

**Published**  
30 June 2011

# **BERKSHIRE ECONOMIC COMMENTARY**

## **April-June 2011**

**Coverage**  
Berkshire Unitary Authorities

**Theme**  
The Local Economy

**Issued by**  
[Berkshire Observatory](#)  
Thames Valley Berkshire Local Enterprise  
Partnership

**Contact**  
TARIQ RAFIQ AIED  
Economic Research & Intelligence Manager

**Email**  
[Tariq@BerkshireObservatory.org](mailto:Tariq@BerkshireObservatory.org)

**Next publication date**  
End of September 2011

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# BERKSHIRE ECONOMIC COMMENTARY

## TERMS OF REFERENCE

This commentary has been produced by the [Berkshire Observatory](#) and the **Thames Valley Berkshire Local Enterprise Partnership**. It provides a synopsis of the current economic climate in Berkshire, drawing on information provided by several of our partners.

Berkshire is defined as the unitary authorities of:

- Bracknell Forest
- Reading
- Slough
- West Berkshire
- Windsor & Maidenhead
- Wokingham

## QUESTIONS SPECIFIC TO THIS MONTH

### Vacant Retail Units

Although formal data on vacant units isn't available, anecdotally Slough can report that:

- Town Centre voids are being filled but by lower end, less quality shops, providing little choice to shoppers.
- Eateries are growing in the Town centre with a new Nandos, Murgh Pilau and other fast food places opening up.
- Traditional retail in Slough is suffering but retail linked to restaurants, etc is thriving.
- Although this is a mixed picture, in general the Town Centre's long term viability is a concern.

*Source: Slough Borough Council, 24 June 2011*

### Footfall / Car Parking Figures

Footfall across West Berkshire was on average 3% lower in May 2011 than May 2010. Numbers of cars using car parking facilities was also down across West Berkshire, by 6% over the same time period.

*Source: West Berkshire Council, 17 June 2011*

### SUMMARY COMMENTS ABOUT SLOUGH'S ECONOMY

- The Slough economy is recovering at a very steady rate but there is still much uncertainty and concern about real economic stability and growth.
- Unemployment has been lower from this time last year but has seen an increase month on month since Dec 2010. We will need to continue to monitor this and if unemployment continues to grow, will have to work with partners to combat this.
- There are encouraging signs of new investment in a difficult economic climate.
- Unemployment of young people will be a growing concern and will need to be monitored and appropriate resources allocated and action taken.

*Source: Slough Borough Council, 24 June 2011*

## KEY CHALLENGES & HOTSPOTS

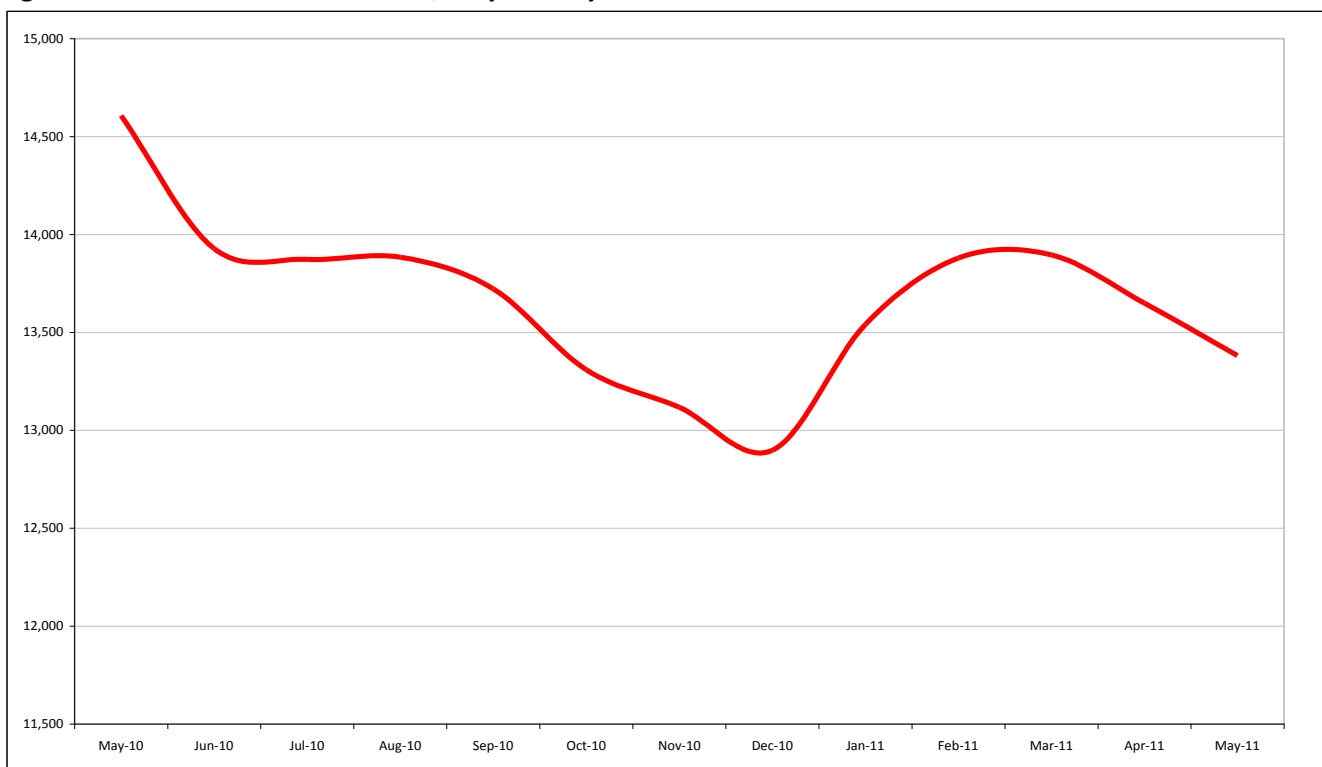
### JOB SEEKERS ALLOWANCE (JSA) CLAIMANTS

