



**Financial & Business Services
Draft Action Plan Created June 2012
Updated March 2014**

**Chair: Paul Murphy, Managing Director, JP Morgan
People and Skills Chair: Margaret Johnson, Executive Director, Morgan Stanley**

Financial & Business Services

Executive Summary

I Background

The Financial & Business Services (F&BS) Work Stream considered and reviewed a wide range of existing information and gathered members' views on the potential for growth within the F&BS sector in Glasgow. From this information and the work stream's own discussions, a number of important factors and issues emerged, including:

- **Importance of building on the International Financial Services District (IFSD):** the success of the IFSD in attracting c. £1bn of investment, 15,500 new jobs, and 2 million+ sq. ft. of Grade A office space is a key platform on which to build future success, though members wished to see IFSD II not only provide a property solution, but a skills one: “the UK’s most work-ready workforce”;
- **Clearer articulation of future demand to help drive the marketing, people and property solutions of IFSD II.** The work stream saw several areas of future growth potential across F&BS with opportunities to grow a larger Glasgow presence in and around:
 - Increased Compliance, Regulation (Basel III etc.) and focus on Risk Management;
 - Increased focus on reducing geographic risk and importance of geopolitical stability;
 - Increasing focus on client and data security;
 - Re-structuring of legal (and other business) services;
 - Increasing technology-intensity of F&BS companies and operations;
 - Restructuring, outsourcing and “re-shoring” opportunities (UK and internationally).
- **A shared commitment across the private and public sector in Glasgow’s F&BS sector to work with HFE to develop a “vertical” skills pipeline: from schools, colleges, universities and into lifelong learning:** The work stream wishes to position Glasgow as having the UK’s most work-ready workforce. To do this will require closer strategic and practical engagement between companies, colleges and universities in apprenticeships, internships and course development (including work readiness skills).
- **Private sector desire to promote Glasgow’s “offer” nationally / internationally and via existing Glasgow-based global brands:** working with SE, SDI and GCC, the work stream passionately believes that there is a very positive story to tell about F&BS in Glasgow. All members wish to see this narrative captured (incl. company testimonials) in new promotional materials and have offered to act as sector ambassadors for the city to attract new investment and jobs to the city.

II Recommended Actions by the F&BS work stream

The F&BS work stream proposes a number of actions under two key recommendations, (I) **Development of the IFSD II proposition** and (II) **People and Skills**.

I. Developing IFSD Phase II

The work stream was unanimous in its view that the existing IFSD project had been a great success for the sector and for Glasgow and it is an extremely strong platform upon which to build further success (i.e. investment and jobs). Work stream members are fully committed to assisting with helping to shape and market IFSD II, in conjunction with the key partners (SE/SDI, GCC etc.).

Key Actions:

(1) Clear articulation of demand: Members agree that this is a critical element to better understand and design the marketing, people and property (and technology) solutions / interventions to make IFSD II a success.

SDI has secured commitment from work stream members to share: market knowledge; potential growth opportunities (noted above); knowledge of outsourcing and in-company contacts that may assist in this process. This information will be collated and harvested to enhance the wide range of contacts/market intelligence already held by SDI.

Agreed current and future tasks for SDI/SE include:

- o identification of growth opportunities in the sector;
- o review and targeting of contacts, particularly in London (City and especially Canary Wharf) and other global locations [e.g. several are becoming increasingly expensive (i.e. Singapore)];
- o target known companies currently “off-shoring” and present the compelling story for Glasgow;
- o establish pattern of FDI for Glasgow;
- o gather specific baseline information on the city; and
- o promote existing Government/public sector support (e.g. specifics of RSA grant funding).

(1) Deliver Property Solutions: the work stream has agreed that in parallel to finalising the demand analysis, that there is an urgent need to consider mechanisms to stimulate and incentivise private sector commercial office development. The current lack of a ‘Grade A’ development pipeline in the city is a systemic market issue and though there is some activity in corporate pre-lets it will not be sufficient to bring on-stream many of the significant schemes that currently have planning approval.

Discussions have taken place between SE and GCC to work jointly to catalyse property development via the use of innovative mechanisms to incentivise commercial property development and to provide accommodation for future demand. Given planning timescales etc. it is vital that this activity be activated in the near future to signal Glasgow’s aspirations in the F&BS sector. Furthermore, the opportunity to promote the IFSD’s “green” / low carbon credentials - both its central, public transport-accessible location and in the next phase of buildings - should be exploited by the sector and the city.

