

# Kent and Medway Investment Advisory Board (KMIAB)

## Terms of Reference

Final Version – November 2023

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### 1. Purpose

1.1 The Kent and Medway Investment Advisory Board (the Board) is an advisory grouping of leaders from the business community and of Members of Kent County Council (KCC) and Medway Council (MC), brought together to assist KCC in developing policy, assessing applications for funding and the operation of a number of identified Schemes (as detailed in paragraph 3 below) for which the Council is the funder or the accountable person acting on behalf of the awarding body.

### 2. Remit

2.1 The Board as formed was to originally support the work of the former RGF Expansion East Kent, its purpose was to provide an element of oversight and review into funding decisions. All applications were subject to independent due diligence before being examined by the Board. The majority of the Board Members were to come from the private sector. Once an application has been reviewed by the Board, it was to make a recommendation to KCC to approve, reject, part-fund, or defer a funding application and what conditions should be set if funding is approved. The remit of the Board has since been extended in scope to cover all of the Schemes listed in paragraph 3, which may be subject to further change as required, and assist in line with its terms of reference as set out at paragraph 5.

2.2 These Schemes operate within a wider framework of rules, regulations, and procedures of KCC, this includes:

- KCC's Treasury Management Strategy
- KCC's Financial Regulations

2.3 These Schemes also operate within the wider economic objectives of KCC, this includes:

- KCC's Strategic Statement: Framing Kent's Future – Our Council Strategy
- Kent and Medway Economic Framework

2.4 The Schemes were originally funded by other organisations, these include Government Departments and other agencies such as the South-East Local Enterprise Partnership (SELEP), known as the Awarding Bodies. As such, the Schemes also operate within the contracts and procedures laid down by the Awarding Bodies.

2.5 The geographical coverage of the Board is defined as the Kent & Medway area, these are local authority areas covered by Kent County Council (Ashford Borough Council, Canterbury City Council, Dartford Borough Council, Dover District Council, Folkestone & Hythe District Council, Gravesham Borough Council, Maidstone Borough Council, Sevenoaks District Council, Swale Borough Council, Thanet District Council, Tonbridge and Malling Borough Council, Thurrock Council and Tunbridge Wells Borough Council) and Medway Council.

### 3. The Schemes

3.1 The Board provides the same function to KCC in respect of funding schemes from different Awarding Bodies, referred to throughout as the Schemes, which are currently formed of the:

- i. **Future schemes** - Offering loan investments in the Kent and Medway area and funded from recycled RGF and i3 investments.
- ii. **Kent and Medway Business Fund (KMBF) (2023)** – Offering loan investments in the Kent and Medway area and funded from recycled RGF investments. To be re-launched in late 2023.
- iii. **KMBF Small Business Boost (KMBF SBB) (2023)** – Offering loan investments in the Kent and Medway area and funded from recycled RGF investments. To be re-launched in late 2023.
- iv. **Innovation Loan Scheme (i3)** – Offers innovative loan and equity investments in Kent and Medway.
- v. **Kent Growing Places Fund** – Offers loans to promote investment and economic growth in the Kent & Medway area.
- vi. **Small Business Boost (SBB)** - Offered small loans in the Kent & Medway area. All investments prior to March 2023
- vii. **Small Business Boost (SBB)** - Offered small loans in the **RGF Expansion East Kent** eligible area. All investments prior to January 2017.
- viii. **Kent Life Science Fund (KLS)** – Offered life science equity investments funded from recycled RGF investments. All investments made prior to March 2023.
- ix. **Kent and Medway Business Fund (KMBF)** – Offered loan and equity investments in the Kent and Medway area and funded from recycled RGF investments. All investments prior to March 2023.
- x. **Discovery Park Technology Investment Fund (DPTIF)** – Offered equity investments under the former RGF **Expansion East Kent** scheme. All investments prior to March 2023.
- xi. **Bespoke Equity Fund (BEF)** - KCC equity investments under the former RGF schemes at (i) to (iii) above (**RGF Expansion East Kent, Tiger and Escalate**).
- xii. **RGF Escalate** – Offered loan and equity investments in Maidstone, Sevenoaks, Tonbridge, and Tunbridge Wells. All investments prior to March 2023.
- xiii. **RGF Tiger** – Offered loans and equity investments in Dartford, Gravesham, Medway, Swale and Thurrock (formerly part of the **RGF Tiger** eligible area). All investments prior to March 2017.
- xiv. **RGF Expansion East Kent** – Offered grant, loan and equity investments in Ashford, Canterbury, Dover, Folkestone & Hythe, and Thanet. All investments prior to March 2023.

