

Adapting for the future: promoting innovation in city government

Catherine Makin

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Preliminaries

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About

Catherine Makin currently works as a Project Manager in local government, delivering a flagship smart cities innovation programme at Bristol City Council. Prior to joining Bristol City Council Catherine held positions at the Design Council and UnLtd (The Foundation for Social Entrepreneurs). In these roles she led co-design projects in partnership with the UK's National Health Service and local governments to trial new approaches that aim to improve service design and delivery, and supported social entrepreneurs to raise investment and scale their businesses.

Catherine was awarded a Winston Churchill Memorial Trust Fellowship to research the conditions that best support innovation within city governments. Her research looked to examples in North America to understand how factors such as leadership, talent, and culture enable or inhibit innovation and entrepreneurialism within public sector organisations.

The focus of this Fellowship has been on city governments, although it has looked beyond this context to examples within federal government and non-governmental organisations for a broader perspective. Learning from relevant case study examples in the USA and Canada and drawing on observations, this report aims to inform local government in the UK.

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Executive summary

Executive summary

The nature and role of city governments in the UK is rapidly changing, due in part to ever increasing demand on services alongside ever diminishing public funds. To meet the future needs of citizens the role of city governments must change, but how can these organisations and their staff adapt to keep pace with constant change?

This Fellowship looked to examples in the USA and Canada to understand how organisational factors enable or inhibit innovation within city governments.

Three questions guided the research:

- Where do examples exist internationally that can inform innovation capability in UK city governments?
- How is innovation being supported within city governments in the USA and Canada?
- What are the insights into innovation practice within city governments and how is it best supported?

Observations

The capacity and capability to create positive change is enhanced or inhibited by factors including;

- **Leadership and structure:** Senior level buy-in and support for innovation is fundamental, including how organisational cultures and behaviours promote experimentation.
- **Narrative and impact:** Quantifying the value of innovation and articulating who benefits, and how, helps to spread awareness and gain buy-in.
- **Capacity building and culture change:** Where teams with a remit for innovation are located within an organisational structure affects the way that skills and knowledge are shared.
- **Motivation and talent:** As organisations adapt it is necessary to consider how staff are recruited and supported to develop the required skills to create and sustain positive change.
- **The role of design and behavioural insights:** There is potential for applying approaches from the disciplines of design and behavioural insights to support local government in the development and delivery of services.

Recommendations

- **Develop a narrative around the value of innovation and align to existing priorities:** Innovation is most valued when a new approach is shown to address a persistent city challenge or relieve an identified pain point.
- **Consider structure and the placement of innovation teams:** Successful innovation teams require good visibility within their organisations to enable collaborative work across city issues.
- **Build innovation capacity in multiple teams:** Engage multiple teams in innovation to bring wider organisational benefits, rather than placing sole responsibility for innovation with a single, dedicated team.

- **Invest in staff development to attract and nurture talent:** Motivated staff are more likely to seek continuous improvement in their work. Staff motivation and job satisfaction has a direct positive correlation to citizen satisfaction with city services.
- **Consider the role of disciplines such as design and behavioural insights to provide tools for change:** City governments should embrace opportunities to invest in skills development around design methods and behavioural insights.

Introduction

Introduction

Context and background

There is continued pressure for UK public sector organisations at all levels to deliver their services with decreasing budgets and fewer resources (both human and financial), while public expectation and demand on services continues to increase. While these conditions undoubtedly present a challenge for the public sector, it is well documented that scarcity promotes innovation. The opportunity is therefore to think differently and to look to new approaches to create efficiencies and redesign services that respond to this challenge.

However, the context of local government is not always one that readily supports or promotes experimentation and risk taking. As primarily care organisations, local governments tend to focus on meeting statutory targets and providing care services to those who reside within their communities. Overstretched staff, tightening budgets and increasing demand on services leaves little room for experimentation, new thinking or trying new approaches.

“We train future public leaders to be public administrators. We... leave them inclined to run from risk instead of managing it.”¹

Yet, there are individuals, teams and departments within local governments the world over who look to the future, think beyond the day-to-day, and reimagine our cities and their services. It is within these contexts that positive change can begin to emerge. The challenge then is how to sustain the energy created within these “pockets” and export it to other parts of these organisations that could also benefit, and beyond.

To adapt for the future the role of city and local governments must be reimaged, and the relationship between those who deliver services and those who use them (residents and citizens) needs to be redefined. Enabling this kind of change will require behavioural and cultural change at individual and organisational levels.

“Our response to crisis in the public sector is often to look inward, get our heads down and find the solutions from within the organisation or team. But if solutions come from understanding the wider system, and efficiencies from changing the whole system (rather than isolated services) then maybe getting our heads down is the wrong response.”²

¹ hbr.org/2014/03/government-entrepreneur-is-not-an-oxymoron [Accessed 08 November 2017]

² R. Selwyn, 2012, *Outcomes & Efficiencies: Leadership Handbook*, London, PIPC UK Ltd. academyforjusticecommissioning.org.uk/wp-content/uploads/2014/11/Outcomes-and-Efficiency-R-Selwyn-April-2012.pdf [Accessed 08 November 2017]

Innovation is inherently concerned with collaboration and learning across contexts. There are opportunities for local government in the UK to observe international examples of public sector innovation and adapt learning to the UK context to support the UK's ability to continue providing relevant, high-quality services to its citizens.

Innovation: This Fellowship and report uses the term *innovation* simply to refer to creating positive change. This Fellowship has been concerned with the factors that enable and support innovation and innovative behaviours rather than the result, product, or output of innovation.

Entrepreneurialism: This Fellowship and report uses the term *entrepreneurialism* to mean the ability and possibility to do things differently.

Aims and objectives

This Fellowship has explored the conditions that encourage innovative and entrepreneurial behaviours to thrive within city government organisations. The key objective of this Fellowship was to understand how factors such as leadership, talent, environment, culture, structure and management enable or inhibit innovation and entrepreneurialism within city governments.³ By identifying and learning from relevant examples in city governments and other contexts in North America, this project sought to identify common conditions and thematic insights to translate to the UK context. The resulting report makes recommendations for UK city and local governments to encourage and support innovation within and across their organisations.

A set of research questions helped guide the Fellowship towards fulfilling its objective.

Research questions:

- Where do examples exist internationally that can inform innovation capability in UK city governments?
- How is innovation being supported within city governments in the USA and Canada?
- What are the insights into innovation practice within city governments and how is it best supported?

³ Research was not limited to these initial factors, recognising that additional and alternative factors were likely to be identified and evaluated. The key factors emerging through this research are discussed within the Observations section of this report.

Report overview

This report introduces the scope and aim of this Fellowship, its approach and methods, alongside key findings and recommendations. The emerging insights and subsequent recommendations are derived from observations and analyses made during a period of five weeks spent in the USA and Canada in July and August 2017.

Recognising the importance of senior leadership support, this Fellowship builds on existing research to encourage local government employees to innovate within their organisations, and galvanise them as innovators to catalyse cultural and behavioural change. In doing so this Fellowship aims to inspire a continued expansion of innovation practice and entrepreneurship in the public sector, in order to ensure the UK public sector continues to respond to and attempt to meet the challenges of the future and provide relevant, high-quality services for citizens.

The report draws together thematic insights gathered from seven city governments in the USA and Canada. The Fellowship research largely comprised guided conversations and the ensuing report is not an academic study, nor a comprehensive review of the topic. This report is intended as a discussion document to contribute to a wider body of work and to inform and inspire further thought on the topic of cultivating and nurturing innovation in city governments. The hope is that this small study can contribute to the existing literature on government innovation, taking city governments as a particular example. While the focus is on city government contexts, it is hoped that the observations and recommendations are applicable to a broader set of public sector organisations.

Further details on the Fellowship locations and contributors can be found in Appendix One.

Further details of the Methodology can be found in Appendix Three and initial Outcomes are outlined in Appendix Four.

Observations

Observations

Factors affecting innovation capacity and capability

Many public sector staff, including those in local government, will cite their motivation for working in the sector as the potential to have an impact – that is to contribute to work that benefits society and improves lives.

However, for many the reality of working within a public sector organisation is that the pace of change is slow, the impact often indirect, and attempts to create change often hampered by existing systems, processes or protocols.

The capacity and capability of individuals within these organisations to create positive change can be enhanced or inhibited by a number of factors. These are not unique to city governments, but provide a useful framework for understanding how innovative behaviours are best supported within organisations.

The five factors for an innovation culture presented in Figure 1 informed the initial thinking for this Fellowship. Through guided conversations and interviews some of these factors emerged strongly, while others were considered less important and additional influences identified. The observations introduced here represent those factors that emerged most strongly from the Fellowship research.

