Quod

Manor Farm

Economic Statement

DECEMBER 2024

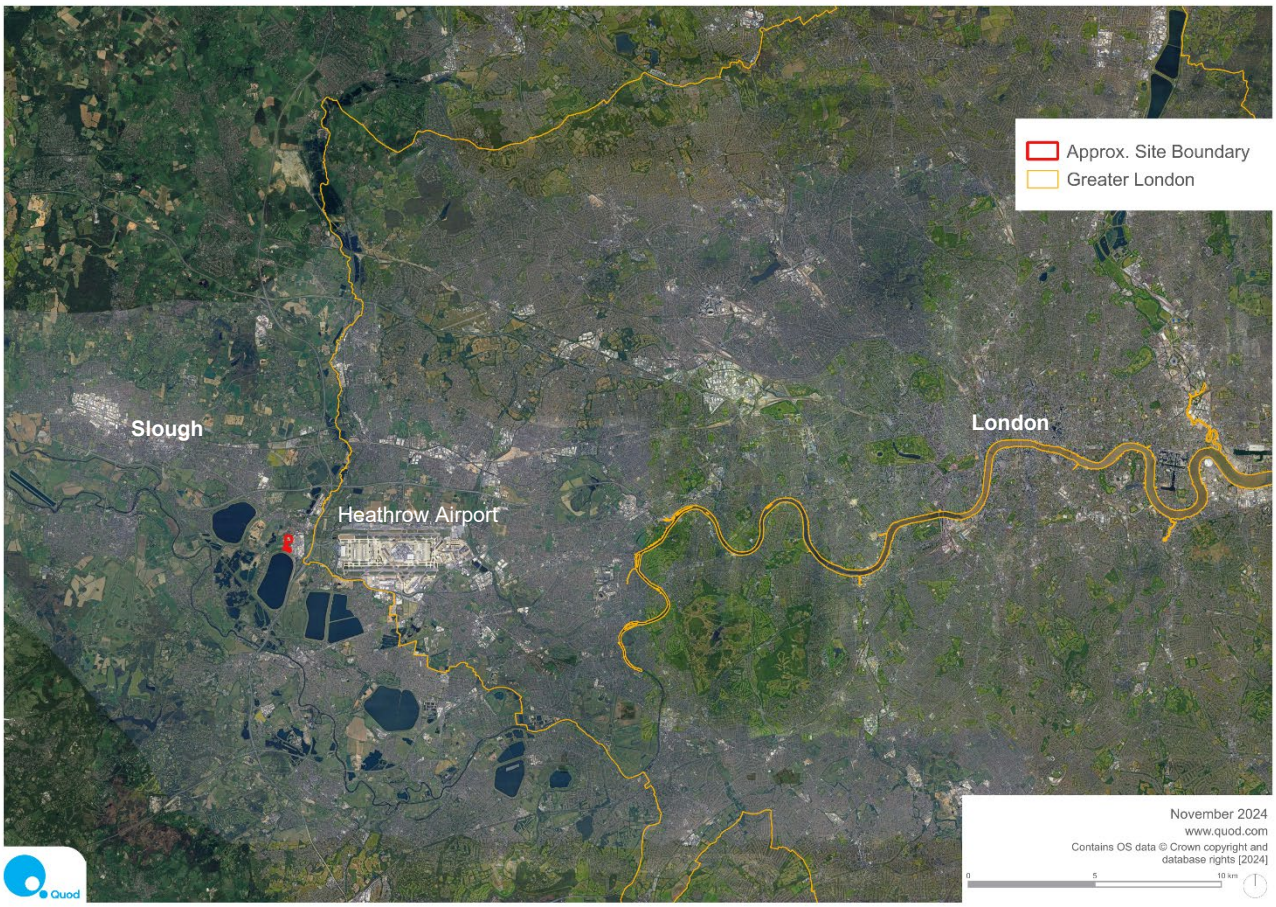
Q240428

Contents

1 The need for development

1.1 Manor Farm Propco Limited (the 'Applicant') is proposing to deliver a hyperscale data centre and a Battery Energy Storage System (BESS) at Manor Farm, Polye Road, Slough (the 'Site'). The location of the site is shown in Figure 1.1. The Proposed Development will consist of a data centre of 39,433 sqm (GIA) and BESS, with the substation and Guard House covering an area of 13,932 sqm (GIA). This facility will serve a critical role in the economies of London, the South East and the UK.

Figure 1.1 – Site Context



Data Centres as Vital Infrastructure

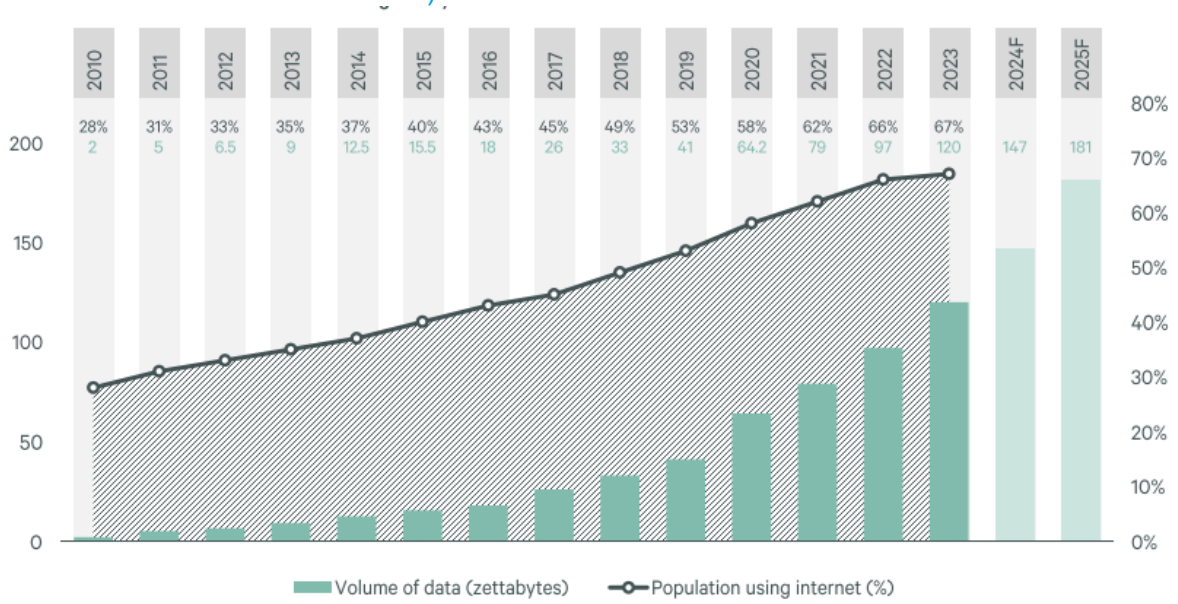
1.2 Data centres accommodate clustered services which collect, store, process and distribute large amounts of data for companies. As essential infrastructure, they play a vital role in supporting Government commitments to facilitating technological change.

1.3 Business critical computing and storage requirements could previously have been adequately supported within a general office facility, the advent of 'compute on demand' along with the demands being made on computing systems, this is largely in the past. Now, every email sent, online search made, or web page scrolled is processed in a data centre. According to the Alternative Sites Assessment prepared by Colliers and submitted with this Application,

1.4 In 2020, an estimated 2.3 billion people used personal cloud storage. Google Drive, iCloud and Dropbox were the most popular cloud storage services.

1.5 By 2025, the worldwide data traffic is expected to reach 181 zettabytes (a zettabyte is shown as two to the 70th power bytes - one zettabyte is equal to one billion terabytes or one trillion gigabytes). Worldwide end-user spending on public cloud services is forecast to grow 20.4% to total $675.4 billion in 2024, up from $561 billion in 2023, according to the latest forecast from Gartner, Inc. The three most prominent hyperscalers are Amazon Web Services (AWS), Microsoft (Microsoft Azure) and Google (Google Cloud).[1].

Figure 1.2: Data Trffic and intenter usage globally 20210-2025 (imaged provided by Colliers for the Alternative Sites Assessment)



1.6 The National Data Strategy (NDS) (2020) has identified the key role that data will have in boosting economic competitiveness and productivity within the UK and facilitate the UK in becoming a global leader within the data sphere.

