

# KENT COUNTY COUNCIL –PROPOSED RECORD OF DECISION

## DECISION TO BE TAKEN BY:

Paul King  
Cabinet Member for Economic Development & Coastal  
Regeneration

## DECISION NO:

25/00102

**For publication Discovery Park Technology Investment Fund**

**Key decision: YES**

**Subject Matter / Title of Decision: Discovery Park Technology Investment Fund**

**Decision:** As Cabinet Member for Economic Development and Coastal Regeneration, I

- (i) AGREE to end the current DPTIF Partnership and transfer the existing shares into the beneficial ownership of Kent County Council
- (ii) DELEGATE authority to the Director of Growth and Communities to take relevant actions to transfer the shares and cease the operation of the DPTIF, including but not limited to entering into contracts or other legal agreements, as necessary to implement this decision

### Reason(s) for decision:

Kent County Council is proposing to end the current Partnership for the management of the Discovery Park Technology Investment Fund (DPTIF), an equity scheme established in 2015 using Regional Growth Fund monies.

The end of this Partnership will allow KCC to transfer the shares of the five remaining companies within the DPTIF investment portfolio into KCC's beneficial ownership. The purpose of this action is to ensure financial savings to KCC and allow KCC to retain the shares for future growth potential or exit strategy

### Background (brief)

DPTIF focused on innovative early stage, high-growth companies initially based in Discovery Park. Managed by NCL under a 10-year partnership arrangement which ends in December 2025. The DPTIF to date has invested £5,202,500 of equity investment into nine companies within DPTIF portfolio. DPTIF provided equity investments to companies predominantly in the life science sector to support their growth, five of the companies are still active. All proceeds from the future sale of shares from companies currently within the former DPTIF portfolio will be returned to KCC, ring fenced as per Regional Growth Fund requirements and re-invested in local companies via the Kent & Medway Business Fund

### Financial Implications

This Decision does not commit KCC to further additional investment in the former DPTIF portfolio companies. The capital and revenue costs of the equity investments are sourced from current and future recycled loan and equity investments from the KMBF/RGF schemes so there is no direct cost to KCC. The current cost of management fees will be reduced by approximately by £90,000 per annum. By retaining the shares in the former DPTIF portfolio companies this will enable these investments to mature and increases the chances that KCC will be able to sell its shares in future for a higher amount and then be able to re-invest this income in local companies via the KMBF.

### Legal Implications

There is a requirement for KCC to confirm its decision to end the DPTIF Partnership. KCC has sort

external legal advice on ending of the DPTIF Partnership and will engage independent advice on the valuation and transfer of the shares.

#### Equality Impact Assessment

An Equality Impact Assessment (EqIA) has been undertaken for the Kent & Medway Business Fund

#### Data Protection Impact Assessment

The existing privacy notice covers the operation of the KMBF loan and equity investments, and no new data protection issues arise due to the contents of this paper.

#### **Cabinet Committee recommendations and other consultation:**

The proposed decision will be discussed by members of the Growth, Economic Development and Communities Cabinet Committee at their meeting on 11 November.

#### **Any alternatives considered and rejected:**

**Continue the DPTIF Partnership** as there is no indication that the sums expended on the Partnership management fees would result in a significant increase in the value of KCC's investment portfolio and, therefore would not support KCC's economic drivers to increase growth, productivity, innovation, and job creation/protection.

**Close the DPTIF Partnership and sell the shares held by the Partnership** as in prevailing economic conditions selling the shares at this time could result in a significant reduction in the value of KCC's investment portfolio and, therefore would not support KCC's economic drivers to increase growth, productivity, innovation, and job creation/protection.

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

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signed

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date