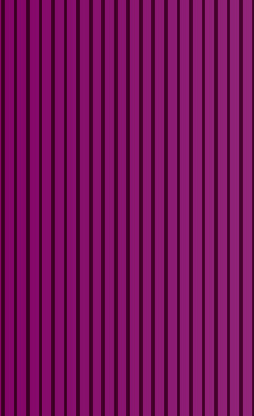


**TRANSFORMING LOCAL GOVERNMENT:  
LESSONS GLEANED FROM A REVIEW OF EXAMPLES  
OF INNOVATION AND RESILIENT CHANGE**

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**GIVEN THE SIGNIFICANT CUTBACKS  
IN FUNDING TO LOCAL GOVERNMENT  
ORGANISATIONS, INNOVATION IS  
NO LONGER A LUXURY ITEM IN THE  
TOOLBOX OF POLICY CHOICES, BUT, A  
NECESSITY TO ENABLE ORGANISATIONS  
TO SAFELY NAVIGATE THROUGH THESE  
ADVERSE ECONOMIC CONDITIONS.**

# CONTENTS

EXECUTIVE SUMMARY	3
1. INTRODUCTION	7
2. INNOVATION IN IRISH LOCAL GOVERNMENT	10
3. INTERNATIONAL EXAMPLES OF INNOVATION: LESSONS FROM AUSTRALIA AND THE UK	21
4. CONCLUSION	36
REFERENCES	38
APPENDIX 1 SHARED SERVICES INITIATIVES BEING BUSINESS-CASED BY CCMA	41
APPENDIX 2 SAMPLE CHARTER	42
APPENDIX 3 TIMESCALE OF THE KEY STRATEGIC REVIEWS FOR EACH OF THE 4 SERVICE AREAS IN CORK COUNTY COUNCIL	43

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## EXECUTIVE SUMMARY

The international literature highlights that, given the significant cutbacks in funding to local government organisations, innovation is no longer a luxury item in the toolbox of policy choices, but, a necessity to enable organisations to safely navigate through these adverse economic conditions. A recent CIPD report (2013:2) entitled *Driving Innovation in Local Government*, emphasises this point: 'given the cuts in government funding ... developing innovative approaches to service delivery is now essential, rather than, an option.' This echoes what former UK Cabinet Secretary, Sir Gus O'Donnell stated at a conference on transformational leadership, in 2008, 'that the challenge of 'delivering more with less' could only be achieved 'if we're very innovative.'" (Shifrin, 2008)

Bunt et al. (2010: 54) also stress that transforming public services should form a major part of the effort to rectify the public finances as both are long-term issues and cannot be dealt with separately. They argue that the cuts 'should wherever possible be made with a view to what kinds of public services we want in the future, in particular how services can be re-designed so they are better able to respond to rising demand.' Similarly, Howard (2012) underlines that 'the current economic, financial and policy climate requires that government services have to deliver significantly better performance at significantly lower cost. This requirement extends beyond a dedication to incremental and continuous improvement, characteristic of the quality movement of the 1990s. It requires a commitment to fundamental change in the way services are planned, organised and delivered.' The CIPD report (2013) also notes that given the severity of the public spending cuts, enabling innovation has become a key capability for senior teams in the public sector.

### DEFINING INNOVATION

The Australian Centre for Excellence in Local Government (ACELG) report, written by Howard (2012), defines innovation 'as the successful application of new ideas ... carried forward in the domains of ideas driven innovation (relating to new products and services), demand driven innovation (meeting community expectations in new ways) and transformational innovation (using the assets of the organisation in new ways to deliver value)'. Similarly, Mulgan and Albury (2003) suggest successful innovation is 'the creation and implementation of new processes, products, services and methods of delivery which result in significant improvements in outcomes efficiency, effectiveness or quality'. Equally, given the difficulty in measuring value in the public sector, Bartos (2003) sets out a definition of innovation appropriate to the public sector: innovation is 'a change in policy or management practice that leads to a lasting improvement in level of service or quantity or quality of output by an organisation'. Moreover, innovation is regarded as increasingly important, primarily because it is taken to be a key indicator of how successful organisations are resilient to more rapidly changing and complex environments (Thompson and McHugh, 2002: 253). John F. Kennedy School of Government, Professor David Gergen (2008) stresses that: 'innovation bubbles up from the bottom of the organisation. But without leadership that fosters the right environment, systemic innovation will struggle to become a reality'. Thompson and McHugh (2002: 253) also indicate that 'the main priority for management

strategy is to create the conditions, institutional and cultural, for sustainable innovation through self-generating processes and learning mechanisms in the workplace'. Bartos (2003: 9) emphasises that innovation is difficult in any organisation, but particularly in the public sector: 'For both ministers and bureaucrats, innovation carries high risks. If a new approach to policy or administration is adopted and fails, there will inevitably be criticism – and in the case of a failed initiative, this is perhaps understandable. Unfortunately, the reverse does not apply to a successful innovation. More often than not the responsible minister or agency is criticised for not having implemented the innovation sooner or for having done so in the wrong way'.

This report reviews a number of national and international case studies which demonstrate how various local governments have grappled with the unfavourable economic climate to deliver transformative innovative ideas, policies and practices. A number of countries have embedded these innovations through national award programmes, best practice networks and innovative design centres (Australia) or mindlabs (Denmark). Similarly, there are many examples of innovation in local government in Ireland. The current challenging economic climate is forcing authorities to examine new ways of working and innovative approaches to service provision in order to maintain services while reducing resources. Cork County Council and Louth County Council provide interesting examples of innovation and change in light of the current adverse economic conditions.

### **NATIONAL EXAMPLE OF INNOVATION AND RESILIENT CHANGE: CORK COUNTY COUNCIL AND LOUTH**

The Local Government Efficiency Review Implementation Group report, published by Mr. Phil Hogan, T.D., Minister for the Environment, Community and Local Government in April 2013 indicates the progress that has been made across the board in local government in Ireland in addressing the issue of improved efficiency. The report outlines efficiency savings (savings attributable to efficiency measures rather than reduction in activity) during the period 2010 to 2012 amounting to €229.6m, (predominately in the areas of staffing (€98.1m) and procurement (€108.8m)). In it's Report, the LGER Implementation Group welcomed the significant savings realised by the sector in moving towards the targeted efficiency savings of €346m identified in the original LGER report (July 2010). But, the LGER Implementation Group also underlined that 'that there has been some decline in the rate by which efficiency savings have been realised (€195.5m in 2010/2011 and €34.1m in 2012). Whilst the €34.1m in direct efficiency savings realised during 2012 is considerable in itself, it is imperative that the rate of implementation of the efficiency agenda is accelerated by the sector to ensure the overall targeted efficiency savings (€346m) are achieved in a timely manner.' (LGER Implementation Group Report, 2013)

In light of the savings outlined in the LGER Implementation Group Report (2013), and the recognised need for further efficiencies, in this study we examine two examples of innovation, widely seen as being exemplars of good practice, from Cork county council and Louth local authorities. These are not the only examples of innovation which is taking place in local government, but represent illustrative cases from which lessons can be drawn.

From these two cases (Cork county council and Louth local authorities) on innovation at a local level, a number of key elements are evident in how these local authorities adapted their organisations to cope with the austere conditions. Both authorities either undertook strategic reviews of their service provision areas or reacted to Department of Environment, Community and Local Government policy guidelines to adapt their services further in the area of economic development. Given capacity constraints and reduction in funding, both organisations restructured their organisations accordingly, to accommodate strategic collaborations and service level agreements with other providers and public sector agencies and bodies, to ensure effective quality service provision; to address social issues (e.g. homelessness) and to promote and drive economic development projects collaboratively at a regional level. Leadership by senior management and cross-collaborative project teams and task groups seemed to play a vital role, including co-ordination roles being developed within a specially established unit within the local authority to ensure all targets and tasks were met by the various members in each area or group of the forum.

In both case studies, a major restructuring process has been implemented, resulting in creation of revamped organisational processes, systems and fora with greater collaborative working in key strategic areas of service provision, including, service level agreements in some instances, with other service providers and agencies to alleviate resource or capacity constraints. These innovations aim to ensure that both these organisations are resilient to adapt to the austere conditions and have the capacity to ensure quality provision of service in key strategic areas going forward.

## **INTERNATIONAL EXAMPLES OF INNOVATION AND RESILIENT CHANGE: LESSONS FROM AUSTRALIA AND THE UK**

In terms of international examples, the 'burning platform' of radical expenditure cutbacks has driven chief executives in a number of local authorities in the UK and Australia to implement human resources (HR) and payroll shared services models with neighbouring councils to ensure they are able to provide quality frontline services. To address the expenditure reductions and falling revenue intake in these austere economic conditions, a number of councils have implemented cultural change programmes to drive restructuring and shape new forms of service delivery. Others have developed online HR self-assessment technology to fill vacancies from existing staff in their organisations given the moratoriums on external recruitment and some local authorities have reshaped or restructured their organisations with the help of internal and external stakeholder input. Some councils have developed collaborative partnerships with private sector companies or consultancies, coupled with cross-collaborative teams within their organisations to engender innovative forms of service delivery.

In particular, the CIPD report (2013) lists four key processes as 'the alchemy that unlocks the potential of this social capital', namely:

1. Creation of a new generation of leaders who are able to change the mindsets of employees to create an enabling context in which innovation can flourish
2. Leaders actively fostering a climate of trust and confidence which nurtures a greater sense of shared purpose and belief within all levels of the public sector

3. From the outset, these leaders visibly recognise the value of both incremental and radical forms of innovation
4. HR's critical contribution to the creation of an innovative culture is developed and supported by their senior management colleagues. (Adapted from source: CIPD, 2013:5)

The CIPD report (2013) highlights three case studies which demonstrate how the aforementioned four processes are important in driving innovation and transforming local government organisations. Sunderland County Council had to cope with a Government imposed expenditure reduction of 27 per cent of its budget (£100 million) and this led to a reshaping of the workforce and service delivery to meet the expenditure targets. Similarly, in London two boroughs (Sutton and Merton) developed HR shared services in 2009 to drive innovation through partnership, and have achieved a 20 per cent efficiency saving of £1 million. In 2005, Southend-on-Sea Borough Council implemented a culture change programme to turnaround an underperforming organisation into a multiple award-winning and performing Council in 2012.

