

The Economic Impact of BT Group plc in the UK



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Introduction

Supporting the UK

01

01 Introduction

BT Group delivered £24 billion to the UK economy in 2021/2022



Families and businesses across the UK face immense challenges. Public services are more stretched than ever. And just as we seek to recover from the damage of the Covid pandemic, the cost of living crisis threatens the health and wellbeing of millions.

How we respond will define the UK and life within it for decades – and whether we're able to build an economy in which everyone has the chance to prosper.

Our Economic Impact Report shows how central BT Group is to the nation.

We are one of the few companies that is relevant in every community.

We're making once-in-a-generation investments in the digital infrastructure that the UK needs for prosperity. Whether that's EE keeping families connected as we replace old legacy networks; BT backing UK business and underpinning public services; or Openreach, building fibre broadband to all parts of the country; every part of BT Group is doing its bit for UK growth.

We employ over 80,000 people in the UK. Each is helping to deliver the future-proofed connectivity that the UK needs – and to ensure that everyone in our society has access to the benefits of the digital world.

We publish this report so that you can see how we are contributing in the parts of the country that you care about: how our workforce looks on the ground, how many of the 284,000 jobs we support around the country are in your area, and how much of the £9.3 billion we spend with UK suppliers goes to your local businesses.

The numbers only tell part of the story. In all parts of the UK, we are moving on with a massive programme to transform our workplaces.

New hub locations and refurbishments of some of our larger offices are providing centres of excellence and new opportunity in each of our nations, as well as across the North, Midlands and South of England.

These are offices that are fit-for-the-future, providing jobs locally and enabling the use of connectivity to build a digitally confident nation.

Alongside the data, we spotlight colleagues who are based in all parts of the UK and who are using technology to make a difference to local economies and communities.

Take Ashruti, who is looking at how we use data to inform decision-making in Birmingham. Or Lisa, supporting the energy sector with innovative partnerships in Glasgow. Or Valerie, helping businesses protect themselves against cyber threats in Belfast. Or simply providing a friendly voice to some of our most vulnerable customers like Ricky at our Tyneside contact centre. Wherever you are, BT Group is there to connect for good.

Nick Speed

Head of Nations & Regions, Policy and Public Affairs
BT Group Corporate Affairs

Our report

02

02 Our report

The Economic Impact Report 2023 has been prepared independently by Hatch Urban Solutions, drawing upon data for BT Group.

Estimates in this report relate to BT Group plc activities in the UK during the financial year 2021/22. BT Group plc includes all wholly owned subsidiaries, including Openreach Limited and EE (now part of the Consumer unit).

Further information about BT Group's activities can be found in the BT Group plc Annual Report 2022 and BT Group plc Manifesto Report 2022.

Impact calculations are in accordance with Government guidelines and the HM Treasury's Green Book Guidance for appraisal and evaluation, and are consistent with the Office for National Statistics' national accounts. Details of our approach are shown in Appendix 5.

Note that the economic impact figures presented throughout this report are expressed to three significant figures. This means they have been rounded up or down as appropriate and, as a result, may not sum exactly to the totals presented.

Economic impact report 2023

This study shows BT Group's economic contribution to the UK national economy and to regional economies in terms of jobs, output and Gross Value Added (GVA) supported. The report covers several effects of BT Group's activities:

Direct impact: people employed directly by BT Group (including contractor employees) who receive wages and salaries.

Indirect impact: income and employment created with suppliers as a result of BT Group's spending on goods and services.

Induced impact: further income and employment generated as wages created directly and indirectly are spent within the economy.

The economic impact of BT Group in the UK

03

03 The economic impact of BT Group in the UK

Key points - Across the UK in 2021/22

- **80,200 employees** directly working for BT Group, and 17,100 contractors (Full Time Equivalent – FTE)
- **284,000 total FTE jobs** supported (including indirect and induced effects)
- **£3.5 billion** total income of BT Group employees (including contractors)
- **£9.3 billion** spend with suppliers based in the UK
- **£24 billion** total GVA impact associated with BT Group activities (including indirect and induced effects)
- BT Group directly employed **1 in every 220 employees** in the private sector across the UK, and **1 in every 14** in the IT and Communications sector
- BT Group directly created **£1 in every £175** of GVA in the UK
- As a result of the full economic impact of BT Group, the firm supported **£1 in every £80** of GVA in the UK economy and **1 in every 90 employees** working in the UK economy



03

The economic impact of BT Group in the UK

The figures below show the number of employees working in each English region, Scotland, Wales and Northern Ireland.

	Working	Living	Total Income £m	Spend with Suppliers £m	Total direct GVA £m
East of England	8,540	9,290	340	1,450	1,090
East Midlands	3,460	4,010	120	160	380
London	14,000	11,700	610	3,250	1,940
North East	8,640	8,690	250	40	810
North West	10,500	10,500	360	420	1,150
South East	9,430	10,700	330	1,930	1,060
South West	8,990	8,660	350	700	1,120
West Midlands	8,880	8,290	330	640	1,060
Yorkshire and the Humber	6,820	6,780	230	250	750
Scotland	9,470	9,540	310	190	1,000
Wales	4,830	5,380	150	110	490
Northern Ireland	3,700	3,720	130	140	420

Note: Three digit figures are rounded to 2 significant figures. Figures with more than three digits are rounded to 3 significant figures.

Source: Hatch

03 The economic impact of BT Group in the UK

Economic Impacts

Direct impact

BT Group directly employs a total of 80,200 people in the UK, with a further 17,100 employed as contractors. These employees have an associated £3.5 billion in wages and salary spend.

Procurement impact (Indirect)

BT Group spent a total of £9.3 billion with UK based suppliers in 2021/22. This results in significant benefits for the UK economy, including knock-on benefits further down the supply chain, which results in additional employment and output. This is summarised below.

BT Group supply chain spend in the United Kingdom = £9.3 billion

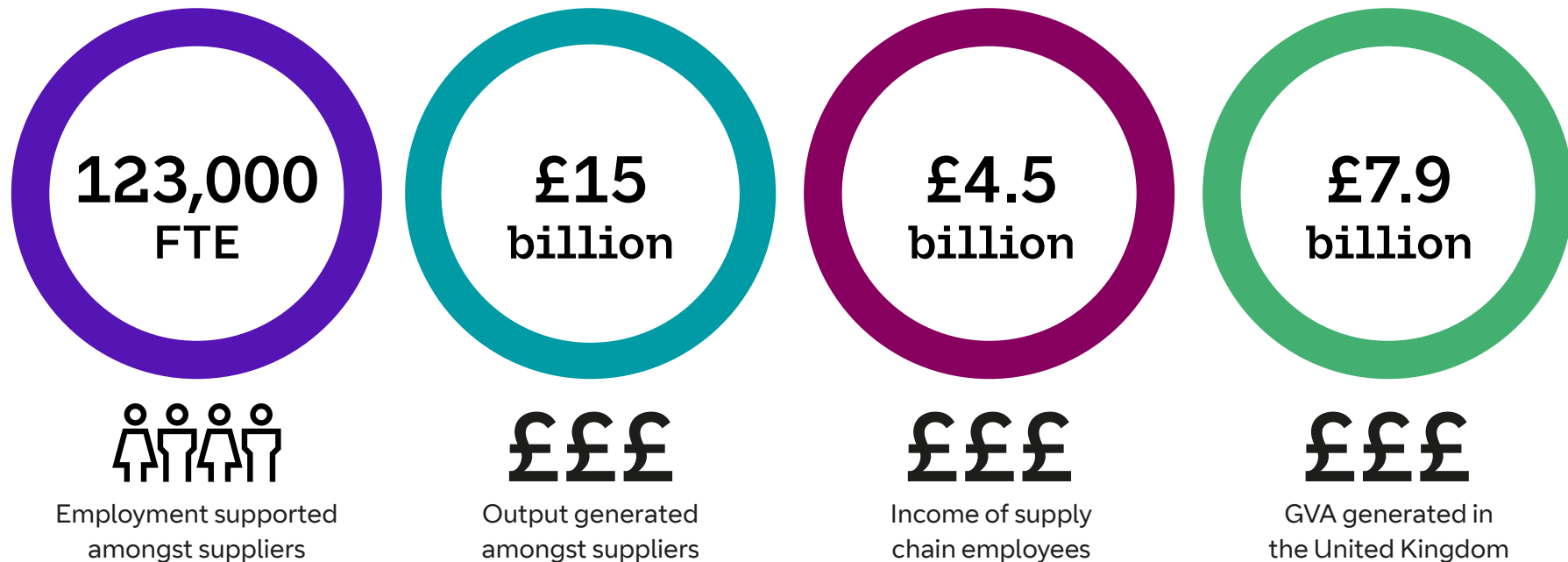


Figure 3-1: Indirect (supply chain impacts)

Source: Hatch

03 The economic impact of BT Group in the UK

Impact of BT Group and Supplier Employee Expenditure (Induced)

BT Group employees and their contractors based in the UK earned around £3.5 billion in 2021/22 before tax. In turn, the expenditure of these employees, contractors and the employees working for firms within BT Group's supply chain supported further employment and output in consumer industries. Through these knock-on effects, BT Group supported further jobs and turnover as shown below.

Salaries of BT Group employees and contractors in the United Kingdom = £3.5 billion

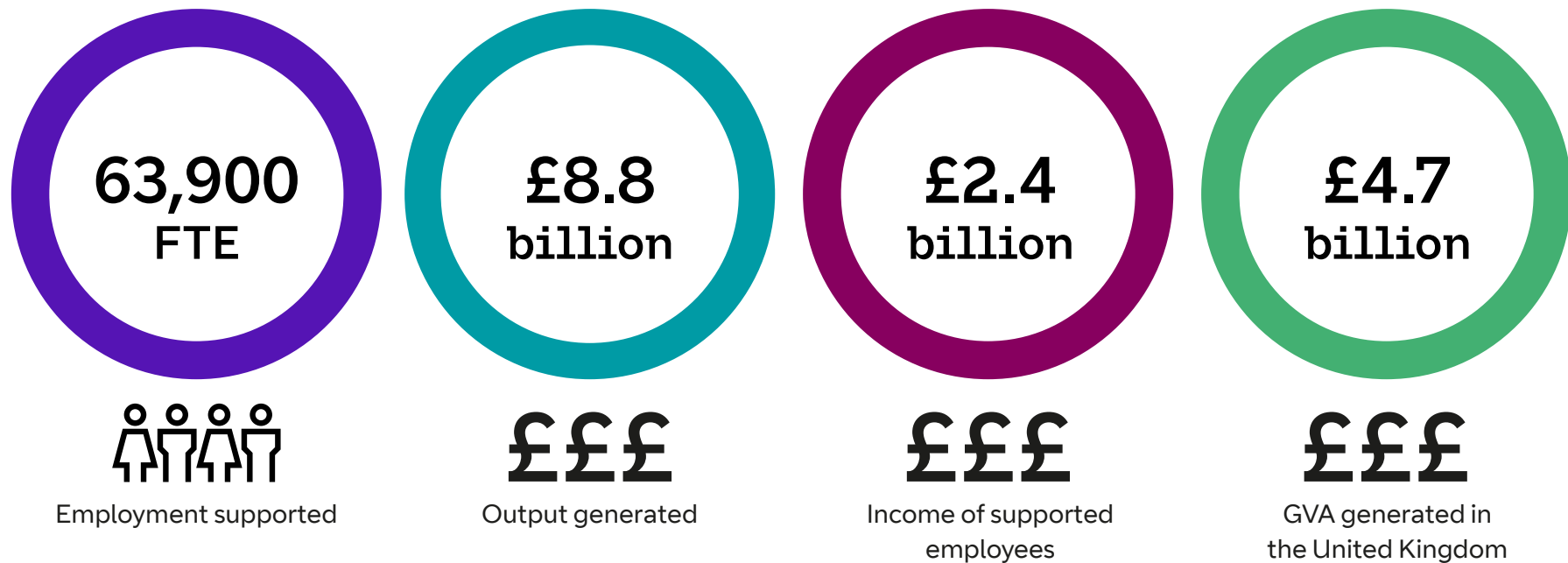


Figure 3-2: Induced (wage expenditure) impacts

Source: Hatch

03 The economic impact of BT Group in the UK

Total Impact in the UK

Combining BT Group's direct impact and employment with the indirect supply chain impact and induced wage expenditure impact gives the total impact of BT Group's operations in the UK in 2021/22. This is summarised below.

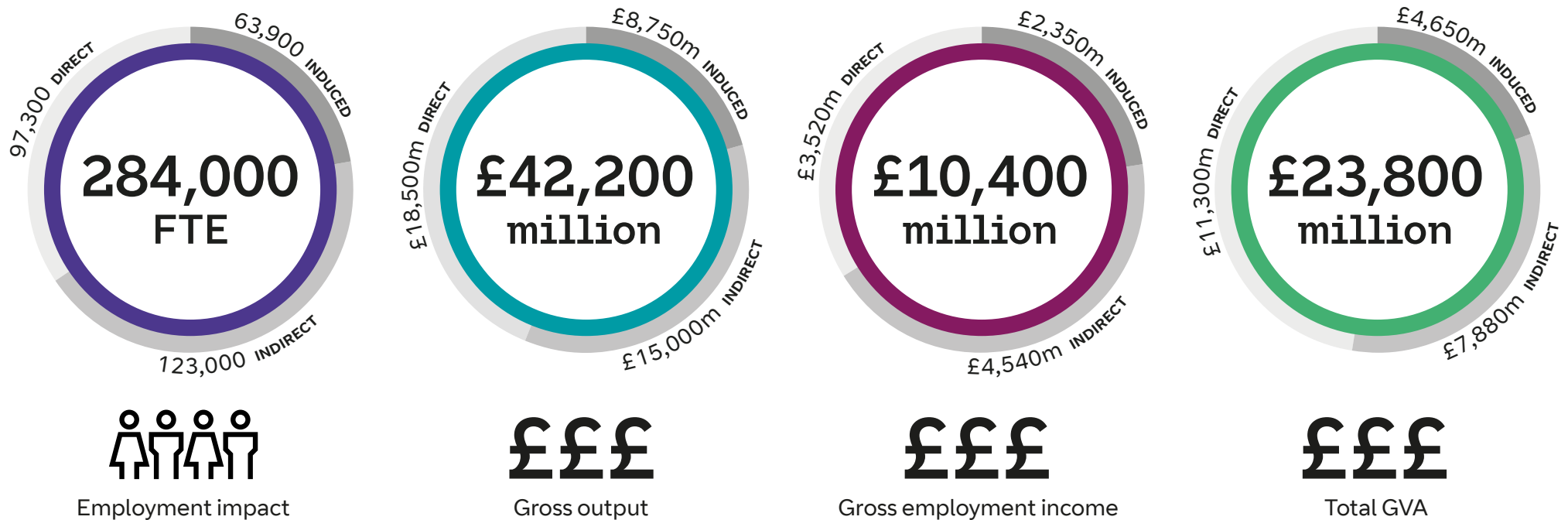


Figure 3-3: Total impact of BT Group

Source: Hatch

BT Group across the UK

East of England	15
East Midlands	23
London	30
North East	38
North West	44
South East	51
South West	59
West Midlands	65
Yorkshire and the Humber	72
Scotland	78
Wales	86
Northern Ireland	93

04

04 BT Group in the UK nations and regions

This section presents key statistics on the economic impact of BT Group for each of the English regions, Scotland, Wales and Northern Ireland.

These geographies are presented in order as follows:

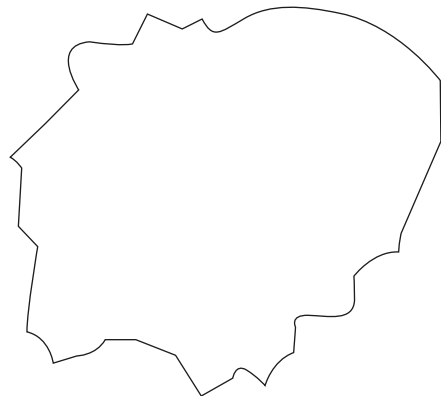
1. East of England
2. East Midlands
3. London
4. North East
5. North West
6. South East
7. South West
8. West Midlands
9. Yorkshire and the Humber
10. Scotland
11. Wales
12. Northern Ireland

To go straight to the information for your area, please click on your location.

04 East of England

Key points 2021/22

- **9,290 BT Group employees** live in the region (FTE)
- **8,540 BT Group employees** work in the region (FTE)
- **£340 million** total income of BT Group employees working in the region
- **£1,450 million** spend with suppliers based in the region
- **£2,890 million** total GVA impact (including indirect and induced effects)
- BT Group employed **1 in every 230 employees** working in the private sector, and **1 in every 12 employees** working in the IT and Communications sectors
- **£1 in every £150** of GVA was generated directly by BT Group
- BT Group supported **1 in every 40 employees** working in the private sector and **£1 in every £60** of GVA as a result of the firm's full economic impact



Regional impacts

Direct impact

BT Group directly employs a total of 7,620 people in the East of England, with a further 920, employed as contractors. These employees earned £340 million in wages and salaries.

Procurement impact

BT Group together spent around £1,450 million with suppliers based in the East of England in 2021/2022. The largest item was education, as illustrated in the chart below.

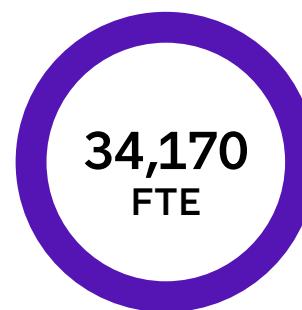


- **£560m** (39%) education
- **£350m** (24%) telecommunications
- **£290m** (20%) activities of head offices; management consultancy activities
- **£50m** (4%) computer programming, consultancy & related activities
- **£50m** (3%) construction
- £150m** supplier spend with other sectors

Figure 4-1: Top five supplier sectors by value of expenditure
Source: BT Group Procurement data

BT Group's spend with suppliers results in significant benefits for the East of England economy (including knock-on or multiplier benefits as a result of supplier spend). This is summarised below.

BT Group supply chain spend in the East of England = £1,450 million



Employment supported amongst suppliers



Output generated amongst suppliers



Income of supply chain employees



GVA generated

Figure 4-2: Indirect supply chain impact

Source: Hatch

04 East of England

Impact of BT Group and supplier employee expenditure (induced)

BT Group employees and contractors living in the East of England earned £400 million in 2021/22. In turn, their expenditure supports further employment and output in consumer industries in the nation. Figure 4-3 below illustrates the wider induced employment and output supported through this employee expenditure.

Salaries of BT Group employees and contractors in the East of England = £400 million

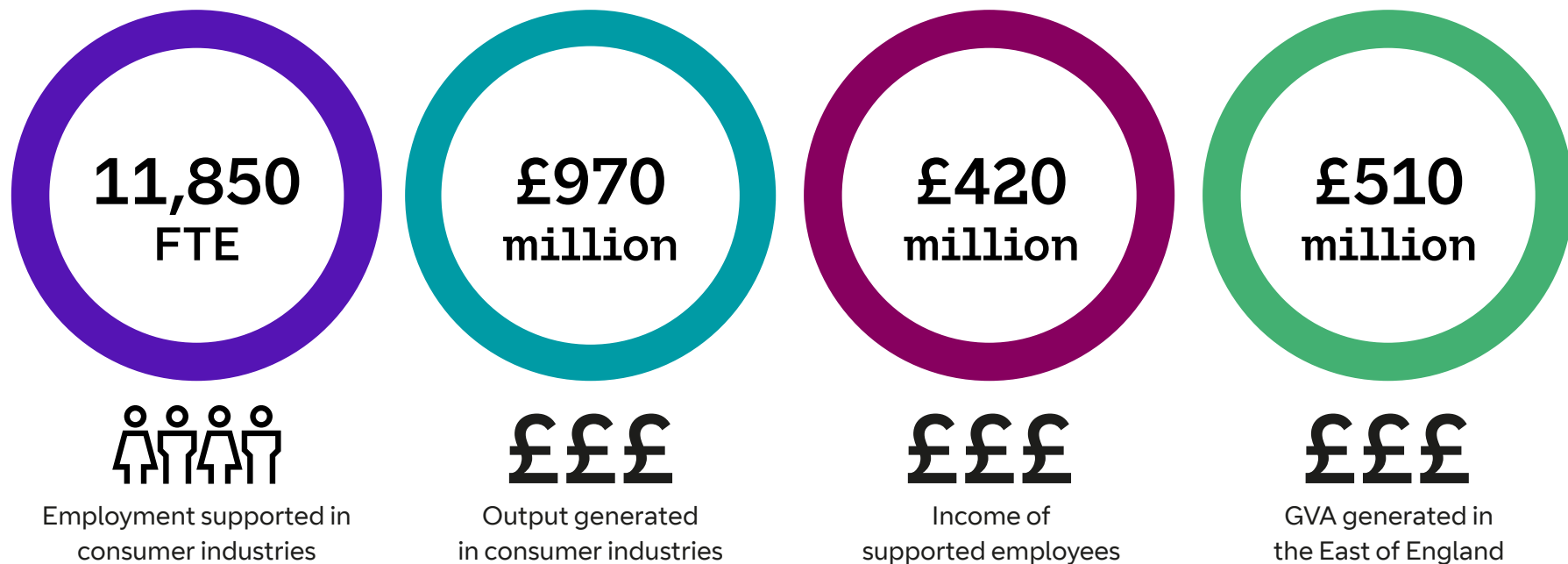


Figure 4-3: Induced (wage expenditure) impacts

Source: Hatch

04 East of England

Total impact in the East of England

Combining BT Group's direct impact and employment with the indirect supply chain impact and induced wage expenditure impact gives the total impact of the firm's operations in the East of England. This is summarised in Figure 4-4 below.

