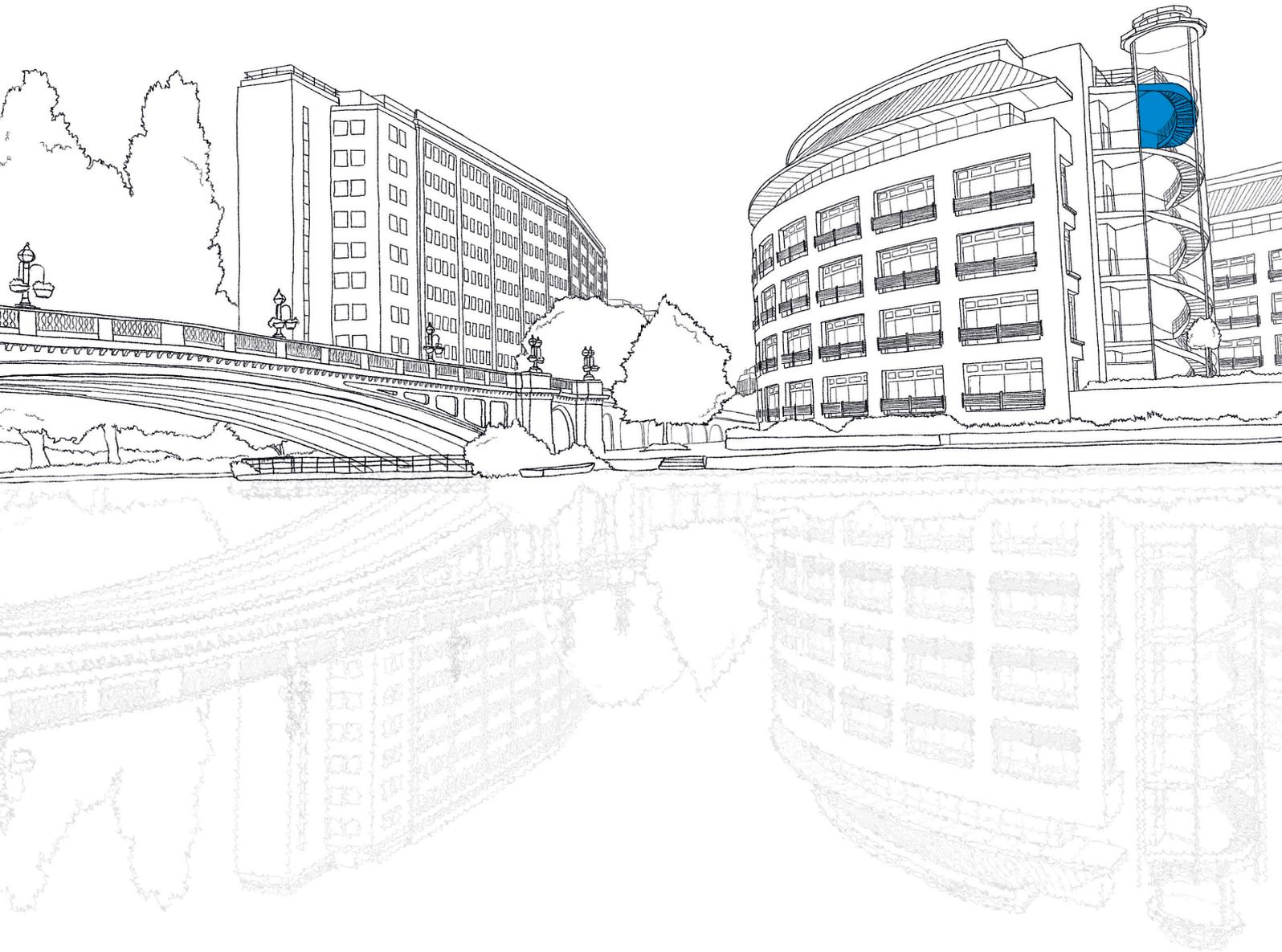




BDB PITMANS



FUTURE READING

Event summary | Our future

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INTRODUCTION

Reading has continued to undergo significant transformation in recent years. The development around Reading's station is particularly notable and is a major milestone in the town's transformation. With the emergence of and growing interest in 'second cities', it has become imperative for businesses and wider communities to monitor the market in which they operate.

