

Local government

Summary

May 2007

Seeing the light

Innovation in local public services

Summary

Local authorities will have to work in new ways to achieve continual improvement and to fulfil their new place shaping role...

- Councils are under increasing pressure to improve performance and engage in new, complex ways of working.
- Incremental change may not be sufficient to respond to the pressures; innovation is often needed.
- Improving efficiency, under internal and external pressure, is currently the strongest driver of innovation.
- Innovation is more often used to address poor performance than in service areas of relative strength.

...and they are already innovating extensively.

- Innovation can raise performance in any aspect of an authority's activity.
- Recent Comprehensive Performance Assessments identify innovation in three-quarters of single tier authorities and fire authorities.
- Nearly half of all authorities report that they are involved in 'a great deal' of innovation.
- Innovation is not confined to strongly performing authorities.
- Innovative projects have allowed authorities to improve value for money, the quality of services and community engagement.

Authorities can organise themselves in ways that make innovation more likely...

- Local authority staff are often the best source of creativity; partners also contribute new ideas.
- Pressure to innovate from members is experienced more in councils that innovate a lot than in less innovative councils.
- A culture that combines ambition and openness to new ideas encourages innovation.
- Cross-cutting structures encourage innovation, as does devolving responsibility to customer-facing staff.
- Few authorities create opportunities away from day-to-day pressures for staff to think creatively.

...and need to use effective change management to implement innovative ideas successfully.

- Innovations often founder as a result of poor implementation or ineffective risk management.
- Dedicated sources of money are not key to innovation; good ideas recognised by managers usually secure funding.
- Authorities need to deploy adequate managerial capability and engage political leaders, users and partners, but struggle to do so.

Innovations don't spread as quickly or as widely as they might...

- Local government as a whole can benefit if authorities share innovative practice.
- Few authorities are able to access examples of successful innovation, while many innovators lack mechanisms for sharing their experience.
- Face-to-face dissemination is the most widely used method for sharing ideas, and the most popular for learning.
- Some of the dissemination methods used do not attract those who are seeking to learn.

...and central agencies could do more to help overcome the barriers to sharing innovative practice.

- Most authorities evaluate their innovations, but find it hard to assess how innovative they are or whether there are potential benefits for others.
- Many are wary of publicising promising practice where benefits are not yet proven; others are wary of highlighting the lessons learned from failures.
- Face-to-face dissemination methods that are popular with learners, such as hosted visits, are burdensome for innovators.
- Support for dissemination, such as the Beacon scheme and the work of the Improvement and Development Agency (IDeA), has been helpful.
- Central agencies, including the Audit Commission, should play a greater role in identifying and disseminating innovative practice.

Recommendations

Local authorities should:

- R1** Identify areas where gaps between performance and aspiration are greatest as potential areas for innovation. These may be where performance is poor or aspiration high, or both.
- R2** Consider routinely the role that innovation has to play in service improvement, and be willing to countenance innovative approaches where incremental improvement may not deliver the results required.
- R3** Ensure they are in a position to assess and manage the potential costs and benefits of innovating, against the costs and benefits of other improvement strategies.
- R4** Undertake an assessment of the risks of innovating before proceeding with innovation, bearing in mind that missing an opportunity is a business risk in itself.
- R5** Ensure that elected members, local communities and stakeholders (including delivery partners) are able to drive innovation by applying pressure to change, by contributing good ideas, and by participating in the innovation process itself.
- R6** Encourage staff across all service and support areas to consider innovative ways to improve performance and, where appropriate, encourage innovation when commissioning services from providers in the private and voluntary sectors.
- R7** Establish mechanisms for scanning for good ideas elsewhere and forums for creative discussions between staff, external stakeholders and users.
- R8** Review organisational structures to ensure that departmental silos and hierarchies do not inhibit the generation or spread of innovative ideas.
- R9** Review their own organisational capacity to innovate and, in particular, the level of senior management and member commitment and expertise in change management and risk management.
- R10** Involve users in the design and development stages of innovations, wherever possible.

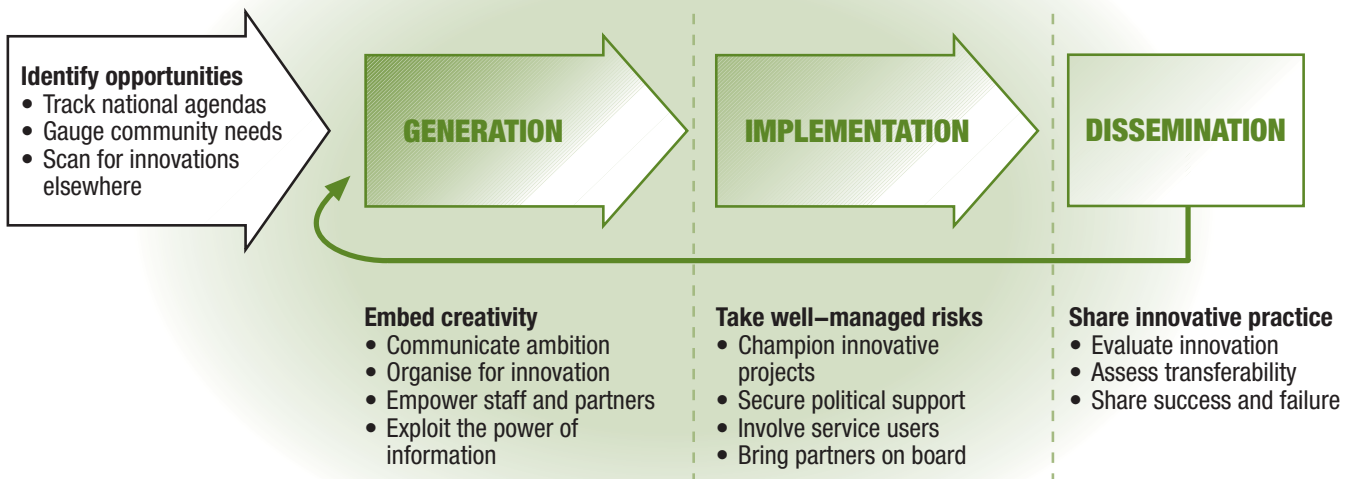
R11 Involve members in innovative projects at an early stage to ensure their support for the change associated with implementing innovation.

R12 Evaluate the costs and benefits of innovating, considering not only whether it has led to performance improvement or increased value for money, but also whether there is learning which is more widely transferable.

R13 Publicise the lessons learned from both successful and unsuccessful innovation within the authority.

R14 Work with local government bodies and central government to disseminate the lessons learned from innovative practice to help raise performance across the sector.

Authorities need to...



Local government bodies and central government departments should:

R15 Provide better support to help authorities share innovative practice, looking beyond authorities with high performance ratings in identifying innovative practice that can be replicated throughout the sector. In particular they should:

- focus on enabling face-to-face dissemination; and
- help create a safe space for authorities to share the lessons from failed innovations.

The Audit Commission will:

R16 Conduct audit and inspection in line with its Public Audit Forum commitment to encourage innovation.

R17 Identify innovative practice as part of its audit and inspection work and proactively share this knowledge with other local authorities.

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For further information on the work of the Commission please contact:
Audit Commission, 1st Floor, Millbank Tower, Millbank, London SW1P 4HQ
Tel: 020 7828 1212 Fax 020 7976 6187 Textphone (minicom): 020 7630 0421
www.audit-commission.gov.uk

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