

Appendix 4: Economic Policy Review

December 2016

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Introduction

This document forms Appendix 4 to the Swindon and Wiltshire Functional Economic Market Area Assessment. It summarises the key points of the relevant policy documents for the Swindon and Wiltshire LEP area since 2007. The reports included are:

- Swindon and Wiltshire Strategic Economic Plan 2015-2026
- Swindon and Wiltshire LEP Strategic Economic Plan 2012-2026
- Wiltshire Core Strategy 2006-2026
- Wiltshire Workspace & Employment Land Review 2011-2026
- Swindon Borough Local Plan 2006-2026
- Swindon Core Strategy: Economic Testing
- Economic Strategy for Swindon 2012-2026
- Swindon Workplace Strategy and Delivery Plan
- Swindon Employment Land Review 2007

These reports were assessed for their findings on the following issues:

- Scale and ambition of growth
- Key sectors identified
- Employment land requirements
- SWOT factors
- Functional economic geography
- Infrastructure changes

The views presented in this summary are presented as found in each report. Any notes provided by HJA for the reader's benefit are provided in brackets.

1 Swindon and Wiltshire Strategic Economic Plan (DRAFT 2015-2026)

| Date published | Commissioned by | Written by |
|----------------------|-------------------------|-------------------------|
| January 2016 (Draft) | Swindon & Wiltshire LEP | Swindon & Wiltshire LEP |

1.1 Scale and ambition for growth

- Increase the employment rate to 80%. This target is the same as the 2014 SEP. For the year to June 2015, the employment rate stood at 78.6%.
- Sustain the number of patents granted per 100,000 population. Between October 2014 and October 2015, 670 patents were granted to businesses based in Swindon and Wiltshire, which is 95.8 per 100,000 population.
- Increase the proportion of the workforce (resident and non-resident) with a Level 4+ qualification from 33% to 52%.
- Improve young people's attainment at 16 and 19 to beyond the national average. GCSE attainment levels between 2011 and 2015 have remained relatively static across Swindon and Wiltshire whereas they actually fell across England. By 2014, 85.4% of 19 years olds in England had achieved a Level 2 qualification; in Wiltshire this stood at 86.1% and 83.3% in Swindon; and
- Ensure 100% superfast broadband coverage across the area including all strategic sites. Work is underway to improve access to broadband across Swindon and Wiltshire. By March 2016, phase 1 of the Wiltshire Online programme will be complete and will deliver superfast broadband to 91% of premises.

1.2 Key sectors

Priority sectors:

- Advanced Engineering and Manufacturing;
- Health and Life Science;
- Financial and Professional Services;
- Digital and ICT; and
- Land Based Industries.

Sectors to watch:

- Visitor Economy;
- Adult Health and Social Care;
- Low Carbon Economy; and
- Construction.

[Note: 'Priority' sectors will receive specific support to exploit the potential for high-value, high-skilled growth and smart specialisation. 'Sectors to watch' are not necessarily driven by innovation, and may not experience high growth or support high-skilled employment, but because of their importance to the Swindon and Wiltshire economy, they will be monitored for any changes.]

1.3 SWOT factors

Strengths

- Central southern location with geographic proximity to major economic centres (including London), key airports, and coastal ports;
- Knowledge based economy with clusters in Life Sciences, Advanced Manufacturing, Financial and Professional Services, Digital and ICT, and Land Based Industries;
- Rural economy with attractive landscape, heritage, and visitor attractions;
- Military presence;
- Strong small and medium sized enterprise (SME) growth with high levels of innovation and business survival;
- Vibrant economy with a skilled workforce and low unemployment;
- Rapidly growing population [Note: population growth was rapid between 2001 and 2011 census data, but since 2010 population growth has returned to the national average];
- Good business survival rates.

Weaknesses

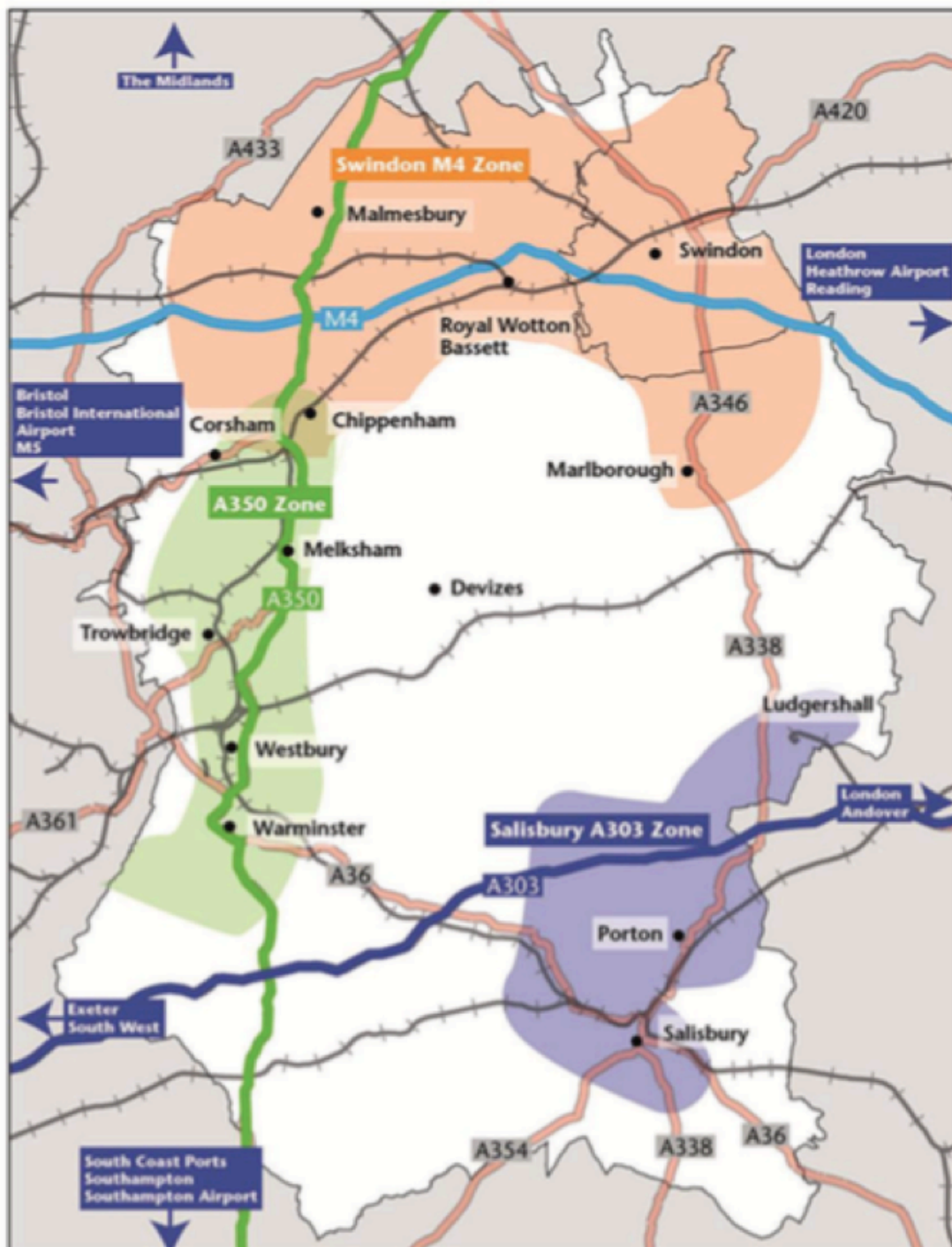
- Declining competitiveness. SWLEP saw GVA growth of just 50% from 2001-2013 compared to the national average of +61.6% GVA.
- Youth unemployment. In October 2015, 16-24 made up 25.4% of the claimant count.
- Below national average attainment at 16 and 19, and low HE participation. National average for students with A level or a level 3 qualification moving into HE is 58% - figure for Wiltshire is 54% and Swindon is 35%. The lack of HE provision in the area causes a drain on the section of the population who do choose to study further, and often those who do leave don't return to the area.
- Low rates of business formation.
- Transport infrastructure, especially north-south connectivity, is not adequate to support expansion plans.

