

Cabinet Sub Committee
(Kyndi Ltd Shareholder Board)

11 June 2024

Kyndi Strategic Plan

Report from: Jackie Brown, Assistant Director, Adult Social Care

Summary

This report presents the strategic plan for Kyndi 2024 - 2027. It presents the strategic decisions and initiatives, including goals and objectives for the short, medium and long term.

1. Recommendations

1.1 The Cabinet Sub Committee is asked to:

1.1.1 Agree the strategic plan attached at Appendix 1.

1.1.2 Agree the proposed structure for the Kyndi group attached at Exempt Appendix 2.

1.1.3 Agree that Kyndi should pursue the business growth opportunities identified and outlined in the Exempt Appendix 3.

2. Suggested reason for decision(s)

2.1 The Cabinet Sub Committee is requested to approve the recommendations above to improve the corporate governance of the Council's LATCos.

3. Budget and policy framework

3.1 The decision is within the Council's budget and policy framework, including the Council Plan.

3.2 The receipt of regular reports to shareholder board and the opportunity to hold the Chief Executive and the Chair of the Board of Directors to account in respect of the company's performance, aids and enhances transparency and accountability of the Council's interactions with the LATCos.

3.3 This report has been circulated separately to the main agenda. Therefore, the Cabinet Sub Committee is asked to accept this report as urgent to ensure there is no unnecessary delay in development of the Kyndi Strategic Plan and next steps given that the next scheduled meeting of the Sub Committee does not take place until 12 August 2024.

4. Background

4.1 The report presented to the Sub Committee on 31 January 2024 provided details of the updated governance arrangements for the Local Authority Trading Companies (LATCos), following Cabinet's agreement in July 2023, to change the arrangements and establish Cabinet Sub Committees to act as the shareholder boards.

4.2 The Sub committee approved revised Articles of Association and a Memorandum of Understanding (MOU), and recommended that Kyndi Ltd, at its next board meeting, adopt the revised Articles of Association and the Memorandum of Understanding.

4.3 The Chief Executive Officer from Kyndi confirmed that the company was working on its revised Business Plan, which would be presented to its Board and then the Sub Committee.

4.4 Kyndi Ltd has submitted the following documents for consideration by the Cabinet Sub Committee:

4.4.1 Strategic Plan for Kyndi – Appendix 1

4.4.2 Kyndi Group Restructure – Exempt Appendix 2

4.4.3 Business Growth Opportunities – Exempt Appendix 3

5. Key points to note

5.1 In the revised governance arrangements for Kyndi, the Assistant Director for Adult Social Care is the Lead Client Officer. On this basis, these are the observations relating to the Strategic Plan from a health and social care perspective.

5.1.1 Telecare and telehealth are essential technologies that play a crucial role in promoting well-being, safety, and independence for individuals with care needs or long-term health conditions.

The plan aligns with Medway Adult Social Care's vision of promoting people's independence and wellbeing to aid the residents of Medway to live full, active lives; to live independently for as long as possible, and to play a full part in their local communities.

The plan supports the NHS through the use of telehealth which plays a crucial role by enhancing accessibility, efficiency, and patient outcomes while supporting the NHS's mission to provide high-quality healthcare to all.

5.1.2 The plan states how Kyndi will proactively work to engage with Medway’s diverse population and ensure accessibility and inclusion.

This supports Medway Adult Social Care to understand and address barriers to care and support; ensure care and support meets the diverse needs of communities and understand and address inequalities in experience and outcomes. All of which are quality statements in the CQC Assurance of Local Authorities.

5.1.3 The initiative to expand and cement partnerships with key departments within the council is vital for business growth. Currently the focus in both Kyndi and the council is Adult Social Care and there is potential for other services to use Assistive Technology.

