
Catching the Wave ...

(or caught in the backwash?)



Alex Bailey – 20th November 2013
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Introduction

In this paper, I lay out my ideas about how we (as Councils) need to act differently in Adur and Worthing so that our places can catch the wave of potential growth that is about to wash through us – to generate wealth, to help all our communities become more enterprising and to enable more deprived areas to lift themselves out of dependence.

In order to do that, we need our Councils to operate as institutions in a completely new way – to become adaptable and entrepreneurial ourselves, so that we act as oxygen to growth rather than smothering initiative with bureaucracy and stasis.

This paper is not intended to be a complete and balanced analysis of everything our Councils are doing. There is much we are doing well and of which we can be proud. It is intended to provide focus on what we should be doing over the short and medium term. It is perhaps not the type of document that Adur and Worthing Councils are used to It looks at the Councils from the outside in, not the inside out.

Over my first few months as Chief Executive, I have set out to listen,

understand, question and absorb the place, the communities and the Councils of Adur & Worthing. I have enjoyed well over 400 conversations with a variety of people, listening to people telling their stories of the past, the present and their aspirations for the future. Those conversations have helped me to make sense of the place and to understand how Adur & Worthing Councils might best lead their communities forward to future prosperity, drawing on lessons from a successful past.

So, the ideas in this paper don't just come out of nowhere – they are the synthesis of the ideas and stories of the people I have met, walking each of the 27 wards in Adur and Worthing, talking to elected representatives, community leaders, businesses, the community and voluntary sector, statutory partners, our staff, central government, other Local Authorities in Sussex and beyond. This is not just my story - it is a story of our communities, our places, our people and our future prosperity.

Those conversations have taken me from the corridors of Whitehall to the stairwells of Fishersgate and this is what they have told me...

Catching The Wave

It's always tempting for a new Chief Executive to think they need to 'bring in a new broom' but I think there is a much more compelling reason for acting right now to rethink ourselves and change how we operate. The Leaders of the Council and I believe that we have a window to catch an 'economic wave' - or we can just watch it roll by, lifting other communities and places around us but leaving us quietly becalmed in our old ways of operating.

This 'wave' is a combination of a number of factors :

- the recovery of the national economy
- the rapid growth in certain sectors of industry
- a multitude of businesses looking for places to relocate and invest
- a local demographic shift as young families and empty nesters move South or East along the coast toward us, looking for better priced properties, new places to work and start businesses and a safe and pleasant place to raise their families.
- The public sector spending squeeze (with a paradoxical investment in Education and

Further Education) changing the way we do business with our partners.

There is no doubt that we are at a critical moment in the economic cycle. Most serious economic commentators suggest that the economy is likely to be growing or, at worst, 'benign' over the medium term. We know that, for a number of our key sites and projects, this is an ideal time in the cycle to take those opportunities to market to seek investment and delivery partners.

Wave catchers

If we want to catch this wave, we need three *wave catchers* – three areas of concentrated focus – ideas that allow us to bring together skills from right across the spectrum to do the things we need to do to move our places on.

The three focus areas are :

- Supporting our wealth generators
- Cultivating enterprising communities
- Becoming an adaptive council.

As Councils, we need a set of enhanced or even new ways of operating to make our focus count and to become fully adaptive:

- Supplying or commissioning efficient, effective public services and solutions
- Providing the “Commons” to help our wealth generators
- Becoming Civic Social Entrepreneurs to support our enterprising communities
- Demonstrating that we are confident and capable leaders of our places

And can we catch this wave?

As Councils, we got ourselves on the front foot six years ago, in a difficult environment, by merging services and consolidating our organisations. Now, we need to get on that foot again by rethinking our role, how we do business and how we serve our places?

We are at a vital decision point. In short, do we accept the status quo and passively hope that an economic upturn will see us and our communities through, or do we ride this wave, using the strength of our past history and our understanding of what matters now to help us drive through a period of significant change?

Can we become Councils with the confidence and capacity to lead our communities to greater prosperity and self-determination by using our key strengths of the past and applying them to a 2014 context? Have we got the nerve?

I do not believe from conversations with a number of our staff, politicians

and partners that we **want** to miss this wave. Indeed, I am heartened by a strong ambition among politicians, staff and partners to step up to the mark and provide strong and sustained community leadership. Leadership that will enable wealth creation and self-sustaining community activity as well as allowing us to provide high quality, cost effective services where we are the right people so to do or select the right partner where we are not.

I'm not naive about the size of the challenge and the responsibility upon us is a real one. But the conversations I am having with a range of individuals and organisations suggests there is a real hunger to do something different, some extraordinary opportunities and very considerable unrecognised and untapped potential across our communities (and the organisations and individuals that make them up) to lead our places to prosperous futures.

The Wave Catchers

I'm now going to describe our three wave-catchers (wealth generation, enterprising communities and adaptive Councils) in more detail. I will track the ideas from our local past into our present and then make some propositions for the future. I have included some of what I have learned about the history of Adur and Worthing in my descriptions because I believe that, in order to understand who we are now and to think about who we will be in the future, it is essential to have a strong sense of who we were and where we come from.

Whilst Adur and Worthing share services, they are separate Councils and different communities. Their histories have some things in common and some important differences. There are also some fascinating patterns that tell us what made both places successful, prosperous and resilient and we can learn from those patterns.

Wave Catcher 1 : Supporting Our Wealth Generators

Generating wealth :The past

People have been prospering and innovating in our locality for over 5,000 years - from the Neolithic flint miners of Cissbury, through the “grain factory” of the Romans to the Saxon fishing hamlet in Worthing. And although collectively regarded by many as a construct of the 1970s, the towns and villages that make up Adur have equally long and fascinating histories. Shoreham itself was an ancient place of seafaring and then a medieval port, bringing in trade and ideas from other parts of the world – the beginnings of our international ambitions.

