

BRACKNELL FOREST ECONOMIC STRATEGY

2024

2034

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1. Introduction

Bracknell Forest is a premier location for business; its strategic location to the West of London, between the M3 and the M4, proximity to the country's main airports, a large workforce within short commuting distance, a plentiful and wide range of commercial space and a business-friendly planning environment, as well as excellent broadband and mobile connectivity are among the success factors which make Bracknell Forest the location of headquarters of major global, high tech and scientific R&D companies. Today, Syngenta, 3M, Daler Rowney, Fujitsu and Honda are among many prestigious businesses located in Bracknell Forest. Historically, this winning formula has resulted in almost full employment and a buoyant local economy.

The abundant green space, relatively affordable housing, good schools, access to nearby employment and strong local communities in Bracknell, as well as in areas like Crowthorne and Sandhurst, which still retain their village character, make the quality of life a draw for young families. The recent regeneration of The Lexicon shopping centre embodies the forward looking attitude and civic pride of the community and has added to the attractions of Bracknell Forest as a place to live.



Figure 1: The Lexicon in Bracknell

1.1. Why an economic strategy for Bracknell Forest

Recent economic circumstances have been challenging. The Covid 19 pandemic and the ensuing lockdowns, the UK's departure from the EU and the war in Ukraine have all had an impact on local as well as national economies.

Over the last three years, the evidence indicates that Bracknell Forest's local economy has shown some signs of resilience but has underperformed on a number of key metrics. The time is right to build on Bracknell Forest's many strengths and advantages and create a dynamic future. The Economic Strategy has four purposes:

1. Provide an understanding of current **economic performance**, the strengths and challenges facing the local economy, its relationship to the wider sub-regional economy
2. Set the **future direction**; the industries, businesses, jobs and skills on which to focus and what Bracknell Forest Council can do to foster them
3. Communicate the **vision**: to potential investors and businesses, planners, partners and the community
4. Provide the **evidence**: data and analysis to support the case for investment and action *Figure 2*



Figure 2: The four purposes of the Bracknell Forest Economic Strategy

1.2. The scope of the Economic Strategy

The focus is on economic and business performance, including the factors that enable businesses and the economy to succeed and grow and that are able to be influenced at local level: access to skilled people, business support and the business environment as well as high quality infrastructure. This cannot be growth at any cost; the climate emergency means that sustainable development is no longer optional and supporting green and clean growth will be vital.

There are a number of other strategies and plans which have a direct bearing on the Economic Strategy, primarily:

- The Bracknell Forest Local Plan currently in development, which provides the strategy and evidence base for housing and commercial development to 2037
- Bracknell Forest Council Plan currently in development *Figure 3*

Other plans which have been taken into account include:

- Bracknell Forest climate change strategy and sustainability appraisal
- Bracknell Forest equality scheme 2022-25
- Bracknell Forest Health & Wellbeing Strategy 2022-6

More detail on relevant strategies, plans and reports is contained in the accompanying literature review.

Timescale

The Economic Strategy covers the period 2024 to 2034. It is action orientated setting out priorities and actions for the first one and three years, after which evaluation and review will set the course for the next period.



Figure 3: Relationship with other relevant plans

2. Methodology and approach

The Economic Strategy is based on three central sources of evidence:

- A detailed **data analysis** using recognised statistical sources on four main themes: economic and business performance, people, work & skills, infrastructure & connectivity and health & well-being. The data are contained in a separate databank in Excel format and the analysis is contained in a Technical Annex which accompanies the Economic Strategy.
- The data analysis uses five year time series of the most recent data available
- A comprehensive **literature review** and contextual analysis including relevant secondary sources for information on the national and local economy and policy context not included in the data analysis
- A series of **consultations** with Bracknell Forest Councillors, stakeholders, partners, businesses and key internal personnel to inform the direction of the strategy

The findings from these sources have been analysed and synthesised to provide the evidence base and direction of the Economic Strategy 2024 to 2034.

Figure 4

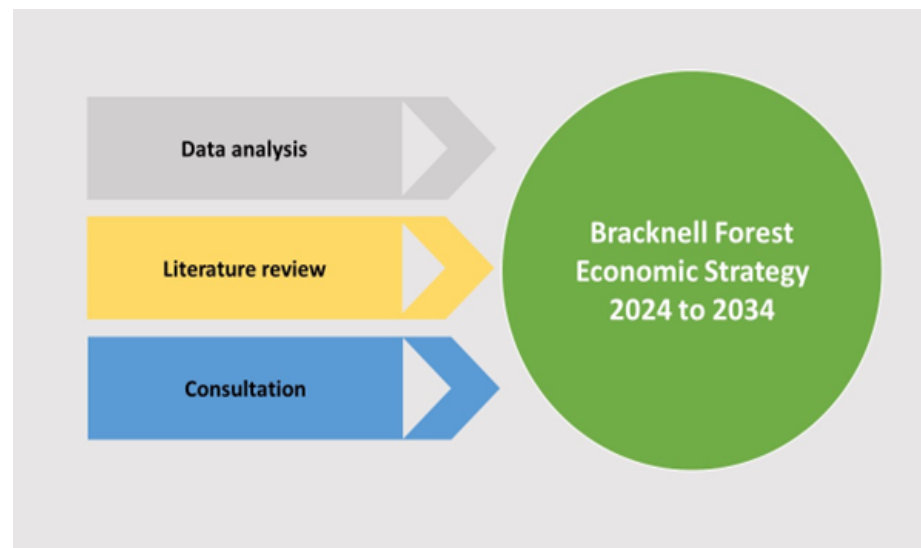


Figure 4: The inputs to the Bracknell Forest Economic Strategy 2024-2034

1.3. The comparator areas

To understand Bracknell Forest's relationship to the wider economy and its performance in context, we have used three main comparator areas – the Berkshire Local Enterprise Partnership (LEP) area, the Bracknell Forest Functional Economic Area (FEA) and the South East Region as a whole:

- **Berkshire LEP** are comprising the six unitary Local Authority Areas (LAAs) of West Berkshire, Windsor and Maidenhead, Wokingham, Bracknell Forest, Reading and Slough.
- **The Bracknell Forest functional economic area (FEA)** comprising: Reading, Windsor & Maidenhead, Wokingham and the contiguous Surrey LAA of Surrey Heath as well as Bracknell Forest itself.
- The **South East Region**

We have examined the performance of the individual Local Authority Areas (LAAs) in the Bracknell Forest FEA where relevant. *Figure 5*

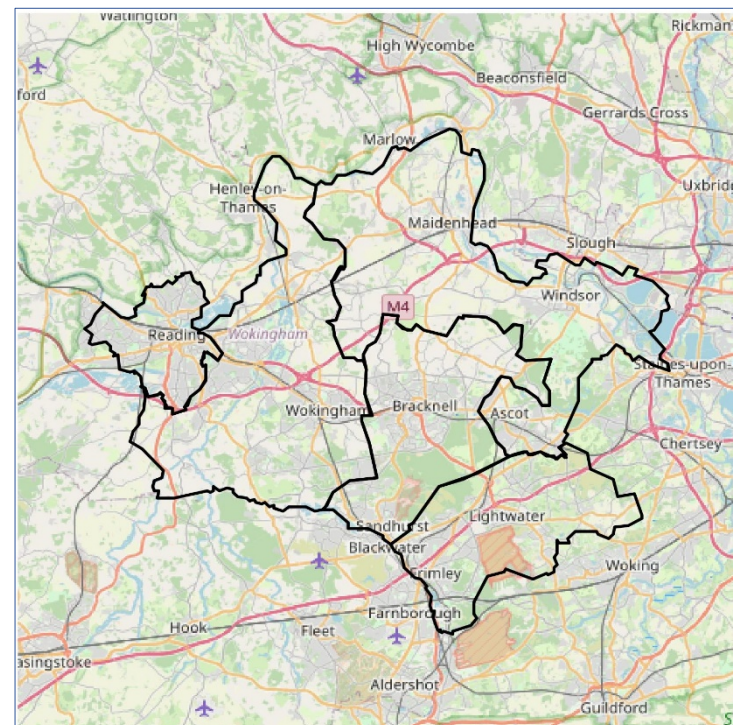


Figure 5: The LAAs in the Bracknell Forest FEA

1.4. Our approach

We use a balanced scorecard approach to assessing the performance and resilience of the Bracknell Forest economy and for managing the delivery of the Economic Strategy 2024-34. A balanced scorecard is a useful quality management tool to improve performance across interacting factors.

The main focus of the Economic Strategy 2024-34 is the performance of the Bracknell Forest economy which, at local level, is determined by three contributory factors: business competitiveness, people & skills and infrastructure & connectivity. Together with economic performance, these contributory factors make up the balanced scorecard for the Economic Strategy 2024-34 and action plan. *Figure 6*

Based on the analysis from the research and consultations, under each factor or theme, i.e. *Economic Performance, Business Competitiveness, People & Skills* and *Infrastructure & Connectivity*, each chapter sets out:

- ◆ indicators and current state
- ◆ the priorities for action
- ◆ the key measures and metrics *Figure 6*

The accompanying action plan contains, under each theme, the priorities for action, the objectives, milestones, 1 and 5 year targets and timescales, the lead organisation and partners.

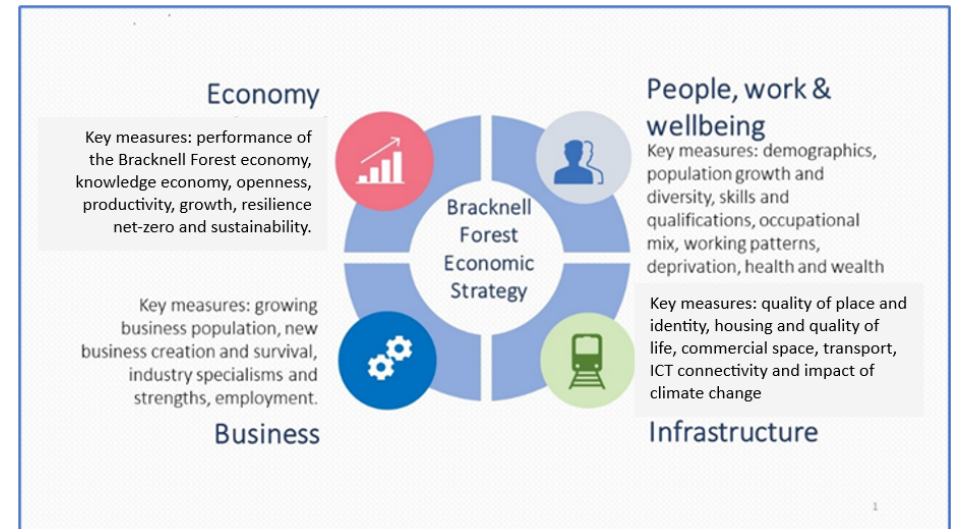


Figure 6: The balanced scorecard for the Bracknell Forest Economic Strategy

N.B. Data included in the Economic Strategy are used to illustrate specific points and do not include the full range of data in the Technical Annex which accompanies this Economic Strategy as supporting evidence.

1.5. The vision for Bracknell Forest’s economy

Our vision: By 2034, a growing and resilient economy that matches the best in Berkshire, supports, attracts and retains high-quality businesses, promotes sustainable growth in clean and green, knowledge-based industries, and provides economic opportunity with good, secure jobs for our people who all have the skills to succeed. *Figure 7*

1.6. The objectives of the Economic Strategy

The main objectives under each theme are as follows:

1. **Economic performance:** Improve Bracknell Forest’s economic performance, particularly declining productivity and knowledge-intensity. Protect Bracknell Forest against losses of large, foreign owned businesses and improve Foreign Direct Investment (FDI) rates.
2. **Business competitiveness:** Reverse the decline in the business stock, improve business competitiveness and resilience, including start-up and survival rates, conserve and grow the knowledge economy e.g. Information & Communications (ICT) and specialisms such as Film & TV, support growth companies, the large employers of the future.
3. **People, work and wellbeing:** Address Bracknell Forest’s poor skills profile through both supply and demand side measures (e.g. management and leadership to drive up skills demand in SMEs), enable local, well-paid, secure employment for local people.
4. **Place, climate change, infrastructure and connectivity:** promote Bracknell Forest’s many advantages as a business and residential location. Ensure supply matches demand for employment space and housing, maintain good ICT connectivity and the transition to net zero.



Figure 7: The vision for Bracknell Forest’s economy

3. Context, scenarios and solutions

1.7. Economic context

The Economic Strategy is set within the context of severe challenges to both national and international economies. Globally, recovery from the effects of the Covid 19 pandemic is uneven and supply chain disruption continues which, together with the war in Ukraine and resultant high fuel prices, high inflation in Europe and the poor trading relationship between China and the USA, are having ongoing negative effects on western economies. In the UK, the effects of departure from the EU are causing further uncertainty. Productivity growth in the UK, which had not recovered to pre-2008 levels before the 2020 lockdowns, has performed very poorly since. *Figure 8*

While the UK’s relatively poor performance is currently being exacerbated by high interest rates and inflation, historic underlying issues do not appear to have been addressed and, in the opinion of some economists, possibly even made worse by successive government policies, most recently austerity followed by high levels of quantitative easing and then by successive rises in interest rates to try to curb inflation.

Analysis of the UK’s long term economic decline is outside the scope of this Economic Strategy although future scenarios have a direct bearing and are therefore considered overleaf.

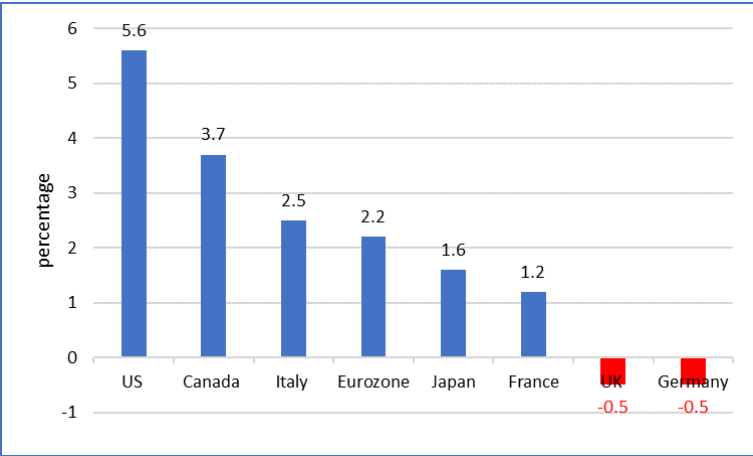


Figure 8 Percentage change in real GDP in G7, Q1 2023 compared to Q4 2019
Source: OECD stat and ONS House of Commons Economic Indicators no. 02784

Growth is expected to remain relatively weak. The Office for National Statistics (ONS)'s latest forecast is for growth in the UK to average 1.4% per annum until 2030¹, although the ONS warns that even this is unlikely to be realised in the immediate future. The Treasury produces monthly reports summarising a range of economic forecasts which predict growth in UK GDP of between -1.5% and 0.6% in 2023² and -1.1 and 2% in 2024. Inflation is predicted to fall by the end of 2024 to 2.1% (Consumer Price Inflation (CPI), average of all forecasts) as interest rate rises take effect and supply chain problems even out. However, unemployment is expected to remain at 4.2%, in spite of the shrinking number of people in the workforce.

Local economies will need to be highly resilient to survive and prosper. Our assessment of Bracknell Forest's economy against our balanced scorecard is set out in detail in the following chapters. The summary is in *Figure 9*:

In the light of our assessment we have set out overleaf three broad medium-term scenarios for the time period of this Economic Strategy 2024 to 2034 based on three key indicators, productivity, business growth and employment.

- **Headline economic performance:** competitiveness is reasonably good measured nationally, but locally there are areas of underperformance, productivity is weak and Bracknell Forest is heavily reliant on foreign-owned companies, increasing vulnerability to outward investment. The knowledge economy appears to be declining although there are some specialisms in Bracknell Forest on which to build.
- **Business competitiveness:** Bracknell Forest's business population shows a lack of resilience and dynamism compared to other nearby local economies and underperforms on business creation and survival, as well as decline in some key sectors such as *Information & Communications*.
- **People, work and skills:** Low and worsening skills levels and weakening demand for higher level skills mean Bracknell Forest may be heading for a low skills equilibrium with lower value employment increasing and knowledge economy jobs declining.
- **Place, climate change, infrastructure and connectivity:** Popular business location, strategic location, commitment to achieving net zero, good transport connectivity, excellent ICT connectivity, green space and quality of life are strengths on which to capitalise. Strong competition as a business location from elsewhere means

Figure 9: Bracknell Forest balanced scorecard assessment summary

¹ [Regional and National Economic Indicators report 24 May 2023 ONS](#)

² [Independent forecasts for the UK economy June 2023 HMT](#)

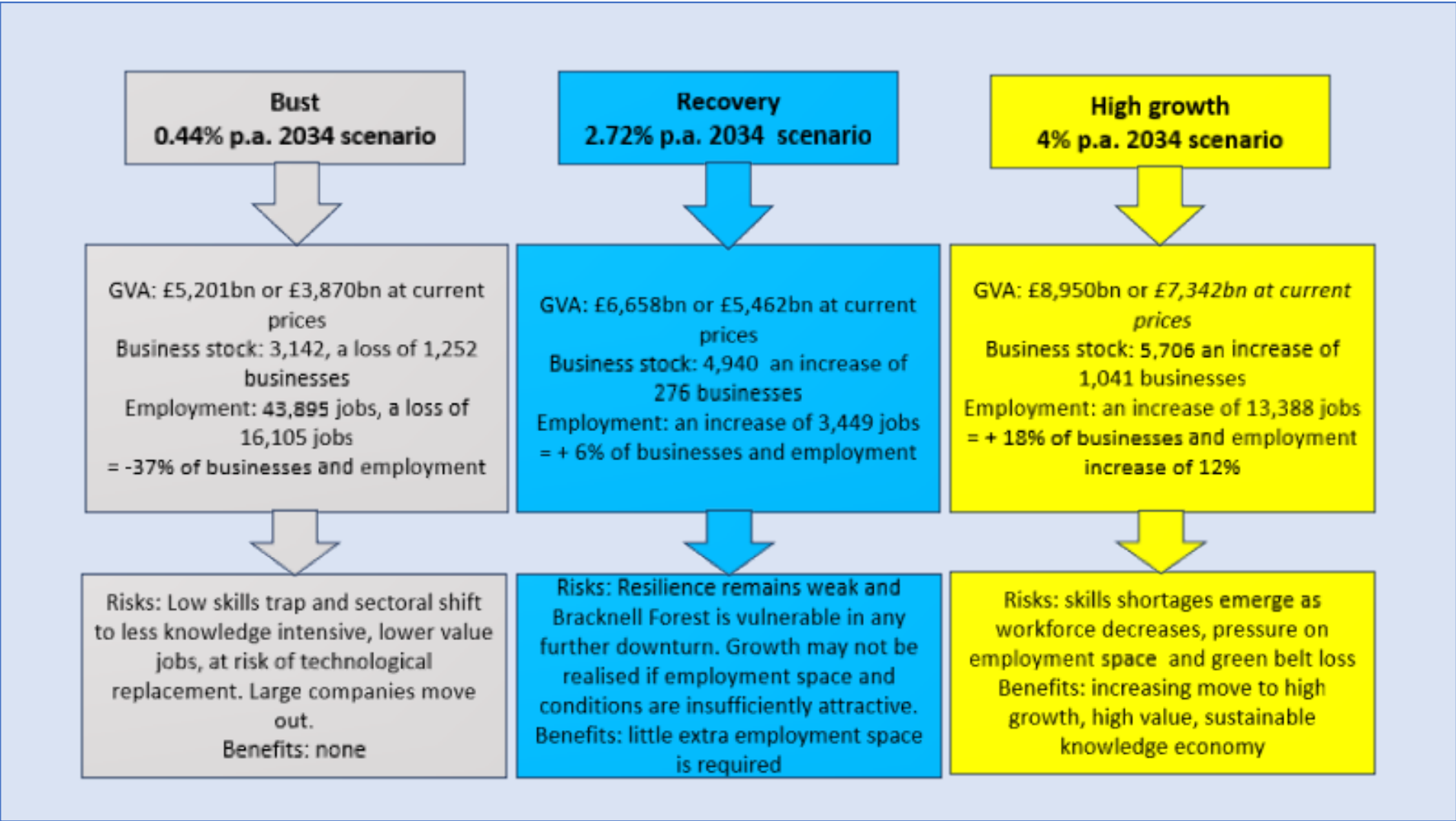


Figure 10: The three scenarios for the Bracknell Forest Economy over the lifetime of the Economic Strategy 2024-2034

4. Bracknell Forest: economic performance

1.8. Economic performance overview

Bracknell Forest lies at the heart of two major growth corridors from London to Bristol and London to Southampton³, broadly running along the M4 and M3 corridors⁴. We would expect Bracknell Forest to perform well economically due to its strategic location between the M4 and M3 growth corridors and relative proximity to London, the most competitive area in the UK. This has enabled it to be a popular location for large companies and corporate headquarters including global technology companies such as 3M, Fujitsu, Cadence and Dell, leading companies in chemicals and pharmaceuticals, for example Boehringer Ingelheim and Afton Chemical, and specialists such as Syngenta in agricultural technologies.

We would therefore expect Bracknell Forest to perform broadly in line with the Berkshire LEP and to outperform the South East region as a whole. The South East is a very large and disparate region which includes extensive rural areas which tend to be less productive, areas of geographic peripherality and places suffering the effects of coastal decline. However, on a number of measures, Bracknell Forest's economic performance is below that of the Berkshire LEP and the Bracknell Forest Functional Economic Area (FEA) and below that of neighbouring local economies, particularly Wokingham, Windsor and Maidenhead and in many respects, Reading. The reasons are examined in this chapter under each indicator.

³ Source: "Where growth happens: the high growth index of places" Grant Thornton

⁴ Source: "UK Competitiveness Index 2021" Nottingham Business School. The UKCI states: "It is obvious that the most competitive localities continue to be those within the boundaries of, or nearby to, London including those along the main motorway arteries into the capital."

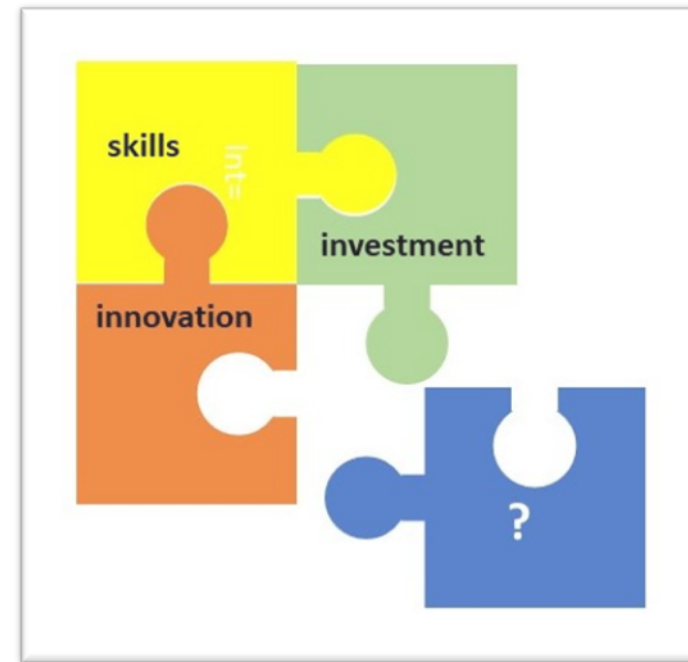


Figure 11: The productivity puzzle

INDICATORS

E.P.1 Competitiveness; E.P.2. productivity; E.P.3. Knowledge economy & specialisation; E.P.4. internationalisation

1.9. Bracknell Forest: economic performance assessment

E.P.1. Competitiveness

According to the UK Competitiveness Index 2023⁵, London is the top location among city regions and LEP areas.

Bracknell Forest is ranked 35th out of 362 UK locations in 2023, which, although relatively high in the national rankings, was lowest among the LAAs in the Bracknell Forest FEA. *Table 1*

	2023	2019	change
Windsor & Maidenhead	14	13	-1
Wokingham	15	12	-3
Reading	22	25	+3
Bracknell Forest	35	34	-1
Surrey Heath	27	33	+6

Table 1: The Bracknell Forest FEA rankings in the UK Competitiveness Index 2023 and 2019

Source: UK Competitiveness Index Nottingham Trent University

The Legatum Institute’s Prosperity Index ranked Bracknell Forest 34th out of 362 local authorities although its rankings on individual “pillars” or domains varied significantly from 8th on *Living Conditions* to 337th on *Enterprise Conditions*. *Table 2*

Domain	National Rank
Safety and Security	145
Personal Freedom	77
Governance	170
Social Capital	169
Investment environment	117
Enterprise Conditions	337
Infrastructure	99
Economic Quality	53
Living Conditions	8
Health	21
Education	80
Natural Environment	42

Table 2: Bracknell Forest’s rankings on the UK Prosperity Index 2022

Source: Legatum Institute

The most relevant domains to the Economic Strategy are:

- *Investment Environment*, the extent to which investment capital is readily accessible and in demand (117)
- *Enterprise Conditions*: the degree businesses are able to start, compete, and expand e.g. ease of recruitment, skills (337)
- *Economic Quality*: how well a local economy is equipped to generate wealth sustainably and with the full engagement of the workforce (53)

Bracknell Forest scores particularly poorly on *Enterprise Conditions*

⁵ [UK Competitiveness Index 2023](#) Nottingham Trent University

E.P.2.Productivity

Bracknell Forest’s output of £4.956bn in 2021 accounted for 14.52% of the Bracknell Forest FEA’s total output. Alone among the comparator areas, Bracknell Forest experienced a net decrease of 4.52% in total GVA over the 2017 to 2021 reference period. Although all comparator areas were negatively affected in between 2019 and 2020, the year of lockdowns, Bracknell Forest’s was a particularly marked decline, indicating a lack of economic resilience. *Figure 12*

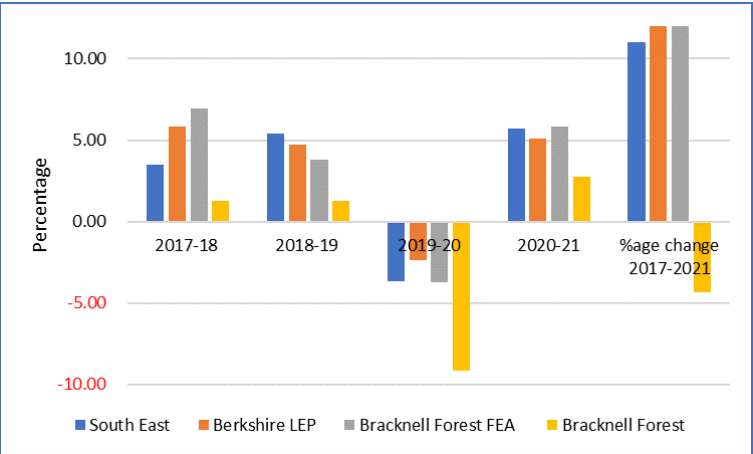


Figure 12: Percentage change in GVA in Bracknell Forest and the comparators between 2017 and 2021 and total change 2017-21
Source: ONS Regional gross value added (£m at current prices, balanced method)

Within the Bracknell Forest FEA, Wokingham, Surrey Heath and Reading all achieved significant growth in GVA between 2017 and 2021, notwithstanding the very difficult economic period. *Table 3*

Bracknell Forest displayed weak growth in the pre-pandemic years leaving it exposed to the shock of lockdowns in 2019 to 2020 and a weaker recovery in 2020 to 2021.

