Wiltshire and Swindon Economic Partnership

Quarterly Economic Review
January 2007

Prepared by

The Economic Intelligence Unit

Wiltshire County Council

For

Wiltshire Economic Partnership Swindon

Wiltshire
COUNTY COUNCIL

QUARTERLY ECONOMIC REVIEW
JANUARY 2007

Welcome to the seventh edition of Wiltshire & Swindon's Quarterly Economic Review (QER) for January 2007, produced by the Economic Intelligence Unit, Wiltshire County Council. It forms part of a series of reviews that are intended to provide information on Wiltshire & Swindon's 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/borough; 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 partners, as soon as possible. Detailed analysis is usually reserved for the annual Economic Assessment.

Items in the January 2007 issue include:

Quarterly Indicators

- National economic update
- Unemployment
- Economic Activity
- Unemployment
- Job Vacancies
- Property Market
- Job losses & gains

Annual Indicators

- Housing Affordability- Joseph Rowntree Foundation

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

All previous Economic Assessments and Quarterly Economic Reviews are available on 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 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 Governments target measure of inflation (Consumer Prices Index Inflation) increased to 3% in December 2006, up from 2.7% in November and the highest on record. Prices of fuels and lubricants had the largest upward effect on the CPI annual rate as well as furniture and household goods. The largest downward contributions came from changes in the price of vegetables, clothing and footwear. The UK inflation rate is above the average inflation rate for the European Union at 2.7%, compared to the EU 25 rate of 2.1% in November 2006.

- Output price (what manufacturers sell) inflation for all manufactured products rose to 2.2%. Input price inflation fell from 3.5% in November to 2.0% in December 2006.

- In the three months, October to December 2006, the volume of retail sales was 1.4% higher than in the previous three months. The unadjusted value of the retail sales in the October to December period was 4.1% higher than in the same period a year earlier.

- GDP (Gross Domestic Product) rose by 0.8% in the fourth quarter of 2006, following similar growth to previous quarters. The main contribution to the growth came from services, which rose by 1% compared with 0.8% in the previous quarter. Distribution, hotel and restaurants increased by 1.8% compared with 0.2% in the previous quarter, the main growth was due to wholesaling and retail.

- The employment rate was 74.6% of working age people for the three months ending in November 2006, down 0.1% over the quarter but unchanged over the year. Unemployment was 5.5%, down 0.1% over the quarter but an increase of 0.4% over the year. Numbers of people claiming job seekers allowance followed a similar pattern with fewer claimants than the previous month but an increase of claimants over the year.

- Manufacturing output increased by 0.1% in the three months to November 2006 compared with the quarter leading to August 2006. Service output rose by 1%, all five components of the service increased output, most significant growth was seen in business services and finance.

[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 Annual Population Survey's (APS) April 2005 to March 2006 figures show that with 82.4% and 78.7% respectively, Wiltshire and Swindon continue to have a higher rate of employment of the working age population than the regional and national average (Table 1). Kennet was the district which had the highest employment rate (84.3%), followed by West Wiltshire (83.4%), North Wiltshire (82.9%) and Salisbury (79.5%). West Wiltshire experienced the largest increase (3.6 percentage points) in employment rate when compared with the same period ending a year earlier (i.e. April 2004-March 2005 compared to April 2005-March 2006). Salisbury was the only district to experience a decline in employment rate over this period.

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
Great Britain	74.5	74.6	74.5	74.3
South West	77.9	77.6	77.8	77.6
Wilts & Swindon	80.4	79.5	80.0	81.3
Swindon	80.1	80.5	80.0	78.7
Wiltshire	80.5	79.0	80.0	82.4
Kennet	81.2	79.4	79.3	84.3
North Wiltshire	79.9	77.8	80.7	82.9
Salisbury	81.6	78.2	78.3	79.5
West Wiltshire	79.8	80.8	81.4	83.4

Source: Annual Population Survey~, 2007*

An error has been discovered in the APS data for April 2004 to March 2005. Some records for respondents in Wales, and Scotland and Northern Ireland, referring to January and February 2005, have been omitted from the database. ONS have advised it should not be used. Estimates for England and areas within England are unaffected.