3.2 The Schemes may change from time to time and this paragraph will be amended accordingly.

#### **4. The Accountable Body - Kent County Council**

4.1 In respect of a Scheme for which KCC is the Accountable Body for investments (grants, loans, and equity) made by the Schemes, as well as for those Schemes that KCC has established and funds, KCC is responsible for: -

4.1.1 the allocation and management of the Schemes in accordance with KCC Financial Regulations and governance arrangements; and

4.1.2 ensuring that the funding is managed in accordance with any conditions agreed with the Awarding Bodies (including Subsidy Control restrictions).

4.2 KCC officers provide the Secretariat support for the Schemes (as detailed at paragraph 10) which includes, but is not limited to, the activities of managing the application process, co-ordinating appraisal of applications, contract reviews, contract award and execution, compliance, and enforcement (include debt collection) and ongoing monitoring of use of funds awarded and Scheme outputs.

4.3 Unless the matter is reserved to Cabinet or a Cabinet member, an officer of KCC holding delegated authority (the decision-maker) will determine each application under the relevant Scheme. The decision-maker shall give due weight to the recommendations of the Board, alongside the objectives and conditions of the applicable Scheme, other KCC approved policies and any governance and other requirements that may be relevant to the decision to be made.

#### **5. Terms of Reference – The Role of the Kent & Medway Investment Advisory Board**

5.1 The Kent & Medway Investment Advisory Board (the Board) is established by the Cabinet of Kent County Council (KCC) as an advisory body with the following terms of reference (ToR).

5.2 The Board is not a decision-making board but is charged with advising KCC, directly and as the Accountable Body in relation to any and all Schemes (as detailed at paragraph 3 above) to:

(a) Provide advice to KCC by inputting into the overall investment strategy for the Schemes, which may include but is not limited to recommending that KCC encourage applications from particular business sectors or geographical areas and recommending any conditions to be applied to any investments to be made by KCC.

(b) Consider applications received against the relevant KCC funding criteria, as may be amended from time to time and as currently set out at **Annex 6**, and make recommendations to KCC as to whether:

- i. to approve, reject or defer the application to a later meeting of the Board for further consideration (on receipt of further information sought from the applicant); and
- ii. any conditions that, in the Board's view, KCC should place on the investment, including but not limited to payment terms, security to be taken in relation to the investment and repayment profile;  
setting out reasons for doing so, including viable alternatives where appropriate.

- (c) Keep under review the performance of the Schemes and investments against the outputs and leverage levels specified in the Agreements with the Awarding Bodies, or as may be established by KCC, and advise KCC on any recommended action it might take to improve performance where appropriate.
- 5.2 It is intended that, when making recommendations and giving advice to KCC, members of the Board should make a distinctive contribution to consideration of any item and Board discussion by drawing on their own industrial and commercial experience of businesses within the sectors and areas covered by the programme.
- 5.4 The structure, objectives and membership of the Board will be reviewed from time to time to ensure it remains fit for purpose and is delivering on its key purpose.

## **6. Membership**

- 6.1 The Board shall be appointed every four years by KCC and shall consist of no more than 20 Board Members and no fewer than 14 Board Members. KCC will make every effort in its recruitment of Board Members to ensure that the Board composition is diverse, inclusive and maintains a strong and balanced membership.
- 6.2 The KCC Cabinet Member holding the portfolio for Economic Development shall be a member of the Board. One or more other KCC elected Members shall also be appointed to the Board as per paragraph 6.5 below. The MC Cabinet Member holding the portfolio responsible for economic development shall be a member of the Board.
- 6.3 If a KCC or MC elected Member on the Board is unable to attend a specific Board or Board Sub-Group Meeting, their views should be submitted to the Secretariat prior to the scheduled Meeting using the form in **Annex 3**.
- 6.4 KCC will endeavour to appoint to the Board such that a majority of Board members are from the private sector. Other than the appointment of elected Members of KCC and MC under 6.2 above, all appointments to membership of the Board shall be made as per paragraph 6.5 below and in accordance with the recruitment and selection arrangements detailed in **Annexes 1 and 2**. Recruitment, selection, and administrative support for this purpose will be provided by KCC as the Board's Secretariat. Board Members will be elected for a term of four years and can hold one further concurrent term of four years e.g. a eight year tenure as a maximum.
- 6.5 The appointment to membership of the Board will be recommended and determined as an executive decision of the KCC Cabinet Member for Economic Development.
- 6.6 The first period of appointment for Board members will commence upon the implementation of the updated KMBF, including the approval of these Terms of Reference (2023) and Membership. Future terms will vary depending individual membership decisions.
- 6.7 New Board members may be appointed at any time, subject to the provisions of paragraphs 6.1, 6.2, 6.4 and 6.5.
- 6.8 Board Members may resign by giving no less than 20 working days' notice to the Chair of the Board and Secretariat.