1.7 The NDS states that the storing and processing of data externally through data centres, "will become even more of a critical operating function" and underpin an "increasing amount of business and societal activity"[2].

1.8 The December 2024 NPPF highlights the role of data centres, and their alignment directly to the Government's policy objectives around economic growth. For example, the changes to the NPPF determine that,

Planning policies and decisions should help create the conditions in which businesses can invest, expand and adapt. ***Significant weight should be placed on the need to support***

[1] Colliers, 2024, Manor Farm Alternative Sites Assessment Para 1.32
[2] Department for Science, Innovation and Technology, 2020. National Data Strategy. para 7.2.1.

***economic growth and productivity**, taking into account both local business needs and wider opportunities for development[3].*

1.9 Data centres and battery storage are crucial to the future of the UK economy. This is supported by the Government's September 2024 designation of data centres as 'critical national infrastructure'. The value of data centres has been recognised by Government through the December 2024 changes to the National Planning Policy Framework (NPPF) which state that:

"Planning policies and decisions should recognise and address the specific locational requirements of different sectors. This includes making provision for:

*"a) **clusters or networks of knowledge and data-driven, creative or high technology industries;** and for new, expanded or upgraded facilities and infrastructure that are needed to support the growth of these industries (**including data centres** and grid connections).[4]" [Emphasis added]*

1.10 As such, planning policies should,

"Pay particular regard to facilitating development to meet the needs of a modern economy, including by identifying suitable locations for uses such as laboratories, gigafactories, data centres, digital infrastructure, freight and logistics[5]"

1.11 The Site is within the Green Belt, Strategic Gap, and Colne Valley Nature Regional Park where the potential harm to the Green Belt by reason of inappropriateness, and any other harm resulting from the proposal, must be clearly outweighed by other considerations for planning permission to be granted.

1.12 Putting data centres on an equal footing as water, energy and emergency services systems will mean the data centres sector can now expect greater government support in recovering from and anticipating critical incidents, giving the industry greater reassurance when setting up business in UK and helping generate economic growth for all.

1.13 This report demonstrates the significant need and economic benefit of the proposals, and demonstrates that this should be a material consideration given significant weight in the decision on whether or not to grant Planning Permission.

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[3] Ministry of Housing, Communities & Local Government, December 2024. National Planning Policy Framework. Para 85
[4] Ministry of Housing, Communities & Local Government, December 2024. National Planning Policy Framework.
[5] Ministry of Housing, Communities & Local Government, December 2024. National Planning Policy Framework. Para 86c

The Role of Slough as a Data Centre Cluster

1.14 The Secretary of State has recently confirmed that there is a significant and substantial demand for new data centres in the Slough Availability Zone (SAZ), and that the provision of data centres would make a significant contribution to the UK economy[6].

1.15 London is the largest data centre market[7] in Europe and is a highly attractive location as it is in an important strategic location between the USA and EU for high-speed peering[8], situated on the main fibre optic line between London and the US.

1.16 Slough is an internationally recognised location for data centres as part of the economy of London and its surrounds, due to Slough's market-leading access to a secure data network and resilient power supply. According to SEGRO[9], "there are around 265 commercial data centres in the UK, and just over 10 percent of these are on the Slough Trading Estate (operational or under construction)" as of May 2024.

1.17 Slough's strategic location, robust infrastructure, existing business environment and access to a skilled workforce make it an attractive location for data centre operations as follows:

- **Strategic location**: Slough has excellent transport links to London, and also benefits from its proximity to Heathrow Airport. Slough is also well-connected by robust fibre optic networks, and being near London ensures low latency connections, which is crucial for businesses that rely on real-time data processing and fast internet speeds.
- **Robust infrastructure**: As outlined above, Slough already hosts several major data centres, which has created a thriving ecosystem. It has strong and reliable power infrastructure, which is essential for data centres that require uninterrupted power supply, and also has multiple power sources and substations, ensuring redundancy and reliability.
- **Access to a skilled workforce**: Slough is well connected with its proximity to London and as part of the broader Thames Valley area, which has a large pool of skilled IT professionals and technical staff.

1.18 The proposals will provide significant economic benefit through:

- **Strengthening Slough's data centre cluster** – with key advantages such as reduce latency and improved performance, cost savings and operational efficiencies;
- Providing additional battery storage to ensure the data centre has ample power supply and to help **support and provide resilience to the local energy network.**;

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[6] This is further supported by the decision made by the former Parliamentary Under Secretary of State for Local Government and Building Safety, Lee Rowley MP on behalf of the Secretary of State in the case of the Woodlands Park Landfill Site, Iver, Buckinghamshire (Application Ref: PL/21/4429/OA).
[7] JLL, Data Centre Outlook 2024.
[8] Peering is a method that provides one-to-one connections between networks that allows for direct exchange of data without going through the services of a third-party transit provider.
[9] SEGRO, 2024. Slough Trading Estate, Available at: https://www.segro.com/countries-repository/united-kingdom/slough-trading-estate

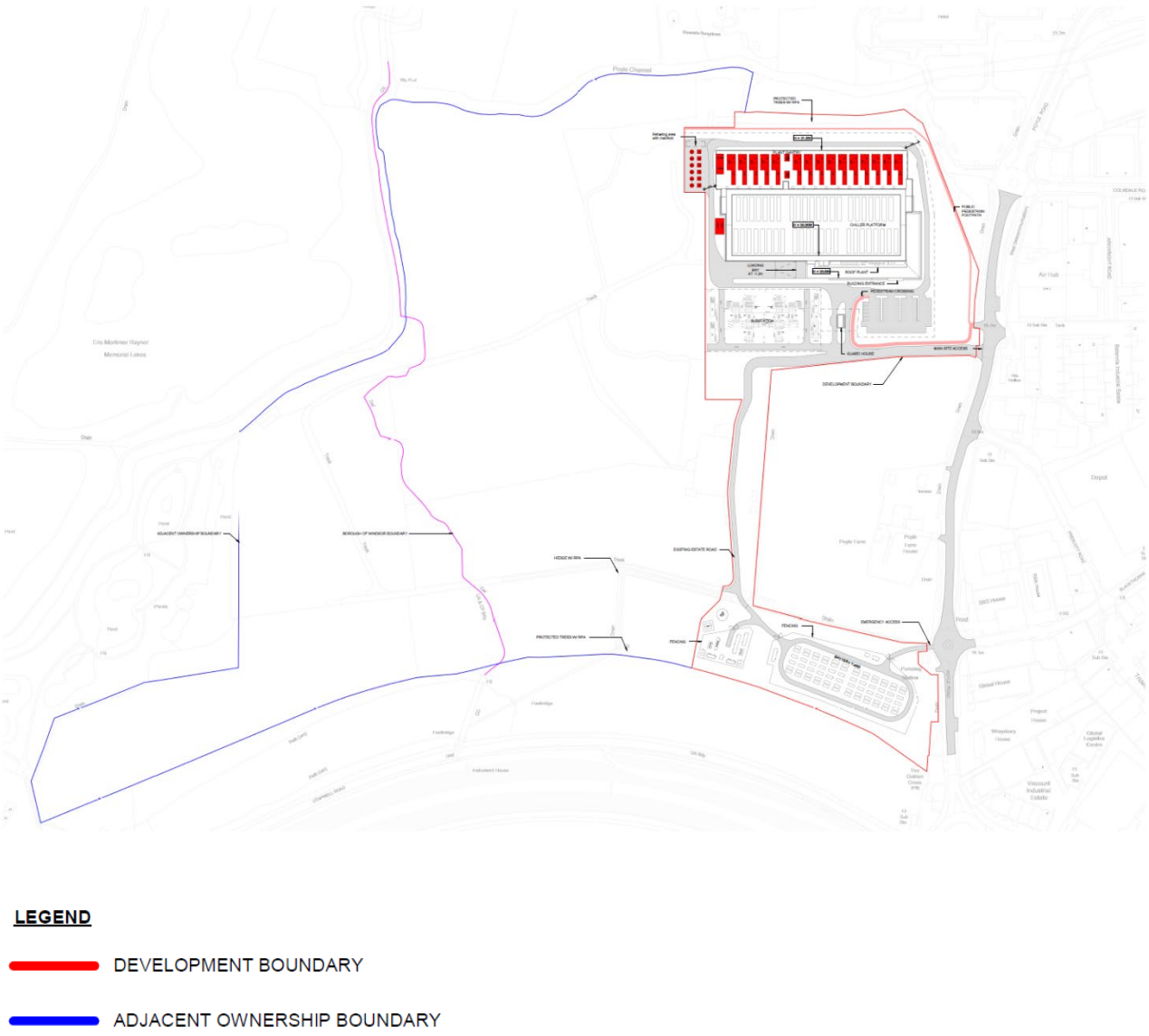
- **Supporting employment directly on-site but also through the network of sectors** for which Data Centres are critical infrastructure;
- **Generating local employment skills and training opportunities**; and
- **Generating additional business rate revenue** for Slough Borough Council.

