

# CALL FOR ACTION

TEN LESSONS  
FOR LOCAL  
AUTHORITY  
INNOVATORS

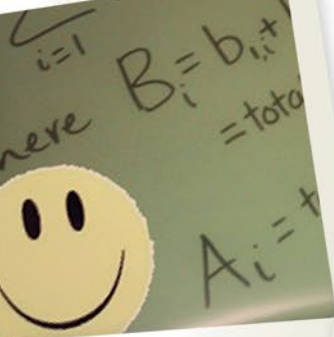
Sophia Parker and  
Charles Leadbeater

November 2013

For Nesta and the LGA Creative Councils Programme



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Well? ... manage partners and stakeholders  
Working well with partners and stakeholders on your project may involve managing expectations and ambitions, securing support (finding the people who "get it"), or changing organisational cultures. What have you learned about stakeholder management through the process?



Other Ideas





# CALL FOR ACTION

## TEN LESSONS FOR LOCAL AUTHORITY INNOVATORS

### About Nesta

**Nesta is the UK's innovation foundation.**

An independent charity, we help people and organisations bring great ideas to life. We do this by providing investments and grants and mobilising research, networks and skills.

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# Foreword

In 2011 Nesta teamed up with the LGA and invited councils across England and Wales to share their ideas for how to meet a pressing local challenge. We didn't specify the problems or the ideas we were looking for, except to say that we wanted to find radical new solutions with the potential to spread to other areas.

## We were guided by a simple set of assumptions.

**First**, we assumed that the nature and scale of the challenges facing local government – and the communities that rely on their services – demands much more than incremental change. Making what we currently do better and cheaper will always be part of the craft of the public servant, but we also need ideas and approaches that transform the way that public services create value.

**Second**, we assumed that local government would be part of the solution. They have the resources, the capabilities and the responsibility to generate and implement those new solutions, leading collaborations with other public bodies, charities, businesses and citizens. It's not always a popular position to back local government to innovate. We did.

**Third**, we assumed that great ideas could and should spread across local government. We embraced the need for all public services to get better at adaptation and copying if we are going to see change at the kind of pace that is needed.

**And finally**, we assumed that it was possible to support councils to be better innovators. We set out to help them build their skills, expand their ambitions and help each other through approaches that mobilised peer support alongside expert advice and small amounts of early stage finance.

The response was immense: 137 councils from across the political and geographic spectrum pitched solutions as diverse as the problems they were trying to solve. From July 2011, we worked with 17 to develop their ideas and in July 2012 we selected six councils who received more intensive support to bring those ideas to life.

They have achieved a huge amount in a short space of time. Rotherham has created a social enterprise that is scaling an approach to teaching enterprise in schools. Stoke is implementing plans to become an energy self-sufficient city. Derbyshire is pioneering an approach to children in care that has the potential to change practice across the country. Monmouthshire is transforming its culture and already supporting other councils to do the same. Wigan is finding new ways to unlock the abundant resources in communities to support older people to live great lives.

**It has been a privilege for us to be able to work with them and learn from them.**

From the start of our Creative Councils journey, we set ourselves the goal of capturing an authentic story of innovation in local government. Innovation isn't linear and it isn't pretty. It involves as many set-backs as triumphs and that is often where the richest learning can be found. And yet so many of the stories of local government innovation that we tell each other are more like fairy tales than biographies. We have simply stopped believing them.

That is why this report from Charlie and Sophia is so important. It reflects the real experience of the 17 teams that took part in Creative Councils. Without exception they have stayed true to the commitment to openness they made at the start of the programme and the insights in this report therefore come from the authentic experiences of people who were trying to make change happen.

Not all of the teams succeeded in their ambitions. That is the nature of innovation. But whether they succeeded or not, they all learned a huge amount and in sharing those lessons they have performed an important service to the whole sector.

Of course, Creative Councils isn't the only place where innovation is happening in local government. The challenges of austerity and rising demands, combined with the potential of new technologies, have spurred a new wave of civic entrepreneurialism. Everywhere you look in the UK and around the globe, city governments and municipal authorities are taking the initiative, redefining their roles, striking new deals with citizens and forging the next generation of public services.

They are using design thinking and methods to understand their users, mobilising digital technologies and data in smart ways, applying insights from behavioural sciences and more consciously adopting strategies of iteration and experimentation to understand what works and stop what doesn't.

Nesta is deeply immersed in this field, working with a wide range of partners in the UK and around the world to understand the new innovation practices that are emerging and help local governments apply them to solve real problems.

Whether through our partnership with Bloomberg Philanthropies to support local government innovators across Europe through the Mayors Challenge, or our work with the Open Data Institute and European partners to unlock the potential of open data and digital innovation in city services, this is a field to which we have made a long-term commitment.

The Creative Councils have made a huge contribution to that movement already. We very much hope that the insights and lessons captured in this report are useful. As ever, we would welcome your views.

**Philip Colligan**  
**Executive Director, Innovation Lab, Nesta**

# Acknowledgements

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Thanks also go to the fantastic network of Creative Councils advisers and experts for their invaluable contributions and insights along the way. John Craig, Sarah Gillinson, David Jackson, Amy Meadows, Sean Miller, Robin Pharoah, David Townson and Greg Wilkinson all gave generously of their time and shared their reflections in some very engaging discussions. Special thanks go to Jonny Mallinson, for all his help in conducting and analysing the extensive interviews we undertook as part of this project.

Finally, we are indebted to the councils themselves and the honest conversations they had with us as their various projects unfolded. Without their participation, it would not have been possible to produce this publication. Thanks especially go to Catherine Brentall, Kathy Bundred, Nicole Chavaudra, Peter Davies, Ted Fowler, Emily Hodges, Susie Kemp, Hywel Lloyd, Becky Mollart, Kathryn Rees, Mark Stone, Holly Toft and Neil Wilford. It has been an honour to play a small part in the innovation journeys these councils are undertaking, and we wish them all the very best for the future.

As ever, all errors and omissions remain our own.

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# Executive Summary

**Local government is in a trap. It needs to do more with less. The only way to pull off this trick is by working very differently with public services, communities and users to achieve better outcomes. And yet the radical innovation this implies often excites opposition – from users, citizens, politicians and staff – and that in turn entrenches the status quo. Today’s fiscal pressures are making matters worse. Councils are so busy trying to make their finances add up that they cannot think their way into a different, better, sustainable way of working.**

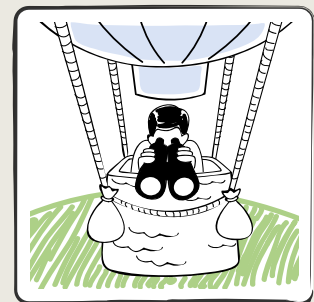
Yet strategies for escaping the trap are emerging all over the sector, and some of the best examples can be found in the Creative Councils programme that has been run jointly by Nesta and the Local Government Association over the past three years. This programme has supported 17, and latterly, five councils seeking to build game-changing innovations in their localities.

The programme hasn’t yielded a blueprint for the perfect innovation process. Far from it – it has underlined the fact that there are many different styles of effective innovation. The key challenge is to understand what is going to work where you are.

But what we can draw from the programme are insights about the main ingredients needed for a successful innovation journey. Some of these ingredients will be familiar – the right kind of leadership, the ability to manage risk – but some less so. We have presented these insights in the form of ten lessons about innovating in the sector. These lessons aren’t the last word – but we hope that the insights they contain will act as a spur to innovators up and down the country who are trying to escape the trap.

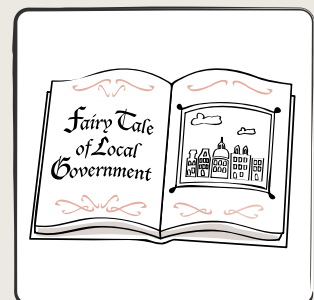
## 1. Look from new vantage points

Innovation is as much about asking questions as it is about finding solutions. And to ask great questions, it’s important to surface and challenge assumptions that often lie hidden. To do this requires escaping your current vantage point and looking at things differently.



## 2. A good story isn't enough

Don’t get captured by the allure of a good-looking slide decks or a well-crafted story, in place of genuine innovation that leads to measurable change on the ground. Focus on the results, use practical language and you will be more likely to make a real difference.





### 3. Get off the balcony and onto the dance floor

The real innovation challenge is not about having the ideas, but working out how to turn those ideas into action. That journey is still all too rare in the public sector. It requires resilience, leadership, risk-taking and effective decision making.



### 4. Do your learning in the real world - and do lots of it

It's important to find the space between having an idea and implementing it, to experiment and learn about what works in practice. This can feel messy but it's a crucial way of testing and improving initial ideas to make them both more radical and more sustainable.



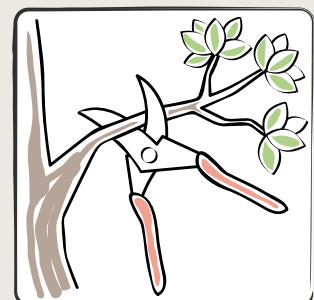
### 5. Developers are king

We need a new kind of public servant - the public services developer. These people don't innovate from scratch but instead work out how to match ideas with great potential to sources of investment, new business models and the people who can make them work.



### 6. No growth without pruning

Too often the threat of cutting existing services - even those that aren't great - overwhelms attempts to innovate. But decommissioning existing services is an essential part of creating new, different, better solutions and innovators need to focus on both steps simultaneously.



## 7. Seek allies, create a movement

It's time to focus on an agenda for New Public Movements rather than New Public Management. That's about mobilising local colleagues, partners, citizens, businesses and communities, to help enact change. Without this, widespread systemic innovation is virtually impossible.



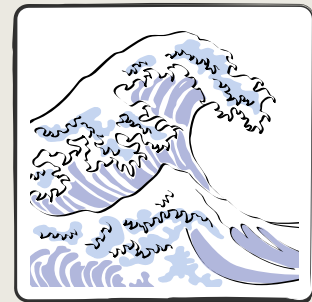
## 8. Develop good political antennae

Political backing is crucial for radical innovation but it isn't always necessary from the start: a lot can be achieved under the radar. Winning that support requires political nous – an underrated skill. It is an ongoing process rather than a one-off event or staging post.



## 9. The wave is more important than the surfer

Innovation is fundamentally a team activity that requires a mix of skills and aptitudes. Leading innovation is about orchestrating that process and embedding a 'growth mindset'. People with this mindset are comfortable with change and are constantly learning.



## 10. Practice your sprint and your marathon running

Successful innovation often depends on the judicious combination of the very slow and the very fast. Innovators need to combine patience and perseverance with spotting and seizing moments for breakthroughs.



The one clear message that underpins all these lessons is that there is always something you can do to bring about positive change, whatever your circumstances and however circumscribed you feel. In fact, the Creative

Councils programme shows how situations that don't look at all promising can sometimes contain the seeds of innovations with quite radical potential.

# The Creative Councils

## Derbyshire

The Uni-fi programme aims to fundamentally shift the relationship between the council and children in care to ensure that many more young people in their care have high and realisable ambitions. They are changing the culture of the council and introducing an Endowment for children in care that enables them to invest in their future.

## Monmouthshire

Your County Your Way is a whole council transformation that is changing the relationship between the council and the citizens of Monmouthshire. They are investing in developing the innovation skills of council staff through the Intrapreneurship School and implementing initiatives like local area co-ordination to support older people to live great lives and putting regeneration planning into the hands of local people.

## Rotherham

Ready Unlimited is a council-owned social business that is working with schools, communities and families to help young people learn about enterprise. Having successfully delivered in Rotherham the team has spun out of the council and is now expanding its reach and impact into other areas.