The measure of JSA claimants is the only, regularly updated, statistic available that shows levels of unemployment broken down to unitary authority (UA) level. It does, however, assume that all who are unemployed claim this benefit, which is not always the case.

Until an alternative is available, JSA claimant counts remain the most reliable indicator of unemployment levels across the UK.

Figure 1 charts the number of Job Seekers Allowance claimants in Berkshire from May 2010 to May 2011:

**Figure 1: JSA Claimants in Berkshire, May 10-May 11**



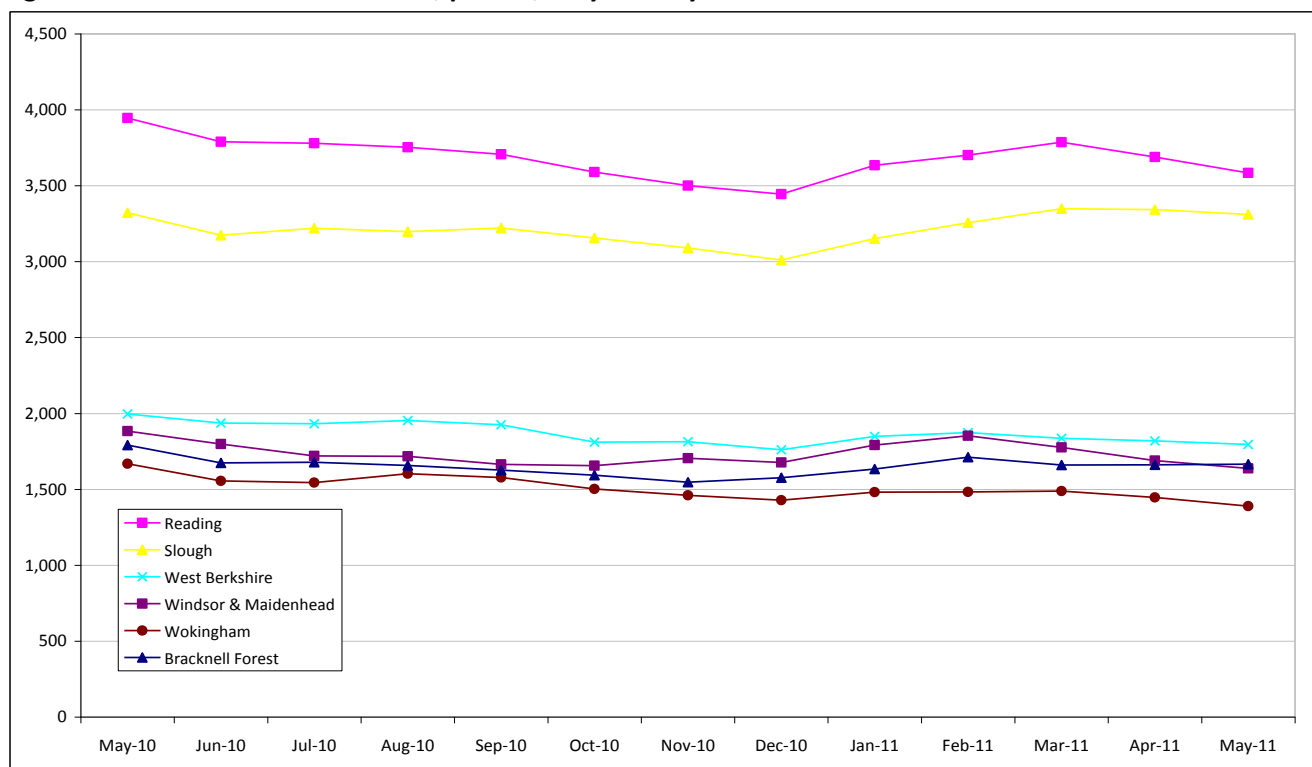
Source: Berkshire Observatory, ONS

Apart from the regular increase in unemployment at the beginning of any calendar year, the last 12 months, have seen otherwise consistent declines in JSA claimants. Unemployment in Berkshire has gone from a high of 14,600 claimants in May 2010 to 13,400 in May 2011. However, only a few months ago, unemployment was below 13,000.