1.19 Further details of the economic benefits of the Proposed Development are set out in Section 4.

2 The Site

2.1 The Proposed Development includes a data centre and battery storage system – defined by the red line boundary shown in Figure 2.1 (the 'Site'). These proposals include one large data centre to the north, and a battery storage to the south.

Figure 2.1 – Proposed site plan



Site

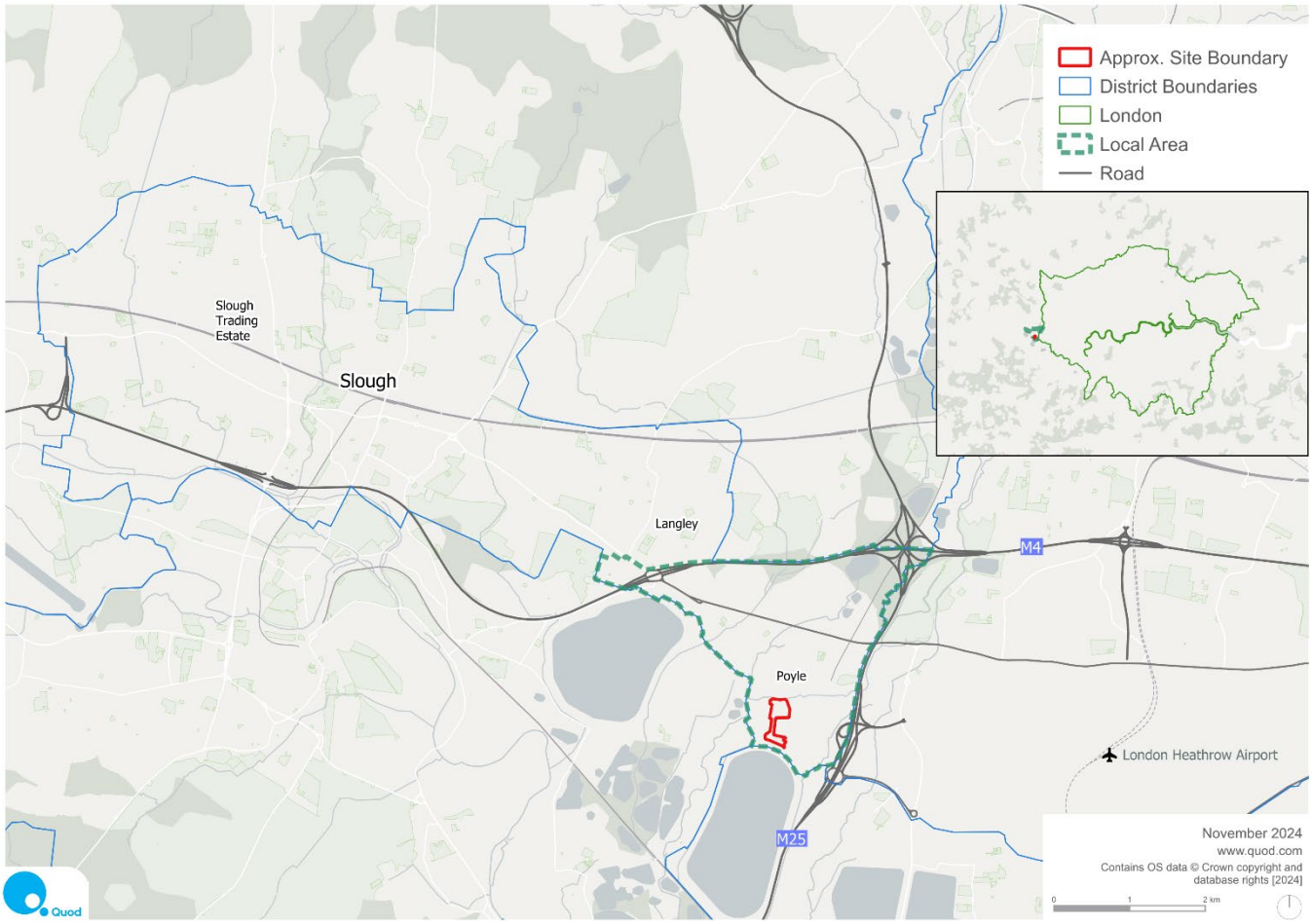
2.2 The Site is located in Slough Borough Council (SBC), to the west of Heathrow Airport outside of the M25. The development boundary (shown in red in Figure 2.2) is located entirely within SBC's boundary.

2.3 The Site extends to circa 70 acres and is comprised of Green Belt land. The north eastern extent of the Site is currently in commercial and industrial use with hardstanding areas used for car parking and storage.

2.4 The Site is to the west of Poyle off of Junction 14 of the M25 (Poyle Interchange). Poyle is an area of industrial estates and hotels, many of which serve Heathrow Airport to the East of the interchange.

2.5 For the purposes of the socio-economic baseline, the Local Area has been defined as the Colnbrook & Poyle ward which includes the Site. The spatial study areas are identified in Figure 2.2.

Figure 2.2 – Site Context Map



3 Policy & Socio-economic context

Policy context

3.1 The following section outlines national, regional and local policies, plans and strategies relevant to data centres and BESS. It highlights the important role that data centres play in the local, regional and national economies and how this proposal can help to align with broader strategic ambitions.

National Policy

3.2 The **National Data Strategy** (NDS) (2020) has identified the key role that data will have in boosting economic competitiveness and productivity within the UK and facilitate the UK in becoming a global leader within the data sphere. The NDS states that the storing and processing of data externally, through data centres, "will become even more of a critical operating function" (para 7.2.1), and underpin an "increasing amount of business and societal activity" (7.2.1) [10]. This is supported by the classification made in September 2024, with the government classing UK data centres as '**Critical National Infrastructure**' (CNI)[11]. The designation will mean that the data centre sector can expect greater government support, particularly in recovering from and anticipating critical incidents, giving the industry greater reassurance when setting up business in the UK and helping generate economic growth. The designation highlights the vital role and need for data centres, putting data centres on an equal footing as water, energy and emergency service systems.

3.3 The value of data centres has been recognised by Government through the December 2024 changes to the **National Planning Policy Framework** (NPPF) which state that planning policies should "pay particular regard to facilitating development to meet the needs of a modern economy, including by identifying suitable locations for uses such as laboratories, gigafactories, **data centres, digital infrastructure**, freight and logistics;"[12] (emphasis added).

3.4 The NPPF highlights the role of data centres, and their alignment directly to the Government's policy objectives around economic growth. For example, the changes to the NPPF are intended to

"Recognise and address the specific locational requirements of different sectors. This includes making provision for: a) clusters or networks of knowledge and data-driven, creative or high technology industries; and for new, expanded or upgraded facilities and infrastructure that are needed to support the growth of these industries (including data centres and grid connections);"[13].

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[10] Department for Science, Innovation and Technology, 2020. National Data Strategy
[11] UK Government, September 2024. Press release: Data centres to be given massive boost and protections from cyber criminals and IT Blackouts
[12] Ministry of Housing, Communities & Local Government, December 2024. National Planning Policy Framework Para 86c
[13] Ministry of Housing, Communities & Local Government, December 2024. National Planning Policy Framework Para 87a.

