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Swindon Employment Needs and Land Supply Study

Final Report

Iceni Projects Limited on behalf of
Swindon Borough Council

March 2025

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LIMITED ON BEHALF
OF SWINDON
BOROUGH COUNCIL

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Swindon Employment Needs and Land
Supply Study
FINAL REPORT

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1. Executive Summary

- 1.1 Swindon Borough Council commissioned Iceni Projects to prepare an Employment Needs and Land Supply assessment to inform its new Local Plan and the Council's activities in supporting economic development and growth.
- 1.2 Swindon faces challenges but also has huge economic potential, as the national and global economy embraces a range of new sectors around technology and the green economy. Swindon is well placed to take advantage of this with land investment opportunities and rich economic history, but continued investment in skills and regeneration including the town centre is required.

Functional Economic Market Areas (FEMA)

- 1.3 In line with the Planning Practice Guidance (PPG) on Housing and economic needs, we have examined a range of factors to identify the Functional Economic Market Area (FEMA) in which Swindon borough sits. This includes exploring commuting patterns and the housing market area. Both show Swindon Borough's influence extends beyond its administrative boundaries into the neighbouring local authorities of Wiltshire, Cotswold and Vale of White Horse.
- 1.4 We have also examined retail catchments and retail service provision and found that Swindon's urban area is a key economic and commercial centre for Swindon borough and surrounding towns and villages outside of the borough.
- 1.5 As such, the Swindon FEMA extends beyond the borough boundary, particularly into Wiltshire. However, Wiltshire covers a wide area and Swindon town's influence does not extend to cover all of the County
- 1.6 Therefore, while recognising that there are overlaps, a pragmatic response would be to look at Swindon Borough as a FEMA in its own right.

- 1.7 However, it will be important for the Council to continue to liaise with Wiltshire (and other neighbouring Council areas) on strategic planning matters and the two councils should work together to ensure that suitable employment opportunities are provided for where this overlap exists i.e. in West Swindon, along the M4 Corridor and around Royal Wootton Bassett.

Local Economic Baseline

- 1.8 The borough had a population of 235,657 in Mid-2022¹ and there were around 114,360 jobs in the borough². Major employment sectors include (those in bold have a particular strength in Swindon borough):
- Wholesale & retail trade.
 - **Administrative & support services**
 - **Transportation and storage**
 - Health
 - **Financial & Insurance**
 - Professional, scientific & technical services
- 1.9 Between 2017 and 2022 the number of jobs in the borough fell by 5,650 or 4.9%. This compares to a growth of 4.5% in the South West Region and 4.7% nationally.
- 1.10 Between 2022 and 2023 the borough saw a 3.9% fall in the number of businesses (compared to a 0.7% fall regionally and a 1.6% fall in England). In total, 7,100 businesses were operating in Swindon in 2023
- 1.11 Swindon Borough's business survival rates are slightly lower than the wider South West, although longer-term survival rates (+5 years) in the borough are better than in

¹ ONS mid-year estimates for 2022

² ONS Business Register and Employment Survey, 2022

England. This may suggest some weaknesses in the business support environment in Swindon compared to the wider region or the market they address.

- 1.12 Swindon Borough's economic activity rate (78.5%) is comparable to England's rate (78.8%), but slightly lower than the South West (80.7%). Swindon's unemployment rate (4.1%) is higher than that of the South West (3.0%) and England (3.9%).
- 1.13 A considerably higher proportion of Swindon Borough's employment (24%) is in the lowest-skilled groups compared to the South West (16%) and England (15%). However, the borough (53%) also has a greater proportion of its workforce in higher-skilled/managerial roles than the South West (53% compared to 49%).
- 1.14 Swindon Borough has a slightly higher proportion of its working-age population with no qualifications (7.7%) compared to the South West (5.0%) and England (6.4%). In addition, Swindon Borough also has lower proportions of the working-age population with degree-level qualifications (33.7% compared to 42% in the South West and 43.2% in England).
- 1.15 However, Swindon town's good level of connectivity enables it to draw upon a highly educated labour supply in neighbouring towns and cities.
- 1.16 Both Swindon borough's workplace-based, and resident-based earnings are higher than the average across the South West and England. There is only a small difference between the two suggesting a limited degree of out-commuting to higher-earning employment.
- 1.17 Swindon borough's productivity has consistently been significantly higher than the South West and England between 2010 and 2021. In 2021, the borough's GVA per hour worked (£50.85) was nearly 1.5 times greater than that of the South West (£34.48) and 1.3 times greater than England's (£38.91).
- 1.18 Deprivation levels in the borough are around average, but parts of the borough have very high levels of skills and training yet also have high levels of income deprivation.

In contrast, there are also parts of the borough and surrounding areas within the lowest 10% of deprivation nationally.

- 1.19 The areas in Swindon (Penhill and Pinehurst) that are within the 30% most deprived LSOAs nationally score particularly badly in the Skills and Training domain and reflecting this they also have poor scores for the income domain. A series of studies through Business West have also identified skill gaps and low levels of educational attainment within some of the key sectors.

Commercial Market Review

Industrial

- 1.20 The Swindon industrial market is large in comparison to other sub-markets although mid-sized in the national context and according to the VOA, the amount of total floorspace has decreased from 2001 to 2024 by approximately 73,000 sq.m. However, this masks an increase during the period 2017-22 of approx. 161,000 sq.m or 8%.
- 1.21 Historically, Swindon has consistently had higher average industrial rents compared to Wiltshire, the South West and the UK as a whole. In recent years, average prices have begun to converge with rental growth in Swindon, slowing since 2020. Average rents across the South West (£8.55 psf) and the UK (£8.80 psf) have risen slightly higher than in Swindon (£8.40 psf).
- 1.22 The reported vacancy rates in Swindon are above the regional and national average although this is due in part to the Honda vacancy being included in the list. It is estimated that Swindon's vacancy rate is closer to 5.6% excluding the Honda site – which is closer to the national figure of 4%.
- 1.23 The lowest vacancy is seen in 1-star and 4-star stock at 0%, demonstrating a higher demand in Swindon for high- and low-quality stock. Indeed, the low levels of vacancy indicate a need for further supply of this type.

- 1.24 The majority of leased industrial floorspace falls within the over 2,000 sq.m. band, with 8 million sq.m. (86 million sq. ft.) let since 2012. Leasing activity is concentrated in the mid-size categories with the highest number of leases occurring in the 100-500 sq.m. band (278 leases) and 500-1,000 sq.m. band (78 leases).
- 1.25 A similar story is seen in the sales market with 1.2 million sq.m of floorspace purchased in the largest band since 2011. This band also had the highest number of sales (94 since 2011).

Office

- 1.26 According to the VOA the Borough contains 438,000 sq.m (4.7 million sq. ft) of office floorspace. Both the Swindon Central (Town Centre) and Swindon Fringe office sub-markets are considered to be mid-sized with the latter slightly larger than the former.
- 1.27 The loss of stock appears to have accelerated in the most recent 5-year period (2019-2023) with an overall decline of 9.6% equating to 49,000 sqm of floorspace. A similar trend is seen in Wiltshire where 3.6% of stock was lost in the same period.
- 1.28 Over the longer period since 2001, the office market in Swindon has contracted by 17%. This contrasts with Wiltshire, the South West and England where office floorspace has increased over the same period.
- 1.29 The office vacancy rate in Swindon increased significantly from just 4.7% in 2019 to 15.7% in 2021. Office vacancy has since reduced to 14.6% (2024) and is higher than the present regional (11.2%) and national vacancy rate figures (8.1%).
- 1.30 Net absorption³ of office space has been low, with a negative average net absorption of -60,278 sq. ft (-5,600 sqm) meaning that on average more office floorspace has been moved out of than moved into. Net deliveries of office floorspace have also

³ Net absorption equals the total amount of space that occupiers physically moved into minus the total amount of space that occupiers physically moved out of.

been low with an average of 40,700 sq. ft (3,800 sqm) delivered per annum since 2011.

- 1.31 Stock rated 1- and 2-star have the highest vacancy indicating that office stock of the poorest quality is in the lowest demand. It also reflects the need to replace or redevelop some poorer stock.
- 1.32 Most leasing activity takes place in smaller units of 0-100 sq.m, with an average of 14.8 deals made per annum. The most amount of floorspace let is in the +2,000 sq.m. band with a total of 80,789 sq.m. leased since 2012.
- 1.33 This is similar to the owner-occupier market where sales in the +2,000 sq.m. band make up the most floorspace sold indicating that Swindon is attractive to medium to large-scale office investors as well as large owner-occupiers.

Stakeholder Engagement

- 1.34 There are opportunities to build on the borough's industrial heritage to attract sectors such as clean technology and manufacturing. This could involve strategic land greenfield release to capture major foreign direct investment.
- 1.35 The former Honda site demonstrates a particularly large brownfield opportunity site although there is also a need for a diverse range of small and strategic sites.
- 1.36 There is a lack of science and technology parks in the borough and the outdated industrial units and office stock pose challenges to developing a tech sector.
- 1.37 These science and technology parks would also deliver space to build on the Semiconductor market which because of geopolitics and the Borough's history presents a good opportunity for growth.
- 1.38 There has been a decline in employment growth and productivity, despite significant public and private sector funding allocated to various projects with a focus on infrastructure development and cultural clusters.

- 1.39 There are challenges in attracting inward investment due to resource constraints and planning complexities. Inconsistent national planning policies are impacting local planning efforts.
- 1.40 Strategic planning with neighbouring authorities on cross-boundary issues such as housing and employment land locations and investment in skills development are crucial for future prosperity.
- 1.41 The Town Centre's office offer is evolving through recent developments such as the new Zurich Office at Unity Place, but challenges remain. Without a vibrant town centre office market and the footfall it brings, the retail and leisure core will continue to struggle.
- 1.42 While economic growth is a strong possibility, there is a need to provide enough housing to support it. The mix of housing will also aid regeneration particularly if an urban living offer is provided, but this is linked to office employment and town centre infrastructure.

Key Sectors and Skills Analysis

- 1.43 Swindon has a significant, credible presence in the industries of:
- Engineering and advanced manufacturing
 - B8 uses – Logistics and warehousing
 - Life sciences and medical devices
 - Transport
 - Financial, business and professional services
 - Computing, IT, digital and data
- 1.44 Out of the potential green industry subsectors (which include energy, water, recycling, agriculture, construction, tourism, finance, transport, packaging, and waste management), Transport has a significant presence, and this is principally based on existing employers in the Rail and Automotive sectors.

- 1.45 However, there are potential opportunities for greening of the Engineering and advanced manufacturing base – and manufacturing green technology and products, and smart/sustainable logistics and warehousing.
- 1.46 The skills pathways are many and varied for these industries. There is an existing provision in the FE sector in New College Swindon, and the Swindon and Wiltshire Institute of Technology (SAWIOT) which is a collaboration between Further Education (FE) and Higher Education (HE) partners.
- 1.47 Skills pathways from green industries are available on sites such as retrofitacademy.org and through Skills Bootcamps available nationally or managed through the West of England Combined Authority.
- 1.48 In-depth studies have been conducted on Retrofit Skills – these are subject to dedicated studies – such as the West of England’s Retrofit Skills Analysis. Other areas have established dedicated green skills academies, such as Greater Manchester.
- 1.49 These studies show that if net-zero targets are to be met, a significant acceleration and overhaul of skills and training is required to fill the 15,000 jobs needed to retrofit the existing stock in the region.

SWOT Analysis

- 1.50 The table below presents a summary of the SWOT Analysis for Swindon and its economy.

Table 1.1 SWOT Analysis

Strengths <ul style="list-style-type: none"> • Strategic location (Ch 5) • Resilient economy (Ch 5) • Blue chip companies (Ch 5) • Education (Ch 8) • Affordability and quality of life (Ch 7) • Young and skilled workforce (Ch 5) • Low-cost employment floorspace particularly office space (Ch 6) • Available employment land (Ch 12) 	Weaknesses <ul style="list-style-type: none"> • Poor condition of the Town Centre (Ch 7) • Lack of urban quarters and university (Ch 7) • Commercial viability challenges particularly office space (Ch 6) • Lack of strategic employment land (Ch 7) • Image and Market View (Ch 7) •
Opportunities <ul style="list-style-type: none"> • Higher education provision (Ch 7) • Green Industries (Ch 7,8) • Technology and Innovation (Ch 8) • Semiconductor Industry Revival (Ch7) • Tourism and heritage (Ch 7) • Political landscape with a new administration now aligned to the national government (Ch 7) • Demand for freehold sites (Ch 7) • Strategic planning and development (Ch 7) • Inward investment (Ch 7) • Industrial commercial market strengthening (Ch 6) • Infrastructure development (Ch 7) 	Threats <ul style="list-style-type: none"> • Obsolete office stock (Ch 7) • Stagnation and low growth (Ch 10) • Historical underperformance (Ch 10) • Job displacement by automation (Ch 3) • Ageing population (Ch 3)

Economic Forecast

- 1.51 We have examined baseline forecasts from Oxford Economics, Cambridge Econometrics and Experian. The Experian baseline forecasts are the most positive and show an overall growth of 0.5% per annum over the next 20 years which is a

total of 13,900 jobs or an average of 695 jobs per year. This is our preferred baseline scenario.

- 1.52 The labour supply scenario linked to the NPPF 2024 Standard Method, which at 22,744 jobs (or 1,137 jobs per year) shows a significantly higher number of jobs than the baseline forecasts.⁴
- 1.53 We have also developed several scenarios which reflect past trends, and potential growth in specific sectors and at specific sites as informed by stakeholder engagement in the borough. These show a range of growth potential from 7,952 jobs to 25,039 jobs across the 2023-43 period.

Employment Land Supply and Demand Assessment

- 1.54 We have undertaken a range of detailed modelling scenarios to consider the future employment land needs of the borough and brought this together with a supply analysis.
- 1.55 Recognising the anticipated employment increases, greater amounts of home working and making some allowance for replacement of lost stock would require the provision of **12 ha (or 72,000 sqm) of office land**.
- 1.56 However, the council should be flexible enough to respond to greater levels of people returning to the office. This could in part be delivered in mixed-use development including small offices integrated into factories and warehouses.

Industrial and Warehousing

- 1.57 The demand for industrial and warehousing land in the borough is far greater than for offices, and our modelling shows a clear clustering of scenarios around the 150ha to 170ha range, and this would seem a reasonable level to plan for.

⁴ This is the new Standard Method at 1205 dwellings per annum established under the NPPF 2024.

- 1.58 A reasonable position to plan for reflects the job growth, the replacement of some historic losses, the need to meet the demand for new stock as well as capitalising on growth opportunities in the borough. **This would require around 160 Ha (or 640,000 sqm) of industrial land.**
- 1.59 The table below draws together the findings of the employment land need and supply analysis to identify a supply and demand balance for Office and Industrial uses in Swindon.
- 1.60 As shown, there is a technical undersupply of office floorspace and a surplus of industrial employment land, but this has several caveats – including that it assumes all the identified industrial supply will come forward for industrial uses when in all likelihood some of it will be brought forward as a mix of office and industrial uses. This would include integrated office space within factories and warehouses which would also address some of the office need.

Table 1.2 Supply and Demand Balance

	Office	Industrial
Land Need (Ha)	12.0	160.0
Floorspace Need (sq. m)	72,000	640,000
Net Completions 2023 (Sq. m)	-194	5
Net Unimplemented Permission (18-22) (Sq. m)	-2,113	10,834
Net Under Construction (Spring 2024) (Sq. m)	-17,186	-4,791
Identified Supply with PP (Spring 2024)	0.00	518,288
Residual Need (sq. m)	91,493	115,664
Residual Need (Ha)	15.25	28.92
Identified Supply (Spring 2024)	7.95	39.57
Supply and Demand Balance	7.3 Under Supply	-10.65 Over Supply

Source: Iceni Projects based on SBC Data

- 1.61 The site-specific site assessments have also identified areas of employment land (9.3 ha) that could be released for other uses in time, although support should be given to existing occupiers on these sites. These specific recommendations should be considered rather than general losses of employment land in relation to the technical oversupply shown.

- 1.62 There is also a need to diversify the supply of industrial sites, considering the dominance of just two major sites in the supply. Allocating sites for longer-term inward investment, possibly in public ownership, is suggested.
- 1.63 Additionally, offering a choice of locations within the borough and collaborating with Wiltshire Council may be beneficial in meeting the strategic need along the M4 corridor.
- 1.64 Fostering collaboration between Swindon Council, businesses, educational institutions, and community organisations will be key to economic success. This includes engagement with regional stakeholders and national government bodies to leverage investment opportunities.
- 1.65 Collaboration between educational institutions and businesses will also ensure a skilled workforce. Investing in skills development, including higher education provision (although this could be through links to other universities), is crucial for future prosperity. The skills analysis also identified opportunities for greening the advanced manufacturing base, developing sustainable logistics and warehousing, and investing in green infrastructure like electric vehicle charging facilities.
- 1.66 Science and Technology Parks could also support advanced manufacturing and research and development. Leveraging the borough's industrial heritage and attracting sectors like clean technology and manufacturing is also important. This could also capitalise on the constrained nature of neighbouring towns such as Oxford, Bath and Reading.
- 1.67 While much work has already occurred, redevelopment of the town centre, including enhanced office development will be important as part of mixed-use solutions that create attractive integrated places that are amenity-rich, attracting office occupiers focused on a flight to quality. It will also help to address Environmental, Social and Governance (ESG) issues within the existing stock.
- 1.68 Additional office accommodation could also support economic diversification into emerging technology sectors and attract inward investment. Increased resourcing from Swindon Council may be required for these initiatives.

2. Introduction

- 2.1 Swindon Borough Council has commissioned Iceni Projects to prepare a report on its Employment Needs and Land Supply to inform the preparation of its new Local Plan and the Council's activities in supporting economic development and growth.
- 2.2 The study will build on and update the recent employment land evidence commissioned by the Council including the Swindon Employment Land Review⁵ (2017) produced by Lichfield's.
- 2.3 Lichfield's report provided a long-term assessment of the need for business space and employment land within the Borough over the period to 2036 and also assessed a range of employment sites in the borough.
- 2.4 The report identified a need for up to 59.1 ha of employment land which was based on past completions, with more modest numbers associated with the labour supply (41.3 ha) and Labour Demand scenarios (31.3 Ha) also identified. In all cases, the majority of the need was for industrial rather than office space.
- 2.5 The report concluded that in quantitative terms there was sufficient employment land supply to meet the need for office space in the borough under all scenarios, but not industrial need when compared to the higher growth scenarios.

⁵ https://www.swindon.gov.uk/download/downloads/id/4300/swindon_employment_land_review_final_report_march_2017.pdf

- 2.6 From a qualitative standpoint the report identified a need to replace some office stock in the borough to meet the requirement of occupiers seeking new space. The report also highlighted a need for new industrial stock as the stock available at the time did not meet occupier needs.

Study Objectives

- 2.7 The purpose of this study is to provide the necessary evidence on employment land needs and existing sites to support a thriving local economy, including helping to develop a clear vision and direction for Swindon Town Centre which is a significant focus for investment and regeneration.
- 2.8 To do this, this report takes into consideration home working and office trends, the changing nature of logistics and warehousing needs, the needs of smaller-scale occupiers and any gaps or barriers to growth.
- 2.9 This document will be used to develop the most appropriate strategy for economic growth, including site allocations and policy development for inclusion in the Local Plan.
- 2.10 The Local Plan aims to ensure that the local economy grows sustainably and supports a transition to a high-value but low-carbon economy during the Plan Period 2023-2043.
- 2.11 Following this section, the study provides the following:

Part A

- The policy context for this work;
- A review of the Functional Economic Market Area (FEMA);
- A review of the local economic baseline;
- A review of the commercial market in Swindon;
- A summary of the significant engagement undertaken as part of this work;
- An analysis of key sectors and skills in the borough;

- A SWOT Analysis for the borough's economy;
- A calculation of employment land using economic forecast;

Part B

- A review of the borough's employment sites;

Part C

- A calculation of Swindon's employment land supply and demand balance;
- Commentary around the qualitative need for employment floorspace and some policy considerations

- 2.12 The Study has involved a combination of desk-based and statistical research; key stakeholder engagement; and on-site review of employment land/premises within the Borough undertaken in Spring 2024.

Changes to Government Planning Policy

- 2.13 Please note this study was largely completed in June 2024, however, it was updated in January 2025 to reflect revisions to the National Planning Policy Framework (NPPF) in December 2004.
- 2.14 This is particularly related to the revisions to the Standard Method calculation for housing need and subsequent labour supply resulting from it.

3. Policy Context

National Planning Policy Framework (December 2024)

- 3.1 The latest version of the National Planning Policy Framework (NPPF) was published by the Government in December 2024. Paragraph 7 in the NPPF states that the purpose of planning is to contribute to the achievement of sustainable development.
- 3.2 Paragraph 8 states that an economic objective is to “help build a strong, responsive and competitive economy, by ensuring that sufficient land of the right types is available in the right places and at the right time to support growth, innovation and improved productivity; and by identifying and coordinating the provision of infrastructure.”
- 3.3 Development plans must include strategic policies to address each local planning authority’s priorities for the development and use of land in its area. Plans should apply a presumption in favour of sustainable development and for plan-making. This means that plans should positively seek opportunities to meet the development needs of their area and be sufficiently flexible to adapt to rapid change.
- 3.4 Paragraph 11 reiterates that “strategic policies should, as a minimum, provide for objectively assessed needs for housing **and other uses**, as well as any needs that cannot be met within neighbouring area, unless...the application of policies in this Framework that protect areas or assets of particular importance provides a strong reason for restricting the overall scale, type or distribution of development in the plan area.”
- 3.5 Concerning economic growth, Chapter 6 sets out how the framework seeks to achieve building a strong competitive economy. In Paragraph 85, this is explained as “Planning policies and decisions should help create the conditions in which businesses can invest, expand and adapt.” Adding that “the approach taken should allow each area to build on its strengths, counter any weaknesses and address the challenges of the future.”

3.6 Paragraph 86 provides more specific advice stating that:

“Planning policies should:

a) set out a clear economic vision and strategy which positively and proactively encourages sustainable economic growth, having regard to the national industrial strategy and any relevant Local Industrial Strategies and other local policies for economic development and regeneration;

b) set criteria, and identify strategic sites, for local and inward investment to match the strategy and to meet anticipated needs over the plan period;

c) pay particular regard to facilitating development to meet the needs of a modern economy, including by identifying suitable locations for uses such as laboratories, gigafactories, data centres, digital infrastructure, freight and logistics;

d) seek to address potential barriers to investment, such as inadequate infrastructure, services or housing, or a poor environment; and

e) be flexible enough to accommodate needs not anticipated in the plan and allow for new and flexible working practices and spaces to enable a rapid response to changes in economic circumstances.”

Planning Policy Guidance

- 3.7 The Government’s Planning Practice Guidance (PPG) includes several sections⁶ which are relevant to the assessment of economic growth. Local authorities are to determine the type of employment land that is needed by preparing “a robust evidence base to understand existing business needs, which will need to be kept under review to reflect local circumstances and market conditions. National economic trends may not automatically translate to particular areas with a distinct employment base. Where appropriate, local

⁶ [https://www.gov.uk/guidance/housing-and-economic-development-needs-](https://www.gov.uk/guidance/housing-and-economic-development-needs-assessments#:~:text=How%20can%20authorities%20determine%20the,local%20circumstances%20and%20market%20conditions)

[assessments#:~:text=How%20can%20authorities%20determine%20the,local%20circumstances%20and%20market%20conditions](https://www.gov.uk/guidance/housing-and-economic-development-needs-assessments#:~:text=How%20can%20authorities%20determine%20the,local%20circumstances%20and%20market%20conditions).

planning authorities can use their Authority Monitoring Report and the plan review process to ensure that their evidence base remains up to date.”

3.8 Policy-making authorities are to prepare and maintain evidence about business needs by gathering evidence to plan for business uses adding that “strategic policy-making authorities will need to liaise closely with the business community, taking account of the Local Industrial Strategy, to understand their current and potential future requirements. They will need to assess:

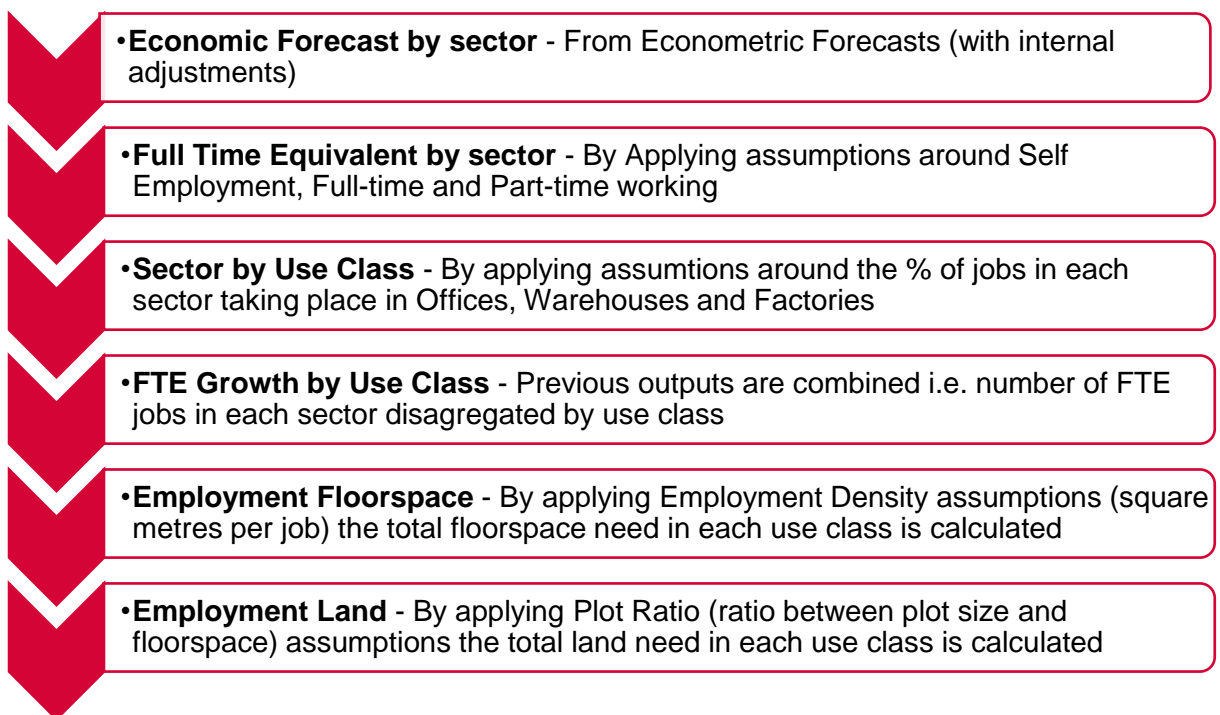
- the best fit functional economic market area
- the existing stock of land for employment uses within the area;
- the recent pattern of employment land supply and loss – for example, based on extant planning permissions and planning applications (or losses to permitted development);
- evidence of market demand (including the locational and premises requirements of particular types of business) – sourced from local data and market intelligence, such as recent surveys of business needs, discussions with developers and property agents and engagement with business and economic forums;
- wider market signals relating to economic growth, diversification and innovation; and
- any evidence of market failure – such as physical or ownership constraints that prevent the employment site from being used effectively.”

3.9 In relation to the Market Signals to be used to forecast needs, the PPG goes on to say that this should be based on a range of data which is current and robust such as:

- “Sectoral and employment forecasts and projections which take account of likely changes in skills needed (labour demand);
- demographically derived assessments of current and future local labour supply (labour supply techniques);
- analysis based on the past take-up of employment land and property and/or future property market requirements; and
- consultation with relevant organisations, studies of business trends, an understanding of innovative and changing business models, particularly those which make use of online platforms to respond to consumer demand and monitoring of business, economic and employment statistics.”

- 3.10 It goes on to advise that “Authorities will need to take account of longer-term economic cycles in assessing this data and consider and plan for the implications of alternative economic scenarios”.
- 3.11 The guidance then goes on to describe in some detail the way employment land requirements are calculated (this is approximated in the chart below) by taking into account:
- “Standard Industrial Classification sectors to use classes;
 - Standard Industrial Classification sectors to type of property;
 - employment to floorspace (employment density); and
 - floorspace to site area (plot ratios based on industry proxies)”

Figure 3.1 Calculating Employment Land Requirement Flow Chart



Source: Iceni Projects

Local policy and evidence

- 3.12 Swindon's Local Plan 2026⁷ was adopted in 2015 and sets out the Council's "proactive approach to driving and supporting sustainable economic development to deliver the homes, business and industrial units, infrastructure and thriving local places that the country needs."
- 3.13 Policies include supporting large inward investment proposals, a "Swindon Central Area first" policy approach for office development, and supporting higher education facilities in central Swindon to meet business needs. For a variety of reasons, including the pandemic and Brexit, these policies have only had limited success as nationally high streets have continued to decline while demand for office space is subdued.
- 3.14 The Local Plan also sought to further develop some key employment sectors including:
- Specialist manufacturing in east Swindon;
 - Financial and business services in the Central Area;
 - Distribution and logistics in the A419 corridor;
 - Environmental, tourism and leisure, information communication technologies (ICT), education, health, retailing and creative industries at appropriate locations; and
 - Low carbon development and manufacturing at appropriate locations
- 3.15 This policy was reasonably successful. Its overall success was impacted by things such as the closure of Honda and the pandemic, although it was successful in developing a logistics sector and securing new offices for Zurich in the Town Centre.

⁷ [Swindon Borough Local Plan 2026 | Swindon Borough Council](#)

- 3.16 The Swindon Economic Strategy⁸ to 2026 (2016) sets out the Council's ambition to grow Swindon's Economy, create jobs and attract investment as well as its vision and high-level ambitions for Swindon's economy.
- 3.17 Their vision was for Swindon to be "the UK's most innovative, productive, fastest-growing city" and for Swindon to "grow sustainably by upskilling our workforce to enable our businesses to compete, whilst enhancing residents' quality of life".
- 3.18 The key measure in the Strategy was to increase job numbers by around 20,000 of which half would be in the key sectors of Pharmaceuticals, Automotive, Aerospace, Banking, Professional Services and the Digital Economy. This would boost the local economy to £8.4 billion from £6.6 bn.
- 3.19 The other goals included delivering 22,000 new homes and developing a University that would create 7,500 new graduates and 30,000 new apprentices. The final target was to invest £500m in the Town Centre which would create 10,000 new jobs and 1,000 new homes.
- 3.20 One of the themes of the strategy is business growth. This includes objectives to:
1. Increase the number of business start-ups, improve business survival rates and diversify Swindon's business base.
 2. Drive innovation and knowledge-based growth in high-value sectors.
 3. Increase the number of businesses exporting.
 4. Work closely in partnership with employers.
 5. Create and maintain a positive identity for Swindon.

⁸ https://www.swindon.gov.uk/download/downloads/id/4399/economic_strategy.pdf

- 3.21 The Economic Strategy also set out the strategy to achieve this, which included creating incubators and shared workspaces to support business start-ups and micro-enterprises and delivering move-on space for high-growth businesses.
- 3.22 More recently (March 2023) the Swindon and Wiltshire Local Enterprise Partnership (LEP) produced a Local Economic Assessment⁹ which outlined the economic position of the LEP area across six broad categories. These are summarised below:

Output and Productivity

- Swindon has an above average productivity (£79,800 output per job) and output per hour (£51 compared to £38 nationally). However, growth in this metric has slowed and is being overtaken by the wider South West and the other LEP areas. Highly productive sectors in Swindon include Finance and Manufacturing while the arts and hospitality are below average.

Business and sectors

- The number of businesses in the LEP area contracted by 4% between 2018 and 2022 which can in part be explained by the pandemic. Of the top 10 business sectors in Swindon, four sectors have shrunk between 2018 and 2022, and all the priority sectors are shrinking. These sectors account for around 46% of enterprises in Swindon.
- Around 52% of business start-ups survive three years which is above average (38%). Around 98% of businesses employ less than 50 people.
- Despite the number of businesses falling in the LEP area between 2017 and 2021 overall employment numbers increased. However, this was not consistent across the whole LEP area as employment in Swindon fell by 4%

⁹ Swindon and Wiltshire Local Economic Assessment, Swindon & Wiltshire LEP / Hatch, March 2023, Available:

https://static.swlep.co.uk/swlep/docs/default-source/strategy/economic-priorities/economic-assessment-2023/swindon-and-wiltshire-lea-2023.pdf?sfvrsn=45385fba_1

- The transportation and storage and scientific research and development sectors fared very well in recent years. Of the priority sectors, Life Sciences grew at a rapid rate within Swindon. These sectors account for around 46% of jobs in Swindon.
- The potential labour force that is reachable from Swindon (45 min drivetime) is estimated to be 163,500.
- Most businesses in Swindon are not predicted as being likely to grow, potentially due to challenging economic circumstances. While business assets have been falling sharply since 2017. The LEP area is a net importer of goods which presents a risk if inflation remains high and the pound weakens, although Swindon is broadly balanced. As much of its exports are to outside the EU, Swindon has an inbuilt degree of resilience compared to other areas.
- While Foreign Direct Investment has increased the number of jobs created has not risen at the same rate.
- Policy Recommendations include:
 - Non-financial business support for start-ups;
 - Financial or in-kind business support, including sector-specific grants for innovative practices, and start-up support;
 - Skills support to ensure skill alignment with current and future needs of local businesses including Net Zero; and
 - Development of an up-to-date, intelligence-led inward investment strategy.

People and labour market:

- The borough's population has grown by 11.6% between 2011 and 2021.
- Swindon has a smaller proportion of over 65s than Wiltshire or nationally and a higher percentage of the working-age population than the rest of the LEP area.
- There is a net inflow of migration to the LEP area except for student age groups. The previously high levels of international migration have now fallen. Similarly, natural change has fallen and presents a challenge.

- The LEP area has low levels of inactivity indicating a highly utilised population although inactivity is growing in those aged 50-64. This can be a challenge as opportunities for re-employment and reskilling diminish and they also leave a large skills and experience gap if they have chosen to retire early. The area also has low levels of unemployment which have remained stable since 2017. Economic activity rates are around 81% in Swindon.
- Around 11% of residents in the LEP area are self-employed which is below the national average (13%). Around 76% of residents are employed by the private sector which is slightly above average.
- Within the LEP the most common destination for school leavers was continuing education which at 46% is below the national average of 53%. Conversely, the Borough has a much higher rate of 16-18-year-olds going straight to employment (27%) than nationally (20%).
- Swindon has a high percentage of apprenticeship starts in Information and communication compared to the region and country but a lower level of retention and success. In contrast, the apprenticeships in the business, admin and law subject areas have an above-average level of retention and success.
- The borough has an average level of growth in high-skilled occupation levels compared to the South West and England. This is despite low levels of degree-level residents. The number of residents with no qualifications has fallen from 21% to 17% between the Census.
- Policy Recommendations include:
 - Leverage the Lifetime Skills Guarantee to ensure lifelong learning amongst residents that can assist their retention and engagement in the labour market.
 - Skills gaps plugged by EU residents will need to be plugged through improved training opportunities from SMEs.
 - Encourage policy initiatives to stem the flow of those aged 50-64 leaving the market.

Socio-economic issues

- Swindon has a relatively low rate of employment for females (69.3%) in comparison to national levels (72%). Similarly, disabled people are less likely to be employed in Swindon (54%) than in Wiltshire (67%), although the gap is reducing.
- Child Poverty Rates in Swindon are below the national average and in line with the rest of the South West. There are particular pockets of deprivation within the Urban Centre of Swindon. Access to housing and services remains the most consistent deprivation domain
- Gross disposable income in Swindon is around £21,962 per head in 2020.
- Policy Recommendations include:
 - To alleviate the worst aspects of an economic crisis and shore up resilience amongst the highly exposed population a return-to-work skills programme could ensure the latent workforce could meet the skills needs of the local economy.
 - Pursue inclusive growth and ensure economic benefits are felt by as large a share of the local population as possible including affordable housing or ensuring affordable access to civic infrastructure.
 - Work with residents and businesses to ensure homes and businesses are retrofitted to be energy efficient.

Infrastructure and environment

- Industrial floorspace across the LEP area has grown by 9% in the last 10 years which is a faster rate of growth than nationally. Swindon accounts for 43% of the total share and much of the growth relates to logistics space in the borough.
- Pre-pandemic industrial vacancy rates had fallen from 10% to 2% but since the pandemic, they have increased to 13% indicating challenging times for industrial uses. Although the increased vacancy rates have not resulted in reduced rents.

- Office floorspace in Swindon has fallen by 6% in the last 11 years which is a faster rate of decline than nationally (4%). Swindon accounts for 50% of the total share within the LEP.
- Pre-pandemic office vacancy rates had fallen but since the pandemic, they have increased. Rents have also continued to increase modestly although they are still far below national levels (£15 per sqm compared to £28 per sqm).
- Indoor 4G connectivity in Swindon is greater than the UK average at 89% compared to 78%.
- Over the last decade, total CO2 produced in the LEP area has fallen by over a third in line with the net zero agenda. Key contributors to carbon emissions in Swindon and Wiltshire include transport which accounts for 47%, domestic property (28%) and industry (17%).
- Policy Recommendations include:
 - To assist with commercial property needs there is a requirement to understand the sectoral needs of local businesses.
 - The council should consider working with providers to ensure commercial space is suitably sized and adaptive to the needs of the local economy.
 - Ensuring there is a sufficient supply of affordable homes will be crucial to the long-term success of the Swindon and Wiltshire economy.
 - A LEP-wide retrofit programme would help many households to reduce their energy costs while also lowering emissions.
 - This may be done through education initiatives that give households information on the importance of increasing their energy efficiency.
 - To reduce emissions and car dependency active travel needs to be encouraged through safer cycle schemes and reliable public transport.
 - To support local enterprises, commercial space needs to be available for all businesses. This should be flexible and scalable.

- With the rise of home-working, the importance of secure and reliable digital connection has never been more important.

Ongoing and future socio-economic challenges

- By 2043 it is estimated that Swindon's population will grow by 11% outstripping national growth. The majority of this growth is amongst the older demographics, with over 65s seeing growth of 58%.
- Examining the type of skills expected to be in demand in Swindon and Wiltshire shows that there will be a need for 53,000 jobs, 40,000 of which will be based on replacement demand and 13,000 due to expansion.
- In the shorter term, two in five employers in the LEP area have expressed an emerging need for new skills to satisfy new technologies, products and new working processes. Filling these jobs will help improve productivity.
- A total of 93,000 jobs are at risk of automation, of which 78% are either medium or high risk. This equates to 48% of all jobs in the borough having some level of risk.
- The high risk of automation includes many of Swindon's most important sectors including the automotive industry as well as retail and hospitality.
- Policy Recommendations include:
 - Providing housing and infrastructure to meet the needs of residents and businesses, while being mindful that economic shocks may arise.

4. Functional Economic Market Area

Planning Practice Guidance

4.1 The PPG¹⁰ provides specific guidance on how Functional Economic Market Areas (FEMA) can be defined. However, it notes that no standard approach is possible as patterns of economic activity vary from place to place. However, it does suggest that when defining a FEMA, the following may be applicable:

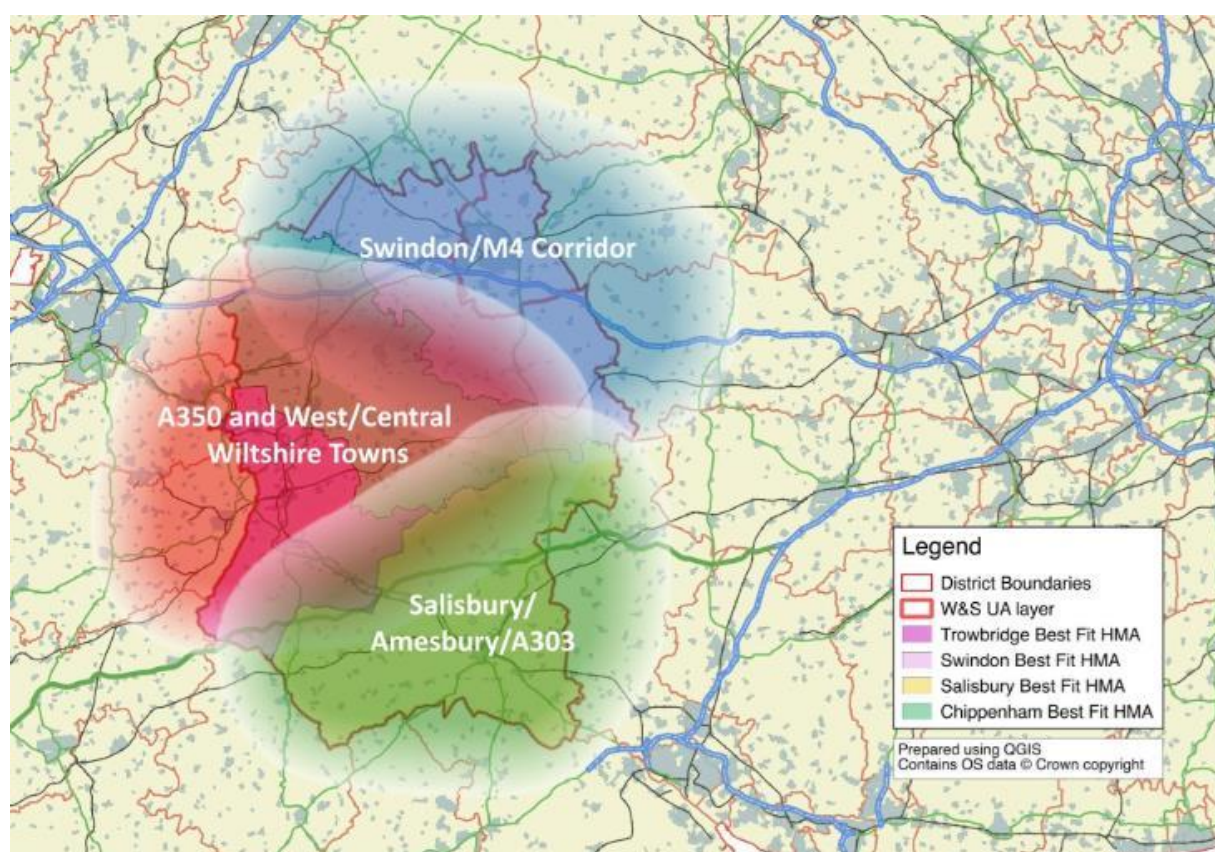
- extent of any Local Enterprise Partnership within the area;
- travel to work areas;
- housing market area;
- flow of goods, services and information within the local economy;
- service market for consumers;
- administrative area;
- catchment areas of facilities providing cultural and social well-being; and
- transport network.

Previous Definitions

4.2 The Swindon FEMA was previously identified in the Swindon and Wiltshire Functional Economic Market Area Assessment¹¹ produced on behalf of both councils in 2016. The report concluded that there are three overlapping FEMA across Wiltshire and Swindon as illustrated below.

¹⁰ Reference ID: 61-018-20190315

¹¹ <https://www.wiltshire.gov.uk/media/690/Functional-Economic-Market-Area-Assessment-2017/pdf/spp-fema-report-2017-final.pdf?m=637103724999970000#:~:text=The%20Swindon%20FEMA%20has%20notable,employment%20of%20the%20three%20FE> MAs.

Figure 4.1 Previous Wiltshire and Swindon FEMA

Source: Swindon and Wiltshire Functional Economic Market Area Assessment (2016)

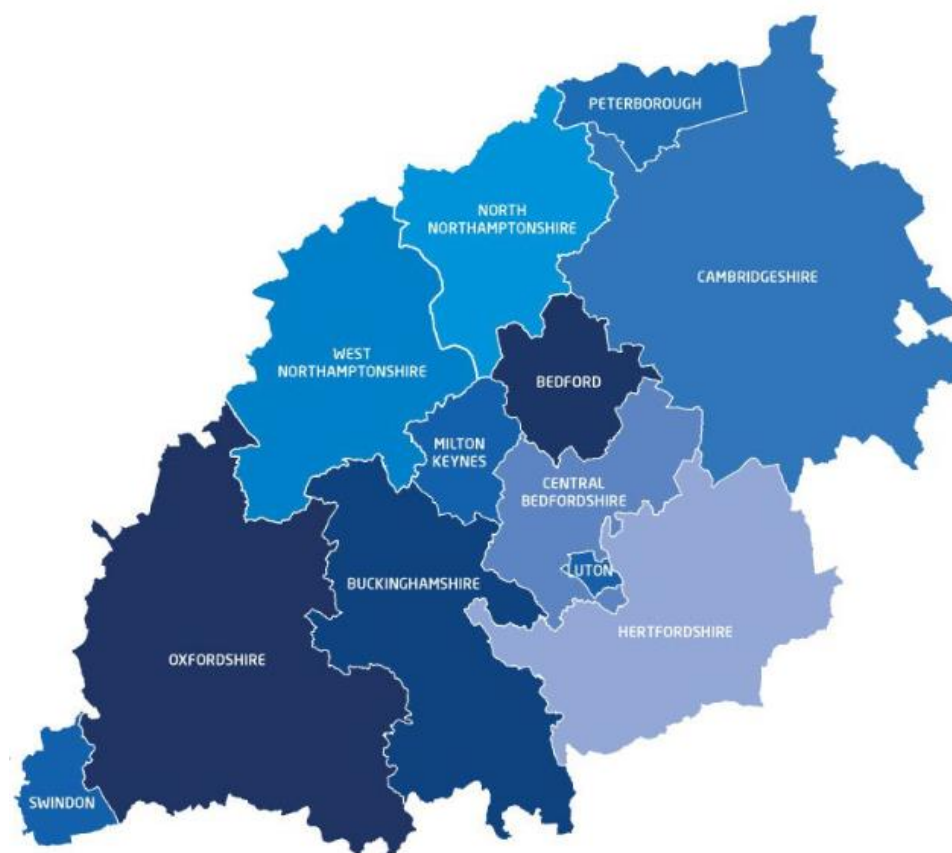
- 4.3 Only one of these, the Swindon M4 Corridor covers Swindon Borough although it also extends beyond it into Wiltshire and parts of Oxfordshire, Berkshire and Gloucestershire. These functional Economic Market Areas were ratified by stakeholder engagement and duty to cooperate discussions.
- 4.4 This Swindon M4 Corridor was noted as having a “business focus that looks eastward primarily, toward Oxford and the Thames Valley”. It also added that the electrification of the Great Western Mainline coupled with Cross Rail will improve accessibility to and from London into this FEMA in the coming years and that the capital will have a growing influence.
- 4.5 The 2017 Employment Land Review did not undertake a full review of the FEMA but did reaffirm the findings of the 2016 study adding that along with the railway improvements “the redevelopment plans for Swindon town centre, could change the scale and function of the FEMAs relating to Swindon and Wiltshire over time.”

