



West Berkshire - *“Open for Business”*

A Local Economic Development Strategy for West Berkshire 2013-2018



West Berkshire
COUNCIL

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West Berkshire- “Open for Business”

A Local Economic Development Strategy for West Berkshire 2013-2018

Foreword

The recent recession has placed both a national and international focus on the need to stimulate economic growth. Whilst our local economy has shown itself to be relatively resilient through the recent economic difficulties it has not been immune from trends such as rising youth unemployment and a reduction in new business start ups.

West Berkshire is an integral part of one of the most prosperous sub regions in Europe, the so called Thames Valley business wedge spanning from South Buckinghamshire, South Oxfordshire, through all of Berkshire, North Hampshire, and Surrey. Along with Greater London and other parts of the South East, this region is recognised as “the economic engine” which leads and pulls along the rest of the UK economy. Returning to rates of growth previously achieved in the period 1995 to 2005 will be the ultimate challenge in the coming years, especially given an increasingly competitive environment in what continues to become an increasingly global economy.

This Economic Development Strategy seeks to set out how we will respond to this new challenge but also how existing strategies and plans will work together to promote both growth and economic wellbeing across the District over the coming five years. The Strategy has not been prepared in isolation. It takes account of the Government’s own “Plan for Growth”¹ and also the outline growth strategy of the Thames Valley Berkshire Local Enterprise Partnership (TVBLEP), ‘Making the Boat go Faster’.² It also recognises that future business growth and enhanced prosperity are driven by a wide range of factors including the quality of the local environment and social inclusion.

This Strategy also needs to be considered alongside the recently approved Local Development Plan for West Berkshire which covers the period up to 2026. This Plan is itself based on delivering significant growth, with an expectation of 10,500 homes being built during the Plan period, a large proportion of these being constructed in and around Newbury. Our Economic Development Strategy seeks to support this approach.

Our Strategy is underpinned by our economic Vision for West Berkshire. This in turn is supported by five specific economic objectives. These to some degree reflect broader issues evident across Berkshire Thames Valley and the wider South East such as skills, inward investment and retention, as well as more locally focused issues such as promotion and regeneration. A delivery plan sets out how we intend to address the specific priorities that underpin each of the objectives. We are particularly focussed on “delivery via partnerships” because as a Local Authority we cannot generate economic growth on our own.

¹ Business, Innovation and Skills March 2011 <https://www.gov.uk/government/publications/plan-for-growth--5>

² TVBLEP 2012 http://issuu.com/tvblep/docs/tvb_lep_outline_growth_strategy?e=7180515/1270603

Where appropriate we will work with the TVBLEP and other sub regional partners to ensure that our economic objectives are met. We share many of the same aspirations, and recognise that little if anything will be delivered by working alone, particularly in an environment where resources are increasingly scarce. As this Strategy is being finalised we are actively working with the TVBLEP to identify the key strategic infrastructure requirements across Berkshire. We are also engaged with our Unitary Authority partners in Berkshire, Newbury College and the Thames Valley Chamber of Commerce in supporting the City Deal initiative which we hope will play a major role in tackling the skills related issues which are highlighted in this Strategy.

At a District level we intend to place an increasing emphasis on promoting West Berkshire as a place to both visit and do business. We will do this with a range of local partners including the recently established Newbury Business Improvement District (BID). Regeneration remains another major theme notably in Newbury where we will continue to work with existing and hopefully new development partners in realising the objectives of Newbury Vision 2026³. At the most local level, community planning will continue to be supported through parish councils and community planning groups as a means of achieving economic prosperity throughout all of the communities in West Berkshire.

Our Strategy will remain a living document. It will be regularly reviewed and updated to reflect significant changes to the economic, environmental and regulatory frameworks within which the Strategy operates.

Our aim, as always, will be to assist and help generate economic growth in West Berkshire.



Councillor Alan Law
Portfolio Holder for Economic Development



Nick Carter
Chief Executive

³ <http://www.westberks.gov.uk/index.aspx?articleid=27055>

West Berkshire-“Open for Business”

Our Economic Vision

“West Berkshire Council will work proactively and openly with partners and stakeholders to maintain strong and resilient economic prosperity. We will provide an environment that creates opportunities for business growth that make a real difference to all people's lives, with businesses that start, stay and develop in the area.”

1. Executive Summary

Central Government's clear aspiration is that it is businesses that will drive the economy forward and this Strategy aims to ensure that the Council is well placed to take advantage of any emerging opportunities for growth and to work with its partners in the public, private and voluntary sectors to shape the future economic prosperity of the area. This Strategy will act as a catalyst for improved collaborative working to ensure we are working towards our economic goals to improve outcomes for residents and those who also work and visit the area.

The national and local economy is part of an ever-increasing competitive and global economy and as such it was necessary to develop a local economic strategy to:

- take account of immediate economic challenges
- encourage economic stability and growth over the next five years
- help the Council and its partners in prioritizing limited resources in doing the above.

Some of the challenges that we face locally include:

- Ensuring that local skills meet local employment need
- Supporting businesses to stay and grow in the local area and promoting West Berkshire to companies and organisations that may wish to re-locate or start their enterprise here
- Being able to provide the right mix of employment land to meet the needs of businesses
- Making sure there is adequate housing provision for all who want to live and work here
- Making informed decisions by having access to and providing robust economic intelligence
- Regenerating key development sites in West Berkshire in a way that benefits the local community and economy.

Our Economic Objectives

The Economic Vision will be achieved by delivering on our economic objectives which are outlined below:

1. Work with partners to ensure that **local skills** meet the needs of today's business and work environments.
2. **Promote** West Berkshire as a desirable location for combining business, leisure, learning and life.
3. Become more business friendly and **encourage new investment** and business retention across all sectors
4. Actively support sustainable **rejuvenation and regeneration** projects in key locations.

Our Underlying Principles of Delivery

Each economic objective will be achieved in line with the following principles:

1. **Working in partnership** with those supporting the local economy to ensure a co-ordinated and collaborative approach to economic growth and retention, providing leadership and co-ordination where appropriate by:
 - a) Building and maintaining relationships with those in the **business** and **education** sectors to mutually support the local economy, with a strong channel for **two-way communication**.
 - b) Working closely with Regional Economic Organisations such as **Thames Valley Berkshire Local Economic Partnership (TVBLEP)** and through TVBLEP with relevant Government Economic Departments such as **UKTI**⁴ and **BIS**⁵.
2. Understanding, monitoring and communicating trends and performance in the operation of the local economy by building a **Business Information Centre**.

1.1 Skills and Employment

Skills and employment includes the following priority themes:

- Ensuring that local skills meet local employment need.
- Promoting and improving access to apprenticeships and other learning opportunities.
- Encouraging business mentoring schemes.
- Facilitating work placements.
- Working with partners to ensure education and training providers deliver the Information and Guidance (IAG) agenda.
- Supporting young people not in employment, education or training (NEET) towards employment.
- Enabling local people opportunities to access employment, education and training opportunities to help improve the skills levels of the West Berkshire workforce.

The Council's priorities that support delivery of this objective include:

1. *Building on the work of the TVBLEP in collecting data on business needs and promoting apprenticeship opportunities to businesses and young people based on skills gaps*
2. *Encouraging local opportunities for business mentoring to help support SMEs*
3. *Communicating any identified work experience/placement opportunities to relevant partner.*

⁴ UK Trade and Investment

⁵ Department for Business Innovation and Skills

1.2 Promotion of West Berkshire

The promotion of West Berkshire includes the following themes:

- Encouraging and communicating a business friendly environment.
- Work with partners to develop tourism.
- Enhancing the retail offer of our town centres such as Newbury, Hungerford, Thatcham, Calcot and larger villages.

The Council's priorities that support delivery of this objective include:

1. *Provide ongoing support via the Council's Planning and Community programmes to towns and rural villages to encourage local promotion and increased economic development activity.*
2. *Support and encourage public sector procurement to local SMEs.*
3. *Ensure leisure and tourism agenda is embedded into all relevant Council programmes and economic development activity.*
4. *Increase West Berkshire's profile.*
5. *Increase networking with business communities.*
6. *Raise the profile of town centres as retail destinations.*

1.3 Infrastructure

Economic Infrastructure includes the following elements:

- Housing
- Transport Network
- Superfast Broadband
- Flood Protection
- Providing the right mix of sites and premises
- Utilities
- Schools and training and education providers

The Council's priorities that support delivery of this objective include:

1. *Electrification of the railway line west of Reading to Newbury by 2016⁶.*
2. *A339, Newbury: Improvements to this key transport corridor to support growth and unlocking commercial redevelopment*
3. *A4 Calcot: Improved access and journey time to the M4 (J12)*
4. *Improving the Digital Infrastructure to transform West Berkshire's competitive position for new business enterprise and enhance the quality of life for people who live and work here through the provision of Superfast Broadband.*
5. *Housing provision through sites identified in the Local Development Plan.*

⁶ There will be a push for the electrification to continue further West post-2016, benefiting both Kintbury and Hungerford.

1.4 Investment and Retention

Investment and Retention includes the following themes:

- Providing or signposting businesses to good quality Business Support.
- Local Economic Intelligence.
- Incubation provision for start-ups and growth units for business development.
- Removing barriers to enterprise.

The Council's priorities that support delivery of this objective include:

1. *Providing high quality, responsive support and information for businesses considering start-up, relocation, expansion or development.*
2. *Supporting bids, where appropriate, for sustainable investment into the district from international, national, regional, sub-regional and local organisations to grow the local economy.*
3. *Developing new web pages for business and economic development.*
4. *Liaison with rural businesses.*

1.5 Rejuvenation and Regeneration

Rejuvenation and regeneration projects must meet the following key criteria:

- Enhanced quality of living.
- Improved employment opportunities.
- Schemes must be fit for identified current and modern use.
- Schemes must provide substantial visual enhancement to an existing area – public realm and landscaping.
- Any negative impact of a scheme must be mitigated for with consideration for the lives of existing residents and / or businesses.

The following key sites will support delivery of this objective:

1. *London Road Industrial Estate, Newbury*
2. *The Wharf, Newbury*
3. *Market Street/Station Gateway, Newbury*
4. *Sterling Cables site with new through road*
5. *Institute of Animal Health, Compton (will be redeveloped into a residential led mixed use development)*
6. *Arlington Business Park, Theale (opportunities will be taken to facilitate the redevelopment of stock as it becomes outdated).*
7. *Greenham Business Park (development land opportunities)*
8. *Other Rural Schemes*

2. Introduction

2.1 Purpose

The purpose of this Economic Development Strategy is to provide an overarching vision and framework for supporting and retaining a resilient local economy and to plan economic development work in West Berkshire for the medium term (2013-2018) and beyond.

It has been informed by a number of key issues affecting economic growth that have been identified through consultation with key partners and stakeholders, together with themes that were previously identified in the Sustainable Community Strategy⁷, the Local Economic Assessment 2011⁸ and the recent work of Thames Valley Berkshire Local Enterprise Partnership (TVBLEP).