3.5 The UK Government's **Invest 2035: The UK's Modern Industrial Strategy** green paper also outlines the importance of data centres in supporting the digital economy[14]. It highlights the need for improved digital infrastructure to ensure the UK remains as a global leader in technology and innovation – and suggests that targeted, long-term infrastructure investment is a vital catalyst to the success and stability of major city regions and clusters of growth-driving sectors. It states that additional data centre capacity and access to fast, secure and reliable digital connectivity is essential to enabling economic growth and to reap the transformational productivity benefits of digitalisation and the adoption of AI.

Regional Guidance

3.6 Slough Borough Council forms part of the Thames Valley Berkshire Local Enterprise Partnership (TVBLEP) area alongside seven other local authorities. The **TVBLEP Skills Report 2022**[15] outlines the opportunities for the digital and technology sector, with 68,691 digital technology specialists, more than twice the national average, meaning Berkshire is recognised as a leading digital cluster outside London. As outlined in the report, Berkshire has the highest concentration of programmers and developers in the UK, supported by a highly skilled local workforce. Tech workers in Berkshire are trained in specialisms such as data analytics, cloud computing, data centres, cybersecurity, telecommunications and enterprise software.

Local Guidance

3.7 Slough Borough Council's **Inclusive Growth Strategy 2020-2025**[16] outlines Slough's economic strength, which is predicated on the exploitation of its locational assets, excellent access to labour markets, connectivity and its base of sectors which trade across the UK and internationally.

3.8 The Borough is developing and strengthening its business critical infrastructure, with key investment in business support provision and digital connectivity. The Strategy is underpinned by a set of priorities, including Priority 3: "Regeneration and infrastructure unlocking growth" which outlines an action to be a digitally connected borough – deploying private and public investment to prioritise speed and consistency of service across key employment areas.

Economic baseline profile

3.9 This section sets out the current demographic conditions in the area immediately surrounding the Site (where local data is available) and the Borough as a whole.

Residents – Economic Characteristics

3.10 According to the 2021 Census (Tabel 3.1) there are 6,420 residents in the Local Area. Whilst the population has grown relatively steadily in the Local Area since 2011 (4%), Slough has grown considerably over the same period by 13% (+19,000). This growth has predominately occurred in the 35 to 49 age bracket which rose by around 8,600.

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[14] UK Government, October 2024. Invest 2035: The UK's Modern Industrial Strategy
[15] Thames Valley Berkshire LEP, 2022. Skills Report 2022.
[16] Slough Borough Council, 2020. Inclusive Growth Strategy 2020-2025.

3.11 The Local Area has a slightly higher proportion (73%) of working age residents in comparison to Slough (71%) and the South East as a whole (72%). There is also a higher proportion of younger residents (23%).

3.12 The economically active population aged 16 years and over (71%) in the Local Area is greater than Slough (64%) and the South East (60%). The rate of unemployment in the Local Area (7%) is in line with Slough (7%) and is higher than the South East as a whole (4%).

3.13 This suggests that both the Local Area and Slough have a young, growing population – with a higher proportion of economically active residents compared to the South East.

Table 3.1 – Demographic and Labour Market Baseline Summary (ONS, 2021)

Indicator	Local Area	Slough	South East
Total Population, Census 2011	6,160	140,000	8,630,000
Total Population, Census 2021	6,400	159,000	9,280,000
Population growth	4%	13%	7%
Age Profile, Census 2021			
0-15 years	23%	25%	19%
16-74 years	73%	71%	72%
75 years or above	3%	4%	9%
Economic activity (residents aged 16 years and over), Census 2021			
Economically active	71%	64%	60%
Unemployed	7%	7%	4%
Claimant Count (residents aged 16 to 64 years)			
Claimant Rate (May 2024)	5.5%	5.5%	3.0%
BRES (2022)			
Transport & storage	53%	13%	5%
Information & communication	10%	11%	6%
Business administration & support services	9%	12%	9%

*Figures may not sum due to rounding

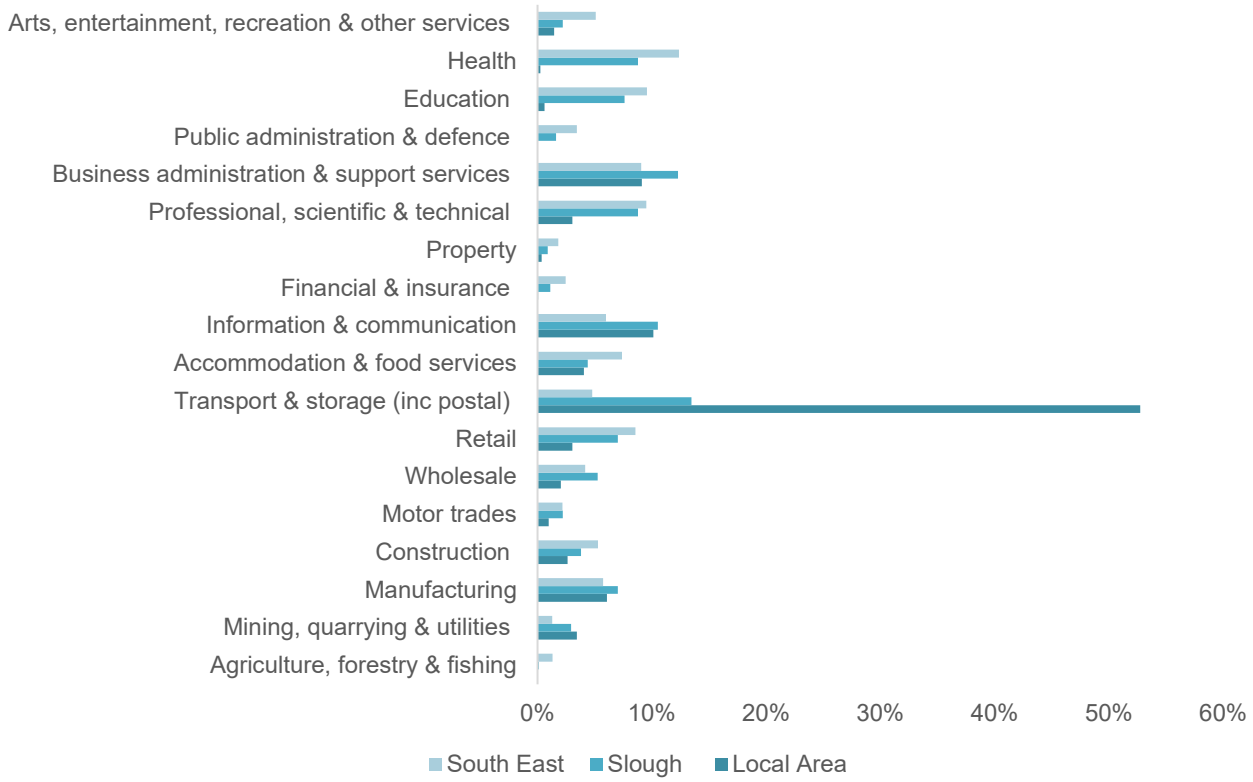
Jobs and Businesses

3.14 Data from the Business Register and Employment Survey (BRES)[17] in 2022 indicates that there are approximately 12,300 jobs in the Local Area, accounting for 14% of SBC's jobs. The Transport & Storage industry is prominent in the Local Area with over half (53%) of the employment opportunities originating from that industry. This is significantly higher when compared to Slough (13%) and the South East region (5%).

3.15 The second most prominent industry in the Local Area is the Information & Communication industry, where 10% of employment opportunities are based. Together with business administration & support services, employment in the top three industries accounts for almost three quarters of all jobs in the local area.

3.16 Figure 3.1 sets out the industry profile in the Local Area, compared to Slough and the South East.

Figure 3.1 – Industries (BRES, 2022)



Wages

3.17 Resident wages in Slough have grown (16%) over the last five years, at similar rates to workplace wages. Overall, Slough offers marginally higher median wage opportunities when compared to the South East as a whole (for total workers and full-time workers).

[17] Office for National Statistics, 2022. Business Register and Employment Survey.

3.18 Data from the workplace 5-year growth rate shows that wage growth for full-time workers in Slough is 7%, a lower rate when compared to residents (11%). The workplace-based earning exceed resident-based earnings which indicates that SBC is a commuter destination, with large parts of the workforce residing in other authorities, highlighting that Slough has access to a large labour pool.

