

**GROWTH, ECONOMIC DEVELOPMENT AND  
COMMUNITIES CABINET COMMITTEE**

**Monday, 18th January, 2021**

**1.00 pm**

**Online**

*Members joining this meeting are asked to refer to the  
Budget report which was published on 6 January 2021.*





## AGENDA

### GROWTH, ECONOMIC DEVELOPMENT AND COMMUNITIES CABINET COMMITTEE

Monday, 18 January 2021 at 1.00 pm  
Online

Ask for: **Ann Hunter**  
Telephone: **03000 416287**

#### Membership (18)

Conservative (15): Mr M C Dance (Chairman), Mr N J Collor (Vice-Chairman),  
Mr A M Ridgers, Mr S Holden, Mrs R Binks, Mr A Booth,  
Mr A H T Bowles, Mr D L Brazier, Mr A Cook, Mr J A Kite, MBE,  
Mr G Lymer, Mr S C Manion, Mr D D Monk, Mr J Wright and  
Mr J P McInroy

Liberal Democrat (2): Mr I S Chittenden and Mr A J Hook

Labour (1) Mr D Farrell

#### **UNRESTRICTED ITEMS**

*(During these items the meeting is likely to be open to the public)*

- 1 Introduction
- 2 Apologies and Substitutes
- 3 Declarations of Interest by Members in items on the Agenda  
To receive any declarations of interest made by Members in relation to any matter on the agenda. Members are reminded to specify the agenda item number to which it refers and the nature of the interest being declared
- 4 Minutes of the meeting held on 17 November 2020 (Pages 1 - 8)
- 5 Verbal updates by Cabinet Members and Corporate Director
- 6 21/00001 Kent and Medway Growth Fund Extension (Pages 9 - 50)
- 7 Draft Capital Programme 2021-24 and Revenue Budget 2021-22 (Pages 51 - 52)
- 8 Covid-19 Update (Presentation)
- 9 Transition Update (Presentation)

- 10 21/00005 - Further Investment of Getting Building Funding in third-party projects  
(Pages 53 - 66)
- 11 Kent Foundation (Presentation)
- 12 Work Programme 2020/21 (Pages 67 - 70)

**EXEMPT ITEMS**

*(At the time of preparing the agenda there were no exempt items. During any such items which may arise the meeting is likely NOT to be open to the public)*

Benjamin Watts  
General Counsel  
03000 416814

**Friday, 8 January 2021**

**KENT COUNTY COUNCIL**

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**GROWTH, ECONOMIC DEVELOPMENT AND COMMUNITIES  
CABINET COMMITTEE**

MINUTES of a meeting of the Growth, Economic Development and Communities Cabinet Committee held in the Online on Tuesday, 17 November 2020.

PRESENT: Mr M C Dance (Chairman), Mr N J Collor (Vice-Chairman), Mr S Holden, Mrs R Binks, Mr A Booth, Mr A H T Bowles, Mr D L Brazier, Mr I S Chittenden, Mr D Farrell, Mr J A Kite, MBE, Mr S C Manion, Mr J Wright and Mr J P McInroy

ALSO PRESENT: Sir Paul Carter, CBE, Mr P M Hill, OBE and Mr M Whiting

IN ATTENDANCE: Mr R Hancock (Programme Manager (Area Lead - Infrastructure)), Mrs S Holt-Castle (Interim Director of Environment, Planning and Enforcement), Ms R Kennard (Chief Analyst, Strategic Commissioning Analytics), Mr R Kidd (Project Manager (Area Lead – Infrastructure)), Ms N Liddiard (Intelligence and Standards Manager), Mr M Overbeke (Head of Public Protection), Mr S Rock (Head - Trading Standards), Mr D Smith (Director of Economic Development) and Miss E West (Democratic Services Officer)

**UNRESTRICTED ITEMS**

**250. Apologies and Substitutes**

*(Item 2)*

Apologies for absence had been received from Mr Lymer, Mr Hook, Mr Cook, Mr Ridgers and Barbara Cooper.

**251. Declarations of Interest by Members in items on the Agenda**

*(Item 3)*

No declarations of interest were made.

**252. Minutes of the meeting held on 25 September 2020**

*(Item 4)*

It was RESOLVED that the minutes of the meeting held on 25 September 2020 are correctly recorded and a paper copy be signed by the Chairman as soon as this can be done safely.

**253. Verbal updates by Cabinet Members and Corporate Director**

*(Item 5)*

(1) Mr Hill (Cabinet Member for Community and Regulatory Services) gave a verbal update on the following issues:

- a) Mr Hill referred to the effects of the recent lockdown on community services and said that the effects had not been as severe as the first period of lockdown. Country parks and Public Rights of Way (PRoW) had stayed open

and the community warden service continued to operate fully. Libraries had been more restricted, but there were 27 libraries open in Kent on a 'select and collect' basis, as well as the essential use of computers. The death registrations continued by phone as did face-to-face birth registrations. Marriage and civil partnership ceremonies at both KCC register offices and external venues could have no more than 15 people attending and under tier 3 wedding receptions were not permitted. Citizenship ceremonies continued on a restricted basis.

- b) Mr Hill said that the Libraries, Registration and Archives (LRA) service were assessed externally every year as part of the Customer Service Excellence Award scheme. In usual circumstances, external assessors would visit to undertake the annual assessment, but due to the Covid-19 pandemic, this year, the assessment would be virtual. He announced that Kent had received a full score of 24 compliance passes on the 24 elements of the CSE standard. He thanked officers within LRA for their dedication and hard work during these unprecedented times.
  - c) Mr Hill referred to Kent's Sport & Physical Activity Service and said that the service had managed and co-ordinated delivery of Kent's award commended project which had recently been announced as the winner of two national industry awards. The project was funded by the Heritage Lottery fund and had won the contribution to wellbeing award as well as being the overall winner of the 2020's best community archive and heritage group. The award for the project explored, reserved, and promoted the rich history of sport in East Kent and the activities contributed towards improving the mental and physical wellbeing of older people, those experiencing social isolation and loneliness and those living with dementia.
- (2) Mr Whiting (Cabinet Member for Economic Development) gave a verbal update on the following issues:
- a) On 1 October 2020, Mr Whiting spoke at the Kent Construction Live conference, emphasising the importance of the construction sector as one of the largest sectors in the county. He said that that every £1 invested in the construction industry generated over £2 in a wider economy and that 60% of Kent's new builds were delivered by smaller enterprises employing less than 100 people. He said that construction was a vital part of the recovery phase of the Covid-19 pandemic and referred to government's white paper on planning reform and changes to the current system. Mr Whiting and the Leader of the Council, Mr Gough, had signed a letter to the Secretary of State in response to the government's consultations. He added that whilst housing development was required to meet the needs of a growing population, Kent must remain a great place to live, work and spend quality leisure time, and that would be achieved through good investment in infrastructure.
  - b) In late October 2020, Mr Whiting met with the Straits Committee to discuss the way in which Kent's Vision Strategy could be developed from 2021. He highlighted a Pen Pal scheme which Straits partners had been invited to join, with a view to extending the scheme to secondary schools across the regions of Belgium, Holland and France to give students the chance to communicate with somebody their own age in another European country. He added that as

the situation with the Covid-19 pandemic improved, the scheme could involve arranged visits as part of the development work.

- c) Mr Whiting had recently attended a freeports bid workshop which had been hosted by Dover port to note the government's recent freeports consultation which was set out to provide a framework within which freeport bids were likely to be measured. Kent County Council fully supported the creation of a freeport in the county as it had the potential to bring new business and opportunities into the county.
  - d) Mr Whiting and the Leader of the Council, Mr Gough, spoke in November 2020 at the launch of the Kent Property Market report which was an annual report that Kent County Council and many of the Council's partners subscribed to. Locate in Kent reported a very large increase in the number of companies that sought to invest in Kent, including many London-based enterprises looking for relocation properties in Kent. Mr Whiting said that the challenge was ensuring that those opportunities existed to attract extra businesses.
  - e) Mr Whiting said that although he was unable to attend the virtual Bee summit which had taken place on 16<sup>th</sup> November 2020, more than 200 people attended. He said that one of the aims of the important piece of work, which he had submitted to full Council during his time as Cabinet Member for Planning, Highways, Transport and Waste, was to help find and create suitable habitats for pollinators. He said that the summit being held virtually as a result of the Covid-19 pandemic had enabled greater use of technology and public participation. He congratulated Miss Carey (Cabinet Member for Environment) and all of those who had been involved in the campaign. He said Mr Holden had led Kent's Plan Bee campaign, with the help of Allison Campbell-Smith (Programme Manager, Kent Ambassadors, Kent Vision Live and KEiBA) and that it was the most successful online event that Kent County Council had run since the start of the Covid-19 pandemic, with over 277 people registered. Mr Holden explained the campaign's importance in an economic, environmental, and social sense and thanked Ms Campbell-Smith for her dedication and support in ensuring the campaign's success. He added that the campaign would continue with more summits taking place and pollinator-friendly activities.
- (3) A Member of the Committee commended the recent Bee summit and Kent's Plan Bee campaign.
- (4) RESOLVED that the verbal updates be noted.

## **254. Performance Dashboard**

*(Item 6)*

*Ms R Kennard (Chief Analyst) was in attendance for this item*

- (1) Ms Kennard introduced the Growth, Economic Development and Communities Performance Dashboard which set out the Key Performance Indicators (KPIs) and activity indicators. Due to the Covid-19 pandemic, the LRA service had adopted a temporary set of indicators to reflect current delivery of services and had not set targets. Similarly, the Environment, Planning and Enforcement Division had not

set targets. Economic Development had set targets against indicators, which had been RAG (Red/Amber/Green) rated. This quarter of the four KPIs, three were RAG rated Green having achieved target, and one was rated Amber.

- (2) In response to a question, Mr Hill (Cabinet Member for Community and Regulatory Services) acknowledged the challenges and concerns raised in relation to PRow faults and identifying funding solutions as soon as possible. Mrs Holt-Castle referred to the additional wear and tear on the PRow and explained the existing prioritisation process of how principal faults picked up under KPI EPE16 (*Median number of days to resolve priority faults on Public Rights of Way*) were addressed. She commended the work of staff and volunteers throughout the second period of lockdown as a result of the Covid-19 pandemic in terms of support and in ensuring that additional demand continued to be met.
- (3) RESOLVED that the information contained within the Performance Dashboard be noted.

## **255. Design in Kent's Built Environment** (Item 7)

*Mr R Kidd (Project Manager (Area Lead - Infrastructure)) was in attendance for this item*

- (1) Mr Smith and Mr Kidd introduced the report which set out the activity underway to raise the quality of design in Kent's built environment. The report also addressed how the activity responded to the government's proposed planning reforms in relation to design. He then presented and navigated through the Kent Design Guide website and explained each detail of the website to the committee.
- (2) Mr Kidd then responded to a number of comments and questions from members of the committee, including the following:
  - a) Mr Kidd explained some of the significant challenges faced in relation to developers and the volume and quality of new-build houses. He said that the government's white paper on planning reform would positively affect design and construction during all stages and that very robust responses to government on planning matters would continue.
  - b) In response to a question, Mr Kidd referred to the design guide's timescales and said that whilst there was still a significant amount of technical detail to explore, he was confident that the programme would be met. He added that colleagues in Infrastructure continued to work hard to develop the site as quickly as possible and to ensure that all of the technical guidance was uploaded to the website.
  - c) In response to a question, Mr Kidd referred to some of the poorer-quality new-builds in the county and said there was an opportunity for Infrastructure to liaise with district and borough councils in relation to the adoption of the guide and to look to improve their own design guidance at their local level. He said that whilst the quality of transparency of design guidance between districts and borough councils would differ, the government's paper on planning reform



would assist in supporting Kent's aspirations to make the design guide as effective, robust, and well-supported as possible.

- d) In response to a question, Mr Kidd referred to issues which related to permitted development rights and said that more information on the matter would be provided within government's white paper on planning reform. He briefly talked about the effect of the Covid-19 pandemic on town centres and the retail sector and how the traditional retail of town centres took a different form and operated online.