The international literature highlights the importance of local government leaders providing visionary leadership to enable them to 'have the opportunity to identify substantial productivity and performance gains, and transform the way councils deliver services to create value for their communities.' (Howard, 2012:56) The international case studies highlight that 'ideas for innovation come from multiple sources; many do not involve significant outlay, and can be implemented using resourcefulness. But, a major challenge for elected representatives and senior management is finding the time to prioritise and nurture innovation opportunities.' (Howard, 2012:55) Overall, Bunt et al. (2010: 6–7) recommend that 'government should use the crisis to harness the potential for radical innovation in public services and put in place the right incentives to ensure the best chance for "positive disruption"'. Similarly, the ACELG report (2012) also emphasises that 'local government leaders must regularly challenge every product, service, policy, and delivery system with the question, "if we were not in this now, would we be doing it in the future, or would be doing it in a different way?"' The ACELG Report concludes that 'there is a need, and an opportunity to move beyond ideas-driven and process-driven innovation to a transformational approach that means *creating new ways for delivering value to communities*.' (Howard, 2012)

The national and international examples reviewed in this report provide insights into 'how an organisation can go from a culture of "innovation by accident" to one in which a sustained organisational commitment to innovation is baked into the organization's DNA' (Eggers and Singh, 2009).



# 1.

## INTRODUCTION

The focus of this *IPA Local Government Research Series report* is on innovation in local government which provides transformative or resilient change. The international literature highlights that, given the significant cutbacks in funding to local government organisations, innovation is no longer a luxury item in the toolbox of policy choices, but, a necessity to enable organisations to safely navigate through these adverse economic conditions. A CIPD report (2013:2) entitled *Driving Innovation in Local Government*, emphasises this point: ‘given the cuts in government funding in the UK, developing innovative approaches to service delivery is now essential, rather than, an option.’ This echoes what former UK Cabinet Secretary, Sir Gus O’Donnell stated at a conference on transformational leadership, in 2008, ‘that the challenge of ‘*delivering more with less*’ could only be achieved ‘*if we’re very innovative*’ (Shifrin, 2008).

Bunt et al. (2010: 54) also stress that transforming public services should form a major part of the effort to rectify the public finances as both are long-term issues and cannot be dealt with separately. They argue that the cuts ‘should wherever possible be made with a view to what kinds of public services we want in the future, in particular how services can be re-designed so they are better able to respond to rising demand.’ Similarly, Howard (2012) underlines that ‘the current economic, financial and policy climate requires that government services have to deliver significantly better performance at significantly lower cost. This requirement extends beyond a dedication to incremental and continuous improvement, characteristic of the quality movement of the 1990s. It requires a commitment to fundamental change in the way services are planned, organised and delivered.’ The CIPD report (2013) also notes that given the severity of the public spending cuts, enabling innovation has become a key capability for senior teams in the public sector.

The literature also stresses that, in general, adverse economic conditions and austerity cutbacks are not a favourable environment for innovation: ‘Funding is so intensively rationed and apportioned that resources for new projects, pilots or start-ups are generally starved out and different directorates and authorities tend to “hunker down” mentally and try to wait out lean times – perhaps accumulating ideas but not acting on them until the fiscal climate improves’ (Dunleavy et al. 2011). However, they do point out that the net impact of radical reductions might be more ambiguous, as councils instead ‘may be forced to consider not only axing out of date or “luxury good” provision, but also some risky or painful cost-cutting measures, such as service shutdowns or radical reorganisations of provision, that in happier times they might have shunned. A quota of these reorganisations may help usher in innovative services’ (Dunleavy et al. 2011).

## 1.1 DEFINING INNOVATION

The Australian Centre for Excellence in Local Government (ACELG) report highlights 'innovation as the successful application of new ideas ... carried forward in the domains of ideas driven innovation (relating to new products and services), demand driven innovation (meeting community expectations in new ways) and transformational innovation (using the assets of the organisation in new ways to deliver value).' (Howard, 2012) Similarly, Mulgan and Albury (2003) suggest successful innovation is 'the creation and implementation of new processes, products, services and methods of delivery which result in significant improvements in outcomes efficiency, effectiveness or quality'. More specifically innovation is a combination of 'invention, adoption, diffusion, and evaluation' (Institute for Government, 2009: 1), encompassing the creation of new products and services, or the implementation of new organisational structures and management processes (Walker, 2006: 313-4).

In particular, Dunleavy et al. (2011) emphasise that 'introducing changes in delivery-level public services critically depends on consulting with services users and achieving a deep understanding of citizens' needs and expectations: a strategy of more intensive 'customer engagement' that has already born fruit in many different localities'. They highlight that 'effective innovation also (of course) depends on getting past central government permissions, and on securing active buy-in from the strong occupational groups (professions and trade unions) present in public services. In many instances, it also now requires engaging external contractors and suppliers (whether private firms or NGOs and charities) in the new patterns of provision'. Innovation is regarded as increasingly important, primarily because it is taken to be a key indicator of how successful organisations are resilient to more rapidly changing and complex environments (Thompson and McHugh, 2002: 253).

Mulgan and Albury (2003) in a cabinet paper entitled *Innovation in the Public Sector* found that:

- 'the majority of innovations are *incremental* in nature, involving relatively minor changes to existing services or processes. The paper states that on their own, 'they rarely change how organisations are structured or the relationships and dynamics within or between organisations. But they are crucial to the relentless pursuit of improvement in public services, to the tailoring of services to individual and local needs, and to value-for-money'.
- Less frequently, *radical* innovation occurs, new services are developed or fundamentally new ways of organising or delivering a service are established (on-line tax returns, distance learning): 'Organisations that generate or adopt these innovations may achieve marked improvement in performance in relation to others in their sector, may have significantly different modes of working and can alter the expectations of customers and users, but the overall dynamics of the sector remains unchanged'.
- *Systemic* or *transformative* innovations occur from time to time and are driven by the emergence of new technologies (e.g. ICT, electrification), which transform sectors, giving rise to new workforce structures, new types of organisation, new relationships

between organisations and steep change in overall performance. Systemic innovations can also be driven by changes in mindsets or new policies: 'They entail constructing different relationships between users and services, new institutions and relationships between institutions, new funding regimes, major alterations in governance and accountability, and, not infrequently, a redistribution of rights and responsibilities among the public, managers and professionals.' [Mulgan and Albury, 2003]

John F. Kennedy School of Government, Professor David Gergen (2008) stresses that: 'Innovation bubbles up from the bottom of the organisation. But without leadership that fosters the right environment, systemic innovation will struggle to become a reality'. Similarly, Thompson and McHugh (2002: 253) indicate that 'the main priority for management strategy is to create the conditions, institutional and cultural, for sustainable innovation through self-generating processes and learning mechanisms in the workplace'. Bartos (2003: 9) notes that innovation is difficult in any organisation, but particularly in the public sector: 'For both ministers and bureaucrats, innovation carries high risks. If a new approach to policy or administration is adopted and fails, there will inevitably be criticism- and in the case of a failed initiative, this is perhaps understandable. Unfortunately, the reverse does not apply to a successful innovation. More often than not the responsible minister or agency is criticised for not having implemented the innovation sooner or for having done so in the wrong way'.

This report reviews a number of national and international case studies which demonstrate how various local governments have grappled with the unfavourable economic climate to deliver transformative innovative ideas, policies and practices.

# 2.

## INNOVATION IN IRISH LOCAL GOVERNMENT

### 2.1 LOCAL GOVERNMENT INNOVATION IN IRELAND – SETTING THE CONTEXT

There are many examples of innovation in local government in Ireland. The current challenging economic climate is forcing authorities to examine new ways of working and innovative approaches to service provision in order to maintain services while reducing resources. This was particularly highlighted in the Local Government Efficiency Review Implementation Group report, published by Minister for the Environment, Community and Local Government, Mr.Phil Hogan, T.D., in April 2013.

In December 2009, the Local Government Efficiency Review (LGER) Group was established by the Minister for the Environment, Community and Local Government, Mr.Phil Hogan, T.D., to conduct an independent review of the local government sector. The Group presented its report to the Minister in July 2010, outlining 106 recommendations and identified a range of efficiency savings and revenue options amounting to €511m (€346m in efficiencies and €165m in improved cost recovery and revenue-raising measures).

One of the key recommendations of the LGER report was the establishment of an independently chaired LGER Implementation Group to drive and oversee the implementation of the 106 recommendations. The Local Government Efficiency Review Implementation Group was established in April 2011. The LGER Implementation Group and the County and City Managers Association (CCMA) prioritised the implementation of key recommendations relating to procurement, ICT, human resources/staffing (including workforce planning) and shared services, as areas with potential yield the optimum level of savings in regard to the implementation of the efficiency agenda within the sector.

The Implementation Group has published two progress reports, the second on July 11th, 2013. The County and City Managers' Association, in its input to the latter report, confirmed a total gross savings of €839m since 2008. In the period since the preparation of the LGER report (2010 to end 2012), the savings achieved and projected are reported at €561m. This includes €229m (already more than half the €346m identified as potential direct efficiency savings in the LGER report) attributed to efficiency measures (as opposed to reduction in activity) in the years 2010 to the end of 2012. The majority of the efficiency savings identified relate to staffing reductions and procurement (LGER Implementation Group Report, 2013).

Minister Hogan noted that 'the local government sector continues to make significant progress on implementing the efficiency changes recommended in the original LGER Report'. Furthermore, the Minister acknowledged that 'it is imperative that the rate of implementation of the efficiency agenda is accelerated by the sector to ensure the overall

targeted efficiency savings (€346m) are achieved in a timely manner'. He underlined that 'substantial savings have been delivered in the sector from improved efficiencies and better business processes, while maintaining and improving services to citizens'. Minister Hogan also acknowledged the ongoing reduction of staffing levels within the local government sector, 'local authorities have shed some 8,900 staff since June 2008 whilst continuing to maintain an impressive level of public service delivery'. As outlined by the LGER Implementation Group report (2013), at the end of December, 2012, staff numbers were 28,344, compared to 37,243 in 2008.