5.1.4 Increased Monitoring/CCTV services supports the One Medway Council Plan Priority ‘Enjoying clean, green, safe and connected communities – We want people to feel safe when out on the streets of Medway’

5.1.5 The expansion of Kyndi by working in partnership with Medway Council to create and implement ‘Care for Medway’ is positive. However, at this stage Care for Medway is an ambition and if the proposal goes ahead, a full procurement process will be required, and we cannot pre-determine that Kyndi will be successful. This also needs to be considered in the new group consolidated financial plan.

5.2 Kyndi’s change of approach in researching new Assistive Technology has made a significant difference in the relationship with Adult Social Care. The support provided by Kyndi to frontline Social Care staff with new technology has improved in trust, which in turn leads to the use of technology.

6. Risk management

6.1 Risk management is an integral part of good governance. The Council has a responsibility to identify and manage threats and risks to achieve its strategic objectives and enhance the value of services it provides to the community. Using the following table this section should therefore consider any significant risks arising from your report.

Risk	Description	Action to avoid or mitigate risk	Risk rating
Insufficient oversight of LATCO activity and performance	The company’s objectives and performance do not align with the councils aspirations	Shareholders boards have been established to received regular reports for the LATCos and provide steer to the company Chief	CIV

Risk	Description	Action to avoid or mitigate risk	Risk rating
		executive and Chair of the board of Directors on their expectations	
Council exposure to unknown risks	The company's activities expose the council financial and or risk	Regular reporting to the shareholder board on activity and risks	CIII
		A scheme of delegation ensures more significant decisions are taken at more senior levels within the company/ council.	CIV
Inclusion of Medway Council ambition in the Business Plan Finance for New Group Consolidated	The full business plan finance for the New Group Consolidated includes Care Home. This is an ambition for Medway Council and if the proposal goes ahead, a full procurement process will be required to commission a care provider and we cannot pre-determine this will by Kyndi Ltd.	Business Plan Finance to clearly document that the Care Home included in the plan is subject to Kyndi being successful in a procurement process.	CIV

For risk rating, please refer to the following table:

Likelihood	Impact:
A Very likely B Likely C Unlikely D Rare	I Catastrophic II Major III Moderate IV Minor

7. Consultation

- 7.1 The business plan was agreed by the Board, comprising two non-executive directors who both have experience and expertise in a commercial environment.

8. Climate change implications

- 8.1 [The Council declared a climate change emergency in April 2019](#) - item 1038D refers, and has set a target for Medway to become carbon neutral by 2050.
- 8.2 There are no direct implications arising from this report or the draft strategic plan.

9. Financial implications

- 9.1 The financial implications are set out in Appendix 1 and exempt Appendix 3 of this report.

10. Legal implications

- 10.1 The shareholders own the business, however the day to day management of the business is the responsibility of the Chief Executive and the Board of Directors. The shareholders responsibility derives from the Articles of Association (which set out the company's purpose and governance framework) and the Memorandum of Understanding sets out the operational decision making framework.
- 10.2 As a shareholder, the Sub Committee is entitled to receive regular reports from the Board of Directors on the company's activities, its performance, outlook over the next quarter and beyond. The shareholders need to be confident that the companies Chief Executive and the Board Directors can deliver on the approved business plan and to be informed if there are any material changes to the business plan or divergences from expected returns.
- 10.3 The company have shared embryonic proposals (in exempt papers) regarding potential new markets. These will need to be considered in depth and will require professional advice from external advisors particularly in respect of tax. The current recommendation in the exempt paper does not commit nor bind the council to any specific course of action save for further exploration.
- 10.4 In order to expedite matters and reduce external fees, it is recommended that the company be permitted to explore the issues however where external professional are required to be instructed/ requested to advise, that
- company is responsible for such fees
 - such a course of action can only occur with joint instructions being provided by the company and the council
 - all communication to/from the professional advisors are shared

As result the external consultant will have duty of care to both “clients” and the impact on both organisations can be considered holistically.

Lead officer contact

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Appendices

Appendix 1 - Strategic Plan

Exempt Appendix 1 - Group Restructure

Exempt Appendix 2 - Business Growth Opportunities

Background papers

None