


# LGA Corporate Peer Challenge

Sevenoaks District Council

29 November – 1 December 2021

Feedback report





1. Executive summary.....	3
2. Key recommendations .....	4
3. Summary of the peer challenge approach .....	5
4. Feedback .....	7
5. Next steps.....	18

# 1. Executive summary

Sevenoaks District Council is a well led and effectively managed authority. This is reflected in strong performance outcomes across a range of areas; excellent residents' survey results; and a highly committed and talented workforce.

The council has a longstanding track-record of effective delivery. Most recently, this was exemplified by the council's COVID-19 response, where the organisation rapidly and actively supported local residents and businesses while maintaining the delivery of core services.


The council's current financial position is comparatively strong. The organisation has consistently demonstrated good financial management, including through the effective delivery of savings and by making difficult decisions early. The council also innovates. The organisation's ten year budget, for instance, is an example to the sector and supports long-term proactive decision making.

Underpinning the council's success are good member – officer relations and good relationships between members. There is mutual support and effective challenge. Significantly, the council has developed an effective organisational culture based on trust and collaboration. The council's continued Platinum Status in Investors in People (IiP) is evidence of the council's long-term commitment to its staff; the staff culture and the council's performance reflects its benefits.

Sevenoaks District Council is a valued and respected partner locally, including by partner organisations, businesses, and parish and town councils.

The council's leadership has high aspirations for the district and strong expectations of delivery, including in relation to new affordable housing and regeneration. A key question for the council is the best approach to resource these priorities in a difficult financial context. The council's revised property investment strategy and approach to borrowing will be important in shaping the scale of delivery of the council's housing and regeneration ambitions and clarifying its appetite for risk.

The council has demonstrated effective community engagement on specific projects and particular initiatives, including consultation on key development sites for the Local Plan. The peer team feel there is potential to complement this with more open, bottom-up and conversational approaches at a grass-roots level.



Most importantly, the peer team feel there is potential value from the council, as part of its Local Strategic Partnership, developing a renewed long-term vision for Sevenoaks district, its distinct localities and their offer. This work could be co-developed and co-owned with residents, as well as partners, using the forthcoming Community Plan refresh process.

## 2. Key recommendations

There are a number of observations and suggestions within the main section of the report. The following are the peer team's key recommendations to the council:

### 2.1. Recommendation 1

Build on recent place leadership work – consider developing a renewed, partnership-led, long-term vision for the district, residents and businesses

### 2.2. Recommendation 2

Complement the council's existing project-based community engagement work with more open, bottom-up, conversational approaches

### 2.3. Recommendation 3

Use service data and community networks to enhance the council's understanding of its diverse and emerging communities

### 2.4. Recommendation 4

Consider the optimum balance between the council's scale of ambition and availability of resources

### 2.5. Recommendation 5

Explore the scope for a managed increase in Quercus Housing's affordable housing delivery outputs

### 2.6. Recommendation 6

Consider the full range of options for additional modest-scale market value and affordable housing activity – 'massive small'

## **2.7. Recommendation 7**

Review the external specialist skills to challenge viability appraisals and negotiate S106 agreements with developers

## **2.8. Recommendation 8**

Use the council's influence to optimise the outcomes from the district's strategic development sites

## **2.9. Recommendation 9**

Consider developing a proposition for inward investment and development as part of the emerging economic development strategy

# **3. Summary of the peer challenge approach**

## **3.1. The peer team**

Peer challenges are delivered by experienced elected member and officer peers. The make-up of the peer team reflected the focus of the peer challenge. The peers were:

- Cllr Darren Rodwell, Leader of London Borough of Barking and Dagenham
- Cllr Sam Chapman-Allen, Leader of Breckland Council
- Damian Roberts, Chief Executive, Surrey Heath Borough Council
- Emma Cooney, Director of Regeneration and Business Development, Southend on Sea Borough Council
- Judith Atkinson, Strategic Director, Local Partnerships
- Kevin Kewin, LGA Peer Challenge Manager
- Georgia Goddard, LGA Graduate Trainee (shadowing the CPC)

## **3.2. Scope and focus**

The peer team considered the following five themes which form the core components of all Corporate Peer Challenges. These areas are critical to councils' performance and improvement.

