



Thames Valley Park Data Centre

Economic Benefits Statement

Arup | On Behalf of FH Trustees
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Executive Summary

This Economic Benefits Statement has been prepared to assess the likely socio-economic effects of the proposed Thames Valley Park Data Centre. The assessment is based on the submitted planning application proposals and applies established economic impact assessment methodologies, published industry evidence and benchmark data from comparable data centre developments.

The proposed development represents a form of strategic digital infrastructure rather than a conventional employment-led land use. While data centres typically support a relatively modest number of on-site jobs, their economic value lies in the scale of private capital investment they attract, the temporary employment and supply-chain activity generated during construction, the long-term provision of high-value operational roles, and, critically, their role in enabling productivity, innovation and growth across data-dependent sectors of the economy.

Construction Phase – Headline Impacts

The construction phase is expected to deliver an important temporary economic stimulus over four years of active construction, delivered across two separate phases between 2027–2029 and 2037–2039. Construction investment estimates are derived from Building Cost Information Service (BCIS) benchmark data and should be interpreted as indicative. In the absence of a project-specific cost estimate at this stage, the proposed development's total construction cost has been indicatively estimated at £208.4 million using BCIS benchmark data.

- Construction investment:
 - o £208.4 million.
- Net additional construction employment during active construction, average annual Full-Time Equivalents (FTEs) (direct, indirect and induced jobs):
 - o Wokingham: c.245.
 - o South East: c.365.
- Construction-phase Gross Value Added (GVA) (four-year total):
 - o Wokingham: £64.6 million.
 - o South East: £73.8 million.

These impacts reflect net additional employment on a highly capital-intensive project and include direct, indirect and induced effects across construction supply chains. Construction impacts are temporary and non-recurring.

Operational Phase – Headline Impacts

Once operational, the data centre would support a smaller but highly skilled workforce and generate high levels of productivity and fiscal contribution over the long term.

- Net additional operational employment (FTE, direct, indirect and induced jobs):
 - o Wokingham: up to 30.
 - o South East: up to 85.
- Annual operational GVA:
 - o Wokingham: up to £7.4 million.
 - o South East: up to £8.4 million.
- Annual wage expenditure:

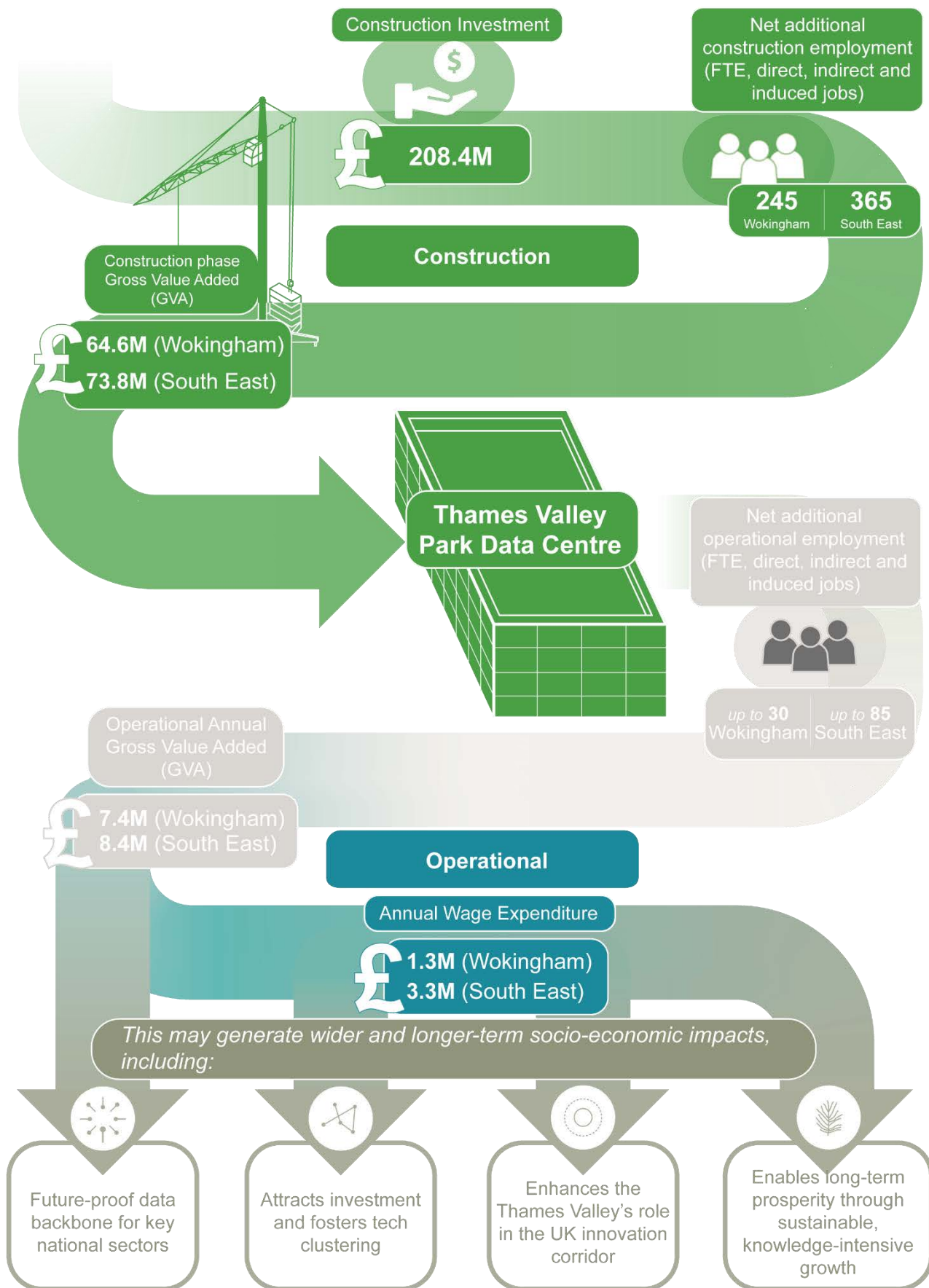
- o Wokingham: up to £1.3 million.
- o South East: up to £3.3 million.

The operational assessment has been prepared using established employment density assumptions and recognised economic impact assessment methodologies. The range presented reflects variation in operational staffing models across the data centre sector.

Wider Economic Rationale and Logic Chain

Beyond quantified outputs, the proposed development delivers broader and more enduring economic benefits. Data centres function as critical enabling infrastructure, underpinning the operation and growth of high-value sectors such as information and communication, professional services, finance, life sciences, logistics, public services and emerging AI-driven activities. These sectors collectively account for a substantial share of regional and national economic output and rely on secure, resilient and high-capacity digital infrastructure.

At the local and regional level, the development strengthens the Thames Valley's role as a nationally significant technology corridor, supports supply-chain activity and specialist skills and improves the area's attractiveness to inward investment. At the national level, it supports strategic objectives to expand digital capacity, improve economic resilience and future-proof the UK's digital backbone at a time of rapidly growing demand for data processing and AI-enabled services.



ARUP *Figures are derived from recognised economic impact assessment methodologies, assumptions and benchmark datasets.

1. Introduction

- 1.1.1 This Economic Benefits Statement has been prepared by Ove Arup & Partners (Arup) and has been commissioned by BCS Consultancy Ltd, on behalf of FH Trustees (the Applicant). This report supports an outline planning application submitted to Wokingham Borough Council (the Council) in relation to the following Proposed Development, at Microsoft Campus, Thames Valley Park, Reading, RG6 1WG (the Site).

“Outline planning application (all matters reserved except for Access) for demolition of existing buildings and the construction of a data centre (Use Class B8), fuel cells for energy generation, ancillary office space and associated plant, drainage, backup power generation, sub-station, car parking, landscaping, engineering works and formation of and alterations to access roads.”

- 1.1.2 This Economic Benefits Statement has been prepared based on the submitted planning application proposals. The assessment draws on the development parameters, published industry evidence, benchmark data from comparable data centre developments and recognised economic impact assessment methodologies. Some assumptions have been required in order to estimate employment, GVA and wider economic effects, reflecting the capital-intensive and specialist nature of data centre development, as well as the absence of a confirmed occupier profile and detailed operational information.
- 1.1.3 The assessment has been prepared having regard to the submitted development parameters, including the proposed 72MW data centre, associated ancillary office accommodation and supporting energy infrastructure. As with any economic assessment, assumptions are required in relation to future operational arrangements and staffing profiles where occupier-specific information is not publicly available. As such, the estimates presented in this Statement should be interpreted as reasonable and proportionate indicators of potential economic effects, rather than precise forecasts. The assessment also recognises that some information is commercially sensitive and therefore not publicly available.
- 1.1.4 The economic outputs reported within this Statement provide an evidence-led assessment of the likely scale and nature of socio-economic effects arising from the proposed development.
- 1.1.5 This Economic Benefits Statement has been prepared in support of proposals to redevelop an existing office site at Thames Valley Park, Reading, for data centre use.
- 1.1.6 The Economic Benefits Statement considers impacts across Berkshire and the South East of England. Data centres are locally as well as nationally important forms of infrastructure and support services with geographically diffuse economic impacts. While some effects are expected to be experienced locally, wider benefits are anticipated to accrue predominantly across the South East, with further impacts extending nationally and, in some cases, internationally.
- 1.1.7 This Economic Benefits Statement considers the local capital investment required to deliver the data centre. The Statement also assesses the project in terms of FTE employment and GVA, disaggregated across the following impact categories:
- Direct – jobs and economic activity generated directly by constructing and operating the data centre.
 - Indirect – jobs and activity supported in the supply chain, for example through construction contractors, equipment suppliers and professional services.
 - Induced – jobs supported as a result of spending by workers whose employment is directly or indirectly supported by the development.

- 1.1.8 Further detail on these definitions and how they are quantified is provided in Section 4. These economic metrics are reported across the two principal stages of the project: the construction phase and the operational phase. The assessment considers leakage, displacement, deadweight and multiplier effects in accordance with Homes England guidance, as set out in the Additionality Guide, which is explained further in the Methodology section.

