

Winter 2003

## Economic and Business Bulletin

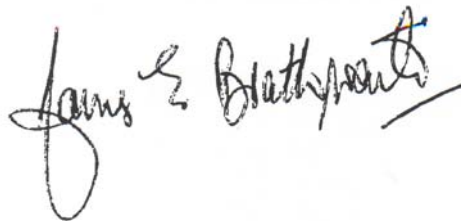
I am pleased to present the winter 2003 issue of SEEDA's six-monthly Economic and Business Bulletin.

This Bulletin aims to contribute to the development of business strategies in the private, public and voluntary sectors. It brings together key economic and business intelligence and puts both the short and medium-term outlooks of the South East economy into a wider national context.

The forthcoming issues of the Economic and Business Bulletin will look more closely at sub-regional economic performance and its likely development in the short to medium-term.

If you have any queries regarding this bulletin or its contents, please contact Ivan Perkovic (01483 470 162), email: [ivanperkovic@seeda.co.uk](mailto:ivanperkovic@seeda.co.uk) or Rashid Bashir, Head of Policy and Economics (01483 500719), email: [rashidbashir@seeda.co.uk](mailto:rashidbashir@seeda.co.uk).

Yours,



James E. Brathwaite, CBE  
Chairman

## Contents

	Page
Key Facts	3
Executive Summary	4
UK Macroeconomic Overview and Outlook	5
Macroeconomic overview	5
Short and medium-term outlook	6
The South East Overview and Outlook	7
Regional overview	7
Short and medium-term outlook	8
Industrial Overview and Outlook	9
Production	9
Manufacturing	10
Services	11
Regional Comparison	12

## Key Facts

- The South East economy accounts for 15.3% of total UK with real Gross Value Added (GVA) at constant 1995 prices of approximately £123 billion.
- The region has the second highest GVA per capita in the UK, around 11% above the UK average (workplace based) or 19% above the average (residence based).
- There are greater variations in sub-regional GVA per head within the South East than between English regions. Our estimates (based on the latest NUTS 3 geographical areas) for all English regions show that, between 1995 and 1998, disparities within the region have widened faster in the South East than in any other English region.
- GVA per head in East Sussex and Kent is below the UK average, with GVA per head in the Isle of Wight at less than half compared with Berkshire, and around a third below the UK average.
- Household disposable income in the region is estimated at £99.28 billion (constant 1995 prices), equivalent to 15.3% of the UK total, with household spending estimated at £95 billion.
- Household spending in the South East over the past decade has been growing faster than the UK average (3.8% on average per annum in the region as opposed to 3.6% for the UK).
- The total population of the South East is just over eight million (8,006,900), equivalent to just under 14% of the UK total. Population growth of 4.95% in the South East has been faster than in the UK as a whole.
- Technological intensity in the South East (as measured by the share of employment in medium and high technology based employment in manufacturing sector) is the highest in the country.
- New business registration rate in Windsor and Maidenhead in 2002 was 73 businesses per 10,000 adult population compared with 31 businesses per 10,000 adult population in each of Portsmouth, Southampton and the Isle of Wight.
- The South East has the highest economic activity rate (83%) and employment rates (80%) in the UK and an unemployment rate of 4%, one of the lowest in the country.
- Despite the low unemployment rate in the region, over 160,000 people are unemployed in the South East, a higher number than six other English regions. Unemployment levels in the Isle of Wight, Brighton & Hove and Medway are significantly higher than the regional and national average.
- The South East contains 119 of the worst 20% wards nationally, a higher number than the South West and East of England.
- One million people of working age lack basic literacy or numeracy skills in the region.
- The proportion of 16 year olds achieving at least five GCSEs at grades A\*- C varies from 63.3% in Buckinghamshire to 34.3% in Portsmouth.

## Executive Summary

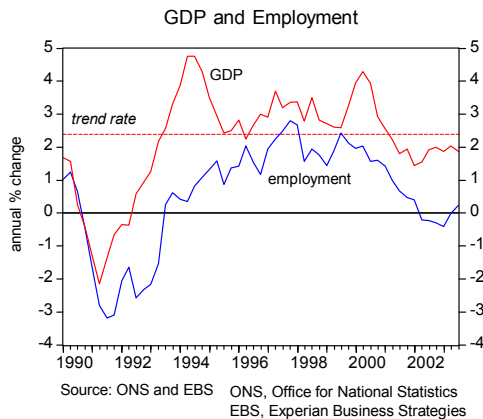
- Relatively strong growth in consumer expenditure, coupled with the gradual recovery of external demand in the second half of the year, have led to the recovery of the South East and the UK economies after the sluggish growth in the first half of the year.
- The South East economy is expected to expand by just over 3% in 2003 (considerably faster than the UK economy) and marginally below its long trend growth rate.<sup>1</sup>
- Over the short to medium-term, the South East economy is on average expected to outperform all the other UK regions.
- As the UK economy becomes less dependent on the consumer sector there are likely to be further increases in interest rates, to 4% by summer 2004 and 4.5% by the end of the year. Such rises are necessary to take the steam out of the housing market and dampen spiralling consumer debt.
- Slower growth in tax receipts coupled with significant growth in public expenditure have led to a further increase in government borrowing which is likely to be targeted by the further increases in indirect taxes next year.
- Despite small job losses, economic activity rates have remained relatively stable, implying that the main impact of global slowdown has been to relieve excess demand in the labour market.
- Over the short to medium-term, employment in the region is on average projected to increase by 0.7% per annum, at a considerably slower rate than throughout the mid to late 1990s.
- In spite of wage inflation in the region easing significantly over the past year (the slowest growth in the UK), as the economic recovery intensifies (and in particular the recovery of the financial and business sectors), a gradual recovery of earnings is expected in the region. Given the already tight labour market, over the short to medium-term wage inflation in the region is expected to outpace most of the other English regions.
- The output in the production sector is expected to increase by around 3.2% this year and the next. Over the short to medium-term, the trend of declining employment in this sector is expected to continue.
- The manufacturing sector in the region seems to be on the brink of revival, with output expected to increase by just over 1% this year followed by stronger growth of around 2% next year. In spite of projected growth in output, the share of manufacturing output is expected to decline over the short to medium-term.
- An expected decline in employment in private services this year is largely to be offset by a significant increase in public sector employment. Overall, the outlook for the service sector remains positive, with strong growth expected this year and the next.

