Wiltshire Strategic Economic Partnership

Quarterly Economic Review
April 2007

Prepared by

The Economic Intelligence Unit

Wiltshire County Council

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Wiltshire
COUNTY COUNCIL

QUARTERLY ECONOMIC REVIEW
APRIL 2007

Welcome to the first edition of Wiltshire Quarterly Economic Review (QER) for April 2007, produced by the Economic Research & Intelligence Unit, Wiltshire County Council. It forms part of a series of reviews that are intended to provide information on the Wiltshire economy. We hope you find this publication useful and would appreciate any feedback that you may have.

The QER will contain quarterly economic indicators in every issue (i.e. employment rates, economic activity rates, unemployment rates, property prices), subject to availability. The indicators that are released on an annual basis will be included as and when they are made available. It is intended to include, whenever possible and if appropriate, information for the following geographies: national; regional; county; and districts, as well as comparative information from the previous four quarters. The primary aim of this document is to make sure that the latest economic data is made available to WSEP (Wiltshire Strategic Economic Partnership) partners, as soon as possible. Detailed analysis is usually reserved for the annual Economic Assessment.

Items in the April 2007 issue include:

Quarterly Indicators

- National Economic Update
- Employment
- Economic Activity
- Unemployment
- Job Vacancies
- Property Market
- Job Losses & Gains

Annual Indicators

- Small Business Start Ups

For releases of datasets not included in this issue please refer to previous Quarterly Economic Reviews and the Economic Assessment 2005-06.

All previous Economic Assessments and Quarterly Economic Reviews are available in the library section of the Wiltshire & Swindon Intelligence Network:
http://www.intelligencenetwork.org.uk/

Some of the items summarise larger datasets so should you require more detailed information please contact the Economic Research & Intelligence Unit at Wiltshire County Council, Environmental Services, County Hall, Bythesea Road, Trowbridge, Wiltshire BA14 8JN:

Telephone 01225 756165 or E mail jackieguinness@wiltshire.gov.uk

NATIONAL ECONOMIC UPDATE[1]

- The Government's target measure of inflation (Consumer Price Index Inflation) rose to 3.1% in March 2007, up from 2.8% in February. The largest upward effect came from food and non-alcoholic beverages. Furniture, household equipment and routine maintenance also made significant contributions. The largest downward effect came from housing and household services, mainly as a result of falling gas prices. The inflation rate for the European Union in March 2007 was below the UK rate, at 2.2%.

- The volume of retail sales in the three months to January 2007 was 0.4% higher than in the previous three months and compares to a 0.3% fall in the same period ending a year earlier, January 2006.

- In the first quarter of 2007, GDP rose by 0.7%. The main contributor to this growth was the services industry which rose by 0.8%. Growth in distribution, hotels & restaurants was only 0.6% compared to 1.2% in the last quarter of 2006. This deceleration was mainly due to retailing.

- The employment rate (74.3%) in the three months ending February 2007 was lower than the previous quarter and the same period a year earlier. The unemployment rate was 5.5%, an increase on the previous three months (0.1 percentage points) and over the year (0.3 percentage points). The number of claimants of Jobseekers Allowance fell by 9,200 in March 2007, and by 28,000 over the year.

- Manufacturing output decreased by 0.2% in the three months to February 2007 compared with the three months to November 2006.

[1] Royal Bank of Scotland, Office for National Statistics, BBC.

LABOUR MARKET

This section provides an overview of headline key labour market indicators. The indicators normally used are: employment rate; unemployment rate (Claimant Count & ILO Unemployment); economic activity/inactivity rate; and Jobcentre Plus vacancies.

Employment

The employment rate is defined as the proportion of an economy's working age population that is in employment. It provides an indication on the level of engagement the area's residents are having in the labour market and the ability of an economy to create jobs. The data in table 1 from the Annual Population Survey (APS) July 2005 to June 2006 shows the employment rate in Wiltshire to be 82.4% compared to 79.0% in Swindon. Wiltshire's employment rate is above both the regional and national averages; 77.7% and 74.2% respectively. West Wiltshire had the highest employment rate (84.8%), followed by North Wiltshire (83.6%), Kennet (81.4%) and Salisbury (79.1%).

Table 1: Employment Rate (%) of working age population*

Area	Apr 2004- Mar 2005	Oct 2004-Sep 2005	Jan 2005-Dec 2005	Apr 2005-Mar 2006	Jul 2005-June 2006
Great Britain	74.5	74.6	74.5	74.3	74.2
South West	77.9	77.6	77.8	77.6	77.7
Wiltshire	80.6	79.0	80.0	82.4	82.4
Swindon	80.0	80.5	80.0	78.7	79.0
Kennet	81.1	79.4	79.3	84.3	81.4
North Wiltshire	80.1	77.8	80.7	82.9	83.6
Salisbury	81.6	78.2	78.3	79.5	79.1
West Wiltshire	79.8	80.8	81.4	83.4	84.8

Source: Annual Population Survey~, 2007*
*Data for the period July 2004 to June 2005 is not available
~The APS is a new survey which supersedes the existing two datasets: the local area Labour Force Survey and the quarterly Labour Force Survey.