2. Existing Site and Baseline

2.1 Existing Site and Surrounding Area

- 2.1.1 The site is currently in use as a set of three office buildings. Adjacent to the site are further tech focused offices to the east and west, with the Great Western Mainline bordering the site to the south. The access road to the Business Park links to the A3290 which connects to the M4 for easy access to London by road. The nearest rail station is Reading, providing frequent services to London via mainline services and the Elizabeth Line.
- 2.1.2 The site is located at the Thames Valley Park within the local authority of Wokingham, to the east of Reading and west of London. This area is a prominent cluster for data centres, with proximity to London and access to a specialist local labour market of IT professionals. There are 10 other data centres in operation within Berkshire, and several more planned, with the majority being located in the nearby town of Slough.
- 2.1.3 The site comprises three office buildings that formerly accommodated Microsoft's UK headquarters. Occupation of the campus has reduced significantly in recent years, with two buildings now vacant and the remaining building only partially occupied. The existing buildings are therefore no longer operating as a fully occupied office campus and are increasingly under-utilised within the wider context of the business park.

2.2 Baseline Conditions

Economic Activity

- 2.2.1 Table 2.1 provides an overview of economic activity levels across Wokingham, Reading, the South East and England.

Table 2.1: Economic Activity (Wokingham, Reading, SE, England)

Geography	Economically Active	Economically Inactive
Wokingham	66.2%	33.8%
Reading	67.0%	33.0%
South East	62.2%	37.8%
England	60.9%	39.1%

Source: ONS / TS066 Economic Activity Status 2021

- 2.2.2 Both Reading (63.6%) and Wokingham (64.4%) have higher economically active populations than the South East and England, reflecting the strength of the local labour market. Although the proposed development is within Wokingham, Reading is used as a comparator dataset due to its close proximity.

Employment by Industry

- 2.2.3 Table 2.2 summarises employment by industry across Reading, Wokingham, Berkshire, the South East and England.

Table 2.2: Employment by Industry

Industry	Reading (%)	Wokingham (%)	Berkshire TLJ11 (%)	South East (%)	England (%)
Agriculture, forestry & fishing (A)	0.0	0.4	0.2	0.7	0.5
Mining, quarrying & utilities (B, D, E)	2.8	1.6	1.6	1.2	1.1
Manufacturing (C)	2.4	4.9	5.5	6.0	7.4
Construction (F)	1.6	2.7	3.4	4.8	4.7
Motor trades (Part G)	1.4	1.0	1.6	1.9	1.7
Wholesale (Part G)	3.3	7.6	5.5	4.4	3.8
Retail (Part G)	8.9	6.5	7.2	8.7	8.2
Transport & storage (inc postal) (H)	4.1	1.4	3.8	4.6	5.1
Accommodation & food services (I)	5.7	6.5	6.8	8.7	7.8
Information & communication (J)	17.1	14.1	12.2	5.4	4.8
Financial & insurance (K)	2.8	1.1	1.8	2.6	3.4
Property (L)	1.0	1.0	1.4	1.7	1.9
Professional, scientific & technical (M)	13.0	13.0	13.6	8.9	9.7
Business administration & support services (N)	8.9	8.7	9.3	7.9	8.8
Public administration & defence (O)	3.3	1.6	2.1	3.5	4.4
Education (P)	5.7	12.0	8.2	9.8	8.5
Health (Q)	13.0	8.7	11.1	13.9	13.6
Arts, entertainment, recreation & other services (R, S, T, U)	2.4	5.4	4.5	5.2	4.5

Source: ONS / Business Register and Employment Survey, 2023

Note: Figures may not sum to 100% due to rounding.

- 2.2.4 Reading and Wokingham have substantially stronger employment in Information & Communication and Professional Services when compared to regional and national averages - sectors closely aligned with digital infrastructure and data centre-related skills. Construction employment in Reading and Wokingham is below regional and national averages, meaning the proposed development could provide the opportunity for additional local employment opportunities during the construction phase and strengthen the area's construction skills base.

GVA by Industry

- 2.2.5 Table 2.3 shows the GVA contribution of each industry sector across Berkshire, the South East and England.

Table 2.3: GVA by industry

Industry	Berkshire (TLJ11) £bn	South East (TLJ) £bn	England (TLB) £bn
Agriculture, forestry & fishing; mining and quarrying (AB)	0.1	1.7	13.5
Electricity, gas, water; sewerage and waste management (DE)	3.1	9.6	41.9
Manufacturing (C)	2.7	26.1	176.1
Construction (F)	2.5	23.2	120.7
Motor trades (Part G)	0.3	4.9	25.7
Wholesale (Part G)	3.9	15.6	82.1
Retail (Part G)	2.1	18.4	96.8
Transport & storage (H)	1.6	12.1	69.5
Accommodation & food services (I)	1.0	10.6	60.9
Information & communication (J)	13.3	29.1	136.2
Financial & insurance (K)	2.0	18.5	180.7
Property (L)	5.0	47.2	248.2
Professional, scientific & technical (M)	6.2	29.8	168.5
Business administration & support services (N)	3.4	17.6	102.1
Public administration & defence (O)	1.5	15.4	92.9
Education (P)	2.4	21.6	115.9
Health (Q)	2.5	22.9	144.6
Arts, entertainment & other services (R, S, T)	1.2	11.9	63.9
All industries	54.7	336.2	1,940.3

Source: ONS / Regional gross value added (balanced) by industry: all International Territorial Level (ITL) regions (2024)

Note: Figures may not sum due to rounding.

- 2.2.6 Berkshire's economic output is dominated by high-value sectors, particularly Information & Communication (£13.3bn) which provides the largest contribution to the area's dominant Service industry in terms of GVA. This supports the area's strong digital economy and reinforces the suitability of the region for further data centre investment.

Median Annual Earnings by Sector

- 2.2.7 Table 2.4 shows sector-specific median earnings for the South East and England, based on SIC 2007 classifications.

Table 2.4: Median Annual Earnings by Sector

Sector	South East (sectoral)
Agriculture, forestry & fishing (A)	£31,991
Manufacturing (C)	£41,815
Construction (F)	£45,305
Motor trades (Part G)	£37,146
Wholesale (Part G)	£41,026
Retail (Part G)	£30,241
Transport & storage (H)	£42,147
Accommodation & food services (I)	£29,364
Information & communication (J)	£56,269
Financial & insurance (K)	£45,276
Property (L)	£35,663
Professional, scientific & technical (M)	£46,602
Business administration & support (N)	£38,226
Public administration & defence (O)	£39,537
Education (P)	£39,537
Health (Q)	£35,068
Arts, entertainment & other services (R,S,T)	£33,524

Source: ONS /ASHE Table 5.7a Annual pay - Gross (£) - For full-time employee jobs: United Kingdom, 2025

- 2.2.8 Sectors most relevant to the jobs created by the proposed development and wider data centre industry including information & communication, construction, and professional services demonstrate strong wage levels, supporting a well-qualified and high-productivity labour market.

Median Annual Earnings by Area

- 2.2.9 Table 2.5 shows overall median annual earnings for Reading, Wokingham, the South East, and England.

Table 2.5: Median Annual Earnings by Area

Area	Median Annual Gross Pay (£)
Wokingham	47,033
Reading	39,689
South East	36,527
England	35,217

Source: ONS / Annual survey of hours and earnings - workplace analysis (2023)

- 2.2.10 Earnings in Reading (£39,689) and Wokingham (£47,033) significantly exceed regional and national averages, highlighting the area's skilled and productive workforce.
- 2.2.11 These baseline conditions provide the economic context against which the construction- and operational-phase impacts of the proposed development are assessed in Sections 5 and 6.
- 2.2.12 We also understand that the local office market context further indicates structural challenges for out-of-town business park accommodation. For example, it is understood that local market conditions suggest elevated vacancy rates, negative net absorption and extended letting periods across the Reading fringe area, reflecting declining occupier demand, high refurbishment and construction costs and limited rental growth. In this context, the long-term re-occupation or redevelopment of large office buildings within multi-ownership business parks is increasingly constrained, reinforcing the need to consider alternative uses capable of supporting economic activity and investment.

2.3 Proposed Development

- 2.3.1 The description of the proposed development is as follows:

Outline planning application (all matters reserved except for Access) for demolition of existing buildings and the construction of a data centre (Use Class B8), fuel cells for energy generation, ancillary office space and associated plant, drainage, backup power generation, sub-station, car parking, landscaping, engineering works and formation of and alterations to access roads.

- 2.3.2 This represents a change of use from offices to high-density digital infrastructure, aligned with the established tech-focused character of Thames Valley Park. The development includes three storeys.
- 2.3.3 The proposed development incorporates on-site electricity infrastructure, comprising either a 33kV substation or a 132kV gas insulated substation, together with fuel cell infrastructure providing up to 42.5MVA net capacity.
- 2.3.4 The proposed development delivers a modern, energy-efficient and scalable data centre capable of being delivered in two phases within a single coherent design. The test-fits confirm that the required built form, plant areas and supporting infrastructure can be accommodated on-site while responding appropriately to site constraints and the surrounding business park environment.

3. Data Centre Context

3.1 Support in Policy

- 3.1.1 The UK's national policy framework increasingly positions data centres and AI capability as critical pillars of economic growth and digital resilience. The designation of data centres as Critical National Infrastructure in September 2024¹ marks a significant milestone, granting them enhanced protections such as exemption from emergency power cuts and access to a dedicated team of senior officials responsible for threat monitoring and coordination with national security agencies. The government has also explicitly recognised that expanding data centre capacity is “essential to enabling economic growth and to reap the transformational productivity benefits of digitalisation and the adoption of AI”². This policy direction is reinforced politically, with the Labour Party's 2024 manifesto³ committing to an industrial strategy that removes planning barriers to new data centres.
- 3.1.2 Planning policy has been strengthened to support this agenda. The National Planning Policy Framework⁴ (NPPF), published in August 2026, goes further than previous versions in supporting the needs of a modern economy and expressly recognises data centres, their generating capacity and the grid connections needed to support them. Under Policy E2, substantial weight is to be given to the economic benefits of commercial development that enables businesses to invest, expand and adapt. The Framework also directs decision-makers to consider the availability of infrastructure, including adequate grid connections, and recognises the importance of co-locating large-scale generators and users of power such as data centres. Further strategic clarity will be provided through a dedicated National Policy Statement for data centres due in 2026, which will outline criteria for assessing future proposals.
- 3.1.3 The UK's Modern Industrial Strategy aims to make the country the best place globally to invest in AI by improving AI infrastructure, promoting AI adoption across the economy, establishing pro-innovation regulation, and developing elite AI talent⁵. New AI Growth Zones (AIGZs) reinforce this approach by prioritising grid access, allowing developers to self-build and connect high-voltage infrastructure, providing discounted energy prices for data centres in energy-surplus regions, establishing a £4.5 million national team of AI planning experts, and offering 100% business rate retention for 25 years⁶.