West Berkshire forms part of the TVBLEP. Led by a Board of 20 members and an Executive of 9 appointed Directors, (working on a voluntary basis) the TVBLEP has a strategic, sub-regional role in economic development, inward investment and economic growth in the Thames Valley.

Economic development is all about improving the economy of our area, by attracting new businesses and retaining existing ones, encouraging inward investment, increasing employment opportunities, ensuring that local skills meet local employment needs, promoting leisure and tourism, and identifying areas for sustainable growth and development. Effective economic development will play a central role in enabling West Berkshire to rise to the financial challenges of the present day at the same time as equipping our community for future well being and prosperity. This Strategy provides a clear sense of purpose, direction and vision for the future economic well being of the area.

⁷ Sustainable Community Strategy 2008-2026 "A Breath of Fresh Air"
www.westberks.gov.uk/breathoffreshair

⁸ www.westberks.gov.uk/economicassessment

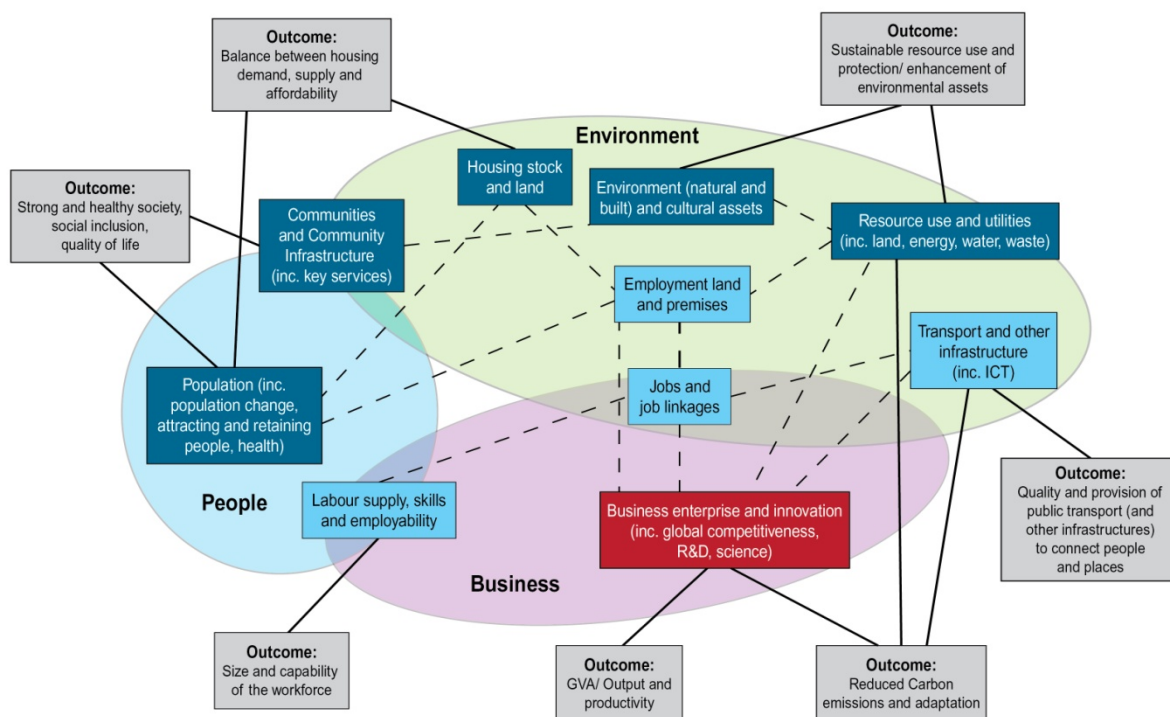


Figure 2.0 Link between Economic Development and the wider community⁹.

The above diagram illustrates that the local economy cannot be seen in isolation from other areas of the community. West Berkshire Council cannot itself deliver economic growth but can play a significant part through adopting the roles of commissioner, facilitator and deliverer of initiatives that encourage such growth.

The framework for the Economic Development Strategy consists of a vision for the economy of West Berkshire that will be achieved through the delivery of key priorities. Progress towards these objectives will be monitored and measured against key performance indicators and targets. The Economic Development Strategy will shape and prioritise the economic development work undertaken in West Berkshire, both by the Council and its delivery partners, by having a clear direction of travel for the medium term.

This strategy is owned and monitored by West Berkshire Council and delivered by a range of appropriate partners and stakeholders, including TVBLEP and the Skills and Enterprise Partnership. Both of these key partnerships seek to tackle the major skills, employment and economic issues that are important in the continued prosperity of West Berkshire.

⁹ Diagram courtesy of SQW Group Ltd

2.2 Consultation

Consultation on the draft EDS was undertaken using a West Berkshire Council Business web page from 24 June to 2 August 2013. We recognise the value of a full consultation process and drew on the expertise and insight of as wide a business audience as possible and collected views from the private, public and third sectors. Input from the business community will continue to be welcomed at any time as this is intended to be a dynamic document.

- Individual consultees were notified electronically about the start of the consultation, together with an offer of face to face discussion with Economic Development.
- The document has also been informed by a draft Economic Assessment undertaken by GVA consultants.
- There has been internal consultation with key officers in Planning, Transport and Education.
- The document was also discussed and presented at the Skills and Enterprise Partnership and the West Berkshire Chamber of Commerce Council.
- The draft document was also sent to an established Community Panel for input.

Comments that were received have been used to revise and strengthen the Strategy where appropriate although there were no major changes to the main areas of focus and our overall “direction of travel” for the local economy. One key theme that was identified was the need for more robust local economic data and intelligence. Work is being undertaken both by West Berkshire Council and TVBLEP to try and resolve this issue. However, since the Consultation period more up to date and additional information has been included in the Strategy.

2.3 Process for wider endorsement

The Strategy has followed the democratic process for Policy adoption within West Berkshire Council and was fully endorsed by Councillor Alan Law, Portfolio Holder for Economic Development on 17 October 2013.

3. Background

3.1 Where are we now?

West Berkshire shares in the overall affluence of the South East. In broad terms the South East economy can be categorised as being advanced, high value, high income, broadly based and service oriented. West Berkshire's local economy is characterised by a wide range of larger corporate and smaller businesses and employment activities that demonstrate the strength, diversity and attractiveness of West Berkshire to business across a wide range of sectors. The existing employment areas are focussed on the urban town centre areas, particularly Newbury, but across the whole area including the more rural locations across the District.

This Strategy recognises that there is a lot of excellent work already being undertaken to tackle the economic challenges that the area faces but that more can be done. Although West Berkshire is better placed than many areas to face the difficult economic climate, the district cannot be complacent in its attitude to supporting the local economy. For over a decade, West Berkshire has experienced near full employment, with few of the social problems sometimes associated with unemployment compared with other parts of the country. Throughout this time there have been more jobs available than there were people looking for work, a trend which is still continuing particularly in the Hospitality and Catering, Social Care; Logistics and Construction sectors. Despite this situation, there is growing concern about rising youth unemployment even though the trend in the number of Jobseekers' Allowance claimants continues on a downward trend from February 2013 to June 2013.¹⁰ Significantly, amongst a section of working young people, there is concern about their levels of skills and training.

3.2 Policy Framework

At a much wider level the Economic Development Strategy sits in a policy hierarchy that flows down from the European Union and Central Government policies on employment, planning, business support, innovation, skills and learning and investment, through to sub-regional and local policies and strategies. It is recognised that Central Government will do what it is best placed to do (e.g. employment incentives, national infrastructure investments in airports and roads, tax, strategic inward investment).

It is also recognised that the TVBLEP has a key role within the sub-region. The TVBLEP has been established as part of a national government initiative to pull together key players representing education, employment and skills, SMEs and corporate enterprises, Local Authorities and the community sector to plan to deliver economic prosperity for the next 20–30 years. The TVBLEP published their outline growth strategy, "Making the Boat go Faster" in 2012. This will shortly be replaced by the Strategic Economic Plan for Berkshire.

At an individual local authority level our own Economic Development Strategy supports and reflects the key aims of "The Plan for Growth", the outline Growth Strategy and the Strategic Economic Plan for Berkshire, whilst addressing key local issues that will be important in driving economic growth. An example of this is our participation in the pan-Berkshire "City Deal" - a Government initiative that aims to streamline funding, give greater local accountability and control, encourage collaborative working across authority areas and enhance service provision around skills, training and business. At a local level our Economic Development Strategy also needs to link to local policies and strategies (see Foreword)

3.3 Economic Snapshot September 2013-"the big picture"

¹⁰ Nomis datasets

In 2008, whilst the U.K. as a whole entered into recession¹¹ and a severe economic downturn, South East England and West Berkshire in particular were much less affected. There has been a local slowdown within the local economy but the area is quite economically robust in comparison with other parts of the U.K. which may be due to the area having a high proportion of service-based employment and newer, 21st century industries.

In 2012, Experian produced an index ranking of high resilience LEP areas and the TVBLEP was ranked top for high resilience in both Business and People categories¹². Higher resilience is associated with higher levels of enterprise and entrepreneurship; more significant presence of less vulnerable sectors; higher levels of educational attainment and labour market participation; lower unemployment; higher levels of life expectancy; and better living environments. West Berkshire's local economy is characterised by a wide range of larger corporate (AWE, Bayer, Vodafone, Stryker, Microfocus, Xtrac Engineering, Harrods Distribution Centre) and smaller occupiers and employment activities which demonstrate the strength, diversity and attractiveness of West Berkshire to business across a wide range of sectors.

Economic output in the South East of England has continued to grow; between 2009 and 2011 the South East's total GVA grew by £12,959m to £192,349m and GVA per head increased to £22,369. In 2011, this represented the largest increase in GVA per head (at 2.2%), which compares to growth in London of only 0.6%¹³. In the second quarter of 2013, Gross Domestic Product (GDP) expanded at a quarter-on-quarter rate of 0.6% according to the Office for National Statistics' first estimate of growth in the quarter, building on growth of 0.3% in Q1 2013. This is the first time the UK has had two consecutive quarters of positive economic growth since Q3 2011.

The Centre for Economic and Business Research (CEBR) now expects the UK economy to grow by more than 1% for 2013 as a whole, and 2014 should see even stronger growth as housing market activity picks up and inflation falls, supporting consumer spending in real terms. However, while CEBR think that the UK economy should be able to perform even more strongly in 2014 than in 2013, there is still a significant risk of growth slowing beyond this period.

Nationally household spending is expected to slowly strengthen in the second half of 2013 and through 2014, as confidence lifts and credit conditions continue to improve. This will be increasingly supported by improving spending power as inflation gradually falls back and disposable income picks up, against the backdrop of a stable labour market. Business investment and exports are forecast to strengthen as the global economy picks up and the Eurozone returns to growth, confidence rises, and credit conditions continue to improve. Business investment is forecast to grow by 7.3% in 2014 from -2.8% in 2013. Export growth is expected to increase from 0.7% in 2013 to 4.9% in 2014.¹⁴

Across the UK, the unemployment rate for March-May 2013 was down 0.2% on the previous quarter. When looking more specifically at 16-24 year olds the unemployed rate fell to 20.9% down 0.2% from the previous quarter.