- (3) RESOLVED that the report be noted.

### **256. 20/00103 - Regional Growth Fund Administrative Changes**

*(Item 8)*

- (1) Mr Smith introduced the report which outlined a proposal to allow Thurrock companies limited access to loans from the Kent and Medway Business Fund (KMBF) under the same terms and conditions as those offered to Kent and Medway companies.
- (2) RESOLVED that the proposed decision to be taken by the Cabinet Member for Economic Development to delegate authority to Director of Economic Development to:
- (i) Enter into relevant contracts, legal agreements and put appropriate arrangements in place required to implement this decision, allowing Thurrock Companies to access loans from the Kent and Medway Business Fund (KMBF);
  - (ii) Finance loans from recycled loan repayments previously obtained from Thurrock companies that received funds via the former RGF Tiger programme; and
  - (iii) Agree that these loans shall be subject to the same rules, criteria and administrative charges as loans that are allocated under the existing KMBF to Kent and Medway companies,

be endorsed.

### **257. Regional Growth Fund Monitoring Report - Q1 2020/21**

*(Item 9)*

*Sir Paul Carter (Chairman of the Kent and Medway Business Fund Investment Advisory Board (Regional Growth Fund)) was in attendance for this item*

- (1) Mr Smith introduced the report which summarised the results of Kent County Council's monitoring returns for the period 1 April 2020 to 30 June 2020 from businesses that had received loans and equity from Kent County Council managed Government funded Business Investment Schemes - the current Kent and Medway Business Fund (KMBF) scheme and the former Regional Growth Fund (RGF) schemes.

- (2) Sir Paul addressed the Committee and provided background information in relation to the establishment of the RGF, the RGF schemes' successes and loan monitoring. He sincerely thanked all of those that had served on the various boards over the years for sacrificing their time very generously and aided the Council in making sensible decisions with positive outcomes.
- (3) Mr Whiting (Cabinet Member for Economic Development) reiterated Sir Paul's comments and thanked the volunteers who had served on the various boards.
- (4) Members of the committee commended the report and the positive work that had been carried out over the years.
- (5) RESOLVED that the report be noted.

## **258. KCC Public Protection Intelligence Team**

*(Item 10)*

*Mr M Overbeke (Head - Public Protection) and Ms N Liddiard (Intelligence and Standards Manager) were in attendance for this item*

- (1) Mr Hill (Cabinet Member for Community and Regulatory Services), Mr Overbeke and Ms Liddiard introduced the report which informed the cabinet committee of the excellent work undertaken by the Public Protection Intelligence Team since its establishment in 2012.
- (2) In response to a question, Ms Liddiard said that the Public Protection Intelligence Team were already aware of the concerns raised in relation to Barnfield Park, Sevenoaks. She confirmed that further information would be provided to a member of the committee outside of the meeting.
- (3) RESOLVED that the report be noted

## **259. Trading Standards Activity and Preparations for the end of Transition**

*(Item 11)*

*Mr M Overbeke (Head - Public Protection) and Mr S Rock (Head - Trading Standards) were in attendance for this item*

- (1) Mr Hill (Cabinet Member for Community and Regulatory Services), Mr Overbeke and Mr Rock introduced the report which provided an update on Kent County Council Trading Standards activities in preparation for the end of Transition and highlighted some of the challenges ahead.
- (2) Mr Rock then responded to a number of comments and questions from Members of the Committee, including the following: -
  - a) Mr Rock referred to point 5.3 of the report and said that the funding of staff was still being negotiated and that to date, none of the additional Brexit funding referred to within the report had been received.
  - b) In terms of staff Mr Rock said that staff within the Ports Team and Animal Health officers were recruited directly from members of the public. He said that whilst Animal Health officers needed to have a degree of enforcement

experience, Ports Team officers did not necessarily have to have enforcement experience, it was important that they had the right focus and attitude to work within the role effectively.

- c) Mr Rock said that a lot of the routine work within Trading Standards had been put on hold to prioritise issues which related to Covid-19. He added that the border operating model meant that the impact on the service would not be felt significantly until July 2021.
- d) Mr Rock referred to section 5.2.4 of the report and hoped that the apprenticeship scheme would be in place within approximately one year. He said that whilst Trading Standards did train staff, the cost of hiring professionally qualified staff was substantial. The apprenticeship scheme would provide on-the-job training and those passing the apprenticeship would still be required to take the three-year qualification to carry out the three statutory areas of work (weights and measures, food standards and feed). The scheme would also mean that the qualified officers would have more time to manage the demand that would come as a result of Brexit.
- e) Mr Rock stated that there was a national shortage of qualified Trading Standards officers.

(3) RESOLVED that the report be noted.

## **260. District Visits Programme 2021**

*(Item 12)*

*Mr R Hancock (Programme Manager (Area Lead - Infrastructure)) was in attendance for this item*

- (1) Mr Hancock introduced the report which outlined the proposed programme of member visits to Kent districts in 2021.
- (2) RESOLVED that the report be noted.

## **261. Covid-19 Economic Update**

*(Item 13)*

- (1) Mr Smith and Mr Whiting (Cabinet Member for Economic Development) presented a series of slides which set out information about Covid-19, its impact on Kent's economy, and the measures that would be put in place to support business and jobs in the recovery phase.
- (2) In response to a question, Mr Whiting welcomed the government's decision to extend the national furlough scheme and said that whilst the decision to extend the scheme had been announced later than expected, there were many factors for the Chancellor to consider in a fast-changing environment. He said the furlough scheme had saved many jobs across the county, and nationally, and the extension to the scheme until March 2021 would help to ensure, particularly for the hard-hit hospitality industry, that the workers who were most at risk of losing their jobs would now not be quite so vulnerable. He added that the Director of

Public Health, Andrew Scott-Clark, briefed Cabinet Members' at CMM every Monday morning in relation to the effects of the Covid-19 pandemic.

- (3) Mr Whiting paid tribute to Mr Smith and his staff who were working tirelessly to continue supporting the Kent economy.
- (4) RESOLVED that the information contained within the presentation slides be noted.

**262. Work Programme 2020-21**

*(Item 14)*

- (1) A Member of the Committee requested that the relevant Cabinet Member provided a verbal update at the next meeting of the Cabinet Committee in relation to Trading Standards.
- (2) RESOLVED that the work programme for 2020-21 be noted

From: Mike Whiting, Cabinet Member for Economic Development

To: Growth, Economic Development and Communities Cabinet Committee, 18 January 2021

Subject: **Kent and Medway Growth Fund Extension**

Key decision 21/00001

Classification: **Unrestricted**

**Past Pathway of report: N/A**

**Future Pathway of report: Key Decision**

**Electoral Division:** All KCC Wards

**Summary:** This report outlines a proposal to extend the operation of the Kent and Medway Business Fund (KMBF) until 31 March 2023.

**Recommendation(s):**

The Cabinet Committee is asked to consider and recommend to the Cabinet Member for Economic Development the proposed decision to delegate the authority to the Director of Economic Development:

- 1) To enter into relevant contracts, legal agreements and put appropriate arrangements in place required to implement this decision allowing Kent, Medway and Thurrock Companies to access grants, loans or equity investments from the Kent and Medway Business Fund (KMBF) until the 31 March 2023.
- 2) That these grants, loans, and equity investments will be financed from recycled loan and equity repayments previously obtained from companies that received funds via the former RGF and KMBF programmes.
- 3) These investments shall be subject to the same rules, criteria and management/administrative charges as investments that have been allocated under the existing KMBF scheme.

Proposed Record of Decision is attached as Appendix A

## 1. Introduction

- 1.1 Kent County Council is seeking to extend the Kent and Medway Business Fund (KMBF) which is currently due to end on the 31 March 2021, for a further 2 years, until the 31 March 2023.
- 1.2 The extended KMBF scheme will offer investments in the form of grants, loans and equity, financed from recycled equity and loan repayments received from previous recipients of both the KMBF and the former Regional Growth Fund (RGF) schemes - Expansion East Kent (ExEK), Tiger and Escalate programmes.

- 1.3 The Department for Business, Energy & Industrial Strategy (BEIS) allocated £55 million from the Government's Regional Growth Fund to KCC between 2011 and 2014. This funded three RGF schemes covering the whole of Kent and Medway and additional local authority areas:
- East Kent (Expansion East Kent - £35 million).
  - North Kent, Medway and Thurrock (Tiger - £14.5 million).
  - West Kent (Escalate - £5.5 million).
- 1.4 These schemes operated from November 2011 to January 2016. For most companies, loan finance was provided at 0% interest, with a repayment period of between 5 and 7 years.
- 1.5 Since January 2017, KCC has used the recycled RGF loan repayments to enable the Kent and Medway Business Fund (KMBF) to provide loans and equity investments ranging between £50,000-£500,000 to eligible applicants across Kent and Medway. Most funding recipients receive 0% interest loans, with a repayment period of up to 5 years. The recycled RGF loan repayments are also used to finance the Kent Life Sciences (KLS) Fund, a sub-programme of the KMBF scheme. This provides equity investments predominantly in the life science sector. Details of the KMBF and KLS investments are listed in Appendix C.
- 1.6 Funding to Thurrock companies will operate on the same basis as Kent & Medway companies as agreed by a recent Key Decision (Decision 20/00103) but under a separate scheme.

## 2. Background, Options & Risks

- 2.1 KMBF is administered by Kent County Council (KCC) via two contracts with BEIS. An East Kent contract (original contract end date 31 March 2021) and a West Kent, North Kent, Medway & Thurrock contract (original contract end date 31 March 2023).
- 2.2 BEIS has now unilaterally extended the East Kent contract until 31 March 2023 to bring its end date in line with the West Kent, North Kent, Medway & Thurrock contract.
- 2.3 When the Key Decision for the Kent and Medway Business Fund (KMBF) was agreed in 2016 (Decision 16/00107) the decision was made to seek approval up until the end of the then East Kent contract – 31 March 2020. Now that the East Kent contract has been extended KCC are seeking to extend the KMBF scheme until 31 March 2023.
- 2.4 **Options** - KCC could seek to appoint an external third-party to manage the grant and loans (an on-going external equity management arrangement already exists). This option has not been pursued due: a) the value of the contact would require a lengthy procurement exercise; b) this contract would only initially last for a maximum of two years i.e. March 2023; c) it is unclear if these arrangements would offer savings or improved in investment performance.

- 2.5 **Risks** - If KCC does not extend the KMBF programme, all uncommitted funds - current and future recycled loan and equity investments from the KMBF and former RGF schemes - will be returned to BEIS at the end of the current contracts (see 2.1).

### **3. Financial Implications**

- 3.1 The capital costs will be sourced from current and future recycled loan and equity investments from the KMBF and former RGF schemes. These are estimated at £24,662,159 - this consists of: a) current uncommitted recycled loan repayments (£15,181,300); b) estimated value of future recycled RGF loans repayments up to March 2023 (£9,480,859).
- 3.2 The annual cost to KCC of administering the KMBF scheme (inc. staff, legal, appraisal and monitoring costs) is £450,000 per annum. The revenue costs of this activity will be funded from two sources: a) a management charge of 5% levied from the fund on the value of all investments made to companies; and b) an administrative charge of 5% levied from the companies on the value of all loans. This makes the scheme self-funding.
- 3.3 The KMBF scheme has been given the go-ahead to allocate £6 million towards loans for 2020-21. A similar allocation of KMBF funds is anticipated for 2021-22 but will be formally agreed based on a review of the economic and business situation in 2021.
- 3.4 KCC is responsible for the recovery of outstanding investments, if these funds cannot be recovered by legal means and these funds are distributed according to the contracts and state aid rules, KCC is not responsible for any subsequent bad debts.

