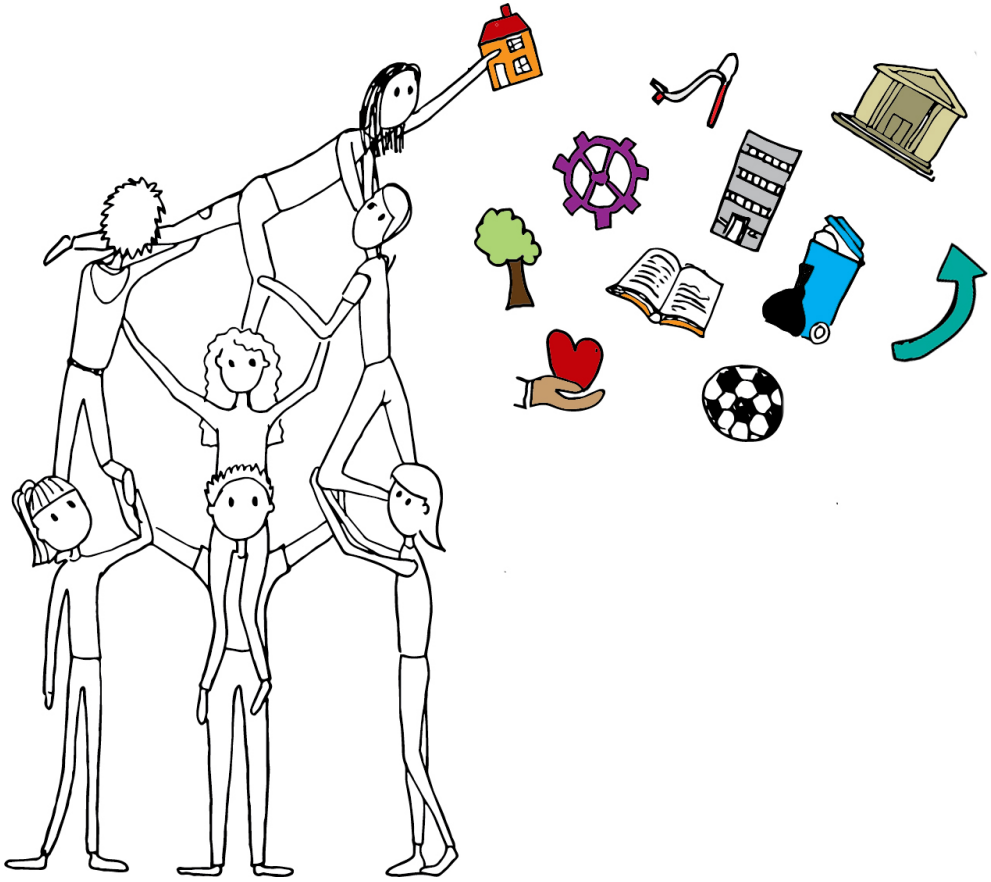
NLGN
NEW LOCAL GOVERNMENT NETWORK

PRODUCING THE GOODS

COLLABORATION AS THE NEXT FRONTIER OF PRODUCTIVITY

Lucy Terry



New Local Government Network (NLGN) is an independent think tank that seeks to transform public services, revitalise local political leadership and empower local communities. NLGN is publishing this report as part of its programme of research and innovative policy projects, which we hope will be of use to policy makers and practitioners. The views expressed are however those of the authors and not necessarily those of NLGN.

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Lucy Terry
NLGN

FOREWORDS

GEOFF TUCKER

Sales Director, Norse Group

We are delighted to have been involved in this research into productivity in local government. As a provider of frontline services to a number of local authorities, productivity is one of Norse's key challenges. With ever-reducing budgets, councils continue to look for savings, and we have spent the last few years working to increase productivity, reducing costs without adversely affecting services.

The findings of this excellent report reflect our own experience: the key to closing the productivity gap is collaboration, utilising the expertise of a range of partners, and adopting a strategic approach.

In Norse's case, our partnerships have brought commercial practices to local authority operations, which has involved substantial cultural change, leading to significant impact on productivity.

The need to address the issue of productivity in local government is more pressing than ever, and this NLGN report will make a significant contribution to addressing this challenge.

CLAIRE KENNEDY

Managing Director, PPL

The challenges facing public services in the UK are significant – the requirement to achieve ever greater ambitions; to deliver more and to meet the ever-growing needs of an increasingly complex and ageing population have been well-documented. The lack of easy solutions is well known.

In the days of Gershon Efficiency savings, achieving a 2.5% budget reduction was seen as success. Today, in the era of 20% annual cuts, it is almost difficult to see what we thought was so challenging. But this shift is exactly why the insights for reports like this one are important – in the past two decades, the nature of public service has been transformed by necessity; the challenge for the next era is how to design and deliver services that reflect the changed world they exist within.

This challenge will require clear prioritisation of resources, based around real understanding of service user needs and well-managed organisational capacity; but it will also require new thinking about what it means to deliver and receive services, and a commitment to effective learning around what works and what doesn't work.

The 'innovations' of the past – collaboration across sectors, greater engagement, co-design and co-production are now simply the solutions – the world has changed and public services need to respond in a way that means they can continue to fulfil their essential purpose.

We need an honest conversation across society about how best the public sector can support those who need assistance, and how we can ensure that it is as effective, and as productive, as possible. This report provides examples of innovation and of what works (and what doesn't work). We recognise that the challenges the public sector faces are practical ones, and that it is only by bringing together insight and experience to empower people to behave differently that we will see the real change that is required.

EXECUTIVE SUMMARY

Councils have made substantial efficiencies since 2010. Now, a new approach to boosting productivity is needed. Continuing the same measures will likely result in diminishing returns and a deterioration in quality. Councils are looking to maintain quality as well as sustain output, and so this report focuses on productivity for greater impact.

COLLABORATION FOR PRODUCTIVITY

The next stage of productivity will need to radically overhaul the way councils work, how they work with others, and who they work with. Collaboration is the key, but it needs to be done well. Effective examples of collaboration reflect an understanding of the complex motivations that influence choices to get involved, and use these to produce greater impact. We distinguish three main sites for deeper collaboration: within the workforce, with other sectors and with the public. By considering these dimensions of collaboration, we seek to shine a light on how local government can find new ways of boosting productivity within existing resource constraints.

THE REPORT STRUCTURE

In Chapter 1, we consider some of the current productivity solutions, to what extent they are widely established, the challenges in implementing them, and the successes.

In Chapter 2 we introduce the potential of collaboration both within the council workforce, and with other sectors. Collaboration within the workforce allows leaders to harness all the insight potentially available to them. Collaboration with other sectors makes other services more effective, breaks down silos and provides opportunities to prevent poor outcomes.

In Chapter 3 we articulate a model of collaboration with the public that is informed by an understanding of what motivates people to participate and get involved. Collaboration requires a strategic, smart approach informed by what we know about motivations to participate in the public realm.

We use examples throughout to demonstrate how productivity for greater impact is being achieved in practice, with an aim to stimulate learning and ideas.

SUMMARY OF RECOMMENDATIONS

- Councils should take a strategic approach to relationship building, appointing ‘collaboration champions’ to help develop the effectiveness of collaboration, and identify new partners.
- Public services should host 'big idea' or ‘hack days’ with their employees to find ways to reform existing processes and make short and long-term productivity gains.
- Councils should build links with sectors which provide services to the general public and which could potentially identify and maintain contact with vulnerable people.
- Senior policy officers and researchers should make understanding the motivations of the public to act or get involved a high priority.
- Councils should be able to trial things on the small scale, measure the results, and be honest about what doesn’t work. The sector should establish a forum or database which highlights the productivity initiatives which haven’t worked and why.

INTRODUCTION

Local government is at a turning point. Having responded to budget reductions since 2010 by making substantial efficiencies, it now faces diminishing returns from more of the same. One-off measures cannot be repeated and salami-slicing separate budgets will eventually lead to a deterioration in quality. Councils are now looking for new ways to boost productivity while also generating impact, potentially looking outside of internal processes and ways of working to do this.

This report sets out an approach to productivity which is deeper than efficiency alone. The technical definition of 'productivity' refers to the ratio of outputs produced to inputs used to produce them.[1] This is important to understanding performance, but it is not the whole picture.[2] Our research clearly showed there is a need to consider the wider impact beyond just increasing outputs. The number of outputs does not tell you about the long-term outcomes of an initiative. For example, the impact of more productive techniques for waste removal can be relatively easily measured. But for a service such as foster care, achieving faster placements might tick the box of more outputs for a given input, but would miss the point of needing to secure sustainable, happy outcomes for children in extremely sensitive environments.

Councils we interviewed for this report reflected this; they had moved beyond improving outputs towards maintaining quality with fewer resources. And so in this report we focus on productivity for greater impact. This keeps a focus on quality throughout – and this is reflected in our case studies and examples of good practice which cover a wide range of different service areas.

Councils have already undertaken many steps since 2010 to become more efficient, and some solutions are widely established. While endeavouring to keep services running as much as possible, many have scaled up, merged,

1 Dunleavy, P. (2015). Public sector productivity: puzzles, conundrums, dilemmas and their solutions. In: Wanna, J., Lee, H,. and Yates, S. (eds.) Managing under austerity, delivering under pressure. Canberra: Australia and New Zealand School of Government, pp. 25-42.

