

SWINDON AND WILTSHIRE LOCAL INDUSTRIAL STRATEGY

2020-2036



OUR VISION TO 2036:

To ensure all of our communities benefit from inclusive and sustainable growth, making the Swindon and Wiltshire area world-renowned for its convergence of innovation, entrepreneurialism and great quality of life

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I. Foreword

In his book *The Longest Journey*, published in 1907, E. M. Forster wrote: “Here is the heart of our island...The fibres of England unite in Wiltshire, and did we condescend to worship her, here should we erect our national shrine.”

Many believe that 5,000 years ago, our dwellers did just that, they found a way to transport stones from 180 miles away to build a mysterious shrine at Stonehenge. In its distinguished history, the Swindon and Wiltshire area has achieved many other impressive things. Throughout the middle ages, rich from the wool trade, Wiltshire was important to the English economy as one of the main clothing counties and an important exporter. According to the 16th century tax records, Salisbury was the fifth wealthiest city in England outside London. A couple of centuries later, the Swindon Works of the Great Western Railway became one of the most noteworthy Victorian engineering works in the world.

Today, our area continues to nurture innovation, entrepreneurialism and offers a great quality of life, complete with excellent landscapes, a national park and three designated areas of outstanding natural beauty.

Internationally, we are at the brink of major industrial and societal change and I feel privileged and excited to set out how we intend to shape the next chapter in Swindon and Wiltshire’s development into an even more prosperous, productive and inclusive community.

Our Local Industrial Strategy outlines our priorities, sets out the pathways to deliver them and showcases how Swindon and Wiltshire will contribute to making the UK a global leader in the industries of the future.



John Mortimer
SWLEP Chairman

2. Executive Summary

The Swindon and Wiltshire area has a rich history and heritage, derived from the ingenuity of its inhabitants from the earliest times, with the construction of the Stonehenge and Avebury stone circles, through to Salisbury's medieval cathedral and its many historic towns. During the Industrial Revolution, the area became a central point on water and rail transportation routes, through the Kennet and Avon Canal, providing links to Bristol and Reading and subsequently through the railway, with the Great Western Railway supporting the development of our manufacturing and engineering heritage. The strategic locational importance of the area continued into the 1970s with the opening of the M4. Our excellent connectivity has attracted a range of large investors into the area.

Throughout history, the area has continued to reinvent itself and thrive. In recent years, strong business growth has been driven by several sectors, including professional and financial services, retail, construction and high value manufacturing and advanced engineering remain important components of the local economy.

Today Swindon and Wiltshire area is home to over 700,000 people and the local economy is sizeable, valuable and growing at a rate in line with the national average. In 2017, our economy was worth £18.4bn, with GVA per hour worked at £34.10 and broadly in line with the national average. Like much of the country, the area is predominantly a micro and small business economy, but with a greater proportion of large companies than is the case nationally.

At 80% in 2018, our employment rate was well above the national average, which together with high economic activity suggests that the local economy is healthy. Although our population is growing, the rate of growth has slowed since 2007. The Swindon and Wiltshire area, along with many other places, is experiencing a reduction in its 16 to 64 years working age population. Both of these trends are expected to continue and will exacerbate our labour market shortages.

Swindon and Wiltshire Local Enterprise Partnership (SWLEP) is a partner in the Western Gateway, a cross-border super-region covering Swindon and Wiltshire, Gloucestershire, the West of England and cities in South Wales. Working in collaboration will give scale to our endeavours and allow us to put greater power and influence behind our inclusive and clean economic growth agendas, with a particular focus on delivering improved connectivity, greater exporting power and more innovation from our high-tech sectors, universities and R&D assets.

The Swindon and Wiltshire Local Industrial Strategy sets out ambitious plans for the future, building on the unique features of the area to support the inclusive development of our economy and boost our productivity over the next ten to fifteen years.

Our strategy is based on a broad and detailed evidence base which has been tested through engagement with over a thousand local businesses and business representation organisations. It addresses both local challenges and those outlined as part of the UK's Industrial Strategy, in order to improve the productivity of Swindon and Wiltshire and ensure that all communities contribute to, and benefit from, higher productivity.

This document is structured around the five Foundations of Productivity. The four Grand Challenges are considered within the relevant Foundation chapters. Similarly, the main challenges and opportunities of our urban and rural communities are examined within each of the Foundation sections.

For our rural communities, our strategy cuts across the five Foundations. In the Place Foundation it focuses on addressing the rural challenges, understanding the value of our natural capital and exploring how our rural communities can benefit from the Great West Way touring route and the aspiration to create a tourism zone. Within the Business Environment and Infrastructure sections, the strategy explores investments in digital connectivity to enable rural businesses to increase their productivity and improvements in physical infrastructure, to ease the transport of people, goods and services.

For our urban communities, our Local Industrial Strategy aims to improve high street and cultural offers, ease travel within and between urban centres, develop the physical and digital business environment and infrastructure, allowing firms to be created and excel with higher survival rates. Within the People and Ideas Foundations there are a number of initiatives cutting across rural and urban locations.

We have identified a range of actions under each of the Foundations of Productivity. Some of these actions have been recognized as strategic priorities, due to their national or international significance. This Local Industrial Strategy will be used to guide the allocation of existing and future funding streams including applications to the UK Shared Prosperity Fund and other investment and resources which may become available in the future.

The Ideas Foundation

The Swindon and Wiltshire area is home to a number of highly innovative companies and government research organisations, which have a particular set of specialisms around life sciences, advanced engineering and high value manufacturing, increasingly linked with digital technologies. Whilst business R&D expenditure in the region is well above the national average, it is concentrated in a small number of highly innovative organisations.

Our challenge is to broaden and deepen our innovation and R&D activity. This will be achieved through several workstreams: collaborating with our existing research organisations, encouraging closer working with, and between, the leaders in R&D to create more spin-offs; and by attracting new innovation-active firms into the area.

The People Foundation

When it comes to our people, our challenge is threefold: the skills of our workforce need to continue to evolve to keep up with the demand for replacement and expansion, including those driven by Industry 4.0; we need to improve inclusion across socio-demographic groups in the labour market; and our educational aspiration needs to increase through greater participation in higher education and more higher and degree apprenticeships.

Our higher education provision has been identified as our key strategic priority, paving the way to better balance skills demand and supply. Specifically, we are looking to develop an innovative, business-led, multi-campus federation of higher education providers, thus consolidating our existing offer and better aligning it to local higher-level skill shortages. In the long term, these will provide a foundation for a local university, thus opening doors to new research capabilities, attracting more graduates from outside the SWLEP area and enticing more of our residents to enter higher education.

The Infrastructure Foundation

Our geographical position offers a natural advantage by giving us excellent access to the economies in South East, Bristol and the rest of South West, Midlands, south coast ports and South Wales. We aim to further strengthen these connections to the north and south of our area, to the Midlands, Oxfordshire and along the Cambridge-Milton Keynes-Oxford innovation arc. In this section we also set out our plans to further improve our digital connectivity, to prepare us for the future business and societal changes.

Our response to the Clean Growth Grand Challenge and the transition to a low carbon economy occupy a prominent place in this chapter. It covers the development of a clean, flexible and resilient energy system, removing grid capacity constraints and exploring ways to achieve greater uptake of the new energy vehicles, both electric and hydrogen, in collaboration with other LEPs along the M4.

The Business Environment Foundation

To date our focus has been on expanding our start-up and scale-up support and improving the overall competitiveness of our small and medium sized businesses (SMEs), driven by the Swindon and Wiltshire Growth Hub. We now look to build on these successes by improving the productivity of our low-output sectors, increasing the proportion of innovation-active businesses and encouraging technological diffusion.

Supporting our business community to manage the impact of the COVID-19 pandemic on their economic viability and survival, as well as the EU exit process, are critical elements of this foundation.

Developing our cyber resilience assets, such as the MOD at Corsham and Porton, is seen as an important strategic priority. We are currently working in collaboration with four LEPs on the UK's Cyber Valley. Within this, Swindon and Wiltshire will develop a business-led Cyber Centre, combining military expertise with academic research and entrepreneurial development to become a centre of excellence. Through the Cyber Centre we will lead the

development of products and services that enable business, in particular small and medium sized enterprises, to improve their responsiveness to cyber breaches.

The Places Foundation

Under Places we examine the ways in which to secure vibrancy and the development of our settlements through regeneration of our city and town centres and improved visitor, high street and cultural offers. In the longer term, our challenge is to ensure that our communities can respond to business and societal changes, including removing digital and physical infrastructure constraints, whilst nurturing our natural capital.

Ensuring that we can easily respond to changing local and global economic conditions and that our urban and rural communities benefit from inclusive, sustainable and connected growth is at the forefront of our strategy.