	2017-18	2018-19	2019-20	2020-21	change 2017-21
Bracknell Forest	1.25	1.24	-9.17	2.74	-4.34
Reading	11.33	-1.47	-6.84	12.31	14.76
Windsor & Maidenhead	0.66	-1.72	-6.62	7.22	-0.95
Wokingham	11.35	14.01	4.22	2.41	35.50
Surrey Heath	12.20	11.69	-0.83	1.85	26.57

Table 3: Percentage change in GVA in the LAAs in the Bracknell Forest FEA and the comparators between 2017 and 2021 (£m at current prices)
Source: ONS Regional gross value added (balanced)

Output per job shows a similar pattern; Bracknell Forest’s output per filled job of £76,178 in 2021 was 17.08% higher than that of the South East (£63,164) but 9.4% lower than that of the Berkshire LEP (£84,093) and 3.5% lower than that of the Bracknell Forest FEA (£78,963).

Among the comparator areas, only Bracknell Forest experienced a net decrease of 0.13% in GVA per filled job over the 2017 to 2021 reference period. *Figure 13*

The presence of large companies, including many blue chip global corporations, which are generally more productive would normally be expected to result in high GVA per job. The fact that this is not the case is indicative of lower value employment.

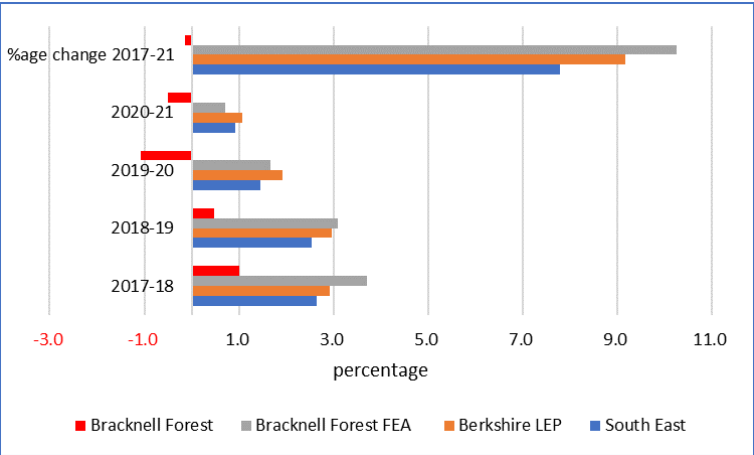


Figure 14: Percentage change in GVA per filled job in Bracknell Forest and the comparators between 2017 and 2021 and total change 2017-21
Source: ONS Regional gross value added (at current prices, balanced method)

Bracknell Forest is well placed to take advantage of the growing ‘green-tech’ economy which straddles many sectors which include: Renewable Energy, Energy Efficiency, Electric Vehicles (EVs) and Green Transportation, Waste

Management and Recycling, Environmental Monitoring and Sensors, Smart Grid and Grid Management, Green Building and Sustainable Construction, Renewable Resource Mapping and Forecasting, Sustainability Software and Analytics and Green Finance and Investment. The recent Oxford Economics ‘Green Growth’ Index cited the South East has having one of the best UK scores for the greatest opportunity but with the least challenge⁶. *Figure 13b*

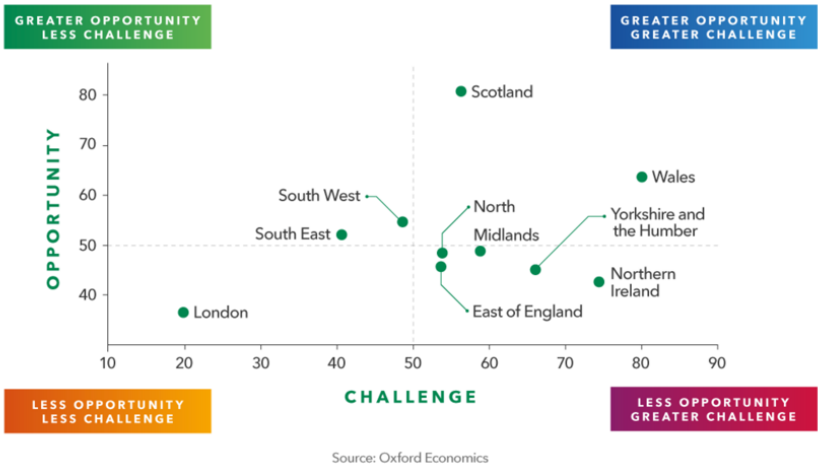


Figure 13b: Green Growth Index, The scoring range is from zero to 100, with 0 indicating the least opportunity for green growth and 100 indicating the most opportunity. Source: Oxford Economics/Lloyds Banking Group

⁶ Source: <https://www.lloydsbankinggroup.com/assets/pdfs/who-we-are/green-economy/uk-green-growth-index.pdf>

Bracknell Forest’s productivity gap

Management and leadership, workforce skills and capital investment, for example in new technology, are major drivers of productivity growth along with innovation, export propensity and less tangible factors such as entrepreneurial culture.

Sectoral composition is also an important factor; sectors such as *Advanced Manufacturing* are significantly more productive and contribute more to productivity growth whereas other industries such as *Transport & Storage* can have a negative effect⁷.

Bracknell Forest’s lower percentage of businesses in knowledge based sectors in relation to the comparators for example, *Professional, Scientific & Technical* and relatively high percentage of businesses in *Construction* and *Retail* support this conclusion.

The reasons for Bracknell Forest’s weak performance on productivity growth and output per job are likely to be multifactorial; actions to improve sectoral mix, entrepreneurship, skills, including management and leadership, and business performance are within scope of the Economic Strategy.

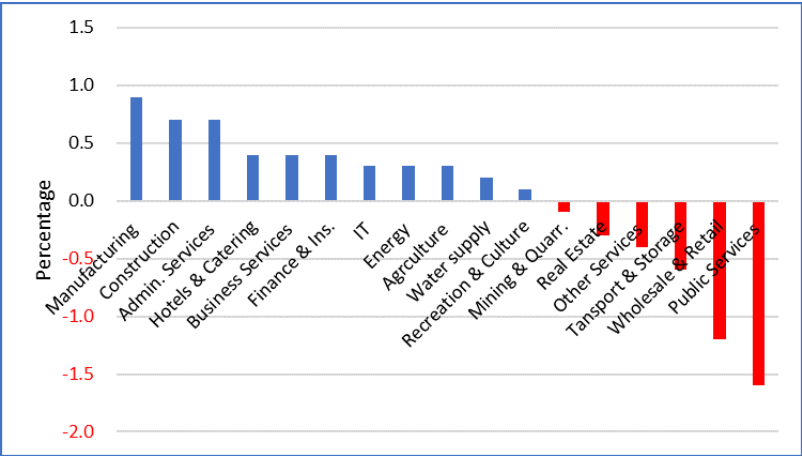


Figure 15: Contributions to total growth in output per hour worked by industry relative to the 2019 average

Source: ONS Productivity Overview 2022

⁷ Source: *Below the Aggregate: A Sectoral Account of the UK Productivity Puzzle*. ESCoE Discussion Paper 2018-06 May 2018

E.P.3. The knowledge economy and specialisation

A key test of a local economy is the strength of its knowledge economy, i.e. the part of the economy which is based on creating value through the application of intellectual capital ranging from highly technical industries and knowledge-intensive services to the creative industries. Businesses in the knowledge economy tend to be higher value and have higher worker productivity so it is an important contributor to economic growth. As well as employing highly skilled workers, knowledge economy businesses are often intensive users of information technology and have high levels of research and development and innovation.

The health of Bracknell Forest’s knowledge economy is particularly important because attracting and retaining global companies depends on the presence of knowledge-based services and supply chains and strongly embedded knowledge clusters.

In Bracknell Forest, 16.64% of businesses are in the knowledge economy⁸, lower than the Berkshire LEP area (18.03%) and the Bracknell Forest FEA (18.51%) but higher than the South East (12.34%).

All the LAAs in the Bracknell Forest FEA, have experienced a decline in the knowledge economy between 2018 and 2022 but Bracknell Forest has seen the largest decline of 3.94%, a further indication of the lack of resilience in the Bracknell Forest local economy. *Figure 15*

⁸ We have used a relatively tightly focused definition of the knowledge economy comprising Medical Devices; Pharmaceuticals & Biotechnology; IT Services; Communications; Computing & Advanced Electronics (manufacturing); Other Technical Consultancy Services; Aerospace & Transport; Creative Content; Software: High Tech Financial Services. The Technical Annex contains a fuller explanation,

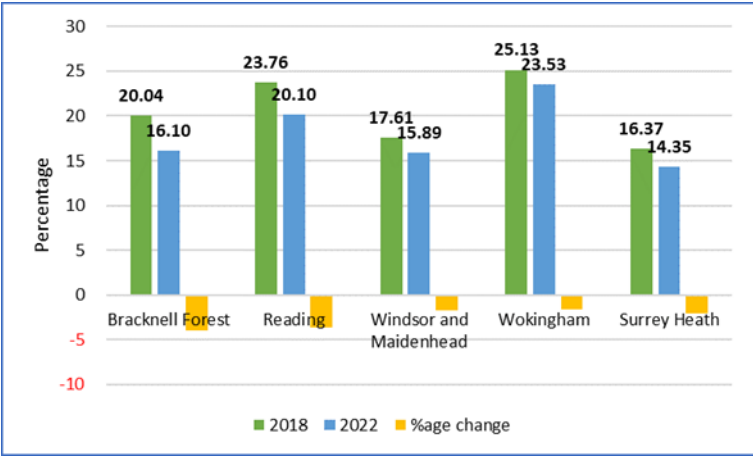


Figure 16: Change in knowledge economy businesses as a percentage of all businesses between 2018 and 2022 in the LAAs in the Bracknell Forest FEA
Source: ONS UK Business Counts (enterprises by broad industrial sector)

Specialisation

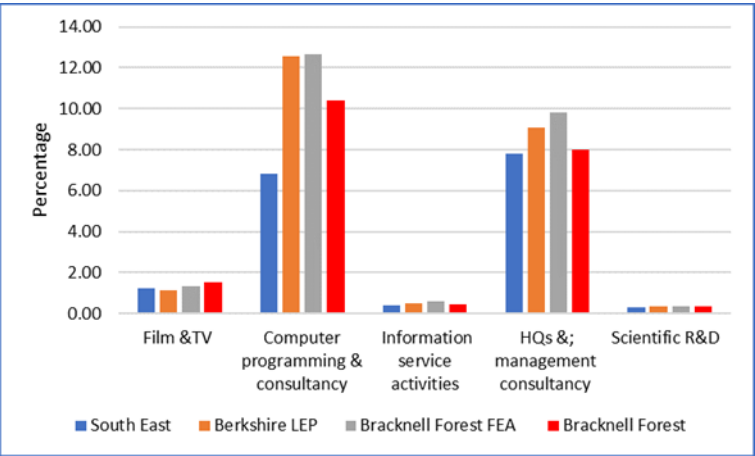


Figure 17: Business in high employment LQ industries in Bracknell Forest and the comparator areas as a percentage of all businesses in 2022
Source: ONS UK Business Counts (enterprises by 2 digit SIC)

A degree of specialisation in local economies can lead to greater productivity as they are more likely to generate networks of knowledge, which in turn drive new innovation and growth within existing industries, and aid transitions to new types of high-value activity. For example, a place is more likely to move from computer software development to smartphone app development, than it is to go from shirt production to app development.

Based on Location Quotients (LQs) which measure concentrations of employment in a particular industry at local level, Bracknell Forest would appear to have specialisms in *Scientific R&D, Computer Programming, Head Office & Management Consultancy Activities, Information Services* and *Motion Picture, Video &TV* or *Film &TV*. These are all knowledge-based sectors and could provide opportunities for further agglomeration and growth in employment and output. *Figure 16*

The Film & TV sector which although a small sector at 70 businesses or 1.53% of the business population, is the highest percentage among the main comparator areas and is also the highest percentage of all ICT businesses. (See next chapter). However, within the Bracknell Forest FEA, all areas have seen a growth in the sector, linked to the growth of Pinewood studios in Slough and Shepperton studios, where Netflix are expanding their UK operations as part of UK-wide growth in this sector. Windsor & Maidenhead has the highest percentage of film & TV companies in the Bracknell Forest FEA at 1.92% of all businesses and a long established cluster around the Bray Film Studios. There may be a case for working with other areas nearby on joint initiatives to support this fast growth sector.

E.P.4. Internationalisation

Internationalisation, including trade, foreign ownership and foreign direct investment (FDI) are indicators of a dynamic and open local economy. According to ONS, businesses which trade internationally are 21% more productive than those who do not, after controlling for size, industry and ownership status and, although they make up only 4.6% of the national business base, they account for 40% of employment. *Manufacturing* and *Wholesale & Retail* businesses are the most likely to trade ⁹, fewer than 5% of British owned companies trade whereas 30% of EU owned and 37% of US owned companies trade.