---

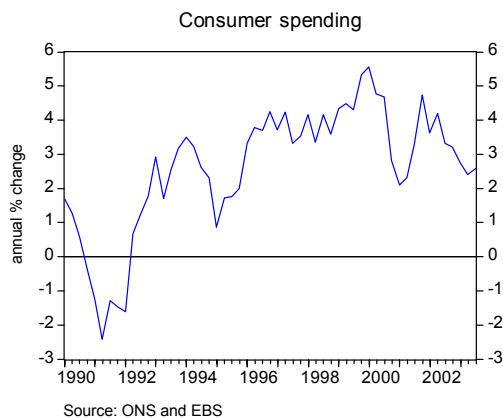
<sup>1</sup> Forecasts used in this document are largely derived from Experian Business Strategies' regional forecasting model.

## Macroeconomic overview

The UK economy expanded by just 0.1% and 0.6% in the first and second quarters of the year respectively.<sup>2</sup> The main factor behind the sluggish growth in output was the slowdown in external demand. External demand was largely affected by uncertainty associated with the war in Iraq and subsequent sluggish recovery in world economy.



Consumer expenditure, which remained buoyant for most of the late 1990s and early 2000, slowed down but still remained strong despite the squeeze on real incomes by the recent increases in National Insurance contributions, changes in indirect taxes and slowdown in average earnings.



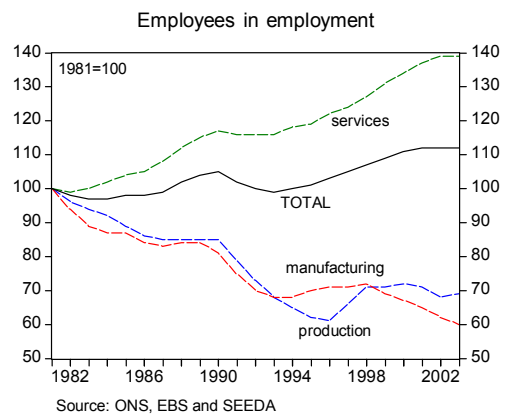
Combination of the lowest short-term interest rates over the past four decades and strong house price growth (although at a smaller pace than that seen in

<sup>2</sup> Growth rates are reported in real prices unless stated. Output figures are based on old 1995 weights. Office for National Statistics has recently switched from fixed base weights (weights that changed every five years) to chain linked weights (weights that will change every year) which should lead to more reliable estimates of GDP. We will use the chain linked GDP estimates in our next report due in spring 2004.

2002) have allowed households to borrow at record rates and fund current expenditure.

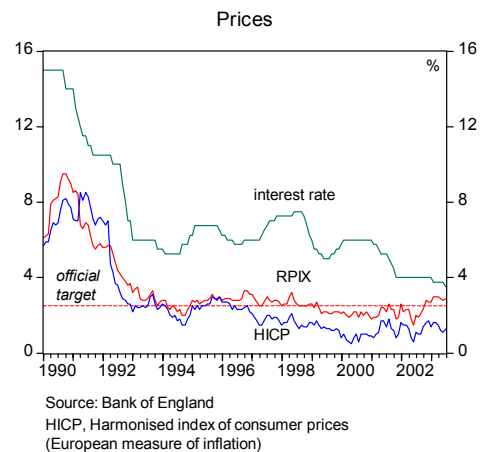
The slowdown in output in the first half of the year affected the south of the country to a much greater extent than the other parts of the UK. It was the service sector and in particular financial sub-sector that bore the brunt of the slowdown, which is not surprising given its greater dependency on external demand. Significant depreciation of the pound in the second half of 2002 and first half of 2003 contributed significantly to a marginal increase in output in the manufacturing sector.

Employment in the manufacturing and production sectors continued to decline as those less productive sub-sectors shed jobs or relocated to cheaper locations.



Overall, employment has marginally decreased on the same period last year. It was an increase in public sector jobs (fuelled by a significant increase in public expenditure) that largely offset decreases in employment in production, manufacturing and the financial and business sectors.

Inflation has remained under control, in spite of being above the Bank of England target since mid 2002.



## Short and medium-term outlook

Given the strong consumer spending and the latest resurgence in world demand and in particular demand from the United States, the UK economy is likely to expand by 1.9% in 2003, lower than the Treasury's expectation of 2-2.5%.<sup>3</sup>

Strong consumer spending in 2004 alongside the further recovery in world demand, with strong growth by the US economy and gradual recovery in Japan and the Euro zone economies, are likely to push the growth rate to just over 2.4% by the end of 2004, with growth rates averaging around 2.5% per annum until 2007.