*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 Annual Population Survey's (APS) April 2005 to March 2006 economic activity rate of the working age population. Wiltshire (84.3%) and Swindon's (83.2%) economic activity rates continue to remain above both the regional (80.4%) and national (78.3%) average. West Wiltshire had the highest rate of all four districts in the period ending March 2006 (85.8%). West Wiltshire, Kennet and North Wiltshire experienced increases in activity rate in the period ending March 2006 compared to the same period ending a year earlier, March 2005. Salisbury was the only district to suffer a decline in activity rate in every period, experiencing a decrease of 4.1 percentage points to 80.4% in the period ending March 2006, compared with the same period ending a year earlier, March 2005.

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
Great Britain	78.3	78.4	78.4	78.3
South West	80.8	80.4	80.6	80.4
Wilts & Swindon	83.1	82.4	83.0	83.9
Swindon	83.6	84.2	84.0	83.2
Wiltshire	82.8	81.7	82.5	84.3
Kennet	84.0	81.9	81.5	85.7
North Wiltshire	82.7	81.1	83.4	85.3
Salisbury	84.5	81.0	80.8	80.4
West Wiltshire	80.7	82.7	83.8	85.8

Source: Annual Population Survey~, NOMIS 2007*
An error has been discovered in the APS data for April 2004 to March 2005. Some records for respondents in Wales, and Scotland and Northern Ireland, referring to January and February 2005, have been omitted from the database. ONS have advised it should not be used. Estimates for England and areas within England are unaffected.
*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 that Wiltshire and Swindon had a lower proportion of people who are economically inactive and want a job than the South West (25.2%) and Great Britain (24.7%). Wiltshire had 19.7% of economically active people who want a job, which is approximately 8,200 people. Swindon had 23.3% of people who were inactive but wanted a job this equates to approximately 4,500 people. Kennet had the highest percentage of inactive people who want a job, 21.0% (1,300), followed by Salisbury, 20.5% (2,700), West Wiltshire, 19.1% (2,000), and North Wiltshire, 18.6% (2,200). These inactive people who would like to work together with the unemployed represent a potentially underutilised source of labour.

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

	Great Britain	South West	Swindon	Wiltshire	Kennet	North Wiltshire	Salisbury	West Wiltshire
Want a job	24.7	25.2	23.3	19.7	21.0	18.6	20.5	19.1
Do not want a job	75.3	74.8	76.7	80.3	79.0	81.4	79.5	80.9

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. Table 4 reveals that in December 2006 Swindon (2%) had a higher Claimant Count rate than Wiltshire (1%) and although it was just under the national rate (2.5%) it was above the regional claim rate (1.6%). In the 12 months leading up to December 2006, the number of people claiming JSA (and rates) increased in Wiltshire and Swindon, in line with regional and national trends. West Wiltshire had the highest claimant count rate (1.2%) in December 2006, followed by North Wiltshire (1%) whilst Kennet and Salisbury both had claim rates of 0.8%. North Wiltshire and Salisbury experienced an increase in their claimant rates compared with the same period a year earlier, in line with regional and national trends. Kennet and West Wiltshire districts experience no increase in claimant rate when compared to the same period a year earlier.

Table 4: Claimant Count, working age population

Area	December 2005		September 2006		October 2006		November 2006		December 2006	
	No	*Rate*	*No*	*Rate*	*No*	*Rate*	*No*	*Rate*	*No*	*Rate*
Great Britain	865,512	2.4	924,489	2.5	906,328	2.5	895,833	2.5	897,758	2.5
South West	43,326	1.4	48,636	1.6	47,657	1.6	47,381	1.6	47,991	1.6
Wiltshire & Swindon	4,490	1.2	5,527	1.4	5,345	1.4	4,891	1.3	4,909	1.3
Swindon	2,142	1.8	2,713	2.3	2,585	2.2	2,325	2.0	2,321	2.0
Wiltshire	2,348	0.9	2,814	1.0	2,760	1.0	2,566	1.0	2,588	1.0
Kennet	372	0.8	400	0.9	402	0.9	369	0.8	386	0.8
North Wilts	656	0.8	881	1.1	834	1.1	765	1.0	794	1.0
Salisbury	466	0.7	597	0.9	601	0.9	556	0.8	555	0.8
West Wilts	854	1.2	936	1.3	923	1.3	876	1.2	853	1.2

Source: Claimant Count, NOMIS, 2007

The figures in Table 5 are based on the International Labour Organisation (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.