Bracknell Forest's levels of internationalisation are high; among the authorities in the Berkshire LEP area - itself, highly internationalised by regional standards¹⁰ - Slough, Reading and Bracknell Forest have similarly high levels of foreign ownership. Bracknell Forest has the second lowest proportion of EU owned firms at 0.74% which could stand it in good stead if there is further fallout from the UK's departure from the EU. *Table 4*

Foreign owned companies account for half of all employment in Bracknell Forest, providing 34,012 of the area's 67,693 jobs in 2020, the highest percentage amount the local authorities in the Berkshire LEP area. The majority of these (42.99% or 29,101) are provided by non-EU firms which could be a benefit in the case of further fall out from the UK's departure from the EU. *Figure 17*

However, Bracknell Forest is not performing particularly well in terms of FDI. Details of investments are confidential but Department of International Trade data shared with Berkshire LEP show that the number of successful FDI projects

in Bracknell Forest in the last year has been less than a quarter of the number in Reading and has resulted in only a small number of new jobs.

⁹ ONS: *UK trade in goods and productivity*

¹⁰ *Up to date regional figures are not available but in 2018, only 1.47% of South East firms were foreign owned, according to ONS.*

	Foreign owned	% of total	EU owned	% of total	Rest of World	%age of total
Bracknell Forest	155	3.28	35	0.74	120	2.54
West Berkshire	210	2.39	95	1.08	115	1.31
Reading	235	3.31	75	1.06	160	2.26
Slough	240	3.66	95	1.45	145	2.21
Windsor & Maidenhead	255	2.67	90	0.94	165	1.73
Wokingham	225	2.50	65	0.72	160	1.78

Table 4: Foreign ownership of firms in the LAAs in the Berkshire LEP area 2020
Source ONS: UK business activity, size and location

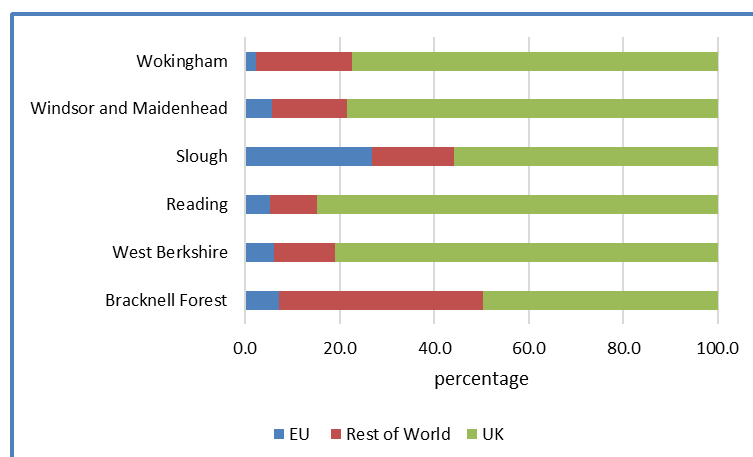


Figure 18: Percentage of total employment by EU, rest of world and UK firms in the LAAs in the Berkshire LEP area 2020
Source ONS: UK business activity, size and location

1.10. Bracknell Forest economic performance: scorecard summary

Indicator	Key metric	Summary of current state	Priorities for action
E.P.1. Competitiveness	Legatum Institute and UK Competitiveness Index annual rankings	Bracknell Forest benefits from its strategic location in the prosperous South East and as a popular business location at the heart of two important growth corridors with good international connectivity. However, Bracknell Forest does not perform as well on overall competitiveness as the other LAAs in the FEA. It rates less well on investment conditions and negatively on enterprise environment.	Investigate the underlying weaknesses in enterprise conditions and identify actions to address them e.g. targeted business support. (See business competitiveness)
E.P.2. Productivity	GVA per filled job	Bracknell Forest's weak productivity performance is a cause for concern. The analysis indicates that there is a lack of resilience to economic shocks such as the Covid-19 pandemic and the economy is not recovering as rapidly as neighbouring areas. This is despite the presence of large companies and high levels of internationalisation which would normally result in higher productivity. The causes are likely to include an over representation of less productive sectors as well as management and skills issues.	Carry out research into local business finance and investment readiness of SMEs. Invest in management and leadership skills as well as nurturing and providing the right conditions for more productive, knowledge economy businesses. (see business competitiveness & people, work and skills)
E.P.3 knowledge economy and specialisation	Percentage of knowledge economy businesses	Bracknell Forest's knowledge economy is smaller than that of the comparator areas and neighbouring local authorities and appears to be less resilient. There is some degree of specialisation which could indicate the presence of nascent clusters, e.g. Film and TV, Scientific R&D. These are not necessarily peculiar to Bracknell Forest and extend across neighbouring local authorities.	Build networks of knowledge in key knowledge economy sectors and clusters working with partners across the wider area.
E.P.4. Internationalisation and FDI	No. of foreign owned companies	Bracknell Forest's levels of internationalisation are high; it has the second highest level of companies in foreign ownership and the highest percentage of employment in foreign owned companies among the Berkshire LAAs. This puts Bracknell Forest at risk of outward migration of companies and jobs, should the benefits of staying in the UK not seem sufficiently attractive in future. Secondly, although foreign owned companies are more likely to trade and, hence, be more productive, the benefits do not appear to be feeding through to the local economy. Recently, FDI activity in Bracknell Forest has been low.	Monitor levels of foreign ownership and FDI. Focus on retention of large businesses, particularly foreign-owned businesses and ensure that they are made to feel valued and have the right conditions. Promote the benefits of locating in Bracknell Forest and work with Department for International Trade (DIT) to land more FDI projects in Bracknell Forest.

5. Business competitiveness

1.11. Business competitiveness overview

Bracknell Forest is a popular location for businesses with many advantages including access to a large pool of workers within commuting distance, good transport and IT communications infrastructure and a range of commercial and retail premises available.

The business population of circa 4,500 includes many well-known, large companies and corporate headquarters, provides 68,000 jobs and makes up 14% of the Bracknell Forest Functional Economic Area. *Figure 18*

Nevertheless, as with performance on productivity, Bracknell Forest shows a lack of resilience and dynamism compared to other nearby local economies and underperforms on business creation and survival as well as decline in some key sectors.

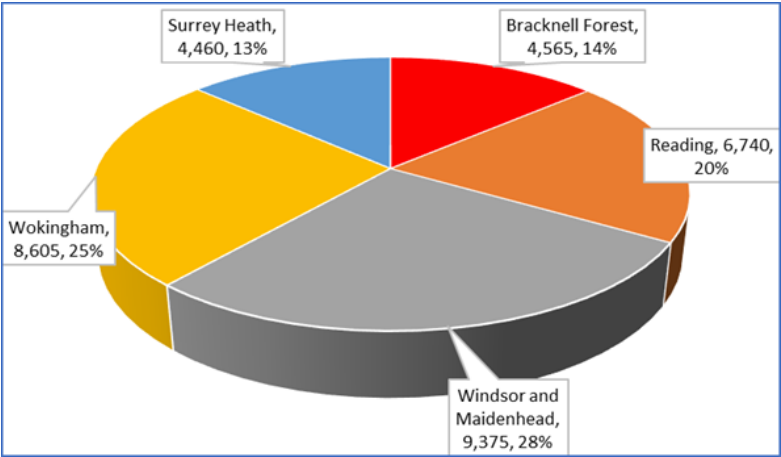


Figure 19: Numerical and percentage (rounded) share of total businesses in the LAAs in the Bracknell Forest FEA in 2022
Source: ONS UK Business Counts (enterprises)

INDICATORS

B.C.1.Business growth; B.C.2. business creation and survival; B.C.3. business size; B.C.4. key industries and sectoral shift; B.C.5. information and communications, B.C.6; the visitor economy

1.12. Bracknell Forest business competitiveness assessment

B.C.1. Business growth

Between 2018 and 2022, the business population in the South East region grew by around 2%, in spite of adverse economic circumstances. The largest growth sectors in the region were *Construction, Retail, Transport & Storage* and *Accommodation*, all sectors which tended to do well during lockdown. These sectors also grew in the LEP area and the Bracknell Forest FEA, although not enough to offset losses in *Information & Communications* and *Professional, Scientific & Technical* sectors. Table 5

In all the LAAs in both the Berkshire LEP area and the Bracknell Forest FEA the number of businesses declined between 2018 and 2022. Bracknell Forest lost 1.92% of its business stock or 100 businesses, of which 5 were large companies. Within the FEA, Reading suffered a larger loss at 2.03% and Surrey Heath lost 5.21%. Figure 19

	2018-19	2019-20	2020-21	2021-22	Change 2018-22
South East region	2.58	0.82	0.43	-1.79	2.00
Berkshire LEP	1.74	0.68	-1.18	-2.17	-0.97
Bracknell Forest FEA	1.74	0.36	-1.27	-2.30	-1.52
Bracknell Forest	0.21	1.18	-1.17	-2.14	-1.93

Table 5: Percentage change in stock of enterprises in Bracknell Forest and the comparator areas, 2018-2022

Source: ONS UK Business Counts (enterprises)

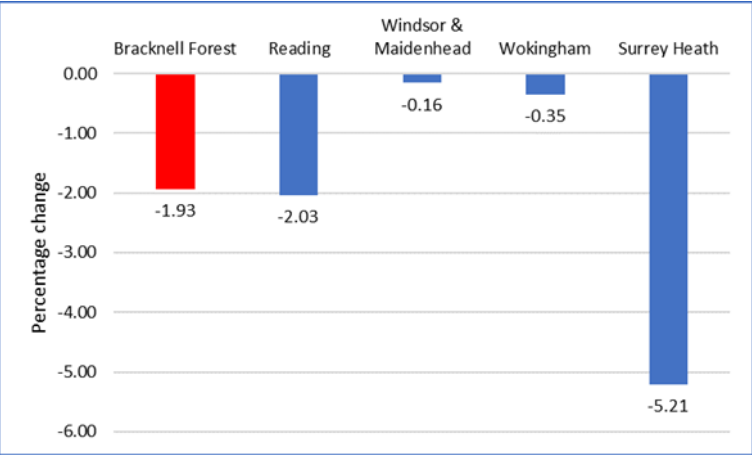


Figure 20: Percentage change in stock of enterprises in the LAAs in the Bracknell Forest FEA 2018-2022

Source: ONS UK Business Counts (enterprises)

B.C.2. Business creation and survival

	2017	2018	2019	2020	2021	change 2017-18
South East	87.70	88.20	91.72	84.69	84.05	-3.65
Berkshire LEP	101.29	100.68	103.57	88.73	87.43	-13.86
FEA	93.47	92.10	91.63	77.26	79.33	-14.14
Bracknell Forest	79.72	72.34	76.39	62.58	65.64	-14.08

Table 6: Business births per 10,000 WAP among the comparator areas 2017 to 2021

Source: ONS Business demography

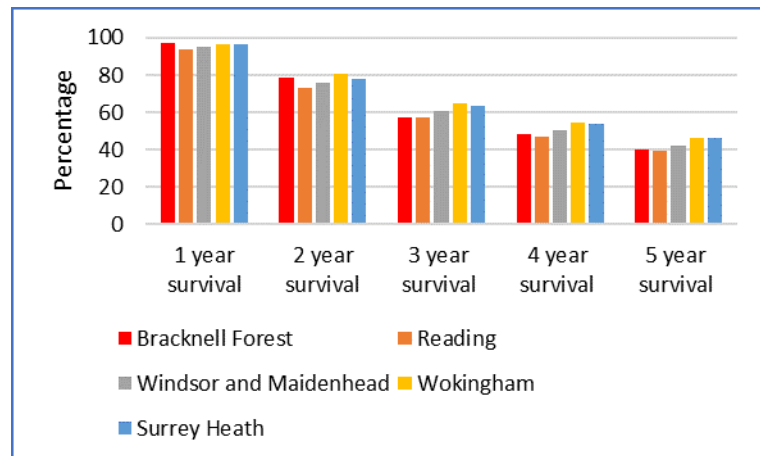


Figure 21: Survival rates for businesses born in 2016 in Bracknell Forest and the LAAs in the FEA

Source: ONS Business demography

The rate of new business creation per 10,000 working age population (WAP) is used as a measure of the entrepreneurial dynamism of a local economy. The rate of business creation per 10,000 WAP has declined in all the comparators over the period 2017 to 2021, but Bracknell Forest has consistently had the lowest rate of business creation and the second largest decline in its rate over the period 2017 to 2021. Table 6

Bracknell Forest, which tend to do slightly better on 1 and 2 year survival rates for businesses born in 2016, has the lowest 5 year survival rates for these businesses, both among the comparator areas and among the LAAs in the FEA.

Figure 20

B.C.3. Business size

Bracknell Forest has a higher percentage of businesses in the medium (50-249) and large (250+) employment size bands than the comparator areas, although this equates to fairly small numbers as the business population as a whole is not large. There were just 35 large and 85 medium businesses in 2022 in Bracknell Forest, making Bracknell Forest vulnerable to employment and output losses, if just a few large firms and medium firms were to relocate. *Figure 21*

Consistent with its higher percentages of businesses in the top employment size brackets, Bracknell Forest also has more businesses in the >£50m and £10m-£50m bands than the comparators.

