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Inward Investment and Trade - Solent LEP update
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01 Overview

- Review of 2015/16 results
- Policy update
- Local growth and the role of inward investment and trade
- Further thoughts and next steps

02 Review of 2015/16 Performance - National picture

Types of foreign direct investment (FDI)

United Kingdom

Types of investment	2011/12	2012/13	2013/14	2014/15	2015/16	Increase %
New investments	752	777	820	1,058	1,130	7%
Expansions	506	577	677	740	821	11%
Mergers and Acquisitions (including Joint Ventures)	148	205	276	190	262	38%
Total	1,406	1,559	1,773	1,988	2,213	11%

03 Review of 2015/16 Performance - National picture (2)

New projects and jobs

United Kingdom

UK Region	Number of FDI projects	Sum of Number of New Jobs
East Midlands	85	3,678
East of England	116	3,280
London	889	24,191
North East	77	2,991
North West	151	7,715
Northern Ireland	33	2,068
Scotland	108	4,178
South East	253	5,507
South West	89	2,434
Wales	97	5,443
West Midlands	168	11,119
Yorkshire and the Humber	104	2,992

04 Review of 2015/16 - Solent performance (1)

In the Solent LEP there were a total of 17 successful FDI projects accounting for 215 new and 1020 safeguarded jobs.

Total Project Information:

	FY15/16			FY14/15		
	New Jobs	Safeguarded Jobs	# Projects	New Jobs	Safeguarded Jobs	# Projects
Involved	75	800	8	508	10	13
Non- Involved	140	220	9	350	1	8
TOTAL	**215**	**1020**	**17**	**858**	**11**	**21**

05 Review of 2015/16 - Solent performance (2)

Further analysis of the projects is shown below (*source UKTI)*

Expansions, M&A, Retentions and New Investments

Type of Investment	FY15/16
Expansions	40%
M&A	20%
Retentions	0%
New Investments	40%

Sectors

Key Sectors	Project #s
	FY15/16
Software & Computer Services	3
Aerospace	2
Leisure & Tourism	2
Automotive	2
Environment	2
Renewable Energy	1

06 Policy Update

- Outcome of EU referendum and impact on International trade and attracting new FDI and supporting the retention of existing businesses

- New PM , New Ministerial Team and the creation of new government departments including BEIS and International trade

- Industrial Strategy

07 Department for International Trade (DIT)

The responsibilities of DIT are:

- Developing, coordinating and delivering a new trade and investment policy to promote UK business across the globe
- Developing and negotiating free trade agreements and market access deals with non-EU countries
- Negotiating plurilateral trade deals (focused on specific sectors or products)
- Providing operational support for exports and facilitating inward and outward investment

Local Growth - key priorities for the Department for International Trade (DIT)

- Supporting SME's in the export market
- Importance of Inward Investment
- Trade policy including the organization of trade delegations and supporting the private sector to secure overseas business

08 Conclusions

- In response to the decision of the UK to leave the EU, there has been a re-positioning of inward investment policy in Government and a renewed focus on strengthening the position of the UK as a trading nation, through the establishment of the Department for International Trade.

- Given the current FDI performance in the Solent area and the importance of international trade post Brexit it is critical that the LEP reflects the new position in relation to Inward Investment and International Trade.

- Businesses are seeking support to strengthen international competitiveness and international trade relationships. There is a need to support businesses to diversify products and markets. In particular, the impact of the dynamic trading landscape on the SME base should not be underestimated.

09 Solent LEP refresh of Strategic Economic Plan and next steps

The refresh of the SEP will seek to agree a revised vision with key local stakeholders (including local business, academia and t he public sector) on what success would look like.

This vision should provide a clear statement for the future of the economy.. Last time around the focus was 3% GVA growth - this time it could be a focus on sectoral growth and productivity

For example the vision could focus on;

- The dynamism, flexibility and adaptability of the Solent Economy; or
- The Solent as a knowledge economy; or
- What is most distinctive about the Solent; or
- Something else ?

10 Solent LEP review of Strategic Economic Plan and inward investment and trade

There is a need to position the area as an attractive location for new investment. This will include the need to consider - at a strategic level - a different approach to marketing the area and to inward investment in general.

Part of this review could include working with partners to consider;

- SMEs in the export arena; and
- The need to bring forward new employment land and business support propositions that will both support the existing SME base and also to retain and attract Multi-National Corporations to the Solent.; and
- Consideration of appropriate financial incentives; and
- A business friendly approach to planning; and
- Further investment in skills, infrastructure and research and development

but vision will be important

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