- 6.9 Where a Board Member fails to attend 3 consecutive Board or Board Sub-Group Meetings, they shall cease to be member of the Board, unless the Cabinet Member for Economic Development receives a written explanation for ongoing absence that is approved by the Lead KCC Officer in consultation with the IAB Chair.
- 6.10 The membership of Board Sub-Groups shall in the first instance be appointed from the Membership of the Board and will conform to the principles laid down in paragraphs 6.1, 6.2, 6.3, 6.4, 6.5, 6.6 and 6.7. However, New Board Members may be appointed to specifically work in Board Sub-Groups, if required, subject to the provisions of paragraphs 6.1, 6.2, 6.4 and 6.5.
- 6.11 Prospective Board Members shall be subject to due diligence checks at the point of their nomination/application. 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.

## **7. Conduct**

- 7.1 Prior to undertaking their role Board Members must agree to observe the Kent Code of Member Conduct for members of advisory boards which can found in Part 4 of the Constitution, paragraphs 21.32 to 21.92 which includes the Seven Principles of Public Life and ([Constitution.pdf \(kent.gov.uk\)](#)). [An extract of the Kent Code of Conduct will be made available to all Board Members.](#)
- 7.2 A Register of Interests shall be held by the Secretariat. Board Members are 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.
- 7.3 Should a Board Member become aware that s/he has any conflict of interest, direct or indirect, in any matter being considered by the Board, then they 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.
- 7.4 The rules in paragraph 7.3 apply whether the interest concerned is already set out in the Register of Interests.
- 7.5 However, the rule in paragraph 7.3 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.
- 7.6 Members of the Board in performing their functions will be indemnified by KCC as though a member of a committee of KCC and KCC will apply to them the provisions of section 39(2) of the Local Government (Miscellaneous Provisions) Act 1976 (Protection of members and officers etc. of local authorities from personal liability), such that no matter or thing done shall, if the matter or thing were done were entered into bona fide for the purpose of executing the proper functions of KCC, subject them or any of them personally to any action liability claim or demand whatsoever.
- 7.7 Board Members shall attend such training as is offered by KCC to enhance the performance of their role.

- 7.8 A complaint may be made to the relevant or proper officer of KCC:
- (a) a Board Member, whereupon they will undertake such enquiries as they consider necessary and may make a recommendation to the KCC Leader or Cabinet Member for Economic Development for their removal from the Board;
  - (b) an elected Member which shall be considered according to KCC procedures for administering allegations of failure to observe the KCC Code of Conduct;
  - (c) an officer of KCC which shall be considered under the relevant KCC policies and procedures; or
  - (d) concerning an issue relevant to the KCC Whistleblowing Policy.

## **8. The Chair of the Board and Vice Chair of the Board**

- 8.1 The Chair of the Board or any Sub-Group shall be an elected Member of KCC (as the Accountable Body) and a Member of the Board. The Chair will be, or be appointed by, the Cabinet Member for Economic Development and be appointed for a ten-year period.
- 8.2 The Vice Chair of the Board or any Sub-Group shall be an elected Member of KCC (as the Accountable Body) and also a Member of the Board. The Vice-Chair will be appointed by the KCC Cabinet Member for Economic Development and be appointed for a ten-year period.

## **9. Quorum**

### The Board

- 9.1 The quorum of a meeting of the Board shall be at least a third of the full membership of the Board and must always include at least one Board member who is an elected Member of KCC.
- 9.2 Should a Board not be quorate before or during the Board itself, the Chair of the Board may choose one of three options:
- a) that Board Members to be asked to convey their views electronically to all the other Board Members, via the Secretariat, providing a formal response to an emailed request for their recommendation. Members must respond within 5 working days of the request being sent (see **Annex 3**);
  - b) to arrange a Special Meeting of the Board to deal with outstanding business; or
  - c) to allow business to adjourn to the following ordinary Board meeting.

### Sub-Groups

- 9.3 The quorum of a Sub-Group meeting shall be at least a third of the full membership of the Sub-Group and must always include at least one representative appointed by the Accountable Body.
- 9.4 Should a Sub-Group not be quorate before or during the Sub-Group itself, the Chair of the Board may choose one of three options:
- a) that Sub-Group Board members to be asked to convey their views electronically to all the other Board Members of the Sub-Group via the Secretariat, providing a formal

response to an emailed request for their recommendation. Board Members must respond within 5 working days of the request being sent (see **Annex 3**);

- b) to arrange a Special Meeting of the Sub-Group to deal with outstanding business; or
- c) to allow business to adjourn to the following ordinary Sub-Group Meeting.

