



# KCC Regional Growth Fund Q1 21/22 Monitoring

BUSINESS INVESTMENT – GROWTH & COMMUNITIES

# Background

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Regional Growth Fund established in 2010

- Pfizer – Discovery Park
- Recovery from 2008 crisis

£55 million allocated to KCC between 2011 and 2014 for 3 RGF schemes:

- 2011 Expansion East Kent (East Kent - £35 million)
- 2014 TIGER (North Kent & Thurrock - £14.5 million)
- 2014 Escalate (West Kent, Rother - £5.5 million)

Kent & Medway Business Fund (2017) combined recycled repayments from RGF into one new scheme to provide new business loans and equity (Kent & Medway)

New KMBF combined Investment Advisory Board (chaired by Sir Paul Carter CBE)



# Total Funding Committed & Outputs

From 2011 to Q1 21/22

363

Investments made in Kent & Medway businesses using RGF or KMBF funding.

£63,145,634

RGF & KMBF funds awarded

£80,717,633

additional investment raised to supplement RGF or KMBF Funds

4,927

jobs created or protected by RGF or KMBF funding (not including supply chain jobs)

# Repayments & Cost per job

From 2011 to Q1 21/22

£30,861,068

Repayments anticipated by end of June 2021

£28,164,073

Repayments receipted by end of June 2021  
91.26% achievement

£1,422

Cost per job (unrecovered funds)

£12,816

Cost per job (Total Funds Invested)

£37,400

National RGF Cost per job

# Loan Monitoring Q1 21/22

Bad Debts & Potential Bad Debts

From 2011 to Q1 21/22



67 loans

Written off or in a process of receivership or liquidation



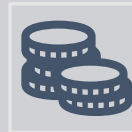
£9,302,882

Total Value of Loans that could become bad debts  
11.10% potential RGF bad debt



£2,990,665

Value of funds that could potentially be recovered



£5,270,465

Value of RGF Bad Debt written off by KCC since 2011 (no further recovery possible)  
8.34% RGF bad debt

# Equity Investments

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Since 2013 KCC has made 27 equity investments totalling £13,340,634 through 3 funds

- Kent RGF Bespoke Equity Fund (KRBEF)
- Discovery Park Technology Investment Fund (DPTIF) - £5 million
- Kent Life Sciences Fund (KLSF) - £5 million

The focus of the DPTIF and KLSF have been on the life sciences, medical and advanced manufacturing sectors, examples include:

- Shearwater Systems (£144,000) – Healthcare IT Systems company working with the NHS. Successfully exited with dividend, with original share value still in place.
- Azadyne (£200,000) – Bio-Technology for the treatment of auto-immune diseases

Risk Ratings of 24 active investments

- 17 Green
- 5 Amber
- 2 Red



# Equity Investments

Supported by NCL Technology Ventures

## KRBEF

- £3,888,921 – Value of Original Investments
- £1,882,800 – Estimated Current Portfolio Value
- £442,894 – Value of Successful Exits

## DPTIF

- £5,202,713 - Value of Original Investments
- £7,590,292 – Estimated Current Portfolio Value

## KLSF

- £4,350,000 – Value of Original Investments
- £5,373,000 – Estimated Current Portfolio Value

# In Summary



£63 million invested in Kent & Medway Businesses



£80 million external investment



8.3% Bad Debt



4,927 jobs created or protected



£1,400 cost per job