

Swindon's Economic Strategy 2016-2026

Accelerating Swindon's Growth Ambitions

February 2017

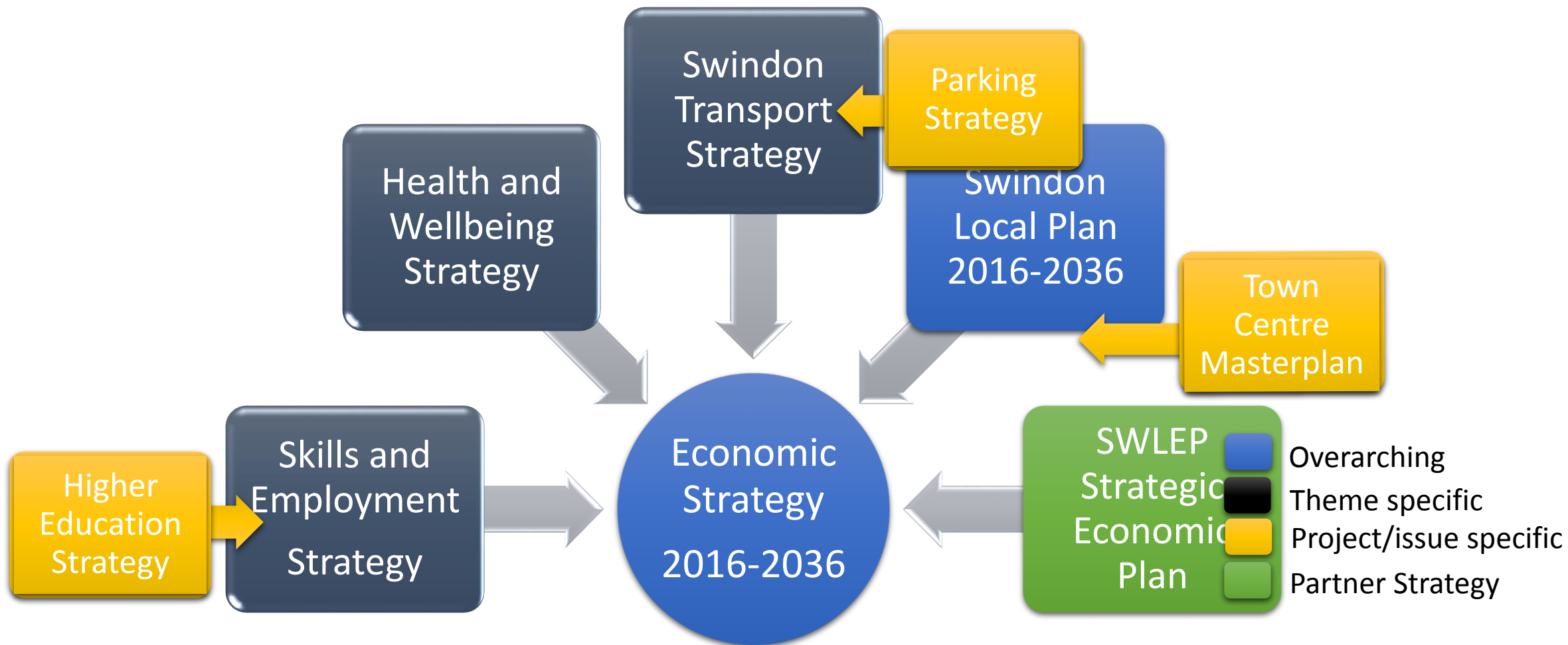
The review – Why?

