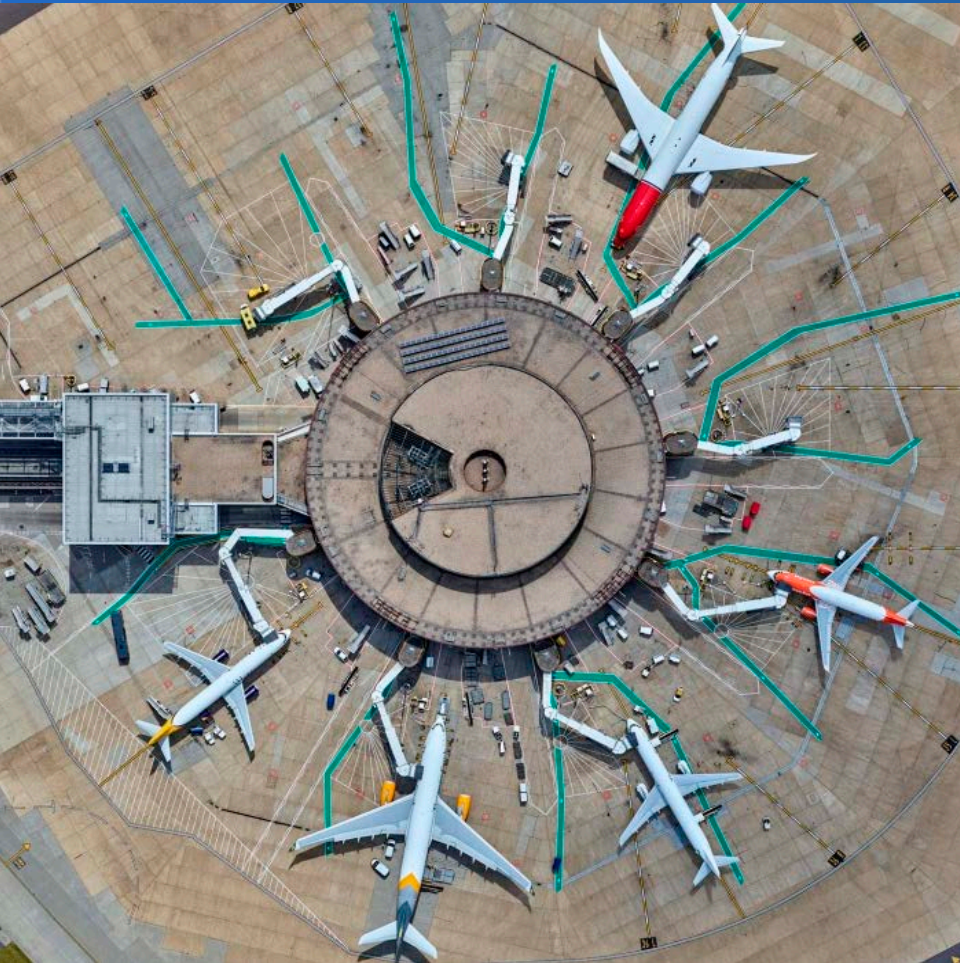




# Coast to Capital LEP





76.8%

employment rate

20%

of SE economy

6th

Most prosperous region in the UK

1.9

million people

£61,000

Average GVA per employee

£48.5 bn

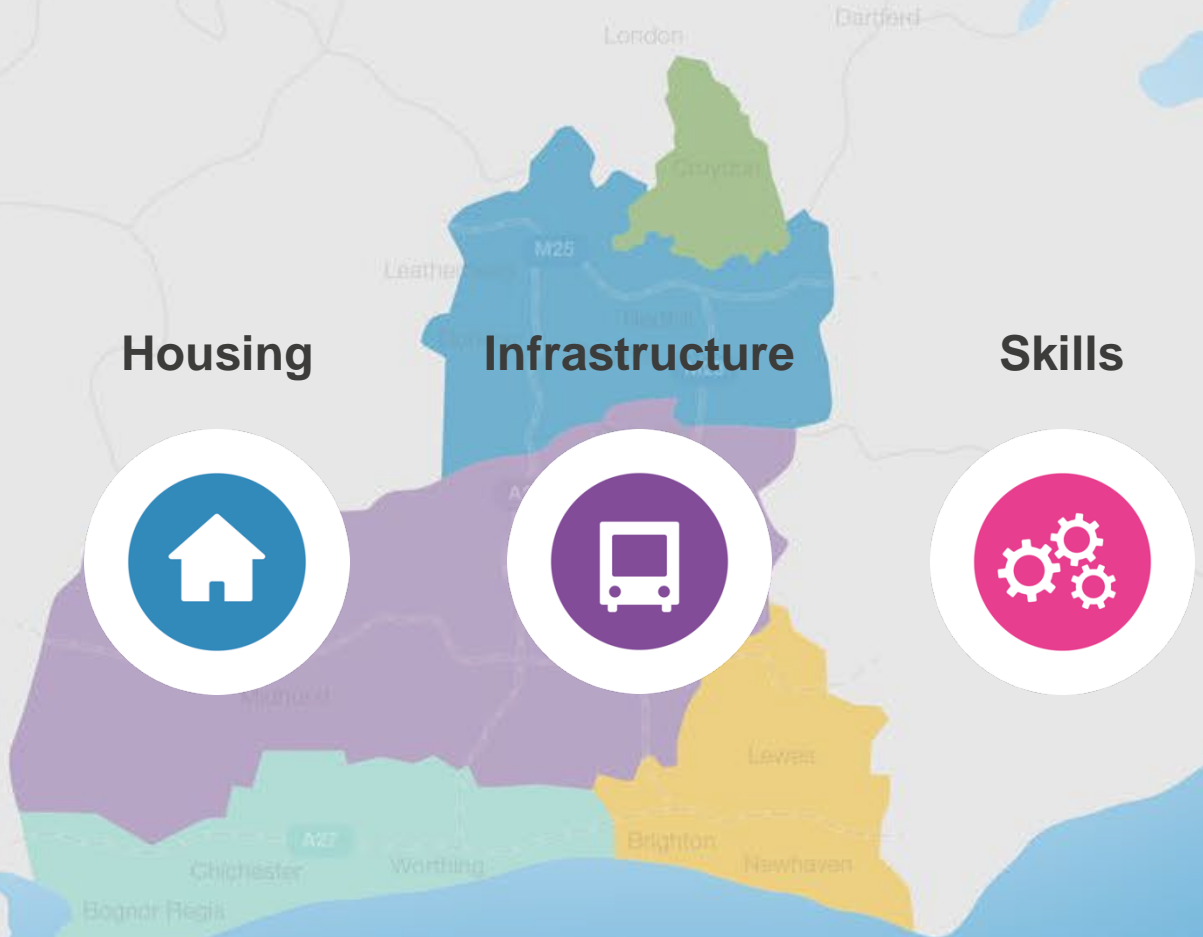
GVA

84,000

SME businesses in the area



# Our Priorities



# Priority Sectors

## Sectors targeted for growth

- Advanced manufacturing and engineering
- Creative, digital and IT
- Environmental technologies
- Financial and business services**
- Health and life sciences

## High employment sectors

- Health and Social Care
- Construction
- Visitor economy







# Financial and Business Services

## Sector definitions

- 64- Financial service activities, except insurance and pension funding
- 65- Insurance, reinsurance and pension funding, except compulsory social security
- 66- Activities auxiliary to financial services and insurance activities
- 69- Legal and accounting activities
- 70- Activities of head offices; management consultancy activities
- 73 - Advertising and market research



# Financial and Business Services

## Sector characteristics

### The Sector in Coast to Capital:

- ✔ Contributes £8.5bn to the Coast to Capital economy
- ✔ This is 17.6% of the economy
- ✔ It has grown 22% from 2010 to 2014

### The sector in England:

- ✔ 16.5% of the economy
- ✔ Grown 18% 2010 to 2014

### The Sector in the South East:

- ✔ 13.5% of the economy
- ✔ Grown 16% 2010 to 2014

# Financial and Business Services

## Sector characteristics

- 11,125 companies
- 14.3% of total companies
  - England – 13.1%
  - South East – 14.4%
- Grown 15.3% 2010 to 2014
  - England – 17.5%
  - South East – 14.1%
- 79,000 employees
- 10% of total employment
  - England – 9%
  - South East – 8.5%
- Grown 8.2% 2010 to 2014
  - England – 12.3%
  - South East – 8.4%