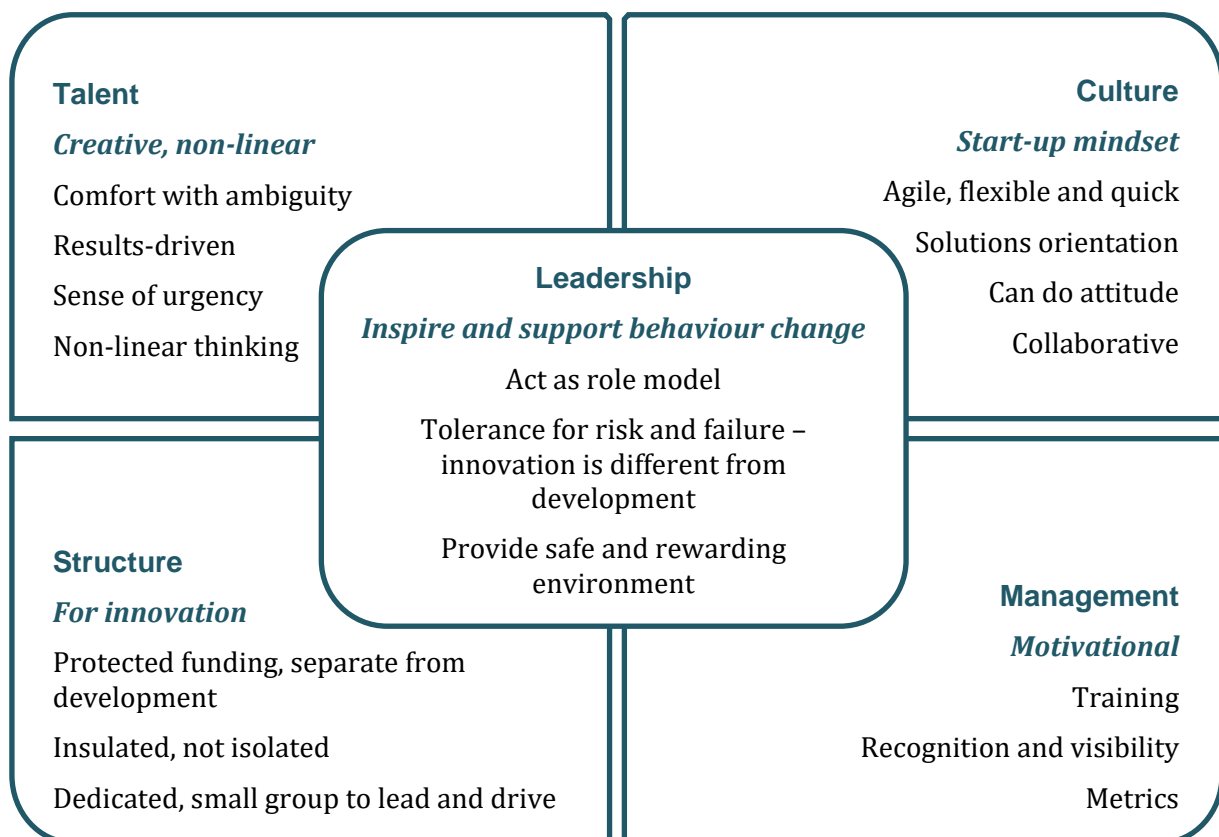


Figure 1: Innovation Culture (PwC Digital Services)

Leadership and structure

The cities that contributed to this Fellowship (New York⁴, Philadelphia⁵, Boston⁶, Chicago⁷, Ottawa⁸ and Vancouver⁹) all have elected Mayors, voted for by the electorate of their respective cities. The majority of city government innovation teams within these cities were established by or positioned under the direct control of the Mayor, for example in the Mayor's Office rather than being positioned within a department. The structural positioning of these teams under the Mayor's remit sends an important message about the intention to work across city departments and departmental boundaries to address city issues.

Appendix Two provides references to resources outlining the political systems of the USA and Canada.

Sitting within a Mayor's Office ensures that an innovation team is visible at senior levels of the organisation and that innovation is integrated into strategies, rather than isolated from them. This centralised placement encourages investments in innovation to be made across multiple agencies and for strategies to take a holistic approach, involving all the relevant partners and departments.

The exception to this structural placement was the City of Philadelphia's Innovation Management Team, which is placed within the Office of Technology and Innovation, with a link also to the Office of Chief Administrative Officer (the equivalent to a Chief Executive in UK city government). This positioning affords the team with a degree of autonomy as they are just "out of the spotlight" whilst still maintaining close proximity to the Mayor and the Mayor's Office which is important for working on city wide initiatives.

Find out more about the work of City of Philadelphia's Innovation Management Team in the case study on page 25.

Elsewhere, leadership buy-in and the direct support of the Mayor appear to be crucial factors in how embedded innovation culture is within a city government. Those Mayors who were seen to support innovation and those who had established innovation teams or offices were considered to share a trait whereby they linked innovation to their success as a city leader. For these Mayors being seen to promote innovation was regarded as a way to be remembered, to bolster their reputation and to "put their city on the map".

⁴ www1.nyc.gov/office-of-the-mayor/bio.page [Accessed 03 October 2017]

⁵ beta.phila.gov/departments/mayor/ [Accessed 03 October 2017]

⁶ boston.gov/departments/mayors-office/martin-j-walsh [Accessed 03 October 2017]

⁷ cityofchicago.org/city/en/depts/mayor/supp_info/about_the_mayor [Accessed 03 October 2017]

⁸ ottawa.ca/en/city-hall/mayor-and-city-councillors/jim-watson [Accessed 03 October 2017]

⁹ Metro Vancouver is made up of 21 municipalities, including the City of Vancouver and the City of North Vancouver which each have their own mayors.

vancouver.ca/your-government/mayor-gregor-robertson [Accessed 03 October 2017]

cnv.org/your-government/mayor-and-council/mayor-darrell-mussatto [Accessed 03 October 2017]

Support from senior levels of the organisation was not only important in the creation of innovation teams but also in sustaining innovation teams. Without this support even dedicated innovation teams appear to flounder and suffer from a lack of direction, often caused by a lack of organisational support, until they are picked up by a senior representative who recognises their value and can champion this value at the top of the organisation. The structural placement of innovation teams seems to affect their confidence, sense of purpose and security through administrative change.

However, while senior support for innovation appears to be essential, in a wider sense this hierarchical power structure of city government limits the ability for officers and city staff to affect change. As a result of these structures, staff at managerial and operational levels lack the autonomy to drive change, and are often unable or unwilling to question or challenge authority. This is limiting and unless this limitation is recognised and challenged it is unlikely that a culture of innovation can be created.

Figure 1 above shows the importance of a “start-up culture” alongside a structure that supports innovation and offers protected funding without being isolated from the rest of the organisation. Striking this balance between protection and collaboration is challenging but when achieved it can be highly successful, as shown by the City of Philadelphia's Innovation Management Team.

Building capacity, changing culture – the role of innovation teams

Bloomberg Philanthropies funds innovation teams (i-teams) internationally in the US and Canada, Israel and France. The i-teams programme helps city leaders drive innovation and change culture, and creates an ongoing ability to tackle city challenges. The programme was created to provide cities with a method to overcome known barriers and deliver change more effectively to their citizens. By establishing dedicated i-teams, city leaders create the space for staff to step away from their daily work and to rethink issues, reimagine outcomes, and explore new possibilities.¹⁰

While Bloomberg Philanthropies' i-teams programme operates a specific model, the premise of the programme is comparable to the role and remit of innovation teams in city governments. A common feature of all the innovation teams in the contributing cities for this Fellowship is that they work in partnership with teams and departments beyond their own, and with external partners. Not only does this type of collaboration bring a variety of perspectives together to resolve challenges and create solutions, but it also allows the innovation teams to build capacity with a range of partners. The innovation teams who contributed to this Fellowship all saw their role as facilitators and capacity builders, sharing their tools and techniques to bring about positive change.

¹⁰ [bloomberg.org/program/government-innovation/innovation-teams/](https://www.bloomberg.org/program/government-innovation/innovation-teams/) [Accessed 11 October 2017]

Boston's Mayor's Office for New Urban Mechanics¹¹ (MONUM) was formed in 2010 as one of the first municipal innovation offices in the world. The team exist to make life in Boston more “delightful”.

Relationships are key for the New Urban Mechanics. The relationship of trust between the city government and residents is seen as an enabler in their work, as are strong working relationships between colleagues across city departments. These working relationships have been developed with a deliberately targeted approach, seeking out individuals and teams who want to trial new approaches and are open to exploring new ways of working. MONUM have focused their efforts on these “early adopters”, supporting them and building their capacity and in doing so affecting the organisational culture in pockets of the city government.

Working on city wide issues also gives innovation teams a unique ability to work across departments and therefore across boundaries which, real or constructed, can exist within large organisations. Overcoming organisational silos is often a challenge for city governments. However, the kind of collaboration that is necessitated by the cross-departmental work led by a number of these innovation teams can begin to resolve such a challenge by breaking down silos and creating more opportunities for shared working and shared understanding between otherwise disparate teams.

Networks within the organisation were cited by many as a way of circumnavigating bureaucracy and “getting things done”. For example, many established city employees knew which colleagues across the organisation they could go to if they needed to solve a particular challenge or make quick progress on a particular issue. These established relationships develop over time as people in diverse areas of the organisation come together and build relationships based on particular projects or pieces of work.

More opportunities should be made available for city staff working in different service areas and departments to meet, share ideas and work together towards a shared aim. The case study examples included in this report have each enabled meaningful collaboration between city staff using very different methods, from creating shared working environments that allow serendipitous conversations, to training programmes that deliberately bring together a cohort of staff from diverse areas of the organisation. In support of informal professional networking, initiatives such as Coffee Roulette¹² randomly pair employees within an organisation to meet, share information and connections, and identify areas where their work overlaps and opportunities for collaboration might exist.

In many North American cities the 311 service¹³ has led to operational benefits for city governments. Creating more cohesive services and increasing shared knowledge across the organisation, and collaborative working between departments. Additionally, the 311 service is strongly customer focused and helps create a service culture within a city government, whereby services and the experience of service use is focused on residents' needs and satisfaction.