¹ CMS (2025) *Powering the Future: new Government paper sets out a sustainable and resilient data centre planning policy*. Available at: <https://cms-lawnow.com/en/ealerts/2025/09/powering-the-future-new-government-paper-sets-out-a-sustainable-and-resilient-data-centre-planning-policy> (Accessed: 22 January 2026)

² Department for Business & Trade (2024) *Invest 2035: the UK's modern industrial strategy*. GOV.UK. Available at: <https://www.gov.uk/government/consultations/invest-2035-the-uks-modern-industrial-strategy/invest-2035-the-uks-modern-industrial-strategy> (Accessed: 22 January 2026).

³ The Labour Party (2025) *Kickstart economic growth*. Available at: <https://labour.org.uk/change/kickstart-economic-growth/> (Accessed: 22 January 2026).

⁴ Ministry of Housing, Communities and Local Government (2026) *National Planning Policy Framework*. London: MHCLG. Available at: https://assets.publishing.service.gov.uk/media/6a8334c03bd75b81e2329ac4/National_Planning_Policy_Framework.pdf (Accessed: 26 August 2026).

⁵ Department for Business & Trade (2025) *Industrial Strategy Policy Paper*. London: DBT. Available at: https://assets.publishing.service.gov.uk/media/69256e16367485ea116a56de/industrial_strategy_policy_paper.pdf (Accessed: 22 January 2026).

⁶ Department for Science, Innovation and Technology (2025) *Delivering AI Growth Zones*. London: DSIT. Available at: <https://www.gov.uk/government/publications/delivering-ai-growth-zones/delivering-ai-growth-zones> (Accessed: 22 January 2026)

3.2 Support in Berkshire

- 3.2.1 Berkshire's economic strategy⁷ provides a strong foundation for the growth of data centres and the AI economy, framing the region as a “technology and knowledge-intensive economy” where the IT sector is a major driver of productivity and increasingly diversifying into Data Infrastructure, SaaS and Artificial Intelligence. The county's economic base is highly specialised, with 17% of all the South East's ICT businesses (over 6,000 companies in 2023) located in Berkshire, contributing 29% of total output and 14% of employment. Berkshire also boasts the highest percentage of knowledge-economy businesses among comparable regions, with 17.08% of all local businesses falling into this category in 2023, and more than 20 mapped high-value sectoral specialisms, including Artificial Intelligence, Data Infrastructure, and Cybersecurity, each with an estimated combined turnover of at least £1bn.
- 3.2.2 Within this county-wide context, the Reading Economic Development Framework⁸ positions the town as “a powerful cluster of 21st-century innovation,” aligned with and enhancing Berkshire's broader innovation-based growth trajectory. Its growing concentration of AI firms is supported by a “digitally enabled workforce” and emerges in direct response to national priorities such as AI Growth Zones and data-centre expansion. Reading's innovation ecosystem includes major global companies such as Nvidia, Microsoft, Oracle, Huawei, Cisco and Symantec, alongside AI-driven startups and research institutions. Initiatives like the Reading University AI & Thames Valley AI Hub, link businesses, investors and research institutions to boost productivity, attract global investment, and position Reading as a leading tech destination. These interconnected strengths enable Reading and Berkshire as a whole to support data-centre development and continue to cement its role as a major contributor to the UK's expanding AI landscape.

3.3 Industry Economic Impacts

- 3.3.1 Data centres make a substantial contribution to national economic output, with the UK's 400–450 operational facilities generating an estimated £200 billion in GVA annually. Their influence extends into the broader digital economy, which contributed £158.3 billion in GVA in 2022, equivalent to 7.2% of the national total, and grew by 4.4%⁹ in that year, significantly outpacing overall UK economic growth.
- 3.3.2 Emerging digital technologies reliant on data-centre infrastructure add further value, with generative AI expected to contribute £31 billion to UK GDP¹⁰ over the next decade. The domestic data-centre sector itself could expand tenfold by 2035, becoming worth £40–50 billion (Imperial). This strong economic performance also translates into fiscal benefits, with potential for £160–£250 million in additional tax revenue annually, representing a 30–40% rise from the

⁷ Bracknell Forest Council (2024) *Berkshire Economic Strategy*. Bracknell: Bracknell Forest Council. Available at: https://democratic.bracknell-forest.gov.uk/documents/s204352/BerkshireEconomicStrategy_Final_161224.pdf (Accessed: 22 January 2026).

⁸ Reading Borough Council (2024) [Title unavailable – Council PDF Document]. Reading: Reading Borough Council. Available at: <https://democracy.reading.gov.uk/mgConvert2PDF.aspx?ID=37909> (Accessed: 22 January 2026).

⁹ Department for Culture, Media and Sport & Department for Science, Innovation and Technology 2024, *Digital Sector Economic Estimates: Gross Value Added 2022 (provisional)*, GOV.UK, viewed 16 January 2026, <<https://www.gov.uk/government/statistics/dcms-and-digital-sector-gva-2022-provisional/digital-sector-economic-estimates-gross-value-added-2022-provisional>>

¹⁰ KPMG 2023, *Generative AI and the UK labour market*, viewed 16 January 2026, <<https://kpmg.com/uk/>>.

current £540–£640 million baseline¹¹. Over the longer term, scaling national data-centre capacity could unlock £9.7 billion in tax receipts between 2025 and 2035¹².

- 3.3.3 Data centres play a critical role in supporting UK industry, with 58 of 105 economic sectors, representing more than half of national output, relying on information-services infrastructure, of which 71% was attributable to data centres in 2020¹³. In fact, for every £100 of GVA directly generated by data centre operations, between £17–£164 in additional GVA is generated¹⁴. This dependency is particularly pronounced in sectors such as financial services, aerospace, transport, healthcare, retail, and utilities, all of which require secure, high-capacity digital infrastructure to operate efficiently¹⁵. Beyond sector-specific activity, data centres underpin a significant proportion of the UK’s wider digital ecosystem, supporting 16% of domestic output, 10% of national employment, and 24% of UK exports due to their role in enabling the internet economy.
- 3.3.4 The data-centre industry is experiencing rapid expansion, reflected in the trajectory of the UK cloud-computing market, projected to reach £73 billion by 2032. Globally, cloud services are forecast to rise from \$678 billion in 2023 to \$2.4 trillion in 2030¹⁶, demonstrating strong international demand for data-centre capacity and reinforcing the UK’s strategic need to scale infrastructure. These trends interact with important agglomeration dynamics: data centres help stimulate co-located industries by offering ultra-low-latency connectivity, concentrated talent pools, and accelerated knowledge spillovers, helping regional clusters to grow. The UK’s ability to provide favourable planning, regulatory, and operational conditions also encourages inward investment from overseas operators, supporting additional economic value and employment¹⁷.
- 3.3.5 Data centres currently support around 46,000 jobs across the UK, forming a significant and stable part of the national digital workforce¹⁸. Their development generates substantial new

¹¹ Imperial College London (n.d.), *UK Data Centres Sector*, viewed 16 January 2026, <<https://www.imperial.ac.uk/media/imperial-college/research-centres-and-groups/centre-for-sectoral-economic-performance/UK-Data-Centres-Sector.pdf>>.

¹² techUK 2024, *Foundations for the future: How data centres can boost UK economic growth*, viewed 16 January 2026, <<https://westlondon.com/wp-content/uploads/2024/11/techUK-Foundations-for-the-future-How-data-centres-can-boost-UK-economic-growth-November-2024-REPORT-1.pdf?download=1>>.

¹³ Office for National Statistics 2022, *Model-based early estimates of regional gross value added in England, Wales, Scotland, and Northern Ireland: Quarter 1 (Jan to Mar) 2022*, viewed 16 January 2026, <<https://www.ons.gov.uk/economy/grossvalueaddedgva/publications>>.

¹⁴ techUK 2024, *Foundations for the future: How data centres can boost UK economic growth*, viewed 16 January 2026, <<https://westlondon.com/wp-content/uploads/2024/11/techUK-Foundations-for-the-future-How-data-centres-can-boost-UK-economic-growth-November-2024-REPORT-1.pdf?download=1>>.

¹⁵ Office for National Statistics 2022, *Model-based early estimates of regional gross value added in England, Wales, Scotland, and Northern Ireland: Quarter 1 (Jan to Mar) 2022*, viewed 16 January 2026, <<https://www.ons.gov.uk/economy/grossvalueaddedgva/publications>>.

¹⁶ Morkos, R. 2023, *Powering the growth of cloud computing: infrastructure challenges and solutions*, Forbes Technology Council, viewed 16 January 2026, <<https://www.forbes.com/councils/forbestechcouncil/2023/07/24/powering-the-growth-of-cloud-computing-infrastructure-challenges-and-solutions/>>.

¹⁷ techUK 2024, *Foundations for the future: How data centres can boost UK economic growth*, viewed 16 January 2026, <<https://westlondon.com/wp-content/uploads/2024/11/techUK-Foundations-for-the-future-How-data-centres-can-boost-UK-economic-growth-November-2024-REPORT-1.pdf?download=1>>.

¹⁸ cDigital Realty n.d., *Resources*, viewed 16 January 2026, <<https://www.digitalrealty.com/resources>>.

employment, with a single new data centre capable of creating 15,000–20,000 direct and indirect jobs¹⁹.