The unemployment rate for Wiltshire (2.2%) remains below the national (5.1%) and regional (3.5%) rates during the period April 2005 to March 2006. Swindon’s unemployment rate is above both regional and national rates, at 5.4% and represents around 5,200 people. Wiltshire experienced a fall in unemployment rate in the period ending March 2006 compared with the period ending March 2005, whilst Swindon’s rate is 0.8 percentage points higher in the period April 2005 to March 2006 than it was in the same period ending a year earlier. North Wiltshire has the highest unemployment rate April 2005 to March 2006 (2.9%) but remained below regional and national averages. West Wiltshire experienced an increase in unemployment rate compared to the period ending March 2005, rising to 2.8%.

Table 5: Unemployment (%) working age population*

Area	Apr 2004-Mar 2005		Oct 2004-Sep 2005		Jan 2005-Dec 2005		Apr 2005-Mar 2006	
	No	*Rate*	*No*	*Rate*	*No*	*Rate*	*No*	*Rate*
Great Britain	1,321,000	4.8	1,341,800	4.8	1,381,100	5.0	1,425,500	5.1
South West	84,900	3.6	82,700	3.5	83,500	3.5	83,400	3.5
Wilts & Swindon	10,200	3.2	11,200	3.6	11,300	3.6	10,100	3.2
Swindon	4,100	4.2	4,200	4.3	4,700	4.8	5,200	5.4
Wiltshire	6,100	2.8	7,000	3.3	6,600	3.0	4,900	2.2
Kennet	1,300	3.4	1,100	3.1	1,000	2.7	#	#
North Wiltshire	2,200	3.4	2,500	4.0	2,100	3.2	1,900	2.9
Salisbury	2,000	3.4	1,900	3.5	1,700	3.1	#	#
West Wiltshire	700	1.1	1,400	2.4	1,800	2.9	1,700	2.8

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 1/3rd and 1/2.

Table 6 contains a count of vacancies notified to employment job centres in December 2006. In December 2006, 1,835 Wiltshire vacancies were notified to Jobcentre Plus. The largest requirement (439) was for elementary occupations. Other occupations with relatively high levels of labour demand were: skilled trade occupations (293), process, plant and machine operatives (236), sales and customer service occupations (228), administrative and secretarial occupations (213), associate professional and technical occupations (169), and personal service occupation (137). The largest requirement in North Wiltshire and Salisbury was for elementary occupations (138 and 118 vacancies respectively). The largest requirement in Kennet (83) was for skilled trade occupations whilst in West Wiltshire it was for process, plant and machine operatives (128).

In December 2006, 1,567 Swindon vacancies were notified to Jobcentre Plus. The largest requirement was for elementary occupations (445) and process, plant machine operatives (276). Sales and customer service occupations (205), skilled trade occupations (198), associate professional and technical occupations (135) and professional occupations (102) also had demand for labour.

Table 6: Labour Demand – No. Vacancies Notified by Occupation, December 2006

Occupation	Wiltshire	Swindon	Kennet	North Wilts	Salisbury	West Wilts
Managers and Senior Officials	81	60	15	16	22	28
Professional Occupations	39	102	4	9	13	13
Associate Professional and Technical Occupations	169	135	13	71	41	44
Administrative and Secretarial Occupations	213	99	36	55	54	68
Skilled Trades Occupation	293	198	83	66	95	49
Personal Service Occupations	137	47	16	39	36	46
Sales and Customer Service occupations	228	205	28	58	103	39
Process, Plant and Machine Operatives	236	276	32	55	21	128
Elementary Occupations	439	445	57	138	118	126
Total	**1,835**	**1,567**	**284**	**507**	**503**	**541**

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 December 2006. Wiltshire had 1,991 unfilled vacancies. The vacancies that were most difficult to fill were: elementary occupations (361), sales and customer service occupations (335), skilled trade occupations (289), process, plant and machine operatives (283), personal service occupations (265), associate professional and technical occupations (148) and administrative and secretarial occupations (143).