In more recent times, Worthing saw the growth of 18th century tourism, bathing in the healing properties of our sea and the coming of the railway – creating mass transportation, increasing tourism and enabling a market gardening industry to get its products to market. Then came the automotive revolution and Warnes Hotel, the “motorist’s mecca”

harnessing the economic potential of the car.

In its turn, Adur has been the home of a huge variety of technical and creative industries : being a key centre of the UKs locomotive industry with the carriage works at Lancing employing over 2,000 men; playing a part in the early forefront of aviation technology and housing the UK’s first “Hollywood” for the silent movie industry.

Both places have also had significant strategic importance, forming an essential part of our wartime defences (from Saxon to Napoleonic times, the Great War and World War II). We have held an important strategic place on the south east coast as an essential part of the UK’s defence and attack capability.

More recently, Adur industries have bucked the trend for “the UK not making anything anymore”, specialising in advanced engineering, electrical engineering and aviation-

based spin-off industries, at times allied to our commercial port operations. The 50s, 60s and 70s saw, the growth of small industrial estates (active and employing our population to the present day), using road networks and developing a thriving logistics industry to create prosperity. Today, we host companies like Ricardos which act as a flagship and magnet for the investment of ideas, money and talent into the area, not to mention Edwards, Pyroban, Higgidy and others – all active growing employers and supporters of local talent.

Worthing has developed in a different direction, building on the retail and tourism offer of the 1970s to become home to significant employers in science (e.g.GSK), and, until recently, a significant financial services sector. Then in the last decade, we have seen the rise of the small and high growth creative, digital and IT sectors with some global success stories such as Fresh Egg and ETI, supplementing longer term successes such as

Bowers and Wilkins and newer high growth businesses like NETBuilder.

So, despite their superficial difference, much of Worthing's and Adur's prosperity for over 5,000 years has been based on applying the scientific knowledge of the day with local entrepreneurship to create technologies and prosperity. So science, technology and creative thinking have long been in our DNA.

So far so good – but what does this all have to do with our Councils? Of course, science and technology cannot create widespread prosperity without places to locate, effective infrastructure and a place that is attractive for potential employees and their families to live in. At its best, the local Civic role has, since the 19th century, been to support and develop the “Commons” by which innovators, scientists, technologists and a huge variety of other employers create their facilities, develop their products and get them to market.

Generating Wealth : The present challenge

So what is next for our support of wealth generators – what do they need from us right now? Our local financial economy is at a crossroads - a number of those I have spoken to say that we are in danger of becoming “places that have gone to sleep” or having “small town ambition” - we need to wake up if we are to support new wealth producers and encourage them to locate here.

- **Current business sectors** : We have a comparatively small number of real wealth generators (i.e. small high growth companies creating jobs, wealth, innovation and IP, good supply chains etc.). We also have a high concentration of employment in relatively low-value-added sectors so average earnings

are low.

- **Inward investment** : As a place, we at times struggle to attract and sustain significant inward investment. Worthing in particular has been unable to retain its large financial services businesses or to attract adequate replacements. Our

international reach is patchy.

- **Sites for business.** In Worthing in particular (but also in Adur), the 'cranes are on the skyline'. However, much of the development is in the residential sector rather than providing employment space which is at a premium across both places. Our employment sites are mainly well occupied and demand for office and industrial premises reasonably strong. The retail sector is more site specific but there are generally relatively few empty shop premises. There is limited serviced or managed workspace in Worthing and no business incubator space or Innovation Centre and a lack of grade A office accommodation.
- **New land use :** In Shoreham, our approach has been about using brown field land, particularly the airport and harbour. In Worthing, the economic development approach has been more about supporting indigenous small to medium-sized enterprises to grow (and attracting those looking to relocate out of neighbouring areas). The brown field potential in Adur creates a future pipeline for business locations but development opportunities for light industrial employment space across Worthing are very limited and the size and configuration of our retail units are considered by some investors to constrain the town's growth as a retail centre.
- **Education and skills :** We have, as yet, little University input - in a knowledge based economy, this is problematic. Whilst Adur has some University connection through the Ricardos Partnership, it lacks the

identifiable higher education presence that will help to drive us towards a more flexible economy. On the plus side, we have some very high tech advanced engineering and other innovative firms and Worthing is a significant centre of learning with a strong FE sector and some accredited University of Brighton learning offer. Considerable "upstream" investment is going into the skills offer for our young people up to FE level (a potential new Academy, school transition age changes etc. will all sharpen our skills and knowledge focus). However, we are predominantly still a low skills economy - whilst education is definitely "on the up", it's not quick enough and not yet widespread enough to meet the needs of our 21st century economy.

- **Infrastructure :** Road infrastructure across both areas continues to be a concern for businesses and a potential barrier to inward investment. Broadband and rail connections both require improvement.
- **Regeneration possibilities:** Much of our regeneration is currently 'housing based' - whilst it is good to see building sites across Adur and Worthing, much of this regeneration is based upon good fortune rather than our design (Government investment in the FE sector, asset prices and the position in the economic cycle etc.), Moreover, this growth may create little in the way of longer term jobs. We need more economic regeneration outside the housing sector.
- **Image/brand.** Worthing, in particular, is still sometimes

perceived as a place for older people, despite its rapidly changing demographic profile and commercial sector. In fact, we have seen vast

population growth over the last 10 years (particularly in the key economically active 16-24 year old age group).

So this is a moment - our economy is not dead, neither is it particularly or universally buoyant. There are signs of a real demographic change with “new comers”, particularly with those bringing their businesses with them. These newcomers bring not just resources, ideas and business but a new mindset and they want to see a different offer in the places of Adur and Worthing and by their Councils.

If we don't respond, there is a very real danger, in both Adur and Worthing, that the early part of the 21st century could “leave us behind”. We are at times confused about what we are for and our strategic aims at a critical time in our economic cycle.