The LGER Implementation Group Report (2013) further notes that:

'It has been a hallmark of local government that local authorities work to develop solutions to address specific challenges, often in the past operating separately despite significant similarities in the issues being addressed. Since the Implementation Group was established there is far greater evidence of a sharing of resource/expertise and a collaborative effort across the sector to tackle common challenges and opportunities. There has been a significant amount of insourcing of shared services across local authorities with an ambitious programme to be achieved. The Sector must continually challenge the manner in which these shared services are being delivered. In particular, it should subject the services to review to determine if they can be delivered more effectively, more efficiently and competitively on an outsourced basis. Local authorities must remain focused on the key services that they are charged with providing and where it is strategically appropriate and cost effective to do so, should look at external service delivery, through procurement processes if that will deliver better outcomes.'

[extracted from LGER Report] (See Appendix 1 for list of CCMA business-cased shared services).

Separately, research conducted by the County and City Managers Association (CCMA) in 2012 on local government and local economic development identified 2,382 separate actions/projects/activities undertaken by local authorities in 2012 which are intended to contribute to local development, enterprise support and economic growth. These projects often represent innovative attempts to collaborate with others to do things like organising and supporting festivals to bring tourism into cities and towns; developing infrastructure aimed at enabling investment; supporting entrepreneurship through provision of financial incentives, facilities and training; and promotion of networking and marketing (CCMA, 2013).

It is clear from the savings and innovation outlined in the LGER Implementation Group Report (2013) and the CCMA (2013) local economic development report that local authorities are addressing issues of how best to transform local government and make it more efficient. The need for future efficiencies remains, and it is helpful to consider two examples of innovation, widely seen as being exemplars of good practice, from Cork county council and Louth local authorities. These are examples of innovation that is taking place across the local government system in Ireland, and provide lessons that could be helpful for future developments.

## 2.2 CORK COUNTY COUNCIL

*'Cork County Council is a local authority established by statute whose corporate purpose is to enhance the physical, social, cultural and economic environment of the county in a sustainable and socially inclusive manner so as to improve the quality of life of its citizens.'* (Mission Statement, Cork County Council Annual Report, 2010)

County Cork comprised a population of 399,216 in Census 2011 (an increase of 10.3 per cent since the last Census in 2006). The council employed 2,780 people with an annual turnover (revenue and capital) in 2011 of €459 million. The last number of years has seen a reduction in resources. The council reduced its staffing numbers by 797 (27 per cent) between 2008 and 2012, resulting in a major loss of expertise. This loss of human resources coupled with increasing consumer expectations and demand for high quality services, causes increased challenges to maintain high standards of infrastructure and service.

Given the significant financial challenges, Cork County Council undertook strategic reviews of four service areas (waste, water, housing and roads) in 2009/2010. The objective of the strategic service reviews was to develop service delivery models which would enable the council to continue delivering high quality services given less resources and greater consumer demand and expectations. During 2009-2010, strategic service reviews were conducted by the senior management team/organisation development groups comprising of three teams for each service area (water/waste (combined); housing and roads). The teams involved a chairperson and five to six senior management personnel. All three teams were supported by the organisational development unit.

### Strategic service reviews

The strategic service reviews consisted of a five-stage methodology (based on the Lean Six Sigma approach: define, measure, analyse, improve and control). Lean Six Sigma is a structured programme used to identify and eliminate costs that provide no value to customers (see <http://www.bqf.org.uk/performance-improvement/about-lean-six-sigma> for more details)

The reviews involved consultation with staff throughout all stages:

1. **Define.** Stage one of the strategic reviews involved use of a project charter as a means of identifying a strategic need for change (either as an opportunity or as a challenge to the organisation); the business case for a service was set out, including a goal statement and scope of a project (for example, what factors could be in and out) and also a project plan was drawn up. This was reviewed and updated throughout the project. The use of a charter was necessary to gain a common understanding of the problems and opportunities involved; the choices that may lead to challenges for staff, customer, and the organisation in order to achieve the clearly defined and understood objectives and to clearly define what's out of scope and in-scope going forward. (See sample charter template at Appendix 2)

2. **Data collection.** At stage two, to ensure data was collected during the key service reviews, a member of staff (whole-time equivalent) was recruited to work solely on this aspect and this was a payroll cost incurred by the organisation to ensure collection of baseline measures and performance data. Staff workshops and interviews were conducted throughout the reviews in the various areas.
3. **Analysis and evaluation.** Following observation and analysis of the data findings collected by the strategic reviews, stage three involved analysis and evaluation of the data collected. There was a clear understanding of the problems, but, it was also important not to jump immediately to identify solutions without considering the strengths and weaknesses in these areas; the actual problem areas, what the obstacles were and to identify the disruptors in the system and provide examples of good or poor performance, in order to generate the relevant solution.
4. **Generate solution.** Stage four involves reviewing the project charter, data collected and findings and observations. This was made more effective due to the flat management structure; dedicated resources, with sole focus on a specific service and a set of clear objectives, measures and targets for the reviews.
5. **Implementation.** Finally, under stage five, an implementation plan was drawn up to identify all items which will be impacted upon and need to be addressed. (see timescale for each of the key strategic reviews at Appendix 3)

### Outcome of the strategic service reviews

The strategic reviews of the four service areas in most cases resulted in a move from divisional based service delivery to a functional approach, with resultant economies of scale achieved. There was a significant reduction in senior and middle management grades with resultant reduction in management overhead costs. There were specific roles and responsibilities clearly defined for key posts across the new structures. Local key performance indicators were prepared for the new structures and their constituent business units.

Significant non-pay related efficiencies were achieved through reviews of services, such as document storage, mobile phones, postage, professional services, etc. Over €4m was saved in this area during the reporting period. There was also a continued reduction in the overtime bill with a saving of over €900,000 during the reporting period. A shared services agreement was entered into with Cork City Council in respect of the veterinary function.

Efficiencies were achieved through pooling of staff resources, both permanent and temporary re-assignments, including a move of technical staff into non-traditional technical staff areas. A significant overall reduction in number of staff was achieved, for example, from 2,947 whole time equivalents (WTE) in 2008 to 2,150 WTE as at end March 2012 (a reduction of 27 per cent). A reduction in the number of director of service/head of function posts from 13 in 2008 to 10 at end March 2012. The role of divisional managers expanded to include functional responsibility. Details from the individual review areas are given below.

### **Water review**

Since January 2008, there has been a 40 per cent reduction in management /technical/ administrative resourcing. Following the review, there was a separation of water and wastewater at a management and technical level. There was the establishment of specific purpose supporting business units (a co-ordination unit, infrastructure development unit, finance and administration unit). There was a separation of water from roads at area level. The water section has continued to deliver the same range of services as previously, together with the additional workload associated with Environmental Protection Agency wastewater license applications and compliance.

### **Housing review**

Since 2008, there has been a 32 per cent reduction in management/technical/administrative resourcing. Following the review, there was a separation of policy from operations and the establishment of countywide units for processing, housing grants, housing options, rental accommodation scheme, technical/architectural services, housing finance and administration. Since 2008, the housing function has experienced an increase in workload, including additional requirements with regard to assessment of housing need applications, housing maintenance, social leasing, and a more challenging environment with regard to the collection of housing rents and loans.

### **Roads review**

In terms of the roads section, since 2008 there has been a 25 per cent reduction in management/technical/administrative resourcing. A countywide non-national road design office was established with electoral area manager posts established for roads, which were the responsibilities previously held by senior engineers and are now delegated to electoral area senior executive engineers. Roads service has managed and co-ordinated the spending of grant allocations in 2011, which were on a par with the 2008 allocations.

### **Disposal of refuse collection service review**

A service review was carried out of waste management services. Efficiencies were implemented with regard to promoting the service, consolidation of routes, and such like. The conclusion subsequently reached was that continuing the service would prove unsustainable and therefore, in August 2010, the service was sold to a private operator and the remaining staff were redeployed to alternative roles.

### **Subsequent reforms**

The Council has continued its reform efforts apart from these four strategic reviews. For example, a performance assessment review of the management and deployment of area outdoor operations, was carried out in 2011. A number of sections/departments have taken on additional duties/workloads on a temporary basis to facilitate the clearing of backlogs/ peak loads being experienced in other pressurised sections/departments. There has also been inter-departmental transfer of staff (on a temporary basis) to assist in dealing with heavy loads being experienced. Re-assignment of clerical officers to fill library services vacancies, on a permanent basis, involving Tuesday to Saturday working, rather than Monday to Friday. The council has moved some technical staff (e.g. engineers, planners) to



alternative posts within the organisation where they may be performing alternative duties. The council has introduced shared public counter facilities, where council area office and town council co-exists within the same building, including, sharing and pooling of staff resources between county and towns.

A report by the County and City Managers' Association (CCMA) (2012) outlines that Cork has benefitted from almost €9 million delivered in savings locally from further efficiencies in local government shared services. The CCMA report also notes that 'with major efficiencies and savings already achieved, Cork County Council is among the local authorities that are now leading the reform agenda with an extensive programme of shared services to enhance the services available to citizens and businesses, while also delivering further savings' (Source: Cork County Council, 2012).

### 2.3 LOUTH LOCAL AUTHORITIES

Louth local authorities (LLAs) mission is 'to provide leadership and to deliver an efficient quality service to the people of Louth' (Louth Local Authorities Corporate Plan 2010-2014, Mission Statement). A significant reform programme has been in place in recent years, covering issues such as:

- Area restructuring for administrative/technical staff
- Centralised procurement section
- Planning is centralised
- Outsourcing of internal audit services
- Merging of housing services in Louth
- Move to fortnightly pay for all staff and pensioners
- Homeless services managed by LLA for the region of Louth, Cavan and Monaghan
- Mainstreaming of Drogheda motor tax into Drogheda Borough Council
- School building project undertaken by Louth County Council on behalf of Department of Education
- Outsourcing of street cleaning and grass cutting
- Energy efficiency

A number of projects are outlined briefly below to highlight examples of innovation and change.

