

# Local Public Services Innovation: Creating a catalyst for change

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# Foreword

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**Digital innovation in local government does not exist in a bubble being delivered by technologists or developers but helps establish a better and more equal relationship between citizen and state, building capacity in citizens and communities so that they thrive.**

In councils, like where I am Chief Executive in Wigan, our approach to digital isn't about the technology – it's about our relationship with our communities and businesses, it's about great service design that puts people first, it's about our philosophy to innovate, and giving our people permission to work in an agile way to develop approaches with our communities.

As we learn to live with Covid it is clear we have entered a new era, one which requires focusing hard on the big challenges we face in our communities – tackling inequalities in wealth and health and meeting the challenge of the climate emergency. Digital transformation must absolutely be at the heart of our approach to these complex problems.

Yet, never before has the digital divide been so sharply in focus. We urgently need to find a solution to digital inequalities - devices, data, accessibility, skills and confidence - and this must be focused on resolving structural health and wealth inequalities in our communities.





A quick scan across local government uncovers so many examples of tech for good - whether that's virtual reality to support our most vulnerable residents to do the things that give them joy in a safe way, the ethical use of big data to focus our support and resources where they are needed most, or increasingly re-imagining how our physical environment promotes and enables healthy active lives for our residents. Now is the time to invest in scaling up, so the benefits of tech can be felt by everyone.

Locally driven digital solutions alongside our communities and businesses will be the root of our new economy, new education model, new approach to healthier and more active lives, and so on. The demand for more digital services from residents is only going to grow and it is essential as local authorities that we meet that demand.

Collaboration is absolutely key and that is why I'm delighted to be supporting this report by techUK to drive forward the case for innovation and local government to be working side-by-side with the private sector, third sector and citizens to seize the opportunities and meet the challenges that lie ahead.

# Introduction

It has been a time of extraordinary change for our local public services. The pandemic has accelerated the pace of digital transformation of many public services. Digital technology has enabled teams to work collaboratively not only across organisation but boundaries to co-design solutions and engage with communities. Public sector organisations found themselves having to shift to mass remote working in days and adopting more agile ways of working to spin up new services with partners across the place. The pandemic provided the impetus to do things differently. However, local public services continue to face new and ongoing challenges of public finance, supply chain, meeting the rising demand and expectations of their citizens. All whilst having to continue to deliver statutory services and solve big societal and environmental challenges such as tackling climate change to stimulating the local economy.

Local government is unique in the number of lines of services it operates. Set against a backdrop of rising citizen expectations and financial constraints, local government is no stranger in doing more for less. The real reward, however, is how councils can do things differently and better for their citizens. This is where innovation comes in.

The opportunity innovation presents goes beyond transactional and efficiency. Meaningful innovation is driven by collaboration. Collaboration between teams and citizens and technology suppliers. We saw this at the height of the pandemic where place-based working became the norm, where departments, agencies and industry working together on digital responses to specific challenges. With a drive for integrated services, it's now about pivoting to place-led innovation and local public services building on the momentum of the last two years and not being afraid to take risks and innovate.

Innovation doesn't have to be flashy or era-defining. It can be found in small advances that free us from the established ways of doing things. In this paper, techUK sets out how local public services can grasp the innovation opportunity and maximise the benefits they derive from digital technologies and their suppliers.

Local public services can lead the way on teaming with innovative solutions beyond iterative digital transformation, solutions that inspire and motivate the UK to greater success on behalf of its citizens.

As co-publisher of the [Local Digital Declaration](#), a joint endeavor to co-create the conditions for the next generation of local public services, where technology is an enabler rather than a barrier to service improvements, techUK is committed to working with local public services and public sector partners to help realise its ambition. techUK sets out several recommendations and initiatives to support local government to collaborate and procure outcomes that best meet the needs of citizens and feel confident to innovate.



# The case for innovation

Innovation and transformation are often used synonymously, but innovation drives change, and transformation is ongoing. True innovation is business led and driven by collaboration. Innovation offers the opportunity to rethink processes and in the case of local government how it solves problems to ultimately create places where citizens want to live, work, thrive and feel safe.

The councils that place innovation at the heart of what they do, reap great benefits, including:

- Greater transparency and trust between local government and citizen through a more engaged approach to decision-making. Helping to create inclusive places where citizens want to live, thrive, and work.
- Enabling cross-agency collaboration, seamlessly working together with partners across the place to solve a common problem.
- Increase the efficiency and quality of public service delivery, making funding and resource go further as well as growing citizen satisfaction with services.
- Opening up of data to unlock insights to proactively meet the key challenges facing their local area and place.
- Engender a culture of change in their organisation by leading by example how digital innovations can transform ways of work to create a happier and more attractive workplace.