## Stoke

Driven by the need to support local industry and jobs, Stoke's ambition is to make the city energy self-sufficient through the local ownership of energy supply. They are forging new partnerships that will drive renewables projects and launching a series of energy efficiency programmes.

## Wigan

Working with the community of Scholes Wigan has been developing a new model for social care, mobilising community resources and citizens alongside the council. Using the opportunity of the shift to personal budgets they have experimented with the potential for micro-enterprises and community currencies to make the most of local assets and resources.

## Brighton and Hove

## Bristol

## Cambridgeshire

## Cornwall

## Essex

## Havering

## Islington

## Leicester

## Reading

## Rosendale

## Westminster

## York

# Escaping the trap

“If you want to get real change, don't call it innovation. That just scares people. Call it improving services, or making things easier for people.”

**That comment from a battle hardened Conservative leader of a local authority widely regarded as innovative, sums up why local government finds itself trapped between a rock and a hard place. Local government needs to do more and better with less. The only way to pull off this trick is by working very differently with other public services, communities and service users to create better outcomes. Yet the radical innovation involved in redesigning services and remaking organisations often only excites opposition from users, citizens, politicians and staff, and that entrenches the status quo.**

This report is about how some parts of local government are finding a way out of that trap.

There has never been a time when transformation in local government is more urgently needed. Council leaders point to budget cuts that are unknown in their lifetime. Those cuts are affecting services many of which were far from perfect to start with. New approaches are needed for intractable and costly social challenges posed by long-term youth unemployment and vulnerable families often living in places that feel as if they have been going backwards for decades.

Meanwhile new challenges are emerging from climate change, to obesity and ageing which demand new solutions. Just as budgets are being cut so local government is taking on additional responsibilities for public health and well-being. The face of local democracy is changing fast as elected police commissioners get their feet under the desk, and the new powers conferred by the Localism Act take hold. At the same time many of the citizens and consumers local authorities deal with are growing accustomed to always on, easy to share, direct and seamless online and mobile communications and apps. Many of the

businesses they interact with are becoming smart at using big data to target information, products and services in new ways that the public sector struggles to keep up with.

The scale of these changes makes innovation seem inescapable. Yet local government is littered with the wreckage of bold plans and proposals for big bang transformational changes that have crashed and burned thanks to the weight of political opposition they generated.

As a result it is not difficult to see why many councils find it hard to make progress. Rather than spurring innovation, fiscal pressures are in many places spreading a fog of inaction: teams are being sliced apart; staff being shed; budget lines disappearing; layers of management stripped out. Councils are so busy trying to make their finances add up that they cannot think their way into a different, better, sustainable way of working.

There is a way out of this trap. In fact there is more than one escape route. Strategies for escaping the trap are emerging all over local government, from districts to counties and unitary authorities. As ever, there is far more innovation at the grass roots of public services than is often given credit for. Some of the best examples have emerged from the Creative Councils programme run jointly by Nesta and the Local Government Association over the past three years.

The leaders of these innovation escape parties aren't always the hero innovators you read about in the *Harvard Business Review*. They aren't always the people who win the prizes at glitzy award ceremonies. They are often more unassuming than that; at times you might even describe them as stealthy. That capacity to operate under the radar is vital to their success.



In many ways they are ordinary people doing extraordinary things, driven by a deeply held desire to make a difference to people's lives.

We hope that by sharing the lessons the Creative Councils have learned, this report will inspire people working in local government to plot their own path to create better solutions by working with, by and for their communities. The Creative Council innovators have devised a style of innovation that is true to local government. It has not been cloned from high-tech start-ups in Shoreditch or Silicon Valley, replete with bean bags, an endless supply of fizzy drinks and a table football table. These lessons come from ordinary, straightforward and committed innovators in local government who want to find better ways of working with their communities to meet their needs.

Those lessons can be summed up in three critical insights.

### **The challenge isn't about having ideas, it's about moving from ideas to action**

Local government is not short of ideas. The critical lack is the drive to turn ideas into action quickly. Managing that process requires political nous, vision, determination and skills in making services work with real people. Of course innovation demands creativity and ingenuity, but it also requires rigorous and disciplined planning and delivery skills.

Successful innovators in local government are canny at reading their context and deciding whether to operate 'under the radar' or to seek political support. They know how to manage complex programmes of work, and they know how to mobilise key partners. They take advantage of situations that are working in their favour, and don't always wait for permission. Even if you feel hemmed in by constraints set by budgets, politicians, trade unions, user lobbies, there is always something you can do to find a bit more room for manoeuvre.

### **There are many different styles of effective innovation**

While there is a range of methods that can be used at different stages, there isn't a single blueprint for a successful innovation process. The truth is that cookie cutter innovation strategies will not work; it is vital to understand what works where you are. There are many

styles of innovation to gather insights into what people need and to combine old and new ideas to create more effective responses.

Across the Creative Councils, some were more missionary, driven by a moral purpose; others were more problem solving. Some sought cultural change across an organisation; others were just trying to develop a particular service. It's not that any one of these innovation styles was more effective than the others: what really matters is understanding which is most appropriate for the challenge and local context.

### **The best innovators may not be the loudest**

The people most likely to see an innovation through are not necessarily the ones you hear talking about their game-changing idea. Instead they are problem-solving and practical, outward looking and adaptable, team players who are happy to put their ego to one side.

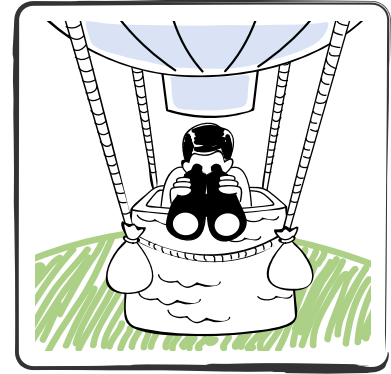
They have a simple take on innovation as a process of sensing possibilities, by asking questions in new ways and understanding needs differently, and then responding by taking action, often working closely with the people they are serving. For them innovation is not a special activity, done only at special times in special places. It does involve challenging convention, being prepared to think and work in new ways. But this is more effective in local government when it is part of doing the day job more effectively. As one senior manager told us – *"you've got to look for the sausage and not the sizzle."*

Our account of what the Creative Councils and their peers in the sector have learned is told through ten lessons we think have emerged from the programme. For each of these lessons we've included a handful of questions to get you thinking about how you might best translate the insight into action. We've also included some suggested reading at the end of the book that you might find useful.

This is not the definitive statement on what works – indeed many of these lessons have been highlighted by other researchers – but we hope that in these lessons, you'll find some powerful insights that will guide your own innovation work, wherever you are.

## 1

# Look from new vantage points



**Innovation is as much about asking questions as it is about finding solutions. And to ask great questions, it's important to surface and challenge assumptions that often lie hidden.**

It is often impossible to come up with better ideas unless you are prepared to jettison established and familiar routines of behaviour and thinking. These routines often make people rationally short-sighted, encouraging them to see an issue and its possible solutions only from within the confines of current services.

Through the programme, we have seen how it is all too easy for public sector innovators to adopt by default the vantage point of improving current services. The logic of this approach is very powerful. It seems to offer

low risk and yet could generate cumulative returns from a stock of buildings, equipment and people that the public sector has already invested in. Rather than write off that investment in everything from day care centres and libraries to hospitals, it seems to make more sense to simply try to get more from them.

To create the space for alternative solutions to emerge, an essential first step is to adopt different vantage points, to see the challenge from different angles. Innovators learn first to stand back, to acknowledge that their current vantage point is only one among many. The next step is to choose a different vantage point to see a challenge from. There are at least five to adopt.

## Five Vantage Points

1. Look from underneath, at the experiences of the people whose need is being addressed, to understand their lives and how the service fits in. Do not just look at current public services for older people but how older people live and how they could be better supported to live well. Even a few intensive case studies can yield insights rich enough to trigger radical innovation.
2. Look from above, to see the system as a whole that a service is a part of and identify all the possible resources a community has to address the need. This might involve looking at how multiple public services could combine, with voluntary, third sector, informal and private solutions. By looking from above solutions that might have seemed too ambitious or complex might become more plausible.
3. Look sideways to draw inspiration from other services and solutions, which might be like the one you are searching for, which have proved effective for this group. This might include looking at retail formats and digital tools, for example. One of the best ways to have a new idea is to borrow it from an adjacent sector.

4. Look backwards, to take a fresh look at the data you and others have got on what's been tried before, what has worked, and what hasn't gone so well. In an era when government nationally and locally is opening up, this presents some exciting opportunities for fresh perspectives.
5. Look forward, to project and forecast how younger consumers will want the service to work for them in future. This can help to reveal how dated and detached traditional public service formats can feel.

An innovation team should explore all five of these vantage points at some point in their journey. Yet the single most important vantage point is one that has been overlooked too often by public services: that of the people who are – or should be – benefitting from a service. The desire to empower users and involve them in co-producing outcomes is now so common it is almost a truism. Yet, even with the most determined staff and leaders, the legacy of paternalistic, producer-driven, mass production service models makes it almost impossible for public sector organisations to escape their own vantage point and look afresh at what they are doing from the eyes of the people they serve.

That shift in vantage point has to be combined with asking questions in the right way. Take for example services for older people. If innovators ask: *“How do we improve our current services for older people?”* then innovation will generate better versions of day care centres, meals on wheels and home care. However, a more open question such as *“What does it mean to age*

*well in this community?”* opens up a wider range of possible answers. Asking older people what it means to live well draws them to talk about what they do, their ability to contribute and their relationships. They want to feel capable and empowered, not needy. They want to be socially connected and to avoid relying on services for as long as possible. In other words, they often want solutions to help them to live well. That is not the same challenge as honing a system to deliver 15-minute episodes of home care.

If innovators start by how current services could be improved they will place heavy constraints upon themselves. If the question already prescribes the process to be used in the solution, there is little room for innovation. Especially in the early stages innovators need to learn how to ask open-ended questions, which reveal new challenges, perspectives and possibilities.

**This is lesson one: look from different vantage points, ask open questions.**

## On The Ground in Havering

**When Kathy Bundred came to the London Borough of Havering a little over two years ago, the council faced challenging issues around its foster care services. Children were frequently moved from placement to placement. That was matched by high levels of instability amongst their carers. Some teenagers experienced so many moves that they became impossible to**

**place into foster care, and as a result went to expensive out of borough residential placements, with all the disruption and poorer outcomes that this implies.**

Foster care was seen as ‘just another job’ and despite evident shortcomings, a sense of complacency about how much needed to change.

Kathy decided to shift the vantage point by commissioning ethnographic research to understand in detail how things looked from the perspective of both the young people and the carers involved in the fostering system.

The term ethnography comes from the academic discipline of anthropology. Anthropologists spent months and years quietly studying exotic cultures in faraway places by living with the tribes they were studying. Their research was published as an ethnography, a picture of how life was lived. Ethnographic market researchers use the same principles but usually with a more immediate and practical application. They immerse themselves in the lives of consumers and customers to try and understand their behaviours and attitudes 'from the inside out'. Rather than using traditional and artificial market research formats such as focus groups and interviews, ethnographers prefer to study people in the real contexts of their daily lives.

In Havering the team worked with ethnographic research agency ESRO to explore the perspectives of both young people and foster carers to understand how the system looked from these different vantage points.