1. **Local priorities and outcomes** - Are the council's priorities clear and informed by the local context? Is the council delivering effectively on its



priorities?

2. **Organisational and place leadership** - Does the council provide effective local leadership? Are there good relationships with partner organisations and local communities?
3. **Governance and culture** - Are there clear and robust governance arrangements? Is there a culture of challenge and scrutiny?
4. **Financial planning and management** - Does the council have a grip on its current financial position? Does the council have a strategy and a plan to address its financial challenges?
5. **Capacity for improvement** - Is the organisation able to support delivery of local priorities? Does the council have the capacity to improve?

In addition to these questions, the peer team were asked to provide feedback on the council's approach to:


- Affordable housing delivery
- Economic development and regeneration

### **3.3. The peer challenge process**

Peer challenges are improvement focused; it is important to stress that this was not an inspection. The process is not designed to provide an in-depth or technical assessment of plans and proposals. The peer team used their experience and knowledge of local government to reflect on the information presented to them by people they met, things they saw and material that they read.

The peer team prepared by reviewing a range of documents and information in order to ensure they were familiar with the council and the challenges it is facing. The team then spent three days at Sevenoaks District Council, during which they:

- Gathered information and views from more than 40 meetings, in addition to further research and reading
- Spoke to more than 100 people including a range of council staff together with members and external stakeholders



This report provides a summary of the peer team's findings. In presenting feedback, they have done so as fellow local government officers and members.

## 4. Feedback


### 4.1. Local priorities and outcomes

Sevenoaks District Council is delivering excellently for local people. The council's most recent residents' survey (2021) results demonstrate this: more than 80% of respondents were satisfied with the way the council runs things, which is significantly higher than national benchmarks. The council also performs better than Kent and South East averages on a range of [key metrics](#), such as for planning decisions and council tax collection.

The council led and sustained a strong local COVID-19 response, which was valued by local residents, businesses and other stakeholders. The organisation pivoted to support those most in need while also continuing to deliver effective core services. For example, the council provided support to shielding residents, redeployed civil enforcement officers to deliver emergency food boxes and offered residents a council tax payment holiday. Sevenoaks DC was recognised by central government as a top performer in the distribution of business rates relief and the council also fostered local volunteering efforts in the community.

The council has a clear performance management framework which includes performance reporting to the corporate management team on a monthly basis. Key areas for improvement (such as use of temporary accommodation) are identified and the council is actively seeking to improve. Regular performance reporting and discussion are a core part of the council's member governance arrangements, including at the advisory committees and scrutiny where the relevant portfolio holders are challenged on key issues.

The council is open and transparent in its performance reporting. Public committee reports are clear and understandable, while all members are able to access the council's latest performance data at any time through its online system. One area for future consideration is the potential benefits from greater use of external benchmarking in performance reporting to complement the council's strong focus on year-on-year improvement. The peer team noted a small number of areas, such



as recycling, where the district may meet its local target but is still below Kent or South East averages. In addition, the delivery of affordable housing – a key council priority – does not currently form part of the council’s core performance measures regularly reported to members.

The council has demonstrated positive and effective community engagement on a range of projects. In developing the Local Plan, for example, the council received more than 40,000 representations. Major capital initiatives and development schemes each have their own tailored programmes of consultation with local residents and stakeholders; recent examples have included work to support White Oak Leisure Centre and new housing in Dunton Green.

There are potential benefits from the council supplementing its project based engagement with more open and bottom-up approaches. The council is intending to develop a Community Planning and Empowerment Toolkit to further develop the relationship between members, the council and the wider community. The peer team feel that this could provide an opportunity to secure greater direct engagement with residents about their aspirations for their area that is more open and conversational. There is an opportunity to do more to empower residents to anticipate, own, lead and facilitate change at their local level.

The council can enhance its approach to equality and diversity by making better use of its own data, information held by partner organisations and community networks. The council recognises there is increasing diversity within the district – that may not be reached through traditional engagement methods – and inequality, including a number of gypsy and traveller communities, pockets of deprivation and some isolated rural residents. The council has taken action to reduce inequalities, including its HERO service (Housing, Energy and Retraining Options) which supports some of the most vulnerable people in the district. The council’s snapshot of equality and diversity issues was last updated in 2013 and relies upon 2011 Census data. The council may be able to use more up to date data – including from council services and surveys, information held by partner organisations such as Health, through the existing Voluntary Sector Forum barometer survey and engagement with relevant voluntary sector and faith organisations – to better understand changes in community needs and inform the council’s approach to equality and diversity.





