

1. Summary

1.1. This report provides a summary of delivery of Northern Powerhouse Foreign Direct Investment Key Account Management Project in the past 6 months and the proposed delivery model of this project for 23/24.

2. Recommendations

2.1. That the Board notes the information included in this report.

3. Foreign Direct Investment Key Account Management Project

Background

3.1.1. Since 2020, as part of the Northern Powerhouse, a project has been delivered in the Humber/ HEY LEP area to support local LEP areas with funding to employ an additional staff resource to meet existing foreign owned companies not currently centrally by Government or DIT HQ. The role assists areas co-ordinate responses to inward investment enquiries (FDI). By managing key account activities at the sub-regional level, long-term, trusting relationships with foreign owned companies have helped ensure the retention of their investment and identify and develop opportunities to secure new investment into the sub-region.

Delivery 22/23

3.1.2. Over the past year HEY LEP have successfully delivered two 6 month contracts to deliver this programme for DIT.

3.1.3. Delays in confirmation of funding for the second six months saw the previous postholder, employed directly by the LEP, leave the organisation before funding for the period Oct 22 to March 23 was confirmed. The LEP have now implemented an alternative delivery mechanism for this period utilise resource within the Local Authorities on a paid for basis. This new delivery mechanism has been approved by DIT and was successfully implemented.

3.1.4. Despite this changing delivery model, it has been confirmed by DIT that all contract outputs have been delivered for the 6 months from Oct 22 and March 23:

- HEY LEP area has engaged 41 FDI companies during this period, of which 31 companies are being actively managed.

- Of these companies 7 are currently developing or delivering projects where the FDI service has assisted towards delivery.
- 2 FDI investment programmes were finished, delivered and evidenced.

Delivery 23/24

3.1.5. In March 2023 it was confirmed from Department of International Trade (now Department of Business & Trade) that this project will be funded by government for the next two years on a 1+1 year basis.

3.1.6. The LEP are currently working with Local Authority Partners to develop a business plan for 23/24 which will be submitted to DBT as an application for resources to continue this project in the region.

3.1.7. The business model being proposed continues the model which was implemented in second half of 22/23 with the LEP playing a programme managing role and delivery being undertaken by the two LAs. The LEP retain the responsibility for reporting and claims processes.

4. Financial and resource implications

None at this stage.