3.19 Median average earnings for residents and workplaces are set out in the table below.

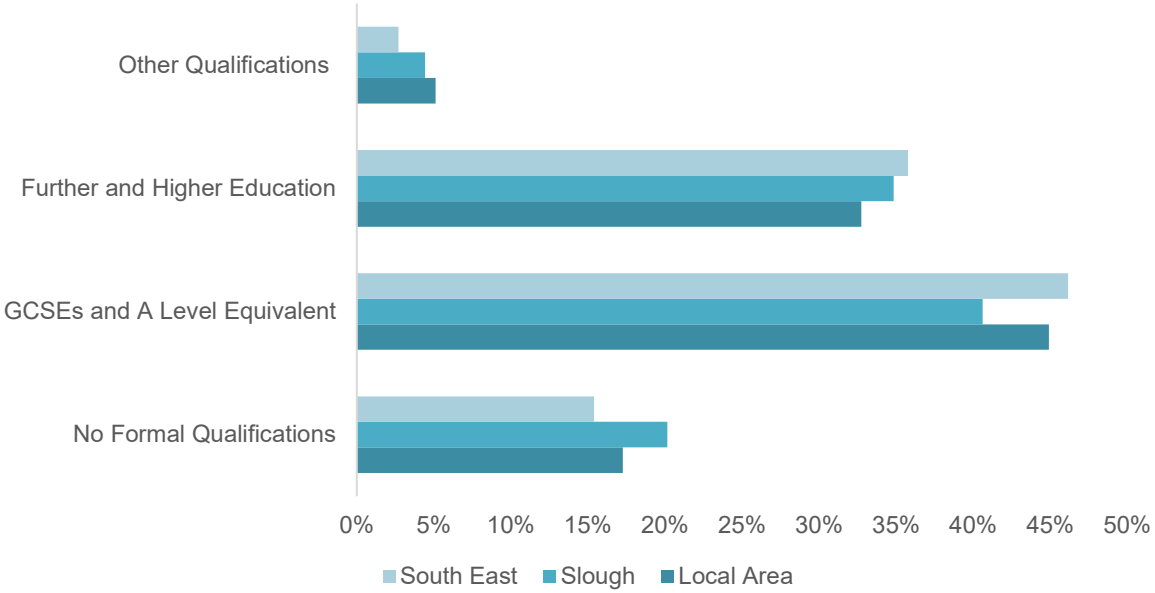
Table 3.2 – Median Average Earnings (ONS, 2023)

	Residents			
	All workers		Full time workers	
	Median annual pay	5-year growth rate	Median annual pay	5-year growth rate
Slough	32,000	16%	34,400	11%
South East	28,200	15%	34,200	11%
	Workplace			
	All workers		Full time workers	
	Median annual pay	5-year growth rate	Median annual pay	5-year growth rate
Slough	37,000	15%	39,000	7%
South East	27,300	16%	33,000	12%

Qualifications

3.20 The proportion of residents in the Local Area who hold qualifications in Further and Higher Education is slightly lower (33%) when compared to Slough (35%) and South East (36%), with the majority of the population having a formal qualification, indicating the local population is highly skilled. A comparison of qualifications across relevant areas is shown in Figure 4.2

Figure 3.2 – Qualifications (ONS, 2021)



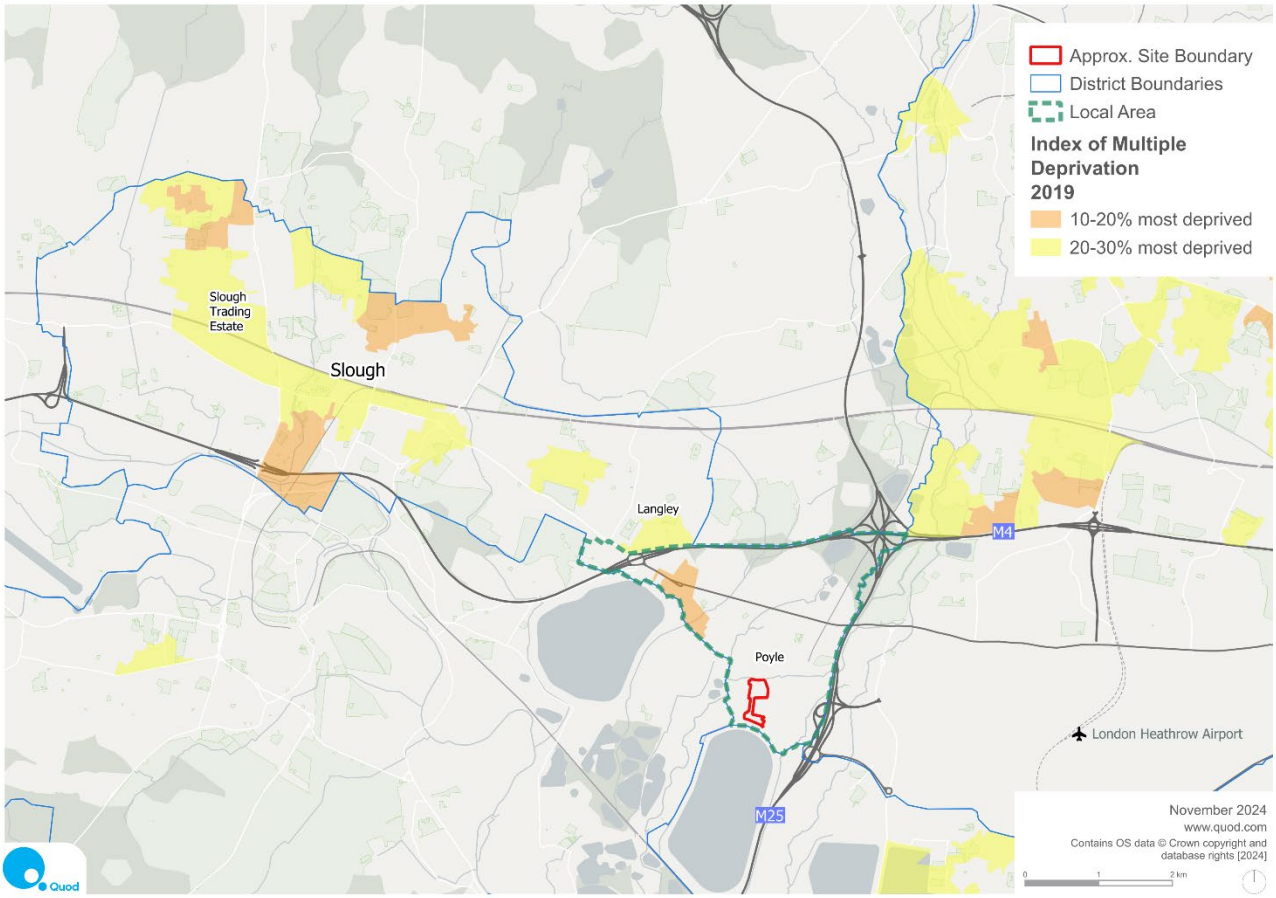
Index of Multiple Deprivation (2019)

3.21 The Government's Index of Multiple Deprivation (IMD) (2019)[18] measures deprivation by combining indicators including a range of social, economic and housing factors to give a single deprivation score for each small area (lower-layer super output - LSOAs) across England. All areas are ranked relative to one another according to their level of deprivation. 4.3 shows the relative levels of deprivation across Slough – areas shown in orange are within the Top 10-20% most deprived in England.

3.22 Figure 4.3 shows the area to the north west of the site is within the Top 10-20% most deprived areas in England.

[18] DCLG, 2019. Indices of Multiple Deprivation.

