

There are probably as many views on what we mean by personalisation of services, as there are people in this room today. For me, it's not just about choice, or improving our experiences of public services when we interact with them. Instead it's about services being designed around the user as the joint producer of the intended outcome. So health services are better if patients have greater choice and control. Results improve when pupils and parents feel engaged with the school. The police have a chance of success if the community accepts a role in delivering the crime prevention strategy.

Fundamentally, personalisation is about engaging people as co-producers. It is about designing services around a new, more collaborative relationship between the state, professionals and citizens. It is about the integration of services in ways that make sense, not to the councils and the consultants, but to people in their everyday lives.

This has been a popular line amongst the policy wonks and in Whitehall seminar rooms for a while, but I know that not everyone buys it. Pretty much every time I speak about these issues, someone will usually make a contribution along the lines that they're not looking for engagement or a new relationship from their local council: all they want is for their bins to be emptied on time.

I was wondering whether this would come up today – hopefully I've pre-empted it now. But as I was taking my recycling out this morning it occurred to me that refuse collection has become perhaps one of the most co-produced public services we've got. I probably spend more time separating, rinsing and bagging up my rubbish than Lambeth council ever will. A simple 'delivery' service has turned into a partnership between residents and council, each doing their bit to achieve the targets and outcomes that have been set. So, thanks to recycling, even refuse collection, that most transactional of services, is part of the debate.

But it's not just in bin collection that we can point to examples of co-productive, personalised services in action. You can probably all point to examples of initiatives in your own areas that put the principles of co-design and co-production into practice in many different fields. Some of these we know about – the pioneering work of Oldham on the very first personal budgets in social care; the intensive family work in Dundee that has shaped the national Family Intervention Projects that are currently being rolled out and so on. These are all exciting glimpses of a future where services work with the grain of people's lives, rather than treating them as passive recipients defined by their deficits.

But the point I want to make here is that for all those that we hear about, too many innovative approaches to personalising services remain trapped in the contexts in which they have been developed. If I were being challenging, I might argue that the impact of these projects are not commensurate with the considerable time, effort and cash that is invested in them. Too often they struggle to move from the margins to the mainstream. They remain tiny beacons of new practice that we can each point to – one-offs. But we have not yet found a way of getting these pilots to infect and infiltrate the bloodstream of 'real' council business.

That question of mainstreaming is one of the issues I want to raise today. The second issue I want to touch upon briefly is about whether we are really making the most of the considerable resources now at our disposal when it comes to innovation and personalisation work.

There has been a growing amount of money available to support innovation work in recent years – in fact it would be fair to say that public service innovation has become something of an industry in its own right. As well as investments individual councils are making to support innovation, CLG spends £70m pa on innovation and improvement (and that doesn't include the £180m earmarked for RIEPs over the next three years). DH have just created an innovation fund of £50m pa. DIUS are working with NESTA to create the public service innovation lab. The Design Council are working on a series of projects to encourage innovation in localities. As well as innovation offers from all the major management consultancies, a host of smaller specialist organisations such as the YF and the IU sell support to councils seeking to innovate.

I think that these developments are in many ways positive. There's no question that innovation requires the investment of resources, be they financial, human or otherwise. But given the scale of the challenges local govt now faces, I think we need to find ways of simultaneously focusing the innovation work that's going on, around the really big issues, *and* raising our ambition in relation to it.

In practice, I think that means we should be driving innovation work on whole systems of support, rather than on improving individual services or making them more efficient. Personal budgets in social care are without doubt an exciting innovation, but without finding ways of integrating social care with health budgets, their impact will remain limited. Similarly, innovations to personalise the school curriculum can help, but we are unlikely to successfully meet targets around NEETS if unless we look at learning in the broadest of terms – not only what happens in schools but also in homes and communities.

I've just finished editing a collection of essays on local govt innovation from leaders and chief execs of a wide range of councils who are just beginning to embark on these kinds of more disruptive innovation projects. They have some clear messages for us. They know that this work can be difficult and uncomfortable. They know it will take more than a creative workshop here, or a Dragons Den there. They know that it's about more than good ideas. It's about finding new ways of using public money. It's about new forms of collaboration and partnership. It's about a sophisticated approach to managing risks. And it's about new ways of measuring value and impact that goes well beyond outputs and targets. This is the kind of work we need to see more of. I think there's an opportunity amidst the gloom of the current economic climate to be bolder and more radical in our innovation, rather than to retrench and focus on screwing ever more out of ever less. I have to say I don't think Whitehall is seeing things like this, so I guess the question I'd like to end on is whether the local govt sector is truly up for leading the way. I hope it is.