



Year 2 Refresh:
2025/26

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Introduction

Local authorities are operating in an extraordinarily challenging financial environment, with rising demand for services, escalating costs and severely limited funding. In Medway we are rightly proud of our transformational journey so far, and of the extent to which we have been able to protect the wide range of services our residents value so highly. In 2023 we invited specialists from the Chartered Institute of Public Finance and Accountancy (CIPFA) to conduct a Resilience Review, to help us determine the action plans that would help us close the budget gaps we were projecting and to be financially sustainable. That review concluded that in common with a growing number of local authorities, it would be necessary for Medway to work with the Government to secure Exceptional Financial Support (EFS) in order to balance the budget.

Exceptional Financial Support

We have secured support through the EFS scheme to balance the budgets for 2024/25 and 2025/26, but we have not simply seen the flexibility granted as a balancing figure. Instead, we have used the scheme to secure investment that is enabling us to right-size services so that they are fit to meet the demands of our growing populations including Adult Social Care and Education Services, and to deliver a programme of transformational change. This programme, incorporating the priorities and approaches set out in the Medway 2.0 delivery plan will see us reshape how a wide range of our services are delivered to maximise efficiency and deliver the best possible experience for residents, businesses and visitors while making savings to reduce the revenue budget gap over the medium term.

We have supported CIPFA to carry out assurance reviews as part of the EFS process, with their latest report published by the Government in March 2025. Alongside making recommendations which are incorporated into this FIT plan, they note that *“The council is making great efforts to achieve a financially sustainable position and to balance spending with funding in the medium-term [...] and is both receptive and responsive to the advice given to it, to achieve greater financial resilience [...] Our impression is of a strong leadership at both Member and Officer level, which encourages collaboration and challenge in achieving the council’s vision based around a common agenda and common values. [...] In our view, based on the evidence provided and the discussions we have had, the council’s governance model is effective and the governance arrangements in place are understood by people at all levels of the council we have interacted with. [...] The quality of reports to the council and to committees is very good.”* CIPFA made a series of recommendations in their review, most of which feature in the actions throughout this report however in response to their recommendation that the Council develop efficiency measures alongside the activity and output focussed measures in place, the report was released too late for these to feature in the refresh of the Council Plan for 2025/26, reported to Council in February 2025, however a range of efficiency measures do feature throughout our Financial Improvement and Transformation Plan.

One Medway Council Plan 2024-2028

In April 2024 Council agreed the One Medway Council Plan, setting out the Council's vision, ambition and priorities for the period 2024-2028 and Council agreed the refreshed plan for 2025/26 in February 2025. The plan sets out our ambition to make Medway a great place to live, work, learn and visit. The plan sets out our five key priorities:

- delivering quality social care and community services,
- benefiting from good education, quality jobs and a growing economy,
- enjoying clean, green, safe, and connected communities,
- improving health and wellbeing services for all,
- living in good quality, affordable homes.

The Financial Improvement and Transformation (FIT) Plan

There is a significant amount of work underway to deliver improvements and savings across the Council while progressing our ambitions in the One Medway Council Plan. We are committed to being transparent and robust in our approach to monitoring and reporting our progress against all of this activity and to that end, in April 2024 Cabinet agreed the first version of our Financial Improvement and Transformation Plan (the FIT Plan). The FIT Plan brings together activity from a wide range of action plans and is not simply an acknowledgement of areas for improvement or a broad articulation of the Council's aspiration. It instead is a plan in the truest sense of the word, underpinned by firm actions, with specific targets and deadlines, clear, unambiguous lines of accountability and robust arrangements to progress and monitor delivery.

This second iteration of the FIT plan presents an update on our progress in the delivery of the targets and actions set last year, alongside our ambitious plans for the year ahead. It is underpinned by a commitment to the following:

- Transformational change: ensuring we continuously improve the way we operate, are proactively harnessing leading-edge technologies and approaches so we can deliver better, more streamlined services at lower cost, with improved experiences for our residents.
- Ensuring value for money: maximising the economy, efficiency and effectiveness with which we spend our £496m revenue budget and £329m capital programme.
- Financial Sustainability: we are committed to using EFS to invest in activity that will set us on the path to balancing budgets without external support over the medium term including actions recommended by CIPFA through the Resilience and Assurance Reviews and those of the Council's external auditors through their Value for Money reporting. We welcome the Government's promise to deliver funding reforms and multi-year settlements to support this.
- Partnership and collaboration: recognising the importance of our partners, we are committed to effective co-production, communication, and collaboration with all stakeholders.

- Workforce development: recognising that our people are our most important asset, at the forefront of delivering the services our communities need we are committed to ensuring our workforce is skilled, qualified and appropriately recognised and remunerated for the work they do as set out in our People Promise.

As we have during the past year, we will again be closely monitoring progress and reporting via Cabinet on a quarterly basis throughout the coming year.

Dr Lee-Anne Farach
Director of People and Deputy Chief Executive



Adam Bryan
Director of Place

Local Government Reorganisation and Devolution

In December 2024, the Government published a [White Paper](#) on the topic of [devolution](#) and reorganisation of local government in England (LGR). The White Paper proposed the extension of devolution and the creation of more Mayoral Strategic Authorities across England giving additional powers to local communities, giving them more control over decision making and implementation of services. The government also outlined plans to create more unitary councils to simplify and streamline local government.

Kent and Medway are not in the current programme of councils going through devolution however we have put forward initial proposals for local government reorganisation within our region in March 2025. We will work with the other Kent authorities to refine these ahead of the deadline in the Autumn of 2025 and that devolution will follow reorganisation for our area.

The Government plans to replace the current system of district and county councils with unitary authorities across England. A unitary authority is one layer of government responsible for all services in a given area as has been the case in Medway since 1998. In most areas, this will mean creating councils that serve at least 500,000 people. However, the Government is clear there may be exceptions to make sure the new system works well for each area, especially for devolution. Each decision will be made on a case-by-case basis.

What does this mean for Medway?

Medway Council is already a unitary authority. We're responsible for all services in our area including social care, waste collections, roads, parking and much more. Across the rest of Kent, there is a two-tier system in place. District and borough councils are responsible for some services and Kent County Council responsible for others. It's likely that all local government services in Kent and Medway will be reorganised into three or four unitary councils serving the whole of Kent and Medway, each with a population size of around 500,000 residents. Medway's current population is 280,000, so it's likely we will be combined with a neighbouring area or areas. But Medway residents will continue to have most of their valued services provided by a single council.

What happens next?

Medway Council, Kent County Council and Kent's 12 district and borough councils are working together to develop proposals to submit to government setting out how LGR could best be implemented in our region and improvements it would bring to local government services. An initial proposal was submitted to the government in March 2025, with final proposals due in November 2025. Once a final decision is announced we will start to work with neighbouring authorities to identify the best service delivery opportunities for when the new unitary authority goes live. It is expected that new shadow unitary authorities will be created in 2027 with the formal authorities going live in 2028. It is likely that this will then be followed by devolution for our region with the creation of a new Strategic Authority for Kent and Medway with an elected Mayor.

In the meantime, Medway Council will continue to provide our vital services as usual, continuing to deliver our commitments set out in our One Medway Council Plan and our FIT plan.

How to read this document

This FIT Plan sets out the savings we have agreed to deliver in setting the 2025/26 budget, alongside a wide range of actions drawn together from Divisional Plans, the Medway 2.0 Delivery Plan, the recommendations of CIPFA and other regulatory bodies, and a series of other key activities we will take in the coming year. The Plan is structured around the five priorities for delivering services to Medway as set out in the One Medway Council Plan, followed by sections for our priorities in delivering strategic support services. For each of these the Plan:

- summarises what the priority aims to deliver,
- sets out the areas for improvement we have identified,
- provides an update on the activity delivered through the FIT Plan in 2024/25,
- details the savings and income generation action plan for the area and how these will be monitored,
- sets out the other key actions for the area along with how these will be monitored.

Tracking savings delivery – cost savings versus cost avoidance

The 2025/26 revenue budget approved by Council in February 2025 assumes the delivery of more than £15.4m of savings and income generation proposals. During the year services will work with the accountancy and business change teams to track and report progress with both the underlying activity designed to generate savings, and the actual level of savings delivered to ensure robust, consistent reporting through both the budget and FIT Plan monitoring processes.

In some areas, the Council's budget is based on an assumed volume of transactions taking place during the year at an estimated average price. Where the 2025/26 revenue budget assumed an action or activity would reduce the volume or average price of those transactions, we refer to these as **budget or cost (cashable) savings**. Some action or activity is incorporated into the FIT Plan or may be identified during the year to prevent the volume or average price of transactions from increasing beyond the level assumed in the budget; we refer to this as **cost avoidance (non-cashable)** and while this is hugely important to delivering within the agreed budget, it is not counted in the delivery of the savings targets in this Plan. In short, budget or cost savings lower the cost now, while cost avoidance mitigates or eliminates potential future costs.

Priority 1: Delivering quality social care and community services

What does this mean?

Demographic changes, areas of high deprivation and, most recently, the cost-of-living crisis mean that more people in Medway are in need of support from care and social support services. In these challenging times we will ensure we work together with our partners to ensure we have a system that supports, protects and safeguards our children, young people and vulnerable adults. We will:

- Provide effective, targeted support for our most vulnerable residents to enable them to fulfil their potential and improve their quality of life,
- Support people of all ages to live the most happy, healthy, independent life possible, utilising assistive technologies,
- Ensure that services support children in care to thrive, fulfil their potential, build meaningful relationships and make good transitions to adulthood, so that they can live as independent lives as possible in their communities,
- Provide creative, cultural and community services and facilities across Medway that everyone can access and benefit from,
- Support our children and young people to ensure they are safe, secure and stable,
- Support all adults, including those living with disability or physical or mental illness to live independently and stay safe,
- Ensure people in Medway live independent and fulfilled lives into an active older age.

In the Assurance Review published in March 2025, CIPFA recommends that we ‘review the preventative and cost reduction measures the council is taking to contain or limit the impact of ... drivers of financial fragility’. However, it also recognises the challenges facing the council, and the focus that is already being placed on prevention: ‘The council has embarked on a number of initiatives to address the pressures in these services. A comprehensive transformation programme has commenced in Adult Social Care. Demand management is a key focus and includes initiatives to, for example, reduce reliance on adult residential care through the use of assistive technology and to support younger adults (often care leavers) on the edge of needing social care to enable independent living rather than going into supported living.’

