

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:

- 77.3% of the working age population are in employment, higher than the national rate of 70.4%
- The official unemployment rate is 5.9%, considerably lower than the national rate of 8.1%
- In October 2012, 201 new small businesses started up in the district
- The number of live applications on the council's housing register stands at 8,234
- During the second quarter of 2012/13 the council (via a contract with South Gloucestershire Advice Consortium) helped residents to manage £2,070,363 of debt

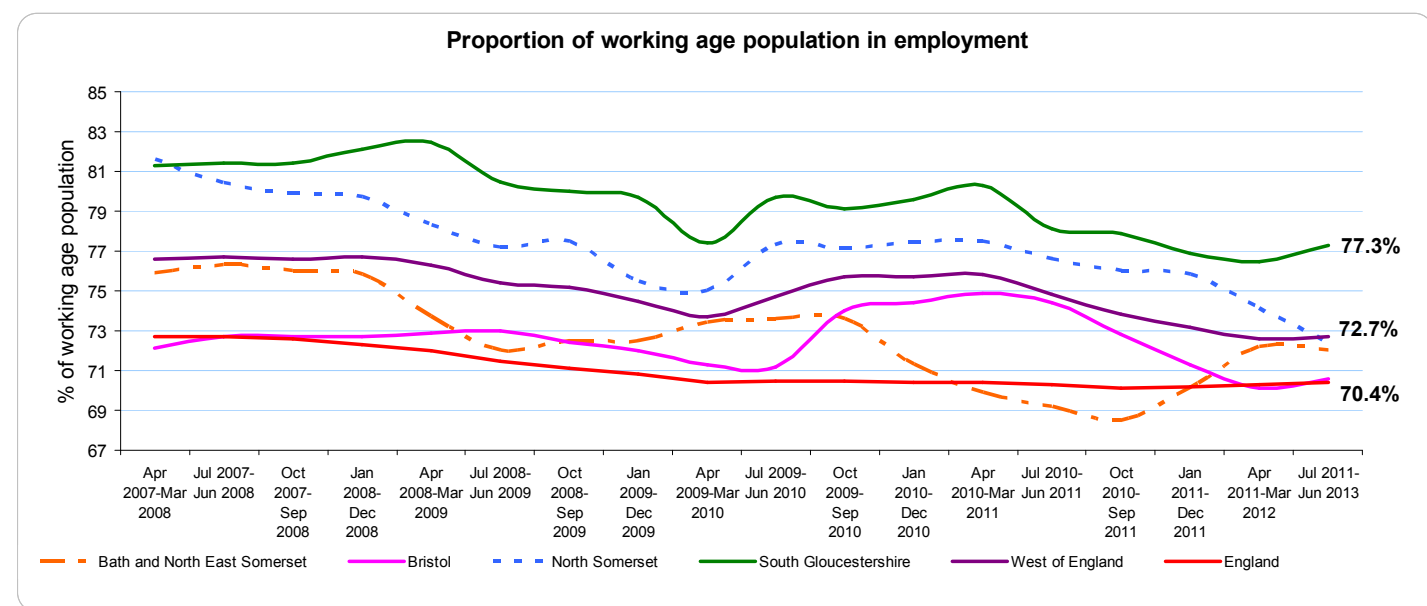
Headline labour market indicators

	July 2011 to June 2012				October 2012		2010		2011
	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	136,600	77.3	8,600	5.9	3,617	2.1	155,000	0.90	509.8
Bath and North East Somerset	86,900	72.0	5,800	6.2	2,368	2.0	97,000	0.82	479.5
Bristol	228,500	70.6	18,800	7.6	12,410	4.0	265,000	0.85	483.8
North Somerset	98,900	72.4	6,700	6.3	3,201	2.5	88,000	0.67	549.4
West of England	550,900	72.7	40,100	6.8	21,596	2.9	604,000	0.82	NA
South West	2,514,700	73.6	167,600	6.2	84,997	2.6	2,706,000	0.82	473.4
England	24,497,300	70.4	2,148,100	8.1	1,270,722	3.8	26,295,000	0.78	507.6