2 Crowhurst, E., Finch, A., Harwich, E. (2015). Towards a more productive state. London: Reform

restructured, redesigned and where necessary, cut. But the current funding situation means they will still need to look for ways to be more productive: the LGA has predicted that funding for some services will have shrunk by 66 per cent by the end of the decade. There is evidence that public service spending reductions have reached a point where they are having a discernible and detrimental effect. Performance is declining and outcomes are worsening in some key areas: for example delays in transferring people from hospital to home or social care have increased by 40% in two years.[3]

To achieve productivity while boosting impact, local government should focus on collaboration. Through building effective relationships with other sectors and the public, councils will tap into hidden sources of insight and capacity. In this report we will argue collaboration is the only way to find new approaches to the same problems and new ways to use the same resources. By using insight from the workforce, deepening cross-sector collaboration and understanding how to build community capacity, innovations from the sector show there is scope for more radical transformation to produce the goods.

Local government is already collaborating with many different partners. This report focuses on *how* councils can collaborate most effectively, reflecting why people are likely to get involved. The report does this through conceiving of a series of new ways to collaborate. It also introduces new potential partners for collaboration – new sectors and working with the public. For this report, collaboration is our preferred term over partnership working. Collaboration implies a spirit of mutual development, experimentation and understanding, and is often as informal as it is structured. It is a 'changemaker council' value; collaborative organisations enable trust, and, in turn, creativity, initiative and self-determination.[4]

It is important at the outset to set out some parameters for the report. The report takes the funding reality as is, which is not to say that more funding is not ultimately necessary. In particular, there is broad consensus that

3 Davison, N., Andrews, E., McCrae, J., Boon A. and Douglas R. (2017). Performance Tracker: A data-driven analysis of the performance of government. London: Cipfa and Institute for Government.

4 Lent, A. and Studdert, J. (forthcoming). A Changemaking Vision for Local Government: An NLGN Think-Piece. London: NLGN.

the social care crisis can only be resolved by sufficient new funding.[5] [6] This is intended to be a pragmatic report to aid councils in their immediate approach within wider constraints. Further, our focus is not primarily on digitalisation of public services, or more broadly the potential of smart technology to transform places[7]; both issues have been better addressed elsewhere.[8] Our aim is to suggest ways in which councils can boost productivity for impact now by involving stakeholders in identifying and implementing solutions– whatever they may be.

HOW WE COMPLETED THIS REPORT

We wrote this paper using a range of methods. We completed a literature review, reviewing papers on existing productivity initiatives, emerging good practice and examples of innovation, and the different avenues to improve productivity. We interviewed stakeholders who are interested in or involved in improving productivity in local government and public services, and held a workshop with officers and experts in improving productivity. We held in-depth interviews and/or visits with four different organisations which have demonstrated innovative productivity gains (see appendices).

5 See interview with Gary Porter at https://www.theguardian.com/society/2015/nov/25/gary-porter-cuts-spending-review-councils-edge-collapse

6 See statement from Judith Blake at http://www.leeds.gov.uk/council/Pages/Leader's-message.aspx

7 For example, see Gilbert, A. (2017). Tomorrow's Places: How local government can harness smart capabilities. London: NLGN.

8 On digital transformation, see Benton, M. and Simon, J. (2016). Connected councils: a digital vision of local government in 2025. London: Nesta.

1 WHAT HAS BEEN TRIED ALREADY?

Some of the most significant areas where councils have made efficiencies include workforce restructures, sharing services and management, and moving towards new operational models. Many of these solutions are about cuts to existing processes and doing things at scale. In many cases they have helped protect essential service provision. Their respective strengths and challenges are discussed below.

BOOSTING PRODUCTIVITY

RESTRUCTURING THE WORKFORCE

Workforce restructures have been commonplace in local government in recent years as redundancy programmes have taken place. The total number of jobs has declined by 700,000 (September 2010- September 2016).[9] Councils have stripped away layers of management, reformed and merged departments and changed and expanded individual job roles. Lower-grade positions have replaced some senior roles. And in a recent survey of the local government workforce 85.6 per cent of respondents agreed they now have to do 'more with less'.[10]

Officers we interviewed for this report noted that redundancy programmes had been a necessary part of finding savings. However, they have had negative impacts on the morale of the workforce – another study showed that nearly 90 per cent of the workforce felt that cuts had affected morale.[11] There are also questions about the effect of redundancies on the quality of the work. Some interviewees felt that it was the most skilled staff who tended to take up redundancies as they are more likely to find a job elsewhere.[12] Further redundancies will be likely to seriously affect capacity

9 Note that some jobs have shifted from local to central government due to academy schools. Office for National Statistics (2016). Public sector employment, UK: September 2016.

10 Terry, L. and Mansfield, C. (2016). Outside the Box: The Council Workforce of Tomorrow. London: NLGN.

11 Terry and Mansfield (2016). Outside the Box: The Council Workforce of Tomorrow.

12 Workshop attendee.

and morale to the point of hindering councils from being able to both plan for the future and deliver services now.

SHARED SERVICES

Sharing services usually means councils joining together to share back-office services such as HR, ICT, legal and finance departments. Many different councils have shared services to try and create greater efficiencies: 96 per cent of councils share some services[13] and research has shown that councils have saved almost £500m by sharing services since 2012.[14] In partnership, councils often outsource these services to a specialist company that can deliver these services at scale for multiple organisations.

Sharing frontline services is rarer; transactional back-office services such as processing payments lend themselves more easily to the economies of scale. Frontline services often involve face-to-face contact and if shared across a large area this would require staff to spend much of their time travelling large distances.[15] Examples of shared frontline services include the South London Waste Partnership (Kingston, Croydon, Merton and Sutton Boroughs) which shares waste management and recycling services.

As an initiative, shared services can achieve an economy of scale that saves on transactional issues through sharing responsibility and reducing duplication, freeing up resources to focus on 'core business'. In an assessment of the cost-effectiveness of shared services, the LGA noted that most savings in the first two years come via consolidating activity, reducing staffing costs such as duplicate managerial roles. For example, in its first year of operation LGSS (Cambridgeshire and Northamptonshire county councils) saved £3.79 million through consolidating management positions.[16]

13 LGA Productivity Webpage: Productivity and Commissioning – Shared Services. http://www.local.gov.uk/productivity/-/journal_content/56/10180/3510759 [accessed March 2017].

14 Ugwumadu, J (2015, May 11). Council shared services have saved £462m since 2012, LGA finds. Public Finance. http://www.publicfinance.co.uk/news/2015/05/council-shared-services-have-saved-%C2%A3462m-2012-lga-finds [accessed March 2017].

15 LGA (2011). Shared services and management: a guide for councils.

16 LGA and Drummond MacFarlane (2012). Services shared: costs spared? An analysis of the financial and non-financial benefits of local authority shared services.

The economy of scale also means councils can better afford certain niche or specialist skills; can manage peaks and troughs in demand more easily; and often have an increased purchasing power.

There are challenges involved when sharing services. Differences in culture, residents' needs, politics and geography can make implementing shared services difficult.[17] Additionally some criticism of sharing services argues that it saves less money than sometimes advertised. Working on a bigger scale and processing a higher volume of work means mistakes are more expensive and take longer to resolve.[18] It can also create a division between front-office and back-office staff, meaning it takes longer to resolve a customer query – potentially resulting in issues falling through the cracks.[19]

However, overall sharing back-office services has been an effective way for many councils to save money and protect services, and is now arguably widely established as a solution with 96 per cent of councils sharing some services.

SHARING MANAGEMENT

Councils have also begun to share management in some cases. Under shared management arrangements, councils will share a chief executive and senior directors, as well as potentially integrating departments and teams throughout the whole council. As an initiative, shared management has the potential to save considerable senior staff costs. It also brings other benefits: reducing duplication, increasing the breadth of expertise and experience within an organisation and enhancing resilience.[20]

Over 40 councils have shared management arrangements; most of these are district councils. For example, Breckland and South Holland, two district councils in different counties, began sharing management in 2010 and the

17 LGA (2011). Shared services and management: a guide for councils.
18 LGA (2011). Shared services and management: a guide for councils.
19 Hammond, E. (2011). Policy briefing: Shared services and commissioning. London: Centre for Public Scrutiny.
20 LGA (2016). Stronger Together: Shared Management in Local Government.

arrangement saves £1.1million a year.[21] Only a handful of councils have gone to the next step and agreed to merge fully, with one democratic structure, at this point.[22]

However, the literature is clear that successfully sharing management is contingent on several factors, such as supportive and engaged councillors and leadership with good relationship management skills. And there is a possible effect on the valuable link between residents and staff, and council and place. This could mean a standardised service which may not meet variations in local need and differences in factors such as geography, culture, economy. Additionally, elected members will potentially have concerns that shared management would result in loss of sovereignty.[23] This concern is more significant where councils merge, and do not retain separate democratic structures. Although clearly this has the potential to make even greater savings, it is politicised and contested for a range of reasons. For this reason, merging or sharing management will not be the right choice for every council, although it may be necessary in cases of very constrained finances.

MOVING TOWARDS COMMISSIONING MODELS

Some councils are becoming 'commissioning councils' wherein they commission all or most of their service responsibilities and retain a strategic and monitoring role only.[24] Commissioning councils are neutral on who delivers services, and see their role as identifying what their place needs and developing a process that finds the most appropriate, cost-effective way to meet those needs. Commissioning is focused on ensuring the quality and value for money of a service. Commissioning "does not mean that services will be automatically outsourced nor does it mean that services will necessarily be directly provided by the Council."[25] Councils may commission private, voluntary or public sector services to deliver frontline and back-office services.