Economic Activity

The economic activity rate is a good indicator of the health of the labour market in an area. Persons are economically active if they are either employed or unemployed in a particular period. Economically active people can thus be defined as those who supply or want to supply their labour to produce goods and services for the economy. The rates are calculated by expressing the number of persons in the labour force (the labour force is the sum of employed and unemployed persons) as a percentage of the working age population. Table 2 shows the economic activity rate in Wiltshire during the period July 2005 to June 2006 to be 84.7%, above the regional (80.7%) and national averages (78.4%). The highest level of economic activity among the districts was in West Wiltshire (87.6%), followed by North Wiltshire (86.3%), Kennet (83.6%) and Salisbury (80.4%).

Table 2: Economic activity rate (%) of working age population*

Area	Apr 2004- Mar 2005	Oct 2004-Sep 2005	Jan 2005-Dec 2005	Apr 2005-Mar 2006	Jul 2005-June 2006
Great Britain	78.3	78.4	78.4	78.3	78.4
South West	80.8	80.4	80.6	80.4	80.7
Wiltshire	82.9	81.7	82.5	84.3	84.7
Swindon	83.5	84.2	84.0	83.2	83.7
Kennet	84.1	81.9	81.5	85.7	83.6
North Wiltshire	82.9	81.1	83.4	85.3	86.3
Salisbury	84.5	81.0	80.8	80.4	80.4
West Wiltshire	80.7	82.7	83.8	85.8	87.6

Source: Annual Population Survey~, NOMIS 2007*
*Data for the period July 2004 to June 2005 is not available
~The APS is a new survey which supersedes the existing two datasets: the local area Labour Force Survey and the quarterly Labour Force Survey.

Table 3 shows the proportion of people who are economically inactive who want or do not want a job. In June 2006, 24.4% of inactive people in Wiltshire wanted a job, below Swindon (27.6%), the South West (25.9%) and Great Britain (25.1%) figures. The 24.4% of inactive people in Wiltshire who want a job equates to around 9,800 people. West Wiltshire had the highest number of inactive people who would like to work, 2,900 (31.9%), followed by Salisbury, 2,800 (21.2%), North Wiltshire, 2,700 (25.3%) and Kennet, 1,400 (19.4%). Together with the unemployed these people represent a potentially under-utilised source of labour.

Table 3: % of economically inactive who want/do not want a job

	Great Britain	South West	Wiltshire	Swindon	Kennet	North Wiltshire	Salisbury	West Wiltshire
Want a job	25.1	25.9	24.4	27.6	19.4	25.3	21.2	31.9
Do not want a job	74.9	74.1	75.6	72.4	80.6	74.7	78.8	68.1

Source: Annual Population Survey~, NOMIS 2007
~The APS is a new survey which supersedes the existing two datasets: the local area Labour Force Survey and the quarterly Labour Force Survey

Unemployment

The claimant count is based on the number of people claiming Jobseekers Allowance (JSA) and is taken from monthly records. People claiming JSA must declare they are out of work, available for, capable of, and actively seeking employment during the week in which the claim is made. Claimant count rates express the number of JSA claimants as a percentage of working age people in an area. In March 2007 the claimant count rate for Wiltshire was 1.1%, below the regional (1.7%) and national (2.6%) averages. Compared to the same period a year earlier (i.e. March 2006), Wiltshire has experienced a small increase in the claimant count rate (0.1% percentage point increase). West Wiltshire had the highest number and rate of jobseekers allowance in March 2007 at 1.3%, however, they are still below the regional average. North Wiltshire was the district with the second highest claim rate at 1.1%, followed by Kennet and Salisbury who both had a claim rate of 0.9%. West Wiltshire's claim rate had not changed compared to the same period a year earlier. Kennet, North Wiltshire and Salisbury all experienced a small increase (0.1% percentage points) in their claimant count rate when compared to the same period a year earlier.

Table 4: Claimant Count, working age population

Area	March 2006		December 2006		January 2007		February 2007		March 2007	
	No	*Rate*	*No*	*Rate*	*No*	*Rate*	*No*	*Rate*	*No*	*Rate*
Great Britain	960,487	2.6	897,758	2.5	938,625	2.6	948,577	2.6	930,094	2.6
South West	50,140	1.7	47,991	1.6	50,963	1.7	51,755	1.7	50,224	1.7
Wiltshire	2,696	1.0	2,588	1.0	2,751	1.0	2,869	1.1	2,831	1.1
Swindon	2,398	2.1	2,321	2.0	2,404	2.1	2,506	2.1	2,558	2.2
Kennet	382	0.8	386	0.8	395	0.8	417	0.9	399	0.9
North Wilts	776	1.0	794	1.0	798	1.0	873	1.1	865	1.1
Salisbury	543	0.8	555	0.8	607	0.9	640	0.9	604	0.9
West Wilts	995	1.3	853	1.2	951	1.3	939	1.3	963	1.3

Source: Claimant Count, NOMIS, 2007

The figures in Table 5 are based on the International Labour Organisation's (ILO) definition of unemployment which includes as unemployed all those who are looking for work, whether or not they are on unemployment benefits. The contrast between the claimant count rate and the unemployment rate suggests that there is a difference in unemployment numbers representing a few thousand working age people who could possibly be regarded as part of the 'hidden unemployed'. The 'hidden unemployed' do not claim or may not be entitled to Job Seekers Allowance (JSA) and are therefore excluded from official unemployment statistics that are based on the claimant count.

