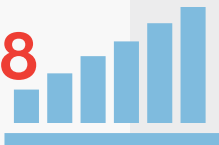


An expanding sector ⁽¹⁾

TECH GVA
£882.8 million



GROWTH TO 2022
+20%

TECH WORKFORCE
13,500



GROWTH TO 2022
+6%

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

Core business types ⁽²⁾



DIGITAL ADVERTISING & MARKETING



GAMING



TELECOMMUNICATIONS & NETWORKING



APP & SOFTWARE DEVELOPMENT

Where are tech businesses locating Bristol & Bath



START-UP HUBS

- Temple Meads Enterprise Zone north
- Temple Meads Enterprise Zone and environs south
- Unit DX
- Games Hub
- Bristol & Bath Science Park
- Entrepreneurial Spark
- Bristol Robotics Laboratory
- The Bath Guild



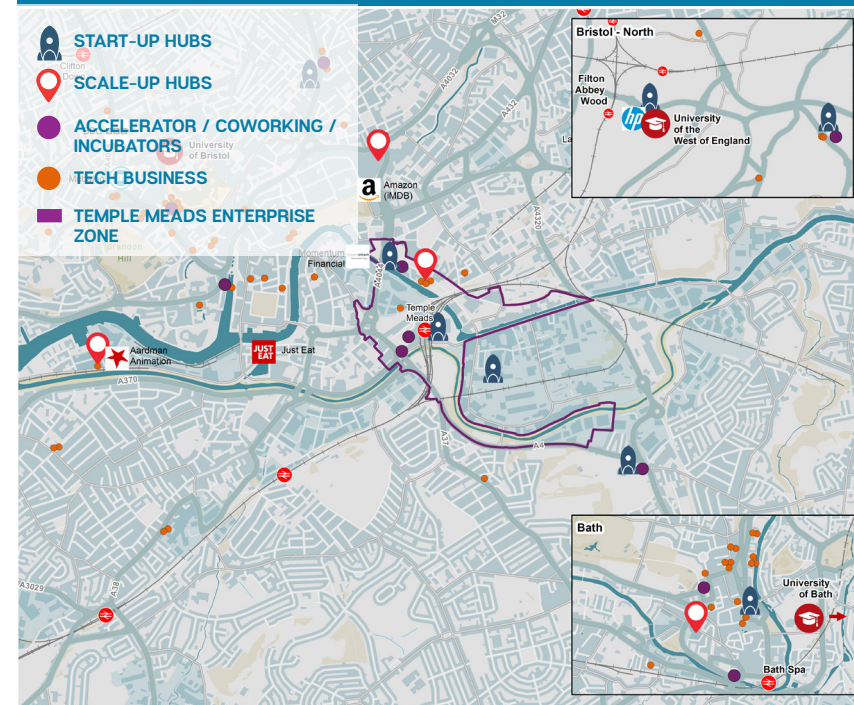
SCALE-UP HUBS

- Bristol city centre
- City centre scale
- Bristol Temple Quarter Enterprise Zone
- Spike Island
- Bath

NOTABLE COMPANIES

- Amazon (IMDb)
- Hewlett Packard
- Aardman Animations
- BBC
- Momentum Financial Technology
- Mubaloo
- Just Eat

Distribution of tech businesses ⁽³⁾



82% of tech companies say that access to commercial property is a benefit of the cluster ⁽²⁾



Current property conditions (4)



RED = Conditions favour landlords

AMBER = Conditions are balanced

GREEN = Conditions favour tech firms

The Bristol & Bath cluster offers access to high quality talent and a growing tech sector. Due to its popularity with businesses competition for stock is strong and rents are escalating. Low levels of recent supply and strong demand have reduced availability. Whilst acknowledging this Bristol remains 56% cheaper than Shoreditch, London's tech start-up hub, and it offers more choice.

Note that a red traffic light means only that conditions favour landlords. It does not mean that businesses should not look to move, upgrade or expand their offices. It means that more forward-planning and negotiation may be needed to get the best deal.

TOP QUALITY FLOORSPACE IN SHORT SUPPLY



= 19 x
The Engine Shed



= 4 x
The Engine Shed



COMPETITION FOR SPACE



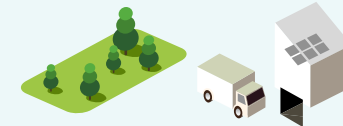
The amount of office space available for tech businesses to rent has decreased over the last year, reflecting a low level of new office supply and high demand from firms taking new space. Quality offices are hotly contested.



ESCALATING COST



ADDITIONAL CHOICE IS ON THE HORIZON



New office development has been low over the last few years, restricting choice. New opportunities to take offices in Bristol city centre are approaching. These are a mix of refurbished office stock such as The Programme and entirely new developments such as The Distillery.



Six tech property trends



EVOLUTION

The local tech scene has changed from a few pioneering start-ups into a more mature ecosystem since the first coworking space opened



NO. 1 FOR LIVABILITY

"Cool, classy and supremely creative" Bristol named as the best place to live in Britain in 2017 ⁽⁵⁾



TRACK RECORD

The short existence of most tech firms means many landlords consider that letting an office to them is riskier compared to other businesses



FLEXIBILITY

The 3 to 5 year lease usually sought by tech firms is much shorter than the traditional lease lengths favoured by landlords



DE-FURBISHMENT

Landlords are responding to demand from tech companies by providing innovative fit outs in new offices



WORLD-LEADING

Bristol's SETSquared Centre named as the best university business incubator in the world ⁽⁶⁾

What will it cost you? ⁽⁷⁾

COSTS PER EMPLOYEE PER YEAR

Bristol

AVERAGE SALARY

£35,324



OFFICE RENT / RATES

£5,798

ALL IN COST

£41,122

Bath

AVERAGE SALARY

£35,324



OFFICE RENT / RATES

£4,535

ALL IN COST

£39,858

Higher costs typically reflect a more desirable location and better quality space. Bristol has been rated as the best place to do business in the UK ⁽⁸⁾. Businesses must weigh office cost against the locational benefits in attracting talent, retaining talent and conducting business in this cluster.

REFERENCES: (1) Oxford Economics, (2) Tech City UK, (3) TechBritain, (4) JLL, (5) Sunday Times Best Places to Live 2017, (6) UBI Global World Rankings University Business Incubators 2015, (7) UK Cost Calculator, JLL, (8) The UK Prosperity Index, The Legatum Institute 2016

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