



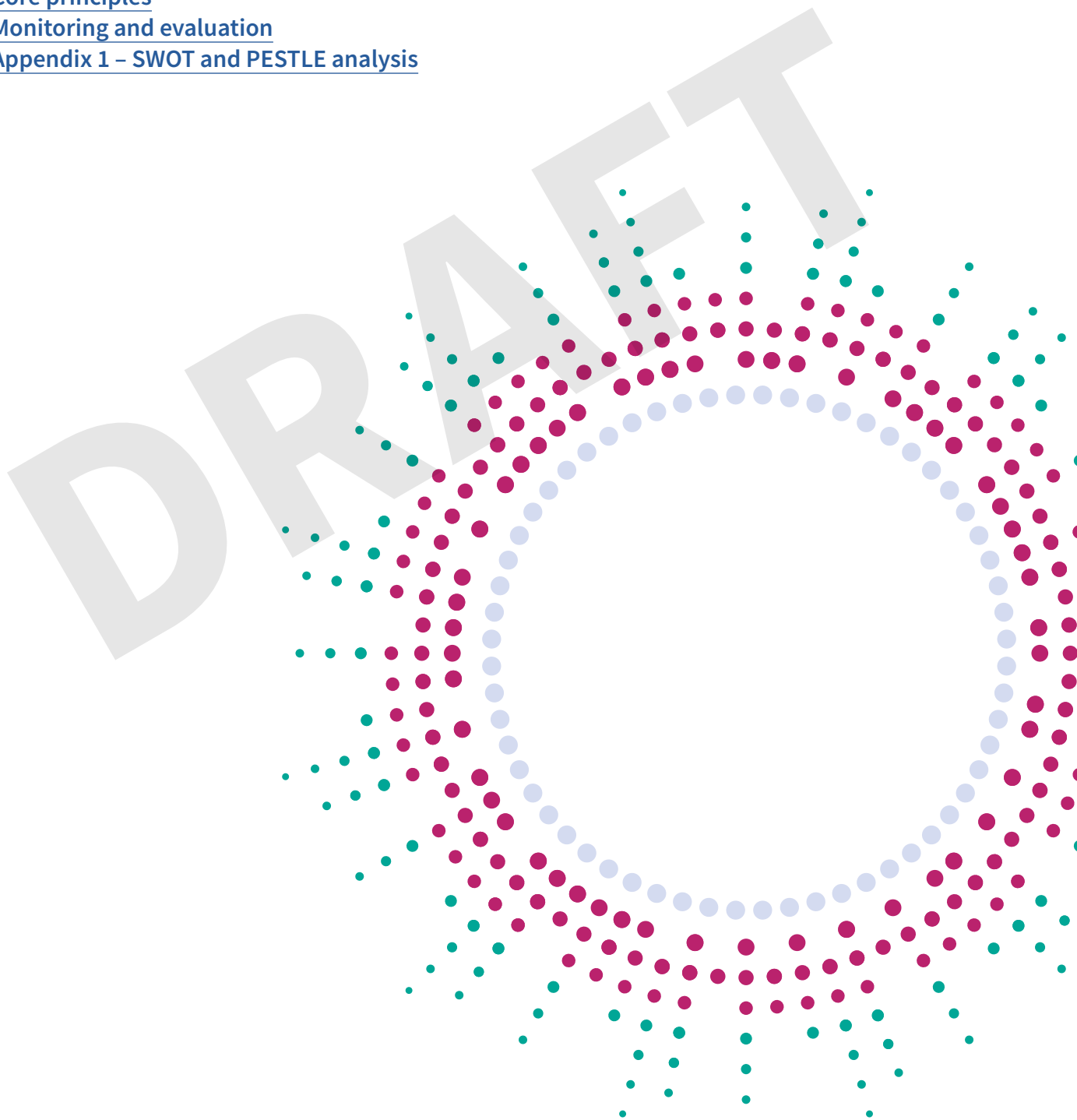
DELIVERY OF LOCAL GOVERNMENT EFFICIENCY (DOLGE) STRATEGY

A Unified Approach



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EXECUTIVE SUMMARY

In its first year of operation the Department of Local Government Efficiency (DOLGE) was successful in scrutinising spend, making savings, and identifying opportunities for greater efficiency in Kent County Council (KCC).

With the administration having set and now managing its own budget, the work of DOLGE will move to a second phase, which will require a collaborative approach and have wider 'ownership' within the authority amongst staff and Members. This strategy has been produced to guide and inform the future work of DOLGE as it enters its second phase; and reflects the ambitions of 'Reforming Kent', the Council's strategic statement. The production of this strategy should help restore public trust in local government that it seeks best value for its spending.

The desired 'end state' of an innovative culture; a leaner, more efficient and effective Council will require a new approach for DOLGE, shifting from a Member-focussed effort to a collaborative cross-authority model. In future the acronym 'DOLGE' will stand for 'Delivery of Local Government Efficiency'.

This strategy has been guided by a SWOT and PESTLE analysis and determines strategic areas for the work; each with a number of themes within the following strategic areas:

- Efficiency and Simplification
- Ensuring Spend and Savings are to Budget
- Commercial and Income Generation
- Resilience and Local Government Reorganisation

A number of priority actions have been identified within these themes. The strategy lists a number of principles which should become embedded within the authority, and guide officers' and Members' work. The work will be monitored and evaluated, with reporting made to appropriate committees.

It should be noted that in addition to recommending key actions and principles for the organisation to implement, this strategy is a framework for those and additional actions and objectives that may arise over time.

The role of Members involved in DOLGE will be;

- Overseeing the strategy
- Monitoring implementation of the principles
- Monitoring delivery by senior officers and Members
- Reviewing and reporting on delivery of efficiencies

The government's decision on Local Government Reorganisation (LGR) will have a bearing on the work of DOLGE, particularly as the authority may have to address its own exit. The strategy has been produced in such a way to be flexible around the outcome of LGR. It is envisaged that any successor authorities may wish to adopt the principles and key elements of this strategy.