The council has taken positive steps to develop strong community networks, including the establishment of a voluntary sector forum to bring together existing groups. There is a long-standing community grants programme and, during the pandemic, the council launched a podcast focused on the voluntary and community sector and a community wellbeing fund through its Local Strategic Partnership. There is the potential for the council to work with its statutory and community partners to further build on the organisation's commitment to equality and diversity. For example, current activity could be expanded to actively encourage and facilitate new and emerging communities of interest and harder to reach groups to come together to identify and address local needs.

#### **4.2. Organisational and place leadership**

The council's Leader and Chief Executive are valued as visible and highly effective leaders by officers, members and partners. The peer team noted the strength of this leadership was a prominent and recurring theme in discussions with staff at all levels of the organisation. Significantly, local organisations also recognise this leadership; Sevenoaks DC is considered a reliable and trusted partner. The council's relationships with parish and town councils within the district, for example, are very strong. The council understands the importance of parish and town councils and supports their work; the level of local trust, engagement and effective joint working is an example to others in the sector.

The council has undertaken significant work on place leadership in recent years. In addition to Local Plan engagement activity, the council has established a public realm commission and is in the process of developing a local place campaign. Central to much of this work is a recognition of the district's place diversity, including its particular mix of rural and town areas each with their own unique character, and a very high proportion of green belt land. The council is active in exploring opportunities to improve the district for the benefit of local residents and working with partners both inside and outside the district to help achieve this. The council's proactive work to encourage a Higher or Further Education provider into Sevenoaks is a good illustration of the council taking a strong place leadership role.

The peer team feel there is value in the council building on its existing place leadership activity to articulate a renewed long-term vision for Sevenoaks district, its




distinct localities and their offer. This work on developing and articulating a local vision of the district – that recognises the inherent strengths and diversity of Sevenoaks’ local areas as well as their opportunities and challenges – is an ideal subject for the more bottom-up, open and conversational engagement described above. Given its relative density and potential for further demographic change, Swanley could be prioritised initially for this grass-roots led visioning work. The council, as part of the district’s Local Strategic Partnership, has commenced planning to lead local activity on community priorities in 2022. The peer team support the council’s initial thinking to develop a shared vision and plan that goes beyond a traditional community strategy approach. It provides an opportunity to work with residents, communities and partners in localities and for them to shape and own the vision alongside the council.

#### **4.3. Governance and culture**

The relationships between officers and members are excellent. The peer team found a shared understanding of respective roles as well as mutual support and challenge. It is also recognised that these relationships need considerable investment to succeed; the council ensures that formal mechanisms, such a fortnightly written update from the Chief Executive to all councillors, are complemented by more two-way arrangements, including regular meetings.

The council’s member governance structure is atypical; specifically, the council has a series of – politically balanced – executive advisory committees that mirror the portfolios of Cabinet members. There are a number of potential risks with such arrangements, including the potential for the advisory committees to slow-down Executive decision making; undermine the statutory Scrutiny function; and be resource intensive. However, overall, the peer team found the council’s arrangements work well. The advisory committees provide an opportunity for all members to contribute to policy development at an early stage and give officers assurance that decisions are widely understood prior to implementation. Scrutiny operates with a focus both on council performance and the work of external partners. Peers were impressed both with the quality of committee reports and the high-level of debate at both scrutiny and the advisory committees.

The council has created a strong culture to be proud of, which attracts and retains



high quality staff. A high value is placed on getting services right for the customer, empowering staff to do their jobs effectively, recognition and fostering a ‘no blame’ culture. The council’s strong culture has served the council well, including through COVID-19, by providing a platform for effective delivery in difficult circumstances. The council’s residents’ survey results demonstrate the council’s customer focus is recognised in the community: more than 80% of respondents felt staff were helpful and levels of trust in Sevenoaks DC are significantly higher than sector benchmarks.