Tackle

Swindon and Wiltshire Local Industrial Strategy Overview



IDEAS: build on strengths: advanced engineering, energy / sustainability, agritech, life sciences; and emerging opportunities: cyber, defence and security, digitech and connected systems



PEOPLE: address skills supply / demand imbalance



INFRASTRUCTURE: tackle capacity constraints in energy, water and waste and further improve connectivity



BUSINESS ENVIRONMENT: enable businesses to reach their potential, building on the Growth Hub and through initiatives such as Cyber Hub



PLACES: develop resilient, agile and inclusive settlements through more diversified economy, improved cultural and retail offer and better understanding of natural capital

3. The Ideas Foundation

Under the Ideas Foundation, we look for ways to increase innovation activity across our business base. We will achieve this by working with our existing organisations, encouraging closer collaboration with and between the businesses and universities leading in R&D to create more spin-offs, and by attracting further inward investment and new innovation-active firms into the area. This is expected to lead to the creation of high value jobs, helping to drive our productivity up, as well as greater investment in R&D.



Our opportunities and challenges

The Swindon and Wiltshire area is home to a number of highly innovative companies and government research organisations, which give the area its particular set of specialisms. Amongst the most prominent sectors are high value manufacturing and advanced engineering, life sciences, defence and security, digital technology, and energy and sustainability. Our innovation assets are not only significant sources of employment locally, they are often of national or international importance in terms of their scale, for example the Dyson's R&D facility in Malmesbury; or distinctiveness, for example Dstl and Public Health England located in Porton, the WRC¹ in Swindon and AB Dynamics, the world's most trusted supplier of automotive test systems, in Bradford on Avon; UKRI based in Swindon hosts all the country's research councils, the Space Agency and Innovate UK.

Business expenditure in research and development is 60% above the national average², however it is concentrated in a small number of highly innovative businesses. Our key challenge is to make our culture of innovation activity and R&D more widespread, by supporting local businesses to adopt new and innovative products, services and processes as well as by attracting new innovation-active businesses into the area and increasing the interaction amongst the local businesses and research organisations, resulting in more spin-

¹ Water Research Council

² Swindon and Wiltshire LEP profile, Smart Specialisation Hub, December 2018

offs. Our evidence also suggests that more can be done to support commercialisation of products.

At Porton we have globally significant assets in Dstl, which also includes the Home Office Centre for Applied Science and Technology. They offer physical assets and a highly skilled labour force to further develop life sciences R&D and innovation in the area. As many as 600 research scientists may be released into the local labour market after Public Health England relocates its facility to Essex in 2021, making the area even more attractive for new businesses. There are also opportunities to develop innovative defence and security technologies at the Porton Science Park, through the commercialisation of research, including in high-security laboratories. To that end, we are currently investigating options to develop a joint venture to deliver further phases of Porton Science Park and build on its designation as one of the country's six new Life Sciences Opportunity Zones.

In Swindon, Honda UK will close its manufacturing plant by 2021, releasing approximately 3,500 members of staff. This is expected to provide the needed influx of skills to grow existing high value manufacturing businesses, as well as attract new investment into the area. Furthermore, we will encourage Honda's supply chain, which employs several thousand people nationally, to diversify to support the emerging engineering sectors. The application of the Industry 4.0 digital tools and technologies to the manufacturing process is expected to significantly improve the productivity of manufacturing.

As the nation moves towards developing a zero-carbon economy, we need to look to ways in which we can support research and innovation in the circular economy. One of the mechanisms by which we can achieve our local ambition for sustainable and inclusive growth is the through encouraging the commercialisation of research into sustainable technologies by neighbouring universities and research institutions, the application of which could be of national, even international, significance.

We also have a number of opportunities to harness local assets in non-traditional ways. As a legacy of the Second World War, we have many airfields that have been decommissioned and are gradually being repurposed. The availability of large open spaces with runways is ideal for the development of autonomous, land and air, testing facilities as well as for a range of other innovation and technology demonstrators. For example, the MOD already operates a test site for unmanned vehicles within our area and we will look to build on this experience over a wider, cross-LEP geography.

Our response

Each of the identified challenges and opportunities are deemed sufficiently large and important to be considered as individual strategic priorities. These three, building on our sectoral strengths in life sciences and high-value manufacturing and repurposing our airfields, will help us to tackle our key challenge of low innovation activity across our firms and are outlined in more detail below.

Strategic Priority I: Life Sciences at Porton

With the Defence Science and Technology Laboratory (Dstl), Public Health England (PHE) and a plethora of research-related companies and Universities from around the world working in partnership, **Porton is known globally for its development of life science technologies.**

Companies moving to the expanding Porton Science Park have the opportunity to collaborate with the highly skilled personnel across the Porton campus and utilise state-of-the-art research facilities. This includes Dstl's laboratories and PHE's repository of rare and imported pathogens. PHE also has an extensive life sciences IP portfolio from which it can make technologies available for commercialisation. Ploughshare Innovations provides business support and the Government's Defence & Security Accelerator (DASA) is on site to help industry get new technology into the military and security sectors.



In October 2019, following a successful application led by SWLEP as part of the second Life Sciences Sector Deal, Porton Science Park became one of the country's six new **Life Sciences Opportunity Zones (LSOZ)**. It will benefit from Central Government support to promote Porton Science Park to potential investors, particularly overseas. This will help deliver the recommendation of the Life Sciences Industrial Strategy for government to support the growth of life sciences clusters.

As an LSOZ, collaborating with Wiltshire Council, business partners on the Porton campus and DIT, we will work to **attract foreign direct investment** into Porton and surrounding area, focussing on maximising commercial prospects of the Defence and Security sectors R&D.

Strategic Priority 2: High-value manufacturing and advanced engineering innovation and R&D

The interplay between connected, digital technologies and the creation of a physical object is at the heart of Industry 4.0. It draws on the Internet of Things (IoT), physical and digital technologies, to bring together information from different sources and drive the physical act of manufacturing. Industry 4.0 technologies are creating commercial opportunities across a wide range of industries including: energy, pharma, food, medtech, telecoms, rail, aerospace and defence.

High value manufacturing is one of Swindon and Wiltshire's key sectors. In terms of people employed, in Wiltshire, manufacture of computer, electronic and optical products is around twice the national average. In Swindon, pharmaceutical manufacturing employs eight times as many people as the national average, motor vehicle manufacturing, which is nearly seven times larger than the national average and the electrical equipment manufacturing at more than three times the national average.

Swindon's digital infrastructure, such as superfast internet speeds, with plans for further Smart City capabilities, is also improving. Together with the availability of physical space, this makes Swindon ideally placed to capture the opportunities arising from the increase in demand for Industry 4.0 technologies. The wider regional strengths in electrical, electronics, digital and telecoms sectors present an opportunity to serve the markets in the South West, the South East and beyond.

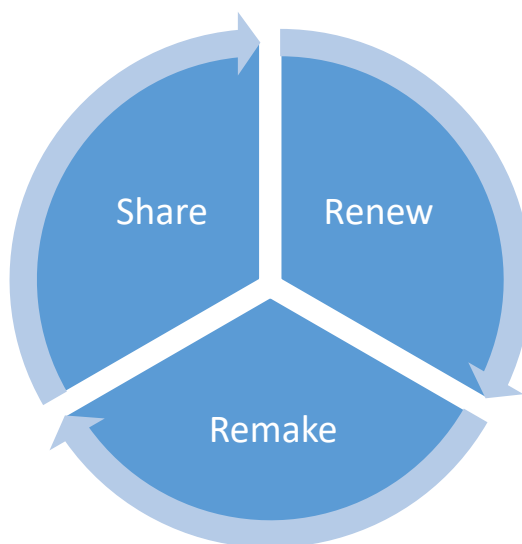
We will work in partnership with the public and private sectors to further **strengthen the role of Swindon and Wiltshire as a key location for high value manufacturing**. To succeed, we need to ensure that the right space is made available, such as the Carriage Works and the Honda site, to allow cross-sector collaboration and cluster development. This will lead to increased R&D investment in the application of digital technologies to manufacturing processes and the greater commercialisation of new ideas. Close collaboration with local businesses will be critical to the success of this venture.



Strategic Priority 3: Multidisciplinary research centre to deliver sustainable technologies for a circular economy

The need for new circular economic models, as drivers of clean growth, is growing in importance. To develop these models and address the market failure, we need to be able to translate fundamental research in sustainable technologies into commercial reality.

Swindon is well suited to play an important part in this, given its assets, its geographical location and its development potential, both in terms of space and the abundance of talent. The strength of current assets is demonstrated in Innovate UK data, which shows grants of more than three times the national average awarded for sustainability initiatives, making it Swindon and Wiltshire's most prominent sector.



The Universities of Bath, Southampton and Oxford, all of which have **world-class knowledge in sustainable technologies**, working with SWLEP, Swindon Borough Council, SETsquared and other partners, plan to develop a Multidisciplinary Research Centre to Deliver Sustainable Technologies for a Circular Economy in Swindon.

To deliver Phase 1 of the proposal, the joint venture is looking to secure £5m from Research England Development (RED) Fund, in order to operate a 500-800 m² facility, which would house ten core staff and 20-30 PhD and postdoctoral researchers over three years. Phase 2 would look at rapid expansion, with an investment of £50m, and would focus on applied research, innovation and an incubation facility. One potential source of funding would be the Strength in Places October 2020 call.

The Centre will focus on excellent research, translated into impact-generating knowledge exchange. The facility would give local businesses **access to leading edge equipment and technologies** in fields such as **advanced materials and energy and waste**. This open access to state-of-art equipment and expertise would make this facility the first of its kind in the UK and it would provide a core around which future investment opportunities can coalesce.