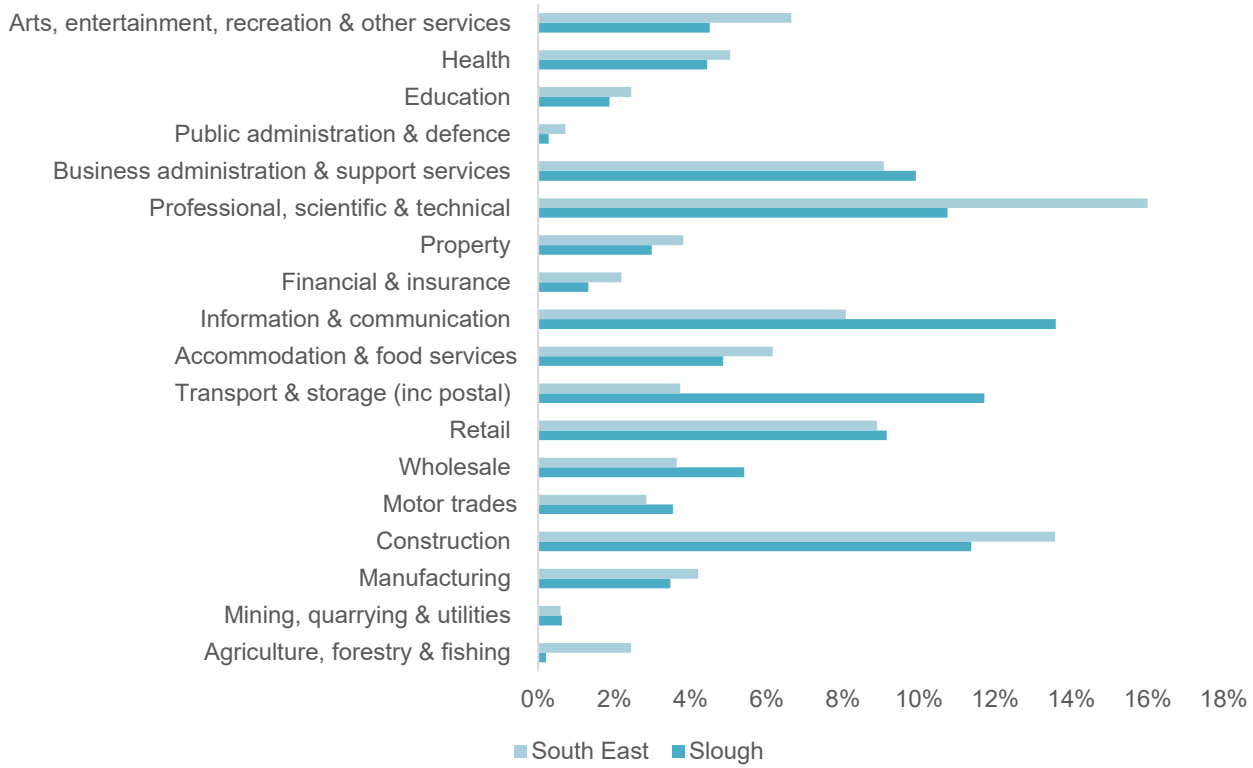
Figure 3.3 – Index of Multiple Deprivation (IMD, 2019)



Business Counts

3.23 Business Counts in Slough shows that the Information & Communication industry is the prominent sector, with 14% of the total businesses in the Local Area being part of the industry – this, alongside the concentration of other sectors (professional, scientific & technical, finance and insurance etc.) demonstrates the large number of existing local businesses that are directly reliant on data centre services, noting that almost all businesses and sectors now rely on data and computing infrastructure. A summary of business counts data is shown in the figure below.

Figure 3.4 – Business Counts (ONS, 2023)



3.24 The baseline suggests that Slough's population has grown at a rate faster than the wider South East area, with a relatively high share of economically active residents.

3.25 Employment growth within Slough has been relatively low over the past decade, although there is high representation of employment in IT and Professional/Scientific/Technical highly skilled jobs such as those that would be supported by the proposed development. In summary, Slough, and the local area is well placed to leverage the growth that would be generated by the proposed development (including new jobs created), strengthening Slough's existing knowledge base in the relevant digitally enabled employment centres.

4 Economic benefits of the proposal

4.1 The economic benefits of the Proposed Development are discussed in detail below. As outlined in the proposal, the total proposed floorspace is 39,433 sqm GIA for the data centre, and 13,932 sqm GIA for the BESS, substation and guard house.

Strategic function

The role and importance of data centres in the Slough AZ and UK economies

Data centres in the UK

4.2 The UK Data Centre market has c. 2,190 Mega Watts (MW) of capacity (£7.5bn turnover) in 2024 and is forecasted to reach 3,610 MW (£14.5bn) by 2029, a compound annual growth rate of 10.49% (14% by £ value)[19].

4.3 Data centres produce an estimated £4.6bn in revenue each year in the UK (2021) and are forecast to support a UK tech sector worth an additional £41.5bn and 678,000 jobs by 2025[20].

4.4 Data Centres provide critical infrastructure to enable growth in the UK's Digital Economy and across all sectors in the economy that are data enabled – this includes financial services, healthcare, retail, telecom, and government centres. This has been recognised in National Policy through the existing National Data Strategy and the December 2024 changes to the NPPF as outlined in Section 3 and the proposals are therefore fully aligned with the economic growth policies of the Government.

Data centres in London and Slough

4.5 As outlined in the Alternative Sites Assessment (ASA), London data centres are focused at two specific locations – London Docklands and West London with a specific focus on the Slough to Hayes Corridor. A significant proportion of demand is focused on the West London market, on the basis that this is within the availability zone of most of the major cloud providers.

4.6 Slough is a major UK Data Centre location with 379.23 MW of IT load capacity across 29 facilities[21], supporting a wide range of digital industries. The strength of Slough's digital economy is demonstrated by the fact that several innovation clusters (Artificial Intelligence, Clean Tech, Research and Consulting (Physical

[19] Mordor Intelligence, 2024. United Kingdom Data Centre Market Size & Share Analysis – Growth Trends & Forecasts up to 2029.
[20] Ministry of Housing, Communities & Local Government, 2024. Proposed reforms to the National Planning Policy Framework and other changes to the planning system.
[21] Mordor Intelligence, 2024. United Kingdom Data Centre Market Size & Share Analysis – Growth Trends & Forecasts up to 2029.

Science and Engineering) and Electronics Manufacturing) are expected to experience significant turnover growth, and are centred on, or envelop Slough. These clusters are drivers of innovation and productivity and create well paid employment opportunities. It is anticipated that over the next five years, the four aforementioned industries will achieve a compound growth rate between 4% to 27%[22]. In 2024, the clusters had a combined turnover of £1.7bn[23].

4.7 Data centres are critical to the functioning of SBC's businesses and while the space itself has a relatively low employment density compared to office use for example, these uses should be seen as "economic infrastructure" and therefore not just about direct jobs, but the critical role they play in creating, supporting and sustaining jobs in the rest of the economy – at a local, London-wide, national and international level.

4.8 Additionally, as outlined in the baseline, Slough has a young and growing population, which makes SBC an attractive area for businesses to operate. This is evident by the 536% growth in digital startups births between 2006 – 2016 in Slough & Heathrow[24].

4.9 There is limited flexibility as where this infrastructure can go – the Alternative Sites Assessment has demonstrated that this location works from an economic and connectivity point of view and the assessment has undertaken an extensive review of suitable alternatives and confirmed that there is a lack of available and suitable alternative sites to accommodate the proposed development, which makes this material to the VSC case. As outlined in the assessment, this is particularly pertinent in the context of the nature of the proposed development which is required to fulfil a specific requirement (hyperscale data centre and BESS).

4.10 The Alternative Site Assessment has demonstrated that there is a significant shortfall in the supply of data centres and a battery storage sites, to meet the demand from a major Cloud Provider, within the Slough Availability Zone in the period 2027 - 2029. This is the most significant data centre location in the UK, which means that failing to meet demand here is likely to have significant effects on the economic growth prospects of the sector.

[22] Data City, 2024. RTICS.
[23] Department for Science, Innovation and Technology, 2024. Innovation Clusters Map.
[24] Tech Nation, 2018. Connection and collaboration: powering UK tech and driving the economy.

Up to **90 FTE** operational roles

4.11 The proposals will support a range of jobs including operational and construction jobs.

4.12 Based on the Homes & Communities Agency density guide[25], the Proposed Development with a data centre could generate between **30 and 220 FTE** operational roles. However, based on Quod's prior experience on similar developments, we expect this scheme to generate approximately c.**65 FTE** operational roles. The total amount of jobs supported by the development will depend on the final design and layout of floorspaces and the nature of the occupier.