Areas for improvement

Adult Social Care represents the most significant proportion of the Council’s overall general fund budget and correspondingly has seen the most significant budgetary pressures. The CIPFA Assurance Review notes that *“CIPFA’s benchmarking data indicates that Medway Council spends less per capita on both Adult Social Care and Children’s Services than other similar authorities. [...] Whilst the council is focused and taking action to address the underlying drivers of financial fragility, the financial challenges, based on the 2023-24 outturn, the current forecast outturn for 2024-25 and the MTFO together are daunting since these drivers are mostly outside of the council’s control.”* Elsewhere in the March 2025 report, CIPFA recommended that the Council should *“Review the preventative and cost reduction measures the council is taking to contain or limit the impact of these drivers of financial fragility”* which the report is clear primarily relates to social care; the actions set out in this section therefore represent the Council’s plans in response to this recommendation.

In January 2025 the Care Quality Commission published the report following their assessment of Medway's Adult Social Care services during August 2024. The service was rated 'requires improvement' overall, with some areas achieving good including 'Supporting people to lead healthier lives', 'Partnerships and communities', and 'Safe pathways, systems and transitions.' Feedback from inspectors included how they had felt listened to by 'compassionate, kind, caring and knowledgeable staff'. However they also found that reviews of people's care were not always undertaken in a timely manner so action to improve waiting lists, while working to ensure a consistent approach when carrying out an assessment is prioritised for 2025/26.

Future Plans

We have implemented numerous changes in Adult Social Care in 2024/25 to transform the way we provide adult social care services in our community. We have invested in important structural reforms to ensure the delivery of quality services to support the most vulnerable adults in the most cost-effective way and this will continue in 2025/26.

- We will continue to increase the use of assistive technology and artificial intelligence to enable our residents to live independent lives for longer. Working with Kyndi we have introduced Intelligent Lilli Assistive Technology which has successfully supported people to live at home, going forward we will trial other types of Assistive Technology including automated medication dispensers, light therapy to support people with dementia and new wearable devices that identify falls.
- We have strengthened the transition arrangements from children's services to adult social care but need to strengthen this for children with SEND who transition to adult social care. Effective transition and budgetary control are dependent on enabling earlier reviews and plans so that cost effective arrangements can be organised from the outset.
- Ensuring that all individuals are assessed under the Care Act 2014 and only eligible needs that cannot be mitigated are met through Adult Social Care.
- Ensuring that 'strength based' approaches to assessment are embedded, including an effective community led approach to demand management.
- Supporting people to live independently in their own homes for as long as possible.

In respect of our **Children's Services**, the latest CIPFA review concluded that: *"Spend per capita on children's services was notably lower than for comparable authorities, and Medway has increased funding in this area to address earlier performance issues. As a consequence, the quality of Children's Services has improved since 2019 - when it was considered 'inadequate' – to be 'Good' in 2023. [...] Children's Services appear to be relatively efficient."* In 2024-25, Children's services have met the challenge set by CIPFA in their review ensuring that the improvements have been made and have not affected performance.

Medway Council has always prided itself on the wide range of **community services** we provide to Medway residents, from our excellent sports centres and theatres and vibrant annual festival programme. As discretionary services, we are not required to deliver these, but we know they are greatly valued by Medway residents. We are taking steps to review how we can continue to deliver these services in more cost-effective ways.

Our statutory library services and community hubs are trusted and welcoming spaces for all our residents providing a wealth of services from welfare and benefits surgeries, public health sessions, free Wi-Fi and public computers, and hundreds of events and activities every month to support young people, families and the most vulnerable.

Public Health

The Public Health department provides a range of services under the A Better Medway brand. This includes a number of physical activity groups, for example walking groups, cycling groups, Nordic Walking, Zumba Gold, etc. Most of these are very cost-effective, using external sources to provide seed funding for groups that then become financially self-sustaining. The department also supports a range of activities to reduce social isolation through the social isolation and loneliness hub. In addition, the healthy child programme provides services to support the development of children, from before birth with healthy pregnancies, a PSHE programme that is now used nationally to support over 7 million children and our healthy early years award programme, among other services.

Our work in 2024/25

We said....	We did....
We would carry out targeted reviews to improve outcomes and deliver savings.	<p>154 ASC reviews were completed in full, with additional savings and cost avoidance identified.</p> <p>16 focused panels reviewed a number of children and young people across residential, supported accommodation, floating support, transport and high-cost placements – savings were achieved. This targeted review will be happening annually as part of a rolling programme of scrutiny and review.</p>
We would manage demand better in the residential, supported living and homecare areas.	<p>Challenges with reducing demand continue. Most people requiring residential care have already received homecare and telecare, but their health has declined to the point it is no longer safe or suitable for them to remain at home. The use of Assistive Technology has meant that some residents have been able to remain at home rather than move into residential care. There is ongoing work planned on prevention for 2025/2026, with the Director of People leading on the delivery of the Prevention Strategy.</p> <p>In Children's Social Care, we work together with our partners to ensure that early help is provided to children and their families at the point a worry arises. Through Family Solutions, children's services provide targeted Early Help and group sessions to children and their families enabling them to access the support when needed. We have increased</p>

We said....	We did....
	our co-production with service users to ensure the right services are offered to meet the needs of our families. Our Youth Service also engage with young people directly within the community, and within youth centres to prevent escalation and the requirement of statutory services.
We would build better capacity through our brokerage placement negotiations	Significant savings and cost avoidance were achieved through negotiation in placements and packages of care for Children's and Adults' Social Care.
We would develop a 'Care for Medway' Strategy	Cabinet agreed to commission a specialist to deliver a robust business case for 'Care for Medway', including the business operating model to be reported to Cabinet in the third quarter of 2025/26.
We would set up and open Eden House Residential Provision	The provision is now registered with Ofsted and was inspected in April 2025. It received 'Good' in all areas of the inspection framework and is now operational with young people in residence.
We would, through the Family Partnership programme, increase working with families to prevent escalation to Care proceedings and enable children to be reunified with families	Our work is ongoing in pre-proceedings and proceedings to achieve the best outcomes for families.
We would deliver targeted review for the short breaks service.	We launched new criteria and recruited additional staff to provide ongoing reviews and support for children and young people. Positive feedback received from parents and carers.
We would formulate a programme for the Integrated Hubs Programme	We have drafted concepts, and a pilot phase is now concentrated on Gillingham town centre.

Priority 1 Savings and Income Generation Plan 2025/26

Task ref.	Activity	Division	Description of item monitored	Income (£)	Savings (£)
1.1	Prevention: Reablement (including AI tools)	ASC	Embed the reablement pilot currently underway in Locality 1 across Early Help and Prevention in ASC. Identify and pilot technologies to support prevention with lower resource impact.		1,000,000
1.2	Prevention: MIST - work with 40 people to prevent the need for statutory services (cost avoidance) or transition people from high-cost services to independent living with support being provided by the team.		Introduce the Medway Intensive Support Team (MIST) to support people considered hardest to reach and support people to be more independent reducing the need for high-cost services. It is proposed that supporting 20 people will deliver the proposed savings.		832,000
1.3	Prevention: LDA - support 10 people and work with providers to increase least restrictive practice.				450,000
1.4	CHC: ensure costs for 10 cases are funded equitably.	ASC	Carry out a deep dive of current CHC work to identify areas of focus and challenge to ensure Medway's residents are receiving appropriately funded care & support and that the council is only funding Care Act eligible needs.		500,000
1.5	Targeted reviews – 125 Targeted Reviews are completed	ASC	Reviewing care to ensure that Medway's residents are receiving the right and least restrictive care at best value		1,200,000
1.6	Brokerage placement negotiation – 50 negotiations	ASC	Ensure that costs of care are appropriate for the type of care being received.		500,000
1.7	Assistive technology - 45 Assessment Units	ASC	Supporting people to live independently in their own homes and prevent risk of falls etc. in care homes.		800,000

Task ref.	Activity	Division	Description of item monitored	Income (£)	Savings (£)
1.8	Direct payment reclaims – 110 DP reclaims	ASC	Audit of direct payments to ensure that any funds that are not required to meet Care Act eligible needs are reclaimed.		200,000
1.9	Direct payment operational cost savings	ASC	Review of operational costs associated with Direct Payments for example fees paid for insurance.		150,000
1.10	Increased contract monitoring	ASC	Ensure Medway's residents are in receipt of good quality care and support and that correct level of fees are paid.		120,000
1.11	Supported Accommodation Reviews	CSC	Supporting into independent accommodation by identifying and provide appropriate housing options for young people		150,000
1.12	Management and review of placements	CSC	Monitoring and review of children's placements to ensure placements and care plans are relevant and continue to meet the needs of children and young people.		2,000,000
1.13	Increase in in-house fostering placements	CSC	Recruiting and approving more inhouse foster carer to keep children closer to home and to reduce use of IFA placements.		300,000
1.14	Closure of VIC	C&C	Saving on operation of VIC		44,000
1.15	Increased income Corn Exchange	C&C	Increased Rochester Corn Exchange income projection	49,000	

Assumptions

The ASC 2025/2026 budget includes significant demographic growth of £6.561m however the increasing complexity of the people we support continues to present a challenge, as packages of care can cost upwards of £4,000 per week. In addition, the issues with funding across health and social care is leading to partners reviewing patients, deeming they are no longer eligible for health funding and transitioning the person to be funded by Adult Social Care.