# Case Study: Working with the local community and tech suppliers to develop new ideas and drive innovation

Norfolk County Council has been at the forefront of innovation in the public sector for a number of years working with the community, technology suppliers and its services which has brought about new thinking and a refreshing risk based approach.

Norfolk has worked with the local Hackspace community to understand and take part in what the community were exploring; to understand opportunities, new technology and new ideas.

This has led to taking a risk by purchasing and installing equipment to introduce new technology in the region which had the potential to develop new digital startup businesses in the area, enhance existing business with digital connectivity technology, increase digital skills and an opportunity to explore improvements of public services.

This one small step has brought about Innovation proof of concepts, Innovation discussions in services, pilots and change.





The narrative with suppliers has also changed from a service delivery conversation to how can our partners support the delivery of digital Innovation.

Norfolk has had success innovating in Highways with winter gritting using sensors by changing the way we monitor road temperatures which has helped show the art of the possible and by taking this risk has also helped a startup develop in the region.

This case study demonstrated that it is possible to innovate, take a risk, at minimal cost to show the possibilities through proof of concepts and ideas which led to other many other Innovations in other services.

One such innovation is working with Adult Social Services to trial sensors to monitor activity; working with subject matter experts and our partners, collecting data about daily patterns which will enable interventions early by identifying abnormal activity, visualizing this through dashboards of information to support services, carers and families. This will ultimately help people to live independently longer.

***"The art of Innovation is taking a risk, doing something small, convincing others by showing them and growing the idea"***

***Kurt Frary, Deputy Director of IMT, CTO, Norfolk County Council***



# Breaking down the barriers to collaboration

The fast pace of technological change often makes it difficult for local government to be on top of what the latest innovations are that can help them reimagine the delivery of local public services. It can also be confusing and difficult to understand the true value against a blizzard of competing solutions. Technology suppliers have a key role to play in driving and delivering innovation into local government, especially when it comes to the 'unknown'. Suppliers can help local government to horizon scan, but it can be challenging for suppliers to present their solutions:

- Every local authority is unique, and it can be hard to identify and approach the person responsible for innovation in a local authority, let alone engage with over 300 councils where it is not clear who the main point of contact is, and job titles not standardized across local government. For example, not every local authority has a Chief Digital Officer but has someone responsible for digital and often in their portfolio falls innovation and technology.

- Smaller SME's do not have the resource to engage all councils, leaving potential national solutions struggling to get the momentum to get wider uptake and scale.
- Minimal pre-procurement engagement and with many SMEs struggling to get on to a procurement framework early market engagement is crucial to their success.

**To innovate we need to collaborate across both public sector and the supplier base. It is not about buyer vs supplier. We ultimately have the shared ambition to make things better for citizens. In this paper we outline how we can break down those barriers and collaborate and de-risk working with new entrants and SMEs.**

techUK recognises that councils can often struggle to be fully empowered when it comes to maximising the benefit and value they can derive from tech. We believe this is caused by several factors, of which the most important are:

- lack of knowledge of the 'art of the possible' (especially given the pace of technological development)
- lack of access to other perspectives and experiences to maximise understanding
- lack of confidence to engage with a diverse range of third parties who may be able to bring creative solutions in fear they are breaking procurement rules and internal business case process which can take a considerable amount of time.

- lack of procurement routes that further enable/empower councils to 'learn as they go' in terms of procurement and commissioning activity

The tech supplier community has a lot to offer in relation to these areas, but 1-to-1 supplier-customer relationships are not scalable to achieve wider impact. That is why early and effective market engagement with a diverse group of suppliers is important.





# Procurement as an enabler of innovation

Procurement is part of a bigger transformation and innovation puzzle. If done well and outcome-focused, it can help stimulate the local government tech market and create places where citizens can thrive and feel safe. We need to reframe the conversation around procurement processes.

From lengthy process to the lack of early market engagement, and the use of central or regional frameworks – procurement processes can vary significantly between local public services. This makes it difficult for new entrants and SMEs to access the market and deliver much needed innovation.