### **4. Legal implications**

- 4.1 For the period of extended KMBF, KCC will continue to act as the managing authority for the existing two BEIS contracts. KCC will also continue to be responsible for developing and marketing the funding schemes. The investments will be awarded using the same decision-making structures, procedures, and safeguards as the current KMBF investments.
- 4.2 KCC will undertake eligibility and due diligence checks on all applications before being examined by an Investment Advisory Board (IAB). Most of the members of the IAB come from the private sector, including Finance and Banking, Manufacturing, and the Scientific and Creative Industries. Once an application has been reviewed by the IAB, it makes a recommendation to KCC to Approve or Reject the project and the conditions to be included if funding is approved.
- 4.3 Invicta Law Ltd will continue to provide advice on contracts, insolvency issues and works with the KCC Business Investment Team to recover the maximum amount of loan value. KCC Internal Audit will oversee the investment procedures and processes and advise on other matters related to the use of the funds. To minimise risk, for loans KCC will require applicants to provide some form of security, whether through assets, property, or personal

guarantees. KCC will continue to be responsible for investment monitoring and auditing under the terms of the BEIS contracts.

- 4.4 Contracts will be signed using the same format and debt recovery will operate in the same way. Where companies find themselves in difficulty and are unable to repay the loans on the agreed terms KCC can offer to restructure their debt to support further business growth and resume repayments. In cases of non-engagement, KCC will pursue loan recovery through Security or Personal Guarantees, where applicable. A detailed report from Invicta Law is not required at this time.

## **5. Equalities implications**

- 5.1 An Equality Impact Assessment (EqIA) has been appended to this report.

## **6. Governance**

- 6.1 The Director of Economic Development will inherit the main delegations via the Officer Scheme of Delegation.

## **7. Conclusions**

- 7.1 KCC will offer grant, loan, and equity investments from the KMBF scheme until 31 March 2023.
- 7.2 These investments will be financed from recycled loan and equity repayments obtained from companies that received funds via the former RGF and KMBF programmes.
- 7.3 These investments shall be subject to the same rules, criteria and administrative charges as investments that have been allocated under the existing KMBF scheme.
- 7.4 The KCC costs of administering this scheme shall be funded from management and administrative charges levied on all companies receiving investments and the fund itself.

## **8. Recommendation(s):**

The Cabinet Committee is asked to consider and recommend to the Cabinet Member for Economic Development the proposed decision to delegate the authority to the Director of Economic Development:

- 1) To enter into relevant contracts, legal agreements and put appropriate arrangements in place required to implement this decision allowing Kent, Medway and Thurrock Companies to access grants, loans or equity investments from the Kent and Medway Business Fund (KMBF) until the 31 March 2023.
- 2) That these grants, loans, and equity investments will be financed from recycled loan and equity repayments previously obtained from companies that received funds via the former RGF and KMBF programmes.



- 3) These investments shall be subject to the same rules, criteria and management/administrative charges as investments that have been allocated under the existing KMBF scheme.

Proposed Record of Decision is attached as Appendix A

## 9. Background Documents

- **Appendix A – Proposed Record of Decision**
- **Appendix B – EqlA KMBF**
- **Appendix C – Investments by the KMBF and KLS: 2017 to Date**
- **Appendix D – KMBF Investment Advisory Board (IAB) Terms of Reference.**

## 10. Contact details

<b>Report Author:</b>  Martyn Riley Programme Manager Tel: 03000 417161 martyn.riley@kent.gov.uk	<b>Relevant Director:</b>  David Smith Director of Economic Development Tel: 03000 417176 david.smith2@kent.gov.uk
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# KENT COUNTY COUNCIL – PROPOSED RECORD OF DECISION

**DECISION TO BE TAKEN BY:**

**Mike Whiting, Cabinet Member for Economic Development**

**DECISION NO:**

21/00001

**For publication**

**Key decision: YES**

**Subject: Kent and Medway Growth Fund Extension**

**Decision:**

As Cabinet Member for Economic Development, I agree to:

Delegate the authority to the Director of Economic Development to enter into relevant contracts, legal agreements and put appropriate arrangements in place required to implement this decision:

- Allowing Kent, Medway and Thurrock Companies to access grants, loans or equity investments from the Kent and Medway Business Fund (KMBF) until the 31 March 2023.
- That these grants, loans, and equity investments will be financed from recycled loan and equity repayments previously obtained from companies that received funds via the former RGF and KMBF programmes.
- These investments shall be subject to the same rules, criteria and management/administrative charges as investments that have been allocated under the existing KMBF scheme.

**Reason(s) for decision:**

If KCC does not extend the KMBF programme, all uncommitted funds - current and future recycled loan and equity investments from the KMBF and former RGF schemes - will be returned to BEIS at the end of the current contracts (see 2.1).

**Cabinet Committee recommendations and other consultation:**

**Any alternatives considered and rejected:**

KCC could seek to appoint an external third-party to manage the grant and loans (an on-going external equity management arrangement already exists). This option has not been pursued due: a) the value of the contract would require a lengthy procurement exercise; b) this contract would only initially last for a maximum of two years i.e. March 2023; c) it is unclear if these arrangements would offer savings or improved in investment performance.

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

.....  
signed

.....  
Date

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**March 2014 Revised**

**Equalities Impact Assessment (EqIA)**

Recycled Regional Growth Fund (now known as the **Kent and Medway Business Fund**)

Directorate: Growth Environment and Transport - GET

**Name of policy, procedure, project or service:** Kent and Medway Business Fund

What is being assessed? A new scheme to recycled Regional Growth Fund loan repayments for new investments to businesses in Kent and Medway.

**Responsible Owner/ Senior Officer:** Jacqui Ward (Project Manager)

**Date of Initial Screening:** 06/10/2016

**Date of Full EqIA :** 01/03/2017

<b>Version 1</b>	<b>Author</b>	<b>Date</b>	<b>Comment</b>
1	JW & MR	05/10/16	N/A
2	JW & SB	10/10/16	Review of other EqIA on Knet
3	MP and SH	25 and 28/11/16	Review of content, and feedback
4	JW & MR	01/03/17	

Characteristic	Could this policy, procedure, project or service, or any proposed changes to it, affect this group less favourably than others in Kent? YES/NO If yes how?	Assessment of potential impact HIGH/MEDIUM/ LOW/NONE/ UNKNOWN		Provide details: a) Is internal action required? If yes what? b) Is further assessment required? If yes, why?	Could this policy, procedure, project or service promote equal opportunities for this group? YES/NO - Explain how good practice can promote equal opportunities
		Positive	Negative		
<b>Age</b>	No	Low	None	Yes: a) To start a business legally in the UK you must be at least 16 years of age (and 18 years of age to sign some legal documents. There is no maximum age this is covered within our legal loan agreements. Opportunities to be shared with relevant local representative bodies b) None at present, however this will reviewed on an annual basis to take account of impact (see Monitoring and Review below). See Action Plan.	Yes-use a variety of media and relevant support organisations to ensure that the widest variety of people can access the scheme. This The not only involves existing mailing list but also using the mailing lists of appropriate representative groups/organisations (e.g. Business in the Community, Age Concern )
<b>Disability</b>	No	Low	None	Yes: a) People with learning difficulties may find it difficult to access information. When holding events consider they are accessible for wheelchair users. All documentation is offered in alternative formats for the visual	Yes-Improved access: The team is flexible and can meet with businesses on a 1-2-1 basis. Presentation materials are reviewed to ensure the audience are able to read the slides, ensure a blue

				impaired. Opportunities to be shared with relevant local representative bodies; b) None at present, however this will reviewed on an annual basis to take account of impact (see Monitoring and Review below) .See Action Plan.	background is not used and alternative formats are available. use a variety of media and relevant support organisations to ensure that the widest variety of people can access the scheme. The not only involves existing mailing list but also using the mailing lists of appropriate representative groups/organisations (e.g. Business Disability Forum)
<b>Gender</b>	No	None	None	Yes: a) We will share ideas on how stereotypes can be challenged and funding opportunities with relevant local representative bodies and b) None at present, however this will reviewed on an annual basis to take account of impact (see Monitoring and Review below). See Action Plan.	Yes-use a variety of media to ensure that the widest variety of people can access the scheme. The not only involves existing mailing list but also using the mailing lists of appropriate representative groups/organisations (e.g. Women in Business Network)
<b>Gender Identity</b>	No	None	None	Yes: a) This would be dealt with professionally and sensitively. b) None at present, however this will reviewed on an annual basis to take account of impact (see Monitoring and Review below)	Yes- use a variety of media and relevant support organisations to ensure that the widest variety of people can access the scheme. The not only involves existing mailing list but also using the mailing lists of appropriate representative

					groups/organisations (e.g. The Gender Trust)
<b>Race</b>	No	Low	None	Yes: a) Translations will be provided on request. Presenters would be aware of other language barriers and therefore adjust their style and approach to delivery to ensure understanding b) None at present, however this will reviewed on an annual basis to take account of impact (see Monitoring and Review below). See Action Plan.	Yes-1-2-1 meetings and regular contacts also translation service will be made available. The not only involves existing mailing list but also using the mailing lists of appropriate representative groups/organisations (e.g. Kent Equality Cohesion Council)
<b>Religion or belief</b>	No	None	None	Yes a) Funding decisions are based on the business case and financial viability only. Support is provided to the Investment Advisory Board (including training if required) who make funding recommendations (the final decision lies with KCC) to ensure compliance with our equality duties. b) None at present, however this will reviewed on an annual basis to take account of impact (see Monitoring and Review below). See Action Plan.	Yes-use a variety of media and relevant support organisations to ensure that the widest variety of people can access the scheme. The not only involves existing mailing list but also using the mailing lists of appropriate representative groups/organisations (e.g. Kent Equality Cohesion Council)
<b>Sexual orientation</b>	No	None	None	Yes a) Funding decisions are based on the business case and financial viability only. Support is provided to the Investment Advisory Board (including training if required) who make funding recommendations (the final decision lies with KCC) to ensure	Yes-1-2-1 meetings , use a variety of media and relevant support organisations to ensure that the widest variety of people can access the scheme. The not only involves existing mailing list



				compliance with our equality duties. b) None at present, however this will reviewed on an annual basis to take account of impact (see Monitoring and Review below). See Action Plan.	but also using the mailing lists of appropriate representative groups/organisations (e.g. Gay Business Association)
<b>Pregnancy and maternity</b>	No	None	None	Yes a) Funding decisions are based on the business case and financial viability only. Support is provided to the Investment Advisory Board (including training if required) who make funding recommendations (the final decision lies with KCC) to ensure compliance with our equality duties. b) None at present, however this will reviewed on an annual basis to take account of impact (see Monitoring and Review below). See Action Plan.	Yes-1-2-1 meetings , use a variety of media and relevant support organisations to ensure that the widest variety of people can access the scheme. The not only involves existing mailing list but also using the mailing lists of appropriate representative groups/organisations (e.g. Women in Business Network)
<b>Marriage and Civil Partnerships</b>	No	None	None	Yes a) Funding decisions are based on the business case and financial viability rather than marriage or civil partnership status. Support is provided to the Investment Advisory Board (including training if required) who make funding recommendations (the final decision lies with KCC) to ensure compliance with our equality duties. b) None at present, however this will reviewed on an annual basis to take account of impact (see Monitoring and Review below). See Action Plan.	Yes-use a variety of media to ensure that the widest variety of people can access the scheme. mailing list but also using the mailing lists of appropriate representative groups/organisations (e.g. Business in the Community)
<b>Carer's</b>	No	None	None		Yes-use a variety of media

<b>responsibilities</b>					<p>and relevant support organisations to ensure that the widest variety of people can access the scheme. 1-2-1 meetings if appropriate. The not only involves existing mailing list but also using the mailing lists of appropriate representative groups/organisations (e.g. Business Disability Forum)</p>
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## Equalities Impact Assessment (EqIA)

The new scheme, provisionally entitled the Kent and Medway Business Fund will utilise recycled Regional Growth Fund (RGF) loan repayments to support new jobs, business growth, stimulate innovation and to improve productivity across the Kent and Medway area.

### Part 1: INITIAL SCREENING

Proportionality - Based on the answers in the above screening grid what RISK weighting would you ascribe to this function – see Risk Matrix

Low	Medium	High
Low relevance or Insufficient information/ evidence to make a judgement.	Medium relevance or Insufficient information/ evidence to make a judgement.	High relevance to equality, /likely to have adverse impact on protected groups

### State rating & reasons

#### Context – What we do now and what we are planning to do

The scheme will invest in new and existing small and medium sized enterprises (SMEs) delivering sustainable employment over the long term, creating and adopting innovative products, processes and services and to seeking improve their productivity.