## **10. Secretariat and administration**

- 10.1 Secretariat and administration of the Board shall be carried out by KCC. This shall include management of the funding application and appraisal process, preparation of Board agendas, papers and minutes, proposals for the establishment of a themed or specific funding round and the efficient processing of Board Recommendations to KCC for decision.
- 10.2 The Board shall be asked to give its recommendations on the basis of detailed case papers and due diligence, circulated in advance, and short oral presentations by the applicants and the appraisal team.
- 10.3 The Board shall be entitled to ask the Secretariat to prepare quarterly reports containing sectoral and geographical analyses of applications received, and impact assessments of those funded, and papers evaluating the administration of the programme.

## **11. Agenda and Minutes**

- 11.1 Agenda and 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.
- 11.2 The papers for Board or Sub-Group Meetings shall be circulated to the Board Members by the Secretariat not less than five working days before each Board or Sub-Group Meeting.

## **12. Business**

- 12.1 The Board Meetings may be held in-person or remotely (Teams, Zoom or other means of holding meetings) based on business needs as may be determined by the Chair.
- 12.2 The Chair of the Board shall preside at Meetings of the Board or any Sub-Group. In the absence of the Chair, the Vice-Chair of the Board shall preside. In the absence of the Chair of the Board and the Vice-Chair of the Board or any Sub-Group, the Board shall elect a member of the Board to act as Chair of the Board for that Meeting only.
- 12.3 Recommendations to be made by the Board or Sub-Group to KCC shall normally be taken by full consensus. In the absence of full consensus, the recommendation must be supported at least 75% of the Board or Sub-Group Board Members present and must include the support of the elected KCC Members appointed to the Board and present (or whose support has been provided in writing in accordance with 6.3 above and **Annex 3**).
- 12.4 Where the Board or Board Sub-Group determines to recommend to KCC the approval, rejection, part-funding, or deferral of an application, that decision to recommend shall be without prejudice to any subsequent application. The Recommendation Form (see **Annex 4**) and will be based upon the information available to the Board or Board Sub-Group at the relevant time: any subsequent decision (see **Annex 4b**) and offer made by KCC will be conditional upon all requisite due diligence being undertaken and the appropriate level of security sought being provided to satisfy KCC's governance requirements and public sector duties.

- 12.5 Where the number of supportable projects (i.e. projects that are recommended for approval by the Board or Board Sub-Group) exceeds the available budget for the Meeting, then the process for prioritisation laid down in **Annex 5** will apply. If the Board or Sub-Group agree to defer making a recommendation on an application for funding. Then at the same time the Board or Sub-Group also need to confirm that the funding related to this application is ring-fenced until a future Meeting at which a recommendation can be made.
- 12.6 All applications for assistance from any of the Schemes (paragraph 3) shall be appraised and recommended for approval by KCC officers before being submitted to the Board or Sub-Group for consideration. The Board or Sub-Group shall make no recommendations to KCC unless the Board has received the appraisal documentation from KCC officers and appointed third party advisors.
- 12.7 The Chair of the Board and/or Vice-Chair of the Board must sign off the Recommendation Form in **Annex 4a** to confirm that the information contained within it provides an accurate reflection of the recommendation being made to KCC.

### **13. Urgent Recommendations**

- 13.1 The Chair of the Board may decide that a matter requires urgent consideration in order to make a recommendation to KCC. If an urgent decision is required, the Chair of the Board may either: -
- (a) through the Secretariat, call a Special Meeting giving no less than three working days' notice and in such a case, the quorum requirements set out in paragraphs 9.1 and 9.2 shall apply;
  - (b) through the Secretariat, request that a decision on whether or not to recommend be made by e-mail and in such cases the Secretariat shall provide Board Members with all appropriate information requesting a decision on whether or not to recommend in no less than three working days – in which circumstance, the minimum number of written responses to be received for a decision on whether or not to recommend shall be a third of the Board, including at least one of the KCC elected Members; or
  - (c) where a decision on whether or not to recommend is made at a Board or Sub-Group Meeting, and such recommendation is subject to conditions, the Chair of the Board may subsequently amend any conditions contained within the agreed recommendation outside of any Board or Sub-Group Meeting in which circumstance this will be noted and confirmed in the minutes of the next Board or Sub-Group Meeting.

### **14. Transparency**

- 14.1 Where items should be regarded as commercial in confidence, this shall be clearly specified by officers and marked as 'exempt information not for publication' in relation to subsequent decision notices or reports.
- 14.2 Commercially sensitive information is likely to be circulated to the Board or Sub-Group Board Members given the nature of the Schemes. 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 made to KCC shall be on the public record as part of

the KCC officer decision making process, but with appropriate exclusions for commercially sensitive information.

