



## Business Overview and Scrutiny Committee

<b>REPORT TITLE:</b>	<b>OUTCOMES FROM CHINA VISIT - 2016</b>
<b>REPORT OF:</b>	<b>Alan Evans</b> Assistant Director: Regeneration, Investment and Place Shaping

### REPORT SUMMARY

This report sets out the background and outcomes of the visit undertaken by Wirral Council Leader, Cllr. Phil Davies to China in 2016 as part of a Liverpool City Region delegation.

Attracting inward investment and supporting Wirral businesses to take advantage of international trade opportunities in order to grow are pledges within the Wirral Growth Plan.

Economic growth is a key part of realising the Wirral Plan and delivering a better life for Wirral's residents. As an authority we remain committed to working in close partnership with other authorities in the region to drive economic success through attracting investment.

These partnerships mean that we are spreading our reach far further than we could achieve by working by ourselves and we are able to maximise the range of channels to market that are available.

This matter affects all Wards within the Borough.

### RECOMMENDATION

That Members note the contents of this report.

### SUPPORTING INFORMATION

#### 1. REASON FOR RECOMMENDATION

- 1.1 To provide members of the Business Overview and Scrutiny Committee with a summary of the Council's visit to China in October 2016 with resulting follow up actions.

#### 2. OTHER OPTIONS CONSIDERED

- 2.1 Other options are not relevant to this report.

#### 3. INTRODUCTION

- 3.1 Economic growth is key to realising the Wirral Plan and delivering a better life for Wirral's residents. To support local activity the Council remains committed to working closely with other local authorities in the Liverpool City Region to drive economic success.

- 3.2 Wirral's economic future remains closely linked to the continued success of the City region in growing the economy; which is currently worth some £30 billion. In his role as Portfolio holder for Inclusive Growth, Economic Development, Digital and Innovation for the Liverpool City Region, the Leader of Wirral Council has

responsibility for supporting the delivery of this growth as well as attracting inward investment in order to benefit businesses and residents. In addition the work that takes place with the Wirral Chamber of Commerce ensures that Wirral businesses are well placed to take advantage of the opportunities generated at the city region level.

- 3.3 Pledges within the Wirral Growth Plan include; attracting inward investment and supporting Wirral businesses to take advantage of international trade opportunities in order to grow. Work has taken place with partners across the city region to identify those foreign markets likely to deliver investment for the city region.
- 3.4 This approach of working with partners means that we are maximising the channels to market and spreading our reach further than we could achieve by ourselves. This level of partnership has resulted in key successful events such as the LCR visit to China in 2016 working in partnership with Liverpool Vision and Wirral Chamber of Commerce.

#### **4. BACKGROUND INFORMATION**

- 4.1 Working closely with Combined Authority partners has resulted in a co-ordinated approach to attracting inward investment with targeted activity surrounding key international markets. This includes China as a platform for wider Wirral development, and a focus on specific high value sectors such as advanced manufacturing and energy, which will increase the volume of investment enquiries.
- 4.2 Research undertaken by the Department for International Trade has identified China as a key foreign market, as many Chinese businesses see the UK as one of the best places in Europe to invest and to trade. Against the backdrop of Brexit, a joint UK-China trade and investment review and new government-led trading partnerships which could eventually pave the way for free-trade talks, there remains impetus to push forward with developing the city region's trading relationship with China.

##### Liverpool City Region Business Delegation to China October 2016

- 4.3 The delegation, led by Joe Anderson, Mayor of Liverpool, and Cllr. Phil Davies, Leader of Wirral Council, with support from the Chambers and Wirral and Liverpool Councils built on Liverpool City Region's relationships in South West China and Tianjin and held specific interest to businesses and institutions engaged in the following sectors:
  - Energy
  - Civil nuclear
  - Automotive
  - Advanced Manufacturing
  - Healthcare
  - Marine
  - Financial and Professional services
- 4.4 The objectives of the October 2016 Business Delegation were to:
  - Further strengthen Liverpool City Region's relationships in China
  - Take advantage of identified business and investment leads and translate into contracts
  - Explore new business and investment collaborations and opportunities
  - Promote the Liverpool City Region as a viable location for Chinese investment

4.5 By starting to work more proactively with Liverpool and other city region partners, Wirral has opened up and developed a number of new lead generating activities. Working in partnership with organisations such as Liverpool Vision, the Local Enterprise Partnership and Wirral Chamber of Commerce allows the Council to promote investment opportunities in Wirral in a cost effective way.

