

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 71.1%
- The official unemployment rate is 5.8%, considerably lower than the national rate of 7.8%
- In June 2013, 139 new small businesses started up in the district
- The number of live applications on the council's housing register stands at 6,876
- During the first quarter of 2013/14 the council (via a contract with South Gloucestershire Advice Consortium) helped residents to manage £1,354,936 of debt

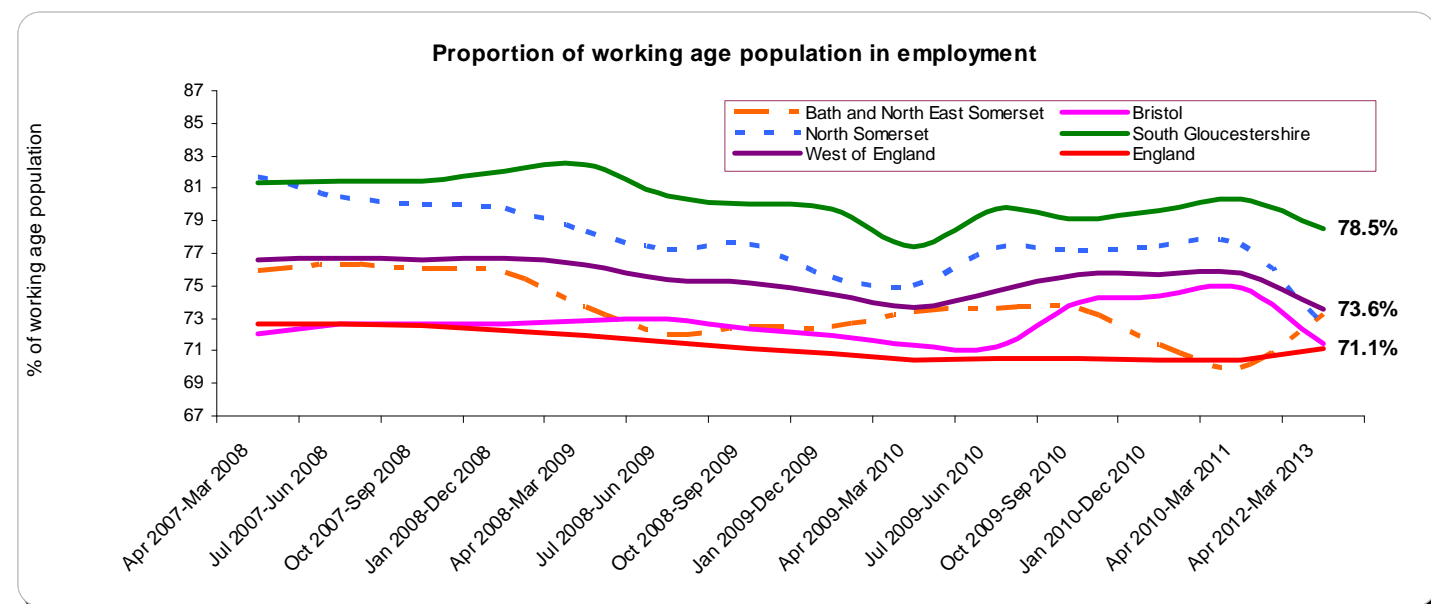
Headline labour market indicators

| | April 2012 to March 2013 | | | | June 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 | 137,800 | 78.5 | 9,400 | 5.8 | 2,998 | 1.8 | 158,000 | 0.93 | 506 |
| Bath and North East Somerset | 90,300 | 73.3 | 5,300 | 5.7 | 2,015 | 1.8 | 98,000 | 0.86 | 508 |
| Bristol | 233,300 | 71.4 | 19,400 | 7.5 | 10,912 | 3.7 | 270,000 | 0.92 | 482.4 |
| North Somerset | 100,900 | 72.7 | 6,000 | 6.0 | 2,736 | 2.2 | 92,000 | 0.74 | 561.1 |
| West of England | 562,200 | 73.6 | 40,100 | 6.7 | 18,661 | 2.7 | 617,000 | 0.88 | NA |
| England | 24,825,600 | 71.1 | 2,095,200 | 7.8 | 1,172,963 | 3.4 | 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

