Worcestershire County Council

INWARD INVESTMENT

Key themes covered by the case study

✓ Inward investment
Summary
Inward investment

The Project – Worcestershire Inward investment project (Locate in Worcestershire).

Inward investment forms a key strand of the work of Worcestershire County Council, the Worcestershire Local Enterprise Partnership, and the District Councils. It supports the County Council’s Open for Business Agenda, the work of the national profile and promotion board of the Worcestershire Local Enterprise Partnership and the economic priorities of the six district councils in Worcestershire.

Worcestershire County Council and the Worcestershire LEP are in the early stages of developing an Inward Investment strategy and the LGA’s Economic Growth Adviser’s Programme provided the opportunity to inform the strategy and its approach to inward investment. We utilised the experienced consultant, who has a background of inward investment and who had worked on similar projects, to guide us to best practise and help us channel our ideas so we could use our time and resources effectively.

The key objectives of the project were to:

1. Raise the national and international profile of Worcestershire as a business destination.
2. Target and secure new high value inward investment.
3. Develop significant opportunities for future growth in preparation for the economic recovery, focussing on opportunities to develop key sectors, moving to higher value activities and on those opportunities with the potential to trigger significant investment.

It was envisaged that the project would dovetail and compliment the current regional and national provision (UK Trade and Investment) and address the historical economic under performance of Worcestershire by developing an approach to attract new companies into the area and work with existing investors to grow and expand. It will ultimately create new investment, jobs and increased GVA.

Our approach - The economic growth advisors project helped by providing:

- A sense check to our approach of positioning the county with regard to its sector strengths.
- Examples of best practice in other areas, nationally and internationally.
- An objective and informed approach to inward investment to assist in the development of a robust longer term strategy.
- Advice on a partnership approach with the public and private sector to help deliver the strategy.
Rationale for the project

Worcestershire has much to offer businesses either located in or thinking of locating in the County: excellent transport links, a highly skilled and diverse workforce, a thriving business environment, high quality business and technology parks along with excellent support services.

Manufacturing remains a key sector within Worcestershire; however the last decade has seen growth in innovation and technology-led sectors. The commercial property market in the county provides a range of buildings to meet the dynamic requirements of modern business; from Technology and Science Parks to traditional office locations to edge of town and strategic highway based locations.

In partnership with public and private partners, the Worcestershire LEP is developing an inward investment strategy that will guide the county’s approach to inward investment over the coming years.

The LEP has commissioned work on inward investment lead generation that will major on key growth sectors including Defence and security, advanced manufacturing and agriculture and food processing

A series of spatial / development opportunities for Worcestershire that over time are capable of delivering real economic value and additional GVA to the county. The delivery of these projects can deliver an economic impact that will reposition Worcestershire as a county focused on business with enhanced and sustainable environment and resources.

The project areas combine existing activity of the Public sector and the market with the emerging LEP priorities. All projects are inherently private sector led, but require the combined resources of the public sector in a number of roles, including strategic leadership, facilitation of activity, partnership working to draw out common objectives, investing / funding mechanism and ultimately delivery of specific activity. Central to the delivery of each will be the timely intervention of resources and finance from all partners. Planning this resource in an appropriate manner can deliver projects in a more timely and efficient manner.

The sites include the Worcester Technology Park, South Kidderminster Priority Area which has a Local Development Order and is the largest brownfield site in the County, Redditch Eastern Gateway, Worcester City East, Throckmorton Renewable Technology, Malvern Science and Technology Park and Norton Parkway Railway Station and commercial development. The south Kidderminster site alone has an economic value of £60m GVA.

With such rich assets at its disposal Worcestershire is well placed to raise its profile and position itself to increase its share of business investment.

At the offset our objectives: - our original objectives were:

1. To examine case studies which could assist the County and the Worcestershire LEP to develop its approach to inward investment based on best practice.
2. To offer an informed approach to the sectors on which the Country should focus in order to maximise growth and jobs.
3. To offer an informed approach to inward investment and sector development.
4. To deliver a session with the LEP and Local Authorities to determine the best way forward.
Whilst these were covered broadly in the study, due to the nature and fluidity of the work, the scope changed as the consultant's work progressed. This led into avenues of research that would be more appropriate and pertinent to our work going forward and concentrated more fully on objective three above. The work concluded with an Inward Investment meeting with the LEP and local businesses to share the findings of the project and an action plan of activities for the future including the completion of an inward investment strategy and a detailed marketing plan.