Local and national context

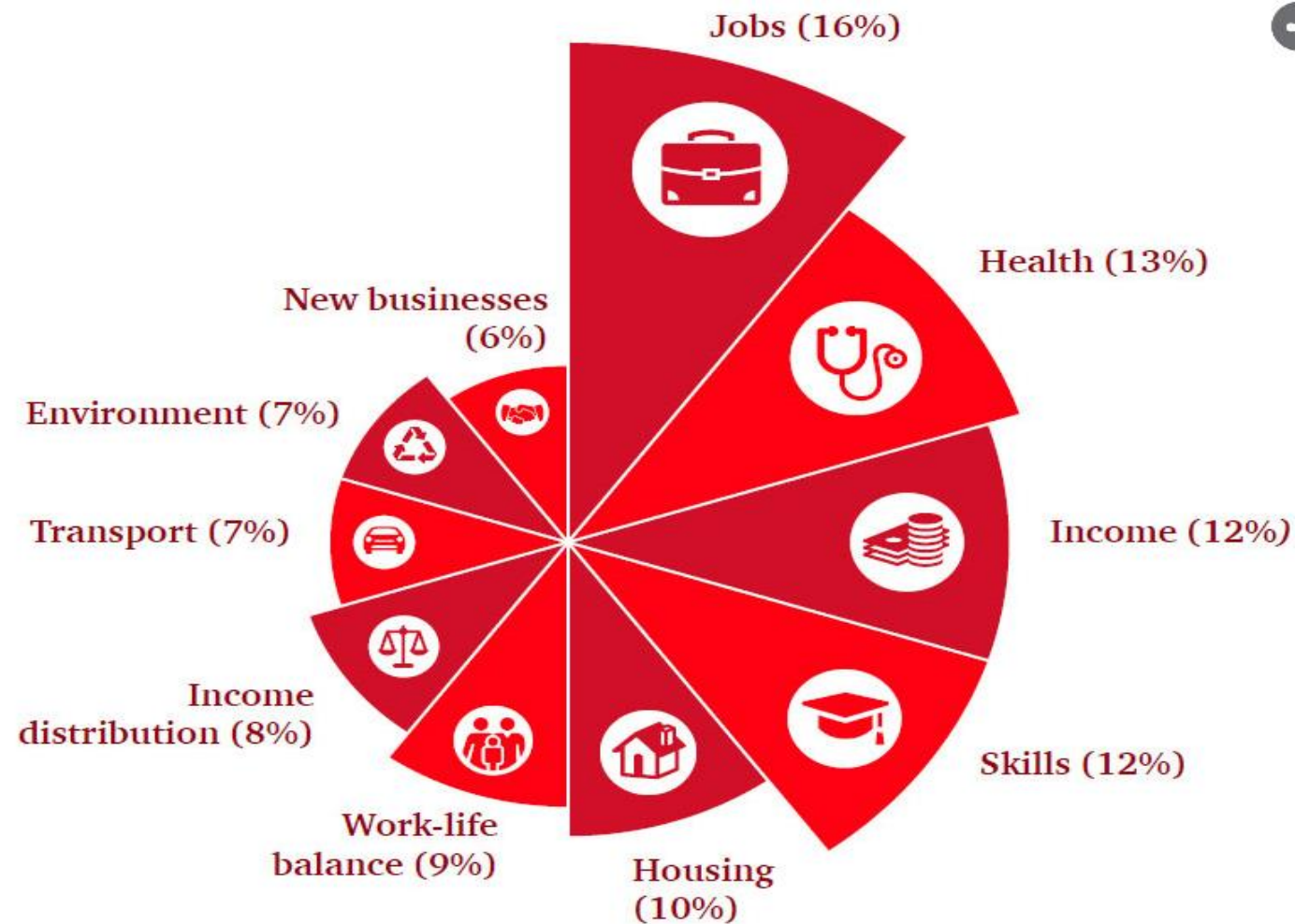
- The 2009 recession and subsequent recovery
- The pressure on resources, the ongoing challenge of moving to a low carbon economy and the demographic impacts of an ageing population.
- EU referendum and subsequent exit from the European Union
- Government's Industrial Strategy, and the opportunities it will present
- Updated evidence base and long term growth aspirations to 2036
- Focus on ownership and delivery of actions and projects
- Need to accelerate improvement in educational outcomes as identified by Ofsted (2016)

The Council's Vision for Swindon

"By 2030, Swindon will have all of the positive characteristics of a British city with one of the UK's most successful economies; a low-carbon environment with compelling cultural, retail and leisure opportunities and excellent infrastructure. It will be a model of well managed housing growth which supports and improves new and existing communities."



Good growth is about much more than jobs and GVA, includes wider quality of life....