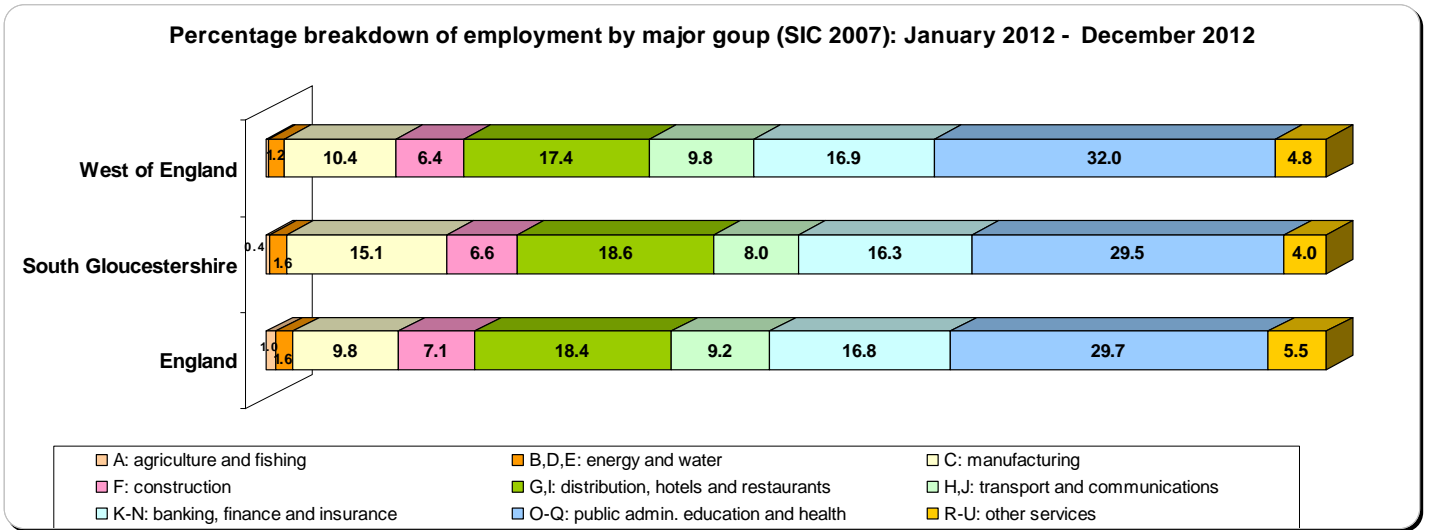
In the year to March 2013, 78.5%* of South Gloucestershire's working age population (those aged 16-64) were in employment. This is similar to the rate reported in the last quarterly report (78.6%), and the local employment rate remains above the sub-regional and national rates.



* 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 2.7%, meaning the actual employment rate could be up to 2.7% higher or lower than the figure published above.

Employment by sector

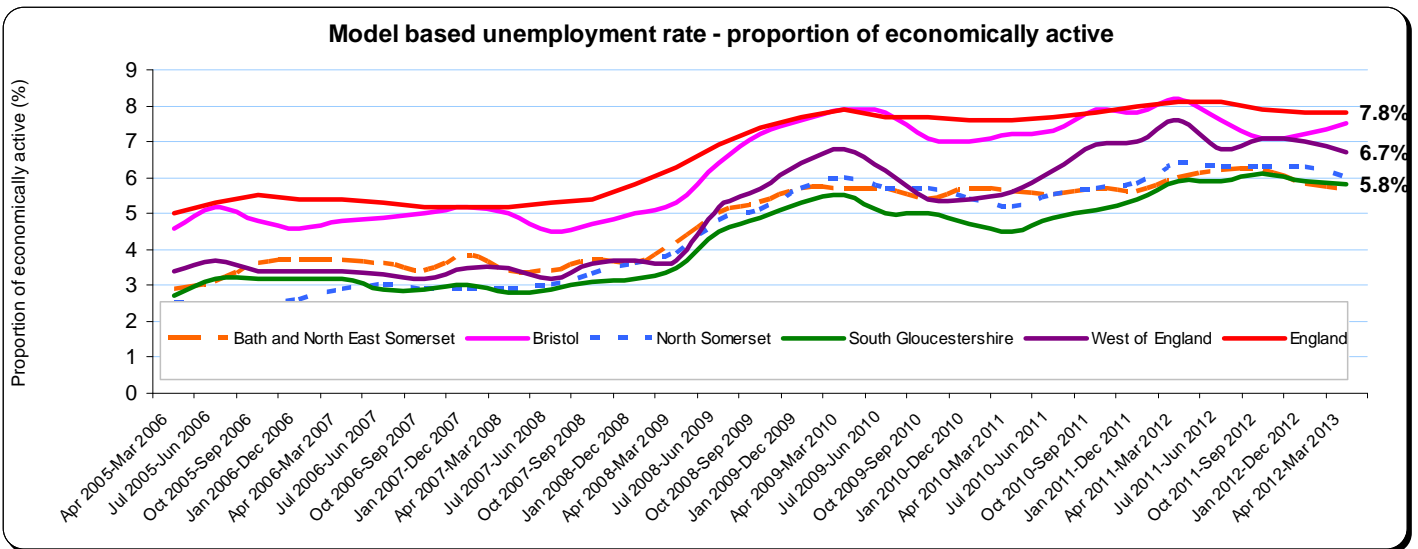
Approximately 30% of jobs in South Gloucestershire are within public administration, education and health sectors (SIC 2007 codes O-Q), which is on a par with the national and sub-regional averages. The distribution and hospitality industry (at 18.6%) and the banking, finance and insurance sectors (at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