Opportunities

- Become a hub for innovation.
- Exploit potential to attract further inward investment and support the development of SMEs in high value sectors to balance growth in the South East;
- Extend reputation as a hub for specialist sectors in Life Sciences, Advanced Manufacturing; Financial and Professional Services; Digital and ICT, and Land Based Industries.
- Rapid population growth [I would question this claim]; and
- Strong jobs growth forecasted - according to econometric forecasts in the 2013 Local Economic Assessment (summarised elsewhere), 30,000 additional jobs are forecast between 2010 and 2020 across Swindon and Wiltshire, twice the rate of growth predicted nationally owing to good representation in sectors predicted to perform well, such as Professional Services.

1.4 Functional economic geography

- SWLEP have defined three Growth Zones where there are currently large agglomerations of economic activity and where there is the greatest capacity for supporting sustainable growth in the future:
 - Swindon M4 Growth Zone
 - A350 Growth Zone
 - Salisbury A303 Zone



- Chippenham is included in both the Swindon-M4 Growth Zone and the A350 Growth Zone as a pivotal location in the development of both the M4 and A350 economic corridors.
- Its inclusion in the Swindon M4 Growth Zone is important as it offers the potential to extend growth into the area that has developed out of London through to Reading and Swindon; as well as the potential to draw in investment from the west out of Bristol and Bath through the development potential at Junction 17.
- It is an important link in the A350 Corridor with conditions that promote business development and creating clusters of like-minded businesses, which extends from Malmesbury to the north and Warminster to the south.

2 Swindon and Wiltshire LEP Strategic Economic Plan (2012-2026)

| Date published | Commissioned by | Written by |
|----------------|-------------------------|-------------------------|
| March 2014 | Swindon & Wiltshire LEP | Swindon & Wiltshire LEP |

2.1 Scale and ambition for growth

- Delivery of 40,600 jobs.
- Estimated additional £3 billion GVA.
- Raise the employment rate to its pre-recession level (from 74.7% to 80%);
- Sustain the proportion of businesses applying for patents at twice the national average;
- Increase the proportion of the workforce (resident and non-resident) with a degree level qualification from 33.6% today to 52%, equivalent to 83,000 more people with a Level 4 and above qualification;
- Improve young people's attainment at 16 and 19 including in English and Maths to beyond the national average; and
- Ensure 100% superfast broadband coverage across the area including all strategic sites.

2.2 Key sectors

- Advanced engineering and manufacturing;
- Military and defence;
- Health and Life Sciences;
- Information economy – including digital industries and information technology;
- Professional and business services;
- Tourism; and
- Land-Based industries including food.

2.3 Infrastructure changes and employment land requirements

SEP investment programme to deliver 318ha of employment land:

- | | |
|--|---|
| • Swindon Town Centre Bus Exchange: 5ha | • Chippenham Transport Package: 16ha |
| • Swindon Town Centre Railway Crossing: 13ha | • A350 Chippenham bypass improvements: 14ha |
| • Wichelstowe: 13ha | • Melksham Growth Strategy: 10ha |
| • Eastern Villages: 40ha | • A350 West Ashton improvements: 14.7ha |
| • Corsham A4 access: 10ha | • Trowbridge Transport Package: 12ha |
| • Corsham Digital Community: 50ha | • Military Towns: 47.5ha |
| • Corsham Rail Station: 6ha | • Porton Science Park: 8ha |
| • Corsham: 3.5ha | • Salisbury Transport Package: 24ha |
| • Chippenham Langley Park: 3ha | • Salisbury Churchfields: 7ha |

2.4 SWOT factors

The following figure shows the SWOT analysis included in the report:

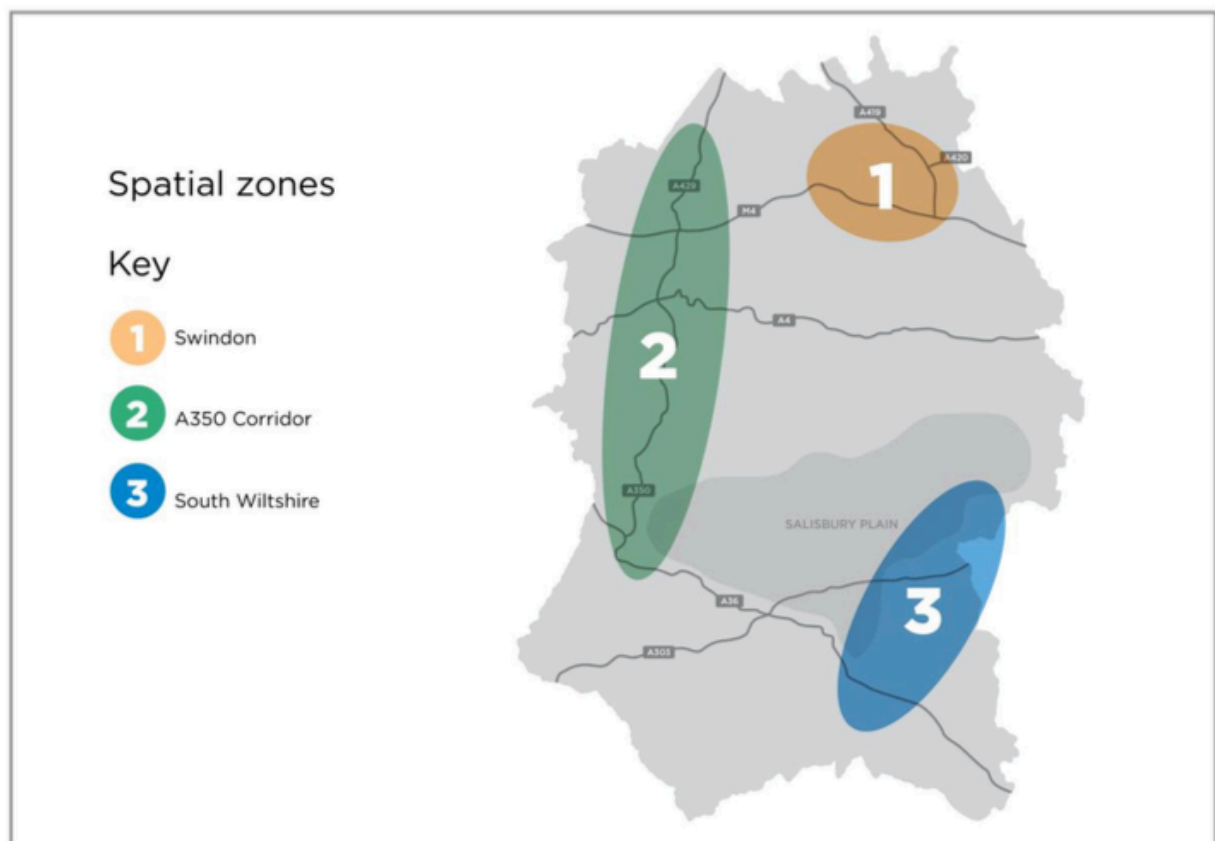
| Strengths | Opportunities |
|--|---|
| <ul style="list-style-type: none"> • Innovative, globally significant firms in UK priority sectors. • Largest Military presence in the UK and large innovative Defence sector. • Internationally significant tourist attractions. • High quality natural environment / Areas of Outstanding Natural Beauty. • High productivity in Swindon. • High proportion of workers employed in the knowledge economy, especially business and professional services. • Innovation - high patent registrations per capita / high % of business turnover invested in innovation. • Good business survival rates. • Large high tech manufacturing/engineering sector. • Cost competitive location (commercial rents and house prices) relative to competing Greater South East locations. • Strong track record attracting FDI. • High and rising number of Apprenticeship starts. • Employment rate above UK average. • Unemployment rates below UK average. • Relatively low rates of long-term unemployment. • Population growth above national average since 2001. • Connections to the M4 corridor. | <ul style="list-style-type: none"> • Military – ‘Super Garrison’ at Salisbury Plain. Basil Hill at Corsham, Defence College of Technical Training at Lyneham. • Army-rebasing – 4,000 additional personnel. • Life sciences cluster around Porton Science Park. • ‘Big data’/ICT infrastructure at Corsham. • Expansion of advanced manufacturing in M4 Corridor. • Large urban expansions planned in Swindon, Chippenham, Trowbridge and Salisbury. • Low carbon economy – a focus for the planned Bath University research park. • Major expansion of Dyson and planned capital investment by other major businesses. • Growth Hub proposals to simplify business support. • Strong employment growth forecast, especially in professional services. • Leisure sector in Swindon Town Centre. • Proposed multi-campus University model. • University Technology Colleges opening shortly. • Major construction projects, e.g. Defence Technical College and Swindon Town Centre regeneration plans. • SME supply chain opportunities from large firms and Defence sector. • Electrification of the railway line between London and Bristol. |
| Weaknesses | Threats |
| <ul style="list-style-type: none"> • Low proportion of population in Swindon with higher level skills. • Low rates of participation in Higher Education in Swindon. • Low productivity in Wiltshire. • Limited University presence. • Below average attainment levels at GCSE. • High % of firms reporting skills gaps. • High % of firms reporting young people poorly prepared for work. • Average business start-up rate. • Fragmented business support offer. • Image of Swindon Town Centre. • North-South transport links. • High levels of out-commuting in Wiltshire. • Pockets of deprivation. | <ul style="list-style-type: none"> • Declining competitiveness. • Lack of housing, employment and learning opportunities for Service Leavers and their dependants. • Congestion and capacity issues on the strategic road network. • High proportion of employment in the public sector in Wiltshire. • Growing demand for graduates/skilled labour but low Higher Education participation rates in some areas. • Connectivity improvements to London (e.g. Crossrail, HS2) at competitor locations. • Ageing population, especially in rural areas. • Increase in youth unemployment post-recession. • Decline in employment rate since the recession, particularly in Swindon. • Decline in FDI enquiries. |

2.5 Functional economic geography

SWLEP has defined three Growth Zones. They are:

- Swindon – where the Growth Deal will focus on the Town Centre, Wichelstowe and the New Eastern Villages;
- A350 Corridor – where the Growth Deal will focus on supporting growth around Malmesbury, Corsham, Chippenham, Melksham and Trowbridge;
- South Wiltshire – focusing on Porton, Salisbury and the Garrison Towns.

The zones are laid out in the figure below.



Swindon

- Swindon is served by strategic road and rail links. The Great Western mainline provides fast and frequent connections to London, Reading, Bristol and South Wales. Oxford, with its cluster of innovative firms, is 30 miles away and the A419 provides a key link to Gloucestershire, the M5 and the West Midlands.

A350 Corridor

- The A350 is a key economic artery in Wiltshire incorporating the towns of Chippenham, Corsham, Melksham, Trowbridge, Westbury and Warminster. Malmesbury is also linked by the A429 to Junction 17 from the north and included in the zone. With a population and economic output equivalent to

Swindon (£3.4bn in GVA), the area is home to many of Wiltshire's most important businesses, with 60% of the 'Wiltshire 100' in the corridor including Siemens, Herman Miller, and Knorr Bremse.

- In the last year, jobs were created in the zone at a rate three times faster than the rest of Wiltshire. In addition there is significant MOD presence at Corsham and Warminster, and around 2,500 Military personnel stationed in the area, 17% of the total.