**Key actions**

The LGA Economic growth advisors programme allocated funding to Worcestershire County Council who worked in partnership with the local LEP. Worcestershire County Council contracted an Economic Growth Advisors who had unique strengths and could bring different experience to the project.

An inception meeting was held in December 2013, where a project plan was agreed, including:

- Work plan (Jan/Feb 2014)
- Conference call meetings (Feb – May 2014)
- Final workshop with stakeholders (June 2014)
- Present findings and recommendations (June 2014).

Key milestones were the stakeholder workshop, at which the approach was largely agreed; and meetings with LEP representatives at which the value of potential interventions were tested.

Since completion of the project, the findings of the adviser are being used to inform on the development of the overall inward investment strategy for the County. This will feed into the overall objectives of the LEP strategy and the priorities of the county council in relation to inward investment.

In order to continue the work:

1. A robust inward investment strategy will be completed and implemented.
2. A project board has been created which includes partners from the LEP, district councils, Chamber of Commerce, led by the County Council.
3. The LEP has commissioned work on propositions and lead generation.
4. An ERDF project has been established to provide resources to assist with the implementation of the strategy.
5. Projects are being developed around international profiling in the county.

**Key findings and outputs**

The key output was a presentation of findings to key external partners which has really helped to embed the thinking and learning.

The most important result for us is that the work will inform our inward investment strategy and approach going forward over the next 3-5 years.
Due to the nature of the project there were many key findings. In short these are:

- The importance of positioning the County as a location and the best model adopted depending on the sectors being promoted.
- Understanding our County’s “offer”, particularly in respect to the different sectors targeted.
- Inward Investment opportunities must be prioritised and resourced.
- There are three core components to Inward Investment: International, British and Local which have separate but linked characteristics. All three must be underpinned by professional relationship management.

As this was a piece of work to inform and advise, the improvements will be seen in the future when the strategy is implemented and the inward investment service is fully operational. In the interim, the County partners feel more empowered and confident that their approach is the right one for Worcestershire.

The biggest learning point for us was the way we position the County (putting ourselves in the shoes of an inward investor and what they want to see/hear) rather than just selling what we think is great about the County). We have learnt to broaden our view of inward investment and how to manage our relationships with influencers and intermediaries. Finally, what we have taken away from this process is structure – and developed how our service will look and develop in the coming months.

**Benefits**

Benefits of LGA economic growth advisor support include:

- The County has benefitted from a number of fruitful discussions with the consultant and as a result gained insight on best practise from around the UK and Worldwide which have given us many ideas to take forward.

- We have material to help debate and inform our inward investment strategy and implementation of a centralised inward investment service across the county.

- The establishment of an Inward Investment Project Board ensuring the inclusion of our key partners including the Worcestershire LEP, six district councils and the Chamber of Commerce.

Once fully operational the Strategy and accompanying Service which this research has informed will have a massive effect on the local economy. We hope to bring in increased investment from outside of the County and in some cases, outside of the Country and these businesses will employ local people, utilise local supply networks and this will inevitably improve the County’s economy and increase GVA in the future.

Learning for other authorities includes:

1. The benefits of quality research, analysing best practice around the country and internationally as well as receiving advice of inward investment experts before developing a strategy.
2. The importance of a collaborative approach across the county and understanding the
strengths and diversity of sectors across the different districts.

3. The need to involve and work in partnership with both public sector partners and the private sector.

4. Understanding your area's "offer", particularly in respect to the different sectors targeted.

5. Understanding what potential locating businesses need to know from you, rather than what you want to tell them.

In summary, the economic growth advisors helped by:

- Providing a sense check to our approach of positioning the county with regard to its sector strengths.
- Examples of best practice in other areas, nationally and internationally.
- An objective and informed approach to inward investment to assist in the development of a robust longer term strategy.
- Advice on a partnership approach with the public and private sector to help deliver the strategy.