

LEP Inward Investment – Lead Sue Roberts/Andy Walker

BACKGROUND

Inward Investment is a key part of the Strategic Framework as an enabler to drive investment and jobs into the county. The Lancashire Enterprise Partnership works with a large number of partners to deliver this activity.

Most of the successes of Foreign Direct Investment comes from existing Foreign Owned Companies and is classed as Investor Development and shown as KAM in the tables below. A Lancashire Key Account Manager, employed by LCC, funded from Department for International Trade (DIT), supports these companies in their major investment plans and reports on the benefit they bring to the economy.

In addition to the work of the Key Account Manager, the LEP also responds to enquiries, which come from a range of sources including the DIT, direct emails, phone calls and local partners. These are referred to as Inward Investment in the tables below.

PERFORMANCE – INWARD INVESTMENT

Previous Years Performance – Inward Investment Performance for the past two years are shown in the table below. For clarity a 'success' is where an inward investment has been made and the data is verified by DIT. The figures detailed below relate only to Lancashire successes and do not include multi-site investments where Lancashire's investment and jobs cannot be verified.

Performance Measure	2019/20	2020/21
Total number of inward investment project successes	22	20
Inward Investment project successes with support from Key Account Manager	6	6
Number of Jobs created	2,157	460
Value of the investment	£119,900,000	£70,459,326

Highlights for 2019/2020 - A Danish company invested £95m in port facilities and a US company invested £572.5m in residential developments. In addition, four large companies invested in a number of UK sites including Lancashire, the total investment is not included in the reported figures above.

Highlights for 2020/2021 - A media company invested £3,000,000,000 in the UK including Lancashire, creating 1,700 jobs nationwide for their Lightning Broadband rollout. Two well-known overseas retailers invested a total of £588m in the UK including Lancashire, creating 85 new stores and 2,774 jobs nationwide. £35m was invested in transforming pubs across England, Scotland and Wales creating 800 jobs which included Lancashire and over £21m was invested in upgrading farms to include the best biosecurity and improving ergonomics in order to improve employment retention rates. The company has a site in Lancashire. These investments are not included in the reported figures above.

2021/22 Performance – To 31 December 2021 there have been 4 successful inward investments as shown in the table below.

Project Name	Project Lead	Source Location	Nature of Investment	Jobs Created / Safeguarded	Value of Investment
Project A	KAM	Sweden	Medical devices	116	£8,150,000
Project B	KAM	USA	Advanced Engineering	3	£550,000
Project C	DiT/LEP	Australia	Healthcare	30	£3,780,000
Project D	DiT	Netherlands	Advanced Engineering	5	£950,000
Total				154	£13,430,000

In addition to the above table, three national inward investments have been confirmed at sites in Lancashire. Two brewing companies have invested £83m and created 523 jobs nationally, and a nuclear engineering company has invested circa £800k in creating 60 female graduate jobs nationally. These figures are not reported in the above table.

Unsuccessful Inward Investment Propositions

DIT continues to actively manage Inward Investment enquiries and reports on progress.

In the last 6 months we have been informed that Lancashire was not successful for a Data Infrastructure enquiry (Sterlite Technologies, a well-established brand in the UK Telecom Industry as a key supplier of Optical Fibre Cables). The primary search location was proximate to Liverpool Port.

KAM Visits

Communications with companies have generally remained remotely on-line rather than on site. However, this number is increasing with KAM visiting a higher number of companies with more physical visits planned in 2022.

Between April 2021 and the end of December 2021 the Key Account Manager has held such communications with 100 different companies, made contact with 27 new companies and visited 6 companies.

Pipeline Generating Activity

- Events promoting Inward investment previously included; MIPIM Cannes, MIPIM UK, Farnborough and Paris International Air Shows.
- Delivering Sector Knowledge video call with Sheffield City Region on Aerospace to the Asia and United States trade advisors due on 10 February 2022.
- Ongoing engagement with DiT Sector Groups such as Agri-Tech and Life Sciences.
- Engagement with BP/EnBW regarding Irish Sea Wind Farm supply chain and labour market opportunities.
- Provided Lancashire information for the following sector propositions:
 - Cyber Security
 - FinTech
 - Data Centres
 - Bio Pharma
 - Quantum Technologies
 - Sustainable Built Environment
 - Battery Technology
 - Space & Satellites

Current Pipeline to 31 December 2021

No. of Active enquiries	Lead	Sector	Source Location (UK, EU, USA, Asia etc)	Jobs	Investment £	Interest in EZ
1	Inward Investment	Agri-Tech	Italy	30	£25m	No
2	Inward Investment	Logistics	France	80	10	No
3	Inward Investment	Manufacturing	Netherlands	150	100	Yes
3	Inward Investment	Manufacturing	Turkey	150	100	No
4	Inward Investment	Manufacturing	Ireland	170	15	No
5	Inward Investment	Manufacturing	Germany	120	12	No
6	Inward Investment	Manufacturing	France/Netherlands	TBC	TBC	Yes
7	Inward Investment	Manufacturing	Romania	100	100	No
8	Inward Investment	Agri-Tech	Singapore	30	17	Yes

9	Inward Investment	Manufacturing	Turkey	450	95	No
10	Inward Investment	Manufacturing	India	150	200	No
11	Inward Investment	Logistics	Belgium	20	TBC	No
12	Inward Investment	Manufacturing	German	15	4	No
13	Inward Investment	Manufacturing	US	TBC	TBC	No
14	Inward Investment	Chemicals	US	75	50	Yes
15	Inward Investment	Electric vehicles	TBC	250	40	Yes
16	Inward Investment	Satellite technology	TBC	200	15	Yes
17	Inward Investment	Recycling	Finland	60	8	Yes
18	KAM	Manufacturing	Canada	TBC	TBC	No
19	KAM	Manufacturing	Ireland	TBC	TBC	No
20	KAM	Manufacturing	Germany	TBC	TBC	No
21	KAM	Manufacturing	USA	TBC	TBC	No
22	KAM	Manufacturing	USA	TBC	TBC	No

Specific pipeline enquiries to highlight.

There are currently 24 active projects being managed by the Key Account Manager and there are 72 companies on the Lancashire Account List. The annual target set by the DIT was to deliver 6 investment projects by March 2021, which has been achieved. Since April 2021 up to February 2022 there has been 2 projects landed.

There are 5 more projects due to land before March 2022 in the table above taking the total for 2022 to 7 projects.

RISKS

A Single Portfolio Risk Register for the combined programmes is attached to the main report.