The strategy has been produced as a 'living document' able to be updated as circumstances arise.

INTRODUCTION & BACKGROUND

Introduction

The Department for Local Government Efficiency (DOLGE) was created by the Leader of KCC in May 2025 through the establishment of a Cabinet Member for Local Government Efficiency and the identification of two Deputy Cabinet Member positions who could assist the effort (Deputy Cabinet Member, Finance and Cross-Cabinet Activity; and Deputy Cabinet Member, Commercial and Trading). DOLGE was established to provide a new pair of eyes on KCCs budget and to seek savings and efficiencies where possible. This would be done through interrogating every line of the Council's budget, which had been set by the previous administration, to ensure that any waste and inefficiencies could be identified and, as the financial year progressed, spend and savings were on track to be delivered.

Background

The Administration inherited an incredibly challenging financial position from the outgoing Conservative administration. The authority had a debt of £732 million, was paying £84,000 in debt interest daily, had a savings and increased income target for 2025/26 of £121 million, was facing an overspend of £20.1 million and ballooning spend in Adult Social Care.



WORK IN THE FIRST YEAR (PHASE ONE)



Budget Lines

Early work of DOLGE entailed analysing all County Council budget lines, working with Cabinet Members and Directorates to identify opportunities for savings.

Future Cost Avoidance

This identified a number of areas where future spend could be avoided. This included scrapping the making of the property portfolio and the vehicle fleet Net Zero compliant by 2030; actions which were supported by the Council rescinding the KCC 'Climate Emergency Declaration' and thereby avoiding £39.5 million of future spend. In addition, the Council turned around the previous decision to dispose of Sessions House, resulting in a £14 million cost avoidance.

Monitoring Spend and Savings

A key priority in the first few months was to ensure that savings were on target to be achieved. At the end of the 2025/26 financial year, £100 million of those savings had been achieved.

Contracts

Much of the spend of the authority is via external contracts, so much of the DOLGE effort was in working with senior Procurement staff. This led to the production of Kent's first ever Commercial Strategy; a Supplier Day held at the County

Showground in Detling for which there were 750 applications and 300 businesses represented; a re-forming and more regular meetings of the Contract Management Review Group; the shifting of procurement expertise closer to the commissioning functions, and the introduction of a new commercial training module for KCC staff.

Adult Social Care

DOLGE saw the first quarter financial monitoring report only in August 2025 and it showed that the authority was off course to deliver against its budget in 2025/26. The most significant financial pressures were in Adult Social Care, which was anticipating a major year-end overspend. DOLGE, working alongside senior Members and officers, explored ways to address this problem, and with the appointment of a new temporary Corporate Director for Adult Social Care and Public Health, programmes were instigated to stabilise the budget which involved the introduction of caps and ceilings, keeping to frameworks, shaping market expectations, sharpening procurement principles and controlling spend. This resulted in a stabilising of the Adult Social Care spend over the final months of the last financial year. Progress

will continue with the establishment of an Adult Social Care ‘Star Chamber’ involving DOLGE and senior staff to provide continued focus on efficiency.



Spending Controls

Work with the Chief Executive resulted in the introduction of spending controls for the last five months of the year to help achieve budget stability. The management action taken included introducing a recruitment freeze for all but essential roles, limiting staff training to in-house courses, and preventing attendance at external conferences.



Identification of Additional Savings

DOLGE identified a number of savings options, which were discussed informally with Cabinet Members and members of the Corporate Management Team. Subsequently, a further £14 million of savings were generated by Directorates through the financial year.



Local Government Reorganisation

The KCC proposal for Local Government Reorganisation was submitted to government on 28 November 2025. The option selected by KCC (Option 1A) was designed by DOLGE and subsequently worked up by officers to the DOLGE requirement. This option was assessed by external consultants working on all options submitted from Kent, and the consultants’ conclusion from their full financial appraisal demonstrated that there would be significant savings to Kent from pursuing Option 1A to the tune of £460m over ten years.



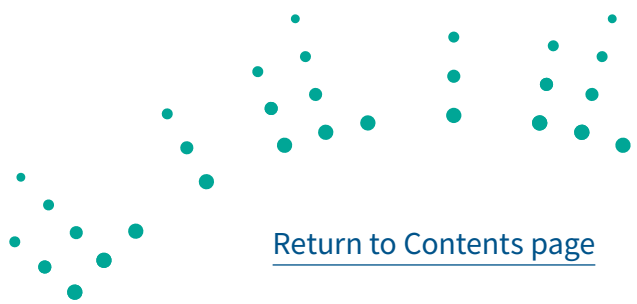
Debt Reduction

DOLGE supported the Deputy Leader in work to reduce the authority’s long term debt, which was reduced by £114 million over the financial year, saving approximately £1.2m in debt interest payment per annum.



Committee Structure Savings

With the Deputy Leader, DOLGE instigated a review of Committees in Kent County Council to save £75,000 and reduce bureaucracy and duplication and enhance efficiency.

