SLOUGH INCLUSIVE GROWTH STRATEGY

EMPLOYMENT AND SKILLS EVIDENCE BASE REPORT

2019

HATCH REGENERIS prd

Slough Borough Council

Slough Inclusive Growth Strategy - Employment and Skills Evidence Base Report

2019

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1. Introduction and Context

Context

1.1 **Slough is one of the most economically successful areas in the UK and is home to numerous high-profile multi-nationals, as well as an established base of small and medium-sized enterprises (SMEs).** The town has experienced strong business growth since the previous recession and has continued to attract high levels of inward investment, regeneration development and transport improvements. Its proximity to Heathrow, outstanding transit connections and location within one of Europe's most prosperous regions set it apart yet still.

1.2 Despite Slough's recent economic progress, there still remain a number of economic and social challenges, with a number of long-standing issues holding back local residents from benefitting from Slough's recent economic success. These challenges transcend a number of socio-economic factors, including Slough's unique demographic makeup, its relationship with other economic markets and a mismatch between the skills demands of businesses locally and the skills of residents. What makes Slough distinct also underlines entrenched issues.

1.3 It is an important time for Slough to consider these challenges, particularly given the unprecedented number of opportunities for future growth which currently exist in the area. Heathrow Airport, the world's prime international gateway, has expansion plans which are expected to generate significant employment opportunities for local residents and those within the airport's supply chains. Indeed, the airport will physically encroach into the Borough – a physical sign of this expansion. There are also wider regeneration and development opportunities taking place locally, including significant town centre transformation, Slough Urban Renewal development and ambitious housing growth to the north of Slough.

1.4 To ensure Slough is able to continue its recent economic trajectory, and to enable residents to benefit from local opportunities, there is a need for a new approach to skills and employability within Slough. This evidence base report underpins this new approach, providing a detailed review of the Slough labour market, including the supply and demand factors and the imbalance of these, to help inform an action plan and process for supporting skills development in Slough in the future. This evidence will inform a series of priorities and actions, built on consensus, to develop clear and sustainable pathways to employment.

Objectives

1.5 The objectives of the Inclusive Growth Strategy Employment and Skills Evidence Base Report are:

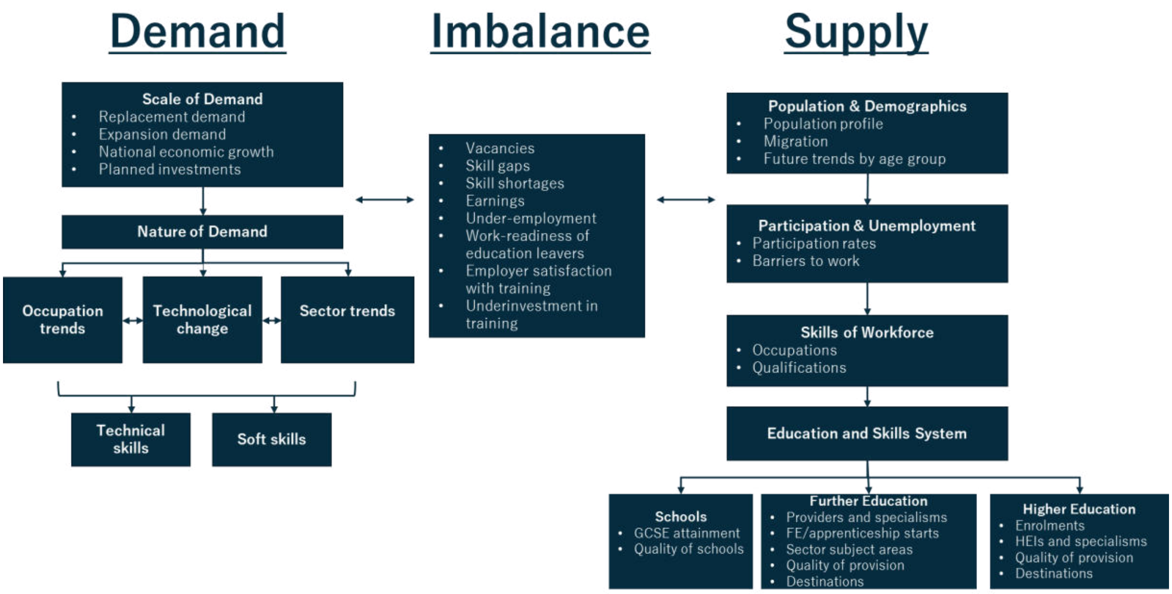
- **To understand the current supply of skills among residents and businesses within Slough.**
- **To understand current skills training provision in Slough and the performance of local colleges, schools and other providers of employability education.**
- **To identify the current and future skills needs of local businesses and of employers in the sectors which are hoped to be attracted to the area in the future.**
- **To consult providers, businesses, schools and other stakeholders, to understand the key skills issues in Slough and possible responses to these.**

Report Structure and Scope

1.6 This report includes a comprehensive analysis of the sub-regional labour market, looking at demand and supply indicators, and identifying challenges and opportunities.

1.7 The report uses a tried and tested model for understanding local labour markets, summarised in Figure 1.3 – effectively stress-testing the balance of demand and supply side factors.

Figure 1.3 Model for Analysing Labour Markets



Source: Hatch Regeneris, 2019

1.8 The analysis is structured as follows:

- **Part Two** – examines the national, regional and local policy context which will underpin skills ambitions and delivery.
- **Part Three** – revisits the economic context of Slough and outlines the appropriate geographical and sector focus.
- **Part Four** – concentrates on the people of the Borough and provides a demographic profile of the area and its workforce.
- **Part Five** – outlines the scope and structure of the current skills infrastructure across Slough, focusing on both vocational and higher education.
- **Part Six** – looks at the demand for skills among employers in the area.
- **Part Seven** – summarises the findings from consultations with education and training providers, key local employers and a broader base of stakeholders.
- **Part Eight** – sets out the key analytical findings and conclusions.

2. Policy Context

Introduction

2.1 Securing the appropriate skills for sustainable economic growth is an important component of national policy. This is reflected in the Government's Industrial Strategy which positions investment in people as a central foundation for Britain's future prosperity (Figure 2.1).

2.2 Published in 2017, The Industrial Strategy represents the Government's long-term plan for boosting Britain's productivity and earning power. The Strategy also recognises that sustainable growth needs to be centred on the theme of 'place'. This builds on the factors that make places distinctive, local economic characteristics and the need to address specific barriers holding back productivity.

Figure 2.1 UK Industrial Strategy – Foundations of Productivity

Source: National Industrial Strategy, 2018

2.3 As a result, the Council will be expected to inform a Local Industrial Strategy which is sensitive to the nuances of the local economy and proposes tailored policy solutions based on a comprehensive evidence base. This is a live issue and one which already has traction – Thames Valley Berkshire Local Enterprise Partnership (TVBLEP) is in the process of drafting a Local Industrial Strategy (LIS) which is striving to reflect a strategic economic position, whilst also capturing the essence of ambition, distinctiveness and growth prospects within each of the constituent local authorities.

2.4 National Interventions will be targeted at what has been defined as the Four Great Challenges common to the five foundations of productivity. These are shown in Figure 2.2.

Figure 2.2 UK Industrial Strategy – Four Great Challenges

Source: National Industrial Strategy, 2018

2.5 However, the Department for Education's statistics reveal significant regional variances in outcomes at every stage of education and skills provision.[1] To tackle this, the Industrial Strategy says devolution is pivotal for aligning local skills provision with economic need. Mayoral Combined Authorities (MCAs) are expected to link the requirements of business as outlined in both national and local industrial strategies with the supply of skills to their local area.

2.6 In the absence of an MCA in Berkshire, it is expected that a combination of the council and LEP will fill this role, acting as the conduit between employers and educators.

Policy Ambitions Across Slough and Sub-Region

2.7 In Slough and across the wider TVBLEP area, there is a strong desire to build a skills system which operates with greater flexibility and responsiveness to local need. Previously, this ambition had not been matched with meaningful powers to shape local provision and a substantive evidence base from which to drive Council decision-making

2.8 There is a range of relevant economic policy which highlights the importance of a strong skills system in helping to deliver economic growth across the Slough and the TVBLEP.

- The **TVBLEP Strategic Economic Plan** sets out the economic ambition for the area, with an overarching priority to *'secure better access to talented people and bright ideas, and to use both more effectively'*. Skills are acknowledged as being a key part of the economic trajectory of the area, with a need to inspire the next generation and ensure that the area's economic potential is not restricted by labour supply issues.
- The **TVBLEP Local Industrial Strategy** is currently being developed, with the consultation version having a strong emphasis on ensuring that employers can recruit the right people with the right skills. A number of key skills areas were identified, partly informed through the development of the TVBLEP Skills Priority Statement (2018). These include:
  - ***Tier 1*** – focus on high-value and fast-growing sectors in which employers are finding it hard to fill vacancies (digital, tech, engineering and science).

[1] DfE (2017), 'Early years foundation stage profile results: 2016 to 2017', Available at: https://www.gov.uk/government/statistics/early-years-foundation-stage-profile-results-2016-to-2017

  - ***Tier 2*** – including a range of sectors in which there are a number of hard-to-fill vacancies, covering construction, health and social care and education.
  - ***Tier 3*** – encompassing a range of other sectors and occupations, ranging from transport and distribution to creative.
- The **Slough Economic Development Strategic Plan for Growth** (2014-18) sets out strong ambitions for growth, with a particular focus on increasing productivity, innovation and jobs. A key priority within the Plan is to ensure that Slough has a competitive workforce to support its economic development aspirations, with ambitions to raise overall skill levels, provide more apprenticeships, lower the number of NEETs and increase the provision of retraining/upskilling opportunities for those in employment. The Plan identifies a number of growth opportunities for Slough in the future, including Slough Urban Renewal, Heart of Slough, Crossrail and Western Rail Access to Heathrow.
- Slough Borough Council's **Five-Year Plan** (2019-24) sets out the Council Leadership Team's vision for Slough over the next five years. The priority outcome of this Plan is to put people first, with ambitions to make Slough an attractive place which can attract, retain and grow businesses and investment to provide opportunities for residents. Key priorities for the future include:
  - Ensuring excellent outcomes for children and young people in Slough.
  - Supporting the creation and promotion of pathways to high-quality employment, including apprenticeships.
  - Collaboration on Heathrow's expansion.
  - Providing residents with opportunities to improve their skills and secure quality jobs.

Building on Current Initiatives

2.9 There is clear overlap between Slough's strategic growth sectors and the initial Sector Deals prioritised by Government within the Industrial Strategy. Sector Deals are bespoke partnerships between government and industry which seek to "boost productivity, employment, innovation and skills". Employability and the opportunity for productivity to be people-led are intrinsic.

2.10 The first four sectors to agree a deal with government are:

- **Life Sciences**
- **Construction**
- **Artificial Intelligence**
- **Automotive Sector**

2.11 Seeking to build on the Life Sciences Industrial Strategy, the Life Sciences Sector Deal incorporates several key policies to ensure that the UK remains at the forefront of innovation. To build capacity within this sector, the following skills policies have been devised to facilitate the growth of the sector:

- Work with the Science Industry Partnership and connect it with Skills Advisory Panels to understand local supply and demand themes.

- Enhance domestic skills base using apprenticeships; working closely with the sector to ensure effectiveness and that they are meeting key skills gaps.

2.12 Increasing the number of apprenticeships starts to 3 million by 2020 is also a key target for Government as part of delivering a mixed economy of skills. The most significant development in this area is the introduction of the Apprenticeship Levy. This requires larger employers to contribute 0.5% of their wage bill to fund the development and delivery of apprenticeships. Since the Levy's introduction, the following national trends have emerged:

- Apprenticeship starts **fell from 36,400 in February 2017 to 21,800 February 2018**.
- The reduction of starts was reported to be **particularly acute among young people (-37% for those aged 19-24)**.

2.13 In addition to increasing the number of apprenticeships, Government has also prioritised enhancing the quality and reputation of Britain's technical education offering. Since the Post 16 Skills Plan was published in 2016, Government has committed to a reformed technical education option which rivals the traditional academic route. Practically, this will result in over £500m annual backing for new T-Level qualifications and the ambition to increase training hours of 16-19 T-Level students by over 50%. Investment in this area and apprenticeships signals an acknowledgement of the need to diversify options available to students post 16 to drive future economic growth.[2]

2.14 Within the Industrial Strategy, specific subject areas are targeted. Driving up the study of maths is a priority to meet the strong demand in the labour market at all levels nationally. This targets improvement to both basic and advanced maths skills, with there being a clear relationship between higher levels of maths attainment and earning potential for individuals. Additionally, all levels of digital skills are targeted within the strategy due to recent exponential growth and importance of digital literacy to both STEM and non-STEM related jobs. Specifically, this will see the investment of £84m to improve the teaching of computing and to drive up participation in computer science.

2.15 One further initiative to fallout of the Industrial Strategy is the National Retraining Scheme. This is a £100m programme scheme focused on supporting life-long learning which may offer opportunities for Slough's employers, learners and providers.

2.16 These initiatives follow on from the nationwide post 16 Area-Based Reviews, which targeted further education transformation to better orientate skills around employer need, as well as facilitating savings as a consequence of structural consolidation and mergers. The results of this are now observed in Slough, with the establishment of Windsor Forest Colleges Group, bringing Langley and Strode Colleges under a common banner.

2.17 More recently, the government also commissioned a review of higher education provision, with a view to enhancing accessibility, quality and removing exiting participation barriers. The Post 18 Education Review (Augar Review) set the scene for a further wave of changes, which have yet to be enshrined in policy.

2.18 The Review was largely focused the cost and value of higher education following a period of reform which saw tuition fees rise to £9,250 per year, maintenance grants abolished, and typical student debt rise to £47,000 from a three-year degree. During the period of higher education reforms the further education sector had also experienced difficult times due to a sustained

[2] It should be noted that the Slough does not have any providers that were successful in their bid to participate in the pilot programme.

period of funding reductions and been influenced by a push to increase competition, stimulate commercial approaches and encourage new market entrants.

2.19 The Review contains a detailed analysis of the post-18 education sector and the funding issues faced by stakeholders. The report contained a series of headline recommendations:

- Reducing higher education tuition fees to £7,500 per year
- Replacing lost fee income by increasing teaching grants
- Extending the student loan repayment period from 30 years to 40 years
- Reducing the interest charged on student loans while students are studying
- Capping the overall amount of repayments on student loans to 1.2 times their loan
- Reducing the income threshold for student loan repayments from £25,000 to £23,000
- Reintroducing maintenance grants of £3,000 for disadvantaged students
- Introducing maintenance support for level 4 and 5 qualifications
- Introducing a first free full level 2 and 3 qualification for all learners

2.20 The proposals are expected to cost an additional £0.3-0.6 billion in annual ongoing annual costs plus a one-off £1 billion on capital for further education colleges. The implications of this have yet to be felt but set the scene for Slough's residents pursuing higher education and how these services may be provisioned within the Borough.

3. Economic Context

Key Findings...

- Slough has one of the highest levels of productivity in the UK, producing £94,600 GVA per FTE employee. This ranks it as the most productive city in the UK.
- There are 6,130 businesses operating in Slough, with the area experiencing rapid business growth over the past five years (+45%). The vast majority of these businesses are SMEs (employing fewer than 250 people), accounting for 99.3% of all business in Slough.
- Slough's businesses are generally young, with a third being established in the last two years. Only one-in-five businesses have been trading for six to ten years, and 14% have been trading for longer than ten years.
- Slough is a highly entrepreneurial area, with 178 new businesses started in 2017 per 1,000 active businesses. However, there are concerns regarding the long-term survival of these businesses, with only 42% surviving more than their first five years of operation.
- There are a number of highly competitive businesses operating in Slough. Data from the Scale-up Institute suggests there are currently 51 scale-up businesses within a five-mile radius of Slough city centre, all of which have experienced turnover and/or employee growth over 20% per annum over a three-year period.
- Businesses in Slough employ 82,000 people across a diverse range of higher and lower value activities. Slough has particular strengths in ICT & Digital, Transport, Warehousing and Logistics, Wholesale and Business Support Services. Employment growth over the last five years has been relatively slow, with 2,000 new jobs created.

3.1 The wider economic context underpinning the evidence base draws on a variety of datasets and information sources. This includes a summary of the key elements which are most important for skills and employability policy, and (where available) also includes supplementary, qualitative information to provide a better understanding of the wider labour market dynamics in Slough and its catchment area.

Slough's Economic Geography

3.2 Slough has a population of around 148,800 residents[3] and covers an area of approximately 32 square kilometres. It sits at the heart of the South East and Thames Valley region and is a key constituent of the TVBLEP functional economic area.

3.3 The Borough of Slough is located west of London and is surrounded by Green Belt land to the west and north (in South Bucks), the south (in Windsor and Maidenhead) and the east (in LB Hillingdon), and is characterised by the town of Slough. Slough is located at the heart of strategically important transport links and is home to three stations (i.e. Langley, Slough and Burnham) on the Great Western Railway line connecting Paddington (in London) to Reading and beyond.

3.4 The A4 runs east-west through the Borough, with the M4 motorway running (mostly) along the southern edge of Slough. The M25 motorway is located just to the east of Slough and can be

[3] Based on local authority population estimates for 2017 from the Office for National Statistics.

accessed via Junction 48 on the M4. Heathrow Airport lies just to the east of the Borough (and the M25 motorway), with Terminal 5 being located around just one mile from Poyle.

The Slough labour market area…

3.5 A study assessing the Berkshire Functional Economic Market Area[4] from February 2016 aligns Slough's labour market area with the Slough and Heathrow travel to work area (TTWA). This is based on analysis of commuting patterns from the 2011 Census of Population which shows strong links with parts of Windsor and Maidenhead, as well as Runnymede, Spelthorne, South Bucks and LB Hillingdon and LB Kingston-upon-Thames.

3.6 This study sought to identify the functional economic market area (FEMA), based on the assessment of housing market areas, commercial property market areas, consumer market areas and transport connectivity across the TVBLEP area.

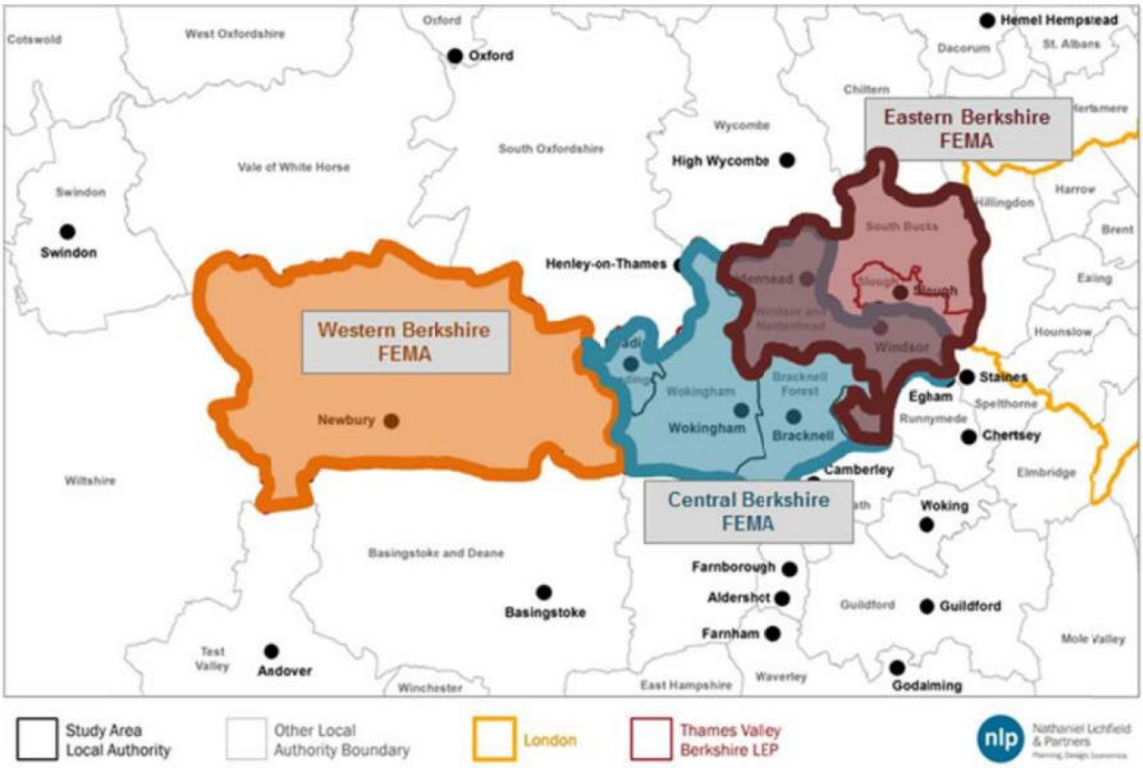
3.7 Detailed assessment of housing market areas within TVBLEP put Slough within the Reading and Slough housing market area (HMA) which consists of Bracknell Forest, Reading, Slough, West Berkshire, Windsor and Maidenhead and Wokingham. This is based on recent SHMA work undertaken on behalf of the six Berkshire Authorities, using a 'best fit' approach. With regard to Commercial Property Market Areas, the February 2016 study found that the largest concentration of employment space within Berkshire is found in Slough, followed by Reading and West Berkshire. At the sub-regional level, the commercial property market is centred on the M3 and M4 and is driven by strong linkages to Heathrow Airport and the outer West London Boroughs.

3.8 The consumer market in TVBLEP is primarily influenced by Reading, which has the largest catchment within Berkshire, which extends along the M3, M3 and M40 corridors, taking in all of Berkshire as well as parts of Oxfordshire, Buckinghamshire, Surrey and Hampshire. The study also found that transport accessibility within the TVBLEP area is strongly linked to its FEMA, being greatly influenced by the area's three major east-west corridors (of the M3, M4 and M40) and its proximity to the M25. The study acknowledges the key role transport (incl. public transport provision via the railway network) plays in influencing commuting flows, housing market areas and TTWAs.

3.9 Drawing all the analysis presented above a wider Berkshire FEMA was identified, which despite featuring parts of Surrey, Hampshire, Wiltshire, Oxfordshire, Buckinghamshire and Greater London, does not extend far beyond the TVBLEP administrative boundary. Further detailed analysis identified three sub-areas forming the FEMA (as shown in the map below), with Slough featuring within the Eastern Berkshire FEMA, which comprises primarily of Slough, South Bucks and Windsor and Maidenhead (which also forms part of the Central Bedfordshire FEMA).

[4] Thames Valley Berkshire Local Enterprise Partnership (February 2016), 'Berkshire Functional Market Area Study'.

Figure 3.1 Economic Geography – Berkshire's FEMAs



Source: TVBLEP Berkshire Functional Market Area Study, 2016

Other strategic connections…

3.10 Slough has strong economic connections with London, largely driven by its close geographical proximity to the city and transport links. Over 12,400 people travel into London from Slough to work each day and 9,250 travel to Slough to work each day. Just over half of these flows are between two London Boroughs – Hillingdon and Hounslow, with a combined 7,600 travelling to these Boroughs from Slough each day and 5,200 people coming into Slough to work from these Boroughs. The influence of the capital is significant and has positive and negative consequences.

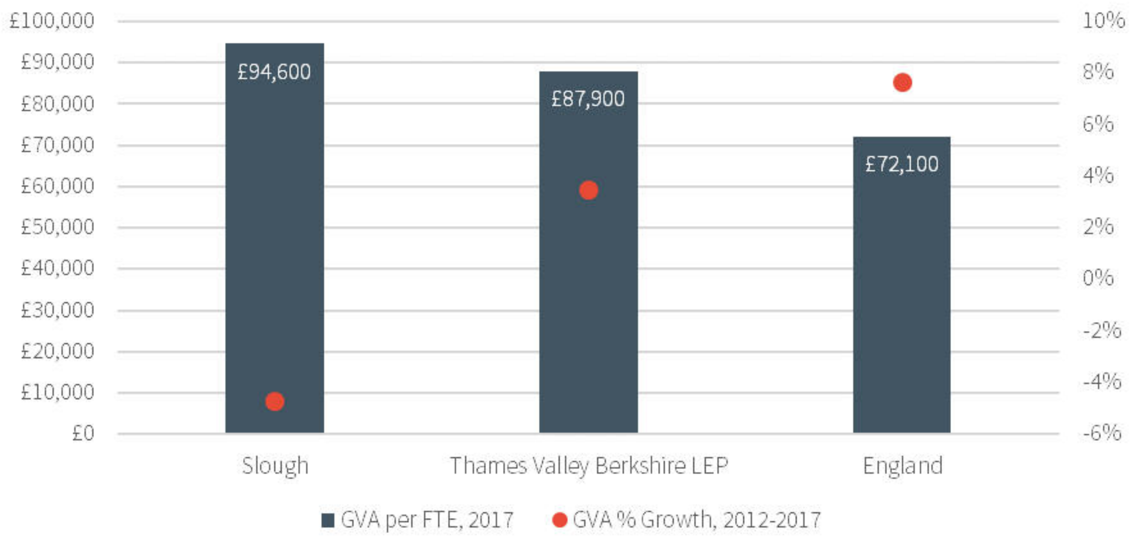
Headline Economic Performance

High productivity, but slowing over time…

3.11 Gross value added (GVA) represents the value of goods and services produced in the economy. It is an indicative measure of economic output in a local area and can be benchmarked to show comparisons in economic growth and productivity.

3.12 Slough is one of the most productive areas in the UK. Analysis of Gross Value Added (GVA) per Full-Time Equivalent (FTE) provides a useful snapshot of an area's productivity performance. In 2017, Slough's GVA per full-time worker was £94,600, which is significantly higher than the TVBLEP (£87,900) and England (£72,100) averages. Despite this, Slough's GVA performance reduced by 5% between 2012 and 2017, compared with GVA growth in the sub-region (4%) and nationally (8%). This presents a potentially worrying trend.

Figure 3.2 GVA Per FTE and GVA Growth (2015-17)

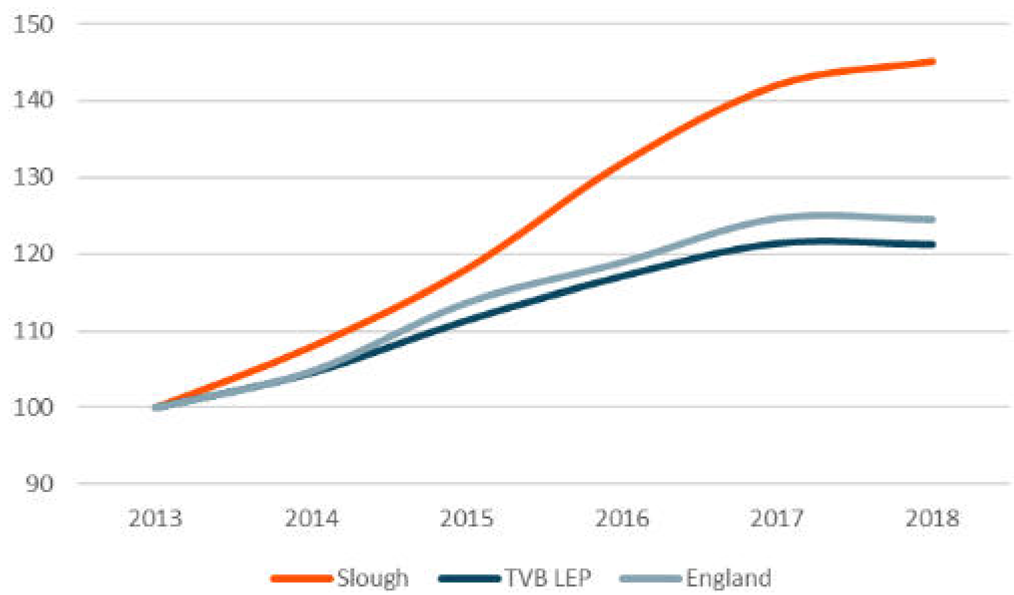


Source: ONS Regional GVA, 2018; ONS, BRES, 2017

SMEs are driving business growth…

3.13 There are 6,130 businesses operating in Slough, with the Borough's business base increasing by 45% over the past five years. This is around double the rates of growth seen at TVBLEP level (of +21%) and around 21 percentage points higher (i.e. 24%) than the national average.

Figure 3.3 Change in Number of Businesses (2013-18)



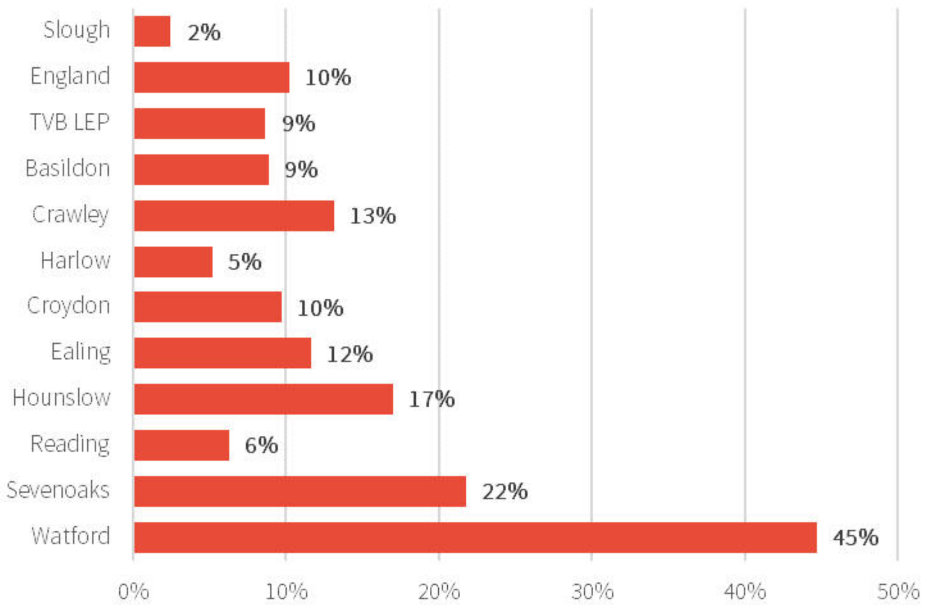
Source: ONS UK Business Counts, 2018

3.14 Since 2013, change in Slough's business structure has been driven by growth in the number of small and medium-sized enterprises (SMEs) in the Borough (i.e. an increase of 1,905 businesses). By contrast, the data shows that there have been a small decline (of five businesses) in the number of large businesses over the same period. This is similar to the overall trend seen nationally, where change in the business base is primarily driven by growth in the number of SMEs trading locally.

