

SHEFFIELD CITY REGION

BUSINESS INVESTMENT PIPELINE UPDATE

SEPTEMBER 2020

Sheffield
City Region

BIP AGENDA

- 34 projects Investment of £1010m – funding requests of £302m and circa 6700 direct jobs and a further 20,000 indirect jobs.
- Potential GVA increase in the range of £250 -£300m
- Inward Investment projects pipeline -19 key projects
- Growth projects from indigenous businesses -15 key projects

* NDA's are in place with numerous projects due to their commercially sensitive and confidential nature.

BIP OBJECTIVES

To provide an update on inward investment and growth companies projects where there is in-depth engagement covering :

- The range
- Type
- Value

To start a discussion on the next steps of:

- Financial support packages post May 2021
- Cluster opportunities
- Support for pre revenue business with Intellectual property that is transformational

INWARD INVESTMENT PROJECTS OVERVIEW

- **29** active projects Companies looking to invest £480 m and create 2400 jobs
- **9** enquires from UK based operations
- **3** enquiries from North America
- **3** enquires from Saudi Arabia
- **9** health and medical enquires
- **5** engineering/manufacturing

TOP INWARD INVESTMENT PROJECTS - BY JOB CREATION WITH FUNDING REQUESTS POST MARCH 2021

Sector	Jobs	Company investment	Funding request
Aerospace (2)	400	£100m	£12m
Automotive	250	£30m	£3m
Creative	265	£20m	£20m
Energy	500	£20m	£4m
Manufacturing (2)	550	£280m	£18m
Total	1965	£280m	£57m

INWARD INVESTMENT PROJECTS OVERVIEW

- Projects have projected land date after March 2021
- Funding requests are, equity investment, loan funding or grant support
- Some are pre-start or early stage businesses with little financial history
- Transformational businesses that align to SEP
- Multiplier effect of top projects supporting 6000 jobs
- Wider benefits to economy- increased opportunities for young people and graduates, and promotion of STEM

GROWTH PROJECTS OVERVIEW

In alignment with the Sheffield City Region Renewal Action Plan and the Acceleration Growth theme related to Business Support. The LEP Chair supported by the Investment team have identified a number of indigenous businesses which would be potential candidates for financial support in the form of grants, loans or equity to be determined by a future, flexible funding model which incentivises advanced innovation from concept to commercialisation to support strategic growth sectors.

- Initial scoping meetings held with businesses to explore their future growth plans and any barriers in achieving those ambitions
- Third party consultancy support to interrogate their business plans and develop them into strategic business cases which may be considered at a future point for financial assistance from the SCR LEP following external/internal appraisal and the relevant Board approvals process.
- Opportunities to accelerate business growth, associated job creation/retention and the development and securing of IP based on commercialisation of research in niche innovative sectors in South Yorkshire

GROWTH PROJECTS DETAILS

- Of the 15 projects identified to date, there is the potential for up to **644** jobs to be created with investment of £242m and a funding request of £150m
- Key sectors represented by these projects include advanced manufacturing and engineering, materials, digital (transformation within manufacturing)
- Potential market opportunities offered by these projects include; aviation, defence, automotive, space, low carbon energy production and medical
- Potential to secure IP within innovative world leading specialisms within the Sheffield City Region and provide leverage to secure further inward investment through further collaborations and agglomeration effects.

INDIGENOUS PROJECTS - WITH FUNDING REQUESTS

POST MARCH 2021

Sector	Jobs	Funding request
Advanced manufacturing (8)	499	£98.6m
Food	50	£2.4m
Automotive	50	£10m
Health	40	£4m
IT	35	26m
Total	674	£141m

NEXT STEPS

- To initiate a discussion on future financial provision – loan – equity investment or grant
- To discuss the opportunities to create and develop new clusters both for inward investment and local supply chains
- To discuss financial support for business that are pre-revenue with Intellectual property and transformational business models

SUMMARY

- Enquiry levels and investment plans by indigenous companies holding up well.
- Transformational projects and opportunities to develop new clusters for example in Satellite manufacturing and Gene therapy.
- Conversion of inward investment enquires is taking longer and asking for much more information for example on supply chains and availability of power.
- Challenge is a shortage of good stock of industrial units under 100,00 square feet.
- Some of our most transformational projects are early stage businesses that are difficult to offer incentives to.

THANK YOU

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