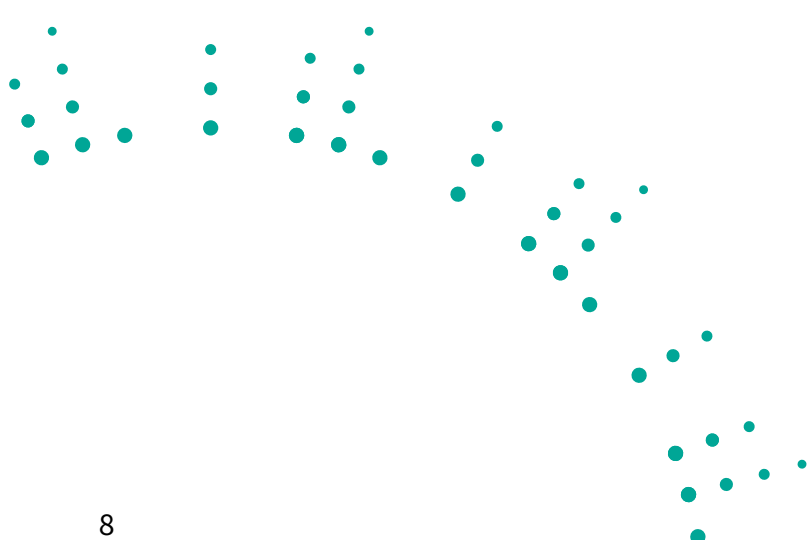




Budget-setting for 2026/27 and the Medium-Term Financial Plan

A key role for DOLGE throughout the year was in contributing to the thinking and prioritisation that helped to shape the budget for 2026/27 and the Medium-Term Financial Plan. Ultimately the balanced budget for KCC that was approved by Full Council on 12 February 2026 took on no new borrowing, provided a net increase in reserves of £19 million, continued to see debt reduce, had a savings and income target significantly less than the previous year (although still challenging at £88 million), and provided an increase in spending capacity in Adult Social Care (11% increase), Children's Services (7.7%) and Growth, Environment and Transport (5.2%). In addition, the budget allowed the authority to set a Council Tax rise (3.99%) at below the maximum level allowed, for the first time in 13 years.

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PHASE TWO

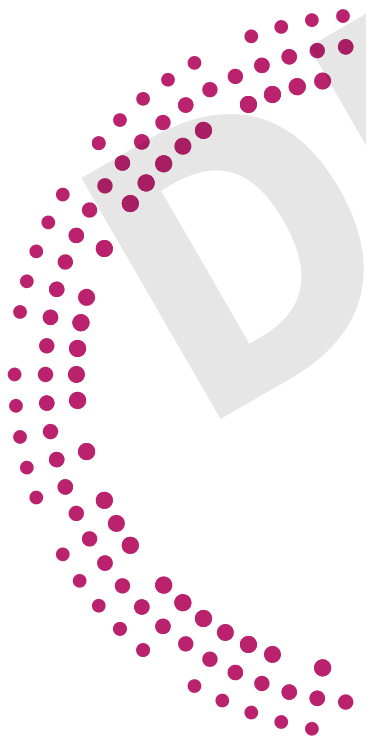
SWOT AND PESTLE ANALYSIS

The strengths, weaknesses, opportunities and threats appertaining to DOLGE were assessed in the production of this strategy in order to determine future priorities and method of working.

The wider societal, political, economic, social, technological, legal and environmental context within which KCC operates were considered through using a PESTLE methodology.

The summary of the SWOT and PESTLE analysis are presented in Appendix 1.

WAY OF WORKING



With the Administration now managing its own budget, the DOLGE programme can shift to a more collaborative approach. DOLGE will continue to seek economies and efficiencies, identify savings opportunities, and value for money for Kent residents. However, the priorities outlined in this report necessitate a dynamic process with the DOLGE concept being 'owned' by all Cabinet Members, other Members of the administration, and understood and delivered by staff. DOLGE is about ensuring that the culture is one where all staff are conscious of all spend and the need to do it carefully, fully cognisant that it is residents' money that they are spending.

IN THIS NEW PHASE OF DOLGE, SEEKING EFFICIENCY AND BETTER SPEND OF TAXPAYERS' MONEY CAN NOT BE SEEN AS SOLELY THE RESPONSIBILITY OF A SMALL NUMBER OF CORE ELECTED MEMBERS, BUT RATHER BE EMBEDDED WITHIN THE ORGANISATION AND ITS STAFF.

Cost-consciousness must become embedded in all Directorates. Innovation and creativity must be allowed and encouraged to flourish, as this will provide the ideas and motivate staff to make best use of resources. In the second phase, the DOLGE effort has to be flexible and adaptable. DOLGE will not be about wielding a chainsaw or a salami-slicer, but about helping the authority to find and implement sensible, pragmatic solutions where efficiency is at the core.

This strategy is not recommending an authority wide culture change programme. Such a programme could interfere with the timely delivery of the actions recommended here. However, many of the recommendations and key principles of this strategy will require new ways of thinking.

ALIGNMENT WITH THE KCC STRATEGIC STATEMENT: REFORMING KENT

The establishment of DOLGE was a key priority for the administration at KCC, and its significance is stated within 'Reforming Kent', the Council's strategic statement. Seeking value for money, driving efficiencies and making best use of every £1 spent feature strongly in the strategic statement.

Reforming Kent recognises the importance of KCC impacting positively on the quality of life of Kent's residents, and that a successful Kent County Council necessitates the organisation being focused, targeted and responsive to financial pressures. This DOLGE strategy provides that impetus.

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Officers' and Members' Roles

The DOLGE concept of seeing efficiency and value for money will be embedded in the organisation and championed by Members and senior staff, who will be responsible for implementing the strategy and its principles. The strategy will be 'owned' and implemented by KCC but monitored by the Cabinet Member and Deputy Cabinet Member for Local Government Efficiency.



Ensuring Delivery

Much work has been carried out in the past within KCC on seeking efficiencies. This strategy builds upon that foundation and provides a focal point for this work going forward rather than stating the methodology to be used against each required action. Senior management and the Corporate Management Team must find ways to ensure delivery of the priority actions, whilst enabling resilience and fitting with the acknowledged approach to budget build for 2027/28 and beyond.



Enhancing Productivity

Successful implementation of the strategy necessitates the authority continuing its work to achieve enhanced productivity from its staffing resource. Seeking to achieve best use of that resource must be a constant action for KCC if the authority is to enhance its efficiency and become more effective without having to resort to 'growing the staffing numbers'.



System and Process Re-engineering

Achieving a leaner, more efficient council will require appraisal of systems and processes, with a view to simplifying and rationalising them. This applies to commissioning as much as to direct service provision. All managers within the authority should be tasked, as a core component of their work, with revisiting all processes and systems to find efficiency and value for money. This simple approach to system and process engineering should be an ongoing and constant challenge throughout the authority. In many instances, simple 'tweaking' of processes may save considerable sums of money. There is potential for systems and process engineering to be a core part of the Service Quality Assessments being carried out in readiness for Local Government Reorganisation.