In addition to a strong focus on serving residents, the council recognises the importance of supporting colleagues and external partners. The peer team found staff to be supportive of each other across services; in a number of sessions, employees highlighted that ‘the customer is anyone who isn’t me’. The council recently undertook an internal survey to assess whether staff felt well served by their colleagues with positive results. These findings align with the strong message from the council’s external partners that the ‘can do’ ethos and quality of staff – at all levels – is valued.

It was also clear to the peer team that staff generally feel trusted, empowered and supported by the organisation – findings that are reflected in staff surveys. Positively, the supportive and no-blame aspects of the council’s culture has not prevented difficult conversations or tough decisions being taken. The council’s recent senior management restructure and its track-record of delivering financial savings are both examples of this.

The council’s strong culture has been developed over time through sustained effort and leadership. Key elements include strong communications, including through a monthly staff newsletter and regular briefings where issues can be raised. The council proactively seeks regular feedback from staff and there is a consultative group which provides a forum for employees to offer views on emerging issues or policies. In the most recent staff survey (September 2021), 90% of staff highlighted that they were satisfied with the council’s internal communications. Most importantly, staff see senior leaders modelling the council’s culture.

#### **4.4. Financial planning and management**

Sevenoaks District Council takes a long-term view of financial planning with a focus on self-sufficiency. The council has not received any Revenue Support Grant since



2018 and does not rely on New Homes Bonus to deliver its core services. Over the past seventeen years, the council has worked towards increasing financial sustainability. The council has been successful through a range of approaches, including implementing efficiency initiatives and reducing back-office functions; improving value for money and maximising external income; and moving resources away from low priority services. The council continues to make full use of its permitted flexibilities and increased council tax by £4.95 in 2021/22.


The council's 10-year budget is innovative, an example for the sector and supports long-term decision making. This extended financial framework provides an excellent platform which has supported effective budget management and planned, long-term, decision making. Since 2010/11 the council has managed a £4 million budget reduction (24%) in real terms.

The council has a track-record of delivering savings and making difficult decisions early. For example, the council took the unusual step of agreeing its 2021/22 budget in December 2020 in order to ensure sufficient lead-in time to deliver full-year savings. In recognition of the difficult financial context, the council also has a standing policy of identifying a minimum of £100,000 in savings annually.

As a result of the organisation's consistent and diligent approach, the council's financial position is comparatively strong. As in many authorities, the COVID-19 pandemic has led to some recent overspends, with lower than projected income levels in some areas. However, the fundamental underlying financial health of the council is good. The council is aware of, and publicly reports on, its budget pressures. While there will be a need to identify further savings in the long-term, the council has significant useable reserves. Positively, the council has also received unqualified audit reports over recent years.

Councillors are actively involved in the development of the budget, including through the advisory committees. Members are also engaged in revenue budget monitoring through clear committee reports. There is potential value in reporting capital spend to members in a similar manner; the peer team noted a significant end of year capital underspend in 2020/21. This is particularly important given the increased size of the capital programme (£21.3 million) in 2021/22.

The council seeks to make best use of the organisation's reserves and borrowing.




This approach has been successful and has typically generated approximately 10% of the council's annual budget. For example, the council agreed a property investment strategy in 2015 to deliver increased revenue income with an approved investment limit of £50 million. The council has spent £35 million to date, including on an in-district hotel and five further assets. In general, the yields for completed schemes have been good and exceeded budget expectations. However, the government has recently sought to limit authorities' ability to make property investments for purely commercial gain. In light of this, the council has withdrawn its property investment strategy and intends to bring forward a revised approach later in the year. The refreshed strategy provides an opportunity for the council to make clear its intentions in terms of using property investment, and Quercus 7 – its property investment company – to support local outcomes in addition to any secondary financial gain.

The council's future approach to borrowing will be a central decision for the organisation. Although Public Works Loan Board (PWLB) lending terms now prevent councils investing primarily for yield, commercial benefit is still acceptable if the primary benefits are for housing, regeneration or service delivery, and in November 2021 the council approved PWLB borrowing to enable Quercus Housing to continue its delivery of affordable housing in the district.

