



Subject:	Belfast – City for Investment
Date:	10 October 2018
Reporting Officer:	John Greer, Director of Economic Development
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Restricted Reports	
Is this report restricted?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
If Yes, when will the report become unrestricted?	
After Committee Decision	<input type="checkbox"/>
After Council Decision	<input type="checkbox"/>
Sometime in the future	<input type="checkbox"/>
Never	<input type="checkbox"/>

Call-in	
Is the decision eligible for Call-in?	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>

1.0	Purpose of Report or Summary of main Issues
1.1	<p>Members will be aware of work under way to support both indigenous investors and Foreign Direct Investors (FDI), in their expansion and relocation plans in Belfast. This report aims to update Members further on areas of work being advanced across a number of areas including:</p> <ol style="list-style-type: none">1. The 'Belfast: City for Investment' support service to investors;2. Building on our networks and partnerships in collaboration with NI Connections and Belfast Partners3. Strategic development of our lead prospecting services for business expansion and investment attraction; and4. Next steps and future models for consideration.

1.2	Across each of these strands, the opportunities for partnership and co-ordination with key agencies such as Invest NI, NI Connections and Belfast Partners are summarised. This report should be considered alongside the presentation being delivered to Committee by Invest NI.
1.3	The report makes key recommendations for the continued development and expansion of Council's support in this area. These initiatives will be tested further through the current pilot period (18 months from April 2018) and evaluated and presented back to Committee at a later date for fuller consideration.
2.0	Recommendations
2.1	<p>The Committee is asked to:</p> <ul style="list-style-type: none"> • Note progress of 'Belfast: City for Investment Service'; • Consider developing a Belfast Connections Network in collaboration with NI Connections and Belfast Partners. If agreed, an outline plan to be tabled back to a future meeting of Committee; • Note that future resources towards a client management approach will be considered based on the learning developed from the Belfast: City For Investment Pilot.
3.0	Main report
3.1	<p><u>The 'Belfast: City for Investment' support service to investors</u></p> <p>A paper was tabled to August 2018 Committee framing services currently available under the 'Belfast: City for Investment Service'. These are:</p> <ul style="list-style-type: none"> - Soft landing service; - Welcome Service and Accessing Networks; - Support with planning; - Sector specific support and skills academies; - Supplier and Supply Chain opportunities; and - Internationalisation and export opportunities.
3.2	Currently there are 50 enquiries being Client Managed by Council's Economic Development Division who are availing themselves of this menu of provision. These are categorised as Early Stage / Pre- Investor (26), Committed (11) and Established (13). This

is a flexible service being delivered as an 18-month pilot concluding September / October 2019 and the learning will be used to inform the estimates setting process for 2019/20.

3.3 This service provides added-value to the support administered to clients by Invest NI. Since agreeing a 'collaborative investment support protocol' with Invest NI in March 2018, we have worked collaboratively on 12 FDI inward visits to Belfast. One of the companies is Eirtech Aviation, an Irish-based Company with headquarters in Shannon and offices based in Dublin. In June they opened a composites repair centre on Queen's Road, Belfast with support from Invest NI. They hope to create 124 jobs over the next 4 years in the city. The Lord Mayor, Chair of Committee and Senior Management have met with four of the largest Inward Investors over the same period and civic input has contributed significantly to communicating an energised and vibrant city, helping to land the investment. Officers continue to work with Centres of Excellence such as NI Advanced Composites and Engineering Sector (NIACE) to identify sector-related investment. This led to the one key investment opportunity, which, if realised could secure £63million investment into the city and 172 jobs. Officers are currently supporting this business during phase one of the project setting up a facility in the Harbour with a launch event scheduled for 2018.

3.4 Other activities include:

- Collaboration with the Agents' Forum which is managed by the City Regeneration Team to develop a new guide for investors interested in identifying, setting up and establishing an office in Belfast
- The recent opening in the Council's Innovation Factory (IF) of an office by McGinnis Consulting – this tenant will create at least ten new jobs with positions that will offer an average salary of £40,000 in the financial and professional services sector.

3.5 Building on our networks and partnerships towards a 'Belfast Connections' model
Following an independent review, NI Connections was brought in-house to Invest NI to maximise existing networks and relationships. It is promoted as a stand-alone network, acting as a vehicle to connect with diaspora with the aim of helping start-up businesses to start-up and scale up, sell outside of Northern Ireland, attracting inward investment and selling NI globally.