¹¹ A recession is a period of time when the value of economic output of a nation or area declines. An official recession is when economic output declines for two or more quarters (a quarter is a three month period) in a row. The most recent official UK recession was when there were six consecutive quarters of declining value in economic output, from and including Q2 2008 to Q3 2009.

¹² Source: Experian, <http://publicsector.experian.co.uk/Products/Local%20Economic%20Resilience.aspx>

¹³ South East Strategic Leaders (SESL) Economy and Skills Report 2013

¹⁴ CBI

The Federation of Small Businesses' (FSB) latest research (Q2) shows confidence is at its highest level since Q1 2010, with the Small Business Index (SBI) standing at nearly +16 points, up sharply from the previous quarter's reading of +6.3. This is further strong and encouraging evidence that small firms are feeling upbeat about the next three months.

However, improving conditions to access finance to fund expansion, capital investment and growth remains a challenge. While it is encouraging that loans are now cheaper than a year ago, fewer small firms are approaching the banks and a significant proportion who do apply for bank finance are still turned down as lending criteria is tightened. Aggregate business lending is still falling as more companies pay back loans than gain access to new credit. Until lending begins to rise again, it is unlikely that there will be the surge in business investment that generally underpins a durable recovery. Business investment grew slightly in the second quarter but still substantially lags behind the rest of the economy.¹⁵

A summary of some key economic indicators across local comparator areas in the South East is shown below:

Table 3.0 Summary of Economic Indicators for areas surrounding West Berkshire

	West Berkshire (Newbury)	Reading	Swindon
Total jobs 2003	91,000	111,000	118,000
Total jobs 2011	100,000	105,000	120,000
% No of jobs change 2003-2011¹⁶	+1.1%	+1.0%	+1.0%
Mean and median average gross annual salary (Feb. 2012)¹⁷	£35,700 £30,600	£37,700 £30,900	£33,300 £26,800
Rail Journey time to London	1 hour	30 mins.	1 hour
Average House Price¹⁸	£226K	£193K	£128K
Average House Price (detached)¹⁹	£377K	£372K	£212K
Prime Office Rent ²⁰(Business Park)	£18 p.s.ft	£26 p.s.ft	£19 p.s.ft
Average Industrial Rent²¹	£8 p.s.ft	£8.25 p.s.ft	£6.75 p.s.ft

¹⁵ Financial Times 4 September 2013

¹⁶ Nomis Annual Business Enquiry

¹⁷ ONS Annual Survey of Hours and Earnings 2012

¹⁸ Land Registry 2012

¹⁹ Land Registry 2012

²⁰ Commercial Property Agent Reports 2011 and 2012

²¹ Commercial Property Agent Reports 2011 and 2012

3.4.1 The West Berkshire Local Economy

Location

West Berkshire is well located and is bisected north to south by the A34 which connects the south coast with the Midlands. The Great Western Railway and the M4 motorway links South Wales and the West with London, with the M4 running directly through West Berkshire from the east to west. Both roads form part of the national arterial network and are maintained by the Highways Agency. These roads are also of European importance. The other main roads are the A339 connecting Newbury to Basingstoke and the A4 which runs east/west and is maintained by the Council and. The key urban centres in southern England (London, Reading, Southampton, Portsmouth, Bristol, Oxford and Swindon) are all within an hour's drive, as is Heathrow airport. The District is substantively rural, with nearly three quarters of West Berkshire lying within the North Wessex Downs Area of Outstanding Natural Beauty which is a nationally important and legally protected landscape, designated for the quality of its scenic beauty.

3.4.2 A diverse mix of business.

Whilst there are some large businesses based in the area (AWE, Bayer, Vodafone, Stryker, Micro Focus International plc), the majority of businesses are SMEs and cover a diverse range of sectors. 73% of these employ between 0-4 people. The largest sectors are Professional, Science and Technical, Information and Communication, Construction and Business Administration and Support Services.²²

Within the ICT sector West Berkshire appears to have some strengths in software publishing and 'other' telecommunications activities, although these strengths are weaker when compared to Berkshire and Oxfordshire. However, the recent relocation of Vodafone's international business functions to Paddington highlights the vulnerability of the ICT and telecommunications sectors.

Table 3.1 Business Size in Berkshire²³

	Micro Business (0-9)	SME (10-249)	Large (>250)	Total
Bracknell Forest	3620	350	35	4005
Reading	4760	675	35	5470
Slough	3425	520	50	3995
West Berkshire	6920	845	40	7805
Windsor and Maidenhead	7130	715	35	7880
Wokingham	6325	575	35	6935

Between 2006 and 2010, there has been a net gain of 7.3% in new business start-ups, higher than the England growth of 3.3%. The following tables and figures in 3.0-3.3 demonstrate this healthy trend.

²² ONS Neighbourhood Statistics March 2011

²³ ONS UK Business Activity 2012

Table 3.2 Business Start ups and closures²⁴

Births of Enterprises							
	2006	2007	2008	2009	2010	Total	% change between births and deaths
West Berkshire	790	980	885	850	800	4305	+ 7.3%
TVBLEP area	4125	4745	4660	4160	4475	22,165	+8.5%
England	225,120	246,700	236,345	209,035	207,520	1,124,720	+ 3.3%
Deaths of Enterprises							
	2006	2007	2008	2009	2010	Total	
West Berkshire	705	765	755	895	870	3990	
TVBLEP area	3630	3640	3610	4655	4745	20,280	
England	182,800	199,300	196,695	246,630	261,880	1,087,305	

This comparative data ceased to be provided in 2010 so we are unable to provide more recent figures on this basis. However, local data shows that we have net gain business start-ups than business closures.

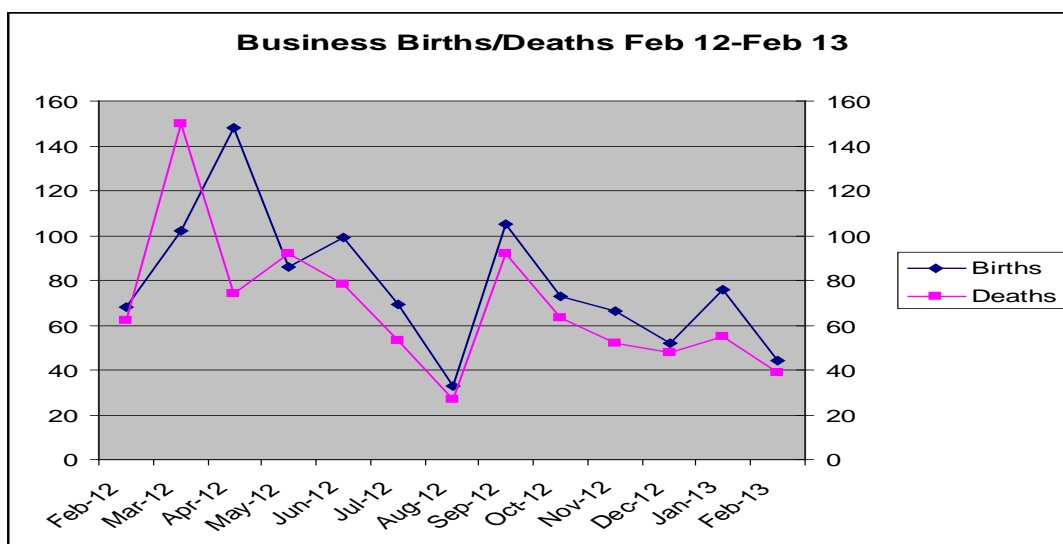


Figure 3.0 Graph to show business starts and closures in West Berkshire²⁵

²⁴ ONS Business Demography 2006-2010

²⁵ Data from Non Domestic Rate Registration and Deregistration in West Berkshire

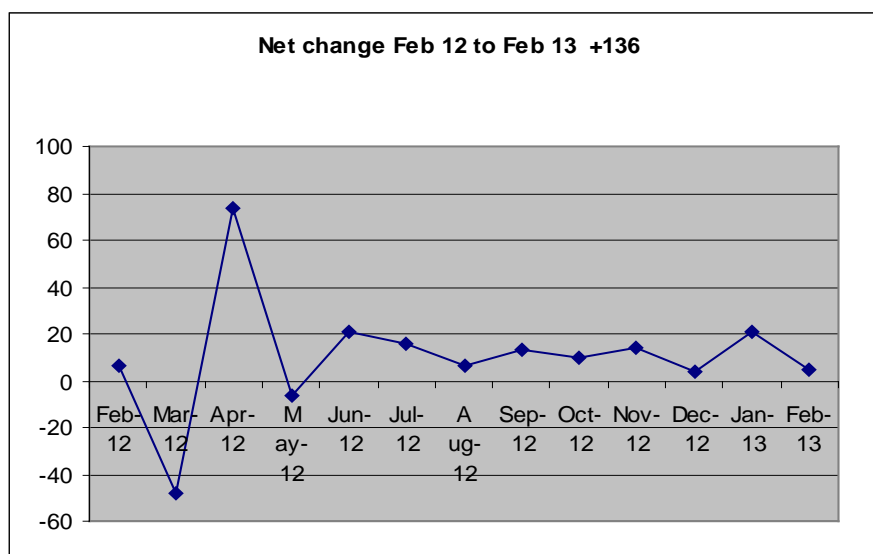


Figure 3.1 Graph to show net change in Non Domestic Business Rate Registration and Deregistration²⁶

New enterprises in West Berkshire also show a trend to survive longer than in the TVBLEP area as a whole and also compared with England.

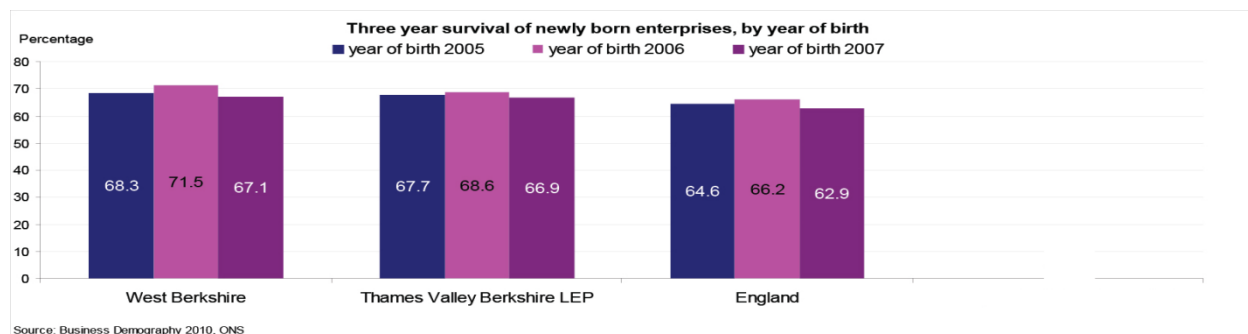


Table 3.3 Age of Businesses across Berkshire²⁷

	<2 years	2-3 years	4-9 years	>10 years	Total no of businesses
Bracknell Forest	725	560	1235	1485	4005
Reading	1225	835	1480	1935	5475
Slough	1030	600	1065	1300	3995
West Berkshire	1290	965	2155	3395	7805
Windsor and Maidenhead	1400	1070	2225	3185	7880
Wokingham	1255	935	2060	2685	6935

²⁶ As above

²⁷ ONS UK Business Activity 2012

3.4.3 A strong local skills base

West Berkshire is a high performing economy with higher than average levels of educational attainment and skills. As shown below in Table 3.4, 35.9% of the working age population holds a qualification at NVQ Level 5 and above (degree level attainment) which is higher than the figure for Great Britain as a whole.