Priority 1 Key actions 2025/26

	Key action	Responsible Owner	Milestone dates
1a	Agree joint funding protocols with the K&M NHS ICB, resulting in a signed protocol.	ASC	Q2 25/26
1b	Develop an in-depth business case for Care for Medway, with a preliminary review of potential sites.	ASC	Q3 25/26
1c	ASC / NHS joint bed brokerage service with an in-house ASC service taking over NHS placements.	ASC	Q3 25/26
1d	Embed reablement pilot across Adult Social Care. It is difficult to set a numerical target for this action as it is purely dependent on the demand coming through. However, progress will be recorded in the FIT Plan Tracker to monitor performance.	ASC	Q3 25/26
1e	Identify and pilot technologies to support prevention with lower resource impact	ASC	Q1 25/26 and ongoing
1f	Carry out a deep dive of current CHC work to identify areas of focus and challenge	ASC	Q1 & Q2 25/26
1g	Strengthen joint commissioning arrangements with NHS	ASC	Q2 25/26
1h	Undertake a review and embed good practice from the Double Handed Care project by September 2025	ASC	Q3 25/26
1i	Deliver all medium-term actions from the CQC Action Plan	ASC	Q4 25/26
1k	Develop performance metrics to support from SEND	Performance & Intelligence (Lead), PH / ED/ ASC (engagement)	
1l	Feasibility and potential delivery of one Integrated Hub (candidate identified) delivery contingent on business case (subject to Member approval). A plan for further development agreed.	RGN / INFO	End of Q2 25/26 Q4 2025/26
1m	Debenhams elective surgery delivery plan and programme agreed or shelved (subject to Member approval).	RGN	Q3 2025/26

	Key action	Responsible Owner	Milestone dates
1n	Take learning from any external inspections, such as ILACS, SEND, CQC, to address areas of improvement not only in the service being assessed, but also implement improvements that have wider applicability across the Council.	ASC CSC EDUCATION	March 2026

Priority 2: Benefitting from good education, quality jobs and a growing economy

What does this mean?

We want to give local people the best chances to reach their full potential and are committed to creating and fostering opportunities and environments where they can thrive. We will:

- Ensure all children and young people access a high-quality, inclusive education,
- Work with business partners to ensure education and skills development supports children, young people and adults to lead successful lives, and secure employment opportunities, with targeted support for the unemployed and vulnerable groups,
- Develop a strong mixed economy which provides training and work opportunities that support career development, increasing high value businesses and expanding high quality employment,
- Develop Medway's reputation as a home for creative, cultural, and green industries to support a growing economy, maximising our national recognition as a priority place for culture and heritage,
- Support the growth and diversification of business in our town centres, reflecting the importance of placemaking and regeneration.

Areas for improvement

The 'Safety Valve' programme is progressing well in Medway. Safety Valve agreements hold local authorities to account for delivering their high needs services in the most effective and sustainable way, for the benefit of children and young people. 35 authorities started the programme, 5 have had payments suspended, 2 have had the programme extended and 4 are under review.

Activity to ensure the spending on SEND in Medway is well managed and regular monitoring returns to the Department indicate that the Council is achieving in-year financial sustainability against the high needs block and forecasts to have cleared the deficit by the end of 2026/27.

The withdrawal of the £170million Housing Infrastructure Fund and the administration's own decision to pause further investment at Innovation Park Medway has meant a number of consultants have been released, however a handful of permanent staff have been retained to continue to lead the Council's regeneration and economic development activity – developing the strategy, preparing feasibility studies and business cases and bidding for grant funding. However, it has meant that more of this cost now falls back to the revenue budget to fund. For 2026/27 these HIF capital recharges have been added to the base budgets.

In Autumn 2024 the new business innovation hub Ascend opened at the Pentagon Shopping Centre, providing a modern professional office space and coworking opportunities for small start-up businesses across Medway to help them grow.

During 2024 a review took place to explore the best long-term opportunities for Innovation Park Medway to ensure the most sustainable future for the site and a report to Cabinet in March 2025 agreed the next steps to ensure the most sustainable future for the sites and to achieve the outcomes envisaged from the sites in response to market changes.

Our work in 2024/25

We said....	We did....
We would conduct a strategic review of transport to ensure best value for money.	We completed the review and implemented route planning software to maximise efficiency and reduce journey times. The route planning software enabled on a reduced number of vehicles and more efficient running of the shared transport/taxi options. Average cost per pupil last year compared to this year has reduced by 27.8% for shared transport, 15.8% for dual transport, and increased by 13.6% for solo transport. Currently, 97.7% of the pupils transported in this way use shared transport with only 1.5% on Dual and 0.9% on solos.
We would work with the local area partnership to deliver the improvements in the provision for children and young people with SEND	We are delivering on the local area improvement plan, available on our website. Actions have included investing in additional staffing to ensure we meet the statutory timeframes for EHCP needs assessments. 100% received now are assessed within the 20-week timeframe.
We would increase income into our Adult Education centres.	We delivered over £60,000 of additional income in 2024/2025.
We would review development and disposal options for Innovation Park Medway	Consultants have undertaken a review of background information and initial market analysis. A long list of options for both sites has been produced and presented. This will inform the production of strategic masterplans and subsequent detailed appraisals. Recommendations will be presented to Cabinet in March 2025. On track to be completed by 31/03/2025.

Priority 2 Savings and Income Generation Plan 2025/26

Task ref.	Activity	Division	Description of item monitored	Income (£)	Savings (£)
2.1	Use of AI to support compilation of EHCP	ED	We are piloting the use of AI to support the administrative process of pulling together the relevant information into a draft EHCP.		60,000
2.2	Route planner software used for route rationalisation	ED	Full year impact of saving in 2024/25		274,000
2.3	Impact of school transport review	ED			784,000
2.4	Adult Education centre increased income	RGN	Based on additional 10% growth	15,000	
2.5	Innovation Park income (lease income to BAE for circa 2 years whilst their site is developed)	RGN		300,000	

Priority 2 Key actions 2025/26

	Key action	Responsible Owner	Milestone dates
2a	Reduce the proportion of children with SEND receiving travel assistance by 5% (forecast number, Jan 26, without reduction 2,464). Number of SEND pupils receiving travel assistance to not exceed 2340	ED	
2b	Review progress and implement action plan to regenerate our high streets and create 1,000 new jobs in Medway by 2027.	RGN	Review progress: June 2025 Develop action plan: September 2025 Target: March 2027

Priority 3: Enjoying clean, green, safe and connected communities

What does this mean?

The places where we live affect our health, well-being and happiness, and residents young and old often tell us that safety and cleanliness in Medway are their priorities. We want to ensure residents can enjoy well connected and sustainable travel system across Medway. We will enable increased walking and cycling networks and work with partners to ensure an integrated, accessible, safe and sustainable public transport system across Medway and beyond. We will:

- Create child-friendly communities, which ensure all people in Medway will feel safe and live free from harm and abuse,
- Celebrate the individuality of each town centre, ensuring services, events and activities reflect and support the diverse communities of Medway,
- Provide improved opportunities to walk, cycle, use public transport and electric vehicles, reducing carbon emissions and improving air quality,
- Engage Medway's residents in ensuring Medway is clean and well maintained. Protect and enhance Medway's River, green spaces and environmental assets as a means of effectively tackling climate change,
- Develop and facilitate easy-to-use and simple digital solutions for residents to access services and engage with the public sector.

We have delivered on Medway Labour and Co-operative's manifesto pledges by maintaining weekly bin collections and implementing free bulky waste collection. This refresh of the One Medway Financial Improvement and Transformation Plan also includes specific actions to tackle crime and anti-social behaviour with a neighbourhood warden for every ward and a community hub in every town, as well as establishing new parks and improve access to green spaces.

Areas for improvement

The CIPFA Assurance Report in March 2025 noted that "Medway has acknowledged CIPFA's previous findings that there had been an undue focus on this area and so its 2024-25 budget includes a greater emphasis on savings in this area. [...] The Regeneration, Culture and Environment has instigated a range of initiatives to scale back its spending without an undue adverse impact on service delivery."

Introducing our Safer, Healthier Streets Project to improve safety and meet climate change objectives is not only generating additional income to be re-invested in our highway infrastructure but is proving successful across all three initiatives. Compliance on our Red Routes is high, reducing congestion on our strategic routes, improving bus journey times and keeping Medway moving. Our School Streets are encouraging parents to consider not driving children to school; particularly those within walking distance, contributing to a reduction in vehicle emissions and enabling children to live healthier lives. Our Moving Traffic Enforcement is challenging driver behaviour and continues to penalise those that contravene our yellow box junctions and banned right turns.

The decision to increase car parking charges for a successive year will enable us to continue to maximise revenue whilst still ensuring we remain cheaper than our neighbouring authorities.

We will shortly start to welcome our new refuse collection fleet to Medway and continue to review how our environmental services can positively drive change behaviour in our residents that support the Council's climate change plan.

Following legislative changes and budgetary pressures, we will begin our journey in 2025/26 of developing a joint Waste Improvement Plan culminating in a Medway World Class Waste Strategy helping to protect our local environment, ensure taxpayers money is well spent, change behaviours to reduce waste generated, improve recycling capture and stimulate the local economy. Reducing the environmental and financial impacts of the waste we generate will help us deliver a sustainable waste management service – over the next 10 to 15 years and beyond.

We are committed to doing all we can to increase recycling, reuse and recover value from the waste generated in our Authority. During the first half of the fiscal year we will engage with stakeholders and hold events to stimulate debate and feedback, to shape the future. Our plan will look at where Medway is now and explore a range of issues and challenges facing Medway in managing its waste over the next 10 to 15 years. Greater community engagement and the promotion of social responsibility are vital to the development of our Medway World Class Waste Strategy. This will be key to providing integrated, efficient services, linking into the Council's Priority 3; Enjoying clean, green, safe and connected communities.

Negotiations are ongoing with our Partners Medway Norse on a new contract and revised specification, that will ensure our greenspaces, play parks and country parks are effectively maintained to award standard over the next 5 years. Completion of this is a key action in 2025/2026.

Our work in 2024/25

We said....	We did....
We would deliver safer, healthier streets through improved highway enforcement	The programme is enabling safer routes through changing driver behaviour.
We would deliver savings based on increase implementation of LED street lighting	We delivered savings based on reduced energy costs and maintenance.
We would commission a comprehensive waste strategy	We have pushed the programme into 2025/26. Professional services will be procured to assist with strategy development and stakeholder engagement.
We would deliver a new waste collection fleet	Delivery of the new fleet will take place over the first 6 months of 2025.