**However, unemployment is still nearly double the pre-recession rate for Berkshire, which stood at around 7,000 in 2008.**

Figure 2 displays the number of JSA claimants, broken down by Berkshire UA, over the last year.

**Figure 2: JSA Claimants in Berkshire, per UA, May 10-May 11**



Source: Berkshire Observatory, ONS

The downward trend seen across Berkshire in 2010/11 is mirrored in each of its constituent parts. Since May 2010, most of the Berkshire UAs saw near consistent declines in their numbers of JSA claimants. Early 2011 saw some increases but this has been coming down again for the last couple of months.

Figure 3 shows the detailed figures for JSA claimants, per Berkshire UA, May 2010 to May 2011:

**Figure 3: JSA Claimants in Berkshire, per Unitary Authority, May 10-May 11**

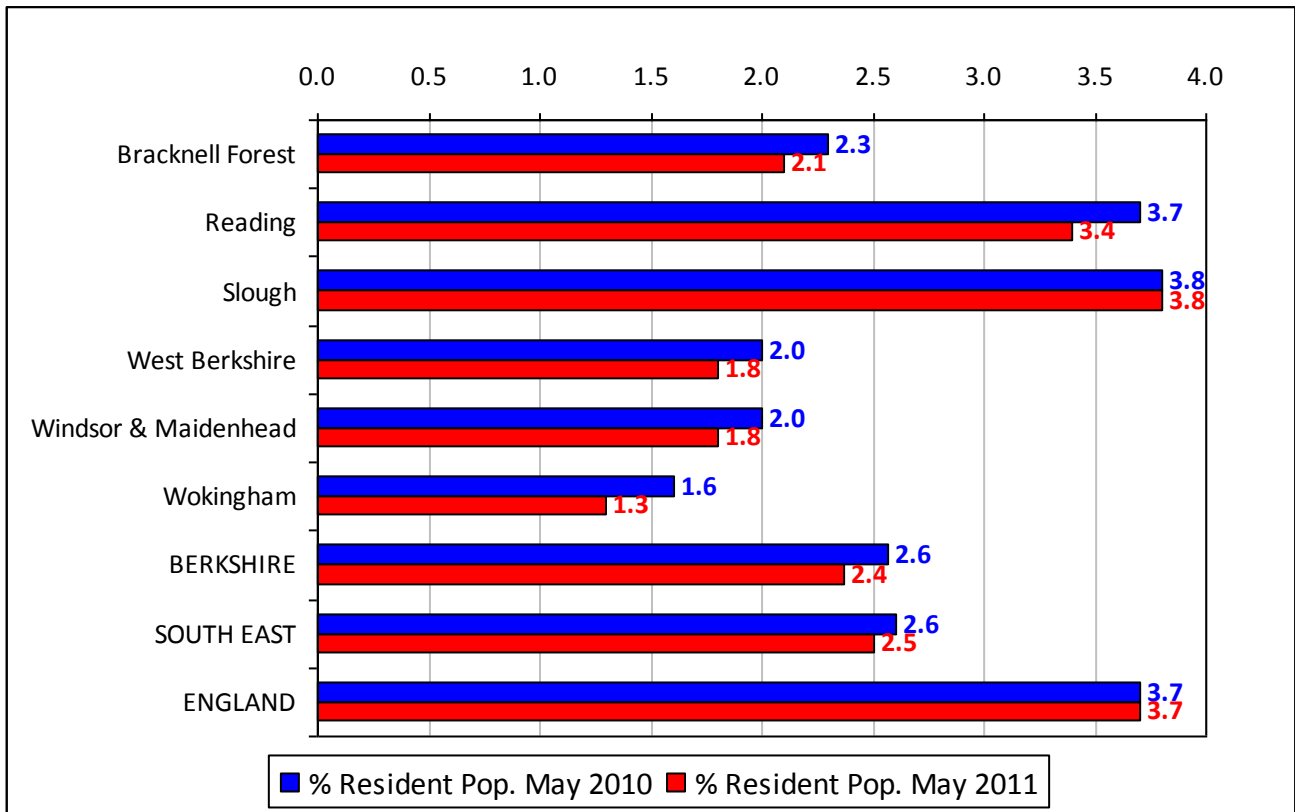
Area	May-10	Jun-10	Jul-10	Aug-10	Sep-10	Oct-10	Nov-10	Dec-10	Jan-11	Feb-11	Mar-11	Apr-11	May-11
Bracknell Forest	1,791	1,674	1,678	1,658	1,627	1,593	1,547	1,577	1,633	1,712	1,660	1,662	1,666
Reading	3,946	3,790	3,779	3,753	3,707	3,590	3,500	3,445	3,635	3,702	3,787	3,689	3,584
Slough	3,322	3,174	3,220	3,198	3,221	3,156	3,090	3,010	3,151	3,256	3,348	3,343	3,310
West Berkshire	1,997	1,936	1,932	1,954	1,926	1,811	1,814	1,761	1,849	1,874	1,836	1,819	1,795
Windsor & Maidenhead	1,883	1,799	1,720	1,718	1,664	1,656	1,705	1,677	1,792	1,853	1,776	1,689	1,638
Wokingham	1,668	1,555	1,544	1,603	1,578	1,503	1,461	1,428	1,481	1,483	1,489	1,447	1,389
<b>BERKSHIRE</b>	<b>14,607</b>	<b>13,928</b>	<b>13,873</b>	<b>13,884</b>	<b>13,723</b>	<b>13,309</b>	<b>13,117</b>	<b>12,898</b>	<b>13,541</b>	<b>13,880</b>	<b>13,896</b>	<b>13,649</b>	<b>13,382</b>

