

Economic Prospects – August 2018

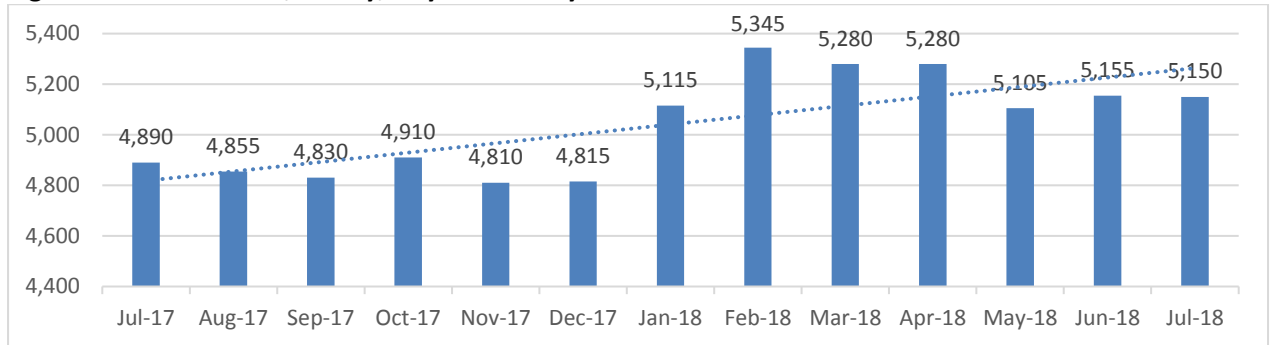
Headlines

- The Coast to Capital LEP has launched a Growth Grant Programme for SMEs.
- Spelthorne Borough Council has bought three properties across the South East for £285 million.
- The third annual Surrey social value exhibition – We Are Surrey – will be held on Wednesday 31 October 2018.

Data and analysis – labour market

Unemployment, measured by the number of **Job Seeker Allowance (JSA) claimants**, decreased marginally in July by 5 claimants (to 5,150) relative to the previous month. The unemployment rate - 0.7% - has remained steady for 18 months. The trend over the last 12 months is highlighted in Figure 1 below.

Figure 1: JSA claimants, Surrey, July 2017 – July 2018



Nomis: September 2018

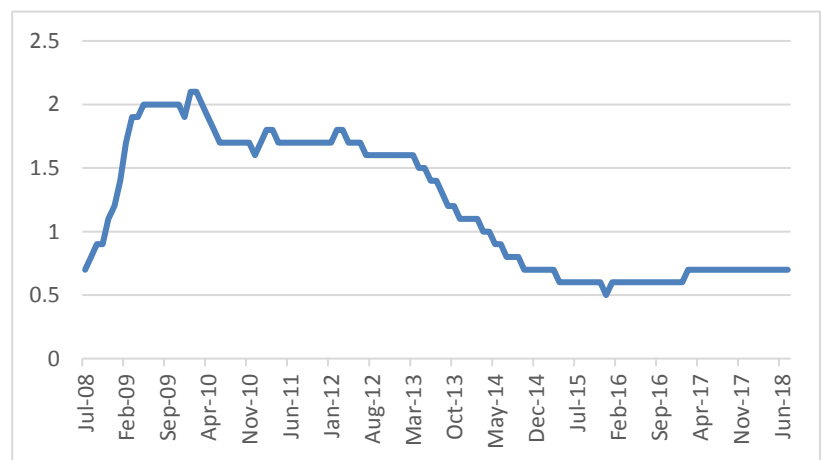
Unemployment has increased from a recent low of 0.5% (3,925 claimants) in December 2015 but remains low by historical standards. Figure 2 (below) shows the number of JSA claimants in Surrey from July 2008 to July 2018.

Figure 2: JSA claimants, Surrey, July 2008 – July 2018

In the South East the equivalent unemployment rate is 1.3%. The rate amongst men in Surrey is 0.9%, for women it is 0.6% (an increase from 0.5% in May 2018).

Further information on unemployment, including unemployment rates in Surrey districts and boroughs, by age range and by duration can be found on Surrey – see

www.surreyi.gov.uk.



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Business intelligence¹

The Coast to Capital LEP has launched its **Growth Grant Programme 2018-2019**. The grant provides last resort investment to part-fund capital projects undertaken by innovative, high growth small and medium sized enterprises (SMEs) and social enterprises in the Coast to Capital LEP area. Eligible projects will result in an increased turnover of at least 20% per annum and improved productivity in the company and wider economy. Businesses must be able to incur the total project costs in full by 31 March 2019. Other terms and guidance can be found at <http://www.coast2capital.org.uk/growth-grant>.

Spelthorne Borough Council has bought three properties across the South East for £285 million: Thames Tower in Reading, The Charter Building in Uxbridge and The Porter Building in Slough. All three buildings, comprising c.545,000 sq ft and producing an annual rent of approx. £18.7 million pa were developed by the Brockton/Landid JV as part of their wider strategy to invest in a new generation of best in class, design-led offices close to major transport nodes.

