

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:

- 78.6% of the working age population are in employment, higher than the national rate of 70.9%
- The official unemployment rate is 5.9%, considerably lower than the national rate of 7.8%
- In February 2013, 136 new small businesses started up in the district
- The number of live applications on the council's housing register stands at 7,046
- During the final quarter of 2012/13 the council (via a contract with South Gloucestershire Advice Consortium) helped residents to manage £2,292,636 of debt

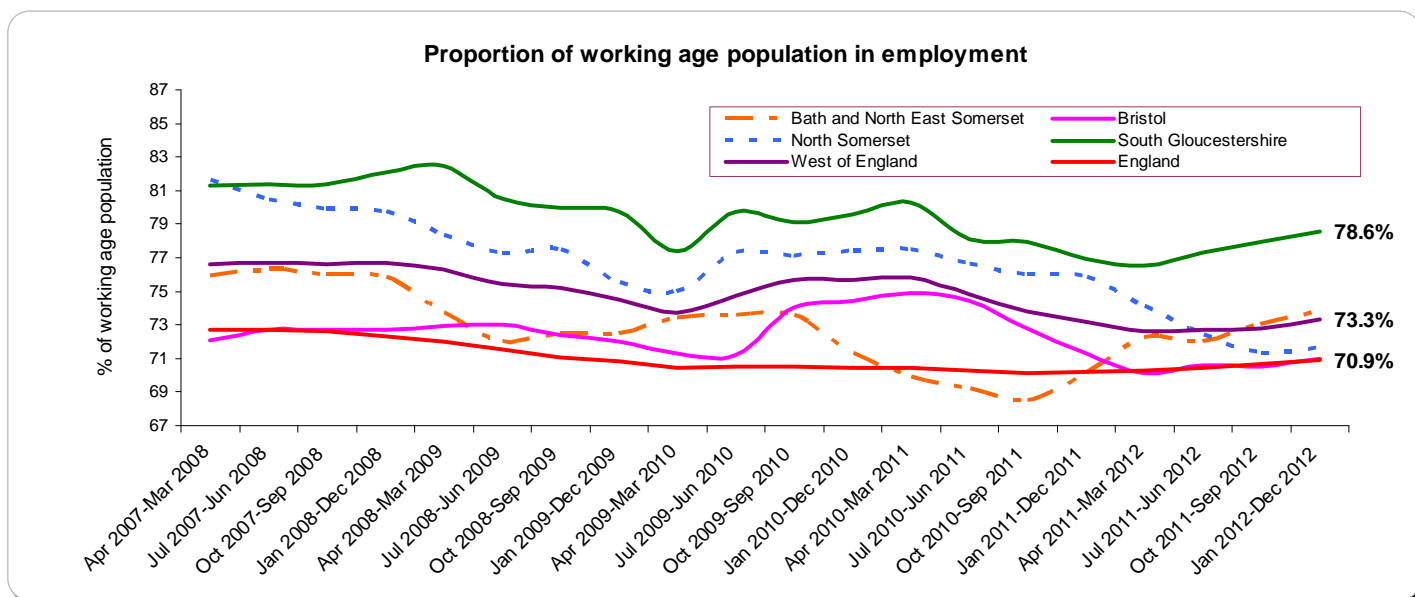
Headline labour market indicators

| | January 2012 to December 2012 | | | | March 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 | 137,900 | 78.6 | 8,700 | 5.9 | 3,452 | 2.0 | 158,000 | 0.93 | 506 |
| Bath and North East Somerset | 90,400 | 73.8 | 5,500 | 5.8 | 2,321 | 2.0 | 98,000 | 0.86 | 508 |
| Bristol | 231,400 | 71.0 | 18,000 | 7.2 | 12,095 | 4.1 | 270,000 | 0.92 | 482.4 |
| North Somerset | 99,000 | 71.6 | 6,600 | 6.3 | 3,260 | 2.6 | 92,000 | 0.74 | 561.1 |
| West of England | 558,700 | 73.3 | 42,200 | 7.0 | 21,128 | 3.0 | 617,000 | 0.88 | NA |
| England | 24,712,500 | 70.9 | 2,101,200 | 7.8 | 1,295,436 | 3.8 | 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