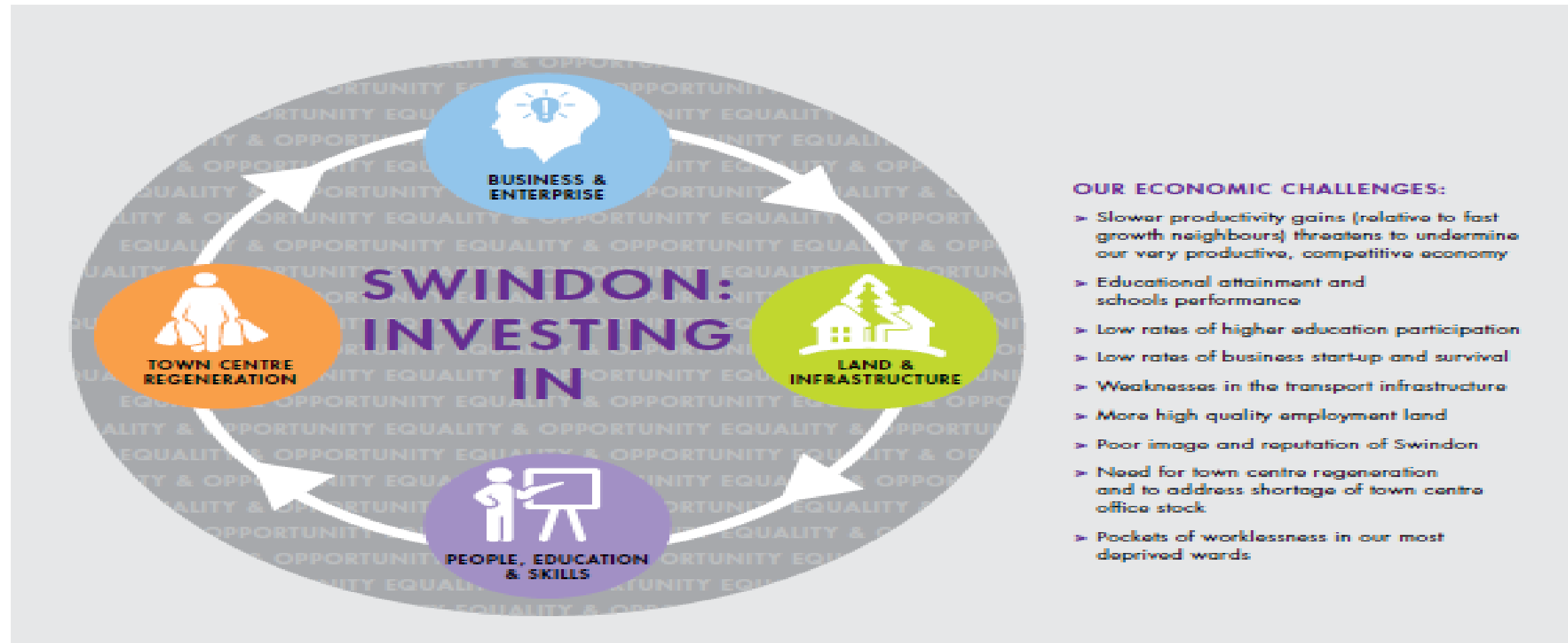
Economic Strategy Vision

By 2036, Swindon will be the UK's most innovative, productive, fastest-growing city, and will grow sustainably by upskilling our workforce to enable our businesses to compete, whilst enhancing residents' quality of life

Economic Strategy Aims

- *To enhance Swindon's competitive position as one of the UK's most productive economies by attracting investment and high value employment*
- *To grow sustainably and create a diverse and resilient economy by encouraging growth in small and medium sized businesses*
- *To make Swindon a desirable place to live, work and invest to attract highly skilled residents through delivering transformational change in town centre regeneration as well as improving retail & leisure, cultural and evening economy outcomes*
- *To create a fast growth high value economy by improving our education outcomes and upskilling our residents to enable our businesses to grow and compete*
 - *Underpinning: To make Swindon a more inclusive place, with reduced worklessness and associated improving health and well-being outcomes*

