

Inward investment and business support activities

Purpose

1. To respond to the Partnership's request for information about the current inward investment and business support activities of the West of England Partnership Invest West service and its partners.

Background

2. Over the past few years, inward investment has been handled by a number of different organisations and partners, including GWE Business West and Bristol City Council. In early 2007 this remit passed to the West of England Partnership office and the Invest West team was set up.
3. The Invest West service comprises two officers working in the Partnership office with a dispersed network of Economic Development officers in the unitary authorities (UAs) and with other stakeholders, including GWE Business West and the South West Regional Development Agency (SWRDA).

Invest West service

4. The main objectives of the Invest West service are to:
 - Maintain a centralised commercial property database for the West of England area
 - Act as first point of contact for inward investment enquiries
 - Provide support to businesses seeking to relocate or expand within the West of England area
 - Develop marketing and promotion activities to promote the West of England as a business location.

Property database

5. Prior to the set-up of the online property database, each of the UAs kept hard copy records of available commercial properties in their own area. This system proved to be time-consuming and inefficient, especially when responding to business enquiries or running analysis reports.
6. In 2006, the four UAs signed a Memorandum of Understanding to last 4 years (to 30 September 2010) committing them to the Evolutive database system, an electronic property and client management software. Evolutive allowed the set up of an integrated commercial property database covering the whole West of England area and accessible on-line to both partners and clients. The Invest West Team maintains the database, including managing the relationship with the software providers and ensuring property records are complete and up-to-date.

7. The property database is accessible to clients via the Invest West website (www.investwest.org) and allows businesses looking to expand or relocate to search for available commercial premises. The Invest West database is currently listing over 1,000 properties, covering new and refurbished offices, industrial premises, incubator units, serviced workspace and land. It also covers retail premises in Bath & North East Somerset and North Somerset but, due to lack of resources and the quick turnaround of this type of properties, it does not currently list available retail units in Bristol or South Gloucestershire.
8. The Invest West database allows businesses to see a list of available properties matching their size, type or location criteria and to view further details of selected properties including information on rents/prices, descriptions, photos and contact details of agents marketing the property. Clients can also create a shortlist of properties that can be accessed on future visits to the website.
9. The property database is updated quarterly. Sold, let or withdrawn properties are taken off the live website and stored on the Evolutive database for analysis purposes. On the other hand, new properties are uploaded onto the website on an ongoing basis. It has been of particular importance to develop the relationship with commercial property agents to ensure the database is accurate and complete. The Invest West Team now deals with over 130 local commercial agents who regularly send new instructions and update information.

Enquiry handling service

10. The Team acts as a clearing house and central point of contact for inward investment and relocation enquiries. It also maintains the online client management system, which is part of the Evolutive software. WEPO's role is to provide initial assistance and work with partners to provide additional input (eg presentations or organisation of visits) or to handover clients as appropriate.
11. Businesses which register for property searches on the Invest West website are recorded automatically by the Evolutive system. WEPO maintains these client records and undertakes weekly alerts to partners of new or returning enquiries. As a result, partners can follow up internet enquiries and check whether companies need further help or have relocated successfully. UAs are responsible for following up enquiries in their own area, while the Invest West Team deals with all cross-boundary enquiries.
12. Analysis of the client information indicates that many of the enquiries received through the Invest West website are from West of England and South West businesses and the majority of companies using the property search self-service facility are small and medium enterprises.
13. The Invest West Team also acts as the single point of contact for all SWRDA enquiries to the sub-region. The Team will co-ordinate initial responses and handling of the client. When an enquiry converts to a visit, the Team will lead on the organisation of the visit with SWRDA and co-ordinate the involvement of a range of partners, business networks, individual companies and commercial property agents to provide tailored and comprehensive support to potential investor companies.

14. The Evolutive online system allows partners to have access to the details of all enquiries received in the sub-region facilitating collaboration and sharing of information. Major enquiries are also reported and discussed at monthly Economic Development Officers liaison meetings organised by the Invest West Team.

Enquiries and registrations

15. The Invest West service registered 631 new property related queries in the period January – October 2008. 2008 started as a strong year, with 3 out of the first 4 months exceeding number of new enquiries received in 2007 and with many previous clients returning to search the property database. As uncertainty in the wider economy began to take effect, new enquires declined over the summer but have shown some recovery since October.
16. Currently neither the Partnership Office nor the UAs consistently collect data on the final outcome of all enquiries. Due to limited resources, only high value enquiries or companies that need specific tailored support are actively followed up. Most enquirers use the online facility outlined in paragraph 7 and require little follow-up. Other clients would normally use the service to gather initial information and contacts and follow up these independently. SWRDA and UKTI have recently started to give some feedback on their enquiries.
17. Good quality enquiries are still coming into the service, particularly smaller scale high value international queries, many of which are routed through UK Trade & Investment (UKTI) and SWRDA, and from local businesses still in a position to expand. More recently, the Invest West Team has been involved with the increasing number of investor support and development activities led by SWRDA and the UAs.

