

Maidstone Borough Council

**Auditor's Annual Report
for the year ended 31 March 2024**

December 2024 – Consultation draft



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We are required under Section 20(1)(c) of the Local Audit and Accountability Act 2014 to satisfy ourselves that the Council has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources.

The Code of Audit Practice issued by the National Audit Office (NAO) requires us to report to you our commentary relating to proper arrangements.

We report if significant matters have come to our attention. We are not required to consider, nor have we considered, whether all aspects of the Council's arrangements for securing economy, efficiency and effectiveness in its use of resources are operating effectively.



The contents of this report relate only to those matters which came to our attention during the conduct of our normal audit procedures which are designed for the purpose of completing our work under the NAO Code and related guidance. Our audit is not designed to test all arrangements in respect of value for money. However, where, as part of our testing, we identify significant weaknesses, we will report these to you. In consequence, our work cannot be relied upon to disclose all irregularities, or to include all possible improvements in arrangements that a more extensive special examination might identify. We do not accept any responsibility for any loss occasioned to any third party acting, or refraining from acting, on the basis of the content of this report, as this report was not prepared for, nor intended for, any other purpose.

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Introduction



Purpose of the Auditor's Annual Report

This report brings together a summary of all the work we have undertaken for Maidstone Borough Council (the Council) during 2023-24 as the appointed external auditor. The core element of the report is the commentary on the value for money (VfM) arrangements.

All councils are responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness in the use of their resources. This includes taking properly informed decisions and managing key operational and financial risks so that they can deliver their objectives and safeguard public money. The Council's responsibilities are set out in Appendix A.

Councils report on their arrangements, and the effectiveness of these arrangements as part of their annual governance statement.

Responsibilities of the appointed auditor

Opinion on the financial statements

Auditors provide an opinion on the financial statements which confirms whether they:

- give a true and fair view of the financial position of the Council as at 31 March 2024 and of its expenditure and income for the year then ended;
- have been properly prepared in accordance with the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2023/24; and
- have been prepared in accordance with the requirements of the Local Audit and Accountability Act 2014.

We also consider the Annual Governance Statement and undertake work relating to the Whole of Government Accounts consolidation exercise.

Value for money

We report our judgements on whether the Council has proper arrangements in place regarding arrangements under the three specified criteria:

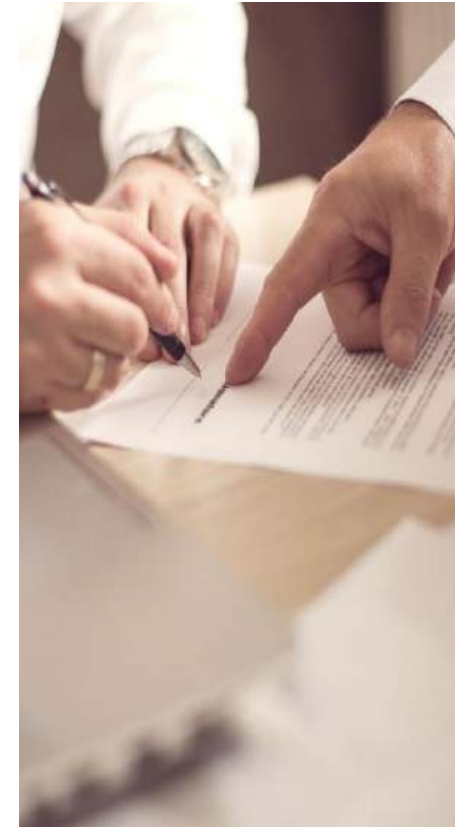
- financial sustainability
- governance
- Improving economy, efficiency and effectiveness

The Value for Money auditor responsibilities are set out in Appendix B.

Auditor powers

Auditors of a local authority have a duty to consider whether there are any issues arising during their work that require the use of a range of auditor's powers.

These powers are set out on page 9 with a commentary on whether any of these powers have been used during this audit period.





Executive summary

Executive summary (1 of 2)

Under the National Audit Office (NAO) Code of Audit Practice ('the Code'), we are required to consider whether the Council has put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources. Our summary findings are set out below. Our recommendations and management responses are summarised in the section starting on page 23.



Financial sustainability

In 2023-24 the Council delivered an outturn position underspend of £22k on a net revenue expenditure budget of £25.777m. This outturn position was delivered through the use of a £1.871m contingency and additional investment income to offset significant adverse variances that emerged in-year across Council services, exacerbated by and high demand for homeless temporary accommodation. The 2023-24 capital budget was underspent by 50%, with major variances in housing programmes, waste collection vehicles, and corporate property acquisitions. This slippage is a result of the aspirational nature of the capital programme, along with genuine delivery slippage in some projects.

The Council's Medium-Term Financial Strategy (MTFS) is refreshed annually and runs for five years. The original 2024-25 MTFS showed a budget gap of £1.6m for that year, which has been bridged by identified cost savings, with the cumulative gap over the remainder of the MTFS totalling £11.5m. In the September 2024 financial report to Cabinet the first quarter of 2024-25 showed a forecast underspend £354k for the financial year. Since the year-end the MTFS has been updated for the revenue impact of lower than initially expected capital expenditure and it is likely that a balanced outturn can be achieved for 2025-26 without the need to utilise reserves. However, between the two iterations the budget gap has increased to £12m for the following four years. Although reserves of £17m are available to deal with unforeseen circumstances and to smooth expenditure from year to year, we have identified areas where the Council could improve arrangements and as such, have raised two improvement recommendations.



Governance

The Council maintains a robust Risk Management Framework, reviewed quarterly, to identify and mitigate risks. Regular updates by risk owners and the Corporate Leadership Team ensure prompt actions are identified and monitored. The Internal Audit and Assurance Plan confirms an effective audit function, covering various assurance themes and counter-fraud activities. The 2023-24 Head of Audit Opinion concludes that the Council has adequate and effective risk management, control, and governance processes. Despite staffing challenges, 19 audits were completed which was 83% of planned audits. The Council's Counter Fraud and Corruption Policy and Whistleblowing Policy support fraud prevention, though the latter needs updating. The structured annual budget process aligns with the MTFS, ensuring a balanced budget. Quarterly budget monitoring and reporting facilitate timely adjustments. Compliance with legal frameworks is maintained through regular reviews and updates of conduct codes and policies. However, we have identified an area where the Council could improve arrangements and as such, have raised an improvement recommendation



