

Title of meeting: Cabinet Member for Planning, Regeneration and Economic Development

Subject: Investment in Advanced Engineering and Scientific Manufacturing

Date of meeting: 21st July 2015

Report by: City Development Manager

Wards affected: All

1. Requested by

1.1 Full council.

2. Purpose

2.1 To inform members of the current work to promote the advanced engineering and scientific manufacturing sectors.

3. Information requested

3.1 A programme of activity is underway to increase the number of investment enquiries we receive, to increase the number of new projects actually secured and to promote the key sectors within the Solent Economy - advanced manufacturing and engineering and aerospace are all identified as key sectors within the Solent Economic Plan. The status quo is a combination of:

- Enquiries received via Invest in Portsmouth website, including the commercial property database
- Enquiries received via the network of economic development officers across Hampshire and via UKTI
- An Inward Investment Board and Working Group which includes Portsmouth and Southampton City Council, PUSH, Hampshire County Council the LEP and UKTI
- Enquiries received via Hampshire County Council Economic Development team, particularly their key sector managers

Solent LEP Inward Investment Strategy

3.2 In October 2014, Solent LEP produced the Inward Investment Strategy, which includes plans to create a single expert, efficient and effective FDI entity with the

objective of dramatically increasing the flow of FDI into the Solent area, through effective coordination of inward investment activity across the Solent LEP area and more targeted global promotion of the Solent LEP area to prospective investors. This is supported by PUSH and all the PUSH authorities.

- 3.3 There has been some issues with the creation of this team and in the interim Portsmouth are working with Southampton, Hampshire, PUSH, the LEP and UKTI to support the growth of key sectors. In particular the County Council has key sector officers who work with the partners to promote the area for businesses within this sector who are seeking to locate to this area, those that already exist in the area and are looking to expand and those that are looking for other elements of support. UKTI works in partnership with Portsmouth to promote the area and attract both Investment and Trade in all key sectors including high technology engineering and scientific jobs. Direct support is also given to SME's within these sectors from the SME officer within the Economic Development team in the Council.
- 3.4 There are a significant number of Partners working across the area promoting the area as a place for these sectors to locate and grow, helping to join clusters together and support SME's.

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Signed by: City Development Manager

Appendices:
Appendix A: Glossary

Background list of documents: Section 100D of the Local Government Act 1972

The following documents disclose facts or matters, which have been relied upon to a material extent by the author in preparing this report:

Title of document	Location

Appendix A: Glossary

FDI **Foreign Direct Investment** - investment from one country into another (normally by companies rather than governments) that involves establishing operations or acquiring tangible assets, including stakes in other businesses.

Solent LEP **Solent Local Enterprise Partnership** - The Solent LEP is led by the business community and supported by three university partners, the further education sector, three unitary authorities, eight district councils, one county council and the voluntary and community sector - all working together to secure a more prosperous and sustainable future for the Solent area. The Solent LEP's vision is to create an environment which will better facilitate growth and private sector investment in the Solent area, allow business to grow, become more profitable, greener and enable new businesses to form and prosper.

PUSH **Partnership for Urban South Hampshire** - the partnership was formed in 2003 and is now made up of twelve South Hampshire local authorities comprising the unitary authorities of Portsmouth, Southampton, and the Isle of Wight; Hampshire County Council and the district authorities of Eastleigh, East Hampshire, Fareham, Gosport, Havant, Test Valley, New Forest and Winchester. PUSH works collaboratively with partner agencies in the sub region as well as key Government Departments to ensure joined up strategies, pooling of resources and delivery of transformational programmes that focus on better outcomes for local people.

PUSH authorities recognise the benefits of working together to support the sustainable economic growth of the sub region and to facilitate the strategic planning functions necessary to support that growth. PUSH has no statutory powers or functions but works collaboratively with the Solent LEP to deliver its distinct but complementary roles and objectives.

UKTI **UK Trade and Investment** - this is a government agency which encourages and supports overseas companies to look at the UK as the best place to set up or expand their business.

SME **Small and Medium Sized Enterprises** - businesses whose personnel numbers fall below certain size limits. Small enterprises outnumber large companies by a wide margin and also employ many more people. SMEs are also said to be responsible for driving innovation and competition in many economic sectors.

The European Commission uses the following size thresholds:

Company category	Employees	Turnover	Balance sheet total
Medium Sized	<250	≤€50m	≤€43m
Small	<50	≤€10m	≤€10m
Micro	<10	≤€2m	≤€2m

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