How digital innovation can aid new partnerships

With council merger, combined authority and joint management plans especially active in the South West The MJ and BT hosted a round table dinner with prominent chief executives from the region to discuss how digital innovation can help progress cross-boundary collaboration. Sam Clayton reports

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The latter months of 2017 were an interesting time for local government, not least because of communities secretary Sajid Javid’s ‘minded to’ decision on the Donut unitary proposals and a raft of district mergers. Not only did it bring the debate about local government reorganisation back to the table, but it also stole a spotlight on the collaboration agenda.

Councils and their partners in the public, private and voluntary sector are increasingly looking beyond their immediate borders to improve services and outcomes for residents.

The South West is one region with considerable activity involving new alliances, partnerships and combined authority plans.

BT and The MJ recently held a round table with some of the region’s leading chief executives to discuss how digital innovation might feature in the new merged arrangements.

During the discussion, the chief executives mentioned a vast array of service areas they delivered in partnership, ranging from public health and adult social care, to youth offending teams, revenue and benefits services, ambulances, financial services, legal, HR, IT, children’s services and property services work. Clearly, today’s world demands collaboration, and no individual organisation can work as an island – not even the Isle of Wight.

One chief executive, who runs a relatively small authority, said: ‘It’s not about traditional working together, but having to work with others.’ Relationships are essential for the success of any partnership, but there is a need for a shared set of objectives. This desire to collaborate is partly because of our scale, but I think what really drives it is the culture in the organisation, both at the political and management level.

Another chief noted there was a ‘strong emphasis on collaboration’ around the table. ‘We all have strengths and weaknesses. It’s about trying to play to those strengths and working in partnership for those weaknesses.’

‘I’m not about public good, private bad. We are all mixed economists now. But it can’t be about giving us stuff that gives us the ability to “fail fast”. We’re not allowed to fail at all’

One chief executive highlighted that forming an accountable care organisation with local government reorganisation was ‘a huge amount of work, up to 18 months’, but had to be done before they could move into more effective partnerships with NHS in all dimensions.

However, the council chief also suggested there were significant pitfalls to collaboration. ‘One of the weaknesses of being part of an amalgamation is that we spend a massive level of resource on partnership and it’s not quite there yet, but you still have to do it. You can’t do it if you are just saying: “We’re not going to do this because we can’t do it.”’

While local public services understood this, the chief executive suggested: ‘Central government is still not facing the same issues as the coalition, even if we are not talking about the number of civil secrets. The politicians in central government are not dealing with it in the same way. Local politicians are, day in day out, because we are much closer to the reality. That closeness to the problem, you cannot escape, whereas if you’re an MP, you can. If you have a secretary of state you’ve even further removed from it. All the chief executives agreed the extent of the pressures, and what is the best solution to tackling them when merging organisations? One chief set out these options: ‘You can reorganise management and change running different services, you can reorganise management and close the better of two systems in each service, or you could reorganise and do a fundamental review looking at the best practice nationally how to redeploy the whole service. That latter one is the best way of producing better outcomes for less money.’

Another chimed in: ‘It is about really respecting each other’s worlds and thinking about where collaboration can come. We need the private sector to really start to think of stuff that will genuinely change the lives of the citizens we are working with that is cost-effective.’

A key challenge is the use of tech – making sure you are supporting staff in that transition. You cannot ignore the staff. You have to change the culture of your organisation. It is more about leadership than about the tech.

As a leader, you’re saying it’s important. When I joined I asked my cohort of middle managers how many use online services. I decided to find them half. I need middle management to lead on that and then prioritise it to accompany it.

But it is not just getting your staff within the organisation on side and up to speed. Residents, too, have to be prepared for the shift, and that is one of the major challenges, according to one chief executive: ‘The thing that struck me was the readiness of the residents in accepting digital transformation. Customers were not ready to use it. It will take some time to do that and to win the worst way to do it.’

This was a sentiment felt across the board. One speaker whose authority had done some research on residents’ appetite for using online services versus making a phone call, had found that fewer than half had tried middle management to lead on that and then prioritise it to accompany it.

We have been helping local government and health organisations across the UK transform their operations for almost 20 years. We believe there is a right partnership with innovative, reliable and financially secure private sector organisations, able to take a long term view, can deliver real value for local authorities.

A ‘holistic’ approach can be used to help public sector organisations keep up with the latest technology, developments and look at how this can be applied to achieve better outcomes for citizens and communities.

A ‘holistic’ brings together our customers, BT experts and thought leaders from third parties to explore tangible solutions to specific issues and challenges.

Shared services, partnerships and collaboration are clearly central to meeting the challenges posed by austerity, and key drivers of digital transformation. The ability to “fail fast”. We’re not allowed to fail at all.

One reason we fail slow is because we are not allowed to fail.

Another chimed in: ‘It is about really respecting each other’s worlds and thinking about where collaboration can come. You need to make profit, we need to make outcomes, how can we generate opportunities that work. That’s the key to this.

I think one of the messages to the private sector is think longer ends. So quick wins, the fast kill, these days are gone.’

One chief executive spoke of the need to look long-term and harness disruptive technology in order to transform the way the sector operates. For instance, housing business plans are 30 years – what emerging technology could the sector capitalise on? There are opportunities for fail fast in walls, for example, but where will it be financially viable?’

‘Where’s the next thing and how do we plan for that now?’ one chief executive asked.

Bringing these types of innovations to the market, and working out what is available, is where the private sector needs to step in, one chief suggested. ‘We never have the opportunities of doing this whole task about R&D (research and development) and bringing things relatively quickly to market.

We simply haven’t got the time to keep checking what’s coming. We need the private sector to really start to think of stuff that will genuinely change the lives of the citizens we are working with that is cost-effective.’

But one chief executive suggested the private sector could do a better job of understanding the environment in which the public sector operates. ‘I’m not about public good, private bad. We are all mixed economists now. But it can’t be about giving us stuff that gives us the ability to “fail fast”. We’re not allowed to fail at all.

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