Improving economy, efficiency and effectiveness

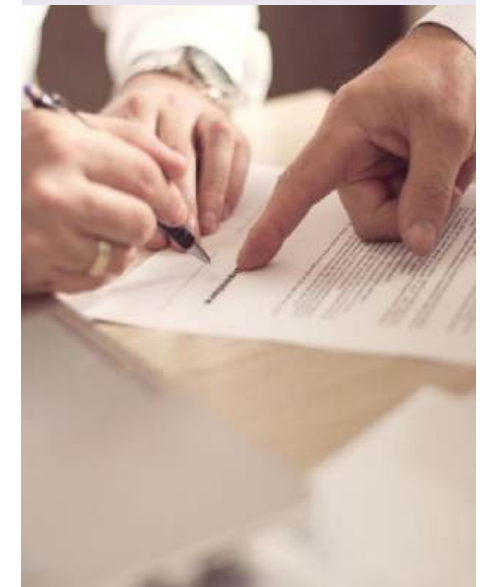
The Council maintains high standards in service quality, operations, workforce, and finance through quarterly performance reports. The 2012 Guide to Performance Management is being updated. Key performance indicators show strong results in tax collection and environmental initiatives. Financial reviews and scenario planning identify improvement areas. The MTFS 2024-25 to 2028-29 focuses on learning from other local authorities. Service evaluations are supported by the Audit, Governance & Standards Committee, Cabinet, and Full Council.

Reduced planning income has led to surplus capacity in the planning service, resulting in role shifts, and a recruitment freeze. Stakeholder engagement and public consultations shape strategic priorities. The Council's involvement in the Mid Kent Services partnership highlights effective partnership working. A robust governance framework ensures strategic alignment and compliance with the Prudential Code. Qualified staff and external advisors enhance decision-making on capital expenditure, borrowing, and investment. However, we have identified areas where the Council could improve arrangements and as such, have raised two improvement recommendations.



The audit of your financial statements is complete. We issued an unqualified audit opinion on 24 January 2025 following the Audit, Governance & Standards Committee meeting on 13 January 2025.

Our findings are set out in further detail on pages 8 and 9.



Executive summary (2 of 2)



Overall summary of our Value for Money assessment of the Council's arrangements

The contents of this report relate only to those matters which came to our attention during the conduct of our normal audit procedures which are designed for the purpose of completing our work under the NAO Code and related guidance. Our audit is not designed to test all arrangements in respect of value for money. However, where, as part of our testing, we identify significant weaknesses, we will report these to you. In consequence, our work cannot be relied upon to disclose all irregularities, or to include all possible improvements in arrangements that a more extensive special examination might identify. A summary of our judgements are set out in the table below.

Criteria	2022-23 Auditor judgement on arrangements	2023-24 Risk assessment	2023-24 Auditor judgement on arrangements	Direction of travel
Financial sustainability	A No significant weaknesses in arrangements but two improvement recommendations made.	No risks of significant weaknesses identified.	A No significant weaknesses in arrangements identified, but no progress made on one of the two improvement recommendations made last year (relating to a longer-term savings plan) as a result of the change of control at the Council. For 2023-24 we have raised an improvement recommendation regarding the extent to which the Capital Strategy is reflected in the Medium-Term Financial Strategy.	↔
Governance	A No significant weaknesses in arrangements identified, but six improvement recommendations made	No risks of significant weaknesses identified.	A No significant weaknesses in arrangements identified, but one improvement recommendation made in relation to updating the Whistleblowing Policy.	↔
Improving economy, efficiency and effectiveness	A No significant weaknesses in arrangements identified, but four improvement recommendations made	No risks of significant weaknesses identified.	A No significant weaknesses in arrangements identified, but two improvement recommendations been made to support the Council's data quality and performance management.	↔

G	No significant weaknesses in arrangements identified or improvement recommendation made.
A	No significant weaknesses in arrangements identified, but improvement recommendations made.
R	Significant weaknesses in arrangements identified and key recommendations made.



Opinion on the financial statements and use of auditor's powers

Opinion on the financial statements



Audit opinion on the financial statements

The audit of the Council's 2023-24 financial statements is complete, and unqualified audit opinion was issued on 24 January 2025. We took the draft audit opinion to the 13 January 2025 Audit, Governance and Standards Committee meeting.

Grant Thornton provides an independent opinion on whether the Councils financial statements:

- give a true and fair view of the financial position of the Council as at 31 March 2024 and of its expenditure and income for the year then ended;
- have been properly prepared in accordance with the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2023/24; and
- have been prepared in accordance with the requirements of the Local Audit and Accountability Act 2014.

We conducted our audit in accordance with:

- International Standards on Auditing (UK);
- the Code of Audit Practice (2020) published by the National Audit Office; and
- applicable law.

We are independent of the Council in accordance with applicable ethical requirements, including the Financial Reporting Council's Ethical Standard.

Findings from the audit of the financial statements

The Council provided draft accounts in August which was after the deadline of 31 May 2024 when councils are supposed to provide auditors with draft financial statements for audit.

Draft financial statements were of a good standard and supported by working papers.

Audit Findings Report

We will report the detailed findings from our audit in our Audit Findings Report. A final version of our report will be presented to the Council's Audit, Governance and Standards Committee on 13 January 2025. Requests for this Audit Findings Report should be directed to the Council.

Use of auditor's powers

We bring the following matters to your attention:

	2023-24
<p>Statutory recommendations</p> <p>Under Schedule 7 of the Local Audit and Accountability Act 2014, auditors can make written recommendations to the audited body which need to be considered by the body and responded to publicly.</p>	<p>We did not make any written recommendations under Schedule 7 of the Local Audit and Accountability Act 2014.</p>
<p>Public Interest Report</p> <p>Under Schedule 7 of the Local Audit and Accountability Act 2014, auditors have the power to make a report if they consider a matter is sufficiently important to be brought to the attention of the audited body or the public as a matter of urgency, including matters which may already be known to the public, but where it is in the public interest for the auditor to publish their independent view.</p>	<p>We did not issue a public interest report.</p>
<p>Application to the Court</p> <p>Under Section 28 of the Local Audit and Accountability Act 2014, if auditors think that an item of account is contrary to law, they may apply to the court for a declaration to that effect.</p>	<p>We did not make an application to the Court.</p>
<p>Advisory notice</p> <p>Under Section 29 of the Local Audit and Accountability Act 2014, auditors may issue an advisory notice if the auditor thinks that the authority or an officer of the authority:</p> <ul style="list-style-type: none"> • is about to make or has made a decision which involves or would involve the authority incurring unlawful expenditure; • is about to take or has begun to take a course of action which, if followed to its conclusion, would be unlawful and likely to cause a loss or deficiency; or • is about to enter an item of account, the entry of which is unlawful. 	<p>We did not issue any advisory notices.</p>
<p>Judicial review</p> <p>Under Section 31 of the Local Audit and Accountability Act 2014, auditors may make an application for judicial review of a decision of an authority, or of a failure by an authority to act, which it is reasonable to believe would have an effect on the accounts of that body.</p>	<p>We did not make an application for judicial review.</p>



Value for Money Commentary on arrangements

The current local government landscape

It is within this context that we set out our commentary on the Council's value for money arrangements in 2023-24 and make recommendations where any significant weaknesses or improvement opportunities in arrangements have been identified.