Priority 3 Savings and Income Generation Plan 2025/26

Task ref.	Activity	Division	Description of item monitored	Income (£)	Savings (£)
3.1	Yellow bus fees	FLS	Projected additional income from increased yellow bus fees	50,000	
3.2	Increased revenue PCN	FLS	Council-wide parking review and projected improvement to the recovery rate of PCNs	1,196,000	
3.3	Traffic signal temporary removal fees and charges income	FLS		45,000	
3.4	Additional income traffic management street closures	FLS		150,000	
3.5	Additional income highways/footways crossovers	FLS	Streetworks, licensing and vehicle crossings	165,000	
3.6	'Safer, Healthier Streets'	FLS	Additional streets, pilot school zones and improved recovery rate of PCN	200,000	
3.7	Second garden waste bin	FLS	Income from charging residents opting for a second garden waste bin	20,000	
3.8	Implementation of Routes Reports AI Technology	FLS	Reduction in expenditure from cyclical road marking to reactive		90,000

Priority 3 Key actions 2025/26

	Key action	Responsible Owner	Milestone dates
3a	Delivery of an on-street EV charging infrastructure: <ul style="list-style-type: none"> End of March for bid decision 	FLS	Contract Mobilisation Sept 2025

	Key action	Responsible Owner	Milestone dates
	<ul style="list-style-type: none"> • End of April for Invitation to Tender • Award of Tender July/August 		
3b	Implementation of Lane Rental: Submission to Secretary of State	FLS	Sept 2025
3c	Early market testing for new Highway Infrastructure Contract	FLS	April 2025
3d	Implementation of various Highway Licences (articles on the highway and oversailing)	FLS	Aug 2025
3e	Implementation of AI Technology to support the monitoring of potholes and the condition of the road network in Medway.	FLS	Apr 2025
3f	Complete negotiations around contract, agree the specification and execute a service level agreement with Medway Norse for Green Spaces, Waste Services, FM and SEND Transport	RCE	June 25 Nov 25 Mar 26
3g	Designate a named Public Protection Officer for every ward to maintain an oversight of activity and reports made within the ward via the new Medway 2.0 “report it” processes.	FLS and INFO	Sept 2025

Priority 4: Improving health and wellbeing for all

What does this mean?

Central to our vision of enabling people to thrive and realise their potential is improving the health and wellbeing of people who live and work in Medway. We will:

- Empower people to achieve good health and wellbeing through prevention, with access to local activities and services that will enable and support them to lead independent, active and healthy lifestyles,
- Support families to give their children the best start in life,
- Work collaboratively to grow participation year on year in recreational play, sport and physical activity as a means of promoting improved physical and mental health and wellbeing,
- Work in partnership with communities and organisations to address the issues that negatively affect health and wellbeing, making sure everyone has the opportunity to live long, healthy lives.

We have delivered on Medway Labour and Co-operative's manifesto pledge to deliver the lowest Council tax in Kent, which directly contributes to the financial wellbeing of residents within Medway.

Areas for improvement

Our goal is to promote and improve health and well-being, giving our residents the opportunity to lead healthy, fulfilling and independent lives for longer, whilst knowing that they can connect to the right support at the right time. We recognise that access to health and care services and support is important, but we also know the challenges we face in Medway with areas of relatively high deprivation. Inequality undoubtedly affects people's health, evident in the varying life expectancy and health outcomes across different wards in Medway. We aim to tackle these inequalities through our work and important initiatives now underway in Medway, including working to become a Marmot Place and the Health Determinants Research Collaboration (HDRC) that focuses on tackling the building blocks of health, for example employment, education, transport and community networks. Working in partnership with our health services and key health partners to tackle these challenges will be a key priority for us in the coming years.

Our work in 2024/25

We said....	We did....
We would reduce concessionary leisure centre fees and free swimming	Reduction in concessionary leisure centre fees and free swimming delivered.
We would develop further proposals to reduce overhead costs for the Council's leisure services, through capital investment and grant funding.	A four-year plan had been drafted and presented to Members. A capital investment of £1.5m has been approved to modernize a range of sports centre facilities to support income generation opportunities.
We would deliver a comprehensive Public Health programme of activity.	We delivered a range of well-attended programmes, including over 10,000 residents attending a physical activity programme, over 7,000 NHS Health Checks completed and nearly 5,000 residents reaching out to the Mental Health Helpline.

Priority 4 Savings and Income Generation Plan 2025/26

Task ref.	Activity	Division	Description of item monitored	Income (£)	Savings (£)
4.1	Additional Income Leisure	C&C	Increase in income targets for each sports centre to deliver combined target through additional income, in line with the MTFP for sports centres.	278,000	

Assumptions

A four-year plan for increasing income to reduce the annual subsidy required has been presented to Members and submitted as part of MTFO. This is supported by £1.5m capital investment approved by Members to modernise a range of sports centre facilities to support income generation opportunities. This assumes improvements in FM building efficiency to ensure increased income achieved is reflected in overall performance.

In partnership with Category Management and Property colleagues, we have issued tenders and are working with Finance colleagues to assess the impact of the budget on service expenditure, most notably apprenticeship/living wage increases and employer National Insurance contributions

Priority 4 Key actions 2025/26

	Key action	Responsible Owner	Milestone dates
4a	<p>Improve flu vaccination uptake through insight work into flu vaccination uptake in health staff, social care staff and key patient groups to inform flu immunisation campaign in winter 2025/26</p> <ul style="list-style-type: none"> • Report on insight work 31 August 2025 • Comms materials 30 September 2025 • Campaign and immunisation begin 1 October 2025 	Public Health	1 October 2025
4b	Deliver a primary falls prevention service	Public Health	Launch 1 June 2025
4c	Develop two prevention-related research projects addressing the building blocks of health	Public Health	By 1 October 2025
4d	Deliver a smoking cessation AI support tool	Public Health	Launch 1 June 2025

Priority 5: Living in good-quality, affordable homes

What does this mean?

Through our Local Plan we will ensure that we provide the right types of homes in the right places for our growing communities and, in the coming years, will work with developers to ensure we get this right. We will also ensure we assist people with specific accommodation needs including older people, people with disabilities, people needing specialist support and those who find themselves homeless. We will:

- Increase the supply of good quality, energy efficient and sustainable homes that reflect the needs of the communities in Medway,
- Implement a Local Plan which reflects the needs of the communities in Medway, supporting a transition to a low-carbon future promoting affordable, energy efficient and sustainable homes,
- Assist people with specific accommodation needs including older people, people with disabilities, people needing specialist support and those who find themselves homeless,
- Engage with communities to identify ways to improve streets, parks and local surroundings which create vibrant places to live and enhance the quality of people’s lives,
- Ensure the council’s housing stock is good quality, efficient, free from damp and mould and tenants are at the heart of decision making.

Areas for improvement

The ‘cost of living crisis’ has led to a significant increase in the numbers of families presenting as homeless and the demand for affordable housing is also rising steeply. We have been making significant investment to tackle the rising costs of temporary accommodation in the coming years including a £42million investment purchasing around 150 properties (between 2024-2026) that will be used to provide temporary accommodation to reduce reliance on the private rented sector which is costly and can be volatile. We will also increase the number of long-term leased properties on our books and have launched our own letting agency (One Medway Lettings) to help prevent the need for people to access temporary accommodation in the first place.

In February 2024 the Council set out its timetable for the delivery of the Local Plan, committing to the submission of the Draft Plan for independent examination in June 2025. Further consultations take place in June 2024 and January 2025 ahead of submission.

Our work in 2024/25

We said....	We did....
We would implement a temporary accommodation strategy	We have started acquisition of properties to support our strategy
We would set up a Council-owned lettings agency	One Medway Lettings launched in November 2024

We said....	We did....
We would deliver the first stage (Reg 18) of the Local Plan	This was achieved and we are on track for submission by end of June 2025
We would increase Planning Fee revenues	Income from planning applications continues to be strong and the target was exceeded at year-end.

Priority 5 Savings and Income Generation Plan 2025/26

Task ref.	Activity	Division	Description of item monitored	Income (£)	Savings (£)
5.1	Temporary accommodation acquisition programme (year 2)	HOUSING	Reducing the use of private nightly paid accommodation		720,000
5.2	Move on team	HOUSING			450,000
5.3	One Medway Lettings to reduce the long term spend on nightly paid accommodation	HOUSING			150,000
5.4	HRA TA Usage	HOUSING			180,000

Priority 5 Key actions 2025/26

	Key action	Responsible Owner	Milestone dates
5a	Continue temporary accommodation acquisition programme – year 2 (75 new acquisitions). Reducing the use of private nightly paid accommodation. To achieve the overall target of 150 council owned temporary accommodation properties. Measured quarterly.	HOUSING	Q1 2025/26 Q2 2025/26 Q3 2025/26 Q4 2025/26

	Key action	Responsible Owner	Milestone dates
5b	Move on team – to increase the percentage of move-on from nightly paid accommodation. [To coincide with the reduction of on-going placements.] Measured quarterly.	HOUSING	Q1 2025/26 Q2 2025/26 Q3 2025/26 Q4 2025/26
5c	Increase the One Medway Lettings portfolio by a minimum of 3 new properties per month. To support the delivery of 5b to reduce the long term spend on nightly paid accommodation. Measured quarterly.	HOUSING	Q1 2025/26 Q2 2025/26 Q3 2025/26 Q4 2025/26
5d	On-going provision of 70 Housing Revenue Account (HRA) properties to be used as temporary accommodation, reduction in cost of temporary accommodation costs by £25 per property per night. Measured quarterly.	HOUSING	Q1 2025/26 Q2 2025/26 Q3 2025/26 Q4 2025/26
5e	Review the temporary accommodation reduction plan and present to CMT & Cabinet	HOUSING	May 2025
5f	Deliver the draft Local Plan (Reg 19)	PLANNING	June 2025
5g	Agree and meet timescales for Local Plan laid out in the Local Development Scheme	PLANNING	March 2026
5h	Implement a structure to respond to the Planning Reform resulting from the Planning Reform Bill	PLANNING	March 2026
5i	Take learning from any external inspections, such as RSH, to address areas of improvement not only in the service being assessed but also implement improvements that have wider applicability across the Council.	HOUSING	March 2026

Our strategic support services

6. Sustainable finance

To remain financially sustainable, local authorities must be able to meet their statutory service obligations within the funding they receive from the Government, locally raised taxes and income from fees and charges for services over the medium term. Each year we update our projections around the future cost of services and likely availability of funding to present in the Medium Term Financial Outlook in August, and alongside the budget for the year ahead in February. This work projected a significant gap for 2024/25 and 2025/26 which led to the Council securing support through EFS for both years.