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

Employment levels

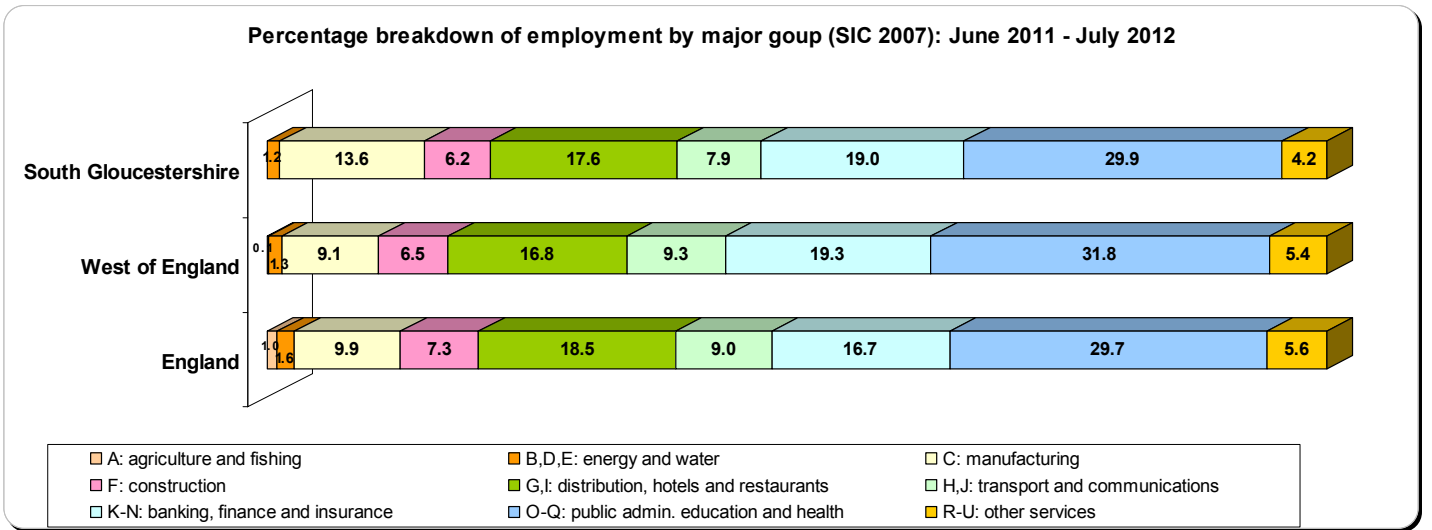
In the year to June 2012, 77.3% of South Gloucestershire's working age population (those aged 16-64) were in employment. This is a slight increase on the rate reported in the last quarterly report (76.4%) and the local employment rate remains above the sub-regional and national rates.



Source: NOMIS (ONS, Annual Population Survey)

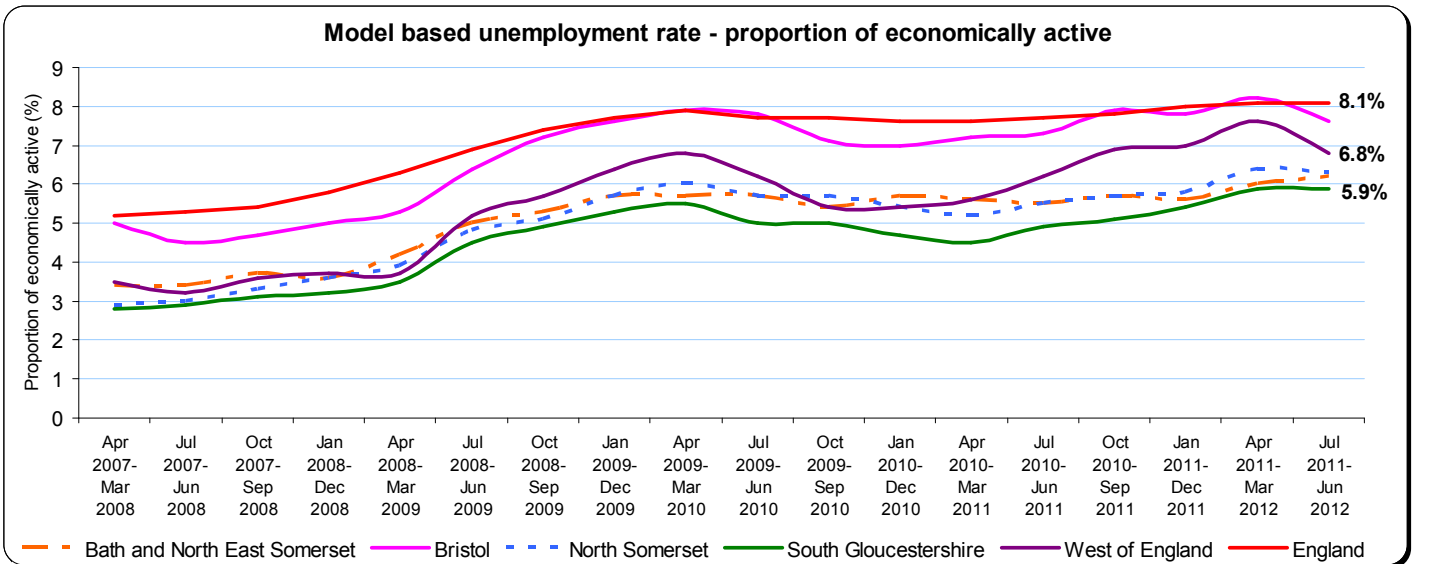
Employment by sector

Approximately 30% 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 banking, finance and insurance sectors (at 19%) and the distribution and hospitality industry (at 17.5%) were the second and third highest employment groups respectively during this reporting period.