In objective of the scheme is not to replace commercial sources of finance or offer operating subsidies. Rather, it will support projects with strong business cases for which commercial finance is unavailable on viable terms (for example, because the product or technology involved is untested). The scheme will normally only provide finance for up to 50% of project costs, with the balance funded through private sources, including bank lending.

Loans will be generally offered interest-free, although arrangement charges will be levied to pay for administration costs

#### Aims and Objectives

The scheme has a number of key targets:

Number of businesses supported	120
Number of Jobs Created or safeguarded	949

The scheme will be launched in December 2016, with phase one of the scheme open until March 2021.

## **Beneficiaries**

New and existing eligible small and medium sized enterprises (SMEs) in Kent & Medway.

## **Information and Data used to carry out your assessment**

No bespoke quantitative research has been carried out prior for the scheme as existing census data (see below) is sufficiently robust to identify the nature of the issues and target groups.

Source: KCC Business Intelligence Statistical Bulletin – July 2016. The bulletin uses the 2015 Mid-year population estimates (census based) by 5 year age group and gender for Kent County and Kent local authority districts. This data was produced by the Office for National Statistics (ONS) and released on the 23 June 2016.

The scheme is fully funded by recycled Regional Growth Fund (RGF) loan repayments. Kent County Council is the accountable body but works in partnership with the Kent district council's and Medway Council.

### Summary findings: Gender and Age

- The total population of Kent (excluding Medway) is estimated to be 1,524,700.
- Of all of the local authority districts in Kent, Maidstone has the largest population with 164,500 people. Dartford has the smallest with 103,900 people.
- There are slightly more female residents than male residents in Kent. 51% (777,300 people) residents are female and 49% (740,400) male. This pattern is seen in all of Kent's local authority districts.
- However, the male to female ratio changes with age. On the whole there tends to be more males than there are females up to the age of 29 years. Beyond this age, there are more females than males, although the exact age at which there become more females than males does vary between each local authority district.
- The mean age in Kent is 40.8 years. This is slightly higher than the national mean age which is 39.7 years. The mean age of a Kent female is 41 and a Kent male is 39.4.
- Mean age is slightly higher in East Kent districts at 42 or above years in Dover, Shepway and Thanet.

From the summary findings we will expect to see increased interest from urban areas as these areas are more densely populated and have higher concentrations of growing businesses. There are varying amounts of males and females in each local authority so we will expect this to be reflected in the range of applicants from both genders throughout the project. The project is open to those of any age and gender irrespective of the age and gender profiles mentioned above.

The table below shows the total number of businesses in Kent and the Medway providing us with a clear business profile. This shows that there are more potential businesses in Kent and the Medway than to whom we can offer support to.

We have an accurate amount of potential business that we can support and the criteria for accessing the grant are fair, open and equitable. Based on successful delivery of previous schemes we have a ready-made pipeline of applications to sustain us through initial part of delivery.

<b>Number Of Vat And/or Paye Based Enterprises In 2015 By Employment Size</b>								
	<b>0-4</b>	<b>5-9</b>	<b>10-19</b>	<b>20-49</b>	<b>50-99</b>	<b>100-249</b>	<b>250+</b>	<b>Total</b>
<b>Kent</b>	43,180	7,100	3,365	1,735	570	305	205	56,460
<b>Medway</b>	5,760	915	465	200	70	50	25	7,485
<b>Total</b>	48,940	8,015	3,830	1,935	640	355	230	63,945

Source: NOMIS

### **Who have you involved and engaged with?**

The partnership includes Kent County Council all the district councils within Kent and Medway Council.

The scheme will be run in line with KCC's Equalities Strategy and Policies. As such we are committed to promoting equality, valuing diversity and combating unfair treatment. Equality and freedom from discrimination are fundamental rights we demonstrate leadership and commitment in promoting these rights.

We are committed to ensuring that current and potential service users, employees and job applicants will not be discriminated against on the grounds of social circumstances, gender, race, disability, sexuality, age, religion/belief or any other protected characteristic.

### **Potential Impact**

The new scheme will target all sectors of the community and information and application forms will be easy to access. There are multiple possible referral routes (business associations, chambers of commerce and community groups) so reaching out to all across our community. The project has strict perimeters in which it can operate. Businesses that are eligible for support have to be located within the eligible area - Kent and Medway. This is a legal requirement and opportunities for addressing equality issues outside of area are restricted. The programme management team are in a good position to promote equal opportunities and can provide examples of good practice.

### **Adverse Impact and how can these adverse impacts be mitigated, (capture this in the action plan)**

It is not envisaged that there will be any adverse long term effects as a result of this scheme. In the short term, equalities data will be collected and reviewed throughout the schemes operation and time in order to identify any areas of concern. These will be mitigated as much as possible based on the provision of advice from Kent County Councils Equalities and Diversity Team. As a major programme this scheme will be integrated within KCC's Equalities and Diversity policy to ensure any negative impacts are mitigated and all positive aspects maximised.

**Positive Impact: JUDGEMENT**

- The scheme will provide investment and employment opportunities for across all sectors of Kent and Medway.
- Up until March 2021 we will invest recycled funds.
- Investments aim to create or safeguard additional jobs

**Option 1 – Screening Sufficient YES/NO**

Following this initial screening our judgement is that no further action is required.

**Justification:**

The scheme has low or no impact on the protected characteristics as list above. The project will collect information on companies who have equal opportunities policies as part of the compliancy with the KCC Loan Agreement. The programme is integrated into Kent County Council's Equalities and Diversity Policy to ensure any negative impacts are mitigated and all positive aspects are maximised.

**Option 2 – Internal Action Required YES/NO**

**There is potential for adverse impact on particular groups and we have found scope to improve the proposal**

**(Complete the Action Plan at the end of this document)**

**Option 3 – Full Impact Assessment YES/NO**

**Monitoring and Review**

EQIA reviewed on an annual basis to take account of impact in line with resource and partner commitments.

**Sign Off**

I have noted the content of the equality impact assessment and agree the actions to mitigate the adverse impact(s) that have been identified.

**Senior Officer**

Signed:

Name:

Job Title:

Date:

**DMT Member**

Signed:

Name:

Job Title:

Date:

Please forward a final signed electronic copy to the Equality Team by emailing  
[diversityinfo@kent.gov.uk](mailto:diversityinfo@kent.gov.uk)

The original signed hard copy and electronic copy should be kept with your team for audit purposes.

<b>Equality Impact assessment Action Plan</b>						
<b>Protected Characteristic</b>	<b>Issues Identified</b>	<b>Action to be taken</b>	<b>Expected Outcomes</b>	<b>Owner</b>	<b>Timescale</b>	<b>Cost Implication</b>
<b>Age</b>	Contracts Information Monitoring	Contracts – amend contracts Information – ensure information channels are appropriate Monitoring – change monitoring forms	Contracts – better contracts Information – more effective communication Monitoring – more effective monitoring of impact	Martyn Riley	March 2017 (reviewed March 2018)	None
<b>Disability</b>	Access Information Monitoring	Access – use suitable venues provide translators if required Information – ensure information channels are appropriate Monitoring – change monitoring forms	Access – Improved access to events and scheme Information – more effective communication Monitoring – more effective monitoring of impact	Martyn Riley	June 2017 (reviewed June 2018)	Cost of translators Half day £130/£120
<b>Gender</b>	Access Information Monitoring	Access – use suitable venues, event times Information – ensure information channels are appropriate Monitoring – change monitoring forms	Access – Improved access to events and scheme Information – more effective communication Monitoring – more effective monitoring of impact	Martyn Riley	June 2017 (reviewed June 2018)	None
<b>Gender Identity</b>	Information	Information – ensure information channels are appropriate	Information – more effective communication	Martyn Riley	June 2017 (reviewed June 2018)	None
<b>Race</b>	Access Information Monitoring	Access – use suitable venues provide translators if required -	Access – Improved access to events and scheme Information – more effective	Martyn Riley	June 2017 (reviewed June 2018)	Cost of translators £20 per



		Information – ensure information channels are appropriate Monitoring – change monitoring forms	communication Monitoring – more effective monitoring of impact			hour
<b>Religion or belief</b>	Information	Information – ensure information channels are appropriate	Information – more effective communication	Martyn Riley	June 2017 (reviewed June 2018)	None
<b>Sexual orientation</b>	Information	Information – ensure information channels are appropriate	Information – more effective communication	Martyn Riley	June 2017 (reviewed June 2018)	None
<b>Pregnancy and maternity</b>	Access Information	Access – use suitable venues, event times Information – ensure information channels are appropriate	Access – Improved access to events and scheme Information – more effective communication	Martyn Riley	June 2017 (reviewed June 2018)	None
<b>Marriage and Civil Partnerships</b>	Information	Information – ensure information channels are appropriate	Information – more effective communication	Martyn Riley	June 2017 (reviewed June 2018)	None
<b>Carer's responsibilities</b>	Access Information	Access – use suitable venues, event times Information – ensure information channels are appropriate	Access – Improved access to events and scheme Information – more effective communication	Martyn Riley	June 2017 (reviewed June 2018)	None

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**Appendix C – Investments by the Kent and Medway Business Fund (KMBF)  
and the Kent Life Science Fund (KLS): 2017 to Date**

	<b>No. of Investments</b>	<b>Investments £</b>
Loans (Kent and Medway Business Fund)	73	£8,365,449
Equity (Kent Life Sciences Fund)	10	£4,100,000
<b>Total</b>	<b>83</b>	<b>£12,465,449</b>
KMBF\KLS Jobs Created FTEs	165	
KMBF\KLS Jobs Protected FTEs	59	

\* FTE=Full-Time Equivalentents

<b>Kent and Medway Business Fund (KMBF)</b>		
<b>Company</b>	<b>District</b>	<b>Awarded £</b>
Alliance Building Company Contracts Ltd	Folkestone and Hythe	£100,000
Anaiah Healthcare Ltd	Thanet	£500,000
Ancon Technologies Ltd	Canterbury	£106,000
Aquafuel Research Limited	Ashford	£50,000
Aquaread Limited	Thanet	£70,000
Autumna Limited	Tunbridge Wells	£200,000
BK Fire Limited	Medway	£50,000
Blockhead HQ Ltd	Tunbridge Wells	£139,750
Car Paint Supplies Ltd	Dover	£50,000
Castra Leisure Limited	Canterbury	£90,000
CDSL Limited	Sevenoaks	£50,000
Centauri Therapeutics Limited (1)	Dover	£500,000
Centauri Therapeutics Ltd (2)	Dover	£250,000
CHALKUK Ltd	Thanet	£50,000
Cognitas Global Limited	Dartford	£95,000
Corkk Ltd	Canterbury	£50,000
CRA Group Limited	Dartford	£86,000
Dassie Décor Ltd	Tunbridge Wells	£250,000
Digital Taxonomy Limited	Thanet	£90,000
Dom Education Limited	Medway	£50,000

Earthstone Landscapes Limited	Dover	£70,000
Enigma England Ltd	Tonbridge and Malling	£100,000
Enigys Trading Limited	Dover	£500,000
Evogro Ltd	Tonbridge and Malling	£150,000
Fortico Limited	Tonbridge and Malling	£75,000
Generation Digital Limited	Tunbridge Wells	£95,000
George Cursons Ltd	Canterbury	£100,000
Gordon Engraving (Commercial) Limited	Canterbury	£92,000
GPC Clear Solutions Limited	Swale	£200,000
Handrail Design Limited	Medway	£50,000
Harrison Ovens	Thanet	£50,000
Hotcraze Ltd	Thanet	£100,000
Ihaveit UK Ltd	Swale	£99,500
IYF Trading Limited	Tonbridge and Malling	£50,000
JM Tuppence Limited	Thanet	£50,000
Just Pose Ltd	Dartford	£50,000
Keefields Ltd	Ashford	£222,100
Kleio Audio Limited	Swale	£50,000
KR Salons Ltd	Thanet	£70,000
Miles and Barr Ltd	Swale	£60,000
Moon Lane Education Limited	Thanet	£50,000
Nebra Ltd	Tunbridge Wells	£150,000
Oakland International Limited	Maidstone	£75,000
Oceans Green Dry Cleaners Limited	Medway	£60,000
OMKY Group Limited	Dartford	£50,000
PlantWorks Limited	Swale	£99,000
Ponte Velha Ltd	Swale	£50,000

