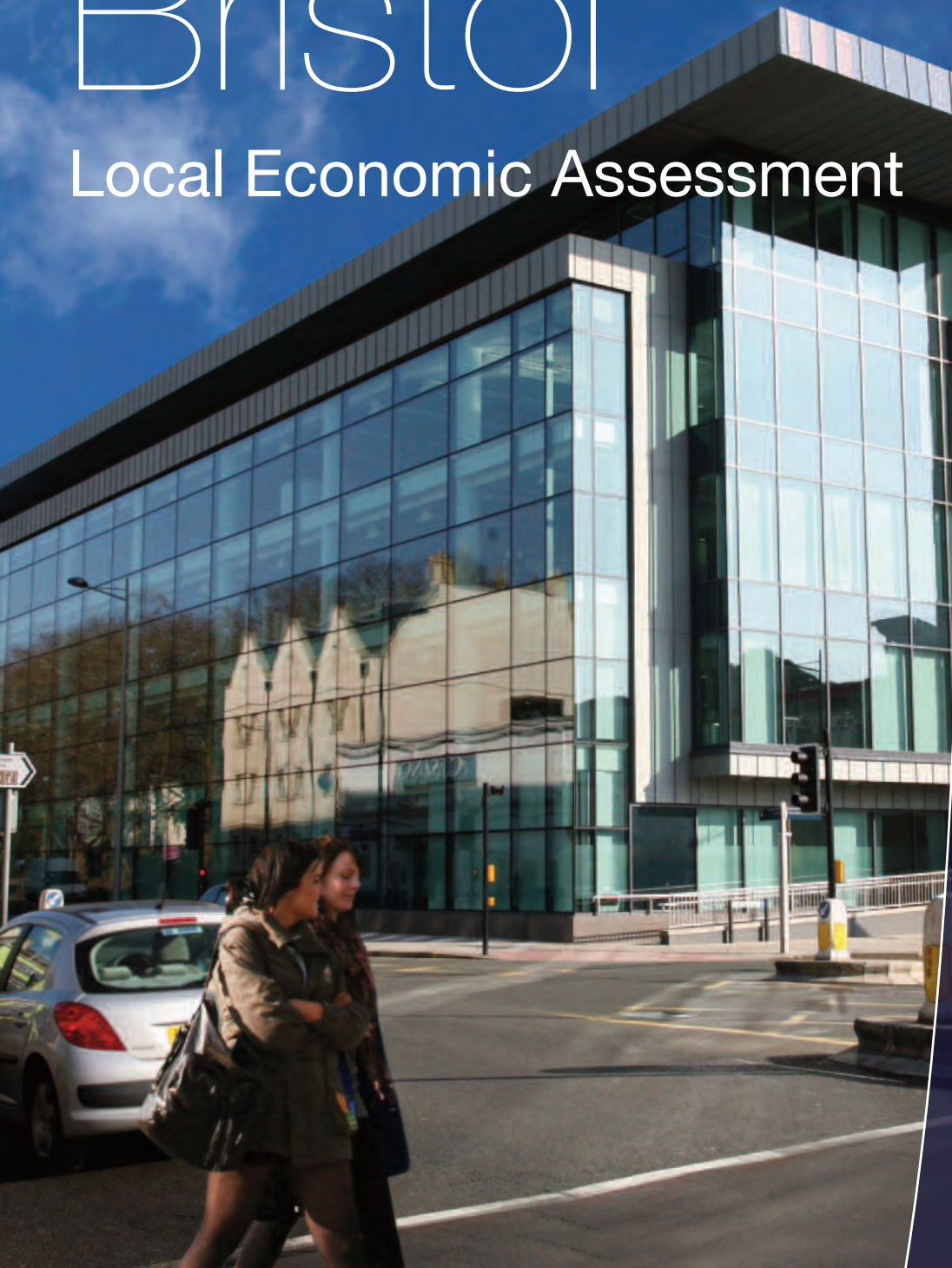


Bristol

Local Economic Assessment

MARCH 2011



The strength of the local economy is based upon high productivity, a diverse and mixed economy, high levels of enterprise and an excellent local higher education sector.





Leader's Foreword

Despite the recession, Bristol remains one of the power-houses of the national economy. Its natural vigour is helping drive Britain's recovery.

There are many reasons to hope for a prosperous future as a highly successful European city and green capital, showing how a dynamic economy can also be a sustainable one and how the threat of climate change can speed innovation.

This report, the Local Economic Assessment, sets out the strengths of Bristol as a key player and the challenges the city faces.

With business leaders and our neighbours - North Somerset, Bath and North-East Somerset and South Gloucestershire councils - we have recently formed a Local Economic Partnership to provide strategic leadership for the economic development of the area.

We expect Bristol to be the driving force behind this new partnership and this document will help determine our contribution to the area's sustainable economic development.

The report shows that Bristol's economy is strong, diverse and resilient. There is significant potential for growth. The local conditions position Bristol well for the future.

However, there are also a number of challenges facing Bristol and our neighbours. How are we to balance the competing demands for employment, housing and open space?

How do we ensure that economic growth is not at the expense of Bristol's quality of life and does not worsen climate change? How do we rebalance our economy following the shock of recession and ahead of the impact of 'peak oil'?

This document, and the extensive data behind it, will be an invaluable resource as we come to determine policies for our sustainable economic growth.

A handwritten signature in blue ink that reads "Barbara Janke".

Barbara Janke
Leader of the Council

To view the full report:

www.bristol.gov.uk/lea

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Bristol Local Economic Assessment

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Executive Summary

Bristol's Local Economic Assessment (LEA) will contribute towards to the delivery of sustainable economic growth for the city. It is not a strategy or policy document in its own right, but will provide the comprehensive, shared understanding of the local economy to aid strategy and policy decisions.

Throughout the LEA, comparisons are made with other large urban areas in England, along with Bristol's geographic neighbours. This allows for the identification of relative strengths, competitive advantage and areas for improvement.

Overview

Bristol is a major UK City, with a growing international and global profile. Its contribution to the national economy outweighs its population size – it “punches above its weight” – and is forecast to continue to grow at a rate faster than the UK as a whole.

The strength of the local economy is based upon high productivity, a diverse and mixed economy, high levels of enterprise and an excellent local higher education sector. Recent economic growth has been driven by business services, banking, insurance and professional services. Prospects for future growth are bolstered by the presence of well-established creative, environmental technology and other knowledge based industries.

Significant features of Bristol's economic growth include its location, connections to London and elsewhere, the skills of its resident workforce and the quality of life. Tensions created by growth, providing challenges for the future, include a potential shortage of jobs and houses, together with concerns around transport infrastructure and environmental sustainability.

Bristol's local economy is not restricted to the local authority area, with significant linkages with the neighbouring local authorities of North Somerset, South Gloucestershire and Bath & North East Somerset. The four local authorities form the West of England Partnership; the area covered constitutes an effective functional economic market area and is the basis for a Local Economic Partnership.

Main Findings

1. In 2008, Bristol generated £11.5 billion of wealth (measured by gross value added, GVA). This was almost 12% of the wealth generated in the whole of the South West; as Bristol contains just 8% of the South West population, it can be fairly said that Bristol “punches above its weight”.
2. The significance of this wealth generation comes not just from the scale of Bristol’s output, but from the productivity of Bristol’s workforce – measured by GVA per full-time worker; it is significantly higher than the regional or national averages. The relatively high productivity is driven by Bristol’s skilled workforce and the presence of large numbers of knowledge intensive businesses.
3. The largest single contributor to GVA in Bristol is the banking and insurance sector, but the real feature of the local economy is diversity – Bristol is not overly dependent upon any one sector for output or employment, making it resistant to ‘shocks’ and well placed to foster growth.
4. Bristol’s GVA is forecast to rise at a rate faster than the national average over the next ten years, enhancing Bristol’s residents’ individual prosperity and quality of life. However, GVA growth is not forecast to be strong enough to return employment levels to pre recession levels in the next ten years.
5. Bristol’s positive track record of private sector growth, innovation, inward investment and enterprise could position it well to resist the impact of reduced public sector expenditure.
6. Innovation and enterprise are particular features of Bristol’s economy, with high business formation rates, a world-class University active in knowledge transfer and spin-off businesses, and a creative industries sector promoting the development of ideas in all aspects of the city’s life. Bristol has been identified as an “innovation hub” by McKinsey and the World Economic Forum.
7. A survey of Bristol firms has indicated that a majority are expecting to grow moderately over the next two years, while a further 12% are expecting to grow substantially.
8. For a large city, Bristol’s labour market functions well and performs well in many important measures – economic activity and employment rates, occupational mix, qualification levels and ‘gap’ between resident and workplace earnings – indicating a largely successful local economy.
9. These same measures indicate that Bristol has neither been as affected by the recent recession to the same extent as other Core Cities, nor to the extent experienced locally during the recessions of the early 1980s and 1990s.
10. Unemployment and worklessness in Bristol do not match the scale or rate to be found in other major cities in England. However, there are ‘pockets’ of unemployment and worklessness affecting some neighbourhoods, young people and those without adequate qualifications. These groups will continue to be most vulnerable to persistent worklessness in the face of an overall jobs shortage in the city.

11. There are opportunities for the development of Bristol's labour market to be found in the surplus capacity indicated by persistent worklessness, but there may need to be significant interventions to realise that opportunity and address the attendant inequalities.
12. Jobs growth could be hampered by constraints upon land availability for new industrial and commercial developments, by skills shortages and by insufficient transport infrastructure.
13. Bristol's population grew significantly over the last ten years and, based on that trend, future growth is projected at a faster rate than nationally or amongst other large cities.
14. Projecting or forecasting population changes can be inexact science, but suggest that numbers of young people and working age adults in Bristol could increase by between 10 and 20% over the next ten years, well above the forecast for England. Along with this trend towards a 'younger' city, it is likely that there will also be a significant increase in the proportion of Bristol's population coming from Black and Minority Ethnic (BME) groups.
15. An increasing working age population will open up opportunities for increasing prosperity, while increased diversity will aid creativity and innovation. However, there could be a downside for the labour market, if too few jobs are created, and for the housing market, if too few homes are built.
16. The City of Bristol local authority district is part of a wider functional economic market area, contained within the established West of England sub-region. Its economy dominates this area and is the most productive of England's large cities (excluding London).
17. Achieving sustainable economic growth is essential for both the health of the local economy and the wellbeing of residents. Green transport initiatives in Bristol will help to reduce pollution and traffic congestion. However, further transport investment will also be needed, to bring the supply of transport provision closer to demand and ensure that Bristol remains competitive with other cities in the UK.
18. Historically, energy use and carbon emissions have risen with population and economic growth. The challenge is for Bristol to substantially increase the carbon efficiency and energy security of its economy. This presents great challenges and opportunities for the city – creating new low carbon business opportunities, sustainable employment, improving quality of life and making Bristol more resilient.
19. Significant issues for local firms are traffic congestion, recruitment of experienced staff, the affordability and availability of land or premises and obtaining finance.
20. Knowledge of Bristol's local economy is patchy amongst some investment intermediaries, but many recognise its strengths in terms of quality of life, skills base, innovation, geographic location and having a broad business base.

Key Opportunities

- Bristol's skilled workforce and diversity of knowledge intensive businesses position it well for economic growth.
- Specific strengths in the green and digital economy could be crucial to both growth and environmental sustainability.
- A flourishing cultural sector is driving strong and developing creative industries, adding to innovation and enterprise.
- Bristol's track record in generating private sector employment growth increases its resistance to the impact of reduced public sector expenditure.
- Bristol's geographic location, size, connectivity and quality of life continue to make it attractive to business relocation and migration.
- Increasing prosperity, driven by sustainable economic and employment growth, will contribute to advances in overall health and wellbeing for Bristol residents.

Key Challenges

- Reducing carbon emissions and dependence upon oil resulting from economic activity to promote longer-term sustainability.
- Developing sufficient and appropriate skills provision to enable employer demand to be met by local supply and enable economic growth to tackle persistent worklessness in some communities.
- Identifying sufficient and appropriate industrial and commercial employment land to meet demand and retain local jobs.
- Increasing the supply of new homes and associated infrastructure in line with a rising population
- Enhancing the transport infrastructure, including increasing the supply of public transport to match demand.
- Expanding Bristol's digital connectivity to increase business competitiveness and productivity, whilst also addressing 'digital exclusion' amongst residents.
- Retaining "quality of life" amidst physical development of the city, to preserve Bristol's character and attractiveness to investors.
- Maintaining Bristol's 'geographic advantage' by enhancing connectivity to London, the UK and worldwide, through, for example, high-speed rail links, developing the Port of Bristol and enlarging Bristol Airport

Strengths, Opportunities, Weaknesses and Threats

Strengths and Opportunities	Weaknesses and Threats
Bristol's economy functions well, producing levels of economic output greater than its physical size.	There is limited new land available for new employment use in Bristol, taking into account issues around developing Avonmouth/Sevenside.
The workforce in Bristol has high levels of productivity, relative to other Core Cities and the national average. This labour productivity advantage is forecast to increase over the next ten years.	There are pockets of persistent worklessness in the City.
Bristol's rate of private sector jobs growth (1998-2008) was 15.4%, significantly above other Core Cities and adding to Bristol's resilience and growth prospects.	A large proportion of Bristol's residents are employed in the public sector; while not as dependent upon the public sector as other cities, Bristol is still vulnerable to the impact of public expenditure cuts.
Bristol's economy is diverse without an overdependence on any one sector.	Current internal transport infrastructure is inadequate to meet demand.
Bristol's economy has a high proportion of knowledge intensive businesses, supporting creativity and innovation.	Housing supply may not keep pace with the rising population, exacerbating already high average house prices and issues around affordability.
Key sectors well represented in Bristol include environmental technologies, creative industries and business services. All are forecast to grow, in output and employment, over the next ten years.	The claimant count rate (JSA) in Bristol is relatively low when compared with other Core Cities. However, the Jobseekers Allowance claimant rate in Bristol is not forecast to return to pre recession levels before 2020.
A high proportion of Bristol's residents are qualified to degree level or higher compared with other Core Cities and the national average.	There is a relatively high proportion of Bristol's residents who have low qualification levels or no qualifications.
Bristol is well connected with easy access to London, the rest of the UK and worldwide.	Improvements in connectivity between other UK cities and London may reduce or remove this element of Bristol's competitive advantage.
Bristol's population, especially its working age population, is forecast to increase by 10% over the next ten years	
Bristol has an attractive environment, with a good quality of life including cultural vibrancy and diversity.	

1. Business

Key Facts

£11.5 Billion – Bristol's economic output (gross value added, GVA) in 2008; 11.7% of the South West GVA

£52,200 – Bristol's GVA per worker; above national level (£48,800)

231,500 – number of jobs in Bristol: 10.4% of South West total

30,100 - number of jobs in Health & Social Care in Bristol; 13% of total jobs, this is the largest single sector for employment; other key sectors are education, wholesale & distribution, retail and professional services

2.52 – Employment Quotient for Bristol's Banking & Insurance sector; showing a significantly higher proportion of total jobs than the UK average

66,500 – number of public sector jobs in Bristol, 28.7% of total jobs.

73,700 – number of jobs in Knowledge Based Industries in Bristol, 31.9% of total jobs; a higher proportion than nationally, giving an employment quotient of 1.45 which is second highest of the Core Cities

20,000 – forecast jobs growth 2010-2020: 10,000 below forecast growth in working-age population

14,000 – forecast jobs growth in Business Services

17,810 – number of Business Units in Bristol; 2,190 in Creative Industries (12.3%)

60.8 – business formation rate; higher than rate for England and other Core Cities

£1,774 Million – Banking & Insurance sector GVA (15.4% of total)

2.08 – Location Quotient for Bristol's Banking & insurance sector, showing a significantly higher proportion of total businesses than the UK average

32.7% - forecast growth in GVA 2010-2020; mainly driven by Financial Intermediation (56.3%) and Business Services (53.6%)

60.8 – Bristol's business registration rate, measuring business start-ups; above the rate for England (59.5) and for other Core Cities

37,200 – new private sector jobs created in the Bristol area, 1998-2008; this growth rate of 15.4% was second only to London in the UK and well above other Core Cities

66.4% - proportion of surveyed Bristol firms expecting to grow over the next two years

Summary

In 2008, Bristol generated £11.5 billion of wealth (measured by Gross Value Added, GVA). This was almost 12% of the wealth generated in the whole of the South West.

The significance of this wealth generation comes not just from the scale of Bristol's output, but from the productivity of Bristol's workforce – measured by GVA per full-time worker; it is significantly higher than the regional or national averages.

The largest single contributor to GVA in Bristol is the banking and insurance sector, but the real feature of the local economy is diversity – Bristol has strength in a number of different sectors and is not overly dependent upon any one sector for output or employment.

Bristol has just one sector providing more than 10% of total jobs, and another eight sectors providing between 5% and 10% of total jobs. This is a wider spread of significant employment sectors than any other Core City and indicates good prospects for growth and a stronger resilience to shocks.

Of the 17,812 total business units in Bristol, the largest number are in creative industries – 2,191 (12.3%). This is a higher proportion of total businesses than in any other Core City or nationally, giving Bristol a Location Quotient for Creative Industries of 1.19 – indicating a real competitive advantage for Bristol in this sector.

One forecast of Bristol's GVA suggests that it will rise at a rate faster than the national average over the next ten years. Such increases in GVA will benefit Bristol's wider economy, enhancing individual prosperity and quality of life.

However, an alternative set of forecasts suggest that GVA growth in Bristol will be slower than in neighbouring economies, largely as a result of a bigger 'hit' during recession. This forecast would see Bristol losing significant competitive advantage, especially in terms of its relative productivity levels.

Bristol's positive track record of private sector growth, innovation, inward investment and enterprise could position it well to resist the impact of public sector retrenchment.

28.7% of Bristol's jobs are in the public sector (a combination of health & social care, education and public administration & defence). This is the second lowest proportion amongst the Core Cities.

Jobs Growth in Bristol is forecast to exceed national increases over the next ten years, although it will fall behind population growth, potentially seeing unemployment levels at least remaining at current levels (unless the forecast jobs growth in South Gloucestershire is accessible to Bristol residents).

There is significant 'innovation infrastructure' in Bristol and the wider functional economic market area. This infrastructure ranges from the presence of higher education institutions with world-class reputations for research and effective knowledge-transfer programmes to high proportions of employment and business units in knowledge based industries. Bristol has been identified as a "Hot Spring" in the World Economic Forum's "Innovation Heatmap"; a "Hot Spring" is defined as a small, fast-growing hub, on track to becoming a world player.

1.1 Overview

1. Bristol, a major city region and regional capital, ranks among the most economically buoyant cities in the UK. With a world-class industries and internationally acclaimed universities Bristol enjoys a global profile.
2. Using indices such as economic activity rates, business start-ups, GVA per head and unemployment rates the UK Competitiveness Index 2010, published by the University of Wales Institute, ranks Bristol as the most competitive English core city.
3. In 2008 there were an estimated 231,500 employees in employment in Bristol compared with 220,500 in 1998. A further 85,000 employees work in the wider Bristol urban area including an 70,000 in the Bristol North Fringe area where there is a nucleus of very large employers.
4. According to the Centre for Cities report, "Private Sector Cities" 37,200 private sector jobs were created in the Bristol urban area between 1998 and 2008. The rate of growth, at 15.4%, is the highest of any the English core city
5. More than a third of UK owned FTSE 100 companies and many major foreign owned have a significant presence in the Bristol area. Leading companies include Airbus in the UK, Rolls Royce, BBC, Bank of Ireland, Bristol Port Company, Computershare, Constellation Europe, Hargreaves Lansdown, Lloyds Banking Group and Royal Bank of Scotland. A list of major employers in Bristol is presented as an appendix to this report.
6. Key sectors include aerospace, insurance, retail banking, creative industries, and higher and further education. Central government organisations are also a prominent feature of the local economy. A number of Government departments and agencies have HQ operations in Bristol including the Ministry of Defence's Defence Equipment and Support Agency, the Environment Agency and the Planning Inspectorate.
7. A number of other sectors provide 'bulk' employment. These sectors are important for the overall prosperity of the city's residents and for enabling greater sharing of that prosperity amongst neighbourhoods and communities. Key sectors in these terms include health and social care, education, wholesale distribution and retail.
8. Company restructuring programmes have been a major feature in recent years, particularly in financial services. A number of major financial sector companies have closed or downsized and a number of proposals in the pipeline will result in further job losses. Other key sectors have generally been more resilient although there is always a risk that strategic investment decisions made by major national and international companies will impact adversely on the local economy.
9. As with other major cities the public sector has been a strong economic driver over the past twenty years with Bristol benefitting in particular from the relocation/collocation of Central Government functions and the growth of health and education services The next few years will see a sharp reverse in public sector expenditure and this could have major implications for the local economy with as many jobs being lost.

1.2 Major Economic Drivers of the Bristol Economy 1990-2010

10. Bristol has enjoyed much economic success over the last twenty years – a considerable amount of private investment has been attracted, the unemployment rate has been consistently lower than that of other major cities in the UK (and in mainland Europe), the employment rate is relatively high and there are now an estimated 90,000 more jobs in the Bristol area than there were in 1987. The table below summarises some of the reasons explaining Bristol's success.

Summary of Economic Drivers

- The large increase in population, households and disposable household income – particularly important for the retail, leisure, tourism and creative industries sectors.
- The large increase in public sector expenditure on a wide range of local public services, particularly health and education services.
- Government expenditure on defence administration and defence / aerospace contracts.
- The expansion of the commercial aerospace sector, driven by the growth of international air travel, and the success the Bristol area has enjoyed in maintaining its key role in wing, landing gear and engine technology and manufacturing.
- The continuing expansion of the financial services sector resulting from the increase in disposable household income and the strong financial services base of Bristol (resulting partly from the relocation of financial sector companies from London in the 1970s and 1980s).
- The development of new employment areas, particularly the business parks on the North Fringe during the 1990s and the Temple Quay and Harbourside areas in Central Bristol over the past ten years. The scale of development at Avonmouth Severnside in recent years has also been of major economic benefit.
- Public investment in new infrastructure and facilities – the Avon Ring Road, the Second Severn Crossing and M49, new / improved cultural and leisure facilities (e.g. Colston Hall), the secondary school rebuilding programme, new higher and further education facilities, new health facilities (e.g. South Bristol Hospital and redevelopment of Southmead Hospital).
- The expansion of Bristol Airport and the development of scheduled air connections to more than fifty destinations.
- The on-going development and success of the Port of Bristol.
- The outsourcing of products and services by major companies, providing supply opportunities for many SMEs and a spur to innovation, especially in respect of professional and business services
- The ability of Bristol to attract and sustain investment in new technologies – microelectronics, digital technologies, environmental technologies,
- The expansion of the higher education sector and the development of an enterprise culture based in part on much closer linkages with industry.
- Entrepreneurialism. Examples of “home grown” companies include Hargreaves Lansdown, Pieminster and Garrad Hassan.

11. A fundamental issue is whether the economic drivers listed in the summary table (or variations thereof with regard to employment areas and investment infrastructure –see below) can still be relied on in the future or Bristol have to look to other ways and means of encouraging and supporting economic growth and prosperity. In particular there is a question mark against: -
 - i. public sector driven growth in the next three or four years with regard to both service provision and capital expenditure. Hopefully this will ease after 2014 and trends will revert to the longer-term historic growth pattern of public sector expenditure, investment and jobs.
 - ii. Government expenditure on aerospace/defence and higher education in the short term
 - iii. the long-term future of at least some parts of the financial services sector in a prevailing environment of merger, takeover and restructuring.
 - iv. the ability of Bristol to compete successfully with other cities in the UK and mainland Europe for investment in new technologies given that just about every city and economic region has these potentially high profile growth industries on its shopping list.
 - v. the ability of Bristol to maintain its role as a major aerospace manufacturing location given the increasingly global nature of the industry and the potential scope that exists to switch investment to other locations.
12. With regard to development there are still many regeneration opportunities in the Central Area - over three million sq. ft. of office space could be built on currently identified redevelopment sites. Major development can also be anticipated at the proposed Bristol and Bath Science Park at Emersons Green, on several redevelopment sites in the North Fringe Area and at Avonmouth Severnside where over 400 acres are earmarked for development. The supply of new employment sites in the remainder of the Bristol urban area is less generous and this may well constrain new investment and jobs.
13. There are few firm major public sector capital investment projects on the horizon compared with private sector schemes (e.g., the proposed £90 million new Ashton Vale Stadium, the proposed £500 million new container terminal at the Port of Bristol and the planned £150 million Bristol Airport expansion). One major public sector proposal, the electrification of the London – Bristol rail line, could bring positive economic benefits, not least of all in helping Bristol to maintain economic competitiveness with Birmingham and Manchester.

1.3 Output

14. Gross Value Added (GVA) is a key measure of the size of the economy at local and regional levels. In brief, GVA is the value of goods and services produced, excluding costs of production¹. GVA in 2008 in Bristol was estimated to be £11.5 billion² (current prices). This equates to 11.7% of the South West's GVA. Bristol is estimated to generate 0.9% of the £1,322.6 billion of GVA generated by Great Britain as a whole. Between 1998 and 2008 Bristol had average annual GVA growth of £400 million.
15. GVA per full time equivalent (fte) worker indicates levels of productivity. The latest estimate for Bristol is £52,200³ per fte worker compared with £43,100 per fte worker in the South West. Bristol's GVA per fte worker is also higher than the national average. In 2008 Great Britain was estimated to have GVA per fte of £48,800.

1.4 Employment

16. There are 231,500 jobs in Bristol (2008 figures, annual business inquiry workplace analysis). This represents 10.4% of jobs throughout the South West and is 44.4% of jobs in the West of England Partnership area. In terms of the Core Cities, Bristol has one of the smaller numbers of jobs – ranked fifth out of eight – but this is only to be expected given its geographic and population size.

Figure 1: Growth in number of employees, Core Cities 1998-2008



17. Growth in the number of employees in Bristol has been sluggish over the last ten years, when compared with the national average and most other Core Cities. The rise of 5% from 1998 to 2008 is below the growth for England, 9.3%, and below all but two of the Core Cities.

¹ GVA differs from GDP (Gross Domestic Product) in that it excludes taxes on products e.g. VAT

² Source: <http://economy.swo.org.uk/south-west-regional-accounts>

³ Source: <http://economy.swo.org.uk/south-west-regional-accounts> (2008 estimates that are subject to change)

18. In contrast to the relatively slow growth in Bristol itself, there has been spectacular growth in neighbouring authorities. South Gloucestershire has seen its number of employees increase from 96,800 in 1998 to 137,200 in 2008 – a rise of 41.7%. Many of these new jobs are in the Northern Fringe of Bristol and are very accessible for Bristol residents. In 2008, over 20,000 Bristol residents were working in South Gloucestershire.

1.5 Key Sectors

Table 1: Jobs, Business Units and GVA contribution of Bristol's Key Sectors

	Jobs	% of Jobs	EQ	Units	% Units	LQ	GVA (£Million)	% of GVA	GVA per FTE
Health & Social Care	30,100	13.0	1.05	1,090	6.1	1.1	£917	7.9	£33,400
Education	22,600	9.8	1.04	380	2.2	0.86	£795	6.9	£44,800
Wholesale & Distribution	22,000	9.5	0.95	1,890	10.6	0.92	£545	4.7	£51,500
Retail	19,500	8.4	0.8	1,950	11.0	0.93	£449	3.9	£28,500
Professional Services	18,900	8.2	1.5	1,900	10.6	1.18	£1,044	9.0	£51,300
Leisure & Tourism	17,800	7.7	0.78	1,900	10.7	0.94	£582	5.0	£55,300
Banking & Insurance	16,300	7.0	2.52	540	3.0	2.08	£1,774	15.4	£123,600
Advanced Engineering & Aerospace (including jobs in South Glos)	14,200		1.4	170 (310)	1	0.79 (0.94)	£153 (£960)	1.3	£51,600 (£67,600)
Public Administration & Defence	13,800	6.0	1.1	130	0.7	0.73	£554	4.8	£48,300
Creative Industries	11,500	5.0	1.02	2,190	12.3	1.19	£727	6.3	£54,500
Communications & ICT	8,200	3.6	0.89	1,220	6.9	1.16	£455	3.9	£66,300
Construction	8,200	3.6	0.74	1,460	8.2	0.8	£542	4.7	£44,700
Environmental Technologies	7,000	3.0	1.07	620	3.5	1.07	£529	4.6	£56,800

Advanced Engineering & Aerospace

19. The Bristol area has one of the largest concentrations of aerospace activities in Europe, with 14,200 jobs, an employment quotient of 1.4, GVA of £960million and GVA per fte of £67,600 in aerospace and support industries. Airbus in the UK, GKN Aerospace and Rolls Royce have large plants to the north of Bristol at Filton and Patchway
20. Airbus in the UK is at the forefront in applying composite materials technology, Rolls Royce have invested heavily in new plant at Patchway and GKN Aerospace are developing new manufacturing facilities at Pilning for work on wing production and assembly for the A350 aircraft. EADS / Airbus have largely overcome the production problems encountered over the last three years with both the A380 and A400M aircraft programmes.
21. An estimated fifty local companies provide materials, equipment, components and technical support and services to the primary aerospace contractors. Many precision engineering companies in the Bristol area form part of the aerospace supply chain and a number of technical support companies have been attracted to the area (even more so in respect of the Ministry of Defence procurement operations at Abbey Wood).

22. Aerospace related businesses in the Bristol area are served by a strong and influential aerospace sector support organisation. The West of England Aerospace Forum (WEAF) aims to facilitate competitiveness and the growth of the aerospace industry in the South West by championing the interests of all aerospace companies in the region. WEAF is largely funded by the South West of England Regional Development Agency (scheduled to close in 2011).
23. Many aerospace and defence companies are involved with technological development and collaborating on research and innovation projects with universities including the University of Bristol and the University of the West of England.
24. The possibility that primary aerospace investment and jobs will be switched to other locations to save on costs and achieve political and offset objectives remains a constant threat.

Banking & Insurance

25. The Banking & Insurance sector is Bristol's most important sector in terms of GVA (£1,774million) and GVA per fte (123,600). It also provides 7% of jobs (16,300), with an employment quotient of 2.52, indicating its overall importance in comparison with other economies.
26. Bristol is a leading financial services centre with many major international and national companies locating head office functions in the city. These include Lloyds Banking Group (UK Retail Banking Division), DAS Legal Expenses, Hargreaves Lansdown, Canada Life, Computershare Investment Services, Nat West Insurance and Triodos Bank.
27. Bristol is particularly strong in retail banking, insurance, share dealing and ethical finance but less strong in other areas (e.g. investment banking).
28. It is unclear how Bristol will be affected in the longer term by the restructuring programmes currently working through the sector. On a positive note Lloyds Banking Group, Allianz Insurance, Aviva, GE Capital Solutions, Hargreaves Lansdown and the Royal Bank of Scotland have all invested in major new premises over the last five years while a number of insurance companies (NFU Mutual and Simply Health) have recently announced plans to expand. On a less positive note a number of insurance companies (Royal Sun Alliance, Direct Line) have or are planning to close major operations in Bristol resulting in over 1,000 job losses and major banks are still working through restructuring programmes. With RBS and Lloyds national and regional head office functions employing an estimated 8,000 in the city and AXA Sun Life recently changing ownership, Bristol is vulnerable to the risk of further rationalisation and job losses.

Creative Industries

29. Creative Industries provides the highest proportion of businesses in Bristol of any sector, with 2,190 business units (12.3% of the total). The location quotient of 1.19 points to a distinct competitive advantage for Bristol. It contributes £727million to the city's total GVA (6.3%) and has a relatively high GVA per fte of £54,500. The 11,500 jobs in creative industries are 5% of Bristol's total.
30. The creative industries sector has been one of the major economic growth sectors over the last ten years and has helped Bristol to achieve a high national and international profile (e.g. The 2009 Banksy Exhibition received widespread

international coverage). Bristol is particularly strong in film and TV productions, animation and digital media (e.g. Aardman Animation, the BBC Natural History Unit, Endemol West).

31. The sector is supported by Bristol Media, one of the largest creative networks in the UK. Bristol Media has over 3500 members from over 2200 companies and organisations across the digital, TV, animation, design, marketing, PR, publishing, film and advertising sector.
32. While much of the infrastructure to support the consolidation and further development of the sector is in place including a range of dedicated workspaces, training facilities, a strong creative industries network and high profile events the likely loss of public sector funding including Regional Development Agency funding may have adverse impacts on the sector over the next few years.

Environmental Technologies

33. The environmental technologies sector contributes £529million towards Bristol's GVA (4.6), with a high GVA per fte of £56,800 indicating its productivity. The number of businesses in this sector in Bristol is relatively low (620, 3.5% of the total) but its location quotient of 1.07 shows that the number of businesses is above average nationally and a competitive advantage for Bristol.
34. With a nucleus of high profile companies in renewable energy, water management, waste management, recycling, energy control, sustainable transport and environmental consultancy services Bristol is recognised as one of the leading centres of environmental technologies in the UK.
35. The sector is currently relatively small in terms of direct jobs but it has potential for growth depending on a number of factors including environmental protection legislation and regulations, the ability of innovative businesses to develop new products and services and the ability of the area to attract new investment, particularly manufacturing investment in the rapidly expanding renewable energy sector. With regard to attracting new investment Bristol faces stiff competition from other cities and economic areas.

