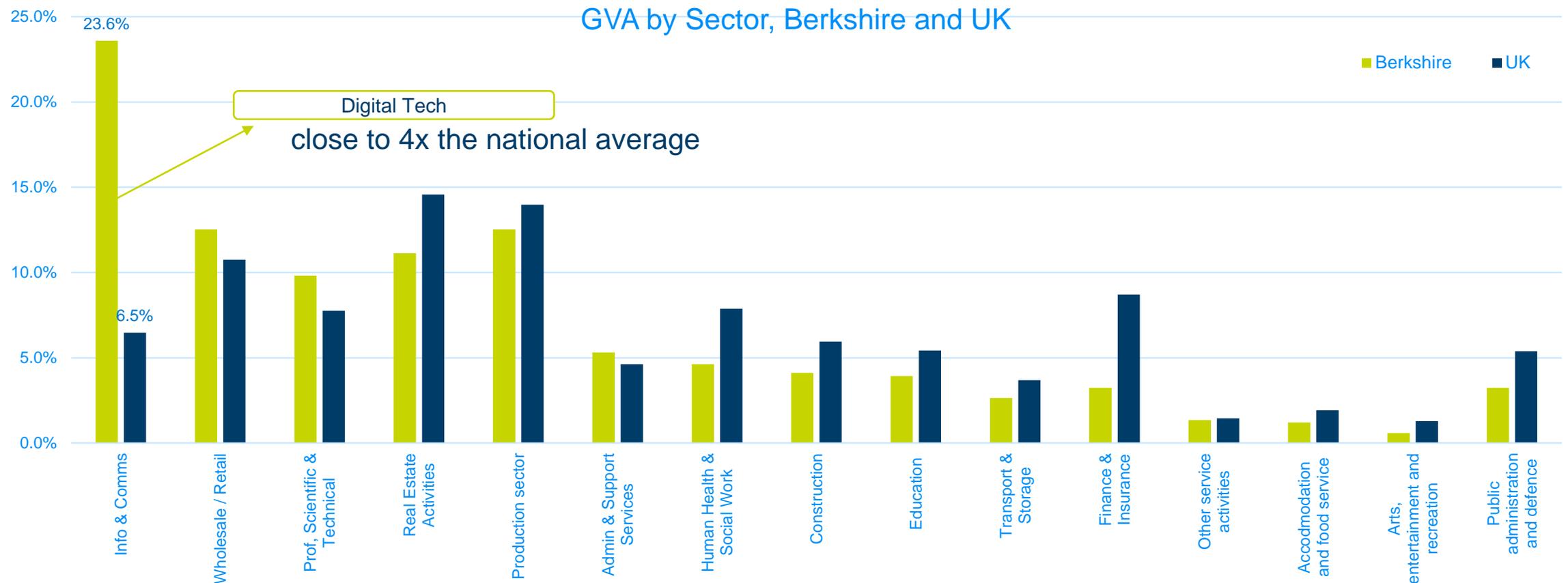# Digital Tech Sector Proposition 2022-23

Contents

Introduction

- Berkshire, situated in the South-East Golden Triangle of Oxford, Cambridge and London is home to nearly 8,000 tech companies and over 50,000 tech specialists. In 2022 their combined turnover was £14bn with 14% of all jobs within this sector, which is three times the national average.

- Berkshire is the base for many multi-national digital businesses including Microsoft, Vodaphone, Oracle and Thales. Reading is ranked first in the UK for the number of Digital technology related Head Quarters.

- The presence of global leaders, innovators, strong networks, academic excellence and talent, along with outstanding locational advantages, presents a compelling proposition. This Berkshire Digital Technology Proposal details the significance of this industry sector not just to Berkshire but to the UK economy as well.

Berkshire enterprises generated Gross Value Added (GVA) of £43.39bn in 2020: almost a quarter (23.6%) of this GVA was generated by the Digital Tech (Info & Comms) sector – close to 4x the national average – demonstrating the clear strength of the Berkshire LEP area in the Digital Tech sector.

GVA by Sector, Berkshire and UK

■ Berkshire   ■ UK

Digital Tech

close to 4x the national average

23.6%

6.5%

Sector	Berkshire	UK
Info & Comms	23.6%	6.5%

- Info & Comms
- Wholesale / Retail
- Prof, Scientific & Technical
- Real Estate Activities
- Production sector
- Admin & Support Services
- Human Health & Social Work
- Construction
- Education
- Transport & Storage
- Finance & Insurance
- Other service activities
- Accommodation and food service
- Arts, entertainment and recreation
- Public administration and defence

Source: Regional gross value added (balanced) by industry: city and enterprise regions, ONS, May 2022 (table B2)

This noteworthy GVA contribution from Digital Tech is derived through the activities of 6,770 enterprises in Berkshire with a combined turnover of approximately £14.3bn in 2022.

82% of Digital Tech enterprises (5,545) are involved in Computer Programming, Consultancy or Related Activities

Turnover: £11.7bn

The remaining 18% (1,225) are spread across 12 sub sectors, notably driven by the activities of motion picture, video and television programme (465) and telecom (265) companies

Turnover: £2.6bn

14% of jobs in Berkshire (72k) are in the Digital Tech sector – approximately three times the national average (5%). Of these, 73% (52k) are in key Digital Tech occupations.

Digital Tech Industries	All Berkshire Jobs in the Digital Tech Sector (2021)
Publishing of books, periodicals & other publishing activities	710
Software publishing	1,045
Motion picture, video & TV programme activities	2,365
Sound recording & music publishing activities	130
Radio broadcasting	131
Television programming & broadcasting activities	51
Wired telecommunications activities	1,059
Wireless telecommunications activities	8,609
Satellite telecommunications activities	<10
Other telecommunications activities	10,020
Computer programming, consultancy & related activities	46,533
Data processing, hosting & related activities; web portals	1,201
Other information service activities	375
Total	**72,230**

Digital Tech Occupations	Berkshire Jobs in Digital Tech Occupations (2022)
IT & Telecoms directors	4,044
IT specialist managers	8,263
IT project & programme managers	2,876
IT business analysts, architects & systems designers	4,836
Programmers & software development professionals	13,373
Web design & development professionals	1,603
IT & telecoms professionals n.e.c.	7,582
IT operations technicians	3,215
IT user support technicians	3,363
Telecommunications engineers	2,128
IT engineers	1,650
Total	**52,934**

73% of all jobs in Digital Tech industries are in key Digital Tech occupations.

Berkshire continues to attract significant digital tech related foreign direct investment (FDI). Reading ranks first in the UK for the number of foreign HQs and boasts the UK headquarters of Microsoft, Oracle, Veritas, Huawei and Thales Group.

In 2021/22, Berkshire received significant inward investment in digital tech with nine successful 'Software and computer services' projects and five in the 'Electronics and communications' category

Department for International Trade inward investment results 2021/2022

"Reading has become a magnet for software and IT firms, with the sector amassing 26 project announcements in the five years to November 2022, according to fDi Markets"
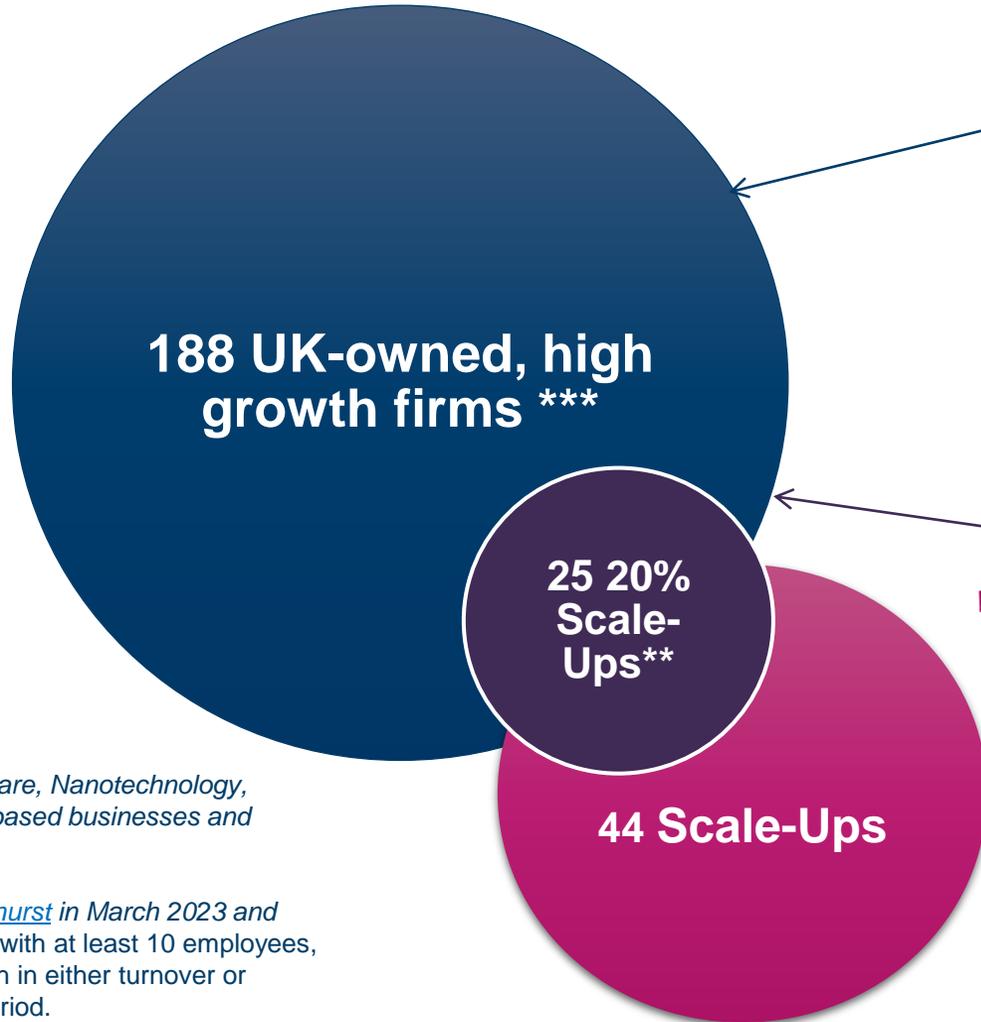
FDI Intelligence, February 2023

Berkshire also has 44 official Digital Tech Scale-ups and 188 High Growth Digital Tech companies, underlining the LEP area's focus on providing economic and business support to assist start-up and scale up businesses to grow.