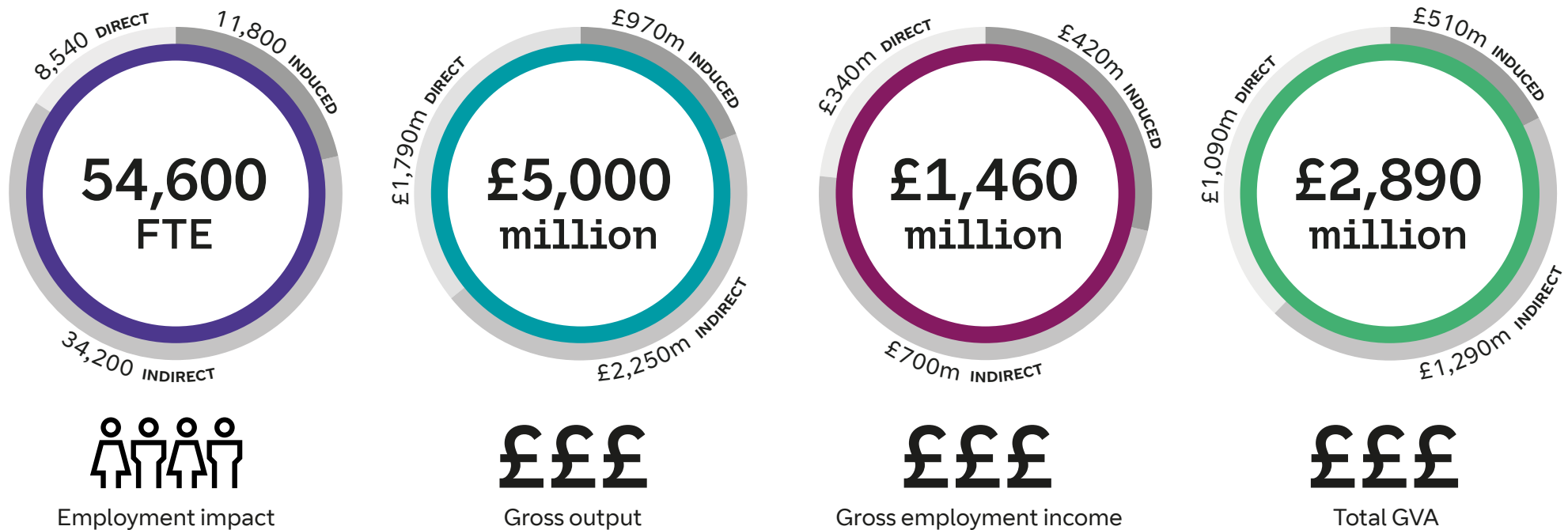


Figure 4-4: Total impact of BT Group

Source: Hatch

04 East of England

Local authority level

The table below illustrates the economic impact BT Group has at a sub-regional level in the East of England across local authority areas.

	BT Group employees & contractors		Total impact		
	Work in area	Resident in area	Employment	Output £ million	GVA £ million
Babergh	30	220	90	10	10
Basildon	120	280	400	40	20
Bedford	260	210	560	70	40
Braintree	60	170	200	20	10
Breckland	70	130	140	20	10
Brentwood	440	230	890	130	80
Broadland	220	210	410	60	30
Broxbourne	120	130	460	50	30
Cambridge	250	60	840	90	50
Castle Point	50	120	80	10	10
Central Bedfordshire	110	350	640	60	30
Chelmsford	240	190	1,040	100	60
Colchester	260	340	550	70	40
Dacorum	180	330	8,150	600	340

Table 4-1: Impacts in the East of England

Source: Hatch

04 East of England

	BT Group employees & contractors		Total impact		
	Work in area	Resident in area	Employment	Output £ million	GVA £ million
East Cambridgeshire	20	80	50	10	<5
East Hertfordshire	120	210	1,080	90	50
East Suffolk	3,100	1,380	6,790	1,010	590
Epping Forest	30	120	80	10	10
Fenland	40	60	130	10	10
Great Yarmouth	20	80	40	10	<5
Harlow	90	120	260	30	20
Hertsmere	150	120	990	100	60
Huntingdonshire	100	180	350	40	20
Ipswich	90	790	280	30	20
King's Lynn and West Norfolk	80	130	140	20	10
Luton	310	290	1,320	120	70
Maldon	30	70	50	10	<5
Mid Suffolk	30	310	70	10	10
North Hertfordshire	140	220	350	40	20
North Norfolk	30	60	70	10	10
Norwich	230	120	15,210	1,100	620

Table 4-1: Impacts in the East of England

Source: Hatch

04 East of England

	BT Group employees & contractors		Total impact		
	Work in area	Resident in area	Employment	Output £ million	GVA £ million
Peterborough	240	160	540	70	40
Rochford	10	100	30	<5	<5
South Cambridgeshire	40	130	980	70	40
South Norfolk	60	140	310	30	20
Southend-on-Sea	70	130	140	20	10
St Albans	100	220	600	60	30
Stevenage	40	110	4,350	310	180
Tendring	40	210	150	20	10
Three Rivers	10	90	370	30	20
Thurrock	110	130	250	30	20
Uttlesford	10	70	100	10	10
Watford	150	90	2,790	210	120
Welwyn Hatfield	470	220	1,910	190	110
West Suffolk	180	210	340	40	30

Table 4-1: Impacts in the East of England

Source: Hatch

BT Aداstral – A national centre of tech and digital excellence



Lisa Perkins
Adastral Park &
Research Realisation
Director

Lisa Perkins, Adastral Park & Research Realisation Director, outlines some of the cutting-edge research and development taking place at BT Group’s Adastral Park base at Martlesham, close to Ipswich.

She said: “As a company BT has always been about driving the change needed to keep people connected, but how we do that has shifted over time to make sure we are providing the platform and technology that is fit for the times we live in.

“Whether that’s developing new technology, boosting infrastructure or collaborating with other businesses, academia and researchers our Adastral Park base in the East of England is central to that.

“Adastral Park base is home to a thriving ecosystem made up of BT, Openreach and 150 businesses in the Innovation Martlesham tech cluster. The cluster was established as a way of bringing together a range of tech companies from start up to major players and right across network and digital technologies to work together, and providing a set up that caters to their needs.

“The park has become home to BT’s global Research and Development centre where researchers, academics and organisations can come together to innovate and create. It continues to lead the way in allowing us at BT to trial and showcase new technology, and demonstrate how it can benefit people and businesses across the UK and beyond.

“Adastral Park has played a pivotal role in telecommunications research and has led to major developments including the creation of the world’s first quantum network to connect sites in London’s Docklands, the City and the M4 Corridor.

“There is also a growing demand for people with skills in new technologies such as Artificial Intelligence and data science, which was showcased during the Robotics Festival which brought in speakers and exhibitors from major organisations from the Ministry of Defence to NASA.

“We are leading the way in designing initiatives in the East of England which are designed to tackle some of the major skills challenges facing the area, and beyond. Our partnerships with the University of Suffolk and our collaboration with the DigiTech Centre mean we are uniquely placed to take on these challenges.

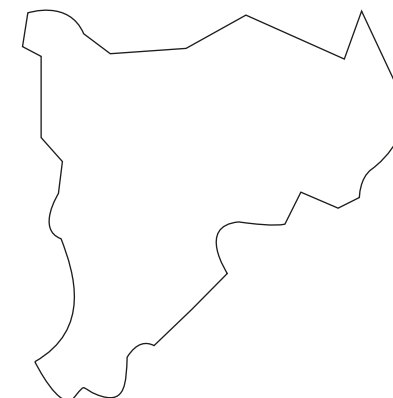
“The continuing work here builds on a legacy of innovation and development at Adastral and ensures the East of England continues to be a major technology hub.”

04 East Midlands



Key points 2021/22

- **4,010 BT Group employees** live in the region (FTE)
- **3,470 BT Group employees** work in the region (FTE)
- **£120 million** total income of BT Group employees working in the region
- **£160 million** spend with suppliers based in the region
- **£650 million** total GVA impact (including indirect and induced effects)
- BT Group employed **1 in every 430 employees** working in the private sector, and **1 in every 20 employees** working in the IT and Communications sectors
- **£1 in every £300** of GVA was generated directly by BT Group
- BT Group supported **1 in every 180 employees** working in the private sector and **£1 in every £170** of GVA as a result of the firm's full economic impact



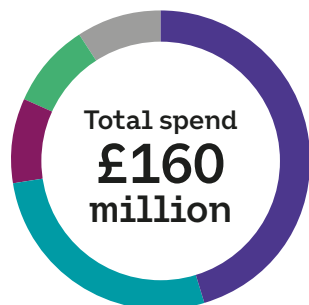
Regional impacts

Direct impact

BT Group directly employs a total of 3,060 people in the East Midlands region, with a further 410 employed as contractors. These employees earned £120 million in wages and salaries.

Procurement impact

BT Group together spent around £160 million with suppliers based in the East Midlands region in 2021/2022. The largest item was telecommunications, as illustrated in the chart below.



- **£50m** (33%) telecommunications
- **£30m** (20%) film, video, music & broadcasting activities
- **£10m** (8%) manufacture of machinery & equipment N.E.C.
- **£10m** (7%) construction
- **£10m** (6%) manufacture of computer, electronic & optical products
- £50m** supplier spend with other sectors

Figure 4-5: Top five supplier sectors by value of expenditure
Source: BT Group Procurement data

BT Group's spend with suppliers results in significant benefits for the East Midlands economy (including knock-on or multiplier benefits as a result of supplier spend). This is summarised below.

BT Group supply chain spend in the East Midlands = £160 million

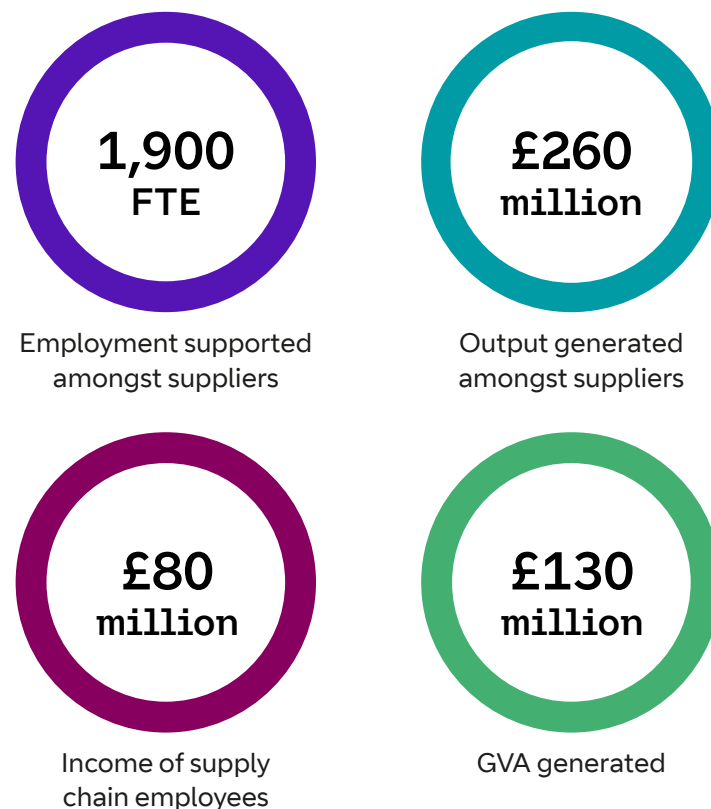


Figure 4-6: Indirect supply chain impact

Source: Hatch

04 East Midlands

Impact of BT Group and supplier employee expenditure (induced)

BT Group employees and contractors living in the East Midlands earned £150 million in 2021/22. In turn, their expenditure supports further employment and output in consumer industries in the nation. Figure 4-7 below illustrates the wider induced employment and output supported through this employee expenditure.

Salaries of BT Group employees and contractors in the East Midlands = £150 million

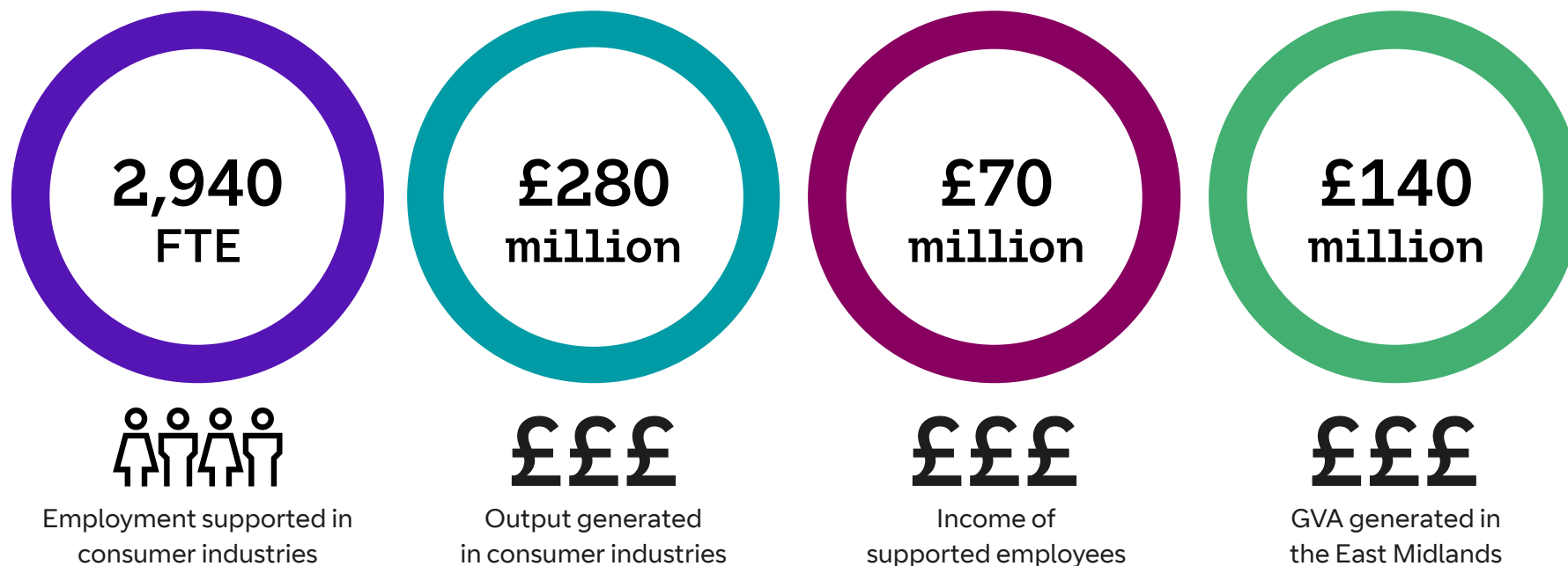


Figure 4-7: Induced (wage expenditure) impacts

Source: Hatch

04 East Midlands

Total impact in the East Midlands

Combining BT Group's direct impact and employment with the indirect supply chain impact and induced wage expenditure impact gives the total impact of the firm's operations in the East Midlands. This is summarised in Figure 4-8 below.

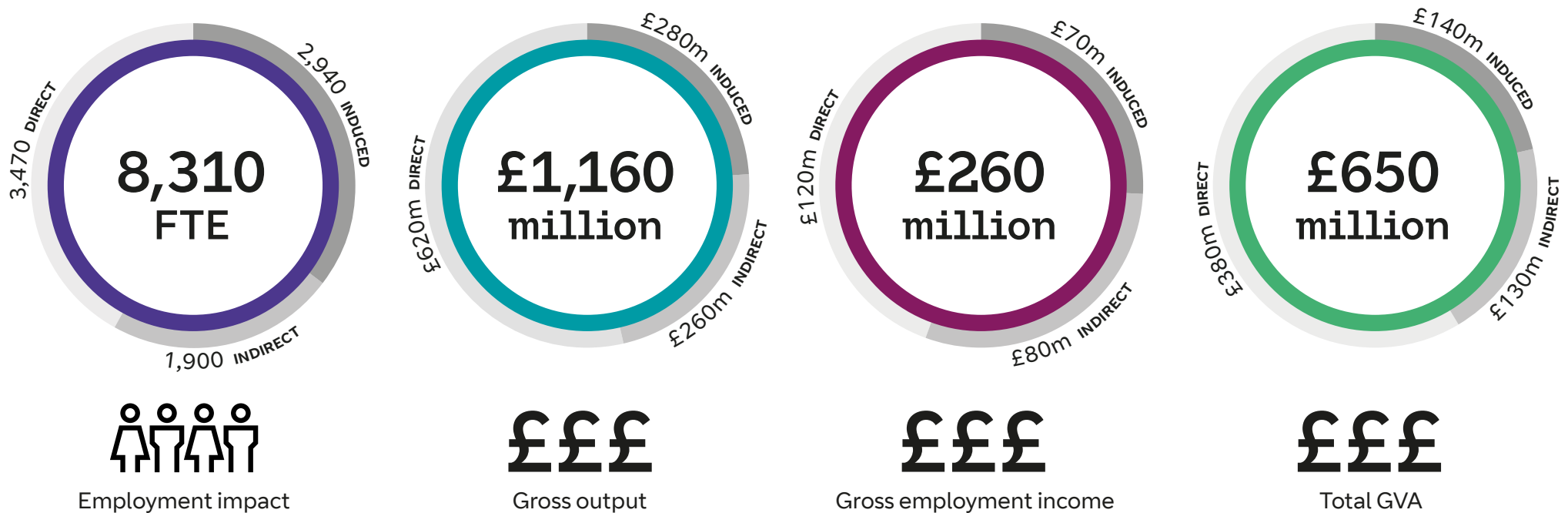


Figure 4-8: Total impact of BT Group

Source: Hatch

Local authority level

The table below illustrates the economic impact BT Group has at a sub-regional level in the East Midlands across local authority areas.

	BT Group employees & contractors		Total impact		
	Work in area	Resident in area	Employment	Output £ million	GVA £ million
Amber Valley	20	110	40	10	<5
Ashfield	20	110	140	20	10
Bassetlaw	40	90	70	10	10
Blaby	30	110	110	20	10
Bolsover	480	120	900	140	80
Boston	50	30	90	10	10
Broxtowe	10	70	30	<5	<5
Charnwood	30	130	70	10	10
Chesterfield	50	150	90	10	10
Derby	190	150	330	40	30
Derbyshire Dales	30	40	70	10	10
East Lindsey	30	50	60	10	10
Erewash	20	80	220	30	20

Table 4-2: Impacts in the East Midlands

Source: Hatch

04 East Midlands

	BT Group employees & contractors		Total impact		
	Work in area	Resident in area	Employment	Output £ million	GVA £ million
Gedling	50	140	90	10	10
Harborough	120	120	400	60	30
High Peak	40	50	80	10	10
Hinckley and Bosworth	20	100	70	10	10
Leicester	400	300	770	110	60
Lincoln	320	170	540	70	40
Mansfield	50	80	100	10	10
Melton	10	30	20	<5	<5
Newark and Sherwood	20	80	140	20	10
North East Derbyshire	10	140	20	<5	<5
North Kesteven	40	180	130	20	10
North West Leicestershire	40	60	110	20	10

Table 4-2: Impacts in the East Midlands

Source: Hatch

04 East Midlands

	BT Group employees & contractors		Total impact		
	Work in area	Resident in area	Employment	Output £ million	GVA £ million
North Northamptonshire	100	160	330	50	30
Nottingham	520	220	1,070	140	80
Oadby and Wigston	40	120	190	30	10
Rushcliffe	40	120	460	60	30
Rutland	10	20	90	10	10
South Derbyshire	30	80	40	10	<5
South Holland	30	50	60	10	10
South Kesteven	40	80	70	10	10
West Lindsey	10	70	20	<5	<5
West Northamptonshire	520	390	1,310	180	100

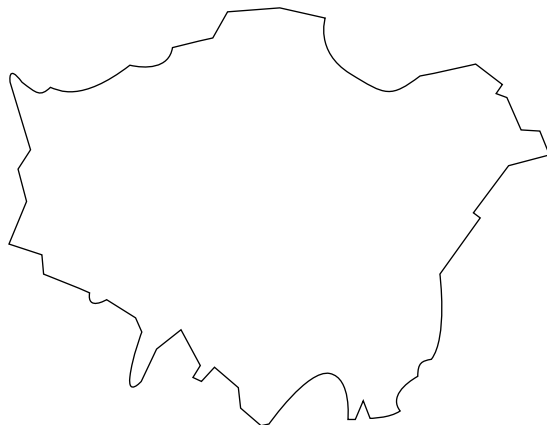
Table 4-2: Impacts in the East Midlands

Source: Hatch

04 London

Key points 2021/22

- **11,700 BT Group employees** live in the region (FTE)
- **14,000 BT Group employees** work in the region (FTE)
- **£610 million** total income of BT Group employees working in the region
- **£3,250 million** spend with suppliers based in the region
- **£6,070 million** total GVA impact (including indirect and induced effects)
- BT Group employed **1 in every 280 employees** working in the private sector, and **1 in every 30 employees** working in the IT and Communications sectors
- **£1 in every £250** of GVA was generated directly by BT Group
- BT Group supported **1 in every 60 employees** working in the private sector and **£1 in every £80** of GVA as a result of the firm's full economic impact



Regional impacts

Direct impact

BT Group directly employs a total of 10,600 people in London, with a further 3,400 employed as contractors. These employees earned £610 million in wages and salaries.

Procurement impact

BT Group together spent around £3,250 million with suppliers based in London in 2021/2022. The largest item was telecommunications as illustrated in the chart below.



- **£530m** (16%) telecommunications
 - **£420m** (13%) office administrative, office support & other business support activities
 - **£400m** (12%) computer programming, consultancy & related activities
 - **£360m** (11%) sports activities & amusement and recreation activities
 - **£240m** (7%) film, video, music & broadcasting activities
- £1,300m** supplier spend with other sectors

Figure 4-9: Top five supplier sectors by value of expenditure
Source: BT Group Procurement data

BT Group's spend with suppliers results in significant benefits for the London economy (including knock-on or multiplier benefits as a result of supplier spend). This is summarised below.

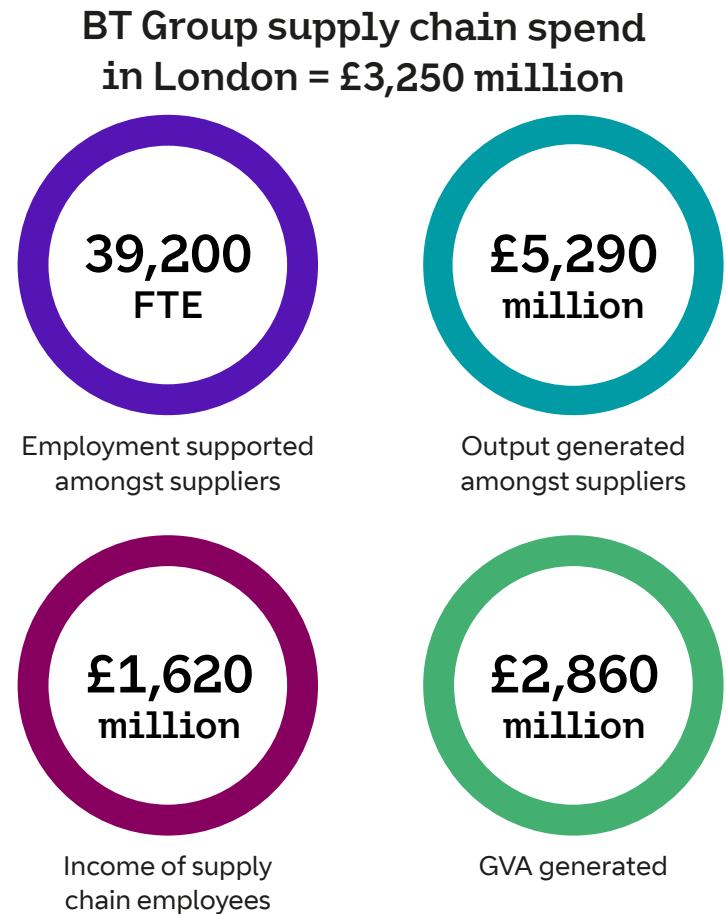


Figure 4-10: Indirect supply chain impact

Source: Hatch

04 London

Impact of BT Group and supplier employee expenditure (induced)

BT Group employees and contractors living in London earned £460 million in 2021/22. In turn, their expenditure supports further employment and output in consumer industries in the nation. Figure 4-11 below illustrates the wider induced employment and output supported through this employee expenditure.

