Swindon and Wiltshire Local Economic Assessment

March 2022

Swindon & Wiltshire
LOCAL ENTERPRISE PARTNERSHIP

HATCH

4

Business and Sectors

Swindon & Wiltshire LOCAL ENTERPRISE PARTNERSHIP

HATCH

Business and Sectors **Summary**

There are currently 29,000 enterprises operating in Swindon and Wiltshire though growth has been relatively slow (1% since 2015) potentially indicating some commercial challenges.

Niche strengths exist in the Construction and Property market in the LEP area partly explained by a booming property market across the LEP area's housing market.

Fewer net business births than most comparators is driven by net business deaths in Wiltshire and few new births in Swindon supporting existing business will aid the net-birth rate while encouraging start-ups will ensure a healthy entrepreneurial ecosystem.

As of 2020, the 5-year survival rate of businesses in the Swindon and Wiltshire was 44%. This is above the national level, either indicating established businesses can be sustained in the LEP area or indicating high barriers of entry for new start-ups reducing competition for established businesses.

The number of business incorporations in Swindon and Wiltshire has significantly increased over the lockdown periods of March 2020-March 2021, compared to the prior 6-month period. This is likely a result of shifting activity from PAYE work to self-employed lone trader businesses.

Whilst Swindon and Wiltshire have seen a near doubling in Foreign Direct Investment (FDI) project wins in the last few years the value of these, proxied by jobs created has been even greater, likely indicating a hospitable environment for inward investment that can be harnessed for growth.

Swindon and Wiltshire is a net importer of goods and services, increasing exports will be a good opportunity for growth while being conscious of the international nature of the LEP's supply chains as expressed by high import volumes.

Employment is concentrated in several sectors such as Retail, Health and Professional and Scientific Services, this is a mix of highly productive and less productive sectors, ensuring productivity improvements are diffused across all of the LEP area's main employment sectors will assist in the ambitions of creating a high skilled and high paid employment base.

A growing employment market with stark sectoral differences, strong growth in IT and the property sector has been offset by a large contraction of employment in financial services.

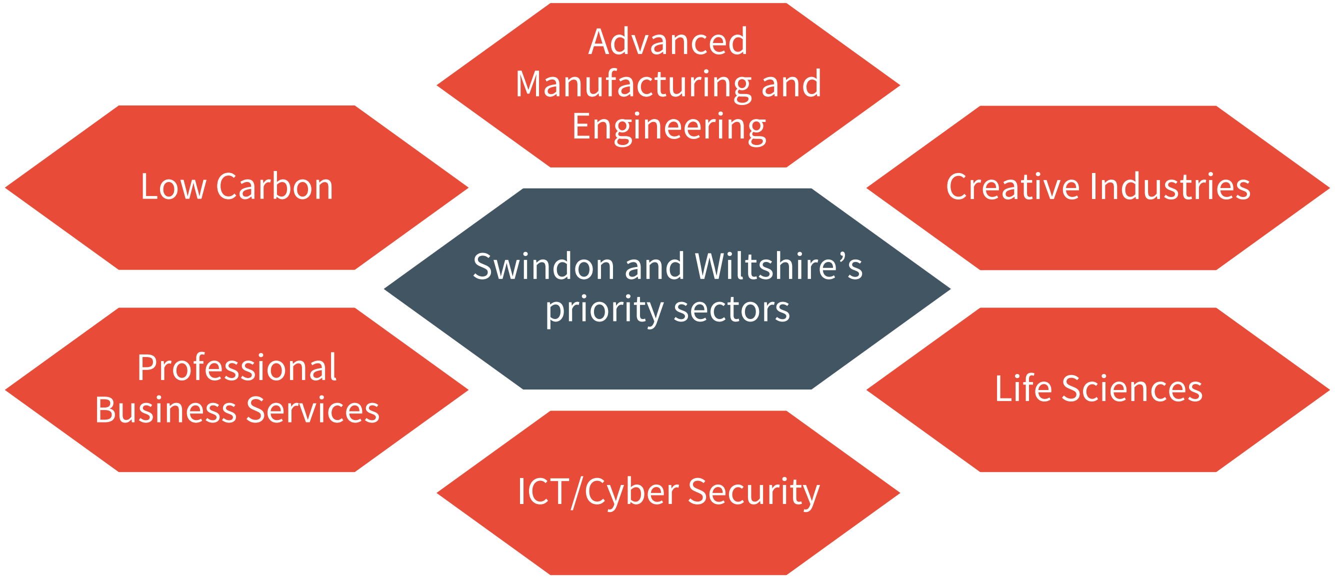
Employment growth is below both the regional and national average over the last five years, while COVID has played a role in this challenge poor employment growth has been an issue since 2018.

Swindon and Wiltshire is a net exporter of labour, indicating strong external demand for Swindon and Wiltshire talent, though containment rate is a healthy 78% showing many residents can find work within the LEP area.

Business and Sectors **Introduction**

This chapter of the report considers the sectoral and business environment of Swindon and Wiltshire. This includes analysis of broad and priority sectors, enterprise, trade and investment.

Swindon and Wiltshire LEP have identified six key sectors, termed priority sectors, where existing strengths lie and/or future growth can be anticipated. These sectors include: professional business services, creative industries, life sciences, low carbon, advanced manufacturing and engineering and ICT/cyber security. Alongside analysis of these sectors, a consideration of broad sectors has also been undertaken to determine if other strengths or growing areas of the Swindon and Wiltshire economy exist.



Sector Definition and Approach

To undertake effective analysis on the six priority sectors outlined in this report, it has been necessary to define these sectors using standard industrial classifications (SIC). This creates a standard definition of a sector and therefore allows for comparisons to be made between areas. It should be noted that there are limitations to using SIC code based definitions for sectors, the most pressing of which is the failure for some of the more contemporary economic sectors – such as low carbon activities or new scientific processes – to be defined in an accurate manner by standard classifications. Nevertheless, at a broad level, they provide the most robust evidence base upon which to understand the specific priority sectors of an economy. It is also necessary to note that when looking at relatively small sectors of an economy, and examining the sectoral change in terms of business count, there may exist significant percentage increases, though this may not necessarily mean substantially more businesses due to an originally small starting base in that sector.

Swindon and Wiltshire's **Business Base**

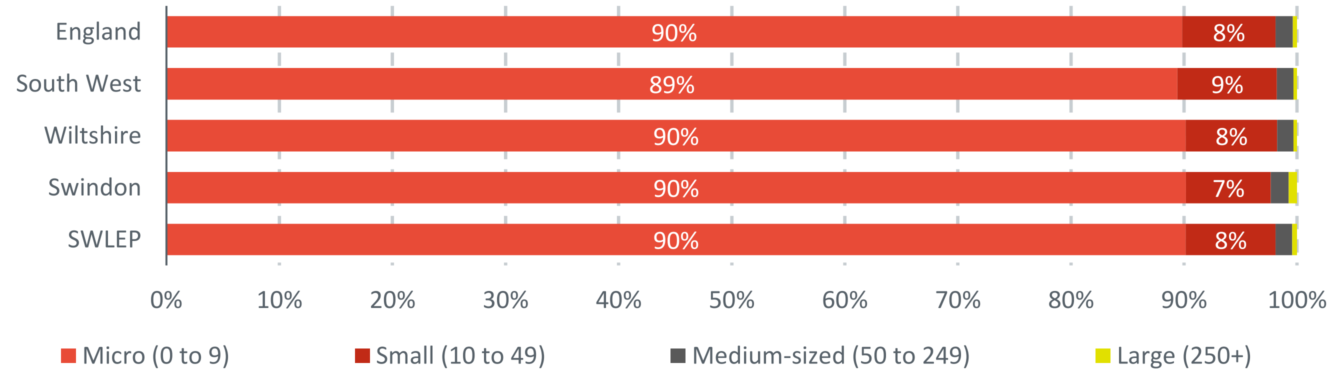
There are currently 29,000 enterprises operating in Swindon and Wiltshire…

Growth of businesses has been relatively static in the LEP area over the past five years with an increase in 160 enterprises (+1%) since 2016, whereas the growth rate nationally has been 9%.

The sectoral business composition in Swindon and Wiltshire is similar to that of England, with the exception of the Agriculture sector where the proportion of businesses in Swindon and Wiltshire is almost double the national position (7% compared to 4%). There is a large concentration of businesses in sectors such as Professional, Scientific and Technical sector (17%), Construction (13%) and ICT (9%).

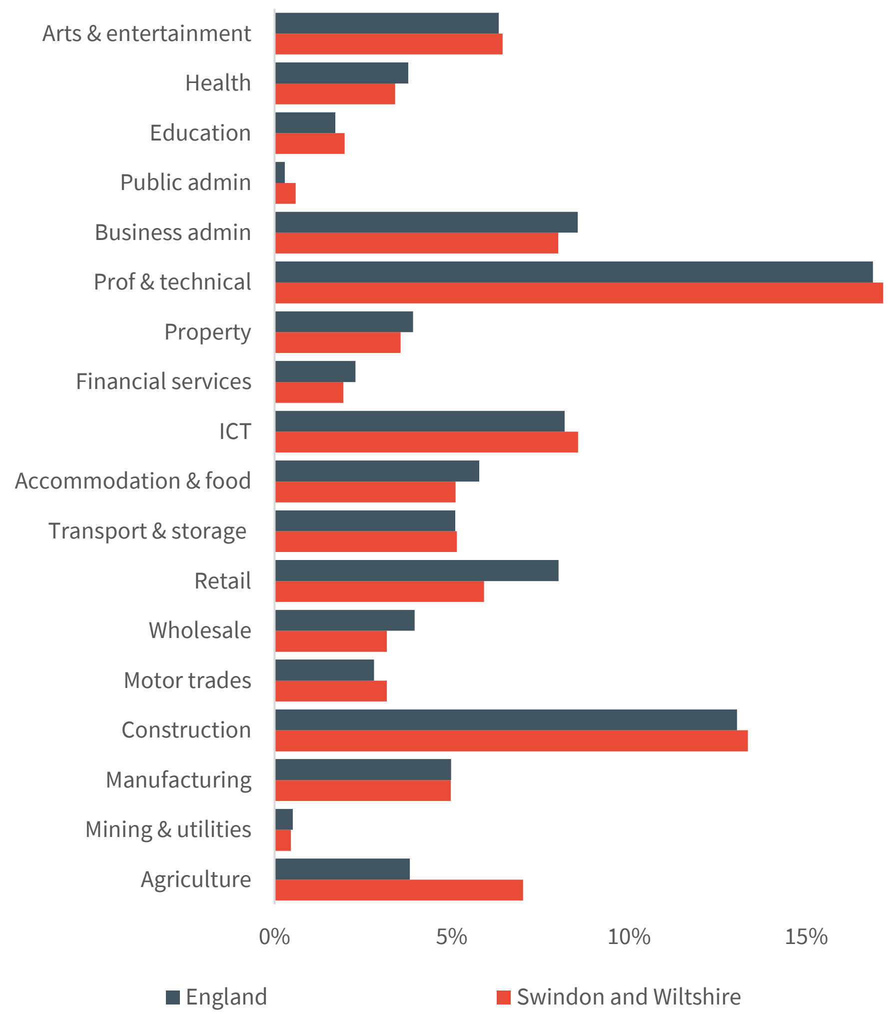
The majority of businesses in Swindon and Wiltshire are considered SMEs (employing under 250 people). Swindon's business base includes a slightly larger proportion of large employers (+1 percentage point) than the national average.

Business Base by Size, 2021



Source: ONS UK Business Count, 2016-2021

Business Base by Broad Sectors, 2021



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Swindon and Wiltshire's **Business Specialisation**

A diverse business economy with no individual sector accounting for more than 20% of the total LEP area business base.

A wide range of sectors allow Swindon and Wiltshire's business base some degree of resilience to sector specific shocks. While no individual sector is of significant importance to the LEP area, in terms of absolute business count, there are sectors of business specialisms.

These sectors include the primary and utilities sector (LQ of 1.7), education (LQ of 1.1) and public admin. and defence (LQ of 2.0). Of these sectors, public admin and defence is the only specialised sector to experience business count growth since 2016 (+3%).

While the public admin and defence business base is relatively small, (175 businesses) a strong foundation of expansion seems to exist in this sector. The defence sector is of particular importance to the LEP area, identified is a prominent sector in the Local Industrial Strategy (2020) while significant world-leading innovative assets, such as defence R&D defence and security technologies exist at Porton Science Park.

LQ against business count growth from 2016-21 for broad sectors in Swindon and Wiltshire

Swindon and Wiltshire LEP area	Total	% Share of Total	% change (2016-2021)	LQ
Primary and utilities	2,195	7%	-9%	1.7
Manufacturing	2,710	5%	1%	1.0
Construction	7,500	13%	14%	1.0
Retail and wholesale	3,595	12%	-3%	0.8
Transport and storage	1,510	5%	30%	1.0
Accommodation and food	1,500	5%	2%	0.9
Information and comms	2,515	9%	-10%	1.0
Financial and insurance	570	2%	6%	0.8
Property	1,045	4%	10%	0.9
Professional and technical	5,040	17%	-19%	1.0
Admin and support	2,350	8%	-27%	0.9
Public admin. and defence	175	1%	3%	2.0
Education	580	2%	-75%	1.1
Health	1,000	3%	-15%	0.9
Arts and entertainment	1,890	6%	-1%	1.0

Source: ONS Business Count, 2021

[1] LQ refers to Location Quotient, a measure of how specialized/concentrated activity is in an area. It is based on the relative share of employment in an industry within an area compared to the share nationally. An LQ greater than 1 indicates relative specialization/concentration.

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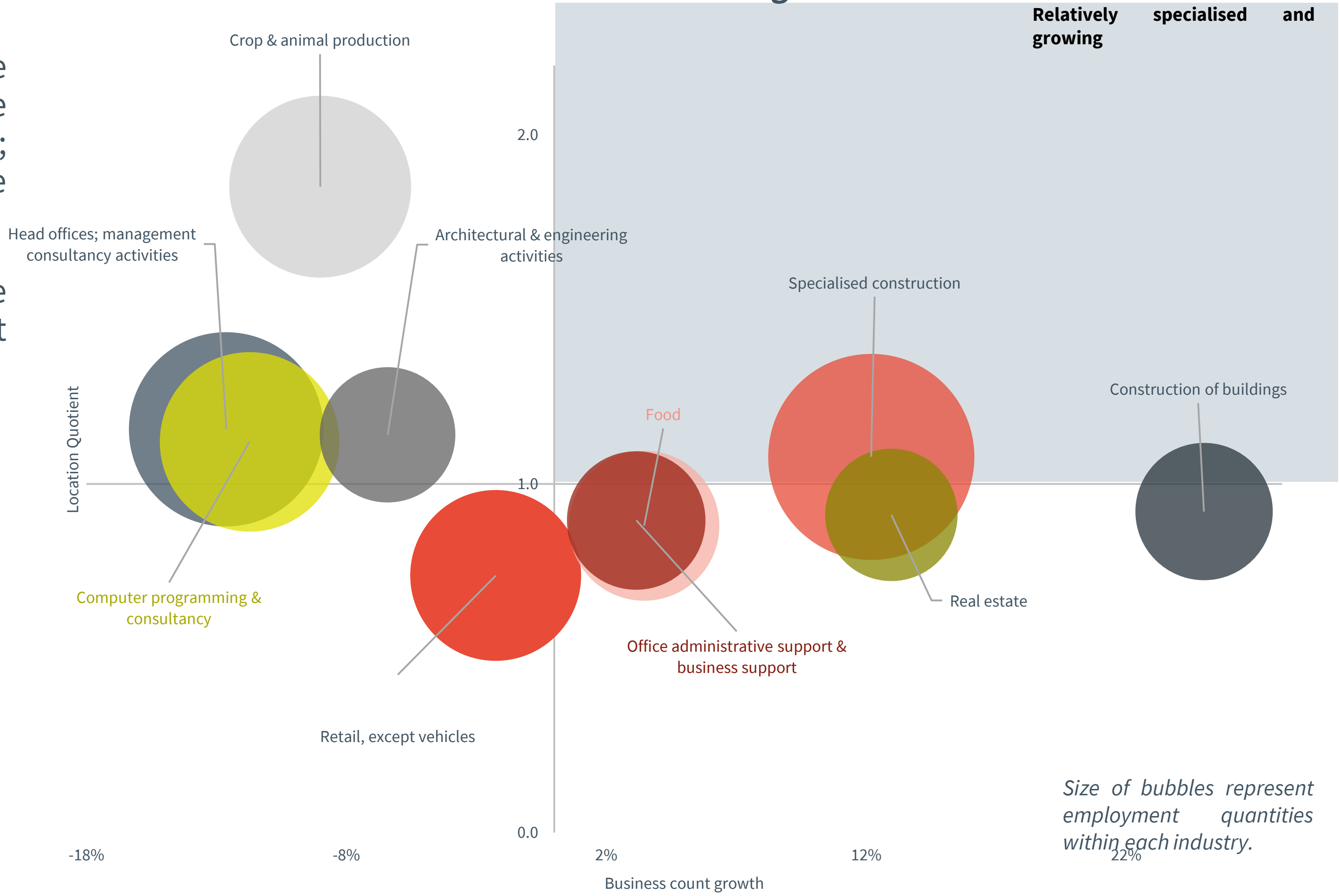
Swindon and Wiltshire's **Business Specialisation**

The number of businesses in the Construction and Property sector in the LEP area has grown…

Of the top ten business sectors in Swindon and Wiltshire with the largest number of enterprises in 2021, five have shrunk from 2016 to 2021. Of these Head Offices; Management Consultancy Activities has recorded the largest contraction of 13%.

Conversely, several of the top 10 sectors have grown since 2016, with Construction of Buildings recording the largest growth at 25%.

LQ[1] (Y-axis) against business count growth from 2016-21 (X-axis) for the 10 largest business sectors in Swindon and Wiltshire at 2-digit level



Size of bubbles represent employment quantities within each industry.

Source: ONS Business Count, 2021

[1] LQ refers to Location Quotient, a measure of how specialized/concentrated activity is in an area. It is based on the relative share of employment in an industry within an area compared to the share nationally. An LQ greater than 1 indicates relative specialization/concentration.

Swindon and Wiltshire's **Business Specialisation**

Declining business counts in all but one of Swindon and Wiltshire's sectors of business specialism…

Of the top 10 sectors by business count, Retail except Vehicles, Food, Office Administrative Support and Business Support, Construction of Buildings, and Real Estate are at a lower density in Swindon and Wiltshire than in England (as measured by the location quotient). The negative growth of Retail, except Vehicles, is a national issue as this sector has been hard hit by the impact of e-commerce and the pandemic.

Analysis of business specialisms allows for an understanding of the types of organisation within an area, it is important to note that specialisation for employment may differ from the sectoral specialisms of businesses.

LQ against business count growth from 2016-21 for the 10 largest business sectors in Swindon and Wiltshire at 2-digit level

Swindon and Wiltshire LEP	Total	%	% change (2016-2021)	LQ
Specialised construction	2,530	9%	12%	1.1
Head offices; management consultancy activities	2,250	8%	-13%	1.2
Crop and animal production	1,970	7%	-9%	1.9
Computer programming and consultancy	1,920	7%	-12%	1.1
Retail, except vehicles	1,735	6%	-2%	0.7
Food	1,345	5%	3%	0.9
Office administrative support and business support	1,145	4%	3%	0.9
Construction of buildings	1,125	4%	25%	0.9
Architectural and engineering activities	1,095	4%	-6%	1.1
Real estate	1,045	4%	13%	0.9

Source: ONS Business Count, 2021

Swindon and Wiltshire's **Business Specialisation**

Swindon and Wiltshire separately contain individual business specialisms which are also at risk of business base contraction…

Of the top 10 business sectors in Swindon, 3 sectors have shrunk between 2016 and 2021, with Computer Programming experiencing the biggest contraction at 13%. In Wiltshire, however, 7 of its largest business sectors have seen a reduction. This is the greatest in the Head Offices; Management Consultancy Activities sector at 12%. Concerningly, 3 of Wiltshire's contracting business sectors are where Wiltshire has business specialism.