- 4.6 The report concluded that the Swindon FEMA was eastward facing “towards the Thames Valley and Oxfordshire” which reflected the linkages with BMW in the automotive industry. The areas in Wiltshire immediately to the south had closer links to Bath in the west and the southern parts of Wiltshire were focused on Salisbury and more widely Southampton.

Defining the FEMA

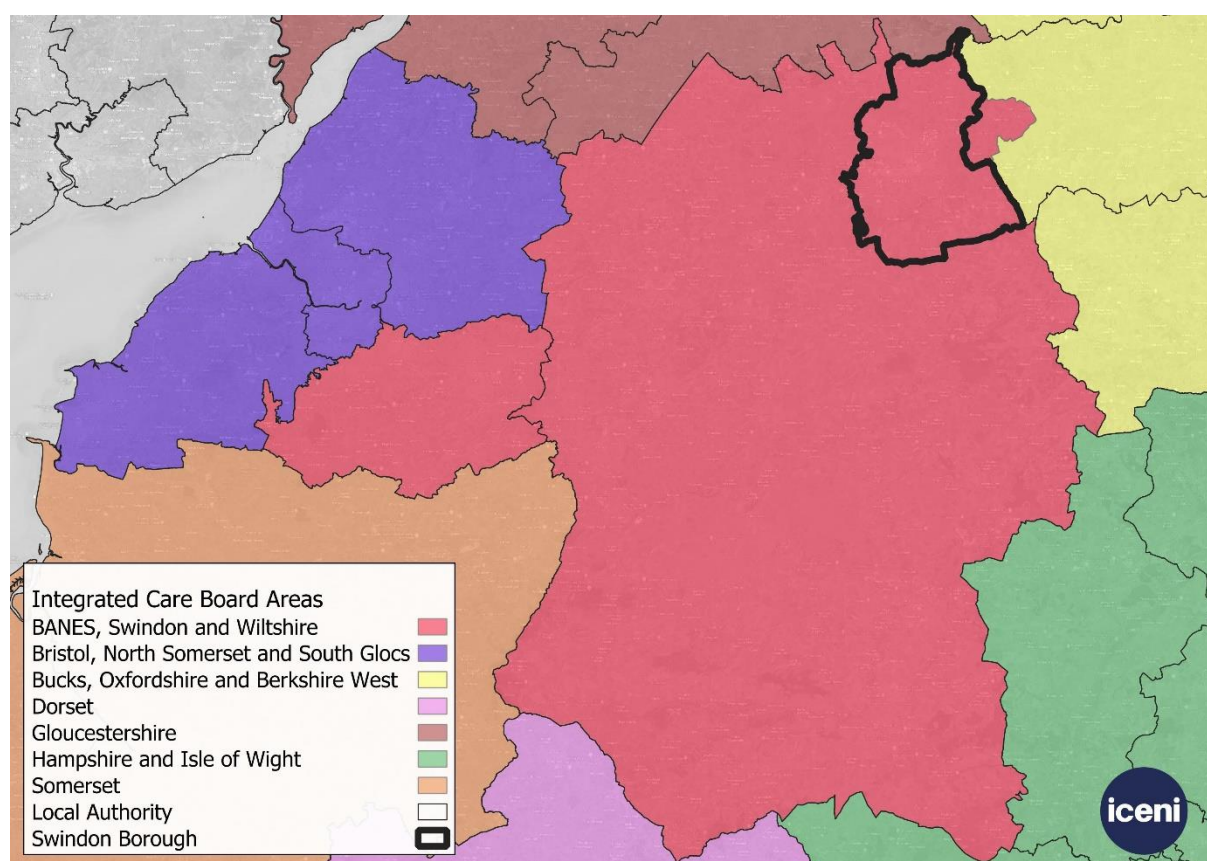
- 4.7 There is also a range of factual considerations when examining the FEMA that do not need interpretation. These include:
- 4.8 **Administrative area** can be taken as the local authority or County Council area which as a unitary authority is Swindon.
- 4.9 **Transport Network** – The Borough Council is also responsible for the provision and development of transport in the area although trains are managed by the GWR franchise. Swindon also forms part of England's Economic Heartland¹² – a sub-national transport body covering a wide region from Swindon north eastwards towards Cambridgeshire and Peterborough and from Northamptonshire down to Hertfordshire. This body advises the government on the transport infrastructure required to realise the region's economic potential.

¹² For further information: England's Economic Heartland - England's Economic Heartland (englandseconomicheartland.com)

Figure 4.2 England's Economic Heartland Sub-National Transport Body

Source: England's Economic Heartland

- 4.10 **Health Services** are managed by the NHS' Bath and North East Somerset, Swindon and Wiltshire Integrated Care Board, which covers a wide area as illustrated below. This includes all of BANES, Wiltshire and all of Swindon as well as Shrivenham which although in Oxfordshire has close links to Swindon.

Figure 4.3 Integrated Care Board Areas

Source: Iceni Projects Based on NHS England Data

- 4.11 The Great Western Hospital has a separate NHS Trust whose catchment area includes Swindon, North and Central Wiltshire and to a lesser degree Southern Wiltshire, West Berkshire and Oxfordshire, BANES and Gloucestershire.
- 4.12 **The Local Enterprise Partnership** is the Swindon and Wiltshire Local Enterprise Partnership (SWLEP) which covers the whole of Swindon and Wiltshire. Although, it should be noted that the Government ceased funding LEPs in April 2024 and many LEP functions are now being integrated into local and county authorities.

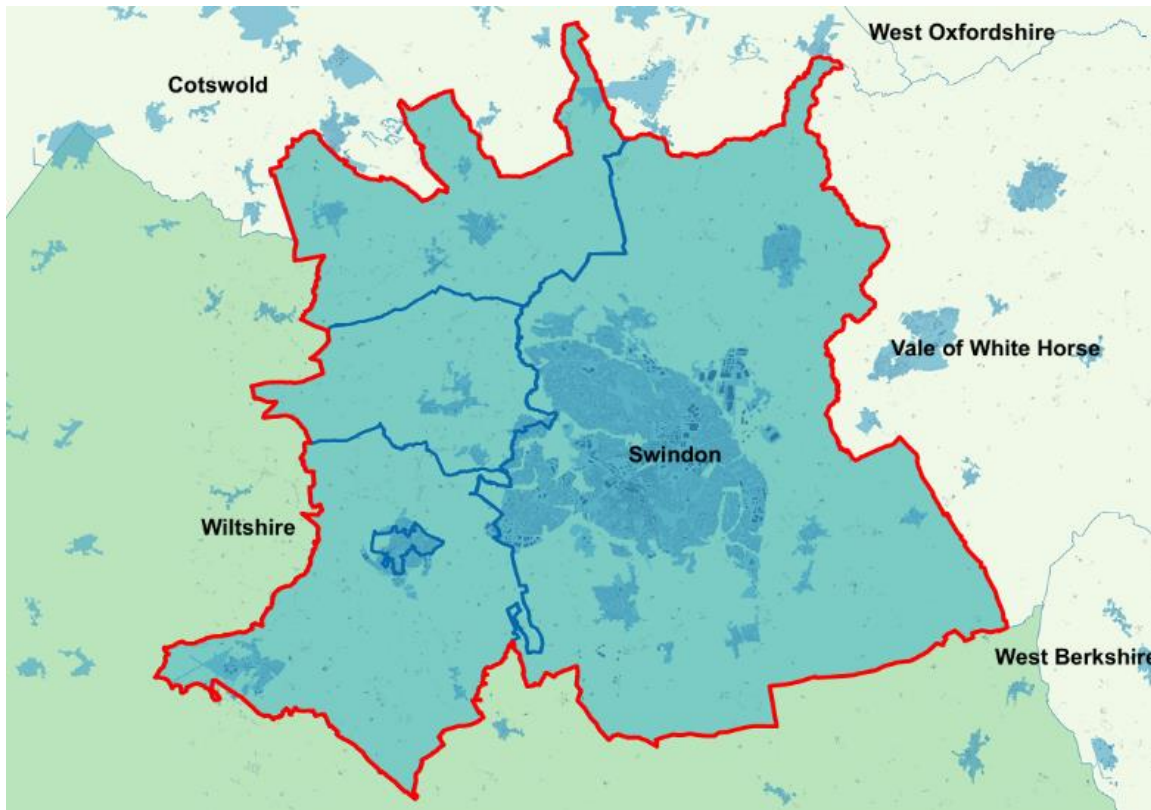
- 4.13 In March 2024 it was announced that Wiltshire Council had agreed in principle to take on the business support functions of the SWLEP from 1 April 2024¹³.
- 4.14 The local **Chamber of Commerce** is the Swindon Chamber of Commerce which forms part of the wider Thames Valley Chamber of Commerce (TVCC). The TVCC provides business support functions across the Thames Valley area which includes Swindon, Oxfordshire, Berkshire and Buckinghamshire¹⁴.

Housing Market Area

- 4.15 The emerging Swindon Local Housing Needs Assessment has reviewed the extent of the Swindon HMA and concluded that “Swindon is a distinct housing market area, with links to neighbouring authorities, most notably Wiltshire. Its status as a sub-regional hub means that its influence extends beyond the Borough, but it can be considered a housing market area in its own right.”

¹³ Wiltshire Council, 2024. Available: Wiltshire Council to take on business support functions from Swindon and Wiltshire Local Enterprise Partnership - Wiltshire Council

¹⁴ TVCC Business Manifesto 2024. Available: About us | Thames Valley Chamber of Commerce

Figure 4.4 Swindon Housing Market Area

Source: SBC – Swindon Local Housing Needs Assessment (2024)

- 4.16 The report also considers a series of sub-local authority level linkages which extend beyond the borough boundaries to parts of Wiltshire including Royal Wootton Bassett, Cricklade and Purton (see figure above).
- 4.17 Viewing Swindon as an HMA in its own right is a reasonable conclusion to make despite the reality that HMA (and FEMA) boundaries rarely stop and start at administrative boundaries. This is because many of the key datasets used in assessing housing needs (such as household projections) and employment needs (such as economic forecasts) are only published at a local authority level. As such a pragmatic response is to define HMAs and FEMAs at a local authority level but to continue to have a duty to cooperate discussions with those areas where there is an overlap.

- 4.18 This approach was advised by the Planning Advisory Services (PAS) Technical Advice Note on Objectively Assessed Housing Needs and Housing Targets¹⁵ (July 2015) which concluded that:

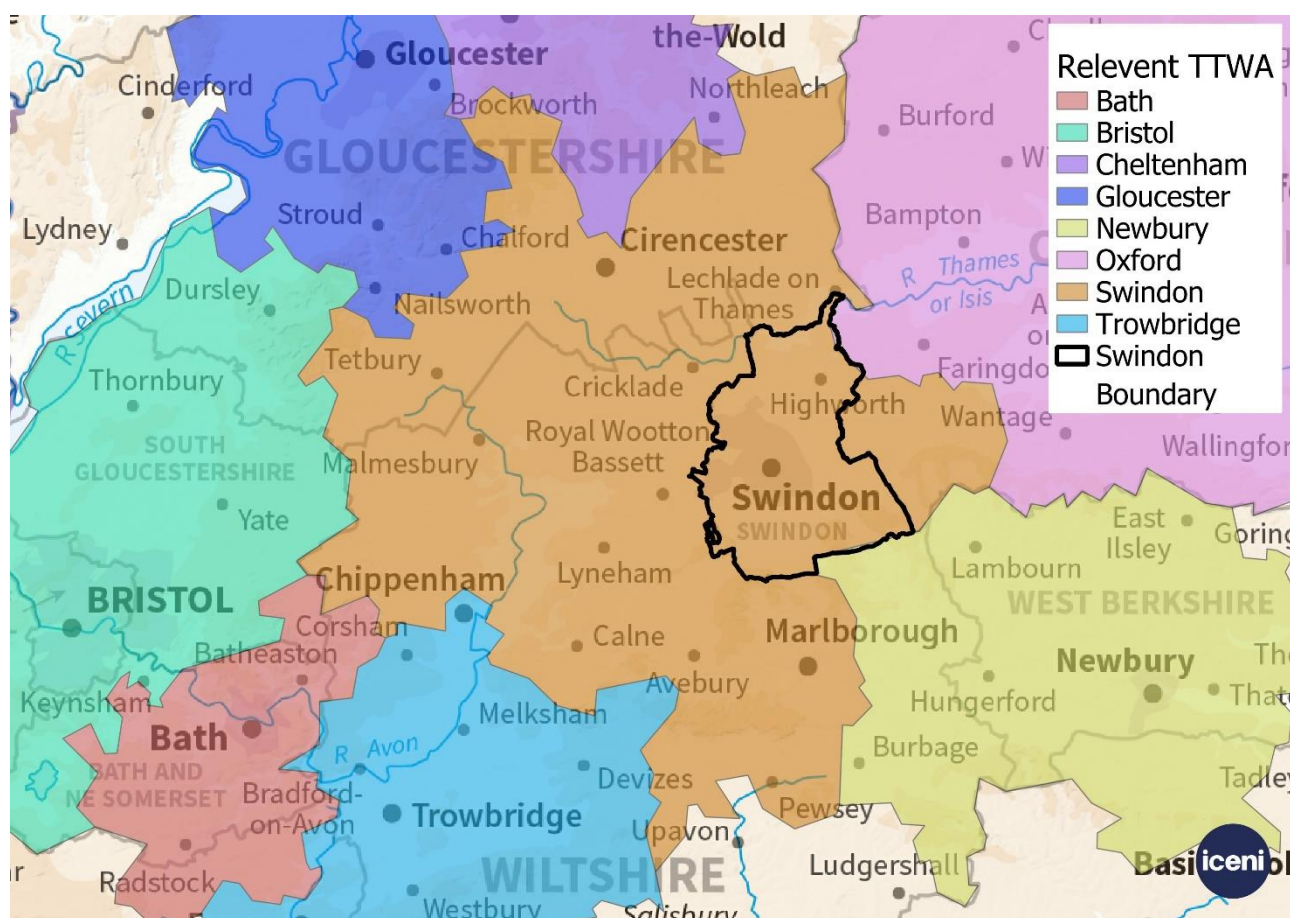
“It is best if HMAs, as defined for the purpose of needs assessments, do not straddle local authority boundaries. For areas smaller than local authorities’ data availability is poor and analysis becomes impossibly complex.”

- 4.19 The Technical Advice Note also adds that “this is not always possible, and it may be the case that some [local authority] areas, particularly those covering an expansive area fall into more than one HMA.” This would not be relevant to Swindon, but it may be relevant to Wiltshire.

Travel to Work Area

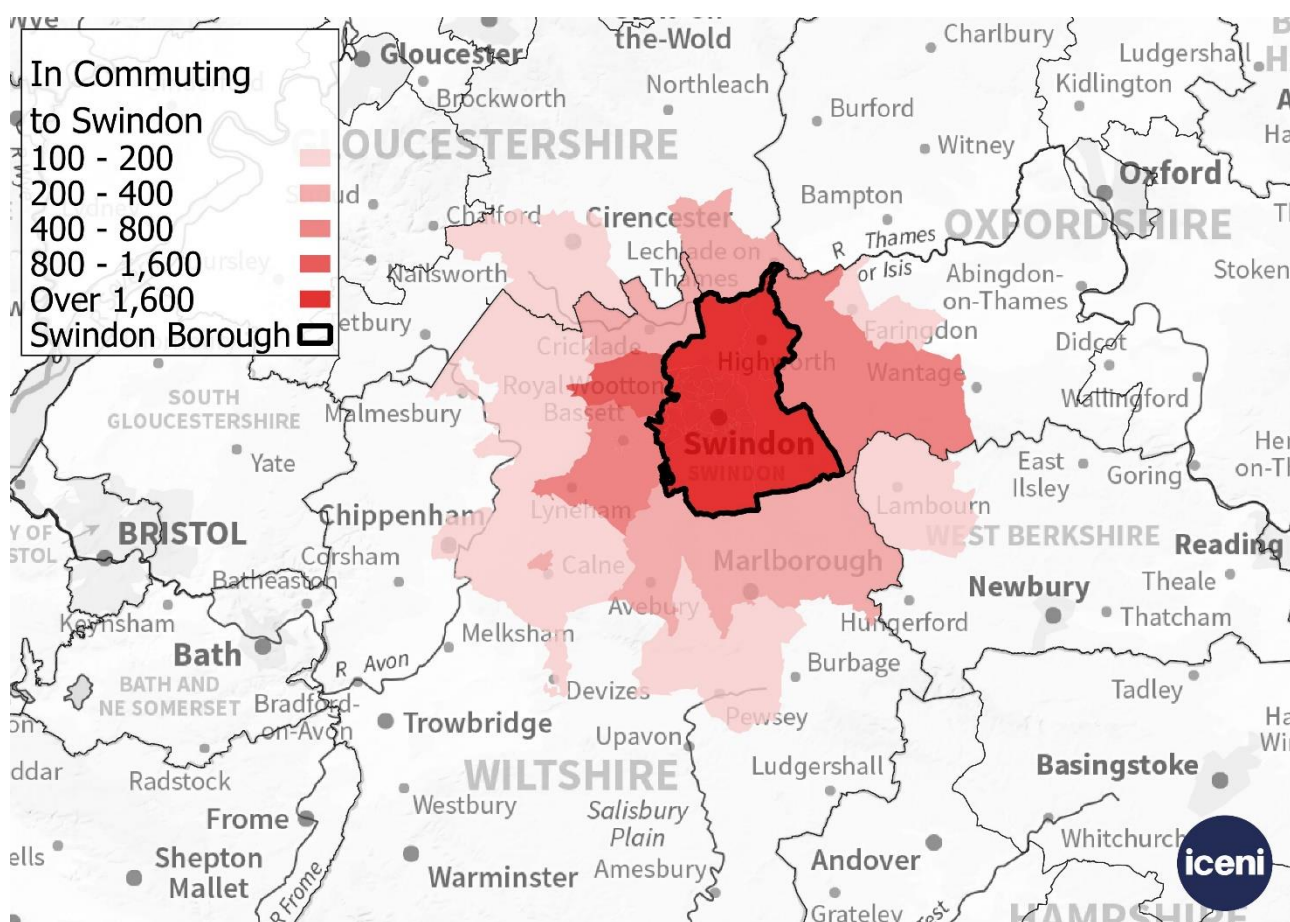
- 4.20 In 2015, ONS produced travel to work areas (TTWA) based on 2011 census data for the whole country. These remain the latest available TTWA data set. As illustrated below, Swindon has its own TTWA which extends some way beyond the borough boundary and picks up towns such as Marlborough and Cirencester in Wiltshire and Gloucestershire respectively.

¹⁵ <https://www.local.gov.uk/sites/default/files/documents/objectively-assessed-need-9fb.pdf>

Figure 4.5 2011 Travel to Work Areas

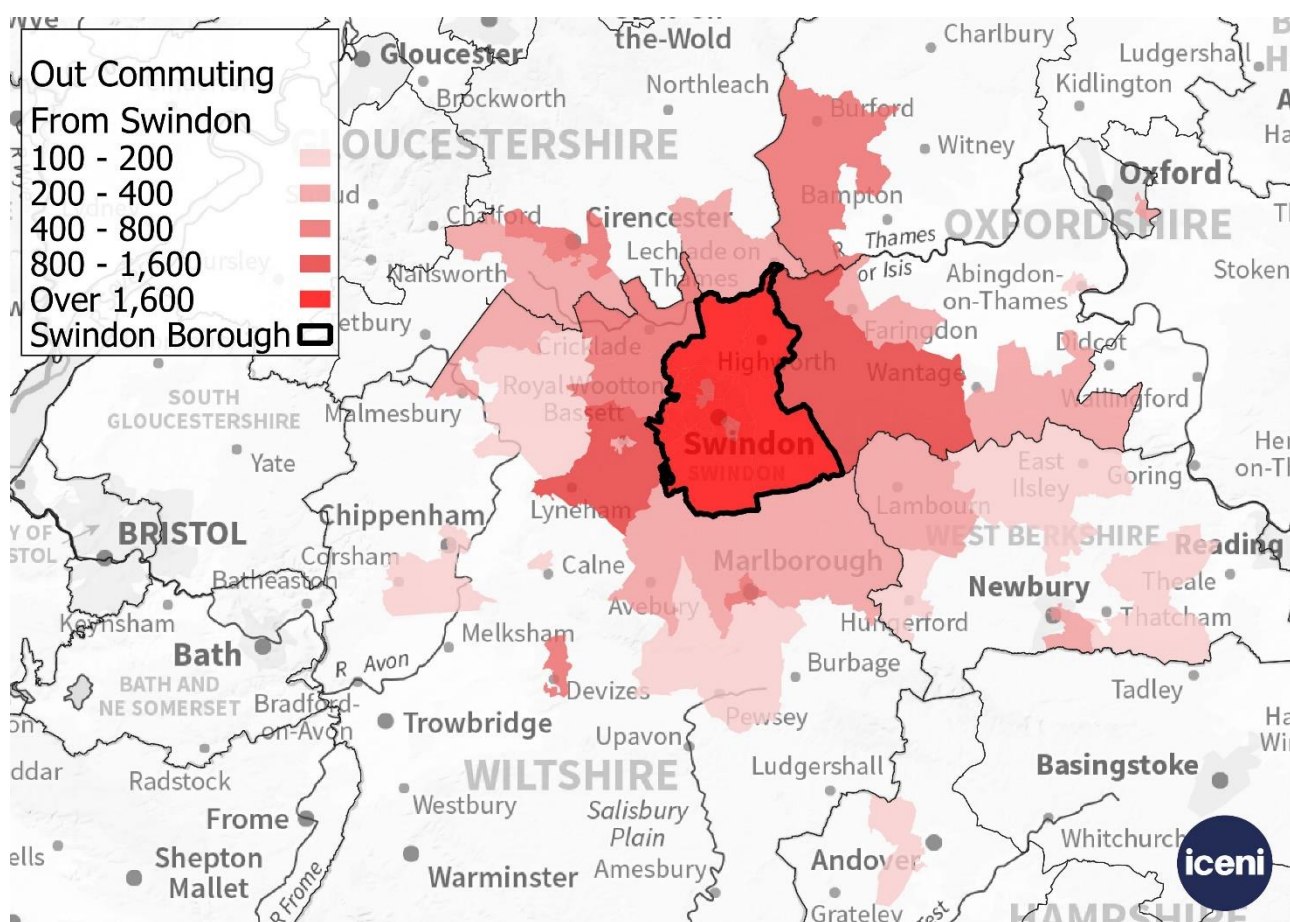
Source: ONS, TTWA 2015

- 4.21 The Swindon Travel to Work Area includes the towns of Cirencester, Marlborough, Malmesbury and Calne. It notably looks westwards from the borough, including much of the northern area of Wiltshire and southeastern area of Gloucestershire, rather than eastwards where it meets the Oxford and Newbury TTWA.
- 4.22 The Travel to Work Areas have not yet been updated to use the 2021 Census Data. However, commuting data has been published and we have examined this for Swindon. Firstly, we have looked at where the borough draws its workforce from.
- 4.23 As shown in the map below the majority of the workforce in Swindon also live in the borough. However, there is also a notable draw from the surrounding areas including Royal Wootton Bassett, Lyneham, Marlborough and Cricklade in Wiltshire, Lechlade and Cirencester in Gloucestershire (Cotswold) and from Wantage and Farringdon in Oxfordshire (Vale of White Horse).

Figure 4.6 In Commuting to Swindon

Source: ONS, Census 2021

- 4.24 We have also looked at where the borough's residents find employment. This analysis does not include those who work from home. Again, this shows that the majority of residents also work in the district. There are also notable numbers commuting to the surrounding areas of Royal Wootton Bassett, Lyneham and Shrivenham but also further afield to Oxford, Chippenham, Andover and Newbury.

Figure 4.7 Out Commuting to Swindon

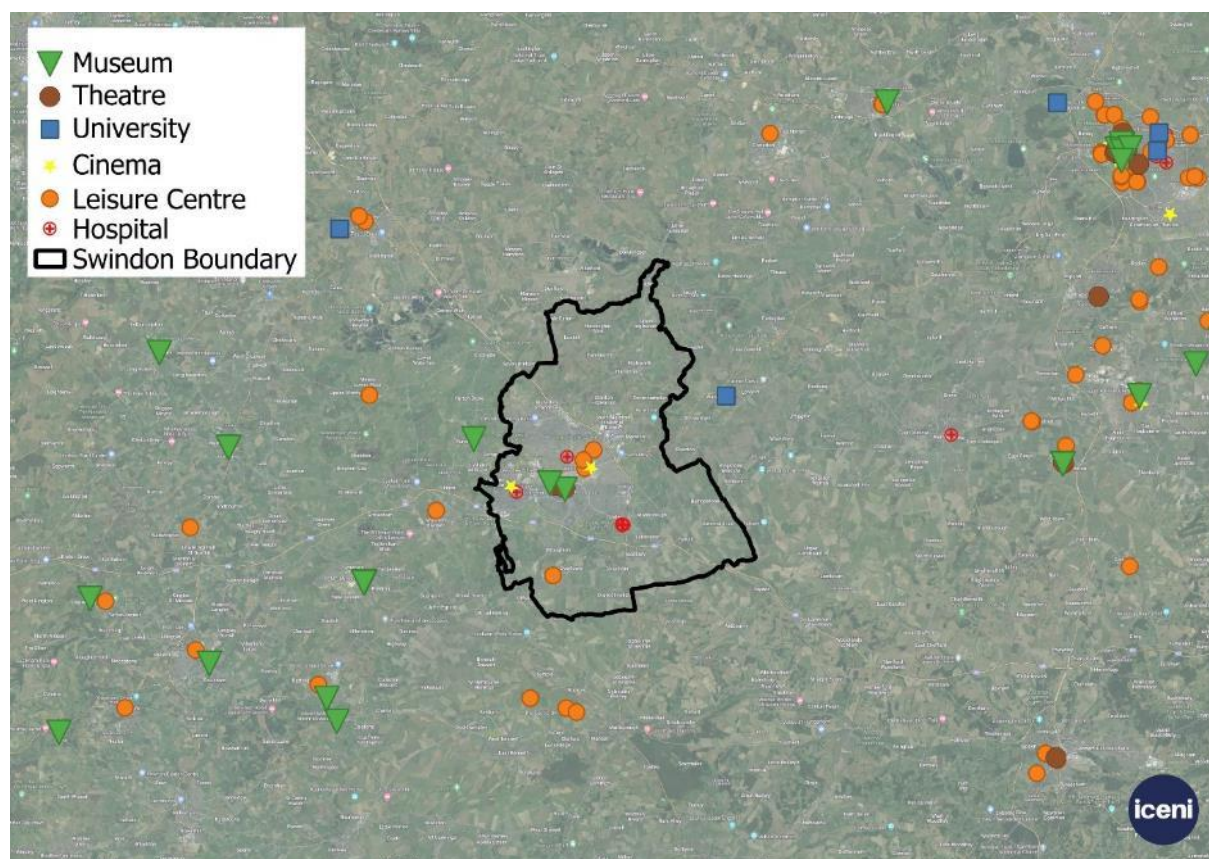
Source: ONS, Census 2021

- 4.25 This would indicate that there is a continued strong relationship with Wiltshire and Cotswold Districts when it comes to more recent commuting dynamics and defining the HMA.
- 4.26 However, it is also worth noting that discussions with other surrounding authorities could be worthwhile as many draw a significant workforce from Swindon. If this trend were to be reversed and Swindon retains a greater number of its workers, then this would have an impact on labour supply and also housing need.

Cultural and Social Facilities

- 4.27 The map below illustrates the location of key cultural and social facilities in Swindon and the wider area.

Figure 4.8 Cultural and Social Facilities



Source: Iceni Projects and Open Streetmap

- 4.28 Although Swindon does not have a University, it is home to the Oxford Brookes Swindon Campus where Adult Nursing courses (BSc) are taught and a University of Bath research facility (Innovation Centre for Applied Sustainable Technologies).
- 4.29 The borough also has all the other major social and cultural facilities including a major hospital which serves the sub-region. This would again indicate Swindon would be central to the FEMA.

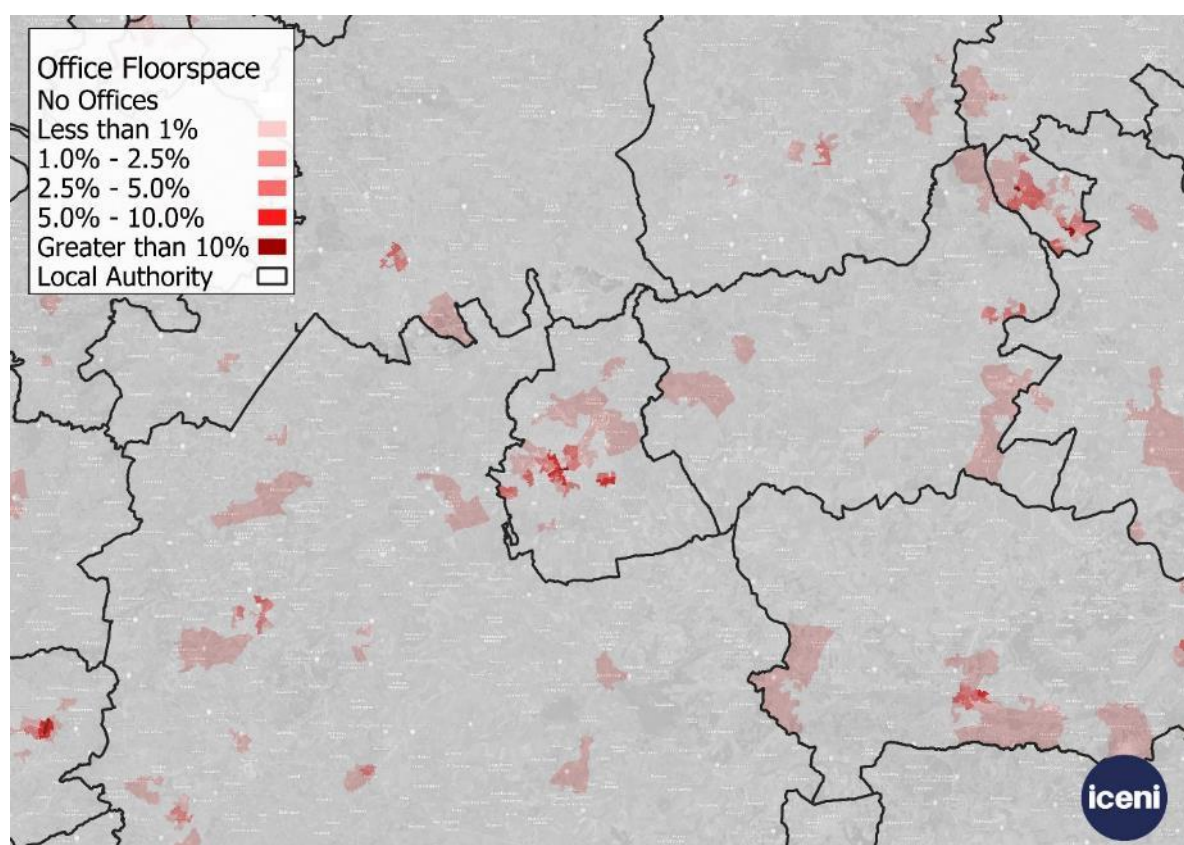
Service Market for Consumers

- 4.30 The Swindon Retail and Leisure Needs Assessment¹⁶ (2017) set out Swindon's middle-ranking market position and an overall UK ranking of 72nd. In comparison, Salisbury is ranked 97th Trowbridge 288th and Swindon Designer Outlet Centre is 326th.
- 4.31 The report also describes Swindon Town Centre as a "dominant location within the immediately surrounding area". It also notes some leakage to higher-order service centres in Bristol, Bath, Chippenham and Cirencester.
- 4.32 The report outlines that the borough retains around 67% to 91% of food and beverage expenditure from its residents and 79% to 90% of comparison goods expenditure.
- 4.33 The Council has also commissioned a 2024 update as part of the new local plan evidence base. Whilst this report is yet to be published (at the time of writing) it updates the retention calculations which now show retention of 93.8% of food and beverage and 81.7% of comparison goods expenditure in the study area (which extends beyond the borough to Cirencester, Chippenham, Marlborough, Farringdon and Hungerford). This confirms Swindon's centrality to the retail functioning of the borough and the wider area.
- 4.34 Interestingly the report now states that Swindon Town Centre is now only the second largest comparison goods destination in the study area behind Greenbridge Retail Park. This highlights the deterioration in the Town Centre offer over the last seven years.
- 4.35 It adds that "Swindon Town Centre needs fundamental intervention. The proportion of vacant units is significantly above the UK average for all centres, as is the proportion of vacant floorspace. In fact, the level of vacant floorspace across the town centre has more than doubled since 2015"
- 4.36 Major out-of-area destinations for comparison goods expenditure are Cribbs Causeway in Bristol and Newbury, Bath and Witney Town Centres. These are all either regional centres or receiving a small percentage of expenditure therefore they are unlikely to reflect an overlap of FEMAs.

¹⁶ https://www.swindon.gov.uk/downloads/file/5358/swindon_retail_and_leisure_needs_assessment

Flow of Goods and Services

- 4.37 The flow of goods, services and information within the local economy is difficult to quantify. Our approach therefore is to look at office and industrial clusters across Swindon and neighbouring authorities. Using VOA floorspace data we have identified the areas with the greatest concentrations of office and industrial floorspace (total floorspace as a percentage of LSOA area).
- 4.38 The Swindon office floorspace is the largest in the sub-region and this is split across the Town Centre and the Campus supply to the south of the Town as well as Windmill Business Park. There are smaller secondary clusters within the Town's Industrial Estates. The only other major office centres shown are Newbury, Oxford and Bath.
- 4.39 Office space in the town centre and central sites such as Churchward (Firefly Avenue) market themselves based on proximity to the town centre and mainline rail station, highlighting the direct access to London in under an hour.
- 4.40 Office locations to the southwest of Swindon town, for example, Windmill Hill, highlight adjacency to J16 of the M4, whilst locations to the East of Swindon town such as Lotmead Business Village note the proximity to J15 of the M4.
- 4.41 This marketing highlights the connections that the M4 provides to Reading and Bristol. Sites towards the east of Swindon also note access to Cirencester and the M5. This therefore highlights the Borough's likely attractiveness to businesses looking to locate across a wide area linked to strategic transport corridors.

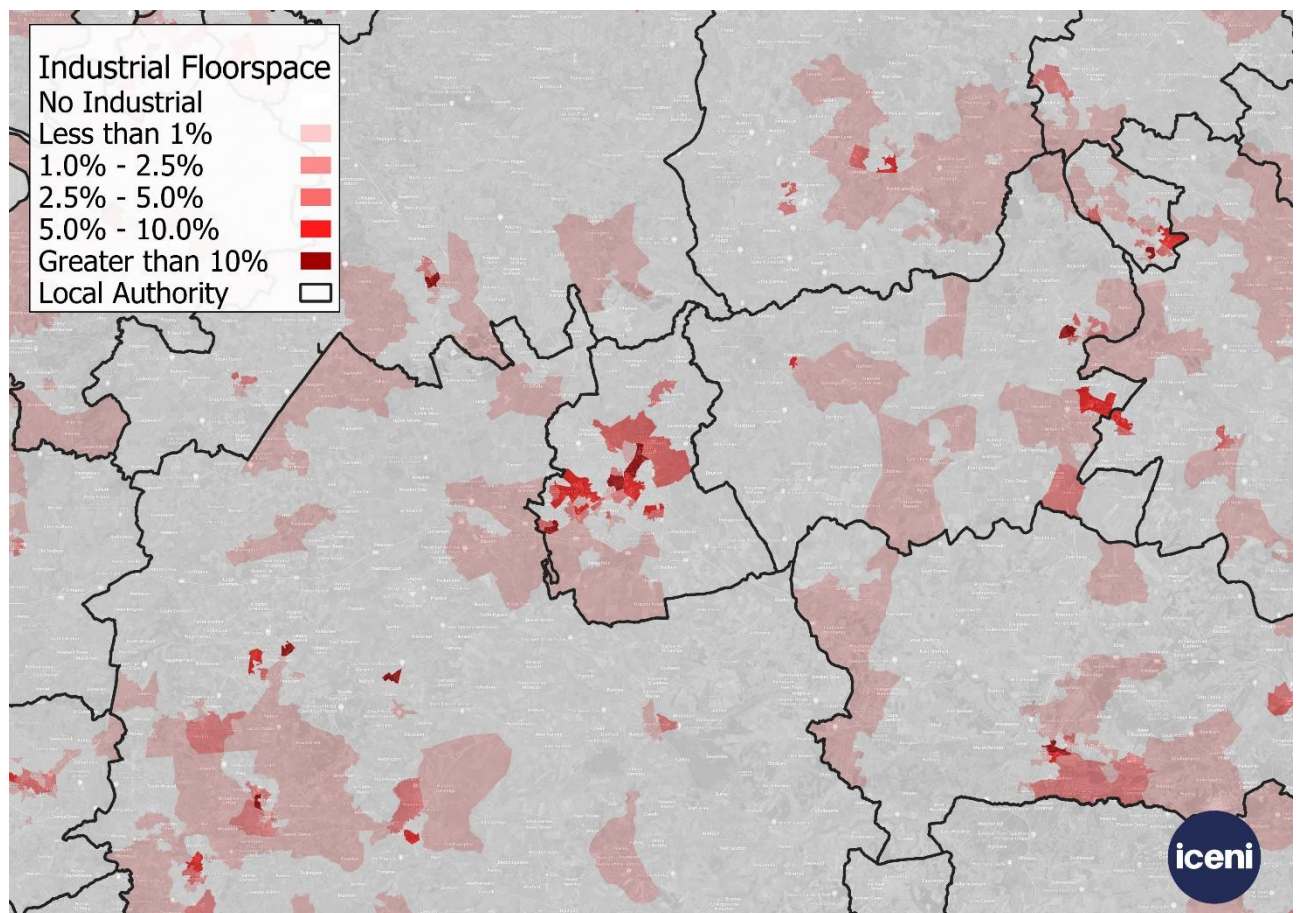
Figure 4.9 Office Floorspace as % of LSOA Area (2021)

Source: VOA, 2021

- 4.42 Industrial floorspace is also concentrated in Swindon particularly in the West and North East of the Town and along the M4. There are also pockets of industrial uses in surrounding areas including in Wroughton which includes the developments around the former RAF airfield.
- 4.43 There are no centres in the wider area with as significant a concentration of industrial floorspace as in Swindon. Other smaller areas include Abingdon, Didcot, Newbury and East Oxford.
- 4.44 This would suggest that the industrial market and to a lesser degree the office market in the wider area is centred around Swindon.
- 4.45 Industrial space to the west of Swindon town, for example, Cheney Manor and Westmead, are marketed as successful employment areas close to both the town centre and J16 of the M4 via the Great Western Way dual carriageway.

- 4.46 Industrial estates to the northeast such as Kembrey Park, Techno and Elgin are also marketed as well-established industrial estates near both the town centre and the A419 providing access to the M4. The M4 is highlighted as providing connections to Bristol and London.
- 4.47 The focus on strategic transport corridors recognises the importance of this infrastructure for the flow of goods and services both at a strategic level (along the M4 to Bristol and London) and a local level (access to the Town Centre). This would indicate that the FEMA geography is multi-layered but at a basic level, it would be appropriate to look at Swindon in its own right.

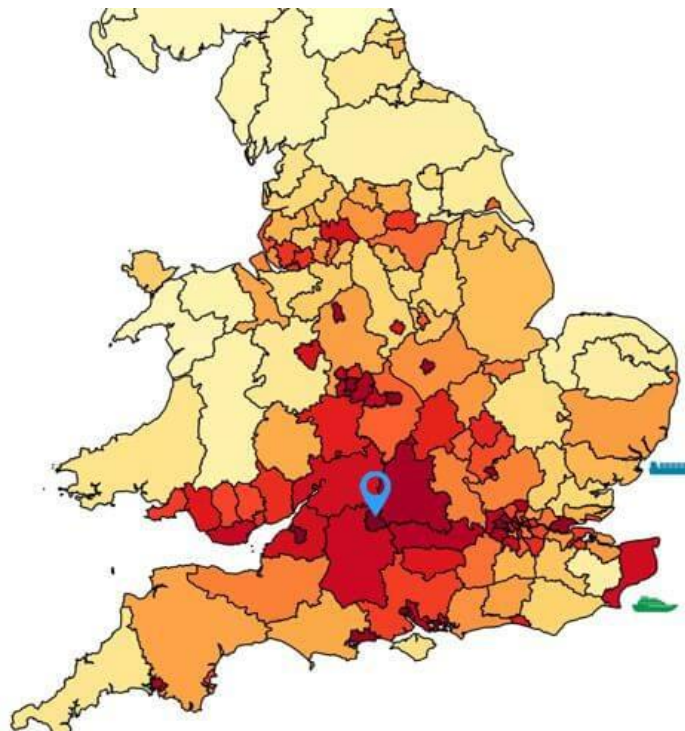
Figure 4.10 Industrial Floorspace as Percentage of LSOA Area (2021)



Source: VOA, 2021

- 4.48 The map below, sourced from MDS Transmodal's Freight Data Hub¹⁷, shows the origins and destinations of road freight to and from Swindon. It shows that the highest volumes of road freight are with neighbouring counties such as Wiltshire, Oxfordshire and Gloucestershire.
- 4.49 There are also significant volumes of freight between Swindon, Bristol, South Wales and London owing to the strong east-west M4 connections. Birmingham and Swindon also have strong freight links owing to the A419 and M5 connection.

Figure 4.11 Road freight Origin-Destination flows to/from Swindon by county.



Source: MDS Transmodal, Freight Data Hub

- 4.50 Again, this demonstrates the strategic nature of the logistics sector and that the market can effectively be located anywhere with good transport links. But for defining the FEMA it may therefore be more prudent to look at other indicators.

¹⁷ MDS Transmodal. Freight Data Hub. Available: Full Database – MDS Freight (freightdatahub.org)

FEMA - Summary

- 4.51 The evidence presented herein concludes that the Swindon FEMA is likely to extend beyond the borough boundary and in particular into Wiltshire. However, Wiltshire covers a wide area and Swindon's influence does not extend to cover all of it. Therefore, while recognising that there is an overlap, a pragmatic response would be to look at Swindon as a FEMA in isolation.
- 4.52 One of the purposes of defining market areas is to identify the “appropriate functional geographical area to gather evidence and develop policies to address these (Strategic) matters, based on demonstrable cross-boundary relationships.”
- 4.53 Where these areas are identified, the relevant local planning authorities are required to cooperate on strategic matters. This cooperation includes, according to Paragraph 11 of the Plan-Making PPG (reference ID: 61-011-20190315), agreeing to a statement of common ground which contains:
- “If applicable, the housing requirements in any adopted and (if known) emerging strategic policies relevant to housing within the area covered by the statement”; or
“Distribution of needs in the area as agreed through the plan-making process, or the process for agreeing the distribution of need (including unmet need) across the area”.*
- 4.54 It will therefore be important for the Council to continue to liaise with Wiltshire and Cotswold District on strategic planning matters, and the three councils should work together to ensure that suitable employment opportunities are provided where this overlap exists.
- 4.55 In particular, there is a need to work with Wiltshire around West Swindon, along the M4 Corridor and around Royal Wootton Bassett as these are effectively part of the Swindon Urban area. Opportunities in these areas must be fully investigated to ensure that the FEMA's needs are best met.