¹¹ boston.gov/departments/new-urban-mechanics [Accessed 07 November 2017]

¹² coffee-roulette.com/about [Accessed 20 October 2017]

¹³ The 311 service is a non-emergency phone number for municipal services, offering a centralised, single contact point for citizens to access city services.

Refer to the case study on page 28 for further information on the 311 service.

However, addressing city challenges is not just the responsibility of those working within City Hall. Indeed it is questionable whether city governments are best placed to house innovation teams or lead on city wide innovation projects, or if indeed these would be better placed outside of City Hall.

Regardless of this debate, there is certainly a role for city governments to build and maintain strong partnerships across the city, working with partners to unearth opportunities for innovation. While city government has the scale and authority to create change, increasingly city governments recognise their limitations and are looking to partner with organisations and individuals across their cities to contribute skills and resources.

Beyond the walls of City Hall, shared working environments such as the international Impact Hub Network¹⁴ offer spaces for collaboration between city partners. Collaboration spaces and innovation hubs offer shared working space for collaborators from different sectors of the city to meet and work together, transferring skills, seeking solutions and collectively increasing their impact.

City-University partnerships such as MetroLab¹⁵ and CityStudio¹⁶ Vancouver also have an important role to play in the transfer of skills between different city actors. Cities around the world are looking for ways to formalise these cross sector collaborations to maximise results.

Refer to the case study on page 30 for further information on CityStudio Vancouver.

Narrative and impact

The narrative around innovation, what it enables and who it is for is important in gaining support and engaging people as collaborators. A number of innovation teams have worked hard to create innovation stories, recognising the imperative to articulate the value of innovation.

Boston's Mayor's Office for New Urban Mechanics¹⁷ (MONUM) in particular place emphasis on this kind of innovation storytelling. The narrative they have created around their team and its work focuses heavily on permission and risk-taking. Importantly, this has enabled them to gain a reputation as a "safe space" for trying new approaches, and in doing so has opened the door to working with a range of teams within the city government.

¹⁴ impacthub.net/ [Accessed 11 October 2017]

¹⁵ metrolabnetwork.org/about/ [Accessed 11 October 2017]

¹⁶ citystudiovancouver.com/what-we-do/ [Accessed 11 October 2017]

¹⁷ boston.gov/departments/new-urban-mechanics [Accessed 11 October 2017]

Working with the MONUM brand has enabled other teams to undertake activities that would otherwise have been considered to carry too much risk. MONUM's reputation and brand has meant that when experimental pieces of work do fail the perception of failure among the public and local media is different when associated with MONUM than it would be if associated with other city government departments. MONUM believe that this is because they have created a narrative around their work whereby risk and failure is at the heart of what they do and why they exist, which in turn has given them and the teams they work with permission to experiment and improve. The perception of risk has been removed.

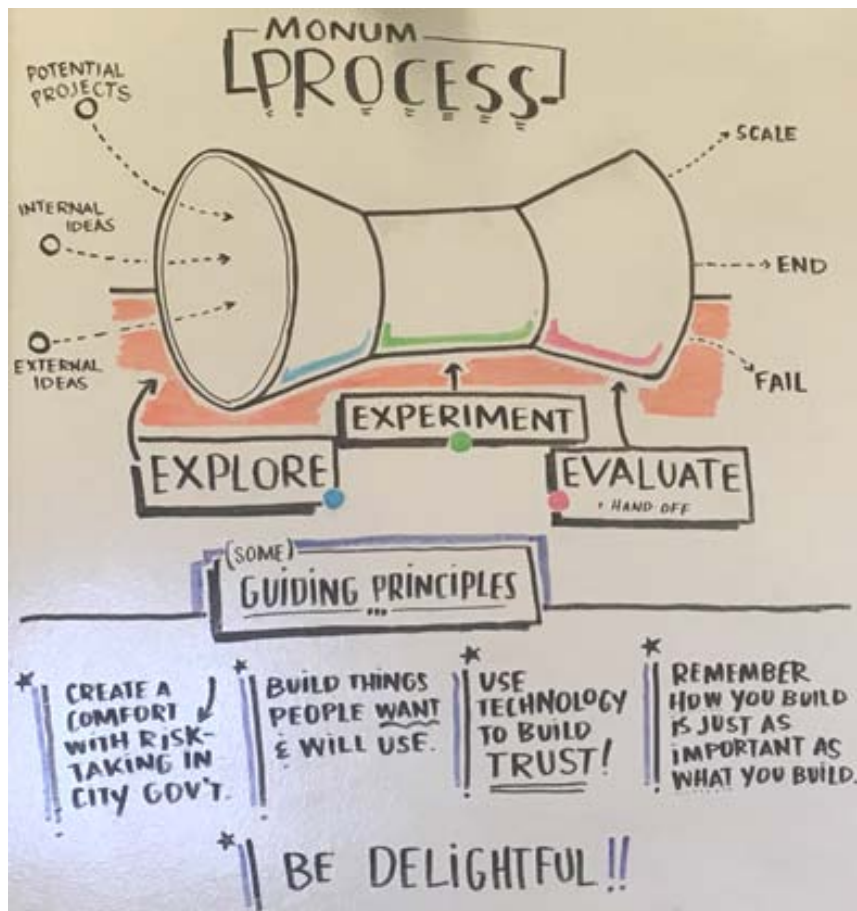


Figure 2: The MONUM innovation process

This is important because the perception of risk is a barrier to experimentation and one that often stops people from trying a new approach before they have even begun. Within city governments, risk aversion is often associated with the fear of bad press, damage to public perception and criticism levelled at wasting public funds. However, MONUM are confident that when projects they delivered are deemed to have failed these negative responses have not been voiced.

Removing these barriers and moving beyond the defensive position sometimes occupied by city governments has wide reaching benefits. This shift is often accompanied by a change in mindset that enables leaders and staff to constructively challenge the work that they do, interrogate the purpose of their work, understand areas for improvement and strive to continually improve.

While risk taking and failure are at the heart of the innovation narrative, it seems that measurement and impact have not yet become embedded. Tracking, measuring and reporting impact is not yet a part of the story of innovation. Currently, innovation within city governments appears to be reliant on leadership support and senior level buy-in. This is perhaps due, in part, to the lack of strong narrative about the benefits of innovation, which could help with making the case for trying new approaches to managerial levels within organisations.

The majority of the innovation teams who contributed to this Fellowship talked anecdotally of impact and described success stories where their work brought about positive change. However, there were few examples of systematic analysis of an innovation process and the elements that contributed to its success, or otherwise. Indeed how to measure innovation or whether there is a need to measure innovation was a point of debate. Examples may exist where this is happening and may be a point for further research, but within this project no examples presented themselves that demonstrated a measurable value of innovation. This is perhaps a limiting factor in gaining exposure and support for innovation methods and processes.

When it comes to measuring innovation, it is important to consider the kind of impact measurement that is relevant and necessary so as not to stifle experimentation, and not to undertake measurement for measurement's sake. For example, pilots and demonstration projects applied to real world scenarios may not need to measure their impact with as much rigour because it is instead possible to make observations and demonstrate impact through live trials.

It is also worth considering the type of impact a given innovation seeks to create and therefore the type of measurement that is best suited. Should impact measurement be connected to delivering improved quality of life (outcome) or an improvement in delivery of service (process), for example?

With ever increasing pressure on city budgets innovation is sometimes viewed as a nice to have, although of course this is exactly the time at which innovation should be prioritised. The placement, positioning and visibility of innovation teams within their organisations, as well as the ability to tell, and sell, their story has implications for how these teams are resourced and funded. Creating a narrative around the benefit of innovation and ensuring the visibility of innovation teams within an organisation are both beneficial in raising and maintaining the profile of innovation. Furthermore, tying innovation more closely to outcomes would help bolster the confidence of these teams, allowing them to demonstrate the value of their work, as well as providing leaders with confidence in adopting new approaches to address high-priority city issues.

Motivation and talent

City government staff frequently cite their motivation for working in the sector as the potential to have a positive impact and to contribute to work which benefits society and improves lives.

Over time this motivation can become jaded or eroded. The nature of working in a political organisation means that priorities change with administrations and that personalities have a strong influence on organisational direction. City government staff commented that over time directional shifts and rapid changes in priorities can be demotivating, in part due to staff feeling less invested in their work due to its fragility. This can also lead to a feeling that city governments lack strategic direction and need to create “the feeling that we’re all pulling in the same direction”.

Coupled with this is a sense of paralysis around trying new approaches unless permission has been given from senior levels. An additional paralysis comes from having tried to create change previously and it either being blocked, dropped, or otherwise not resulting in lasting change, meaning future attempts are regarded as futile.

The effect of these experiences on staff motivation and commitment is potentially wide reaching. Not only will motivation impact on willingness and ability to spot opportunities to create positive change, but a direct correlation exists between the job satisfaction of city staff and residents’ reported satisfaction with city services.¹⁸

In some contexts city staff are encouraged to suggest ideas for improvements. Sourcing ideas from across an organisation can help change the culture to one where staff engage with innovation. Taking this further, examples exist where staff receive pay rewards in line with savings made as a result of their suggestions, giving staff direct rewards for service innovation. City government staff are motivated by the potential to create positive impact, and as such receiving feedback may be equally as rewarding and beneficial for staff, and can be a key indicator of continued improvement and suggestions. Simply knowing that their suggestion has been heard, implemented, and has created a benefit may be sufficient incentive and motivation to embed this behaviour without a pay reward.

