

Surrey Economic Prospects – July 2017

Headlines

- The **Toast of Surrey** award winners include Harvey Water Softeners and Gold-i
- Three sites in the UK, including the University of Surrey in Guildford, will be linked via **5G** test beds for the first time thanks to £16 million investment from the Government
- The Transport Secretary and Mayor of London Sadiq Khan have given a commitment to **Crossrail 2**

Data and analysis – Economic growth

Gross Value Added (GVA) Surrey districts and boroughs

The Office for National Statistics has produced GVA figures for districts and boroughs. This release shows GVA (calculated using the income approach), known as GVA(I) and has been produced in response to user need. It is consistent with the [GVA\(I\) figures published on 15 December 2016](#) which showed that Surrey’s economy was worth £39.2 billion.

Table 1: GVA, Surrey district and boroughs, 2015

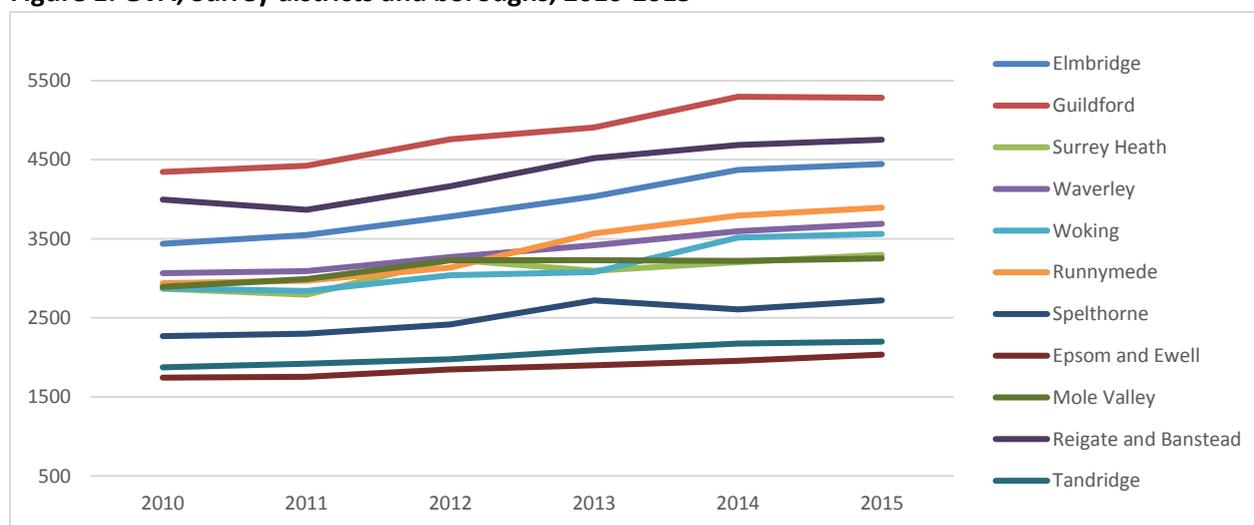
District/ borough	GVA £m
Guildford	5283
Reigate and Banstead	4754
Elmbridge	4446
Runnymede	3894
Waverley	3690
Woking	3562
Surrey Heath	3298
Mole Valley	3252
Spelthorne	2721
Tandridge	2199
Epsom and Ewell	2035

The data shows that Surrey’s largest borough is Guildford with an economy worth over £5 billion (see table 1)

Figure 1 shows economic growth since 2010 with Guildford, Reigate & Banstead and Elmbridge maintaining their places as Surrey’s largest economies

All boroughs and districts have experienced growth between 2010 and 2015 (the latest year for which data is available) with growth rates highest in Woking (32.5%), Guildford (29.4%) and Waverley (24%)

Figure 1: GVA, Surrey districts and boroughs, 2010-2015





Business intelligence¹

Invest in Surrey welcomed a delegation of overseas posts (representatives from UK embassies overseas) in late July, pitching for Surrey as a centre of excellence in the **Agri-Tech** sector. Representing markets across the world the delegation spent two days in Surrey in order to better understand the strengths of the county's economy including the [Pirbright Institute](#) and [Veterinary Health Innovation Engine \(vHive\)](#). [Invest in Surrey](#) aims to welcome further sector visits over 2017-18.