- 3.3.6 Beyond direct workforce expansion, data-centre growth also drives long-term capability building: rising demand for STEM skills influences education and training provision, while clustering effects help diffuse technical knowledge and strengthen local talent pipelines. The industry also has a strong multiplier effect, each construction-phase job supports 1.4–3.1 additional supply-chain jobs, and each operational role generates 1.4–2.5 further jobs in the wider economy²⁰. Broader employment benefits extend into construction, utilities, professional services, and other supporting sectors with additional induced employment²¹ created as workers spend wages locally. This combined impact demonstrates the sector’s central role in generating high-value employment, strengthening skills ecosystems, and supporting extensive supply-chain activity.
- 3.3.7 At a regional level, the productivity uplift is also notable: each data-centre job in London generates £192,555 in GVA per year²². The Southeast has emerged as the UK’s most strategically significant data-centre region, driven by its immediate proximity to London and the concentration of enterprise customers requiring low-latency connectivity²³. Clustering in locations such as Slough and West London is underpinned by access to land, resilient water supply, and the need for rapid connectivity to London’s financial-services core²⁴. Employment modelling in the region illustrates the strength of these clusters: analysis for a 400,000 sq m site in Havering equates one job per 322 sq m, with every 1 job at the data centre creating around 1 additional job in the local economy, and up to 5 additional jobs in the national economy²⁵.
- 3.3.8 Cost structures in the South East reflect both its maturity and market intensity, with construction costs benchmarked at £8.5–£9 million per MW, rising by 9.7% last year due to labour shortages and inflation in mechanical, electrical and plumbing (MEP) components. High-density AI-ready facilities can command a further 25–40% cost premium²⁶.
- 3.3.9 The national and sector-wide figures presented in this section are intended to provide contextual evidence on the strategic importance of data centres to the UK economy. They do not represent

¹⁹ Imperial College London (n.d.), *UK Data Centres Sector*, viewed 16 January 2026, <<https://www.imperial.ac.uk/media/imperial-college/research-centres-and-groups/centre-for-sectoral-economic-performance/UK-Data-Centres-Sector.pdf>>.

²⁰ Scottish Government 2023, *Supply, Use and Input-Output Tables: 1998–2020*, viewed 16 January 2026, <<https://www.gov.scot/publications/input-output-latest/>>.

²¹ UK Parliament 2025, *Written question 23743: Data Centres: Blyth*, asked 14 January 2025, answered 22 January 2025, viewed 16 January 2026, <<https://questions-statements.parliament.uk/written-questions/detail/2025-01-14/23743>>.

²² Digital Realty 2018, *Data Economy Report*, viewed 16 January 2026, <https://cdn.threerivers.gov.uk/files/2024/09/76c6fd00-797d-11ef-ba8e-ed267910e33d-I3%20-%20Digital_Realty%20Data%20Economy%20Report__2018.pdf>.

²³ OCOLO 2025, *Highlights from the JLL 2025 Global Data Center Outlook*, viewed 16 January 2026, <<https://blog.ocolo.io/highlights-from-the-jll-2025-global-data-center-outlook/>>.

²⁴ techUK 2024, *Foundations for the future: How data centres can boost UK economic growth*, viewed 16 January 2026, <<https://westlondon.com/wp-content/uploads/2024/11/techUK-Foundations-for-the-future-How-data-centres-can-boost-UK-economic-growth-November-2024-REPORT-1.pdf?download=1>>.

²⁵ Oxford Economics 2022, *The local economic impact of a proposed data centre campus in London*, report prepared for Reef Group, viewed 16 January 2026, <https://democracy.havering.gov.uk/documents/s66177/220812%20Oxford%20Economics_Reef%20Group%20Data%20Centre.pdf>.

²⁶ Savills 2025, *Built costs under upward pressure*, viewed 16 January 2026, <https://www.savills.co.uk/research_articles/255800/382369-0>.

site-specific forecasts for the proposed development, which are assessed separately and proportionately in Sections 5 and 6.

3.4 Theory of Change – Logic Chain

- 3.4.1 The economic rationale for the proposed Thames Valley Park Data Centre is best understood through a theory of change that links significant private capital investment and the delivery of advanced digital infrastructure to sustained socio-economic outcomes for Wokingham Borough, Berkshire and the wider South East. This logic chain reflects the distinctive characteristics of data centres as highly capital-intensive, productivity-enabling assets whose full economic value is not captured by headline on-site employment alone.
- 3.4.2 Unlike traditional employment-led development, data centres generate economic benefits through a combination of construction-phase investment, long-term operational expenditure, extensive supply-chain activity, fiscal contributions and, critically, their role in enabling the wider digital and data-driven economy. As evidenced in Section 3 and quantified in Sections 5 and 6, these impacts occur across different spatial scales and timeframes: with more localised effects during construction and operation, and broader regional and national benefits arising from enhanced digital capacity, resilience and productivity.
- 3.4.3 The relationship between investment, activity and impact is illustrated in Figure 3.1, which demonstrates how short-term construction effects progress through to medium- and long-term structural economic benefits. This framework recognises that while data centres typically support relatively modest levels of direct employment on-site, they act as critical enabling infrastructure for high-value sectors that collectively account for a substantial share of economic output and growth.

Inputs & Activities

- 3.4.4 The proposed development involves substantial upfront private investment in site preparation, demolition of existing office buildings, construction of a purpose-built data centre and the installation of specialist electrical, mechanical and digital infrastructure. This includes high-value MEP works, energy and cooling systems, grid connections and supporting operational facilities, representing a significant concentration of technical expertise and capital expenditure.
- 3.4.5 Delivery of the scheme is phased, enabling early operational capacity while allowing the remaining capacity to be brought forward in line with power availability. This approach supports continuity of economic activity over time, reduces delivery risk and allows benefits to accrue progressively rather than being concentrated in a single period.
- 3.4.6 Across both construction and operation, the development draws on a wide range of supply chains spanning civil engineering, construction, electrical installation, professional services, facilities management and specialist digital services. While some inputs are sourced nationally or internationally, a meaningful proportion of expenditure is retained within Berkshire and the South East, reflecting the functional labour and supplier markets described in Section 2 and reinforcing the role of the development in supporting regional economic activity.

Outputs

- 3.4.7 In the short term, construction activity is expected to generate employment, expenditure and GVA across the construction and supporting sectors. These effects, quantified in Section 5, include direct on-site employment as well as indirect and induced impacts arising through supply-chain activity and workforce spending. They demonstrate the scale of economic stimulus

associated with delivering an important piece of digital infrastructure. Once operational, the data centre is expected to support a smaller but highly skilled permanent workforce, alongside sustained demand for specialist maintenance, security, utilities, professional services and periodic equipment replacement.

Importantly, the scheme delivers new strategic digital and energy infrastructure within Thames Valley Park. This infrastructure strengthens the area's capacity to support existing technology-led businesses and improves its attractiveness to future investment, reinforcing the business park's role as a key component of the Thames Valley's digital economy.

Outcomes

- 3.4.8 Over the medium term, the development supports economic resilience and productivity rather than large-scale job creation. By reinforcing Wokingham's position within the Thames Valley's established technology and innovation corridor, the data centre complements the area's strong concentration of information and communication, professional and scientific activities identified in Section 2.
- 3.4.9 The presence of advanced digital infrastructure supports demand for technical, electrical, mechanical and digital skills, contributing to workforce upskilling and career progression across the wider economy. These effects extend beyond the site itself, influencing skills pipelines, training provision and the retention of high-value employment within the region. Ongoing supply-chain relationships also provide opportunities for SMEs operating in construction, engineering, facilities management and professional services, helping to sustain business growth and diversify the local economic base over time.