On the other hand, Swindon has also experienced notable growth in 7 of its top 10 sectors, with the Postal and Courier sector witnessing a 400% growth (+300 businesses). In Wiltshire, only 4 sectors have seen business growth since 2016 with the Construction of Buildings recording the highest at 22%.

Both Swindon and Wiltshire, as separate authority areas, have similar sectors of low business specialism, namely Retail except Vehicles, Food, Construction of Buildings. In Wiltshire, Computer Programming and Consultancy and Office Administrative Support and Business Support are also of low density.

Both unitary authorities also contain highly specialised business sectors. In Swindon, the Postal and Courier sector is particularly specialised with a location quotient of 3.5. In Wiltshire, Crop and Animal Production is particularly specialized compared to England, with a location quotient of 2.4. However, this sector has also experienced one of the highest contractions since 2016 (-9%).

Source: ONS Business Count, 2021

LQ against business count growth from 2016-21 for the 10 largest business sectors in Swindon (top) and Wiltshire (bottom) at 2-digit level

Swindon	Total	%	% change (2016-2021)	LQ
Specialised construction	710	9%	19%	1.2
Computer programming and consultancy	690	9%	-13%	1.6
Head offices; management consultancy activities	505	7%	-14%	1.0
Retail, except vehicles	430	6%	2%	0.7
Land and pipeline transport	405	5%	33%	1.8
Postal and courier	375	5%	400%	3.5
Food	365	5%	9%	0.9
Office admin. support and business support	330	4%	25%	1.0
Construction of buildings	295	4%	31%	0.9
Architectural and engineering activities	285	4%	-8%	1.2
Specialised construction	710	9%	19%	1.2

Wiltshire	Total	%	% change (2016-2021)	LQ
Crop and animal production	1,870	9%	-9%	2.4
Specialised construction	1,820	8%	10%	1.0
Head offices; management consultancy activities	1,745	8%	-12%	1.2
Retail, except vehicles	1,310	6%	-3%	0.7
Computer programming and consultancy	1,230	6%	-11%	1.0
Food	980	4%	2%	0.9
Construction of buildings	825	4%	22%	0.9
Real estate	820	4%	13%	1.0
Office admin. support and business support	820	4%	-3%	0.9
Architectural and engineering activities	810	4%	-5%	1.1

Swindon and Wiltshire's **Business Specialisation**

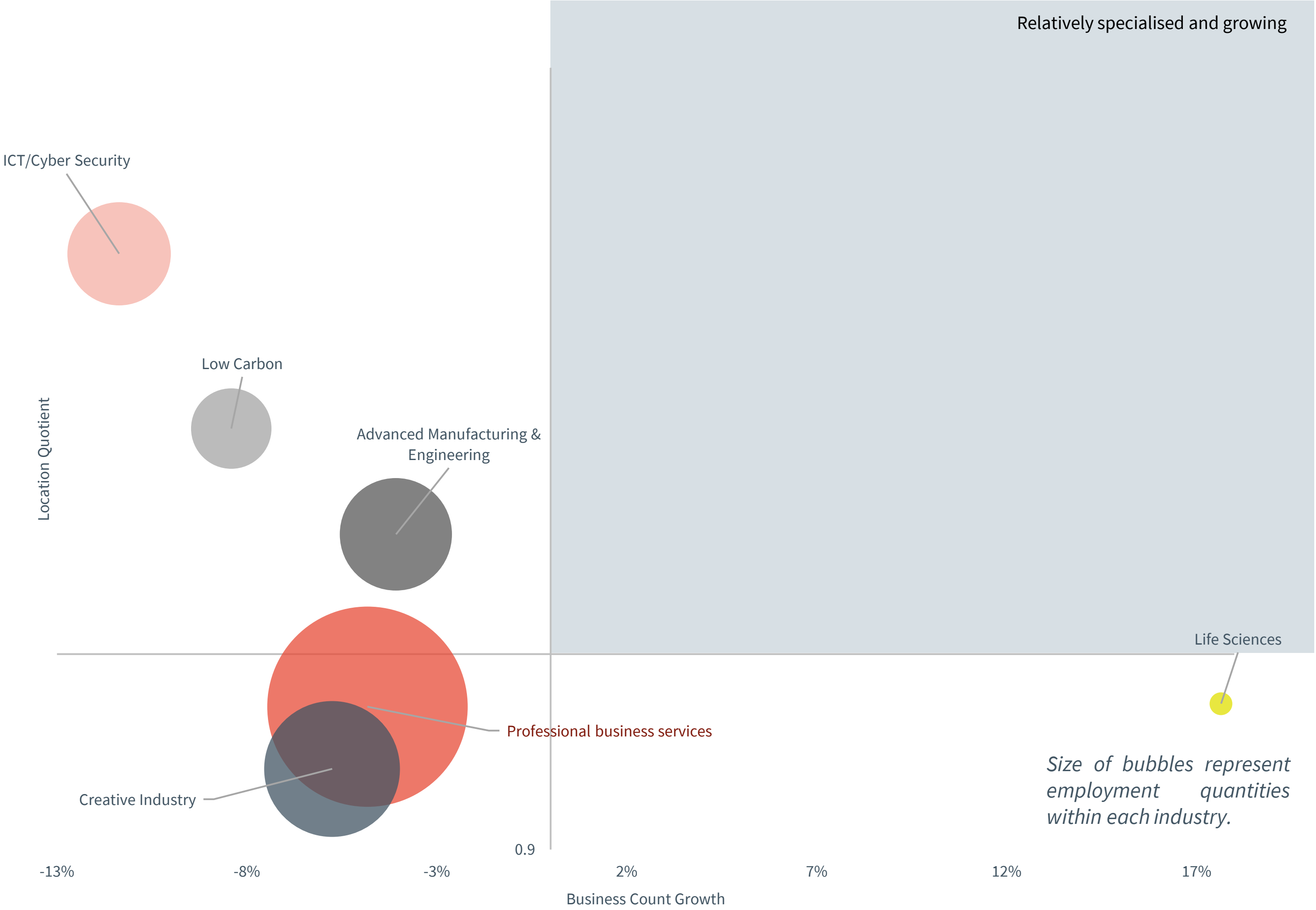
Low business counts in priority sectors…

The priority sectors of Professional Business Services, Creative Industries, Low Carbon, Advanced Manufacturing and Engineering, and ICT Cyber Security have all shrank, in number of businesses, between 2016-2021, with each of these sectors losing between 0.5 and 2% of active businesses per year on average.

The priority sector of Life Sciences, conversely, has grown strongly, albeit from the lowest base of the priority sectors.

However, business counts for Life Sciences, along with Creative Industries and Professional Business Services, are at a lower density for Swindon and Wiltshire than England (as measured by Location Quotient). The negative growth of the latter two should be of particular concern.

LQ (Y-axis) against business count growth from 2016-21 (X-axis) for the LEP priority sectors



Source: ONS Business Count, 2021

Swindon and Wiltshire's **Business Specialisation**

The priority sectors demonstrate business specialism in Swindon and Wiltshire but have experienced a declining business count over the last 5 years…

Conversely, ICT Cyber Security, Low Carbon, and Advanced Manufacturing and Engineering are all relatively specialized compared to England based on Location Quotient but the number of businesses have been declining in Swindon and Wiltshire. Nonetheless employment has continued to grow in these industries (see p51) suggesting the average firm size has also grown.

It should be noted that while business growth has been low/negative in these sectors, employment growth in the same sectors has been relatively stronger. This may imply that the average business in these sectors tends to be larger and employing more people.

LQ against business count growth from 2016-21 for the LEP priority sectors

Swindon and Wiltshire LEP	Total	%	% change (2016-2021)	LQ
Professional business services	6,630	23%	-5%	1.0
Creative Industry	3,040	10%	-6%	0.9
Low Carbon	1,070	4%	-8%	1.1
Life Sciences	85	0%	18%	1.0
Advanced Manufacturing and Engineering	2,085	7%	-4%	1.1
ICT/Cyber Security	1,760	6%	-11%	1.2

Source: ONS Business Count, 2021

Swindon's **Business Specialisation**

The number of businesses in priority sectors in Swindon are shrinking…

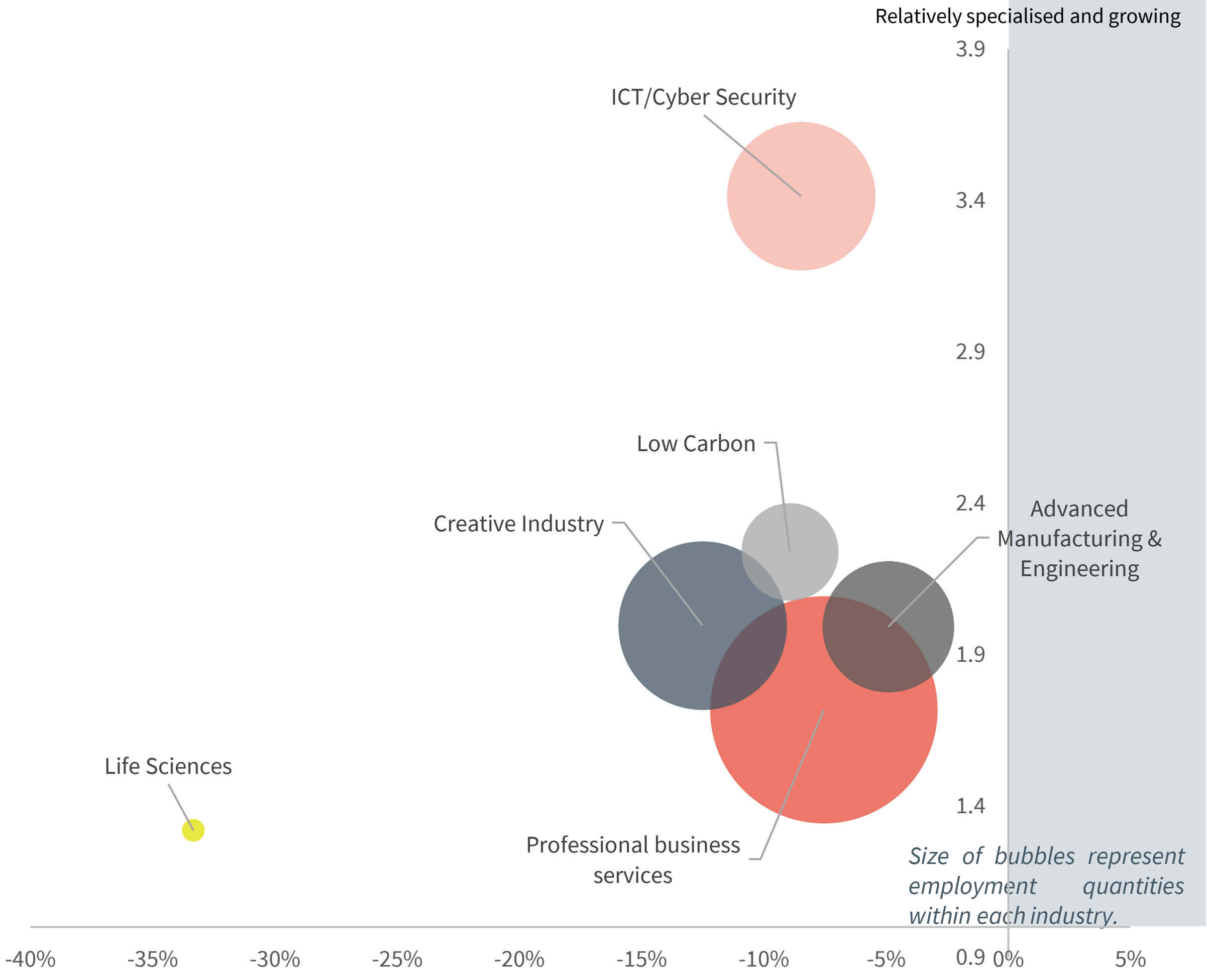
All of the priority sectors in Swindon have recorded a contraction in the number of businesses from 2016-2021. The largest contraction is recorded in the Life Science sector at 33%. Currently, the sector has just 15 businesses in Swindon, which accounts for 0.2% of Swindon's business base.

Of particular concern is the contraction in the Professional Business Services and Creative Industry sectors as combined these sectors account for 31% of the total business count in Swindon and have shrunk by 8% and 13% respectively. Despite these trends, all of the priority sectors are relatively specialised compared to England.

Swindon	Total	% of total business count	% change (2016-2021)	LQ
Professional business services	1,525	20%	-8%	1.7
Creative Industry	840	11%	-13%	2.0
Low Carbon	280	4%	-9%	2.2
Life Sciences	15	0%	-33%	1.3
Advanced Manufacturing and Engineering	510	7%	-5%	2.0
ICT/Cyber Security	650	9%	-8%	3.4

Source: ONS Business Count, 2021

LQ (Y-axis) against business count growth from 2016-21 (X-axis) for Swindon priority sectors



Swindon and Wiltshire's **Business Specialisation**

All priority sectors but the Life Sciences sector are struggling to grow in Wiltshire…

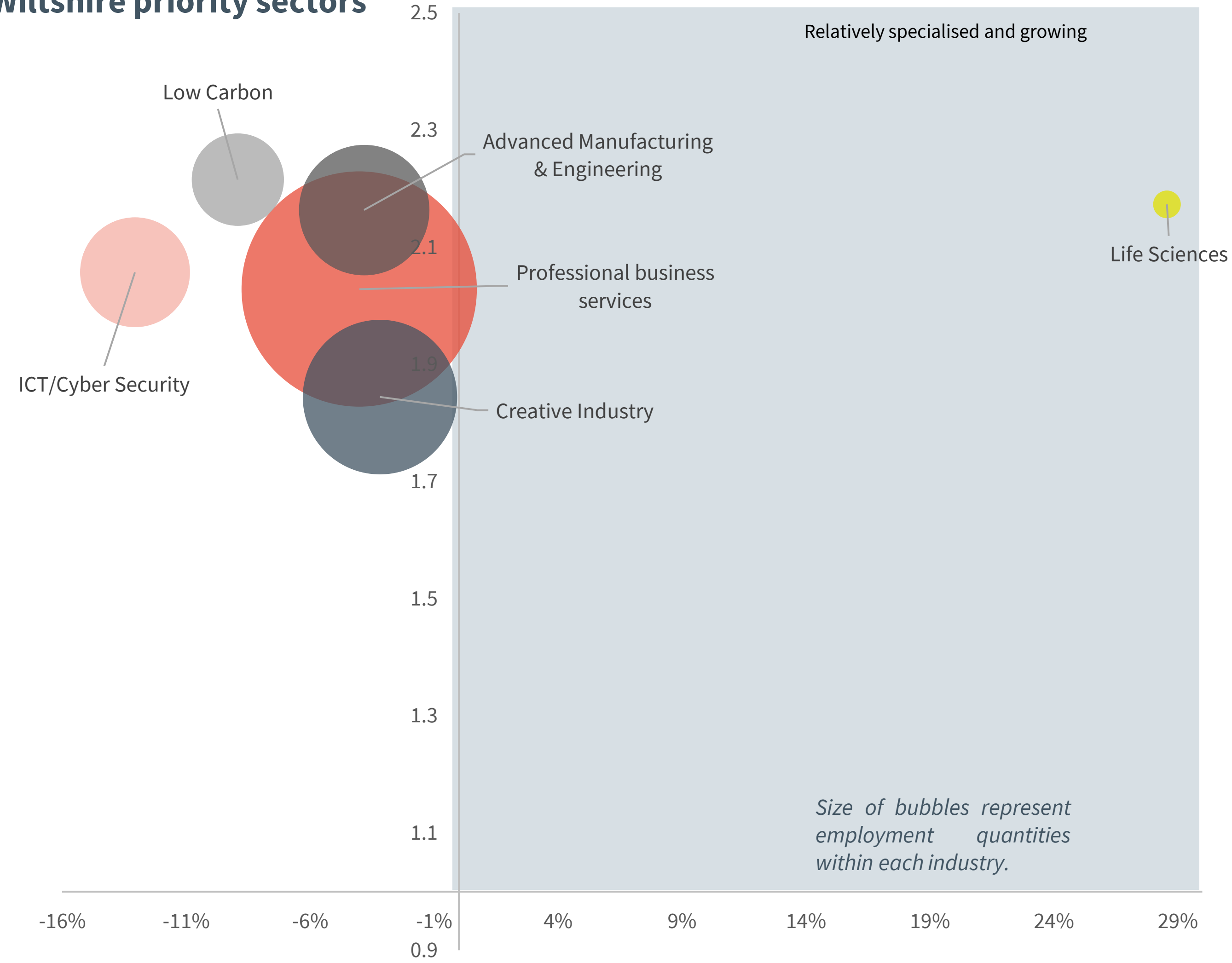
The Life Sciences sector is the only priority sector to have experienced growth from 2016 to 2021, with 29% growth in the business base. Whilst this sector is relatively specialised, it represents a very small percentage of Wiltshire's business base (0.3% or 70 businesses).

Conversely, the number of businesses in all other sectors has contracted from 2016-2021, with ICT/Cyber Security shrinking by 13% over this period. This is of particular concern, as together these sectors account for almost half (49%) of all businesses in Wiltshire.

Wiltshire	Total	% of total business count	% change (2016-2021)	LQ
Professional business services	5,105	23%	-4%	2.0
Creative Industry	2,200	10%	-3%	1.8
Low Carbon	785	4%	-9%	2.2
Life Sciences	70	0%	29%	2.2
Advanced Manufacturing and Engineering	1,570	7%	-4%	2.2
ICT/Cyber Security	1,110	5%	-13%	2.1

Source: ONS Business Count, 2021

LQ[1] (Y-axis) against business count growth from 2016-21 (X-axis) for Wiltshire priority sectors



Swindon and Wiltshire's **Business Base**

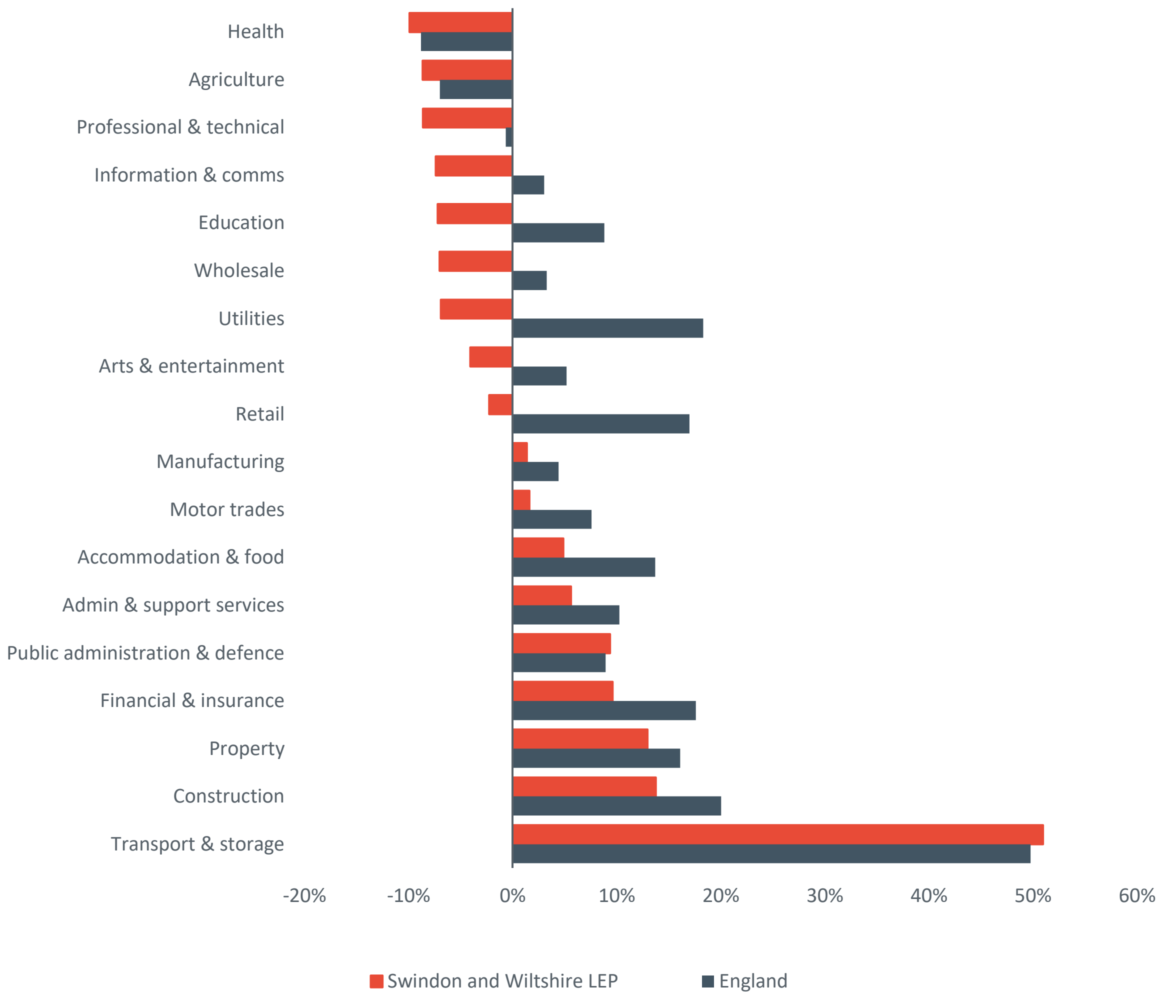
Sluggish business count growth in the LEP area than compared to England…

Between 2016 and 2021, the number of enterprises in the Swindon and Wiltshire grew by just 1% or 160 enterprises. This is much lower than the English average of 9%. It should be noted that this contraction period includes impacts that resulted from Covid-19 and are unlikely to be a reflection of the longer-term trend of business performance across the LEP area.

