

ABERDEEN CITY COUNCIL

COMMITTEE	Finance and Resources
DATE	5 July 2023
EXEMPT	No
CONFIDENTIAL	No
REPORT TITLE	Invest Aberdeen Update
REPORT NUMBER	COM/23/214
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CHIEF OFFICER	Richard Sweetnam
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TERMS OF REFERENCE	2.1.1 & 3.4

1. PURPOSE OF REPORT

- 1.1 To provide an update on the activities of Invest Aberdeen and agree its forward priorities.

2. RECOMMENDATION(S)

That the Committee:-

- 2.1 Notes the activities of Invest Aberdeen;
- 2.2 Instructs the Chief Officer- City Growth to work with officers in Aberdeenshire Council and regional partners to support investment promotion opportunities as noted in this report; and
- 2.3 Instructs the Chief Officer – City Growth to circulate a service update to the committee members by June 2024.

3. CURRENT SITUATION

Background

- 3.1 Attracting inward investment remains a key priority in the new Regional Economic Strategy (RES).
- 3.2 Invest Aberdeen is a partnership between the Council and Aberdeenshire Council and aims to promote the North East as a location for inward investment, to promote the particular regional opportunities and to provide support to Scottish Government and UK Government inward investment agencies, investors and companies looking to invest here. The core activities of Invest Aberdeen include:
- maintaining and developing the Invest Aberdeen website and associated resources;

- proactive communication through social media;
- attending and promotion at relevant industry and investment events;
- pursuit of potential investments and supporting inward investment enquiries; and
- collaborating with regional, national, and international partners on relevant projects and events.

3.3 The work of the Team is supported by a regional forum that includes: officers from the two Councils; Opportunity North East (ONE); Aberdeen and Grampian Chamber of Commerce (AGCC); the University of Aberdeen; Robert Gordon University; North East Scotland College; commercial property agents; Port of Aberdeen; Fraserburgh Harbour; Peterhead Port Authority; Aberdeen International Airport; Scottish Enterprise; Department of International Trade; and Scottish Development International.

3.4 The staffing commitment to the team is summarised in the table below:

Role	Aberdeen City Council (fte)	Aberdeenshire Council (fte)
Team Leader		1
Project Officer	1	
Project Support Officer	1	
Marketing, website, social media Officer		1
Total	2	2

3.5 From March 2020, Covid-19 restrictions resulted in reduced inward investment activity in general, and the team resource was prioritised to support the administration and distribution of the Covid business grants.

Progress 2022/23

3.6 2022-23 saw the lifting of restrictions and return to more in person activities. The Invest Aberdeen team was brought up to a full complement of four staff in September 2022 and a summary of key activities for the year are noted below:

- Supported 97 inward investment enquiries in the following sectors: energy, life sciences, food and drink and technology with support ranging from conversations and making connections to property searches and facilitating site visits. An example of a positive outcome is the securing of a Far East mooring company announcing its plans to locate in the Energy Transition Zone (ETZ). A less positive outcome was the decision of a multi nation cable manufacturer choosing to locate in one of the two areas designated as Green Freeports in Scotland;
- Attendance and exhibiting at industry events including: All Energy, Glasgow; Aberdeen Renewable Energy Group (AREG) Energy Futures, Aberdeen; Floating Offshore Wind, Aberdeen; Subsea Expo, Aberdeen; UK's Real Estate Investment and Infrastructure Forum; Wind Energy Hamburg, Hamburg; and Wind Europe in Copenhagen.

- Creation, sharing and promotion of marketing material for regional investment propositions and key sectors for the above events and the Council's presence at Scottish Cities Week in London.
- Continued engagement and collaboration with regional, national and international stakeholders, developing proposals with ETZ Ltd.
- Reconvened the regional forum to inform the work of Invest Aberdeen.
- Supported inward visits - Aberdeen-Houston Gateway 2022; Scottish Development International familiarisation visits from the France and Germany teams; and a French industry offshore wind trade mission to the North East.
- Continued online reach with the Invest Aberdeen website now having had 129,853 total views from 158 countries since launch in 2018. Reached totals of 1,363 followers on Twitter and 1,802 followers on LinkedIn.
- Developed an updated [regional promotional video](#) for use at events, online and by partners.
- Provided communications and marketing expertise and coordination for the North East Scotland Green Freeport bid.