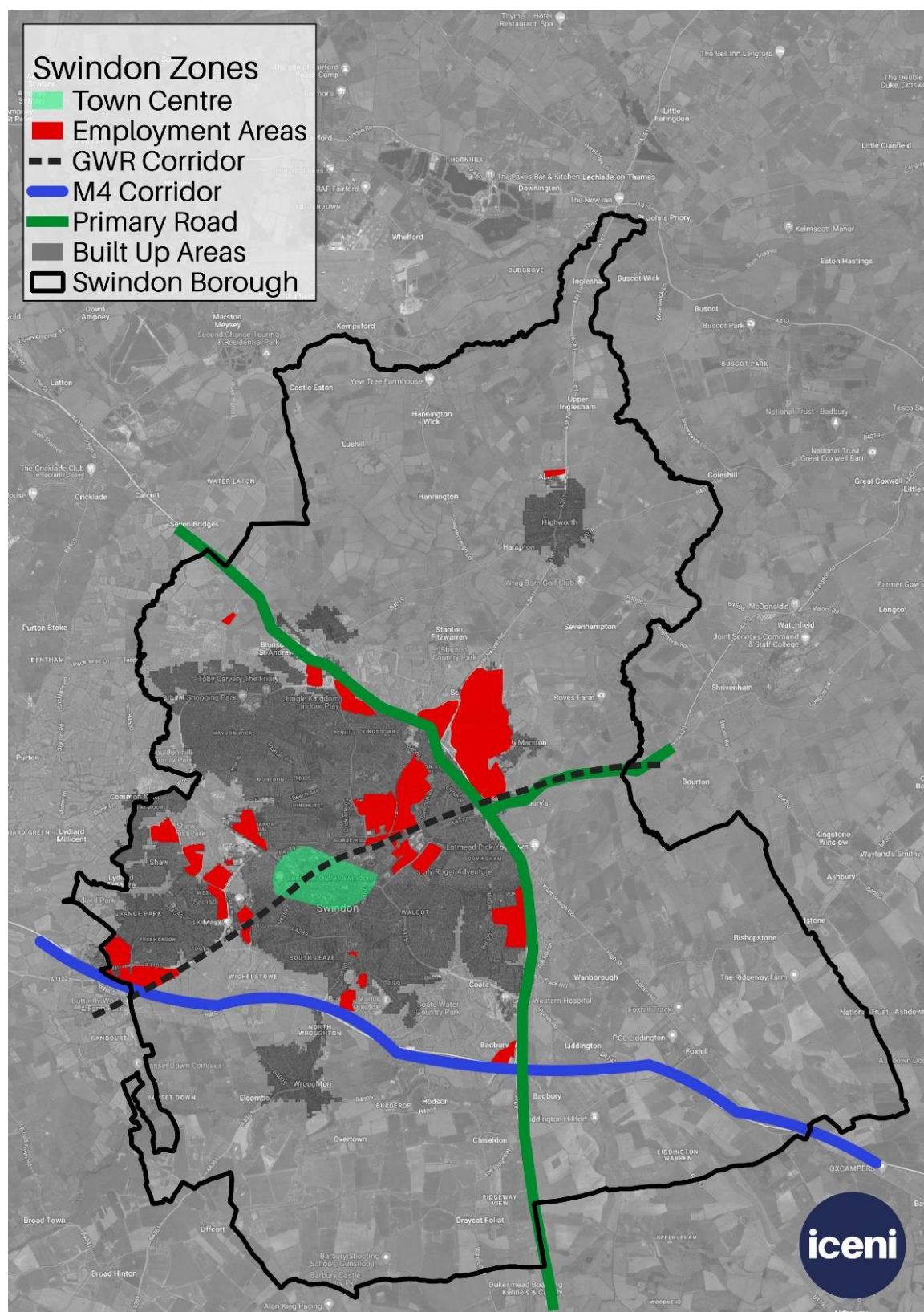
5. Local Economic Baseline

- 5.1 This section provides an overview of Swindon's economy in relation to the South West and England as a whole. It draws on a wide range of data sources, including notably from the Office for National Statistics (ONS).

Spatial Portrait

- 5.2 According to ONS mid-year estimates for 2022, the borough has a population of 235,657. This makes the borough the 76th most populous in England. Swindon Town is also the centre of industry and commerce for the borough. This includes the headquarters of several international blue-chip businesses such as Zurich and Nationwide. However, several major employment sites (such as Nationwide at Pipers Way) are located outside of Swindon Town Centre on 'out-of-centre' commercial campuses.

Figure 5.1: Swindon Land Use Areas



Source: Iceni Projects

- 5.3 There are two major transport corridors within the borough in the shape of the M4 Motorway and the Great Western Railway both of which run from London to the South West and Wales. Swindon is also well-connected to the A417/A419 which connects the town and the M4 to the M5, and the A420 which connects the town to Oxford.
- 5.4 The Great Western Railway was instrumental in the town's development as a manufacturing centre in the mid-1800s. The M4 motorway continues to be a reason for the town's economic development with many logistics' operators moving to the town.
- 5.5 These transport corridors give businesses access to the markets of London, Bristol and Cardiff and the wider South West and Wales. It also allows businesses to draw labour from these major settlements. The corridors also connect the town to the nearby university towns of Bath, Oxford, Bristol, Reading and Cheltenham.
- 5.6 These locational benefits have attracted many major employers to the town including Nationwide Building Society, Zurich Insurance, Intel and Amazon. While the town has weathered several major manufacturing closures (Motorola, Honda) it remains a centre for manufacturing with companies such as BMW and Catalent. This also demonstrates the resilience of the local economy.
- 5.7 England's Economic Heartland produced a report examining the importance of the Swindon-Didcot-Oxford corridor, particularly for Science and Technology, and for the fact that it supports £24.3bn of GVA and 350,000 jobs.
- 5.8 Most of the major employment sites within the Borough are outside of the town centre. This has resulted in a lack of footfall in the town centre which along with the failure of anchor tenants (Debenhams and House of Fraser) and the advent of e-commerce has effectively hollowed out the town centre. Only the recent Zurich development has bucked this trend.

Sectoral profile of the economy

- 5.9 There were around 114,360 employment jobs in Swindon in 2022 according to the latest Office for National Statistics (ONS) data (Business Register and Employment Survey,

(BRES)¹⁸. The Table below shows a breakdown of employment¹⁹ by sector for Swindon and compares this to the South West and England. The largest sectors of employment in the borough are:

- Wholesale & retail trade – Reflecting the town centre function, the designer outlet park, multiple out-of-town retail parks, supermarkets as well as smaller local retail premises.
- Administrative & support services – Primarily temporary employment agency activities and security.
- Transportation and storage – Reflecting the borough's location on the M4 and other transport corridors and the presence of large companies such as Amazon and Evri.
- Health – Reflecting the presence of Great Western Hospital which accounts for over 50% of employment within the sector. It will also include those working in older persons' housing, care workers and local GP and Dental surgery staff.
- Financial & Insurance – Reflecting the presence of global Insurance provider Zurich and the Nationwide Building Society.
- Professional, scientific & technical services – There are many high-tech companies based in the Borough including some with R&D facilities. This includes companies working in engineering, pharmaceutical and aerospace.

5.10 Of the above, Transportation & Storage, Financial & Insurance and Admin & Support services make up notably greater percentages of the Swindon economy in comparison to the South West and England.

¹⁸ Office for National Statistics (ONS) - Business Register and Employment Survey, 2022, Employment (count), Swindon

¹⁹ Employment is defined by the ONS as "employees plus the number of working owners. BRES therefore includes self-employed workers as long as they are registered for VAT or Pay-As-You-Earn (PAYE) schemes. Self-employed people not registered for these, along with HM Forces and Government Supported trainees are excluded. Working owners are typically sole traders, sole proprietors or partners who receive drawings or a share of the profits."

Table 5.1 Employment Jobs by Sector, Swindon vs the South West and England

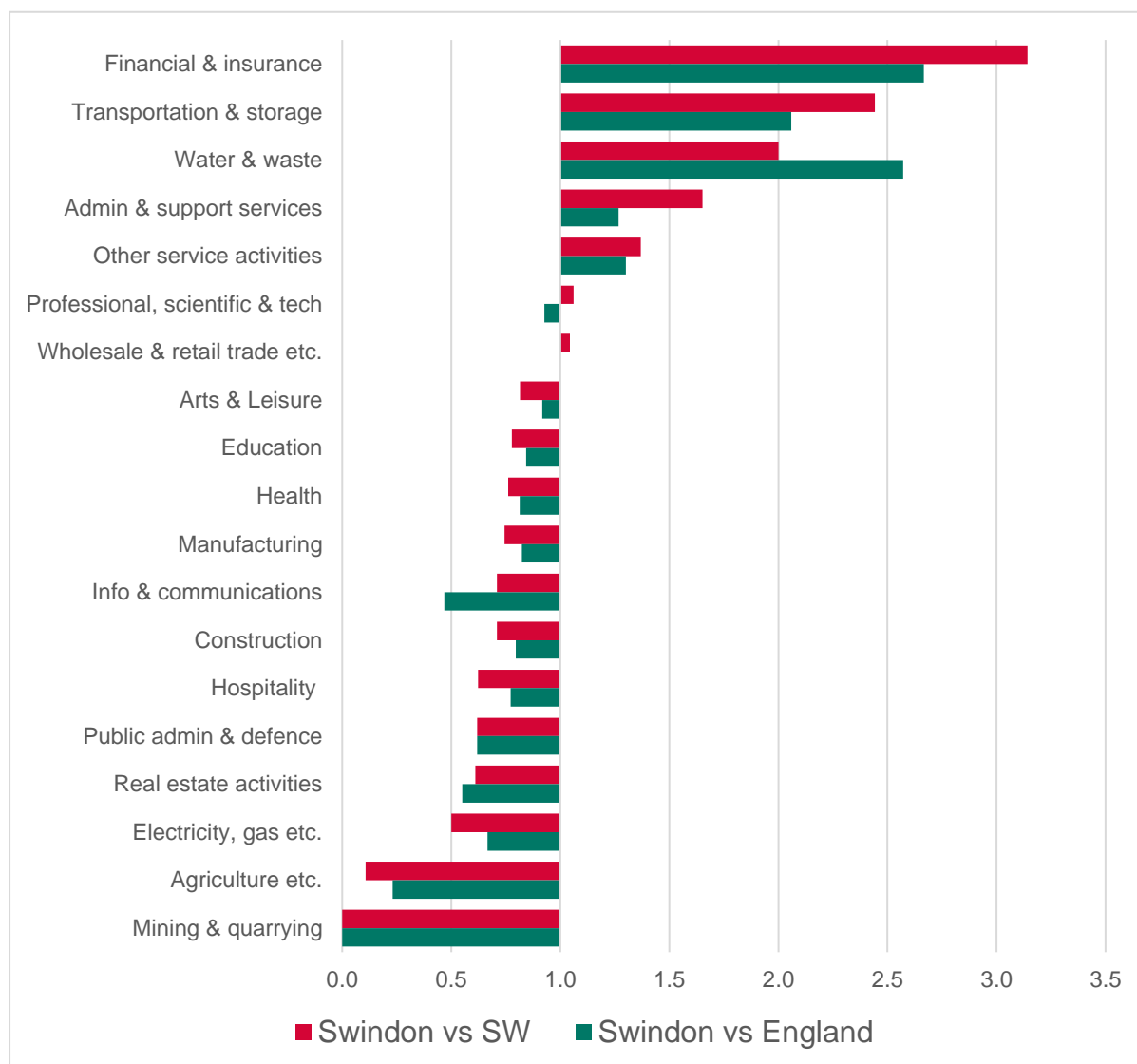
Industry	Employment Jobs	Swindon (%)	South West (%)	England (%)
Wholesale & retail trade etc.	16,000	14.0	13.4	14.0
Admin & support services	13,000	11.4	6.9	9.0
Transportation & storage	12,000	10.5	4.3	5.1
Health	12,000	10.5	13.8	12.9
Financial & Insurance	10,000	8.8	2.8	3.3
Professional, scientific & tech	10,000	8.8	8.3	9.5
Education	8,000	7.0	9.0	8.3
Manufacturing	7,000	6.1	8.2	7.4
Hospitality	7,000	6.1	9.8	7.9
Construction	4,500	3.9	5.5	4.9
Public admin & defence	3,000	2.6	4.2	4.2
Other service activities	3,000	2.6	1.9	2.0
Info & communications	2,500	2.2	3.1	4.7
Arts & Leisure	2,500	2.2	2.7	2.4
Water, waste etc.	2,000	1.8	0.9	0.7
Real estate activities	1,250	1.1	1.8	2.0
Agriculture etc.	350	0.3	2.8	1.3
Electricity, gas etc.	250	0.2	0.4	0.3
Mining & quarrying	10	0.0	0.1	0.1
Total	114,360			

Source: Iceni analysis of ONS Business Register and Employment Survey, 2022

- 5.11 To demonstrate an accurate sector size comparison, Swindon has been compared to the South West and England through the use of a location quotient (LQ) (% employment in Swindon divided by % employment across the SW/England).
- 5.12 An LQ of 1 indicates that the proportion of employment in that Sector in Swindon is equal to the proportion of employment in that Sector in the SW/England. An LQ of less than (greater than) 1 indicates that Swindon has a lower (higher) proportion of employment in that Sector than in the comparator regions.
- 5.13 In addition to the sectors noted above, Water & Waste has a high LQ, with double the concentration of jobs in this sector in Swindon compared to the SW and over double the concentration compared to England. Some of these sectors are considered in more detail below.

- 5.14 The five lower-scoring LQ sectors include Mining & Quarrying, Agriculture, Electricity & Gas, Real Estate Activities and public administration and defence.

Figure 5.2 Location Quotient of Employment in Swindon vs the SW and England



Source: Iceni analysis of ONS Business Register and Employment Survey, 2022

- 5.15 Finance and Insurance has the highest location quotient when compared to both the South West and England. 73% of employment within this sector is within the 3-digit SIC Group of monetary intermediation. These are financial services activities excluding insurance and pension funding and would include the activities undertaken by Nationwide within Swindon.

Table 5.2 Finance and Insurance Employment by 3-digit Group, Swindon

Group	Employment (Count)	Industry %
641: Monetary Intermediation	8,000	73%
642: Activities of holding companies	0	-
643: Trusts, funds and similar financial entities	200	2%
649: Other financial service activities, except insurance and pension funding	600	5%
651: Insurance	1,000	9%
652: Reinsurance	0	-
653: Pension funding	0	-
661: Activities auxiliary to financial services, except insurance and pension funding	600	5%
662: Activities auxiliary to insurance and pension funding	600	5%
663: Fund management activities	5	-
Total	11,005	100%

Source: BRES, 2022

- 5.16 Nationwide has a large presence in Swindon, with its HQ located on Piper's Way and a digital hub at Kembrey Park. Insurance provider Zurich also has a large presence in Swindon, with their new UK Head Office located within the town centre, employing over 1,000 people²⁰.
- 5.17 Transportation and Storage (SIC Section H) has the second highest location quotient compared to the South West. This is unsurprising given Swindon's location in relation to the Strategic Road Network, including proximity to the A417/A419 corridor and M4 south of the town. When analysed at a more granular 3-digit Group level, around 51% of jobs within this sector are in Group 521 Warehousing and Storage. The warehousing and distribution functions of many national and international firms are located within Swindon, for example, Aldi, Amazon, Marks & Spencer, Evri and B&Q.

²⁰ Zurich, April 2023. <https://www.zurich.co.uk/media-centre/zurich-celebrates-opening-swindon-office>

Table 5.3 Transportation and Storage Employment by 3-digit Group, Swindon

Group	Employment (Count)	Industry %
491: Passenger rail transport, interurban	600	5%
492: Freight rail transport	0	-
493: Other passenger land transport	700	6%
494: Freight transport by road and removal services	900	8%
495: Transport via pipeline	0	-
501 – 504: Water transport	0	-
511: Passenger air transport	0	-
512: Freight air transport and space transport	10	0.1%
521: Warehousing and storage	6,000	51%
522: Support activities for transportation	1,000	9%
531: Postal activities under universal service obligation	1,250	11%
532: Other postal and courier activities	1,250	11%
Total	11,710	100%

Source: BRES, 2022

- 5.18 Almost all employment within the Water & Waste sector is within the 3-digit SIC Group of sewerage and waste collection services. This reflects the presence of the Thames Water office at Kembrey Business Park.

Table 5.4 Waste & Water Employment by 3-digit Group, Swindon

Group	Employment (Count)	Industry %
360: Water collection, treatment and supply	40	2%
370: Sewerage	1,000	49%
381: Waste collection	900	44%
382: Waste treatment and disposal	45	2%
383: Materials recovery	50	2%
390: Remediation activities and other waste management services	0	0%
Total	2,035	100%

Source: BRES, 2022

- 5.19 The admin and support services sector has a high location quotient in comparison to the South West. However, this should be treated with caution as it includes those working for employment agencies that could technically be located in any sector. Almost a quarter of employment within this sector is in private security services and 20% is within temporary employment agency activities. These support services are likely both servicing the large

transportation and storage sector which requires seasonal, non-permanent labour and security services.

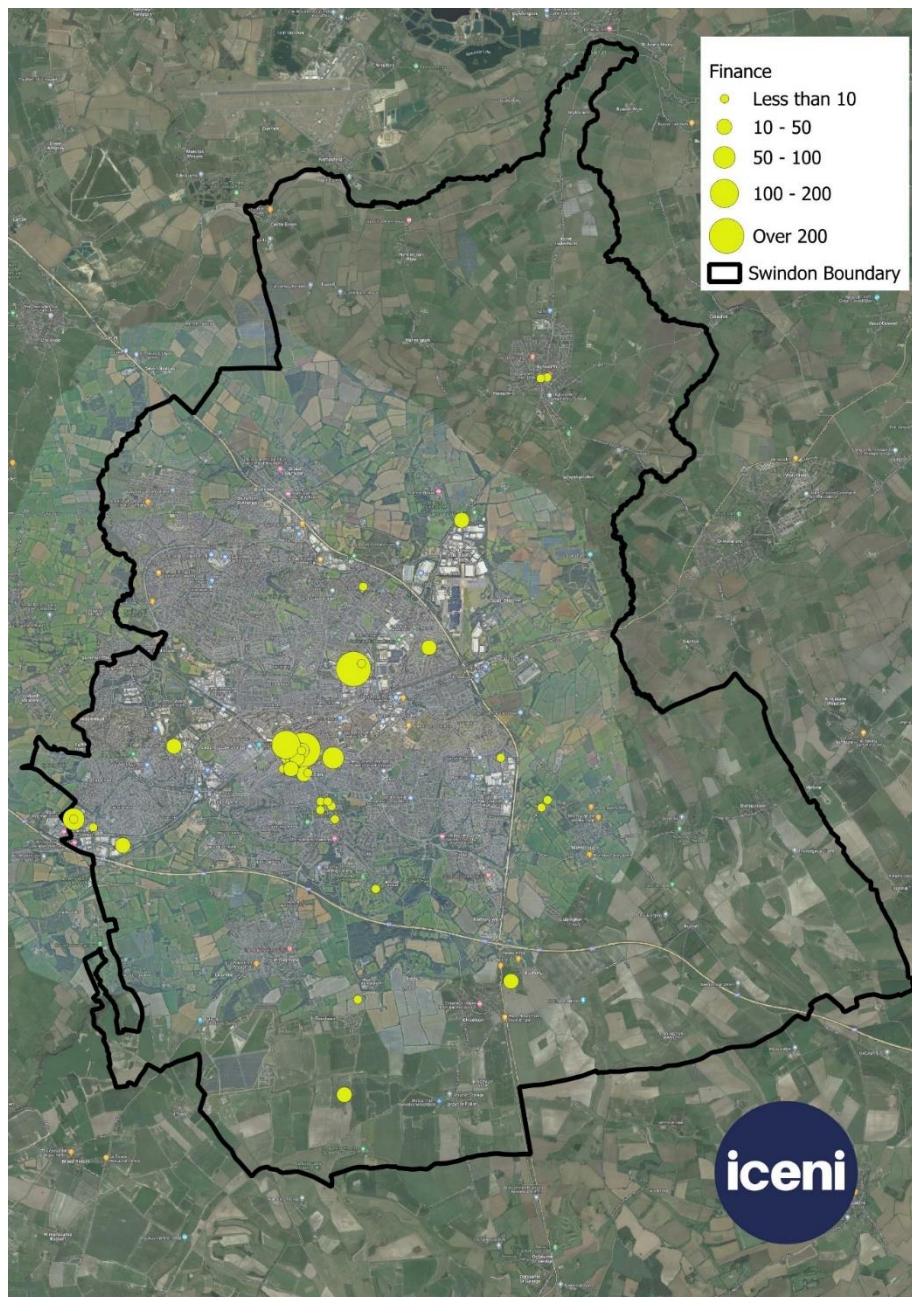
Table 5.5 Admin & Support Services Employment by 3-digit Group, Swindon

Group	Employment (Count)	Industry %
801: Private security activities	3,000	24%
782: Temporary employment agency activities	2,500	20%
829: Business support service activities n.e.c	1,750	14%
781: Activities of employment placement agencies	1,250	10%
711: Renting and leasing of motor vehicles	700	6%
812: Cleaning Activities	700	6%
Other Group 77/78/80/81/82 activities	2,480	20%
Total	12,380	100%

Source: BRES, 2022

Clustering and Further Analysis

- 5.20 Drawing on IDBR data, the following maps illustrate the clustering of selected sectors in Swindon. As illustrated, the Financial Services sector has a notable cluster in the Town Centre.
- 5.21 As noted earlier, the Nationwide Building Society also has its headquarters to the south of the Town Centre at Broome Manor as well as other offices at Kembrey Park to the North of the Town.

Figure 5.1 Finance Cluster Map (Businesses with 5+ Employees)

Source: Iceni Projects based on IDBR data

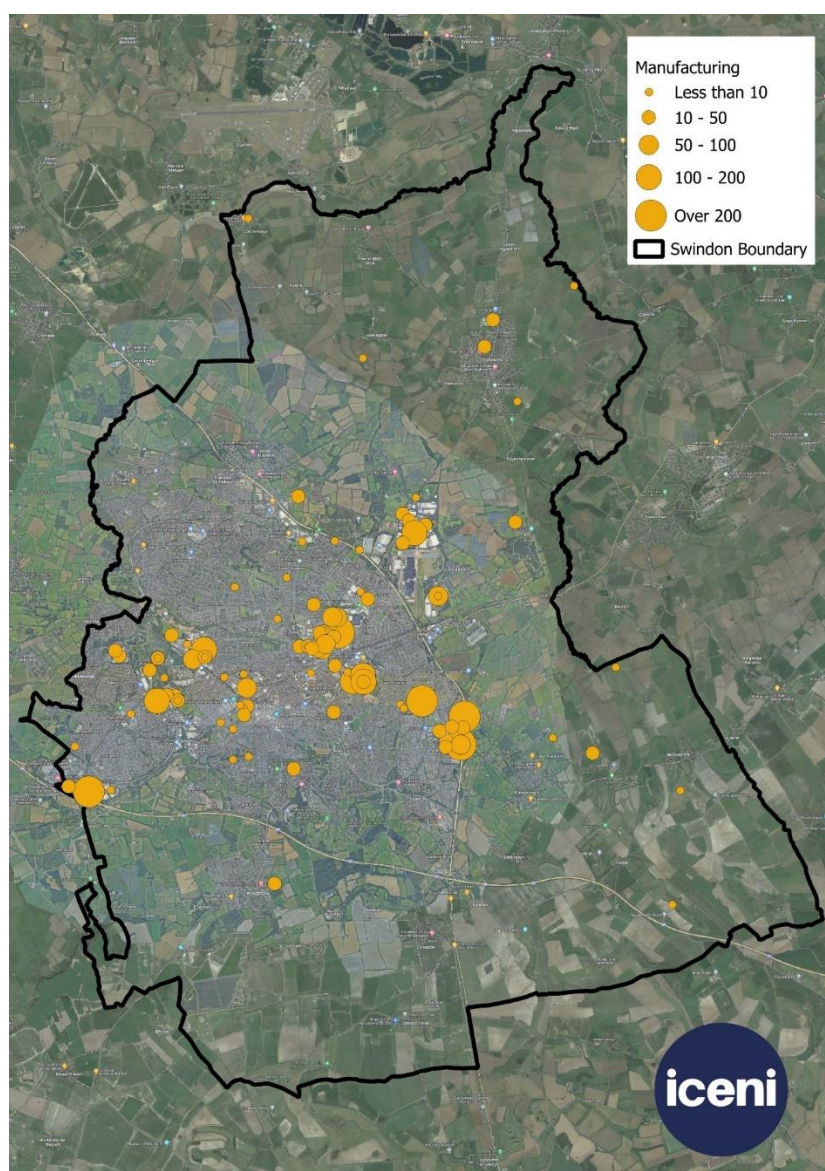
- 5.22 In contrast, the manufacturing sector sees clusters in the major industrial areas including South Marston, Cheney Manor, Techno Trading Estate, Dorcan and Westmead.
- 5.23 The professional, scientific and technical sector is reasonably dispersed across the borough including in Highworth. There are clusters however in the Town Centre and Old Town, Heritage Asset Zone and Kembrey Park.

- 5.24 The Heart of England report notes that with improvements to the transport system, Swindon could benefit from the overspill of Advanced Manufacturing, Quantum Physics and other technology-related enterprises.
- 5.25 As Swindon is in the centre of the corridor and has a large amount of affordable commercial floorspace the report states that the borough is “extremely well-positioned to facilitate and benefit from the expansion of established industries in Oxford and Bristol.”
- 5.26 Business West has also published a report²¹ examining the Advanced Manufacturing and Engineering sector in Swindon and Wiltshire and separately on health, social care and life sciences²² and the automotive industry²³.
- 5.27 The advanced manufacturing report suggests the sector could be the “cornerstone for future regional economic strategies and development initiatives.” It notes that the sub-sector employs around 13,000 people locally and has a location quotient of 1.19 against the UK. This is opposed to the wider manufacturing sector which our analysis above suggests is weaker than the national picture.
- 5.28 This highlights the quality of the manufacturing in Swindon, but the report does note that vacancy levels are increasing including hard-to-fill posts. Although the skills gap is narrowing there remains a shortage of skilled workers.
- 5.29 The report's priority findings for the sector included improvements to the skills system and better engagement between education providers and employers.

²¹ <https://www.businesswest.co.uk/resources/swindon-wiltshire-priority-findings-2024-advanced-manufacturing-engineering>

²² <https://www.businesswest.co.uk/resources/swindon-wiltshire-priority-findings-2022-2023-health-social-care-and-life-sciences>

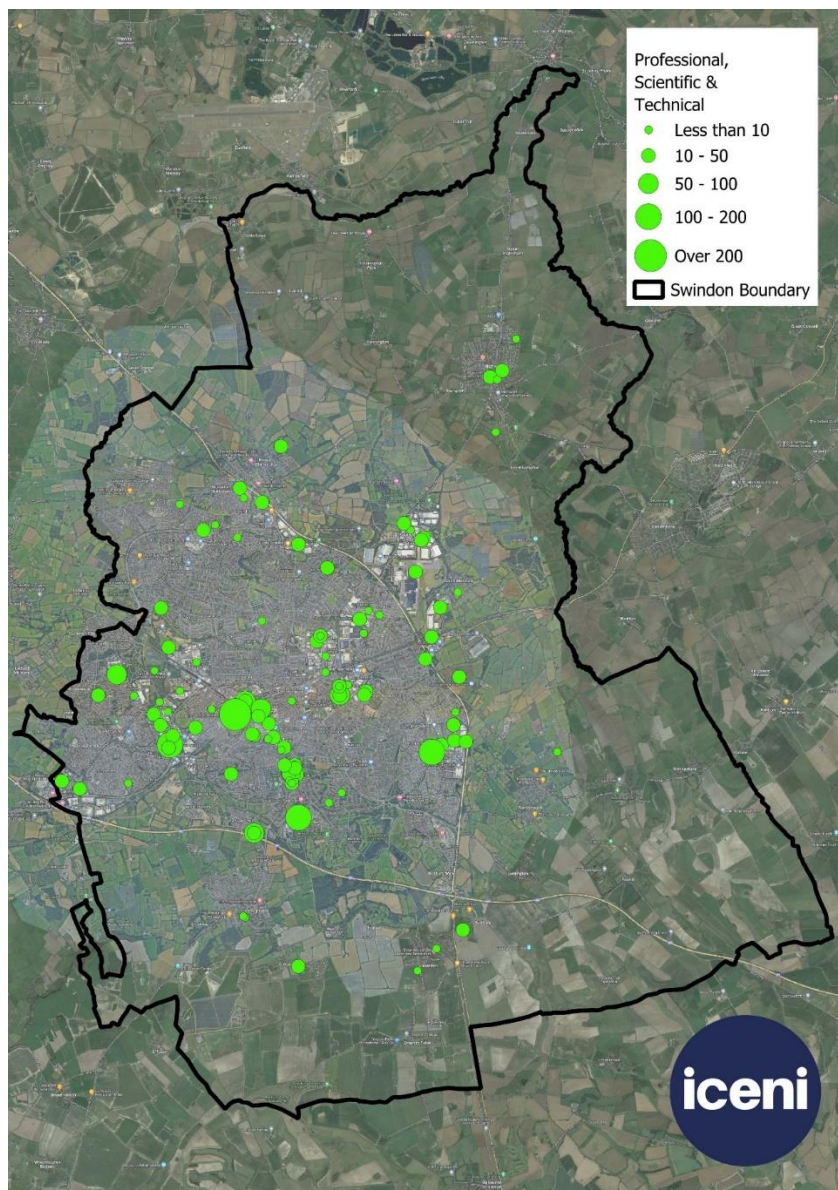
²³ <https://www.businesswest.co.uk/resources/swindon-wiltshire-priority-findings-2022-2023-automotive>

Figure 5.2 Manufacturing Cluster Map (Businesses with 5+ employees)

Source: Iceni Projects based on IDBR data

- 5.30 In relation to health and life sciences, the report also identifies a skills shortage including skills for new technologies. However, due to a lack of engagement, the report does not delineate the needs across different sub-sectors.
- 5.31 The report notes that Professional, Scientific and Technical' (including Life Sciences) is one of the largest sectors in the borough accounting for 9% of jobs in Swindon and Wiltshire or around 10,000 jobs. Again, this was significantly higher than in the UK and was a growing sector.

Figure 5.3 Professional, Scientific and Technical Cluster Map (Businesses with 5+ employees)

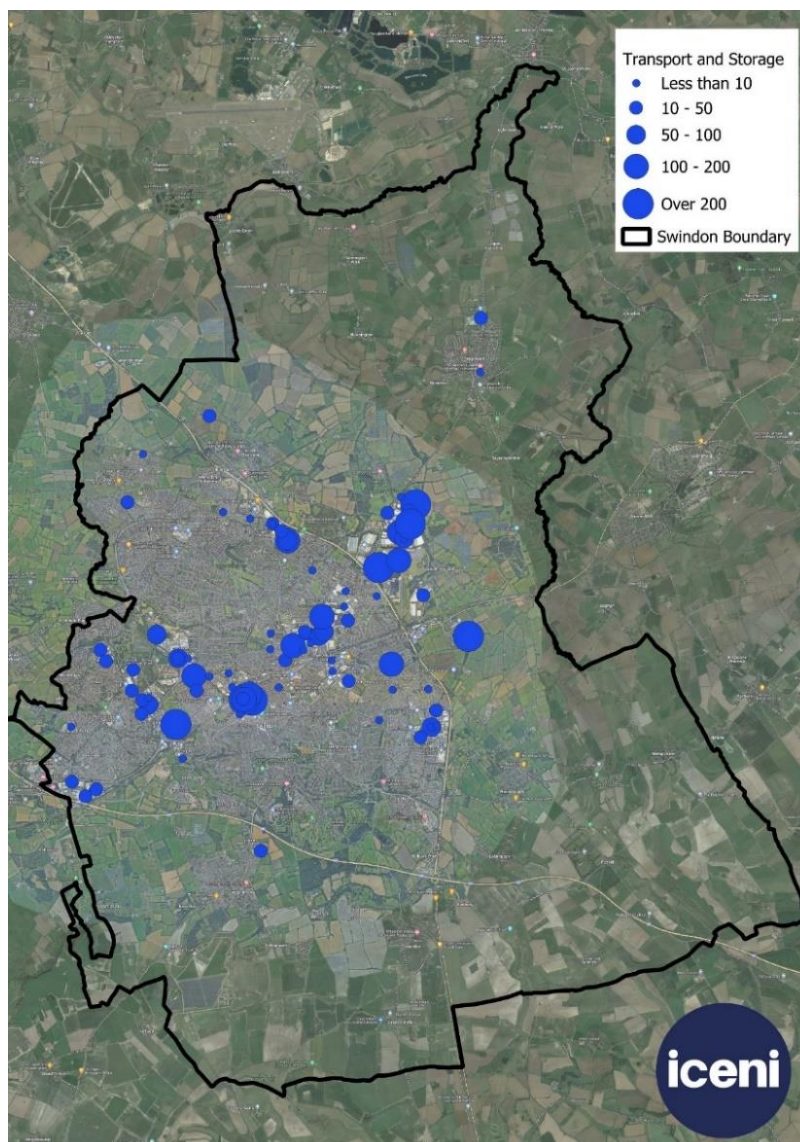


Source: Iceni Projects based on IDBR data

- 5.32 In relation to the automotive sector, the Business West report noted “expected significant changes to this sector in the near future, primarily again attached to the decarbonisation of the UK’s transportation and network.”
- 5.33 The report states that “The largest employment sector across the Swindon & Wiltshire region is the car industry in its broadest sense, but now in terms of wholesale, retail and repair services, whereas previously this was closer tied to manufacture (sic)”

- 5.34 It noted that there was a risk to the industry if skills were not addressed, but if they were, the sector presented significant opportunities. The skills gaps included a general shortage, skills for new technologies and specific gaps required by employers. The transportation and Storage sector is linked to the ability to provide skilled automotive labour.
- 5.35 As illustrated below, the Transportation and Storage sector is centred in the urban area. There are particular clusters around South Marston, Dorcan and Cheney Manor. This includes small and large warehousing which tends to be located on major roads. There are also a number in the town centre which will include Network Rail, GWR and Stagecoach the local bus operator.

Figure 5.4 Transport and Storage Cluster Map (Businesses with 5+ employees)

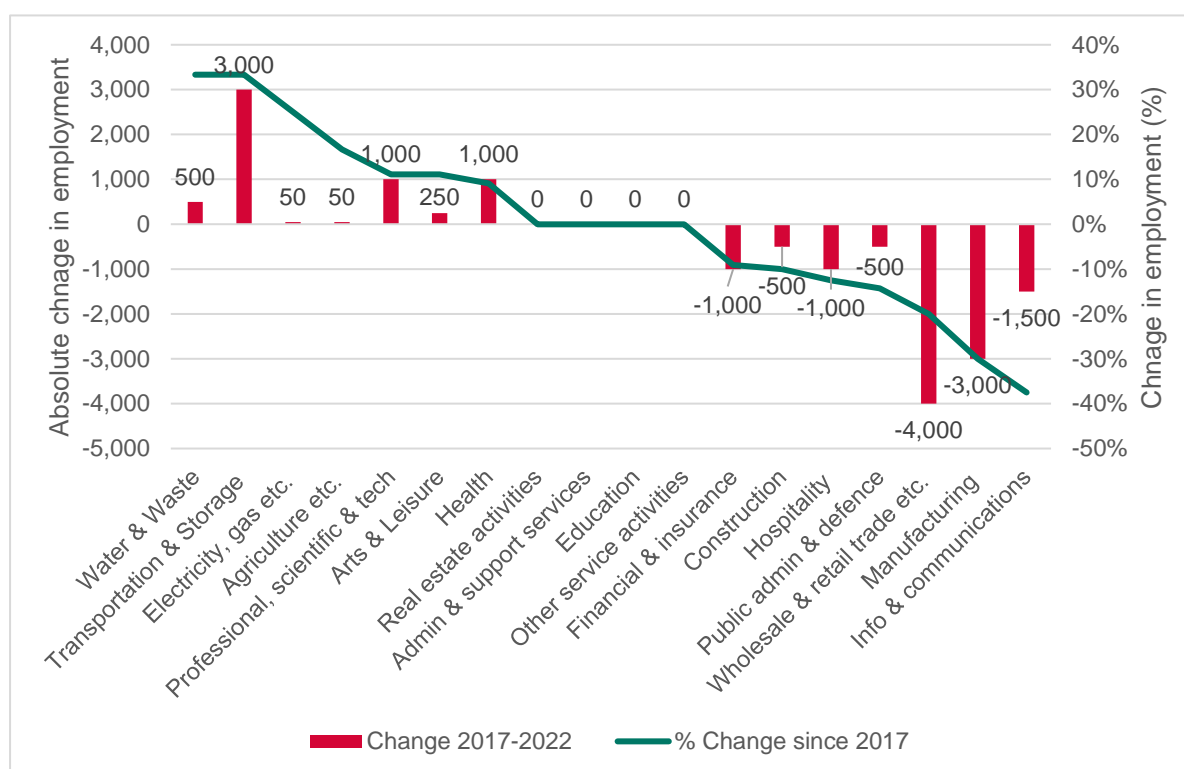


Source: Iceni Projects based on IDBR data

Change in Employment

- 5.36 Figure 5.5 below shows the total and percentage change in employment by sector between 2017 and 2022 drawing on BRES data. During this period overall employment in the borough fell by 5,650 or 4.9%²⁴. This compares to a growth of 4.5% in the South West Region and 4.7% nationally.

Figure 5.5 Change in employment, 2017-2022, BRES



Source: BRES, 2022

- 5.37 At a sectoral level, the largest percentage growths were in the Water & Waste (33%), Transportation & Storage (33%) and Electricity, gas etc. (25%) sectors. In comparison to the South West region all three sectors had a higher rate of growth (31.6%, 27.8% and -

²⁴ONS Business Register and Employment Survey data – employment count

8.3% respectively) and a similar position appears when compared to England (12.6%, 11.2% and -17.3% respectively).

- 5.38 The growth in the Transportation & Storage sector reflects Amazon opening a new site at South Marston in 2021. During this period, they hired over 2,000 additional staff which resulted in the highest absolute growth in any sector (+3,000).
- 5.39 The other major growth sectors in absolute terms were the healthcare and professional scientific and technical sectors both of which added around 1,000 jobs.
- 5.40 The sectors with the greatest percentage decline were Information & Communications (-38%), Manufacturing, including the loss of Honda (-30% jobs) and Wholesale & Retail Trade (-20%).
- 5.41 Regionally, there were also declines in the Information and Communications (-7.8%) and Wholesale and Retail sectors (-10.7%) while manufacturing saw a growth of 4.3%. At a national level manufacturing declined (-2.2%) while Information and Communications grew by 11.3% and wholesale and retail declined by 3.4%.
- 5.42 The largest absolute losses were in the Wholesale and Retail sector which contracted by around 4,000 jobs. The manufacturing sector also lost around 3,000 jobs which can largely be attributed to Honda's manufacturing plant in Swindon closing down in 2021. The loss of BT from North Star House in 2020 contributed to the 1,500 reduction in jobs within the Information and Communications sector.

Business Sizes, Formation and Survival

- 5.43 According to ONS UK Business Counts data (2023), 7,100 businesses are operating in Swindon. The Table below shows a breakdown of businesses by size compared to the South West and England. This data is an extract compiled by the ONS from the Inter-Departmental Business Register (IDBR), recording data on the number of enterprises, employment size band and detailed industry.

- 5.44 The term ‘business’ is used interchangeably by the ONS in this instance with ‘enterprise’. An enterprise is defined by the ONS as “an organisational unit producing goods or services that has a certain degree of autonomy in decision-making”²⁵. All legal entities are included within the definition of a business in the data.
- 5.45 Whilst Swindon’s breakdown by business size is broadly comparable to the South West and England, Swindon has a higher proportion of large (250+ employee) businesses and a slightly lower proportion of small (10-49 employee) businesses than the SW and England.

Table 5.6 Businesses by Size, Swindon vs the South West and England

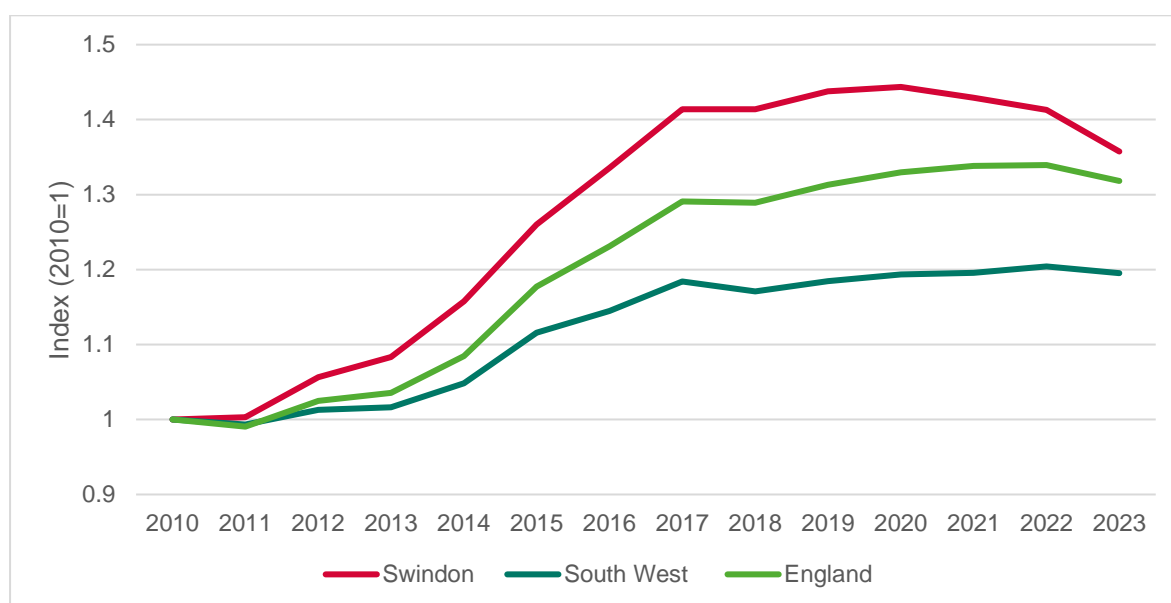
	Swindon	South West	England
Total businesses	7,100	236,600	2,370,125
Micro (0 to 9 employees)	89.4%	88.8%	89.2%
Small (10 to 49)	8.2%	9.3%	8.8%
Medium-sized (50 to 249)	1.7%	1.5%	1.6%
Large (250+)	0.7%	0.3%	0.4%

Source: ONS UK Business Counts, 2023

- 5.46 Figure 5.6 shows the indexed rate of change (from 2010) in the number of businesses in Swindon compared to the South West and England between 2010 and 2022.
- 5.47 The rate of business growth in Swindon has consistently been significantly higher than that of the South West and also higher than England since 2010. However, business growth in Swindon has declined since 2020, which may be attributed to the pandemic.

²⁵ ONS UK business; activity, size and location: 2023, Glossary.

<https://www.ons.gov.uk/businessindustryandtrade/business/activitysizeandlocation/bulletins/ukbusinessactivitysizeandlocation/2023#glossary>

Figure 5.6 Indexed Business Growth, Swindon vs the SW and England

Source: Iceni Analysis of ONS, UK Business Counts, 2023

- 5.48 Between 2022 and 2023, Swindon saw a 3.9% fall in the number of businesses, whilst there was a 0.7% fall in the South West and 1.6% in England. While this is a significant fall, some other authorities also saw similar trends. Single-year statistics also need to be viewed with caution given Swindon's strong historic performance to 2020 - there may be short-term non-pervasive pandemic-specific local vulnerabilities.
- 5.49 Basingstoke and Dean, Dartford and Redditch are all identified by ONS as being similar to Swindon²⁶. By comparison, these authorities saw a 4.7%, 2.2% and 1.5% fall in the number of businesses respectively between 2022 and 2023.
- 5.50 The table below shows business survival rates in Swindon compared to the South West and England between 2017 and 2022. Swindon's business survival rates are slightly lower than the wider South West. For longer-term survival rates (+5 years) the borough fares better than England but this is not the case for shorter-term rates. This may suggest some weaknesses in the business support environment in Swindon compared to the wider region.

²⁶ ONS, Area Classification for Local Authorities v2, 2011.

Table 5.7 Business Survival Rates, Swindon vs the SW and England

Survived at least...	Swindon	South West	England
1 year - Born 2021	91%	94%	94%
2 years - Born 2020	71%	73%	71%
3 years - Born 2019	54%	61%	56%
4 years - Born 2018	46%	53%	47%
5 years - Born 2017	40%	45%	39%

Source: ONS, IDBR (Business Demography, 2022, Tables 5.1a-e)

Labour Market

- 5.51 Historically, Swindon has seen strong population growth, with population almost doubling between the 1961 and 2021 census'. However, the rate of population growth has fallen significantly from nearly 2.5% per annum in 2007/8 to around 0.2% by 2019/20.
- 5.52 In comparison to the wider county and region, Swindon has a relatively young population. Although it has fewer people in the 16-24 age bracket this is likely due to there being no major university in the borough. However, the borough still has a significantly greater proportion of people in the 25-49 age bracket which reflects the area's excellent job opportunities.

Figure 5.7 Age Profile (2022)

Source: ONS, Mid-Year Population Estimates

- 5.53 The percentage of economically active people in the population is a key measure of an area's labour force. This is defined as those in employment plus those who are unemployed but seeking work. Swindon's current economic activity rate (78.5%, latest data) is comparable to England's rate (78.8%), but lower than the South West (80.7%).