Our Leaders have a clear, shared ambition that we should be in a place to ride the wave and whilst there are several shining examples of economic stars, there are not enough. We, and our partners, have a responsibility to increase our brilliant lights if prosperity for our broader communities and future generations is to be achieved.

Generating Wealth : The possible future

Supporting wealth generators by...

a clear focus on Adur and Worthing as “places of science, technology and creativity”.

Adur and Worthing are well placed to draw on investment and talent and become a driver of the coastal Sussex economy. There is the potential for real collaboration and competition with London, Crawley/Gatwick and Brighton & Hove. At times we will wish to partner with them, at other times we will need to clearly differentiate in order to have a strong and unique proposition.

If we draw on our past achievements of turning science and technology into prosperity, we can identify ourselves as places which support industries that are seeing massive investment at a global level - advanced engineering, electrical engineering, creative, digital, IT, bio-science, nano-technology, big data etc.

We have some shining examples of where the entrepreneurial sector is doing this already. In Adur and Worthing, we are specifically “making things” using science. Very often the technologies we are creating (e.g. eco-tech sector) are genuinely world-leading gaining us reputation and inward investment.

We need more, we need strong focus on making it happen and we need it to become part of our collective psyche as public servants.

- **New business sectors** : We need to develop a stronger understanding of the needs of the creative, digital, IT, science and tech sectors – what

they need from our places and how we can deliver it. Our offer is currently patchy and we don't have

an external image that matches our existing high tech reality.

- **Inward investment** : We need to become places that are 'in the game' of LEPs, City Deals etc and that look for other ways of attracting significant investment capital. For example, working with others to create an investment prospectus, proactively talking to potential investors about opportunities and packaging some of our opportunities in a way that attracts national and international attention.
- **Sites for business** : We need to move both the Councils' development sites and those of others to market more quickly and in a way that is mindful of the strategic needs of our places rather than ad hoc and opportunistic. We need planning frameworks that support this and balance the housing/employment space dilemma. For council sites, we need a serious major projects capacity that drives critical projects to successful conclusions and earns us a reputation as Councils that can "do the business".
- **Education and skills** : We have three Universities on our doorstep (each with start-up and incubator experience) and we need to hear from them what would make Adur and Worthing attractive places for them to come and do business. We need to be clear about what we can offer in return.
- **Infrastructure** : We will only become attractive to new economy

employers if we have the critical "infrastructure" they require. This goes above and beyond transport, broadband (the classic "Commons" and "digital Commons") and extends to the vital elements for attracting top talent in the creative economy. This talent looks for high quality and flexible housing, a strong vibrant and interesting cultural offer, leisure, food, retail offers and good networks to other "innovators/ideas people". These are no longer "nice to haves" but an essential part of an economic strategy. We are already making progress in these areas and in the world of the digital economy, a strong cultural or schools offer is as much essential raw material as good broadband connectivity.

- **International Reach** : We need to become clearer locally (and regionally) of our approach to international markets, investment potential and tourism offer.
- **Image/brand** : We need to develop a new brand for the economies of Adur and Worthing. If science, technology and creativity are our thing, then the outside world needs to be aware of this and intrigued by it. We have extraordinary natural resources of coastline, productive countryside and a national park which is matched by our human resources. We have new skills coming through, and a variety of committed partners with whom we need to develop a collective branding agenda.

Generating wealth : What does it mean for the Councils ?

- **Economic development** : Our internal approach to economic development needs to shift from planning based, ad hoc and opportunistic approach to a consistent clear and dedicated focus on:-
 - Attracting investment and growing our international reach
 - Economy, employment and skills
 - Regeneration
 - Driving major projects to closure (in particular the development of key strategic sites).
 - **Supportive procurement** : We need to build relationships and revisit our procurement methodologies to ensure that local SMEs are able to compete.
 - **Understanding local businesses** : We need to build relationships and become more familiar with local, national and international business and how it works (particularly in the senior leadership of our Councils).
 - **Positive PR** : We need to ensure that our communications support the financial economies of both places and avoid “talking the towns down”.
 - **Dealing with ‘business toxic’ issues** : We need to quickly and effectively tackle the issues that are regarded as toxic to the relationship between ourselves and local businesses - parking, tourism, town centre work, traffic, etc. Rather than regarding them as intractable problems or ‘the problems of others’, we need to grab them, resolve them and give the commercial sector the confidence that they can invest.
- We will need to invest in our internal capacity to get this right. It may be about bringing in talent to make this happen, it might be about sharing resources with others with similar agendas or it might be about stopping some of our current activity. We have to inject pace - lack of capacity and a scatter-gun approach runs the risk of our missing the upside of the current economic cycle.
- **Open for business** : On a fundamental level, we need to make it clear that our Councils actively support and are open for business : local, national or international business.

Wave Catcher 2 : Cultivating Enterprising Communities

Walking the wards of Adur and Worthing, I have seen a rich mix of people and communities. Even within a relatively small ward, however, areas of deprivation and pockets of relative affluence lie cheek by jowl. It doesn't necessarily follow that prosperous communities are more or less socially active than those regarded as deprived. In some wards and communities there is already considerable community activity at small scale going on. In others, there is a sense of disinterest in broader community activity. There is no point in trying to force people who don't want to get involved. My experience so far is that it boils down to the people in the area, their drive, organisational abilities and openness to opportunities.

But it is also true that we as Councils can help or hinder this organic local activity. At our best we support by providing information, infrastructure, networks and skills to help community and social enterprise grow rather than creating hurdles or simply ignoring the activity completely.

Enterprising communities : The past

We have had strong and prosperous times in our past, but the histories of Adur and Worthing have not been wholly rosy ones. At times, we have needed all the community spirit and enterprise we can muster to get us through those hard times. Our areas have endured war time disruption, economic downturns and depression with stubborn levels of deprivation among some communities.