21 LGA (2016). Stronger Together: Shared Management in Local Government.
22 Ibid.
23 Localis (2016). Local Authority Transformational Models.
24 Ibid.
25 London Borough of Sutton Commissioning Framework. https://www.sutton.gov.uk/info/200436/customer_services/1505/commissioning_framework [accessed March 2017.]

Examples of councils that have moved towards this model include Staffordshire County Council, the London Borough of Barnet and the London Borough of Sutton. In Barnet the external provision of back-office support functions is predicted to save up to £165 million over ten years.[26]

Commissioning models can bring a diverse range of providers into service delivery, to ensure the public receives a good quality, value for money service. Commissioning brings in specialist expertise – community based organisations can be best placed to provide local support services, as they know what residents need; while back-office support firms have the experience and ability to deliver cost-effective services in this area. Like everything however, commissioning processes need to be set up in the right way to work effectively and meet local need.[27] [28] Currently, specialist community organisations cannot always compete on price with bigger organisations. Commissioning can limit the ability of the public to actively shape services, as the mechanism for influencing is less clear once the direct role of councillors' oversight is altered.[29] Furthermore measuring success and monitoring performance is not always straightforward for complex social services.[30]

In some cases, decisions to commission services from external providers have not saved as much money as hoped. For example, Barnet Council brought its waste and recycling service back in house and reported that this would save £1.3 million per year. The new in house service diverted 16,600 tonnes of waste from landfill four months in.[31] Those councils who are embracing commissioning models are generally clear that this approach does not mean automatically outsourcing to save money, but rather it means an outcomes-focused, provider-neutral approach.

26 Localis (2016). Local Authority Transformational Models

27 Harwich, E. Hitchcock, A., Fischer, E. (2017). Faulty by design: The state of public-service commissioning. London: Reform.

28 Locality (2017). How to Keep It Local: Five Step Guide for councillors and commissioners.

29 C. Mangan, C. Needham, K. Bottom and S. Parker (2016). The 21st century Councillor. Birmingham: University of Birmingham.

30 Locality (2017). How to Keep It Local: Five Step Guide for councillors and commissioners.

31 Cornelius, R. (2014). Meeting the challenge in Barnet: Lessons from becoming the commissioning council. London: Localis.

BEHAVIOURAL INSIGHT AND 'NUDGE' THEORY

Local councils have strong connections with their residents and valuable knowledge about the characteristics of their place. In addition, they have responsibility for many issues strongly affected by human behaviour – from obesity rates to littering and dog fouling. Some councils have started integrating behaviour change theory into their practices and procedures (Example A) although there is certainly scope to develop this further.

Behaviour change theory shows that people are not entirely rational in their choices and actions. The reason-based 'carrot and stick' approach to policy-making assumes people will weigh up the costs and benefits of their actions and act accordingly. But efforts to address social issues are not always successful where they are based on providing information and reasoning with people.[32] Behaviour change in policy making is about policies that go with the 'grain of human nature'.[33] The human brain is sociable, emotional and sometimes fallible, and while we have a rational and reflective side to our brain, we also respond unconsciously to context clues.[34] Examples of the effects on our behaviour include social norms: we are often influenced by what our peers are doing, and policy can easily reinforce this by reiterating what the 'typical' response to a policy is.

This can be a cost-effective way to improve council practices and policies. Behaviour change theory can be implemented into existing policies through drawing on publicly available resources and evidence that is widely available. In Wealden District Council (Example A) the council's principal policy advisor made informal links with the Cabinet Office's 'Nudge Unit' to experiment with integrating behaviour change theory into the work of different departments in the council. They worked closely with the housing department to improve the effectiveness of communication with tenants about arrears. Because of the changes made, tenants got in touch on average 25 days sooner to discuss their arrears.

32 Hallsworth, M., Snijders, V., Burd, H., Prestt, J., Judah, G., Huf, S., and Halpern D (2016). Applying Behavioural Insights: Simple Ways to Improve Outcomes. WISH Behavioral Insights Forum.

33 Cabinet Office and Institute for Government (2010). Mindspace: influencing behaviour through public policy.

34 Cabinet Office and Institute for Government (2010). Mindspace: influencing behaviour through public policy

There are scattered examples of behaviour change theory being used in local government but there is certainly potential to do more. Councils which have already started implementing it recognise that local areas are well-placed to trial small-scale experiments in behaviour change, given their unique relationship with the local population. In Chapter 3 we look at other ways that councils can build more effective relationships with the general public.

EXAMPLE A: WEALDEN DISTRICT COUNCIL'S BEHAVIOURAL INSIGHT TEAM

In 2013, Wealden District Council began to trial new forms of communication and messaging based on behavioural insights, adapting them for the local context. So far, 120 staff members have voluntarily attended the training courses and behavioural insights have been successfully applied within various council departments to tackle a range of diverse issues.

The Housing Income Department began re-examining their arrears collection practices with behavioural insights ethos in mind, in order to identify new intervention opportunities. They discovered that most of the rent-collection letters were ignored until there was a serious threat of eviction and/or court action, and determined that getting residents to speak to them before this stage was key. But the letters they sent seemed ineffective – so using behavioural insight, they revised the letters sent to tenants. They used techniques such as personalisation: increased use of the person's name. They also emphasised social norms: 'most people in your situation get in contact with us and we are able to help them deal with it'. In addition, the consequence of being in arrears is highlighted at the beginning of the process.

The letters were intended to reduce barriers to contact to catch arrears earlier on, creating an opportunity to put realistic payment plans in place and support residents to access other government benefits to prevent future arrears. As a result of the changes made, tenants get in touch on average 21 days after the first letter, compared to 46 days previously (that contact was normally a second

letter). As part of a wider strategy, this contributed to a reversal of the trend of increasing average gross rent arrears since 2013. The percentage of rent collected has risen from 98% in 2013/14 to 99.89% in 15/16; this seemingly small percentage can represent the difference between a low performing and high performing authority, as well as tens of thousands of pounds saved.

Wealden District Council's initiatives have worked across the council. Investing energy in preventing unwanted behaviour (littering, fly-tipping, dog-fouling, speeding, non-payment, parking-infractions) means moving away from reliance on the costly, time-consuming correctives of legal action and evictions.

DIGITALISATION

Councils are also moving towards digitalisation of services, although this is an ongoing process. This involves digitising back-office functions as well as shifting customer services online. Transactions such as paying taxes or applying for licenses increasingly take place online, and the London Borough of Harrow has saved has saved £1.55 million by moving transactional services online.[35] Councils are also beginning to host online assessments so residents can check their eligibility for support from the council or the community: for example Liverpool Council is introducing an online self-assessment for social care.[36]

As the next generation to enter adulthood will be digital natives, digitalisation is an important mechanism to improve productivity.[37] This requires ongoing exploration and support for an innovative, collaborative approach that draws in expertise from the technology sector. Unlike some of the models discussed above, the potential of digitalisation has not yet been realised fully.

35 Benton and Simon (2016). Connected councils: a digital vision of local government in 2025.
36 LGA (2016). Transforming social care through the use of information technology.
37 Dunleavy (2015). Public sector productivity: puzzles, conundrums, dilemmas and their solutions.

THE NEXT FRONTIER?

Councils everywhere have made substantial efficiency measures. Some of the solutions discussed are widely established; the workforce has been reduced to such an extent that further cuts are likely to have diminishing returns. Some of them come with some political and practical challenges - solutions such as shared services and shared management are contingent on healthy relationships and similarities between different councils, and will potentially affect the relationship between locality and council.

The most common measures councils have undertaken have looked at economies of scale and efficiencies of processes. Some of these solutions are widely established. A new approach to collaboration would drive effective, more productive ways of delivering services to and with the public, informed by an understanding of what makes involvement of other people effective. A strategic, emotionally intelligent approach to partnership working is needed to boost productivity and sustain the impact of public services.

2 NEW SOURCES OF INSIGHT

Collaboration is an effective way to improve productivity. It can bring about ideas for further reform and new ways of delivering services that are more effective and productive. It allows leaders to harness all the insight that is available to them and avoids a consensus around long-established solutions. However, effective collaboration requires trust, mutual understanding and respect. A thoughtful approach to relationship building will be necessary for councils to elicit insight from new sources and new solutions to improving the productivity of public services.

This chapter will discuss the benefits of collaboration with the workforce which can help achieve the most immediate productivity gains as well as supporting longer-term initiatives. It will then go onto discuss the potential for new approaches in achieving productivity through partnering with other sectors, across and beyond public services. This can be done through building an effective relationship that works to overcome barriers. Because relationship building is a complex task, we end this chapter by arguing that local government would be best placed to start collaboration by 'thinking small', trialling measurable and discrete initiatives while building effective relationships.

LOOKING TO THE WORKFORCE

The workforce can be active partners in improving productivity, if their insight is recognised and harnessed. This could be implemented fairly quickly, boosting productivity in the near future through reform of existing processes.

Staff have unique insight and can identify specific mechanisms to improve productivity, as they are the ones doing the job.[38] The workforce has the specific experience and knowledge of details that chief executives and leaders do not have the time to focus on. And this insight can be used to redesign services and improve productivity. Officers have the insight

38 Dunleavy (2015). Public sector productivity: puzzles, conundrums, dilemmas and their solutions, p.40.

needed to streamline processes, eliminate inefficiencies, improve ways of working and put the resources where they are most needed. Frontline staff who interact with service users "often have knowledge that even their own managers will not have about what works and what does not"[39] for those service users.

Many of the potential efficiencies which result from engaging employees could be implemented quickly. Some stakeholders we interviewed as part of this research were concerned about how they were going to 'balance the books' in the next year or six months. Therefore it is worth remembering the workforce is an existing resource – with existing forums for engagement – which can offer insight into how to make current processes and ways of working more efficient. Some councils are hosting 'big idea' or 'hack days' where they bring together the entire workforce to brainstorm new solutions. This can break down silos within councils, recognising that good ideas can come from anyone.

Another way to involve the workforce in improving productivity could be through building constructive relationships between those in service delivery and performance analysts, using data to understand ways to improve productivity. The London Borough of Haringey did this by establishing a Central Delivery Unit to drive improvements in performance in a range of areas, using clearly defined measures of success. The CDU combined analysis of performance data alongside a constructive relationship with service managers that identified ways to improve performance and supported staff to make these improvements. Rather than simply being provided with performance data and assessment against targets, the CDU actively supported teams to make change to their processes to improve performance and outcomes.[40]

Involving staff is actually an inherent mechanism for improving productivity. Having a sense of purpose at work is key to satisfaction, motivation and therefore good performance. If someone is not engaged in the overall

39 PWC and Demos (2014). Productivity in the public sector: what makes a good job?, p.8, http://www.pwc.co.uk/industries/government-public-sector/insights/productivity-in-the-public-sector-what-makes-a-good-job.html [accessed March 2017].

40 Etheridge, Z. and Thomas, P (2015). Adapting the PMDU Model: The creation of a delivery unit by Haringey Council, London: a case study. London: Institute for Government.

purpose of their work, getting a task done seems meaningless.[41] On the other hand, staff who are involved in decisions about their job and motivated to do their work tend to be more productive.

But new ways of working represent change and uncertainty. In a workshop for this research, attendees pointed out that resistance to change is motivated by underlying fears that are not always articulated. And it has been noted that employees are unlikely to come forward with information to help improve working practice if they do not trust what management will do with that information.[42] So wherever possible, engagement with the workforce should actively seek to understand and if possible resolve these emotions.

Of course, sometimes fears are well-founded. Where tough decisions are unavoidable – such as redundancy – good engagement with the employees would mean being as honest about this as possible. Openness and clarity is key to building trust with the workforce.

And although it is harder to engage frontline staff who are more 'detached' and do not have ready access to email and an office, it is worth putting in the effort. The approach of Suffolk Coastal and Waveney Norse (Example B) shows the benefits of engaging with an environmental services team during a time of turbulence and change. The team were consulted about changes to their shift pattern, and supported the changes because their salaries and jobs were protected. This example also showed it is possible to keep a good relationship with unions while driving efficiencies, if this protection can be guaranteed (although clearly this is not always possible). If councils should guarantee no redundancies or changes to terms and conditions, they may find their employees are more likely to suggest ways to make efficiencies, save money on assets and physical resources, and even support changes to their own jobs.

To address underlying concerns, sustain motivation and find new ways to involve all employees, engagement with the workforce should be characterised by gaining trust, excellent listening skills and open-

41 PWC and Demos (2014). Productivity in the public sector: what makes a good job?
42 Dunleavy (2015). Public sector productivity: puzzles, conundrums, dilemmas and their solutions, p.40

mindedness about where new ideas can potentially come from. Without this, employees will be reluctant to suggest changes and will retreat into defensiveness and protecting the old ways of doing things.

EXAMPLE B: SUFFOLK COASTAL AND WAVENEY NORSE

Suffolk Coastal and Waveney Norse runs a variety of services, from building management, recycling and waste management, to building cleaning, car parks, ground maintenance, home alarms and CCTV. The joint venture partnership (JVP) is based on a collaborative relationship between the local authority and Norse that allows for a flexible relationship that can adapt to changing stakeholder needs.

One of the ways that they have transformed productivity is by making the most out of existing fixed resources. For example, they cut down the number of refuse collection vehicles in use (saving £300,000 per vehicle) without cutting down on the service provided or staff jobs. This meant a reorganisation of workers' schedules towards four longer days rather than five. The team were consulted on decisions to changes in their shift pattern, and supported the change to a four-day week with longer shifts because their salaries and jobs were protected. Through this innovative transformation in the way they use expensive resources, both Norse subsidiaries could reduce costs in refuse collection without cutting jobs or salaries, or changing the quality of service provided for local residents.

SOLUTIONS THROUGH CROSS-SECTOR COLLABORATION

STREAMLINING SUPPORT ACROSS PUBLIC SERVICES

Collaboration with wider public services and place-based services can open up completely new ways to improve productivity and achieve greater impact. Currently, a lack of joined-up working across sector boundaries creates inefficiencies. While a lot of progress has been made, there is still potential to do much more. Service users often see multiple professionals all working for different organisations, with siloed approaches to reporting, assessment,

and support. Information is rarely shared effectively and record keeping is often incompatible. In some cases, work is duplicated, with multiple records and assessments, while elsewhere people can 'fall through the gap' and opportunities to prevent poor outcomes are lost.[43]

However, some public services have already made progress in overcoming these problems. More collaborative approaches mean more consistent, coordinated care, as well as working more preventatively, meaning money is potentially saved over the long term. The amount of form-filling is reduced, and information sharing across organisations is quicker. Service users receive a service that recognises and responds to all their needs. For example, in the Community Integrated Teams of the All Together Better service in Sunderland (Example C) nurses and social workers work together, underneath the same roof, planning care for patients who have complex health and social care needs.

EXAMPLE C: SUNDERLAND'S COMMUNITY INTEGRATED TEAMS (ALL TOGETHER BETTER SERVICE)

The All Together Better service in the city of Sunderland was launched in October 2015. Funded by NHS England, it is run by a collaboration of different organisations, including Sunderland City Council, Sunderland Clinical Commissioning Group, Age UK Sunderland, local NHS health providers, and the GP alliance.

One component of the service is Community Integrated Teams. CITs work in five parts of the city and bring together GPs, nurses, social workers, link workers, and carers' support staff in one team. The five localities within the city are based on Primary Care practice lists, upon which all other partners model the delivery of their services to ensure effective coordination of care. The provision of care to the same shared population is a key tenet of the model being delivered.

The five teams aim to provide coordinated care for some of the most vulnerable people in the city who have long-lasting healthcare needs.

43 Rosengard, A. and Laing I., with Ridley, J. and Hunter, S. (2007). A literature review on multiple and complex needs. Scottish Executive.

Nurses and social workers work together in the same office, see service users together, and draw up integrated care plans for their patients. This avoids duplication of work and makes coordinated care easier: previously, service users might be visited by multiple professionals in one week, often performing the same task or asking the same questions. Even health services alone were not integrated, and a patient might have their blood taken twice in a week by two different nurses. Now, care is coordinated and people have both their health and social care needs met. Patients do not have to repeatedly tell their story to each professional they meet, meaning their experience of care is also improved.

Success is associated with effective partnership working. Published data is not yet available for the CITs specifically, but the service reports that the most high-functioning multidisciplinary teams, who meet regularly, are showing reductions in A&E attendance for their service users of up to 15 per cent.

MAKING EVERYDAY FORMS OF CONTACT MEANINGFUL

Collaboration between health and social care is widely recognised as good practice, even if it has not yet been fully realised everywhere. But councils could also collaborate with services outside of the public sector. Collaboration with private sector companies or universal services can potentially prevent poor outcomes and maintain independence. Some people who don't receive dedicated support but are vulnerable and at risk of crisis will regularly encounter certain general service providers like shopkeepers, bus drivers, or postal workers. Examples from outside of England show that it is possible to harness this contact to provide low-level emotional support that may reduce use of expensive crisis services and prevent people falling between the gaps.

One example could be found in the postal service. Carers, GPs, health professionals and social workers can refer a vulnerable person to the Jersey Post's 'Call & Check' scheme (Example D). Postal workers will check in on people two or three times a week as part of their daily rounds – they will have a brief chat, remind people of any appointments, and make sure

there are no problems. The service fits into existing rounds and is therefore cost-effective. It can help to address isolation and loneliness, maintain independence – and because the scheme works in partnership with health and social care agencies, it can potentially prevent emergencies or crisis by flagging up any problems and reminding people of appointments. What is critical about this kind of approach to improve productivity is that it uses an existing infrastructure – existing contact between professionals and people – and identifies new opportunities from that infrastructure.

EXAMPLE D: JERSEY POST'S 'CALL & CHECK' SCHEME

In 2014, the Jersey-based Call & Check scheme was launched. Operated by the Jersey Post, the service will start receiving funding from the government of Jersey during 2017. Under this scheme, postal workers see elderly and vulnerable customers as part of their existing rounds to have a brief chat and check people are safe and well. Any concerns are shared with the individual's nominated contact, who may be a family member or their GP. As the only people who can see people in every home, every day, postal workers have a unique, trusted role in the community. This created an opportunity to provide a form of low-level emotional support to elderly people at risk of isolation, which could also help to maintain people's independence and highlight any problems at an early stage.

Call & Check works in partnership with health and social care workers to remind people about upcoming appointments, check they are taking their medication, and flag up any emergencies or emerging problems. People are supported to feel connected and less lonely through the interaction – postal workers can also let people know about social events in their area. It also supports carers' wellbeing, giving relatives peace of mind if they are away or unable to visit their parent.

