

HAMPSHIRE COUNTY COUNCIL

Decision Report

Decision Maker:	Executive Member – Economic Development and Rural Affairs
Date:	7 November 2012
Title:	Sector Proposition Development
Reference:	4352
Report From:	Director of Economy, Transport and Environment

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1. Executive Summary

1.1 The purpose of this paper is to seek approval to procure and engage with a specialist inward investment/economic development consultant to support the development of detailed sector propositions for Hampshire, and to develop strategies to promote these propositions

1.2 This paper seeks to:

- set out the need for the development of detailed sector propositions;
- consider the benefits of having detailed sector propositions available; and
- provide an indication of the likely costs and source of funding.

2. Background

2.1. Hampshire, along with all other parts of the UK, competes in an increasingly competitive global market for the attraction of quality inward investment, in order to create jobs, grow the local economy, benefit local supply chains and to stimulate the property market.

2.2. Although Hampshire County Council works in partnership with the national inward investment organisation, UKTI, the County Council must proactively pursue inward investment opportunities in its own right, capitalising on its key sector strengths across advanced manufacturing (specifically aerospace, defence and marine related), business, finance and professional services, and IT/communications.

2.3. The County Council must become more effective at generating business investment related enquiries and then converting those enquiries into real investment projects.

2.4. A key need of any effective inward investment agency is to have clearly articulated investment propositions for the key target sectors.

2.5 Such propositions will encompass:

- a) Existing cluster or concentration of relevant businesses in that sector;
- b) Relevant knowledge base, including universities and private sector research organisations;
- c) Access to relevant supply chains;
- d) Existence of sector specific agencies and business networks;
- e) Infrastructure/connectivity within and to/from the region;
- f) Availability of skills and expertise – including sector specific qualifications and training;
- g) Sector specific cost base – property, staff; and
- h) Business/industry support available – nationally/regionally.

3. Proposed Approach

3.1. It is proposed that Hampshire County Council procures and engages with an appropriately qualified specialist inward investment/economic development consultant to support the development of detailed sector propositions, working closely with both the County Council's Economic Development team and relevant partners and stakeholders across Hampshire.

3.2 It is proposed that, subject to further discussion, propositions are developed around the following sectors:

- Advanced Manufacturing (including aerospace, defence and marine as key subsectors);
- Business, Finance & Professional Services; and
- IT/Communications Technology.

3.3 The specialist will then work with the Economic Development team to ensure that effective and focused strategies are developed to promote these propositions into relevant markets, and via a number of appropriate routes.

3.4 It is proposed that, within the new Economic Development structure, Sector Growth Manager posts will be created. It is these posts which will be responsible for actively promoting these sector propositions in the marketplace, through business development activity focused on potential investors, key location intermediaries and other influential audiences.

4. Potential Benefits

- 4.1. The potential benefits of developing and promoting detailed propositions for the key target sectors include the following:
- a) Significant enhancement of inward investment offer to potential investors;
 - b) Enhancement of depth of information available to investors and their advisors on the Invest in Hampshire website;
 - c) Greater understanding of the key strengths within the Economic Development team;
 - d) The propositions would encompass the wider 'offer' which is made up of the contributions of key partner organisations across the County; and
 - e) Responses to enquiries would be much more detailed and cover all the detail required by companies making key investment decisions.

5. Costs/Funding

- 5.1. The final costs will be determined through a competitive tender process, but it is proposed that the budget for this work should be set at a maximum of £45,000.
- 5.2. This would be funded through the core Economic Development budget.

6. Recommendation

- 6.1. That approval to procure and engage with a specialist inward investment/economic development consultant to support the development of detailed sector propositions for Hampshire, and to develop strategies to promote these propositions in relevant markets.

CORPORATE OR LEGAL INFORMATION:**Links to the Corporate Strategy**

Hampshire safer and more secure for all:	no
Corporate Improvement plan link number (if appropriate):	
Maximising well-being:	yes
Corporate Improvement plan link number (if appropriate):	
Enhancing our quality of place:	yes
Corporate Improvement plan link number (if appropriate):	

Section 100 D - Local Government Act 1972 - background documents

The following documents discuss facts or matters on which this report, or an important part of it, is based and have been relied upon to a material extent in the preparation of this report. (NB: the list excludes published works and any documents which disclose exempt or confidential information as defined in the Act.)

DocumentLocation

None

IMPACT ASSESSMENTS:

1. Equalities Impact Assessment:

- 1.1 The proposals in this report have been developed with due regard to the requirements of the Equality Act 2010, including the Public Sector Equality Duty and the Council's equality objectives. An assessment of the impacts in this service area can be found at <http://documents.hants.gov.uk/equality-impact-assessments/ete/3-2-business.doc>.

It is considered that the issues covered by this report will not have impacts requiring further specific actions by the Council above those already established in its existing policies and working procedures.

2. Impact on Crime and Disorder:

- 2.1. If successful, this proposal will enable attraction of more inward investment into Hampshire, creating more jobs locally and having a positive impact on employment levels and thereby potentially on crime / disorder levels.

3. Climate Change:

- a) How does what is being proposed impact on our carbon footprint / energy consumption?

No significant change is anticipated.

- b) How does what is being proposed consider the need to adapt to climate change, and be resilient to its longer term impacts?

It is considered that the issues covered by this report will not have impacts requiring further specific actions by the Council above those already established in its existing policies and working procedures.