Salaries of BT Group employees and contractors in London = £460 million

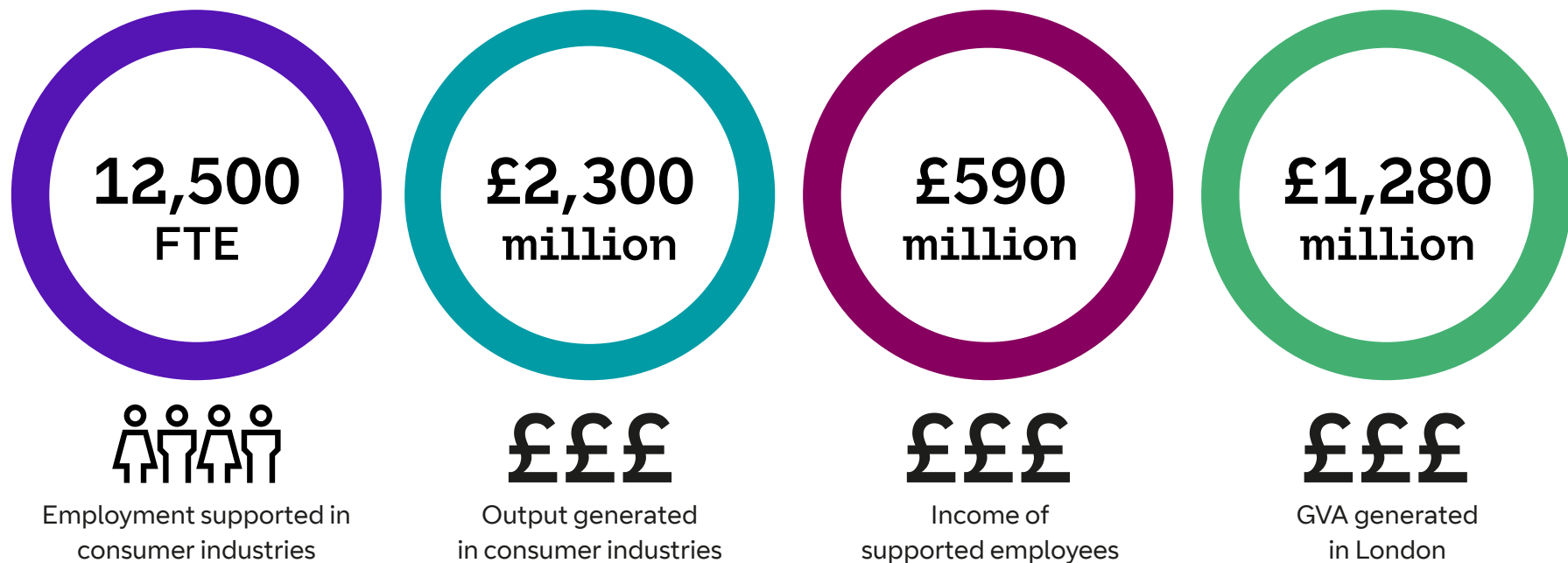


Figure 4-11: Induced (wage expenditure) impacts

Source: Hatch

04 London

Total impact in London

Combining BT Group's direct impact and employment with the indirect supply chain impact and induced wage expenditure impact gives the total impact of the firm's operations in London. This is summarised in Figure 4- 12 below

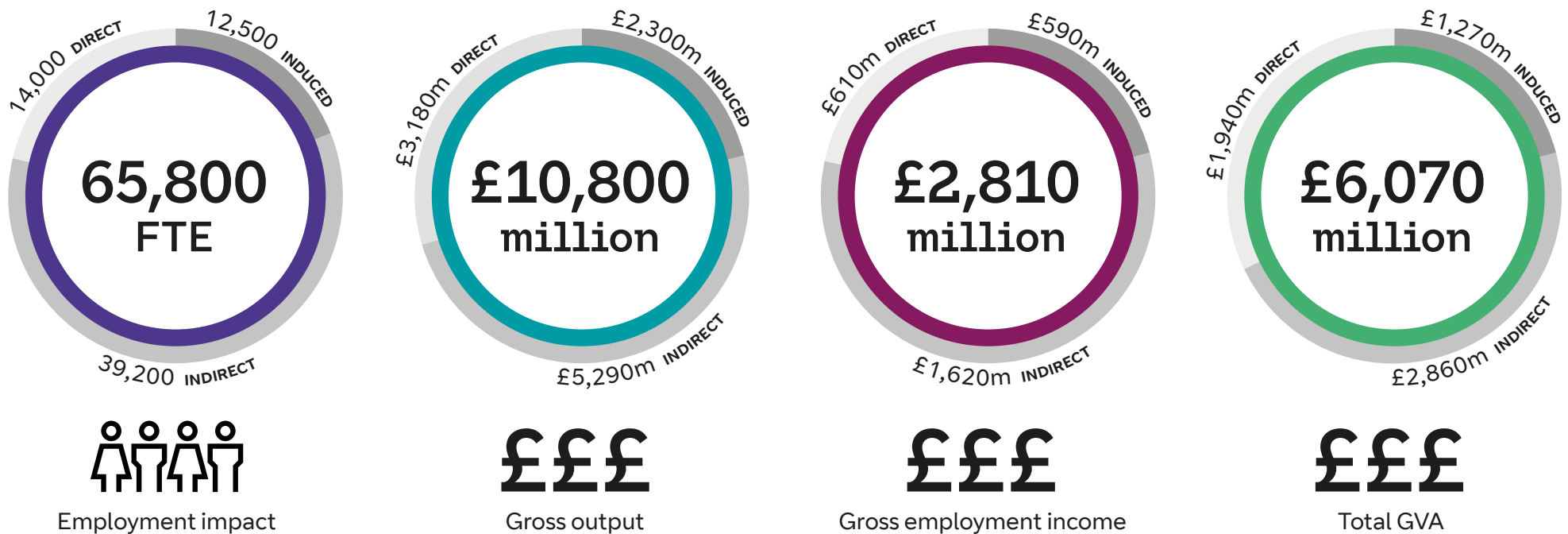


Figure 4- 12: Total impact of BT Group

Source: Hatch

Local authority level

The table below illustrates the economic impact BT Group has at a sub-regional level in London local authority areas.

	BT Group employees & contractors		Total impact		
	Work in area	Resident in area	Employment	Output £ million	GVA £ million
Barking and Dagenham	90	230	110	20	10
Barnet	230	400	330	50	30
Bexley	170	400	220	40	20
Brent	70	370	830	120	70
Bromley	160	450	210	40	20
Camden	1,730	750	3,100	630	370
City of London	840	200	11,100	1,690	930
Croydon	210	480	300	50	30
Ealing	180	370	740	120	70
Enfield	300	420	510	90	50
Greenwich	200	310	270	50	30
Hackney	370	180	750	140	80

Table 4-3: Impacts in London

Source: Hatch

04 London

	BT Group employees & contractors		Total impact		
	Work in area	Resident in area	Employment	Output £ million	GVA £ million
Hammersmith and Fulham	190	90	940	140	80
Haringey	90	190	110	20	10
Harrow	120	340	2,060	300	170
Havering	180	420	280	50	30
Hillingdon	150	330	1,820	270	150
Hounslow	50	180	7,500	1,080	590
Islington	400	290	1,080	170	100
Kensington and Chelsea	90	40	120	20	10
Kingston upon Thames	160	160	910	140	80
Lambeth	150	250	240	40	20
Lewisham	90	300	120	20	10
Merton	80	200	140	20	10
Newham	110	290	150	20	10
Redbridge	260	360	320	60	40
Richmond upon Thames	50	110	900	130	70

Table 4-3: Impacts in London

Source: Hatch

04 London

	BT Group employees & contractors		Total impact		
	Work in area	Resident in area	Employment	Output £ million	GVA £ million
Southwark	900	250	5,510	840	470
Sutton	170	250	240	40	30
Tower Hamlets	5,460	2,460	8,940	2,030	1,200
Waltham Forest	60	280	90	20	10
Wandsworth	110	250	270	40	20
Westminster	660	150	15,600	2,280	1,250

Table 4-3: Impacts in London

Source: Hatch

04 London

Customer Experience Centre - Showcasing the future

BT Group has created a state-of-the-art Customer Experience Centre at the company's new headquarters in East London.

The centre, called Aurora, provides an opportunity to showcase our forward-thinking technological developments across multiple industries, including robotics, software and virtual reality. All supported by our unrivalled 5G capabilities.

It allows businesses and public and third sector bodies – from across the UK and globally – to experience technology that could enhance their business or public services today, and in the future.

The centre is equipped with four immersive demo rooms, collaboration spaces and media walls. Visitors can access interactive experiences that address a range of organisational challenges, from operational resilience, to cyber security threats in a 'live' environment.

Aurora gives visitors a chance to look at some of the latest innovations in connected technology across a range of areas, including 5G-enabled robots in a manufacturing setting; using connected and smart sensors and cameras to help make cities more efficient, connected and sustainable; and in healthcare, showcasing the potential for remotely guided procedures and robotic surgery, powered by 5G.

The Customer Experience Centre Manager, Izzie Masters, believes it's a great facility to have in the heart of London. "It's fantastic to have this immersive state-of-the-art demo facility in our new London headquarters."

"It's a cutting edge demo centre where we bring to life some of our leading innovation and technology. For our customers, it's a chance to get a glimpse into the future and experience some of the tech solutions that could help their organisations succeed and become more efficient."

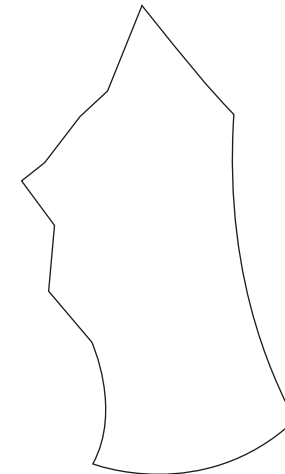


04 North East



Key points 2021/22

- **8,690 BT Group employees** live in the region (FTE)
- **8,640 BT Group employees** work in the region (FTE)
- **£250 million** total income of BT Group employees working in the region
- **£40 million** spend with suppliers based in the region
- **£1,040 million** total GVA impact (including indirect and induced effects)
- BT Group employed **1 in every 80 employees** working in the private sector, and **1 in every 4 employees** working in the IT and Communications sectors
- **£1 in every £70** of GVA was generated directly by BT Group
- BT Group supported **1 in every 60 employees** working in the private sector and **£1 in every £50** of GVA as a result of the firm's full economic impact



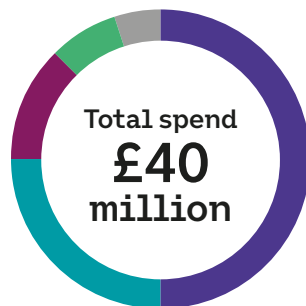
Regional impacts

Direct impact

BT Group directly employs a total of 7,430 people in the North East, with a further 1,210 employed as contractors. These employees earned £250 million in wages and salaries.

Procurement impact

BT Group together spent around £40 million with suppliers based in the North East in 2021/2022. The largest item was construction, as illustrated in the chart below.



- **£20m** (52%) construction
- **£10m** (19%) telecommunications
- **£5m** (10%) office administrative, office support & other business support activities
- **<£5m** (5%) other professional, scientific & technical activities
- **<£5m** (4%) other personal service activities
- **<£5m** supplier spend with other sectors

Figure 4- 13: Top five supplier sectors by value of expenditure
Source: BT Group Procurement data

BT Group's spend with suppliers results in significant benefits for the North East economy (including knock-on or multiplier benefits as a result of supplier spend). This is summarised below.

BT Group supply chain spend in the North East = £40 million

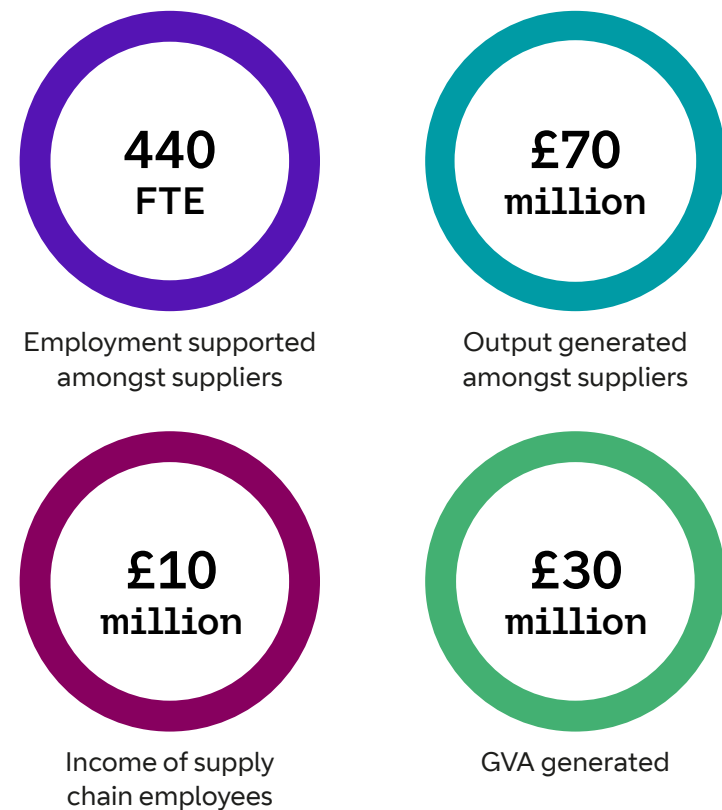


Figure 4- 14: Indirect supply chain impact

Source: Hatch

04 North East

Impact of BT Group and supplier employee expenditure (induced)

BT Group employees and contractors living in the North East earned £260 million in 2021/22. In turn, their expenditure supports further employment and output in consumer industries in the nation. Figure 4-15 below illustrates the wider induced employment and output supported through this employee expenditure.

Salaries of BT Group employees and contractors in the North East = £260 million

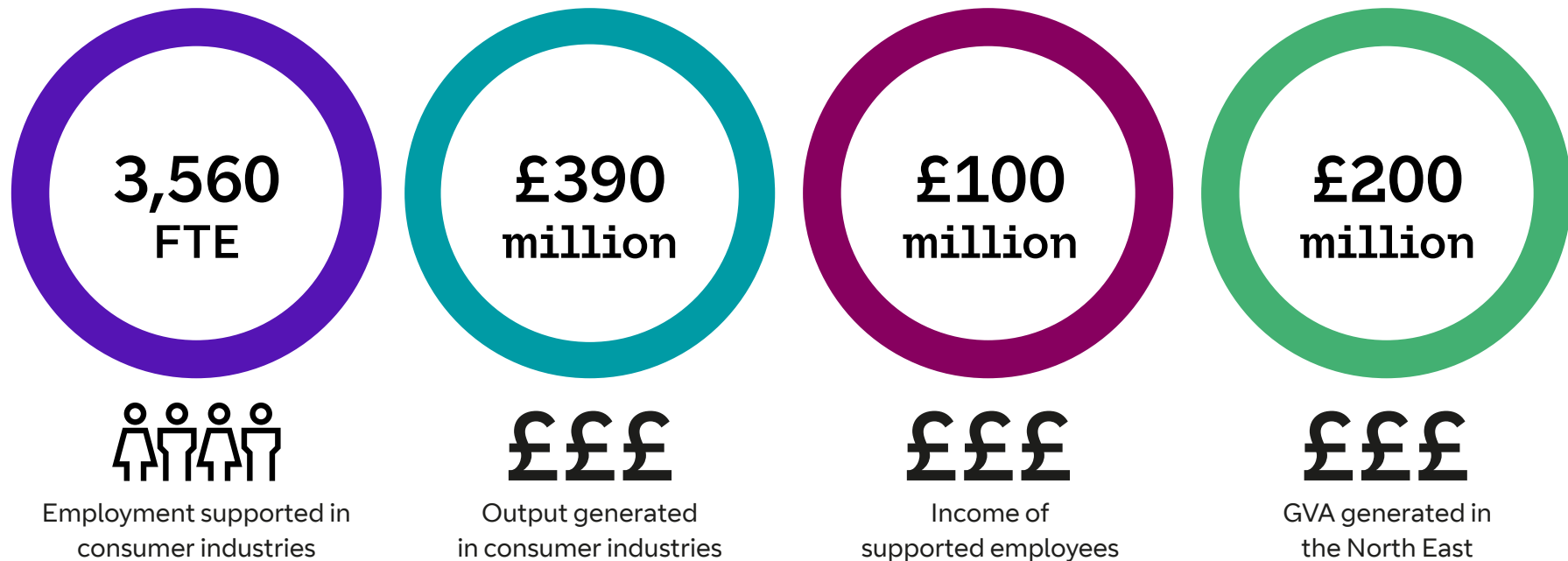


Figure 4-15: Induced (wage expenditure) impacts

Source: Hatch

04 North East

Total impact in the North East

Combining BT Group's direct impact and employment with the indirect supply chain impact and induced wage expenditure impact gives the total impact of the firm's operations in the North East. This is summarised in Figure 4-16 below.

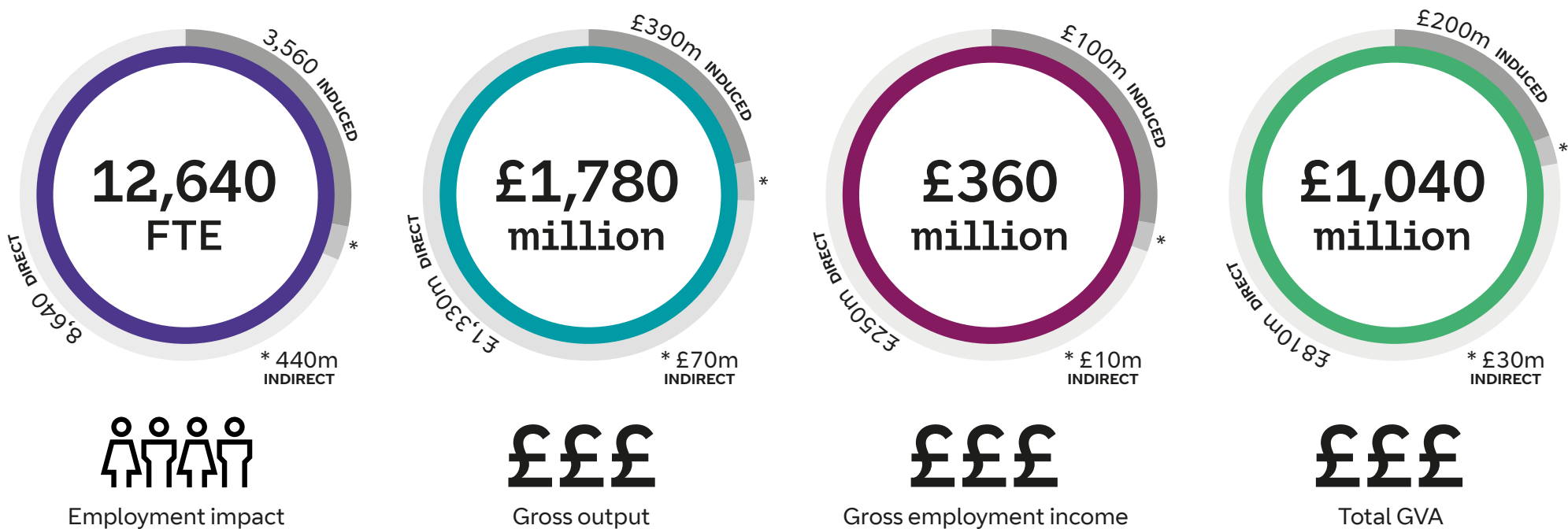


Figure 4-16: Total impact of BT Group

Source: Hatch

Local authority level

The table below illustrates the economic impact BT Group has at a sub-regional level in the North East across local authority areas.

	BT Group employees & contractors		Total impact		
	Work in area	Resident in area	Employment	Output £ million	GVA £ million
County Durham	410	1,330	620	90	50
Darlington	2,050	1,130	2,840	390	230
Gateshead	290	510	460	70	40
Hartlepool	30	90	40	10	<5
Middlesbrough	290	260	420	60	40
Newcastle upon Tyne	470	730	810	130	80
North Tyneside	3,460	1,860	4,810	660	390
Northumberland	140	870	220	40	20
Redcar and Cleveland	10	170	20	<5	<5
South Tyneside	310	440	450	60	40
Stockton-on-Tees	130	380	470	70	40
Sunderland	1,040	940	1,480	200	120

Table 4-4: Impacts in the North East

Source: Hatch



Supporting our isolated customers - BT Group's Care Home Companions

North Tyneside Contact Centre worker Ricky Prior talks about his experiences on BT Group's Care Home Companions scheme, which is designed to connect isolated care home residents with BT employees for regular calls. BT Group is expanding the scheme and aims to have 1,600 volunteers making 15,000 calls to care home residents over the next year.

Ricky said: "I signed up to the Care Home Companions scheme during the national lockdown because I wanted to make a difference to the many older people who had found themselves isolated and alone during the pandemic.

"People in the North East are known for our strong sense of community and that's why many of us in our Contact Centres across the region wanted to connect with those living in care homes who didn't have regular contact with friends or family in the toughest of times.

"My Nana and Granda live in a rural area and don't have people around them, so it really resonated with me just how important it was for people to know someone was there for them, especially older people who might not have close family nearby to rely on.

"I was connected with Bill and we quickly built up a strong bond over a love of Newcastle United and we have remained friends ever since, even getting the opportunity to visit St James' Park together and meet Sir Geoff Hurst.

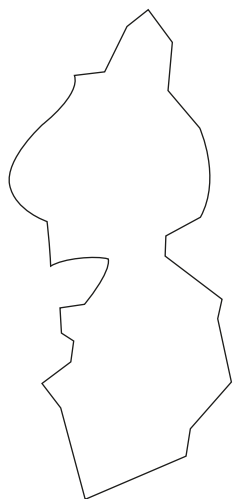
"I've been spending a lot of time with Bill to help him make the most of new technology like video calling, and sharing photos and videos over his mobile phone as part of BT Group's work to support 25 million people to learn new digital skills.