Joint Working and Partnerships

Much of KCC's work is delivered with or through partners. Significant elements of KCC's work are externally funded. The principle of seeking best value is as relevant for external spend as it is for KCC's budget, but additional sensitivities may be required when dealing with other organisations' cultures.



Statutory vs Discretionary

There is no assumption made in this strategy that KCC should only deliver, or ensure the delivery of, statutory services. Some of the most important work of the County Council is 'discretionary', and much of it supports the statutory services. The continuation of any service will remain a political choice; however, this strategy recommends that there should be greater clarity on what is statutory and what is discretionary for better decision making.



Budget Building and Treasury Management

Savings arising from actions taken through implementation of this strategy must feature within KCC's existing financial framework, processes and timescale for budget setting and monitoring.

It is acknowledged that local authority debt is a core part of treasury management and enables a sound capital programme. However, continued debt reduction will be sought where it is pragmatic and prudent to do so.

THE DESIRED STATE

The aim of the DOLGE work should be to create a leaner more targeted, efficient and effective council where statutory and discretionary services are provided, within permitted powers, at the right scale, reflecting the needs of the residents of Kent.

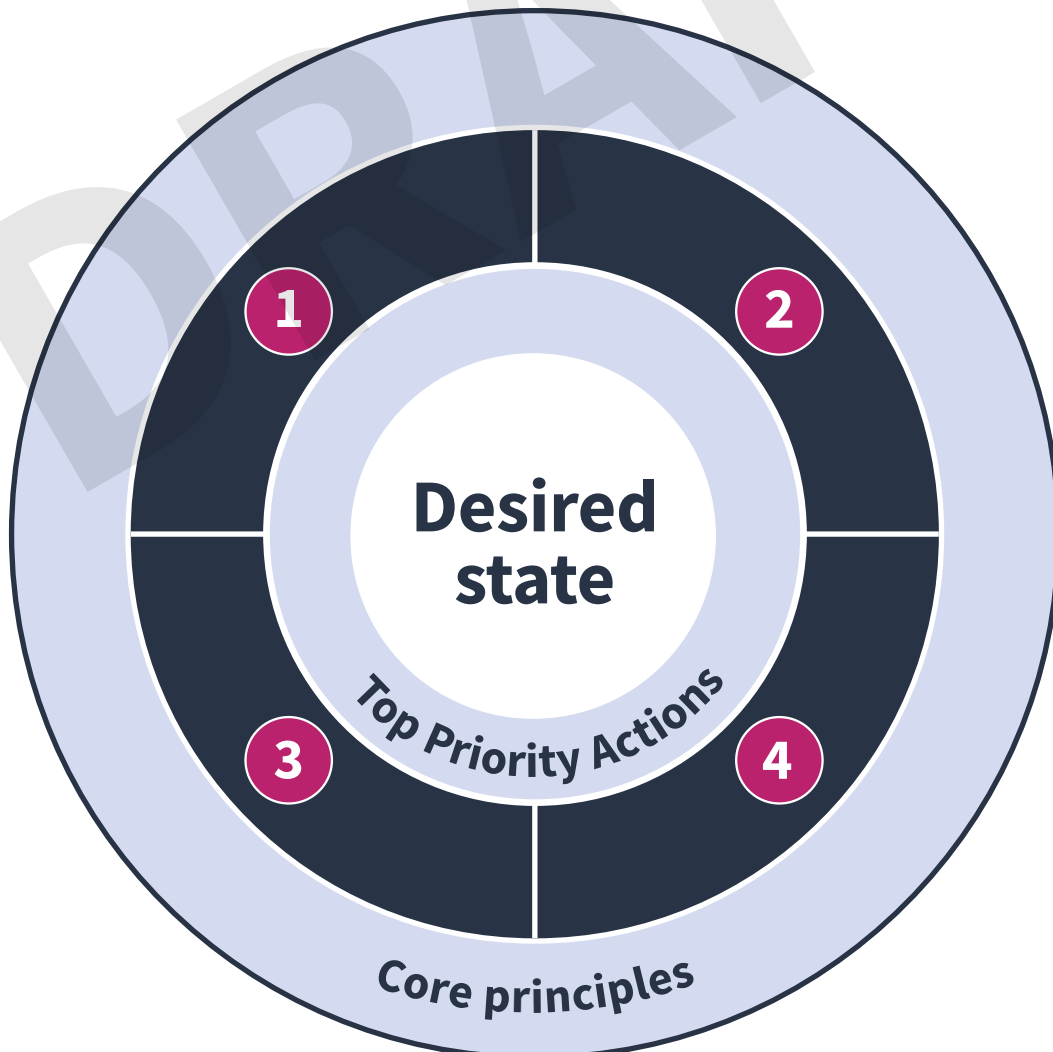
A council where a culture of innovation, creativity and commercial acumen to benefit service delivery runs throughout, whilst ensuring transparency, probity and legality.

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FOUR STRATEGIC AREAS

There are four strategic areas for the DOLGE work that will enable the authority to move towards its desired 'end state' of having an innovative culture and a leaner, more efficient and effective council.