Strategic Priority 4: Research and innovation opportunities at the Science Museum, Wroughton

The novel ecosystem emerging around the Science Museum Group's National Collections Centre at the former RAF airfield in Wroughton is an example of how we are looking to leverage our assets, in traditional and non-traditional ways, and underpin growth in innovation, research and development. The airfield was built in 1940 as a maintenance unit for RAF aircraft. Today it is owned by the Science Museum Group and comprises of five clusters of buildings, set in 545 acres of developable land, that includes; 30 hectares of new woodland; 80 acres of hardstanding and a 50MW solar farm. Currently the site houses over 20 tenants across its range of facilities which include aircraft hangars, test track facilities for the automotive sector, storage warehousing, offices, workshops and the HIVE research centre.



Building on the momentum gained from the creation of a new 30,000m² accessible collections facility for the Science Museum Group, with other organisations joining in, the site is being developed into a location where **innovation, energy, technology and creative sectors can thrive**, collaborate and engage with a wide range of audiences.

The Science Museum Group is currently looking for commercial and institutional partners from a range of sectors including cultural and heritage storage, renewable energy generation, energy storage, automotive testing, data storage and technology R&D.

4. The People Foundation

In the People Foundation we look at ways to address our current and future imbalance between the skills demand and supply, whilst driving productivity improvements, with all communities both contributing to and benefiting from the growth. This is expected to lead to a more inclusive workforce and a greater proportion of highly skilled people, delivered through strong higher education and apprenticeship programmes.



Our opportunities and challenges

Ensuring that the skills system works effectively for all groups has been, and will continue to be, at the heart of our people-related activities and our investment plans. To date, we have drawn on sources, such as the City Deal, Local Growth Fund and European funding to deliver our skills and talent aspirations. We are particularly proud of our business engagement in education provision, for example, we have developed the ‘Higher Futures’ programme on the back of a £1.4m City Deal grant received in 2014. It offers a “one-stop-shop” for businesses, helping them with skills-related issues. This includes upskilling and reskilling, for example by facilitating links with universities and the development of degree apprenticeship programmes. We anticipate that embedding the right skills will become even more important as Industry 4.0 takes a hold.

Similarly, the Institute of Technology (IoT), which is planned for 2020/21, is also led by Swindon and Wiltshire businesses, to ensure alignment between the courses on offer and the local skills needed. The IoT will be operated by our Further Education Colleges, University of Gloucester and Oxford Brookes University and will become a key part of our higher education provision. It will form part of the wider business-led federation of higher education providers, working across multiple campuses under an umbrella brand, which is one of our key strategic priorities.

We are working with the Careers Enterprise Company (CEC) and our two local authorities to deliver careers advice delivered by our Enterprise Advisors and through the Swindon and Wiltshire Careers Hub. This partnership is highly successful in bringing enhanced careers information advice and guidance to students from age 12 upwards, forging long-lasting links with cornerstone employers. We have a higher proportion of schools engaged than is the case nationally and our work with primary schools is under development. The SWLEP is committed to the programme and its role in supporting inclusive economic growth.

To ensure that we are highly inclusive, we have been helping people to overcome barriers to employment, to enter and stay in the workforce. Our Building Bridges ESF programme specifically targets the hardest-to-reach residents to develop their skills and empower them to enter the employment market. We are keen to maintain interventions of this nature in the future.

By working closely with the MOD, one of our major employers, we will continue to ensure that their personnel, veterans and their families, communities and the wider economy all benefit from the military presence, through organisations such as the Military Civilian Integration Partnership. This will become even more important as we welcome additional service personnel and their families to live, work and enter education in our area, as part of the Army Basing Programme.

Despite the many successes, there are further challenges which we need to address. Within our workforce the demand for technical skills, especially digital and operational, is more pronounced than in many other LEPs. Similarly, we have a number of hard-to-fill vacancies that are well above the national average and are continuing to increase, in part caused by the difficulties in attracting and retaining talent. We also expect to see a greater proportion of older workers who have been in the same job for a long time looking for new employment as our local economy continues to evolve. Many of them will need of reskilling or upskilling.

Our technical skills and employment challenges in the overall population are magnified many times over for adults with learning difficulties and disabilities (LDD). Nationally, we have seen a three-year drop in employment and only 5.9% of adults with LDD are employed. The trend is replicated in our area. The SWLEP supports initiatives such as Swindon Borough Council's drive to double the percentage of adults with LDD in employment to 10% by 2022.

On supply and demand side, our analysis suggests that the high-skill sector of the economy is not very well developed compared to the rest of the country and that this is holding back our productivity levels. This is also reflected in lower average wages across the Swindon and Wiltshire area and may explain the lower level of GVA per filled job relative to the national average.

The structural weakness in the high-skill labour market, especially in Swindon, is partly due to low Higher Education progression. This is in part driven by below-average attainment by age 19, which can lead to employment in lower skilled jobs. We have a low uptake of higher and degree-level apprenticeships, and we want to encourage more vulnerable groups to progress to sustained employment or higher-level skills.

Evidence suggests that one of the contributing factors behind low Higher Education progression rates is the lack of a single campus, local university. In addition to our existing investment in the development of Higher Education centres at Wiltshire College's Salisbury and Lackham campuses, there are further opportunities to build on the Higher Education provision across all three of our Further Education colleges and through the IoT and neighbouring universities.

Our response

Inclusive growth, with a reduction in income inequality and a general uplift in average household incomes due to larger shares of financial and physical capital, is of great significance to our Local Industrial Strategy.

Building on our successes to date, we will continue to engage with our:

- education providers, developing programmes in line with our labour market;
- residents, taking up and completing these programmes and entering the labour market; and
- local businesses, developing their skilled workforce to grow outputs and improve productivity.

We will encourage our employers to participate in the local skills and education system, to provide clearer routes between learning and employment. This will encompass working effectively with all Further and Higher Education providers.

With regards to the education providers, we will continue to facilitate their collaboration with local businesses and will work with them to **embed education pathways**, including T levels, apprenticeships and Higher Education courses to meet not only the current, but also **future demand** as our economy and skills requirements continue to evolve, with a greater parity of esteem between academic and vocational learning.

When it comes to our people, we will continue our work to raise aspirations and **improve the employability of young people through our Careers Hub**. To extend our reach, we will **collaborate with an array of partners**, such as the Careers Enterprise Company, National Collaborative Outreach Programme, National Careers Service and local employers.

Through the GradTalent Development Agency, working with Bath Spa University and its partners, University of Bath, Bath College, Gradsouthwest.com, we will provide employment services to businesses and graduates across the South West region. Using funding from the Office for Students, this personalised service is expected to help **place more graduates into the local job market**.

We will also work to upskill and reskill our workforce, including addressing our **digital skills shortage** and working with older demographics through the National Retraining Scheme.

We believe that **inclusivity will unlock multiple benefits**. For example, businesses with a diverse workforce are expected to have more innovative culture. Bath Spa University is currently researching this particular topic with our local business base and we are keen to

learn from its findings. We will continue to work to ensure that all our socio-demographic groups are well represented in education and workplace.

As part of our inclusivity efforts, to help tackle our low employment rates for people with **special educational needs and disabilities**, we will encourage all these schools are active participants in the Careers Hub. We will back programmes that **support older workers, NEETS, looked after children, those with disabilities and ex-military personnel and their partners**. We will also encourage **employers** to be more inclusive, including reviewing their recruitment practices.

To extend our reach, we will develop relationships with social enterprises that specialise in these areas of support and will work with:

- the National Career Service to offer careers advice to **adults**;
- military charities and the Careers Transition Partnership to support the inclusion of military-leavers, partners and spouses in the labour market; and
- the National Retraining Scheme to upskill and reskill our workforce.

We will continue to investigate the underlying drivers behind poor or strong productivity and innovation. For example, through engagement with local authorities and our business community, we will seek to understand the impact of good physical and mental health on employability and productivity and support programmes that encourage good health.

We will continue to monitor the labour market and review our **Skills and Workforce Development Plan** on a regular basis. This will be overseen by our Skills and Talent Subgroup to ensure the alignment between the skills demand and supply over the long term.

To increase the supply of high skills, further developing our local higher education provision will allow us to increase our progression rates, nurture and retain local talent, improve inclusion and social mobility and become a key component of our R&D and innovation landscape. This is seen as a priority of strategic importance and is explored in more detail below.

Strategic Priority 5: Business-led, Federation of Higher Education Providers

The role of universities and a highly skilled workforce in increasing productivity, R&D and innovation activity, is recognised in the UK Industrial Strategy. Wider socio-economic benefits are also well documented through national research. Swindon and Wiltshire is the only LEP area in the country without a traditional university campus offer and we suffer from a lower proportion of highly skilled occupations compared to the national average, which holds back our productivity. In addition, we have low participation rates, a net loss of graduates and difficulty in attracting and retaining new graduates, compounding our decreasing working-age population.

Whilst there are several institutions offering a range of higher education provision within the SWLEP area, including three Further Education colleges and outposts of two universities, their offering does not fully meet the needs of local businesses. To address this challenge, we are exploring an innovative concept of building on current



good practice in these institutions and developing a business-led, federation of Higher Education providers, operating under a single umbrella brand and across multiple sites.