Employment fuelled by more people choosing to work part-time…

3.15 There are 82,000 employee jobs in Slough. Since 2012, the number of employee jobs in the Borough increased by around 2,000 jobs. This represents an increase of around 2% since 2012 and is significantly lower than the growth in employee numbers seen across the TVBLEP area (9%) and England (10%) and is the lowest change in employee numbers over the period between 2012-17. Employment data from the ONS indicates that Slough had the slowest growth rate relative to all comparator areas between 2012-17 as shown in Figure 3.4 below.

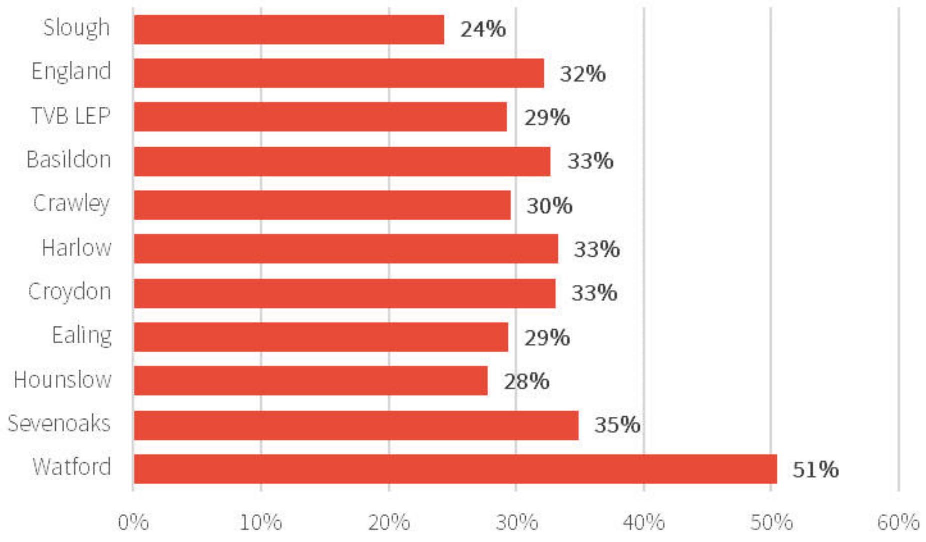
Figure 3.4 Change in Employment Trends (2012-17)



Source: ONS BRES, 2017

3.16 Data from the ONS indicates that around one-in-four jobs in Slough are part-time compared with around one-in-three jobs at the TVBLEP level (32%) and nationally (29%). This trend is common across all comparator areas, and Figure 3.5 below indicates that Slough has the lowest proportion of part-time employees. That said, changes in employment trends in Slough from 2012 onwards have been primarily driven by an increase in part-time employees (an increase of almost three percentage points).

Figure 3.5 Part-Time Employment



Source: ONS, BRES, 2017

Business Base and Sector Specialisation

3.17 The composition and specialisation of Slough's business base is well-evidenced through a variety of published data. Importantly, this allows for the business demography of the Borough to be used to confirm the strategically important sectors for the different sub-regional labour markets and the issues this creates for skills delivery and employability.

Business Base Characteristics

A large presence of micro-sized and newly established businesses…

3.18 There are 6,130 businesses operating in Slough, with 99.3% identified as SMEs (i.e. employing fewer than 250 people). Table 3.1 below, looks closely at Slough's business base and compares against the TVBLEP area, England and other comparators. Notable findings include:

- Slough has proportionately fewer micro businesses employing under five employees (89%), compared with TVBLEP and nationally (both 90%);
- Slough has proportionately fewer (7%) small businesses when compared with most comparators, including nationally (9%); and
- Slough has a higher proportion of medium (3%) and large businesses (0.6%) compared with the national average (2% and 0.4% respectively).

Table 3.1 Businesses – By Number of Employees

	Slough	TVBLEP	England	Crawley	Reading	Sevenoaks	Croydon	Ealing	Hounslow	Basildon	Harlow	Watford
0 to 4 employees	81%	81%	78%	75%	80%	79%	84%	84%	83%	78%	77%	80%
5 to 9 employees	9%	9%	11%	11%	9%	11%	9%	9%	9%	11%	10%	9%
Micro businesses	**89%**	**90%**	**90%**	**86%**	**89%**	**91%**	**93%**	**93%**	**91%**	**89%**	**88%**	**89%**
10 to 19 employees	4%	5%	6%	6%	5%	5%	4%	4%	4%	6%	6%	6%
20 to 49 employees	3%	3%	3%	4%	3%	3%	2%	2%	2%	3%	3%	2%
Small businesses	**7%**	**8%**	**9%**	10%	8%	8%	6%	6%	6%	9%	10%	8%
50 to 99 employees	2%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%
100 to 249 employees	1%	1%	1%	1%	1%	0%	0%	0%	1%	1%	1%	1%
Medium businesses	**3%**	**2%**	**2%**	**3%**	**2%**	**1%**	**1%**	**1%**	**1%**	**2%**	**2%**	**2%**
Total SMEs	**99.3%**	**99.5%**	**99.6%**	**99.1%**	**99.4%**	**99.7%**	**99.8%**	**99.8%**	**99.3%**	**99.7%**	**99.3%**	**99.2%**
250 to 499 employees	0.2%	0.2%	0.2%	0.4%	0.2%	0.2%	0.1%	0.1%	0.3%	0.1%	0.3%	0.2%
500 to 999 employees	0.2%	0.2%	0.1%	0.3%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.2%	0.2%
1000+ employees	0.1%	0.2%	0.1%	0.3%	0.2%	0.1%	0.1%	0.1%	0.2%	0.1%	0.2%	0.3%
Large businesses	**0.6%**	**0.6%**	**0.4%**	**1.0%**	**0.6%**	**0.3%**	**0.2%**	**0.2%**	**0.7%**	**0.3%**	**0.7%**	**0.7%**

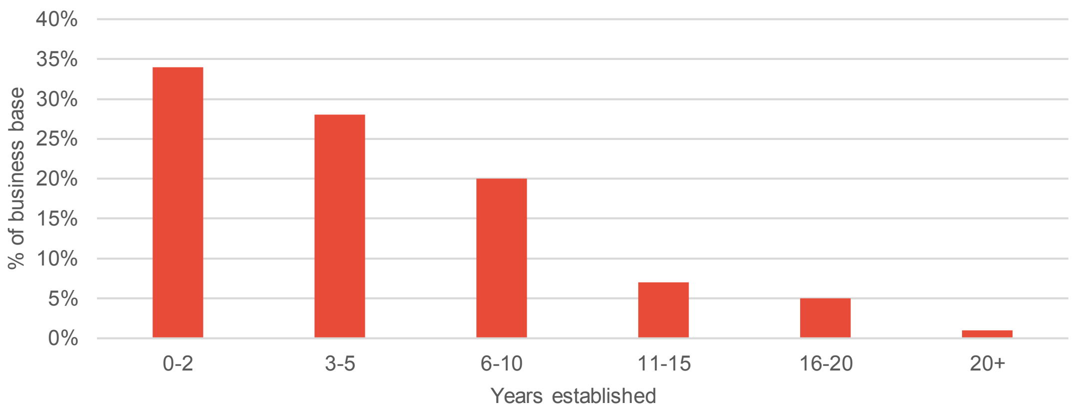
Source: ONS, UK Business Counts, 2018

Note: Totals may differ due to rounding.

3.19 Figure 3.6 below provides an overview of the profile of the longevity of Slough's businesses. Data from Companies House shows that the average age for a business trading in Slough is seven years. A detailed breakdown of the data shows that:

- Slightly over one-in-three (i.e. 34%) businesses in Slough were established less than two years ago;
- 28% were established between three and five years ago; and
- One-in-five (i.e. 20%) businesses have been trading for six to ten years.

Figure 3.6 Businesses By Age



Source: Companies House, 2018

A strong entrepreneurial base with issues of long-term survival…

3.20 The number of business births is a useful indicator of enterprise activity and illustrates Slough's credentials as a home for entrepreneurship. Business Demography data indicates that in 2017 there were 178 registrations per 1,000 active businesses in Slough. This is among the highest rate across all comparator areas (incl. nationally – 146 registrations per 1,000 active businesses, and the TVBLEP area – 136 registrations per 1,000 active businesses) and is second only to the business registration rate in Reading (of 316 registrations per 1,000 active businesses).

3.21 An analysis of business survival rates shows that three-quarters of Slough's businesses survive between one and three years compared with just under half of all businesses (45%) who survive for up to five years. This indicates that long-term survival rates are generally lower in Slough when compared with other benchmark areas. Key points of note from the table below are that:

- More businesses in Slough survive up to a year (92%) when compared with the TVBLEP and national averages (both having 91% survival rates);
- The Borough also sees strong (albeit comparable) two and three-year survival rates (74% and 59% respectively); and
- Four and five-year survival rates for businesses located in Slough are generally lower when compared with businesses located elsewhere. That said, the difference in survival rates is not significant.

3.22 Collectively, these figures suggest that there are mixed messages around the strength of business activity in Slough.

Table 3.2 Business Births and Survival Rates

	Business Births		Business Survival				
	Births per 1,000	Net births per 1,000	1-year survival	2-year survival	3-year survival	4-year survival	5-year survival
Slough	178.3	44.2	92%	74%	59%	49%	42%
TVBLEP	136.1	11.3	91%	75%	61%	51%	44%
England	146.2	8.0	91%	74%	59%	50%	43%
Crawley	79.1	5.3	88%	75%	58%	48%	43%
Reading	315.9	-14.6	91%	74%	60%	50%	44%
Sevenoaks	105.8	8.5	92%	76%	62%	53%	45%
Croydon	166.6	9.4	93%	74%	58%	47%	39%
Ealing	174.4	35.2	92%	74%	59%	50%	42%
Hounslow	159.8	12.0	91%	74%	58%	49%	43%
Basildon	150.2	16.9	93%	78%	63%	51%	44%
Harlow	158.7	6.8	93%	78%	63%	57%	48%
Watford	160.8	15.5	93%	73%	59%	50%	43%

Source: ONS, Business Demography, 2017

Many highly competitive businesses are located in Slough…

3.23 Data from the Scale-up Institute suggests that there are currently 51 scale-up businesses[5] within a five-mile radius of Slough town centre, representing 20% of total scale-ups within the TVBLEP area. Table 3.3 below identifies the top ten scale-up businesses in and around Slough by employment size. Key highlights from the Scale-up Institute data include:

- The average scale-up business in Slough has an average turnover (of £164,000) that is twice the average turnover for scale-up businesses across the TVBLEP area (£82,000);
- The average scale-up business in Slough employs 182 people, less than the TVBLEP average of 219.
- The average scale-up business is located approximately two miles away from Slough town centre.

Table 3.3 Scale-Up Businesses Located Within a Five-Mile Radius

	Turnover growth	**Employment**	**Distance from Slough (miles)**
DX Network Services Limited	23%	2,939	2.3
Porthaven Group Holdings Limited	32%	780	2.1
Avsc Europe Limited	144%	524	1.5
Chiltern International Limited	21%	458	2.5
QA Consulting Services Limited	321%	348	0.6
Centrica Hive Limited	258%	261	2.6
Telefonica Digital Limited	79%	205	1.6
Indivior UK Limited	32%	202	0.7
Autodata Publishing Group Limited	32%	201	4.9
The Schelwood Trust	571%	200	0.9

Source: Scale-Up Institute, 2018

Sector Composition and Specialisation

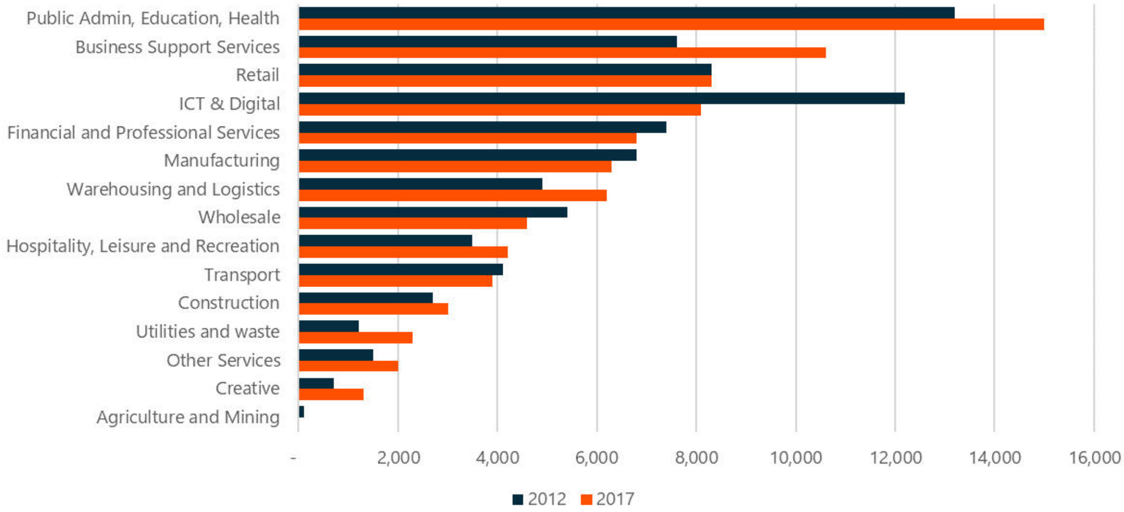
Strong performance in higher value and lower value industries…

3.24 Across Slough's economy, there are around 82,000 employee jobs representing 16% of the TVBLEP's total employee base. The key employment sectors in Slough include:

- Public Administration, Health and Education (18%);
- Wholesale and Retail (collectively 16%); and
- Business Support Services (13%).

[5] This is defined using the OECD definition for 'high growth' businesses, in which a business has experienced turnover and/or employee growth over 20% per annum over a three year period.

Figure 3.7 Employment Sectors in Slough (2012/2017)



Source: ONS, BRES, 2017

3.25 Table 3.4 below provides an overview of employment trends in Slough between 2012-17 based on employment sectors, change in employment numbers and the level of specialisation compared to the national average (based on the use of location quotient[6]). It shows that:

- Key employment sectors, incl. Public Admin, Education and Health, and Business Support Services, have seen significant growth (of +13% and +39%) between 2012-17, but do not show high levels of specialisation when compared with the national average (with LQs of 0.8 and 1.0 respectively). Overall, these sectors can be defined as being both **strong** and **advancing**;
- Construction, Hospitality and Leisure and the Creative sectors have all shown strong growth, but lower shares of employment and low levels of concentration compared to the national average. As such, these sectors can be defined as **weak** but **emerging** sectors within the Slough economy;
- Warehousing and Logistics, whilst making up only 8% of the Borough's employment base, has seen/ experienced significant growth (of +27%) since 2017, and shows high levels of specialisation (LQ 2.2) when compared with the national average, making it another **strong** and **advancing** sector locally; and
- All sectors with LQ higher than 1.0 (incl. ICT and Digital with LQ 2.6, Transport with LQ 2.5, Wholesale with LQ 1.3 and Retail with LQ of 1.0) have all seen employment numbers fall and/ or unchanged.

[6] Location quotient (LQ) is a measure of a region's industrial specialisation relative to a larger region. A LQ of 1.0 indicates that both regions (in this case Slough and England) have the same level of specialisation. On the other hand a LQ greater than 1.0 indicates that the smaller region (in this case Slough) has a higher concentration of employment in a particular sector when compared with the larger (i.e. England) region.

Table 3.4 Slough's Headline Employment Trends for Slough (2012-17)

	% of total employment	Change in employment (2012-17)	Level of specialisation (LQ)
Agriculture and Mining	0%	-50%	0.0
Business Support Services	13%	+39%	1.0
Construction	4%	+10%	0.8
Creative	2%	+80%	0.5
Financial and Professional Services	8%	-8%	0.8
Hospitality, Leisure and Recreation	5%	+19%	0.7
ICT & Digital	10%	-33%	2.6
Manufacturing	8%	-7%	0.7
Other Services	2%	+36%	0.9
Public Admin, Education, Health	18%	+13%	0.8
Retail	10%	0%	1.0
Transport	5%	-7%	2.5
Utilities and waste	3%	+93%	0.8
Warehousing and Logistics	8%	+27%	2.2
Wholesale	6%	-15%	1.3

Source: ONS, BRES, 2017

Businesses are highly specialised in ICT & Digital and Transport & Warehousing…

3.26 Table 3.4 presents a detailed view of Slough's key business sectors and the sub-sectors where there is a high degree of specialisation. A deep-dive analysis into sectoral performance relating to employment/business size, five-year business growth and location quotient suggests that Slough's most specialised business sectors are:

- **ICT and Digital**: **2.6 LQ** - 66% growth, 18% of business base
- **Transport, Warehousing and Logistics: 2.4 LQ** - 48% growth, 10% of business base
- **Wholesale and Retail: 1.2 LQ** - 17% growth, 18% of business base
- **Business Support Services: 1.0 LQ** - 63% growth, 13% of business base
- **Construction: 0.8 LQ** - 64% growth, 9% of business base
- **Financial and Professional Services: 0.8 LQ** - 42% growth, 16% of business base
- **Public Administration, Health and Education: 0.8 LQ** - 43% growth, 7% of business base

Table 3.4: Slough's Sector and Sub-Sector Specialisms

Key sectors (1-digit SIC)	2-Digit SIC Sub-Sector Specialisms	5-digit SIC Sub-Sector Commentary
Business Support Services	• Services to Business and Landscape Activities • Office Administration and Support	• Largest share of businesses in Other Business Support services (39% of sector total) • Other Business Support Services have seen the highest business growth over the last five years (+150%) • Businesses are highly concentrated in Specialised Cleaning Services (3.1) compared to nationally
Construction	• Construction of Buildings • Specialised Construction Activities	• Largest share of businesses in Construction of Domestic Buildings (18% of sector total) • Construction of Domestic Buildings has seen the highest growth over the last five years (+120%) • Businesses are highly concentrated in Glazing (1.1) compared to nationally
Financial and Professional Services	• Legal and Accounting • Activities of Head Offices; Management Consultancies • Scientific Research and Development	• Largest share of businesses in Management Consultancy Activities (14% of total) • Management Consultancy Activities (+58%) and Accounting and Auditing Activities (+53%) have seen the highest growth over the last five years • Businesses are highly concentrated in Research and Development on Social Sciences/Humanities (5.5) compared to nationally
ICT and Digital	• Telecommunications • Computer Programming and Consultancy	• Largest share of businesses in Computer Consultancy Activities (66%) and Business and Domestic Software Development (16%) • Computer Consultancy Activities have seen the highest growth over the last five years (+113%) • Businesses are highly concentrated in Business and Domestic Software Development (3.8) compared to nationally
Public Administration, Health and Education	• Human Health Activities • Education	• Largest share of businesses in Other Human Health and Social Work Activities (23% of total) • Hospital Activities (+500%) and Other Human Health Activities (+200%) have seen the highest growth over the last five years • Businesses are highly concentrated in Technical and Vocational Secondary Education (1.9) compared to nationally
Wholesale and Retail	• Wholesale Trade Except Motor • Retail Trade Except Motor	• Largest share of businesses in Retail Sale in Non-Specialised Stores (15%) and Maintenance/Repair of Motor Vehicles (14%) • Construction of Roads and Railways and Site Preparation has seen the highest growth over the last five years (+200%) • Businesses are highly concentrated in Retail Sale and Computers and Software (3.0) compared to nationally
Transport, Warehousing and Logistics	• Land Transport and Transport via Pipelines • Warehousing and Support Activities for Transport • Postal and Courier Activities	• Largest share of businesses in Freight Transport by Road (56%) and Unlicensed Carriers (27%) • Freight Transport by Road has seen the highest growth over the last five years (+145%) • Businesses are highly concentrated in Cargo Handling for Land Transport (16.3) compared to nationally

4. Our People and their Skills

Key Findings

Slough continues to experience strong population growth, with 148,000 people living in the area, a 5% increase since 2012. Around two-thirds of this population is of working age (16-64), slightly above TVBLEP and national levels, with a higher proportion of people aged under 14 and between 30 and 44 years of age compared to nationally.

- There is a highly diverse mix of people in Slough, with more than half the population (54%) being from black or ethnic minority (BAME) backgrounds. This is over three times the national average (of 15%). The majority of those from BAME backgrounds identify as Asian / Asian British and are particularly of Indian and Pakistani descent.
- Slough is expected to continue growing into the future, with the population projected to grow by 5% over the next ten years (equivalent to 4,700 new residents). It is expected that a lot of this growth will come from those aged between 45 and 64, with the population predicted to age into the future (reflecting national trends).
- Slough has an increasingly tight labour market, making it more challenging for employers looking to recruit. Currently 79% of Slough's working age population are engaged in the labour market, with only 21% currently inactive (with the majority of these either looking after family/home or studying). Only 4% of Slough's residents are currently unemployed.
- Slough has experienced a shift in the working pattern of its population, with more people switching to part-time employment over time – this goes against national trends in which more people are working full-time. Sectors which have a high proportion of people working part-time include Accommodation and Food; Arts, Entertainment and Recreation; Education; and Health and Social Work.
- A growing number of Slough's workers are choosing to work more flexibly and/or remotely, with an estimated 11,500 working age residents being homeworkers and 8,000 residents working flexible hours. Zero-hour contracts are also becoming increasingly prevalent within the labour market, especially in lower value sectors. It is estimated that around 2,100 people in Slough could be on zero-hour contracts, which provide less stable and secure employment for local people.
- Slough has a relatively high dependency on international migrant labour to support its economy, which may be at risk from changes to migration policy in relation to the UK's withdrawal from the EU. Slough saw a net migrant inflow of 1,033 people in 2017 and has a rate of National Insurance (NINo) registrations more than double the national level.
- The occupations of Slough's residents are typically lower-skilled, with a high proportion of residents in elementary, skilled trades and caring/leisure occupations.
- Qualifications data for Slough suggests a mixed picture, with relatively low proportions of highly skilled workers (qualified to at least NVQ Level 3) compared to the TVBLEP area.
- Average wages for people living in Slough are below those paid to those working in Slough, however this gap has been reduced in recent years. The median earnings for a full-time worker in Slough is currently £34,000 per annum compared to £31,400 per annum for Slough's residents.

- Slough is among the 25% most deprived local authorities in the UK, with the highest levels of deprivation in the TVBLEP area. Areas in which Slough performs poorly include crime, income deprivation for older people and barriers to housing and services. For education deprivation, Slough is ranked as the 116th most deprived local authority (out of 326).

4.1 Setting out the characteristics of the supply of labour is critical to understanding the performance of the Slough economy and how this may be limited by an inadequate fit with businesses' demands for skills (Chapter 6). This is true in both the context of the economy today and its associated sectoral structure, as well as considering how the supply of skills will need evolve to support a changing local economy.

Population and Demographics

4.2 A wealth of information is available showing how Slough's population and demographics shape the supply of skilled people within its labour market. Here, context is key, with data benchmarked to show how Slough's population is distinct and whether the challenges and opportunities it faces are unique to the Borough.

Population growth remains above the national average…

4.3 Slough is home to around 148,000 people, which account for around 16% of the TVBLEP area's population. Since 2012, the Borough's population has increased by around 5%, which is the equivalent of almost 7,000 residents. This is greater than the national average (4%), the second-highest growth across the TVBLEP area (after Wokingham at +5.3%), and just below population change in Watford (+5.2%) over the same period.

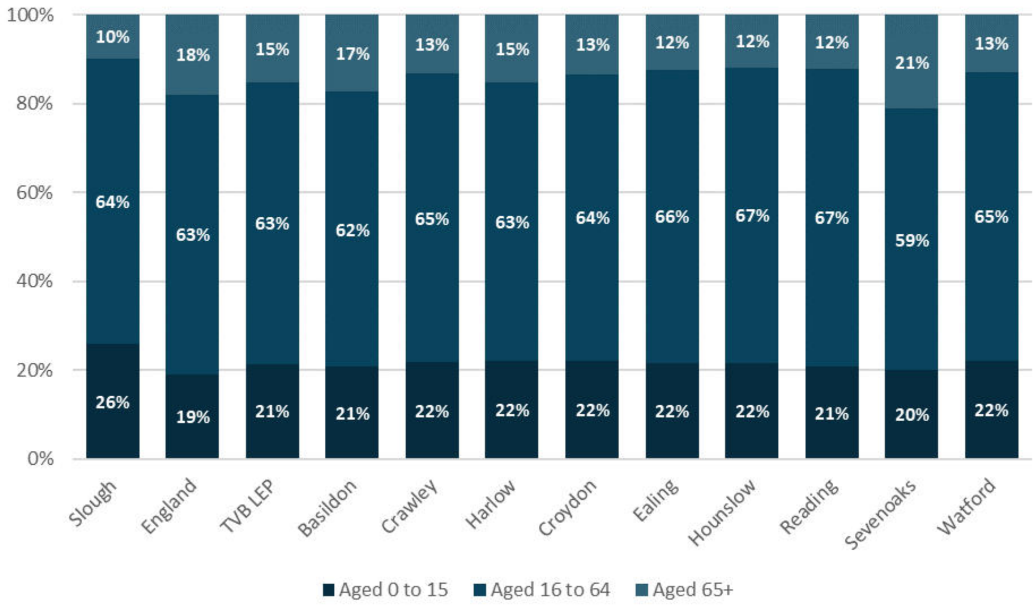
Table 4.1 Population Change (2012-17)

	Population 2017	Change 2012-17	
		No	%
Slough	148,800	6,900	+4.9%
TVBLEP	905,800	35,000	+4.0%
England	55,619,400	2,125,700	+4.0%
Bracknell Forest	120,400	5,300	+4.6%
West Berkshire	158,500	3,800	+2.4%
Reading	163,100	6,300	+4.0%
Windsor & Maidenhead	150,100	4,400	+3.0%
Wokingham	165,000	8,300	+5.3%
Basildon	184,500	7,900	+4.5%
Crawley	111,700	3,400	+3.2%
Harlow	86,200	3,400	+4.1%
Croydon	384,800	15,600	+4.2%
Ealing	342,700	2,400	+0.7%
Hounslow	269,100	10,600	+4.1%
Reading	163,100	6,300	+4.0%
Sevenoaks	119,400	3,100	+2.7%
Watford	96,700	4,700	+5.2%

Source: ONS, Population Estimates, 2017

4.4 The working age population (i.e. aged 16-64) represents around two-thirds (64%) of Slough's total population. This is slightly higher than the averages for TVBLEP and nationally (both at 63%) and is in line with that seen elsewhere. The diagram below shows that overall, Slough has a younger population with around one-in-four residents under 16 years of age (compared with 21% across the TVBLEP and 19% nationally) and fewer residents aged 65 and over.

Figure 4.1 Population Structure



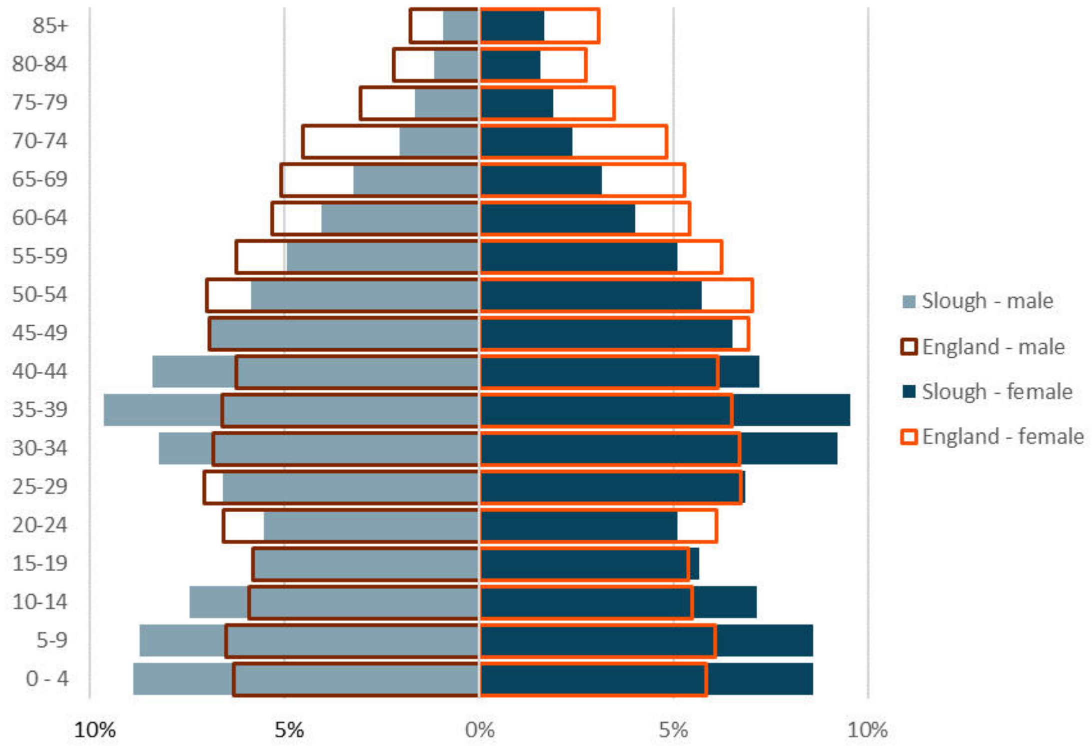
Source: ONS, Population Estimates, 2017

Slough has a relatively young population

4.5 Figure 4.2 below provides a detailed demographic profile of Slough's residential population, compared to the national average. The population pyramid shows that there are some variations in the age structure of Slough's population:

- Slough has a higher proportion of children under the age of 14;
- Slough has proportionately fewer older people across all five-year age groups (both male and female); and
- The Borough has a higher proportion of working age residents aged 30 to 44-years of age when compared with the national average, however there is a lower proportion of older working age residents (aged 45 years and over).