Nesta report that “*Staff will determine the success or failure of getting innovation to the heart of the next generation of public services.*”¹⁹ Yet it concludes that not enough is known about how to harness the motivation of public servants to innovate. This is an area for further research but motivation may be connected to both leadership support for innovation and the existence of an organisational culture that promotes experimentation and continuous improvement.

¹⁸ [mckinsey.com/industries/public-sector/our-insights/improving-the-customer-experience-to-achieve-government-agency-goals](https://www.mckinsey.com/industries/public-sector/our-insights/improving-the-customer-experience-to-achieve-government-agency-goals) [Accessed 12 December 2017]

¹⁹ J. Casebourne, 2014, *Why Motivation Matters in Public Sector Innovation*, Nesta, London. [nesta.org.uk/sites/default/files/why_motivation_matters_in_public_sector_innovation.pdf](https://www.nesta.org.uk/sites/default/files/why_motivation_matters_in_public_sector_innovation.pdf) [Accessed 01 December 2017]

Nesta is developing a competency framework for experimental problem solving and is “*working with innovation practitioners from around the world to define the key skills, attitudes and behaviours that public sector innovators combine in order to successfully solve problems.*”²⁰ This work aims to understand the key skills, attitudes and behavioural characteristics that enable individuals and teams to engage in successful experimental problem solving. Such analysis could help to identify what enables some governments to create change and could strengthen innovation capacity within public bodies.

Opportunities for personal and professional development are seen to be generally lacking for city government employees, and were noted as a reason for job dissatisfaction and for moving to a job outside of city government. Those who did engage in personal development opportunities often sought these independently of their job role and typically undertook these activities in their personal time outside of work.

This raises a question around attracting talent into city government. How do city governments make themselves attractive to high calibre employees? And once attracted how can employees be developed and retained?

This is particularly relevant when considering young professionals joining the workforce. Millennials in particular have a different set of expectations about their work than that of previous generations. It is notable that millennials place greater importance on the full package on offer, with salary becoming less important in their career choices compared to work that has a tangible impact, good work life balance, flexible working arrangements, and development opportunities. A number of these factors suggest that local government could be an attractive option for this cohort. However, it is clear that they want to feel invested in as employees and will move on rapidly if they do not feel this is the case.

City governments in the UK, and elsewhere, will need to consider their approach to personal and professional development if they are to attract, retain and nurture talented employees from this cohort. However, the same considerations seem to be important to individuals beyond just this cohort so this is worth considering for the workforce more broadly.

The City of Philadelphia’s Innovation Lab and Academy have created a professional development programme which benefits city employees as well as the city as a whole. The ambition of the programme is to attract and retain top talent into city government.

Find out more about Philadelphia’s innovation ecosystem in the case study on page 25.

²⁰ [nesta.org.uk/blog/what-are-skills-and-attitudes-successful-public-problem-solving](https://www.nesta.org.uk/blog/what-are-skills-and-attitudes-successful-public-problem-solving) [Accessed 01 December 2017]

Those from outside the public sector may be attracted initially by the roles and benefits, but can be put off by bureaucracy at the application and recruitment phase, so looking at recruitment processes is also important. Engaging the expertise of Human Resources (HR) colleagues and ensuring processes are adapted will support future talent recruitment.

Furthermore, across all sectors the traditional 9am-5pm working day is becoming less common as flexible working arrangements make it increasingly possible for individuals and teams to connect without being spatially co-located. With this change, indicators of performance become increasingly focused on impact and outcomes (results achieved), rather than inputs (hours worked). However, there are disparities in the extent that flexible working is embraced across city governments, both in terms of locations and hours, with some reluctance to move away from the 9am-5pm culture despite this becoming an increasingly outdated concept.

The changing nature of city government will require a different set of skills in future. The role of city governments is always evolving but in the UK city government is currently undergoing a period of rapid change. For city government to embrace its future role, the skills required in the workforce need to be identified and skills development of existing staff supported, as well as building the pipeline of talent coming into the sector.

Creative confidence – the role of design and behavioural insights

As well as the motivation to innovate, a sense of agency and a belief in one's ability to initiate and sustain change is key. Organisationally, city governments can do much to support the belief among their staff that change is possible and that city government employees all have a role in spotting opportunities for and creating positive change within their immediate work and area of the organisation.

Engendering this belief in the workforce requires behaviour change at organisational and individual levels, which will take time and effort to sustain. Furthermore, confidence is only one aspect. As discussed earlier, sustained innovation is likely to require leadership support and direction, and a permissive culture alongside skills development for staff.

There are two disciplines that may have a role here and where skills development could be focused, both of which have gained note and popularity within national governments in recent years: design and behavioural insights. There is scope for these two disciplines to have a greater role in local government.

Design is a discipline and a set of tools which can support innovation by providing a methodology by which to create change. The benefits of a design approach within city government is that design is inherently concerned with user insights and responding to user needs. In city governments there is a shift towards involving citizens more closely in the development and delivery of services which aligns with the ethos of a design approach. An increase in the awareness of design principles and the ability to apply design thinking and methodologies would be an asset to city governments.

The Design Commission's Restarting Britain 2²¹ report recognised design as integral to public services, and recommended that *“more needs to be done to ensure local authority officers, service commissioners and policymakers have the understanding, capacity, willingness and skills to design and develop cost effective, user-led public services.”*²² This is supported by the Design Council through their Design in the Public Sector²³ programme, which has worked with local authorities across the UK to develop services around people's needs, to work openly and collaboratively and to reduce risk through continual testing and improvement. The programme's evaluation report recommends that central government, local authorities and other agencies invest in design skills.

Public Policy Lab²⁴ in NYC is a not for profit organisation of multidisciplinary researchers, strategists, and designers working to redesign front-line services in public bodies. Fundamental to their approach is the use of design methods. They work with government at all levels to improve public interaction with government, upskill staff in design methods and reveal insights from service users to inform decision making and service design.

*“By collaborating with design professionals, we're convinced that government agencies can better understand how a public service is used and experienced by the public and by agency staff – then apply that knowledge to create, test, and refine service delivery, making improvements at low cost and with low risk.”*²⁵

Alongside design the use of behavioural insights has led to low cost initiatives that can improve the way that local authorities communicate with the public, improve health outcomes for society, and help manage demand for public services as well as decreasing the cost of service delivery. The approach believes that interventions aimed at encouraging people to make better choices for themselves and society will be more successful if they are based on insights from behavioural science.²⁶

*“Behavioural insights encourage people to make better choices for themselves and society... [and] have been used across public services to generate low cost interventions to improve service outcomes.”*²⁷

²¹ policyconnect.org.uk/apdig/research/restarting-britain-2-design-public-services [Accessed 01 December 2017]

²² designcouncil.org.uk/resources/report/design-public-sector-programme-evaluation [Accessed 03 October 2017]

²³ *ibid.*

²⁴ publicpolicylab.org/ [Accessed 31 October 2017]

²⁵ L. Dragoman *et al.*, 2013, *Public & Collaborative: Designing Services for Housing*, Public Policy Lab. publicpolicylab.org/wp-content/uploads/2017/06/PPL_DesigningServicesForHousing_ForWebsite.pdf [Accessed 31 October 2017]

²⁶ *ibid.*

²⁷ local.gov.uk/our-support/efficiency-and-income-generation/behavioural-insights/what-are-behavioural-insights [Accessed 31 October 2017]

The Government of Canada's Impact and Innovation Unit²⁸ behavioural insights team believe that all levels of government (national/federal, regional/provincial and local/municipal) need to work together to create impact. Local government seems to be at a disadvantage when it comes to uptake of these approaches, finding it harder to find the capacity, skills, and resources to experiment.

Find out more about the Government of Canada's Impact and Innovation Unit in the case study on page 32.

In recent years, central government in the UK has begun to adopt design thinking in policy making (Policy Lab²⁹), alongside the application of behavioural insights (Behavioural Insights Team³⁰). These approaches have begun filtering down to become embedded in local government and increasingly their value is being recognised and demonstrated. This is exemplified by the Local Government Association's (LGA) behavioural insights programme³¹ which supports local government in the UK to upskill and embrace the potential for behavioural insights and experimentation in service design and delivery.

Given the benefits that user-centred design and behavioural insights can bring to the design and delivery of services, there is a real opportunity for UK city governments to learn from these disciplines which could help meet the future needs of their organisations, cities and citizens.

²⁸ canada.ca/impact-and-innovation [Accessed 04 December 2017]

²⁹ openpolicy.blog.gov.uk/about/ [Accessed 31 October 2017]

³⁰ behaviouralinsights.co.uk/about-us/ [Accessed 31 October 2017]

³¹ local.gov.uk/our-support/efficiency-and-income-generation/behavioural-insights [Accessed 31 October 2017]

Case studies

Case studies

Innovation as a city service – Philadelphia's innovation ecosystem

Philadelphia's Innovation Management Team (Office of Technology and Innovation) have led the creation of Philadelphia's Innovation Lab and Innovation Academy. This began with a question: *"How do we develop a series of programmes that allow us to create a culture of innovation within government?"*

Taking three strands of People, Place and Process as their starting points the Innovation Management Team set out to create an ecosystem that would give people a place to be innovative, a process to follow, and training to help them develop their innovative abilities.

The Innovation Management Team believe that the combination of multiple elements brought together to create a comprehensive innovation ecosystem within city government is unique to Philadelphia.

Place: Innovation Lab

The Innovation Lab is a physical space for cross-departmental work. The space, which deliberately feels unlike a municipal building, encourages city employees to come together to solve challenges and imagine new solutions.