However, right across our areas, from the early 19th century onwards, public spirited citizens have either come forward to take small scale local actions or to create civic machinery that subsequently became today's Local Government and other Public Services. They set up organisations

and networks to tackle a number of pressing social or environmental issues of the day. This community enterprise was particularly active during war time periods, the depression of the 30s and the recession of the 70s. The roots of several community organisations including the forerunners of Guild Care were laid down in the 30s depression and flourish still today. St Barnabas, Worthing Churches Homeless Project, Rotary, Albion in the Community, RAFA, Ropetackle and Adur Festival, Birdman and a wide range of community and resident's associations are all tangible examples of strong and enterprising communities in action and there are many more.

Enterprising communities : The present challenge

The social histories in Adur and Worthing (and in other parts of the UK) suggest that neither 'the State' nor 'the Market' can do everything. As Beveridge himself recognised, one of the unintended consequences of the Welfare State was a reduction of large scale community activity, social enterprise and entrepreneurship to resolve issues and problems, compared to pre-1945.

We (and our public service partners) are targeting activity in our deprived areas with some success. While having a role to play in supporting our local communities, what

we most need to do is to encourage and cultivate the kind of community enterprise that served us well during our past. We need to develop and grow enterprising communities that have the ability to tackle and find solutions to social and other issues at the local level.

- **Deprivation** : Across both Adur and Worthing - we have areas of high deprivation (on many measures), areas of geographic isolation, low income, low skills, poor access to employment, poor health and, in relative terms, some of the most deprived areas in West Sussex. So where are we now? In some communities, deprivation levels are firmly entrenched – most measures have not improved significantly in relative terms in recent years. More recent evidence during the current economic downturn suggests that, in several areas, they are getting worse.
- **Community activities** : There are a range of exemplary community and voluntary sector activities (in particular community/resource bases or centres from which a variety of activities and support groups are taking place). The infrastructure is not consistent

across the areas but there are some shining examples of great practice. I have visited several excellent community organisations which are having strong impacts of their local areas (e.g. the Northbrook Project, The Maybridge etc.). Their (often volunteer) managers are, at times, struggling to meet demand or develop in the way they need to.

- **CVS** : Our community and voluntary sector contains a small number of large organisations, the majority being very small. Most of the small organisations are concerned about their financial positions, particular where State funding from a variety of sources is increasingly drying up. Both Adur and Worthing have umbrella community and voluntary sector organisations though as yet there is relatively little consortium working, bidding for public services work or wide scale use of social finance.

So there is currently a huge possibility for improvement in how we as public service organisations assist, promote and enable (rather than overwhelming or crushing) local community activities.

Enterprising communities : The possible future

**Cultivating enterprising communities by...
recognising opportunities, sharing knowledge
and skills and “getting out of the way”**

We are clear that, as the State (not just Councils, but all public services) start to disinvest, some of our communities are likely to fracture and struggle. This will undermine our aspiration for prosperity unless there are capable individuals and organisations who can take on some of the public services and solutions and deliver

them in a different way. Most of the wealth generating businesses I talk to 'get' this – many have active CSR programmes in place already and are fighting to prevent increasing levels of deprivation in our places. Whilst the situation in Adur and Worthing is no different to a number of District and Borough Councils, some of our colleagues in Public Service Organisations in other parts of the country are moving further.

Our ambition is to develop enterprising communities across Adur and Worthing - communities of geography, common interest, of age or type etc. Communities that have the ability to 'trade their way forward', to effectively take risks, to be innovative and creative and seize opportunities. Communities where there is, active participation, self-reliance, self-determination resilience to economic or other shocks and where people have the confidence and pride to stand on their own two feet, to compete and to fully participate in community life.

I have already seen signs of those communities across Adur and Worthing. We have some large organisations (Guild Care, St Barnabas, Worthing Churches Homeless Project etc.) that have grown out of community concern and a desire for entrepreneurial activity to resolve long standing social issues. At the micro level across our wards, I am seeing examples of individuals and community organisations doing the same. Their approaches are not always easy to scale up, but here is the flame and the kindling to help light the fire for enterprising communities. The spirit of social activism is alive and well across Adur and Worthing and it requires cultivating.

- **Enhanced community activity:**
We should be using the wisdom of our communities across a range of issues, encouraging community groups and social enterprises to provide much of what has recently come under the mantle of public services. Whether it's a cultural offer, a leisure offer, housing, community regeneration etc. our Councils are no longer the "experts" and holders of all knowledge, nor are we the only possible provider. There will be errors, there will be mistakes, some community organisations will occasionally fall over - no different from organisations in our commercial sector. Innovation, real innovation, often comes from failure and we should not be deterred by it. As yet we have relatively little community activity in the Digital space.
- **More social entrepreneurs :**We already have some social entrepreneurs and business people with real social interests. The demographic change is bringing new residents with interests and ideas about social entrepreneurialism into our areas. We need to connect them up, connect them to real social problems and support them to access social finance solutions where required.
- **Creating new social businesses.**
As part of our role as Civic Social Entrepreneurs (see the next section), we will encourage those of our service areas that are ready to migrate to social business status. We will also prepare other services for that journey where we see potential.

- **Self-determination.** Once we have confident and able community leadership then, led by local ward councillors, we will look at what

parts of our day-to-day decision making they can be more actively involved in.

Enterprising communities : What does it mean for the Councils ?