At NVQ Level 2 (GCSE level) and above, West Berkshire also has a higher percentage of 16-64 year olds with this type of qualification than both the South East and Great Britain. However, it should not be overlooked that 22% of the working age population in West Berkshire has not attained at least a Level 2 (GCSE level) qualification.

Whilst West Berkshire has relatively low numbers of young people not in education, employment or training (NEET), there is a growing number of young people, aged between 17-24, leaving full-time education and accessing part-time work, usually in the retail sector, without any accredited training and hence poor longer term career prospects. This is known as “Jobs without Training” (JWT). To keep this in perspective, we currently estimate these young people to be a small selection of around 600 people. The challenge is to engage with both these young people and their employers at a local level.

A key objective of our Skills improvement program will be to directly enhance the prospects of this group of young people and to encourage employers to “grow their own” talent, thereby reducing staff churn and recruitment costs.

We plan to do this via our local participation in the new Berkshire-wide City Deal initiative. Under this umbrella, we will set up West Berkshire Futures in co-operation with Newbury College and other local support organisations. West Berkshire Futures will be a Hub for advice, guidance, support and skills training for work. This Hub will also provide business support for SMEs and micro-businesses in the area.

As well as a youth focus on Jobs without Training, West Berkshire Council also has a strong commitment to supporting adult learners to improve their employment prospects through its “Community Learning and Skills Plan 2013-2014”, again in conjunction with Newbury College and other local support organisations.

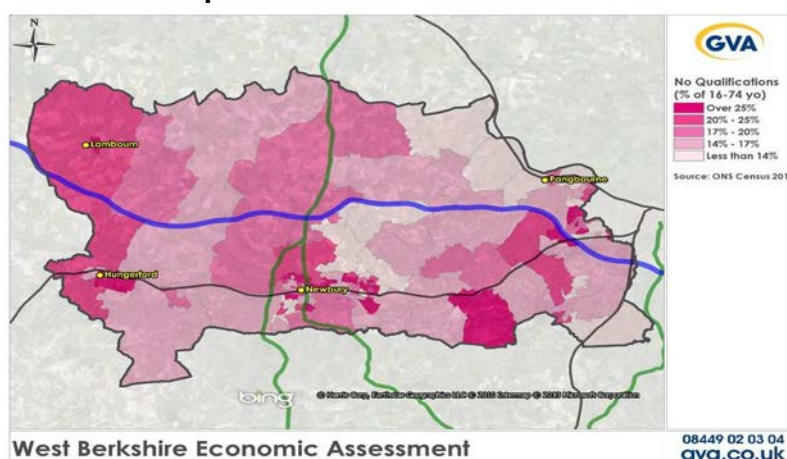
Table 3.4 Qualifications (Jan. 2012-Dec. 2012) in West Berkshire compared with South East and Great Britain²⁸

	West Berkshire (numbers)	West Berkshire (%)	South East (%)	Great Britain (%)
NVQ4 and above ²⁹	35,800	35.9	36.8	34.4
NVQ3 and above	58,900	59.3	58.2	55.1
NVQ2 and above	77,200	77.6	75.4	71.8
NVQ1 and above	89,300	89.8	87.7	84.0
Other qualifications	4,400	4.4	5.4	6.3
No qualifications	5,800	5.8	6.9	9.7

Numbers and % are for those aged 16-64 in an area.

However, there is still a need to further improve these levels. There are still elements (5.8%) of the population with no qualifications as illustrated below:

Figure 3.2 Proportion of the Population with no Qualifications in West Berkshire³⁰



²⁸ Source: ONS annual population survey

²⁹ NVQ Level 1: GCSEs, O-Levels or equivalent at grades D-G; Business Training and Education Council (BTEC) first or general certificate; General National Vocational Qualification (GNVQ) foundation level

NVQ Level 2: Five or more GCSEs, O-Levels or equivalent at grades A*-C; BTEC first or general diploma; GNVQ intermediate level; City and Guilds Craft;

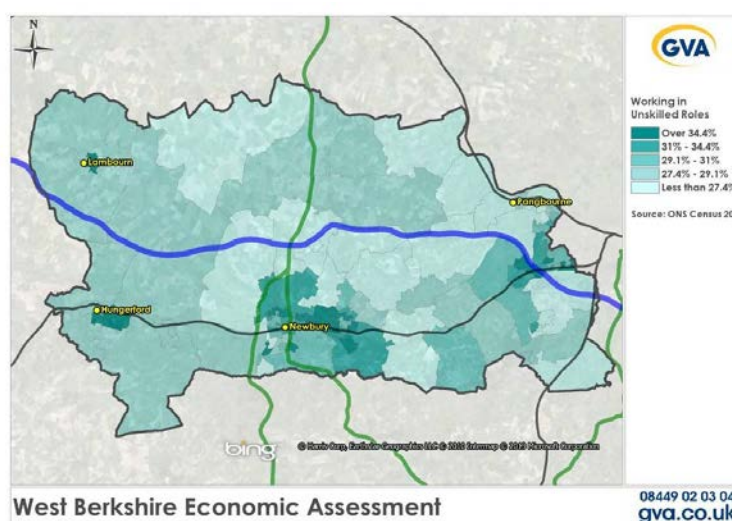
NVQ Level 3: Two or more A-Levels or equivalent;; BTEC National; Ordinary National Diploma (OND); Ordinary National Certificate (ONC); City and Guilds Advanced Craft.

NVQ Level 4: First or other degree;; Higher National Diploma (HND); Higher National Certificate (HNC); and higher education diploma; nursing; teaching (including further education, secondary, primary and others)

NVQ Level 5: Higher degree; Doctor of Philosophy (Ph.D.); and NVQ Level 5

³⁰ GVA Draft Economic Assessment of West Berkshire May 2013

Figure 3.3 Share of workers in unskilled occupations in West Berkshire³¹



3.4.4 A changing demographic

West Berkshire now has an unbalanced demographic profile compared with the national average due to the ongoing loss of people aged 25-39 between the 2001 and 2011 Census count (see figure 3.4). Nationally 20-34 year olds make up 20% of the population, with 29% in Reading, compared to only 16% in West Berkshire. This is particularly interesting as Reading and West Berkshire have similar numbers of 0-19 year olds with 38,270 in Reading and 38,629 in West Berkshire.

It is likely that local young people leave to study or find work and others do not move here to take their place. This is leading to a rapidly increasing average age in the West Berkshire population which will lead to an older workforce in the future. There may also be a need for more “in-commuting” to redress any skills imbalance that could potentially result from this demographic profile.

³¹ GVA Draft West Berkshire Economic Assessment May 2013

2011 Census: population estimates for England and Wales

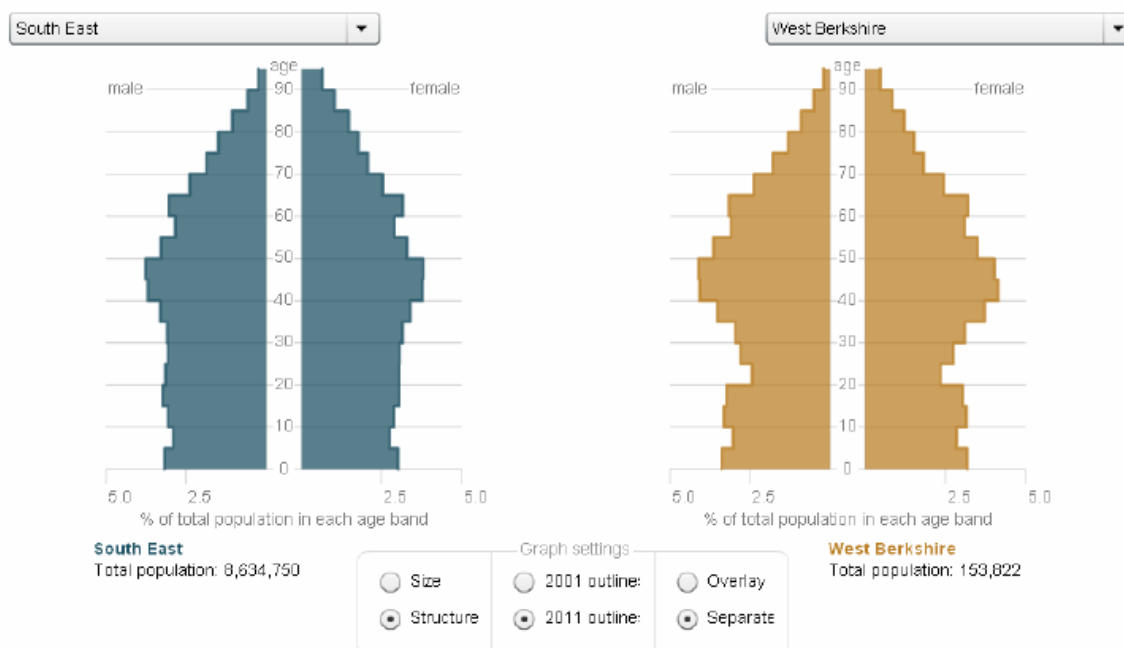
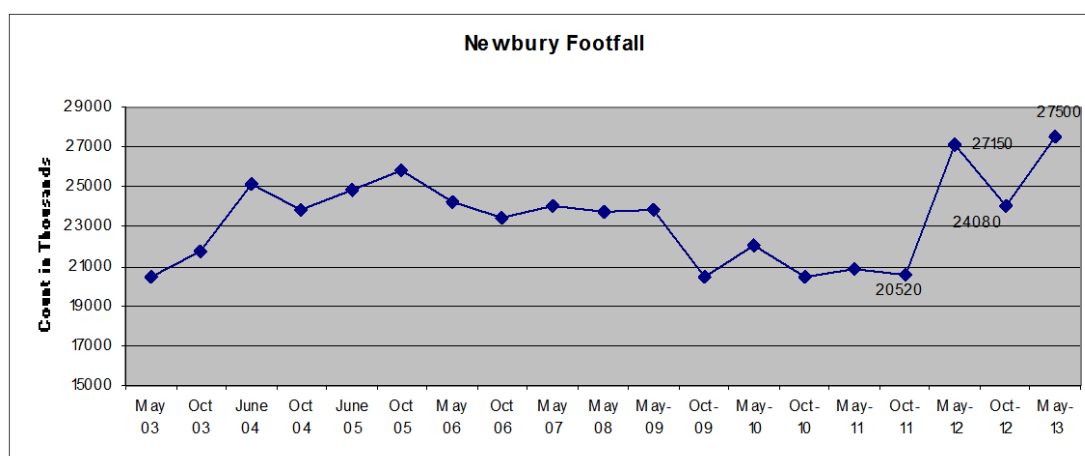


Figure 3.4 Diagram to show age profile of West Berkshire compared with South East England

3.4.5 A quality retail destination.

With the redevelopment of Newbury Town Centre and the opening of the Parkway Shopping Centre in October 2011, footfall figures overall are increasing. Parkway Newbury offers 475,000 sq ft of shops, restaurants and accommodation. Together with a wide range of independent retailers, Newbury will continue to offer an individual and comprehensive shopping experience. Newbury is moving up the retail rankings and is now on the 70th rankings.³²

Table 3.5 Newbury Town Centre Footfall³³



There are pressures in other town centres such as Hungerford and Thatcham whose footfall has been performing more in line with the recent national downward trend. (Improvement has started to be seen nationally in August 2013.