The total number of unfilled vacancies in Swindon was 1,704 in December 2006. The jobs the Jobcentre Plus had most difficultly filling included: elementary occupations (649), process, plant and machine operatives (290), skilled trade occupations (179), sales and customer service occupations (172) and associate professional and technical occupations (123).

Table 7: No. Vacancies Unfilled by Occupation, December 2006

Occupation	Wiltshire	Swindon	Kennet	North Wilts	Salisbury	West Wilts
Managers and Senior Officials	77	67	15	12	22	28
Professional Occupations	90	115	4	63	12	11
Associate Professional and Technical Occupations	148	123	10	49	51	38
Administrative and Secretarial Occupations	143	49	20	39	42	42
Skilled Trades Occupation	289	179	86	65	70	68
Personal Service Occupations	265	60	49	60	54	102
Sales and Customer Service occupations	335	172	23	33	106	173
Process, Plant and Machine Operatives	283	290	41	70	16	156
Elementary Occupations	361	649	84	95	88	94
Total	**1,991**	**1,704**	**332**	**486**	**461**	**712**

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

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 data for Swindon is not available for this edition of the Wiltshire and Swindon Quarterly Economic Review.

Commercial Property Review

Wiltshire

Office

During the period November 2005 – November 2006, the overall availability of office floor space within Wiltshire declined by 10.69% from a total of 872,423 sq ft to 779,127sq ft; with the number of available units falling from 205 to 171. At District level the picture was more mixed with North Wiltshire and Kennet seeing significant declines in the availability of office premises in line with the County level trend, and Salisbury and West Wiltshire districts both experiencing notable increases.

The decline in office premises availability in North Wiltshire was particularly large at 30.10% and can be attributed to the take up of large units at Chorum in Chippenham (35,000 sq ft), Methuen South in Chippenham (10,365 sq ft and 6,254 sq ft) and Bewley House in Chippenham (8,670 sq ft), coupled with few new properties entering the market. Similarly, the 26.41% decline witnessed in Kennet district is due to the take up of units at Bath Road Business Park in Devizes (9,940 sq ft), Warren Farm in Marlborough (6,435 sq ft) and Barset Business Centre in Pewsey (4,017 sq ft) and the majority of the new properties entering the market being under 1,000 sq ft each.

In contrast, the 12.27% rise in the availability of office premises seen in West Wiltshire across the November 2005 to November 2006 period is due to the entrance of several large properties onto the market (White Horse Business Park in Trowbridge -19,460 sq ft, Kingston Road in Bradford-on-Avon -7,780 sq ft, Hilperton Road, Trowbridge -6,652 sq ft, and Frome Road in Bradford on Avon 3,474 sq ft) as well as 11 properties with between 1,000 and 2,000 sq ft of floor space becoming available, and a limited number of office properties exiting the market. Whilst Salisbury district actually experienced a decline in the number of available office premises (falling from 64 to 47) between November 2005 and November 2006, available office floor space rose by 6.33% and this was accounted for chiefly by a further 75,000 sq ft of floor space becoming available at Station Works in Tisbury.

Table 8: Office Availability in Wiltshire, November 2005 – November 2006

Area	November 2005 Sq Ft	November 2006 Sq Ft
North Wiltshire	381,271 sq ft (77)	266,495sq ft (54)
Kennet	65,555 sq ft (22)	48,244 sq ft (23)
West Wiltshire	199,761sq ft (42)	224,263sq ft (47)
Salisbury	225,836 sq ft (64)	240,125 sq ft (47)
Wiltshire	872,423 sq ft (205 units)	779,127 sq ft (171 units)

Source: Evolutive, Wiltshire County Council, 2007

Industrial

Between November 2005 and November 2006, the number of industrial units available on the market within Wiltshire fell by 30.63% from 271 to 188, with total available industrial floor space falling from 1,621,783.2 sq ft to 1,152,685.2 sq ft; a fall of 28.93%. This trend was also evident to varying degrees across each of the Wiltshire districts, with West Wiltshire experiencing a dramatic 55.81% decline in the availability of industrial floor space, Kennet a 35.32% decline, North Wiltshire a 22.07% decline and Salisbury a 13.96% decline.