WE ARE SURREY: The third annual Surrey social value exhibition – We Are Surrey – will be held on Wednesday 31 October 2018, helping businesses and communities work together to make Surrey a better place to live and work. The free event includes:

- Local businesses discussing “Is Social Value good for business?” in a panel debate;
- Guidance on how to get a step ahead in winning contracts and other benefits for your business;
- A choice of practical break-out sessions to share ideas, network and learn from other local businesses;
- Networking marketplace to inspire you with opportunities and showcase examples of how businesses and communities are already collaborating;
- Closing with a drinks reception sponsored by The Federation of Small Businesses.

Register [here](#).

ICB Group, a **Redhill**-based insurance broker, has been acquired by Verlingue, a French rival. The deal triples the size of the French acquirer's presence in the UK market. Verlingue said the addition of ICB Group puts the group – and its UK subsidiary Finch – alongside the main independent insurance brokers in the UK with premiums of £130 million, 175 employees and five locations.

Perfume house **Penhaligons** is to open a new store in **Guildford**. The perfumery will open the 527 sq ft shop in the Tunsgate Quarter.

Shares equating to a 17.9 per cent stake in **Dorking**-based **Sabre Insurance Group** have been sold by private equity funds raising proceeds of £116.4 million. The sale was undertaken via an accelerated bookbuilt offering to institutional investors of up to 44,757,377 at £2.60 per ordinary share.

Creative Nature, a **West-Molesey**-based business which has created a range of organic baking mixes and bars that cater for allergy sufferers is nearing its crowdfunding target, just days after launching a pitch to raise £350,000. Creative Nature is the brainchild of Julianne Ponan, who was named Young Director of the Year at the IoD's Director of the Year Awards London and South East 2017.

Premier Inn opened about 600 hotel bedrooms in August across a number of new and extended venues in the South East, including a new hotel in **Staines upon Thames**.

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



INVEST IN SURREY

Redhill-based Brookcourt Solutions, a cyber security specialist, is set to be acquired by the Shearwater Group in a "transformational" £30.3 million deal. Brookcourt Solutions specialises in the provision of cyber security and network services within complex, advanced threat landscapes.

Pre-tax profit has grown by more than 7 per cent in the latest results for **Egham-based Hitachi Capital UK**, marking its ninth consecutive year of growth. For the 2017/18 financial year, the firm reported a profit before tax of £116.4 million, an increase of 7.1 per cent on the previous financial year.

Just Group, a provider of retirement income products and services with offices in **Redhill**, has acquired a 75 per cent stake in the holding company of Tunbridge Wells-headquartered Corinthian Pension Consulting. Corinthian specialises in providing professional advisory services to defined benefit pension scheme trustees and scheme sponsors undertaking bulk scheme exercises.

Kent-based IT services company AdEPT has agreed to buy a **Dorking-based** counterpart for an initial consideration of £5 million. Shift F7 Group and its subsidiaries Shift F7 and Greencorn provide IT services to the commercial sector.

The Competition and Markets Authority has cleared office services provider **Restore's** £88 million acquisition of TNT Business Solutions. Restore, based in **Redhill**, revealed it had agreed the £88 million acquisition of TNT Business Solutions, the records management arm of TNT UK, in March 2018. A subsequent announcement of the completion of the deal was made in May.

Audley Group has exchanged contracts on its nineteenth Audley Villages site in **Cobham**. Audley has been working alongside Cobham-based developer Levanter Developments on the project and have now purchased the site. Planning has been granted for the demolition of the dilapidated 1920s detached house, and proposals will be submitted for the development of an entirely new-build Audley Villages scheme consisting of 1, 2 and 3 bed units.

The Bank of England is running a number of **Inflation Report Briefings** throughout the South East. The next event in Surrey is on **Thursday 20th September 2018**:

- **Breakfast briefing** by Florence Hubert – Deputy Agent for Central Southern England, in association with the Institute of Directors.
- Timings: 7.30am registration with buffet breakfast, 8.00am presentation, 9.30am end of event.
- Venue: Farnham Maltings, Bridge Square, Farnham, Surrey, GU9 7QR.

If you would like to attend please contact Polly Buckley (020 8398 9643 or email admin.surrey@iod.net)

The next 2-day SETsquared Entrepreneur Programme for Tech Start-ups will be held in **Basingstoke on 20 – 21 September**. Free places are allocated based on the strength of the business case put forward in the application. To apply see [here](#). The programme, designed by SETsquared, is fully-funded by the European Regional Development Fund. The 2-day workshop helps the Entrepreneur to develop an Executive Summary, a Pitch Deck, a Business Model and a basic Financial Plan. In addition, they will get the chance to:

- Hear from other entrepreneurs who have gone on to raise significant investment;
- Hone their pitch in front of a panel of investors and expert mentors;
- Receive valuable feedback to shape their proposition from the speed mentoring session.