4.13 It is anticipated that a high proportion of roles will be highly skilled and high wage jobs. As jobs requiring digital tech skills command higher salaries on average in the UK - £42,578 for a digital native job, vs. £32,477 annually for a non-digital job on average[26]. At a regional level, in the South East, median annual wages (gross £) for all industries is £32,819 in 2024, compared to £51,401 for information and communication jobs[27]. The generation of digital jobs supported by the proposal will therefore result in greater proportional economic benefits than other non-digital employment uses.

4.14 Ancillary roles including facilities management and security will offer roles for a wider range of skill levels including those with less formal education or experience.

Maximising benefits during the Operational Phase

4.15 SBC's Core Strategy – Development Plan Document (2006-2026) outlines that there is "an urgent need to improve the skills of Slough residents so that they will be able to obtain jobs in the new knowledge based industries"[28]. The Applicant is committed to working alongside SBC, to ensure that benefits and employment opportunities generated during the operational phase are of benefit to local residents.

4.16 As the occupiers are not yet known, their commitments to recruitment and staff training are also not known at this stage. However, based on the Applicant's understanding of similar schemes, they are aware that data centre operators have their

[25] HCA, 2015. Employment Density Guide, 3rd Edition.
[26] Tech Nation, 2018. Connection and collaboration: powering UK tech and driving the economy.
[27] ONS, 2024. Earnings and hours worked, UK region by industry by two-digit SIC: ASHE Table 5, 2024.
[28] Slough Borough Council, Development Plan – Core Strategy 2006-2026. Paragraph 2.14.

own comprehensive recruitment and training programmes which will be in addition to the proposed actions below.

4.17 Proposed actions include working alongside SBC to:

- **Engage with schools and colleges**; Leverage the existing partnership that the Applicant's commercial partners have with the Prince's Trust to support young people in education. The Applicant's commercial partners has already committed £450,000 to the Prince's Trust over the next five years to support 1,200 young people in education, specifically targeted at students aged 11-16 years old. Working closely with SBC and the Prince's Trust, the Applicant will identify schools within Slough that would benefit most from education programme funding, to support local people's access to and understanding of opportunities within the logistics and real estate sector. The Applicant will also engage with colleges, including Slough & Langley College, for example. In addition, there will be a community and skills programme funded by the equivalent of £0.10p per square foot of developed space. This would equate to minimum skills and community benefit contribution of approximately £42,500 for the proposed development[29].
- **Provide long-term employment opportunities for local residents:** Data centre jobs will be advertised and promoted to SBC residents through local communication channels and through SBC's partner vacancies on their website for example.
- **Create a strategic partnership with the occupier**: The Applicant will actively seek partnership opportunities with the occupier – focusing on increasing positive socio-economic impact in the Slough community. The Applicant's partners have existing relationships with various strategic community partners and will continue to form and maintain these relationships as the development proposals progress. These partnerships will be aimed at creating economic and learning opportunities for residents of Slough.

Up to **£92,000** GVA generated annually per worker

4.18 The Applicant will commit, via S106 or condition, to a Community Development and Skills Strategy which will set out the how they will:

- Work with the selected construction contractor and SBC to support local employment and procurement opportunities, and source goods and services locally during construction.

[29] Based on the proposals for the development (GIA for the building is approx. 425,411 sq ft excluding the roof and gantry areas).

- Actively engage with future occupiers and encourage them to hire local employees where practical and engage with schools and colleges to support a pipeline of local talent.
- Work with SBC and its partners to advertise jobs locally through preferred channels.
- Commit to and fund (via the Community Benefit Fund) a programme of schools and college engagement and community outreach centred on skills related to the development proposals and the Government's Modern Industrial Strategy including clean energy innovation, digital technology and construction.

4.19 Slough's digital sector contributes to the SBC's high level of productivity. In 2022, UK government official statistics suggested that output per job in the digital sector was £92,000 per year compared to £65,000 for the UK as a whole; meaning that each filled job generates more GVA in the digital sector than the UK average30. The proposals employment would generate approximately £5.98m per year in Gross Value Added (GVA)31,32, which measures the economic value of the employment supported by the development. According to the Tech Nation report, productivity (£ per person) in terms of turnover by employee is fourth highest in Slough and Heathrow out of all of the UK's travel to work areas, at £285k[33]. Applying this figure to the proposed development, estimated turnover is c. £18.5m for the proposed development.

Links to the wider economy

Indirect, catalytic and down-stream effects of providing critical infrastructure

4.20 Data centres as outlined earlier, provide a critical function for the broader national, regional and local digital economies, evident by the 'critical national infrastructure' designation. Data centres enable the storage, management and access to vast amounts of data which are essential for modern business operations – and are essential to maintaining global competitiveness in almost all sectors. The World Economic Forum also forecasts that by 2030, 77% of all jobs will require IT/digital skills[34] from workers, highlighting the need for provision of critical data infrastructure.

[30] DCMS and Digital sector Productivity 2022, Available at: https://www.gov.uk/government/statistics/dcms-and-digital-sector-productivity-2022-provisional/digital-sector-economic-estimates-2022-productivity-provisional
[31] GVA is the value generated by any unit engaged in the production of goods and services.
[32] Calculated based on the c. 65 FTE operational jobs generated.
[33] Tech Nation, 2018. Connection and collaboration: powering UK tech and driving the economy.
[34] World Economic Forum, 2022. Jobs and the future of work. Available at: https://www.weforum.org/stories/2022/10/why-are-young-people-not-preparing-for-the-jobs-of-the-future/

4.21 As outlined in the National Data Strategy, the storing and processing of data externally, through data centres, "will become even more of a critical operating function" and underpin an "increasing amount of business and societal activity"[35], with data having a key role in boosting economic competitiveness and productivity within the UK.

4.22 Figure 4.1 shows the density and clustering of IT service jobs across the Greater London region and surrounds. There is a high density and clustering of IT jobs within London as well as the South East. A hyperscale data centre at the Site will provide indirect, catalytic and down-stream effects to the broader IT economic geography.

4.23 At a regional level, a data centre and BESS will provide minimised latency for digitally-enabled and reliant businesses, and will also support the thriving eco-system of data centres in London.

4.24 At a local level, data centres will provide essential infrastructure to Slough firms, contributing to the functioning of the local economy. IT jobs directly account for 14% of the Slough economy, and approximately 1 in 10 jobs, however almost all sectors are reliant on it (see Section 3 for more detail).

4.25 This is further demonstrated by the chart in Figure 4.2 which shows the sectors in Slough that rely heavily on IT services, as a proportion of their total annual expenditure, where the size of the box indicates the share of expenditure – or reliance on the sector. This analysis suggests that 30% of jobs are in the most closely related industries within Slough, and are highly dependent on IT services and infrastructure.

4.26 The co-location of a resilient energy supply alongside a data centre provides a relatively rare opportunity as outlined in the Alternative Sites Assessment.

4.27 The power constraints in West London, have significant ramifications both at a local level and a national level, as London loses out to other geographies, where power and land are more readily available.

4.28 Providing the on-site Battery Energy Storage System will have range of benefits, with regards to resilience and decarbonisation. It will power the data centre in the event that there is a fault on the grid – reducing the usage of diesel backup generation, as well as storing renewable energy when it is in surplus to provide to the data centre for consumption in a period where the marginal

[35] Department for Science, Innovation and Technology, 2020. National Data Strategy. para 7.2.1.

generation source is not renewable. For further details on the challenges of, and importance of, energy resilience in the context of data centre delivery, please the Alternative Sites Assessment.