The flexible working space has bookable formal meeting spaces as well as informal drop-in areas to allow for "serendipitous" meetings and conversations, which the Innovation Management Team believe to be an important ingredient to the innovation culture they have sought to create.

"The lab will bring the spirit of start-ups inside of city government... The goal is to create a culture of innovation, to sustain it and grow it long term."³²

People: Innovation Academy

The Innovation Academy³³, run in partnership with Philadelphia University, seeks to build capacity in multiple city departments and in doing so to institutionalise innovation practice.

The eight week course runs one afternoon per week, covering topics such as human-centred design, systems thinking, collaboration and creative thinking techniques.

In 2017 the Academy welcomed its fifth cohort of 20 city employees selected from a range of city departments. By selecting "students" from different departments for each cohort, and representing a spectrum of levels of seniority, the Academy brings multiple skill sets and perspectives together to address real issues faced by city staff, at the same time building a network of professional relationships across the organisation.

³² govtech.com/local/Philadelphia-Opens-Innovation-Lab-for-City-Employees [Accessed 10 October 2017]

³³ govtech.com/education/philly-innovation-academy- [Accessed 10 October 2017]

The Academy offers a professional development opportunity to city employees at no cost to the city departments whose employees attend. Applications must be supported by line managers, who are brought into the process in order that graduates from the Academy are enabled to take the skills they develop back into their role and team to share the benefits with a wider group.

Innovation is viewed as continuous improvement and through its graduates the Academy helps to spread this culture across the organisation.

Process: Innovation Fund and innovation consultancy

Beyond the Lab and Academy, ongoing support is available in two forms through the Innovation Fund and innovation consultancy.

The Innovation Fund provides seed funding of up to \$7,500 USD for city employees to test ideas in small scale pilots. With proposals reviewed and selected by graduates from the Innovation Academy this provides an opportunity for city employees to try out ideas and approaches which would not necessarily be supported by existing budgets.

Graduates from the Academy also provide innovation consultancy to city government departments and external partners, working with colleagues to address an identified need whilst building capacity by sharing their skills developed in their Academy training.

Funding:

Initially funded by grants from the Bloomberg Challenge and The Mayor's Fund for Philadelphia. Currently funded as a City initiative.

Impact:

- 100 city employees graduated from Innovation Academy between 2014-17.
- Demonstration of return on investment for the Academy through free of charge consultancy services provided to city departments by Academy graduates, saving on external consultants who may otherwise have been brought in.

Ambitions:

- For innovation services and innovation consultancy to become one of the cities portfolio of services (alongside more traditional municipal services such as waste collection for example).
- To attract and retain top talent into city government.

Applying these insights

- This case study offers a seemingly unique example of applying a holistic approach to creating an “innovation ecosystem”. While this requires dedicated resource to establish it need not be costly, and with the required skills and intent, similar ecosystems could be implemented in other contexts.
- The uniqueness of this example lies in the integration of multiple elements that are combined to support innovation, and it is in applying these elements simultaneously that the most value will be gained.
- Refer to Recommendations Two and Three.

Service culture in city government – 311 service

Service culture is apparent in city governments in the USA and Canada. This is evident in the way that services are designed with the experience for the citizen in mind. In many cities this is underpinned by the 311 service which provides residents with a single contact point for city services. Not only does this provide a consistent experience for residents to report and resolve issues, but it increases transparency and cross-department working within city government.

Originating in Baltimore in the 1990s and since adopted widely by cities across the US and Canada, the 311 service connects citizens with a service centre to access non-emergency municipal services.³⁴ Chicago is recognised as having the first comprehensive 311 system which provides information and tracks cases from intake to resolution as well as providing back-up to the City's emergency services centre. Originally a phone service, 311 has expanded to multiple channels including phone, email and text, websites and mobile apps.³⁵

311 services are funded and operated at local (city) level and provide a one-stop shop for citizens to access information on city services, report issues such as missed waste collections, potholes, damage to public infrastructure (street lights, graffiti) and even ask questions about taxes.

“The [New York] City’s 311 phone line and app offers resident-centred service and embraces a ‘customer focused’ internal culture of service delivery that could be rolled out to other agencies.”³⁶

Examples of similar systems do exist outside of North America, such as FixMyStreet³⁷ in the UK, which has similarities to an Open 311 system whereby citizens can access city services online or via an app, reporting live issues from their mobile device. However, while the FixMyStreet platform provides a way for citizens to report issues this is independent from city government and there is no follow up mechanism for reports. Reports made to a 311 service are given a case reference number and where possible the citizen is kept informed of progress and updated once the reported issue is resolved.

Evaluation of the City of Philadelphia’s Philly311 service suggests that implementation of the system has been transformational for the city government. The system is believed to be *“contributing to making to a more efficient, effective, transparent, accountable, and collaborative city government.”*³⁸

³⁴ en.wikipedia.org/wiki/3-1-1 [Accessed 11 October 2017]

³⁵ insights.datamark.net/white-papers/the-311-center-in-the-21st-century-challenges-and-opportunities-for-us-cities [Accessed 11 October 2017]

³⁶ Public Policy Lab, 2016, *New Yorkers’ Digital Service Needs*. publicpolicylab.org/wp-content/uploads/2017/06/PPL_NewYorkersDigitalServiceNeeds_ForWebsite.pdf [Accessed 11 October 2017]

³⁷ fixmystreet.com/ [Accessed 01 December 2017]

³⁸ T. Nam & T. Pardo, 2012, *Transforming city government: a case study of Philly311*, in Proceedings of the 6th International Conference on Theory and Practice of Electronic Governance pp. 310-319, ACM, New York, USA.

Performance data provided by Philly311 enables more efficient resource allocation and better informed decision making. Furthermore, Philly311 is credited with making the process of service delivery more transparent to the public, as well as increasing accountability among service departments.³⁹

Additionally, 311 systems are broadly recognised as powerful tools to engage residents in improving their neighbourhoods, and the content of the system can help to promote and institutionalise interdepartmental collaboration.

Applying these insights

- **Seeking to streamline processes across and between departments can bring a host of benefits to city governments, not least in creating efficiencies, breaking down organisational silos, improving residents' satisfaction with services and enhancing the public's perception of the local authority.**
- **Implementing a city-wide service such as 311 requires significant organisational and cultural change over a long time period. Organisation wide customer relationship management systems (CRM) can also support departments to work in a more streamlined way but this still requires significant change and investments, and there are issues of data ownership and privacy to be considered.**
- **Applying user-centred design principles could help with the reorganisation of city services to best meet citizen needs, understanding the user journey from the point of view of a city resident.**
- **Refer to Recommendation Five.**

dl.acm.org/citation.cfm?id=2463787&dl=ACM&coll=DL [Accessed 11 October 2017]

³⁹ *ibid.*

“We’ve been to the future and it ends well” – CityStudio Vancouver

CityStudio Vancouver⁴⁰ is an innovation space or hub which brings together city government staff, students and the community to co-create experimental projects that seek to address city challenges. Working in partnership with the city’s universities and further education providers, the studio aims to provide practical learning experiences to students.

As an initiative funded by the city in collaboration with six universities and colleges, the projects undertaken by the Studio and its students contribute directly to the City’s strategy and goals.

The founders describe CityStudio as existing to serve the City of Vancouver. The Studio takes time to understand City employees’ aspirations, seeking to appreciate;

- what city staff are working on that they are most excited about
- what they are proud of
- what they love working on that they don’t have time to do.

The CityStudio model has four key elements:

1. A “multi-lingual” Studio Coordinator and Matchmaker who is able to communicate across different levels of government and bring in the right stakeholders.
2. A physical place occupying a neutral space. The Studio is deliberately not housed in City Hall or in a University.
3. Real projects in the community that matter to all stakeholders.
4. Students placed at the centre of city building, with appropriate mentorship.

The CityStudio model is currently unique to Vancouver but the founders have ambitious plans to spread the model throughout Canada and around the world.⁴¹

Funding:

Initial start-up grant for studio space was given by the City of Vancouver, plus \$100k CAD investment per year for a staff position and operational expenses. Partner Universities also contribute funding annually based on the number of CityStudio courses they run.

Impact:

- Major goal and impact metric is around relationship building, and this is reflected in the organisational culture.
- Since its inception in 2011, CityStudio has engaged over 4,200 students, 167 university staff and 113 City of Vancouver staff, contributing over 125,000 hours of project action, skills training and public sector innovation towards making Vancouver more liveable, joyful and sustainable.

Ambitions:

- To grow the model in Canada and internationally through licensing, and to nurture city and university partnerships.
- Ultimately to normalise civic action and engagement as part of post secondary education.

⁴⁰ citystudiovancouver.com/what-we-do/ [Accessed 20 October 2017]

⁴¹ citystudiovancouver.com/global-sharing/ [Accessed 02 November 2017]

Applying these insights

- Refer to Recommendation Four.
- The value and application of City-University collaborations is a suggested area for further research.

Skills development in behavioural insights – Impact and Innovation Unit

In a commitment to innovation and experimentation the Government of Canada has mandated that departments “*devote a fixed percentage of programme funds to experimenting with new approaches and measuring impact to instil a culture of measurement, evaluation and innovation in programme and policy design and delivery.*”⁴² This commitment demonstrates that experimentation is central to the government’s approach to evidence-based policy making, results and delivery, and in its use of experimentation and evidence to inform decision-making.

Under this mandate the Impact and Innovation Unit within the Privy Council Office⁴³ has developed a model to support skills development and uptake of behavioural insights, which other public bodies may be able to learn from and adopt. The tri-stream model operates as follows.