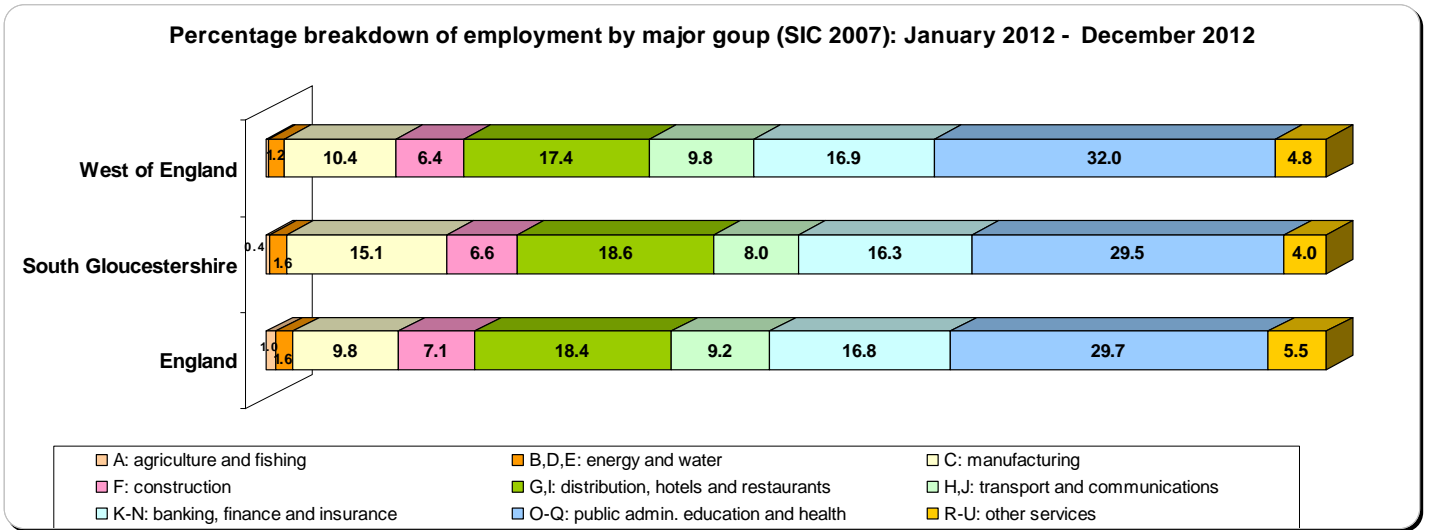
In the year to December 2012, 78.6%* of South Gloucestershire's working age population (those aged 16-64) were in employment. This is a slight increase on the rate reported in the last quarterly report (77.9%), and the local employment rate remains above the sub-regional and national rates.



* 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 2.8%, meaning the actual employment rate could be up to 2.8% higher or lower than the figure published above.

Employment by sector

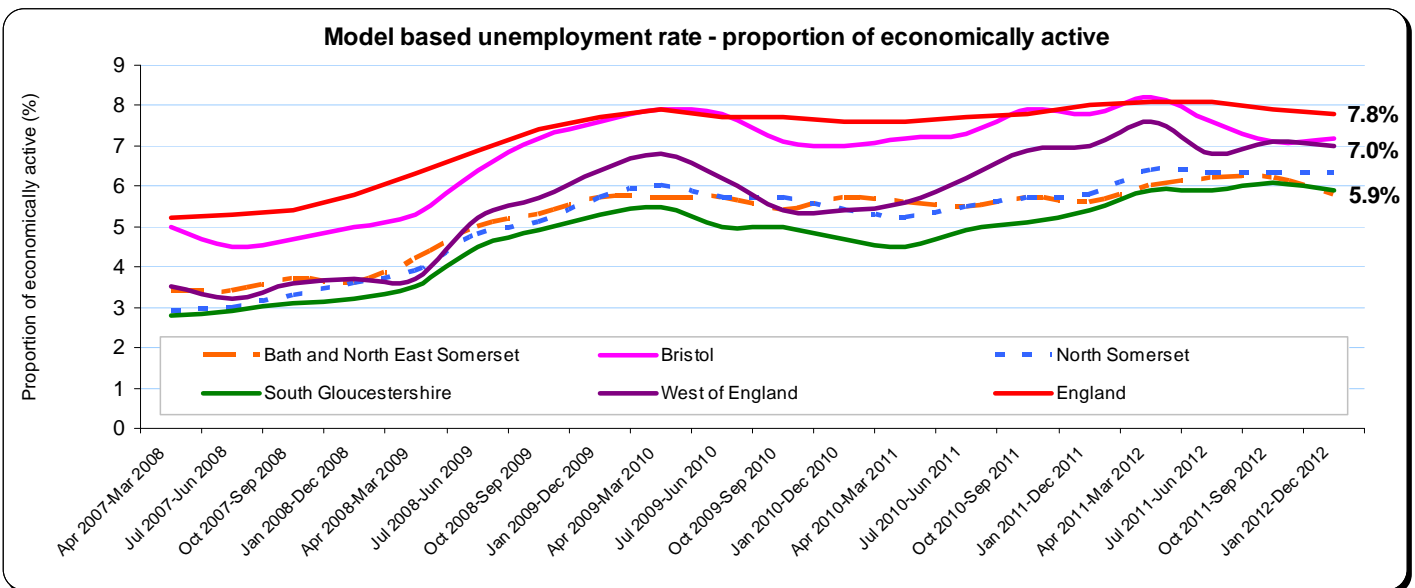
Approximately 30% of jobs in South Gloucestershire are within public administration, education and health sectors (SIC 2007 codes O-Q), which is on a par with the national and sub-regional averages. The distribution and hospitality industry (at 18.6%) and the banking, finance and insurance sectors (at 16.3%) 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