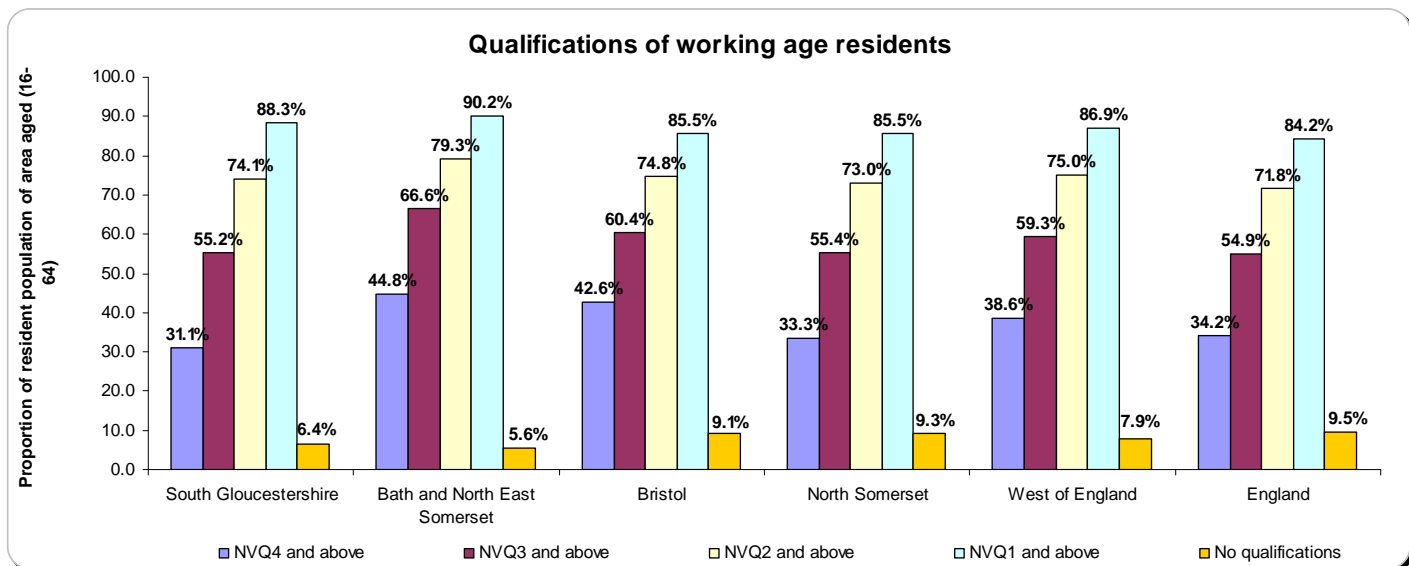
From April 2012 to March 2013, the official unemployment rate in South Gloucestershire was 5.8%* of the economically active population. This is the second lowest rate of the West of England authorities and is considerably lower than the rate for England (7.8%). The graph shows that the unemployment rate 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 1.2%, 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.

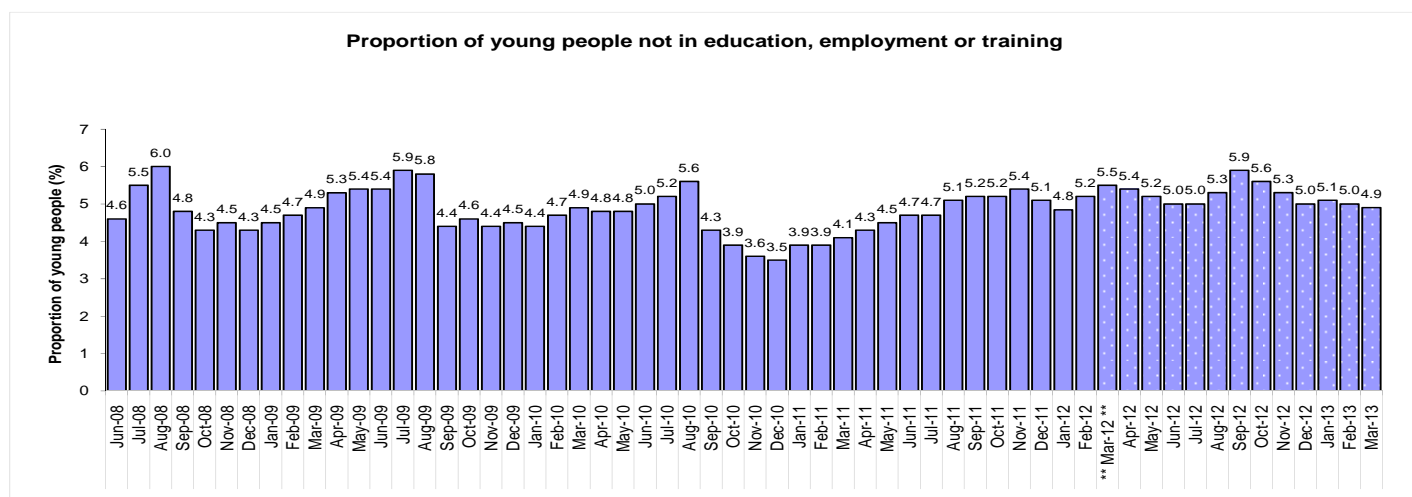
* It should be noted that due to the sample size, there are confidence intervals associated with this data set at local authority level. For example, for South Gloucestershire this quarter, the confidence interval for those with level 4 plus qualifications is 3.1%, meaning the qualification rate could 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 most recently available data), 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.

The council is temporarily unable to provide up to date quarterly figures for NEET in South Gloucestershire due to the impact of the transfer of both this function and data from Learning Partnership West to the council from April 2013. A new database is currently being developed and reports will follow as soon as possible.



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.