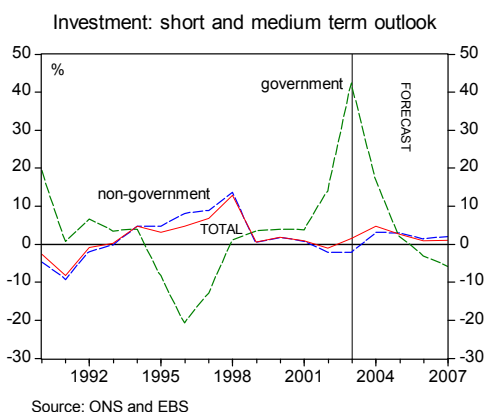


The squeeze in company earnings driven by general economic slowdown and decline in equity prices in 2002 and early 2003 and uncertainty associated with the war in Iraq have contributed significantly to decline in investment over the past year. Non-government investment is expected to contract by just over 2.1% in 2003 after declining by a similar amount in 2002.

Total investment (driven by a large increase in government investment) is forecast to increase by just over 1.5% in 2003.<sup>4</sup> In 2004 we expect business confidence to recover and lead to a strong rise in business investment of just over 3%. Business investment is on average forecast to increase by around 2.3% per annum between 2003 and 2007.

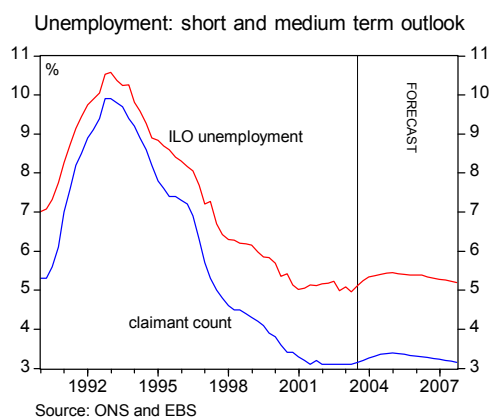
<sup>3</sup> The US economy expanded by 8.2% on an annualised rate in third quarter of this year, the fastest growth in the past 20 years. The annualised growth rate for the UK was 1.8% in the first half of the year.

<sup>4</sup> Government led investment increased by 14% in 2002, is forecast to increase by around 40% in 2003. Between 2003 and 2007 we are likely to see modest increases in government led investment.



As the UK economy becomes less dependent on the consumer sector, in 2004 we are likely to see a further increase in short-term interest rates from the current 3.75% to 4% by summer 2004 and 4.5% by the end of the year. We are likely to see further increases in indirect taxes, which may be necessary to reduce a large budget deficit. In spite of an increase in taxes, inflation is likely to remain under control over the forecast horizon.

In spite of the relatively poor performance of the economy in the first half of the year, the recent recovery of the UK economy combined with strong expansion of public sector jobs implies that the labour market will end the year healthy if somewhat flat.



The UK unemployment rate (ILO rate) is expected to end the year at 5.1%, before marginally increasing to 5.4% in 2004. Overall, between 2003 and 2007 the labour market is forecast to remain healthy, with unemployment rates averaging 5.3% per annum.<sup>5</sup>

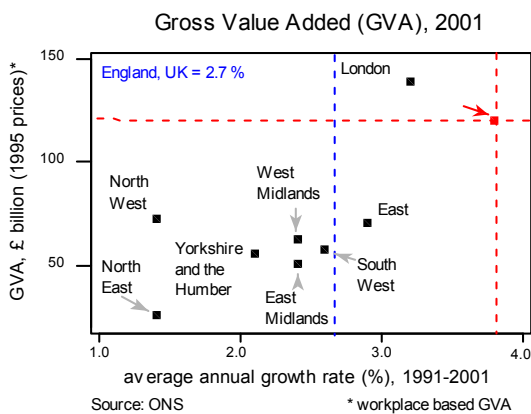
<sup>5</sup> International Labour Office (ILO) measure, which includes people without paid work who have sought work within the previous four weeks and are able to start work within two weeks.

## The South East Overview and Outlook

### Regional overview

Between 1991 and 2001, the South East economy expanded on average by 3.8% per annum, faster than any other English region.<sup>6</sup>

However, following the global economic slowdown in 2002, regional GVA expanded by just 1.9% in real terms, with sluggish growth persisting in the first half of this year.



Below the trend performance of the economy in the first half of the year was not surprising given the impact of global slowdown and the war in Iraq on the financial and business sectors.

In 2002, total employment in the region fell marginally in response to the slowdown in economic activity.



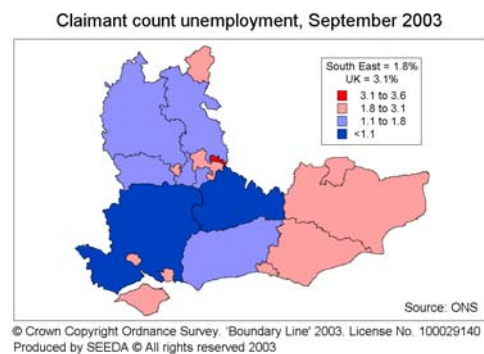
Within this total the trend shift of employment from manufacturing towards services continued.<sup>7</sup>

<sup>6</sup> Regional output is reported as Gross Value Added (GVA) in line with European Standards (ESA95). NOTE: GDP at market prices – taxes on products + subsidies on products = GVA at basic prices.

