SLOUGH INCLUSIVE GROWTH STRATEGY

SOCIOECONOMIC EVIDENCE BASE REPORT

2019

Slough Borough Council

Slough Employment and Skills and Inclusive Growth Study - Socioeconomic Evidence Baseline Report

August 2019

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1. Introduction and Background

1.1 **Having achieved significant growth in recent years, Slough is an economic success story.** The Borough is home to many large businesses and is regarded as one of the most productive areas in the UK. Slough has a history of attracting large-scale investment and has become one of the South East's pre-eminent business destinations. Slough's strategic location is a prime asset and the town is highly connected by both road and rail.

1.2 There are also unprecedented 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 will generate significant employment opportunities for local people. This will drive increased demand from a diverse range of businesses operating within the airport's supply chain and complimentary sub-sectors. The Borough is also progressing an ambitious regeneration agenda, delivering new housing, commercial space, amenities and communities, reshaping town perceptions through the revival of places.

1.3 Despite recent success and causes for optimism, the economy still faces challenges. Most worryingly, some groups do not seem to be benefitting from growth. This has resulted in many remaining on the fringes of the labour market despite strong local employment opportunities. This report takes a granular look at the characteristics and distribution of growth to analyse the sustainability of recent economic performance.

1.4 The paper aligns with and builds on the findings of the ***Employment and Skills Evidence Base*** to provide a rounded understanding of Slough's economic growth, assessing its inclusivity and how it could be more evenly spread across the Borough.

1.5 This evidence base will inform future economic growth priorities for Slough Borough Council. Recommendations will be based on robust evidence focussing on local issues, challenges and the potential for more inclusive economic growth to position the Council as the custodians of the growth opportunity. They will also form the basis for collaboration and leveraging the strength of partnerships, with both the public and private sectors.

Evidence Baseline Framework

1.6 This evidence base has been compiled by assessing Slough's current position, trajectories and where possible, forecasts. Slough has been compared against a range of local authorities to contextualise its socioeconomic performance and add a greater depth of analysis.

1.7 The evidence baseline is structured around five distinct but complimentary domains:

- **People –** assessing the human factors which affect growth to develop a deeper understanding of whether Slough's residents are benefitting from growth
- **Place –** looking at spatial factors and how this impacts the Borough as a place to live
- **Business –** analysing the types of businesses in Slough to understand key current and future growth sectors
- **Infrastructure –** auditing the Borough's physical infrastructure to understand the connectivity factors influencing growth
- **Enterprise and Innovation –** assessing hyper-recent growth trends and innovation capacity which can create and sustain future high-value growth

1.8 This evidence base has been tailored to offer a balanced and up-to-date understanding of local conditions and prioritises indicators which provide a deeper sense of good growth and equitable outcomes. The indicators used in this report are listed in Figure 1.1, with the **cells shaded in yellow** indicating where there are overlaps with the Employment and Skills Evidence Base.

Figure 1.1 Socioeconomic Research Framework

Socioeconomic Baseline Indicators				
People	**Places**	**Business**	**Infrastructure**	**Enterprise and Innovation**
Demographics and Migration	Deprivation	Business Base	Broadband and Mobile Connectivity	New Business Formation
Skills and Qualifications	Housing	Employment	Road	Innovation Infrastructure
Labour Market Participation	Economic Geography	Sectors and Sub-Sectors	Rail	Scale-Ups
Income and Wealth	Quality of Life	Clusters and Spatial Mapping	Public Transport	Patents
Productivity		Business Perspectives		
Health and Wellbeing				

Source: Hatch Regeneris, 2019

1.9 Comparator local authorities have been selected to further help benchmark performance and represent areas which are within close geographical proximity, have similar economic characteristics, are high performing and are pursuing ambitious growth strategies. They are:

- **England (National)**
  - **South East of England (Regional)**
  - **Thames Valley Berkshire LEP (Sub-Regional)**
    - **Basildon (Local Authority)**
    - **Crawley (Local Authority)**
    - **Harlow (Local Authority)**
    - **London – Croydon, Ealing, Hounslow (Local Authority)**
    - **Reading (Local Authority)**
    - **Sevenoaks (Local Authority)**
    - **Watford (Local Authority)**

Data Sources

1.10 Data sources are referenced fully throughout and rely upon robust and timely statistical publications to develop a clearer picture of Slough's relative performance. The baseline relies extensively on national datasets, but also seeks to use a broader base of information and intelligence, derived from new, innovative and open data platforms.

2. Policy Review

2.1 This policy review considers those national, sub-regional and local policies that form the background to the development of an inclusive growth strategy for Slough. The key documents are listed in Table 2.1.

Figure 2.1 Key Policy Drivers

Key Policy Drivers	
National	• The UK's Industrial Strategy
Sub-regional	• The Thames Valley Berkshire LEP Strategic Economic Plan • Forthcoming Thames Valley Berkshire Local Industrial Strategy
Local	• Corporate Strategy • Strategic Plan for Growth (2014-2018)

Source: Hatch Regeneris, 2019

2.2 Our analysis shows that since the recession and the introduction of the new approach to national industrial policy, the emphasis from central Government has remained focused on increasing productivity and competitiveness on a sectoral basis. Up to 2014, inclusive growth took a back-seat to economic growth of any variety. With a renewed focus on 'place', a return to 'inclusivity' is rightly being championed by local authorities – especially in the South East.

2.3 The Department for Education designated Opportunity Areas offer a counterpoint to his trend. They are deprived regions with acute educational and employment needs, which have been allocated money and expertise to directly target joblessness and inactivity. A balance of both offers a reasonable view of current economic development policy, seeking to redress long-standing deprivation issues whilst developing new forms of sustainable growth.

2.4 The analysis suggests that 'inclusivity', in the South East at least, will be a policy variable more likely to be pursued by local, rather than regional or national governments.

National Policy

UK's Industrial Strategy

2.5 Released in 2017, The Industrial Strategy represents the Government's long-term plan for boosting Britain's productivity and earning power.

Figure 2.2 Foundations of Productivity

Source: HM Government Industrial Strategy, 2018

2.6 Before the financial crisis, productivity was growing around the historical average of 2% per annum. During the recession productivity fell sharply, reflecting a drop in output relative to the number of hours worked. Productivity has not rebounded as would be expected in an economic recovery.

2.7 In contrast to past industrial strategies that fell back on 'picking winners' and state subsidies - and were heavily criticised for doing so - the Government's approach has been to emphasise the supply side of the economy and the key elements needed to drive economic growth. The Industrial Strategy takes on the hallmarks of different approaches to Industrial Strategy and can be described as a "blended" approach: involving horizontal policies (the foundations), sectoral or more selective policies (sector deals) and mission-based policies (through Grand Challenges).

2.8 A clear message in the Industrial Strategy has been that Government – and local governments and LEPs – have a key role to play in supporting the development and growth of new industries. It also brings the role of place into focus, recognising that productivity outcomes and economic interactions play out in cities, towns and rural communities across the UK.

2.9 As a result, the Thames Valley Berkshire Local Enterprise Partnership (TVBLEP) will be expected to lead a Local Industrial Strategy (LIS) which is sensitive to the nuances of the local economy and proposes tailored policy solutions based on a comprehensive evidence base. This work is well underway, with TVBLEP in the process of consulting on an advanced draft version of a LIS, which seeks to balance the strategic priorities as reflected across Berkshire, with the local distinctiveness and drivers of competitiveness within its constituent local authorities.

2.10 One other notable national policy intervention which is relevant to the wider inclusivity debate is the Department for Education's **Opportunity Area** programme. Opportunity areas are part of the government's national plan for dealing with social mobility through education. The plan - Unlocking Talent, Fulfilling Potential - is a policy paper which sets out to remove obstacles that could stop people from achieving their potential.

2.11 Opportunity Areas only exist in are with severe educational and employment need, and include Blackpool, Bradford, Derby, Doncaster, Fenlands, Hastings, North Yorkshire, Norwich, Ipswich, Oldham, Stoke and West Dorset. These programmes, led by local communities and educationalists, offer some blueprints for inclusivity actions that may be relevant at very local levels and where relative levels of deprivation are less acute.

Existing Sub-Regional Policy

TVBLEP Strategic Economic Plan: Delivering National Growth, Locally

2.12 The LEP's Strategic Economic Plan (SEP) sets out its prospectus for growth covering the entire Thames Valley Berkshire Sub-region which stretches from Newbury in the west to Slough in the east. This is a reflection of economic opportunities, challenges and priorities, prior to the document's eventual replacement by the TVBLEP LIS.

2.13 This cites the importance of delivering a vibrant business community, raising the aspirations of young people and valuing older workers. Crucially, the Plan also outlines key challenges which need to be addressed across the wider sub-region to ensure that all residents are benefitting from the opportunities available to them. The Plan highlights that whilst employment rates in the LEP area are high, many jobs have limited prospects and, in light of increased costs of living, the proportion of residents in in-work poverty is an increasing concern.

2.14 As a response to these challenges, an overarching priority to "secure better access to talented people and bright ideas, and to use both more effectively" was established. This is underpinned by six key objectives:

- **Use better those who are already in the workforce**
- **Inspire the next generation and build aspirations and ambition**
- **Ensure that economic potential is not restricted by labour supply issues**
- **Ensure that knowledge is effectively commercialised and grown within Thames Valley Berkshire**
- **Strengthen networks and invest in the 'soft wiring' to use ideas better**
- **Make Thames Valley Berkshire's towns genuine hubs in the ideas economy**

2.15 This prioritises workplace progression as key for addressing cost of living concerns, with a clear focus on upskilling the workforce with the skills which businesses are seeking, both now and in the future.

TVBLEP Skills Priority Statement

2.16 This was published in 2018 and identified key areas for the prioritisation of investment in order to grow the economy, raise productivity and improve the well-being of residents. It draws on a wide range of published and new evidence, including the views of around 1,300 employers, and is set in the context of a rapidly evolving national skills system.

2.17 Although concentrated on Berkshire, it provides a clear indication of the way the LEP approaches the interaction between growth and skills.

2.18 The document is largely focused on technical skills gaps in STEAM related areas, but it recognised the need to provide enhanced links between young people, schools and employers. However, these were focused largely on the opportunities created by national policy reforms, including the introduction of T-levels and the Apprenticeship Levy.

2.19 In general, the document includes a comprehensive analysis of some of the important issues affecting skills and inclusive growth, but on balance it favours employer demand and economic success over other concerns. This is partly shown by the ordering of skills priorities in its action plan. This sees concerns about in-work poverty, insecure employment and opportunities for NEETs relegated to near the bottom of the page.

Figure 2.3 TVBLEP Skills Priority Statement

Source: TVBLEP, 2019

Local Policy

Slough Borough Council Five-Year Plan (2018-2023): Growing a Place of Opportunity and Ambition

2.20 The Five-Year Plan was launched in 2018, and focused and five key outcomes, each with 3 performance measures. These are shown in Table 2.1 below:

Table 2.1 Five-Year Plan: Outcomes and Measures

Outcomes	Measures
• Slough children will grow up to be happy, healthy and successful	The gap between disadvantaged children and all others at Early Years, Foundation Stage, KS 2 and KS4
	Young people not in education, employment or training (NEETs)
	Percentage of Child Protection Plans started that were repeat plans
• Our people will be healthier and manage their own care needs	Number of adults managing their care and support via a direct payment
	Uptake of targeted health checks
	Number of people active
• Slough will be an attractive place where people choose to live, work and stay	Level of street cleanliness
	Crime rates per 1,000 population
	Residents' perception survey
• Our residents will live in good quality homes	Number of households in temporary accommodation
	Number of homes built (annual)
	Number of licensed mandatory HMOs

• Slough will attract, retain and grow businesses and investment to provide opportunities for our residents	Business rate income Access to employment Journey times

Source: Slough Borough Council, 2018

2.21 The plan commits the Borough to the creation of new jobs, providing an attractive place for business relocation through infrastructure improvements such as good transport connections and communications networks. There is also a commitment to help residents develop their skills to meet local employers' needs; and deliver a Local Plan that supported economic growth; and maximised opportunities for local people from an expanded Heathrow Airport. Alongside all these key actions was the ambition to regenerate the town centre that so that it appealed to residents, businesses and visitors.

2.22 This plan supersedes the Slough Borough Council Strategic Plan for Growth (2014-18). This was a 33 page policy documents and evidence base that set three overarching priorities for economic growth. These were:

- **A Competitive Workforce**
- **Business Generation, Retention and Inward Investment**
- **Physical and Transport Infrastructure**

2.23 There is a clear and recurring narrative reflected throughout local policy development that Slough has a problem with a mis-match between jobs and opportunities for local people. This was recognised even as the Borough recovered from the recession, and several rounds of policy reform from central Government seems to have done little to relieve pressures or concerns.

Implications: Delivering inclusive growth in Slough…

The evidence presented in this chapter provides a valuable framework from which to 'hook' a new Slough Inclusive Growth Strategy from, giving a new strategic direction greater impetus and momentum:

- **The prevailing economic growth policy direction is one which looks at a broader base of the factors that drive successful economies and will be the basis for Slough's future competitiveness.**
- **The UK Industrial Strategy is the foundation for making a clear national policy alignment with local priorities, setting out a framework from which local characteristics and distinctiveness should be the basis for national competitive advantages and sustained prosperity.**
- **The LEP is a key driver of sub-regional policy and sets an ambitious agenda which informs how funding will be allocated for economic development and skills related projects, with clear opportunities to work on common areas of interest.**
- **The Council is in the midst of organisational change, which is leading towards new operating models, an emphasis on being data-driven and shaping a holistic approach to delivering inclusive outcomes, providing a strong foundation from which to implement an authority-wide approach.**

3. People

3.1 Assessing the characteristics of Slough's population is critical to understand the human factors that underpin the Borough's economic performance. We have supplemented the headline indicators of economic growth with analysis of the distribution of prosperity and the impact this is having on Slough's residents.

Key findings:

- Slough's population has grown faster than the sub-regional and national averages and retains a high proportion of people at working age, providing an active workforce to drive sustained economic growth
- Slough performs well in terms of GCSE and A-Level attainment; however, the Borough has a lower proportion of degree educated residents than the sub-regional average
- Slough has high levels of productivity, with significantly higher GVA per worker than sub-regional and national averages
- Whilst Slough has a high proportion of economically active residents, economic inactivity is more concentrated amongst ethnic minorities
- Slough's residents earn less on average than the Borough's workers suggesting that local people may not always be benefitting from the growth created
- A significant proportion of residents may currently be in employment which is either insecure or pays below the Living Wage Foundation's Real Living Wage
- Slough is considered a 'hotspot' for social mobility, with young people from disadvantaged backgrounds having greater opportunities to improve social mobility compared to other parts of England
- Health outcomes for residents are poor which could be affecting life chances and hindering participation in the labour market.

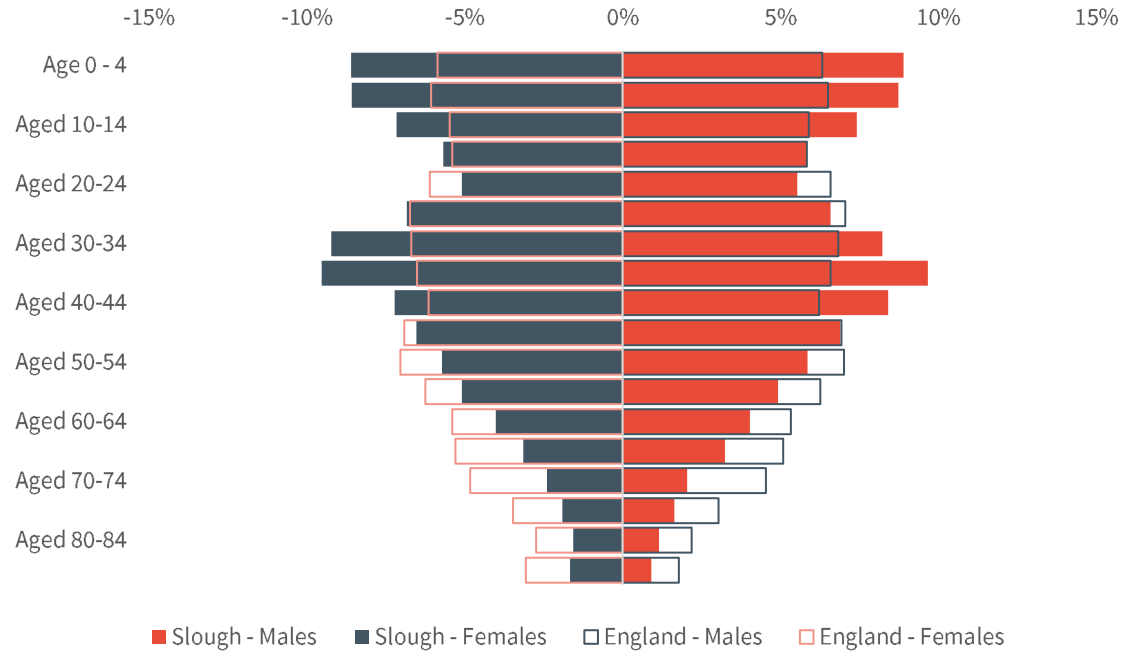
Demographics and Migration

3.2 Slough has a young, growing population and has a strong reliance on migrant labour.

3.3 The complimentary ***Slough Employment and Skills Study Evidence Base*** performed a detailed analysis of population demographics and migration in Slough. It found that:

- Slough's population is relatively younger than England as a whole, and is significantly more ethnically diverse
- Future growth in Slough is expected to occur in line with the TVBLEP area, but at a marginally lower rate than England
- In future years, Slough's working age population is expected to decrease, while its older population increases, indicating an increased dependency ratio.
- Slough currently has a strong reliance on migrant labour, absorbing a significant level of both internal and international migration to the LEP area.

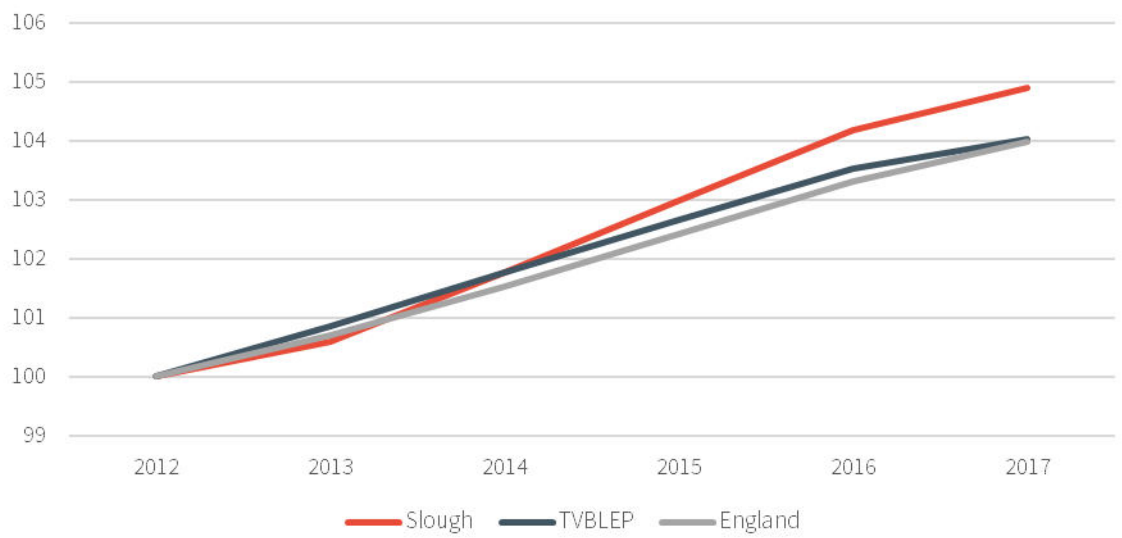
Figure 3.1 Slough Population Pyramid (2017)



Source: ONS, Mid-Year Population Estimates, 2017

3.4 Slough is currently home to 148,000 people and has grown by 5% since 2012. This represents a faster growth than the TVBLEP area (4%) and England (4%) averages.

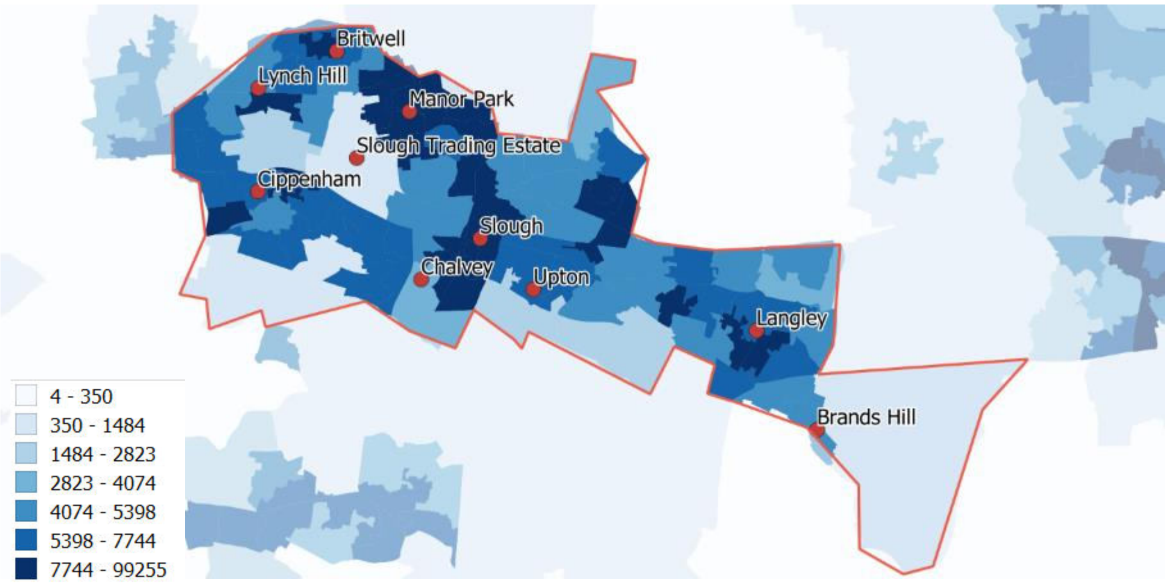
Figure 3.2 Population Growth (2012-2017)



Source: ONS, Population Estimates, 2018

3.5 Slough's population is more densely concentrated towards the centre of the Borough. The town centre and Manor Park have high population densities, whereas more suburban areas such as Chalvey and Lynch Hill have lower population densities. This distribution of population is subject to change as the Borough undergoes future regeneration, with densification a key component of growth proposals.