During this period, the Transport and Storage sector recorded the largest percentage increase in the number of enterprises at 51%, which is in line with national growth in this sector (50%).

Conversely, the Health sector recorded the largest percentage decrease in the number of enterprises at -10%, a larger decrease than in England (-9%). Importantly, numerous sectors in the Swindon and Wiltshire recorded a decrease in the count of enterprises whilst nationally these sectors grew. These include Information and Communication, Education, Wholesale, Mining Quarrying and Utilities, Arts, Entertainment and Recreation and Other Services, and Retail.

Business Count Growth of Enterprises by Broad Sector, 2016-2021



Source: ONS Business Count, 2021

Swindon's **Business Base**

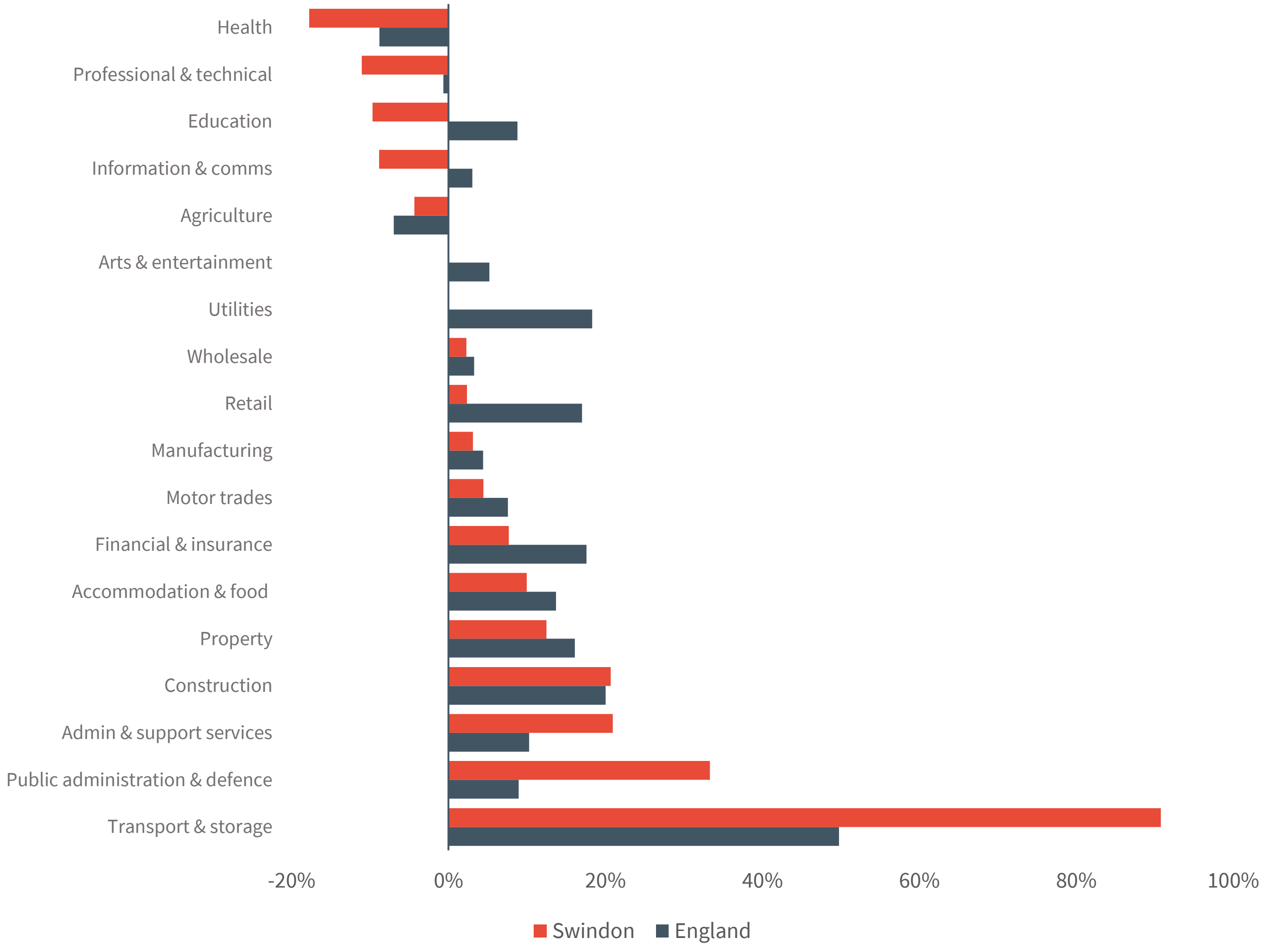
Business count growth rate is higher in Swindon than in the LEP area, but growth lags the national average…

Between 2016 and 2021, the number of enterprises in Swindon grew by 7% or 490 enterprises. This is slightly lower than the English average of 9%. Between 2016-2019 the growth rate in Swindon was 8%, but from 2019-2021 the number of enterprises contracted by -1%. Whereas in England between 2019-2021 the number of enterprises grew by 2%, suggesting Swindon's businesses may have been less resilient to the impacts that resulted from Covid-19, compared to the national average.

During 2016-2021, the Transport and Storage sector recorded the largest percentage increase in the number of enterprises at 91%, which exceeds with national growth in this sector (50%).

Conversely, the Health sector recorded the largest percentage decrease in the number of enterprises at -18%, a larger decrease than in England (-9%). Importantly, numerous sectors in Swindon recorded a decrease in the count of enterprises whilst nationally these sectors grew. These include Education, Information and Communication, and Arts and Entertainment.

Business Count Growth of Enterprises by Broad Sector, 2016-2021



Source: ONS Business Count, 2021

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Wiltshire's **Business Base**

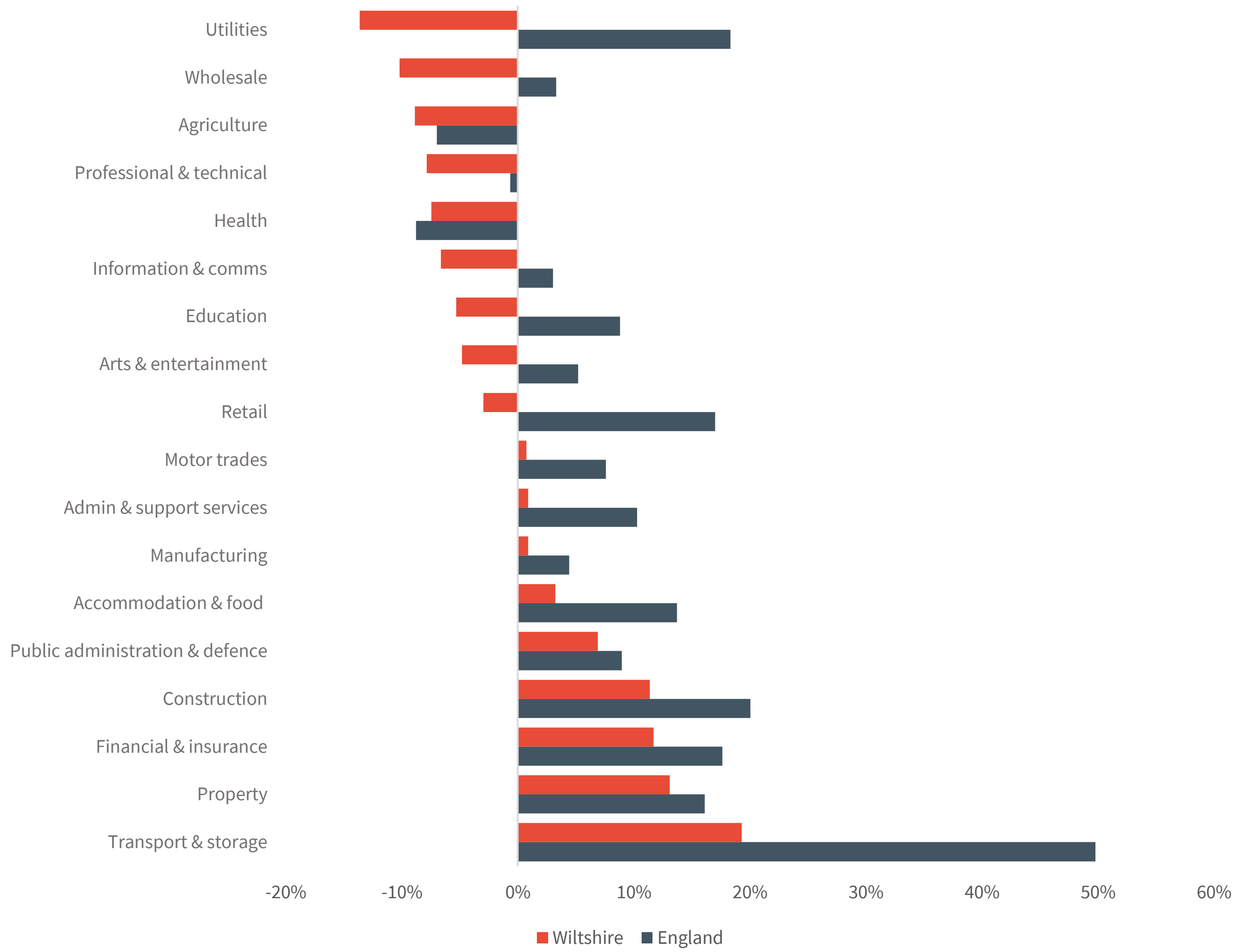
The number of businesses in Wiltshire has contracted in the past five years…

Between 2016 and 2021, the number of enterprises in Wiltshire shrunk by 1% or 330 enterprises. Whereas in Swindon the number of businesses grew by 7% over this period, and in England this figure was 9%. Prior to the pandemic growth was stagnant, with the count of enterprises growing by just 1% in 2016-2019. But, from 2019-2021, business count growth shrank by 2%, suggesting Wiltshire's businesses have been less resilient to the effects of Covid-19, when compared to Swindon (contraction of -1% 2019-2021) and England (growth of 2% 2019-2021).

During 2016-2021, the Transport and Storage sector recorded the largest percentage increase in the number of enterprises at 19%, but this remained behind national growth in this sector (50%).

Conversely, the Utilities sector recorded the largest percentage decrease in the number of enterprises at -14%, whilst this sector grew by 18% in England. Importantly, numerous sectors in Swindon recorded a decrease in the count of enterprises whilst nationally these sectors grew. These include Utilities, Wholesale, Information and Comms, Education, Arts and Entertainment, and Retail.

Business Count Growth of Enterprises by Broad Sector, 2016-2021



Source: ONS Business Count, 2021

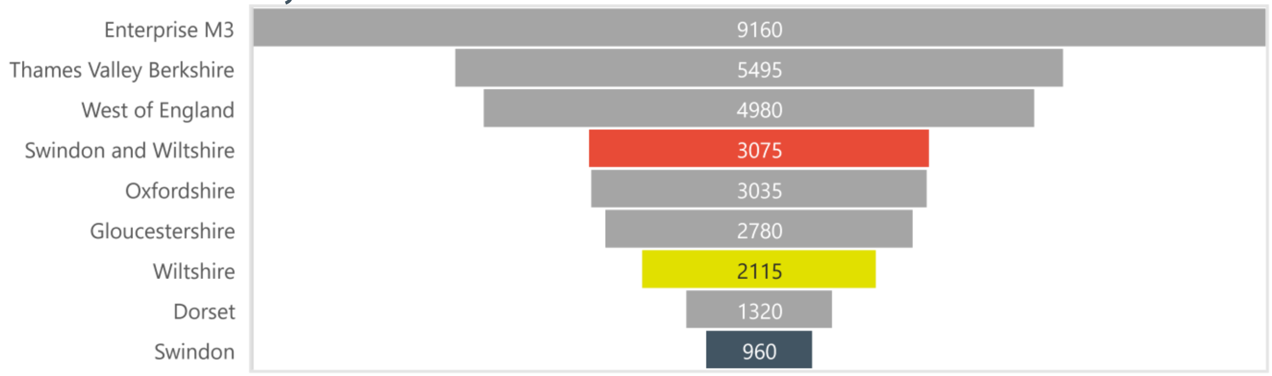
Swindon and Wiltshire's **Business Start Up and Growth**

Fewer net business births than most comparators is driven by net business deaths in Wiltshire and few new births in Swindon…

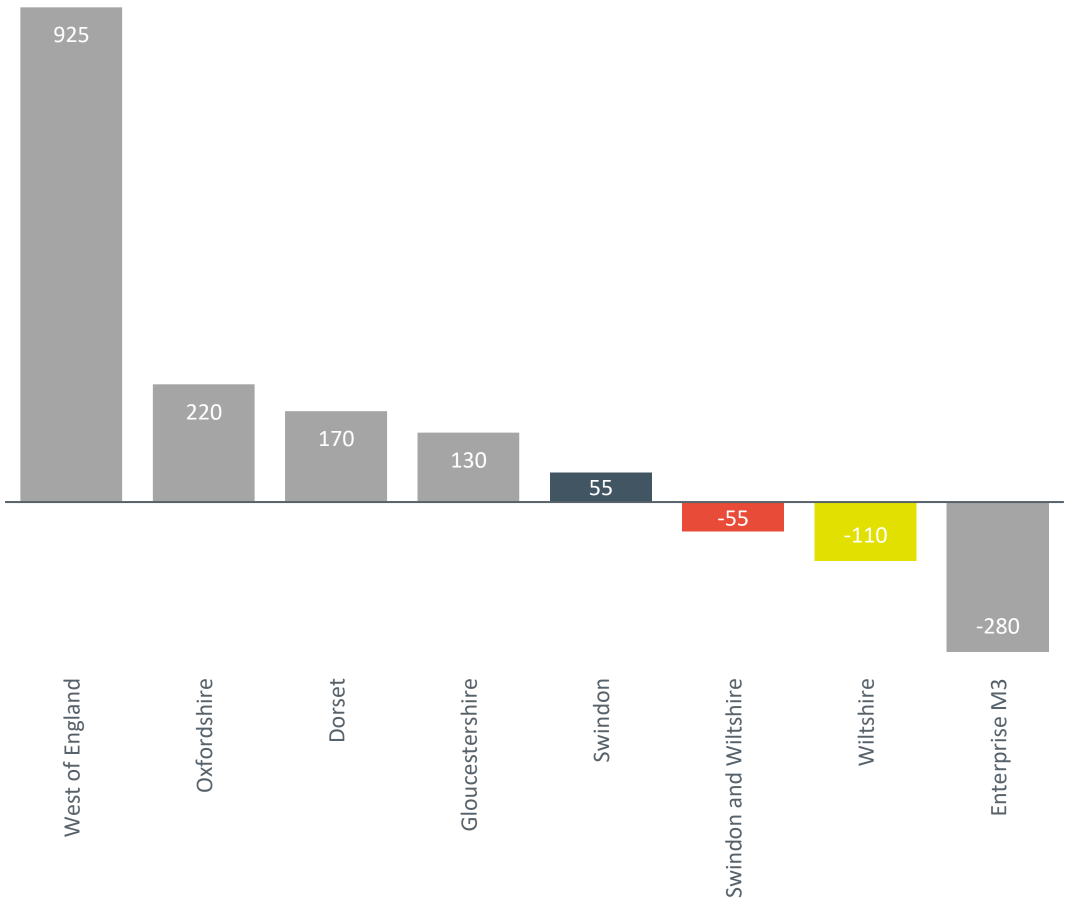
In 2020, there was a negative birth rate (-55) in Swindon and Wiltshire. This position varies by local authority, with Swindon experiencing a positive net birth rate of +55 whilst Wiltshire experienced a negative rate of -110.

There were 3,075 business deaths in Swindon and Wiltshire during 2020, with Wiltshire accounting for almost 70% of these deaths. This is lower than most other comparator LEP areas, with only Oxfordshire, Gloucestershire, and Dorset LEP areas recording a lower number of business deaths. However, Swindon and Wiltshire performs relatively worse when assessing net business births. In 2020, there were -55 net business births in the area, with only Enterprise M3 LEP recording lower net business births. Within the LEP area, Wiltshire performs poorly compared to Swindon with -110 net business births compared to 55 in Swindon. Although this will be shaped by the impact of Covid-19, in 2019 Swindon and Wiltshire were still performing relatively poorly compared to the other LEP areas, with the fourth highest number of business deaths (2,485) and the third lowest net births (45).