Figure 4.2 Population Structure By Age



Source: ONS, Population Estimates, 2017

4.6 The population pyramid shows that the distribution of males and females in Slough's population roughly aligns with the national picture, relative to the different age groups.

A large ethnically diverse population…

4.7 Slough is home to a significantly diverse population with more than half the population (i.e. 54%) being of black and minority ethnic (BAME) origin. This is over three times the national average (at 15%) and is the largest across all benchmark areas. Approximately three-quarters (71%) of Slough's BAME population identify as Asian/ Asian British; predominately of Indian and Pakistani descent. Other prominent sub-groups in Slough include Other White (10%) and African (5%).

4.8 Of all comparators, LB Hounslow and LB Ealing, both in London have the closest ethnic makeup to that identified for Slough. By contrast, Sevenoaks and Basildon both have a less ethnically diverse population.

Table 4.1 Population structure by ethnic group

	White	Mixed/multiple ethnic groups	Asian/Asian British	Black African/Caribbean/Black British	Other ethnic groups
Slough	46%	3%	40%	9%	3%
TVBLEP	80%	3%	13%	4%	1%
England	85%	2%	8%	4%	1%
Crawley	80%	3%	13%	3%	1%
Reading	75%	4%	14%	7%	1%
Sevenoaks	96%	2%	2%	1%	0.2%
Croydon	55%	7%	16%	20%	2%
Ealing	49%	5%	30%	11%	6%
Hounslow	51%	4%	34%	7%	4%
Basildon	93%	2%	3%	3%	0.3%
Harlow	89%	2%	5%	4%	1%
Watford	72%	3%	18%	6%	1%

Source: ONS (2011), 'Census of Population'.

4.9 Key variations in Slough include:

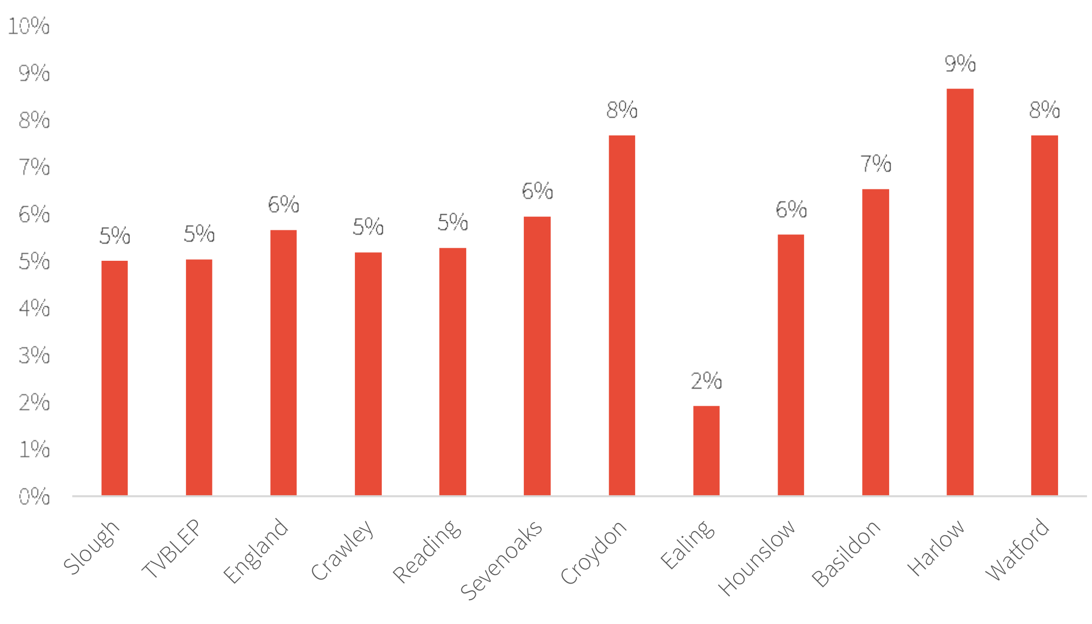
- There are proportionately more people who identify as White British or Irish aged 40 years and over. Males are more representative in the 40-64 age group and females in the 65+ group.
- About half of those who identify as Mixed are under the age of 15.
- There are relatively more people who identify as Asian/Asian British aged 25-39 years and 0-15 years.
- A large proportion of Slough's population identifying as Black/Black British are of working age and female, predominately over the age of 25.

Population projections show growth will be in line with the national average…

4.10 Future labour supply can be examined through projections and the extrapolation of current trends. Government commissioned population estimates form the basis for this and offer insights into how population growth is expected to be distributed across individual local authorities.

4.11 Projections in population growth for Slough and the benchmark areas are shown in Figure 4.3. Over a ten-year period, Slough's population is forecast to reach a total of 156,000 by 2027, representing an increase of 5 percentage points (equivalent to 4,700 residents). Growth is expected to be in line with the TVLEP average, however the local authorities to see the largest forecast change will be Harlow (9%), Croydon and Watford (8%).

Figure 4.3 Forecast Change in Population (2017-27)



Source: NOMIS Population Projections, 2016-based

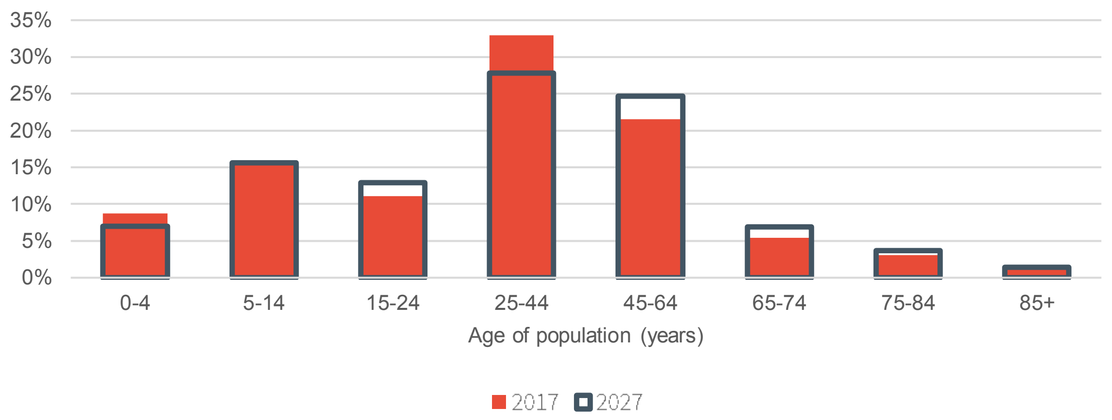
Fewer 25-44-year olds living in Slough…

4.12 A deep-dive into the population projections suggests that over a 10-year period, most of Slough's growth will be driven by increases in people aged:

- 45-64 years: an expansion of 6,400 (a 20% increase).
- 15-24 years: an expansion of 3,600 (+22%).
- 65-74 years: an expansion of 2,700 (+34%).

4.13 In tandem with this growth, Figure 4.4 suggests that there will be fewer people aged 25-44 years living in Slough by 2027. An 11% decrease is forecast, which equates to approximately 5,600 fewer residents. By contrast, the 45-64 demographic is projected to increase at the national level.

Figure 4.4 Population Projections in Slough By Age



Source: NOMIS Population Projections, 2016-based

4.14 The demographic change expected in Slough is unique to the area. While the ageing population is forecast to grow in line with national trends; there will also be higher than average growth in the young population. As a result, there are implications to consider the future provision of services in addition to future engagement in the labour market.

Labour Market Participation

4.15 Whilst the demographic make-up of the local population is an important ingredient in the sustained economic vitality of Slough and its attractiveness to investors, it is also necessary to understand how this population is engaging with the labour market.

An increasingly tight labour market…

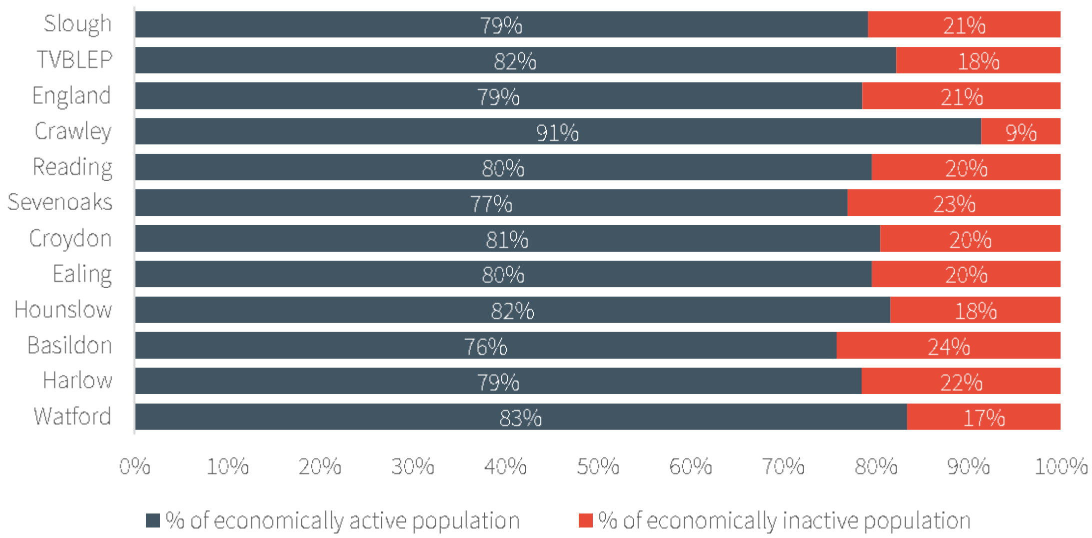
4.16 Figure 4.5 below indicates that around 79% of Slough's working age population (or the equivalent of 75,500 residents) are currently engaged in the labour market (i.e. in employment or actively seeking work). Whilst this proportion is in line with the national average, it is lower than the average across the TVBLEP area (82%) and most benchmark areas.

4.17 The economically inactive population is identified as residents who are not in employment (excludes the unemployed but includes the long-term unemployed) and/ or those not seeking work (incl. students and people taking care of others). In Slough, this represents around a fifth (21%) of the working age population, with the most common reasons for economic inactivity including looking after the family/ home (38%) and educational studies (25%). This means the former is at least 13 percentage points higher than the national average.

4.18 Key points of comparison include:

- Crawley (91%), Watford (83%) and Hounslow (82%) all have a higher rate of economic activity when compared with Slough; and
- Slough economic activity rate is higher than that for Basildon (76%), Harlow (79%) and Sevenoaks (77%), all of which show higher levels of economic inactivity.

Figure 4.5 Economic Activity and Inactivity Rates in the Working Age Population

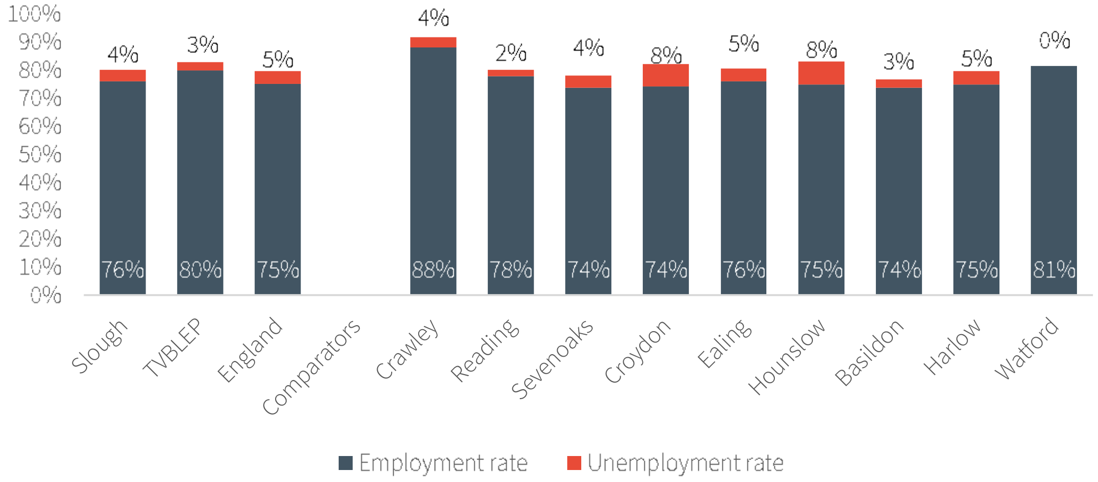


Source: ONS, Annual Population Survey, 2017

4.19 Slough's labour market is characterised by high levels of employment (76%). This is line with the national average and the employment rate of many of Slough's comparator areas. That being said, we note that the employment rate in Slough (76%) is slightly below that for the TVBLEP area (80%), Crawley (88%) and Watford (81%) and represents around 72,000 working age residents.

4.20 High rates of employment generally lead to a lower unemployment rate within the working age population. Data from the Annual Population Survey puts Slough's unemployment rate at 4%, which is slightly lower than the national average of 5%. That said, Slough's unemployment is in line with that of most benchmark locations except for Croydon and Hounslow, both of which have an unemployment rate of 8%. Looking back, ONS data shows/ confirms that the unemployment rate in Slough has more than halved between 2012-17 – a positive finding but one which needs to be viewed in the context of the type of employment created (part-time, zero hours contracts etc).

Figure 4.6 Employment and Unemployment Rates in the Working Age Population (2017)

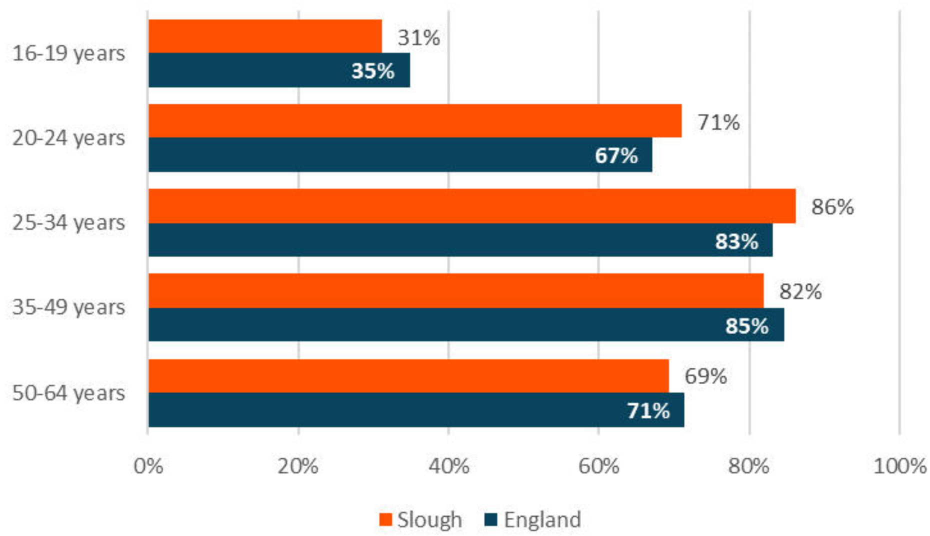


Source: Source: ONS, Annual Population Survey, 2017. Note: Unemployment data for Watford is unavailable.

Employment is largely driven by young people…

4.21 Figure 4.7 below shows that the high employment rate in Slough is primarily driven by young people. It shows that there are more 20 to 24-year olds and 25 to 34-year olds employed in the Borough (71% and 86% respectively) when compared with the national average (67% and 83% respectively). By contrast, there are lower than average proportions of 16 to 19-year olds and 35 to 64-year olds in work.

Figure 4.7 Employment Rates in Slough By Age



Source: Source: ONS, Annual Population Survey, 2017

4.22 A look at the age profile of unemployment in Slough compared with England, suggests that:

- There are more residents aged 20 to 24-years old and 50 to 64-year olds who are seeking work (16% and 3% respectively); and

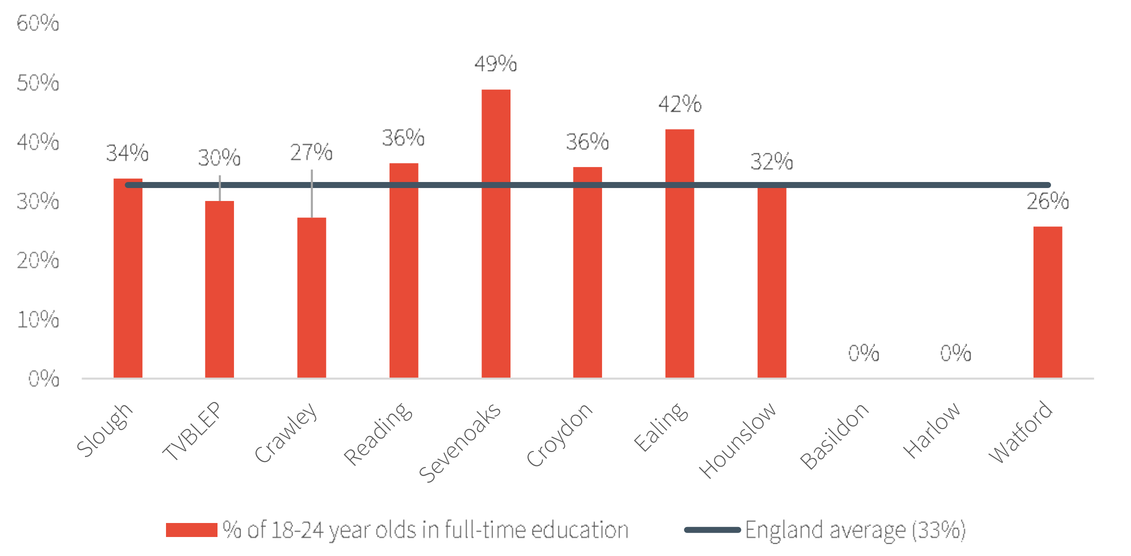
- There are fewer residents aged 16 to 19 and 25 to 49 who are seeking work (16% and 6% respectively);

4.23 It is important to note that employment and unemployment figures for young people aged 16 to 24 years will be slightly skewed by the proportion of those who participate in full-time education (i.e. with legislative changes meaning education is mandatory up to the age of 18).

High participation of young people in education, but falling over time…

4.24 Around one-in-three (34%) young people aged 18 to 24 in Slough are in full-time education, which exceeds the equivalent within the TVBLEP area (30%), Crawley (27%) and Watford (26%). As shown in Figure 4.8 below, this suggests that there are reasonably good levels of education participation among young people in Slough, although there is scope to increase this. Both Sevenoaks (49%) and Ealing (42%) have considerably higher rates of participation when compared with Slough.

Figure 4.8 Proportion of Young People (18-24 Year Olds) in Full-Time Education



Source: Source: ONS, Annual Population Survey, 2017

4.25 Data evidence indicates that participation in full-time education has generally fallen over time. Whilst national levels have remained unaffected, the proportion of young people in Slough in full-time education is now 12 percentage points lower than it was in 2012. This suggests that increasing numbers of young people are choosing to participate in the labour market.

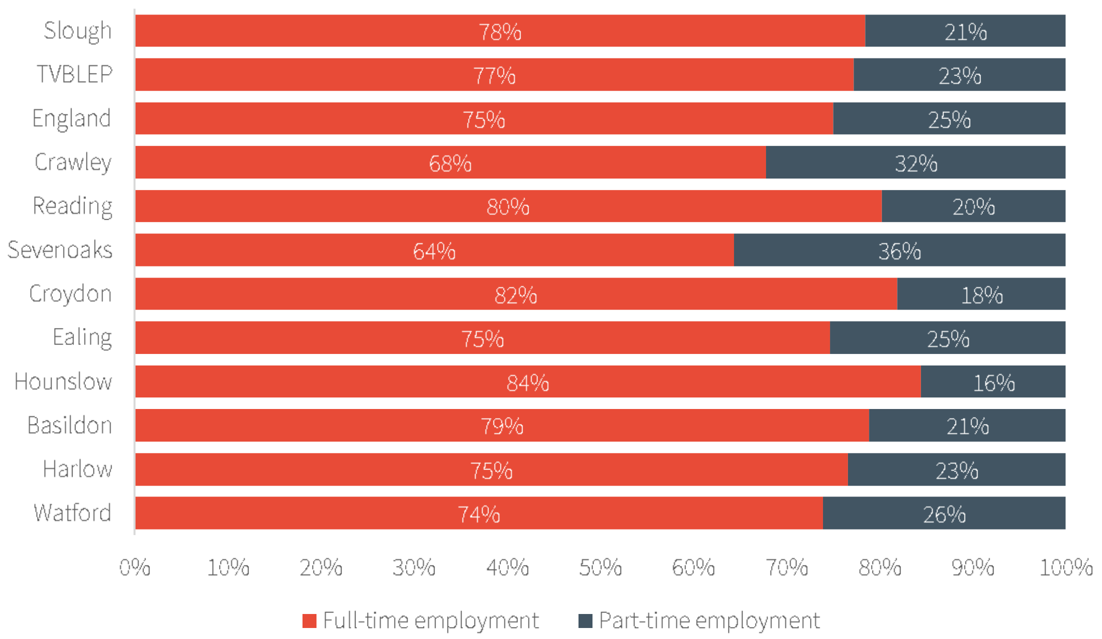
Characteristics of Residents in Employment

More people are switching to part-time employment over time…

4.26 In general, Slough has a higher proportion of residents in full-time employment (78%), when compared with some of the benchmark areas identified. As shown in Figure 4.9, this is in line with the TVBLEP average (77%), but considerably lower than the proportion of residents in full-time employment in Reading (80%) and Hounslow (84%). In parallel, around one-in-five (i.e. 22%) of Slough's residents work part-time. This is proportionately lower than for some comparator areas, particularly Crawley (32%) and Sevenoaks (36%).

4.27 ONS data indicates that over a five-year period, Slough has seen a shift towards part-time employment (of around two percentage points). Nationally, there has been a slight shift in the opposite direction with the proportion of residents in part-time employment decreasing by almost one percentage point since 2012.

Figure 4.9 Full-Time and Part-Time Employment Rates



Source: Source: ONS, Annual Population Survey, 2017

4.28 Table 4.2 provides a sectoral breakdown for residents in part-time occupation. Like national trends, Slough has the largest reliance on part-time workers in:

- Accommodation and Food – representing 54% of the sector's employment base;
- Arts, Entertainment and Recreation – representing half of the sector's employment base; and;
- Education – representing 46% of the sector's employment base.

4.29 That being said, there are several interesting variations. This includes a higher rate (more than double) of part-time work in Financial and Insurance activities (31% in Slough vs 14% nationally). In contrast, there is a smaller than average proportion of part-time workers in Wholesale and Retail (31% relative to 41%).

Table 4.2 Part-Time Employment as % of Total Employment

	Slough	England
Agriculture, Forestry and Fishing	0%	22%
Mining and Quarrying	0%	3%
Manufacturing	9%	9%
Electricity, Gas, Steam and Air Conditioning Supply	2%	7%
Water Supply; Sewerage, Waste & Remediation	1%	9%
Construction	14%	15%
Wholesale and Retail Trade	31%	41%
Transportation and Storage	12%	16%
Accommodation and Food Service Activities	54%	57%
Information and Communication	11%	14%
Financial and Insurance Activities	31%	14%
Real Estate Activities	25%	25%
Professional, Scientific and Technical Activities	13%	20%
Administrative and Support Service Activities	27%	34%
Public Administration and Defence	29%	24%
Education	46%	47%
Human Health and Social Work Activities	40%	43%
Arts, Entertainment and Recreation	50%	53%
Other Service Activities	26%	40%

Source: ONS, BRES 2017

More people in the region are choosing to work flexibly and remotely…

4.30 Changes in perceptions towards work and improved connectivity has resulted in a growing number of people in the labour market who can work from home. A detailed analysis of data from the ONS Annual Population Survey[7] suggests that:

- 16% of people employed in the South East are homeworkers, compared with 14% in England as a whole; and
- Of those who are homeworkers, a larger proportion work remotely in the South East (6%) compared to the national position.

4.31 In addition, people who participate in the labour market have access to jobs offering flexible working hours. Further analysis[8] shows that:

- 11% of people employed in the South East work flexible hours, in line with the national average;
- The proportion of those working flexible hours in the South East has grown by 5% over a ten-year period, compared with a one percent decrease nationally; and
- Of those who work flexible hours, a larger than average proportion in the South East are aged 36 to 50-years and fewer are 18 to 35-years.

[7] ONS Annual Population Survey, October 2016 to September 2017

[8] ONS Labour Force Survey, 2018

4.32 Using regional data as a proxy for Slough would suggest that approximately 11,500 working age residents may be homeworkers. Similarly, it is estimated that around 8,000 of Slough's residents may be working flexible hours.

The relative importance of zero hours contracts…

4.33 An area which is particularly difficult to pinpoint using statistics is the prevalence of zero hours contracts within the labour market, and whether this is impacting the creation of secure and high-value employment. Zero hours contracts are defined[9] as *"contracts where people are not guaranteed any hours in a given week"*.

4.34 The ONS Labour Force Survey data[10] shows that this is a greater concern for people working part-time as around two-thirds of those in the UK are on zero hours contracts compared to a third who work full-time. At regional level, 3% of people working in the South East are employed on a zero hours contract, higher than the national average (2.6%).

4.35 Figure 4.10 shows the national percentages[11] of people aged 16 and over who are on zero-hour contracts, by broad industrial group sector. Using the national data as a proxy would suggest that a total of around 2,100 could be on zero hours contacts in Slough. A large subset of these workers is likely to be employed in:

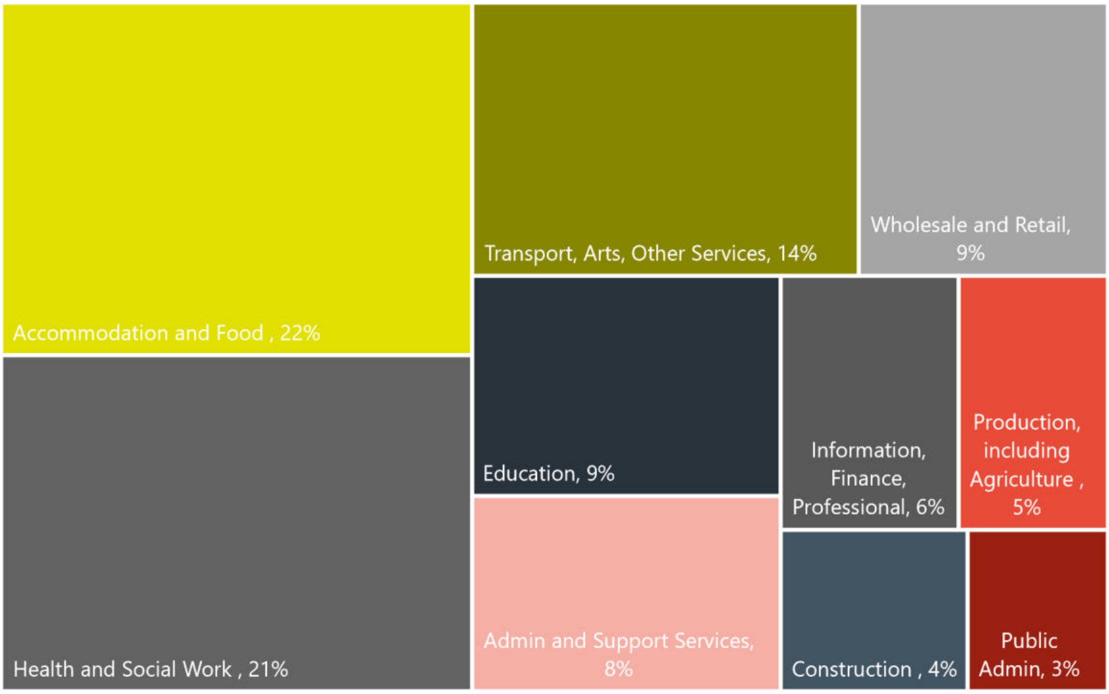
- Accommodation and Food – around 22% of its total employment base, or the equivalent of 500 jobs;
- Health and Social Work – 21% of the sector's employment base, or the equivalent of 500 jobs; and
- Transport, Arts, and Other Services – representing 14% of the sector's employment base, or the equivalent of around 300 jobs in Slough.

[9] ONS definition available at: https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/earningsandworkinghours/articles/contractsthatdonotguaranteeaminimumnumberofhours/april2018

[10] ONS Labour Force Survey, Oct-Dec 2018

[11] The UK percentages of zero-hour contracts by SIC broad industrial group sector data has been taken as a proxy for Slough. Note therefore that the figures presented are estimates only.

Figure 4.10 Proportion of People Aged 16 and Over On Zero-Hour Contracts By Sector



Source: ONS, Labour Force Survey, 2018

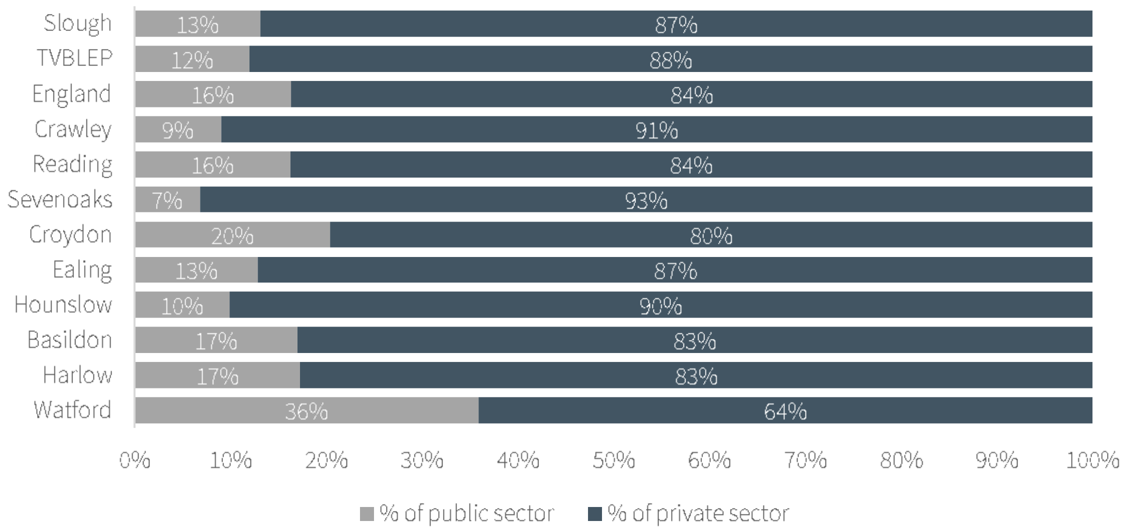
Lower representation of public sector employment…

4.36 Data from the Business Register and Employment Survey (BRES) indicates that overall, Slough has a lower proportion of public sector employees (13%) when compared with the national average (16%). This is explored in more detail in Figure 4.11 below which shows that the proportions of public/ private sector employment vary considerably by local authority area:

- With Watford (36%) and Croydon (20%) being the most reliant on public sector employment; while
- Sevenoaks (7%) and Crawley (9%) having fewer public sector jobs.