188 UK-owned, high growth firms ***

25 20% Scale-Ups**

44 Scale-Ups

There's a wide cohort of 188 high-growth companies we can identify using data supplied by Beauhurst.

44 of these 188 Digital Tech* firms in Berkshire are classified as 'scale-ups', as defined by the Scale-Up Institute, of which:

- 44 are 10% Scale-ups
- 25 are 20% Scale-ups

Current Stage of Evolution
Seed - 0
Venture - 3
Growth – 14
Established – 27

* Digital Tech comprises Hardware, Nanotechnology, Software, Other technology/IP-based businesses and Telecommunications services

** Firms being tracked by Beauhurst in March 2023 and meeting OECD definition (firms with at least 10 employees, with 20% average annual growth in either turnover or employees over a three-year period.

*** (all firms being tracked by Beauhurst, March 2023

The 188 Digital Tech High Growth firms are broadly spread across Berkshire - and enjoy considerable backing

By unitary authority, Reading, Windsor & Maidenhead and Wokingham dominate the area in terms of the number of high growth digital tech firms.

Conversely, Slough and Bracknell Forest have the least number of high growth digital tech firms with 13 and 19 respectively.

Source: Tracked Seed, Venture, Growth and Established Digital Tech Companies by Unitary Authority, Beauhurst, March 2023

West Berkshire - 30

Reading - 51

Windsor and Maidenhead - 40

Slough - 13

Bracknell Forest - 19

Wokingham - 35
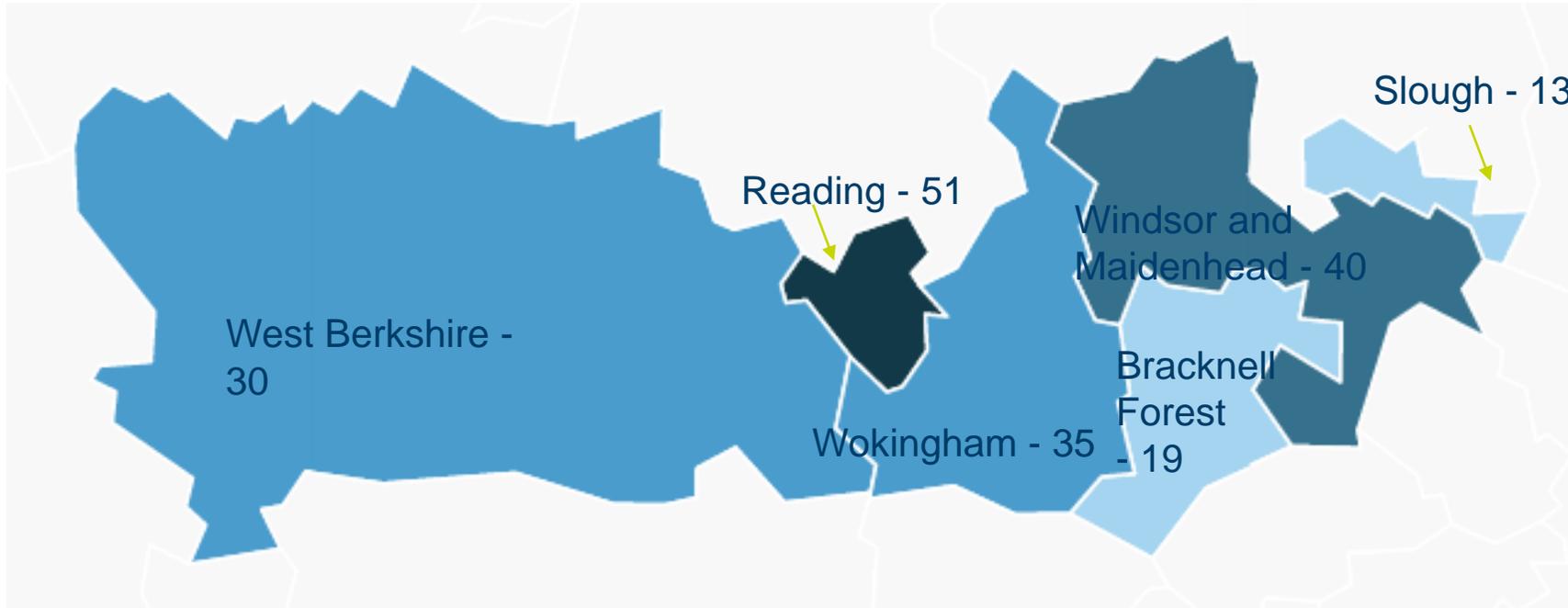
Top five funders of these Digital Tech companies by number of fundraisings

Seedrs (8 fundraisings)

Parkwalk Opportunities EIS Fund (6 fundraisings)

Crowdcube (5 fundraisings)

IP Group (5 fundraisings)

Molten Ventures (5 fundraisings)

The Tech Talent pipeline: the school and college output is healthy, from a STEM perspective

Berkshire schools / youth

- Secondary schools & colleges running academic and vocational STEM courses through BTEC and A Level

University Technical College (UTC), Reading

UTC Reading delivers computer science and engineering education for 14-19 year olds within a 15 mile radius of Reading.

Industry partners include Cisco and Microsoft.

It was the first UTC in the UK to be graded 'outstanding'.

Institute of Technology (IoT)

A new **IoT** is located at Bletchley Park with two additional hubs in Oxford and Reading (Reading College) following a £28 million grant from the Department of Education; providing a thousand students a year with an inclusive centre for technical qualifications, higher apprenticeships and training which will be vital in bridging the shortage in digital skills and Fintech sector across the nation.

Led by Milton Keynes College and supported by Bletchley Park Trust, the consortium that was granted this funding boast a healthy group of prestigious partners including the following Berkshire-based partners:

KPMG
Office in Theale

ACTIVATE LEARNING
Works with Reading College

McAfee™
Office in Slough

Microsoft
Thames Valley Park, Reading

Solutions Labs

Berkshire LEP helped to develop five new Further Education based Solutions Labs, which equip young people with essential STEM skills.

ACTIVATE LEARNING Lead sponsor

Microsoft

CISCO

University of Reading

NetworkRail

pba peterbrett

The Tech Talent Pipeline: Graduate/Post Graduate qualifiers from local universities number in excess of 10k

The annual number of degree and post-grad qualifiers from **local top-ranking universities**, in relevant Digital Tech disciplines, numbered c. 10,005 in 2021/22

Establishments • The University of Reading • The University of Oxford • University College London (UCL) • Kings College, London • Imperial College, London • London School of Economics	Engineering /Tech: Undergraduate qualifiers	Engineering /Tech: Post-graduate qualifiers	Computing Undergraduate qualifiers	Computing Post-graduate qualifiers	Mathematical Sciences Undergraduate qualifiers	Mathematical Sciences: Post-graduate qualifiers
Total within 1 hour catchment	**1,945**	**2,735**	**790**	**1,970**	**1,270**	**1,295**

Source: 1. 1. Times Higher Education University Rankings, 2022
2. - HE qualifiers by HE provider and subject of study - academic year 2021/22, HESA

Digital Tech Sector Sub Sectors

3 major Berkshire Digital Tech areas

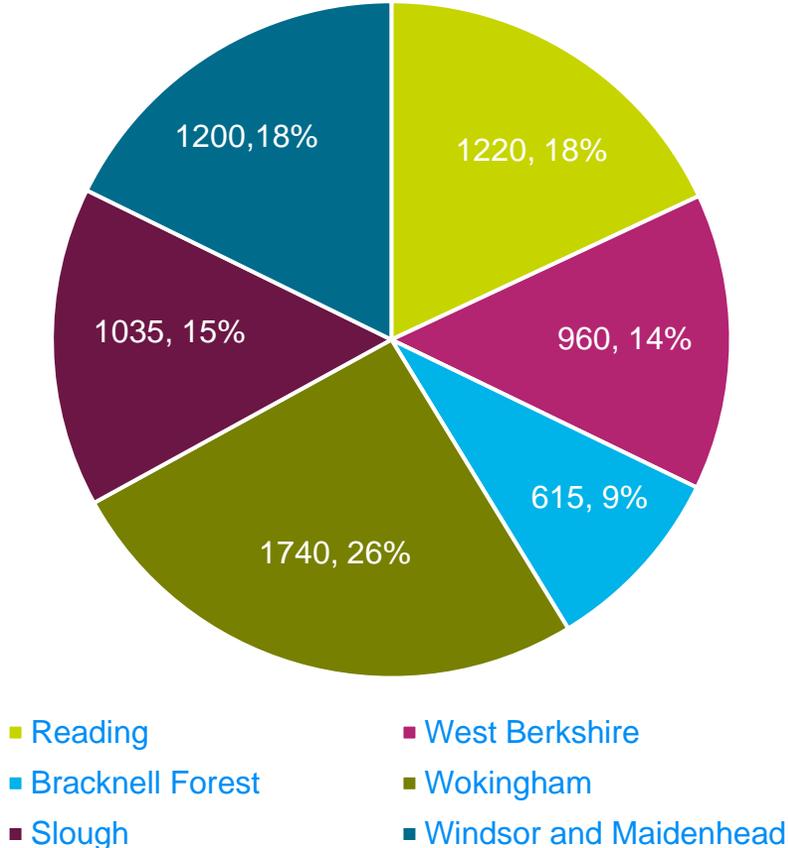7 smaller Berkshire sector specialisms

Computer Consultancy

Software Development

Telecoms

Total Digital Tech Turnover = **£14.3 billion**

Major Digital Sectors

Number of organisations in sector, %

Pie chart segments:
- 1220, 18% (Reading)
- 960, 14% (West Berkshire)
- 615, 9% (Bracknell Forest)
- 1740, 26% (Wokingham)
- 1035, 15% (Slough)
- 1200, 18% (Windsor and Maidenhead)

Legend:
- Reading
- West Berkshire
- Bracknell Forest
- Wokingham
- Slough
- Windsor and Maidenhead

In 2022, there were 196,090 companies in 'core digital' in the UK with 6,770 in Berkshire (see left).