The council's leadership has both high aspirations for the district and strong expectations of delivery, particularly in relation to affordable housing and town centre regeneration. The council has referred to its ambitions as 'the largest regeneration programme the district has embarked on in recent memory'. In order to deliver this, the peer team feel that a key issue for the council is to determine the best approach to resource these priorities in a difficult financial context. As highlighted above, both the revised property investment strategy and the council's approach to borrowing will be important factors. Ultimately, the council will need to determine the optimum balance between its scale of ambition, existing resources, and its appetite for further financial borrowing and investment.

#### **4.5. Capacity for improvement**

The council's success and improvement has been built upon effective 'in-house' delivery models and innovation, which has been underpinned by strong political and




officer leadership. Sevenoaks District Council has relatively few shared services with other councils and minimal outsourced services. Instead, there has been a strong focus on embedding a strong organisational culture to support internal delivery. The peer team noted the benefits of this approach, including high levels of staff trust and strong collaboration. The council invests in staff development and wellbeing, which helps to sustain this culture. For example, in a recent survey, 85% of staff felt the support provided by the council, as an employer, through the pandemic was good.

The council's COVID-19 response showed the organisation's capacity to deliver, improve and innovate. The peer team highlighted three key areas where the pandemic spurred further progress for the council: effective use of community capacity; rapid decision-making and delivery; and good use of technology. For example, the council supported a 'care for our community' scheme with more than 1,500 residents volunteering to provide food and prescription deliveries, undertake errands and support befriending. The council is putting the volunteers in touch with local groups to help sustain and embed this volunteering.

The council's office based workforce successfully transitioned to working from home without any interruption to service delivery throughout the pandemic. Council staff highlighted the effective use of technology, and strong support from ICT, to enable this to happen. There are also a number of examples of rapid decision making and delivery. The council quickly redeployed its civil enforcement officers to deliver emergency food boxes, for example, and set up its own 'Telepals' initiative to help address loneliness and anxiety before the NHS scheme began. A clear message from both council staff and external stakeholders was the importance of the council maintaining and building upon the learning from its effective COVID-19 response.

The council has invested in its employees and its liP Platinum reaccreditation is evidence of the organisation's ongoing commitment. In return, the council is rewarded with significant goodwill from motivated staff. While the peer team recognised that the council's in-house approach has served it well to date, it was also felt that the organisation should maintain an open mind as new and emerging delivery challenges may require new partnership arrangements. For example, in order for the council to deliver its ambitions in relation to housing and regeneration, the council may need to prioritise more explicitly and explore a range of different delivery models.




Digital and data have been areas of recent progress. In addition to the ICT support for staff highlighted above, residents have benefited from innovative approaches supported by digital technology. This includes Sevenoaks' Rideshare scheme, which uses a CIL funded mobile app to provide an on-demand transport service for residents. Nevertheless, the peer team identified some remaining areas of focus. The council's website could benefit from improved functionality as well the addition of direct debit payment options for some remaining core services. The council has developed and agreed a digital strategy, but this will need a clear action plan, aligned with resources, to support delivery.

Overall, the peer team is confident in the council's capacity to further improve. Over the past year, alongside delivering the council's response to the pandemic, the council has developed a new corporate strategy to support the organisation to deliver its priorities. The strategy is focused around a one team culture, the needs of the customer and the importance of wellbeing, and is complemented by specific strategies for workforce, customer, digital and finance. Despite the council's success to date, there remains a strong commitment to, and a culture of, performance improvement.

#### **4.6. Housing, Economic Development and Regeneration**

The council has significant housing, economic development and regeneration ambitions in a challenging delivery context. Land values are high, 93% of the district is green belt and resources are limited. The council recognises the potential tensions in seeking to balance preservation with its aspirations for housing delivery and development.

The council has made significant progress to deliver its ambitions in this area. The organisation has developed excellent internal expertise; peers were impressed with the housing, economic development and regeneration teams. Most importantly, these services are well regarded by business and partners, which provides a strong foundation for success. In addition, the council has a strong and well-led planning service that is delivering well across policy and development management. This is evidenced in key metrics, including the council's excellent performance in terms of speed and quality of its decisions on applications for major and non-major development.