The research findings were extremely challenging – confirming a recent inspection which had been worse than anticipated. Coupled with some auditing work that Kathy had also commissioned, the research described the scale of her challenge. It showed her that a few tweaks wouldn't be enough to turn around the service – instead she was going to need to take a more holistic approach to redesigning the entire foster care system.

In common with other Creative Councils, Havering found that ethnography was an incredibly powerful way to gain a new vantage point on an issue that had felt familiar. By putting themselves in the shoes of the teenagers, they saw how it was easy for them to game the system. By putting

themselves in the shoes of the foster carers, they saw the frustrations they felt which led them to treat fostering as a kind of job.

So what is it about this shift of vantage point that is so powerful? Kathy described four benefits which were reinforced by the experiences of other councils who have used this approach:

**First**, it provided a new source of insight to drive decisions and strategy. Ethnographers meet people on their own terms. They look at the whole environment, rather than just what people say. They take time to listen in depth. That allows them to draw out insights that would otherwise be missed by 'tick box' approaches or traditional research techniques. Kathy used these insights to drive decisions to prioritise limited resources on services that would make a real difference.

**Second**, it challenged the assumptions held by professionals, reminding them that experience in the job doesn't guarantee that you'll always fully understand what makes people tick. Kathy used the ethnography to challenge the complacency she found on her arrival. The in-depth and independent research showed that traditional feedback from users, gathered by staff, could not be taken at face value because people are likely to say what they thought the council wanted to hear.

**Third**, by using the real words and voices of people, the ethnographers created a really powerful emotional anchor for innovation. Instead of seeing clients as cases to be processed, the ethnography brought them to life. The emotional pull of the detailed pictures of clients' lives helped to renew the innovation team's sense of mission and moral purpose. The service's stark shortcomings were laid bare in a way that could neither be ignored, nor forgotten.

**And finally**, the approach underlined to staff in the foster care service that they were part of a wider system that was failing. Kathy described how when she arrived there was a culture of social workers blaming foster



carers and vice versa for the problems the area faced. But by bringing together a range of key players from across the entire system of foster care to listen to the findings, Kathy began to build momentum around a different kind of story – one that acknowledged that everyone had a part to play in supporting Havering’s young people.

For Kathy, adopting a new vantage point through ethnography broke the cycle of blame and gave her team the focus and moral purpose to drive through change in their foster care services. The result is that placement moves have come down dramatically and the service is now able to focus on planning rather than crisis management.

Commissioning ethnography is the easy part. Ensuring that very challenging findings galvanise action and create a sense of urgency is a tougher task. Kathy understood who needed to hear the findings, and how to make them most receptive to some

difficult messages. Not all Creative Councils have been so effective in using research of the same quality. Teams described being fearful that difficult messages might inspire defensiveness not action and used that fear to justify not sharing the insights. Good research can just sit on a shelf gathering dust. What makes research effective is someone who knows how to use it to mobilise change.

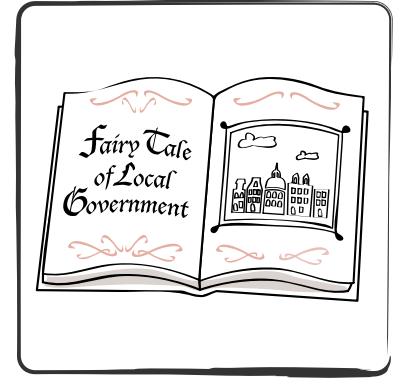
*“As experienced professionals we talk a good talk about consultation but we are less good at acting on it when we don’t like what we hear. For us, having agreed to commission the ethnographic research the feedback was so powerful that we had no choice but to recognise its authenticity.”*

**Kathy Bundred**

## Points of reflection

- Where are your blind spots? Have you looked at your issue from every possible vantage point? Which are most relevant to your challenge?
- What techniques and research methods are you using to explore those new vantage points?
- How much do you really know about the lives of the people you are serving and how your service helps them to live better lives?
- How is the senior management team using qualitative insights and quantitative data that illuminates people’s lives to make decisions and allocate resources?
- How are you designing in deliberation, dialogue and opportunities for co-design and co-creation?

## 2 A good story isn't enough



**So far as innovation goes, it's best not to believe your own hype too much or too early. Often the real innovators are rather down to earth, practical, humble problem solvers, rather than those with the slickest presentations and the fanciest buildings. Hewlett and Packard began their transformation of the computer industry from a humble suburban garage in Palo Alto. The first mountain bikes were made by amateurs in their backyards. Real innovators do not need lots of gloss to make what they are doing look interesting.**

This is a challenge. Innovation comes with its own jargon of ideation, brainstorming, prototyping, iteration. Many people in the programme found this language and the associated methods refreshing and exciting – it opened up local government to new worlds of design and enterprise that have a lot to offer. Yet the language of innovation can also create adverse reactions, not least because it can seem fanciful and self-important. Some people find it confusing and unsettling.

Similarly the word 'transformation' is often bandied about but also misused in local government. For some councils, like Wiltshire, the goal of transformation has been matched by a whirlwind of activity and reform. In others transformation has become synonymous with budget cuts and corporate restructuring. What starts out as 'transformation' often turns out to be a form of service improvement using new technology, a way to pay lip service to the need to innovate. Creative Councils participants noted how frequently words like transformation and innovation are used in local government, and how rarely they are matched by real intent to change in practice.

Herein lies a challenge for innovators: to ensure that they do not get captured by the allure of a good-looking slide decks or a well-crafted story, in place of genuine innovation that leads to real, measurable change on the ground. There is a danger that local government innovators are rewarding themselves too early – labelling things as innovative when they haven't really started to touch people's lives in any meaningful sense. The risk of attracting headlines rather than focusing on the bottom line is that innovators alienate colleagues and the public alike, inspiring cynicism rather than excitement and engagement.

In contrast, the people on the Creative Councils programme spoke about their work in very practical and direct terms. Often they didn't have beautifully-crafted presentations or a slick communications strategy. In fact, you might not think you were talking to innovators sometimes unless you listened really carefully to what the participants on the programme were actually saying. They tended to frame their work in terms of outcomes, describing it in terms of the people who were likely to most benefit from the process of innovation. They engaged their leaders' sense of moral purpose by talking about values, mission and purpose as well as pointing to costs and savings. They were adept storytellers, but they used this skill to win hearts and minds locally rather than spending their days presenting the work at conferences and workshops. The fact that they are using a humbler, simpler language than that of the so-called innovation experts and gurus might even give them a greater chance of success in the long term as they quietly go about their business of transforming their service.

The councils who enjoyed the most buy-in and support found ways of linking their big vision about more relational, co-produced public services to the way in which their council's core strategic priorities were described. They found ways of talking about their innovations

that gave them a hard edge, and that spoke to council priorities around saving money as well as transforming services. They were aspirational but also honest and realistic about what could be achieved in the given timescales.

## On The Ground in Cornwall

**The experience of Cornwall County Council illuminates many of these challenges. Shaped By Us was a technology platform and open innovation approach that was designed to make it easier for local communities to put forward creative ideas to solve the county's biggest challenges. At the start of the Creative Councils programme, Cornwall was forging ahead. The Shaped By Us team had a strong legacy to build on: Cornwall had already hosted a three-year design and innovation programme – Design of The Times – to develop new approaches to public challenges. They had the full and vocal backing of their local politicians and senior officers, who regularly spoke about innovation being essential, not only for public services, but also as a driver of economic growth across the county. The council had successfully frontloaded many of the cuts it had to make, leaving it in a position of greater budget flexibility than many others, and therefore keen to imagine what kind of role councils might play in a post-cuts world.**

In spite of all this, Cornwall withdrew from the Creative Councils programme after a political decision to revoke a council tax rise upon which much of 2013's budget was predicated. This led to dramatic cuts in corporate services and an unforeseen and swift reduction in staff. Priorities needed to be reconsidered, and Shaped By Us was one of the first programmes to go.

On the face of it Shaped By Us was a textbook innovation programme. It had embraced the language, rhetoric, look and feel of innovation. The team attracted support and attention at the most senior levels of the council, through inspired approaches to story telling and communication. They had made the council believe that they were leading the way in innovating towards better services and outcomes.

Yet behind this brilliant presentation, Shaped By Us was vulnerable. First, despite its early commitment to the model, the council proved reluctant to engage the public any further in developing it beyond the concept stage. That meant that politicians were less inclined to defend it when it came to the budget cuts – few of their constituents had even heard of the work, let alone benefited from it. And second, the project's organisational capital was concentrated around a small handful of influential supporters such as the Chief Executive. When he departed, Shaped by Us not only lacked a senior sponsor, but also found itself with a support base that was not broad enough.

These two challenges made it very difficult for the initial team to bridge the gap between the well-articulated and compelling aspirations of the work, and the action required to make a meaningful difference to the lives of Cornwall's residents. The story had got ahead of the reality.

Learning from this experience, a newly configured team has been appointed more recently. They are breathing fresh life into

the project and working hard to address the earlier challenges of the work described here.

*“We have learnt, at times the hard way, the importance and need to use simple and inclusive language with our key audiences, notably with communities, members and staff. We have found that using the jargon that is often associated with innovation results in key audiences seeing what is going on as exclusive and niche... Part of the challenge is how you move from innovation being seen as an add-on to it being seen as day-to-day.”*

**Peter Davies, Monmouthshire**

## Points of reflection

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- Have you worked out and tested your ‘elevator pitch’ in language that will resonate with your audience?
- Can you tell a clear story of how an individual’s life will be changed for the better by what you are doing?
- If you had to write a newspaper headline or a blog post reporting on the success of this programme looking back from the future, what would you say? Does it change what you are prioritising now?
- What evidence are you gathering of the impact of your work?
- How much time are you spending at conferences, compared to the time you are spending developing your innovation locally?



### 3 Get off the balcony and onto the dance floor



**The metaphor of the balcony and the dance floor was developed by leadership guru Ronald Heifetz to explore the importance of different types of leadership. He argues that the challenge for organisations is to take the strategic view from the balcony as well as the more action-focused view from the dance floor. It's a helpful analogy for innovators in local government. Too often people trying to innovate in local government get stuck on the balcony, as observers and commentators. The challenge is to get off the balcony and on to the dance floor – to move from having the ideas and talking about them, to actually doing something to turn those ideas into reality.**

There is no shortage either of creative ideas in the public sector or of people committed to doing a better job for their users. The difference with the private sector is that innovative firms are far more effective at turning ideas into action, through franchising, expansion, new business development and acquisition. Private sector businesses are better at identifying which products consumers really want; how to make money from them and how to invest resources and people to take an idea from a prototype to a mass market.

Generating new ideas is just the first step in a much longer innovation process which leads to a new product or service that is used at scale. That journey – from a great idea at the margins to new practice in the mainstream – is what distinguishes real, meaningful innovation. That journey is still too difficult in the public sector.

All of the Creative Councils spoke eloquently about the difficulties they have had in getting off the balcony and turning their ideas into real change on the ground that can be pointed to, measured and developed. There is no single blueprint for making this transition. That said, it's possible to spot some key ingredients shared by all the councils who have managed to move from ideas into action.

First and foremost, they all demonstrated high levels of resilience and persistence in the face of a whole range of challenges that could otherwise have blown them off course – changes in staffing, budgets, political administrations, national policy environments. This resilience is hard to bottle up – but there's no question that it distinguishes those councils making progress from those who are struggling to adapt to the new challenges faced by the sector.

Similarly it proved very hard for teams to advance their ideas, however compelling, in the absence of consistent and engaged leadership. Much has been written on this but it merits repeating, as it is so critical to the success of innovation work. Professor Mark Moore, in his book *Creating Public Value* argues that public service innovation only blossoms when it has an authorising environment created by leaders to allow new approaches to emerge. Without this authorising environment to protect innovators, the levels of risk involved are simply too great for most managers to take on.