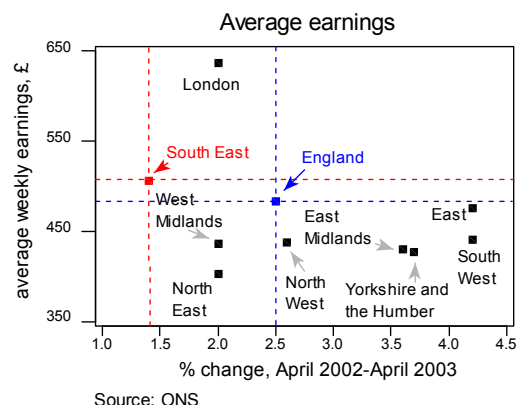
Economic slowdown of the first half of this year has had a relatively small impact on the labour market in the region. In August 2003, the seasonally adjusted employment rate declined by 0.7% on a year earlier to 79.1%. Seasonally adjusted employee jobs figures were down 7,000 in the quarter to June 2003.

In summer 2003, seasonally adjusted unemployment in the region stood at 169,000, up 7,000 on the same period last year. The unemployment rate increased by 0.2% on the same period last year to 4%.<sup>8</sup>

Despite small job losses, economic activity rates have remained stable implying that the main impact of slowdown has been to relieve excess demand in the labour market.



Wage inflation in the labour market has eased significantly over the past year, with average earnings in the region increasing by just 1.4%, the slowest increase in the UK.



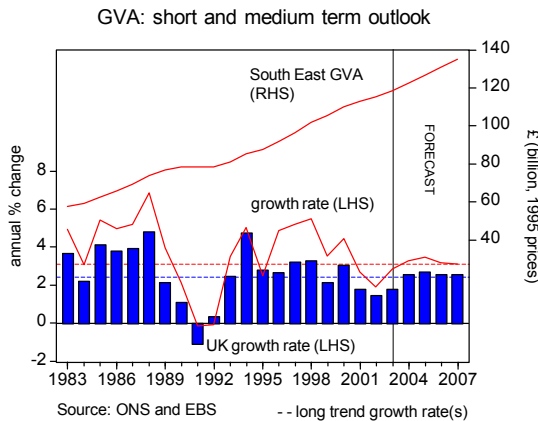
<sup>7</sup> Employment is reported on a workplace basis (the figure does not include people who live in the region and work outside of the region). Residence based employment in summer 2003 was just over 4 million.

<sup>8</sup> The seasonally adjusted claimant count rate also increased by 0.1% on the same period last year to 1.8%. The total number of claimants in September 2003 was just over 76,000, an increase of almost 4,000 on the same period last year.



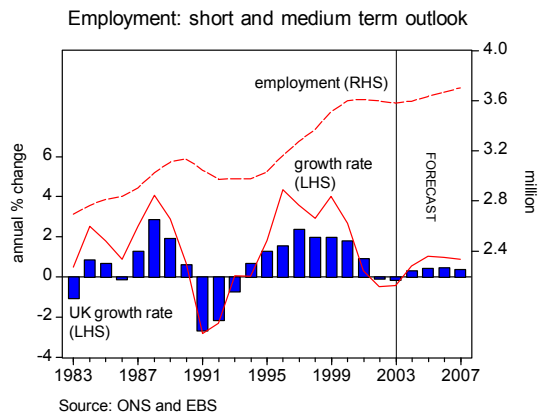
## Short and medium-term outlook

In spite of below the trend growth in the first half of the year, the South East economy is forecast to expand by 3.1% in 2003 (significantly faster than London's economy). Global economic recovery and improvement in competitiveness (resulting from significant depreciation of the pound) are likely to lead to a change in fortunes for the manufacturing sector in the region, with manufacturing output expanding by just over 1% in 2003.



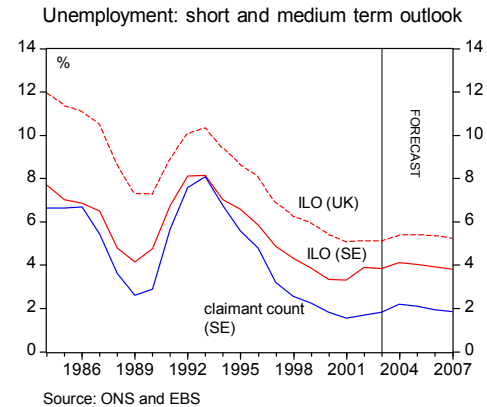
As world trade improves and investment picks up next year, we expect growth in real GVA in the South East of 3.3% in 2004 and on average by 3.2% until 2007. This is in spite of the fact that we expect consumer spending to slow down next year in response to a decline in disposable income and house prices.

Despite economic recovery in the second half of the year, employment in the region is expected to marginally decline to just under 3.6 million in 2003, before marginally increasing in 2004.



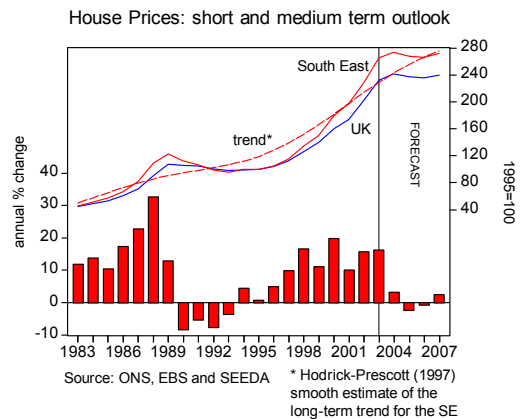
Between 2003 and 2007, total employment is forecast to increase at a considerably slower rate than throughout the 1990s (on average by just under 0.7% per annum).