Figure 3.3 Population Density Per Km² In Slough



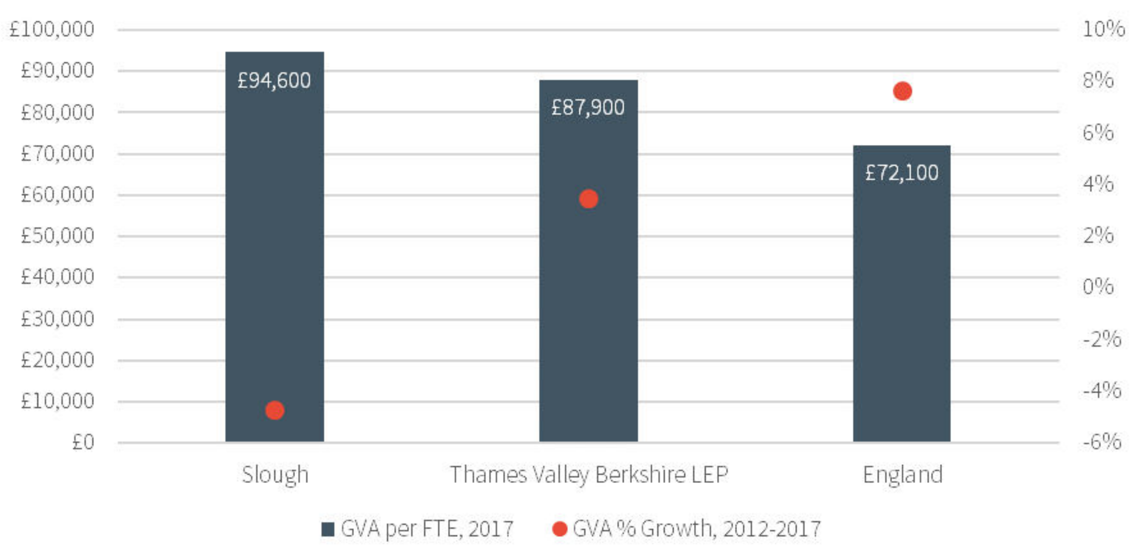
Source: ONS, Mid-Year Population Estimates, 2017

Productivity

3.6 Slough is one of the most productive areas in the UK – a fact reinforced over time and through the publication of complementary research (i.e. Centre for Cities).

3.7 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%).

Figure 3.4 GVA Per FTE and GVA Growth (2015-17)



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

Skills and Qualifications

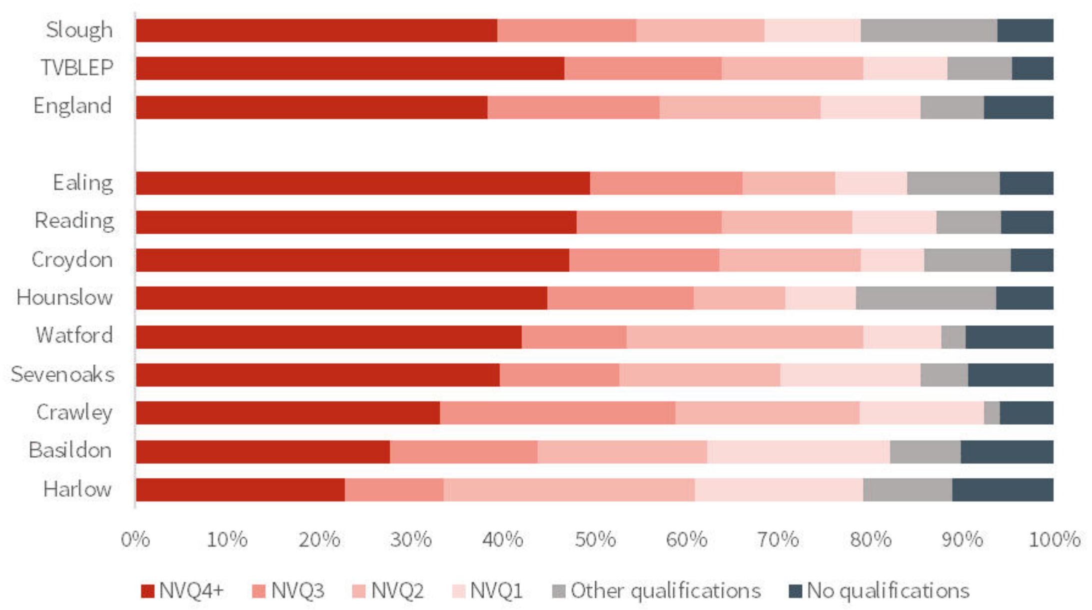
3.8 Slough has above average secondary school attainment and a qualification profile which broadly reflects the England average.

3.9 A comprehensive breakdown of Slough's skills and qualifications profile can be found in the ***Employment and Skills Study Evidence Base***. This showed that:

- Over a third (34%) Slough's young people are in full time education, however this has fallen by 12% since 2012
- Circa 25% more people in Slough participated in Further Education in 2017/18 compared with 2014/15
- Approximately 81% of students achieve at least two A Levels compared with 79% nationally
- Slough performs better than the national average in terms of GCSE attainment, however performance has fallen since reforms to GCSEs in 2015
- 3% of Slough residents are Not in Education, Employment or Training (NEET) which is significantly less than the TVBLEP average (10%)

3.10 Compared to the England average, Slough has a marginally higher proportion of working age residents with an NVQ4+ qualification, and a lower proportion with no qualifications. However, this is less than the TVBLEP average, suggesting that there could be a large proportion of residents unable to access higher value employment in the Borough.

Figure 3.5 Qualification Breakdown (2017)



Source: ONS, Annual Population Survey, 2017

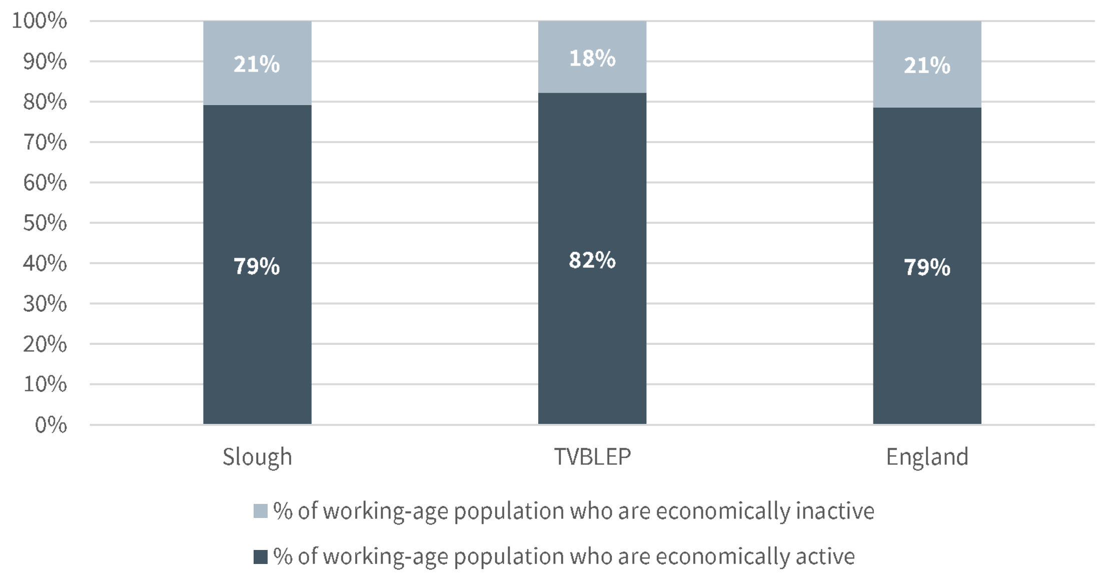
Labour Market Participation

3.11 Economic activity in Slough is increasing, however economic inactivity is higher amongst ethnic minorities.

3.12 The ***Slough Employment and Skills Evidence Base*** found that 79% of Slough's working age population is economically active (those who are currently in employment or seeking work). This is representative of England as a whole, but lower than in TVBLEP (82%).

3.13 The most commonly cited reasons for economic inactivity are looking after the family home (38%) and educational studies (25%). The proportion of Slough residents looking after the family home is considerably higher than that of the England average (25.3%).

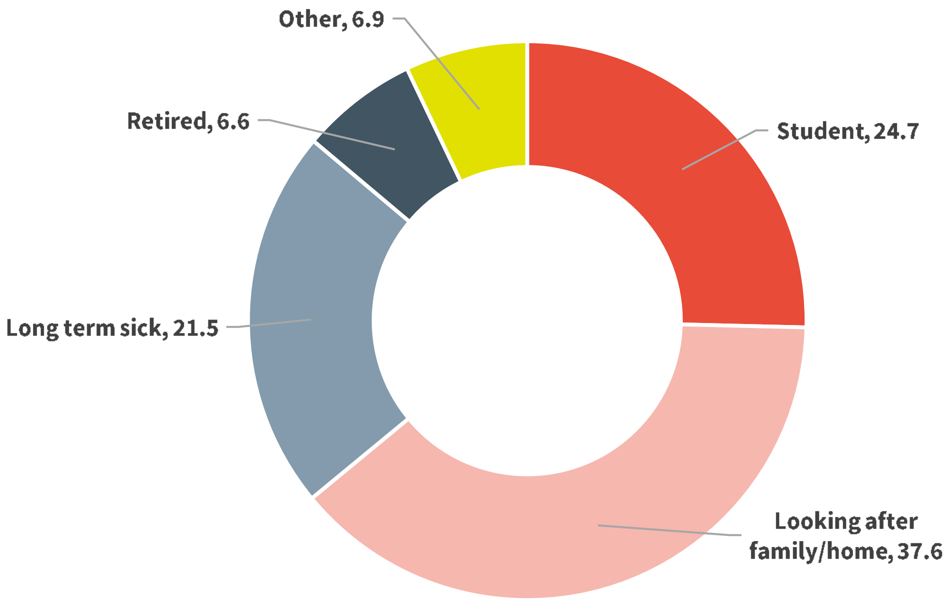
Figure 3.6 Economic Activity and Inactivity Rates (2017)



Source: ONs, Annual Population Survey, 2017

3.14 Furthermore, there are an additional 6.9% of Slough residents who fall within the 'other' category. This indicates that there could be a significant proportion of people who are long-term unemployed and could be encouraged back into the labour market through more diverse and flexible employment opportunities.

Figure 3.7 Reasons For Economic Inactivity (2017)



Source: Annual Population Survey, 2017

3.15 Slough performs worse than the LEP area average in terms of economic participation. Economic activity in the Thames Valley LEP area is 3% greater than the Slough and national averages. Additionally, Slough has a marginally higher level of employment (76%) than the England average (75%), but a lower level than TVBLEP (80%). Whilst unemployment in Slough is also relatively low (4%) compared to the England average (5%), it is above the TVBLEP average (3%).

3.16 Despite this, the proportion of people in employment has grown at a faster rate in Slough (7%) since 2012 than in the wider comparator areas (4% in both TVBLEP and England).

Figure 3.8 Employment and Economic Inactivity (16-64 year olds) (2017)

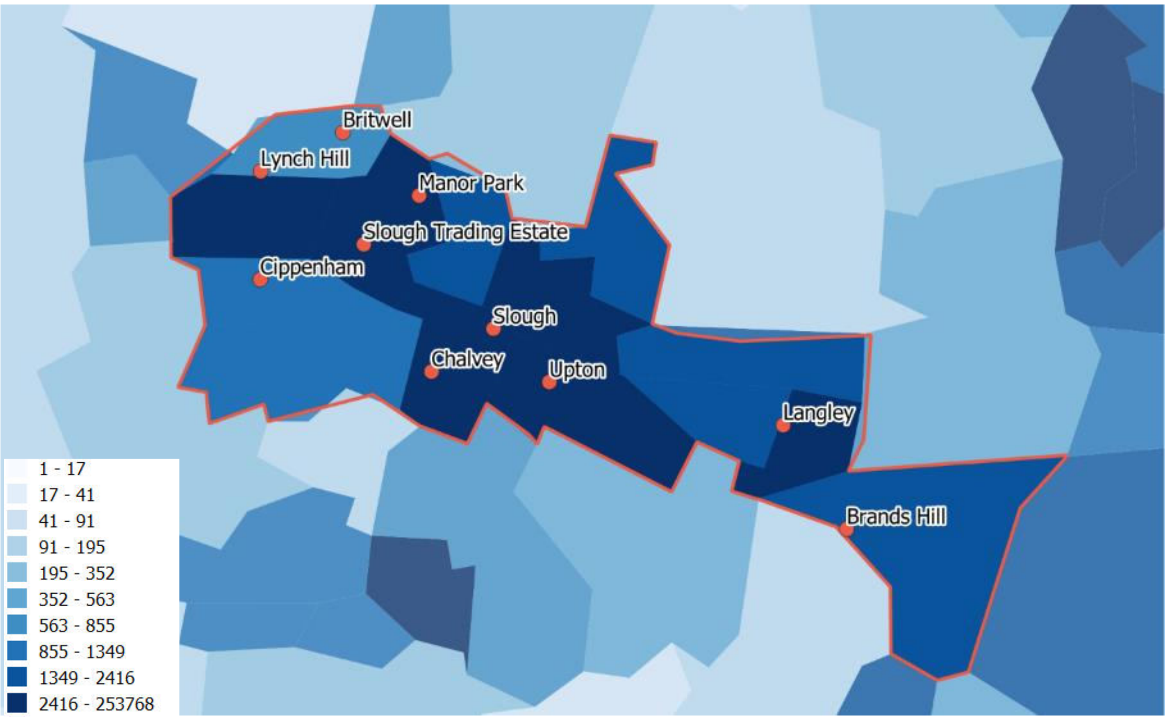
Area	Economic activity rate	Economically active who do not want a job	Employment rate	Unemployment rate
Slough	79%	78%	76%	4%
TVBLEP	82%	82%	80%	3%
England	79%	77%	75%	5%

Source: ONS, Annual Population Survey, 2017

3.17 Employment is concentrated in certain areas of the Borough. Slough Town Centre, Slough Trading Estate, Poyle Trading Estate, Chalvey, Upton, Langley and Manor Park are the Borough's most mature employment destinations – expected given these are the Borough's most identifiable commercial and retail hubs. In some cases, the close proximity of these areas to one another and delineation of neighbourhoods within the map means that there may be 'spillover' of economic activity into surrounding areas.

3.18 Britwell, Cippenham, Brands Hill, and Lynch Hill are all more suburban and residential in character, explaining why they have lower employment numbers per square kilometre.

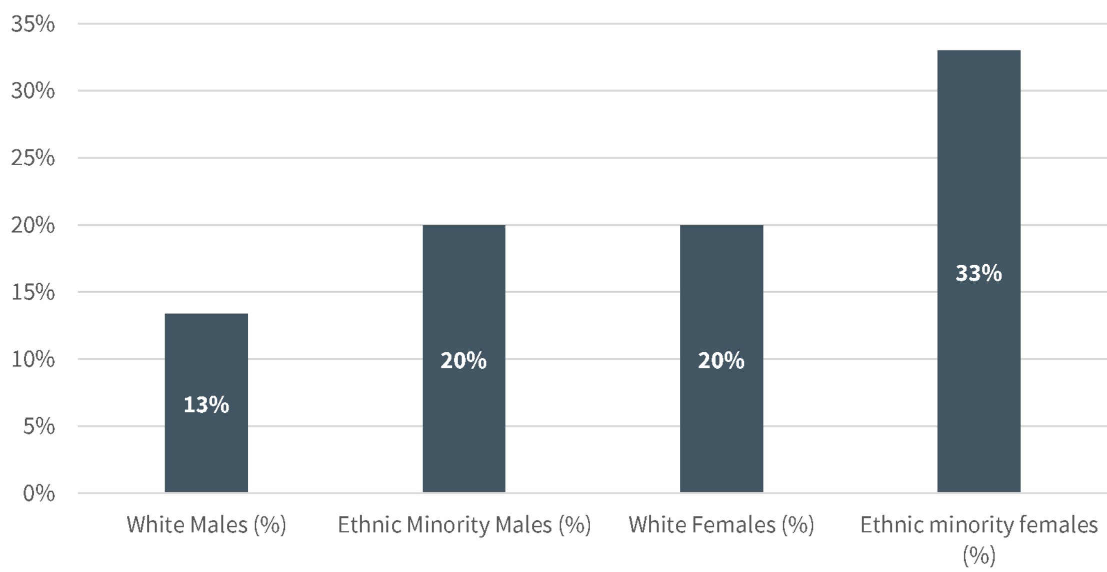
Figure 3.9 Employment Density (per km²)



Source: ONS, BRES, 2017

3.19 Economic inactivity is higher amongst specific demographics within the Borough. Whilst around one in five (20%) white females in Slough are economically inactive, this rises to one in three (33%) amongst ethnic minority females. Similarly, the proportion of economically inactive white males (13%) is significantly lower than the proportion of ethnic minority males (20%).

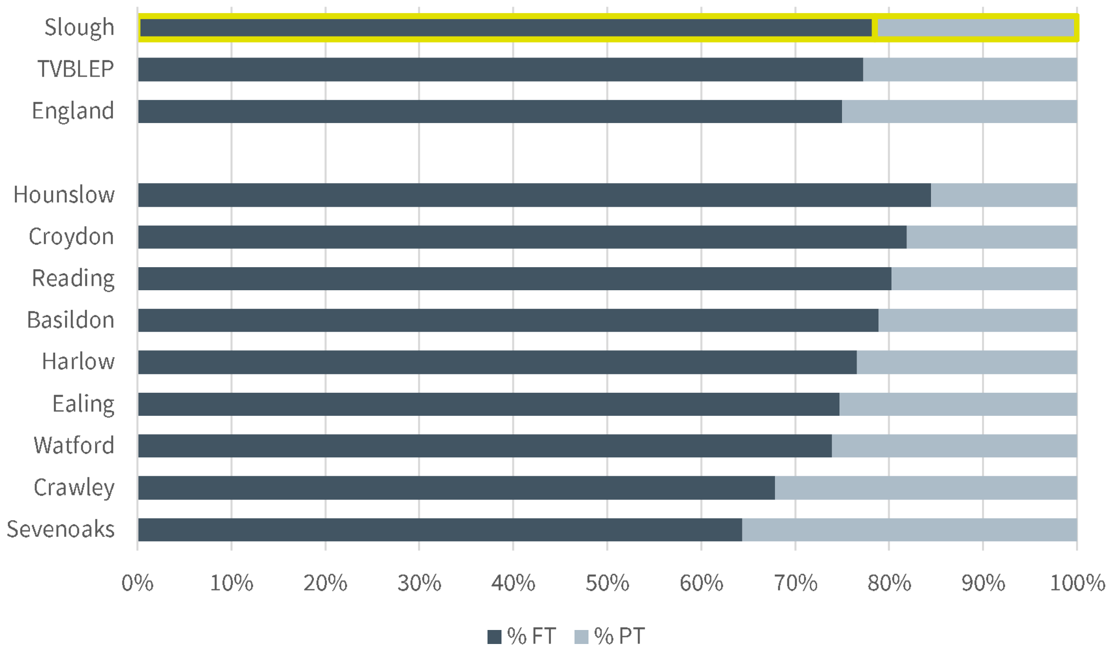
Figure 3.10 Economic Inactivity By Ethnicity in Slough (2018)



Source: ONS, Annual Population Survey, 2018

3.20 A high proportion of Slough's residents are in full-time employment (considered to be 35 hours or more per-week). 78% of Slough residents in employment are in full-time work which is higher than both the England (75%) and TVBLEP (77%) averages.

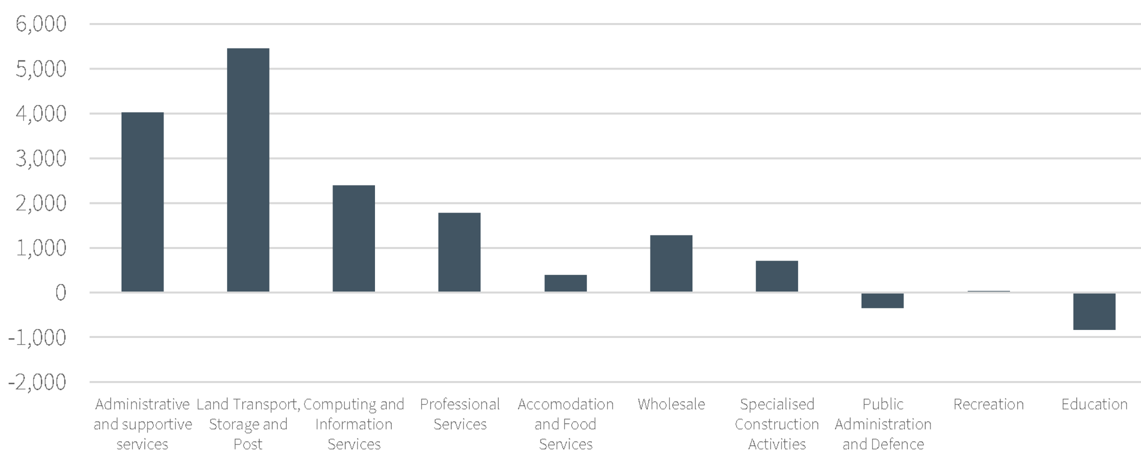
Figure 3.11 Proportion of residents in employment working full-time and part time (2017)



Source: ONS, Annual Population Survey, 2017

3.21 To inform the Eastern Berkshire Functional Economic Market Area (FEMA) study, Cambridge Econometrics undertook employment projections to assess the Borough's growing and declining sectors. This used historical business growth data within Slough relative to the region or UK on an industry-by-industry bases and projects these trends into the future.

Figure 3.12 Highest Growing and Declining Sectors By Number of Jobs in Slough (2013-2036)



Source: Eastern Berkshire FEMA , Cambridge Econometrics, 2013 / NLP analysis

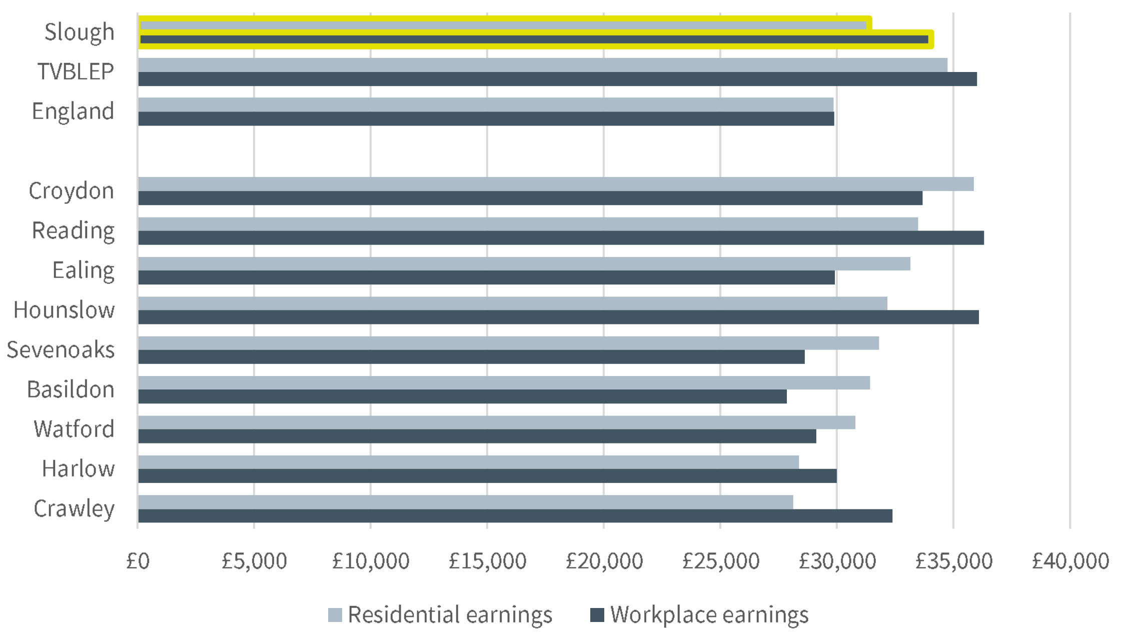
3.22 Projecting up to 2036, it was forecasted that the Land, Transport, Storage and Post sector would absorb the most jobs (5,465) over the twenty-year period. Alternatively, there would be less people working in Public Administration and Defence (-350) and Education sectors (-840).