- **Use of Localism legislation :** As yet there has been relatively little use or interest in the Councils in the “Community Rights” package and some of the other enabling powers in Localism. We, as a Council, have in places often been slow to see the potential in community activity and, at times, have got into active conflict with it, even where we may be sharing common agendas. We need to understand that community enterprise in a variety of forms is of enormous value and if others can do things at a local level as well as, or better, than we can then we need to get out of the way and support them to do so.
- **Actively promoting community enterprise :** It’s not about us teaching business skills to communities. It is about Local Government and Public Service partners not always “doing to” or “doing for” but “doing with” and, ultimately, in our decision making being “led by” those enterprising communities and their leaders. It’s about using our investments (in grants, time and energy) wisely and through the way that we commission solutions and services.
- **Being constantly vigilant for opportunities :** bringing people and assets together to work on many of our areas’ ‘wicked issues’.
- **Watering the seeds :** if we are to get back some of the “pre-Beveridge” levels of social activity we need to plant seeds, cultivate the seedlings and help the saplings to grow rather than looking for reasons why seeds shouldn’t be watered.
- **Using partnership vehicles and relationships :** We currently have a range of formal partnerships and good relations with key delivery partners that we need to actively use to further enterprising communities from the LSP to relationships with small CVS organisations and major employers ... we must become the connector that brings the focused attention to the agenda. This includes growing our abilities to influence WSCC and other partner’s commissioning approaches.
- **Using public sector commissioning :** We already have some good examples of co-design and co-productions of solutions in some services. In developing Wellbeing Hubs we assessed need, tested the market and commissioned a mature mixed economy of supply (with our Councils and CVSE provision managing the supply network well). In many areas, though, the progress is slow and we do not always have the understanding or skills required

within the Councils. A mature and capable commissioning approach will greatly enable local CVSE (community, voluntary and social enterprise sectors) to grow.

centre and co-training social work professionals alongside community groups. Both are tangible examples that we can learn from and take to other services.

- **Using developing agendas to catch the wave** : We must use new or developing policy areas to drive our enterprising communities agenda. Public Health responsibilities are an excellent example where we have engaged well with our Director of Public Health who has commissioned the Wellbeing Hubs ... creating opportunities to influence the County-wide Public Health Strategy. Similarly, in the developing “early help” agenda (taking the Troubled Families initiative to the next stage) we are effectively influencing by bringing CVSE and families to the

- **Leading Enterprising Communities** : We must recognise this is an important and difficult role. Supporting, enabling, facilitating, helping to define communities (our profiles for Asset Based Community Development are an excellent start) as well as supporting and challenging our CVS to be “big, bold and effective”. We need to support fledglings until they are ready to fly. We must not forget the importance of aligning small funding pots (jointly with WSCC, Social Enterprise and Big Society type funding etc.) as well as maximising the larger opportunities for Social Investment.

Wave Catcher 3 : Becoming Adaptive Councils

Adaptive Council : The past

Since the early 19th century, we have seen Commissioners, “the Parish” and, more recently, what we recognise as modern Local Government providing the “Commons” (the common infrastructure) for local people and businesses. The 19th century saw the development of road infrastructure with clean and paved streets, public health works and new technologies to combat the flood plain, leading to a growth of villages such as Lancing, Sompting, Fishersgate, Southwick etc.

These ‘commons’ enable wealth generators to create prosperity and allow communities and individuals to thrive. They also include the ‘social safety net’ to provide shelter and support to those families who would otherwise struggle to keep a roof over their heads or to educate their children. And it is easy to forget that they are important ‘glue’ in prospering communities.

In more modern times, our “Commons” activities have covered transport, housing, land use, public health, social care, waste and cleanliness of the public realm, higher and further education, leisure, cultural offer, economic development, social regeneration and tourism. Bringing us right up to date, the new Splash Point leisure centre is not just a global award winning leisure centre, but a beacon of what ambition can achieve in Worthing and the power of concerted civic action in developing “the Commons”. The regeneration of central Shoreham is a similar lesson about what such focussed attention can bring to a place.

As Councils, we have adapted continually : Adur and Worthing Councils can be rightly proud of the way that a District and a Borough Council came together to improve the

quality of their services and substantially reduce costs. It is estimated that up to £11million so far has been saved from this process with more to follow.

At our best, I see an organisation where committed and skilled staff provide cost-effective, high quality services - residents have frequently spoken warmly to me of our refuse collection, street cleansing, beach patrol, leisure services, etc. We have also shown that we can demonstrate considerable Civic bravery and forward thinking (e.g. the high design spec and brave borrowing required for Splash Point; the publication of the recent Adur Local Plan for consultation - balancing the future prosperity of the area with understandable concerns of residents about further development etc.).

Our new ways of working (NWoW) project, notwithstanding some technical snagging still to resolve, has seen a wiser use of our accommodation portfolio, freeing up savings. It has enabled the creation of Civic Hubs for us and partner organisations to use and, in time, we will create a technological platform from which we can grow our service offers.

At our best, we can also lead local social policy and practical interventions on the ground (e.g. Think Family). We can be skilled at dealing both with large volumes of customers and adept at turning individual complaints into

opportunities to create real satisfaction with our residents.

At our best, therefore we show signs that we can build upon a proud Civic tradition and become a Council fit to lead its communities in the 21st century.

However we are not, in the judgement of many, often enough or consistently enough at our best. We are not yet the Councils either Adur or Worthing need to lead them into the future. It might just be possible to rest on the laurels of past achievements and to ride the coat tails of national policy or productive local partnerships, to continue to “Slice the Salami” until there is none left. And we could hope that the improving global economic situation, increasing local asset prices, new technological solutions and a constantly changing demographic enable us to ‘muddle through’.

This isn’t surfing the wave though – it’s more like being caught in the backwash – being unable to shape our own destiny and carrying the risk of lost opportunity for the communities we serve.

The present challenge

We are at an important point in our organisational history. Merging services of two authorities and the New Ways of Working Project have delivered real savings and, in some cases, notable service enhancements. However, a number of challenges (financial, resident expectation, changing demographics, technological development etc.) and a rapidly moving economic cycle require us to refocus the Council’s activity.