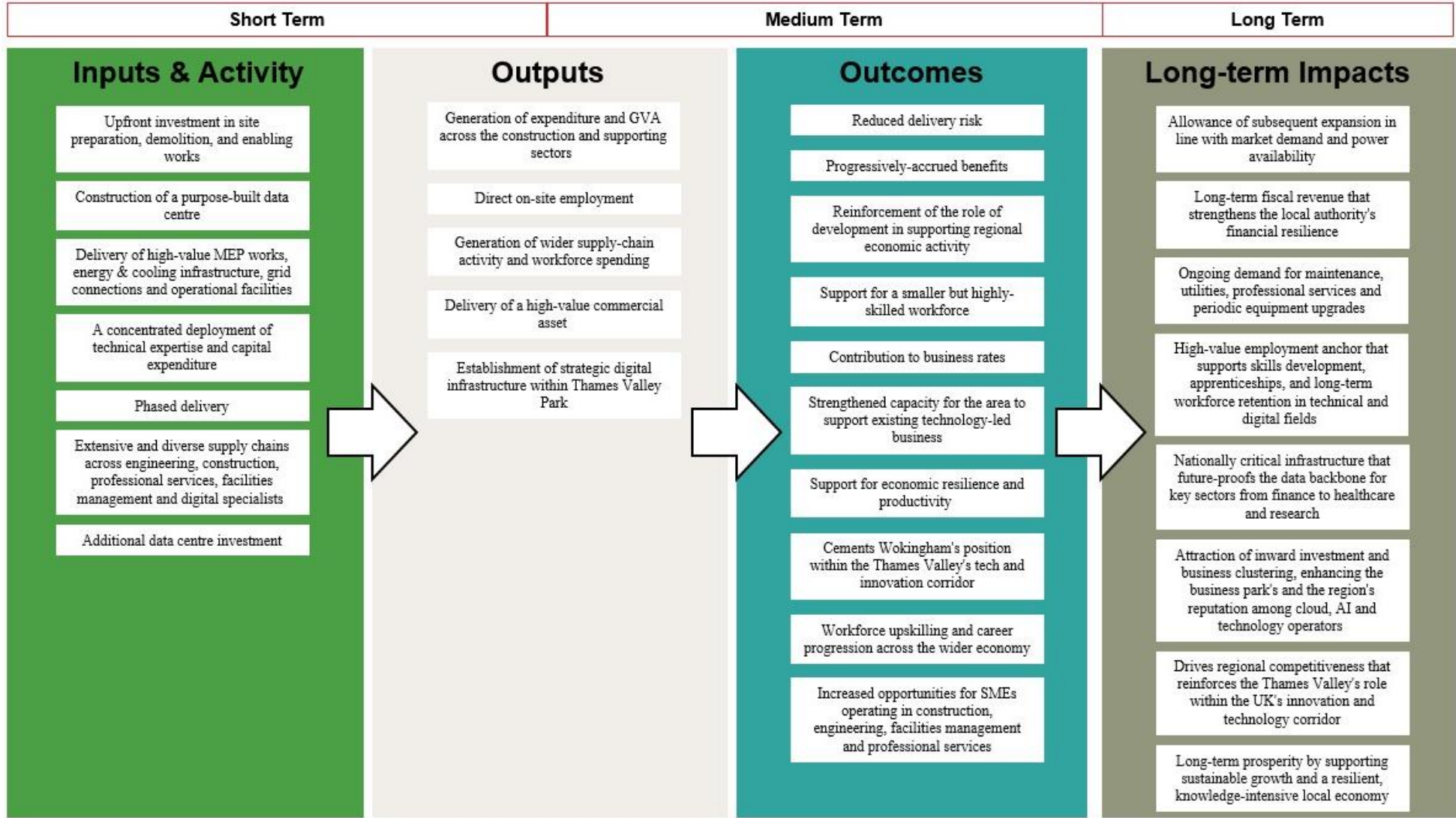
Long-Term Impacts

- 3.4.10 In the long term, the data centre functions as critical enabling infrastructure for the digital and data-driven economy, supporting a wide spectrum of sectors that rely on secure, resilient and high-capacity data processing. As evidenced in Section 2, industries such as financial services, life sciences, advanced manufacturing, creative digital, logistics, government services, health and AI-enabled research all depend on robust data infrastructure to operate, innovate and scale. Collectively, these sectors represent some of the highest-value components of the UK economy and are forecast to grow substantially over the coming decade. The benefits of the proposed development therefore extend significantly beyond the boundaries of the site and the local authority area, underpinning productivity, innovation and competitiveness across Berkshire, the South East and the wider UK.
- 3.4.11 For Wokingham and Berkshire, the data centre strengthens the region's position as part of a nationally important technology corridor, supporting continued specialisation in high-value digital and professional services. The presence of advanced digital infrastructure helps anchor and attract businesses that require reliable connectivity, particularly AI-intensive firms, R&D institutions, cybersecurity operations, data analytics companies and financial technology services. This, in turn, supports local employment, stimulates demand for specialist skills, and creates opportunities for training, apprenticeships and long-term workforce development in fields such as electrical engineering, mechanical systems, digital operations and data management.
- 3.4.12 At a South East regional scale, the development contributes to the continued growth and diversification of one of the UK's most dynamic innovation ecosystems. The South East hosts concentrations of globally significant firms whose operations depend on resilient data capacity. Additional data centre investment improves the region's competitive advantage, catalysing business clustering, strengthening supply-chain ecosystems, and encouraging inward investment from multinational cloud providers, AI companies and enterprise technology operators. The

resulting agglomeration benefits help sustain high-productivity employment, stimulate demand for professional and technical services, and reinforce the South East's role in delivering nationally significant economic output.

- 3.4.13 At the national level, the data centre supports the UK's strategic ambition to accelerate digital transformation, develop AI Growth Zones, expand secure cloud capacity and transition towards an economy built on high-value, knowledge-intensive activity. By increasing the UK's overall data-processing capability, the scheme helps future-proof the digital backbone upon which critical sectors depend, from financial markets and healthcare delivery to transport networks, logistics, public administration and scientific research. This contributes to long-term wealth creation, underpins national economic resilience, and reduces the UK's reliance on overseas data infrastructure at a time of increasing geopolitical and cyber-security risk.
- 3.4.14 In these ways, the development has broad socio-economic implications: supporting sustainable urban growth, attracting and retaining a skilled workforce, enriching local communities through high-value employment and supply-chain opportunities and enhancing the long-term economic resilience of Wokingham, Berkshire, the South East and the UK. The logic chain therefore recognises that the enduring value of the proposed development lies not in the scale of direct employment, but in its pivotal role as modern economic infrastructure, enabling innovation, supporting population growth, strengthening fiscal stability and reinforcing the UK's competitiveness in a rapidly evolving digital economy.
- 3.4.15 The logic chain therefore recognises that the principal economic value of the development lies not in the scale of direct on-site employment, but in its pivotal role as modern economic infrastructure, sustaining and enhancing a high-value, knowledge-intensive economy across Wokingham, Berkshire, the South East and the UK. By strengthening digital capacity, underpinning the productivity of data-reliant sectors, supporting long-term fiscal stability and attracting innovation-led business activity, the proposed development strongly aligns with national policy objectives, regional economic strategies and local growth priorities. When considered alongside the quantified construction and operational impacts set out elsewhere in this Statement, the data centre offers a robust, future-facing and compelling economic justification for the scheme (see Figure 3.1 for reference).

Figure 3.1: Theory of Change – Logic Chain



Source: Arup (2026)

3.5 Case Studies

- 3.5.1 This section presents three recent data centre case studies to provide contextual evidence in support of the proposed development at Thames Valley Park. The case studies have been selected from comparable schemes across London and the South East, including developments at Park Royal (Brent), Bulls Bridge in Hayes, and Havering, which reflect a similar scale, typology and strategic role within the UK's digital infrastructure network.
- 3.5.2 The case studies illustrate how data centre developments of a comparable nature have been assessed and justified through the planning process and the types of socio-economic benefits typically associated with their delivery. Across the examples, common themes include private capital investment, temporary construction-phase employment and supply-chain activity, targeted skills and training initiatives, longer-term high-value operational roles and a recognised role in enabling productivity and growth across data-dependent sectors.
- 3.5.3 The case studies therefore form a contextual backdrop to the quantitative assessment that follows. The Construction Phase Assessment (Section 5) and Operational Phase Assessment (Section 6) build on this evidence through site-specific modelling, applying good practice methodologies and industry benchmarks to estimate the likely employment, GVA and fiscal impacts associated with the proposed development at Thames Valley Park, where appropriate.

Case Study 1: LON02A Data Centre²⁷

Location: Park Royal Estate,
Brent

Size: 56 MW

Status: Awaiting Decision

Key Socio-economic Impacts

- 10% of construction contract value awarded to SMEs via local supply chain (OPDC requirement – explicitly committed).
- Local labour requirement: proportion of construction jobs drawn from OPDC local area (stated compliance with OPDC policy).
- Structured Skills, Training & Employment Strategy, including:
 - Apprenticeships across construction, engineering, digital infrastructure.
 - Work placements and bespoke training for under-represented groups.
 - Digital literacy support for long-term unemployed residents.
- Targeted community initiatives: STEM-focused activities, digital inclusion, employability support.
- Supports OPDC’s industrial intensification goals, enabling clustering of digital and advanced-manufacturing businesses.
- Catalytic role in OPDC regeneration, helping to anchor West London’s digital infrastructure network



²⁷[LON02A Data Centre Economic Benefits Assessment](#), Lichfields (2025)

Case Study 2: Ark Data Centre²⁸

Location: Park Bulls Bridge Industrial Estate, Hayes

Size: 99 MW

Status: Completed

Key Socio-economic Impacts

- £500m+ direct investment into Hayes Industrial Area.
- 200–350 long-term on-site jobs across technical, mechanical, security, client-side functions (based on other Ark campuses).
- Significant River Crane & canal improvements:
 - Removal of redundant structures.
 - Vegetation thinning & invasive species removal.
 - Landscape buffers and habitat creation.
- Two new pedestrian/cycle connections to towpath + reinstated footways.
- 20% local labour target for construction.
- 20% of construction goods/services sourced locally (London Borough of Hillingdon (LBH) commitment).
- Partnership with Uxbridge College & Brunel University for apprenticeships, work placements, and skills programmes.



²⁸ [PROJECT UNION AT BULLS BRIDGE Planning & Economic Statement](#), Savills (2020)

Case Study 3: East Havering Data Centre²⁹

Location: London Borough of Havering

Size: 600 MW across 15 units

Status: Awaiting Decision

Key Socio-economic Impacts

- £5.3 billion total capital investment, one of the UK's largest data centre proposals.
- £1.5 million per year ring-fenced for local skills & community initiatives (unique to Reef commitment).
- Creation of highly productive information & communication sector jobs — explicitly aimed at closing Havering's recognised productivity gap.
- 600 additional Havering residents expected to enter employment due to induced labour demand and improved local labour absorption.
- 300 fewer unemployed residents predicted at full operation (resident-based modelling).
- Substantial skills uplift: focused on digital, engineering, and high-tech occupations, addressing Havering's historic deficit in Level 4+ qualifications.
- Designation as a potential 'anchor' for a major tech cluster in outer east London, driving agglomeration effects



²⁹ [The Local Economic Impact of A Proposed Data Centre Campus in London](#), Oxford Economics (2022)

4. Methodology

- 4.1.1 The approach for the impact assessment is based upon the widely accepted methodology set out by Homes England³⁰. The Economic Benefits Statement takes account of the local impacts in Wokingham and wider impacts on the South East economy. The data centre will likely draw in skilled local labour from across the county and provide benefits across a wider area in addition to creating local jobs in the district which are relevant to planning policy. This approach also aligns with economic impact statements that have been produced for other data centres in this area.

4.2 Assessing Net Additional Impact

- 4.2.1 Homes England³¹ recommends that net additional jobs and associated GVA is calculated, capturing the total of direct, indirect and induced effects. An explanation for each of these is presented in Table 4.1.

Table 4.1: Direct, indirect, and induced impacts

Employment Type	Description
Direct	Employment directly generated through the construction and/or day-to-day operation of the new data centre.
Indirect	Employment created and/or sustained in suppliers to the data centre. These jobs represent the cumulative effect through the supply chain as initial suppliers make purchases from their suppliers and so on.
Induced	Employment supported by the wages and salaries of workers employed both directly by the data centre, and indirectly by suppliers to the data centre.

- 4.2.2 In order to calculate direct, indirect, and induced impacts, Homes England provide guidance on a standardised approach which requires accounting for four effects. These effects are set out in Table 4.2 and their calculation is set out in the Construction Phase Assessment and Operational Phase Assessment sections below.