Building on Institute of Technology, this will be a forward-thinking approach to Higher Education provision and will aim to stimulate growth in Science, Technology, Engineering and Mathematics (STEM) subjects studied at Level 4 and above, including postgraduate study, through a variety of flexible routes and pathways, both full and part-time.

By making it comprehensively business-led, we hope to ensure that there is **a clear link between education and job opportunities**, with graduates able to step into the existing vacancies or to upskill locally throughout their career. Having multiple campuses will allow us to utilise the existing infrastructure and thus keep the investment costs low, but also to ensure that the education and jobs are co-located wherever possible. We believe that by creating a federation we will allow the education providers to more effectively collaborate to ensure that the **education matches the skills demand, minimising gaps or duplication**. Finally, we believe that the single brand will allow us to develop a coherent offer that is easy to explain and promote to potential students and business partners.

In time, we intend for this federation to morph into a fully-fledged university. Our competitive advantage will be the offer of a degree, or equivalent higher-level qualification, that has a clear pathway to employment, developed in true partnership between local businesses and the education providers in the area. The impact of this will be in graduate retention in the area as well as attracting people outside of the region to come to study, live and work here. The added benefits include: **research and development activity** in collaboration with the business community; ability to recruit and retain highly skilled teaching staff; and **reputational benefits locally, nationally and internationally** helping to attract inward investment.

5. The Infrastructure Foundation

Infrastructure is a key enabler, cutting across the other foundations of productivity. This section looks at the required improvements to our physical and digital infrastructure to enable productivity gains and to facilitate growth and nurture the low carbon economy. To ensure successful transformation, we will work to develop a well-connected, reliable and resilient transport system that supports new energy vehicles, permits economic growth at key locations and enables flow of investment and ideas through easier access to centres of excellence outside of our area. For our rail improvements, we will develop private sector investment mechanisms. Our energy, water and waste infrastructure will be upgraded where needed to enable inclusive and connected growth. As the importance of online interactions continue to increase, we will work to develop excellent digital connectivity and cyber resilience, to adapt to technological change, achieve business growth, develop innovative public services and influence societal change.



Our opportunities and challenges

The Swindon and Wiltshire area is the linchpin connecting the economies in the English Economic Heartland of Cambridge to Swindon to the east with the Western Gateway through Bristol to south-east Wales. The key infrastructure assets allowing this are the recently electrified Great Western Railway, the M4 motorway, A303 and A350 roads. We recognise the importance of these vital links and continue to invest to improve them.

However, not all parts of Swindon and Wiltshire are well connected. Southern Wiltshire is served well by rail, but the key road routes are congested and do not act as a fully effective alternative to the M4/M5 routes onto the peninsula. Similarly, north to south connectivity, within the SWLEP area and beyond, tends to constrain movement of people, goods and services and puts at risk movement of traffic through Wiltshire to the Midlands from the southern ports. Similarly, the key road and rail routes connecting Swindon with Oxfordshire and the Cambridge-Milton Keynes-Oxford innovation arc require improvement to unlock

greater innovation activity and support productivity improvements through the better flow of people, products, investment and ideas.

Aside from road and rail, we also experience constraints in our energy, including grid connectivity, water and waste infrastructure, which are hindering employment and residential developments. Additionally, for our sectors to remain competitive and adopt Industry 4.0 innovations, we need to maintain our good digital connectivity and tackle areas where connectivity is poor or non-existent.

The transition to a net zero carbon economy is of national and international significance and is central to our infrastructure plans and Energy Strategy. Energy consumption and carbon emissions in our area declined for both commercial and domestic use between 2010 and 2016 despite a 10% increase in population and greater economic output³. According to the 2018 UK Greenhouse Gas Emissions report, around a third of the CO₂ emissions came from transport. Research suggests that supporting passenger railways provides substantial benefits in terms of reduced road traffic. With the electrification of the Great Western Railway line, services from London through Swindon and Chippenham and onto Bath now take less than an hour. This is expected to have a positive effect on carbon emissions by taking more traffic off the roads.

Given the length and importance of the M4, there are further opportunities to decrease emissions through greater use of low-emission vehicles. Vehicle technologies are advancing, both in terms of car designs and battery technologies, however, sales of electric and hydrogen vehicles are still very low. Together with four other LEPs along the M4 corridor, we are working with local businesses to understand how we can help further develop carbon-neutral travel and the infrastructure required to support it.

The development of digital connectivity underpins the future competitiveness of our area. We have continued to invest in the delivery of ultrafast broadband through the Local Growth Fund where there is market failure. However, there is still room for improvement to support our productivity and inclusive growth ambitions.

Our response

In 2019 we finalised our Rail Strategy, which sets out the services needed for a connected business environment and an accessible natural environment. These are expected to enable sustainable economic growth, supported by improved links to key economic centres nationally. It identifies a number of improvements east to west and north to south across four main routes which, if delivered, would lead to around £120m per annum increase in GVA in addition to the £33m per year achieved through the construction of the western access to Heathrow and the delivery of HS2. We will seek private **third-party investors to deliver rail improvements**, drawing on the experience of other organisations which have successfully

³ Gas consumption is down 12% and electricity demand down 6% between 2010 and 2016, 90% of the renewable energy capacity in our area is generated by solar farms, the remainder being generated largely from waste and a number of micro hydropower plants. Swindon and Wiltshire Energy Strategy 2019

delivered investment of this kind. We will engage with the Western Gateway Subnational Transport Body, local authorities and other LEPs that have run similar schemes.

Tackling the north-south road connectivity issues, working across multiple local authorities, we have developed a compelling economic case for improved links in the south of England. Our evidence demonstrates that better north-south links throughout the **M4 and A350** between the Midlands and southern ports, and along the **A420** to Oxford have scope to transform productivity and support further growth. This is expected to bring additional investment to the area and deliver priorities of the Western Gateway and England's Economic Heartland Subnational Transport Bodies. We will also seek improvements to the **A36 and A303** to support the movement into Salisbury, southern Wiltshire as well as the neighbouring LEP and local authority areas.

The **transition to net zero carbon economy** is of national and international significance and is central to our infrastructure plans and our Energy Strategy, which originally focussed on low carbon initiatives but is now progressing to actions that will provide net zero carbon emissions. **Tackling capacity constraints** and the lack of affordable access to electricity and **exploring further uses for hydrogen**, through engagement with Distribution Network Operators, energy companies and the Hydrogen Hub, will enable us to develop a robust energy supply infrastructure, which allows business and residential growth. We will also work on embedding low carbon growth in our decision making, including in construction and development.

Better digital connectivity is key to the future competitiveness, business growth, public service innovation and societal change within our area, and as such will remain our key focus. To date we have invested in ultrafast broadband where there was market failure through our Local Growth Fund. However, we still have areas with **poor connectivity, especially in our rural areas**. These need to be addressed if we want to achieve our productivity and inclusive growth ambitions.

We will investigate the feasibility of **delivering full fibre networks** beyond Salisbury and Swindon as well as 1 gigabit connections, as a minimum requirement for SWLEP investment in employment sites. We will also explore options for **next generation mobile and other digital connectivity technologies** such as the rollout of 5G to support the productive and inclusive growth of our businesses and communities.

Strategic Priority 6: New energy vehicle fuelling infrastructure

With electric cars, trains, coaches and buses or fuel cell vehicles increasingly replacing the traditional propulsion technologies, we are facing a transformation of public and private transport. The adoption amongst the consumers and businesses has been slow and it is believed that the patchy fuelling infrastructure is one of the key reasons for this.

Extensive business engagement suggests that greater usage of new energy vehicles can also be improved by supporting and incentivising businesses to become early adopters of industrial applications, such as hydrogen-powered forklift trucks, which would help us achieve our critical mass faster.

Replacing even a modest proportion of traditional cars with electric and hydrogen vehicles would contribute to meeting both the Clean Growth and Future of Mobility Grand Challenges. In addition, this would allow Swindon and Wiltshire to leverage its strengths, such as the existing advanced manufacturing facilities and assets, strong supply chains and people with relevant skills.

We are collaborating with Oxfordshire, GFirst, Thames Valley Berkshire and West of England LEPs, to understand how more low-emission vehicles, both electric and hydrogen, can be encouraged onto our roads. In particular we are investigating a range of potential demonstrator projects to **stimulate development of the fuelling infrastructure** so that new energy vehicles are a viable option in both urban and rural areas. Initial findings from an extensive engagement with businesses along the M4 corridor are suggesting that there are a number of barriers that the public sector can help address. These include a lack of public awareness regarding new energy vehicles, variable access to domestic and commercial fuelling facilities, especially in rural areas.



6. The Business Environment Foundation

Within the business environment, we have three main aims. Firstly, we will work to strengthen the competitiveness, agility and productivity of our small and medium sized businesses, including having more start-ups and scale-ups. Secondly, we will work to increase our resilience by diversifying our business base, both in terms of size and sectors. We will partly enable this by attracting more foreign and domestic investment into the area. Thirdly, we will develop our digital and cyber resilience capabilities, to adapt to technological change, achieve business growth, innovate within our public services and influence societal change.