South Wiltshire

- The South Wiltshire zone is home to 113,750 people, with around 51,500 employees employed by just over 4,900 businesses. It generates a total GVA of around £2.1bn, equivalent to 15% of the LEP's GVA.
- The main sources of employment in the zone are Health, Professional, Scientific and Technical, Military, and, Accommodation and Food, which gives it quite a different profile from the other LEP growth zones. The zone has particular strengths in the Health and Life Sciences, where it accounts for more than 1 in 2 jobs in the sector across the LEP, and the Military sector, where Army Rebasing in the Salisbury Plain area will positively impact on communities and the local economy.

3 Wiltshire Core Strategy (2015)

| Date published | Commissioned by | Written by |
|----------------|-------------------|-------------------|
| January 2015 | Wiltshire Council | Wiltshire Council |

3.1 Scale and ambition for growth

The strategy makes provision for the growth of around 27,500 jobs and at least 42,000 new homes from 2006 to 2026.

3.2 Key sectors

- Advanced engineering and manufacturing;
- Business services;
- Bioscience;
- Environmental technologies;
- Food and drink;
- ICT and creative industries;
- Agriculture and land-based industries; and
- Tourism.

3.3 Employment land requirements

The 178ha of new strategic employment land will be provided by a combination of the following types of sites:

- New strategic employment allocations;
- Provision of employment land as part of mixed use urban extensions; and
- Retained Local/District Plan allocations for employment land.

Additional employment land is earmarked for the following locations:

- Churchfields & Engine Sheds – 5ha
- Former Imerys Quarry, Salisbury – 4ha
- Fugglestone Red, Salisbury – 8ha
- Horton Road, Devizes – 8.4ha
- Nurstead Road, Devizes – 1.5ha
- Kingston Farm and Moulton Estate, Bradford-on-Avon – 3ha
- Longhedge (Old Sarum), Salisbury – 8ha
- Mill Lane, Hawkeridge – 14.7ha
- North Acre Industrial Estate – 3.8ha
- Ashton Park, Trowbridge – 15ha
- West Ashton Road, Trowbridge – 10ha
- UKLF, Wilton – 3ha
- West of Warminster – 6ha
- Boscombe Down – 7ha
- Porton Down – 10ha
- Land East of Beversbrook – 3.2ha
- Land north of Tetbury Hill, Malmesbury – 1ha
- Land at Garden Centre, Malmesbury – 4ha
- Hampton Business Park – 6ha
- E12 land at Mere – 3ha
- Land at Malborough Road, Pewsey – 1.66ha
- Land to the West of Templars Way, Royal Wootton Bassett – 3.7ha
- Brickworks, Purton – 1ha
- Land north of Tidworth Road, Tidworth – 12ha
- Hindon Lane, Tisbury – 1.4ha
- West Warminster Urban Extension – 6ha

3.4 Functional economic geography

- The city of Salisbury serves a large surrounding rural area. Due to Stonehenge it is a popular tourist destination.
- Trowbridge plays a role as an employment, administration and service centre for the west Wiltshire area, and has good transport links to many nearby settlements, including Bath and Bristol.
- Chippenham is a focus for employment growth due to its proximity and good access to the M4 and rail links. It has direct transport links with Swindon, Bath, Bristol and London.
- Wiltshire has relationships with the surrounding large urban centres of Bath, Bristol, Swindon and Southampton, and lies within 115 miles of London. The larger centres provide a wider range of employment, leisure, and cultural opportunities than can be found across Wiltshire, and result in out-commuting of Wiltshire's residents for work and leisure activities.
- Evidence also identifies that in some instances workers are commuting into Wiltshire, whilst residing in larger centres such as Bristol and Southampton and this could be due to cheaper housing and enhanced leisure facilities providing a greater draw.
- The air and seaports related to these settlements are also widely used by Wiltshire residents.
- Wiltshire has net out-commuting flows to several employment centres beyond the county boundary.
- Evidence suggests that pay differentials are a major driver meaning that higher earners commute out of the county to work.
- Out-commuting may have some beneficial effect on the local economy through income earned outside the area being spent in Wiltshire, but this is far outweighed by the negative impacts on sustainability.

3.5 Infrastructure changes

- The A350 national primary route at Yarnbrook/West Ashton will be improved.

Chippenham

- Bath Road Car Park/Bridge Centre Site - to form a retail extension to the town centre to provide a supermarket and comparison units.
- Langley Park - to deliver a mixed-use site solution for a key redevelopment opportunity area to support the retention of significant business uses on part of the site.

Melksham

- The proposed Melksham link project would provide a canal link to the south west of Melksham between the Kennet and Avon Canal and the River Avon, and to the north east of Melksham between the River Avon and the historic alignment of the Wilts and Berks Canal.

Salisbury

- The area around the Maltings, Central Car Park and Library is allocated for a retail-led mixed-use development. It will consist of convenience and comparison shopping, leisure uses, housing, offices, library and cultural quarter. Retail, residential and leisure areas will be linked by open, pedestrianised streets and public spaces.

4 Wiltshire Workspace & Employment Land Review (2011-2026)

| Date published | Commissioned by | Written by |
|----------------|-------------------|----------------------|
| December 2011 | Wiltshire Council | Roger Tym & Partners |

4.1 Employment land requirements

- The report makes the following projections for employment land requirements over the period 2006-2026:

Table 5.6 Requirement for B-space in North and Mid Wiltshire

| Hectares | North/Mid Wiltshire | | | | | |
|-----------------------------------|---------------------|---------|---------|---------|--------------------|---------|
| Term | Expired | Short | Medium | Long | Plan Period Totals | |
| Period | 2006-11 | 2011-16 | 2016-21 | 2021-26 | 2006-26 | 2011-26 |
| B1 (offices) | -2.8 | 5.9 | 12.8 | 11.1 | 27.1 | 29.8 |
| B2 (industrial) | -21.1 | 4.4 | 2.5 | -0.1 | -14.3 | 6.8 |
| B8 (warehousing) | -0.9 | 0.4 | 1.4 | 0.3 | 1.2 | 2.0 |
| Net employment change requirement | -25 | 11 | 17 | 11 | 14 | 39 |
| Frictional requirement | 45 | 45 | 45 | 45 | 45 | 45 |
| Total Requirements | 20 | 56 | 62 | 57 | 59 | 84 |

Source: RTP derived from Cambridge Econometrics (September 2010) and Wiltshire Council (April 2011) *Future Employment Needs in Wiltshire– Employment Floorspace and Land Forecasts*.