The Council has used the EFS support to deliver a programme of investment to deliver transformational change so that we can deliver better services at lower costs. We are also actively engaging in the Government's plans to deliver funding reform, including multi-year settlements and targeting Government funding towards local authorities with higher needs and lower resources; both of which we believe will significantly improve Medway's financial position.

In response to recommendations made by CIPFA in the Resilience Review, we have increased the frequency of revenue budget monitoring with monthly forecasts being carried out from April 2024 and through the 2024/25 FIT Plan and added additional resources to the accountancy function to better support the organisation through the budget cycle.

The latest CIPFA report acknowledges that "...the council is making great efforts to achieve a financially sustainable position and to balance spending with funding in the medium-term, and it is achieving some measure of success" and that "the FIT Plan demonstrate[s] the council's commitment and efforts to respond to the challenges it faces and make progress to a more financially sustainable future." The report concludes that "there has been a clear alignment between Medway's strategic priorities, service plans and the Financial Improvement and Transformation Plan that is focused on long term financial sustainability".

The latest CIPFA report recommended that "The Council acts to limit spending to within the approved budget and, if this proves unfeasible, undertakes a further review of Earmarked Reserves to fund any shortfall and preserve the General Fund Balance at £10 million." To this end the Corporate Management Team have used the monthly budget monitoring process to give clear instructions to services to deliver management action to reduce the forecast position. This resulted in a reduction to the level of overspend projected during the year, from almost £16.5m pressure projected in Round 1 in July 2024, down to just under £8.5m pressure as at Round 3 reported in February 2025. A review of the remaining earmarked reserves will take place alongside the closure of the 2024/25 accounts, with the impact reported through the Outturn report to Cabinet in June 2025.

The latest CIPFA report also recommended that we '*Identify realistic level of EFS required in combination with radical plans to curb spending and maximise funding.*' We worked with the Government and CIPFA in the Winter of 2024/25 to validate the level of EFS required for both 2024/25 and 2025/26. Senior management and the Cabinet have already agreed the process to develop the MTFO and Capital Strategy to inform the 2026/27 budget; this work will start

earlier than ever before and will see enhanced arrangements for business case development and reporting, to assist Members to prioritise investment appropriately.

The Finance and Business Improvement (FBI) divisional plan for 2025/26 focuses on four priorities:

- Sustainable finance,
- Supporting delivery of this plan,
- Attracting, retaining and developing an effective workforce,
- Performance, assurance, risk and governance.

Over the past year, significant progress has been made in enhancing our strategic support services. The Finance and Business Improvement (FBI) division has successfully realigned budgets to address projected shortfalls and deliver recurrent savings.

Our work in 2024/25

We said....	We did....
We would restructure the FBI division to deliver savings	We realigned the budget and are delivering recurrent savings.
We would reduce the mayoral support budget	We delivered reduced staffing and returned an additional vehicle.
We would develop quarterly reporting for more comprehensive updates	We have developed a template Quarterly Financial Resilience Report: and are trialling it, populated with various data sources
We would develop a set of tools to support the organisation to prepare business cases and conduct investment appraisal	Templates have been developed, and internal guidance is being produced for rollout to support the 2026/27 budget setting process.

Savings and Income Generation Plan 2025/26

Task ref.	Activity	Division	Description of item monitored	Income (£)	Savings (£)
6.1	Schools' HR & payroll services	FBI/HR	Projected reduction in income from HR/payroll services traded with schools offset by reduction in resourcing		31,000

Key actions 2025/26

	Key action	Responsible Owner	Milestone dates
6a	Develop a detailed Reserves Strategy to support the budget setting process and the COO's Section 25 Statement, to include annual review of earmarked reserves as required to preserve the minimum General Fund balance. CIPFA Assurance Review recommendation: <i>The Council acts to limit spending to within the approved budget and, if this proves unfeasible, undertakes a further review of Earmarked Reserves to fund any shortfall and preserve the General Fund Balance at £10 million</i>	FBI/FIN	August 2025 MTFO report to Cabinet
6b	Agree and communicate the process, timescales and templates for the 2026/27 budget setting process.	FBI/FIN	May 2025 CMT report
6c	Engage services to increase robustness of projections in the MTFO 2026/27, with consideration given to incorporating a range of scenarios. CIPFA Assurance Review recommendation: <i>Identify realistic level of EFS required in combination with radical plans to curb spending and maximise funding</i>	FIN	August 2025 MTFO report to Cabinet
6d	Prepare data driven medium term financial projections and capital requirements in a comprehensive MTFO and Capital Strategy, to inform the Draft Budget 2026/27 and plot a route to balancing the budget without recourse to EFS or reserves by 2027/28.	FIN	August 2025 MTFO and Capital Strategy reports to Cabinet
6e	Introduce budget accountability statements for all officers at service manager level and above.	FIN	May 2025
6f	Implement a refined monthly budget monitoring process, supported by arrangements to monitor levels of engagement from services.	FIN	May 2025 M1 forecasts co-ordinated based on April actuals
6g	Actively engage in the consultations and process to reform local government funding and the Settlement.	FIN	Summer 2025
6h	Develop an authoritative Establishment List to incorporate vacant and filled posts and introduce arrangements to ensure this is maintained as resources change.	FIN/HROC	April 2025: Initial structure in

	Key action	Responsible Owner	Milestone dates
			spreadsheets with data reconciled to budget Quarterly review
6i	Agree a timetable with Grant Thornton to meet the statutory audit deadlines and deliver the elements required by the Council including providing required records and records relating to brought forward balances.	FIN	April/May 2025: Timetable agreed May/June 2025: required records delivered
6j	Review all current authorised financial limits and introduce standard delegations for different levels, with variations agreed for specific roles as required.	FIN	September 2025 implementation via updated Centros system
6k	Develop a Financial Resilience dashboard for the COO to provide quarterly briefings to the Leader and CEO.		Q1 2025/26

7. Improving the customer experience: Medway 2.0 Delivery Plan

We want to make it as easy as possible for local people to deal with the Council whether they are looking for information, applying for social care support, paying council tax, applying for parking permits or reporting fly tipping. Our ambitious Medway 2.0 Delivery Plan involves redesigning the user journey our residents take to when wanting to contact us and implementing the latest technologies to make it as simple as possible to use. We will adopt a corporate platform with building blocks that can be used across a range of services, which will:

- Create consistency across different Council services,
- Ensure all e-forms have the same functionality, by rationalising the number of e-forms packages
- Allow services to be “joined up” – e.g. if applying for disability benefits a blue badge can be provided without customers having to complete another form,
- Provide an end-to-end, simplified and digitalised, process design,
- Keep Council staff and customers updated on progress at each stage of the process.

The 2025/26 budget provides for £1.0million of investment (£3m over a three-year period) to deliver this programme and the associated redesign of services, which will directly support many of the service improvements and savings identified within this Financial Improvement and Transformation Plan.

Our work in 2024/25

We said....	We did....
We would develop a Medway 2.0 Delivery Plan.	The Medway 2.0 Delivery Plan was developed in collaboration with services during Q1 2024/25 and was approved by CMT, BSD O&S (20 June 2024) and Cabinet (30 July 2024).
We would implement programme governance methodologies.	Programme governance methodologies have been developed and made available to the organisation via the MedSpace Intranet. Training delivered to some teams and working with Internal Comms to raise awareness of the guidance and templates.

We would develop the 'Report It' process.	<p>The first "Report It" process (nuisance vehicles) was developed and went live in October 2024. This new process has incorporated 4 separate processes into 1 (abandoned vehicles, illegally parked vehicles, vehicles being sold on the highway, and vehicles being repaired on the highway), making it much easier for residents to report issues.</p> <p>The new "report it" service pattern will now be used to develop all future reporting processes, utilising the new service design and technology.</p>
We would create a platform for single view of the resident.	A report was taken to CMT on 2 October 2024 outlining the proposed roadmap for implementing a modern data infrastructure for Medway Council, using the Microsoft Azure cloud platform and the Microsoft Fabric solution, to support the achievement of the Council's data and analytics ambitions. CMT agreed the report and work is now underway to procure and implement the new platform, which will be a key objective for the 2025/28 FIT Plan.
We would review 'front door' demand management.	Themed discussion on demand management held with CMT on 21 August 2024, followed by a report on "demand management" and ""prevention" in November 2024. It was decided that the Director of People would lead the production of the Prevention Strategy, which will be a key objective within the 2025/28 FIT Plan (see Key savings target 1.1).
We would identify 2 distinct website platforms.	The Council has leveraged both the Jadu solution as well as in-house development using Microsoft.NET. An example of where this has worked well is the complete rebuild of the Medway Tickets website for the theatre team.
We would agree the timetable for review of progress of the Medway 2.0 Delivery Plan.	There will be a 6 monthly review at Cabinet and BSD O&S via the Portfolio Holder being held to account.

Savings and Income Generation Plan 2025/26

Because the Delivery Plan enables the service improvements and savings identified elsewhere within this Financial Improvement and Transformation Plan, there are no discrete targets in this section. Where possible, the relevant key targets have been referenced.

Assumptions

The Medway 2.0 Delivery Plan can only be delivered if all of the various Council services and stakeholders work together and are open to redesigning services from the resident's point of view. The delivery plan has been created in collaboration with services and has been agreed by CMT, BSD O&S, and Cabinet, so has buy-in from the highest levels.