## **15. Reporting**

- 15.1 If the individual members of the Board provide updates or information concerning recommendations of the Board or Sub-Groups to third parties, Board Members must not disclose details of specific applications, keeping such information to a strategic level, bearing in mind the commercial sensitivity of matters.
- 15.2 The Secretariat will provide to the Board quarterly reports containing sectoral and geographical analyses of applications received, and impact assessments of those funded, and papers evaluating the administration of the programme.
- 15.3 The Cabinet Member for Economic Development will ensure reports are prepared on a bi-annual basis, detailing the activities of the KMBF, for consideration by the relevant Cabinet Committee (work programme depending). In developing these reports, the Cabinet Member will seek the views of the Board for presentation to the relevant Committees.
- 15.4 Determinations of:
- (a) the KCC Cabinet Member for Economic Development on membership to the Board or to amend these terms of reference under paragraph 6.5 above; and
  - (b) the decision-maker in relation to the outcome of applications under a Scheme
- shall be published as may be required by the KCC Constitution and relevant standing orders, which may include or make reference to the minutes and recommendations of the Board or Sub-Group meetings of the Board as is considered necessary by the proper officer of KCC.

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

- 16.1 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 on whether or not to recommend approval to KCC as set out in the latest Application Guidance Notes of the relevant Scheme.
- 16.2 In any case, the Board shall meet no less frequently than once every three months.

## **17. Termination**

- 17.1 The Board and Sub-Groups shall terminate their activities when the operation of the Kent and Medway Business Fund or other relevant Schemes ceases.

## **18. Amendment of Terms of Reference**

- 18.1 The Board or Board Sub-Groups may make recommendations to the Secretariat to vary these Terms of Reference, provided the procedures in paragraphs 12.1 and 12.2 are followed.
- 18.2 Any amendments to the Terms of Reference must be approved by the Director of Growth and Communities, in consultation with the Cabinet Member for Economic Development.

## **19. Sub-Groups**

- 19.1 The Board may choose to establish one or more permanent Sub-Groups to deal with issues such as governance, legacy issues relating to previous loan agreements, or ad-hoc Sub-Groups for a specific activity on a time limited basis.
- 19.2 All permanent or ad-hoc Sub-Groups should operate under the same open and transparent manner as indicated in paragraphs 1 to 21 inclusive. Any such Sub-Group shall also be advisory in nature and not a decision-making Board of KCC.
- 19.3 Membership of Sub-Groups should be determined on the basis of paragraph 6.4.
- 19.4 KCC shall act as the Secretariat for all permanent or ad-hoc Sub-Groups agreed by the Board.

## **20. Appeals**

- 20.1 There is no automatic appeal process, and the Board is not the decision-maker. However, in the course of seeking to challenge or appeal a funding decision made by KCC under the KMBF arrangements, applicants may ask for a review by the Secretariat of the recommendation of the Board or Sub-Group to establish whether the recommendation was formed inappropriately and contrary to proper process, for example if the applicant can prove the Board or Sub-Group has not followed the correct procedures or assessed their bid correctly. There are three options for a 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.
- 20.2 For those applicants requesting a review - no new evidence or no additional information not already provided can be taken into account.

## **21. Funding Rounds**

- 21.1 The Board and the Sub-Groups may recommend the allocation of funding to a themed or specific funding round within the framework of the Schemes. A themed or specific funding round will be established based on proposal by the Secretariat (see paragraph 10.1) and after that proposal has been approved by the Leader of KCC, Cabinet or the KCC Cabinet Member for Economic Development.
- 21.2 A themed or specific funding round shall operate in the same open and transparent manner as indicated in paragraphs 1 to 21 inclusive.

## **22. Equity**

- 22.1 The Board and Sub-Groups provide the same functions and operate under the same open and transparent manner as indicated in paragraphs 1 to 21 inclusive for all recommendations related to the Bespoke Equity Fund, Discovery Park Technology Investment Fund and the Kent Life Science Fund.

## **Annex 1**

### **Board Membership – Recruitment & Selection**

The Secretariat on behalf of KCC will manage the recruitment and selection process of Board Members, this includes:

- Ensuring all Board Members meet the terms of the Nomination Criteria;
- Supervise the recruitment and selection process(es) linked to Board Members;
- Regularly review the recruitment and selection processes and make any appropriate recommendations to KCC.

