

Email to the Council 1 June 2026

1. Purpose of this Request

Kent Police is currently progressing the Op Alpha investigation concerning Medway Commercial Group (MCG) and associated entities and individuals.

In order to progress the investigation and ensure evidential standards required for criminal proceedings are met, we require further information, documentation, and formal clarification from Medway Council.

This document sets out, in a structured format, the material required and specific points which require confirmation. Where appropriate, this material should be provided in evidential statement form from an appropriate and competent officer.

2. Corporate Structure and Governance

Please provide:

- The organisational structure of Medway Council at the time MCG was incorporated, including a full organisational chart showing where MCG and associated companies sat within that structure.
 - The structure of MCG at the point of its creation.
 - The purpose and intended function of MCG at the time of its creation.
 - The governance arrangements in place, including:
 - Board composition and reporting structure
 - Frequency and format of meetings
 - Oversight arrangements by Medway Council
 - The process by which projects were approved, including:
 - Whether MCG Directors could approve projects independently
 - Whether unanimous Director approval was required
 - Whether approval from Medway Council was required
 - Confirmation that all Board minutes were retained by Medway Council and have been disclosed to Kent Police.
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3. Company Framework and Definitions

Please provide formal explanations of the following:

- The definition and characteristics of a **Teckal company**
- The definition of a **LATCo (Local Authority Trading Company)** and its relationship to, or distinction from, a Teckal company

In addition, please provide:

- Details of what MCG traded as, when, and why
 - Explanation of what this meant in practical terms (e.g. procurement and tendering requirements)
 - Details of any company name changes, including dates and rationale
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4. Directors, Roles and Appointments

Please provide:

- The process by which Directors of MCG were appointed (e.g. recruitment, interview, nomination)
- The responsibilities and authority of each Director
- Signed and dated contracts for:
 - MACKNESS
 - SHADEV
- Where no contracts exist, documented evidence explaining:
 - Why contracts were not in place
 - What terms of reference, agreements, or expectations governed their role

Additionally:

- Clarification of Councillor Mackness' statutory and governance obligations
 - Details of declaration requirements applicable to his role
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5. Contracts, Policies and Training

Please provide:

- The Staff Handbook referenced within PRICE's contract (beyond Health and Safety documentation)
- Confirmation of any training provided to the relevant individuals (including Directors)
- Evidence confirming that appropriate governance and approval processes were followed in establishing the following entities:
 - Integrated Response
 - Milo Projects
 - AN Development

Where appropriate approvals were not obtained, please provide supporting evidence and explanation.

6. Financial Management and Records

Please provide full details of MCG's financial management, including:

- Annual budgets and financial position, including year-on-year reporting
- Explanation of reported losses:
 - £1,000 (year ending March 2018)
 - £1.4 million (subsequent year)
 - £2.3 million (year ending March 2020)
 - Restatement of March 2019 accounts to £14,000 loss (including explanation of the restatement process)

Additionally, please provide:

- Details of financial control systems (including use of Sage 200 or equivalent)
- How invoices were generated, recorded, stored and authorised
- Identification of individuals with authority to access accounts and approve payments
- Details of any finance team and their roles
- Evidence of monitoring and intervention processes where financial losses emerged
- Full context regarding information provided to CFO Watts regarding the financial losses including all supporting documentation

Important: Medway Council is required to provide a definitive assessment of financial loss attributable to the alleged activity. This cannot be determined by Kent Police.

7. Fraud Allegations and Supporting Evidence

Please provide:

- A clear breakdown of the allegations relating to each suspect
- Supporting evidence linked to each individual allegation
- Clarification of how the alleged conduct:
 - Contravened contractual terms or governance arrangements
 - Meets the threshold for criminal conduct rather than internal disciplinary matters

Specific clarification is required regarding:

- Payments totalling £700,533.79 to:
 - NCM Catering
 - Milo Projects
 - Integrated Response

Please confirm whether goods and/or services were received in respect of these payments.

- JL invoices:
 - Full continuity of evidence
 - Who requested them, when, and why
 - What allegation each relates to
 - Confirmation that all relevant invoices have been provided
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8. Key Individuals and Evidence

Please provide:

- Disclosable Pecuniary Interest records for PRICE
 - The independent report prepared by CFO Watts (in addition to the [REDACTED] Report)
 - Identification of the Chief Legal Officer to whom concerns were raised in October 2018 ([REDACTED])
 - Details of those concerns and any action taken
 - The original recording device relating to the voice recording evidence
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9. Crowe Report – Clarification and Supporting Material

The [REDACTED] Report identifies serious deficiencies in financial controls and accounting records.

Please provide:

- Confirmation as to whether all relevant material was provided to [REDACTED] at the time of their review
- Details of any additional material not provided which may materially alter their findings

Kent Police must be in a position to clearly distinguish between:

- Financial loss arising from criminal conduct, and
 - Financial loss arising from poor accounting practices or governance failures
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10. Verification of Specific Claims

Please confirm the accuracy of the following statements:

- That PRICE received authority from MCG representatives and the Leader of the Council to establish Milo Projects Kent to invoice for additional work
- That Milo Projects Kent was legitimately appointed as Project Manager in relation to the SEN school project

Where these statements are disputed, Medway Council must identify a suitable representative able to provide evidence to that effect.

11. Wider Allegations

It has been suggested that MCG was used to conceal financial losses incurred by Medway Council.

Please provide:

- Formal confirmation that this was not the case
 - Supporting evidence to substantiate that position
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12. Disclosure and Completeness

Please confirm the following:

- That all material requested to date by Kent Police has been provided
 - That Medway Council records relevant to this investigation are complete and have been provided to Kent Police or are available to be provided
 - Whether any further material exists which may:
 - Assist the prosecution case, or
 - Undermine the prosecution case or assist the defence
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13. Response Format

Where appropriate, responses should be provided:

- In evidential statement format (s.9 Criminal Justice Act 1967 compliant)
 - With supporting documentation clearly indexed and referenced
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