- In the short to medium term, supply of light industrial and small warehousing accommodation is likely to be severely restricted because of problems with development viability.
- The demise of public sector funders such as SWRDA and the reduction of the development programme of public-private partnership providers are also likely to restrict a historically important source of new SME accommodation.
- The shortage of readily available land has been raised as a key issue that must be addressed sooner rather than later if existing larger employers are to be retained and new inquiries catered for. Agents and key stakeholders consulted during the course of the study identified a number of businesses that either relocated outside Wiltshire or considered doing so because they could not find suitable land on which to expand their operations.
- Vacancy rates observed at key employment estates are relatively low despite the impact of the recession. It is noted that much of the available stock is either not fit for modern purposes or very bespoke. This situation looks set to continue as little speculative development is being undertaken because achievable rental levels are not high enough to justify up front investment.
- It is of some concern that there is very little available allocated land or sites with extant planning permission in the main settlements of Salisbury, Chippenham and Trowbridge, as well as across all the Community Areas apart from Amesbury. The shortage of available land is particularly apparent on the larger business parks, with relatively few vacant units or remaining development plots. Feedback

indicated that this lack of availability resulted in Wiltshire missing out on a number of larger inward investment inquiries.

- Proportionally higher shares of employment allocations should be given to the primary settlements in Chippenham and Trowbridge. These urban settlements have more scope for meeting objectives such as the alignment of residents with a choice of jobs, linking businesses with infrastructure to support business growth and economic development through generous land allocations, and attracting unforeseen inward investments.
- Trowbridge has an urgent requirement for a considerable quantum of available land in the short term. This looks likely to continue as both the Ashton Park Urban Extension and West Ashton Road sites are unlikely to become available until expensive new road links are established. There is however potential for new allocations at Westbury to cater for land requirements for the area in the short term.
- Based on the site assessments and known demand, it is recommended that all of the existing sites should either be retained as employment sites or redeveloped wholly for new B space or for mixed use including B-space.

Of the existing employment land sites, it is considered that the following sites (totaling 70.5ha) are deliverable in the short term:

- | | |
|--|--|
| • Land at Porton Down, Amesbury – 10ha | • Fugglestone Red, Salisbury – 8ha |
| • Land north of Beaversbrook Farm, Calne – 3.2ha | • Longhenge Old Sarum, Salisbury – 8ha |
| • Land East of Leafield Industrial Estate, Corsham – 3.3ha | • Old Sarum, Salisbury – 6ha remaining |
| • Nurstead Road, Devizes, 1.5ha | • Land north of Tidworth Hill, Tidworth – 12ha |
| • Land North of Tetbury Hill, Malmesbury – 1ha | • Land at Northacre/Brook Lane, Westbury – 3.8ha remaining |
| • Hampton Business Park Extension, Melksham – 4ha | • HQLC, Wilton – 3ha |
| • Land at Mere – 3ha | • Land west of Templars Way, Wootton Bassett – 3.7ha |

In addition to these sites, the following are considered to be developable over the remainder of the LDF period to 2026:

- Imerys Quarry, Salisbury – 4ha
- Old Manor Hospital, Salisbury – 7.8ha
- West Ashton Road, Trowbridge – 12.1ha

The following brownfield sites are considered deliverable as employment land over the course of the plan:

- | | |
|---|---|
| • Showell Farm, Chippenham – 18ha | • Kingston Farm, Bradford-on-Avon – 3ha |
| • Land at Horton Road, Devizes – 8.4ha | • Hill Corner, Chippenham – 2.5ha |
| • West Warminster Urban Extension – 6ha | • Land at south west of Abbeyfield, Chippenham – 1ha |
| • Land at Mill Lane, Hawkeridge – 14.7 | • Land east of Chippenham – 2.5ha |
| | • Ashton Park Urban Extension – 30ha (reduced to 15ha in WCS) |

Two non-allocated sites are identified as having potential for employment use, particularly for B8 occupiers:

- Land off Junction 17
- Land off A350

The sites are flat and few constraints were identified in the course of compiling this report.

- Analysis of requirements against planned supply (above) reveals that there is enough land to meet the required quantum of space identified in Table 5.6. The best sites for commercial attractiveness and deliverability should be prioritized, and the amount of land being planned for should be reduced to avoid reducing viability levels further.
- A common misunderstanding is that because of the recession (with unemployment increasing), planners should be allocating more development land to build more economic floorspace. However in reality, the exact opposite is true. This is because the floorspace vacated in the recession is still available for occupation, and therefore the physical space capacity to employ people has not been taken away. The recession has undermined developer confidence and the vacant space depressed values. Adding further supply by allocating too much new land may only depress values further and undermine market confidence.

5 Review of Employment Projections and Land Requirements in South Wiltshire (2011)

| Date published | Commissioned by | Written by |
|----------------|-------------------|-------------------|
| January 2011 | Wiltshire Council | Wiltshire Council |

5.1 Employment land requirements

- This report covers the area of South Wiltshire, which is not covered in the Wiltshire Workspace & Employment Land Review.
- The report makes the following projections for employment land requirements in South Wiltshire to 2026:

Table 24: South Wiltshire: Additional employment land requirement to 2026

| | Additional floorspace requirement 2006-2026 | Assumption of development density - site coverage | Therefore land space requirement is in sqm | Land requirement in hectares 2006- 2026 |
|----------------------------------|--|--|---|--|
| Business Use Class | | | | |
| B1 Business | 170237 | 70% | 243,196 | 24.3 |
| B2 General industrial | -17088 | 40% - | 42,720 | -4.3 |
| B8 Storage and distribution | -1430 | 40% - | 3,575 | -0.4 |
| Total (all B use classes) | 151719 | | | 20.45 |

Table 26: South Wiltshire: Additional employment land requirement 2011-2016

| | 2011-2016 density - site coverage | Therefore land space requirement is in sqm | Land requirement in hectares 2011- 2016 |
|------------------------------------|---|---|--|
| Business Use Class | | | |
| B1 Business | 31,506 | 70% | 45,007.9 |
| B2 General industrial | 2,272 | 40% | 5,680.0 |
| B8 Storage and distribution | 780 | 40% | 1,950.0 |
| Total (all B use classes) | 34,558 | | 52637.9 |

Table 26: South Wiltshire: Additional employment land requirement 2011-2016

| Business Use Class | 2011-2016 density - site coverage | Therefore land space requirement is in sqm | | Land requirement in hectares 2011 - 2016 |
|------------------------------------|---|---|----------------|---|
| B1 Business | 31,506 | 70% | 45,007.9 | 4.5 |
| B2 General industrial | 2,272 | 40% | 5,680.0 | 0.6 |
| B8 Storage and distribution | 780 | 40% | 1,950.0 | 0.2 |
| Total (all B use classes) | 34,558 | | 52637.9 | 5.3 |