Pop Up Coffee 2 Ltd	Thanet	£50,000
SEC Operations Limited	Swale	£58,200
Shutdown Maintenance Services Limited	Medway	£200,000
Solar Gates UK Ltd	Maidstone	£100,000
Solar Gates UK Ltd	Maidstone	£99,000
South East Bottling Limited	Thanet	£120,000
South East Bottling Ltd	Thanet	£75,000
Sunstone IP Systems Ltd	Thanet	£350,000
Sustainability Monitor Limited	Canterbury	£57,900
Country Brides of Faversham	Swale	£55,000
Tara Martins Community Project CIC	Medway	£50,000
Thanet Community Transport Association	Thanet	£50,000
The Bank Chambers Limited	Thanet	£95,000
The Heart Margate Ltd	Thanet	£75,000
The Heating Portal Ltd	Medway	£50,000
The Hug Group Limited	Dartford	£80,000
The Maidstone Distillery Ltd	Maidstone	<b>£99,000</b>
Traditional English Pubs Limited	Swale	£109,000
TRN - The Research Network Ltd	Dover	£72,000
Tull Sports and Clothing Limited	Ashford	£50,000
UK Cycle Centre Ltd	Medway	£275,000
Vetquest Research Limited	Canterbury	£60,000
Victoria Hammond Limited	Thanet	£80,000
Viking Maritime Group Limited	Dover	£400,000
Wren Healthcare Limited	Thanet	£60,000
<b>Total</b>		<b>£8,364,450</b>
(1) Converted into equity Kent Life Science Fund as Avvinity Therapeutics (2) Converted into equity Kent Life Science Fund as Centauri Therapeutics Ltd		

<b>Kent Life Science Fund (KLS)</b>		
<b>Company</b>	<b>Type of Investment</b>	<b>Awarded £</b>
Ampersand Health Ltd	Equity	£550,000
Ampersand Health Ltd	Convertible Loan	£250,000
Avvinity Therapeutics	Equity	£500,000
Azadyne Ltd	Equity	£200,000
Azadyne Ltd	Convertible Loan	£175,000
Centauri Therapeutics Ltd	Equity	£450,000
Curesponse Ltd	Equity	£550,000
Emteq Ltd	Equity	£540,000
Project Andiamo Ltd	Equity	£500,000
Sana Health Inc	Equity	£385,000
		£4,100,000

## Appendix D: Kent and Medway Investment Advisory Board (KMIAB)

### Terms of Reference

December 2020

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#### 1. Purpose

- 1.1 This document sets out the Terms of Reference for the Kent & Medway Investment Advisory Board established to support the Kent and Medway Business Fund and the Kent Life Science Fund.

#### 2. Definitions

- 2.1 Within these Terms of Reference, the following definitions apply: -
- 2.2 Kent and Medway Business Fund (KMBF) is scheme offering grant, public loan or equity assistance to businesses in the Kent, Medway and Thurrock area (the areas covered by: Ashford Borough Council, Canterbury City Council, Dartford Borough Council, Dover District Council, Folkestone & Hythe District Council, Gravesham Borough Council, Kent County Council, Maidstone Borough Council, Medway Council, Sevenoaks District Council, Swale Borough Council, Thanet District Council, Tonbridge and Malling Borough Council, Thurrock Council and Tunbridge Wells Borough Council) funded from recycled Regional Growth Fund (RGF) loan repayments. The conditions for this investment are set out in the Programme Funding Agreements between Kent County Council (KCC) and the Department for Business, Energy & Industrial Strategy (BEIS) formerly the Department for Business, Innovation and Skills and in the Kent and Medway Business Fund Manual.
- 2.3 The Kent and Medway Business Fund has three sub-programme areas covering the local authority areas of:
- East Kent – Ashford, Canterbury, Dover, Folkestone & Hythe and Thanet (formerly the RGF Expansion East Kent eligible area).
  - West Kent – Maidstone, Sevenoaks, Tonbridge and Tunbridge Wells (formerly part of the RGF Escalate eligible area).
  - North Kent, Medway and Thurrock – Dartford, Gravesham, Medway, Swale and Thurrock (formerly part of the RGF Tiger eligible area).
- 2.4 KCC is the Accountable Body for the Kent and Medway Business Fund and as such is responsible for: -
- The allocation and management of Government funds provided for the purpose of the Kent and Medway Business Fund;
  - Ensuring that contracted outputs are met; and

- Ensuring that the programme is managed in accordance with grant conditions (including State Aid restrictions).
- 2.5 The Secretariat for the Kent and Medway Business Fund shall be provided by KCC – this includes but is not exclusive to the following activities – managing the application process, co-ordination appraisal, contract negotiations and monitoring.

### **3. Functions of the Kent & Medway Investment Advisory Board – KMIAB (known as the Board)**

- 3.1 The Board has been established by KCC as the Accountable Body to: -
- (a) Provide advice, monitor and review the overall investment strategy for the use of the Kent and Medway Business Fund. This will include (for example) encouraging applications from particular sectors or geographical areas, and determining the conditions under which investments from the Kent and Medway Business Fund that should be allocated.
  - (b) Making recommendations to KCC whether to approve, reject or defer individual applications for funding from the Kent and Medway Business Fund programme, and to advise on the conditionality of the loan which includes payment terms and repayment profile.
  - (c) Keep under review the performance of the programme against the outputs and leverage levels specified in the Programme Grant Agreement and take action (as set out in (a) above) to improve performance where appropriate.
- 3.2 The intention is that Members of the Board when giving advice should make a distinctive contribution by drawing on their industrial and commercial experience of businesses within the sectors and areas covered by the programme.

### **4. Membership**

- 4.1 The Board shall be appointed by the Accountable Body and consist of no more than 20 Members and no fewer than 14 Members. The Accountable Body will provide the Board's Secretariat.
- 4.2 A majority of Board Members shall be from the private sector.
- 4.3 The Accountable Body shall be represented by a minimum of two elected representatives see paragraphs 6.1 and 6.2.
- 4.4 For the three sub-programme areas Board Members will be drawn from the membership of the advisory panels established for the former RGF schemes (Expansion East Kent, Tiger and Escalate) – see paragraph 2.2.



- 4.5 If an elected representative on the Board is unable to attend a specific Board or sub-group Meeting, their views should be submitted to the Secretariat prior to the scheduled Meeting using the form in Annex Three.
- 4.6 Other Members may join the Board with the agreement of the Accountable Body and the Board.
- 4.7 Members shall be appointed until 31<sup>st</sup> March 2023. Reappointment may be made at the appropriate Annual Meeting, with no limit to the number of times a Member may be reappointed.
- 4.8 New Members may be appointed within the year, subject to the provisions of paragraphs 4.1, 4.2 and 4.6.
- 4.9 Members may resign from the Board by giving no less than 20 working days' notice to the Chairman and Secretariat.
- 4.10 The Chairman may (at his/her discretion) require that a Member resign should that Member fail to attend four consecutive Meetings of the Board, provided that the Secretariat has sent a letter to the member following the failure to attend three consecutive Board Meetings.
- 4.11 The membership of sub-groups shall be appointed from the Board and will conform to the principles laid down in paragraphs 4.1, 4.2, 4.3, 4.4, 4.5, 4.6 and 4.7.
- 4.12 Prospective Board Members shall be subject to due diligence checks at the point of their nomination. This shall comprise of checks carried out via Companies House on the trading history of any companies they have been associated with as a director or in an executive capacity.

## **5. Quorum**

### **Main Board**

- 5.1 The quorum of a Board shall be at least a third of the full membership of Board which should always include at least one representative of the Accountable Body.
- 5.2 Should a Board not be quorate before or during the Board itself, the Chairman may choose one of three options: a) Board Members to convey their views electronically to all the other Members of the Board via the Secretariat, providing formal response to an emailed request for their decision. Members must respond with 5 working days of the request being sent (see Annex Three); b) arrange a Special Meeting of the Board to deal with outstanding business; c) allow business to adjourn to the following ordinary Board

### **Sub Group**

- 5.3 The quorum of a sub-group meeting shall be at least a third of the full membership of the sub group which should always include at least one representative of the Accountable Body.
- 5.4 Should a sub group not be quorate before or during the sub group itself, the Chairman may choose one of three options: a) Sub Group members to convey their views electronically to all the other Members of the Sub Group via the Secretariat, providing formal response to an emailed request for their decision. Members must respond with 5 working days of the request being sent (see Annex Three); b) arrange a Special Meeting of the Sub Group to deal with outstanding business; c) allow business to adjourn to the following ordinary Sub Group.

## **6. Chairman**

- 6.1 The Chairman of the Board shall be an elected Member of KCC (as the Accountable Body) and also a Member of the Board.
- 6.2 The Vice Chairman of the Board shall be an elected Member of KCC (as the Accountable Body) and who also a Member of the Board.
- 6.3 The Chairman shall preside at Meetings of the Board. In the absence of the Chairman, the Vice-Chairman shall preside. In the absence of the Chairman and the Vice-Chairman, the Board shall elect a Member of the Board to act as Chairman for that Meeting only. In the case of a sub-group the Chairman may delegate the Vice-Chairman or elected Member of the Board to act as Chairman for that sub-group Meeting only.
- 6.4 At each Meeting of the Board or a sub-group should the agenda indicate a decision to recommend funding is required related to an applicant from one of the three sub-programme areas, the discussion on that item shall be led by an elected member:
- East Kent – An elected representative from one of the local authorities Ashford, Canterbury, Dover, Folkestone & Hythe and Thanet (see paragraph 4.4) or an elected representative of the Accountable Body.
  - West Kent – An elected representative from one of the local authorities of Maidstone, Sevenoaks, Tonbridge and Tunbridge Wells (see paragraph 4.4) or an elected representative of the Accountable Body.
  - North Kent and Medway – An elected representative from one of the local authorities of Dartford, Gravesham, Medway and Swale (see paragraph 4.4) or an elected representative of the Accountable Body.

## **7. Conflicts of Interest**

- 7.1 A Register of Interests shall be held by the Secretariat. Members shall be responsible for ensuring that the Secretariat is informed of any changes that should be made to the Register of Interests. The Register will be available for public scrutiny.
- 7.2 Should a Board Member become aware that s/he has any interest, direct or indirect, in any matter being considered by the Board, then s/he shall: -
- (a) Disclose the interest to the Meeting and not take part in any consideration or discussion of the matter or vote in any questions with respect to it; and
  - (b) Unless the Meeting invites him/her to remain, withdraw from the Meeting.
- 7.3 The rules in paragraph 7.2 apply whether or not the interest concerned is already set out in the Register of Interests.
- 7.4 However, the rule in paragraph 7.2 above does not apply where the interest concerned relates primarily to the general interest of any public sector Member in his/her area of geographical responsibility, or to the interests of Kent and Medway as a whole.

## **8. Secretariat and administration**

- 8.1 Secretariat and administration shall be carried out by KCC. This shall include management of the project appraisal process, preparation of Board agendas, papers and minutes and the efficient execution of Board Recommendations.
- 8.2 The Board shall be asked to give its recommendations on the basis of detailed case papers, circulated in advance, and short oral presentations by the appraisal team.
- 8.3 The Board shall be entitled to ask the Secretariat to prepare sectoral and geographic analyses of applications, and impact assessments, and papers evaluating the administration of the programme.

## **9. Minutes and agenda**

- 9.1 Minutes of Meetings of the Board and sub-groups shall be prepared by the Secretariat and circulated to Board Members together with the proposed Agenda for the next Board or sub-group for confirmation.
- 9.2 The papers for Board or sub-group Meeting shall be circulated to the Members by the Secretariat not less than five working days before each Board or sub-group Meeting.