By the end of the year, the unemployment rate is expected to stand at just below 4%, before marginally increasing in 2004 to 4.1%. The claimant count rate is also expected to end the year higher at just over 1.8%, before increasing to 2.1% in 2004. Between 2003 and 2007, the unemployment rate is forecast to average 3.9% per annum, with the claimant count averaging just below 2% per annum, the lowest in the country.



An already tight labour market and the economic recovery, which is expected to intensify, are likely to lead to a recovery in average earnings next year. In the medium to long term we are expecting greater wage inflation in the South East and London than in other parts of the country.

In spite of a slowdown over the past year, in 2003 house prices are expected to increase by between 10 and 12% on a year ago. Already high house prices, which have effectively priced first time buyers out of the market, higher interest rates and slower growth in real earnings are more likely to lead to 'soft landing of house prices' than the collapse of the market. House prices are to marginally increase next year, before falling by up to 5% in 2005 and also marginally decreasing in 2006.<sup>9</sup>



<sup>9</sup> Experian Business Strategies

Hodrick, R. J. and Prescott E. C. (1997) Postwar U.S. Business Cycles: An Empirical Investigation, *Journal of Money, Credit and Banking*, 29, 1-16.



## Industrial Overview and Outlook

### Production

The unusually hot summer is likely to lead to sluggish growth in output in agriculture in 2003. The output is likely to increase by just 1.4% in 2003 and 1.5% in 2004, significantly lower than last year. Between 2002 and 2007, output is likely to increase by just over 0.4% per annum.

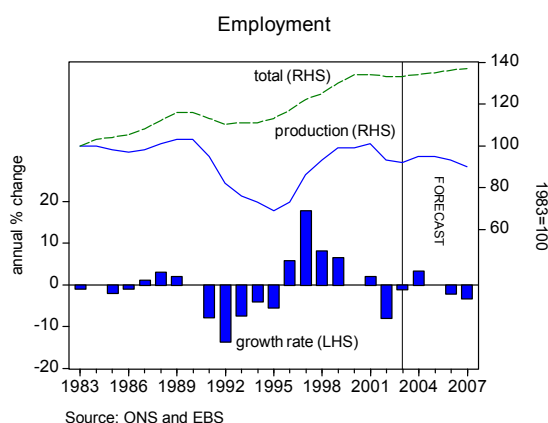
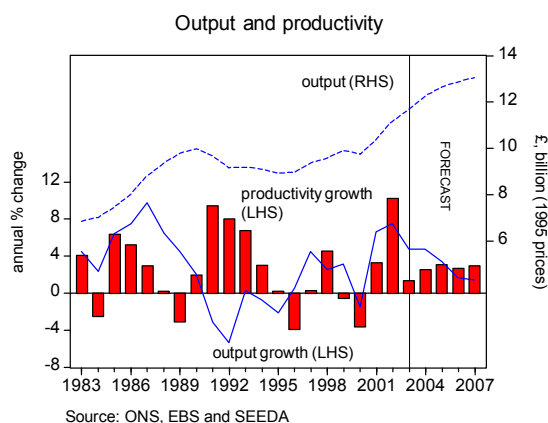
The trend of declining employment is also likely to continue, with 2,100 jobs lost this year and 1,400 in 2004. Further restructuring within the sector is likely to lead to an increase in productivity, which is forecast to increase on average by around 4% per annum between 2002 and 2007.<sup>10</sup>

Mining and utilities were also sectors affected by global slowdown and further restructuring. Output this year is likely to expand by 2.2% followed by strong growth of around 4.3% next year, largely driven by growth of output in utilities. We expect the output in mining and utilities to increase by around 2.5% on average per annum over the short to medium-term.

With further decline in employment (around 400 jobs lost this year and the next), we are likely to see significant rise in productivity of around 5% on average per annum between 2002 and 2007.

Construction accounts for over 50% of total output in production and over 68% of employment. Output is forecast to increase by almost 7% this year and just under 6% in 2004. Increase in public sector driven activity is the main factor behind the strong growth this year and the next. In the short to medium-term, output is likely to increase by around 4% per annum as we see slower growth in private sector activities. Marginal decline in employment this year is expected to be followed by a strong upturn in 2004, when employment is expected to increase by over 9,000. Between 2002 and 2007, total employment is projected to increase by just 2,900, largely due to a projected decrease in employment in 2006 and 2007, with productivity increasing by 2.3% on average. Over the past decade the sector has been characterised by chronic shortages of skilled labour. We believe that skill shortages and general labour shortages are likely to ease following the expansion of the European Union eastwards.

Overall output in production is expected to increase by around 3.2% this year and the next, while employment is expected to decline this year, followed by a significant construction led increase in 2004. Overall, the trend of declining employment in production is forecast to continue over the short to medium-term horizon.