And it is dealing with risk that is the third key ingredient, along with persistence and leadership, which can make or break the

innovation journey from ideas to real change. The Creative Councils programme showed that unless councils can think differently and more creatively about risk, the odds of even the best idea making it from a Post-it note and into reality are not high. Councils will only ever successfully move from the balcony to the dance floor if they can manage the risks associated with new approaches.

These challenges about dealing with risk are heightened when dealing with something that's genuinely innovative: when something is new it is harder to assess accurately the probability and impact of future events. In this context it's easy to see how local authority officers and members may struggle to overcome the pull of the status quo, reverting to filling in risk registers and ticking the 'risk management' box rather than truly engaging with what it might mean in a given context. But the flip side – and prize – of taking risks is enjoying rewards: councils that can take on risk intelligently will increase their chances of developing better services and delivering greater value.

Challenges relating to risk-taking are also heightened by the history and culture of the local government. Councils remain ill-equipped to think about risk in ways that support rather than suffocate innovation. Over the years, local authorities have evolved as highly complex administrative systems, funded by the taxpayer, where stability and security are seen as crucial. Legal, finance and procurement departments were created with this in mind – reflected in the fact that a finance officer can go to jail if he or she is judged to have 'misused' the public purse. It's hardly surprising that many people working in these functions see their guardianship role as one of preserving the status quo and avoiding risk at all costs.

As we shall see in Stoke-on-Trent's story, beyond these three key ingredients, focusing on finding allies, and creating good governance for the work are essential for getting decisions made and keeping up momentum. Without well-informed decisions, made by the right people, innovation work descends into the kinds of talking shops that will be frustratingly familiar to anyone who has ever worked for any period of time in local government.

## On The Ground in Stoke-on-Trent

**When it comes to turning ideas into real action, Stoke-on-Trent City Council has done more grappling with risk than many other local authorities. The council's 2011 *Mandate for Change* sets out its ambition to make Stoke-on-Trent 'a Great Working City'. The authority's Creative Councils work serves this ambition by pursuing energy self-sufficiency for the area: it is simultaneously an attempt to respond to climate change, while also managing energy costs and making the city more attractive for both business and residents, by creating a local system for reusing and recycling energy that would otherwise go to waste.**

The Green Enterprises Team (leading on the Creative Councils work) realised that

they would need to work closely with officers and members to manage the risks involved in turning their ambitious plan into something more than a vision statement. They designed sessions which encouraged officers and members alike to uncover the mental biases that were shaping their attitudes towards risk. This work was challenging but highly effective – it helped the council to develop a shared understanding of what constituted acceptable risk, and helped people to see that risk's corollary can be reward.

The Stoke-on-Trent team also realised that key to managing risk in innovation work is to present data to decision makers that's as robust as it can possibly be, notwithstanding the obvious difficulties

of 'proving' something works before it has been fully tested. As we will see in the next lesson, for Derbyshire, that meant prototyping the riskiest parts of their proposition to learn quickly about what might or might not work, as well as to gather some early-stage evidence of impact. For Stoke-on-Trent, it meant helping their colleagues and members to focus on 'good enough' evidence – in other words, sufficient and good quality evidence that would support effective delivery – rather than searching endlessly for the holy grail of perfect data.

Imperfect and incomplete information is a necessary, inescapable condition of decision making especially where innovation is concerned: at best the available information may take the form of reasonably secure probabilities (if the decision is on an issue for which there have been many similar examples historically); but at no point is there likely to be enough information to create a complete, detailed plan. For if there were certainty, there would be no risk, and so no scope for innovation.

This insight has helped the Stoke-on-Trent team to think in new ways about how to ensure that business cases and evidence are robust enough to allow the council's democratic leadership to make informed decisions, that minimise risk for the community and the tax payer, while maximising the benefits for business, jobs and the economy. Cabinet is presented with a range of options and risk profiles to facilitate an in-depth and member-led exploration of the trade-offs and sensitivities of different options. Ultimately this approach has helped to strengthen the decisions made by Stoke-on-Trent's Cabinet.

If attitudes to risk shape the 'how' of decision making, Stoke-on-Trent's story also underlines the importance of the 'who' of decision making when it comes to turning ideas into action and implementing them.

Good governance becomes particularly important for innovative projects. Politicians play a vital role in strategic decisions on innovation, and working governance of innovation projects has to also involve people with a wide mix of skills who can openly debate ideas and bring in new vantage points. There has to be a governance process with scope for different points of view to be heard, including stakeholders from the community.

Successful innovators are rarely lonely individualists. They are always on the look out for useful allies to help turn their idea into reality. The Stoke-on-Trent team used informal networks as well as more formal governance structures to drive their work forward. The team knew the national policy environment well, and focused on creating a groundswell of support around the basic principles of the work, not only in Whitehall but also by engaging a network of other local councils who shared Stoke-on-Trent's ambition. By sharing emerging practice, and working together to make the case for local councils playing a role in energy production, this network was part of the team's approach to building up their council's appetite for change and risk.

Finally, for all the creativity, improvisation and agility involved in innovation, basic project management skills also count when it comes to turning ideas into something more substantive on the ground. The most successful innovative companies – from Ideo to Apple to Pixar – are simultaneously highly creative and highly disciplined; they create novel products but deliver them on time and in budget. More prosaically Stoke-on-Trent realised early on that skilled project and programme managers would be vital to manage such a protracted, complex and potentially radical process of change. Innovation cannot be delivered to order; but that does not mean it is a creative free-for-all. Innovation needs a combination of creativity and openness, discipline and focus.

## Points of reflection

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- Are the leaders of your organisation creating an authorising environment – a space where greater risks are permitted in the pursuit of greater rewards?
- How are you constructively unpacking people’s different biases and assumptions around risk?
- What data, however tentative, might decision makers find helpful at each stage of the innovation journey? How are you going to collect that data?
- What is the most appropriate governance for your work? Who from beyond the council should be involved? How are you using formal and informal governance to keep up momentum?
- Are you maintaining disciplined project management procedures alongside creative approaches?

## 4

# Do your learning in the real world - and do lots of it



**The standard model for local government innovation is a fairly linear process of policy development: identify a problem; task a policy team to come up with a costed solution; take that solution to Cabinet or a sub-committee; agree it, fund it, and then roll it out. The danger is that this closed approach often comes up with policies that look perfect on paper but which do not work in practice.**

An alternative is the Post-it note approach to innovation: assemble a group of stakeholders; hold a series of creative workshops; generate a lot of Post-it note ideas; stick them on a wall; leave them there. Exciting workshops are like short breaks from the boring day job: too often the dreams they inspire are never followed through.

A third approach is to pilot novel solutions in a specific area, often with special budgets and staffing arrangements. The trouble is that these special conditions make it difficult to translate the ideas into practice elsewhere, and by the time the pilots are assessed it is often too late.

The Creative Councils' experience in learning what works was messier and more drawn out than any of these three approaches. It involved testing and developing the idea 'in the field', in order to learn in practice, instead of moving straight from idea to implementation across an entire area in one go. Rather than focusing on policy, pilots and Post-it notes, the Creative Councils worked with people, places and practices. They worked with people, in their communities, to create new solutions which worked in practice and could be embedded in how staff worked.

Of course, it's never easy to have radical ideas that challenge conventional wisdom. Some ideas do come to people in a profound moment of insight. But successful innovators don't wait for that moment. They do everything they can to create the conditions for such ideas to emerge. And what they've shown is that these conditions are less about locking yourself away in your garden shed, and much more about crafting a challenging, iterative and open process of generating, developing, refining and then crucially implementing ideas.

This approach has been made famous by Eric Ries in the *The Lean Start-Up*, the bible of modern start-up. Ries argues that innovator entrepreneurs constantly make 'hypotheses' about how their product will work and how they will make money from it. They test out these 'hypotheses' by turning them into 'minimum viable products' - rough and ready prototypes that they can test out quickly in the real world with real consumers. When they find that something is not working they learn how to 'pivot' fast, to drop features that are confusing, to redesign the service to make it cheaper, to find different partners and distribution channels. Ries argues that business innovation should be done fast, in the real world, through a constant flow of adaptations which build up momentum.

Another innovation expert, MIT professor Eric von Hippel, has shown how this process is best conducted with communities of consumers to gather new ideas, and testing hunches and possibilities with users to learn about what really works in practice. Often the users of products and services, especially if they are knowledgeable and experienced, have better



ideas of what will work than the producers. This is how the mountain bike came into being: it was designed and developed by avid off-road bikers and only then taken up by manufacturers. Companies from Starbucks to Unilever are now involved in structured and deliberate attempts to innovate with consumers in the real world to create better products.

The Creative Councils programme shows that it doesn't really matter where you are starting from, so long as you focus on moving from

theory to action, ideally sooner rather than later, as part of the process of learning, refining and defining the project. Some councils started with a very clear idea, which got improved over time. Others began with one idea, but during the innovation process, a better, more powerful idea emerged (through Ries's process of pivoting). Others started with a big vision but no clear ideas about how to translate that into action until they started working with service users and local communities to imagine what the vision might look like in practice.

## On The Ground in Derbyshire

**When Derbyshire joined the Creative Councils programme, it had a tentative proposal, which involved identifying mentors for children in care, and developing a technology platform to empower these young people. These elements have endured, but they have been transformed and refashioned as Derbyshire learned how to turn its ideas into reality on the ground.**

As a result the council is now doing something far bolder and more radical than their initial proposal: creating an endowment for young people to give them a much greater say in how money allocated to them might best be spent. That approach involves training whole cohorts of staff in a new model of professional practice, which came from adapting an approach first developed in Sweden. Derbyshire started with an idea to improve an existing service and through a process of real world learning came up with an approach which fundamentally reimagines the relationship between professionals and young people in care.

A significant breakthrough came when the Derbyshire team identified a cohort of 26 young people from the 700 in care, with whom they could work intimately to

prototype the emerging ideas in an iterative implementation and testing cycle. While this slowed the move to delivery, it created an incubation environment for rapid learning, with fast and clear user feedback loops.

Through this process of testing and development, their ideas not only got better but also bolder: the team were learning how to translate their vision into practice with the young people themselves, whose lives they wanted to transform. The team remained sufficiently flexible about the ideas to adapt them in response to user testing and feedback. For Derbyshire, this process of working with people, place and practices revealed more deeply rooted challenges as well as some new opportunities that have made their ideas more radical and more realistic at the same time.

Paradoxically, by taking longer to develop their initial ideas, Derbyshire has massively increased the chances of their vision taking hold in a sustained and radical form. This is a key insight from the Creative Councils programme: to successfully draw out the full potential of an idea it has to be developed in real places, with real people and in practice. But to make all that work, it needs another ingredient: purpose.

Derbyshire's experience tell us that innovators need to be good tightrope walkers: they need to stay ruthlessly focused and resist the risk of mission creep, while at the same time remaining open to developing ideas and refining them. The key is to have a clear sense of purpose behind an innovation. While Derbyshire's initial proposal may have been tentative about what they wanted to do, it was extremely powerful about why they wanted to innovate in the area of looked after children. The case for change was stark: the council, as a corporate parent, appeared to be less attentive to the welfare and success of its young people than almost any other parents in the area. A disproportionate number of young people in care are ending up workless, in the judicial system, as mental health patients or attending clinics for addictions. Human, social and financial costs were unacceptably high.