National context

Local government in England remains a challenged sector. In recent years, generationally significant levels of inflation put pressure on councils' general fund revenue and capital expenditure. The associated cost of living crisis drove an increase in demand for council services such as social care and homelessness. At the same time, the crisis impacted adversely on key areas of council income that were needed to service the increase in demand, for example fees and charges and the collection rates for council tax, business rates and rents.

For Housing Revenue Accounts (HRAs), inflation in recent years led to cost increases often outstripping rent rises. In the coming years, new legal duties on landlords are expected to increase costs further, without there necessarily being any additional funding to cover the new costs. At the same time, high construction prices are making it harder for councils to invest in the new accommodation which might have helped make savings in the revenue account, for example on temporary accommodation and homelessness. HRAs are under further pressure due to regulatory challenges in housing quality in the light of national issues in respect of cladding and damp/mould issues.

In January 2024 the UK government announced an additional £600m for local government, but the 2024 Spring Budget brought little in the way of any further support. Rising costs of delivering services, coupled with workforce shortages in key areas, supply chain fragility, and rising interest rates for servicing debt, brought a level of crisis to the local government sector perhaps never experienced before. Current warning signs of difficulty include:

- Seven councils issuing eleven section 114 notices between 2019 and 2023, compared with two councils issuing notices between 2001 and 2018, with an increasing number of other councils publicly warning of a section 114 risk;
- Twenty councils being with government approval for exceptional financial support during 2024-25, totalling approximately £1.5 billion. Only six of these councils had previously issued a section 114 notice.; and
- The Local Government Association warning that councils in England face a funding gap of £4 billion over 2023-24 and 2024-25.

Local government is coming under an increased spotlight in terms of how the sector responds to the financial challenge it faces. The Chancellor's Budget on 30 October 2024 confirmed the government's plans for greater devolution in England and confirmed a real terms increase in core spending power to local government for 2025-26 of 3.2%. Including an increase in grant of £1.3 billion. The Chancellor also announced £1 billion additional funding for SEND, an additional £2.3 billion for schools, and that councils will be able to use the full amount of capital receipts from right to buy sales. The detail of what the Chancellor's announcement means for individual councils will become clearer when their provisional finance settlement for 2025-26 is confirmed by government in December 2024.



Local context

Maidstone Borough Council serves a population of approximately 184,500 residents. The Council operates within a two-tier system alongside Kent County Council. Maidstone is characterised by its mix of urban and rural areas, with a significant proportion of its population being older adults. Around 19% of residents are aged 65 and older, the age profile of the borough is slightly younger than the county of Kent as a whole. Over the next 25 years, the working-age population is expected to see a slight decline, while the most significant population growth is anticipated among those aged 65 and over.

The Council follows an Executive decision-making model, which is responsible for the development of all major policies, strategies, and plans. The formal decision-making and governance structure includes the Full Council and an Executive (the Cabinet). The Full Council and Cabinet are supported by several overview and scrutiny committees to ensure comprehensive governance. Maidstone Borough Council comprises 49 councillors (reduced from 55 in May 2024 following a local government boundary review), with elections held every four years. The most recent elections took place in May 2024, resulting in no overall control. A coalition of the Liberal Democrats, Greens, and some independent councillors now forms the administration. The Maidstone Borough Council Plan 2022 to 2024 outlines the Council's commitment to fostering a thriving community. This plan details the Council's vision and strategic priorities, which include: promoting economic growth; building stronger, healthier communities; ensuring sustainable development and housing; protecting the natural environment and addressing climate change; and enhancing the Council's responsiveness and customer focus.

Financial sustainability (1 of 5)



We considered how the audited body:

Ensures that it identifies all the significant financial pressures that are relevant to its short and medium-term plans and builds these into them

Commentary on arrangements

The Council has a Medium-Term Financial Strategy (MTFS) which is refreshed annually and runs for five years on a rolling basis. The MTFS includes scenario analysis through a two-by-two matrix with the two factors being inflation and the other being funding flexibility. Of these scenarios the MTFS projections are based on the most demanding scenario with the highest inflation and lowest funding flexibility. We consider the assumptions used for key factors such as inflation and council tax increases are reasonable. The table below sets out the revenue and capital year end position for 2023-24 and comparative figures for the previous financial year.

£'000	2023/24	2022/23
Planned revenue expenditure	25,777	23,231
Actual revenue expenditure	25,755	23,019
Revenue underspend	22	212
Planned capital spend	57,965	32,631
Actual capital spend	29,440	16,335
Capital Underspend	28,525	16,296

The MTFS presented to the Overview and Scrutiny Committee on 19 September 2023 showed a budget gap of £1.6m in 2024-25. That included a series of changes from the 2023-24 projected spend, including pay, NI and inflation, and other individual cost pressures. A series of cost savings were agreed by Cabinet in February 2024 which bridged the £1.6m gap. However, the majority of those savings arose in 2024-25, with limited savings identified in later years. This, alongside the demand and inflation assumption, leave a cumulative gap between income and expenditure across the MTFS period of £11.5m. In the longer-term this is not a sustainable approach to balancing the budget.

The 2024-25 first quarter monitoring report showed a forecast underspend of £354k, with a number of overspends being more than offset by higher investment income.

Overspends have arisen from a variety of factors such as a reduction in demand for cremations and for development applications, greater than budgeted demand for homeless temporary accommodation and vacant units at Maidstone House and the Lockmeadow Complex. Slippage in the capital programme has resulted in a lower minimum revenue provision and more cash being available to invest at higher-than-expected interest rates.

We note that in the period since the end of the financial year the forecast position for 2025-26 has improved from that published in February 2024 as a result of lower inflation forecasts and significant slippage in the capital programme (shown in the table above) which reduced the revenue costs of capital. Subject to the local government settlement in December 2024 a balanced budget is achievable. Despite this, at the time of this report the cumulative budget gap to 2029-30 is £12m.

Assessment

Green

No significant weaknesses in arrangements identified or improvement recommendations made

Financial sustainability (2 of 5)



We considered how the audited body:

Commentary on arrangements

Assessment

Plans to bridge its funding gaps and identifies achievable savings

Historically the Council has not had a formal savings plan and has simply taken agreed savings out of individual budget lines, monitoring actual spend against the net budgets. In our 2022-23 report for we raised an improvement recommendation that the Council should develop savings and income generation plans to address the significant funding gap expected from 2025-26.

Although some of the Council's projects produce savings beyond the immediate financial year, the Council continues to identify savings on an annual basis with work starting in the summer for the subsequent year's budget. Management acknowledge that a longer-term approach may be required, but this has been prevented by the change of control at the Council in the May elections and the need for time for the new administration to settle in. Given the longer-term pressures on the Council's finances it would benefit from taking a more structured approach to identifying new savings in future years.