Location quotients and employment change in production sub-sectors 1997-2002 and 2002-2007<sup>11</sup>

Sector (SIC92)	Location Quotient (2002)	Change from 1997 to 2002 (Thousands)	Change from 2002 to 2007 (Thousands)
Agriculture (1)	135	-3.6 -7.2%	-7.8 -17.0%
Mining (exc. Oil & Gas) (2)	59	0.8 31.5%	-0.2 -7.4%
Utilities (3)	84	-3.0 -16.1%	-2.0 -13.1%
Construction (4)	89	20.6 17.1%	2.9 2.0%
Mining and Utilities (2+3)	78	-2.2 -10.4%	-2.3 -12.1%
<b>PRODUCTION</b>	<b>95</b>	<b>14.8 7.7%</b>	<b>-7.2 -3.5%</b>

Source: ONS, EBS and SEEDA

<sup>10</sup> Productivity estimates are based on full time equivalent employment (FTE), where full time equivalent employment is defined as FTE = full-time employees + 0.4\*part-time employees + self employees.

<sup>11</sup> Location quotients show the degree of over or under-representation of employment in an industry within a region relative to the UK. It is simply the industry's share of regional employment divided by the industry's share in total UK employment. A value of >100 imply over-representation and vice versa. SIC92 (Standard Industrial Classification 1992).

## Manufacturing

The combination of the strong pound and decline in external demand led to recession in the manufacturing sector over the past few years, with falling outputs and employment. However, following the significant depreciation of the pound over the past year and some signs of strong world economic recovery, the manufacturing sector in the region seems to be on the brink of revival. According to the latest British Chambers of Commerce (BCC) survey, +11% of manufacturers in the export market reported an increase in export sales, up five points on quarter two and 13 points above the national average.<sup>12</sup> Business confidence is on the rise with +65% of manufacturers being confident of improving profitability over the next 12 months, up 20 points from the previous quarter and well above the national average.

We expect the output in the sector to expand by around 1.5% this year (after contracting by almost 3% in 2002) followed by stronger growth of around 2% next year. Within the sector we are expecting to see a strong revival in output in engineering and transport equipment of 4.2% this year and 2.6% next year (after contracting by over 10% in 2002). The output in metals, minerals and chemicals is expected to remain relatively flat, with much stronger recovery of over 2.5% in 2004. The output in 'other' manufacturing is forecast to increase by around 1% in 2004 after relatively flat growth of just 0.9% this year.<sup>13</sup>

The trend of falling employment in manufacturing is forecast to continue, with total employment contracting by over 14,400 this year and over 6,000 in 2004. Over the short to medium-term, the sector is expected to shed almost 40,000 jobs.

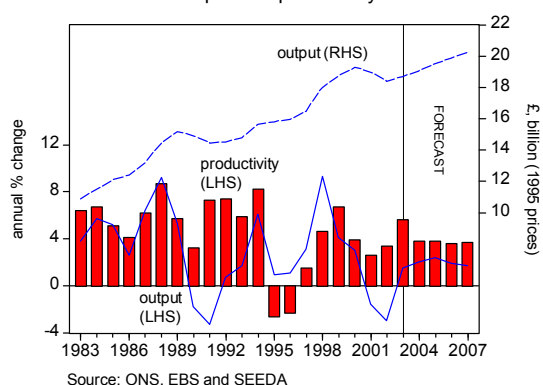
Despite an increase in output over the period, the sector's share of both total output and employment in the region is expected to decline.

As the process of restructuring within manufacturing continues, we are expecting strong growth in productivity of around 4% on average per annum over the short to medium-term. The manufacturing sector in the region has attracted a significant share of UK inward investment in the past and this trend is forecast to continue in the short to medium-term.

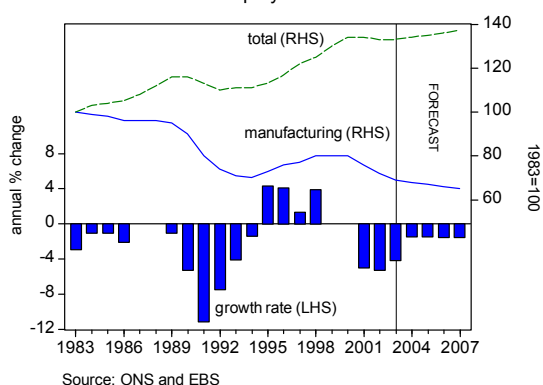
<sup>12</sup> Figures reported as percentage balances (percentage balances determined by subtracting the percentage of those companies reporting decreases in a factor from the percentage of companies reporting increases).

<sup>13</sup> 'Other' manufacturing – see the table opposite (8, 9, 10, 11, 12, 13).

Output and productivity



Employment



Location quotients and employment change in manufacturing sub-sectors 1997-2002 and 2002-2007.