"You can see the difference that the Care Home Companions scheme has made to people's lives. And helping older people learn the skills to connect digitally will go even further in tackling the isolation and loneliness that the programme was introduced to remove."

04 North West

Key points 2021/22

- **10,490 BT Group employees** live in the region (FTE)
- **10,500 BT Group employees** work in the region (FTE)
- **£360 million** total income of BT Group employees working in the region
- **£420 million** spend with suppliers based in the region
- **£1,860 million** total GVA impact (including indirect and induced effects)
- BT Group employed **1 in every 230 employees** working in the private sector, and **1 in every 8 employees** working in the IT and Communications sectors
- **£1 in every £160** of GVA was generated directly by BT Group
- BT Group supported **1 in every 110 employees** working in the private sector and **£1 in every £100** of GVA as a result of the firm's full economic impact



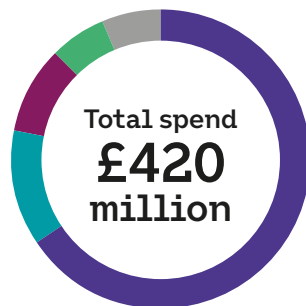
Regional impacts

Direct impact

BT Group directly employs a total of 8,620 people in the North West, with a further 1,880 employed as contractors. These employees earned £360 million in wages and salaries.

Procurement impact

BT Group together spent around £420 million with suppliers based in the North West in 2021/2022. The largest item was telecommunications, as illustrated in the chart below.



- **£210m** (51%) telecommunications
 - **£40m** (10%) office administrative, office support & other business support activities
 - **£30m** (8%) other professional, scientific & technical activities
 - **£20m** (5%) manufacture of electrical equipment
 - **£20m** (4%) activities of head offices; management consultancy activities
- £100m** supplier spend with other sectors

Figure 4- 17: Top five supplier sectors by value of expenditure
Source: BT Group Procurement data

BT Group's spend with suppliers results in significant benefits for the North West economy (including knock-on or multiplier benefits as a result of supplier spend). This is summarised below.

BT Group supply chain spend in the North East = £420 million

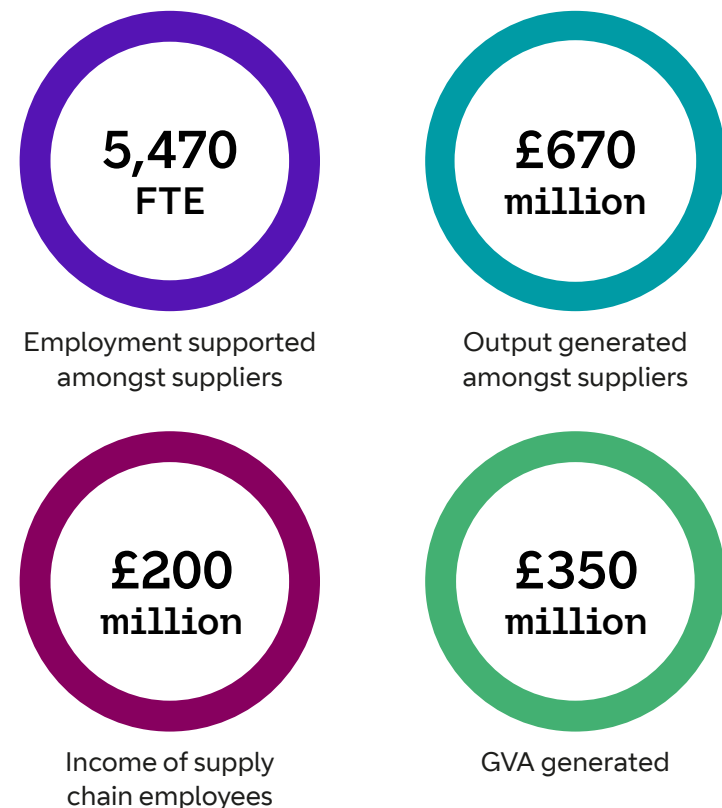


Figure 4- 18: Indirect supply chain impact

Source: Hatch

04 North West

Impact of BT Group and supplier employee expenditure (induced)

BT Group employees and contractors living in the North West earned £360 million in 2021/22. In turn, their expenditure supports further employment and output in consumer industries in the nation. Figure 4-19 below illustrates the wider induced employment and output supported through this employee expenditure.

Salaries of BT Group employees and contractors in the North West = £360 million

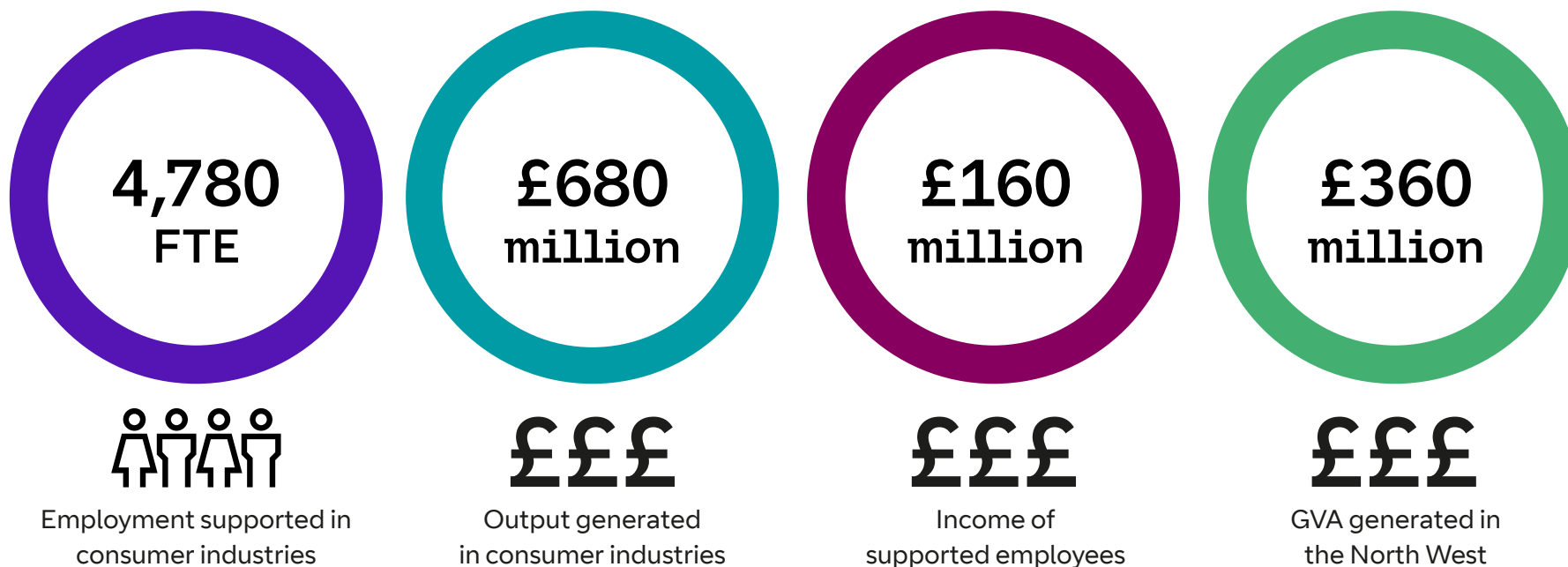


Figure 4-19: Induced (wage expenditure) impacts

Source: Hatch

04 North West

Total impact in the North West

Combining BT Group's direct impact and employment with the indirect supply chain impact and induced wage expenditure impact gives the total impact of the firm's operations in the North West. This is summarised in Figure 4-20 below.

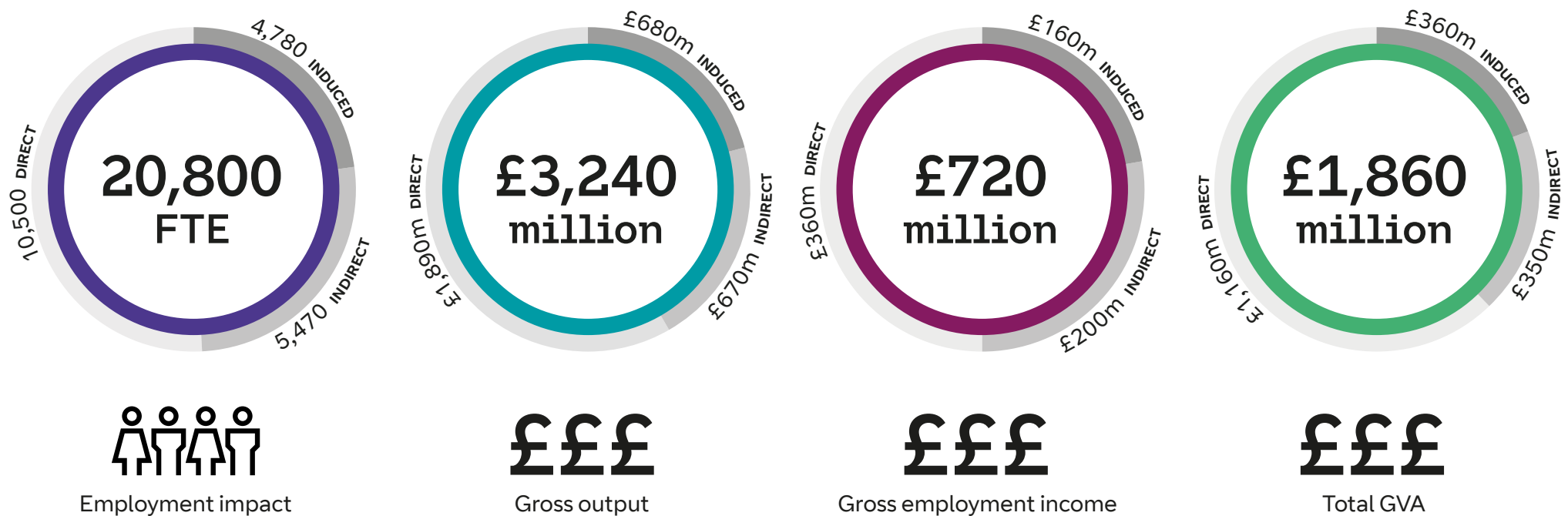


Figure 4-20: Total impact of BT Group

Source: Hatch

Local authority level

The table below illustrates the economic impact BT Group has at a sub-regional level in the North West across local authority areas.

	BT Group employees & contractors		Total impact		
	Work in area	Resident in area	Employment	Output £ million	GVA £ million
Allerdale	40	80	50	10	10
Barrow-in-Furness	40	70	60	10	10
Blackburn with Darwen	340	410	520	80	50
Blackpool	50	110	70	10	10
Bolton	100	240	170	30	20
Burnley	40	110	470	60	30
Bury	70	210	220	30	20
Carlisle	100	130	150	20	10
Cheshire East	130	260	370	60	30
Cheshire West and Chester	280	350	570	90	50
Chorley	60	140	90	10	10
Copeland	50	40	60	10	10
Eden	40	40	70	10	10
Fylde	40	50	50	10	10

Table 4-5: Impacts in the North West

Source: Hatch

04 North West

	BT Group employees & contractors		Total impact		
	Work in area	Resident in area	Employment	Output £ million	GVA £ million
Halton	70	220	130	20	10
Hyndburn	440	200	680	90	50
Knowsley	70	350	2,330	300	150
Lancaster	330	340	450	70	40
Liverpool	1,890	990	2,830	460	270
Manchester	1,370	390	2,790	520	300
Oldham	90	220	120	20	10
Pendle	10	90	20	<5	<5
Preston	430	260	650	110	70
Ribble Valley	30	60	40	10	<5
Rochdale	130	180	180	30	20
Rossendale	20	80	30	10	<5
Salford	650	340	1,280	220	120
Sefton	110	390	160	30	20

Table 4-5: Impacts in the North West

Source: Hatch

04 North West

	BT Group employees & contractors		Total impact		
	Work in area	Resident in area	Employment	Output £ million	GVA £ million
South Lakeland	120	80	160	30	20
South Ribble	20	140	50	10	10
St. Helens	60	280	220	30	20
Stockport	1,060	930	1,950	290	170
Tameside	230	360	350	60	40
Trafford	150	230	630	90	50
Warrington	720	430	1,190	170	100
West Lancashire	160	160	260	40	30
Wigan	790	1,040	1,030	150	90
Wirral	160	40	280	40	30
Wyre	40	100	60	10	10

Table 4-5: Impacts in the North West

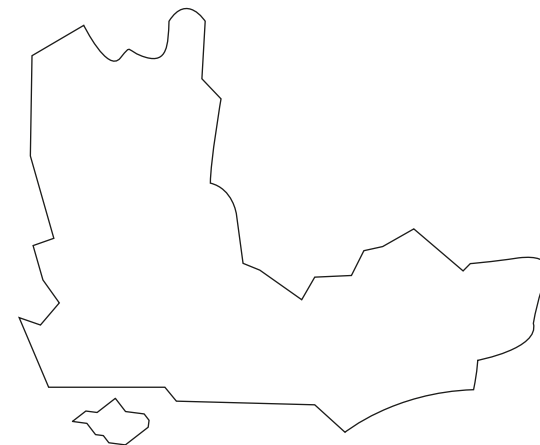
Source: Hatch

04 South East



Key points 2021/22

- **10,700 BT Group employees** live in the region (FTE)
- **9,430 BT Group employees** work in the region (FTE)
- **£330 million** total income of BT Group employees working in the region
- **£1,930 million** spend with suppliers based in the region
- **£3,210 million** total GVA impact (including indirect and induced effects)
- BT Group employed **1 in every 310 employees** working in the private sector, and **1 in every 22 employees** working in the IT and Communications sectors
- **£1 in every £270** of GVA was generated directly by BT Group
- BT Group supported **1 in every 90 employees** working in the private sector and **£1 in every £90** of GVA as a result of the firm's full economic impact



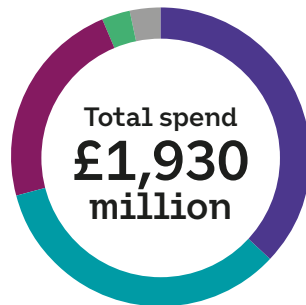
Regional impacts

Direct impact

BT Group directly employs a total of 6,560 people in South East, with a further 2,870 employed as contractors. These employees earned £330 million in wages and salaries.

Procurement impact

BT Group together spent around £1,930 million with suppliers based in the South East in 2021/2022. The largest item was telecommunications as illustrated in the chart below.



- **£600m** (31%) telecommunications
- **£550m** (28%) manufacture of computer, electronic & optical products
- **£370m** (19%) computer programming, consultancy & related activities
- **£50m** (3%) retail trade, except of motor vehicles & motorcycles
- **£50m** (3%) manufacture of electrical equipment
- £310m** supplier spend with other sectors

Figure 4-21: Top five supplier sectors by value of expenditure
Source: BT Group Procurement data

BT Group's spend with suppliers results in significant benefits for the South East economy (including knock-on or multiplier benefits as a result of supplier spend). This is summarised below.

BT Group supply chain spend in the South East = £1,930 million

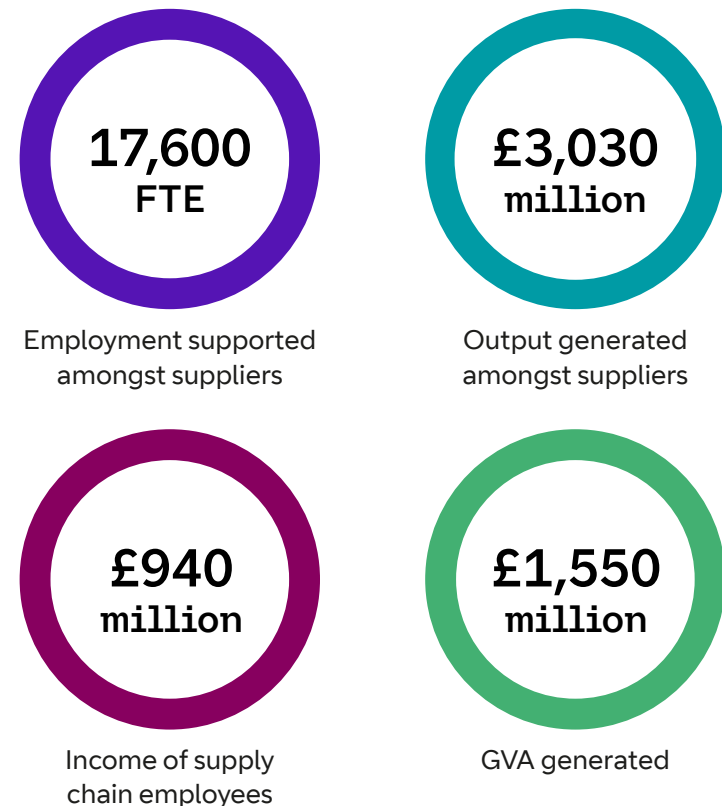


Figure 4-22: Indirect supply chain impact

Source: Hatch

04 South East

Impact of BT Group and supplier employee expenditure (induced)

BT Group employees and contractors living in the South East earned £420 million in 2021/22. In turn, their expenditure supports further employment and output in consumer industries in the nation. Figure 4-23 below illustrates the wider induced employment and output supported through this employee expenditure.

Salaries of BT Group employees and contractors in the South East = £420 million

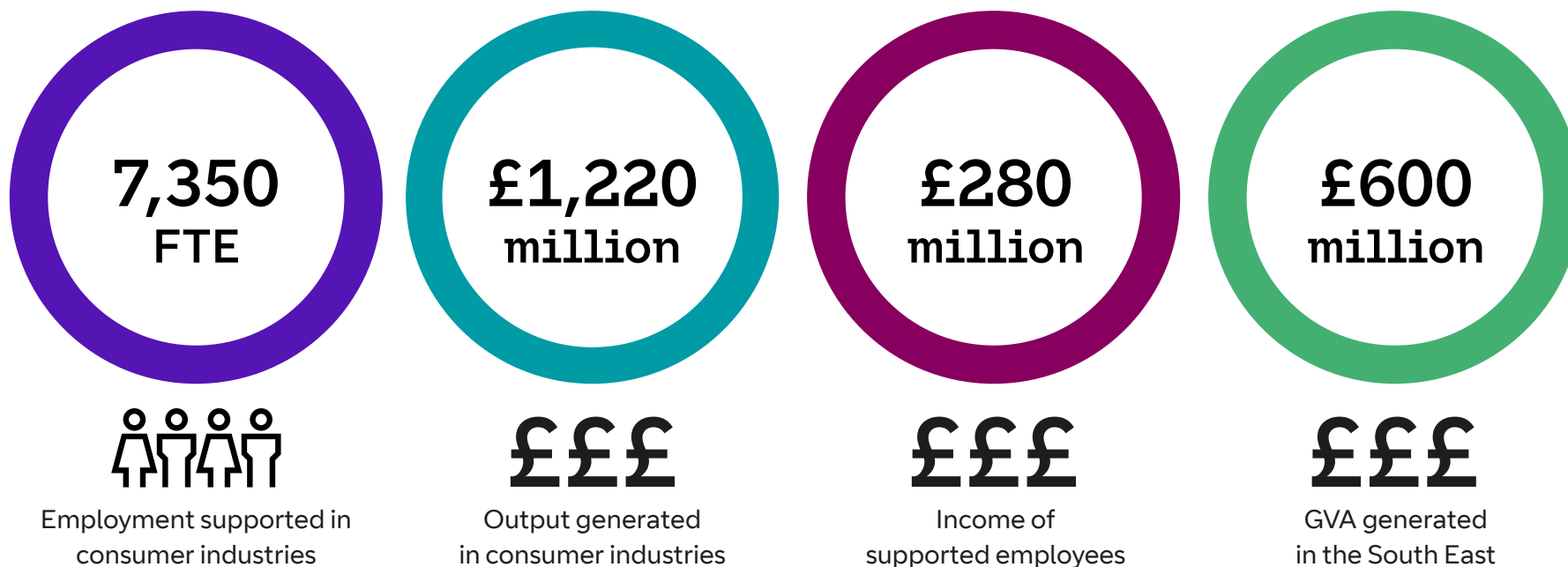


Figure 4-23: Induced (wage expenditure) impacts

Source: Hatch

04 South East

Total impact in the South East

Combining BT Group's direct impact and employment with the indirect supply chain impact and induced wage expenditure impact gives the total impact of the firm's operations in the South East Region. This is summarised in Figure 4-24 below.

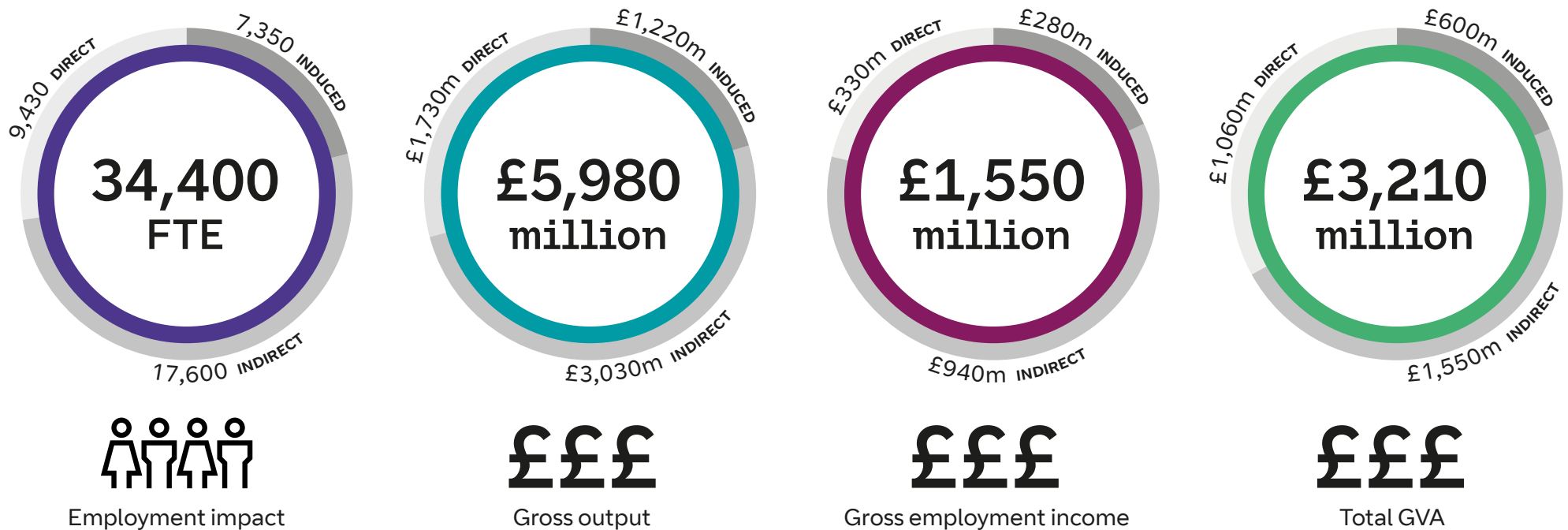


Figure 4-24: Total impact of BT Group

Source: Hatch

Local authority level

The table below illustrates the economic impact BT Group has at a sub-regional level in the South East across local authority areas.