Our opportunities and challenges

The Swindon and Wiltshire area has an excellent track record for stimulating start-ups and high survival rates. The Swindon and Wiltshire Growth Hub has been instrumental in supporting this. Its services remain very popular, with intensive support to businesses tripling between 2016/17 and 2018/19 and a six-fold increase in start-up businesses created during the same period. Despite the vibrant start-up scene, progress to scale-up has been sluggish. These businesses have been harder to identify and engage with, however this is something that we intend to remedy in the future.

In terms of productivity, the Swindon and Wiltshire area is slightly below the national average, partly due to our sector mix. A number of our large employment sectors are in low-value industries. At the same time, we have numerous high-output businesses that remain small despite having high potential for growth. This is partly due to the proportion of smaller life-style businesses located predominantly in our market towns and rural areas. Therefore, we need to do more to support both of these groups. We need to improve the contribution made by our most productive industries, including having the right environment to encourage spin-offs. We also need to tackle the underperformance, which will require novel solutions and extended business support services. For both of these, the Growth Hub and its business support programmes will play a part in achieving our aspiration.

Recognising the importance of our larger employers, we have been working closely with our local authority partners to offer support. Our Business Representative Organisations' Group (BROG), which meets quarterly to discuss issues and concerns raised by our business community, is an important stakeholder.

To attain our growth objectives, we need to ensure that the relevant investment systems are in place. Inward investment remains important as a means of generating new employment in our area, as well as an important source of innovation in production and management techniques. Although the number of international businesses looking to move to the UK has declined over recent years, attracting foreign direct investment remains important to us.

We lack a local angel investor network, consisting of wealthy individuals and former entrepreneurs funding start-ups, and it is feared that this has a negative impact on our business environment. We also do not have sufficient incubator and grow-on space to support start-up and scale-up businesses, especially those operating in higher-value priority sectors, including: advanced manufacturing, sustainability, life sciences, cyber resilience, autonomous vehicles, defence and security, digital technology, electronics and connective systems.

In terms of our digital connectivity, much of Swindon and Wiltshire has good broadband coverage. 94% of premises had access to superfast broadband in 2018, following the successful rollout of the BDUK-funded Superfast Swindon and Wiltshire Online programmes. The rollout of ultrafast broadband is underway, but gaps in provision remain. This is particularly pronounced in rural areas where poor connectivity is still seen as one of the key barriers to economic and productivity growth. In addition, we need to ensure that connectivity across our area is future ready and that we can effectively respond to the increasing digitisation of industry and society.

In line with the increasing spread of the digital technologies, cyber resilience is becoming a growing concern for businesses. Global spend on cyber resilience hardware, software and services is anticipated to exceed \$103 billion in 2019 and continue to rise rapidly.

Cyber Valley, which covers GFirst, Swindon and Wiltshire, Worcestershire, and The Marches LEP areas, has been identified as a region with high concentration of skills and businesses in cyber security. The number of registered active cyber security firms across the geography has grown by nearly 200% over the ten years to 2017. Together we believe that, through closer collaboration, these strengths can be leveraged to capture a greater share of the emerging market. Our objectives are ambitious:

- double the size of the cyber resilience and digital sector in the region;
- position the region as the UK's largest cluster of cyber resilience and digital activity outside London; and
- promote an entrepreneurial start-up culture, attract new investment, develop talent and embed cyber resilience in firms across all industries.

Our response

Tracking the impact of the **COVID-19 pandemic** on the performance and prospects of our businesses and our overall economy taking into consideration our residents, workers and communities, and responding accordingly, will be important and an evolving piece for SWLEP and its partners. Helping businesses to access appropriate advice and support to survive the immediate economic downturn in the economy will be an important field of work for us and our partners.

To ensure that our business environment continues to thrive, we will continue to provide long-term support to micro and small and medium sized enterprises (SMEs) through the **Swindon and Wiltshire Growth Hub**. As well as the **start-up services**, the Growth Hub will provide support to **scale-up** businesses, including facilitating access to local and national mentoring and business leadership growth programmes aimed at increasing business productivity and export levels.

We will tackle the hurdles that are driving low output of some of our larger sectors. For instance, with tourism being one of the lowest productivity sectors, we will look to establish a Tourism Zone co-terminal with the Great West Way, to bring businesses and local organisations together and establish a coordinated strategy for growth.

In addition, through our proposed EU-funded SME Competitiveness programme, we will seek to identify and support high-output scale-up businesses. We will target places and firms that will have the most positive impact on our economy, including those with **the potential for high R&D spend, especially in high value manufacturing and advanced engineering, life sciences and digital sectors including cyber**.

To turn our ambitious plans into reality we will need to have ample funds. To ensure this, we will develop a rich and multi-faceted investment network, we will look to **engage with the British Business Bank as well as UK Business Angel Association to secure private sector investment**. We will continue to **work in partnership with the Department for International Trade (DIT) to secure foreign investments**, especially across our priority sectors. We will also continue to promote exporting to a wider business base and equip them to maximise the opportunities that arise from UK's trading status in the world.

Aside from the money, we will ensure that knowledge exchange is easy and efficient. Partnering with national initiatives such as **'Be the Business'**, we will develop local networks that enable businesses to learn from trusted peers. We will look to **empower our local businesses to act as ambassadors for our area**, at home and overseas, through collaborative working such as Switch on to Swindon and the Salisbury Brand Positioning network.

By building strong relationships with our business community and our stakeholders, we will also extend our engagement and intelligence gathering capabilities. We will keep the information flowing both ways, ensuring that our business community remains competitive even if trading relationships change. We will closely monitor the impact of **EU exit** across Swindon and Wiltshire and will offer information, advice and guidance through our business support partners. In particular, we will pay attention to the A350 Growth Zone, where the manufacturing sector remains exposed, and to our rural areas that have previously benefited from European environment and agricultural subsidies.

As one of the key enablers, we will make sure that the right infrastructure is in place. To that end, we will support development of attractive employment spaces, powered by affordable renewable energy, access to >1 gigabit connections and strong public transport links. We will tackle the remaining issues with **broadband connectivity, especially in rural areas** and address future market failure to support connected and inclusive growth over the long term.

Finally, given our position within the Cyber Valley, we are in an excellent position to support our local growth as well as deliver the UK's Cyber Strategy.

Strategic Priority 7: Swindon and Wiltshire Business Cyber Centre

Working as part of the UK's Cyber Valley, we will establish a Business-led Cyber Centre of international significance, focussed on developing solutions for businesses of all sizes. Using Israel, which relatively recently emerged as a major player in this sector, as a blueprint to guide our development, six key elements have been identified.

Three of these are already in place. Firstly, we are home to a high concentration of people and companies with the right skillset. These include strong cyber military presence at **Corsham**, where **Global Secure Operations Centre** (GSOC) is based, Colerne and Abbeywood, with additional presence at Porton Down. Aside from the MOD, a number of large businesses drive both the demand and advancements in the subject area, including Nationwide Building Society and Zurich in Swindon and Dyson in Malmesbury. The Business Cyber Centre will offer a platform from which to build on this expertise.

Secondly, our digital infrastructure is good and improving and our road and rail networks offer easy access to other digital markets and labour supply, including those in Bristol, Bath, London, Reading, Gloucestershire and South Wales. Thirdly, putting it ahead of its neighbours, Swindon and Wiltshire boasts a number of value-for-money and quality-of-life advantages, which combined with its excellent connectivity make it more cost-effective to recruit and build a business here.

The remaining three key components we intend to deliver as part of our LIS. Firstly, we require support from the public and private sectors to develop a local **Cyber Emergency Response Team** that focusses on businesses. Secondly, we need to develop an **incubation space** to allow our vibrant businesses, unitary authority partners and research institutions to come together and provide an environment for innovation. The facility will be able to adapt to innovative ideas and technologies, such as artificial intelligence, machine learning and data science in order to allow greater, more effective cyber defence and provide exciting employment opportunities. Finally, we need to ensure that our **education and training system** is developing the right skills. With our Further Education colleges, the Institute of Technology, and neighbouring universities, the Cyber Centre will provide a focal point for academic institutions to design, develop and deliver the **complete spectrum of cyber courses** that meet the needs of industry and society.

While our neighbouring LEPs focus on national security, building on our strengths, we will focus on developing cyber resilience solutions for businesses, especially SMEs, to meet the growing UK and global demand. We will work with a range of partners to **encourage more women to enter the cyber resilience** field and increase gender diversity. To ensure that ideas are shared and innovation embedded, we will look to develop relationships with the nine **cyber-crime centres** across the UK.



7. The Places Foundation

Vibrant places, with strong and inclusive settlements across Swindon and Wiltshire, are key to the successful implementation of our Local Industrial Strategy. Within the Places Foundation, we want to regenerate our city and town centres and improve our visitor, high street and cultural offer, to make Swindon and Wiltshire more attractive to live and work in and to visit. We want to ensure that we have a robust and diverse business base and are agile enough to withstand economic shifts effortlessly. Finally, we will work to make sure that all of our urban and rural communities' benefit from inclusive, sustainable and connected growth. To enable this, we will collaborate with a range of partners, across organisations and across Local Enterprise Partnerships, including initiatives such as The Great West Way and completing our natural capital baselining. Our focus is aligned to three Growth Zones, which are large agglomerations of economic activity which we defined in 2015. Within and in between the Growth Zones, we have large rural areas, many of outstanding beauty, which are important contributors to our economy.