Apprenticeships

Participation

In South Gloucestershire in the first three quarters of 2012/13 (Sept to April), there were 4,202 apprenticeships taking place and they are 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 and vacancies

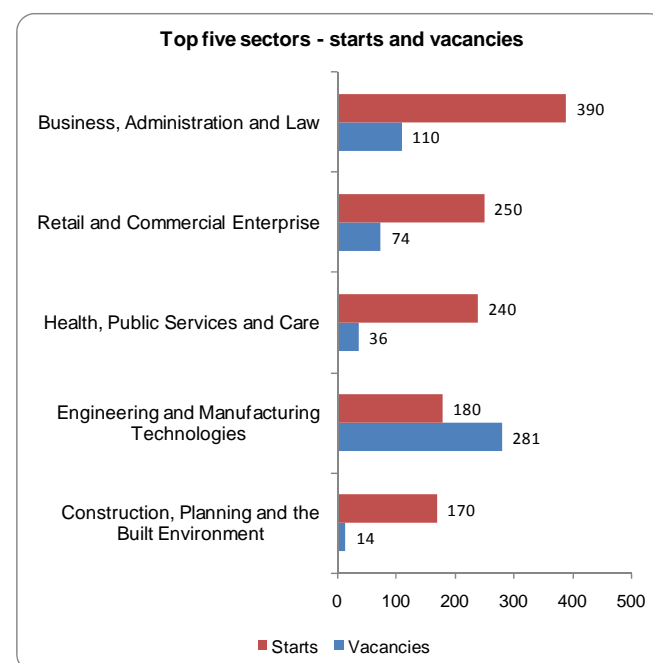
There were 1,350 apprenticeships started in 2012/13. The top three sectors were in business, administration and law (390), retail and commercial enterprise (250) and health, public services and care (240).

There were 556 vacancies in quarter three – the highest were in the engineering and manufacturing technologies (281), business, administration and law (110), and retail and commercial enterprise (74).

All starts and vacancies

| | Starts | Vacancies |
|--|--------------|------------|
| Business, Administration and Law | 390 | 110 |
| Retail and Commercial Enterprise | 250 | 74 |
| Health, Public Services and Care | 240 | 36 |
| Engineering and Manufacturing Technologies | 180 | 281 |
| Construction, Planning and the Built Environment | 170 | 14 |
| Information and Communication Technology | 50 | 9 |
| Leisure, Travel and Tourism | 30 | 15 |
| Agriculture, Horticulture and Animal Care | 20 | 10 |
| Arts, Media and Publishing | 10 | 0 |
| Education and Training | 10 | 1 |
| Unknown | - | 6 |
| Total | 1,350 | 556 |

Top five sectors – starts and vacancies



Source: The Data Service, 2013

Providers by age group

The top provider of apprenticeships for the 16-18 age group (providing 139 positions) and the 19-24 age group (providing 94 positions) is the City of Bristol College.

The top providers of apprenticeships for the 25 plus age group are the JHP Group (providing 58 positions and Cadcentre (UK) Limited (providing 53 positions).

Small business start ups

In South Gloucestershire 139 new small businesses started up in June 2013.

According to the data from a BankSearch survey, there was 12.9% fewer businesses start-ups in South Gloucestershire during the first six months of this year compared with the corresponding period of last year.

South Gloucestershire accounted for 4.3% of all start-ups across the South West.

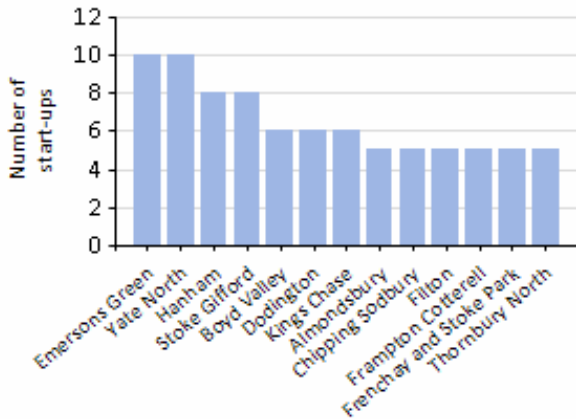
In June 2013, across all the English districts the average number of starts was 76.

| Small business start-ups | Limited Companies | Sole Traders | Other Start-ups | Commercial Enterprises | Not For Profit | Total |
|--------------------------|-------------------|--------------|-----------------|------------------------|----------------|-------|
| June 2013 | 75 | 52 | 8 | 135 | 4 | 139 |

Emersons Green and Yate North saw the most business start-ups. Thornbury South and Alveston, Pilning and Severn Beach, and Bitton saw the fewest.

The top three industries (illustrated below) accounted for 58.3% of the starts.