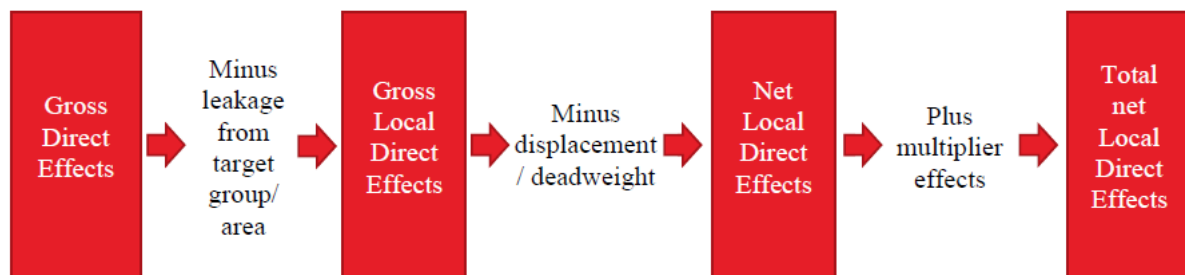
³⁰ HCA (2014) Additionality Guide 4th Edition

³¹ HCA (2014) Additionality Guide 4th Edition

Table 4.2: Additionality Effects

Effect	Description
Deadweight	The economic outcomes which would occur if the proposed development were not implemented. This requires comparison with a baseline scenario or reference case to assess the incremental impact above this.
Leakage	A measure of the extent to which employment will be taken up by persons residing outside of the target area. In this case, the target area is Berkshire, and the wider area is the South East of England.
Displacement	The extent to which investment in the proposed development will lead to existing companies or employees within the target area relocating activities to the Site, rather than attracting new investment and employment from businesses located outside of the target area.
Multiplier Effects	Further economic activity (jobs, expenditure or income) associated with additional local income (from employment), local supplier purchases and longer-term expenditure effects.

4.2.3 The process by which these effects can be understood to inform the additionality of the proposed development is set out in Figure 4.1.

Figure 4.1: Additionality flow diagram

4.3 Phases of Impact

4.3.1 Two principal stages of economic impact are considered in the assessment: construction and operation. The construction stage itself is expected to be delivered across two separate delivery phases, as explained in Section 5. A description of the two principal assessment stages is set out in Table 4.3.

Table 4.3: Phase descriptions

Phase	Description
Construction	The period over which the site is developed, and the buildings constructed. The construction phase informs the capital investment to undertake construction, and the jobs and GVA created during delivery.
Operational	The period after construction when the site becomes operational and delivers long-term employment and GVA productivity opportunities.

5. Construction Phase Assessment

- 5.1.1 This section sets out the approach used to estimate the potential economic impacts associated with the construction phase of the proposed development. Impacts are expressed in terms of employment supported and GVA, using standard productivity benchmarks and transparent assumptions consistent with established appraisal practice.

5.2 Construction Employment

- 5.2.1 Construction employment estimates include direct on-site employment, indirect supply-chain employment and induced employment supported through workforce expenditure. A breakdown of these categories and the additionality adjustments assumed is set out in Section 4 and summarised in Table 5.1.
- 5.2.2 Construction employment has been estimated using a cost- and productivity-based modelling approach, drawing on regional construction sector benchmarks and Homes England additionality guidance. Employment effects are expressed as FTE jobs sustained during the construction phase, reflecting the typical scale of the construction workforce required to deliver the scheme rather than cumulative headcount over the full programme.
- 5.2.3 For the purposes of estimating construction employment and GVA, the assessment assumes that only the proportion of capital expenditure that directly sustains construction employment is modelled. This excludes land acquisition, financing costs and developer-level contingency, but includes professional fees, construction works, specialist mechanical and electrical installation and the construction-cost contingency included within the BCIS estimate.
- 5.2.4 Construction costs have been derived using benchmark data from the BCIS database for data centre developments. These costs are indicative. BCIS provides an industry-standard evidence base drawing on completed and live projects and is widely used to appraise construction costs for major development proposals. It therefore provides an appropriate basis for this economic impact assessment. The cost estimates assumed in this assessment include a 30% contingency allowance, reflecting market conditions and the specialist mechanical and electrical infrastructure associated with data centre development. Construction costs may also be influenced by wider market conditions, including inflationary pressures and availability of specialist mechanical and electrical components.
- 5.2.5 The development's total construction cost has been assumed to be £208.4 million and comprises a four-year programme of active construction, consistent with comparable data centre developments in the South East.
- 5.2.6 The assessment assumes four years of active construction in total. This activity is expected to be delivered across two separate phases, currently anticipated between 2027–2029 and 2037–2039, reflecting the timing of available power from the proposed fuel cells and subsequent grid connection. The construction employment and GVA impacts presented below represent the combined effects of both phases and would therefore arise during the active construction periods, rather than continuously across the wider programme.
- 5.2.7 Gross on-site construction employment has been derived by applying regional construction productivity benchmarks to total construction expenditure. This approach reflects the

capital-intensive nature of data centre construction, which requires specialist labour across civil engineering, structural works and mechanical and electrical installation.

- 5.2.8 Based on the modelling, gross direct on-site construction employment is estimated to be 245 gross on-site construction FTE jobs. This figure represents gross direct on-site construction jobs, prior to the application of any additionality adjustments.
- 5.2.9 In line with the Homes England's Additionality Guide³² and established practice in economic impact assessments, a series of adjustments have been applied to the gross construction employment estimate to derive net additional employment effects at the Wokingham and South East spatial levels.

Deadweight

- 5.2.10 Deadweight refers to the proportion of activity that would have occurred in the absence of the proposed development. In this case, a deadweight assumption of 0% has been assumed.
- 5.2.11 This reflects the fact that the construction employment associated with the project is directly dependent on delivery of the proposed data centre. Without the development, the associated construction activity and employment would not occur. This approach is consistent with Homes England guidance for site-specific developments where no realistic alternative scheme would generate equivalent construction activity.
- 5.2.12 In addition, the proposed development would be delivered within the wider construction market and would draw on available capacity rather than displacing or diverting construction activity from other committed schemes, effectively "waiting its turn" for construction labour and supply-chain resources.

Leakage

- 5.2.13 Leakage reflects the proportion of employment benefits that accrue to workers residing outside the defined impact area.
- 5.2.14 For Wokingham, a 50% leakage rate has been assumed. This reflects the open and highly interconnected nature of the local labour market, characterised by significant in-commuting flows. Given the specialist and mobile nature of construction labour for large-scale data centre developments, a relatively high level of local leakage is considered conservative.
- 5.2.15 For the South East, a 33% leakage rate has been assumed. The South East represents a large and diverse regional labour market with substantial construction capacity. At this spatial scale, the majority of construction employment effects are expected to be retained within the regional economy, with leakage reflecting workers commuting from outside the region. This approach is

³² HCA (2014) Additionality Guide 4th Edition

consistent with Homes England guidance, which recognises that leakage decreases as the spatial scale of analysis increases.

Displacement

- 5.2.16 Displacement considers the extent to which construction activity displaces other economic activity within the defined impact area.
- 5.2.17 For Wokingham, a 25% displacement rate has been assumed. This reflects the likelihood that a proportion of construction labour may be drawn from other projects within the local area, particularly given existing levels of construction activity and competition for skilled labour. This assumption is consistent with the Homes England Additionality Guide for construction impacts assessed at a local level.
- 5.2.18 At the South East regional level, 0% displacement has been assumed. This reflects the scale and depth of the regional construction labour market, within which the project is unlikely to materially displace other activity. At this spatial scale, construction employment effects are considered to represent net additional activity retained within the regional economy.

Multiplier effects

- 5.2.19 To estimate the wider economic effects associated with construction activity, multiplier effects have been applied to net direct employment estimates. These capture:
- Indirect effects, arising from supply-chain activity supported by construction spending.
 - Induced effects, arising from increased household expenditure as a result of wages paid to workers directly and indirectly supported by the development.
- 5.2.20 Evidence from recent data centre and large-scale infrastructure studies indicates that construction-phase employment typically exhibits strong multiplier effects, with each direct job supporting between 1.4 and 3.1 jobs across the wider economy³³. This reflects the capital-intensive nature of the sector and the breadth of associated supply chains.
- 5.2.21 For the purposes of this assessment, a Type II employment multiplier of 2.25 has been assumed as a conservative central estimate. This multiplier captures combined indirect and induced effects and sits at the midpoint of the reported range, providing a balanced estimate that avoids overstatement while recognising the scale and complexity of the development.
- 5.2.22 The same multiplier has been applied at both the Wokingham and South East levels. Differences in total employment effects arise from the application of leakage and displacement assumptions, rather than differences in multiplier strength.

Additionality Adjustments – Summary

- 5.2.23 In summary, the following additionality assumptions have been applied:
- Deadweight: 0% for both Wokingham and the South East.
 - Leakage: 50% for Wokingham; 33% for the South East, reflecting the mobility of the construction workforce.

³³ techUK 2024, *Foundations for the future: How data centres can boost UK economic growth*, viewed 16 January 2026, <<https://westlondon.com/wp-content/uploads/2024/11/techUK-Foundations-for-the-future-How-data-centres-can-boost-UK-economic-growth-November-2024-REPORT-1.pdf?download=1>>.

- Displacement: 25% for Wokingham; 0% for the South East, reflecting the depth of the regional labour market.
- Employment multiplier: 2.25 for both areas, capturing combined indirect and induced supply-chain and expenditure effects.

Net Additional Employment

- 5.2.24 Allowing for the additionality effects described above, the construction of the proposed development is estimated to support a meaningful level of net additional construction employment across the South East during the four years of active construction across the two delivery phases. Employment effects are expressed as net additional FTE jobs, reflecting the temporary nature of construction activity.
- 5.2.25 At the South East level, and after applying leakage and multiplier assumptions, the modelling indicates that the construction phase would support approximately 365 net additional FTE construction jobs during the construction phase. This represents the combined effect of direct on-site employment and indirect and induced employment supported through construction supply-chain activity and workforce expenditure.
- 5.2.26 Net additional employment effects at the Wokingham level are lower, reflecting higher assumed leakage and displacement at the local authority scale. This is consistent with the open and highly interconnected nature of the local construction labour market and established Homes England guidance.
- 5.2.27 While construction employment is reported as net additional FTE jobs, this equates to around 980 total construction worker-years across the four-year programme of active construction in Wokingham. This provides an indication of the overall scale of employment supported over the lifetime of the construction phase.
- 5.2.28 Table 5.1 summarises the net additional construction employment supported by the proposed development, expressed as net additional FTE jobs over the four-year period of active construction. Net employment effects reflect the application of deadweight, leakage, displacement and multiplier assumptions as set out above. Differences between Wokingham and South East totals reflect higher assumed leakage and displacement at the local authority level and greater retention of employment at the regional scale. Figures are rounded and therefore may not sum exactly.