The massive decline in available industrial floor space seen in West Wiltshire is principally attributable to the take-up of existing large premises over the period (83, 173 sq ft of floor space at Bowerhill Industrial Estate in Melksham and 28,3000 sq ft of floor space at Shires House in Trowbridge) and few new properties becoming available. In Kennet the availability of industrial premises declined on account of 76,138 sq ft of floor space being taken up at Roundway Industrial Estate in Devizes and a 9,940 sq ft unit at Bath Road Business Park becoming occupied, with little in the way of new premises entering the market.

Similarly, the decline seen in North Wiltshire was due to the take up of 44,000 sq ft of industrial premises at Langley Park in Chippenham and the occupation of a number of smaller units offering between 1,000 and 2,000 sq ft of floor space. The decrease in industrial unit availability in Salisbury is primarily the product of substantial take up of units over the period (Churchfields Industrial Estate: 42,545 sq ft of floor space, Downton Business Centre: 21,639 sq ft of floor space, Old Sarum Airfield: 33,059 sq ft of floor space, plus a number of units comprising less than 1,000 sq ft each) and little new property becoming available.

Table 9:Industrial Availability in Wiltshire, November 2005 – November 2006

Area	November 2005 Sq Ft	November 2006 Sq Ft
North Wiltshire	383,183 sq ft (55)	298,601.8 sq ft (43)
Kennet	254,615 sq ft (43)	164,681 sq ft (42)
West Wiltshire	375, 720.2 sq ft (65)	166,048.4 sq ft (41)
Salisbury	608,265 sq ft (108)	523,354 sq ft (62)
Wiltshire	1,621,783.2 sq ft (271 units)	1,152,685.2sq ft (188 units)

Source: Evolutive, Wiltshire County Council, 2007

Employment Land

In the period November 2005 to November 2006, employment land availability across Wiltshire fell by 23.55% from 185.6 acres to 141.9 acres. This trend is chiefly accounted for by sharp declines in the availability of employment land within West Wiltshire (60.69%) and North Wiltshire (45.66%), and to a lesser extent a 7.47% decline in Salisbury. Employment land availability within Kennet in contrast remained static across this period. The significant decrease in the availability of employment land witnessed in West Wiltshire is a result of the take up of land at Hampton Business Park in Melksham (8 acres), West Wilts Trading Estate in Westbury (6 acres), White Horse Business Park in Trowbridge (8.4 acres) and only 0.4 acres of new land becoming available across the same period. Similarly, the decline in employment land availability in North Wiltshire is a result of the take up of 10 acres of land at Pheasant Business Park, Chippenham and no new land entering the market, whilst the decrease seen in Salisbury is due to 9 acres of land at Solstice Park being taken up and no new land becoming available.

Table 10: Employment Land Availability in Wiltshire, November 2005 – November 2006

Area	November 2005 Acres	November 2006 Acres
North Wiltshire	21.9 (4 sites)	11.9 (3 sites)
Kennet	2.5 (1 site)	2.5 (1 site)
West Wiltshire	40.7 (10 sites)	16 (5 sites)
Salisbury	120.5 (6 sites)	111.5 (5 sites)
Wiltshire	185.6 (21 sites)	141.9 (14 sites)

Source: Evolutive, Wiltshire County Council, 2007

Average Commercial Rents

During the period Autumn 2005 to Autumn 2006, average commercial rents for office premises increased slightly in both Devizes and Salisbury, rising by 2.66% in Devizes from £6.77 per sq ft to £6.95 per sq ft and by 2.47% in Salisbury from £9.72 per sq ft to £9.96 per sq ft. In Chippenham average commercial rents for office premises remained quite stable, falling by just 0.42% from £9.53 per sq ft to £9.49 per sq ft across the Autumn 2005 to Autumn 2006 period, whilst Trowbridge by comparison saw a significant decline in average commercial office rents; falling by 21.77% from £11.44 per sq ft to £8.95 per sq ft. This decline can be attributed to a decline in the number of properties on the market with rents in excess of £10 per sq ft. In Autumn 2005 there were 5 such office properties available in Trowbridge with rents in excess of £10 per sq ft, compared to only 3 in Autumn 2006. Indeed, one of the units at Silver Street in Trowbridge which was taken up between Autumn 2005 and Autumn 2006 had a rent of over £30 per sq ft.