Microelectronics

36. The Bristol area, and in particular the North Fringe area, has a significant cluster of over thirty high technology companies in software, semiconductor design and wireless technology, making Bristol one of the leading centres for microelectronics and silicon chip design in Europe. Bristol companies are particularly strong in silicon chip design for mobile phone, broadband and wireless technologies. The significant presence of this high profile, high value added sector is of great benefit in helping to project Bristol as a knowledge based economy.
37. The Universities of Bath, Bristol and the University of the West of England offer considerable research and development expertise and support in specialist areas including nanotechnology, optoelectronics, microstructures and robotics.
38. The Silicon Southwest Network, managed by the University of Bath, provides regular networking events, news and national and international promotion for the South West of England's microelectronics sector.

39. A recent report by the National Endowment for Science, Technology & The Arts (NESTA) stated “The region around Bristol and Bath is home to one of the biggest silicon design clusters anywhere in the world outside Silicon Valley. It is double the size of its nearest UK competitor, Cambridge. In the last decade, start-ups in the South West have attracted more than \$550 million in investment and returned more than \$800 million to shareholders. This section explores the birth and growth of the semiconductor industry in the South West.”⁴

Construction

40. The construction industry has been heavily affected by the economic downturn across the UK with the downturn in house building, significantly lower investment in speculative commercial and industrial development and the reduction in public sector capital investment (e.g. the secondary schools rebuilding programme).
41. With a number of major private sector capital projects planned in the Bristol area over the next 10 – 15 years (e.g. port and airport expansions, large scale energy related projects, the Bristol and Bath Science Park,) the medium term prospects for the sector look more favourable. A recovery in the house building market can also be reasonably envisaged in the short to medium term.
42. A particular challenge for the sector is to address a significant skills shortage, which is accentuated by an ageing workforce, and a shortage of young people in training.
43. The sector is supported by Constructing Excellence South West, which provides best practice advice to businesses and supply chains in the construction industry.

Leisure and Tourism

44. Bristol is firmly established as a city break destination. Bristol’s tourism marketing organisation, Destination Bristol, seeks to increase visitor numbers, encourage longer stays and promote expenditure on locally sourced services and products.
45. In recent years major investments have been made in Central Bristol by international hotel chains including Radisson, Accor Hotels and Travel Inn: a number of further hotel developments are in the pipeline. It may well be that the current round of hotel developments in Central Bristol (an estimated six new hotels in four years) will satisfy market requirements for many years to come.
46. The leisure and tourism sector continues to grow steadily despite being sensitive to national economic performance and the level of disposable incomes. It remains to be seen whether the sector can sustain the levels of investment and job growth seen over the last ten years. Proposed leisure related schemes including the new Ashton Vale Stadium (and arena?) and the National Wildlife Conservation Park at Cribbs Causeway should help to boost visitor numbers.
47. The rich historic and architectural heritage of Bristol, and the on-going programme of high profile leisure and cultural events help, to give Bristol a competitive edge over other cities when it comes to attracting visitors. However, it can be argued that other cities have an edge in areas including the provision of large capacity performance venues, transport services, sports and leisure facilities and sporting prowess.

⁴ *Chips with Everything*, NESTA October 2010, p.9

Professional Services

48. The professional services sector comprises a wide range of services including legal services, accountancy, auditing, business consultancy, property services, ICT, public relations, advertising, marketing and recruitment services.
49. Bristol has the second highest concentration of professional services firms outside of London with many businesses providing specialist services to clients throughout the South West and the UK.
50. Bristol has a concentration of consultancy firms specialising in engineering, aerospace and defence, ICT and communications, planning, surveying and property services, environmental technologies and defence.
51. Bristol is well served with accountancy and auditing services with many prominent national and international firms having a major presence in the city.
52. Bristol's law firms offer expertise in corporate tax and commercial law, intellectual property, finance and insurance, and the public sector. Bristol University Law School is one of the most successful in the UK and a new £1.2 million College of Law opened in the Temple Quarter in 2010.
53. The sector has been growing rapidly in recent years and is likely to remain buoyant supported by a steady supply of local graduates and Bristol's growing knowledge based economy.

Health and Social Care

54. This sector provides more jobs in Bristol than any other sector, 30,100, 13% of the total. Within this number a little over half are in the 'hospital activities' sub-sector and there are significant numbers in personal care, both residential and social care without accommodation. Nearly 80% of workers in this sector are female and nearly 50% work part-time.
55. The sector is important in offering a variety of 'entry level' occupations, at locations spread throughout the city, making it a very accessible sector for all neighbourhoods and communities. While there are some short-term questions around the prospects for this sector, the longer-term prospects are for employment growth in response to a rising population and increased numbers of older people.

Public Services (including education)

56. The public sector has expanded considerably over the past ten years with large employment increases in local government, primary and secondary education, higher and further education, the health service and central government functions. Central Government agencies with a major presence in the Bristol area include the MoD's Defence Equipment and Support Organisation (DE & S) HQ at Abbey Wood to the north of Bristol where some 8,000 are employed, the Planning Inspectorate and The Environment Agency.
57. Substantial and sustained public sector employment growth is coming to an abrupt halt as government budget cuts take effect. Major job losses are expected

at Abbey Wood, in Central Government departments and agencies based in Central Bristol and in most local government services.

58. It remains to be seen whether these job losses will represent a temporary blip or whether they will continue after the announced four year programme of expenditure cuts has been implemented and public sector expenditure has been realigned vis a vis gross national expenditure. An increasing demand for public sector services from a growing population, particularly an increasing older population, may well necessitate a commensurate increase in public sector budgets and employment in the medium to long term as has consistently occurred over the last twenty years.
59. Along with other cities Bristol is hoping to attract Central Government jobs being relocated away from London in line with the recommendations of the 2004 Lyons Report on Public Sector Relocations. It is not yet clear how the recent major overall proposed reductions in central government departmental expenditure and jobs will impact on the planned relocation programme

Retail

60. Rising living standards and levels of disposable income over the last two decades have led to growth and increased employment in the retail sector across the country. In recent years the sector the recession has resulted in a general downturn in consumer expenditure and the physical departure of many prominent High Street names.
61. The opening of Cabot Circus in 2008 boosted retail employment in Central Bristol (by as many as 4,000 jobs) but the recession and changing shopping patterns continue to impact on vacancy and employment levels in district and local retail centres.
62. A continuation of now well established retailing trends looks likely in the years ahead; an increasing proportion of expenditure going to superstore chains with many district and local centre continuing to lose trade. Overall retail expenditure will almost certainly increase in the medium to long term in line with population change and an increase in disposable incomes but this may not translate into a commensurate overall increase in employment – there is more likely to be a continuing redistribution of employment within the sector. Technological advances (e.g. the greater use of self service check outs) and online shopping will also likely to exert downward pressure on jobs.

Distribution / Logistics

63. In response to structural changes in the logistics industry a number of specialist developers, retail companies and logistics companies have built / occupied large regional and national distribution depots at Avonmouth Severnside in recent years, making this substantial industrial area a major player in the national logistics network. The ready availability of large reasonably priced development sites close to major motorway junctions has and will continue to prove attractive to distribution companies seeking to serve the South West and South Wales.
64. Companies locating to or expanding at Avonmouth Severnside in recent years include Culina Distribution, DSG International, John Lewis, Nisbets. The job impacts are considerable -Tesco's new regional distribution depot adjacent to the M49 employs 700 staff, the proposed new Co-op depot is expected to generate

1,000 new jobs while Asda are looking to employ over 800 staff at their proposed new regional depot. This current flurry of logistics / distribution depot development at Avonmouth Severnside could create up to 4,000 jobs but this rate of job growth is unlikely to be sustained given that all the major food retailers will have made their respective investment decisions by 2012.

65. In the medium to longer term the continuing development of the Port of Bristol and the proposed deep sea container terminal is likely to bolster logistic related development at Avonmouth Severnside.
66. In time motorway congestion, motorway junction capacity and flood risk may act as a brake on the rate of development with regard to logistics and other employment generating uses at Avonmouth. However there is no immediate sign of this happening and plans are in hand to at least ameliorate the flooding risks and highway/ access issues (but as yet not supported by firm funding provisions).

1.6 Forecasts

67. Forecasting future economic growth is fraught with difficulties, as with most predictions. There are two recent sets of forecasts about Bristol's local economy, which present both similarities and significant differences.
68. Oxford Economics were commissioned by local authorities in the South West of England to provide forecast models that could be used in LEA. Three scenarios were considered – lower, central and higher growth – largely based upon previous growth trends but with account taken of the experiences of recession and specific growth potential in individual economies.

GVA

69. The Oxford Economics central growth forecast suggests growth in Bristol above both the national rate and that of most of its geographic neighbours. Between 2010 and 2020 Bristol's GVA forecast to increase by 32.7%, higher than UK forecast of 30.5%. In 2010 Bristol is estimated to be generating 12.0 % of the South West's GVA; by 2020 this will increase to 12.3%. Bristol is estimated to contribute 0.9% of the UK's overall GVA in 2010, with a forecast of this increasing to 1.0% by 2020.

Table 2: Forecast percentage change in GVA 2010-2020

Area	GVA (£m, 2005 prices)	GVA % change
	2010	2010-20
Bristol	10,609	32.7
Bath & NE Somerset	3,408	24.1
North Somerset	3,422	32.3
South Gloucestershire	6,090	35.7
UK	1,125,561	30.5

Source: 2010 Oxford Economics, Central Growth Scenario for South West

70. In contrast, the South West Regional Development Agency (SWRDA) has published projections suggesting much lower growth in Bristol's economy, over the next 20 years. The "South West Economy Module Projections" are based

upon historical trends and future economic performance based upon 'consensus' forecasts.

71. The SWRDA South West Economic Projections (Autumn 2010) suggest that Bristol's GVA, estimated at £9,927Million in 2010 (having fallen by over 6% during the recession), will rise to £13,107Million in 2030, an annual rate of growth of 2.5%. While this rate of growth is projected to be above the average for the South West, it is lower than many other local economies that will overtake Bristol in terms of output, notably Devon, South Gloucestershire and Somerset.

Employment

72. Oxford Economics estimate, that in 2010 there are 247,000 ⁵ jobs (including self-employment), in Bristol. The number of jobs differs from the number of people in employment, as some people will have more than one job. By 2020 the number of jobs in Bristol is forecast to increase by 8.0%, which is higher than forecast increase for the UK over the same time period of 7.5%. Over the same time period South Gloucestershire is forecast to see an increase in jobs (including self employment) of 12.1%. The increase in jobs in South Gloucestershire could also benefit Bristol residents as many commute across the district boundary to work. However, whilst the number of jobs (including self employment) in Bristol and nationally are forecast to increase they are not forecast to return to pre recession levels until 2014.

Oxford Economics Growth Scenarios

73. Both the overall employment forecasts and forecasts by sector are from Oxford Economics' central growth scenario. The scenario is based on average annual GVA growth in Bristol of 2.9% between 2010 and 2020, compared with 2.7% nationally.
74. In addition to the central growth scenario Oxford Economics also produced a weaker growth scenario and a stronger growth scenario. The stronger growth scenario is more in line with pre recession growth in the UK economy, and is based on average annual GVA growth of 3.5%, in Bristol between 2010 and 2020. If the higher growth is achieved Bristol is forecast to have 280,000 jobs (including self employment) in 2020.
75. The weaker growth scenario based on lower immigration and lower productivity growth. In the lower growth scenario, average annual GVA growth in Bristol, between 2010 and 2020 is estimated to be 2.7% compared with 2.5% nationally. By 2020 the lower growth scenario estimates that there would be 263,000 jobs in Bristol.
76. The table below provides a summary of the alternative outcomes in Bristol 2010-2020.

⁵ Source: 2010 Oxford Economics, Central Growth Forecast

Table 3: Alternative Outcomes for Bristol 2010-2020 Scenarios

	Weaker trend growth	Central	Higher trend growth
Working Age Population 2010 (000's)	296	297	297
Working Age Population 2020 (000's)	321	327	333
Working Age Population 2010-2020 (% pa)	0.8	1.0	1.2
Jobs (incl self emp) 2010 (000's)	247	247	249
Jobs (incl self emp) 2020 (000's)	263	267	280
Jobs 2010 - 2020(% pa)	0.6	0.8	1.2
GVA 2010 (£M 2005 prices)	10,602	10,609	10,714
GVA 2020 (£M 2005 prices)	13,887	14,072	15,075
GVA 2010-2020 (% pa)	2.7	2.9	3.5

Source: Oxford Economics Growth Scenarios 2010

77. In both the central and weaker growth scenarios, there is a clear gap between the forecast population growth and the forecast jobs growth. This could imply growing levels of unemployment in Bristol, were it not for the context of significant forecast jobs growth in South Gloucestershire (as noted above). Much of that jobs growth is likely to occur in the Northern Fringe or along the Avon Ring Road; both of these areas are highly accessible to Bristol residents.

Employment Forecasts by Sector

78. Over a fifth (or 23.1%) of the jobs (including self employment) in Bristol in 2010 are estimated to be in the business services sector. Nationally the ten sectors⁶ estimated to have the largest proportions of jobs in 2010 are broadly similar to Bristol. The most notable differences are financial intermediation, which is the fifth largest sector in Bristol, but the tenth largest nationally. Bristol is also estimated to have a larger public sector than the national average.

79. Education, health and social work, and public administration and defence combined are often used as a proxy for the public sector, which is expected to be hit hard by expenditure cuts. However, as Bristol has a doesn't have an overdependence on the public sector and has a relatively strong and diverse economy there is a belief that Bristol's economy will be well placed to weather the public sector cuts.

Table 4: 2010 estimates of jobs in Bristol

Industry sector	2010, Jobs (000's)	% of Jobs (inc self employment)
Business services	57	23.1
Distribution & retail	36	14.4
Health	34	13.7
Education	23	9.3
Financial intermediation	22	8.9
Public administration & defence	14	5.6
Other personal services	13	5.1
Hotels & restaurants	12	4.8
Construction	12	4.7
Transport & communications	11	4.4

Source: 2010 Oxford Economics, Central Growth Forecast

⁶ Sectors are based on 26 Groupings of SIC codes, as listed in Appendix Two.

80. Between 2010 and 2020 the business services sector in Bristol is forecast to increase by 24.5% to 71,000. The second largest increase in jobs in Bristol between 2010 and 2020 is forecast to be in the hotels and distribution sector with an increase of 13.1%. By 2020 Hotels and restaurants are forecast to account for 5.1% of all the jobs in Bristol. The table below illustrates the ten sectors forecast to have the largest proportion of all the jobs in Bristol in 2020.

Table 5: Forecast largest employment sectors in Bristol in 2020

	2010-20	2020	Percentage of Jobs
Industry sector	Percentage change	Jobs (000's)	(inc self employment)
Business services	24.5	71	26.6
Distribution & retail	9.8	39	14.6
Health	0.5	34	12.8
Financial intermediation	8.5	24	9.0
Education	1.7	23	8.8
Hotels & restaurants	13.1	14	5.1
Public administration & defence	-2.8	13	5.0
Other personal services	4.4	13	4.9
Construction	6.9	12	4.6
Transport & communications	4.4	11	4.3

81. In contrast to the forecasts for Bristol nationally between 2010 and 2020 the number of jobs in the education, public administration and defence sectors are forecast to decrease. The education sector in the UK is forecast to decrease by 1.7% and the public administration and defence sector is forecast to decrease by 6%. The table below shows the ten sectors forecast to the largest proportion of the UK's jobs by 2020.

Table 6: Forecast largest employment sectors in the UK in 2020

Industry sectors	2020 Jobs (000's)	% change 2010-20	% of total jobs 2020 (incl self employment)
Business services	6807	28.0	20.7
Distribution & retail	5414	13.1	16.4
Health	3986	1.9	12.1
Education	2618	-1.7	7.9
Construction	2205	9.0	6.7
Other personal services	2198	11.0	6.7
Hotels & restaurants	2167	13.2	6.6
Transport & communications	2022	10.8	6.1
Public administration & defence	1424	-6.0	4.3
Financial intermediation	1105	5.1	3.4

Source: 2010 Oxford Economics, Central Growth Forecast

SWRDA South West Economic Projections

82. SWRDA estimate total employment in Bristol, expressed as full-time equivalents rather than total jobs, at 219,000 in 2010. This is projected to rise to 289,000 by 2030, growth of 1.8% per annum from 2010 to 2015 and 1.3% per annum from

2015 to 2030. The rate of growth is above the average for the South West, and significantly higher than the trend in jobs growth over the previous 15 years.

Labour Productivity Forecasts

83. Bristol's productivity is already significantly above the national average. Local economic growth over the next ten years is expected to increase this competitive edge further in Bristol's favour.
84. Oxford Economics estimate Bristol's labour productivity⁷ in 2010 at £42,900⁸ per worker. The national average for 2010 is estimated to be £36,700 per worker. By 2020 the gap between Bristol and the UK average in terms of labour productivity per worker is forecast to widen to £8,100, with Bristol having a labour productivity per worker of £52,700 by 2020. Having relatively high labour productivity will increase Bristol's competitive edge.
85. The SWRDA projections suggest that Bristol's productivity – GVA per fte – will effectively stagnate over the next 20 years, with a growth rate of just 0.1%. This contrasts with projected growth of between 2% and 3% in Bournemouth, South Gloucestershire and North Somerset.
86. The route of the difference between Oxford Economics' forecast and SWRDA's projections seems to lie with slight differences in GVA growth exacerbated by larger differences in employment growth.

1.7 Enterprise & Innovation

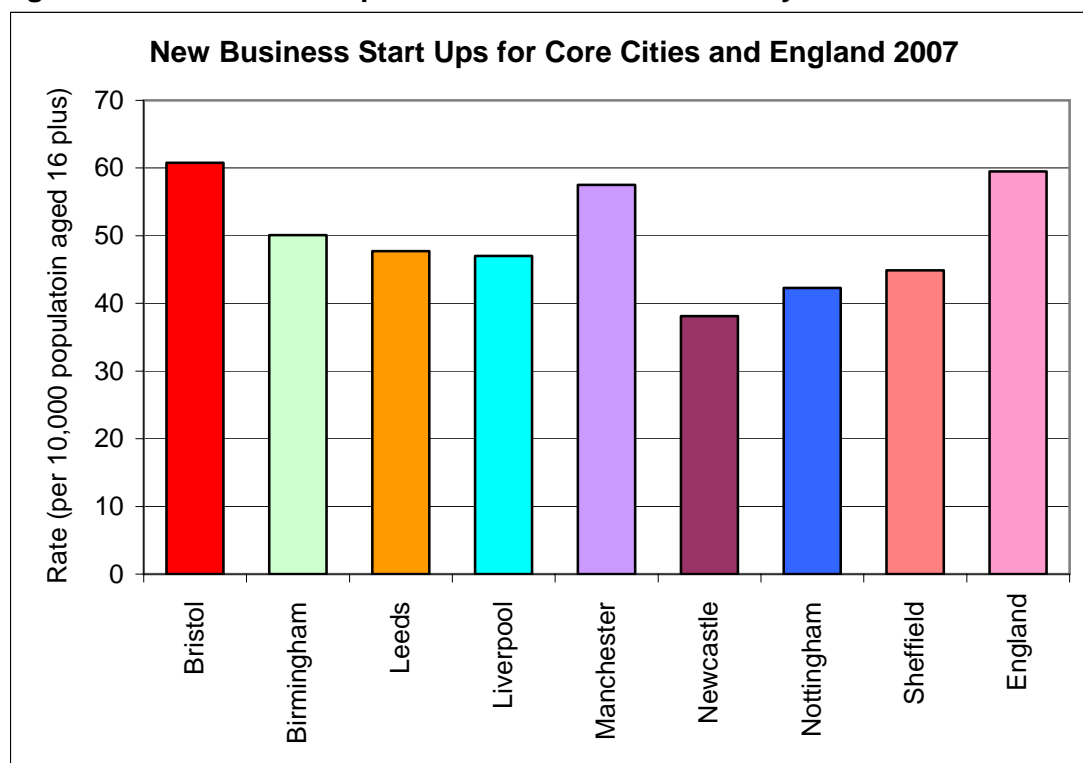
87. In a climate of public sector cuts and with the Bank of England warning of a "choppy recovery" the level of entrepreneurialism and innovation in an economy becomes of increasing importance.

Business Start Ups

88. The level of new businesses provides an indicator of the level of entrepreneurialism in an area. Business registrations for VAT and PAYE can be used as a proxy for businesses start ups although it is important to bear in mind that a business can be in operation for a number of years before they reach VAT threshold.
89. In 2007 Bristol's business registration rate per 10,000 of 16 plus population was 60.8 compared with and England rate of 59.5. In terms of Core cities Bristol has the highest proportion of business registration and Newcastle has the lowest with 38.1.
90. The chart below illustrates the proportion of business registrations per 10,000 16+ population for the Core Cities.

⁷ Measured using GVA in £000's per worker (incl self employment)

⁸ Source: Oxford Economics Central Growth Scenario

Figure 2: Business start ups in Core Cities and nationally

Innovation

91. Innovation is one of the five drivers of productivity, which are essential for competitiveness and growth in an economy (the other drivers are usually identified as skills, competition, investment and entrepreneurship). Like at least two of these, effective measures of the level of innovation are hard to find, especially at the level of local economies.
92. Proxies for measuring innovation include the strength of the knowledge-based economy and the presence of a flourishing creative industry sector. Both of these measures, reported above, indicate high levels of innovation in Bristol's economy.
93. Bristol's creative industry sector is central in the promotion of innovative thinking in the city, impacting on the local economy and other aspects of life. Launched in 2005 and built around a 'core' series of events each May, the Festival of Ideas is now a year long programme of debate and discussion, linking arts and science, including themes around science, technology, business and enterprise.
94. The recent Manchester Independent Economic Review (MIER) found that innovations spread more easily in a supply chain than amongst a group of competitors. Within the West of England there are strong industrial links between academia and aerospace companies benefiting students, researchers and businesses alike.
95. The Bristol city-region is one of six UK science cities, awarded this status in recognition of its world-class academic research, strong scientific SME base and its potential to drive economic growth through science and innovation. One of the main outcomes from the work of Science City Bristol has been the development of Spark, a £300 million science and technology hub currently under construction

in South Gloucestershire, with the potential to create over 6,000 highly skilled jobs in the aerospace, defence, digital technologies and biotechnology sectors. Bristol is also preparing to host an Academic Health Sciences Centre, bringing universities and hospitals together to provide training and attract investment.

96. Two of the universities in the West of England - Bristol and Bath - are partners, with Southampton and Surrey universities, in SETsquared Business Acceleration, which is aimed at helping early-stage, high-tech, high-growth potential ventures. It provides serviced office space, business guidance and mentoring as well as access to a high-calibre network of experienced entrepreneurs, potential investors and business professionals. The Bristol centre alone has 37 companies, employing 200 people. 12 of these companies have between them raised over £23 million in funding in 2008.
97. Economic development strategies increasingly stress the need to promote and support innovation, the transfer of new technologies and the development of knowledge-based industries in order to improve economic competitiveness and sustain economic growth and prosperity. Bristol is well positioned to meet this challenge – a very high proportion of the workforce is qualified to NVQ level 4, the city has a nucleus of potentially high value added, high growth businesses in technologically advanced industries and the two local universities work very closely with businesses in various capacities (e.g. joint ventures, market facing research and development, business incubation, networking).
98. In 2008, McKinsey (a global management consultancy) and the World Economic Forum identified Bristol as a “hot spring of innovation” in its map of global innovation hubs, the “Innovation Heatmap”. This is based upon the numbers of international patents taken out between 1997 and 2006, taking into account the diversity in businesses taking out those patents. A “Hot Spring” is defined as a small, fast-growing hub, on track to becoming a world player.⁹

Innovation Networks

99. Bristol is well represented in five Information Networks (iNets) established in the South West as part of the government-funded Solutions for Business portfolio of business support. Each of the sector-specific iNets supports businesses in turning ideas into new products and services, providing access to specialist information and research.
100. iNets in Aerospace & Advanced Engineering, Creative Industries, Biomedical, Microelectronics and Environmental Technologies build upon knowledge transfer partnerships, peer networking and business support initiatives. The aim is to create an effective arena for innovation in potential high growth sectors.
101. The Microelectronics iNet is led by the University of the West of England (UWE), managed by a consortium including the University of Bristol, The National Microelectronics Institute (based in Bath), the Electronics, Sensors & Photonics Knowledge Transfer Network and local business STMicroelectronics (R&D) Ltd.
102. The Creative Industries iNet is hosted by South West Screen, in central Bristol. It supports projects that catalyse innovation, share knowledge and connect with new markets, especially for exporting.

⁹ <http://whatmatters.mckinseydigital.com/innovation/building-an-innovation-nation>

Business Networking

103. A number of dedicated business / academia networks seek to encourage and promote synergy between technologically advanced businesses including:-
- Bath and Bristol Enterprise Network (BEN) is a networking and support organisation for technology businesses in the Bristol and Bath region. BEN has over 1800 members comprising businesses, academics, investors, industry leaders, and professional service providers.
 - Science City Bristol seeks to support and develop the area's science and innovation assets by bringing business, academia and government together, creating a more connected scientific community, promoting the area's scientific achievements and creating a culture that celebrates science and technology.
 - West of England Aerospace Forum (WEAF), a membership trade association that champions and supports the interests of the South West aerospace and defence industry. The Forum leads the sector in delivering national supply chain initiatives that connect the SME community with aerospace prime contractors.
 - Low Carbon South West, a trade association and sector partnership between businesses, academia, investors, local authorities, regional and national agencies promoting the growth of the environmental technologies and services sector in the South West. This grew out of the Bristol Environmental Technology & Services (BETS) initiative, established by Bristol City Council, joining with similar organisations from Bath and elsewhere in the South West. It is the largest low carbon trade association in the UK, with over 2,000 members.

1.8 Competitiveness

104. Over the last thirty years, Bristol's economy has benefited from the successful attraction of financial services companies from London, the development of creative industries based upon broadcast media and from the expansion of the public sector (especially higher education).
105. Recent years have seen Bristol successfully creating private sector jobs, alongside the expansion of the public sector, somewhat in contrast to its peers and comparators amongst other large urban areas in the UK. This growth, both inside the City of Bristol itself and in the neighbouring Northern Fringe in South Gloucestershire, can be attributed to a number of factors contributing to Bristol's economic competitiveness referred to throughout this report – good transport connections to London and the rest of the UK, a skilled workforce, a positive reputation for high quality of life, a vibrant cultural and creative sector and relatively high levels of enterprise and innovation.
106. A report from the Centre for Cities identified Bristol's success in creating private sector jobs – second only to London in the UK over the ten years 1998 - 2008. During that time 37,200 net additional private sector jobs were created in Bristol. The rate of growth, 15.4% was significantly above the other Core Cities – Newcastle was the next most successful with growth of 10.2%, while Birmingham and Nottingham saw decreases of 7.7% and 7.3% respectively.

107. The report, Private Sector Cities, identifies Bristol as one of England's "buoyant cities", describing it as a prime candidate for major expansion to support further economic and employment growth.¹⁰
108. Bristol has been identified as the most competitive large English city outside of London by a new economic study. "The UK Competitiveness Index 2010", published by the University of Wales Institute, Cardiff (UWIC) ranks Bristol as the most competitive English large city, with Edinburgh taking the top spot across the UK. The report defines competitiveness as 'the ability for an economy to attract and maintain firms with stable or rising market shares in an activity, while maintaining stable or increasing standards of living for those who participate in it.'

Productivity

109. One of the most important contributory factors to growth, both in an individual business and the economy as a whole is labour productivity.¹¹ Productivity also enables a comparison of GVA in one area the GVA of another areas of a different geographical size. One measure of productivity is GVA per filled job. As illustrated in the table below GVA per filled job in Bristol is higher than the UK average and all of the Core Cities. The table below contains GVA per filled job as index, with the UK as a base at 100.

Table 7: Gross Value Added per filled job, by NUTS area

NUTS3 Area	Gross Value Added ¹² (GVA) per filled job indices (weighted moving average) by NUTS ¹³ area at current prices 2003 - 2007				
	2003	2004	2005	2006	2007
Bristol	109.8	109.4	109.5	109.9	110.4
Birmingham	96.3	95.4	94.7	94.3	94.5
Greater Manchester	91.7	91.7	91.6	91.5	91.5
Leeds	98.6	97.0	96.3	96.1	96.5
Liverpool	84.8	83.9	83.8	84.3	85.0
Nottingham	97.2	97.4	96.8	95.9	95.0
Sheffield	85.1	84.9	85.0	85.4	85.7
Tyneside	92.1	91.4	91.1	91.2	91.4

Source: ONS

¹⁰ Private Sector Cities: a new geography of opportunity, Centre for Cities, June 2010. In the report, Bristol is taken to be the Primary Urban Area, including parts of South Gloucestershire such as the Northern Fringe and Kingswood.

¹¹ Labour productivity is defined as output per unit of labour input (OECD)

¹² 1 The headline GVA series for this table have been calculated using a weighted moving average.

¹³ The Nomenclature of Units for Territorial Statistics (NUTS) is a hierarchical classification of administrative areas, used across the European Union for statistical purposes. This table uses NUTS 3 areas with the exception of Greater Manchester, which is a NUTS 2.

Perceptions of Bristol

110. Bristol City Council recently commissioned research into perceptions of the city as a business location, amongst organisations operating as agents or intermediaries for large national or multi-national companies. A study was carried out with a range of investment and business support intermediaries, property agents, trade associations and the property media. An initial finding was a marked level of ignorance of Bristol's 'offer' amongst trade associations, some corporate location and inward investment agencies, the 'trade press' and country specific intermediaries. This would appear to place Bristol at a disadvantage in its efforts to attract inward investment.
111. Amongst intermediaries Bristol's strengths are perceived to be
- Quality of life
 - Skills base, the universities and innovation
 - Geographic location and accessibility
 - Transport links
 - Clusters and a broad business base
 - Reduced costs
112. Generally quality of life is considered the most important factor in Bristol's favour. The combination of the location, skills and diverse industry base is hailed as providing excellent conditions overall for business.
113. Bristol's weaknesses are perceived as
- Transport infrastructure (specifically road traffic)
 - The image of Bristol as 'sleepy'
 - The Council's lack of a proactive stance (transport and congestion)
 - Obstruction to development in the planning department
 - Insufficient marketing by the Council as a whole
114. Bristol is recognised as well suited to the following sectors and business functions,
- Aerospace
 - Creative and Media
 - Environmental Technologies
 - ICT
 - Finance and Professional Services
 - Regional Headquarters
 - Back office functions
 - Research and Development
115. In comparison to other cities as potential locations for business (for example Cardiff, Manchester and Birmingham), Bristol is well regarded for its better quality of life, attractiveness, access to London and other markets, the diversity of its business base, cutting edge innovation and its higher value industry and skills.

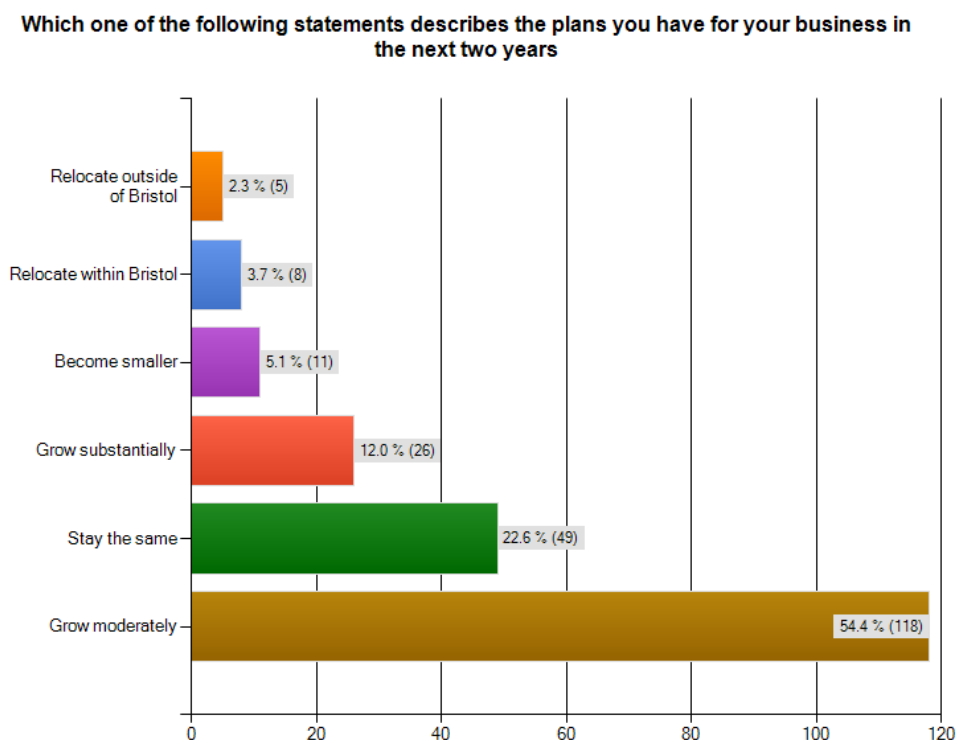
Business Views and Needs

116. As part of the process leading to this LEA report, businesses in Bristol were surveyed using an online survey. The full results of this survey are included as an appendix to this report, but the key findings were,

- The majority of businesses envisaged some degree of growth over the next two years
- The big four issues for Bristol businesses responding to the survey are:
 - traffic congestion
 - recruitment of experienced staff
 - availability and affordability of appropriate land /premises in Bristol
 - obtaining finance
- Of the findings tested from the draft LEA – there was strong disagreement with the contention that: “Bristol’s traffic flow initiatives have resulted in the largest improvement of England’s major cites for journey times in peak morning periods.” This was backed up by some vociferous comments.
- Responding businesses agreed that the quality of life in the city contributes to the retention of graduates from the city’s two universities and the supply of graduates in the local labour market.