Table 5.1: Average annual net additional FTE construction employment during active construction

Employment Type	72 MW Development	
	Wokingham	South East
Direct (after leakage)	120	165
Indirect & Induced (after displacement, deadweight and multiplier effects)	125	160
Average Annual Net Additional FTE Jobs	245	365
Total Construction Worker-Years*	980	1,460

*Construction worker-years represent the overall scale of employment supported over the lifetime of the construction phase.

- 5.2.29 Construction employment effects are temporary and non-recurring, arising over the four-year period of active construction only. While a proportion of construction labour will be drawn from

outside the immediate local area, the scale of capital investment and associated supply-chain activity ensures that a substantial share of employment benefits is retained within the South East economy.

5.3 Productivity (GVA)

5.3.1 The construction phase of the proposed development is expected to generate a temporary positive contribution to GVA. GVA represents the value of economic output produced, net of intermediate consumption and is a standard metric used to assess productivity and economic contribution within planning and economic impact assessments.

5.3.2 Construction-phase GVA has been estimated using an employment-based methodology, whereby an average GVA-per-job benchmark for the construction sector is applied to the net additional construction employment supported by the development. Net additional employment estimates are set out in Section 5.2 and summarised in Table 5.1.

5.3.3 An average GVA benchmark of £76,000 per construction job per annum has been applied. This figure is sourced from the Office for National Statistics (ONS) Output per Job dataset, using the following parameters³⁴:

- Industry section: F – Construction.
- Geography: ITL1 – South East England.
- Price base: current prices.

5.3.4 The use of an ITL1 South East benchmark provides a regionally appropriate proxy for construction sector productivity, reflecting prevailing labour market conditions, wage levels and construction activity within the functional economic market area relevant to the proposed development. Applying a regional rather than national average avoids over- or under-estimating productivity effects at sub-regional scales.

5.3.5 The application of a current-price GVA-per-job metric ensures consistency with the appraisal price base used elsewhere in this Economic Benefits Statement and avoids the need for additional inflation or deflation assumptions. Given the short-term and time-limited nature of construction activity, this approach is considered proportionate and appropriate.

5.3.6 Total construction-phase GVA has been calculated by multiplying the number of gross, direct on-site construction employment minus displacement effects by the GVA-per-job benchmark and by the assumed four-year period of active construction, as follows:

$$\text{Construction GVA} = \text{Gross, direct on-site FTE jobs (minus displacement effects)} * £76,000 * 4 \text{ years}$$

5.3.7 Applying this approach to the employment estimates produces the construction-phase GVA impacts set out in Table 5.2.

³⁴ Office for National Statistics (ONS), Industry by region labour productivity, Productivity Measures Dataset, accessed from: <https://www.ons.gov.uk/economy/economicoutputandproductivity/productivitymeasures/datasets/industrybyregionlabourproductivity>

Table 5.2: Net additional construction GVA (four-year period of active construction, current prices)

Area	72 MW Development
Wokingham	£64.6 million
South East	£73.8 million

- 5.3.8 The GVA impacts presented represent temporary, non-recurring economic output generated during the construction period only. They should not be interpreted as ongoing or permanent contributions to the economy once construction is complete.
- 5.3.9 Differences between Wokingham-level and South East-level GVA estimates reflect the application of spatially specific additionality assumptions, including leakage and displacement. At the local authority level, higher leakage and displacement assumptions result in a lower proportion of construction activity being retained locally. At the regional scale, a greater share of construction employment and associated GVA is retained, consistent with the size, depth and mobility of the South East construction labour market.
- 5.3.10 The construction-phase GVA estimates are inherently assumption-led and should be interpreted as indicative of the order of magnitude of economic activity supported by delivery of the proposed development, rather than as precise forecasts.
- 5.3.11 Construction-phase GVA represents temporary economic output generated during delivery of the scheme and is not additive to the operational-phase GVA presented in Section 6. The two phases occur over different timeframes and reflect distinct types of economic activity.

5.4 Construction Phase Summary

- 5.4.1 Overall, the construction of the proposed development is expected to deliver economic benefits at the regional and local level over the four-year period of active construction. Key impacts are summarised as follows:
- The construction phase of the proposed development would deliver a temporary positive economic effect over the four-year period of active construction, supporting employment and economic activity at both the local and regional level.
 - Construction investment is estimated at £208.4 million, reflecting the specialist and capital-intensive nature of large-scale data centre construction.
 - Allowing for leakage, displacement and multiplier effects, construction activity is estimated to support approximately 365 FTE jobs per annum. These figures represent net additional FTE employment on a highly capital-intensive project and represent net additional FTE employment supported during the construction period.
 - At the Wokingham level, net additional construction employment is estimated at around 245 FTE jobs per annum, reflecting the openness of the local construction labour market.
 - Over the four-year period of active construction, the development is estimated to generate a net additional GVA contribution of £73.8 million to the South East, with £64.6 million retained within Wokingham.
- 5.4.2 Overall, the construction phase would provide a clear short-term economic benefit, supporting jobs, supply-chain activity and economic output, with a substantial proportion of benefits retained within the South East economy.

6. Operational Phase Assessment

- 6.1.1 This section sets out the estimated economic impacts likely to arise once the proposed development is fully built and occupied. These impacts are compared to the baseline scenario of retaining the existing use, where sufficient information is available. The operational assessment has been prepared based on the submitted development parameters and recognised industry benchmarks.

6.2 Proposed Use Employment

- 6.2.1 Operational employment figures are reported as net additional FTE jobs and include direct on-site roles as well as indirect and induced employment supported through supply-chain activity and expenditure effects, following the methodology set out in Section 4.
- 6.2.2 The proposed development is expected to generate a combination of direct on-site operational employment and indirect off-site roles supported through supply-chain and service activity. To estimate the likely scale of direct on-site jobs, the assessment applies a range from the mid-point employment density for wholesale data centres (575 sq.m per FTE) to the higher end of the spectrum (950 sq.m per FTE) set out in the Employment Densities Guide. This range reflects the significant variation across operators, influenced by data hall configuration, automation levels, operational practices and end-user requirements.
- 6.2.3 Operational employment has been assessed using established employment density benchmarks for wholesale data centres, reflecting variation across the sector.
- 6.2.4 An estimated 40–65 on-site (gross, direct) jobs are expected to be created to maintain and operate the data centre.
- 6.2.5 These gross figures are presented for transparency and are subsequently adjusted to derive net additional employment effects. Also, these gross figures do not account for leakage or displacement. Only a proportion of the direct on-site jobs will be filled by Wokingham residents; the remainder will likely be taken by workers from outside the local authority area. Additional employment will arise through wider supply-chain and induced expenditure effects. To estimate locally-retained employment, assumptions on leakage, displacement and multiplier effects have been applied. Multiplier effects capture indirect and induced jobs supported through data centre contracts, supplier activity and onward wage expenditure.
- 6.2.6 After applying these adjustments, the proposed development is estimated to support 20–30 FTE on- and off-site jobs for residents of Wokingham. At the South East level, the proposed development is estimated to support 50–85 FTE jobs.
- 6.2.7 These FTE job estimates are summarised in Table 6.1.

Table 6.1: FTE operational jobs

Employment Type	72 MW Development	
	Wokingham	South East
Direct (after leakage)	20 to 30	35 to 60
Indirect & Induced (after displacement, deadweight and multiplier effects)	5	15 to 25
Total Net Jobs	20 to 30	50 to 85

Note: The figures are rounded, so may not sum.

6.3 Baseline Use Employment

- 6.3.1 The Site currently comprises three office buildings formerly occupied by Microsoft as part of their long-established presence at Thames Valley Park. Recent market intelligence indicates that occupation levels have reduced substantially over time. A CoStar News report (September 2025) notes that Microsoft has already handed back Building 3, a c.50,000 sq.ft office building, and intends to surrender its remaining space in Buildings 1 and 2 following relocation to the Here building at the redeveloped Here & Now campus. This trajectory indicates that vacancy across all three buildings is likely to materialise.
- 6.3.2 Microsoft's withdrawal from the Campus is well advanced. Two of the three buildings have already been vacated, and the remaining building is only partly occupied and subject to a lease expiry in December 2027. Microsoft has confirmed that it does not intend to renew its lease for the remaining Campus building, and the Site is therefore expected to be fully vacated by December 2027.
- 6.3.3 We understand that Microsoft is under offer for c.73,500 sq.ft in the adjacent Here building. This represents a significant reduction from the c.246,200 sq.ft previously occupied across the three Campus buildings and reflects a broader shift away from large, out-of-town business-park accommodation. Industry feedback suggests that this move is strongly influenced by employee preference for city-centre office locations.
- 6.3.4 Microsoft's downsizing is consistent with long-term structural decline in the out-of-town office market across the Thames Valley and Reading Fringe. The Here building, despite being launched to market in March 2024, has remained vacant for over two years, having been marketed prior to its formal launch. The prolonged void period is indicative of a broader lack of occupier demand for business-park accommodation.
- 6.3.5 Thames Valley Park forms part of a multi-ownership business park. Such ownership structures can hinder strategic investment, coordinated enhancement and long-term estate management. Consequently, business parks of this nature often age quickly and become less competitive relative to single ownership estates, where investment decisions are streamlined and improvements can be delivered consistently.
- 6.3.6 These insights align with wider market evidence. CoStar data identifies around 895,227 sq.ft of office space currently vacant in the Reading Fringe area. Vacancy rates have increased consistently since 2004 and now stand at 17.1%, materially above the long-term average of 12.74%. Net absorption in the year-to-date is negative (-17,868 sq.ft), meaning that more space is being released to the market than is being taken up, while average letting periods have

lengthened significantly to 59.4 months. These indicators point to a structural supply-demand imbalance rather than temporary cyclical fluctuations.

- 6.3.7 These market dynamics have also been experienced directly on the Campus. Despite proactive marketing efforts over the past two years, no prospective tenants have inspected the available space. This absence of activity illustrates the depth of the challenge facing out-of-town business-park offices within the current market environment.
- 6.3.8 Given high construction costs, limited occupier demand for out-of-town office accommodation, weak rental growth, and elevated investor yield expectations, the development of new office space within business parks has generally become unviable. These structural market conditions justify the need to consider alternative employment-generating uses on sites such as this.