#### Productivity

A major restructuring of the three authorities in Louth into three areas (North Louth, Mid-Louth and South Louth) with a centrally located support structure has been completed in respect of the administrative and technical staff. This restructuring is intended to enable

economies of scale, streamline the management function and provide enough staff to deliver frontline services at a time when the overall numbers are reducing. The number of directors of service has been reduced from seven to five with the directorates being reconfigured so that the work is shared out between the five directors. Similarly the new structure has allowed the loss of other staff through retirements to be managed without affecting services.

The centralisation of the planning function has allowed some administrative staff to be reassigned to other areas with the remaining planning professional staff taking on additional duties e.g. unfinished estates.

Housing services arising from the three housing authorities has been merged with no reduction in service to the public as the three housing counters continue to operate. In some areas service has improved as the merging has provided opportunities to focus on matters not previously addressed. General tenancy matters are now also improved with a single case management process for the 3,500 tenants of the Louth local authorities. Similarly the merging of the authorities has provided the opportunity to develop a contracts section for procurement of works for all housing maintenance activity.

### Homelessness in Louth

Since Centralising Services in Louth in January 2011, there is:

- A dedicated Homeless Officer
- Service Agreements have been put in place with service providers, e.g. Simon Community, Homeless Aid.
- A Regional Homelessness Consultative Forum was set up.
- A Homeless Action Team (HAT) meet weekly, representatives from Housing, Community Welfare Office (CWO) Service, Probation and Mental Health Services attend along with the 4 voluntary service providers, (e.g. Simon)
- When persons present as homeless, LCC are contacted 24/7 and an assessment is made, if deemed homeless suitable accommodation is allocated. Only placements approved through this process will be eligible for funding.
- When a person is placed in Emergency Accommodation by the Homeless Officer a Key worker is to be appointed.
- The Service Provider must undertake an assessment of needs with a view to the person returning to independent living.
- A Personal Action Plan is presented to the Homeless Action Team within 2 weeks to ensure a clear pathway for the person to return to independent living within a short timescale.

### Shared Services

Louth local authorities have established a central procurement office. The key function of the office is to ensure compliance with procurement legislation and to identify and

co-ordinate aggregated procurement across the three authorities in Louth. An increase in the use of three year framework agreements is now the preferred option, which has encouraged more tenders to respond to request for tenders and improved pricing models being offered. A shared service has been developed between Meath local authorities and Louth local authorities for the provision of Geographical information system (GIS) expertise.

### Louth Economic Forum

Louth Local Authorities commissioned a study entitled Louth County Economic Development Strategy (2009 - 2015), prepared by Indecon consultants. This report provided a blueprint for the Louth Economic Forum and in April 2009, Louth Local Authorities established the Louth Economic Forum. 'The Forum brings together all of the State agencies that interact with those generating economic activity in the county, and is a one-stop-shop for potential investors.' (p. 35, Louth Local Authorities Annual Report, 2011) The purpose of the Forum is to accelerate economic growth and job creation in the County.

While operating under the statutory Louth County Development Board, the Louth Economic Forum is a voluntary organisation, in which its members commit time and energy in the development and implementation of action plans. Louth Local Authorities were keen to have an independent person chair this innovative Forum. 'The Louth Economic Forum was established in Louth Local Authorities in 2009 under the chairmanship of Padraic White, former CEO of IDA Ireland, the State agency charged with attracting foreign direct investment (FDI) to Ireland' (Louth Local Authorities Annual Report, 2011: 35). Louth Local Authorities also appointed Edel O'Mahony to act as Forum coordinator, to ensure strong co-ordination for the Forum and that all of the members achieve successful delivery of the action plans. Such coordination is essential as it facilitates the collaborative process between all members, and provides the chair with an operational resource. Administrative support is given by the economic and cross border development unit in Louth Local Authorities.

The Forum comprises of the business sector of County Louth, the local authority management and all of the State agencies that interact with those generating economic activity in the county and is a one stop shop for potential investors. Forum membership comprises key stakeholders who work in co-operation and in partnership, including:

- Louth Local Authorities,
- Ardee Business Community,
- Drogheda and District Chamber of Commerce,
- Dundalk Chamber of Commerce,
- Dundalk Institute of Technology (DKiT),
- Enterprise Ireland (EI),
- Fáilte Ireland,
- FÁS,

- IDA Ireland,
- Louth County Enterprise Board (LCEB),
- the Sustainable Energy Authority of Ireland (SEAI) and
- Teagasc.

The Louth Economic Forum has a three year work programme and has identified ten specific areas to be addressed within this programme and these are reflected in ten individual action plans developed by specific task groups. The purpose of each action plan is to outline Louth's joined-up approach to the development and promotion of County Louth and its hinterland. The 10 Action Plans are:

1. Foreign Direct Investment
2. Sustainable Energy
3. Indigenous Industry
4. Tourism and Heritage
5. Education and Training
6. Age Friendly Business
7. Agriculture, Fisheries and Food
8. Making Louth the Best County to do Business
9. Broadband
10. Drogheda Dundalk Newry Economic Corridor

The Forum has provided a collaborative framework to facilitate the following achievements to date:.

<p><b>LOUTH ECONOMIC FORUM</b></p> <p>Has made a major contribution to job creation in County Louth in 2012.</p>	<p><b>Foreign Direct Investment</b></p>	<ul style="list-style-type: none"> <li>• 1,806 jobs created in Drogheda and Dundalk with the companies - Satir, Warner Chilcott, Probiotec, Coca Cola, PayPal, Prometric, Diaceutics, Radio Systems PetSafe, Yapstone, Nextag</li> </ul>
	<p><b>Indigenous Industry</b></p>	<ul style="list-style-type: none"> <li>• The opening of Creative Spark Enterprise Centre, Dundalk Enterprise Centre July 2012 and development of same for Drogheda in 2013.</li> <li>• Establishment of Louth Local Authorities Business Support Unit</li> <li>• Enterprise Ireland initiatives for Entrepreneurs</li> <li>• An Enterprise Centre Network to be created</li> <li>• Age Friendly Business Trade Fair, and the Discovery Zone programme in the Regional Development Centre</li> </ul>
	<p><b>Sustainable Energy</b></p>	<ul style="list-style-type: none"> <li>• Building on the success of Dundalk 2020 which saves in excess of 6,000 tonnes of CO2 per annum or in monetary terms €1.5M, Drogheda and Ardee are replicating relevant aspects of the concept.</li> <li>• Launch of the Smart Eco Hub, funded by INTERREG .This is a network initiative to support entrepreneurs/ established low carbon businesses.</li> <li>• Developing Dundalk, and the wider county and region as a Smart Community.</li> <li>• Building on energy efficiency projects – Pilot Energy Management Internship programme. 12 interns provided energy management support to 45 Companies. Resulting in real energy and cost savings of €250k and a further €700k potential savings identified.</li> </ul>
	<p><b>Tourism and Heritage</b></p>	<ul style="list-style-type: none"> <li>• Fáilte Ireland’s identification of the Boyne Valley and Cooley Mounse Gullion in the top ten destinations in the country</li> <li>• Opening of the Tholsel Tourism Office in Drogheda</li> <li>• Appointment of a dedicated Tourism Officer for the Boyne Valley to cover Louth and Meath</li> <li>• Appointment of a Tourism Officer to the Town Centre Management office in Dundalk</li> <li>• Planning approval and INTERREG funding of €17.4m received for Narrow Water Bridge</li> <li>• Development of Greenway Carlingford to Omeath</li> <li>• INTERREG funding of €1.4m received to develop Geo Tourism</li> <li>• Proposal for combined north-south Tourist Development Plan</li> </ul>
	<p><b>Age-Friendly Business</b></p>	<ul style="list-style-type: none"> <li>• Men’s Sheds launched in Drogheda, Dundalk and the Cooley Peninsula</li> <li>• Age-Friendly Business toolkit pilot in Ardee</li> <li>• Establishment of Ireland’s first ever Age-Friendly Business Consumer Fair</li> </ul>
	<p><b>Education and Training:</b></p>	<ul style="list-style-type: none"> <li>• Establishment of an Education, Training and Business task group to strengthen links between industries.</li> <li>• Targeted coordination of education and training provision</li> </ul>

Sources: p41/42, Louth Local Authorities Annual Report, 2012 and Louth Economic Forum article, pages 8-10, Local Authority Times, Vol. 16, No. 3& 4, 2012]

To date, a majority of the action plans have been published, and can be downloaded from: [http://www.louthcoco.ie/en/Services/Business\\_Support\\_Unit/Louth\\_Economic\\_Forum\\_/Action\\_Plans/](http://www.louthcoco.ie/en/Services/Business_Support_Unit/Louth_Economic_Forum_/Action_Plans/).

## 2.4 CONCLUSION

From the two cases examined on innovation at a local level, a number of key elements are evident in how these local authorities adapted their organisations to cope with the austere conditions. Both authorities either undertook strategic reviews of their service provision areas or reacted to Department of Environment, Community and Local Government policy guidelines to adapt their services further in the area of economic development. Given capacity constraints and reduction in funding, both organisations restructured their organisations accordingly, to accommodate strategic collaborations and service level agreements with other providers and public sector agencies and bodies, to ensure effective quality service provision; to address social issues (e.g. homelessness) and to promote and drive economic development projects at a regional level. Leadership by senior management and cross-collaborative project teams and task groups seemed to play a vital role, including co-ordination roles within a specially established unit within the local authority being important in ensuring all targets and tasks were met by the various members in each group of the forum or area.

### Learning Points

- Leadership must instigate and drive cross-collaborative fora and ensure cross-collaborative working and shared services models works effectively
- Conduct a strategic review of service areas
- Implement shared service delivery model in areas of procurement to alleviate budgetary shortfalls
- Develop cross -collaborative partnerships with neighbouring local authorities, private sector providers, and other public sector, charity and voluntary organisations, in order to ensure innovation is realised in strategic service areas
- Involve, consult and engage staff and key stakeholders in innovative projects and programmes from the outset, underpin this with use of technology and new forms of working or collaborating.

# 3.

## INTERNATIONAL EXAMPLES OF INNOVATION: LESSONS FROM AUSTRALIA AND THE UK

A number of international examples of innovation in local government are highlighted below which have demonstrated transformative or resilient change.