For over 150 years, BDB Pitmans has helped businesses in Reading grow and continues to do so today. With Reading set to transform at an unprecedented rate, we invited a number of guest speakers to four roundtables to discuss how the local business community can prepare for future opportunities and challenges.



ACHIEVING SUSTAINABLE GROWTH

CHAIR

John Hutchinson
Partner, BDB Pitmans

SPEAKERS

Rob Irvine
Senior Associate
Director, CBI

Jane Mackay
Head of Tax, Crowe UK

DISCUSSION TOPIC

As a business community, how do we protect and enhance Reading and the Thames Valley region? Reading boasts a high concentration of fast growing firms, but how can they maintain their competitive advantage and build upon the growing success of the town? Can Reading businesses ensure that there is a compelling proposition for continued investment and improved productivity?

As we move forward in this century, desirability is going to determine whether or not Millennials come to Reading. Factors such as great transport links and education will contribute to this.

PRODUCTIVITY: CBI

Research by the CBI reveals that UK employee productivity is now 16% behind France and other European countries.

Factors that affect productivity include: infrastructure, skills, management practices, and innovation.

EXPORTS

However, in contrast to many parts of the UK, Reading is doing well, as reflected in the CBI's overall figures for West Berkshire – it is in the 96th percentile for productivity.

Reading is now a
digital hotspot
in the UK



“UK employee productivity is now 16% behind France and other European countries.”

CBI





“Reading has seven times the concentration of digital businesses compared to London.”

The Tech Nation Survey 2018

Reading has one of the highest graduate workforces in the UK and a leading business community in terms of innovation and exporting, with many leading brands based in the area.

While Reading is home to many firms that are internationally active, the Thames Valley region is also host to the highest number of export-capable but non-exporting companies in the UK. This provides an opportunity for businesses to adopt a more proactive role, for instance with the Transport for South East (TfSE) body on future priorities.

ABOUT CBI

CBI speaks on behalf of 190,000 businesses. Together they employ nearly seven million people, about one-third of the private sector-employed workforce.

SELLING READING: CROWE UK

When accounting firm Crowe arrived in Reading, it was a move to a market town in the South East of England – a prosperous but small community. Doing business had a village feel. Today their clients vary from high net worth individuals through to owner managed businesses, multinational companies, private

equity funds, banks, professional practices and non-profit organisations. Many of their clients have links with the local community as do their employees.

Reading is now a digital hotspot in the UK. The Tech Nation survey in 2018 showed that the town has seven times the concentration of digital businesses compared to London and other parts of the country. This digital connection has also had an impact on how Crowe does business with its clients that now need advice on more complex issues at every stage of their lifecycle. It also affects how the company recruits as clients are not only asking for knowledge but also insight and experience. The needs and ambitions of Crowe’s clients define the advice applied to help them make smart decisions today that create lasting value in the future.

ABOUT CROWE UK

Crowe UK is a leading national audit, tax, advisory and risk firm with global reach and local expertise. An independent member of Crowe Global, the eighth largest accounting network in the world.





ATTRACTING AND RETAINING TALENT

CHAIR

Angela Shields
Partner, BDB Pitmans

SPEAKERS

David Gilham
Thames Valley
Science Park

Gurprit Singh
Director, Ethical
Reading

DISCUSSION TOPIC

Reading is amongst the most productive cities in Europe, proving to be an ideal location for businesses wanting access to a highly skilled workforce.

With wages currently at 18% above the national average, Reading is a highly attractive place to work. But how can businesses maintain a competitive advantage to keep up with the demands of the changing workforce?

CONNECTING STUDENTS WITH BUSINESSES: THAMES VALLEY SCIENCE PARK

The University of Reading has long recognised the need to prioritise the employability of its students.

Businesses have traditionally found it difficult to communicate with universities because of their size and it is hoped that the Thames

Valley Science Park will help to make that interaction easier, by providing a clear front door for businesses.

There are approximately 80 businesses across Thames Valley Science Park and the University of Reading's Whiteknights campus. One of the benefits for businesses located across the campus is the ability to build relationships with academic departments when recruiting for internships and student placements, which then leads to employing graduates.