Business Deaths, 2020



Net Business Births, 2020



Source: ONS Business Demography, 2019-2020

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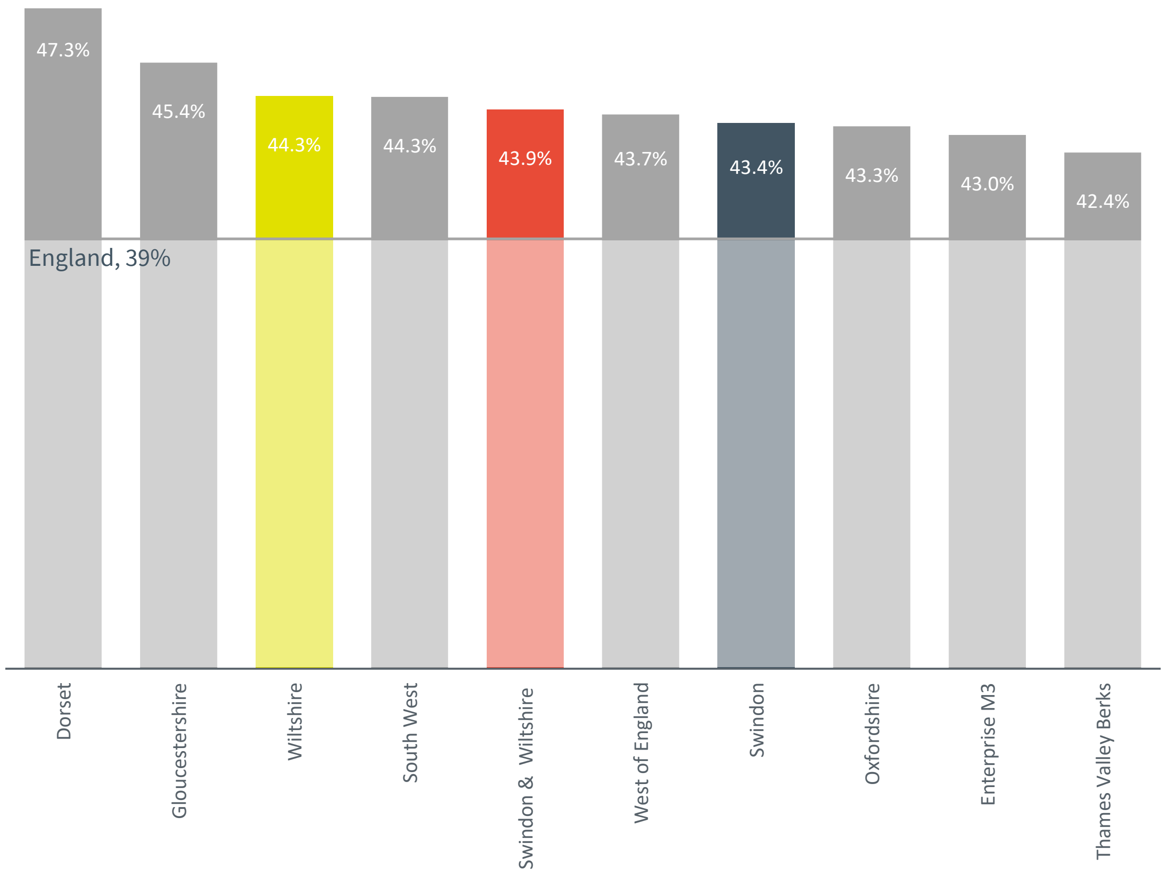
Swindon and Wiltshire's **Business Start Up and Growth**

As of 2020, the 5 year survival rate of businesses in the Swindon and Wiltshire was 44%...

This is considerably above the English average of 39% and in line with the South West average, also at 44%. Of the LEP comparator areas, only Dorset, Gloucestershire, and Bucks Thames Valley LEP have higher business survival rates. Dorset has the highest 5 year business survival rate at 47%.

Within Swindon and Wiltshire, Wiltshire has a slightly higher 5 year business survival rate at 44.3% compared to 43.4% in Swindon. This could be an indicator of strong business support mechanisms in place that assure business longevity with business needs being met, alternatively it may be an expression of a less competitive business ecosystem that allows for less efficient businesses to remain functioning due to a lack of competition which would typically result in lower survival rates after five years.

5 year Business Survival Rate, 2015-2020



Source: ONS Business Demography

Swindon and Wiltshire's **Business Start Up and Growth**

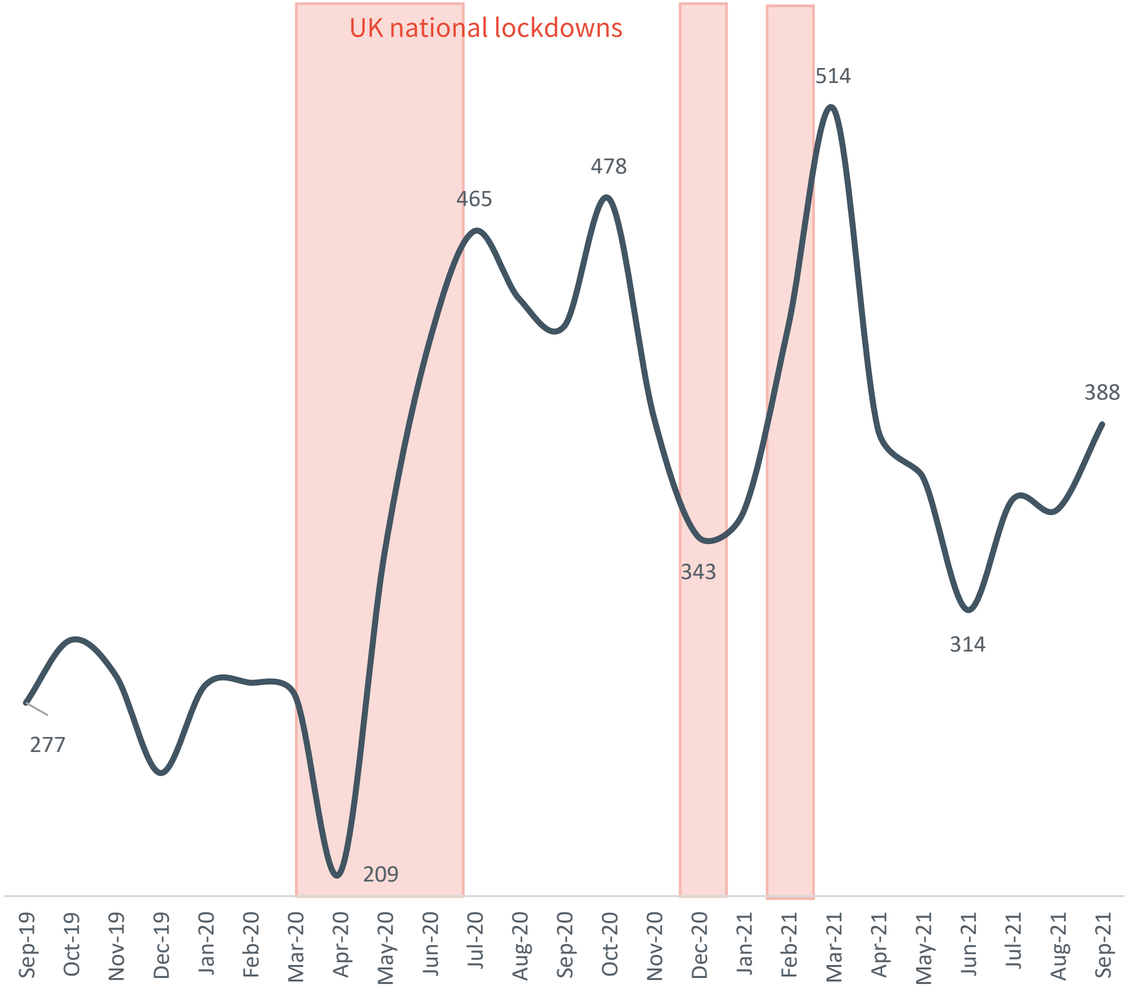
The number of business incorporations in Swindon and Wiltshire has significantly increased over the lockdown periods of March 2020-March 2021, compared to the prior 6 month period…

Between September 2019 and March 2020, business incorporations averaged 280 per month.

After an initial drop in the number of business incorporations from March 2020 (280) to April 2020 (209), the number of business incorporations grew to a peak of 514 in March 2021. From March to September 2021, business incorporations have averaged 360 per month, which is 29% higher than in the 6 months prior to national lockdowns.

This suggests that during the lockdown periods greater numbers of new businesses were being created, with continuing positive influence on business incorporations post-lockdown. When examining business incorporation trends during challenging economic periods, consideration should be given to the displacement effect from permanent employment.

Business Incorporations in Swindon and Wiltshire LEP, Sept 2019-Sept 2021



Source: HMRC Companies House

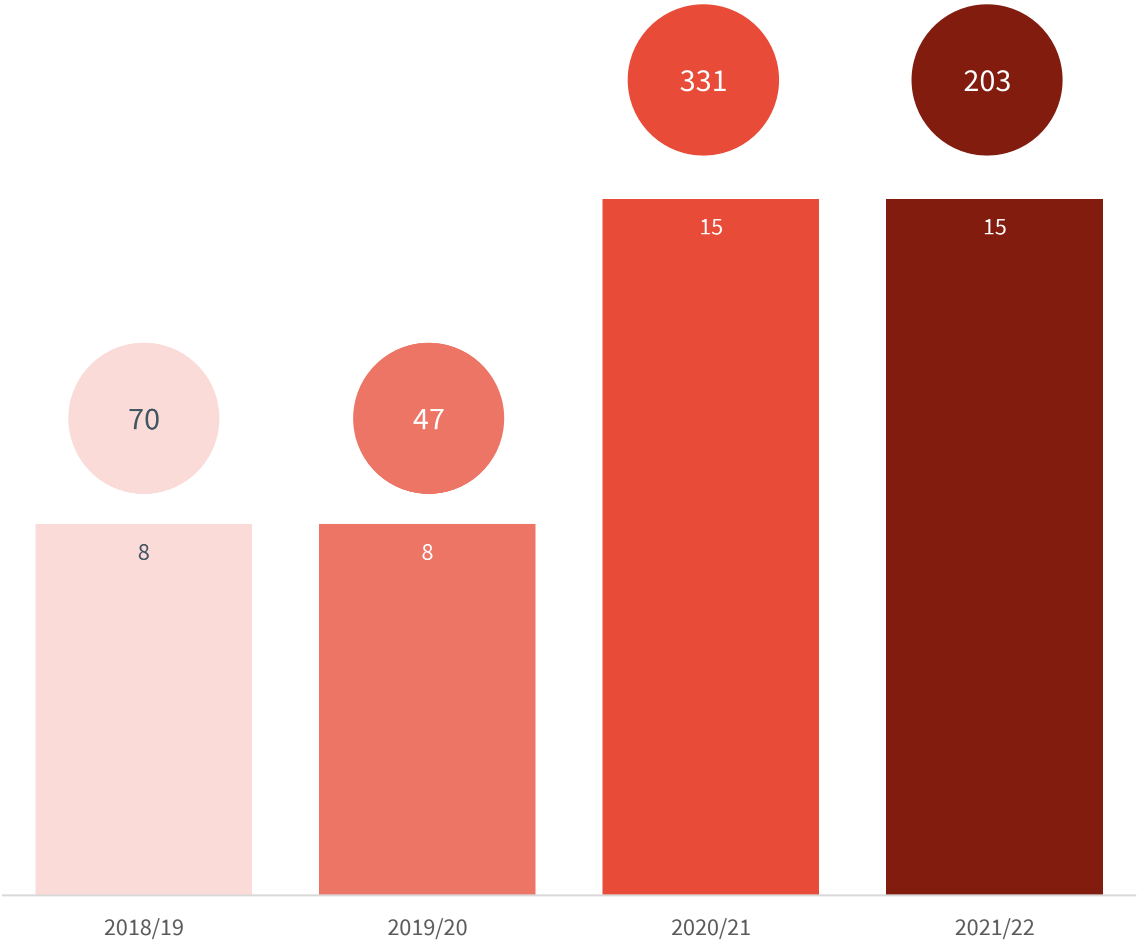
Swindon and Wiltshire's **Foreign Direct Investment (FDI)**

Whilst Swindon and Wiltshire have seen a near doubling in Foreign Direct Investment (FDI) project wins in the last few years the value of these, proxied by jobs created has been even greater…

The number of FDI project wins in Swindon and Wiltshire has increased by 88% since 2018/19 to a total of 15 in 2021/22. The number of FDI jobs created has also increased over this period, generally in line with the number of project wins. In 2019/20 when there were 8 FDI project wins, just 47 FDI jobs were created, whereas in 2020/21 when 15 FDI projects were won, 331 FDI jobs were created. But 2021/22 did record a reduction in the number of FDI jobs created to just 203, despite the number of FDI project wins equalling the previous year.

Creating an attractive environment for inward investment will be a crucial component to the future prosperity of the LEP area. This is particularly crucial post EU exit. Initiatives such as the joint inward investment programme, a joint partnership between Swindon and Wiltshire LEP, Swindon Borough Council and Wiltshire Council, has provided the first step to attracting investment into the area by ensuring sufficient investment opportunity is advertised to potential investors.

FDI Project Wins (bars) and jobs created (circles), 2018-2022



Source: FDI provided by Swindon and Wiltshire LEP

Swindon and Wiltshire's **Trade**

Swindon and Wiltshire is a net importer of goods and services…

A larger proportion of the monetary value gained from Swindon and Wiltshire's trade is from imported goods and services valued at £5.6bn (53%) than exports at £4.9bn (47%). However, within the LEP area there are spatial differences. There is considerably higher value in Wiltshire's imports at £2.7bn (59%) than its exports at £1.8bn(41%). By contrast, Swindon sees the reversal for its exports at £3.1bn (52%) and imports at £2.9bn (49%).

Of Swindon and Wiltshire's trade, there is greater value in the goods and services imported and exported to non-EU countries (51% and 64%) than EU (49% and 36%). This is greater than The South West (51%) and UK (48%). Whilst the value of its goods and services from non-EU countries is higher than the UK (52%), it is below the regional average (55%).

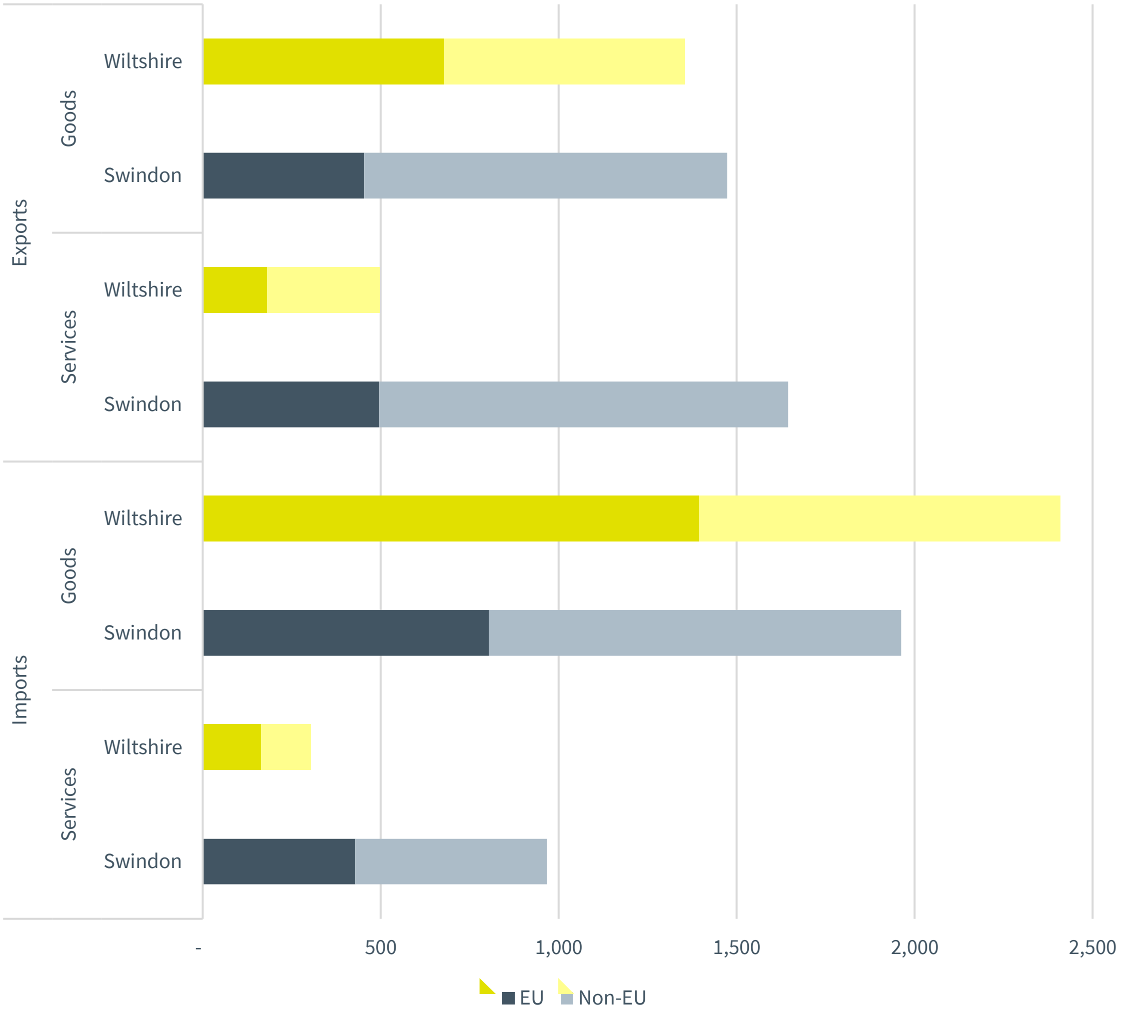
Internally, however, Wiltshire is more reliant upon imports from the EU (57%) than it is from non-EU countries (43%) compared to Swindon (42% and 58%). Swindon and Wiltshire both separately gain more value from exports to non-EU countries (70% and 54%) than they do EU (30% and 46%).

This means that although any disruption to imports and exports from Brexit could impact negatively upon Swindon and Wiltshire's economy, the LEP may have greater protection from its strong trading relationship with non-EU countries than seen regionally or nationally.

However, it is clear from the breakdown in goods and services that Wiltshire's trade is more dependent on the EU. Unlike Swindon, there is greater value in Wiltshire's EU imported goods (58%) and services (54%) and also more in its EU exported goods (50%), but not in its services (37%). This breakdown suggests that careful attention will need to be paid to how Wiltshire's in particular could be affected by changes in trade between the UK and EU.

Source: ONS Subnational Trade in Goods and Services

Imports and Exports, £ millions, 2019



Swindon & Wiltshire LOCAL ENTERPRISE PARTNERSHIP HATCH

Swindon and Wiltshire's **Employment Characteristics**

Employment is concentrated in several sectors such as Retail, Health and Professional and Scientific Services…

In 2020 employment in Swindon and Wiltshire was 326,500, of which 65% was within Wiltshire. This is a workplace measure and Employment in this sense considers those employed in the LEP area's economy and can include residents as well asd commuters into Swindon and Wiltshire

The largest employment sector for employment across the LEP area was Retail and wholesale, accounting for 16% of total employment, in line with the national average of 15%. Other important employment sectors include Health (11%), Manufacturing (9%) and Professional, Scientific and Technical (9%).

Sectoral employment differs between Swindon and Wiltshire. For example, the financial and insurance sector (due in part to presence of a large employer, Nationwide, is a significant employer in Swindon and accounts for almost one in ten jobs, but a relatively small sector in Wiltshire where the sector only accounts for one in a hundred jobs.

Whereas, the primary and utility sector is a major employer in Wiltshire, bringing total proportionate employment in the LEP area in this sector above national rates. Both Swindon and Wiltshire have an equally strong manufacturing sector, with both outstripping national proportionate employment in this sector, underscoring the core strength of the manufacturing sector in Swindon and Wiltshire.

Percentage Employment by Broad Sector, 2020

Source: ONS BRES

Swindon and Wiltshire's **Employment Specialisation**

A quarter of employment in Swindon and Wiltshire LEP is concentrated in retail and health…

Whilst the Swindon and Wiltshire LEP area has employment spread across a range of broad sectors, just over a quarter of total employment is based within the retail (16%) and health (11%) sectors.

Transport and storage is of growing importance to the LEP area's employment base. While no overly concentrated in Swindon and Wiltshire, this sector has experienced strong growth over the last five years, if this trend were to continue it is likely that we would see some degree of specialisation here.

LQ against employment growth from 2015-20 for broad sector employment in Swindon and Wiltshire

Swindon and Wiltshire LEP area	Total	%	% change (2015-2020)	LQ
Primary and utilities	11,500	4%	10%	1.4
Manufacturing	29,000	9%	-3%	1.2
Construction	16,000	5%	0%	1.0
Retail and wholesale	52,000	16%	-9%	1.1
Transport and storage	17,000	5%	21%	1.0
Accommodation and food	24,000	7%	-4%	1.0
Information and comms	13,000	4%	8%	0.9
Financial and insurance	12,000	4%	-33%	1.1
Property	7,000	2%	17%	1.1
Professional and technical	31,000	9%	11%	1.0
Admin and support	28,000	9%	-7%	1.0
Public admin. and defence	13,000	4%	8%	1.0
Education	26,000	8%	-4%	0.9
Health and social care	35,000	11%	-8%	0.8
Arts and entertainment	12,000	4%	-14%	0.9

Source: ONS BRES, 2020

[1] LQ refers to Location Quotient, a measure of how specialized/concentrated activity is in an area. It is based on the relative share of employment in an industry within an area compared to the share nationally. An LQ greater than 1 indicates relative specialization/concentration.