### 3.1 AUSTRALIA

The Australian Centre for Excellence in Local Government (ACELG) report, written by Howard (2012) draws on the database of profiles and case studies of councils that won Australian national innovation awards. In particular, the report sets out a number of case studies of innovation categorised in response to demand side pressures, such as, the need for more efficient and effective new ideas and processes in local government due to the economic downturn and also driven in acute circumstances by responses to emergencies and natural disasters. In terms of the supply side for innovation, the international examples highlight examples of how councils source the ideas for innovation through partnerships with technology, product and service suppliers.

#### Demand side of innovation

In local government innovation emerges quite often in response to emergencies. It is often noted that innovation occurs in response to crisis situations, where new approaches are needed, including unprecedented approaches to a crisis or natural disaster.

#### Adversity Drives Asset Management Innovation

*Somerset Regional Council, 2012*

In January 2011, southeast Queensland experienced devastating floods.

Note: Somerset Regional Council, is located west of Brisbane, and is the fastest growing local government area in southeast Queensland, it contains important vegetation and forest areas and the key water catchments for southeast Queensland.

Most of the local government area of Somerset Regional Council (SRC) was affected by the floods, with over \$80 million damage to essential road and drainage infrastructure. Many vital road links, including bridges, were destroyed and needed to be restored urgently to reconnect isolated communities. 'The scale of the catastrophe required new thinking to be able to restore the devastated areas. SRC Officers were challenged with the need to quickly respond but within a sound financial and asset management protocol given the adverse circumstances. To succeed, existing systems and available resources were worked into an integrated model to deliver on the demands for urgent recovery of essential public assets, and restoration and enhancement of public assets to maximise community benefit. The added advantage is that the ongoing management of the restored assets beyond the flood restoration phase has become a seamless, business as usual exercise for future generations to come.'

Source: <http://www.regional.gov.au/local/awards/files/2012-NALG-winners-book.pdf>, cited in Howard [2012]

Howard (2012) acknowledges that given the economic downturn, local government is under pressure to achieve greater efficiency and effectiveness in processes. The report notes that 'responses to process need can focus on incremental improvement by improving the performance of processes already in place or developing new ways of meeting process objectives and requirements, known as process innovation. Opportunities for process innovation flow from technology and e-government. Advances in information and communications technologies can make innovations possible in payments, purchasing, and other transactions.' The report outlines that 'banks and insurance companies are leaders in e-commerce to the extent that physical interactions between a customer and a bank are no longer necessary. Banks have developed sophisticated customer relationship management (CRM) systems and linked these to banking and financial transactions.' The report notes that 'local government lags in terms of interactions with the community through CRM systems. As an example of process improvement, Hills Shire Council (NSW) has developed a new improved Section 94 Developer Contributions Register to report on and manage developer levies collected to fund new essential infrastructure such as open space, roads and water management facilities.' (ACELG, 2012)

#### **Hills Shire Council Section 94 Developer Contributions Register**

*The Hills Shire Council, 2012*

'The Hills Shire Council Developer Contributions Register provides a number of benefits in relation to compliance with reporting requirements, management of funds, delivery of works and meeting customer expectations. The register exceeds conventional reporting mechanisms for developer contributions, by integrating the council's existing reporting processes into a streamlined financial tool that reduces the need to maintain separate databases. The register was developed using the council's existing corporate finance software, and the project was jointly undertaken by the council's forward planning, financial and corporate strategy and information technology teams. The register enables financial transactions, project delivery and revenue forecasts to be integrated into a single system. The framework established by the register is aimed at improving the financial sustainability of the council and assisting the timely delivery of essential infrastructure for new communities.'

Source: <http://www.regional.gov.au/local/awards/files/2012-NALG-winners-book.pdf> , cited in Howard [2012]

#### **Supply side of innovation**

As highlighted by the ACELG report (Howard, 2012), innovation is 'the successful adoption and application of new ideas. However, the way in which ideas are created from these opportunities and translated into practical application need to be addressed.' The report notes that 'successful councils, through their elected representatives, CEOs and top management teams, are constantly looking for new ways of doing things and meeting expressed and latent community needs and expectations.' Successful councils 'are looking at ways to promote economic development, secure the area's physical and natural capital as part of sustainability, and ensure that the community has access to high quality facilities and services in health, education, sport, culture and recreation. Similarly, people



in the community, professional staff, suppliers and contractors provide ideas for innovation. Councils also look to a range of external sources, such as websites, portals, and social networks for ideas. This involves a focus on the supply side: how councils source the ideas for innovation?’

The ACELG report outlines that successful councils look to technology, product and service suppliers, as partners and sources of innovation. ‘Local government is a heavy user of contracts and consultancy. But the opportunities to use procurement as a form of ‘innovation sourcing’ can be constrained by an embedded ‘purchasing’ philosophy, negative attitudes towards the value added potential of consultants and contractors, and a tendency to specify requirements in terms of components rather than the overall solution required. Engineers, architects and designers can bring major innovations in the creation of public assets and infrastructure. Council buildings are frequently the subject of innovation awards that involve the adoption and application of ideas that deliver enhanced energy ratings, greater usability and functionality. In some cases councils might identify areas of innovation and seek partners for development. Partners might also take the opportunity for further commercialisation. An initiative at Mid-Coast Water (NSW) provides a recent example.’ (Howard, 2012)

### Lightweight Lockable Manhole Covers

*Mid-Coast Water, 2009*

Lightweight lockable manhole covers have been developed by a project team of Mid-Coast Water staff, in conjunction with a polyethylene manufacturer. This innovative manhole lid design eliminates a number of risks associated with traditional manhole lids and has the potential to be implemented worldwide. The lifting and moving of manhole lids has been a manual handling risk for the water and sewerage industry for many years. To mitigate this risk, Mid-Coast Water developed a new range of lightweight, lockable and water tighter manhole covers. The idea of redesigning the traditional manhole covers was fuelled by a number of issues. The traditional covers are heavy (about 38 kilos) which poses a manual handling risk for staff and they often leak, allowing stormwater to enter the wastewater network. Mid-Coast Water staff identified other problems, such as corrosion of the concrete used in the lids, jamming of the cover into the surround and rusting of lifting lugs. A project team was formed to identify the requirements and work with manufacturers to develop a range of concept designs. The new cover weighs 14 kilos, is made from a non-corrosive material, and provides a watertight seal. It was decided that any new cover should be lockable to eliminate any unauthorised entry into a potentially dangerous environment. The cover is lockable, non-slip, cost-effective and environmentally friendly. The lightweight nature of the cover will minimise the potential for manual handling injuries and reduce work cover claims. The new lids are now in production and Mid-Coast Water has implemented a program for replacement of existing covers in areas of high risk and incorporates the new design into the standard for new subdivisions.

Source: <http://www.regional.gov.au/local/awards/files/2012-NALG-winners-book.pdf> , cited in Howard [2012]

In both the private and public sector collaboration is an essential way of adopting new ideas. 'Collaborators bring different skills, knowledge and experience and can deliver outcomes that might not otherwise have been possible (or thought of). Councils enter into collaborative ventures with other councils as a way to use resources in new ways to create value for communities. Councils in the study also highlighted examples of collaborations with other councils that may not have transformed their business operations but still created innovative outcomes. The joint initiative between the Great Lakes Council (NSW) and Resource Recovery, a not-for-profit landfill contractor, won the award for local government innovation in waste 2011. This was for their work in providing training and employment to the long-term unemployed and participants from Juvenile Justice and Probation & Parole. The project also addressed an innovation opportunity around sustainability.' (Howard, 2012)

#### **NFP Waste Reduction Initiative, Great Lakes Council, 2011**

'This partnership has culminated in the establishment of The Green Community Project, which is a community project which aims to showcase environmentally sustainable living practices focussed on re-using, recycling and up-cycling. Resource Recovery operates council landfills, and a waste management centre on the mid-north coast of New South Wales (NSW), providing training and coaching in landfill operations, including, plant operations, computer and weighbridge operations, customer service, retail sales and recycling. The Green initiative includes a shop-front incubator for new green enterprises along with construction of water-wise, permaculture, native and children's gardens and structures. The project also provides environmental (sustainability) education in waste avoidance, re-use, water and energy use minimisation. John Cavanagh, the Council's manager of waste, health and regulatory services, notes that "in the past many councils have considered that these initiatives come with a risk too high to consider, but it has been proven that by having a contractor whose key objectives include training and rehabilitation of the socially disadvantaged and long-term unemployed and a council willing to work with that, it is achievable and exceptionally rewarding...In addition, other ideas being considered as part of the initiative are establishing a community cafe, grey water systems, bamboo farming, alternative power generation, eco-tours, facilities for sports and hobbies, e-waste facility, chicken tractor, driver-training and construction of public access pathways connecting to Darawank Wetlands, the beach and Tuncurry Skate Park.'

Source: <http://www.regional.gov.au/local/awards/files/2012-NALG-winners-book.pdf> , cited in Howard [2012]

### **3.2 UNITED KINGDOM**

It is noted by Gaskarth (2010: 3) that the next few years are going to be very difficult for local government in the United Kingdom (UK), given that the UK Government is seeking to identify savings and efficiencies to reduce the approximate £155 billion annual UK budget deficit and local authority expenditure amounts to one quarter of total public expenditure. Furthermore, local authorities are dependent on central government grants for the majority of their funding. Dunleavy et al. (2011) highlight that 'the period to 2015 raises some unique challenges for public services across the UK, and especially for English local

government as the central government's austerity drive (allied with a cap on council tax increases) creates a period of unprecedented financial pressure on budgets, with up to 25 per cent cuts in spending predicted...Local authority services will bear the brunt of public spending cutbacks.'