The [Toast of Surrey Awards](#) final, took place at the end of June at Mercedes- Benz World. The event was a celebration of the county's companies and a reminder that Surrey is a great place to do business. **Harvey Water Softeners**, based in **Woking**, won the award for Company of the Year. Amongst the other winners were **Gold-i** (based in **Guildford**), winning the International Trade Award and **Creative Nature**, (**West Molesey**) which won retail business of the year.

Three sites in the UK, including the **University of Surrey** in **Guildford**, will be linked via **5G** test beds for the first time thanks to £16 million investment from the Government. A 5G technology test network will aim to put Britain at the forefront of the next wave of mobile technology. Experts from King's College London, and the Universities of Surrey and Bristol, will be tasked with developing the 5G test network. The project will see academic expertise and commercial leadership brought together to trial the technology and make sure people and businesses can enjoy the benefits sooner.

Enterprise M3 Local Enterprise Partnership has unveiled plans to invest £10 million into the development of **EZ³ - The London & South Innovation Valley – Enterprise Zone**. [EZ³](#) comprises; **Basing View** in Basingstoke; **Longcross Park** near Chertsey; and **TechForest** in Whitehill & Bordon. The funding from the LEP will accelerate the zone's early stage development.

Plans for a major mixed-use scheme near **Worplesdon** have failed to gain the backing of planning officers after being recommended for refusal ahead of an upcoming planning committee meeting. The Guildford Education Partnership and Crimson Project Management Ltd are hoping to secure planning permission for a redevelopment of 'Rokers', Fairlands Farm located roughly 3 miles north-west of Guildford.

StaffConnect a **Staines-Upon-Thames** business behind an employee engagement platform and app has received £175,000 from the **Enterprise M3 Growth Fund**.

Farnham Castle Intercultural Training has confirmed its new open workshop series for the second part of 2017 and announced three additional Open Workshops, starting with Cultural Awareness & the HR Function in September. These full day, experiential workshops are open to any business professional who works in the international arena and wishes to deepen their understanding of different cultural contexts and viewpoints – either to enrich external business relationships or foster internal team efficiency and workplace harmony. For more information see [here](#).

Guildford-based security services provider **Petards** has secured two contracts worth £1.5 million. The Ministry of Defence has awarded the company deals to produce and supply an emulator that will enable Petards' ALE-47 Threat Adaptive Countermeasures Dispenser System to be used more effectively. The equipment is installed on the UK's large transport aircraft.

¹ Sources include Insider Media, CoStar Group and Surrey News.



INVEST IN SURREY

Dorking-based gifts and gadgets retailer **Gift Universe Group** has agreed a £14 million loan and working capital funding package. The funding will be used to support continued growth and expansion. In the last six years, Gift Universe has more than doubled its turnover to £60 million and now employs 750 staff.

An employment law firm based in **Woking** has opened a new office in Leeds. **ESP HR** has increased the company's headcount to 15 staff in total with the creation of a four-person legal team in Leeds.

LondonMetric Property has acquired two new distribution warehouses in **Frimley** for more than £13 million. The company has agreed to purchase, through a forward funding contract with Kier Property, the 62,000 sq ft schemes at Logistics City.

Surrey Chambers of Commerce has launched its new website - www.surrey-chambers.co.uk. The new site has improved functionality and works equally well across desktop and mobile devices.

Nuture, a horticulture, landscape and grounds maintenance business headquartered in **Windsor** has completed its fifth acquisition in the last 12 months. Nuture has expanded with the takeover of the landscape maintenance operations of Bedfordshire-based Frosts Group.

Photobooth operator **Photo-Me International** has completed the sale of its head office in **Bookham**. The freehold was sold to Shanly Homes Ltd for £2.5 million. The company has moved to Epsom.

The chief executive of **Dairy Crest** has praised the strong performance of the **Esher**-headquartered group's cheese business in the first quarter. In an interim management statement Dairy Crest said trading in the first quarter was in line with expectations, the outlook for the full year remains unchanged.

A new-style smart motorway emergency area is being trialled on the **M3** in **Surrey**. The redesigned emergency areas, which are designed to discourage drivers from using the areas in non-emergency situations, are part of a series of changes to make motorways smarter and more efficient.

TT Electronics, the **Guildford**-headquartered provider of engineered electronics for performance critical applications, will dispose of its transportation sensing and control division. AVX Corporation has conditionally agreed to purchase the £240 million-turnover division for £118.8 million.