Key actions 2025/26

	Key action	Responsible Owner	Milestone dates
7a	<p>Deliver the Medway 2.0 Delivery Plan. This transformation programme will deliver a range of projects across the following key workstreams: Housing, External/Resident-facing, Internal/Backoffice, Frontline Services, and Data. Key projects from this delivery plan are listed as separate actions.</p> <p>Supports the delivery of a wide range of savings targets for 2025/26 and will identify further opportunities for 2026/27 and beyond.</p>	FBI/INFO	March 2026
7b	<p>Redesign services and processes for Housing and Homelessness to improve the journey for residents and make the processes more efficient.</p> <p>Contributes to the £1.5m savings target for Housing: Target Reference: 5.1</p>	HOUSING	September 2025
7c	<p>Lead the Integrated Hubs Project to redesign services and implement technology.</p> <p>Targeting efficiencies and savings for the 2026/27 budget build with at least one Integrated Hub delivered in the 2025/26 financial year. Key Action Reference: 1l.</p> <p>Labour Manifesto Pledge: <i>Tackle crime and anti-social behaviour with a neighbourhood warden for every ward and a community hub in every town.</i></p>	RGN/INFO	December 2025
7d	<p>Redesign customer facing forms and move them out of legacy systems. This will improve the resident experience and deliver efficiencies from rationalising systems and automating workflows.</p> <p>Will directly contribute to savings in ICT and Frontline Services, which will be captured in the 2026/27 budget build when identified.</p>	INFO	May 2025

	Key action	Responsible Owner	Milestone dates
7e	<p>Implement technology, such as Artificial Intelligence, to support with the completion of SEND Education Health and Care Plans (EHCPs) to reduce the backlog and make the process more efficient.</p> <p>Contributes to the £60,000 savings target for SEND: Target reference: 2.2</p>	INFO	June 2025
7f	<p>Support with the commercialisation of the Corn Exchange by implementing a booking system upgrade and improved digital presence.</p> <p>Contributes to the £49,000 income target: Target reference: 1.14</p>	CULTURE	May 2025
7g	<p>Implement a modern data platform that will provide the foundation, capabilities, and tools for delivering data and insights across the organisation and with its partners.</p> <p>Supports the delivery of a range of targets as better data will lead to improved decision making, identify opportunities for earlier interventions, and allow resources to be prioritised.</p>	INFO	September 2025
7h	<p>Install cameras on vehicles that are travelling around Medway to identify and monitor potholes, road markings, and potentially capture condition data of the road network, which we currently pay a third party to do for us. A Network Hierarchy Review will be carried out as part of this project to ensure the appropriate level of priority is given to Medway's highways.</p> <p>Targeting efficiencies and savings for the 2026/27 budget build.</p>	FLS	October 2025
7i	<p>Target back-office functions to achieve efficiencies through the use of automation and AI.</p> <ul style="list-style-type: none"> • AI Wellness Chatbot to support staff. • AI Chatbot for HR. <p>Use of AI to support with the “purchase to pay” process.</p> <ul style="list-style-type: none"> • AI to support the Communications Team with drafting and proofing content. • AI Chatbot across customer contact channels to support CABS with handling resident enquiries and promote self-service. <p>Targeting efficiencies and savings for the 2026/27 budget build.</p>	INFO	<p>May 2025</p> <p>May 2025</p> <p>June 2025</p> <p>Dec 2025</p>

8. Maximising our revenues

Local government funding

The Local Government Finance Settlement for 2025/26 was the seventh successive one-year settlement the sector has received. Following a decade of real-terms reductions in funding and an outdated system for distributing funding between authorities, the lack of ability to make sound projections for income has hampered the delivery of medium-term financial plans and contributed to short-term approaches and decision making across the sector. In November 2024, the Government published a Local Government Finance Policy Statement which set out their intention to reintroduce multi-year settlements, beginning with the period 2026/27 to 2029/30.

The Settlement for 2025/26 reflects the Government’s recognition that many local authorities are under-funded to meet the growing pressures they face on statutory services with a real-terms increase in funding in one of the most generous settlements for a decade. The settlement also represents a shift in priority for the distribution of national quantum of funding for local government, with grant funding being targeting towards authorities with greater needs and deprivation and lower abilities to raise taxes locally. Medway benefited from this shift, with c£3m through a new Recovery Grant (paid only to the 50% lowest funded authorities) and greater shares of other grants distributed along these new bases. Alongside the Settlement for 2025/26 the Government began a consultation and engagement process to deliver funding reform, aiming to update the mechanism through which all government grants are distributed to better reflect the Government’s priorities and varying local needs. Further consultation and engagement will follow, with public consultation expected in the Spring/Summer 2025 alongside engagement through specialist sector and peer groups. It is imperative that Medway actively engages at every opportunity to maximise the benefits the reforms could deliver for the area.

The Council’s 2025/26 budget includes funding through the Collection Fund (local taxation account) including more than £170million of Council Tax and almost £77million through Business Rates and related grants. During 2025/26 we will build on the investment made in 2024/25 to ensure we administer the collection fund with maximum efficiency, and that our debt recovery focusses on those who are able to pay while supporting the most vulnerable. Our Corporate Debt team works closely with the Council’s Benefits and Financial Welfare service to identify and support those who are in financial need, ensuring they are receiving all financial support to which they are eligible and thereby reducing their liabilities and debts to the Council and other debtors.

Our work in 2024/25

We said....	We did....
We would proactively review single person discounts and other exemptions	We appointed to new posts in the team and implemented new procedures for reviewing Council Tax discounts and exemptions, including a new NEC

We said....	We did....
	software module to automate SPD reviews and a tool to identify ineligible households using credit matching.
We would strengthen Debt Recovery team to improve council tax collection	<p>We appointed new staff and new systems for identifying and supporting vulnerable households, focussing on the following areas of activity:</p> <ul style="list-style-type: none"> • proactively engaging with families identified as low income, through the Low-Income Family Tracker (LIFT) tool, • focusing on high level arrears accounts where charging orders and orders for sale have been approved, • progressing the tracing of c£2.2m of accounts where the debtor has absconded. <p>To date this work has recovered or reduced the Council's debt by £358,000 (including recovered fees and charges) alongside providing support and training to the wider team to enable others to deal with more complex caseloads in future. We are confident that the work of this team at full capacity using new automation will deliver significant increased income and reduce the level of debt provision than would otherwise be required.</p>
We would Increase the number of completion notices	We appointed to new posts focussing on income generation and issued more than 700 completion notices for new properties at an earlier stage than in previous years. This generated an additional £200,000 Council Tax income and we are confident that this approach will generate additional income in excess of this level in 2025/26.
We would charge 100% premium for long-term empty properties after one year rather than two	We implemented this in 2024/25, generating additional income of £499,697.
Remove 3 Month Discount for Class C & D	We implemented this and budgeted for the additional income in 2024/25.

Savings and Income Generation Plan 2025/26

Task ref.	Activity	Division	Description of item monitored	Income (£)	Savings (£)
8.1	Achieve budgeted growth in Collection Fund income budget compared to 2024/25 – Council Tax	FIN	Actual Council Tax income; <ul style="list-style-type: none"> • Taxbase growth • Value of discounts/exemptions awarded • Collection rate • Debt at Liability Order • Debt requiring write-off 	12,054,000	
8.2	Achieve budgeted growth in Collection Fund income budget compared to 2024/25 – Business Rates	FIN	Actual Business Rates income; <ul style="list-style-type: none"> • Rateable Value growth • Level of Rateable Value appeals • Collection rate • Debt at Liability Order • Debt requiring write-off 	2,814,000	

Key actions 2025/26

	Key action	Responsible Owner	Milestone dates
8a	Introduce a combined, holistic Hardship Policy to support officers working in Debt and Welfare teams and services recovering debt and dealing with hardship across the Council to deal with residents facing hardship in the most effective way, alongside a review of the Corporate Debt Policy.	FIN	Q1-2 2025/26: Engagement with services Q3 2025/26: Draft for consultation Q4 2025/25: Policies approved by Cabinet.
8b	Council tax: achieve a collection rate of 94.25%	FIN	March 2026
8c	Business rates: achieve a collection rate of 96.5%	FIN	March 2026
8d	Increase take-up of My Council Tax online – from 21% to 25%	FIN/INFO	March 2026
8e	Increase take-up of direct debit for council tax – from 69.45% to 70.00%	FIN	March 2026
8f	Increase year on year the level of additional financial gains identified for customers of the Welfare Team, with particular focus/support on those with priority debts to Medway Council.	FIN	March 2026

9. Workforce Strategy

Workforce 2028

With a competitive and unpredictable labour market, along with Local Government Reform the Council faces challenges to ensure our workforce is stable now and is prepared the future. Effective strategic workforce planning will ensure that we recruit and retain the right number of people with appropriate skills, qualifications, and experience; reducing reliance on locums and ensuring we can fulfil our commitment to the community we serve, and best place ourselves for changes in the future years.

We will continue to:

- Strengthen our employee offer, through a regular pay and reward review, capability development and the implementation of our Total Reward and Recognition Strategy, as well as focused activity to address the pay gaps, i.e. ethnicity/gender/disability,
- Transform the way we recruit through reviewing our end-to-end recruitment processes, using data to inform decisions and enhancing our induction process,
- Improve talent identification and management through using talent management tools and strategic workforce designs,
- Map and better understand the workforce to support an agile approach to future service needs, maximising skills, actively encouraging progression, increasing retention and targeted recruitment drives.

Over the period of our Workforce Strategy (2028), we will evaluate our pay approach and keep an ongoing focus on strategic workforce planning, through improved business intelligence, regular review and market positioning.

Developing our people

The Council strives to create a work environment in which staff are enabled to perform to the best of their abilities in support of the provision of a high-quality public service. The role of the manager is vital to improving the performance of the business area and of the individual staff members.

We will ensure that line managers and leaders have the right tools in the form of policies, procedures, guidance and skills, through effective learning, development, and training. We will support them with expert HR advice and assistance to lead people and manage change effectively.

We will continue to:

- Implement our Learning and Development Strategy
- Provide focused leadership development programmes so people can lead collectively and are led effectively, with change managed well.
- Ensure fair access and better signposting to quality and timely learning and development opportunities for all.
- Build our early talent pipeline, by working with the community on work experience, internships, and apprenticeships.

Managers at all levels will develop a stronger collaborative management culture by recognising and modelling good people management practices enabling the creation of a high performing work environment with the right conditions for dealing effectively with underperformance.

Engagement, Reward and Wellbeing

The engagement strategy is guided by feedback received from staff and the Council is committed to listening to staff and fulfilling the commitments identified in the Engagement Strategy and the Equality, Diversity and Inclusion Strategy which will build and promote greater engagement and equality and support inclusion.