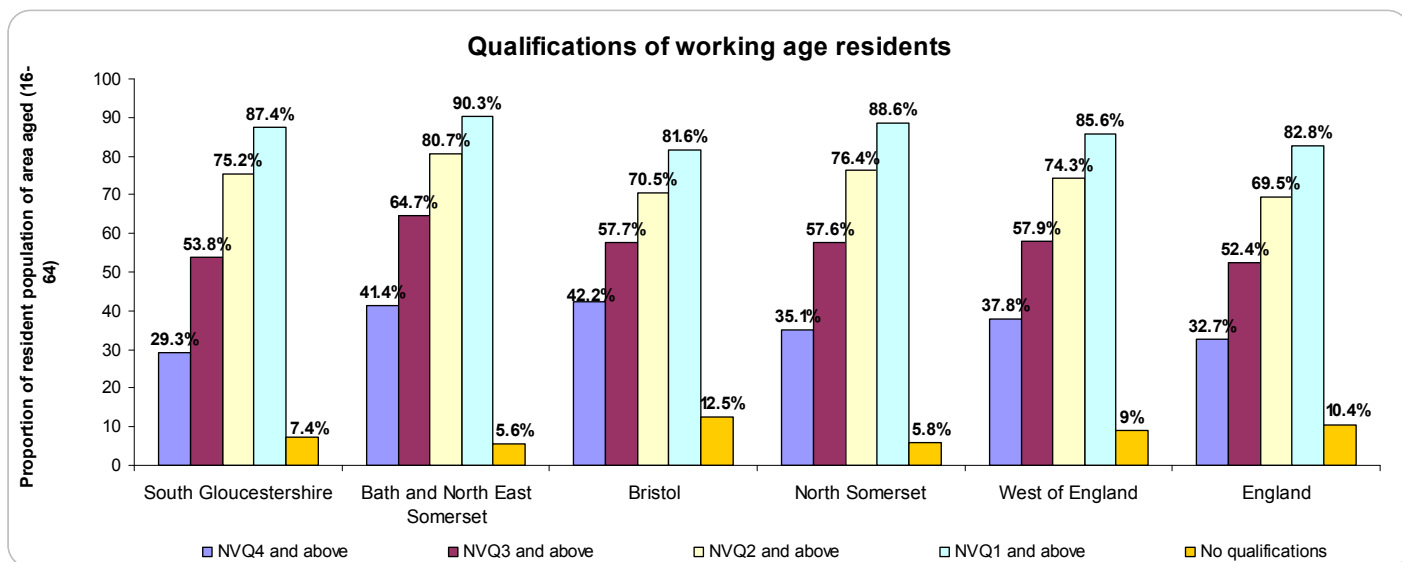


ONS: Model based unemployment rate - the *official* unemployment rate

From July 2011 to June 2012, the official unemployment rate in South Gloucestershire was 5.9% of the economically active population. This was the lowest rate of all the West of England authorities and is considerably lower than the rate for England (8.1%). The graph shows that the unemployment rate in South Gloucestershire has consistently remained below the national and sub-regional averages.