Software and digital solutions developer **Civica Group**, with offices in **Dorking** and **Woking**, has been acquired from OMERS Private Equity for just over £1 billion. International private equity firm Partners Group has acquired the business. Civica provides services to the public sector and commercial organisations and currently employs 3,700 people.

Accountancy and business advisory firm **Kingston Smith** is set to relocate to a 4,400 sq ft office in the centre of **Redhill**.

The chief executive of **Acal**, the **Guildford**-headquartered supplier of customised electronics to industry, has hailed a good first quarter with widespread sales growth. The business said trading in the first quarter has been strong with the momentum experienced in the final quarter of last year continuing.

Arrow Business Communications, based in **Godalming**, has purchased Worksmart Technology, a £4.7 million-turnover telecoms value added reseller based in London, for an undisclosed sum.

Newable Consulting, which provides risk, technology, governance, cyber security assurance and advisory services has been acquired by **Shearwater Group**. The digital resilience group has acquired the business for an initial sum of £600,000.



INVEST IN SURREY

Property PR and marketing specialist, the **Oracle Group**, based in **Epsom**, has announced key changes to its management team along with a refresh of its signature red logo, on its six year anniversary (27th June 2017). Caroline Coskry, who started the business in 2011, will move to become the company's Chief Executive, and Board members Zoe Murzell and Jaclyn Thorburn have been promoted. Zoe Murzell, who has been with the company since 2011, becomes Managing Director of PR and Events, and Jaclyn Thorburn, who joined Oracle Group in 2015, becomes Managing Director of Digital and Marketing. With significant success and impressive growth, the Surrey-based firm attracted the attention of American giants, Oracle Corporation who insisted the agency change its logo, despite no conflict of interest in its business offering. Oracle Group reluctantly agreed to revise the brand colours, and took the opportunity to highlight the five services the company now offers: PR, Social, Marketing, Events and Digital. For more information on the services that Oracle Group offer, visit www.theoraclegroup.co.uk.

The European division of 3SI Security Systems has been bought by **Cennox Group** a **Camberley**-headquartered banking services company. Cennox Group has completed the takeover of the division for an undisclosed sum following a two-year exclusive distribution agreement with 3SI.

SHS Group, which owns the WKD, Bottlegreen and Shloer brands, has purchased Standard Brands in **Leatherhead** for an undisclosed sum. The deal brings the Zip, Sunny Jim and Drummer brands to SHS' existing portfolio and expands its workforce to 880 employees.

Cloud Business, an award-winning specialist cloud solutions consultancy is hosting a free breakfast seminar to help organisations understand and start realising the benefits of a digital workplace. The event will be held on Thursday 5 October, 8.30 – 11.00 at the Harbour Hotel, Guildford. For more information see [here](#).

Surrey County Council has published its latest update video on the work taking place on Surrey's roads. This is the second video published and the council is planning to post updates every few weeks on some of the major projects and events going on in the county as well as touching on any local issues that are having an impact. To see the video click [here](#).

A 13,000-strong facilities management group with a UK office in **Camberley** is set to be sold by its private equity backer. South Africa's Bidvest has entered into an agreement to acquire **Noonan** from private equity firm Alchemy Partners and the company's current management team. The deal, which is subject to South African Reserve Bank approval, is for an enterprise value consideration of £156.6 million.

Looking for new talent in your organisation?

Given the high employment rate in Surrey, do you find it hard to recruit and retain suitable employees? If so, the good news is that there are “hidden” pools of talent that many employers are not tapping into – young people with learning disabilities. **Surrey Youth Focus**, a collaborative charity for young people, is leading a consortium of organisations including Surrey Chambers of Commerce, Surrey County Council, local employers, charities, and schools and colleges to create a win-win situation where you get access to new pools of employees and some great young people get the work opportunities that they long for.

Please help us to make best use of limited charitable resources by answering this survey and thus helping to shape the project. You will have the opportunity to give us your contact details at the end if you would like to work with us on the project or would like help finding suitable employees: <https://www.surveymonkey.co.uk/r/C622PFP> The survey closes on 31st August.



National news²

Communities Secretary Sajid Javid has launched a £2.3 billion fund to support the building of new housing, roads, energy networks, schools and healthcare centres in areas of high demand. The **Housing Infrastructure Fund** will be allocated to local authorities on a competitive basis between 2017-18 and 2020-21. For more information see [here](#).