At 2.7% (representing 223,400 people) over the period July 2005 to June 2006 the unemployment rate in Wiltshire remained below the regional (3.8%) and national (5.4%) averages. West Wiltshire had the highest rate of unemployment, 3.2% (63,800 people), followed by North Wiltshire, 3.1% (68,300 people), Kennet, 2.6% (36,800 people) and Salisbury, 1.6% (54,500 people).

Table 5: Unemployment (%) working age population*

Area	Apr 2004- Mar 2005		Oct 2004-Sep 2005		Jan 2005-Dec 2005		Apr 2005-Mar 2006		Jul 2005-June 2006	
	No	*Rate*	*No*	*Rate*	*No*	*Rate*	*No*	*Rate*	*No*	*Rate*
Great Britain	1,325,700	4.8	1,341,800	4.8	1,381,100	5.0	1,425,500	5.1	1,489,400	5.4
South West	85,300	3.6	82,700	3.5	83,500	3.5	83,400	3.5	91,500	3.8
Wiltshire	6,200	2.9	7,000	3.3	6,600	3.0	4,900	2.2	6,000	2.7
Swindon	4,000	4.2	4,200	4.3	4,700	4.8	5,200	5.4	5,400	5.6
Kennet	1,300	3.6	1,100	3.1	1,000	2.7	#	#	1,000	2.6
North Wiltshire	2,200	3.4	2,500	4.0	2,100	3.2	1,900	2.9	2,200	3.1
Salisbury	2,000	3.4	1,900	3.5	1,700	3.1	#	#	900	1.6
West Wiltshire	700	1.1	1,400	2.4	1,800	2.9	1,700	2.8	2,000	3.2

Source: Annual Population Survey, NOMIS, 2007
*Data for the period July 2004 to June 2005 is not available
Data for Kennet and Salisbury districts have been excluded since the estimates are unreliable.

Job Vacancies

Jobcentre Plus Notified Vacancy Statistics have traditionally served as a proxy for economic activity over time and to give micro level information, for example snapshot information on vacancy levels in a particular location and for specific occupations. However, it should be noted that Jobcentre Plus only handles a certain proportion of vacancies in the economy. Measures of Jobcentre Plus market share will always be inexact but recent estimates from surveys suggest that it is between 1/3 and 1/2.

Table 6 contains a count of job vacancies notified to employment job centres in March 2007. There were 2,795 vacancies notified to Jobcentre Plus for Wiltshire in March 2007. The largest requirement was for elementary occupations (1,245). Skilled trade occupation (569), process, plant & machine operatives (225), administrative & secretarial occupations (220), sales & customer service occupations (169), associate professional & technical occupations (146) and personal service occupations (110) also had relatively high levels of labour demand. The job vacancies notified to job centres in the districts fell broadly in line with the Wiltshire trend.

Table 6: Labour Demand – No. Vacancies Notified by Occupation, March 2007

Occupation	Wiltshire	Swindon	Kennet	North Wilts	Salisbury	West Wilts
Managers and Senior Officials	69	109	9	20	16	24
Professional Occupations	42	76	5	21	7	9
Associate Professional and Technical Occupations	146	131	16	36	53	41
Administrative and Secretarial Occupations	220	85	25	79	61	55
Skilled Trades Occupation	569	171	374[2]	48	110	37
Personal Service Occupations	110	54	15	19	36	40
Sales and Customer Service occupations	169	93	26	73	26	44
Process, Plant and Machine Operatives	225	83	82	57	26	60
Elementary Occupations	1,245	247	864[2]	88	205	88
Total	**2,795**	**1,049**	**1,416**	**441**	**540**	**398**

Source: Jobcentre Plus Vacancies, NOMIS 2007
Changes to Jobcentre Plus vacancy handling procedures may result in a drop of around 5% for inflows of newly notified vacancies.

Table 7 shows the total stock of unfilled vacancies broken down by occupation. In March 2007, there were 3,364 unfilled vacancies in Wiltshire. The largest number of unfilled vacancies (most difficult to fill) were: elementary occupations (1,224), skilled trade occupations (649), process, plant & machinery occupations (426), sales & customer service occupations (297), personnel service occupations (232), associate professional & technical occupations (199) and administrative & secretarial occupations (167).