Sector (SIC92)	Location Quotient (2002)	Change from 1997 to 2002 (Thousands)	Change from 2002 to 2007 (Thousands)
Fuel Processing (1)	44	-1.3 -45.5%	-0.2 -12.8%
Metals (2)	66	-2.8 -6.2%	-5.7 -13.4%
Mineral Products (3)	57	0.8 8.3%	0.0 -0.2%
Chemicals & Man-made Fibres (4)	117	4.3 12.9%	-2.1 -5.5%
Mechanical Engineering (5)	97	-1.5 -3.1%	-11.7 -25.7%
Electrical Engineering (6)	138	-9.6 -10.6%	-7.6 -9.5%
Motor Vehicles & Other Transport Equipment (7)	105	-8.5 -22.1%	-3.2 -10.7%
Food, Drink & Tobacco (8)	44	-3.7 -11.3%	-0.9 -3.2%
Textiles, Footwear and Clothing (9)	20	-2.8 -31.9%	-0.8 -13.4%
Wood and Wood Products (10)	65	0.0 0.2%	-0.2 -2.4%
Paper, Printing and Publishing (11)	95	-2.8 -4.6%	-3.8 -6.4%
Rubber & Plastics (12)	81	1.6 6.8%	1.0 4.0%
Other (13)	81	-0.9 -3.8%	-3.4 -14.7%
Metals, Minerals and Chemicals (1+2+3+4)	78	0.9 1.0%	-8.0 -8.7%
Engineering and Transport Equipment (5+6+7)	99	-19.5 -11.1%	-22.5 -14.4%
Other Manufacturing (8+9+10+11+12+13)	65	-8.6 -5.5%	-8.1 -5.4%
MANUFACTURING	79	-27.3 -6.4%	-38.5 -9.7%

Source: ONS, EBS and SEEDA

## Services

The outlook for the service sector remains positive, with strong growth expected this year and the next. According to the latest BCC survey of economic activity the home market remains stable with +20% of firms reporting an increase in home sales, while +13% of firms reported an increase in home orders, marginally decreasing on the previous quarter. Furthermore, there seems to be a strong revival in export market with export sales increasing by 24 points to +7%.

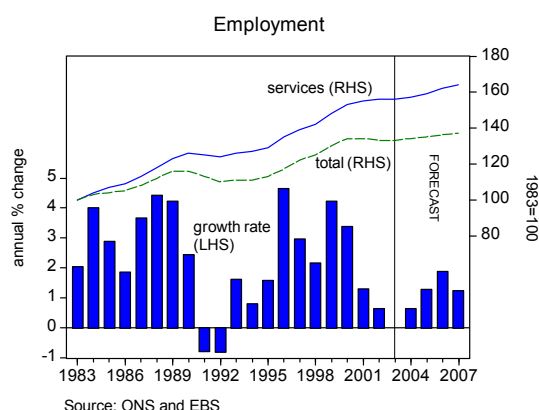
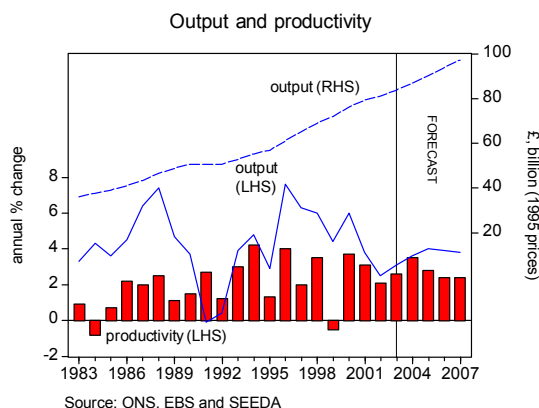
Business confidence remains positive (although below the national trend) with +49% of service sector firms being confident of improving turnover over the next 12 months, up two points on the previous quarter.

The service sector output, fuelled by strong consumer expenditure and recovery in internal and external demand, is expected to increase by around 3% this year and 3.6% in 2004. Within the sector we are likely to see the strongest revival in output in transport and communications of around 4.9% this year and marginally slower growth next year. The growth is expected to be fuelled largely by the revival of fortunes in communications, which suffered from the global slowdown in 2001.

In spite of a global slowdown in the first half of this year, output in financial and business-related services is forecast to increase by 3.6% this year and 4.4% in 2004. Unlike London's financial services, which were affected significantly by the global slowdown, financial services in the region are less exposed to global influence. The output in distribution, hotels and catering is expected to increase by just 2.4% this year and marginally higher the next. Within the sector we expect the output in hotels and catering to decrease marginally on last year when output decreased significantly. The prime factor behind the decrease in output lies in falling numbers of foreign visitors and slower growth in consumer expenditure.

The expected decrease in employment this year in the private sector (over 11,000) is largely to be offset by a significant increase in the 'other' services (largely public services) of around 14,500. Significant growth in public sector employment, coupled with strong growth in financial and business services is likely to lead to an increase in the overall employment in services, in 2004 of around 17,300. Over the period, employment is forecast to increase by just over 150,000, at a considerably slower rate than in 1997-2002, while

productivity is also forecast to grow on average by around 2.7% per annum.