Income and Wealth

3.23 Slough's residents are earning less than people who work in the Borough and a significant proportion of residents are likely to be in insecure employment.

3.24 The ***Slough Employment and Skills Study Evidence Base*** found that the average Slough resident earns almost £31,400 per annum. This is higher than the national average but lower than that of TVBLEP.

Figure 3.13 Resident and Place of Work Earnings (2018)



Source: Annual Population Survey, 2018

3.25 Workers employed in Slough earn a median wage of £34,000 which is £3,600 higher than median resident earnings. Despite this, there is evidence to suggest that this gap is narrowing. Residential earnings in Slough increased by 12% between 2013 and 2018, whereas workplace growth only increased by 3%.

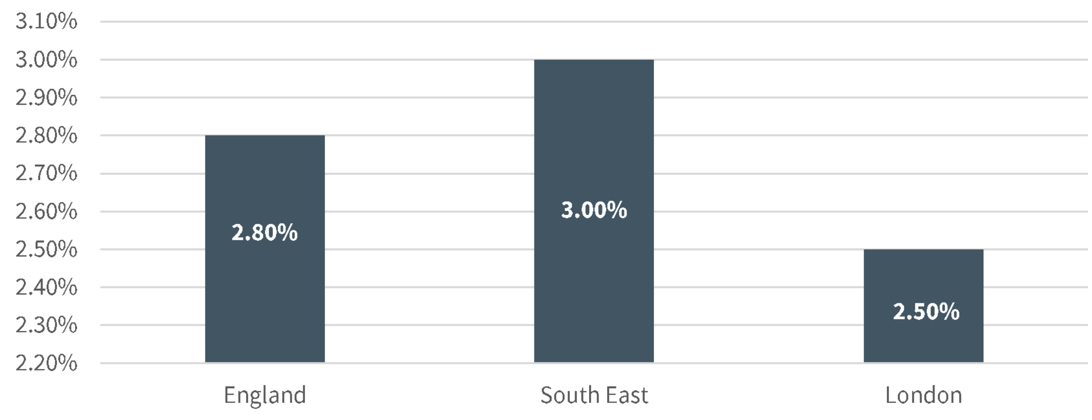
Figure 3.14 Growth in Resident Versus Place of Work Earnings (2013-2018)

Area	Growth in residential earnings	Growth in workplace earnings
Slough	12%	3%
TVBLEP	9%	9%
England	9%	9%

Source: ONS, Annual Population Survey, 2018

3.26 Whilst residential earnings in Slough have increased in recent years, there could still be a significant number of residents in insecure employment. In the South East region, 3% of the workforce are employed on zero hours contracts.

Figure 3.15 Zero Hours Contract by Region (2017)

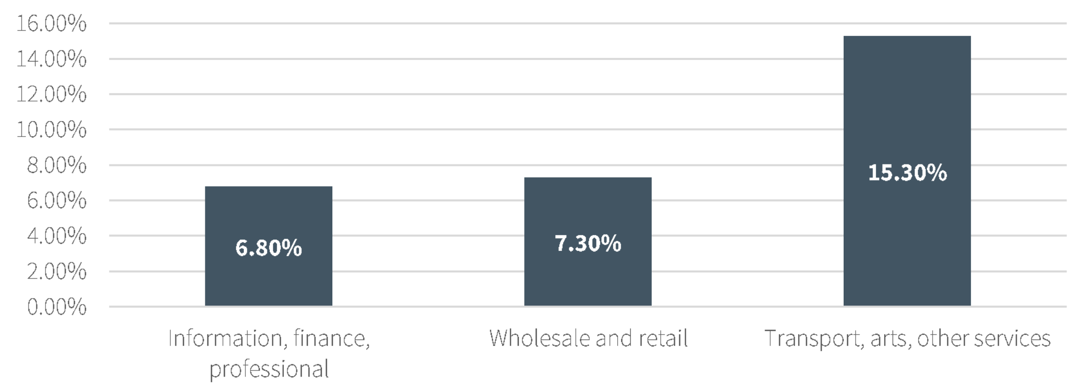


Source: ONS, Labour Force Survey, 2017

3.27 Although the data does not provide enough granularity to assess the proportion of zero hours contracts in Slough, it is possible to look at national and regional trends to understand how prevalent the use of zero hours contracts is amongst certain industries.

Slough's three largest industrial groups account for 29% of zero-hour contracts across all industries; with Transport, Arts and Other Services accounting for 15.3% of total zero hour contracts. This indicates that there could be a significant proportion of people working within these industries in the Borough who are currently in insecure employment.

Figure 3.16 Zero Hours Contracts By Industry, Showing Industries Relevant to Slough (2017)

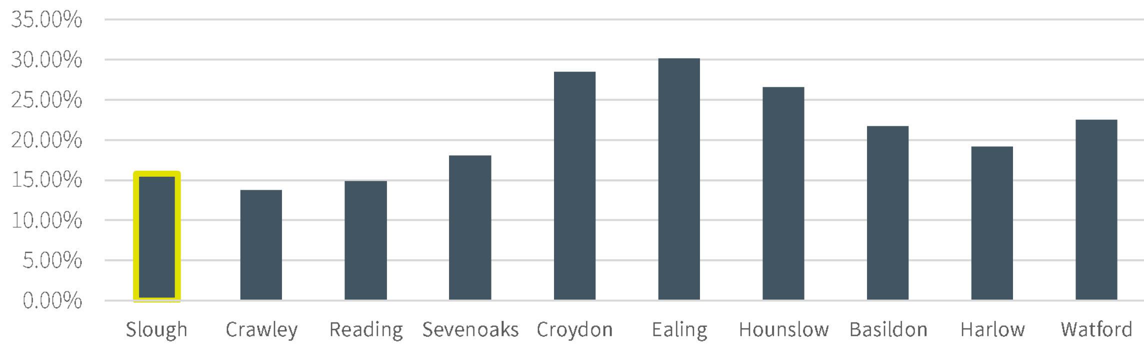


Source: ONS, Labour Force Survey, 2017

3.28 Zero-hour contract data can be supplemented by assessing the proportion of 'good jobs' within Slough to understand the inclusivity of employment growth and the quality of employment. The New Economics Foundation defines good jobs as "people employed in permanent jobs, or voluntarily in temporary jobs, or in self-employment who earn the Living Wage (as calculated by the Living Wage Foundation)".[1]

[1] The New Economics Foundation: https://neweconomics.org/2017/08/bad_jobs

Figure 3.17 % of Employee Jobs Earning Below Living Wage Foundation Rates Estimates (2018)



Source: ONS, ASHE, 2018

3.29 The ONS produces estimates on the proportion of people earning less than the Living Wage at a local authority level. In 2018, the Living Wage (as set by the Living Wage Foundation) was £10.20 for people working in London and £8.75 for the rest of the UK. The data shows that despite performing well against (mainly London Borough) comparators, it is estimated that around 15.8% of Slough residents are earning less than the Living Wage – a key driver of productivity and inclusive growth outcomes.

Social Mobility

3.30 Social mobility in Slough is high with the most prevalent barriers to social mobility occurring during early years. This paints a reasonably positive picture of resident prospects.

3.31 The Social Mobility Commission (SMC) was established in 2016 as an independent statutory body which monitors social mobility in the United Kingdom. The SMC undertakes research to monitor progress towards improvements and barriers to social mobility.

3.32 The 'Social mobility in Great Britain – state of the nation 2018 to 2019' report highlighted that inequality in Britain is deeply entrenched from birth to work, with the SMC recommending urgent action to tackle the privilege gap. This showed that those born into privileged families are likely to remain privileged, whereas those from disadvantaged backgrounds are more likely face barriers to improve their social mobility.

3.33 In 2017, the SMC produced the Social Mobility Index which analysed the impact that location has on social mobility. This assesses four different life stages (from early years through to adulthood) with each stage comprising different social mobility indicators to assess upward social mobility of disadvantaged young people.

Figure 3.18 Social Mobility Index Key Measures

	Local Authority	Overall Ranking	Early Years LA Rank	Schools LA rank	Youth LA Rank	Adulthood LA rank
Hotspots	Ealing	10th	39th	18th	5th	291st
	Hounslow	16th	155th	16th	9th	209th
	Croydon	40th	133rd	73rd	20th	190th
	Slough	**45th**	**266th**	**44th**	**18th**	**142nd**
	Sevenoaks	74th	24th	110th	226th	67th
	Watford	77th	246th	114th	53rd	58th
	Harlow	117th	113th	52nd	177th	225th
	Basildon	181st	119th	197th	211th	152nd
	Reading	217th	165th	303rd	158th	68th
Cold spots	Crawley	304th	109th	318th	298th	165th

Source: Social Mobility Index, 2017

3.34 Slough is a social mobility hotspot, meaning that it ranks within the highest performing 20% of Local Authority areas nationally. Slough's best performing life stage is youth performance, ranking 18th highest nationally. The Youth life phase combines indicators assessing post-16 destinations including: the proportion of disadvantaged young people who dropped out of education and work after GCSEs, attained A-Level equivalent qualifications, progressed to HE and to the most selective universities.

3.35 Conversely, Slough performs poorly in terms of early years social mobility (266th out of 324 local authorities). This considers two indicators: the quality of nursery education received by low income families and the early development outcomes they achieve.

Health and Wellbeing

3.36 Slough performs poorly against a range of health and wellbeing indicators which could be limiting labour market participation by healthy and productive workers.

3.37 Public Health England's 2018 annual report reinforces the link between health and prosperity[2], suggesting that a decent income is the primary determinant of an individual's health outcome.

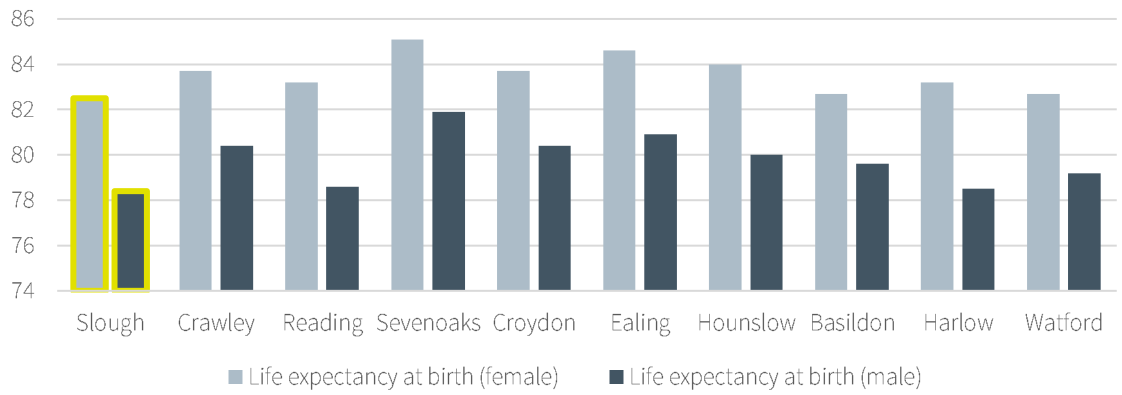
[2] PHE Annual Report (2017/18) : https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/725090/PHE_Annual_Report_2017_2018.pdf

Consequently, there are clear synergies between improving the health of residents and delivering inclusive economic growth.

3.38 Overall, Slough performs poorly in terms of a range of indicators relating to Health. Public Health England profile local authority resident health outcomes. This allows local authority, regional and national comparison to highlight geographic inequalities for a range of established health indicators.

3.39 Slough has a lower life expectancy at birth than all other comparator Local Authority areas. Life expectancy at birth for females in Slough is currently 82.5, whereas for males this drops to 78.4. This is significantly lower than comparator areas such as Sevenoaks, where on average women live 2.6 years longer than in Slough and men live for an additional 3.5 years.

Figure 3.19 Life Expectancy at Birth (2019)

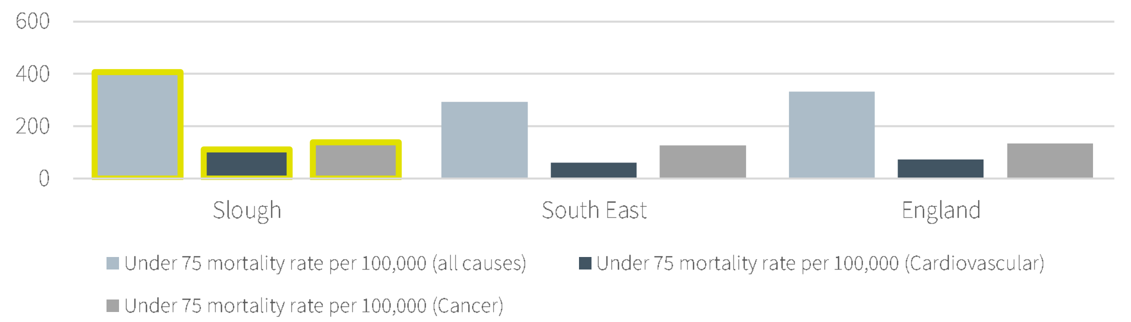


Source: Public Health England, 2019

3.40 Slough also has a higher mortality rate than the regional and England averages for residents aged under 75. In Slough, 400 residents per 100,000 die from all causes compared with 294 in the South East and 332 in England. This disparity is particularly acute for mortality relating cardiovascular ill health. In 2019, 111.3 Slough residents per 100,000 died before they reached 75 due to cardiovascular ill health compared with 59.9 in the South East and 72.5 in England as a whole.

3.41 Additionally, under 75 cancer-related mortality in Slough is higher than the regional and national averages. Whilst not as pronounced as cardiovascular mortality, in Slough, 138.6 per 100,000 died in 2019 from cancer under the age of 75 compared with 125.9 in the South East and 134.6 in England as a whole.

Figure 3.20 Under 75 Mortality Rate By Cause (2019)

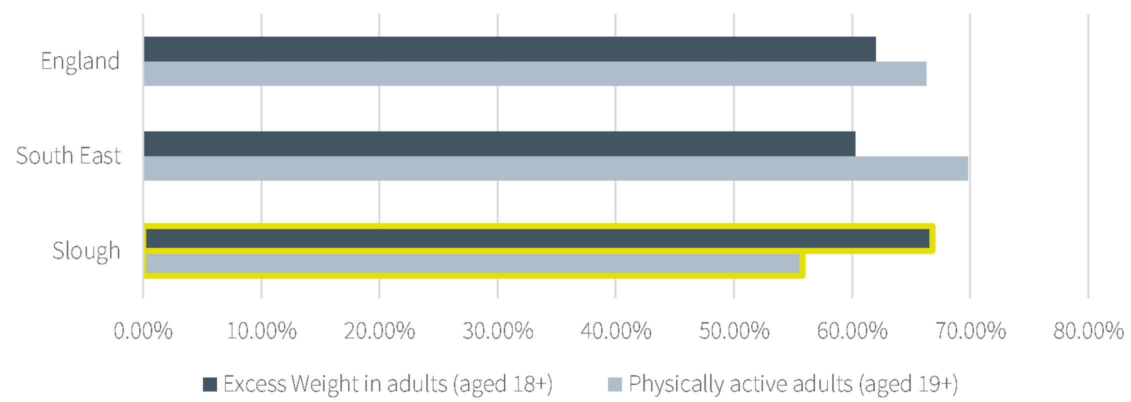


Source: Public Health England, 2019

3.42 Slough's residents are less active than the national and regional averages. Just over half (55.8%) of Slough's residents are physically active compared with 69.80% in the South East and 66.3% in England. 'Physically active' is defined as undertaking "at least 150 moderate intensity equivalent (MIE) minutes physical activity per week in bouts of 10 minutes or more". Inactivity could be contributing Slough's high cardiovascular mortality rates as people with a physically active lifestyle have a 20-35% lower risk of cardiovascular and coronary heart disease and stroke compared to those who have a more sedentary lifestyle.[3]

3.43 Over two thirds (66.8%) of Slough adults are classified to have "excess weight" which is higher than the South East (60.30%) and the England (62%) averages. Excess weight is a combination of overweight (BMI 25+) and obesity (BMI 30+) measures.

Figure 3.21 Excess Weight and Physical Activity Rates (2017/2018)

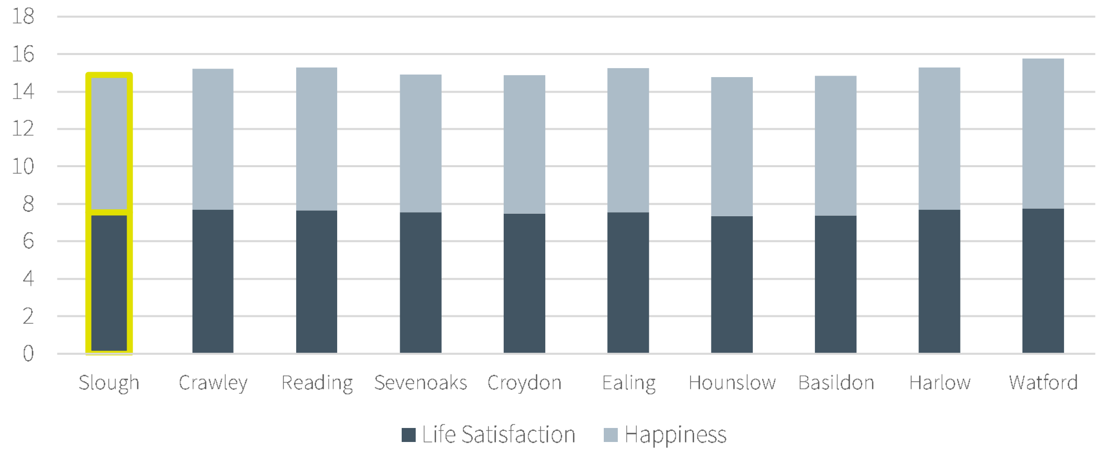


Source: Public Health England, 2019

3.44 The Office for National Statistics also undertakes qualitative surveying of well-being across England asking people to rank various measures of well-being on a scale of 0 to 10. Slough performs similarly to other comparator areas in terms of both life satisfaction (7.55 out of 10) and happiness (7.34 out of 10).

[3] PHE: Public Health Profiles (2019) https://fingertips.phe.org.uk/search/active#page/6/gid/1/pat/6/par/E12000008/ati/102/are/E06000039/iid/93014/age/298/sex/4

Figure 3.22 Personal Well-being (2017/18)



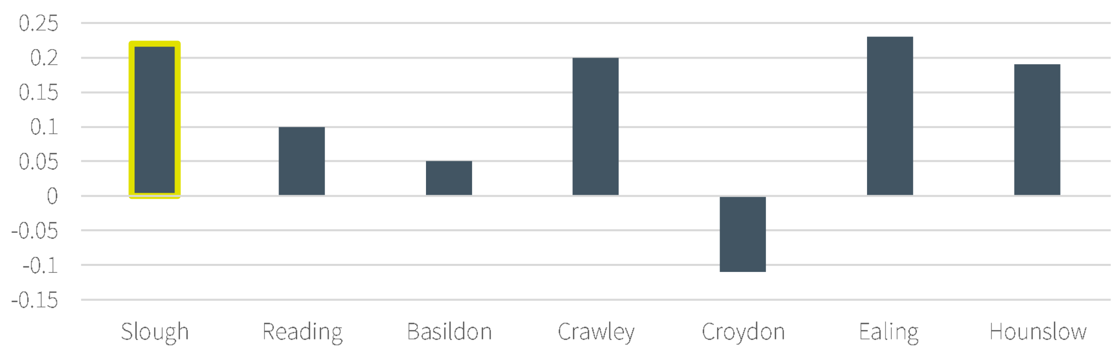
Source: ONS, 2018

3.45 The What Works Centre for Wellbeing and the New Economics Foundation have analysed wellbeing inequality in the UK using the ONS's Annual Population Survey. From this, it is possible to assess how certain inequality characteristics (such as education levels) are influencing resident's wellbeing.

3.46 Education levels in Slough have a high impact on levels of wellbeing, with those who are more educated having higher levels of wellbeing on average. The chart below shows the weighted average of measures across all four questions of wellbeing, assessing the difference in wellbeing between respondents who have some form of higher education (either a degree or vocational study) versus those whose highest qualification is GCSE level or lower.

3.47 In Slough, more highly qualified residents report a 0.22 higher wellbeing average than its lowest qualified residents. The only comparator area where well-being inequality is more extreme is Ealing (0.23). Conversely, Croydon where those with lower qualifications report higher levels of wellbeing (-0.11).

Figure 3.23 Average Difference in Well-Being Between High and Low Qualified Residents Across All Measures of Well-Being (2012-2015)*



Source: Abdallah, S., Wheatley, H. and Quick, A. (2017) Wellbeing inequality measures. London: What Works Centre for Wellbeing/New Economics Foundation.

* Please note that data was not available for Basildon, Harlow, Watford, Sevenoaks and Crawley

Implications: Delivering inclusive growth in Slough…

The evidence presented in this chapter has implications for ensuring that all residents are equipped to benefit from economic growth. The baseline evidence has revealed several ‘people’ factors which are affecting the inclusivity of Slough’s recent growth:

- **Economic inactivity is more highly concentrated amongst ethnic minorities (especially women) affecting the diversity of labour market participation.**
- **A significant proportion of residents could be in employment which is either insecure or fails to pay a living wage.**
- **Social mobility is low at the early years’ life stage meaning that lower income families may not have access to good nursery provision and early development outcomes may not be as good as children from more affluent families.**
- **Slough’s poor health outcomes may be affecting participation in the labour market and those with lower education levels are also likely to influence resident well-being.**

4. Place

4.1 This chapter considers the spatial, physical and environmental factors shaping Slough and affecting its desirability as a place to live, work and learn.

Key findings:

- Whilst Slough scores well across a range of quality of life measures, the quality of the local environment is low by national standards.
- Although Slough is less deprived than in 2010, it is still one of the most deprived areas in the country for crime and barriers to housing and services.
- House prices have risen rapidly in the Borough, making buying a house increasingly unaffordable, particularly for local residents.
- Slough's retail and industrial market is a mixed picture, characterised by low vacancy rates but lagging in overall competitiveness when considering its retail credentials.
- The cost of commercial space is increasing significantly, with prices consistently higher than the regional and sub-regional averages.
- Slough's office market performs worse than the regional and sub-regional averages overall and has consistently high vacancy rates over the past 5 years, but it has areas which continue to be attractive to inward investors, especially Slough Trading Estate.
- Whilst Slough has a large catchment and much of the commuting flows to adjacent local authorities and locations within the wider Berkshire sub-region, it retains strong links to west London and Heathrow.

Quality of Living Environment

4.2 Some aspects of Slough's living environment are poor, and this could be affecting resident's health. The Thriving Places Index, developed by Happy City, measures conditions for local wellbeing using a range of government-approved datasets. The Index is comprised of the following three overarching headline domains:

- **Sustainability** – this assesses consumption, recycling, land use, emissions and renewable usage factors
- **Equality** – this assesses place, community, health, economy and educational factors
- **Local Conditions** -- this assesses health and wellbeing, employment, income and social factors

4.3 Across all three domains, Slough performs well against comparator areas. Slough's best performing domain is equality, which includes:

- **Income inequality** – overall: this assesses the 80/20 percentile difference
- **Income inequality** – gender: this assesses gender pay gap by workplace location
- **Social mobility** – this uses the Social Mobility Index referenced in the previous chapter

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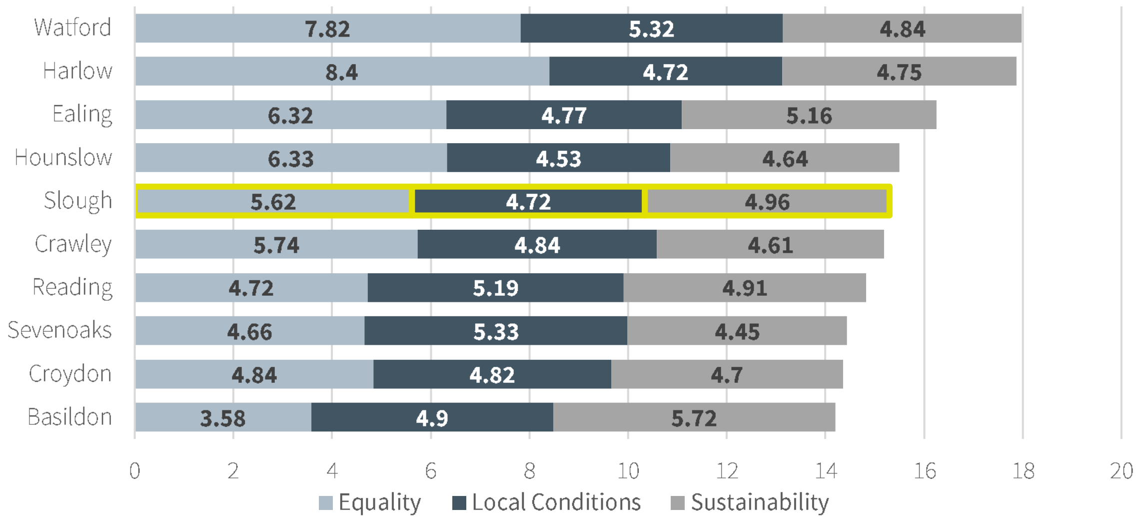
Figure 4.1 Thriving Places Scorecard (Overall Headline Scores)



Source: Thriving Places Index, 2019

4.4 Despite a strong overall score, Slough scores poorly (3.41) for the local environment sub-domain. This overall score is an aggregate measure of the amount of green space, air pollution and noise pollution in the Borough. With the exception of Hounslow (2.32), Slough ranks lower (3.41) than all other comparator areas for this sub-domain.

Figure 4.2 Thriving Places (Place and Environment Domain)

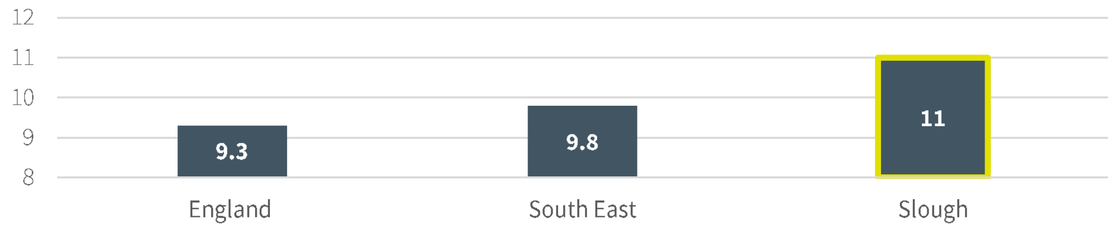
	Local Environment	Transport	Safety	Housing
Slough	**3.41**	**5.19**	**5.30**	**5.07**
Sevenoaks	5.20	3.97	5.71	5.38
Watford	4.74	5.79	5.18	4.69
Reading	4.01	6.41	5.24	5.26
Crawley	4.95	4.95	4.71	5.59
Basildon	5.03	4.94	4.89	5.57
Croydon	4.43	5.83	3.36	4.44
Ealing	3.66	5.74	5.04	4.00
Harlow	5.20	4.99	5.18	5.05
Hounslow	2.32	5.26	4.17	4.88

Low Medium High

Source: Thriving Places Index, 2019

4.5 Slough ranks within the worst quintile in England for air pollution. Public Health England states that poor air quality represents a significant public health concern due to its contributory role in all-cause mortality rates.[4] The Department for Environment, Food and Rural Affairs (DEFRA) measures the concentration of human-made particulate matter at a local authority level. Fine particulate matter in Slough (11 µg/m3) is 12% higher than the South East average (9.8 µg/m3) and 18% higher than the England average (9.3 µg/m3). Given the Borough's close proximity to the motorway network, major A roads and Heathrow, this is, perhaps, unsurprising.

Figure 4.3 Air Pollution: Fine Particulate Matter, Micrograms Per Cubic Metre (µg/m3) (2016)



Source: DEFRA, 2016

Deprivation

4.6 There are pockets of severe deprivation in the Borough and Slough is one of the most deprived local authorities in the country in terms of crime.

4.7 The Indices of Multiple Deprivation (IMD) is the official measure of relative and collective deprivation for neighbourhoods in England. The IMD represents the overall relative measure which combines the following measures according to their respective weights:

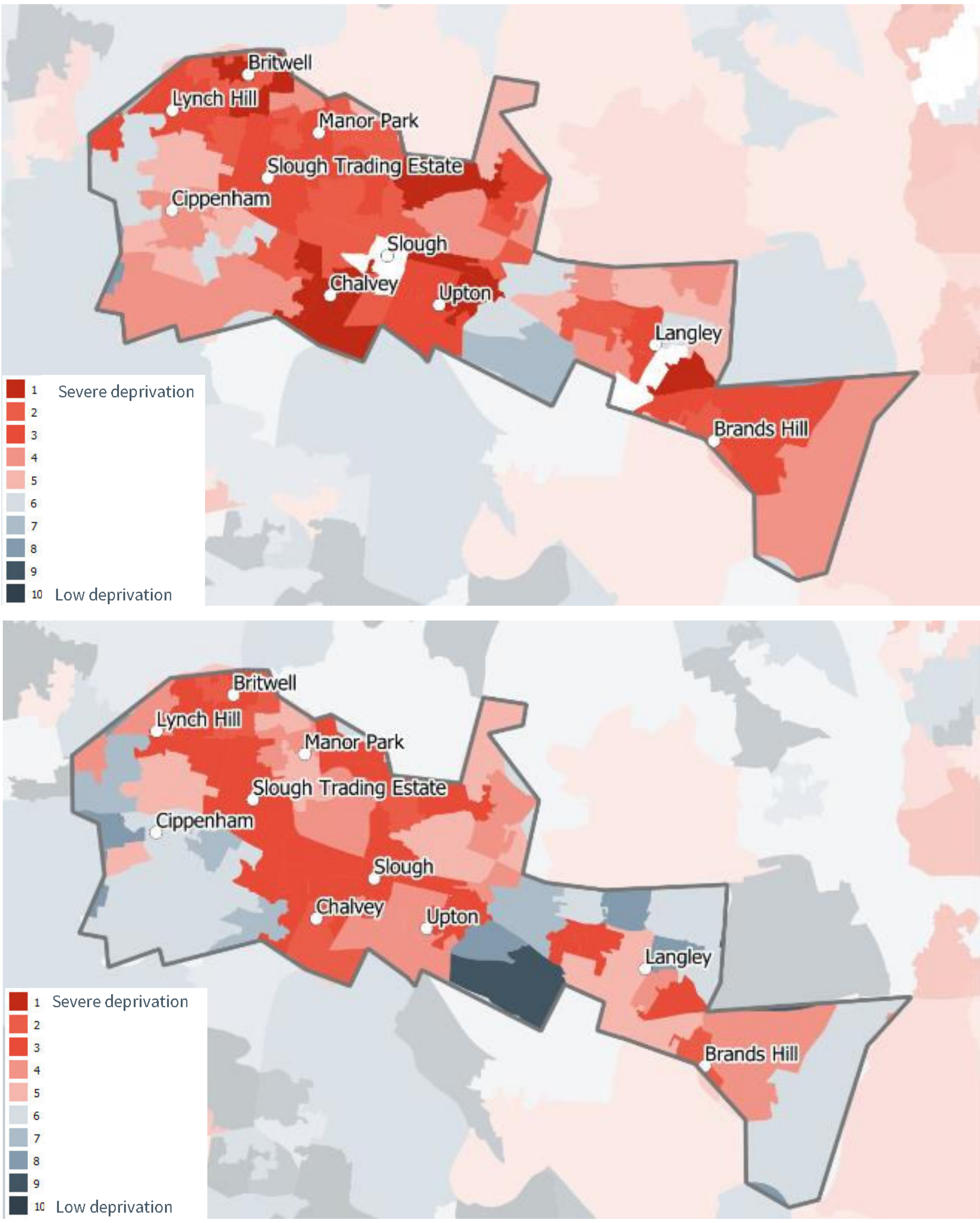
- **Employment Deprivation Domain (22.5%)**
- **Income Deprivation Domain (22.5%)**
- **Education, Skills and Training Deprivation (13.5%)**
- **Health Deprivation and Disability (13.5%)**
- **Crime (9.3%)**
- **Barriers to Housing and Services (9.3%)**
- **Living Environment Deprivation (9.3%)**

4.8 Mapping of deprivation in Slough shows that deprivation fell in the Borough between 2010 and 2015. Whilst areas such as Britwell and Chalvey were in the top decile of most deprived neighbourhoods nationally in 2010, both saw some improvement by 2015. However, deprivation is still concentrated in specific parts of the Borough. Whilst parts of Chalvey fall within the top 20% most deprived neighbourhoods in the country, areas to the south east of Upton are within the 20% of least deprived neighbourhoods. The eastern portion of the Borough retains some

[4] PHE: Public Health Profiles (2019) https://fingertips.phe.org.uk/search/air%20quality#page/6/gid/1/pat/6/par/E12000004/ati/102/are/E10000018/iid/92924/age/-1/sex/-1

deprivation hot spots, centred around Brands Hill and Langley, although overall levels of deprivation have decreased since 2010.

Figure 4.4 Deprivation Levels In Slough, 2010 (Top) Vs 2015 (Bottom)



Source: ONS, IMD, 2010/2015

4.9 When looking at deprivation averages at a Borough level, Slough is the 56th most deprived local authority in the country. Breaking this down by sub-domain, Slough is most deprived in terms of Crime (16th most deprived in England) and Barriers to Housing and Services Domain (38th). The Crime sub-domain measures recorded crime rates for violence, burglary, theft and criminal damage; the Barriers to Housing and Services domain measures geographical access barriers and wider barriers such as household overcrowding, homelessness and housing affordability.

Figure 4.5 Deprivation in Slough by domain, local authority rank of average score where 1 = most deprived (2015)

	Slough Rank
Income Deprivation Domain	**106th**
Employment Deprivation Domain	**164th**
Education, Skills and Training Domain	**138th**
Health Deprivation and Disability Domain	**142nd**
Crime Domain	**16th**
Barriers to Housing and Services Domain	**38th**
Living Environment Deprivation Domain	**94th**

Source: ONS, IMD, 2015

Housing

4.10 Housing costs have risen substantially in recent years which is creating affordability issues for local residents. Assessing the local housing market can facilitate a deeper understanding of the desirability and affordability of an area.

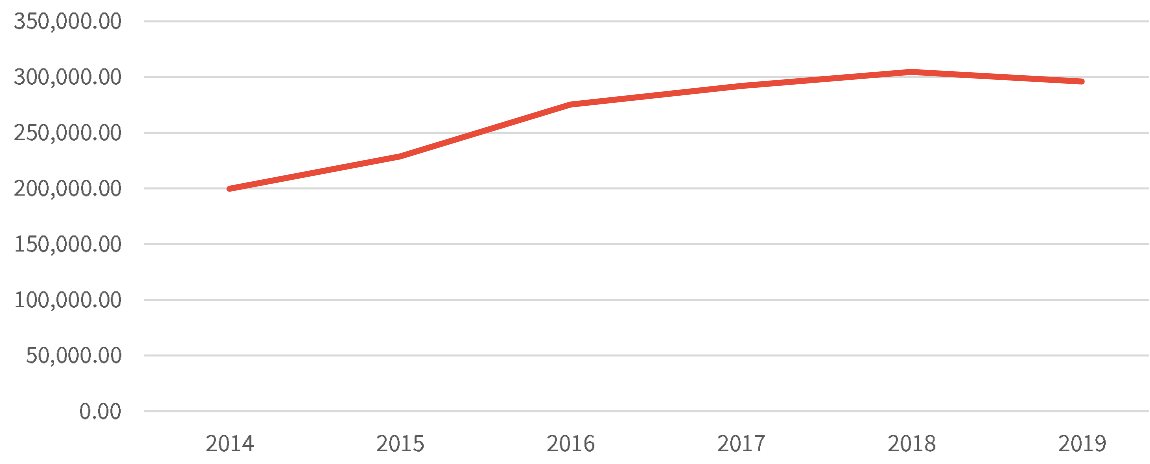
4.11 Median house prices in Slough are in-line with regional averages but significantly higher than the England average. In 2018, median house prices in Slough were £320,000 which was the same as the South East average but £81,000 higher than the England average (£239,000).

Figure 4.6 Median House Prices (Year Ending September 2018)

Source: ONS, 2019

4.12 Since 2014, house prices have increased significantly. Land Registry data shows that between 2014 and 2018, median house prices increased by over 52%. There are indications that this growth trajectory may have levelled off with average prices falling by £8,541 (2.8%) between January 2018 and January 2019.

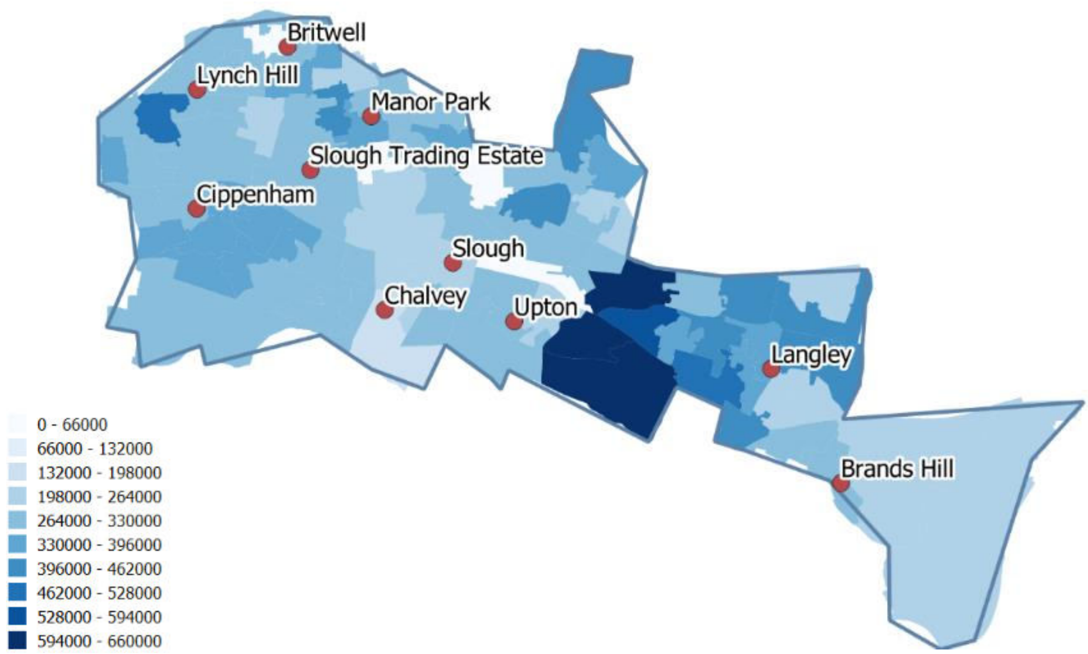
Figure 4.7 House Price Change in Slough, All Properties (Jan 2014 – Jan 2019)



Source: Land Registry, 2019

4.13 House prices vary significantly in different parts of the Borough, as indicated in Figure 4.8.

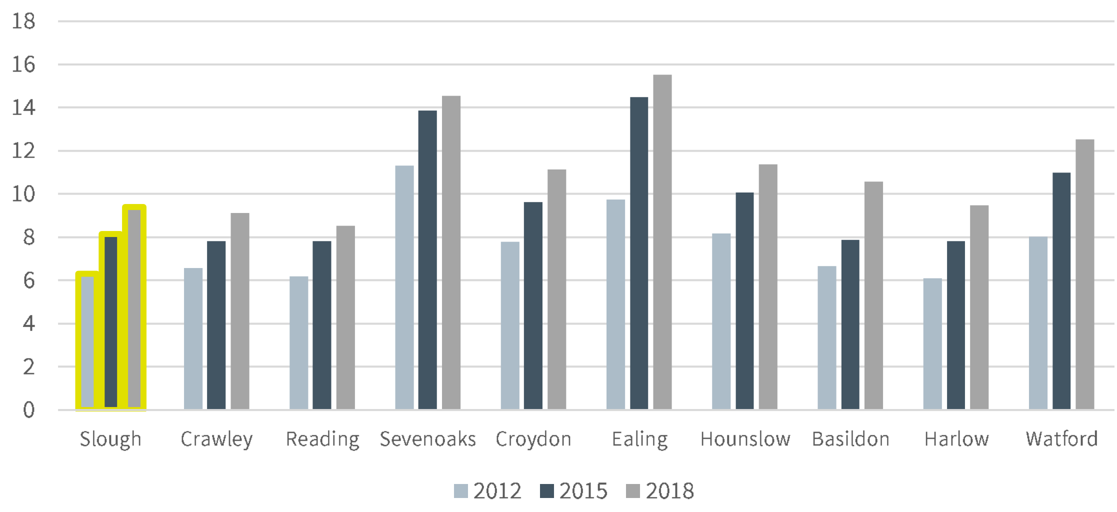
Figure 4.8 Median Price Paid for All Dwellings By LSOA



Source: ONS, House Prices, 2018

4.14 House price increases have consistently outstripped earning growth in Slough over the last six years, making housing increasingly unaffordable. Housing affordability ratios are calculated by dividing housing prices by average annual earnings. In 2012, average house prices in Slough were 6.3 times annual earnings, rising to 9.4 times in 2018. Despite this, Slough is still significantly more affordable than comparator London Boroughs. In 2018, the average house in Ealing was over 15 times more than average annual earnings, with Sevenoaks a close second with housing affordability similarly constrained.

Figure 4.9 Housing Affordability Ratios Over Time (2012-18)

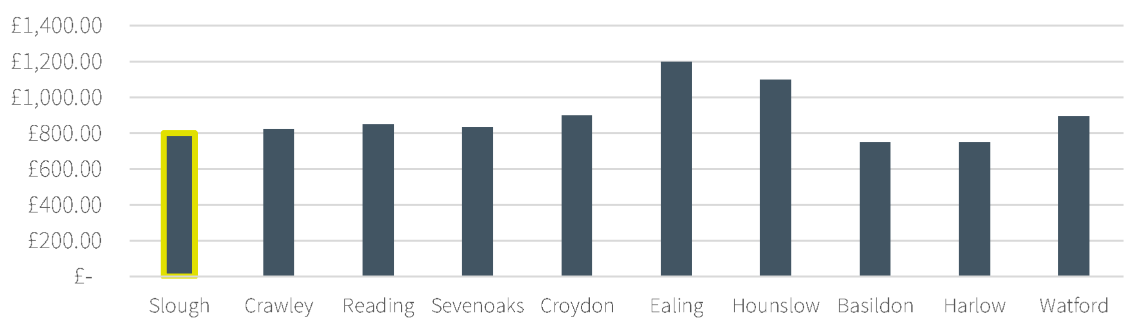


Source: ONS, 2019

4.15 ONS data on the private rental market shows that the number of households in privately rented accommodation in the UK increased by (63%) between 2007 and 2017. Analysis of renter demographics shows that young people (aged 25 to 34) are most likely to be renting privately and account for 35% of the market. Despite this, the amount of older people who are renting privately is increasing. Between 2007 and 2017, the proportion of renters aged 45 to 54 increased from 11% to 16% while those aged 16 to 24 dropped from 17% to 12%.[5]

4.16 Average rental prices for a one-bedroom property in Slough reached £800 in 2018. This compares similarly to other local comparator non-London local authority areas such as reading (£850 per month) and Crawley (£825 per month). This provides a more accurate reflection of demand.

Figure 4.10 One Bedroom Median Monthly Rents (2018)

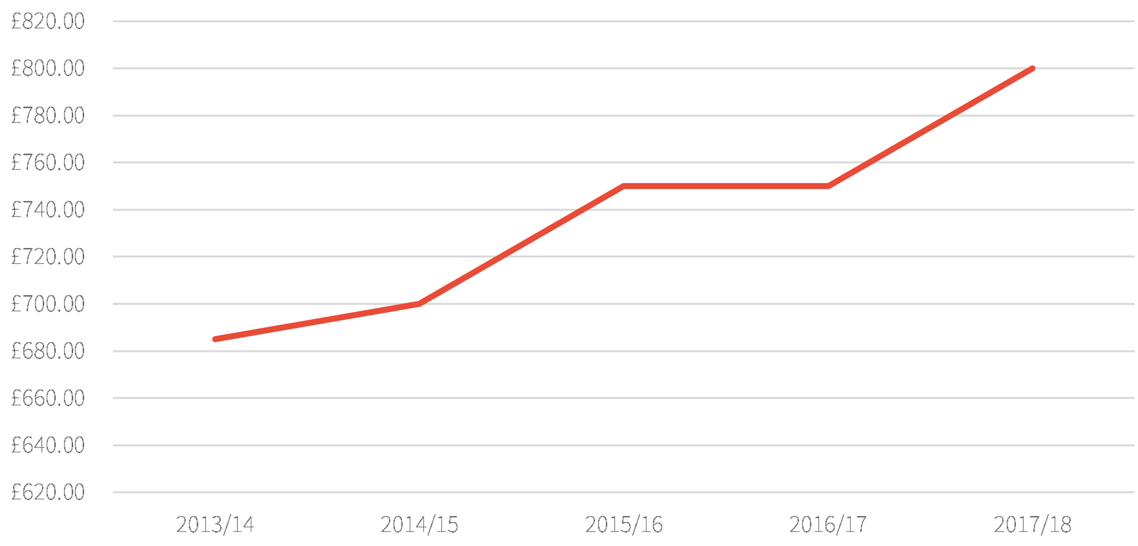


Source: VOA,2018

[5] UK Private Rented Sector:2018
https://www.ons.gov.uk/economy/inflationandpriceindices/articles/ukprivaterentedsector/2018

4.17 Median rents in the Borough have increased significantly over the past five years. Between 2013 and 2018, the median price paid for a one bedroom property has increased by £115 (16%) per month. This is a marked rise and places a significant burden on residents seeking to rent.

Figure 4.11 Median Monthly Rents for a One Bedroom Property in Slough (2013/14-2017/18)



Source: VOA, 2018

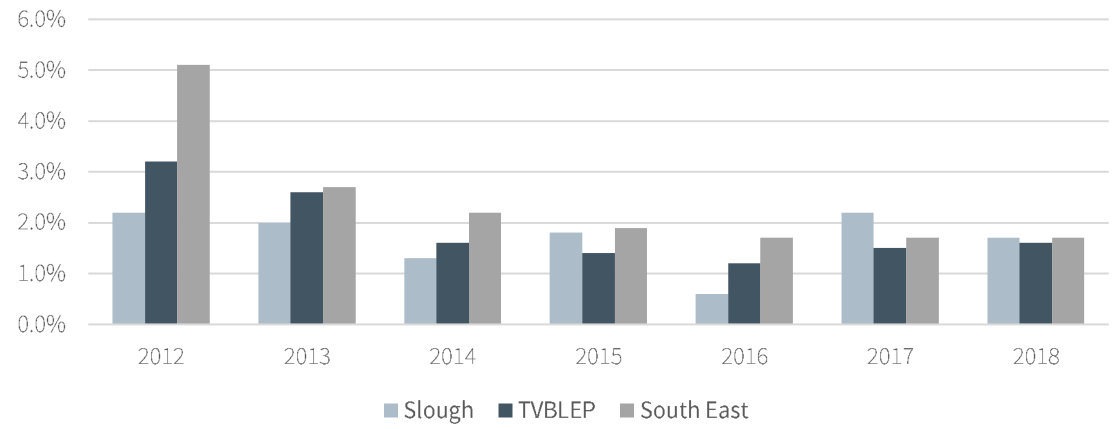
Commercial Property Market

4.18 Overall, Slough has a competitive retail market based on key data signals. Whilst the retail and industrial markets indicate high levels of demand, there is less demand for office space in the Borough. That said, these results need to be tempered with qualitative evidence which suggests that Slough's town centre competitiveness is lagging and stock within the Queensmere and Observatory shopping centres is increasingly unsuitable for contemporary retailers.

Retail

4.19 Retail vacancy has been consistently low in Slough, indicating a strong demand for commercial space. In 2018, retail vacancy rates in Slough were 1.7% which is in line with the TVBLEP (1.6%) and South East (1.7%) averages. However, qualitative intelligence suggests that there are pockets of vacancy issues, focused particularly on the town centre high street and adjoining Queensmere and Observatory shopping centres. Indeed, the area is subject to a new Business Improvement District (BID) which is seeking to address such challenges and help to reposition Slough's town centre retail offer.

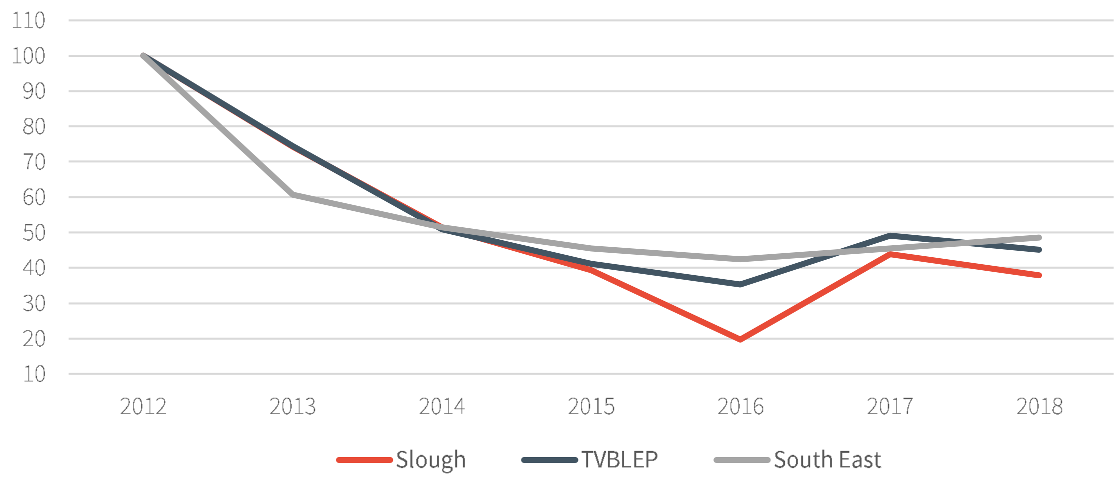
Figure 4.12 Retail Vacancy Rates



Source: CoStar, 2018

4.20 The amount of available retail floorspace in Slough has been gradually decreasing over time. In 2012, 6.6% of the total floorspace was available, decreasing to 2.5% in 2018. Whilst this may indicate growing demand for retail property in the Borough, it is also likely to be influenced by use changes (i.e. to residential) as a result of permitted development and reflective of national trends, as traditional retail has retracted in favour of changing shopper preferences and a pronounced upsurge in online trading and destination/experiential retail.

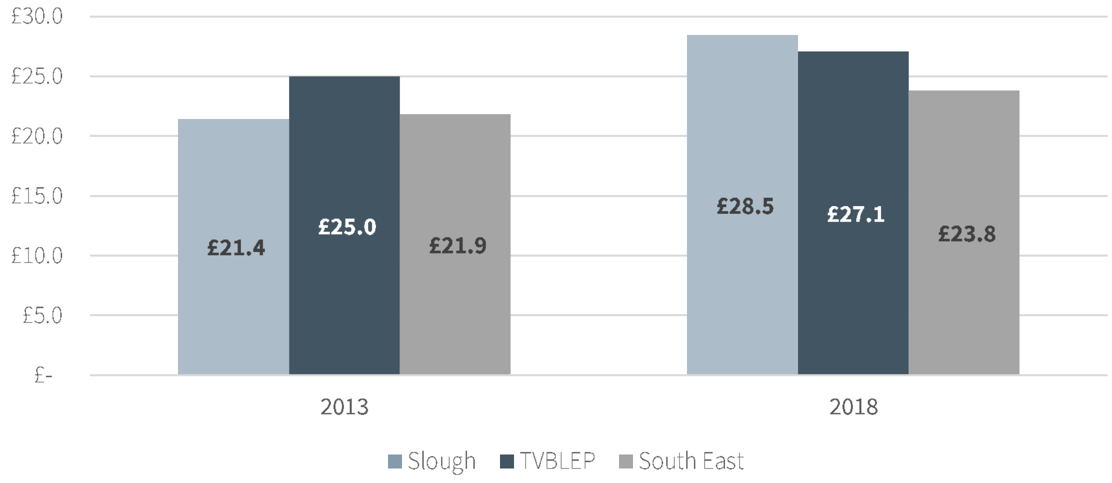
Figure 4.13 Retail – Floorspace Availability (2012=100)



Source: CoStar, 2018

4.21 Despite these trends, retail rents are growing at a fast rate. Between 2013 and 2018, average retail rents per square metre increased by almost a third (33%) in Slough compared to 8.4% in the TVBLEP area and 8.6% in the south east. This is a significant difference and means that Slough has the highest retail rental yield when benchmarked nationally and regionally.

Figure 4.14 Retail Rent Per m² (£)

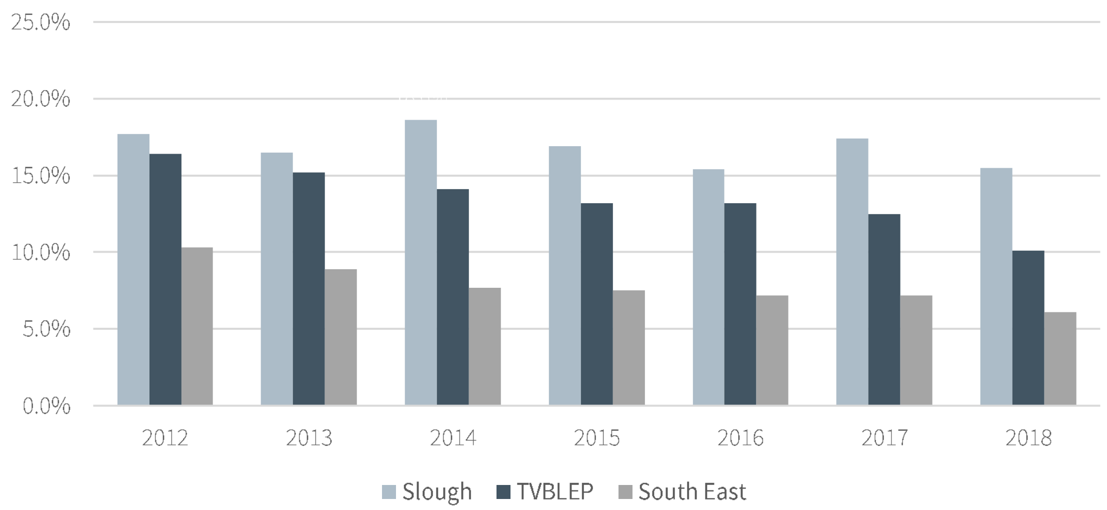


Source: CoStar, 2018

Office

4.22 By contrast, demand for office space in Slough is low. Over the past six years, Slough has had consistently higher vacancy rates than the sub-regional and regional averages. In 2018, vacancy rates in Slough were 15.5%, compared with averages of 10.1% in the LEP area and 6.1% in the South East – a marked difference.

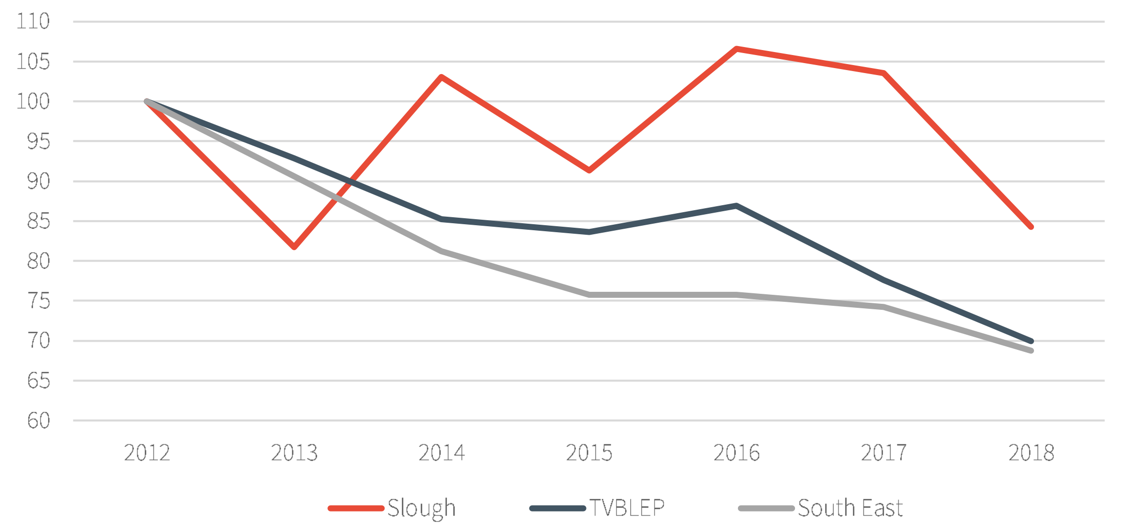
Figure 4.15 Office Vacancy Rates



Source: CoStar, 2018

4.23 This is mirrored in the extent of available office floorspace in Slough. Whilst this has fluctuated significantly over the past six years, available office floorspace was 16.6% in 2018, compared with 12.8% on average in the LEP area and 8.8% in the South East. The more recent drop in available office space is also likely to have been influenced by permitted development, leading to a loss of low quality office space to residential uses.

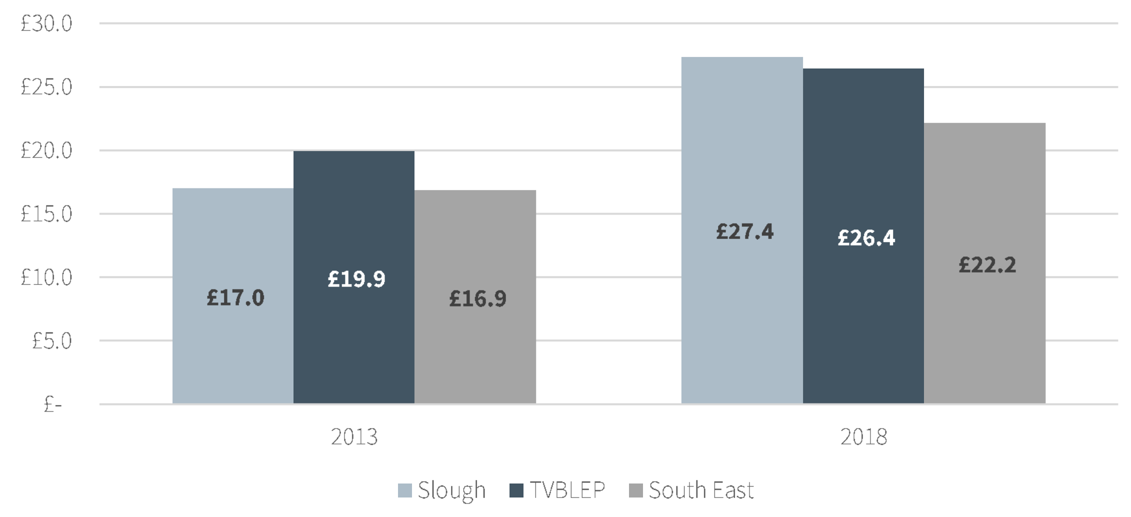
Figure 4.16 Office – Available Floorspace



Source: CoStar, 2018

4.24 Renting office space is also more expensive in Slough than the regional and sub-regional averages, albeit the difference is marginal with respect to the latter. In 2018, the average rent for office space in Slough was £27.40 per square metre compared with £26.40 in the TVBLEP area and £22.20 in the south east. Within this there are likely to be spatial discrepancies, with locations such as Slough Trading Estate commanding higher rental yields.

Figure 4.17 Office Rent Per m² (£)

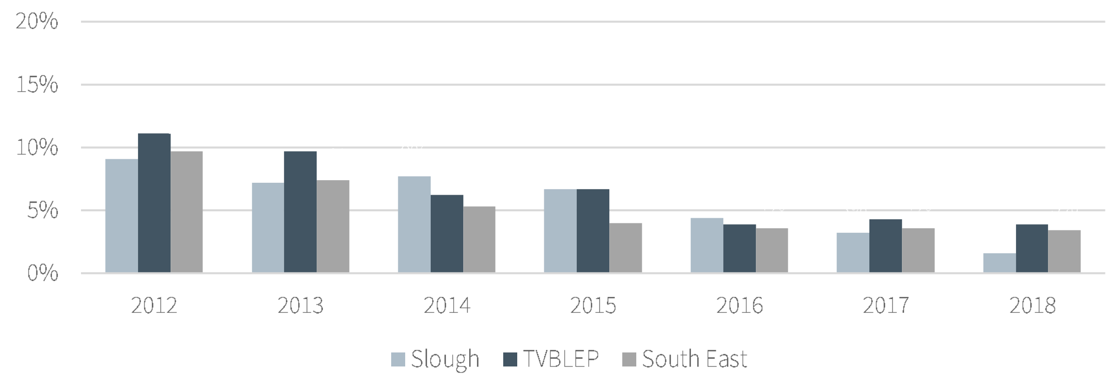


Source: CoStar, 2018

Industrial

4.25 Demand for industrial space has grown steadily since 2012. Industrial vacancy rates in Slough have fallen from 9% in 2012 to 2% in 2018 indicating increased demand for industrial space.

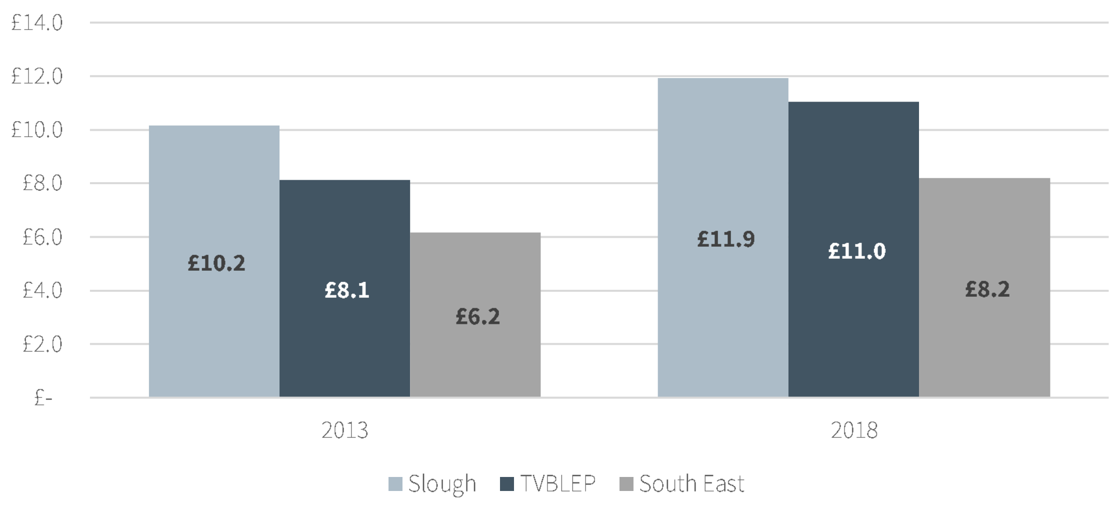
Figure 4.18 Industrial Vacancy Rates



Source: CoStar, 2018

4.26 Whilst the cost of industrial space in Slough exceeds the South East and LEP averages, the rate of price growth has been slower. Between 2013 and 2018, average industrial rents in Slough have increased by 16.6% compared with 35.8% in the LEP area and 32.2% in the South East. As with the Borough's retail and office markets, Slough faces stiff competition from its near neighbours, including Hillingdon, Maidenhead and further afield along the M4 corridor, Reading.

Figure 4.19 Industrial Rent Per m^2 (£)



Source: CoStar, 2018

Economic Geography

4.27 Slough has a large catchment, meaning that there is a high volume of inward and outward commuting with the majority of economic activity contained within areas of the wider Berkshire sub-region. This is a reflection of the area's strong road and rail connections in particular.

4.28 An assessment of Slough's catchment by car and train shows that the Borough is very well connected and is within easy commuting distance from many large towns within the South East. Using the Time Travel Platform developed by iGeolise, it is possible to visualise an area's accessibility through a range of transport options.

4.29 As illustrated by the map overleaf, it is possible to get to Slough from areas as far afield as Henley-on-Thames in the West and pockets of west London in the east. This extends to Hertfordshire in the north and parts of Surrey, adjacent to the M3 corridor. This also extends to London Paddington station, as a result of the express train servicing Slough.

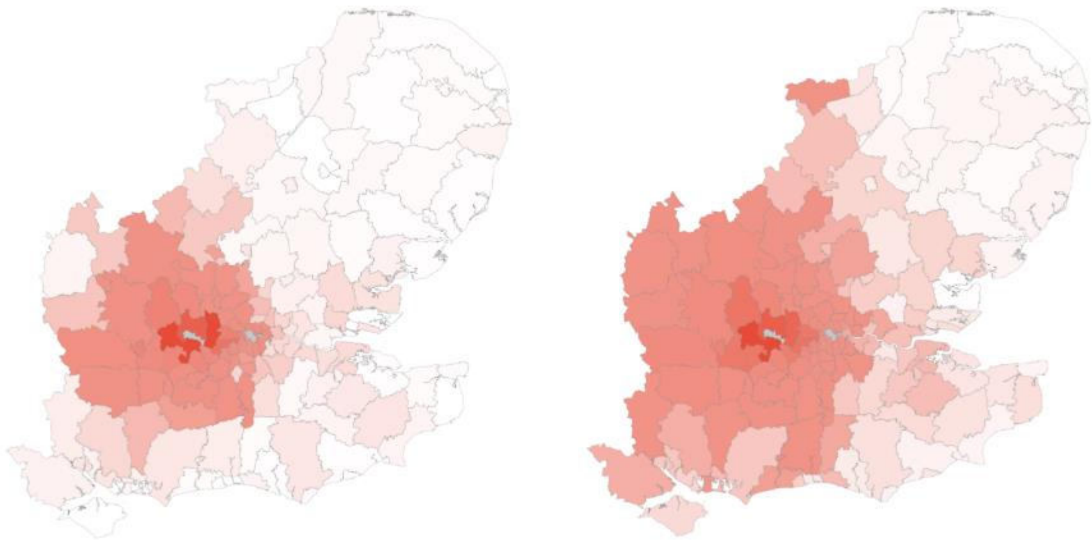
Figure 4.20 Slough Labour Market Area Catchment – 45 Minutes By Train And Car

Source: iGeolise, 2019

4.30 The 2011 Census reported that Slough had a net commuting outflow of 42,140, showing that a significant number of residents are working outside of the Borough. The majority of out-commuting was absorbed within adjacent local authority areas, with Windsor and Maidenhead representing the largest outflow (6,380). There were also significant outflows to outer London Boroughs, notably Hillingdon (5,458), Hounslow (2,184) and Ealing (1,200).

Figure 4.21 Inwards/Outwards Commuting patterns (2011)

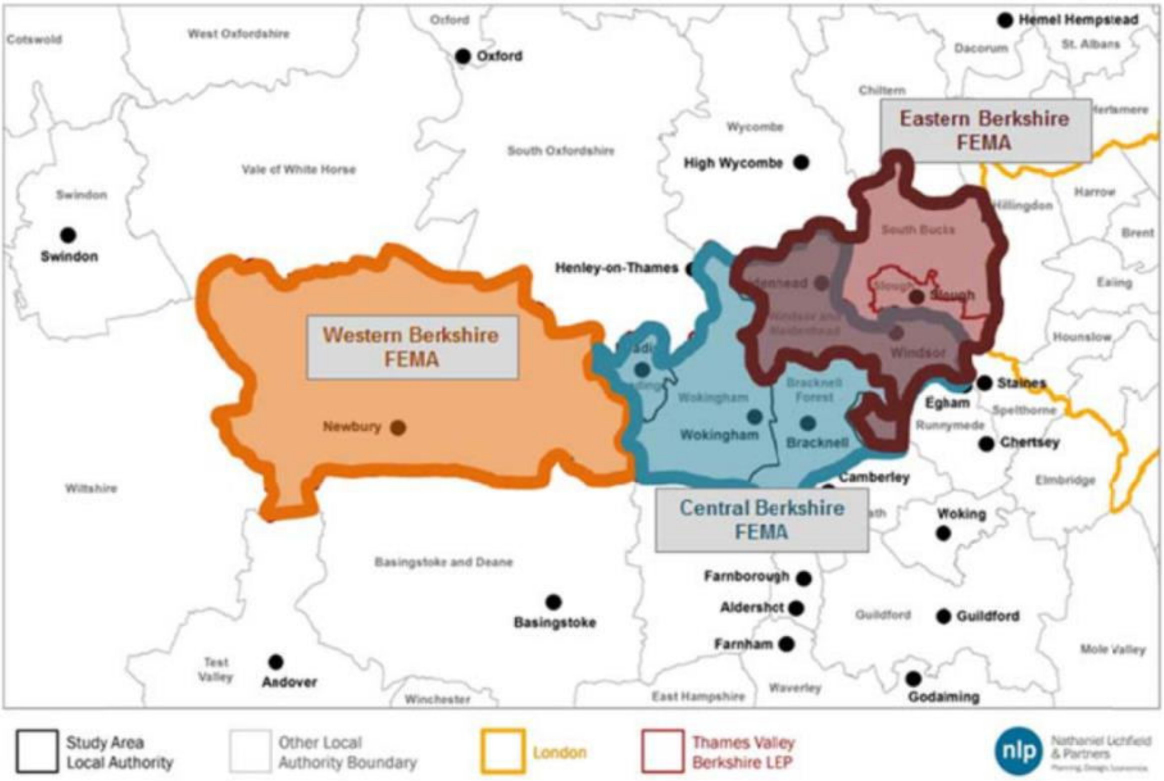
Top 5 outflow locations		Top 5 inflow locations	
Windsor and Maidenhead	6,380	Windsor and Maidenhead	5,865
Hillingdon	5,458	South Bucks	3,618
South Bucks	3,486	Hillingdon	3,046
Hounslow	2,184	Hounslow	2,172
Ealing	1,200	Wycombe	2,058



Source: Census, 2011

4.31 Census commuting data has also helped to inform broader analysis assessing Berkshire's labour market. A full breakdown of the findings and methodology used for the Functional Economic Market Area (FEMA) study can be found in the ***Slough Employment and Skills Evidence Base***. The FEMA found that the wider Berkshire FEMA, which despite featuring parts of Surrey, Hampshire, Wiltshire, Oxfordshire, Buckinghamshire and Greater London, does not extend far beyond the TVB LEP administrative boundary.

Figure 4.22 Berkshire – Functional Economic Market Areas



Source: Thames Valley Berkshire Local Enterprise Partnership, Berkshire Functional Market Area Study, 2016

Implications: Delivering inclusive growth in Slough…

The evidence presented in this chapter has implications for ensuring that all residents are equipped to benefit from economic growth. The baseline evidence has revealed several 'place' factors which are affecting the inclusivity of Slough's recent growth:

- **There is considerable work to do to make Slough a more attractive place to live with measures assessing the Borough's living environment being particularly low which could impact the attractiveness of the Borough to potential workers and have health ramifications for residents if not addressed.**
- **Slough still retains high levels of deprivation concentrated in certain areas of the Borough which could be affecting the life chances of the residents who live there.**
- **Affordability is a key issue in the Borough, with the rising cost of living not keeping pace with median earnings.**
- **Office vacancy rates in the Borough are high indicating a possible mismatch with occupier needs, however smaller businesses may be being put off by high rental costs compared with sub-regional and regional averages.**
- **Whilst Slough's retail and industrial markets are performing well, the town centre is not, and availability and cost constraints are limiting factors for business.**
- **Slough has a broad economic catchment meaning that it can attract workers from a range of places across London and the Berkshire sub-region which could restrict opportunities for residents.**

5. Businesses, Enterprise and Innovation

5.1 This chapter looks at Slough's business composition, key sectors, spatial distribution and key feedback from some of the Borough's key employers.

Key findings:

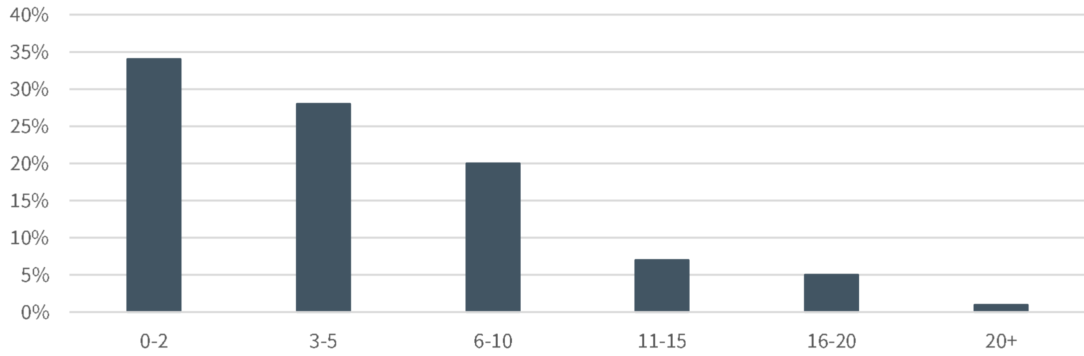
- Slough's business base is dominated by small businesses. Notwithstanding this, Slough has proportionately more large businesses than the England average.
- There is a significant new business activity with most businesses under 5 years old.
- Financial and Professional Services, Business Support Services and ICT and Creative Media are some of the largest sectors in the Borough representing 32% of combined employment activity.
- Public Admin, Health and Social Care and Education is also one of the biggest sectors within the Borough, representing a combined strength of 18% reflecting a significant public sector employment within the Borough.

Business Base

5.2 The complimentary ***Slough Employment and Skills Study Evidence Base*** performed a detailed analysis of the business base in Slough. It found that:

- There are over **6,000 businesses** operating in Slough
- Some **99.3%** of these businesses are Small or Medium sized Enterprises
- Slough has proportionately more large businesses (**0.6% of the business base**) than the England average (0.4%)
- Slough also hosts a **number of high-potential scale-up businesses:** The average scale-up business in Slough significantly outperforms the turnover growth (£164,000) of scale-ups across the TVBLEP area (£82,000)
- Over a third **(34%) of businesses were established less than two years ago**
- Slough has an entrepreneurial population with **178 business births per 1,000 active businesses compared to the England average of 146**
- Circa **44% of businesses in Slough survive by year 5** which broadly reflects the England average (43%)

Figure 5.1 Proportion of Businesses By Age (Years)



Source: Companies House, 2019

Performance by Sectors

5.3 To analyse existing industrial sectors in Slough, we have reviewed the latest employment data for the Borough and captured its proportional strength against England (see table and graph below). Key findings from this analysis are:

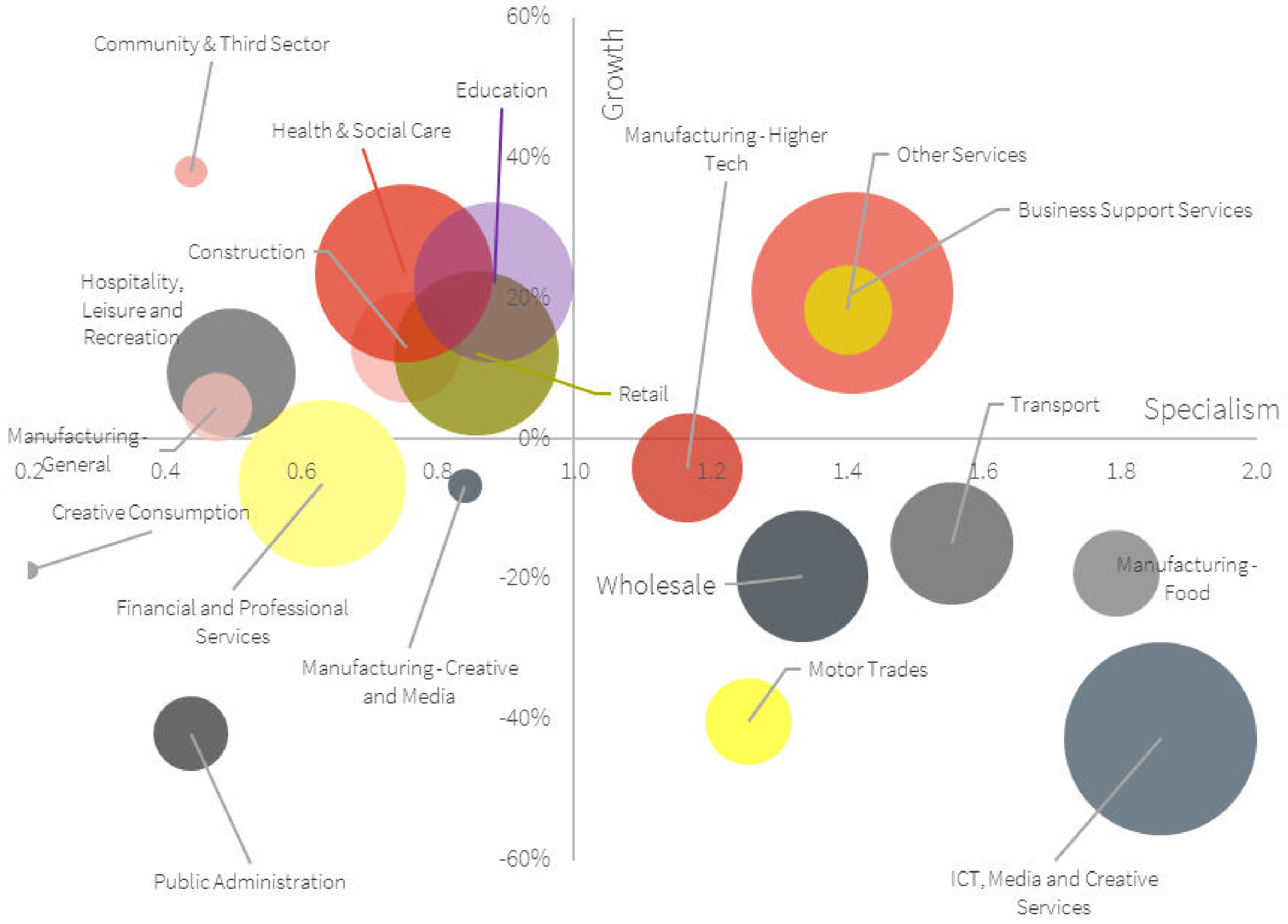
- The strongest private sector orientated sectors in Slough are Business Support Services (12%), ICT, Media and Creative (11%) and Financial and Professional Services (8%). These sectors generally tend to employ advanced skills workforce, reflecting higher values services and greater productivity.
- There is also a sizeable – but not disproportionate - presence of public sector employment in sectors such as Public Admin, Health and Social Care and Education (combined-18%)
- When looking at the relative concentration sectors in Slough compared to England, there is a significant cluster of strength in Logistics in Slough (LQ>4), with relatively high concentrations of jobs in Freight Transport (both Road and Air Transport). The sector offers opportunities for employment for those with level 1, basic and employability skills, such as warehouse operatives and cleaners, right through to level 4 and higher qualifications. However, the sector remains relatively low skilled.
- Although relatively smaller in scale in absolute employment terms, sectors such as Construction and Other Services high employment share and growth, business concentration similar to the national average (0.7-1.0 LQ).

Table 5.1 Employment Count and Location Quotient				
	Slough(#)	**Slough % of total**	**England (#)**	**LQ Slough vs England**
Business Support Services	10,100	12%	2,308,950	1.4
ICT, Media and Creative Services	9,195	11%	1,590,675	1.8
Public Admin, Health & Social Care	9,255	11%	4,385,000	0.7
Financial and Professional Services	6,980	8%	3,556,285	0.6
Retail	6,725	8%	2,526,650	0.8
Manufacturing	6,445	8%	2,110,740	1.0
Education	6,370	8%	2,321,000	0.9
Warehousing and Logistics	6,325	8%	495,220	4.1
Wholesale	4,375	5%	1,054,700	1.3
Hospitality, Leisure and Recreation	4,135	5%	2,676,625	0.5
Transport	3,770	5%	780,890	1.5
Construction	3,045	4%	1,299,200	0.7
Utilities and Waste	2,365	3%	284,920	2.6
Other Services	1,960	2%	450,015	1.4
Motor Trades	1,865	2%	477,500	1.2

Source: ONS, BRES, 2017

Note: Highlighted sectors are those which are specialised versus the national average.

Figure 5.2 Slough's Sector Performance (2017)



Source: ONS, BRES, 2017

5.4 Figure 5.2 provides a three-dimensional analysis of sector strength in Slough. The scale of the sector is shown by the size of the bubble; the X axis represent concentration of employment in Slough in proportion to the national scale of the sector and the Y axis represent the growth of the sector between 2012 to 2017.

- The sectors that fare strongest across all three dimensions are Business Support Services and Other Services. The other sectors that have shown growth in Slough are Healthcare, Construction, Education, Hospitality and Manufacturing.

Employment Clusters

5.5 Most of the employment clusters in Slough are centred around areas that are known for prominent levels of economic activity. This includes the town centre, Slough Trading Estate and A4 and M4 corridors. This extends to peripheral areas, with a focus of employment activity evident around train stations in Burnham and Langley.

5.6 Some of the biggest employers in Slough include Telefonica O2, Royal Mail, SEGRO and Reckitt Benckiser, with the majority located along the Bath Road and within Slough Trading Estate. The distribution of employment is subject to shifts, as large-scale regeneration and the redevelopment of the town centre gains momentum. Whilst this is unlikely to trigger a significant deviation in employment clustering, it may see new employment hot spots emerge, particularly within proximity of Slough station and the Bath Road.

5.7 The location of employment clusters is shaped by business decision-making. The key reasons quoted by companies to choose Slough as a location choice are:

- **Proximity and accessibility to international businesses bases in London and other major markets in the South East**
- **The nature and affordability of stock**
- **The quality of infrastructure provision (such as power and internet)**

5.8 There are also significant opportunities for knowledge sharing include collaboration with the University of Reading through its Knowledge Transfer Partnership for certain sectors such as Finance and Professional services and ICT and Media.

New Business Formation

5.9 The number of business births are a useful indicator of enterprise activity and they illustrate Slough's credentials as a home for entrepreneurship. As shown in Table 5.2 there are 178 new businesses created in Slough per 1,000 active businesses, which is the second highest rate across all comparator areas, behind Reading (316).

5.10 Looking at business survival, three-quarters of Slough's businesses survive between 1-3 years compared to less than half (45%) who survive 4-5 years. This reinforces that long-term survival rates are generally low in comparison to other benchmark areas. Key points of note from Table 3.2 are that:

- More businesses in Slough survive up to a year (92%) compared to the LEP and national averages, however after two years, proportionately fewer survive.
- More significant issues in survivorship exists at four years, where there is up to an 8% gap between Slough (59%) and the comparator areas.

- Collectively, these figures suggest that there are mixed messages around the viability of business activity in the area.

Table 5.2 Business Birth 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

Scale-Ups

5.11 Scale-up businesses are an important component of the local economy. They signify the degree to which the local economy is sustaining high growth firms and are a focus for productivity.[6]

5.12 Data from the Scale-up Institute suggests that there are currently 51 scale-up businesses within a five-mile radius of Slough, representing 20% of total scale-ups in the TVBLEP area. Table 7.2 shows the top ten scale-up businesses in and around Slough by employment size. Key findings from the data include:

- The average scale-up business in Slough nearly doubles the turnover growth (£164,000) of scale-ups across the TVBLEP area (£82,000)
- The average scale-up business in Slough employs 182 people in Slough, less than the TVBLEP average of 219.
- The average scale-up business is located approximately two miles away from Slough city centre.

Table 5.3 Scale-Up Businesses Within a Five-Mile Radius of Slough

	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

[6] The OECD defines a ‘scale-up’ is an enterprise with average annual growth in employees or turnover greater than 20 per cent per annum over a three year period, and with more than 10 employees at the beginning of the period.

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, 2019

Implications: Delivering inclusive growth in Slough…

The evidence presented in this chapter has implications for ensuring that all residents are equipped to benefit from economic growth. The baseline evidence has revealed several 'business' factors which are affecting the inclusivity of Slough's recent growth:

- **Slough is a dynamic, broadly professional services focused economy. Significant strengths also exist in ICT , logistics and food manufacturing. Public sector, health and hospitality functions are very important, but have fared less well in terms of growth and expansion.**
- **Slough has strong entrepreneurial credentials. There are 178 new businesses created in Slough per 1,000 active businesses, which is the second highest rate across all comparator areas, behind Reading (316). Strategically important scale-up businesses are also well represented.**
- **Many of the employment clusters in Slough are dotted around the stations at Slough and Burnham. There is also a significant concentration of several office and commercial stock along the main corridor Wellington Street / Bath Road (A4). The biggest current and future opportunities are likely to be focused around the Heathrow expansion, and the Trading Estate.**
- **Businesses report that their skill needs are not very well understood, by both schools and school leavers, neither is there a strategic approach to growth sectors.**
- **Service businesses recruit technical skills from a wide geography, which are often not suitable for vocational routes. In these circumstances, businesses would welcome easier ways to appoint local, well performing school leavers.**
- **There is concern that there is no easy to navigate school, college and university pathways (or the skills co-system) for local employers. Things are currently disjointed, and the lack of a local HE offer does create problems.**

6. Infrastructure

6.1 This chapter analyses the quality of Slough's digital and transport infrastructure.

Key findings:

- Digital connectivity across Slough is generally good, however some areas are better connected than others and there is a need to address a growing 'digital divide'.
- Slough's train stations are well used, and usage has increased over recent years.
- Public transport usage is below national averages and the current pattern of provision means that it is difficult to move across the Borough. This is an important issue for young people, who can have difficulty accessing training and job opportunities.

Digital Infrastructure

6.2 Digital infrastructure is inherently an important ingredient in successful placemaking. It acts as the glue that binds together the ability to effectively deploy technology in a variety of settings.

6.3 The quest for globally competitive and future-proof digital connectivity has been a national and local agenda for some time, with a blend of private investment and public stimulus accelerating the rollout of fixed fibre-based technologies and the latest incarnation of mobile services. The government and commercial focus on extending coverage and deploying gigabit capable technologies is stronger than ever, with an emphasis on closing the 'digital divide' and leveraging the potential of public sector assets, where commercially appropriate.

6.4 Whilst access to high speed and seamless connectivity is fast-becoming the expected norm, utilisation is key. The benefits of digital infrastructure access can only be maximised through the widespread adoption of fixed and wireless connectivity, including the take-up of fixed broadband and mobile services capable of delivering a high speed equivalent.

Existing Broadband Coverage

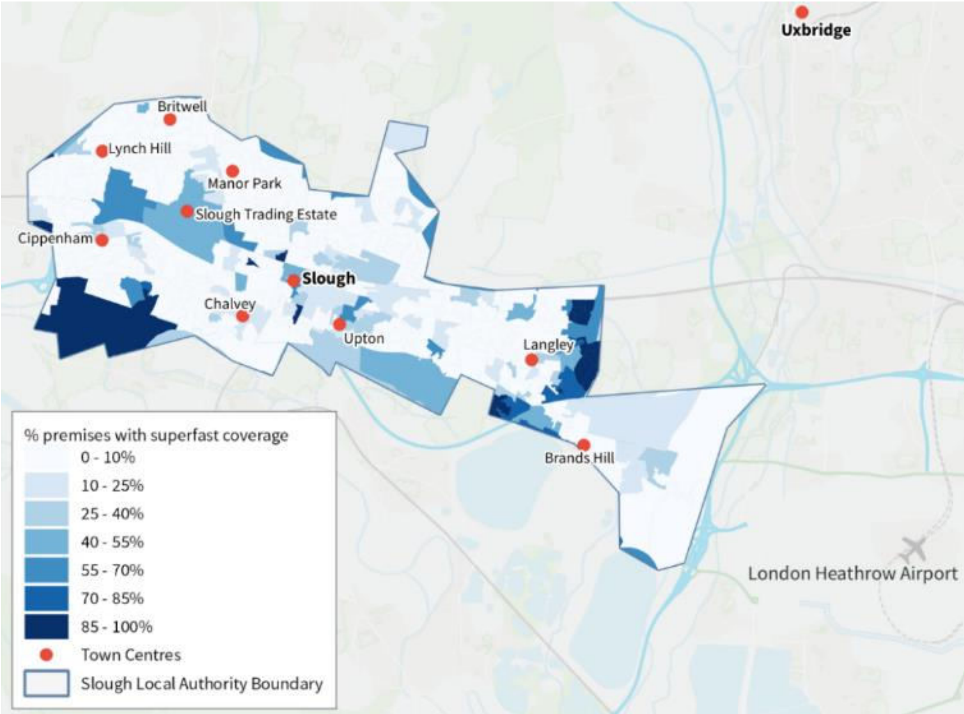
6.5 Current fixed broadband connectivity can be analysed using a variety of datasets. Here, a combination of Thinkbroadband and local authority data helps to set the scene. Connectivity is observed with reference to:

- **Superfast broadband** – premises which can obtain speeds of 30 Mbps (download) or greater.
- **Ultrafast broadband** – premises which can obtain speeds of 100 Mbps (download) or more.
- **Full fibre broadband** – premises which can achieve continuous fibre connectivity, capable of gigabit (download/upload) speeds.

6.6 Looking at the level of current connectivity, the data paints a mixed picture. Given the dynamics of the market, coverage is rapidly changing picture and the data is therefore caveated accordingly.

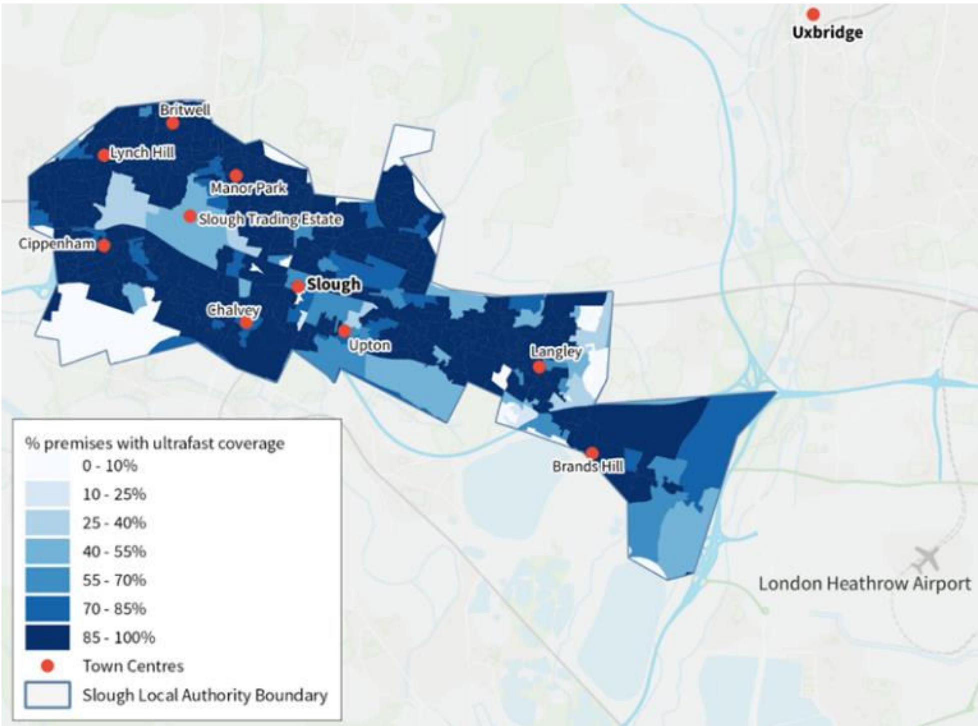
6.7 When analysing at the coverage of the internet in the area, we find that there is a significant coverage of ultrafast broadband network in the area whereas coverage of full fibre broadband in the Slough is less extensive and relative limited, mostly concentrated around Slough station.