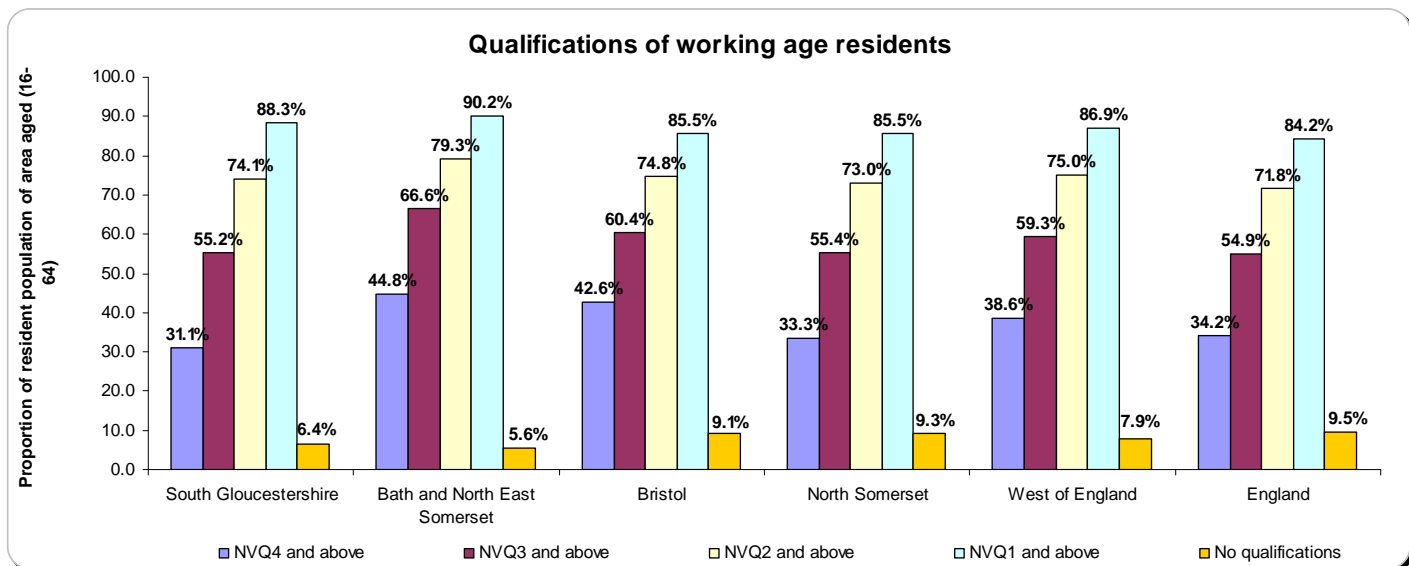
From January 2011 to December 2012, the official unemployment rate in South Gloucestershire was 5.9%* of the economically active population. This is the second lowest rate of the West of England authorities and is considerably lower than the rate for England (7.8%). The graph shows that the unemployment rate in South Gloucestershire has consistently remained below the national average over the last four 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 1.2%, meaning the actual unemployment rate could be up to 1.2% 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)

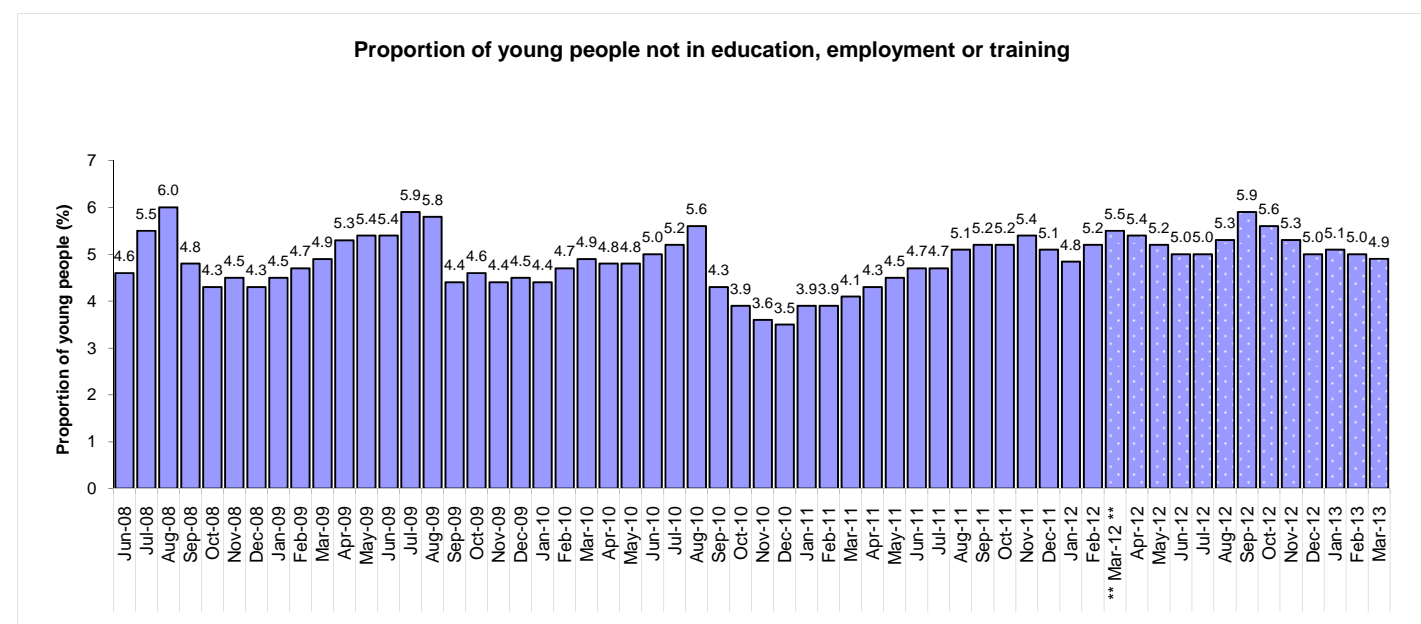
The proportion of working age residents in South Gloucestershire who attained the equivalent of an NVQ Level 4 or above qualifications increased from 29.3% in 2011, to 31.1%* in 2012. This figure is lower than the rest of the West of England authorities (averaging at 38.6%) and the national figure (34.2%). 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 level for those with no qualifications is 1.7%.