Source: UK Business Counts, 2022

- According to the 2022 EY Attractiveness Survey, digital tech is the leading driver of UK growth, cited by 40% of respondents.
- In 2022-23, the South-East was the joint fourth most popular FDI destination in the UK and accounted for 130 FDI projects, behind the West Midlands (181) and the North-West (137). This number is largely comprised of digital tech projects.

Sources: EY 2022 UK Attractiveness Survey
Department for Business and Trade, 2023

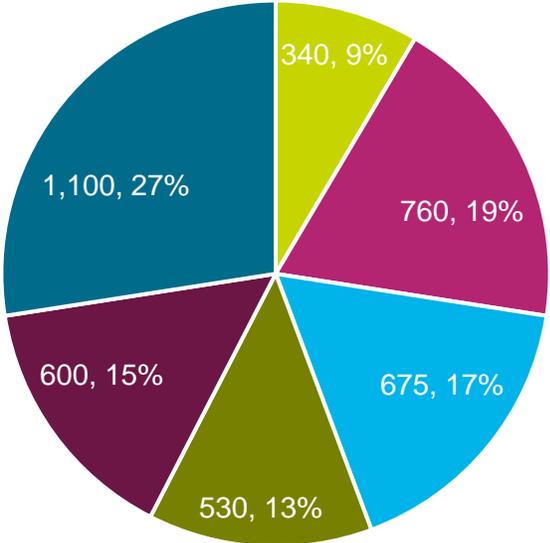# Computer Consultancy

Number of organisations in sector, %

- Bracknell Forest — 340, 9%
- Reading — 760, 19%
- Slough — 675, 17%
- West Berkshire — 530, 13%
- Windsor and Maidenhead — 600, 15%
- Wokingham — 1,100, 27%

Source: UK Business Counts, 2022

There are 4,000 Computer Consultancy businesses – from micro to large - across Berkshire, including 36 that are tracked within Beauhurst.

IT consultancy **100 percent IT** received a £1.54m grant from Innovate UK (IUK) in March 2022 for the project titled 'High security communications infrastructure using peer-to-peer Mesh VPN'.

SAP specialist **AG Consultancy** was featured in the FT1000 high growth list in 2021 and is recognised by SAP as a key partner for SAP consultancy & support services.

Redwood Technologies Group was featured in the Fast Track International Track 200 high growth list in 2020 and 2021 and has reported significant turnover growth between 2016 and 2021.
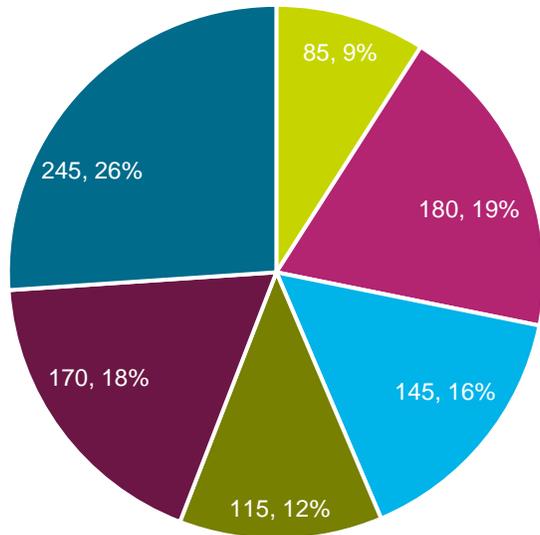
Turnover (£millions)

Year	Turnover
2016	18.9
2017	24.7
2018	31.3
2019	39.2
2020	39.3
2021	51.1

Software Development

Number of organisations in sector, %

- Bracknell Forest
- Reading
- Slough
- West Berkshire
- Windsor and Maidenhead
- Wokingham

Source: UK Business Counts, 2022

945 Software Development businesses across Berkshire, including a vibrant mix of global market leaders, new entrants and growth companies.

- Of these 945, 152 companies are tracked within Beauhurst.
- These 945 also include 3 of the world's top 10 enterprise software companies in Microsoft, Oracle and Adobe.

Altitude Angel develops drone management software that enables users to avoid collisions and no-fly zones and featured on the BusinessCloud TransportTech 50 high growth list in 2021.

Kerridge Commercial Systems provides specialist software, services and support to deliver fully integrated trading and business management solutions to over 30,000 customers and worldwide distributors at more than 50,000 locations.

measurable.energy – which develops technology to analyse energy inefficiency – secured £4.5m (Jan 2023), to invest in job creation and Research & Development.

Telecommunications

There are 265 Telecom businesses across Berkshire, 17 of which are tracked.

Vodafone are one of Berkshire's 10 companies currently in the FTSE 100. They are at the pinnacle of a dynamic cluster of businesses and are joined by other famous brands located in-region, including BT, Ericsson, Huawei, Hutchinson 3 Mobile, Siemens and Virgin Media.

Home to 3 of the world's top 10 telecom companies – Three, Vodafone and O2 Telefonica.

R&D at the University of Reading (communications, embedded systems and signals)

5G Innovation Centre at the University of Surrey (1 hour from central Berkshire) is a research centre dedicated to the next generation of mobile communications.
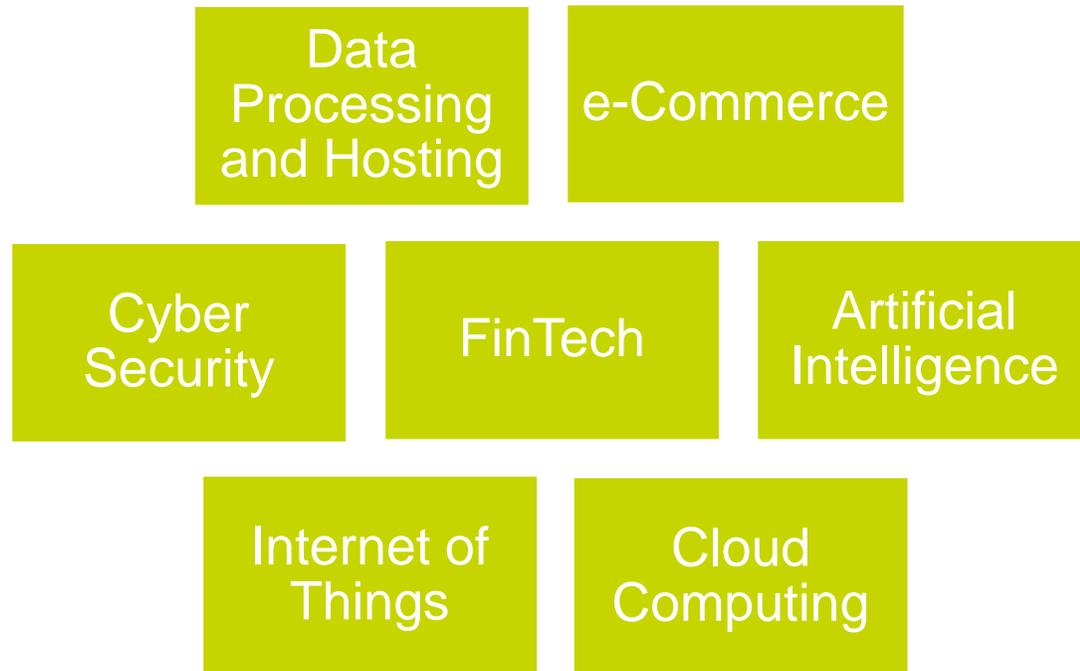
Number of organisations in sector, %
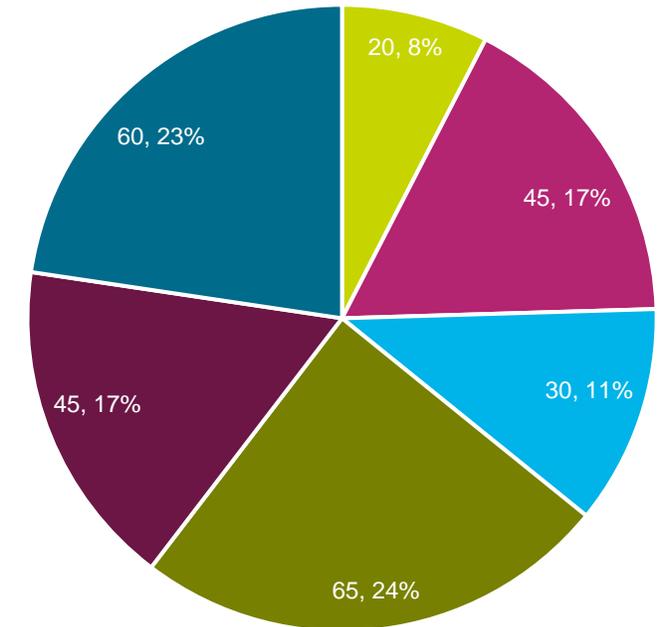
- Bracknell Forest
- Reading
- Slough
- West Berkshire
- Windsor and Maidenhead
- Wokingham