Top 10 Wards



| Top 3 industries | June 2013 |
|---|-----------|
| Real estate, professional services & support activities | 35 |
| Wholesale & retail trade | 24 |
| Construction | 22 |

Source: BankSearch, 2013

Housing

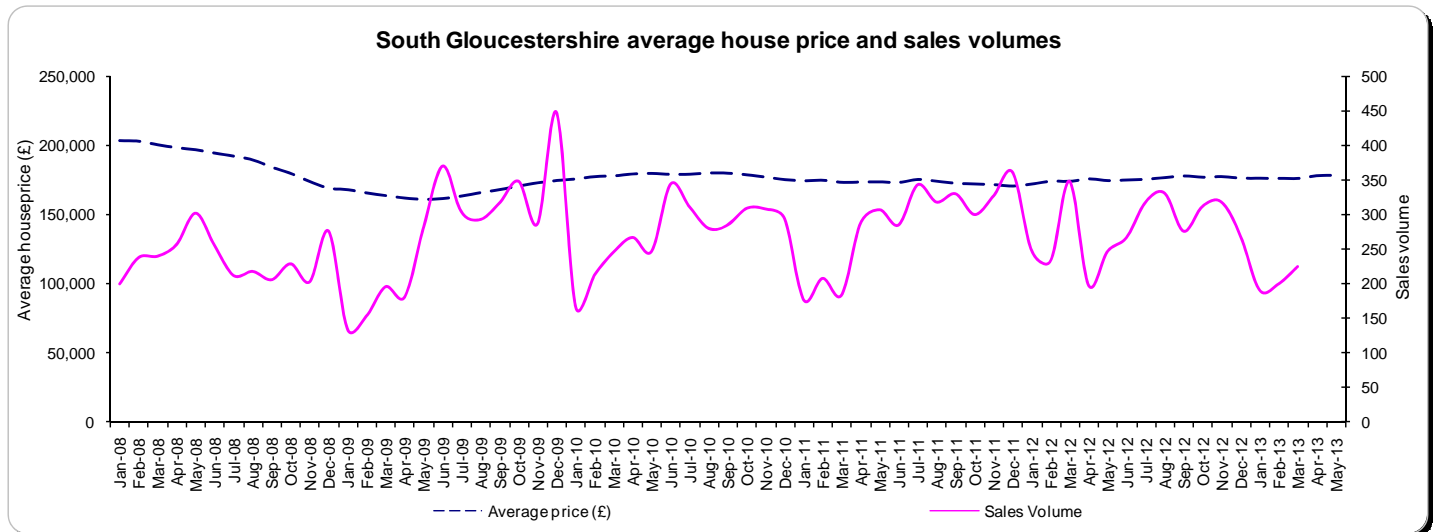
House Price Index – May 2013

| | House Price Index | Average house price (£) | Annual change |
|------------------------------|-------------------|-------------------------|---------------|
| South Gloucestershire | 274.66 | £178,730 | 2.2% |
| England and Wales | 260.13 | £161,969 | 0.5% |

Source: Land Registry: July 2013

Average house price and sales volumes

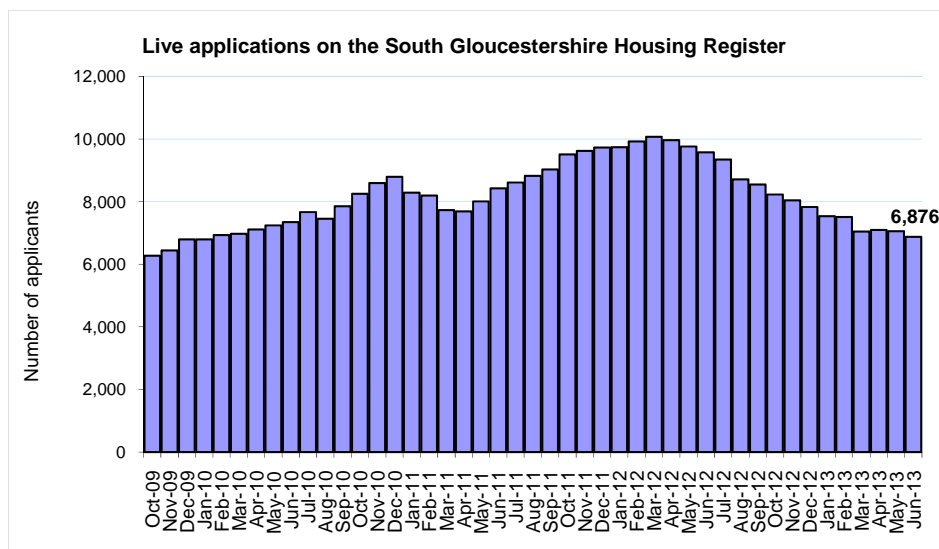
The average house price in South Gloucestershire has remained fairly static over the last quarter. Sales volumes for February 2013 and March 2013 were 200 and 225 respectively.



Source: Land Registry: July 2013

Live applications on the South Gloucestershire housing register

In June 2013, there were 6,876 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.



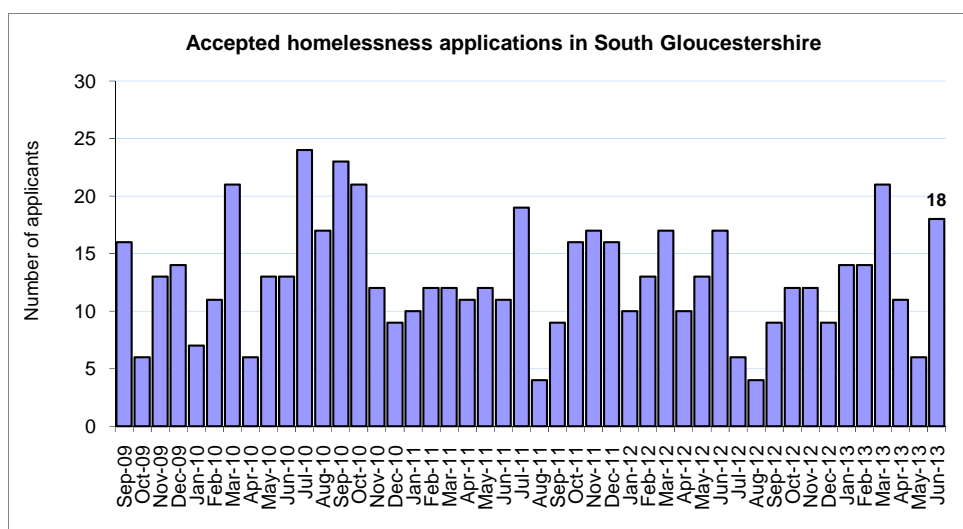
Source: South Gloucestershire Council, Home Choice, Children, Adults & Health