Wages in Reading are
currently
18% above
the national
average

The University has explored the concept of being a lifelong partner with businesses, an initiative already adopted by some US universities. This is manifesting itself through the Henley Business School (HBS), which offers apprenticeships that develop into leadership and management programmes, allowing firms to run bespoke courses with the HBS.

The biggest challenge to attracting talent is establishing the perception that Reading is a 'cool' place. Reading is a very expensive place to live and graduates have a choice of where to go for a good standard of living.

ABOUT THAMES VALLEY SCIENCE PARK

Thames Valley Science Park provides cutting-edge laboratories, flexible office space and both the expertise and opportunity for larger companies to develop bespoke office or research and development facilities.

WORKPLACE ETHICS: ETHICAL READING

Ethical Reading was established in 2018 and its focus is to encourage and embed ethics within local organisations.

They believe that establishing a healthy and ethical working culture will help to retain talent in the Thames Valley.

In addition, if a company can create a vision that engages more people and a collaborative environment, it will have a positive effect on employee wellbeing.

ABOUT ETHICAL READING

Ethical Reading is a not for profit social enterprise dedicated to making Reading a better place to live and work through helping organisations become more ethical. This includes everything from the decisions made at the very top to the way employees treat each other and the people they deal with day-to-day.

“Establishing a healthy and ethical working culture will help to retain talent in the Thames Valley.”

Ethical Reading

“The biggest challenge is establishing the perception that Reading is a 'cool' place.”

Thames Valley Science Park



DEVELOPING INFRASTRUCTURE

CHAIR

David Gwillim
Partner, BDB Pitmans

SPEAKERS

Tom Barlow
Senior Policy Adviser
(Infrastructure), CBI

Scott Witchalls
Director of Transport
and Infrastructure,
Peter Brett Associates

Graham Cross
CEO, Heathrow
Southern Railway Ltd

DISCUSSION TOPIC

According to a 2016 CBI report on regional infrastructure, the main priorities for the South East and the Thames Valley were inter-regional connectivity, keeping key corridors for moving goods and people, widening the labour market pool and sharing skills and expertise.

Reading is undergoing an exciting period of transformation. At every turn there is a new major project underway. The question is, how can Reading businesses make the most of these developments?

READING'S PRESENT AND FUTURE INFRASTRUCTURE: CBI, PETER BRETT ASSOCIATES, HEATHROW SOUTHERN RAIL

In the last 15-20 years Reading has embraced the ICT economy. Helped by the proximity to Heathrow, the town has become a key hub, but transport has always been a pressure point.

Infrastructure projects such as the 2006 upgrade of the M4 junction 11 have been integral to Reading's growth. In 2006 the M4 was carrying around 6,000 cars an hour and it now transports 13,000. This scheme was designed to increase the road's overall capacity and incorporated additional schemes to create extra capacity for walking, cycling and buses. Reading, however, still has the challenge of lacking full movement and is still missing North / South connectivity.

The success of Reading Station, which was worked on for 15 years, was not just about Reading, but the wider National Rail network, and the town was able to capitalise on it by gaining an upgraded hub. It also influenced Crossrail's decision to extend the line to Reading. This extension will create a fantastic story of connectivity to London, increase inward investment into the town, engage the property market and reignite schemes that have been stalled.

However, with approximately 800,000 movements a day in the area (not just to Heathrow or London), there is a need to focus on more sustainable travel and lobby for investment in strategic infrastructure. This, coupled with the pressure to meet the demands of more affordable housing (which can lead to further congestion), means that clean air will also need to be a priority for businesses.

“‘Reading has become a key hub, but transport has always been a pressure point.’”

Peter Brett Associates

In terms of other local public transport, Reading Buses is actively involved in all planning stages of transport schemes and businesses depend on them to be able to meet their challenges and needs regarding local sustainable travel patterns.



“There is a need to focus on more sustainable travel and lobby for investment in strategic infrastructure.”

Peter Brett Associates

There are many emerging public transport delivery models, but small journeys that connect communities and the people who live in those areas, will always have a part to play.