	BT Group employees & contractors		Total impact		
	Work in area	Resident in area	Employment	Output £ million	GVA £ million
Adur	10	70	20	<5	<5
Arun	40	140	50	10	10
Ashford	60	140	400	70	40
Basingstoke and Deane	130	160	280	50	30
Bracknell Forest	100	170	1,680	290	150
Brighton and Hove	400	180	590	120	70
Buckinghamshire	480	510	1,460	260	140
Canterbury	300	200	420	80	40
Cherwell	90	130	200	30	20
Chichester	60	100	90	20	10
Crawley	190	210	300	50	30
Dartford	90	160	120	20	10
Dover	40	110	50	10	<5
East Hampshire	50	80	80	20	10

Table 4-6: Impacts in the South East

Source: Hatch

04 South East

	BT Group employees & contractors		Total impact		
	Work in area	Resident in area	Employment	Output £ million	GVA £ million
Eastbourne	60	90	80	10	10
Eastleigh	50	120	950	160	90
Elmbridge	120	80	290	50	30
Epsom and Ewell	30	60	40	10	<5
Fareham	220	270	300	50	30
Folkestone and Hythe	60	90	150	20	13
Gosport	10	30	10	<5	<5
Gravesham	20	80	30	10	<5
Guildford	100	100	230	40	20
Hart	370	420	700	110	60
Hastings	110	100	150	30	20
Havant	30	90	60	10	10
Horsham	80	140	150	30	10
Isle of Wight	50	70	90	20	10
Lewes	40	80	80	10	10
Maidstone	150	220	220	40	20
Medway	170	250	280	50	30

Table 4-6: Impacts in the South East

Source: Hatch

04 South East

	BT Group employees & contractors		Total impact		
	Work in area	Resident in area	Employment	Output £ million	GVA £ million
Mid Sussex	70	160	110	20	10
Milton Keynes	1,230	1,290	2,110	350	190
Mole Valley	50	60	120	20	10
New Forest	110	140	190	40	20
Oxford	140	60	210	40	20
Portsmouth	400	150	760	140	80
Reading	740	440	3,160	550	300
Reigate and Banstead	50	130	200	40	20
Rother	20	70	30	10	<5
Runnymede	450	490	7,070	1,200	620
Rushmoor	220	120	470	90	50
Sevenoaks	350	130	530	120	70
Slough	80	130	2,340	400	210
South Oxfordshire	30	100	50	10	10
Southampton	150	170	400	70	40
Spelthorne	160	90	410	90	50
Surrey Heath	120	190	170	30	20

Table 4-6: Impacts in the South East

Source: Hatch

04 South East

	BT Group employees & contractors		Total impact		
	Work in area	Resident in area	Employment	Output £ million	GVA £ million
Swale	40	130	60	10	10
Tandridge	30	80	60	10	10
Test Valley	170	90	250	50	30
Thanet	70	120	90	20	10
Tonbridge and Malling	160	240	430	80	40
Tunbridge Wells	160	130	230	40	20
Vale of White Horse	40	80	80	10	10
Waverley	80	100	120	20	10
Wealden	60	180	90	20	10
West Berkshire	110	230	2,300	390	200
West Oxfordshire	40	70	60	10	10
Winchester	60	70	120	20	10
Windsor and Maidenhead	90	160	1,000	170	90
Woking	20	90	60	10	10
Wokingham	170	320	1,510	250	130
Worthing	90	110	130	20	10

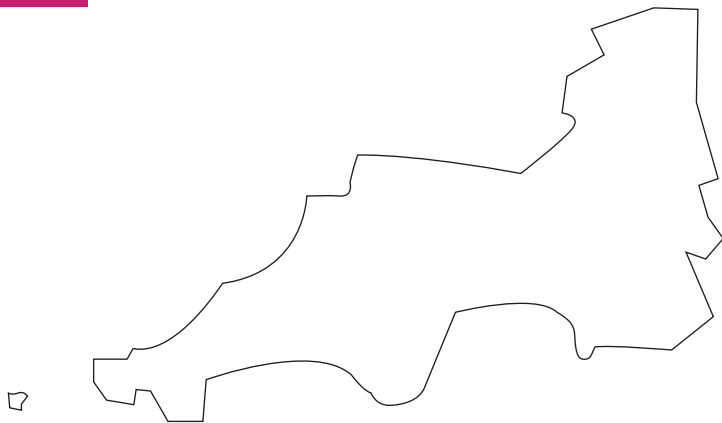
Table 4-6: Impacts in the South East

Source: Hatch

04 South West

Key points 2021/22

- **8,660 BT Group employees** live in the region (FTE)
- **8,990 BT Group employees** work in the region (FTE)
- **£350 million** total income of BT Group employees working in the region
- **£700 million** spend with suppliers based in the region
- **£2,060 million** total GVA impact (including indirect and induced effects)
- BT Group employed **1 in every 190 employees** working in the private sector, and **1 in every 8 employees** working in the IT and Communications sectors
- **£1 in every £130** of GVA was generated directly by BT Group
- BT Group supported **1 in every 110 employees** working in the private sector and **£1 in every £70** of GVA as a result of the firm's full economic impact



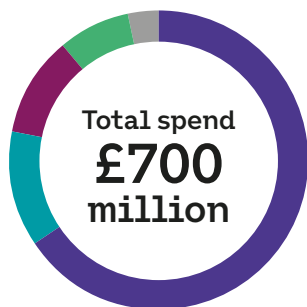
Regional impacts

Direct impact

BT Group directly employs a total of 8,220 people in the South West, with a further 770 employed as contractors. These employees earned £350 million in wages and salaries.

Procurement impact

BT Group together spent around £700 million with suppliers based in the South West in 2021/2022. The largest item was telecommunications as illustrated in the chart below.



- **£420m** (60%) telecommunications
- **£80m** (11%) electric power generation, transmission & distribution
- **£70m** (10%) architectural & engineering activities; technical testing & analysis
- **£50m** (7%) computer programming, consultancy & related activities
- **£20m** (3%) other professional, scientific & technical activities
- £60m** supplier spend with other sectors

Figure 4-25: Top five supplier sectors by value of expenditure
Source: BT Group Procurement data

BT Group's spend with suppliers results in significant benefits for the South West economy (including knock-on or multiplier benefits as a result of supplier spend). This is summarised below.

BT Group supply chain spend in the South West = £700 million

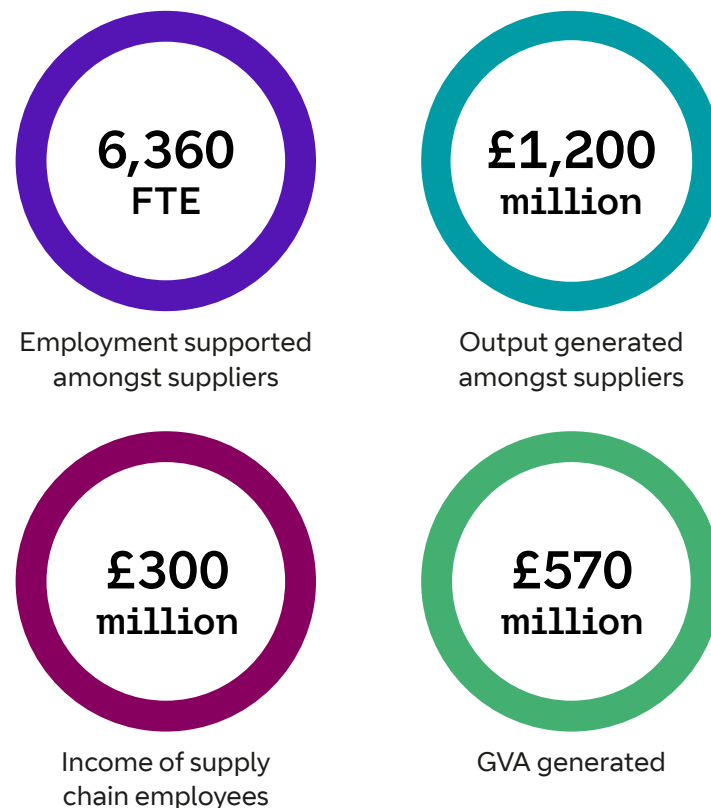


Figure 4-26: Indirect supply chain impact

Source: Hatch

04 South West

Impact of BT Group and supplier employee expenditure (induced)

BT Group employees and contractors living in the South West earned £330 million in 2021/22. In turn, their expenditure supports further employment and output in consumer industries in the nation. Figure 4-27 below illustrates the wider induced employment and output supported through this employee expenditure.

Salaries of BT Group employees and contractors in the South West = £330 million

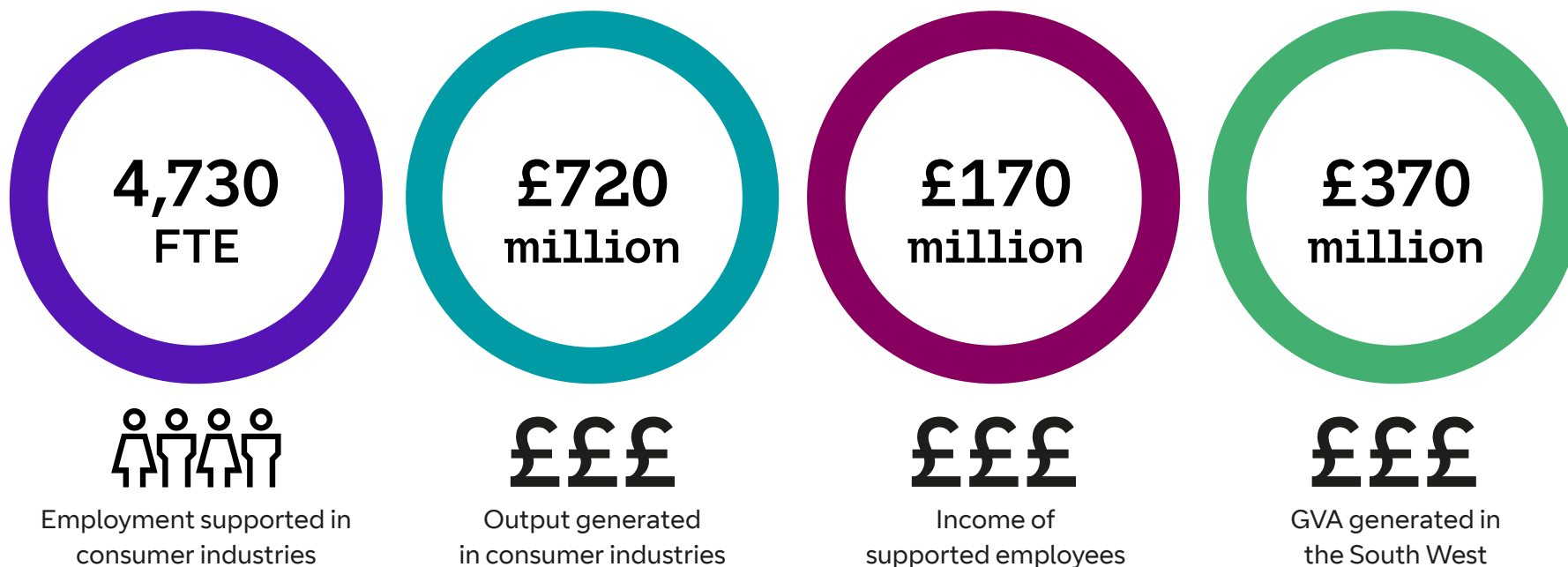


Figure 4-27: Induced (wage expenditure) impacts

Source: Hatch

04 South West

Total impact in the South West

Combining BT Group's direct impact and employment with the indirect supply chain impact and induced wage expenditure impact gives the total impact of the firm's operations in the South West. This is summarised in Figure 4-28 below.

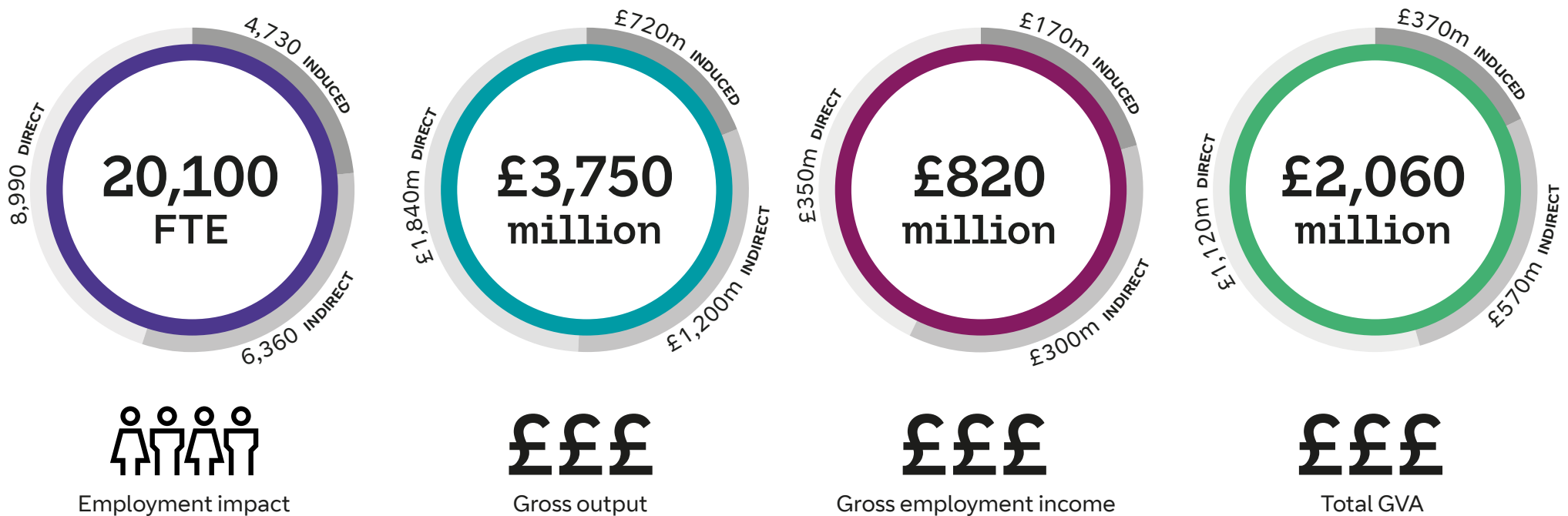


Figure 4-28: Total impact of BT Group

Source: Hatch

Local authority level

The table below illustrates the economic impact BT Group has at a sub-regional level in the South West across local authority areas.

	BT Group employees & contractors		Total impact		
	Work in area	Resident in area	Employment	Output £ million	GVA £ million
Bath and North East Somerset	130	240	370	70	40
Bournemouth, Christchurch and Poole	260	270	510	100	50
Bristol, City of	1,640	1,060	2,380	500	300
Cheltenham	220	120	460	90	50
Cornwall	610	710	820	140	80
Cotswold	50	60	340	60	30
Dorset	210	270	300	50	30
East Devon	60	190	90	20	10
Exeter	880	350	1,180	200	120
Forest of Dean	30	100	70	10	10
Gloucester	170	170	270	50	30
Mendip	70	100	110	20	10
Mid Devon	40	90	50	10	10

Table 4-7: Impacts in the South West

Source: Hatch

04 South West

	BT Group employees & contractors		Total impact		
	Work in area	Resident in area	Employment	Output £ million	GVA £ million
North Devon	110	130	150	30	20
North Somerset	100	390	160	30	20
Plymouth	300	1,020	440	80	40
Sedgemoor	70	110	90	20	10
Somerset West and Taunton	200	250	270	50	30
South Gloucestershire	2,000	1,300	5,000	1,010	560
South Hams	880	110	1,080	140	80
South Somerset	110	130	150	20	10
Stroud	30	140	40	10	<5
Swindon	170	310	4,700	860	420
Teignbridge	60	210	90	20	10
Tewkesbury	30	90	90	20	20
Torbay	90	140	130	20	10
Torrige	40	50	50	10	10
West Devon	60	70	80	20	10
Wiltshire	370	520	650	120	70
Isles of Scilly	<5	<5	<5	0	0

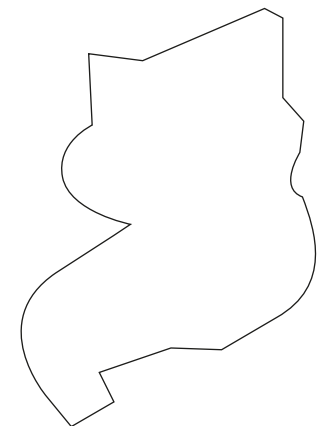
Table 4-7: Impacts in the South West

Source: Hatch



Key points 2021/22

- **8,290 BT Group employees** live in the region (FTE)
- **8,880 BT Group employees** work in the region (FTE)
- **£330 million** total income of BT Group employees working in the region
- **£640 million** spend with suppliers based in the region
- **£1,950 million** total GVA impact (including indirect and induced effects)
- BT Group employed **1 in every 210 employees** working in the private sector, and **1 in every 10 employees** working in the IT and Communications sectors
- **£1 in every £140** of GVA was generated directly by BT Group
- BT Group supported **1 in every 80 employees** working in the private sector and **£1 in every £70** of GVA as a result of the firm's full economic impact



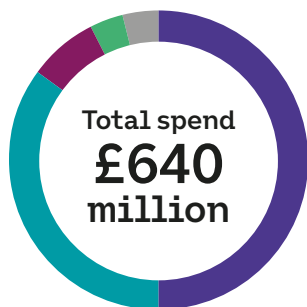
Regional impacts

Direct impact

BT Group directly employs a total of 6,820 people in the West Midlands, with a further 2,060 employed as contractors. These employees earned £330 million in wages and salaries.

Procurement impact

BT Group together spent around £640 million with suppliers based in the West Midlands Region in 2021/2022. The largest item was wholesale/retail/repair of motor vehicles & motorcycles as illustrated in the chart below.



- **£270m** (43%) wholesale/retail/repair of motor vehicles & motorcycles
- **£190m** (30%) repair and maintenance of aircraft & spacecraft
- **£40m** (6%) telecommunications
- **£20m** (4%) employment activities
- **£20m** (2%) land transport services & transport services via pipelines, excluding rail transport
- £100m** supplier spend with other sectors

Figure 4-29: Top five supplier sectors by value of expenditure
Source: BT Group Procurement data

BT Group's spend with suppliers results in significant benefits for the West Midlands economy (including knock-on or multiplier benefits as a result of supplier spend). This is summarised below.

BT Group supply chain spend in the West Midlands = £640 million

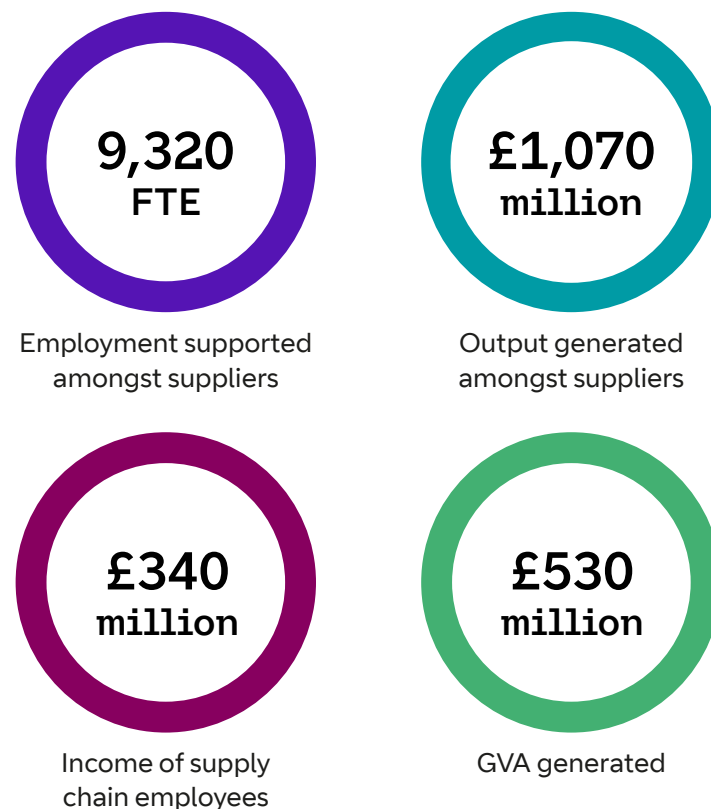


Figure 4-30: Indirect supply chain impact

Source: Hatch

04 West Midlands

Impact of BT Group and supplier employee expenditure (induced)

BT Group employees and contractors living in the West Midlands earned £300 million in 2021/22. In turn, their expenditure supports further employment and output in consumer industries in the nation. Figure 4-31 below illustrates the wider induced employment and output supported through this employee expenditure.