The Derbyshire team's passion for change has remained steadfast, with a shared commitment to do something different to

transform these children's lives. Where they have been more flexible is in understanding how ideas could be developed and adapted to achieve that vision. The purpose may have been fixed for Derbyshire, but the means were not, and that mindset is partly what enabled them to keep on learning and improving their ideas during the prototyping and testing phase.

Successful innovators match clarity of purpose with an ability to pivot, to find different ways forward when the route they have taken is blocked. The most effective way to learn how to turn an idea into reality is not through a diet of policy development, pilots and Post-it notes but by developing solutions with people, in places, in practice and for a purpose.

*“Having the freedom and time to explore and trial new ideas is not to be underestimated.”*

**Kathryn Rees, Wigan**

## Points of reflection

- Where are you learning from?
- What are you doing to create a space for learning and idea development?
- Are you gathering enough data to model risks and rewards of your new idea?
- What steps are you taking to encourage staff to look beyond your organisation for ideas and inspiration?
- Are you able to identify failures? How have you learned from them?

## 5 Developers are king



**To create a new generation of more effective public services we need a new kind of public servant: the ‘public services developer’.**

Public services developers do not innovate from scratch. Instead they match ideas with great potential to sources of investment, new business models and the people who make them work. Public services developers have the entrepreneurial skills that are more often associated with successful start-ups: an indefatigable energy; a laser-like focus on both the customer and the bottom line; a brilliant sales patter and a willingness to think creatively about the most effective model of taking an idea to market and sustaining a viable business. But they deploy these entrepreneurial, business-building skills with a desire to create public value, to solve big public challenges. Often these solutions involve joint ventures with the private sector or creating a kind of social enterprise.

There are lessons the public sector can learn from the private sector discipline of new business development. One model is the way the US semiconductor industry reorganised

itself in the face of growing competition from South Korea and Japan. The US companies decided to go in two different directions at once: to become both more radical in their designs and more focused in their business development. To become more radical they hired post-graduates fresh from university and gave them much more laboratory space in which to dream up fresh ideas (in contrast to the Japanese and Korean emphasis on incremental innovation). To become more business focused they created ‘product producers’ whose role was to quickly assemble teams from across engineering, manufacturing, marketing sales and distribution to take new products to market much quicker than before.

**The public sector lacks these new product producers.**

In the public sector the trouble is that even if people come up with a promising new idea there is no one to pass it over to in order to take it to scale. The most successful Creative Councils, almost without realising it, created this public services developer role. A prime example is Rotherham Ready.

## On The Ground in Rotherham

**Catherine and Becky, now the Managing Directors of Rotherham Ready, would be the first to admit that they had to pick up business development skills on the job. Back in 2005, Rotherham Metropolitan Borough Council launched Rotherham Ready to improve attitudes and achievements of young people by introducing enterprise into the school curriculum. By 2012, Catherine and Becky had much bigger ambitions for the programme. They wanted to create a new social business, providing professional development and training services in the field of enterprise education so the Rotherham model of transforming young people's educational experiences could spread much further. In June 2013, their ambition came true, and Ready Unlimited was formally established.**

Becky and Catherine's personal journey has been a rollercoaster. They have gone from being entrepreneurial local government officers, innovating around the edges of their day jobs, to the owners of a small business start-up spun out of the council. Along the way they have learnt new skills and thinking that need to become far more mainstream across the local government sector.

**First**, they learned to think about the service they were providing as a proposition. This is a departure from how services are usually imagined in the public sector as a process of delivery. Seeing a service as a 'proposition' is a familiar piece of jargon to those who sell products commercially. The notion of a proposition puts the onus on the provider to 'package up' their service in a way that is useful, usable and desirable. A proposition states the purpose of a service in terms of the benefits to users. To develop powerful propositions, organisations need to understand how their product or service interacts with their customers' lives more broadly. Creating a strong demand pull is essential for scaling. Becky and Catherine, looking to significantly expand take-up of

their innovative approach, realised they needed to borrow this different way of thinking to develop their offer.

**Second**, Becky and Catherine learnt a lot about customer focus, and how to truly understand their target market. Like many innovators in local government, Becky and Catherine were initially mainly focused on the key beneficiaries of their new service – namely the young people of Rotherham. In the early days, they spent time testing out their materials with this group, gathering their testimonies and worrying about how to get the proposition right for them.

But while the young people may have been beneficiaries, they were not Becky and Catherine's clients. Their clients were the headteachers of the local schools. The design of the original logo – which looked like something out of Byker Grove – didn't appeal to those head teachers. As soon as this distinction was made between client and beneficiary, Becky and Catherine were able to focus their time and efforts much more effectively. They learned that the key question was not just whether their proposition was attractive to young people but whether it made sense for headteachers who were the route to market. Whereas most of local government is thinking about how to keep demand at bay, Becky and Catherine had to start thinking in terms of stimulating demand, which initially felt very counterintuitive to them.

That in turn meant they had to understand their business model – itself an idea unfamiliar in much of local government – and what it would take for the business to be viable. As the team were gearing up to spin out from the council, they had to estimate how much revenue they would need, how many 'units' they were going to sell and to whom, to keep the work going. This sounds simple, but how many local government officers can tell you the unit cost of their service?

Catherine and Becky learned to focus on what Eric Ries has called ‘actionable metrics’. Put simply these are the measures that help business owners to make decisions about strategy. Ries contrasts them to ‘vanity metrics’ – which are essentially measures of success which might make you feel good but that don’t offer clear guidance about what to do. These kinds of actionable metrics are crucial to effective entrepreneurs and innovators, who are essentially operating without a pre-designed route map for business development.

**Finally**, the Ready Unlimited team had to learn to talk about their work in a new way. Innovators in the public sector especially are often frustrated with the status quo and the obstacles in their way. Catherine and Becky had to learn how to sell their solution, to persuade their customers to become excited by the possibilities. They had to shake off the self-critical sense of frustration that had driven them to

innovate in the first place, to communicate a compelling story about the power of their model and how it has contributed to the story of Rotherham’s successful transformation in recent years.

*“It really helps to have someone involved who has commercial acumen, it gives an important perspective - it also helps for you and your colleagues to recognise early that for local government, now really is the time to think anew about how and what we are meant to be doing – we need to be bold and take a whole system future view so much more than we have in the past.”*

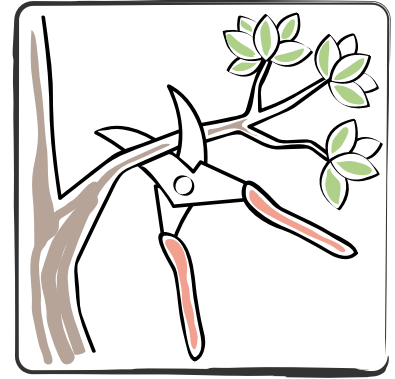
**Jane Forshaw**

## Points of reflection

- Can you describe your new idea as a proposition?
- Who are your clients? Are they different from your beneficiaries?
- Can you quantify the unit cost of your new service and how it is different from the unit cost of the current model?
- How are you accounting for value, as well as costs and savings?
- Have you thought about what your idea might look like if it was operating at a regional, national, even international level? What route to scale would be most appropriate?



## 6 No growth without pruning



**In the early part of 2011, Cambridgeshire County Council announced cuts of just under £3 million from bus subsidies over the next four years. The Cabinet member for highways and access spoke about looking for more innovative ways to provide essential services and the potential for community transport schemes to be much more cost-effective and accessible.**

The opposition described the proposal as ‘laughable’ and claimed that the poorest and most vulnerable would be worst hit. Bus operators responded by predicting significant loss of services and by casting doubt on the ability of community groups to step in when commercial companies withdrew. Social networks reacted, mainly adversely, to the community solution. Transport interest groups organised petitions and one resident applied successfully for a judicial review.

The atmosphere became even more charged as the local District Council elections approached in 2012. A vital gauge for all the political parties, the elections only served to increase political tensions. On top of this the team’s focus was inevitably distracted by plans to restructure the professional staff, with all that meant in terms of job security. It became increasingly difficult for politicians, senior officers or the project team to be seen to take risks. Consultation meetings which were designed to explore community innovation struggled to get past the suspicion that cuts were the real agenda. These factors have significantly slowed the consultation process and the designing of new solutions.

Progress has been made towards the principles of the original project in the past year. But Cambridgeshire’s story reflects the recent experiences of many councils trying to innovate. They were hit by the perfect storm of budget cuts, short-term political timetables, commercial interests and local interest groups over which the local team had no control. These factors left an insufficient critical mass of commitment, capacity or trust on which to base the risks and activities for an innovative intervention. The efforts of the local team, the umbrella provided by senior officers (notably the Chief Executive) and the realism of a small number of elected members saved the project from being overwhelmed but could not accelerate its progress.

Such a story could be told by many authorities. Attempts to create the room and resources for innovative new solutions are often virtually impossible without choosing to cut budgets for other services. Decommissioning existing services is an essential accompaniment to creating new, better, different solutions. Yet these two steps rarely go together: an orderly disinvestment from an existing, less than perfect service to pave the way for reinvestment in an alternative that does a better job. Too often the threat of disinvestment and cuts mobilises an alliance of producers, politicians and users to protect what they have without even allowing space for debate on what could take its place.

Today’s financial settlement for local government has forced councils to look long and hard at the services they are offering, and

where there are opportunities for savings. If the last phase of public service reform was all about new commissioning models, the current emphasis is much more on decommissioning services in order to make the sums add up.

Managing this transition from old to new will become a vital skill if innovators are going to change existing services, shift existing budgets to create better value for money rather than

treating innovation as an add-on to core business.

Few of the authorities on the Creative Councils programme have yet reached a point where any significant decommissioning has yet been required. But even the early experiences of the councils suggests that decommissioning in a political environment is extraordinarily challenging.

## On The Ground in Islington

**For example, Islington's Creative Councils team had little difficulty in creating a case for change in their youth service provision that won over politicians and generated widespread interest and enthusiasm in what they were doing. Key stakeholders, including politicians and senior officers, gave the team full permission to explore what might be possible through the creation of a new, user-led commissioning model for youth services, in which young people would be able to redesign services, with providers, from the ground up.**

As time went on, it became clear that any such model would almost certainly require significant changes to the ways in which services were organised and delivered by the council and voluntary sector providers. Hard-won political support began to look less solid as the team started to develop plans for practically delivering on the original ideas – which would involve devolving budgets, opening up markets and handing over power to young people. Politicians grew wary of the fall out the approach would take.

The team built up a substantive case for change that had more substance than a compelling idea alone. They worked extensively with young people to create the core principles for high quality youth provision. Young people were trained to go out and assess existing provision. The returning findings – that some of what was currently being delivered was not of a quality that young people felt was high

enough – was valuable collateral in building political and public support for change, including decommissioning some existing services. Coupled with this work with young people, the team strengthened the governance around the project, and brought in external experts to ground the work in evidence and give the politicians confidence in the new models being explored.

Despite all this, as with many other councils, Islington has found that securing a decision to stop some services has continued to be a real challenge, showing just how powerful the urge to preserve what is known can be. Even when politicians agree that current models aren't sustainable, they can find it very difficult to close services, particularly in places where there is political instability or a looming election.

Nevertheless there are important examples of how authorities have quietly and skillfully gone about shifting resources, disinvesting from one approach to fund something much more effective. One case is the Activities Unlimited programme in Suffolk, another example of deeply practical, outcomes-focused innovation in action.