NEETS – young people not in education, employment or training

In March 2013, the proportion 16 to 19 year olds who were classed as NEET stood at 4.9% (502 young people). This shows that the proportion of 16-19 year olds NEET decreased by 0.1 percentage points in the first quarter of 2013, and by 0.6 percentage points (587 young people) compared to the same period last year. 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.



Source: South Gloucestershire Council, Children, Adults and Health 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 136 new small businesses started up in February 2013.

According to the data from a BankSearch survey, there was 18.7% fewer businesses start-ups in South Gloucestershire during the first two months of this year compared with the corresponding period of last year.

South Gloucestershire accounted for 4.0% of all start-ups across the South West.

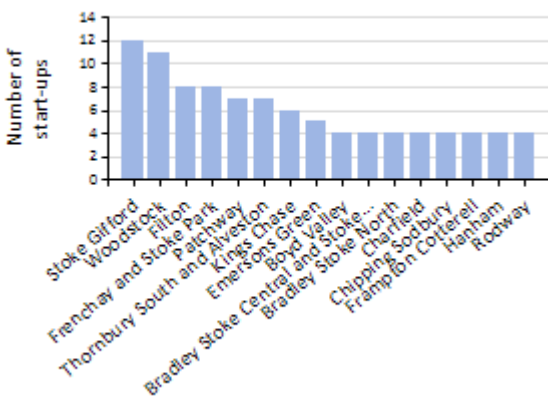
In February 2013, across all the English districts the average number of starts was 81.

| Small business start-ups | Limited Companies | Sole Traders | Other Start-ups | Commercial Enterprises | Not For Profit | Total |
|--------------------------|-------------------|--------------|-----------------|------------------------|----------------|-------|
| February 2013 | 79 | 44 | 4 | 127 | 9 | 136 |

Stoke Gifford saw the most business start-ups, followed by Woodstock. Dodington and Yate North saw the fewest.

The top three industries (illustrated below) accounted for 58.8% of the starts.

Top 10 Wards



| Top 3 industries | February 2013 |
|---|---------------|
| Real estate, professional services & support activities | 38 |
| Recreational, personal & community service | 26 |
| Construction | 16 |

Source: BankSearch, 2013

Housing

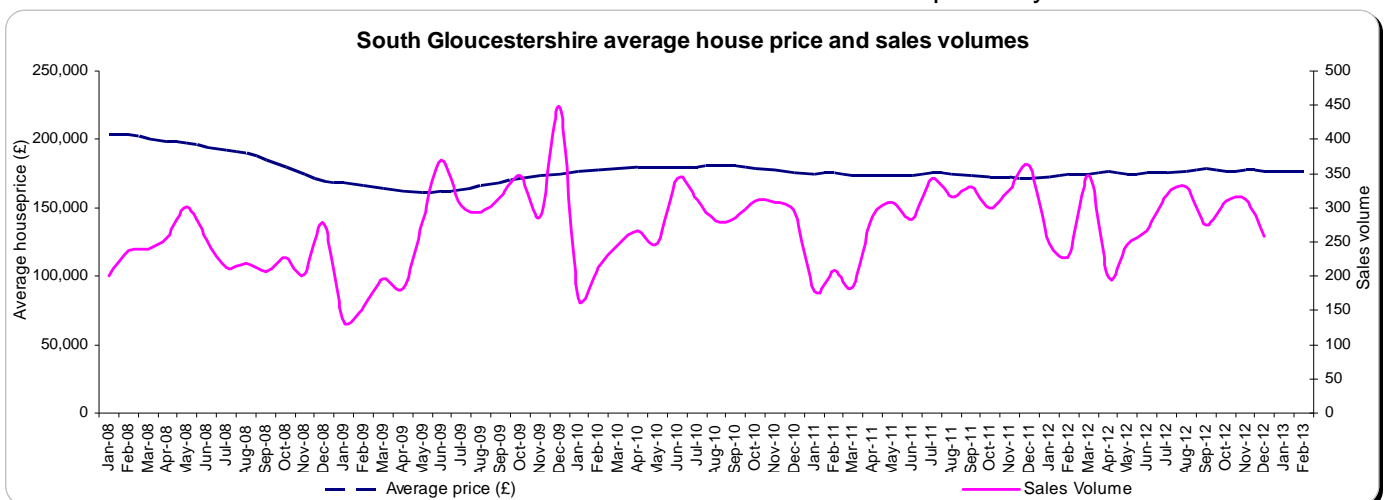
House Price Index – February 2013

| | House Price Index | Average house price (£) | Annual change |
|-----------------------|-------------------|-------------------------|---------------|
| South Gloucestershire | 271.28 | £176,830 | 1.4% |
| England and Wales | 261.16 | £162,606 | 1.0% |