EFFECTIVE RELATIONSHIPS BETWEEN SECTORS

But collaboration between organisations doesn't always happen because of cultural, structural and technological barriers. People may fear

others encroaching on their jobs, eventually making them redundant. Organisational cultures encourage people to think in 'silos' and have loyalty to their particular institution or sector first. Professionals come from different training backgrounds and ways of approaching their work. People work under different systems and procedures so that, for example, information is not shared easily and assessments are done according to the priorities of the organisation. In some cases, practitioners already collaborate on an individual case level because it works for their service users, but they are not necessarily encouraged or incentivised to do so by systems. For example, budgets are generally set in silos and performance indicators or targets are set for teams or departments: *"managers don't like that they are responsible for outcomes delivered by staff in other departments".*[44]

Even where impetus and goodwill is there, staff under strain can be tempted to *"put their head down and do the work"*[45] rather than spend time on collaboration. One senior manager we spoke to who had integrated health and social care teams noted that attending the weekly multidisciplinary meetings was perceived as a 'luxury' by some busy practitioners. Yet commitment to strategic and operational collaboration has the potential to result in a high-functioning partnership.

Throughout our research, we discovered that technological barriers such as incompatible record keeping systems can be overcome by building good relationships at all levels. Cross-sector collaboration will require the confidence to try something different alongside the ability to admit that no one organisation has all the answers. In Sunderland's Community Integrated Teams (Example C) integration of health professionals and social workers was effective because the different teams developed respect and understanding for each other's roles. This does not mean getting rid of differences in approach, but it does entail shared values and the time and space towards developing mutual understanding:

> *"Things like products and governance is key. But staff understanding each other's roles and responsibilities is the most important thing."*
> **Service Development Facilitator, All Together Better service** (Example C)

44 Workshop attendee.
45 Workshop attendee.

Collaboration across sectors will take longer to achieve, and it is crucial to lay the groundwork into creating an effective relationship to get the considerable benefits. The markers of such a relationship are trust, openness and listening well; an ability to recognise potential opportunities to do things differently and improve services; having shared overall goals and having opportunities to understand each other's different roles and responsibilities.

SMALLER IS BETTER WHEN BEGINNING COLLABORATION

Public services would be best placed to start with some 'quick wins' and achievable goals when collaborating, before attempting to tackle systemic problems or 'wicked issues'. Effective collaboration will require a high level of emotional maturity and intelligence. So while developing this relationship councils should 'start small', piloting discrete projects with quantifiable, achievable goals. Workshop attendees highlighted this in commenting on the potential to implement a similar scheme to the Jersey Post's 'Call & Check' scheme (Example D). It was pointed out that this could potentially serve different functions: both addressing loneliness and gathering intelligence; and could in turn achieve multiple outcomes such as maintaining independence, reducing loneliness, reducing missed healthcare appointments, and reducing emergencies. But to implement this in the UK would require a complex process of collaboration between different agencies, including Royal Mail, social care, and potentially the NHS. Therefore it would be advisable to 'start small' with one specific goal and measurement framework before attempting to tackle other areas. Example E shows how a care home drove innovation and effectiveness simply through piloting a new approach to record-keeping.

EXAMPLE E: THE NIGHTINGALE HOUSE CARE HOME

Care home charity Nightingale Hammerson piloted smart technology to help make its record-keeping more efficient. Currently, record keeping in care homes tends to be a cumbersome and unsystematic mix of paperwork, files and IT systems. Nightingale House in South London piloted an app to tackle the challenges of dementia care.

Staff used the Keepsake app to complete records while they interacted with residents "on the go". They were able to maintain records immediately and spent more time with their patients, cutting down time spent in the office. It also allowed the carers to personalise their notes.

The digitalisation of record-keeping was only the first step. Once the notes have been uploaded, an algorithm interpreted the notes in real time and made suggestions for suggested follow-up activities or actions. For instance, the app could automatically prompt carers to do a required task, as certain inputs triggered the app to send reminders. For example, if a care worker used the app to record that a resident had a fall, they would be reminded to fill out an incident form and call the patient's GP. The app also made it easier to keep residents' families updated – with the functionality to take photos, add them to the record and send them to the listed contacts.

To develop the technology, the care home worked with a team of students and professors at City University's Cass Business School, as well as ustwo, a digital production company. Collaboration was a fundamental part of developing the app, with the designers spending time observing and conducting interviews at the care home. They used the experiences and needs of residents, carers and staff to create an app that addressed everyday challenges and fit in with schedules The trial suggested that more than half of staff admin time could be saved by using this technology.

By collaborating with different partners, councils can tap into unrealised potential to improve the productivity of public sources. But collaboration is a complex task and should be accompanied by as much clarity as possible about the specific goal of an initiative, scheme or idea; and the definitions and measurements of success. Councils need to be able to achieve productivity gains quickly. Knowing what works is crucial, so that initiatives which don't have impact can be quickly changed or abandoned to try something else.

This means putting in the mechanisms to track and evaluate success against a measurable goal. Some of the literature on existing productivity

initiatives discusses projected savings without detailing the upfront costs, where money has been saved and how, and whether the strategy will be sustainable over the long term. Productivity initiatives should have measurable goals: for example, to do more of a certain activity, or to improve responses to a certain communication practice. Before implementation the baseline must be accurately established i.e. current performance or spending must be understood, so that councils can understand what represents improvement or savings. If this is done, councils elsewhere will be able to make an informed choice about whether to implement the initiative in their area.

Councils have an urgent task to find new ways to improve productivity. The workforce is a source of insight that councils can use more effectively through building trust and honesty. This could help achieve productivity by reforming existing processes. Councils should also collaborate with other public services and with private sector/customer facing universal services, with the view to coordinating support and working more preventatively. This is a more complex task, which again requires a strategic approach to relationship building. While this work is underway, collaborative efforts should be focused on specific goals which can be implemented and evaluated reasonably quickly.

3 UNDERSTANDING HOW TO BUILD COMMUNITY CAPACITY

Councils and public services widely acknowledge that working more collaboratively with the public – doing with rather than doing to – will have enormous long-term benefits and help keep services sustainable. But the challenge is how: simply telling the public they need to become more active citizens is unlikely to work. To achieve coproduction, collaboration requires a smart approach informed by what we know about motivations to participate in the public realm. This insight shows how, when, and why the public are likely to get involved.

Councils are aware that their relationship with residents needs to change given the challenging context. Strategies to save money on service delivery will help in the short and medium term, but ultimately in the long term the nature of public demand will still overwhelm supply if the public's relationship with services does not change.[46] Therefore collaboration with the public is seen as key and the public is frequently encouraged to become more active.

The 'cooperative council' model is seen as a way to engage residents through community engagement and empowerment. Residents become more involved in controlling and delivering public services, as well as shaping the overall strategy of the council. And some councils have made progress towards achieving this model.[47] But changing the public's traditional relationship with services will not be easy. In the recent publication *21st Century Councillor,* an elected member discussed the lack of response to a community budgeting initiative: "*they haven't been very quick to pick up on that opportunity.... they're used to somebody coming and making the suggestion to them."*[48] There is a need to develop and mature this relationship between the public and the council.

46 Nesta (2013). The Business Case for People Powered Health. Nesta, PPL and the Innovation Unit.
47 Localis (2016). Local Authority Transformational Models.
48 C. Mangan et al. The 21st Century Councillor, p.10.

Councils want to collaborate with the public. They are highly aware that public involvement will be necessary to surviving massive reductions in budgets and continuing to provide services that improve places and help people. However, the key question now is why a member of the public will want to collaborate with their local council. This chapter will discuss the benefits of councils actively leading in understanding the motivations of the public to get involved. It will focus on examples of how organisations have used this understanding to effectively collaborate or involve the public. These examples show that it is possible to implement small-scale projects which can help bring councils closer to making the aspiration of coproduction a reality.

UNDERSTANDING WHAT MOTIVATES PEOPLE TO PARTICIPATE

Volunteering and involvement schemes offer a way to help keep public services sustainable if they are well-managed and appropriate to the role. Councils are already using volunteers to support the delivery and maintenance of services such as libraries, parks and street cleaning.[49] The most successful examples of volunteering suggest that councils will make best use of volunteers where they are informed by the evidence on how best to engage, retain and support volunteers. Because volunteering is a choice, it needs to be attractive to the person choosing to get involved. This requires councils to go beyond discussing why they need volunteers and think about why a person would volunteer with them, and the complexity of that persons motivations.

STREET CHAMPIONS IN LAMBETH

Effective volunteering schemes show how to attract people, and to retain them. For example, in Lambeth, the council worked with the Institute for Fiscal Studies to understand and test motivations to get involved in a ‘Street

49 For example, see Third Sector (2012, August 21). Analysis: The libraries that have been taken over by volunteers. http://www.thirdsector.co.uk/analysis-libraries-taken-volunteers/policy-and-politics/article/1146150 [accessed March 2017].

Champions' scheme.[50] As a part of this scheme, volunteer residents were invited to coordinate efforts to improve the attractiveness and cleanliness of their street. Four different approaches to incentivising volunteers were trialled. One group, the control group, maintained business as usual with no incentives to get involved in the scheme. Another group of Street Champions were offered individual extrinsic incentives – free garden waste collection - while a further group were offered removal of graffiti: an extrinsic community incentive. But the most successful incentive turned out to be the intrinsic 'identity incentive' offered to the final group, who received rewards cementing their identity as Street Champions – a chance to meet the mayor and a hi-vis jacket. This incentive doubled the number of expressions of interest and doubled the number of activities compared to the control group. Streets offered identity rewards were 15 per cent more likely more likely to hold a clean-up event.

One potential reason for this, identified by the researchers, is the 'enhanced social status' that this identity offered people.[51] People's identity as part of a wider community motivates them to volunteer and act in 'prosocial' ways.