The Secretariat as part of its annual review of the Board recruitment and selection processes, will:-

- In consultation with the Board will review the size, balance, and composition, including the equality and diversity of membership of the Board and Sub-Groups, in line with best practice;
- In consultation with the Board review the skills, knowledge, and experience of the Board and Sub-Groups;
- Examine potential Board vacancies and to define appropriate criteria for the filling of such vacancies, particularly for any individual Board Member whose term of office is due to expire;
- Review the policies in respect of the recruitment, selection, induction, development, and performance review of Board Members; and
- Review the attendance statistics for individual Board Members.

Where annual reviews support changes to Board Membership, the Secretariat will provide recommendations to the Cabinet Member for Economic Development to support an Executive Decision to approve relevant membership changes / updates, subject to any required recruitment and selection processes as detailed below.

Where vacancies arise, these will be advertised using the person specification detailed in **Annex 2**. Applicants will be selected via Officer interview panel making a recommendation to the Cabinet Member. Confirmation of appointment will be via significant Executive Decision.

Appointments to the Board will be for four years. Board Members may not serve more than two consecutive terms without being subject to the full membership assessment and recruitment process set out in paragraph 6 of the ToR and these annexes.

Board Members may be re-appointed to the Board for a maximum number of two terms, providing the above processes are followed. Any re-appointments must be subject to Cabinet Member Decision as per Membership decision-making above.

**Enterprise Leadership Experience** - A Board Nominee should have extensive and relevant leadership experience, including current or prior service as an entrepreneur, business owner, a high-level executive within a private sector company or a comparable position in the non-profit sector or government.

**Relevant Sector Experience** - A Board Nominee should have gained their leadership experience in sectors directly relevant to key business sectors within Kent & Medway, or in professional disciplines pertinent to these sectors. This could include experience in one or more of the following:

- **Digital, Technology and Innovation** - The Board Nominee has experience with eCommerce, digital marketing, data and analytics, information technology or digital transformation, or relevant innovation experience including with new technologies, product development or scientific research.
- **Environmental and Social Responsibility** - The Board Nominee has experience with sustainability, social responsibility, or human capital matters (including diversity, equity and inclusion issues and initiatives).
- **Finance** - The Board Nominee has a background in finance, including an understanding of accounting and financial reporting processes, complex financial transactions and/or strategic mergers and acquisitions.
- **Manufacturing Industry** - The Board Nominee has experience in the fast-moving consumer goods industry or other complementary field, such as public health.
- **Regulatory** - The Board Nominee has experience working in a highly regulated industry, such as pharmaceutical, healthcare or insurance.
- **Risk Management and Cybersecurity** - The Board Nominee has experience with overseeing and managing risk management processes, including with respect to cybersecurity.

**International Experience** - International experience (such as living and working outside of the United Kingdom) will be considered a positive characteristic in a Board Nominee's profile. Understanding of the language and culture of non-English speaking countries is also important.

**Corporate Governance** - The Board Nominee should have sufficient applicable experience to understand the Board's role as an advisory body to KCC.

**Diversity** - In considering Board Nominees KCC is striving to reflect the diversity of the business community within Kent & Medway, including with respect to race, ethnicity, gender, sexual orientation, gender identity and cultural background. The Board should comprise of individuals with diverse perspectives, skills and experiences.

**Education** - Generally, it is desirable that a Board Nominee should hold an undergraduate degree from an accredited college or university or have gained a professional or postgraduate qualification. Board Nominees who do not meet these educational criteria will not be excluded, and an individual's extensive leadership experience will be taken into account.

**Personal** – A Board Nominee should be of the highest moral and ethical character. The Nominee must exhibit integrity, independence, objectivity and be capable of serving in the best interest of all.

**Individual Characteristics** - A Board Nominee should have the personal qualities to be able to make a substantial active contribution to Board deliberations. These qualities include intelligence, self-assuredness, a high ethical standard, interpersonal skills, independence, courage, a willingness to ask the difficult question, communication skills and commitment.

**Availability** - A Board Nominee must be willing to commit, as well as have, sufficient time available to discharge the duties of a Board Member.

**Compatibility** - The Board Nominee should be able to develop a good working relationship with other Board members and contribute to the Board's working relationship with the KCC as the Accountable Body including those KCC officers who provide the Secretariat.