Kennet and Salisbury had the largest number of unfilled vacancies in elementary occupations. The largest number of vacancies that remained unfilled in North Wiltshire and West Wiltshire were process, plant and machine operatives. All of the vacancies notified in the districts fell generally in line with the vacancies notified in Wiltshire.

[2] *The total number of jobs notified in Wiltshire for elementary and skilled trade occupations maybe higher than expected. This is due to a large number of vacancies arising in a single ward in Kennet. WCC ER&I have investigated the cause of this large number of vacancies and were told: 'looking at our internal system shows that the hike in March inflows for this particular ward and occupation has translated into large vacancy outflows in April. This might suggest a recording error whereby incorrect vacancy figures have been input to LMS, and subsequently cancelled and thus recorded as outflows in April." However in previous releases of data elementary occupations and skilled trade occupations have had high levels of vacancies notified, therefore whilst the actual numbers may be incorrect, the general trend is accurate.*

Table 7: No. Vacancies Unfilled by Occupation, March 2007

Occupation	Wiltshire	Swindon	Kennet	North Wilts	Salisbury	West Wilts
Managers and Senior Officials	88	113	8	27	23	30
Professional Occupations	82	83	2	65	8	7
Associate Professional and Technical Occupations	199	156	16	82	60	41
Administrative and Secretarial Occupations	167	68	20	40	53	54
Skilled Trades Occupation	649	122	441[3]	46	128	34
Personal Service Occupations	232	55	36	52	43	101
Sales and Customer Service occupations	297	374	47	84	102	64
Process, Plant and Machine Operatives	426	133	85	131	21	189
Elementary Occupations	1,224	316	832[3]	67	221	104
Total	**3,364**	**1,420**	**1,487**	**594**	**659**	**624**

Source: Jobcentre Plus Vacancies, NOMIS 2007
Changes to Jobcentre Plus vacancy handling procedures may lead to a reduction in the recorded stocks of unfilled vacancies but in due course these are expected to reflect more accurately job opportunities available via Jobcentre Plus

[3] *The total number of jobs notified in Wiltshire for elementary and skilled trade occupations maybe higher than expected. This is due to a large number of vacancies arising in a single ward in Kennet. WCC ER&I have investigated the cause of this large number of vacancies and were told: 'looking at our internal system shows that the hike in March inflows for this particular ward and occupation has translated into large vacancy outflows in April. This might suggest a recording error whereby incorrect vacancy figures have been input to LMS, and subsequently cancelled and thus recorded as outflows in April." However in previous releases of data elementary occupations and skilled trade occupations have had high levels of vacancies notified, therefore whilst the actual numbers may be incorrect, the general trend is accurate.*

PROPERTY

This section examines residential and commercial property prices. It also contains an overview of office, industrial and employment land availability in Wiltshire.

Commercial Property Review

Wiltshire

Office

During the period February 2006 - February 2007, the overall availability of office floor space within Wiltshire declined by 15.38% from a total of 702,447 sq ft to 594,399 sq ft; with the number of available units falling from 211 to 172. This trend was also reflected at District level, with Kennet seeing a notable 23.77% decline in office availability, Salisbury experiencing a 21.66% decline, North Wiltshire witnessing a 15.89% decline in the availability of office premises and West Wiltshire experiencing a more modest decline of 6.87%.

The significant decline in office premises availability seen in Kennet between February 2006 and February 2007 can be attributed primarily to the fact that 6 properties in excess of 1,000 sq ft left the market during the period (including Bourne Works in Collingbourne Ducis - 4,237 sq ft and St John House in Devizes - 3,071 sq ft), whilst only 2 such properties entered the market. By comparison, the notable decline in the availability of office floor space experienced in Salisbury is due to 10 smaller properties (under 1,000 sq ft) exiting the market and only 4 new ones under 1,000 sq ft becoming available, plus larger units at North Station Yard in Wilton (2,068 sq ft) and Norton Enterprise Park in Salisbury (2,422 sq ft) being taken up.

The decline in the availability of office premises witnessed in North Wiltshire during the February 2006 to February 2007 period, is largely attributable to the take up of significant amounts of floor space at Chorum in Chippenham (35,000 sq ft) and also Greenways Business Park in Chippenham (25,960 sq ft). The smaller decline seen in West Wiltshire is due to the take up of a number of units in excess of 3,000 sq ft each (including County Gate in Trowbridge - 14,736 sq ft, Atworth Business Park in Atworth - 12,400 sq ft, Bellefield House in Trowbridge - 6,652 sq ft and Parade House in Trowbridge - 4,349 sq ft) and few new properties entering the market.