Source: UK Business Counts, 2022

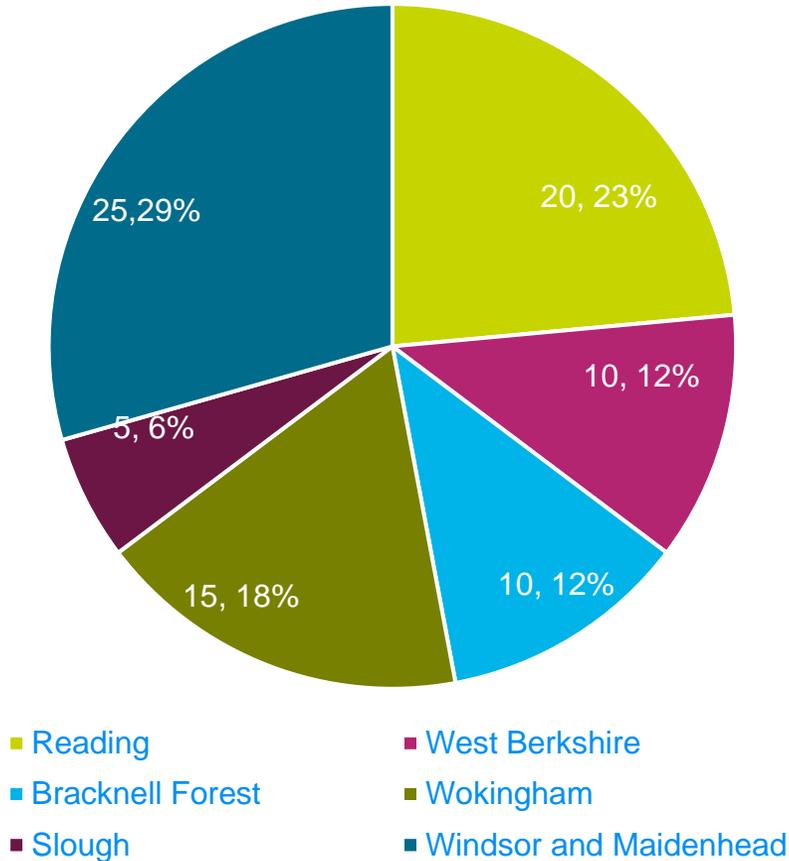# High growth Digital Tech sectors represented in Berkshire

Data Processing and Hosting

e-Commerce

Cyber Security

FinTech

Artificial Intelligence

Internet of Things

Cloud Computing

Data processing and hosting

Number of organisations in sector, %

Legend:
- Reading
- Bracknell Forest
- Slough
- West Berkshire
- Wokingham
- Windsor and Maidenhead

Pie chart values: 20, 23%; 10, 12%; 10, 12%; 15, 18%; 5, 6%; 25, 29%

Source: ONS Business Count, 2022
NOTE: includes businesses with SIC code '63110 : Data processing, hosting and related activities

80 data processing/ hosting businesses in Berkshire, of which 8 'Big Data' companies are tracked.

Wokingham based **TRL** develops transport systems and provides research into a range of transport technologies such as self-driving vehicles.

- They have secured £13m in grants to date.

Slough Trading Estate (owned by SEGRO) is one of the largest data centre clusters in Europe.

- "By most analyses, Slough would be considered the 2nd largest global data centre cluster, behind Ashburn, Virginia (USA)" – Thames Valley UK: Data Centres.
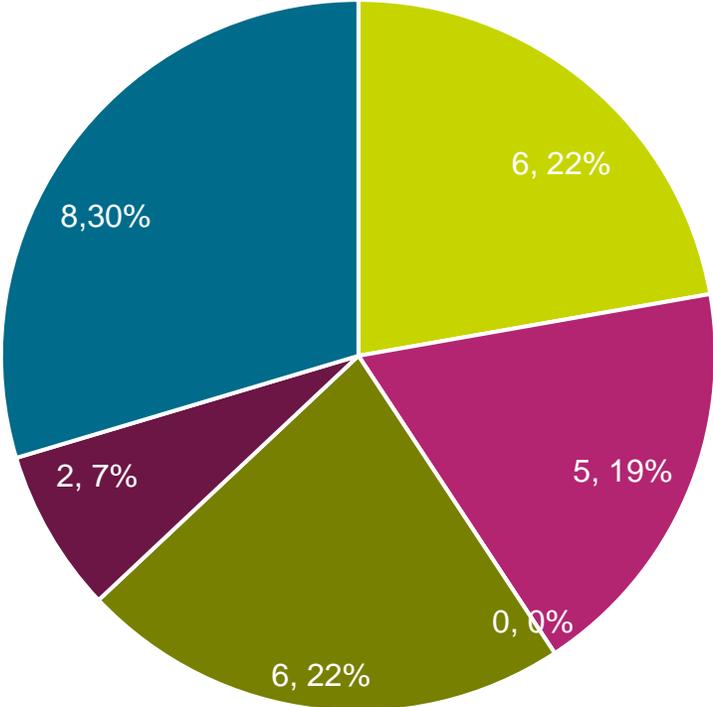
The University of Reading has research expertise in data science and advanced computing

- Home to the Institute for Environmental Analytics

- Home to **CountingLab**, an academic spinout who are experts in translational data analytics

e-Commerce

Number of organisations in sector, %

- **Reading** — 6, 22%
- **West Berkshire** — 5, 19%
- **Bracknell Forest** — 8, 30%
- **Wokingham** — 6, 22%
- **Slough** — 2, 7%
- **Windsor and Maidenhead** — 0, 0%

27 e-Commerce businesses in Berkshire, all of which are tracked.

Wokingham based company **Displaydata** is a world leader in the design and supply of fully graphic Electronic Shelf Labels (ESLs).

Reading based **ComponentSource** operates a website for selling and purchasing reusable software components for a range of platforms.

Wokingham based **Meglio** operates a website selling a range physiotherapy products and equipment, including acupuncture needles, resistance bands and ultrasound gel.
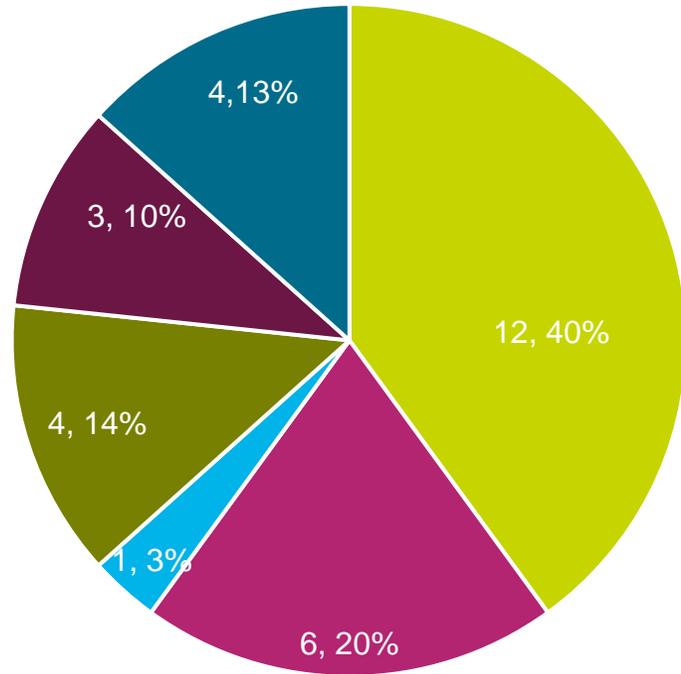
Maidenhead based **Aprés Food Co.** sells a range of food products, specialising in frozen meals, aiming to use science-based nutritional advice.

Digital Security

Number of organisations in sector, %

Pie chart — "Number of organisations in sector, %":
- Reading: 12, 40%
- West Berkshire: 6, 20%
- Bracknell Forest: 1, 3%
- Wokingham: 4, 14%
- Slough: 3, 10%
- Windsor and Maidenhead: 4, 13%

Legend:
- Reading
- West Berkshire
- Bracknell Forest
- Wokingham
- Slough
- Windsor and Maidenhead

30 businesses with digital security interests in Berkshire, all of which are tracked.

World leading security leader, **Thales Group**, has one of its global R&D hubs at Green Park Business Park in Reading.

Cybersecurity Unicorns **Tanium** is also located in Green Park.

Department of Computer Science at the University of Reading undertakes R&D in:

- data science and artificial intelligence
- Advanced computational science
- computational vision

Three further COEs in Cyber Security Research within 1 hour of Reading:

- University of Oxford
- University of Surrey
- Royal Holloway University, London

Company logos: THALES — Building a future we can all trust; TANIUM; FORCEPOINT; HERJAVEC GROUP; RSA; FireEye; verizon; VERITAS; ensygnia; 2Data; lemongrass

FinTech

Number of organisations in sector, %
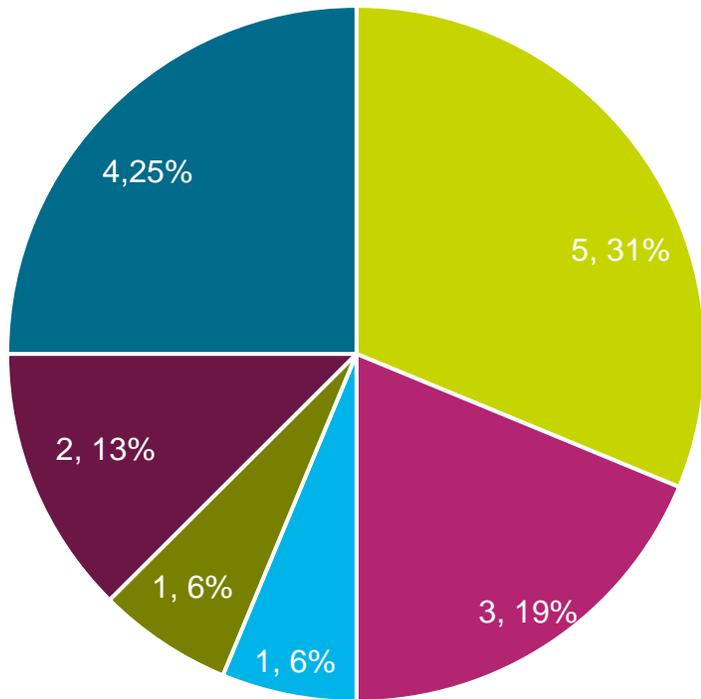
Legend:
- Reading
- West Berkshire
- Bracknell Forest
- Wokingham
- Slough
- Windsor and Maidenhead

Pie chart values: 5, 31%; 3, 19%; 1, 6%; 1, 6%; 2, 13%; 4, 25%

22 FinTech companies across Berkshire, including 16 that are tracked.

Launched in 2015, Reading-based online mortgage broking and lending platform, **Habito,** has secured £71.8 million in fundraising since April 2016.

- Voted Best Mortgage Broker in the British Bank Awards 2020

West Berkshire based **Ordo** develops a mobile app that enables users to make and request payments via a secure link for both personal and business use, with invoice and bill tracking functionality.

