KENT COUNTY COUNCIL –RECORD OF DECISION

DECISION TO BE TAKEN BY:	DECISION NUMBER:
Richard Palmer, Cabinet Member for Community and Regulatory Services	26/00045

Executive Decision – Non-key

26/00045 - Transition of Active Kent & Medway to an independent legal entity and conclusion of hosting arrangements

Decision:
As Cabinet Member for Community and Regulatory Services, I agree to

- **AGREE** that Active Kent & Medway (AKM) be transitioned from the current hosted operating model to an independent legal entity and that Kent County Council supports and facilitates the arrangements necessary to achieve this outcome.

- **APPROVE** the arrangements required to facilitate the establishment of the independent legal entity and the subsequent transfer of functions, resources, contracts and staffing from Kent County Council to that entity.

- **CONFIRM** the cessation of Kent County Council's role as host authority and accountable body for Active Kent & Medway (AKM) upon completion of the transition arrangements.

- **DELEGATE** authority to the Corporate Director for Growth, Environment and Transport, in consultation with the Cabinet Member for Community and Regulatory Services, the Director of Public Health and the Cabinet Member for Public Health, to finalise and enter into arrangements relating to the Public Health grant and its associated Memorandum of Understanding necessary to implement the decision.

- **DELEGATE** authority to the Corporate Director for Growth, Environment and Transport and the Director of Public Health, in consultation with the Cabinet Member for Community and Regulatory Services to implement the necessary arrangements required to facilitate the establishment of the independent legal entity, the transition and transfer arrangements and the cessation of KCC's hosting and accountable body role; and any other relevant actions, including but not limited to finalising the terms of and entering into required contracts or other legal agreements, as necessary to implement the decision.

Reasons for decision:
The reason for this decision is to enable Kent County Council to bring its current hosting and accountable body arrangements for Active Kent & Medway to a

controlled and lawful conclusion, while supporting AKM's transition to an independent legal entity. This will provide clearer governance, accountability and long-term sustainability for AKM, safeguard continuity of service and funding arrangements, and allow the necessary legal, financial, employment, contractual and operational matters to be managed efficiently under appropriate delegated authority.

Financial implications:
For 2026/27, AKM is expected to receive £1,981,107 from Sport England and a £300,000 Public Health Grant, with KCC acting as accountable body during the current hosting period. KCC does not provide revenue base funding.

KCC currently incurs hosting-related support costs, which are expected to cease once AKM transfers to an independent legal entity. It should be noted that there would be a slight financial impact on KCC from removing AKM from the hosting arrangement if KCC does not reduce its overhead cost accordingly, as that same overhead will then cause a below-the-line notional increase on all other remaining services.

The transition will need to confirm the treatment of grants, reserves, staffing, transfer costs and any residual liabilities, with no expected ongoing call on KCC following transition.

The £37.5k capital grants programme currently administered by AKM on KCC's behalf will need to be considered through the MTFP process.

Legal implications:
Cessation of the hosting and funding accountable body arrangements must be implemented in accordance with KCC's legal obligations and any relevant employment, funding, contractual, governance, charitable and data protection requirements. Legal advice has been commissioned to support the transition.

Key legal matters include cessation or variation of existing agreements, transfer or novation of contracts where appropriate, treatment of liabilities and assets, employment and workforce matters, funding conditions, information governance and continuity of service provision.

KCC legal advice is being sought

Equalities implications:
An Equality Impact Assessment has been undertaken, The independence proposal is expected to have a predominantly positive impact by increasing AKM's ability to address inequalities, attract investment, engage under-represented groups, strengthen inclusive governance, and maintain a clear strategic focus on improving physical activity outcomes across Kent and Medway.

No negative implications were identified.

Data Protection implications:
Data protection implications will need to be managed as part of the cessation and transition programme, particularly where information is transferred, archived,

retained or shared between KCC, AKM and the new legal entity. A DPIA will be undertaken to support this process

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Cabinet Committee recommendations and other consultation:
The proposed decision was considered and endorsed by Members of the Growth, Environment and Transport Cabinet Committee at their meeting on 9 September 2026.

Any alternatives considered and rejected:
Retain KCC's hosting and accountable body arrangements. This maintains the current position and avoids immediate change but does not deliver the preferred Board option to establish an independent organisation and retains dependency on KCC structures and does not resolve the long-term governance position.

Defer the decision. This allows additional time for consideration. It provides no additional strategic benefit and postpones rather than resolves the issue; prolonging uncertainly for staff, partners, funders and stakeholders,

Do Nothing. This fails to provide a clear governance, accountability or operational framework for the future creating significant legal, financial and governance risks and could adversely affect stakeholder confidence and future funding arrangements.

Any interest declared when the decision was taken and any dispensation granted by the Proper Officer:

Richard Palmer.

03/11/2026

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Signed Date