Swindon & Wiltshire LOCAL ENTERPRISE PARTNERSHIP

HATCH

Swindon and Wiltshire's **Employment Characteristics**

Priority sectors play an important economic role in Growth Zone economies…

The summary on the following page highlights the dominance of the Swindon M4 Growth Zone in employment within the LEP's priority sectors. In all but Life Sciences, the Swindon M4 zone has the largest employment. The areas are ranked based on absolute employment values, with the area with the most employment in a specific sector ranking first and the one with the least ranking fourth.

Amongst the other growth zones, there are clear employment concentrations in specific policy sections. For example a high prevalence of ICT/Cyber Security and Creative roles outside the Swindon and Wiltshire Growth Zones, and Life Sciences and Advanced Manufacturing and Engineering clusters in Salisbury-A303.

It should also be noted that the Growth Zones vary in relative size. While the A350 does not have the highest number of jobs in the priority sectors they are still of significant importance proportionately – for example with one in every ten jobs in this area is within the Professional Business Service sector.

Key assets exist in some of the priority sectors within Growth Zone, such as the Porton Science Park.

It should be noted that the strength of priority sectors in these areas may not be accurately demonstrated due to the limitations of SIC codes – this is most clearly the case for the Low Carbon and Life Science sectors.

Swindon and Wiltshire's Employment Characteristics

Absolute jobs

Rank	Professional Business Services	Creative Industries	Low Carbon	Life Sciences	Adv. Manufacturing and Engineering	ICT/Cyber Security
Highest Rank 1	Swindon-M4 *(26,000 jobs)*	Swindon-M4 *(10,000 jobs)*	Swindon-M4 *(8,000 jobs)*	Salisbury-A303 *(10,000 jobs)*	Swindon-M4 *(17,000 jobs)*	Swindon-M4 *(5,000 jobs)*
2	Salisbury-A303 *(6,000 jobs)*	Non-growth zone *(3,500 jobs)*	Salisbury-A303 *(5,000 jobs)*	Swindon-M4 *(8,000 jobs)*	Salisbury-A303 *(7,000 jobs)*	Non-growth zone *(2,000 jobs)*
3	A350 *(6,000 jobs)*	Salisbury-A303 *(2,000 jobs)*	A350 *(1,500 jobs)*	Non-growth zone *(250 jobs)*	A350 *(5,000 jobs)*	A350 (1,000 jobs)
Lowest Rank 4	Non-growth zone *(3,500 jobs)*	A350 *(2,000 jobs)*	Non-growth zone *(1,500 jobs)*	A350 *(225 jobs)*	Non-growth zone *(4,500 jobs)*	Salisbury-A303 *(700 jobs)*

Priority Sectors account for **4 in 10** Jobs in Swindon and Wiltshire

Source: ONS BRES

Swindon and Wiltshire's **Employment Specialisation**

Employment specialisation in Swindon and Wiltshire

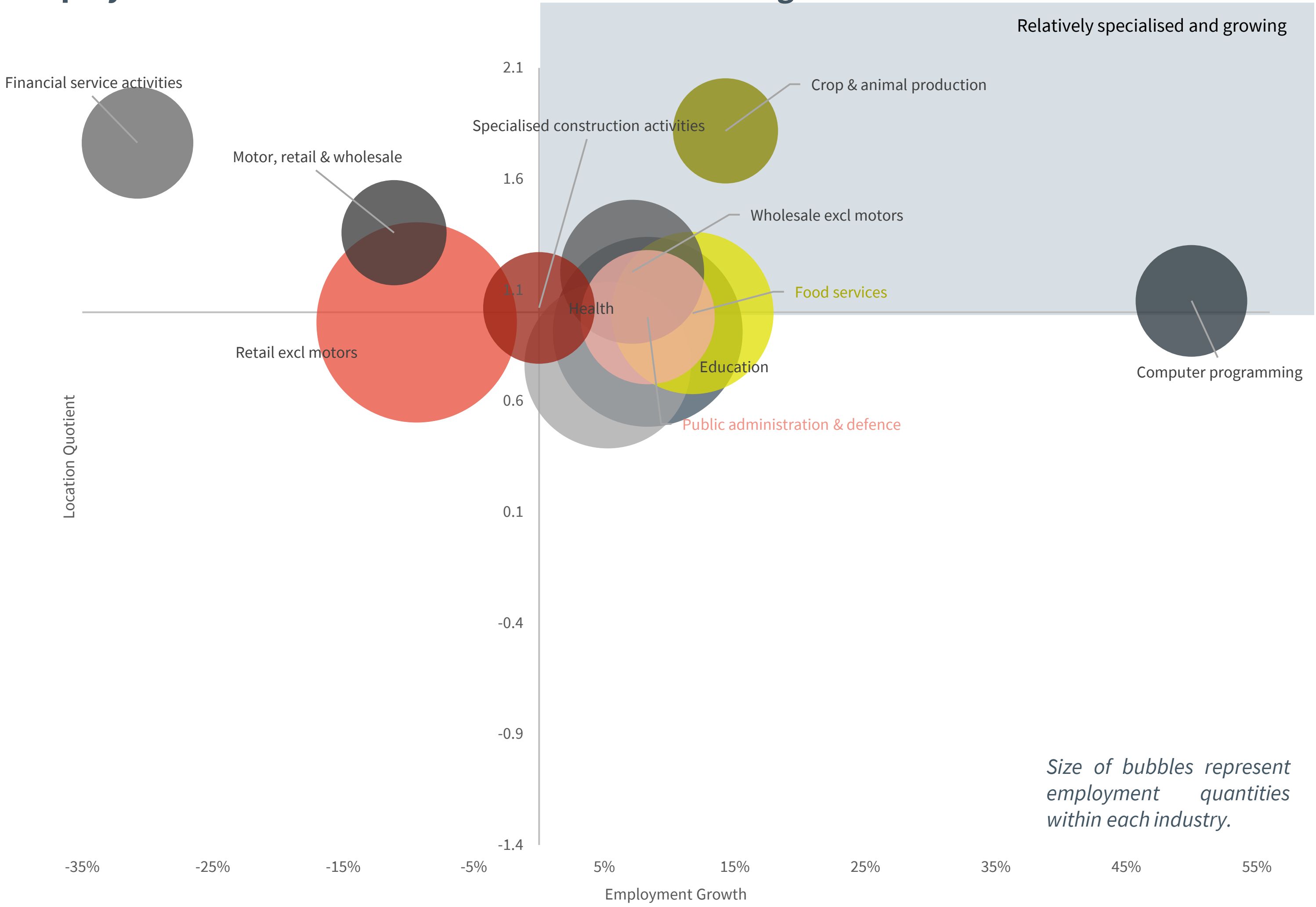
Since 2015, employment in the sectors of Financial Services, Motor Retail and Wholesale, and Retail excl. Motors has decreased. Of these Financial Services has seen the greatest contraction at -31%.

Conversely, the Computer Programming sector has grown strongly (50% growth 2015-2020), albeit from a relatively small base.

Employment in both Health and Education are relatively lower in Swindon and Wiltshire than in England (as measured by the Location Quotient[1]), despite both sectors recording between 5 and 8% growth since 2015.

Opposingly, the Crop and Animal Production and Financial Services sectors are particularly specialized compared to England based on location quotient, but concerningly the Financial Services sector is struggling to maintain its presence in Swindon and Wiltshire.

LQ[1] (Y-axis) against employment growth from 2015-20 (X-axis) for the 10 largest employment sectors in Swindon and Wiltshire at 2-digit level



Size of bubbles represent employment quantities within each industry.

Source: ONS BRES, 2020

[1] LQ refers to Location Quotient, a measure of how specialized/concentrated activity is in an area. It is based on the relative share of employment in an industry within an area compared to the share nationally. An LQ greater than 1 indicates relative specialization/concentration.

Swindon & Wiltshire LOCAL ENTERPRISE PARTNERSHIP HATCH

Swindon and Wiltshire's **Employment Specialisation**

Employment is reorienting from Financial Services towards digital economy…

Employment in both Health and Education are relatively lower in Swindon and Wiltshire than in England (as measured by the Location Quotient[1]), despite both sectors recording between 5 and 8% growth since 2015.

Opposingly, the Crop and Animal Production and Financial Services sectors are particularly specialized compared to England based on location quotient, but concerningly the Financial Services sector is struggling to maintain its presence in Swindon and Wiltshire.

LQ against employment growth from 2015-20 for the 10 largest employment sectors in Swindon and Wiltshire at 2-digit level

Swindon and Wiltshire LEP	Total	%	% change (2015-2020)	LQ
Retail excl motors	29,000	9%	-9%	1.0
Education	26,000	8%	8%	0.9
Health	20,000	6%	5%	0.8
Food services	19,000	6%	12%	1.0
Wholesale excl motors	15,000	5%	7%	1.2
Public admin.and defence	13,000	4%	8%	1.0
Specialised construction activities	9,000	3%	0%	1.0
Computer programming	9,000	3%	50%	1.1
Financial service activities	9,000	3%	-31%	1.8
Crop and animal production	8,000	2%	14%	1.8

Source: ONS BRES, 2020

Swindon & Wiltshire LOCAL ENTERPRISE PARTNERSHIP HATCH

Swindon and Wiltshire's **Employment Specialisation**

Employment specialisation in Swindon and Wiltshire

Individually, Swindon and Wiltshire both contain sectors of employment specialism that are distinct to their unitary authority area. In Swindon, Financial Service Activities has a location quotient of 4.4 and has continued to grow by 14% since 2015 (+1,000 jobs). In Wiltshire, Crop and Animal Production is a highly dense employment sector with a location quotient of 2.5, a reflection of the importance of Wiltshire's rural economy. Despite this, the sector has not experienced any growth since 2015.

Overall, Swindon has experienced employment growth in Office Admin and Support (78%), Financial Service Activities (14%), Education (14%) and Health (14%). However, both the Wholesale excl Motors (-11%) and Retail excl Motors sectors (-17%) have experienced decline.

In Wiltshire, Motor, Retail and Wholesale (20%), Social Work (20%) and Retail excl Motors (11%) have experienced an increase in employment. However, over half of the top 10 sectors have either experienced decline or stagnant growth, particularly Wholesale excl Motors (-17%) and Specialised Construction Activities (-14%).

LQ[1] against employment growth from 2015-20 for the 10 largest employment sectors in Swindon (top) and Wiltshire (bottom) at 2-digit level

Swindon	Total	%	% change (2015-2020)	LQ
Retail excl motors	10,000	9%	-17%	0.9
Financial service activities	8,000	7%	14%	4.4
Education	8,000	7%	14%	0.8
Health	8,000	7%	14%	0.9
Food services	6,000	5%	0%	0.9
Warehousing and support for transport	5,000	4%	11%	2.1
Manufacture of motor vehicles	4,500	4%	13%	7.0
Employment activities	4,500	4%	0%	1.2
Wholesale excl motors	4,000	3%	-11%	0.9
Office admin and support	4,000	3%	78%	1.9
Motor, retail and wholesale	3,500	3%	0%	1.7

Wiltshire	Total	%	% change (2015-2020)	LQ
Retail excl motors	20,000	9%	11%	1.0
Education	17,000	8%	-6%	0.9
Food services	12,000	6%	-8%	1.0
Health	12,000	6%	0%	0.7
Wholesale excl motors	10,000	5%	-17%	1.2
Public administration and defence	9,000	4%	-10%	1.0
Crop and animal production	7,000	3%	0%	2.5
Residential care activities	7,000	3%	0%	1.4
Specialised construction activities	6,000	3%	-14%	1.1
Motor, retail and wholesale	6,000	3%	20%	1.6
Social work activities	6,000	3%	20%	1.1

Source: ONS BRES, 2020

[1] LQ refers to Location Quotient, a measure of how specialized/concentrated activity is in an area. It is based on the relative share of employment in an industry within an area compared to the share nationally. An LQ greater than 1 indicates relative specialization/concentration.

Swindon and Wiltshire's **Employment Specialisation**

Of the priority sectors Life Sciences is specialised and growing…

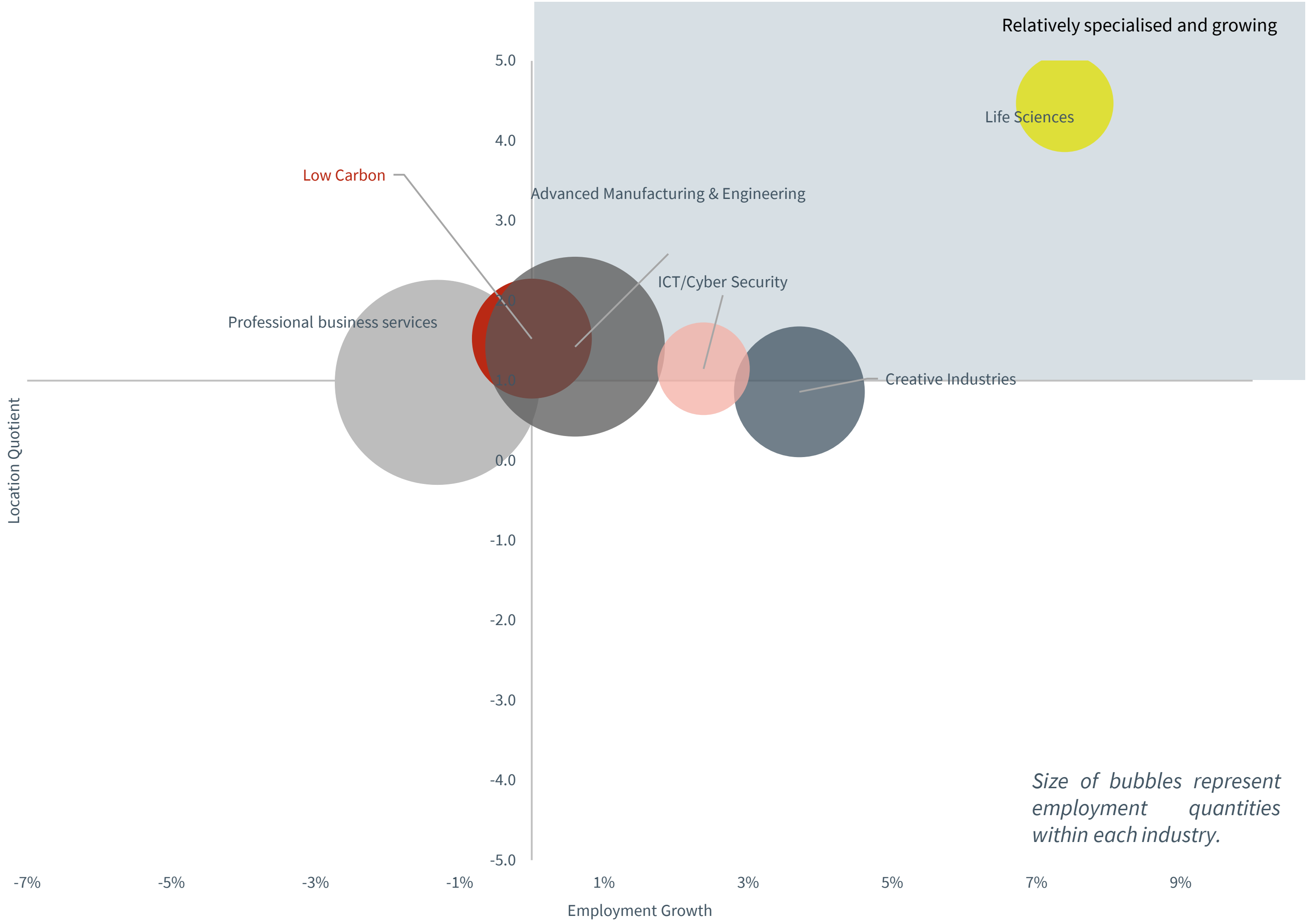
Employment in the priority sectors of Professional Business Services and Low Carbon has shrunk or remained the same between 2015 and 2020, with professional services losing 1% of employment per year on average.

Employment in the priority sectors of Advanced Manufacturing and Engineering, ICT /Cyber Security, Creative Industries, and Life Sciences have grown, with Life Sciences leading this growth at 7%.

Employment in the Creative Industries is lower than in England (as measured by the Location Quotient) and employment in the professional business services matches the rate in England.

The other priority sectors are all relatively specialized compared to England, based on the Location Quotient. As well as leading growth, Life Sciences also leads this comparative specialization.

LQ[1] (Y-axis) against employment growth from 2015-20 (X-axis) for the LEP priority sectors



Size of bubbles represent employment quantities within each industry.

Source: ONS BRES, 2020

Swindon & Wiltshire LOCAL ENTERPRISE PARTNERSHIP HATCH

Swindon and Wiltshire's **Employment Specialisation**

The priority sectors in Swindon and Wiltshire demonstrate relative and absolute specialisation in employment terms…

The exception to this is employment in the Creative Industries which is less concentrated than within England, and employment in Professional Business Services which is present to the same degree as the England average. The other priority sectors are all relatively specialised compared to England. Life Sciences is particularly notable with absolute employment of some 10,000 employees and a LQ of 4.5.

LQ against employment growth from 2015-20 for the LEP priority sectors

Swindon and Wiltshire LEP	Total	% share	% change (2015-2020)	LQ
Professional Business Services	44,000	13%	-1%	1.0
Creative Industry	18,000	5%	4%	0.9
Low Carbon	15,000	5%	0%	1.5
Life Sciences	10,000	3%	7%	4.5
Advanced Manufacturing and Engineering	34,000	10%	1%	1.4
ICT/Cyber Security	9,000	3%	2%	1.1

Source: ONS BRES

Swindon's **Employment Specialisation**

The Life Sciences sector is specialised and growing in Swindon…

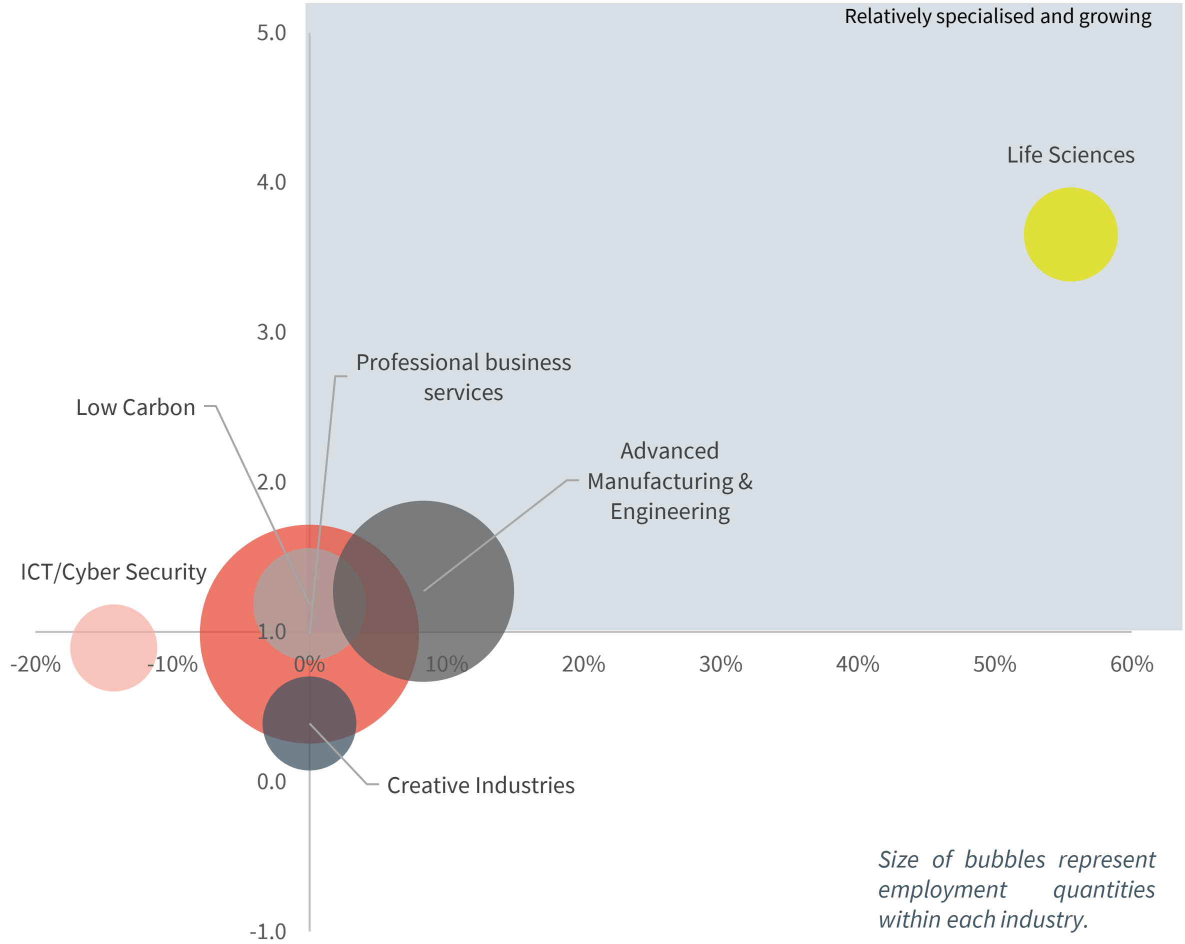
The priority sector of Life Sciences in Swindon is relatively specialised and growing, with a 56% growth in employment between 2015 and 2020. With 3,500 employees the sector is relatively small, however, accounting for only 3% of Swindon's total employment.