Forward Plan – 2023/24

- 3.7 As outlined in the RES, and alongside core work of supporting inward investment enquiries and developing a range of marketing material and content to promote the regional proposition, the immediate actions for the team are:
- Promote and refine the sector propositions around Energy Transition (Hydrogen, Wind), Food & Drink, Digital and Life Sciences;
 - Work with partners to articulate and deliver a regional communications plan and specific 'projects' or propositions;
 - Work with Corporate Landlord to develop and promote investor proposition for council site development opportunities such as TECA 2;
 - Refresh the Invest Aberdeen website;
 - Continued support to the investment promotion team at Scottish Cities Alliance (SCA) and attendance at relevant events including a presence at Offshore Europe in in September;
 - Support relevant delegations to the North East through developing itineraries, introductory meetings with local partners and businesses. activities such as presenting, developing visit itineraries and organising introductory meetings;
 - Support the development of a proposal for an Investment Zone in the region;
 - Improve marketing of investable properties and sites and enhance digital reach and targeting through the Invest Aberdeen website.

4. FINANCIAL IMPLICATIONS

- 4.1 The Invest Aberdeen annual budget is £259,000. This is comprised of a staffing budget of £204,000 and £55,000 on supporting activity. The Council contributes £141,000 through the approved budget for the City Growth cluster. The balance is provided by Aberdeenshire Council.
- 4.2 While Aberdeenshire Council has a higher graded post, the Council has two posts that together are a higher cost. This also reflects demand, and more

product development and support for activity within the city, including Scottish Cities Alliance. The balance of funding will be reviewed during this financial year and any change will be implemented in the 2024/25 budget setting.

5. LEGAL IMPLICATIONS

5.1 There are no legal implications arising from this report.

6. ENVIRONMENTAL IMPLICATIONS

6.1 There are no environmental implications arising from this report.

7. RISK

Category	Risks	Primary Controls/Control Actions to achieve Target Risk Level	*Target Risk Level (L, M or H) *taking into account controls/control actions	*Does Target Risk Level Match Appetite Set?
Strategic Risk	Failure to secure inward investment will impair the recovery and diversification of the regional economy.	Participation in stakeholder initiatives promoting the regional strengths. Attendance at events promoting the investment opportunities and actively promoting sectors via Investment leads and enquiries.	L	Yes
Compliance	No significant risks identified	-	-	Yes
Operational	No significant risks identified	-	-	Yes
Financial	Costs associated with participation in events escalate beyond available resource.	Events and meetings are now a mix of in person and virtual therefore costs for attendance can be balanced. In	L	Yes

Category	Risks	Primary Controls/Control Actions to achieve Target Risk Level	*Target Risk Level (L, M or H) *taking into account controls/control actions	*Does Target Risk Level Match Appetite Set?
		each case Officers will actively participate in planning groups, including oversight and monitoring of budgets.		
Reputational	Other major cities becoming the forerunners in the Hydrogen and wider Energy Transition activates due to a failure to capitalise on the region's first mover advantage and existing local expertise	Ensure our activities are widely promoted both locally and internationally by continuing to engage with local and international stakeholders and participating as speakers and panellists in major events.	L	Yes
Environment / Climate	Failure to adequately secure investment in pursuit of the Council's Net Zero and energy transition ambitions	Participation in stakeholder initiatives promoting the regional strengths. Attendance at events promoting the investment opportunities and actively promoting sectors via Investment leads and enquiries.	L	Yes

8. OUTCOMES

<u>COUNCIL DELIVERY PLAN 2023-2024</u>	
	Impact of Report

<p>Aberdeen City Council Policy Statement</p> <p><u>Working in Partnership for Aberdeen</u></p>	<p>The proposals within this report support the delivery of the following Policy Statement objectives in respect of “A Prosperous City”.</p> <p>Work with partners to stimulate sustainable economic development, including a managed transition to a carbon neutral economy and work in partnership with the academic, business and other relevant sectors to ensure the long-term future of the energy industry.</p> <p>Review and update the council’s inward investment strategy</p>
<p><u>Aberdeen City Local Outcome Improvement Plan 2016-26</u></p>	
<p>Prosperous Economy Stretch Outcomes</p>	<p>The proposals within this report support the delivery of:</p> <ul style="list-style-type: none"> • LOIP Stretch Outcome 2 – 400 unemployed Aberdeen City residents supported into Fair Work by 2026. • LOIP Stretch Outcome 3 – 500 Aberdeen City Residents upskilled/reskilled to enable them to mover into, within and between economic opportunities as they arise by 2026.

9. IMPACT ASSESSMENTS

Assessment	Outcome
Integrated Impact Assessment	Not required
Data Protection Impact Assessment	Not required
Other	None

10. BACKGROUND PAPERS

- 10.1 COM/23/150 Regional Economic Strategy (City Growth & Resources – 17 May 2023)
- 10.2 COM/21/030/ Invest Aberdeen Update (City Growth & Resources - 3 February 2021)
- 10.3 PLA/19/282 – Invest Aberdeen annual update, Plan, (Council - 6 June 2019)
- 10.4 CH/17/046 Aberdeen Inward Investment Plan (Council – 15 March 2017)

11. APPENDICES

None

12. REPORT AUTHOR CONTACT DETAILS

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