Table 8: Office Availability in Wiltshire, February 2006 - February 2007

Area	February 2006 Sq Ft	February 2007 Sq Ft
North Wiltshire	313,504 sq ft (60)	263,674 sq ft (62)
Kennet	55,494 sq ft (32)	42,302 sq ft (19)
West Wiltshire	183,838 sq ft (53)	171,213 sq ft (47)
Salisbury	149,611 sq ft (66)	117,210 sq ft (44)
Wiltshire	702,447 sq ft (211 units)	594,399 sq ft (172 units)

Source: Evolutive, Wiltshire County Council, 2007

Industrial

Between February 2006 and February 2007, the number of industrial units available on the market within Wiltshire fell quite sharply by 30.26% from 304 to 212, with total available industrial floor space falling from 1,489,917 sq ft to 1,312,213 sq ft; a fall of 11.93%. The trend of declining industrial floor space was evident across three of the Districts in the

February 2006 - February 2007 period; West Wiltshire (35.08%), Kennet (17.75%), and Salisbury (11.35%), whilst in North Wiltshire there was a small increase in the availability of industrial premises (2.82%).

The considerable decline in available industrial floor space seen in West Wiltshire is principally attributable to the take-up of existing large premises over the period (26,237 sq ft of floor space at Bowerhill Industrial Estate in Melksham, 24,953 sq ft of floor space at The Midlands in Trowbridge, and 21,654 sq ft of floor space at Brook Lane Industrial Estate in Westbury) and a sharp decline in the total number of industrial units (71 in 2006, compared to 43 in 2007) with few new properties entering the market. By comparison, the availability of industrial premises in Kennet declined on account of a number of smaller units (under 1,000 sq ft) exiting the market (particularly at Hopton Park Industrial Estate in Devizes) and few new ones of this size becoming available, indeed in February 2006 there were 16 units with floor space of less than 1,000 sq ft available, compared to just 6 in February 2007.

The decline seen in the availability of industrial premises in Salisbury is largely due to the take up of large properties at Old Sarum Airfield (17,045 sq ft and 16,014 sq ft) and Sarum Business Park (10,566 sq ft). The slight rise in the availability of industrial floor space experienced in North Wiltshire can be attributed principally to 150,000 sq ft of industrial floor space becoming available at Colerne Industrial and Storage Park, near Chippenham.

Table 9: Industrial Availability in Wiltshire, February 2006 - February 2007

Area	February 2006 Sq Ft	February 2007 Sq Ft
North Wiltshire	605,419 sq ft (65)	622,491 sq ft (64)
Kennet	174,154sq ft (55)	143,244 sq ft (32)
West Wiltshire	350,812 sq ft (71)	227,754 sq ft (43)
Salisbury	359,532 sq ft (113)	318,724 sq ft (73)
Wiltshire	1,489,917 sq ft (304 units)	1,312,213 sq ft (212 units)

Source: Evolutive, Wiltshire County Council, 2007

Employment Land

In the period February 2006 to February 2007, employment land availability across Wiltshire fell sharply by 55.82% from 336.68 acres to 148.76 acres, with only 13 sites being available in 2007, compared to 22 in 2006. At District level, the picture was more mixed with employment land availability remaining static within Kennet District across the February 2006 to February 2007 period, declining by 60.25% in Salisbury, falling by 58.0% in West Wiltshire and rising by 44.47% in North Wiltshire.

The significant decrease in the availability of employment land witnessed in Salisbury is a result of the classification of 160 acres of land into different uses (i.e. office, industrial etc) on the Evolutive database (rather than the site being listed as ‘employment land’) and also the development of 9 acres of this land development for a ‘Roadside and Leisure’ zone. The large decline in employment land availability experienced in West Wiltshire between February 2006 and February 2007 is due to the take up and development of land at Hampton Park West in Melksham (8 acres), West Wilts Trading Estate in Westbury (6 acres), White Horse Business Park in Trowbridge (8.4 acres), Canal Road in Trowbridge (1.7 acres) and Northacre Industrial Park in Westbury (1.6 acres) and little new land entering the market.
The rise in employment land availability in North Wiltshire is essentially a result of 5.3 acres of land becoming available at Westinghouse Sports Ground in Chippenham, and little take up of employment land in this area across the period.

Table 10: Employment Land Availability in Wiltshire, February 2006 - February 2007

Area	February 2006 Acres	February 2007 Acres
North Wiltshire	11.92 (4 sites)	17.22 (4 sites)
Kennet	2.5 (1 site)	2.5 (1 site)
West Wiltshire	41.76 (10 sites)	17.54 (6 sites)
Salisbury	280.5 (7 sites)	111.5 (2 sites)
Wiltshire	336.68 (22 sites)	148.76 (13 sites)

Source: Evolutive, Wiltshire County Council, 2007

Average Commercial Rents

During the period Winter 2006 to Winter 2007, average commercial rents for office premises increased quite significantly in Devizes, rising by 18.30% from £6.23 per sq ft to £7.37 per sq ft. This was on account of the fact that 10 properties with lower rents (under £6.10 per sq ft, one of which was £3.30 per sq ft) left the market during this time, and a new property at Couch Lane with a rent value of £12.04 per sq ft became available.