We emphasise the need for the approach set out in our recommendation (page 16), taking into account the fact that overspends in some service areas in 2024-25 are being more than offset by higher than budgeted investment income and therefore a more sustainable approach is required. We are therefore rolling forward our recommendation from our 2022-23 report.

Amber

No significant weaknesses in arrangements identified, but improvement recommendations made

Plans finances to support the sustainable delivery of services in accordance with strategic and statutory priorities

The Council's budgets are analysed three ways:

- by Policy Advisory Committee
- by Cabinet Member
- by priority

The split by priority aligns with the four priorities set out in the Council's Strategic Plan:

- Embracing growth and enabling infrastructure;
- Safe, clean and green;
- Homes and communities; and
- A thriving place.

This demonstrates a strong connection between the Council's priorities and its financial planning. The capital programme focusses predominantly on new affordable housing and capacity to accommodate homeless people. Slippage in development of capacity to accommodate homeless people impacts on the Council's ability to reduce the costs of that service. However, the 2024-25 first quarter budget report forecasts an acceleration of that programme during the year.

Green

No significant weaknesses in arrangements identified or improvement recommendations made

Financial sustainability (3 of 5)



We considered how the audited body:

Ensures its financial plan is consistent with other plans such as workforce, capital, investment and other operational planning which may include working with other local public bodies as part of a wider system

Commentary on arrangements

The Council has a Workforce Strategy that concentrates on how it recruits and treats staff rather than identifying the number of staff required and the associated costs of recruitment and employment. Any changes in staff numbers are incorporated into budgets as they arise, and pay inflation is dealt with in the assumptions underlying the MTFS.

The Capital Strategy published with the 2024-25 budget totals £353.9m up to 2028-29. Significant elements relate to private rented sector housing (£98.2m), the 1,000 Homes affordable housing programme (£128.6m) and capacity for temporary accommodation (£20m). After slippage from 2023-24 the value of the Capital Strategy for 2024-25 was estimated at £123.4m. However, in the first quarter monitoring report the forecast spend for 2024-25 is £56.3m. Significant factors in this slippage have been delayed planning permission, market conditions making it more difficult to secure properties and some schemes taking longer to develop than had been anticipated. This has a beneficial impact on the Council's finances as the minimum revenue provision (MRP) is lower than expected. Moreover, the Council entered into an advance loan agreement for £80m in 2022, with pre-agreed drawdowns based on the expected capital programme at the time. So far £40m has been drawn down but much of that is unspent. Because of the beneficial interest rate on the loan (2.87%) and the recent increase in interest rates, the Council is earning more interest on that cash than it is paying on the loan. However, the slippage does have an impact on the Council's ability to control the costs of providing temporary accommodation to homeless people.

A place in the Capital Strategy constitutes approval to develop a business case rather than approval to spend. We note that in the most recent version of the MTFS the Council's MRP calculation is based on what is expected to be spent rather than the published Capital Strategy. While we appreciate that this is a pragmatic approach, we have raised an improvement recommendation (page 16) that there needs to be clarity around the extent to which the Capital Strategy is reflected in the MTFS.

At 31 March 2024 the Council had short-term investments of £33.24m, with borrowing of £45m. The remainder of the £80m loan referred to above is due to be drawn down in two instalments of £20m in February 2025 and February 2026.

Assessment

Amber

No significant weaknesses in arrangements identified, but improvement recommendations made

Financial sustainability (4 of 5)



We considered how the audited body:

Identifies and manages risks to financial resilience, e.g. unplanned changes in demand, including challenge of the assumptions underlying its plans

Commentary on arrangements

The Council has a corporate risk register which is updated quarterly and includes financial risks. That update includes the identification and assessment of new risks and the current view on the status of previously identified risks. Each risk is assessed on a five-point scale for each of likelihood and impact, both before and after mitigation actions. The Council has implemented JCAD risk management software which allows service areas to log and monitor risks.

Major risks that have been identified as potentially threatening the MTFS include inflation, inability to deliver the capital programme, constraints on council tax increases and failure to contain expenditure within budgets. Mitigation actions include exploring additional funding sources, lobbying to avoid unfavourable financial settlements, identifying measures to address future budget gaps, exploration of suitable contractor frameworks and delaying the letting of key contracts if tendering does not yield value for money.

The MTFS has been prepared under four scenarios relating to inflation and funding flexibility. The version presented to Members is the most prudent one, where inflation is highest (broadly averaging 2.5% but 3% for pay inflation) and funding flexibility is limited (with council tax increases limited to 2%).

The Council has an unearmarked general fund reserve to meet costs arising from unplanned or emergency events. This also acts as a financial buffer to smooth expenditure on a one-off basis. That reserve is £17m at 31 March 2024 (over 60% of annual revenue expenditure), and therefore sufficient to handle unforeseen circumstances in the medium-term.

Assessment

Green

No significant weaknesses in arrangements identified or improvement recommendations made

Financial sustainability (5 of 5)



Areas for improvement

Savings plans

In our 2022-23 report we raised an improvement recommendation regarding the development of savings and income generation plans that will address the significant funding gap expected in the period covered by the MTFS. Management stated that it would engage with the new Cabinet following the election in May 2024 to progress this. This has resulted in the development of an updated Medium-Term Financial Strategy, aligned with the new administration's Corporate Strategy, which sets out proposed savings intended to balance the budget in 2025-26 and to provide a guide to the achievement of further savings in future years. We note that this is yet to happen and that despite the inclusion of more realistic costs related to the capital programme, the latest estimate of the medium-term financial position shows a cumulative deficit of £12m to 2029-30. We have therefore re-raised our improvement recommendation and will follow up again in 2024-25 to assess progress.

Improvement recommendation 1

The Council should develop savings and income generation plans that will address the significant funding gap expected from 2026-27. As part of this process the Council should introduce:

- monitoring arrangements so that the progress of individual savings plans can be monitored by Members throughout the year; and
- Consultation with residents and businesses on suggested savings plans.

Capital Strategy

Although the MTFS published in February 2024 reflected the Capital Strategy published at the same time we note that the most recent iteration of the MTFS is based on what is considered to be a more realistic spending profile. As a result, the MTFS and Capital Strategy are not consistent. We recommend that when the MTFS and Capital Strategy are published in February 2025 there is clarity as to the extent to which the Capital Strategy is reflected in the revenue budgets in the MTFS. It is appropriate to update the Capital Strategy on a regular annual basis to ensure alignment with the Medium-Term Financial Strategy and this is recognised by management.

Improvement recommendation 2

The Council should make clear in the published MTFS the extent to which forecast capital programme spending is reflected in the revenue budgets.