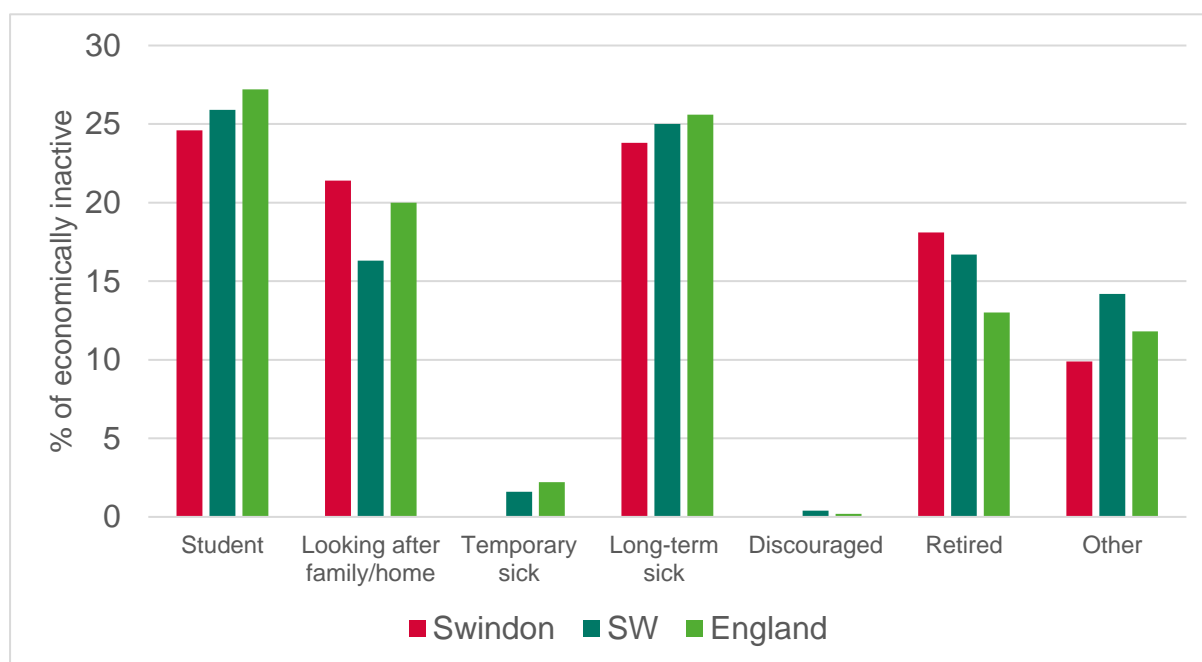
Figure 5.8 Economic activity rate, July 2022-June 2023



Source: ONS, Annual Population Survey

- 5.54 One metric for unemployment in the UK is the unemployment rate for people aged 16-64. Swindon's unemployment rate is 4.1% which is higher than that of the South West (3.0%) and England (3.9%)²⁷.

²⁷ ONS Annual Population Survey, 2023

Figure 5.9 Economically Inactive by Reason, year ending June 2023

Source: Annual Population Survey, 2023

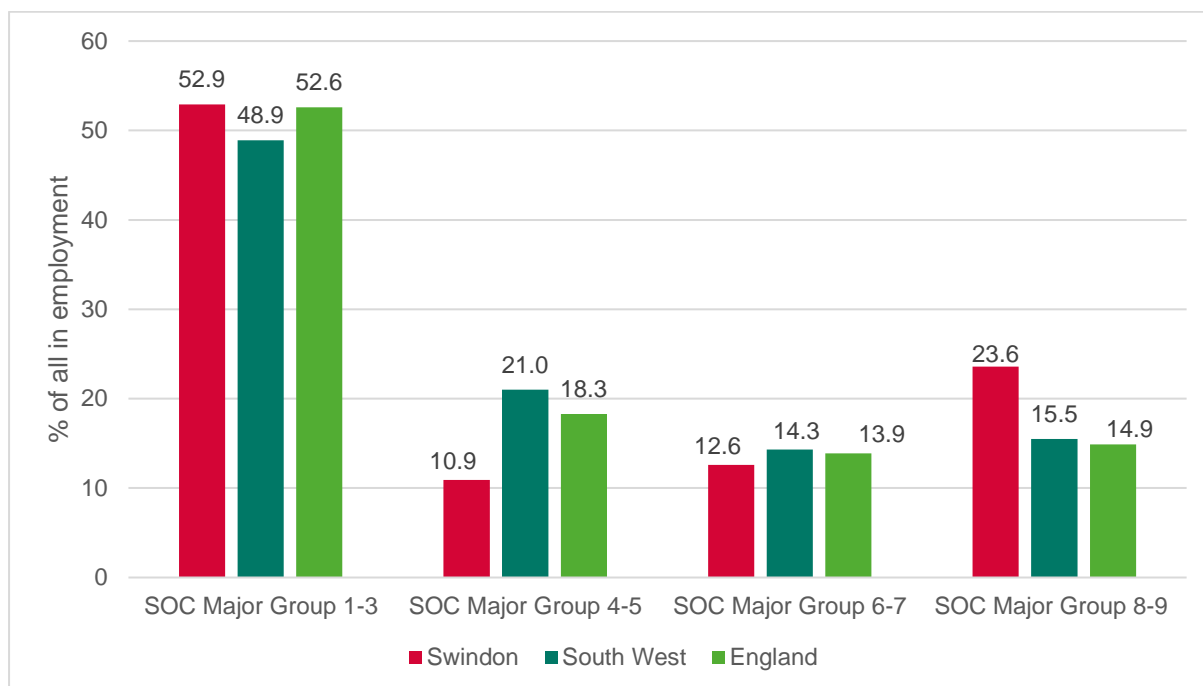
- 5.55 A greater proportion of those who are economically inactive in Swindon are inactive due to retirement or looking after family compared to the South West of England. A smaller proportion of people in Swindon state that they are economically inactive due to being students or long-term sick compared with the SW and England.

Skills and Qualifications

- 5.56 A considerably higher proportion of Swindon's employment (24%) is in the lowest-skilled SOC Groups 8-9 compared to the SW (16%) and England (15%). Swindon also has a greater proportion of its workforce in higher-skilled/managerial roles (SOC Groups 1-3) than the SW (53% compared to 49%).
- 5.57 Conversely, the borough has a significantly smaller proportion of employment (11%) within SOC Groups 4-5 (admin and secretarial and skilled trades) than the South West (21%) and England (18%).
- 5.58 Overall, the occupational data indicates some polarisation of the Swindon economy which emphasises lower and some high skilled groups. This would indicate the need to particularly

focus on a strategy to upskill the workforce to develop more elementary occupational groups towards greater technical skills.

Figure 5.10 Employment by Occupational Group²⁸, July 2022 – June 2023



Source: ONS, Annual Population Survey

- 5.59 A greater proportion of the Borough's population works within the wholesale and retail trade, admin & support services and transportation & storage which typically employ a large proportion of lower-skilled workers, although for the latter this is changing.
- 5.60 In terms of educational attainment, Swindon has a slightly higher proportion of its working-age population with no qualifications (7.7%) compared to the SW (5.0%) and England (6.4%).

²⁸ 1 = Managers, Directors & Senior Officials, 2 = Professional, 3 = Associate Professional, 4 = Admin & Secretarial, 5 = Skilled Trades, 6 = Caring, Leisure and Other Services, 7 = Sales & Customer Services 8 = Process Plant & Machine Operatives, 9 = Elementary Occupations

- 5.61 Swindon also has lower proportions of the working-age population attaining NVQ3 (AS/A Level) and NVQ4 (degree-level) qualifications. For example, 33.7% hold an NVQ4 qualification in Swindon, compared to 42% in the South West and 43.2% in England.

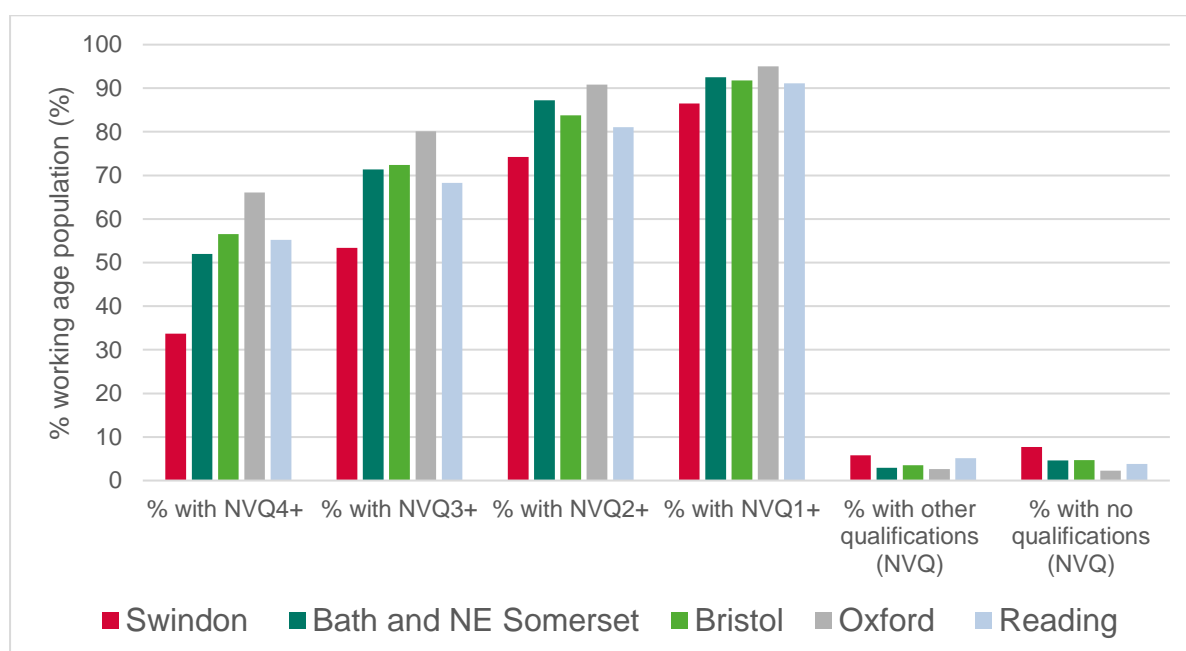
Figure 5.11 Educational Attainment, 2021



Source: APS, Year-ending December 2021²⁹

- 5.62 As noted earlier in this chapter some of the key sectors in the borough are facing skills shortages which in part can be linked to the lower educational attainment levels which remain an issue for Swindon. This will require improving both local skills training and/or education as well as attracting an additional skilled workforce.
- 5.63 At present, Swindon's connectivity enables it to draw upon a highly educated labour supply in neighbouring towns and cities. The Figure below compares Swindon's educational attainment to nearby towns and Cities.

²⁹ Most recently available data

Figure 5.12 Educational Attainment, 2021

Source: APS, Year-ending December 2021³⁰

- 5.64 It can be seen that these towns and cities have greater proportions of their working-age population with qualifications at all levels and a smaller proportion with no qualifications.
- 5.65 Many of these are large cities, renowned for their higher education institutions, for example, the University of Oxford, the University of Bath, the University of Reading, the University of West England and the University of Bristol. As a result, only 34% of Swindon's working-age population hold an NVQ4 (degree level) qualification, compared to 57% in Bristol and 66% in Oxford.
- 5.66 Comparator authorities Basingstoke and Deane, Dartford and Redditch are more similar to Swindon in terms of educational attainment, all of which have under 45% of their population holding NVQ4+ qualifications. Dartford and Redditch have greater proportions with no qualifications (7.0% and 8.5% respectively) compared to Swindon (5.9%).

³⁰ Most recently available data – discontinued after Jan-Dec 2021

Earnings and Productivity

- 5.67 The Figure below displays workplace-based and resident-based median gross earnings. Workplace-based earnings measure the average earnings of people who work in a particular area but may live elsewhere. Residence-based earnings are measured by where employees live.
- 5.68 Swindon's median weekly resident-based earnings (£698) are slightly higher than the median weekly workplace-based earnings (£691), perhaps suggesting a limited degree of out-commuting in higher-earning employment.
- 5.69 Swindon's median weekly earnings (both residence- and workplace-based) are higher than the averages across the South West and England. This reflects the high productivity nature of the jobs located within Swindon.

Figure 5.13 Median Gross Weekly Residence-Based and Workplace-based Earnings, 2023

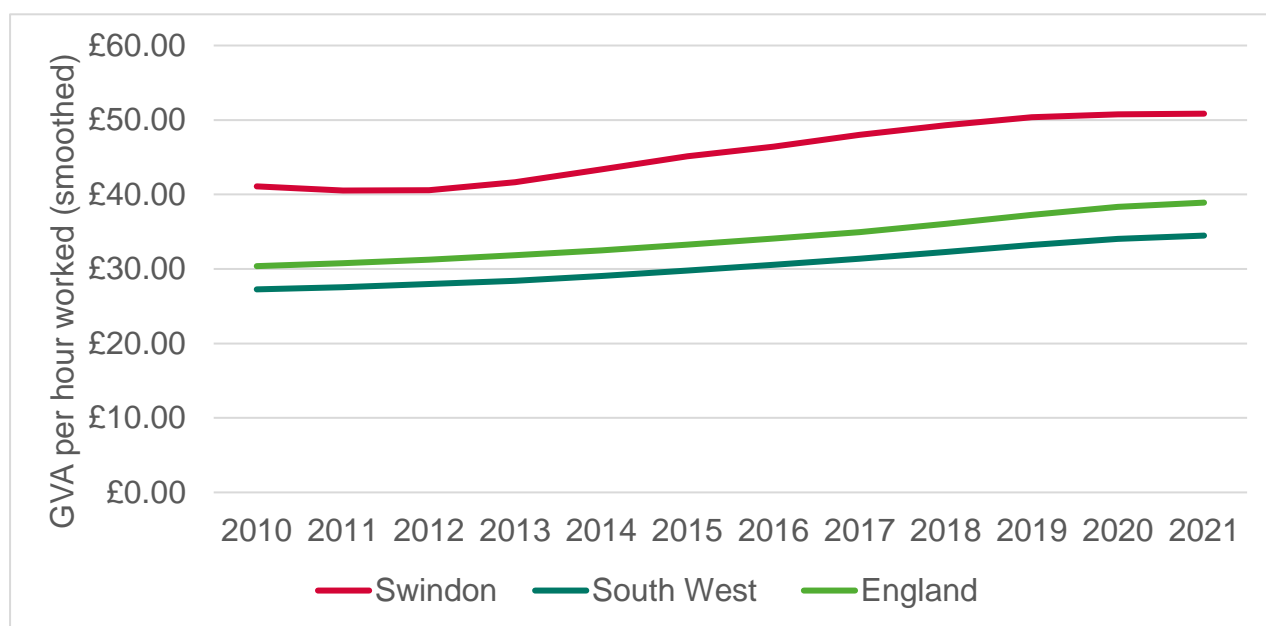


Source: ONS, Annual Survey of Hours and Earnings

- 5.70 Swindon Borough's total Gross Value Added (GVA) was £9.3 billion in 2020³¹. GVA per hour worked is a key metric for labour productivity. Figure 5.14 shows that GVA per hour worked in Swindon has consistently been significantly higher than in the South West and England between 2010 and 2021. In 2021, Swindon's GVA per hour worked (£50.85) was nearly 1.5 times greater than that of the South West (£34.48) and 1.3 times greater than England as a whole (£38.91).
- 5.71 Swindon ranks 24th nationally in terms of productivity at the local authority district level. In comparison, Reading, Bristol, Bath and Oxford rank 45th, 207th, 342nd and 162nd respectively.
- 5.72 In a report published by the Centre for Cities (Jan 2024)³², Swindon was listed as having the 6th highest proportion of private sector jobs. This, in addition to the presence of multiple multinational firms in the Borough, contributes to Swindon's high levels of productivity.

³¹ ONS UK small area GVA estimates

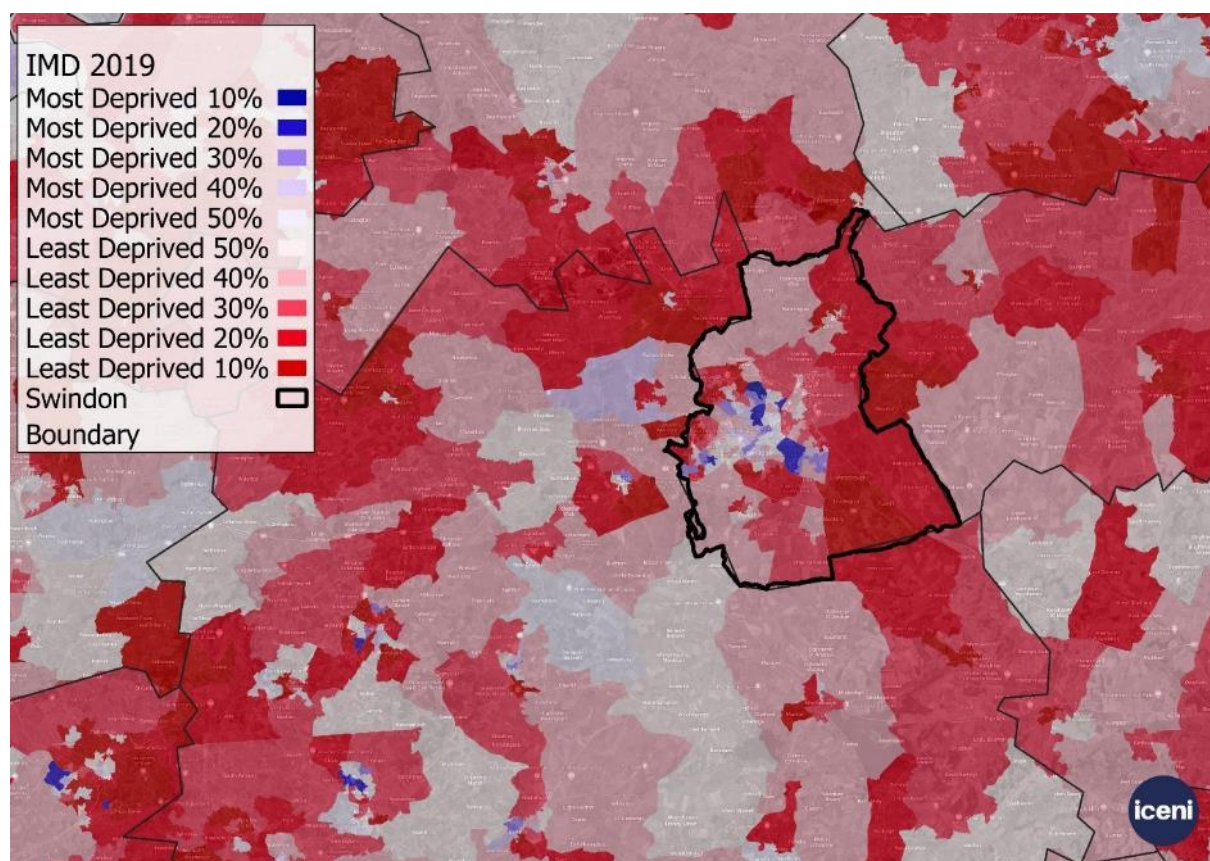
³² Centre for Cities, 2024, Cities Outlook 2024. Available: <https://www.centreforcities.org/publication/cities-outlook-2024/>

Figure 5.14 GVA per hour worked (smoothed), 2010-2021

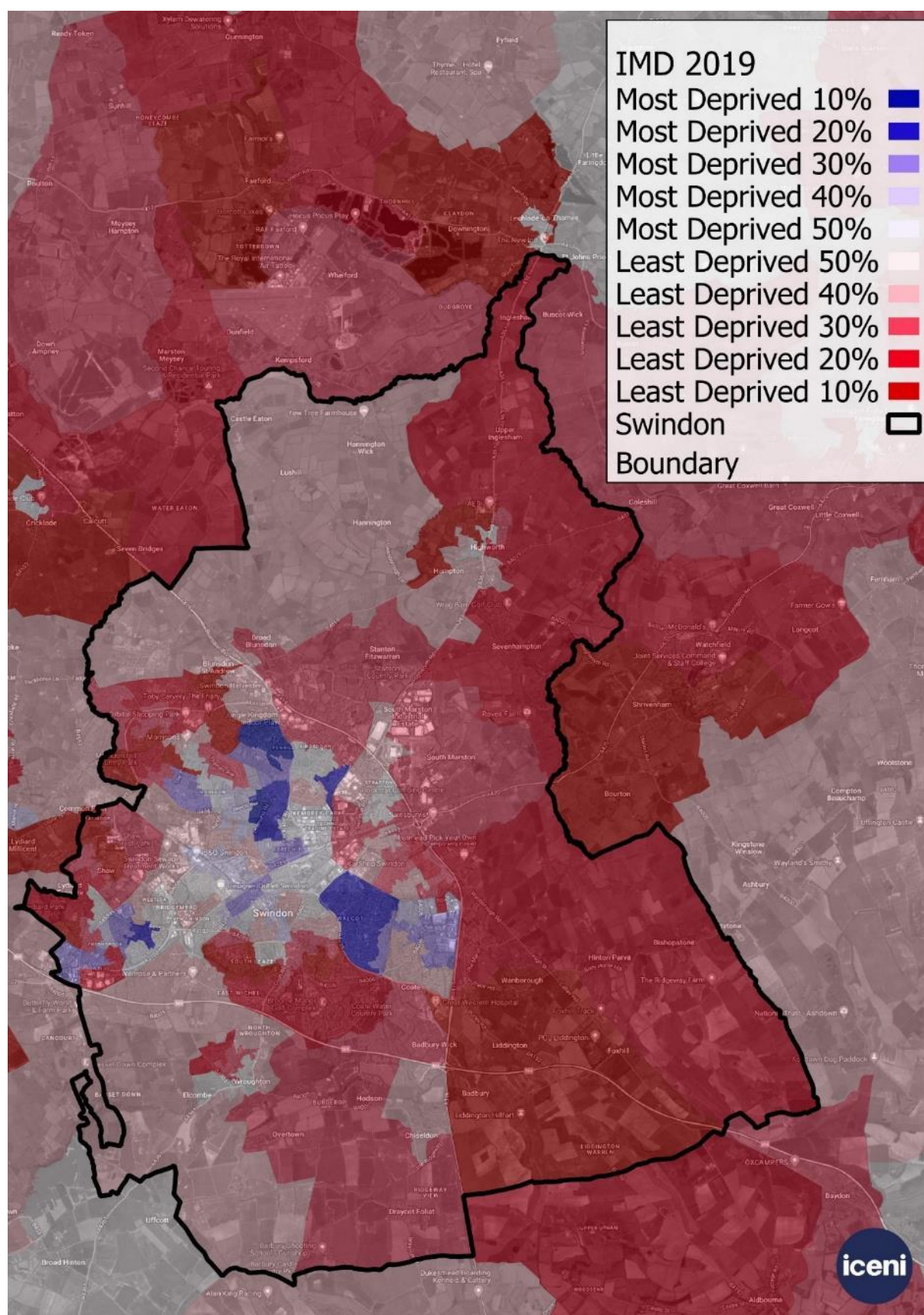
Source: ONS sub-regional productivity, June 2023

Deprivation and Health

- 5.73 According to the Index of Multiple Deprivation, Swindon is ranked 171st out of 317 local authorities in England in terms of deprivation (1st most deprived, 317th = least deprived) placing the borough around the mid-point.
- 5.74 Despite an average level of deprivation at the LAD level, levels of deprivation within the Borough are polarised. As illustrated below, some areas of the borough are within the most deprived 10% of areas nationally (Penhill and Pinehurst) and others in the least deprived 10% (Liddington, South Leaze and Haydon Wick). The pockets of deprivation are generally found within the urban areas, in contrast to the largely affluent more rural surrounding areas.

Figure 5.15 Mapping of IMD data, 2019

Source: Consumer Data Research Centre, 2020

Figure 5.16 Mapping of IMD data, Swindon Borough, 2019

Source: MHCLG, 2019

March 2025

REG 18 – Document to publish

- 5.75 We have examined the components of deprivation for those Urban areas in Swindon which fall within the 30% most deprived LSOA nationally. These areas score particularly badly in the Skills and Training domain and reflecting this they also have poor scores for the income domain. The Penhill area scores particularly badly for Skills and Training.
- 5.76 To a lesser degree, although on average still within the worst 20% of LSOA, these areas also score poorly in the Employment, Health and Crime domains. In contrast, these areas do score relatively well for barriers to housing and services and living environment although there are some exceptions. For example, Eldene and Thornbridge Avenue areas score badly for barriers to housing and services and the Gorse Hill area scores very badly for its living environment.
- 5.77 The Office for Health Improvement and Disparities (OHID) reports data on a range of health indicators at the Local Authority level in their public health profiles³³. These indicators reflect health challenges in the local population.
- 5.78 Swindon's Under 75 mortality rate for all causes was 340.4 per 100,000 people in 2021³⁴. This is greater than the South West average of 306.1 but lower than the national average of 363.4. The under-75 mortality rate from all cardiovascular diseases is 75.5 per 100,000 people in Swindon – higher than the South West (64.6 per 100,000) and similar to England (76.0 per 100,000).
- 5.79 Swindon have recently published A Health and Wellbeing Strategy for Swindon 2023-2033³⁵ which aims to prevent ill health and focus on reducing inequalities. The Strategy identifies three key priorities under the banners of: 'Improving mental health and wellbeing', 'eating well and moving more' and 'stopping smoking & reducing alcohol'.

³³ OHID, Public Health Profiles, Public health profiles - OHID (phe.org.uk)

³⁴ OHIS, Public Health Profiles, Mortality Profile, Mortality Profile - Data - OHID (phe.org.uk)

³⁵ Swindon Borough Council, 2023, A Health and Wellbeing Strategy for Swindon 2023-2033. HEALTH AND WELLBEING STRATEGIES - Swindon JSNA

- 5.80 Swindon is currently facing a growing public health challenge with rising overweight and obesity rates³⁶. In 2022/23, 67.8% of Swindon's adult population (18+ years) were overweight (including obesity).
- 5.81 This is greater than the England average of 64.0% and the South West region average of 62.5%. Swindon ranks second within the region in terms of overweight prevalence after Plymouth. Swindon Borough Council have published a Whole Systems Approach to Healthy Weight Strategy to address this issue over the next decade.
- 5.82 Addressing smoking and alcohol intake has also been identified as a priority for Swindon³⁷.. In Swindon, 9.5% of the adult (18+) population were current smokers in 2022³⁸, but this rises to 14.1% for those in routine or manual occupations.
- 5.83 According to the OHID Alcohol Profile, alcohol-related mortality was 41.6 per 100,000 in Swindon in 2022 – greater than the rate in the South West or England (37.3 and 39.7 respectively). Swindon's Substance Use Disorder Strategy and Tobacco Control Strategy aim to address these health issues.
- 5.84 The third priority identified within Swindon's Health and Wellbeing Strategy is related to mental health. According to The Strategy, an estimated 15% of people in Swindon live with a common mental health disorder such as anxiety or depression and Swindon is the 6th highest area in the country for hospital admissions as a result of self-harm in those aged 15-19 years and 20-24 years.

³⁶ Swindon Borough Council, 2023, Swindon's Whole Systems Approach to Healthy Weight Strategy. HEALTH AND WELLBEING STRATEGIES - Swindon JSNA

³⁷ Swindon Borough Council, 2023, A Tobacco Control Strategy for Swindon 2023-2028. HEALTH AND WELLBEING STRATEGIES - Swindon JSNA

³⁸ OHID, Public Health Profiles, Smoking Profile. APS 2022 data. Smoking Profile - Data - OHID (phe.org.uk)

Local Economic Baseline – Summary

- 5.85 The borough had a population of 235,657 in Mid-2022 and there were around 114,360 jobs. Major employment sectors include (those in bold have a particular strength in Swindon):
- Wholesale & retail trade.
 - **Administrative & support services**
 - **Transportation and storage**
 - Health
 - **Financial & Insurance**
 - Professional, scientific & technical services
- 5.86 Between 2017 and 2022 the number of jobs in the borough fell by 5,650 or 4.9%. This compares to a growth of 4.5% in the South West Region and 4.7% nationally.
- 5.87 Between 2022 and 2023 the borough saw a 3.9% fall in the number of businesses (compared to 0.7% regionally and 1.6% in England. In total, there are 7,100 businesses now operating in Swindon.
- 5.88 Swindon's business survival rates are slightly lower than the wider South West. Although longer-term survival rates (+5 years) in the borough are better than in England. This may suggest some weaknesses in the business support environment in Swindon compared to the wider region.
- 5.89 Swindon's economic activity rate (78.5%) is comparable to England's rate (78.8%), but slightly lower than the South West (80.7%). Swindon's unemployment (4.1%) is higher than that of the South West (3.0%) and England (3.9%).
- 5.90 A considerably higher proportion of Swindon's employment (24%) is in the lowest-skilled groups compared to the South West (16%) and England (15%). However, the borough (53%) also has a greater proportion of its workforce in higher-skilled/managerial roles than the South West (53% compared to 49%).

- 5.91 Swindon has a slightly higher proportion of its working-age population with no qualifications (7.7%) compared to the South West (5.0%) and England (6.4%).
- 5.92 In addition, Swindon also has lower proportions of the working-age population with degree-level qualifications. (33.7% compared to 42% in the South West and 43.2% in England).
- 5.93 However, Swindon's connectivity enables it to draw upon a highly educated labour supply in neighbouring towns and cities.
- 5.94 Both Swindon's workplace-based, and resident-based earnings are higher than the average across the South West and England. There is only a small difference between the two perhaps suggesting a limited degree of out-commuting to higher-earning employment.
- 5.95 Swindon's productivity has consistently been significantly higher than the South West and England between 2010 and 2021. In 2021, Swindon's GVA per hour worked (£50.85) was nearly 1.5 times greater than that of the South West (£34.48) and 1.3 times greater than England's (£38.91).
- 5.96 Deprivation levels in the borough are around average, but parts of the borough have very high levels of skills and training and income deprivation. In contrast, there are also parts of the borough and surrounding areas within the lowest 10% of deprivation nationally.
- 5.97 These areas score particularly badly in the Skills and Training domain and reflecting this they also have poor scores for the income domain. A series of studies have also identified skill gaps and low levels of educational attainment within some of the key sectors.

6. Commercial Market Review

- 6.1 This section provides a separate assessment of the industrial and office markets in Swindon. Both are sub-markets within the wider Wiltshire area. This analysis will be used to inform the scale and type of future needs, to be identified later in the report.
- 6.2 A range of data sources are used including CoStar. CoStar is a national property database that agents feed into. It provides useful overview information for submarkets, but reliability is weaker for small deals that are not typically recorded.

Industrial

UK Industrial Market Overview

- 6.3 Nationally, the tailwinds that propelled record occupier and investor demand for industrial property through the height of the pandemic are fading amid high inflation and interest rates (albeit both are coming down), CoStar reports in their UK Office National Report. However, the sector is expected to continue to benefit from the structural shift toward e-commerce and emerging industries like green energy, which should support leasing activity.
- 6.4 Net absorption (take-ups minus move-outs) has outweighed deliveries of industrial floorspace for much of the past decade, contributing to vacancy levels at near-record lows at 3.6%.
- 6.5 Properties with the highest BREEAM ratings (reflecting levels of sustainability) are posting stronger rental growth than their lower-rated counterparts and are expected to continue to do so. Sector-wide rent growth has begun to ease as occupiers face growing cost pressures in a subdued economic climate.

Swindon and Wiltshire Industrial Market Overview

- 6.6 The Swindon and Wiltshire industrial market is a major industrial market strategically located on the M4 corridor which connects it to both London, Bristol and Wales. The A419 and A420 are also strategically important road corridors which connect Swindon in north-east and north-west directions towards Oxford and Cirencester.
- 6.7 The local property market contains approx. 44 million sq. ft (4 million sqm) of floorspace across two sub-markets; Swindon Core, which matches the boundary of the Borough, and Wiltshire which covers the remainder.
- 6.8 The past decade has seen strong trends of high demand and low supply for industrial land/floorspace which has resulted in large rental growth. Over the past year, activity has been somewhat weaker as a result of rising cost pressures and CoStar forecasts this to continue in the medium term to 2028.

Swindon Core Industrial Market Overview

- 6.9 The industrial market in Swindon is considered to be very large in comparison to other sub-markets although mid-sized in the national context, containing approximately 2.3 million sq.m (25.8 million sq. ft) of industrial floorspace in 2023. Market rent sits at £8.40 in 2023, after a sustained period of growth over the past decade.
- 6.10 In the past three years there have been 240,000 sqm (2.6 million sq. ft) of new deliveries of industrial floorspace in the area, an overall inventory growth of 11.3%. This includes the sizable delivery of the Amazon (2.3 million sq. ft) warehouse to the north-east of the town.

Swindon Industrial Stock

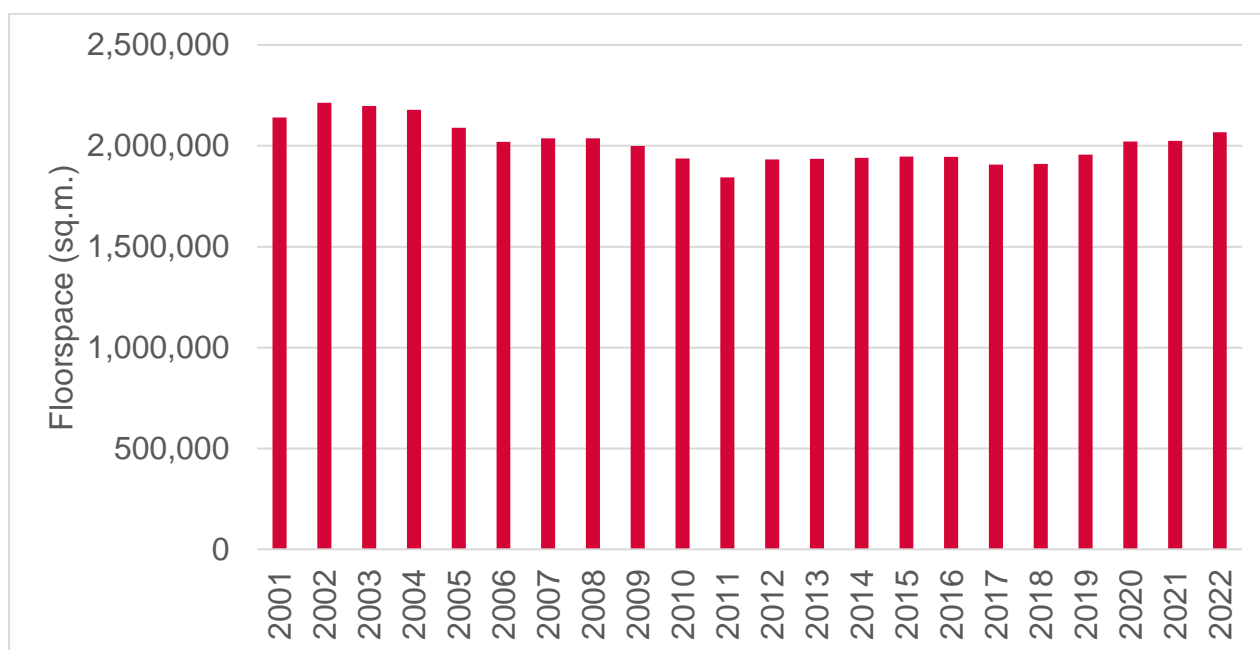
- 6.11 The VOA³⁹ provide information on the amount of office floorspace by administrative area. In Swindon at the end of FY 2021/22, there was 2,068,000 sq.m of industrial floorspace in

³⁹ VOA: Non-domestic rating: stock of properties including business floorspace, 2019

total. This makes up 43% of the total floorspace across the Swindon and Wiltshire sub-market.

- 6.12 As stated previously CoStar reports that in 2023, Swindon has approx. 2.3 million sq.m (25.8 million sq. ft) of industrial floorspace, which is 19% more than the VOA data suggests. This discrepancy is likely a result of the definitions of industrial space and differences in the data collection methods.
- 6.13 The figure below shows the amount of industrial floorspace in Swindon between 2001 and 2022 according to VOA data. Overall, industrial floorspace has decreased by 73,000 sq.m. (785,000 sq. ft.) in that time. Over the period 2017 to 2022 however, industrial floorspace has increased from 1,907,000 sq.m. (20.5 million sq. ft) to 2,068,000 sq.m. (22.3 million sq. ft) – an increase of approx. 161,000 sq.m or 8%.

Figure 6.1 Industrial Floorspace (2001 – 2022) (sq.m.)

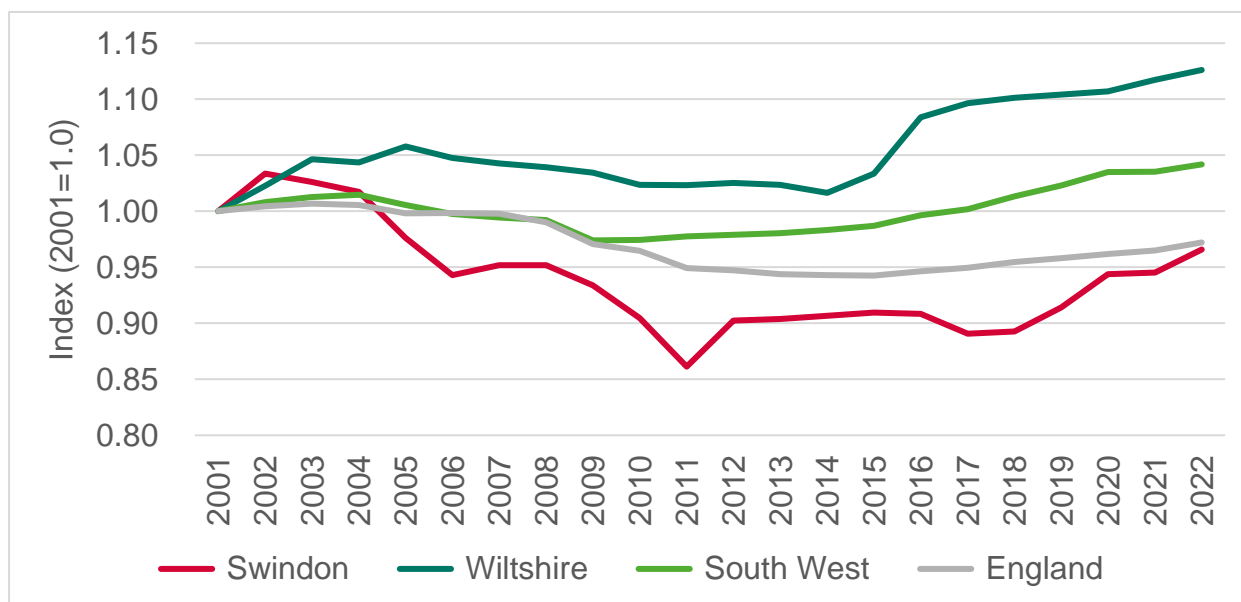


Source: Iceni analysis of VOA data

- 6.14 Figure 6.2 below shows how the amount of industrial floorspace has changed in Swindon relative to Wiltshire, the region and England. Stock levels in Wiltshire have not dropped below the levels seen in 2001 and have increased by 13% overall.

- 6.15 Swindon, however, has decreased since 2001, and this is particularly due to a 14% decline in stock in the Borough up to 2011. This has since largely recovered up to 2022, with the borough now seeing 97% of the total stock levels seen in 2001.

Figure 6.2 Indexed Industrial Floorspace Change (2001 – 2022)



Source: Iceni analysis of VOA data

Overall Supply-Demand Balance – Swindon Industrial Market

- 6.16 The overall supply-demand balance has been assessed by looking at headline indicators – namely vacancy rates and rents. The drivers of changing vacancy rates, demand and supply have then been assessed by looking at net absorption and net deliveries.
- 6.17 Figure 6.3 shows how the vacancy rate in Swindon has changed over time compared to Wiltshire, the region and the UK. The vacancy was decreasing up until 2017 when it hit 1.5%. From this point, it has grown significantly to 11.7% in 2023, the highest of all assessed areas.
- 6.18 Wiltshire also sees a high rate of 9.2% due to a 4.8% increase in 2021. In reality, this is due to the effect of the move out of a single occupier Honda and the resulting vacancy of a single very large site, rather than an issue in the Swindon submarket. It is estimated that Swindon vacancy is closer to 5.6% excluding the Honda site (now Panattoni Park).

Figure 6.3 Industrial Vacancy Rate (2009-23)

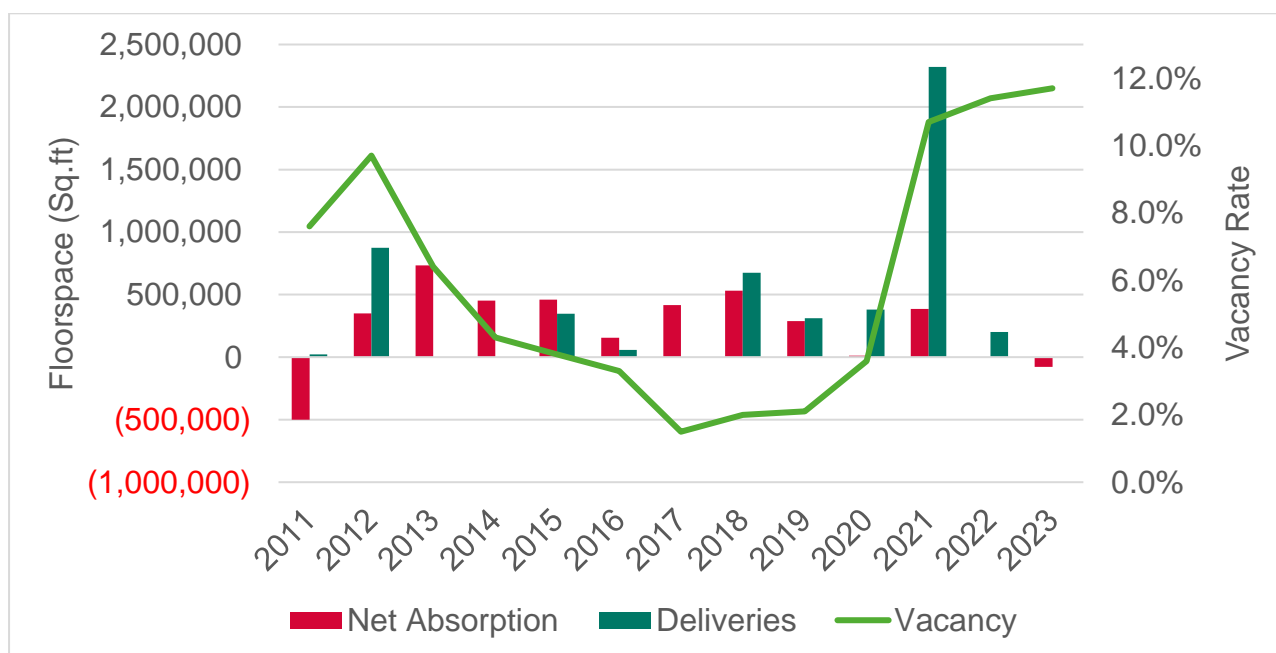
Source: Iceni analysis of CoStar data

- 6.19 Figure 6.4 shows how average rental prices in Swindon have changed over time. Historically, Swindon has consistently had higher average industrial rents compared to Wiltshire, the South West and the UK as a whole. In recent years, average prices have begun to converge with rental growth in Swindon slowing since 2020. Between 2020 and 2022, average rents grew by 3% compared with 11% between 2018 and 2020.
- 6.20 In the last 5 years, average rents in Swindon increased by 16%. Meanwhile, average rents in the wider comparator areas of the South West and UK both grew by significantly more than this, increasing by 35% and 39% respectively between 2018 and 2023. The reason for the weaker performance of rents in Swindon is not clear but may pertain to a lack of higher spec stock on the market.
- 6.21 Currently, average rents across Swindon and the comparator regions fall between £8.07 and £8.80. Average rents across the South West (£8.55) and the UK (£8.80) have risen slightly higher than Swindon (£8.40), whilst Wiltshire has the lowest average rent.

Figure 6.4 Average Industrial Rental Price (£ per sq. ft)

Source: Iceni analysis of CoStar data

- 6.22 Figure 6.5 shows net absorption, net deliveries and their resulting impact on vacancy rates in Swindon. Net absorption is the balance between the amount of floorspace occupied and vacated. It provides an indicator of the strength of demand.
- 6.23 Overall net absorption has been generally positive; however, the most recent two years have seen negative net absorption as well as high delivery which has led to increasing vacancy rates. This is particularly apparent in 2021 which was a huge year for deliveries of over 2 million sq. ft (180,000 sq.m).

Figure 6.5 Net Absorption, Net Deliveries and Vacancy Rates

Source: Iceni analysis of CoStar data

- 6.24 In the most recent 5 years (2019-2023), deliveries have been high compared to net absorption, with the high deliveries in 2021 resulting in an average of 640,000 sq. ft (59,000 sqm) each year, this is compared to an average net absorption of 120,000 sq. ft. (11,000 sqm).
- 6.25 In the 5 years prior (2013-2018), average absorption of 400,000 sq. ft (37,000 sqm) exceeded the 210,000 sq. ft (19,000 sqm) delivery. Across the whole 10-year period this results in a more even split of 300,000 sq. ft (27,000 sqm) net absorption and 370,000 sq. ft (34,000 sqm) delivery.

Supply-demand Balance by Quality and Age

- 6.26 Supply-demand for the stock by quality and age can be considered by analysing vacancy rates in stock of different quality and ages. Analysis of vacancy rates in high-quality stock is useful as it provides a good indicator of demand for new, high-quality stock.

- 6.27 The table below shows the vacancy rate for industrial stock by quality (in terms of CoStar's Building Rating System⁴⁰). There is no existing stock in Swindon rated at 5 stars by CoStar.