In each of the other three Districts, average commercial rents for office premises fell during the Winter 2006 to Winter 2007 period; falling by 11.55% in Trowbridge (from £10.56 to £9.34 per sq ft), by 9.42% in Salisbury (from £10.19 to £9.23 per sq ft) and by just 0.21% in Chippenham (from £9.46 to £9.44 per sq ft). The significant decline in average commercial rents for office premises in Trowbridge during this time is due to a decrease in the number of properties on the market with rents in excess of £10.00 per sq ft (there were 6 such properties in 2006 compared to just 4 in 2007) and an increase in the number of properties with rents under £10.00 per sq ft (rising from 7 in 2006, to 10 in 2007).

The fall in average commercial rents for office premises in Salisbury can be attributed to the fact that there was a notable decline in the number of available properties with rents in excess of £10 per sq ft over the period (falling from 14 in 2006 to 6 in 2007).

With regard to average commercial rents for industrial premises across the period Winter 2006 to Winter 2007, Chippenham and Trowbridge both saw declines, whilst Salisbury and Devizes experienced an increase. Average commercial industrial rents fell by 4.91% in Chippenham (from £5.09 per sq ft to £4.84 per sq ft) and by 11.39% in Trowbridge (from £4.04 per sq ft to £3.58 per sq ft). The decline in average rents seen in Chippenham is attributable to the fact that in Winter 2006 there were 5 properties available on the market with rents in excess of £6 per sq ft (one of which had a rent price of £9.60 per sq ft) compared to just 3 in Winter 2007. Similarly, the fall in average commercial rents for industrial premises in Trowbridge across this period is primarily due to the take up of 3 properties with rents in excess of £6 per sq ft over the period and no similarly priced properties entering the market, with all properties available in Winter 2007 having rents of less than £6 per sq ft.

During the period Winter 2006 to Winter 2007, Devizes witnessed a 1.78 % increase in average commercial rents for industrial premises (from £5.61 to £5.71 per sq ft), whilst Salisbury saw a more moderate increase of 0.75% (from £6.67 to £6.72 per sq ft). The increase in average commercial rents for industrial premises seen in Devizes is due to a decrease in the number of properties with rents of less than £6 per sq ft; in Winter 2006 there were 12 such properties compared to just 4 in Winter 2007. Similarly, the increase seen in Salisbury is due to there being just 10 properties on the market with rents of less than £6 per sq ft in Winter 2007 compared to 15 such properties in Winter 2006.

Table 11: Average Commercial Rents, Winter 2006 - Winter 2007 (£ per sq. ft per annum)

Area	Dec/Jan/Feb 2006		Dec/Jan/Feb 2007	
	Office	**Industrial**	**Office**	**Industrial**
Chippenham	9.46 (24)	5.09 (14)	9.44 (15)	4.84 (13)
Devizes	6.23 (19)	5.61 (32)	7.37 (7)	5.71 (13)
Salisbury	10.56 (13)	4.04 (11)	9.34 (13)	3.58 (9)
Trowbridge	10.19 (32)	6.67 (61)	9.23 (21)	6.72 (32)

Source: Evolutive, Wiltshire County Council, 2007

Residential Property

The Land Registry deals with the sale of all properties in England and Wales. It holds the most comprehensive information published on residential property transactions and prices. The data in table 12 shows the average house price in England & Wales for the quarter October to December 2006 to be £207,572. The average house price for Wiltshire, at £229,353 was higher than both the national and regional averages. Kennet was the district which recorded the highest house price for the quarter at £267,018 followed by Salisbury (£251,184) North Wiltshire, (£227,178) and West Wiltshire (£196,555).

There has been an overall decrease in house prices within England & Wales since the last reported quarter. Wiltshire fell in line with this trend with house prices falling by 4.2% compared to the previous quarter. House prices fell in all four districts; the largest decrease in prices was seen in Kennet, where prices fell by 9%. However it is important to note that these averages may be masking the nuances in the data. For example, in Kennet whilst overall house prices fell be 9%, the price of terraces and flats/maisonettes rose (1.1% and 4.4% respectively). It is also the case that the level of housing sales tends to fluctuate throughout the year, with sales invariably being lower in some quarters than others. The highest numbers of sales are generally completed within the April to June or July to September quarter. Within each category of property and for total sales at both county and district level, irregularities in the recorded house prices can be seen. This suggests that the sample size is sometimes too small to accurately represent the actual trend.

The average house price in England & Wales was 8.3% higher in the period October to December 2006 than it was in the same period a year earlier (i.e. October to December 2005). Wiltshire's house prices were 7.3% higher than in the same period a year earlier. North Wiltshire experienced the largest increase in prices since the same quarter a year earlier at 9.4%, above the national average. Kennet's house prices grew by 7.7%, whilst West Wiltshire experienced a 6.9% growth in prices. Salisbury was the slowest performing district with average house prices increasing 5.0% since the same quarter a year earlier.