Governance (1 of 3)



We considered how the audited body:

Commentary on arrangements

Assessment

Monitors and assesses risk and gains assurance over the effective operation of internal controls, including arrangements to prevent and detect fraud

The Council has a robust Risk Management Framework, reviewed quarterly, to identify, assess, and mitigate risks. Regular updates by risk owners and the Corporate Leadership Team ensure prompt action on internal control breaches. At the end of 2023-24 there was a total of 16 corporate risks, these are reviewed every quarter. The Internal Audit and Assurance Plan confirms an effective audit function, covering various assurance themes and counter-fraud activities. The plan ensures sufficient coverage for the Head of Audit to deliver an annual opinion on governance, risk management, and control processes. The 2023-24 Head of Audit Opinion concludes that the Council has adequate and effective risk management, control, and governance processes to achieve their objectives. Despite staffing challenges, the audit team completed a significant portion of the planned audits, with 19 audits completed during the year, out of the 23 planned audits for 2023-24. This equates to 83% completion of the audit plan. The service promoted an Audit Planning Manager and an Audit Delivery Manager, recruited an auditor and a senior auditor, and is conducting ongoing recruitment campaigns to fill remaining vacant posts.

A Counter Fraud and Corruption Policy and a Whistleblowing Policy support fraud prevention and detection. Regular feedback mechanisms monitor workforce issues. The Council's Counter Fraud and Corruption Policy is typically reviewed annually to ensure it remains effective and up-to-date but the Whistleblowing Policy, last revised in 2016, is an identified improvement recommendation (page 19).

Amber

No significant weaknesses in arrangements identified, but improvement recommendations made

Approaches and carries out its annual budget setting process

The annual budget setting process is structured and detailed, involving key decision points and final approval by the Council. It covers both revenue and capital expenditures, aiming for a balanced budget with a proposed council tax increase. The process aligns with the MTFs and includes government grants for various services. Risk management is addressed through a risk register, and extensive consultation is conducted. Quarterly sessions with divisional leads ensure effective tracking and resource allocation.

Green

No significant weaknesses in arrangements identified or improvement recommendations made

Ensures effective processes and systems are in place to ensure budgetary control; to communicate relevant, accurate and timely management information; supports its statutory financial reporting; and ensures corrective action is taken where needed, including in relation to significant partnerships

The Council's financial management processes are robust and effective. Quarterly budget monitoring and reporting ensure timely adjustments and informed decision-making. Detailed financial reports support accurate communication and statutory requirements. Through the review we have not identified any area of weakness.

Green

No significant weaknesses in arrangements identified or improvement recommendations made

Governance (2 of 3)



We considered how the audited body:

Commentary on arrangements

Assessment

Ensures it makes properly informed decisions, supported by appropriate evidence and allowing for challenge and transparency, including from audit committee

The Council has arrangements for informed decision-making and transparency. Key decisions are well-supported by detailed reports, structured agendas, and extensive stakeholder engagement. Risk management and regular financial oversight are integral to the process. Compliance with legal frameworks is maintained, and effective committees ensure accountability. The new Cabinet, comprising a mix of experienced and new councillors, is working to maintain group cohesion and governance support. Maidstone Council's Audit, Governance & Standards Committee aligns with CIPFA guidance by ensuring robust governance through several measures. The Committee meets bi-monthly, providing regular oversight and ensuring that governance practices are up-to-date and effective. The Committee's skilled membership, regular self-assessment, and adherence to legislative compliance further strengthen its role.

Although there has not been a PSIAS review since May 2020, the Council continues to conform with the requirements, demonstrating a commitment to maintaining high standards in internal audit practices.

Green
No significant weaknesses in arrangements identified or improvement recommendations made

Ensures effective processes and systems are in place to ensure budgetary control; to communicate relevant, accurate and timely management information; supports its statutory financial reporting; and ensures corrective action is taken where needed, including in relation to significant partnerships

The Council's financial management processes are robust and effective. Quarterly budget monitoring and reporting ensure timely adjustments and informed decision-making. Detailed financial reports support accurate communication and statutory requirements. Through the review we have not identified any areas of weakness.

Green
No significant weaknesses in arrangements identified or improvement recommendations made

Governance (3 of 3)



Area for improvement

Whistleblowing Policy

The Council maintains a comprehensive overview of its risk management processes and current risk profile through a robust Risk Management Framework. This framework, which includes a risk appetite statement, defines the level of risk the Council is willing to accept and ensures effective oversight and monitoring of risks, including those related to workforce issues, through quarterly reports to the Corporate Services Policy Advisory Committee. Additionally, the Council's Whistleblowing Policy, last updated on 19 September 2016, is in need of a refresh to remain relevant and effective. This policy provides procedures and guidance on identifying and raising concerns.

Improvement recommendation 3

The current Whistleblowing Policy was last revised in 2016. Since then, there have been significant changes in regulatory requirements, organisational structure, and industry best practices. An updated policy is essential to ensure compliance, protect whistleblowers, and maintain organisational integrity.

Improving economy, efficiency and effectiveness (1 of 3)



We considered how the audited body:

Commentary on arrangements

Assessment

Uses financial and performance information to assess performance to identify areas for improvement

The Council uses integrated performance reports to monitor service quality, operations, workforce, and finance. These reports provide quarterly updates on financial performance, risk management, and strategic projects, highlighting areas like financial shortfalls and operational challenges. The Council's Guide to Performance Management, developed in 2012, serves as a good practice example. However, to ensure it remains relevant and effective, we recommend a comprehensive review and update of the guide to reflect current best practices and organisational needs (page 22).

Performance is tracked through key performance indicators (KPIs), with notable achievements in tax collection which exceeded targets despite challenges posed by the cost-of-living crisis and environmental initiatives such as the reduction of carbon emissions from Council buildings and fleet by 10.4% compared to the previous year. The Council adheres to data quality principles and uses benchmarking to compare performance with other local governments. Council's data quality policy has not been revised since 2013. To maintain its relevance and effectiveness, it is recommended that the policy be reviewed and updated (page 22). Regular financial reviews and scenario planning help identify areas for improvement, though some guiding documents need updating. The MTFS 2024-25 to 2028-29 emphasises learning from other local governments and benchmarking costs and performance.

Amber

No significant weaknesses in arrangements identified, but improvement recommendations made

Evaluates the services it provides to assess performance and identify areas for improvement

The arrangements to support the body in evaluating its services and identifying areas for improvement include regular reviews by the Audit, Governance & Standards Committee, Cabinet, and Full Council, along with discussions with management. There is no evidence of failure to meet minimum core service standards during 2023-24. Although there were no specific reviews by Ofsted, LGA, DLUHC, or CIPFA for the Council in this period, an LGA peer review is scheduled for October 2025.