Adult qualifications

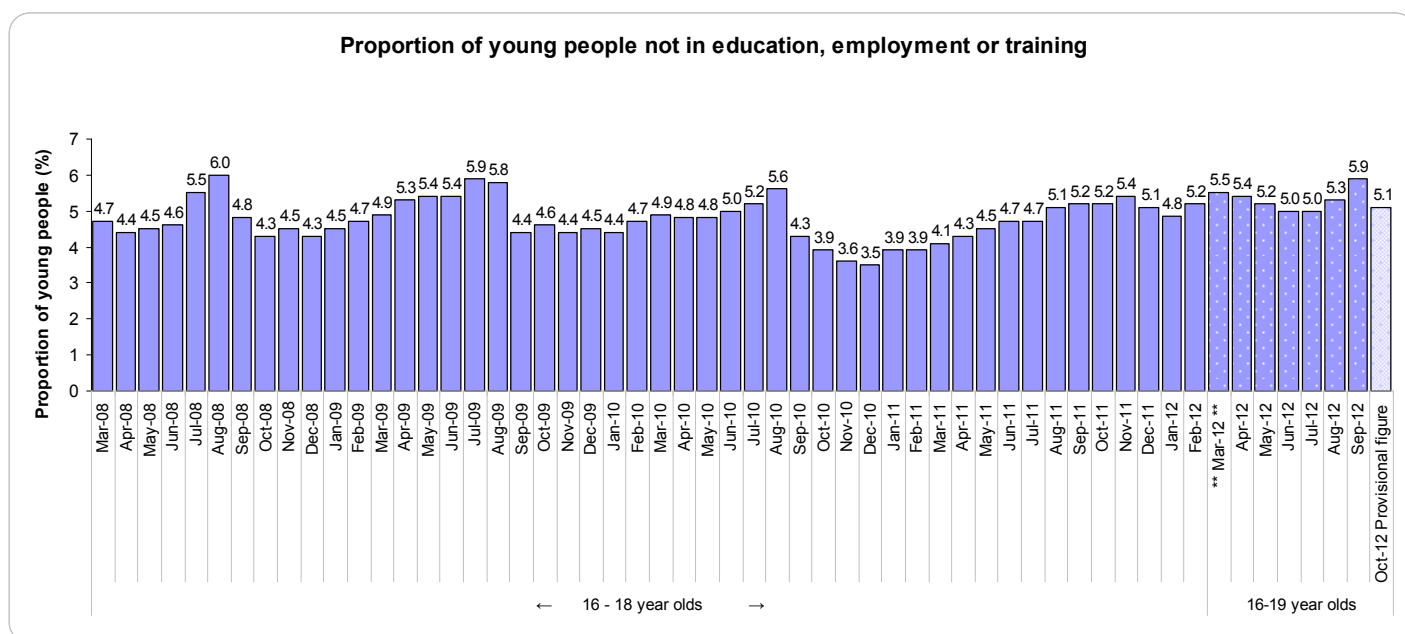


Source: NOMIS ONS Annual population survey (December 2011)

The proportion of residents in South Gloucestershire who attained the equivalent of an NVQ Level 4 or above qualification increased from 28% in 2010 to 29.3% in 2011. This is lower than the rest of the West of England and the national figure. NVQ Level 3 or above skills are also lower in South Gloucestershire than the rest of the West of England, although slightly higher than across England.

NEETS – young people not in education, employment or training

In September 2012, the proportion 16 to 19 year olds who were classed as NEET stood at 5.9% (712 young people). This is an increase of 0.9% in the second quarter of 2012. The increase in the proportion of 16-19 year olds who are NEET during this period can be explained by a falling employment rate for young people. In addition to this, the trend each year shows the highest number in August and September while young people wait to commence school sixth form or college. The provisional figure for October 2012 of 5.1% (436 young people) suggests a continuation of this annual pattern.



Source: South Gloucestershire Council, Children and Young People Department via the local authority Client Caseload Information System-CCIS

* The figures shown from March 2012 are not comparable to those preceding this which measured 16-18 year olds only.

Small business start ups

In South Gloucestershire 201 new small businesses started up in October 2012.

According to the data from a BankSearch survey, there was 1.7% fewer business start-ups during the first ten months of this year compared with the corresponding period last year.

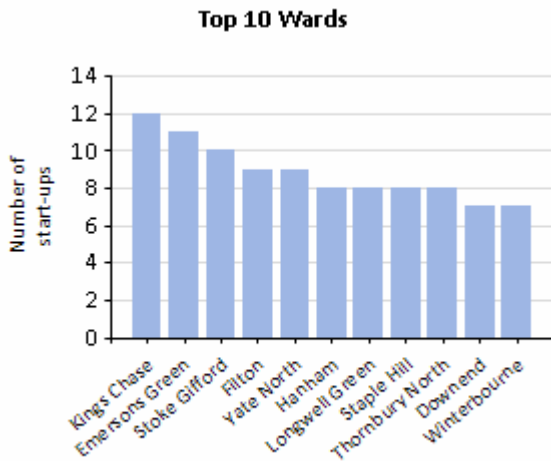
South Gloucestershire accounted for 4.9% of all start-ups across the South West.

In October 2012, across all the English districts the average number of starts was 96.

Small business start-ups	Limited Companies	Sole Traders	Other Start-ups	Commercial Enterprises	Not For Profit	Total
October 2012	93	68	15	176	25	201

Kings Chase saw the most business start-ups, followed by Emersons Green. Pilning and Severn Beach and Parkwall saw the fewest.

The top three industries (illustrated below) accounted for 64.7% of the starts.



Top 3 industries	October 2012
Real estate, professional services & support activities	59
Recreational, personal & community service	47
Construction	24

Source: BankSearch, 2012

Housing

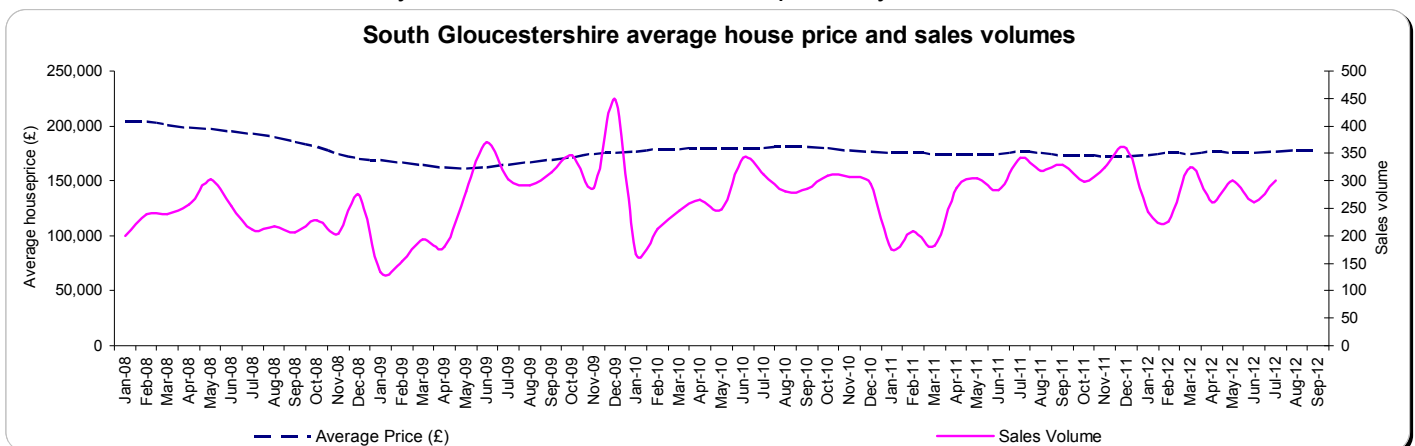
House Price Index – September 2012

	House Price Index	Average house price (£)	Annual change
South Gloucestershire	272.4	£177,934	2.6%
England and Wales	261	£162,561	-0.3%

Source: Land Registry: October 2012

Average house price and sales volumes

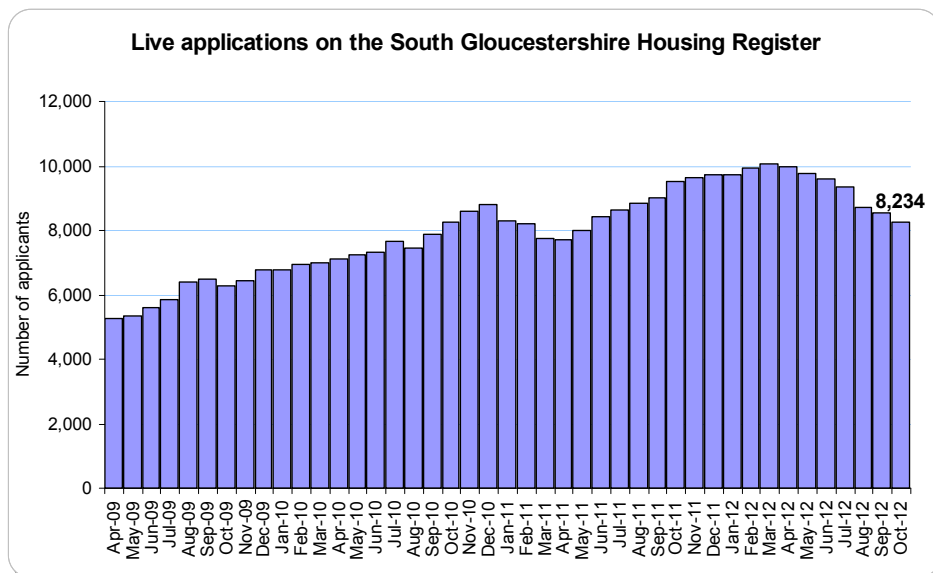
The average house price in South Gloucestershire has remained fairly static over the last quarter. Sales volumes for June 2012 and July 2012 were 261 and 300 respectively.



Source: Land Registry: October 2012

Live applications on the South Gloucestershire housing register

In October 2012, there were 8,234 live applications on the South Gloucestershire housing register. The graph shows that since April 2012, there has been a 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 recent policy change. During April, the council amended the HomeChoice lettings policy, so that applications are cancelled if a household has not bid during the preceding 12 months.



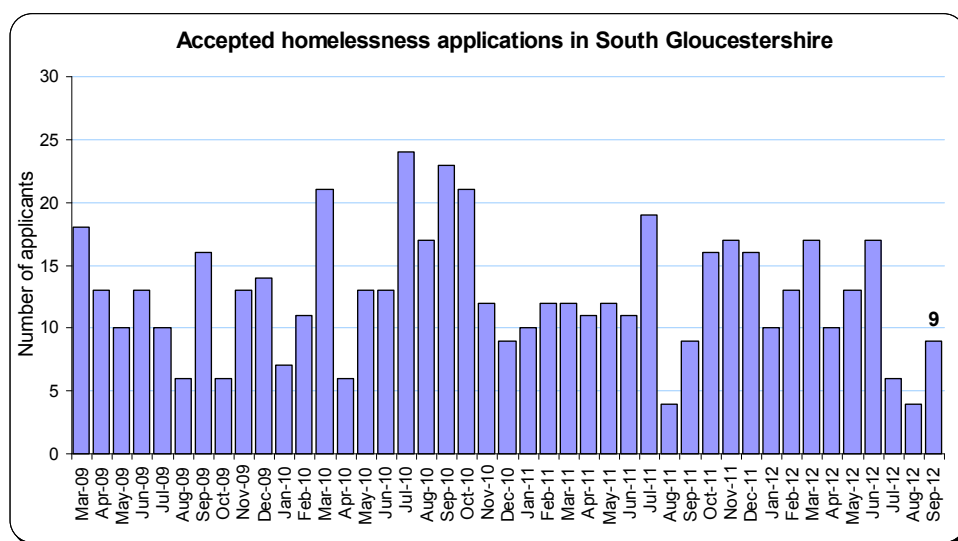
Source: South Gloucestershire Council, Community Care & Housing

Housing benefit and council tax benefit claims in South Gloucestershire

It is currently taking 31 days to process new housing benefit and/or council tax benefit claims and the caseload continues to increase.

Accepted homelessness applications in South Gloucestershire

The number of households approaching the council with housing problems continues to be high although the number of homeless duties accepted during the last three months has reduced slightly when compared with the same period in 2011. 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.

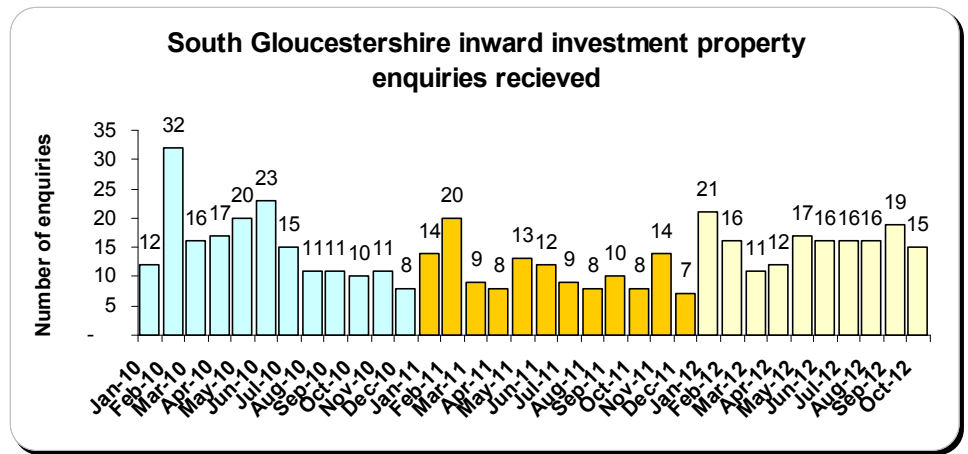


Source: South Gloucestershire Council, Community Care & Housing

Inward investment

In October 2012, the council's economic development team was handling 178 live enquiries from businesses about available business property in the district.

Between July and October 2012, there were 66 new enquiries compared to 45 in the previous quarter.