We don’t have the opportunity of ‘spending more’ - it’s about spending more wisely and focussing our reducing investment in areas of highest impact. It’s also about bringing the resources of others and the untapped resources of our communities into play. Those key challenges include

- **Economic development and inward investment** : We are not punching our weight in supporting our wealth generators. We spend time and energy in partnership activity seeking relatively small pots of Government money (often as part of competitive processes where we are not sure there will be a benefit). Significantly larger sums of inward investment are available in areas that we are not ‘mining’. At times our approach is opportunistic, driven

by individual micro local pressure and national or regional funding streams, rather than a strategic approach to economic growth. A number of our major projects are “stuck” and we are not yet on many “radars” for inward investment.

- **Land use strategy** : In Adur, we have made recent progress with a draft Local Plan at consultation stage and some clear propositions for the airport and the harbour. In

Worthing there remains a lack of clarity and focus about what we are trying to achieve. There is an ambition to support SMEs and start-ups but without a strong understanding of the role of higher education/University sector or a focus on high growth and innovative business. We also need to shift our mind-set to think how we might use the land we as Councils own to support our wealth generators not just to maximise our rental income and identify opportunities for longer term revenue streams for the Councils.

- **Regeneration approach** : At times our regeneration approach appears to be on very local projects without having any strong vision about what we need to achieve. Therefore our energies, though well intentioned, can be a scatter gun response to funding opportunities, confusing partners and major investors and occasionally skewing our approaches.
- **Supporting community enterprise** I have covered the need for this in Wave Catcher 2.
- **Organisational culture and resources** : External partners and our own staff have described us as static, stagnant, solid, risk averse,

bureaucratic, slow to respond and at times frustrating to talk to or deal with. Whilst I have seen some examples of excellent engagement with partners and service delivery, I have seen too many examples of us falling short. We know that our Revenue Support Grant will reduce year on year and is unlikely to be replaced by other grants. We have some examples of entrepreneurial (and intrapreneurial) activity but this needs to become the norm if we are to ride the wave.

- **Public service commissioning** : With the notable exception of 'Think Family', I have seen relatively little evidence of good commissioning of community or locally based solutions which enable third sector organisations or SMEs to come together to share cost and provide consortia based approaches to public services and solutions. I've also seen little evidence that we are tapping into the potential of the social finance market to fund activities and businesses of social value. Neither the Councils nor other local public service organisations are fully utilising the potential for social enterprise and mutuals to solve longer term social problems despite the fact that we already have some social enterprises (though at relatively small scale) in effective operation.

The future possibility

**Becoming adaptive councils by...
shifting resources, partnership focus, cultures
and mindsets.**

It is vital that we turn the “solid and stable” Council that people describe to me (both positively and negatively) into a Council that operates in a more adaptive way, understands its role in leading our Communities and knows what it should (and shouldn’t) seek to do. With a reducing RSG and pressure on capital budgets, we need to rethink what we do, the services we provide, the solutions we commission and the way we engage and support others. We have to be able to adapt fast, at times fail fast and innovate fast. This is not the rather bureaucratic public service model we currently use.

In my conversations with stakeholders, I have heard good things about our organisation. We have some extraordinarily entrepreneurial services leading the way, finding ways to both provide excellent services, community solutions and improve their financial bottom lines.

However, there have also been some consistent criticisms. The table below outlines some of the more critical things our partners, stakeholders, staff and members have said about us as an organisation. Whilst painful at times to read (and unlikely to reflect the “whole truth”) they nonetheless provide some important learning about how we are seen ...sadly not all mirrors reflect what we would like!

Critical (external and internal) stakeholder feedback (Synthesis of Conversations – all points raised by several people)

<p>Systems and processes</p> <ul style="list-style-type: none"> • Parts of our “operating systems” (the means by which we do business) have the feel of a 1980s bureaucracy • We are described by outside stakeholders as inward looking, dysfunctional, often missing the big picture, focused on the micro. • Service boundaries or silos get in the way of intelligent solutions and, at times, individual “professional judgements” have more importance than what counts for service users and communities. • We have not been consistent in how we have approached first level service efficiency changes • Productivity is not a word consistently used or understood • Our approaches to managing performance are mixed. • Our IS and customer services infrastructure look frail and unfit for the future • We have no consistent approach to an information architecture or how we will move the business into the digital environment • Some of our in-house housing stock is at an unacceptably poor standard 	<p>Culture, attitude and relationships</p> <ul style="list-style-type: none"> • Some of our Civic activity and services have become stagnant. • We are at times unable to operate at pace, with agility, to do what we say we will do, or make rapid enough decisions. • Members are left exposed by actions of officers and left to “clear up the mess”. • Stakeholders generally talk about a lack of consistent and high quality external or strategic dialogue or inconsistent working at essential relationships • Our ability to talk to communities and partners, get our messages out via communications and engagement is weak. We don’t manage our reputation well. • At times we push away the big, the novel, the risky even where others are offering to provide solutions for us. • We are not good at managing our brand - this at times leads us to “shoot ourselves in the foot” when we don’t need to. At a time when we need to work closely with our partners this is a significant risk to our credibility. • Creativity and innovation across the Councils is patchy in both designing community solutions and providing services.
<p>People and skills</p> <ul style="list-style-type: none"> • Some senior staff are not well known outside the Council. • We don’t have the skills as staff to lead our communities, enable, convene, mediate and provide confidence to others to take risks themselves. • Our procurement practices can seem opaque and our undertaking of Commissioning undeveloped. • We don’t make the most of the partnership opportunities we have. • We don’t understand the digital world – what it means for us and the opportunities it will provide – “We are not yet digitally savvy” • Our collective commercial/entrepreneurial “nous” is not where it needs to be. • Do our people have access to the learning opportunities they need for the future and do we know how to acquire them? 	<p>Strategy and leadership</p> <ul style="list-style-type: none"> • We are “over managed and under led” • Too often we look to our big brother and big sister (West Sussex County Council and Brighton & Hove City Council) for a lead. At our worst this can look like we have no policy of our own or we too often do things because “the Government says”. • Our strategy for economic development has historically adopted a planning based approach which does not always work for potential inward investment or key strategic partners • We have not fully developed or understood the value of our cultural and tourism offers and their impact on the local economy (culture for us is about “theatres” as opposed to a broader leisure, arts, retail, sports offer to “put us on the map”). • Although we know that we will face considerable financial challenges over the next decade (primarily with a reduction of RSG but with a number of demographic and infrastructure challenges as well), we have not developed a strategic approach to coping with those diminishing resources • Whilst Corporate Priorities were refreshed earlier in the year, they are general rather than specific and there is not yet good understanding of what they mean, and how we bring them to fruition. (The “when and the how are missing”).