Stream One - The Fellowship Model aims to build capacity in other government departments. Staff are recruited into the Privy Council Office and once embedded they are deployed to other departments to share skills, develop and deliver projects, and transfer knowledge.

Stream Two - The Policy Entrepreneurs Model operates alongside the Fellowship Model. Government departments send employees to the Privy Council Office to receive training on a variety of tools, including behavioural insights and its application, and take this learning back to their own department.

Stream Three - Academic Affiliates. In partnership with universities, academics act as advisors to government for particular programmes and policies, helping to refine and advise on suitable methodologies such as the use of randomised controlled trials (RCTs), common to behavioural science.

Applying these insights

- A mandate for experimentation can lead to an increase in innovation behaviour within government. For this approach to be successful it is important that the necessary skills exist within the organisation and that there will be support for experimentation at management level. This combination of top down and bottom up approaches can be very successful in creating behaviour change.
- Refer to Recommendations One, Two, Three and Five.

⁴² canada.ca/en/innovation-hub/services/reports-resources/experimentation-direction-deputy-heads.html [Accessed 31 October 2017]

⁴³ pco-bcp.gc.ca/index.asp?lang=eng&page=about-apropos [Accessed 14 December 2017]

Conclusion

Conclusion

In city governments in the USA and Canada, as in the UK, staff seem to share the same frustrations, and local government organisations face a number of common challenges, including:

- Political shifts due to changes in administrations and leadership.
- Limited resources and ever increasing demands placing pressure on services.
- Pressure to continue to deliver relevant and high-quality services with little or no space for open experimentation or failure.

Despite these challenges there are examples of innovation practice within city governments. Where innovation is best understood and best supported this is due to the presence of a number of factors, including:

- Buy-in from senior leadership as well as management support within political organisations.
- Understanding of the value of innovation and an ability to tell this story and engage people in this narrative.
- Sharing skills and knowledge to enable others to create positive change, and going beyond influencing individuals' capabilities to create culture change.

This Fellowship is by no means unique in attempting to understand the frustrations and challenges that create barriers to innovation with a view to affecting change. However, given the enormity of the challenge, and the behemoth nature of public sector organisations, it appears that any change is likely to be incremental, disjointed (occurring in pockets rather than across whole organisations), and slow. But understanding that change will likely be incremental rather than radical is useful in itself. It provides scope to be experimental, to try things on a small scale, assess what works and then attempt to replicate and scale the successful and positive elements. Methods taken from disciplines such as design and behavioural economics can support and de-risk experimentation by providing tools and structure.

There are models that were explored through this Fellowship which will provide interesting learning for those looking to implement positive change within their own organisations. These are detailed as case studies and throughout the Observations section of this report, but they by no means offer an exhaustive reference point, with countless inspirational examples to be found in public sector organisations around the world.

Recommendations

Recommendations

Recommendation 1: Develop a narrative around the value of innovation and align to existing priorities

- Consider how the story of innovation is best told, and how success can be defined and demonstrated. This may vary from one organisation to the next and the narrative may be specific to a particular organisation. Take for example MONUM⁴⁴ who describe their innovation team as “public sector space cadets” and have built their narrative and brand around this identity.
- Consider whether metrics are required to demonstrate value and what the appropriate metrics and measures might be. It is important that this is done in a way that does not restrict the ability to give things a go and this is where external disciplines might play a role, bringing tools that enable safe experimentation. Refer to Recommendation 5.
- For innovation teams or those working on innovation agendas, understanding persistent pain points that a new approach could help to resolve is a crucial step in positioning innovation and explaining its value.
- Demonstrate how innovation can support Mayoral priorities to gain senior level buy-in. Aligning opportunities for innovation with City and Mayoral priorities provides an opportunity to demonstrate the potential for new ways of working and how innovation can bring benefits to the city.

Recommendation 2: Consider structure and the placement of innovation teams

- Consideration should be given to the placement of innovation teams within organisations because organisational structure has an impact on teams and the work they can do. For example, housing an innovation team within a Mayor’s Office shows intent to work across city issues which can be appropriate and beneficial. On the other hand, this high-profile “spotlight” placement can mean that less freedom and autonomy is afforded to these teams which can restrict experimentation and risk taking, therefore inhibiting innovation. Indeed, for these reasons team placement is likely to vary across contexts and it could be considered appropriate for innovation to sit outside of the municipality entirely.

⁴⁴ boston.gov/departments/new-urban-mechanics [Accessed 07 November 2017]

- Taking a citizen focused view, city governments should look to be an enabler as much as a provider of services. This requires a step change in the role, remit and mindset of city government. City governments might consider the following questions:
 - How could the city government help to establish or support self-sustaining organisations that benefit society, rather than providing these services themselves?
 - Is there a role for the city government as the first customer for such organisations?
 - Where appropriate, how could existing city government staff be developed to be the leaders of these organisations, outside of City Hall? This might require a shift away from a model of staff retention, developing people to take their ideas and skills for positive social change out into the communities that they would benefit.

Recommendation 3: Build innovation capacity in multiple teams

- A dedicated innovation team cannot and should not necessarily own innovation for an organisation or a city. While there is a role for innovation teams to act as facilitators and enablers, building capacity and skills across multiple teams will be beneficial. The focus here should be on building a collaborative culture within the organisation. Look for ways to break down silos, build networks, and support cross-departmental working to increase the transfer of knowledge and skills. This will enable stronger working relationships, garner trust, increase efficiencies and enable new ideas to flourish more readily. Refer to the case study titled “*Innovation as a city service – Philadelphia’s innovation ecosystem*” (page 25).
- The ability for multiple teams and departments to collaborate is crucial to demonstrating the value of innovation. Sometimes innovation pilots falter when it comes to transitioning successful elements of a pilot into business as usual operations or delivery. For innovation to be valued this is an essential step and where the benefits are ultimately realised, with successes replicated and potentially scaled up. This transition requires the involvement of multiple stakeholders within a local government organisation. Therefore involving relevant colleagues and teams early in the development of new ideas and solutions is key to this transitioning and to the ultimate success of any innovations developed through pilot projects.

Recommendation 4: Invest in staff development to attract and nurture talent

- The role of city government is undergoing a rapid change and the skills within the workforce need to keep pace with this change to ensure city governments can deliver in their new role. Therefore it is important to recognise the skills required for the future role of city government and develop an appropriate talent pipeline that can provide these skills.

- Investment in personal and professional development opportunities is crucial to attracting and nurturing talent. Skills development related to adaptability, the ability to spot opportunities, embrace uncertainty and ambiguity, and respond positively to change are central to organisational capability to adapt and continue to innovate. HR and people development teams should play a role in shaping processes that support appropriate recruitment, development and retention of staff to achieve this.
- Staff motivation to try new approaches and create positive change is likely to be connected to both leadership support for innovation and an organisational culture that promotes experimentation, provides feedback and celebrates success as well as recognising failure. Nurturing these conditions within city government organisations can motivate staff to innovate.
- A broad range of perspectives, skills and diversity of experience is likely to provide the most effective make up for an innovation team. Therefore recruitment processes should seek to reach and attract people from a variety of social and professional backgrounds.

Recommendation 5: Consider the role of disciplines such as design and behavioural insights to provide tools for change

- The application of design principles to the development of public services offers a real opportunity for city governments to engage with citizens and create relevant services tailored to genuine needs. Understanding how services are used and experienced and applying that understanding to test, refine and improve services can help make services more efficient and effective.
- Design Council’s Design in the Public Sector programme evaluation makes recommendations for central government, local authorities and other agencies to invest in design skills, as well as partnering with specialist agencies who can offer support and advice.⁴⁵ Any such approach should be coupled with an intention to build capacity widely across the organisation, involving multiple teams.
- The Local Government Association’s behavioural insights programme⁴⁶ seeks to support council innovation. Local governments in the UK could look to the funding and support on offer to upskill and embrace the potential for behavioural insights and experimentation in service design and delivery.

⁴⁵ designcouncil.org.uk/resources/report/design-public-sector-programme-evaluation [Accessed 03 October 2017]

⁴⁶ local.gov.uk/our-support/efficiency-and-income-generation/behavioural-insights [Accessed 31 October 2017]

Suggestions for further research

Building on a number of the themes discussed in this report, further exploration of the existing literature and identification of examples of inspiring practice in related areas could bring benefits to local government and other public sector bodies in the UK.

Suggestions for further exploration that were beyond the scope of this Fellowship include;

- **City-University partnerships:** This Fellowship encountered examples where city governments and universities were collaborating and combining resources to maximise the impact of their work and strengthen relationships. Examples of this include CityStudio Vancouver⁴⁷ (see case study, page 30), MetroLab Network⁴⁸ and Initiative on Cities.⁴⁹
- **Procurement:** Procurement processes and fragmented procurement can be a barrier to innovative approaches being implemented and scaled by local government and to local government being able to work with a range of suppliers, especially small businesses. NYC has developed a series of resources to help businesses find information related to tendering opportunities, purchasing priorities and processes, such as a *Guide to doing business with the City of New York*.⁵⁰
- **Beyond pilots:** Taking successful aspects of pilot projects to scale can be a challenge. This can be due to a lack of impact evaluation in pilots, a lack of buy-in from departments responsible for delivery and a lack of resource within these departments, and procurement processes which can only support and fund evidence-based approaches. Further exploration of examples where the transition from innovation pilot to business as usual delivery and operations has been successful would be of value as this is a current and relevant challenge for many city and local governments.

