

# KENT COUNTY COUNCIL – RECORD OF DECISION

## DECISION TO TAKEN BY:

Derek Murphy, Cabinet Member for Economic Development

## DECISION NO:

22/00070

For publication Yes

Key decision: YES

Subject Matter / Title of Decision: KCC Equity Investments: New Investment Trust

### Decision:

As Cabinet Member for Economic Development, I agree to delegate the authority to the Director of Growth and Communities:

1. To enter into the relevant contracts and legal agreements required to implement this decision allowing KCC to sell shares in unlisted companies within the Discovery Park Technology Investment Fund (DPTI) and the Kent Life Science Fund (KLS) in exchanged for shares in a new listed Investment Trust company, only when market conditions are favourable and KCC has reviewed the Listing and Prospectus documents.
2. To enter into the relevant contracts and legal agreements required to close the DPTI and the KLS.
3. To ensure that the proceeds from the sale of KCC shares in the new listed Investment Company will be re-invested in local companies via the Kent and Medway Business Fund (KMBF)

### Reason(s) for decision:

To bring financial savings to KCC, by early exit from KCC previous equity investments, to provide funds for investment for the benefit of Kent & Medway and enable companies in receipt of KCC's previous investment to obtain greater access to additional finance for the next stage of their development, All proceeds from the sale of KCC shares would be re-invested in local companies via the Kent and Medway Business Fund (KMBF).

### Cabinet Committee recommendations and other consultation:

The proposal was discussed at the Growth, Economic Development and Communities Cabinet Committee on 19 July 2022 where it was voted on and agreed by Members with one abstention (Jackie Mead).

### Any alternatives considered and rejected:

**Retaining the current DPTI and KLS equity portfolio arrangements.** Rejected as this would:

- continue to commit KCC to spending £0.3 million a year on administration costs for the next 3-5 years;
- Not offer an opportunity to exit from these investments earlier; and
- Severely limits the opportunity to make additional investments in the companies in the portfolio.

**Selling the current DPTI and KLS equity portfolio shares via an alternative arrangement.**

Rejected as this would not offer an opportunity to exit from these investments earlier as the diverse portfolio was unlikely to attract buyers and selling the shares in individual companies would take a longer time than the preferred option.

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

None

Signed

Date: 5 August 2022

Handwritten signature of DP Murphy in black ink.