Source: Land Registry: April 2013

Average house price and sales volumes

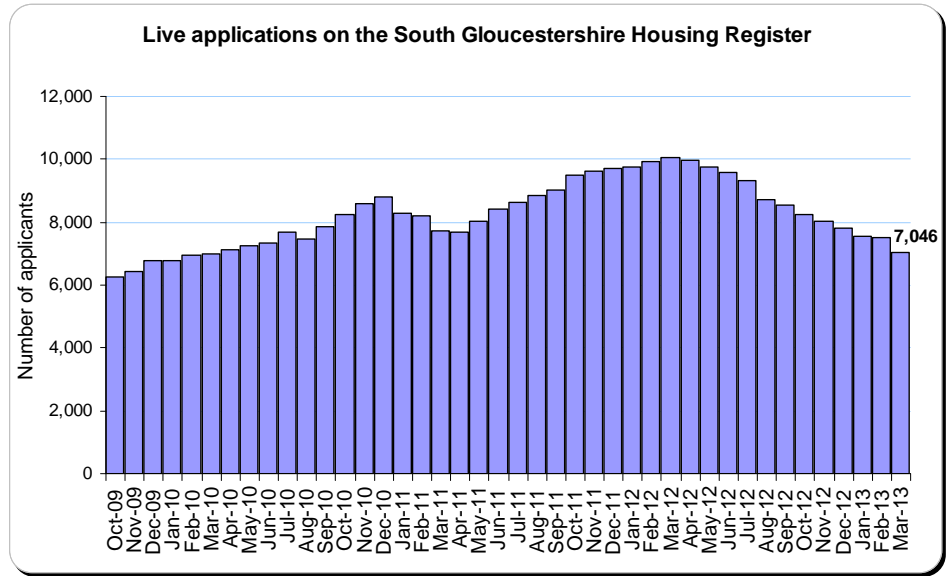
The average house price in South Gloucestershire has remained fairly static over the last quarter. Sales volumes for November 2012 and December 2012 were 311 and 259 respectively.



Source: Land Registry: April 2013

Live applications on the South Gloucestershire housing register

In March 2013, there were 7,046 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 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.



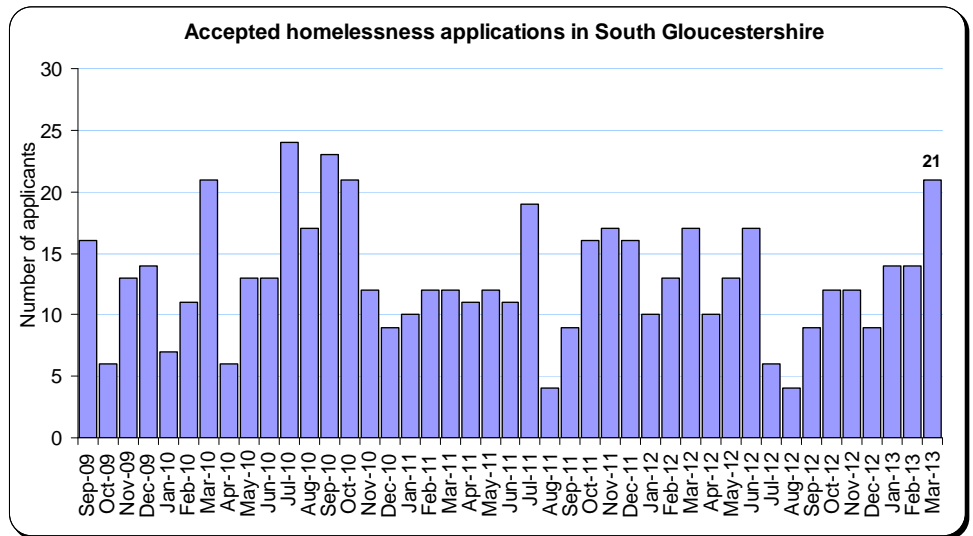
Source: South Gloucestershire Council, Home Choice, Children, Adults & Health

Housing benefit and council tax benefit claims in South Gloucestershire

It is currently taking 26 days to process new housing benefit and/or council tax benefit claims.

Accepted homelessness applications in South Gloucestershire

The number of households approaching the council with housing problems continues to be high and the number of homeless duties accepted during the last three months is slightly higher 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.

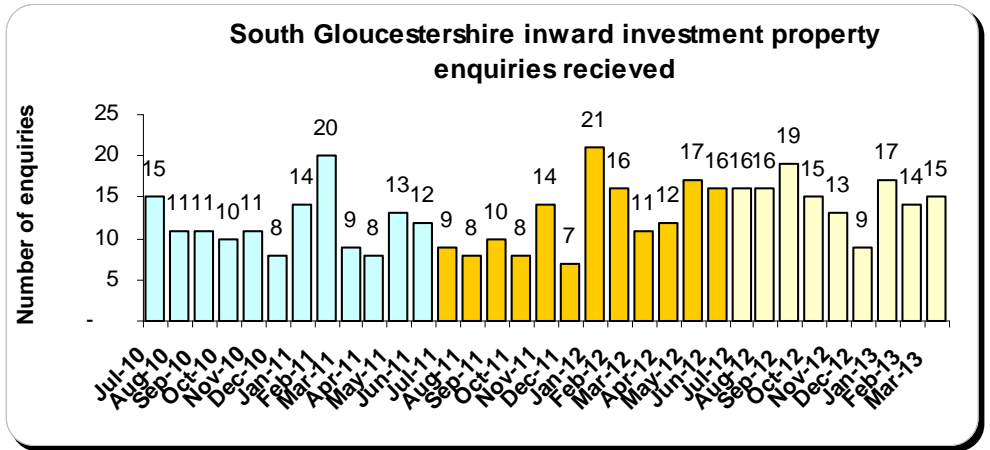


Source: South Gloucestershire Council, Home Choice, Children, Adults & Health

Inward investment

In March 2013, the council's economic development team was handling 187 live enquiries from businesses about available business property in the district.