Additionally, the planning service has been identified as over-resourced and under-utilised due to a downturn in planning income. Following discussion with the finance team the Council has shifted roles from planning to policy and implemented a recruitment freeze to effectively manage resources.

Green

No significant weaknesses in arrangements identified or improvement recommendations made

Improving economy, efficiency and effectiveness (2 of 3)



We considered how the audited body:

Commentary on arrangements

Assessment

ensures it delivers its role within significant partnerships and engages with stakeholders it has identified, in order to assess whether it is meeting its objectives

The Council ensures effective delivery of its role within significant partnerships and engages with stakeholders through various strategies. It involves stakeholders and partners in developing strategic priorities, regularly reviews these priorities, and conducts public consultations to gather input. For instance, the Safer Maidstone Partnership engages in joint problem-solving, shared action plans, and public consultations to shape its priorities.

Furthermore, the Council's involvement in the Mid Kent Services partnership, managed through various meetings and boards, demonstrates its commitment to effective partnership working and shared service delivery.

Green
No significant weaknesses in arrangements identified or improvement recommendations made

Commissions or procures services, assessing whether it is realising the expected benefits

The Council has a robust governance framework to ensure it realises the expected benefits from commissioned or procured services. This includes strategic alignment of capital expenditure proposals, thorough appraisals, and compliance with the Prudential Code. Regular performance and financial monitoring, along with risk management at various levels, provide ongoing oversight. The corporate project management framework and the use of qualified staff and external advisors enhance decision-making.

The Council employs qualified staff and external advisors to make informed decisions on capital expenditure, borrowing, and investments, using external solicitors as needed and maintaining a competitive mini-framework for architecture services.

Green
No significant weaknesses in arrangements identified or improvement recommendations made

Improving economy, efficiency and effectiveness (3 of 3)



Areas for improvement

Performance management

The Council employs integrated performance reports to the Cabinet and other committees to monitor performance across various areas, including service quality, operational services, workforce, and finance. These reports provide detailed updates on the status of projects, financial performance, and key performance indicators (KPIs). They include quarterly updates on financial performance, risk management, and progress on strategic projects, with specific sections dedicated to financial updates, performance monitoring, and risk assessments.

The Council has a guide on performance management while this serves as a good practice example, it was developed in 2012 and requires a refresh to ensure it remains fit for purpose. Updating the guide will help maintain its relevance and effectiveness in providing comprehensive benchmarking processes and identifying benchmarking partners. This update should align with the latest standards and practices outlined in the Council's current frameworks and strategies, such as the Workforce Strategy 2024-2029 and the latest regulatory requirements.

Improvement recommendation 4

Reviews and update the Guide to Performance Management. While it serves as a good practice example, it was developed in 2012 and requires a refresh to ensure it remains fit for purpose. Updating the guide will help maintain its relevance and effectiveness in providing comprehensive benchmarking processes and identifying benchmarking partners.

Data quality policy

The Council adheres to several key principles to ensure high standards of data quality, as outlined in its data quality policy:

1. Accuracy: Data must be accurate enough to present a fair picture of performance and enable informed decision-making.
2. Validity: Data should clearly represent the intended result and be used according to correct rules or definitions.
3. Reliability: Data collection processes and analysis methods should be stable and consistent.
4. Timeliness: Data should be collected and reported promptly to influence management decisions.
5. Relevance: Only relevant data should be collected and reported.
6. Completeness: All necessary data should be recorded.

However, the Council's data quality policy has not been revised since 2013. To maintain its relevance and effectiveness, it is recommended that the policy be reviewed and updated. This review should ensure that the policy continues to uphold high standards of data accuracy, validity, reliability, timeliness, relevance, and completeness.

Improvement recommendation 5

Reviews and update the data quality policy, which has not been revised since 2013. This review should ensure that the policy remains relevant and effective in maintaining high standards of data accuracy, validity, reliability, timeliness, relevance, and completeness.



**Value for Money
recommendations raised in 2023-24**

Recommendations raised in 2023-24

Recommendation	Type of recommendation*	Criteria impacted	Evidence	Impact or possible future impact	Actions agreed by management
<p>The Council should develop savings and income generation plans that will address the significant funding gap expected from 2026-27. As part of this process the Council should introduce:</p> <p>IR1</p> <ul style="list-style-type: none"> • monitoring arrangements so that the progress of individual savings plans can be monitored by Members throughout the year; and • Consultation with residents and businesses on suggested savings plans. 	Improvement	Financial sustainability	Although the Council's expenditure has been below budget, and the same is forecast for 2024-25, this has been assisted by slippage in the capital programme and higher than expected investment income. The current version of the MTFS shows cumulative deficits of £12m to 2029-30.	The lack of adequate saving plans and associated transformation programme to deliver recurring savings will impact the Council's ability to maintain financial sustainability.	<p>Actions: Savings are itemised in the Council's budget and progress with delivery is monitored as part of quarterly financial performance monitoring, in which the Director of Finance, Resources and Business Improvement meets with each Head of Service and follows up on any slippage on plans. Consultation with residents and businesses takes place as part of the annual budget process.</p> <p>Responsible Officer: Adrian Lovegrove</p> <p>Executive Lead: Mark Green</p> <p>Due date: Implemented</p>
<p>The Council should make clear in the published MTFS the extent to which forecast capital programme spending is reflected in the revenue budgets.</p> <p>IR2</p>	Improvement	Financial sustainability	Although the version of the MTFS published in February reflected the Capital Strategy published at the same time, we note that the current iteration of the MTFS includes revenue costs for lower spending.	Lack of clarity on the extent to which capital spending is reflected in revenue budgets can mislead stakeholders.	<p>Actions: In putting forward budget proposals for 2025-26, management will ensure that the Capital Strategy, the Medium-Term Financial Strategy and revenue budgets are all in alignment. The revenue impact of the capital programme will be captured as part of the Strategic Revenue Projections, which are published alongside budget proposals every year.</p> <p>Responsible Officer: Adrian Lovegrove</p> <p>Executive Lead: Mark Green</p> <p>Due date: March 2025</p>

* Explanations of the different types of recommendations which can be made are summarised in Appendix B.