Our opportunities and challenges

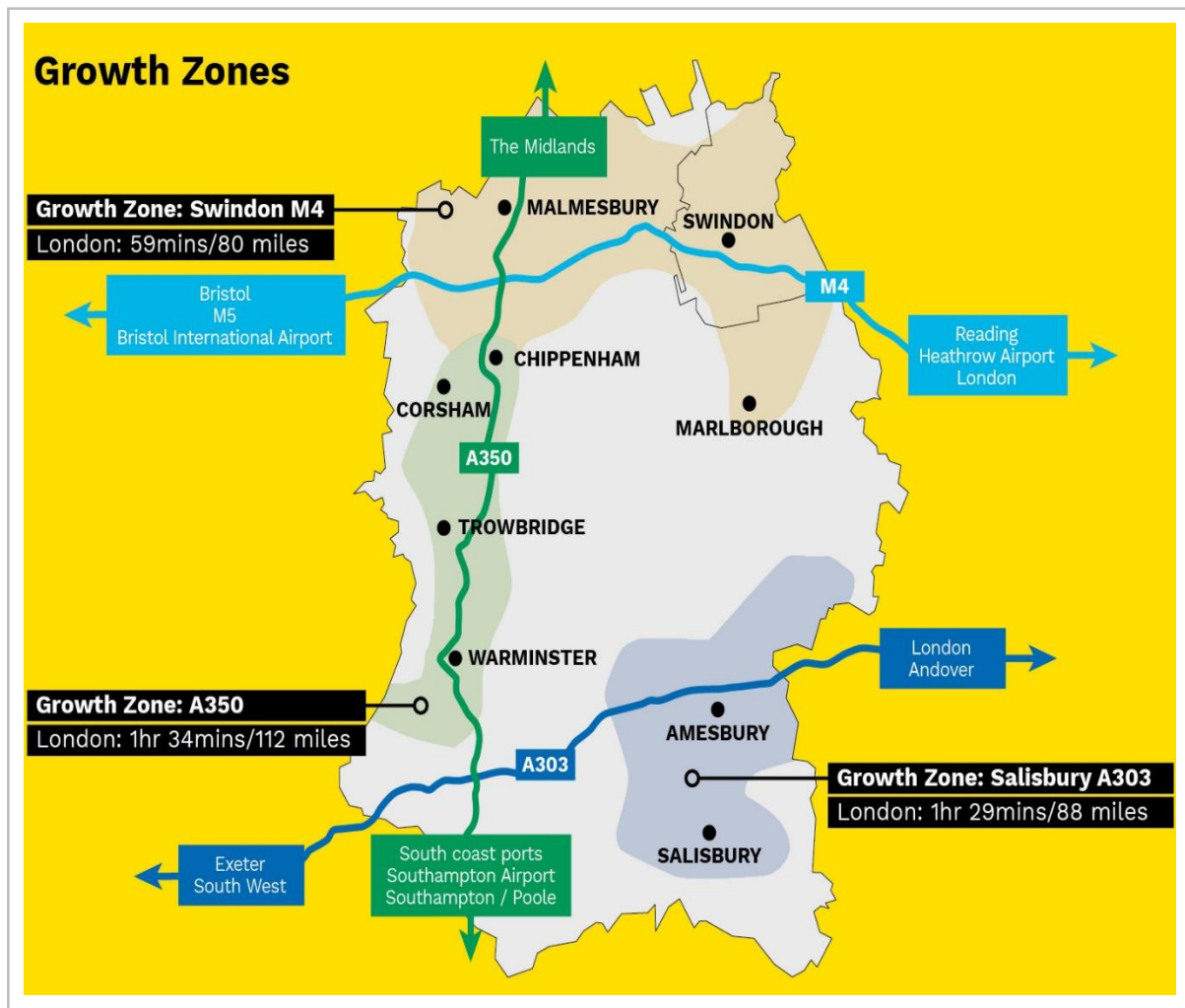
Swindon and Wiltshire's economy has shown considerable robustness over the years, thanks to our entrepreneurial activity and diverse range of businesses. These have been attracted to the area by the supportive business environment, proximity to London and Heathrow and attractive natural surroundings. The presence of large global corporations adds to the

vibrancy of our business community, but it also makes it vulnerable to relocation decisions, made by parent companies often operating outside our area or the UK.

The recent shifts within our area have opened up a number of opportunities to further diversify and strengthen local economies. We are currently developing plans to capture these opportunities and ensure long-term, inclusive and sustainable growth of the area, by attracting new investment, driving productivity improvements and transforming the way settlements operate through their regeneration plans.

Driven by its diversity, our area is split into three economic Growth Zones, set by geographic concentration of people and business, with capacity for future growth and surrounding them, our wider rural community. The three Growth Zones are: Swindon and the M4, the A350 and Salisbury and the A303 (see Figure 1).

Figure 1: Growth Zones in Swindon and Wiltshire



Our first Growth Zone is Swindon and M4 in the north of the SWLEP area. The M4 provides an important link with towns and cities between London, Bristol and South Wales. Swindon is by far the largest settlement in this zone and within our LEP area. It has a population of 222,000, several nationally significant economic assets, and is ranked in the middle of England's deprivation index. According to a Centre for Cities September 2019 report, whilst Swindon has a strong city centre economy, with large base of high-skilled exporting jobs, it hosts very few specialist and premium amenities. To address this, the town centre is currently undergoing major regeneration through a £1bn private sector investment. Further work, however, is required to bring Swindon's assets in line with other major towns and cities across the UK. Its productivity has consistently been above the national average and its employment is dominated by several large UK and international companies. Nationwide, the world's largest building society, whose origins can be traced back to mid-19th century Wiltshire, is Swindon's biggest employer.

Honda Manufacturing, somewhat smaller but nonetheless an important employer in the area, unexpectedly announced in February 2019 plans to close its 375-acre site in 2021, affecting 3,500 people employed directly and several thousand more in its supply chain. This has opened opportunities to build on the foundations of high-value advanced manufacturing, and emerging penetration of digital technology into manufacturing processes, to further diversify Swindon's economy. We are currently working with Swindon Borough Council, Honda and a number of other local stakeholders to support the workers and their families through this transition.

This Growth Zone has the highest density of businesses in our LEP area and boasts a many vibrant market towns. These include Chippenham, Corsham, Marlborough, Royal Wootton Bassett and Malmesbury. Malmesbury is England's oldest borough and is currently home to Dyson, which attracts thousands of highly skilled engineers to work and live in the town. The Growth Zone has a strong knowledge-based economy, with the most prominent sectors including advanced engineering and manufacturing, banking, insurance and finance, construction and distribution and storage.

Our next Growth Zone follows the A350, which has more railways stations than any other part of Swindon and Wiltshire and which connects north and south Wiltshire. This Growth Zone has a strong advanced engineering and high value manufacturing, ICT and visitor economy. It is home to several large businesses such as Siemens, Herman Miller and Knorr Bremse. It covers a number of market towns, including Trowbridge, Wiltshire's county town, Bradford-on-Avon, with its ancient bridge and 19th century former cloth mills, Westbury, overlooked by the famous Westbury White Horse, and Warminster, which has strong military connections and is the closest town to the UK's first safari park at Longleat.

Within this Growth Zone, there are development plans for our principal settlements of Chippenham and Trowbridge. £75m from the Housing Infrastructure Fund has been awarded to Chippenham to improve road connectivity between east and south of the town, linking the A350 at the northern and southern ends of the town, alongside the improvements around the M4 junction 17. This will alleviate current traffic congestion and create capacity for future growth, including building of up to 7,500 new homes and 1 million square feet of commercial

space over the next 25 years. Trowbridge, which is a historic town and has immense potential, has been invited to move forward with a business case for the Future High Street Fund. The proposed £10m investment would enable it to transform the centre, maximising the impact of the river, parks, canal and historic buildings, whilst improving leisure and shopping opportunities.

Our final Growth Zone is Salisbury and the A303, which can be found in south-eastern Wiltshire. It excels at life sciences and defence technologies, has the largest concentration of MOD defence research within the UK and includes the military garrison towns of Bulford, Amesbury, Tidworth and Ludgershall, as well as Porton and Boscombe Down. The presence of the military in the area, and across Wiltshire, helps define our LEP area. The MOD is supporting the Army in Wiltshire to be the first in the UK to be carbon neutral. In addition, there is the opportunity to align military resettlement plans with new housing and employment opportunities in high value jobs within this Growth Zone.

This Growth Zone also includes Salisbury, a medieval city made famous by its 13th-century cathedral, which houses an original copy of the Magna Carta. More recently, however, Salisbury has caught headlines for other reasons. After the strong performance through the 2008 recession, Salisbury lost several major players in the financial services sector by 2015. In 2017, Public Health England announced that it would relocate over 2,700 jobs from Porton, which is just outside of Salisbury, to Essex. Then in 2018, the nerve agent incident had a large impact on the retail, culture and tourism sectors. Working together with numerous partners, Salisbury's recovery is now well underway and will help extend business survival rates. As part of this recovery, a successful rebranding programme will help improve our visitor offer, as well as attract and retain employees in the city and the wider area, including at Porton, Tidworth and Boscombe.

