Delegated Decision Report
2 September 2026

Title:	Department for Business and Trade: Regional Investment Framework (RIF)
Portfolio:	A Welcoming Home to Global Trade
Responsible Director:	Phil Witcherley, Director of Economic Growth and Innovation
Report Author:	Michelle Duggan, Head of Inward Investment

Purpose of the report

The purpose of this report is to:

1. Provide a background to the Department for Business and Trade (DBT) Regional Investment Framework (RIF).
2. Request acceptance of the grant funding award of £210,000, to deliver the RIF in the North East of England receipt of funding to 31st March 2027.

Recommendations

The Director of Finance and Investment is recommended to:

1. Accept the grant funding of £210,000 from the Department for Business and Trade for the Regional Investment Framework (for the period of receipt of funding up to 31 March 2027).

Executive Summary

The North East's inward investment ambitions are focused on driving sustainable economic growth, increasing productivity and securing transformational investment aligned with national Industrial Strategy priorities. Activity is centred on promoting the region's strengths in clean energy, wider growth infrastructure and major capital investment opportunities, while strengthening the region's profile, proposition and investor engagement.

The Regional Investment Framework (RIF) seeks to address regional investment capacity and capability challenges and strengthen Mayoral Strategic Authorities (MSAs) to contribute to shared regional and national growth priorities in line with the Industrial Strategy and Infrastructure Strategy. The RIF provides MSAs with flexible Resource Departmental Expenditure Limits (RDEL) grant funding that can be used to enhance investment resourcing and improve delivery in the areas that matter most locally and can maximise its national impact.

The RIF will support North East MSA to drive improved investment outcomes across both attracting and landing transformative foreign direct investment (FDI), targeting the Industrial Strategy sectors and developing capital investment pipelines with models for private sector financing, particularly in wider growth infrastructure. The funding can be flexibly distributed across the following three core pillars:

i) Developing credible investor propositions rooted in regional strengths and opportunities.
ii) Effectively pitching regional propositions to strategic investors.
iii) Servicing and landing transformational investments.

A. Context

1. Outline

1.1. Since 2018, the North East Combined Authority has received funding from the Department for Business and Trade (DBT) to support the delivery of inward investment activity across the region. Between 2018 and March 2025, this funding was delivered through the Key Account Management (KAM) programme. For 2025/26, DBT introduced the Strategic Engagement and Investment Framework (SEIF), a one-year transitional programme designed to support the evolution of regional investment delivery following the conclusion of the KAM programme.

1.2. Following the completion of SEIF in March 2026, DBT has established the Regional Investment Framework (RIF). The RIF provides funding to the North East Mayoral Strategic Authority (MSA) to strengthen regional investment capacity and capability, supporting the delivery of the UK Industrial Strategy and Infrastructure Strategy. Funding is targeted towards the region's investment priorities and will complement existing resources and services, enabling activities that enhance investment promotion, investor engagement and the attraction and landing of transformational investment opportunities.

1.3. The decision is being formalised in August 2026 following the conclusion of SEIF in March 2026 and the subsequent establishment of the RIF by DBT. During this period, the funding arrangements, Memorandum of Understanding and proposed programme of activity have been developed and agreed with DBT, enabling the North East MSA to accept the grant.

1.4. The Framework provides flexible funding that can be deployed to develop compelling investor propositions, strengthen the region's ability to attract strategic investors, and support the delivery of high-value investment projects that contribute to regional and national growth priorities.

1.5. The Framework will distribute funds in the North East by way of Section 31 of the Local government Act 2003, through a Memorandum of Understanding (MoU) with the North East MSA. This will support the delivery of investment and economic growth through attracting and retaining inward investment.

2. Investment Proposal

2.1 This delegated decision is to accept specifically the funding in the MoU of £210,000 for the period 1 April 2026 – 31 March 2027.

2.2 The Grant will fund a programme of activity which is to be agreed between the North East MSA and DBT. The fundable activity is contained in Appendix A.

3. Outputs and Outcomes

3.1 During 2026/27, RIF funding will support:

- Completion of a regional inward investment strategy and delivery plan;
- Development of enhanced sector and investment propositions;
- Increased inward investment marketing and promotional activity;
- Continued engagement with institutional investors and strategic partners;
- Promotion of investment opportunities at key national and international events;
- Further development of the regional capital investment pipeline; and
- Strengthened coordination and capacity across inward investment activity.

3.2 Collectively, these activities will enhance the region's inward investment capability, strengthen the visibility and credibility of regional opportunities, and support the delivery of investment activity aligned with both regional growth ambitions and national priorities.