A Chartered Institute of Personnel and Development (CIPD) report (2013:2) entitled Driving Innovation in Local Government notes that in recent times, the UK Government has increasingly talked about the 'Innovation Imperative' and 'the need to accelerate innovation in the public services in order to tackle the current economic and social challenges that face the UK' (Osbourne and Brown, 2011, cited in CIPD(2013:6)). The report found that one of the key lessons garnered from their research is that 'promulgating a sense of self-belief and 'can-do' attitude towards innovation at all levels of the workforce is as important as designing new systems and structures' (CIPD, 2013:4). According to the report, 'developing a new style of public leadership at senior levels is the starting point for this cultural change. For this to work these leaders must be supported by an inspiring human resources (HR) department...HR must be prepared to energise the organisation through designing change programmes that instil a sense of pride and possibility into the workforce. HR professionals also need to lead the way by delivering innovation in HR service delivery' (CIPD, 2013:4)

In particular, the CIPD report (2013) lists four key processes as 'the alchemy that unlocks the potential of this social capital', namely:

1. The creation of a new generation of leaders who are able to change the mindsets and beliefs of employees and in so doing, create an enabling context in which innovation can flourish
2. Leaders actively fostering climate of trust and confidence which then nurtures a sense of shared purpose and belief within public sector employees at all levels
3. And from the beginning, these leaders visibly recognise the value of both incremental and radical forms of innovation...The success of implementing humble innovation can create the enabling conditions in which more radical and transformational forms of innovation can start to take root
4. In all of this HR's critical contribution to the creation of an innovative culture is both recognized, developed and supported by their senior management colleagues' (Source: CIPD, 2013:5)

The CIPD Report (2013) highlights three case studies which demonstrate how the aforementioned four processes are important in driving innovation and transforming local government organisations. In London, two boroughs (Sutton & Merton) developed HR shared services in 2009 to drive innovation through partnership, and have achieved a 20 per cent efficiency saving of £1 million. In 2005, Southend-on-Sea Borough Council implemented a culture change programme to turnaround an underperforming organisation into a multiple award-winning and performing Council in 2012. And Sunderland County Council had to cope with a Government imposed expenditure reduction of 27 per cent of its budget (£100 million) and this led to a reshaping of the workforce and service delivery to meet the expenditure targets.

## CASE EXAMPLE 1:

### LONDON BOROUGH COUNCILS OF SUTTON, MERTON AND THE ROYAL BOROUGH OF KINGSTON –SHARING HR SERVICES AND THE ROLE OF INNOVATION AS A CORE PRINCIPLE.

The two boroughs of Sutton and Merton receive the lowest level of central government grant and face difficult financial pressures as they serve communities with areas of social deprivation amid affluent suburbs. The shared service partnership was the brainchild of both chief executives. 'The shared services was part of the *Smarter Services Sutton* programme, which introduced new ways of working while reducing expenditure through: channel migration, Big Society projects, changes to employees' terms and conditions of employment, strategic procurement partnerships, business process re-engineering and organisational redesign. In July 2008, the Sutton Council Executive received a report on the proposed shared service...The lead/host borough model was considered to be the most suitable and sustainable after careful options analysis' (CIPD 2013:13). The HR shared service was launched in October, 2009, one of the UK's biggest HR shared services programme and the first between two unitary authorities. There were a small number of redundancies as a result of the merger, with options for early retirement and voluntary severance. Through the HR shared service arrangement, they achieved in excess of £1million in savings, an efficiency saving of 20 per cent. The transformation programme was realised through a number of elements: organisational redesign, de-layering and efficiency from purging duplication (adapted from source: CIPD, 2013:13; London Borough of Sutton, 2009)

Merton's HR service was deemed as 'poor' by the Audit Commission in 2007, but, was re-evaluated as 'good' by 2010. The executive head of HR at Merton in 2009 stressed that 'Innovation is another core council value. This ground-breaking project is at the leading edge of shared services work in London and beyond. No other London boroughs have achieved the efficiencies referred to in this report through transformation of HR services through a shared service delivery model' (London Borough of Sutton, 2009)

In April, 2012, the second phase of the HR and payroll shared services programme was rolled-out. A three-borough strategic HR information system and payroll integration system was initiated between the borough councils of Sutton, Merton and Royal Borough of Kingston. The project has garnered £605,000 per annum in savings. This has been realised across the partnership through business process re-engineering which has improved productivity and delivered transformation and efficiencies. The total saving over the lifetime of the 10 year programme is £6.1 million. (Adapted from source: CIPD (2013: 13-14))

## CASE EXAMPLE 2:

### SOUTHEND-ON-SEA BOROUGH COUNCIL: CULTURE CHANGE PROGRAMME DRIVING INNOVATION

The report outlines the culture change programme called the *'Inspiring Programme'* implemented by a new CEO in 2005 to a very demoralised and underperforming local authority, Southend-on-Sea Borough Council. Given that the Council was in such a poorly performing state, by using this 'burning platform' the CEO was able to ensure that things would have to change and with the help of HR (upon arrival the CEO elevated HR onto the senior management team), the CEO launched the cultural change programme, entitled *'Inspiring Programme.'*

This programme included cultural enquiry workshops using groups from a mix of directorates and levels. The People and Organisational Development Team (POD) derived from this *'Inspiring Programme'* and 'together these groups of people worked to define the current culture, the desired future culture and the behaviours that would underpin such a cultural vision. In this they were supported by the consultants (Price Waterhouse Coopers (PwC)' (CIPD, 2013:9). To support this culture change programme, the POD team introduced an internal coaching initiative, in partnership with a business consultancy, Go MAD thinking, which implements a Go M.A.D.® framework which uses 'possibility thinking' and other tools and techniques as part of a solutions-based approach that helps people to take time out to think through ideas and see that there are of alternative ways of achieving the same thing.

The *'Inspiring Programme'* initiatives included:

- a *talent pool* initiative which replaced the 'at risk' of redundancy register and this enabled staff who were at risk of redundancy to have their skills and expertise reviewed by HR to assess what their contribution could be to other jobs in the organisation and also included an opportunity to try any possible job for a trial period of four weeks and led to greater staff retention and redeployment under the restructuring process
- the POD team established *'exchange'* acting as a conduit between the CEO and middle managers which involved monthly network meeting for middle managers
- a *'talking heads'* initiative which invited external guest speakers to address lunchtime talks with senior and middle managers
- a staff awards event called 'Stars' was established to progress excellence within the organisation, this involves a fully sponsored awards event for 400 staff, celebrating success stories of staff members' contributions to innovative service delivery, personal development and change. 'Front-line staff are nominated by members of the public and/or colleagues, thereby building connections with the local community, and support functions are nominated for awards by internal customers' (CIPD, 2013:9-10)

To gauge the extent of what has been achieved in seven years at Southend-on-Sea Council, they achieved the LGC Council of the Year award 2012.

(Adapted from source: CIPD Report, 2013:9-10)

### CASE EXAMPLE 3:

#### SUNDERLAND CITY COUNCIL – RESHAPING WORKFORCE & SERVICE DELIVERY – THE INNOVATION BARGAIN

Under the UK Government's deficit reduction programme, Sunderland City Council were required to reduce their spending by £100 million by 2012 (27 per cent of their overall budget). Sunderland City Council examined a number of options and decided to reshape both its workforce and service delivery, but this did not include any compulsory redundancies. Their strategy centred around three key elements:

1. A freeze on external recruitment except in the case of specialised roles and always following an extensive internal skills assessment
2. A strengths based assessment of the entire workforce to ensure skills were matched to suitable roles arising from any vacancies
3. A new business delivery model to centralise functions and departments in order to eradicate unnecessary duplication

'There were many responses to the requirement for budget cuts but most were focused around internal jobs market (IJM)/SWITCH programme as a fulcrum of innovation and the enabler of innovative processes. A self-assessment tool [online] was developed which helps identify employees' personal strengths and their qualifications and experience and then this information is used to ensure they are matched to jobs that play to their strengths.' It is noted by the Council that IJM/SWITCH, has allowed them to radically redesign services and also enabled them to offer job, rather than role, security to their workforce which has ensured a flexible and adaptive workforce. 'A number of key areas of service redesign have been especially facilitated by IJM/SWITCH and the extended use of technology including eldercare and children's services. Also, all customer services have been integrated into a building in the centre of the city in order to reduce duplication and silo working and to provide a consistent and convenient service to the community... Customers as well as employees have been used as a form of social capital to reinvent services with the assurance that it will not impact anyone's job security' (CIPD, 2013:11). The council has explored the flexibility of IJM/SWITCH programme and its employment security commitment to engender major changes in working practices. It has allowed for the merger of services, the closure and rationalisation of others and has helped it to exploit new technology and to use human, social and organisational capital in a more strategic way' (CIPD, 2013:11-12). It is noted by the CIPD report (2013:12) that leadership behaviour in driving the transformation agenda is crucially important and also HR in supporting transformation is a key asset for the organisation. To meet the expenditure reduction targets, as a result of the IJM/SWITCH programme, the council has reduced its workforce from 8,500 to 6,500 while maintaining front-line services.

[Adapted from source: CIPD, 2013: 10-12]

The Association for Public Sector Excellence (APSE) published an innovation report in 2013, entitled 'Innovation on the frontline: How engagement with the local government workforce can improve service delivery in austere times.' This research demonstrates how local authorities can encourage innovation among frontline staff and harness ideas developed 'on the job' for service improvement. The research features case studies of councils that have benefited from engaging their workforce in innovation, such as, 'Monmouthshire County Council, which has developed an intrapreneurship School and an intrapreneurship 'cookbook' among other measures, as methods for encouraging its workforce to think about innovation in the services for which they are responsible. Another is South Lanarkshire Council, which has encouraged innovation through a variety of processes, including a matrix for scoring ideas, resulting in a number of innovative projects to reorganise services. The report outlines the findings of a survey that lists the following activities as encouraging frontline innovation: award nights; one-to-one innovation sessions; suggestion schemes; regular briefing sessions; and, in some cases, financial rewards. 'The survey also found, however, that support for frontline innovation was patchy in some authorities and dependent upon individual managers' (O'Brien, 2013a).

O'Brien (2013a) further underlines that research shows that 'encouraging innovation on the frontline, therefore, cannot be simply a one-off event. The APSE research identified common factors key to creating an environment in which frontline innovation can flourish, including culture and leadership, workforce development, and procedures to connect frontline staff with management. This will require a comprehensive strategy and a package of incentives, such as: involving innovation within the regular workload; using innovation as part of employee development through explicit training; and using innovation as part of the appraisal process. It may involve financial incentives if appropriate.'