Housing benefit and council tax benefit claims in South Gloucestershire

It is currently taking 38 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 although the number of homeless duties accepted during the last three months is slightly lower 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.

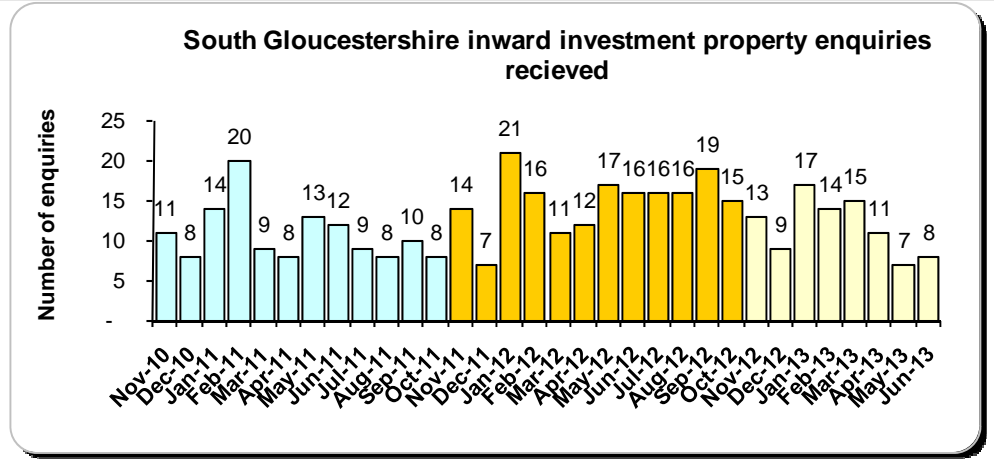


Source: South Gloucestershire Council, Home Choice, Children, Adults & Health

Inward investment

In June 2013, the council's economic development team was handling 44 live enquiries from businesses about available business property in the district.

From April to June 2013, there were 26 new enquiries compared to 47 in the previous quarter and 45 at the same point in the previous year.



Source: South Gloucestershire Council, Economic Development Team

Debt advice

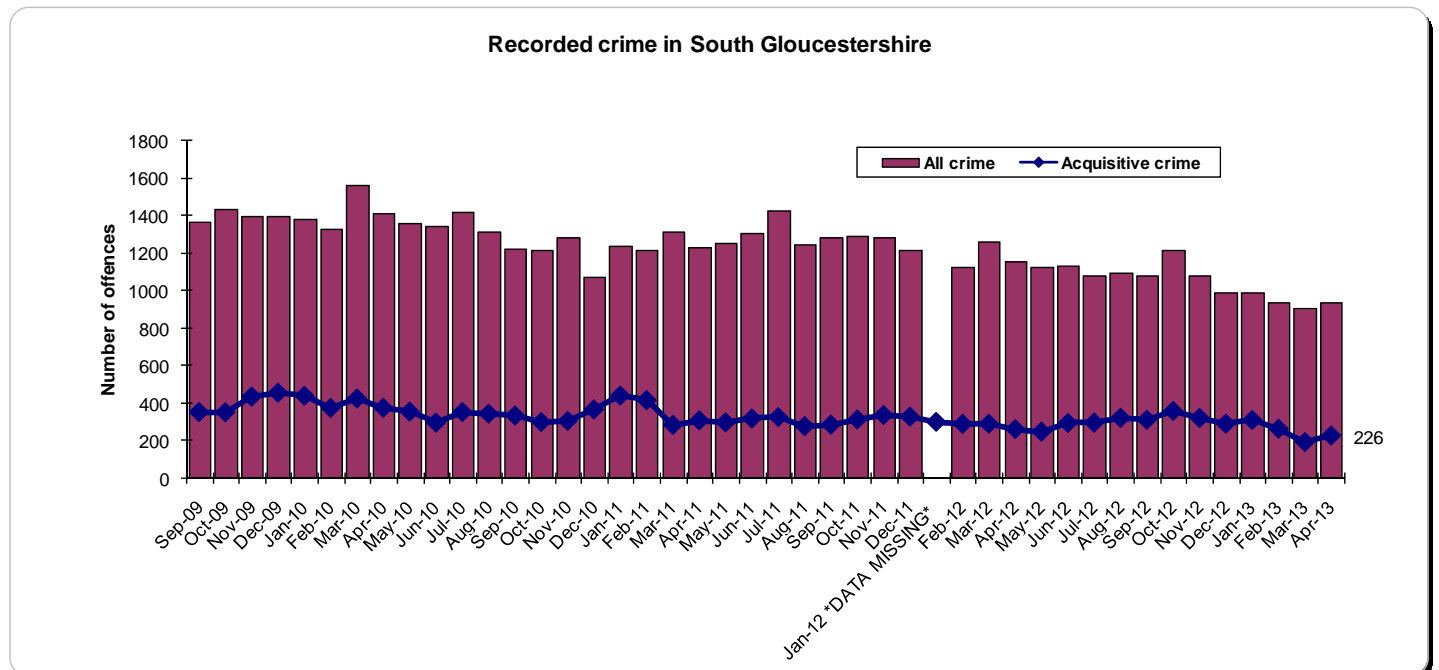
Debt management is measured by South Gloucestershire Advice Consortium. The measure relates to South Gloucestershire clients advised and is a snapshot of the overall need. A total of 833 clients were advised on debt and welfare benefit issues between 1 April and 30 June 2013.