Conversely, ICT/Cyber security has experienced contraction between 2015-2020, with a 14% reduction in employment, and it is less specialised, when compared to England. The largest priority sector in Swindon is the Professional Business Services sector, accounting for 16% of total employment but employment levels have remained static since 2015. Advanced Manufacturing and Engineering is also of absolute and relative importance to Swindon but it should be noted that the closure of Honda will not be reflected in these figures.

Swindon	Total	% of total employment	% change (2015-2020)	LQ
Professional Business Services	19,000	16%	0%	1.0
Creative Industry	3,500	3%	0%	0.4
Low Carbon	5,000	4%	0%	1.2
Life Sciences	3,500	3%	56%	3.7
Advanced Manufacturing and Engineering	13,000	11%	8%	1.3
ICT/Cyber Security	3,000	3%	-14%	0.9

Source: ONS BRES, 2020

LQ[1] (Y-axis) against employment growth from 2015-20 (X-axis) for Swindon priority sectors



Size of bubbles represent employment quantities within each industry.

Wiltshire's **Employment Specialisation**

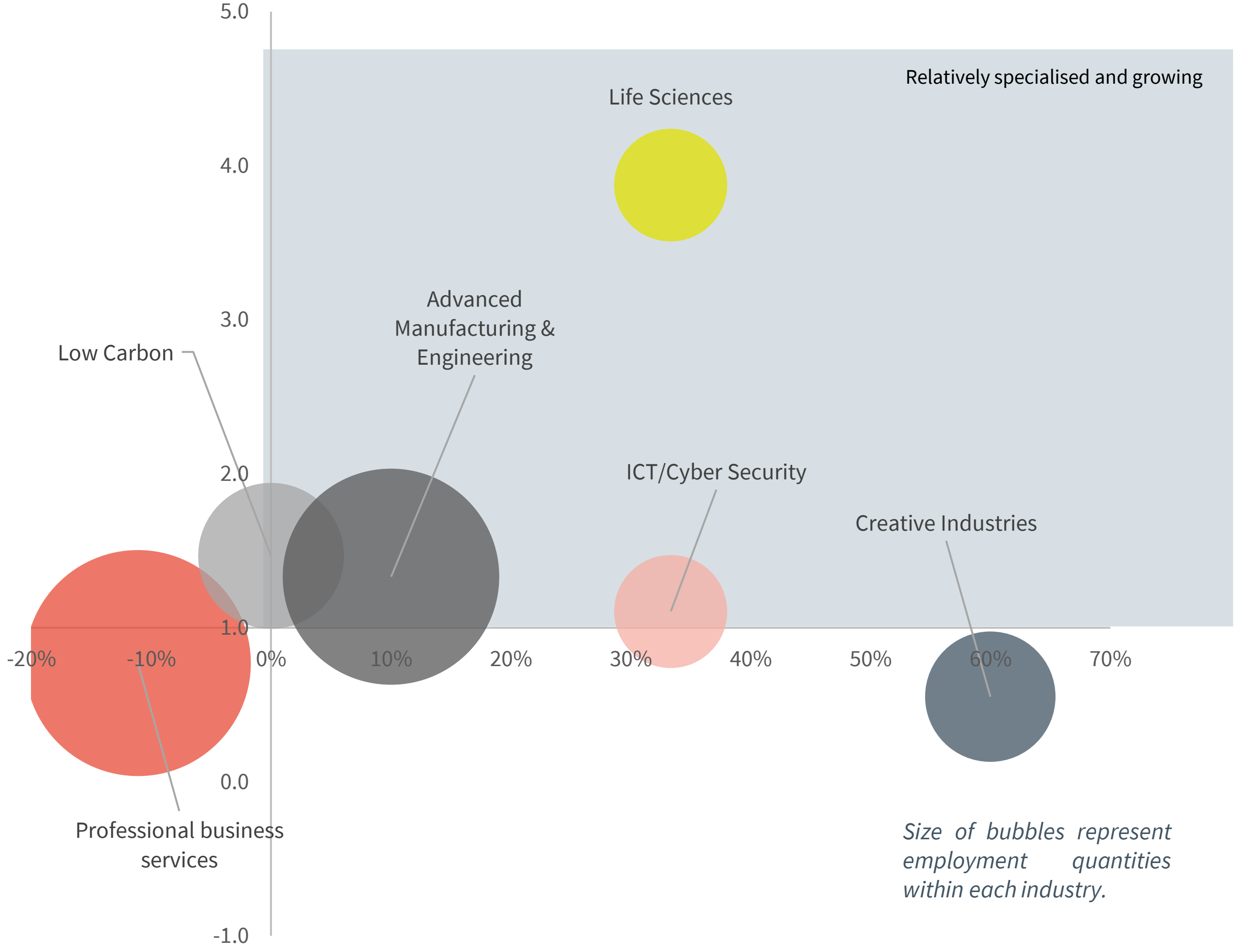
The Creative Industries and Life Sciences sectors are particularly growing, whereas the Professional Business Services sector, one of the largest employment sectors in Wiltshire, is struggling to maintain its influence..

Within Wiltshire, the Life Sciences sector is particularly specialised, when compared to England. But it's rate of growth is reduced when compared to Swindon, at 33% in Wiltshire, compared to 56% in Swindon.

The Creative Industry sector has experienced the largest growth of the priority sectors from 2015 to 2020 at 60%, however it only accounts for 4% of total employment in Wiltshire, and is not specialised when compared to England, with a LQ of 0.6. The Professional Business Services sector is particularly struggling, shrinking by 11% from 2015 to 2020. This is of particular concern as the sector accounts for 11% of total employment in Wiltshire.

Wiltshire	Total	% of total employment	% change (2015-2020)	LQ
Professional business services	24,000	11%	-11%	0.8
Creative Industry	8,000	4%	60%	0.6
Low Carbon	10,000	5%	0%	1.5
Life Sciences	6,000	3%	33%	3.9
Advanced Manufacturing and Engineering	22,000	10%	10%	1.3
ICT/Cyber Security	6,000	3%	33%	1.1

LQ[1] (Y-axis) against employment growth from 2015-20 (X-axis) for Wiltshire priority sectors



Size of bubbles represent employment quantities within each industry.

Swindon and Wiltshire's **Employment Specialisation**

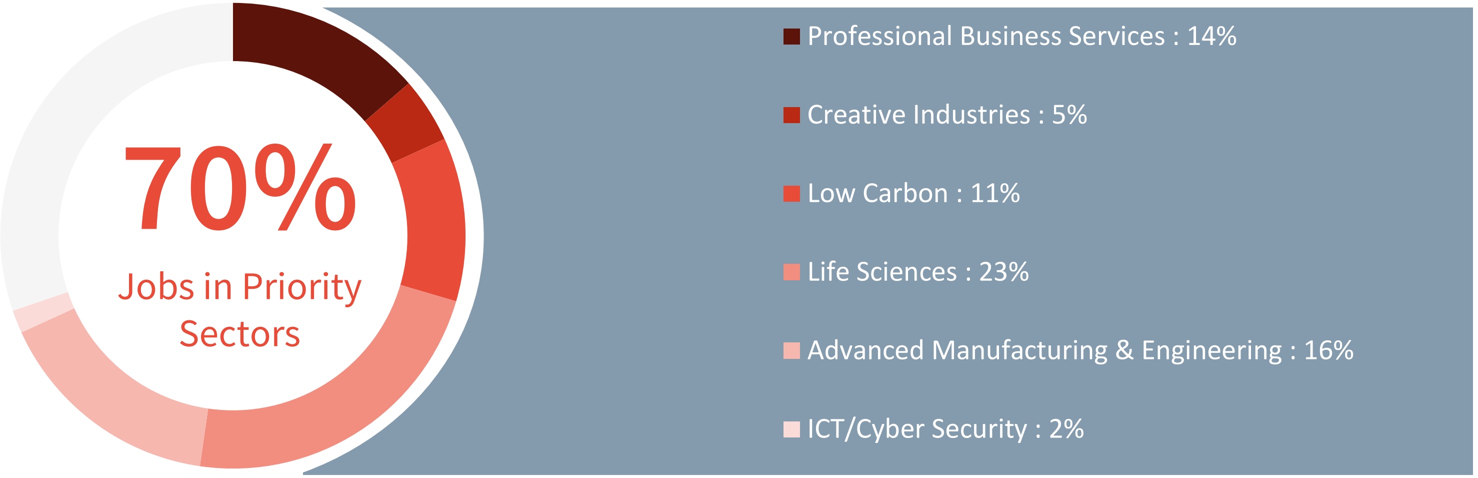
Priority sectors are of absolute importance in all areas of Swindon and Wiltshire…

The priority sectors of the LEP area are important in all Growth Zones, and the non-growth zone. This is no more so apparent than in the Salisbury-A303 growth zone, where 70% of all jobs (31,000 jobs) are held within the priority sectors.

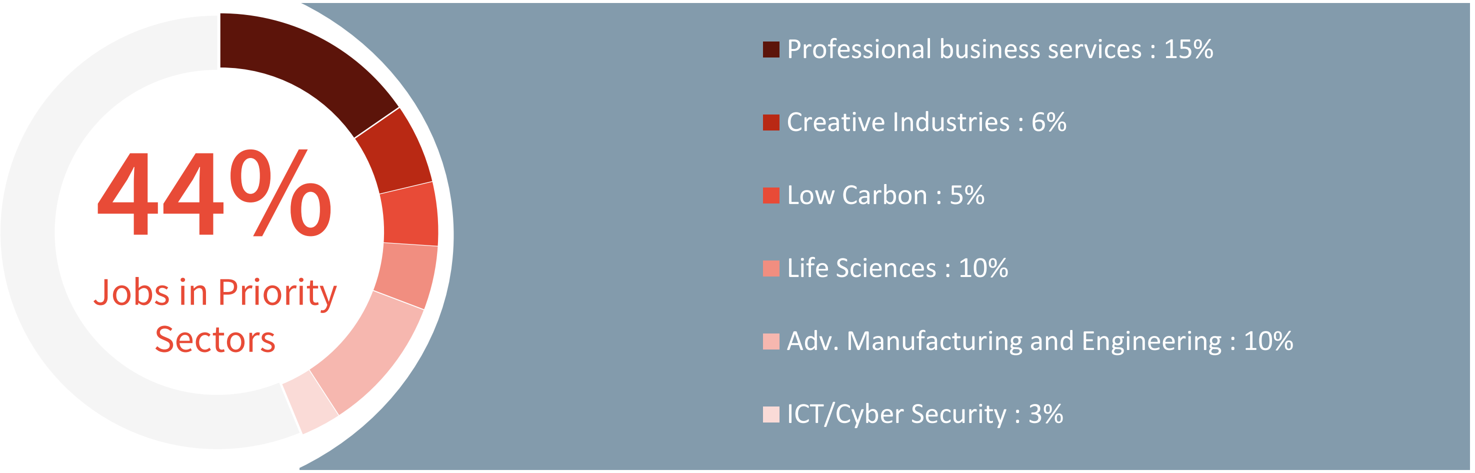
The largest growth zone, in absolute terms accounting for nearly 170,000 jobs, is the M4 growth zone. The economy in this growth zone is fairly diverse, more than two fifth of employment is in the priority sectors,

1 in every 10 jobs, or the employment of 17,000 people, though it is necessary to note that this employment may have changed due to the closure of the Honda site.

Employment in priority sectors : Salisbury-A303 Growth Zone, 2020



Employment in priority sectors : Swindon-M4 Growth Zone, 2020



Source: ONS BRES

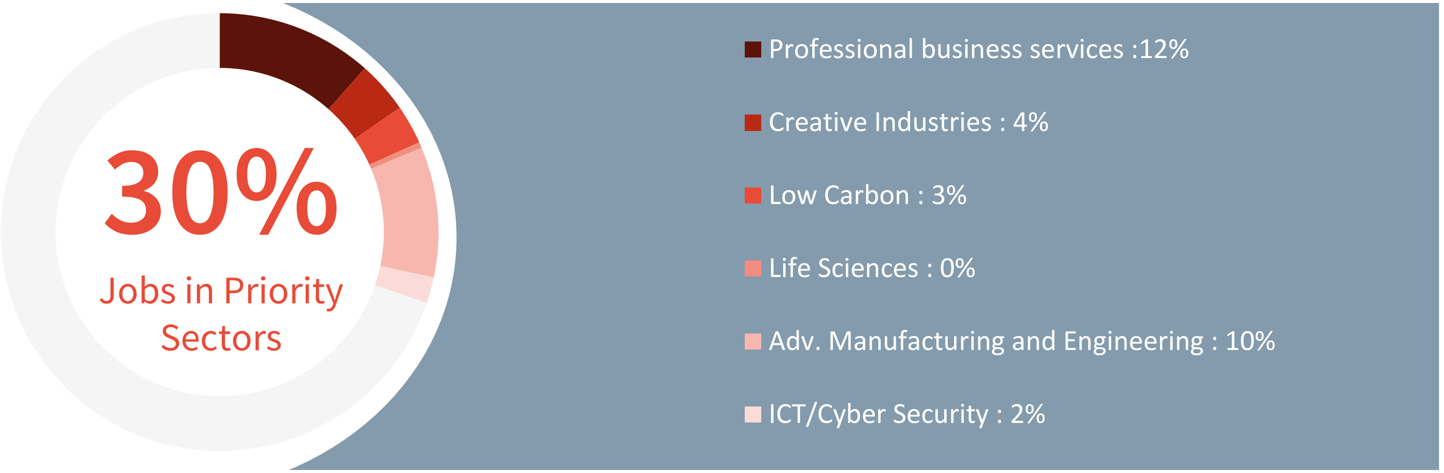
Swindon and Wiltshire's **Employment**

Priority sectors are of absolute importance in all areas of Swindon and Wiltshire…

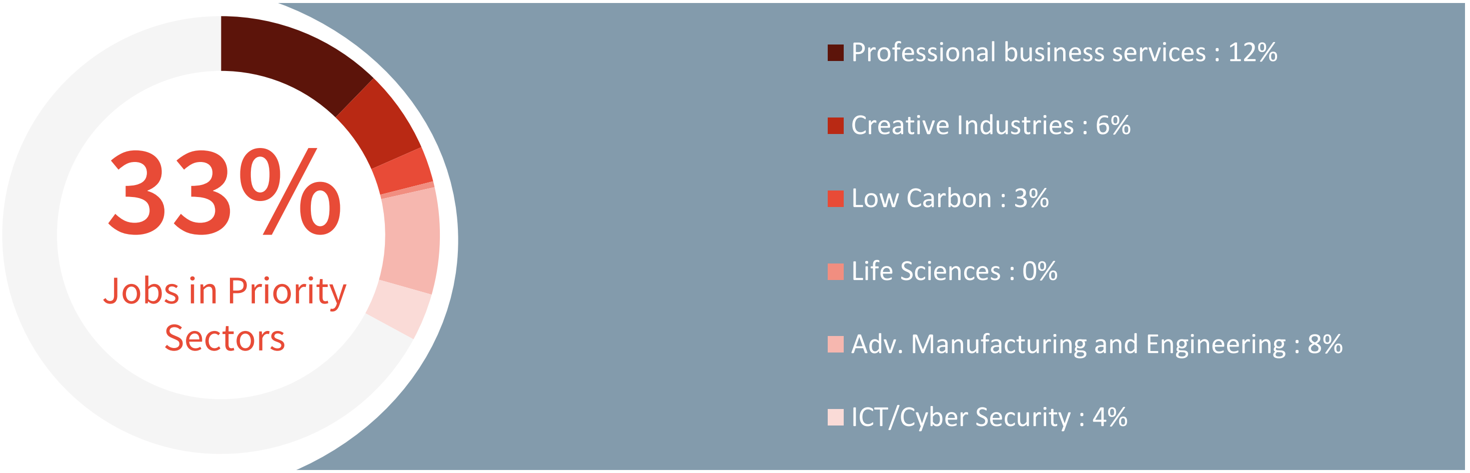
The A350 Growth Zone has the lowest proportion of priority sector jobs but there are still some significant clusters. For example, over one in ten jobs of the growth zone are in the Professional Business Services sector (6,000 jobs).

Outside of the Growth Zone areas, there are 57,000 jobs in the non-growth zone area of Swindon and Wiltshire, a third of which are in the six priority sectors. Similarly to the A350 Growth Zone, over one in ten jobs are in the Professional Business Services sector and growth in this sector has also been strong over the last five years.

Employment in priority sectors : A350 Growth Zone, 2020



Employment in priority sectors : Rural Swindon and Wiltshire, 2020



Source: ONS BRES

Swindon and Wiltshire's **Employment Characteristics**

A slow growing employment market with stark sectoral differences…

Since 2015, employment in Swindon and Wiltshire has increased by 1% compared to a 3% increase nationally. Over this period, the Information and Communication sector recorded the largest percentage increase in employment, at 18% (compared to 8% nationally). Within the LEP area this sector grew more significantly in Wiltshire at 29%, compared to a 11% decrease in Swindon.