Agreed future tasks would include:

- o Continue to be proactive in securing/seeking out alternative funding options and trying to attract investment through targeted contacts (e.g. via the London investment community);

- Deliver innovative ways to “re-package” space that is currently available within the IFSD (existing empty floors/parts of buildings). Glasgow needs to present itself as being able to offer solutions to potential investors until we are able to offer new Grade A office space;
- Wherever possible, positive assurances to be given to developers on the “added value” in investing in Glasgow (e.g. fast-track planning process, potential for complementary investment in public realm, Master Planning and infrastructure);
- Priority to be given to developers to ensure that their sites are “packaged and out to market” as quickly as possible - and that key sites do not face unnecessary water, power or other development constraints.
- Target pre-let to enable potential development to proceed and be funded.

(2) Articulate Glasgow’s Proposition and USP: SDI is leading on this element of the Action Plan and is undertaking competitor analysis research of Glasgow and other locations. Particular attention will be paid to mapping/benchmarking Glasgow’s key strengths/USP’s in its company and corporate base, skills base (and pipeline) and issues such as sustainability. SDI will collaborate with the HE/FE work stream and Sustainable Glasgow on the latter action.

II. People and Skills

The Skills Development Sub-Group recognised the value to them, the F&BS sector and city to help grow Glasgow’s skilled labour supply. Key positives for Glasgow are: its existing skills base and the functions currently delivered from the city, its skills pipeline/ market (from school, college and university), its work-readiness and the workforce’s strong work ethic. These attributes are already recognised as a strong USP for the city.

The following actions/tasks would assist to develop a more holistic view on skills and help equip University, College and school leavers with the necessary skills *and* attitudes to ensure they are even more effective employees from day one and confirm Glasgow as the UK’s most “FS-work ready” city to potential investors.

Key Actions:

(1) Establish a “People & Skills Leadership Team” under the auspices of IFSD II: to bring together companies with HE/FE, other suppliers and the public sector partners to develop greater collaboration in the design and delivery of training/skills programmes to meet both current and future company requirements. The People Leadership Team will undertake/oversee a number of actions including: **synthesis of skills demand** (to identify existing skills and any potential gaps); **develop an “Industry Demand Statement”** (to articulate clearly company requirements to HFE); **define a employability criteria / programme** to ensure that basic “soft skills” are in place for new entrants into the job market; and, investigate the potential to use **social media** to attract more young people into the sector - as well as help market the sector to new talent.

(2) **Create and expand an IFSD II-branded “Glasgow Financial Services Internship Programme”**. The People Leadership Team, HFE and public partners will seek to expand and badge existing internship programmes in Glasgow.

(3) **Enhance skills:** the work stream recognised the need to enhance skills in several common areas (e.g. *professional accreditation; leadership training; lifelong learning and specific Financial/Business Services skills*). This action will consider the potential to involve “experts” to assist with addressing skills gaps, for example, the potential to grow specialist skills [e.g. the “inexhaustible” industry demand for ‘business technologists’ (IT/software/ finance)] and to look to brand bespoke FS/BS courses in response to demand/ requirement by the private sector. The Leadership Team will lead on this with support from HFE and public partners.

A future aspiration of work stream members would be for Glasgow to have its own branded **Financial /Business Services Skills Academy and Internship Programme**.

Paul Murphy
Chair, Financial Business Services work stream
Glasgow Economic Leadership

Financial & Business Services Work Stream Members

Paul Murphy, JP Morgan (Chair)
Paul Burd, Barclays
Ewan Cameron, Ryden Property Consultants
Douglas Campbell, Clydesdale Bank
Bill Colville, DTZ
Owen Kelly, Scottish Financial Enterprise
Kevin Boyd, Santander
Phil Merchant, KPMG
Hilary Roberts, HR Consultancy
Margaret Johnson, Morgan Stanley (People and Skills Chair)
Amanda Cochrane, AXA

Robert Glennie, **NewGalex**
 Pauline Burns, **BNP Paribas**
 Magnus Swanson, **Maclay, Murray and Spens**
 Phil Reid, **Phil Reid Associates**
 Caroline Thomson, **esure**
 Fraser Wilson, **PriceWaterhouseCooper**
 Diane Graham, **ACE Insurance**
 Prof. Anne Anderson, **University of Glasgow**
 Prof. Andrew Marshall, **University of Strathclyde**
 Pat Devlin, **Glasgow Caledonian University**
 Roy Gardner, **City of Glasgow College**
 Ian Hanson, **Skills Development Scotland**
 Andy McDonald, **Scottish Enterprise**
 Kevin Kane, **Glasgow Economic Leadership**
 Tom Turley, **Glasgow City Council**

Action Plan 1/2: “Development of the IFSD II Proposition”

Chair: Paul Murphy

Action	Related Tasks	Proposed Outcomes	Lead Responsibility	By When	Est. Costs
(1) Development of the IFSD II Proposition					