Activities Unlimited is a platform that provides a sophisticated brokerage service between people seeking respite care or a short break and providers of those services in the county. A dedicated team identifies potential new suppliers, supports provider organisations to improve their performance based on user feedback and

signposts users towards services that are most appropriate to their needs. Where services are inadequate or where uptake is low, Activities Unlimited signals need for improvement, shifts resources towards more effective services and eventually withdraws public support from under-performing services.

The traditional approach to offering respite care and short breaks to families of young people with disabilities was to direct them to services provided by about 30 dedicated suppliers. With a limited range of services on offer, service users had little scope to compare different services. The market was inflexible and difficult to adjust. The suppliers specialised in respite care which made decommissioning a high-stakes affair: if a service was decommissioned an entire company would close.

The Activities Unlimited platform was developed through a partnership with the disability charity Scope in 2009 and was based on extensive feedback from users bemoaning the limited range of services on offer.

Activities Unlimited works continually to expand and develop the market, by training and supporting many more organisations to offer short breaks and respite care, as an add-on to their main business. Staff at Ipswich Town football club for example, were trained so they could run courses for young people with disabilities alongside their normal school holiday programmes. As a result there are now more than 300 providers offering a much wider range of services from creative workshops, to sports sessions, short courses in animation and photography or residential programmes.

Most of these additional suppliers are running short courses for children with disability alongside their other activities rather than as their core business. People looking for short breaks and equipped with a personal budget can trawl for activities they want using an online 'travel agency' platform that profiles experiences on offer.

Through tracking the bookings made on the platform, Activities Unlimited can assess which services are used and rated most highly by users. Service providers get direct feedback and Activities Unlimited can work out which services it needs to help to expand and which it should reduce support to because they are unpopular. Activities Unlimited has decommissioned £100,000 worth of less effective respite care services per year on the basis of user feedback.

Decommissioning services has been made easier because far fewer suppliers rely entirely on respite care to sustain their business. Shutting down a one supplier's short break service does not mean shutting a business.

Policymakers in Suffolk did not set out to modernise the service they had, nor to contract it out. Instead they made a decisive policy shift that put the entire system on a more flexible footing in which is easier for new services to be created and less difficult for unpopular services to be decommissioned.

*“Decommissioning is an essential part of the innovation process - the challenge is how to build support for it. Try to focus attention on issues of service quality and outcomes delivered for the people that benefit from the services. Politicians receive a lot of messages from providers and lobbying groups about how important it is to fund services - but these messages don't always focus on the evidence about service quality itself. Provide lots of information, in smallish snippets, regularly, in different formats, which gives the evidenced position on service quality.”*

**Holly Toft, Islington**

## Points of reflection

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- How are you engaging your members in a discussion about the trade-offs between new approaches and current provision?
- What data are you gathering to facilitate difficult decisions about where to spend very limited resources?
- How are you designing a meaningful dialogue with service users and residents about the need to prioritise spending and in some cases decommission services?
- Do you understand enough about the quality and value for money of current provision?
- What work are you doing with lobby groups, community representatives and trade unions to keep them on-side during the innovation journey?

## 7 Seek allies, create a movement



**Over the past two decades the agenda for public service reform has been set by New Public Management: driving improvement through targets, key performance indicators and inspection regimes. New Public Management is designed to shake up recalcitrant, obdurate public systems by focussing them relentlessly on a few quantitative targets. The down side is that New Public Management can be mechanistic, formalistic, rigid and centralising. Public services can hit the target yet still miss the point: they can serve citizens efficiently and yet be ineffective in addressing their underlying needs.**

Creative Councils have been exploring a different model of change which is only just beginning to take shape: New Public Movements – mobilising local colleagues, partners, citizens, businesses and community groups, to help enact change. It is based on some sound thinking about what it takes for innovation to be successful.

Great products rarely succeed on their own. They need complementary services and software to bring them to life. The Apple iPhone depends on iTunes and the App Store. The Kindle is made vastly more valuable by Amazon's vast selection of digital books. And some innovations which improve public outcomes stem from how people learn new behaviours from one another.

For example, efforts to combat MRSA in hospitals have turned on doctors, nurses, patients and families, learning to use widely

distributed hand washing gel dispensers. Public change at scale often requires a service and an infrastructure to provide it – hand gel dispensers positioned at the entrance to a hospital ward – combined with changes to social norms and behaviour – people learning from one another to wash their hands on the way in and out. Widespread, systemic innovation is virtually impossible without this kind of behaviour change among citizens. That means that public innovators have to position themselves as the orchestrators of alliances and movements which amplify the effect of any new interventions or approaches.

Local government will create better outcomes for local people the more skilled it becomes at building alliances and movements in the locality. Several Creative Councils experimented with this kind of New Public Movement approach to change. It involves at least three key steps.

The first step in building a New Public Movement is to map who else in the public, private and voluntary sector might play a role in the change you are trying to seek. A second step is to work out how to frame a challenge so it can attract partners and bring a wider alliance together. The third key step is to work out where and how the public sector can exert maximum leverage to bring private and voluntary investment to reach shared objectives. The key players in a network might be bridging institutions – such as community groups with a shared public and private membership – rather than the council itself.



## On The Ground in Stoke-on-Trent and Wigan

**New services have to attract support early, at a point when they are often little more than aspirational. This is a challenge that many of the Creative Councils faced, no more so than the City of Stoke-on-Trent, in their pursuit of energy efficiency described earlier.**

The scale of Stoke-on-Trent's vision is to become an energy self-sufficient city. Building and maintaining the right alliances around this goal has been demanding work that has forced the team to move away from a narrower vision based upon what the council alone could do, towards a more systemic perspective, integrating the council's vision with a widening partnership of organisations and communities of interest.

This is easy to say but in practice it has required the Stoke-on-Trent team to have a constant awareness of the landscape in which they are operating, and the interdependencies and interests of other key collaborators. They have learnt to be alive to different perspectives on issues that might be taken for granted.

For example, a conversation halfway through the project between two different groups of external stakeholders in the work revealed a lack of alignment in the vision. One set of stakeholders were driven by the goal of energy self-sufficiency; another was more motivated by the prospect of generating income for the council whilst ensuring energy stability for economically critical local industries.

This difference in interpretation mattered greatly to the work because it did condition attitudes to risk, which in turn guided views about which forms of energy generation to invest in. Learning to think systemically and surface these differences in perspective is a crucial first step in building alliances that has been critical to the success of the work in Stoke-on-Trent.

Similarly important for Stoke-on-Trent's work to build alliances has been their bold and compelling vision. This vision was made even more powerful by the fact it is grounded in local identity, drawing on the city's history but also looking to the future. Other Creative Councils similarly noted that this grounding of a vision in a simple moral purpose, connected to place and people, was the bedrock of successful alliances. Framing innovation work around shared challenges – the causes of local problems, or the aspirations of local people – is much more likely to move people to action. Too often, alliance building starts with elaborately engineered partnerships among organisations which generate little momentum from a lot of talk.

Stoke-on-Trent illustrates the importance of building alliances across sectors. But there is a further set of alliances that are central to unlocking innovation: the relationships between councils and their citizens. Over 30 years ago, Ivan Illich argued that good institutions don't just serve people, but create capabilities; they support initiative rather than supplanting it. Relational public services require dialogue, empathy and understanding – a new alliance between professional and user.

Creating a sense of common cause here can be extremely challenging, given the paternalistic models of service provision councils continue to rely upon and given the well-documented legacy of public mistrust in institutions. And yet in a world where movement-building matters more than ever in achieving change, it is very hard to see how local councils will succeed without building alliances with citizens in new and more meaningful ways.

Wigan's redesign of adult social care services has at its heart Illich's vision of a transformed relationship between professionals, providers and citizens. The council wants to move towards a more

asset-based model of care, building upon what communities can do for themselves and each other. From a points-based volunteering scheme to supporting microenterprises, the Creative Councils team in Wigan has sought new ways to unlock the untapped resources of local communities. In tandem they have supported professionals to play a new role – one that is more like a champion for their clients than a gatekeeper of public resources.

The council did this by training some of its social work workforce in ethnographic methods, and prototyping ‘new conversations’ with social care users which were more about their lives and what mattered to them, rather than the standard assessment forms which are more focused on whether a person can get up, bathe themselves and so on. Professionals reported finding this new approach liberating and enlightening – forcing them to engage with the person themselves rather than spending all that time reading out questions from a clipboard.

Wigan’s attempts to create common cause between professionals and social care users shows how this kind of work can be transformative, but only if it is given time to establish trust. The Creative Councils team were told that communities had seen new initiatives come and go, that they’d heard the council saying they truly cared what people thought only to be presented with the same old services time and again. Overcoming this distrust took much longer than the team had anticipated. They also learned that trust, once gained, needs to be continuously earned. Allowing staff time to undertake this work runs counter to the dominant transactional and performance culture in local government: but without trust, any hopes of a new and meaningful alliance between professionals and users dissipates quickly.

Wigan’s experience also shows how important it is to look carefully at what counts as ‘community’ when forging new alliances. Often councils defer to the community leaders who shout the loudest – the incumbents who are running established community centres. These people can carry a different kind of local power and are free to work to their own agenda. Harnessing their energy and commitment can be very powerful, and Wigan is now pursuing a programme of asset transfer to some of its leading community hubs as a means of sharing power more meaningfully.

However, the team has also grown to realise through the new conversations that not all community members want to go to these hubs. Using the newly created local patch teams to conduct outreach work to draw otherwise disengaged or less visible communities in is an essential part of Wigan’s alliance-building work, alongside the work with the hubs. Wigan’s plans for empowering communities now involves a wider range of strategies than asset transfer alone – they are also supporting microenterprises, encouraging more volunteering and encouraging communities to build their own social capital as part – all of which have emerged from the new conversations work.

If the goal is just to deliver better services that comply and perform, then innovators can focus on improving or redesigning standalone, transactional public services. If the goal is to use public investment to help create more capable, resilient and adaptive communities, then innovators have to build alliances and movements which draw in local resources to multiply and amplify public investment.

## Points of reflection

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- Thinking about what you're trying to achieve, who are your allies and fellow travelers, and how are you engaging them? What are you doing to uncover any differences or inconsistencies that might disrupt alliances if ignored?
- Are you clear about your most powerful points of leverage, including those that are beyond the council?
- What steps are you taking to build the necessary trust with your communities to engage them in meaningful ways around shared goals?
- Is your communications department thinking beyond traditional communications and considering how your organisation embraces New Public Movement approaches?
- Do your leadership development schemes focus on system leadership rather than organisational leadership alone?

## 8 Develop good political antennae



**It is commonly asserted that innovation in local government can't happen without strong political backing. The Creative Councils programme suggests that the story may be a little more complicated than that. The experiences of some of the councils suggest that too much political backing can be just as problematic as too little: trying to take risks while in the spotlight and under political pressure to deliver can be a daunting experience. Political support is often fluid and needs to be continuously maintained, rather than being treated as a staging post, or one off event. The councils have shown just how much can be done 'below the radar' and how this kind of stealth can be helpful as the innovation journey progresses.**

The Creative Councils team in Derbyshire has been very successful in securing and maintaining political support as they construct their radical new approach to supporting young people in care. You might expect politicians to shy away from the potential headlines associated with giving teenagers a much greater say in how to spend significant amounts of public money on their well being. Yet the team has always been confident in their members' backing, even though there was a change in administration part-way through the programme.

What did the team do to successfully secure this support?

**First**, they made their case for change compelling as they embarked on the innovation work. From the outset the work was framed in stark moral terms: the council had been failing some of the area's most

vulnerable children, something must be done, and the council were the people to do it. The performance data and poor outcomes spoke for themselves. Where all existing approaches had patently failed, there was no option but to try something new.