However, the £1m-£5m band is where the fast growth companies for the future can often be found and Bracknell Forest has the lowest percentage (300 businesses) in this bracket *Table 7*

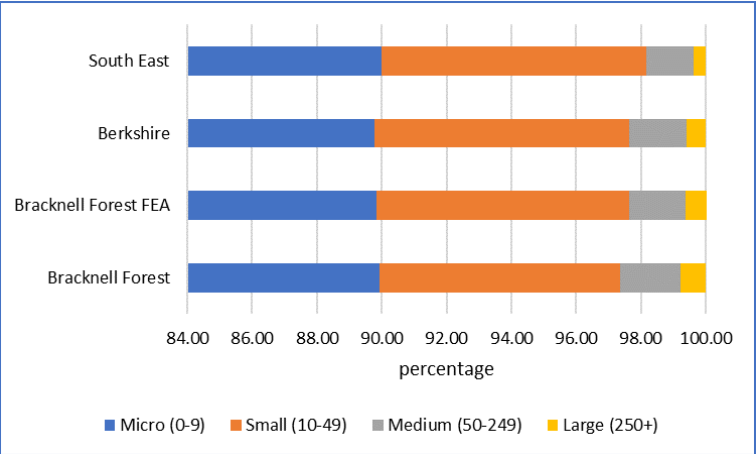


Figure 22:
Percentage of businesses by employment size in the comparator areas 2022
Source: ONS UK Business Counts enterprises by industry and employment size band

	<£1m	£1m-5m	£5m-10m	£10-50m	>£50m
South East	91.05	6.69	1.01	0.91	0.33
Berkshire LEP	89.94	6.86	1.28	1.36	0.57
Bracknell Forest FEA	90.19	6.74	1.17	1.33	0.58
Bracknell Forest	89.70	6.57	1.20	1.75	0.77

Table 7: Percentage of businesses by turnover size band in the comparator areas 2022
Source: ONS UK Business Counts - enterprises by industry and employment size band

B.C.4.Key industries and sectoral shift

Bracknell Forest is known for its knowledge economy businesses and *Information & Communications* (ICT) in particular, as well as the *Professional, Scientific & Technical* sector. Not only are these businesses an important part of the Bracknell Forest economy and its identity as a successful business location, they are also essential for growth and prosperity and underpin other sectors in the local economy, for example, drawing in skilled workers who support local services. These key knowledge economy sectors are also more environmentally friendly than other sectors such as *Construction* and *Transport*.

Between 2018 and 2022, there has been a significant growth in *Construction* and a relatively large decline in *Information & Communications* businesses in Bracknell Forest. *Figure 22*

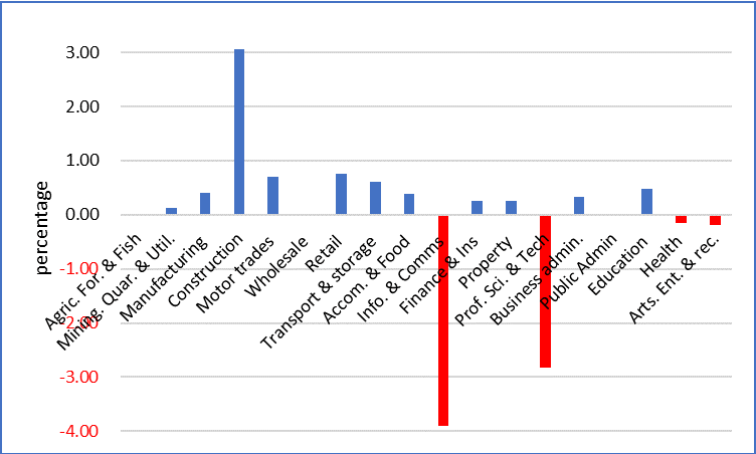


Figure 23: Change in percentage of businesses by industry in Bracknell Forest between 2018 and 2022

Source: ONS UK Business Counts (enterprises by broad industrial sector)

- **Professional, Scientific & Technical** is the largest sector accounting for 18.18% of Bracknell Forest’s businesses in 2022. Despite its being the largest sector, Bracknell Forest still has a lower percentage of *Professional, Scientific & Technical* businesses than both the Berkshire LEP area and the FEA as a whole.
- Bracknell Forest is highly dependent on **Construction**, the second largest sector; at 17.52% of all businesses compared to just 11.79% in the Berkshire LEP area. *Construction* is a cyclical industry, dependent on spending in the wider economy and so this may leave Bracknell Forest somewhat exposed in an economic downturn.
- **Information & Communications** (ICT) is the third largest business sector in Bracknell Forest at 13.47% of all businesses, lower than in the Bracknell Forest FEA (15.66%) and Berkshire LEP area (15.32%).
- ICT businesses have declined in all the comparator areas since 2018 but largest decline has been in Bracknell Forest which has lost 195 businesses or 24.07% of ICT stock.
- Together with the lower representation of the *Professional, Scientific & Technical* this indicates a shift to a somewhat less knowledge-intensive economy than the comparators. This has been raised as an issue in the consultations.
- In Bracknell Forest, 735 out of 4,565 or 16.10% of total businesses were in the **knowledge economy** sectors in 2022. This is lower than both Berkshire LEP (18.03%) and the Bracknell Forest FEA (18. 51%), but higher than the 12.34% of knowledge economy businesses in the South East region as a whole.

B.C.5 Information and Communications

The *Information and Communications* (ICT) sector is not only important as a generator of GVA and knowledge-based employment but also as a factor underpinning the success of other knowledge economy sectors. There were 615 businesses in the ICT sector¹¹ in Bracknell Forest in 2022 representing 13.47% of total businesses, the lowest percentage among the comparator areas with the exception of the South East region.

Source: ONS UK Business Counts (enterprises Section J)

Among the LAAs in the Bracknell Forest FEA, Bracknell Forest has experienced the greatest decline in its ICT sector as a percentage of all businesses. In 2022, ICT businesses comprised 13.47% of all businesses, a decline of 3.89% from its 2018 figure of 17.36%. The ICT-rich economy of Wokingham retains its lead and has shown the smallest decline of 1.84%; 1 in 5 of all businesses in Wokingham were in the ICT sector in 2022. *Figure 23.*

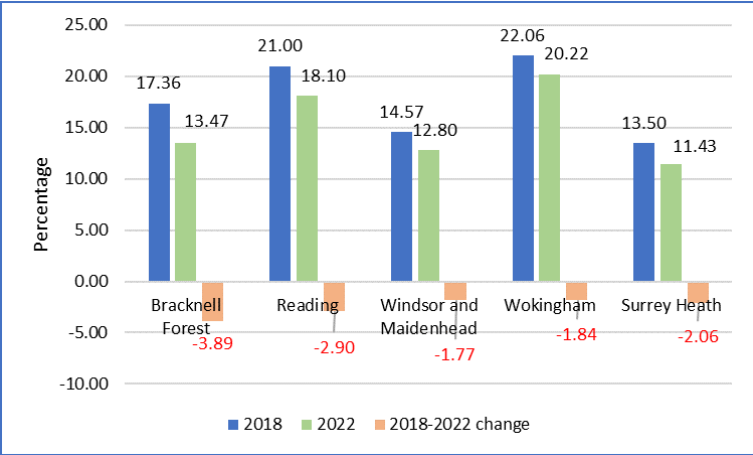


Figure 24: ICT businesses as a percentage of all businesses in the LAAs In the Bracknell Forest FEA 2018 -2022

¹¹.

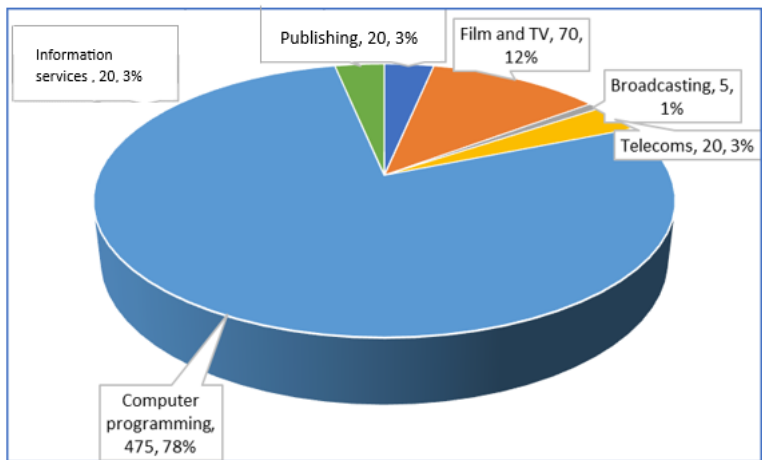


Figure 25: ICT subsectors as a percentage of ICT businesses in Bracknell Forest in 2022
Source: ONS UK Business Counts (enterprises)

The largest ICT subsector in Bracknell Forest is *Computer Programming* with 78% of all ICT businesses, broadly in line with the comparators. Where Bracknell Forest appears to have a strength is in the more creative sub sectors of *Publishing*, *Broadcasting* and *Film & TV*, which together account for over 15% of all ICT businesses, compared to 10% in the Berkshire LEP area. *Figure 24*

B.C.6. The visitor economy

Bracknell Forest is not normally considered a tourist 'destination' in contrast to nearby Windsor, for example. However, it is home to a number of smaller, day visitor attractions that not only attract residents but also appeal to a sizeable local visitor catchment area. These are primarily day-trip attractions such as The Lookout Discovery Centre, Coral Reef Waterworld, Lily Hill Park, , South Hill Park Arts Centre and, as a shopping destination, the Lexicon. There are a number of local festivals and events such as the Bracknell Ale and Cider Festival which generate additional visits into the area. Lapland UK (sited just within Bracknell Forest) has become a well-established winter attraction.

Overnight stays in Bracknell Forest are predominantly by business travellers in the meetings, incentives, conferences and exhibitions (MICE) market, supplemented by weekend stays for family events such as weddings. Proximity to Ascot and Legoland also generates some leisure overnight stays for Bracknell Forest accommodation providers. Key hotels such as the Coppid Beech with over 200 rooms, Easthampstead Park with 92 rooms, The Village Hotel with 210 and Stirrups with 46 rooms, two Travelodges, two Premier Inns and many smaller independent providers offer a considerable range of accommodation types and price points to suit most overnight visitors.

The post-Covid changes to the commercial office sector will potentially have a negative impact on the MICE sector in Bracknell Forest with possibly lower demand for business overnight stays, locally held meetings, conferences and exhibitions. Venue operators heavily reliant on the weekday MICE sector may need to refocus into generating more leisure business to supplement any decline in business visitor revenues. Many hotels and venues have introduced low cost hot-desking space and easy to hire by the hour meeting rooms to cater for the growth in hybrid and more flexible working practices and downsizing of large corporate premises.



Figure 26: Coral Reef Waterworld

1.13. Bracknell Forest business competitiveness: scorecard summary

Indicator	Key metric	Summary of current state	Priorities for action
B.C.1. Business growth	Growth in number of registered businesses	A growing business population is an indicator of an area's attractiveness as a business location. The business population in Bracknell Forest has declined by 1.92% between 2018 and 2022. Weak growth before the pandemic was followed by losses during and since, indicating a lack of resilience.	Work with partners to target business support on those sectors are most important to retain and grow in Bracknell Forest e.g. <i>ICT, Professional, Scientific & Technical, Arts Entertainment & Recreation</i> .
B.C.2. Business creation and survival	Start up rates per 10,000 Working Age Population (WAP)	Bracknell Forest's rate of business creation per 10,000 WAP has been significantly lower than the comparator areas over time and has declined markedly since 2017. 4 and 5 year survival rates are also lower than in the comparator areas.	Increase business start-up support. Work with large companies and the Bracknell Business Improvement District BID to support new businesses in supply chains where there are local gaps.
B.C.3. Business size structure	No. and percentages of companies in the 250+ and 50-249 employees size brackets and £1m-£5m turnover	Bracknell Forest benefits from having higher percentages of medium and large companies who are major sources of local employment. However, this leaves Bracknell Forest open to large losses of local jobs if big companies downsize or relocate.	Continue to build relationships with large companies to understand any issues e.g. recruitment, planning, and make sure they are positive about Bracknell Forest. Nurture small companies in the £1m-£5m turnover bracket to develop the next generation of large employers.
B.C.4. Key industries and sectoral shift	Shift share by industrial sector	<i>Information & Communications, Professional Scientific & Technical</i> , and <i>Arts Entertainment & Recreation</i> have all lost share while <i>Construction, Transport and Motor Trades</i> have all increased making the business structure less knowledge-intensive and less environmentally sustainable.	Develop a local industrial strategy and action plan to ensure Bracknell Forest retains its position as a location for knowledge-based businesses. This would include building on nascent clusters e.g. <i>Scientific R&D</i> and <i>Film & T.V.</i> and <i>Medical Devices</i> as well as local supply chain and local workforce development to ensure large companies are embedded.
B.C.5. Information & Communications	Percentage of ICT businesses and digital creative subsectors	Bracknell Forest, known for being a location for ICT businesses seems to be losing share while others nearby are doing much better e.g. Wokingham. Bracknell Forest could exploit niches where it seems to have a strength.	Support <i>Publishing, Broadcasting</i> and <i>Film & TV</i> sectors, working with other local authorities nearby in the digital creative industry locations.
B.C.6. Tourism and Hospitality		Bracknell Forest has mainly day visitor tourism and, for overnights stays, business tourism. Overnight tourism is predominantly the meetings, incentives, conferences and exhibitions (MICE) sector which may be at risk if large companies downsize or relocate.	Work with tourism organisations to promote Bracknell Forest attractions and encourage more day visitors. Carry out risk analysis for MICE sector and work with accommodation providers to explore alternatives.

6. People, work and wellbeing

1.14. Bracknell Forest: people work and wellbeing: overview

Bracknell Forest is a popular place to live and work. Its population is growing and it has a younger age profile than surrounding areas. On the whole, its residents report high levels of well being and life expectancy is increasing.

There are challenges, however, from an economic point of view. Skills levels among the working age population are significantly lower than in the comparator areas and are not showing any improvement. Over the lifetime of the Economic Strategy, the population is forecast to age and the numbers of 25 to 49 year olds will decrease, leading to possible shortages of labour. Residents earnings, though rising quickly, are lower than workplace wages meaning that locals are missing out on economic opportunity. Household incomes are lower than the comparator areas.