Figure 4.1 – IT job density across Slough and Greater London (BRES, 2023)

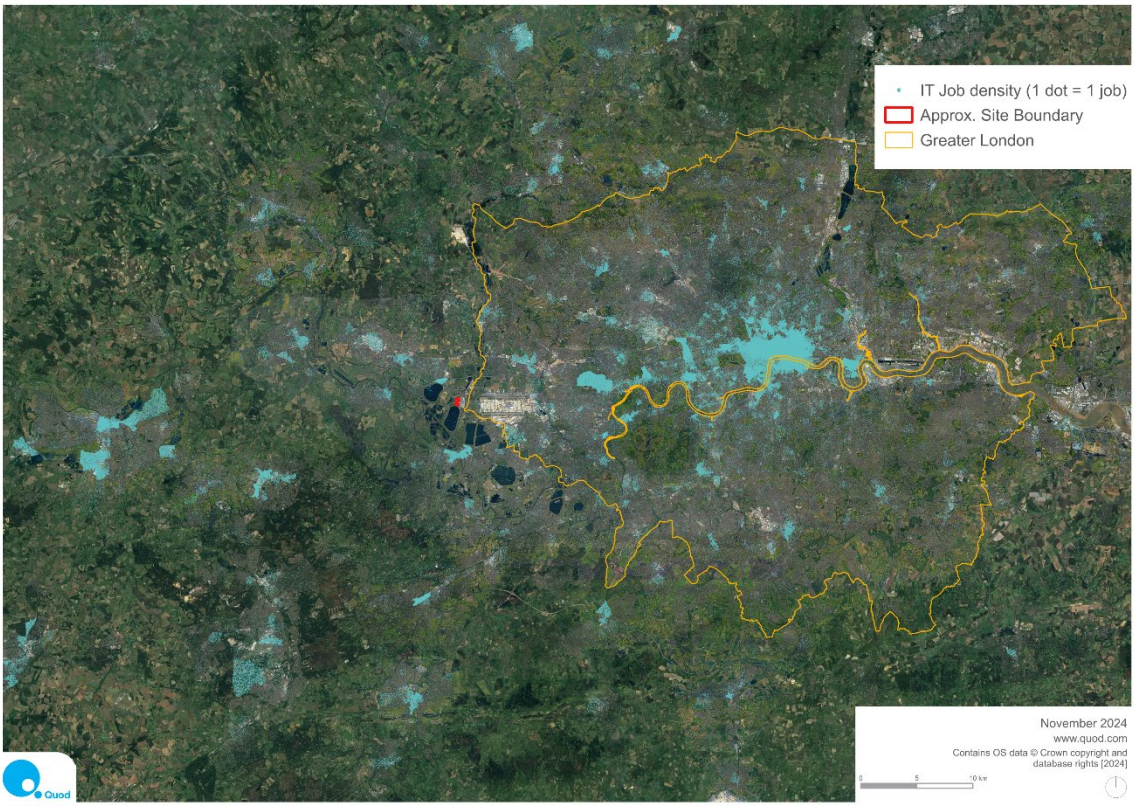
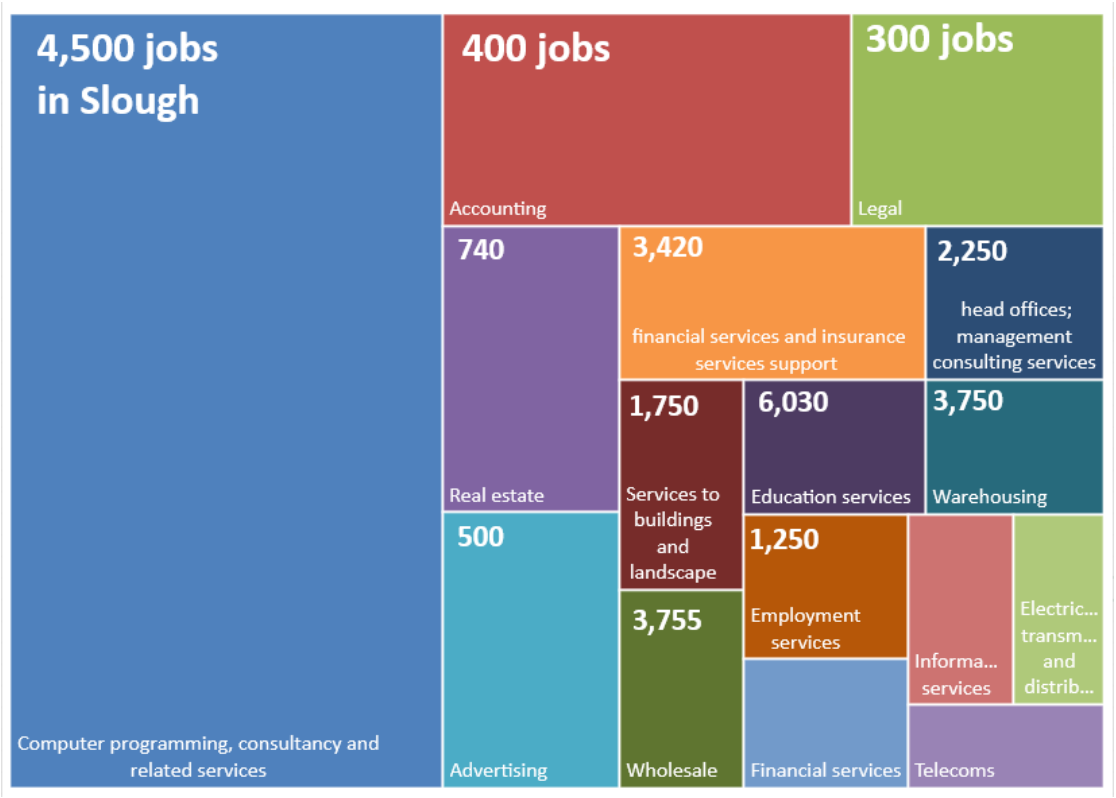


Figure 4.2 – Slough reliance on IT services, as a proportion of total annual expenditure (BRES, 2022)



Construction employment

430 - 490 construction jobs

4.29 Construction will generate employment in the construction sector. The Labour Forecasting Tool (LFT) results suggest an average of **430-490 full time equivalent jobs** in any given month over the 14-15 month construction period (equivalent to 530 person years of construction).

Maximising benefits during the Construction Phase

4.30 At this stage, it is not known who the contractor will be and therefore it is not possible to identify exactly how the construction jobs will be sourced. However, wherever possible and practical, the Applicant will seek to work with the selected contractor and the SBC to support local employment and procurement opportunities, and source goods and services locally.

4.31 The Community Development and Skills Strategy, committed to via Section 106 or a Planning Condition, will cover both construction and operational skills as outlined above .

Local Tax revenue generated

£3.56m generated per year in the form of business rates revenue

£1.49m of business rate revenue that could be retained locally in SBC

4.32 Business rate revenue for SBC will be generated and paid by the occupiers of most non-domestic and business properties. The revenue generated in SBC will contribute towards the cost of local services in the area and benefit the broader community. It is anticipated that up to **£3.56m** in business rates will be generated annually.

4.33 At the 2024-25 final local government finance settlement, the government suggests that SBC retains 45% of its business rates[36]. Based on the 2024-25 figure, this suggests that the proposals could generate c.**£1.49m of business rates annually which are retained locally** (noting that the local government finance settlement is reviewed every year), supporting local service provision in SBC. The remaining business rates go towards central government for reallocation to local authorities through various grants.

[36] DLUHC, 2024. Explanatory note for authorities with increased business rates retention arrangements: final local government finance settlement 2024 to 2025.

5 Conclusion

5.1 The Proposed Development will deliver a world-class data centre and battery storage. It is expected to result in significant economic benefits for the local area and London and contribute to national competitiveness in line with national policy. Delivery of a data centre and BESS facility in Slough will support the UK's ambition to be a global leader in technology and innovation, with data centres classed as critical national infrastructure.

5.2 Slough's strategic location, robust infrastructure, existing business environment and access to a skilled workforce make it an attractive location for data centre operations. The proposals will strengthen Slough as a data centre cluster, and will also deliver a BESS facility, which will help to provide resilience to the local network.

5.3 A summary of the economic benefits of the proposal are outlined below:

- Supports the growth and function of the digital economy in Slough, London and the UK;
- Provides direct local employment and training opportunities within SBC, through commitments including engagement with local schools and colleges and strategic partnerships between the Applicant and the occupier;
- Relatively rare opportunity to have resilient energy supply alongside data centre – providing resilience and decarbonisation benefits;
- Generation of local operational (c. 65 FTE operational jobs) and construction employment (c. 430 – 490 FTE construction jobs);
- Generation of £5.98m in economic output (GVA) per year, with up to £92,000 GVA per worker;
- Generation of approximately £18.5m in turnover per year;
- Provides indirect, catalytic and down-stream effects of providing critical digital infrastructure; and
- Local business tax revenue generated for SBC (c. £3.56m) with c. £1.49m retained locally.