3.3 The proposed activity is intended to establish a stronger long-term framework for inward investment activity rather than a standalone programme of work during 2026/27.

4. Timetable for Implementation

Milestone	Forecast Date
MOU signed	August 2026
Contract end	31 March 2027

B. Impact on North East Mayoral Strategic Authority Objectives

The funding supports North East MSA's Corporate Plan and mission statement 'A welcoming Home to Global Trade'.

C. Key risks

The main risk related to this commission is the performance of the RIF in the North East does not satisfy DBT. This will be managed through regular meetings between DBT and North East MSA to ensure that the programme of activity is acceptable and is delivering the agreed outcomes.

The grant must be delivered and spent by 31 March 2027. The proposed programme comprises defined and scalable activities that build on existing inward investment work, with delivery through a combination of internal capacity and external support where required. The flexibility of the RIF allows activity and expenditure to be managed across the agreed funding pillars, while quarterly monitoring of delivery and actual spend will enable any emerging issues to be identified and addressed promptly.

The North East MSA is required to submit a quarterly monitoring report alongside the financial claim. The report must summarise activities completed in the quarter and future activity planned and should reflect Annex A: The Funded Activities. The funded activities are wide-ranging in scope to allow a flexible approach to delivery, so this is a low-risk contract with no clawback conditions.

Funding will be made by DBT on a quarterly basis in arrears based on actual spend incurred in that period.

D. Corporate Implications

D1. Financial and other resources implications

The financial profile for the project/programme is included below:

Funding source	2026/2027
DBT RIF Funding (£)	£210,000
Total (£)	£210,000

All funds must be spent in the funding period. Any funding not spent in 2026/27 must not be rolled forward into 2027/28 unless a variation has been agreed and executed by DBT.

There is no financial risk as this is external funding via DBT with no North East MSA Investment Fund or Match Funding.

Grant funding will be paid to the North East MSA quarterly in arrears.

D2. Legal implications

The representative of the Monitoring Officer has been consulted regarding this report.

D3. Equalities implications

The North East CA complies with the Public Sector Equality duty and this report has due regard to the need to achieve the objectives set out under s149 of the Equality Act 2010.

D4. Consultation and engagement

Consultation and engagement has taken place throughout the process between DBT and North East MSA. The seven constituent local authorities will be consulted on the final agreed programme of activity once the MOU has been signed (via the Investment Gateway Meeting).

E. Appendices

Appendix A: The Funded Activities

F. Background papers

None

G. Contact officers

Name: Michelle Duggan
Title: Head of Inward Investment
Email address: michelle.duggan@northeast-ca.gov.uk

H. Glossary

North East MSA	North East Mayoral Strategic Authority
DBT	Department for Business and Trade
KAM	Key Account Management
SEIF	Strategic Engagement and Investment Framework
RIF	Regional Investment Framework
RDEL	Resource Departmental Expenditure Limits
MOU	Memorandum of Understanding

Appendix A: The Funded Activities

The Office for Investment will support eligible MSAs to consider how they will deploy RIF funding. It is expected that MSAs will target funding based on their investment priorities, existing resourcing and service provision, and opportunities to improve delivery and impact.

Funding deployment should be aligned to one or more of the following core pillars, which reflect where MSAs have highlighted where they see the greatest challenges and opportunities from and investment delivery and resourcing perspective.

1. **Developing credible investor propositions** rooted in regional strengths and opportunities – identifying, shaping and accelerating credible FDI or capital propositions for the global investor audience, including developing expertise in private sector financing models.
2. **Effectively pitching regional propositions** to strategic investors - converting into proactive investor targeting, lead generation, bid development, and enquiry response across both FDI and capital investment opportunities.
3. **Servicing and landing transformational investments** - providing a seamless concierge service to give investors support and confidence to land.

Agreed MSA Proposal

North East Mayoral Strategic Authority
Regional Investment Fund – Outline Proposal 2026/27

1. Investment Priorities and Current Service Model
The region's inward investment ambitions are centred on supporting sustainable economic growth, increasing productivity and securing transformational investment aligned with national Industrial Strategy priorities. Current activity is focused on building on regional strengths and opportunities, particularly within clean energy, wider growth infrastructure and strategically significant capital investment opportunities.
Alongside this, there is a strong emphasis on strengthening the region's profile within key markets, developing a clearer and more consistent investment proposition, and ensuring that opportunities are effectively promoted and supported through to delivery.
The current inward investment service model is delivered through partnership working across regional stakeholders and focuses on investment promotion, investor engagement, opportunity development and support for strategic projects. Existing activity has helped establish a growing pipeline of opportunities and increasing engagement with investors and institutional partners, including activity linked to recent leasing rounds, infrastructure opportunities and the launch of the regional investment prospectus at UKREIIF.
RIF funding will provide an opportunity to strengthen this activity further during 2026/27 by enhancing strategic capacity, improving proposition development and supporting more proactive investment engagement activity across agreed priority areas.