The consortium reports that during this period £1,354,936 of debt was managed and that the complexity of cases has been increasing.

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 191 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 (April – July 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.

PLANS FOR 380 HOMES LOOK SET TO BE REFUSED

Bristol Post 02/07/13

A proposal to build 380 homes at Woodland's Farm, Coalpit Heath has been recommended for refusal. Proposals for the 23 hectares of land between Park Lane and Badminton Road were submitted to the council by Barratt Homes and David Wilson Homes.

SCIENCE PARK ATTRACTS HIGH-TECH OPERATOR

Western Daily Press 27/06/13

Bristol Science Park has let out 8,680 sq ft of its Grow-on Centre to CFMS, which is used by companies including Rolls Royce and Airbus. The centre provides access to high-end computing.

COUNCILS CUT TARGETS FOR NEW HOMES

Bristol Post 26/06/13

ACROSS THE SOUTH WEST

According to new research there has been a sharp drop in the number of houses councils are planning to build in the area. The decision by the Government to drop regional spatial strategies has meant that housing policies across the region have had to be withdrawn. According to the new research, local authorities in the South West have now reduced their housing targets by an average of 11.27% - a reduction of 3,419 homes.

PLANS TO TURN OLD POLICE STATION INTO HOMES

Bristol Post 26/06/13

Developers have unveiled a scheme to turn a former police station into accommodation for the elderly. House builder McCarthy & Stone held a public exhibition to share its plans for Staple Hill Police Station on Broad Street with people living and working in the area.

SHOPPING CENTRE WORK TO START

Bristol Post 19/06/13

Building work starts soon on major changes in Yate Shopping Centre. Four vacant retail units in North Parade will be converted to a single large store. The adjoining corner is already taken by Hotcha Chinese Restaurant. Work also starts in July on converting the former Spirals Nightclub in East Walk into a new 24 hour gym called Anytime Fitness, which is due to open in the autumn.

WORK TO START ON HOUSING DEVELOPMENT

Bristol Post 18/06/13

Work is due to start next week on a big housing development which will see thousands of new homes built at Emersons Green. The scheme at Emersons Green East will include up to 2,550 homes, two new primary schools, a secondary school and other community facilities as well as 100,000 sq ft of employment floor space.

SOUTH GLOUCESTERSHIRE AND STROUD

BBC News 17/06/13

COLLEGE: JOBS AT RISK

Nearly 100 people are at risk of losing their jobs at South Gloucestershire and Stroud College (SGS) after a review of services due to a £4m cut in government funding.

DOCUMENT OPENS WAY FOR STADIUM

Bristol Post 13/06/13

Work on Bristol Rovers new stadium could start in September after a vital legal deal was signed. The document, known as a Section 106 agreement, legally binds the developers of the new Sainsbury's store planned to be built at the Memorial Stadium in Horfield to improvement works. DTZ are acting on behalf of Bristol Rovers on the sale of the Memorial Stadium site.

NEW SITE FOR SURFING LAKE

Bristol Post 11/06/13

A new location for Britain's first "surfing lake" has been revealed to the Bristol Post. Wavegarden UK had initially looked to build at the 13-acre Bristol and West sports ground along the Portway but the company decided the site was too small. Now the company has identified land at Whirlpool Farm in Easter Compton and Over Court Farm in Almondsbury as the new site for the project.

AIRBUS CREATES NEW JOBS AS DEMAND

Bristol Post, WDP 10/06/13

GROWS

Plane maker Airbus has announced 300 new jobs at its factories in Filton and Broughton. The move is part of the company's expansion plans which will see an extra 3,000 workers taken on throughout Europe this year.

'NO FUTURE FOR A SEVERN BARRAGE'

Bristol Post, WDP 10/06/13

Plans for a £35bn Severn barrage look effectively dead in the water. A group of MP's on an influential House of Commons select committee has concluded the case for a tidal barrage across the Severn estuary to generate electricity is as yet "unproven". It cannot recommend the Hafren Power scheme.

£1M GRANT BID TO IMPROVE AREA BUS

Bristol Post 07/06/13

NETWORK

A bid is being made for Government grants worth more than £1m to extend and improve the Greater Bristol Bus Network. The West of England Joint Transport Executive Committee, which represents the four councils in the Bristol area, wants to extend bus lanes in five areas in Bristol and South Gloucestershire. The move comes after £78m was spent on upgrading ten routes in and around Bristol in a scheme completed just over a year ago.