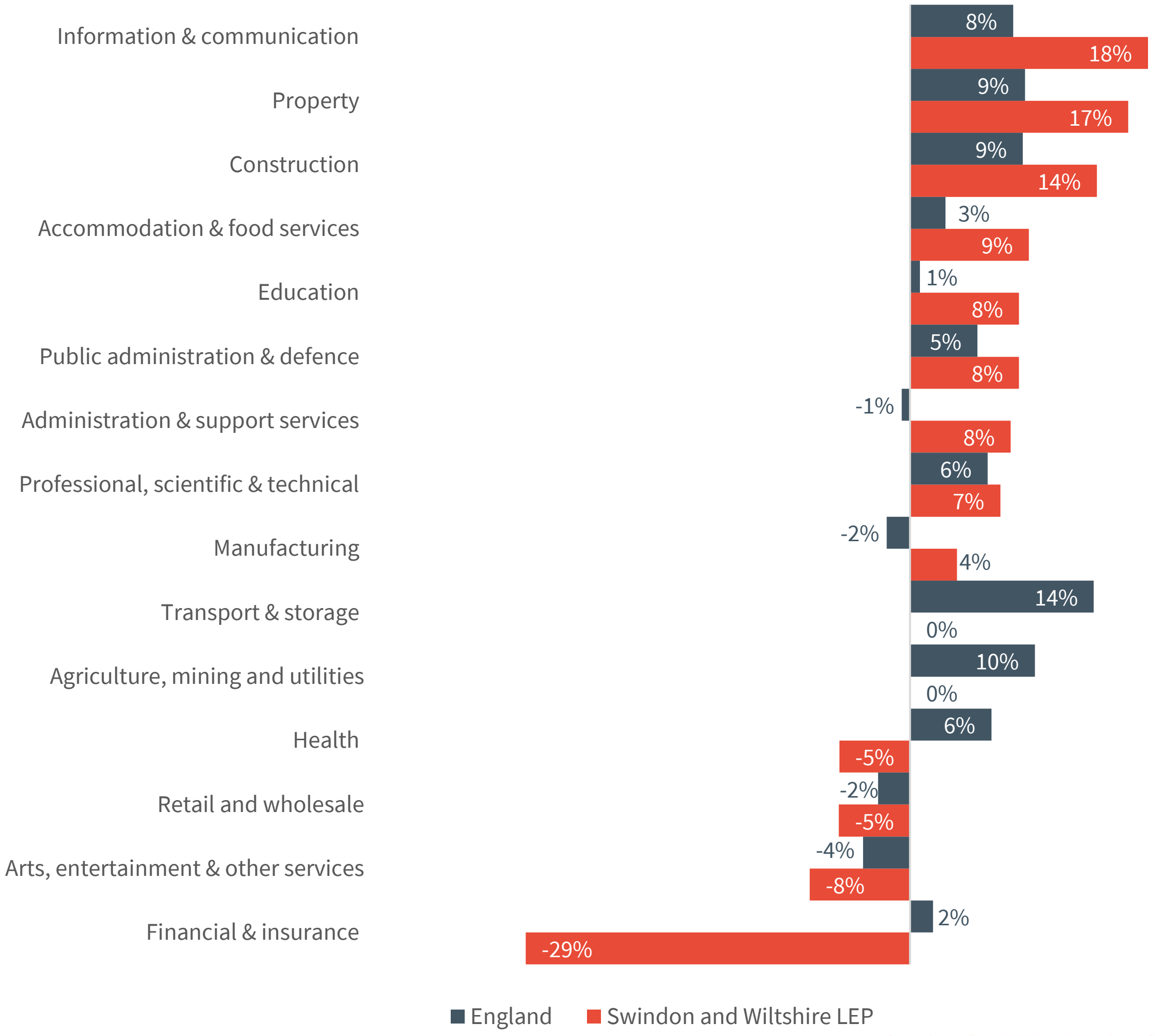
This was followed by the Property sector, which grew by 17% from 2015 to 2020, ahead of national growth in this sector (9%).

Conversely, the Financial and Insurance sector contracted by 29% equating to a loss of 5,000 jobs, all of which have been lost in Wiltshire. This contraction has been ongoing over the last five years, with almost all contraction occurring in Wiltshire before 2017. This may indicate impacts of Brexit or other macroeconomic issues, though further investigation would be required at the local level to determine the root cause.

In the LEP area, the Arts and Entertainment sector also shrank considerably, decreasing by 8% from 2015 to 2020 compared to 5% contraction nationally. This decrease has been experienced solely in Wiltshire which contracted by 22%, a loss of 2,000 jobs.

Source: ONS BRES

Employment Growth by Broad Sector, 2015-2020



Swindon & Wiltshire LOCAL ENTERPRISE PARTNERSHIP

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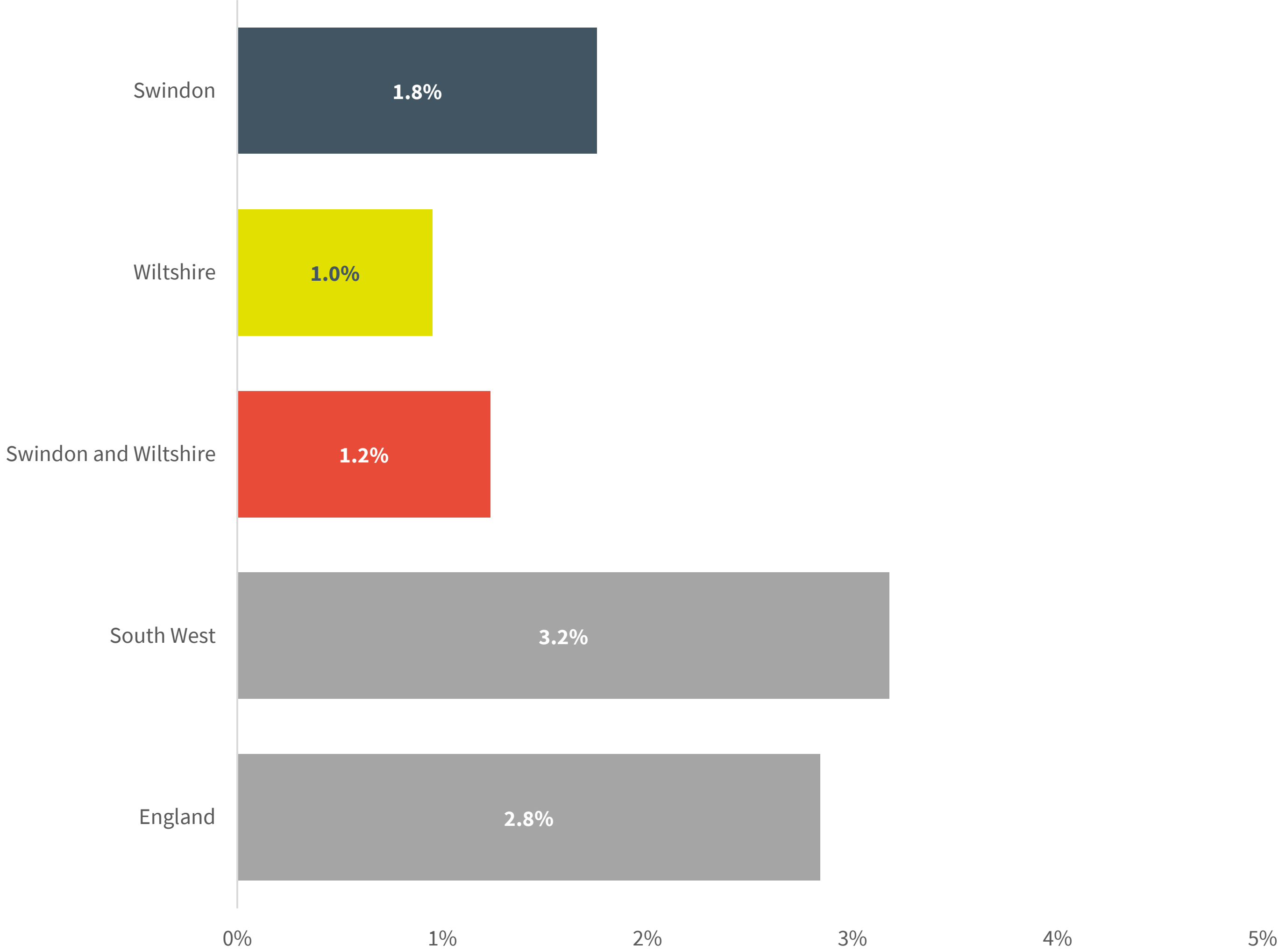
Swindon and Wiltshire's **Employment Characteristics**

Employment growth is below both the regional and national average…

Latest data from 2020 shows that 328,000 people are in employment in Swindon and Wiltshire, accounting for 13% of all South West employment. Over the last five years, employment in the LEP area has increased by 1%, an additional 4,000 jobs. However, when this is compared to regional and national change this indicates a slow rate of growth.

Furthermore, while employment has modestly increased over the last five years, this increase largely occurred prior to 2018 and since then the employment count in Swindon and Wiltshire has been reducing. This may be a combined result of the already highly utilised labour pool, as shown by the economically active rate (83%) alongside an ageing population who are leaving the labour market. Consideration of how to ensure labour supply meets demand will therefore become increasingly necessary in the short and medium term future of Swindon and Wiltshire's economy.

Employment change, 2015-2020



Source: ONS BRES, 2015-2020

Swindon and Wiltshire's **Employment Characteristics**

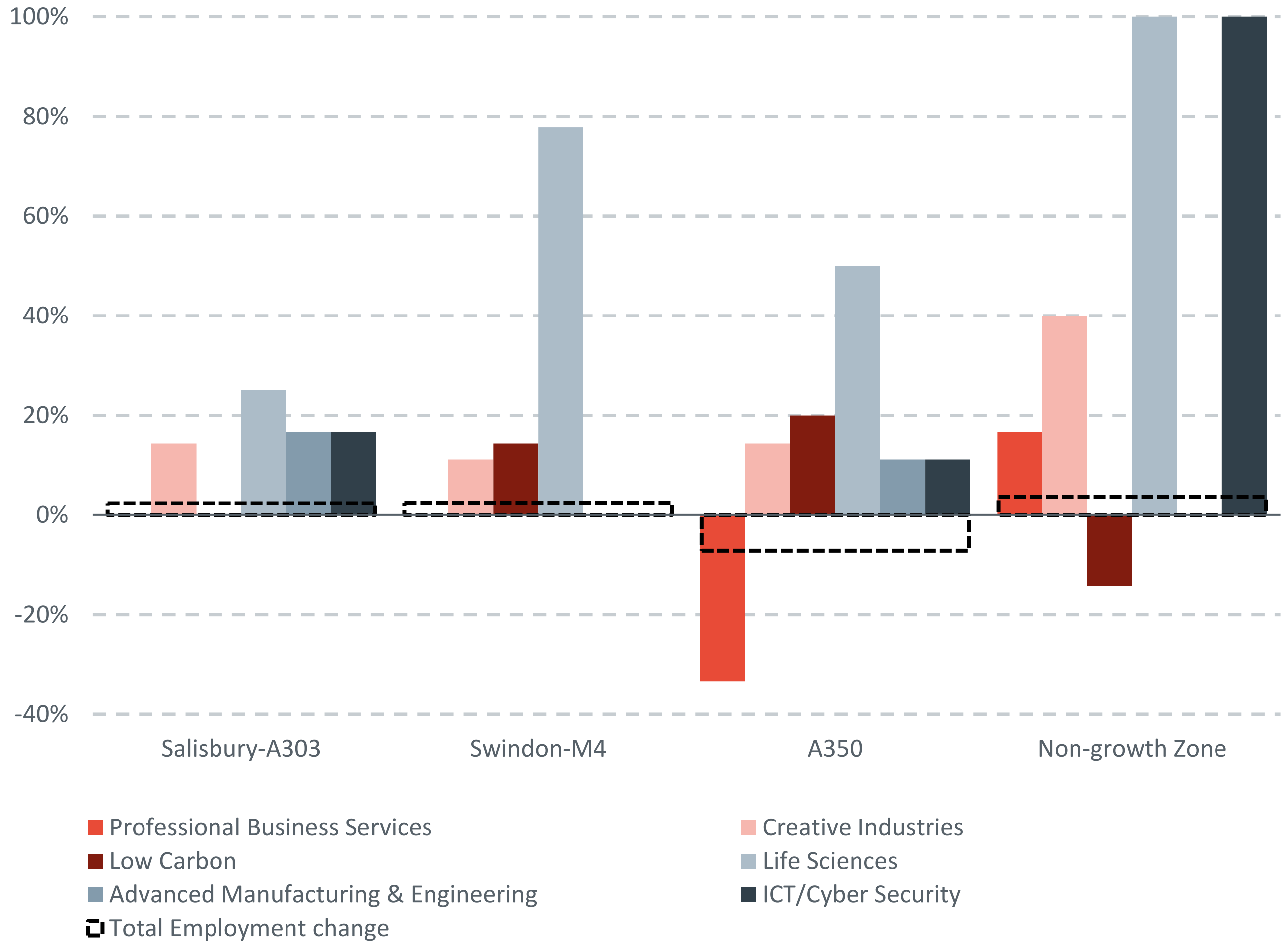
Employment change across Swindon and Wiltshire's Growth Zones and priority sectors has been strong in places…

Overall employment has grown across the Swindon and Wiltshire zones, with the exception of the A350 Growth Zone which has experienced a contraction in employment of 7% over the last five years, equivalent to the loss of 4,000 jobs. The adjacent chart illustrates employment contraction in the Professional Business Services sector with employment in 2020 being a third lower than in 2015 in the priority sector of this Growth Zone.

Life Sciences is a growing sector across all growth zones, doubling in size in the non-growth zone (although from a small starting point, Life Science employment has increased by 125 jobs in the non growth zone area of Swindon and Wiltshire since 2015.) The Life Sciences sector has also experienced growth in Swindon of +78% (+3,500 jobs) and the Salisbury A303 Growth Zone where it has increased by 25% (+2,000 jobs.)

Outside of the Growth Zones, the Low Carbon sector has experienced employment decline in the non-growth zone (-14%, -250 jobs) but has been growing in the Swindon-M4 (+14%, +1,000 jobs) and A350 Growth Zone (+20%, +250 jobs).

Employment change by industry across the Swindon and Wiltshire Growth Zones, 2015-2020



Source: ONS BRES

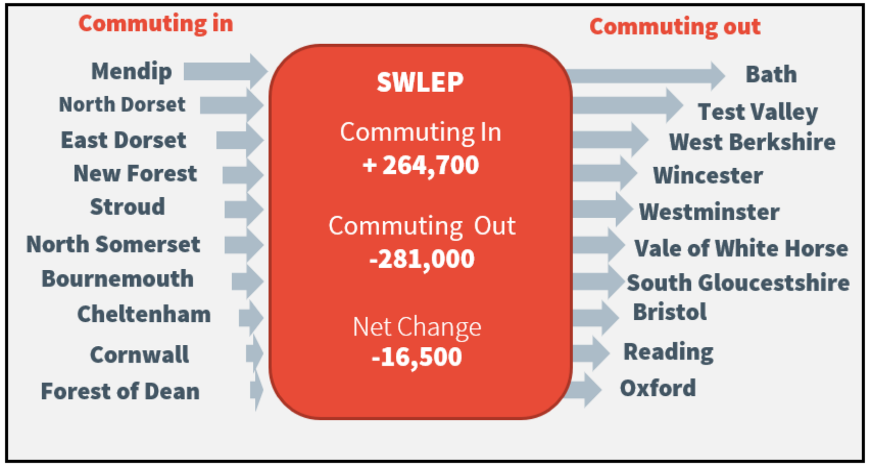
Swindon and Wiltshire's **Travel Catchment**

Swindon and Wiltshire is a net exporter of labour…

Commuting patterns for Swindon and Wiltshire shows that there is a greater number of people who commute out of the LEP area rather than into, with a net outflow of 16,500. Internally, there is a difference in pattern between the two local authorities. The map on the right shows more people commute into Wiltshire than out (net 3,400) whilst more people commute out of Swindon (net -3,400)

Despite this, the LEP area does has a job density of 0.90 compared the 0.88 in the South West and 0.85 in England meaning there are enough jobs to provide work for 90% of working-age residents. This high job density reflects a strong jobs market and may also help explain why the area has a high number of people also commuting in. Swindon and Wiltshire is highly self contained, with 78% of residents working and living in the LEP area.

As the commuting data is from the 2011 Census, the picture in Swindon and Wiltshire may have changed over the last decade. With Swindon and Wiltshire experiencing an above average rise in home-working (71%) since 2019 compared to the South West (39%) and England (67%), the number commuting out Swindon and Wiltshire could have potentially reduced.

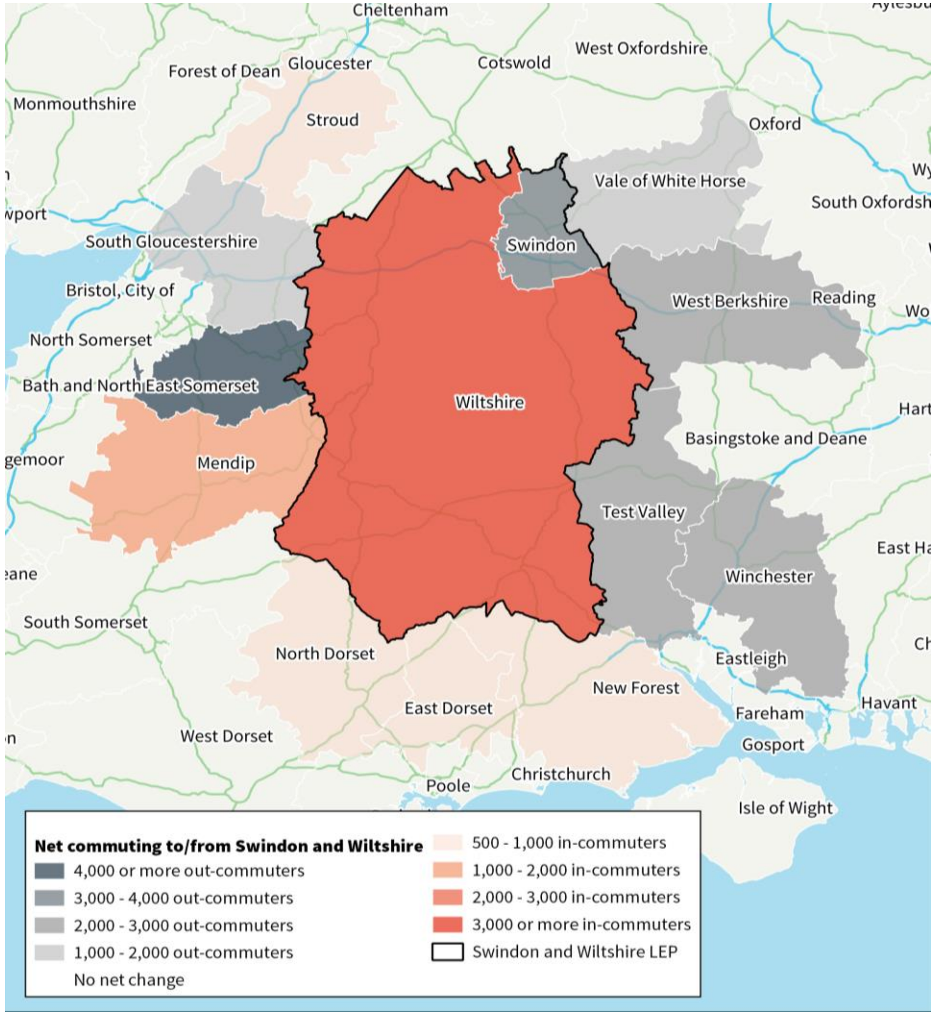


Source: Annual Population Survey, ONS, 2020; ONS Jobs Density, 2020; Census 2011

78%

Self-Containment in Swindon and Wiltshire

Net commuters to/from Swindon and Wiltshire, 2011



Swindon & Wiltshire LOCAL ENTERPRISE PARTNERSHIP HATCH

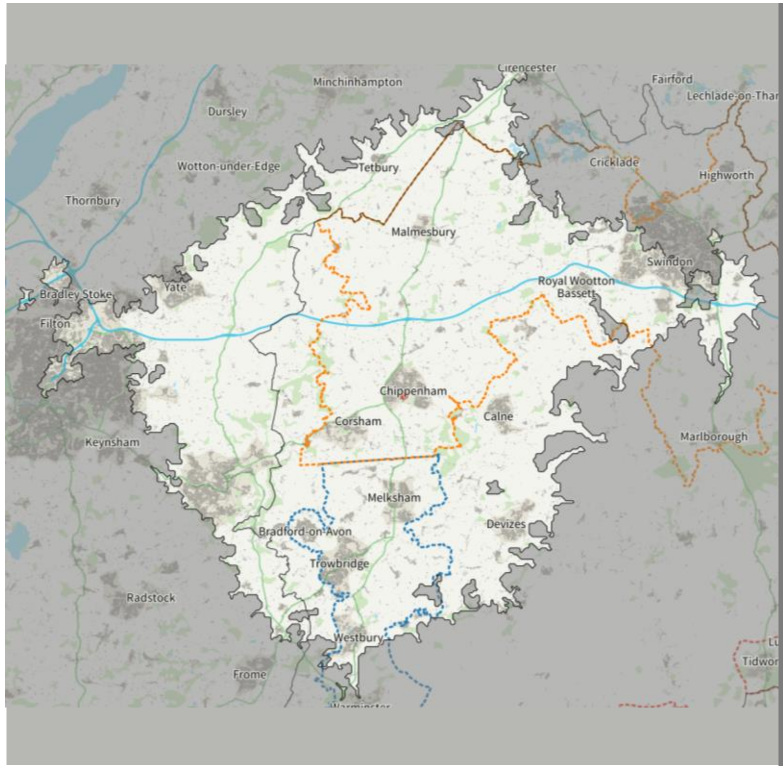
Swindon and Wiltshire's **Travel Catchment**

Real-time travel data can help supplement our knowledge of commuting by using live traffic information to identify the catchment areas reached from a defined point during a specific time-period and mode of transport. This can help understand the potential labour force reachable from a given area. Based on this, a travel time of 45 minutes via car was used to identify areas which could be reached by 9am from the 3 growth zones, with an assumption that 9am remains the standard start time for the average worker.