Our themes and key challenges



Business and Enterprise SWOT:	
Strengths	Weaknesses
<p>Dominance of larger, ‘HQ’ businesses</p> <p>UK’s highest concentration of foreign owned enterprises</p> <p>Diversified economy, dominated by private companies (low reliance on public sector)</p> <p>Innovative economy (high employment in ‘knowledge intensive businesses’)</p> <p>Innovative financing of energy generation</p>	<p>Low number of businesses per head of population</p> <p>Volatile employment – high level of exposure to global recessions</p> <p>Low business birth rate</p> <p>Business survival rates poor (beyond year 3); made worse because of low business base</p> <p>Lack of co-ordination of inward investment and business support infrastructure</p>
Opportunities	Threats
<p>Recent growth in Swindon’s business base -</p> <p>Fast growth sectors include: banking and professional services, business administration and HQs, scientific and technical (pharmaceuticals), digital economy</p> <p>Presence of Innovate UK, Research Councils UK, Hospital Trust with growth aspirations</p> <p>Recent investment in business start-up / incubator facilities</p> <p>Recognised international brands which provides a draw for other companies</p> <p>Council’s property investment programme supporting business growth</p> <p>Capitalise on employment growth plans of existing businesses and provide recruitment solutions that could be targeted to address worklessness</p> <p>Hydrogen hub in Swindon seen as a hub for the early development of hydrogen economy</p>	<p>Employment in the manufacturing sector, nationally is in decline (due to automation and off-shoring)</p> <p>Shortage of high quality employment land and ‘freehold’ options</p> <p>Need for ‘grow on’ space for expanding businesses</p> <p>A high proportion of existing industrial stock needs investment / regeneration</p> <p>Businesses report difficulties in recruiting and retaining staff due to poor town centre offer, and wage inflation in Swindon (twice national average) suggests employers are having to increase salaries to attract high calibre staff</p> <p>Risks associated with Brexit significant (strong manufacturing base, high concentration of foreign owned businesses, high dependence on exports)</p> <p>Uncertainty of future funding for business support, both locally and nationally</p>

AIM:

TO GROW THE ECONOMY, STRENGTHEN AND DIVERSIFY THE BUSINESS BASE AND CREATE JOBS THROUGH THE DEVELOPMENT OF A BUSINESS SUPPORT & INWARD INVESTMENT SERVICE THAT ENCOURAGES INNOVATION AND EXPORTING

Ambitious objectives

- > Create an integrated and accessible business support and inward investment offer
- > Increase the number of business start-ups and improve survival rates
- > Support innovation and knowledge based growth
- > Raise the number of businesses exporting
- > Raise the profile of Swindon and create a positive identity to attract new businesses and inward investors
- > Establish a council-wide 'development team' approach for major inward investment inquiries
- > Establish a business-led Place Board that identifies, articulates and communicates Swindon's strength
- > Launch an 'ambassadors' scheme, and attract 200 business ambassadors, to promote Swindon and develop a financially sustainable model

How will we achieve these objectives?

- > Establish a co-ordinated and proactive business visit programme and visit at least 50 businesses per annum
- > Improve the content on our website to support business growth
- > Effectively signpost to the Swindon and Wiltshire Growth Hub to support the needs of SMEs
- > Work collaboratively with Swindon and Swindon and Wiltshire Investment and Property groups to understand market demand and supply issues
- > Establish a red carpet inward investment service to convert enquiries generated by the Switch onto Swindon campaign
- > To attract high value companies in our key sectors, develop and promote sector based inward investment fact-sheets
- > Proactive marketing of Swindon and key development sites at national /international exhibitions and conference
- > Working with DIT 'posts' in foreign territories under matchmaker (sector matching) scheme
- > Attract new businesses through the Place Marketing and DIT-assisted campaign
- > Hold sector specific events to attract new businesses using a targeted marketing strategy linked to our economic strategy and priority sectors