Salaries of BT Group employees and contractors in the West Midlands = £300 million

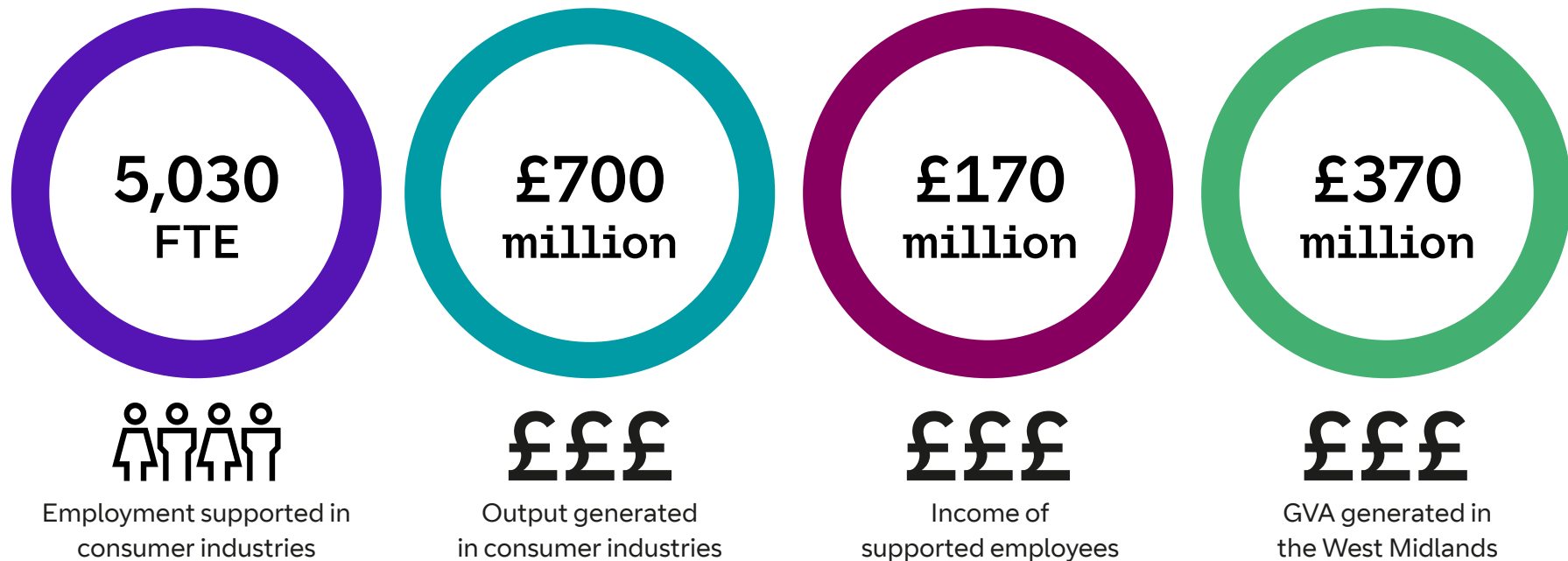


Figure 4-31: Induced (wage expenditure) impacts

Source: Hatch

04 West Midlands

Total impact in the West Midlands

Combining BT Group's direct impact and employment with the indirect supply chain impact and induced wage expenditure impact gives the total impact of the firm's operations in the West Midlands. This is summarised in Figure 4-32 below.

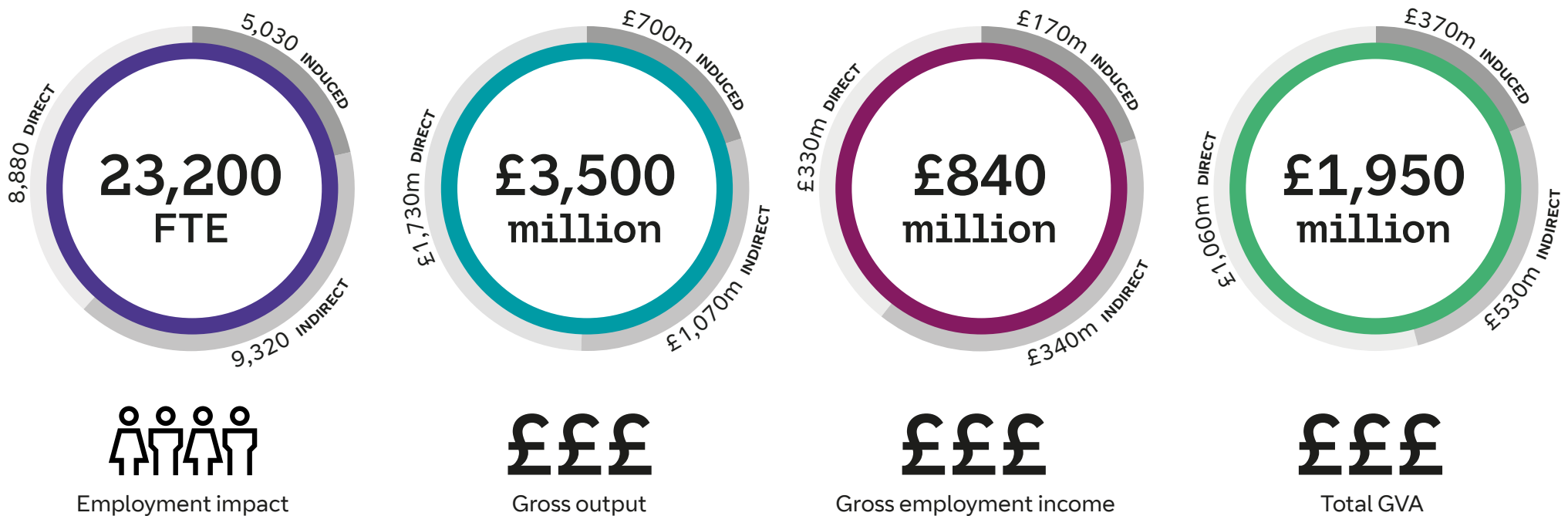


Figure 4-32: Total impact of BT Group

Source: Hatch

Local authority level

The table below illustrates the economic impact BT Group has at a sub-regional level in the West Midlands across local authority areas.

	BT Group employees & contractors		Total impact		
	Work in area	Resident in area	Employment	Output £ million	GVA £ million
Birmingham	4,140	1,560	6,430	1,240	730
Bromsgrove	40	140	70	10	10
Cannock Chase	50	110	80	10	10
Coventry	350	410	550	90	50
Dudley	1,120	1,310	1,500	220	130
East Staffordshire	100	100	140	20	20
Herefordshire, County of	240	270	410	60	40
Lichfield	30	100	90	10	10
Malvern Hills	20	80	30	10	<5
Newcastle-under-Lyme	70	130	120	20	10
North Warwickshire	20	80	30	10	<5
Nuneaton and Bedworth	70	180	110	20	10
Redditch	40	80	70	10	10
Rugby	60	110	190	30	20

Table 4-8: Impacts in the West Midlands

Source: Hatch

04 West Midlands

	BT Group employees & contractors		Total impact		
	Work in area	Resident in area	Employment	Output £ million	GVA £ million
Sandwell	250	590	890	110	60
Shropshire	560	490	790	140	80
Solihull	180	370	5,330	640	320
South Staffordshire	10	120	30	<5	<5
Stafford	130	150	190	30	20
Staffordshire Moorlands	10	80	30	<5	<5
Stoke-on-Trent	350	280	670	100	50
Stratford-on-Avon	40	100	120	20	10
Tamworth	50	90	60	10	10
Telford and Wrekin	90	180	230	30	20
Walsall	390	490	510	80	50
Warwick	90	120	3,780	450	230
Wolverhampton	140	270	240	40	20
Worcester	150	110	210	40	20
Wychavon	50	90	260	40	20
Wyre Forest	70	100	100	20	10

Table 4-8: Impacts in the West Midlands

Source: Hatch

04 West Midlands Cuits... to dun



Recruiting tech talent in Birmingham

BT Group is expanding its bank Digital talent across the UK including a recruitment drive in Birmingham. Ashruti Rajesh, who joined BT Group at its Birmingham Three Snowhill site, talks about her experiences.

She said: “When I finished by degree in English Literature, I honestly would have never imagined myself to end up working in tech.

“I started at BT Group on Valentine’s Day, which was really lovely as the reception at the Birmingham Snowhill office gave us all roses. That’s one of my favourite things about working here, everyone I’ve met has been super warm and welcoming and willing to share their expertise on working within Data and AI.

“Working with data every day can be really fun, particularly if you have an eye for detail and enjoy analysing things. It kind of reminds me of English Literature, through the way you interpret and analyse texts, find meaning in them. It’s similar here, but different in the sense that you’re not just working with words, but numbers and code too.

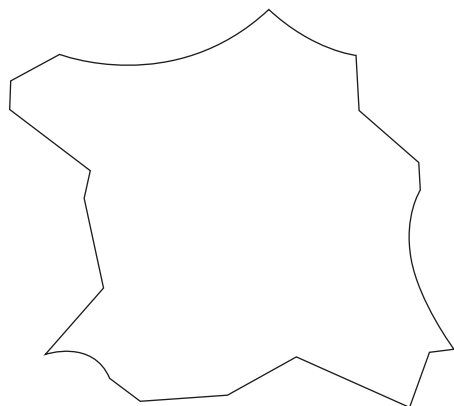
“Going from writing 4000 word essays to writing scripts of code has its difficulties, but I find similarities between the two and enjoy placing an analytical lens over something other than texts. My colleagues are always super helpful and never hold back from sharing their knowledge on how to approach tasks. I’m learning at a pace that’s right for me.

“Before I realised that I wanted to work in technology, I took part in FastFutures, an online programme which gives young people more insight into the professional working world and gave me more exposure to what working in Data would look like. Soon after, I discovered that CodeFirstGirls were offering fully funded bootcamps – or ‘CFGdegrees – to help women upskill in data and coding. I signed up and fortunately got a place sponsored by BT Group. I completed the three-month course and was then offered a role as a Data Analyst.”

04 Yorkshire and the Humber

Key points 2021/22

- **6,780 BT Group employees** live in the region (FTE)
- **6,820 BT Group employees** work in the region (FTE)
- **£230 million** total income of BT Group employees working in the region
- **£250 million** spend with suppliers based in the region
- **£1,190 million** total GVA impact (including indirect and induced effects)
- BT Group employed **1 in every 240 employees** working in the private sector, and **1 in every 10 employees** working in the IT and Communications sectors
- **£1 in every £170** of GVA was generated directly by BT Group
- BT Group supported **1 in every 120 employees** working in the private sector and **£1 in every £110** of GVA as a result of the firm's full economic impact



04 Yorkshire and the Humber

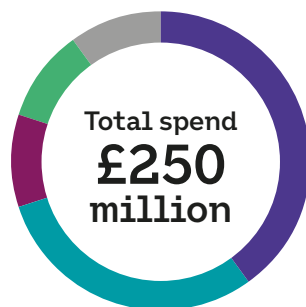
Regional impacts

Direct impact

BT Group directly employs a total of 5,840 people in Yorkshire and the Humber, with a further 980 employed as contractors. These employees earned £230 million in wages and salaries.

Procurement impact

BT Group together spent around £250 million with suppliers based in Yorkshire and the Humber in 2021/2022. The largest item was the manufacture of computer, electronics & optical products sector, as illustrated in the chart below.



- **£80m** (33%) manufacture of computer, electronics & optical products
- **£60m** (22%) telecommunications
- **£20m** (9%) construction
- **£20m** (6%) office administrative, office support & other business support activities
- **£20m** (6%) postal & courier activities
- **£50m** supplier spend with other sectors

Figure 4-33: Top five supplier sectors by value of expenditure
Source: BT Group Procurement data

BT Group's spend with suppliers results in significant benefits for the Yorkshire and the Humber economy (including knock-on or multiplier benefits as a result of supplier spend). This is summarised below.

BT Group supply chain spend in Yorkshire and the Humber = £250 million

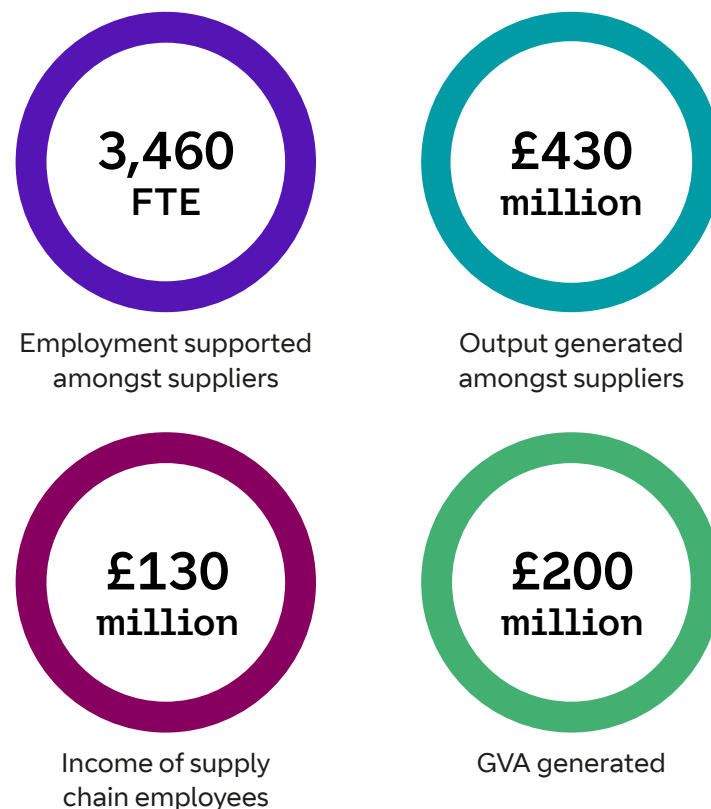


Figure 4-34: Indirect supply chain impact

Source: Hatch

04 Yorkshire and the Humber

Impact of BT Group and supplier employee expenditure (induced)

BT Group employees and contractors living in Yorkshire and the Humber earned £230 million in 2021/22. In turn, their expenditure supports further employment and output in consumer industries in the nation. Figure 4-35 below illustrates the wider induced employment and output supported through this employee expenditure.

Salaries of BT Group employees and contractors in Yorkshire and the Humber = £230 million

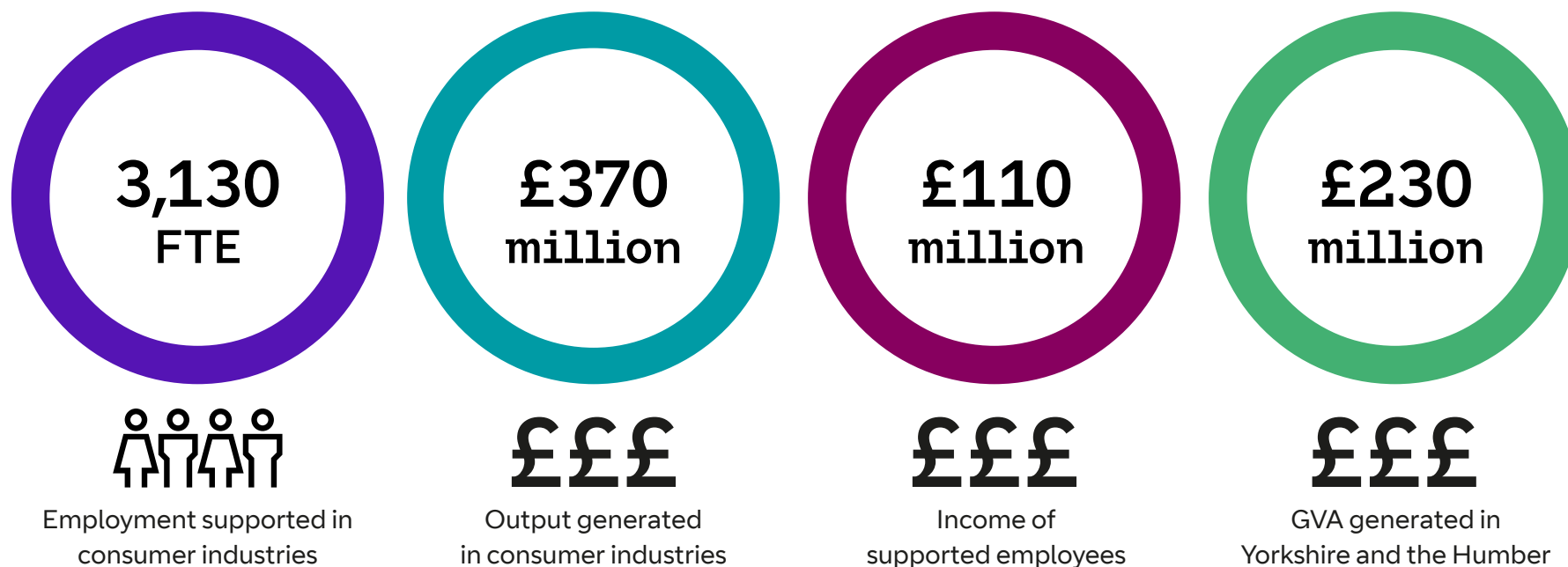


Figure 4-35: Induced (wage expenditure) impacts

Source: Hatch

04 Yorkshire and the Humber

Total impact in Yorkshire and the Humber

Combining BT Group's direct impact and employment with the indirect supply chain impact and induced wage expenditure impact gives the total impact of the firm's operations in Yorkshire and the Humber. This is summarised in Figure 4-36 below.

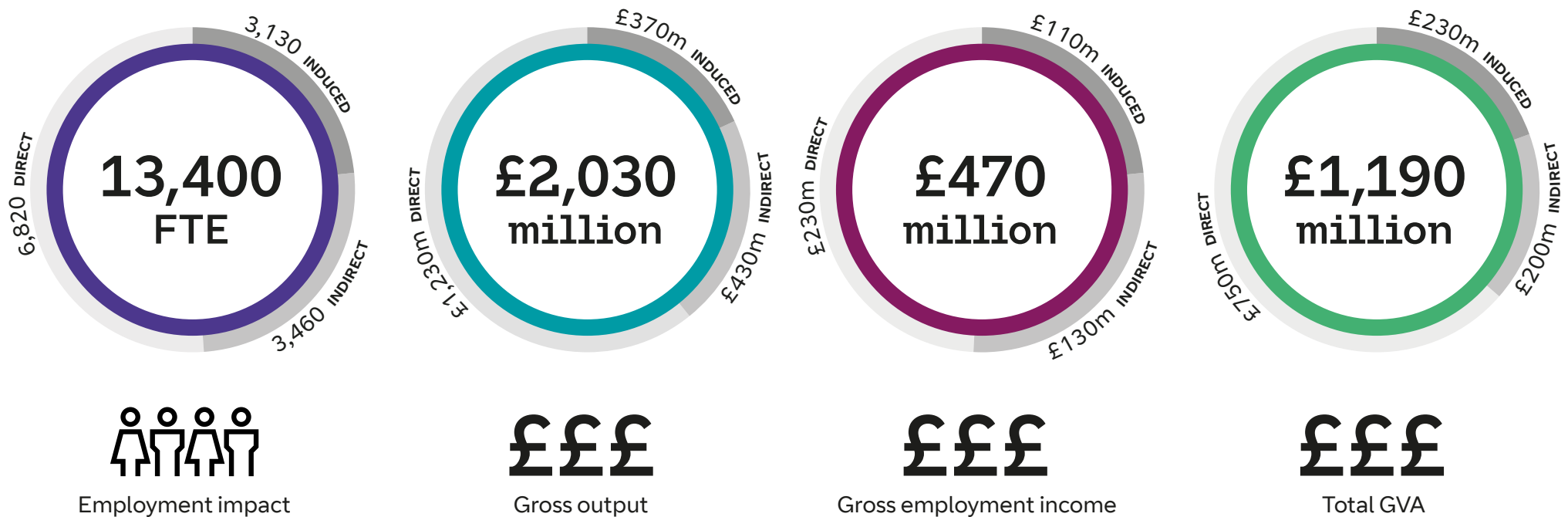


Figure 4-36: Total impact of BT Group

Source: Hatch

04 Yorkshire and the Humber

Local authority level

The table below illustrates the economic impact BT Group has at a sub-regional level in Yorkshire and the Humber across local authority areas.

	BT Group employees & contractors		Total impact		
	Work in area	Resident in area	Employment	Output £ million	GVA £ million
Barnsley	260	450	340	50	30
Bradford	240	430	610	90	50
Calderdale	60	100	110	20	10
Craven	10	30	30	<5	<5
Doncaster	650	760	840	120	70
East Riding of Yorkshire	80	170	140	20	10
Hambleton	50	90	360	40	30
Harrogate	60	90	150	20	10
Kingston upon Hull, City of	260	290	880	110	60
Kirklees	150	310	230	40	20

Table 4-9: Impacts in Yorkshire and the Humber

Source: Hatch

04 Yorkshire and the Humber

	BT Group employees & contractors		Total impact		
	Work in area	Resident in area	Employment	Output £ million	GVA £ million
Leeds	2,220	1,280	3,770	640	380
North East Lincolnshire	120	90	160	30	20
North Lincolnshire	40	100	60	10	10
Richmondshire	30	80	40	10	<5
Rotherham	130	410	220	30	20
Ryedale	20	30	20	10	<5
Scarborough	70	70	90	20	10
Selby	30	110	40	10	<5
Sheffield	1,940	1,320	3,220	500	290
Wakefield	150	330	300	50	30
York	290	250	1,810	230	130

Table 4-9: Impacts in Yorkshire and the Humber

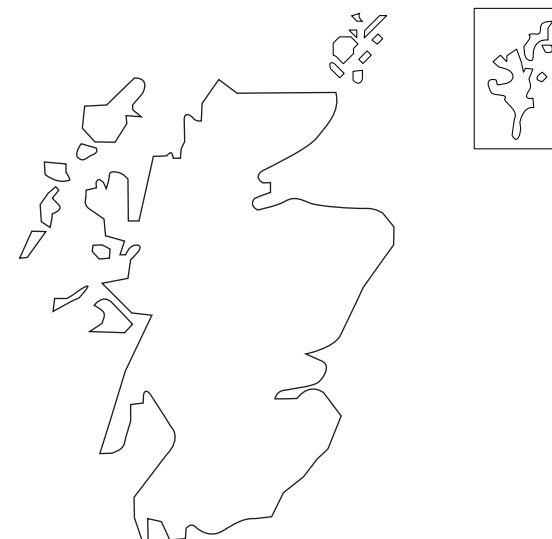
Source: Hatch

04 Scotland



Key points 2021/22

- **9,540 BT Group employees** live in the nation (FTE)
- **9,470 BT Group employees** work in the nation (FTE)
- **£310 million** total income of BT Group employees working in the nation
- **£190 million** spend with suppliers based in the nation
- **£1,450 million** total GVA impact (including indirect and induced effects)
- BT Group employed **1 in every 170 employees** working in the private sector, and **1 in every 8 employees** working in the IT and Communications sectors
- **£1 in every £150** of GVA was generated directly by BT Group
- BT Group supported **1 in every 110 employees** working in the private sector and **£1 in every £100** of GVA as a result of the firm's full economic impact



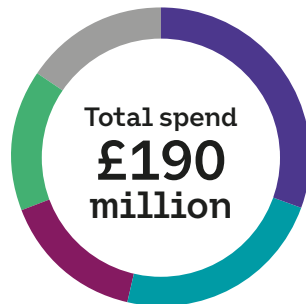
National impacts

Direct impact

BT Group directly employs a total of 7,570 people in Scotland, with a further 1,900 employed as contractors. These employees earned £310 million in wages and salaries.

Procurement impact

BT Group together spent around £190 million with suppliers based in Scotland in 2021/2022. The largest item was telecommunications, as illustrated in the chart below.



- **£40m** (22%) telecommunications
 - **£30m** (14%) electric power generation, transmission & distribution
 - **£20m** (13%) rail transport
 - **£20m** (11%) manufacture of paints, varnishes and similar coatings, printing ink & mastics
 - **£20m** (8%) information service activities
- £60m** supplier spend with other sectors

Figure 4-37: Top five supplier sectors by value of expenditure
Source: BT Group Procurement data

BT Group's spend with suppliers results in significant benefits for the Scotland economy (including knock-on or multiplier benefits as a result of supplier spend). This is summarised below.