## 10. Decision-making

- 10.1 Recommendations agreed by the Board or sub-group shall be taken by consensus.
- 10.2 In the absence of consensus, the following matters require the support of at least 75% of Board or sub-group members present, including the support of the representatives of the Accountable Body: -
- (a) Appointment of new Board Members.
  - (b) Variation of the Terms of Reference.
- 10.3 Where the Board or sub-group decides to recommend approval, rejection, part-funding or deferral of an application, that decision to recommend shall be without prejudice to any subsequent application. The template for communicating responses to applicant is attached.
- 10.4 Should a Board Meeting agenda indicate only applications from a specific sub-programme area (see paragraph 2.3), the Secretariat after consultation with the Chairman may convene a smaller sub-group Meeting (see paragraph 18.1, 18.2, 18.3, 18.4 and 18.5) drawn from current Board Members with elected member representation from the specific sub-programme area – see paragraphs 4.4 and 4.11.
- 10.5 The Secretariat shall confirm to the Board or sub-group Meeting the budgets available to be allocated at that Meeting. For each Meeting the overall budget is divided between the three sub-programme areas - East, West and North & Medway (see paragraph 2.3) – the budget for each area is based on the level of loan repayments from the respective loan investments of the former RGF schemes (Expansion East Kent, Escalate and Tiger) active in those areas.
- 10.6 Where the number of supportable projects (i.e. projects that are recommended for approval by the Board or sub-group) exceeds the available budget for each of the three sub-programme areas (East, West and North & Medway) available at specific Board or sub-group Meeting then process for prioritisation laid down in Annex 2 will apply. If the Board or sub-group agree to defer a decision on an application for funding the Board or sub-group also need to confirm that the funding related to this application is ring-fenced until a decision to recommend.
- 10.7 All applications for assistance from the Kent and Medway Business Fund shall be appraised and recommended for approval before being submitted to the Board or sub-group. The Board or sub-group shall make no decision to recommend unless the Board has received the appraisal documentation.
- 10.8 The recommendations shall be summarised for the Kent and Medway Business Fund for the form attached here as Annex 1. The Chairman or Vice-Chairman of the Board must sign off the form.

## **11. Urgent decisions**

- 11.1 The Chairman may decide that a matter requires an urgent decision to recommend. In the event that an urgent decision to recommend is required, the Chairman may either: -
- (a) Through the Secretariat, call a Special Meeting giving no less than three working days' notice. In such a case, the quorum requirements set out in paragraphs 5.1 and 5.2 shall apply; or
  - (b) Through the Secretariat, request that a decision to recommend be made by e-mail. In such cases, the Secretariat shall provide Board Members with appropriate information requesting a decision to recommend in no less than three working days. The minimum response for a decision to recommend can be made shall be a third of the Board Members, including the Member representing the Accountable Body. In the absence of consensus, the provisions set out in paragraph 10.2 shall apply.
  - (c) Through the Secretariat at a Board Meeting the Board may agree on a one-off basis that a decision to recommend resides with the Chairman. This decision would be based on a detailed case paper provided by the appraisal team.

## **12. Transparency**

- 12.1 The Board shall seek to operate in an open and transparent manner.
- 12.2 Where items should be regarded as commercial in confidence, this shall be clearly specified.
- 12.3 Commercially sensitive information is likely to be circulated to the Board. All applications for assistance and papers describing negotiations with applicants will be considered as having protected information and shall be marked "Restricted – Commercial". A summary outcome of the Board's discussions and its recommendations shall be on the public record, but with appropriate exclusions for commercially sensitive information. The detail of individual cases will remain confidential between the Board, KCC and applicant companies.

## **13. Reporting**

- 13.1 The Board shall consider and approve an Annual Report setting out a presentation of Fund allocation, expenditure and output over the course of the year. This document can be made publicly available and disseminated widely at the discretion of the Board.
- 13.2 In addition, the Board may provide updates on its activities to interested organisations and partnership bodies on either a regular or ad hoc basis.

## **14. Board and Sub-Group Meetings**

- 14.1 Board and sub-group Meetings shall be scheduled in such a way that the business of the Board and sub-groups can be expedited efficiently and in accordance with the target timescales for decisions to recommend set out in the Kent and Medway Business Fund Manual.
- 14.2 In any case, the Board shall meet no less frequently than once every three months.

## **15. Termination**

- 15.1 The Board and sub-groups shall terminate their activities when the operation of the Kent and Medway Business Fund ceases.

## **16. Indemnity**

- 16.1 The Accountable Body shall indemnify the Members of the Board in respect of all decisions and recommendations made by the Board or sub-groups.

## **17. Variations of Terms of Reference**

- 17.1 The Board or sub groups may decide to vary its Terms of Reference, provided the procedure in paragraph 10.2 is followed.

## **18. Sub-Groups**

- 18.1 The Board may choose to establish one or more permanent sub-groups to deal with issues such governance, legacy issues relating to previous loan agreements, discuss applications from specific sub-programme areas (see paragraph 2.3) or ad-hoc sub-groups for a specific activity on a time limited basis.
- 18.2 When establishing a permanent or ad-hoc sub-group the Board should agree its Terms of Reference and follow the procedure laid down in paragraph 10.2.
- 18.3 Membership of sub-groups should be determined on the basis of paragraph 4.11.
- 18.4 KCC shall act as the Secretariat for all permanent or ad-hoc sub-groups agreed by the Board.
- 18.5 All permanent or ad-hoc sub-groups agreed by the Board shall seek to operate in an open and transparent manner as indicated in paragraphs 12.1, 12.2 and 12.3.

## **19. Appeals**

- 19.1 There is no automatic appeals process. However, applicants may ask for a review of the decision of the Board or sub-group in specific circumstances, for example if the applicant can prove the Board has not followed the correct procedures or assessed their bid correctly. There are three options to review:
- (a) That the Board or sub-group did not follow the published procedures for the bid;
  - (b) The applicant can show that the Board or sub-group have misunderstood a significant part of the application;
  - (c) The applicant can show that the Board or sub-group did not take notice of the relevant information.
- 19.2 For those applicants requesting a review - no new evidence or no additional information not already provided can be taken into account. If there is no substance to back up the review, then the original decision stands automatically.

## **20. Funding Rounds**

- 20.1 The Board may choose to allocate funding to a themed or specific funding round within the framework of the Kent and Medway Business Fund. A themed or specific funding round will be established based on a proposal submitted by the Secretariat (see paragraph 8.1) and approved by the Board (see paragraph 10).
- 20.2 A themed or specific funding round shall operate in the same open and transparent manner as indicated in paragraphs 1 to 19 inclusive.

**Kent and Medway Business Fund (KMBF) or Themed\Specific Funding Round**

**Annex 1**

**Kent and Medway Investment Advisory Board (KMIAB) or Kent and Medway Investment Advisory Board Sub Group (KMSG)**

**Recommendation Summary Form**

<b>Applicant Company</b>	<b>KMIAB Meeting</b>	<b>KMBF Support Requested £</b>	<b>Jobs Created</b>	<b>Jobs Safeguarded</b>	<b>Total Jobs</b>
		<b>Funding Approved</b>	<b>Recommendation</b>	<b>Decision</b>	

<b>Proposal &amp; Business Summary</b>

<b>Appraiser Recommendation</b>		
<b>Appraisal Type</b>	<b>Recommendation</b>	<b>Follow-up from Board</b>
Jobs Created and Protected (scored 0-4)		
Value for Money (scored 0-4)		
Financial Viability/Sustainability (scored 0-8)		
Repayment Proposal/ Serviceability/Timings (scored 0-8)		
Funds Drawdown (scored 0-4)		
Security Offered (scored 0-4)		
Jobs Created and Protected (scored 0-4)		

<b>Credit Reports undertaken by KCC Public Protection Intelligence Team</b>		
Company Credit Report		
Directors Credit Report		

<b>KMIAB Prioritisation</b> <b>(only to be completed if the Board is required to prioritise application due to oversubscription)</b>		
<b>Prioritisation Category</b>	<b>Weighted Score</b>	<b>Follow-up from Board</b>
<b>High</b>		
<b>Medium</b>		
<b>Low</b>		
<b>Reject</b>		



<b>KMIAB Recommendation</b>
Rationale for Approve Decision

**APPROVED BY:-**

	Decision	Approval
Signed by IAB Chairman (Paul Carter)		
If IAB Chairman not available, signed by Vice-Chairman (Geoff Lymer)		
Signed by KCC Delegated Member (Roger/Gough/Mike Whiting)		
Signed by KCC Delegated Officer (David Smith)		

Register of Interests

**Kent and Medway Business Fund Investment Advisory Board**

Date of Meeting and Agenda Item	
Brief Summary of Item	
Application Reference if applicable	
Name of Board member declaring an interest	
Interests declared	
Any other matter you would like to declare	

Date:

Signed:

## Prioritisation: When demand outstrips the budget

## Annex 2

Where the number of supportable projects (i.e. projects that are recommended by the Board or sub-group) exceeds the available budget available for any one of the three sub-programme areas – East, West and North & Medway- the following process shall be followed:

**Step one:** The KMIAB confirms and agrees the budget for the Board or sub-group Meeting.

**Step two:** Based on the appraisal presented at the Board or sub-group Meeting, those attending either:

- Reach a Recommendation by voting by a show of hands and assign a tentative score of High (each vote scores 3); Medium (each vote scores 2); Low (each vote scores 1) or Reject. There is no further discussion of projects that are rejected

or

- Reach a Recommendation based on level of priority (high, medium, low, reject) by general consensus.

**Step three:** Having discussed all the projects it is good practice to assign a score and produce a table (sample below) placing the applications in high, medium and low priority bands (high = 3; medium =2; low priority = 1; Reject = 0), according to their score at step two.

On the basis of 7 Board members present:

Project	High	Med	Low	Reject	Total	Cost	Cumulative Cost	Priority Band
Bid B	7	0	0	-	21	£305,100	£305,100	High
Bid F	6	1	0	-	20	£293,200	£598,300	High
Bid C	2	3	2	-	14	£331,600	£929,900	Medium
Bid D	0	6	1	-	13	£444,800	£1,374,700	Medium
Bid A	0	0	7	-	7	£225,000	£1,599,700	Low
Bid E	-	-	-	7	0	£144,000	£1,743,700	Reject

The Board or sub-group will be asked to confirm that, having had the opportunity to compare the relative merits, of the applications they are content with the list produced or wish to argue that particular applications should move up or down to a different band.

**Step four:** Review this list against the available budget for the Meeting. The discussion will then focus on the band in which the budget runs out. So, if the budget is insufficient to fund all the High priority projects, there will be further discussion and comparison of the projects in the high band. This is the group of projects that we have decided offer the best overall return on our investment.

After further discussion, a vote by show of hands or agreement by consensus on which of these applications are high/medium or low. This process may not be easy, but discussion must continue until a list of High priority projects that fits within the budget for the Meeting is agreed.

This is where weighting of the relevant considerations comes into play. It is the Board or sub-groups prerogative to choose a portfolio of projects to go forward and, under the principles of administrative law, they are free to do so taking account:

1. Consideration that a varied portfolio is important, for example, geographical and sector spread as well as the range of size and type of applications received by the KMBF.
2. The published criteria, appraisal reports and the criteria below:
  - **Value for money** – Assessing the overall benefit in proportion to our investment. Which projects have the greatest impact and give us the opportunity to make the greatest difference for our investment (which offer the greatest overall added value).
  - **Job Creation** – Those applications offering the most potential for new job creation or safeguarding existing jobs.
  - **Added value** – Offering the opportunity to impact on local supply chains, act as catalyst for other businesses and leveraging other funding.

The minutes record the final priority given to each case.

#### **v) Communicating Reasons for Rejection to applicants**

Applicants should be provided with clear reasons for rejection and feedback on their projects.

##### **High priority**

If we are unable to fund some high priority cases then we make clear that the application was turned down solely for reasons of insufficient money. The Board may also want to provide guidance for Secretariat on any messages to be given to the unsuccessful applicant regarding coming back with or without a reduced loan. As now, there should be no automatic right of return with the same project.