*"Local authorities play a pivotal role in shaping their communities and tackling some of the most complex issues of our time, from supporting vulnerable households to tackling climate change. In the face of such challenges, it's vital councils make use of all the best tools and approaches available. That's why they need to embrace innovation: designing and testing new digitally-enabled ways of working and finding better ways to engage with and serve their residents.*

*Success will depend on great collaboration not just between public sector organisations, but also with their partners in the third and private sectors. The tech sector in particular has a huge role to play in helping councils understand the art of the possible and providing the technology that can enable the new ways of working we need to see. LOTI looks forward to working closely with techUK to help make this happen in London."*

*Eddie Copeland, Director, London Office of Technology & Innovation*

While centralised procurement frameworks provide a useful route for tech suppliers, the spend from wider public sector is still minimal compared to central government. [Latest figures](#) show that total spend on G-Cloud by central government was 8.67 bn, but wider public sector accounts for 2.24bn. While frameworks such as Spark can help public sector to access new and emerging technology products, true innovation happens before it is even a procurement.

To ensure value to the taxpayer and avoid unnecessarily procuring a solution that does not meet a user need, **techUK urges local government to routinely adopt early meaningful market engagements to effectively articulate the problem they are trying to solve and to ensure that a solution exists and is fit for purpose and future proof.** By engaging with the technology market early, local public services will be able to interrogate the problem first to ensure they are procuring for the right outcome. Local government will be able to access the latest innovations and workshop through with partners what the art of the possible is.

techUK provides a neutral environment and enables local public services to access the breadth and depth of the market in one place, saving local government both time and resource. The [Digital, Data and Technology \(DDaT\) Playbook](#), which is also aimed at local government, provides government guidance on sourcing and contracting for digital, data and technology projects and programmes reaffirms the significance of early market engagement in the procurement processes. The Playbook encourages contracting authorities to use early market engagement to develop clear, outcome-based specifications which enable innovation. It is through early market engagement contracting authorities can start thinking about innovation and enable the market to suggest novel solutions to problems to ensure the users needs is met.



# Recommendations

Signpost what good early market engagement looks like

Procurement can be unnecessarily complicated and onerous. Bureaucracy can stifle innovation and the procurement rules often make it difficult to allow for engagement with industry and more can be done to change mindsets and provide confidence to engage market early and legally. [The Digital, Data and Technology \(DDaT\) Playbook](#) is a great tool to provide the confidence to digital and procurement officials that you can engage suppliers early and meaningfully. techUK urges council leaders to signpost the Playbook to their procurement and digital teams for them to adopt and implement.

To complement the work of the Digital, Data and Technology (DDaT) Playbook techUK will be working with members and stakeholders to curate case studies of what good early market engagement looks like at the local government level.

# Local Public Services Market Engagement

Enclosed are various ways local public services can engage a diverse group of suppliers via techUK.

Tools	What is it?	Format	Benefits
<b>Innovators Network</b>	A neutral forum bringing together local government and techUK members to address common challenges.	Grand challenges and proof of concepts are crowdsourced from the sector and interested parties from across local government and techUK membership attend to interrogate challenge and identify possible solutions.	<p>Peer support and best practice from across local government and the tech supplier base.</p> <p>An understanding of what the art of the possible is.</p> <p>Identifying problem to inform technology.</p> <p>Safe space to test and de-risk innovation at a collective level.</p>
<b>Industry Briefing</b>	<p>Opportunity for local public services to engage the tech market as one in a neutral environment.</p> <p>Providing the market with more information about either a digital strategy and ambition to validate thinking or brief on an upcoming procurement to ensure a diverse and varied response.</p>	Webinar, roundtable or briefing session with the opportunity for informal networking.	<p>Connect with a diverse mix of tech suppliers, small and large.</p> <p>Engage in a genuine two-way dialogue with the tech market as part of an early market engagement.</p>



Tools	What is it?	Format	Benefits
<b>Innovation Showcase</b>	Local government and Department for Levelling Up, Housing & Communities propose challenges and opportunities.	SMEs pitch innovative solutions.	Public sector partner better informed of the innovations that exist and an opportunity to hear first hand from SMEs.  Signpost innovators in the space.
<b>Partnering &amp; Networking</b>	Targeted SME networking opportunity that offers councils and tech companies, small and large, to explore ideas and identify partners with innovative solutions and new concepts.	Two-minute pitches from participants on the problem their solution can solve and if they are looking to partner with a SME or large/ established company. Followed by informal networking.	A route to market for SMEs by enabling them to connect and partner with a larger company established in the local government market.  Opportunity for local government to hear what latest innovations are.