FOSTER CARERS

Research into the values held by foster carers shows how local authorities can draw upon those values to more effectively recruit and retain foster carers. Like the experiment by Lambeth Council, this research demonstrates the benefits of understanding how and why people are likely to get involved.[52]

Values of making a difference and 'doing the right thing' are very important to most foster carers; more so than financial reward. The Fostering Network and Impower found that 73 per cent of foster carers, and 81 per cent of

50 Full details of this study are at Rogger, D. and Sibieta, L (2016). An evaluation of different ways to incentivise citizens to co-produce public services in Lambeth. Institute for Fiscal Studies.

51 Rogger and Sibieta. An evaluation of different ways to incentivise citizens to co-produce public services in Lambeth.

52 The Fostering Network with Impower (2013). Why foster carers care: how understanding values can transform relationships and improve services. London: The Fostering Network. https://www.thefosteringnetwork.org.uk/sites/www.fostering.net/files/content/why-foster-carers-care-report-v5.pdf

newly approved foster carers[53], have 'pioneer' values – meaning they are concerned about improving the world, about justice and equality, and they have a strong sense of what is right and wrong. This compares to just 42 per cent of the general population holding pioneer values.

These findings have helped local authorities to shape their strategies to recruit foster carers and to provide effective ongoing support to retain them. People with pioneer values are likely to find that a message around doing the right thing for the child resonates with them. They will be concerned with their ability to improve outcomes for the child, so the support on offer for foster carers will be important to them. They want to be consulted and are likely to appreciate efforts to involve them in wider development initiatives. Pioneers also value the characteristics associated with the local authority itself - the foster carers with pioneer values tended to associate the council with public good.

This research showed that money is not the primary motivation to foster, and so when councils are creating advertising campaigns or inductions for prospective foster carers fiscal reward should not be the primary message. With that said, foster carers are not unpaid volunteers and to choose to foster they need to be able to afford to do so. However, this research shows that tapping into intrinsic motivations and core values is a key part of effectively involving the public.

BEHAVIOUR CHANGE THEORY AND PARTICIPATION

As well as using behavioural insight to make core council business more effective (see Chapter 1), Wealden has also developed an innovative scheme called 'Paws on Watch' in which dog walkers help the council and police in detecting crime and addressing antisocial behaviour.

The scheme, developed by the council and Sussex Police, is a low-key form of volunteering. Members of Paws on Watch are dog walkers going on their usual walk. Wealden is a rural area, with an estimated 10,000 dog walkers. To join the scheme members are required to provide contact details

53 Department for Education and the Fostering Network with Impower (2015). Why Foster Carers Care, Part Two: The values and motivations profile of newly approved foster carers.

including an email address, and to confirm that they are a responsible dog owner who always clears up after their dog.

Members are asked to do three things: report anything that seems unusual or suspicious; promote responsible dog ownership by offering a bag to other dog walkers who do not clean up after themselves if they feel comfortable doing so; and to keep an eye out for specific crimes in their area and report any findings – for example, evidence of a trend of fly tipping. The scheme does not require volunteers to respond to crime 'in the moment' or carry out any duties that would be inappropriate for their role. Members have direct contact details for Sussex Police who can in turn email them about specific things to watch out for.

The project draws on behavioural insight theory to succeed, exemplified by some of the key elements of the Mindspace toolkit[54] – social norms, ego, and making the better choice the 'default' choice. Members are part of a group and are given a badge and a tag for their dog's collar. The scheme goes with the 'flow' of people's default habits: members can simply take part in the scheme through going on their usual walk, meaning they are also well placed to spot something unusual. It plays to people's 'ego' - making scheme members feel good about helping their community and being part of keeping Wealden safe.

Councils want a more trusting, collaborative relationship with residents. Understanding the complex motivations behind participation will make attempts to involve local residents more likely to succeed. People are not necessarily incentivised by rewards with a clear quantifiable value. Often they are drawn because of more intrinsic motivations associated with how they perceive their role in the world, and their relationship with wider society.

Local government has a key role to play here, with the ability to respond to these motivations, and encourage people to become champions, stewards or volunteers for their place. And there is information widely available about what motivates people to act. Councils should draw on this wider knowledge and apply it in their own areas, prioritising the time of a senior policy officer to research these issues and train others.

54 Cabinet Office and Institute for Government (2010). Mindspace: influencing behaviour through public policy.

EXAMPLE F: CITIZENS ADVICE

Citizens Advice is one of the UK's largest charities, underpinned by a volunteering programme highly valued by its volunteers. Volunteers are a fundamental part of the organisation at 23,000 strong[55] *and are the 'face' of the organisation to many people, providing information and advice by telephone and in person.*

Citizens Advice shows that organisations can provide an attractive and fulfilling volunteering experience. They have built this strong volunteering ethos by providing flexibility and long term commitment while tapping into people's need to be recognised and to be part of a wider social movement. 97 per cent of Citizens Advice volunteers would recommend the experience.[56]

GROUP MEMBERSHIP, SOCIAL MISSION

Volunteers are not seen as just providing a service to the organisation, but joining a community with shared vision and goals. Citizens Advice's social mission is central to their success in recruiting and keeping volunteers. It taps into people's sense of civic duty, community participation, justice and charitable giving. According to their own research, volunteering contributes to individuals' sense of empowerment, self-worth, knowledge of local community issues and involvement in national politics. Furthermore, the majority of full-time staff working at CABs are former volunteers, and the majority of posts are filled internally, so volunteers are encouraged to see themselves as joining a family, with implied potential future work prospects within the organisation.

NURTURING A CULTURE OF RECOGNITION

The nature of the work – providing a service for free to local residents - means that most of the people volunteers interact with (other

55 Citizens Advice website: Impact of how we work. https://www.citizensadvice.org.uk/about-us/difference-we-make/impact-of-citizens-advice-service/impact-of-how-we-work/ [accessed March 2017.]
56 Citizens Advice (2014). CAB volunteering – how everyone benefits

volunteers, employees, the clients they serve) express gratitude and demonstrate recognition at the time and effort spent by volunteers.

More formal structures exist too. Most branches have several volunteer coordinators, whose role it is to support and supervise the trajectory of all volunteers. The existence of a curriculum that all volunteers must complete as they move through the various roles in the organisation means volunteers have a sense of progression and development as various training modules are achieved.

FLEXIBILITY AND MAKING VOLUNTEERING EASY

Citizens Advice have strong inclusivity policies and practices which take into account the needs and capacities of their workforce. Flexible and part-time hours makes it easier for those with caring responsibilities (often women) to fit volunteering around their schedules. The organisation also places a lot of importance on providing reasonable accommodations for those with disabilities and need for support.

LONG TERM COMMITMENT

The long-term view is part of what keeps volunteers and nurtures a culture of returning to the organisation: it can take up to two years of part-time volunteering to complete the modules to become a generalist advisor. The lengthy application process (formal applications, reference-checks and an interview process are typical) and the one-on-one attention paid to personalised induction and training reinforces volunteering as a serious and long-term commitment. Instead of serving as a barrier to participation, this reinforces the sense of social responsibility.

Changing the nature of councils' relationship with the public is one of the most important ways to sustain public services. Local government requires an effective strategy to make this a reality. Encouraging people to participate can be successful where we tap into subconscious needs, intrinsic motivations, and people's desire to be part of a social group. Using

insights from research into these motivations can make participation more effective. Rather than simply retreating from the public space and expecting community capacity to fill it, councils should spend time understanding why people will act or participate, and apply that knowledge to their coproduction strategies. Such an emotionally intelligent approach is likely to build a fruitful, trusting relationship. Like with any productivity initiative that requires building relationships with new partners, councils will be well placed to start small while they are discovering what is most effective. They will either succeed and can roll out the scheme; or they will know to move on and try something different.

CONCLUSION & RECOMMENDATIONS

This paper has outlined some new ways in which local government could potentially achieve productivity gains in collaboration with others. Local government is in a position where implementing further efficiencies will adversely impact on service delivery. Some councils have been, and will be in the future, looking at mergers to survive. But these kinds of solutions come with drawbacks – in particular the negative implications for place-based policymaking. Councils should strive to consider how they can use their existing resources in a new way, by developing collaboration with new sources.

There is an opportunity to collaborate with stakeholders in a way that builds a mutually beneficial relationship. For the workforce, this means gaining trust and being open to where new ideas will come from, recognising that the people doing the jobs are experts on how they could be reformed to work smarter. Engaging the workforce will also help sustain morale and productivity even in challenging times. Councils can also work with other sectors for productivity gains. Working across public services creates opportunities to coordinate care, while collaboration with new sectors can be a way to support people at an earlier stage. Because this requires overcoming stronger barriers, councils should start small and test what works, while building a good relationship with trust on all sides. In the long term, this could highlight completely new avenues for improving the productivity of services and improving outcomes.

Councils should also be strategic, proactive and even scientific in how they collaborate with the public. We know that people are motivated to get involved for complex reasons, often tied to a need for social identity and shaped by their context, and so councils should harness this understanding to make coproduction a success. Local government is well placed to do collaboration with the public well; it has the relationship, the motivation and the knowledge of its population. It will do this most effectively where it prioritises understanding why people will participate and how they can be engaged.

But this is a complex process of relationship building and not everything will work; local government needs a culture which is sympathetic to trying something new, and seeks to learn lessons from what has not worked.

Being honest with one's peers in the sector (and beyond) is part of the complex process of doing collaboration well. Lambeth Council added crucial knowledge to our understanding of 'best practice', as well as what did not work, in participating and publishing the results of its Street Champions scheme (discussed in Chapter 3). But overall, discussion of what is not working or what's difficult appears to be rare. The literature on common productivity initiatives tends to take an optimistic and positive angle, even where the purported savings are based on estimates and are not yet definitively known.

