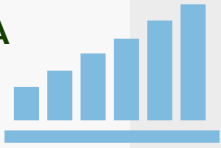


## Tech is the city's fastest growing sector <sup>(1)</sup>

TECH GVA

**£1.1 billion**



GROWTH TO 2022

**+21%**

ICT WORKFORCE

**15,400**



GROWTH TO 2022

**+6%**

Tech = Information and communications technology sector  
Data relates to the Birmingham City Council local authority area

## Core business types <sup>(2)</sup>



DIGITAL ADVERTISING & MARKETING



ENTERPRISE SOFTWARE & CLOUD COMPUTING



ONLINE GAMBLING



TELECOMMUNICATIONS & NETWORKING

## Where are tech businesses locating in Birmingham?



### START-UP HUBS

- The Custard Factory
- Innovation Birmingham Campus <sup>(3)</sup>
- Fazeley Studios
- Birmingham Research Park



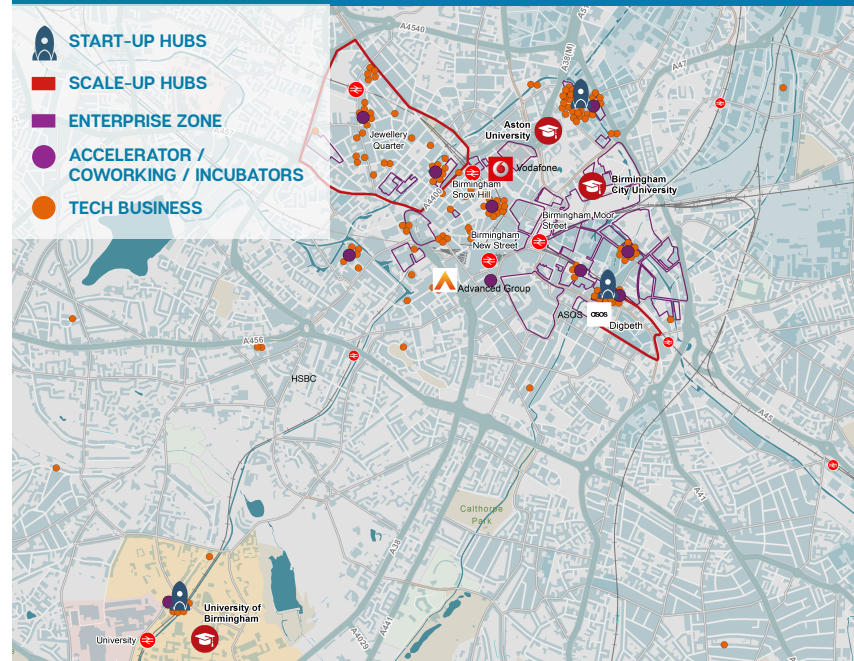
### SCALE-UP HUBS

- Digbeth
- Jewellery Quarter
- Birmingham City Centre Enterprise Zone

### NOTABLE COMPANIES

- Advanced (formerly ACS)
- ASOS
- Vodafone

## Distribution of tech businesses <sup>(4)</sup>



**85%** of tech companies say that access to commercial property is a benefit of the cluster <sup>(2)</sup>



# Current property conditions (5)



**RED** = Conditions favour landlords

**AMBER** = Conditions are balanced

**GREEN** = Conditions favour tech firms

Birmingham is a popular market incorporating a range of digital and tech companies at different stages of maturity. Availability of top quality floorspace is relatively low and choice has been declining as new businesses set up locally and existing firms expand. New supply is approaching within the next year which will bring more choice for tech businesses looking for new space.

## LOW AVAILABILITY OF TOP QUALITY OFFICES



OFFICE VACANCY RATE  
**9.7%**

= 20 x The Custard Factory's



TOP QUALITY OFFICE VACANCY RATE  
**1.3%**

= 2.6 x The Custard Factory's

12-MONTH OUTLOOK



## COSTS ARE RISING



PRIME OFFICE RENTS  
**£32**

Per square foot per annum



ANNUAL INCREASE  
**+3.1%**

Forecast to December 2017

12-MONTH OUTLOOK



## SHRINKING AMOUNT OF AVAILABLE OFFICE SPACE



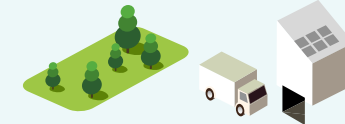
ANNUAL CHANGE IN VACANT OFFICE SPACE  
**-19%**

Strong demand for quality offices coupled with a low supply of new space has been reducing office availability for businesses.

12-MONTH OUTLOOK



## NEW OPPORTUNITIES FOR PRIME OFFICES ARE COMING



A number of new and refurbished office schemes are completing over the next year which will provide businesses with additional choice for quality offices.

12-MONTH OUTLOOK



## Six tech property trends



### TALENT

Workers want their office to be close to public transport, amenity and entertainment



### COMMUNITY

Tech hubs in Birmingham create a sense of community between participants, promoting collaboration and creativity



### EXCITING SPACE

Reflecting talent demand, offices are increasingly user focused and fitted out in non-traditional ways



### SMART CITY

Named as a super connected city with government investment to increase broadband speeds



### COWORKING POTENTIAL

Flexible space is popular with tech businesses and there is scope for more provision



### TAKE ACTION

A supply gap is approaching in 2018 meaning that businesses would be wise to plan their office requirements early

## What will it cost you? (6)

AVERAGE SALARY

**£35,515**

OFFICE RENT / RATES

**£6,335**



ALL IN COST

**£41,850**

Birmingham is a growing tech cluster providing a large talent pool and a range of property choices. Major regeneration in the City and significant investment in infrastructure will elevate the presence of the cluster within the UK economy and support long-term growth.

REFERENCES: (1) Oxford Economics, (2) Tech City UK, (3) Innovation Birmingham, innovationbham.com, (4) Silicon Canal, siliconcanal.co.uk, (5) JLL, (6) UK Cost Calculator, JLL

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