# Case Study: Innovation showcase

techUK has hosted an Innovation Showcase with the Department for Levelling Up, Housing & Communities (DLUHC) Supporting Families and PropTech team. The Supporting Families team engaged with suppliers to hear first-hand the innovations that exist to continue to advance data maturity in local authorities. With the PropTech team we hosted a Digital Planning & Citizen Engagement Innovation Showcase enabling suppliers to showcase to local authorities how

their digital tools can be used to improve community engagement whilst local authorities gained a better understanding of the innovation that exists by hearing first hand relevant case studies. The Innovation Showcase enabled SMEs to present in a short pitch their digital solution helping them to raise their profile to public sector partners as well as pitch in front of other companies who may wish to partner with them, allowing for a diverse and growing local govtech ecosystem.



### Creating a culture of innovation

A common challenge for councils is knowing who the innovators are and for suppliers which councils are up for innovation. techUK will be launching an Innovators Network to break down those barriers and offer a neutral forum for peers to connect with a diverse group of perspectives from across the supplier base and local government, to solve common challenges, demystify emerging technologies and showcase the art of the possible.

Innovation isn't one person but a collective effort and culture. Innovation happens every day and **techUK invites local government representative to get in touch and be part of the Innovators Network**. The Innovators Network is open to everyone in local public services. From those at the start of their journey that want to learn from peers and implement how they created innovative teams and culture and implemented innovative solutions to those that want to understand the art of the possible.