³² Experian Retail Rankings

³³ PMRS Ltd data

Table 3.6 Hungerford Town Centre Footfall³⁴

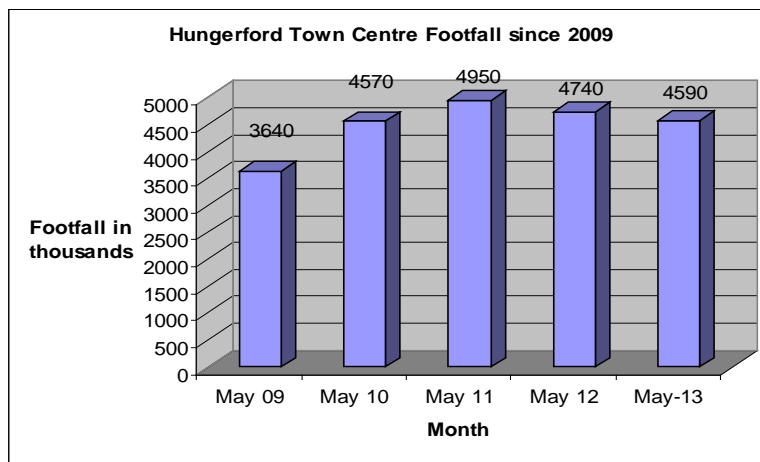
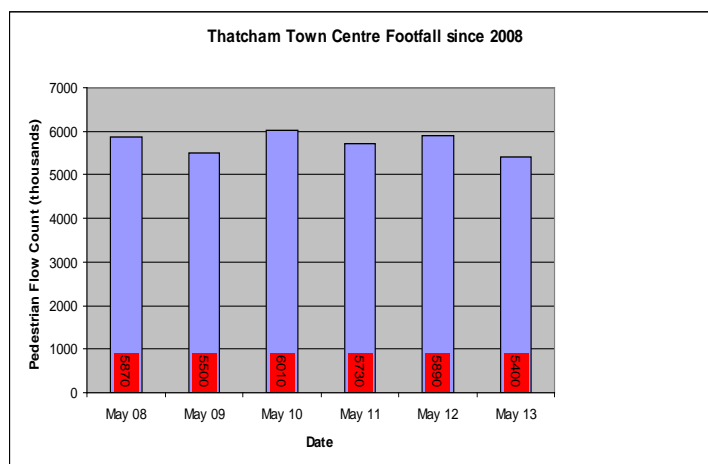


Table 3.7 Thatcham Town Centre Footfall³⁵



³⁴ PMRS Ltd data

³⁵ PMRS Ltd data

3.5 Key Challenges and Opportunities for West Berkshire's economy.

Operating within an open global and national economy, West Berkshire's prosperity will ultimately depend on how the world and national economies are performing. Local efforts can only do so much to mitigate against a global or national turndown, but within this general constraint, we need to identify local issues and local opportunities which we can help to address.

It is an economic fact that newer, technology-led businesses are more competitive, faster growing and more resilient than older, more traditional ones. Fortunately, West Berkshire and its surrounding districts are blessed with a good mix of industries including these newer 21st century businesses as well more traditional ones and, in the case of West Berkshire, a large rural area hosting many small and medium sized enterprises. This broad base and mix in itself gives us a degree of resilience.

Our long term challenge is to ensure the environment that nourishes them all continues to flourish.

3.5.1 Education and skills

Successful businesses, of all types, require a highly qualified and skilled source of labour. So, further improving our general levels of educational attainment, which are already higher than the national average, will be a key objective.

Appropriate skills training, particularly for the young first time employee has been identified as a key concern. This will be addressed via special targeted training programmes and improved apprenticeships schemes.

3.5.2 Infrastructure

The general infrastructure plays a vital role in attracting and retaining successful businesses. Highway maintenance and strategic links to ports, airports and major metropolitan areas remains a high priority of the Council and its capital Investment plans.

Increasing coverage of Fast Broadband is also of vital importance and as such is a key investment priority for 2014/15, especially in the extensive rural areas. Support for the planned electrification of the railway network to Oxford, Newbury and beyond by 2016 is another key objective. Rail electrification will provide the area with faster and more reliable links to Reading, a key interchange station, and London Paddington will be under an hour's journey time. The location of the stations in Newbury, The Racecourse, Theale and Hungerford are well linked to existing business locations.

3.5.3 Housing

Along with many other parts of South East England, West Berkshire suffers from a relative shortage of housing and, in particular, affordable homes because housing prices, particularly for first time buyers, are relatively high. It is therefore important to ensure delivery of the District's target of 10,500 new homes by 2026 as set out in the recently adopted new Local Plan and also the requirement contained within that Plan for 35% overall of these homes to be affordable housing.

3.5.4 Employment land

The recently adopted Local Plan researched both the quality and quantity of land and sites for commercial purposes. It was concluded that commercial rents are relatively competitive and there is a good supply of commercial space available in West Berkshire up to 2026.

3.5.5 General Environment

The North Wessex Downs Area of Outstanding Natural Beauty covers some 75% of West Berkshire. With its villages and landscape along with the attractions of the River Thames and the Kennet and Avon canal, the district is a desirable place to live and to visit. Added to this are the attractions of the new shopping and leisure facilities of Newbury town centre, the traditional antique centre of Hungerford as well as leading sporting activities such as Horse racing and breeding and the numerous National Heritage sites such as the battlefield, Shaw House and Greenham common.

The challenge here is both to protect, enhance and to promote these assets.

There are opportunities for growth in tourism and retail, particularly linked to Parkway and the “Visit Newbury and surrounding areas” initiative. Other areas have been highlighted for rejuvenation and regeneration such as The London Road Industrial Estate, Market Street and the Wharf areas of Newbury and the rural Institute of Animal Health in the village of Compton.

Future support for other rural employment sites will similarly be crucial in ensuring they continue to provide suitable locations for businesses. They play a vital role in supporting rural service centres, delivering sustainable locations that link where people live to where they work. More proactive support may be required to ensure broadband; highways and public transport etc. all meet the specific needs of rural businesses.

3.5.6 Largest Potential Challenge

The biggest challenge we, or any other local authority, is ever likely to face is the potential of one of our large employers relocating all or part of its business out of the area, for whatever reason. This could come about for numerous reasons, some of which we could do little to prevent. However, to have a chance at prevention or at least to significantly mitigate against the impact, there is a need to be aware of any such possibility as soon as possible. Here good intelligence and in particular good relationships and communications with our larger employers are essential. Putting in place structures and processes to ensure good two way communications between the Council and business will be a key focus of the Council’s Economic Development Department.

3.5.7 Summary

In general we need to continue to reinforce what is attractive about West Berkshire today. Identify and address key issues such as individual skills deficiencies, promote West Berkshire as a place that is “open for business” and develop stronger links with the business community to listen to and understand their needs and concerns and react appropriately. Key to all of that will be to build an Economic Information centre and a quality Business Support structure and pro-business culture. More detail of West Berkshire’s challenges and opportunities can be found in the SWOT³⁶ analysis at Appendix 2.

³⁶ Strengths, Weaknesses, Opportunities and Threats

4. Our Economic Strategy

4.1 Our Economic Vision

“West Berkshire Council will work proactively and openly with partners and stakeholders to maintain strong and resilient economic prosperity. We will provide an environment that creates opportunities for business growth that make a real difference to all people's lives, with businesses that start, stay and develop in the area.”

In order to have a resilient and sustainable economy, West Berkshire will need a variety of different sectors within the area, together with a combination of larger businesses and SMEs. The local economy will help to create benefits for the environment, culture and social well-being. West Berkshire must develop in a way that meets the needs of the present without compromising the needs of future generations. A resilient and dynamic economy requires a reduction in regulation and other “barriers to entry”, support for existing businesses and the facilitation of new areas for growth.

4.2 Our Economic Objectives

The Economic Vision will be achieved by delivering on our economic objectives which are outlined below:

1. Work with partners to ensure that **local skills** meet the needs of today's business and work environments.
2. **Promote** West Berkshire as a good location for business, leisure, learning and life.
3. Enable effective **infrastructure** that supports economic growth.
4. Encourage inward **investment and business retention** across all sectors
5. Actively support sustainable **rejuvenation and regeneration** projects in key locations.

4.3 Our Core Activities

All economic development activities will be undertaken with consideration of the following guiding questions:

Does the activity:

- create wealth, employment or opportunity in a way that is consistent with our economic vision and underlying principles of delivery?
- build on existing economic strengths or diversify our economy?
- support entrepreneurship, innovation or creative business activity that meets a local need?

Our Underlying Principles of Delivery

Each Economic Objective will be achieved in line with the following principles:

1. Working in partnership with those supporting the local economy to ensure a co-ordinated and collaborative approach to economic growth and retention, providing leadership and co-ordination where appropriate by:
 - a) Building and maintaining relationships with those in the business and education sectors to mutually support the local economy, with a strong channel for two-way communication.
 - b) Working closely with Regional Economic Organisations such as TVBLEP and through TVBLEP with relevant Government Economic Departments such as UKTI³⁷ and BIS³⁸.
2. Understanding, monitoring and communicating trends and performance in the operation of the local economy to build a Business Information Centre and to deliver economic development work in an informed, robust and timely manner.

These principles will be supported by:

- ensuring that we avoid duplication and achieve the best use of available resources;
- build upon the success of previous and ongoing work by adding new dimensions and activities in an economy that is faced with the challenges of a national recession
- view Economic Development as a cross-cutting theme, impacting on all that happens in West Berkshire.

West Berkshire Council cannot deliver economic growth on its own but can play a significant part through adopting the roles of commissioner, facilitator and deliverer of initiatives that encourage growth.