From January to March 2013, there were 46 new enquiries compared to 38 in the previous quarter.



Source: South Gloucestershire Council, Economic Development Team

Debt advice

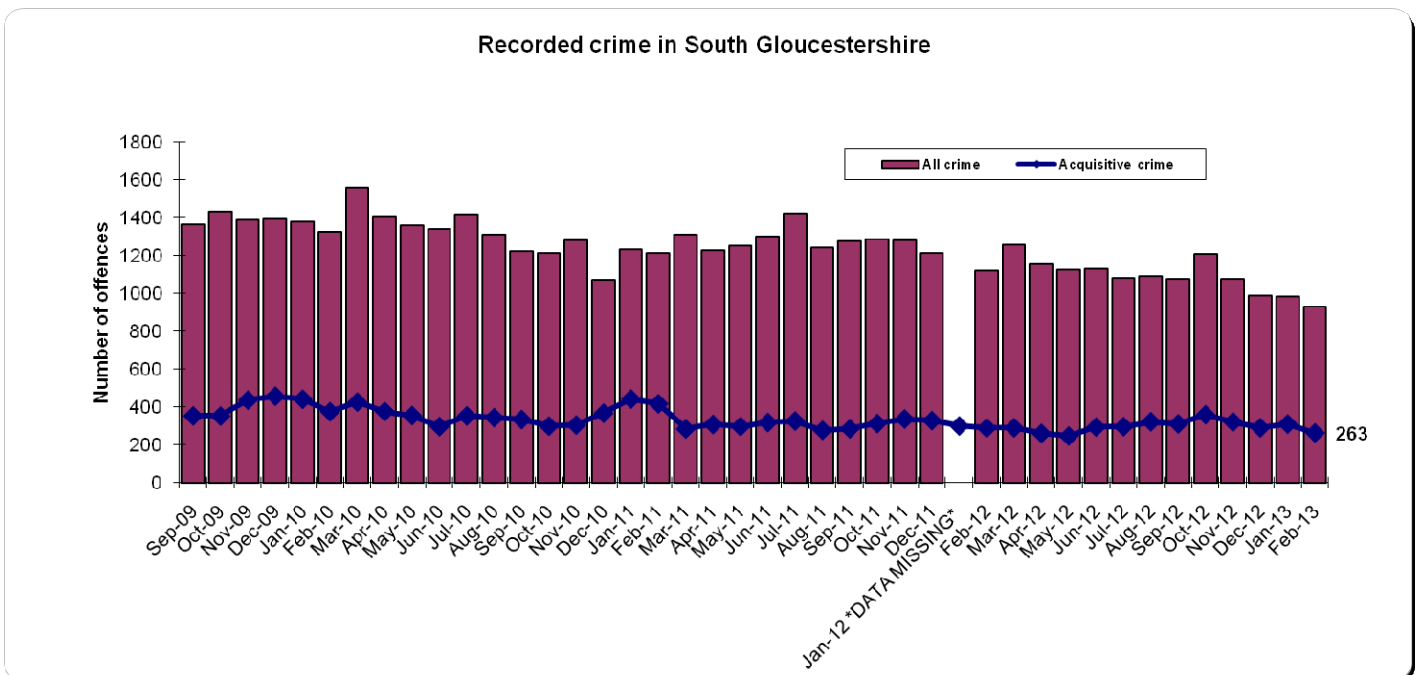
Debt management is measured by South Gloucestershire Advice Consortium. The measure relates to South Gloucestershire clients advised and is a snapshot of the overall need. A total of 743 residents were advised on welfare benefit and debt issues between 1 January and 31 March 2013.

The consortium reports that during this period £2,292,636 of debt was managed.

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 98 fewer serious acquisitive crimes during the last twelve months than there were in the previous twelve months.



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

Key headlines from news and local press (January – March 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.

SHOPPING CENTRE TO BE PUT UP FOR SALE

Gazette 17/01/13

A shopping centre in Yate is to go under the hammer in a property auction, the Gazette understands. Yate town council has been informed that Abbotswood Shopping Centre will be put up for sale by its absentee owners this year.

BRISTOL AMONG WORST IN UK FOR 'STALLED' HOMES

The Post 22/01/13

Work could start today on building more than 5,000 homes in Bristol but they have been 'stalled' because of the economic recession. The statistic means that Bristol is among the worst cities in the country for housing schemes that have planning permission which have not yet started.

CONVERTING VACANT OFFICES INTO FLATS COULD TACKLE OUR NATIONAL HOUSING CRISIS

The Post 23/01/13

Empty offices could be converted into flats as part of a scheme announced by the Government this week. The move is part of a strategy to tackle the country's housing and property crisis.