4.37 As public sector spend continues to be restricted by the government (especially for local authorities), it is likely that the balance of private and public employment will be subject to further change. The transfer of public sector skills to private sector employment may also suggest that skilled labour resources are being re-categorised (e.g. contractors, self-employed).

Figure 4.11 Public and Private Sector Employment



Source: ONS, BRES, 2017

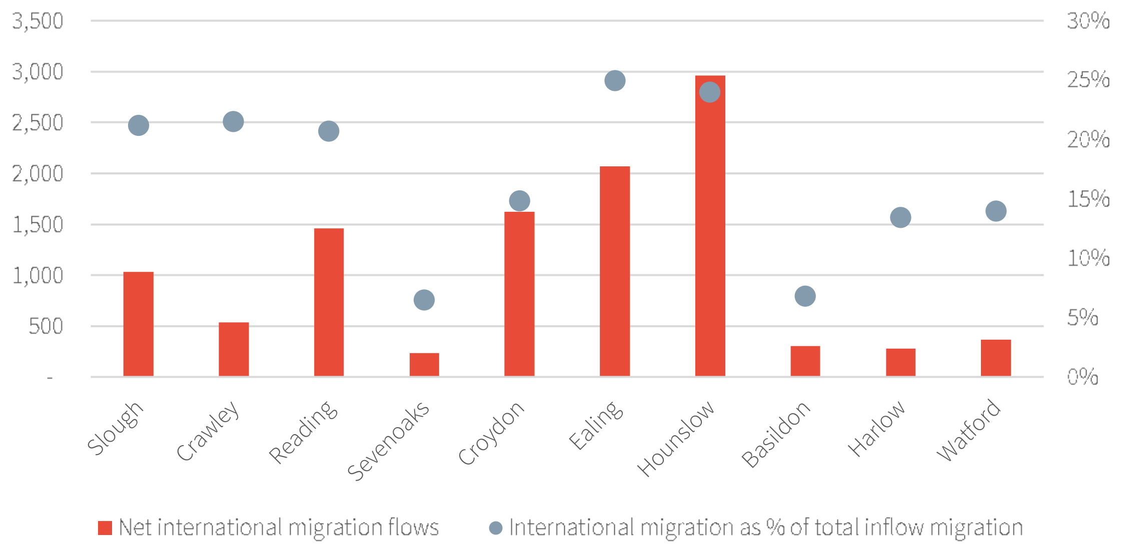
Slough's labour market is reliant on international migrant labour…

4.38 Slough relies upon an inflow of labour to deliver economic output. This comes from two primary sources – internal migration from within the UK and people moving to the Borough from international locations. The latter is significant in terms of the net inflow/ outflow of migration from outside the UK and as a proportion of total inflow migration, inclusive of domestic inflows.

4.39 Figure 4.12 illustrates the levels of net migration and international migration to Slough and benchmarks this against several other local authority areas. It shows that in 2017, Slough saw a net inflow of migrant labour (of 1,032 people) which was the second-highest within the TVBLEP area (behind Reading – with around 1,500 net (in)migrants). All other local authority areas have seen a net inflow of migrants, which indicates a healthy labour market. Hounslow saw a significant net inflow of migrants (of around 3,000 people) which contrasts with the small change in Sevenoaks (of just over 200 net in-migrants).

4.40 The data suggests that Slough has a high reliance on international migration as a proportion of its net inflow of migrants. In short, the data suggests that around one-in-five migrants (or 21%) are international. There is considerable variation across the various benchmark areas used, with Ealing and Hounslow both having higher dependence on international migrations (around 25% each), whilst Sevenoaks has the lowest reliance on international migrant labour (with only 6% of all in-migrants being from outside the UK).

Figure 4.12 International Migration Flows



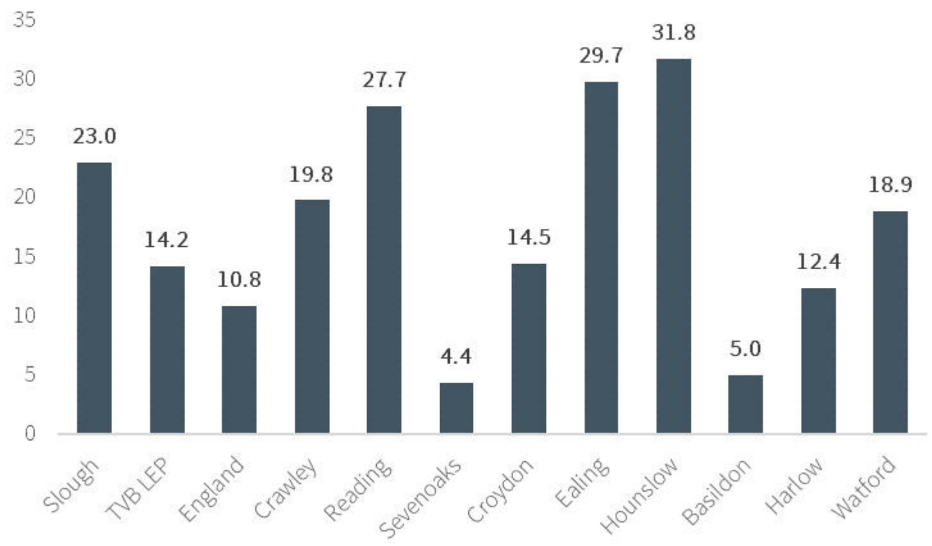
Source: ONS, Local Area Migration Indicators, 2018

Higher than average NINo registrations reflects Slough's reliance on international migrant labour…

4.41 In the past year, Slough saw the rate of National Insurance number (NINo) registrations (23 per 1,000 residents) more than double the national equivalent (at 11 per 1,000 residents). This is the second-highest rate within the TVBLEP area, behind Reading (at 28 per 1,000 residents), which further reinforces the area's need for migrant labour. Collectively, there have been over 3,400 NINo registrations in Slough in 2018, which has decreased from the previous year (4,400).

4.42 Figure 4.13 below suggests that the rate of NINo registrations are closely linked to the inflow of international migration. Looking at the local authority areas, Ealing (30) and Hounslow (32) saw the largest concentration of registrations compared to Sevenoaks (4) and Basildon (5).

Figure 4.13 Migrant Nino Registrations Per 1,000 Residents



Source: DWP National Insurance Number Allocations To Adult Overseas Nationals To June 2018

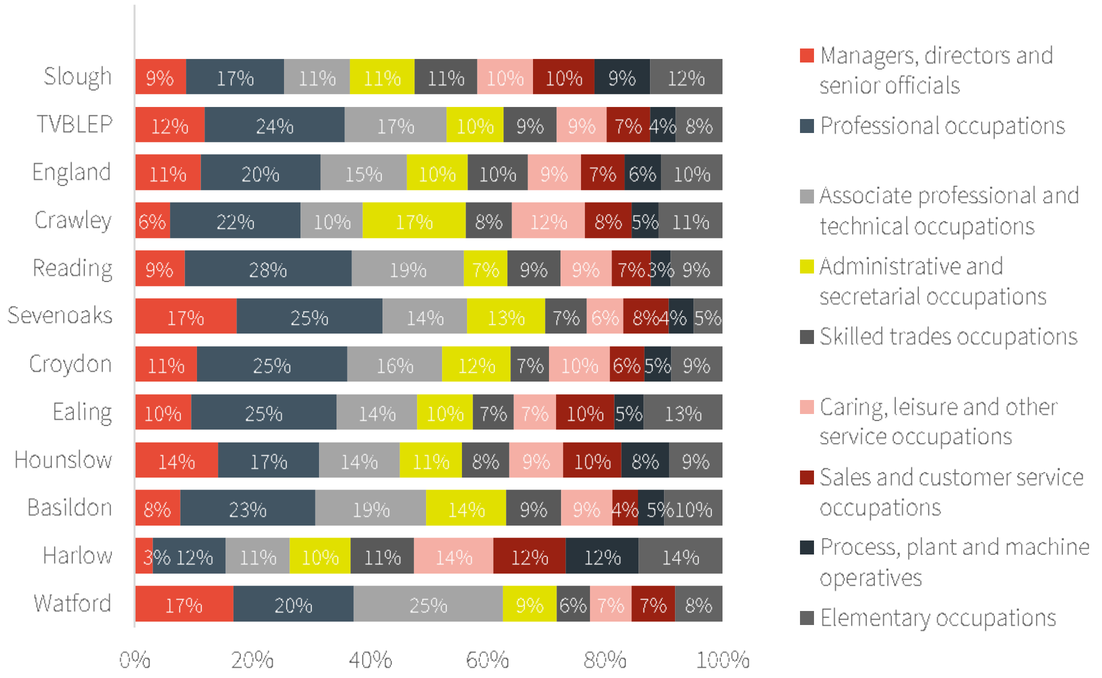
Greater representation of people in lower-skilled roles…

4.43 Slough's profile of occupational employment generally reflects the sectoral composition of the local economy. As shown in Figure 4.14, which compares Slough's profile against that of other local authorities indicates that the Borough is home to:

- A high proportion of residents in lower skilled such as elementary occupations (12%), skilled trades (11%) and the caring leisure and other service occupations (11%);
- A lower proportion of residents occupied as managers and senior officials (9%), associate professionals and in technical occupations (11%) as well as professional occupations (17%); and
- Slough's population has a very different occupation profile compared with other benchmark areas, suggesting a lower skilled population.

4.44 Large concentrations of employment in lower-skilled occupations are typically characterised by lower rates of pay. An important consideration is to understand the linkages between the delivery of employment and wages and the impacts on productivity in the economy.

Figure 4.14 Residential Employment By Occupation



Source: ONS, Annual Population Survey, 2017

Qualification Profile

4.45 The analysis of qualification levels obtained by Slough's residents allows for a more detailed understanding of the quality of skills on offer and helps to consider how these are likely to fit with the needs of employers, now and in the future.

Mixed messages in the qualification data...

4.46 Slough residents have varying levels of qualification attainment. Figure 4.15 below shows that three-fifths (39%) of the working age population hold a degree-level (i.e. NVQ4+) qualifications, slightly more than the average nationally (at 38%). Furthermore, Slough also has a large concentration of residents with other qualifications[12] (15%) which is unique to the area.

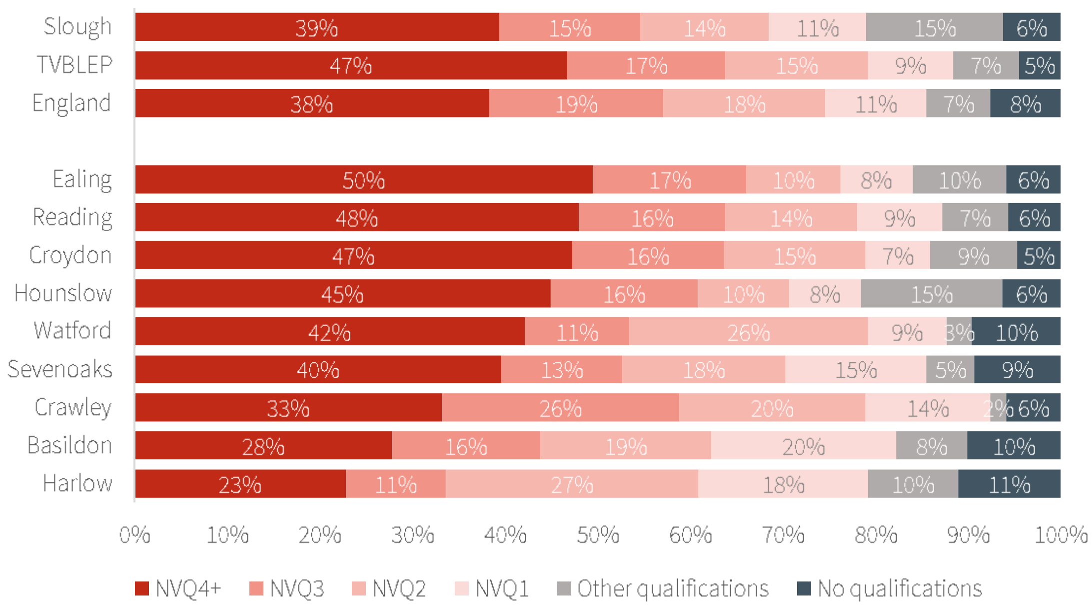
4.47 Despite this, the combination of NVQ3 and NVQ4+ qualification attainment for Slough is lower than the equivalent total for the TVBLEP area and its comparators. Over half (i.e. 55%) of Slough's working age population NVQ3+ qualifications, compared with 66% in Ealing, and 64% for both Croydon and Reading. Overall, the proportion of Slough's population with no qualifications (6%) is in line with the averages across the TVBLEP area (5%), nationally (8%) and many of its comparator areas (ranging from 6% to up to 11% in Harlow). This analysis presented above suggested that overall, Slough has a larger proportion of its population qualified to NVQ2-level.

4.48 This distribution of qualification outcomes is likely to be influenced by a number of factors, including the quality of local provision, sectoral make-up and the impact of growth and

[12]'Other qualifications' is defined by ONS as including includes foreign qualifications and some professional qualifications.

regeneration. Nevertheless, a higher than national average proportion of those with a NVQ4+ qualification suggests there is a degree of upskilling in the labour market.

Figure 4.15 Highest Level Of Qualification



Source: ONS, Annual Population Survey, 2017

Earnings

4.49 Earnings are a useful indicator of an individual's wealth and productivity. They help to show disparities in outcomes, both at a geographic level and also with reference to residents and those who live outside of Slough.

Residential earnings are catching up to workplace earnings…

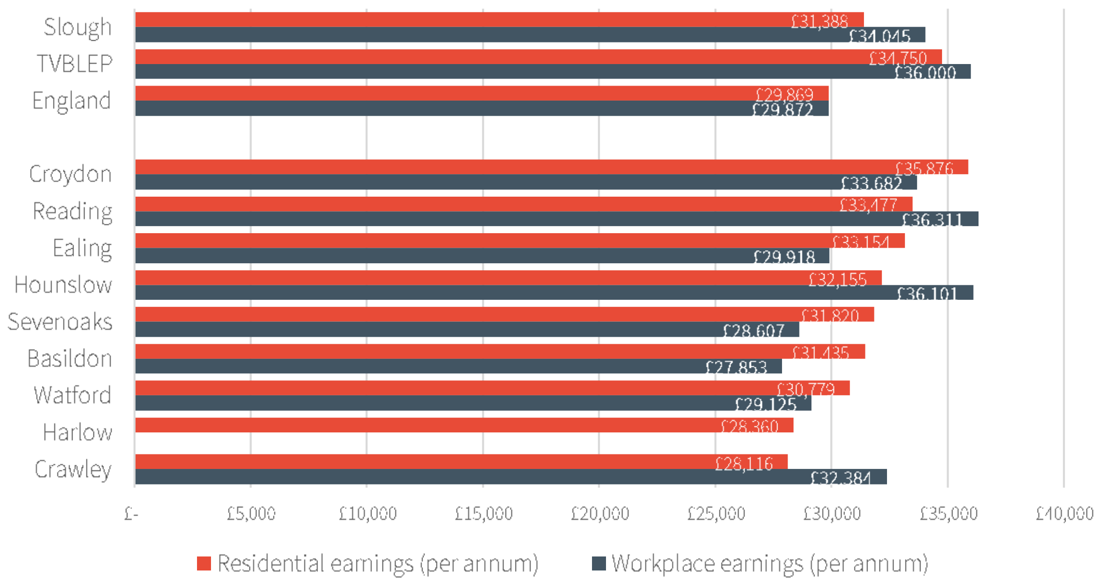
4.50 Data on resident-based earning puts median earnings for Slough residents at almost £31,400 per annum. Whilst this falls below the TVBLEP's median (of £34,800 per annum) it exceeds the national median (of around £29,900) by around £1,500 per annum. On the other hand, median workplace-based earnings for jobs in Slough are (at £34,000 per annum), around £2,600 higher the median resident-based earnings.

4.51 Figure 4.16 observes the differences in median earnings across all areas and suggests that whilst median earnings (both resident and workplace-based) for Slough are higher than the national medians, they are below the medians for TVBLEP. Nevertheless, the data also suggests that Slough has one of the highest workplace-based (median) earnings, with those working in Slough earning the equivalents to employees in Hounslow and Reading (both around £36,000 per annum). However, residents in Slough earn less than residents across comparator areas, with a gap of £5,000 per capita when compared with Croydon residents.

4.52 This analysis reinforces the findings on qualifications and occupations and suggests that more of Slough's residents are accessing jobs which are linked to lower levels of pay, and a mismatch between the supply and demand of skills locally.

4.53 Although there is a wage gap between the residents and workers employed locally, residential earnings have improved over the last five years (+12%). This shows that residents are having greater accessibility to high-value employment, however the degree to which this is because of job expansion in the area or commuting outflows is to be considered.

Figure 4.16 Median Residential And Workplace-Based Earnings



Source: ONS, Annual Survey of Hours and Earnings, 2018

Deprivation

4.54 Deprivation levels help to position the overall health of people and places and to pinpoint the underlying reasons leading to an area's socio-economic underperformance. The Indices of Multiple Deprivation (IMD) triangulate several deprivation measures to form an aggregated view, at a local authority level.

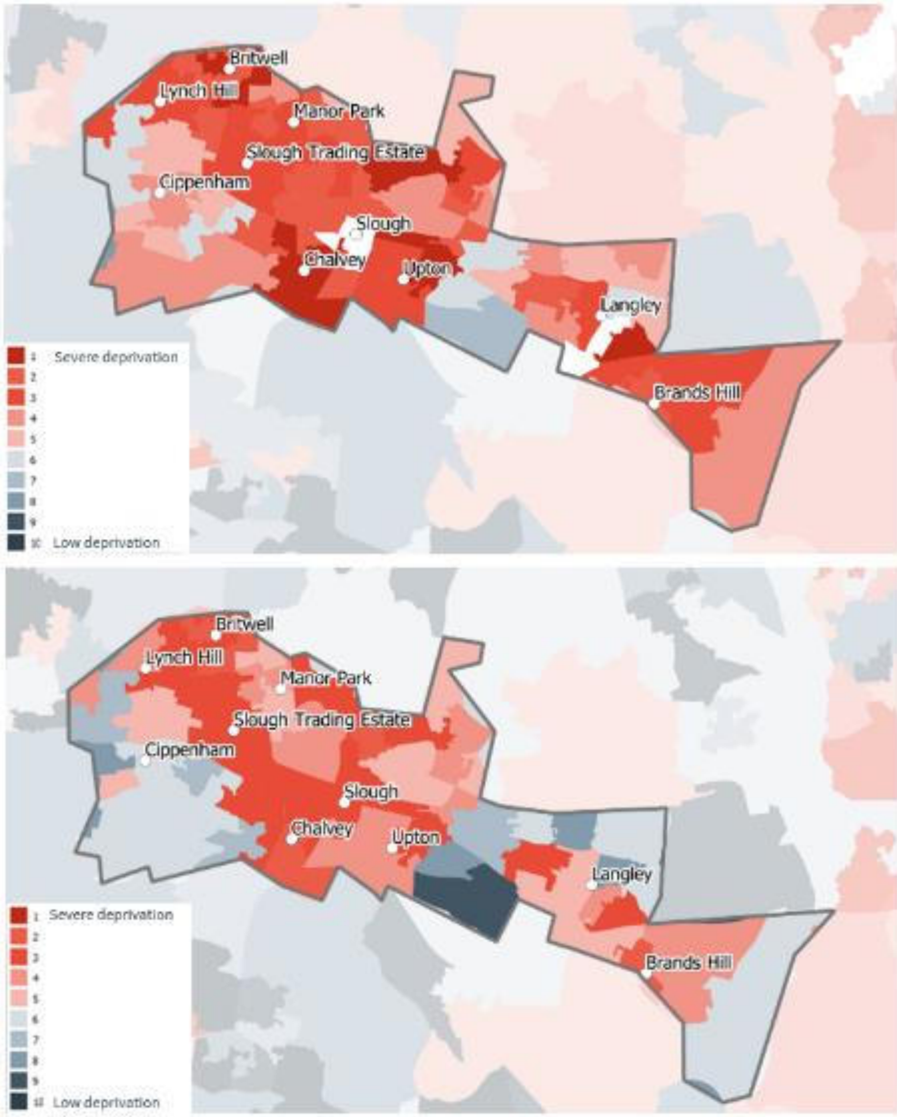
Overall deprivation masks acute issues within certain areas…

4.55 Slough has an overall IMD rank of 79 (out of 326 local authorities nationally), and therefore the highest levels of deprivation (across factors such as income, employment, education and health) in the Thames Valley LEP area. The Borough also falls within the top 25% most deprived local authorities in England.

4.56 An analysis of the factors which determine deprivation, shows that:

- Slough has the highest rank scores in: Crime (16th), Income Deprivation affecting Older People (27th) and Barriers to Housing and Services (38th). This suggests that all are key determinants in Slough's deprivation.
- Slough has the lowest rank scores in: Health (142nd), Employment (164th), and Education, Skills and Training (138th).

Figure 4.17 Deprivation Levels In Slough, 2010 (Top) Vs 2015 (Bottom)



Source: ONS, Index of Multiple Deprivation, 2010/2015

4.57 There are no LSOAs in Slough which form the top 10% most deprived nationally, however as seen in the maps above, there are a number of areas which have relatively high deprivation levels, including Britwell and Chalvey (which were among the 10% most deprived in the 2010 index).

Education deprivation issues are localised within Slough…

4.58 Education deprivation measures whether there is a lack of attainment, skills and training in children, young people and adults. At headline level, Slough has the highest decile for education deprivation (138th) in the Thames Valley LEP area and falls within the top half of local authorities nationally.

4.59 Local areas within Slough which have relatively high education deprivation largely mirror those areas with high overall deprivation, with the highest levels of deprivation in Britwell and Chalvey.

5. Our Current Skills System

Key Findings

- Slough has a wide range of secondary and further education provision, with 19 secondary schools and 17 further education providers. All of those rated by Ofsted are classified as being either 'Outstanding' or 'Good', with one exception (Requires improvement).
- Participation in further education is very strong in Slough, with 114 participants for every 1,000 residents – more than double the national rate. This rate of participation has grown in recent years, very much against the national trend.
- Slough's students achieve very strong A-Level and GCSE results, with these being higher than national and comparison areas. Participation in education is also strong, with NEET (not in education, employment or training) statistics showing only 3% of young people are NEET.
- There is a relatively low proportion of young people engaged in apprenticeships and take-up has decreased in recent years. In 2017/18 there were 520 apprenticeships undertaken, which was a 25% reduction since 2016/17.
- The neighbouring Higher Education (HE) assets and the recent merger to form Windsor Forest Colleges Group means that there is a changing HE presence in Slough. There are several important HE assets within a 25 mile radius of Slough including Reading, Brunel, Bucks New University, Surrey and Royal Holloway.

5.1 The quality of the skills system is important to the supply of skilled labour. The skills system in Slough has been subject to considerable scrutiny, with policy and infrastructure changes implemented through waves of initiatives driven by central government. This chapter shows current patterns of provision in the region and highlights areas of concern of industry and learners.

Secondary Education

5.2 Secondary education is a key stage in workforce development, providing individuals with employability skills, introductions to vocational pathways and career guidance/ advice.

5.3 Data from the Department for Education (and Ofsted Inspection Reports) indicates that there are 21 secondary schools located in Slough. Table 5.1 below provides an overview of schools' performance (based on Ofsted grading) and their overall capacity. Key points of note include:

- **32%** of secondary schools in Slough are rated by Ofsted as **outstanding** and **33%** are rated as **good**, whilst a third do not have an Ofsted inspection report available;
- Approximately 68% of secondary schools are classified as academies;
- The average school pupil role in Slough is 762 pupils, although capacity ranges from 37 to 1,142 pupils; and
- Two of the secondary schools listed below (Lynch Hill Enterprise Academy and Slough and Eton Church of England Business and Enterprise College) offer a curriculum that focuses on business and enterprise. This enables students to enhance their employability skills for further education and work.

Table 5.1 Secondary School Provision In Slough

Institution	Type	No. of pupils	Ofsted grading
Al-Madani Girls School	Independent school	37	Good
Al-Madani Independent Grammar School	Independent school	n/a	Good
Arbour Vale School	Special school	289	Not available
Baylis Court School	Academy	894	Not available
Beechwood School	Academy	801	Requires improvement
Ditton Park Academy	Academy	816	Good
Eden Girls' School, Slough	Academy	501	Outstanding
Grove Academy	Academy	366	Not available
Herschel Grammar School	Academy	975	Outstanding
Langley Grammar School	Academy	1,138	Outstanding
Long Close School	Independent school	355	Good
Lynch Hill Enterprise Academy	Academy	523	Not available
Slough and Eton Church of England Business and Enterprise College	Academy	1,142	Outstanding
St Bernard's Catholic Grammar School	Maintained school	828	Outstanding
St Joseph's Catholic High School	Academy	943	Good
The Langley Academy	Academy	1,117	Good
The Westgate School	Academy	1,081	Outstanding
Upton Court Grammar School	Academy	1,115	Not available
Wexham School	Maintained school	807	Good

Source: Ofsted Inspection Reports, 2019

Slough's Further Education Providers

5.4 Slough benefits from an extensive network of further education (FE) providers, with a focus on the 16 to 19 (post-16) age group. These institutions seek to maximise the employability of students, through the delivery of vocational qualifications and training. They also deliver more traditional academic qualifications and provide an important bridge for those looking to progress to higher education (HE).

5.5 A summary of key post-16 institutions in Slough is set out below (Table 5.2). This includes tertiary colleges, sixth form schools and other institutions offering post-16 education.

Table 5.2 Overview of FE Providers in Slough

Institution	Number of students	Ofsted grading
Arbour Vale School	289	Not available
Baylis Court School	894	Not available
Beechwood School	801	Requires improvement
Ditton Park Academy	816	Good
Eden Girls' School, Slough	501	Outstanding

Grove Academy	366	Not available
Herschel Grammar School	975	Outstanding
Langley Grammar School	1,138	Outstanding
Lynch Hill Enterprise Academy	523	Not available
Slough and Eton Church of England Business and Enterprise College	1,142	Outstanding
St Bernard's Catholic Grammar School	828	Outstanding
St Joseph's Catholic High School	943	Good
The Langley Academy	1,117	Good
The Westgate School	1,081	Outstanding
Upton Court Grammar School	1,115	Not available
Wexham School	807	Good
Windsor Forest Colleges Group	~1,500	Requires improvement

Source: Ofsted Inspection Reports, 2019

5.6 There are 17 FE providers based in Slough, where almost all are sixth form schools, with the exception of Windsor Forest Colleges Group being the sole post-16 institution in Slough not classified as a sixth form school. Some key observations of Slough's FE offer include:

- Like secondary performance, Slough has a large proportion of high-performing schools with around a third (35%) graded as outstanding by Ofsted;
- The timeliness of Ofsted reviews varies considerably, with some institutions being rated more recently than others (the average being 2015); and
- Over half (56%) of the FE institutions are academies, which may reflect a more employer-focused post-16 education offer in Slough compared to that seen nationally.

The neighbouring FE offer is broad and varied…

5.7 Outside the Slough local authority boundary, there are ten institutions which offer post-16 education within reasonable distance. Table 5.3 shows that seven of the FE institutions in the vicinity of Slough are run by independent schools, and the rest (three FEs) are run as academies and free schools. The limited mix of institutions outside of Slough may indicate an imbalance of academic and vocational study options available for local students.

Table 5.3 FE Providers Within A Five-Mile Radius Of Slough LA Boundary

Institution	Type	Location	Ofsted grading	Date of grading
Eton College	Other independent school	Windsor	-	-
Eton – Dorney School	Other independent special school	Dorney	-	-
Focus School – Stoke Poges Campus	Other independent school	Stoke Poges	-	-
High Peak School	Other independent special school	Uxbridge	-	-
Huntercombe Hospital School Maidenhead	Other independent special school	Maidenhead	-	-

Kharlsa Secondary Academy	Free school	Stoke Poges	Good	2017
Teikyo School (UK)	Other independent school	Wexham	-	-
The Green Room	Other independent school	Windsor	-	-
The Windsor Boys' School	Academy	Windsor	Good	2018
Windsor Girls' School	Academy	Windsor	Outstanding	2013

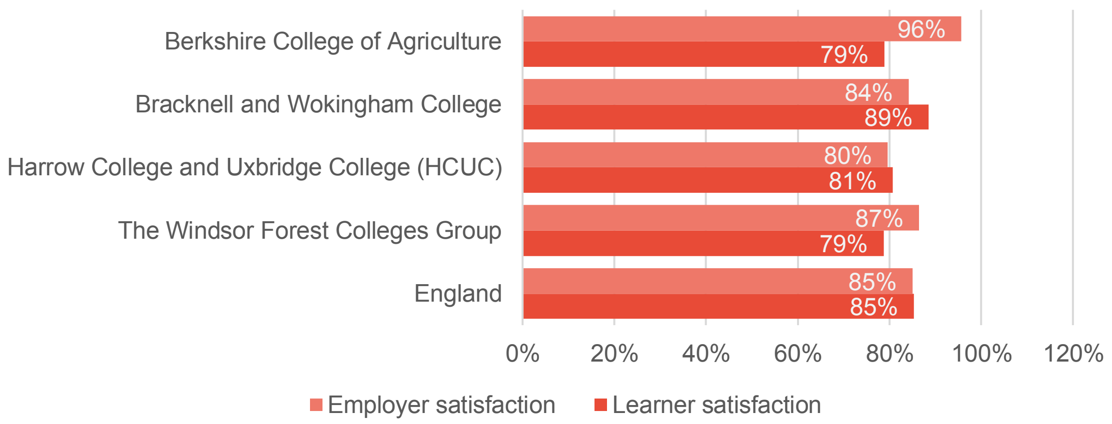
Source: Ofsted Inspection Reports; 2019

Student and employer satisfaction levels offer mixed messages…

5.8 Annually administered surveys offer insights into the level of satisfaction expressed by students and employers with respect to FE provision. Figure 5.1 below benchmarks the satisfaction levels at Windsor Forest Colleges Group in Slough against three post-16 institutions in the neighbouring local authorities and England.

