

Open Report on behalf of Richard Wills, Executive Director for Environment and Economy

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| Report to: | Economic Scrutiny Committee |
| Date: | 13 September 2016 |
| Subject: | Working with Foreign Owned Businesses in Lincolnshire |

Summary:

This report explains the work done with Foreign Owned Businesses in Lincolnshire by Lincolnshire County Council (LCC), Business Lincolnshire Growth Hub, local authority partners and UK Trade and Investment (UKTI) with the aim of retaining and increasing the workforce and/or investment. Under the outcome of "Lincolnshire as a place to invest", 40 foreign owned businesses will be visited/contacted during 2016/17 as part of the Greater Lincolnshire Local Enterprise Partnership's (GLLEP) Strategic Plan to create 13,000 new jobs and help 22,000 businesses to grow.

Bob Lockwood, Finance Director of Dynex Semiconductors, a Chinese owned business based in Lincolnshire, will be attending to discuss the Council's work with foreign owned businesses from a business perspective.

Actions Required:

Members are asked to

1. note the progress made and the scope of the engagement plan.
2. monitor progress twice a year regarding the number of visits.
3. discuss with Mr Lockwood how he finds the service that is offered by Lincolnshire County Council and UK Trade and Investment, and how it could be enhanced moving forwards.

1. Background

UKTI's strategy is at the heart of the UK Government's drive to promote growth through trade and investment. The GLLEP, through Lincolnshire County Council, North Lincolnshire Council and North East Lincolnshire Council, continues to be at the forefront of promoting the GLLEP area, aiming to attract new investment from abroad and co-ordinating investor development (aftercare) support for foreign owned businesses already based in Lincolnshire.

Lincolnshire County Council, on behalf of the GLLEP, ensures that investor development services co-ordination, prioritisation and delivery are implemented with effective communication channels in place. Communications channels already established are:

- Twice yearly update meetings between UKTI, District Councils and the unitary authorities of North East Lincolnshire and North Lincolnshire Councils;
- Company visit reports documentation agreed
- Process/protocols agreed

In Greater Lincolnshire we work on the Tier D list which is the list of foreign owned businesses for Lincolnshire from UKTI. There are also some companies eg Siemens which feature in a Tier A list that UKTI manages.

We work with UKTI and District Council partners to ensure that all foreign owned businesses are visited on a regular basis by designated account managers – sometimes with LCC or District Council officers - to identify if there is any specific support or assistance the company might require eg skills, funding, expansion requirements.

A Visit Report is produced for each visit and circulated to relevant partners with action points agreed.

The partnership approach is also embedded with the Business Lincolnshire Growth Hub Team who attend company visits as and when appropriate. There are also regular meetings set up (bi-monthly) between UKTI's Partnership Manager for Investment and the Principal Growth Officer at Lincolnshire County Council to ensure continuity and consistency of approach.

Going forward, we will work with the newly created Combined Authority under Lincolnshire's Devolution deal which includes a new additional £15 million pound multi year funding allocation to boost growth.

In addition, a UKTI/FDI event will take place during 2016/17 to engage with FDIs (Foreign and Direct Investment) with the aim of providing information on the services UKTI and partners offer.

This work sits as part of the agreed Memorandum of Understanding (MOU) and LEP Engagement Plan between the GLLEP and UKTI with Lincolnshire County Council's Growth Team as the designated point of contact for delivery of both investment promotion and investor development. All UKTI/LEP investment work is set out in the Engagement Plan/Delivery Schedule for 2016/17.

2. Conclusion

UKTI state that 70% of new investments come from existing investors/businesses based in the area. The account management approach is already embedded in the Greater Lincolnshire area with both 1st tier and 2nd tier authorities engaged in the

process and virtual teams from UKTI being brought in as and when required. Foreign owned businesses in Greater Lincolnshire may have an existing relationship either with local authorities or UKTI may take the lead. This approach has already resulted in key relationships with companies being developed eg with Dynex, Lincat and Cummins.

Under the outcome of Lincolnshire as a place to invest:

- a strong relationship, through a robust account management system, with all 89 foreign owned businesses is being implemented which will lead to an increase in investment in Lincolnshire by those businesses
- Lincolnshire businesses, specifically within the agri-food and advanced manufacturing sectors, will grow as a result of the investments by the foreign owned businesses

3. Consultation

a) Policy Proofing Actions Required

n/a

4. Appendices

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| These are listed below and attached at the back of the report | |
| Appendix A | GLLEP Engagement Programme 2016/17 Delivery Schedule |

5. Background Papers

No background papers within Section 100D of the Local Government Act 1972 were used in the preparation of this report.

This report was written by Jill McCarthy, who can be contacted on 01522 550609 or jill.mccarthy@lincolnshire.gov.uk.

**Greater Lincolnshire LEP
Engagement Programme 2016/17 Delivery Schedule
Agreed Work Programme April 2016 to March 2017**

APPENDIX A

| Ref. | Agreed Action | Action Owner | Target Date | Progress to date | Next steps |
|-------------------------------------|--|---------------------|----------------|------------------|------------|
| a) Strategic Engagement | | | | | |
| i) | To extend the range of contacts and network with UKTI | Partnership Manager | March 2017 | | |
| ii) | To review Project Matchmaker | Partnership Manager | September 2016 | | |
| iii) | To consolidate and build on the GLLEP's existing budget and to seek additional funding | Growth Manager | March 2017 | | |
| iv) | To continue to develop FDI Account Management strategy working closely with UKTI | Partnership Manager | March 2017 | | |
| b) Communications and Events | | | | | |
| i) | To update the GLLEP offer on the LEP Showcase | Growth Manager | September 2016 | | |
| ii) | To be given timely information regarding potential UKTI events where the GLLEP may wish to attend or companies may wish to attend | UKTI HQ | Ongoing | | |
| c) Proposition Development | | | | | |
| i) | To continue to develop the relationships with sector teams from the GLLEP's priority sectors and agreed emerging sectors eg Creative and Digital Sectors | Partnership Manager | March 2017 | | |
| ii) | To facilitate and host sector team visits to Greater Lincolnshire | Partnership Manager | March 2017 | | |

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| iii) | To continue to develop site and sector propositions specifically linked the GLLEP's priority sectors , developing the story/proposition eg Food Enterprise Zones | Partnership Manager | March 2017 | | |
| d) Account Management | | | | | |
| i) | To work on Greater Lincolnshire's Tier D list ensuring it is as up to date as possible | Partnership Manager | March 2017 | | |
| ii) | To identify "cold leads" for UKTI's Business Development team to assist | Growth Manager | September 2016 | | |
| iii) | PM to continue to support GLLEP in developing the strategy for Key Account Management working with partners eg District Councils | Partnership Manager | March 2017 | | |
| e) International Activity | | | | | |
| i) | To align GLLEP activity with the emerging trade missions linked to sectors and possible FDIs. | UKTI HQ | March 2017 | | |
| ii) | To identify agri-food opportunities and exhibitions | Partnership Manager | September 2016 | | |
| iii) | To support GLLEP at MIPIM UK and MIPIM with relevant supporting materials, events etc | Partnership Manager | March 2017 | | |
| f) FDI Pipeline and Reporting | | | | | |
| i) | Monthly reporting of pipeline and account management activities | Partnership Manager | March 2017 | | |
| g) Infrastructure Investment | | | | | |
| i) | To continue to develop the RIO relationship eg Lincolnshire Lakes | UKTI RIO team | March 2017 | | |
| i) Training | | | | | |
| i) | To be kept informed of any specific training from UKTI | Partnership Manager | March 2017 | | |

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