The vision for Reading's mass rapid transit (MRT) is now a bus-based MRT scheme, which it is hoped, will provide the best value for money.

However, there are more responsive and flexible travel patterns that demand response, which is where investment and delivery of digital connectivity plays a key role alongside hard infrastructure.

There is significant investment in technology across the Thames Valley to improve the area's access to information, helping businesses to plan better. For example the LEP-funded Smart Cities Cluster which is currently under way is

a new communications network designed to deal with the data, putting it onto an open data server so that the information can be freely used. Reading Buses will play a key role in that as well as the University.

ABOUT THE CBI

The CBI speaks on behalf of 190,000 businesses. Together they employ nearly seven million people, about one-third of the private sector-employed workforce.

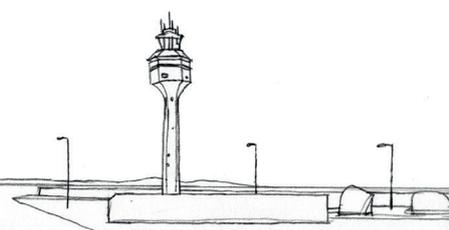
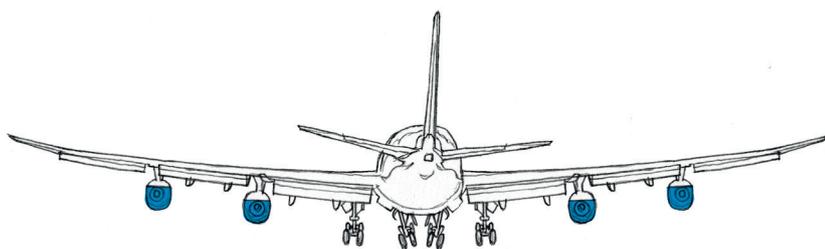
ABOUT PETER BRETT ASSOCIATES

Peter Brett Associates is a leading consultancy of engineers, planners, environmental consultants, and economists working on major development and infrastructure projects.

ABOUT HEATHROW SOUTHERN RAIL

Heathrow Southern Rail is a privately financed proposal for a Southern Rail Link to Heathrow Airport (SRLtH).

In **2006**
the M4 was carrying
around **6,000 cars**
an hour and it now
transports **13,000**



INVESTING IN COMMERCIAL PROPERTY

CHAIR

Sarah Potter
Partner, BDB Pitmans

SPEAKERS

Edward Harbison
Corporate Marketing
Manager, The Instant
Group

Rory Carson
Vice President,
Mapletree

Tom Fletcher
Head of Office,
Lambert Smith
Hampton

DISCUSSION TOPIC

Reading has gone through a huge period of transformation in terms of office space.

Co-working spaces are on the rise and at the same time, town centre offices and business parks are filling up. The challenge is how to maximise the value of that commercial space in an ever-changing market.

FLEXIBLE SPACE IN FLEXIBLE MARKETS: THE INSTANT GROUP

In the last few years, agility has become the byword for companies that deliver flexible working space.

There's been a major shift in the market – now flex space is not just for SMEs but for corporates too. There is also increased demand from the tech, pharmaceutical and infrastructure sectors.

The UK flex space sector is growing and it is anticipated that more corporates will move to this type of office environment

over the next two to three years. The companies that supply the space also have had to adapt, in terms of how they deliver, source and create it.

“Now flex space is not just for SMEs but for corporates too.”