Table 6.1 Vacant Available Industrial Space by Co-Star Rating

Co-Star Rating	Vacancy Rate
1	0.0%
2	3.2%
3	3.8%
4	0.0%

Source: Iceni analysis of CoStar data

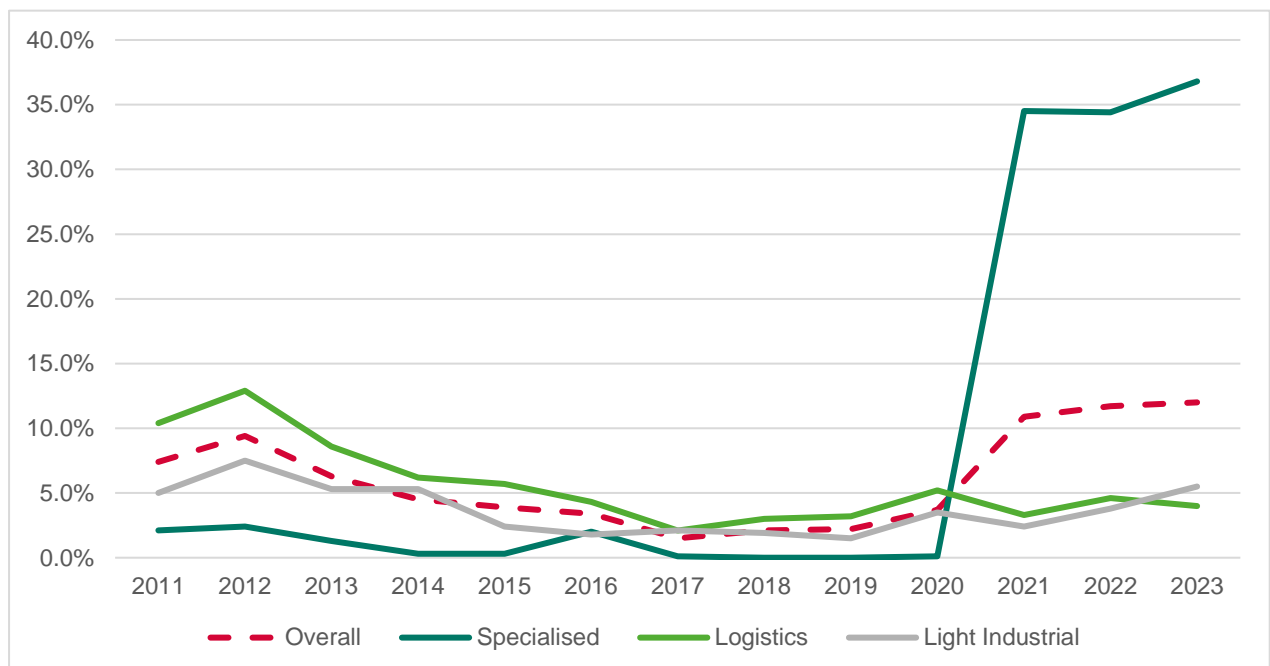
- 6.28 Stock rated 3 by Co-Star has the highest vacancy at 3.4% overall, followed by stock rated 2 at 3.1%. What is apparent in this, is that stock of both the highest and lowest quality is in most demand in Swindon.
- 6.29 This is likely down to the overall cost per square foot, where stock of lower quality will be suitable for businesses, where cost is a more significant factor than quality and vice versa.
- 6.30 Figure 6.6 shows an assessment of vacancy over time in each industrial class type, to demonstrate the type of industrial stock that is in most demand in Swindon. In 2023, Logistics (4%) and Light Industrial (5.5%) stock have the lowest vacancy, in contrast with specialised stock – manufacturing - (36.8%).
- 6.31 The vacancy rate of specialist stock—manufacturing - increased in 2021 following the move out of Honda.
- 6.32 The first stage of construction of Unit 2 Symmetry Park has now occurred and this building is now occupied by Amazon and is not actually vacant, despite erroneously still being

⁴⁰ The Building Rating System is explained here - https://www.costar.com/docs/default-source/brs-lib/costar_buildingratingsystem-definition.pdf?sfvrsn=12a507a4_2

recorded as vacant on CoStar in 2023, so the logistics vacancy may be lower than indicated.

- 6.33 The Logistics and Light Industrial vacancy rates are low at 4% and 5.5% respectively. A vacancy rate of 5% or below is effectively below the minimum to support a sufficient churn of stock and allow occupiers to choose the type of unit. Increased supply, especially of new stock, is likely to be beneficial.

Figure 6.6 Vacancy Rate by Industrial Class Type



Source: Iceni analysis of CoStar data

- 6.34 The table below shows the vacancy rate for industrial stock by age band. The highest vacancy rate is within stock built between 1980 and 2000 (5.8%) and stock built between 1960 and 1980 (5%) which includes the Spectrum Building; there is also some vacancy, albeit very small, in stock built post-2000.
- 6.35 This high vacancy rate in older stock is likely to be related to the suitability of this stock in relation to modern working practices. It is highly likely that for many occupiers, the floorspace and other attributes of these buildings do not suit their modern-day needs.

Table 6.2 Vacancy Rate by Age

Age Band	Vacancy Rate	Vacant Floorspace (sq. ft)	Total Floorspace (NIA, sq. ft)
Pre-1940	0.0%	0	137,881
1940-1960	1.9%	37,944	1,949,689
1960-1980	5.0%	174,389	3,497,600
1980-2000	5.8%	586,932	10,091,969
2000-2010	0.8%	29,914	3,586,315
2010-2015	0.1%	1,508	1,437,885
2015-Present	0.0%	1,862	4,176,348

Source: Iceni analysis of CoStar data

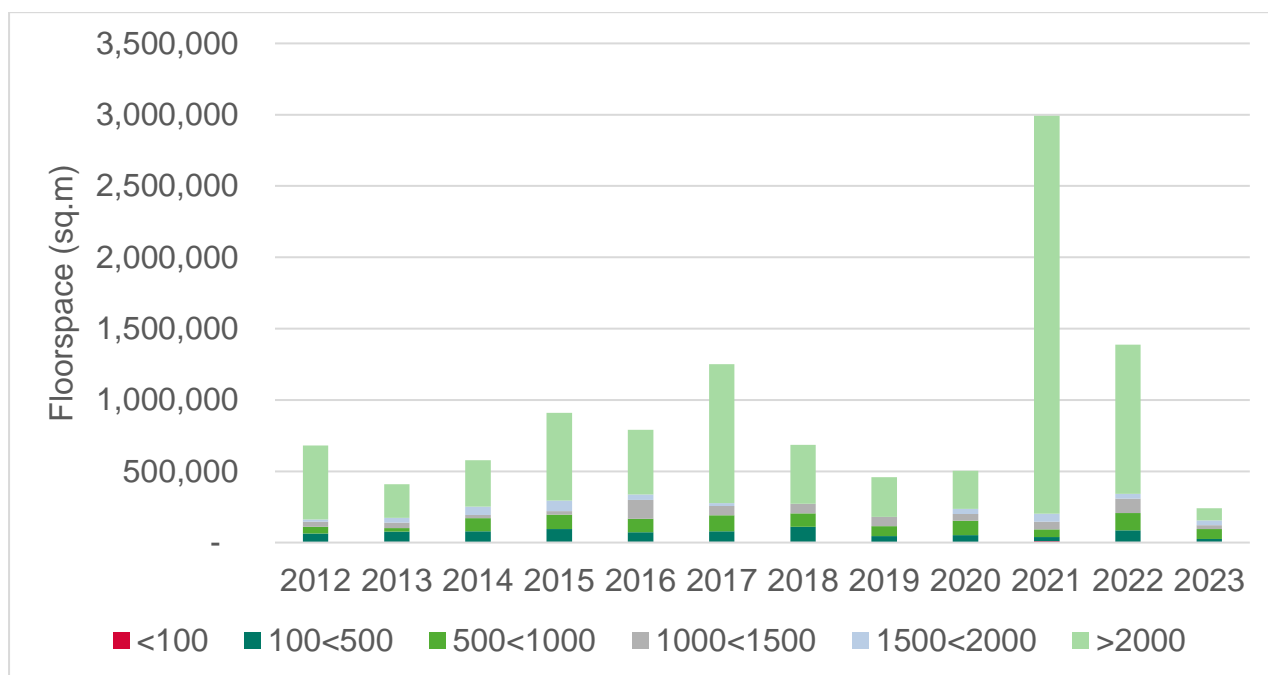
- 6.36 When looking at this alongside the very low vacancy in new stock, it is clear there is a demand for industrial floorspace in Swindon, particularly if it meets modern-day business needs.

Demand by Size

- 6.37 The amount of leasing activity which has occurred in various size bands has been assessed to indicate demand by size. However, it should be remembered that leasing activity is constrained by the available stock. Leasing activity differs from absorption in that it refers to the amount of space which is leased (i.e. signed for rather than physically moved into).
- 6.38 Figure 6.7 shows the amount of leasing activity by size band which has occurred since 2012. The construction of Symmetry Park in 2021, and subsequent leases to Iceland and Amazon, led to a particular increase in that year. Other years of note are 2017 and 2022 which both saw just over 1 million sqm leased, most of which in the over 2,000 sq.m band. 2023 saw the lowest level of leasing activity since 2012.
- 6.39 Over time the amount of floorspace leased has varied with an average of 900,000 sq.m. (9.6 million sq. ft.) of space leased each year since 2012. However, if the 2021 Amazon lease is excluded this falls to 700,000 sq.m. (per annum).
- 6.40 The majority of industrial floorspace leased is within the over 2,000 sq.m. band with a total of 8 million sq.m. (86 million sq. ft) of floorspace leased since 2012.

- 6.41 In the same period, the highest number of leases are taken out in the 100-500 sq.m band (278 deals) relating to 760,000 sqm. (8.1 million sq. ft) of space. This is followed by the 500-1,000 sq.m. band where 980,000 sqm. (10 million sq. ft) of space was leased under 129 deals.

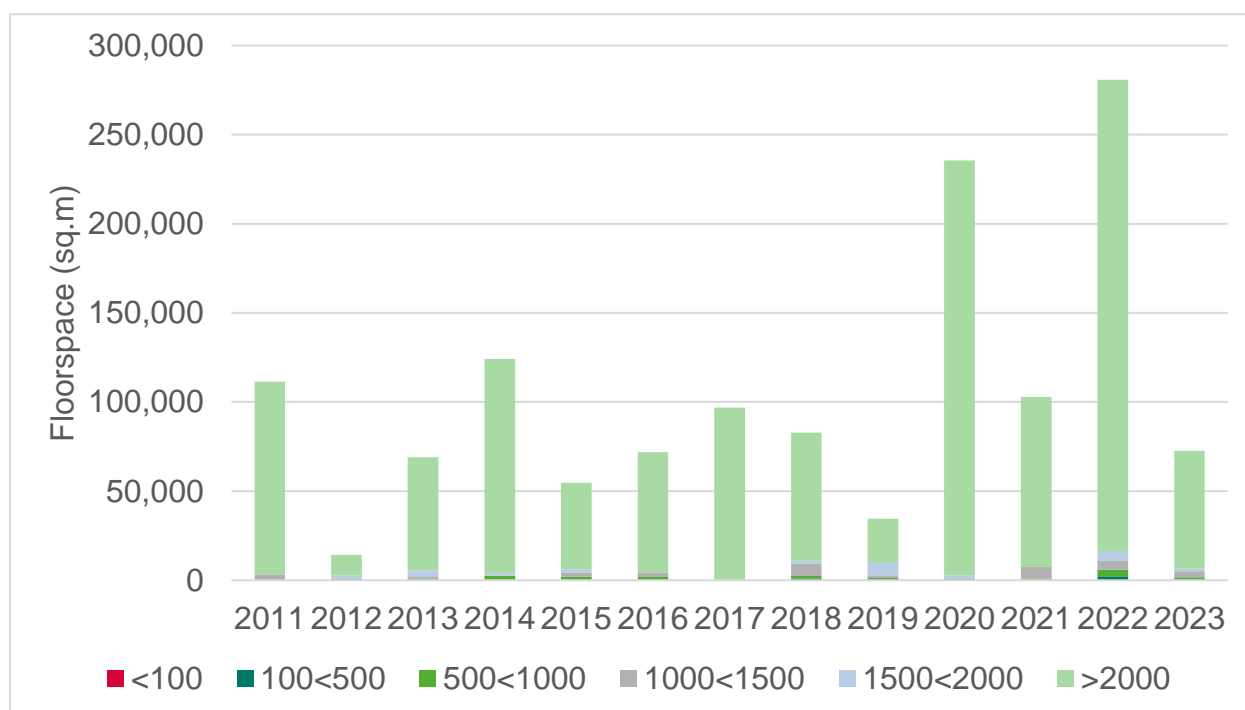
Figure 6.7 Leasing Activity Over Time by Size Band (sq.m.)



Source: Iceni analysis of CoStar data

Owner-Occupier Demand

- 6.42 This section looks at the demand for owner-occupier industrial space in Swindon. The figure below shows the amount of space sold each year by size. This data records sales to both owner-occupiers and investors and hence it does not accurately indicate the scale of owner-occupier demand as it will also capture some investor-related deals that are now leased to tenants.
- 6.43 Much like in leasing, the majority of floorspace sold lies in the over 2,000 sq.m. band, with 1.2 million sq.m. (12 million sq. ft) purchased since 2011. There have been 9 sales within this band in 2023 with a total of 94 sales in the band since 2011.
- 6.44 Unlike in the lease market, CoStar data shows that sales are most common in the larger band with smaller bands seeing fewer deals.

Figure 6.8 Sum of Sales by Year and Size Band (sq.m.)

Source: Iceni analysis of CoStar data

Office

UK Office Market Overview

- 6.45 The national office market continues to face subdued demand despite receded pandemic restrictions and more employees returning to offices, which helped bring about a steady rebound in leasing in recent quarters.
- 6.46 According to the latest CoStar office market report from 2023, national net absorption has remained negative over the past year as firms continue to release space onto the market.
- 6.47 While losses have been lighter than in 2021, falling demand and rising net deliveries have continued to push the national office vacancy rate upwards to 7.6%, the highest level in nearly a decade.
- 6.48 Vacancies will likely continue rising in the near term as there are 29.5 million sq. ft of new office space under construction across the UK. Much of this space is due to deliver over

the next 12 months, which allied to ongoing weak demand, should cause the vacancy rate to rise further.

- 6.49 Average asking rents have remained relatively resilient since the pandemic began, supported by the continued rent growth at the prime end of the market and by landlords offering more generous incentive packages.
- 6.50 Prime buildings should outperform secondary ones in the coming years as firms continue to pivot to better-quality space – to attract staff, welcome clients and meet growing environmental commitments – even as many take less space overall amid a pivot to hybrid working.
- 6.51 Supply-constrained markets with a strong Technology, Media and Telecom (TMT), life science or professional services demand base, and a highly educated workforce, have outperformed in recent years and should continue to do well over the forecast.
- 6.52 The likes of Bristol, Cambridge and Edinburgh fall into this category, with markets such as Milton Keynes, Brighton and Leeds also likely to fare relatively well.

Wiltshire/Swindon Office Market Overview

- 6.53 The Wiltshire/Swindon office market contains three sub-markets, Swindon Central which covers much of the town centre from the train station southwards towards the Pipers roundabout. Swindon Fringe which covers the rest of the town and Wiltshire which spans the remainder of Wiltshire.
- 6.54 The Wiltshire/Swindon Office Market has an overall vacancy rate of 10.3% and it is estimated to contain almost 11 million sq. ft (1 million sqm) of stock.
- 6.55 Office rents in the overall Wiltshire/Swindon Market have seen an average annual gain of 1.7% over the past three years, current average rental costs sit at £14.90/sq. ft (£160/sqm).

- 6.56 The Council have also provided their own analysis of vacancy rates based on the space being advertised in April 2024. This shows a slightly higher level of vacancy at 13.5% (1,483,503 sq. ft).

Swindon Central Office Sub-Market Overview

- 6.57 The Swindon Central sub-market (Swindon town centre) is a mid-sized market compared with other office sub-markets defined by CoStar, containing approx. 1.7 million sq. ft (160,000 sqm) of space.
- 6.58 The vacancy rate in the past year has risen significantly to 17.9% from 10% in 2022 with strong negative net absorption as firms move out and are not returning in the post COVID-19 market which emphasises the demand for the highest quality space in premium locations.
- 6.59 Despite this vacancy, rents have increased slightly to an average of £15.85/sq. ft (£171/sqm) although this is well below the rate sufficient to support new speculative development at around £30 /sq. ft.
- 6.60 There is currently 1,400 sq. ft (130 sqm) of space under construction, which is low compared to previous years, but overall, the market has contracted in the past 10 years as demolition has outpaced construction. There may also be additional supply as the Town Centre is regenerated.

Swindon Fringe Office Sub-Market Overview

- 6.61 The Swindon Fringe sub-market covers the remainder of the Borough of Swindon (excluding the Swindon Central sub-market area) and contains approx. 4.2 million sq. ft (390,000 sqm) of space. The vacancy rate in the past year has risen slightly to 13.3% from 12.8% in 2022.
- 6.62 This is likely caused by a longer-term trend of negative net absorption which has decreased annually by an average of -110,000 sq. ft (10,000 sqm) in the past 5 years. Rents have also fallen very slightly in the past year from £15.71/sq. ft to £15.46/sq. ft.
- 6.63 Overall, the market has contracted in the past 10 years as demolition has outpaced construction and no new floorspace lies in the construction or planning pipeline. The

quality of the office space in the area is generally average to good, but there is significant vacancy – notably at sites further away from the town centre for example Windmill Hill Business Park, the former Nationwide building on Lowry Way and the current Intel office on Pipers Way which is due to become vacant in the near future.

Swindon Office Stock

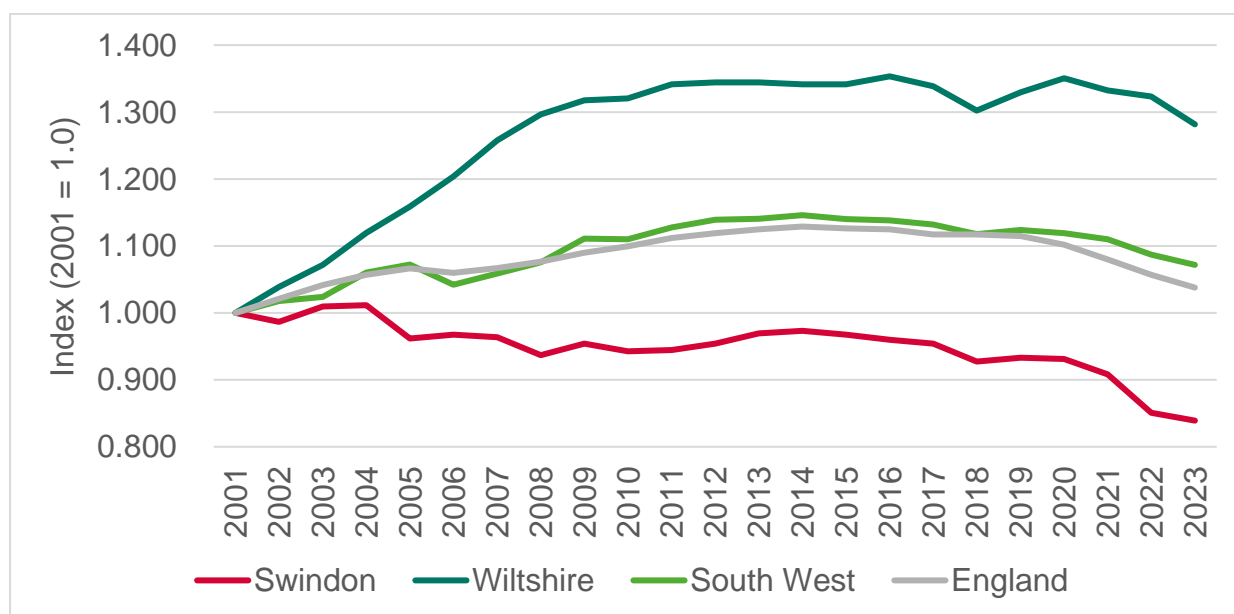
- 6.64 The Valuation Office Agency (VOA)⁴¹ provides information on the amount of office floorspace by administrative area. In Swindon at the end of the 2022/23 financial year, there was 438,000 sq.m (4.7 million sq. Ft) of office floorspace in total. This is equivalent to 7.2% of the total floorspace in the overall South West market, suggesting that Swindon is a key location within the region.
- 6.65 In contrast, CoStar reports that Swindon had approx. 5.8 million sq. Ft (540,000 sq.m) of office floorspace at the end of Q3 2023, which is 23% higher than the VOA data suggests. Again, this difference is because the definition of office space used by CoStar differs from that used by the VOA and the fact that data is collected differently by each organisation.
- 6.66 Figure 6.9 below shows the total amount of office floorspace in Swindon between 2000 and 2023. Overall provision has decreased by 16% overall in that time with a loss of 84,000 sqm (900,000 sq. ft) of floorspace.

⁴¹ VOA: Non-domestic rating: stock of properties including business floorspace, 2019

Figure 6.9 Office Floorspace, Swindon (2001 – 2023)

Source: Iceni analysis of VOA data

- 6.67 Figure 6.10 shows how the amount of floorspace has changed in Swindon relative to Wiltshire, the region and England. Swindon is the only location where office floorspace has decreased overall. It sits in stark contrast to Wiltshire which has seen an increase of 28%.

Figure 6.10 Indexed Office Floorspace Change (2001 – 2023)

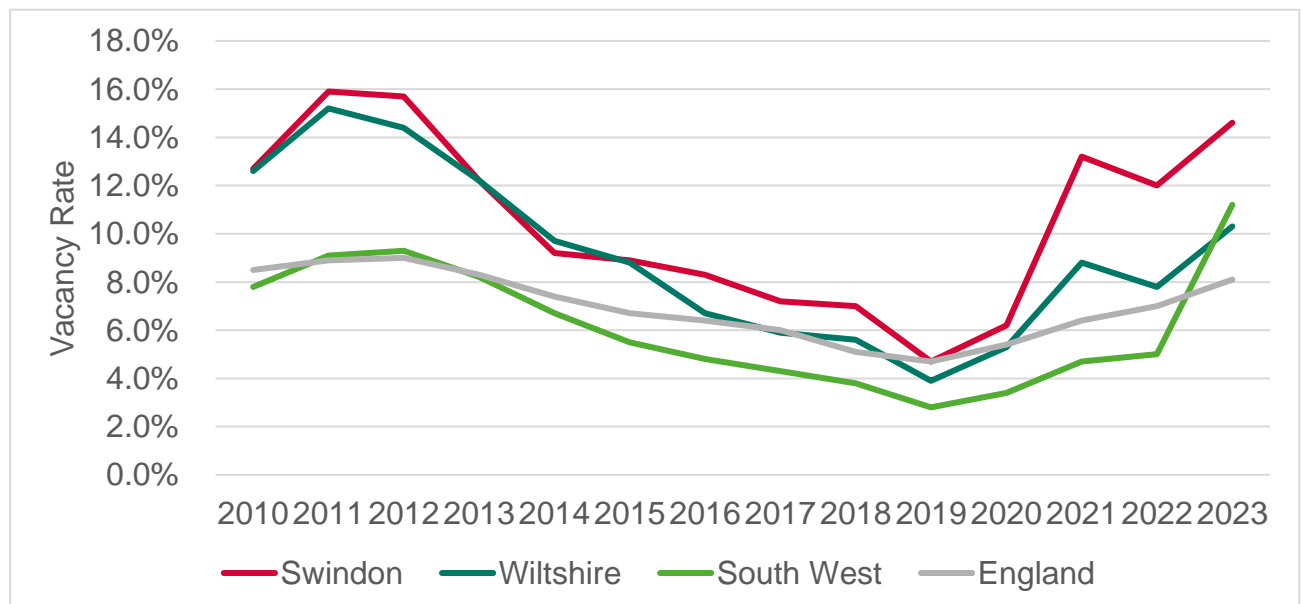
Source: Iceni analysis of VOA data

- 6.68 The loss of stock appears to have accelerated in the most recent 5-year period (2019-2023) with an overall decline of 9.6% equating to 49,000 sqm of floorspace. A similar trend is seen in Wiltshire where 3.6% of stock was lost in the same period. Across the longer 10-year period losses are greater by 13.8% in Swindon and 4.5% in Wiltshire. This can be related to both the changing economy but also permitted development losses to residential.

Overall Supply-Demand Balance – Swindon Office Market

- 6.69 The overall supply-demand balance has been assessed by looking at headline indicators – namely vacancy rates and rents. The drivers of changing vacancy rates, demand and supply have then been assessed by looking at net absorption and net deliveries.
- 6.70 Figure 6.11 shows that although the office vacancy rate in Swindon decreased significantly from 2010 to 2019, going from 15.7% to just 4.7% in 2019, it has since increased up to 14.6% overall in 2023. The vacancy rate is currently higher than all other assessed areas with the next closest the South West region at 11.2%.

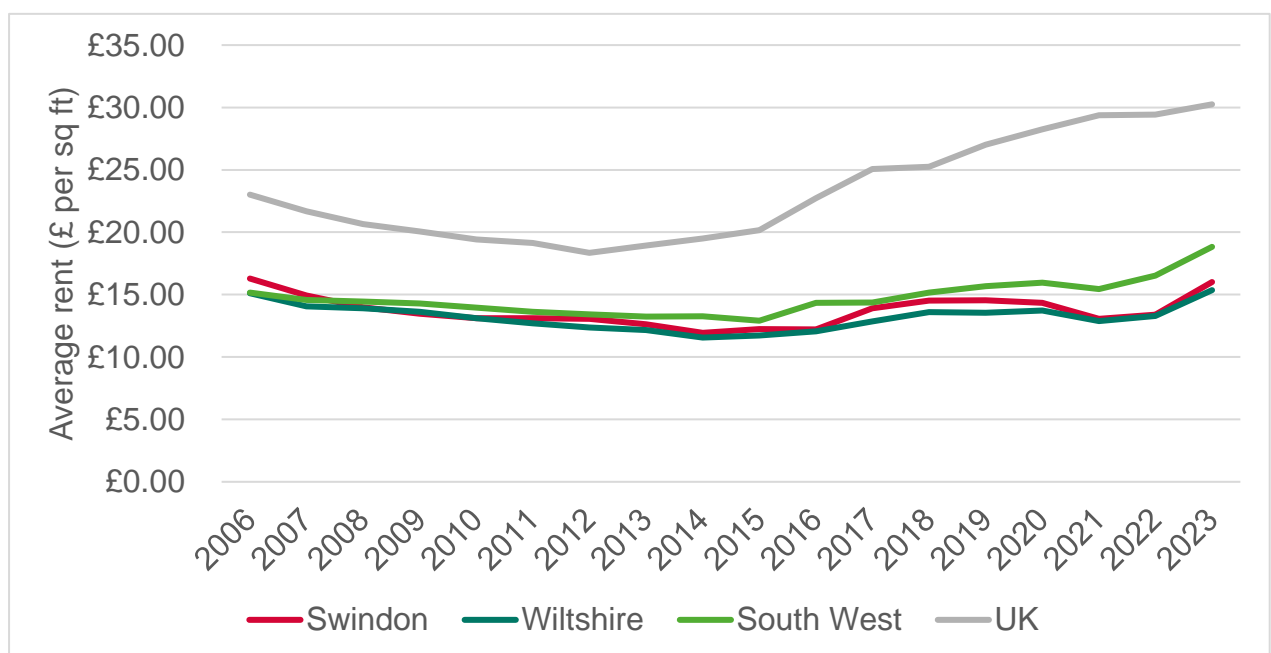
Figure 6.11 Office Vacancy Rate, 2010 - 2023



Source: Iceni analysis of CoStar data

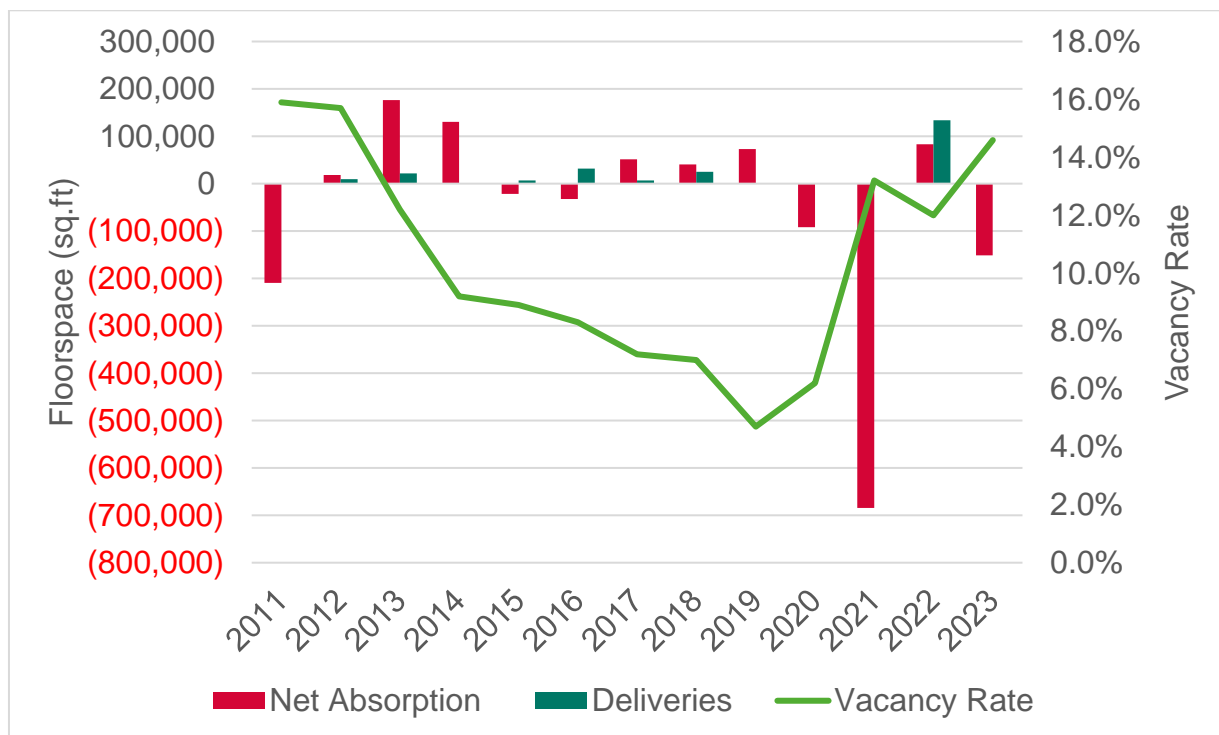
- 6.71 The Figure below shows how average office rents in Swindon have changed over time compared to Wiltshire, the region and the UK. Rents in Swindon currently sit at £172/sqm (£16/sq. ft). Higher than Wiltshire but lower than the region and country.
- 6.72 Swindon and Wiltshire's average rents tend to track each other with minimal differences between the two each year. This indicates that the markets are linked in terms of attractiveness.
- 6.73 Overall, office rental costs in Swindon and the South West have remained fairly stable since 2010, averaging at £13.43/sq. ft (£145/sqm) and £14.76/sq. ft (£159/sqm) respectively. Where both remain lower than the country overall, they have seen an uplift since 2021.
- 6.74 Between 2021 and 2023, the increase in the average rental price in Swindon was £32/sqm (£2.93 per sq. ft.) while in Wiltshire it was slightly lower at £27/sqm (£2.48 per sq. ft.). While still modest, the increase is surprising given the shift away from office working caused by the pandemic and suggests that there is an underlying level of demand for office space within the borough alongside a declining supply of premises. By comparison, the increase in the UK in that time is only £9/sqm (£0.88 per sq. ft.).

Figure 6.12 Average Office Rental Price (£ per sq. ft)



Source: Iceni analysis of CoStar data

- 6.75 This increase in Swindon and Wiltshire may be a factor of increasing pressure on the office stock, where supply is decreasing while demand is at least maintained and as such rents are growing.
- 6.76 CoStar provides data on net absorption. This is the balance between the amount of floorspace occupied and vacated. It provides an indicator of the strength of demand. Net deliveries are the difference between floorspace delivered (i.e. constructed and brought onto the market) and demolished (or otherwise taken out of use and removed from the market).
- 6.77 A positive net absorption figure indicates that there is demand and leads to a falling vacancy rate (unless it is outweighed by net deliveries). On the other hand, a negative net absorption figure indicates weaker demand and leads to a rising vacancy rate (unless it is outweighed by negative net deliveries).
- 6.78 The figure below shows net absorption, net deliveries and their resulting impact on vacancy rates in Swindon. Overall net absorption has been low, with only 4 years in the past 10 seeing a positive rate, average net absorption since 2013 sits at -60,278 sq. ft (-5,600 sqm). Deliveries have also been low with an annual average of delivery 40,700 sq. ft (3,800 sqm) of new space in the past 10 years.
- 6.79 There was a particularly low figure for net absorption in 2021 with almost 700,000 sq. ft (65,000 sq.m) moved out of and left vacant, this led to the vacancy rate increasing hugely from 6.2% to 13.2%.

Figure 6.13 Net Absorption, Net Deliveries and Vacancy Rates

Source: Iceni analysis of CoStar data

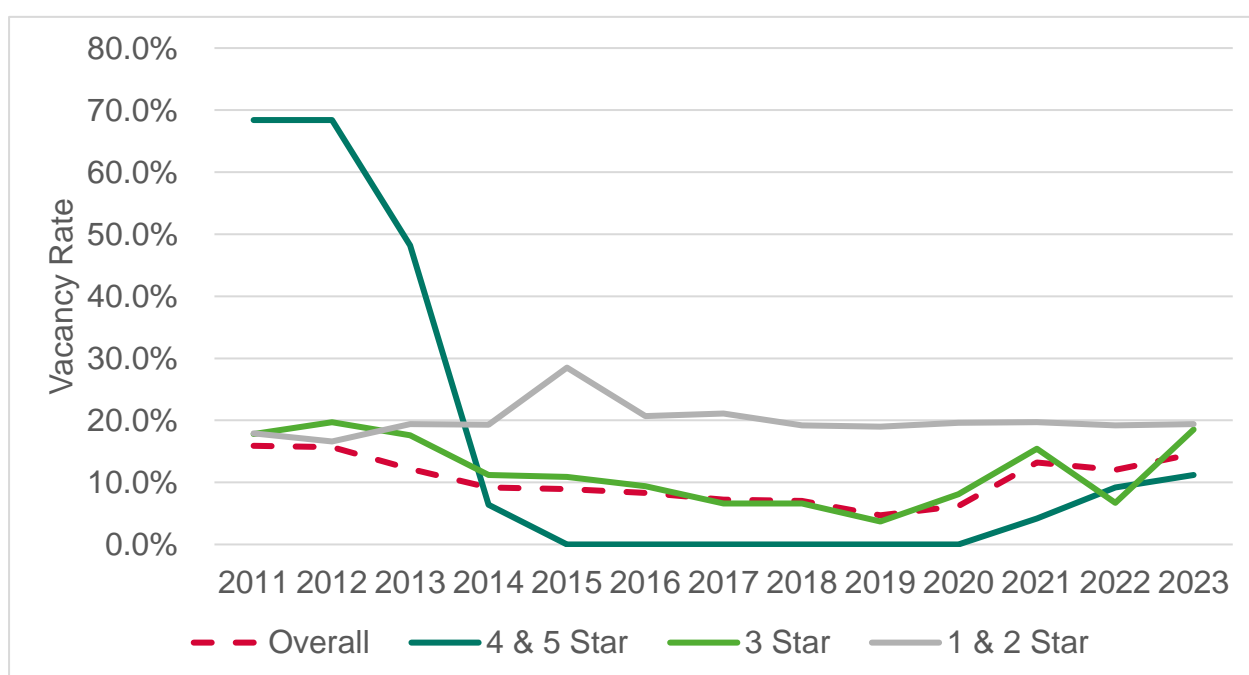
Supply-demand Balance by Quality and Age

- 6.80 It is important to understand if the overall vacancy rate is reflected in the vacancy rates for stock of varying quality/age. It is particularly important to understand vacancy rates in high-quality stock as this provides a good indicator of the demand for new office space.
- 6.81 The figure below shows the vacancy rate for office stock in terms of its quality, measured by CoStar's Building Rating System⁴². Currently 1- and 2-star stock sees the highest vacancy rate at 19.4% with 4 and 5 the lowest at 11.2%. The higher rate in lower quality stock is likely reflective of a need to replace or redevelop some stock that is no longer fit for modern business use.

⁴² The Building Rating System is explained here - https://www.costar.com/docs/default-source/brs-lib/costar_buildingratingsystem-definition.pdf?sfvrsn=12a507a4_2

- 6.82 The notable increase in the vacancy of 3-star stock from 2020 to 2021 matches that seen in the overall vacancy rate. It is likely then that the stock vacated in this period which led to the higher rate was largely 3-star stock.
- 6.83 This aligns with agent commentary on how the needs for office space have changed in the wake of the pandemic, where companies who previously occupied mid-quality office stock have shifted to a more work-from-home or hybrid working approach, where less space is required overall.

Figure 6.14 Office Vacancy Rate by Star Rating



Source: Iceni analysis of CoStar data

- 6.84 The Table below shows the vacancy rate for office stock by age band. CoStar data shows that properties built in the 2010-15 period see the highest vacancy (57.4%), however, this is likely to be impacted by the fact that the least amount of stock was constructed in this period.

Table 6.3 Office Vacancy by Age

Age Band	Vacancy Rate	Total Floorspace (sqm)
Pre-1940	0.0%	79,915
1940-1960	1.2%	3,837

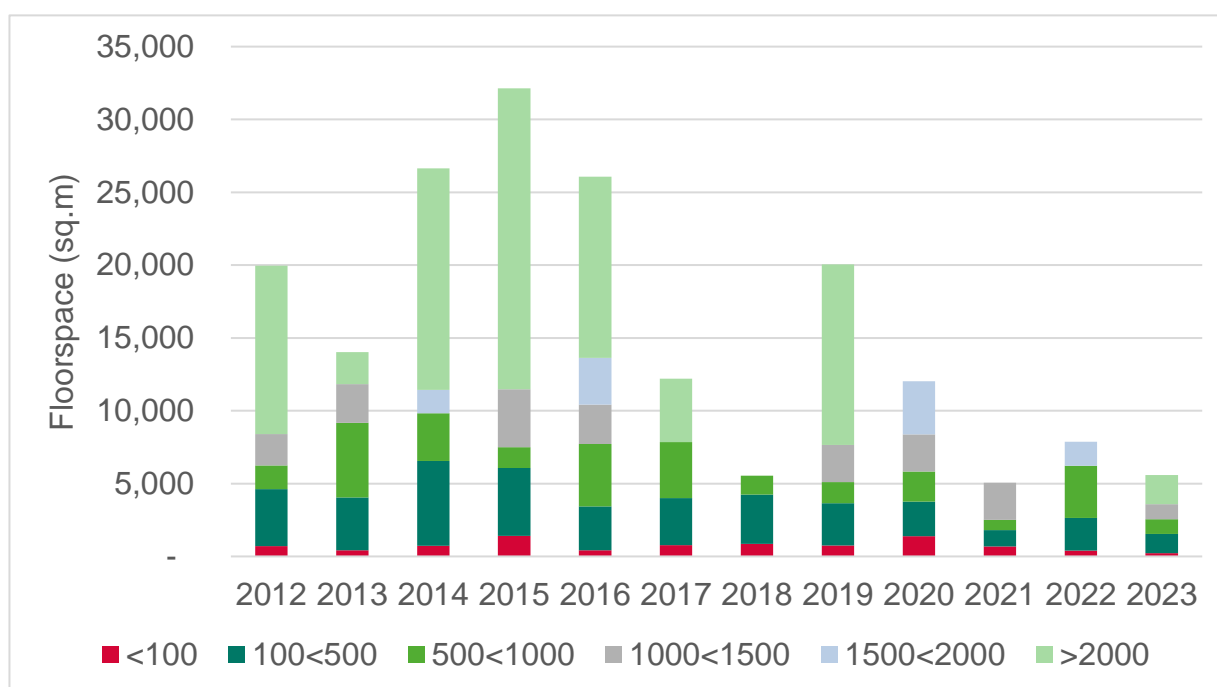
1960-1980	18.0%	89,062
1980-2000	17.0%	265,952
2000-2010	19.2%	85,046
2010-2015	57.4%	8,191
2015-Present	7.6%	87,912

Source: Iceni analysis of CoStar data

- 6.85 Older, pre-1940 stock sees the lowest vacancy at 0%. It appears that much of this stock lies within terraced properties in Swindon that may at one point have been in residential use. This stock is likely low-cost compared to other units in this location, which will be attractive to some businesses.
- 6.86 Equally it may reflect converted industrial space, for example, that occupied by the National Trust and English Heritage at Firefly Place or the renovation of the Carriage Works.

Demand by Size

- 6.87 The amount of leasing activity which has occurred in various size bands has been assessed to indicate demand by size. However, it should be remembered that leasing activity is constrained by the available stock.
- 6.88 Leasing activity differs from absorption in that it refers to the amount of space which is leased (i.e. signed for rather than physically moved into). The figure below shows the amount of leasing activity by size band which has occurred since 2012.

Figure 6.15 Office Leasing Activity Over Time by Size Band (sq.m)

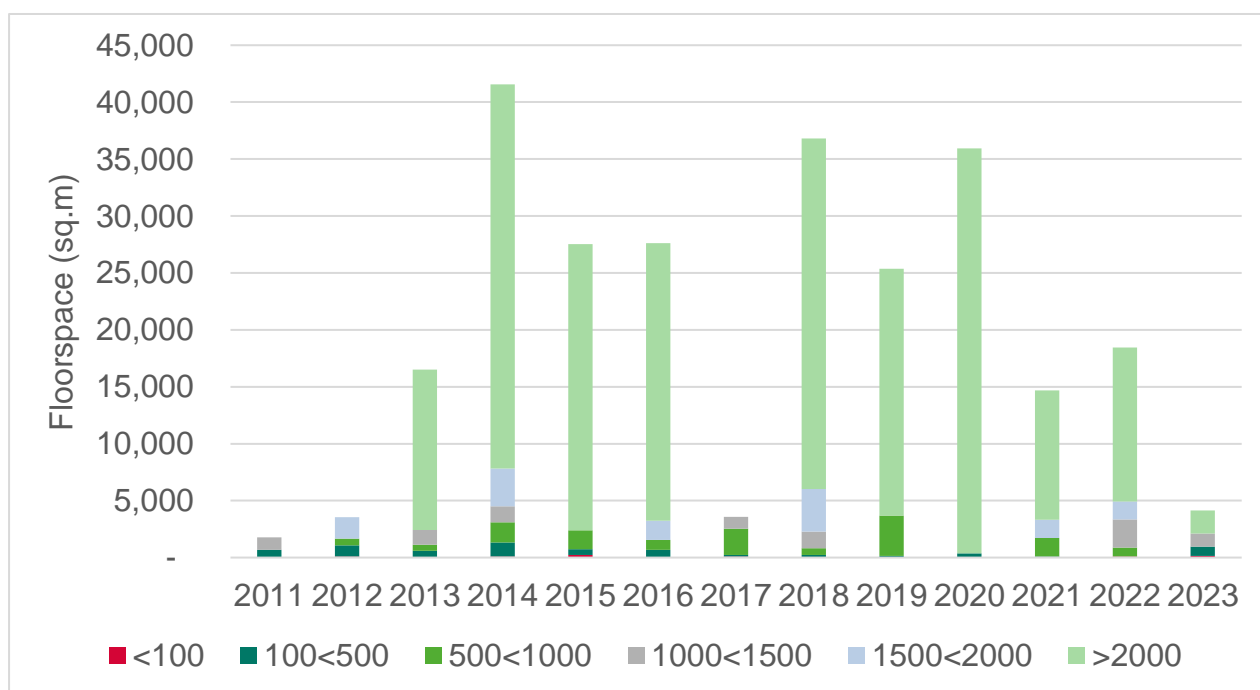
Source: Iceni analysis of CoStar data

- 6.89 Much of the activity in the Borough is concentrated in the smaller size bands with an average of 14.8 deals per annum in the 0-100 sq. m. size band and 13.9 deals in the 100-500 sq. m. band.
- 6.90 The most amount of floorspace let is in the >2,000 sq.m. band with a total of 80,789 sq.m. leased since 2012, however much of this is within the earlier portion of the period with only 2 of the past 6 years seeing leases in this band totalling for approx. 14,000 sqm of space.
- 6.91 The 1,500-2,000 band sees the fewest lease deals at only 1.5 annually as well as the least amount of space leased approx. 10,000 since 2012.
- 6.92 Some large deals can be tracked to specific units and tenants. For example, the deals in the over 2,000 sq.m. band in 2014 and 2019 are for the same building at Windmill Hill Business Park which is leased by renewable energy firm RWE. Similarly, the increase seen in 2015 can be attributed to the renewed lease taken up by Nationwide at Pipers Way.

Owner-Occupier Demand

- 6.93 This section looks at the demand for owner-occupier office space in Swindon. The figure below shows the amount of space sold (rather than let) each year by size band.
- 6.94 This data records sales to both owner-occupiers and investors, so it does not accurately indicate the scale of owner-occupier demand, as sales made to investors will also be included.
- 6.95 Particularly large sales in the over 2,000 sq.m. band in recent years are apparent in this graph, with only 3 years since 2011 not seeing sales in this band.
- 6.96 A total of 212,000 sqm of floorspace has been sold within the largest size band since 2011 across 45 properties, 82% of the total floorspace sold within the period and 39% of the properties sold.