##### **Medium priority**

In the case of medium priorities the reason for not supporting them will also be insufficient funds, and the Board may also wish to provide feedback as to how the project might achieve better value for money.

##### **Low priority**

Low priority for our funding will be given as the reason for rejection in these cases with additional feedback as appropriate.

##### **Recommended for rejection by the Secretariat**

Where a case is recommended for rejection by the Secretariat the paper should set out clearly the reasons and these should be agreed or amended by the Board.

**Kent and Medway Investment Advisory Board**  
**Annex Three**

**Prioritisation Form**

<b>Name of Applicant:</b>		<b>Name of Board Member:</b>					
<b>Declaration of Interest:</b>							
<p><b>Prioritisation</b> - Where the number of supportable projects (i.e. projects that are approved by the Board) exceeds the available budget available for any one of the three sub-programme areas – East, West and North, Medway and Thurrock. Board Members are therefore asked to assign score of High (each vote scores 3); Medium (each vote scores 2); Low (each vote scores 1) or Reject to this application to assist with the prioritisation process and the ranking of applications.</p>							
<b>High</b>	<input type="checkbox"/>	<b>Medium</b>	<input type="checkbox"/>	<b>Low</b>	<input type="checkbox"/>	<b>Reject</b>	<input type="checkbox"/>
<b>Additional Comments:</b>							

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From: Mike Whiting, Cabinet Member for Economic Development  
 Michael Hill, Cabinet Member for Regulatory and  
 Community Services  
 Peter Oakford, Deputy Leader and Cabinet Member for  
 Finance, Corporate & Traded Services

To: Growth, Economic Development and Communities Cabinet  
 Committee – 18 January 2021

Subject: Draft Capital Programme 2021-24 and Revenue Budget  
 2021-22

Classification: Unrestricted

**Summary:**

The Budget Report, published on 6 January and supplied to Members, sets out the background to and draft proposals for the 3 year capital programme and 2021-22 revenue budget. The report sets out the key strategic considerations underpinning the decisions to be taken by County Council to agree the budget at its Budget Meeting in February 2021.

**Recommendations**

Members of the Growth, Economic Development and Communities Cabinet Committee are asked to:

- a) NOTE the draft capital and revenue budgets including the responses to the budget consultation
- b) RECOMMEND any changes to the proposals in the draft capital and revenue budgets before they are presented to Cabinet on 25th January 2021 and full County Council on 11th February 2021.

**Contact details**

Report Author(s)

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From: Roger Gough, Leader of Kent County Council  
Barbara Cooper, Corporate Director, Growth, Environment and Transport

To: Growth, Economic Development and Communities Cabinet Committee – 18 January 2021

Subject: **Further Investment of Getting Building Funding in third-party projects**

Decision No: 21/00005

Past Pathway of Paper: N/A

Future Pathway of Paper: For decision by Leader of Council

Electoral Division: All

**Summary:**

Getting Building Funding (GBF) was announced by Government on 10th June 2020. The funding is part of the Government's plan to deliver upgrades to local infrastructure, to boost skills and help fuel a green economic recovery by investing in shovel-ready housing and infrastructure projects, to create jobs, and to support economic recovery.

Kent County Council took decisions 20/00085 and 20/00086 in September 2020, which enables the investment of GBF into three Kent County Council-delivered projects and four third-party delivered projects within Kent.

Since decision 20/00086, one of these projects produced its fully costed business case, which has now been approved by the South East Local Enterprise Partnership. The full business case sought a lower amount of GBF to deliver the same benefits than was requested in the original Expression of Interest. £323,204 of GBF is therefore available to allocate to the next project on the GBF reserve pipeline. The next project on this reserve list is St George's Creative Hub project, and the project promoter is Gravesend Borough Council.

This key decision is required to enable a grant agreement to be entered into so that the Government funding may be secured for this project. Due to the terms and conditions of the Government's Getting Building Fund, this funding can only be spent on specific GBF projects.

**Recommendation(s):**

The Cabinet Committee is asked to consider and endorse, or make recommendations to the Leader of the Council on the proposed decision to:

- Agree that the Getting Building Funding (GBF) will be used to support the third-party project that the South East Local Enterprise Partnership's Strategic Board prioritised to receive GBF at its board meeting on 11 December 2020.

- Kent County Council acts as the accountable body for third-party projects within Kent's geographical boundaries that are selected by the SELEP to receive GBF grant funding.

- Delegate to the Section 151 Officer the authority to sign on KCC's behalf a grant agreement or equivalent, where this is required to draw down funds following business case approval.

The proposed decision is shown at Appendix A.

## **1. Background**

- 1.1 Getting Building Funding was announced by Government on 10<sup>th</sup> June 2020. The funding is part of the Government's plan to deliver upgrades to local infrastructure and to boost skills, help fuel a green economic recovery by investing in shovel-ready housing and infrastructure projects, to create jobs, and to support economic recovery.
- 1.2 Consequently, the South East Local Enterprise Partnership (SELEP), via the Kent and Medway Economic Partnership (KMEP), inviting local stakeholders (including KCC) to put forward shovel-ready scheme suggestions. The project promoters were asked to fill out an Expression of Interest form, setting out how much GBF would be required to deliver the project benefits.
- 1.3 All proposals were then submitted to Government, via SELEP, on 18<sup>th</sup> June 2020. The accumulated total of these SELEP proposals equalled £573m.
- 1.4 On 3<sup>rd</sup> July 2020, the Government informed the South East Local Enterprise Partnership (SELEP) that it would receive £85million of 'Getting Building Fund' (GBF) to deliver 'shovel-ready' schemes. GBF is capital grant funding.
- 1.5 The Government asked SELEP to prioritise its original scheme suggestions for inclusion within the £85m funding envelope. The SELEP Strategic Board met on 16<sup>th</sup> July 2020 to make its decision and agreed to endorse seven Kent-based schemes.
- 1.6 One of the schemes selected was the construction of a New Performing & Production Digital Arts Facility at North Kent College. The project promoter had originally sought £12,625,000 in their Expression of Interest dated July 2020.
- 1.7 SELEP's governance rules (set out in their assurance framework) state a full Green-Book business case with in-depth cost calculations must be produced and presented to the SELEP Accountability Board for their final sign-off before any capital funding can be transferred.
- 1.8 The business cases for the seven Kent based schemes have now been presented to the SELEP Accountability Board, and all successfully secured approval, and projects are under construction. The KCC decisions that relate to these projects are 20/00085 and 20/00086.

1.9 In moving from the Expression of Interest stage to the production of a full business case, North Kent College reduced their ask to £12,301,796. The project outcomes remain unchanged. £323,204 of GBF is therefore available to allocate to next project on the GBF reserve pipeline.

## **2. St George's Creative Hub**

2.1 The next project on the KMEP reserve list, that could proceed within the funding available for reallocation, is St George's Creative Hub project, and the project promoter is Gravesend Borough Council. The SELEP Strategic Board met on 11<sup>th</sup> December 2020 and endorsed this project's selection. The project promoters have now been asked to produce a full business case for the SELEP Accountability Board to consider on 12 February 2021.

2.2 The St George's Creative Hub will be constructed over two floors within a vacant retail/storage space, which adjoins a recently updated section of the existing shopping centre overlooking a courtyard area. The hub will include co-working space, studios, a gallery, and a café. The project is a vital development, to catalyse new economic activity and creative innovation within the heart of Gravesend town centre, which has been hard hit by a significant fall in activity since March and is busy redefining its role as a regional town, with potential to drive new growth opportunities.

2.3 The project is expected to produce 20 new jobs, safeguard 9 jobs, and support 10 construction jobs. In addition to the 471 sqm of new commercial floorspace, the project will improve 80 sqm of public realm.

## **3. Legal and Financial Implications**

3.1 Subject to the necessary approvals being granted, SELEP requires Kent County Council to enter into a grant agreement with Essex County Council (which is SELEP's accountable body) for all schemes awarded GBF by SELEP within KCC's administrative boundary. The grant agreement gives Kent County Council the legal and financial responsibility for ensuring the proper use and administration of the funding in accordance with the terms and conditions. A back-to-back grant agreement between Kent County Council and the third-party project promoter would then be signed.

3.2 If Kent County Council were to choose to not enter into a grant agreement for the GBF project selected by the SELEP Strategic Board, the GBF funding could be either (i) retained by central government or (ii) reallocated to other projects by the SELEP Strategic Board.

3.3 The Government has specified that the GBF must be spent by 31 March 2022 or there is a potential that the funding will be clawed back. Appropriate project management oversight is being directed to the GBF projects to minimise this risk.

## **4. Policy Framework**

4.1 The GBF investment will help Kent County Council to deliver against its objectives within Strategic Plan that was endorsed by County Council On 10

December 2020. Specifically, the capital grant investment will help deliver against these priority actions to help address the economic challenge:

- Work with our partners to deliver essential support for local businesses
- Promote Kent's key business sectors and visitor economy and promote confidence among visitors and residents that our county is 'open' within Government guidelines
- Seize the opportunities of the reversal of the 'London pull effect' on Kent's economy and encourage and attract more London-based firms to consider relocating to Kent.
- Work with partners to enable the necessary physical, social and cultural infrastructure to make Kent an attractive place to live, work and invest in.
- Work with partners to support and reimagine Kent's high streets and town centres as economic, social and cultural centres.
- Explore opportunities to maximise investment in building retrofit programmes, supporting the local retrofit industry
- Develop a pipeline of 'shovel-ready' infrastructure projects to act as a catalyst for the construction industry.

## 5. Conclusions

- 5.1 This key decision is required to enable grant agreements to be entered into so that additional Government funding may be secured for the St George's Creative Hub project.

## 6. Recommendation(s)

The Cabinet Committee is asked to consider and endorse, or make recommendations to the Leader of the Council on the proposed decision to:

- Agree that the Getting Building Funding (GBF) will be used to support the third-party project that the South East Local Enterprise Partnership's Strategic Board prioritised to receive GBF at its board meeting on 11 December 2020.
- Kent County Council acts as the accountable body for third-party projects within Kent's geographical boundaries that are selected by the SELEP to receive GBF grant funding.
- Delegate to the Section 151 Officer the authority to sign on KCC's behalf a grant agreement or equivalent, where this is required to draw down funds following business case approval.

The proposed decision is shown at Appendix A.

### Appendices and background documents:

- Appendix A – Proposed Record of Decision
- EqlA
- Information on the previous seven Kent-based GBF projects is available at:

**GBF decision - 20/00086 - Investment of Getting Building Funding in Third-Party delivered projects**

<https://democracy.kent.gov.uk/ieDecisionDetails.aspx?ID=2407>

**GBF decision - 20/00085 - Investment of Getting Building Funding in KCC-delivered projects**

<https://democracy.kent.gov.uk/ieDecisionDetails.aspx?Id=2393&EVT=103>

### **Report Author**

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# KENT COUNTY COUNCIL – PROPOSED RECORD OF DECISION

**DECISION TO BE TAKEN BY:**

Roger Gough, Leader of the Council

**DECISION NO:**

21/00005

**For publication**

**Key decision: YES**

**Subject:**

Further Investment of Getting Building Funding in third-party projects

**Decision:**

As Leader of the Council I agree to:

- Agree that the Getting Building Funding (GBF) will be used to support the third-party project that the South East Local Enterprise Partnership's Strategic Board prioritised to receive GBF at its board meeting on 11 December 2020.
- Kent County Council acts as the accountable body for third-party projects within Kent's geographical boundaries that are selected by the SELEP to receive GBF grant funding.
- Delegate to the Section 151 Officer the authority to sign on KCC's behalf a grant agreement or equivalent, where this is required to draw down funds following business case approval.

**Reason(s) for decision:**

The SELEP was awarded £85m from the Government's Getting Building Funding (GBF) to deliver 'shovel-ready' housing and infrastructure projects to create jobs and support economic recovery.