Source: Berkshire Observatory, ONS

**There were 13,382 people claiming JSA in Berkshire in May 2011, over 1,200 less than at the same time the previous year.**

Figure 4 shows the percentage of the working population in Berkshire’s UAs who were claiming JSA benefit, in May 2010 and May 2011:

**Figure 4: % of Working Age Population Claiming JSA, May 10 Compared to May 11**



Source: Berkshire Observatory, ONS

The percentage of the resident working age population who are claiming JSA has fallen throughout Berkshire, by an average of 0.2% over the last year.

Reading’s fell by 0.3%, however Slough, who also started from a high base, has remained exactly the same. All other UAs saw falls in their claimant count over the last year of between 0.2%-0.3%.

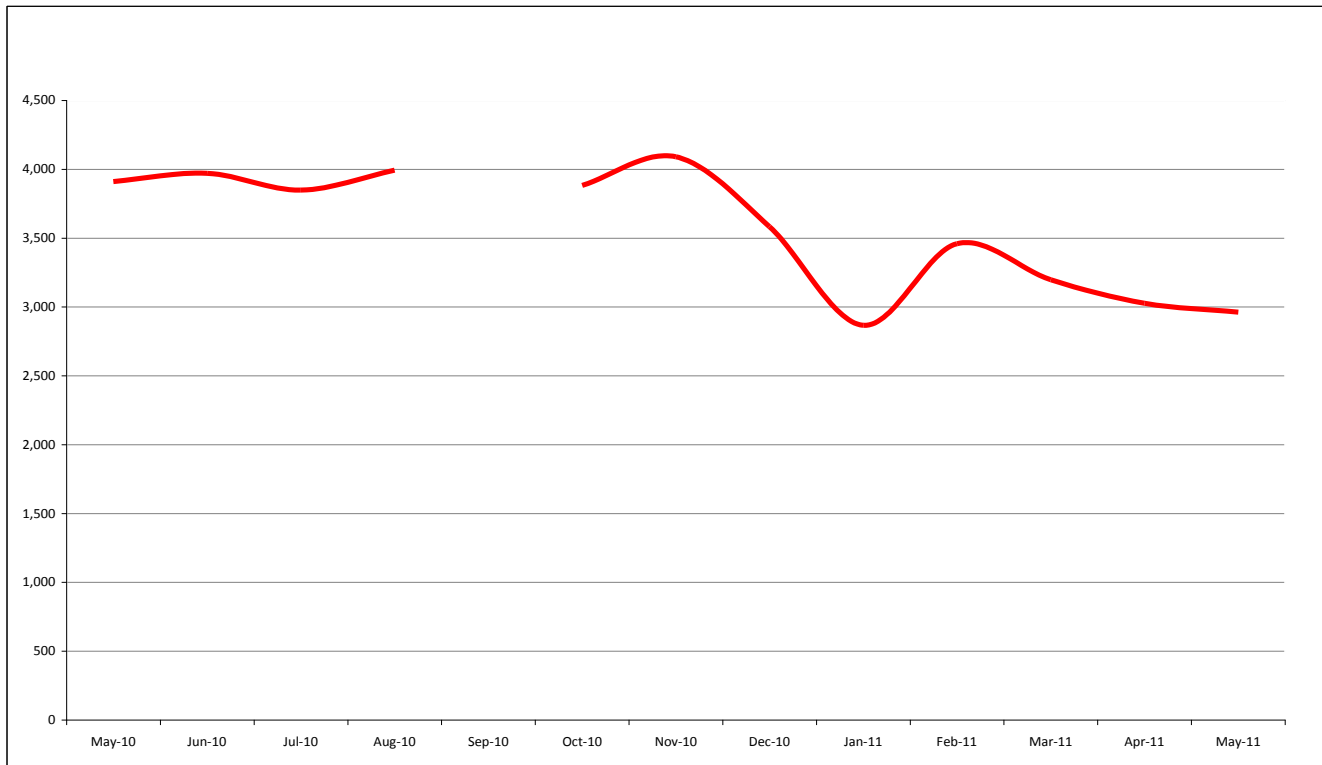
**In Berkshire, Wokingham has the lowest percentage of its population claiming JSA (almost a third of the national average), whereas Slough has the highest (three times that of Wokingham).**

**JOB CENTRE PLUS (JCP) LIVE UNFILLED VACANCIES**

**PLEASE NOTE: DATA FOR LIVE UNFILLED VACANCIES FOR SEPTEMBER 2010 IS UNAVAILABLE, THEREFORE, THERE ARE NO FIGURES FOR SEPTEMBER 2010 IN THE FOLLOWING ANALYSIS.**

Below is data showing the numbers of unfilled vacancies that can be applied for by prospective candidates. It is not a complete picture of all vacancies available, but is the only regularly updated source of data that allows some understanding of vacancy opportunities for job seekers.

