

Appendix 3: FEMA Level SWOT Analyses

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Foreword

This appendix provides SWOT analyses for each of the three FEMA areas. It draws heavily on the Local Economic Assessment (2013), the partial update undertaken as part of this study, and existing policy and strategy documentation reviewed in Appendix 4. It has also been supplemented with evidence gathered through stakeholder consultation for this commission.

1 Swindon FEMA

1.1 Strengths

- Central southern location with geographic proximity to major economic centres (including London), key airports, and coastal ports.
- Connectivity to the M4 corridor.
- Diverse range of enterprises.
- Proximity of scientific research and development (R&D) centres (e.g. Oxford University).
- Knowledge based economy with clusters in life sciences, advanced manufacturing, financial and professional services, and digital and ICT.
- HQ level operations for major employers
- Globally significant firms in UK priority sectors.
- High proportion of private sector employment and low proportion of public sector employment means more resilience to public sector austerity measures.
- Cost competitive location (commercial rents and house prices) relative to competing Greater South East locations.
- Strong manufacturing base and recent announcement of significant investment by Honda.
- Growing competitiveness.
- High productivity.

1.2 Weaknesses

- Slow and infrequent rail link to Heathrow.
- Distance from neighbouring cities and towns means Swindon is relatively isolated.
- Some gaps in strategic road provision
- Rising out-commuting may reflect lack of suitable employment in town.
- Swindon's GVA growth has slowed over the last decade relative to competitor locations.
- Negative view/image of Swindon town centre.
- Limited range of good quality cultural and leisure assets in Swindon.
- Lack of executive style housing
- Weak commercial office market in Swindon, particularly in town centre.
- The lack of HE provision in the area causes a drain on the section of the population who do choose to study further, and often those who do leave don't return to the area.
- Low proportion of population in Swindon with higher skill levels – below national average attainment at 16 and 19, and low HE participation. National average for students with A level or a level 3 qualification moving into HE is 58% - figure for Wiltshire is 54% and Swindon is 35%.
- Youth unemployment.

1.3 Opportunities

- Large urban expansions planned.
- Electrification of the railway line between London and Bristol.
- National initiatives to develop indigenous supply chain for automotive industry.
- Expansion of advanced manufacturing in M4 corridor.
- Investment in green energy infrastructure, low carbon transport and local energy generation.

- Leisure sector investment in Swindon town centre, and delivery of major regeneration projects – Regent Circus, Oasis, Union Square.
- Swindon town centre regeneration.
- University Technology College opening shortly.
- High level of patent activity in Swindon points to potential to generate more commercial innovation, building on a base in automotive, ICT, electronics, and pharmaceuticals.
- Rising labour costs in China, India etc. have the potential to make Swindon a more competitive manufacturing location.
- Strong jobs growth owing to good representation in sectors predicted to perform well, such as professional services.
- Growing competitiveness.
- Rapid population growth.

1.4 Threats

- Congestion and capacity issues on the road network.
- Connectivity improvements to London (e.g. Crossrail, HS2) at competitor locations may increase out commuting.
- Progress of competitor locations on M4 corridor and home counties, capturing limited pool of major commercial investment.
- Major employers in globally competitive sectors means Swindon is vulnerable to recession impacts.
- Failure to develop more knowledge intensive business activity.
- Failure thus far to deliver major regeneration projects.
- Growing demand for skilled labour and graduates, but low HE participation.
- Declining FDI enquiries.
- Lack of suitable sites and premises to underpin expansion of economy, including offices, logistics and distribution.
- Lack of public sector resources available to support infrastructure development, business support, and regeneration.
- Decline in employment rate since the recession, especially in Swindon.
- Increase in youth unemployment post-recession.