5.9 There are mixed messages with student and employer satisfaction. Berkshire College of Agriculture and The Windsor Forest Colleges Group both had lower than average learner satisfaction scores (of 79% each) compared with a score of 85% nationally. On the other hand, regarding employer satisfaction, both institutions perform better than the national average, with scores of 96% and 87% respectively (compared with a score of 85% nationally). Within the Slough context, the analysis presented below would suggest that FE provision in the Borough is meeting employers' demand, more so than learners' needs.

Figure 5.1 Learner And Employer Satisfaction Levels By Nearest FE Institutions



Source: FE Choices Learner Satisfaction Survey 2017/18; FE Choices Learner Satisfaction Survey 2016/17.

Note: HCUC and Windsor Forest Colleges Group were not in operation in 2016/17. Therefore, averages of Harrow College and Uxbridge College were used as a proxy for employer satisfaction for HCUC. Likewise, averages of East Berkshire College and Strode College were used as a proxy for employer satisfaction for Windsor Forest Colleges Group in 2016/17.

Area Based Review outcomes have led to significant shifts in delivery…

5.10 The TVBLEP area was subject to an FE Area Based Review (ABR) undertaken in conjunction with the Department for Education in 2015/16. Its purpose was to assess the quality of FE provision and training across the TVB area, analyse performance linked to attainment and business engagement, and examine new models of delivery.

The final ABR report was published in November 2016 and set out a series of recommendations based on an assessment of performance, student and employer outcomes and efficiency of delivery. These key points from the 2016 study are summarised below:

Key recommendations from the TVB Area Based Review:

- Merger of East Berkshire College and Strode's College and plan for expansion development at Abingdon and Witney College and Activate Learning;
- Develop progression routes from entry level to higher education, specialising at levels four and five. This will improve access to training and address sector-specific skills gaps;
- Form a partnership between Berkshire College of Agriculture and Abingdon & Witney College to develop a broad and sustainable land-based offer;
- Merge Aylesbury College with Amersham & Wycombe College to develop a single college for Buckinghamshire;
- Support Activate Learning to develop their STEM subject offer and Bracknell & Wokingham College to remain as a standalone college;
- A general commitment to growing the offer of apprenticeships across the colleges;
- LEP to develop its proposal for an Institute of Technology that will deliver high-level technical learning in digital and STEM; and
- Work with Berkshire local authorities to develop their specialist provision to meet the requirements for high needs learners.

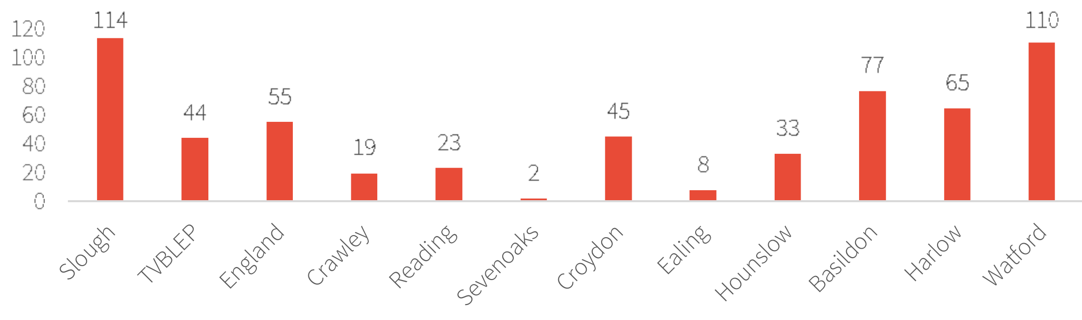
5.11 To date, a number of recommendations identified in the ABR have been actioned, including the merger of East Berkshire College and Strode's College to form Windsor Forest Colleges Group in 2017. This offers a broad range of academic and vocational curricular in Slough. Overall, positive steps are taking place to improve the financial sustainability of FE provision and to address the skills demand-supply imbalance within Slough and its neighbouring areas.

FE Participation

FE education is well embedded in Slough…

5.12 FE participation can be measured by the total number of learners who study apprenticeships, community learning and education and/ or people in training. Figure 5.2 below shows the number of FE participants per 1,000 residents and suggests that Slough has a considerably large proportion of learners (114 per 1,000 population) compared with the TVBLEP (44 per 1,000 residents) and the national average (55 per 1,000 residents). Overall, FE participation in Slough is highest among all comparator areas identified. This suggests that there is high engagement with FE institutions in the Borough.

Figure 5.2 Number Of FE Participants Per 1,000 Residents (2017/18)

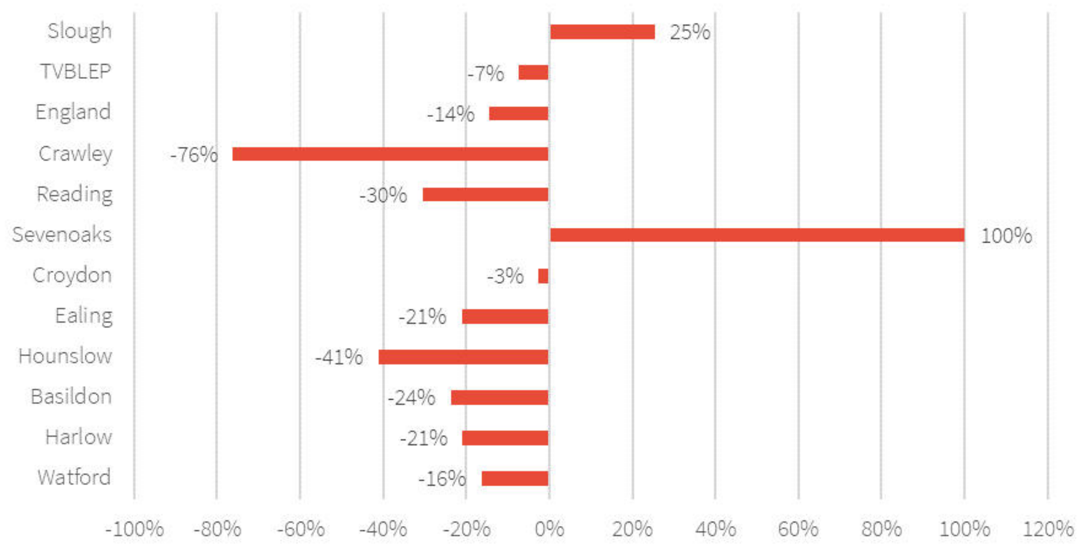


Source: Individualised Learner Records, 2018

More people are participating in FE over time…

5.13 The positive message identified above continues when observing changes in participation over time. Figure 5.3 below shows that Slough has seen an increase in FE participation (of +25%) over the last three years while participation nationally has decreased (by around 14%). Comparisons against Slough's benchmark areas shows that all areas (with the exception of Sevenoaks) have seen drops of up to 76% across all learning types.

Figure 5.3 Percentage Change In FE Participation (2014/15 to 2017/18)



Source: Individualised Learner Records, 2018

Qualifications and Attainment

Qualification levels tells a mixed story of attainment…

5.14 Data from the Annual Population Survey suggests that there is a large proportion of higher-skilled residents living in Slough. Around three-fifths (39%) have degree-level (or NVQ4+) qualifications. This exceeds the national average however it is below that for a number of Slough's benchmark areas, particularly:

- LB Ealing (49.5%); and
- Reading (48%).

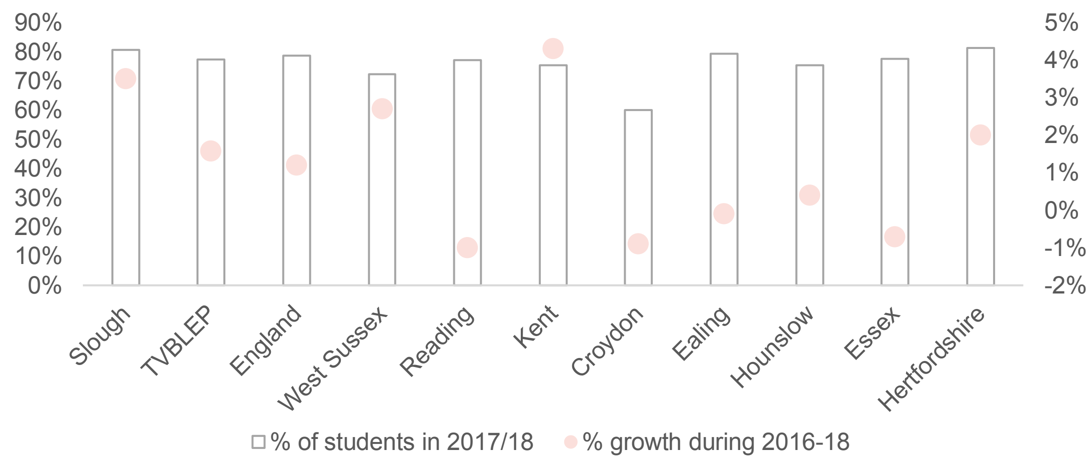
5.15 Interestingly, 15% of Slough's population have 'other qualifications', which tied with Hounslow, is the highest across the comparator areas. For more detailed information on qualification attainment, please refer to Chapter 4 of this report.

Very strong A Level performance in Slough...

5.16 A Levels are an important measure of educational attainment, as the qualification offers an academic pathway to university and/or other forms of HE. Data from the Department for Education shows that four-fifths (81%) of Slough's students achieve at least two A levels after completing their studies, which is in line with the national benchmark (79%). A level results in the Borough remain competitive against other local education authorities, particularly Croydon (60%) and West Sussex (72%).

5.17 In 2015, A level reforms were implemented across England which resulted in a decrease in AS level entries. Figure 5.4 shows the percentage change in A level attainment, following these reforms, and suggests that Slough has seen considerable increases in attainment (of +3.5%), that are generally/typically more than double the improvements nationally (+1.2%). Performance in Slough looks strong when compared with its identified benchmarks areas, with growth just behind Kent (4.3%).

Figure 5.4 Performance Of Students Attaining At Least Two A Levels (2012/13 to 2017/18)



Source: DfE, 2018

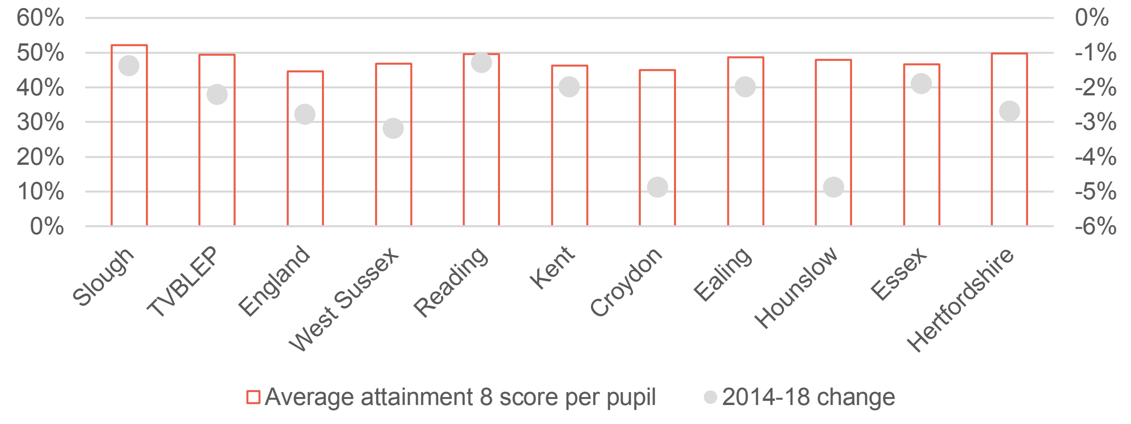
Note: Due to data availability, local education authority areas are used as a proxy for A level attainment across the comparator areas (e.g. Essex for Harlow and West Sussex for Crawley)

Highest GCSE attainment in Slough however this has been falling...

5.18 GCSEs act as a key gateway to FE and are the foundation of early stage employability skills, and therefore are another important measure of educational attainment. Outcomes in Slough look positive, with the average attainment score in Slough (52%) being seven percentage points higher than the national average (45%).

5.19 Since the GCSE reforms in 2015, there have been decreasing levels of attainment across all benchmark areas including Slough (-1%), TVBLEP (-2%) and England (-3%). A number of comparators, including Croydon and Hounslow have seen greater/ considerable drops in GCSE attainment (of -5% each) between 2012/ 13 and 2017/ 18.

Figure 5.5 GCSE Performance (2012/13 to 2017/18)



Source: DfE, 2018

Note: Due to data availability, local education authority areas are used as a proxy for average attainment 8 scores across the comparator areas.

Careers Cold Spots

5.20 The Careers and Enterprise Company has analysed a series of indicators to assess and understand where more career support is needed and to address careers cold spots, which are holding people back from maximising the benefits of labour market participation.

5.21 Table 5.4 below compares a range of positive and negative indicators to assess career and enterprise performance in the Borough. Slough generally performs well against the TVBLEP and national benchmarks, with key variations including:

- more pupils in Slough (72%) attain 5+ A*-C GCSEs and study STEM A-levels, representing a gap of around 13% when compared with the national average; and
- Fewer pupils in Slough (2%) go onto a sustained apprenticeship destination post-KS4, when compared with the national average (6%).

5.22 This may suggest there is a stronger academic education offer in Slough, compared to its vocational offer.

Table 5.4 Career And Enterprise Indicators

Indicator	Slough	TVBLEP	England	Date of data
Positive indicators				
% pupils attaining 5+ A*-C GCSEs (including English & Maths)	72%	69%	59%	2015/16
% A-levels entered that are STEM (Maths & Science only)	43%	34%	31%	2015/16
% STEM A-levels that are entered by girls (Maths & Science only)	44%	39%	42%	2015/16

	% in sustained apprenticeship destination post-KS4	2%	5%	6%	2014/15
	Negative indicators				
	% known to be eligible for & claiming free school meals	9%	7%	14%	2017
	% of 16-17 year olds recorded NEET (not in education or training)	5%	5%	5%	2017

Source: CEC, 2018

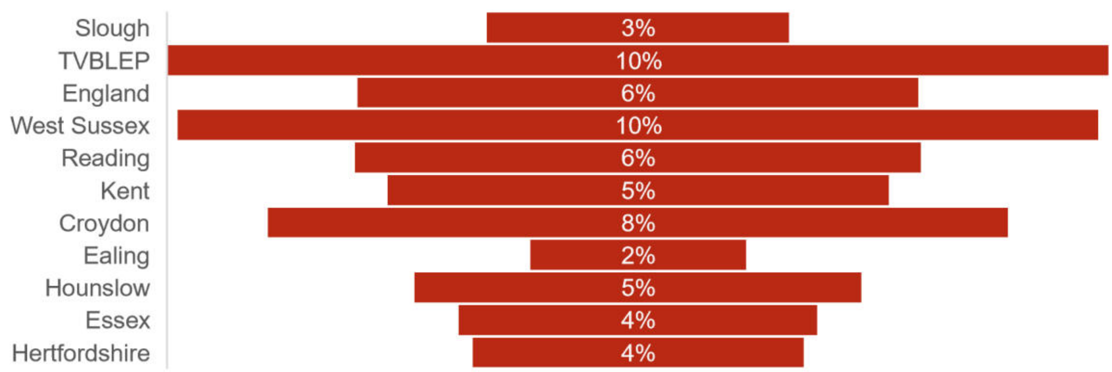
Not in Education, Employment or Training

5.23 The numbers of young people not in education, employment or training (NEETs) has historically been an important indicator used by policymakers to help tackle perpetual labour market issues and employment challenges as an outcome of the recession. It remains a helpful measure of how young people (aged 16 to 17) are engaging with the labour market and education system and where those remain distant from economic activity.

5.24 The overall share of NEETs in Slough (3%) falls below the averages across the TVBLEP (10%) and nationally (6%). Slough outperforms all comparator areas, with the exception of Ealing (2%) which has a lower proportion of NEETs. Changes in the proportion of NEETs over the last five years, shows that:

- The largest decreases in NEETs have been in Slough, Reading and Essex (-2%).
- The largest increase in NEETs has been in West Sussex (7%).

Figure 5.6 NEETs As A Proportion Of 16- And 17-Year Olds



Source: DfE, 2017

Note: Due to data availability, local education authority areas are used as a proxy for average attainment 8 scores across the comparator areas.

Apprenticeships

5.25 Apprenticeships are a core component of Government skills policy and regarded as a key tool in tackling skills shortages and developing stronger links between the labour market and employers. Apprenticeships are also expected to unlock new vocational routes to employment and offer a more balanced choice for those considering future career and training options.

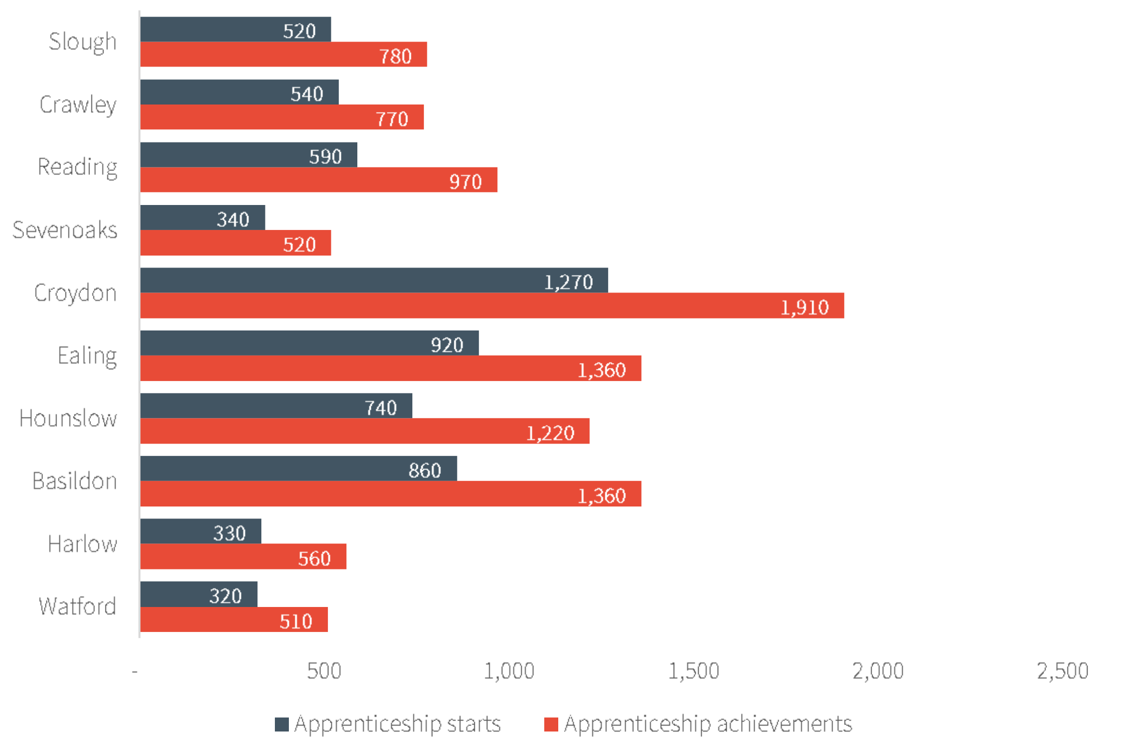
Nationally, the impact of apprenticeships has yet to reach the level expected by Government, however in the context of the Apprenticeship Levy and introduction of new standards, take-up and support from employers has been somewhat underwhelming.

Apprenticeship completions are increasing, while take-up is decreasing…

5.26 In 2017/18, Slough saw 520 apprenticeships being completed and an intake of 780 apprentices. On average, this represents about 16% of the TVBLEP's apprenticeship take-up.

5.27 Figure 5.7 below compares participation in apprenticeships in Slough against its comparator areas. Whilst the number of apprenticeship starts and completions is to some degree, influenced by the relative size of each of the local authorities, there appears to be some variation in apprenticeship activity, with Croydon reporting the most starts (1,270) and Watford the fewest (320).

Figure 5.7 Apprenticeship Starts And Achievements (2017/18)

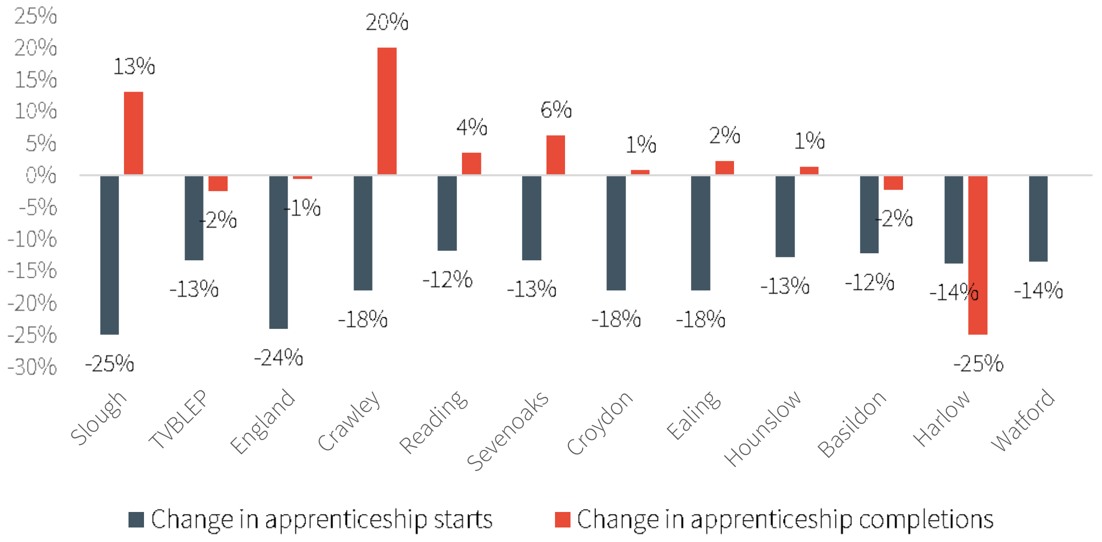


Source: DfE, 2018

5.28 Changes in apprenticeship participation between the academic years 2016/17 and 2017/18 are presented in Figure 5.8 below. This shows that Slough saw a 13% increase in the number of apprenticeships completed, while completions decreased nationally (a fall 1%). Slough also compares favourably against its comparator areas and has the second highest rate of growth among all comparators, just behind Crawley's rate (of +20%).

5.29 However, over the same period Slough experienced a 25% decrease in apprenticeship starts which is the largest decline across all comparator areas. This indicates that there may be a supply-demand imbalance in apprenticeships locally.

Figure 5.8 Changes In Apprenticeship Starts And Achievements (2016/17 to 2017/18)

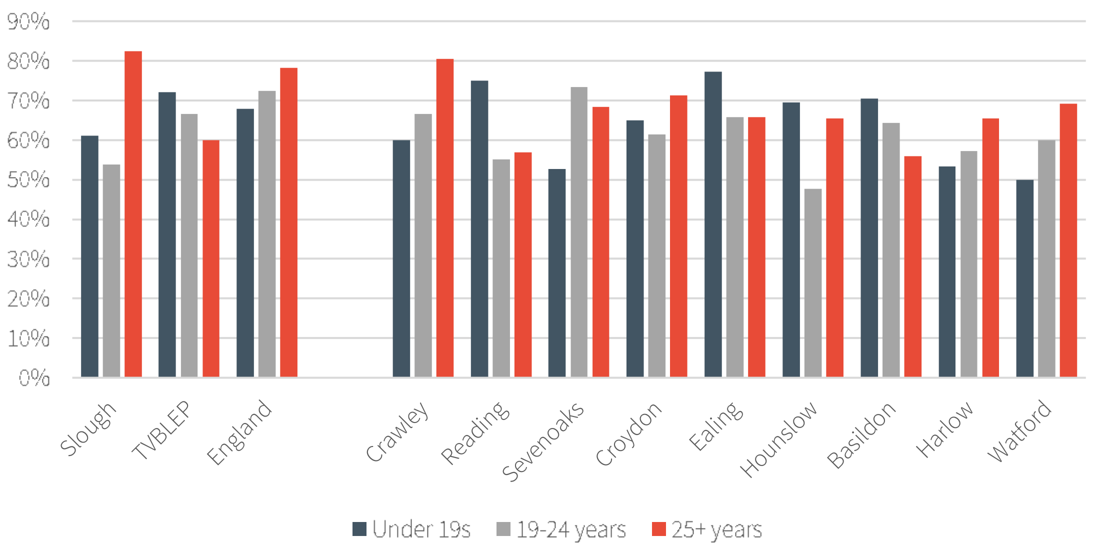


Source: DfE, 2018

Strong apprenticeship success rates for those over 25…

5.30 Figure 5.9 below presents an overview of the success rate of apprenticeships broken down by age group. It suggests that Slough performs well (82% success rate) for apprenticeships started by people aged 25 and over, which is the highest success rate across all areas. By contrast, the performance by people aged 19 to 24 appears weak, representing a much lower (54%) success rate. This is the second lowest rate across all comparator areas and suggests that more needs to be done to improve performance among younger people, whilst also addressing the relative balance of apprenticeship delivery across the different age groups.

Figure 5.9 Success Rates Of Apprenticeships By Age (2017/18)

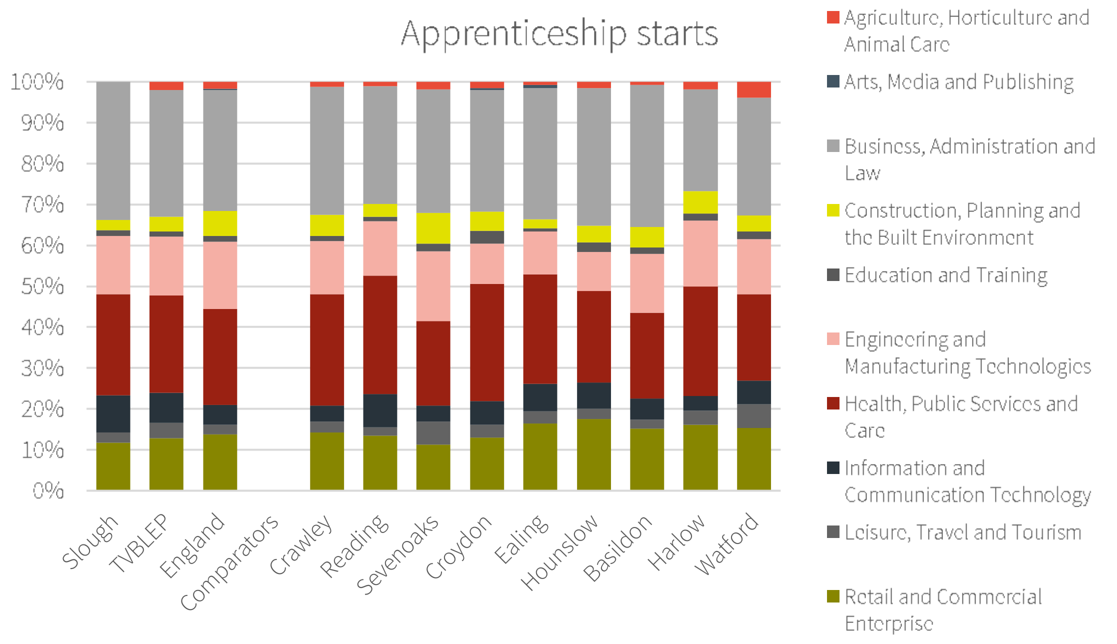


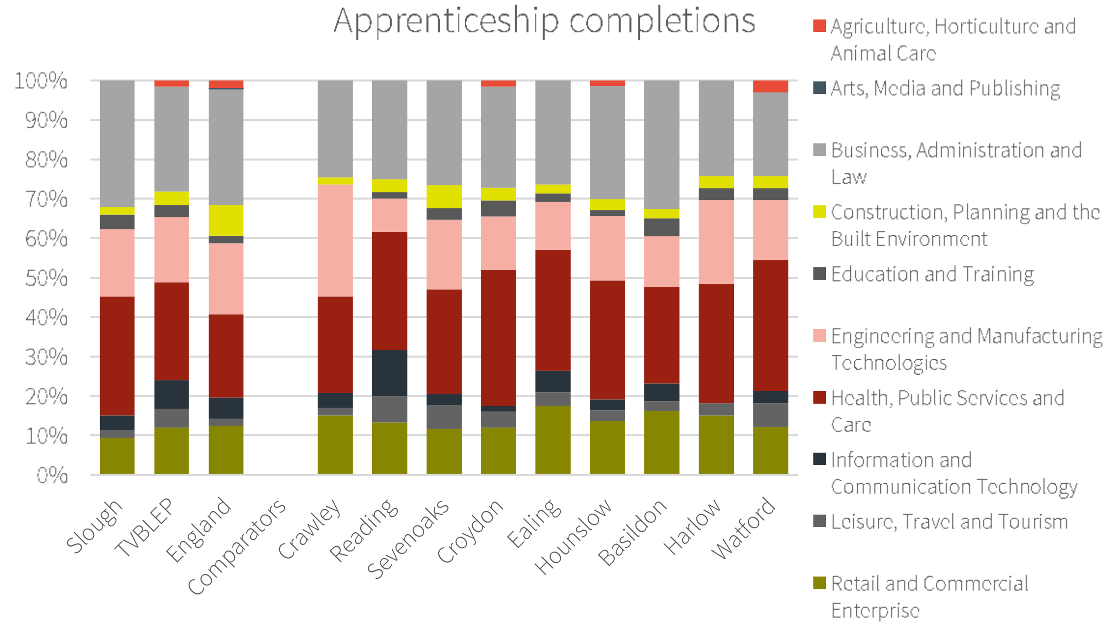
Source: DfE, 2018

Apprenticeship starts and completions largely reflect Slough's sectoral composition…

5.31 In 2017/ 18, Slough had the largest proportion of apprenticeship starts in Business Administration and Law (34%) and Health Public Services and Care (24%). There is a greater intake in Business Administration and Law apprenticeships compared to the average nationally, and Slough has the second highest rate across all local authorities (just behind Basildon, 35%). By contrast, Slough has more successful completions in Health Public Services and Care (30%).