**Annex 3**

**KMBF INVESTMENT ADVISORY BOARD**

**COMMENTS FORM**

**COMPANY NAME**

<b><u>Key Issues</u></b>	<b><u>Actions/Confirmation</u></b>

**Annex 4a**

**[SCHEME NAME]**

**[Kent & Medway Investment Advisory Board (KMIAB)/IAB Sub-Group (KMSG)]**

**Recommendation Summary Form**

Applicant Company / Entity	KMIAB/ KMSG Meeting	Support Requested £	Jobs Created	Jobs Safeguarded	Total Jobs
Name	Date	Amount	Number	Number	Number
		<b>Funding Recommended £</b>	<b>Board Recommendation</b>		
		Amount	[Approve/Decline/Defer]		

<b>Proposal &amp; Business Summary – Name of Company</b>
<b>Client/Track record (take this from information from the appraisal report)</b>
<b>Purpose (take this from information from the appraisal report)</b>

<b>Appraiser Recommendation (Kreston Reeves)</b>		
Appraisal Type	Appraiser Score	Board Commentary in response to appraisal
Jobs Created and Protected	Red/Amber/Green (?)	To be completed by Programme Management Team.
Value for Money	Red/Amber/Green (?)	To be completed by Programme Management Team.
Financial Viability/ Sustainability	Red/Amber/Green (?)	To be completed by Programme Management Team.
Repayment Proposal/ Timings	Red/Amber/Green (?)	To be completed by Programme Management Team.
Innovation	Red/Amber/Green (?)	To be completed by Programme Management Team.
Funds Drawdown	Red/Amber/Green (?)	To be completed by Programme Management Team.
Security Offered	Red/Amber/Green (?)	To be completed by Programme Management Team. <i>(this row is deleted for unsecured loans unless otherwise specified)</i>

Total Score	??/28 or 45	<i>Depending on whether it is secured or unsecured</i>
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<b>Director Credit Reports undertaken by KCC Public Protection Intelligence Team</b>		
Directors Credit Report	Include any points to note e.g. CCJs.	Add recommendation if applicable

<b>Company Credit Report/Finance Review undertaken by KCC Finance Team</b>		
Company Report	Credit	<p><i>Please select one of the following:-</i></p> <p><b>Start up – No Co-Credo Report available</b></p> <p><b>OR</b></p> <p><b>Established business (Please refer to Co-Credo Report)</b></p> <p><b>Risk Index - ?????? out of 100</b></p> <p><b>Rating Description - ?????? risk (low/medium/high)</b></p> <p><b>The company credit report confirms:-</b></p> <p><b>(a) ??? Judgments/Legal Events</b></p> <p><b>(b) ??? Outstanding Mortgages/Charges.</b></p>
Finance Review		<i>(Please copy paragraph 5 from the Finance Review and paste here)</i>

<b>Other Due Diligence undertaken in relation to proposed security offered*</b>		
Land Registry Checks		
Companies House Checks		
Enquiries with priority / existing lenders		

<b>KMIAB / KMSG Prioritisation</b>		
<b>(only to be completed if the Board is required to prioritise application due to over-subscription)</b>		
<b>Prioritisation Category</b>	<b>Weighted Score</b>	<b>Follow-up from Board</b>
<b>High</b>		IF THIS IS NON-APPLICABLE, THIS BOX CAN BE REMOVED TOTALLY
<b>Medium</b>		
<b>Low</b>		
<b>Reject</b>		

**[KMIAB / KMSG] Reasons for [Approval / Rejection / Deferral]**

The Board decided to [approve/reject/defer] the application for the following reasons:  
(a)

**[KMIAB / KMSG] Recommendation**

The Board agreed to recommend [approval/rejection/deferral] of the application [fully / partially] at a total loan amount of [£\_\_\_\_] [with the following conditions to be incorporated into the loan offer or loan documentation – APPROVAL ONLY]:  
(a)

**RECOMMENDATION SUMMARY FORM APPROVED BY THE [BOARD/SUB-GROUP] AS ACCURATE BY: -**

<b>Signatory</b>	<b>Decision</b>	<b>Signature</b>
Signed by [Chair/Deputy Chair] ([IAB/IAB Sub-Group] [Sir Paul Carter/Derek Murphy/Robert Thomas]	[Approve/Decline/Defer] Click or tap to enter a date.	

## Register of Interests

### [Kent & Medway Business Fund Investment Advisory Board/Sub-Group]

#### Name of Company

Date of Meeting and Agenda Item	To be completed
Brief Summary of Item	Appraisal Report prepared by Kreston Reeves
Application Reference (if applicable)	Loan Reference Number
Name of Board member declaring an interest	Name of Board Member
Interests declared	State the interest declared
Any other matter you would like to declare	To be completed if appropriate

<b>Signatory</b>	<b>Acknowledgement of Interests Signed by [Chair / Deputy Chair]</b>
Signed by [Chair/Deputy Chair] ([IAB/IAB Sub-Group/ IAB Debt Recovery Sub-Group]) [Sir Paul Carter/Derek Murphy/Robert Thomas]	<b>[Signature]</b>

## KENT COUNTY COUNCIL – RECORD OF OFFICER DECISION

**DECISION TAKEN BY:**

Name and Job Title

**DECISION NO:**

To be completed by  
Democratic Services

*For publication*

**Subject matter:**

**Cabinet Member decision to which this action relates:**

*Please insert the Cabinet Member decision number and link or details of Committee decision*