CAMPUS REDEVELOPMENT BACKED

Bristol Post 07/06/13

Plans for a 200-bed hotel on the University of the West of England's Frenchay campus have been given the go ahead. The hotel is part of a major redevelopment approved by South Gloucestershire councillors.

NEW STORE AIMED AT PARENTS OF YOUNG

Bristol Post 07/06/13

A new store is to open in Cribbs Causeway aimed at parents of young children. Kiddicare, owned by Morrisons supermarket chain, has taken on just over 80 new staff on the site of the failed Best Buy electrical store.

200 JOBS TO GO AS PRISON CHANGES

Bristol Post 04/06/13

CATEGORY

Almost 200 people will lose their jobs at Ashfield jail in Pucklechurch when it reopens as a category C prison next month. As a young offenders institution it currently employs 391 people.

HIGH STREET FACES MASS CLOSURES

Western Daily Press 29/05/13

The West is facing "a crisis" on the high street and in out-of-town retail parks as experts predicted last night that almost one in every four shops – more than five and a half thousand – will close in the region in the next five years. The larger supermarkets and retail park stores will suffer just as much as smaller high street shops, with tens of thousands of jobs lost in shops between now and 2018.

CONCORDE WINS £4.4M FUNDING

Bristol Post 29/05/13

The dream of creating a permanent home for Concorde in Bristol has been virtually guaranteed after the National Lottery agreed to back the project with a £4.4m grant. A detailed planning application to refurbish two World War One hangars on the edge of Filton Airfield is being drawn up and building work could start as early as next year with a plan to open by the summer of 2016.

NEW JOBS AS DIY AND TRADE SUPPLIER OPENS

Bristol Post 21/05/13

A DIY supplier has created 12 new jobs with the opening of its latest Bristol store. Screwfix has opened up on the Longwell Green Trade Park in Aldermoor Way.

£25M FUND TO HELP FIRMS GO FOR GROWTH

Western Daily Press, Bristol Post 17/05/13

A multi-million pound treasure chest to be shared among companies in the West Country is unveiled today in a bid to kick-start the local economy. The money is coming from a £25m fund secured from the Government by the West of England Local Enterprise Partnership (LEP). 400 local businesses, big or small, are being encouraged to bid for a share of this pot of cash, which must be applied for by the end of July.

BRISTOL GEARING UP FOR PROPERTY BOOM AS ECONOMY FINDS ITS FEET

Bristol Post 08/05/13

The Bristol area has been highlighted as a key centre for investment and development in a new report on the current state of the property sector. According to Deloitte's latest Real Estate report, investors are being drawn to the city thanks to devolution of power from London and planned infrastructure projects such as the long-awaited indoor arena.

CREMATORIUM OPERATOR SOLD TO FRENCH COMPANY

Bristol Post 02/05/13

A Bristol-based company which has grown into one of the biggest private crematorium operators in the country now has new French owners. The Westerleigh Group, which is based in Bristol and runs Westerleigh Crematorium, is now 88% owned by investment firm Antin Infrastructure following a multi-million deal.

CONCORDE PLANS ON A £1M ROLL

Bristol Post 01/05/13

A permanent home for Concorde in Bristol has moved another step closer after the company which built the supersonic airliner's engines pledged £1m to the project. Rolls-Royce has become the latest firm to back plans for a museum to house the iconic plane in Filton.

NEW REGIONAL HQ FOR INSTITUTE

Bristol Post 01/05/13

The Institute of Directors has officially launched its new South West regional headquarters at the Bristol and Bath Science Park in Emerson's Green.

BARRATT HOMES MAKES A MOVE

Insider Media 30/04/13, Bristol Post 01/05/13, WDP 02/05/13

Barratt Homes is to move its South West office to Aztec West. BDW Trading Ltd, Barratt's parent company, has signed an agreement to rent the entire Building 710 on Waterside Drive. The two-storey property has 13,265 sq ft of space.

FOREIGN BUYER PAYS £1.45M FOR VANTAGE

Bristol Post 24/04/13

OFFICE PARK UNIT

A private buyer from overseas has purchased an office investment at Vantage Office Park, north Bristol. The 8,246 sq ft property was sold for £1.45m reflecting a yield of 10.21%, to a private client of Property Lynx.

36 COCA-COLA JOBS SET TO GO

Bristol Post 23/04/13, WDP 25/04/13

Thirty-six out of 147 staff, including drivers and warehouse workers, could lose their jobs at a Coca-Cola distribution centre in Aldermoor Way, Longwell Green, Bristol.

CHINESE CHAIN POISED TO OPEN TAKEAWAY NO 8

The Post 17/04/13

A Chinese takeaway with ambitions to become a national chain is poised to open its eighth outlet in the Bristol area. The Hotcha chain has announced plans to open its latest takeaway at the fast-growing Yate Shopping Centre.

JOBS SET TO BE CREATED AT MAJOR NEW

The Post 12/04/13

LEISURE DEVELOPMENT

An extra 150 jobs could be created as the result of a major leisure development which is being built alongside Yate Shopping Centre. The scheme will include a brand new six-screen cinema, six restaurants and food outlets along with three new stores.

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

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