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TO: Regeneration & Economic Development Policy Overview
Committee – 30th July 2009

SUBJECT: Regeneration Fund

Classification: Unrestricted

Summary:

This report outlines the governance arrangements for the Regeneration Fund, the commissioning and evaluation process for assessing and recommending future project bids against the regeneration fund and the proposed criteria for the fund.

FOR INFORMATION

1. Introduction:

- 1.1 The Kent Regeneration Fund was established in 2003 as part of a wider financial strategy to secure economic growth and social infrastructure alongside the planned housing growth in Kent. It consists of income derived from the Kings Hill Business Park, and has both revenue and capital streams

2. Governance Arrangements

- 2.1 The Regeneration Board is responsible for approving bids to the Regeneration Fund to ensure appropriate allocation of resources. Project progress will also be regularly reported to the Board, in addition to existing Council reporting channels.
- 2.2 The application criteria for the fund have been reviewed to strengthen their alignment with the Regeneration Framework's objectives. The approach and criteria are outlined below.

3. Commissioning and Assessment Process including fund Criteria

- 3.1 The regeneration fund will be used to support delivery of the objectives and priorities of the Regeneration Framework including pump prime investment from other agencies and sectors, invest in key catalytic projects, unblock progress on key projects, develop innovative new ways to implement strategic priorities and promote Kent as a destination for inward investment. Managers bringing forward funding bids will produce a summary business case that would cover pre-determined elements for assessment. Initial checking and assessment of projects against weighted pre-determined criteria will be undertaken by the Regeneration and Economy Division's Programme Office who will provide scored summary reports for each bid for presentation to Regeneration Board for final funding recommendations to the Leader. The criteria cover:
- Ensuring delivery of Regeneration Framework objectives
 - Financial leverage
 - Financial management
- 3.2 Ensuring Delivery of Regeneration Framework Objectives. Projects must demonstrate strong links to KCC strategic policy priorities and show how they will impact on and deliver against specific policy objectives. Projects will therefore clearly detail outputs and outcomes that will be delivered through the project with indicative timeframes. Additionally, a risk assessment is also required.
- 3.3 Financial leverage. Projects must demonstrate value for money, leverage (internal and external) and wider support from partners. Consideration will also be given to proposals attracting national pilots or demonstration projects to Kent which secure additional benefits, financial or otherwise to Kent.
- 3.4 Financial Management. The Kent Regeneration Fund can be used for time-limited expenditure only, with no ongoing adverse financial implications for KCC base budgets therefore successful project proposals will need to include clear timeframe for delivery, an implementation strategy and an exit strategy. All project under spends will be returned to the Kent Regeneration Fund for allocation to new projects.
- 3.5 The Kent Regeneration Fund can be used to make upfront investment in a scheme only where the cost can be recovered from others subsequently so that the Fund is reimbursed for the original investment.

- 3.6 To ensure maximum impact, no more than 15% of the Kent Regeneration Fund in any one year can be used for small-scale projects (those of £20k or less).

4. Recommendations

- 4.1 Members of the Regeneration & Economic Development Policy Overview Committee are asked to:

Note the commissioning and evaluation process and criteria set out in this report.

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