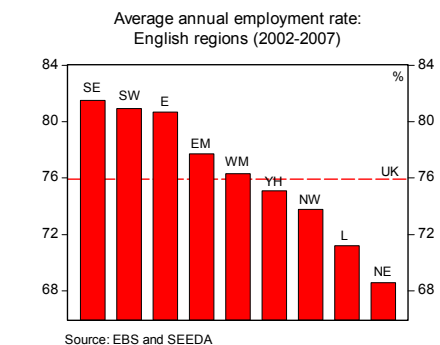
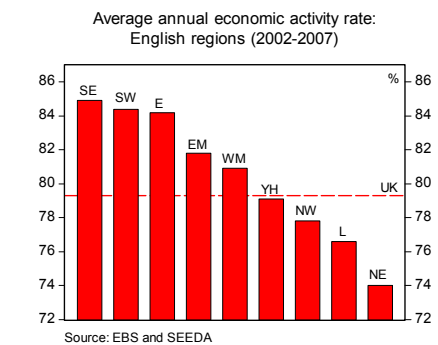
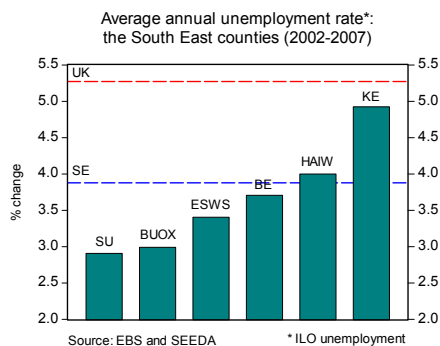
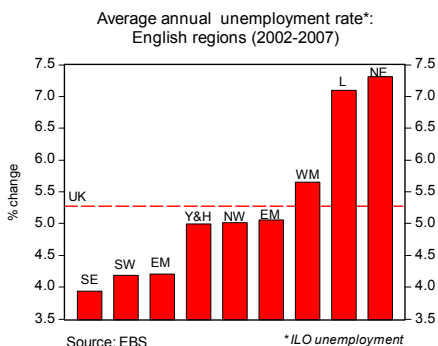
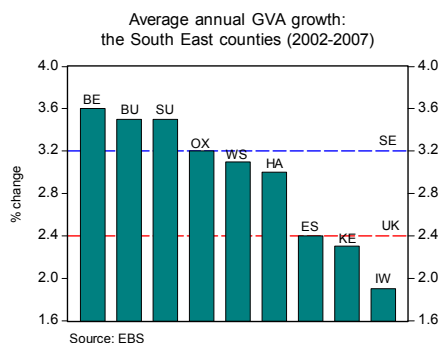
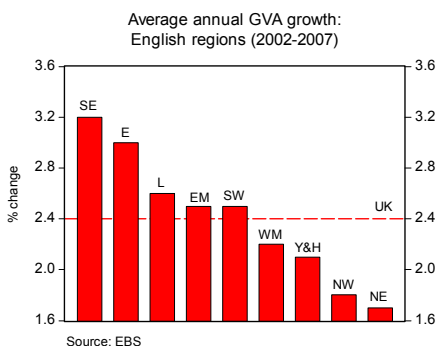
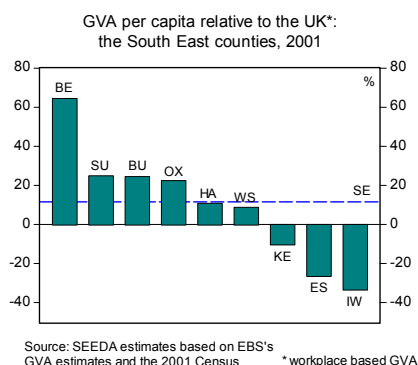
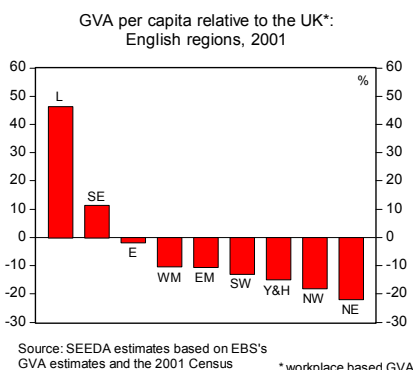
Location quotients and employment change in service sub-sectors 1997-2002 and 2003-2007.

Sector (SIC92)	Location Quotient (2002)	Change from 1997 to 2002 (Thousands)		Change from 2002 to 2007 (Thousands)	
Retailing (1)	105	37.2	9.9%	8.6	2.1%
Other Distribution (2)	119	2.7	0.9%	5.4	1.9%
Hotels & Catering (3)	94	24.3	11.8%	8.4	3.7%
Transport (4)	92	6.9	5.5%	-3.4	-2.6%
Communications (5)	108	15.6	24.1%	4.5	5.6%
Banking & Insurance (6)	100	7.4	5.4%	-4.7	-3.2%
Business Services (7)	119	101.2	22.3%	54.8	9.9%
Property Related Activities (8)	161	33.6	31.0%	8.0	5.6%
Public Admin & Defence (9)	83	-16.6	-9.0%	0.7	0.4%
Education (10)	99	45.4	17.8%	20.0	6.7%
Health (11)	91	35.1	11.0%	22.4	6.3%
Other (Largely Private) (12)	99	36.2	24.4%	29.7	16.1%
Distribution, Hotels and Catering (1+2+3)	106	64.1	7.4%	22.4	2.4%
Transport & Communications (4+5)	98	22.5	11.8%	1.0	0.5%
Financial and Business Services (6+7+8)	120	142.2	20.3%	58.1	6.9%
Other (mainly Public) Services (9+10+11+12)	93	100.0	11.0%	72.8	7.2%
SERVICES	104	328.8	12.4%	154.3	5.2%

Source: ONS, EBS and SEEDA

## Regional Comparison

■ English regions    ■ South East counties



**LEGEND: Government Office Regions (GOR):** SE (the South East England), E (East of England), SW (South West), WM (West Midlands), EM (East Midlands), Y&H (Yorkshire and the Humber), NW (North West), NE (North East) - UK (United Kingdom).

**Sub-regional classifications:** BE (Berkshire), SU (Surrey), BU (Buckinghamshire), OX (Oxfordshire), HA (Hampshire), ES (East Sussex), WS (West Sussex), KE (Kent), IW (Isle of Wight) - BUOX (Buckinghamshire and Oxfordshire), ESWS (East and West Sussex), HAIW (Hampshire and Isle of Wight).