**Second**, they learned to manage risk well. From the start the team were clear that they were planning to try something new and that this would involve a degree of risk. They did a lot of planning work to build on their hunches as much as possible with more concrete evidence that their interventions might have a positive impact. Furthermore, the decision to prototype the riskiest elements of their work – namely the endowment fund for young people – with a small cohort of their target population – meant they were never asking politicians to bite off more than they felt they could chew. Nicole and her team were skilled at combining aspiration with honesty – they took care never to over claim what they might be able to deliver, and their message was always clear that committing to trying a new approach might result in the discovery that it was not the right avenue to pursue. The hard-earned honest dialogue between officers and members is a striking part of Derbyshire's story.

**And third**, the team used their political nous to understand what their politicians would need, and when, to stay on the journey. This involved anticipating needs and planning for them well in advance. For example, Nicole knows that there is a potential stumbling block at the point that the council starts to look at moving from prototype to taking the work to scale. She is aware that the politicians will need to make

some difficult decisions about the allocation of resources, based on imperfect knowledge as it is impossible to have performance data for a wholly new approach before it has been rolled out. To anticipate this she commissioned some work during the prototyping phase to model the potential impact on outcomes of the new model of support for young people. Although the data is only small scale, the results are powerful, and should help the politicians to make difficult decisions with greater confidence.

Although it is hard to imagine a really radical innovation taking hold without political support, the Creative Councils programme suggests it's not always the case that the best strategy is to seek that support from the top at a very early stage. There are risks involved in seeking out that kind of support for a fragile, new and completely untested idea: either the CEO says no before you've even started to develop it; or if they say yes, you may have secured some legitimacy, but you are also in the uncomfortable position of having to develop a seedling of an idea in full view.

## On The Ground in Rotherham

**Rotherham is a great example of how operating under the radar can yield great results. Now a standalone company offering professional services in the field of enterprise education, Ready Unlimited started life as a schools programme funded by the council and limited to a small subset of schools within Rotherham. Having seen the impact of the programme on the experience of local children, the two council officers involved, Catherine and Becky, became passionate about enterprise education and what it might achieve.**

They started to invest in learning more about the field. It soon became clear that despite significant academic interest in enterprise education, there was very little by way of successful practice in the UK. Rotherham Ready seemed to present an opportunity, not only to change the lives of children in Rotherham, but to genuinely influence the shape of education in the UK. This sense was reinforced when demand for Rotherham Ready's services soon began to outstrip the council's capacity to supply. As a result, Catherine and Becky started to look for third party funding to support the development of new service offers.

At the same time, their commitment to seeking out best practice meant they were consistently presented with opportunities

to connect with leading academics and educationalists, who were eager to support the development of their practice. Rotherham Ready represented the practical manifestation of a significant body of academic theory, and thus gained credibility and influential allies in the field. As their profile continued to grow, so did interest in their programmes. In 2011 Catherine and Becky started receiving requests from schools and colleges in other areas, including Hull and Lincolnshire. The team had started to take on 'clients', and from this point forwards it was clear that they could demonstrate the viability of a 'spin out' company. What had started as a passion for enterprise education had become a national programme with a realistic chance of spinning out of the council.

What's key to Catherine and Becky's story is that they earned the right to experiment and innovate by proving themselves over time. They didn't engage politicians in the work while they were developing the thinking. Indeed if they had gone straight to the top with today's Ready Unlimited model, they probably would have struggled to gain the political traction needed to pursue this more radical model. As it was, their under the radar work is what gave them the springboard when they were ready to aim high. By the time they needed to



secure political backing, they had gathered evidence of demand and impact that helped to smooth the decision making process.

Catherine and Becky are the ultimate stealthy innovators. They looked at what they had, identified what was strong about their work, and started to experiment

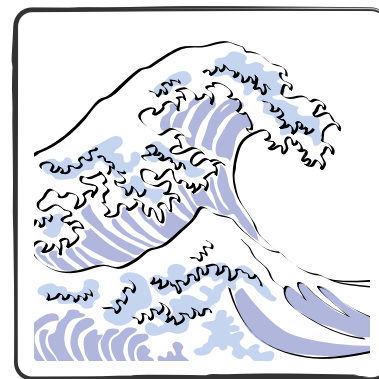
around that, building on some foundations they had already successfully laid. Both of them are ruthlessly practical and this drive, combined with a track record they can point to and quantify, enabled them to build legitimacy and profile over time, in order to create a much more radical innovation than their starting point might have suggested.

## Points of reflection

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- How much work can you do to lay the ground for your innovation before seeking political backing?
- What evidence will your members need to make decisions about how to proceed?
- How are you engaging your members at the various stages in your innovation journey?
- Do your members and officers have a shared language of public value to guide prioritisation and decision making?
- Are you using language and evidence that members themselves can use to engage their local communities?

## 9 The wave is more important than the surfer



**Anyone who has ever read the *Harvard Business Review* will know that innovators are often ascribed a kind of magnetic ‘hero’ quality, a pioneer battling against the odds to turn their great idea into a business success.**

The most successful innovators in local government are nothing like this.

Some of the most effective innovators on the Creative Councils programme were humble yet canny, down-to-earth yet visionary. They appeared unassuming and yet at the same time they were ruthlessly focused on bringing about the change they had set out to achieve. They had an instinctive sense of when to stay away from the limelight, when to give the credit to politicians, or when simply to avoid attracting too much attention until they were ready. Above all they did not put their own egos ahead of the ideas they were pursuing. In short, they could not be more different from the decisive, driven, self-promoting ‘hero’ leaders who have shaped organisational landscapes for so long.

The key to leading successful innovation is to realise it’s a team activity. An innovation is only successful if it can answer several questions: will it work; will people want it; can staff provide it; is there a sustainable way to deliver it? An innovation can fail at each of these stages and resolving these questions requires different skills and different types of people.

In the early stages of innovation there might be a premium on creativity, lateral thinking and openness to new ideas. As the work proceeds other skills of project management, organisational design and business development become far more important. The innovation journey is often a protracted process which requires different people with

different skills to play a role at different stages, working in teams that build up a sense of trust and momentum. The instability of local government as it retrenches is not helping any of that, with rounds of restructuring and staff turmoil.

The Creative Councils’ experience suggests you need a mixture of visionaries and those of a more practical bent on your side. You need people who see possibilities, and people who want to convert those possibilities into tangible services and products. You need people who can inspire and build momentum, and people who will work tirelessly behind the scenes to anticipate curve balls where possible, or deal with them quickly when necessary. There is a need for brilliant project and programme managers as well as less conventional thinkers. They can deal with the system on its own terms but also see the need for new approaches. Managing the politics of innovation is also a critical skill.

Leading innovation is about orchestrating that process. Sometimes those leaders can be charismatic, visionary, risk takers. But often they are quietly spoken, do not grab the limelight and excel at getting the best from other people. The Creative Councils innovation narrative is not one of heroic individuals, it’s about the creative confluence of people and ideas. Great ideas that change entire industries are like waves that start a long way off and gather momentum by drawing in many contributions from many sources. Taking sole credit for a great idea is like a surfer thinking they are the wave.

It is notable that as well as having a degree of humility and an action orientation, the most effective innovation leaders on the Creative Councils programme all have what

psychologist Carol Dweck calls a 'growth mindset'. At a time of cuts and restructuring, these leaders saw opportunities to create better outcomes for people even when they have fewer resources.

People with a growth mindset are comfortable dealing with change, impatient with complacency and natural problem solvers. Their starting point is that people and organisations are capable of learning and growing all the time. On the Creative Councils programme this was manifest in the way people embraced opportunities to learn, making extensive use of the innovation experts, service designers, ethnographers and business

developers who they were connected to. They were used to looking outside local government for ideas and many had careers which spanned the public and private sectors.

The source of their growth mindset was their deep sense of vocation and mission: what they were doing was more than just a job. They wanted to make a difference to their local communities and the world beyond. This sense of mission didn't really come from their professional identities, but from somewhere else, a deeper sense of personal purpose. If local government is to innovate more successfully it needs more people with this 'growth mindset.'

## On The Ground in Monmouthshire

**Monmouthshire County Council stands out from the other participants in Creative Councils: it decided to shift the culture of an entire organisation, rather than focusing on a specific service. Their ambition was to create this growth mindset across an entire organisation.**

The primary vehicle for doing so is the 'intrapreneurship programme' which Monmouthshire has created to get participants to challenge fundamental assumptions about themselves, and how public services should work. The programme sets out to give people new tools and approaches to do things better, faster, cheaper, different, smarter, and more efficiently, giving participants access to the latest thinking from around the globe. Most importantly perhaps, it aims to give permissions to all the participants to 'fail fast, fail forward' and to identify and tackle any challenges that they come across.

Monmouthshire's ambition is to put a significant number of its staff through the programme in order to reach a kind of tipping point and shift the dominant culture of the organisation. With each cohort they try to draw in a mix of people both in terms of where they sit in the organisation, and

in terms of the degree to which they are sceptical of the approaches taught on the programme.

From openness to co-operation, and flexibility to perseverance, the team in Monmouthshire has a clear sense about the kinds of aptitudes and qualities that indicate the growth mindset they are looking for. The goal of the programme is to help participants understand and release their own potential by focusing on what they are really passionate about, and expecting them to share that passion with the people they are working with and around.

The intrapreneurship programme is a pioneering example of a council making a focused attempt to engender a mindset of growth and to create a large cohort of what Mark Moore has called 'public value explorers' – staff who are outward facing, confident about change, and curious and questioning about how to improve.

The challenge comes, of course, when the intrapreneurs return to their day jobs after the programme. They get back to their desks supercharged but the council has struggled to stop that energy from dissipating quickly. As Creative Councils has

continued, Monmouthshire has started to explore how to create a clear list of strategic priorities for intrapreneur graduates to work on. Equipping people with the capabilities to be entrepreneurs is all very well, but those people will become frustrated if there are no opportunities to deploy those skills.

Monmouthshire has also learnt that politicians need to be brought along for the ride. The team have designed and delivered sessions for members, to show them how innovation and creativity can make a difference to challenges they face in their wards.

*“We’ve really learnt the importance of involving the right people at the right time. It is important to have creative innovators but often the most valuable team members are those that can turn the vision into practical implementation on the ground. Being creative can be easy, implementing without dumbing down is the challenge.”*

**Kathryn Rees, Wigan**

## Points of reflection

- Where are you missing skills in your team and where are you going to find them?
- What rules, procedures and cultures are getting in the way of a team-based approach to innovation?
- How are you recruiting people with a growth mindset?
- How are you designing the need for growth mindsets into your promotion, remuneration and skills development programmes?
- How is your organisation enabling leaders to create cross-cutting teams for cross-cutting issues?

# 10 Practice your sprint and your marathon running



In his book about food *The Table Comes First*, the writer Adam Gopnik reflects on what he learned talking to the top chefs in France. Great cooks, Gopnik argues, only ever really cook at two speeds: either they cook very fast, for a short period, at a very high heat to sear or grill the food or they cook very slow, at a low heat for a long period so the flavours mix and meld. The worst way to cook, Gopnik argues, is at a moderate heat, for an intermediate amount of time: food cooked that way tends to come out tasting bland. Much the same could be said for innovation. Successful innovation often depends on the judicious combination of the very slow and the very fast.

Successful innovation in the public sector can take an enormously long time. Often it takes between five and ten years to really change a service from top to bottom, making the case for change, building alliances to support it, mobilising investment behind it and retraining staff to make it work. Yet within any lengthy process of change there are likely to be times when a burst of speed is needed to overcome critical obstacles and take emerging opportunities.

