

05/10/2020

Business Recovery and Growth Board

Joint working with the Department of International Trade

Purpose of Report

To update the BRGB on the joint working that is happening with the Department for International Trade (DIT) with the purpose of securing new and further investment into South Yorkshire from Foreign Owned Businesses and to develop opportunities for Businesses located in South Yorkshire to Trade and Export into overseas markets.

Thematic Priority

1. Facilitate and proactively support growth amongst existing firms.
2. Attract investment from other parts of the UK and overseas and improve our brand.
3. Increase sales of SCR's goods and services to other parts of the UK and abroad.

Freedom of Information and Schedule 12A of the Local Government Act 1972

This paper is available under the Freedom of Information Act

Recommendations

Members are requested to note the work of the MCA/LEP with DIT as part of its programmes in the Northern Powerhouse.

1. Introduction

1.1 This briefing covers the joint activity undertaken or planned in collaboration with DIT as part of the NP11 and covers:

- The on-going Northern Powerhouse (NPH) Key Account Management Programme (KAM)
- The development of dedicated International Trade Account Support for the MCA
- The development of the Overseas champions programme, by the NP11 to promote trade and investment opportunities across the North.

2. Proposal and justification

2.1 **Northern Powerhouse Key Account Management Programme (KAM)**

2.1.1 **Purpose**

The MCA has for the last 2 years participated in the KAM programme, funded by the DIT Northern Powerhouse team. The primary purpose of the programme is to increase the amount of investment foreign-owned businesses add to the economy of South Yorkshire and that strategically important businesses are added to the One List (comprising the most

strategically significant foreign-owned companies/investors in the UK and therefore on Ministers radars).

2.1.2 Current delivery arrangement

- The KAM programme is being delivered by 2 Key account Managers who are part of the Growth Hub team and have project support from the Growth Hub.
- One key account manager covers Doncaster and Rotherham and the other Sheffield foreign owned companies

2.1.3 Performance

- In 2019/20 the programme has engaged with 153 companies with 57 been actively managed.
- 23 foreign investment projects were recorded in South Yorkshire
- To date the programme has engaged with 263 companies across Doncaster, Rotherham and Sheffield and enabled a more proactive approach to supporting existing foreign owned companies. The programme has also provided the resource and focus to access to high level senior decision makers and develop a supportive relationship with us.
- 21 projects have been identified including expansion, R&D and export activity. A highlight is the proposed expansion of Ardagh Glass in Doncaster within the next 3 years with an investment of between £14m and £18m.
- The current programme ends in March 2021 and an extension of the KAM programme is being negotiated with DIT across the Northern Powerhouse geography.
- This workstream aligns with the priorities of the Recovery Action Plan (RAP), providing an early warning of any signals of distress/potential disinvestment by foreign owned businesses operating in South Yorkshire.

2.2 International Trade Account Support

2.2.1 Purpose

This is a new area of work with a proposed start date of the beginning of December. It will pilot an approach until the end of March 2021 (which will hopefully be extended) which will embed a fully funded member of staff from DiT within the Trade and Investment team to work on the following areas:

- Support the NP11 strategy to increase exports from the North of England into the rest of the world.
- Expand the number of companies on the India Growth Champions programme with DIT account management engagement and support.
- Evaluate and develop a similar operating model for other key markets for example, China and North America.
- Provide evidence to the policy team for the development of the MCA International Strategy with regards to exporting.
- Raise awareness of export opportunities and markets for South Yorkshire companies by acting as a focal point for export knowledge and intelligence.

2.2.2 Planned Delivery arrangements

- Recruitment will be by DIT against an agreed job description and person specification. A key element of this will be the requirement for the person to have extensive international experience and knowledge initially with the Asian markets.
- The individual will be embedded within the Trade and Investment team.

2.2.3 Performance

Performance is still being negotiated with DiT, it is likely to include all the areas covered above in the purpose section.

Further updates can be made at future meetings on the progress made.

2.3 Overseas champions programme

2.3.1 Purpose

Currently DiT employs a number of staff based in overseas markets who are responsible for generating new Inward Investment enquiries and further investment from foreign owned businesses in the market they are based in.

These members of staff have traditionally been either focused on Trade or Investment and sector specific with a UK first approach.

The DiT team that are based in the Northern Powerhouse have been allocated some money to pilot having people specifically focused on the North based in the overseas markets where the North has the best synergies and where the most opportunities are likely to come from.

The aim is to:

- Raise the profile of the North
- Increase awareness of the trade and investment opportunities across the NP11
- Recruit NPH overseas champions in key markets including, Latin America, India, China and possible the Middle East, Europe and Africa.
- In some markets the champions will be key sector focussed for example in India the focus will be on investment in Tech and Life Sciences.

2.3.2 Planned Delivery arrangements

- DiT are undertaking an in-market recruitment programme to recruit for the posts. (A member of the MCA Investment team is sitting on the interview panels for key markets)
- Posts will be based in market with regular communication with NPH members
- The first recruitment has taken place for the Latin America market. The posts for India in Technology and Lifesciences have been advertised and applications are being shortlisted for interview. Recruitment in other markets is yet to take place.

2.3.3 Performance

Performance and measurement is being negotiated between DiT and the NP11 members from the Trade and Investment forum.

Further updates can be given at future meetings on the progress made.

2.4 Timings

Normal course of business:

- The NPH Key account management programme will run until March 2021 (it is hopeful this will be extended)

- The International Trade Account Support programme is a 6 -month pilot project until March 2021(it is hopeful this will be extended)
- The Overseas Champion Programme is being recruited for on a market by market basis operating until March 2023

3. Consideration of alternative approaches

3.1 N/A

4. Implications

4.1 Financial

Claims are made on a monthly basis for the KAM funding, no financial implications for the other programmes have been identified.

4.2 Legal

Agreements in place with DiT on funding of work and associated outcomes.

4.3 Risk Management

If the programmes currently funded by DiT cease to exist this leaves a gap in the continuation of the service and the MCA's ability to support businesses with exporting overseas.

4.4 Equality, Diversity and Social Inclusion

N/A

5. Communications

5.1 As the programme further develops there will be a need to communicate and market the activities and successes over and above the current arrangements.

6. Appendices/Annexes

6.1 N/A

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Background papers used in the preparation of this report are available for inspection at: 11 Broad Street West, Sheffield S1 2BQ

Other sources and references: