

This briefing presents a broad overview of the economy in South Gloucestershire. It presents key economic information from a range of national and local sources including a selection of qualitative measures and a round up of local news and views. This quarterly briefing supplements the monthly Labour Market Briefing.

Some key findings for South Gloucestershire:

- 78.5% of the working age population are in employment, higher than the national rate of 71.3%
- The official unemployment rate is 5.6%, considerably lower than the national rate of 7.8%
- In August 2013, 145 new small businesses started up in the district
- The number of live applications on the council's housing register stands at 6,840
- During the second quarter of 2013/14 the council (via a contract with South Gloucestershire Advice Consortium) helped residents to manage £2,034,125 of debt

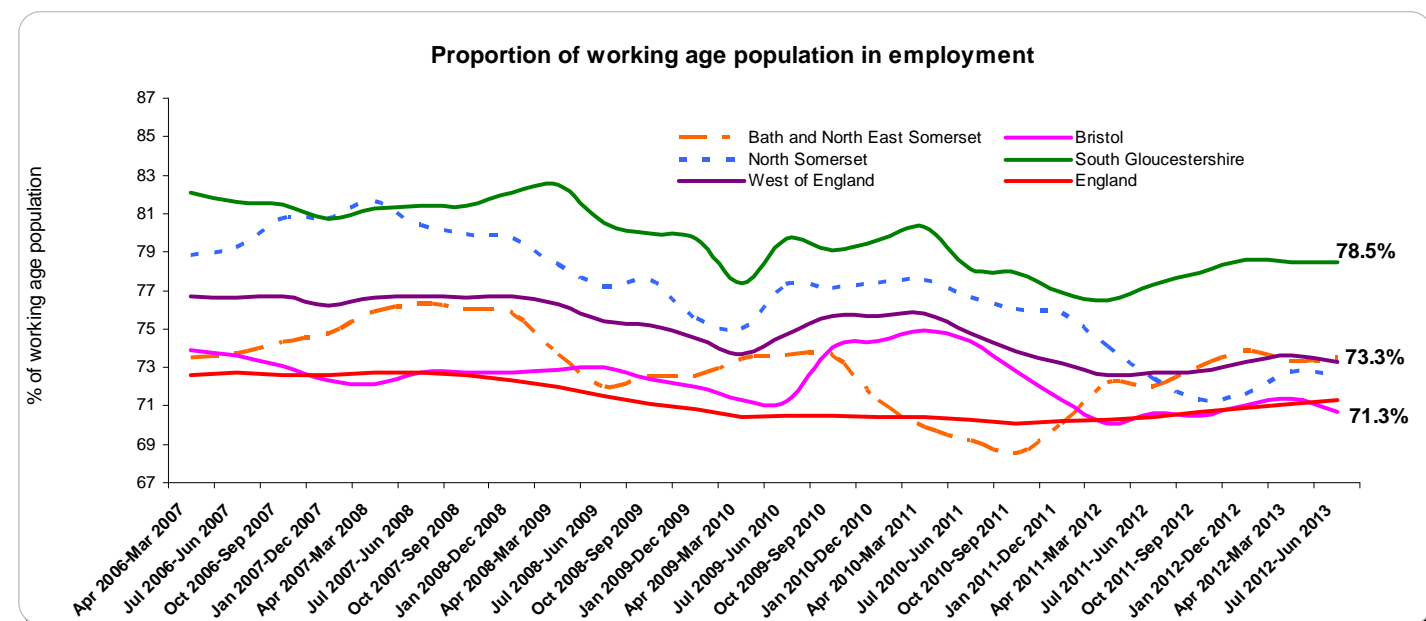
Headline labour market indicators

| | June 2012 to June 2013 | | | | September 2013 | | 2011 | | 2012 |
|------------------------------|--|---------------------|------------------------------------|---|---------------------|-------------------|---------------|-----------------------------|--------------------------------------|
| | Employment | | Unemployment | | Claimant count | | Labour Demand | | Earnings |
| | Total residents in employment (aged 16+) | Rate aged 16-64 (%) | Total number unemployed (aged 16+) | Unemployment Rate (%) proportion of economically active | Number of claimants | Claimant Rate (%) | Jobs | Job density - 16-64 (ratio) | Average gross weekly pay - residents |
| South Gloucestershire | 137,300 | 78.5 | 8,100 | 5.6 | 2,884 | 1.7 | 158,000 | 0.93 | £506.0 |
| Bath and North East Somerset | 90,600 | 73.5 | 5,100 | 5.3 | 1,929 | 1.7 | 98,000 | 0.86 | £508.0 |
| Bristol | 231,500 | 70.7 | 20,000 | 8.0 | 10,084 | 3.4 | 270,000 | 0.92 | £482.4 |
| North Somerset | 100,600 | 72.6 | 6,500 | 6.1 | 2,491 | 2.0 | 92,000 | 0.74 | £561.1 |
| West of England | 560,000 | 73.3 | 43,600 | 7.2 | 17,388 | 2.5 | 617,000 | 0.88 | NA |
| England | 24,916,200 | 71.3 | 2,103,400 | 7.8 | 1,078,299 | 3.1 | 26,859,000 | 0.78 | £512.7 |

Source: NOMIS (Annual Population Survey, Jobcentre Plus administrative system, Annual Business Inquiry, Annual Survey of Hours and Earnings)

Employment levels

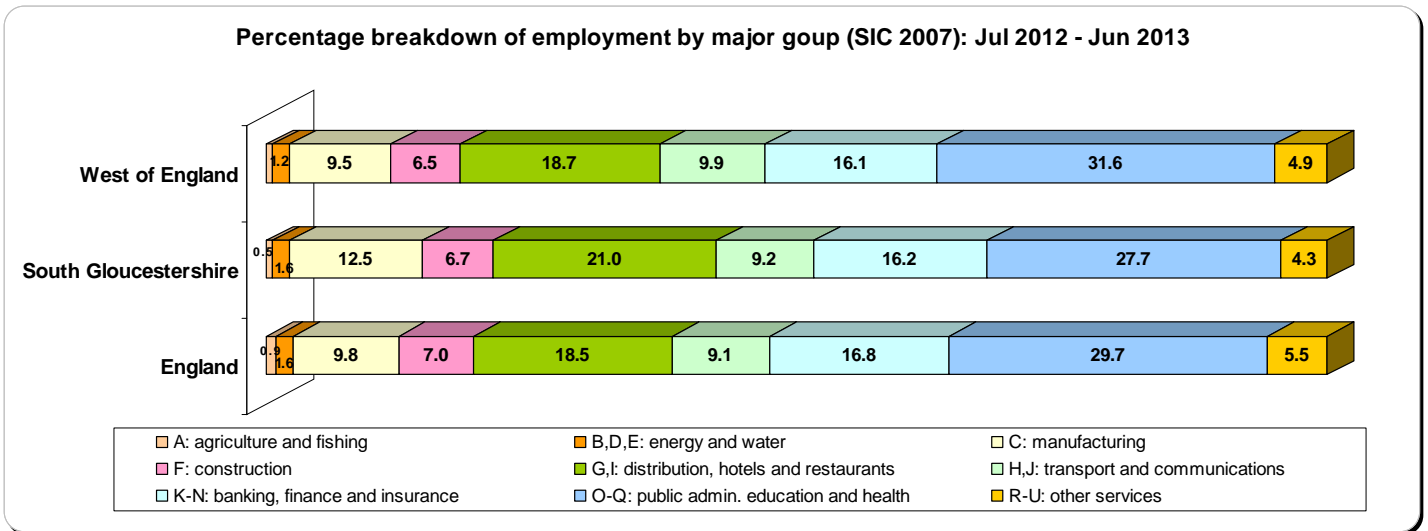
In the year to June 2013, 78.5%* of South Gloucestershire's working age population (those aged 16-64) were in employment. This is the same rate reported last quarter. The local employment rate remains above the sub-regional and national rates.



* It should be noted that due to the sample size, there are confidence intervals associated with this data set at local authority level. For example, for South Gloucestershire this quarter, the confidence interval is 2.7%, meaning the actual employment rate could be up to 2.7% higher or lower than the figure published above.

Employment by sector

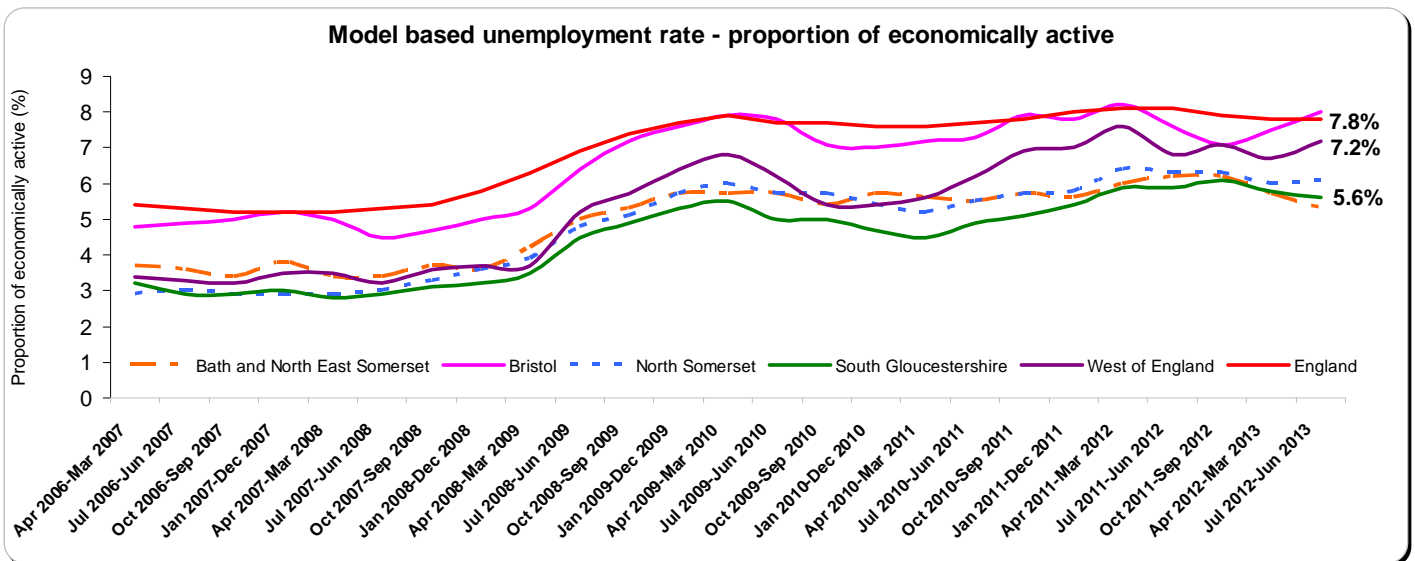
Approximately 28% of jobs in South Gloucestershire are within public administration, education and health sectors (SIC 2007 codes O-Q), which is on a par with the national and sub-regional averages. The distribution and hospitality industry (at 21%) and the banking, finance and insurance sectors (at 16.2%) were the second and third highest employment groups respectively during this reporting period.



Source: ONS Annual Population Survey – workplace analysis (NOMIS)

ONS: Model based unemployment rate - the *official* unemployment rate

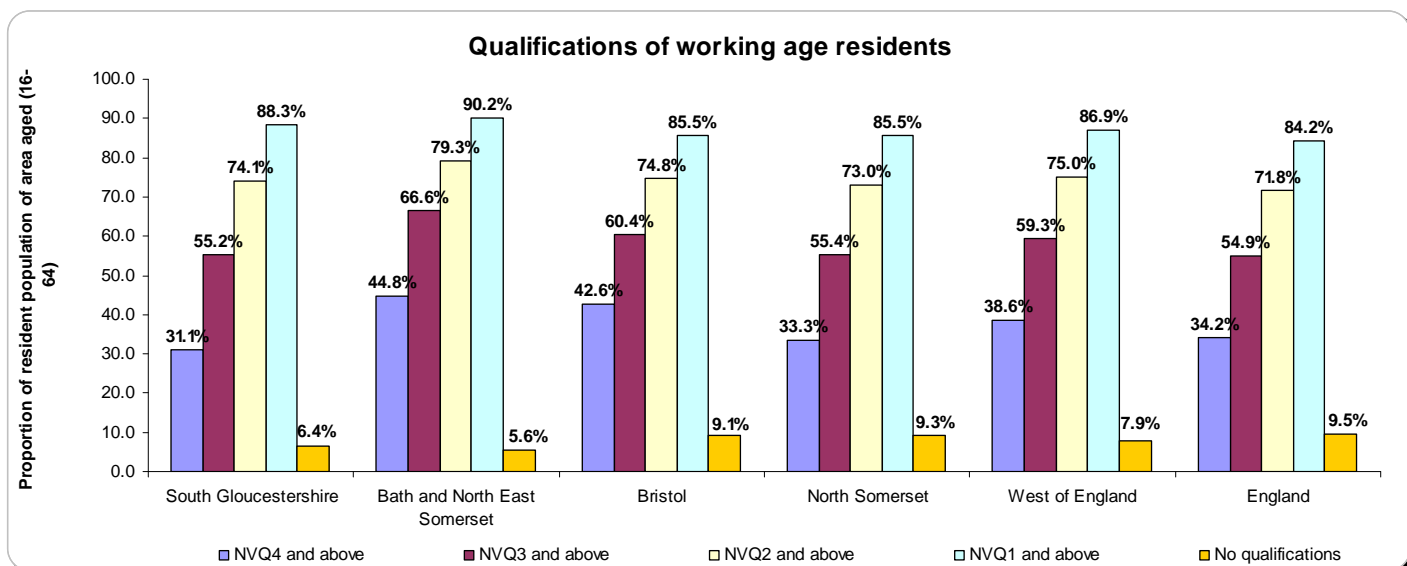
From July 2012 to June 2013, the official unemployment rate in South Gloucestershire was 5.6%* of the economically active population. This is the second lowest rate of the West of England authorities and is considerably lower than the rate for England (7.8%). The graph shows that the unemployment rate in South Gloucestershire has consistently remained below the national average over the last seven years.



* It should be noted that due to the sample size, there are confidence intervals associated with this data set at local authority level. For example, for South Gloucestershire this quarter, the confidence interval is 1.1%, meaning the actual unemployment rate could be up to 1.1% higher or lower than the figure published above.

Source: ONS Annual Population Survey, Workplace analysis

Adult qualifications



Source: NOMIS ONS Annual Population Survey (January 2012 to December 2012)

The proportion of working age residents in South Gloucestershire who attained the equivalent of an NVQ Level 4 or above qualification increased from 29.3% in 2011, to 31.1%* in 2012. This figure is lower than the rest of the West of England authorities (averaging at 38.6%) and the national figure (34.2%). The proportion of residents with no qualifications decreased from 7.4% in 2011 to 6.4%* in 2012, this is the second lowest rate in the sub-region.

* It should be noted that due to the sample size, there are confidence intervals associated with this data set at local authority level. For example, for South Gloucestershire this quarter, the confidence interval for those with level 4 plus qualifications is 3.1%, meaning the qualification rate could be up to 3.1% higher or lower than the figure published above. The confidence interval for those with no qualifications is 1.7%.

NEETS – young people not in education, employment or training

In June 2013 (the most recently available data), the proportion of 16 to 19 year olds who were classed as NEET stood at 4.6%. Since March 2013, the proportion of residents who are NEET has decreased by 0.1 percentage points and by 1.8 percentage points since the same point last year (June 2012). The largest proportion of NEETs within the 16 to 19 year old population are 19 year olds who are much more difficult to track once they leave education, employment or training.

The council and its partners are working together to maximise opportunities for young people. A key focus is to raise skill levels and meet the skills and workforce needs of employers by providing appropriate academic qualifications, vocational training and apprenticeship opportunities for young people. For example, the council have recruited several apprentices aged 16 to 24 in a variety of roles since launching its Apprenticeship Partnership Scheme with South Gloucestershire and Stroud College last year. The proportion of 16-19 year olds in employment (including apprenticeship) is, at 13.4%, well above the regional and England averages - of 8.4% and 6.9% respectively.

Source: South Gloucestershire Council, Children, Adults and Health Department

Apprenticeships

Participation

There is currently no up to date data available regarding apprenticeship participation other than that published last quarter, as follows:

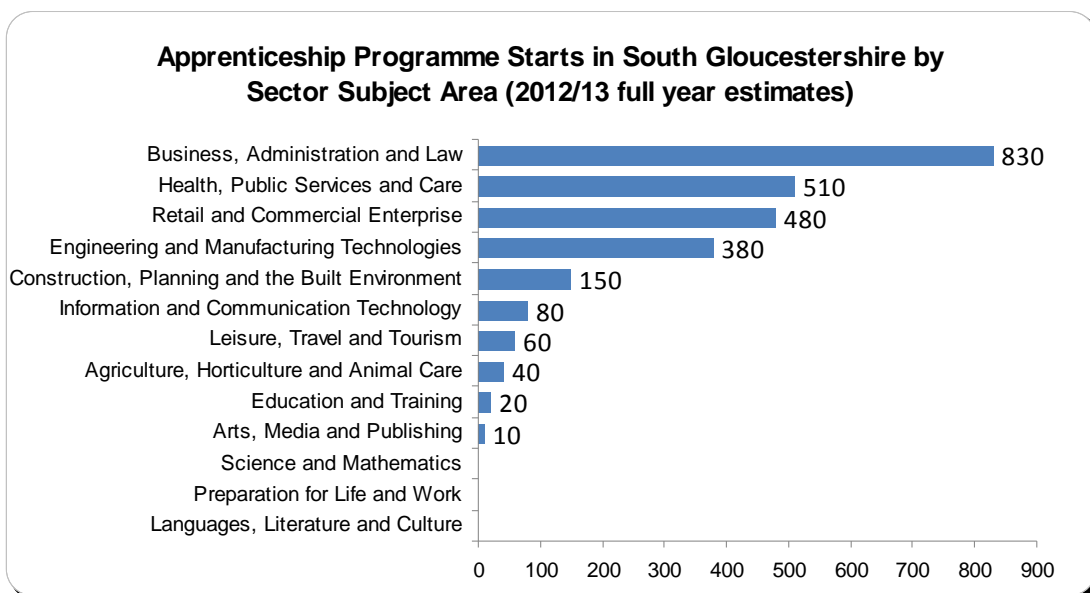
In South Gloucestershire in the first three quarters of 2012/13 (Sept to April), there were 4,202 apprenticeships taking place, split into the following levels:

- 2,401 (57.1%) at intermediate level (equivalent to 5 GCSE passes)
- 1,757 (41.8%) at advanced level (equivalent to 2 A level passes)
- 44 (1.0%) at higher level (leading to NVQ level 4 and above or foundation degree)

The percentage breakdowns are similar to both the regional and national figures.

Starts

Newly released data regarding the number of apprenticeship programme starts for the full year are now available. 2,550 apprenticeships started in 2012/13. The top three sectors were: Business, administration and law (830), health, public services and care (510), and retail and commercial enterprise (480).



Source: The Data Service, 2013

Please note: totals may not sum due to rounding

The number of starts were mostly at intermediate and advanced level (1,480 and 1,040 respectively). There were 30 starts at higher level.

| Apprenticeship Programme Starts by Local Education Authority, Level and Age (2012/13 full year estimates provisional) | | | | |
|---|-----------------------------------|-------------------------------|-----------------------|---------------------|
| Age | Intermediate Level Apprenticeship | Advanced Level Apprenticeship | Higher Apprenticeship | All Apprenticeships |
| Under 19 | 580 | 230 | 10 | 810 |
| 19-24 | 470 | 360 | 10 | 840 |
| 25+ | 440 | 450 | 20 | 910 |
| All Ages | 1,480 | 1,040 | 30 | 2,550 |

Source: The Data Service, 2013

Vacancies

| | Vacancies |
|--|------------|
| Business, Administration and Law | 110 |
| Retail and Commercial Enterprise | 74 |
| Health, Public Services and Care | 36 |
| Engineering and Manufacturing Technologies | 281 |
| Construction, Planning and the Built Environment | 14 |
| Information and Communication Technology | 9 |
| Leisure, Travel and Tourism | 15 |
| Agriculture, Horticulture and Animal Care | 10 |
| Arts, Media and Publishing | 0 |
| Education and Training | 1 |
| Unknown | 6 |
| Total | 556 |

There were 556 vacancies in quarter three (the most recently available data for this variable).

The highest were in the engineering and manufacturing technologies (281), business, administration and law (110), and retail and commercial enterprise (74).

Providers by age group

In the three quarters up to April 2013 (the most recently available data for this variable), the top providers of apprenticeships were:

- for the 16-18 age group and the 19-24 age group - (providing 139 and 94 positions respectively) was the City of Bristol College
- for the 25 plus age group - (providing 58 positions) was the JHP Group and (providing 53 positions) was Cadcentre (UK) Limited

It is anticipated that the data for full year estimates (for all variables) will be available next quarter.

Small business start ups

In South Gloucestershire 145 new small businesses started up in August 2013.

According to the data from a BankSearch survey, there was 10.6% fewer businesses start-ups in South Gloucestershire during the first eight months of this year compared with the corresponding period last year. South Gloucestershire accounted for 4.8% of all start-ups across the South West.

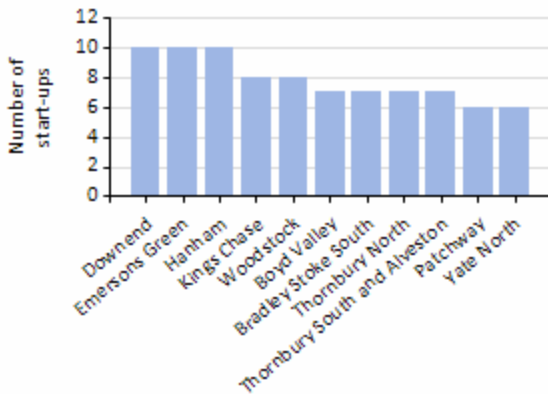
In August 2013, across all the English districts the average number of starts was 71.

| Small business start-ups | Limited Companies | Sole Traders | Other Start-ups | Commercial Enterprises | Not For Profit | Total |
|--------------------------|-------------------|--------------|-----------------|------------------------|----------------|-------|
| August 2013 | 79 | 46 | 8 | 133 | 12 | 145 |

With 10 starts in each ward, Downend, Emersons Green and Hanham saw the most business start-ups. With zero start ups, Bradley Stoke North, Severn, Winterbourne and Yate Central saw the fewest.

The top three industries (illustrated below) accounted for 62.8% of the starts.

Top 10 Wards



Top 3 industries

| Top 3 industries | August 2013 |
|---|-------------|
| Real estate, professional services & support activities | 46 |
| Recreational, personal & community service | 25 |
| Wholesale & retail trade | 20 |

Source: BankSearch, 2013

Housing

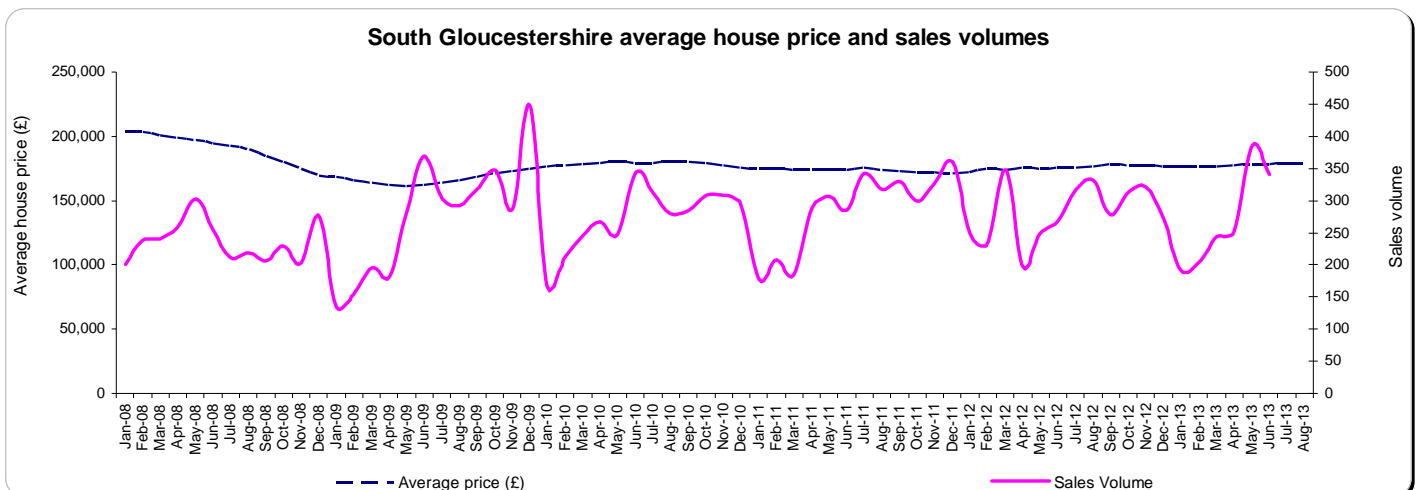
House Price Index – October 2013

| | House Price Index | Average house price (£) | Annual change |
|-----------------------|-------------------|-------------------------|---------------|
| South Gloucestershire | 276.21 | £179,658 | 1.5% |
| England and Wales | 264.47 | £164,654 | 1.3% |

Source: Land Registry: October 2013

Average house price and sales volumes

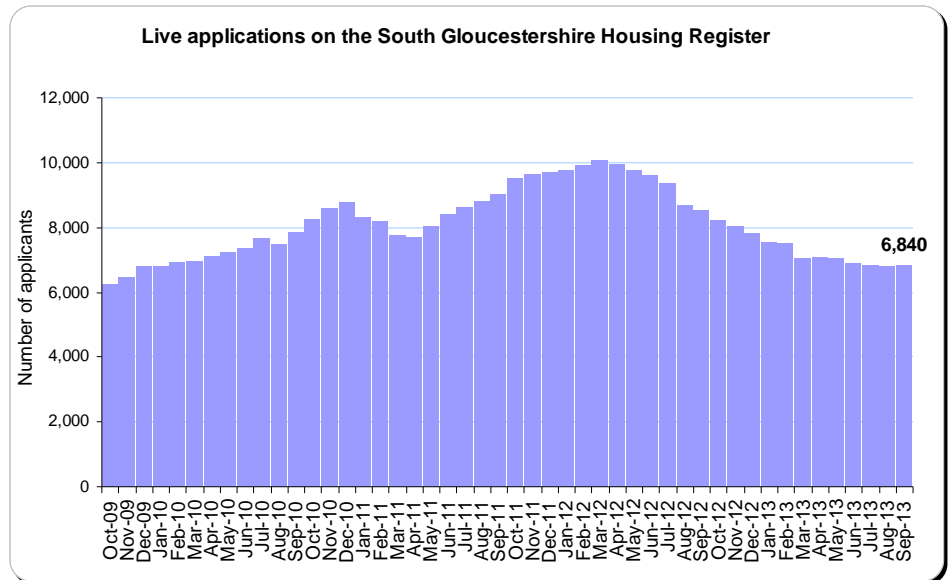
The average house price in South Gloucestershire has remained broadly consistent over the year to August 2013 (the most recently available data). Sales volumes were as follows: April (251), May (386) and June (340).



Source: Land Registry: October 2013

Live applications on the South Gloucestershire housing register

In September 2013, there were 6,840 live applications on the South Gloucestershire housing register. The graph shows that since April 2012, there has been a continuous reduction in the number of applicants on the register. Whilst the overall number has decreased, the number of new applications received per month has remained high. The reduction in the overall number can be attributed to a policy change in April 2012. At that time, the council amended the HomeChoice lettings policy, so that applications are cancelled if a household has not bid during the preceding twelve months.



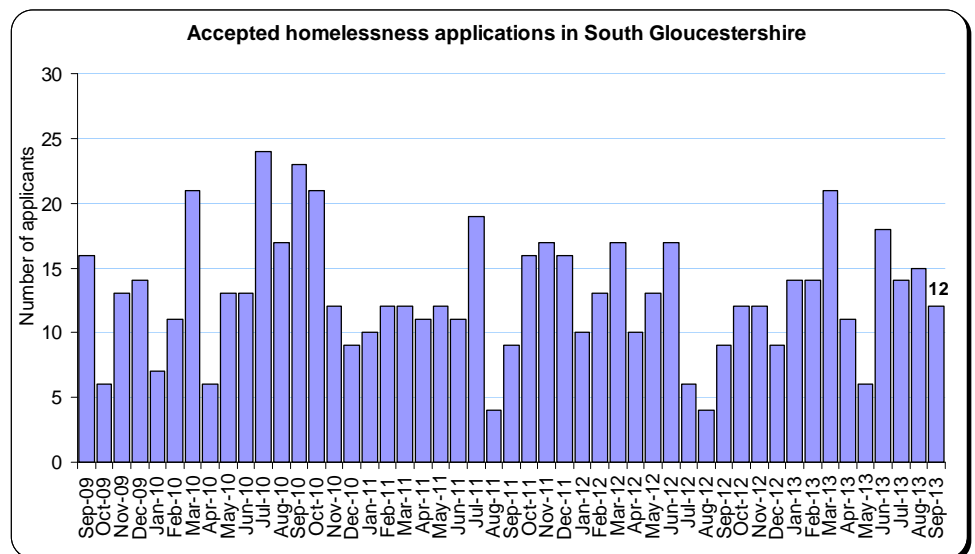
Source: South Gloucestershire Council, Home Choice, Children, Adults & Health

Housing benefit and council tax benefit claims in South Gloucestershire

It is currently taking 34 days to process new housing benefit and/or council tax reduction claims.

Accepted homelessness applications in South Gloucestershire

The number of households approaching the council with housing problems continues to be high. As a result, the council has seen an increase in the number of homeless duties accepted during the last three months when compared with the same period in 2012. The HomeChoice team continues to work closely with households approaching the service and aims to prevent homelessness wherever possible. The main cause of homelessness remains households being asked to leave properties in the private rented sector.



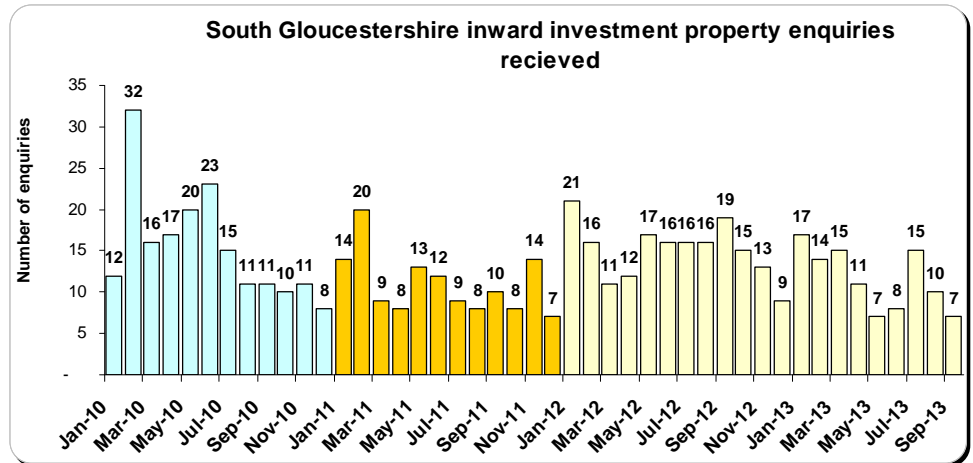
Source: South Gloucestershire Council, Home Choice, Children, Adults & Health

Inward investment

In September 2013 the economic development team had a caseload of 31 live enquiries from businesses about investment opportunities in the district.

From July to September 2013, there were 32 new enquiries compared to 26 in the previous quarter and 51 during the same period the previous year.

In addition to this, there are a further 109 live enquires from businesses that are considering South Gloucestershire as a potential investment location.



Source: South Gloucestershire Council, Economic Development Team via: West of England - Bristol and Bath Inward Investment Service – see www.bristolandbath.co.uk for more information

Debt advice

Debt management is measured by South Gloucestershire Advice Consortium. The measure relates to South Gloucestershire clients advised and is a snapshot of the overall need.

South Gloucestershire Advice Consortium comment that “The national loss of Legal Services Commission funding for debt advice since April 2013 has significantly reduced the resources available to advice agencies to deal with residents’ debts”.

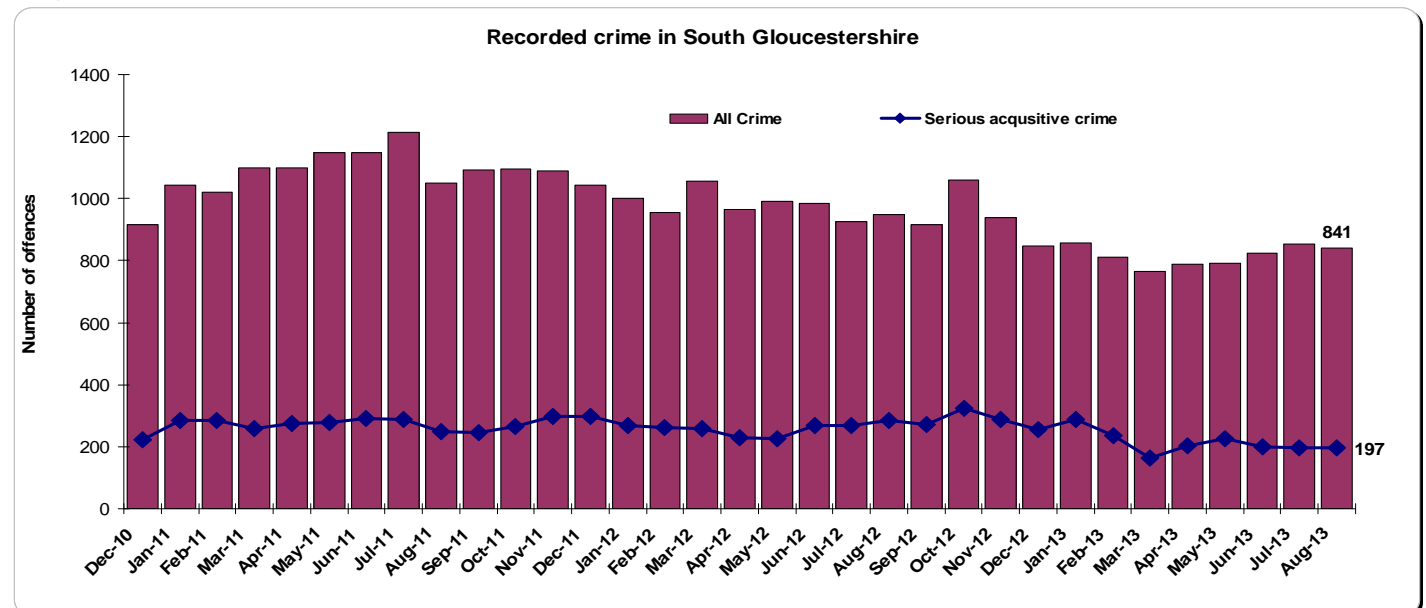
They report that from July to September 2013, £2,034,125 of debt was managed and that the complexity of cases has been increasing. A total of 677 clients were advised on their debt and welfare benefit issues during this period.

The debt managed for this reporting quarter reflects the capacity of advice agencies and does not determine the amount of unmanaged debt held by South Gloucestershire residents who may not seek support from the Consortium.

Source: South Gloucestershire Council, Safer and Stronger Division

Crime

Crime has been falling in South Gloucestershire for the last five years and current crime rates are lower than both the national and regional averages. Acquisitive crime has not significantly increased as a result of the current economic situation and due to a combination of dealing with local offenders and crime prevention initiatives, there were 285 fewer serious acquisitive crimes during the last twelve months than there were in the previous twelve months.



Acquisitive crime includes burglary, robbery and vehicle crime. Source Avon and Somerset Police via DATA.POLICE.UK

Please note: the data source for this indicator has recently changed and should therefore not be compared to data previously presented in this briefing

Key headlines from news and local press (July - October 2013)

Please note: This is a summary of local press coverage. The press clippings are uncorroborated and are shown only to inform readers of local economic media coverage.

UWE EXPANSION UNVEILED

Bristol Post 15/10/13

Plans of the first phase of the huge expansion of the University of the West of England's Frenchay campus have been unveiled. Detailed plans for new student accommodation have revealed how digs on the site will be made up of terraced townhouses with courtyards. They will be built on land UWE bought from Hewlett Packard in 2008. The accommodation is part of a large expansion which will feature new academic buildings and facilities, a hotel, a public transport hub, car parks and a new 21,700-seat stadium for Bristol Rovers Football Club.

WAITROSE OPENS TOWN'S FIRST SUPERMARKET

Western Daily Press, Bristol Post 10/10/13

Waitrose will open the first supermarket in the South Gloucestershire town of Chipping Sodbury today.

HOUSING - HELP TO BUY SET TO SEE SURGE IN HOMES SALES AND PRICES

Bristol Post 09/10/13

Estate agents in Bristol are forecasting a huge surge in inquiries following the announcement that the Government is extending the Help to Buy scheme which has been designed to help people step onto the property ladder.

HOUSE SALES ON THE RISE AGAIN

Western Daily Press 09/10/13

The number of house sales in the South West has hit its highest level for more than five years, according to a new study by the RICS, with prices also increasing.

FILTON BOOSTED BY AIRBUS ORDER

Insider Media 08/10/13, Bristol Post 10/10/13

The South West manufacturing sector has received a major boost after aeroplane giant Airbus secured an order for 31 jets. Airbus has won its first order from Japan Airlines for 31 wide-body A350 jets.

£2.4M M5 IMPROVEMENTS BETWEEN THORNBURY AND CRIBBS

Gazette 30/09/13

A £2.4m scheme to ease congestion on the M5 for commuters travelling from Thornbury into the city centre has been given the green light. The Department of Transport has awarded South Gloucestershire Council £1.68m from its Pinch Points Fund to create additional lanes at the roundabouts of both junctions 16 Thornbury and 17 Cribbs Causeway.

EXASPERATION AT DELAY ON HOUSING

Bristol Post 23/09/13

Plans for nearly 400 homes in Kingswood remain on the drawing board more than two years after planning consent was given. The former Douglas motorcycle works between Hanham Road and Forest Road is due to be redeveloped for housing by Douglas Homes (South West) Ltd. A legal agreement between the council and the developers has yet to be signed.

AFFORDABLE HOMES PLAN ON SHOW

Bristol Post 18/09/13

Residents of Filton took time out to look at Merlin Housing Society's plans for the development of 16 new homes on a site in Roycroft Road, before the housing association submits its planning application to South Gloucestershire Council.

THE MALL AT CRIBBS WELCOMES SEVERAL NEW BIG BRANDS

Bristol Post 18/09/13

Several new brands have either opened or are coming soon to Cribbs Causeway. Shoppers at the centre will soon be able to drop in at Links of London, Las Iguanas, Pizza Express, Kiddicare and Wren Kitchens. Fashion designer Superdry is now located at the heart of the Mall with Japanese restaurant Wagamama and electronics brand Bose also recently opened.

SEVERN BARRAGE: MINISTERS SAY CASE FOR £25BN PLANS UNPROVEN

BBC News 18/09/13, WDP 19/09/13

Plans for a £25bn barrage in the Severn Estuary do not demonstrate the benefits claimed, the UK government says. Hafren Power wants to build an 11-mile barrage between Lavernock Point near Penarth and Brean near Weston-super-Mare.

£250M MISSILE SYSTEM DEAL WILL SECURE 500 JOBS

Western Daily Press 12/09/13

The Defence Secretary has announced a £250m contract for a new naval defence missile system, securing jobs in Bristol. Production of the Sea Ceptor will sustain 500 jobs in the UK, half of those jobs will be at manufacturer MBDA's sites in Filton, Stevenage and Lostock, with a further 250 jobs at companies in the supply chain.

THIS IS GETTING OUT OF HAND

Bristol Post, Western Daily Press 12/09/13

Bristol mayor George Ferguson has lambasted pressure groups for using legal challenges to try to stop major projects going ahead in the city. He spoke on the day the council was given notice of two judicial reviews – one which could threaten Bristol Rovers' plan for a new stadium and another which could stop a proposed MetroBus route in the city centre.

EMPTY SHOPS ARE FINDING A RANGE OF USES

Western Daily Press 11/09/13

The rate of shops standing empty on high streets has declined as cafes and betting shops take the place of retailers. While the overall vacancy rate of 14.1% remains stable, there have been contrasting fortunes for different types of shopping areas as well as regions of the country.

CAR DEALER'S £5M OUT-OF-TOWN PLANS

Bristol Post 11/09/13

A Bristol car dealer says the concerns about residents parking influenced its decision to invest in a new £5m showroom at Cribbs Causeway. Wessex Garages will keep its existing Pennywell Road site but will not be investing in it while the

threat of a residents parking zone looms overhead.

ELIZABETH SHAW MAKES A MOVE

Insider Media, WDP 29/08/13

Confectionery company Elizabeth Shaw has relocated its head office from Pucklechurch to Stoke Gifford. The company has taken 2,321 sq ft of ground floor space at Unit 1 Glentworth Court in Lime Kiln Close.

NEW TRAINING SITE "KEY TO ECONOMIC GROWTH"

Bristol Post 28/08/2013

A specialist medical training centre in South Gloucestershire is hoping to get the go-ahead for a major expansion plan. Eastwood Park is awaiting the green light to start construction of a state of the art training centre, which it is hoped will preserve existing jobs and generate new employment opportunities.

SHARP RISE IN NUMBER OF FIRMS REPORTING GROWTH

Bristol Post 28/08/2013

Small to medium sized manufacturers have reported significant signs of growth compared to this time last year, according to the latest Barometer from the Manufacturing Advisory Service. There has been a 24% increase in the number of respondents receiving more enquiries, which represents a 15% increase from the previous quarter.

SILICON VALLEY FIRM STATES COMMITMENT TO THE CITY WITH TEN-YEAR LEASE

Bristol Post 21/08/13

A Silicon Valley technology company has signed a decade-long lease in what is Bristol's largest occupier deal of 2013 and the biggest in the north of the city for more than a year. Nvidia, a world leader in the manufacture of graphics processing units, has taken the entire building at 930 Aztec West, totalling 30,713 sq ft, as its new UK headquarters.

BUYERS GET A FOOTHOLD

Western Daily Press 13/08/13

The number of buyers climbing onto the property ladder for the first time is at its highest level since the financial crash in 2007, figures revealed yesterday. There were 68,200 first-home purchases in the second quarter of the year; with the 25,300 loans made during June, representing a 30% jump on the same month a year earlier.

£11M PROMISED TO IMPROVE CYCLING ROUTES

Bristol Post 12/08/13

Bristol has won £7.7m of government funding to improve cycle routes across the city and surrounding areas. It will benefit from an additional £3.3m of funding from West of England Local Enterprise Partnership members, creating an £11m fund for projects around the region.

GREENS DENY LEGAL MOVE AGAINST STORE

Bristol Post 12/08/13

The Green Party has said it is not behind a possible legal move that could hold up development of Bristol Rovers' new stadium. The club has been made aware of an intention to launch a judicial review into plans to build a new Sainsbury's on the Memorial Stadium site, a move which would help pay for their new ground.

MOBILE TECH COMPANY HEADING TO THE REGION

Western Daily Press 08/08/13

A Chicago-based company that helps mobile operators resolve problems with their mobile network performance is opening a new office at the Bristol & Bath Science Park. Velocent will be opening its Bristol office as a result of its growing UK and European customer-base.

NEW SUPERMARKET TO GIVE SHOPPERS 'MANY OPTIONS'

Bristol Post 07/08/13

A new Asda supermarket being built at the Abbey Wood Retail Park, Filton is to open in November.

CONFIDENCE BUILDS IN HOUSING MARKET

Western Daily Press 05/08/13

House prices increased at their fastest rate in three years last month as the market in the West Country continues to show signs of revival. Figures from Nationwide showed average UK prices reached £170,825 – up almost 1% in just a month.

PLANS IN FOR LONGWELL GREEN ALDI

Insider News 31/07/13

Plans have been submitted to build a new Aldi store on the site of a petrol station in Longwell Green. Agent Kendall Kingscott Architects has lodged the plans with South Gloucestershire Council for the scheme which would include a 19,000 sq ft supermarket as well as 91 car parking spaces.

UNVIABLE" FILTON AIRFIELD MADE £1.6M BEFORE CLOSURE

Bristol Post 31/07/13

Filton Airfield, which was closed down because it was not considered to be economically viable, made £1.6m in its last year of trading. This was three times more than the profit for 2011, which was £517,000.

MORE CUSTOMERS, MORE ORDERS AND AN INCREASE IN OPTIMISM - SURVEY

Bristol Post 10/07/13

A new study into the economic performance of Bristol and the South West has pointed to real signs of recovery among the region's businesses with around 35% of small and medium sized enterprises reporting an increase in customers in the first quarter of 2013 and a similar number seeing lapsed customers returning. According to the latest figures in the Business Factors Index, the general outlook for businesses has also improved.

'MOMENTOUS DAY' AS PROPOSAL IS APPROVED

Bristol Post 10/07/13, WDP 11/07/13

Bristol is expected to get a share of up to £500m over the next 25 years thanks to its new "city deal". A lucrative proposal was approved last night which should pave the way for decades of investment and an increase in jobs. The City Region Deal is an agreement between Government, councils in the Bristol area and the West of England Local Enterprise Partnership to devolve more financial powers.

WORK STARTS ON TRANSFORMATION

Bristol Post 10/07/13

Work has begun on the renovation of a church and the creation of a new community centre in Stoke Gifford. The derelict site is being transformed into a 600-seat auditorium, meeting rooms and other facilities which will provide much needed conference space for schools, charities and local businesses.

YATE'S OLDEST INDEPENDENT SHOP TO SWITCH PREMISES

Gazette 08/07/13

Yate's oldest independent shop is moving. Family run jewellery firm Abraham's is not going far as it relocates from North Walk to the former Evans unit at 7 East Walk.

100 JOBS COULD GO AS ELECTRONICS SITE SHUTS

Bristol Post 05/07/13

At least 100 jobs are thought to be under threat after French-Italian owned electronics firm STMicro-electronics announced it is to close its base in Aztec West, South Gloucestershire.

NEW CENTRE OPENED TO DEAL WITH WASTE ASBESTOS

Bristol Post 05/07/13

An asbestos waste transfer station has opened in Warmley, thought to be the first in the Bristol area. It was opened by asbestos removal and surveying company Shield Environmental Services near its headquarters in Crown Road.

COUNCILLORS REJECT PLANS FOR 380 NEW HOMES ON 56-ACRE

Bristol Post 05/07/13

RURAL SITE

A plan to build 380 homes in Coalpit Heath has been turned down. South Gloucestershire councillors refused permission yesterday for the homes on land at Woodlands Farm.

For up to date news and information for business please visit: www.insouthglos.co.uk

Disclaimer: This report has been prepared by South Gloucestershire Council's Corporate Research and Consultation Team, with all reasonable skill, care and diligence. We accept no responsibility of any nature to any third parties to whom this profile, or any part thereof is made known. Any such party relies on the report at their own risk.

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