117. 54.4% of firms are expecting to grow moderately over the next two years, while a further 12% are anticipating substantial growth. 22.6% of firms are expecting to stay the same size and just 5.1% to become smaller. 6% of firms are looking to relocate, mostly within Bristol itself. The proportion of firms expecting growth was highest amongst the micro (0-9 employees) and small businesses (10-49 employees).

Figure 3: medium-term plans of Bristol businesses



118. Nearly half of firms (46.4%) stated that traffic congestion was an issue for their business. Smaller companies were most likely to cite congestion as an issue while it was also an issue for those firms looking to move outside the city. Similarly, nearly two-thirds of firms did not recognise that there had been any improvement in Bristol's traffic flow in recent years, despite official Govt figures to that effect.
119. 63% of firms value the role of the city's quality of life in helping to retain and attract graduates, boosting the availability of skilled workers. Businesses generally recognised the strength of banking, insurance and business services in the local economy, agreeing that these, together with Bristol's well-qualified workforce will drive future economic growth.

2. People

Key Facts

433,100 - Bristol's population in 2009 (seventh largest city in England).

11.1% - population growth in the last ten years, higher than the UK average and most other large cities in England.

473,800 – Bristol's forecast population in 2021 (over 10% growth, higher than the England average and other large English cities); providing an opportunity for economic growth but posing a challenge for housing, jobs and infrastructure.

296,800 - working age population (68.5% of total population, a higher proportion of total population than the UK average and other large cities in England); potential for a high ratio of earners to non-earners, promoting a more sustainable economy.

34.5% - proportion of Bristol's working age population qualified to Level 4 (first degree level) or over (compared with 29.0% for Great Britain as a whole); fuelling increased productivity as a contribution to economic growth.

79% - economic activity rate amongst Bristol's working age population (slightly above national average but significantly above other large English cities).

50.6% - proportion of total jobs in Bristol in management, professional or associate professional occupations (much higher than UK or other large English cities); showing Bristol's strength in high value jobs and providing opportunities for residents.

£20.40 – the gap, in average weekly earnings between Bristol's residents and all the workers in Bristol (that is, including commuters); this is a relatively small gap for a large city meaning that wealth does not leave the city so quickly and showing that Bristol remains attractive to higher earners.

11,182 – the number of Bristol residents claiming Jobseekers Allowance (JSA) in March 2010; this is more than double the number of claimants in March 2008, but the claimant rate (3.9% of the working age population) is lower than the national average and that for all other large cities in England.

10,900 – the number of Bristol residents forecast to be claiming JSA (or equivalent) in 2020; the impact of recession will be with us for a very long time while population is projected to rise at a faster rate than jobs are created.

39,410 – the number of “workless” Bristol residents, claiming some form of out-of-work benefit; this represents 13.7% of the working age population, a proportion higher than the national average but lower than most of England's large cities; such a high worklessness rate acts as a brake on economic sustainability.

30 – neighbourhoods in Bristol (out of 252) with a worklessness rate of over 25%, indicating deprivation and inequality within a generally prosperous city.

36.9% - employment rate for residents with no qualifications; less than half that for residents with degrees (85.7%)

Summary

Bristol's population grew significantly over the last ten years and, based on that trend, future growth is projected at a faster rate than nationally or amongst other large cities. Much of the growth is attributed to migration, indicating the attractiveness of Bristol's successful economy but having implications for accommodating growth. Bristol's growth rate would move it ahead of Liverpool to become England's sixth largest city.

Projecting population changes is an inexact science and is based primarily on past trends, but it suggests that numbers of young people and working age adults in Bristol could increase by up to 20% over the next ten years, more than double the growth rate projected for the whole of England. Along with this trend towards a 'younger' city, it is likely that there will also be a significant increase in the proportion of Bristol's population coming from Black and Minority Ethnic (BME) groups.

Perhaps more realistic is a forecast of an increase of around 10% in the working age population by 2020. Forecasts are not necessarily more exact than projections, but they do, at least, attempt to allow for changes in policy or external changes in the economy, such as recession, likely to impact upon levels of migration.

Either rate of increase in Bristol's working age population will open up opportunities for increasing prosperity. However, there could be a downside for the labour market if not enough jobs are created, and for the housing market if not enough homes are built.

For a large city, Bristol's labour market functions well and performs well in many important measures – economic activity and employment rates, occupational mix, qualification levels and 'gap' between resident and workplace earnings – indicating a largely successful local economy. A key factor is the presence of a high proportion of well-qualified residents amongst the working age population.

These same measures indicate that Bristol has not been as affected by the recent recession neither to the same extent as other Core Cities, nor to the extent experienced during the recessions of the early 1980s and 1990s.

Unemployment and worklessness in Bristol do not match the scale or rate to be found in other major cities in England. However, there are 'pockets' of unemployment and worklessness affecting some areas of the city, young people and those without adequate qualifications. These groups will continue to be most vulnerable to persistent worklessness in the face of an overall jobs shortage in the city.

The 'pockets', or concentrations, of worklessness in particular neighbourhoods are largely matched by the spatial patterns of deprivation and disadvantage. There is a strong correlation between neighbourhoods experiencing persistent worklessness and those neighbourhoods registering as the most deprived.

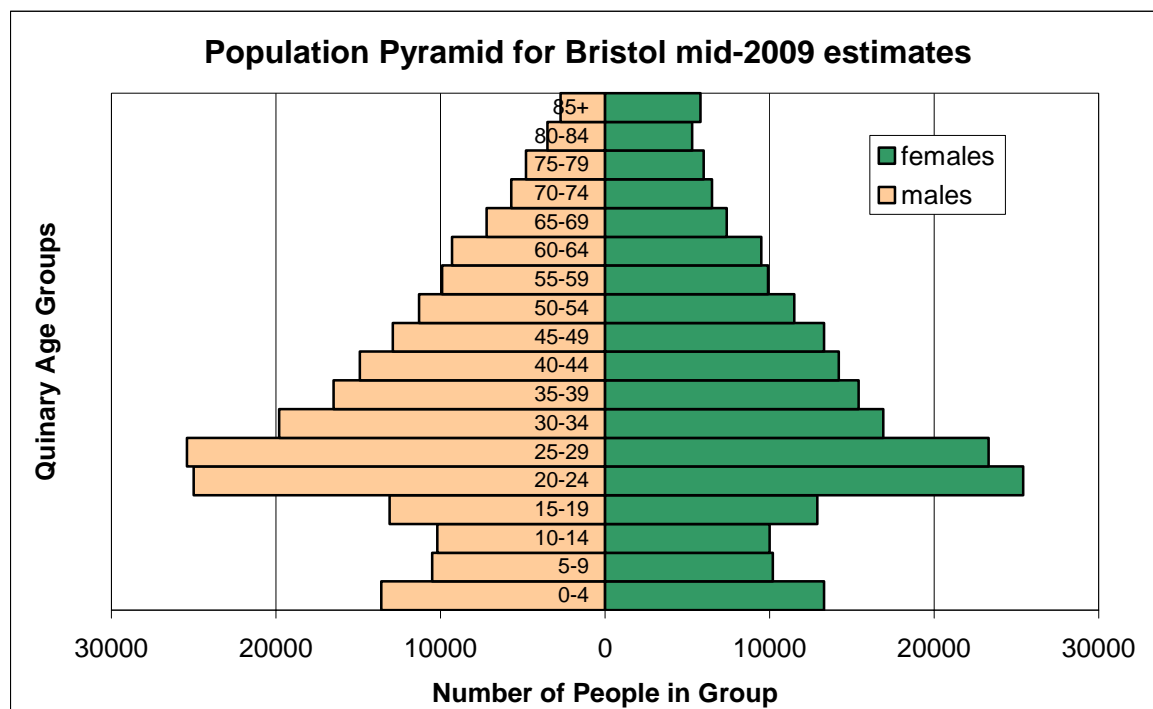
Persistent worklessness and deprivation have significant impacts upon communities and neighbourhoods in Bristol. There are detrimental impacts upon residents' health and mortality, upon levels of crime, educational attainment and childhood poverty.

To some extent the concentrations of worklessness and deprivation are masked by Bristol's overall high levels of economic activity, employment, workforce skills and general prosperity, but are evidence of inequalities across the city. There are opportunities for the development of Bristol's labour market to be found in the surplus capacity indicated by persistent worklessness, but there may need to be significant interventions to realise that opportunity and address the attendant inequalities.

2.1 Demography

111. Office for National Statistics (ONS) 2009 Mid Year Estimates put Bristol's population at 433,100, with a working age population of 296,800 people. Bristol is the 6th largest city in England outside of London (8th largest in UK) and the 10th largest local authority in England in terms of population. The population pyramid below illustrates the age and gender distribution for Bristol in 2009.

Figure 4: 2009 Population pyramid for Bristol



Source: ONS mid-2009 population estimates

112. The table overleaf illustrates 2009 population estimates for Core Cities and the UK by broad age group. In 2009 the proportion of Bristol's population that are children¹ is slightly lower than the UK average with 16.6% compared with 18.7%. Of the Core Cities, only Birmingham has a relatively high proportion of the population that are children with 22% of the population in 2009.

113. Office for National Statistics 2009 Mid Year Estimates of the Population, estimate that the proportion of Bristol's population that is of working age, is higher than the national average with 68.5% and 61.9% respectively. 14.9% of Bristol's population are of retirement age and older².

114. Having relatively low proportions of children and people of retirement age will reduce the dependency on Bristol's working age population. In areas with a high proportion of elderly retired people and/or children relative to working age people there is an increasing financial burden on the working age population.

¹ Aged 0-15 inclusive.

² Aged 60 and over for women and aged 65 and over for men.

115. All data in Bristol's Local Economic Assessment for working age population has an upper age limit of 59 for women and 64 for men. However, between 2010 and 2020, the state pension age for women will gradually increase, from 60 to 65. This could help to reduce the financial burden on working age population.

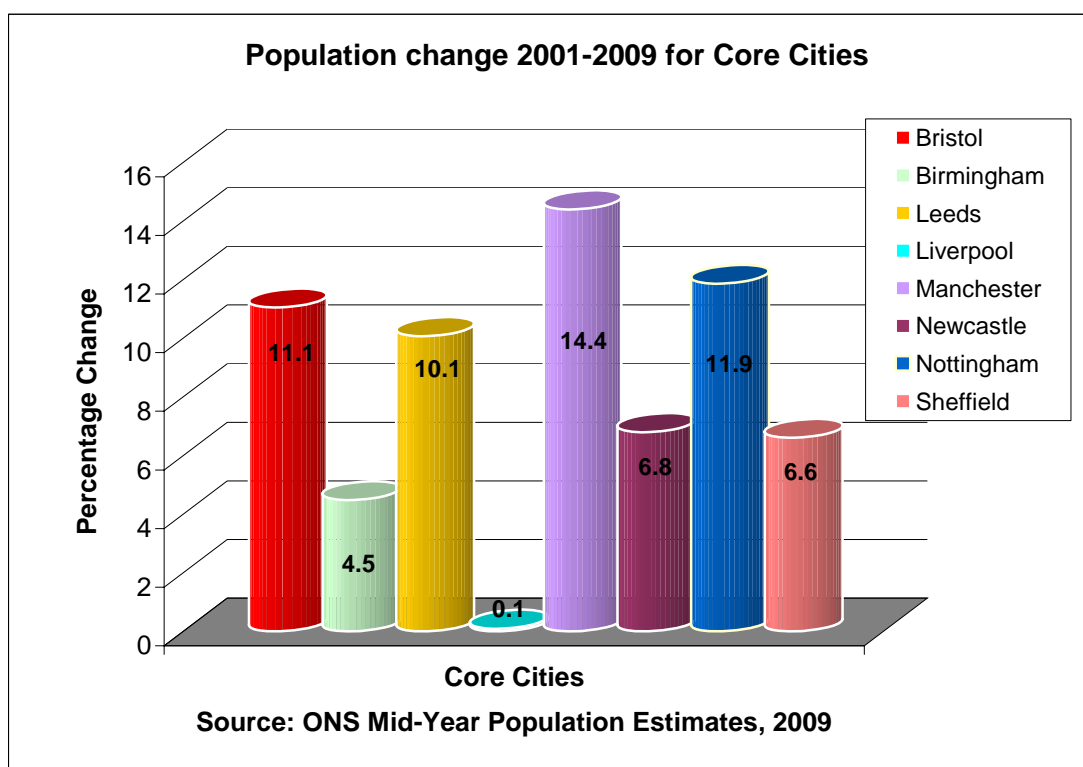
Table 8: 2009 Population estimates by broad age group

Core Cities	Percentage of total population			Total population
	Aged 0-15	Working age	Retirement age and older	
Bristol	16.6	68.5	14.9	433,100
Birmingham	22.0	62.6	15.4	1,028,700
Leeds	16.9	66.4	16.7	787,700
Liverpool	16.9	66.2	16.9	442,300
Manchester	17.6	70.1	12.2	483,800
Newcastle	16.0	67.2	16.8	284,300
Nottingham	16.4	70.2	13.4	300,800
Sheffield	17.1	64.7	18.2	547,000
UK	18.7	61.9	19.4	61,792,000

Source: 2009 Mid year population estimates, ONS © Crown Copyright 2010

116. Between 2001 and 2009, Bristol's overall population increased by 11.1% compared with a UK increase over the same time period of 4.3%. In terms of Core Cities Manchester experienced the largest increase in population with an increase of 14.4% between 2001 and 2009. Liverpool experienced the smallest increase with 0.1%. The population change for the Core Cities is illustrated in the chart below.

Figure 5: Population change for all Core Cities

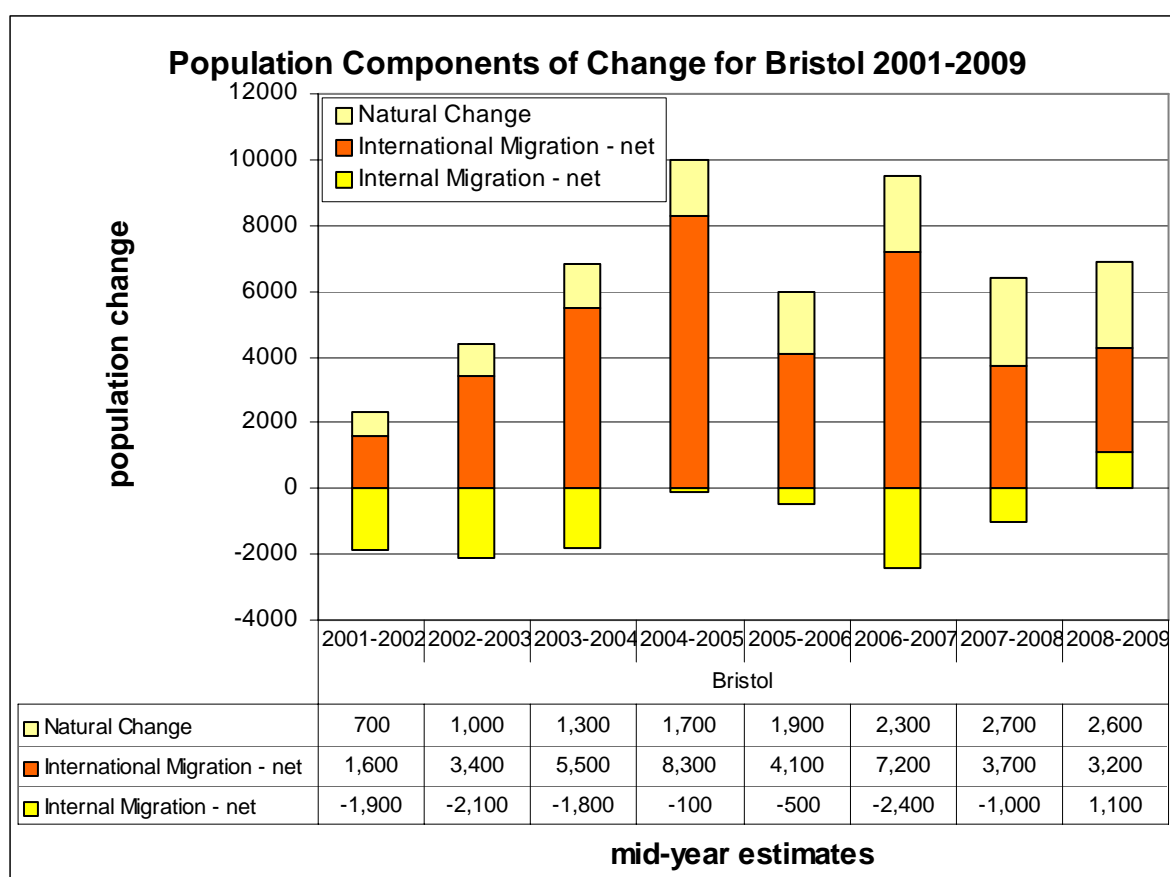


Components of Population Change

117. Between 2008 and 2009 Bristol's population increased by just under 7,000 people. The population increase in Bristol can be attributed to both natural change (i.e. births minus deaths) of 2,620 people and net migration of 4,300 people. Net migration consists of both internal migration and international migration. Movements to and from other parts of the UK (internal migration) have for the first time in many years resulted in more people moving into Bristol than moving out. In terms of international migration, between 2008 and 2009 there was a fall in the number of international migrants coming to Bristol, continuing a downward trend. However, overall there were still more international migrants coming into Bristol than leaving.

118. The chart below illustrates the components of change in Bristol's population between 2001 and 2009.

Figure 6: Components of Bristol's population change 2001-2009



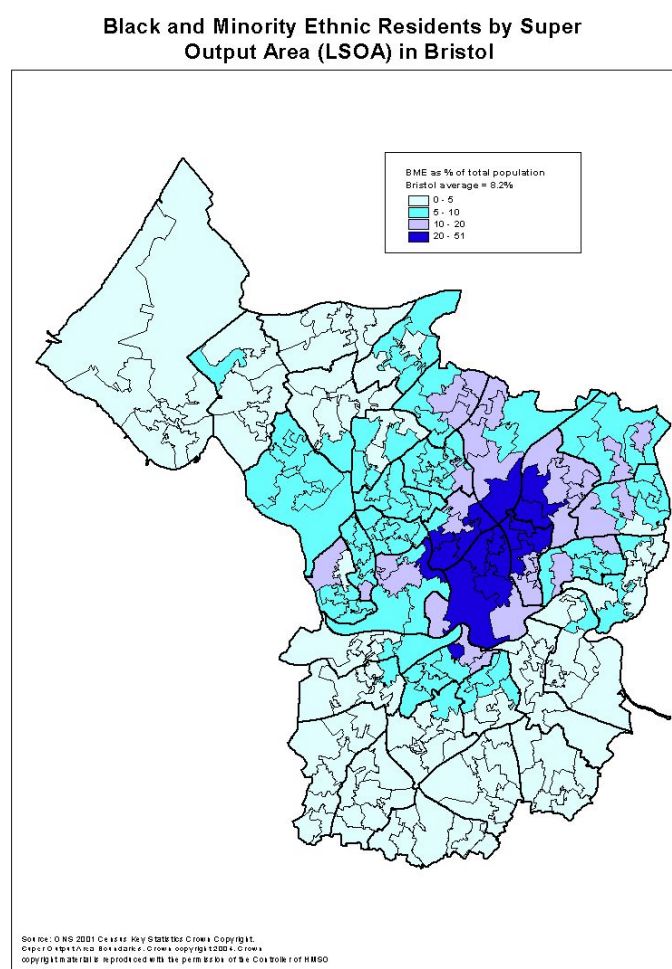
Source: ONS 2009

Ethnicity

119. Population estimates by ethnic group at a local authority level are published by ONS as 'experimental statistics'. This means that the statistics do not yet meet the quality standards of National Statistics and may be subject to change. The estimates are available from 2001 to 2006 and are useful to understand change in the population since the 2001 Census.

120. The total population of Bristol in 2001 was 390,000 of which 31,900 (8.2%) was made up of Black and Minority Ethnic (BME) groups. This BME population in Bristol is estimated to have increased by 14,200 by 2006, giving a total BME population of 46,100, 11.2% of the total population in Bristol.³
121. There is evidence to suggest that the ONS figures underestimate the number of BME in Bristol. In 2008, there were over 1,100 more 'Black or Black British' children attending local authority maintained schools in Bristol than the ONS estimate of 'Black or Black British' 0-15 year olds in total. The undercount is particularly concentrated in the Black African group with at least 800 children aged under 16 not included in the ONS Black African estimate. Similarly, there are nearly 200 Black Caribbean pupils aged under 16 not included in the ONS Black Caribbean estimate. These disparities have been reported to ONS.
122. The diversity of Bristol's resident population is one factor that contributes towards creativity and innovation in the local economy. The combination of different experiences and viewpoints from different cultural heritages introduces and enhances that creativity and innovation to the overall benefit of the city.
123. BME groups are not evenly spread across the city. There are clear concentrations in the city centre and to the east of the central area (predominantly the Ashley, Lawrence Hill and Easton wards).

Figure 7: BME residents in Bristol



³ *The Population of Bristol*, Bristol City Council, January 2009, p.9. This also contains details of the BME population by specific ethnic group.

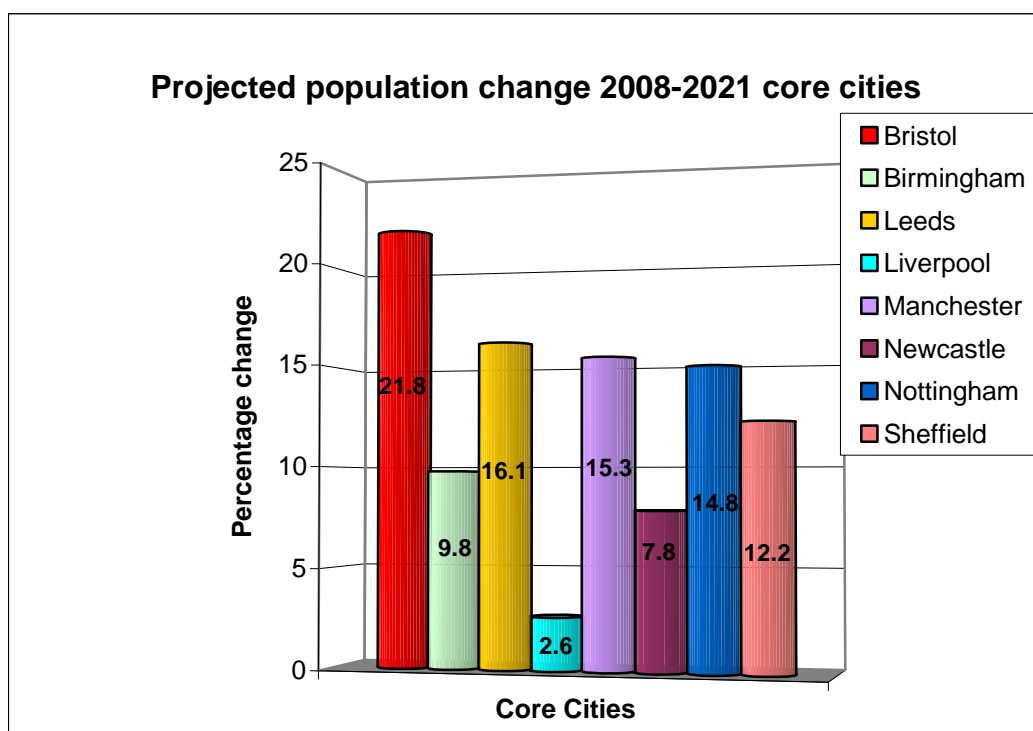
124. It is noticeable that many of the areas with higher concentrations of BME population are also those areas ranked highest for deprivation (see section 2.5 below). This indicates that, in addition to social and economic exclusion experienced by BME groups, these groups are likely to face further disadvantage resulting from residence in deprived areas.

Population Projections

125. ONS 2008-based population projections suggest that Bristol's overall population will increase to 518,800 by 2021, assuming population trends over the last five years (2003-2008) continue into the future. This would be an increase of over a fifth or 21.8%, significantly larger than the projected increase in national figures for the same time period. In England, between 2008 and 2021, the population is projected to increase by 9.7%.

126. In terms of Core Cities, Bristol's 21.8% is the largest overall increase in population between 2008 and 2021. Leeds has the next largest projected increase in overall population, 16.1%. Liverpool has the the smallest projected increase of population of all the Core Cities, 2.6%.

Figure 8: Projected population change 2008-2021 in Core Cities



127. Bristol also has the largest projected increase in the number of children of the Core Cities between 2008 and 2021 with 27.4%. This is closely followed by Manchester with a projected increase of 26.8%. Between 2008 and 2021 Liverpool is to experience the smallest percentage increase in the number of children of all the Core Cities, with a projection of 5.9%.

128. Bristol's working age population is projected to increase by over a fifth with 22.2%, which is the largest increase of all the Core Cities. Leeds will have the second largest growth in working age population of the Core Cities, 14.7%

between 2008 and 2021. Liverpool is projected to experience a decrease in working age population of 0.9% by 2021.

129. Leeds is projected to experience the largest increase in older population of the Core Cities, with 16.9% growth of older people between 2008 and 2021. Bristol is projected to experience the fourth highest increase in older population of the Core Cities, 13.4%. Manchester has the lowest forecast growth of the Core Cities in terms of older population with 6.4%.
130. These projections for the Core Cities would move Bristol from the sixth largest English city (outside of London) to fifth, overtaking Liverpool and getting much closer in size to the fourth largest city, Manchester.

Population Forecasts

131. Forecasts for population in Bristol are also available. Forecasts differ from the 2008 ONS projections, which are based on past trends and don't allow for any changes in policy or external changes in the economy, such as the recession, that will affect population as a result of changes in migration.
132. In 2010 the working age population⁴ of Bristol is estimated to be 297,000 people. By 2020 it's forecast to be 327,000, an increase of 10.4%. This is perhaps more realistic than a projected 22% increase between 2008 and 2021.
133. This forecast rise in working age population is at a faster rate than the forecast rise in overall population. Between 2010 and 2020 the overall population in Bristol is forecast to increase by 10.2%. Nationally, the UK over the same time period is forecast to experience a relatively small increase in working age population of 4.9%, and the overall population of the UK is forecast to increase by 5.3%. An increase in total population that is greater than the increase working age population will increase the dependency on the working age population – Bristol (along with its neighbouring authorities) is forecast to differ from this national trend of increased dependence
134. The table below illustrates the forecast changes in demographics for the West of England as compared with the UK.

Table 9: Forecast change in population, West of England & UK 2010-2020

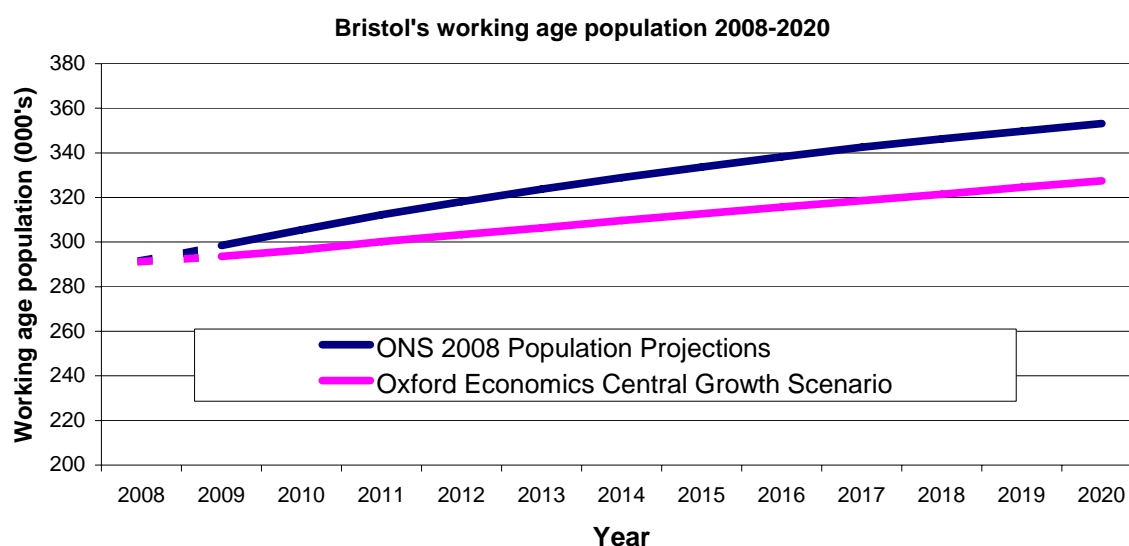
Area	Population		Working Age Population	
	(000s)	Percentage change	(000s)	Percentage change
	2010	2010-20	2010	2010-20
Bristol	430	10.2	297	10.4
Bath & NE Somerset	183	8.2	118	8.4
North Somerset	211	11.0	126	11.2
South Gloucestershire	262	8.2	165	8.5
UK	62,002	5.3	39,026	4.9

Source: 2010 Oxford Economics, Central Growth Scenario for South West

⁴ Oxford Economics Forecasts define working age as 16-64 for men and 16-59 for women.

135. The Oxford Economic forecasts suggest that net migration in Bristol, both international and from other parts of the UK, will continue to increase, but at a slower rate over the next decade. A significant part of the increase in working age population across the UK over the past decade has been as a result of international migration, particularly from the eight 'accession countries' in the European Union. However, as economies in Eastern Europe become stronger and more competitive the UK becomes less attractive to some working age people who would have previously become economic migrants. The weakness of the pound relative to other currencies, whilst this is good for UK businesses also makes the UK less attractive to economic migrants.
136. The chart below illustrates the difference between ONS's 2008 population projections for Bristol's working age population and the Oxford Economic forecasts. The dotted lines represent estimates. The projections are higher than the forecasts as they assume, past trend in migration and fertility rate will remain the same in the foreseeable future. The forecast have been adjusted to allow for a decrease in migration from overseas following the economic downturn.

Figure 9: Difference between projections and forecasts for Bristol's working age population



2.2 Labour Market

Economic Activity

137. 79%⁵ of Bristol's working age population are economically active compared with a national average of 78.9%. This means that 79% of all people of working age⁶ in Bristol are either in employment or actively looking for work. When compared with other Core Cities, Bristol has the highest economic activity rate and Nottingham has the lowest with 67.1%.
138. High economic activity rates are an important sign of a successful economy, providing a sizeable recruitment pool for businesses and signalling low benefit dependency amongst the working age population.
139. 73.2% of Bristol's working age residents are in employment compared with 72.9% of Great Britain's working age residents. In terms of Core Cities Bristol's working age employment rate is the highest and Nottingham has the lowest with 58.5%. Again, high employment rates are signs of a successful economy, indicating higher prosperity and enhanced sustainability through lower benefit dependency.
140. Self-employment is often used as an indicator of the level of entrepreneurialism and enterprise in an economy, with higher levels indicating a more dynamic economy with greater growth potential. The latest figures for Bristol estimate that 9.4% of Bristol's working age population are self-employed compared with 9.1% nationally. Of the Core Cities Bristol has the highest and Nottingham has the lowest proportion of working age population who are self employed with 4.1%.

Temporary Employment

141. A recent study by the Institute for Public Policy Research (IPPR) found that, in the recession, there was an increase in the proportion of workers undertaking temporary work rather than in permanent employment. Vulnerability to unemployment, arising from temporary employment, impacts on the level of spending in the local economy through the 'low pay/no pay' cycle experienced by many temporary workers and their lack of progression opportunities.
142. Latest figures for Bristol show that the proportion of people in employment who are on temporary contracts, both residents and workplace, is higher than the national average. 6.1%⁷ of Bristol residents and 5.4% of people in employment in Bristol have temporary contracts compared with 4.8% nationally. Whilst the figure for the proportion of Bristol residents in employment on temporary contracts has remained the same for two years, the proportion of people in employment in Bristol on temporary contracts has increased, from 5.1% from 5.4%. Nationally Great Britain experienced an increase over the same time period, from 4.7% to 4.8%.