**Figure 5: JCP Live Unfilled Vacancies in Berkshire, May 10-May 11**



Source: Berkshire Observatory, ONS

Note: Unfilled vacancies can be split into Live Unfilled Vacancies and Suspended Unfilled Vacancies. Only figures for Live Unfilled Vacancies have been used as a jobseeker can actively apply for these.

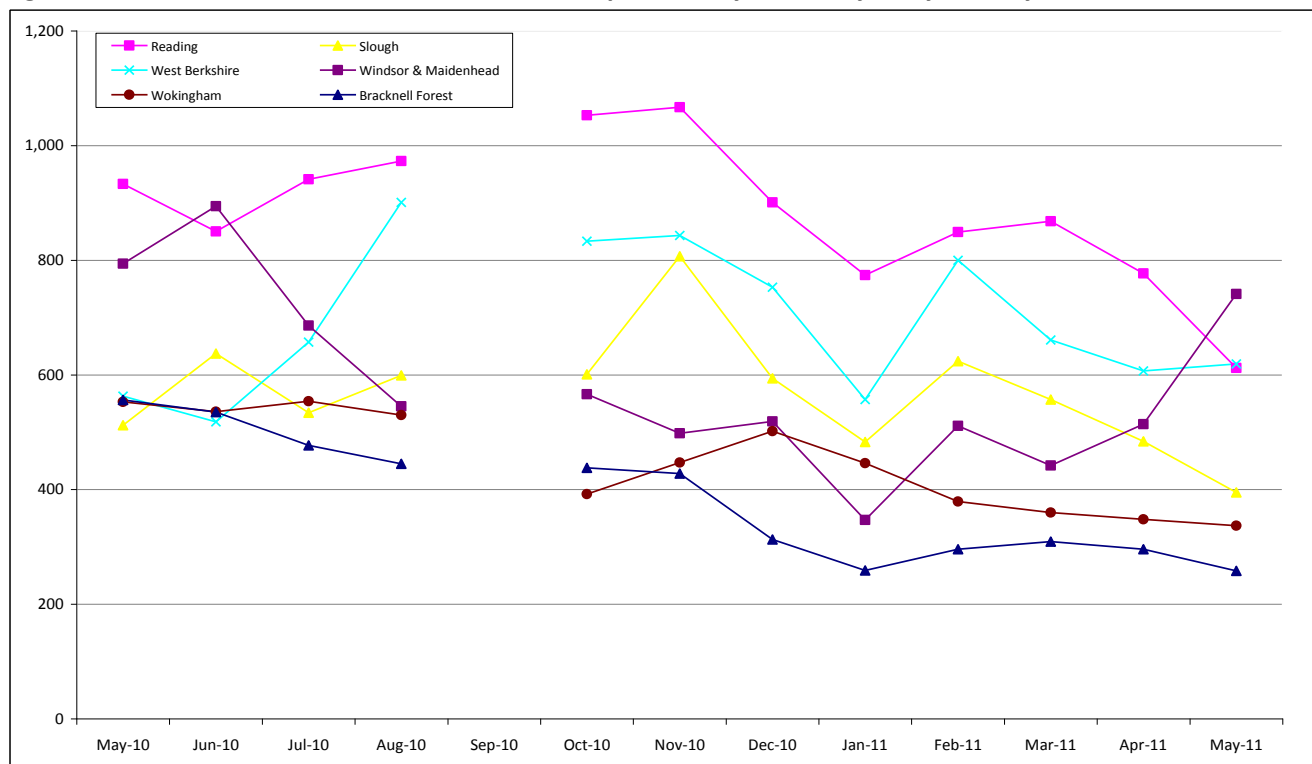
As well as the significant falls at the end of 2010 for vacancies across Berkshire, the last few months have also seen further falls.

There were over 4,000 vacancies advertised through JCP across Berkshire in November 2010. Six months on and there were less than 3,000 vacancies advertised in May 2011.

**There were 1,000 less vacancies in May 2011 than a year previous.**

Figure 6 displays the number of JCP live unfilled vacancies in more detail, breaking them down by Berkshire unitary authority, over the last year.

**Figure 6: JCP Live Unfilled Vacancies in Berkshire, per Unitary Authority, May 10-May 11**



Source: Berkshire Observatory, ONS

Note: Unfilled vacancies can be split into Live Unfilled Vacancies and Suspended Unfilled Vacancies. Only figures for Live Unfilled Vacancies have been used as a jobseeker can actively apply for these.

Figure 6 shows the volatility of live unfilled vacancies across the six UAs. Over the last 12 months, each of the UAs has seen significant increases and decreases to vacancy numbers. **In May 2011, Windsor & Maidenhead had the most significant increase, compared to the previous month, with over 200 more vacancies. Reading had the most significant decrease with 165 fewer vacancies in May 2011 than one month earlier.**

Figure 7 shows the detailed figures for JCP live unfilled vacancies, per Berkshire unitary authority, May 2010 to May 2011:

**Figure 7: JCP Live Unfilled Vacancies in Berkshire, per Unitary Authority, May 10-May 11**

Area	May-10	Jun-10	Jul-10	Aug-10	Sep-10	Oct-10	Nov-10	Dec-10	Jan-11	Feb-11	Mar-11	Apr-11	May-11
Bracknell Forest	556	535	477	445		438	428	313	259	296	309	296	258
Reading	933	850	941	973		1,053	1,067	901	774	849	868	777	612
Slough	512	637	534	599		601	807	594	483	624	557	484	395
West Berkshire	563	518	657	901		833	843	753	557	800	661	607	619
Windsor & Maidenhead	794	894	686	545		566	498	519	347	511	442	514	741
Wokingham	553	536	554	530		392	447	502	446	379	360	348	337
<b>Berkshire</b>	<b>3,911</b>	<b>3,970</b>	<b>3,849</b>	<b>3,993</b>		<b>3,883</b>	<b>4,090</b>	<b>3,582</b>	<b>2,866</b>	<b>3,459</b>	<b>3,197</b>	<b>3,026</b>	<b>2,962</b>

Source: Berkshire Observatory, ONS

Note: Unfilled vacancies can be split into Live Unfilled Vacancies and Suspended Unfilled Vacancies. Only figures for Live Unfilled Vacancies have been used as a jobseeker can actively apply for these.

**There were 2,962 live unfilled vacancies available across all of Berkshire in May 2011, 1,000 less than a year previous.**

Figure 8 shows the change in JCP live unfilled vacancies from May 2010 to May 2011, by unitary authority:

**Figure 8: Change in JCP Live Unfilled Vacancies, May 10 compared to May 11, per Berkshire UA**

Area	Change From May 10-May 11	% Change From May 10-May 11
Bracknell Forest	-298	-54%
Reading	-321	-34%
Slough	-117	-23%
West Berkshire	56	10%
Windsor & Maidenhead	-53	-7%
Wokingham	-216	-39%
<b>BERKSHIRE</b>	<b>-949</b>	<b>-24%</b>
<b>SOUTH EAST</b>	<b>-8,076</b>	<b>-22%</b>
<b>ENGLAND</b>	<b>-46,233</b>	<b>-19%</b>

Source: Berkshire Observatory, ONS

Note: Unfilled vacancies can be split into Live Unfilled Vacancies and Suspended Unfilled Vacancies. Only figures for Live Unfilled Vacancies have been used as a jobseeker can actively apply for these.

Comparing May 2011 with May last year shows that Berkshire as a whole has 24% LESS vacancies. Only West Berkshire is higher this May than they were last May.

**West Berkshire is the only UA with more vacancies in May 2011 than May 2010. This is only 56 (10%) more, however.**

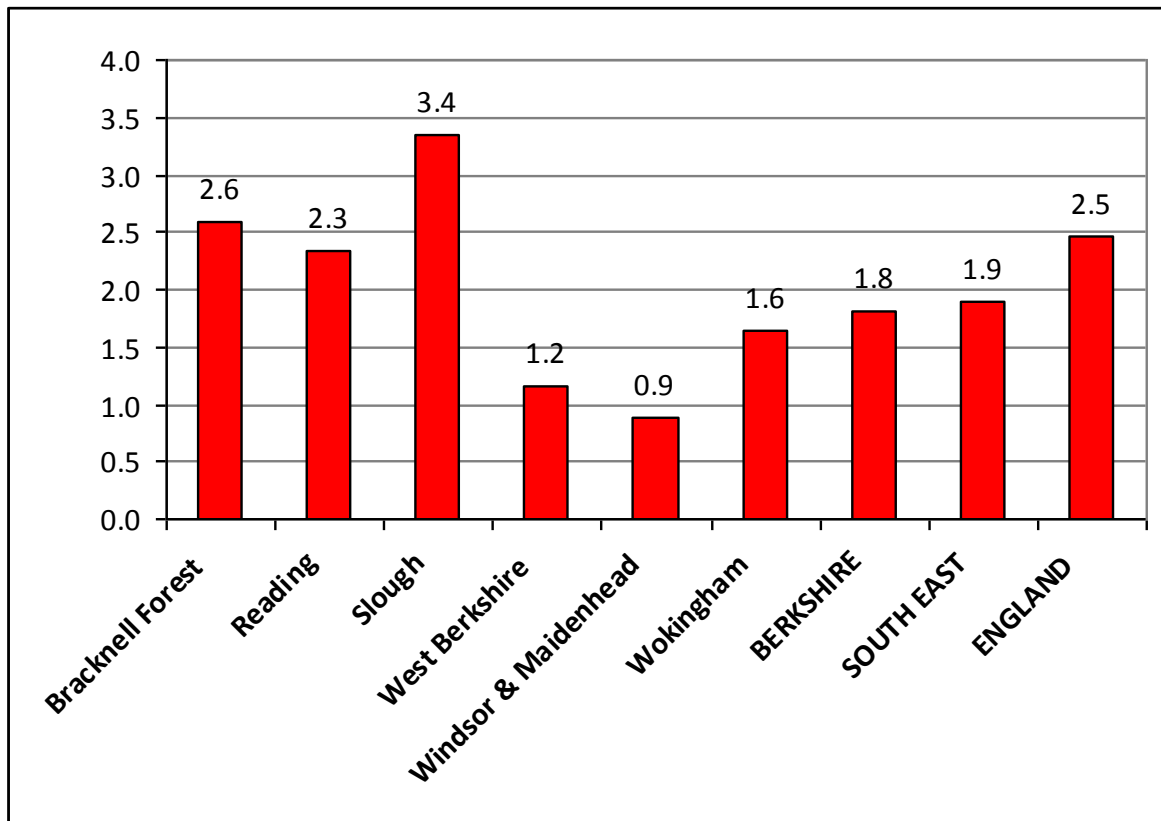
**Berkshire has 949 (24%) fewer vacancies in May 2011 than one year previous, which is worse than both the South East average (22%) and the England average (19%).**