Figure 5.10 Apprenticeship Starts And Completions By Sector (2017/ 18)





Source: DfE, 2018

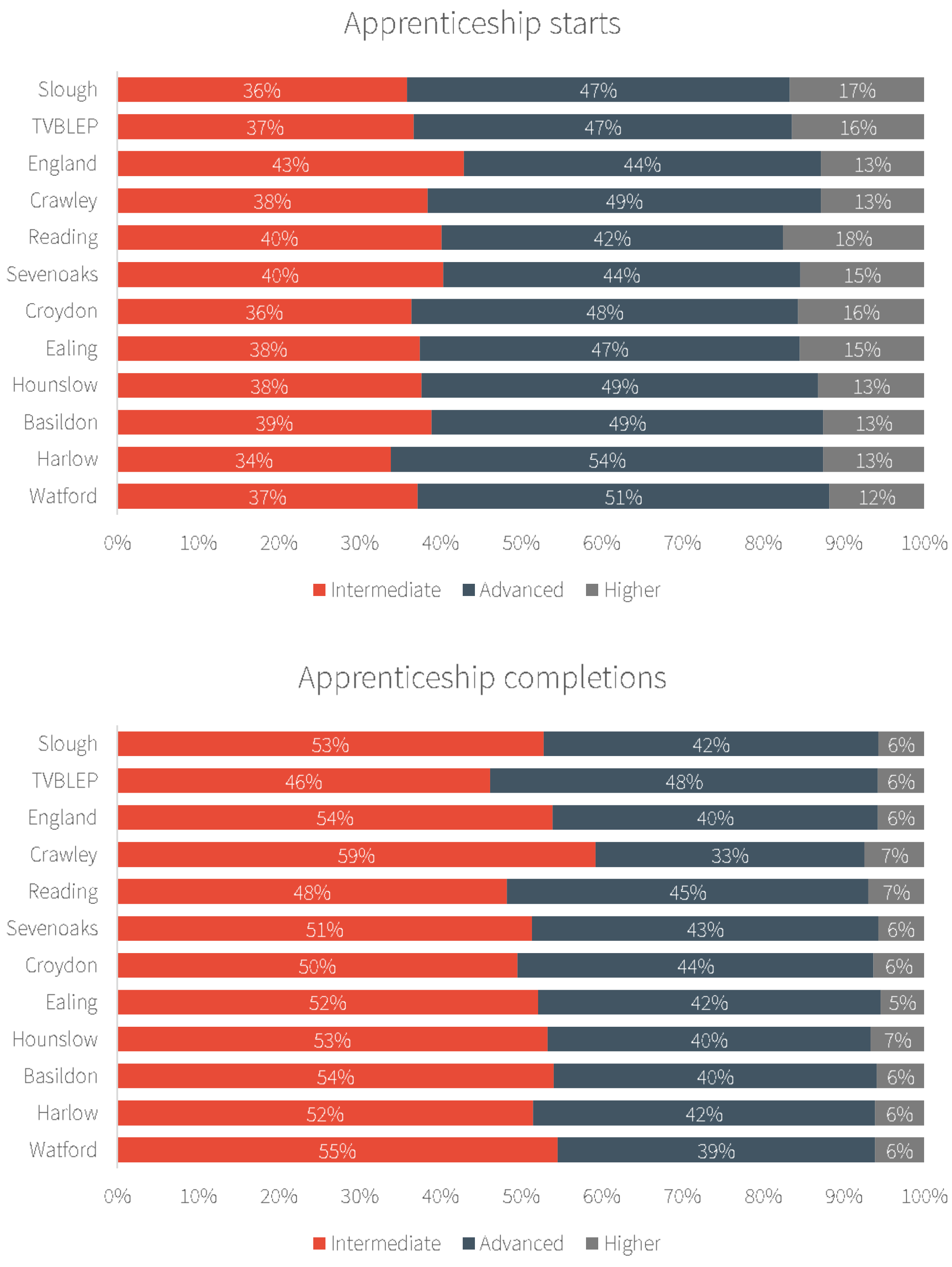
5.32 Also of note are the sectors achieving the lowest proportion of starts and completions in Slough. These include Construction Planning and the Built Environment (3% of all starts and 2% of all completions), Leisure Travel and Tourism (3% of all starts and 2% of all completions) and education and training (1% of all starts and 4% of all completions). Given the need for a strong supply of skilled people to support the physical growth and house building agendas taking place in Slough and surrounding authorities, the relatively small proportion of construction, planning & built environment apprenticeships is a stark finding.

Greater uptake of apprenticeships at a higher level…

5.33 Figure 5.11 presents the breakdown of apprenticeship starts and completions by qualification level. In terms of apprenticeship starts, Slough has greater apprenticeship take-up at the advanced (47%) and higher (17%) levels when compared with the national average (at 44% and 13% respectively). The rate of higher-level apprenticeship starts exceeds the benchmarks of nearly all local authorities, which is encouraging and suggests that more people in Slough are considering apprenticeships as a viable alternative to higher education.

5.34 By contrast, Slough has a greater proportion of completions at intermediate level (53%) as opposed to advanced (42%) and higher (6%) levels. This mirrors the trend across all local authorities and England as a whole.

Figure 5.11 Apprenticeship Starts And Completions By Type (2017/18)



Source: DfE, 2018

Traineeships

5.35 Traineeships augment Government apprenticeship policy and support for vocational learning and employment pathways. They are designed to help young people who want to get an apprenticeship or job but don't have appropriate skills or experience. They are also a useful introduction to an alternative career pathway, which places a greater focus on blending work readiness with academic study.

5.36 For the purposes of this study, there is limited up-to-date information available regarding the availability and take-up of traineeships. It is reasonable to assume that, given their relationship with apprenticeships and work experience placements, traineeship take-up is likely to have been low and showing little sign of acceleration.

Higher Education Provision

5.37 The presence of neighbouring Higher Education (HE) assets and the recent merger to form Windsor Forest Colleges Group means that there is an evolving HE presence in Slough. This broadens the range of pathways available to individuals continuing with their education.

5.38 Table 5.5 summarises the HE offers within a 25 mile radius (deemed to be of reasonable commuting distance) of Slough and the HE options available at Windsor Forest Colleges Group. Research suggests that there is a strong HE offer which includes access to a mix of traditional universities and newer institutions. An analysis of the table below indicates that:

- There is a strong focus on research and innovation across most of the neighbouring Universities;
- Common subject specialism areas are linked to STEM, business, arts and health; and
- A number of the institutions have more than one campus, with wider links to Asia (China and Malaysia).

Table 5.5 Key HE Assets Within A 25-Mile Radius Of Slough

Institution	Summary of Offer
University of Reading	• The university is spread across 1.6 sq. km and includes four campuses - three are in the UK and one in Malaysia. • Research is divided into five broad themes: environment, food, health, heritage and creativity and prosperity. • 1.600 enrolments in 2018.
Brunel University London	• The student population in 2017/18 was c. 10,000 students. • A public research university located in Uxbridge. • Strong research fields in Manufacturing, Health and the Environment. • Three college research centres, specialising in business, arts and social sciences, and STEM subject areas (engineering, design and physical sciences and health and life sciences).
bucks new university	• Two campuses located in High Wycombe and Buckinghamshire. • A student population of roughly 9,000.

	• Research projects currently underway at the university are in the areas of: art and design, nursing health and well-being, education, environment and social policy and social work.
UNIVERSITY OF SURREY	• In the 2018/19 academic year, over 16,000 students at Surrey and a further 615 studying for the first stage of courses at the campus in China. • Six key research themes of the university include: sustainability, urban living, digital innovation, innovation for health, lifelong health and well-being, space and aerospace. • The university has two campuses, its main one being in Stag Hill and a second campus in Manor Park.
ROYAL HOLLOWAY UNIVERSITY OF LONDON	• c. 10,000 students enrolled in 2018/19, including postgraduates and undergraduates. • Research at the University is undertaken across 40 research and innovation centres, with a particular focus on Biology. • The campus lies between Windsor and Heathrow with the main campus being the Egham campus.
WINDSOR FOREST COLLEGES GROUP	• A group of FE and HE colleges comprising Langley College, Strode's College and Windsor College. • The group offers level 4 qualifications in business & accounting, computing & ICT, construction, creative studies, engineering, health, caring & childcare, motor vehicle, teacher training and travel & tourism.

Source: University of Reading, Brunel University London, Buckinghamshire New University, University of Surrey, Royal Holloway University of London, Windsor Forest Colleges Group, 2019

Higher Education Coverage and Participation

5.39 Whilst Slough benefits from a number of HE assets located largely in surrounding urban centres, this does not necessarily translate into higher levels of participation and the actual reach of these institutions to local residents. It is important, therefore, to interrogate measures of participation to gain a fuller understanding of how local people benefit from access to HE.

Large concentration of HE providers which are provide valuable learning opportunities…

5.40 Analysis undertaken by the Higher Education Statistics Agency (HESA) provides a visual representation of HE coverage and how this varies geographically. Figure 5.12shows where higher education students were studying across England in 2012-13, in relation to the young people in the area who could access higher education. Where an area has a higher concentration of HE provision that can reasonably meet the needs of its young population, this is shown as red. If the young population in an area that has little access to HE, then the area is shown as blue.

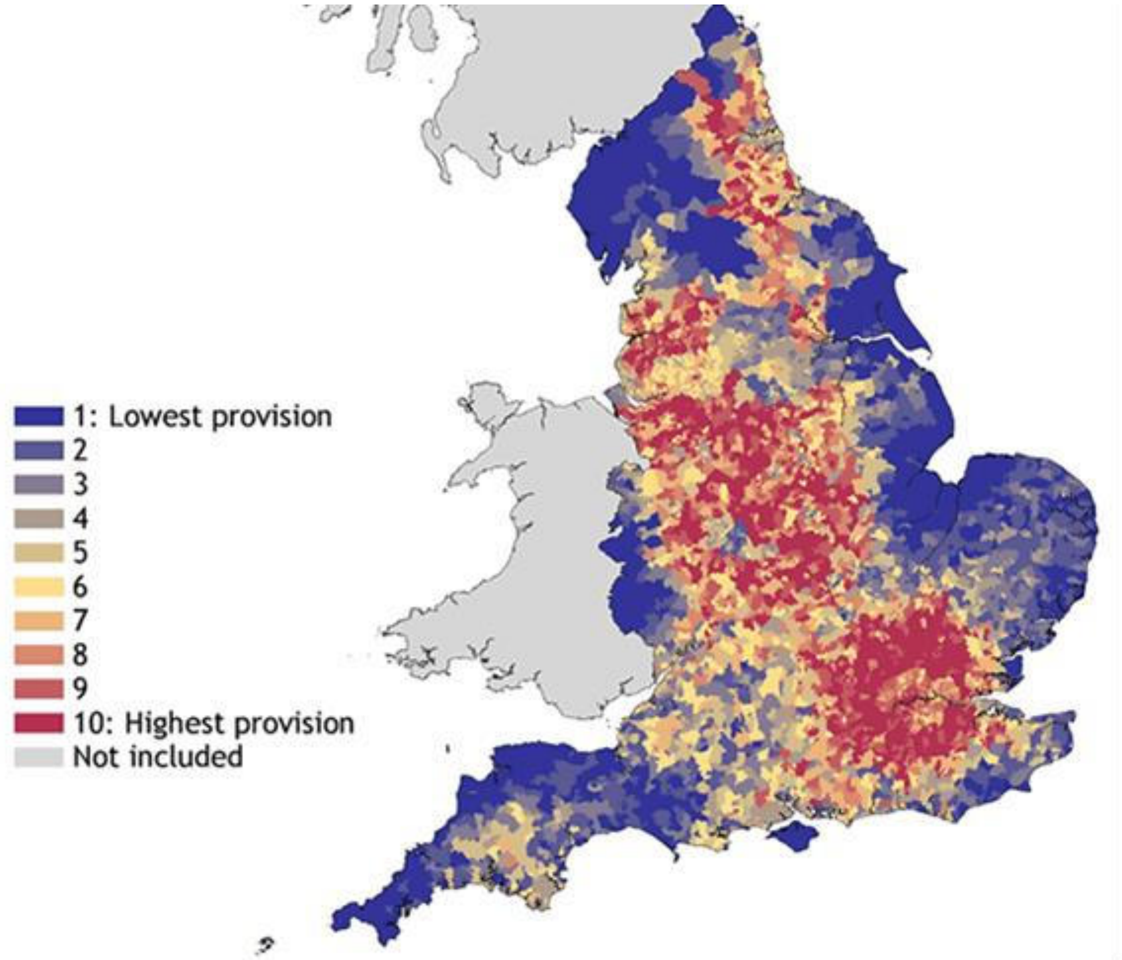
5.41 The map shows that there is significant HE provision in London and the surrounding areas in the greater South East region. As a local authority area, Slough has an average decile of 8.7, which indicates that high levels of provision are serving well the young people who live in the Borough. Young people's access to HE provision remains higher than the national average (5.8). At a lower geography level[13]:

[13] The lower level geography data relates to the 2001 Census ward classification.

- Baylis and Stoke ward has the lowest HE provision decile in Slough (7); and
- The highest HE provision deciles (10) are in: Colnbrook with Poyle, Langley St Marys and Upton wards.

5.42 This data helps to showcase that there is a strong presence of HE locally and confirms that young people in Slough are within a one hour's drive away from a provider.

Figure 5.12 Higher Education Entrants In Relation To Young People Aged 10 – 14 Years

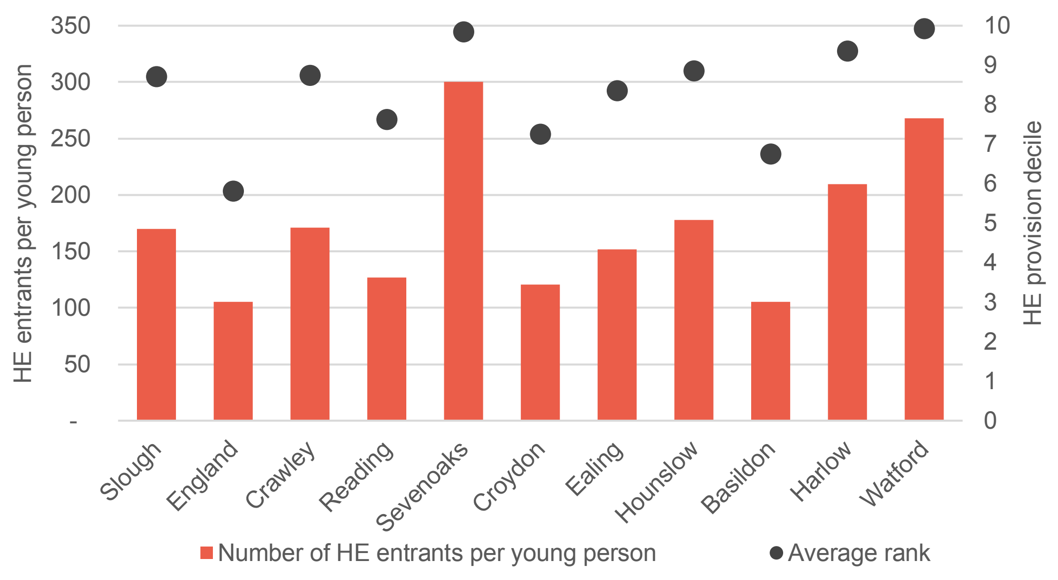


Source: HESA and ILR, 2012/13

5.43 A look at the number of HE entrants in relation to the young population suggests similar messages to the HE cold spots map. Figure 5.13 shows that there are 170 HE undergraduate entrants within an hour's drive of Slough per young residents (aged 10 to 14). This exceeds the national average of 105. A comparison of Slough's performance against the benchmark areas highlights some variation:

- Young people have the greatest access to HE provision in Sevenoaks (300 HE undergraduate entrants within an hour's drive per young resident), Watford (268) and Harlow (210).
- There are relatively more challenges in young people accessing higher education in Basildon (106 HE undergraduate entrants within an hour's drive per young resident) and Croydon (120).

Figure 5.13 HE Undergraduate Entrants Within An Hour's Drive Per Young Resident (10-14)



Source: HESA and ILR, 2012/13

Common HE Student Destinations

5.44 There is no data available at local authority showing the specific HE destinations young people choose to go to. Migration data provides an indication as to the most common areas in which young people (aged 18-21) move to from Slough. Common destinations from Slough (which are likely to be for HE purposes) include London (110), Birmingham (59), Welwyn Hatfield (49 for University of Hertfordshire)

Table 5.6 Common Destinations for 18-25 Year Olds to Move to from Slough

Local Authority / Urban Area	Potential University Destination	Number of 18-25 moving from Slough
London	UCL, Imperial, Kings, City, Brunel, Royal Holloway, Queen Mary among others	110
Birmingham	Birmingham, Birmingham City, Aston	59
Welwyn Hatfield	Hertfordshire	49
Portsmouth	Portsmouth	37
Coventry	Warwick, Coventry	28
Guildford	Surrey	23
Nottingham	Nottingham, Nottingham Trent	22
Leicester	Leicester, De Montfort	20

Source: ONS, Local Area Migration Statistics, 2017

Graduate Retention and Destinations

5.45 The supply of highly skilled labour, generated through HE provision and interaction, is also informed by available destinations data. The local economic and social returns associated with HE study are obviously dependent on the retention of graduates in the local area.

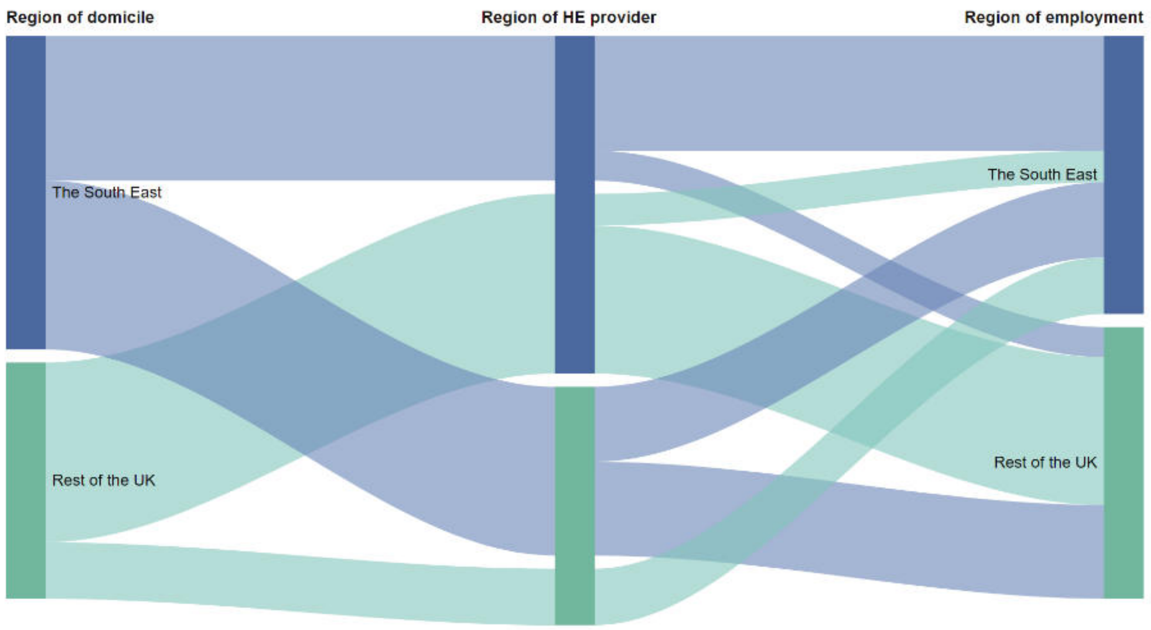
Graduates are likely to seek work across the UK, but the South East remains a draw…

5.46 Regional data provides further insights into the destination of student leavers. The South East has performed reasonably well in terms of students remaining in the region to take up employment. Further analysis of data from Figure 5.14suggests some interesting findings:

- Of those who were born in the South East region, 45% undertook their HE studies within the South East and the rest (55%) studied elsewhere;
- Of those who studied HE in the region but were born elsewhere, 19% found employment in the South East and 81% were employed elsewhere; and
- The top destinations for employment outside the South East region are London and the South West.

5.47 The findings suggest that there may be some regional challenges with retaining graduates after their studies, particularly those from outside the South East region. This could be because of the proximity to London, and the quantity and quality of jobs on offer locally. An outflow of students who work elsewhere, represents a loss of skilled labour and economic capacity for the South East region.

Figure 5.14 Migration Of Students And Graduates To And From The South East



Source: HESA, Destination of Leavers Survey, 2017/18

Note: Populations cover those HE graduates in employment who have had a postcode in the selected region during their time in HE. This includes their home address, term-time address and employment location

Higher Education and Business Community Interaction

5.48 Within the context of skills policy, the changing role of universities and an emphasis on their function as anchor institutions, it is helpful to gain deeper insights on how they interact with external stakeholders. This includes the business community, who often are reliant upon HE institutions for the supply of skills, their research and innovation capabilities, ability to commoditise intellectual property and to cultivate entrepreneurial behaviour. This relationship is also vital to ensure that the curriculum and pedagogy reflects employers' needs.

5.49 The Higher Education Business and Community Interaction Survey allows for an analysis of Slough performance, based on data related to knowledge exchange between higher HE providers and the business community. For the purposes of the report, the nearest HE providers to Slough (as outlined in Table 5.5) will be used to measure performance.

Good infrastructure in place to support business engagement…

5.50 Slough benefits from a surrounding ecosystem of infrastructure, which serves to maximise co-ordination between HE institutions as well as providers and employers. An analysis of responses from the latest Higher Education Business and Community Interaction Survey indicates that:

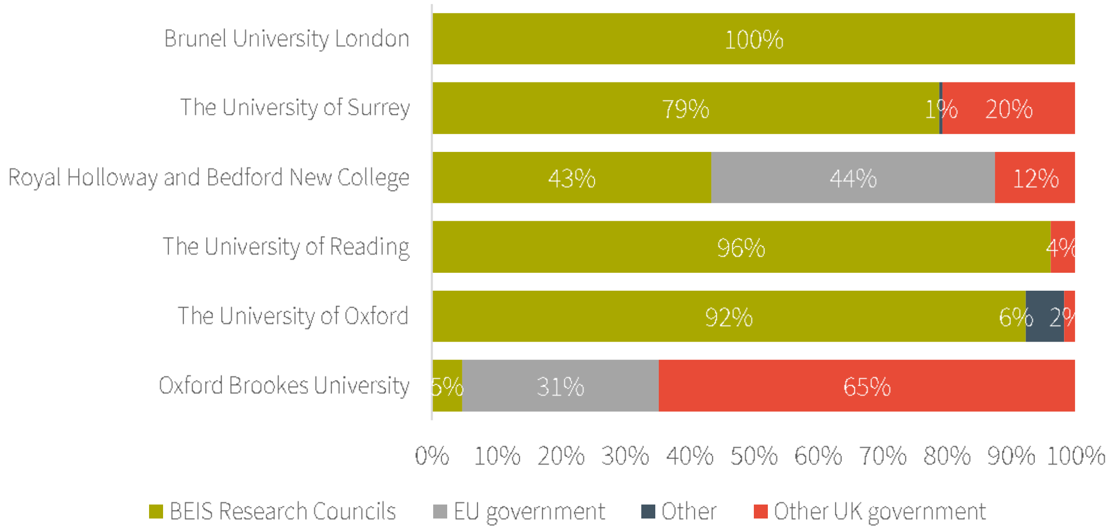
- Most HE providers (5/7) agree that undertaking research collaboration with industry will be the largest contributor towards economic development in the local area. Just under half (3/7) also felt that widening participation and access to HE and providing incubator support will be key contributors;
- All providers have started to develop their Strategic Plans, a process which outlines their commitments to business outreach, collaboration and research. These are at varying degrees of implementation; however, Brunel University London and Buckinghamshire New University have fully implemented their strategies to date, because of inclusive processes; and
- All providers have infrastructure in place to be a single point of contact for SME enquiries and offer indemnity insurance for staff members. The majority (5/7) acknowledge their role in assisting and diagnosing SME needs, and have a contracting system in place to facilitate business and community interaction activities.

Public funding plays an important role in the delivery of collaborative research…

5.51 In terms of securing investment, nearly all universities identified in Table 5.5 receive a considerable proportion of their research funding from BEIS Research Councils. While this makes up around two-fifths (43%) of public funding to Royal Holloway and Bedford New College, the proportion of funding exceeds 90% at The University of Oxford, The University of Reading and is the sole (i.e. 100%) public funder at Brunel University London. This is significantly higher than the national average (of around 50%).

5.52 By contrast, Oxford Brookes University has a greater dependency on external sources, including those derived from a variety of UK government (65%) funding and EU (31%). The reliance on EU funds by Oxford Brookes University well exceeds the national average of 20%.

Figure 5.15 Percentage Of Income From Collaborative Research Related Activities Involving Public Funding (2017/18)



Source: HESA, Business and Community Interaction Survey, 2017/18

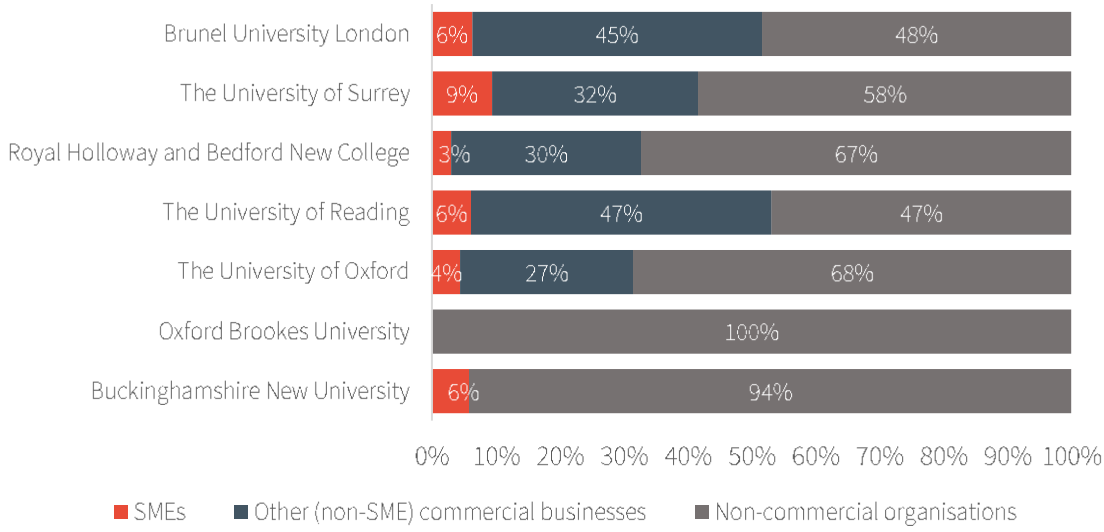
Note: Data is unavailable for Buckinghamshire New University.

More universities are commoditising their expertise in different and new ways…

5.53 In 2017/ 18, all seven universities reported approximately 1,570 research related activities with commercial organisations (including around 240 SMEs), representing more than £102 million in research funding. This represents around a third of the total research contracts secured and 40% of its total value. While the proportionate value is similar to that seen nationally, research contracts with commercial organisations fall below the nationwide average (42%).

5.54 Figure 5.16 reinforces the greater dependency on research related activities with non-commercial organisations. This is most acute for Oxford Brookes University (100%), Buckinghamshire New University (94%) and The University of Oxford (68%).

Figure 5.16 Percentage Of Research Contracts With Commercial And Non-Commercial Organisations (Excluding Public Funding) (2017/18)



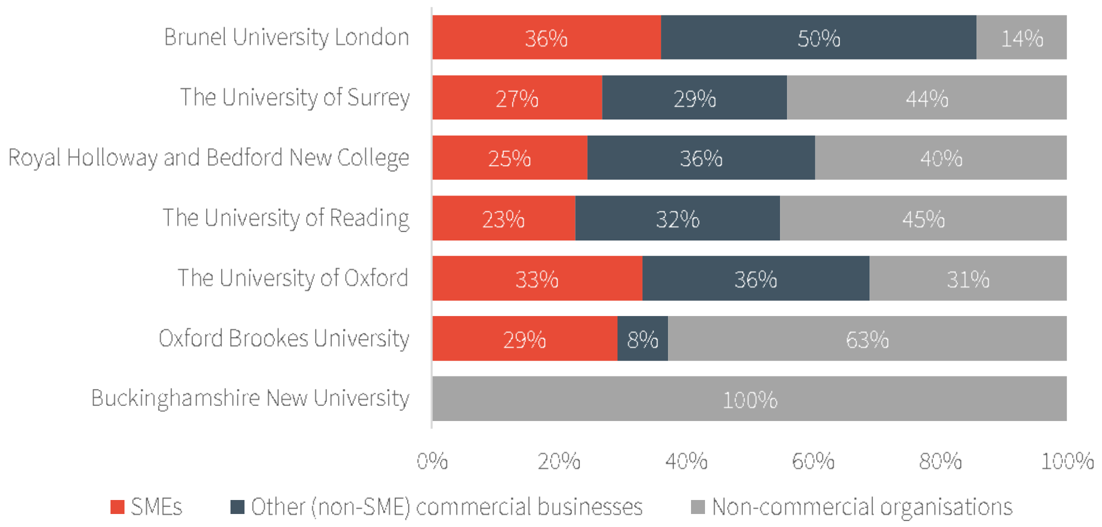
Source: HESA Business and Community Interaction Survey, 2017/18

5.55 In terms of consultancy-related activities, the messages are fairly similar although there are some areas of variation. In 2017/ 18, approximately 1,360 consultancy services were delivered with commercial organisations (including around 680 with SMEs) across all seven universities compared with the 1,240 for non-commercial organisations, representing a total value of over £60 million.