In essence, O'Brien stresses that 'innovation is not a magic bullet during such difficult times for local government. But it can prompt some great ideas from council employees who work at the heart of local communities, which can both improve services and save money' (O'Brien, 2013b).

Another interesting development in the United Kingdom is that a number of changes have been proposed to engender a 'new localism' agenda by reducing the burden of central government controls on councils, and enabling greater variance of service arrangements across localities (Walker, 2010). 'The abolition of the Audit Commission along with reduced targets in the NHS, are perhaps the most obvious signs of this commitment to action. In addition, the Prime Minister's 2010 election pledge to build a 'big society' has sparked an effort in Whitehall to put flesh on the bones of a rather vague aspiration, seeking to revitalise and re-encourage the involvement in public services of charities, NGOs and new forms of self-organisation amongst public service workers (Rainford and Tinkler, 2010). The importance and effect of both the 'localism' and 'big society' changes are widely questioned by critics, but as part of the agenda the principle of seeking to encourage innovations and not just cutbacks has been broadly established' (Dunleavy et al., 2011).

Dunleavy et al. (2011) focus on analysing the strengths, weaknesses, opportunities and

threats for local government innovation (a SWOT analysis). This analysis shows 'it is important in this approach to rather firmly delineate the line separating strengths and weaknesses – which are current, already existent attributes – from opportunities and threats, which are future possibilities or potentials. Similarly strengths and opportunities are positively valued attributes or potentials, whereas weaknesses and threats are negatively valued' (Dunleavy et al,2011). Their synoptic SWOT view is shown in Figure 1. The four quadrants are derived from contributions made in two LSE Public Policy Group series of seminars on 'Innovating out of Recession in Public Services' (2009-10) and 'Innovating through Design in Public Services (2010-11).

**FIGURE 1: A SWOT ANALYSIS OF THE POSITION OF ENGLISH LOCAL GOVERNMENT TO INNOVATE IN PUBLIC SERVICES PROVISION (DUNLEAVY ET AL. 2011: 3-4)**

	Positively valued for innovation	Negatively valued for innovation
<b>Current relevant traits</b>	<b>STRENGTHS</b>	<b>WEAKNESSES</b>
	<ul style="list-style-type: none"> <li>operating at the delivery interface</li> <li>close to customers</li> <li>strong professional communities and interchange of ideas/solutions</li> <li>diversity of solutions</li> </ul>	<ul style="list-style-type: none"> <li>strong 'regimentation' factors,</li> </ul> Including: <ul style="list-style-type: none"> <li>central controls</li> <li>professional integration / pooling</li> <li>nationalised media focus on service disparities</li> <li>weaker ICTs record in general</li> <li>past record of isolated but significant 'service delivery disasters'</li> <li>deficiencies in redress system, especially for outsourced services</li> </ul>
<b>Future potentials</b>	<b>OPPORTUNITIES</b>	<b>THREATS</b>
	<ul style="list-style-type: none"> <li>large-scale spending cuts imply more radical business process innovations including 'organic' structural changes and service-pooling between areas</li> <li>new 'localism' agenda allied with ministers tolerating more diversity of provision increases innovation potential for radical 'digital era governance' changes and 'radical dis-intermediation'</li> <li>public health role transferred to local government produces new policies</li> <li>elected police commissioners strengthen local government's involvement in law and order services</li> <li>'big society' initiatives open up public services delivery to new NGO and community ideas and energies</li> <li>'open book government' increases public scrutiny of costs and solutions and enhances information for small local businesses</li> </ul>	<ul style="list-style-type: none"> <li>infeasible demands for spending reductions produce across-the-board or chaotic cutbacks in 'shoe pinching' mode</li> <li>government dependence upon 'zombie new public management' approaches lead to a lack of a strategy for positively motivating public sector workers</li> <li>the coalition's localism push proves to be modest, temporary or fake</li> <li>dialectic of service delivery disasters and reactions against poor redress and weakened accountability</li> <li>inter-regnum effects from NHS reorganisations slows co-operation along the social care/NHS boundary</li> <li>schools reorganisations further weakens local authority involvement with education</li> </ul>



Dunleavy et al. (2011) envisage 'most change in the next five years slanted towards 'digital era governance' innovations:

- pushing towards the de-siloing and reintegration of services
- the close involvement of citizens in coproduction and more holistic forms of provision (including individual and community budget-holding and priority-setting)
- shared services across policy or organisation boundaries
- a range of 'second wave' digitization changes, shifting away from 'luxury goods' provision of services in person or by phone that can be delivered better online. Or making more use of 'cloud' provision and open-source software, and developing local uses of social media by councils and community groups

They suggest that 'depending on whether the 'big society' idea acquires worthwhile meaning or not, some of these changes might see an appreciable shift in local service provision away from councils and towards greater provision of services by community organisations, especially in rural areas and perhaps in the most financially hard-pressed urban local authorities.' (Dunleavy et al. (2011))

Overall, Dunleavy et al. (2011) offer some general applicable recommendations:

- Budget cuts and service reorganisations may initially make **joining-up across service or organisational boundaries** harder. However, in austerity conditions pooling resources and combining efforts will be even more vital. Past, rather expensive forms of local partnerships may have to give way to more cost-efficient forms of joint working, sharing services and pooling staff. But these changes (supported by better IT and digital services) can also enhance learning across agencies and help address many areas of dislocation and inefficiencies tolerated in more prosperous times.
- Thorough and embedded **redress systems** will be key to ensuring that service delivery disasters are averted. Citizens and users are a key source of 'free information' that can allow service delivery chains to be streamlined in the least painful ways.
- **Innovation in procurement and provision methods should encourage more open and transparent competition between a wider range of providers.** It is very important that the bureaucratic barriers to voluntary sector suppliers competing for work be absolutely as low as possible, with expert support for these new suppliers facing high transactions costs in starting to deal with government bodies. Standards will increase, costs will be cut, and government organisations will be able to more fully harness their buying power.
- In every hierarchical organisation, front line staff know the most about services and their delivery, yet their views are often not sought. Actively looking for ideas for change and sustaining staff 'mission commitment' becomes even more important.
- Source: Dunleavy et al., (2011)

### 3.2.1 Small is Beautiful project

The *Small is Beautiful* project began in July 2009, a collaboration between the Local Government Information Unit (LGIU), LACORS, the National Association for Local Councils and the Museums, Libraries and Archives Council. Its objective was 'to identify projects working in local authorities that had small budgets, relatively few staff and were undertaking an innovative project that delivered real and verifiable benefits to the community, providing a new service to the community or an existing one with a twist.' National Endowment for Science, Technology and Arts (NESTA) supported the LGIU to analyse the entries to its 'Small is Beautiful' competition, which asked local authorities to submit examples of innovation they had implemented in non-statutory services (NESTA, 2010).

Almost two hundred submissions were submitted by a variety of local authorities. They included environmental services, registration services, heritage projects, archives, libraries, museums and sports based projects. Particular interest was placed on submissions from discretionary services, 'as it was felt they afforded more opportunities for innovation given that local authorities determined what to deliver and how and there was little central guidance so there was more potential for people to be creative.' (Gaskarth, 2010)

Ten projects were chosen for highlighting in a discussion paper (Gaskarth, 2010) and these include:

- 'Derbyshire Cultural and Community Services have shown how public spaces can be used to increase the numbers viewing its exhibit *'The Derbyshire Police Collection – Delivering the Community Safety Message.'* In 2004 Derbyshire dispensed with the 2,000 items in its police collection. The Museum worked with 46 public libraries and the police to develop small touring collections to increase the numbers viewing the collection. These collections were based on police information campaigns. They are now seen by the same number of people in a week that previously saw it in a year.
- Middlesbrough has turned dangerous public spaces that were becoming a focus for arson into pleasant community-maintained areas through its *'Back Alley Improvement Team.'* These back alleys can become a focus for arson when mattresses and chairs are abandoned. Offenders and local citizens were recruited to clear the space and provide new plants, artwork and in some cases lighting. Arson has dropped dramatically in those areas where the scheme operates.
- Winchester Museum Services project *'Using new technology to engage with customers'* was a pioneer in harnessing new social media technology to change the way its staff work. 360 degree virtual tours were produced to improve pre-visit information for those with disabilities, due to fears they may be deterred from visiting by not knowing what physical obstacles they would face at the museum on arrival. Members of staff also trained to record podcasts on exhibitions, providing interest for those with visual impairments.' (Gaskarth, 2010)

*What unique features did these projects have that enabled them to innovate?*

Gaskarth (2010) identifies key factors that promoted innovation in these local government schemes:

**'External stimulus:** They emerged in response to an external stimulus. Something new had happened to the authority. There was no established procedure. They could devise a solution from scratch. In keeping with the age of austerity all these projects operated on small budgets. Eighty per cent of them operated on less than fifty thousand pounds per annum. They were forced to continually interact with external audiences including private funders, third sector providers and to recruit private volunteers. They had to justify their existence.

**Adaptation:** They sought customer feedback; case studies, comment cards, questionnaires, web tracking, consultations and public events. These exercises were not just to tick a box. They influenced the end product.

**Culture:** Some of these projects could have failed. This would have resulted in public criticism. If these projects were not successful it could have damaged the relevant managers' careers. Managers were prepared to risk this. Supportive leadership was often a personal quality of particular managers. Few organisations had structures in place to promote it.' (Gaskarth, 2010)

*What are the barriers to innovation?*

Gaskarth (2010) believes there are three barriers to innovation: funding, incentives and culture.

**Funding:** The discretionary spend of local authorities is limited and uncertain. Most private companies have a research and development budget devoted to innovation. In contrast local government resources devoted to this end are often fragmented, temporary and difficult to locate. Many projects reported that they needed to gain funding from multiple organisations for different aims and different timescales.

**Incentives:** Many of the drivers of private sector innovation were absent from the public sphere. County councils do not go bankrupt if they fail to innovate and update their service provision. The extent to which local authorities compete to provide public services in their area is limited. Individuals rarely get a financial bonus if they improve delivery. The majority of individuals are on contracts that reward tenure and compliance with established procedure. There are fewer opportunities for rapid career progression but until recently greater job security.