It is important to remember that the above figures for job vacancies are only those being advertised through JCP. As a rough guide, vacancies advertised through JCP equate to approximately 40% of all available positions.

**This would mean that there are approximately 7,400 total vacancies across Berkshire. However, there are over 13,000 JSA claimants.**

**THIS EQUATES TO 1.6 JSA CLAIMANTS PER ADVERTISED VACANCY.**

**THE SITUATION, HOWEVER, IS WORSE FOR SOME UAs THAN OTHERS:**

**Figure 9: JSA Claimant per Approximate TOTAL vacancies in May 2011, per Berkshire UA**

Source: Berkshire Observatory, ONS

Note: Unfilled vacancies can be split into Live Unfilled Vacancies and Suspended Unfilled Vacancies. Only figures for Live Unfilled Vacancies have been used as a jobseeker can actively apply for these.

Figure 9, above, assumes that Live Unfilled vacancies represent 40% of all available positions to apply for. A further 60% is added to the Live Unfilled vacancy figure and this is divided by the JSA figure for each area, giving the numbers above.

Figure 9 highlights that although the Berkshire average is 1.8 JSA claimants per vacancy, **Slough is nearly double, with 3.4 claimants per vacancy.** **The situation in Windsor & Maidenhead is clearly the best where there are more vacancies than whole JSA claimants, with West Berkshire not far behind.**

**Berkshire, as a whole, is on par with the South East average and doing better than the England average of 2.5 claimants chasing every vacancy.**

## BUSINESS SPECIFIC INTELLIGENCE

### POSITIVE NEWS

Six brand new double deck buses have been purchased especially to provide an enhanced bus service between Newbury and Reading. The service commenced on 4 April and buses are running approximately every 30 minutes between Newbury and Reading via the A4.

*Source: West Berkshire Council, 17 June 2011*

The new Terminal 2, being completed in 2014 will see the creation of a number of jobs as well as supporting travel and the economy of Slough.

*Source: Slough Borough Council, 24 June 2011*

A new Kentucky Fried Chicken Drive Thru on the trading estate in Slough will create a number of new jobs.

*Source: Slough Borough Council, 24 June 2011*

Digital Arts, a new Japanese company has taken office space in Slough creating a number of jobs.

*Source: Slough Borough Council, 24 June 2011*

DWP Work Programme contracts are now confirmed and A4E and Maximus are the successful providers who will be delivering employment support in Slough from July 2011 onwards.

*Source: Slough Borough Council, 24 June 2011*

The East Berkshire Local Economic Assessment is near completion. It brings together data and intelligence on various economic datasets. It constructs a single document that tells the story of East Berkshire's economy, comprising the Boroughs of Slough and Windsor and Maidenhead. An event was held in June to present key findings to stakeholders and plan how we can take certain initiatives forward.

*Source: Slough Borough Council, 24 June 2011*

In a recent study, Businesses in Slough have mixed levels of optimism about the economy. They are concerned about the increased price pressures of fuel, electricity and essential resources. However, they are pleased about the reduction in corporation tax, cancellation of fuel duty, reduction in regulations and the merger of Income Tax and National Insurance.

*Source: Slough Borough Council, 24 June 2011*

Wokingham's Business Skills and Enterprise Partnership is working with The Real Business Club to provide support and guidance to local residents who are interested in establishing their own business. A number of roadshows have already been held with workshops due to take place in July.

*Source: Wokingham Borough Council, 30 June 2011*

Wokingham Borough Council has launched an initiative aimed at supporting individuals interested in starting up their own small micro care business to help vulnerable adults access leisure, sports and cultural activities. Individuals can apply for small start-up grants and also receive advice and guidance from the The Real Business Club.