Figure 6.16 Sum of Office Sales by Year and Size Band (sq.m)

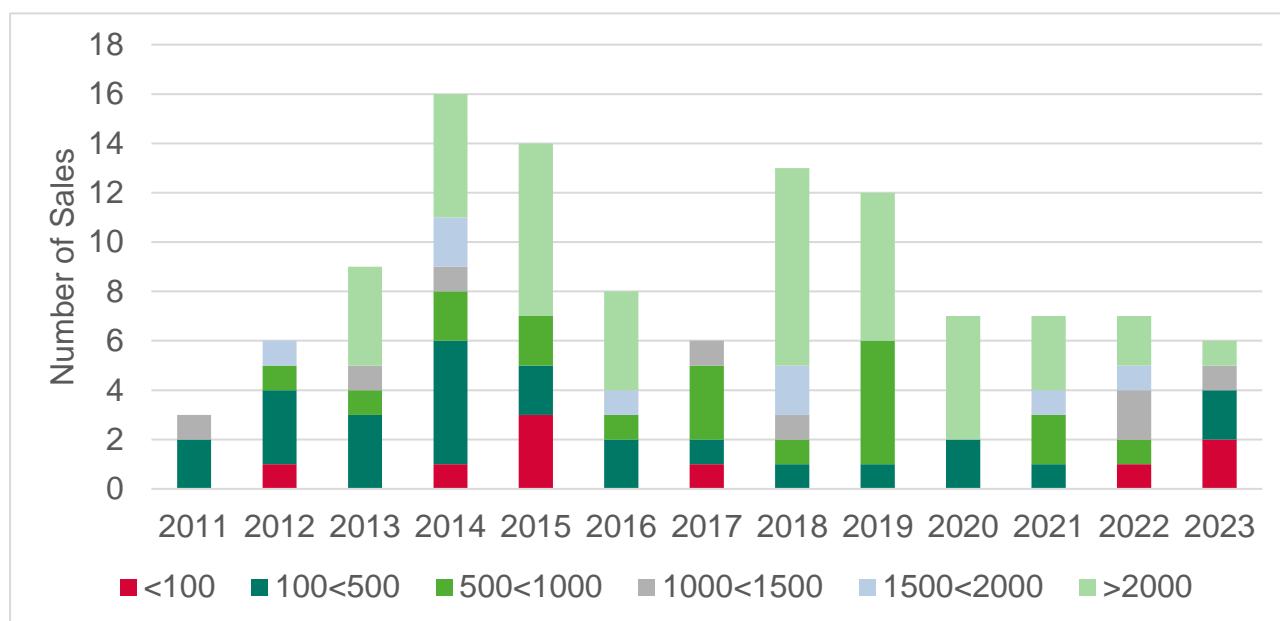


Source: Iceni analysis of CoStar data

- 6.97 The figure below demonstrates the number of sales per year in each size band. As mentioned above the >2,000 sqm band sees the most sales, this likely indicates that

Swindon is attractive to the median to large-scale office investors as well as large owner-occupiers.

Figure 6.17 Number of Office Sales by Year and Size Band



Source: Iceni analysis of CoStar data

- 6.98 Towards the other end of the scale, sales within the 100-500 sqm band are also reasonably high at 25 since 2011, averaging 2.08 each year.

Further Stakeholder Engagement Findings

- 6.99 The views of local agents have been represented where relevant in the market assessment. Further points which are of relevance to this study are set out below in the following chapter.

Commercial Market – Summary

Industrial

- 6.100 The Swindon industrial market is large in comparison to other sub-markets although mid-sized in the national context and according to the VOA, the amount of floorspace has decreased since 2001 by approximately 73,000 sq.m. However, this masks an increase of approx. 161,000 sq.m or 8% between 2017 and 2022.
- 6.101 Historically, Swindon has consistently had higher average industrial rents compared to Wiltshire, the South West and the UK as a whole. In recent years, average prices have begun to converge with rental growth in Swindon slowing since 2020. Average rents across the South West (£8.55) and the UK (£8.80) have risen slightly higher than in Swindon (£8.40).
- 6.102 Reported vacancy rates in Swindon are above the regional and national average although this is due in part to the Honda vacancy being included in the list. In reality, the figure is much closer to the national figure (5.6% v 4%). The lowest vacancy is seen in 1-star and 4-star stock at 0%, demonstrating a higher demand in Swindon for high- and low-quality stock. Indeed, it indicates a need for further supply as the vacancy rate is so low.
- 6.103 The majority of leased industrial floorspace falls within the over 2,000 sq.m. band, with 8 million sq.m. (86 million sq. ft.) let since 2012. Leasing activity is concentrated in the mid-size categories with the highest number of leases occurring in the 100-500 sq.m. band (278 leases) and 500-1,000 sq.m. band (78 leases). A similar story is seen in the sales market with 1.2 million sq.m of floorspace purchased in the largest band since 2011. This band also had the highest number of sales (94 since 2011).

Office

- 6.104 According to the VOA the Borough contains 438,000 sq.m (4.7 million sq. ft) of office floorspace. Both the Swindon Central (Town Centre) and Swindon Fringe office sub-markets are considered to be mid-sized with the latter slightly larger than the former.

- 6.105 The loss of stock appears to have accelerated in the most recent 5-year period (2019-2023) with an overall decline of 9.6% equating to 49,000 sqm of floorspace. A similar trend is seen in Wiltshire where 3.6% of stock was lost in the same period.
- 6.106 Over the longer period since 2001 the office market in Swindon has contracted by 17%. This contrasts with Wiltshire, the South West and England where office floorspace has increased.
- 6.107 The office vacancy rate in Swindon decreased significantly from 15.7% in 2021 to just 4.7% in 2019. It has since increased to 14.6% and is now higher than the regional (11.2%) and national figures (8.1%).
- 6.108 Net deliveries have been low in comparison to net absorption, an average of 40,700 sq. ft (3,800 sqm) of space has been delivered per annum since 2011, whereas average net absorption sits at -60,278 sq. ft (-5,600 sqm).
- 6.109 Stock rated 1-star and 2-star has the highest vacancy indicating that office stock of the poorest quality is in the lowest demand. It is also likely to reflect the need to replace or redevelop some stock.
- 6.110 Most leasing activity takes place in smaller units of 0-100 sq.m, with an average of 14.8 deals made per annum. The most amount of floorspace let is in the +2,000 sq.m. band with a total of 80,789 sq.m. leased since 2012.
- 6.111 This is similar to the owner occupier market where sales in the +2,000 sq.m. band make up the most floorspace sold indicating that Swindon is attractive to medium to large scale office investors as well as large owner occupiers.

7. Engagement Summary

7.1 To inform this study we have undertaken significant engagement with local stakeholders, these include:

- Swindon Chamber of Commerce;
- Swindon and Wiltshire LEP;
- Department for Business and Trade;
- Business West;
- ICAST (a collaboration of the Universities of Bath and Oxford);
- Local Commercial Estate Agents; and
- Local Commercial Developers.

7.2 Iceni and Swindon Borough Council are grateful to participants for their time.

7.3 The following sections summarise the key points from these discussions. It should be stressed that not all of these views are universal, and some are anecdotal and conflict with the data set out herein.

Town Centre

7.4 In Swindon, there's a noticeable gap between its central area and the outskirts. The town's Retail and Leisure Core, is experiencing a decline with closures of businesses like Debenhams and Wilkinsons, leaving behind a diminished selection of shops.

7.5 The ambience of the Town Centre has degraded significantly and has also not recovered since the pandemic. Most of the retail spaces have not seen investment in 20 years. Outwardly this has given Swindon a poor image, which is sometimes unjustified, but it may still dictate the market view for investing in the Town Centre and the Borough more widely.

- 7.6 Stakeholders suggested that there is a need for an image overhaul and increased marketing efforts to attract investment and change perceptions about Swindon's Town Centre and its economic potential.

Figure 7.1 Town Centre Zones



Source: Iceni Projects

- 7.7 Successfully attracting investment in the office sector is interconnected with other aspects like retail, food and beverage, nightlife and the housing offer. The Town Centre is evolving, but there has not been an immediate response to the new Zurich office space at Unity Place (Kimmerfields) due to the general lack of footfall.
- 7.8 Infrastructure around office locations is lacking, particularly quality accessible parking in the Town Centre. Whilst parking facilities across the town centre are plentiful, a forward strategy that rationalises provision whilst focusing on improved quality is needed, particularly if out-of-town offices whose staff are reliant on car transport are to be attracted back to the Town Centre.

- 7.9 While public transport is reasonable, the areas around both the bus station and train station need to be improved, including connectivity and circulation. Efforts for redevelopment are underway, including the refurbishment of the Bus Station (part of Kimmerfields) and Station Quarter (part of the Heritage Asset Zone).
- 7.10 Much of the Town Centre's infrastructure is ageing, except for the new Zurich offices which are part of the regeneration of the Kimmerfields area. However, there remain large swathes of cleared brownfield land which is unsightly and fails to aid circulation. Viability and delivery pose significant challenges across potential use class developments.
- 7.11 Similarly, viability might challenge the redevelopment of Signal House (part of the HAZ area) as it needs to address the cost and carbon challenges. It may no longer be suitable for a fully commercial development, but it could still be suitable for a mix of uses. This might be beneficial as some of the stakeholders noted that there is a lack of urban quarters for young professionals.
- 7.12 The town's Historic Railway Quarter also presents a continued opportunity to market the area as a visitor attraction. This would build on the existing infrastructure around the Railway Village and STEAM and could create additional footfall to help regenerate the Town Centre.

Employment Skills

- 7.13 Despite past economic prosperity, Swindon faces challenges, evidenced by falling GDP per head, necessitating concerted efforts for future prosperity, including a skills strategy.
- 7.14 The Swindon economy provides ample employment opportunities, including apprenticeships and upskilling options. However, it also grapples with pockets of deprivation, and this impacts educational attainment and skills.
- 7.15 To plug this gap, the town attracts a migrant workforce drawn in by its comparatively affordable housing, quality of life and comparable wages. The town also attracts highly skilled individuals from neighbouring areas.

- 7.16 The lack of Higher Education facilities based in the borough is seen as both a strength and weakness. It is a weakness in terms of the lack of a skilled local workforce, but also a strength as the borough could be seen as a suitable location for collaborative working between higher education facilities such as iCAST (Innovation Centre for Applied Sustainable Technologies).
- 7.17 iCAST is a collaboration between the University of Bath and the University of Oxford set to deliver agile innovation in sustainable manufacturing and engineering. This collaboration between academia and industry could create direct job opportunities and raise the town's profile.
- 7.18 However, there was a view that Swindon needed to enhance its skills strategy beyond higher and further education (FE) and consider broader skill sets. For example, coordination and national policy are essential for green economy skills development.
- 7.19 The Local Skills Improvement Partnership (LSIP) has seen a growing demand for higher-skilled jobs and features a Skills Advisory Panel which will aid the restructuring of the economy.
- 7.20 The following chapter looks at skills and training issues in the borough more closely.

Planning

- 7.21 The national government's inconsistent stance on planning creates challenges for local planning and business planning. In general, the stakeholders thought there was a lack of focus on strategic matters, and Swindon's potential as an urban area required infrastructure improvement and coordinated planning efforts.
- 7.22 The stakeholders did recognise that there was a receptive attitude toward business from the new administration at the Council and hoped this would see a longer-term strategic economic and spatial plan and joint working with Wiltshire.
- 7.23 As the Swindon urban area and functional economic market area spans both Swindon and Wiltshire, there is a need for more strategic planning, particularly along the M4 corridor.

- 7.24 There was a recognition of planning difficulties in the borough, such as building on a floodplain and the lack of available strategic sites (Honda excluded) deterring firms from expanding or making changes.
- 7.25 In addition, the limited number of available sites, particularly strategic sites, and financial pressures on the Council challenge strategic planning efforts.
- 7.26 The Chamber of Commerce emphasises the need for increased infrastructure as a policy priority. Without the essential infrastructure, such as improvements to public transport and highways, major development plans such as Cheney Manor will be hindered.
- 7.27 Some stakeholders also reported that planning difficulties with expanding or moving to new premises discouraged businesses from investing in the area.

Stock Issues

- 7.28 There was a view that the transformation of the former Honda site by Panattoni, for what will most likely become Warehouse and Logistics purposes, highlights the need for diversified strategic sites.
- 7.29 For example, the borough lacks a Science and/or Technology Park. There are some plans for a technology park around the Science Museum in Wroughton, but it is not well located, and the site faces transport issues.
- 7.30 There is also a growing need for laboratory space, with potential for clustering of companies and opportunities for conversion of existing spaces into lab facilities. This could respond to overspill from neighbouring university towns and cities.
- 7.31 Another stakeholder highlighted opportunities for infill development north of J15 to the A420 are feasible, while intensification around the former WH Smith site off Greenbridge Road and railway lands could accommodate growth in various sectors.
- 7.32 Swindon remains attractive to investors, and the provision of suitable sites will allow for large factories and high-impact industries like automotive and logistics, and the Panattoni

plans could respond to this. However, time is of the essence for alternative projects, as delays may lead to concessions on site usage as Panattoni seeks a return on its investment.

- 7.33 One stakeholder also noted that some larger companies seeking to invest in Swindon may be reluctant to secure land at Panattoni Park as it provides less flexibility than a freehold site.
- 7.34 The Chamber of Commerce receives requests every few months to find industrial units of around 15,000 square meters, but much of the existing stock is outdated, leading potential occupants to seek other options.
- 7.35 Obsolete office buildings from the 1980s and 1990s pose environmental, social, and governance (ESG) challenges, necessitating upgrades and or relocation of existing occupiers. The success of this will depend on the cost of renovation and would require rents of around £30 per square foot to be considered viable. Such rents are significantly higher than local rates (maximum £19 per sq. ft) although these compare favourably to neighbouring towns.
- 7.36 The impact of Zurich's presence in the Town Centre is still unfolding, with opportunities emerging due to space constraints in Oxford and Reading. Some stakeholders noted that the flight-to-quality trend is apparent in the borough with prospective occupiers showing interest in fitted-out properties.
- 7.37 One stakeholder noted that a reduced vacancy rate could support rent increases and refurbishments, though there has already been a significant loss to residential conversions.

Investment

- 7.38 It was noted that there had been a decline in both employment growth and productivity in the borough, with investments falling short of expectations. Significant public and private sector funding has been allocated to various projects, with a focus on infrastructure development and cultural clusters.

- 7.39 Government policy emphasises place-based, science-led regeneration activities, with significant investments in net zero initiatives, particularly in research and development (R&D) for clean technology and life sciences. R&D remains a focal point for achieving net zero targets and driving the green industrial agenda and several potential growth sectors were identified including aerospace, automotive, and packaging industries. Proximity to Oxfordshire also has benefits in terms of tech, life science and pharma manufacturing.
- 7.40 The Borough has had a long history in the semiconductor industry and has retained skills in this area. As well as Intel UK headquarters, it is also home to Dialog Semiconductors which works with Apple to provide power management technology to its chips. There are opportunities to build on these skills given geopolitical moves to secure domestic production of these vital components.
- 7.41 However, some stakeholders noted that Swindon was missing out on investment and faced challenges in attracting inward investment due to a lack in the availability of Council resources related to regeneration, economic development and other investment steering mechanisms.
- 7.42 Despite this, there is continued demand for employment sites across the borough, particularly in manufacturing and life sciences. The former government was expected to steer certain industries or clusters towards specific sites, though planning complexities persist, and the Labour government may change tack.
- 7.43 Swindon is positioned as a strategic location for future investment, with expectations of increased focus in the coming years, particularly around the railway quarter redevelopment, as led by ICAST.
- 7.44 Other parts of the UK are seeing major inward investment opportunities for example in relation to giga factories and other elements of advanced manufacturing – including a giga factory Gravity Smart Campus site in Puriton, near Bridgwater for Tata in Somerset and potential investment in Coventry Airport Giga factory. There is considered to be potential land near M4 Junction 16, which the council own, that could be a suitable location for inward investment and as a result, other uses should be resisted.

Homes and Jobs Balance

- 7.45 Over the past 40 years, the town has relied heavily on housebuilding to maintain a sustainable workforce, but both housebuilding rates and workforce growth are now declining.
- 7.46 In recent times, Swindon has consistently seen job growth outpace population growth, leading to skills and labour shortages reported by employers and high levels of in-commuting.
- 7.47 Stakeholders and employers attribute the Borough's failure to deliver housing in sufficient quantities to people and businesses leaving Swindon. Over the last two years, all respondents to the Chamber of Commerce's survey highlighted the difficulty in finding staff.
- 7.48 The current administration in Swindon, which took over in May 2023 and was recently re-elected, is pro-growth in the context of falling housebuilding rates. However, there remains a view that there is a lack of deliverable strategic sites across the borough (and Wiltshire) to meet the demand.

Engagement Summary Findings

- Strategic planning and investment in skills development are crucial for future prosperity.
- The Town Centre's office offer is evolving including the development of Unity Place but challenges remain. Without a vibrant town centre office market, and the footfall it brings, the retail and leisure core will continue to struggle.
- While economic growth is a strong possibility, there is a need to provide enough housing to support it. The mix of housing will also aid regeneration, particularly if an urban living offer is provided, but this is linked to office employment and town centre infrastructure.

- The former Honda site demonstrates a particularly large opportunity site, although there is also a need for a diverse range of small and other strategic sites.
- There is a lack of science and technology parks in the borough, and the outdated industrial units and office stock pose challenges to developing a tech sector.
- There are challenges in attracting inward investment due to resource constraints, planning complexities and inconsistent national planning policies.
- There are opportunities to build on the borough's industrial heritage to attract sectors such as clean technology and manufacturing. This could involve strategic greenfield land release to capture major foreign direct investment.

8. Key Sectors and Skills Analysis

- 8.1 This section of the report seeks to present and analyse evidence on key sector specialisms, performance and prospects for Swindon, and understand future labour and skills demand. Each sector is assessed in terms of:
- Economic contribution: GVA and total employment
 - Specialisation – Location Quotients of sectoral employment share, compared to England average
 - Value added and knowledge – based on qualitative understanding of company base and activities on site
 - Background information on future skills needs
 - Forecast growth prospects
- 8.2 We then set out a brief exploration of skills pathways, including some analysis of local FE provisions. This is not a comprehensive guide to skills pathways, as there is a significant range of industries, occupations and pathways that could legitimately be followed, and this is a significant research exercise in itself for one sector.
- 8.3 Appendix A1 provides a closer examination of some of the key sectors and this section should be read alongside that Appendix.

Industrial specialisms

- 8.4 If we examine employment by industry at a 2-digit Standard Industrial Classification (SIC) level, the following industrial specialisms are apparent in Swindon, where the location quotient (the relative share of employment in Swindon compared to the GB average) is above 1.3 and total employment is 200 or above.

8.5 As can be seen in the table below, there are major specialisms and significant levels of employment in:

- Sewerage
- Manufacture of basic pharmaceutical products and pharmaceutical preparations
- Financial service activities, except insurance and pension funding
- Scientific research and development
- Security and investigation activities
- Manufacture of electrical equipment
- Veterinary activities
- Warehousing and support activities for transportation
- Insurance, reinsurance and pension funding, except compulsory social security
- Postal and courier activities
- Activities of membership organisations
- Waste collection, treatment and disposal activities; materials recovery
- Other manufacturing
- Manufacture of machinery and equipment n.e.c.
- Rental and leasing activities
- Printing and reproduction of recorded media
- Wholesale and retail trade and repair of motor vehicles and motorcycles
- Libraries, archives, museums and other cultural activities
- Manufacture of furniture
- Employment activities

Table 8.1 Employment Specialisms in Swindon by 2-digit-SIC

Industry	LQ (Swindon v GB)	Total employment 2022
37: Sewerage	10.4	1,000
21: Manufacture of basic pharma products and pharma preparations	8.0	1,300
64: Financial service activities, except insurance and pension funding	4.7	8,000
72: Scientific research and development	4.6	3,000
80: Security and investigation activities	4.5	3,800
27: Manufacture of electrical equipment	3.7	900
75: Veterinary activities	3.3	1,000
52: Warehousing and support activities for transportation	2.9	7,000
65: Insurance, reinsurance and pension funding, except compulsory social security	2.8	1,000
53: Postal and courier activities	2.3	2,300
94: Activities of membership organisations	2.3	2,000
38: Waste collection, treatment and disposal activities; materials recovery	1.9	1,000
32: Other manufacturing	1.8	500
28: Manufacture of machinery and equipment n.e.c.	1.7	1,100
77: Rental and leasing activities	1.6	1,000
18: Printing and reproduction of recorded media	1.6	400
45: Wholesale and retail trade and repair of motor vehicles and motorcycles	1.5	3,000
91: Libraries, archives, museums and other cultural activities	1.5	600
31: Manufacture of furniture	1.4	400
78: Employment activities	1.3	4,500

Source: Business Register and Employment Survey, ONS

Skills specialisms

8.6 If we examine the detailed occupational profile of Swindon, the most common skills specialisms are:

- 925 Elementary Storage Occupations
- 821 Road Transport Drivers
- 213 Information Technology Professionals
- 412 Administrative Occupations: Finance
- 814 Assemblers and Routine Operatives
- 721 Customer Service Occupations
- 212 Engineering Professionals

8.7 There are also other notable skills specialisms in science, engineering and production technicians and Information technology technicians. Other skills specialisms are in line with industrial specialisms, as would be expected – for example managers in logistics, warehousing and transport occupations.

Table 8.2 Occupation Quotients for Minor Occupational Classifications (2021)

Minor occupation	Swindon Residents	LQ
925 Elementary Storage Occupations	4,900	2.1
821 Road Transport Drivers	4,800	1.2
213 Information Technology Professionals	4,500	1.5
412 Administrative Occupations: Finance	2,600	1.2
814 Assemblers and Routine Operatives	2,500	3.2
721 Customer Service Occupations	2,400	1.4
212 Engineering Professionals	2,000	1.2
413 Administrative Occupations: Records	1,900	1.3
311 Science, Engineering and Production Technicians	1,500	1.5
354 Business Associate Professionals	1,400	1.3
921 Elementary Administration Occupations	1,300	1.8
244 Business and Financial Project Management Professionals	1,200	1.4
313 Information Technology Technicians	1,200	1.4
523 Vehicle Trades	1,100	1.2
124 Managers in Logistics, Warehousing and Transport	1,000	1.3
522 Metal Machining, Fitting and Instrument-Making Trades	1,000	1.2
912 Elementary Construction Occupations	900	1.2
924 Elementary Sales Occupations	700	2.0
248 Quality and Regulatory Professionals	700	1.3
822 Mobile Machine Drivers and Operatives	700	1.3
816 Production, Factory and Assembly Supervisors	400	1.6
542 Printing Trades	200	1.7
812 Metal Working Machine Operatives	200	1.2
525 Skilled Metal, Electrical and Electronic Trades Supervisors	200	1.2
631 Community and Civil Enforcement Occupations	100	1.3
324 Veterinary nurses	100	1.2
114 Directors in Logistics, Warehousing and Transport	100	1.2

Source: 2021 Census.

- 8.8 As 2021 Census data reveals, Swindon residents are less qualified than the national average, with 28% of residents having a Level 4 qualification (degree equivalent) and above (England=34%), and a greater share of Swindon residents having Level 1 qualifications and apprenticeships. This also reflects findings in Section 5 and further details in Appendix 1.

Table 8.3 Highest qualification held by adult residents, aged 16 and over

Qualification level	Swindon – total	Swindon %	Wiltshire %	England %
No qualifications	32,400	17%	14%	18%
Level 1 and entry-level qualifications	24,300	13%	10%	10%
Level 2 qualifications	30,300	16%	15%	13%
Apprenticeship	10,900	6%	6%	5%
Level 3 qualifications	30,600	16%	18%	17%
Level 4 qualifications or above	52,200	28%	34%	34%
Other qualifications	6,400	3%	2%	3%

Source: 2021 Census.

- 8.9 The apprenticeship route has been successful (and is explored further in Table 8.4 below) for Swindon businesses and has been a factor in the area's success in attracting advanced manufacturing despite not having a higher education establishment. However, as set out above there are some further education facilities in the Borough with the main one being Swindon New College.

Education and training infrastructure and provision

- 8.10 Swindon College and New College merged in 2020 to become New College Swindon. If we examine course entries in 2022/23, STEM (Science, Technology, Engineering and Mathematics) and digital subjects combine to have the second-highest percentage share of FE students (see table below).

Table 8.4 Area by course entry in new college Swindon, 2022/23

Subject area	No. exam entries 2022/23	% of all entries
Animal care	55	3.7%
Business and professional services	187	12.7%
Computing & Digital	52	3.5%
Creative	178	12.1%
Health and social care	188	12.7%
Other academic	440	29.8%
Personal services	32	2.2%
STEM subjects	278	18.8%
Trade	16	1.1%
Travel	13	0.9%
Animal care	55	3.7%
Grand Total	1,475	100.0%

Source: DfE

- 8.11 As the table below details, Swindon has had strong and growing levels of participation in apprenticeships over recent years, although the number of starts has fallen in the last year. The largest number of apprenticeships are advanced apprenticeships which is the level immediately below degree level.

Table 8.5 Apprenticeships in Swindon 2020/21-2022/23

	20/21			21/22			22/23		
	Starts	Achievements	Participation	Starts	Achievements	Participation	Starts	Achievements	Participation
Intermediate Apprenticeship (Level 2)	280	190	640	390	120	660	340	150	670
Advanced Apprenticeship (Level 3)	500	320	1,290	580	240	1,300	610	300	1,350
Higher and Degree Apprenticeship (Levels 4 to 7)	370	120	820	450	140	950	400	170	1,010
Total	1,150	630	2,720	1,410	500	2,900	1,350	620	3,010

Source: DfE

- 8.12 A significant number of apprenticeship starts were in Business, Administration and Law, and Health, Public Services and Care. Starts in Engineering and Manufacturing Technologies and Information and Communication Technology were relatively modest.

Table 8.6 Apprenticeship Starts (all levels) and Achievements in Swindon by subject, 2022-23

Subject	Starts	Achievements
Agriculture, Horticulture and Animal Care	30	20
Arts, Media and Publishing	10	10
Business, Administration and Law	350	150
Construction, Planning and the Built Environment	110	30
Education and Training	30	30
Engineering and Manufacturing Technologies	180	110
Health, Public Services and Care	400	150
History, Philosophy and Theology	low	low
Information and Communication Technology	110	70
Leisure, Travel and Tourism	10	10
Retail and Commercial Enterprise	120	40
Science and Mathematics	low	low
Social Sciences	low	low
Total	1350	620

Source: DfE

Business and Organisational Base

- 8.13 The largest employers, in terms of the number of jobs supported in Swindon are noted in the table below. These include a number of the major global companies including Amazon, Intel and Zurich Insurance.
- 8.14 Swindon Borough also features several large-scale public sector organisations including NHS hospital Trusts, Wiltshire Police, Swindon Borough Council, Serco, Thames Water and Network Rail.
- 8.15 Except for the NHS very few of the major employers in Swindon are reliant on a significant part-time workforce. Other businesses with a high number of part-time workers include the Council, Zurich Insurance, Thames Water and DHL.

- 8.16 The table below is based on the Inter-Departmental Business Register - it appears to have some questionable omissions, most notably Nationwide which has several major employment locations within Swindon.

Table 8.7 Companies with FT employment over 249 staff (where records are available)

Employer name	Total Employees	FT employees	PT employees	% P/T	Activity
GREAT WESTERN HOSPITALS NHS	5,800	3,200	2,600	44.8	Human health and social work activities
AMAZON UK	2700	2,500	200	7.4	Transportation and storage
SWINDON BOROUGH COUNCIL	1600	1,300	300	18.8	Public administration
CATALENT UK LIMITED		1,000	0		Manufacturing
ZURICH FINANCIAL SERVICES (UKISA)	1100	900	200	18.2	Financial and insurance activities
THAMES WATER UTILITIES LTD	800	700	100	12.5	Water supply; sewerage, waste
SWINDON PRESSINGS LTD	600	600	0	0.0	Manufacturing
WINCANTON PLC	600	600	0	0.0	Transportation and storage
TYCO ELECTRONICS UK LTD	600	600	0	0.0	Manufacturing
PATHEON UK LIMITED	500	500	0	0.0	Manufacturing
DHL SUPPLY CHAIN LIMITED	600	500	100	16.7	Transportation and storage
INTEL CORPORATION (UK) LTD	500	500	0	0.0	Wholesale and retail trade; repair of motor vehicles and motorcycles
NETWORK RAIL INFRASTRUCTURE LTD	500	500	0	0.0	Transportation and storage

NEPTUNE (EUROPE) LTD	400	400	0	0.0	Wholesale and retail trade;
POLICE AND CRIME COMMISSIONER	400	400	0	0.0	Public administration
BECTON DICKINSON INFUSION THERAPY	400	400	0	0.0	Manufacturing
SECURITAS SECURITY SERVICES	400	400	0	0.0	Administrative and support service activities
OUTSIDECLINIC LIMITED	400	300	100	25.0	Wholesale and retail trade
MAN TRUCK & BUS UK LTD	300	300	0	0.0	Wholesale and retail trade;
GXO LOGISTICS UK LIMITED	300	300	0	0.0	Transportation and storage
WASDELL PACKAGING LTD	300	300	0	0.0	Administrative and support services
OAK FURNITURELAND	300	300	0	0.0	Wholesale and retail
PGL TRAVEL LIMITED	300	300	0	0.0	Accommodation and food services
CARTUS LTD	300	300	0	0.0	Administrative and support services
SERCO LIMITED	400	300	100	25.0	Human health and social work activities

Source: IDBR

Conclusions

- 8.17 The table overleaf summarises the sector capabilities in Swindon, and where some capabilities may exist to lend credibility to the development and growth of emerging sectors, including those in green industries.
- 8.18 Swindon has a significant, credible presence in the industries of:
- Engineering and advanced manufacturing

- B8 uses – Logistics and warehousing
- Life sciences and medical devices
- Transport
- Financial, business and professional services
- Computing, IT, digital and data

8.19 Future opportunities and consideration can be identified in a number of areas.

Computing, IT, digital and data: Artificial Intelligence

8.20 The tech sector is anticipated to see an increased focus on automation and the development of Artificial Intelligence (AI) which will change the nature of roles. This may supplement existing core skills in the digital arena and cross over into finance and professional services.

8.21 There are an increased number of learning opportunities and courses in AI, and positioning this at the FE or HE level in Swindon may provide an advantage aligning with existing strengths in tech and finance.

Green industry opportunities

8.22 Green industry subsectors cover several broad industries (which include energy, water, recycling, agriculture, construction, tourism, finance, transport, packaging, and waste management). A number of these present growth opportunities and each will have a separate skills pathway. There is an existing provision in the FE sector in New College Swindon, and the Swindon and Wiltshire Institute of Technology (SAWIOT) which is a collaboration between Further Education (FE) and Higher Education (HE) partners.

8.23 Technological developments can be associated with the engineering and advanced manufacturing base in Swindon. The recent Gravity Gigafactory in Somerset presents a particularly high-quality capture of such investment.

8.24 Energy parks may present a route to offering a particular capability for the green industry. Chalveston Energy Park in Northamptonshire has developed a wind / solar capability at a

former MOD site and is developing an innovation park for those specifically in the green sector.

- 8.25 This is targeting occupier power-hungry uses where stable and cheap energy can be supplied on site including manufacturing, vertical farming, frozen goods, food industry, Research and Development and data.
- 8.26 A similar development could be considered for RAF Wroughton which already has the solar infrastructure but also secure space for employment development. Although access to the site may have to be improved.

Logistics

- 8.27 Notwithstanding a mixed reputation for the sector, there are very significant advances in transportation and logistics both technologically and sustainability. Engaging with industry and occupiers to understand developments and where R&D testing and best practice can be realised is beneficial.
- 8.28 This includes carbon-negative operations using rainwater harvesting and solar panels on site, as well as use of electric vehicles for distribution for light goods vehicles. This is already emerging in Swindon with Amazon and others switching to an electric fleet.
- 8.29 In general logistics operations can be collocated with sustainable energy – for example the Co-op facility in Biggleswade combining a wind farm to supply cooling energy. In-house operations include robotics and a greater focus on technical skills to service automation rather than elementary roles.

- 8.30 Research in the south east midlands shows that more roles being advertised are for high skills bands⁴³. In the Midlands there are a number of training centres dedicated to logistics including Prologis Hub at DIRFT.

⁴³ Warehousing and Logistics in the South East Midlands 2022: "Data examination reveals that in 2021 65% of job postings accounted for technical roles (i.e. non drivers and handlers / warehouse associates). This includes over 700 project managers, over 600 sales managers, over 500 supply chain analysts, over 500 software developer / engineers and over 200 jobs in computer support".

Life sciences and medical devices

- 8.31 Life science R&D is typically concentrated in the clusters at Cambridge and Oxford, although there are examples of new start-up facilities, for example in Stevenage (Stevenage Bioscience Catalyst).
- 8.32 Swindon may be best placed to focus on non-wet lab life-science related development and build on specialisms in the tech-related segment of medical devices and potentially in life science pharmaceuticals manufacturing such as those at Thermo Fisher and Catalant.
- 8.33 These take advantage of relatively cheap rents for industrial premises, the existing base and reasonable proximity to Oxford. Greater Manchester / Cheshire has seen some capture of life-science related manufacturing.
- 8.34 Engagement with existing Swindon businesses in the segment should be explored including understanding the skills needs and potential academic research collaboration. There is also an increased crossover between life science and tech / AI which will require advanced skills and facilities such as dry labs.

Construction - Retrofit

- 8.35 Skills pathways from green industries are available on sites such as retrofitacademy.org and through Skills Bootcamps available nationally or managed through the West of England Combined Authority.
- 8.36 In-depth studies have been conducted on Retrofit Skills – these are subject to dedicated studies – such as the West of England’s Retrofit Skills Analysis. Other areas have established dedicated green skills academies, such as Greater Manchester.
- 8.37 The West of England Combined Authority Retrofit Skills Analysis work⁴⁴ examined the skills gaps required to ensure Britain achieves its Net Zero targets by 2050 recognising that this can only be achieved through retrofitting much of the existing stock.

⁴⁴ https://www.westofengland-ca.gov.uk/wp-content/uploads/2021/07/WECA_Green-Jobs-and-Skills_Retrofit_Report-1_Final_01_06_2021.pdf

- 8.38 The report highlighted the current pace of change and how it required a significant increase (up to 100 times the current pace) to make even a dent in the targets. It notes that “A significant ramp up of jobs is required in order to meet the region’s climate change target, which will provide new opportunities for local people.”
- 8.39 The scenarios examined identified a potential for 15,000 jobs to be created and that this level of skills and training could allow the skilled workforce to work outside the region. However, this requires an overhaul of local skills and training, and the combined authority made the following recommendations to achieve this:
- Direct funding towards green courses and equipment
 - Support those out of work and existing “fossil fuel” engineers to upskill
 - Improve knowledge of supported training
 - Facilitate work experience placements
 - Coordination of education providers
 - Provide support to FE Colleges for future increases in demand
 - Help secure funding for courses and retrofitting

Table 8.8 Summary of Sector Capabilities in Swindon

Sector/subsector	Rating:	Notable specialisms & opportunity	Future opportunities and challenges	Growth track record	Growth forecast
Engineering and advanced manufacturing	Significant – mature 6,500 jobs in 2022	Pharmaceuticals Printing Electronic/ electric wires Motor vehicle parts Medical and dental instruments Engineering design	Industry 4.0 – implementation of new technologies, sensors, robotics, AI Zero carbon	Loss of 3,500 jobs 2015-2022	Manufacturing employment decline forecast of 2,600 to 5,400 jobs forecast 2025-2050 GVA increase of 51.7% forecast 2025-2050
B8 uses – logistics and warehousing	Significant – mature 7,900 jobs in 2022	Warehousing, storage, distribution	Zero carbon and smart logistics	+2,100 jobs 2015-2022	Employment increase of 300 to 900 jobs forecast 2025-2050 GVA increase of 29.8% forecast 2025-2050
Life sciences and medical devices; and	Significant – mature 5,600 jobs in 2022	Pharmaceutical manufacture Pharmaceutical packaging Medical and dental instruments R&D	Industry 4.0 – implementation of new technologies, sensors, robotics, AI Major medical breakthroughs/advancements	+2,900 jobs 2015-2022	Manufacturing employment decline forecast of 2,600 to 5,400 jobs forecast 2025-2050 GVA increase of 51.7% forecast 2025-2050 Professional and Other Private Services increase of 6,200 jobs forecast 2023-2044 GVA increase of 47% forecast 2023-2044

Sector/subsector	Rating:	Notable specialisms & opportunity	Future opportunities and challenges	Growth track record	Growth forecast
Low carbon and environmental goods and services	Not significant	Retrofit EV infrastructure Rail freight			
Energy	Not significant at present Energy & utilities Employed 300 in 2022 but opportunities to grow		Health Service Infrastructure Battery and EV	No change in employment 2015-22.	Employment increase of 300 jobs forecast 2025-2050 GVA increase of 20.5% forecast 2025-2050
Transport	Significant – mature Transport & storage Employed 11,500 in 2022		Rail transport Electric vehicles	+2,000 jobs 2015-22	Employment increase of 900 jobs forecast 2025-2050 GVA increase of 29.8% forecast 2025-2050
Construction and retrofit	Not significant			Construction +500 jobs 2015-22	Employment increase of 2,000-2,200 jobs forecast 2025-2050 GVA increase of 65.2% forecast 2025-2050
Zero carbon logistics	Potential	Linked to existing logistics presence			
Financial, business and professional services	Significant – mature 1,600 jobs in 2022	Building societies Insurance	Fintech, payment processing	Lost 100 jobs 2015-2022	Employment increase of 500 to 4,800 jobs forecast 2025-2050

Sector/subsector	Rating:	Notable specialisms & opportunity	Future opportunities and challenges	Growth track record	Growth forecast
					GVA increase of 31.5% forecast 2025-2050
Computing, IT, digital and data	Significant 2,200 jobs in 2022	Chip design/services IT Consulting	Internet of Things, Cloud computing, Cyber Security, Software development, Data processing, 5G	Lost 1,900 jobs 2015-2022	Employment increase of 100 to 200 jobs forecast 2025-2050 GVA increase of 23.4% forecast 2025-2050

Source: Business Register and Employment Survey, Office for National Statistics; Forecasts – Oxford Economics, Cambridge

Econometrics

9. SWOT Analysis

9.1 Drawing the previous chapters together we have produced the following SWOT Analysis for Swindon and its economy. The table below summarises the position with further detail provided afterwards.

Strengths <ul style="list-style-type: none"> • Strategic location (Ch 5) • Resilient economy (Ch 5) • Blue chip companies (Ch 5) • Education (Ch 8) • Affordability and quality of life (Ch 7) • Young and skilled workforce (Ch 5) • Low-cost employment floorspace particularly office space (Ch 6) • Available employment land (Ch 12) 	Weaknesses <ul style="list-style-type: none"> • Poor condition of the Town Centre (Ch 7) • Lack of urban quarters and university (Ch 7) • Commercial viability challenges particularly office space (Ch 6) • Lack of strategic employment land (Ch 7) • Image and Market View (Ch 7)
Opportunities <ul style="list-style-type: none"> • Higher education provision (Ch 7) • Green Industries (Ch 7,8) • Technology and Innovation (Ch 8) • Semiconductor Industry Revival (Ch7) • Tourism and heritage (Ch 7) • Political landscape with a new administration now aligned to the national government (Ch 7) • Demand for freehold sites (Ch 7) • Strategic planning and development (Ch 7) • Inward investment (Ch 7) • Industrial commercial market strengthening (Ch 6) • Infrastructure development (Ch 7) 	Threats <ul style="list-style-type: none"> • Obsolete office stock (Ch 7) • Stagnation and low growth (Ch 10) • Historical underperformance (Ch 10) • Job displacement by automation (Ch 3) • Aging population (Ch 3)

Source: Iceni Projects

Strengths

- 9.2 **Strategic Location:** Swindon's easy access to major cities like London, Oxford, and Bristol via rail and road makes it an attractive location for businesses requiring access to different markets. The town's strategic location makes it particularly attractive to logistics businesses.
- 9.3 **Resilient Economy:** Swindon has demonstrated resilience in the face of challenges, bouncing back from closures such as Motorola and more recently, Honda's departure. In both cases, this did not result in significant increases in long-term unemployment. This also shows the transferable skills within the workforce.
- 9.4 **Blue Chip Companies:** The borough has managed to attract a range of major companies such as Intel, Amazon, Nationwide and Zurich which is likely to make it attractive to other major companies to do the same.
- 9.5 **Education:** Investment in educational institutions like Swindon UTC and Swindon College's Swindon and Wiltshire Institute of Technology enhances workforce development by offering courses in emerging fields like robotics and cyber, potentially retaining more talent within Swindon.
- 9.6 **Affordability and Quality of Life:** Relatively low housing costs and generally good quality of life make Swindon an attractive destination for professionals seeking new employment opportunities in an affordable and liveable location. This has been supported by recent housing development which has been of a better quality than the existing stock.
- 9.7 **Young and Skilled Workforce:** Supported by housebuilding, and inward migration of economically active individuals, contribute to a steady supply of skilled labour. The surrounding areas also contribute to a pool of highly skilled workers which the borough can draw on.

- 9.8 **Low-cost employment floorspace:** In comparison to the neighbouring towns of Oxford, Reading, Bath and Bristol employment floorspace in Swindon gives the town a competitive advantage in attracting cost-sensitive businesses (see also weakness).
- 9.9 **Available employment land:** The former Honda site presents a significant brownfield opportunity for investment.

Weaknesses

- 9.10 **Poor Condition of Town Centre:** The poor condition and offer in the town centre hinders its attractiveness and economic vitality. Despite Zurich moving to the town Centre, it requires significant investment and redevelopment efforts.
- 9.11 **Lack of Urban Quarters and University:** The absence of urban quarters with amenities for younger professionals and similar demographics. This is compounded by the lack of a university and can alter the social and cultural demographics and limit the appeal of Swindon as a vibrant destination and investment opportunity.
- 9.12 **Commercial Viability Challenges:** Low rents and land values pose challenges to commercial viability, discouraging speculative development and hindering the supply of new and attractive investments.
- 9.13 **Lack of strategic employment Land:** Despite some major brownfield sites there is still a view that Swindon has a shortage of available strategically allocated employment land, leading to missed opportunities for strategic scale inward investment, economic growth and development.
- 9.14 **Image:** The town centre's poor condition, including the long-term cleared site at Kimmerfields, does not help the generally negative image of the town which is sometimes otherwise unjustified. There is a need for an image overhaul and increased marketing efforts to attract investment and change perceptions about Swindon's economic potential.

- 9.15 **Market View:** Swindon faces competition from neighbouring areas with more attractive amenities, potentially impacting its ability to attract businesses and investment.

Opportunities

- 9.16 **Higher Education Provision:** Leveraging existing infrastructure such as iCAST and Swindon UTC, there is potential for higher education provision in Swindon, which could contribute to attracting students of all levels, talent retention and skills development. Oxford Brookes University already has a campus in town at Delta Business Park, although this could be more central.
- 9.17 **Green Industries:** Swindon has potential for growth in green industries, leveraging development sites and capabilities in engineering, manufacturing including batteries, and logistics for the production of green technology and products. There is also a growing demand for green infrastructure, including charging facilities for electric vehicles, presenting opportunities for investment and innovation in sustainability.
- 9.18 **Technology and Innovation:** Opportunities exist for Swindon to capitalise on emerging technology sectors such as video gaming, cyber, robotics, life sciences and other computing, IT, and digital industries by investing in state-of-the-art facilities and fostering innovation and economic diversification.
- 9.19 **Semiconductor Industry Revival:** Given geopolitical concerns and the need for security of supply, Swindon's history and retained skills in the semiconductor industry present an opportunity for the town to play a crucial role in the revival of this sector. This could involve ensuring major companies such as Intel have room to adapt to their circumstances.
- 9.20 **Tourism and Heritage:** Swindon has the opportunity to rebrand itself as a visitor destination by capitalising on its railway heritage and other assets such as

proximity to the Cotswolds, potentially attracting visitors and boosting economic activity.

- 9.21 **Political Landscape:** The relatively recent change in administration presents an opportunity for Swindon to align its economic agenda with political priorities, potentially driving investment and growth. With a Labour central government, there is now the potential to assimilate strategies.
- 9.22 **Demand for Freehold Sites:** Local companies seeking expansion opportunities highlight a demand for freehold sites, signalling an opportunity for Swindon to attract and retain businesses by offering suitable land options. This may include council-owned land to guarantee freehold and not leasehold options.
- 9.23 **Strategic Planning and Development:** Collaborative efforts among the council, commercial agents and land agents could lead to the development of strategic schemes that support Swindon's economic growth and expansion.
- 9.24 **Inward Investment:** The borough's labour supply, inherited skills and transport connectivity make it an extremely attractive opportunity for inward investment although this might require further development (including freehold) sites to be allocated.
- 9.25 **Industrial Commercial Market Strengthening:** Longer-term, increasing rents and land values in the industrial market indicate potential growth opportunities through speculative development. This could be attractive to new technology companies as well as low-carbon, and distribution sectors.
- 9.26 **Infrastructure Development:** Investing in infrastructure, particularly in transportation (public transport and parking) can support economic growth and attract investment in Swindon, particularly into the town centre.

Threats

- 9.27 **Obsolete Office Stock:** Much of the office stock is from the 1980s and 1990s and presents environmental, social, and governance (ESG) challenges, as well as heating cost risks. This necessitates upgrades and higher rents which are required for upgrades but may deter potential tenants and investors.
- 9.28 **Stagnation and Low Growth:** Swindon faces the risk of remaining in a low-growth feedback loop without significant changes, which could hinder economic development and prosperity.
- 9.29 **Historical Underperformance:** Swindon's historical underperformance compared to similar towns may deter potential investors.
- 9.30 **Job Displacement by Automation:** Automation poses a threat to jobs in Swindon, with one estimate suggesting approximately 48% of jobs in the borough are at risk of automation.
- 9.31 **Aging Population:** While not unique to Swindon an ageing population adds to the workforce challenges. Delivery of additional housing will be required to attract additional workers.

Recommendations

- 9.32 Based on the above analysis, we have set out below a series of recommendations that seek to capitalise on identified opportunities, harness identified strengths and address and overcome identified weaknesses and threats.
- 9.33 **Collaborate with Stakeholders:** Foster improved collaboration between the council, businesses, educational institutions, and community organisations to address challenges and pursue opportunities. This includes continued collaboration between the Council and Business West.