Table 26: South Wiltshire: Additional employment land requirement 2011-2016

| Business Use Class | 2011-2016 density - site coverage | Therefore land space requirement is in sqm | | Land requirement in hectares 2011 - 2016 |
|------------------------------------|---|---|----------------|---|
| B1 Business | 31,506 | 70% | 45,007.9 | 4.5 |
| B2 General industrial | 2,272 | 40% | 5,680.0 | 0.6 |
| B8 Storage and distribution | 780 | 40% | 1,950.0 | 0.2 |
| Total (all B use classes) | 34,558 | | 52637.9 | 5.3 |

6 Swindon Borough Local Plan 2006-2026

| Date published | Commissioned by | Written by |
|----------------|-------------------------|-------------------------|
| March 2015 | Swindon Borough Council | Swindon Borough Council |

6.1 Scale and ambition for growth

The *high growth* scenario of +19,600 jobs for 2011-2026 has been adopted as the target.

6.2 Key sectors

- Specialist manufacturing in east Swindon
- Financial and business services in the Central Area
- Distribution and logistics on the A419 corridor
- Environment
- Tourism and leisure
- ICT
- Education
- Health
- Retail
- Creative industries
- Low carbon development and manufacturing

6.3 Employment land requirements

Sustainable economic and housing growth will be delivered in Swindon Borough during the plan period through the provision of 119.5 hectares of employment land (B-use class) through:

- 77.5 hectares of additional employment land; and
- 42 hectares with extant permission and existing allocations carried forward.

The areas through which additional employment land will be provided are:

- Wichelstowe – 12.5ha
- Commonhead – 15ha
- Tadpole Farm – 5ha
- New Eastern Villages – approx. 40ha
- Highworth – 5ha

The areas that already have extant permission and existing allocations are:

- Delta 300 – 0.3ha
- Edison Road, Dorcan – 2.42ha
- Penny Lane, Drake's Way – 1.12ha
- Europa/Brittania – 1.65ha
- Adjacent to Abbey Stadium – 4ha
- Hillmead – 7.9ha
- Keypoint – K3 – 2.9ha
- Rivermead – 1.3ha
- South Marston Park – 2.75ha
- G-Park – 15.25ha
- Windmill Hill – 2.38ha

6.4 Infrastructure changes

Targeted investment in the following priority transport corridors, to promote travel choices, will support trips to Swindon Town Centre:

- Covingham Drive / Dorcan Way;
- Cricklade Road;
- Great Western Way;
- Marlborough Road / Queens Drive;
- Mead Way;
- Oxford Road / Drakes Way; and
- Thamesdown Drive / Oakhurst Way Corridor.

7 Swindon Core Strategy: Economic Testing (2012)

| Date published | Commissioned by | Written by |
|----------------|-------------------------|--------------------------|
| September 2012 | Swindon Borough Council | Regeneris Consulting Ltd |

This was written on the basis of a 2011 draft of the Swindon Core Strategy (which was later renamed as Swindon Borough Local Plan – see section 6), and serves to provide comment on the veracity of the findings in the draft report.

7.1 Scale and ambition for growth

The report provides a *base case* forecast. This closely follows the forecasts of Cambridge Econometrics - growth of 10,400 jobs (8.5%) representing 700 net new jobs pa.

The *higher growth* scenario is for growth of around 19,600 jobs (16%) between 2011 and 2026, representing 1,300 net new jobs pa. This is somewhat higher than the growth rate (c. 900 pa) that Swindon achieved between 1995 and 2008, although the data shows some significant fluctuations during the 2000s. In this respect, it would be a stretching and ambitious target to adopt.

[Note: the Swindon Borough Local Plan adopted the *higher growth* figures]

7.2 Employment land requirements

The total quantity of employment land allocated in the draft Core Strategy exceeded the requirement implied by the scale of employment growth assumed to drive the housing need requirement, suggesting that there is more than adequate employment land allocated. However, the amount of employment land needed is highly sensitive to the demands from large scale warehousing. The 2007 ELR assumed the need for 17.5 ha of land for every 1,000 distribution jobs.

The report developed employment land figures on *base case* and *higher growth* scenarios as follows:

- Base case – 16-23ha depending upon the approach to B8 allocations and assumptions about B1 office developments. With a 20% safety margin added to the requirement, the range would be 19-27ha.
- Higher growth – 41-55ha depending up on the approach to B8 and B1 office development. A 20% safety margin would increase the range to 50-66ha.

7.3 Functional economic geography

- The analysis of Swindon's population and labour force suggests that the size and growth of the borough's resident workforce should not mean that employers face future labour shortages in overall terms. However, evidence that the borough has a lower than average proportion of residents with higher qualifications and skills does present a challenge that needs to be addressed. The continued growth of the business services sector, the expansion of the ICT industry and the general shift towards higher skills requirements across the economy points to potential shortages in this component of the resident labour force.
- To date, travel to work data suggests that Swindon's employers have been able to draw on a wider labour market to meet this requirement, with the area around the borough providing an attractive

location for higher skilled and higher paid people to live. The implication is that there will need to be change – either Swindon attracts more residents whose skills fit these occupations, or it manages to upskill existing residents, or it has to accept continued pull from its wider travel to work area (with consequent traffic implications).

- However, it cannot be assumed that this pattern will continue to fully meet employers' needs in future. The implication is that Swindon's economic strategy will need to identify as a priority a set of actions which lead to improvements in the qualification levels of its residents and encourage more highly qualified people to choose to live in the borough. Such issues could be addressed through priorities on the provision of higher education facilities in the town as well as the planning of the future housing mix and living environment that the borough seeks to achieve.

8 An Economic Strategy for Swindon (2012-26)

| Date published | Commissioned by | Written by |
|----------------|-------------------------|-------------------------|
| January 2013 | Swindon Borough Council | Swindon Borough Council |

8.1 Scale and ambition for growth

Base Case scenario – Swindon achieves a level of employment growth that is consistent with national and regional forecasts, and which reflects expectations about a recovery of the economy that is likely to be slow to arrive, and modest in scale. This suggests employment growth of around 10,500 net new jobs to 2026, returning to a level slightly in excess of 2001 levels.

Higher Growth scenario – the pace and extent of Swindon’s recovery outstrips that of other locations and the UK as a whole. In this scenario, nearly 20,000 net new jobs would be created in Swindon by 2026, with an increase of 12,000 jobs over 2001 levels.