⁵ Source: Annual Population Survey Oct 2008 - September 2009

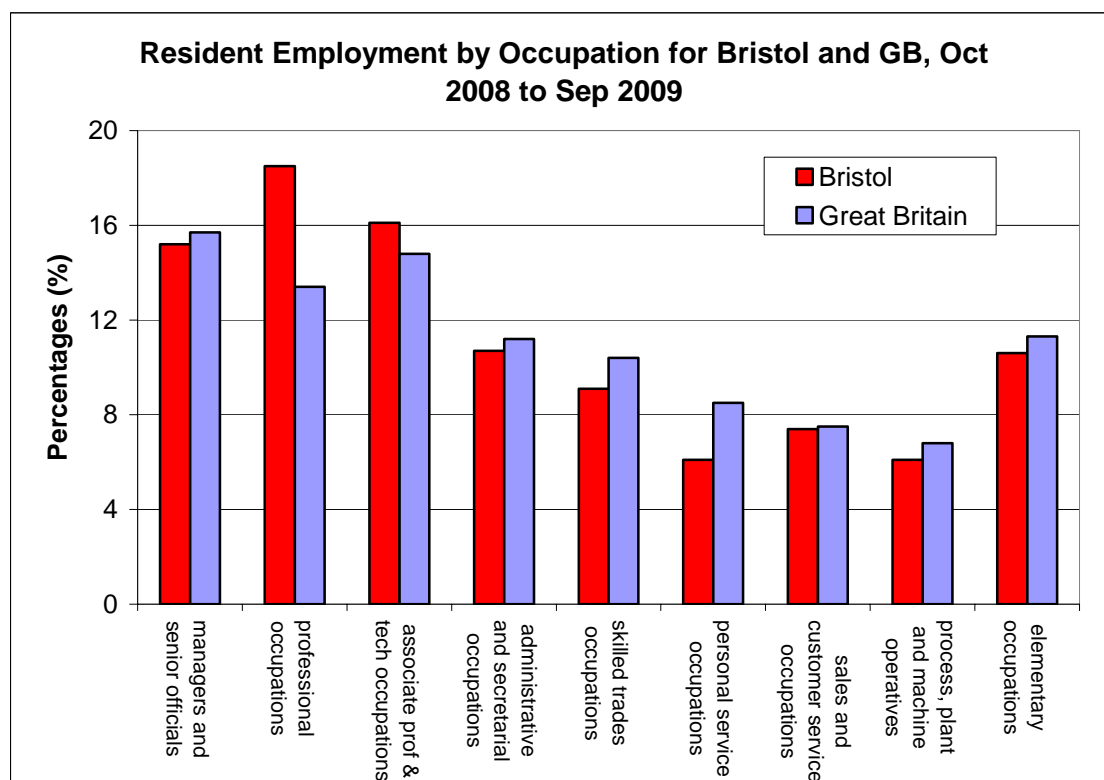
⁶ Working Age (16-59/64)

⁷ Source Annual Population Survey October 2008 to September 2009

Workplace and Resident's Occupations

143. The latest figures for employment by occupation estimate that 15.2%⁸ of Bristol residents who are in employment are managers or senior officials, compared with 15.7% nationally. In terms of Core Cities, Bristol has the highest proportion of residents in employment who are managers or senior officials and Newcastle has the lowest with 10.0%.
144. The proportion of Bristol residents in employment who work in professional occupations is significantly higher than the national average, with 18.5% compared with 13.4% in Great Britain. In terms of Core Cities Bristol has the highest proportion and Leeds has the lowest with 12.2%. This is a reflection of Bristol's highly skilled local workforce and indicates that a higher proportion of the wealth created by these more highly skilled occupations will remain in the local economy (rather than commuting out of it).
145. In terms of lower skilled jobs, Bristol has fewer residents in employment who work in elementary jobs than the national average, with 10.6% compared with 11.3% nationally. Elementary occupations include shelf stacking, cleaning and labouring amongst others. Elementary occupations also tend to be low paid and with limited job security. In terms of Core Cities Bristol has the lowest proportion of residents in employment who are employed in elementary occupations and Nottingham has the highest with 17.9%. The chart below illustrates the proportion of Bristol residents in employment by occupational group as compared with the GB average.

Figure 10: Occupation of residents in Bristol and Great Britain

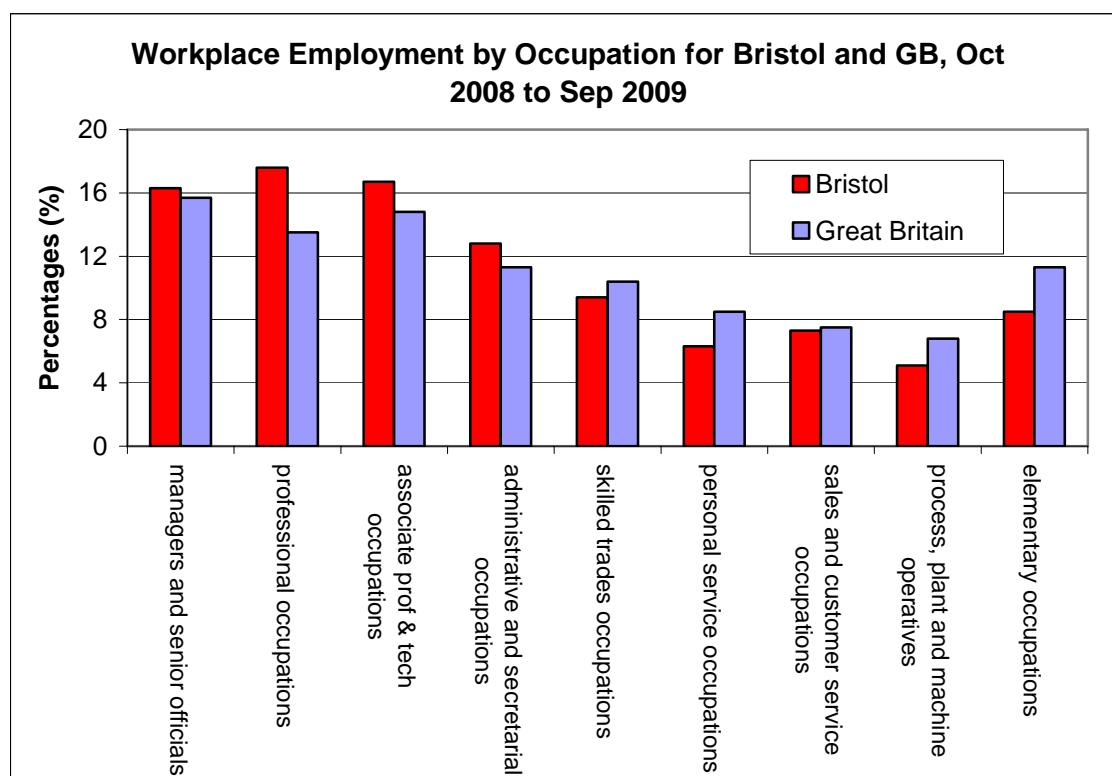


Source: Annual Population Survey October 2008 – September 2009

⁸ Source: Annual Population Survey October 2008 to September 2009

146. 16.3% of people in employment in Bristol work as managers or senior officials compared with 15.7% in Great Britain as a whole. In terms of Core Cities Leeds has the highest proportion of people in employment who work as managers or senior officials, 16.8%, and Liverpool has the lowest with 12.8%.
147. 17.6% of people in employment in Bristol work in professional occupations compared with a national average of 13.5%. In terms of Core Cities Bristol and Birmingham have the highest proportion of people in employment who work in professional occupations; Leeds has the lowest with 12.6%.
148. The proportion of people in employment in Bristol in who work in associate professional and technical occupations is also higher than the national average, with 16.7% compared with 14.8%. In terms of Core Cities, Newcastle has the highest proportion of people in employment who work in associate professional technical occupations with 18.1% and Sheffield has the lowest with 14.5%.
149. The proportion of people in employment in Bristol's who work in elementary occupations is significantly lower than the national average with 8.5% compared with 11.3%. In terms of Core Cities Bristol has the lowest proportion of people in employment who work in elementary occupations and Sheffield has the highest with 12.0%.
150. The chart below compares the occupational breakdown of people in employment in Bristol with the national average.

Figure 11: Occupation of people who work in Bristol and Great Britain



Source: Annual Population Survey Workplace based October 2008- September 2009

Residents' Earnings

151. £474.50⁹ is the latest estimate for average¹⁰ gross weekly earnings for full time workers who live in Bristol. For Great Britain the estimate is £491.00. In terms of Core Cities Bristol has the highest average gross weekly earnings and people who live in Nottingham have the lowest with £416.70.
152. The lag behind national averages is not unusual for an urban centre outside London and the South East. More significant is the relative position compared to Core Cities, which indicates the success and prosperity of Bristol's local economy.

Earnings by Place of Work

153. People who work full time in Bristol earn average gross weekly earnings of £494.90¹¹, compared with a national figure of £490.20. In terms of Core Cities, Manchester has the highest average gross weekly earnings with £514.30 and Sheffield the lowest with £458.50. All of the Core Cities have average resident earnings that are lower than average workplace earnings, which suggest that the cities attract in highly paid commuters. This could result in wealth leaving a city, as many people spend near where they live rather than where they work.
154. In Bristol the gap between residents' earnings and workplace earnings is relatively small when compared to the gap in Manchester and most other Core Cities, as shown in table five. This indicates that Bristol is more able to retain wealth generated in the city, enhancing the overall prosperity of the city's residents.

Table 10: Earnings (resident and workplace)

Area	2009 median gross weekly earnings		
	Resident earnings (£)	Workplace earnings (£)	Difference between Workplace and Residence Earnings
Bristol	474.50	494.90	20.4
Birmingham	459.90	487.90	28
Leeds	464.50	479.10	14.6
Liverpool	451.60	485.10	33.5
Manchester	447.50	514.30	66.8
Newcastle	421.60	470.40	48.8
Nottingham	416.70	481.30	64.6
Sheffield	457.80	458.50	0.7
Great Britain	491.00	490.20	-0.8

Source: 2009 Annual Survey of Hours and Earnings

⁹ Source: 2009 Annual Survey of Hours and Earnings, Residence based.

¹⁰ The median estimate is used as the average

¹¹ Source: 2009 Annual Survey of Hours and Earnings, Workplace based.

Skills and Qualifications

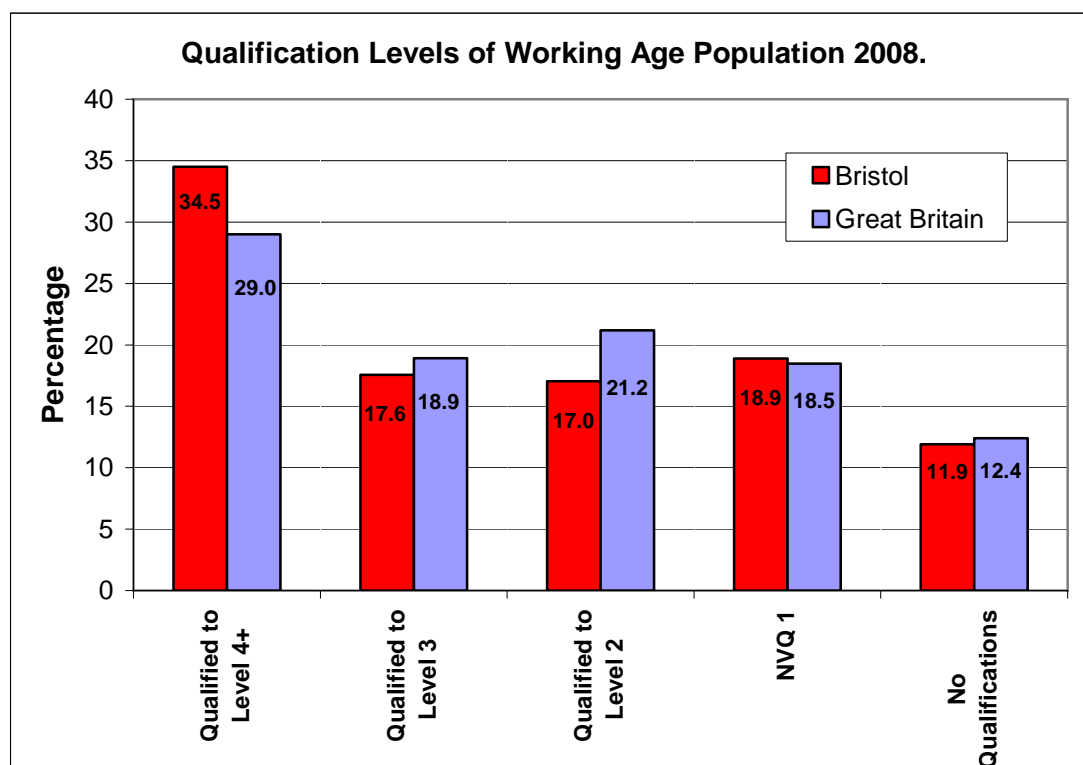
155. The shift towards a knowledge-intensive economy has resulted in qualifications and skills becoming increasingly important. Local economies with a highly skilled workforce have significant competitive advantage over other areas, attracting investment and increasing productivity.
156. The proportion of Bristol's working age population qualified to Level 4 and over (Honours Degree and higher) is significantly higher than the national average, with 34.5% compared with 29.0% for Great Britain as a whole. The relatively high proportion of Bristol residents with level 4 and above qualifications is thought to be connected to positive graduate retention from local universities, as well as the attractiveness of Bristol's quality of life for graduates from other UK universities.
157. 17.6% of Bristol residents are qualified to NVQ level 3 compared with 18.9%¹² nationally. Between 2005 and 2008, the gap between Bristol residents and the Great Britain average qualified to level 3 has decreased. In 2005, 14.8% of Bristol's working age population were qualified to level 3 by 2008 the proportion qualified to this level increased by 2.7 percentage points compared with 0.1 percentage points nationally.
158. The latest figures estimate that 11.9%¹³ of Bristol's working age population¹⁴ don't have any qualifications, compared with 12.4% nationally. The figure for Bristol is higher than the 2007 rate of 10.7%. However, the proportion of working age population without any qualifications in Bristol has decreased from the 2005 rate of 13.0%. The proportion of working age population without qualifications in Great Britain in 2005 was 14.2%.
159. Bristol has both a large number of highly qualified workers and significant numbers of residents without any qualifications. The high proportion of those with degree level and above qualifications is a key factor in driving the city's prosperity, but the high proportions of those with lower level or no qualifications goes some way to explaining the concentrations of persistent worklessness in several neighbourhoods across the city. There is a clear link between lack of qualifications and the likelihood of unemployment.
160. While the qualification levels of young people entering the workforce are improving over time, there are still large numbers of working age residents lacking the necessary skills to effectively compete in the labour market and to both contribute to and benefit from the city's prosperity.

¹² Figures for level 3 have been modified with proportions 10% of 'other Qualifications' and 50% of trade apprenticeships.

¹³ Source Annual Population Survey January- December 2008

¹⁴ Working age population refers to people aged 16 and over with upper age limits of 59 for women and 64 for men

Figure 12: Qualification levels in Bristol and Great Britain



Source: Annual population Survey December 2008

2.3 Unemployment

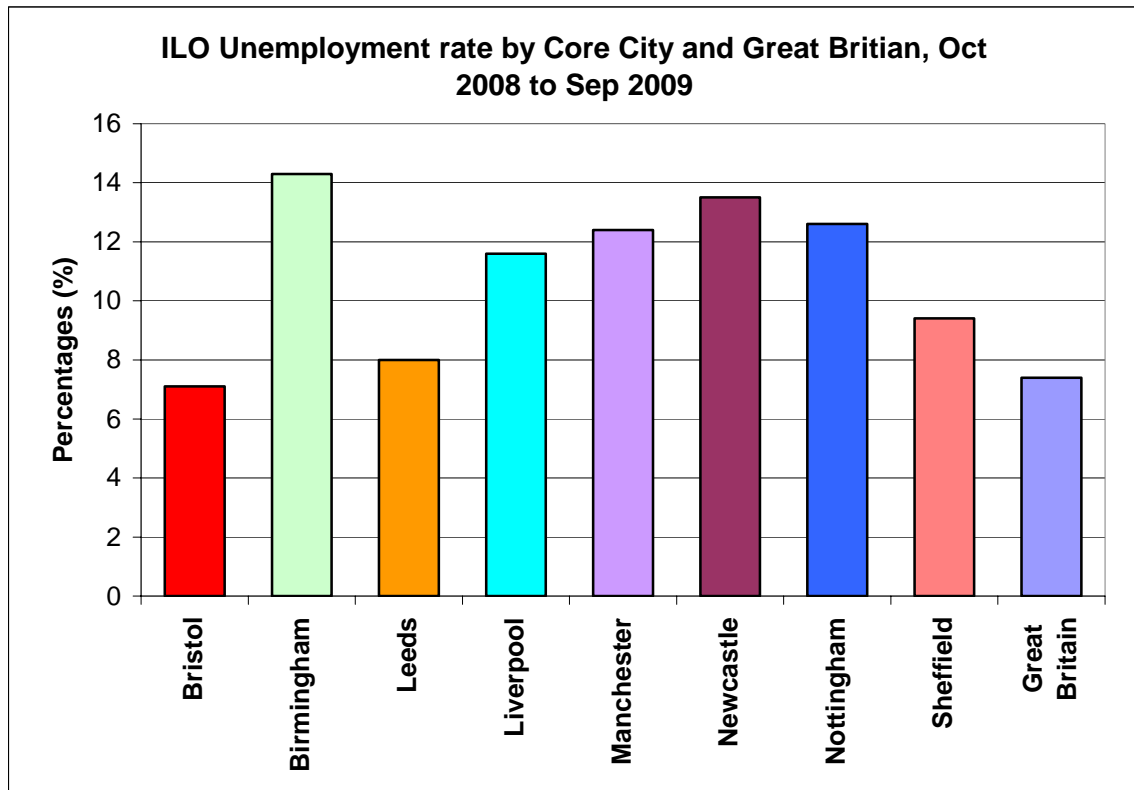
ILO Unemployment

161. The International Labour Organisation (ILO) definition of an unemployed person is one who is over 16, not in employment, actively seeking work and able to start work within two weeks. The ILO Unemployment Rate is calculated as the proportion of economically active people¹⁵ who are unemployed.
162. Using this definition, the unemployment rate for Bristol is 7.1%¹⁶ compared with a national rate of 7.4%. In terms of Core Cities, Bristol has the lowest unemployment rate and Birmingham has the highest with 14.3%; more than half the Core Cities have unemployment rates above 10%.

¹⁵ People who are either in employment or unemployed

¹⁶ Source: Annual Population Survey Oct 2008 - September 2009

Figure 13: ILO unemployment rates for Core Cities and Great Britain

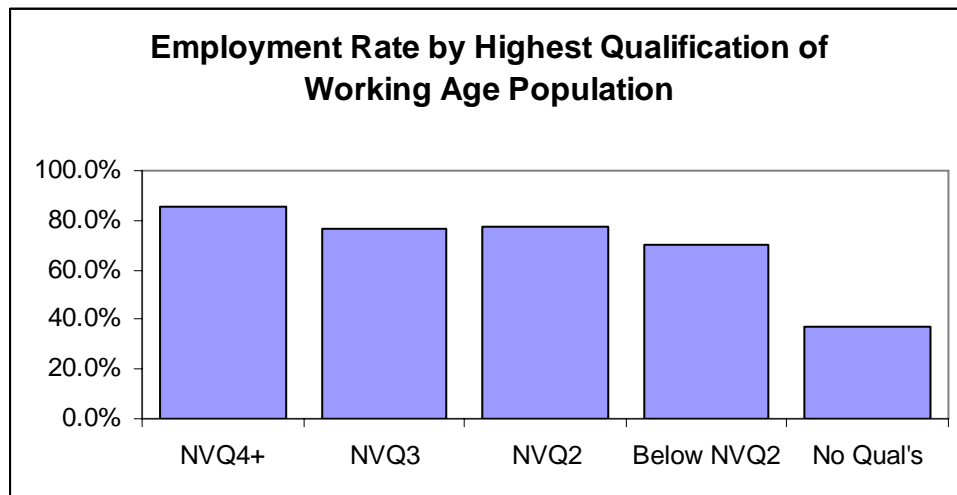


Source: Annual Population Survey October 2008 to September 2009

Determinant of Unemployment

163. A key determinant of the likelihood of an individual being unemployed is their level of qualification. There is a clear link between high qualification level and high employment rate amongst the working age population. As shown by the table below, a Bristol resident without any qualification is more than twice as likely to be out of work as one with a degree (NVQ level four or above). This pattern is repeated in each of the Core Cities.

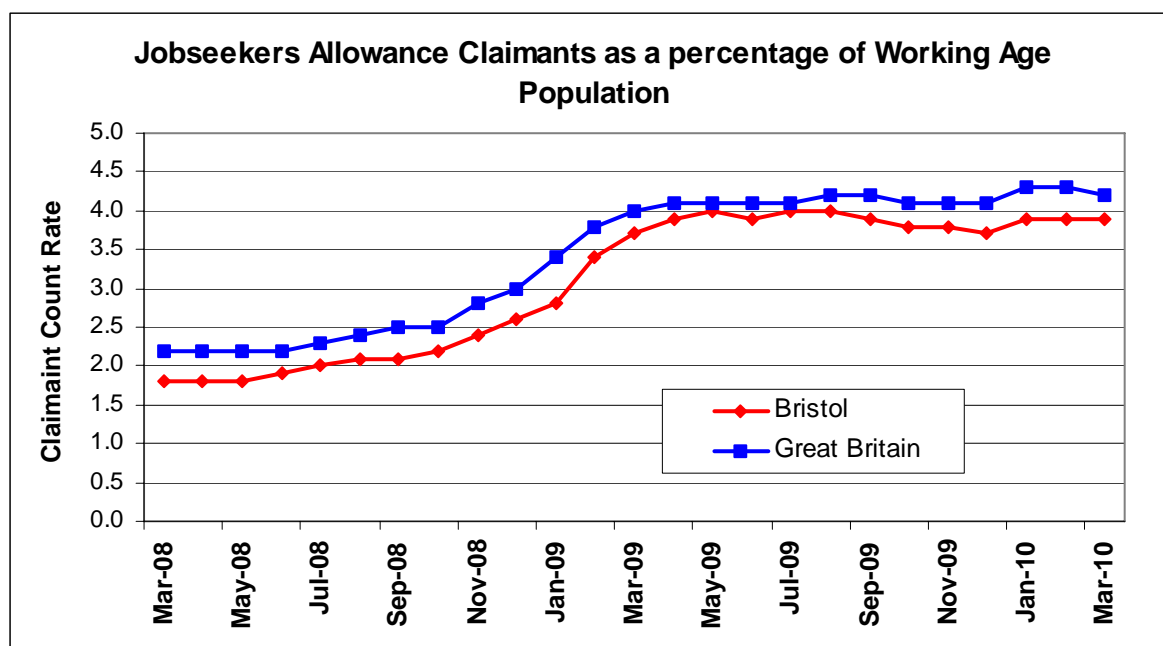
Figure 14: Employment rate by highest qualification



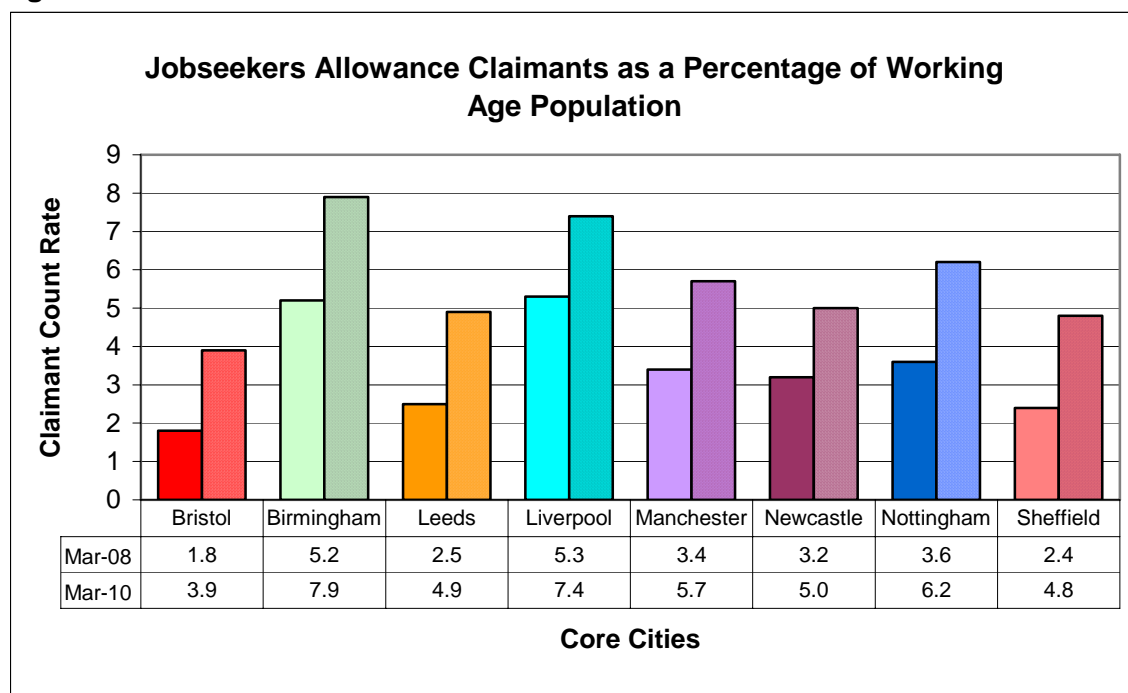
Claimant Count (Jobseekers Allowance)

164. The claimant count (the number of people claiming Jobseekers Allowance (JSA) is updated monthly. It is not a full count of the number of unemployed people as not everybody is eligible for JSA, while others are claiming other forms of 'out-of-work' benefits and some people who are eligible choose not to claim. However, it does provide a more up to date indicator of the level of unemployment at a Local Authority level than ILO unemployment, which is from the Annual Population Survey (APS) and subject to a time lag of six to nine months. In addition, APS data has significant confidence levels, which can either mask or exaggerate changes over time, especially in smaller areas (such as at local authority level).
165. In March 2010 11,182 people in Bristol were claiming JSA, which equates to 3.9% of the working age population. Nationally the claimant count rate was 4.2%. In terms of Core Cities, in March 2010, Birmingham had the highest claimant count rate with 7.9% and Bristol had the lowest.
166. In March 2008 the claimant count rate in Bristol was 1.8%, compared with a national rate of 2.2%. As the recession took hold across the UK the proportion of working age people claiming JSA in Bristol increased. The highest claimant count rate recorded in Bristol during the recession was 4.0% (May 2009, July 2009 and August 2009). The chart below illustrates the claimant count rate in Bristol and nationally between March 2008 and March 2010.

Figure 15: Jobseekers Allowance claimant rate, Bristol & GB 2008-2010



167. The chart below illustrates the claimant count rate for Core Cities in March 2008 and March 2010. Whilst the claimant count rate in Bristol is relatively low in comparison to other Core Cities, between March 2008 and March 2010 the claimant count rate in Bristol more than doubled from 1.8% to 3.9%. This equates a percentage point increase of 2.1 compared with a Great Britain increase of 2.0. In terms of Core Cities over the same time period Birmingham had the highest percentage point increase with 2.7, Bristol's increase was the second lowest and Newcastle had the lowest with 1.8%.

Figure 16: Jobseekers Allowance claimant rates for Core Cities

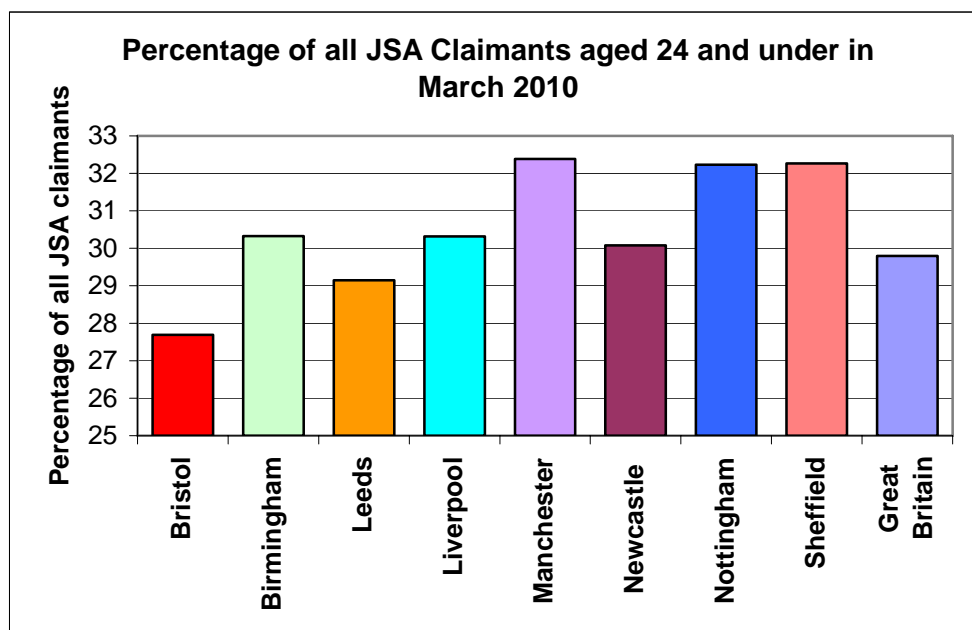
168. The change in Bristol's JSA claimant count over the last few years indicates that Bristol suffered a smaller rise in unemployment than comparable English cities during the recession. This could be attributed to greater resilience in Bristol's local economy and shows that the city may experience less severe social consequences of economic downturn than other cities.
169. It is also worth putting the scale of the increase in JSA claimant count into the context of earlier recessions. During the recessions of the early 1980s and 1990s, Bristol's JSA claimant count was more than double its current level. There are many theories as to why the claimant count has not risen so high during this recession, when the scale of the recession has been more severe. Most of these theories suggest that there are restricted prospects of returning to pre-recession employment levels in the near future.

Jobseekers Allowance Claimants by Age

170. In March 2010, over a fifth (or 27.7%) of Jobseekers Allowance claimants in Bristol were aged 24 and under. This was the lowest proportion of all Core Cities and lower than the national average as illustrated in the chart below. However, 27.7% equates to 3,090 young people at risk of exclusion from the labour market.
171. Research has shown that unemployment will disadvantage individuals above and beyond the immediate loss of income. A spell of unemployment harms an individual's labour market prospects, both in terms of future employment prospects and in terms of future wages. The deterioration of labour market prospects stemming directly from an initial spell of unemployment is often termed a scar. "Scarring" is more likely to affect young people if they experience a period of, or repeated, unemployment in the early part of their working life¹⁷.

¹⁷ The Wage Scar from Youth Unemployment, Prof. P. Gregg, Univ. of Bristol, Feb 2004.

Figure 17: Young JSA claimants as a proportion of total claimants



Source

ONS, March 2010

Claimant Count Forecasts

172. The number of JSA claimants is not forecast to return to pre-recession levels in the next decade. In 2008 the JSA claimant count in Bristol was 5,700¹⁸, with a claimant count rate of 2.0%.¹⁹ By 2009 this had risen to 10,800 people claiming JSA. By 2020, 10,900 people are forecast to be claiming JSA in Bristol, which equates to a rate of 3.3%. This is in line with UK average, which is forecast to have a claimant count rate of 3.5% by 2020 compared with 2.8% in 2008.
173. The Govt intention to introduce a new Universal Credit, replacing all current out-of-work benefits, will affect the way in which the claimant count is measured. This could make it difficult to make comparisons over time, and may also have some impact upon the volume of claimants.
174. One cause of this is that many employers chose to reduce the number of hours their staff worked in the recession rather than make employees redundant (known as hording). This resulted in unemployment in the recession peaking at lower than expected levels. However, as firms recover they are likely to increase the number of hours of their staff work rather than employ new staff.
175. Another factor in the relatively slow forecast decrease in unemployment rates is that a lot of investment was debt financed prior to recession and businesses don't have access to the same level of credit as in pre recession times. Businesses are also remaining cautious so there is unlikely to be a significant increase in the demand for labour in the near future.