Source: South Gloucestershire Council, Economic Development Team

Debt advice

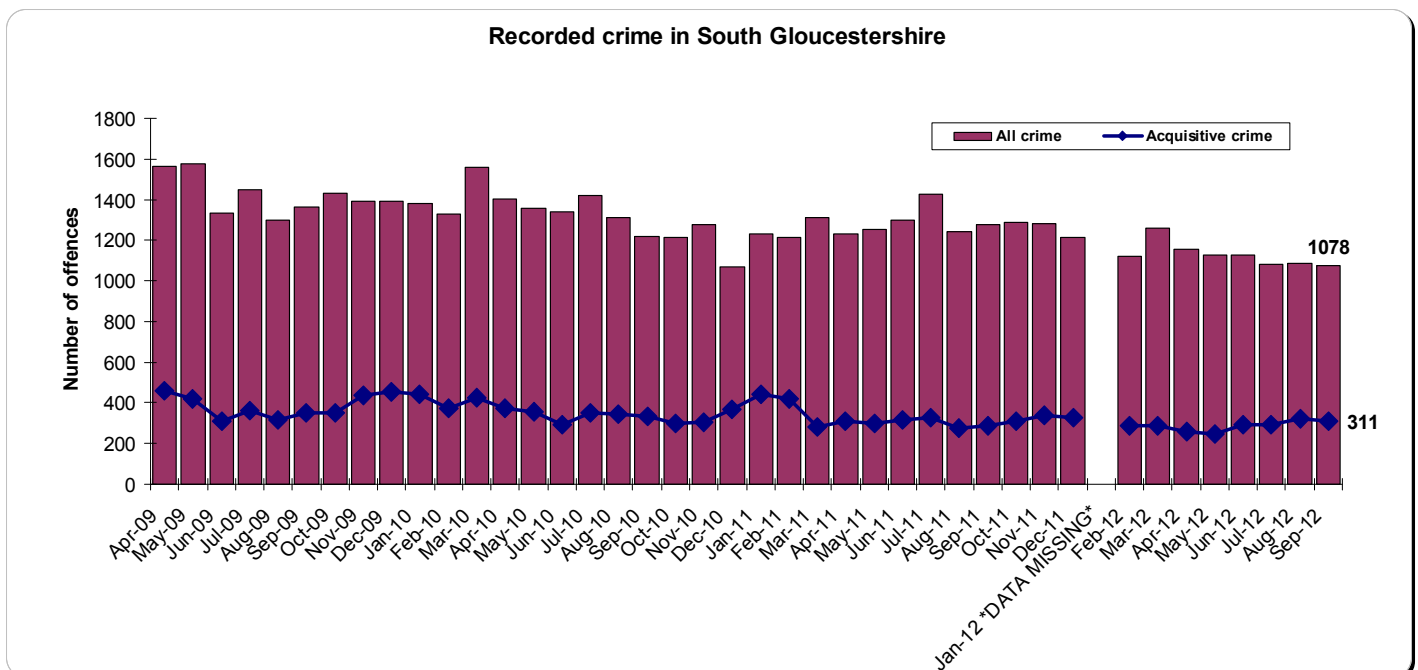
Debt management is measured via a council contract with South Gloucestershire Advice Consortium. The measure relates to the number of South Gloucestershire clients advised and is a snapshot of the overall need. A total of 780 residents were advised on welfare benefit and debt issues during the second quarter of 2012/13.

During the period £2,070,363, of debt was managed. This is recorded as the total debt that the client owed at the start of the case, which was 'under control' at the end of the process.

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 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 171 fewer serious acquisitive crimes during the last twelve months than there were in the twelve months previous. However, levels of Acquisitive crime have been slightly higher over the last three months and this trend will be monitored on an ongoing basis.



Note: Acquisitive crime includes burglary, robbery and vehicle crime (Source Avon and Somerset Police)

Key headlines from news and local press (September – November 2012)

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.

TWO DEFENCE GIANTS DISCUSS SUPER MERGER

Western Daily Press 13/09/12

Defence giant BAE Systems last night confirmed it was in talks about a potential merger with Airbus aircraft manufacturer EADS to create the world's biggest aerospace and defence company.

M&S MOVES INTO TOWN'S EXPANDING SHOPPING CENTRE

The Post 13/09/12

Bosses at Yate Shopping Centre have announced that three new tenants will be arriving at the complex by next spring. The work will start next month on a new 50,000 sq ft extension directly opposite the new Tesco Extra in East Walk. The new building will be home to a branch of M&S Simply Food, a Costa cafe and a new Sports Direct store.

CAUTIOUS OPTIMISM FOR ONE OF WORLDS BIGGEST FIRMS

Evening Post 14/09/12

The deal to merge aviation companies EADS and BAE made headline news across the world yesterday. The proposed multi billion pound merger between Airbus owner EADS and BAE could be great news for Bristol's vitally important aviation sector, according to industry experts.

NEW BASE IS RIGHT FIT FOR OUR AMBITIOUS PLANS

The Post 19/09/12

Financial service firm Jelf has relocated its head office to the newly refurbished Hillside Court in Chipping Sodbury.

PLANS TO KNOCK DOWN FORMER PUB REJECTED

Western Daily Press 21/09/12

Councillors have welcomed a planning inspectorate decision against the development of an old pub. South

Gloucestershire council refused permission to demolish the Highwayman pub on Hill Street in Kingswood and replace it with flats and a small shop.

FINAL WHISTLE AS SPORTSWEAR FIRM CALLS IN RECEIVERS

The Post 25/09/12

Dozens of jobs in the Bristol area are under threat after the recession claimed its latest victim on the high street. JJB Sports, which has branches in Abbey Wood and Cabot Circus, announced yesterday it was calling in the receivers. A third shop in the Avon Meads Retail Park has already closed its doors.

BAE MERGER COULD FALL FOUL OF GLOBAL WRANGLES

The Post, WDP 25/09/12

Doubt has been cast on a multi-billion-pound merger going ahead which would see two of Bristol's biggest firms joining forces. As reported, defence firm BAE Systems has been talking to Airbus parent company EADS about a £30bn merger. But BAE yesterday warned it would walk away from the deal if it threatened its contracts in America with the US Defence Department.

TIDAL TURBINE FIRM IS SOLD

Western Daily Press 27/09/12

Tidal Generation Ltd (TGL) based in Bristol, has been sold for an undisclosed amount. Parent company Rolls-Royce is expected to seal the deal with Alstom in the next few months.

NO ORDINARY BANK – THIS IS AN M&S BANK

The Post 01/10/12

Marks & Spencer has now opened one of its first bank branches at Cribbs Causeway. The in-store bank is one of the first in the country.

SPORTS STORES CLOSE WITH LOSS OF 40 JOBS

The Post 02/10/12

Two JJB Sports stores in the Bristol area have closed, with the loss of around 40 jobs. Administrators were called in last week by the sportswear firm. There were high hopes that rival firm Sports Direct would step in and rescue the ailing company but that failed to materialise in Bristol. Sports Direct has bought around 20 of the firm's store but 133 branches including the two in Bristol - Cabot Circus and Abbey Wood - are to close.

SCIENCE PARK ALREADY SPARKLING IN FIRST YEAR

The Post 03/10/12, WDP 04/10/12

Bristol's Science Park is already way ahead of schedule even though it has been open for just 12 months. The centre has just celebrated its first anniversary with the unveiling of a new solar powered sculpture. The first phase of the Science Park is more than half full. Just one year after opening, space at the park has been snapped up twice as fast as anticipated with over three-quarters of the first phase already let.

SUPERMARKET TO BE BUILT ON FORMER KLEENEZE SITE

The Post 05/10/12

A single-storey Tesco store will be built on a derelict patch of land which was the former Kleeneze site in Hanham, despite a long campaign by local residents to stop it.

STATION PLAN FOR PARK-AND-RIDE

The Post 05/10/12

Plans to create a railway halt at the Portway park-and-ride have been given the go-ahead. The £500,000 project will see a platform created on the Severn Beach line.

DEFENCE FIRMS' MERGER DASHED

WDP, The Post 11/10/12

A multi-million pound merger between two of the West Country's biggest companies, BAE Systems and EADS parent firm Airbus, has collapsed with unions accusing the German government of scuppering the deal.

CHAIN STORE MASSACRE CONTINUES

Western Daily Press 18/10/12

Retail chains are shutting shops at a rate of more than 30 a day across the UK, new research reveals. Figures show that nationwide retailers closed 32 stores a day in July and August, up from 20 a day in the first six months of 2012. The South East was the worst affected in the first half with 215 net closures, followed by the West Midlands with 160 and the South West with 129.

THORNBURY PLANNING PROPOSAL GETS GO AHEAD FOR 500 HOMES

BBC News 23/10/12

Outline planning permission has been granted for 500 new homes on fields to the north of Thornbury. The fields totalling 64-acres (26-hectares) are located near Thornbury Castle.

HITACHI BUYS UK NUCLEAR PROJECT FROM E.ON AND RWE

BBC News 30/10/12, WDP, The Post 31/10/12

The UK's nuclear expansion plans have been boosted after Japan's Hitachi signed a £700m deal giving it rights to build a new generation of power plants. Hitachi is to buy Horizon Nuclear Power, which was intending to build reactors on existing sites at Wylfa, Anglesey and Oldbury, near Bristol. It means the West could see a second major development following Hinkley Point in Somerset.

APRIL'S LOCAL RELOCATION

Western Daily Press 08/11/12

Insurance business April UK has relocated its headquarters to Almondsbury Business Centre. The company has taken 5,544 sq ft of space on the ground and first floors of a property renamed April House on a ten year lease.

NHS DIRECT JOBS THREAT

The Post 12/11/12

More than 100 Bristol employees at NHS Direct face an uncertain future. Unison claimed NHS Direct was shutting 24 out of 30 call centres, including its base in Almondsbury with the loss of 106 jobs, but the NHS Direct boss rubbished the trade union's claim.

FANCY SETTling DOWN IN A HOUSE FIT FOR A

The Post 19/11/12

HOBBIT?

A homeowner with a taste for something different can snap up their very own hobbit on the outskirts of Bristol. A former underground reservoir, which already has full planning permission for an underground home complete with three bedrooms, has been put up for sale to the highest bidder - somewhere in the region of between £250,000 and £300,000. The land is on a hillside on the outskirts of the South Gloucestershire village of Alveston.

DEAL SIGNED FOR MASSIVE NEW HOUSING ESTATE

The Post 21/11/12

A property deal has been signed which is likely to see 2,000 new homes built in Emersons Green. Housebuilder Taylor Wimpey has agreed to buy 150 acres of land between the Avon Ring Road and the M4 motorway in South Gloucestershire.

THE BILLION POUND BUSINESS

The Post 21/11/12

Out-sourcing firm Mitie has seen revenues pass the £1bn mark for the first time ever this week. The Bristol-based company is one of the fastest growing in the south west and is in the FTSE 250.

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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