

UK Real Estate Infrastructure & Investment Forum

Midlands Engine partners had a highly successful UKREiIF from May 17 to 19, with Midlands Engine-led events including:

- A roundtable hosted by Ian Stuart (CEO, HSBC) discussing the future of place-based investment and attended by 21 business leaders (C-suite) and both Lord Grimstone, Minister for Investment, and Stuart Andrew MP, Minister for Housing. The discussion was conducted under Chatham House rules and brought together the heads of many of the country's major capital investors, master developers, cities and end users. Among others, this included the Government Property Agency, Astra Zeneca, Legal & General, JLL, Queensbury, EmDevCo, British Property Federation, Harrison Street, Placefirst, Openreach, Investec, Berkeley Group and Martin Lockheed.
- A panel session on 'Why Invest in the Midlands?' hosted by Sir John Peace and attended by around 100 audience members. This featured Bek Seeley, Managing Director of Lendlease; Lynda Shillaw, CEO of Harworth Group; Jackie Wild, CEO of SmartParc, and Richard O'Boyle, Executive Director of Trinity Asset Management.
- A Midlands Investment Reception at which the Midlands Engine launched the Midlands Investment Portfolio. This was attended by almost 300 people and was the largest fringe event that day. Partners, investors and developers all attended, with partners reporting many productive discussions and connections.

Midlands Engine partners plan to return to UKREiIF next year and discussions are already underway with DIT and local authority partners about how to most effectively present the Midlands and support partners in doing so.



Two government Ministers joined the roundtable with C-suite leaders of major national investors and developers

Midlands Investment Portfolio

After many months of work in partnership, the Midlands Investment Portfolio was publicly launched at UKREiIF. Bringing together the priorities of all upper tier local authority partners, LEPs and IPAs, the portfolio presents 72 investment opportunities across the region. The portfolio also incorporates the 12 DIT High Potential Opportunities across the Midlands and identifies the 24 propositions in the West Midlands Combined Authority's 2022 investment prospectus.

The Portfolio has been well received by partners and investors alike, with significant national investors such as Aviva making contact to use the portfolio to generate leads, requesting introductions to relevant leads in local authority partners.

The design has also been deemed effective, with discussions to expand/replicate it for some partners to use for their local opportunities underway.



Next Steps to July 2022:

- Validation of regional Clusters and research on their potential to attract investment in coming years, including private sector roundtables and the production of scorecards and associated policy and activation commentary
- Further development of the Midlands Investment Portfolio
- Aggregation of regional research and development assets and development of university FDI proposition, and the development of pilot campaigns to support trade and investment
- Development of the Investment Academy



An investment opportunity in Nuneaton

Universities as Drivers of Trade and Investment

This programme continues apace, with a cross-Whitehall group led by BEIS having been established to work with and respond to the asks raised by this work.

Roundtables are being planned with major investors from key markets (Germany, Singapore, South Korea, Australia), to build an evidence base (and support a HEPI paper) that articulates how international sources invest in Universities, the different modes and how to leverage more investment.

Underpinning this, the Midlands Engine is working with the two main regional university groups to refresh the comprehensive audit of R&D assets.

Category	Metric	Data Source	Concept score	R&D trust	Information partner and insights	Granularity of data available	References to literature
Business capabilities	High growth business capabilities	1	1	4	Midlands Engine Hub	Midlands Engine Hub - High growth business capabilities	① The Impact of COVID-19 on High Growth Companies (2020) (McKinsey & Company)
	High growth business capabilities	2	2	4	Midlands Engine Hub	Midlands Engine Hub - High growth business capabilities	② The Impact of COVID-19 on High Growth Companies (2020) (McKinsey & Company)
Cluster support (development)	Number of high growth businesses	1	1	3	Midlands Engine Hub	Midlands Engine Hub - High growth business capabilities	③ The Impact of COVID-19 on High Growth Companies (2020) (McKinsey & Company)
	Number of high growth businesses	2	2	3	Midlands Engine Hub	Midlands Engine Hub - High growth business capabilities	④ The Impact of COVID-19 on High Growth Companies (2020) (McKinsey & Company)
Cluster support (development)	High growth business capabilities	1	1	4	Midlands Engine Hub	Midlands Engine Hub - High growth business capabilities	⑤ The Impact of COVID-19 on High Growth Companies (2020) (McKinsey & Company)
	High growth business capabilities	2	2	4	Midlands Engine Hub	Midlands Engine Hub - High growth business capabilities	⑥ The Impact of COVID-19 on High Growth Companies (2020) (McKinsey & Company)
Cluster support (development)	High growth business capabilities	1	1	4	Midlands Engine Hub	Midlands Engine Hub - High growth business capabilities	⑦ The Impact of COVID-19 on High Growth Companies (2020) (McKinsey & Company)
	High growth business capabilities	2	2	4	Midlands Engine Hub	Midlands Engine Hub - High growth business capabilities	⑧ The Impact of COVID-19 on High Growth Companies (2020) (McKinsey & Company)
Cluster support (development)	High growth business capabilities	1	1	4	Midlands Engine Hub	Midlands Engine Hub - High growth business capabilities	⑨ The Impact of COVID-19 on High Growth Companies (2020) (McKinsey & Company)
	High growth business capabilities	2	2	4	Midlands Engine Hub	Midlands Engine Hub - High growth business capabilities	⑩ The Impact of COVID-19 on High Growth Companies (2020) (McKinsey & Company)

Portfolio priority site locations (May 2022) The CBI is drafting an analytical framework to articulate the investment potential of clusters

Investment Potential of Clusters in the Midlands

The project to investigate and articulate the investment potential of clusters in the Midlands is well underway, with a hypothesis set of 100 business clusters across the region refined to around 70 (or 30 pan-regional clusters) by Beauhurst and The DataCity - both have assessed relative share and significance of clusters through key metrics such as high growth companies, employee and business count, and turnover.

Waveq have delivered an investment trends analysis at the regional level, presenting both foreign and domestic investment activities, their determinants by sector, and future forecasts. Meanwhile, the CBI have conducted a comprehensive literature review to develop a robust understanding and methodology for defining and measuring clusters, as well as interpreting key drivers for attracting inward investment. This has led to a proposed analytical framework of key measures and commentary.

The group is now working to produce the analytical framework and associated commentary for each regional cluster. This will involve the CBI running eight roundtables with the private sector in specific clusters to test policy recommendations and wider understandings.

The project will deliver cluster scorecards back to partners to support promotion, and a final public report in September ahead of party conferences.