5.56 Figure 5.17 suggests that although there appears to be more consultancy services with SMEs when compared with research contracts, the collective rate (26%) is around two-thirds less than the national average (71%). Of the seven universities:

- Brunel University London delivered proportionately more consultancy services with SMEs (50%); while
- Buckinghamshire New University and Oxford Brookes University both delivered proportionately less consultancy services with SMEs (0% and 8% respectively).

Figure 5.17 Percentage Of Consultancy Services With Commercial And Non-Commercial Organisations (Excluding Public Funding) (2017/18)



Source: HESA, Business and Community Interaction Survey, 2017/18.

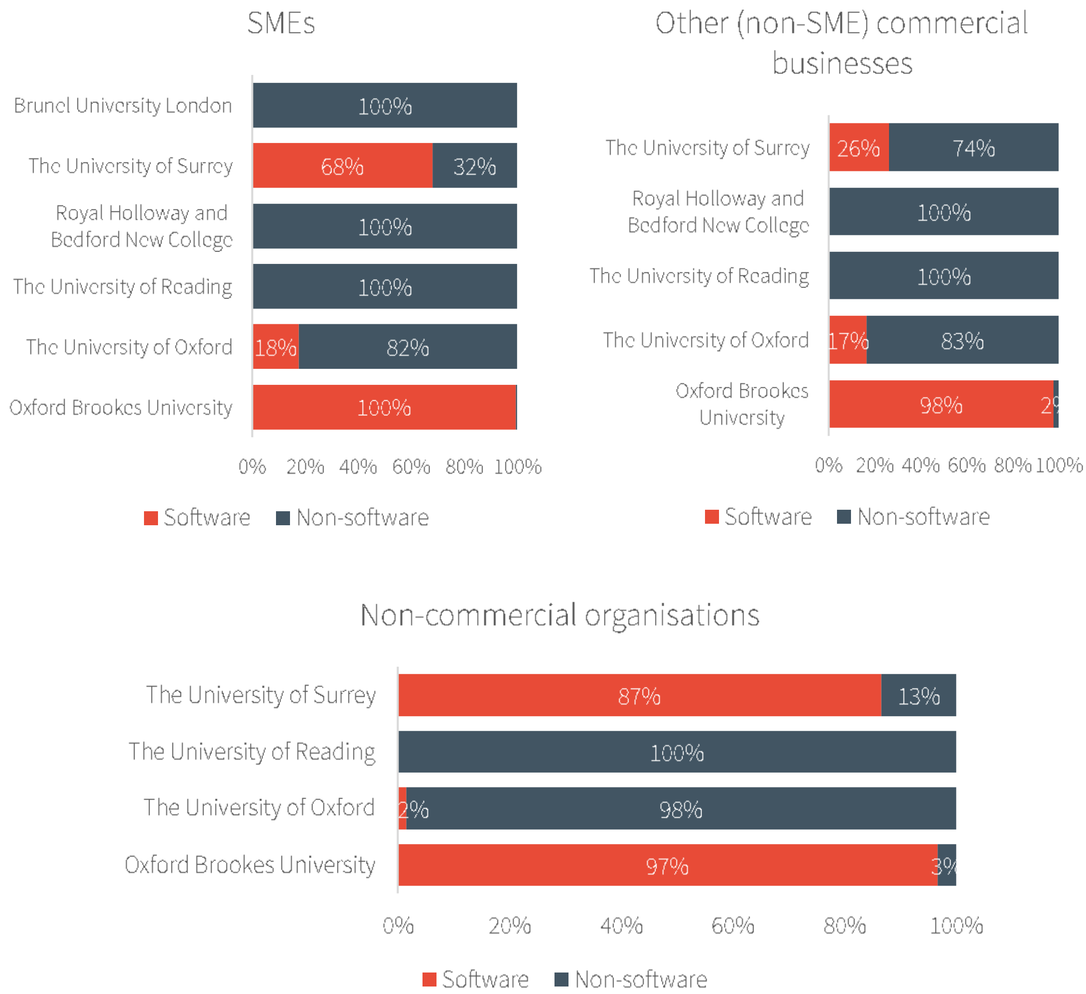
Universities generate consider intellectual property…

5.57 Universities develop and license innovative technologies, patents and cutting-edge research and transfer the benefits to the public through licensing agreements, often with start-up companies. In doing so, they ensure a broad practical application of research and generate income to support teaching and research programmes.

5.58 Figure 5.18 below summarises the proportionate split of software and non-software licences granted in 2017/ 18 by all seven universities located in close proximity to Slough. Collectively, just over 1,200 licences were granted for commercial organisations (37%) and 2,000 for non-commercial organisations (63%). However, it appears that the licences have generally been more focused on non-software-related activity, representing 80% of the total. Further analysis of the data suggests that:

- While there is a 50:50 split of software and non-software licences granted to commercial businesses, non-software makes up 96% of licences to non-commercial organisations;
- Licences to non-commercial organisations are driven mainly by those granted by University of Oxford; and
- The University of Oxford, Oxford Brookes University and University of Surrey have granted more licences to SMEs with a software focus, when compared with the other universities.

Figure 5.18 Licences Granted (2017/ 18)



Source: HESA Business and Community Interaction Survey, 2017/18

Note: Includes patents, copyright, design, registration and trademarks. For SMEs, data was unavailable for Buckinghamshire New University. For Other (non-SME) commercial businesses, data was unavailable for Buckinghamshire New University and Brunel University London. For non-commercial organisations, data was unavailable for Buckinghamshire New University, Royal Holloway and Bedford New College and Brunel University London.

6. The Demand for Skills

Key Findings

- Demand for skilled people in Slough is already strong, with this set to continue into the future. Much of this demand lies within lower-skilled jobs, with the most common vacancies across the TVBLEP area being in Health & Social Work and the Hospitality and Leisure sector.
- There are a number of vacancies which are harder to fill in the TVBLEP area, most prominent of which are Arts, Financial Services, Manufacturing and the Hospitality and Leisure sectors.
- Future demand for skills in Slough is likely to be in higher-skilled occupations, with particularly strong employment growth expected in the ICT and Digital, Professional / Support Services and Construction sectors. By 2024, over half (52%) of Slough's employment will be in TVBLEP's priority sectors (with 11,900 new jobs). By contrast, those sectors which are expected to experience a decline in employment include Manufacturing, Engineering and Public Sector Activities.
- There is expected to be strong demand for occupations across all skills levels in the future, however this will be strongest for those with degree-level qualifications (NVQ4+).
- Demand for workers is expected to be fuelled by a number of regeneration and development projects taking place in and around Slough. The Heathrow expansion is expected to generate up to 180,000 new skilled jobs nationally, many of which will be in proximity to the airport. Slough Urban Renewal, wider regeneration initiatives in the town centre and housing aspirations in the Emerging Local Plan (including the Slough Northern Extension) are expected to create new employment opportunities for Slough's residents in the future.

6.1 The success, vibrancy and growth potential of Slough's businesses requires a supply of skilled labour that aligns with their requirement. An improper fit will lead to inefficiencies, is detrimental to inclusive growth and will lead to businesses recruiting employees from outside the local labour market.

6.2 It is also an important time for Slough, with an unprecedented number of opportunities for future growth which can be harnessed to deliver improved outcomes for Slough's residents. Heathrow Airport, the world's prime international gateway, has expansion plans which are expected to generate significant employment opportunities for local residents and those within the airport's supply chains. There are also a number of regeneration and transport projects planned for Slough in the future, which will create a number of opportunities for local residents.

6.3 In order to pinpoint and address any imbalances in labour market, it is important to develop a deeper understanding of employer demand and the traits and skills that businesses expect to see from new and existing employees. We consider the following types of information:

- Data which sets out the sectoral structure of the economy and how this has changed over time.
- Research which provides a more forensic view of sectors that have been prioritised due to their potential for growth and specialisation.
- A survey-based review of the factors that are leading to skills shortages and gaps.

- Forward-looking forecasts, which set out expectations for sectoral growth/retraction and the impacts this will have on occupational structure.

Current Demand for Skills

6.4 The current demand for skills across Slough is determined by:

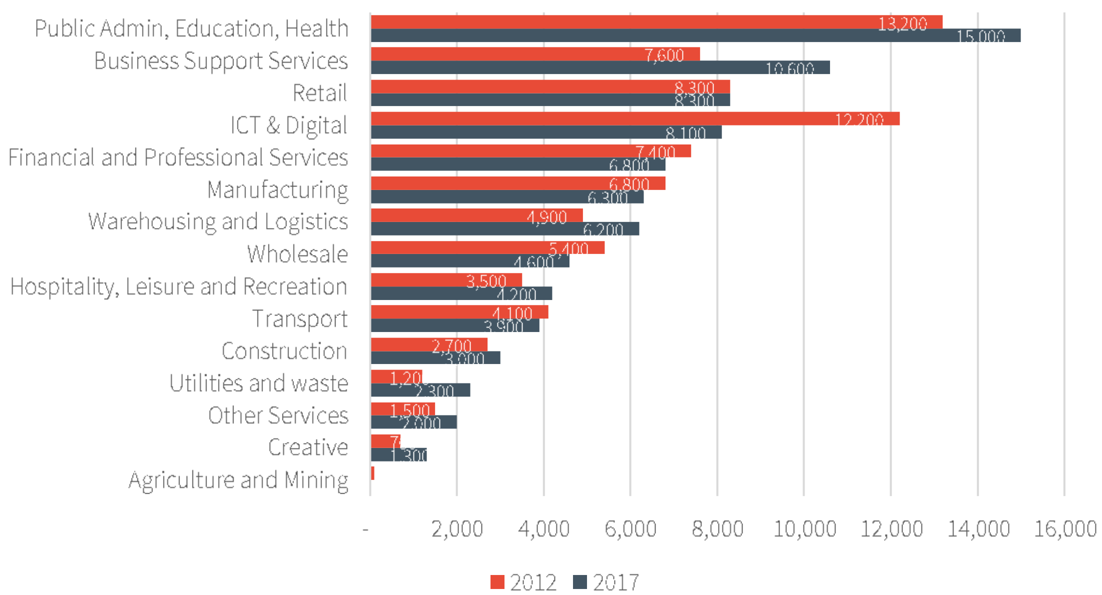
- The Borough's sectoral makeup and the types of businesses that are active within the area;
- The growth and regeneration agenda, including flagship investments in places, housing, commercial space and infrastructure; and
- Large-scale projects and employers beyond Slough, including the planned expansion of Heathrow Airport.

More jobs in lower-value sectors and fewer in higher-value sectors…

6.5 Figure 6.1 shows the extent of sector growth and shrinkage in Slough between 2012 and 2017, based on employment change. Data for 2017 shows an economy that is driven by a combination/ mix of higher and lower value employment sectors, such as business support services, retail, as well as ICT and digital.

6.6 Between 2012 and 2017 the Borough has seen considerable growth in a number of key sectors, such as Business Support Services (+3,000 employee jobs) and Public Admin/ Education and Health (+1,800 employee jobs). On the other hand, high-value sectors, such as ICT and Digital, as well as the Financial and Professional Services sector have decreased over the same period.

Figure 6.1 Employment By Sector (2012-17)



Source: BRES, 2017

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Skill Shortages and Gaps

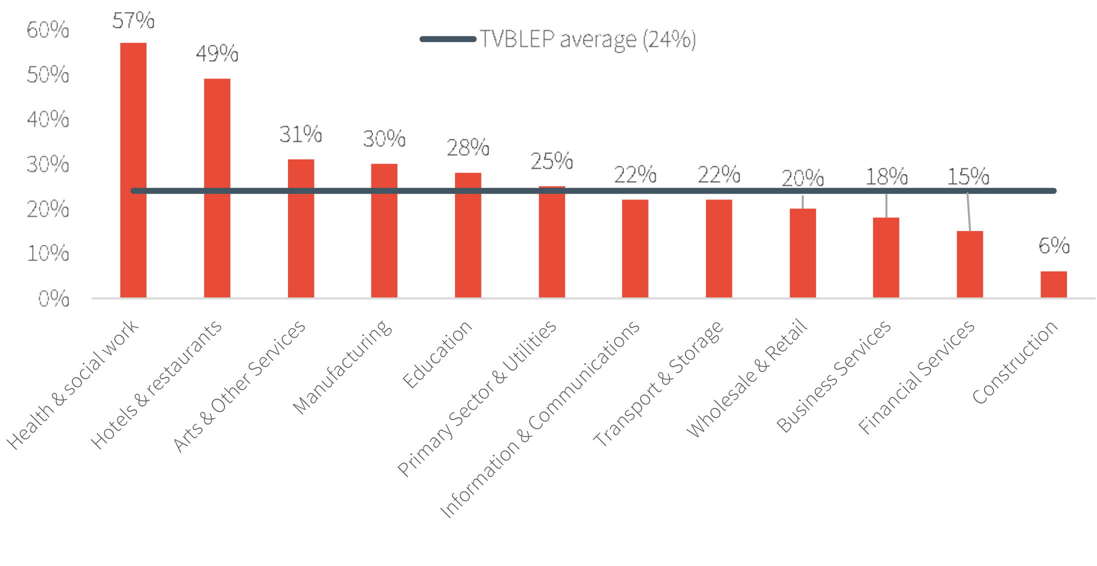
6.7 While a statistical analysis of sector performance and trends is integral to determining the size of imbalances between the supply and demand of skills, this can be augmented by qualitative sources of information. To this end, surveys capturing business perspectives and experiences help to provide a more comprehensive view of skills gaps and shortages, and where there are commonalities in the problems faced by employers are used.

6.8 The data presented below builds on analysis presented as part of a deep dive into the nature of skills demand across the TVBLEP area. Note that the TVBLEP area is taken as a proxy to show current levels of skills demand in Slough.

Establishments with vacancies by sector highlight spikes in labour demand…

6.9 Job vacancies provide an indication of skills shortages and challenges faced by employers in relation to recruitment. Data from the Employer Skills Survey for 2017 shows that across the TVBLEP area, the largest proportion of vacancies were found in the health and social work sector (circa 57%). Other prominent sectors with a high proportion of vacancies include hotel and restaurants (49%) and arts and other services (31%). The data suggests that there are higher than average vacancy rates, with a quarter (24%) of employers in the TVBLEP area reporting vacancies compared to 20% at regional and national levels. This suggests there are a range of recruitment challenges and skills shortages affecting local businesses.

Figure 6.2 Establishments in the TVBLEP Area With Vacancies By Sector



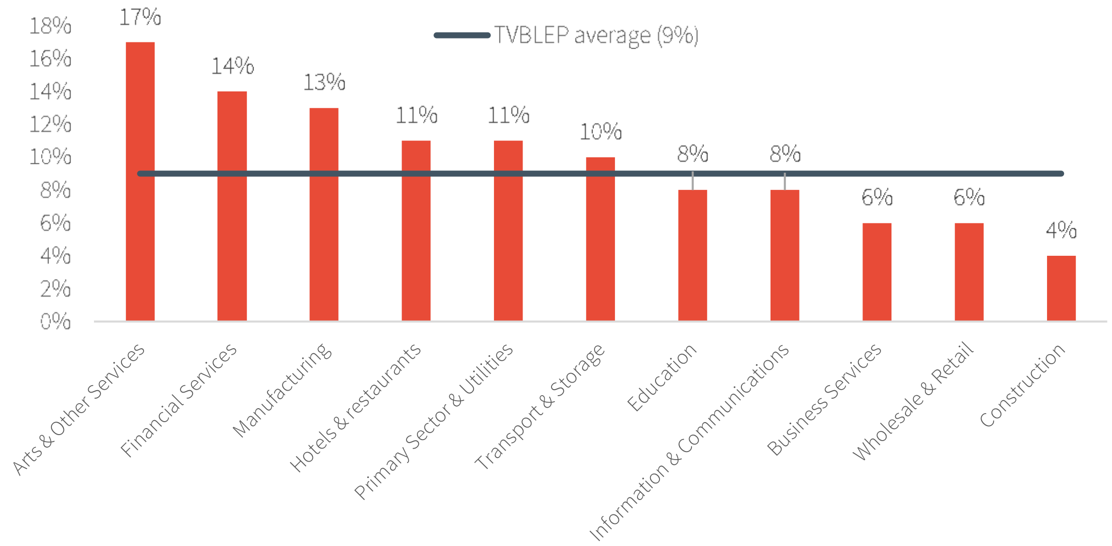
Source: Employer Skills Survey, 2017

Note: Data is unavailable for the Public Admin sector

Hard-to-fill vacancies help showcase the acute recruitment challenges…

6.10 As shown in Figure 6.3, most hard-to-fill vacancies were reported by employers in the health and social work sector (29%) followed by arts and other services (17%). This is considerably higher than the TVBLEP's average of 9% and indicates that employers are facing challenges when recruiting for skilled labour. The evidence also suggests that there are linkages between having a large proportion of vacancies (as highlighted in Figure 6.2) and hard-to-fill vacancies.

Figure 6.3 Hard-to-Fill Vacancies in the TVBLEP Area By Sector



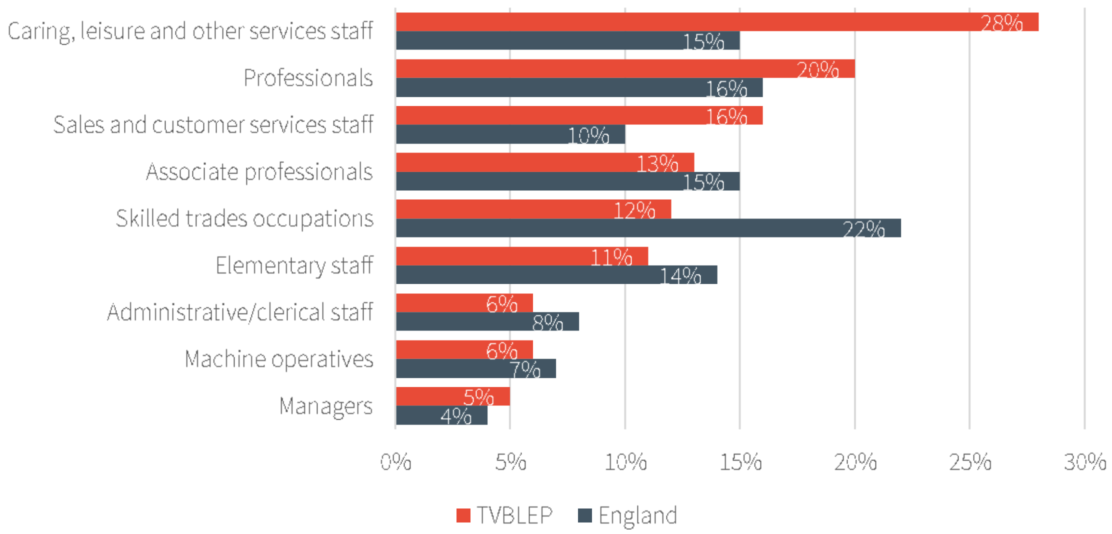
Source: Employer Skills Survey, 2017

Note: Data is unavailable for the Public Admin sector

6.11 When considering hard-to-fill occupations, the data suggests that these are broadly in line with the analysis presented above. In particular, around a third (28%) of employers within the TVBLEP are reported hard-to-fill vacancies in caring, leisure and other service occupations (28%). This is 12 percentage points higher than the national average and suggests a local issue with recruitment.

6.12 In addition, there are also hard-to-fill vacancies for professional occupations (20%), suggesting that TVBLEP faces recruitment challenges at the high and low end of the skills spectrum.

Figure 6.4 Hard-to-Fill Vacancies in the TVBLEP Area By Occupation

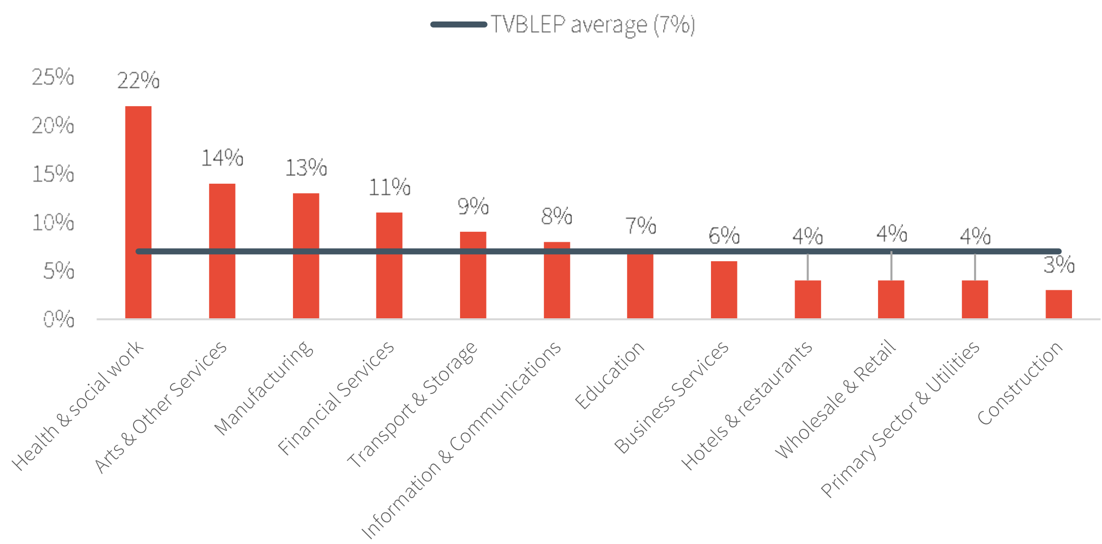


Source: Employer Skills Survey, 2017

Reported skills shortages by sector highlight demand-supply imbalances…

6.13 Across the TVBLEP area, 7% of employers reported skills shortage when trying to recruit. This is in line with the national average (at 6%). The analysis presented below indicates that skill shortage are largely reported in sectors where hard-to-fill vacancies exist. This includes: health and social work (22%) and arts and other services (14%). Skills shortages were also reported by employers seeking to recruit in manufacturing (13%). This may be linked to the sector's long-term national skill challenge.

Figure 6.5 Establishments in the TVBLEP Area With a Skills Shortage Vacancy By Sector



Source: Employer Skills Survey, 2017

Note: Data is unavailable for the Public Admin sector

Reasons for vacancies and recruitment challenges tell a deeper story…

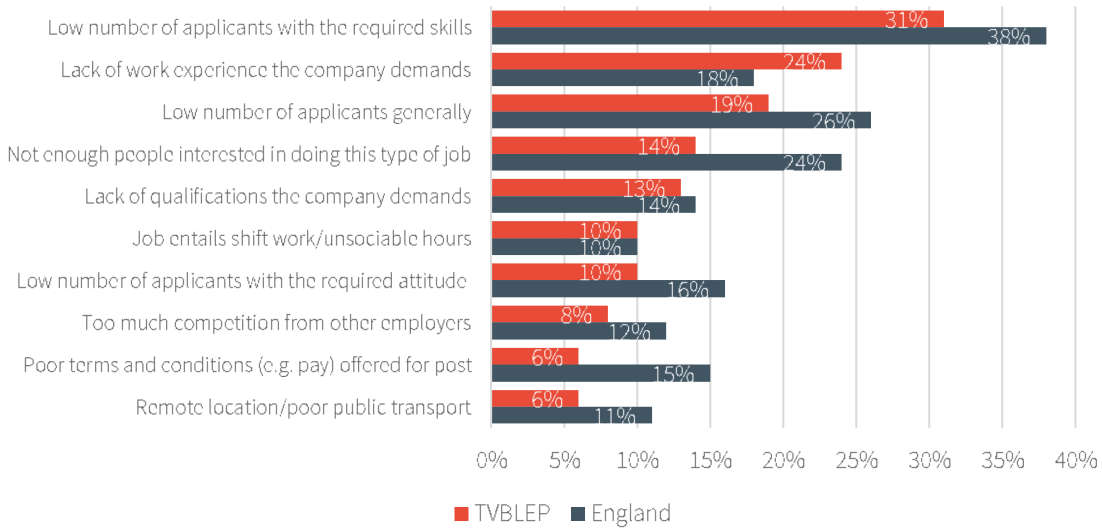
6.14 Most employers in the TVBLEP area have reported identified several reasons for why challenges in recruitment exist, including:

- A low number of applicants with the required skills (31%);
- A lack of work experience in which their business demands (24%).; and
- A generally low number of applicants (19%).

6.15 This analysis would suggest that longer-term vacancies are a consequence of supply-side constraints in terms of the quality and quantity of labour available.

6.16 Comparisons with national data shows that issues related to work experience are more apparent locally compared to the rest of England. On the other hand, there are fewer concerns around interest in the roles advertised and contract terms.

Figure 6.6 Top Ten Reasons For Vacancy And Recruitment Challenges



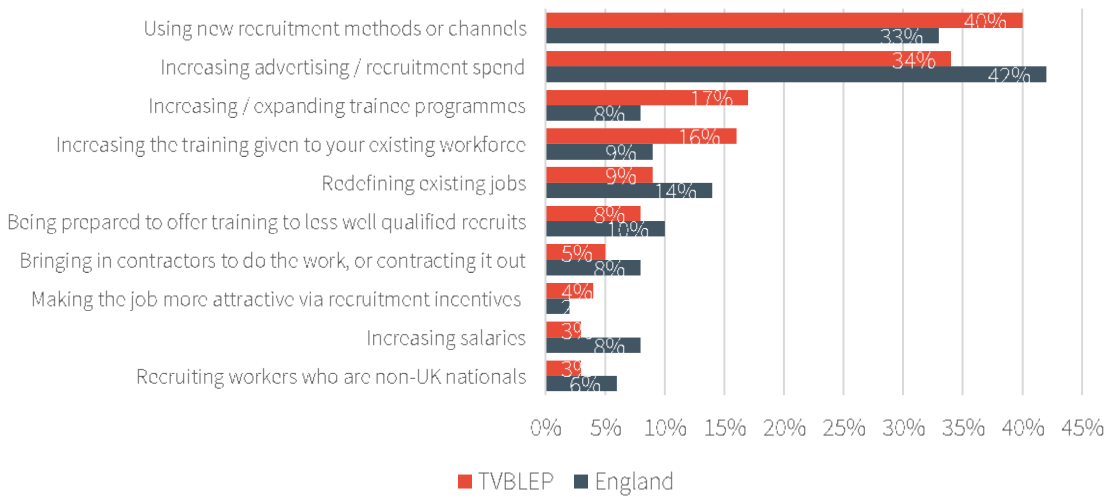
Source: Employer Skills Survey, 2017

Actions taken by employers to overcome vacancies are far-reaching…

6.17 The majority of employers in the TVBLEP area reported that they have taken the following actions to address their recruitment challenges, including using new channels to advertise/ promote recruitment (40%) and increasing marketing/ advertising spend on recruitment.

6.18 Other methods cited by employers to overcome recruitment challenges include the expansion of trainee programmes (17%) and increasing the training given to the existing workforce (16%). The evidence is positive and shows that local employers are taking different approaches to overcome hard-to-fill vacancy issues. In addition, employers in the TVBLEP area have been more proactive in using these methods compared to elsewhere in England.

Figure 6.7 Actions Taken to Overcome Vacancy and Recruitment Challenges

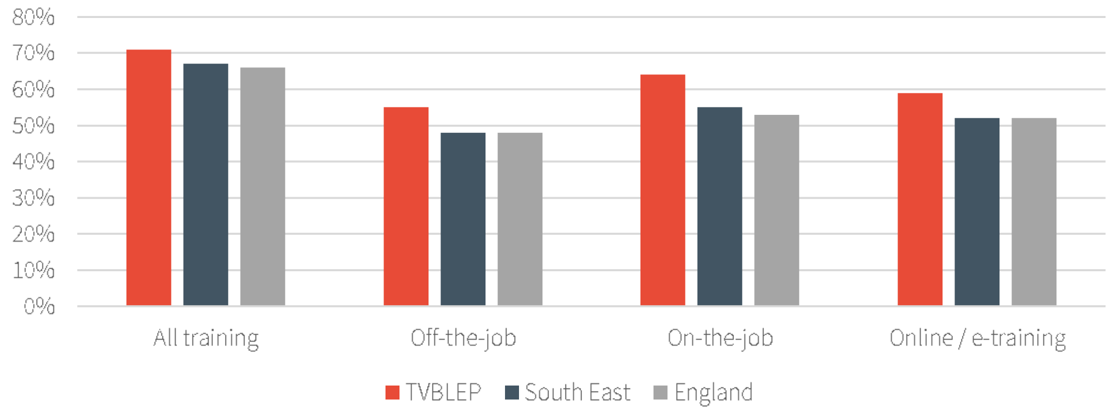


Source: Employer Skills Survey, 2017

Employer investment in training is helping to address skill shortages…

6.19 Employers in the TVBLEP area appear to be more willing to offer their employees training to address skills shortages and recruitment problems. Over 70% of employers surveyed in 2017 provide some kind of training compared to 66% nationally. There is also a greater propensity for firms to invest in on-the-job and online training versus the national average, although offsite training also plays a considerable role.