Implications for Employment Baseline

- 6.3.9 The sustained withdrawal of Microsoft, coupled with the structural weakening of the wider office market, suggests that baseline employment associated with the existing office use is temporary, declining and unlikely to stabilise. In the absence of intervention, the Site risks becoming a large, predominantly vacant office campus that contributes little to local employment, productivity or economic activity.
- 6.3.10 No reliable information is available on the number of jobs currently supported within Buildings 1 and 2, and remaining activity is expected to diminish further as Microsoft winds down its presence ahead of lease expiry in 2027. CoStar does not provide tenant employment data, and no occupier-provided FTE information has been made available.
- 6.3.11 Due to the absence of reliable baseline employment data, operational employment for the proposed development is assessed on a gross basis. While a fully occupied office campus would theoretically support more on-site jobs than a data centre, this comparison is not meaningful. Data centres generate highly skilled, technical employment with substantial supply-chain, digital-infrastructure and productivity-enabling impacts that extend well beyond the Site boundary and differ fundamentally from the economic characteristics of general office uses.
- 6.3.12 As set out in Section 4, the proposed development aligns strongly with national and regional priorities relating to digital capacity, AI-readiness, productivity growth and economic resilience. In this context, even if total on-site employment is lower than a hypothetically fully occupied office baseline, the broader socio-economic benefits of the data centre, including construction investment, GVA uplift, long-term fiscal contribution and the enabling role it plays within the regional economy, represent a more strategically valuable and sustainable use of the Site.
- 6.3.13 Overall, the evidence indicates that the existing office use does not constitute a robust or enduring employment baseline. Structural market conditions, vacancy information, prolonged marketing periods and Microsoft's planned full withdrawal all indicate that the Site's office role is no longer viable. Redevelopment for a modern, long-term economic use, such as the proposed data centre, therefore represents a more effective means of securing sustained employment and economic value for Wokingham, Berkshire and the wider South East.

6.4 Proposed Use Productivity (GVA)

- 6.4.1 GVA provides an indication of the proposed development's potential contribution to economic output and wider wealth creation. For the operational phase, GVA has been estimated by applying the projected number of operational jobs supported by the proposed development to the average GVA generated per worker in the South East for the relevant sector. The Information

and Communication sector (SIC Code J) has been selected, reflecting the specialist and high-value nature of data centre employment.

- 6.4.2 It is important to note that the latest available GVA-per-worker dataset published by the ONS provides figures only up to 2019. To ensure the assessment reflects current productivity conditions, these values have been uprated to 2026 using indexation, with annual growth factors applied to interpolate forward from the most recent official data. This provides a robust and up-to-date basis for estimating productivity in 2026.
- 6.4.3 This approach indicates that data centre employment typically generates higher-value, knowledge-intensive output compared with many other sectors. Applying the indexed GVA-per-worker estimates to the operational employment assumptions provides an assessment of the annual GVA contribution associated with the proposed development once operational. A summary of these estimates is presented in Table 6.2.

Table 6.2: Total GVA Contribution per Annum

	72 MW Development	
	Wokingham	South East
Total GVA per Annum for data centre operational jobs (direct, after displacement)	£4.5 million to £7.4 million	£5.1 million to £8.4 million

6.5 Baseline Use Productivity (GVA)

- 6.5.1 An estimate of the GVA associated with the existing baseline use has not been produced. This is because no reliable information is available on the number of jobs currently supported on the site, and therefore it is not possible to calculate baseline GVA using standard productivity metrics. As such, the assessment focuses on the quantifiable contribution associated with the proposed development.

6.6 Proposed Use Wage Expenditure

- 6.6.1 ONS data on average wages³⁵ indicates that the mean average salary for data centre/information service activities roles is £65,000 (after rounding). The average salary for data centre roles is multiplied by FTE jobs in Table 6.1 to provide an estimate of total wages. Wage expenditure is presented in Table 6.3.

Table 6.3: Potential operational wage expenditure

Employment Type	72 MW Development	
	Wokingham	South East
Direct (after leakage)	£1.3 million	£2.3 million
Indirect & Induced (after displacement, deadweight and multiplier effects)	-	£1 million
Total Net Jobs	£1.3 million	£3.3 million

Note: The figures are rounded so may not sum.

³⁵ <https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/earningsandworkinghours/datasets/regionbyindustry2digitsicashetable5>

6.7 Baseline Use Wage Expenditure

- 6.7.1 An estimate of the wage expenditure associated with the existing baseline use has not been produced. This is because no reliable information is available on the number of jobs currently supported on the site, and therefore it is not possible to calculate baseline wage expenditure using standard metrics. As such, the assessment focuses on the quantifiable contribution associated with the proposed development.

6.8 Operational Phase Summary

- 6.8.1 The completion and occupation of the proposed development would be expected to result in the following quantifiable operational-phase impacts:
- Supporting between 20 and 30 net additional operational jobs in Wokingham, and between 50 and 85 jobs across the South East, within the Information and Communication sector (SIC J), reflecting a nationally important and high-productivity sector for growth, innovation and digital infrastructure.
 - An estimated annual GVA contribution of between £4.5 million and £7.4 million in Wokingham, and between £5.1 million and £8.4 million across the South East, based on indexed GVA-per-worker estimates applied to operational employment assumptions.
 - Annual operational wage expenditure of up to £1.3 million in Wokingham and up to £3.3 million across the South East, supporting expenditure in local and regional shops, services and supply chains, while delivering a modern, high-productivity employment use aligned with national and regional economic priorities.

7. Conclusion

- 7.1.1 This Economic Benefits Statement has considered the likely socio-economic effects of the proposed Thames Valley Park Data Centre in support of the submitted planning application. The assessment has considered both the construction and operational phases of development, with impacts assessed at the Wokingham and South East levels to reflect the functional geography of labour markets, supply chains and economic activity associated with large-scale digital infrastructure.
- 7.1.2 The analysis suggests that the proposed development would deliver a positive economic contribution across multiple dimensions, including construction-phase investment and employment, longer-term operational employment and productivity and wage expenditure. While the development is not employment-intensive in traditional terms, this reflects the nature of data centres as highly capital-intensive, technology-led assets. Their principal economic value lies not in headline job numbers alone, but in their role as critical enabling infrastructure that underpins productivity, innovation and growth across a wide range of data-dependent sectors.
- 7.1.3 During the construction phase, the scheme would deliver significant private investment and a temporary but meaningful uplift in employment and economic output. These effects would arise both on-site and across construction supply chains, with a significant proportion of benefits retained within the South East economy. Once operational, the development would support a smaller but highly skilled workforce, generate high levels of GVA per worker and contribute to local and regional wage expenditure.
- 7.1.4 Ranges have been used where appropriate, and assumptions have been applied conservatively to provide a reasonable indication of the likely scale and direction of effects, rather than precise forecasts. This approach is consistent with good practice for the assessment of major infrastructure proposals and provides a proportionate and robust evidence base to inform decision-making.
- 7.1.5 Notwithstanding these caveats, the assessment indicates that the proposed development is well aligned with national policy objectives, regional economic strategies and local growth priorities, particularly in relation to the delivery of resilient digital infrastructure, support for the data- and AI-enabled economy and the continued strengthening of the Thames Valley as a nationally significant technology corridor. When considered alongside the construction- and operational-phase impacts set out below, the proposed development represents a meaningful potential return on investment.
- 7.1.6 When considered in the round, the proposed development delivers a form of economic value derived not from headline job numbers alone, but from its role in enabling productivity, resilience and long-term growth across data-dependent sectors. In this context, the scheme is well aligned with national and local policy objectives and represents a robust and future-facing use of the site.

Table 7.1: Construction Phase – Headline Socio-economic Impacts

Impact	72 MW Development	
	Wokingham	South East
Construction Spend	£208.4 million	
Direct Jobs (after leakage)	120	165
Indirect & Induced Jobs (after displacement, deadweight and multiplier effects)	125	160
Total Net Additional Jobs	245	365
Construction GVA (across four years of active construction)	£64.6 million	£73.8 million

Table 7.2: Operational Phase – Headline Socio-economic Impacts

Impact	72 MW Development	
	Wokingham	South East
Direct (after leakage)	20 to 30	35 to 60
Indirect & Induced (after displacement, deadweight and multiplier effects)	5	15 to 25
Total Net Jobs	20 to 30	50 to 85
Total GVA per Annum for data centre operational jobs (direct, after displacement)	£4.5 million to £7.4 million	£5.1 million to £8.4 million
Total Wage Expenditure per Annum for Net Jobs	£1.3 million	£3.3 million

7.2 Interpretation of Results

- 7.2.1 The economic impacts presented in this Statement are derived from industry-standard benchmarks, published datasets and recognised economic impact assessment methodologies. In accordance with good practice, the assessment should be interpreted as an estimate of the likely scale and nature of socio-economic effects rather than a prediction of precise outcomes.
- 7.2.2 The operational assessment is presented as a range to reflect variation in data centre operating models, while indicative construction cost estimates are informed by BCIS benchmark evidence and comparable developments. Taken together, these assumptions provide a reasonable indication of the likely economic benefits of the proposed development. The ranges presented may be considered broadly equivalent to a sensitivity allowance of up to $\pm 20\%$ around a central estimate and are intended to reflect forecasting uncertainty rather than uncertainty regarding the proposed development itself.

8. Glossary

AI	Artificial Intelligence
AIGZ	AI Growth Zone
BCIS	Building Cost Information Service
DCMS	Department for Culture, Media and Sport
DBT	Department for Business and Trade
DSIT	Department for Science, Innovation and Technology
FTE	Full-time Equivalent
GDP	Gross Domestic Product
GVA	Gross Value Added
HCA	Homes and Communities Agency (now Homes England)
ITL	International Territorial Level (ONS statistical geography classification)
ITL1	International Territorial Level 1
LBH	London Borough of Hillingdon
MEP	Mechanical, Electrical and Plumbing
MW	Megawatt
NPPF	National Planning Policy Framework
ONS	Office for National Statistics
OPDC	Old Oak and Park Royal Development Corporation
R&D	Research and Development
SIC	Standard Industrial Classification
SME	Small and Medium-sized Enterprise
VOA	Valuation Office Agency