⁴⁷ citystudiovancouver.com/what-we-do/ [Accessed 20 October 2017]

⁴⁸ metrolabnetwork.org/about/ [Accessed 07 November 2017]

⁴⁹ bu.edu/ioc/ [Accessed 07 November 2017]

⁵⁰ www1.nyc.gov/assets/forward/documents/nyc-business-guide.pdf [Accessed 07 November 2017]

Appendices

Appendices

Appendix One: Fellowship locations and contributors

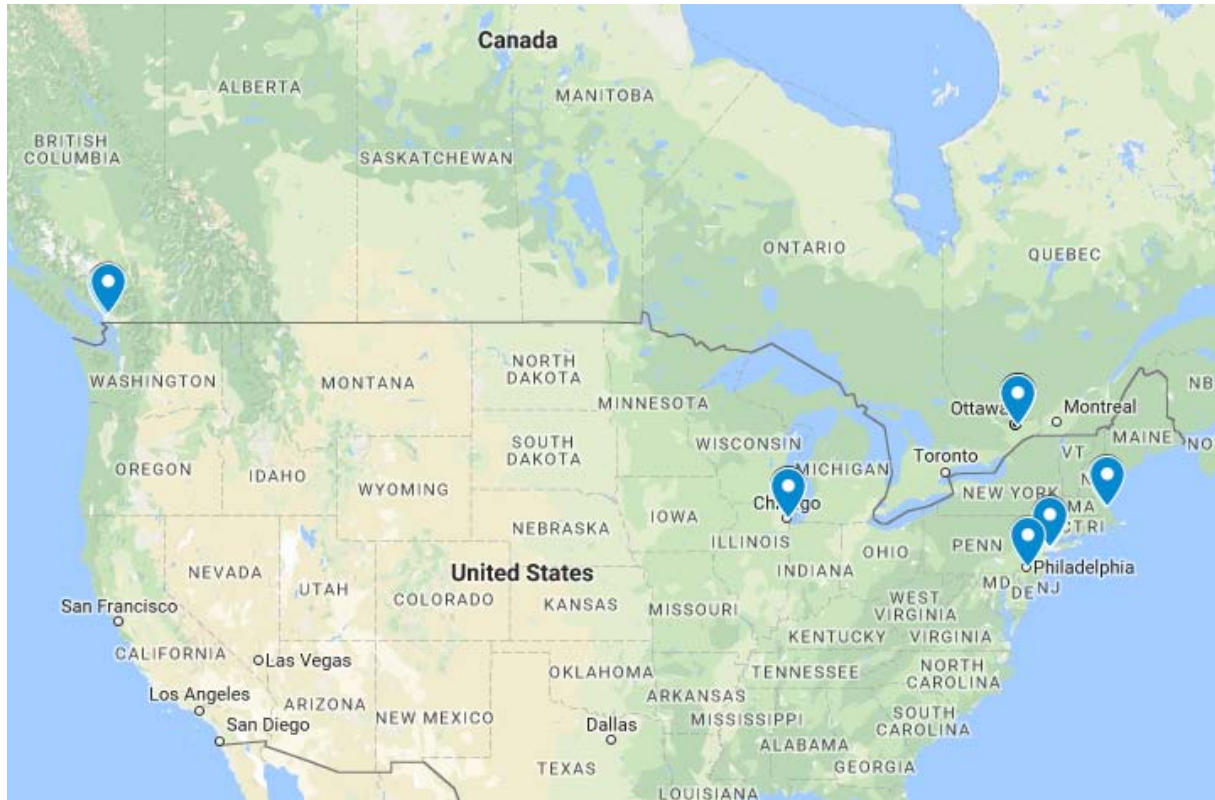


Figure 3: Map of contributing cities – USA and Canada

Table 1: Fellowship contributors

Organisation	Contributor	Location	Type of organisation
Bloomberg Philanthropies	Government Innovation – i-teams Programme Director	NYC	Funding organisation
Office of the Mayor – City of New York	Director of Innovation	NYC	City government
Office of the Mayor – City of New York	Senior Product Manager for Research and Development	NYC	City government
Public Policy Lab	Executive Director	NYC	Non-profit organisation (third sector)
New America Foundation	Director (NYC)	NYC	Think tank
Mayor’s Office for New Urban Mechanics	Co-Chair	Boston	City government
Boston University Initiative on Cities	Director	Boston	Academic institution
Boston University Initiative on Cities	Executive Director	Boston	Academic institution
New America Foundation	Senior Fellow and Director (Chicago)	Chicago	Think tank
City of Chicago, Department of Innovation and Technology	Chief Data Officer	Chicago	City government
School of the Art Institute of Chicago (Array of Things)	Associate Professor	Chicago	Academic institution
Impact and Innovation Unit, Privy Council Office, Government of Canada	Lead, Behavioural Insights, Design and Policy Innovation	Ottawa	Federal / National Government

Office of Innovation and Technology, City of Philadelphia	Program Manager	Philadelphia	City government
Impact Hub Ottawa	Programming Lead	Ottawa	Innovation hub
Open Data Institute Ottawa	Founder	Ottawa	Non-profit organisation (third sector)
City of Ottawa	General Manager, Service Innovation and Performance Department	Ottawa	City government
Innovation, Science and Economic Development, Government of Canada's Innovation Lab	Executive Director	Ottawa	Federal / National Government
CityStudio Vancouver	Founder	Vancouver	Innovation hub
Sauder School of Business at University of British Columbia	Professor of Entrepreneurship	Vancouver	Academic institution
City of North Vancouver	Deputy Director, Strategic Initiatives and Services	Vancouver	City government
City of Vancouver	Senior Program Manager – Digital Infrastructure and Assets	Vancouver	City government
University of the West of England	Emeritus Professor of City Leadership	Bristol, UK	Academic institution
University of Bristol	Research Associate	Bristol, UK	Academic institution
Bristol City Council	European and International Officer	Bristol, UK	City government
Bristol City Council	Programme Manager – City Office	Bristol, UK	City government
Cities and Local Growth Unit	Senior Policy Advisor	London, UK	Federal / National Government

Contributors and case studies by city

New York City

- **New America**⁵¹ is a think tank and civic enterprise committed to renewing American politics, prosperity and purpose in the Digital Age. The organisation operates as a policy research institute, technology laboratory, public forum, media platform, and a venture capital fund for ideas. With a focus on shifting power and resource away from Washington, they work with city and regional governments, as well as other 'actors' to identify policy issues and convene a response.
- **NYC Mayor's Office of Technology and Innovation**⁵² facilitates citywide coordination and collaboration on technology issues, serves as a catalyst for and advises agencies on innovation, and interacts with the wider New York City technology ecosystem. The Office's mission is to fulfil Mayor de Blasio's vision of making NYC the most innovative, tech-friendly and equitable big city in the world. The Office works with agencies across city government to co-develop innovation programmes and build capacity for innovation within the agencies it partners with.
- **Public Policy Lab**⁵³ is a not for profit organisation of multidisciplinary researchers, strategists, and designers committed to creating public programmes and policies that better serve people. They work with government at all levels to enable government to offer public services that are powerful tools to help people improve their own individual well-being and prosperity. Public Policy Lab's approach has been applied to services ranging from transport to housing, and substance abuse to benefit hubs. Fundamental to their approach is the use of design methods.
- **Bloomberg Philanthropies Government Innovation**⁵⁴ team and programme promote public sector innovation capacity and share solutions among cities worldwide. Working with Mayors and local leaders, the team focuses on urban innovations, providing practical tools and approaches to tackle issues and enable civic innovation to flourish.

Boston

- **Mayor's Office for New Urban Mechanics**⁵⁵ are Boston's city government research and development department. Their work is design-led and aims to improve quality of life for city residents by working across a range of topics from civic engagement to city infrastructure and education. They are currently one of Bloomberg Philanthropies' i-teams⁵⁶.
- **Boston University** have established the **Initiative on Cities**⁵⁷ which focuses on city leadership, economic growth and City-University partnerships. They also run the Menino Survey of Mayor's⁵⁸.

⁵¹ newamerica.org/ [Accessed 07 November 2017]

⁵² www1.nyc.gov/site/forward/index.page [Accessed 07 November 2017]

⁵³ publicpolicylab.org/ [Accessed 07 November 2017]

⁵⁴ bloomberg.org/program/government-innovation/#overview [Accessed 07 November 2017]

⁵⁵ boston.gov/departments/new-urban-mechanics [Accessed 07 November 2017]

⁵⁶ bloomberg.org/program/government-innovation/innovation-teams/ [Accessed 07 November 2017]

⁵⁷ bu.edu/ioc/ [Accessed 07 November 2017]

⁵⁸ surveyofmayors.com/ [Accessed 07 November 2017]

Chicago

- **City of Chicago, Department of Innovation and Technology**⁵⁹ aim to enhance delivery of City services through easy, reliable, cost-effective and secure access to information and to promote Chicago's advancement through technology.
- **Array of Things**⁶⁰ is an innovative urban sensing project, through which a network of sensor boxes that will be installed around Chicago to collect real-time data on the city's environment, infrastructure, and activity for research and public use. This initiative aims to allow researchers, policymakers, developers and residents to work together and take specific actions that will make Chicago and other cities healthier, more efficient and more liveable.

Philadelphia

- **City of Philadelphia's Office of Technology and Innovation** run Philadelphia's Innovation Lab, which has aimed to create an ecosystem for innovation within city government. In a concerted effort to embed innovation practice within city government, the Lab offers a physical collaboration space, has defined a process for innovation projects, and offers innovation training and skills development through a part-time course, with graduates of this course providing innovation consultancy to their own departments.