Within and in between the Growth Zones, we have many attractive rural areas. Our rural settlements are an important part of our economy and our natural environment is one of our key assets. Not all our rural settlements, however, are well connected, via roads, rail or digital and mobile infrastructure. In addition, pockets of deprivation, including poor access to skills training, can be found across the rural areas and their dispersed nature makes them particularly difficult to tackle.

Because of our predominantly rural composition, our proportion of employment in agriculture and agritech is above the national average and 78% of our land is under commercial farm production. The agritech sector looks at ways in which technology can be used to improve outputs and is key for translating agricultural innovation into commercial success. We are keen to support innovation in agritech and have invested in facilities at Wiltshire College's University Centre at its Lackham campus. This investment will enable students to learn about and explore some of the latest technological developments in agriculture.

Also, across the Growth Zones we can find places with low values of residential and commercial property, allowing poor returns for developers and therefore generally holding back investment. To help drive up the returns, and subsequently attract investors, we plan to create robust infrastructure and public realm as part of targeted place-making initiatives.

Related to this, we intend to tackle our remaining digital and broadband connectivity constraints, in response to business and societal change. Other infrastructure, such as access to affordable energy, water and waste facilities, needs to be able to absorb the anticipated growth.

Our response

Across the three Growth Zones, we want to develop a diversified business base, both in terms of size and sector mix, able to respond effectively to changing economic conditions. We want our actions, in relation to our natural capital as well as high street, retail and cultural offers, to have a positive impact on property values, making Swindon and Wiltshire attractive for private sector investment.

We want to build on our strengths, especially in knowledge-based, higher-skills sectors, to both **diversify our economy and boost our productivity**. To further these goals, we aim to attract new **inward investment** and employment opportunities into areas such as **advanced engineering, life sciences and defence, digital technology, aerospace and security**. This will include developing proposals with partners and government for **key employment sites** within each Growth Zone. In addition, we will seek to influence the allocation of employment land and new homes within **local plans** for Swindon and Wiltshire, focussing on the areas with high potential for significant economic benefit, including consideration for a New Garden Community in southern Wiltshire. Recognising the importance of MOD within Wiltshire, we will support **military** resettlement plans, whilst aligning the development of new housing, employment and the accreditation of qualifications into civilian life.

We will work to **improve the high street and cultural offer of our market towns and support rural regeneration plans**, especially those that encourage innovation and productivity growth, such as improved broadband and other digital connectivity solutions. To achieve these aspirations, we will put our efforts into ensuring that our infrastructure is fit for purpose.

In addition, responding to the opportunities arising from the recent economic shifts in Swindon and Salisbury, and building on our natural capital and tourism productivity improvements, we have identified four strategic priorities.

Strategic Priority 8: Good growth for Swindon

We recognise that to realise our ambitions we will require strong partnerships, with the public and private sector and Government and that we will need to deliver transformational programmes to improve the business, retail, infrastructure and cultural offers.

Within infrastructure, we will look at creating a **Railway Corridor**, with a redeveloped train station and surroundings providing a landmark gateway to Swindon, easing movement between the north and south of the railway and opening up the route to the North Star Village, a development which will include a snow centre, an IMAX cinema, a bowling arena, shops and food outlets.

Kimmerfields, which involves the development of an underutilised 20-acre zone between Swindon railway station and the retail part of the town, will be promoted as the flagship site for development. The scheme will provide a retail, leisure and office spaces and new homes, through a phased delivery to 2027.

In addition, to deliver good growth for Swindon and create attractive, sustainable communities, we will support the delivery of **urban extensions**, including the New Eastern Village, Wichelstowe and Tadpole Garden Village.

Kimmerfields, Swindon Town Centre



We will look to repurpose the town centre, recognising the changing high street needs. This will include creation of a large **Cultural Quarter**. Among other things, it would house Swindon's world-class collection of 20th century British art, which includes works by Lucian Freud, Henry Moore, L S Lowry and Graham Sutherland. It would also create an environment in which new cultural attractions can be developed. There are plans to use the Future High Street Fund, worth up to £25m and Towns Fund bid, in excess of £20m, to revitalise Swindon town centre. We will also encourage programmes that **improve movement** and the **visitor experience** throughout the town. This will make Swindon a more accessible and enjoyable place, attracting visitors, new residents and new levels of investment.

As part of the improvements, we will support Swindon's aim to develop its **Smart City** capabilities, as part of its business development and economic regeneration plans. These capabilities will be used to advance transport, attract and grow new businesses, tackle social issues and improve public services.

Finally, building on its reputation, skills, expertise and the legacy that Honda UK Manufacturing leaves behind, we aim to support the development of Swindon as a centre of excellence for R&D and will provide assistance with training requirements, to ensure that individuals continue to support both themselves and the local and national economy.

Strategic Priority 9: Good growth for Salisbury

As the junction for several ancient trade routes, Salisbury has been a natural strongpoint between the Avon and Bourne valleys for centuries. Building on the draw of the medieval cathedral at the city's strong historic core, through our future plans we intend to fortify its economic position within the SWLEP area, nationally and internationally.

To ensure that it remains an attractive place to live and work in or visit, we will support the delivery of the **Salisbury Central Area Framework**. The framework provides a strategic vision for the city centre area, making it more vibrant for its residents and workers. It will improve the visitor experience and make more of the natural setting, with attractive build environment and space for creativity, culture and innovation. The framework also looks to develop a diverse and successful business base, with employment and housing that appeals to working-age professionals, whilst addressing the climate emergency. We will support the city to attract new **inward investment**, delivering new employment opportunities and productivity improvements.

As part of the **Future High Street** fund, plans are currently being developed to use £22m to build on the city's unique heritage, attracting shoppers, visitors and residents with authentic and exciting experiences that everyone can enjoy.

The SWLEP has earmarked £1.1m to fund the development stage of three capital projects which are fundamental to Salisbury's High Street bid. These are: the opening up of an expansive gateway into the city from the station along Fisherton Street; introducing new people friendly pedestrian and bus access routes within the city centre; creating opportunities for artisans to work and sell their wares; attracting more tourists by a light show and illuminating iconic buildings in Salisbury; and increasing the number of young people in the city centre. This forms a part of our strategy to improve tourist economy within the area.

By leveraging the availability of full fibre to all of Salisbury's residential and business premises, the city will become one of the first in the country to deliver multiple **Smart City** initiatives. Working in partnership, these will support innovation, local businesses to start up and scale up and act as a magnet for inward investment. In addition, smart city initiatives will transform the way the city operates, including transport networks and reducing and managing emissions, for example through digital traffic congestion management, improved public services and enhanced arts and cultural heritage.



Strategic Priority 10: Rural communities: levelling up opportunities

The Swindon and Wiltshire area is predominantly rural, with more than 60% of the population living in areas designated as such by the Office of National Statistics. The appeal to many is the beautiful natural landscape set alongside its agricultural, conservation and tourism activities, which help to preserve the essence of our environment. The benefits of a rural lifestyle are numerous, from fresh air and open spaces to living and working in close-knit communities.

Whilst the advantages of rural communities are very appealing, accessibility, in all its forms, can limit and constrain the extent to which they can contribute to the wider economy.

As part of our strategy, we will aim to preserve the benefits to residents of being immersed in our beautiful natural landscape, but will also seek to level up opportunities for learners, employees and entrepreneurs living in rural areas.

Attracting good-quality employment in rural areas and supporting social and economic inclusion are our cornerstones.



To achieve this, we will continue to invest in **ultrafast broadband and other digital connectivity technologies** including accessing nationally run **rural gigabit broadband and mobile connectivity programmes**. This will enable access to learning, employment and leisure activities, as well as introduce new ways of working across more traditional rural and land-based industries. In addition, we are keen to see innovation take place in **agritech and agricultural practices** to enable the commercial success of the sector.

Furthermore, we will aim to improve road and rail connectivity, as well as encourage greater take-up of new energy vehicles, electric and hydrogen, in an effort to reduce carbon emissions and support our clean growth agenda. As part of this, we will look at ways of ensuring that we have adequate charging and fuelling facilities in our rural areas. Finally, to further help our rural entrepreneurs we will identify and support thriving scale-up businesses through the ERDF funded **SME Competitiveness programme**.