Importantly, there is a joined-up approach to collaboration across teams and within relevant services. The strong underlying property market in the district coupled with the council's enviable skills and capabilities provides Sevenoaks with opportunities not available in many other districts. Positively, the council has begun to develop a pipeline of development projects.


It is important that the council maximises affordable housing from S106 agreements. While the council is already using external support in this area, it is important the council assures itself that it is securing the 'best in class' expertise to robustly challenge developers' viability appraisals submitted as part of the planning process. This same expertise could also be used to advise on project viability and conduct face to face negotiations on affordable housing through the S106 process.

The district's high-level of green belt limits the council's options for housing development. Given this, the peer team feel it is important that the council considers all possible options for the delivery of modest scale housing activity in suitable areas. Potential options that it may be worth the council exploring further, include:

- Proactively working with West Kent Housing to identify whether there are any potential 'hidden homes' that could be turned into affordable housing units – this may include empty or underutilised derelict areas such as old garages, boiler rooms or stores
- Exploring whether there is council land, including small plots, that may feasibly provide any additional affordable homes
- Identifying whether there are further opportunities for street property acquisitions and refurbishments
- Encouraging and purchasing in-district SME developed affordable housing units
- Working with local landowners and communities to explore the potential of Community Land Trusts to deliver affordable housing. There are some emerging examples of CLTs in other parts of the country, where the Trust delivers both housing and supporting infrastructure that become protected community assets

In making these suggestions, the peer team recognise that some of these options






may not be suitable or feasible for a variety of reasons. It is for the council to undertake further exploratory work to determine which options have the most potential.

The council has already established Quercus Housing – its own not for profit housing company – to build new affordable housing from S106 commuted sums. In addition to the suggestions highlighted above, there may be scope for the council to consider a managed increase in Quercus Housing’s annual delivery outputs, which is currently targeted at 10 homes per year. Whilst it is recognised that Quercus Housing’s Business Plan has been updated to support prudential borrowing, as with the peer team’s other suggestions in this area, a primary constraint to increasing delivery is access to funding (beyond S106 commuted sums) which will involve consideration of the organisation’s appetite for further investment and borrowing.

While recognising the value of a ‘massive small’ approach, the forthcoming Local Plan will also set out a number of larger strategic sites in the district. The peer team is confident of the council’s capacity to ensure these areas are utilised – but also highlighted the benefits of maximising the positive outcomes from each site. This may, on occasion, require a more active role that the council has traditionally played in working alongside the private sector at different stages of the process: from site identification, through the process of allocation and consent, and once development is underway on the ground. Related to this, it is important the council assures itself that it is optimising social value through its housing, economic development and regeneration work. This includes ensuring that there is a strategic and shared understanding of social value across the organisation and that it is being optimised on a case by case basis, including through early market engagement, formal procurement, planning and any land disposal processes.

The council has considerable economic development strengths and positive business relationships. In addition to links to the local Chamber of Commerce, the council has its own business board – with organisations from a range of sectors represented – to help understand business priorities. Regionally, Sevenoaks has not been a major beneficiary of the South East Local Economic Partnership; it is the second largest LEP in the country and covers East Sussex, Essex, Medway, Southend and Thurrock as well as Kent. However, the council is a key player in the West Kent Partnership, which also includes Tunbridge Wells and Tonbridge & Malling. This arrangement has



provided a range of benefits to the district, including through grant funding to support local rural and land-based businesses.

The council has recently invested in its economic development capacity, including through its commercial and property teams. As well as supporting direct delivery, this expertise will help the council to continue to build relationships with key partners in government and the private sector. The forthcoming economic development strategy provides an opportunity to inform a proposition for inward investment. This proposition could set out the distinctive qualities of the district and clearly articulate its offer to encourage investment in Sevenoaks from both the public and commercial sectors.

## 5. Next steps

It is recognised that the council's senior political and managerial leadership will want to consider, discuss and reflect on these findings. Both the peer team and LGA are keen to build on the relationships formed through the peer challenge. The CPC process includes a six-month check-in session, which provides space for the council's senior leadership to update peers on its progress against the action plan and discuss next steps.

In the meantime, Will Brooks, Principal Adviser for the South East, is the main contact between your authority and the Local Government Association. Will is available to discuss any further support the council requires:  
william.brooks@local.gov.uk, 07949054421.