- 1 Efficiency and Simplification
- 2 Ensuring Spend and Savings are to Budget
- 3 Commercial and Income Generation
- 4 Resilience and Local Government Reorganisation



EFFICIENCY AND SIMPLIFICATION

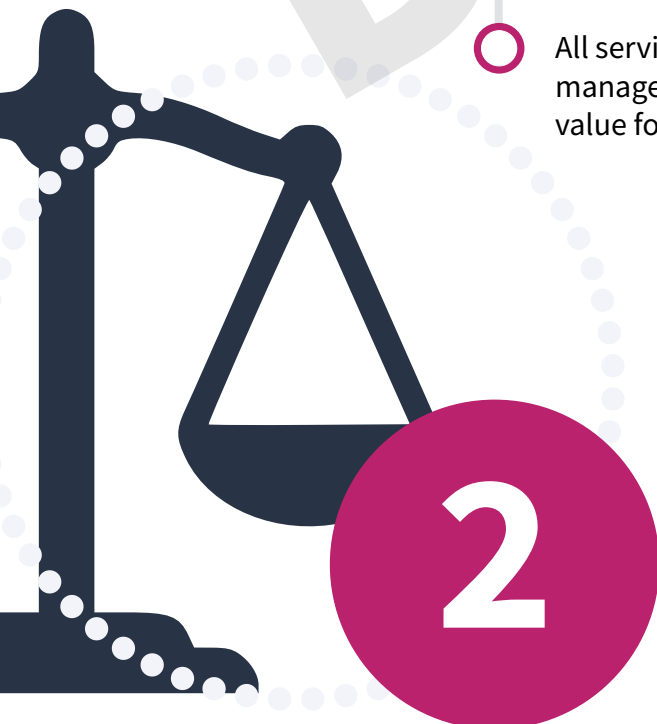
- Review of FED process and content to enable better decision-making.
- Review of key performance indicators to fit with national requirements and areas of change for the County Council.
- Regular review of the Constitution to ensure no unnecessary bureaucratic structure or processes hinder transformation.
- Consider committee structures to prevent duplication and enhance decision making.
- Evaluate processes for financial monitoring and procurement, and re-engineer amendments particularly through the enhanced use of Artificial Intelligence.
- Contract timescales to be appropriate.
- Streamline comms effort.
- Extend training beyond simply 'commercial', to include income generation, budget monitoring, procurement processes etc.
- Simplify internal processes and streamline decision guiding boards.
- Six-monthly reviews of the KCC Strategic Statement.
- Consider the use of the unit costings for services where appropriate, as a mechanism to provide measurable data to support procurement and ensure value for money.



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ENSURING SPEND AND SAVINGS ARE TO BUDGET

- Via the Deputy Leader, ensure balanced budget is set for 2027–2028 and the Medium-Term Financial Plan is realistic.
- Enhance flexible use of Capital receipts.
- Consider the definition and interpretation of ‘statutory and discretionary’ across all services to inform efficiency measures (can be done as part of service assessments for Local Government Reorganisation).
- Consider acceptable minimum levels of provision across all services.
- Develop ‘oven ready options’ that can be worked up as savings for speedy implementation.
- Develop ‘pre-cooked options’ that can be implemented immediately, such as recruitment freeze, freeze of external conference attendance, and other spending controls.
- Establish informal Star Chambers in high spending directorates, for progress oversight.
- Avoid future costs by challenging medium and long-term directorate plans for capital and revenue spend.
- Debt reduction where possible and pragmatic.
- Introduce staff incentives and recognition for generating income and implementing cost saving ideas.
- All services to continue to consider insourcing vs outsourcing, management contracting, partnering, and divesting to ensure value for money.



COMMERCIAL AND INCOME GENERATION

- Create 'Innovation Hubs / Ideas incubators' through which good ideas can be shaped as developmental projects.
- Develop projects to drive initiatives such as nuclear, road freight levy, extension of yellow box cameras, etc.
- Provide seed-corn funding for directorates to help them commence income generation projects; and encourage income generation ideas from staff.
- Ensure Directorates act as 'One Council' with each other in mind and consider impact across all the Council, including in work with contracted providers.
- Extend already proven successes such as Arranging Support Teams in Adult Social Care and Public Health to other directorates.
- Establish a Key Account management process for major suppliers and/or contracts.
- Development of strategies for the use of AI and technology with the purpose of increasing efficiency and effectiveness.
- Consider and review subsidy levels across all services.
- Embed the Commercial Strategy into KCC at all appropriate levels.
- Seek opportunities for invest to grow revenue streams, whilst being conscious not to grow the size of the organisation.
- Establish a deep dive review of the frequency of procurement waivers being used.
- Maximise income in the market place from KCC 'selling' its expertise.



3

RESILIENCE AND LOCAL GOVERNMENT REORGANISATION (LGR)

The Government's decision on Local Government Reorganisation will be a key determinant and driver for DOLGE's work. Should the Government decide to proceed with its ambitions for all local authorities in Kent to be disbanded and replaced with unitary authorities providing the full range of local authority services, this will be a challenge for KCC but also an opportunity in the planning for disaggregation and the introduction of the new authorities, potentially as early as April 2028.

It is essential though that service provision by KCC is maintained at sufficient quality right up to the vesting date in 2028; hence resilience must not be jeopardised. Core preparatory work to analyse each service within KCC and subsequent work to determine disaggregation (or aggregation from districts) will provide opportunities for KCC to arrange services in a different way or even to divest provision of some services. It is envisaged that any successor authorities may wish to adopt the principles and key elements of this strategy.

Handing over a sound financial legacy to new unitaries should be important, but so will reducing costs for current council taxpayers. In order to determine the right balance for this, DOLGE effort must be expended on the following investigations and action:

- Continued debt reduction, where appropriate.
- Consideration of the shape, remit and potential divestment of services considering Local Government Reorganisation.
- Enhancing capital receipts through increased disposals of surplus assets where no use for the new authorities is envisaged.
- Considering the merits of KCC's investment policy stretching beyond 2028, to include assessing timescales, restrictions on disposals, and investment terms and priorities.
- As part of the Local Government Reorganisation process, continue to consider alternative ways of ensuring provision of services.