The Economic Development Strategy will be achieved through an annual Delivery Plan that identifies individual work programmes and projects. The following diagram illustrates the high level delivery strategy for economic development:

³⁷ UK Trade and Investment

³⁸ Department for Business Innovation and Skills

4.2.1 Skills and Employment

Skills and employment includes the following themes:

- Ensuring that local skills meet local employment need.
- Promoting and improving access to apprenticeships and other learning opportunities.
- Encouraging business mentoring schemes.
- Facilitating work placements.
- Working with partners to ensure education and training providers deliver the Information and Guidance (IAG) agenda.
- Supporting young people not in employment, education or training (NEET) towards employment.
- Enabling local people opportunities to access employment, education and training opportunities to help improve the skills levels of the West Berkshire workforce.

“Skills deliver real economic benefits to individuals; to the communities they live in and to the country as a whole. In these challenging economic times, learning becomes more important than ever before, playing a vital part in building a sustainable economy, nourishing social mobility and feeding social justice.”³⁹

The Skills Agenda will include working with businesses, training providers and other partners to ensure that residents, including young people, are “work-ready” and have the skills required by local employers.

The Berkshire City Deal, in which West Berkshire is involved, is aiming to tackle the skills agenda in the medium and longer term. The shared ambition in this collaborative initiative is:

- A guarantee of high quality and timely advice and support so that every young person has the opportunity to undertake training, improve their skills, undertake an apprenticeship or get a job;
- Underpinned by an integrated single support structure for local young people that is accessible, linked to real business needs, reduces duplication and is results orientated offering improved value for money.

³⁹ Kim Thorneycroft, Chief Executive of Skills Funding Agency, Adult Learners' Week May 2013)

4.2.1. a Ensuring that local skills meet local employment need

In the current economic climate, employers need colleges and providers to be proactive, working with them to identify the ways they can maximise their competitiveness and sustainability. Listening to what employers need and matching training provision to reflect that requirement ensures that the education framework is delivering the workforce employers want. Matching training to local skills gaps makes sense not just from an employer's perspective but also from an individual's, helping to move those who are out of work, or in vulnerable areas of employment, into more sustainable jobs.

Newbury College and other training providers are able to understand and respond to what local people and businesses need. Newbury College plays a vital role in the Skills and Enterprise Partnership, strengthening links and collaborative working with the business community and other key partners such as West Berkshire Training Consortium. Further work is being undertaken with the business community to identify skills gaps and develop ways to address this. Skills are a key element of the Berkshire City Deal and West Berkshire Futures (see p. 21-22) and work will be ongoing to deliver the best possible employment outcomes for young people and others within the working age population of West Berkshire.

We aim to:

- *Maintain a robust evidence base to understand both the existing and future needs of the market place.*
- *Encourage local opportunities for business mentoring to help support Small and Medium Enterprises (SMEs)*
- *Facilitate work placements.*
- *Work with partners to ensure education and training providers deliver the Information and Guidance (IAG) agenda.*

4.2.1. b. Promoting and improving access to Apprenticeships and other learning opportunities

Apprenticeships are a key route to building the national and local skills base and are, of course crucial to national productivity, the success of local economies, businesses and individual success in the employment market.

Apprenticeships are work-based training programmes designed around the needs of employers, which lead to national recognised qualifications. Business representatives from the relevant industry sector work with the Sector Skills Councils to develop the course content. Depending on the sector and job role an Apprenticeship can take anything between one and four years to complete. It is a package of on-the-job training and qualifications.

4.2.1. c. Encouraging local business mentoring schemes

There are many definitions of business mentoring, but a straightforward one is “an experienced person acting as a sounding board and critical friend to help someone develop their abilities or run a business”⁴⁰.

Central Government is committed to the development and expansion of the business mentoring network for SMEs in the UK, given evidence of business mentoring’s ability to raise competition, stimulate innovation and support economic growth.⁴¹ BIS has created a network of volunteer mentors made up from the small business community and can be accessed through www.mentorsme.co.uk, the national mentoring portal owned and operated by the British Bankers’ Association (BBA).

Business mentoring allows a business to optimise growth and enables it to be more innovative, entrepreneurial and to realise the potential of its workforce. A business mentor can help develop a stronger and more sustainable business. Mentors are volunteers who give their time freely. As successful business people, they understand the challenges facing business owners or organisational leaders.

The mentor's role is to support, develop, stimulate and challenge. An experienced mentor can help to:

- develop key business skills
- improve problem-solving abilities
- build confidence
- develop leadership skills
- widen network of business contacts.

West Berkshire Council will promote local business mentoring wherever possible and encourage volunteer mentors to come forward to create a database of suitable contacts for local businesses to access.

4.2.1. d. Facilitating work placements

Work experience placements that work have positive outcomes for the employer, the young person and society. Work experience is an opportunity to introduce young people to the reality of working life within a willing organisation, to help them to secure and sustain employment. The aim is to provide learning and insight into working life by exposing the young person to a variety of tasks and experiences for a limited period of time.

West Berkshire Council will work with education and training providers and facilitate work placements with local businesses.

⁴⁰ Small Firms Enterprise Development Initiative Ltd (SFEDI) 2011

⁴¹ “Estimating the Provision of Business Mentoring”, BIS Sept. 2012

4.2.1. e Working with partners to ensure education and training providers deliver the Information and Guidance (IAG) agenda

Since September 2012 schools have had a duty to secure access to independent and impartial careers guidance for their pupils. Schools are free to make arrangements for careers guidance for young people that fit the needs and circumstances of their students, and are able to engage, as appropriate, in partnership with external, expert providers.

There is now no expectation that local authorities will provide a universal careers service. However, local authorities have a statutory responsibility under section 68 of the Education and Skills Act 2008 to encourage, enable and assist the participation of young people in education or training. In West Berkshire this responsibility is delivered in a number of ways by the Council, including through the provision of targeted IAG provision via the Connexions Service provided by Adviza and links with its Integrated Youth Support Service and developments such as the Turnaround Families Programme.

The need for high quality IAG provision for all young people remains vital in the context of a changing jobs market and continuing economic recession. Local and national employers also need young people with the right skills, knowledge and aptitude to meet their needs.

In spite of the current economic difficulties, the global economy is expected to double in size by 2030, creating up to a billion new jobs in high-skilled industries. Young people therefore need a good, well-rounded education, relevant and rigorous qualifications and broader employability skills to prosper in this changing market.

The right IAG provided at the right time can help to inspire and inform young people about their future lives and raise their aspirations about what they can achieve. It can help young people to identify the right pathways to achieving their goals, including via apprenticeships or higher education and opens their eyes to professions and careers that they otherwise might never have thought of. The raising of the participation age to 18 by 2015 and other options for where young people will be able to undertake their statutory education from the age of 14 suggests IAG provision needs to be tailored to young people's changing education pathway choices.

4.2.2. Promotion of West Berkshire

The promotion of West Berkshire includes the following themes:

- Encouraging and communicating a business friendly environment.
- Work with partners to develop tourism.
- Enhancing the retail offer of our town centres such as Newbury, Hungerford, Thatcham, Calcot and larger villages.

4.2.2. a Tourism

Tourism is essential to England's economy. It generates £97billion⁴² each year, employs in excess of two million people and supports thousands of businesses, both directly and indirectly. It also has an interdependent relationship with a range of sectors including farming, transport, retailing, sport, museums and the arts. West Berkshire recognises the importance of tourism to the local economy and the potential additional spend that can come brought into arts venues, visitor attractions and local businesses such as restaurants, cafes and bars. Front-line businesses such as hotels and restaurants buy supplies and services to run their businesses, so suppliers also experience the indirect effect of visitor spending.

We value tourism because it can help to:

- encourage inward investment
- support improving local infrastructure
- support expansion plans from the area's tourism operators

The development of local tourism will be achieved through collaborative working with key delivery partners such as Newbury BID ("Visit Newbury and surrounding areas"), hoteliers, leisure providers, arts and culture venues and visitor attractions to establish a distinct offer for the area.

⁴² Visit England

4.2.2. b Retail Destination

A strong retail offer is essential to building a successful, competitive and sustainable local economy. The National Planning Policy Framework clearly promotes town centres as the heart of communities and as locations for the focus of retail, leisure and commercial activity. It states that local authorities should have positive plans for town centres which set out vision over the long term, and that they should clearly define a hierarchy of centres. Policy should sustain and encourage open markets and the 'individuality' of centres and site allocation should favour "in town" locations before "edge of" and "out of town" retail is considered.

With the opening of Parkway Shopping Centre in Newbury in October 2011, combined with a strong mix of retailers in the independent sector, West Berkshire has a positive story to tell on the high street. Newbury was the 15th most affluent shopping catchment area in the UK⁴³ and has a varied retail offer including John Lewis Home, Hotel Chocolat, Waitrose and an independent family run department store, Camp Hopson. Parkway's website describes the transformation of Newbury as "from prosperous market town to sophisticated shopping destination." Other key centres such as Thatcham, Pangbourne and Hungerford also have some unique and eclectic independent offers and the area experiences a relatively low premises vacancy rate on its High Streets.

We aim to:

- *Provide ongoing support to towns and rural villages to encourage increased economic prosperity.*
- *Raise the profile of town centres as retail destinations.*

4.2.2. c. Creating a business friendly environment

We are determined to create a business-friendly environment that strives to retain companies within the area and that encourages diversity and growth. We are communicating with our businesses; identifying their needs; eliminating barriers to success; and supporting them to develop and grow wherever possible. We also want to encourage SMEs to participate in public sector procurement and make it easier for them to do business with West Berkshire Council.

We aim to:

- *Work with other agencies to support starter and small businesses and social enterprises.*
- *Ensure the majority of businesses in West Berkshire are aware of our economic priorities and support that can be provided.*
- *Increase West Berkshire's profile and image by promoting it as a prime location and investment opportunity.*
- *Strengthen the work of the Skills and Enterprise Partnership in order to raise its profile within the district.*
- *Increase networks within the business community to facilitate work and increase knowledge for "signposting" enquiries.*
- *Be responsive to economic change by reducing challenges and risks and maximising opportunities by working with private, public and third sector partners.*
- *Review and develop new business and economic development web pages, including links to and from key partners and relevant organisations.*

⁴³ Property Market Information Service (PROMIS) 2010

4.2.3. Infrastructure

Economic Infrastructure includes the following elements:

- Housing
- Transport
- Superfast Broadband
- Flood Protection
- Providing the right mix of sites and premises
- Utilities
- Schools and training and education providers

The quality of our economic infrastructure is of strategic importance to business growth. The reliability of transport networks, the security and cost of energy, the resilience of water and waste services and the speed of broadband connections are all critical factors for business. “Infrastructure networks form the backbone of a modern economy and are a major determinant for growth and productivity.”⁴⁴ Improved road and rail links, reliable service supplies, efficient public transport and protection from flooding can help to encourage new businesses to establish themselves in West Berkshire.