Some of this funding was awarded to 7 Kent-based priority schemes and full business cases were prepared. This led to one project seeking a lower amount than in the original Expression of Interest releasing funding to support further schemes. The next project on the reserve list was the St. George's Creative Hub project.

**Cabinet Committee recommendations and other consultation:**

Previously Kent County Council took decisions 20/00085 and 20/00086 in September 2020, which enabled the investment of GBF into three Kent County Council-delivered projects and four third-party delivered projects within Kent.

This latest decision will be discussed by Members of Growth and Economic Development and Communities Cabinet Committee at their meeting on 18 January 2021

**Any alternatives considered and rejected:**

If Kent County Council were to choose to not enter into a grant agreement for the GBF project selected by the SELEP Strategic Board, the GBF funding could be either (i) retained by central government or (ii) reallocated to other projects by the SELEP Strategic Board

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



.....  
signed

.....  
Date



**Kent County Council  
Equality Analysis/ Impact Assessment (EqIA)- Draft**

**Directorate/ Service:** Growth, Economy and Transport/ Economic Development

**Name of decision, policy, procedure, project or service:** Kent County Council's decision to endorse and act as the accountable body for projects within Kent County Council's geographical boundaries that receive Growing Places Fund (GPF) approval from the South East Local Enterprise Partnership (SELEP) Accountability Board.

**Responsible Owner/ Senior Officer:** Sarah Nurden

**Version:** 1 – Initial Screening

**Author:** Theresa Warford

**Pathway of Equality Analysis:** Environment and Transport Cabinet Committee – 17 July 2020.

**Summary and recommendations of equality analysis/impact assessment.**

**Context**

The Growing Places Fund (GPF) was established by the Government in 2011 to promote economic growth, create jobs and build houses in England. The funding was distributed to local enterprise partnerships (LEPs)<sup>1</sup> to allocate to local projects accordingly to investment criteria set by the LEP. GPF is a revolving capital loan scheme – with repayments reinvested in new local projects.

SELEP has now received £12m in repayments from existing GPF schemes, which is now available to reallocate to new projects. On 12 June, the SELEP Accountability Board considered full business case applications for new schemes which met its reinvestment criteria. Five Kent schemes were awarded funding.

### **Aims and Objectives**

Local Enterprise Partnerships bring together local partners (namely local businesses, local authorities, universities, and further education colleges) in the pursuit of economic growth. Kent County Council has been a partner in the South East Local Enterprise Partnership (SELEP) since its inception in 2011.

### **Summary of equality impact**

This EqIA is for KCC's proposed decision to endorse and act as the accountable body for projects within Kent County Council's geographical boundaries that receive Growing Places Fund (GPF) approval from the South East Local Enterprise Partnership (SELEP) Accountability Board.

Kent County Council has been a member of SELEP since its inception in 2011. As a member KCC has been able to access competitive funding schemes to prioritise its strategic aims within regional and national agendas, and influence strategy formation.

Individual schemes go through an assessment process including a full business case which in turn includes an EqIA as part of the assessment.

As this decision is to endorse and adopt the individual schemes that have been awarded funding, this EqIA screening has considered the outcomes of the individual scheme EqIA assessments undertaken as part of the formal application and assessment process.

**Adverse Equality Impact Rating** **Low**

**Attestation**

I have read and paid due regard to the Equality Analysis/Impact Assessment concerning Kent County Council's proposed decision to endorse and act as the accountable body for projects within Kent County Council's geographical boundaries that receive Growing Places Fund (GPF) approval from the South East Local Enterprise Partnership (SELEP) Accountability Board.

**Head of Service**

Signed:

Name:

Job Title:

Date:

**DMT Member**

Signed:

Name: David Smith

Job Title: Director, Economic Development

Date:

## Part 1 Screening

Protected Group	Please provide a <b>brief</b> commentary on your findings. Fuller analysis should be undertaken in Part 2.			
	High negative impact	Medium negative impact	Low negative Impact	High/Medium/Low Positive Impact Evidence
<b>Age</b>	None	None	None	The individual schemes will help deliver the outcomes of KCC's strategic objectives to promote affordable and accessible housing and transport connections to enable access for all ages to housing and employment opportunities.
<b>Disability</b>	None	None	None	None
<b>Sex</b>	None	None	None	None.
<b>Gender identity/ Transgender</b>	None	None	None	None
<b>Race</b>	None	None	None	None
<b>Religion and Belief</b>	None	None	None	None
<b>Sexual Orientation</b>	None	None	None	None
<b>Pregnancy and Maternity</b>	None	None	None	None
<b>Marriage and Civil Partnerships</b>	None	None	None	None
<b>Carer's Responsibilities</b>	None	None	None	None

## **Part 2**

### **Equality Analysis /Impact Assessment**

#### **Protected groups**

From the initial screening, it is not anticipated that any protected characteristics will be negatively impacted by KCC's decision to endorse and act as accountable body to SELEP GPF approved schemes.

#### **Information and Data used to carry out your assessment**

This is an overarching decision that will allow KCC to enter into a third-party agreement to help unlock £12m of GPF to invest in capital schemes across Kent to support housing and employment growth. Data analysis will be included as part of the scheme business case.

#### **Who have you involved consulted and engaged?**

As part of the funding award each scheme will need to provide a full business case supported by data analysis and demonstrate robust consultation with directly affected communities and key stakeholders.

#### **Analysis**

The delivery of schemes will have a positive impact for all Kent residents, by increasing choice and opportunities to access a range of housing and access to improved transport infrastructure will increase accessibility to employment and other key services such as health whilst growing a sustainable economy.

#### **Adverse Impact**

After completing the initial screening grid, it indicated that the decision will not have a significant negative impact on any of the protected characteristics. Individual schemes that are delivered will be subject to an individual Equalities Impact Assessment which will be reviewed as the schemes are taken forward for delivery to ensure that no protected characteristics are adversely impacted.

#### **Positive Impact**

The aims and objectives of SELEP will enable planned housing growth and transport infrastructure that will benefit all Kent residents.

### **JUDGEMENT**

- **No major change** - no potential for discrimination and all opportunities to promote equality have been taken

**Internal Action Required**

**YES/No**

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**From:** Benjamin Watts, General Counsel

**To:** Growth, Economic Development and Communities Cabinet Committee – 18 January 2021

**Subject:** Work Programme 2020 -2021

**Classification:** Unrestricted

**Past and Future Pathway of Paper:** Standard agenda item

**Summary:** This report gives details of the proposed work programme for the Growth, Economic Development and Communities Cabinet Committee.

**Recommendation:** The Growth, Economic Development and Communities Cabinet Committee is asked to consider and agree its Work Programme for 2020/21.

## **1. Introduction**

- 1.1 The proposed work programme, appended to the report, has been compiled from items in the Future Executive Decision List and from actions identified during the meetings and at agenda setting meetings, in accordance with the Constitution.
- 1.2 Whilst the chairman, in consultation with the cabinet members, is responsible for the programme's fine tuning, this item gives all members of this cabinet committee the opportunity to suggest amendments and additional agenda items where appropriate.

## **2. Work Programme 2020 - 2021**

- 2.1 The proposed work programme has been compiled from items in the Future Executive Decision List and from actions arising and from topics, within the remit of the functions of this cabinet committee, identified at the agenda setting meetings [Agenda setting meetings are held six weeks before a cabinet committee meeting, in accordance with the Constitution.
- 2.2 The cabinet committee is requested to consider and note the items within the proposed Work Programme, set out in appendix A to this report, and to suggest any additional topics to be considered at future meetings, where appropriate.
- 2.3 The schedule of commissioning activity which falls within the remit of this cabinet committee will be included in the work programme and considered at future agenda setting meetings to support more effective forward agenda planning and allow members to have oversight of significant services delivery decisions in advance.
- 2.4 When selecting future items, the cabinet committee should give consideration to the contents of performance monitoring reports. Any 'for information' items

will be sent to members of the cabinet committee separately to the agenda and will not be discussed at the cabinet committee meetings.

### **3. Conclusion**

- 3.1 It is vital for the cabinet committee process that the committee takes ownership of its work programme to deliver informed and considered decisions. A regular report will be submitted to each meeting of the cabinet committee to give updates of requested topics and to seek suggestions for future items to be considered. This does not preclude members making requests to the chairman or the Democratic Services Officer between meetings, for consideration.

<p><b>5. Recommendation:</b> The Growth, Economic Development and Communities Cabinet Committee is asked to consider and agree its work programme for 2020/21.</p>
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### **6. Background Documents: None**

### **7. Contact details**

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**GROWTH, ECONOMIC DEVELOPMENT AND COMMUNITIES CABINET COMMITTEE  
WORK PROGRAMME 2020/21**

(Members agreed that the number of jobs being created through the work being undertaken in the reports presented to the Cabinet Committee should appear at the top of each report where appropriate)

Item	Cabinet Committee to receive item
Portfolio Dashboard	At each meeting
Final Draft Budget	Annually (January)
Annual Equality and Diversity Report	Annually (June/July)
Risk Register – Strategic Risk Register	Annually (March)
Strategic Delivery Plan Monitoring	Bi-annual (6 monthly) – November and May
Regional Growth Fund Monitoring	Bi-annual reporting (6 monthly) – November and May
Work Programme	At each meeting
Programme of Visits to Districts	At each meeting

**TUESDAY 2 MARCH 2021**

1	Intro/ Web announcement (Standing Item)	NO		
2	Apologies and Subs (Standing Item)	NO		
3	Declaration of Interest (Standing Item)	NO		
4	Minutes (Standing Item)	NO		
5	Verbal Update (Standing Item)	NO		
6	Performance Dashboard (Standing Item)	NO		
7	Post Mortem examination contract - Dartford and Gravesham	YES	17/11/2020	Deferred from Jan 2021 mtg
8	Businesses assisted/helped during the Covid-19 crisis (Presentation form)	NO	18/11/2020	Requested at GED&C on 17 Nov 2020 by Sir Paul Carter
9	Re-organisation of Kent's sports and physical activity model	NO		Deferred from January to March at Mr Hill's request
10	Digital Autopsy	YES		Deferred from January to March to allow more time to be assured of project costings
11	District Visits Programme 2020 (Standing Item)	NO		
12	Work Programme (Standing Item)	NO		

**TUESDAY 15 JUNE 2021**

1	Intro/ Web announcement (Standing Item)	NO		
2	Apologies and Subs (Standing Item)	NO		
3	Declaration of Interest (Standing Item)	NO		
4	Minutes (Standing Item)	NO		

5	Verbal Update (Standing Item)	NO		
6	Performance Dashboard (Standing Item)	NO		
7	PROW Operational Management Policies	YES	17/11/2020	
8	Kent Developers' Guide	YES	17/11/2020	
9	District Visits Programme 2020 (Standing Item)	NO		
10	Work Programme (Standing Item)	NO		

### Items for Consideration that have not yet been allocated to a meeting

Healthy New Town (Kenneth Keogh & Allison Duggal) – report and presentation	Date TBC
Otterpool Garden Town	Date TBC
Mayflower Event	Date TBC
Theme Park project on Swanscombe Peninsula – regular updates (The London Resort Company Holdings (LRCH) regeneration project)	Date TBC
Ebbsfleet Development Corporation	Date TBC
Faversham Creek Bridge – update report	Date TBC
European Funding (further update requested at GED&C CC 28/11/2019)	Date TBC
Update Report on consultation of the shared prosperity fund (requested at GED&C Committee on 17 January 2020)	Date TBC
Apprenticeships and update on the Carillion Apprenticeship adoption grant	Date TBC
Artificial Intelligence (Kent and Medway Enterprise and Productivity Strategy)	Date TBC
The effectiveness and efficiency of Solar and wind energy	Date TBC
New Developer Contributions Guide s106	Date TBC
Gypsy and Traveller Service Charge and Rent Setting Policy ( <del>Decision</del> )	Date TBC
Gypsy and Traveller: Pitch Allocation and Site Management Policy ( <del>Decision</del> )	Date TBC
Gypsy and Traveller: Unauthorised Encampment Strategy	Date TBC
Locate in Kent – to attend and present	Date TBC
Kent Design Guide update	Date TBC