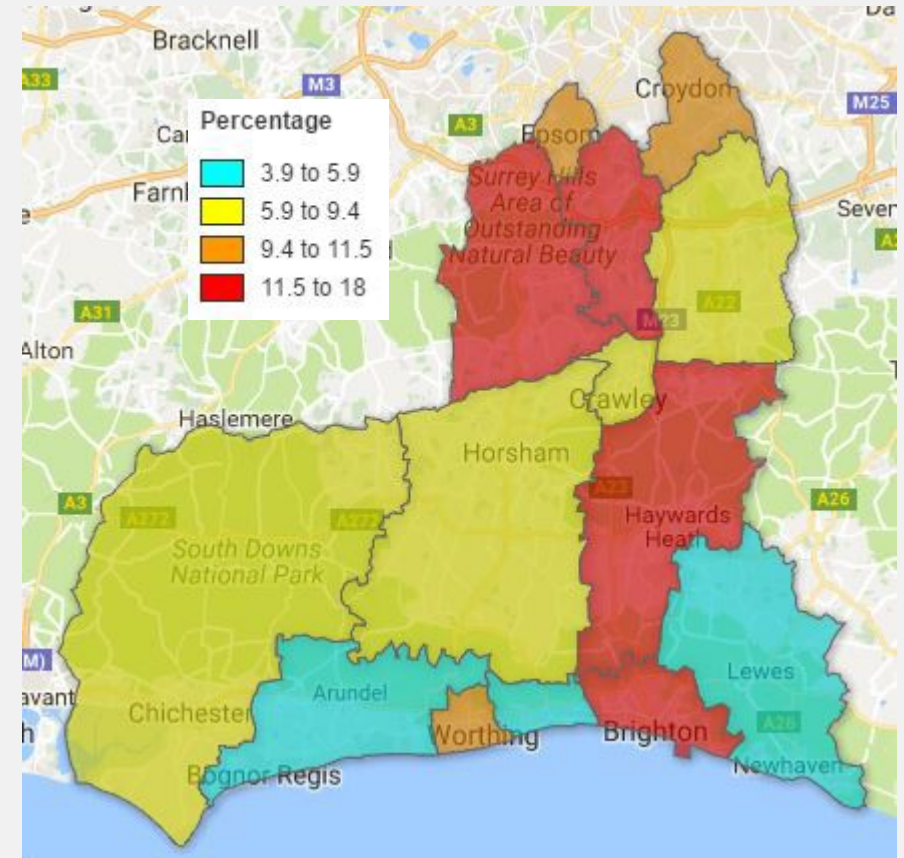




# Financial and Business Services

## Geographic Concentration – Employment

|                      |       |
|----------------------|-------|
| Reigate and Banstead | 17.7% |
| Mole Valley          | 13.1% |
| Mid Sussex           | 11.5% |
| Brighton and Hove    | 11.5% |
| Worthing             | 11.3% |
| Epsom and Ewell      | 11.0% |
| Croydon              | 10.2% |
| Horsham              | 8.5%  |
| Tandridge            | 8.1%  |
| Crawley              | 7.7%  |
| Chichester           | 6.2%  |
| Adur                 | 4.9%  |
| Lewes                | 4.8%  |
| Arun                 | 4.0%  |





# Financial and Business Services

## Key Employers

- ✔ Tui Travel Limited
- ✔ Palmer & Harvey PLC
- ✔ Royal & Sun Alliance Insurance PLC
- ✔ Virgin Atlantic Limited
- ✔ Just Retirement Limited
- ✔ WS Atkins PLC
- ✔ Friends Life Limited
- ✔ Kellogg Brown and Root Holdings
- ✔ Esure Group PLC
- ✔ Towers Watson Limited
- ✔ Toyota Financial Services PLC
- ✔ Equity Limited

# Financial and Business Services Sector Characteristics

- ☑ Slightly higher percentage of male workers - 52% - males more likely to be in higher level occupations
- ☑ Workforce younger than wider economy, but ageing – over 45's workforce share changed from 26% to 35% from 2002 to 2010
- ☑ 52% have a level 4+ qualification vs 37% in wider economy – and growing faster than rest of the economy
- ☑ Those with no qualifications are 2% of workforce vs 7% in wider economy
- ☑ 10% of workforce are BAME vs 9% in wider economy
- ☑ 15% are self employed vs 14% in wider economy





# Financial and Business Services

## Drivers of Growth

- Automation of basic tasks will create efficiencies and open up new opportunities – as well as advances in FinTech
- Advances in internet speeds and the scale of data retention and processing is expanding the scope of activities for banks and reduced costs
- Outsourcing of back office operations enabled by technological improvements will reduce costs
- New international markets for banking and legal services
- New and growing financial products, e.g. carbon financing, financial planning (driven by an older population)



# Financial and Business Services

## Barriers to Growth

- Increased global competition from major hubs and developing countries
- Brexit – London’s status as banking hub of Europe under threat
- Changes to rules and regulations, e.g. higher bank capital requirements and increased focus on risk management – and the ability to maintain compliance with new regulations will be an issue
- Fast paced changes in technology and cost of technology will increase barriers of entry and further increase market share of large banks at the expense of SMEs
- Technologies have generally been used to push ‘faster and cheaper’ solutions rather than innovative solutions that would open up new opportunities





# Financial and Business Services

## Future Skills Needs

- ▣ Increased demand for risk management, auditing, and compliance skills at all levels
- ▣ Product development skills to meet changing consumer demands (e.g. older population)
- ▣ Increased continual professional development as workforce ages and works for longer
- ▣ IT and digital security skills to develop new systems and products
- ▣ Customer service skills to help consumers use new technology systems
- ▣ Managerial skills including business planning, partnership working and change management
- ▣ Specialist legal knowledge and expertise in working with specific categories of people, for example, victims, survivors and witnesses
- ▣ Recruitment of staff with a whole range of skills from groups under-represented across the sector, particularly at senior and management grades







# Thank you for listening