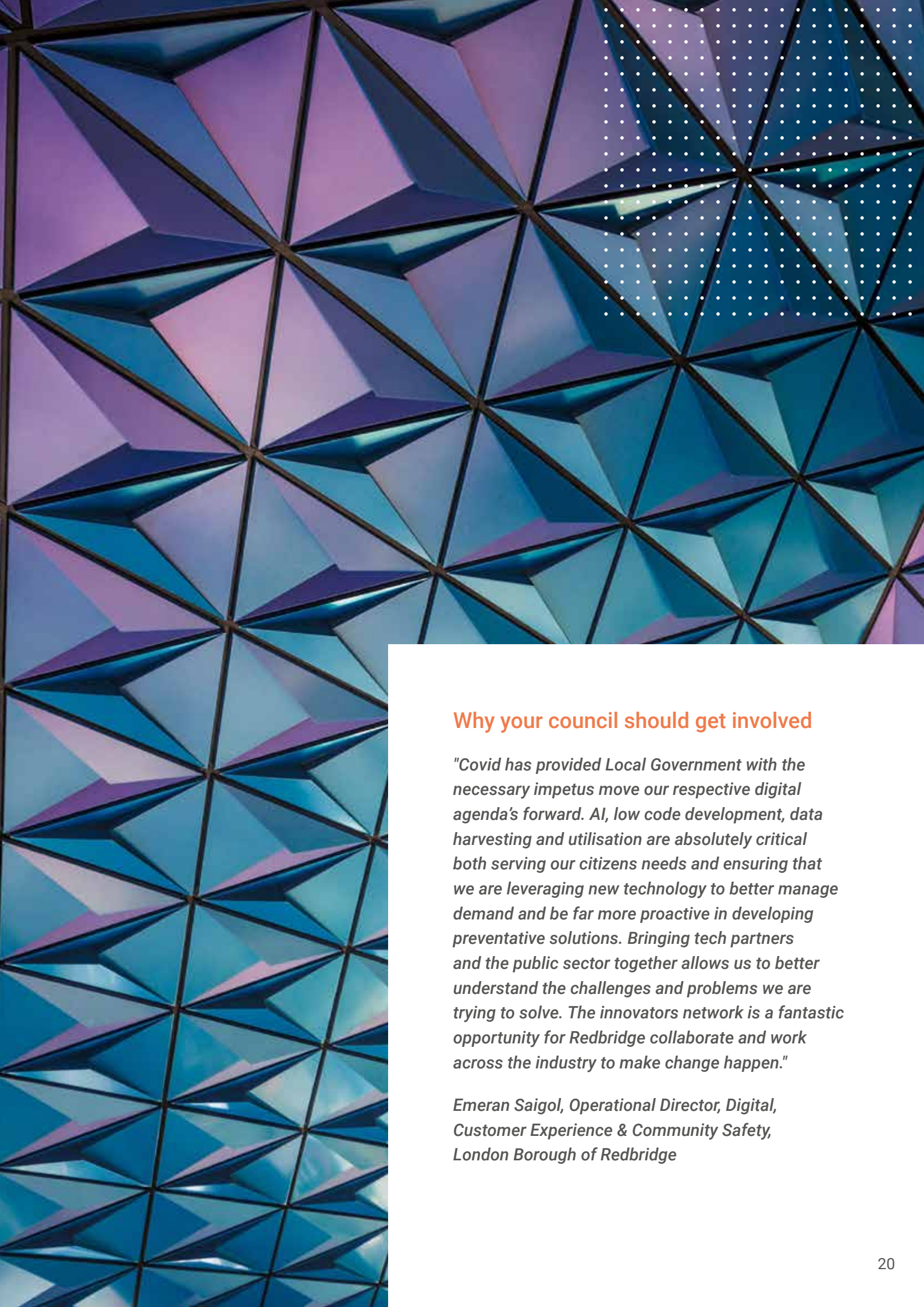
## Join techUK's Innovators Network

The Innovators Network for councils will enable and empower councils to connect with innovators to access the latest technologies in a neutral forum to help solve some of the most pressing challenges they face. Innovation doesn't have to be flashy it can be found in small advances that free us from the established ways of doing things. It's not a job, with its own post, meaning that there are a finite number of them in any organisation. Our aim is to raise the ambition and understanding of any person who has a role, or the personal motivation, that allows them to drive innovation in their own organisation. By connecting with peers across local government and industry we can help demystify emerging technologies and showcase what the art of the possible is.

techUK encourages local government CEOs to come forward and empower their team to actively participate in the Innovators Network. One of the outcomes of this network is to help create a culture of innovation, but we recognise this starts with the CEO and senior leadership team. Local government should feel empowered and confident to explore new ways of working and technology and the Innovators Network can help facilitate this.

techUK members are businesses but, more importantly, they are ambitious for the impact they can make on public services and the outcomes those service deliver. Our aim is to create a network where this ambition defines membership and the diverse views, experiences and capabilities of the network are what drive its successes.





## Why your council should get involved

*"Covid has provided Local Government with the necessary impetus move our respective digital agenda's forward. AI, low code development, data harvesting and utilisation are absolutely critical both serving our citizens needs and ensuring that we are leveraging new technology to better manage demand and be far more proactive in developing preventative solutions. Bringing tech partners and the public sector together allows us to better understand the challenges and problems we are trying to solve. The innovators network is a fantastic opportunity for Redbridge collaborate and work across the industry to make change happen."*

*Emeran Saigol, Operational Director, Digital, Customer Experience & Community Safety, London Borough of Redbridge*





# Recommendations

## Creating an innovation friendly ecosystem

Innovation is about change. Local government officials need to be empowered to make change, and possibly make mistakes but to do this it is essential that the CEO creates a culture of innovation where there is the option to experiment and a no-blame culture. It is about moving from risk-aversion to risk-proportionate. techUK encourages CEOs to get involved in the Innovators Network and empower their Chief Digital Officer/digital leads and service leads to actively participate and suggest grand challenges.

Recognised routes for innovation procurement, including stated intent and invitation to engage early with innovators, a clear statement of [templated] assets required for low-burden, early procurement (e.g. Data Protection Impact Assessment, Memorandum of Understanding, Cyber Essentials, WCAG 2.0 AA Accessibility compliance, regulator compliance, business case, etc.) but with flexibility to ensure that these are not used as barriers to innovation.

# Recommendations

## A central repository of innovation funding

Funding is often cited as a barrier to innovation. Pockets of innovation funding exists, from UKRI to Local Government Association Digital Pathfinder projects to innovation challenges from CivTech Scotland. To help local public services understand what funding is available and how to access it we encourage the Local Digital Collaboration Unit at the Department for Levelling Up, Housing & Communities to curate a repository of all the innovation funding pots that exist to enable local authorities to experiment and take the risk to pilot new digital innovation and consider offering bid writing as part of its digital training offering to equip local government to make the most of the funding available.

## Establish a regional Chief Digital Officer forum

While anybody within local government can drive innovation, often the responsibility lies with the digital lead. To help improve collaboration locally, between industry and public services, there should be Chief Digital Officer forums in the nations and regions to support collaborative working and co-ordination. In these forums digital leaders can also agree on common challenges to bring to techUK's Innovators Network. This build on techUK's Local Digital Capital work where we believe strengthening how the tech sector collaborates will help improve Local Digital Capital.



# Acknowledgements

This paper has been produced with [techUK's Local Public Services Committee](#).

Composed of 24 techUK members, 9 SME reps and 15 from larger companies, the Local Public Services Committee works with local government and industry to champion and showcase innovation and work in collaboration to deliver a thriving ecosystem and enable meaningful transformation for people and places.





## About techUK

techUK is a membership organisation that brings together people, companies and organisations to realise the positive outcomes of what digital technology can achieve. We collaborate across business, Government and stakeholders to fulfil the potential of technology to deliver a stronger society and more sustainable future. By providing expertise and insight, we support our members, partners and stakeholders as they prepare the UK for what comes next in a constantly changing world.



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