With regard to average commercial rents for industrial premises across the period Autumn 2005 to Autumn 2006, Chippenham, Salisbury and Trowbridge all saw declines; only Devizes witnessed an increase. Average commercial industrial rents fell by 4.23% in Chippenham (from £5.91 per sq ft to £5.66 per sq ft), by 7.45% in Salisbury (from £6.71 per sq ft to £6.21 per sq ft) and by 6.64% in Trowbridge (from £4.37 per sq ft to £4.08 per sq ft). The decrease in Salisbury is a product of the fact that in Autumn 2005 there were 44 properties available with rents in excess of £6 per sq ft, compared to only 18 in Autumn 2006. Similarly the decrease in Trowbridge can be attributed to the take up of 3 properties with rents of £6 or more per sq ft and only properties with lower rents entering the market. In contrast, average commercial rents for industrial premises increased by 6.13% in Devizes across the same period; rising from £5.38 per sq ft to £5.71 per sq ft. This is the product of there being 10 properties with rents in excess of £6 per sq ft available in Autumn 2006, compared to only 5 in Autumn 2005.

Table 11: Average Commercial Rents, Autumn 2005 – Autumn 2006 (£ per sq. ft per annum)

Area	Sept/Oct/Nov 2005		Sept/Oct/Nov 2006	
	Office	Industrial	Office	Industrial
Chippenham	9.53	5.91	9.53	5.91
Devizes	6.77	5.38	6.77	5.38
Salisbury	9.72	6.71	9.72	6.71
Trowbridge	11.44	4.37	11.44	4.37

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 for the quarter July to September 2006 for England & Wales to be £211,452. In Swindon the average house price for this quarter was put at £166,652 which is significantly lower than the regional and national averages. Wiltshire (£240,650) however recorded an average house price higher than both the regional and national averages. Kennet was the district which recorded the highest house price this quarter (£302,685), followed by Salisbury (£261,016), North Wiltshire (£231,148) and West Wiltshire (£201,532).

There has been an overall increase in house prices in Wiltshire, Swindon and all of the Wiltshire districts since the last reported quarter, in line with regional and national trends. Average house prices in Wiltshire and Swindon were 9.5% and 3.4% higher than in the previous recorded quarter. Kennet experienced the greatest increase in house price with an increase of 19.2%; this may have been a result of a few large expensive houses being sold with in the period, April to June 2006. House prices in West Wiltshire grew by 7.3% since the last period, while Salisbury and North Wiltshire experienced growth of 6.1% and 5.4% respectively.

The average house price in July to September 2006 for England and Wales was 8.6% higher than in the same quarter a year earlier. Wiltshire's average house price was 9.6% higher than in the quarter a year previous, however average house prices in Swindon failed to match the national average house price increase with an average house price change of 6%. Kennet was the district that experienced the largest increase in house price since the same quarter a year earlier, at 14.9% it was above the national average. North Wiltshire experienced a 9% increase and West Wiltshire saw average house prices increasing by 7.5%. Performance in Salisbury was less impressive than in previous quarters, with average house prices increasing by 5.8% since the same quarter a year earlier.

Table 12: Average house price

Area	July-Sept 2005 (£)	Oct-Dec 2005 (£)	Jan-March 2006 (£)	April-June 2006 (£)	July-Sept 2006 (£)
England & Wales	194,656	191, 722	192,956	200,046	211,452
South West	201,823	199,423	198,940	205,106	217,222
Swindon	157,148	160,225	157,034	161,221	166,652
Wiltshire	219,502	213,823	210,161	219,813	240,650
North Wiltshire	211,989	207,564	203,363	219,286	231,148
Kennet	263,387	248,042	245,732	253,944	302,685
West Wiltshire	187,420	183,869	181,041	187,746	201,532
Salisbury	246,792	239,312	234,427	246,001	261,016

Source: Residential Property Price Data, Land Registry 2007

Housing Affordability

In 2003 the Joseph Rowntree Foundation published a study on housing affordability. The report set out the results of a series of modelling exercise designed to provide measures of home ownership costs and accessibility for every local authority area in England. The 2005 update titled '*The geography of affordable and unaffordable housing, and the ability of younger working households to become home owners'* is based on ratio analysis which calculates house prices (for two/three bedroom dwellings) to income ratios. Table 13 shows the house price to income ratio for Swindon (3.61) is below both the regional and national figures (4.88 and 4.43 respectively). The ratio for Kennet (4.82) is higher than the England ratio, whilst Salisbury (5.53) has the highest ratio of all districts, above both the regional and national averages.