The County Council Network (CCN) has said that county councils should have an enhanced role in planning through **new strategic planning arrangements** with districts to boost housing delivery. CCN highlights the current “fragmented system” that sees districts overseeing housing and counties managing infrastructure. By bringing them together, it argues, counties and districts could plan for homes across an entire county “rather than the current system being restricted to pockets of areas containing on average 100,000 people”.

Transport secretary Chris Grayling and Mayor of London Sadiq Khan have committed to **Crossrail 2**. A joint statement from the Department for Transport and the mayor’s office states that Grayling and Khan have agreed that “there is no doubt” that London needs new infrastructure to support its growth and ensure that it continues to boost productivity and attract investment to the UK. In the coming months they will examine ways to improve affordability while maximising the key benefits of the scheme, learning lessons from Crossrail 1, ahead of the Autumn Budget, says the statement.

The Taylor Report has been published. The report examines employment practices, focusing particularly on zero-hours contracts and exploitation of workers in the gig economy. It highlights the importance of employers listening to employees to ensure a balance between flexibility and protection of rights, and of offering all employees the same standard of skills in an organisation.

The Government has announced a £100 million package for the creation of a **National Satellite Testing Facility** on the Harwell Campus in Oxfordshire. This includes £99 million of Industrial Strategy Challenge Fund investment. Additionally, the Government is investing £4 million into a new National Space Propulsion Facility in Buckinghamshire, where experts in the field will develop and test space engines.

Separately, the **UK Space Agency** has awarded ten SME and research organisations with funds to help develop international partnerships and tackle economic, societal and environmental issues using satellite technology. The Agency is awarding the funds through its International Partnership Programme, which is designed to partner UK space expertise with overseas governments and organisations.

GCHQ and Wayra have put out another call for startups and entrepreneurs to take part in their latest, expanded programme. The **GCHQ Cyber Accelerator**, which will be based out of the Cheltenham Innovation Centre, kicks off in October. GCHQ is inviting companies whose work and expertise could help to unlock the latest cybersecurity innovations to apply.

The **British Business Bank** is celebrating a third consecutive year of steady returns after the UK’s economic development bank saw financing to smaller businesses increase by 24% in the last 12 months. The figures, revealed as part of the bank’s annual reports and accounts for 2016-17, highlight the success of the bank, which focuses the lion’s share of its financing through smaller and alternative finance providers. £9.2 billion was invested in the past 12 months.

² Sources include Insider Media, CoStar Group and Surrey News.



INVEST IN SURREY

The Government has announced the launch of the first phase of a £246 million investment into **battery technology**. The Government says that the initiative will ensure the UK builds on its strengths and leads the world in the design, development and manufacture of electric batteries. Known as the Faraday Challenge, the four-year investment round is part of the government's Industrial Strategy.

EasyJet is set to create more than 1,200 jobs in its largest cabin crew intake ever. The budget airline will be appointing men and women to permanent and fixed-term positions. This announcement follows on from EasyJet starting a recruitment drive for more than 450 new pilots and giving the opportunity to its first officers to be promoted into captain roles.

The government has launched a consultation on how the **aviation** sector should respond to a range of technological, security, environment and customer service challenges. The consultation considers new forms of compensation for noise or designing targets for noise reduction, and how to make the best use of existing capacity at all airports around the country. To contribute to the consultation visit [UK Government website](#).

South East England Councils (SEEC) is calling on the government to provide more infrastructure investment after new figures suggest the region is falling behind London. SEEC argue that as a result of insufficient public spending on transport, enterprise and employment investment in the South East, London has made £21.6 billion more net profit than the South East over the last three years.

Public Health England have published some employer toolkits to help address sickness absence. These toolkits are based on the best evidence and aimed at businesses of all sizes. They offer employers practical advice and case studies on key health issues for their staff and business and include toolkits on [musculoskeletal](#) and [mental health](#), which make up almost 50% of sickness absence. For more information see [here](#).

The **Rushlight Awards**, now in their 11th year, are open to entries, with an impressive range of entrant benefits and prizes the deadline for entries is 30 November, but some of the entrant benefits expire before then (e.g. 10 September) and others are available straight away. To enter, go to www.rushlightevents.com/rushlight-awards

The **Bank of England's August 2017 Inflation Report** can be downloaded at <http://www.bankofengland.co.uk/publications/Pages/inflationreport/2017/aug.aspx>

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