- 9.34 **Strategic Planning:** Continue the development of the Local Plan and ensure engagement with Wiltshire Council on strategic matters. The Local Plan will guide future development and best utilise existing transportation links and strategic locations to attract investment along the M4 corridor. The Council should also explore partnerships with Wiltshire to leverage development opportunities.
- 9.35 **Promote Green Industries and Advanced Manufacturing:** Capitalise on Swindon's existing capabilities in engineering and manufacturing to drive growth in green industries and other advanced manufacturing. Provide infrastructure and incentives for companies to invest in renewable energy, sustainable logistics, and green technology development.
- 9.36 **Regenerate the Town Centre:** Implement regeneration initiatives to improve the condition and attractiveness of the town centre. This should begin with the continuation of the Kimmerfields and Station Quarter Developments which will enhance footfall in the Town Centre. There should also be a focus on creating vibrant urban quarters with amenities to attract younger professionals and families.
- 9.37 **Enhance Education and Workforce Development:** Expand further and higher education provision and vocational training programmes to meet the needs of emerging industries. Foster collaboration between educational institutions (including surrounding universities) and businesses to ensure a skilled and adaptable workforce.
- 9.38 **Attract Investment and Innovation:** Fund and effectively resource an economic development and inward investment team. Potentially target tech companies (green or otherwise) and startups to the borough and perhaps market the area better. This could potentially be done in collaboration with ICAST.
- 9.39 **Address ESG Challenges:** Tackle environmental and social challenges such as obsolete office stock. Encourage sustainable development practices in new build development and help support businesses to relocate within the town and redevelop or release their ageing stock.

- 9.40 **Diversify Housing Stock:** Build more homes for the required additional workforce but also ensure that there is a range of homes to attract young professionals, families and executives.
- 9.41 **Balance Housing and Economic Growth:** There will be a need to resist releasing all greenfield development sites for housing. Some sites should be earmarked for large-scale inward investment.
- 9.42 **Explore Investment Opportunities:** Engage with regional stakeholders such as the DTI to leverage strategic investment opportunities and foster growth in the borough. Again, political alignment may support collaboration between local and national governments.

10. Economic Forecast

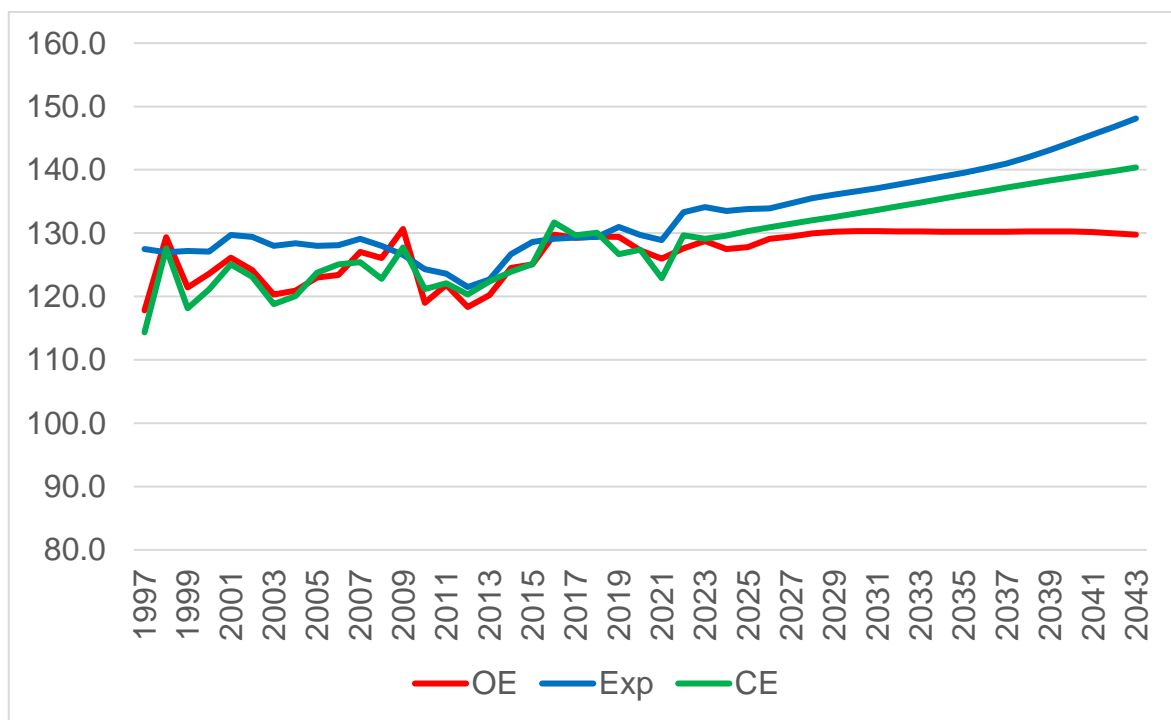
- 10.1 This section of the report examines the structure of the local economy as well as forecasting employment growth. To do this, we draw on forecasts produced by Experian, Cambridge Econometrics (CE) and Oxford Economics (OE).
- 10.2 These forecasting models are “top-down” models which means that they forecast the performance of national growth for each sector based on a combination of past trends and research-based intelligence including for example government policy and initiatives.
- 10.3 These national forecasts are then disaggregated to regional and then local authority levels based on either; the area's relative strength for each sector i.e. an area which has historically had a strong presence of a particular sector will receive a greater share of the growth than an area which has not, or for “population driven sectors” the growth is modelled based on the population projections. These sectors include education, retail and healthcare.

Baseline Growth

- 10.4 The forecasts vary in their starting point and growth rate assumptions based on each forecasting house's methodology and their top-down view of sectoral growth, and how these sectors are defined. Therefore, there is no consistency of view between them.
- 10.5 Even historic data is inconsistent, as the forecasting houses have to estimate self-employment which is not registered for VAT, armed forces employment and the distribution or published regional job counts down to a local level.
- 10.6 As illustrated in the chart below, the Experian and CE baseline forecasts show steady employment growth throughout the entire plan period while the OE forecast shows only very modest growth.

- 10.7 Overall, the Experian baseline scenario suggests an overall growth of 0.5% per annum over the 20 years from 2023 to 2043, which is a total of 13,900 jobs or an average of 695 jobs per year.
- 10.8 The CE forecasts show a slightly lower growth rate of 0.4% per annum which is a total growth of 11,252 jobs or 563 per annum. In contrast, the OE forecasts show a growth rate of 0.04% per annum which is a total of 1,021 jobs or 51 per annum.
- 10.9 In all cases the growth rate is below historic trends which over the 2013 to 2023 period ranged from 0.5% to 0.9% per annum depending on the forecasts used.

Figure 10.1 Projected Baseline Growth (1997-2043)

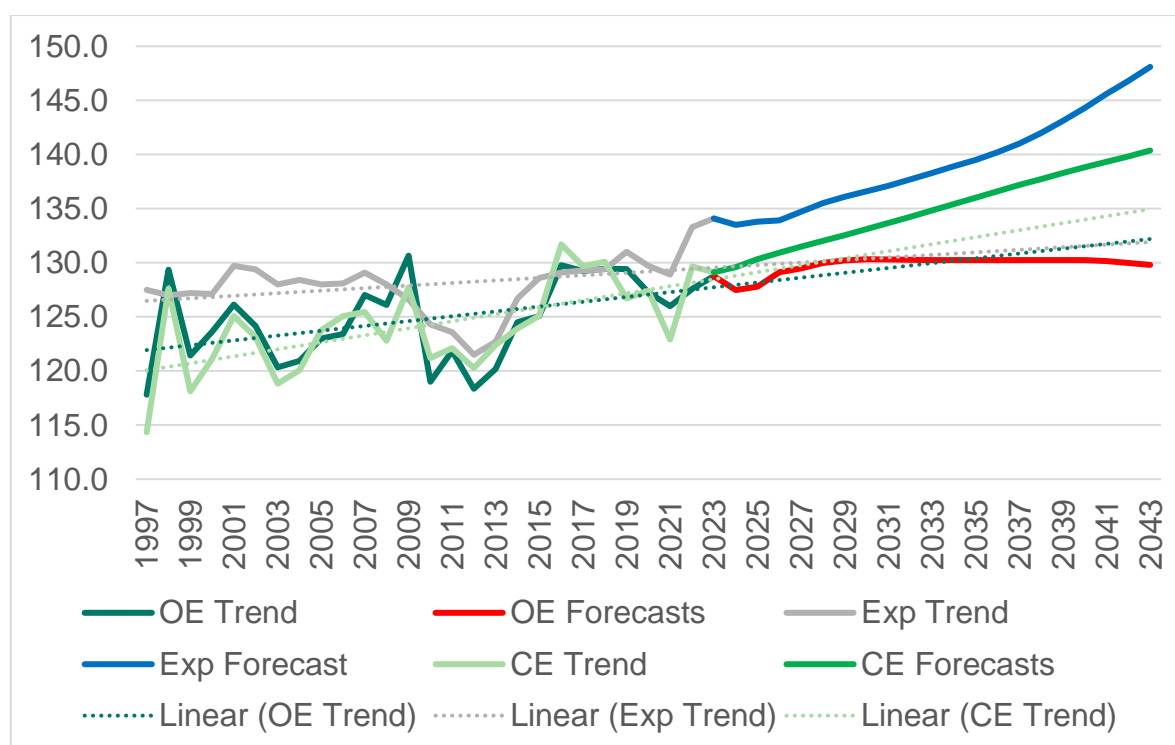


Source: Experian, CE and OE 2024

- 10.10 However, if trends are looked at over the much longer 1997 to 2023 period only the OE forecasts are below these trends. This is because much of Swindon's employment growth happened since 2012.
- 10.11 Figure 10.2 aligns the economic forecasts with historic trends to illustrate the divergence from each. The trends are linear trends meaning it is a best-fit extrapolation of the historic data (1997-2022).

- 10.12 As illustrated, the OE forecasts are below their historic trends while the Experian and CE trends are above their historic trends. While this is a reasonable comparison to make, trends-based data will reflect the period it is drawn from.
- 10.13 For example, if trends were drawn from 2013 onwards, they would show much higher growth. However, this is a period of strong growth which will not always be the case.
- 10.14 It is therefore worthwhile noting the trends in a full economic cycle. This can either be peak to peak or trough to trough, with the latter reflecting trends between low dips in employment numbers.

Figure 10.2 Projected Baseline Growth in comparison to trends (1997-2043)



Source: Experian, CE and OE 2024

- 10.15 Table 10.1 sets out the annual growth rate for the different periods from each forecasting house and compares this to the forecast growth. As shown, the OE forecast is particularly pessimistic when compared to historic trends regardless of what period is used.

Table 10.1 Annual Growth Rates for Different Periods and Sources

Source	Forecast (2023-2043)	Historic (2013-2023)	Historic (1997-2023)	Historic (2012-2021) Trough-to- Trough Period
Oxford Economics	0.04%	0.69%	0.34%	0.70%
Experian	0.50%	0.89%	0.19%	0.66%
Cambridge Econometrics	0.42%	0.54%	0.47%	0.24%

Source: Experian, CE and OE 2024

- 10.16 For Experian the trough-to-trough trend is most similar to the projected growth which sits somewhere towards the upper end of the range. While for CE the forecast growth is also towards the top end of the range examined.
- 10.17 This would imply that both the Experian and CE forecasts are achievable in the historic context, and unlike the OE forecasts are not unduly pessimistic. This gives us a degree of comfort in their use for examining future growth.

Honda and Panettoni

- 10.18 The Experian baseline position in 2022 did not fully pick up and reflect the closure of the Honda factory. We therefore adjusted the baseline forecasts with more recent BRES data for 2022 which reflected these job losses at Honda and the supply chain.
- 10.19 This meant that total job growth in the period 2021 to 2022 was 1,240 instead of the 4,500 in the baseline Experian forecasts. This altered the 2022 figure for each sector.
- 10.20 In addition, the baseline forecasts did not reflect the potential job creation at the former Honda site as presented by the now-permitted Panettoni development. The full details of the Panettoni development are still to materialise. This includes the type and scale of floorspace to be delivered.

- 10.21 However, early estimates suggest that the site could support around 7,000 additional jobs. We have added these to the rebased baseline scenario across key sectors which are most likely to be hosted on the site. This includes several manufacturing sectors and transportation and storage.

Policy on

- 10.22 We have also developed a “Policy-On” labour demand scenario where we have taken the Experian baseline scenario and adjusted several sectors to reflect a more positive growth position where there is a policy position to do so.
- 10.23 This “policy-on” position is informed by our discussions with stakeholders including the Council about the borough's key growth sectors and potential opportunities and how they might respond to investment through job delivery.
- 10.24 Where we have identified a key sector, we have pinned growth to the Experian trough-to-trough scenario if this is greater than forecasted growth. This means that in some sectors if the growth was already stronger than historic trends it was not adjusted.
- 10.25 The stakeholders have identified potential growth and opportunities in the green economy (which cuts across several sectors), technology and innovation (which again cuts across sectors) hospitality and tourism, professional services and education.

Super Growth

- 10.26 The Super Growth scenario is an ambitious target reflecting what we believe to be a realistic best-case scenario for economic growth in the Borough. It is likely to involve allocating additional employment land for long-term and strategic growth should the council wish to go down that route.
- 10.27 This would also allow the Council to be “flexible enough to accommodate needs not anticipated in the plan, allow for new and flexible working practices (such as

live-work accommodation), and to enable a rapid response to changes in economic circumstances” as set out in the NPPF.

- 10.28 As the Super Growth Scenario is greater than the labour supply scenario (see below) the Council will also require an understanding of the housing need implications of such a scenario should it choose this strategy.

Labour Supply Scenario

- 10.29 The forecast level of employment growth (taking for example the most positive econometric forecast from Experian for 2023 to 2043 which is a total of around 13,900 jobs or an average of 695 jobs per year) is significantly below the number of jobs which could be supported by planned housing growth.
- 10.30 Drawing on data from the emerging Local Housing Market Assessment, the information below is based on the population profile projected, linked to the New Standard Method⁴⁵.
- 10.31 The following assumptions are made:
- There is a projected growth in the working-age population (those aged 16 to 64) of 18,773 and 41,052 aged over 16.
 - Accounting for forecast economic activity rates using a fairly typical approach based on 2018 OBR data rebased to information in the 2021 Census data by age and sex. A sensitivity was also undertaken which models a scenario whereby economic activity rates are held constant at 2021 levels – this was seen as a reasonable sensitivity to undertake given data has shown activity rates to have not grown as they had previously been forecast to.

⁴⁵ The Government updated the method for estimating housing need following the release of the new National Planning Policy Framework (NPPF) in December 2024.

- Applying an unemployment rate to the economically active population (2.6% based on the latest model-based unemployment data from the Annual population Survey, Oct 2023-Sept 2024) .
- Double jobbing – considering that a number of people may have more than one job. This can be calculated as the number of people working in the local authority divided by the number of jobs. Based on data from the Annual Population Survey for the past 5-years suggests that typically 4% of workers have a second job across Swindon borough.
- Based on these assumptions, it is estimated that **22,744** jobs will be filled by the projected population growth.

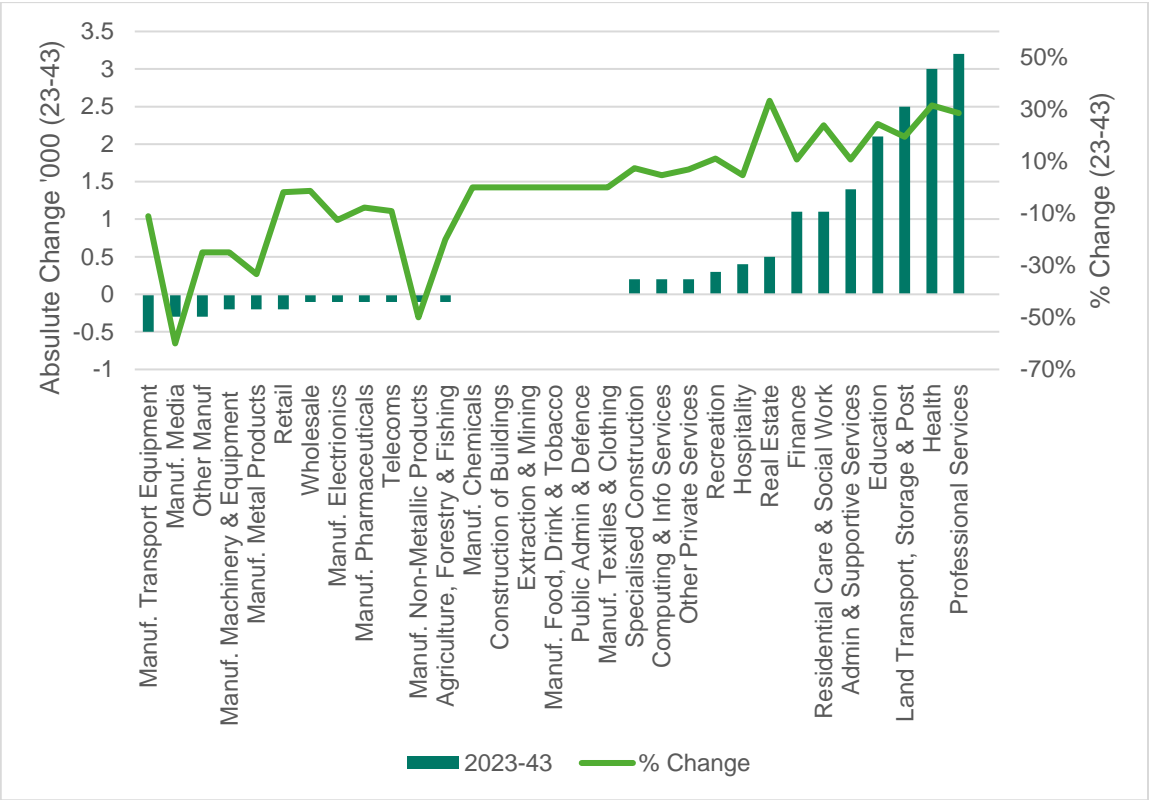
10.32 This would equate to a growth rate of 0.8% per annum (if we used the Experian 2023 figure as a starting point) which is above baseline economic forecasts, and eight of the nine historic rates of growth examined.

10.33 However, one drawback of using a labour supply forecast is that it does not come with a sectoral split. We have assumed the initial sectoral growth in the rebased Experian baseline growth of 15,039 jobs with the remaining 7,705 jobs split between the population-driven sectors, based on their 2023 contribution.

Baseline Sectoral Analysis

10.34 This section relies on the Experian employment forecasts as the most positive of the baseline forecasts. The greatest employment gains in absolute terms are expected in the Professional Services (+3,200 jobs), Health (+3,000 jobs), Land Transport, Storage and Post (+2,500) and education sectors (+2,100).

Table 10.2 Projected Baseline Growth by Sector (2023-2043)



Source: Experian 2024 *sectors with no employment have been excluded from the chart

10.35 There are also several sectors which are expected to see a decline in absolute terms including the manufacturing of Transport Equipment (-500 jobs), Media products (-300), and “Other” Manufacturing (-300). In percentage terms, the largest decline is expected in the manufacturing of media products (printed and recorded media) (-60%).

Scenarios Summary

10.36 As well as the baseline forecasts and trends, we have run several sensitivities to reflect known changes within the borough and based on stakeholder engagement alternative views of Swindon’s employment potential. The following growth models have been explored:

- 1) Baseline + Honda Rebasing – The Experian baseline jobs growth rate was applied to the rebased 2022 figure. This results in a growth of 15,039 jobs.
- 2) Trough to Trough – Based on 2012 to 2021 absolute growth of 17,359 jobs growth occurring again.
- 3) Peak to Peak - Based on 2007 to 2019 absolute growth of 7,952 jobs growth occurring again.
- 4) Scenario 1 + Panettoni – Scenario 1 plus an assumed 7,000 jobs across selected key sectors created at the former Honda site. This results in a growth of 22,039 jobs.
- 5) Scenario 1 + Super Growth – Scenario 1 plus an assumed 10,000 jobs across key sectors created at the former Honda site and another strategic allocation in the borough to diversify supply. This results in a growth of 25,039 jobs.
- 6) Policy on – Based on Scenario 1 with sectoral adjustments to growth sectors and opportunities post 2023. This results in a growth of 18,409 jobs which is similar in scale to Scenario 4 but with a different sectoral split.
- 7) Labour Supply– Scenario 1 plus an assumed 7,705 additional jobs created in population-driven sectors⁴⁶. This results in a growth of 22,744 jobs. While similar in scale to scenario 4 it has a different sectoral composition.

⁴⁶ Health and Social Work, Education, Retail, Hospitality, Recreation

Table 10.3 The table below summarises these scenarios.

Scenario	Jobs Change 2023-2043	Per Annum Jobs Change 2023-2043
OE Baseline	1,021	51
CE Baseline	11,252	563
Experian Baseline	13,900	695
Alternative Scenarios		
1) Experian Baseline + Honda (rebased)	15,039	752
2) 2012-21 Trend (Trough to Trough)	17,359	868
3) 2007-19 Trend (Peak to Peak)	7,952	398
4) Experian Baseline + Honda (rebased) + Panattoni	22,039	1,102
5) Experian Baseline + Honda (rebased) + Super Growth	25,039	1,252
6) Policy On	18,409	920
7) Labour Supply (Standard Method)	22,744	1,137

Source: Iceni Projects

Employment Outlook Summary

- 10.37 We have examined baseline forecasts from Oxford Economics, Cambridge Econometrics and Experian.
- 10.38 The Experian baseline forecasts are the most positive and show an overall growth of 0.5% per annum over the next 20 years which is a total of 13,900 jobs or an average of 695 jobs per year. This is our preferred baseline scenario.
- 10.39 The labour supply scenario linked to the standard method, which at 22,744 jobs show a significantly higher number of jobs than the baseline forecasts.
- 10.40 We have also developed several scenarios which reflect past trends, and potential growth in specific sectors and at specific sites as informed by stakeholder engagement in the borough. These show a range of growth potential from 7,952 jobs to 25,039 jobs across the 2023-43 period.

11. Employment Land Need

- 11.1 In this section, we consider the requirement for employment land and floorspace over the period from 2023-43. The requirements for employment land are disaggregated for the Office and Industrial uses. These correlate with Use Class E(g)(i) offices and E(g)(ii) R&D for offices and E(g)(iii) industrial (light), B2 Industrial and B8 Warehousing for industrial.
- 11.2 When considering the scale of future needs the Planning Practice Guidance (PPG) requires consideration of:
- sectoral and employment forecasts and projections (labour demand);
 - demographically derived assessments of future employment needs (labour supply techniques); and
 - analysis based on the past take-up of employment land and property and/or future property market requirements.
- 11.3 There are relative benefits of each approach. Econometric forecasts take account of differences in expected economic performance moving forward relative to the past, overall concerning the sectoral composition of growth. However, a detailed model is required to relate net forecasts to use classes and to estimate gross floorspace and land requirements.
- 11.4 However, there may also be distortions between typical floorspace densities and future needs caused by replacement demand requirements or productivity gains (as explored below). This means that labour demand scenarios, driven by employment forecasts, may be less suitable for some activities – particularly industrial.
- 11.5 Labour supply scenarios allow for an alignment of jobs and homes, but they do not take into account the role of a given area. They assume people move to an area to

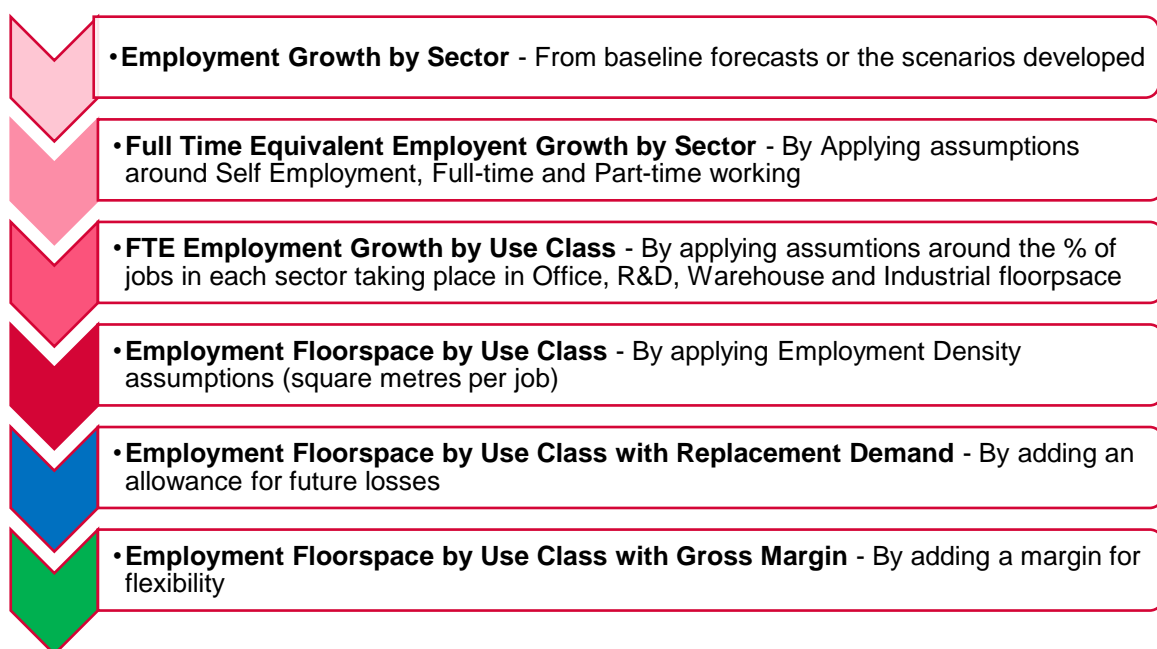
work there when this is not always the case. It also assumes the level of housing growth will be deliverable.

- 11.6 Past take-up is based on the actual delivery of employment development but does not take account of the implications of potential growth in labour supply associated with housing growth nor any potential differences in economic performance relative to the past.
- 11.7 Monitoring data for employment floorspace trends has drawn from Council monitoring data (for the 2009– 2022 period). The Council data is also used to understand replacement demand.
- 11.8 The quantitative evidence here is supplemented by the wider analysis of the market and economic dynamics set out earlier in this report. We have also included within this section an estimate of demand based on net absorption trends and forecasts.

Labour Demand

- 11.9 Jobs forecasts are translated to employment floorspace requirements through a series of steps which are illustrated below.

Figure 11.1 Overview of the Labour Demand/Labour Supply Model



- 11.10 The first step is to translate forecast employment growth into full-time equivalent (FTE) employment growth. This is required as the employment densities used relate to FTE jobs. The Experian projections also provide an FTE conversion by sector which is used for the alternative scenarios.
- 11.11 The Table below shows the forecast FTE jobs growth over the period from 2023 to 2043 for each scenario. The ratio of employment to FTE jobs is not uniform as each scenario has a different sectoral breakdown.

Table 11.1 Total Jobs and FTE Jobs Growth by Model, 2023-2043

Scenario	Jobs Change 2023-2043	FTE Jobs Change 2023-2043
OE Baseline	1,021	366
CE Baseline	11,252	9,634
Experian Baseline	13,900	11,300
Experian Baseline + Honda (rebased)	15,039	11,724
2012-21 Trend (Trough to Trough)	17,359	14,277
2007-19 Trend (Peak to Peak)	7,952	6,240
Experian Baseline + Honda (rebased) + Panattoni	22,039	17,929
Experian Baseline + Honda (rebased) + Super Growth	25,039	20,254
Policy On	18,408	14,650
Labour Supply (SM)	22,744	17,263

Source: Iceni analysis of Experian data (All are Labour Demand scenarios except Labour Supply)

- 11.12 The next step translates FTE employment growth by sector into FTE employment growth by use class. For this study, we have proportioned the number of FTE jobs in each sector into jobs in Industrial, Warehouse, Office and R&D floorspace.
- 11.13 This illustrates that in some instances while there is overall growth, the sectors which are hosted in offices, factories and warehouses can still be negative. In the case of the OE forecasts, this reflects a negative view of manufacturing while most other sectors are expected to grow.

Table 11.2 FTE Jobs Growth by Model and Use Class, 2023-2043

Model	FTE Jobs	FTE jobs in E(g)(i) and E(g)(ii) premises	FTE jobs in E(g)(iii)/B2/B8 premises	Total FTE Jobs in E(G)(i-iii), B2 and B8 Premises	Other Jobs (non-traditional employment type space)
OE Baseline	366	1,191	-4,340	-3,149	3,515
CE Baseline	9,634	2,842	-1,010	1,831	7,803
Experian Baseline	11,300	3,120	450	3,570	7,730
Experian Baseline + Honda (rebased)	11,724	3,096	671	3,767	7,958
2012-21 Trend (Trough to Trough)	14,277	6,554	1,463	8,016	6,261
2007-19 Trend (Peak to Peak)	6,240	4,433	4,037	396	5,844
Experian Baseline + Honda (rebased) + Panattoni	17,929	4,109	5,863	9,972	7,958
Experian Baseline + Honda (rebased) + Super Growth	20,254	4,415	6,659	11,074	9,181
Policy On	14,650	3,687	2,384	6,071	8,579
Labour Supply	17,263	3314	671	3,985	13,278

Source: Iceni analysis of OE / BRES data

- 11.14 To translate FTE employment growth to floorspace we have assumed a set of employment densities⁴⁷, which are set out in the table below. These are informed by the Homes and Communities Agency Employment Density Guide third edition⁴⁸, but also take into account Iceni Projects' experience and the nature of development in Swindon.

47 Employment Densities are the assumed floorspace per FTE e.g. for offices it is assumed that every FTE will have 14 12sqm (GEA) of floorspace

48 https://www.kirklees.gov.uk/beta/planning-policy/pdf/examination/national-evidence/NE48_employment_density_guide_3rd_edition.pdf

Table 11.3 Employment Densities Assumptions - Gross Employment Area per job

	Office	R&D	Industrial	Warehouse
Employment Density (sqm)	12	40	40	80

Source: HCA Employment Densities Guide: 3rd Edition (Drivers Jonas Deloitte, 2015), adapted by Iceni Projects

- 11.15 Applying these employment densities to the FTE forecasts results in the employment floorspace requirement set out in the table below. We have also undertaken a sensitivity analysis for office space with greater levels of working from home.
- 11.16 This is informed by Iceni Projects review of information published by real estate agency Savills⁴⁹ and Remit Consulting⁵⁰ on the occupancy of in-use office floorspace pre- and post-pandemic.
- 11.17 Based on this information Iceni Projects has concluded that post-pandemic office occupancy is around 45% of pre-pandemic levels. However, within Swindon, it is known that Nationwide, by far the largest office occupier in the borough has requested all staff return to the office. Therefore, we have reduced levels of employment growth in the 'Increased Working from Home' scenario by a 35% factor.
- 11.18 The need calculations also take into account a 'margin for flexibility.' This allows for the allocation of sufficient land to cover inaccuracies in forecasting, helps to provide a choice of sites to facilitate competition and allows for delays in any sites coming forward.

⁴⁹ https://www.savills.co.uk/research_articles/229130/343549-0

⁵⁰ <https://return.remitconsulting.com/resource-centre/35-news-release-latest-data-reveals-improved-uk-office-occupancy-levels>

- 11.19 Based on experience and industry standards, we recommend that a ‘margin for flexibility’ equivalent to two years’ worth of gross completions for offices and five years for industrial and warehousing should be used. This equates to a total of 4,729 sqm for office, 1,073 sqm for R&D, 28,452 sqm for industrial and 103,557 sqm for warehousing⁵¹.
- 11.20 The modelled forecasts are net changes and do not take account of replacement demand, such as from existing companies requiring upgraded floorspace, or for existing or allocated sites for employment lost to other uses such as residential.
- 11.21 In considering how much employment land to allocate, it is therefore appropriate to consider this as an additional influence, particularly with notable losses to residential identified and some of the borough stock being quite aged.
- 11.22 However, we do not recommend that replacement demand should be assumed to be at the full rate of historic losses as some losses will be due to structural changes in the economy, which means that less floorspace is required to accommodate the same number of jobs and/or economic activity.
- 11.23 The calculations therefore assume that replacement demand will be the equivalent of half the rate of historical losses for industrial / warehouse (being 178 sqm per annum for industrial and 346 sqm for warehousing) and at 20% of historical losses for offices and R&D (1,670 sqm per annum for office and 0 sqm for R&D).
- 11.24 The replacement rate for offices is lower because whilst vacancy is low, rents are stagnating and market feedback is that future needs are weaker, whereas industrial rents are on the increase.
- 11.25 A replacement rate of 50% of average historical losses for industrial has been applied to take account of replacement demand. This reflects that some sites and units being lost may need replacement, but not all of them given some traditional industrial processes ending that represent structural change.

⁵¹ This excludes exceptional development at Symmetry Park

Table 11.4 Employment Floorspace Requirement by Labour Demand Model Baseline & Alternative Scenarios, 2023-43
(sqm)

	OE Baseline	CE Baseline	Experian Baseline	Experian Baseline + Honda (rebased)	2012-21 Trend (Trough to Trough)	2007-19 Trend (Peak to Peak)	Experian Baseline + Honda (rebased) + Panattoni	Experian Baseline + Honda (rebased) + Super Growth	Policy On	Labour Supply
Office	14,777	33,456	39,900	39,954	82,128	58,894	46,222	48,514	45,245	42,577
Office (35% WFH)	9,605	21,746	25,935	25,970	53,383	38,281	30,044	31,534	29,409	27,675
R&D	-1,618	2,142	-8,200	-9,346	-11,615	-18,998	10,292	14,892	-3,350	-9,346
Industrial	-165,519	-72,498	-46,000	-37,269	-90,876	-98,668	42,920	71,720	31,272	-37,269
Warehouse	-16,162	64,189	128,000	128,206	298,754	-125,605	383,171	389,241	128,206	128,206
Including margin for flexibility (equal to 2 years' worth of gross deliveries for office and 5 years for industrial/warehouse)										
Office	19,506	38,184	44,629	44,683	86,857	63,623	50,951	53,243	49,974	47,306
Office (35% WFH)	14,334	26,475	30,664	30,699	58,112	43,010	34,773	36,263	34,138	32,404
R&D	-545	3,215	-7,127	-8,273	-10,542	-17,925	11,365	15,965	-2,277	-8,273
Industrial	-137,067	-44,046	-17,548	-8,817	-62,424	-70,216	71,371	100,171	59,724	-8,817
Warehouse	87,395	167,746	231,557	231,763	402,311	-22,048	486,728	492,798	231,763	231,763
Including replacement demand @50% of the rate of historical losses for industrial / warehouse and @20% of the rate for offices										
Office	52,913	71,592	78,036	78,090	120,264	97,030	84,358	86,650	83,381	80,714
Office (35% WFH)	47,741	59,882	64,071	64,106	91,520	76,417	68,180	69,670	67,545	65,812
R&D	-545	3,215	-7,127	-8,273	-10,542	-17,925	11,365	15,965	-2,277	-8,273
Industrial	-133,506	-40,485	-13,987	-5,256	-58,862	-66,655	74,933	103,733	63,285	-5,256
Warehouse	94,312	174,663	238,474	238,680	409,227	-15,131	493,645	499,715	238,680	238,680

Source: Iceni analysis of Experian data

Past Completions

- 11.26 Historic completions, based on local authority monitoring data, have been considered and projected forward to indicate future floorspace needs. Both gross and net historic completions have been considered:
- **Gross completions** are useful as they inherently take into account all demand including replacement demand (on-site and off-site redevelopment and redeployment). However, using gross completions may overestimate demand given some historic gross completions may have been on plots where the previous use was the same (i.e. re-development for the same use but with newer stock).
 - **Net completions** do not inherently take into account replacement demand and will underestimate needs.
- 11.27 An appropriate historic completion-based projection of need may therefore be in-between the gross and net completion trends. The table below shows the average gross completions and estimated net completions over the period for which Local Authority Monitoring data is available (2012-2022).
- 11.28 Net completions have been calculated by subtracting the losses of employment floorspace from the gross total. The historic average completion rates presented have then been projected forward to estimate employment floorspace requirements for 2023-43.

Table 11.5 Average Completions and Losses (sqm) 2009-2022

	B1(a)	B1(b)	B1c	B2	B8
Gross Completions	33,102	7,511	7,310	72,356	507,914
Average Gross Completions	2,364	537	522	5,168	36,280
Net Completions	-102,730	4,851	1,634	11,369	359,091
Average Net Completions	-7,338	347	117	812	25,649
Excluding Symmetry Park	B1(a)	B1(b)	B1c	B2	B8
Average Gross Completions	2,364	537	522	5,168	20,711
Average Net Completions	-7,338	347	117	812	10,081

Source: Iceni analysis of Local Authority data

- 11.29 We have also provided a sensitivity which removed the development at Symmetry Park from the trends. This is because the Symmetry Park development is of a scale which can only be considered exceptional (217,954 sqm of B8 space).
- 11.30 The results of the historic completions-based projections are presented in the Table below, these include a consideration of replacement demand (for net completions only) and a margin for flexibility⁵².
- 11.31 To reiterate, for gross completions, an allowance for replacement demand has not been added as gross completions inherently take replacement demand into account.

Table 11.6 Employment Floorspace Requirement by Completions Projection, 2021-2046 (sqm)

Completion Trends	B1(a)	B1(b)	B1c	B2	B8
Gross Completions	47,288	10,730	10,442	103,365	725,591
Net Completions	-	6,930	2,334	16,242	512,986
Gross Completions (ex Sym Park)	47,288	10,730	10,442	103,365	414,228
Net Completions (ex Sym Park)	-	6,930	2,334	16,242	201,624
Replacement Demand @50% of the rate of historical losses for industrial / warehouse and @20% of the rate for offices					
	B1(a)	B1(b)	B1c	B2	B8
Gross Completions	47,288	10,730	10,442	103,365	725,591
Net Completions	-	6,930	4,009	18,128	519,903
Gross Completions (ex Sym Park)	47,288	10,730	10,442	103,365	414,228
Net Completions (ex Sym Park)	-	6,930	4,009	18,128	208,540
The margin for Flexibility (equal to 2 years' worth of gross deliveries for office and 5 years for industrial/warehouse)					
	B1(a)	B1(b)	B1c	B2	B8
Gross Completions	52,017	11,803	13,053	129,207	829,148
Net Completions	-	8,003	6,620	43,969	623,460

⁵² This excludes development at Symmetry Park in all four scenarios to align with the labour demand assumptions

Gross Completions (ex Sym Park)	52,017	11,803	13,053	129,207	517,785
Net Completions (ex Sym Park)	-	8,003	6,620	43,969	312,098

Source: Iceni analysis of Local Authority data

- 11.32 Although not provided in any great detail here we have also modelled completion data from VOA statistics using a consistent 2009-2022 period. This data only provides a net completion trend and also only provides trends for office (Office and R&D combined) and industrial uses (warehousing and factories combined).
- 11.33 When projected the VOA data results in a loss of 83,100 sqm of office floorspace compared to a loss of 139,000 sqm using the Council data. For industrial uses, the VOA data results in a need for 104,615 sqm compared to 531,000 sqm for the Council Data.
- 11.34 VOA data is based on returns, so void spaces will not be recorded. The Council data likely includes completed yet unoccupied properties which are not picked up by the VOA. This is indicated by remodelling the data from 2009 to 2023 (rather than 2022) and the projected VOA-based need is much closer to the Council data at 448,571 sq. m for industrial space. This is likely due to the change in occupation of large units at Symmetry Park.

Past Take-Up (Net Absorption)

- 11.35 A third supply-based calculation looks at past take-up of space occupied (rather than land delivered) measured by net absorption using CoStar data. As explained in the Property Market Review chapter this is the balance between the amount of space moved into and moved out of (i.e. Net absorption = Move-ins – Move outs).
- 11.36 This differs from the net completions-based projections in that it predicts future floorspace requirements directly based on demand for floorspace rather than past completions of floorspace (which is a proxy for floorspace demand).

11.37 CoStar has data on net absorption in Swindon's office and industrial market. The Table below shows the average rate of delivery since 2012. We have grouped industrial and warehousing as a combined forecast is likely to be more reliable.

11.38 It is important to note that not all deals are captured by CoStar, particularly for smaller owner-occupied estates in rural areas (which are admittedly limited in the borough), so the data will inherently underestimate need.

Table 11.7 Average Annual Net Absorption (sqm)

Time Period	2012-2022
Office	-2,169
Industrial and Warehousing	31,904

Source: Iceni analysis of CoStar data

11.39 The historic net absorption rates for the 2012-2022 period presented in the table above have then been projected forward to estimate employment floorspace requirements for 2023-43.

11.40 The estimated floorspace requirements below also show the employment floorspace requirements after considering a margin for flexibility. It should be noted that an allowance for replacement demand has not been added as the net absorption-based projection would already include such deals.

Table 11.8 Employment Floorspace Requirement by Net Absorption Projection, 2023-2043

Types	Net Absorption
Office	-43,380
Industrial/Warehousing	638,080
The margin for Flexibility (equal to 2 years' worth of gross deliveries for office and 5	Net Absorption incl. margin
Office	-37,578
Industrial/Warehousing	770,089

Source: Iceni Projects based on CoStar Data

Overall Need Conclusions

- 11.41 We have undertaken a range of detailed modelling scenarios to consider the future employment land needs of the borough. The table below summarises the total employment land need during 2023-43 for each broad-use class across the various models discussed above.
- 11.42 The second table then translates the floorspace needed to a land area based on the following standard plot ratios:
- Office - 60% of the plot is taken up by office floorspace
 - Industrial and Warehousing - 40% of the plot is taken up by commercial floorspace

Table 11.9 Employment Floorspace Requirement Summary, 2023-2043 (including margin and replacement demand) (sqm)

Floorspace (Sq.m)	Office	Office WFH	R&D	Factory	Warehouse
OE Baseline	52,913	47,741	-545	-133,506	94,312
CE Baseline	71,592	59,882	3,215	-40,485	174,663
Experian Baseline	78,036	64,071	-7,127	-13,987	238,474
Experian Baseline + Honda (rebased)	78,090	64,106	-8,273	-5,256	238,680
2012-21 Trend (Trough to Trough)	120,264	91,520	-10,542	-58,862	409,227
2007-19 Trend (Peak to Peak)	97,030	76,417	-17,925	-66,655	-15,131
Experian Baseline + Honda (rebased) + Panattoni	84,358	68,180	11,365	74,933	493,645
Experian Baseline + Honda (rebased) + Super Growth	86,650	69,670	15,965	103,733	499,715
Policy On	83,381	67,545	-2,277	63,285	238,680
Labour Supply	80,714	65,812	-8,273	-5,256	238,680
Gross Completions	52,017		11,803	142,259	829,148
Net Completions	-108,621		8,003	50,589	623,460
Gross Completions (ex SP)	52,017		11,803	142,259	517,785
Net Completions (ex SP)	-108,621		8,003	50,589	312,098
Net Absorption	-37,578			770,089	

Source: Iceni analysis of Experian, Local Authority Monitoring and CoStar data

Table 11.10 Employment Land Requirement Summary, 2023-2043 (including margin and replacement demand) (Ha)

Floorspace (Ha)	Office	Office WFH	R&D	Factory	Warehouse
OE Baseline	8.8	8.0	-0.1	-33.4	23.6
CE Baseline	11.9	10.0	0.5	-10.1	43.7
Experian Baseline	13.0	10.7	-1.2	-3.5	59.6
Experian Baseline + Honda (rebased)	13.0	10.7	-1.4	-1.3	59.7
2012-21 Trend (Trough to Trough)	20.0	15.3	-1.8	-14.7	102.3
2007-19 Trend (Peak to Peak)	16.2	12.7	-3.0	-16.7	-3.8
Experian Baseline + Honda (rebased) + Panattoni	14.1	11.4	1.9	18.7	123.4
Experian Baseline + Honda (rebased) + Super Growth	14.4	11.6	2.7	25.9	124.9
Policy On	13.9	11.3	-0.4	15.8	59.7
Labour Supply	13.5	11.0	-1.4	-1.3	59.7
Gross Completions	8.7		2.0	35.6	207.3
Net Completions	-18.1		1.3	12.6	155.9
Gross Completions (ex SP)	8.7		2.0	35.6	129.4
Net Completions (ex SP)	-18.1		1.3	12.6	78.0
Net Absorption		-6.3		192.5	

Source: Icen analysis of Experian, Local Authority Monitoring and CoStar data. Converted using a 60% plot ratio for office and R&D and a 40% plot ratio for factory and warehouse

Office and R&D

- 11.43 The range for office and R&D ranges from -16.8 ha under the net completion models and 18.3 ha under the Trough-to-Trough Scenario. The average labour demand or labour supply figure is 13.5 Ha or 10.8 Ha when adjusted for increased levels of working from home.
- 11.44 The most realistic range is between **9.3 ha** from the rebased baseline model (increased working from home) to **13.5 ha** from the trough to trough (increased working from home). Both models recognise the anticipated employment increases, taking into account greater amounts of home working, as well as making some allowance for the replacement of lost stock. Replacement of loss stock accounts for around half of the total office requirement.
- 11.45 Notwithstanding, the office market remains suppressed post-pandemic with greater home-working and demand concentrated on the strongest markets i.e. Central London and Cambridge.
- 11.46 Therefore, it would be suitable to plan for the broad mid-point of this range at **12 ha (or 72,000 sqm)**. But the council should be flexible enough to respond to greater levels of people returning to the office. This could in part be delivered in mixed-use development including small offices integrated into factories and warehouses.
- 11.47 As a further consideration, the council should continue to focus on office development within the Town Centre. This is likely to deliver more dense development. This would also support better access to public transport, promote active travel and reduce the need for car travel. It should form part of an integrated mixed use regeneration proposal to town centre development such as Kimmerfields.
- 11.48 If this were to be achieved, it would reduce the land take as plot ratios would be increased. As a sensitivity if plot ratios are increased to 75% rather than 60% then the land take would only be 9.6 Ha and if increased to 100% then it would only require 7.2 Ha.