Co-operation is needed between West Berkshire Council, TVBLEP and the private sector to produce an infrastructure strategy (Local Infrastructure Plan) that will deliver economic growth in the district and pan-Berkshire. The strategy will identify clear priorities and based on robust evidence to help to secure investment.

Our core activities around infrastructure will include:

- Working with other appropriate agencies to promote and market new investment sites, and ensure there is available commercial land and buildings to attract and secure inward investment.
- Working through the planning process to provide a supply of appropriate employment sites and workspace that meets the development and expansion needs of local firms and of those relocating.
- Working with our private sector partners to secure infrastructure funding and being prepared to invest in infrastructure projects that will create jobs and yield long-term economic prosperity.

⁴⁴ HM Treasury, National Infrastructure Plan 2011, November 2011

4.2.3. a Transport

The local highway network is, and will remain, a valuable transport asset that supports the local economy and allows people to access the service and facilities that they need. The economy is highlighted as one of the key issues within the Local Transport Plan.⁴⁵ For example, “transport will have a key role in supporting and enhancing the economic vitality of the District. There will be greater connectivity to town centres and employment centres, thereby allowing all modes more efficient and safer access. Improvements will be made to the streetscene and public realm in urban centres to reduce the impact of road traffic, thus making them more attractive for people to visit.”

A definitive list of local proposed transport infrastructure initiatives is included in the Delivery Plan at Appendix 1.

4.2.3. b Superfast Broadband

Improving the speed and coverage of broadband across the county can give a real boost to local economies. The “Superfast Berkshire” project has combined the resources of the 6 unitary councils and TVBLEP to improve access to broadband services in predominantly rural areas of Berkshire by 2015 under a UK government initiative. The project aims to build on the current expansion plans of the private sector by providing infrastructure investment in areas that are not commercially viable. The overall objective is to provide superfast broadband (24 Mbit/sec) to 90% of business and residential premises across the county and standard (2Mbit/sec or more) to the remaining 10%. This will be funded through a Government grant, matched local authority funding and a contribution from suppliers.

Improving the broadband connectivity within Berkshire is expected to deliver benefits for the development of businesses and communities across the county. These benefits include:

- encouraging the start up and growth of SMEs across Berkshire and encouraging businesses to choose Berkshire as their base.
- providing broadband access to all parts of the county reducing pockets of digital isolation and the need for businesses to relocate away from more rural areas.
- development and growth of a wide range of professional services SMEs and local branches of larger organisations to support the larger multi-national organisations in Berkshire through reliable and fast internet coverage.
- supporting the continual growth of flexible working practices, including home working, in both public and private organisations that provide commercial benefits and attract high calibre candidates in a competitive employment market.

More information can be found at <http://www.superfastberkshire.org.uk>

⁴⁵ www.westberks.gov.uk/ltp

4.2.3.c Housing provision

Achieving a broad balance between the location and growth of homes and jobs is an important aim at the local level. It gives residents the opportunity to work locally, retains local skills within the workforce and reduces the need for commuting to jobs in other places.

The Local Plan for the District supports economic growth by objectively assessing the needs for market and affordable housing in the District. The West Berkshire Core Strategy, which forms part of the Local Plan for the District, sets a framework for the delivery of 10,500 new homes in the District between 2006 and 2026 and includes 2 strategic sites – at Newbury Racecourse and Sandford Park. The policies of the Core Strategy aim to secure the provision of the right mix of house sizes, types and tenures to meet identified needs which will in turn support the needs of the local economy (see the Delivery Plan at Appendix1)

4.2.3. d Utilities

Utilities include electricity, gas, water, telephony, sewage and locally generated renewable power-all of which are essential to a healthy economy. At this time, and for the foreseeable future, the capacity within the area has been assessed through the Infrastructure Delivery Plan (IDP)⁴⁶ as sufficient to meet the needs of the population and the projected growth in the District to 2026.

The IDP is a supporting document for the Core Strategy and part of the Local Development Framework. The IDP covers the plan period from 2010-2026 although the content is monitored annually and reviewed periodically. The document includes details of the infrastructure identified by the Council and other service providers to support the delivery of the Core Strategy. It explains the approach the Council has taken to identify this infrastructure, how it will be delivered and an assessment of the potential risks associated with doing so.

⁴⁶ The IDP can be found at <http://www.westberks.gov.uk/index.aspx?articleid=19636>

4.2.3. e Schools and Education and Training Provision

Schools Capital Programme

Capital infrastructure investment in schools is delivered through the Education Capital Programme, which is contained within the Council's Capital Strategy.

School capital investment ensures sufficient quality infrastructure is in place to meet the demands of an ageing estate, the changing needs of education, demographic pressures and the impact from new housing.

Significant capital investment is currently being made to meet the impact from demographic growth across the primary age range. A total of 345 additional primary places are currently being delivered in Newbury through the expansion of John Rankin Infant (90 places) and Junior (120 places) schools, The Winchcombe school (105 places) and Falkland primary school (30 places). A further 220 additional primary places are currently being delivered in Thatcham, through the expansion of Spurcroft (210 places) and Francis Baily (10 places) Primary schools. Plans are also being drawn up to provide for further primary places in Newbury and Hungerford to meet anticipated continuing demographic growth in those areas.

An Infrastructure Development Plan has been drawn up that identifies the infrastructure requirements to meet the impact from the new housing to be delivered between now and 2026, as set out in the West Berkshire Core Strategy.

4.2 4. Investment and Retention

Investment and Retention includes the following themes:

- Providing or signposting businesses to good quality Business Support.
- Local Economic Intelligence.
- Incubation provision for start-ups and growth units for business development.
- Removing barriers to enterprise.

An integrated and diverse economy is the key to delivering our future economic performance and relative strength. Successful, and sustainable, economies are built on a wide range of sectors providing a range of jobs suitable for a diverse population with a range of skills.

4.2.4 a Business Support

Businesses need a range of good quality business support that they can call on to help their businesses survive and grow. With the removal of Business Link's face-to-face support, local authorities have a role to play in plugging the gap that has been left. The generation and survival of new businesses is key to our local economy, especially in our changing economic climate.

We will improve our business profile by presenting West Berkshire as being encouraging to the local economy. We have an "open for business" attitude to business, making it easier for businesses to interact with us and get what they need by nurturing good relationships with existing large employers through regular contact and a 'care programme' for strategically important and being seen to look after the needs of existing smaller businesses and campaigning to unlock issues that hold back growth such as infrastructure constraints.

4.2.4. b Economic Intelligence

We will be working towards developing local economic intelligence on the economic characteristics and future economic potential of the area, particularly working closely with TVBLEP to obtain the data that we need to support our local businesses, local education providers, young people and their families to make sure they are best informed about future job opportunities.

4.2.4. c Incubation provision for start-ups and growth units for business development

Businesses must be our champions to help instil a culture of enterprise with the public sector and other stakeholders working closely and positively with them to ensure that young businesses have the right workspaces, support, mentors and networks to survive and grow. Our focus must be on growing and attracting new talent, by creating a pipeline of new entrepreneurs and business leaders and by being a business friendly district where entrepreneurs want to live, work and invest.

Business incubation provide growth SMEs and start-ups with the ideal location to develop and grow their businesses, offering everything from virtual support, “rent-a-desk” through to state of the art laboratories and everything in between. Business incubation provides a nurturing, instructive and supportive environment for entrepreneurs during the critical stages of starting up and growing a new business. Currently, there are approximately business 300 incubators in the UK, directly supporting in excess of 12,000 dynamic, creative and innovative businesses⁴⁷. They support all sectors, including ICT, science, technology and creative industries. There is already some provision locally at Greenham Business Park, together with flexible office accommodation provision from private sector organisations such as Festival House in Newbury and Regus.

Funding new appropriate accommodation for start ups and growing businesses will prove difficult. However, it may be possible to develop small affordable business units as part of larger development schemes, possibly in conjunction with partners either as social enterprises, or through joint venture arrangements.

4.2.4. d Removing barriers to enterprise

As set out in central Government’s “Guide to Decentralisation and the Localism Bill”⁴⁸, it is lifting the burden of bureaucracy and empowering local areas to do things their way. The Government believes power should be decentralised to the lowest appropriate level.

Supporting business growth through removing barriers to enterprise is a key theme of government policy, as expressed in the local growth white paper⁴⁹, under the heading of promoting efficient and dynamic markets and increasing confidence to invest. Government’s approach to this has included a set of reforms to the planning system to introduce a national presumption in favour of sustainable development which applies to decisions on all planning applications. In principle, The Localism Act 2011 gives greater control and power for local authorities and communities over the way in which their area develops, making it easier for local areas to drive the development they want.

Additionally the Government is relaxing the current planning regulations meaning that it will be possible to convert office space to residential use without needing planning permission. It will be necessary to monitor this to see if it leads to a shortfall in office floorspace which needs to be rectified. Business Rate Retention⁵⁰, from April 2013, could allow us to receive direct financial benefits from increases in their business rates yield. Income will be deringfenced so it could be reinvested into the local economy.

⁴⁷ UKBI, Birmingham

⁴⁸ <https://www.gov.uk/government/publications/localism-act-2011-overview>

⁴⁹ Local growth: realising every place’s potential, BIS, 28 October 2010

⁵⁰ Local Government Resource Review

4.2.5. Rejuvenation and Regeneration

The achievement of this aim will include, for example, providing direct support to regeneration and economic development projects by acting as a facilitator and communicator for the business community and its relevant membership organisations. Key areas identified are Newbury, Thatcham, Hungerford, Compton⁵¹ and office sites such as Arlington Business Park where opportunities will be taken to facilitate the redevelopment of stock as it becomes available.

Town centres are an important resource for an area; they can offer a vibrant centre servicing a range of needs, including economic, tourism and leisure, community uses. They are natural transport hubs, providing opportunities to offer sustainable transport options for those using the centres. They are also places which offer a multiplicity of uses for any given trip, as opposed to single purpose trips, thereby reducing travel. There is a need to find the unique quality of a town centre and what places or history produces pride of place for the residents.

A Regeneration scheme is designed to reinvigorate a depressed or under utilised urban area.

Rejuvenation and regeneration projects must meet the following key criteria:

- Enhanced quality of living.
- Improved employment opportunities.
- Schemes must be fit for identified current and modern use.
- Schemes must provide substantial visual enhancement to an existing area – public realm and landscaping.
- Any negative impact of a scheme must be mitigated for with consideration for the lives of existing residents and / or businesses.
-

The following key sites will support delivery of this objective:

4.2.5a London Road Industrial Estate, Newbury

This is an important site, located at a key location in Newbury. Any redevelopment would be expected to make a positive contribution to the visual appearance of the Town Centre and be of a high quality design. The site will be redeveloped to provide a mixed use development. This redevelopment will be delivered as a joint venture between West Berkshire Council and a private sector provider.

4.2.5b The Wharf, Newbury

Despite the continued economic difficulties, it is hoped that within the next five years the redevelopment of the Wharf as a large high value public amenity space will have been delivered. The redevelopment will align with the refurbishment of the Museum and the creation of a new transport interchange. It is seen as creating a key visitor hub for the town.