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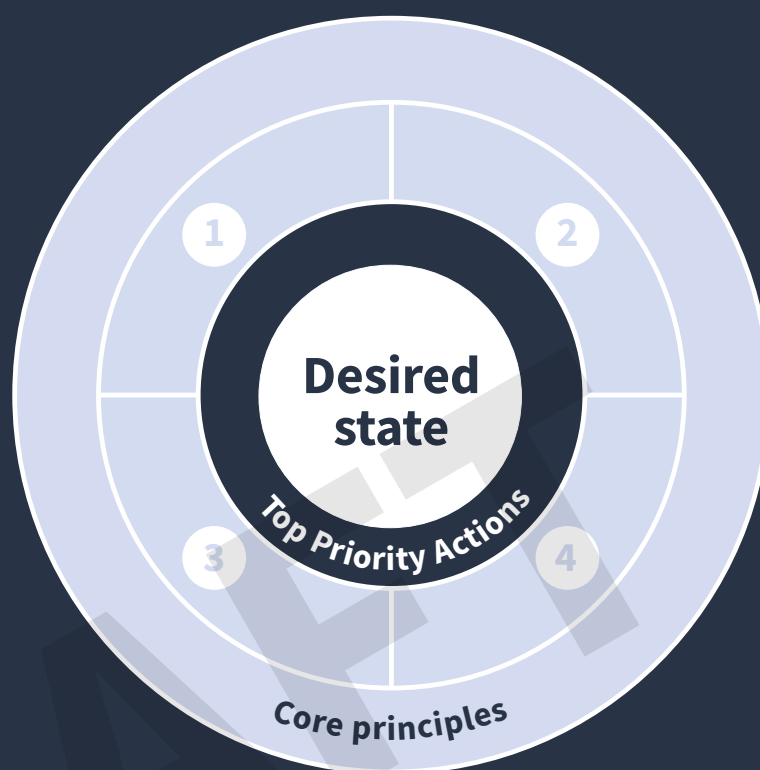
TOP PRIORITY ACTIONS AND CORE PRINCIPLES

TOP PRIORITY ACTIONS FOR KCC FROM STRATEGIC AREAS



A small number of top priorities for action by KCC have been identified from within the four strategic areas. These are presented below.

All the following top priority actions should be monitored, evaluated and reported on by officers, with DOLGE Members providing oversight to ensure delivery.

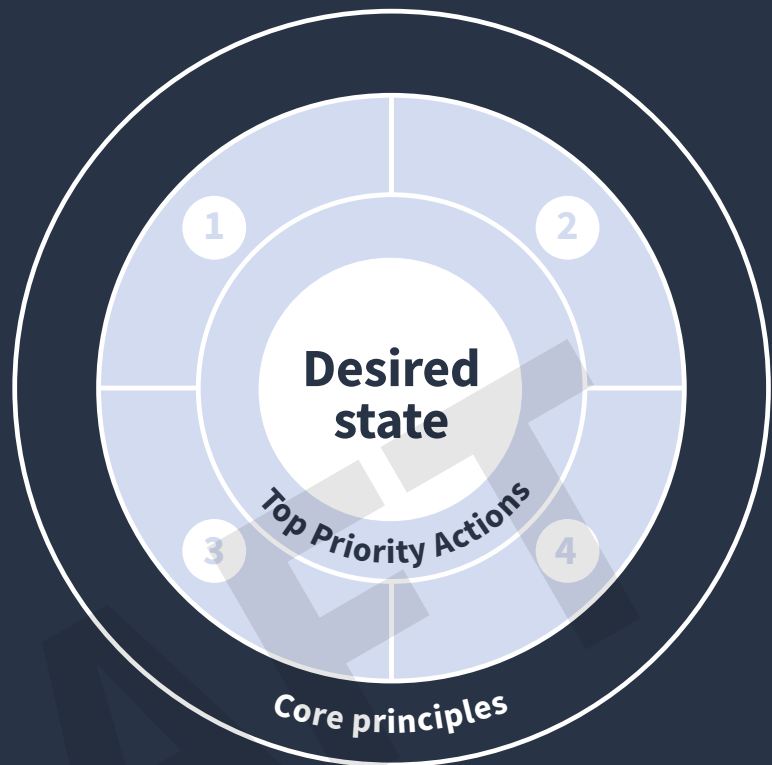


- ★ Establish an account management process for major suppliers and contracts.
- ★ Establish approach of earlier commercial consideration and procurement oversight e.g. roll out of successful change of reporting of Arranging Care teams across other directorates.
- ★ Formation of Star Chambers for each directorate to ensure monitoring of spend.
- ★ Embed Commercial Strategy within KCC.
- ★ Embed DOLGE Principles from the strategy as a way of working.
- ★ Develop “oven-ready” savings options for ready implementation.
- ★ Explore options for divesting where appropriate in light of Local Government Reorganisation.
- ★ Open-mindedness for acceptance of technology to drive efficiencies.
- ★ Explore understanding of Discretionary vs Statutory vs Minimum Provision requirements as part of Local Government Reorganisation.
- ★ Address duplication across KCC (in services, back office, etc).
- ★ Introduce a scheme to encourage staff to generate income and cost saving initiatives.
- ★ Consider the use of unit costings for services where appropriate, as a mechanism to provide measurable data to support procurement and ensure value for money.



To take the work of DOLGE forward in the authority, a number of core principles will be required to drive efficiency and value for money across KCC. These core principles have been developed following internal consultation with senior staff and through the SWOT and PESTLE analysis (see appendix). They have been produced as a direct result of assessment of the Council's financial pressures; resident expectations; systems and processes, and areas for improvement.

These core principles should be adopted by officers and Members within the authority and be used to challenge all spending:



- ★ All staff and Members should ask the following questions:
 - Is this needed and is this spend necessary?
 - Do we have to do this?
 - Is this statutory?
 - Do we have to do all of this or can we do only part?
 - Can other organisations do it?
 - Can we do this more efficiently and effectively?
 - Can we do this differently?
- ★ There should be no duplication of services, meetings, or committees.
- ★ Achieve full cost recovery, whenever possible.
- ★ Seek value for money.
- ★ Make timely or earlier consideration of contract renewals to avoid rushed extensions.
- ★ Ensure the correct length of service agreements in relation to cost, value, and flexibility required.
- ★ All to act as 'One Council' to drive efficiencies and savings.
- ★ Stop growing KCC.
- ★ Consider and eliminate subsidies, where sensible.
- ★ Consider the difference between 'need to provide' and 'nice to provide'.
- ★ Simplify, and reduce complexity.



MONITORING AND EVALUATION

MONITORING AND EVALUATION

It is important that the monitoring and evaluation of the strategy's implementation does not create an industry in itself, but rather fits with existing monitoring and evaluation processes already operating in the authority.