Land and Infrastructure SWOT:	
Strengths	Weaknesses
<p>Easy access to strategic road [M4 / A419] and rail networks</p> <p>Frequent rail services to London, Bristol and South Wales</p> <p>Good level of car parking within the town centre</p> <p>Strong commercial bus network within the town</p> <p>Compared to nearby authorities, Swindon has the largest stock of offices; factories and warehouses</p> <p>Council's innovative planning framework (e.g. use of LDOs) to encourage businesses to consider</p>	<p>North south links are weaker, with poorer connectivity and transport links. There is no direct rail connection to Oxford</p> <p>Peak period traffic congestion on major routes</p> <p>Poor connectivity on some corridors [North East to Oxford, South to Dorset / Hampshire]</p> <p>Employment areas (on 50 sites) around town makes public transport planning challenging</p> <p>The last significant office development was in 2009</p> <p>A lower than average number of properties with superfast broadband access compared with the national average.</p>
Opportunities	Threats
<p>Electrification and new trains on GW mainline – quicker and more frequent rail services to London and South Wales</p> <p>Western Rail Link to Heathrow – improved access to international gateway</p> <p>Rail service options linked to CrossRail, East-West Rail, and Swindon – Gloucester</p> <p>Improved highway network capacity arising from current investment programme</p> <p>Better bus services – Rapid Transit and Bus Exchange</p> <p>Evolving technology in transport – vehicles, information and management systems</p> <p>Demand for office space is rising and rents have risen to £18psf (still significantly less than other southern cities)</p> <p>Industrial space has decreased during recent years BUT demand is strong</p>	<p>Housing growth, combined with increased resident out-commuting; and in-commuting (for highest skilled jobs) are increasing congestion on road network</p> <p>Skills shortage to deliver new infrastructure [Hinkley C / HS2 / Heathrow demand]</p> <p>Capacity constraints on GW Mainline</p> <p>Lack of resource funding for sustainable travel initiatives, asset management or ITS systems</p> <p>Lack of funding to maintain the transport network</p> <p>Lack of funding to invest in car parks</p> <p>Lack of employment sites for larger inquiries (100,000 sq ft+), and freehold options in particular</p>

AIM:

TO ENHANCE SWINDON'S COMPETITIVE POSITION AS ONE OF THE UK'S MOST PRODUCTIVE ECONOMIES BY ATTRACTING INVESTMENT, ACCELERATE HOUSING DELIVERY AND CREATE HIGH VALUE EMPLOYMENT

Ambitious objectives

- Enhance Swindon's strategic connectivity by securing investment in targeted network improvements
- Improve key gateways into the town centre
- Strengthen digital connectivity
- Develop Swindon as a nationally significant player in the UK's energy sector, with particular strengths in the low carbon energy generation sector and application of hydrogen technologies
- Unlock high quality employment land

How will we achieve these objectives?

- Ensure delivery of the committed programme of investment in transport network improvements including the NEV and Wichelstowe Transport Packages, Town Centre Movement Strategy and Bus Exchange, Sustainable Transport schemes, and motorway junction improvements
- Work in partnership with Network Rail and GWR and other partners to deliver the Swindon Station regeneration project
- Prepare the new Swindon Transport Strategy (STS) setting out the pipeline of future transport projects on the strategic and local transport networks required to deliver future growth, including the A420 which our large manufacturing businesses have identified as a strategically important distribution route connecting Swindon and Oxford
- Use the STS to secure resources and lobby transport network managers and service operators to deliver the pipeline of projects including influencing Highways England and Network Rail to deliver improvements on the strategic road and rail networks

- Ensure delivery of the new bus exchange and traffic management proposals identified in the Movement Strategy
- Encourage delivery of Superfast and Fibre Broadband to deliver superfast broadband coverage to 95% of commercial and domestic premises in the borough by 2017
- Make a business case to present to government to establish the case for early adoption of 5G in the borough
- Launch financial instruments (Bonds, ISAs) to finance local supply schemes
- Develop a model for viable heat networks, match demand and supply, and work with partners to identify innovative energy and power solutions
- Develop low carbon transport solutions which provide a viable alternative to fossil fuel vehicles
- To ensure Swindon has an adequate supply of high quality employment land:
 - Complete Swindon employment land needs assessment 2016-36 study
 - Consult owners of industrial employment sites to establish investment need
 - "Call for employment sites" as part of the Local Plan to 2036
 - Identify and analyse historic and current market demand for employment land by use class, sector and location
 - Encourage landowners to intensify development on existing employment sites, and regenerate under-performing sites
 - Construct business case for industrial site regeneration and renewal programme
 - Create business case to enable Swindon Borough Council to bring forward own land and acquire new land for employment use