**Decision:**

*What actions have been agreed?*

**Reason(s) for decision:**

**Financial Implications:**

**Legal Implications:**

**Equality Implications:**

**Comments received from any Members or Officers consulted:**

**Any alternatives considered and rejected:**

**Any conflict of interest declared by any executive member consulted by the decision maker and any dispensation granted by the Proper Officer:**

*signed*

*date*

## Annex 5

### Prioritisation of funding: When demand for fundings outstrips the budget

Where the number of supportable projects (i.e. projects that are recommended by the Board or Sub-Group to be approved in full or part by KCC) exceeds the available budget for that Meeting - the following process shall be followed:

**Step one:** The KMIAB Board or Sub-Group notes the available budget for the purposes of the relevant Board or Sub-Group Meeting. KCC officers will notify the Board in advance of the budget available.

**Step two:** Based on the appraisals presented at the Board or Sub-Group Meeting, those attending either:

- Reach a Recommendation by voting on 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 will be no further discussion of projects that are rejected.

or

- Reach a Recommendation based on level of priority (high, medium, low, reject) by full 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	Medium
Bid C	2	3	2	-	14	£331,600	£929,900	
Bid D	0	6	1	-	13	£444,800	£1,374,700	Low
Bid A	0	0	7	-	7	£225,000	£1,599,700	
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 that they are content with the scoring allocated, or whether they wish to further consider whether or not particular applications should move up or down to a different priority band.

**Step four:** Review this list against the available budget for the Meeting. The discussion will then focus on the priority 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 offer the best overall return on investment.

After further discussion, a vote by show of hands or agreement by consensus on which of these applications in the high priority band offer the highest return on investment. This process may not be easy, but discussion must continue until a list of the High priority projects that fit within the available budget for the Meeting is agreed.

This is where weighting of the relevant considerations applies. It is the Board or Sub-Groups prerogative to choose a portfolio of projects to recommend and, under the principles of administrative law, they are free to do so taking into account:

1. 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 KCC.
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 potential impact and give KCC the opportunity to make the greatest difference for its investment (which offer the greatest overall added value).
  - **Job Creation** – Those applications offering the most potential for new job creation or safeguarding of existing jobs.
  - **Added value** – Offering the opportunity to impact on local supply chains, act as a catalyst for other businesses and leveraging other funding.

The written minutes will record the final priority level allocated to each application along with rationale.

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

Applicants should be provided with clear reasons for the Board and Board Sub-Groups recommendation to KCC. Applicants should be provided by KCC with clear reasons for the outcome of their application and KCC's determination of the same.

#### **High priority**

If we are unable to fund some high priority cases then we make clear that the application was unsuccessful due to insufficient funding being available. The Board may also want to provide guidance for the Secretariat on any messages to be given to any unsuccessful applicants regarding re-applying at a later date or seeking a reduced amount of funding. As now, there should be no automatic right of return with the same project and no guarantee of funding can be given to any applicant.

#### **Medium priority**

In the case of medium priorities the reason for not supporting them will also be insufficient funding available if all funding has been allocated to high priority cases. The Board may also wish to provide constructive feedback as to how the project might achieve better value for money in any future application made.

#### **Low priority**

Low priority for our available funding will be given as the recommendation for rejection in these cases (if all funding has been allocated to high and/or medium priority cases) with additional feedback given as appropriate to assist with any future application made.

**Recommended for rejection by the Secretariat at the point of presentation to the Board or Board Sub-Group**

Where a case is recommended for rejection on the paper application by the Secretariat the paper presented to the Board should set out clearly the reasons and these should be noted as either agreed or agreed as amended by the Board.

**Annex 5**  
**Kent and Medway Investment Advisory Board**

**Prioritisation Form**

<b>Name of Applicant:</b>		<b>Name of Board Member:</b>					
<b>Declaration of Interest:</b>							
<b>Prioritisation</b> - Where the number of supportable projects (i.e. projects that are recommended for approval by the Board) exceeds the budget available to KCC. Board Members are therefore asked to assign a score of High (each vote scores 3); Medium (each vote scores 2); Low (each vote scores 1) or to recommend the Rejection of this application as part of the prioritisation process and the ranking of applications based on funding available.							
<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>							

**Kent and Medway Investment Advisory Board**

**FUNDING CRITERIA FOR SCHEMES**

In accordance with the Board's Terms of Reference (set out at section 5), each application for funding is to be considered by the Board against the funding criteria relevant to each Scheme as follows.

**1. RGF Expansion East Kent**

1.1 [...]