The Instant Group

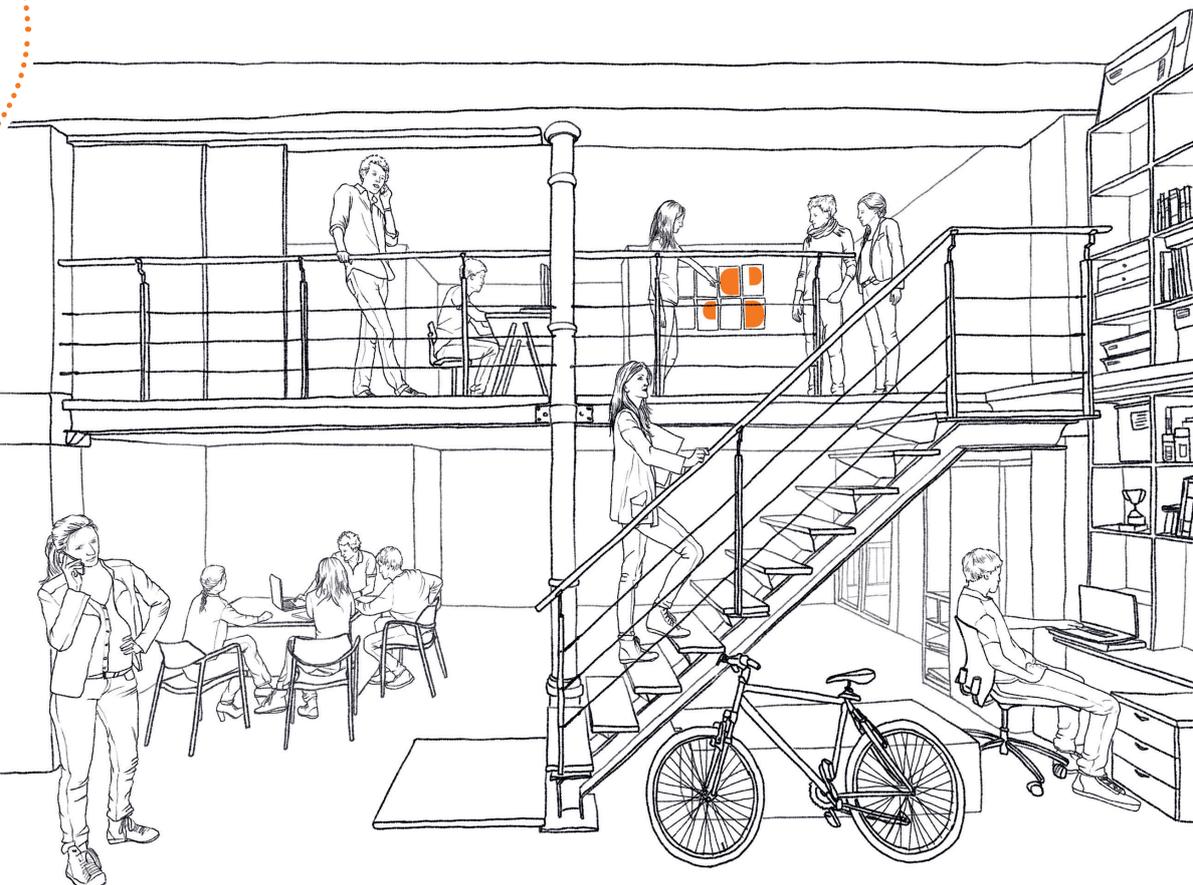
This is partly due to the fact that the average lease lengths are decreasing. In 1990 the average lease was 15 years, today it is 7.1 years.

Around 75% of FTSE 100 businesses have flex space in their portfolio and other companies occupying this space are incubators and accelerators, as well as businesses that want continuity space.

25+ desk deals in Reading have increased by 19% since 2016. Large operators are doing well and there are now 28 serviced locations in Reading, 17 of which have large-team capacity.



Companies are using
real estate as a
tool to **recruit** and
retain staff



“It is the perception of Reading that is important in order to attract more Millennials to work there.”

Lambert Smith Hampton

However, despite the perception that Reading has plenty of office space, The Instant Group believes that there isn't enough to cope with current demand.

ABOUT THE INSTANT GROUP

The Instant Group is a workspace innovation company that rethinks workspace on behalf of its clients injecting flexibility, reducing cost and driving enterprise performance.

BUSINESS PARKS AS COMMUNITIES: MAPLETREE

The number of businesses opting for 'out-of-town' offices is increasing.

Business parks can position themselves as 'business communities' which will help them to both attract and retain staff – a key challenge for Reading-based companies.

In Reading, the 10-year take up in the out-of-town market has risen from 59% to 62%, with the two largest lettings being in Winnersh and Green Park.

There is a misconception that businesses are coming into the town centre which is not reflected in reality. As such, companies are using real estate as a tool to retain staff, obtain a competitive advantage, and secure graduates who might be swayed by what the offices offer.

