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**Report to:** Business Innovation and Growth (BIG) Panel

**Date:** 13 September 2018

**Subject:** **Investor Development**

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**Director(s):** Sue Cooke, Executive Head of Economic Services

**Author(s):** Marc Adams, Business Development Manager, Sectors

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## **1. Purpose of this report**

- 1.1 To provide the BIG Panel with a progress report on the new investor development team set up within the Trade and Investment team and to note its activity in 2018/2019 to date.

## **2. Information**

### Investor Development

- 2.1 As a City Region, investor development has previously been carried out on an intermittent basis via local authorities and the Department for International Trade (DIT). For Leeds City Region Enterprise Partnership (LEP) to build on its growing reputation as a successful Investment Promotion Agency, the addition of an investor development function will strengthen the City Region as a location in which to do business.
- 2.2 During 2017/18 the Trade & Investment team initiated a pilot programme to engage with the City Region's foreign owned business stock to understand more about their views on Brexit. It was clear through this piece of work that businesses who had an overseas parent company were mostly keen to work with the LEP.
- 2.3 Working with foreign owned businesses enables the LEP and our local authorities to secure increased volumes of investment and jobs whilst gathering vital intelligence to help shape future economic strategies and approaches.
- 2.4 The LEP is a key partner with the DIT Northern Powerhouse partnership. The LEP has secured funding from DIT for the period April 2018 to March 2019. This has enabled the establishment of a team to initiate investor development activity with specific foreign owned companies that currently do not have an established relationship with Government.

2.5 The aim of the programme is to:

- Generate an increased number of Foreign Direct Investment (FDI) projects for the City Region.
- Build investor development capability in the region which can anticipate and influence business decisions through regular company engagement and utilise the Government's global network to build packages of support.
- Share vital business/sector intelligence across Government that can be used to inform, educate and influence local and national economic policy.

2.6 In addition through strategic engagement with such companies the team will:

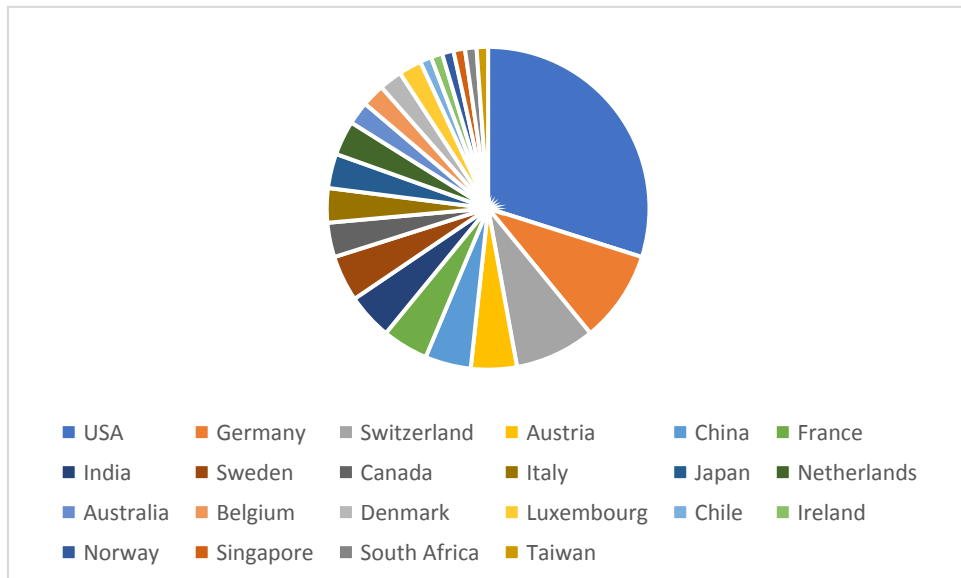
- Identify any potential economic shocks and develop action plans to support as necessary.
- Promote trade links and encourage growth in export activity.
- Identify gaps in sectoral supply chains to attract new investment into the region.
- Increase collaboration and partnerships between foreign owned companies and universities to encourage innovation and R&D.
- Showcase Leeds City Region as an inward investment destination through company case studies, thought pieces and engaging with overseas parent companies linked to the City Region.
- Work with the intermediary network to showcase the role of the team and identify potential companies that could be engaged.

2.7 Since its inception in May 2018 the team has (up to July 2018):

- Recruited x4 staff to create the investor development team.
- Identified 78 foreign owned companies in the City Region to engage with against a target of 100-120.
- Primary sectors identified are manufacturing & digital.
- Held 20 investor development meetings.
- Generated 14 FDI projects/prospects. Examples of FDI projects include:
  - Swiss manufacturer investing in new machinery to improve resource efficiencies and create additional jobs.
  - French manufacturing business seeking to expand footprint in the City Region.

2.8 The investor development team will work in partnership with these companies to support their planned investments.

2.9 Companies identified are from 22 countries with the core from France, Germany, Switzerland & USA.



2.10 A verbal update will be provided by the lead officer to introduce the team and its aims.

2.11 Next steps – the team will continue to secure meetings with identified companies and provide project support to enable a positive investment decision in the City Region.

### 3. Financial Implications

3.1 There are no financial implications directly arising from this report.

### 4. Legal Implications

4.1 There are no legal implications directly arising from this report.

### 5. Staffing Implications

5.1 There are no staffing implications directly arising from this report.

### 6. External Consultees

6.1 No external consultations have been undertaken.

6.2 Panel members are asked to consider how they can support the team in identifying relevant companies and utilising their network.

### 7. Recommendations

7.1 That the Panel notes progress on the investor development actively reported above..

### 8. Background Documents

None.

**9. Appendices**

9.1 None