Figure 6.1 Percentage of Premises With Superfast Broadband



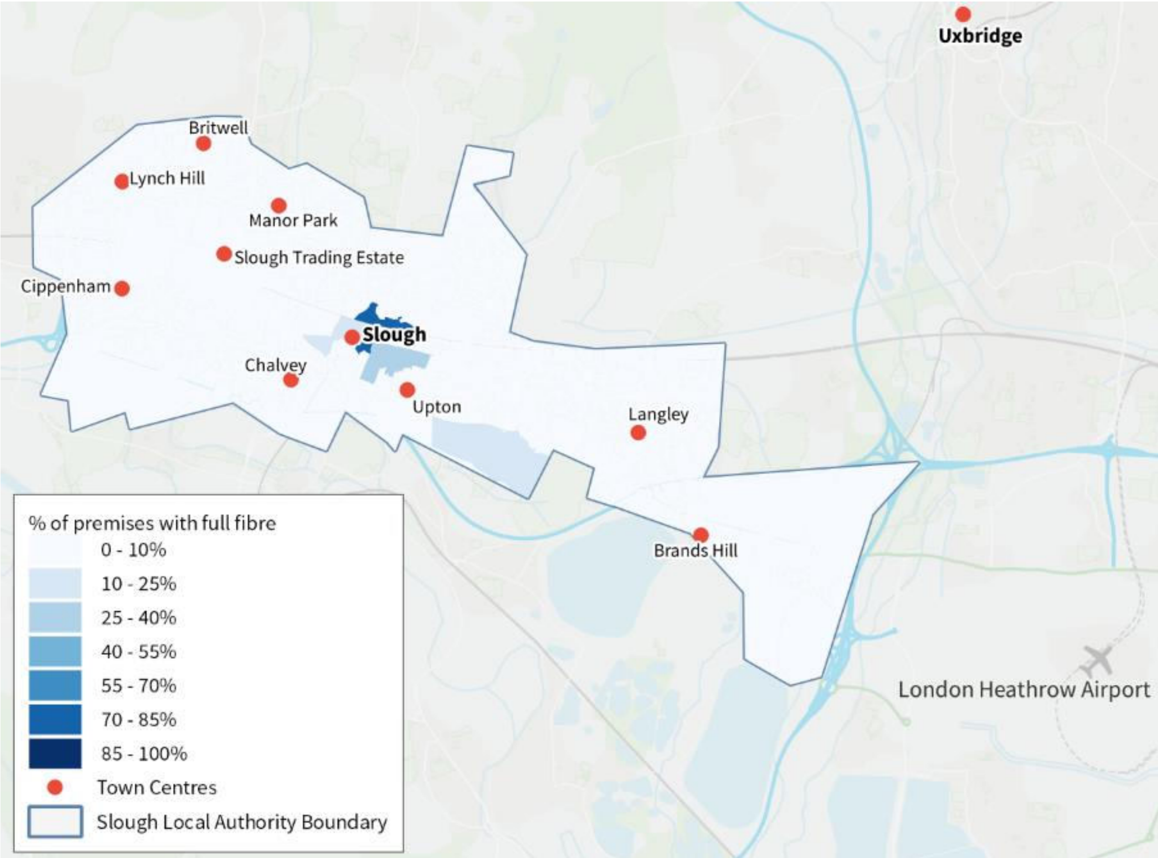
Source: Ofcom, 2018

Figure 6.2 Percentage of Premises With Ultrafast Broadband



Source: Ofcom, 2018

Figure 6.3 Percentage of Premises With Full Fibre Broadband



Source: Ofcom, 2018

Mobile Connectivity

6.8 Mobile connectivity is an integral component of the Slough's digital infrastructure offer. It provides the basis for seamless communication, data transfer and increasingly access to broadband speeds equivalent to those achieved through fixed access. Whilst coverage has been largely determined by commercial operators and the conditions of spectrum licencing, the government has sought to take on a higher profile role in plugging mobile not spots and advancing the rollout of 5G.

6.9 The latest statistical release from Ofcom provides an up-to-date view of 4G mobile connectivity across Slough in relation to the wider area. This can be analysed in a number of different ways, to assess the quality and extensiveness of mobile broadband coverage. Here, the following measures are used as an accurate reflection of coverage:

- Indoor 4G premises coverage
- Indoor data services premises coverage

6.10 The Borough, in general, has a good mobile coverage both for 4G and indoor data for all 4 networks. The coverage for Indoor data for all 4 operators in the Borough is at 100% and the coverage for 4G for indoors is at 83%, mid-ranged when compared to other major comparators in the region. The availability of Full Fibre ion Slough is at 4%, significantly lower than placed like Reading, Ealing, Hounslow and Basildon (above 8%)

Figure 6.4 Fixed and Mobile Connectivity (2019)

	Fixed		Mobile	
	Full Fibre availability (% of premises)	% of premises unable to receive 10 Mbit/s	4G indoor all operators	Indoor data for all 4 operators
Slough	**4.1%**	**0.3%**	**83.0%**	**100%**
Sevenoaks	2.1%	1.5%	63.9%	96.57%
Watford	1.4%	0.1%	97.33%	100%
Reading	8%	0.3%	90.6%	100%
Crawley	1.5%	0%	80.8%	99.99%
Basildon	8.1%	1.3%	85.0%	99.83%
Croydon	7.3%	0.3%	95.2%	99.92%
Ealing	9%	0.6%	94.3%	100%
Harlow	1.3%	1.1%	91.3%	100%
Hounslow	8.4%	0.4%	90.8%	100%

Source: Ofcom, 2018

6.11 The market remains active, with mobile operators continuing to make strategic investments, upgrade equipment and in some cases share infrastructure, leading to incremental coverage improvements and further investment in rural communities. Despite this, signal latency remains an issue in some areas, whilst the UK's competitiveness based on mobile speeds has been lagging less developed markets[7].

Looking Ahead

6.12 The UK is preparing for a shift towards the introduction of 5G, as the next incarnation of mobile technology. With support from the government, regulator and commercial impetus, 5G is beginning to make an impact. Recent spectrum auctions have positioned mobile operators to deliver 5G networks and also increase the reach and capacity of 4G.

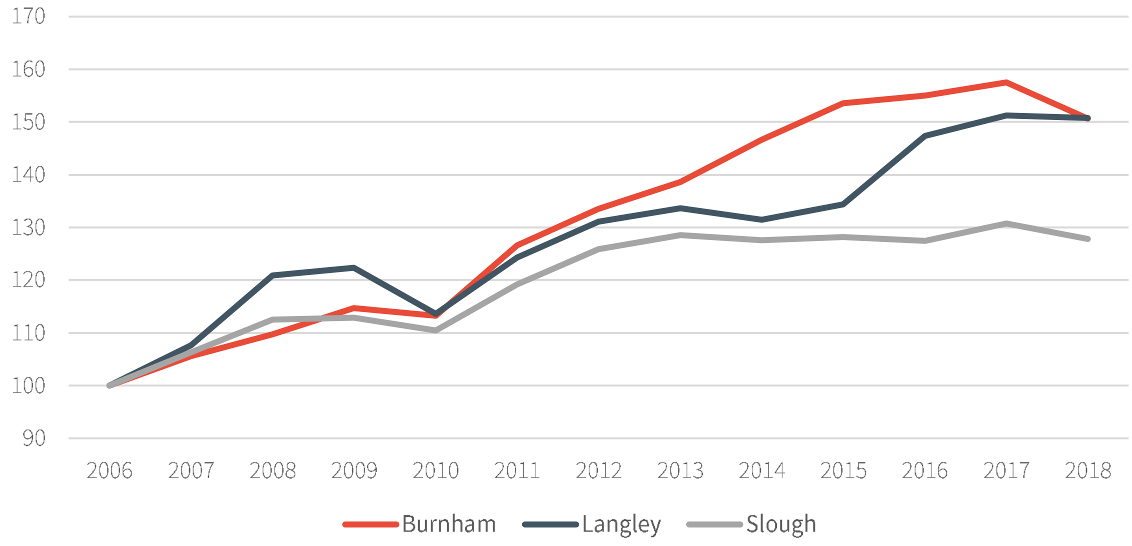
6.13 It is likely that deployments will be prioritised in dense urban settlements, following on from national citywide announcements. Next generation 5G networks will also be reliant on a deeper density of supporting fibre infrastructure and cells, in order to deliver the seamless high speed connectivity.

Rail

6.14 Slough Station is the area's central train station and is located in the town centre. Burnham station serves the population around the urban area towards the west of the Borough and Langley station to the east. Burnham Station has seen the greatest increase in passenger numbers, followed by Langley station and Slough station.

[7] OpenSignal, State of Mobile Networks (UK), 2018

Figure 6.5 Total Number of Entries And Exits Per Year (2005-2018)



Source: Office of Rail and Road, 2005-2018

6.15 In terms of stations with the highest usage out of England's 2,563 stations, data shows that Slough station ranks 88th.Growth in the number of passengers has declined since 2012, with the number of passengers increasing by 2% compared to 13% for Burnham station and 15% for Langley station.

Figure 6.6 Ranking Of Slough Stations In Terms Of Highest Usage Out of England's 2,563 Stations

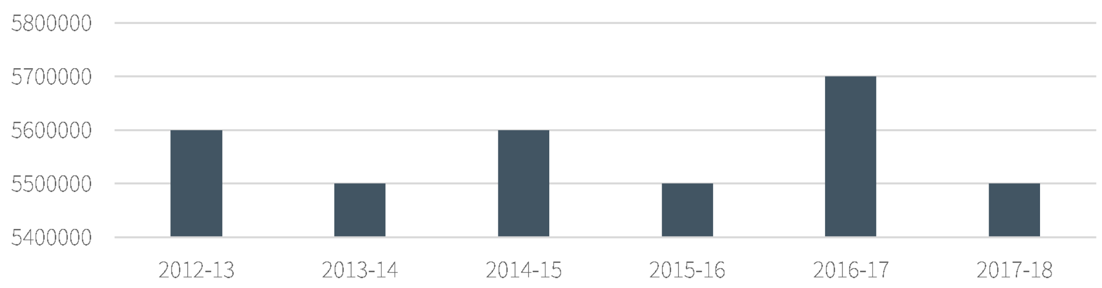
Station	National Rank	Entries and exits	% Change 2012-18
Slough	88	5,444,320	+ 2%
Burnham	451	1,260,118	+ 13%
Langley	653	815,110	+ 15%

Source: Office of Road and Rail, 2018

Note: Station with highest number of entries and exits is ranked at 1.

6.16 The following graph provides estimates of the total numbers of people entering, exiting and changing at Slough.

Figure 6.7 Slough Station Entries and Exits (2012-2018)



Source: Office of Road and Rail, 2018

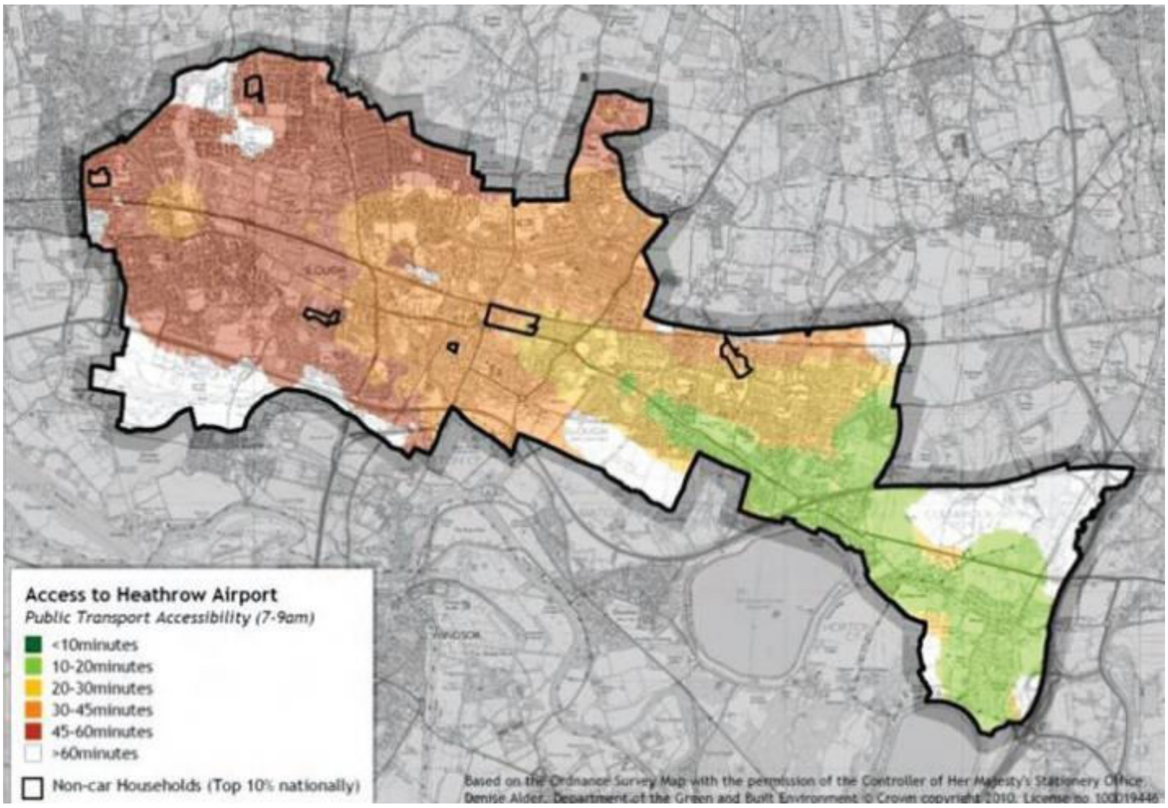
Public Transport

6.17 In its third Local Transport Plan (LTP3), which covers the 2011-2026 period, Slough Council states that private car is the most common mode of travel to work.

6.18 However, public transport modes account for the second largest type of travel. In recent years, Slough Council implemented the Hoppa bus service. 70% of residents live within a thirty-minute bus ride of the Slough Trading estate. A further 60% of the council's population live within a 45-minute peak period bus journey of Heathrow. Residents in Britwell, Cippenham and Manor Park face a longer bus journey to Heathrow.

6.19 The council has also delivered Phase 1 of the Slough Mass Rapid Transit (SMaRT) scheme between Slough Trading Estate and the centre of Slough. A second phase is planned which would continue delivery east of the centre of Slough via the A4 London Road to M4 Junction 5 and beyond, possibly to Heathrow Airport.

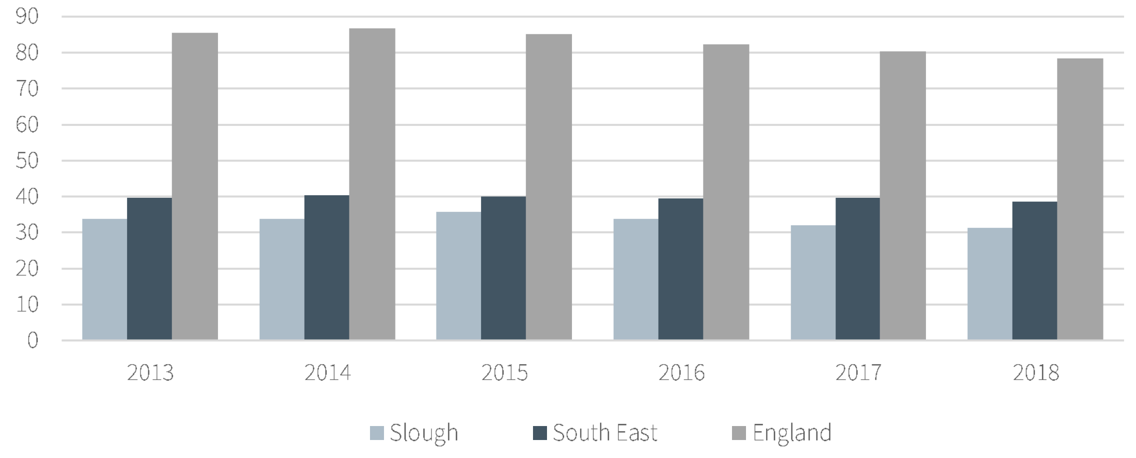
Figure 6.8 Access to Heathrow Airport and Non-Car Households



Source: Slough Council, Local Transport Plan 2011-2026

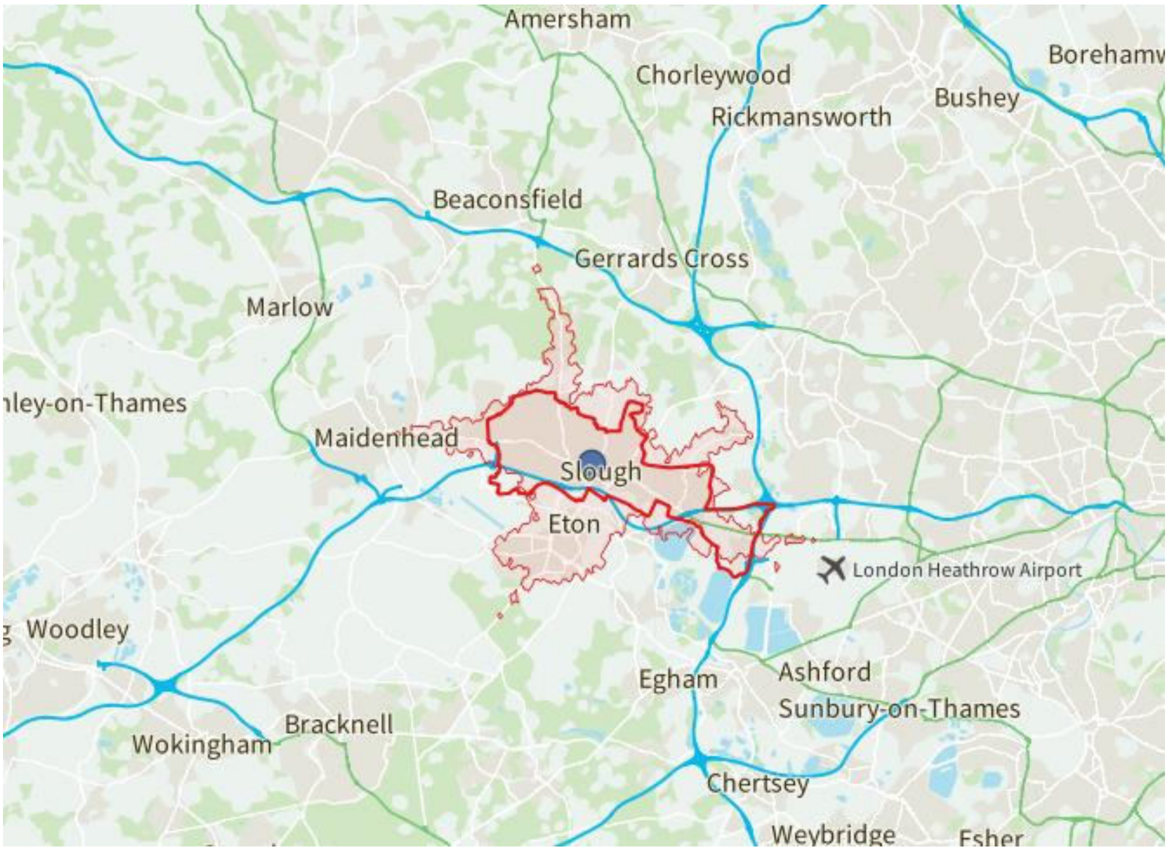
6.20 The Department of Transport also produces data on passenger journeys on local bus services in Slough. The graph below shows that Slough has a relatively low number of passenger journeys per head compared to the South East region and national average.

Figure 6.9 Passenger Journeys on Local Bus Services Per Head By Local Authority (2013-2018)



Source: GOV UK, Local Bus Passenger Journeys, 2018

Figure 6.10 Journey Catchment 45 minutes By Bus



Source: iGeolise, 2019

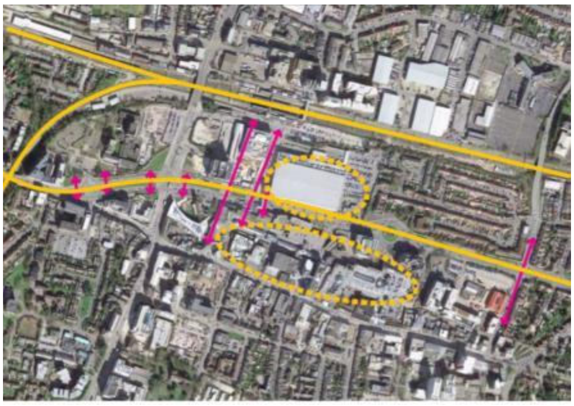
6.21 **Road Network:** Slough's road network is under significant pressure, particularly at peak times, resulting in congestion and air quality issues. In 2011 the Council estimated that congestion was adding 8% to the average journey time, costing Slough £34 million per annum in lost time alone, with additional economic impacts. Recent trends suggest that congestion could worsen by a further 15-20% by 2027 due to rising car ownership residents and jobs.

Wider Accessibility Condition and Related Challenges

6.22 Movement across the centre of Slough between the north and south are currently constrained, particularly for pedestrians. The transport vision outlined by the 2019 plan[8] acknowledges the challenges posed due to the North South divide across Wellington Road and the rail line.

6.23 Wellington Road is a major barrier to a safe and pleasant walk between the station and the shopping centres, whilst the shopping centres themselves, and the large Tesco store, also act as barriers to movement. For both those on foot and in vehicles, the railway lines to the north and west of the centre of Slough also act as a barrier to movement to and from the surrounding suburbs.