2. Areas of Focus for RIF Funding
RIF funding will be deployed across a series of connected activities designed to strengthen inward investment capability, support delivery of regional growth priorities and build longer-term investment capacity. The North East MSA will co-invest in key activities, aligned to the Local Growth Plan.

Development of an Inward Investment Strategy and Delivery Framework (40%)
A key priority for 2026/27 will be the development of a comprehensive inward investment strategy and delivery framework covering short, medium and longer-term activity across 1-year, 3-year and 5-year horizons.
This work will establish a clearer strategic framework for inward investment activity and will:

- Develop detailed value propositions linked to the regional growth plan;
- Define sector and market opportunities;

- Identify target investor audiences and routes to market;
- Strengthen the articulation of regional strengths and opportunities; and
- Provide a coordinated framework for future delivery activity and investment promotion.

This will create a stronger platform for proactive investor engagement alongside OFI as a partner and support longer-term pipeline development.

Building Marketing Capacity and Capability (22%)
Funding will support enhanced inward investment marketing and communications activity to improve the visibility and positioning of the region within domestic and international investment markets.
This will include the development of marketing materials, proposition content, digital communications and sector-focused promotional activity to support investor engagement and opportunity promotion.
The intention is to strengthen the region's ability to present a clear, compelling and consistent investment offer across priority sectors and opportunities.

Accelerating Clean Energy Investment Activity (10%)
Building on existing work with institutional investors, recent leasing round opportunities and known market interest, funding will support targeted activity focused on clean energy investment opportunities and associated supply chain growth.
This activity will help accelerate engagement with investors and support the progression of emerging opportunities within a strategically important growth sector.

Supporting Investment Promotion at Key Events (18%)
Funding will support attendance and engagement at key investment and property events to promote regional opportunities and strengthen investor networks.
Activity will focus on presenting investment opportunities to market, supporting investor discussions, generating leads and maintaining engagement with strategic partners and investors.
This will complement wider proposition development and investor engagement activity throughout the year.

Continued Engagement on Capital Investment Opportunities (10%)
Following the launch of the regional investment prospectus at UKREIIF, funding will support continued engagement with investors, developers and funding partners to maintain momentum and progress identified opportunities.
This activity will focus on strengthening relationships, supporting opportunity development and maintaining a visible pipeline of investable propositions linked to regional growth priorities.

3. Expected Outputs and Outcomes

During 2026/27, RIF funding will support:

- Completion of a regional inward investment strategy and delivery plan;
- Development of enhanced sector and investment propositions;
- Increased inward investment marketing and promotional activity;
- Continued engagement with institutional investors and strategic partners;
- Promotion of investment opportunities at key national events;
- Further development of the regional capital investment pipeline; and
- Strengthened coordination and capacity across inward investment activity.

Collectively, these activities will enhance the region's inward investment capability, strengthen the visibility and credibility of regional opportunities, and support the delivery of investment activity aligned with both regional growth ambitions and national priorities.

4. Future Development

The proposed activity is intended to establish a stronger long-term framework for inward investment activity rather than a standalone programme of work during 2026/27.

In particular, the development of the inward investment strategy and delivery framework will provide the foundation for a coordinated and sustained approach to investor engagement, proposition development and opportunity promotion over the medium to longer term. The strategy will identify priority implementation activities, resource requirements and delivery mechanisms needed to support ongoing investment promotion and pipeline development beyond the initial strategy phase.

As opportunities and capacity develop, there will be a continued focus on securing additional investment and partnership support to strengthen delivery and implementation activity. This includes exploring opportunities for future investment in enhanced digital tools and platforms to support market outreach, investor engagement and relationship management. Improved digital capability would strengthen the region's ability to present opportunities to global investors, support data-led targeting activity and provide more effective investor interaction and follow-up processes.

Future activity will explore how partnerships with universities and intermediary organisations can be used more systematically to support investor engagement, particularly within innovation-led and clean growth sectors. This includes using academic and R&D strengths to help demonstrate sector capability, support international relationship building, facilitate connections with global businesses and investors.