Figure 6.8 Employers Who Reported Investment In Different Types Of Training



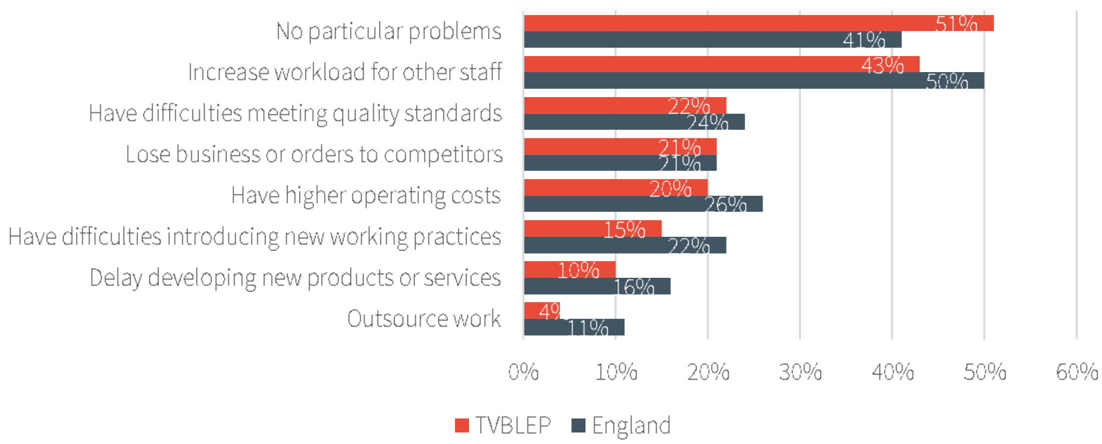
Source: Employer Skills Survey, 2017

Impacts of skills gaps on employers are considerable and material…

6.20 11% of employers in the TVBLEP area reported skill gaps within their workforce, which is slightly less than the national equivalent (13%). Of those who reported a skill gap, three-fifths believe skill gaps have had a minor impact on their business.

Figure 6.9summarises the impacts of skills gaps felt by local employers. The most common impact identified was increased workload for other staff (43%) and difficulties meeting quality standards (22%), which suggests that the imbalance of skills supply versus demand is having an impact on businesses' ability to operate commercially. In the long-term, this could be expected to affect businesses' overall competitiveness and their productivity.

Figure 6.9 Reported Impacts Of Skill Gaps On Employers



Source: Employer Skills Survey, 2017

Future Demand for Skills

6.21 To generate a complete picture of skills demand, it is important to consider how the Slough economy is likely to change in the future. Forecasts offer insights here, largely based on an extrapolation of historic trends and other inputs. The analysis in this section is based on economic forecasts published by the UKCES.

High value and priority sectors expected to lead expansion in employment…

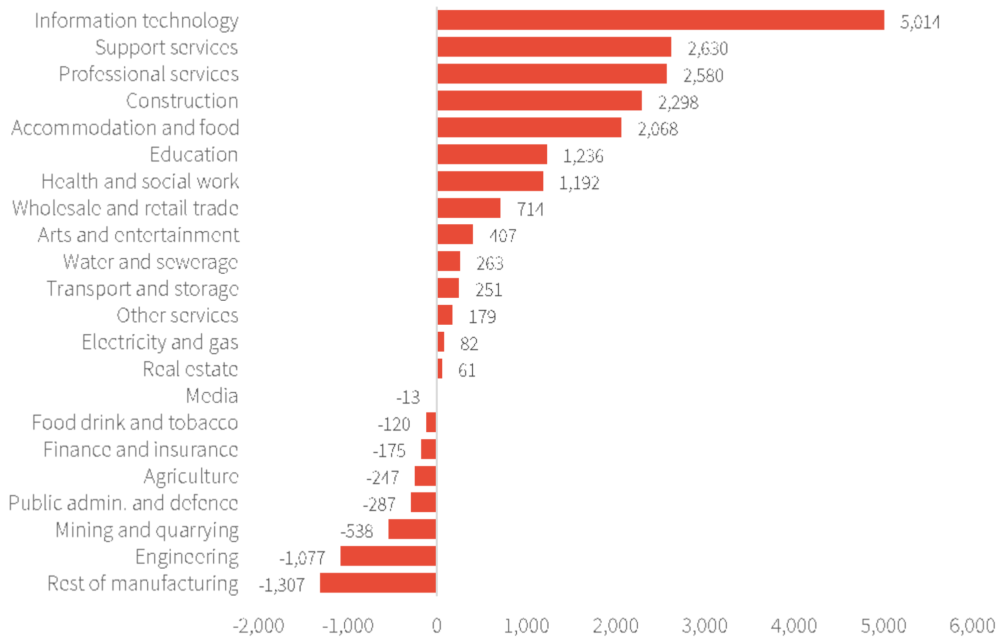
6.22 By 2024, Slough is forecast to see an expansion of 15,211 jobs, equating to a proportionate change of 3%. Employment growth is expected to be most significant across a range of high and low-value industries, such as:

- Information and Communication (+5,014 jobs) – representing approximately a third of all new jobs created;
- Business Administration and Support (+2,630 jobs); and
- Professional, Scientific and Technical Services (2,580).

6.23 By 2024, over half (52%) of Slough's employment will be in the TVBLEP's priority sectors; representing an expansion of around 11,900 new jobs. This includes workforce growth in Information and Communication; Business Administration and support as well as Construction (+2,278 jobs), and Education (+1,236 jobs).

6.24 By contrast, there are a number of sectors for which the outlook looks less optimistic for future employment. In particular, Manufacturing is anticipated to decline (by 2,504 jobs) by 2024. In comparison, Transport and Storage which (despite the high level of specialisation) is expected to see an increase of only 284 jobs.

Figure 6.10 Forecast Employment Change in Slough By Sector (2019-24)



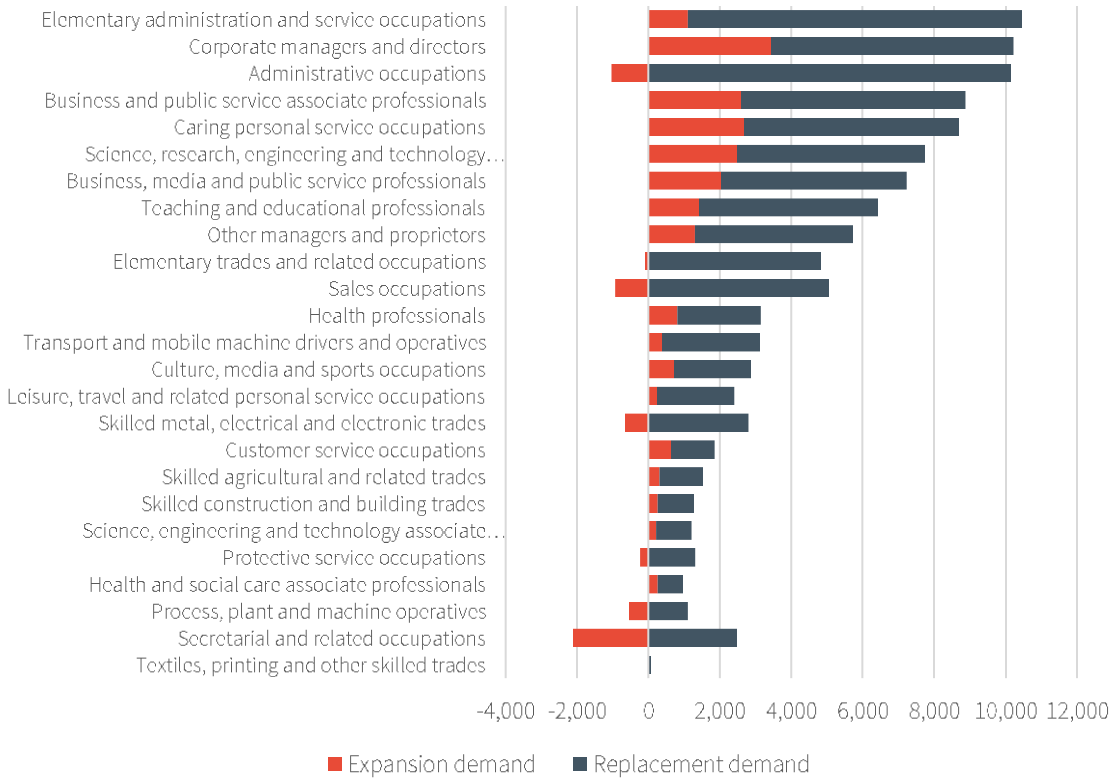
Source: UKCES, Working Futures, 2014-24

A mix of high and low-skilled occupations will continue to be in demand…

6.25 Figure 6.11 below shows the overall forecast demand for occupations in Slough by combining expansion and replacement demand figures. Overall, it shows that the total demand requirement by 2024 is largely representative of the ever-moving shift towards higher-skilled employment. Employment growth is expected to be most significant in elementary administration and service occupations (with a total requirement of 10,500 jobs), corporate managers (10,200 jobs) and administrative occupations (9,100 jobs).

6.26 In tandem with this, there will likely be considerable demand for lower skilled occupations. It is assumed that replacement demand will be solely based on the need to fill positions vacated by those who retire and/ or leave the workforce. The occupations expected to have high replacement demand, but relatively low job creation include administration (+10,200); elementary administration and services (+9,400); and sales (+5,100).

Figure 6.11 Total Demand Requirements in Slough (2019-24)



Source: UKCES, Working Futures, 2014-24

Note that 2019-24 qualification data calculated using a scaling factor applied to 2014 Slough qualification data.

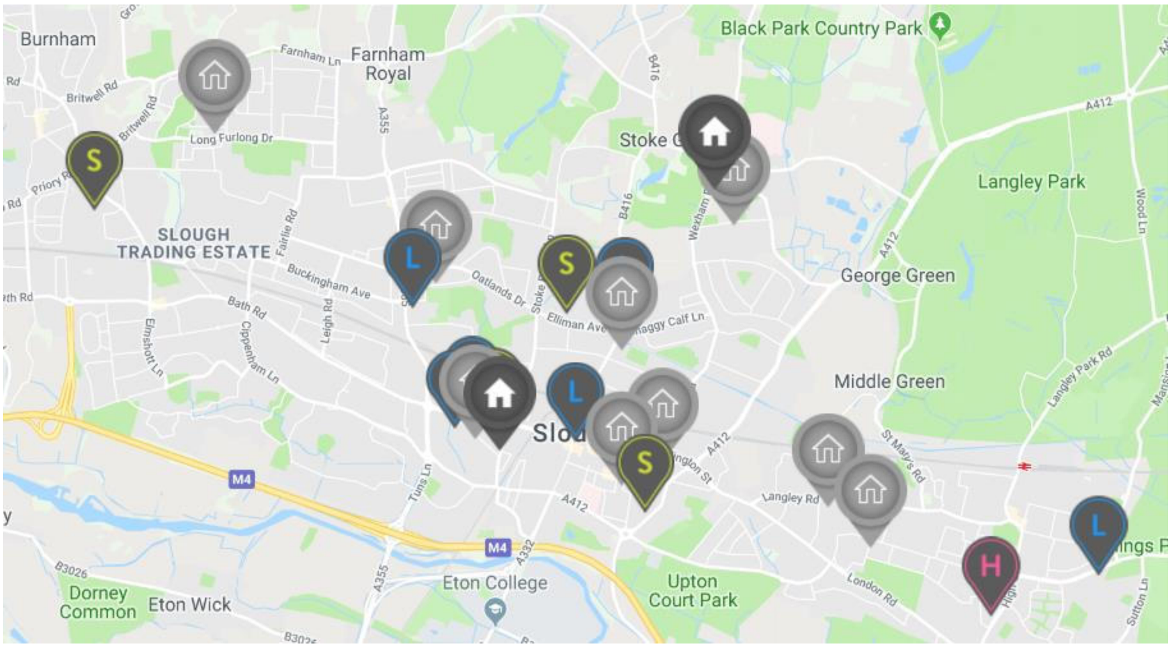
Borough and regeneration and development will create demand for skilled workers…

6.27 There are a number of key development and regeneration schemes in and around Slough which are expected to generate additional demand for labour supply in the coming years. This includes:

- **Heathrow expansion**: the addition of a third runway at Heathrow in addition to ancillary works will create a significant number of new jobs, with up to 180,000 new skilled jobs created across the country through Heathrow's supply chains. It is expected that the expansion will create an additional 5,000 airport apprenticeships, combined with the existing 5,000 already delivered by the airport.
- **Western Rail Link to Heathrow**: the delivery of a new 6.5 km rail link between the Great Western Main Line and Heathrow Airport will also create new construction jobs locally and help businesses locally (with it set to create more than £800m of economic activity and employment opportunities for 42,000 people).
- **Crossrail:** as part of one of Europe's largest civil engineering projects, Slough will benefit from new and improved connections to London and as part of Crossrail. With two stops on the line, the Borough is set to benefit from increased service frequency and direct access to central London, Canary Wharf and Essex. In total, Crossrail is expected to drive regeneration along the route, delivering over 90,000 new houses and unlocking commercial and retail employment space.

- **Slough Urban Renewal** is creating a catalyst for change and regeneration in Slough through commercial development and homes. The partnership aims to create iconic buildings and facilities to help improve the image and place in Slough. These developments will generate demand for construction jobs locally, with recent achievements including a new leisure centre, Ice Arena, school and housing developments.

Figure 6.12 Slough Urban Renewal Developments Overview



Source: Slough Urban Renewal, 2019

Note: Housing symbol = housing developments, S = schools, L = leisure facilities, H = hotel and restaurants

- Alongside projects being undertaken by Slough Urban Renewal, there are a number of **wider Town centre regeneration** projects creating demand locally for construction workers. The potential redevelopment of Slough's two shopping malls (the Queensmere and Observatory centres) could add significant amounts of new retail and residential space at the heart of Slough. The arrival of Crossrail has also created demand for new residential schemes (particularly in proximity to Slough station), with new developments coming forward.
- The **Emerging Local Plan** for Slough sets out aspirations to continue building new homes in the town, with the **Slough Northern Extension** expected to create a garden suburb of up to 10,000 new homes to the north east of Slough, which helps meet the future housing needs for Slough.

7. Consultee Perspectives

7.1 A variety of local stakeholders offered views and inputs, as part of an extensive consultation process. Key sentiments are summarised below and set out Slough's economic performance in a qualitative manner, augmenting analytical messages taken from a variety of statistical datasets, presented thematically within this report.

7.2 A full list of participant consultees is provided as an appendix to this report.

Overall: Recurring Sentiments

- **There are high-profile drivers of growth which will shape skills needs…** Slough Trading Estate and Heathrow Airport are the key drivers of local growth, together with town center regeneration and upcoming delivery of Crossrail. Collectively these provide a platform from which to relaunch Slough's brand and shake off longstanding reputational challenges.
- **Brokering the skills needs of local businesses…** there needs to be an improved understanding of what businesses need in relation to local skills, and this must be met by an appropriate response. Currently, a poor understanding of skills needs among school leavers, and appropriate mechanisms are not yet in place to help residents move from education to employment.
- **Retaining talent is integral to Slough's future success…** the Borough's service sector economy generally recruits graduates with specific technical skills rather than those who pursue apprenticeships. It is acknowledged that there are high performing students in the area (GCSE and A-Level) but solutions are needed to ensure the best talent can be retained in the area.
- **Establishing a higher education presence…** there is an emphatic sense that a more distinctive local higher education offer is important, creating a sense of place and providing a point of attraction for students, businesses and external investors. There is a strongly held view that Slough suffers from an amenity gap which disincentivises young people to be in the area.
- **Effective place-making is key…** there must be a concerted effort to redevelop Slough in a way that promotes the creation of quality and inclusive places, with an appropriate focus on amenity. This is necessary to attract the right businesses, encourage growth from within and reposition the Borough as a progressive and forward-looking place.
- **Improved access to locally skilled labour…** employers maintain a strong commitment to recruiting talent locally; however, they often end up having to look more widely to meet their specific requirements. Bridging this gap and making local employment opportunities open to local people is absolutely essential.

Businesses: Specific Feedback

- **Slough has an entrepreneurial heart…** the role and influence of start-ups should be recognized fully and be a focal point of economic development policy going forward. The strong presence of start-ups in Slough is a testament to the opportunity to build on its entrepreneurial credentials.

- **A sector focus on growth…** there is a challenge presented by the sheer diversity of local industries, and how this creates difficulty in terms of what skills to invest in. There is a need to identify growth sectors and those likely to be the focus of policy, to more effectively organise and promote skills development.
- **Learning from elsewhere…** other areas across the UK provide a reference point for best practice and the effective implementation of skills and education programmes which respond to the needs of local businesses and offer opportunities to local people. This includes establishing bespoke resources to manage the Apprenticeship Levy and supporting supply chains and SMEs to embrace vocational routes to employment.
- **Innovative approaches can yield significant returns…** there is a need to make it easy for small companies to run apprenticeships, by making connections with larger businesses local providers and recognising the value in recruiting from a localised labour pool. There is a need to correct the flow of levy monies, in a way that benefits Slough to the fullest.
- **Technology is driving unilateral demand for digital skills…** a key factor for employers large and small is the prevalence of technology in the workplace and the near universal need for digital skills, including basic competencies and more technical acumen. At present, there is an imbalance in the demand and supply of digitally skilled people.
- **General employability skills remain integral to business needs…** there is a need to ensure that employability or 'work ready' skills are at the heart of the educational curriculum and embedded across all age ranges. This should include a focus on key attributes, such as emotional intelligence, critical thinking, problem solving and more general 'people skills'.
- **A mix of employment opportunities are available…** whilst a drive towards higher productivity is a positive step, opportunities for all Slough residents need to be present. It therefore needs to be acknowledged that there are roles available to Slough residents, meeting a variety of skills levels and individual career preferences.
- **Language skills are fundamental to prosperous employment…** there is a pool of the labour market that is skilled but lacks basic English language skills. If addressed, this could unlock significant economic capacity and address employer skills shortages.
- **Intelligence and partnership is key…** the effective use of labour market and socioeconomic data is key to driving local decision-making and the setting of appropriate policy. Collaboration between the public and private sector should be centre stage when considering the implementation of solutions to address skills gaps.
- **Careers education is not meeting the needs of local people…** there is a strong perception that careers guidance on a national scale is 'broken', with a lack of resources dedicated to informing people of choices and local employment opportunity, with business input into this process insufficient.
- **Slough has a unique offer which can be exploited…** the Borough's economic and labour market characteristics are often downplayed and undervalued. The quality of Slough's institutions, people, infrastructure and culture is all high, with an opportunity to more fully exploit the town's international connections.
- **Clear education and employment pathways are essential…** there is a clear and present need to make pathways to education and employment clear and transparent, such that employer and employee expectations are managed, career options

understood, and the true extent of local employment opportunities are communicated to Slough residents.

- **There is an appetite to engage in a different way…** employers and business intermediaries are eager to engage with education and skills stakeholders in a deeper way, with there being broad support to evolve the concept of a Slough Academy.

Education and Training Providers: Feedback

- **There is significant strength in numbers…** existing constructs have provided a platform for strong relationships to be forged with the LEP, government and universities to raise awareness about opportunities and lobby for change. A genuinely strategic approach is necessary, to avoid duplication and confusion for learners.
- **It's important to join the dots…** the connection needs to be made between skills, employment and challenges affecting Slough's economy. Prime examples of this are health and wellbeing, embedded deprivation
- **Apprentices are not a sole solution…** apprenticeships are helping to shift the balance towards new forms of training, that better meet the needs of employers and provide learners with a greater degree of career clarity and confidence. That said, in isolation they are not a panacea and must be deployed in tandem with other solutions.
- **Raise awareness of what's already happening…** there is evidence of exemplar activity and educators taking a leading role in developing the curriculum around employer needs, deploying innovative outreach approaches and proactively responding to the outcomes of the post 16 Area Based Review. The profile of this could be raised.
- **Secondary institutions need to see value in vocational pathways…** one of the big challenges with schools is to make sure they understand potential of apprenticeships as a pathway, achievable through active engagement with employers and culture change.
- **Structure of secondary education adds complexity…** Slough benefits greatly from its breadth of highly performing secondary schools, but the dynamics of this and presence of grammar schools makes the implementation of an impartial careers education system, with vocational routes placed on an equal platform, challenging.
- **Best practice and examples of success breeds success…** it is important to exemplify and promote best practice, especially where successful outcomes have been achieved, as this can build momentum and ensure wider buy in from educators and employers.
- **Businesses should work collaboratively to make the best use of the Levy**… there is an opportunity for businesses to work collaboratively to make more effective use of the Apprenticeship Levy, harnessing the purchasing power of larger firms for the benefit of SMEs and smaller businesses.
- **The LEP is an important conduit for delivery…** TVBLEP has a key role to play in balancing statistical evidence, policy and assessment of need with the design and specification of interventions and it should look to reinforce its strategic position.
- **There is momentum behind higher and degree level apprenticeships…** there is an emerging view that higher and degree level apprenticeships are gaining traction, but a lack of provider capacity and apprenticeship standards is holding wider take-up back.

- **T levels are part of an overall solution**… T levels are likely to fill a gap in the training needs of employers and provide a more direct interface with the local labour market, but they have yet to be introduced and are some way off having a material impact.
- **Enterprise education is an important part of the mix…** the education system needs to cater for people who are entrepreneurial or inspired to start their own business. It's important that such skill sets are embedded within the curriculum.
- **Support for a Slough Skills Campus is tangible…** there is a collective sense that a new construct, such as a Slough Campus model, is needed to provide greater impetus and deliver access to equivalent and impartial careers and education support.
- **There is an opportunity to increase higher education footprint…** there is a view that improving the higher education footprint in Slough would be of significant benefit to the Borough (through existing and new providers), improving access to local people, drawing in a new base of young and skilled people and acting as a draw to employers.
- **Labour market knowledge is key…** access to up-to-date and repeatable labour market information is informing provider decision-making and should be used to inform future decision-making processes, particularly where data helps to provide insights into the future shape and sector composition of the economy.
- **In work training and career progression activity is critical…** Slough must work harder to service its residents who are in work and look to re-skill/upskill and offer older residents the chance to pursue economic activity, as they can make important contributions and need to be able to respond to a changing sector base.
- **Growth and regeneration brings new partnership opportunities…** the Borough's positive growth trajectory and active regeneration of sites across the Slough provide a platform from which to establish new provider/employer relationships and consider the needs of businesses who are newly relocating or expanding.

Young People: Feedback

- **Poor perceptions are pervasive…** a significant proportion of young people carry negative perceptions of Slough as a place to live and work and have limited ambition to stay within in the Borough and are drawn to neighbouring areas for further study and employment. The high street is a symbol of Slough's appeal to young people.
- **Parental influence is particularly strong…** linked to the above and tied to study and career choices, parents maintain a strong influence on the opinions and decisions of young people, which in some cases may limit understanding, lessen the scope of future pathways and embed a rigid view of choice and opportunity.
- **Academic study routes have more traction…** students report that academic routes to employment remain the default choice, with vocational study options having a lower profile, less likely to be showcased and in some cases being actively discouraged by schools in favour of A levels. Students also report highly variable experiences when undertaking work placements, sullying vocational learning perception further.
- **There is a lack of awareness of local employment opportunity…** inherently, young peoples' understanding of the local area is shaped by their parents and local experiences, rather than through careers advice and proactive business outreach. As

such, the scope, scale and quality of local employment opportunity is not fully known or in some cases, misunderstood.

- **Slough's positive virtues are not celebrated enough…** Slough's distinctive qualities – from its rich cultural makeup, location, economic prowess and diversity, are not embedded in the psyche of younger generations, leading to a desire to seek employment beyond the Borough or in some cases, compounding issues of low aspiration.
- **Young people have been exposed to the politics of education…** the effects of education policy change, continued austerity and outcomes of the post 16 review process have had a material impact on students. This includes disruption associated with school closures, a reduction in teaching resource and a lack of confidence in the local education system to be responsive to their needs.
- **Personal ambition is apparent…** it's clear that the town's younger generations are career-minded, orientated around personal goals and ambitions, although this is less likely to be shaped by career education and more through individual intuition, research and family influence.
- **Access to education and training can be problematic…** students contend with access issues and sometimes struggle with public transport as a barrier to education participation. The trigger point for some in not engaging fully with education is marginal and can be the difference between lasting participation or otherwise.

8. Conclusions

8.1 The evidence suggests that Slough is a highly productive and dynamic economy, with a reputation which has attracted numerous high-profile multi-nationals and inward investment into the area. There has been strong growth among Slough's business base, with around 6,130 businesses now based in Slough. This growth reflects the attractiveness of Slough as a place to do business, which have been supported by regeneration and transport improvements made locally.

8.2 Slough's future economic success depends on its ability to continue growing, particularly in higher-value sectors (including TVBLEP's growth sectors) helping to deliver more productive jobs into the area. Slough's ability to attract and retain higher-value activities will, in part, depend on its pipeline of skilled workers locally, who are able to make a competitive and productive economy.

8.3 Securing the appropriate skills for sustainable economic growth has been recognised nationally, regionally and locally as being important in supporting the development of the economy. In Slough and the wider TVBLEP area, there is a strong desire to build a skills system which operates with greater flexibility and responsiveness to local need.

8.4 This study has examined the provision and demand for skills at present, and how this is likely to change into the future. At present, education provision in Slough is strong, alongside its take-up, although there is currently a mismatch between the skills of Slough's residents and the skills demanded by Slough's employers. This misalignment between the supply and demand of skills is holding back many of Slough's residents and businesses from fulfilling their potential. There also remains a number of economic and social challenges among local communities, reflecting the unique demographic makeup of Slough's residents and its relationships with other economic markets. Particular issues include:

- Qualifications data suggests there are relatively low proportions of highly skilled workers (qualified to at least NVQ Level 3) compared to the wider TVBLEP area. There is already demand for higher-skilled employees, with these jobs currently amongst the hardest for Slough's businesses to recruit for.
- Slough is amongst the 25% most deprived local authorities in the UK, with the highest levels of deprivation in the TVBLEP area. There is a need to ensure that all of Slough's residents are able to access the opportunities being created by Slough's economic development.
- The occupations of Slough's residents are relatively low-skilled compared to the wider TVBLEP area, with a high proportion of residents in elementary, skilled trades and caring/leisure occupations. In the future, there is expected to be a shift away from these occupations towards higher-skilled roles, requiring employees to have higher skill levels. There is a need to ensure workers and residents are equipped with the right skills needed to support this shift towards higher-value activities.
- Slough has a relatively high dependency on international migrant labour to support growth in its economy, which may be at risk from changes to migration policy related to Brexit. Slough saw a net migrant inflow of 1,033 people in 2017 and has a rate of National Insurance (NINo) registrations more than double the national level. There is a need to ensure the long-term sustainability of the workforce, particularly in the event that people return to the EU following the UK's withdrawal.

- There are already signs that some of Slough's employers are not able to find the skilled labour they need to succeed. Seven percent of employers reported skills shortages when trying to recruit, with this a particular problem in the health and social care, arts, manufacturing and financial services sectors. A number of businesses report that despite their best efforts to recruit locally in Slough, they are having to recruit from outside the area to find the right skills. There is a need to make sure Slough's businesses are able to find the skills they need locally.
- Slough already operates a tight labour market, with high levels of economic activity alongside relatively low levels of unemployment. Given the lack of available labour for Slough's businesses, there is an increased need to upskill and retrain the existing workforce to meet the future needs of employers.
- There is a relatively low proportion of young people engaged in apprenticeships and take-up has decreased in recent years. In 2017/18 there were 520 apprenticeships undertaken - a 25% reduction since 2016/17. Some of Slough's specialisms place a strong emphasis on technical skills, which apprenticeships can help to deliver.

8.5 By addressing these issues, it will help ensure that Slough can fully take advantage of future economic opportunities and ensure its residents can fully benefit from them. The expansion of Heathrow Airport, the redevelopment of Slough Town Centre through Slough Urban Renewal and wider regeneration schemes, and Slough's expansion through its Emerging Local Plan (including the Slough Northern Extension) will all create new employment and business opportunities locally, which can help support the economic growth of the area.

8.6 To achieve this, there is a need for a new approach to skills and employability within Slough, one which delivers the right skills demanded by local employers, and ensures Slough provides the skills needed to support growth in its targeted sectors. This study has identified that some of the key skills needed going forward include:

- Future demand for skills in Slough is likely to be in higher-skilled occupations, with particularly strong employment growth expected in the ICT and digital, professional / support services and construction sectors. By 2024, over half (52%) of Slough's employment will be in TVBLEP's priority sectors (with 11,900 new jobs). By contrast, those sectors which are expected to experience a decline in employment include manufacturing, engineering and public sector activities.
- Increasing competition for Slough's goods and services and technical innovation will require increased skills to raise productivity and incomes. There is expected to be strong demand for occupations across all skills levels in the future, however this will be strongest for those with degree-level qualifications (NVQ4+). In particular, strong STEM (science, technology, engineering and maths) and technical skills are likely to be critical in helping Slough's businesses innovate, develop and compete with a regional, national and global market.

8.7 Consultees have provided an additional layer of local insight and the candour exhibited within their views suggests there is substantive scope for change in terms of the design and delivery of education and skills. There is a collective will to develop new and innovative approaches, harness the power of partnership and be more efficient with existing resources. There are a number of areas where greater focus and leadership is needed to be matched with high ambitions.

8.8 How Slough Borough Council responds to these challenges with its partners will define the sectors and businesses who choose to locate in the area in the future and the economic trajectory.

Appendix A - List of Consultees

Responded

- **Strategic:**
  - Housing Solutions Housing Association
  - Independent Culture Consultant
  - Job Centre Plus
  - NEET Reduction
  - Public Health England
  - Revive and Thrive
  - Slough Borough Council
  - Thames Valley Berkshire LEP
- **Employers:**
  - AEW UK Investment Management
  - Ashby Capital
  - Central Working
  - Heathrow Airport
  - Jones Lang LaSalle
  - Lonza
  - Queensmere Shopping Centre
  - SEGRO
  - Slough Tesco's Extra
  - Slough Town Centre Partnership
  - Slough Urban Renewal (SUR)
  - Telefonica
  - Thames Valley Chamber of Commerce
  - U+I
- **Education Providers:**
  - National Apprenticeship Trailblazers (Sectors: Creative & Design, Education & Childcare, Business & Administration, Digital)
  - Resource Productions
  - Slough Academy
  - Slough Aspire
  - Slough Association of Secondary Heads

- Slough Children's Services Trust
- Windsor Forest Colleges Group

Youth and Student:

- Aik Saath
- Windsor Forest Colleges Group

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