Without action, Bracknell Forest may be heading for a low skills equilibrium with lower value employment increasing and knowledge economy jobs declining. Since skills demand is a derived demand, resulting from business strategy, it is essential to address both the demand for, and supply of, skills by driving up management and leadership skills and strategic aspiration. *Figure 26*

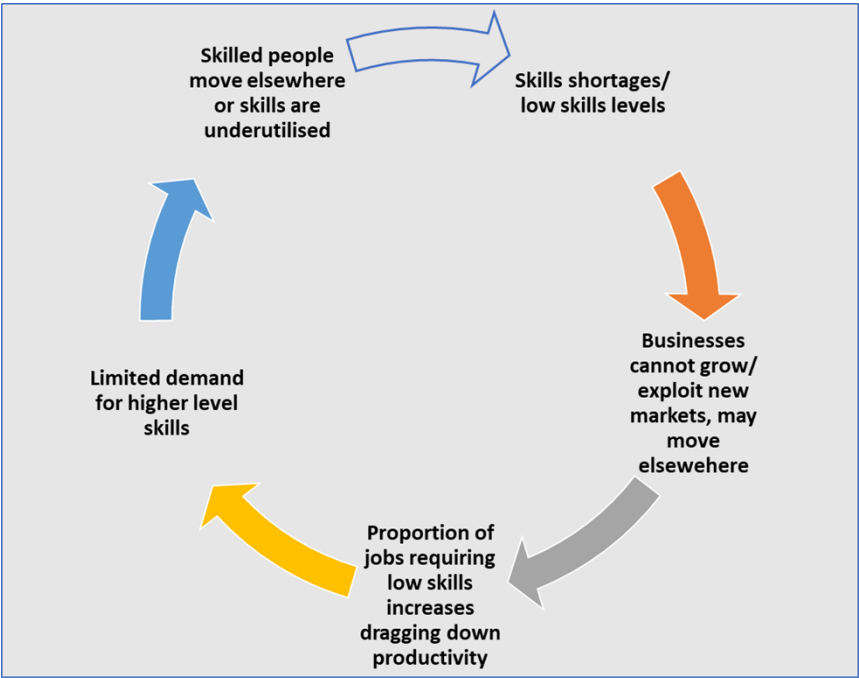


Figure 27: The low skills trap

INDICATORS

P.W.W.1. population change; P.W.W.2. qualifications and skills; P.W.W.3. employment & employment specialisms; P.W.W.4. occupational structure; P.W.W.5. earnings; P.W.W.6. wealth, health and well-being.

1.15. Bracknell Forest: people work and wellbeing: assessment

P.W.W.1. Population change

In 2021, the population of Bracknell Forest was 125,174, an increase of 10,085 or 8.5% over the decade. This is a rate of growth that, while higher than that of the South East as whole (6.52%) and in keeping with its location close to London and between the M3 and M4 growth corridors, is lower than in neighbouring fast growth areas such as Reading (10.44%) and Wokingham (13.73%).

While population growth is forecast to slow to 2.97% between 2021 and 2035 ageing will continue. The current, slightly younger profile of Bracknell Forest residents will be superseded by a decrease in those aged 25 to 49 and the largest percentage growth in those aged 65+ among the comparator areas.

This indicates that there may well be a shrinking local workforce, not just in Bracknell Forest but in the wider Bracknell Forest Functional Economic Area (FEA). *Figure 27*

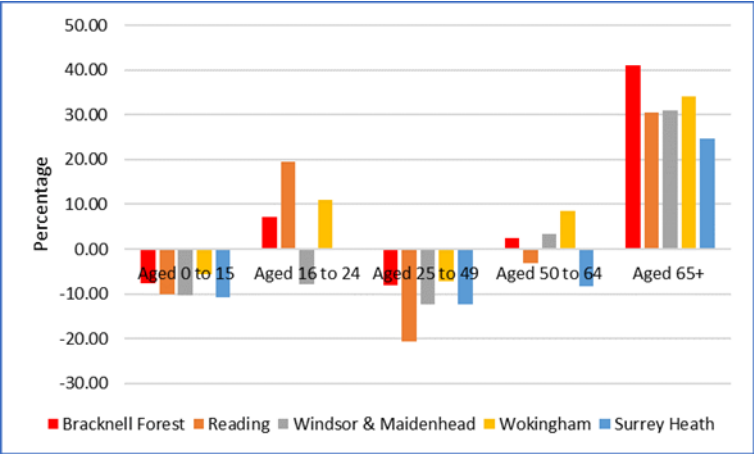


Figure 28: Forecast percentage change in population by age group in the LAAs in the Bracknell Forest FEA 2021-2035
Source: ONS Population projections

P.W.W.2. Qualifications and skills

Bracknell Forest’s working age population is notably less highly skilled. By some margin, Bracknell Forest has the lowest percentage of its working age population (16-64) qualified at NVQ 4 and above and NVQ3 and above among the comparator areas. Bracknell Forest has just 39.1% of its working age population qualified to NVQ4 and above compared to 52.1% in the Bracknell Forest FEA as a whole. Among the LAAs in the Bracknell Forest FEA, Windsor and Maidenhead has the most highly qualified resident working age population at the higher levels, NVQ4 and above and NVQ 3 and above and Bracknell Forest has the least qualified at these levels. *Figure 28*

The improvement that the comparator areas have experienced at NVQ Levels 4+ and 3+ over the period 2017 to 2021 have not been repeated in Bracknell Forest. The percentage of the working age population qualified at NVQ Level 4+ has declined by 3.5% in Bracknell Forest whereas in the FEA as a whole, there has been an increase of 5.57%.

It is not clear why this should be the case; either skilled workers are moving out or are leaving the labour force, perhaps through early retirement in Bracknell Forest. Low skills have been raised as a concern during the consultations and knowledge economy businesses reported not being able to find the right skills locally.

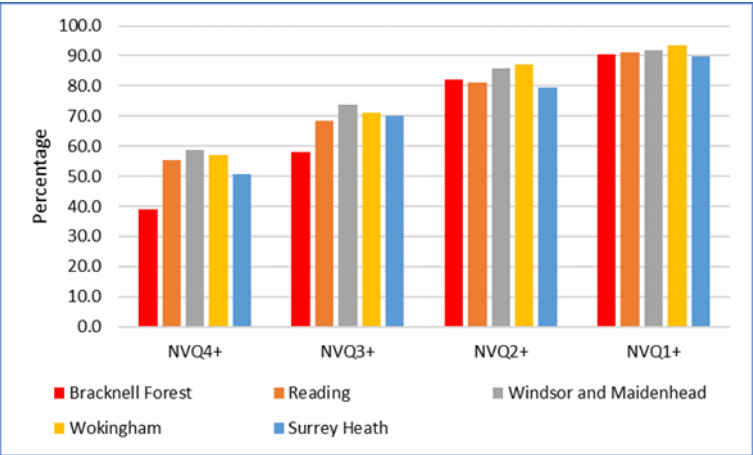


Figure 29: Percentage of working age resident population qualified at levels NVQ4+, NVQ3+, NVQ2+ and NVQ1+ in 2021 in the LAAs in the Bracknell Forest FEA
Source: ONS Annual Population Survey

P.W.W.3. Employment & employment specialisms

According to ONS¹², there were 60,625 people in employment in Bracknell Forest in 2021.¹³ While the main comparator areas have seen a small growth in employment between 2017 to 2021, Bracknell Forest has seen a significant loss of 3.92% or -2,475 jobs.

The biggest loss has been circa 3,000 jobs in *Information & Communications* at -4.24% of all jobs. This has been offset to an extent by job gains in *Professional, Scientific & Technical* job gains which has enabled Bracknell Forest to retain its lead in knowledge economy jobs among the comparator areas at 17.39% of all employment. However, Bracknell Forest has seen the greatest decrease in share of knowledge economy jobs at -1.55% between 2017 and 2021. *Table 8*

At LAA level, Bracknell Forest has a lower percentage of *Information & Communication* jobs (13.20%) than both Reading (15.78%) and Wokingham (14.40%), its main competitors as a location for the ICT sector and for knowledge economy employment.

The percentage of businesses in the two key knowledge economy sectors of *Information & Communications* and *Professional, Scientific & Technical* is lower than their shares of employment in Bracknell Forest, which suggests that many of these jobs are in large companies and reinforces the need to retain these important employers.

	Bracknell Forest 2017 %age	Bracknell Forest 2021 %age	Bracknell Forest change %age	Bracknell Forest change no.
Professional, Scientific & Technical	11.09	14.85	3.75	2,000
Information & Communications	17.43	13.20	-4.24	-3,000
Retail	9.51	9.90	0.39	0
Business Administration and Support	9.51	9.90	0.39	0
Health	7.92	9.90	1.97	1,000
Education	7.92	8.25	0.32	0
Wholesale	9.51	7.42	-2.09	-1,500
Accommodation & Food	4.75	4.95	0.19	0
Construction	3.17	4.12	0.95	500
Arts, Entertainment & Recreation	4.75	4.12	-0.63	-500
Manufacturing	2.38	2.89	0.51	250
Motor Trades	1.98	2.47	0.49	250
Financial & Insurance	1.98	2.47	0.49	250
Property	2.77	2.47	-0.30	-250
Transport & Storage	3.17	1.48	-1.69	-1,100
Public Administration. & Defence	1.58	0.99	-0.60	-400
Mining, Quarrying & Utilities	0.32	0.41	0.10	50
Agriculture, Forestry & Fishing	0.24	0.21	-0.03	-25
	100	100	3.92%	-2,475

*Table 8: Change in share of total employment by sector in Bracknell Forest 2017 to 2021
ONS: Business Register and Employment Survey (BRES) (Employment by Broad Industrial Group)*

¹² Source: ONS Business Register and Employment Survey (BRES) 2021 Employment (Employment includes employees plus the number of working owners. BRES therefore includes self-employed workers as long as they are registered for VAT or Pay-As-You-Earn (PAYE) schemes. Self-employed people not registered for these, along with HM Forces and Government Supported trainees are excluded.)

¹³ The Business Register and Employment Survey (BRES) does not include HM Forces data and Sandhurst Military Academy is a large employer in Bracknell Forest. MOD data available separately shows that in 2021 there were 1,040 military personnel employed in Bracknell Forest including 750 officers and 250 other ranks (rounded).

Employment specialisms

Location quotients (LQs) measure concentrations of employment in an area compared to either the region or nation. Compared to the South East region, Bracknell Forest has concentrations of employment in *Scientific Research and Development, Computer Programming, Information Services, Repair of Computers, Other Manufacturing, Activities of Head Offices, Wholesale, Film & TV* and *Manufacture of Chemicals*. Figure 29

Bracknell Forest retains its advantage in these sectors among the local authorities in the Bracknell Forest FEA, except for *Computer Programming* where Wokingham has a slightly higher percentage of total employment.

The consultations highlighted the need for the Economic Strategy to identify key growth sectors and sectors where Bracknell Forest has an advantage for future support, particularly in knowledge-based industries which are environmentally more sustainable.

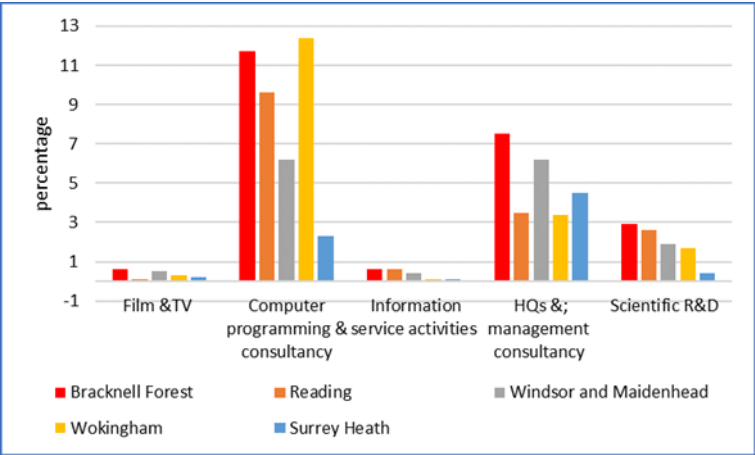


Figure 30: Percentage of total employment by specialism in the LAAs in the Bracknell Forest FEA 2021
Source: Business Register and Employment Survey (BRES) (2 digit SIC)

P.W.W.4. Occupational structure

Bracknell Forest’s occupational structure is similar to that of the main comparator areas, but within the Bracknell Forest FEA some differences are apparent; 57% of Bracknell Forest’s residents in employment are employed in the top 3 occupational groups, very similar to Reading (56%) but significantly below Windsor & Maidenhead and Wokingham, the two areas with faster growth and productivity. *Figure 30*

Bracknell Forest performs well at the intermediate occupational level i.e. the middle three groups: just under a quarter (24.8%) of Bracknell Forest residents are employed in these occupations. Within these three groups, Bracknell Forest has the highest percentage employed in *Group 5: skilled trades* at 8.4% of residents in employment.

However, 18% of Bracknell Forest’s employed residents work in the bottom 3 occupational groups, of which 10.1% are in *Group 9: elementary occupations*, the lowest skilled and lowest paid, consistent with the low skills profile¹⁴.