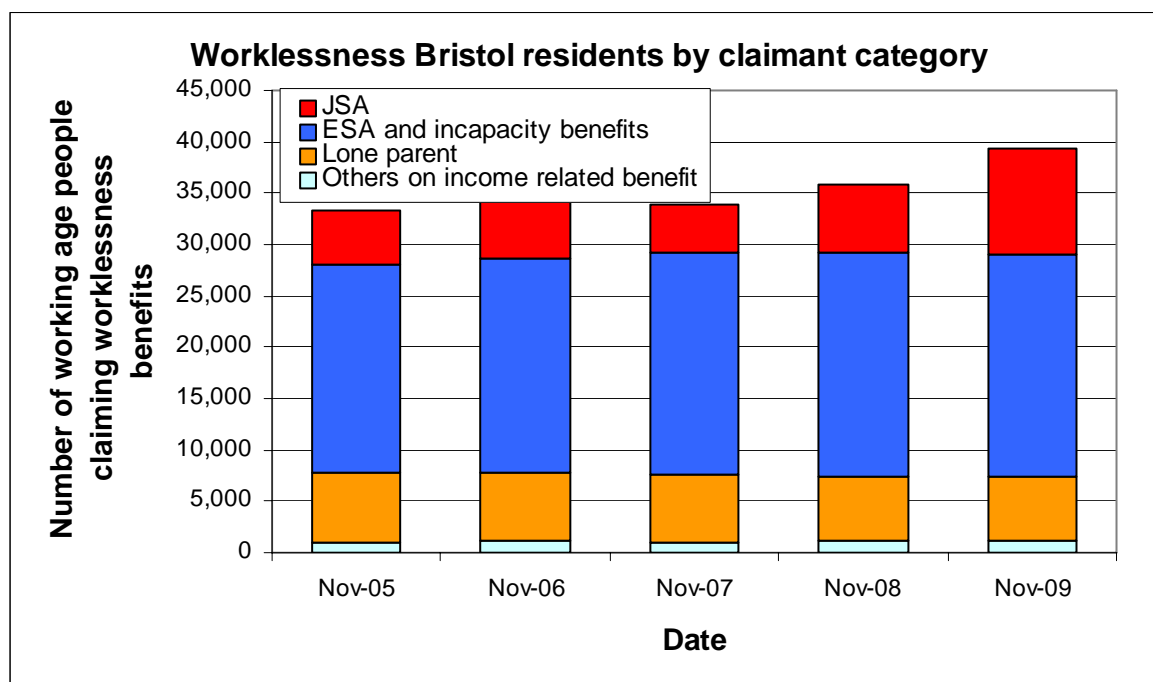
¹⁸ Source: Oxford Economics 2010, Central Growth Scenario.

¹⁹ Claimant Count rate is an annual figure expressed as proportion of working age population (16-59 and 16/64)

2.4 Worklessness

176. The number of people claiming Jobseekers Allowance is a useful indicator of levels of unemployment. However, it is also possible to get an indication of the level of worklessness (people who are unemployed or economically inactive) in an area. Worklessness is measured as of the proportion of the working age population claiming out of work benefits. Out of work benefits include Jobseekers Allowance, Incapacity Benefit /Severe Disablement Allowance, lone parent benefits and other income-related benefits for working age people.
177. In November 2009, 39,410 working age people in Bristol met this definition of worklessness. Historically the largest proportion of worklessness benefit claimants in Bristol has been the number of people in receipt of health related benefits, i.e. Incapacity Benefit (IB)/ Employment Support Allowance (ESA). In November 2009 IB/ESA still accounted for 54.8% of all worklessness benefit claimants (21,595). However, the proportion of worklessness benefit claimants in receipt of JSA started to increase during the recession, as illustrated in the chart below.

Figure 18: Claimant category of workless residents in Bristol, 2005-2009

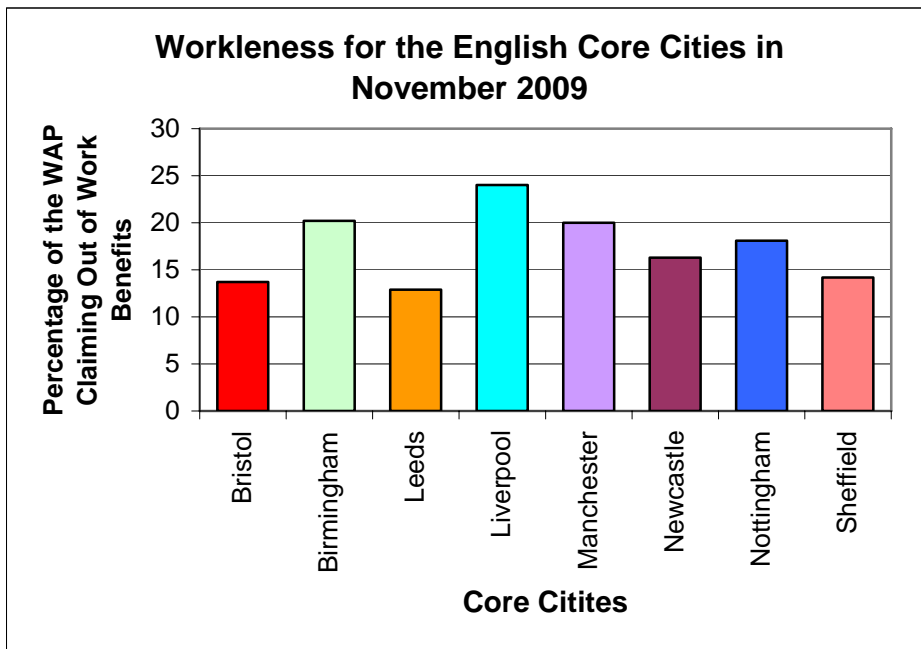


Source: DWP Benefits, working age client group

178. The number of workless residents as a proportion of working age population (the worklessness rate) gives an indication of the extent of worklessness and enables comparisons with other areas. In November 2009, Bristol's worklessness rate was 13.7%²⁰, compared with 13.4% nationally (Great Britain). In terms of Core Cities, in November 2009 Leeds had the lowest worklessness rate, with 12.9%, and Liverpool had the highest at just under a quarter (24.0%).

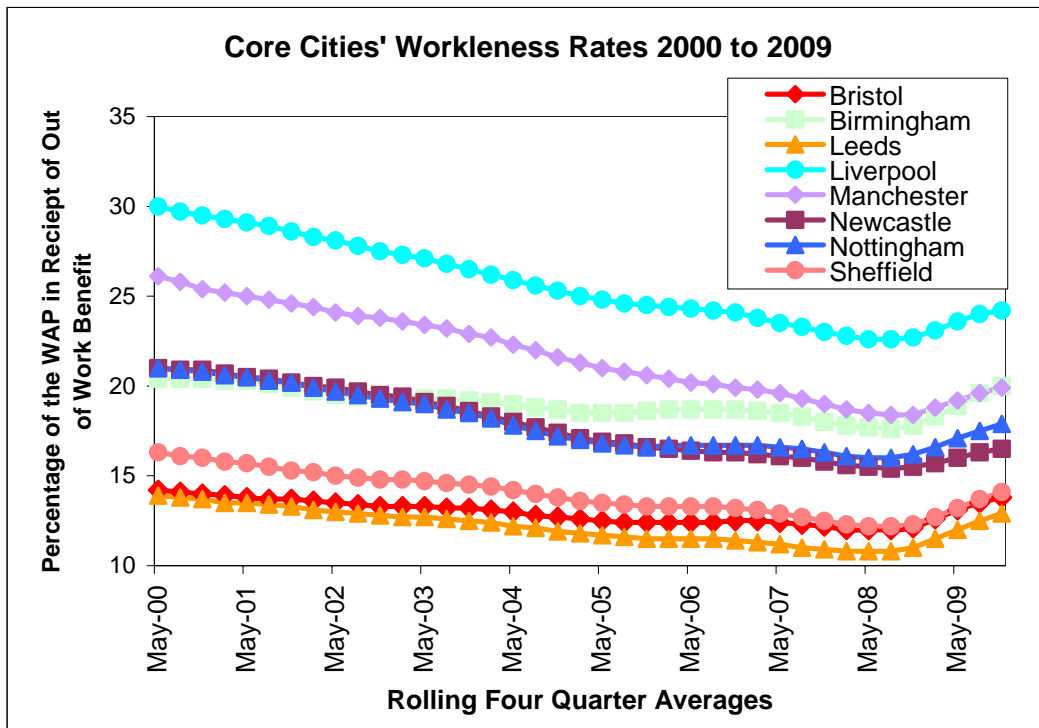
²⁰ Source: DWP benefits, working age client group, November 2009

Figure 19: Worklessness Rates in Core Cities November 2009



179. In August 1999 Bristol’s worklessness rate was 14.6%, compared with 14.3% nationally. The chart below shows changes in worklessness rates in the Core Cities between August 1999 and November 2009. The figures are presented as a rolling average of four quarters²¹ to account for seasonal variation.

Figure 20: Core Cities’ worklessness rates, 2000-2009

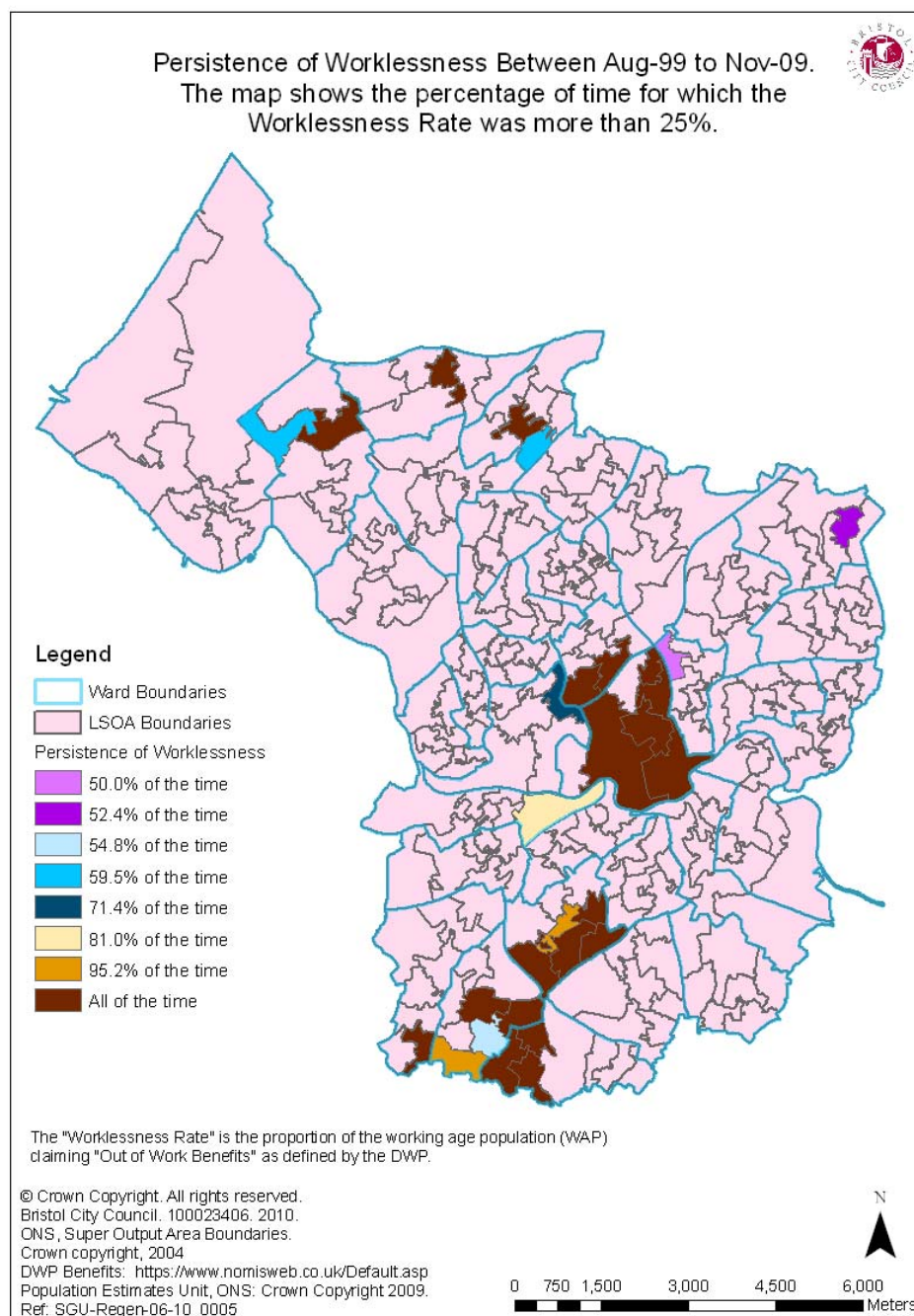


²¹ The data labelled May 00 in the chart is the four quarter average of Aug 1999 to May 2000 and the next point on the chart is the four quarter average of November 1999 to August 2000.

Concentrations and Persistence of Worklessness

180. Whilst overall worklessness in Bristol is relatively low compared with other Core Cities, there are a number of neighbourhoods with concentrations of significant and persistent worklessness. The map overleaf identifies those neighbourhoods in which the worklessness rate has been 25% or more over a ten-year period. As with neighbourhoods currently experiencing high rates of unemployment or worklessness, this map is broadly consistent with other measures of deprivation.

Figure 21: Persistence of Worklessness



Workless Households

181. There are 28,000 households in Bristol in which no one is working.²² This is 18.6% of the total households in the city, the 'least worse' of the Core Cities and broadly in line with the national rate of 18.7%.
182. There are 17,000 children living in these workless households. This is 21.6% of all children in Bristol, a rate significantly higher than for the UK as a whole (16.3%). Both the number and proportion of children living in workless households has risen significantly in recent years.
183. Both the number of workless households and the number of children living in those households are indicators of inequalities in Bristol's economy, with both representing significant contributors to poverty and deprivation.

Health and Worklessness

184. There are clear linkages between health and worklessness, with causality working in both directions – poor health can contribute to an individual becoming, or remaining, workless, while worklessness can often contribute to poor health. These linkages are visible from the spatial spread of both worklessness and poor health outcomes across Bristol, which broadly share the same patterns, and are drawn out in the Joint Strategic Needs Assessment (JSNA) compiled by NHS Bristol and Bristol City Council.²³
185. As the JSNA states, "The health of the city, and particularly health inequality is related to the levels of employment and deprivation. Employment, in particular, can have a protective effect on mental health by boosting confidence and self-esteem." Accordingly, one of the key questions that the JSNA sets out to answer is "how will the city's economy, job prospects and development change in the long and short term." The analysis presented in this assessment has a significant role in providing some answer to that question.

Not in Education, Employment or Training (NEET)

186. Non-participation in education, employment or training (NEET) between the ages of 16 and 18 is an indicator of later unemployment and low income. In 2008 Connexions had 12,305²⁴ young people in Bristol aged 16, 17 and 18 on their records²⁵, of these young people 7.9%²⁶ (or 970) were NEET. In terms of Core Cities Nottingham has the lowest proportion of young people who are NEET with 5.5% and Liverpool has the highest with 10.4%.

²² APS 2009 data

²³ Bristol JSNA available at <http://www.bristol.gov.uk/ccm/content/Health-Social-Care/jsna/planning-the-future-of-health-and-wellbeing-in-bristol--the-jsna.en>

²⁴ 2008 data are an average of the figures provided by Connexions and the end of November 2008, December 2008 and January 2009. They include all young people known to Connexions who were aged 16, 17 or 18 on these dates.

²⁵ The number of 16-18 year olds known to Connexions includes those whose education establishment is located in the local authority area, regardless of where the young person resides.

²⁶ The number and % of 16-18 year olds NEET have been adjusted to assume a proportion of those whose current activity is not known are NEET

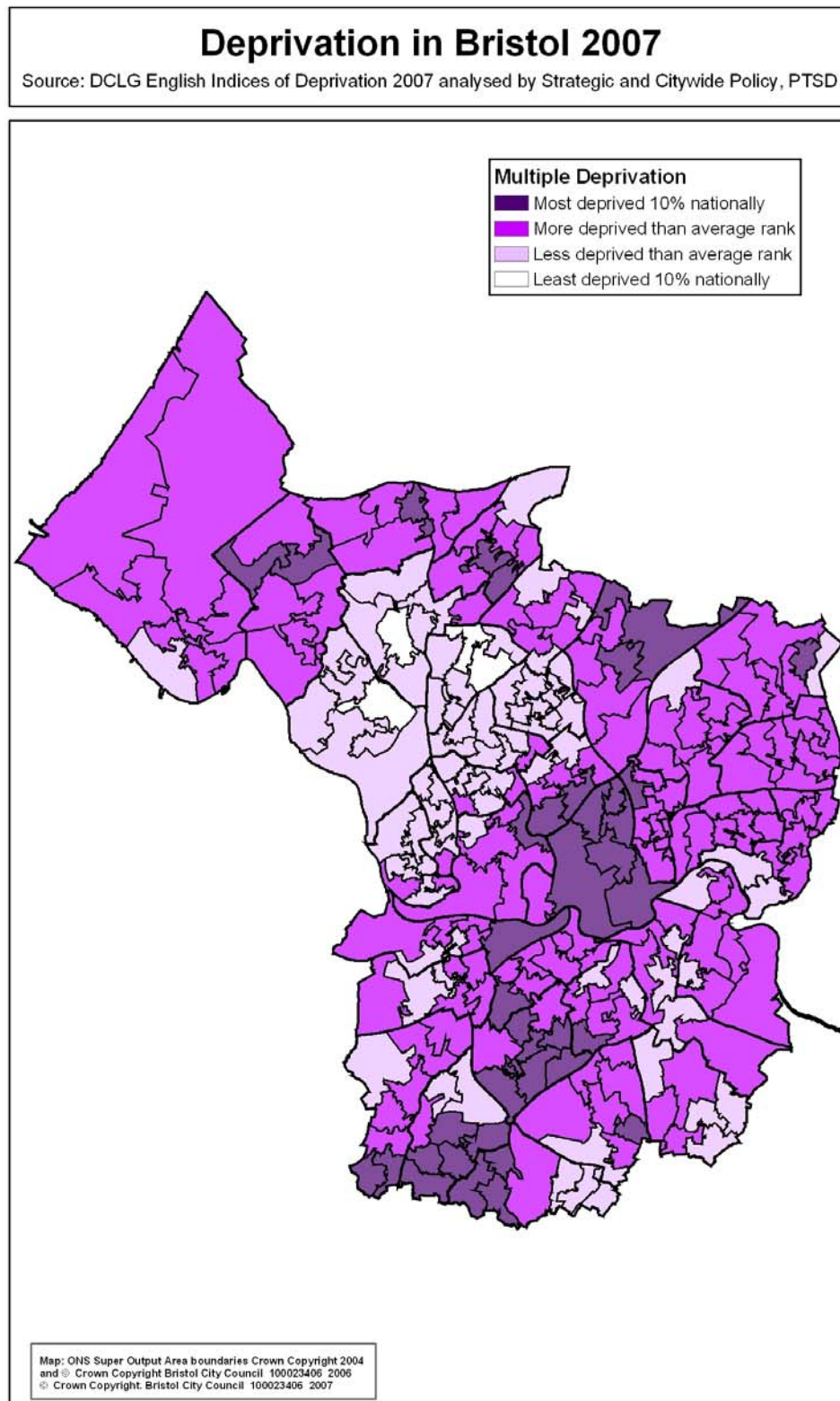
187. Higher proportions of NEETs are not uncommon in larger urban areas, but they remain an indication of wasted opportunities for young people and a drain upon local economies. As has been mentioned above, periods of unemployment for young people can have significant, long-term impacts upon the whole working life (“scarring”) with associated social implications.

2.5 Economic and Social Exclusion

2007 Indices of Deprivation

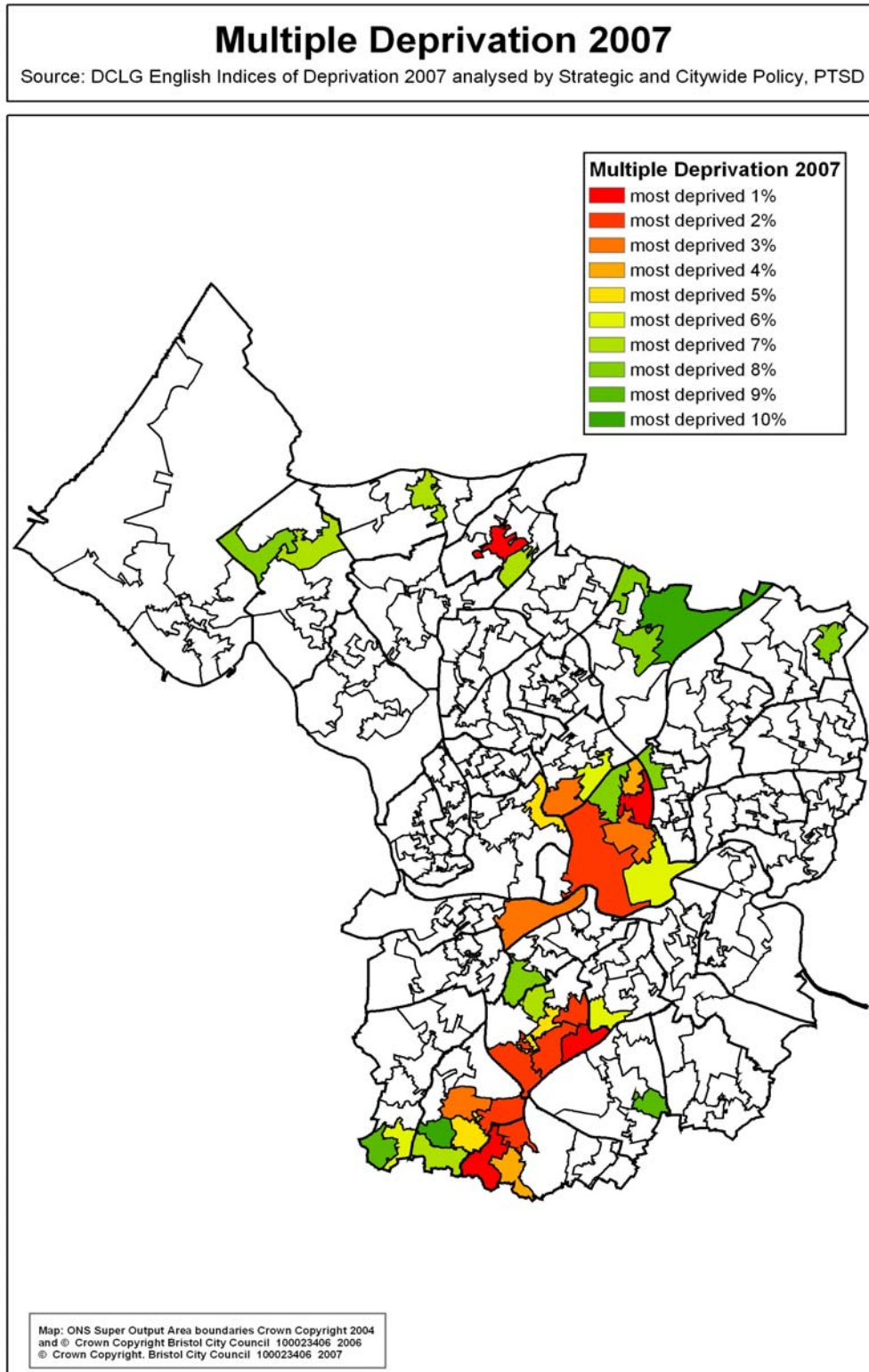
188. There are areas within Bristol that show signs of, or are at risk of economic and social exclusion. The 2007 Indices of Deprivation (ID 2007) enables Bristol to identify these areas. The Indices of Deprivation includes seven distinct dimensions of deprivation, which can be recognised and measured separately at a small area level. The seven themes are; income deprivation, employment deprivation, health deprivation and disability, education, skills and training deprivation, barriers to housing and services, crime domain and living environment deprivation. There are also two supplementary indices (Income Deprivation Affecting Children and Income Deprivation Affecting Older People). The seven indices are also weighted and combined to form the Index of Multiple Deprivation (IMD).
189. The smallest geography that the ID 2007 is available at is Lower Layer Super Output Area (LSOA). Nationally there are 32,482 LSOAs, with an average population of 1,500 people. Each of the 32,482 LSOAs in England has been assigned a score and rank for the IMD 2007; the seven domain indices; the sub-domains; and the two supplementary indices (Income Deprivation Affecting Children and Income Deprivation Affecting Older People). The most deprived LSOA nationally has a ranking of 1.
190. Bristol has 252 LSOAs. In terms of overall deprivation in the IMD 2007 Bristol has 39 LSOAs in the most deprived 10% nationally. Of the 39 Bristol LSOAs in the top 10% most deprived, there are 14 LSOAs in the most deprived 3%, and 4 LSOAs in most deprived 1%.
191. The map overleaf illustrates overall deprivation in Bristol's LSOAs relative to the England average. It also highlights deprivation 'hot spots' in Bristol which are amongst some of the most deprived areas in the country yet are adjacent to some of the least deprived areas in England.

Figure 22: Deprivation in Bristol's LSOA's by national ranking



The map below illustrates where the most deprived areas are in the city.

Figure 23: Bristol LSOA's in the top 10% most deprived



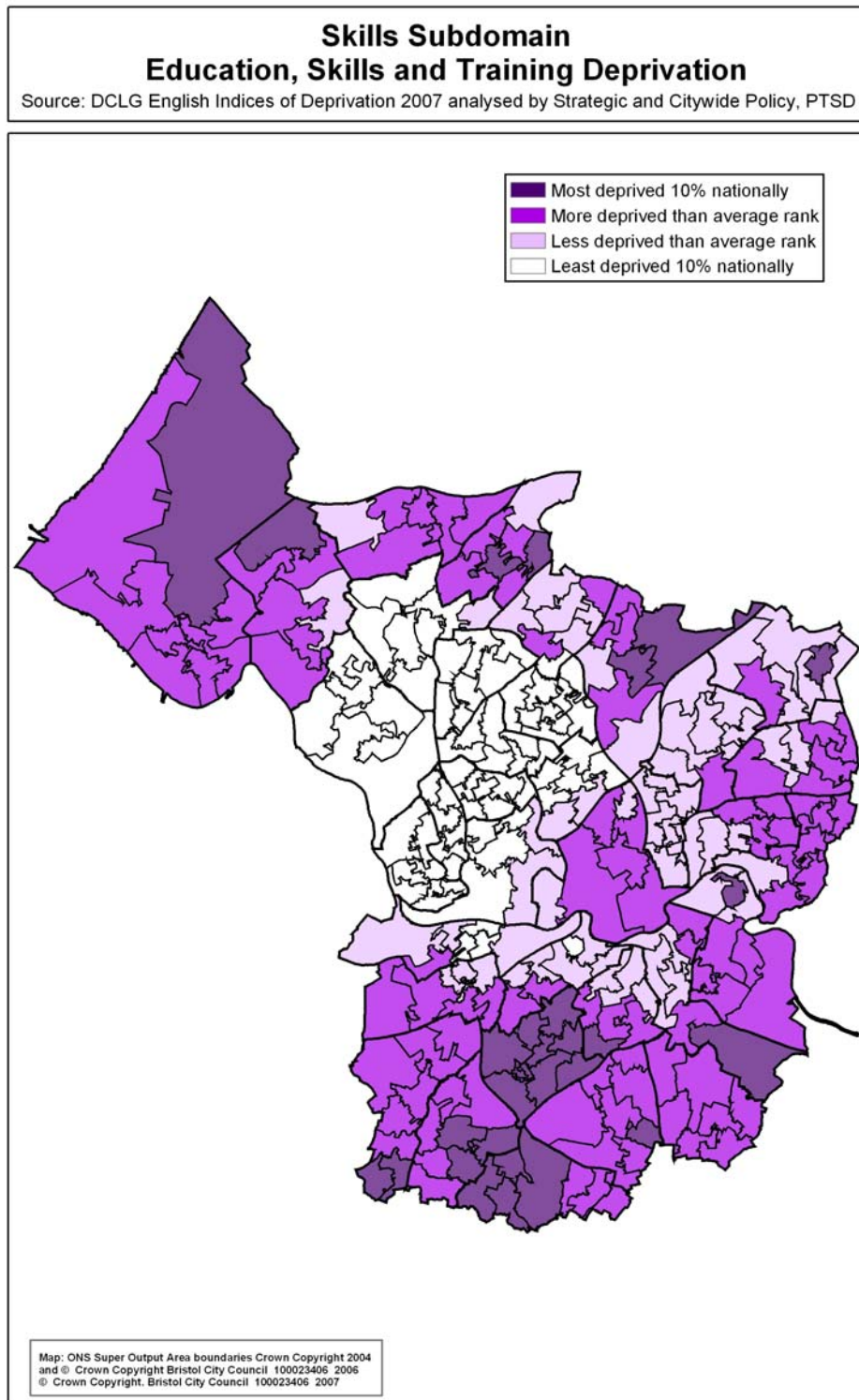
Income Deprivation

192. The Income Deprivation domain is one of the seven separate themes or domains in the Indices. The domain helps to identify areas of economic exclusion in Bristol. There are 30 LSOAs in the most deprived 10% nationally for this domain, of these 14 are in South Bristol, 9 are in the central area and 7 in north Bristol; 'Easton Road' in Lawrence Hill ward is ranked 149th nationally and St Paul's in Ashley ward is ranked 532nd both have more than half of their population experiencing income deprivation.
193. In addition to overall income deprivation, a supplementary index, Income Deprivation Affecting Children Index (IDACI) has been produced. This covers only children aged 0–15 living in income deprived households. 39 out of a total of 252 LSOAs in Bristol are in the most deprived 10% nationally for this domain.
194. All LSOAs within Lawrence Hill ward are in the most deprived 10% nationally. 'St Paul's' (20th) and 'Easton Road' (26th) are both in the most deprived 100 LSOAs in England.

Education Skills and Training Deprivation

195. Education, Skills and Training Deprivation is another domain in the Indices of Deprivation. This is also divided into two sub domains: one relating to education deprivation for children /young people in the area, and the other relating to lack of skills and qualifications among a sub set of the working age adult population.
196. The Education, Skills and Training Domain is where Bristol experiences some of the highest levels of deprivation. The distribution of deprivation based on this domain is more far reaching than other domains and is particularly concentrated in the social housing areas in South Bristol. Of the two sub-domains, the children/young people sub domain relating to lack of attainment among children and young people is more significant in terms of deprivation in Bristol than the skills sub domain.
197. 61 out of the 252 LSOAs in Bristol are in the most deprived 10% nationally, for education, skills and training deprivation. 5 LSOAs in South Bristol are in the most deprived 100 nationally for Education, Skills and Training Deprivation; the most deprived 3 are all in Filwood ward.
198. 16 out of the most deprived 20 LSOAs in Bristol are in either Knowle West or the Hartcliffe and Withywood Community Partnership area. 28 LSOAs fall within the most deprived 10% nationally for the Skills sub-domain; 82 LSOAs fall within the most deprived 10% nationally for the Children and Young People's sub-domain. Of these 17 LSOAs are in the most deprived 100 areas in England.
199. Based on the Children and Young People's sub domain, 'Ilminster Avenue West' in Filwood ward is the most deprived LSOA in England and 'Southmead Central' is the 4th most deprived area in England.
200. The map overleaf illustrates the Skills sub Domain in Bristol i.e. the proportion of working adults aged 25-54 with low or no qualifications. As Bristol has a lot of highly qualified people the vast areas with low qualifications can often be hidden by district level data.

Figure 24: Education, skills and training deprivation in Bristol by LSOA



201. The Indices of Deprivation 2007 became available in 2007 and the majority of data is from 2004 and 2005. It is expected that new Indices will be released in the near future.

Comparing the Indices of Deprivation 2007 with the Indices of Deprivation 2004

202. When making comparisons between 2004 and 2007, it is important to note that the indices of deprivation measures the relative positions of small areas in terms of deprivation. It says nothing about absolute levels of deprivation. If all areas improved at relatively the same rate, then the indices of deprivation rankings would remain the same. Therefore if a LSOA is now ranked 125th nationally compared to 200th in 2004, we can say that LSOA has become relatively more deprived in comparison to other areas, although actual levels of deprivation may have improved, worsened or stayed the same. The Indices of Deprivation are not designed specifically to be an instrument for measuring change over time, nor for evaluating the impact of area based policy initiatives or macro-economic change. That having been said, it is useful to explore the differences that occur between the ID 2004 and the ID 2007 and the possible explanations for them.
203. Bristol has 39 LSOAs in the most deprived 10% nationally for multiple deprivation in the 2007 ID (compared to 35 for 2004). Of which there are 14 LSOAs in the most deprived 3% (18 in 2004) and 4 LSOAs in most deprived 1% (5 in 2004). There are more LSOAs in the most deprived 10% in 2007 than in 2004 for both the 'Health Deprivation and Disability' domain and the 'Barriers to Housing and Services' domain. In all other domains the number of LSOAs in the most deprived 10% has fallen since 2004. Only Lower Montpelier in Ashley has moved out of the most deprived 10% and is now in the most deprived 20%.