Table 13: House Price to Income Ratios, 2005

Area	**Numbers of working households**	**House price to income ratios (mean)**
England	5,004,758	4.43
South West	480,683	4.88
Swindon	22,916	3.61
Kennet	8,302	4.82
North Wilts	12,408	4.05
Salisbury	11,440	5.53
West Wilts	11,456	4.18

Source: Adapted from 'The geography of affordable and unaffordable housing' Joseph Rowntree Foundation, 2006
House price to income ratios based on average household incomes of working households aged 20-39 and average house prices for two to three bedroom dwellings.

The intermediate housing market (IHM) analysis is based upon the same data as the ratio study, but it analyses incomes and house prices at the lowest decile and lowest quartile as an alternative to mean house prices. The research identifies two ways of measuring the IHM in each local authority:

Broad definition: the proportion of working households in each area who cannot afford to buy at the lower quarter point of house prices for two- and three-bedroom homes. This includes three sub sectors: working households unable to afford social housing rent without housing benefit; households in the narrowly defined IHM (see below); and households able to afford to buy the lowest decile point of house prices, but not at the lowest quarter point.

Narrow definition: the proportion of working households in each area who can afford social housing rent without housing benefit but cannot afford to buy at the lowest decile point of house prices for two to three bedroom dwellings.

Table 14: Households in the Intermediate Housing Market, 2005

Area	Percentage of Younger Working Households- The Intermediate Housing Market		Number of Younger Working Households- The Intermediate Housing Market	
	Broad	Narrow	Broad	Narrow
Great Britain	45.4	25.9	2,627,885	1,498,369
South West	56.5	37.0	271,382	177,907
Swindon	45.1	27.7	10,339	6,341
Kennet	52.3	34.0	4,344	2,825
North Wilts	51.8	35.1	6,429	4,353
Salisbury	64.1	43.1	7,328	4,931
West Wilts	48.0	34.0	5,497	3,890

Source: Adapted from 'The geography of affordable and unaffordable housing' Joseph Rowntree Foundation, 2006
House price to income ratios based on average household incomes of working households aged 20-39 and average house prices for two to three bedroom dwellings.

Table 14 shows that in Swindon, over 45% of younger working households could not afford to buy at the lower quartile point of house prices for two to three bedroom homes (broad IHM), marginally below the national average. In Kennet (52.3%), North Wiltshire (51.8%), and Salisbury (64.1%) the broad IHM represented over 50% or more of all younger working households, above the national average (45.4%). Salisbury had the highest proportion of younger working households who fell into this IHM bracket.

Nearly 30% of younger working households in Swindon (narrow IHM) had enough income to pay a social housing rent without relying on housing benefit, but were unable to afford the lowest 10% of house prices for local two and three bed houses. This figure is below the regional average (37%) but marginally above the national average (25.9%). Kennet (34%), North Wiltshire (35.1%), Salisbury (43.1%) and West Wiltshire (34%) figures all exceeded the national average. Salisbury was the only district to exceed the regional average (37%).

JOB LOSSES AND GAINS

Table 15: Job Losses

Company	Location	Activity	Date Reported	No. of Jobs Losses	Comment
Vision Capital Funds	Trowbridge	Food Processor	15/01/07	-50	Bowyers sold to Vision Capital funds, which is consolidating operations in Trowbridge.
AA Marketing	Melksham	Tele Marketing	06/12/06	-16	Firm folding, around 16 jobs lost
Trelleborg Automotive	Trowbridge	Car part manufacture	01/12/06	-150	Closure of whole factory and work transferred to eastern Europe and Spain
First Class Laminators & Speciality Products	Swindon	Printing firm	04/01/07	-13	Firm has gone into administration
Little Chef	Warminster	Restaurant	05/01/07	-9	195 of 235 restaurants taken over, Codford branch not taken over, and therefore closed immediately