Education and Skills SWOT:	
Strengths	Weaknesses
<ul style="list-style-type: none"> • Rapid population growth over past 4 decades– earns us a reputation as one of the UK’s fast growth cities • “Full Employment” rate and low unemployment levels • Forecast suggests steady employment growth • Diversified economy, strong private sector employment base with sector strengths in advanced engineering, financial services, science & technology, digital • Apprenticeship volumes are increasing • NEET/Participation outcomes for 16/17 year olds above national average and improved transition in 2016 • Strong Skills and Employment Partnership with key stakeholders including employers 	<p>National concerns raised by OFSTED about Swindon schools (November 2016)</p> <p>Percentage of residents with higher level skills below average and they are less likely to be in professional and managerial roles</p> <p>Educational outcomes at 16 and by 19 are rising but are below average</p> <p>Low levels of progression to HE amongst young people and the percentage studying at level 3 (A level or equivalent) progressing is well below national average</p> <p>Swindon imports 4,000 graduates to meet business need</p> <p>Unemployment in our most deprived wards is high (Penhill, Parks, Walcot)</p> <p>Evidence of low aspirations and preference for work rather than education</p> <p>No University in the LEP area with a comprehensive HE offer.</p>
Opportunities	Threats
<p>Planned ‘high quality’ housing growth to attract residents with higher level skills</p> <p>Skills – number one priority in the LEP Strategic Economic Plan</p> <p>Skills focus for LGF3 Funding</p> <p>Post 16 Review – opportunities for LA/LEP to work strategically with providers.</p> <p>ESIF funding and Higher Futures Programme – to address workforce skills gaps and higher level skills</p> <p>Significant HE funding to raise aspirations and improve progression to HE</p> <p>HE Strategy – strong partnership and high levels of funding to</p>	<p>Forecast strong demand for higher level (graduate) skills over the next ten years</p> <p>Impact on below average educational outcomes</p> <p>Perception of Swindon as a place to work and live to attract skilled workforce.</p> <p>Perception of Swindon’s educational provision</p> <p>Impact of workforce skills on competitiveness and on inward investment</p> <p>Raising aspirations – require significant intervention over a long period.</p>

AIM:

TO CREATE A FAST GROWTH HIGH VALUE ECONOMY BY IMPROVING EDUCATION OUTCOMES AND UPSKILLING OUR RESIDENTS TO ENABLE OUR BUSINESSES TO GROW AND COMPETE

Ambitious objectives

- Raise the education aspiration of young people and their families
- Grow the number of businesses who utilise apprenticeships as a route to a higher skilled sustainable workforce
- Increase number of Swindon residents with degree-level qualifications by securing a range of options to access Higher Education
- Establish accessible technical routes that meet the needs of employers
- Reduce the proportion of young people who are not in education employment or training (NEET)
- Allow all adults who wish to progress into work to access our Inclusive Swindon Adult Education curriculum

How will we achieve these objectives?

- Deliver Swindon Challenge™ to raise achievement in schools
- Create strategic partnerships with outstanding providers to improve school performance
- Deliver the Apprenticeship Growth Plan to increase Apprenticeships at all levels including Higher and Degree Apprenticeships
- Create a Higher Education Strategy for Swindon that is consistent with the approach taken by the Swindon and Wiltshire Local Enterprise Partnership
- Work with Higher Education providers to increase supply of higher education options available to Swindon residents
- Raise aspiration of residents to improve progression to Higher Education
- Develop post-16 technical routes with providers to increase the percentage of young people progressing into Apprenticeships, and achieving 12 English and Maths

- Improve the percentage of 16 and 17 year olds who are in education, employment and training at 16 and 17 and reduce the number 'not in education employment or training' (NEET) and unknown destinations
- Ensure appropriate referrals of young people who are NEET or at risk of NEET to relevant provision including ESP project
- Work with learning providers, partners and employers to develop a joined up Adult Education Budget Plan that meets the needs of individuals and businesses