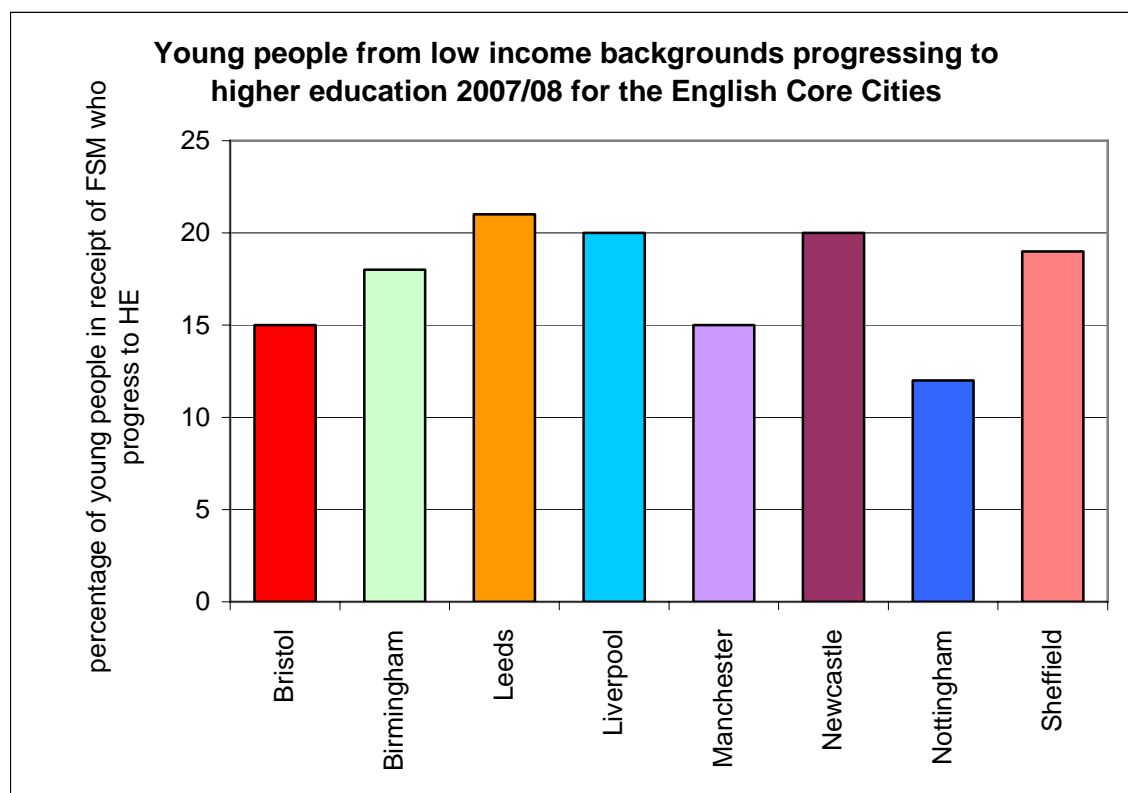
Table 11: Comparisons of ID 2004 and ID 2007 in Bristol

Domain	Number of LSOAs (out of 252) in most deprived 10% in England:		
	ID 2004	ID 2007	Change 04-07
IMD	35	39	4
Income	32	30	-2
Employment	26	25	-1
Health & Disability	15	26	11
Education, Skills & Training	62	61	-1
Barriers to Housing & Services	4	11	7
Living Environment	18	12	-6
Crime	104	98	-6

Source: Deprivation in Bristol 2007, Report

Young People progressing on to Higher Education

204. In addition to retaining and attracting qualified graduates, it's also important for young people to be given opportunities to gain skills and qualifications. The number of young people receiving free school meals (FSM) can be used as an indicator for children from low-income families. The proportion of children aged 15 who receive free school meals and then progress onto Higher Education at 18/19 gives an indicator of the proportion of young people from low income families who progress on to Higher Education. In 2007/2008, 15% of children in Bristol's schools in receipt of free school meals progressed on to Higher Education. Manchester had the same proportion and of the Core Cities only Nottingham had a lower proportion with 12%. This is illustrated in the chart below.

Figure 25: Young people from low-income backgrounds progressing into HE

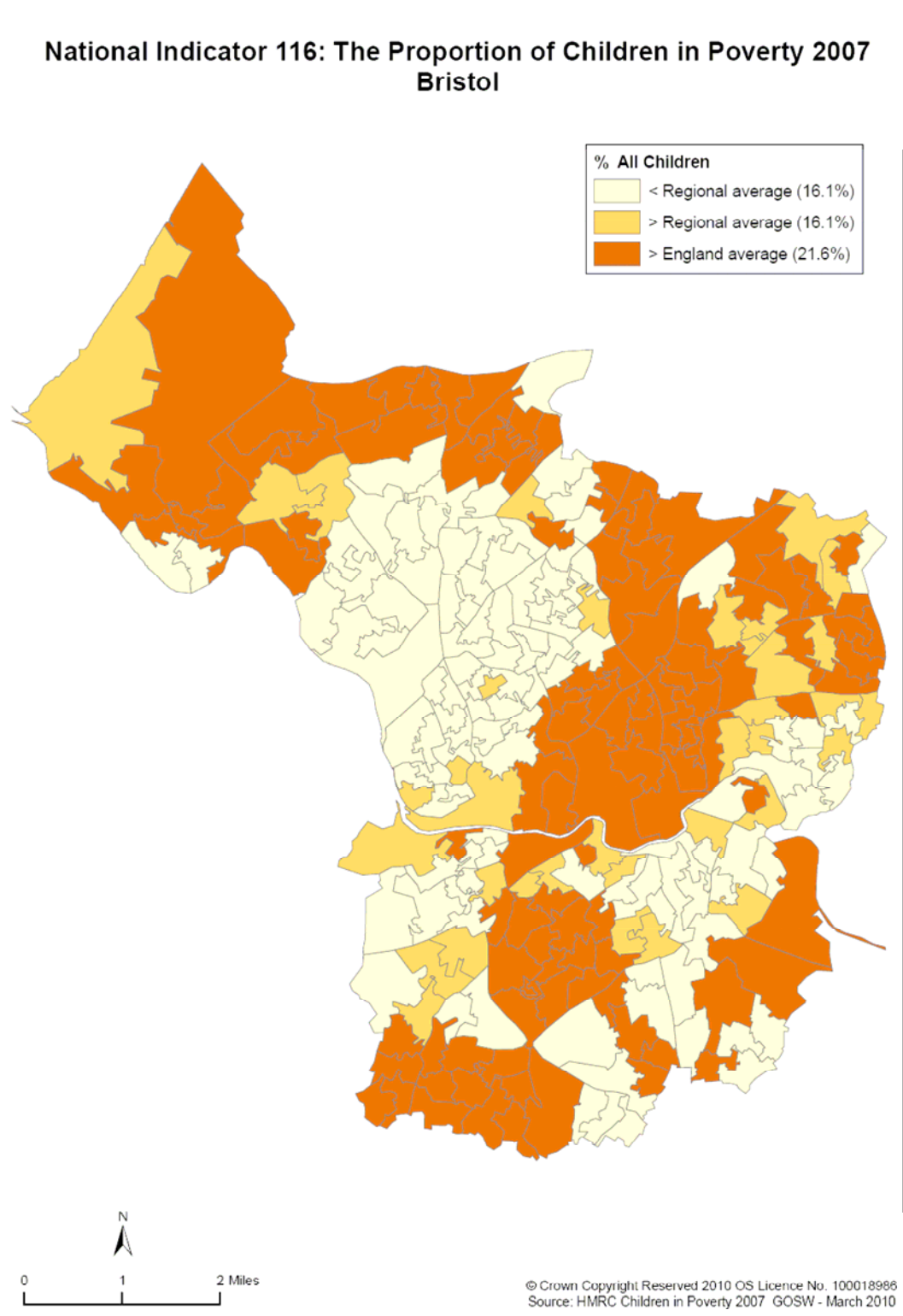
Source: Linked NPD-HESA data

Child Poverty

205. In 2007 it was estimated that over a fifth (21.6%) of all children in England live in poverty²⁷ for children aged under 16 this increases to 22.4%. In the South West the figure is lower with 16.1% for all children and 16.9% for children under 16. However, in Bristol the figure is significantly higher than the national average with 27.0% of all children living in poverty and 28.2% of children under 16.
206. In addition to the impact on children, their health and quality of life, the proportion of children living in poverty has wider impacts on society and the economy. Research shows clearly that children from low-income families experience disadvantage in education, health and family life. This requires extra public spending, for example on social services, to help overcome these circumstances. It can also trigger extra spending on law and order, as the pressures of poverty and disadvantage can contribute to poor family functioning, which, in turn, is associated with a higher rate of anti-social behaviour.
207. The map overleaf illustrates child poverty in SOA's in Bristol relative to the regional and national average.

²⁷ The proportion of children in poverty is defined as: the proportion of children living in families in receipt of out of work benefits or in receipt of tax credits where their reported income is less than 60 per cent of median income

Figure 26: Proportion of children in Bristol living in poverty



3. Place

Key Facts

94.3% - proportion of Bristol residents working within the West of England Partnership Area

89.4% - proportion of people working in Bristol resident in the West of England Partnership Area; these figures indicate that the Partnership Area constitutes a self-contained labour market, a significant component of a Functional Economic Market Area (FEMA)

83% - proportion of Bristol's residents working in the city

54.6% - proportion of Bristol's workforce resident in the city; Bristol is a significant net importer of workers

21.3% - proportion of Bristol's workforce commuting in from South Gloucestershire

7.3% - proportion of Bristol's residents commuting into South Gloucestershire for work

2,195 – kilo tonnes of CO₂ emissions in Bristol, 2008; a 7% reduction on 2005

5.2 – tonnes of CO₂ emissions in Bristol per head of population, 2008; the lowest level amongst Core Cities and a 10% reduction on 2005

210 – tonnes of CO₂ emissions per £1million GVA in Bristol; lowest in the South West and less than half the regional average (424 tonnes)

38% - proportion of Bristol's ICT carbon footprint coming from the public sector (a far higher share than the proportion of employment in the public sector)

3:26 – time (in minutes and seconds) taken to drive one mile in Bristol's rush hour; second fastest amongst Core Cities and 13% quicker than four years previously

17.6% - fall in average house prices in Bristol, Feb 2008 to Feb 2009; the largest fall for any Core City over these twelve months

8.3% - increase in house prices from Feb 2009 to Feb 2010; the largest increase for any Core City over these twelve months

6.35 – Bristol's 'affordability ratio', comparing house prices with earnings where a higher ratio means more unaffordable house prices; Bristol's ratio is higher than the average for England (6.28) and higher than any other Core City

Summary

Bristol is a relatively self-contained labour market, with 83% of Bristol residents working in Bristol, but also attracts many workers from outside the city's boundaries. For example, 21% of Bristol workers live in South Gloucestershire and 9% in North Somerset.

Based upon travel to work patterns, Bristol can be seen as part of a Functional Economic Market Area (FEMA) covering the four local authority areas making up the former Avon area (now usually known as the West of England).

A functioning Housing Market Area can also be identified as being centred upon this area, but with the additional of parts of Somerset and Wiltshire closely connected with the city of Bath.

Given Bristol's central role in the West of England economy and the strong economic links throughout the sub region, the functional economic market area should include Bristol, South Gloucestershire, North Somerset, and Bath and North East Somerset. However, it's also important to remember that Bristol has economic links with other parts of the South West region as well as London and the South East.

The West of England FEMA will be the immediate context for Bristol's local economic assessment. In turn, Bristol's local economic assessment will inform an assessment of economic conditions in the FEMA, underpinning work to support development of the Local Enterprise Partnership at that spatial level.

When economists talk of sustainable economic growth, they usually mean low-inflationary growth that avoids economic boom and bust. It is also important to consider the externalities (or impacts) of growth, both on the environment and quality of life of residents. That growth should be within environmental limits, but should also avoid extremes in future economic cycles and enhance environmental and social welfare.

Sustainable prosperity is a priority of the Bristol Partnership's 20:20 Plan, which recognises that wealth creation can no longer be at the expense of our environment. We need to decouple economic growth from the use of natural resources, including use of energy, water, raw materials, and the production of waste and carbon emissions.

Ensuring businesses become more carbon efficient, as well as supporting the development of more green technologies and services, will help to put Bristol on a path to developing a low carbon economy. We must also consider the environmental risks and opportunities for the local economy, including the impacts of climate change and peak oil, and how well placed local infrastructure and businesses are to meet these.

Historically, energy use and carbon emissions have risen with population and economic growth. The challenge is for Bristol to substantially increase the carbon efficiency and energy security of its economy. This presents great challenges and opportunities for the city – creating new low carbon business opportunities, sustainable employment, improving quality of life and making Bristol more resilient.

Bristol has the most carbon efficient economy in the South West, with carbon emissions (tonnes) per million £GVA 50% lower than the average for the South West.

Achieving sustainable economic growth is essential for both the health of the local economy and the wellbeing of Bristol residents. Green transport initiatives in Bristol will help to reduce pollution and traffic congestion further in the city. This will be beneficial for residents in terms of health from increased exercise and improved air quality.

The worth of high quality waterfront, or “blue space”, is not easy to determine in financial terms but it does add value to a city. Bristol is blessed with many natural waters and has attributed much of its own growth to its maritime heritage.

Transport infrastructure in Bristol is a complex issue. Local negative perception of road traffic congestion is at odds with some positive official data, while measures of public transport provision point to local deficiencies in intra-city connectivity. It is undoubted that an efficient transport system within the city is important for economic growth.

There is evidence of a shortage of homes in Bristol, especially family homes, driving higher house prices and lower affordability than in comparable cities. With forecast increases in population over the next ten years, housing supply and affordability will have an increasing impact upon economic growth and sustainability.

Bristol is currently around the fifth most digitally connected city in the UK. However, there is a need to ensure that all citizens can engage with and contribute to this success. Many people and communities who already experience economic, social and health inequalities also face digital exclusion.

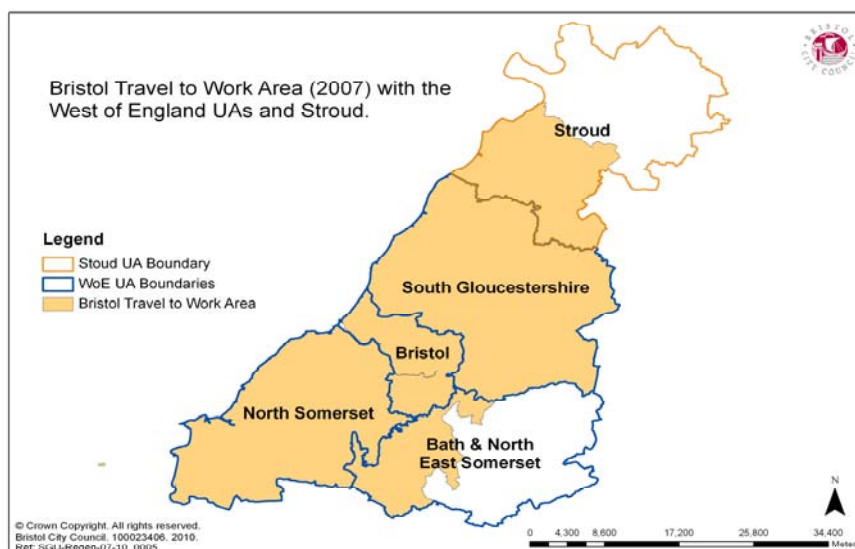
3.1 Economic Geography

198. Bristol's geographic location is key to much of its economic strength. The port and easy connections to London have been followed by good transport links with the rest of the UK and a growing regional airport.
199. The city has always been aware that it does not operate in isolation, that it has extensive trading and other economic links, both in neighbouring areas and further afield. At a local level, it is clear that local authority boundaries are not best suited to describing the economic geography of an area. While this local economic assessment is written about and for the specific area of the City of Bristol Local Authority District, it acknowledges the context of the wider Functional Economic Market Area (FEMA).
200. Understanding the FEMA most relevant to the City of Bristol is important in assessing Bristol's local economic conditions and the ways in which it connects with the wider economy.

Travel to Work Areas

201. One of the components of a functional economic market area is the relationship between where people live and where they work. Office for National Statistics (ONS) produce travel to work areas (TTWA); self-contained labour markets that can extend beyond administrative and national boundaries. The main criterion for defining a TTWA is that, of the resident economically active population, at least 75 percent actually work in the area, and also of everyone working in the area, at least 75 percent actually live in the area.
202. TTWA's are produced using Census data. The self-contained labour market or Bristol TTWA includes Bristol, North Somerset, South Gloucestershire and parts of Bath and North East Somerset, and parts of Stroud. Nationally the numbers of travel to work areas are decreasing between Censuses as people commute further to work. The map below illustrates the current TTWA for Bristol, derived from 2001 Census data

Figure 27: Bristol Travel to work area



Commuting

203. It is also possible to look at where Bristol's residents work and where workers in Bristol reside using the Annual Population Survey. As illustrated in the table below, in 2008, 83.0% of people living in Bristol also worked in Bristol. A further 7.3% of Bristol residents work in South Gloucestershire, these residents will include those who work in Airbus, BAE or Rolls Royce that are located very close to the local authority administrative boundary between South Gloucestershire and Bristol, but are widely thought of to be part of the wider Bristol urban area.

Table 12: Place of work for Bristol residents

Place of work for Bristol residents	2008 Flows
Bristol	83.0%
South Gloucestershire	7.3%
Bath and North East Somerset	2.2%
North Somerset	1.8%
Stroud	0.8%
Gloucester	0.6%

Source: Annual Population Survey 2008

204. Bristol is also major employer of residents from neighbouring authorities in the West of England. In South Gloucestershire, 49.7% of residents work in Bristol compared with 38.2% of South Gloucestershire residents who also work in South Gloucestershire. Over a quarter (27.5%) of North Somerset residents also work in Bristol. The proportion of Bath and North East Somerset residents who work in Bristol is slightly lower, but still significant with 16.3%.

205. The table below illustrates where workers in Bristol live and indicates that Bristol is a significant net importer of its workforce. In 2008, 54.6% of workers in Bristol live in the city and 21.3% live in South Gloucestershire. In total 89.3% of people who work in Bristol are resident in the West of England, which suggests that in terms of the labour market, Bristol's functional economic geography is wider than Bristol's administrative boundary and incorporates the West of England sub region.

Table 13: Place of residence for Bristol workers

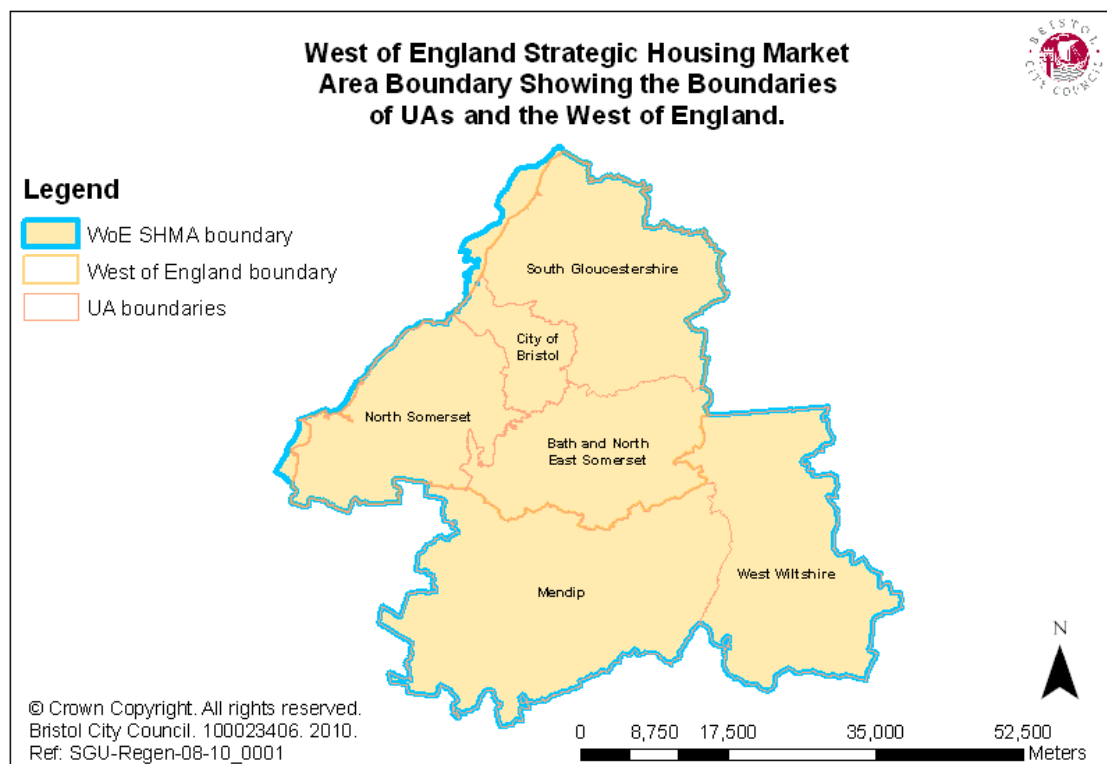
Place of residence for Bristol workers	2008 Flows
Bristol	54.6%
South Gloucestershire	21.3%
North Somerset	8.9%
Bath and North East Somerset	4.6%
Monmouthshire	0.9%
Stroud	0.9%
North Wiltshire	0.7%
Mendip	0.7%
West Wiltshire	0.7%
Sedgemoor	0.6%

Source: Annual Population Survey 2008

Housing Market Areas (HMA's)

206. Housing Market Areas (HMA's) are also an important component in determining functional economic market areas.
207. In 2004, DTZ Pidea Consulting studied the number and extent of sub-regional housing markets in the South West. Their study suggested that a sub-regional housing market is conceptually best defined as covering the area within which people will move without fundamental change in their economic and social relationships. DTZ also suggested that a sub-regional housing market could be viewed as being the spatial area over which changes in demand or supply interact to produce a new level of prices. But for this to occur, the housing market must display a fairly high level of self-containment.
208. The DTZ study concludes that the West of England sub regional housing market should include the four West of England authorities, and that there was also evidence for the inclusion of Mendip and possibly West Wiltshire. Analysis of travel to work patterns supports the current delineation of the housing market area. 93% of people living in the West of England Housing Market area also work in the area and therefore this sub region has a high degree of containment.

Figure 28: West of England Strategic Housing Market Area



3.2 Sustainable Economic Growth

Climate Change

210. Historically, energy use and carbon emissions have risen with population and economic growth. However, changes to the UK economy will be required to meet greenhouse gas emission targets. The economic case for urgent action on climate change is compelling, with the costs of inaction far greater than those of taking action. The Stern Review estimated that if the world did nothing to tackle climate change then changes to global weather systems could inflict costs equivalent to 5% to 20% of global GDP a year.
211. The Bristol Partnership 20:20 plan identifies climate change as a priority for Bristol and recognises the key role the Partnership has to play in leading and enabling a rapid improvement in the energy efficiency and carbon emissions from the city's transport, homes and economy. It also commits the Partnership to lead the city's adaptation to the impacts of climate change.
212. Bristol has a target to reduce CO₂ emissions in the city by 40% by 2020, from a 2005 baseline. In February 2010 the City Council adopted a Climate Change and Energy Security Framework, which sets out how we will work with partners in the city to meet this target and achieve the opportunities presented by the transition to a low carbon and resilient city. Strategic initiatives developing in Bristol as part of the Framework include: investment in new infrastructure and upgrading buildings (e.g. installing energy efficiency measures and smart metering in existing homes and office buildings); planning for a low carbon and renewable energy supply system; development of sustainable transport systems; and investing in new world class digital infrastructure, to deliver carbon reductions through both technological and behavioural changes.
213. Taking action on climate change will benefit Bristol's economy by stimulating innovation and new technologies, helping businesses to reduce energy costs and providing jobs in 'green industries'. The environmental technologies and services sector is a key driver of growth and innovation for Bristol, as identified in Chapter 3. Assessing the risks of climate change and peak oil to Bristol's economy and putting in place adaptation measures will also save costs in the long-term and make businesses more resilient.
214. With climate change, Bristol will experience hotter, drier summers and more heat waves, milder wetter winters, higher sea levels and an increased flood risk which could affect our economic development, particularly at Avonmouth where there is a high concentration of industry.
215. The City Council are currently assessing the impacts that climate change will have on our estate and services, and developing a framework for reducing our vulnerability to these impacts. 15 priority risks have been identified which includes threats to the City's economic competitiveness. In 2009 we held a Local Economy Risk Workshop, which identified the threats and opportunities shown in Table 19 below.

Table 14: Threats and Opportunities to Bristol's Economy from Climate Change

	Threats	Opportunities
Reliance on Infrastructure	<p>Robustness of transport infrastructure to cope with extreme weather</p> <p>Impact on movement of goods and people. Reduced access to goods and services. Travel disruption for staff. Loss of visitors due to breakdown in local transport infrastructure.</p> <p>High summer temperatures – problems with transport infrastructure e.g. rail lines buckling and tarmac melting. Surges in energy demand for cooling e.g. data centres.</p> <p>Extreme cold impacts on transport and supply chain, damage costs for vehicles and property & staff not able to commute.</p> <p>Flooding – extreme flood event affecting individual buildings plus wider area e.g. Avonmouth & City Centre. Vulnerability of bridges & sewers. Capacity of sewers.</p> <p>Loss of communications – hamper dissemination of available information & method of reassurance.</p>	<p>Workforce - move towards working from home.</p>
Business Continuity	<p>Organisational awareness and capacity to act (especially smaller firms), risk to not adapting to climate changes.</p> <p>Resilience - limitations of existing buildings especially historic buildings.</p> <p>Extreme heat – energy demand for cooling.</p> <p>Flooding – stock and property damage. Poor drainage leading to flooding and loss of access to buildings.</p> <p>Risk of civil unrest during extreme weather events — maintaining security for business.</p> <p>Impacts on workforce e.g. new pests and diseases, heat and poor air quality - absence from ill health and death in extreme cases.</p>	<p>Factor in adaptation as part of resource efficiency – added benefit of reducing wastage.</p>
Markets	<p>Loss of markets e.g. reduction in car ownership and pressures on aerospace - linked to peak oil and increased taxes.</p> <p>Disruption to transport infrastructure leading to changes in housing market due to certain areas being favoured.</p>	<p>Shift in pressures on economic development varying by sector – media, technology, aerospace and manufacturing.</p> <p>Funding/recognition for training people to 'deal with' the effects of climate change</p> <p>Shift in use of industrial sites - environmental technology opportunity – skills and industrial technology know how, business clustering, developing skills base.</p> <p>New business opportunities – e.g. care for older people in extreme weather and new products to protect against</p>

		<p>extreme weather.</p> <p>Growth of leisure café culture.</p>
<p>Sectors which contribute to local economy</p>	<p>Vulnerability of the social economy, smaller and independent businesses.</p> <p>Loss of production – leading to loss of GVA (Gross Value Added) and jobs.</p> <p>Negative impact on traditional shopping areas because of lack of weather proofing or poor access.</p> <p>Need for local and alternative supply chains – increase ability to cope/adapt.</p> <p>Health (food and water) – food poisoning (both average and extreme events).</p> <p>Increased insurance premiums or no insurance especially high flood risk areas e.g. Avonmouth. Impact on business rates/council tax.</p> <p>Impact on investment decisions.</p> <p>Food - supply chain risks, vulnerability to extreme weather, possible impact on production due to pests.</p> <p>Damage, disruption and destruction of major industrial facilities in Avonmouth, Severnside, Port of Bristol, St Phillips Marsh and Ashton Vale areas. Likewise for retail facilities and offices in City Centre and around Harbourside.</p> <p>Impact of changing childcare needs (including schools) due to flexible working patterns.</p> <p>Damage to the City's image and confidence of local communities due to severe flooding incident, especially if crisis is prolonged.</p> <p>Weather patterns affecting tourist numbers.</p> <p>Vulnerability of historic buildings to extreme weather events with impact on tourism depending on levels of damage.</p> <p>Cancellation or disruption of major outdoor events leading to loss of visitors, sponsors, reputation, jobs e.g. Harbour festival and balloon fiesta.</p>	<p>Diversification, opportunism & enterprise – customer exploitation, SMEs and eye to long-term planning.</p> <p>Wet weather encouraging people to use non-traditional shopping channels e.g. Internet.</p> <p>Small/local outlets likely to be important in a crisis -threatened by out-of-town facilities and the Internet.</p> <p>Sustainable food production – farmers markets, longer growing season, home grown.</p> <p>Alternative transportation networks - using docks, canal system for transportation.</p> <p>Preparing warmer climate leisure experiences e.g. camping, water parks etc</p> <p>Development of flexible cultural offer for indoor/outdoor events.</p>

216. The Green Capital Momentum Group and Bristol City Council also commissioned a study in 2009 called 'Building a positive future for Bristol after Peak Oil'. Peak oil describes the point at which the amount of oil produced globally in a single year reaches its absolute maximum. From this point onward the amount of oil produced will decline and prices will increase.
217. Peak oil is currently not even considered as risk for most businesses, yet its effects would make many of today's business models redundant. It will cause substantial price volatility in raw materials and fuel and strategies to reduce vulnerability include improvement of contingency planning, decentralisation of services, making priorities for constrained budgets and working with the community to build resilience. Planning policies that promote accessibility, low energy building and set aside land that can be used for food production will equip communities for the future.
218. Bristol economic sectors with a direct vulnerability to oil shortages and price rises include distribution, retail, construction and aerospace. However, large service sectors such as banking, insurance and tourism will not be immune. Energy efficient companies will be able to keep costs better under control. Businesses that provide products and services tailored to fuel efficiency, energy savings and waste recovery are likely to be at an advantage. Companies located nearer their staff or allowing home working will cope better during acute fuel supply shocks. Overall, high oil prices will favour a more localised economy for everyday goods and services.
219. Historically, energy use and carbon emissions have risen with population and economic growth. The challenge is for Bristol to substantially increase the carbon efficiency and energy security of its economy. This presents great challenges and opportunities for the city – creating new low carbon business opportunities, sustainable employment, improving quality of life and making Bristol more resilient.

Carbon Emissions

220. Between 2005 and 2008 Bristol's per capita emissions have reduced by 10% and total emissions have reduced by 7%. Total emissions can also be separated into industry and commercial, domestic and road transport emissions. Of these three categories, the biggest reduction in CO₂ emissions was in industrial and commercial emissions where there was a 10% reduction, followed by transport (6% reduction) and housing (4%). These reductions largely pre-date recession and can be attributed to efforts being made to reduce costs, increase efficiency and conserve resources.
221. Bristol has the lowest per capita CO₂ emissions of all the Core Cities and Newcastle has the highest, as illustrated in Table 20.

Table 15: Carbon emissions in Core Cities 2005-2008

Name	Year	Industry and Commercial	Domestic	Road Transport	Total	Per Capita Emissions (t)	% change Total 2005-2008	% change per capita 2005-2008
Bristol	2005	988	891	479	2,357	5.8		
	2006	969	890	467	2,326	5.6		
	2007	906	859	475	2,240	5.3		
	2008	887	857	451	2,195	5.2	-7%	-10%
Birmingham	2005	2,800	2,264	1,399	6,463	6.4		
	2006	2,702	2,286	1,346	6,334	6.3		
	2007	2,620	2,219	1,360	6,199	6.1		
	2008	2,658	2,224	1,301	6,183	6.1	-4%	-5%
Leeds	2005	2,065	1,812	1,132	5,009	6.7		
	2006	2,080	1,801	1,100	4,981	6.5		
	2007	1,995	1,734	1,107	4,836	6.3		
	2008	1,979	1,728	1,066	4,773	6.1	-5%	-9%
Liverpool	2005	1,222	1,052	640	2,913	6.6		
	2006	1,243	1,041	612	2,896	6.5		
	2007	1,249	1,010	618	2,876	6.5		
	2008	1,199	997	597	2,793	6.3	-4%	-5%
Manchester	2005	1,458	1,002	571	3,031	6.8		
	2006	1,577	1,018	548	3,143	6.9		
	2007	1,459	996	553	3,008	6.5		
	2008	1,512	989	530	3,031	6.4	0%	-6%
Newcastle	2005	804	655	495	1,954	7.2		
	2006	807	650	474	1,930	7.0		
	2007	776	623	482	1,881	6.8		
	2008	788	622	463	1,873	6.7	-4%	-7%
Nottingham	2005	895	647	399	1,941	6.8		
	2006	872	642	385	1,898	6.6		
	2007	837	619	382	1,838	6.3		
	2008	815	615	366	1,796	6.1	-7%	-10%
Sheffield	2005	1,784	1,257	611	3,653	6.9		
	2006	1,714	1,250	590	3,554	6.7		
	2007	1,676	1,196	596	3,468	6.5		
	2008	1,702	1,191	583	3,477	6.4	-5%	-7%

Source: <http://www.decc.gov.uk/en/content/cms/statistics/indicators/ni186/ni186.aspx>

NB Unless otherwise specified units are in kt CO₂,

222. The carbon intensity of our economy can be used as a measure of sustainable prosperity. The figures in Table 21 illustrate that Bristol has the most carbon efficient economy in the South West, with carbon emissions (tonnes) per million £GVA 50% lower than the average for the South West.