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 16: Job Gains

Company	Location	Activity	Date Reported	No. of Jobs Gained	Comment
Sainsbury's	Bradford on Avon	Supermarket	02/11/06	112	Sainsbury's taken over Budgens store. 45 staff transferred. 112 new staff.
Marks & Spencer	Marlborough	Supermarket	09/11/06	12	Somerfield store closed. All staff transferred to Marks and Spencer, 12 new staff.
Olan Mills	Swindon	Photography	16/12/06	-	National firm folding. Swindon branch closed, number of jobs lost not reported.
Space Adventure	Swindon	Children's Play Centre	04/01/07	-	Firm closed, number of staff who lost jobs not confirmed.
C.Bialek Ltd	Salisbury	Cement storage & silos	18/12/06	2	Details taken from planning record, exact nature of activity not given.
Stephen E Graver Ltd	Trowbridge	Charity Work	06/11/06	7	Details taken from planning record, exact nature of activity not given.
Unknown	Ashton Keynes	Mezzanine floor to form offices	31/10/06	2	Details taken from planning record, exact nature of activity not given.
Cereal Partners	Staverton	Expansion of existing plant	26/10/06	55	Details taken from planning record, exact nature of activity not given.
Valetta Surfacing	Westbury	Storage & Distribution	22/09/06	6	Details taken from planning record, exact nature of activity not given.
Rowland's Classic Clothing Ltd	Trowbridge	Extension to existing premises	18/04/06	3	Details taken from planning record, exact nature of activity not given.
Hayleyian Farm	Trowbridge	B use buildings	03/08/06	10	Details taken from planning record, exact nature of activity not given.
Gompels Healthcare	Melksham	Medical supplies	12/09/06	5	Details taken from planning record, exact nature of activity not given. Projected future increases to 47 in total.
RPS Planning	Salisbury	Tile storage, sales & distribution	27/10/06	6	Details taken from planning record, exact nature of activity not given.
W Brown & Son	Marlborough	Office/Storage Area	21/09/06	4	Details taken from planning record, exact nature of activity not given.
Becketts	Marlborough	New Business Units	09/08/06	20	Details taken from planning record, exact nature of activity not given.
PP Injection Moulding Ltd	Calne	Extension of production & warehouse	07/04/06	3	Extension to existing manufacturing facility to provide maintenance area and increased stock holding.
Barratt Homes Ltd	Chippenham	Commercial Development/ Professional Services	29/06/06	10	Details taken from planning record, exact nature of activity not given.
National Offender Management Service	Chippenham	Office for probation service	30/06/06	54	Details taken from planning record, exact nature of activity not given.
Fasica Graphics Ltd	Chippenham	Industrial & Storage	15/09/06	12	Details taken from planning record, exact nature of activity not given.
EJS Ltd	Chippenham	Storage	09/06/06	3	Storage of aircrafts parts & supplies. Details taken from planning record, exact nature of activity not given.
John & Heather Norris	Upper Chelworth	Unknown	12/04/06	18	Details taken from planning record, exact nature of activity not given.

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 (%) April 2005-March 2006	Employment Rate (%) April 2005-March 2006	Claimant Count Rate (%) December 2006	Change in Employment (%) 2004-2005	Average Price (£) of Residential Property July –Sept 2006
Great Britain *	1.97	17,532	5.3	78.3	74.3	2.5	1.67	211,452
South West	-	16,141	5.5	80.4	77.6	1.6	0.78	217,222
Wiltshire & Swindon	-	-	-	83.9	81.3	1.3	0.92	-
Wiltshire	3.57	15,425	4.3	84.3	82.4	1.0	0.64	240,650
Swindon	-	26,795	5.8	83.2	78.7	2.0	1.38	166,652
Kennet	3.83	-	-	85.7	84.3	0.8	4.03	302,685
North Wiltshire	3.17	-	-	85.3	82.9	1.0	2.62	231,148
Salisbury	1.75	-	-	80.4	79.5	0.8	-0.67	261,016
West Wiltshire	5.60	-	-	85.8	83.4	1.2	-1.45	201,532

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