Ottawa

- **Impact Hub Ottawa**⁶¹ is part of an international network of co-working spaces focused on social good.
- **City of Ottawa**⁶² Service Innovation and Performance Department.
- **Innovation, Science and Economic Development**⁶³ **Lab**.
- **Impact and Innovation Unit**⁶⁴ of the Privy Council Office.

Vancouver

- **Entrepreneurship and Innovation Group**⁶⁵ at Sauder School of Business, University of British Columbia.
- **CityStudio Vancouver**⁶⁶ bring together City staff, students and the community to co-create experimental projects.
- **City of Vancouver**⁶⁷.
- **City of North Vancouver**⁶⁸.

⁵⁹ cityofchicago.org/city/en/depts/doi.html [Accessed 07 November 2017]

⁶⁰ arrayofthings.github.io/ [Accessed 07 November 2017]

⁶¹ ottawa.impacthub.net/ [Accessed 07 November 2017]

⁶² ottawa.ca/en [Accessed 07 November 2017]

⁶³ canada.ca/en/innovation-science-economic-development.html [Accessed 07 November 2017]

⁶⁴ canada.ca/impact-and-innovation [Accessed 04 December 2017]

⁶⁵ sauder.ubc.ca/Faculty/Groups/Entrepreneurship_and_Innovation [Accessed 07 November 2017]

⁶⁶ citystudiovancouver.com/what-we-do/ - Accessed 20/10/2017 at 19:58

⁶⁷ vancouver.ca/default.aspx [Accessed 04 December 2017]

⁶⁸ cnv.org/ [Accessed 04 December 2017]

Multiple locations

- **311 services**⁶⁹. Originated in Chicago but now used by many cities across North America, this service provides residents with a single service centre contact point for city services. This provides a consistent experience for residents to report and resolve issues, as well as increasing transparency and cross-department working within city government.

⁶⁹ cityofchicago.org/city/en/depts/311/supp_info/311hist [Accessed 07 November 2017]

Appendix Two: Overview of political systems

The following references provide an overview of political systems in the USA and Canada:

- An infographic depicting the three levels of the U.S. Government⁷⁰
- An overview of State and Local Government in the U.S.⁷¹
- US local government and mayors of largest cities⁷²
- A brief overview of Canada's three main levels of government⁷³
- Canadian mayors⁷⁴.

For completeness, the UK political system is explained with:

- A summary of how UK government works⁷⁵
- A summary of how UK local government (local councils) work⁷⁶
- English city and regional mayors⁷⁷.

⁷⁰ kidsdiscover.com/infographics/infographic-3-branches-of-the-u-s-government/ [Accessed 03 October 2017]

⁷¹ whitehouse.gov/1600/state-and-local-government [Accessed 03 October 2017]

⁷² citymayors.com/mayors/us-mayors [Accessed 23 November 2017]

⁷³ lop.parl.ca/About/Parliament/Education/ourcountryourparliament/html_booklet/three-levels-government-e [Accessed 03 October 2017]

⁷⁴ citymayors.com/mayors/canadian-mayors [Accessed 23 November 2017]

⁷⁵ gov.uk/government/how-government-works#how-government-is-run [Accessed 23 November 2017]

⁷⁶ gov.uk/understand-how-your-council-works [Accessed 23 November 2017]

⁷⁷ citymayors.com/mayors/british-mayors.html [Accessed 23 November 2017]

Appendix Three: Methodology and limitations

Based on preliminary research into innovation practice in governments around the world, North America was selected as the focus for case studies to inform this Fellowship. This decision was taken on account of the perceived potential to translate insights from the North American context to the UK context, the existence of relevant case study examples, and the ease of access to participants and contributors.

Having set out an initial scope for the project, the focus was refined with a set of research questions.

Further online research and exploratory conversations helped identify organisations and city government teams as potential contributors and case studies. Initial contact was made with potential informants in the cities of New York, Philadelphia, Boston, Chicago, Ottawa and Vancouver.

Refer to Appendix One for details of Fellowship locations and contributors.

Contact was either made through existing networks or where no connection existed through a cold approach by email, using the letter of introduction provided by the Winston Churchill Memorial Trust (WCMT). Initial contact with all contributors was made via email, providing an outline of the purpose of this Fellowship alongside the broader aim of the WCMT Fellowships.

A high response rate was received from these initial emails, which translated into a high conversion rate from initial contact to face-to-face meetings held during the travelling Fellowship. Where schedules did not allow for a face-to-face meeting, telephone interviews were conducted.

Fellowship research was undertaken during July and August which is the main holiday period for public sector organisations and for academic institutions in the USA and Canada. In some cases, initial contacts were not available due to pre-arranged leave. In these cases I was referred to an available colleague and able to arrange a meeting or phone call.

Meetings were held with a variety of informants and deliberately included participants representing a spectrum of roles from across different levels of government (federal, regional, and municipal, local or city governments) as well as organisations working outside of government. This helped to gain a broad and varied perspective, and provided an opportunity to draw inspiration and learning from a variety of contexts, including city government innovation teams, Mayor's Offices, federal government departments, innovation spaces, academic institutions, non-profit organisations and think tanks.

Research methods included semi-structured interviews and guided conversations, alongside presentations and group conversations with multiple attendees. Where possible meetings were conducted in the participant's workplace, which meant the research also included site visits to spaces which support collaboration such as innovation labs and hubs. These interviews, conversations and site visits were supported by reviews of existing literature.

Interviews and conversations were recorded as written notes and audio recordings, which have subsequently been referred to when drawing out common insights and recurring themes. As themes began to emerge during the Fellowship research I was able to begin gently testing these insights and my interpretation of them in subsequent conversations and interviews, and having my initial assumptions and findings challenged by later contributors.

This report attempts to draw on these insights to produce recommendations for city and local governments in the UK.

Limitations of the methodology

Selection of informants / contributors: Case study examples and contributors were selected based on self-guided research and recommendations from within my professional network. To an extent participants were also self-selecting in their response to my initial email contact, in deciding whether or not to participate or refer a colleague.

It is also noteworthy that I visited generally progressive, liberal cities within the USA and Canada.

Translation between contexts: The differences in political systems, and social and financial contexts between the contributors and case study examples selected for this Fellowship and that of the UK, means it is not easy to draw comparisons across and between contexts as each is unique.

The city governments that contributed to this Fellowship varied enormously in terms of the size of their populations, with this ranging from 60,000 residents in the City of North Vancouver to over 8.5 million residents in NYC, and the demographic that this encompassed. For example, the City of Ottawa's metropolitan region covers a large geographic area extending beyond the city to include rural areas that surround the city. While this approach has ensured the inclusion of a variety of perspectives it makes comparison across contexts all the more limiting.

Consequently, contextual differences mean it is impossible to apply insights directly from one context to another. The national political context has an influence on local government funding (and budget allocation) as well as policy. As such the relevance/appropriateness of the recommendations contained within this report will need to be considered in the context in which they are to be applied.

Appendix Two provides references to resources outlining the political systems of the USA and Canada.

Scope and impact: This Fellowship aims to make a small contribution to a much wider body of work and literature on the topic. Fellowship research was conducted over a five week period in 2017, and as such the observations represent a snapshot in time.

Within the scope of this short project it is not possible to expect to see impact or change in the UK resulting from these observations. Cultural and behavioural change is difficult to affect and takes time and sustained effort. However, the ambition for this Fellowship is to inspire and catalyse change, however small, with the ethos of start small, try things, fail early, learn from mistakes and try again.

Initial outcomes from this Fellowship are detailed in Appendix Four.

Appendix Four: Outcomes (at December 2017)

To date, over 160 individuals in the UK, USA and Canada have been contacted in relation to this Fellowship and are aware of the project. Over 30 of these individuals have directly contributed knowledge or expertise.

During the travelling Fellowship I attended events including the Smart Cities Innovation Accelerator. This event was attended by representatives from city governments across North America. A bio noting the Fellowship was included in the event brochure⁷⁸ which was shared with 63 attendees. Attending this event at the start of my travels helped me make connections and establish meetings in the cities I was visiting as my Fellowship progressed.

At Innovation Hub Ottawa, I presented my Fellowship at a specially organised “lunch and learn” event attended by 23 individuals working across Federal and Municipal government, public sector and third sector organisations.

Since my return to the UK I have presented the emerging observations from my Fellowship to colleagues in Bristol City Council’s City Innovation and Sustainability Service, and International Service, amongst others.

The Fellowship has directly influenced my work and has enabled me to develop an expanded professional network within Bristol City Council, with partners across the city, and internationally. Through this expanded network I have identified opportunities for further collaboration between the city of Bristol with New York, Chicago, and Boston, including collaboration on innovation projects. This has helped build upon existing relationships between Bristol and cities in the USA, which will be continue to be developed by myself and colleagues at Bristol City Council. Opportunities have already arisen for further conversations and networking at upcoming international events.

The reach already achieved will increase as I share my findings and Fellowship report. In addition to dissemination through my own professional networks, identified opportunities for dissemination include Apolitical’s global network for government⁷⁹, Durham University Alumni Networks, and the LGA Network on Knowledge Hub⁸⁰, among others.

⁷⁸ theinnovatorsforum.org/sites/default/files/nyc_smartcitiesaccelerator_privateprogram_jul25s_0.pdf [Accessed 13 November 2017]

⁷⁹ apolitical.co/why-apolitical/ [Accessed 20 November 2017]

⁸⁰ khub.net/lga [Accessed 20 November 2017]

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