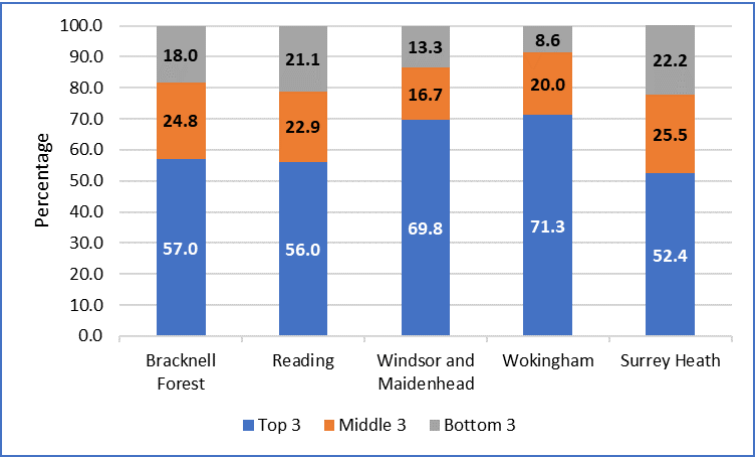


Figure 31: Percentage of residents in employment by occupational group in the LAAs in the Bracknell Forest FEA 2021
Source: ONS Annual Population Survey

¹⁴ Group 1: managers, directors and senior officials; Group 2: professionals; Group 3: associate professionals; Group 4: administrative & secretarial; Group 5: skilled trades; Group 6: caring, leisure & other services; Group 7: sales & customer service; Group 8: process, plant & machinery operatives; Group 9: elementary occupations

P.W.W.5. Earnings

Both residents and workplace wages have seen rapid increases in Bracknell Forest. Residents’ gross median weekly wages have grown by 19.72% from £608.90 in 2018 to £729.00 in 2022. Workplace wages have grown by an even greater percentage of 24.10%, rising from £682.80 in 2018 to £847.30 in 2022.

Bracknell Forest residents’ wages are higher than Reading residents’ wages but lower than those of the other LAAs in the FEA, consistent with the lower skills and occupational profile of Bracknell Forest residents.

Due to the rapid growth in Bracknell Forest workplace wages, they now outstrip median gross weekly wages, not only in all the comparator areas, but also in all the LAAs in the FEA. *Figure 31*

The large disparity between residents’ and workplace wages of 16.22% indicates that residents are not all benefiting from well-paid local employment and a significant percentage of residents are occupying less well paid jobs either locally or elsewhere.

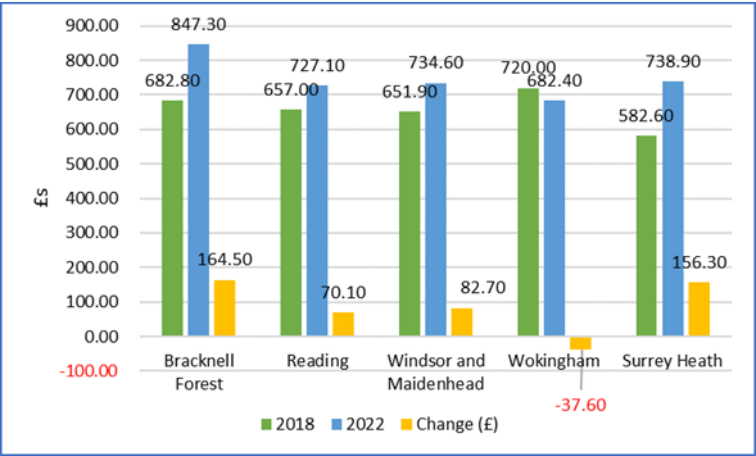


Figure 32: Workplace gross median weekly wages in £s in the LAAs in the Bracknell Forest FEA and change in £s between 2018 and 2022
Source: ONS Annual Survey of Household Earnings (workplace-based)

P.W.W.6. Wealth, health and well-being

A competitive, resilient and sustainable economy will only be successful if everyone in Bracknell Forest can benefit. For individuals, low educational attainment and low skills mean limited access to economic opportunities and lower wages, as well as increased chances of poor health, which itself comes at an economic cost. Less wealth in the local economy means local businesses and services, most visibly those on high streets, may struggle and, longer-term, fewer higher value and more low skilled, low pay businesses will be attracted to the area. Higher skilled individuals may move out or commute to better jobs elsewhere, which benefits neither the environment nor the local economy.

Although interventions to improve educational outcomes, health and social inclusion are outside the scope of this Economic Strategy and covered in other strategies, monitoring wealth, health, well-being and economic inclusion will help to make sure that the Economic Strategy is improving fairness of outcomes.

- In 2020, **General Disposable Household Income (GDHI)** in Bracknell Forest was £23,905, the lowest among the comparators. Although it has increased by £1,796 or 8.12% from 2016, this was a lower rate of growth than any of the comparator areas.
- The **employment rate** in Bracknell Forest has shown notably less resilience through the period of the pandemic, starting off as the highest among the comparators in 2018 at 85% of 16-64 year olds and ending up as the lowest in 2022 at 78%, probably due to the number of people in lower value, less secure employment.
- Before the pandemic, Bracknell Forest had an **unemployment rate** of 2%, lower than all the comparators. During 2020/21, it increased almost two and a half times, i.e. the largest increase out of all the comparator areas and it remains the highest unemployment rate.
- **Life expectancy** has increased for both females and males in Bracknell Forest. Females born in 2017-19 can expect to live to 85.42 years, 2.35 years longer than those born in 2007-9 while males born in (2017-19) can expect to live to 81.74 years, 2.38 years longer than the earlier cohort - almost on a par with Wokingham, the area with the best life expectancy.
- In 2021, 86.95% of Bracknell Forest residents reported being in either very good or good **health**, similar to both the FEA (86.97%) and Berkshire LEP (86.60%) and above the South East region (83.99%).
- **Housing affordability** is better in Bracknell Forest than the comparators with a median house price/earnings ratio of 9.8. in 2022 and is improving; between 2018 and 2022, the ratio fell by 7.81% in Bracknell Forest and rose by 4.63% in the South East.
- Bracknell Forest residents tend to give themselves somewhat lower **well-being** scores on “life satisfaction”, “happiness” and “worthwhile” and higher scores on anxiety than the comparators. In all areas, well-being ratings worsened during the pandemic and have not returned to previous levels.

1.16. Bracknell Forest people, work and wellbeing: scorecard summary

Indicator	Key metric	Summary of current state	Priorities for action
P.W.W.1. Population change	No. and percentages of people in 25-49 age group	Although Bracknell Forest has a slightly younger age profile than the comparators, this is forecast to change over the lifetime of the Economic Strategy and there may be a shortage of workers.	Work with nearby areas to monitor population changes and address any shortages arising e.g. through encouraging returners.
P.W.W.2. Qualifications and skills	Percentage of WAP qualified at NVQ4+ and NVQ3+	The skills of the Working Age Population are of particular concern in Bracknell Forest. They are not significantly lower at NVQL4+ and NVQL3+ than the comparator areas, but they seem to be declining further. Bracknell Forest is in danger of becoming a low skills, low value economy if this is not addressed urgently.	Work with employers, particularly large employers, the ESDP and education providers, to upgrade skills through apprenticeships, traineeships and other schemes. Work with SMEs to increase demand for higher level skills e.g. through management and leadership.
P.W.W.3. Employment & employment structure	No.s and percentage in employment	Bracknell Forest has seen a larger loss of jobs than the comparator areas over the recent period and is showing less labour market resilience.	Monitor employment and work with large employers to minimise losses if possible.
	No.s and percentage in employment in knowledge economy and high skills specialisms	Bracknell Forest leads on knowledge economy employment at the main comparator level but is losing out to fast growth Reading and Wokingham at local level. ICT job losses are of particular concern. There are signs of other specialisms e.g. Film & TV, medical devices, scientific R&D but may not be embedded in the area.	Monitor employment in knowledge economy and knowledge economy sub sectors, work with large employers and SMEs to understand skills need and provide more business support to prevent further losses and embed nascent clusters. (see business competitiveness)
P.W.W.4. Occupational structure	No.s and percentage employed by occupational group	18% of Bracknell Forest residents work in the lowest occupational groups and are more likely to be in low paid and insecure employment. This is likely to be linked to low educational attainment and low skills.	See above on skills.
P.W.W.5.Earnings	Percentage difference between resident and workplace wages	Despite recent rapid growth, residents' earnings remain significantly below workplace wages, indicating that not all Bracknell Forest residents are able to access local well paid employment and that higher skilled workers are commuting in from elsewhere to better paid jobs.	This is also likely to be linked to educational attainment and skills. Encourage local employers to recruit locally and upskill.
P.W.W.6. Wealth, health and wellbeing	Basket of measures including, Gross Disposable Household Income (GDHI) employment rate, life expectancy, well-being	Bracknell Forest residents are less wealthy than in the local comparators, so although housing is relatively more affordable, they may not be better off as a result. Employment, historically high, has proved less resilient. Health is good but anxiety levels are higher than in other areas.	Monitor the basket of measures and evaluate success of Economic Strategy and other relevant policies in ensuring all are benefiting.

7. Place, climate change, infrastructure and connectivity

1.17. Place, climate change, infrastructure and connectivity: overview

Originally a small rural district, with a population of around 20,000 by the late 1940s, Bracknell was one of the first new towns to be built with the aim of creating an ideal living and working environment, incorporating the amenities of urban life with access to green, open spaces. The district's population rose rapidly and is now over 125,000.

Residents benefit from extensive employment opportunities close by, relatively affordable housing and excellent amenities including the newly regenerated The Lexicon shopping centre, South Hill Park Arts Centre, Coral Reef Waterworld and access to 150 parks and green spaces. The business population of around 4,500 companies provide 68,000 jobs and Bracknell Forest is a favourite location for large companies including corporate HQs. Excellent broadband and mobile connectivity, good connections to the rail and motorway networks and airports, a large local workforce, a variety of business accommodation as well as an enterprise-friendly planning regime that has conserved employment space are key to its continuing commercial success and could be further promoted.

Enabling further population and employment growth without compromising the environment and quality of life is one of a number of challenges. There is a mismatch in terms of the type of employment space currently available and market demand for flexible, very high quality space and light industrial space. There may prove to be an oversupply of office space, if home and hybrid working continues at current levels, particularly if any large companies were to relocate. Although ICT connectivity is excellent, this lead needs to be maintained. More local employment for local people would help to reduce high levels of commuting and car dependency and support progress to net zero.



Image 31: South Hill Park2

INDICATORS

P.CC.I.C.1:Employment space; P.CC.I.C.2: climate change

P.CC.I.C.3: Housing; P.CC.I.C.4: Working patterns; P.CC.I.C.5: ICT infrastructure.

1.18. Bracknell Forest: place, climate change, infrastructure and connectivity assessment

P.CC.I.C.1. Employment space

Consultation with local commercial agents indicates that demand for employment space is weak and likely to remain so, as hybrid working practices continue to be a feature of the new post-Covid era. Large companies are downsizing, rents are plateauing and only the very best commercial space (Category A plus) is being let easily. This type of accommodation offers a high level of amenities (a “home from home”) in order to tempt workers back into the office. Less attractive, cheaper space, of which there is quite a lot in Bracknell Forest, is proving harder to let. The advice to landlords is to break up large spaces into smaller, flexible units and to refurbish.

Even so, there may be surplus office space for which conversion to residential through Permitted Development Rights (PDR) might be a good solution, bringing more residents back into town centres, particular younger residents seeking flats. Demand for housing is likely to continue to rise while demand for commercial and office space is likely to continue to plateau or decline. In June 2023, the five year average take up rate had fallen to 96,500 sq.ft. significantly below the ten year average of 133,000 sq.ft.¹⁵

Market intelligence from local agents also suggests that there is unmet demand for high quality light industrial units for SMEs which is a possible area for intervention, although it may not be a commercially viable proposition for developers at this time.



Figure 32: Generic workspace image courtesy of Jopwell

In terms of retail space, The Lexicon development has enabled Bracknell Forest to greatly improve its retail offer and revitalise the town centre. Taking proposed developments into account, there should be sufficient retail space in the Borough for the next decade. Should the growth in online retail continue, combined with slower than forecast population growth, there may even be an oversupply. As with commercial space, it may be necessary to take a flexible approach to repurposing of surplus retail space in future.

¹⁵ Source: Bracknell Office Market Overview June 2023.

P.CC.I.C.2. Climate change

Relative to the comparator areas, Bracknell Forest has lower greenhouse gas emissions per square kilometre (KM²), second only to the South East and has also seen a year-on-year decrease between 2018 and 2020, the latest data which are available. *Figure 37*

It will be important to monitor these figures going forward and continue to focus on measures to reduce CO₂ emissions. Examples include further financing of EV charging points to encourage the use of hybrid/electric vehicles within the area, as well as promoting the use of public transport and encouraging modal shift e.g. to cycling and rail travel.

Local government plays a crucial role in influencing climate change mitigation efforts and driving the transition to net-zero carbon emissions through the promotion of policies that directly impact businesses and residents. These can include setting emissions reduction targets, adopting energy-efficient building standards and incentivising renewable energy adoption. By supporting a regulatory environment that promotes sustainability and carbon reduction, a clear message is sent to businesses and residents about the importance of taking climate action. They can also establish incentives, such as grants to encourage businesses to invest in energy-efficient technologies and sustainable practices, making it economically beneficial for them to reduce their carbon footprint.

Local government can also lead by example through their own operations and practices. They can implement green procurement policies that prioritise the purchase of eco-friendly products and services, which can create a market demand for sustainable offerings from local businesses. Additionally, local government can invest in renewable energy, energy-efficient infrastructure, and sustainable transportation systems, showcasing the feasibility and benefits of these technologies. Public awareness campaigns and community engagement initiatives can further mobilise residents and businesses to take action on climate change and accelerating the drive to net-zero.