Open discussion of what is not working should be seen as a useful addition to the overall knowledge base. To overcome straitened finances it's crucial that there is honesty about new approaches that have been tried in the spirit of innovation, accompanied by useful information about what does and does not work.

And elected members have a key role here. If an innovative idea or new scheme doesn't have an impact, that should be perceived as a contribution to our knowledge of what will and won't work, not a reason for blame. Currently, no-one has all the answers of what will help councils survive the years of cuts to come alongside increasing demand. Sharing what has not worked, as well as best practice, should be encouraged and incentivised in order to add to the overall knowledge base of effectiveness.

RECOMMENDATIONS

- Councils should explore how they can make collaboration work for them and their residents, building a strategic approach to relationship building. 'Collaboration champions' could lead in identifying new and unlikely partners to collaborate with, and bringing together evidence on improving participation.
- Public services should consider hosting 'big idea' or 'hack days' with their employees to find ways to reform existing processes and make

short and long-term productivity gains. These will be most effective where facilitated by an independent provider and informed by data on past performance, spending over the annual cycle, and other productivity data.

- Councils should build links with sectors which provide services to the general public and which could potentially identify and maintain contact with vulnerable people. Local authorities could start by mapping all the universal customer service providers in their areas, ranging from bus drivers to pharmacists to binmen, and identify which sector they could fruitfully collaborate with.

- Senior policy officers and researchers should make understanding the motivations of the public to act or get involved a high priority. These officers can then go onto train the rest of the workforce to translate these insights into more effective collaboration with the public.

- Sharing best practice is very helpful to the local government sector. But it also needs to know where initiatives don't have an impact. Councils should be encouraged to trial things on the small scale, measure the results, and build their knowledge of what works through peer-to-peer discussion. The sector should establish a forum or database which highlights the productivity initiatives which haven't worked and why.

APPENDIX: CASE STUDIES

WEALDEN DISTRICT COUNCIL'S BEHAVIOURAL INSIGHT TEAM

Behavioural change theory has been influential in many areas of commercial activity for a long time. More recently, public policy makers have been paying attention to this area of social science. In the UK, the Cabinet Office's Behavioural Insights Team (BIT) has been influential in experimenting with, piloting and promoting this framework. The policies derived from behavioural insights are varied, but originate in theory that questions whether people are always rational in their choices and actions. Behaviour change theory pays closer attention to context and to the experience of service users in order to transform social behaviour. The theory suggests that whilst people may not always be rational, the behaviour of many is predictable given certain environmental and other cues.

In 2013, Wealden District Council started experimenting with these ideas, trialling new forms of communication and messaging and adapting them for the local context. The council's principal policy advisor became interested in the Cabinet Office's work and took the initiative to learn about their ideas, collaborating with them informally.

Wealden District Council were curious about the ways in which human actions and behaviour are shaped by the establishment of norms more than the enforcement of rules. They transformed their understanding of particular problems at an operational level, changing how they interact and communicate with residents.

The success of this approach is partly premised on including the council's frontline workforce, who, due to their frequent contact with citizens are well-placed to identify opportunities for new initiatives. The council's principal policy advisor and behavioural insights expert runs 3-4 training courses a year on the principles of behavioural science for staff, and they are encouraged to implement the approach in their own work. A large

proportion of staff at Wealden District Council have become involved in developing, implementing and evaluating behavioural insights-based changes. 120 staff members have voluntarily attended the training courses. Behavioural insights have been successfully applied within various council departments to tackle a range of diverse issues.

REIMAGINING THE ROLE OF LETTERS AND NOTICES: COUNCIL HOUSING RENT ARREARS

Due in part to national welfare reform, council housing rent arrears in Wealden District Council increased dramatically from 2009-2012. In 2013, as part of a strategy to reduce these arrears, the Housing Income Department began re-examining their arrears collection practices with the help of the behavioural insights ethos, in order to identify new intervention opportunities. Most of the rent-collection letters were ignored until there was a serious threat of eviction or court action. In order to have residents pay their rent, they needed to change behaviour around communication: they needed people to pick up the phone. They reformulated their letters with the help of behavioural insights techniques, and collaborated with various council departments (such as legal services) to finalise them. They agreed on new language and layout for the notices and letters that tenants received when they had fallen back on rent payments. These changes were intended to get residents to respond and get in touch even if they could not immediately pay for the accrued arrears. They used techniques such as personalisation: increased use of the person's name. They also emphasised social norms: 'most people in your situation get in contact with us and we are able to help them deal with it'. They also reminded tenants in arrears of the consequences of not paying their rent and what they stood to lose.

The letters were intended to reduce barriers to contact to catch arrears earlier on, creating an opportunity to put realistic payment plans in place and support residents to access other government benefits like housing benefit to prevent future arrears. As a result of the changes made, tenants get in touch on average 21 days after the first letter, compared to 46 days previously (that contact was normally a second letter). The percentage of rent collected because of this and other initiatives has risen from 98% in 2013/14 to 99.89% in 15/16; this seemingly small percentage can represent

the difference between a low performing and high performing authority, as well as tens of thousands of pounds saved.

This pragmatic emphasis on early intervention has been well-received and, as part of a wider strategy, resulted in a reversal of the trend of increasing rent arrears. By responding creatively to challenges posed by national cuts in budgets for rent subsidies the council managed to successfully tackle a local problem.

REDESIGNING SIGNS TO REDUCE SPEEDING CARS, FLY-TIPPING AND DOG FOULING

The council has also worked with other local public services especially the emergency services to use behavioural insights methods to change the messaging and visual language of new road-side signs. The council is based in Sussex, where dangerous driving and road casualties are a significant problem. They managed to reduce average speeds in key roads by installing new eye-catching reminder road-side signs. Research indicated that for many road users the fear of being caught for speeding motivates their driving behaviour. The final design, which uses a police officer's eyes and the wording 'Check your speed before we do', is intended to produce in drivers the sense that they are under surveillance without having to use resources for more active forms of policing. It is known that most people behave more virtuously if they think they are being watched. Similar signs using eyes have been put in place at recycling points and have led to significant reductions in fly-tipping. In another initiative, the council has significantly reduced dog fouling by introducing signage that reinforces cleaning up after dogs as a norm.

Wealden District Council's initiatives are working. Investing energy in encouraging positive behaviour rather than preventing unwanted behaviour (littering, fly-tipping, fouling, speeding, non-payment, parking-infractions) means moving away from reliance on the costly, time-consuming and sometimes impossible correctives of legal action, fines and/or more active forms of punishment and policing.

This approach to service design achieves efficiency savings through small, smart changes that result in more effective communication and the creation

of incentives and new social norms locally. In this case study, the council's attentiveness to residents' experience of signage and correspondence achieves the desired behavioural changes with little additional resources. Small changes can make a big difference. This approach requires an attitude that is open to trial and error, one which understands the importance of evaluation and monitoring and which tries to understand what motivates people to choose one thing over another. An important element of their success is the involvement of staff in the redesign processes, and creating an environment where all staff are encouraged to take independent initiative and creatively transform the systems they work with. Cross-department and cross-agency collaboration has also been central.

SUFFOLK COASTAL AND WAVENEY NORSE

In East Suffolk, the political agenda for savings began in the early 2000s, pre-dating the financial crisis and the more recent drive for productivity following reductions in local authority budgets. Suffolk Coastal Council and Waveney District Council (which have recently agreed to merge) both set up joint venture partnerships with Norse in 2004 and 2008, to provide local services. Norse has gradually taken on more responsibilities, and currently Suffolk Coastal and Waveney Norse run a variety of services for each district council, from building management, recycling and waste management, to building cleaning, car parks, ground maintenance, and CCTV.

Joint venture partnerships (JVPs) are hybrid private/public entities that serve as an alternative to both in-house and outsourced service provision for local authorities. Set up under section 101 of the Local Government Act, these JVPs replace the traditional client-contractor relationship, and help to ensure collaboration with 50-50 board membership, profit-sharing arrangements; and audits, monitoring and scrutiny processes to ensure improvement in quality of services.

Practically and at the operational level, Suffolk Coastal and Waveney Norse have transformed productivity by making the most out of existing fixed resources. For example, they recently cut down the number of expensive refuse collection vehicles in use (saving £300,000 per vehicle) by changing shift patterns of the environmental services team. This meant a reorganisation of workers' schedules towards longer days. After consulting with HR and union representatives the JVPs agreed with workers a new shift system where they would be working for longer working days with an extra day off a week. This change went fairly smoothly because Suffolk and Waveney Norse had been able to guarantee no changes to salaries and jobs. A year on, an evaluation of progress found the teams were satisfied with their new working hours. Through this innovative transformation in the way they use expensive resources, both Norse subsidiaries were able to reduce costs in refuse collection without cutting jobs or salaries or making changes to quality of service provided for local residents. Being able to pilot the new system in Waveney also made it easier to make the transition in Suffolk Coastal a few years later, and to anticipate the difficulties with this

approach. For instance, they were prepared to plan for more compressed maintenance schedules, for repair work on existing vehicles and to foresee the workers' adjustment to sharing vehicles.

The joint venture partnership is based on a collaborative relationship between the local authority and Norse, with shared goals. A simple procurement process is replaced by a more flexible relationship that can adapt to changing stakeholder needs. It provides more room for the local authority and Norse subsidiary to have ongoing conversations about the way services are provided and to change how they work based on performance. Difficult bureaucratic processes and narrow contractual obligations are replaced by more adaptable and negotiable arrangements. Employees of these two JVPs feel their work combines the benefits of a local government ethos with a commercial attitude to increasing productivity.