Four focus areas

To change our capacity for adaptation and our reputation, we will need to focus on four key areas of work :

1. Providing or commissioning efficient and effective public services and solutions
2. Consistently developing the “Commons” to help our wealth generators and enterprising communities thrive
3. Becoming “Civic Social Entrepreneurs”
4. Demonstrating that we are confident and capable leaders of our places

And we need to do this on a reducing financial base in order to build our capacity for innovation. I am keen that “how” we do this is a design process led not only by our senior leaders but also by our staff, who should best know the needs of our communities.

1 Providing or commissioning efficient and effective public services and solutions

In some areas of our business, we’ve learnt from approaches such as “Lean”, BPR or systems thinking and made significant in-house transformations. In other areas, progress has been slower. Given that real service enhancements and tangible savings have been generated through this process we need to start by applying this ‘Best Practice’ universally across all service areas and create a culture of continuous improvement. Our work needs to be based on measures that assess outcomes against our key priorities as well as the satisfaction of our customers and residents. Our focus needs to be on:

- **Apply a consistent Systems approach across all business areas over next 18 months** : with specific targets for service and productivity enhancements and financial savings (or increased revenue generation).
- **Develop a mature strategic approach to procurement** : Procurement can represent up to 50% of a Councils budget. We need to develop a procurement strategy, upskill staff (potentially working with an expert partner), undertake a spend analysis and aggregate through category management, develop an asset reduction approach (with other partners), utilise technology, develop a supplier Management Plan and manage demand more effectively.

- **Strengthen our Contract Management and Project/Programme : Management approaches and capacity.**
- **Commissioning Capacity :** We will grow our capacity to use fully the potential of commissioning. Our conventional approach to sourcing - or the “make and buy” decision - has been drawn from the classic 4 areas:

“Make”	“Buy”	“Share”	“Divest”
<ul style="list-style-type: none"> • In house transformation (e.g. Lean/systems/BPR) • Continuous improvement 	<ul style="list-style-type: none"> • Outsourcing to private sector • Outsourcing to 3rd Sector • 3rd Sector or Private Sector joint ventures 	<ul style="list-style-type: none"> • Shared services (e.g. CenSus) • Shared Management (e.g. Adur & Worthing partnership arrangements) 	<ul style="list-style-type: none"> • Transfer to community organisations • Spin-off social business/social enterprise/Mutuals/Trusts etc. • Devolve to district or parish • Closure

We need to be more intelligence led in how we make these decisions and ensure that our strategic drivers (particularly our desire to support our wealth generators and create enterprising communities) influence our approach to sourcing decisions. Many local authorities have adopted a Strategic Commissioning approach to making those key decisions. Commissioning is not simply procurement (though that is part of it) it asks the fundamental questions of :

- what is the need that we are seeking to address?
- who is best placed to provide it?
- does it fit with our overall strategic objectives?
- what are the untapped resources that help create solutions?
- how best do we go to market(s) or negotiate with local providers for innovative solutions?

Rather than an ad-hoc approach to make or buy (or a opportunistic one) we will strategically commission key service areas.

- **New digital business models :** We will explore new digital models of doing business. Some District Councils are investing in ‘one technology platform’ that enables them to create new services and solutions around the needs of customers and communities. Others are transferring services to “Apps” platforms. We need to identify and plan our approach and align resources behind it.
- **Reviewing our assets :** In looking across our asset portfolio, and as opportunities arise, we will seek to create new long term revenue streams to replace a dwindling RSG. We will seek to work in joint ventures with others to improve and use our asset base more strategically.
- **Innovation and open minds :** We will invest in innovation processes where that makes sense, focus on outcomes (not inputs) and accept that not everything works first time.

2 Developing the “Commons” (including the digital Commons)

We will prioritise and invest in key services that we provide, not because they're “statutory/non statutory” but because they are a fundamental infrastructure to supporting the wealth generators and the enterprising communities that we are seeking to grow. Tackling some of the higher profile and difficult issues (parking, tourism, transport, housing and homelessness, town centre regeneration, economic development etc.) early on will be essential.

Developing (and maintaining) the “Commons” also includes an important role for “wise regulation”. We have a number of vital regulatory services that need to operate intelligently to ensure both fair and consistent approaches and that support our ambitions for wealth generation and enterprising communities.

3 Becoming Civic Social Entrepreneurs

- **Redefining our role** : We need to redefine both our role and our relationship with partners and communities. As well as expecting private sector and community sectors partners to take on a more entrepreneurial approach, we must do the same ourselves. That does not mean doing everything - it does mean that our role will be to bring together the key players, assets and intelligence needed in order to find sustainable solutions (via formal commissioning or other partnering arrangements).
- **Co-designing and co-producing** : Once we have identified a gap, we will co-design solutions and, at times, we will be involved in their delivery. At other times, we will step back and allow others to lead once a delivery approach is agreed. The entrepreneurial element that we need to adopt will allow us to see the potential, bring the right people together, help create a valid proposition and then know whether to lead, participate or withdraw.
- **Being ‘civic angels’** : At times we will need to be “Civic Angels”, taking an approach similar to a Business Angel supporting a new venture. That might be guidance, advice and mentoring, it might be helping community organisers to create the right networks. The leadership of the organisation in particular needs to become adept in this role. I will also expect senior managers of the organisation to take on a stewarding role of certain geographic communities, working closely with the ward councillors and supporting their democratic leadership role.
- **Getting involved** : We will actively encourage our staff to participate in the activities of enterprising communities via volunteering their skills and by shaping opportunities to learn new entrepreneurial skills. We will recognise that we have as much to learn as to teach and support.
- **Generating new social business ventures** : We will generate new social businesses by spinning out some existing services (or enabling joint ventures). We will support the fabric and networks of social business across our areas and ensure Adur and Worthing fully uses the Social Finance Market