Table 12: Average house price

Area	Oct-Dec 2005 (£)	Jan-March 2006 (£)	April-June 2006 (£)	July-Sept 2006 (£)	Oct-Dec 2006 (£)
England & Wales	191,722	192,981	199,839	211,521	207,572
South West	199,423	198,844	204,906	216,579	216,999
Wiltshire	213,823	210,488	219,440	239,479	229,353
Swindon	160,225	156,787	161,161	167,903	170,839
North Wiltshire	207,564	203,627	218,541	233,777	227,178
Kennet	248,042	244,326	252,286	293,400	267,018
West Wiltshire	183,869	180,961	187,519	203,086	196,555
Salisbury	239,312	233,816	246,119	258,560	251,184

Source: Residential Property Price Data, Land Registry 2007

SMALL BUSINESS START-UPS

This section contains small business start up data that is collected and analysed by the Barclays Bank SME Market Research Team.

The 2006 data from Barclays Bank shows the start up rate (per 10,000 population) for Wiltshire to be nearly 91%. This compares favourably to England & Wales (81%), and the South West (86%). Wiltshire experienced an increase in start ups between 2005 and 2006, in line with the regional and national trend. However, whilst England & Wales experienced a 12.3% growth in start ups and the South West starts up grew by 8.2%, Wiltshire's increase was lower at 2.5%.

Table 13: Small business start-ups, 2005 and 2006.

	2005		2006			
	Start ups (000's)	**Rate per 10,000 population**	**Start ups (000's)**	**Rate per 10,000 population**	**Change 2005-2006 (000's)**	**Change 2005-2006 (%)**
England & Wales	387.6	72.6	435.3	81.1	47.7	12.3
South West	40.4	79.8	43.7	85.7	3.3	8.2
Bath and North East Somerset	1.1	63.7	1.3	75.0	0.2	18.2
Bournemouth	1.9	115.3	2.0	120.9	0.1	5.3
Bristol, City of	3.6	91.7	3.9	99.1	0.3	8.3
Cornwall and Isles of Scilly	4.1	78.5	4.8	91.0	0.7	17.1
Devon	6.1	83.9	6.5	88.7	0.4	6.6
Dorset	2.5	61.8	3.2	78.6	0.7	28.0
Gloucestershire	4.3	74.8	4.8	83.1	0.5	11.6
North Somerset	1.5	77.0	1.6	81.4	0.1	6.7
Plymouth	1.2	49.6	1.2	49.6	0.0	0.0
Poole	1.1	80.0	1.1	79.9	0.0	0.0
Somerset	4.7	91.1	4.6	88.4	-0.1	-2.1
South Gloucestershire	1.6	63.8	1.7	67.2	0.1	6.2
Swindon	1.5	81.9	1.6	86.8	0.1	6.7
Torbay	1.2	89.7	1.3	96.3	0.1	8.3
Wiltshire	4.0	89.3	4.1	90.9	0.1	2.5

Source: Barclays Bank SME Market Research Team, 2007

JOB LOSSES AND GAINS

Table 14: Job Losses

Company	Location	Activity	Date Reported	No. of Jobs Losses	Comment
Hetherington Seeling	Swindon	Theatre Firm	16/01/07	-13	Theatre staff made redundant after theatre closed for repairs.
Somerfield	Warminster	Food Retail	09/02/07	-25	Store closing in Warminster
Clares Retail Equipment	Swindon	Trolley Manufacturer	07/03/07	-85	Manufacture of supermarket trolleys, in administration and shedding jobs. Up to 153 more jobs at risk
Motorola	Swindon	Mobile Communications	30/01/07	-90	Motorola shedding jobs nationwide, about 90 to go in Swindon.
Wiltshire PCT	Wiltshire	Health Care	01/02/07	-99	Hospitals due to close, up to 99 redundancies, details not confirmed
Wiltshire County Council	Trowbridge	In-House provision of care	23/10/06	-151	WCC moving to independent care
Her Majesty's Revenue and Customs	Swindon	Tax office	28/11/06	-200	Swindon tax office to close by 2010

Source: Extracted from the local press. This is not an exhaustive list of all job gains in Wiltshire & Swindon reported in the last few months.

Table 15: Job Gains

Company	Location	Activity	Date Reported	No. of Jobs Gained	Comment
ASDA	Chippenham	Food retail	23/03/07	500	Proposed new store in Chippenham to create up to 500 jobs
B & Q	Swindon	DIY Firm	15/02/07	150	New store at Barnfield Road, transferring staff from old store and creating up to 150 new full and part time jobs
Aldi	Westbury	Supermarket	01/03/07	15	New Supermarket creating 12-15 jobs, subject to planning permission
Mackays	Warminster	Retail	09/03/07	12	Expansion of store creating 7-12 jobs
The Packaging People	Westbury	Packaging material supplier.	01/12/06	10	Bristol Firm expanding to Westbury, 10 people over two sites
Optical Disc Services	Swindon	DVD supplier	15/12/06	0	Moving to spectrum building and doubling staff.

Source: Extracted from the local press. This is not an exhaustive list of all job gains in Wiltshire & Swindon reported in the last few months.