Delivery against the “top priority actions” will be monitored through a focused Delivery Framework, aligned to financial performance and existing corporate oversight arrangements. This will keep oversight proportionate, avoid unnecessary bureaucracy, and provide clear evidence of impact as the strategy is embedded.

Members involved in DOLGE will:

- Oversee the strategy
- Monitor implementation of the principles
- Monitor delivery by senior officers and Members
- Review progress on efficiencies and report outcomes

Regular DOLGE star chambers with the directorates will be held to review progress against the strategic areas and top priority actions, identify risks and agree additional action necessary with Cabinet Members and Corporate Directors. These will be the cornerstone for monitoring and evaluating this strategy.

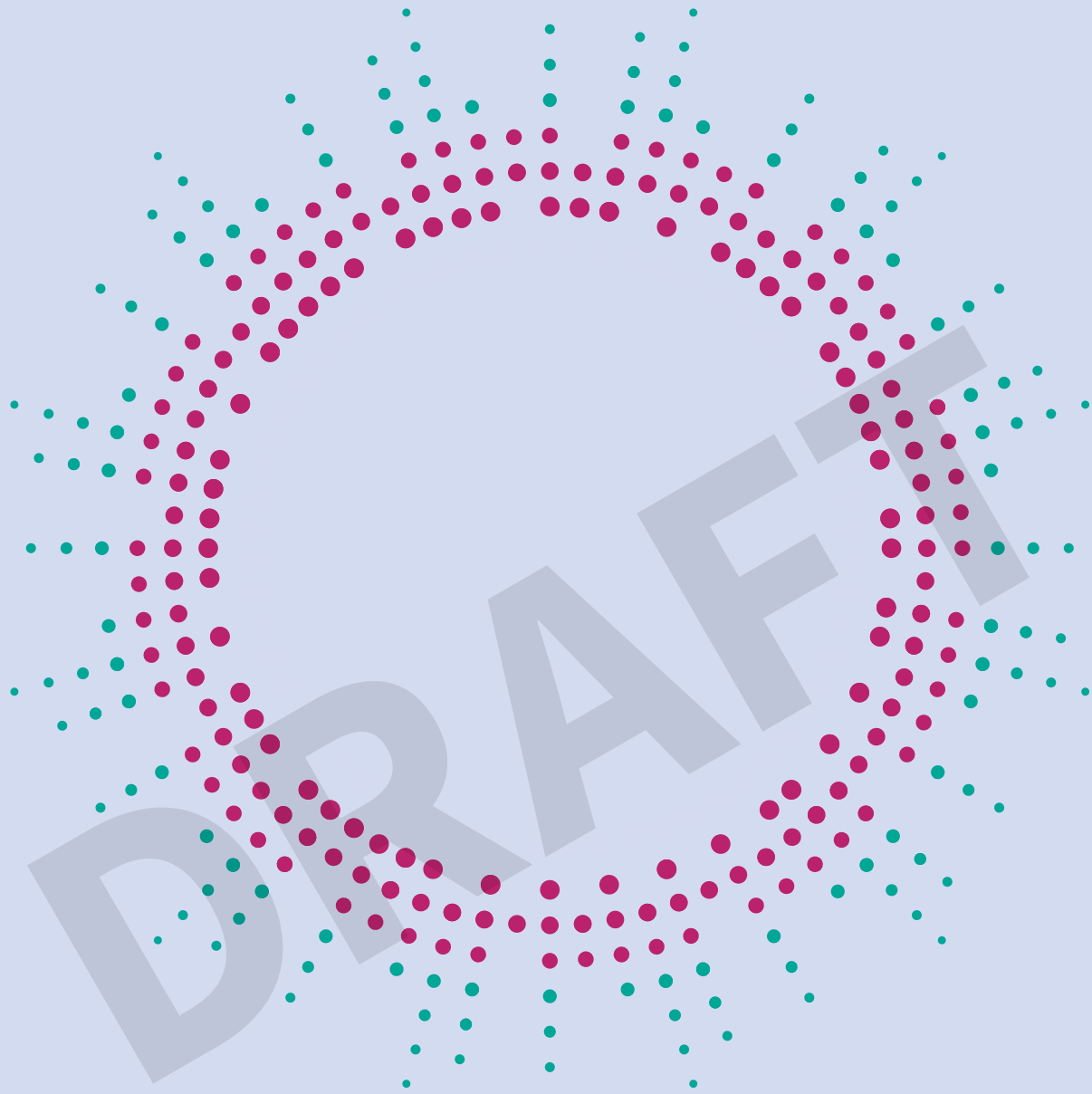
DOLGE will use existing reporting and governance channels wherever possible, strengthening links between performance, finance and delivery information. Oversight will remain practical, evidence-based and responsive as the strategy matures.

Reforming Kent 2025-2028 – DOLGE will support delivery of the Strategic Statement by driving a common-sense approach to efficiency, income generation and value for money. This includes systematic review of contracts, contract management and commercial opportunities, with progress reported through wider Strategic Statement updates.

Commercial Strategy 2026-28 – DOLGE will oversee delivery of the Commercial Strategy, ensuring clear accountability, consistent monitoring and measurable Best Value outcomes for Kent.

Financial Monitoring – DOLGE will review trends from the financial monitoring cycle, recommend action where required, and ensure recommendations and outcomes are reflected in financial monitoring reports.

Quarterly Performance Report – DOLGE will use the Quarterly Performance Report to track key performance trends, assess links with expenditure and recommend action to Cabinet Members and Corporate Directors where needed.



APPENDIX 1 – SWOT AND PESTLE ANALYSIS

SWOT ANALYSIS

DOLGE's strength lies in its legitimacy, cross-cutting scope, and alignment with unavoidable financial realities. Its main risks are vagueness, over-promising, and political misinterpretation. Success depends on disciplined focus, visible resident benefits, and positioning efficiency as fairness, competence, and service protection.