It is also sensible to consider a *Mid Range* scenario, which would represent net employment growth of around 14,000 jobs.

8.2 Key sectors

- Business, Professional, and Financial Services
- Tourism and Leisure (Hotels and Catering)
- Logistics and Distribution
- ICT
- Manufacturing and Advanced Engineering
- Retail and Private Services
- Health and Education Services

8.3 SWOT factors

Strengths

- Maintaining strong productivity performance (GVA per capita);
- Location of Swindon - M4 corridor, A417/M5, proximity to London;
- Diversity of business base and sectors represented in economy;
- High proportion of private sector employment;
- Low proportion of public sector employment means more resilience to public sector austerity measures;
- Strong manufacturing base;
- Presence of HQ functions in a broad range of sectors including ICT, financial services, insurance, business services, and manufacturing;
- Relatively cost competitive, offering lower than average house prices and mid range commercial property prices; and
- Proximity of scientific research assets (eg. Oxford University, Porton Down) and presence in town (Research Councils, TSB).

Weaknesses

- GVA growth has slowed over last decade relative to competitor locations;
- Higher than average proportion of residents with low qualification levels;
- High level of youth unemployment;
- Town centre in need of significant regeneration;
- Limited range of good quality cultural and leisure assets drawing visitors to town and providing facilities for residents;
- Rising out-commuting may reflect lack of suitable employment in town;
- Lack of awareness or negative image of Swindon externally;
- Absence of a significant HEI presence;
- Weak commercial office market, particularly in town centre;
- Unreliable journey times and price of rail services;
- Slow and infrequent rail link to Heathrow; and
- Distance from neighbouring cities and towns means Swindon is isolated [Note: not sure about this one given they also use location as a strength].

Opportunities

- Expanding population, with forecasts for a growing working age population;
- Delivery of major regeneration projects – Regent Circus, Oasis, Union Square;
- Potential to draw additional visitors and generate additional visitor spend;
- UK initiatives to develop indigenous supply chain for automotive industry;
- Rising labour costs in China, India etc. has potential to make Swindon a more competitive manufacturing location;
- High level of patent activity in Swindon points to potential to generate more commercial innovation, building on base in automotive, ICT, electronics, pharmaceuticals;
- Investment in green energy infrastructure, low carbon transport and local energy generation; and
- [Great?] (sic) Western access to Heathrow and electrification.

Threats

- Major employers in globally competitive sectors makes Swindon vulnerable to recession impacts including closures;
- Double dip recession and weakness of recovery is broader threat to Swindon's business base and ability to create and sustain jobs;
- Progress of competitor locations on M4 corridor and home counties, capturing limited pool of major commercial investment;
- Failure to develop more knowledge intensive business activity;
- Failure to deliver major regeneration projects;
- Lack of suitable sites and premises to underpin expansion of economy including offices, logistics and distribution; and
- Lack of public sector resources available to support infrastructure development, business support, regeneration.

9 Swindon Employment Land Review (2007)

| Date published | Commissioned by | Written by |
|----------------|-------------------------|----------------------------------|
| June 2007 | Swindon Borough Council | Nathaniel Lichfield and Partners |

9.1 Employment land requirements

The report provides a headline figure for gross employment land requirements for Swindon Borough 2006-2016 and 2006-2026:

| 2006-16 | Lower growth scenario (ha) | Higher growth scenario (ha) |
|-----------------------------|----------------------------|-----------------------------|
| Industrial space | 62 | 90 |
| Office/non-industrial space | 18 | 20 |
| Total B space | 80 | 110 |

| 2006-26 | Lower growth scenario (ha) | Higher growth scenario (ha) |
|-----------------------------|----------------------------|-----------------------------|
| Industrial space | 135 | 160 |
| Office/non-industrial space | 35 | 40 |
| Total B space | 170 | 200 |

It is important to factor in that these estimates were based on pre-recession scenarios of high growth (+3.2% GVA) and low growth (+2.8% GVA). GVA growth did not get near those levels during the years after the financial crisis.

With that in mind, it can be extrapolated from the two tables above what the recommendations for gross employment land requirements for Swindon Borough 2016-26 are:

| 2016-2026 | Lower growth scenario (ha) | Higher growth scenario (ha) |
|-----------------------------|----------------------------|-----------------------------|
| Industrial space | 73 | 70 |
| Office/non-industrial space | 17 | 20 |
| Total B space | 90 | 90 |

The most obvious sites for consideration as employment land are:

- Enlarging the current A420/A419 allocation site to the east and south, or possibly as part of a larger, mixed use Eastern Development Area, should that direction of growth be confirmed in the approved Regional Spatial Strategy for the South West (RSS);
- A new greenfield allocation east of the A419 to the north of the Groundwell Industrial Estate;
- If possible, a modest amount of additional office space in the town centre;
- Land on the north side of the Swindon urban area, close to the A419;
- Possibly a small extension of the Blackworth Industrial Estate in Highworth; and
- If it were considered strategically acceptable to develop south of the M4 motorway, locations near Junction 16 could be considered if adequate road access could be achieved.

10 Swindon Workspace Strategy and Delivery Plan

| Date published | Commissioned by | Written by |
|----------------|-----------------------------------|-----------------|
| May 2009 | Swindon Borough Council and SWRDA | GVA Grimley Ltd |

This report was commissioned in order to assess the potential for Swindon to deviate significantly from the recommendations and requirements that the 2007 Employment Land Review (section 8, above) put forward. This was in large part due to the change in economic circumstances that took hold not long after the report was published.

10.1 Scale and ambition for growth

- The report does not make an estimate of GVA growth, but it uses the Cambridge Econometrics figure of 3.2% GVA growth per annum.