MALL CHANGE AS SHOPS GET ON THE MOVE

Western Daily Press, The Post 25/01/13

Ten major high street names will be moving out of their shops at the West's biggest shopping centre amid a shake-up sparked by rent reviews. Some popular stores will be leaving the Mall Cribbs Causeway completely after failing to negotiate new rent deals, while others are to relocate to concessions in larger shops. Burton, Miss Selfridge, Evans and Monsoon will be leaving the shopping centre completely in March, it is understood French Connection is also believed to be leaving. Dorothy Perkins, Wallis and East will become concessions within other shops in the centre and Warehouse could move as part of ongoing negotiations. WH Smith and Topshop will be moving to different units with the Mall.

HUGE WAREHOUSE BRINGS 1,000 JOBS

The Post 25/01/13

A state-of-the-art warehouse which will create around a thousand new jobs has finally opened for business. The £38m warehouse in Avonmouth was officially opened by the Co-operative yesterday. The new facility has replaced a smaller warehouse in Bridgwater and will supply the company's supermarkets across the South West and South Wales.

NEW PARK AND RIDE WILL LINK TO RAPID BUS ROUTE

The Post 28/01/13

A scheme to build a new park-and-ride on the edge of Bristol has been granted planning permission. Permission has been given for the site off The Rosary Roundabout opposite the Sainsbury's supermarket in Emersons Green.

MITIE GOOD PROSPECTS

Business Week 30/01/13

South Gloucestershire based support and maintenance firm Mitie said it expects to keep growing over the next 12 months, despite the ongoing problems of the economy. The firm is one of Bristol's biggest success stories and is the country's leading out-sourcing specialists with clients across a wide range of sectors.

OFFICE PARK BOOMING - FRENCH FIRM IS LATEST TO TAKE

Business Week 30/01/13

BRABAZON SPACE

French technology firm Alten SA have become the latest tenant to move into Brabazon Office Park in North Bristol. The park has become something of a centre for IT, defence and engineering firms in recent weeks.

£1.4M GRANT TO LEAD TO 200 NEW JOBS AT AIRBUS

This is Bristol 01/02/13

Two hundred new jobs are to be created at Airbus after the firm landed a £1.4 million grant from the Government. Government minister Michael Fallon announced that the Airbus operation at Filton is to get a slice of the Regional Growth Fund. The training programme has also recruited 172 new employees with the remainder due to be taken on by the summer. It is hoped that the new training programme will help meet the demand for engineering skills needed to develop and design Airbus's new civil and military aircraft.

KIDDICARE MOVES IN

The Post 05/02/13

More than 50 new jobs are set to be created when a new superstore opens at Cribbs Causeway. The Kiddicare store will sell baby and toddler items in a shop unit left vacant more than a year ago, when electrical retailer Best Buy collapsed.

NEW AIRBUS DEAL WORTH £4.4BN

The Post 05/02/13

Airbus has landed another major order, worth more than £4.4bn. Los Angeles-based Air Lease Corporation (ALC) has ordered 25 A350 airliners which are part designed and tested at Filton.

THREAT TO ROLLS-ROYCE JOBS AND COLLEGE POSTS

The Post, WDP 08/02/13

More than 150 jobs are under threat at two of the Bristol area's biggest employers. According to the Unite union, 54 workers face redundancy at Rolls-Royce's factory in Patchway. 100 staff at City of Bristol College have been warned to brace themselves for possible job losses.

REGION'S HMVS ARE SAFE

Western Daily Press 08/02/13

HMV administrators are to close 66 shops at the music chain in a move set to cost nearly 1,000 jobs. But branches in the West will remain open, with the brunt of the closures borne by northern England and Scotland.

COULD A POSITIVE SPRING SEE OFF 'GLOOM AND DOOM' OF RECESSION?

The Post 13/02/13

The residential property market in Bristol is starting to show real signs of recovery, according to two influential reports. According to RICS the number of housing transactions in Bristol and the surrounding area increased during January.

CLOTHING STORE THE LATEST SHOP TO GO OUT OF FASHION

The Post 14/02/13

There was a double dose of bad news for the High Street yesterday. On the day that the Republic chain went into administration putting thousands of jobs at risk, it was confirmed that three Blockbuster stores in the Bristol area are to close. Fashion chain Republic has two shops in Bristol at Cabot Circus and Cribbs Causeway.

WEST FIRE SERVICES MAY MERGE

Western Daily Press, The Post 20/02/13

Two West fire services are looking at joining forces, including the possibility of a merger. Avon Fire & Rescue and Devon and Somerset Fire Authority have begun talks to see how they can work together in the future.

ZOO PARK TO OPEN IN JULY

The Post 20/02/13, WDP 21/02/13

Bristol Zoo plans to open a new wildlife park on the edge of the city this summer. The zoo is pushing ahead with its ambitious plans near Cribbs Causeway despite failing to find the finance needed for the £70m project.

RETAIL GALLOPS ON DESPITE HORSE SCARE

Western Daily Press 05/03/13

Retail sales grew at their fastest rate in more than three years last month despite the horse meat scandal which has rocked many of the big grocers, according to new figures. The British Retail Consortium (BRC) said like-for-like February retail sales were up 2.7% on the previous year – the highest figure since December 2009.

COUNCILLORS URGED TO REJECT PLAN FOR HOMES BY AIRFIELD

The Post 05/03/13

Bristol councillors are being urged to recommend refusal for 1,100 new homes to be built on land bordering Filton Airfield because of the impact of extra traffic on existing roads. The decision on whether planning permission is eventually given lies with South Gloucestershire Council, Bristol councillors can only put forward their comments.

BAKERS COOK UP A DEAL TO KEEP RISING

The Post 06/03/13, WDP 07/03/13

A family-owned Bristol baker is planning to double in size over the next three years after winning financial backing from its bank. Parsons Bakers is looking to double the size of its stores to 70 over the next three years and will take on 100 new staff as part of its £1.7m expansion plans.

DAIRY FARM SET TO BE TRAVELLERS' SITE

The Post 07/03/13

Planning permission has been given for a dairy farm at Yate to be used as a travellers' site, despite a legal battle. South Gloucestershire councillors had refused to give consent last year for the 12 pitch site in open countryside at Leechpool Dairy Farm off Tanhouse Lane. The applicants, Shannon Parks, appealed against the decision.

CARE HOME COMPANY GOES INTO ADMINISTRATION

The Post 07/03/13

The company behind the scandal-hit Winterbourne View care home has gone into administration. Administrators of Castlebeck, who were appointed on Tuesday, said the impact of the abuse scandal at the home near Bradley Stoke and the subsequent closure of other units including Rose Villa in Brislington had led to the firm's financial difficulties.

JOBS LOST AS BEDS STORE GOES INTO ADMINISTRATION

The Post 07/03/13

Dreams, the country's biggest bedroom store, has gone into administration with the loss of hundreds of jobs. Dreams employed more than 2,000 people and had 260 shops across the country. As a result, the shops in Ashton Vale in Bristol and the store in Portishead are to close with the loss of around ten jobs. However, stores in Brislington, Cribbs Causeway, Weston-super-Mare and Filton have been saved from the axe.

DELIGHT AT ROVERS STADIUM DECISION

The Post 13/03/13

The final hurdle has been overcome for Bristol Rovers to go ahead with building their new stadium on the outskirts of the city. Communities Secretary Eric Pickles has decided there is no reason to prevent Sainsbury's from building a new supermarket on the site of the Memorial Stadium in Horfield.

SOUTH GLOUCESTERSHIRE HOMES SET TO BE DEMOLISHED

BBC News 14/03/13

Residents of more than 400 post-war homes in South Gloucestershire have been told they are earmarked for demolition to make way for new housing. Merlin Housing Society Ltd said it intends to start knocking down the social housing in Spring 2014 to "address structural defects".

HOUSING SOCIETY PLANS TO DEMOLISH POST WAR PREFABS

The Post 15/03/13

A housing society has announced plans to demolish 410 homes in Cadbury Heath. Merlin Housing Society Ltd, which owns the properties, says the post-war prefabs are no longer fit for purpose and a redevelopment is needed.

FILTON'S MILLIONS

The Post 18/03/13

Bristol's vital aviation industry looks set for a double celebration today as Airbus announced a huge new order while the Government is expected to pledge a massive investment in the sector which could eventually be worth up to £1bn. Airbus celebrated a £9bn order for just under 120 A320 aircraft from Turkish Airlines and the Government is today expected to unveil the latest stage of the Aerospace Growth Partnership in a bid to help Britain gain a bigger share of the global aerospace market.

YATE SHOPPING CENTRE EXTENSION COMPLETED

Insider Media 27/03/13

ISG has completed a £3.5m scheme to construct four new retail units at Yate Shopping Centre. Pre-lets with M&S Simply Food, Sports Direct and Costa Coffee had already been negotiated prior to construction of the units. The two-storey building provides an additional 50,000 sq ft of space to the shopping centre, which is owned by developer Dominion Corporate Trustees Ltd & Dominion Trust Ltd.

DEVELOPER WELCOMES ANOTHER BLUE-CHIP ARRIVAL TO AZTEC WEST

The Post 03/04/13

Property firm BAM has secured a new tenant for its 30,000 sq ft Aztec West development. The developer has let the three-storey building to digital media giant Nvidia on a ten-year lease at £18.50 per sq ft.

CAR PARK OFFERED EXTRA SPACE TO RETAIL DEVELOPER

The Post 03/04/13

Property firm ISG has completed a £3.5m scheme for developer Dominion Corporate Trustees to construct four new retail units at Yate Shopping Centre in Bristol. A 21-week programme saw ISG construct a two-storey building located in an area of the shopping centre's existing car park.

3,500 RUSH FOR JOBS AT THREE NEW STORES

The Post 08/04/13

Thousands of jobseekers are chasing 100 jobs which will be created with the opening of three new shops in Yate. During May and June, Marks and Spencer Simply Food, Sports Direct and Costa Coffee will be opening stores in the new East Walk development.

DEALS SAVE HMV STORES AND NEW NAME OVER FORMER JJB SHOP

The Post 08/04/13

Three stores in Bristol have been saved from closure after rescue deals were struck with administrators. Two HMV stores in Broadmead and Cribbs Causeway which were threatened with closure will remain open after a sale to Hilco and a former JJB store is to reopen under another name. DW Sports Fitness has bought the JJB store in Cabot Circus and will rename it DW Sports.

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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