Table 16: Carbon Efficiencies for the South West

	CO2 Kt	CO2t	GVA (£m)	CO2 (t)/£m GVA
Bath and North East Somerset	1,048	1,048,320	3,674	285
Bournemouth	886	886,120	3,185	278
Bristol, City of	2,318	2,317,730	11,024	210
Cornwall & IoS	3,964	3,963,660	6,923	573
Devon	5,921	5,921,230	11,271	525
Dorset	2,876	2,875,870	5,801	496
Gloucestershire	4,926	4,926,190	12,057	409
Somerset	4,970	4,970,470	8,460	588
Wiltshire	4,758	4,758,010	8,965	531
North Somerset	1,579	1,578,600	3,248	486
Plymouth	1,470	1,469,920	4,044	363
Poole	951	950,920	2,820	337
South Gloucestershire	2,667	2,666,770	6,576	406
Swindon	1,761	1,761,140	6,572	268
Torbay	671	671,120	1,480	453
SOUTH WEST	40,766	40,766,070	96,099	424

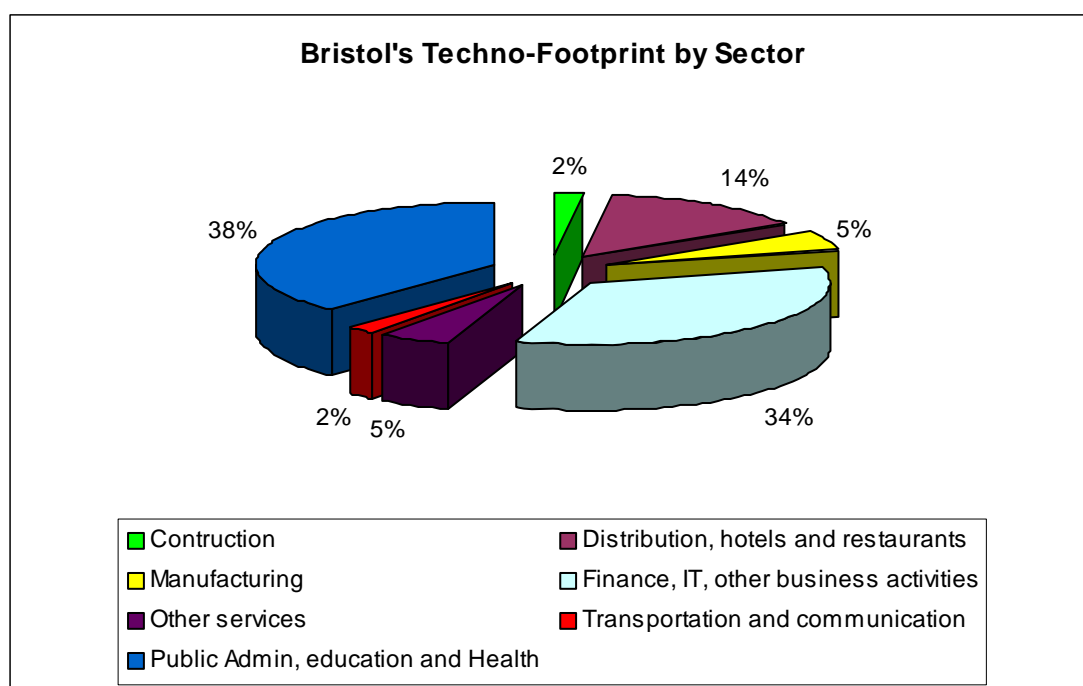
Source: SW Regional Accounts and DECC (based on full data set of local authority CO₂ emissions including motorways and EU ETS sites).

223. In 2006, Bristol City Council established the Bristol Environmental Technologies & Services programme, to support the growth of a vibrant Environmental Technologies and Services sector. This work has recently been incorporated into a community interest company called Low Carbon South West - a trade association and sector partnership between businesses, academia, investors, local authorities, regional and national agencies promoting the growth of the environmental technologies and services sector in the South West.
224. The Bristol Green Capital Programme was launched in 2007 and works with over 100 organisations across the city to reduce Bristol's carbon emissions and improve quality of life. Green Capital and the City Council work with other business support organisations, including GWE Business West, the Carbon Trust and Forum for the Future's West of England Carbon Challenger, to support Bristol businesses to become more resource and energy efficient.
225. Bristol City Council works with public sector partners to support development of carbon management plans through the Carbon Trust public sector programme. In 2010/11 the Total Place West of England Low Carbon Initiative study is developing a comprehensive approach to making the West of England a low carbon place. The first stage will establish whether carbon reduction plans across the public sector are being aligned and prioritised. A second stage will start to develop an evidence base about the challenges and opportunities the shift to a low carbon economy will create and how this can be accelerated.
226. The City Council adopted a Sustainable Procurement Strategy in 2009 and leads the South West Sustainable Procurement Network, with a remit to inform, train and support South West public sector bodies. Procurement by public bodies generates huge expenditure on a range of goods, works and services. Bristol City Council alone spends approximately £400 million per annum. This has huge impacts in terms of the economy and the environment. If this expenditure can be harnessed to deliver identified and quantifiable sustainable development objectives, it will make a significant contribution to sustainable prosperity.

Bristol's ICT Carbon Footprint

227. Bristol is recognised as one of Europe's leading cities with great strengths in both its Green and Digital sectors and is building greater synergy between these strengths to ensure that Bristol is recognised as a leading Smart, Green and Digital City. The City Council is a signatory to the Eurocities Green Digital Charter, which commits us to work with other cities to deliver the EU climate objectives using digital technologies that increase energy efficiency, facilitate emissions reductions by greater citizen engagement and forestall climate change.
228. Bristol is the first city to have calculated its ICT carbon footprint. A study funded by the Carbon Trust calculated that business ICT use costs Bristol around £11 million per year in energy costs and produces 67,258 tonnes of CO₂, which is 7% of industry and commercial emissions. These emissions can be broken down into broad industry groups as shown below. The strength of the finance and business services sector in Bristol is reflected in its ICT footprint, with 34% of emissions coming from this sector. However, it is the public sector that generates the largest proportion of Bristol's ICT carbon footprint (38%), reflecting its size within the city. Distribution, hotels and restaurants account for 14% of Bristol's emissions. Distribution, hotels and restaurants account for 14% of Bristol's emissions.

Figure 29: Bristol's ICT carbon footprint by broad industry



Source: Bristol's ICT Carbon Footprint, 2009

229. There is some recognition in the city that Bristol needs to 'green' its ICT use as well as using ICT to reduce carbon emissions through smarter buildings, smart metering, and developing a smart grid and intelligent transport system. Digital technologies are also seen as enabling behavioural change to reduce emissions and critical for sustainable growth.

230. Digital Connectivity is a key factor in sustainable economic growth. Connectivity enables the city's firms to trade more efficiently; helps the city present a 'smarter' and 'greener' face to the outside world and underpins two-way engagement between public services and local communities. Bristol has digital talent in business and public sectors, in academia and in communities. Micro-electronics, environmental technologies and creative digital industries flourish and Internet-use is relatively high. Research by consultants ADIT suggests that Bristol is around the fifth most digitally connected UK city and suggests that there is real potential to move Bristol into a top-three position.
231. Bristol City Council has a history of supporting digital innovation that increases citizens' access to technology and the Web. Interventions include the first People's Network of free-to-use computers in libraries, i-Plus Street kiosks and Street Net - the open city-centre Wi-Fi Zone (the UK's largest when it was launched). Bristol was named Europe's leading city for e-Democracy and partners such as Knowle West Media Centre and Watershed are recognised centres of excellence for digital media literacy.
232. Connecting Bristol is the Council's Digital City Partnership Programme, delivering a range of local projects including the South Bristol Digital Neighbourhoods Programme, which is increasing the community's use of ICT and digital media; The Neighbourhood Carbon Makeover programme; DEHEMs and e3Houses, all of which use technology and digital media to help build more sustainable and environmentally friendly lifestyles.
233. Extending Bristol's digital connectivity will mean ensuring that all citizens can engage with and contribute to this success. Many people and communities who already experience economic, social and health inequalities also face digital exclusion. In Bristol older people, disabled people, less well off families and social tenants are most likely to be digitally excluded. Connecting Bristol aims to address this by ensuring affordable connectivity, increasing skills and capacity and engaging people in creating their own digital content.

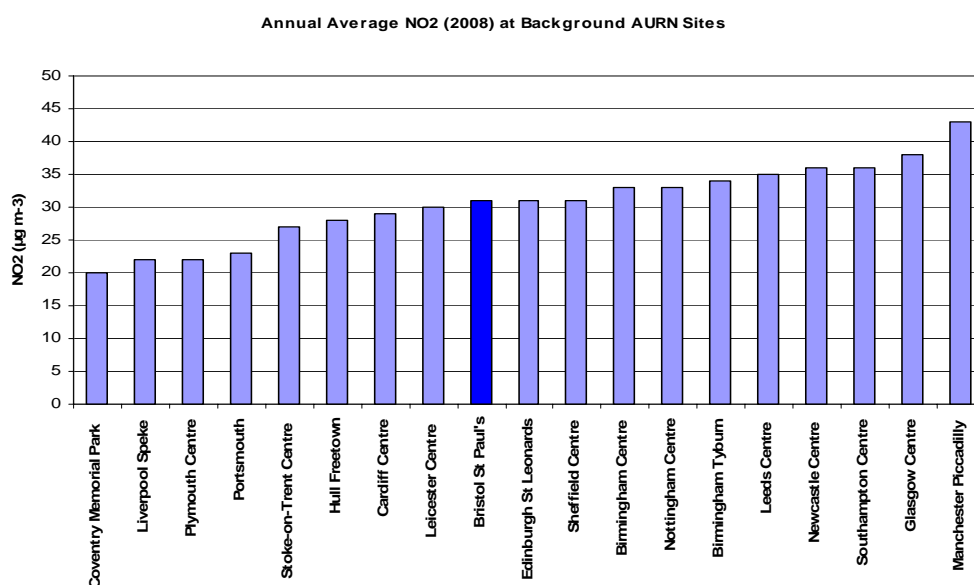
Air Quality

234. Poor air quality causes illness and premature death to people; injury and death to ecosystems; and physical damage to buildings and structures of value. Government estimates based on both acute episodes and long term chronic exposure to air pollutants are that 50,000 to 70,000 deaths are brought forward each year in the UK, with each person 'losing' an average nine months of life expectancy due to lifetime pollution exposure. Poor air quality causes damage to ecosystems and to quality of life. The estimated cost to the NHS of poor air quality is £20 billion annually.
235. There are two key pollutants in Bristol; nitrogen dioxide (NO₂) and small particles of less than 10 microns diameter (PM₁₀). Bristol City Council has a duty to manage air quality under the Environment Act 1995 and regularly monitors air quality. Most of the city has good air quality and meets the EU standards for a range of pollutants, including particulates.
- In the central part of the city and along main radial roads concentrations of nitrogen dioxide regularly exceed European Directive limits. This experience is shared with many other large UK and European cities.

- Road traffic is the dominant source of this pollution
- For Bristol, or indeed any UK city, to achieve the current Government targets will require a significant reduction in internal combustion engine vehicle traffic.
- The City Council regularly monitors air pollution and data from our network is reported online at <http://www.bristol.airqualitydata.com/>. Data from the network is used for statutory reporting under the Local Air Quality Management regime.

236. Actions to reduce congestion/pollution are being pursued through the Joint Local Transport Plan (JLTP) including smarter choices to promote less car use. These are citywide and will therefore benefit air quality within the Air Quality Management Area.

Figure 30: Annual average nitrogen dioxide emissions



Water Quality

237. The worth of high quality waterfront, or “blue space”, is not easy to determine in financial terms but it is undeniable that it does add value to a city. Bristol is blessed with many natural waters and has attributed much of its own growth to its maritime heritage.
238. Improving water quality of the Floating Harbour is likely to have had and will continue to have an economic impact on the development of the Harbourside and city centre, visitor numbers, recreational use of the harbour and the demand for vessel moorings. Indeed for the first time ever a pilot triathlon was held in the centre of Bristol in 2010, with a swim in the Floating Harbour. It is likely that this will become one of the city's keynote events in the future with thousands of participants and spectators adding to the local economy. To protect public health and follow water quality trends the council monitors the water quality of the harbour and local rivers.
239. It is widely accepted that properties facing the water command higher prices than those that don't, which is born out by the prices of both commercial and domestic

properties on the Floating Harbour. Where water quality is good, such as along the River Frome opportunities for recreation are high and the river can support a better quality of life for residents. A poor quality river both in terms of its ecological quality and aesthetics is likely to have a detrimental effect on property values in an area

240. If we have drier weather in the future the amount of water in rivers will reduce. This will reduce the amount of available water to dilute any intermittent polluting influences on the city's rivers from bursts of rainfall. If the city faces drought conditions one of the emergency measures in Bristol Water's Drought Plan is to take water from the Floating Harbour
241. Wetter weather will increase pollution in rivers from drainage infrastructure and diffuse sources as flood defence infrastructure transfers water away from the city and away from local streams. This could reduce aesthetic quality, promote bank erosion and reduce biodiversity. This would be particularly true after a particularly long dry spell followed by rain. Any failure in flood defences could lead to massive economic loss as roads, buildings etc would be damaged and the ability to move around the city would be temporarily compromised.

Transport

242. Traffic levels within an area are closely related to economic activity, and changes in these levels affect speeds and the cost congestion imposes on the economy, and also affects air quality and carbon emissions. At the time of the 2001 Census a relatively high 61% of people age 16-74 in employment in Bristol travelled to work by car or van, as drivers or passengers. Between 1999 and 2009 the volume of traffic on the West of England's roads increased by 11% compared with 8% nationally. In some areas, such as South Gloucestershire, where there has been large-scale growth in employment, particularly in the North Fringe¹, traffic levels have grown by 15%.

Table 22: Road usage, West of England & GB

	Distance Travelled by road (billion vehicle km per year)		1994 to 2004 % change
	1994	2004	
West of England	7.5	9.1	21%
Great Britain	421.5	498.6	18%

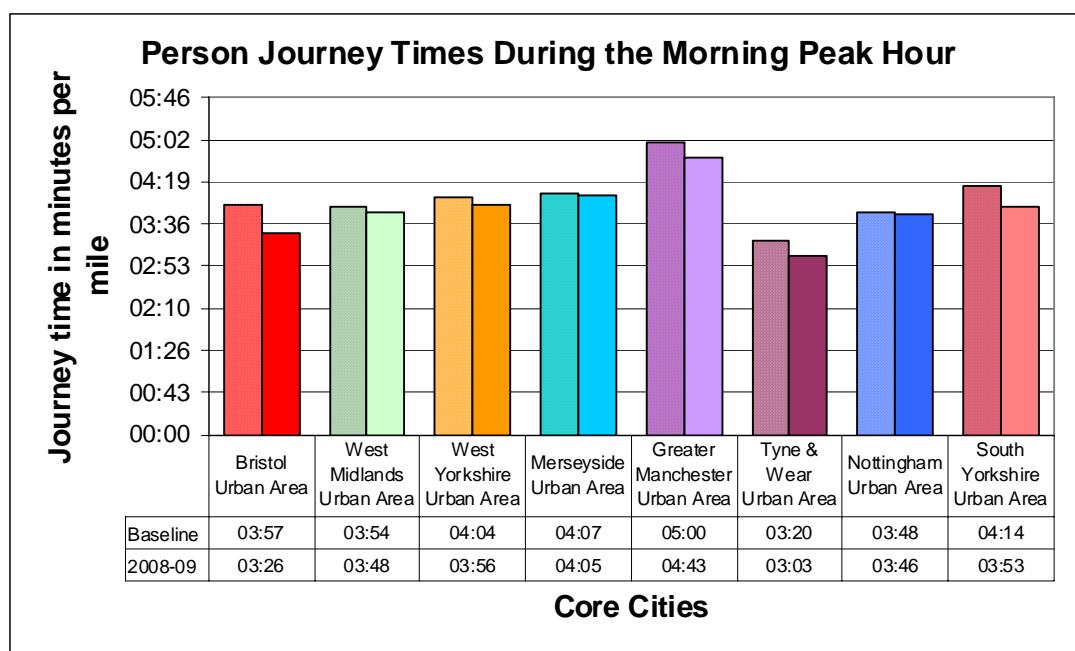
Source: DfT National Road Traffic Survey.

¹ The North Fringe refers to the area around the M4/M5 junction (Almondsbury interchange) in South Gloucestershire

Impact of Congestion

243. Amongst residents and local businesses, Bristol is perceived to have significant and chronic congestion during peak hours. Studies have assessed the impact of congestion to run into several million pounds per year².
244. However, Department for Transport (DfT) data suggests that Bristol experiences lower congestion levels than most Core Cities, including some with well regarded public transport infrastructure. This DfT data also indicates that congestion in Bristol is lessening at a faster rate than in any of the other Core Cities. In 2008/2009 the average person journey time (for car and bus passengers) during peak morning hours in the Bristol Urban Area was 3:26 minutes per mile. This has improved by 13% since 2004/2006, which is largest improvement of all the Core Cities. The chart below illustrates person journey times in minutes per mile during peak hours for the Core Cities in the base year³ and for 2008/2009.

Figure 31: Journey times (bus and car) during morning peak hours



Source: Department for Transport, National Indicator 167

² The 2005 Joint Local Transport Plan identified an annual cost of £350M to the West of England economy resulting from congestion. JLTP3 identifies this as rising to £600M by 2016.

³ The baseline year calculation combines data from both the years 2004-05 and 2005-06

Transport Provision in Bristol

245. GVA Grimley produced a transport provision index⁴ for 12 cities in the UK. This looked at the supply of and demand for transport in cities in 2003 and 2008. Bristol was bottom of the list in both 2003 and 2008 mainly due to high levels of demand on the transport systems. However, Bristol's overall performance, whilst still showing a negative score, has improved since 2003. This is primarily associated with a relative reduction in demand levels between 2003 and 2008.
246. The Campaign for Better Transport recently produced a car dependency scorecard for 19 cities in England. Nottingham has the lowest car dependency with a ranking of 1. Bristol is ranked 13th out of 19 for car dependency.⁵ Bristol has a low ranking and is therefore relatively dependent upon cars, attributed to very poor quality and uptake of public transport, together with concerns about weak future planning. Failure to address this could act as a disincentive to inward investment and hinder the promotion of Bristol as a cultural and tourism destination.
247. Transport connectivity is a significant problem for residents in the South of Bristol, as many residents find it difficult to be able to commute to employment opportunities in the North Fringe area. Lower earners, in particular, have steep 'deterrence curves', indicating their unwillingness or inability to undertake lengthy commuting. Bristol along with neighbouring authorities in the West of England is improving transport issues and connectivity with ongoing investment through schemes such as the Greater Bristol Bus Network and the Cycling City project.
248. There is some uncertainty around the prospects for Government funding in response to bids for future schemes, including the South Bristol Link and Hengrove to North Fringe Package. These bids were submitted to the Department for Transport in March 2010.

Housing Supply

249. The housing offer is an important component of the local economy. Housing needs to be affordable in order to attract talented and highly skilled people into an area and to ensure there is enough supply to meet existing residents' needs.
250. Between 2006 and 2026 Bristol City Council has concluded that, having regard to national and regional policy, 26,400 homes could be delivered with reasonable certainty. It has also concluded that there is potential capacity albeit with less certain prospects for delivery, for a further 6,400 homes arising from small sites development and regeneration projects.⁶ 26,400 additional homes equates to 1,320 per year. Since 2006, 7,037 dwellings have been completed thus surpassing the annual average. More specifically 2,574⁷ net dwellings⁸ were completed in Bristol in the 12 months to 31 March 2009. This reflects the

⁴ Source: GVA Grimley, 'Transport Friendly Towns', 2009

⁵ Source: Campaign for Better Transport, 2010 Car Dependency Scorecard

⁶ Bristol Core Strategy Overall Housing Provision, BCC Revised Position Paper, Dec. 2010

⁷ Source: Residential Development Survey, 2009

⁸ Net dwellings – all new dwelling completion gains minus all demolitions and losses through change of use and amalgamations of existing dwellings,

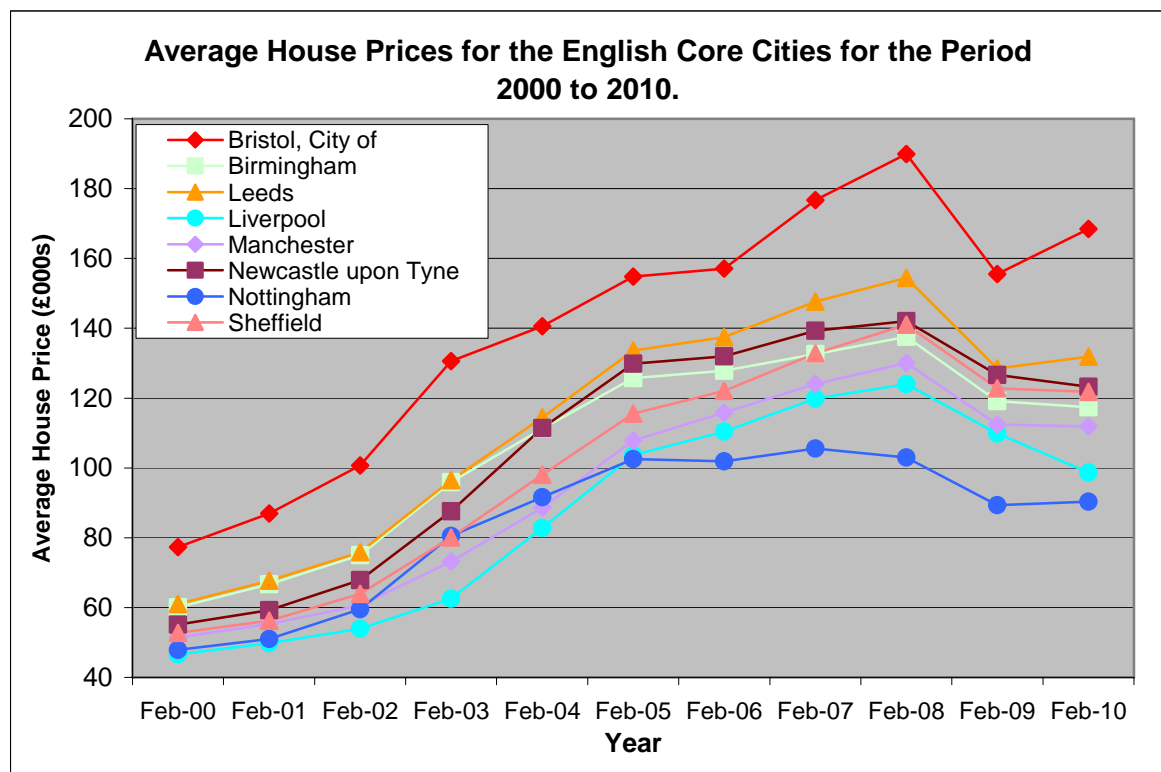
completion of a number of major residential schemes, many of which were under construction in 2007 and 2008; the high number of completions may not be sustained following credit restrictions, recession and reductions in public subsidy for housebuilding.

251. In 2008/09 84% of all gross dwelling completions were flats and 16% houses. 78% of the 17,146 gross completions in Bristol between 2001 and 2009 were flats and maisonettes and 22% were houses and bungalows.

House Prices

252. In Feb. 2009 Bristol's average house price fell to £155,542. By Feb. 2010 the average house price had risen to £168,466, but this was still below pre recession average of £189,889 (Feb. 2008). However, as illustrated in the chart below, Bristol's average house price is still significantly higher than all of the Core Cities. Relatively high house prices could deter some people from looking for employment in Bristol.

Figure 32: Average house prices in Core Cities 2000-10



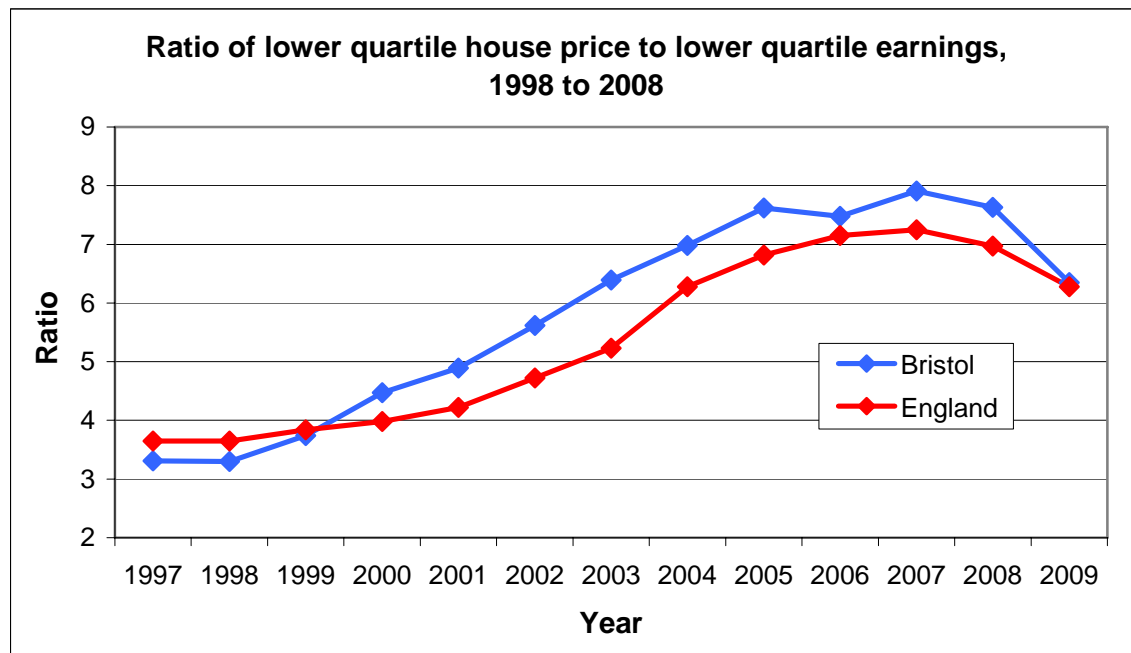
Source: Land Registry

Affordability of Housing

253. In terms of affordability, in 2009, Bristol had a ratio of 6.35⁹ of lower quartile house prices to lower quartile earnings (House Price Incomes Ratio - HPIR), compared with an England average of 6.28. An HPIR of 6.35 means that the cheapest homes cost more than 6 times the level of the earnings at the bottom 25% of local pay scales. Bristol has the highest house price to income ratio of Core Cities and Liverpool has the lowest with 3.99. This means Bristol is significantly less affordable than other Core Cities.
254. Falling house prices during the twelve months from late 2007 did not have as significant impact upon affordability as could have been expected, as a result of restricted credit options for many potential purchasers. With Bristol's average house prices steadily returning to pre-recession levels, while earnings are showing much lower growth, house price to income ratios are expected to increase.
255. Housing affordability is a significant issue for a local economy, with a number of labour market and sustainability implications. Simply put, if house prices are too high to be supported by local wages, then long distance commuting will increase as people move out to find homes which they can afford, or in the worst case scenario, both employers and potential workforce will opt for more affordable areas in which to operate and live.
256. The unaffordability of market housing has knock-on effects for housing registers and households who cannot afford to access owner occupation, or private rent - it increases the need for 'affordable housing' in the form of social rented and intermediate (low-cost home ownership).
257. The 2009 West of England Strategic Housing Market Assessment, covering Bath, Bristol, North Somerset, South Gloucestershire, Mendip and West Wiltshire, but reporting at individual Local Authority area, identified the lack of affordability of market housing, and shortage of affordable housing (1,526 unit annual deficit for Bristol) as key factors acting as a brake on the economy, with a recommendation that supply in all tenures be increased.

⁹ Source: Annual Survey of Hours and Earnings (ONS) and HM Land Registry. Ratio calculated by CLG

Figure 33: Housing affordability ratios, Bristol and England 1998 to 2008



Source: Department for Communities and Local Government

Land Use

258. The City of Bristol local authority district is geographically constrained with extensive development within its boundaries. There are tensions in terms of competing land uses, between employment and housing for development purposes and with green/open space for retaining the city's quality of life and public realm uses.
259. Bristol's 2009 Employment Land Study found that "as in other parts of the country, in Bristol the value of land for housing development has generally exceeded that for employment development. This provides an incentive to employment site owners and developers to pursue housing opportunities. Employment sites in the city have been very vulnerable to redevelopment for alternative uses. Given the city's limited land bank, there is a danger that the continued loss of employment land may harm Bristol's capacity for growth in the future."
260. Over most of the last ten years there has been intensive development, focused on 'brownfield' sites, especially for office and commercial employment uses. Generally, gains (new development) has exceeded losses (demolition), but the recession saw a slowing of new development and losses were greater than gains, particularly in office use in the central area and across other uses in all areas with the exception of storage and distribution in Avonmouth.¹⁰

¹⁰ Bristol Business Development Survey 2009

261. The recession has left Bristol with a healthy 'pipeline' for future office development, with many schemes having secured planning approval but with delayed starts. At the end of 2009-10 there were commitments to develop 312,904m² (3,368,100ft²) of office floorspace in the city (excluding Avonmouth) with 89% in the central area. This compares with 76,594m² (824,458ft²) completed in 2009-10 (a twenty year high), together with 60,766m² (654,085ft²) under construction¹¹.
262. The city centre of Bristol is the key office and commercial employment location for not just the city but for the immediate functional economic area and further afield. The Bristol Development Framework Core Strategy describes the city centre as "of particular importance to the economy. As the region's office capital it is a nationally important location for banking, insurance and professional services. The growing creative industries, media and environmental services sectors are well represented, along with significant public sector employers such as the NHS, universities and government agencies."¹²
263. The extent of the 'pipeline' for office accommodation in the city centre, should, in the longer-term see sufficient new floorspace coming forward to meet demand. Consultants for the Employment Land Study 2007 estimated a 15-year supply of Grade A office accommodation in the planning pipeline, with a risk of over-supply if all planning approvals were to be implemented. That pre-recession forecast is beginning to look somewhat optimistic given the limited amount of speculative developments under construction, although, in the short-term, there will also be floorspace currently occupied by public sector agencies coming back to the market.
264. However, the situation in respect of industrial and warehousing land is less positive. The Employment Land Study noted an annual loss of four hectares of industrial and warehousing land and identified the need for 24.5 hectares of new, non-Avonmouth located, industrial and warehousing land. The study reported the industrial market as suffering from a shortage of supply.
265. Avonmouth, along with the Port of Bristol and the neighbouring Severnside area (in South Gloucestershire) is identified as a strategic location for accommodating economic growth in the near future. It could be of especial importance in respect of environmental technology businesses, ranging from waste recycling to renewable energy in addition to build upon its role in the wholesale and distribution sector. The ongoing development of Avonmouth/Severnside may be hampered by flood risk and transport infrastructure (both road and rail), which could constrain its potential.
266. Aside from the concentrations of employment land in the city centre and Avonmouth, there are a number of local centres around the city. Both retail centres and smaller trading/industrial centres are important to 'neighbourhood economies', providing employment opportunities and access to services without the need for extensive travel. Maintaining and developing these local centres is an important feature of building sustainable communities.

¹¹ Bristol Business Development Survey – Key Findings 2010.

¹² Bristol Development Framework, Core Strategy – Publication Version, November 2009.