<p>“Re-shoring” of Investments</p>	<p>Produce a brief developing the proposition and/or total cost model investment to define parameters.</p> <p>Measurement of Glasgow in comparison with India, Eastern European and UK cities.</p> <p>Target known companies/ contacts currently “off-shoring” and present the “competitive” story for Glasgow.</p>	<p>Positive case studies/messaging/ materials to demonstrate Glasgow’s effectiveness as an option for re-shoring.</p> <p>Increased contact with companies currently “off-shoring” and awareness-raising of the city.</p>	<p>SDI</p>		
<p>Assessment of FDI Flows</p>	<p>Utilise FDI benchmarking tool and existing information.</p>	<p>Establish pattern of FDI and produce report on Glasgow as a location.</p>	<p>SDI</p>		

<p>Specific Action to refresh marketing material</p>	<p>Gather specific baseline information on the city, including specific economic and labour market indicators.</p> <p>In conjunction with this, analyse research on growth opportunities, the re-shoring proposition and assessment of FDI to develop promotional potential for Glasgow.</p> <p>Clear definition of the existing support from Government/public sector should be promoted clearly, particularly the specifics of RSA grant funding.</p>	<p>Baseline information would serve as a valuable resource for companies/inward investors and public sector partners.</p> <p>Refreshed marketing material to cover full detail on demographics, successes and case studies.</p> <p>Flexible marketing materials to refine the city message according to company/sector interest.</p>	<p>SDI/SE</p>		
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<p><u>(II) Delivering Property Solutions:</u></p> <p>Finalise demand analysis and consider mechanisms to stimulate private sector speculative development</p>	<p>Continue to be proactive in securing/seeking out alternative funding options and trying to attract investment through targeted contacts/events e.g. the London investment community.</p> <p>Wherever possible assurances will be given to developers on the “added value” in investing in Glasgow, e.g., planned improvements to the existing “fast track planning process” and the potential for complementary investment in public realm and infrastructure.</p> <p>Request that the GEL Board seek Scottish Government advice on their investment/funding programme and specific plans to help stimulate private sector speculative development.</p>	<p>Complete options appraisal/analysis exercise for delivering property solutions based on demand analysis.</p> <p>Improved “fast track planning process” and “added value” for investors.</p> <p>Clarification on action being taken by the Scottish Government and potential benefits for the city.</p>	<p>GCC/SE</p> <p>GCC</p> <p>GEL Board</p>		
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<p>Masterplanning ‘IFSD2’</p>	<p>A master plan of the IFSD area will be undertaken. This will seek to assist future developers by:</p> <ul style="list-style-type: none"> ▪ allowing flexibility in terms of land-use mix; ▪ being responsive to potential land ownership constraints and development timescales. <p>The master plan will also seek to encourage development of high quality “sustainable” buildings and link to Glasgow’s aspiration as a “low carbon” location.</p>	<p>Updated masterplan for the area offering clarity to potential developers.</p>	<p>GCC/SE</p>		
<p><u>(III) Articulating Glasgow’s Proposition and USP</u></p> <p>Developing competitor analysis between Glasgow and other locations:</p>	<p>Background research on competitor locations. Liaison with location consultants. Primary research/case studies on attracted investments and also lost projects. Identify USP’s and assets of competitors.</p>	<p>Clear definition of Glasgow’s USP</p>	<p>SDI</p>		

<p>Mapping/ benchmarking Glasgow's key strengths/USP with reference to its:</p> <ul style="list-style-type: none"> - Skill Base - Sustainability 	<p>Collaboration/input required from the GEL HE/ FE work stream and Sustainable Glasgow.</p>	<p>Clearer definition of Glasgow's USP in terms of skills and sustainability</p>	<p>SDI with input from FE/HE Workstream and Sustainable Glasgow</p>		
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Action Plan 2/2: “Skills Development”
Stanley

Chair: **Margaret Johnson**, Executive Director, Morgan Stanley

Action	Related Tasks	Proposed Outcomes	Lead Responsibility	By When	Estimated Costs
(2) People and Skills: Shared vision to bring the private and public bodies together to work with the HFE to develop a holistic view on skills development					
1. Establish “People & Skills” Leadership Team	Identify an employer and HFE leadership team to take forward the people/skills agenda. Utilise the existing IFSD Partnership as umbrella organisation for sub-group to operate.	Establishment of a collaborative forum to undertake required actions with the support and input of HE/FE and public sector partners.	People & Skills Leadership Team/Work stream members to give direction and guidance.	Est. Feb 2014	
2. Synthesis of skills base	Gather existing data and research on existing skills and identify the gaps	Identification of existing skills and potential gaps. Establish priorities and solutions to minimise gaps.	People & Skills Leadership Team	Data review March to May 2014 - draft proposal by August 2014	
3. Develop an “Industry Demand Statement”	Develop an “Industry Demand Statement” for Financial/Business Services which articulates to HE/FE meaningful requirements from companies/employers. Examine existing models of “Industry Demand Statements” in other key sectors.	Development of an “Industry Demand Statement” which articulates clearly company requirements to HE/FE.	People & Skills Leadership Team	Data gathering March to May 2014 - draft for review July 2014	