3.6 Target Markets for trade development are demonstrated by Invest NI's International Office Network in Europe (Brussels, Dusseldorf, Dublin & London), India, Middle East and Africa

3.7	<p>(Bangalore, Dubai, Erbil, Jeddah and Mumbai), Americas (Boston, Chicago, New York and San Francisco) and Asia Pacific (Beijing, Shanghai, Singapore and Tokyo).</p>
3.8	<p>The Head of NI Connections is actively working with the Council towards a collaborative approach, which will include re-launch of a website with co-ordinated web content (estimated Oct 2018), appropriate representation on a partner forum and identifying and engaging strategic diaspora. Part of the longer-term NI Connections development will include 'coming back' to NI. NI Connections are also looking to work collaboratively with councils where there is sectoral and geographic alignment to jointly pool resources for in-market events in order to maximise impact and reduce overheads.</p>
3.9	<p>The Council's current Sister City linkages borrow significantly from the learning gained from the Friends of Belfast Network. Each of the Sister Cities has a lead contact who acts as the liaison point for the Belfast City Council lead. The contact also agrees an annual action plan with the Council, in line with our mutually agreed areas of focus. Targets for the year are established and regularly reviewed with the lead contacts. Each of the individuals acting as lead contact point in the relevant cities is a well-networked individual and provides the Council and its partners with access to relevant contacts in the fields of economic development, education, culture and investment.</p>
3.10	<p>The changing role and collaborative approach being adopted by NI Connections presents an opportunity to formalise a diaspora of Belfast Connections on a voluntary basis to support NI Connections activity. In addition Belfast City Council has renewed its relationship with Belfast Partners as agreed by Committee in March 2018. Belfast Partners manages a network of Belfast and N. Ireland diaspora in London and Dublin and are launching into Berlin in 2019. This diaspora resource provides connections to business opportunities for Belfast based companies to export and potential investment opportunities into Belfast. It is expected council will work with Belfast Partners and NI Connections to expand into new geographies.</p> <p>To initiate this process it is suggested that Officers compile a list of connections in the following locations: London, Dublin, Boston, New York, Chicago, Nashville, San Francisco and Shenyang. Belfast Connections would consist of selected individuals invited to be a strategic partner of the Council. These would each champion investment and economic growth in the key growth sectors. Secondary commitments would be secured by an email subscription service sitting within 'Belfast: City For Investment' webpage and actively</p>

3.11	<p>promoted internationally keeping Belfast's diaspora updated on strategic development and opportunities at home.</p>
3.12	<p><u>Strategic development of our lead prospecting services for business expansion and investment attraction</u></p> <p>The OECD report on Belfast completed in mid-2008 recommended the need to form a new delivery vehicle that could bring together the required delivery agents and seek to overcome the fragmented position that existed at that time. However, a central question within the review was whether it was appropriate to set up such a vehicle at the time or whether it would be better to wait until the recommendations from the Review of Public Administration and other related activities had been implemented.</p>
3.13	<p>The issue of what role the Council should play in attracting and managing FDI has been looked at a number of times. In 2017, following the transfer of additional powers and in the context of growing ambitions for the Council to take a lead in city development a further review was undertaken. In 2017, OCO and Webb Advisory concluded a report, which assessed and recommended how the Council could establish a menu of city support and investment advice service. The OCO report discounted, at this time, the fully fledged service for a number of reasons;</p> <ul style="list-style-type: none"> • Perceived duplication of effort between Invest NI and Council and potential to confuse the market. • Availability of skills, and experience to deliver investment promotion directly at a city level; and
3.14	<p>The 'Belfast: City for Investment' Service Pilot will test demand for a future evolving service and make future recommendations to committee. The development of a future service, whether that be maintaining the existing 'Belfast: City for Investment Service', enhancing it or developing it to a full Belfast Investment Vehicle must be considered based on current performance in attracting and securing investment as well as cost implications.</p>
3.15	<p>Statistical analysis completed as part of an OCO review evidenced that Belfast is performing well in terms of investment attraction. Belfast receives a significant share of FDI projects per 100,000 residents, when compared with other UK cities. Belfast ranks 2nd with a yearly average of 6.8 projects per 100,000 local residents.</p>