#### Outcomes and Further Activity

4.6 The delegation visited six cities in China, namely Kunming, Chongqing, Guiyang, Qingdao, Shanghai, Beijing and Tianjin. Presentations were made by the LCR in all six cities and 'match-making' sessions were also held with a variety of businesses. 102 leads were being proactively followed up with a high proportion of interest in Wirral particularly in low carbon and offshore wind businesses. Wirral also signed a sister city agreement with Chongqing Hechuan District.

4.7 Three Wirral businesses participated in delegation; one of those has successfully done business subsequent to arriving back in the UK. Wirral Chamber also had at least 12 businesses signed up to participate in a future delegation following the 2016 visit (see para 4.11). Businesses will be able to build further relationships with delegations who are visiting the city region as part of the International Business Festival in June 2018. The Festival team have worked on a number of enquiries from delegations from China, which include VIP (Mayoral and Government delegations) as well as some of the areas visited in October 2016. It is anticipated that the Festival will secure in the region of 25 delegations from China (approx. 200 delegates).

4.8 Wirral Council leader, Cllr Phil Davies, commented on the fact that the delegation had been a City Region wide one which had raised the profile of Wirral and the British Consulate had received good feedback following the visit.

4.9 Following the October 2016 trip the City Region hosted 27 inbound delegations from China in 2017 with Wirral taking the lead/hosting the following:

- **Qingdao International Economic Cooperation Zone (QIECZ):** Cllr Phil Davies and the Assistant Director for Regeneration & Inward Investment visited Qingdao in October 2016 and subsequently hosted a follow-up visit to Wirral in March 2017. During this visit they signed a Memorandum of Understanding with Qingdao who agreed, at no cost, to build a Liverpool City Region Showcase at Sino-British Innovation Industrial Park. A further visit in July 2017 finalised this arrangement and the LCR showcase was officially opened by Chinese Officials and Gary Millar, Assistant Mayor of Liverpool, in October 2017. On a visit to China in January 2018, and following on from the launch of the LCR showcase, the Prime Minister Theresa May witnessed the signing of a Memorandum of Understanding between Qingdao and the Confederation of British Industry to further promote the Sino-UK Innovation Park. As a result of this continued relationship, Cllr Phil Davies once again met a senior high profile delegation from Qingdao at the International Business Festival in June 2018.
- **Chongqing Hechuan District:** Following on from the city region visit to Hechuan in October 2016, Cllr Phil Davies hosted a return delegation in June 2017 to discuss cooperation in the advanced manufacturing sector. This included opportunities presented by Peel, Liverpool John Moores University and The Engineering College.

- 4.10 The LCR took a further outbound delegation to China in Oct/Nov 2017 (led by Gary Millar and Ellen Cutler from Invest Liverpool) and they visited the following areas, Beijing; Xi'an; Shenzhen; Hangzhou; Shanghai and Qingdao
- 4.11 To support business engagement with the delegation Wirral Chamber of Commerce, Invest Liverpool and China Britain Business Council held a briefing session on 23 August at The Lauries in Birkenhead. Following on from the interest generated as a result of the October 2016 visit, twenty businesses subsequently attended the briefing session which outlined the full programme, specific opportunities and support available for businesses. From this three Wirral businesses joined the delegation and subsequent follow up support has identified that these have enhanced confidence in developing trade links with China and have gained contacts that they are currently working with.
- 4.12 Tranmere Rovers Football Club relationship with China also continues to go from strength to strength. Their work with Inner Mongolia in the delivery of a range of football development programmes (youth and FA coaching programmes) has seen significant delivery at their Solar Campus site as well as in Inner Mongolia itself.

## 5. FINANCIAL IMPLICATIONS

- 5.1 Costs met from the relevant budget of Assistant Director for Regeneration & Inward Investment

## 6. LEGAL IMPLICATIONS

- 6.1 There are no direct implications as a result of this briefing report.

## 7. RESOURCE IMPLICATIONS: ICT, STAFFING AND ASSETS

- 7.1 There are no direct implications as a result of this briefing report.

## 8. RELEVANT RISKS

- 8.1 There are no direct implications as a result of this briefing report.

## 9. ENGAGEMENT/CONSULTATION

- 9.1 There are no direct implications as a result of this report.

## 10. EQUALITY IMPLICATIONS

Has the potential impact of your proposal(s) been reviewed with regard to equality?  
No because there is no relevance to equality.

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**APPENDICES**  
**REFERENCE MATERIAL**  
**SUBJECT HISTORY (last 3 years)**

Council Meeting	Date