Recommendations raised in 2023-24

Recommendation	Type of recommendation*	Criteria impacted	Evidence	Impact or possible future impact	Actions agreed by management
IR3 The current Whistleblowing Policy was last revised in 2016. Since then, there have been significant changes in regulatory requirements, organisational structure, and industry best practices. An updated policy is essential to ensure compliance, protect whistleblowers, and maintain organisational integrity.	Improvement	Governance	Review of Whistleblowing Policy and process.	Significant changes in regulatory requirements since 2016 may not be reflected in the current policy, leading to potential legal and compliance risks. Without updates, the policy might not provide adequate protection for whistleblowers, potentially discouraging employees from reporting misconduct	Actions: The Whistleblowing Policy is currently being reviewed as part of a refresh of several policies that Internal Audit is responsible for. We expect that this will be agreed and published by the end of this financial year. Responsible Officer: Katherine Woodward Executive Lead: Mark Green Due date: March 2025
IR4 Reviews and update the Guide to Performance Management. While it serves as a good practice example, it was developed in 2012 and requires a refresh to ensure it remains fit for purpose. Updating the guide will help maintain its relevance and effectiveness in providing comprehensive benchmarking processes and identifying benchmarking partners.	Improvement	Economy, efficiency and effectiveness	Following a review of the data quality process and polices across the Council.	May not reflect current best practices or technological advancements, leading to potential gaps in data quality. Without updates, the policy might not adequately address new data sources or methods, resulting in less accurate, valid, and reliable data.	Actions: This guide was replaced with a new Performance Management Framework in July 2024, which runs until 2026. The Framework is reviewed annually. Responsible Officer: Anna Collier Executive Lead: Angela Woodward Due date: March 2025
IR5 Reviews and update the data quality policy, which has not been revised since 2013. This review should ensure that the policy remains relevant and effective in maintaining high standards of data accuracy, validity, reliability, timeliness, relevance, and completeness.	Improvement	Economy, efficiency and effectiveness	Review of performance management across the Council and how it supports the success of this.	The guide, developed in 2012, may no longer reflect current best practices, leading to the use of outdated methods that could hinder performance management.	Actions: The Data Quality Policy is currently under review and will be published in early 2025 Responsible Officer: Anna Collier Executive Lead: Angela Woodward Due date: March 2025

Appendices

Appendix A: Responsibilities of the Council

Public bodies spending taxpayers' money are accountable for their stewardship of the resources entrusted to them. They should account properly for their use of resources and manage themselves well so that the public can be confident.

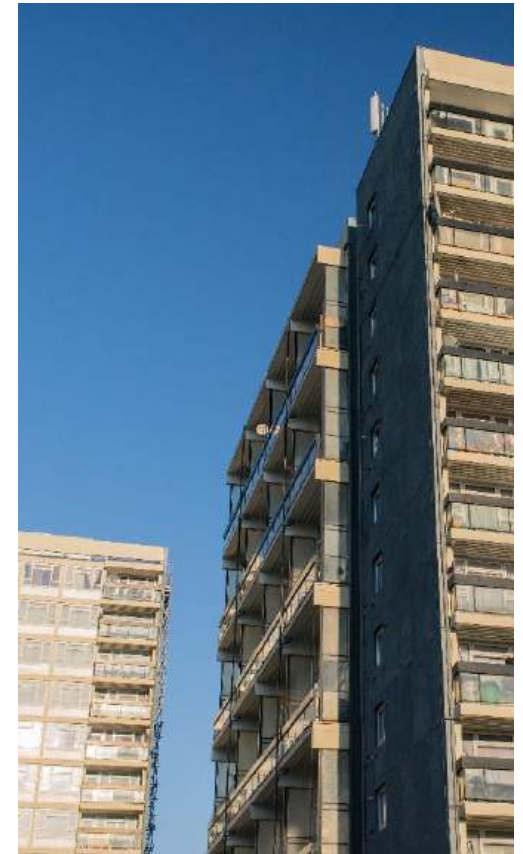
Financial statements are the main way in which local public bodies account for how they use their resources. Local public bodies are required to prepare and publish financial statements setting out their financial performance for the year. To do this, bodies need to maintain proper accounting records and ensure they have effective systems of internal control.

All local public bodies are responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness from their resources. This includes taking properly informed decisions and managing key operational and financial risks so that they can deliver their objectives and safeguard public money. Local public bodies report on their arrangements, and the effectiveness with which the arrangements are operating, as part of their annual governance statement.

The Chief Financial Officer (or equivalent) is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Chief Financial Officer (or equivalent) determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The Chief Financial Officer (or equivalent) is required to prepare the financial statements in accordance with proper practices as set out in the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom. In preparing the financial statements, the Chief Financial Officer (or equivalent) is responsible for assessing the Council's ability to continue as a going concern and use the going concern basis of accounting unless there is an intention by government that the services provided by the Council will no longer be provided.

The Council is responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources, to ensure proper stewardship and governance, and to review regularly the adequacy and effectiveness of these arrangements.



Appendix B: Value for Money Auditor responsibilities



Value for Money arrangements work

All councils are responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness from their resources. This includes taking properly informed decisions and managing key operational and financial risks so that they can deliver their objectives and safeguard public money. The audited body's responsibilities are set out in Appendix A.

Councils report on their arrangements, and the effectiveness of these arrangements as part of their annual governance statement.

Under Section 20(1)(c) of the Local Audit and Accountability Act 2014 to satisfy ourselves that the Council has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. The National Audit Office (NAO) Code of Audit Practice ('the Code'), requires us to assess arrangements under three areas:

Financial Sustainability

Arrangements for ensuring the Council can continue to deliver services. This includes planning resources to ensure adequate finances and maintain sustainable levels of spending over the medium term (3-5 years).

Governance

Arrangements for ensuring that the Council makes appropriate decisions in the right way. This includes arrangements for budget setting and management, risk management, and ensuring the Council makes decisions based on appropriate information.

Improving economy, efficiency and effectiveness

Arrangements for improving the way the Council delivers its services. This includes arrangements for understanding costs and delivering efficiencies and improving outcomes for service users.

2023-24 is the fourth year of the Code, and we undertake and report the work in three phases as set out in the Code.

Phase 1 – Planning and initial risk assessment

As part of our planning we assess our knowledge of the Council's arrangements and whether we consider there are any indications of risks of significant weakness. This is done against each of the reporting criteria and continues throughout the reporting period

Information which informs our risk assessment	
Cumulative knowledge and experience of the audited body	Annual Governance Statement and the Head of Internal Audit annual opinion
Interviews and discussions with key stakeholders	The work of inspectorates and other regulatory bodies
Progress with implementing recommendations	Key documents provided by the audited body
Findings from our opinion audit	Our knowledge of the sector as a whole

Phase 2 – Additional risk-based procedures and evaluation

Where we identify risks of significant weakness in arrangements we will undertake further work to understand whether there are significant weaknesses. We use auditor's professional judgement in assessing whether there is a significant weakness in arrangements and ensure that we consider any further guidance issued by the NAO.

Phase 3 – Reporting our commentary and recommendations

The Code requires us to provide a commentary on your arrangements which is detailed within this report. Where we identify weaknesses in arrangements we raise recommendations. A range of different recommendations can be raised by the Council's auditors as follows:

- **Statutory recommendations** – actions which should be taken where significant weaknesses are identified with arrangements. These are made under Section 24 (Schedule 7) of the Local Audit and Accountability Act 2014 and require discussion at full Council and a public response.
- **Key recommendations** – actions which should be taken by the Council where significant weaknesses are identified within arrangements.
- **Improvement recommendations** – actions which should improve arrangements in place but are not a result of identifying significant weaknesses in the Council's arrangements.