One example is the work of In Control, the social enterprise which pioneered and then spread personal budgets, initially for adults with disabilities and then for those receiving social care in other forms. In Control patiently built up a coalition of support for its approach, slowly winning, with others, the argument that people with disabilities should live independently and have the right to commission their own support. In Control also created simple, practical planning and

budgeting tools for both users and councils to make personal budgets work. In many councils today, most social care is delivered through personal budgets where people commission their own care, rather than through council provision.

The success of In Control stemmed in part from its ability to move at different paces when needed. A long, slow campaign built up the case for change, but when councils wanted to make the switch from one approach to commissioning to another, In Control provided the tools to do so in a matter of weeks. As one of the organisation's founders once put it: *"Even if you have been preparing for change for a long time, sometimes you need to change the system suddenly. Its like you are playing football and you want to start playing cricket. Even if you are wearing the wrong kit you still have to get on with it."*

Innovation in local government takes this mixture of long and short-term thinking: perseverance, often working behind the scenes, combined with moments when breakthroughs become possible, especially thanks to shifts in political support. The best innovators know how to be prepared to take these opportunities as they arise.

To put it another way, innovation can go wrong both because it takes too long and because it goes too fast. Local government is littered with examples of big-bang innovations, boldly announced by politicians and chief executives, which subsequently blew up in their face. Yet there are just as many examples of innovation projects which turn into merry-go-rounds of project plans, vision statements and policy



papers which never lead anywhere. As one Creative Councils chief executive put it: *“There can be an awful lot of faffing around.”*

Hitting the right pace at the right time is critical to innovation. A prime example of this in action comes from Reading Borough Council.

## On The Ground in Reading

**Reading embarked on its journey some time before the Creative Councils programme came into being, exploring the question of how to create better, different, cheaper services through their Children’s Centres as part of a Nesta support programme, Transforming Early Years. In the early days they worked quickly (with the support of the Innovation Unit) to prototype some new models of support, drawing on volunteering and unlocking the previously underused resources of local parents in new and exciting ways. Within 18 months, they had successfully demonstrated in practice the value of their new approach in two children’s centres in South Reading.**

But Reading’s ambitions were bigger than this. Their experience of the work led them to believe that the model could be scaled, not only to other Children’s Centres in the area, but to many other services provided by the council. This ambition was heightened by a change in administration in 2011. The new Labour-led council wanted to show how they were listening to the views of residents to shape services. Shifting the balance of power to parents and involving them as co-producers of good outcomes aligned well with the values of the new administration. Council-wide plans were drawn up to reflect the desire to make this an organisational change programme with long-lasting effects felt well beyond the two children’s centres that had kicked the work off.

Since that initial burst of activity, the pace has slowed. It has taken much longer to introduce the model into other children’s centres. This is partly because of a change in officers and the loss of some key

advocates leading the work. Budget cuts have led to staff reorganisations, which has delayed innovation work around changing services. Reading’s experience here is by no means unique – time and again councils recount how the sense of uncertainty created by job cuts make people less willing to take risks. People who have to reapply for their jobs are understandably cautious about undertaking innovation work that might lead to failure.

All the Creative Councils were juggling different pressures: to deliver better results in the short term from the existing system, while simultaneously addressing longer-term structural and cultural challenges. Many Creative Councils participants spoke eloquently about the competing pressures they felt to invest their time and effort in tackling immediate challenges versus spending time on less certain, longer-term agendas that might yield great rewards in the future, but whose offer was rather uncertain in the present.

Councils need better ways to allow some of their staff to step away from the day-to-day improvement agenda, to plan for the future and to imagine current services could be completely reconfigured. Geoff Mulgan has proposed that as a rule of thumb, leaders in public organisations should try to spend not much more than 50 per cent of their time on the present, 30 per cent on the medium term, and ideally 10 to 20 per cent working on the longer-term future.

Another, different challenge that all the councils faced was the fear of moving from sitting in a room having great ideas to the all together tougher job of making those ideas real. People get comfortable talking

about the innovation as if it's happened, when really it's no more than a good-looking slide deck.

One participant talked about the sensation of standing at the top of a mountain and not knowing how to even begin descending to lower ground. Momentum all too easily dissipates at this point. The merry-go-round of policy papers and strategy discussions takes over. Lots of energy is devoted to going round in circles. The innovators who avoided this situation adopted something like the Lean Start-Up approach: they got a good enough service up and running and then learned fast from their users about how to improve.

The challenge for innovators is to try to set the pace that's appropriate for the work, rather than that pace being set by other concerns, be they politically driven or staffing related. Knowing what the right pace is for your context requires an understanding of the needs of different players, many of whom may have different priorities and a different sense of urgency. The more stakeholders there are, the more likely it is that time will need to be invested in alliance building and getting everyone on the same page.

## Points of reflection

- What are the potential curveballs you can see, and how could you anticipate them?
- What are the opportunities, threats, strengths and weaknesses of your idea? Are there shared perspectives on these?
- How are you creating permissions for the right staff to work on innovation projects?
- How are you creating the organisational time and space to think about the future as well as addressing issues in the present?
- What are you doing to guard against the 'merry-go-round' effect of endless papers and talk but no action?

# Conclusion

Anyone who has worked in local government for any length of time looks back on the decade of the 2000s with misty eyes – the sheer quantity of resources being pumped into the sector now looks unbelievable. The contrast to today's world of unprecedented cuts, shifting targets, and widespread redundancies couldn't be starker. It is hard to underestimate the shockwaves that have rippled through the sector since the first austerity measures were introduced.

It would be all too easy to let this challenging context overwhelm everything else. But the Creative Councils programme shows that this is not the only, nor the inevitable response. The participants show us how it is still possible to take action to achieve positive change in difficult times, searching out practical ways forward and inching their way towards quite radical changes in the nature of service provision. They are taking small steps while simultaneously thinking bigger than ever before, in response to these extraordinary times.

*“Am I hopeful? We're in such unprecedented times that all bets are off, everything's so unpredictable I don't know whether I am hopeful or not. So I'm just going to keep going, doing what I'm doing, keeping up the high standards we've set ourselves, implementing some of the ideas we've committed to, and doing everything we can to demonstrate the value of our contribution.”*

*“It seems very likely that the team I currently lead won't be the same, my post may not be here either in a year's time. But either you keep going, keep trying to make the changes you really believe in – or what? We are going to have the best year we possibly can.”*

These two comments get to the heart of what we've uncovered on the Creative Councils programme. The most successful innovators in local government do not let circumstances overwhelm them. They are unfazed by the all-too-familiar obstacles to innovation – a lack of action, too much talking, an ingrained fear of risk and a culture of paternalistic services. They are adept at seizing the power and space they have, and using it to bring about positive change even in the most difficult of times. This kind of mindset needs to infuse the sector more widely if local government is to escape the trap we described at the start of this publication.

The lessons here tell a story about a different kind of innovator from the sort we usually hear about. None of the participants on the Creative Councils programme would describe themselves as heroes – in fact they'd be horrified to be presented in such terms. They are practical, unassuming, focused team players, getting on with doing a good job.

The lessons from Creative Councils also highlight the importance of certain skills in the innovation journey which sometimes get forgotten in the excitement of early-stage ideas generation. Alongside the skills of creative thinking and insight gathering, innovation needs some of the more traditional things local government officers are trained in to be deployed well – discipline, project management, budgeting, programme design, political handling and so on.

That said, Creative Councils has also uncovered the need for some new skills that are less familiar in the sector. In particular there is a need to build up capabilities around three things: first, prototyping – creating that

crucial space between having an idea and implementing it, to experiment and learn in the real world. Second, business development – taking a great idea and working out how to make it viable at scale in terms of costs, customers, sustainability. And third, movement building – building a common cause with others, particularly communities and professionals, around a shared goal. These are three critical elements that will make the difference between a great idea that sounds good, and an innovation that takes hold and has a real and measurable impact on people's lives.

The clear message that underpins all these lessons is that there is always something you can do to bring about positive change, whatever your circumstances and however circumscribed you feel. The Creative Councils programme shows how situations that don't look at all promising can sometimes contain the seeds of innovations with quite radical potential and people who on the face of it look humble, down to earth and ordinary might be just the people to unlock that potential.

# Useful resources

## On innovation methods, tools and approaches

**Nesta's Open Skills workshop** [openworkshop.nesta.org.uk](http://openworkshop.nesta.org.uk)

**Innoweave – practical tools for innovation** [www.innoweave.ca](http://www.innoweave.ca)

**MindLab methods** [www.mind-lab.dk/en/methods](http://www.mind-lab.dk/en/methods)

## On risk

**Thinking, Fast and Slow**, Daniel Kahneman [www.scribd.com/doc/141717421/Thinking-Fast-and-Slow-by-Daniel-Kahneman](http://www.scribd.com/doc/141717421/Thinking-Fast-and-Slow-by-Daniel-Kahneman)

**Risk: How to Make Decisions in an Uncertain World**, Zeger Degraeve

**Risk: a very short introduction**, Fischhoff and Kadvany

## On learning, prototyping, and developing ideas

**The Lean Start-Up**, Eric Ries

**Open Innovation**, Eric von Hippel

**The Alliance for Useful Evidence blog** [www.alliance4usefulevidence.org/blog](http://www.alliance4usefulevidence.org/blog)

## On decommissioning and developing new services

**The Art of Exit**, Laura Bunt and Charles Leadbeater

**How to Step Out**, Nesta and Craig Dearden-Philips

## On creating movements and managing politics

**The End of Power**, Naim Moses

**The Common Cause Handbook** [www.valuesandframes.org](http://www.valuesandframes.org)

**The Power of Networks**, RSA Animate [www.thersa.org/events/rसानimate/animate/rसानimate-the-power-of-networks](http://www.thersa.org/events/rसानimate/animate/rसानimate-the-power-of-networks)

## On the variety of skills needed for successful innovation

**The case for and against stealth innovation** – see [here](#) and [here](#)

**The Ten Faces of Innovation**, Tom Kelley IDEO

**Mindset: how you can fulfil your potential**, Carol Dweck

**Nesta/Bloomberg work on i-teams** [www.nesta.org.uk/areas\\_of\\_work/public\\_services\\_lab/local\\_public\\_services/i-teams](http://www.nesta.org.uk/areas_of_work/public_services_lab/local_public_services/i-teams)

## Endnotes

1. Gillinson, S., Horne, M. and Baeck, P. (2010) 'Radical Efficiency: different, better, lower cost public services.' London: NESTA.
2. See also, for example, LGA (2013) 'Rewiring Public Services.' London: LGA. See: [http://www.local.gov.uk/publications/-/journal\\_content/56/10180/4053203/PUBLICATION](http://www.local.gov.uk/publications/-/journal_content/56/10180/4053203/PUBLICATION); Leadbeater, C. (2003) 'The Man in the Caravan and other stories.' London: IDeA; Parker, S. (Ed.) (2009) 'More Than Good Ideas: the power of innovation in local government.' London: IDeA. See: <http://www.idea.gov.uk/idk/aio/9524940>
3. See also Mulgan, G., Rushanara, A., Halkett, R. and Sanders, B. (2007) 'In and Out of Sync.' London: NESTA.





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# Nesta...

## **Nesta**

1 Plough Place  
London EC4A 1DE

[information@nesta.org.uk](mailto:information@nesta.org.uk)

[twitter.com/nesta\\_uk](https://twitter.com/nesta_uk)

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