*Source: Wokingham Borough Council, 30 June 2011*

Wokingham Borough Council has launched a wholly owned company called Optalis to deliver care and support services to adults with a disability and older people.

*Source: Wokingham Borough Council, 30 June 2011*

Over 40 local businesses leaders attended a business breakfast at Bearwood Lakes Golf Club. The forum was aimed at providing local business leaders with an update on the type and location of development across the Wokingham Borough in the next 15 years and how this could benefit businesses.

*Source: Wokingham Borough Council, 30 June 2011*

Good progress has been made reducing the number of NEETS in Wokingham. Numbers have been falling steadily and at the end of May stood at 3.9% of 16–18 yr olds.

*Source: Wokingham Borough Council, 30 June 2011*

### **POSITIVE FORECASTS**

School leavers looking to find work can discover more about job opportunities with prospective employers at a careers fair in Reading this autumn. Up to 70 organisations are being lined up for the Futures Fair, at the Royal Berkshire Conference Centre, Madejski Stadium, on Thursday, September 29.

*Source: Reading Post, 16 May 2011*

The Parkway development, opening in Newbury in October this year (2011), is a 475,000 sq ft mixed-use scheme being developed by Standard Life Investments. One of the only three new shopping centres scheduled to open in the UK in 2011, Parkway will deliver 295,000 sq ft of shops and restaurants, a 550 space shopper car park, and 147 stylish new apartments.

*Source: West Berkshire Council, 17 June 2011*

John Lewis has committed to investing £8 million in Newbury which will boost local employment with the creation of around 160 new jobs. Focusing on furniture, furnishing accessories, electrical and home technology, John Lewis at home Newbury will trade from two levels totalling 40,000 sq ft.

*Source: West Berkshire Council, 17 June 2011*

Planning chiefs have given a resounding thumbs up to a new Ikea store in Calcot. Members of Reading Borough Council's planning applications committee raised no objection to the proposed development at a meeting on Wednesday. However, their approval is subject to Ikea agreeing to put some money towards mitigating its impact on Reading's roads and to improving local bus services.

*Source: Reading Post, 24 June 2011*

A new company, Selco Warehousing, is due to open on the trading estate in Slough, creating a number of jobs.

*Source: Slough Borough Council, 24 June 2011*

Wokingham Borough Council is currently working with the University of Reading to complete a survey of rural businesses to better understand their support needs and barriers to growth.

*Source: Wokingham Borough Council, 30 June 2011*

Wokingham Borough Council is in the process of establishing a wholly owned local housing company called Wokingham Housing Ltd which aims to increase the provision of affordable housing.

*Source: Wokingham Borough Council, 30 June 2011*

### **NEGATIVE NEWS**

Plans for a high-speed rail link between Wokingham and Heathrow Airport have been shelved due to funding cuts and concerns over the impact on level crossings.

*Source: The Wokingham Times, 13 April 2011*

Redundancies in the public sector are cancelling out job recovery in the private sector, according to new figures from the Chartered Institute of Personnel and Development (CIPD) and KPMG.

*Source: LocalGov.co.uk, 18 May 2011*

A shortage of skilled staff was the topic for debate at a conference for employers in Reading. Representatives from a variety of different organisations attended Reading UK CIC's skills summit to learn more about training opportunities and discuss the problem of recruitment.

*Source: Bracknell Forest Standard, 22 June 2011*

50 people were made redundant at the Focus DIY store following its closure in June.

*Source: Wokingham Borough Council, 30 June 2011*

## **NEGATIVE FORECASTS**

Concern has been raised that the private rented sector in Wokingham is becoming increasingly expensive, which could impact on homelessness across the borough.

*Source: Wokingham Borough Council, 30 June 2011*

## **SUMMARY**

There were 1,000 less vacancies this May than last but JSA claimants fell for the second month in a row in May and is over 1,000 lower than a year previous.

Combining these two elements together, however, does not paint an optimistic picture for Berkshire. There are 1.8 JSA claimants chasing each vacancy across the county, on average. In Windsor & Maidenhead and West Berkshire it is actually close to only 1 claimant per vacancy, whereas in Slough it is nearly 3.5 claimants chasing each vacancy available in the borough. Basically, there are not enough jobs to go around for everyone claiming JSA in Berkshire. If you factor in those who are unemployed and not claiming JSA, this further exacerbates the situation.

There are some new employment developments on the horizon, but these are not imminent nor guaranteed and therefore of little comfort for residents looking for work.

**PLEASE NOTE: PUBLICATION OF THIS REPORT IS NOW ON A QUARTERLY BASIS. THE NEXT BERKSHIRE ECONOMIC COMMENTARY WILL BE RELEASED AT THE END OF SEPTEMBER 2011.**

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**Contact**

TARIQ RAFIQ AIED  
Economic Research & Intelligence Manager

**Email**

[Tariq@BerkshireObservatory.org](mailto:Tariq@BerkshireObservatory.org)

**Next publication date**

End of September 2011