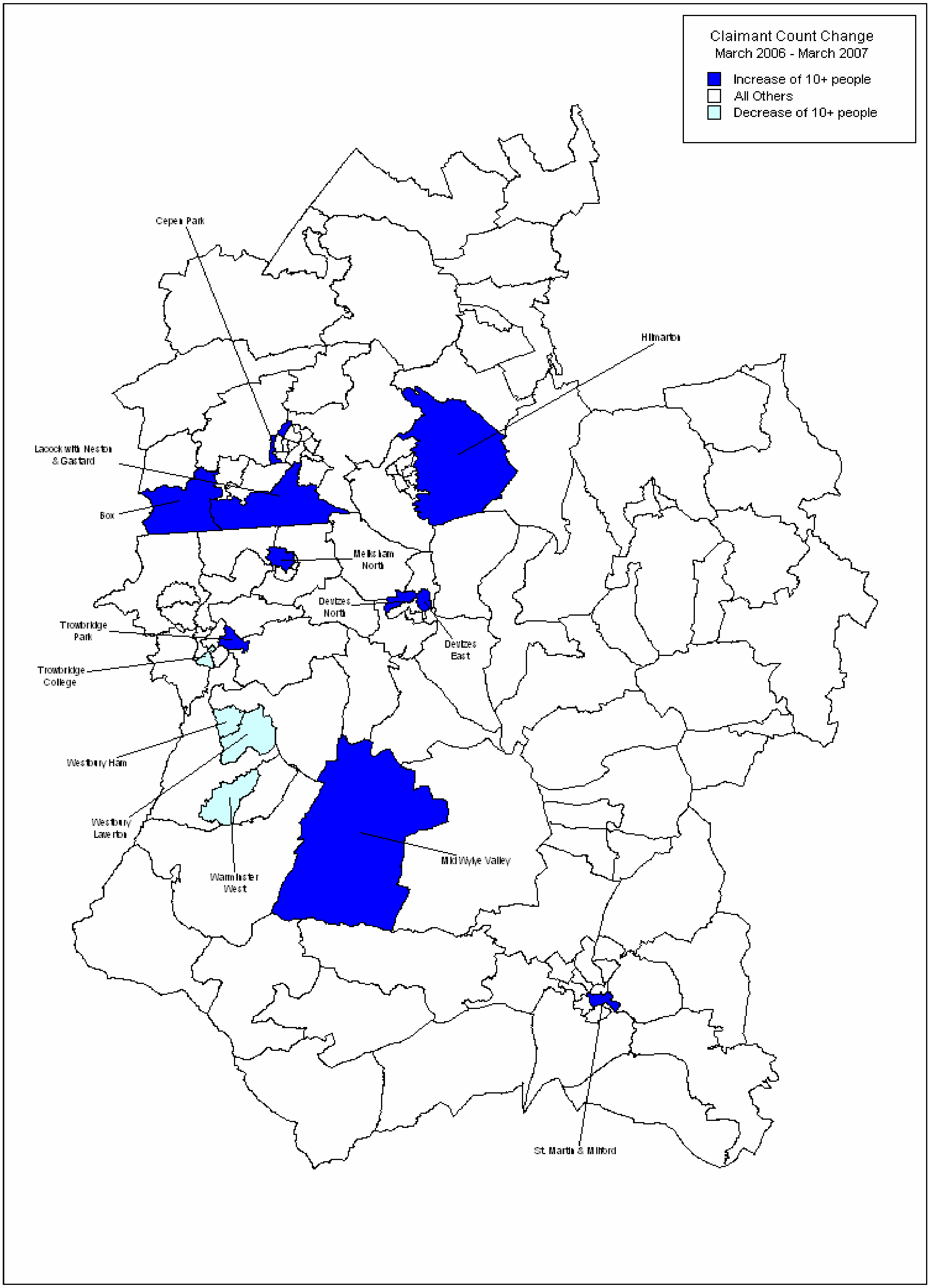
SUMMARY – KEY ECONOMIC INDICATORS

	Population Growth % 2001 -2005	GVA Per Head 2004 (£)	GVA Growth (%) per annum 1995-2004	Economic Activity Rate (%)	Employment Rate (%)	Claimant Count Rate (%)	Change in Employment (%) 2004-2005	Average Price (£) of Residential Property Oct – Dec 2006
Great Britain *	1.97	17,532	5.3	78.4	74.2	2.6	1.67	207,572
South West	-	16,141	5.5	80.7	77.7	1.7	0.78	216,999
Wiltshire	3.57	15,425	4.3	84.7	82.4	1.1	0.64	229,353
Swindon	-	26,795	5.8	83.7	79.0	2.2	1.38	170,839
Kennet	3.83	-	-	83.6	81.4	0.9	4.03	267,018
North Wiltshire	3.17	-	-	86.3	83.6	1.1	2.62	227,178
Salisbury	1.75	-	-	80.4	79.1	0.9	-0.67	251,184
West Wiltshire	5.60	-	-	87.6	84.8	1.3	-1.45	196,555

Source: NOMIS, ONS, Land Registry, 2007

** England (Not Great Britain) is the national geographical area for residential property and GVA statistics.*

APPENDIX 1: ANNUAL UNEMPLOYMENT CHANGE



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