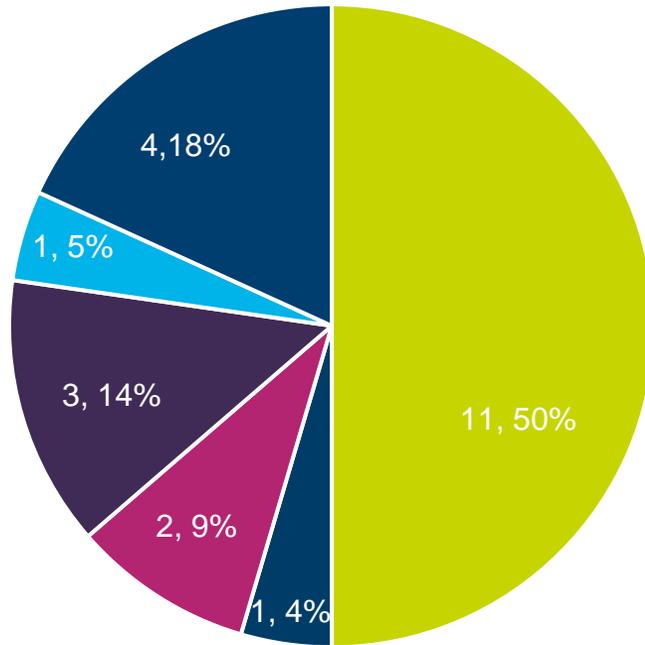- Ranked in the BusinessCloud FinTech 50 high growth list in 2021

Artificial Intelligence (AI)

Number of organisations in sector, %

- Reading
- West Berkshire
- Bracknell Forest
- Wokingham
- Slough
- Windsor and Maidenhead

Pie chart segments:
- 11, 50%
- 4, 18%
- 1, 5%
- 3, 14%
- 2, 9%
- 1, 4%

28 AI businesses in Berkshire, including 22 tracked companies in the AI space

Volume provide AI-related technology, including chatbots, humanoid robots and virtual reality scenarios.

- Their products and services are used by global businesses such as BP, Dell, eBay, HSBC, Hulu, Oracle and Virgin Media.

Tocalabs develops online artificial intelligence and machine learning software that allows businesses to automate repetitive tasks and processes.

- recognised by G2 as a leading Business Process Management solution.

The Thames Valley AI Hub has been created to pull together the community of Thames Valley based academics, researchers, technologists, clinicians and business strategists in order to network, share knowledge, explore business opportunities together in the AI area.

The depth of Thames Valley's digital and AI expertise has garnered a reputation as the 'UK's Silicon Valley'.
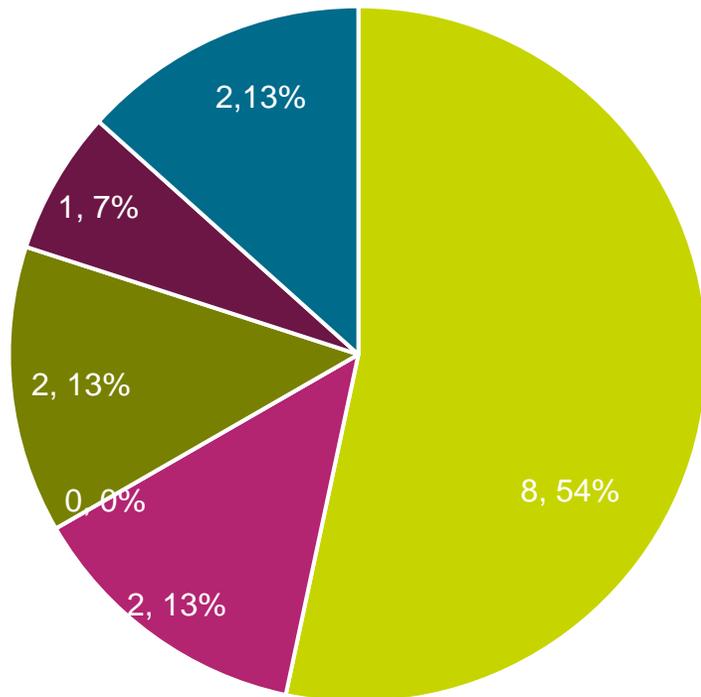
Internet of Things (IoT)

Number of organisations in sector, %

- Reading
- West Berkshire
- Bracknell Forest
- Wokingham
- Slough
- Windsor and Maidenhead

Pie chart values: 8, 54%; 2, 13%; 0, 0%; 2, 13%; 2, 13%; 1, 7%; 2, 13%

15 IoT businesses in Berkshire, all of which are tracked.

Wireless Logic was founded in Berkshire in 2000 and delivers complete M2M/IoT managed services for mobile and satellite wireless networks plus fixed line solutions.

- They were backed by CVC Partners in 2015 and subsequently backed by Montagu Private Equity in 2018 before expanding into Europe in 2019.

- The company now has over 10 million IoT subscriptions active in 165 countries, with collaborative partnerships that provide reach into more than 750 mobile networks across the globe.

- The company has been named a Leader in the 2023 Gartner Magic Quadrant for Managed IoT Connectivity Services, Worldwide.

IoT: The Berkshire Smart City Cluster Project

The Smart City Cluster project is a £2.1m Internet of Things (IoT) project, funded through a Local Growth Fund capital grant from Berkshire Local Enterprise Partnership. It is a collaboration between the six Berkshire authorities: Reading, Wokingham, Bracknell, West Berkshire, Slough and the Royal Borough of Windsor and Maidenhead.

This project, led by Reading Borough Council with support from Stantec has demonstrated how collaboration and technology solutions can meet real-world challenges in delivering public sector services across Berkshire. These include fall prevention systems, promoting public transport use and ensuring health, safety and wellbeing of individuals.

Source: Berkshire Smart City Cluster Project

Cloud Computing

Number of organisations in sector, %
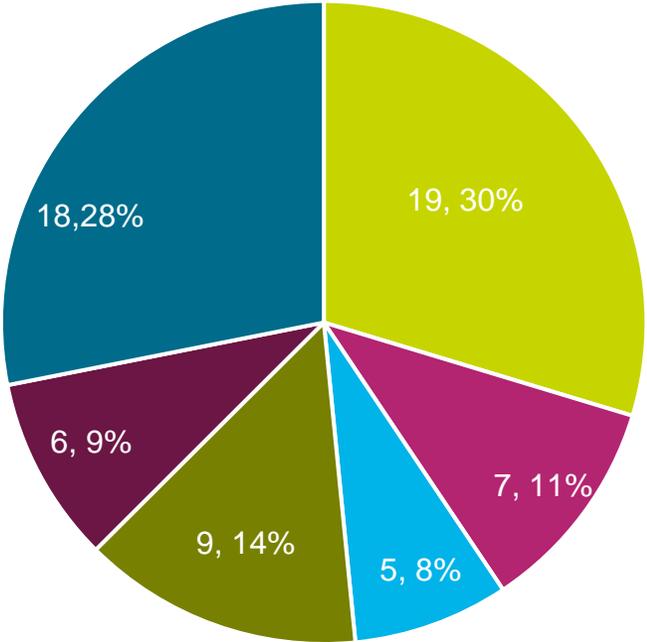
- Reading
- Bracknell Forest
- Slough
- West Berkshire
- Wokingham
- Windsor and Maidenhead

Pie chart segments:
- 19, 30%
- 18, 28%
- 6, 9%
- 9, 14%
- 5, 8%
- 7, 11%

There are 64 tracked Software-as-a-Service (SaaS) companies in the digital tech sector within the Berkshire LEP area.

4 of the world's Top 15 Cloud Companies have a base in Berkshire (Microsoft, Oracle, Hewlett Packard, Adobe).

The University of Oxford, 1 hour from central Berkshire, is a leading UK university for cloud research. On 1 May 2020, it announced a collaboration with Amazon Web Services (AWS), which will focus on new research projects relating to AI, robotics, cyber-physical systems, human-centred computing with an aim to accelerate advances in AI and Data Science.

Source: Beauhurst, March 2023
NOTE: includes businesses in 'Software-as-a-service (SaaS)' sector

Developing Digital Tech Specialisms and Companies in Berkshire

Authocracy Studios based in Reading

Tt Games based in Windsor & Maidenhead

Revolugen based in Windsor & Maidenhead

Gaming

Advanced Digital

UK Head Office in Windsor

Generic Robotics based in Reading

Pixsellar based in Windsor & Maidenhead

Ad Tech

Augmented/ Virtual Reality

Qmee based in Reading

Quikkly based in Windsor & Maidenhead

Immersive Computing Labs based in Slough

Local Business support ecosystem

Advice & knowledge exchange services which can be accessed through the Berkshire Growth Hub

Pre-start	Start-up	Growing	Established

Berkshire Growth Hub

Thames Valley Life Science Working Group

Tech Nation

Thames Valley Science Park

Henley Business School

Local authority support

Professional service firms

Business membership organisations– IoD, FSB, CBI, TVCC

International Trade Service

Meetups

Innovate UK

University of Reading - Knowledge Transfer Centre

Co-working and incubation spaces

Access to Finance : Thames Valley Berkshire Funding Escalator; Thames Valley Investment Network; Henley Business Angels; British Business Bank

ACCESS TO FINANCE

In addition to national funding opportunities, local sources of funding for certain types of businesses (some of which is restricted to Berkshire based firms) are listed here.

More details on these and national opportunities are available from the Berkshire Growth Hub and the British Business Bank

	About
TVB Funding Escalator	The LEP has created a funding escalator providing an expansion loan scheme and a short-term trade loan scheme to eligible SMEs in Berkshire which is managed by The FSE Group. FSE fund managers offer guidance and support during the application process and further help after the loan is made.
Thames Valley Investment Network	Part of the OION Ltd group of angel networks, TVIN works with entrepreneurs and companies that are looking to raise finance by connecting them with highly active potential investors
Henley Business Angels	A network of experienced business leaders, successful entrepreneurs and investors. Its aim is to facilitate opportunities for members to invest in and mentor (S)EIS registered early stage businesses launched by entrepreneurs who graduated from or are connected with the Henley Business School and University of Reading

Key Berkshire business support facilitators

With some of the highest start-up and scale-up rates in the country, Berkshire has a strong business support system for new and growing firms.