Promotional activities

18. Marketing activities for 2008 have focussed on key international inward investment press, specific local events and publications. This has included a 2 page advertorial in a business relocation supplement of a major UK national newspaper. The aim of these activities is to raise consciousness of end users and organisations of opportunities of locating in the West of England and raising profile of the free property database with local business audience.
19. During 2008, the Invest West website underwent a major revision including search engine optimisation, simplification of navigation, development of user interface, and updated content on all major pages. This is now an important promotional tool and offers businesses not only access to the property database but also initial information on the West of England, the local economy and lifestyle, key sectors and major development sites. Since this major overhaul, the Invest West website has shown a steady increase in hits and unique visitors were up over 60% from 2007 figures. Further improvements of the website will continue into 2009.
20. In light of the current economic recession and general reduction in marketing budgets, the Team will build on experiences from previous years and carefully review spend and promotional activities in 2009, taking up only opportunities of greatest strategic value or in key publications. Currently, there is also little resource to undertake large-scale activities such as attending major international exhibitions like MIPIM. Resources allocated to the Team have already been reduced.

21. There is now the opportunity to work on an integrated marketing plan that takes into consideration other partners' commitments (e.g. SWRDA) and enables added value by non-duplication and appropriate targeting of resources.

Sector activities

22. The Invest West Team has put significant resource into assisting the development of the Bristol Environmental Technologies and Services initiative (BETS) and the delivery of the 2008 Expo. The BETS project was originally set up by Bristol City Council to promote this specific sector in Bristol, although broadly this translates to the greater Bristol area. BETS have now developed a steering group with representatives from industry and services. In 2009, the Team will continue providing input into the BETS executive group and resource for future events.
23. We have also supported the Science City project, worked jointly with the West of England Aerospace Forum and been involved in the promotion of the financial and legal services sector with UKTI. The financial services work included attendance at UKTI Regional Forum of the City Strategy Group, input into promotional activities and regional excellence mapping project, sourcing high quality business case studies for inclusion in UKTI international publicity material, and representation on SWRDA led research project steering group. This project is currently on hold due to the recent financial crisis but should resume in April 2009.
24. The Invest West Team is also supporting the Key Sectors Appraisal, a project funded from SW Lift and led by a small steering group made up of Partnership officers, GWE Business West and UA representatives. This project will run to March 2009 and inform the development of the Multi-Area Agreement and other strategic documents.

Data and monitoring

25. Working closely with Intelligence West, the Team is continuing to develop collection and analysis of data from press and other public sources to understand further job gains/losses and company relocations into the sub-region where the Partnership has not been directly involved. New ways of collecting and sharing information are also been explored through the continuing development of the Invest West monitoring and evaluation plan.

Work with SWRDA

26. SWRDA has recently appointed a new Head of Inward Investment and expanded their inward investment team, which now includes four International Investment Advisers and support from an International Business Co-ordinator. The recent establishment of a new and larger Foreign Direct Investment (FDI) team at SWRDA and the broadening of its role could provide the sub-region with the opportunity for closer and more productive working.
27. The new FDI team, led by Ellen Stallins, will be actively seeking ways to improve communication between FDI partners to promote a more efficient and effective integration of aftercare and promotional activities. There will also be a focus on broadening the partnership with regional Universities, Research and Technology

Organisations as well as closer working with UKTI's international trade promotion and inward investment teams.

28. Current work is focussing on creating a better understanding of the existing South West FDI landscape with the main purpose of developing specific support for FDI companies already established in the region. A draft South West FDI Companies list has been developed and shared with partners. Further analysis will help SWRDA create lists of target companies for more intensive aftercare and will also lead to the creation of a branding map showcasing firms already based in the area. Improving the volume, scope and value of aftercare activities is now believed to be a way of securing further genuinely new investment and jobs.
29. The Team regularly attends and inputs into SWRDA FDI Operational Group meetings whose current focus is mainly on developing an integrated aftercare strategy and a co-ordinated marketing approach. A Marketing Sub-Group has recently been set up and will meet in February for the first time.

Recommendation

That Board members note this report.

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