

Cabinet Sub Committee
(Kyndi Ltd Shareholder Board)

15 June 2026

Kyndi Strategic Plan

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Summary

This covering report provides an overview of the progress made in quarter 4 of 2025/26 against the approved Kyndi Business Plan.

1. Recommendation

1.1. The Cabinet Sub Committee is asked to note the updates in the report.

2. Suggested reasons for decision

2.1. In order for the company to fulfil its purpose, the Shareholder should monitor progress of its objectives against the Business Plan.

3. Budget and policy framework

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

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

3.3. In line with these arrangements, the following information, key points of which is summarised of paragraphs 4, 5, and 9 of this report, has been provided by Kyndi Ltd:

- Exempt Appendix 1 – CEO Report (inc. HR Update)
- Exempt Appendix 2 – Operations SMT Report Jan-Mar
- Exempt Appendix 3 – Quarterly Management Accounts – Kyndi Consolidated (Q4)
- Exempt Appendix 4 – Sales & Business Development Report Q4

4. Background

4.1. The Business Plan was agreed at the Cabinet Sub-Committee on 11 June 2024.

4.2. Key achievements during Q4 include:

- Kyndi control centre has successfully been relocated to Gun Wharf and is now fully operational.
- Performance TSA target of 99% for answering Telecare Alarm Calls within 0-180 seconds has been achieved, with performance currently at 99.52%.
- CCTV has made good growth this year, with audit of the system now completed. Auditing is now easier to view and complete with changes to category structures.
- Conversion rates from key funding streams have continued to improve, which is predicted to strengthen further in 2026/27 financial year.
- Revenue has been strong for the year with revenue growth of 35%, a revenue increase of £530,000 above budget.
- Customer satisfaction is currently at 98.45% YTD, with 100% satisfaction received during Q4.
- Customer retention remains at 85%, above market average of 40%.
- Customer conversion rate is 48%, above market average of 40%.

5. Key points to note

5.1. Control Centre relocation to Gun Wharf was delayed to March 2026 due to complexities resulting from connectivity and resilience requirements. These issues have now been resolved, and the centre is now operational.

5.2. Strategic Risk Framework and Risk Register are fully established and maintained. Development of the Operational Risk Framework is underway, with the aim of enhancing visibility and ownership of operational risks.

5.3. Recruitment – A 12-month fixed-term Transformation Manager will join in early May. Recruitment is underway for a Commercial / Business Development Manager, and the requirement for a Head of Finance, Audit and Risk role is under active review.

5.4. Work to secure a formal contract for services delivered to Medway Council continues to be a priority. There will be a review of additional resource requirements to support the Assistive Technology element of the contract.

5.5. The People and Culture Strategy – aligned to the 3-year strategic plan, is being implemented. An action plan has also been developed and is being communicated to teams across the organisation. Progress will be monitored on a monthly basis alongside the strategic plan.

5.6. The Performance Framework is still in development, including support to build a Power BI dashboard to enable automated reporting.

- 5.7. Out of Hours call volumes have remained consistent in Medway (ranging between 575 – 714 calls). Gravesham has been busier this month, but there has been a decline in calls on the MHS OOH service, balancing demand.
- 5.8. Work is underway to review security penetration risks, with ICT investigating how to reduce overall risk levels.
- 5.9. RTI income has been revised following Medway Procurement's delay in meeting the December deadline, pushing project commencement to March 2026.
- 5.10. Gross profit margin for the year is 40.29%, lower than the budgeted margin of 81.24%. The variance is due to reclassification changes to specific overhead costs to better reflect operational nature.
- 5.11. Net profit is currently behind budget due to the following key factors:
 - Accounting adjustments — £25k accelerated amortisation of the legacy Veracity system and incremental depreciation not included in the original budget.
 - Legal costs of £10,000 have been incurred to date for the recovery of a debt.
 - No revenue has been invoiced for March 2025 regarding one supplier due to the doubtful recovery. This has caused a £15,000 negative variance on the revenue.
 - Professional consultancy support has incurred additional costs of £54,578. This was not anticipated in the original budget.
 - At 31 March 2025, fixed assets were overstated as a number of Telecare units no longer in use remained capitalised. Disposal of obsolete devices incurred a cost of £79,000.
- 5.12. Litigation proceedings have been started to recover debt owed (£96k worth of older invoices not received). Remainder of debt is recoverable through strengthened debt management procedures.
- 5.13. JCMG Bid for extension to Circadacare project submitted - £150k – held over to next meeting for ROI data – Decision by 25th April 2026.

6. Risk Management

- 6.1. The risk register is reviewed regularly by the Board.

7. Consultation

- 7.1. N/A

8. Climate change implications

- 8.1. [The Council declared a climate change emergency in April 2019](#) - item 1038D refers, and has set a target for Medway to become carbon neutral by 2050.
- 8.2. Kyndi's updated strategic plan includes their commitment and actions in relation to ESG and their support to Medway's Climate commitments.

9. Financial implications

- 9.1. The financial implications are set out at section 5 and in the exempt Appendix 3 of this report.

10. Legal implications

- 10.1. The shareholder owns the business, however the day to day management of the business is the responsibility of the Chief Executive and the Board of Directors. The shareholder's responsibility derives from the Articles of Association (which set out the company's purpose and governance framework), and the Memorandum of Understanding sets out the operational decision-making framework.
- 10.2. As the shareholder, the Sub-Committee is entitled to receive regular reports from the Board of Directors on the company's activities, its performance, outlook over the next quarter and beyond. The shareholder needs to be confident that the company's Chief Executive and the Board Directors can deliver on the approved business plan and to be informed if there are any material changes to the business plan or divergences from expected returns.

Lead officer contact

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Appendices

Exempt Appendix 1 – CEO Report (inc. HR Update)

Exempt Appendix 2 – Operations SMT Report Jan-Mar

Exempt Appendix 3 – Quarterly Management Accounts – Kyndi Consolidated (Q4)

Exempt Appendix 4 – Sales & Business Development Report Q4

Background papers

None.