Strengths

- Strong Political Legitimacy
- Efficiency is one of the few agendas with cross-party rhetorical support, even if execution differs. DOLGE can credibly claim to focus on protecting services, not cutting them.
- Clear Strategic Rationale
KCC faces structural financial pressure, making efficiency unavoidable rather than optional. DOLGE aligns with statutory obligations to demonstrate value for money and sound financial management.
- Ability to Operate Across Silos
- Efficiency cuts across directorates, estates, procurement, IT, and governance. Unlike service departments, DOLGE can focus on system performance, not service protectionism.
- Officer Engagement Potential
- Many officers privately recognise inefficiencies but lack political cover to address them. DOLGE can provide authorisation to challenge legacy practices.
- Helicoptering – oversight that is not bogged down in specific services.
- Nimble
- Support for value for money from the public

Weaknesses

- Risk of Conceptual Vagueness
- “Efficiency” means different things to different people: cost-cutting, productivity, service redesign. Without discipline, DOLGE risks being everything and nothing.
- Limited Direct Delivery Power
- DOLGE typically relies on other departments to implement changes. Savings and improvements can be claimed but not realised.
- Cultural Resistance
- Political relationship with DOGE creates negative feelings and means DOLGE is more politically exposed than other parts of the council. Long-established ways of working are often defended as “necessary complexity.” Previous transformation programmes may have created change fatigue.
- Political Sensitivity
- Efficiency proposals can quickly be reframed as: “cuts by another name,” “centralisation,” “technocratic overreach” or “selling the family silver.”
- Process efficiencies take time to materialise.

Opportunities

- Invest-to-Save / invest to grow Programmes Estates rationalisation, energy efficiency, procurement reform, and process automation. Strong alignment with medium-term financial planning. Shift from “cuts” to “Return on Investment”.
- Visible, Resident-Facing Wins Faster processing times, reduced duplication, clearer accountability, transparency.
- DOLGE can be the place where business cases are stress-tested, savings claims are challenged, long-term costs are surfaced early.
- Cross Directorate thinking allows a “One Council” approach to efficiencies and savings.
- Income Generation
- Doing things differently e.g., resource sharing, externalization vs in house, partnering, and divesting.

Threats

- Being Used as Political Cover Risk that DOLGE is blamed for unpopular decisions made elsewhere. Efficiency language used to justify pre-decided outcomes.
- Public Misinterpretation Residents may equate efficiency with decline in visible services. Media narratives can oversimplify and/or change rhetoric negatively.
- Legal and Statutory Constraints Many high-cost services are legally mandated. Failure to respect this can lead to legal challenge or inspection failure.

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PESTLE Analysis

Political Factors

Key dynamics

- Severe fiscal pressure on upper-tier councils: Adult Social Care, SEND, and Children's Services dominate political bandwidth, making 'efficiency' both attractive and politically sensitive.
- Low public trust in local government value-for-money: Creates opportunity for DOLGE but also risk of being seen as a cover for cuts.
- Cross-party appeal, uneven enthusiasm: Efficiency rhetoric is broadly popular, but implementation challenges vested interests (service silos, legacy practices).
- LGR – disaggregation of services and reorganisation of priorities

Strategic opportunity

- Position DOLGE as the mechanism that allows councilors to say "yes" to priorities without raising Council Tax or cutting valued services; driving towards a smaller state focused on residents' issues.

Economic Factors

Key dynamics

- Structural funding gap: Demand growth (especially care and SEND) far outpaces central government funding increases.
- Inflationary pressures: Contracts, energy, staff pay, and care placements continue to erode budgets.

- Local economic fragility: disparity between coastal and inland areas, and weaker commercial tax bases.
- Capital vs revenue tension: Pressure to sell assets or defer maintenance creates long-term inefficiencies.

Strategic opportunity

- Do things differently.

Social Factors

Key dynamics

- Ageing population: Increases in care demand whilst shrinking the working-age tax base.
- Rising public expectations: Residents expect private-sector levels of service responsiveness.
- Low tolerance for visible service decline: Residents will accept back-office reform, but not service reduction. Removal of unnecessary services is more difficult than whether they should have been started at all.
- Community disengagement: Many residents feel decisions are remote and unresponsive.
- Strong PR is a critical asset for explaining reform honestly.
- Reducing school rolls will result in questions about asset reallocation.

Strategic opportunity

- Frame efficiency as respect for residents' time, money, and dignity—not as abstract financial discipline.

Technological Factors

Key dynamics

- Legacy IT systems: Fragmented platforms across departments reduce productivity.
- Data quality issues: Poor interoperability undermines evidence-based decision-making.
- Automation potential: High volume, rules-based processes remain manually intensive.
- Digital exclusion risk: Efficiency through digitalisation can unintentionally exclude vulnerable residents.

Strategic opportunity

- Champion ‘boringly effective technology’: fewer systems, better data, and measurable, clear benefits in staff time savings rather than flashy transformation programmes. Use AI where clear benefits can be envisaged.

Legal Factors

Key dynamics

- Statutory service obligations: Limit the scope for cuts in key areas (ASC, SEND).
- Procurement and employment law: Slows reform and limits flexibility.
- Judicial review risk: Poorly designed efficiency measures can be legally challenged.
- Regulatory inspection regimes: Ofsted, CQC, etc. influence priorities and risk tolerance.

Strategic opportunity

- Make DOLGE the place where ‘legally sound, financially responsible’ reforms are stress-tested before political adoption. Interrogation and definition of statutory.

Environmental Factors

Key dynamics

- Estate inefficiency: Council buildings are often energy-inefficient and underutilised.
- Mitigation and adaptation for weather conditions: Flooding, heat resilience, and infrastructure strain add future liabilities.

Strategic opportunity

- Position environmental efficiency as financial prudence for future taxpayers, not virtue signaling.

Written and produced by

Chris Hespe – Cabinet Member: Local Government
Efficiency and Reorganisation

Paul Chamberlain – Deputy Cabinet Member:
Local Government Efficiency and Reorganisation

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