We will:

- Embed our HR offer to support and address inequality and fairness,
- Continue to implement feedback loops as an engagement tool to nurture an environment where people feel listened to, and valued,
- Enhance our onboarding experience, striving to be an employer of choice within our community,
- Work together on a set of common behaviours that allow us to live our values every day and express our sense of personal responsibility and pride working at Medway Council.
- Reduce turnover and sickness absences by ensuring timely onboarding and sickness absence policy and support is applied well

Our work in 2024/25

We said....	We did....
We would introduce new tools to plan our workforce more proactively.	We have developed and trialled a methodology and this is now being rolled out, including skills audits in service areas.
We would identify future skills requirements to meeting the changing needs of the council.	We have drafted an updated Learning and Development Strategy, which is now being reviewed.
We would deliver a complete review of MedPay to align roles and enable career progression.	We have implemented 80% of the review, with the final teams onboarding in April 2025, we will then complete the leadership alignment.
Transforming the way we recruit through attraction and onboarding.	Implemented a TribePad attraction platform to ensure a seamless on-boarding experience for both candidates and hiring managers.
Design a leadership development programmes so people can lead collectively and are led effectively.	Implemented Our Complete Manager Training core Modules. 90% attendance, now to be introduced as an induction tool for leaders.

We said....	We did....
Embedding our HR offer to support and address inequality and fairness.	Relaunched the Equality Board and provided senior leadership sponsorship and additional budgets for our staff networks.
Strengthening line management capability to ensure 6 weekly performance management and career conversations are taking place; empowering our people to develop and grow.	Implemented a new approach to Performance Appraisal conversations and career development. Increased the L&D budget.
Working together on a set of common behaviours that allow us to live our values every day and express our sense of personal responsibility and pride working at Medway Council.	Launched our new Values with a 'let's talk' toolkit supported by a senior leaders video. The senior leader's video has been released alongside guidance for managers. The policy and toolkit will be reviewed annually and, if necessary, the toolkit will be updated. Embedded the values within the Performance Appraisal discussion.

Key actions 2025/26

	Key action	Responsible Owner	Milestone dates
9a	<p>Identify and implement at least three key improvements to the HR system to enhance efficiency and user experience.</p> <ul style="list-style-type: none"> • Sickness absence reporting • Alabaster Recalculation • Average Holiday pay automation <p>Measure success by achieving 10% reduction in processing time for HR tasks and user satisfaction</p>	HROC	June 2025
9b	<p>Complete the MedPay review (including senior managers).</p> <p>Success measured through reduction in turnover to 10%</p>	HROC	May all service areas QT3 Senior Leaders

	Key action	Responsible Owner	Milestone dates
9c	<p>Develop and implement HR procedures that promote a positive working environment, focusing on the introduction of a wellbeing framework, emote and flexible working, equality, diversity and inclusion, learning from our networks.</p> <p>Measure success by achieving a reduction in sickness absence (TBA), an increase of 10% in support programmes, and a 10% increase in staff satisfaction.</p>	HROC	Policy and process implemented quarterly (timetable)
9d	<p>To conduct a comprehensive skills audit across all departments to identify current skill level and gaps.</p> <p>Measure success by producing a detailed report that includes identified skill gap, training needs and recommendations for L&D budget allocation.</p>	HROC	First survey Q1, report to be produced within 2 months, with quarterly updates
9e	<p>Continue to identify and develop a Leadership Framework that is linked to specific behaviours and competencies to ensure consistency and development of the senior leadership team.</p> <p>Measure success by achieving 90% adoption rate of the framework among senior leaders and 20% improvement in leadership skills as indicated in the employee engagement survey.</p>	HROC	Launch within 3 months and complete initial training within 6 months with progress reviews quarterly
9f	<p>Enhance workforce planning by improving data management, fostering partnerships with directorates, and engaging with teams to accurately meet resourcing requirements.</p> <p>Measure success by achieving headcount within resource budget, reduction in turnover, reduced time to hire, tracking a proactive succession planning, and workforce diversity. KPI TBA</p>	HROC	Baseline by service Q2 when HRBPS are back partnering with directorates
9g	<p>To enhance Medway Council's reputation and workplace environment to attract and retain top talent, positioning the organisation as an employer of choice.</p> <p>Measure success by achieving a 5% increase in employee satisfaction, and a turnover reduction to 10%.</p>	HROC	Baseline target from EES 2024 against 2025 survey in Summer

	Key action	Responsible Owner	Milestone dates
9h	<p>Develop a comprehensive framework to promote well-being and support staff in the areas of physical health, mental health, and emotional health, informed by the findings of the Mental Health and Wellbeing project.</p> <p>Measure success by achieving 10% increase in participation of well-being programmes, and a 2% reduction in absenteeism related to health issues</p>	HROC	Develop and launch a wellbeing framework Q3 with quarterly updates
9i	<p>Continue to develop and refine elements of the Employee Value Proposition (EVP) and regularly engage with the workforce to ensure its accuracy.</p> <p>Measure success by achieving a 90% employee awareness rate of the updated EVP and People Promise, and a 20% increase in employee satisfaction related to the EVP, as indicated by surveys.</p>	HROC	Biennial review through employee engagement survey
9k	<p>In collaboration with Equality Board, propose, plan, and implement a series of education and awareness events focused on diversity and inclusion to foster an open, positive, inclusive, and supportive workplace culture.</p> <p>Measure success by conducting at least two events within the year, achieving a 50% employee participation rate, and a 20% improvement in diversity and inclusion survey scores within the annual Employee Engagement Survey</p>	HROC	2 events per year
9l	<p>Review the internal recruitment process and its interaction with external processes to enhance efficiency, ensure timely placement of staff, and improve the onboarding experience.</p> <p>Measure success by reducing the average time-to-hire by 20%, increasing new hire satisfaction scores by 15%, and achieving a 90% completion rate for the improved onboarding process.</p>	HROC	Review quarterly

10. Our corporate property strategy

The Council's property portfolio is an important asset, however running costs and maintenance also represent a significant liability. If these costs do not adequately justify the benefits, then the individual assets need to be reviewed with a view to either using them differently or disposing of them.

In recommending what the Council ought to do to address the shortfall in the revenue budget the CIPFA report said: "The Authority needs to determine what assets it might sell and how it might scale back its capital programme to reduce the cost of borrowing". However, in outlining the action necessary for the Council to achieve financial sustainability in future, it also suggested that the Council should: "review capital commitments to reduce impact on revenue budget – stop, delay, mothball" and "Identify those assets that are no longer cost effective to maintain or can help mitigate the costs of additional borrowing".

CIPFA acknowledged that: "Medway is solely focusing on opportunities within Medway's boundary, and which are consistent with Medway's regeneration ambitions. Such investments are not for purely commercial gain." This is important, as those authorities that have found themselves in the most significant financial difficulties are those that have aggressively pursued commercial investments.

The Council also spends a significant amount on its operational property portfolio. Whilst the decision has been made to invest in our corporate headquarters, this is being done in parallel with a review of our wider operational estate with a view to rationalisation. The headquarters building will eventually need to be used more effectively, and an Integrated Hubs project is being undertaken with the aim of delivering better, more integrated council services from fewer, better-quality buildings. This project will also involve our partners in the NHS and other public services, all of whom are pursuing similar agendas.

The team has also been looking at how best to maximise the income from the Council's existing estate, to mitigate the pressure in respect of the current income targets and rent reviews/lease renewals being conducted across the entire portfolio. There is a strategy of repurposing the first floor of the Pentagon Centre (away from retail), with the Innovation Centre (Ascend) now open and the construction of the James Williams Healthy Living Centre due to complete in October 2025.

The corporate property strategy aims to maximise the use and value of the Council's property portfolio, disposing of assets which have been identified so the capital can be re-invested to support the Council's revenue deficits. Plans for the future of the Pentagon Centre and improvements to Gun Wharf are underway.

Our work in 2024/25

We said ...	We did....
We would assemble a disposals team to identified non-operational and operational properties suitable for disposal, secured cabinet approval and procured property advisers/auctioneers.	We identified £34.3m of potential non-operational and operational properties for disposal.
We would draft a plan for the Pentagon centre.	The plan is underway with construction and report preparation
We would develop a plan to optimise and deliver the refurbishment of Gun Wharf headquarters, including the removal of RAAC.	This is currently at technical commission stage.

Savings and Income Generation Plan 2025/26

Task ref.	Activity	Division	Description of item monitored	Income (£)	Savings (£)
10.1	Reduced contribution to BRMF	RGN	Creation of a maintenance strategy and derived maintenance plans to ensure optimisation of maintenance expenditure.		375,000
10.2	Projected additional income resulting from rent review of property portfolio	RGN		121,000	

Assumptions

The below targets and key actions are based on the following assumptions.

- 10.2: The BRMF is no longer subject to spend agreement at the Property Board, and this change also covers items requested by councillors. Currently, we are operating on the basis that spending is approved by the budget holder only if it is:
 - Compliance & Building Safety Critical
 - Expenditure that supports critical income which would otherwise be lost

Considering the £426,430 rolled over from last year (23/24) and assuming we are not spending the £750k allocation, we could manage our finances tightly. Including the rollover from 2023/24, we started the 24/25 fiscal year with a total budget of £1,176,430. If we roughly split this amount to cover the two financial years of 2024/25 and 2025/26, we have approximately £588,215 per year to work with.