BT Group supply chain spend in Scotland = £190 million

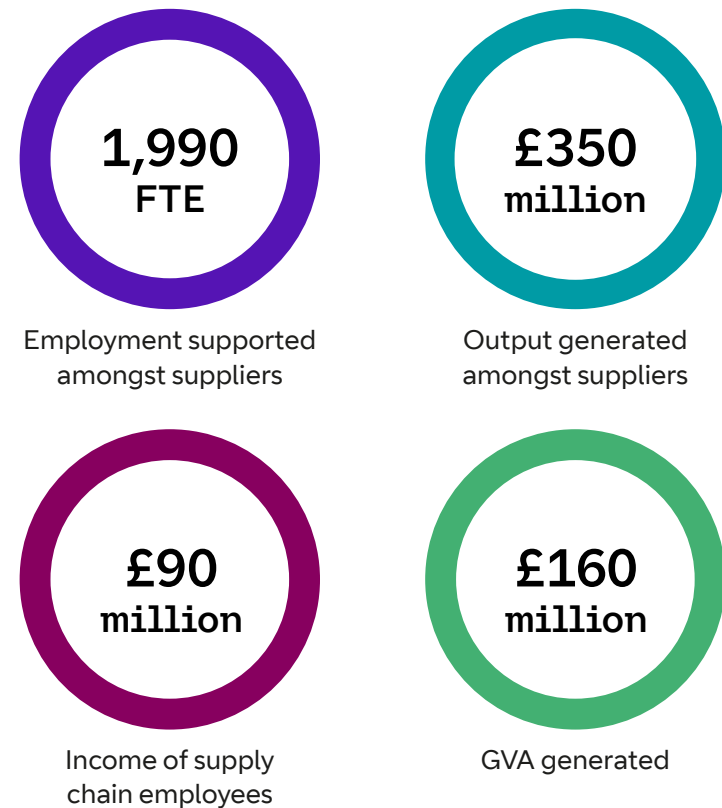


Figure 4-38: Indirect supply chain impact

Source: Hatch

04 Scotland

Impact of BT Group and supplier employee expenditure (induced)

BT Group employees and contractors living in Scotland earned £310 million in 2021/22. In turn, their expenditure supports further employment and output in consumer industries in the nation. Figure 4-39 below illustrates the wider induced employment and output supported through this employee expenditure.

Salaries of BT Group employees and contractors in Scotland = £310 million

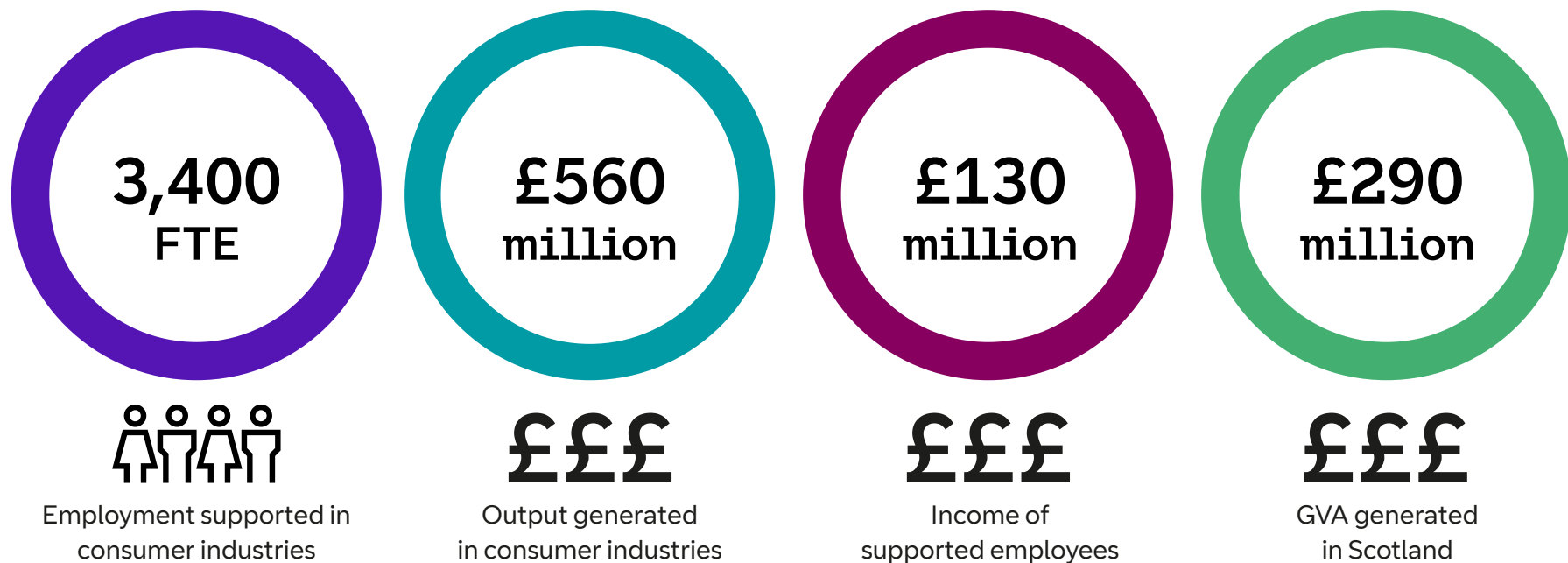


Figure 4-39: Induced (wage expenditure) impacts

Source: Hatch

04 Scotland

Total impact in Scotland

Combining BT Group's direct impact and employment with the indirect supply chain impact and induced wage expenditure impact gives the total impact of the firm's operations in Scotland. This is summarised in Figure 4-40 below.

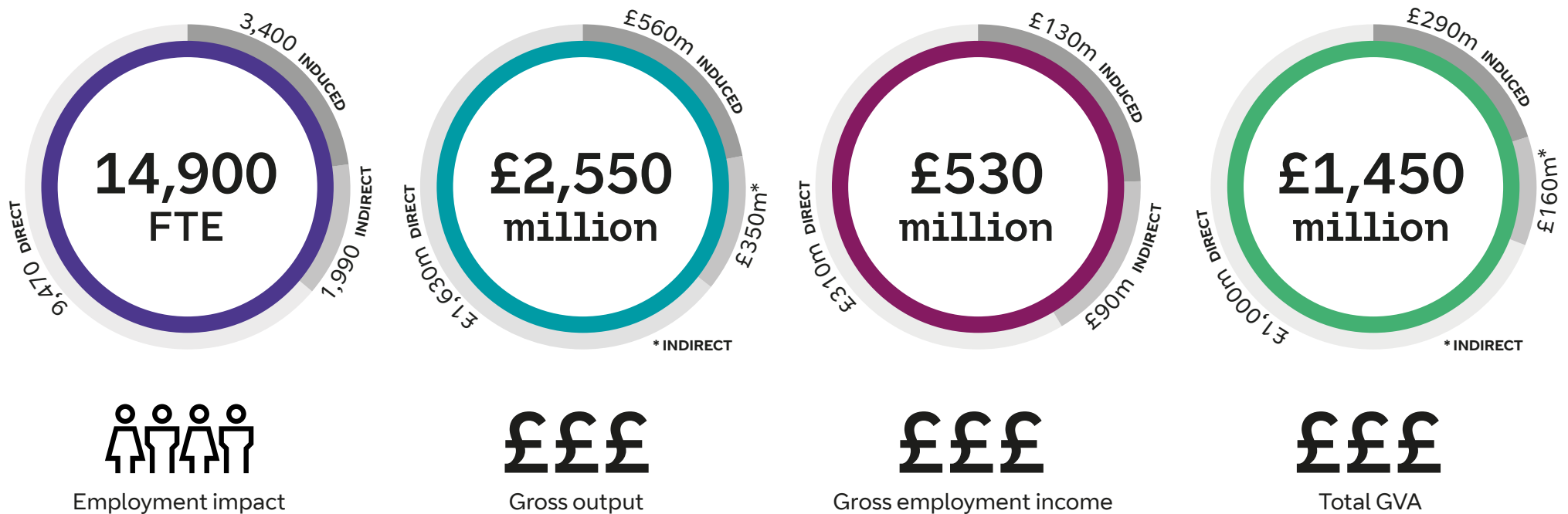


Figure 4-40: Total impact of BT Group

Source: Hatch

Sub-national impacts

Key statistics for local authorities within Scotland are presented in the table below.

	BT Group employees & contractors		Total impact		
	Work in area	Resident in area	Employment	Output £ million	GVA £ million
Aberdeen City	130	150	170	30	20
Aberdeenshire	210	200	280	50	30
Angus	30	260	40	10	<5
Argyll and Bute	80	110	120	20	10
City of Edinburgh	760	430	1,450	270	150
Clackmannanshire	10	40	20	<5	<5
Dumfries and Galloway	160	160	220	40	20
Dundee City	1,270	940	1,620	250	150
East Ayrshire	70	110	90	20	10
East Dunbartonshire	30	160	40	10	10
East Lothian	40	100	60	10	10
East Renfrewshire	10	160	10	<5	<5
Falkirk	1,460	1,550	2,050	310	180
Fife	240	370	560	100	50

Table 4-10: Impacts in Scotland

Source: Hatch

04 Scotland

	BT Group employees & contractors		Total impact		
	Work in area	Resident in area	Employment	Output £ million	GVA £ million
Glasgow City	2,340	1,030	3,330	610	360
Highland	600	600	800	140	80
Inverclyde	550	520	680	90	60
Midlothian	30	90	40	10	<5
Moray	70	90	100	20	10
Na h-Eileanan Siar	30	30	40	10	<5
North Ayrshire	40	160	60	10	10
North Lanarkshire	190	460	270	50	30
Orkney Islands	20	20	30	10	<5
Perth and Kinross	110	150	140	30	20

Table 4-10: Impacts in Scotland

Source: Hatch

04 Scotland

	BT Group employees & contractors		Total impact		
	Work in area	Resident in area	Employment	Output £ million	GVA £ million
Renfrewshire	110	310	610	110	50
Scottish Borders	100	120	400	70	40
Shetland Islands	20	20	20	<5	<5
South Ayrshire	130	130	180	30	30
South Lanarkshire	300	590	770	130	70
Stirling	110	100	150	30	20
West Dunbartonshire	100	190	130	20	10
West Lothian	130	210	380	70	70

Table 4-10: Impacts in Scotland

Source: Hatch

04 Scotland



Supporting Scotland's green growth agenda

Senior manager, Lisa Robertson has worked for BT Group for 28 years and was involved in the recent multi-million-pound Scottish Power contract win for the business, which is helping to support Scotland's green growth agenda.

Lisa explained: "Recently, I worked closely with the team to win a significant contract with Scottish Power that will allow us to deliver a strategic partnership with them to connect Scotland's renewable growth. Essentially, as the leading provider of critical national services at BT Group, we'll be using our expertise to provide a wide range of connectivity solutions to ScottishPower, by helping them to securely connect to hard to reach rural green energy sites.

"Helping to power Scotland's green growth is essential for the future and I'm proud to be helping in a small way to make this happen. We'll be future-proofing their IT network, which will help them to increase their capacity to provide clean, green energy to help facilitate the UK's progress to get to net zero.

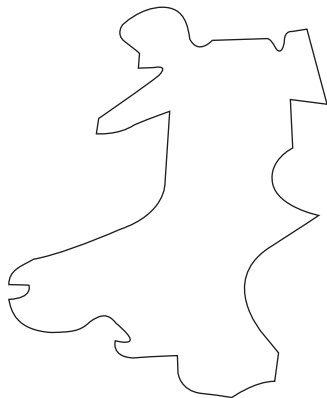
Lisa, who works in BT Group's newly refurbished Glasgow office, continued: "In fact, BT Group buys 100% of its energy from renewable resources including Scottish wind farms. It also plans to accelerate responsible, inclusive and sustainable growth over the next decade as part of its Manifesto to achieve net zero carbon emissions from its operations by 2030.

"We are all trying to do our best whether at work or at home to help to make a difference to the environment and help to save our planet so I'm really proud to be a part of delivering such an important contract for Scotland."

04 Wales

Key points 2021/22

- **5,380 BT Group employees** live in the nation (FTE)
- **4,830 BT Group employees** work in the nation (FTE)
- **£150 million** total income of BT Group employees working in the nation
- **£110 million** spend with suppliers based in the nation
- **£740 million** total GVA impact (including indirect and induced effects)
- BT Group employed **1 in every 160 employees** working in the private sector, and **1 in every 8 employees** working in the IT and Communications sectors
- **£1 in every £140** of GVA was generated directly by BT Group
- BT Group supported **1 in every 90 employees** working in the private sector and **£1 in every £90** of GVA as a result of the firm's full economic impact



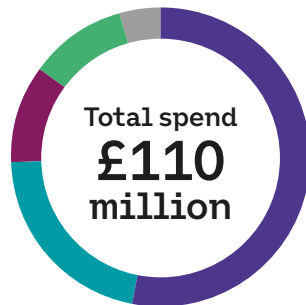
National impacts

Direct impact

BT Group directly employs a total of 4,640 people in Wales, with a further 190 employed as contractors. These employees earned £150 million in wages and salaries.

Procurement impact

BT Group together spent around £110 million with suppliers based in Wales in 2021/2022. The largest item came under other professional, scientific and technical activities, as illustrated in the chart below.



- **£50m** (46%) other professional, scientific and technical activities
- **£20m** (15%) computer programming, consultancy & related activities
- **£10m** (13%) telecommunications
- **£10m** (10%) accounting, bookkeeping & auditing activities; tax consultancy
- **£4m** (4%) construction
- **£16m** supplier spend with other sectors

Figure 4-41: Top five supplier sectors by value of expenditure
Source: BT Group Procurement data

BT Group's spend with suppliers results in significant benefits for the Wales economy (including knock-on or multiplier benefits as a result of supplier spend). This is summarised below.

BT Group supply chain spend in Wales = £110 million

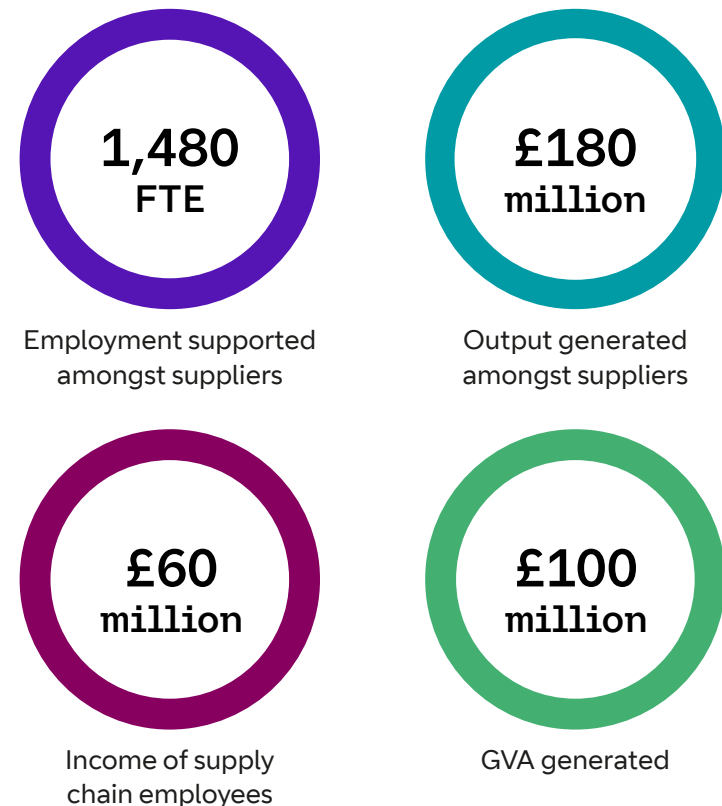


Figure 4-42: Indirect supply chain impact

Source: Hatch

Impact of BT Group and supplier employee expenditure (induced)

BT Group employees and contractors living in Wales earned £180 million in 2021/22. In turn, their expenditure supports further employment and output in consumer industries in the nation. Figure 4-43 below illustrates the wider induced employment and output supported through this employee expenditure.

Salaries of BT Group employees and contractors in Wales = £180 million

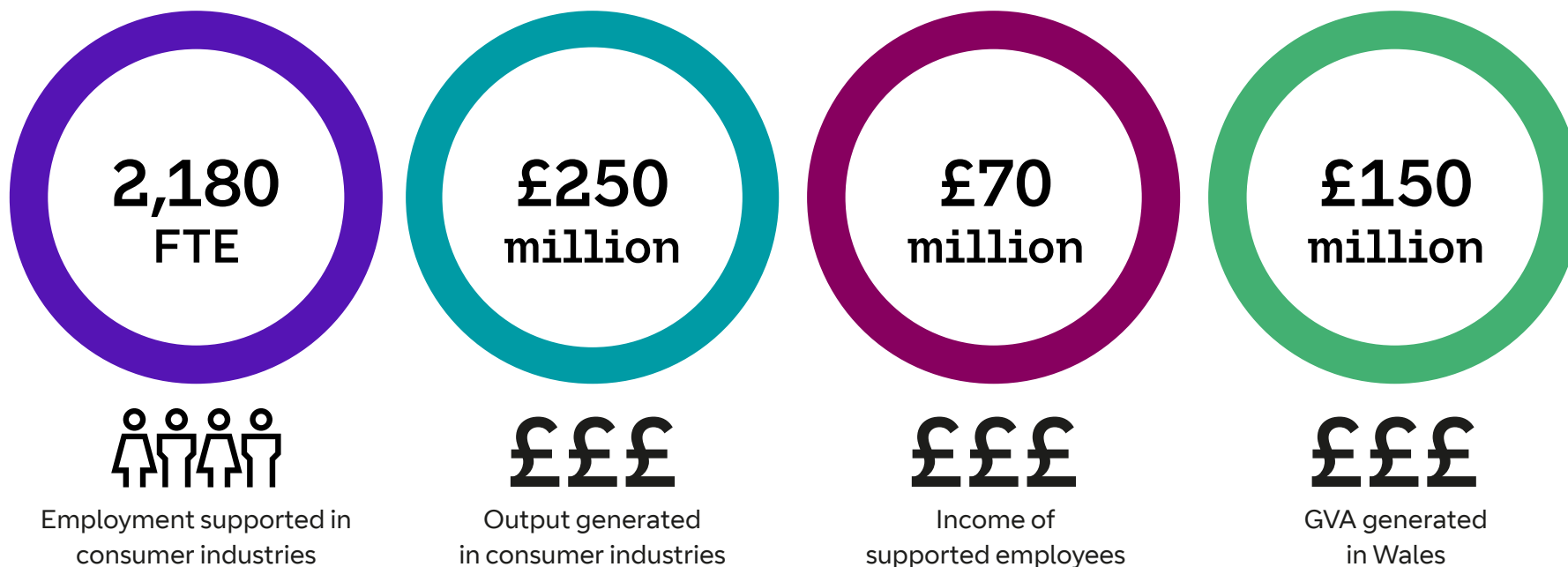


Figure 4-43: Induced (wage expenditure) impacts

Source: Hatch

Total impact in Wales

Combining BT Group's direct impact and employment with the indirect supply chain impact and induced wage expenditure impact gives the total impact of the firm's operations in Wales. This is summarised in Figure 4-44 below.

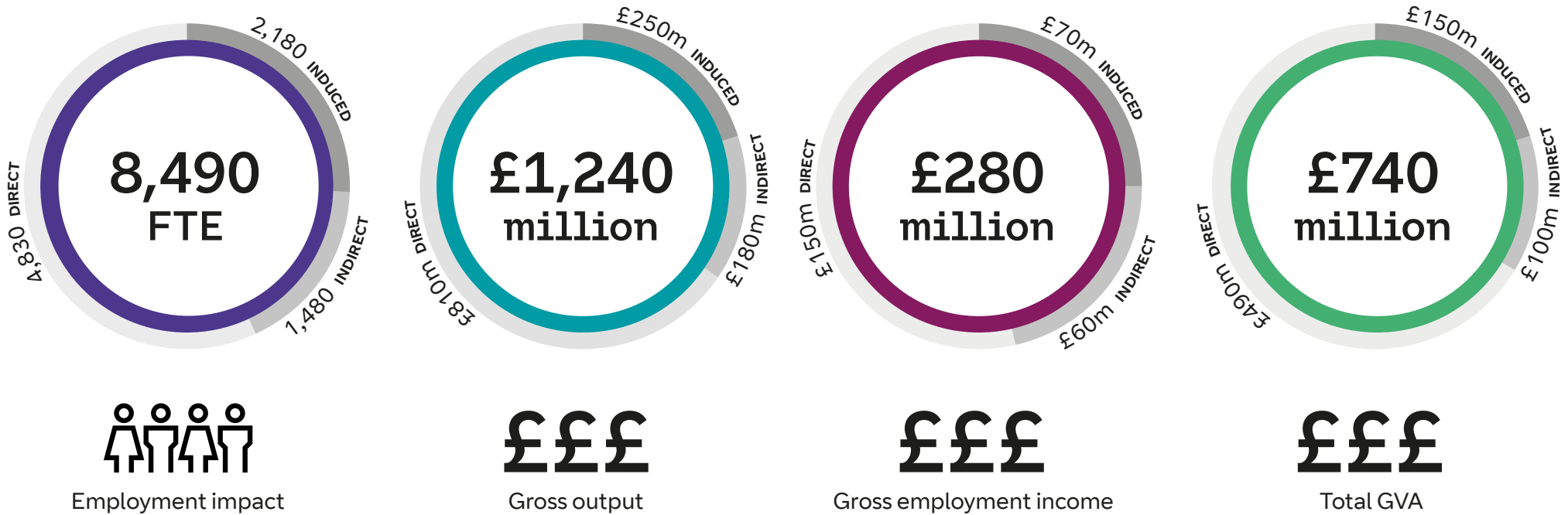


Figure 4-44: Total impact of BT Group

Source: Hatch

Sub-national impacts

Key statistics for local authorities within Wales are presented in the table below.

	BT Group employees & contractors		Total impact		
	Work in area	Resident in area	Employment	Output £ million	GVA £ million
Blaenau Gwent	10	170	20	<5	<5
Bridgend	100	190	300	40	20
Caerphilly	40	400	60	10	10
Cardiff	1,470	710	2,450	400	240
Carmarthenshire	160	260	230	40	20
Ceredigion	60	70	80	10	10
Conwy	100	120	150	30	20
Denbighshire	70	90	100	20	10
Flintshire	70	110	930	110	60
Gwynedd	330	260	460	70	40

Table 4-11: Impacts in Wales

Source: Hatch

	BT Group employees & contractors		Total impact		
	Work in area	Resident in area	Employment	Output £ million	GVA £ million
Isle of Anglesey	30	110	40	10	<5
Merthyr Tydfil	950	510	1,230	150	90
Monmouthshire	70	100	200	30	20
Neath Port Talbot	20	190	30	10	<5
Newport	140	200	280	40	30
Pembrokeshire	80	110	120	20	10
Powys	160	210	220	40	20
Rhondda Cynon Taf	40	530	140	20	10
Swansea	730	540	1,020	150	90
Torfaen	40	110	100	20	10
Vale of Glamorgan	20	200	50	10	10
Wrexham	140	210	280	40	20

Table 4-11: Impacts in Wales

Source: Hatch

Rural 5G opening up new possibilities for Welsh students



Immersive classroom

BT Group has been the official mobile network partner for the innovative 5G Wales Unlocked project.