Reading's town centre has a full range of facilities, with a wide range of retail outlets and fantastic connections from Reading train station. These factors need to be curated by a business park.

Companies recognise that staff are at their most productive and collaborative when they are in an office. The challenge is to create an office environment that staff want to and choose to come into.

ABOUT MAPLETREE

Mapletree is a leading real estate development, investment, capital and property management company headquartered in Singapore.

PERCEPTION OF READING: LAMBERT SMITH HAMPTON

Reading's business community is incredibly lucky due to the first class infrastructure connectivity, which is only getting better with the proposed Western Rail Access to Heathrow.

The town's amenities are the best in the Thames Valley and there is a strong, highly skilled labour force and a good pipeline of residential property which is affordable compared to London.

The perception of Reading is important in order to attract Millennials to work there. Consequently, Reading needs to think about developing a stronger 'personality'. Whilst Reading's qualities are unquestioned, it would be helpful if the perception was less 'corporate and functional' and more 'diverse urban tech hub with a strong cultural vibe'.

A bank that recently considered opening an office in Reading swiftly moved on to Bristol. The reasons are unclear, but Reading needs to identify what is attracting people to other areas. While a large corporate may not fully move out of London, it may be possible to attract 40-60% of its workforce.

ABOUT LAMBERT SMITH HAMPTON

Lambert Smith Hampton is a leading UK commercial and residential real estate consultancy.



“In Reading, the 10-year take up in the out-of-town market has risen from 59% to 62%.”

Mapletree

CONCLUSION

The series of roundtables focused on future-proofing Reading in order to help the local business community work together to maximise its opportunities and assets, as well as to consider current and future challenges.

A key take away is the need to maintain competitive advantage and build upon the growing success of the town by focusing on

achieving sustainable growth, attracting and retaining talent, developing infrastructure and investing in commercial property to protect Reading and the Thames Valley region.

A special thank you to our guest speakers and their organisations for their contribution to these events.

Speaker	Organisation
Rob Irvine, Senior Associate Director, and Tom Barlow, Senior Policy Adviser (Infrastructure)	The CBI – Speaks on behalf of 190,000 businesses. Together they employ nearly seven million people, about one-third of the private sector-employed workforce.
Jane Mackay, Head of Tax	Crowe UK – Crowe UK is a leading national audit, tax, advisory and risk firm with global reach and local expertise. An independent member of Crowe Global, the eighth largest accounting network in the world.
David Gilham	Thames Valley Science Park – Provides cutting-edge laboratories, flexible office space and both the expertise and opportunity for larger companies to develop bespoke office or research and development facilities.
Gurprit Singh, Director	Ethical Reading – A not for profit social enterprise dedicated to making Reading a better place to live and work through helping organisations become more ethical.
Scott Witchalls, Director of Transport and Infrastructure	Peter Brett Associates – A leading consultancy of engineers, planners, environmental consultants, and economists working on major development and infrastructure projects.
Graham Cross, CEO	Heathrow Southern Railway Ltd – A privately financed proposal for a Southern Rail Link to Heathrow Airport (SRLtH).
Edward Harbison, Corporate Marketing Manager	The Instant Group – A workspace innovation company that rethinks workspace on behalf of its clients injecting flexibility, reducing cost and driving enterprise performance.
Rory Carson, Vice President	Mapletree UK Management – A leading real estate development, investment, capital and property management company headquartered in Singapore.
Tom Fletcher, Head of Office	Lambert Smith Hampton – A leading UK commercial and residential real estate consultancy.

GET IN TOUCH

ABOUT BDB PITMANS

BDB Pitmans was established in 2018 following a merger between legacy firms Bircham Dyson Bell (BDB) and Pitmans Law, bringing together over 300 years of legal expertise across four locations – Cambridge, London, Reading and Southampton.

Our priority is to achieve outstanding outcomes for our clients. We listen to you and your business objectives or life goals so that we provide not only excellent technical advice, but a complete solution. We work for you to understand the challenges you face, and aim to not just meet expectations, but to exceed them.

Our focus is building longstanding and mutually beneficial client relationships on a foundation of trust and genuine partnership.

To discuss any of the insights or opinions in the report, feel free to get in touch with one of the contacts below:

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