⁵¹ This site will be redeveloped into a residential led mixed use development

4.2.5c Market Street/Station Gateway, Newbury

Newbury Railway station also acts as a key entry point into the Town and improvements are needed to improve accessibility between the station and the Town Centre. These will form part of the wider Market Street redevelopment. A Conditional Development Agreement has been signed with Grainger Plc to deliver the Market Street redevelopment.

4.2.5d Sterling Cables site with new through road

A scheme is being progressed to bring forward a comprehensive redevelopment of this site which includes the new Kings Road Link Road. Work is progressing with the developer to submit a planning application for the site. The delivery of the Kings Road Link Road has been ranked highly by the Berkshire Local Transport Board as a priority for funding.

4.2.5e Pirbright Institute of Animal Health (IAH), Compton

The 15 hectare IAH site is situated in Compton Village. IAH is relocating to Surrey and this will have a significant impact on the village of Compton. It is therefore important to plan the redevelopment of the brownfield site, which is located within the AONB. A Supplementary Planning Document (SPD) has been produced in conjunction with the local community. This will form the framework for a residential-led, mixed use scheme

4.2.5f Arlington Business Park, Theale (opportunities will be taken to facilitate the redevelopment of stock as it becomes outdated).

Owned by Goodman UK, Arlington Business Park is located at Junction 12 of the M4, with direct routes to Reading, London and Bristol and only a short drive from Heathrow Airport. There is also a railway station at Theale that links to London Paddington.

The site is currently made up of a wide range of modern office buildings but in the future, more general business use, such as warehousing and logistics, may be explored by Goodman UK given the site's excellent location. Other employment generating uses may also be considered.

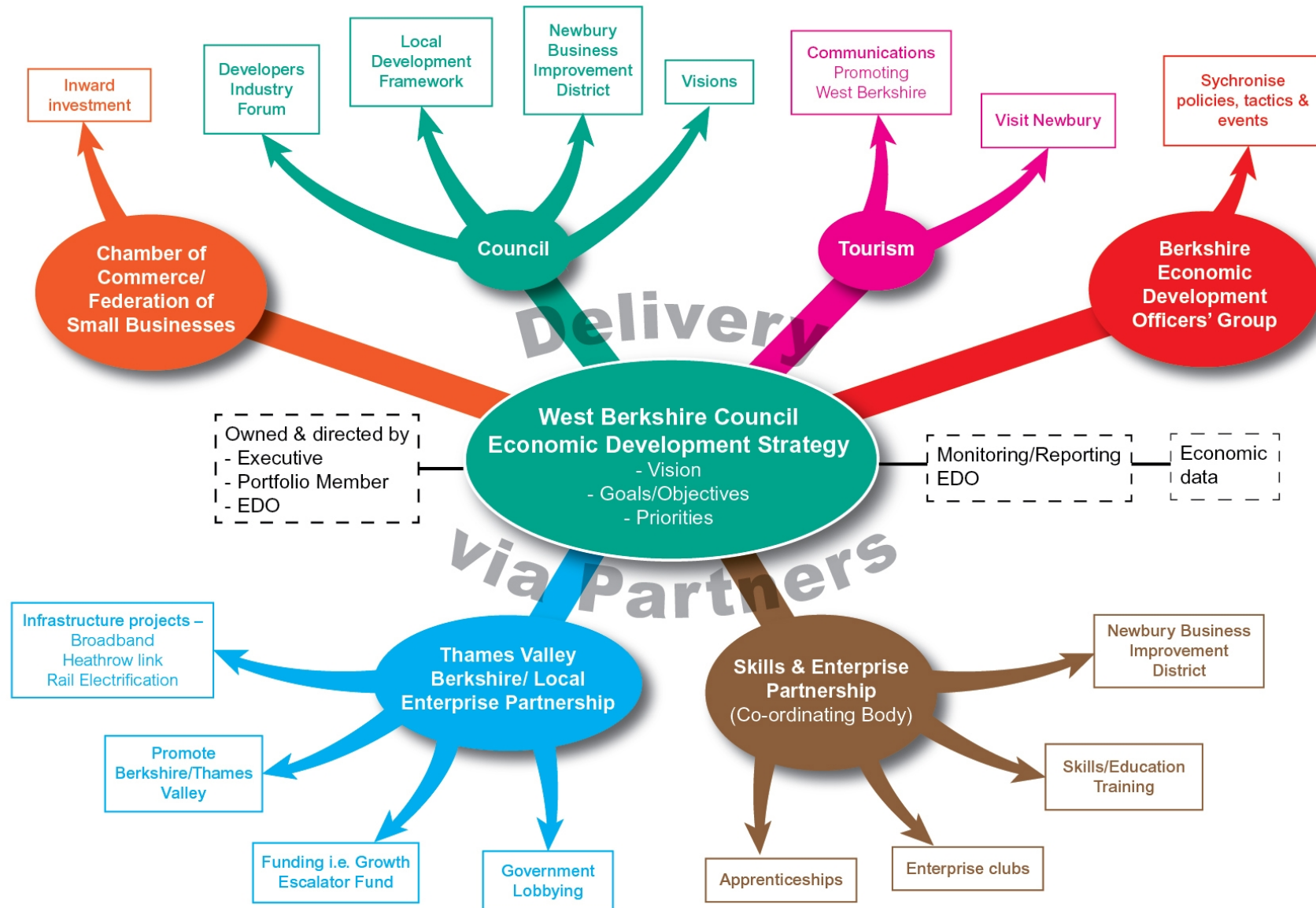
4.2.5g Greenham Business Park (development land opportunities)

Owned and managed by Greenham Common Trust, Greenham Business Park offers a wide range of commercial property solutions suitable for start ups and SMEs to larger scale manufacturing and distribution. Greenham Business Park allows for a variety of property types and sizes. The site has planning permission for B1, B2 and B8 and the Trust's objective is to provide accommodation that would be suitable for a wide range of businesses, allowing them to grow and expand on site.

The Park currently has vacant land available for "design and build" opportunities with several occupied sites which have long-term development potential.

4.2.5h Other Rural Schemes

These will be considered on a case-by-case basis.



Appendix 1 SWOT Analysis

Strengths	Weaknesses
<p>Location/Accessibility relative to strategic transport networks.</p> <p>Above average survival rate for start-ups</p> <p>Diverse and relatively resilient local economy</p> <p>High levels of employment</p> <p>Attractive surroundings and natural environment valued by businesses</p> <p>Not overly dependent on one sector.</p> <p>Strong local partnerships and history of partnership working between the 6 Berkshire councils and other organisations.</p> <p>Key urban centres in southern England (London, Reading, Southampton, Basingstoke, Winchester, Oxford and Swindon) are all within an hour's drive, as is Heathrow.</p> <p>Relatively low levels of reported crime, compared to surrounding areas.</p> <p>Relative absence of dependence on the public sector for employment indicates that as the government cuts continue, the area should be less affected than other areas.</p> <p>Modern retail offer</p> <p>Diversity and quality of leisure and cultural facilities.</p>	<p>Relative affluence of the area masks pockets of deprivation in both urban and rural areas</p> <p>Much of the office accommodation does not meet 21st century requirements</p> <p>Relatively high price of housing</p> <p>Degree of complacency around local economy.</p> <p>Lack of aspiration for the tourism agenda.</p> <p>Relatively few large firms</p> <p>Inward investment tends to be more limited than other for other parts of the Thames Valley, given the distance from London and Heathrow.</p> <p>Natural environment is a constraint to development.</p> <p>Rural nature of the District gives limited access to some locations.</p> <p>Lack of current local economic intelligence.</p> <p>Aging population can put additional pressure on public services.</p>

Opportunities	Threats
<p>Through building stronger partnerships between business and LA and other partners, there is potential to improve business' prospects through more coordinated support.</p>	<p>Planning constraints and infrastructure unable to adequately support further growth and expansion</p>
<p>Build on high levels of self employment and business start ups</p>	<p>Ongoing uncertainty over wider economic conditions, including financial restructuring and access to funding</p>
<p>Establishment of TVBLEP provides an opportunity to articulate and promote the collective strength of the sub-region.</p>	<p>Potential relocation of larger companies away from area.</p>
<p>Ensure the training offer can meet the changing needs by encouraging greater involvement from local businesses in developing future skills and training offers.</p>	<p>Risk aversion to business start-ups and development due to economic climate.</p>
<p>Promote and focus on the business benefits of partnership working with the education sector.</p>	<p>Public expenditure redirections.</p>
<p>More collaborative working to promote Apprenticeships as a positive career choice to prospective trainees and the wider public.</p>	<p>Failure to balance jobs and housing need, thereby exacerbating both in and out-commuting.</p>
<p>Roll out and take up of Superfast broadband, together with significant scope for the improvement of broadband coverage in rural areas.</p>	<p>Impact of credit crunch and national/ global recession on the development and house building sectors.</p>
<p>Supporting the further development of the area's tourism offer using natural assets and events.</p>	<p>Lack of speculative high quality office development.</p>
<p>New markets and services created by the needs of an ageing population.</p>	<p>Lack of sufficient innovative activity</p>
<p>Planned electrification work, due by 2016, is set to provide the District with faster and more reliable rail links.</p>	<p>Impact of ageing population and declining numbers of young working-age adults.</p>
<p>Opportunity to address the significant numbers of people who do not have qualifications or skills suitable for the modern workplace.</p>	<p>Growth plans of Reading may draw further private sector interest away from West Berkshire.</p>
<p>Build on the technology sector opportunity for inward investment and encourage affiliated and similar organisations.</p>	<p>Lack of employment and training prospects for young people</p>
<p>Encourage development of green technology and infrastructure.</p>	<p>Reduced work placements through schools</p>
<p>Strengthen delivery capability of the Skills and Enterprise Partnership</p>	

Appendix 2 List of key partners and stakeholders

Adviza

Berkshire Economic Development Officers Group (BEDOG)

Bracknell Forest Council

Community Council for Berkshire

Construction Skills Board

The Corn Exchange

Education Business Partnership

Environment Agency

Federation of Small Businesses

Greenham Common Trust

Hungerford Chamber of Commerce and Industry

Jobcentre Plus

Kennet and Avon Canal Trust

National Apprenticeship Service

Newbury BID

Newbury College

Newbury Hoteliers' Association

Newbury Vision Steering Group

Parkway

Parish/Town Councils

The Racecourse, Newbury

Raising Participation Partnership (until March 2014)

Reading CIC

Reading Council

Royal Windsor and Maidenhead Council

Skills and Enterprise Partnership

Skills Funding Agency

Slough Council

Social Enterprise Berkshire

Thames Valley Berkshire Local Enterprise Partnership

Thames Valley Chamber of Commerce

VitalSix

The Watermill

West Berkshire Chamber of Commerce

West Berkshire Partnership

West Berkshire Schools

West Berkshire Training Consortium

Wokingham Council



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