The project has been looking at the potential future benefits of new 5G technology in rural and semi-rural areas of Wales. The aim has been to look at the potential of this new technology to boost rural communities, from powering tech innovations in agriculture and security, to improving rural transport and education and bolstering the tourism industry.

As part of several trials, one has looked at how 5G technology could help support education in more rural areas. Using a new immersive 360-degree facility in Ebbw Vale, a demonstration has used the high-speed connectivity to project inspiring and educational video content onto all four walls.

BT's Gareth Callen, who is Cardiff-based and worked with partners on the project, believes it's a good example of how using new, connected technology can help boost rural and semi-rural areas.

"It's been great working with a range of partners on this 5G immersive space in Ebbw Vale," he says.

"It's a brilliant example of how using 5G and new technologies can help deliver rich, high quality content to inspire school pupils about the world, wherever they're located."

Local schools have been trialling the facility and the innovative teaching methods, like projecting lesson content onto all four classroom walls to teach students beyond the traditional methods.

Lessons can be delivered across a variety of curriculum-related themes, helping to inspire children and young people on a journey of the senses as they get to experience what life is like at the bottom of the ocean or explore the surface of a planet.

Immersive classrooms are facilitating the development of crucial skills – critical thinking, problem solving, and collaboration are just a few. And students with learning difficulties and those who struggle to engage in classroom activities are actively more involved in this environment.

Live link-ups can also be used to connect classrooms across the country, meaning pupils can work collaboratively with other learners, and educators can enhance their own lessons in partnership with other schools.

Gareth believes the technology also offers real potential for other sectors and industries, not only education.

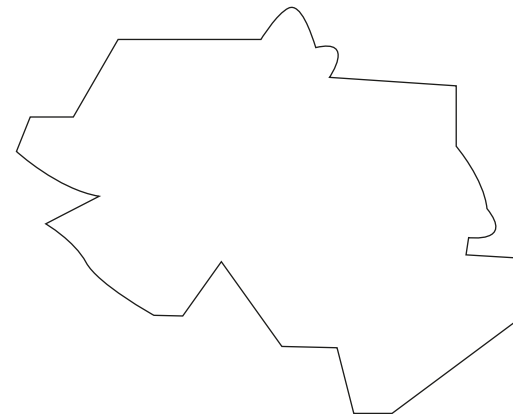
"We're also exploring the potential of this immersive space to help people working in other fields including skills training, emergency services and healthcare. It has real potential to help boost rural and semi-rural communities across the country."

Northern Ireland



Key points 2021/22

- **3,720 BT Group employees** live in the nation (FTE)
- **3,700 BT Group employees** work in the nation (FTE)
- **£130 million** total income of BT Group employees working in the nation
- **£140 million** spend with suppliers based in the nation
- **£690 million** total GVA impact (including indirect and induced effects)
- BT Group employed **1 in every 130 employees** working in the private sector, and **1 in every 6 employees** working in the IT and Communications sectors
- **£1 in every £110** of GVA was generated directly by BT Group
- BT Group supported **1 in every 60 employees** working in the private sector and **£1 in every £70** of GVA as a result of the firm's full economic impact



04 Northern Ireland

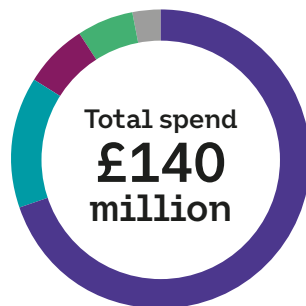
National impacts

Direct impact

BT Group directly employs a total of 3,230 people in Northern Ireland, with a further 470 employed as contractors. These employees earned £130 million in wages and salaries.

Procurement impact

BT Group together spent around £140 million with suppliers based in Northern Ireland in 2021/2022. The largest item was construction, as illustrated in the chart below.



- **£100m** (72%) construction
- **£20m** (14%) telecommunications
- **£10m** (5%) buying and selling, renting & operating of own or leased real estate, excluding imputed rent
- **£10m** (3%) other mining & quarrying
- **<£5m** (1%) computer programming, consultancy & related activities
- **<£5m** supplier spend with other sectors

Figure 4-45: Top five supplier sectors by value of expenditure
Source: BT Group Procurement data

BT Group's spend with suppliers results in significant benefits for the Northern Ireland economy (including knock-on or multiplier benefits as a result of supplier spend). This is summarised below.

BT Group supply chain spend in Northern Ireland = £140 million

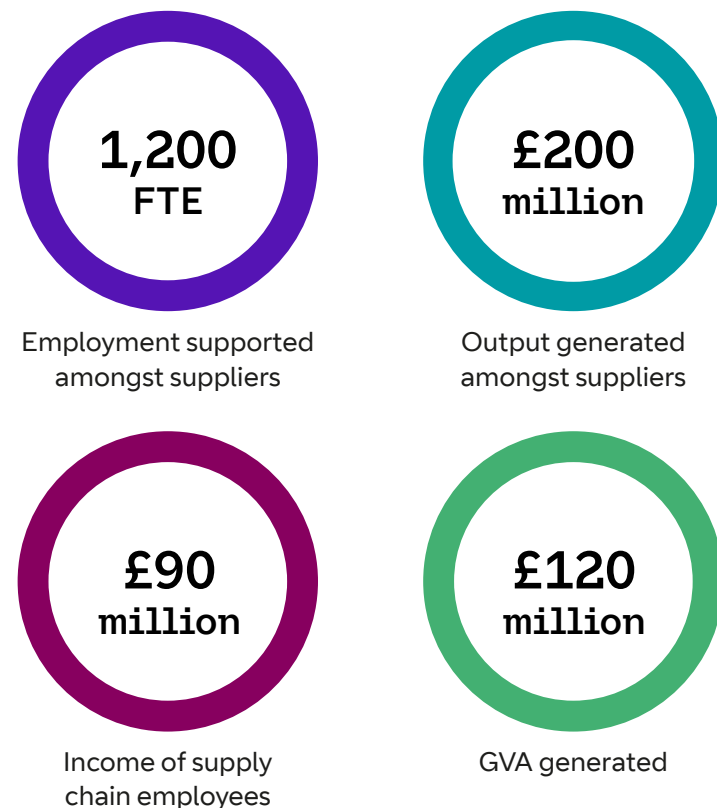


Figure 4-46: Indirect supply chain impact

Source: Hatch

04 Northern Ireland

Impact of BT Group and supplier employee expenditure (induced)

BT Group employees and contractors living in Northern Ireland earned £130 million in 2021/22. In turn, their expenditure supports further employment and output in consumer industries in the nation. Figure 4-47 below illustrates the wider induced employment and output supported through this employee expenditure.

Salaries of BT Group employees and contractors in Northern Ireland = £130 million

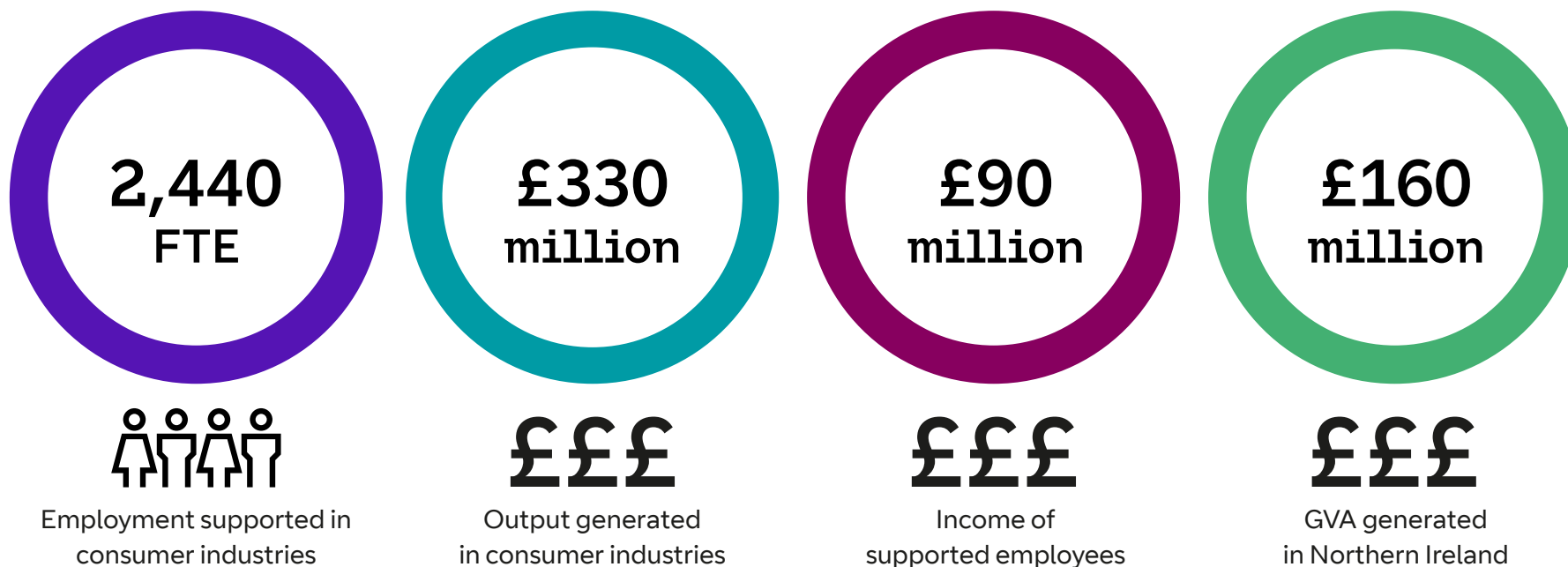


Figure 4-47: Induced (wage expenditure) impacts

Source: Hatch

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Total impact in Northern Ireland

Combining BT Group's direct impact and employment with the indirect supply chain impact and induced wage expenditure impact gives the total impact of the firm's operations in Northern Ireland. This is summarised in Figure 4-48 below.

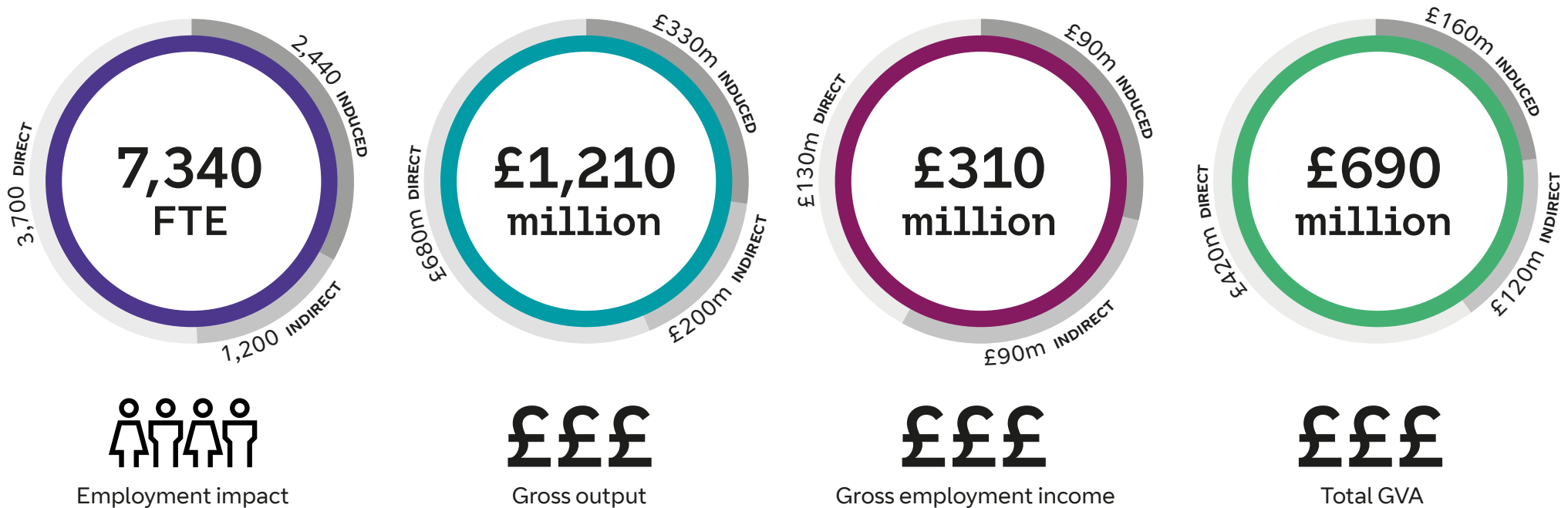


Figure 4-48: Total impact of BT Group

Source: Hatch

04 Northern Ireland

Sub-national impacts

Key statistics for local authorities within Northern Ireland are presented in the table below.

	BT Group employees & contractors		Total impact		
	Work in area	Resident in area	Employment	Output £ million	GVA £ million
Belfast	2,170	1,070	3,600	630	360
Antrim and Newtownabbey	200	310	310	50	30
Ards and North Down	60	250	100	20	10
Armagh City, Banbridge and Craigavon	210	340	340	50	30
Causeway Coast and Glens	50	130	90	10	10
Derry City and Strabane	340	360	470	70	40
Fermanagh and Omagh	380	380	540	80	50
Lisburn and Castlereagh	80	320	400	60	40
Mid and East Antrim	110	250	160	20	10
Mid Ulster	50	140	1,230	190	110
Newry, Mourne and Down	70	170	110	20	10

Table 4-12: Impacts in Northern Ireland

Source: Hatch

04 Northern Ireland

Belfast – A critical component of BT’s global cyber security network



Valerie Wilson
Senior Manager, BT



Valerie Wilson, senior manager at BT has worked for the business for 21 years and is proud to have been involved in the recent launch of the Cyber Security Operations Centre at Belfast’s Riverside Tower. This launch adds to BT Group’s international network of SOC’s across the globe.

Valerie said: “We opened the first cyber security operations centre, which is based in Belfast in October this year, and I’m proud to say that it’s the first of its kind here in Northern Ireland. With the scale and complexity of cyber attacks constantly increasing, it’s important that businesses here have the right protections in place and BT’s 40-seater SOC offers this expertise to both public and private sector companies here.”

Valerie continued: “It’s been an exciting time for the business. The team I work with offers 24/7 management 365 days a year for ICT assets across the Northern Ireland civil service and at BT we really feel like we’re making an important difference to fighting cybercrime.

“As an increasing number of public services are being delivered online, we’re offering the highest levels of security classification to fight these sophisticated cyber-attacks and I work with an amazing group of talented colleagues in the SOC to make sure that our customers IT systems are protected.

Valerie added: “It’s also great doing this in our refurbished Riverside Tower, BT Group’s flagship Northern Ireland building. It’s recently undergone a multi-million-pound refurbishment, so not only do I get to do an exciting job that makes such an important difference to our customers, but I get to do it in a great environment. I’m really looking forward to seeing the SOC grow here as we recruit more talent to work with us over the coming year.”



Technical appendices

Methodology used



03

04 Technical appendices

Here we set out the methodology used to estimate the economic impact of BT Group and the data sources that have been drawn upon.

Definitions

There are three sources of economic impact that a company like BT Group generates.

Direct impacts

These are the impacts arising as a direct consequence of the company's activities, in the form of output and wealth creation, employment within the firm and associated employment income.

Indirect impacts

Also known as the supply chain impact, this contribution arises from BT Group's purchasing of goods and services from suppliers in the UK, who in turn make further purchases from their suppliers, and so on. This chain of procurement spending resulting from BT Group's initial expenditure injection creates further wealth, and supports jobs and income.

Induced impacts

Further economic activity and employment is created as BT Group employees and those whose jobs are supported through supply chain effects spend their wages and salaries on goods and services.

The economic effects from this consumer spending are known as the induced effect.

Throughout the report these impacts are measured using four key indicators:

Output

This refers to the turnover/sales revenue that is generated directly within BT Group or within other firms in the economy through indirect and induced effects.

Gross value added (GVA)

This is the key measure of wealth creation within an economy and is used by the government to monitor economic performance. It refers to the residual value created by firms once non-labour costs have been paid, which is then distributed to owners/shareholders in the form of profits and to employees via wages and salaries. It is measured in two ways:

- $GVA = \text{turnover} - \text{bought in goods and services}$ (known as the production approach)
- $GVA = \text{operating profit} + \text{depreciation and amortisation} + \text{taxes less subsidies on production} + \text{compensation of employees (i.e. wages plus social security contributions)}$ (known as the income approach)

Employment

This is the quantity of jobs supported by BT Group's activities. Since these jobs are a mix of full time and part time positions, throughout the report we refer to Full Time Equivalent (FTE) posts, in order to express all jobs in a common currency.

Employment income

These are the gross wages and salaries paid to employees whose jobs are supported by BT Group, including NI and pension contributions, and PAYE taxes.

04 Technical appendices

Methodology and data sources

The methodology used to estimate BT Group's economic impacts for 2021/22 has been designed to be consistent with previous reports. Further information is provided below.

Direct impacts

The two data sources used to estimate this are BT Group's financial accounts for 2021/22 and BT Group's HR database.

Output has been taken directly from the accounts, as revenue from external customers in the UK. This removes both internal revenue resulting from internal transfers between BT Group companies and sales made outside the UK.

GVA has been calculated using the income approach, as the sum of gross operating profits before tax, interest, depreciation and amortisation, and compensation of employees. We have estimated UK gross operating profit using global EBITDA* from the accounts, and estimated the UK portion by factoring down by the UK share of total revenues. Compensation of employees has been estimated using data on gross wages and salaries (sourced from BT Group), plus social security costs (sourced from BT Group).

* Earnings before interest, tax, depreciation and amortisation

Employment numbers have been sourced from a snapshot of information provided by BT Group, with data on the number of people employed directly by BT Group and the number of contractors employed through agencies, along with their contracted hours. These have then been converted to FTEs based on one full time job being equivalent to a 37.5 hour per week contract. The data indicates both the place of residence and place of work of each employee. For direct employment we have used workplace based figures. The employment numbers are consistent with those in the 2021/22 annual accounts.

The BT Group data provided the home and workplace postcode for each employee. These were used to allocate employees to regions and local authorities for the residence and workplace based analysis. Home postcodes were not available for agency staff and contractors. The assumption was made that these members of staff were resident in the same Local Authority and Region as their workplace.

Information on contractor staff was supplied by BT Group.

Employment income has been estimated using data from BT Group, using gross wages and salaries of employees and contractors by place of work, again adjusted to be consistent with the averages wages and salaries bill quoted in the accounts in the same way as for employment numbers.

04 Technical appendices

Indirect impacts

The data source used to estimate indirect impacts has been provided by BT Group by location and by sector. Each supplier to BT Group was allocated to a region and local authority based on the invoicing address. Suppliers were then allocated to sectors using the following process:

- All suppliers were matched to the Companies House Database.

This provides the sector for each supplier at the 2 digit Standard Industrial Classification (SIC) code.

As expenditure on contract and agency staff is encompassed by the employment element of the direct impact assessment, all identifiable procurement expenditure with employment agencies has been removed from the supplier spend analysis, in order to avoid double counting.

Impacts have been estimated using Hatch Urban Solutions' input-output tables for the UK and the regions.

Induced impacts

Data on wages and salaries of BT Group employees and contractors by place of residence has been used to calculate induced impacts, along with the employment income of indirect employees estimated above.

The regional and local dimension

Estimating regional and local impacts

The results are presented for the former Government Office Regions as well as Local Enterprise Partnership (LEPs). Wherever possible this has been informed by actual data for these areas, but where this data is not available, we have apportioned results to local areas using suitable apportionment factors, drawn from other BT Group data. This should therefore be borne in mind when interpreting results at these geographical levels.

The HQ effect

National procurement contracts are often allocated to a location according to the supplier's HQ address. However, it may be that these services are actually provided from a series of locations around the country. This process of allocating the procurement expenditure to the HQ location, rather than the location of the depot where activity is taking place, may skew impacts to the HQ region and consequently under-estimate impacts elsewhere. We have adopted this approach as in previous year's assessment. It does mean that the results pertaining to indirect impacts in particular may be subject to significant margins of error, particularly at the local level.

04 Technical appendices

Benchmarking the results

The report sets the key results in their wider socio-economic context, in order to illustrate the relative scale of BT Group's contribution to the local, regional and national economy. To do this we have drawn down nationally published statistics. The data sources used are as follows:

- 1. Total employees in employment:** The total number of people employed by all businesses with operations in the area. This excludes working proprietors and is presented as Full Time Equivalent employees (it excludes the self-employed).
(Source: ONS, BRES, 2021).
- 2. Total IT and communications sector employees in employment:** The total number of people employed by ICT businesses with operations in the area. This excludes working proprietors and is presented as Full Time Equivalent employees (it excludes the self-employed).
(Source: ONS, BRES, 2021).
- 3. Total private sector employees in employment:** The total number of people employed by private sector businesses with operations in the area. This excludes working proprietors and is presented as Full Time Equivalent employees (it excludes the self employed).
(Source: ONS, BRES, 2021).

- 4. Total gross earnings from all residents in employment:** This has been derived using the total number of residents in employment (source: Annual Population Survey, 2021) multiplied by the average gross annual pay for all employees in that geographical area.
(Source: Annual Survey of Hours and Earnings, 2021).
- 5. Total gross earnings from all employees in employment:** This has been derived using the total number of people employed by businesses in the area (source: BRES, 2021) multiplied by the average gross annual pay for all employees in that geographical area.
(Source: Annual Survey of Hours and Earnings, 2021).
- 6. Total GVA - Total gross value added generated by businesses based in the area:** GVA data has been provided for regions and selected LEP areas.
(Source: ONS, Headline Workplace Based GVA at Current Basic Prices, 2019).

04 Technical appendices

Rounding

Figures in this report have been rounded to:

- Make them easier to read and compare.
- Reduce the risk of identifying individuals from published figures when presenting data at a more granular geographic level.
- Avoid spurious accuracy when presenting estimates from economic impact calculations.

The table below summarises the rounding protocol adopted in the report.

Figure	Rounding Protocol
$\geq 1,000$	3 significant figures
100 to 999	2 significant figures
5 to 99	1 significant figure
1 to 5	Presented as <5
0	Presented as 0



Offices Worldwide

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