Each local joint venture partnership benefits from economies of scale when negotiating with providers through better purchasing power. Both Waveney and Suffolk Coastal Norse have avoided outsourcing where possible, undertaking their own vehicle procurement and maintenance. Furthermore, they can share technological innovation and technical expertise, learning from the experiences of other JVPs – for example, in-vehicle technology for refuse-weigh in.

The model also saves through shared management roles and the centralisation of some back office roles, and these savings are refunded to the council: in one of these local authorities, £700,000 in fees were saved and returned to the council. These two JVPs also work with each other to reduce costs, sharing and cooperating on services, where it works.

The JVPs are also able to provide their services to the private sector, increasing their ability to gain productivity through economies of scale. Shared profit arrangements make this commercialism profitable for the local councils, meaning they can share in the successes of these activities and reinvest funds locally.

Based in the local context and working to achieve shared priorities with local authorities means Suffolk and Waveney Norse have been able to adapt their models and services for the local context, responding to changing needs.

SUNDERLAND'S COMMUNITY INTEGRATED TEAMS (ALL TOGETHER BETTER SERVICE)

In October 2015, the All Together Better service in the city of Sunderland was officially launched. Funded by NHS England, it is run by a collaboration of different organisations, including Sunderland City Council, Sunderland Clinical Commissioning Group, Age UK Sunderland, local NHS health providers, and the GP alliance.

The service has three distinct components, one of which is the Community Integrated Teams. CITs work in five parts of the city and bring together nurses, social workers, link workers, and other staff in one team. These five localities within the city are based on Primary Care practice lists, upon which all other partners model the delivery of their services to ensure effective coordination of care. The provision of care to the same shared population is a key tenet of the model being delivered.

Teams aim to provide coordinated and holistic care for some of the most vulnerable people in the city who have complex long-lasting healthcare needs. They focus on the three per cent of patients who consume more than 50 per cent of healthcare. As well as health and social care integration, CITs also include carers' support workers and Age UK link workers who can actively link people into community based sources of support.

Teams work from the same base, avoiding duplication of work and making coordinated care easier. Teams visit patients together, whereas before a service user might be visited by multiple professionals in one week, often performing the same task or asking the same questions. Even health services alone were not integrated, and a patient might have their blood taken twice in a week by two different nurses. Now, care is coordinated and information is shared more easily. And referrals to different parts of the health and social care systems are much easier as staff know each other and can discuss cases verbally rather than filling out lots of complicated forms.

Professionals meet on a weekly basis to develop an integrated care plan for the most at risk cases (decided by the top three per cent most at risk of hospitalisation). Individual cases are discussed and social workers, GPs,

and nurses put together a care plan. These multidisciplinary meetings are crucial not only to produce integrated care plans but to establish effective ways of collaborating across boundaries. Staff report that the most beneficial aspects of the meetings are the constructive challenge, creative solutions, and education about solutions and options for people beyond the healthcare domain.

WHY DOES IT WORK?

The service aims to streamline processes to improve the productivity of health and social care and make it work better for service users. Because staff from different services are working closely together, duplication is avoided and processes work much faster. Teams learn from each other and organisational differences are respected. People are more likely to support their colleagues from different organisations – co-location of professionals has helped to break down organisational barriers. The service works to prevent crisis and illness for service users, and to support them to manage their own conditions.

Published outcomes data is not yet available for the CITs specifically, but the service reports that the most high-functioning multidisciplinary teams, who meet regularly and are genuinely collaborative, are showing reductions in A&E attendance for their service users of up to 15 per cent.

Practitioners are able to feed problems into the wider governance structure, which reflects the commitment to integration. The local authority is included at every level of oversight: the board, the implementation group and the design group. What appears crucial to success at team level is commitment to collaboration, collegiate working and consistent attendance at multidisciplinary meetings.

Future priorities include establishing a mutual information sharing system- while co-location enables easier information sharing, the electronic systems are not yet fully integrated. The team also wants to link in with the voluntary sector more.

JERSEY POST'S 'CALL & CHECK' SCHEME

For many years across the world, postal services have been in decline and unsure of their role in contemporary society. They were considering various new directions – not all of which were successful. However, one innovative scheme has achieved global recognition and imitation.

Postal workers are the only people who can see people in every home, every day. They have a unique, trusted role in the community- perhaps especially for the older generation. This created an opportunity to provide a form of low-level emotional support to elderly people at risk of isolation, which could also help to maintain people's independence and flag any problems at an early stage. In 2014, Call & Check was launched as a pilot.

Call & Check has now gained funding from Jersey's government (in addition to a private service which relatives can pay for). Postal workers see customers as part of their existing rounds to have a chat and check people are safe and well. Call & Check works in partnership with health and social care agencies so postal workers can also remind people about upcoming appointments, check people are taking their medication, and flag up any emergencies or emerging problems. The scheme also supports people to feel connected and less lonely through the interaction between postal worker and individual, and postal workers can also let people know about social events in their area.

Jersey has a rapidly ageing population at risk of isolation and losing their independence. There are 9,000 carers in Jersey of a population of 100,000. These carers are themselves at risk of poor mental health and isolation, and relatives may feel guilty about spending any time away from their family members. Call & Check can provide peace of mind for these relatives.

It is important to reiterate that postal workers do not provide health or social care. Their role is to provide contact for people who may be lonely or isolated, and to flag up any problems. They are trained to spot certain signs of declining health, whereupon they will signpost people to the right professional immediately.

The service is working with a company called Outcomes Based Healthcare which will build a digital platform to better measure outcomes for the person and for services in Jersey. This could also help to personalise the nature of the support to each customer. Currently, postal workers rely on generic forms to ask at each appointment, but a digital platform could be more easily adapted to include information specific to certain customers – such as diabetes management or other conditions.

Call & Check has been recognised as good practice by many countries around the world and advises many postal providers and health organisations. Finland, for example, has implemented a form of Call & Check, where postmen and women help with basic maintenance, such as changing a lightbulb. Southwark Council and the City of London are among many areas in the UK interested in implementing a form of the scheme alongside Royal Mail.

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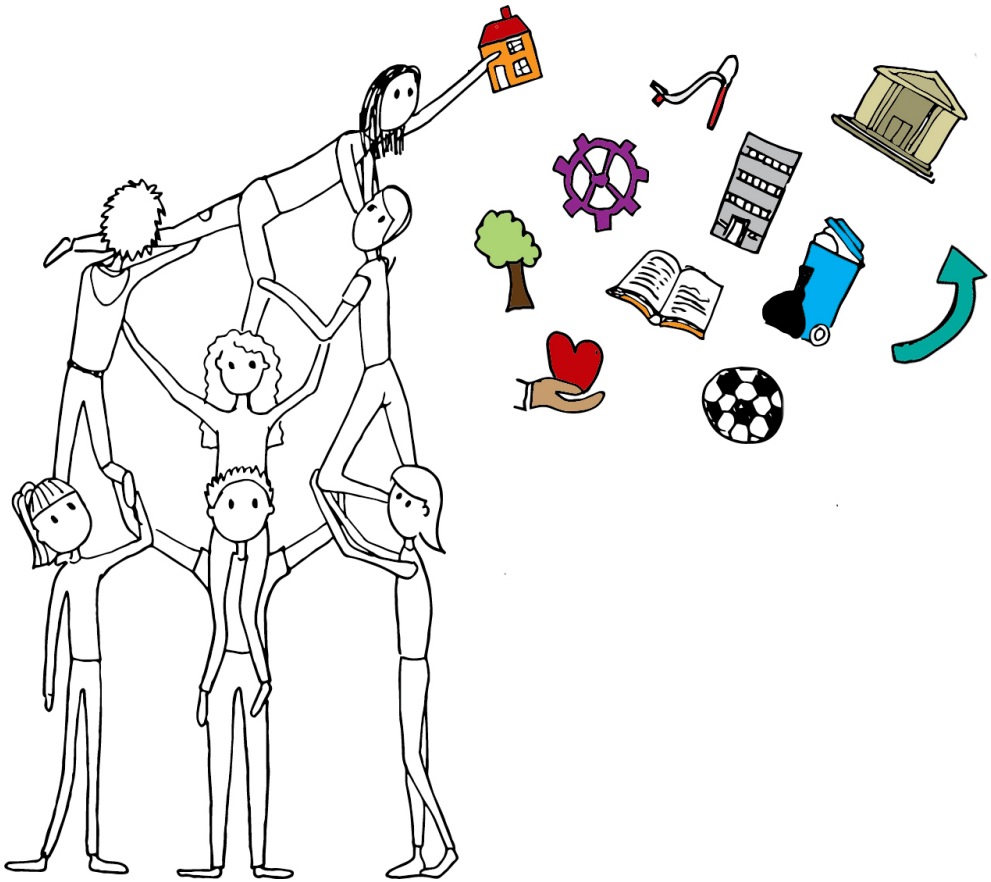

Councils are looking for the next stage of productivity. Since 2010, they have made substantial efficiencies, with widespread restructures, changes to processes, and economies of scale. They are now at the point where they need a new approach to boosting productivity, which focuses on boosting impact as well as increasing output. Quality matters.

This report explores the next stage of productivity for councils. It focuses on collaboration: within the workforce, with other sectors and with the public. This can help to reform existing processes, streamline services, and improve outcomes in the long term. But collaboration needs to be done well, and strategically. This report considers how collaboration can be done effectively, using a range of examples throughout.

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