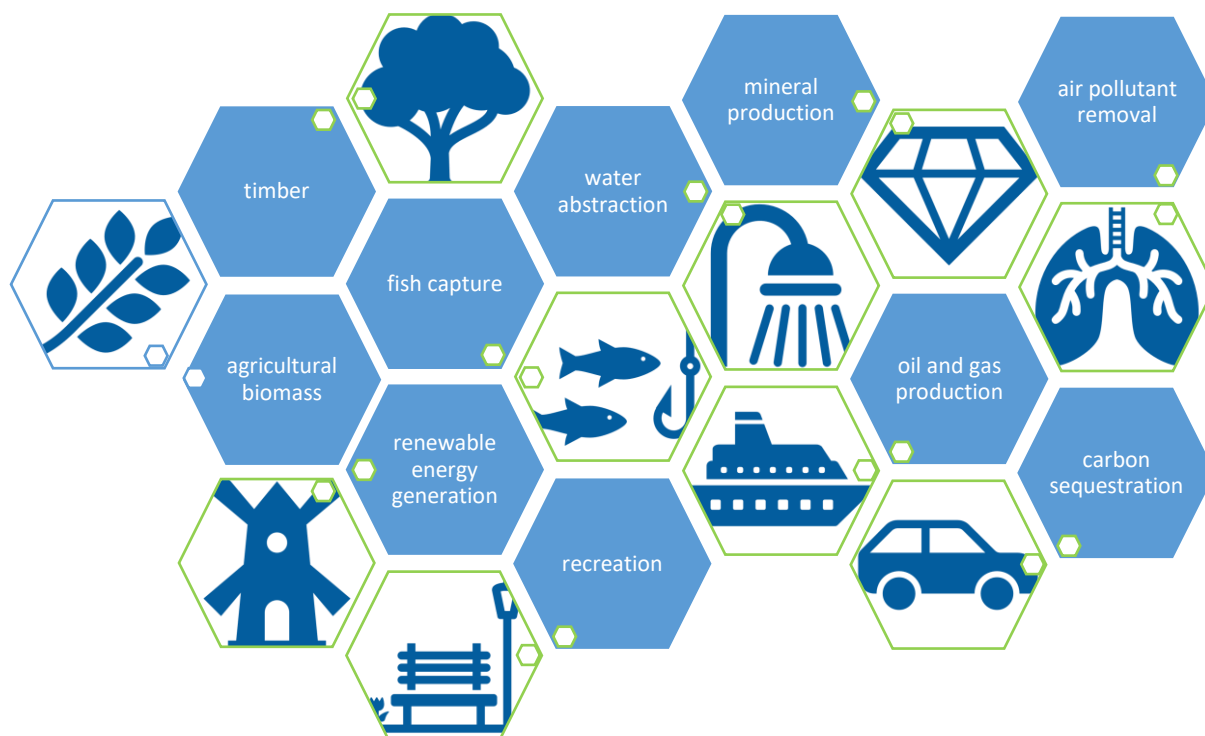
Strategic Priority 11: Understanding the value of our Natural Capital

We are immensely proud of the beauty of our natural environment and will continue to work to enhance it further. Understanding the value of our natural capital, which includes minerals, soil, air, water and all living things, is among our key challenges. To address this challenge, we are currently collaborating with Solent and Enterprise M3 LEs, with which we share natural assets, to develop a common approach, to **baseline the value of our natural capital**. In addition, we will look at ways in which we can incorporate it into our plans for future investment.

As well as having the economic impact, better understanding and management of natural capital is important to combat climate change. It also touches on a number of government plans and policies, including the 25 Year Plan to Improve the Environment, Revised National Planning Policy Framework and Environment and Agriculture Acts.

As our first step, we are currently working with the University of Bath's Economics Department to establish a baseline of our natural capital assets. As our starting point, we intend to use the Scottish Government's Natural Capital assessment, which focusses on the quantity and value of ten service accounts: agricultural biomass, fish capture, timber, water abstraction, mineral production, oil and gas production, renewable energy generation, carbon sequestration, air pollutant removal, recreation. We do not anticipate that all these ten service accounts will be relevant to or significant in our area.

The second step will be to understand the local context and how we can embed natural capital considerations in our decision making.



Strategic Priority 12: The Great West Way and clean growth approaches to tourism

Tourism has a significant presence in our economy and is a major source of revenue and employment for many small businesses and charitable foundations in the food and drink, cultural and hospitality and accommodation sectors. We would not draw in as many visitors without the attractiveness of our natural environment and the significance of our historical and cultural assets.

The Great West Way is an initiative to attract more visitors, both from overseas and within the UK, to explore what aims to be one of the world's premier touring routes. It has been developed with the support of Visit England to encourage visitors to take a slow journey from London to Bristol and enjoy globally significant historical and cultural sites.

Six LEPs are supporting the initiative: Swindon and Wiltshire; Buckinghamshire Thames Valley; Oxfordshire; Thames Valley Berkshire; Gloucestershire; and West of England LEPs.

A quarter of the route runs through Swindon and Wiltshire and is expected to deliver nearly £4m per year in direct visitor spend and over 10 years it is anticipated the project will add over 2 million additional overnight stays, resulting in a £55m increase in related business turnover and 700 full time jobs in the tourism sector.

We will look to establish a **Tourism Zone** to address the barriers preventing tourism growth, help increase the visitor numbers, extend the season, as well as support clean growth with the sector. We expect the Great West Way to drive increased productivity in the traditionally low-value tourism sector and to enhance green credentials in the food and drink and hospitality and accommodation sectors.

Building on Microsoft's work for Salisbury, and Exeter University's research into the use of virtual and augmented realities, we will support trials where digital technology is used to enhance the visitor experience and attract new younger visitors. Swindon and Wiltshire will act as the pilot area. In addition, we envisage the project using best practice ideas to set a new benchmark of zero-carbon growth for businesses in the tourism-related sectors. Our aim is to lead the way nationally on the **use of new technologies and clean growth strategies** with the sector.



Monitoring and Evaluation

8.1 Monitoring

This Local Industrial Strategy outlines Swindon and Wiltshire's long-term objectives and as a result of the actions proposed we have identified a range of outcomes which we will monitor. These include:

- all communities benefiting from increased productivity, driven by a diverse business and skills mix and higher outputs across sectors;
- more competitive, agile and productive small and medium sized businesses, with a greater share of foreign and domestic investment into the area and higher innovation and R&D levels;
- skills demand and supply aligned, with the skills pipeline responding to the future demand;
- well-connected, reliable and resilient infrastructure with improved connections, especially to north and south economies; better broadband connections enabling productivity improvements, in particular across the rural economy; growing low carbon economy and upgraded energy infrastructure;
- regenerated city and town centres, with improved visitor, high street and cultural offer across both urban and rural areas;
- increased innovation and R&D expenditure and growth of the above-average output sectors, such as those related to cyber resilience, life sciences and sustainable technologies; and
- strong and sustainable economy, well diversified, with reduced reliance of individual sectors and organisations, able to resist smaller economic fluctuation and capable of rapid recovery in case of major shock.

8.2 Governance

To ensure that the intended outcomes are reached, the Swindon and Wiltshire Local Enterprise Partnership (SWLEP) will implement its Local Industrial Strategy through its existing governance and delivery arrangements. Successful implementation will require close collaboration between local and national government, local businesses, public services, universities and other local organisations. In addition, collaborations with other LEPs to deliver improvements reaching beyond the boundaries of Swindon and Wiltshire, will require new joint governance arrangements to be agreed to oversee delivery.

In accordance with our Governance Framework, which sets out the processes and structures within which the SWLEP Board, its Subgroups and working groups operate, we will develop an Implementation Plan, with clear milestones, actions, timescales and roles and responsibilities. We will also develop and maintain a risk register and list of stakeholders that need to be managed and involved accordingly. We will continuously monitor progress against key milestones and produce end-of-year reports to ensure that we are indeed getting closer to our achieving strategic objectives.

SWLEP will collaborate with other LEPs, specifically:

- we will work with The Marches, Worcestershire and GFirst LEPs to develop wider Cyber Valley Alliance governance framework in order to deliver the Swindon and Wiltshire Business Cyber Centre;
- as part of The Great West Way initiative, we will collaborate with five other LEPs: Thames Valley Berkshire, Buckinghamshire, GFirst, Oxfordshire, and the West of England LEP, to develop an appropriate governance framework to ensure that the key milestones have been met and that the developed tourist route is having the intended impact;
- together with Solent and Enterprise M3 we will work on developing a framework and appropriate governance structures around natural capital baselining;
- we will work with partners along the M4 and A420, including West of England Combined Authority, GFirst, Oxfordshire; and Thames Valley Berkshire to explore new energy vehicle fuelling infrastructure to support the wider adoption of new-energy vehicles, including electric and hydrogen; and
- we will forge a strong east-west relationship across the country through membership of both the English Economic Heartland, stretching east from Swindon to the eastern edge of Cambridgeshire and the Western Powerhouse, starting with Swindon and moving west through Bristol to south-east Wales. Swindon & Wiltshire LEP helps to join both strategic bodies together.

8.3 Funding

This Local Industrial Strategy will be used to guide the allocation of existing and future funding streams including applications to the UK Shared Prosperity Fund and other investment and resources which may become available in the future. The list of priorities and actions outlined in this strategy is not exhaustive and there are other activities of strategic importance that are currently in progress or in planning stages or which may arise in the future.

8.4 Evaluation

We will develop an evaluation process to assess progress against the objectives outlined in this strategy. This will involve setting a set of key performance indicators (KPIs), which will be monitored and reported to the SWLEP Board and wider partnership governance structures and included in SWLEP's annual report.

We will undertake a three-year review of the LIS to assess the initial impact of the actions. This will include the production of an updated economic assessment.

31 March 2020