The Berkshire Growth Hub is the local first-stop-shop for business support within Berkshire. It aims to enhance and accelerate business performance and help more businesses to take advantage of national and local support programmes.

https://berkshiregrowthhub.co.uk

The Thames Valley Berkshire Funding Escalator provides loans to support early-stage SMEs and offers finance to those that have the potential to deliver growth but are unable to access finance from traditional sources.

http://www.thefsegroup.com/thames-valley-berkshire-funding-escalator/

BERKSHIRE TRANSPORT LINKS

Airport Connections

Route	Car	Train
Reading to Heathrow Airport	32 min	43 min
Reading to Gatwick Airport	1 hr 5 min	1 hr 22 min
Reading to Stanstead Airport	1 hr 29 min	1 hr 37 min
Reading to Luton Airport	1 hr 3 min	1 hr 36 min
Reading to Bristol Airport	1 hr 38 min	1 hr 52 min
Reading to Southampton Airport	55 min	41 min

Train Connections

Route	Duration
Reading to London Paddington	23 min
Reading to Birmingham	1 hr 38 min
Reading to Manchester	3 hr 16 min
Reading to Leeds	2 hr 55 min
Reading to Cardiff	1 hr 28 min
Reading to Bristol	1 hr 9 min
Reading to Edinburgh	5 hr 1 min

Driving Connections

- Major motorway (M4) run horizontally through the Berkshire
- Ease of access to M3 (South East), M5 (West) and M25 (London Circular)

Top 10: Small European Cities of the Future (connectivity)*	Top 10: Micro European Cities of the Future (connectivity)*
1. Slough	7. Windsor

*Source: fDi's European Cities and Regions of the Future 2023 – Winners

KEY BUSINESS PARKS
GREEN PARK, SLOUGH TRADING ESTATE AND THAMES VALLEY PARK

Green Park, Reading
53 Occupiers
Over 1,600,000 sq. ft of accommodation

Slough Trading Estate, Slough
221 Occupiers
13 current property vacancies
Europe's largest trading estate in single ownership

Thames Valley Park, Reading
23 Occupiers
Over 279,000 sq. ft available
80 acres along the bank of the Thames

ARLINGTON, ARLINGTON SQUARE & NEWBURY BUSINESS PARK

Arlington Business Park, Theale
102 Active Occupiers
Over 83,000 sq. ft available

Arlington Square Business Park,
Bracknell
114 Active Occupiers
74,000 sq. ft available

Newbury Business Park, Newbury
18 Active Occupiers
Over 28,000 sq. ft

WINNERSH TRIANGLE, GREENHAM BUSINESS PARK & ASCOT BUSINESS PARK

Winnersh Triangle, Wokingham
35 Active Occupiers
Over 178,000 sq. ft available

Greenham Business Park, Thatcham
Over 180 Active Occupiers

Ascot Business Park, Ascot
26 Active Occupiers
4,774 sq. ft available

Berkshire also has a wealth of Co-Working/ Innovation spaces

Work.Life based in Reading

Arena members' hubs based across Berkshire

The Workary Maidenhead based in the Royal Borough of Windsor & Maidenhead

The Porter Building based in Slough

The Curious Lounge based in Reading

The Work Station based in Wokingham

Bracknell Enterprise & Innovation Hub based in Bracknell

Berkshire Business Environment - businesses by size

44,205 registered businesses
(registered for VAT or PAYE) Of which…

270 large
(more than 250 employees)

785 mid-sized
(50-249 employees)

3,480 small
(10-49 employees)

39,675 micro
(0-9 employees)

47,522 unregistered business*
(self-employed, operating below VAT/PAYE thresholds)

There are 91,727 businesses in Berkshire, of which 44,205 (48%) are registered for VAT and/or PAYE.

The number of registered businesses in Berkshire grew by an average annual growth rate of 2.2% between 2012 and 2022.

The vast majority (98%) of registered businesses in Berkshire are micro (0-9 employees) or small (10-49 employee enterprises).

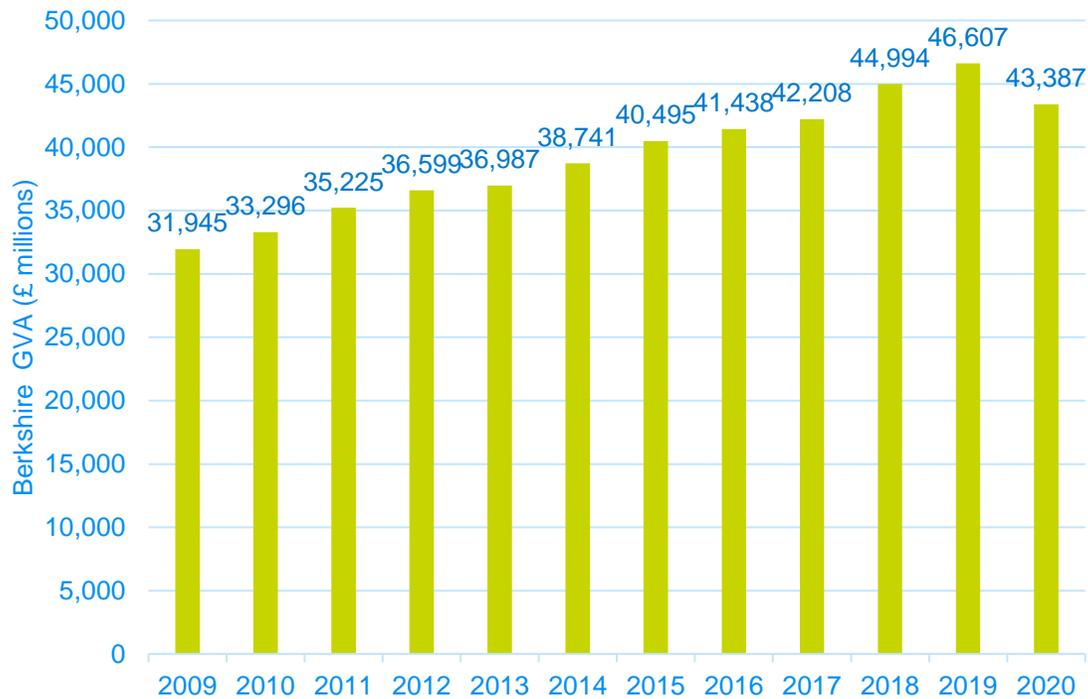*estimated using Business Population Estimates data for the South East
**definitions vary slightly from those conventionally used in order to illustrate the dominance of firms with zero-four employees

Sources:
1. UK Business Counts, 2022, Office for National Statistics
2. Business Population Estimates, Department for Business, Energy and Industrial Strategy, 2022

Berkshire: TOTAL GVA, GVA per job filled and GVA per hour

Berkshire's GVA growth (chained value measures, 2019 prices)

Berkshire GVA (£ millions)

| Year	GVA
2009	31,945
2010	33,296
2011	35,225
2012	36,599
2013	36,987
2014	38,741
2015	40,495
2016	41,438
2017	42,208
2018	44,994
2019	46,607
2020	43,387

Chained value measures: For the balanced measure, GVA(B), it is measured at current basic prices (value in £ million), which include the effect of inflation, and in "real" terms in chained volume measures (CVM), with the effect of inflation removed.

Source:
Regional gross value added (balanced) by industry: city and enterprise regions, ONS, May 2022
Subregional productivity: labour productivity indices by economic enterprise region, ONS, July 2022

Nominal (unsmoothed) GVA per filled job (£'s)

UK — Berkshire LEP area — London

Values shown: 83,184; 82,965; 57,625; 51,231; 49,173; 36,210
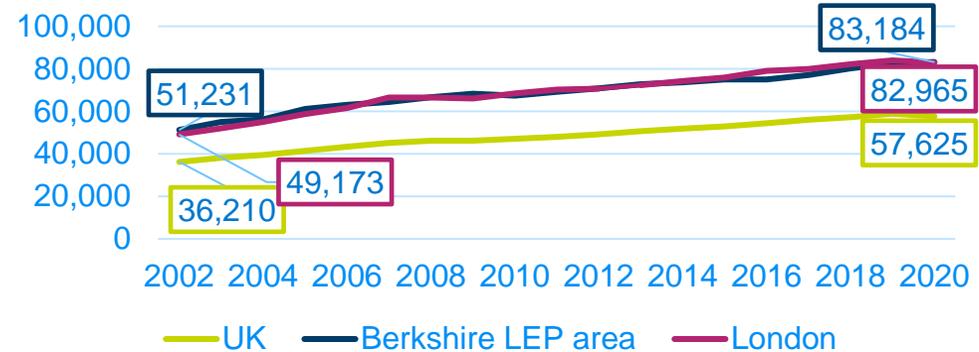
Berkshire ranked 1st among LEPs by GVA per filled job which is **£25,559 (44%)** above the UK figure.