- 10a: The Gun Wharf programme delivery date is contingent on several workstreams being delivered on time, including the below rough timings:
 - RAAC Investigations and Remedial Options Analysis: Spring/Summer 2025
 - RAAC Immediate Issues (discrete works such as, e.g., Roof Repairs): Spring/Summer 2025
 - RAAC Major Works: To align with the construction phase of the refurbishment programme

Key actions 2025/26

	Key action	Responsible Owner	Milestone dates
10a	Gun Wharf RAAC and Refurbishment Programme – Target Operational Completion by end of 2026.	RGN – CAPITAL PROJECTS	Winter 2025 October 2026
10b	Brook Theatre Refurbishment Project –Physical works on site starting April/May 25, target completion now May 2027.	RGN – CAPITAL PROJECTS	May 2027
10c	Determine and market appropriate sites for disposal through Corporate Landlord Board.	RGN – VALUE ASSET MANAGEMENT	
10d	Maintenance Strategy – Drafting the next four financial year maintenance delivery plans Alignment of contracted services to deliver 4-year maintenance	RGN - FM	March 2026
10e	Energy performance for corporate assets: Identify the top 10 most energy-consuming corporate buildings and develop a delivery plan to improve performance and financial payback.	RGN - FM	March 2026

	Key action	Responsible Owner	Milestone dates
10f	Review of FM contracts, suitability and value for money and produce a report with detailed recommendations (dependency on Norse overall contract – see 10g)	RGN - FM	March 2026
10g	Complete negotiations, agree the specification and execute a service level agreement with Medway Norse for Facilities Management Services.	RGN - FM (service lead) FLS (Lead on client contract)	
10h	<p>Deliver Medway Development Company (MDC) schemes:</p> <p>Chatham Waterfront Scheme is 95% complete and is a significant brownfield land regeneration project that will provide 182 homes including new ground floor commercial spaces. The main apartment blocks are finished with final landscaping due to complete April 2025. The scheme is a key long term regeneration initiative to create a high-quality riverside development, that is intended to act as a catalyst for future private sector investment.</p> <p>Mountbatten House This project has planning permission to deliver 164 new homes. Mountbatten House has stood empty for circa 15 years and the project will bring a positive use forwards for the building, together with a new build extension that incorporates ground floor commercial uses. The main scheme is expected to commence mid-2025, with completion by late 2026.</p> <p>Strood Civic Centre site This site has planning permission for 195 homes and grant funded enabling works are in progress to create a new site entrance via the A2. MDC is pursuing further grant bids to unlock this challenging site and land raise the areas which have not had their flood defences installed. Should the grant bid be successful works are expected to progress late 2025, through to 2029.</p>	RGN and MDC	<p>Completion: April 2025</p> <p>Scheme Start: Q2 2025</p> <p>Completion: Q3 2026</p> <p>Scheme Start: Q3 2025</p> <p>Completion: 2029</p>

11. Procurement and commissioning

The council has an annual revenue budget of £621.7m for the delivery of services and a medium-term capital budget of £328.8m for improvement to the built environment and assets in its ownership. The overwhelming proportion of these budgets are allocated to the delivery of services following a procurement exercise.

Many of the funding streams are ringfenced for the delivery of specific outcomes such as public health grants or planning contributions (known as S106). Whilst historically much of our procurement activity was “silo” based, focused on narrow service requirements, we now have a forward procurement plan which eases identification of synergies and early alert of activity that needs to be undertaken in the coming period. This will allow for more holistic procurement activity, for the council.

Our procurement cycle is split into three segments – Strategic Planning, Procuring Services and Monitoring and Evaluation. Procuring Services is often seen as the ‘core’ procurement function, focusing on compliance and governance within the associated rules and regulations. We have changed our processes following the new Procurement Act. Contract leads will be challenged on engaging in more potential collaborative procurement exercises, the requirement for SMART KPIs, KOIs and greater emphasis on locally relevant social value contributions. Our new processes also encourage premarket engagement to learn from those who partner with us to explore better ways of doing things. Simply put, strengthened, consistent and meaningful forward planning and officer engagement could open significant new opportunities.

Strategic Planning

Forward plans are shared with Procurement Board, which has senior officer representation from across the council, to ease early identification of collaboration opportunities, greater advanced planning to facilitate market engagement and provide real opportunities to consider alternatives. With an underlying assumption in our processes that competitive exercises will take place, we can make sure that we get the best value for money.

Procuring services

Market engagement is built into our new processes, allowing us to learn from specialists in the market and explore different solutions. There is continued focus on goals, purpose, and outputs in specifications that facilitate supplier innovation, and require proper contract management to be successful.

Monitoring and evaluation

We have identified when contracts will need retendering and contract management reports are due. Robust but fair contract management culture is being promoted with contract managers being identified at the procurement stage. Training will continue to be provided to support their important roles. Properly designed and implemented contract management frameworks incorporating objectively verifiable indicators (OVI) must become the bedrock to determine performance and scrutinise value for money / outcomes. An honest critical friend relationship with our partners is not possible without explicit

goals, OVIs and regular structured monitoring. These would give contract managers the tools to measure the journey travelled towards the goal. To get to a different destination we need to undertake a different journey.

Improvements in procurement and commissioning processes have been made through training and the update of template documents.

The latest CIPFA report recommends that 'Internal Audit should be invited to review compliance with the revised procurement arrangements and the suitability of the KPIs being developed for key contracts. This is planned for 2025/26.

Our work in 2024/25

We said....	We did....
We would provide training on revised procurement requirements	We have rolled out a full online training council-wide
We would incorporate output-based specifications in our tender documents	KPIs and targets are now integrated into all reports.
We would ask services to file forward plans of procurement	We have compiled these into a single document.

Key actions 2025/26

	Key action	Responsible Owner	Milestone dates
11a	Ensure execution of overarching contract for the extension of the Norse Joint Venture.	LGL	March 2026

12. Corporate governance

The latest CIPFA assurance review remarks on how the Council has addressed the challenges raised in the original report: *‘The Financial Resilience Review report in January 2024 did comment on a number of matters in relation to culture. Our impression is that ...there is a good working culture in Medway. The new administration has encouraged greater transparency, there is a greater organisational recognition of the real pressures faced by services...together with greater recognition and acceptance of the financial challenge facing the council. With this comes a more collegiate approach to dealing with this challenge. The Members and officers we have interacted with as part of this review are engaged, knowledgeable, receptive and responsive. There is an impression that people working for Medway are genuinely dedicated and care about the future of the council.’*

The recent review also identified the following as one of a number of “key risks”: *‘Plans for the Kyndi’s restructuring, renewed strategic direction and business growth are not finalised in a timely manner leading to delay in the council benefiting from these plans.’*

This risk led to CIPFA making the following recommendation to be completed as soon as possible: *‘Ensure Kyndi finalises plans for approval by the Kyndi Shareholder Board.’*

This risk has now been fully addressed. The strategic Plan for the Kyndi Group of Companies was approved by the Cabinet Sub-Committee on 11 June 2024.

The plan highlighted Kyndi Group’s commitment to becoming a leader in providing innovative assistive technology solutions with the introduction of new products and partnerships with equipment designers, diversifying the customer base, and collaborating at an earlier stage with Medway Council and Medway NHS Trust. To support the plan, it was proposed that a Kyndi group re-structure be implemented to allow for future growth while protecting Teckel Status.

Identified risks included cost of transitioning to digital technologies, staff recruitment and retention, compliance obligations and office relocation to Medway Council offices.

Since then, the Group has presented financial and operational highlights and progress against the Strategic Plan quarterly to the Cabinet Sub-Committee, on 26/9/24, 14/11/24, 18/2/25, with further meetings booked for 10/6/25, 18/9/25, 18/11/25 this year. The updates have included:

- The introduction, proof of concept, and roll out of two new products which have saved Medway Council and Medway NHS Trust £1.2m to end of Q3, surpassing initial expectations, with a further two new products being tested, and the launch of a Virtual House which led to partnership conversations being generated with other Local Authorities and care agencies.
- The implementation of an internal re-structuring, including the recruitment of a new CFO and a new Head of Operations, and growth of the Business Development Team
- Re-Accreditation by The Telecare Services Association, performed every three years, which was “passed with flying colours”, achievement of ISO standards 27001 and 9001, and completion of a GDPR review and audit with no issues.

- A new Alarm Receiving Centre (ARC) system provider appointed, and project implementation is underway, which will work with the new digital technologies
- Legal advice has been obtained regarding the process for the group companies' re-structure which should occur as at the financial year end, incorporating a new holding company, wholly owned by Medway Council, with Kyndi Ltd, Kyndi Care and MPS as wholly owned subsidiaries of this new company
- The group is on target to meet the financial forecasts for 2024/25 and also clear the deficit on retained reserves which will allow the group re-structure to go ahead after the financial year end on 31 March 2025 subject to final Medway Council Sub-Committee approval

The new administration has committed to being more transparent in its decision making and to consulting widely. The role of scrutiny must be strengthened and many of the Council's policies are due a refresh. There needs to be a clearer, more consistent approach to project management and a robust set of tools for developing business cases and conducting options appraisal. Finally, this plan gives us an opportunity to strengthen the role of Internal Audit.

Monitoring and assurance

This Plan is monitored by the Council's Corporate Management Team to ensure continuous progress and completion of agreed workstreams. Internal audit will also provide independent validation over completion of non-financial key actions to provide Corporate Management Team with assurance.

Corporate governance has been strengthened with the preparation of a revised Council Plan and a review of performance monitoring. A corporate suite of data has been developed and is available online, providing a single version of the truth for decision-making.

Our work in 2024/25

We said....	We did....
We would prepare a revised Council Plan	This was completed in May 2024.
We would conduct a fundamental review of the council's approach to performance monitoring.	This is under way but not completed: Performance has moved to the Information section and a review is planned.
We would develop a corporate suite of data	This has been developed and is available online.

Key actions 2025/26

	Key action	Responsible Owner	Milestone dates
12a	Self-assessment reviews were introduced for the Council's LATCO in 2024/25. The first reviews will be reviewed by the Audit team for validation, with a report presented to the shareholder board	AUDIT	September 2025
12b	Internal Audit to conduct a review of Medway Council's compliance, in practice, against its own local code of governance. Area for improvement in CIPFA Financial Management Code Self-Assessment	AUDIT	Review of Governance Framework undertaken as part of Q1-Q2 Internal Audit Workplan
12c	Complete an assurance mapping exercise across council services to assess against the 'three lines of defence' assurance model. Core functions completed by year end. Area for improvement in CIPFA Financial Management Code Self-Assessment	AUDIT	March 2026
12d	Establish a corporate Risk Management Group to link risk registers with internal audits as part of the assurance exercise	INFO and AUDIT	June 2025
12e	Establish a working group to prepare for a Corporate Peer Challenge at the end of 2026	COO	Dec 2025
12f	Creation of a Corporate Policy unit to start preparing for Local Government Reorganisation, a Corporate Peer Challenge in Autumn 2026, and coordinating the various Council strategies and policies. The Policy Unit will provide advice and support to services to achieve their FIT Plan targets, including the coordination of lobbying government where appropriate.	COO	May 2025
12g	Introduction of assurance statements for senior leaders to inform the Annual Governance Statement	AD LEGAL AND GOVERNANCE	June 2025