2 A350 FEMA

2.1 Strengths

- Innovation – high patent registration per capita, plus a high percentage of business turnover invested in R&D.
- Knowledge based economy with clusters in advanced manufacturing and digital and ICT.
- Strong small and medium sized enterprise (SME) growth with high levels of innovation.
- Cost competitive location (commercial rents and house prices) providing opportunity for businesses moving out of Bath
- Improving rates of business confidence.
- Increasing range of services available locally making the area more self sufficient
- Good business survival rates.
- Rapidly growing population.
- Employment rate above national average.
- Unemployment rates below national average.
- Rising number of apprenticeships.

2.2 Weaknesses

- Transport infrastructure is not adequate to support expansion plans.
- Unreliable journey times and high price of rail services.
- Declining competitiveness.
- Low productivity in Wiltshire.
- Low rates of business formation.
- Fragmented offer of business support.
- High levels of out-commuting in Wiltshire.
- Pockets of deprivation.
- The lack of HE provision in the area causes a drain on the section of the population who do choose to study further, and often those who do leave don't return to the area.
- High percentage of firms reporting skills gaps, and reporting that young people are poorly prepared for work.

2.3 Opportunities

- Large urban expansions in Chippenham and Trowbridge.
- Electrification of the railway line between London and Bristol.
- A350 improvements and land allocations to support growth
- 'Big data'/ICT infrastructure at Corsham.
- Expansion of advanced manufacturing in M4 corridor.
- Major expansion of Dyson and planned capital investment by other major businesses.
- Proposed multi-campus university model.
- Major planned construction projects – Defence Technical College.
- Exploit potential to attract further inward investment and support the development of SMEs in high value sectors to balance growth in the South East.
- Growth Hub proposals to simplify business support.

2.4 Threats

- Congestion and capacity issues on the road network.
- Progress of competitor locations on M4 corridor and home counties, capturing limited pool of major commercial investment.
- High proportion of public sector employment in Wiltshire.
- Declining competitiveness.
- Declining FDI enquiries.
- Ageing population, especially in rural areas.

3 Salisbury/Amesbury A303 FEMA

3.1 Strengths

- Innovation – high patent registration per capita, plus a high percentage of business turnover invested in R&D.
- Knowledge based economy with clusters in life sciences, financial and professional services and land based industries.
- Wiltshire’s rural economy with renowned landscape, heritage, and visitor attractions.
- Tourism specialisation in Salisbury
- Largest military presence in the UK, and large, innovative Defence sector.
- Success of Solstice Park
- Strong small and medium sized enterprise (SME) growth with high levels of innovation.
- Cost competitive location (commercial rents and house prices) relative to competing Greater South East locations.
- Improving rates of business confidence.
- Good business survival rates.
- Employment rate above national average.
- Unemployment rates below national average.
- Rising number of apprenticeships.

3.2 Weaknesses

- Transport infrastructure, especially north-south connectivity, is not adequate to support expansion plans.
- Unreliable journey times and price of rail services.
- Declining competitiveness.
- Low productivity in Wiltshire.
- Low rates of business formation.
- Fragmented offer of business support.
- High levels of out-commuting in Wiltshire, particularly of high skilled workers.
- Pockets of deprivation.
- The lack of HE provision in the area causes a drain on the section of the population who do choose to study further, and often those who do leave don’t return to the area.
- High percentage of firms reporting skills gaps, and reporting that young people are poorly prepared for work.

3.3 Opportunities

- Large urban expansion in Salisbury.
- Military – army rebasing will provide 4,000 additional personnel.
- Life sciences cluster around Porton Down Science Park.
- Exploit potential to attract further inward investment and support the development of SMEs in high value sectors to balance growth in the South East.
- Growth Hub proposals to simplify business support.

3.4 Threats

- Congestion and capacity issues on the road network.
- High proportion of public sector employment in Wiltshire.
- Declining competitiveness.
- Declining FDI enquiries.
- Further divestments of financial services companies
- Ageing population, especially in rural areas.
- Lack of housing, employment and learning opportunities for Service Leavers and their dependents.