Nominal (unsmoothed) GVA per hour worked (£'s)

UK — Berkshire LEP area — London

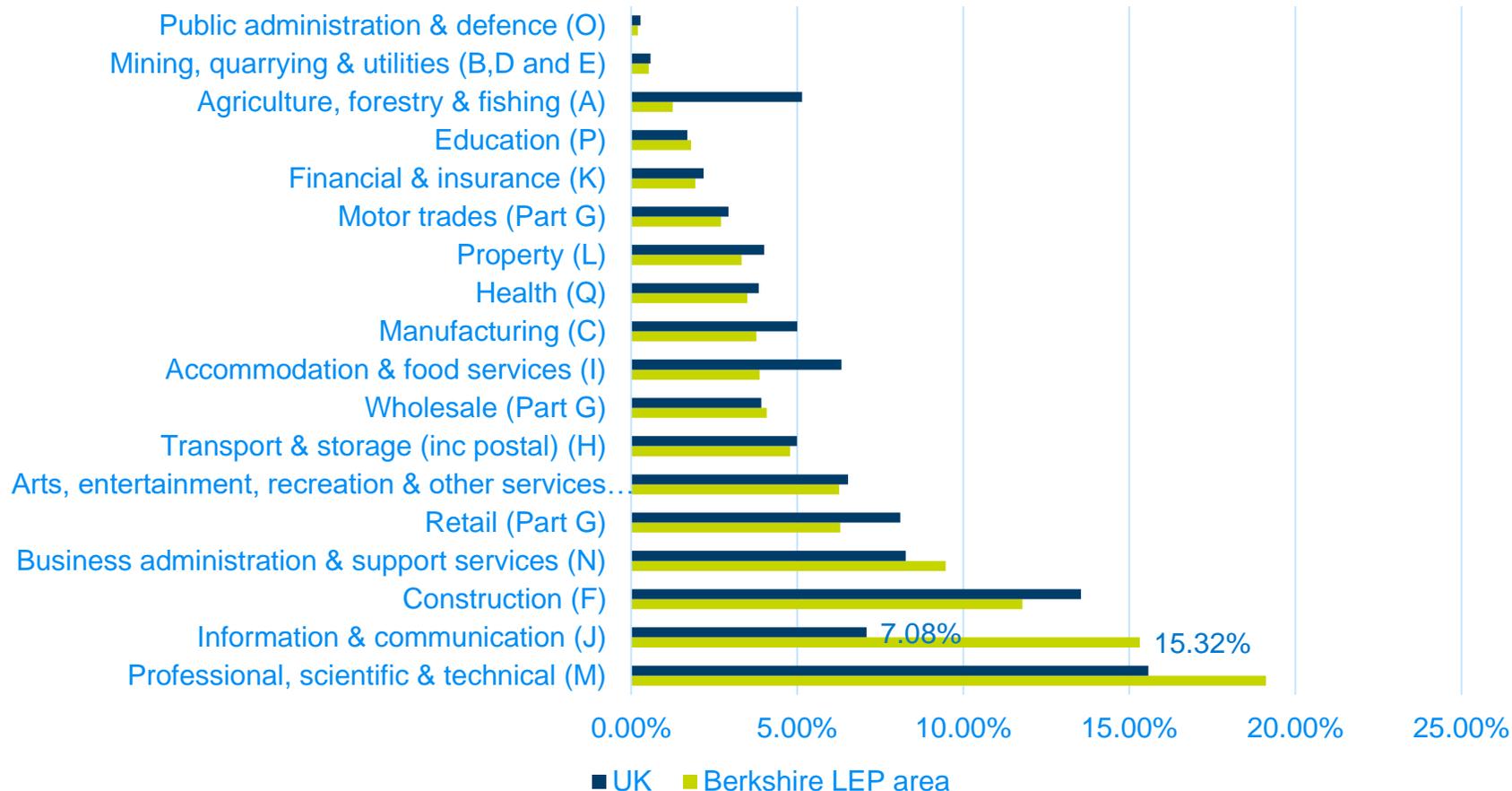Values shown: 54.5; 53.7; 39.9; 34.4; 32.7; 24.8
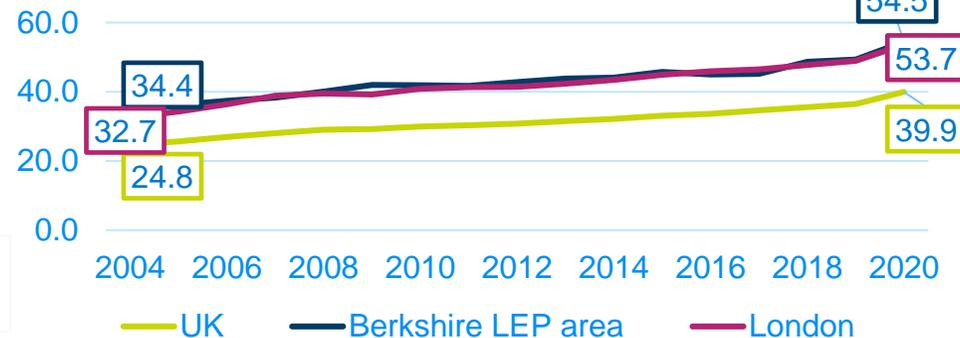
Berkshire is Ranked **11th** by the GVA per hour worked (£'s) 2020 Index for LEPs – above London

Unsmoothed: Actual; Smoothed: Rolling 5-year average

Almost four in ten Berkshire businesses operate in either the Professional, Scientific & Technical arenas or in Info & Comms (Digital Tech)

Business count by industry (%)

Legend: UK (dark blue) — Berkshire LEP area (green)

Industries (top to bottom):
- Public administration & defence (O)
- Mining, quarrying & utilities (B,D and E)
- Agriculture, forestry & fishing (A)
- Education (P)
- Financial & insurance (K)
- Motor trades (Part G)
- Property (L)
- Health (Q)
- Manufacturing (C)
- Accommodation & food services (I)
- Wholesale (Part G)
- Transport & storage (inc postal) (H)
- Arts, entertainment, recreation & other services…
- Retail (Part G)
- Business administration & support services (N)
- Construction (F)
- Information & communication (J) — 7.08% — 15.32%
- Professional, scientific & technical (M)

X-axis: 0.00%, 5.00%, 10.00%, 15.00%, 20.00%, 25.00%

Analysing data using Standard Industrial Classification (SIC) codes enables a comparison to be made between the structure of the economies of Berkshire and the UK as a whole.

15.32% of Berkshire firms operate 'information and communication' industry

Berkshire has a significantly higher concentration of firms in this sector than the national average – over double.

Source: ONS UK Business Count, 2022

Berkshire-based FTSE 100 companies

Company	Location	Sector
Centrica	Windsor	Energy services and solutions
Convatec	Reading	Medical products and technologies
GlaxoSmithKline	Maidenhead and Slough	Pharmaceuticals & Biotechnology
National Grid plc	Wokingham	Gas, Water & Multi-utilities
Prudential plc	Reading	Life Insurance
Reckitt Benckiser	Slough	Household Goods & Home Construction
Sage Group	Reading and Winnersh	Software & Computer Services
Segro	Slough	Real Estate Investment Trusts
SSE plc	Reading	Gas, Electricity & Multi-utilities
Vodafone Group	Newbury and Bracknell	Mobile Telecommunications

...and a myriad of other large public and world-renowned private sector enterprises

Name	Employees (local estimate)	Location
NHS	16,500	Various
Six Unitary Authorities	9,300	Various
Vodafone	5,000	Newbury and Bracknell
AWE	5,000	Aldermaston and Burghfield
University of Reading	4,000	Reading
Waitrose (HQ and distribution centre)	3,400	Bracknell
Microsoft	3,400	Wokingham (Thames Valley Park)
Telefonica O2	5,000	Slough
GlaxoSmithKline	2,000	Maidenhead and Slough
Merlin (Legoland)	2,000	Windsor
Oracle	2,500	Wokingham (Thames Valley Park)
Royal Mail	2,000	Slough
SSE	2,000	Reading
Fujitsu	1,600	Bracknell
Virgin Media	1,500	Reading (Green Park)

*Where local employee data is available

640 scale-ups

(2016-2019 IDBR data, ONS, cited in ScaleUp Review 2021 ScaleUp Institute)

142 visible scale-ups

(firms being tracked by Beauhurst in August 2022 and meeting OECD definition)

649 high growth and high growth potential firms

(all firms being tracked by Beauhurst, August 2022)

640 firms in Berkshire are classified as 'scale-ups'*, of which 545 are turnover scale-ups, 240 are employment scale-ups and 145 scaled both their employees and turnover.

Of these, 142 are 'visible', in that we can identify who they are via the data they submit to Companies House.

These 142 are part of a wider cohort of 649 high-growth or high growth potential companies we can identify using data supplied by Beauhurst**

*using the OECD definition of: firms with at least 10 employees, with 20% average annual growth in either turnover or employees over a three-year period
Source: ScaleUp Review 2021 ScaleUp Institute.
Note: IDBR stands for Inter-Departmental Business Register

**www.beauhurst.com

High growth / High growth potential firms

Although all unitary authorities have seen an increase in high growth or high growth potential firms in the past year, some have seen a greater increase than others; Reading, West Berkshire and Windsor & Maidenhead with particularly noticeably increases.

Conversely, Bracknell Forest followed by Slough have the least number of high growth / high growth potential firms.

Windor and Maidenhead — 135
Reading — 127
Slough — 75
West Berkshire — 129
Wokingham — 123
Bracknell Forest — 60

Centres of excellence

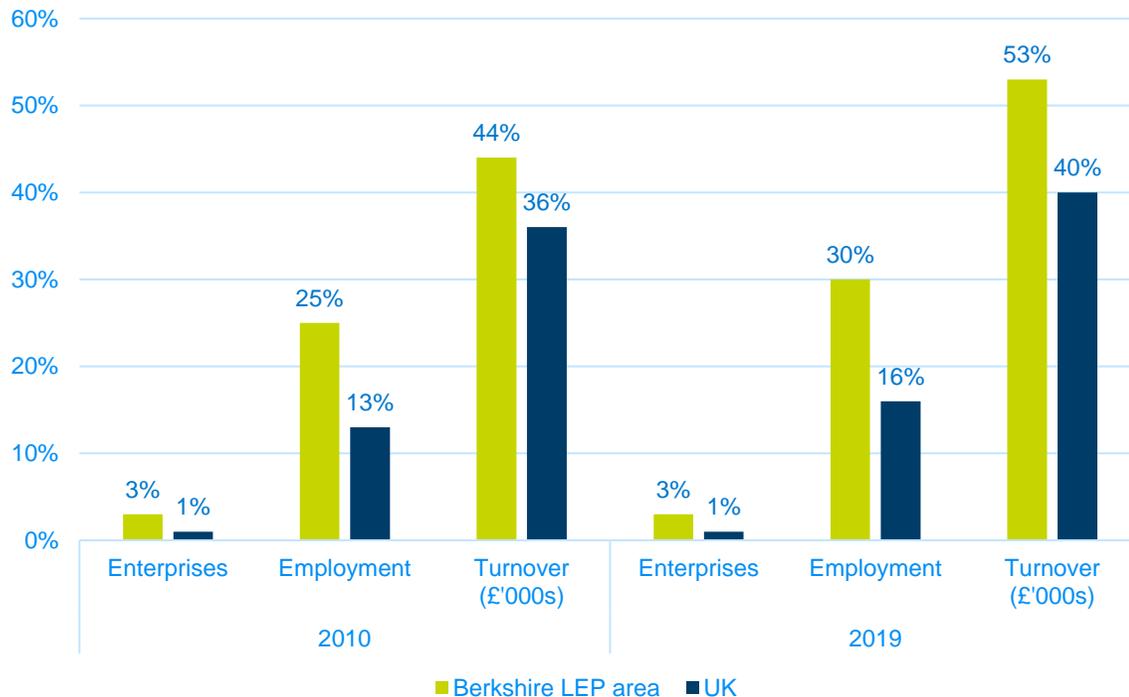Firms undertaking significant R&D activity in Berkshire:

- AkzoNobel
- Mars
- Mondelēz
- Johnson & Johnson

- Thales
- Syngenta
- AWE
- Gillette (P&G)
- Costain

- Vodafone (5G)
- Hanovia (UV technology)
- RSSL

Key Centres of Excellence:

- Agrimetrics, University of Reading
- Bracknell Enterprise & Innovation Hub
- BSRIA (Engineering)
- Centre for Integrative Neuroscience and Neurodynamics (CINN)
- Deloitte Cyber Intelligence Centre
- EIT Food, University of Reading

- European Centre for Medium-Range Weather Forecasting
- National Foundation for Educational Research
- Institute for Environmental Analytics, University of Reading
- Thames Valley Science Park
- Thatcham Research (Car Safety Research)
- TRL (Transport Research)

International economy

Foreign-Owned Companies: contribution to employment and turnover

Chart: Berkshire LEP area vs UK

2010
- Enterprises: Berkshire LEP area 3%, UK 1%
- Employment: Berkshire LEP area 25%, UK 13%
- Turnover (£'000s): Berkshire LEP area 44%, UK 36%

2019
- Enterprises: Berkshire LEP area 3%, UK 1%
- Employment: Berkshire LEP area 30%, UK 16%
- Turnover (£'000s): Berkshire LEP area 53%, UK 40%

Legend: ■ Berkshire LEP area ■ UK

According to the latest available ONS data from 2020, Berkshire has the highest concentration of Foreign-Owned Companies of all LEP areas.

Berkshire has achieved strong Foreign Direct Investment figures in recent years, leading to an increase in the number of Foreign-Owned Companies, from 945 in 2010 to 1,295 in 2019.

Whilst Berkshire's Foreign-Owned Companies only represented 3% of all local businesses in 2019, they generated 30% of local employment and 53% of local turnover.

Since 2010, the proportion of local jobs in Foreign-Owned Companies has increased from 25% to 30%. Slough has the greatest proportion of employment in EU owned firms and Bracknell in 'rest of the world' owned firms.

Access to skills: Berkshire draws from wider Travel to Work Areas (TTWAs), but also loses workers – notably to London
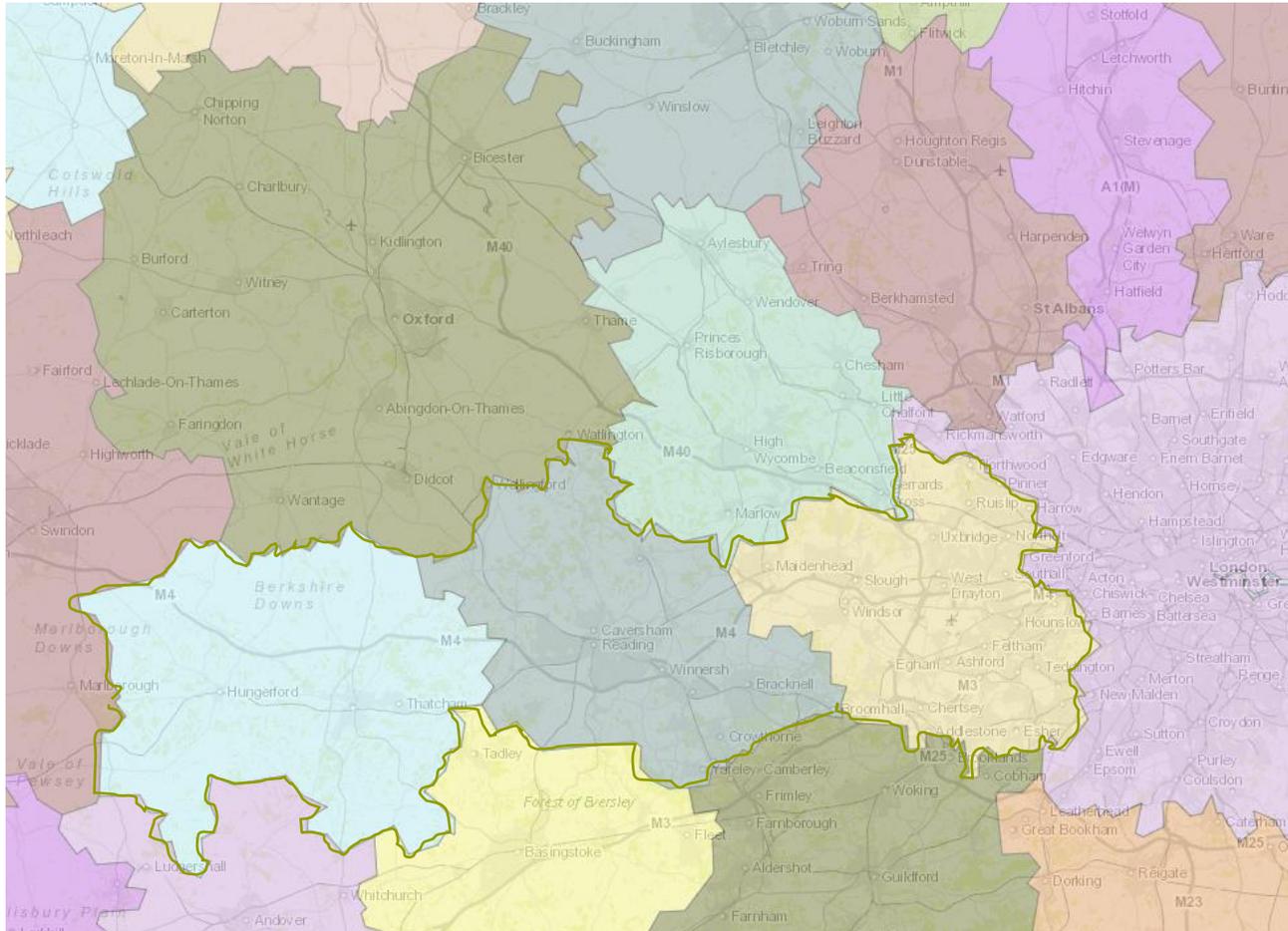
	Newbury TTWA	Reading TTWA	Slough / Heathrow TTWA	Berkshire	Additional potential
Population (2011)	129k	558k	1,662k	Minus 911k (2018)	= 1,438k
Working Aged Population (16-64) (2019	86k	352k	1,094k	Minus 576k	= 1,532k
Workforce (16-64) => potential pool (2019)	70k	285k	830k	Minus 473k	= 712k
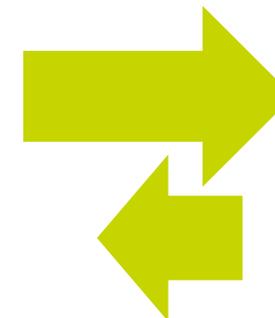
43k residents from Berkshire commute into London

24k London residents commute out into Berkshire (Census 2011)

Access to skills: wage levels for employees in Berkshire are 20.5% higher than the UK average

	Mean wage of employees working in (2022)	YoY change (2021-22)
Bracknell Forest	£37,449	+2.5%
Reading	£36,019	-2.9%
Slough	£35,155	+6.3%
West Berkshire	£36,324	-8.6%
Windsor & Maidenhead	£49,464	+5.9%
Wokingham	£46,994	+11.1%
Berkshire	£40,234	
London	£44,190	+5.1%
UK	£33,402	+6.2%
Berkshire versus UK	**20.5%**	

Summary: Why Berkshire for Digital Tech?

6,770 Digital Tech enterprises in Berkshire	Home to HQ/regional HQ of numerous global tech giants: Reading ranks #3 in Europe, and #1 in the UK, for FDI in HQs	14% of Berkshire jobs (72k) are in the sector – almost 3x the national average - of which 52k are digital tech specialists
Combined Digital Tech turnover of £14.3bn	Hosts 1 Unicorn, 188 tracked High Growth/Potential and 44 Scale-up companies	Berkshire's transport links are exceptional: its towns place in top 10 connectivity rankings amongst EU Micro & Small 'cities'
The sector generates 23.6% of Berkshire's GVA – close to 4x the national average	World-class academic and corporate R&D facilities and COEs	Berkshire offers a high volume of prestigious office and co-working spaces, with remaining capacity - & is still building

Top 10: Local Enterprise Partnerships of the Future	Top 10: Local Enterprise Partnerships of the Future (Economic Potential)	Top 10: Local Enterprise Partnerships of the Future (Business Friendliness)
1. London	1. London	1. London
2. Greater Manchester	2. **Thames Valley Berkshire**	2. Greater Manchester
3. Cambridge & Peterborough	3. Cambridge & Peterborough	3. **Thames Valley Berkshire**
4. **Thames Valley Berkshire**	4. Greater Manchester	4. South-East Midlands
5. West of England	5. Enterprise M3	5. Leeds City Region

Source: fDi's European Cities and Regions of the Future 2023 – The winners

HM Government

Berkshire Growth Hub

Berkshire Opportunities

Berkshire
LOCAL ENTERPRISE PARTNERSHIP

The Curious Lounge,
1st Floor, Pinnacle Building,
20 Tudor Road, Reading RG1 1NH

Further detail about the Business Eco-system in Berkshire can be found in the LEP's Business in Berkshire report

Further detail about investing in Berkshire including relocation support can be found at Invest in Berkshire

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Note - Information is correct at the time of preparation of this sector proposition - October 2023.