Town Centre SWOT:	
Strengths	Weaknesses
Affluent demographic catchment – Wiltshire, Cotswolds, Oxfordshire Large town centre with good representation from national multiples	Competition from out of town retail centres
Total expenditure in the town centre increased by 25% between 2009 and 2016, faster than the rate of inflation	Poor perception of Swindon town centre, particularly by employees of our larger business
Strong ‘heritage’ offer: railways engineering, Railway Village Outlet Centre, good health & leisure facilities	Need to improve the retail ‘food and beverage’ offer in the town centre and the evening economy, and particularly the cultural offer
Footfall has been increasing over the last two years, due partly to a strong events programme. INSWINDON BID Co. provide additional resources targeted at improvements to the town centre	Retail vacancy rate is higher than UK average, and concentrated level of vacancies in Fleet Street / Bridge Street area
Competitively priced office space compared with neighbouring areas along the M4 corridor (Bristol, Reading)	Loss of office stock in recent years due to permitted development rights resulting in urgent need to expand supply
Opportunities	Threats
Improve heritage and linkages to Old Town and Outlet Centre to encourage more spend through linked trips	Ongoing threats from internet shopping, out of town centre developments
Retail and leisure needs assessment identified scope to improve the retail offer through quantitative and qualitative measures e.g. increasing independent retail and leisure businesses	Road congestion and circulating traffic around town centre
Town centre masterplan 5-year delivery plan focuses investment in railway quarter and improvements to Bristol Street Tunnel to attract office occupiers to Kimmerfields. This will increase daytime population to the benefit of retail and leisure businesses in the Town Centre.	Diminished stock of high quality office space in town centre Image, perception safety/security – lack of attractive shops / cafés ‘Clone’ town

AIM:

TO ENHANCE THE ATTRACTIVENESS OF SWINDON AS A PLACE TO LIVE, VISIT AND DO BUSINESS IN THROUGH DELIVERING TRANSFORMATIONAL CHANGE IN THE TOWN CENTRE INCLUDING SIGNIFICANT IMPROVEMENT TO THE LEISURE, CULTURAL AND EVENING ECONOMY

Ambitious objectives

- > Reconnect the town centre to its' Railway Heritage, a new 'zone of enterprise' with station regeneration at its' core
- > Increase the supply of town centre office stock to address the current shortage and attract new occupiers
- > Improve the retail, leisure and cultural offer
- > Make it easier for people to get to and around the town centre

How will we achieve these objectives?

Secure funding for technical studies to drive the station regeneration, Kimmerfields and Carriageworks projects forward

Develop the multi-agency partnership that will work together to deliver town centre regeneration by reconnecting the town centre to its' Railway Heritage and a new 'zone of enterprise' with station regeneration at its' core.

Redevelop the "Carriage works" project including over 100,000 sq ft high quality office space for start-up and growing knowledge based businesses.

Deliver the "Kimmerfields" business village including:

- > the Bus Exchange and regrade of Fleming Way by 2021
- > a new hotel development by 2019
- > 400 new homes by 2022
- > 650,000 sq ft office space
- > 150,000 sq ft associated retail / leisure space

Improve the retail, cultural and leisure offer in the town centre by:

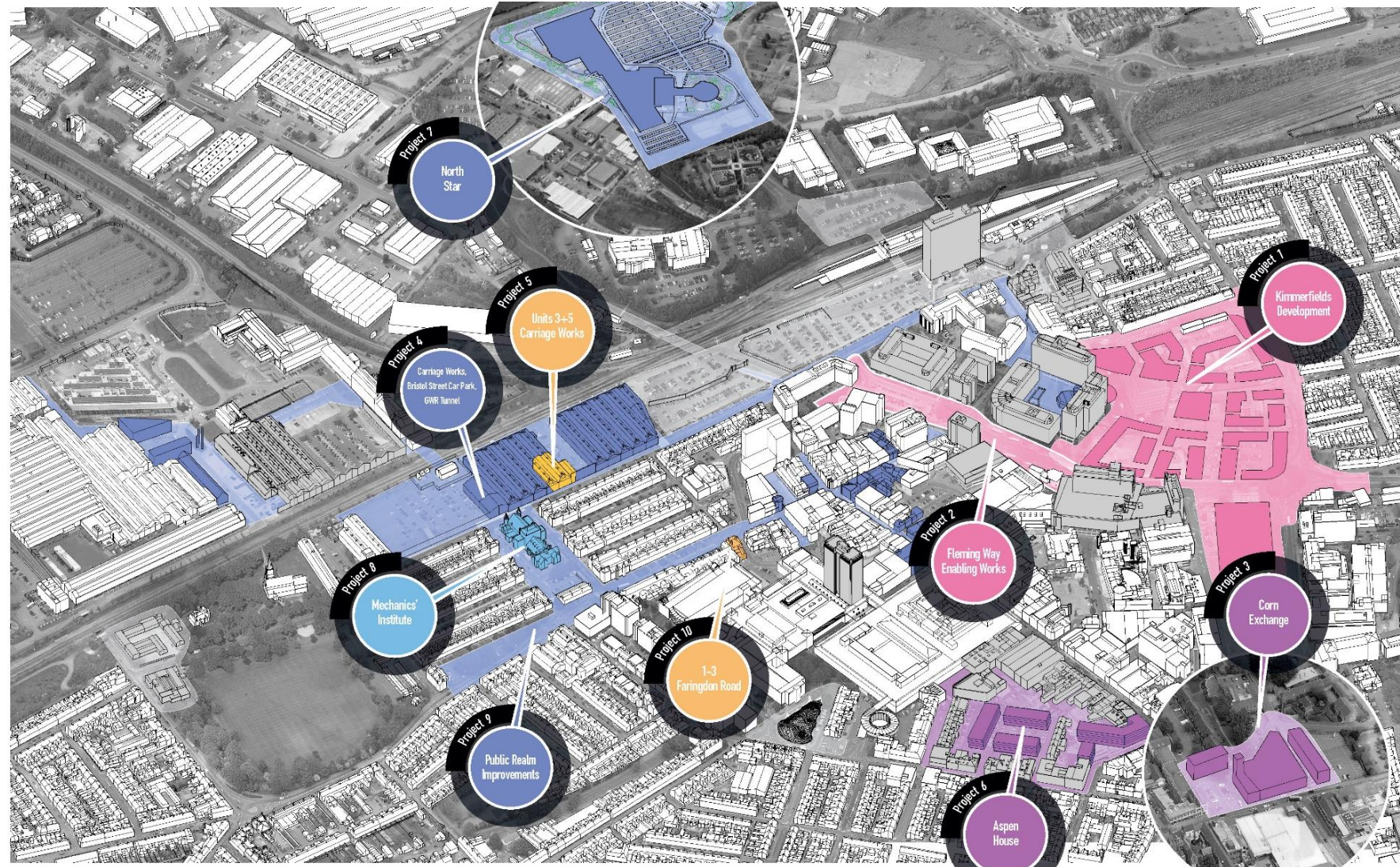
- > Working with partners (including INSWINDON BID Co.) to improve dwell times, footfall and spending in the town centre to improve vibrancy
- > Redeveloping 1 – 3 Faringdon Road with retail or leisure uses on ground floor and residential units above
- > Running a 2-year long programme of activity to attract new retail and leisure businesses into Swindon, focussing on independents
- > Enabling the redevelopment of the Corn Exchange "Locarno" into 35,000 sq ft mixed use development by 2019/20
- > Launching Kimmerfields Hotel Competition in 2017 and secure a development partner to build a hotel by 2019
- > Redeveloping Aspen House by 2018/9 and Granville Street (when commercially viable)
- > Delivering the Swindon Museum and Art Gallery by 2025
- > Creating a regional leisure hub at North Star by 2028

Deliver a programme of transport improvements to make it easier to get into and around Swindon town centre comprising:

- > A new bus station and improvements to Fleming Way by 2021
- > Traffic management improvements by 2021
- > A programme of car parking improvements (refer to TC car parking strategy) by 2026
- > Improved signing by 2020
- > New railway station and gateway by 2026

Town centre regeneration – key projects

	Project
1	Kimmerfields
2	Kimmerfields "enabling works"
3	Corn Exchange
4	Carriage Works/Bristol St/GWR tunnel
5	Carriage Works Phase 1 (units 3&5)
6	Aspen House and Granville St
7	North Star
8	Mechanics Institute
9	Public realm improvements
10	1-3 Farringdon Road



Programme

- Evidence base – signed off by Health and Wellbeing Board (JSNA)
- Stakeholder consultations – BEIS, DiT, INFLUENCE, officers – led to the production of the Draft Economic Strategy
- Wider public consultation with businesses – Spring / Summer 2017
- Full public consultation – Spring 2017 – targeting Equality Access, Older People's Networks and Ethnic groups
- Stakeholder engagement – national Government, Fast Growth Cities, Neighbouring authorities
- Cabinet – June 2017