**Culture:** Is it procedural? Many projects reported they were stifled or controlled by officials dealing with a series of issues including data security, financial probity, equal opportunities and open competitive procurement. Innovation was seen to detract from their core work responsibilities. Local authorities operate under the glare of organisations such as the TaxPayers' Alliance. They need to account for every penny spent. It is thereby often seen to be better to proceed in a conventional and hidebound manner than risk being unique and thereby a target.'

Devon Council's digital communications manager, Carl Haggerty, stresses that 'changing an organisation's culture is the real challenge' and this echoes the findings of the APSE study. The frontline innovation landscape is not uniform – 'intrapreneurship' tends to depend upon individual managers, and top-down hierarchies can be a barrier to innovation.' (O'Brien, 2013b) Similarly, O'Brien highlights that the APSE research found that 'top-down management structures can be a barrier to encouraging 'on the job innovation' and managers must be accessible to frontline staff to discuss potential improvements to services. At a minimum, councils need to establish methods for formally and informally sourcing ideas from their staff'. This research shows that, against a tough financial backdrop, unleashing the ideas of frontline staff can be a tremendous tool in local government's armoury within a broader strategy for future services. (O'Brien, 2013b)

### 3.3 CONCLUSION

The 'burning platform' of radical expenditure cutbacks has driven chief executives in number of local authorities in the UK and Australia to implement HR and payroll shared services models with neighbouring councils to ensure they are able to provide quality frontline services. As noted earlier in the IJM/SWITCH programme developed in Sunderland City Council, Dave Rippon, Head of Organisation Development and Workforce Development, argues that 'in local government it is the most exciting time to be in HR...in an organisation that's trying to innovate its way through this process. All this stuff matching strengths around internal jobs market...if we'd knocked on doors five or six years ago and suggested that, it would have been seen as too risky. Now it's too risky not to do it.' Similarly, Kim Brown, Head of HR Policy Development in Sutton Borough Council emphasises that 'the greatest strength that local councils have is partnership working, being able to work collaboratively... I do believe that leadership is important in innovation and I think, I feel, and this is me personally speaking, even though I have a reasonably senior role, that if I had a manager or leader who did not trust me to be able to do all things I could do or take risks, then it wouldn't happen' (CIPD, 2013:15; 20).

#### **Learning Points:**

- Leadership must drive innovation and culture change programmes underpinned by support from senior management teams and human resources (HR)
- Cross-collaborative teams (comprised of senior and middle management and front-line staff) are key to implementing culture change and innovative service delivery
- Enter into partnerships and alliances with other local government organisations or private sector providers to help cope with expenditure reductions and to drive shared services and innovation forms of service delivery
- Providing staff with incentives, such as, award schemes; trial jobs for existing staff under restructuring; 'time to think' initiatives to engender creative thinking and problem-solving; provide external guest speaker talks for staff and management at lunchtime and develop staff networks/ or a forum to share ideas on innovation and transformation initiatives.

# 4.

## CONCLUSION

International literature notes the importance for local government leaders to provide visionary leadership to enable them to 'have the opportunity to identify substantial productivity and performance gains, and transform the way councils deliver services to create value for their communities.' (Howard, 2012) The international case studies highlight that ideas for innovation come from multiple sources; many do not involve significant outlay, and can be implemented using resourcefulness. But, a major challenge for elected representatives and senior management is finding the time to prioritise and nurture innovation opportunities.

In terms of international examples, radical expenditure cutbacks has driven chief executives in a number of local authorities in the UK and Australia to re-examine services and introduce initiatives such as shared services models with neighbouring councils to ensure they are able to provide quality frontline services. To address the expenditure reductions and falling revenue intake in these austere economic conditions, a number of councils have implemented cultural change programmes to drive restructuring and shape new forms of service delivery; others have developed online HR self-assessment technology to fill vacancies from existing staff in their organizations given the moratoriums on external recruitment and some local authorities have reshaped or restructured their organisations with the help of internal and external stakeholder input. Some councils have developed collaborative partnerships with private sector companies or consultancies, coupled with cross-collaborative teams within their organisations to engender innovative forms of service delivery.

From the national case studies (Cork County Council and Louth Local Authorities) on innovation at a local level, a number of key elements are evident in how these local authorities adapted their organisations to cope with the austere conditions. Given capacity constraints and reduction in funding, both organisations undertook strategic reviews and restructured their organisations accordingly, to accommodate strategic collaborations and service level agreements with other providers and public sector agencies and bodies, to ensure effective quality service provision; to address social issues (e.g. homelessness) and to promote and drive economic development projects at a regional level. Leadership by senior management and cross-collaborative project teams and task groups seemed to play a vital role, including co-ordination roles within a specially established unit within the local authority being important in ensuring all targets and tasks were met by the various members in each group of the forum or area.

Overall, Bunt et al. (2010: 6–7) recommend that ‘government should use the crisis to harness the potential for radical innovation in public services and put in place the right incentives to ensure the best chance for “positive disruption”’. Similarly, the ACELG report (2012) emphasises that ‘local government leaders must regularly challenge every product, service, policy, and delivery system with the question, “if we were not in this now, would we be doing it in the future, or would be doing it in a different way?”’ The ACELG report (2012) concludes that ‘there is a need, and an opportunity to move beyond ideas-driven and process-driven innovation to a transformational approach that means *creating new ways for delivering value to communities*.’ The national and international examples reviewed in this report provide insights into ‘how an organisation can go from a culture of “innovation by accident” to one in which a sustained organisational commitment to innovation is baked into the organisation’s DNA’ (Eggers and Singh, 2009).

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## APPENDIX 1

### Shared Services Initiatives being Business Cased by the CCMA

Shared Payroll  
Treasury Management  
Transactional HR  
Integrated Inspectorate  
Local Government Portal  
Register of Electors  
ICT – Back Office  
Local Authority National Procurement Office *(Already in Operation – Kerry Co Co as Lead Authority)*  
Library Service Procurement  
CRM – Microsoft Dynamics  
CRM – Open Source  
Spatial Information, GIS  
Open Source, Document Management  
Knowledge Management and Open Data  
FixYourStreet  
Online Services  
Legal Services  
Veterinary Services  
Accounts Payable  
Internal Audit  
Social Media  
Corporate Services  
eInvoicing  
Open Source, Website Development  
Debt Collection  
Housing Assessment  
Staff Welfare  
Laboratory Services  
Paid Parking  
Public Lighting Maintenance  
Road Management System  
Source: LGER Implementation Group Report, 2013

**APPENDIX 2:  
SAMPLE CHARTER**

<b>Sample Charter</b>		
<b>Organisation:</b> Cork County Council		<b>Start Date:</b> 22nd April 2009
<b>Strategic Review:</b> Housing Services		<b>Target Completion Date:</b> ?
<b>Chair of Strategic Review:</b> Assistant County Manager		
Opportunity Statement	Project Scope	
	In	Out
Business Case	Project Plan	
	<b>Stage</b>	<b>From/To</b>
	1.	Define
	2.	Data collection
	3.	Analysis and Evaluation
	4.	Generate Solution
	5.	Implementation
Goal Statement	Team/Resources	
<b>Approved:</b> _____	<b>Position:</b> County Manager	<b>Date:</b> _____
<b>Approved:</b> _____	<b>Position:</b> Chair	<b>Date:</b> _____
<b>Approved:</b> _____	<b>Position:</b> DOS Org Development	<b>Date:</b> _____

Source: Cork County Council (2012)

### APPENDIX 3: TIMESCALE OF THE KEY STRATEGIC REVIEWS FOR EACH OF THE 4 SERVICE AREAS IN CORK COUNTY COUNCIL

#### Waste Review: Overall Timescale

ID	Task Name	Mar '09	Apr '09	May '09	Jun '09	Jul '09	Aug '09	Sep '09	Oct '09	Nov '09
1	<b>Waste: 1 Define</b>	31/03		20/04						
2	<b>Waste: 2 Data Collection</b>		21/04		27/05					
3	<b>Waste: 3 Analysis and Evaluation</b>			28/05		01/06				
4	<b>Waste: 4 Generate Solution</b>				02/06		30/06			
5	<b>Waste: 5 Implementation</b>					01/07				30/10

#### Water Review: Overall Timescale

ID	Task Name	Mar '09	Apr '09	May '09	Jun '09	Jul '09	Aug '09	Sep '09	Oct '09	Nov '09	Dec '09	Jan '10	Feb '10
1	<b>Water: 1 Define</b>	31/03			18/05								
2	<b>Water: 2 Data Collection</b>			19/05		20/07							
3	<b>Water: 3 Analysis and Evaluation</b>					21/07		17/08					
4	<b>Water: 4 Generate Solution</b>						18/08		19/10				
5	<b>Water: 5 Implementation</b>								20/10				18/01

#### Housing Review: Overall Timescale

ID	Task Name	Mar '09	Apr '09	May '09	Jun '09	Jul '09	Aug '09	Sep '09	Oct '09	Nov '09	Dec '09	Jan '10	Feb '10	Mar '10	Apr '10	May '10	Jun '10	
1	<b>Housing: 1 Define</b>		22/04			17/06												
2	<b>Housing: 2 Data Collection</b>				18/06			15/09										
3	<b>Housing: 3 Analysis and Evaluation</b>						18/09		13/11									
4	<b>Housing: 4 Generate Solution</b>								16/11		15/01							
5	<b>Housing: 5 Implementation</b>										18/01							28/05

#### Roads Review: Overall Timescale

ID	Task Name	Apr '09	May '09	Jun '09	Jul '09	Aug '09	Sep '09	Oct '09	Nov '09	Dec '09	Jan '10	Feb '10	Mar '10	Apr '10	May '10	Jun '10	Jul '10	Aug '10	Sep '10	Oct '10	
1	<b>Roads: 1 Define</b>		29/05		15/06																
2	<b>Roads: 2 Data Collection</b>			16/06					17/11												
3	<b>Roads: 3 Analysis and Evaluation</b>							18/11		15/01											
4	<b>Roads: 4 Generate Solution</b>								18/01		12/03										
5	<b>Roads: 5 Implementation</b>										15/03										27/09

Source: Cork County Council (2012)