Swindon M4 Growth Zone

For the Swindon M4 Growth Zone, Swindon and Chippenham were used as the economic centres. Together these centres could reach as far west as north Bristol, as far north as southern Gloucestershire and as far east as Oxfordshire.

Chippenham catchment area (45 minute drive time by car)



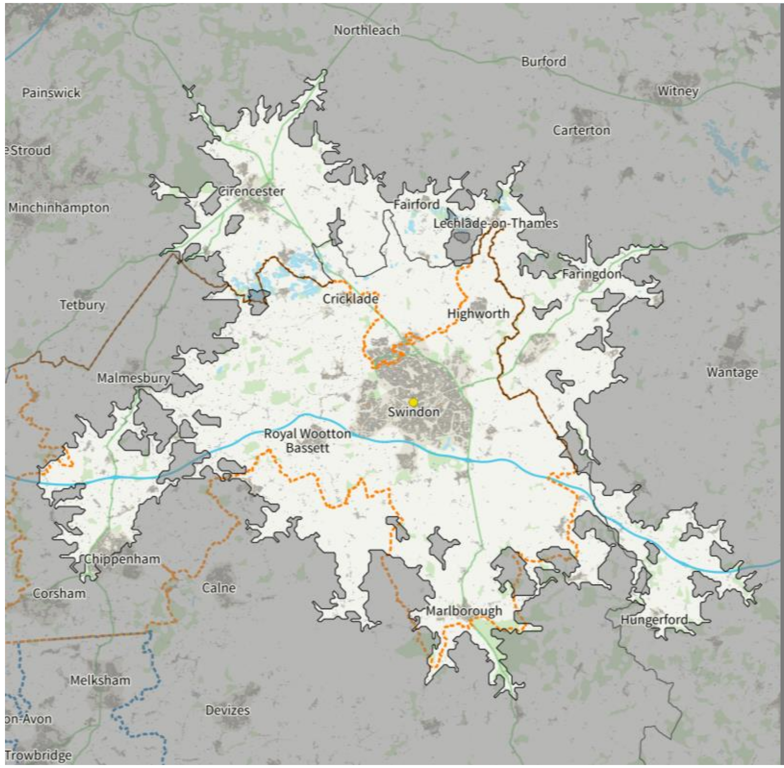
Labour catchment

46,000

LAD reachable

- ✓ West Berkshire
- Swindon
- ✓ Cotswold
- ✓ Vale of White Horse
- ✓ Oxfordshire
- ✓ Bath

Swindon catchment area (45 minute drive time by car)



Labour catchment

163,500

LAD reachable

- ✓ Bath and NE Somerset
- ✓ Bristol
- ✓ Cotswold
- ✓ Mendip
- ✓ South Gloucestershire
- ✓ Stroud

Source: ONS Mid-year Population Estimates, 2020; iGeolise

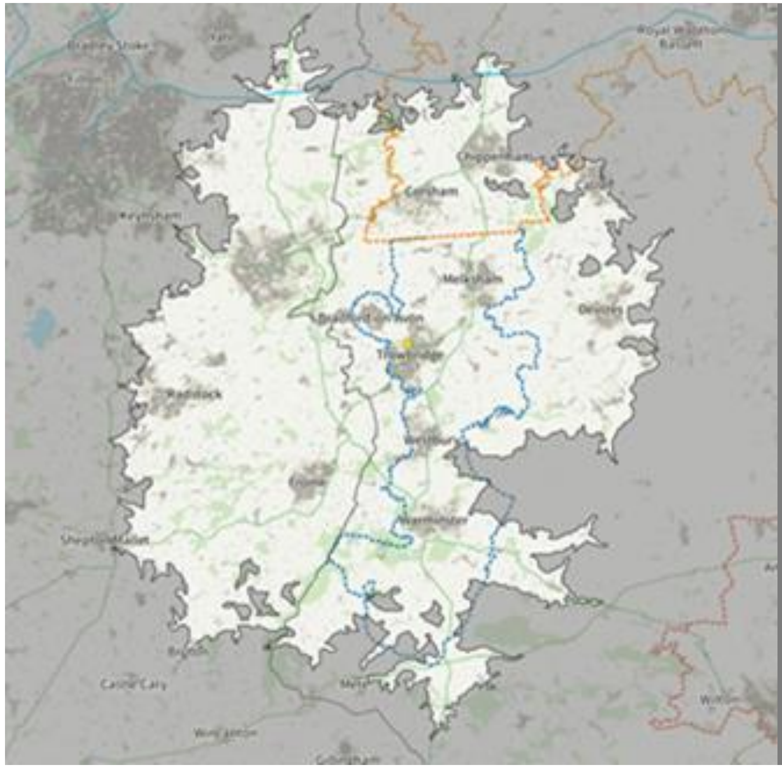
Swindon & Wiltshire LOCAL ENTERPRISE PARTNERSHIP
HATCH

Swindon and Wiltshire's **Travel Catchment**

A350 Growth Zone

For the A350 Growth Zone, Trowbridge and Warminster were used as the economic centres. Between the two centres, the travel time data shows that within a 45 min drive time several key towns and employment sites could be reached, including Bath in the west of the catchment, Amesbury in the east of the catchment and the outskirts of Chippenham to the north. The labour market catchment of these 2 areas totals approximately 335,000 working age residents, the largest of the 3 growth zones.

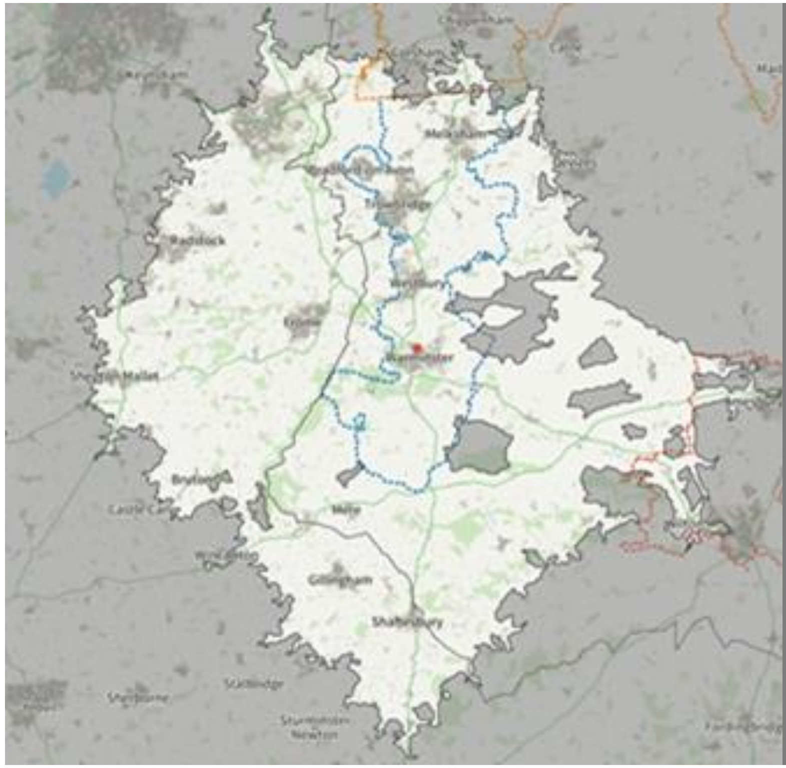
Trowbridge catchment area (45 minute drive time by car)



Labour catchment: 158,000

LAD reachable:
- ✓ Bath and NE Somerset
- ✓ East Somerset
- ✓ Mendip
- ✓ South Gloucestershire
- ✓ South Somerset
- ✓ Bath

Warminster catchment area (45 minute drive time by car)



Labour catchment: 180,000

LAD reachable:
- ✓ Bath and NE Somerset
- ✓ East Somerset
- ✓ Mendip
- ✓ North Dorset
- ✓ South Somerset
- ✓ Bath

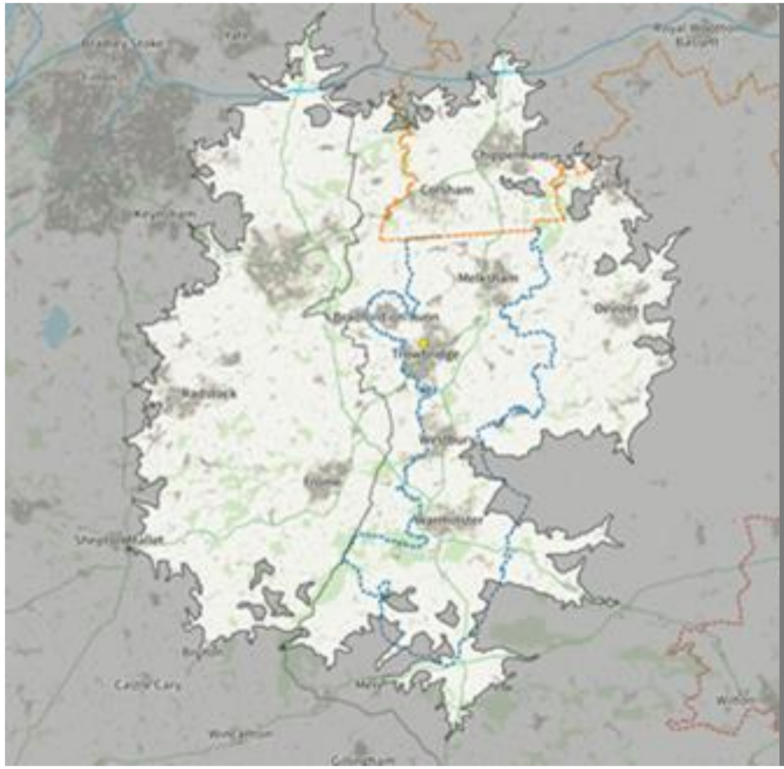
Source: ONS Mid-year Population Estimates, 2020; iGeolise

Swindon and Wiltshire's **Travel Catchment**

Salisbury A303 Growth Zone

For the Salisbury A303 Growth Zone, Salisbury and Amesbury were used as the economic centres. Between the two centres, the travel time data shows that within a 45min drive time several key towns and employment sites could be reached, including Warminster in the west of the catchment, the outskirts of Southampton in the south east of the catchment and Marlborough to the north. The labour market catchment of these two areas totals approximately 115,000 working age residents, the smallest of the 3 growth zone catchments.

Salisbury catchment area (45 minute drive time by car)



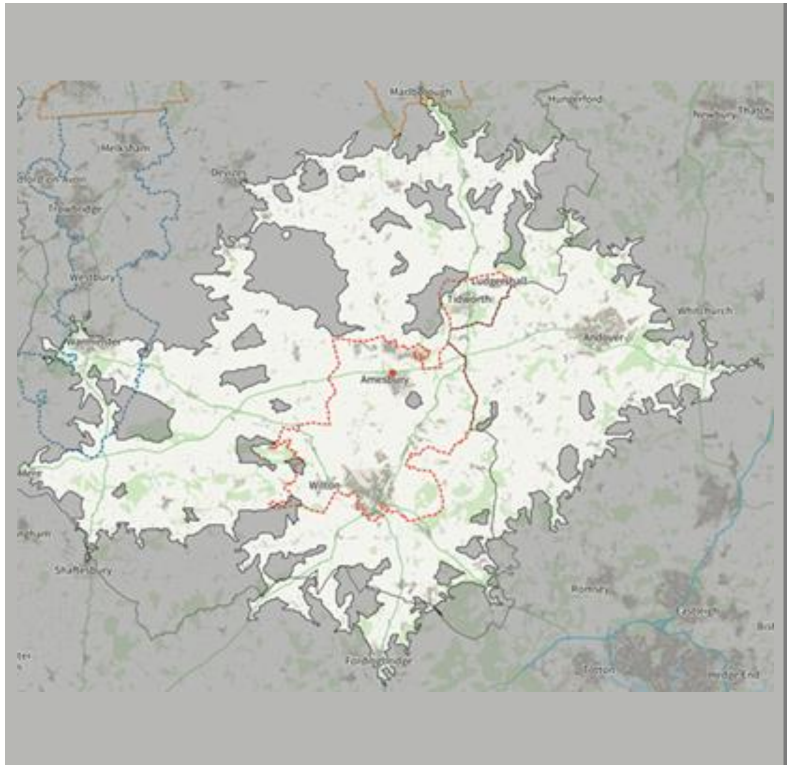
Labour catchment

60,000

LAD reachable

- ✓ East Dorset
- New Forest
- ✓ Southampton
- ✓ Test Valley
- ✓ Bath

Amesbury catchment area (45 minute drive time by car)



Labour catchment

55,000

LAD reachable

- ✓ Basingstoke and Deane
- ✓ New Forest
- ✓ Test Valley
- ✓ Winchester

Source: ONS Mid-year Population Estimates, 2020; iGeolise

Swindon and Wiltshire's **Home Working Trends**

Home working is more prevalent in Wiltshire than in Swindon…

COVID-19 and the resulting restrictions required many employees to work from home. For many individuals this new way of working is anticipated to be a longer term trend.

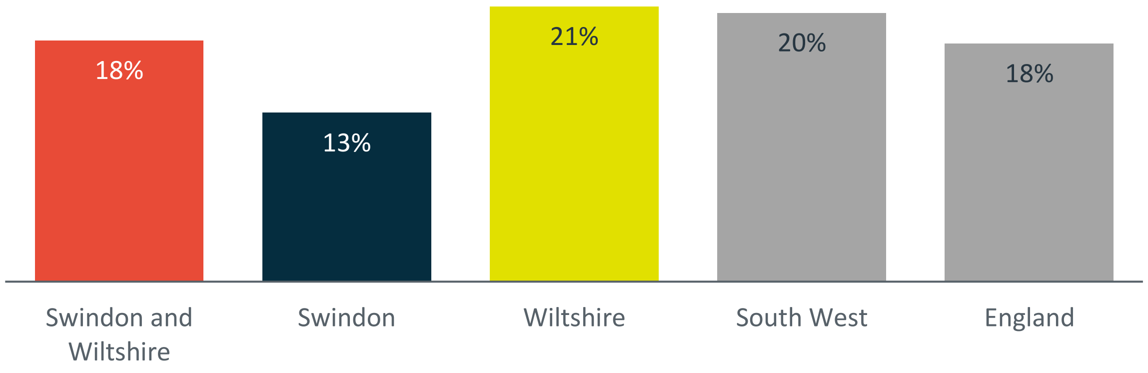
The ability to work from home allows individuals a reasonable degree of flexibility while at the same time creating potential productivity uplifts. It increases the potential pool of labour available to business and can start to change the range of 'travel to work' areas.

Likely due to a combination of factors, such as job type and the greater length of commuting, over 20% of employees in Wiltshire work mainly from home while this is only 13% in Swindon. As a whole, the Swindon and Wiltshire LEP area has a proportion of employees who work from home at the same rate as England (18%), although this is slightly lower than the regional rate.

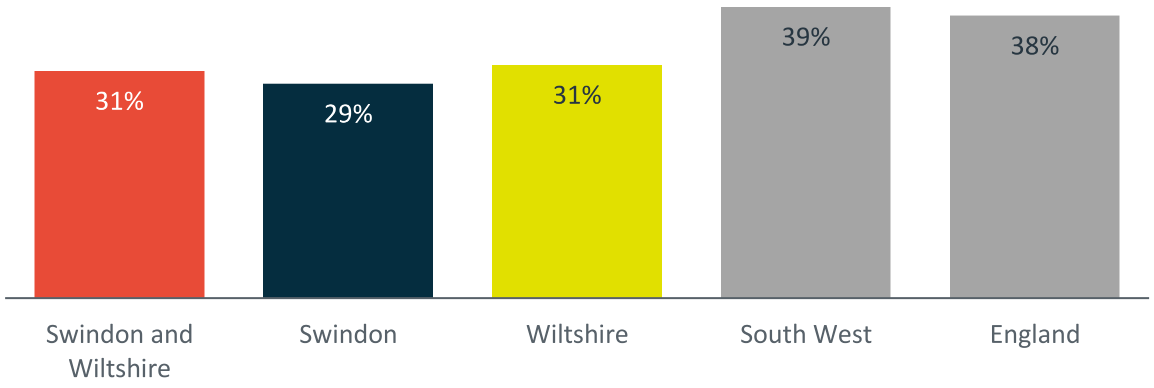
Alongside individuals who work mainly from home, analysis has been undertaken to determine the proportion of employees who have worked from home at some point, this includes anyone who has undertaken paid work from their home. In the Swindon and Wiltshire area, 31% of employees state that they have worked from home at some point, this is a lot lower than both regional (39%) and national (38%) levels. Within the LEP area, neither local authority has a higher than national home working rate under this specific criteria.

A sectoral breakdown of working from home is only available at a national level. Sectors such as retail, health and manufacturing have some of the lowest proportion of staff 'ever' working from home. Given the importance of these sectors in Swindon and Wiltshire's employment, this might help contextualise the below regional and national average seen in the LEP area.

Proportion of Employees Working Mainly from Home* (2020)



Proportion of Employees Working from Home "ever" (2020)



*Source: Annual Population Survey, ONS, 2020; *note: mainly from home includes those working at home **and** Same grounds or buildings and using home as a base of operations*

Swindon & Wiltshire LOCAL ENTERPRISE PARTNERSHIP HATCH

Business and Sectors **Policy Insights**

Net business births and survival rates are comparatively low suggesting scope for policy to support entrepreneurialism and business growth.

However, FDI has been strong and global exports are important to the local economy. The LEP should continue to work with DTI and industry to further explore trade and investment opportunities, leveraging the international links that exist already, particularly in Swindon. This can help drive productivity in the region and mitigate the risks posed from the UK exit from the EU.

As highlighted in the South West England and South East Wales Innovation Audit, the LEP area has several industry strengths that come through in the data. Sectors such as advanced engineering and manufacturing and low carbon, where the LEP area specialises and play a nationally important role, should be supported. These sectors tend to also have high levels of productivity and present opportunities for residents to engage in local high-skilled jobs.

The role of the rural economy has also been evolving and looks to be taking on an increasingly important role in the LEPs priority sectors. Porton, for example, is a designated Life Sciences Opportunity Zone by DIT. Policy should continue to support the role of the rural area in this sector.