<p>4. Create and expand a branded “Financial Services Internship Programme”</p>	<p>Identification of HE/FE/ employer contacts to participate in the development of the programme.</p> <p>Refining of existing internship programmes in the city - possible branding and specific promotion to complement and co-ordinate existing programmes.</p>	<p>Opportunity to create a more holistic Financial Services Internship Programme for the city. Leveraging existing successes and employer and University programmes to create a better co-ordinated approach to marketing, recruiting, selection and training within internships.</p> <p>Potential to demonstrate success through creation of positive case studies as possible marketing tool.</p>	<p>People & Skills Leadership Team - HE/FE/ company led with contribution from work.</p>	<p>Data gathering March to May 2014 - action review May to June 2014</p>	
<p>5. Promote existing apprenticeship programmes relevant to the F&BS sector and encourage increased take-up</p>	<p>Increased promotion within the F&BS sector of existing apprenticeship programmes in the city, such as the Commonwealth Apprenticeship Initiative and SDS’s ‘Higher MAs’ and Modern Apprenticeships.</p>	<p>Potential branding and specific promotion to complement and co-ordinate existing programmes.</p>	<p>People & Skills Leadership Team - GCC/SDS</p>	<p>Recreate the FS tours for apprentice week May 2014</p>	<p>Being confirmed</p>

<p>6. Define an Employability Programme</p>	<p>Define a programme which equips University, College and school leavers with the necessary skills and attitudes which will ensure they are even more effective employees from day one. There is a requirement to ensure that some basic “soft skills” are in place.</p> <p>Employers to be more visible and accessible to students through delivery of skills workshops and seminars, provision of mentoring support etc.</p> <p>Specific prioritisation to the youth unemployment agenda which should be factored into activity.</p>	<p>Confirmation that Glasgow is a “work ready” city.</p> <p>Utilise use of DVD/social media as sources of support/promotional material for target group.</p>	<p>People & Skills Leadership Team - Identify further opportunities for industry/ education engagement.</p>	<p>Data gathering March to May 2014 - action review by August 2014</p>	
<p>7. Enhance Financial Services Skills</p>	<p>Define specific FS skills which can be delivered by HFE as either core elements to electives or in existing courses. Demand for specific FS skills to be identified by the People & Skills Leadership Team (with specific input from companies and SDI research).</p>	<p>Identification of topics/courses required to enhance FS skills.</p> <p>Potential to involve “experts” to assist with redressing skills gaps, e.g., specific roles in regulation, compliance, legal etc..</p>	<p>“People/Skills” Leadership Team with additional engagement with companies/HE/FE/SDI</p>	<p>Data gathering March to May 2014 - action review by September 2014</p>	

8. Enhance Accreditation	Identification of and consideration to delivering selected financial accreditation training and examination in the city.	Branded and bespoke FS/BS courses for Glasgow in response to demand/ requirement by private sector.	HFE/SDS	Data gathering May 2014 - draft actions by September 2014	
9. Enhance Leadership Training	There is an opportunity to bring together some existing leadership training being delivered in the city, and further expand what is available, under the IFSD umbrella.	Sharing of existing practice and identification opportunities for rationalisation.	SE/SDS	Data gathering May 2014 - draft actions by September 2014	
10. Enhance Lifelong Learning	Consideration should be given to lifelong learning and how this can be supported. Skills development to be developed and defined for four streams: <ul style="list-style-type: none"> ▪ University ▪ Colleges ▪ School-Leavers ▪ Career-Changers 	Skills development better targeted among the 4 streams and refined according to need.	“People/Skills” Leadership Team - HFE/ SDS/GCC	Data gathering May 2014 - draft actions by October 2014	

<p>11.Social Media Strategy and branding linked to skills</p>	<p>Social Media Strategy to be utilised to sell both:</p> <ul style="list-style-type: none"> ▪ Glasgow; and ▪ The IFSD <p>With the aim to attract interest from companies / investors and students/ employees</p> <p>Engagement with disillusioned students to stimulate interest in the FS/ BS sector as a career opportunity. Re-marketing of positives in the sector, and explain the scope and depth of careers which are available etc.</p>	<p>Utilise use of DVD/social media as sources of support/promotional material for target audience.</p> <p>Increased awareness of the size and breadth of the industry in Glasgow.</p> <p>Increased student/employee interest in the sector. To further build on the existing SDS “re:think” information</p>	<p>SDI/SDS</p> <p>SDI/HE/FE</p>	<p>On-going; Data obtained regarding usage from surveys; schools, HFE and Industry May - June 2014</p> <p>LinkedIn group created 2014. Twitter usage @GELeadership</p>	
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