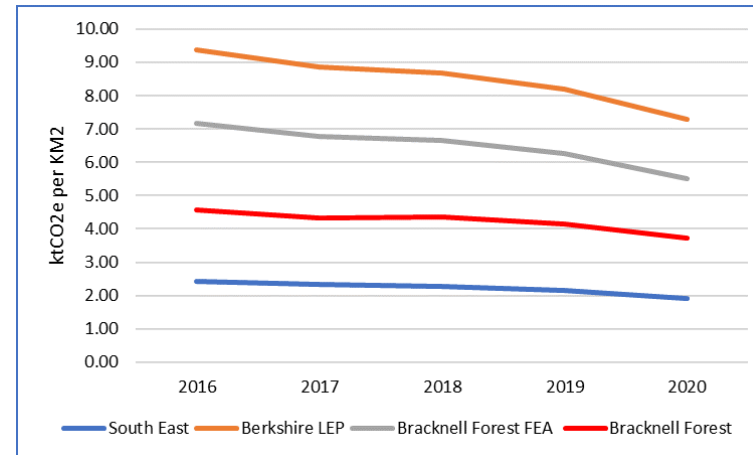


Figure 33: Greenhouse gas emissions per KM2 (kt CO₂) in Bracknell Forest and in the comparator areas in 2022

Source: Department for Business, Energy & Industrial Strategy (DBEIS) UK local authority and regional greenhouse gas emissions national statistics

P.CC.I.C.3. Housing

Bracknell Forest has an increasing and ageing population and constraints on land availability, including green belt, flood plains and designated landscape sites which make meeting local demand for housing challenging. Notwithstanding the issues, Bracknell Forest Council has managed to identify sufficient land which largely involves increasing existing town centres and using previously developed land, although some loss of green belt may be inevitable. This will not only help to meet local demand for housing, but also support economic prosperity and a thriving local economy.

Housing affordability is relatively good in Bracknell Forest, although owning a home will still be beyond the reach of many on lower incomes. Housing affordability is generally measured by the median house price to median residence-based earnings ratio. On this metric, Bracknell Forest performed better than all comparator areas in 2022, with a median house price to median earnings ratio of 9.8. in 2022 compared to 10.78 in the FEA as a whole.

Over the last five years, housing affordability has improved in Bracknell Forest and worsened across the comparator areas. Between 2018 and 2022, the median house price to median residence-based earnings ratio fell by 7.81% in Bracknell Forest and rose by 4.63% in the South East, the largest improvement and deterioration in affordability among all comparator areas, respectively. This is probably due to the rate of wage rises in Bracknell Forest, rather than falling house prices and will still leave owning a home beyond the reach of many of the lower paid. *Figure 33*

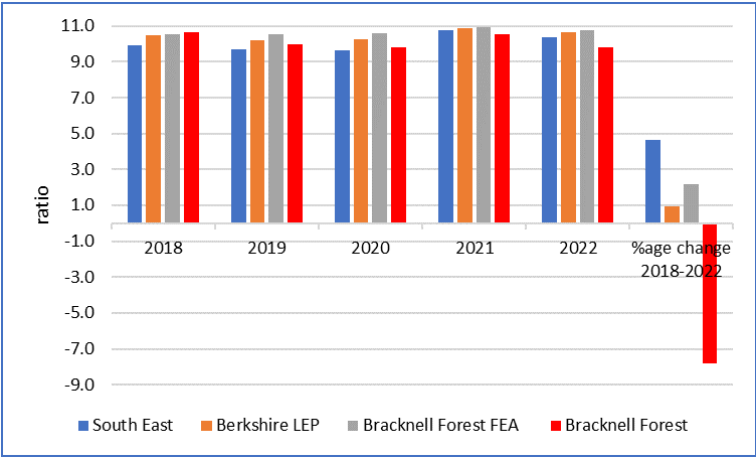


Figure 34: Ratio of median house price to median gross annual residence based earnings in Bracknell Forest and the comparator areas 2018 to 2022 and over all change
Source: ONS Small area housing statistics

P.CC.I.C.4. Working patterns

There has been a slight increase in part-time working in Bracknell Forest from 27.87% of all employment in 2017 to 29.31% in 2021. Over the same period, however, part-time working in the comparator areas has decreased slightly, indicating that the nature of employment in Bracknell Forest may be less secure.

Table 9

Bracknell Forest has seen a significant increase in people reporting that they work from home from 11.1% in 2011 to 39.9% in 2021. However, because this is Census 2021 data which was conducted during the pandemic, many people reporting that they worked from home may have been doing so only temporarily.

Nevertheless, some trends are apparent; Bracknell Forest had the lowest percentage of individuals working from home in 2011 and the second lowest in 2021. A similar pattern can be seen among the LAAs in the Bracknell Forest FEA where Bracknell Forest had the second lowest percentage of homeworking in both 2011 and 2021. This is likely to be due to Bracknell Forest having more jobs within its industrial mix that cannot be done remotely than the comparator areas. *Figure 34*

	2017	2018	2019	2020	2021	%age change
South East	33.69	33.52	33.10	32.55	32.56	-1.13
Berkshire LEP	29.31	29.51	29.31	28.49	28.60	-0.71
Bracknell Forest FEA	31.15	36.19	31.06	30.10	29.85	-1.30
Bracknell Forest	27.87	27.87	28.33	28.81	29.31	1.44

Table 9: Part-time employment as a percentage of all employment of residents of working age in Bracknell Forest and the comparator areas 2017 to 2021
Source: ONS Business Register and Employment Survey

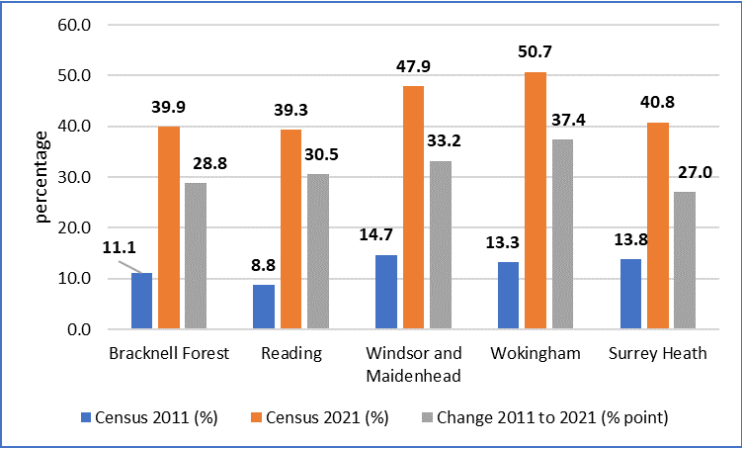


Figure 35: Percentage of those who work at or mainly from home in 2011 and 2021 and percentage change in the LAAs in Bracknell Forest FEA
Source: ONS Census data

Travel to work

Along with other factors such as quality of life, housing availability, services and transport infrastructure, the distance residents have to travel to work is an important factor in the overall desirability of Bracknell as a place to live and as a business location.

Bracknell Forest residents tend to have to travel further to work than their counterparts in the comparator areas. Bracknell Forest has lower percentages of residents of working age in employment close to home who travel less than 2km and between 2-5km to work (8.8% and 9.6% respectively).

Conversely, higher percentages of Bracknell Forest working age residents in employment travel middle distances of between 10km and 30km than the comparator areas, although Bracknell Forest has the lowest percentages of workers travelling more than 30km to work.

The data indicate more residents travelling to other areas such as Slough and Reading and fewer working either close to home or in better paid jobs in London. The slow and inconvenient rail connection, highlighted during the consultations, is highly likely to be a factor but the lower skills profile of Bracknell Forest residents may also preclude many of them from obtaining highly paid employment in London as well as from being able to afford the expensive rail fares. *Figure 35*

Unfortunately, the concomitant of this is that Bracknell Forest has the highest percentage of people using a car or van to get to work among the comparator areas and lowest use of trains, buses and cycling as a means of commuting.

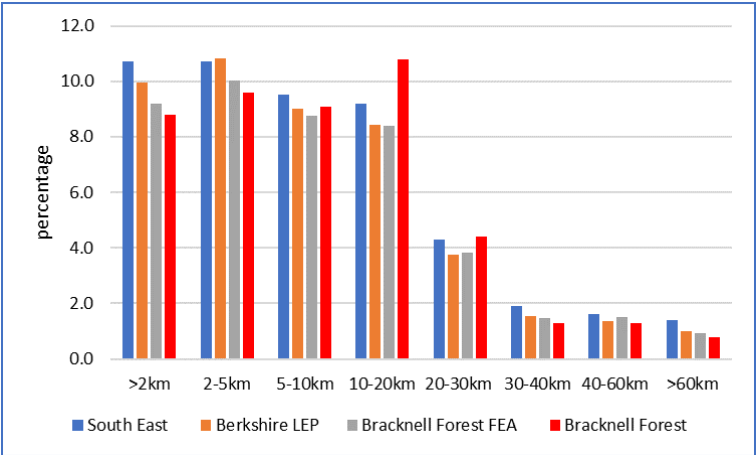


Figure 36: Distance travelled to work as a percentage of those in employment aged 16-64 in Bracknell Forest and the comparator areas
Source: ONS Census 2021

P.CC.I.C.5 ICT infrastructure

In relation to the comparator areas and among the LAAs in the Bracknell Forest FEA, Bracknell Forest performs very well on broadband availability. It comes in second only to Reading on availability of Gigabit, Ultrafast Fibre (UFFB) and Superfast Fibre (SFFB) and is ranked first in the Full Fibre category. This excellent connectivity is a major contributor to Bracknell Forest’s attractiveness to both businesses and residents, and is essential in attracting and retaining a strong *Information & Communications* sector.

Bracknell Forest has the highest levels of 4G availability among the Berkshire comparator areas and is second only to Reading among the LAAs within the Bracknell Forest FEA. 90.46% of premises are able to receive 4G signal from all operators. Along with its broadband coverage, this makes for excellent connectivity in Bracknell Forest. *Figure 36*

This level of connectivity is particularly desirable for business, but should not be taken for granted; businesses migrating into Bracknell Forest will expect this level of connectivity to be maintained and improved.

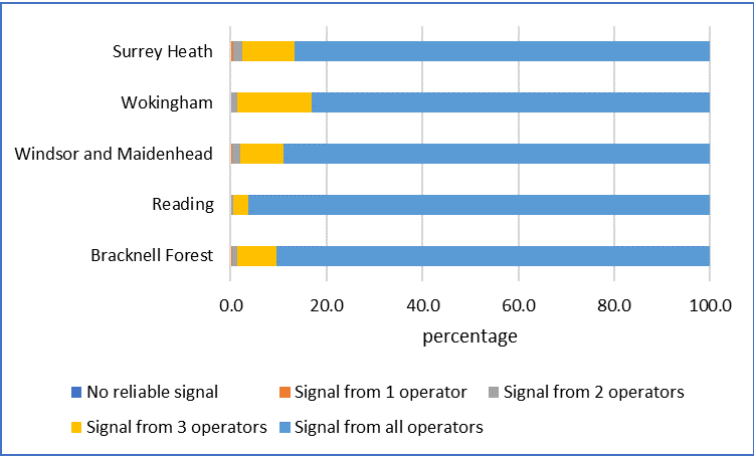


Figure 37: 4G availability: percentage of premises in the LAAs in the Bracknell Forest FEA with: No reliable signal, signal from 1/2/3 operators, signal from all operators in 2022
Source: Ofcom Connected Nations (South East data unavailable)

1.19. Place, climate change, infrastructure and connectivity: scorecard summary

Indicator	Key metric	Summary of current state	Priorities for action
P.CC.I.C.1. Employment space	Average take up rate	Weaker demand for employment space seems likely to continue due to the adverse economic conditions and increase in home/hybrid working. Only category A space is easy to let and landlords need to refurbish. There may be unmet demand for light industrial units and small flexible maker spaces. Nascent high tech clusters would benefit from a technology park approach. There is probably sufficient retail space now due to The Lexicon and there may even be a surplus.	Engage with commercial agents to monitor demand. Support/allow further permitted development rights (PDR) if necessary. Engage with landlords to encourage refurbishment to higher standards Engage with developers to enable more provision of light industrial space and space suitable for high tech and creative digital businesses in the specialised sectors Promote Bracknell Forest as a business location Develop a Local Industrial Strategy (see Business Competitiveness)
P.CC.I.C.2. Climate change	Kt CO ₂ e per Km ²	Bracknell Forest's emissions are low but further decline of the knowledge economy may hinder future progress. Car dependency is high and public transport, cycling and walking rates are low.	Support the knowledge economy (see Business Competitiveness) Encourage modal shift e.g. through addressing safety concerns re cycle paths, working with large employers on cycle to work schemes, EV charging points.
P.CC.I.C.3. Housing	Affordability ratio	Although housing in Bracknell is relatively affordable it is still out of the reach of many on lower incomes. Increased supply of new homes will help to maintain and improve affordability. Bracknell Forest is not seen as an aspirational place to live for higher skilled individuals, although this is changing. Attracting young people to town centres can help to counteract population ageing and revitalise town centres.	Monitor employment and retail space availability as above and take a flexible approach to PDR, particularly in town centres, if surplus space is a persistent issue. Promote the benefits of Bracknell Forest as a place to live and work
P.CC.I.C.4. Working patterns	Home/hybrid working rates	Bracknell Forest residents have lower rates of working at or near home and higher rates of travel to work further away. Although this is typical of areas like Bracknell with high levels of skilled trades and construction employment, it may be that lower skilled Bracknell Forest residents are filling elementary jobs such as cleaning and care in other areas with higher skills profiles.	Promote local working and local recruitment, working with large employers so more Bracknell residents can benefit from working locally. Examine the need for local support services e.g. networks, flexible, rentable by the hour, office space, for those working from home.
P.CC.I.C.5. ICT infrastructure	Broadband availability	Currently, Bracknell Forest's performance on broadband and mobile availability is among the best.	Maintain and promote Bracknell Forest's record on ICT connectivity.

Status: Draft for consultation
Bracknell Forest Economic Strategy 2024 -2034

ENDS