- **Being open to community delivery** : Whether it's a cultural offer, a leisure offer, housing, community regeneration etc., the Councils are no longer the “experts” and holders of all knowledge. We should be “open source” with our knowledge and information, welcoming mature co-design and participation in what we do. When we judge that communities are ready to actively lead we should enable them to do so. That applies in all of our services when we re-commission them and as a “default setting” for new investment.
- **Running experiments** : We need to start letting people run things where they can. We should actively set about a programme to grow the capacity and transfer the management of some of our assets to active community organisations that are ready and keen. Whether that's parks, allotments or housing estates, we will run experiments to scale, find out what works (and what doesn't) and take a proportionate view to managing risk in the process.
- **Steering our partners and supply chains** : When we commission and joint-commission, we will be clear that we expect our partners and delivery organisations to have a similar focus on supporting wealth generators and enterprising communities (from use of Section 106 monies, through to volunteer activities of their staff).
- **Use of the Community Rights package** : We will pro-actively encourage the use of the Community Rights package (and what we can do going beyond), particularly looking at our surplus and unused land assets to support and encourage the development of communities.

4 Demonstrating confident leadership of place

Using our democratic legitimacy, understanding of need and environment and networks of relationships, we will lead Adur and Worthing with clarity, confidence and with the ability to have “proper grown up conversations” when required. We will recognise that, whilst democratic legitimacy gives us significant influence, it does not translate into direct control over partners or communities. We can't force people to come with us, we need to encourage them and explain our approach to our future prosperity.

At times, we already lead our communities well. At other times, we miss opportunities or ‘fudge’ issues. Leadership of place is not easy – our political, managerial and partner relationship networks need to be better aligned and our managers better equipped to lead. Amongst the skills we will need to develop for stronger community leadership are :

- Commissioning and co-commissioning
- Convening (and being convened)
- Thinking and acting long term
- Coping with complexity, difference and conflicting views
- Listening and engaging
- Community mediation
- Visioning (and story-telling)
- Gaining confidence in strategic and community leadership and the handling of conflict (and letting go of some of our old ways of operating).

The four focus areas are clearly not all that we will do. They are however, a set of co-ordinated actions that will help us maximise the first two Wave Catchers and move us to being more Adaptive Councils.

Catching The Wave—And Catching It Now!

If we are going to ride the wave we need to understand ‘the sea and the weather’, make sure we have got the right surf board and that we are surfing in the right group.

This document pulls together a story of the changes needed - it’s not a blue-print or a project plan for how we bring them about.

How do we do that:-

- **Share it with partners** and understand how it aids their agendas, ensuring we can work with them or understanding our differences
- **Create a programme for change** activity – ‘Catching the wave’
- **Share it with our Managers and staff** – allowing understanding of the agenda and then encouraging co-design of local approaches.
- Create **a coalition of the willing** and the interested (inside the organisation and our external partners and communities)
- **Communicate** our intent and engage people in delivery
- Lose no time in **making changes** to our organisational ways of operating, cultures and structures.

Where will we start ?

- **Leadership team** : We will reshape the existing management/leadership capacity at officer level, creating a smaller leadership team, focussed on our key themes, that has the capacity and ambition required to Catch the Wave.
- **Create new structures** : Form follows function. We will reform our teams to reflect the key themes (rather than our current traditional functional structure), so that people can work together more effectively across professions to deliver our objectives. Our focus will be more on the outcomes we seek than the professional families of our history.
- **Working with Members** : We will carefully consider what 'Catching The Wave' means for elected Members. A growing community leadership role and a focus on priority areas will bring new demands, therefore a revisiting of how Members and officers jointly work together on the agenda.
- **Amplifying the enthusiasts** : We will unlock those parts of the organisational culture that are already home to innovators and adaptors.
- **Rebasing systems for adaptation** We will align our performance and reward and incentive and innovation systems behind the outcomes we seek. We will cut the unnecessary "red tape" that holds us back (whilst retaining what's needed for sound and accountable governance).
- **Redistributing resources** : We have the basis of a budget for 2014/15. We will need to revisit how we redistribute further resource in order to meet the new agenda. This may not be a dramatic redistribution but we will need to grow our capacity (in areas such as Economic Development, our Reputation and Communication, Productivity and Performance etc.), recognising we have no new financial resource.
- **Rewriting our policy agenda** : We will ensure we have a strong Policy agenda that links together our aspirations and is translated through business and budget planning over the longer term. Our policy work will drive our partnership, regional and national work – not the other way around.
- **Re-emphasising our partnership activity** : We will ensure that the partnership activity we are engaged in (and our key partners) have the opportunity to shape our approaches going forward. From the Waves Ahead (LSP) Partnership to how we work thematically with other public service organisations we will seek to use partnerships and relationships to Catch the Wave.
- **Communicating better** : We will need to conduct a significant piece of organisational (and cross-community) communication to explain what we are doing and why and encourage engagement in the agenda.

And finally

Even after a few months in Adur and Worthing, I can see a successful and prosperous future if we do the right things at the right time, catching the wave. Local Government and local governance still has an important role to play in shaping that future. The ambition of local individuals, businesses and communities; and an improving economic climate, allied with clarity about what the Council's priorities are in the future creates a powerful wave of opportunity.

I believe we should catch and ride that wave and my message would be “come on in - the water's lovely”.



Worthing based Lewis Crathern : 4 times UK Kite Surfing Champion