Appendix C: Follow-up of previous recommendations

Recommendation	Type of recommendation *	Date raised	Progress to date	Addressed?	Further action?
<p>The Council should develop savings and income generation plans that will address the significant funding gap expected from 2025-26. As part of this process the Council should introduce:</p> <p>1</p> <ul style="list-style-type: none"> • monitoring arrangements so that the progress of individual savings plans can be monitored by Members throughout the year • consultation with residents and businesses on suggested savings plans. 	Improvement	February 2024	As a result of the change of control of the Council in May 2024, this has not yet been actioned and the Council continues to identify savings on a year-to-year basis. The current version of the MTFS shows cumulative deficits of £12m to 2029-20. It is hoped that once the new administration has settled in that this can be actioned.	No	We have re-raised a recommendation to ensure that the Council is focused on delivering improvements. See 2023-34 improvement recommendation IR1 (page 24).
<p>The Council needs to publicly report the full life cost of the current capital programme to ensure it is affordable - financing and debt repayment will continue well beyond 2032-33.</p> <p>2</p>	Improvement	February 2024	Management committed to add further details of the full life cost of borrowing to future capital/ revenue and Treasury Management reports. Individual business cases include the cost of borrowing as part of the project appraisal.	Yes	No
<p>The Council should review the following frameworks and policies and update them in a timely manner:</p> <p>3</p> <ul style="list-style-type: none"> • risk management framework, last reviewed and updated in 2019; and • anti-fraud and corruption policy, last reviewed and updated in January 2020. 	Improvement	February 2024	The policies have not yet been updated and signed off.	In progress	Yes
<p>The Council should consider how Mid Kent Audit could improve its performance and increase the proportion of audits completed in line with its plan. This consideration should include review of how the Council manages and ensures delivery of planned audits.</p> <p>4</p>	Improvement	February 2024	The Internal Audit and Assurance Plan for 2024-25 indicates that the Council has an effective Internal Audit function. The plan provides sufficient coverage for the Head of Audit to deliver an annual opinion on the effectiveness of governance, risk management, and control processes. Despite some staffing challenges, the plan confirms adequate resources	Yes	No

Appendix C: Follow-up of previous recommendations

Recommendation	Type of recommendation *	Date raised	Progress to date	Addressed?	Further action?
5 The Council should circulate its declaration of interest form to all employees and ensure this is undertaken every three years in line with the Council's Constitution.	Improvement	February 2024	Ongoing – plans to send out every 3 years.	Yes	No
6 The Council should consider its existing decision-making structure to ensure it is effective and provides value for money. The Council should take into account the following: <ul style="list-style-type: none"> the resources required to maintain this structure; the length of time it takes a decision to be made; and the role of scrutiny and whether a more effective approach might involve two scrutiny committees instead of the four Policy Advisory Committees. 	Improvement	February 2024	Following stakeholder meetings, it is noted the new structure is working effectively but also is going through a transition with the recent change in the political makeup of the Council.	Yes	No
7 The Council should develop an overarching housing acquisition strategy which considers all property acquisitions, the full life cost, level of Council subsidy, outcomes and how progress will be assessed against these outcomes. Consideration should also be given to the skills and capacity required to manage: <ul style="list-style-type: none"> the Council's acquired housing stock in its various forms the Housing Revenue Account. 	Improvement	February 2024	The Council has a clear strategy for housing and is planning to set up an HRA, which is in the early days with a plan outlined to start in 3 years. There is work ongoing to understand the requirements of this.	Yes	No

Appendix C: Follow-up of previous recommendations

Recommendation	Type of recommendation *	Date raised	Progress to date	Addressed?	Further action?
<p>The Council should review the governance arrangements for Maidstone Property Holding (MPH) to ensure that financial performance is reported to and monitored by the Council and that the potential conflict of interest between officers who are also Board members is reviewed. Specifically, we recommend that the Council:</p> <p>8</p> <ul style="list-style-type: none"> • approves an annual company business plan • confirms which committee is acting as the shareholder • improves the performance information included within the quarterly financial performance provided to Members, including performance against the agreed business plan • review the potential conflict of interest created by the appointment of officers as company directors and ensure the risks are managed and mitigated. 	Improvement	February 2024	MPH is included within the quarterly finance updates through the Climate Transition, Corporate and Environmental Services PAC Variances. Annual company business plan is ongoing but we note that it needs to take into account requirements to negotiate and agree any lease between the Council and MPH in the 1,000 Affordable Homes Programme.	Ongoing	Continue to ensure that MPH is updated through finance reports and impact assessed of the 1,000 Affordable Homes Programme.
<p>9</p> <p>The Council should monitor performance against its Strategic Plan within the quarterly performance reports as well as other elements of service performance. It should also update its guide to performance management.</p>	Improvement	February 2024	Re-raised the recommendation for performance management.	No	We have re-raised a recommendation to ensure that the Council is focused on delivering improvements. See 2023-34 improvement recommendation IR5 (page 25).

Appendix C: Follow-up of previous recommendations

Recommendation	Type of recommendation *	Date raised	Progress to date	Addressed?	Further action?
<p>10 The Council should, in conjunction with its partners, review the governance arrangements for the Mid Kent Services (MKS) to ensure it remains fit for purpose and consider the following:</p> <ul style="list-style-type: none"> • Setting an overarching strategy that would include the objectives and priorities • Introduce an annual business plan which would support and include the delivery plan/actions required to achieve the strategy • Introduce benchmarking on costs and performance to ensure a shared service remains value for money, but also to identify areas for improvement. • are managed and mitigated. 	Improvement	February 2024	This is managed through MKS Board, Cabinet/ Committee meetings, Shared Service Board meetings and Full Council meetings.	Yes	No
<p>11 The Council should work together with Tunbridge Wells Borough Council to provide a joint procurement strategy and provide procurement training those officer involved in procuring goods and services.</p>	Improvement	February 2024	The Council is currently exploring joint contracts across partnerships. The procurement lead has carried out recent training across the Council, in particular around the procurement legislative changes.	Yes	No
<p>12 The Council should record and evaluate the number of contract waivers throughout the year and this information should be reported to Members, such as the Audit, Governance and Standards Committee on a quarterly basis.</p>	Improvement	February 2024	Internal Audit identified a weaknesses in contract management. The Council plans to employ a monitoring contract manager by the end of March 2025, with job description already prepared.	Ongoing	Yes – as per Internal Audit Contract management report recommendations (June 2024)

*Explanations of the different types of recommendations which can be made are summarised in Appendix B.