Industrial and Warehousing

- 11.49 The range for industrial ranges from -20.4 ha under the peak-to-peak scenario and 242.9 ha under the Gross Completions scenario. The average figure is 99.5 Ha including the completions scenarios.
- 11.50 There is a clustering of scenarios around the **140ha to 170ha** range and this would seem a reasonable level to plan for. This reflects the replacement of some historic losses and the need to meet demand for new stock as well as capitalising on growth opportunities in the borough. It also reflects recent levels of net completions. A broad mid-point of this range would be **160 Ha (or 640,000 sqm)**, and this would seem like a reasonable position to plan for.

12. Employment Land Supply

- 12.1 There are several strands to the potential supply of employment land, and these are examined below.

Completions

- 12.2 The modelling calculated the need for employment land and floorspace over the 2023-43 period. However, there have been completions in the interim period, and we have used council monitoring data to identify this.
- 12.3 Since 2023 there have been four sites which have completed which involved employment land. As shown in the table below these completions resulted in the loss of Office and R&D space and Warehousing, but a gain in Factory floorspace.

Table 12.1 Net Completions Since 2023 (sq. m)

	B1(a)	B1(b)	B1c	B2	B8
Completions since 2023	0	-969	0	750	-1,490
Partial Replacement of Losses	0	-194	0	0	-745

Source: SBC monitoring

- 12.4 As per the replacement demand calculations we have only sought to replace 20% of the office losses and 50% of industrial losses. In this case, it is only the R&D and Warehousing figure which are partially replaced as these are the only negative figures.

Unimplemented Permissions

- 12.5 Another potential source of supply is sites that have planning permissions which have not been implemented. We have again drawn on council monitoring.
- 12.6 The Council monitoring data includes data back to 2009. However, it is unlikely that sites which have not been implemented within five years are ever going to be implemented.
- 12.7 We have therefore only examined those sites which have been permitted in the 2018 to 2022 period. There is potential that some of these permissions will not be implemented also, and this should be monitored.

Table 12.2 Unimplemented Permissions (2018/19-2022/23) (sq. m)

	B1(a)	B1(b)	B1c	B2	B8
Unimplemented Employment Sites	-8,278	-3,751	5,278	-20,463	29,436
Only Last Five Years	-10,565	0	3,118	3,200	4,516
Partial Replacement of losses	-2,113				

Source: SBC monitoring

- 12.8 Again, we have only sought to replace 20% of the office losses and 50% of industrial losses. This only applies to offices as it is the only negative figure.
- 12.9 It is worth noting that because of the period used, this does not include the substantial permission granted on the former Honda site in 2023/24.

Under Construction

- 12.10 Another potential source of supply is sites that are under construction. We have again drawn on council monitoring data. As of spring 2024, there are 26 construction sites in the borough which involve the loss or gain of employment land and floorspace.

Table 12.3 Under Construction (sq. m)

	B1(a)	B1(b)	B1c	B2	B8
Under Construction	-85,930	0	102	-7,433	-2,353
Partial Replacement of Losses	-17,186	0	0	-3,717	-1,177

Source: SBC monitoring

- 12.11 Again, we have only sought to replace 20% of the office losses and 50% of industrial losses. This applies to all typologies except light industrial (B1c).

Identified Sites

- 12.12 The final strand of employment land within the borough was identified through site visits to 60 allocated and non-allocated employment sites in the borough. A separate appendix provides a review of these sites.
- 12.13 As part of the site reviews, we identified vacant parcels of land and long-term vacant units, sites in poor condition that could be redeveloped, and sites that could be intensified. In total 34 sites were identified, and seven of these had planning permission and to avoid double-counting they have been removed.
- 12.14 We identified the most suitable use (office and industrial) for each site based on the wider site and current uses. In reality, some industrial sites could come forward as offices and vice versa. This is particularly the case for integrated offices within warehousing and factories which would also meet the demand. There is therefore the potential for some movement between the two categories.
- 12.15 As shown in the table below, considerable industrial supply has been identified across the 28 remaining sites. This includes the former Honda site now being developed by Panattoni (although not picked up in the permissions) and the site to the west of the new Amazon warehouse at Symmetry Park (Great Stall West).

Table 12.4 Identified Sites and Capacity

Site	Size (Ha)	Suitable	Comments
Panattoni Swindon / South Marston Airfield (Honda)	138.97	Industrial	Now has hybrid planning permission. Masterplan suggests up to 500,000 m ² of B8.
Great Stall West	40.61	Industrial	Part of New Eastern Villages proposals. Assume 50% to come forward as Industrial.
Bridgemead	3.71	Industrial	
Keypoint and Rail Freight Terminal, South Marston 1	2.68	Industrial	Now has planning permission for 4,881 sqm of B8
Keypoint and Rail Freight Terminal, South Marston 2	2.67	Industrial	Now has planning permission for 11,011 sqm B8
Rivermead Industrial Estate - Former DWP Offices	2.48	Industrial	
Rivermead Industrial Estate - Spectrum Site	2.30	Industrial	
Kembrey Park 2	2.06	Office	
Groundwell West / Gateway North 1	2.04	Industrial	
Great Stall West 2	2.00	Office	
Groundwell West / Gateway North 2	1.82	Industrial	
Hillmead Business Park	1.74	Industrial	
Windmill Hill 2	1.44	Office	
Windmill Hill 1	1.31	Office	
Rushey Platt Industrial Estate	1.08	Industrial	
Marshgate Ind Est / Drakes Way	0.89	Office	Now has planning permission for 2,396 sqm of B8
Groundwell	0.86	Industrial	
Groundwell West/ Gateway North 3	0.79	Industrial	
Gypsy Lane South 2	0.70	Industrial	
Cheney Manor Industrial Estate	0.97	Office	
Thornhill Industrial Estate	0.47	Industrial	Has pending planning application for residential uses
Dorcan IE 2	0.45	Industrial	
Dorcan IE 3	0.33	Industrial	
Hawksworth Industrial Estate	0.23	Industrial	
Kembrey Park 1	0.17	Office	

Thornhill Industrial Estate	0.16	Industrial	The site to the North has a pending planning application for Residential so could be lost or developed as a mix of uses.
Blagrove/Euroway Industrial Estate	0.05	Industrial	
Unicorn Business Centre, The Ridgeway	0.05	Industrial	

Source: Iceni Projects

- 12.16 The table below summarises the four identified sites that now have planning permission (and not picked up in the monitoring data). These are presented in square meters to reflect the known level of development that will come forward on these sites. This includes Marshgate Ind Est / Drakes Way flipping from our recommended office use to its permitted Industrial use.

Table 12.5 Identified Sites with Planning Permission (sq. m)

	Office	Industrial
Identified Sites	0	4
Site Areas (sq. m)	0	518,288

Source: Iceni Projects

- 12.17 The table below summarises the remaining 24 identified sites that do not have planning permission. These are presented in hectares as the level of development that could be developed in these sites is unknown. This includes the reduced supply from the Great Stall West site which is part of the New Eastern Villages mixed-use development.

Table 12.6 Identified Sites without Planning Permission (Ha)

	Office	Industrial
Identified Sites	6	18
Site Areas (ha)	7.95	39.57

Source: Iceni Projects

- 12.18 The supply could be reduced further if the pending application for the redevelopment of the Thornhill Road site (0.47 Ha) to residential uses is given planning permission.
- 12.19 This could also be extended to the other vacant parcel of land at Thornhill Road (0.16 Ha). This would reduce the total industrial supply by 0.63 Ha if both sites come forward for other uses.

13. Conclusions and Policy Recommendations

13.1 This section brings together key conclusions and recommendations.

Employment Land Supply and Demand Balance

13.2 The table below draws together the findings of the preceding chapters to identify a supply and demand balance for Office and Industrial uses in Swindon.

13.3 As shown, there is a technical undersupply of office floorspace and a surplus of industrial employment land, but this has several caveats – including that it assumes all the identified industrial supply will come forward for industrial uses when in all likelihood some of it will be brought forward as a mix of office and industrial uses. This would include integrated office space within factories and warehouses which would also address some of the office need.

Table 13.1 Supply and Demand Balance

	Office	Industrial
Land Need (Ha)	12.0	160.0
Floorspace Need (sq. m)	72,000	640,000
Net Completions 2023 (Sq. m)	-194	5
Net Unimplemented Permission (18-22) (Sq. m)	-2,113	10,834
Net Under Construction (Spring 2024) (Sq. m)	-17,186	-4,791
Identified Supply with PP (Spring 2024)	0.00	518,288
Residual Need (sq. m)	91,493	115,664
Residual Need (Ha)	15.25	28.92
Identified Supply (Spring 2024)	7.95	39.57
Supply and Demand Balance	7.3 Under Supply	-10.65 Over Supply

Source: Iceni Projects based on SBC Data

13.4 The site assessments have also identified areas of employment land that could be released for other uses in time, although support should be given to appropriate existing uses.

- 13.5 This includes two functioning employment sites – Wakefield House and Pipers Way (Intel). In total these sites cover an area of around 9.3 Ha.
- 13.6 Wakefield House is currently vacant having been the former headquarters of Burmah Castrol Oil and in a run-down state. Its location at the edge of the New Town means that redevelopment for offices would not support town centre regeneration. In any case there will always be a degree of vacancy within the stock.
- 13.7 Similarly, Pipers Way is outside of the Town Centre but is still partially occupied by Intel, however, Intel is due to vacate the site imminently. The building has low market attractiveness as an office as it is ageing and of average quality. Its reuse for offices would again not support town centre redevelopment but potentially alternative accommodation for Intel would.
- 13.8 These site-specific recommendations should be considered rather than general losses of employment land in relation to the technical oversupply shown.

Supply Considerations

- 13.9 A further consideration for the council is to better understand the supply position as much of the industrial supply comes from just two sites. Firstly, the former Honda site (now owned by Panattoni) (139 Ha) and secondly the Great Stall West site (assumed to be in Tritax Symmetry ownership) (41 Ha).
- 13.10 These sites, particularly the latter, are likely to provide strategic warehousing sites but could also host other industrial / manufacturing uses. There is also a need to address the needs of small – mid-sized businesses including many businesses already in the borough that may wish to grow but are currently constrained by the supply. This also reflects what the market is currently seeking.

- 13.11 Stakeholders also noted that inward investors may wish to have greater control over their site through a freehold arrangement. While both of the above major sites could feasibly be sold off in parts, it is unlikely that this will come forward due to strategic private sector ownership.
- 13.12 The Council may therefore wish to consider providing additional supply to meet a wider range of needs. This could mean allocating sites specifically for longer-term inward investment opportunities. Ones that are in public ownership present the most realistic opportunity for freehold sale – such as i54 in Wolverhampton / South Staffs.
- 13.13 It is also the case that the Honda and Great Stall West sites are very close to each other, and it may be wise to provide a choice of locations within the borough. A few stakeholders have suggested sites closer to the M4 would be preferable. Again, this may mean working with Wiltshire Council on strategic planning along the M4 corridor.

Collaboration

- 13.14 As well as Wiltshire Council, some other collaboration opportunities could support the local economy.
- 13.15 The Council should foster improved collaboration between the council, businesses, educational institutions, and community organisations to address challenges and pursue opportunities. This includes continued collaboration between the Council and Business West.
- 13.16 The Council may also wish to further engage with regional stakeholders such as the DTI to leverage strategic investment opportunities and foster growth in the borough. Political alignment may support collaboration between local and national governments.

Skills Considerations

- 13.17 Collaboration between educational institutions (including surrounding universities) and businesses will ensure a skilled and adaptable workforce building on the retained skills to attract investment.
- 13.18 The skills pathways for the identified growth sectors are many and varied for these industries and Investment in skills development is crucial for the borough's future prosperity.
- 13.19 There is existing provision in the FE sector in New College Swindon, and the Swindon and Wiltshire Institute of Technology (SAWIOT) but, leveraging existing infrastructure such as iCAST and Swindon UTC, there is potential for higher education provision in Swindon.
- 13.20 Such provision could contribute to attracting students of all levels, talent retention and skills development. It will also ensure better collaboration between education and industry.

Greening of the Economic

- 13.21 The borough has a significant transport and logistics profile linked to the railway, the M4 and BMW. This presents potential opportunities for greening the advanced manufacturing base as well as growing an industry around smart/sustainable logistics and warehousing.
- 13.22 This could build on the borough's strategic location between London and the Gigafactory in North Somerset and the Port Talbot Steelworks once they reopen with an electric furnace.
- 13.23 There is also a growing demand for green infrastructure, including charging facilities for electric vehicles, presenting opportunities for investment and innovation in sustainability.

Science and Technology

- 13.24 Stakeholder engagement has identified a need to provide science and technology parks to help support advanced manufacturing and research and development.
- 13.25 There are opportunities to build on the borough's industrial heritage and attract sectors like clean technology and manufacturing. The ICAST development and other initiatives are key to doing this.
- 13.26 Again, this might mean developing a strategy for a science and technology park in the borough. This could be around the station quarter where several knowledge-based industries are gathering (ICAST, UKRI (which includes Innovate UK) and the UK Space Agency) as well as higher and further education providers. Other sites new or otherwise (Windmill Business Park) could also be used for such needs.
- 13.27 A new science and technology offer could also stimulate investment in the borough from businesses currently located in nearby towns such as Oxford, Bath and Reading which due to capacity constraints cannot meet their needs. In Oxford, for example, there is a known lack of R&D space for burgeoning sectors such as Life Sciences.
- 13.28 Swindon's history and retained skills in the semiconductor industry also present an opportunity given geopolitical issue. Again, this provides an appropriate revival of this sector.

Town Centre

- 13.29 While the HAZ and Kimmerfields developments are welcomed and will directly provide Town Centre regeneration, further new office development may well be necessitated by the ESG and EPC issues in the existing stock. This

presents an opportunity to attract out-of-town occupiers of older and less energy-efficient stock into newer accommodation in the Town Centre.

- 13.30 The recent investment from Zurich demonstrates that it is possible to recalibrate the Town Centre and retain key sectors such as financial and insurance.
- 13.31 In addition, the Town Centre can also capitalise on emerging technology sectors such as video gaming, cyber, robotics, computing, IT, and digital industries by investing in state-of-the-art facilities and fostering innovation and economic diversification.
- 13.32 To fully capitalise on these opportunities, it will likely require increased resourcing from the Council. As a minimum, this would be to continue to focus on implementing town centre regeneration proposals that are already underway⁵³.
- 13.33 The increased delivery of quality mixed-use development, including leisure and amenities, will have the benefit of attracting office occupiers who increasingly seek attractive space and surroundings under the post covid 'flight to quality'.
- 13.34 This could also be extended to increased economic development presence to attract inward investment and better direct enquiries. It could also potentially target tech companies (green or otherwise) and startups in the borough and perhaps market the area better.

Housing

- 13.35 Housing will also be a barrier to economic development, not just in quantum, but also in the type delivered. The Council should ensure that a mix of housing
-

⁵³ https://www.swindon.gov.uk/info/20168/town_centre_regeneration/1173/town_centre_regeneration/4

is delivered that caters for low-paid workers as well as executives, those seeking to relocate their families to Swindon and young professionals.

- 13.36 The latter can be linked to the town centre offer, as the additional footfall will support the night-time economy and the retail offer. But it will also be required to attract a younger skilled workforce to replace the retiring one.

A1. Key Sectors and Skills Analysis

Pharmaceuticals - Life sciences and medical devices

Headline jobs

- 5,600 jobs in 2022; gained 2,900 jobs since 2015 (+103.8% vs – 26.8% in GB)
- Significant specialism – LQ of 4.7

Breakdown of jobs

- Manufacture of pharmaceutical preparations: 1,300
- Manufacture of medical and dental instruments and supplies: 400
- Research and experimental development on natural sciences and engineering: 3,000
- Veterinary activities: 1,000

Notable firms

- Pantheon Pharma Services
- Catalent Pharma Solutions
- Becton Dickinson
- Wasdell Group

Economic forecasts

A1.1 The most relevant sector classification which has been forecast is manufacturing:

- Cambridge Econometrics forecasts for 2025-2050 that:
 - Employment will decline by 2,600 or 28.2%

- GVA will increase by £735.8 million or 51.7%
- Oxford Economics forecasts for 2025-2050 that:
 - Employment will decline by 5,400 or 53.3%
 - GVA will increase by £38.1 million or 2.8%

Future outlook and skills need

A1.2 The recent ABPI report (Evolution of an innovation-based biopharmaceutical industry: how skill requirements are changing, 2023) highlighted existing and future skills needs. This included current skills gaps including:

- Biomedical imaging
- Bioinformatics computational/systems biology (to include human genomics)
- Computational chemistry
- Computational science
- Physiological modelling

A1.3 Future and current core and technical skills needs were identified:

- Application of scientific, mathematical and digital knowledge
- Problem-solving skills/critical thinking
- Communication skills
- Team-working skills

A1.4 Future skills concerns included:

- Device Engineering

- Packaging Engineers
- Process Chemistry
- Physical Chemistry
- Clinical Research Operations
- Sustainable/Green Chemistry

Skills pathways

A1.5 The ABPI also identified skills pathways including:

- Apprenticeships:
- Laboratory Scientist (Degree)
- Laboratory Technician
- Data Analyst
- Data Technician
- Engineering Technician
- Science Industry Process and Plant Engineer (Degree)
- Science Manufacturing Process Operative

A1.6 Technical education:

- T-Levels
- higher technical qualifications at Levels 4 and 5
- Undergraduate degrees

A1.7 Within Swindon, there were 180 apprenticeship starts and 110 achievements in Engineering and Manufacturing Technologies in 2022/23. There were 278

exam entries for STEM subjects in 2022/23 and New College Swindon Offers courses in:

- Applied Science
- Engineering
- T Levels: Laboratory Science, Science

A1.8 Skills boot camps offer 12-15 training courses in a variety of vocational subjects, with work experience - See <https://www.westofengland-ca.gov.uk/what-we-do/employment-skills/skills-bootcamps/>

Advanced Manufacturing

Headline jobs

Manufacturing:

- 6,500 jobs in 2022; lost 3,500 jobs since 2015 (-35.0%, vs -18.8% in GB)
- Manufacturing is not a notable specialism on aggregate – LQ of 0.8

Advanced manufacturing:

- 3,500 jobs in 2022; lost 3,600 jobs since 2015 (-50.0% vs -6.8% in GB)
- Slight specialism – LQ of 1.1

Architectural and engineering activities and related technical consultancy

- 1,800 jobs in 2022; LQ of 1.0

A1.9 Breakdown of jobs:

- Treatment and coating of metals; machining: 400
- Manufacture of wiring and wiring devices: 750

- Manufacture of other general-purpose machinery: 900
- Manufacture of parts and accessories for motor vehicles: 400
- Manufacture of medical and dental instruments and supplies: 400

Significant detailed specialisms

Table A1.1 Detailed Industrial Specialisms and 5-digit SIC Level

Sector (5-digit SIC definition)	LQ	jobs	growth 15-22	% growth
18129: Printing (other than printing of newspapers and printing on labels and tags) nec	1.7	400	-75	-16.7%
21200: Manufacture of pharmaceutical preparations	10.1	1,300	450	56.3%
27320: Manufacture of other electronic and electric wires and cables	25.7	700	-150	-17.6%
28120: Manufacture of fluid power equipment	9.2	300	125	100.0%
28230: Manufacture of office machinery and equipment (except computers and peripheral equipment)	20.7	300	125	71.4%
28250: Manufacture of non-domestic cooling and ventilation equipment	3.2	300	25	11.1%
28290: Manufacture of other general-purpose machinery nec	3.7	300	100	44.4%
29320: Manufacture of other parts and accessories for motor vehicles	2.2	400	-900	-72.0%
32500: Manufacture of medical and dental instruments and supplies	3.0	400	50	14.3%
71121: Engineering design activities for industrial process and production	1.7	400	-150	-27.3%

Source: Business Register and Employment Survey, ONS

Notable firms

- BMW
- Intel Corporation
- Siemens

Economic forecasts

A1.10 The most relevant sector classification which has been forecast is manufacturing:

Cambridge Econometrics forecasts for 2025-2050 that:

- Employment will decline by 2,600 or 28.2%
- GVA will increase by £735.8 million or 51.7%

Oxford Economics forecasts for 2025-2050 that:

- Employment will decline by 5,400 or 53.3%

Future outlook and skills need

A1.11 Manufacturing industries are set to be significantly impacted by technology, with the following emerging trends:

- 3D printing, also known as additive manufacturing
- Electric vehicles, and vehicles using alternative fuels
- Satellites and space are a growing market, where the UK has a significant presence

A1.12 Industry 4.0 is the rapid technological advancement of industrial organisation, processing and practice – using new technologies including artificial intelligence (AI), automation, 3D printing, green tech, and sensors.

Skills and Career Pathways

A1.13 There are plenty of different ways to get the skills needed for the manufacturing industry. Having good GCSE results in Maths and Science is a good start. For university courses, A Levels and Maths and Science (particularly Physics) are important.

A1.14 There are many opportunities available in engineering, including:

- Mechanical
- Electrical
- Design

- Systems' integrator
-

A1.15 Other opportunities including Work-based & work-related Qualifications. One example is NOCN's Level 2 NVQ Diploma in Performing Manufacturing Operations.

A1.16 There are relevant engineering and manufacturing apprenticeships at three levels including:

- Level Two (Intermediate) – equivalent to GCSEs / Standard Grades
- Level Three (Advanced) – equivalent to A Levels / Highers
- Level Four / Five (Higher) – equivalent to Foundation Degree / Advanced Highers

A1.17 Apprenticeships are available in many sectors, such as aerospace, electronics, marine and product design. Some examples of apprenticeships include:

- Plant Engineering Aerospace
- Maintenance Engineer
- Engineering Manufacture
- Food and Drink Manufacturing

A1.18 For degree-level training, there are Manufacturing Degree Apprenticeships such as BSc programmes in Manufacturing or Manufacturing Engineering. There are also industry-specific degree programmes in this area including undergraduate programmes in Manufacturing, Manufacturing Engineering and Mechanical and Manufacturing Engineering; programmes in business and

management might prepare you for senior roles. There are some ways in which skills and training can be provided locally including:

- Apprenticeships - There were 180 apprenticeship starts and 110 achievements in Engineering and Manufacturing Technologies in 2022/23
- FE college:
 - Engineering
 - T Levels (National)
 - Design and Development for Engineering and Manufacturing
 - Engineering, Manufacturing, Processing and Control
 - Maintenance, Installation and Repair for Engineering and Manufacturing

A1.19 There were 278 exam entries for STEM subjects in 2022/23 at New College Swindon offers courses in:

- Applied Science
- Engineering
- T Levels: Laboratory Science, Science, Engineering, manufacturing, Processing and Control

A1.20 Higher education – a wide range of courses in:

- Advanced Manufacturing
- Engineering (Manufacturing)
- Engineering design
- Manufacturing technician

- HNC, HND, HTQ Manufacturing and Manufacturing Engineering
- Production engineering
- Mechanical engineering
- Electronic engineering
- Electrical engineering
- Physics and Applied Physics
- Chemistry
- Technology
- Software engineering
- Mathematics
- Materials engineering

A1.21 Skills bootcamps have been available nationally, and regionally in a variety of subjects relating to engineering and manufacturing. See <https://www.westofengland-ca.gov.uk/what-we-do/employment-skills/skills-bootcamps/>

Logistics and warehousing

Headline jobs

- 7,900 jobs in 2022; gained 2,100 jobs since 2015 (+36.6%, vs +30.1% in GB)
- Significant specialism – LQ of 2.3

Breakdown of jobs:

- Freight transport by road and removal services: 900

- Warehousing and storage: 6,000
- Support activities for transportation: 1,000

Significant detailed specialisms

Table A1.2 Detailed Industrial Specialisms and 5-digit SIC Level

Sector (5-digit SIC definition)	LQ	jobs	growth 15-22	% growth
52103: Operation of warehousing and storage facilities for land transport activities of division 49	4.0	6,000	2,500	71.4%

Source: Business Register and Employment Survey, ONS

Notable firms

- Amazon
- DHL

Economic forecasts

A1.22 The most relevant sector classification which has been forecast is Transportation and storage:

Cambridge Econometrics forecasts for 2025-2050 that:

- Employment will increase by 900 or 7.7%
- GVA will increase by £93.6 million or 29.8%

Oxford Economics forecasts for 2025-2050 that:

- Employment will decline by 300 or 2.1%

Future outlook and skills need

A1.23 Smart logistics is among the fastest-growing sub-segments within logistics and the warehousing industry which involves the incorporation of digital technologies and solutions to provide efficient services and products for the management of several logistics and warehousing-oriented processes. Within

the UK, there are several companies and start-ups which are providing innovative solutions for the market, capitalising on reviving demand from retail and manufacturing.

- A1.24 Some of the leading smart logistics companies are ATT Logistics, Infosys, Bosch Service Solution, SAP SE, Losant IoT, Orbcom, BCI Global, Cisco, TrackEasy, HCL, and T-Systems.

Skills pathways

- A1.25 Typically, qualifications pathways into logistics careers involve such as:
- Degree in logistics, supply chain management, or business
 - BTB Level 5 Diploma in International Facilities Management and Multinational Logistics Operations
 - Level 5 Certificate in International Facilities Management and Multinational Logistics Operations
 - Level 4 Award in Plan and Manage a Project
 - Level 3 Certificate in Logistic Operations
 - Certification from regulatory bodies, like the [Chartered Institute of Logistics \(CILT\)](#),
- A1.26 Skills boot camps have been available nationally, and regionally in a variety of subjects relating to Transport management - see <https://www.westofengland-ca.gov.uk/what-we-do/employment-skills/skills-bootcamps/>

Financial, Business and Professional Services

Headline jobs

Insurance

- 1,600 jobs in 2022; lost 100 jobs since 2015 (-5.9% vs +1.5% in GB)
- Moderate specialism – LQ of 1.4

Banking & financial services (except insurance)

- 8,400 jobs in 2022; gained 1,000 jobs since 2015 (+12.9% vs +17.3% in GB)
- Significant specialism – LQ of 3.2

Breakdown of jobs:

- **Insurance**
 - Insurance 1,000 jobs
 - Activities auxiliary to insurance and pension funding 600 jobs
- **Banking & financial services (except insurance)**
 - Monetary intermediation: 7,000 jobs
 - Other financial service activities, except insurance and pension funding: 650 jobs
 - Activities auxiliary to financial services, except insurance and pension funding: 550 jobs
 - Activities auxiliary to insurance and pension funding: 600 jobs

Significant detailed specialisms**Table A1.3 Detailed Industrial Specialisms and 5-digit SIC Level**

Sector (5-digit SIC definition)	LQ	Jobs	Growth 15-22	% Growth
64192: Building societies	53.6	7,000	1,500	27.3%
65120: Non-life insurance	5.2	1,000	955	2122.2%
66290: Other activities auxiliary to insurance and pension funding	2.2	500	75	17.6%

Source: Business Register and Employment Survey, ONS

Notable firms in Swindon

- Zurich Insurance

- Nationwide
- Tata Consultancy Services
- Accenture
- IBM

Economic forecasts

A1.27 For the Financial & business services over the period 2025-2050

Cambridge Econometrics forecasts that:

- Employment will increase by 4,800 or 12.8%
- GVA will increase by £1.3 billion or 31.5%

Oxford Economics forecasts for 2025-2050 that:

- Employment in Financial and insurance will increase by 500 or 3.8%
- Employment in Real estate activities will not change
- Employment in Professional, scientific and tech will increase by 1,600 or 13.8%

Future outlook and skills need

A1.28 Financial and insurance services in the UK and elsewhere are recovering from the Covid-19 pandemic. The global market for financial services was estimated at US\$ 20.5 trillion in 2020, with the forecasted growth rate to be CAGR 6% for the period of 2021- 25

A1.29 As COVID-19 heaps pressure on revenue growth and increases credit losses, navigating this near-zero rate environment will be even more difficult. Banks will therefore need to transform their cost base while still providing positive customer and employee outcomes.

- A1.30 In the absence of opportunities to substantively improve the top line, cost reduction is the only lever available to improve financial performance. Banking is set to be transformed by digital technologies and services, new forms of lending (e.g. Fintech), and an environment of credit losses and stagnant lending growth.
- A1.31 The insurance industry has been hit by COVID-19-related claims from business disruption, travel disruption, ill-health and increased mortality. Furthermore, insurers' capital strength will suffer as a result of falling asset values.
- A1.32 Consumer demand has also changed, with a significant increase in support services for health insurance. Against a challenging backdrop of lower earnings, as well as an increase in claims, insurers will have to focus on transforming and digitising their operating models to build in flexibility, agility and new income streams.
- A1.33 Therefore, the development and integration of technology through fintech, payment processing and AI will continue to shape banking and insurance services in the future.

Skills and training pathways

- A1.34 The skills implications are:
- A1.35 IT, digital, data and AI skills continue to be in demand: Continued transition into technology-led customer services, services and efficiencies

Banking

- A1.36 The banking industry encompasses a variety of different banking jobs, with banks looking for economists, marketing professionals, investment bankers, statisticians, HR professionals, financial analysts, financial advisors and more. Different qualifications are necessary for different roles.

A1.37 The Chartered Banker Institute offers a range of courses, and accreditations including:

- Professional Banker Certificate
- Certificate in Digital & AI Evolution in Banking
- Advanced Diploma in Banking and Leadership in a Digital Age
- Chartered Banker by Experience
- Certificate in Green and Sustainable Finance
- Diploma in Green and Sustainable Finance
- Certificate in Climate Risk
- Certificate in Complaint Handling
- Professional Banker Diploma
- Associate Chartered Banker Diploma
- Certificate in Professionalism and Ethics
- Certificate in Bank Risk Management
- Certificate in Commercial Lending
- Certificate in Bank Strategy, Operations and Technology
- Certificate in Personal and Private Banking
- Associate Chartered Banker

Insurance

A1.38 There are various career paths you can choose to take in this sector which all require different levels of education and training. There are many career

opportunities and roles in Insurance with some only requiring a high school education and others needing a degree. Getting into insurance is possible at any level of education as there are many apprenticeships and qualifications such as the ones the [Chartered Insurance Institute](#) (CII) offers. Specialisms include:

- Claims Adjuster
- Insurance Sales Agent
- Insurance Technician
- Insurance Broker
- Risk Surveyor
- Underwriter
- Catastrophe Modeller
- Insurance Loss Adjuster

Accounting

- A1.39 The AAT qualification is typically the minimum level expected of an accountant, but to ultimately become a chartered accountant, progression to ACCA, ACA or CIMA qualifications is required.
- A1.40 Although many accountants hold a university degree, it's often desirable rather than essential. Even if it is a prerequisite for a role, the degree can usually be in any subject. Whilst maths and economics at A-level followed by an [accounting and finance degree](#) may be advantageous, individuals can still get the accountancy qualifications and skills needed from professional bodies that provide courses for students and workers at all levels.

A1.41 The most popular accountant qualifications from the industry's leading professional bodies:

- AAT (Association of Accounting Technicians) - made up of four qualifications across three levels (Levels 2-4), [AAT accounting courses](#) combine industry knowledge and practical work skills.
- ACCA (Association of Chartered Certified Accountants) - [ACCA qualifications](#) comprise two levels: Fundamentals and Professionals. The modules cover a variety of topics from corporate and business law to audit and assurance.
- AIA (The Association of International Accountants) - by completing the [AIA professional qualification](#), their highest award, you can achieve qualified accountant status and become a member of this global organisation.
- ICAEW (Institute of Chartered Accountants in England and Wales) - also referred to as the ACA, the [ICAEW chartered accountant qualification](#) consists of 450 days of practical work experience and the completion of 15 exam modules.
- CIMA (Chartered Institute of Management Accountants) - for a career in management accounting, you can study towards the widely recognised [CIMA professional qualification](#) and CGMA (Chartered Global Management Accountant) designation, which requires you to have already achieved the postgraduate-level CIMA Certificate in Business Accounting (Cert BA).

Legal

A1.42 There are several routes into working in the legal industry and professions:

- Non-law degree: Lawyers don't have to study law at university. A non-law degree can be followed by a law conversion course or non-law specific SQE preparation.
- Law degree: The [qualifying law degree](#), or LLB, covers seven compulsory subjects: public, criminal, contract, tort, property, equity and trusts, and EU law.
- Law conversion: A law conversion course packs the key learning of a law degree into one year (if studying full time). Following the introduction of the SQE, a law conversion isn't required to become a solicitor.
- Bar course: The mandatory stage of training to become a barrister that follows your law degree or law conversion course. There are a range of options at different law schools, serving different learning styles and budgets.
- SQE: The SQE is the assessment you must pass to qualify as a solicitor. To qualify through the SQE, you'll need a university degree (law or non-law), to pass the SQE1 and SQE2 exams, pass the SRA's character and suitability assessment and have completed two years' QWE.
- SQE preparation courses: It isn't mandatory to complete an SQE preparation course before taking the SQE, but it's advised. There are a range of SQE preparation courses for law and non-law graduates, differing in length, price and content. You can search SQE preparation courses via LCN's course search tool.
- Pupillage: Pupillage is a compulsory, year-long period of on-the-job training before qualification as a barrister.
- QWE: [Qualifying work experience](#) (QWE) (which can take place in the form of a two-year training contract or an apprenticeship) is a period of paid training before qualification as a solicitor. QWE can be completed in up to four separate placements taking place before, during and after the

SQE study. That said, many law firms prefer to train their future lawyers themselves.

- **Barrister:** Barristers offer advice on specific legal issues and represent clients in court.
- **Solicitor:** Solicitors give advice and assistance on matters of law; they're the first point of contact for those seeking legal advice and representation.
- **CILEX chartered legal executive:** A chartered legal executive is a qualified lawyer (although not a solicitor) who's trained to specialise as an expert in a particular area of law. The CILEX Professional Qualification provides three outcomes: CILEX Paralegal, CILEX Advanced Paralegal and CILEX Lawyer.
- **Intermediate legal and paralegal apprenticeships:** A legal apprentice starts their career straight from school. You receive paid on-the-job training in legal and commercial skills, and professional conduct. For more on the different types of apprenticeship, read [The Law Apprenticeships Guide](#).
- **Solicitor apprenticeship:** The solicitor apprenticeship is a six-year programme of paid training, integrating a law degree, which ends in qualification as a solicitor. The entry requirements are usually five GCSEs graded 9 to 4 and three A levels (grade requirements vary), or equivalent work experience. Solicitor apprentices must pass the SQE to qualify.
- **Graduate solicitor apprenticeship:** The graduate solicitor apprenticeship is a new addition to the growing ways to qualify as a solicitor. It's designed for candidates with a qualifying law degree (or equivalent qualification) and non-law graduates who've completed a conversion course and can take between two to three years to complete. It works similarly to the traditional training contract and involves on-the-job training and preparation for the SQE assessments.

- Paralegals: Paralegals have traditionally worked as support staff, but in practice, many experienced paralegals do the same work as solicitors. Paralegal roles provide a good route into the profession for students and graduates, either as valuable work experience before applying for a training contract or as a way to gain QWE as part of the SQE.

Local provision

A1.43 New College Swindon offers courses in:

- Business, accounting and finance; Computing and IT
- T Levels: Accounting, Digital Business Services, Finance, Management and Administration
- Skills bootcamps have been available nationally, and regionally in a variety of subjects relating to Transport management - see <https://www.westofengland-ca.gov.uk/what-we-do/employment-skills/skills-bootcamps/>

Computing, IT, digital and data

Headline jobs

- 2,200 jobs in 2022; lost 1,900 jobs since 2015 (-46.9% vs +19.6% in GB)
- Under represented: LQ of 0.5

Breakdown of jobs:

- Computer programming, consultancy and related activities: 1,800

Significant detailed specialisms

- There is no significant specialism in terms of LQ values at the 5-digit SIC level for Computing, IT, digital and data.

Notable firms in Swindon

- Intel Corporation
- Tata Consultancy Services
- IBM

Economic forecasts

A1.44 For the Information & communications over the period 2025-2050:

Cambridge Econometrics forecasts

- Employment will increase by 200 or 5.5%
- GVA will increase by £53 million or 23.4%

Oxford Economics forecasts that:

- Employment will increase by 100 or 4.3%

Future outlook and skills need

A1.45 There are several aspects worth noting:

A1.46 Rapid digital transformation during the Covid-19 pandemic and beyond has placed IT, digital, programming and STEM skills in high demand. This is particularly significant for organisations seeking to catch up and implement digital transformation.

A1.47 The Internet of Things (IoT) is forecast to continue to grow and is at the heart of smart systems in the future.

A1.48 Cloud computing continues to grow, and the UK is among the leading countries in the cloud computing market. Some of the leading global companies in the cloud computing market are Google, Amazon Web services,

Microsoft Azure, IBM Cloud, Alibaba Cloud, Salesforce, SAP, VMWare, and Oracle.

- A1.49 5G is the 5th generation of mobile data networking. In the UK, roll-out has been slowed down due to the removal of Huawei equipment from the entire implementation. This is expected to push back the 5G services in the UK by almost 3 years. Some of the leading global 5G equipment and services companies are AT&T, China Mobile, Verizon, BT Group, Vodafone, Telstra, Telefonica, KT (South Korea), Rogers, T-Mobile China Telecom Orange S.A, NTT Docomo, Reliance Jio, Rakuten, Huawei, LG, Qualcomm, Nokia, ZTE, Verizon, and Cisco.
- A1.50 Cyber security continues to grow. Some of the leading global companies are McAfee, Palo Alto Networks, Darktrace, SecureLink, Nuance, Polychain Labs, LogRhythm, ThreatLocker, Red Sift, Hack the Box, and Generalli Global Assistance.
- A1.51 A key aspect of the IT and digital industry is the way that technology is being deployed across other industries, such as financial services (fintech), energy (smart systems), transportation and logistics (smart logistics), and manufacturing (Industry 4.0).

Skills and training pathways

- A1.52 There are many career pathways in IT and digital, including:
- Web development
 - Hardware engineering
 - Software development
 - Cybersecurity

- Computer-generated imagery (CGI)
- Cloud computing
- Artificial Intelligence (AI)
- Robotics
- Network Administration
- Sales and marketing

A1.53 Entry-level IT certifications are commonly required or sought by employers and include:

- CompTIA A+
- Cisco Certified Network Associate (CCNA)
- CompTIA Security+
- Microsoft Fundamentals
- Amazon Web Services (AWS) Cloud Practitioner
- CompTIA IT Fundamentals (ITF+)
- CompTIA Network+
- GIAC Information Security Fundamentals (GISF)
- Google Cloud Digital Leader
- Certified Associate in Project Management (CAPM)

A1.54 T Levels (national) have been developed for:

- Digital Business Services

- Digital Production, Design and Development
- Digital Support Services

Local provision

- A1.55 There were 52 exam entries in computing and digital in 2022/23 and 278 entries in STEM subjects at New College Swindon which offers courses in:
- Computing and IT, Media and Digital
 - T Levels: Accounting, Digital Business Services, Digital Production, Design & Development
- A1.56 There were 110 apprenticeship starts and 40 achievements in Information and Communication Technology subjects in 2022/23. Relevant HE courses cover a wide range of subjects including:
- Computing, computer science, software engineering
 - Sciences – physics, applied physics, chemistry
 - Electronics, Electrical engineering
 - Information systems
 - Maths
 - Skills boot camps have been available nationally, and regionally in a variety of subjects relating to IT and digital subsectors. See <https://www.westofengland-ca.gov.uk/what-we-do/employment-skills/skills-bootcamps/>

Cleantech / Green Industries

Headline jobs

A1.57 The five most at-risk sectors for climate change (excluding agriculture as it has almost negligible employment in the borough) are:

- Manufacturing: LQ of 0.8, employed 6,500 in 2022, contracted by -3,500 (-35.0%) between 2015-22.
- Electricity, gas, steam and air conditioning supply: LQ of 0.6, employed 300 in 2022, negligible growth since 2015.
- Water supply; sewerage, waste management and remediation activities: LQ of 2.4, employed 2,000 in 2022, grew by +400 (23.1%) between 2015 and 2018.
- Construction: LQ of 0.8, employed 4,300 in 2022, grew by +500 (+13.3%) between 2015 and 2022
- Transportation and storage: LQ of 2.1, employed 11,500 in 2022, grew by +2,000 (+21.1%) between 2015 and 2022

Significant detailed specialisms that relate to green sectors

Table A1.4 Detailed Industrial Specialisms and 5-digit SIC Level

Sector (5-digit SIC definition)	LQ	Jobs	Growth 15-22	% Growth
27320: Manufacture of other electronic and electric wires and cables	25.7	700	-150	-17.6%
28250: Manufacture of non-domestic cooling and ventilation equipment	3.2	300	25	11.1%
29320: Manufacture of other parts and accessories for motor vehicles	2.2	400	-900	-72.0%
37000: Sewerage	10.4	1,000	200	25.0%
38110: Collection of non-hazardous waste	3.1	900	300	50.0%
49100: Passenger rail transport, interurban	3.8	700	100	16.7%
49319: Urban, suburban or metropolitan area passenger land transport other than railway transportation by underground, metro and similar systems	1.4	500	-100	-16.7%
52219: Other service activities incidental to land transportation, nec (not including operation of rail freight terminals, passenger facilities at railway stations or passenger facilities at bus and coach stations)	3.3	1,000	-50	-5.0%
71121: Engineering design activities for industrial process and production	1.7	400	-150	-27.3%
72190: Other research and experimental development on natural sciences and engineering	5.6	3,000	1,875	166.7%

Source: Business Register and Employment Survey, ONS

Notable firms in Swindon

- Network Rail
- CCm Technologies
- Recycling Technologies

Future outlook and skills need

A1.58 The first key point is that green industries are incredibly diverse – and include sectors and activities such as:

- Energy – wind, tidal, solar, hydrogen, alternative fuels, bioenergy, electrification
- Transport
- Carbon capture, storage and mitigation
- Construction and retrofit
- Smart systems for homes and infrastructure
- Zero carbon logistics
- Digital connectivity
- Circular economy, repair, reuse
- Industrial transformation and new industrial processes
- Sustainable food and agriculture
- Biodiversity and reforestation

A1.59 Many green subsectors require and are significantly enabled by:

- Digitalisation, data, analytics and smart systems skills
- STEM skills
- Science, manufacturing and engineering skills
- Trade skills in relation to building new green infrastructure

A1.60 In terms of medium-term opportunities and challenges, the following green industries merit consideration:

- Renewable electricity generation: The UK is among the top 5 countries in terms of electricity generation using renewable sources or green sources.
- Smart grids: the integration of digital technologies in power distribution and management which enables a two-way ‘communication’ between the system and the user. The smart grid market and adoption across the UK is also high, with the country’s UK Power Networks positioned at the top of the list of 85 utility companies globally in 2020. Some of the leading smart grid companies are ABB Ltd, Landis+Gyr, Intron, Cisco, Oracle, Siemens AG, Schneider Electric, IBM, Wipro, Infosys, Nextgrid, and Fujitsu.
- Agriculture: In the UK, the agri-food sector accounted for a total estimated GVA of £120 billion, or 6.3% of the total, employing 4 million. In the UK, 72% of land is utilised for agriculture, with 476,000 employed. The UK’s Agriculture sector is being buffeted by a range of acute challenges including Brexit, cost inflation, climate change and changes to government taxation policies.
- Environmental services: being driven by regulatory changes and the climate change transition.

Skills Pathways

A1.61 Some examples of existing courses and skills pathways are described in the table below. These include energy, transport, carbon capture, construction and electronics.

Table A1.5 Examples of courses and skills pathways linked to the climate transition

Theme	Examples of courses and skills pathways
Energy – wind, tidal, solar, hydrogen, alternative fuels, bioenergy, electrification	Renewable Energy Institute Courses on Wind Power, Renewable Energy Management & Finance, Hydrogen Power, Renewable Energy Consultant Expert Certificate, Solar Photovoltaic, Carbon Finance, Wind Power, Energy Storage, Solar Water Heating, Combined Heat and Power, Electrics for Renewables, Heat Pumps, Biomass
Transport	City & Guilds 2921-31 Electric Vehicle Charging Domestic / Commercial installations EV technician and maintenance courses
Carbon capture, storage and mitigation	Renewable Energy Institute Course Carbon Capture and Storage
Construction and retrofit	Retrofit academy courses on Retrofit 101, Understanding Domestic Retrofit, domestic retrofit advice, energy efficiency for older and traditional buildings, domestic retrofit assessment, retrofit coordination on risk management.
Smart systems for homes and infrastructure	CEDIA Smart Home Technician Essential Skills, Smart Home Technician Further Skills

A1.62 Generic skills for climate change include those concerned with the electrification of the energy system. These include:

- Electrician, electrical engineer career pathways

- Structural engineering
- Welding
- T Levels (National)
- Building Services Engineering for Construction
- Design, Surveying and Planning for Construction
- Agriculture, Land Management and Production

Local provision

A1.63 There were 16 exam entries in Trade subjects in 2022/23 at New College Swindon. It offers courses in:

- Construction trades; Electrical installation, Applied science
- T-levels: Design, surveying and planning for construction; Science

A1.64 In 2022/23 there were 100 Apprenticeship starts and 30 achievements in Construction, Planning and the Built Environment. There is a wide range of HE courses in relevant subjects including:

- Computing, computer science, software engineering
- Sciences – physics, applied physics, chemistry
- Electronics, Electrical engineering
- Information systems
- Maths
- Energy engineering
- Earth sciences
- Renewable or sustainable energy

- Construction and construction management
- Civil engineering
- Architecture
- Surveying

A1.65 Other courses are available in:

- EV maintenance
- Installation of EV charging
- Heat pump engineer and installer
- Building services engineering
- Retrofit assessor; Retrofit installer

A1.66 Skills boot camps have been available nationally, and regionally in a variety of subjects relating to green subsectors – for example,

<https://www.westofengland-ca.gov.uk/what-we-do/employment-skills/skills-bootcamps/green-skills/>

A1.67 More detailed skills pathways are described in sources such as:

- Retrofit
- [City & Guilds](#)
- <https://retrofitskills.org/>
- [Energy Trust](#)