10.2 Key sectors

- Specialist Manufacturing
- Distribution And Logistics
- Financial & Business Services
- 'Other Business Services' (ICT and Creative Industries)
- Biotechnology / 'Green' / Energy Industries
- Tourism & Leisure

10.3 Employment land requirements

The report provides the following baseline forecasts for future employment land requirements, with a headline figure of 144.5ha from 2006-2026:

Table 2 – Baseline Scenario: Total Demand by Phase (Ranges)

| | | 2006-2011 | 2011-2016 | 2016-2021 | 2021-2026 | 2006-2026 |
|--------------|--------------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| Office | Allowance for Economic Growth | 7.9 – 19.7 | 4.0 – 9.9 | 4.7 – 11.8 | 4.0 – 10.0 | 21.8 – 51.4 |
| | Allowance for Windfall / Churn | 9 | 9 | 9 | 9 | 36 |
| | Total | 16.9 – 28.7 | 13 – 18.9 | 13.7 – 20.8 | 13.0 – 19.0 | 57.8 – 87.4 |
| Industrial | Allowance for Economic Growth | 7.8 | 3.7 | 9.0 | 7.3 | 27.7 |
| | Allowance for Windfall / Churn | 7.35 | 7.35 | 7.35 | 7.35 | 29.4 |
| | Total | 15.15 | 11.05 | 16.35 | 14.65 | 57.1 |
| Total | Allowance for Economic Growth | 15.7 – 27.5 | 7.7 – 13.6 | 13.7 – 20.8 | 11.3 – 17.3 | 49.5 – 79.1 |
| | Allowance for Windfall / Churn | 16.35 | 16.35 | 16.35 | 16.35 | 65.4 |
| | Total | 32.05 – 43.85 | 24.05 – 29.95 | 30.05 – 37.15 | 27.65 – 33.65 | 114.9 – 144.5 |

Source: GVA Grimley Ltd 2008 / Cambridge Econometrics

The report provides the following figures on existing employment land available for development, with a total of 120.9ha:

Table 16 – Total Employment Land Supply by Phase

| | Short Term (Ha) | Medium Term (Ha) | Long Term (Ha) | Total (Ha) |
|--------------|--------------------|---------------------|-------------------|---------------|
| Office | 9.85 | 12.6 | 15 | 37.45 |
| Industrial | 66.99 | 15.85 | 0 | 82.84 |
| Total | 76.84 | 28.45 | 15 | 120.29 |

Source: Adapted from NLP ELR (2007)

The sites included in this total figure are:

Table 6 – Site Availability, by site and phase

| Employment Site | Site Area (Ha) | Assumed Use (Majority) | Availability |
|--------------------------------------|----------------|---------------------------|--------------|
| Commonhead | 15 | Office | Long term |
| Groundwell West (adjacent Motorola) | 0 | Office | N/A |
| Windmill Hill Business Park (Plot 9) | 2.38 | Office | Short term |
| Keypoint Distribution Centre | 2.83 | Industrial | Short term |
| Britannia Way / Radway Road | 0.54 | Industrial | Short term |
| Kembrey Park | 0.79 | Office | Short term |
| Barnfield Road | 0 | Industrial | N/A |
| Total | | 21.54 | |
| Total Short Term Available | | 6.54 | |
| Total Medium Term Available | | 0 | |
| Total Long Term Available | | 15 | |
| Total Office Available | | 18.17 | |
| Total Industrial Available | | 3.37 | |

Source: Adapted from data presented within NLP ELR (2007)

Table 11 – Existing Employment Site Land Availability, by site and phase

| Employment Site | Site Area (Ha) | Assumed Use (Majority) | Availability |
|--|----------------|---------------------------|--------------|
| Delta Business Park (Delta 300) | 0.5 | Industrial | Short term |
| Dorcan Industrial Estate (adjoining Edison Road) | 2.6 | Office | Short term |
| Drakes Way (Penny Lane, Units 3, 4 & 5) | 0.88 | Office | Short term |
| Europa Industrial Park | 1.65 | Industrial | Medium term |
| Abbey Meads Business Park (Groundwell West) | 14.2 | Industrial | Medium term |
| Hillmead Campus | 4.53 | Industrial | Short term |
| Keypoint Distribution Centre | 6.07 | Industrial | Short term |
| Rivermead Industrial Estate | 1.1 | Industrial | Short term |
| South Marston Industrial Estate | 1.3 | Industrial | Short term |
| Windmill Hill Business Park (Plot 7) | 3.2 | Office | Short term |
| The Triangle | 36 | Industrial | Short term |
| Wichelstowe | 12.6 | Office | Medium term |
| Total | | 84.63 | |
| Total Short Term Available | | 56.18 | |
| Total Medium Term Available | | 28.45 | |
| Total Long Term Available | | 0 | |
| Total Office Available | | 19.28 | |
| Total Industrial Available | | 65.35 | |

Source: Adapted from data presented within NLP ELR (2007)

Table 15 – Summary of Employment Land Supply through Completions

| Employment Site | Site Area (Ha) | Assumed Use (Majority) | Availability |
|---------------------------------|----------------|---------------------------|--------------|
| Rivermead Industrial Estate | 0.42 | Industrial | Short term |
| South Marston Industrial Estate | 13.7 | Industrial | Short term |
| Total | | 14.12 | |
| Total Short Term Available | | 14.12 | |
| Total Medium Term Available | | 0 | |
| Total Long Term Available | | 0 | |
| Total Office Available | | 0 | |
| Total Industrial Available | | 14.12 | |

Source: Adapted from data presented within NLP ELR (2007)

Conclusion

This policy review covers a breadth of geographies and time periods. Some of the reviewed reports focus on Swindon, others on Wiltshire, and others on both. Simultaneously, some reports consider a time period from 2006 -2026, with others based on figures for 2010-2020. Given the lack of consistency, the findings below are very generalised and aim to give an informal picture of what existing policies recommend on the main issues at hand, which are:

- **The scale and ambition of growth** – a broad range of figures emerge across different time periods and geographies.
- **Key sectors** – the sectors that are considered vital to the Swindon and/or Wiltshire economy and appear in three or more of the reports are: Advanced Engineering and Manufacturing (6); Financial and Professional Services (6); Digital and ICT (6); Tourism and Leisure (6); Health, Life Sciences and Pharmaceuticals (4); Land Based Industries (3); Health and Social Care (3); Environmental Technologies (3); Creative Industries (3); Distribution and Logistics (3).
- **Employment land requirements** – the estimates for Wiltshire range from 104ha (taken by combining the figures in *Review of Employment Projections and Land Requirements in South Wiltshire* and *Wiltshire Workspace & Employment Land Review*) to 178ha. The estimates for Swindon range from a very conservative 16ha to a pre-recession forecast of 200ha. There is no official figure for the whole of Swindon and Wiltshire, but using these figures, the estimate could be anything from 120ha to 378ha.
- **SWOT factors** – see Appendix 3 for a complete list of the strengths, weaknesses, opportunities and threats to the Swindon and Wiltshire economy.
- **Functional economic geography** – the reports that cover the whole of Swindon and Wiltshire suggest that the economy primarily functions in three main zones, which are: Swindon/M4 corridor Growth Zone, A350 corridor Growth Zone, and Salisbury A303 corridor Zone.
- **Infrastructure changes** – there is insufficient information in the reports to draw any conclusions on this issue.