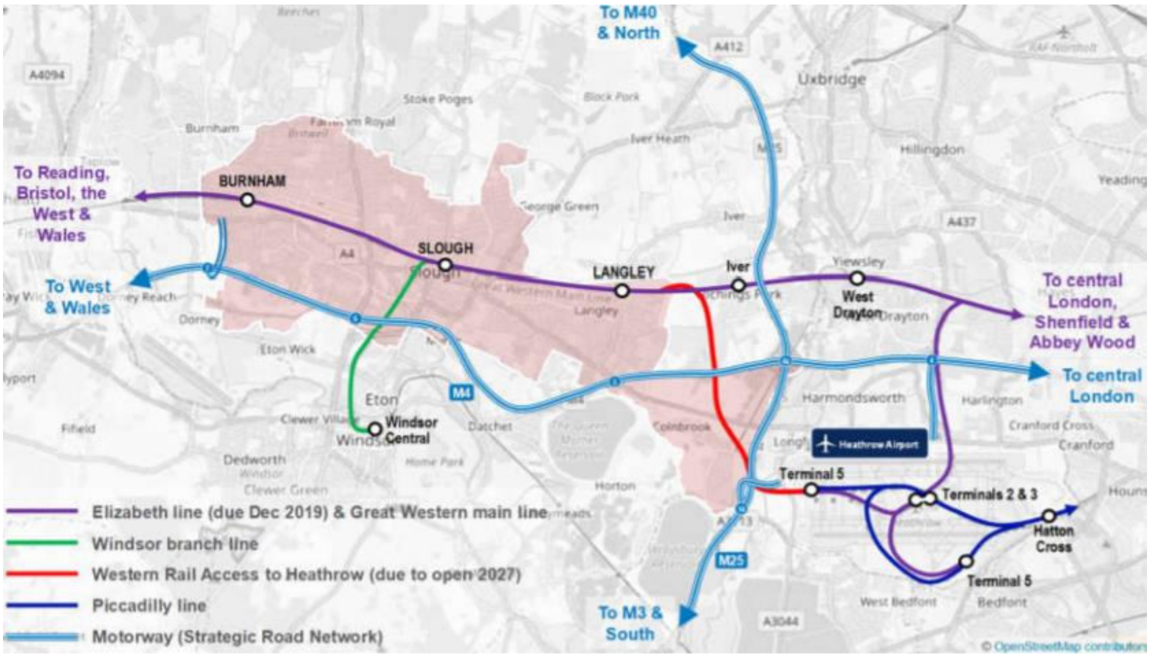
Figure 6.11 Barriers to north-south movement



Source: Slough Borough Council, A Transport Vision for the 'Centre of Slough', 2019

6.24 To tackle this issue the Transport Vision document for Slough (2019) identifies 'provision of a walkable high-quality urban centre with green spaces and streets' as one of the core ambitions.

Figure 6.12 Strategic Connectivity Improvements



Source: Slough Borough Council, A Transport Vision for the 'Centre of Slough', 2019

6.25 In addition, the report also identifies the following transport opportunities for the Borough. These are major transport infrastructure interventions likely to unlock significant growth and inward investment opportunities for the Borough.

[8] Slough Borough Council, A Transport Vision for the 'Centre of Slough', 2019

- **Elizabeth Line services** are due to commence in December 2019 serving Burnham and Langley stations as well as Slough These services will offer faster, more frequent journeys, and more capacity, including direct services to central London.
- **The Western Rail Link to Heathrow (WRLtH),** due for completion in 2028, will enable direct rail services from Slough to Heathrow Airport with a journey time of just six to seven minutes.
- Other infrastructure and service improvements are also anticipated as part of the Heathrow Airport expansion, including **extension of Phase 2 the Slough Mass Rapid Transit (SMaRT)** bus priority scheme east of the centre of Slough via the A4 to the airport, including a Park & Ride site near M4 Junction 5.

Implications: Delivering inclusive growth in Slough…

The evidence presented in this chapter has implications for ensuring that all residents are equipped to benefit from economic growth. The baseline evidence has revealed several ‘infrastructure’ factors which are affecting the inclusivity of Slough’s recent growth:

- **Digital connectivity in Slough is relatively good in terms of internet coverage through ultrafast broadband network and mobile coverage. However, the full fibre connections in the Borough are relatively limited mostly concentrated around the station.**
- **Slough is well connected by road rail and bus services with the wider regional geography. However, within the Borough, there are significant issues of North South divide due to Wellington Road and Rail line cutting through the Borough.**
- **There is significant future transport infrastructure planned for the Borough such as Crossrail, The Western Rail Link to Heathrow and SMaRT which will provide major opportunity for the Borough to unlock future growth and unlock inward investment opportunities.**

7. Future Growth Prospects

Redefining Slough

7.1 Slough is embarking on an ambitious growth trajectory, which will see the make-up of the Borough change in physical terms and also in less tangible and discrete ways. Importantly, this growth is a symbol of:

- **The extent of local ambition to evolve, grow and reposition Slough's economy.**
- **A proactive approach to regeneration, improving the provision of housing, commercial space and the public realm.**
- **A desire to be a natural home for economic activity of the future.**
- **Increasingly competitive and an attractor of inward investment.**
- **An acknowledgement of the need to address perpetual challenges holding back the local economy.**
- **The SBC, LEP, government and the private sector working collaboratively.**

7.2 The development of Slough is framed by a number of landmark projects, which are driving transformation in the Borough's housing, infrastructure, employment space and public amenity offer. Key schemes are set out below.

Heathrow Airport Expansion

7.3 The planned expansion of Heathrow, as one of the world's premier international gateways, signifies the first time that the airport will extend beyond London's westerly boundary. Now at an advanced stage of planning and having secured government backing, the airport hopes to have a third runway operational by 2026 - this will be partially located in Slough.

Figure 7.1 Heathrow Third Runway and Expansion Masterplan

Source: Heathrow Airport, 2019

7.4 The expansion of Heathrow is driven by the need to increase capacity, add further international connections and access to markets and compete with aggressive hub expansion from across Europe and farther afield. Once built, the airport expects there to be significant benefits which will no doubt have positive implications for Slough businesses and residents:

- Construction employment and supply chain contracts
- Once complete, up to 180,000 new skilled jobs created across the country through Heathrow's supply chains
- The creation of an additional 5,000 airport apprenticeships, combined with the existing 5,000 already delivered by the airport
- Within the South East region specifically:
  - Up to £30bn in economic benefits
  - Creation of up to 33,200 new jobs
  - Infrastructure investments, most significant to rail services

7.5 Moving forward, the opportunities for Slough to capitalise are equally significant:

- Direct and indirect employment for local people
- Training and access to Heathrow's Employment and Skills Academy
- Supply chain access to local companies
- The strengthening of inward investment and reputational benefits
- Direct economic returns through new tax revenue streams
- Improved access to global markets

Slough Urban Renewal

7.6 Slough Urban Renewal (SUR) is a joint venture between SBC and Morgan Sindall Investments, which is undertaking a widespread programme of regeneration across the Borough.

SLOUGH URBAN RENEWAL

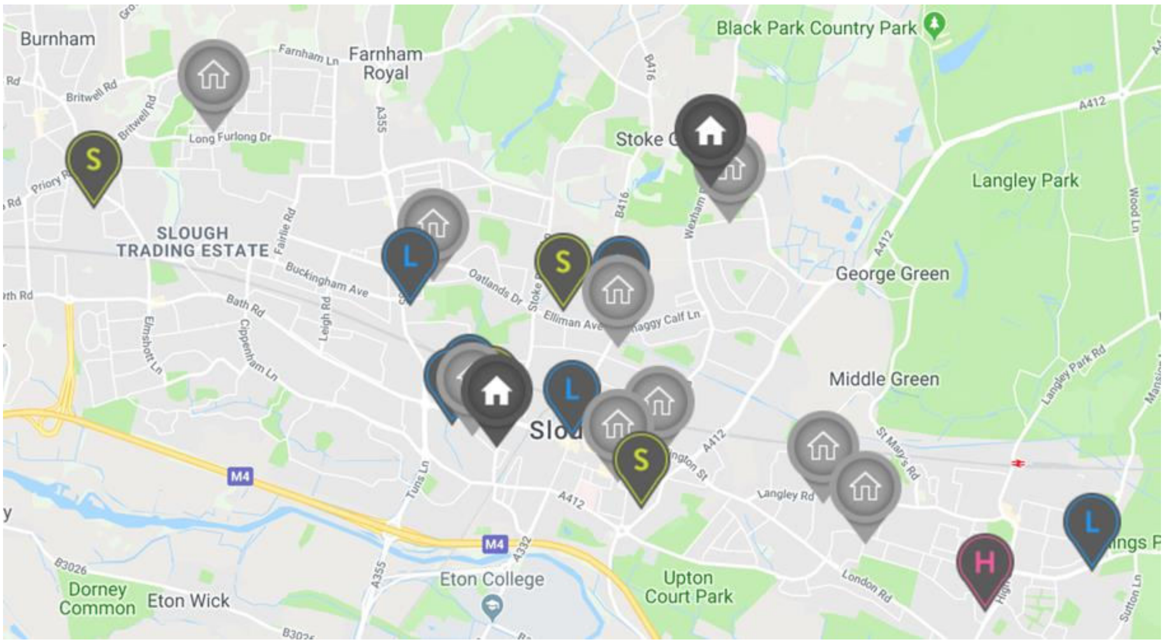
7.7 The partnership is creating a catalyst for change and regeneration in Slough through commercial development, the building of new homes and enhancement of local amenity. SUR aims to create iconic buildings and facilities to help improve the image and place in Slough. In turn, these developments will generate demand for construction jobs locally, and position Slough as being open for business.

7.8 Developments planned and underway will lead to:

- **Residential** – 24 sites delivering over 120 new homes
- **Leisure** – including wet and dry facilities and a refurbished Ice Arena
- **Hotel and restaurants** – in town centre and key business district locations
- **Office** – delivering state-of-the-art and flexible office spaces across the Borough
- **Schools** – increasing the capacity of school places for local families

7.9 Developments are taking place across Slough, stretching across the full extent of the Borough. Those underway include Wexham Green, the Old Library, Stoke Wharf and Mile Stone.

Figure 7.2 Slough Urban Renewal – Development Masterplan



Source: Slough Urban Renewal, 2019

7.10 Regeneration fuelled by SUR across the Borough opens up economic opportunities, including:

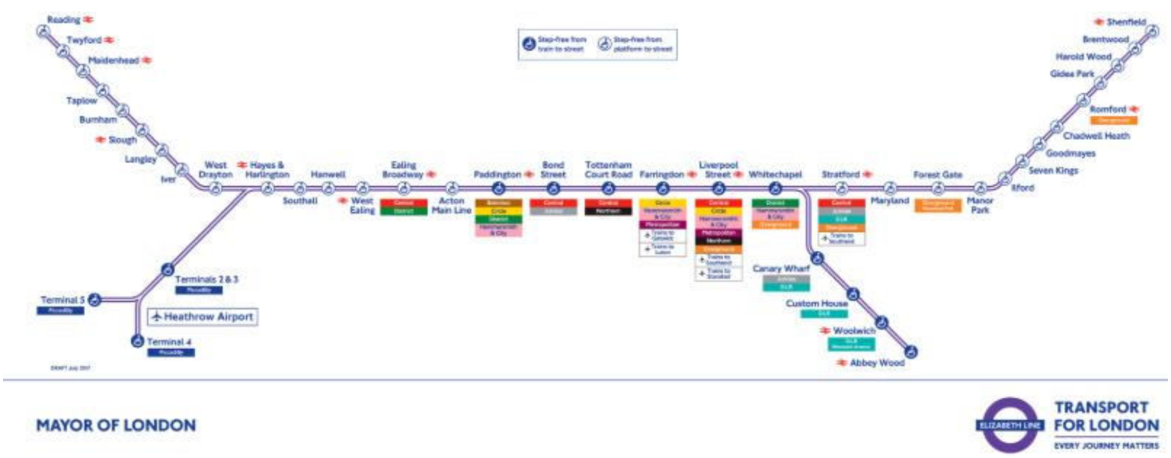
- Employment and supply opportunities through the construction phase
- Direct and indirect employment as a result of new businesses locating in Slough
- An expanded labour pool and working age population
- Increasing the attractiveness of Slough to investors
- Unlocking infrastructure challenges which have held Slough back
- Improving access, amenity and the quality of the public realm

Crossrail

7.11 as part of one of Europe's largest civil engineering projects, Slough will benefit from new and improved connections to London and beyond, as part of Crossrail. The project, which is nearing completion, will provide step change in access and ensure Slough is one of the best connected locations in the UK.

7.12 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 as a result of improved commercial viability.

Figure 7.3 Crossrail Route Map



Source: TfL, 2019

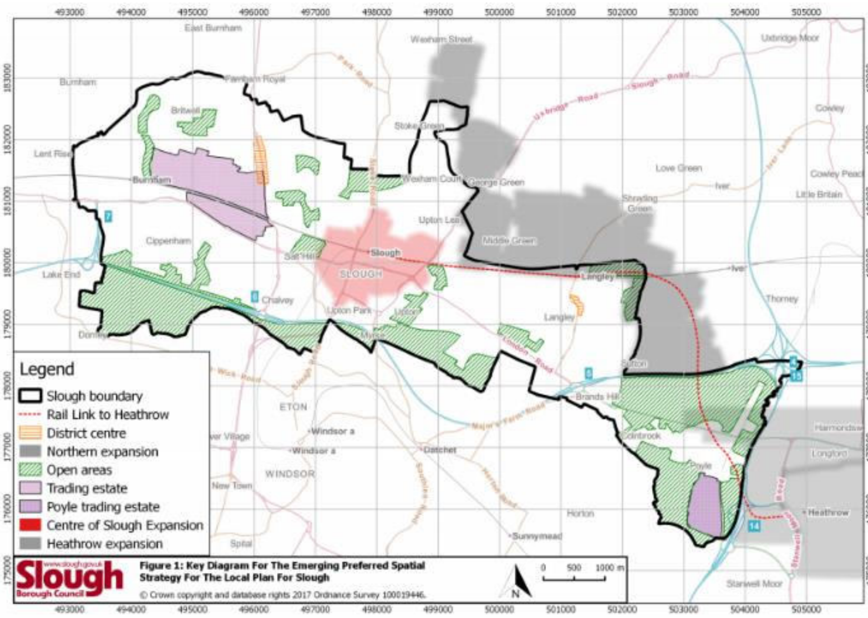
7.13 As a result of Crossrail, Slough will be able to exploit associated benefits:

- Drawing in skilled labour from an expanded catchment area
- Delivering new residential and commercial development schemes
- Reputational benefits as Slough's profile increases
- Enhanced access to London and Heathrow Airport

Regeneration and Expansion

7.14 As set out within the emerging Slough Local Plan, there is a distinct spatial focus to the Borough's regeneration and growth. Two of the most prominent are the redevelopment of the town centre and northern expansion.

Figure 7.4 Slough – Key Growth Locations



Source: Slough Borough Council Spatial Strategy, 2017

HATCH REGENERIS

7.15 The redevelopment of the town centre remains a key objective, transitioning a centre which suffers from outdated office and retail stock and a poor quality public realm into a new experiential destination. This will enable Slough to compete with other regional centres and offer an improved blend of retail, commercial and public amenity apace, in line with contemporary place-making.

7.16 Key to this is the potential redevelopment of Slough's two shopping precincts (the Queensmere and Observatory centres) which combined, could add significant amounts of new retail and residential space at the heart of Slough.

7.17 Ambitious proposals also call for significant residential development activity on the northern side of the Borough – the so-called norther expansion. In order to meet stretching hosing targets and meet the future needs of the local population, the northern proposes a garden suburb type extension, which would deliver up to 10,000 new homes. This development entails the delivery of homes outside of the SBC boundary, most notably within South Bucks.

7.18 Some of the benefits associated with this expansion include:

- A revitalised town centre which offers a new shopping and leisure destination
- The creation of new employment as a result of new commercial development
- New and affordable housing stock to service new and existing residents
- Associated infrastructure improvements delivered through residential schemes

Implications: Delivering inclusive growth in Slough…

The evidence presented in this chapter suggests there is a considerable opportunity to address challenges holding back inclusive growth across Slough through the Borough's large-scale and transformational regeneration programme:

- **Slough is planning a phase of growth and regeneration that is unparalleled and will make it distinct across the South East, with development positioned to make a significant contribution to employment and skills prospects and the delivery of inclusive growth.**
- **There are opportunities to embed benefits to local people across the design, construction and operational phases of development, working closely with developers and supply chains to ensure impacts are maximised and the legacy of development is strong.**
- **Development and regeneration will also help to enhance Slough's inclusive growth characteristics, contributing to the factors that will improve prosperity and help to attract a new wave of skilled people, including increased housing stock supply, public realm improvements and higher quality commercial space.**
- **Crossrail will enhance Slough's connectivity even further and complement other transport infrastructure investments, increasing the Borough's attractiveness and as a live-work destination and acting as the trigger point for important regeneration schemes in Slough.**
- **Heathrow's proposed expansion has the potential to extend Slough's global reach even further and to attract investment from new markets, whilst also creating new employment opportunities from which Slough's residents can benefit.**

8. Benchmarking – Wider Comparisons

8.1 In the context of Slough's stretching growth ambitions and framed by the need to improve productivity and resident outcomes in order to achieve inclusive growth, it is helpful to consider Slough's economic performance against a set of other comparator areas. These help to benchmark Slough's credentials with local authority areas that have a reputation for being both high performing and successful – they offer a reference point for realising Slough's ambitions.

8.2 Slough is compared below against three local authority areas that fit this criteria:

- **Cambridge**
- **Milton Keynes**
- **Oxford**

8.3 This analysis assesses Slough's ranking based on the following labour market indicators:

- **Employment rate (%)**
- **Unemployment rate (%)**
- **Economic Activity (%)**
- **NVQ Level 4 (%)**
- **FTE Weekly Pay (£)**

Table 8.1 Comparative Labour Market Performance

	Employed (%)	Unemployed (%)	Economic Activity (%)	NVQ Level 4 (%)	FTE Weekly Pay (£)	GVA Per Head (£)
1	Oxford 83.7	Milton Keynes 4	Oxford 85.2	Oxford 63.2	Cambridge 642.4	Milton Keynes 46,780
2	Cambridge 78.5	**Slough 3.9**	Cambridge 79.1	Cambridge 61.5	Oxford 623.8	**Slough 46,599**
3	Milton Keynes 74.5	Oxford 3.2	Milton Keynes 78	**Slough 41.9**	**Slough 604.6**	Oxford 41,848
4	**Slough 73.5**	Cambridge 2.9	**Slough 77.2**	Milton Keynes 39.6	Milton Keynes 587.8	Cambridge 38,900

Source: NOMIS, Local Area Profiles, 2019, ONS, Regional GVA by Local Authority, 2019

8.4 Table 8.1 illustrates Slough's relative performance and suggests that it struggles to compete with comparators on the majority of indicators. Key findings include:

- Slough's employment rate **lags Oxford and Cambridge** by a significant margin.
- Slough's unemployment level is the **second highest** of all comparators.
- Slough has the **lowest economic activity rate** of all comparators.
- Slough is a **distant third** when looking at NVQ 4 qualification outcomes.
- Slough residents take home a **higher weekly wage** than their Milton Keynes equivalents.
- Slough's per head GVA is however, **highly competitive**.

8.5 The results make for reasonably stark reading and suggest that in a broader context, Slough has some ground to make up on established competitors. That said, each comparator location is inherently different, with varying sectoral bases, relative affordability and access to international labour markets.

8.6 The data does help to make an underlying point – that despite some positive socioeconomic headlines, there is little room for complacency and Slough has considerable ground to make up on its more stretching competitors.

9. Consultee Perspectives

9.1 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.

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

Consultation Headlines

- **Slough has a pervasive image problem…** which frames an unfair perception of the Borough as a place, community and economy and is holding it back from fulfilling its maximum potential.
- **Slough's growth and regeneration prospects are significant…** spanning the breadth of the Borough, collectively helping to reposition Slough, tackle socioeconomic challenges and create new employment for local people.
- **Heathrow is a huge opportunity that must be fully exploited…** which will lead to new and last employment and enable Slough to attract new investment, being part of one of the world's most important international gateways.
- **The town centre is a metaphor for negative perceptions…** and is critical to Slough's future, with large-scale redevelopment critical to the Borough's place-shaping, retail, amenity and destination ambitions.
- **Slough's location and connectivity are key assets…** which set it apart from competitors and are the foundation of foreign direct investment, inward investment and the growth of indigenous businesses.
- **Larger businesses need to invest in Slough as a place and its people…** the presence of multinationals and global headquarters is a fillip for Slough, but there is an opportunity to leverage greater investment in the Borough and its residents.
- **Slough has untapped entrepreneurial potential…** more could be done to stimulate enterprise, retain entrepreneurial talent and ensure Slough is a natural base for scale-ups.
- **There are key areas which are holding back inclusive economic growth…** which include skills gaps, infrastructure limitations, embedded deprivation, fragmented cultural integration and lack of affordable housing.
- **Slough has assets from which to build upon…** these include the presence of tier one employers, a thriving Slough Trading Estate, growing sectors and a generally skilled population, which should form the basis of economic development policy.
- **Slough's proximity to London must been seen as a strength…** and can be exploited, through the concept of the area being 'London's westernmost Borough' and a greater association with Heathrow Airport.
- **A sector focused approach to growth shouldn't be at the cost of a diverse economy…** whilst the Borough should have focused approach to growth and target what makes it distinctive, there is an inherent strength in maintaining a broad economic base.

- **Slough should celebrate success and preach its virtues…** such that longstanding perceptions are overcome, and a positive message of achievement is communicated throughout the Borough's business and residential communities.
- **Slough must be prepared to be an innovator…** with the Borough being well placed to adopt an outward facing approach which embraces new models of delivery and embraces partnership working.

10. Conclusions

10.1 The evidence presented within this baseline provides an up-to-date and compelling platform from which to formulate economic development policy and prioritise where SBC and its partners (notably TVBLEP) . The evidence will anchor Council decision-making and provide the basis for developing a more detailed series of actions and initiatives.

10.2 Key messages emerging from the research base include:

Strengths:

- **Slough is a buoyant, growing and productive economy..,**
- **Residents are economically active and productive…**
- **It is at the heart of a highly competitive sub-region…**
- **It is culturally and ethnically distinct within Berkshire…**
- **The Borough has been successful at attracting skilled internal workers…**
- **On a variety of socioeconomic measures, Slough is outperforming its competitors…**
- **Entrepreneurs and scaling businesses are flourishing across the Borough**
- **The local labour force is skilled and employed in productive occupations…**
- **Slough has world-class locational and connectivity assets…**
- **The Borough is home to important anchor businesses with globalised supply chains…**
- **Slough is targeting ambitious growth and is delivering extensive regeneration…**
- **The Borough benefits from wider partnerships and public-private collaboration…**
- **The Borough continues to attract inward and foreign direct investment…**

Weaknesses:

- **Inclusive growth is being hindered as a result of poverty and skills issues…**
- **Slough suffers from entrenched negative perceptions in spite of its success…**
- **Infrastructure challenges (i.e. transit, digital) are constraints on economic growth…**
- **Health and quality of living measures are holding back economic participation…**
- **Some socioeconomic issues are more acute within the Borough's ethnic communities…**
- **Skills gaps are holding back businesses and labour market participation…**
- **Slough's town centre is failing to match competitors and is a symbol of decay…**
- **Commercial and industrial property stock is under threat from permitted development…**

Opportunities

- **Slough is driving positive change through progressive regeneration…**
- **Crossrail will make the Borough's connectivity even stronger and trigger development…**
- **Heathrow expansion brings investment, employment and reputational benefits…**
- **There is an opportunity to strengthen links with employers and the labour market…**
- **Slough's sector profile provides a reference point for targeted growth…**
- **The Borough's cultural diversity and global links should be celebrated…**
- **Anchor employers are eager to invest in Slough…**

Threats

- **Changes in the sectoral base may accentuate skills challenges…**
- **Brexit poses challenges to the Slough economy given its international trade links…**
- **Town centre redevelopment will take time to materialise…**
- **Slough must work hard to remain economically competitive…**
- **Inclusive growth may require a step change in policy making and approach…**
- **Extensive growth will place additional pressure on infrastructure…**

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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