Rateable Value

267. Given the shortage of land for industrial development in Bristol, it would be reasonable to assume that the rental cost of commercial and industrial premises in Bristol would be more expensive relative to other Core Cities. However, this is not reflected in data from the Valuation Office. This could be as a result of a significant amount of industrial and commercial property that is available in Bristol for redevelopment. Other factors could be the condition of existing buildings and the limited amount of new development coming forward.
268. The table below illustrates 2008 data for rateable value per square metre and per square foot, for a range of commercial and industrial floorspace in Core Cities

Table 18: Core Cities' rateable value for industrial and commercial floorspace, per m2

2008 Rateable Value per m2 (2005 Revaluation)	Rateable Value per m2 (£)							
	Bristol	Newcastle	Manchester	Liverpool	Sheffield	Leeds	Nottingham	Birmingham
All Bulk Classes ¹³	67	75	84	59	57	65	64	61
Retail Premises	107	145	154	107	153	146	137	122
Offices	112	94	109	85	89	116	80	109
Commercial Offices	115	97	116	88	92	119	82	116
Other' Offices	85	72	77	62	74	87	65	78
Factories	29	23	28	24	20	28	27	25
Warehouses	34	29	34	25	32	35	31	38
Other Miscellaneous Premises	28	22	29	29	29	28	32	36
Rateable Value per Sq.Ft (2005 Revaluation) /LA Name	Rateable Value per Sq.Ft (£)							
	Bristol	Newcastle	Manchester	Liverpool	Sheffield	Leeds	Nottingham	Birmingham
All Bulk Classes	6.2	6.9	7.8	5.5	5.3	6.0	5.9	5.6
Retail Premises	9.9	13.4	14.3	9.9	14.2	13.5	12.7	11.3
Offices	10.4	8.7	10.1	7.9	8.2	10.7	7.4	10.1
Commercial Offices	10.6	9.0	10.7	8.1	8.5	11.0	7.6	10.7
Other' Offices	7.9	6.7	7.1	5.7	6.9	8.1	6.0	7.2
Factories	2.7	2.1	2.6	2.2	1.9	2.6	2.5	2.3
Warehouses	3.1	2.7	3.1	2.3	3.0	3.2	2.9	3.5
Other Miscellaneous Premises	2.6	2.0	2.7	2.7	2.7	2.6	3.0	3.3

Source: 2008 Valuation Office

¹³ Bulk Classes include: Retail premises; Offices (disaggregated into commercial, and 'other' office types); Factories; Warehouses; and Other bulk premises/miscellaneous. They include garden centres, halls and social clubs etc. '

Appendix One: 2003 SIC Codes for ABI Data

Advanced Engineering and Aerospace

3530: Manufacture of aircraft and spacecraft
29 : Manufacture machinery and equipment not elsewhere classified (nec)
30 : Manufacture office machinery and computers
31 : Manufacture electrical machinery/apparatus nec
32 : Manufacture radio, tv/communications equipment
33 : Manufacture medical, precision instruments, etc
62 : Air transport

Banking and Insurance

65 : Financial intermediation, etc
66 : Insurance and pension funding, etc

Communications and ICT

64 : Post and telecommunications
72 : Computing and related activities

Construction

45 : Construction

Education

80 : Education

Health and Social Work

85 : Health and social work

Professional Services

671 : Activities auxiliary to financial intermediation, except insurance and pension funding
672 : Activities auxiliary to insurance and pension funding
731 : Research and experimental development on natural sciences and engineering
741 : Legal, accounting, book-keeping and auditing activities; tax consultancy; market research and public opinion polling; business and management consultancy; holdings

Public Administration and Defence

75 : Public admin/defence; compulsory SS

Retail

52 : Retail trade, except of motor vehicles

Leisure and Tourism

5248 : Other retail sale: specialised stores
SIC 1992 group (3 digit)
364 : Manufacture of sports goods
365 : Manufacture of games and toys
551 : Hotels
552 : Camping sites etc
553 : Restaurants
554 : Bars
612 : Inland water transport

633 : Activities of travel agencies etc nec
 925 : Library, archives, museums etc
 926 : Sporting activities
 SIC 1992 class (4 digit)
 9232 : Operation of arts facilities
 9233 : Fair and amusement park activities
 9234 : Other entertainment activities nec
 9271 : Gambling and betting activities
 9272 : Other recreational activities nec

Wholesale and Distribution

50 : Sale, maintenance/repair motor vehicles
 51 : Wholesale trade/commission trade, etc
 60 : Land transport; transport via pipelines
 61 : Water transport
 63 : Supporting/auxiliary transport, etc

Environmental Technologies

75 % of 74.2 : Architectural and engineering activities and related technical consultancy
 37 : Recycling
 41 : Collection, purification and distribution of water
 90 : Sewage and refuse disposal, sanitation and similar activities
 SIC 2003 class (4 digit)
 2923 : Manufacture of non-domestic cooling and ventilation equipment
 4511 : Demolition and wrecking of buildings; earth moving
 4524 : Construction of water projects
 4532 : Insulation work activities
 312 : Manufacture of electricity distribution and control apparatus
 731 : Research and experimental development on natural sciences and engineering
 743 : Technical testing and analysis

Creative Industries

100% of SIC's Listed below

2211 : Publishing of books
 2212 : Publishing of newspapers
 2213 : Publishing of journals and periodicals
 2214 : Publishing of sound recordings
 5245 : Retail sale of electrical household appliances and radio and television goods
 5247 : Retail sale of books, newspapers and stationery
 5143 : Wholesale of electrical household appliances and radio and television goods
 2464 : Manufacture photographic chemical material
 2465 : Manufacture of prepared unrecorded media
 SIC 2003 group (3 digit)
 222 : Printing and services activities related to printing
 321 : Manufacture of electronic valves and tubes and other electronic components
 323 : Manufacture of television and radio receivers, sound or video recording or reproducing apparatus and associated goods
 363 : Manufacture of musical instruments
 722 : Software consultancy and supply
 744 : Advertising
 922 : Radio and television activities
 924 : News agency activities
 SIC 2003 class (4 digit)
 9211 : Motion picture and video production

9212 : Motion picture and video distribution
 9213 : Motion picture projection
 9231 : Artistic and literary creation and interpretation
 9232 : Operation of arts facilities

50% of SIC's listed below

2215 : Other publishing
 9234 : Other entertainment activities not elsewhere classified
 SIC 2003 group (3 digit)
 243 : Manufacture of paints, varnishes and similar coatings, printing ink and mastics
 322 : Manufacture of television and radio transmitters and apparatus for line telephony and line telegraph
 714 : Renting of personal and household goods not elsewhere classified

25% of SIC's listed below

2231 : Reproduction of sound recording
 2232 : Reproduction of video recording
 2233 : Reproduction of computer media
 3340 : Manufacture of optical instruments and photographic equipment
 7420 : Architectural and engineering activities and related technical consultancy
 7481 : Photographic activities
 9272 : Other recreational activities not elsewhere classified

5% of SIC's listed below

5147 : Wholesale of other household goods
 5248 : Other retail sale in specialised stores
 5250 : Retail sale of second-hand goods in stores

5% of SIC's listed below

1771 : Manufacture of knitted and crocheted hosiery
 1772 : Manufacture of knitted and crocheted pullovers, cardigans and similar articles
 1810 : Manufacture of leather clothes
 1821 : Manufacture of workwear
 1822 : Manufacture of other outerwear
 1823 : Manufacture of underwear
 1824 : Manufacture of other wearing apparel and accessories not elsewhere classified
 1830 : Dressing and dyeing of fur; manufacture of articles of fur
 1930 : Manufacture of footwear

2% of SIC below

7487 : Other business activities not elsewhere classified

OECD Knowledge Based Industries

30 : Manufacture of office machinery and computers
 32 : Manufacture of radio, television and communication equipment and apparatus
 33 : Manufacture of medical, precision and optical instruments, watches and clocks
 SIC 2003 group (3 digit)
 244 : Manufacture of pharmaceuticals, medicinal chemicals and botanical products
 353 : Manufacture of aircraft and spacecraft
 8511 : Hospital activities
 65 : Financial intermediation, except insurance and pension funding
 66 : Insurance and pension funding, except compulsory social security
 67 : Activities auxiliary to financial intermediation
 72 : Computer and related activities

73 : Research and development

SIC 2003 group (3 digit)

642 : Telecommunications

741 : Legal, accounting, book-keeping and auditing activities; tax consultancy; market research and public opinion polling; business and management consultancy; holdings

742 : Architectural and engineering activities and related technical consultancy

743 : Technical testing and analysis

744 : Advertising

803 : Higher education

9211 : Motion picture and video production

9220 : Radio and television activities

9231 : Artistic and literary creation and interpretation

Appendix Two 2003 SIC codes for Oxford Economics data

Industry	SIC03
Agriculture, fishing & forestry	01-05
Extraction	10-14
Manufacturing - food, drink & tobacco	15-16
Manufacturing - textiles & clothing	17-19
Manufacturing - wood & wood products	20
Manufacturing - pulp, paper & printing	21-22
Manufacturing - coke, oil & nuclear	23
Manufacturing - chemicals	24
Manufacturing - rubber & plastic products	25
Manufacturing - other non-metals	26
Manufacturing - metals	27-28
Manufacturing - machinery & equipment	29
Manufacturing - electrical & optical	30-33
Manufacturing - transport equipment	34-35
Manufacturing - other manufacturing nec	36-37
Electricity, gas & water	40-41
Construction	45
Distribution & retail	50-52
Hotels & restaurants	55
Transport & communications	60-64
Financial services	65-67
Business services	70-74
Public administration & defence	75
Education	80
Health	85
Other personal services	90-99

Appendix Three 2003 SIC codes from South West Regional Accounts

Bristol Sectors	Regional Accounts Group	SIC 2003
Advanced Engineering & Aerospace	Mechanical power equipment	29.1
	General purpose machinery	29.2
	Agricultural machinery	29.3
	Machine tools	29.4
	Special purpose machinery	29.5
	Weapons and ammunition	29.6
	Domestic appliances	29.7
	Office machinery & computers	30
	electric motors and generators etc	31.1 & 31.2
	Insulated wire and cable	31.3
	Electrical equipment nec	31.4 to 31.6
	Electric components	32.1
	Transmitters for TV, radio and phone	32.2
	Receivers for TV and radio	32.3
	Medical and precession instruments	33
	Aircraft and spacecraft	35.3
	Air transport	62
	Banking and Insurance	Banking and finance
Insurance and pension funds		66
Communications and ICT	Telecommunications	64.2
	Computer services	72
Construction	Construction	45
Creative Industries	Printing and publishing	22
	Paints, varnishes, printing ink etc (10% of)	24.3
	Electronic components	32.1
	Transmitters for TV, radio and phone	32.2
	Receivers for TV and radio	32.3
	Computer services (50% of)	72
	Architectural activities and technical consultancy (25% of)	74.2 & 74.3
	Advertising	74.4
	Other business services (10% of)	74.5 to 74.8
Recreational services (75% of)	92	
Education	Education	80

Environmental Technologies	General purpose machinery (25%)	29.2
	electric motors and generators etc (15% of)	31.1 & 31.2
	Miscellaneous manufacturing nec & recycling (80% of)	36.6 & 37
	Water supply	41
	Construction (20%)	45
	Research and development (50%)	73
	Architectural activities and technical consultancy (75% of)	74.2 & 74.3
	Sewage and sanitary services	90
Health and Social Work	Health and veterinary services	85.1 & 85.2
	Social work activities	85.3
Leisure and Tourism	Sports good and toys	36.4 & 36.5
	Hotels, catering, pubs etc	55
	Water transport	61
	Ancillary transport services	63
	Recreational services (25%)	92
Professional Services	Auxiliary financial services	67
	Legal activities	74.1
Public Admin and Defence	Public administration and defence	75
Retail	Retail distribution	52
Wholesale & Distribution	Wholesale distribution	51

Appendix Four – business survey report

Bristol's draft LEA published for consultation in August 2010. Businesses were also invited to complete an online survey from 13 September 2010 to 29 October 2010 to collect information about their expansion plans, issues they face and their agreement or disagreement with some of the findings of the draft LEA. 219 responses were received (162 fully completed the survey) and this report presents their views.

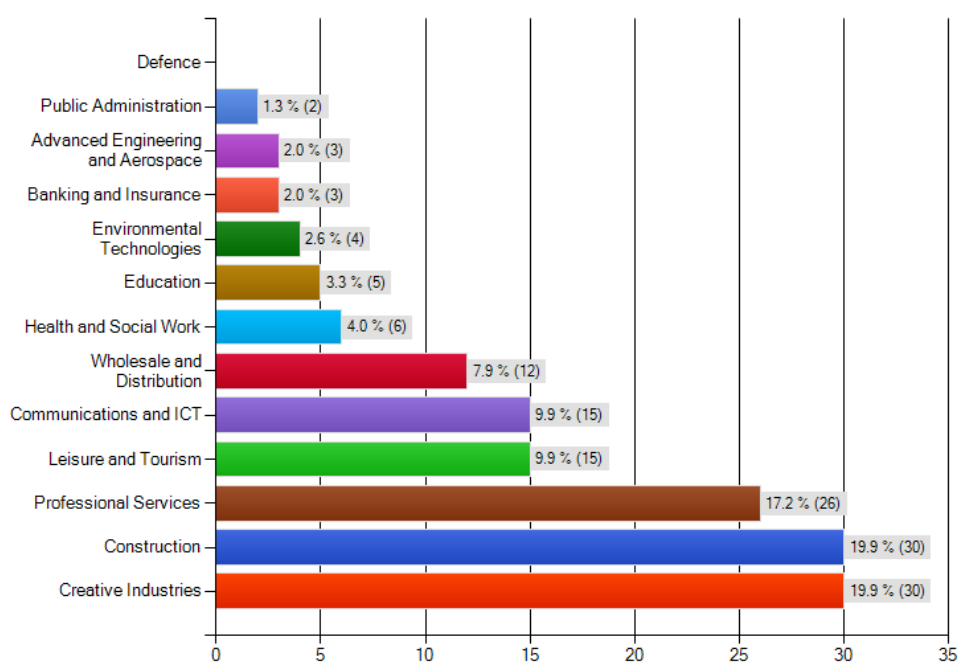
The consultation survey was promoted by press release and by partner business associations and by using email distribution lists of Bristol businesses.

Key findings

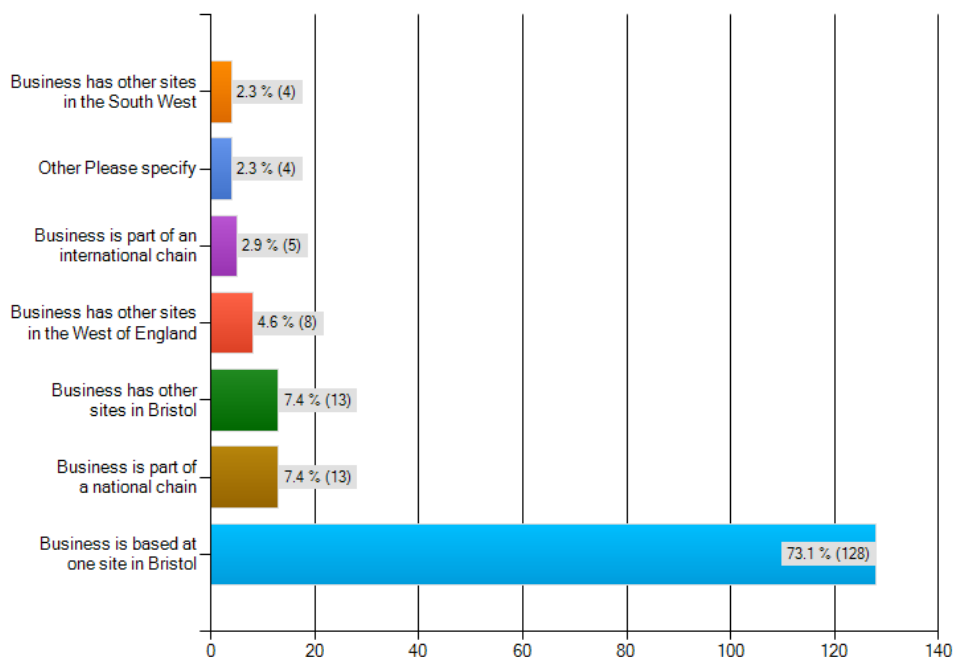
- The majority of businesses envisaged some degree of growth over the next two years
- The big four issues for Bristol businesses responding to the survey are: Traffic congestion, Recruitment of experienced staff, Availability and affordability of appropriate land /premises in Bristol
- Of the findings tested from the draft LEA – there was strong disagreement with the contention that: “Bristol’s traffic flow initiatives have resulted in the largest improvement of England’s major cities for journey times in peak morning periods”. This was backed up by some vociferous comments.
- Responding businesses agreed that the quality of life in the city contributes to the retention of graduates from the city’s two universities and the supply of graduates in the local labour market.

Who responded

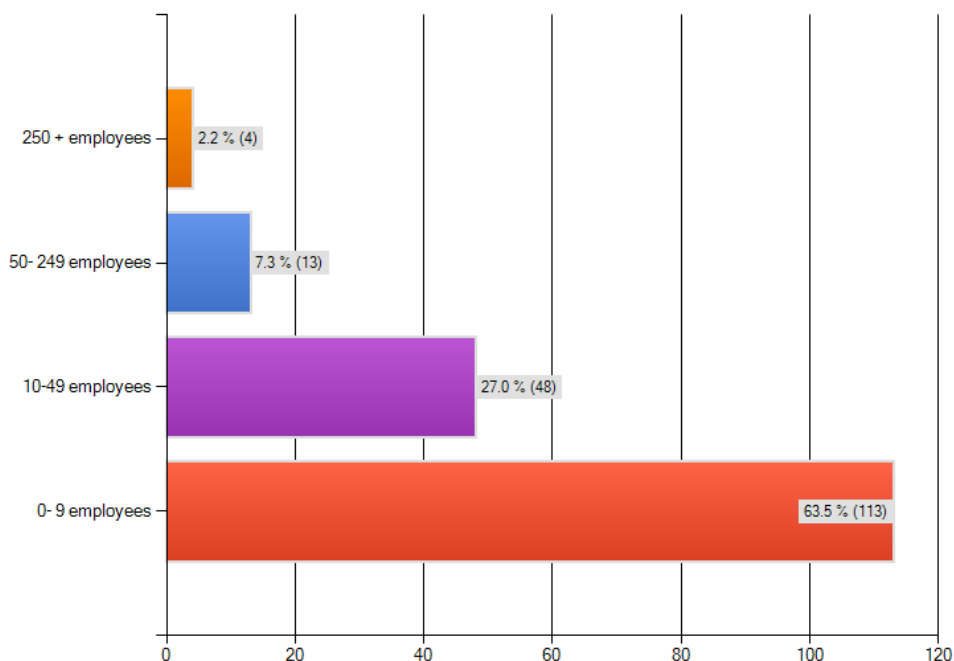
Which one of the following best describes the sector in which your organisation operates? (Please select one only)



Is your business independent or part of a larger group? (Please select one response only)



How many people does your company employ in Bristol? (If you have more than one branch in Bristol please include all branches in Bristol)

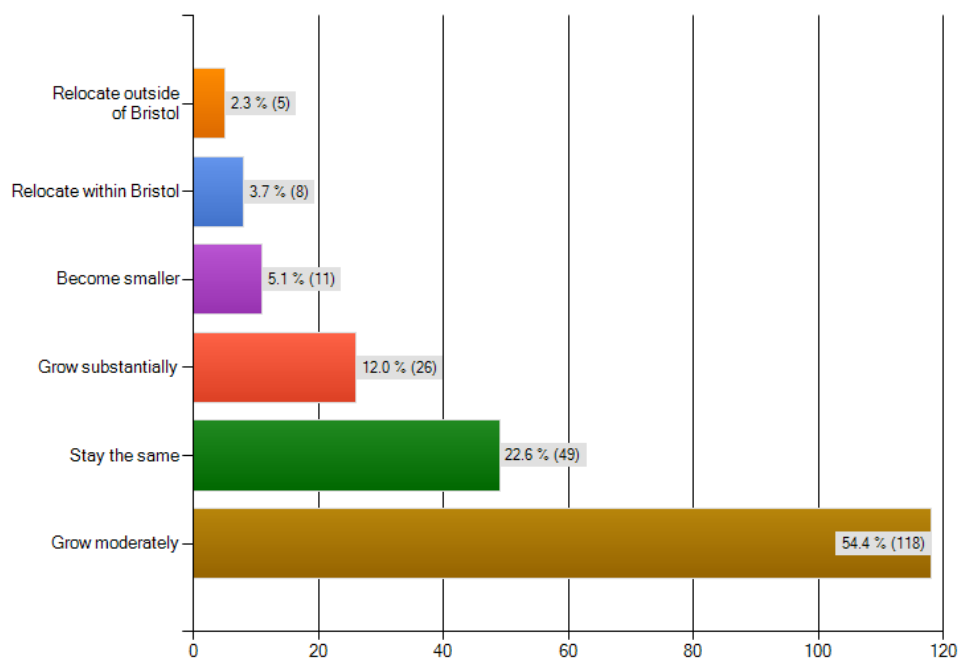


Overall, the survey attracted a low response in relation to the number of businesses in the Bristol area despite the efforts to promote the survey and the consultation on the draft local economic assessment. Any analysis of this survey needs to take this into account – the views expressed here are those of the respondents to the survey rather than a representative view of the business sector in Bristol.

The majority of respondents come from small, predominantly Bristol-based companies with the creative industries and construction being the top two groups in responding business sectors.

Plans for the Future

Which one of the following statements describes the plans you have for your business in the next two years



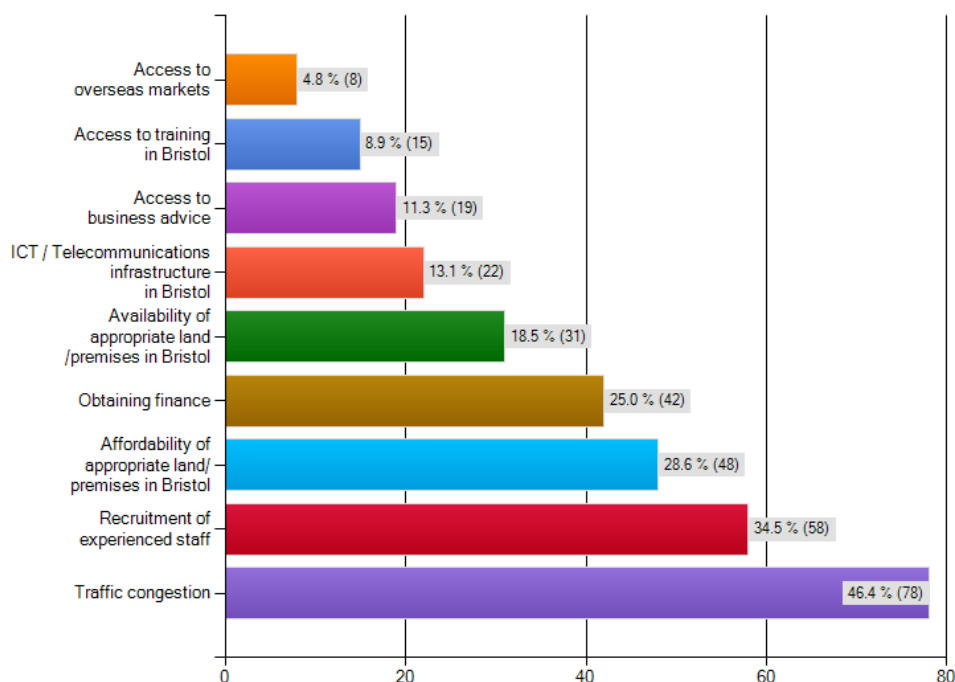
An analysis of this question by size shows that the majority of smaller business (less than 49 people) expected to grow. Also, 10 out of the 13 businesses employing 50-249 employees expected to grow.

Five smaller businesses (the two categories employing less than 49 people) said they were planning to relocate outside of Bristol, whilst six smaller businesses expected to relocate within Bristol and two businesses in the 50-249 employee category.

Of the five most common business location types, the majority response was 'grow moderately'.

An issue for your business?

Which of the following are an issue for your business? (Select all that apply)



An analysis of this question by company size shows that smaller companies were most likely to identify traffic congestion and recruitment of experienced staff. Larger companies also identified this as an issue, but the most popular reason cited by the three companies answering this question was affordability of appropriate land/premises in Bristol.

Amongst the five most common business sectors responding, 'traffic congestion' and 'recruitment of experienced staff' were the most popular answers. This was also the case for the most common categories from the business group question.

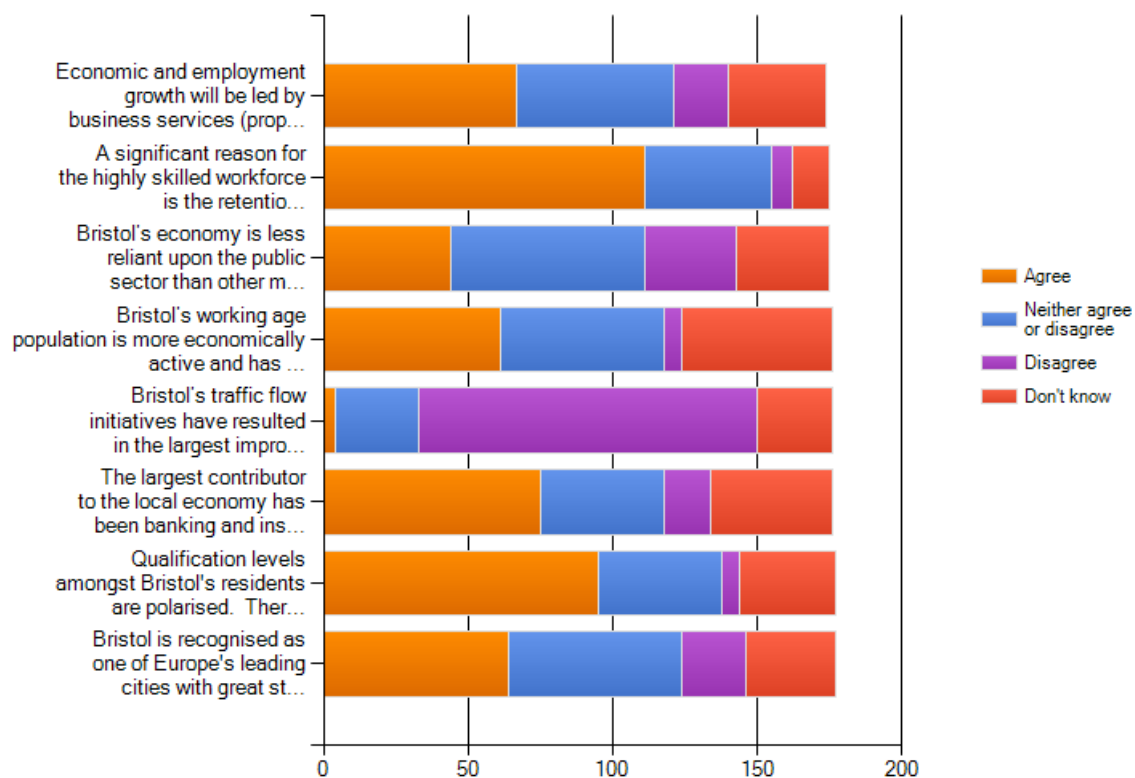
Other issues for Bristol businesses

0- 9 employees	10-49 employees	50- 249 employees	250 + employees	If you plan to relocate your business please state why
X				Looking to buy own office Premises too large and too expensive Bristol is impossible for small business - high rates, driving restrictions and silly parking regulations, petty politics - we moved out 3 years ago and are now selling the final bits so that we can move away. North Somerset actually WANT business. In Bristol, business seems to be regarded as impediment to social engineering by the Councillors. Traffic, Business Rates, threat of road pricing in the future To be in a more central location with a greater footfall of customers
X				
X				
	X			
X				

0- 9 employees	10-49 employees	50- 249 employees	250 + employees	If you plan to relocate your business please state why
		X		<p>Premises limit the opportunities available to the pupils in my school Apart from logical things like difficult journeys into work, poor and expensive parking, and the planned congestion scheme there's a more general feeling that the City Council only "tolerates" business, considers the motor car (and it's drivers) as somehow slightly evil, and would rather turn the centre over to endless shopping and chain owned restaurants and bars. Which is a shame as I have loved the city for many years.</p> <p>Traffic issues I am based in Staple Hill in East Bristol, while the majority of my business is in North Bristol on the other side of the M32. It makes sense to relocate myself to that area.</p> <p>Lease on current property comes to an end in 2012</p>
	X			
	X			
X				
X				

Testing statements from the draft LEA

The statements below are findings from Bristol's Draft Local Economic Assessment (LEA). Please say to what extent you agree or disagree with these statements to help us gauge the opinion of the business community



The stand-out finding from this graph is the number of businesses who disagreed with the statement from the LEA that 'Bristol's traffic flow initiatives have resulted in the largest improvement of England's major cites for journey times in peak morning periods' – two thirds of businesses disagreed with this. All size categories of businesses and the five most popular business sectors and groups responding also disagreed with this statement. Large businesses (250 + employees) also disagreed with the statement about Bristol being a leading city within Europe (2 / 50%). Four businesses (30%) that were part of a national chain also disagreed with this statement.

There was almost this level of agreement (63%) with 'A significant reason for the highly skilled workforce is the retention of graduates due to Bristol's attractiveness and quality of life'.

Further comments on the plan

0- 9 employees	10-49 employees	50- 249 employees	250 + employees	Response Text
X				Disagree with traffic initiatives. Not noticed any change in traffic. If anything it's still awful.
	X			While service companies, like our own, will lead (are leading) the recover it is also important not to forget manufacturing. We have some great manufacturing companies working in aerospace, ballooning, caravans, to name but a few. We need to grow the manufacturing sector and small businesses in that sector need support and encouragement if we are to reduce unemployment among the lower paid sections of our community.
X				I would like to see a focus less on office space and service jobs and more on industry and skilled work
X				170 years manufacturing in Bristol and driven out by petty politics and councillors ignorant of manufacturing industries. Well done Bristol.
X				Employment will not come from a large firm hiring thousands, but many (thousands?) of micro and small businesses hiring one or two people. The problem is that hiring one or two people incurs a disproportionate amount of regulation, paperwork, etc and therefore is to be avoided except, I suppose, in the black economy. Dealing with this issue must be high up the agenda of anyone who wants to get more people off the dole into productive work.
X				When is Bristol going to have a exhibition centre and large conference/event venue which would generate millions for local business??
X				There is no mention of the SME sector, which is a significant contributor to the Cities Earnings. You could and should state what %age of the cities production is estimated to come from micro and small businesses and what %age of the workforce they employ
		X		Red tape and certain policies will continue to stunt the ability for Bristol to enjoy maximum growth. It is hard to survive as a medium sized company, let alone the one-man band enterprises that are trying to survive. I am fortunate to be supported by an amazing team, however without this support I could not imagine the workload that I would have to take on. I would be happy to discuss this further should you wish to contact me in due course.

0- 9 employees	10-49 employees	50- 249 employees	250 + employees	Response Text
				<p>I think small business and sole traders have been given a rough deal by the banks and government. People like me have been hurt by the current financial situation; ironically caused by the banks and the previous government; just as much as the big national and corporate elements. I found that the bank literally snubbed me when I needed help; Nat West by the way; and thus subsequently shut me down.</p> <p>I received no help from local government and as far as these people are concerned I do not exist. I have had to sign up to a debt management company just to keep my head above water. I am entitled to no benefits; the whole benefit system is flawed, it only seems to help recovering drug addicts, asylum seekers, long term benefit cheats etc. I am a white heterosexual male from the age of 16-65 therefore I do not tick any of the boxes on the benefit forms. It's a joke that thousands of people like me have had to take the brunt for other peoples mistakes. The very first advert in the Plastering and Screeding section of the Yellow Pages is where I used to be but just cannot afford the advertising any more. Also since construction sites have closed there is quadruple the amount of tradesmen advertising now.</p> <p>I still have all the debts from running a business but not the income due to lack of work.</p> <p>So to put it lightly...I am pretty bitter at this present moment. It sounds like a rant and probably has no relevance to the survey I have just completed.</p>
X				<p>Is it going to help local small Bristol businesses</p>
X				<p>Whose idea was it to send out a bulk email showing all the email addresses?</p>
		X		<p>The assessment is a good analysis</p>
X				<p>Lower interest rates to encourage grow with the bank of England rate at .5% and banks changing in the region of 8-9% is outrageous it should be no more than 4-5%, therefore giving us the chance to become more successful and help us grow is not there.</p>
X				<p>I am not really interested</p>
	X			<p>Improve transport infrastructure</p>
				<p>Speed up digital communications provision</p>
				<p>Reduce car parking charges</p>

0- 9 employees	10-49 employees	50- 249 employees	250 + employees	Response Text
X				As Bristol has a vibrant and growing private sector, there may be an incentive if they could take on apprentices or work more closely with organisations who help, support and train young people get jobs, access to housing and leisure opportunities. Concern that the majority of new jobs being created may go to people who wish to come to Bristol to enjoy the quality of life and therefore bypassing young people in Bristol who are in desperate need of support.
X	X			Traffic flow from the west of Bristol is still little improved. Local roads still very congested, not only at, peak times around the Ashton/Bedminster area, adding to distribution costs Whoever wrote this must be living in cloud cuckoo land. Travelling into Bristol at any time of the day is an abomination. The Council has done everything in its power to ruin Bristol by stifling travel.
	X			Good resource for growing businesses
	X			Bristol's transport system is appalling and holds the city back. We need trams or tubes to get people in and out of the city not stupid bus lanes

Appendix Five

Major Employers in Bristol & South Gloucestershire

(By Employee Numbers)

MAJOR EMPLOYERS IN BRISTOL AND SOUTH GLOUCESTERSHIRE

This Schedule lists businesses and organisations in Bristol and South Gloucestershire employing more than 200 staff.

The list excludes retailers (except for retail distribution depots) and businesses that mainly employ staff away from their own premises (e.g. security services, employment agencies, cleaning companies).

Information on employee numbers has been gathered from a number of sources including telephone survey, company visits and press reports.

In most cases the businesses and organisations are listed by specific location. Where businesses and organisations are based at more than one location the employment figure relates to the estimated number of staff employed in Bristol and South Gloucestershire.

While considerable care has been taken to produce a comprehensive list of major employers it is inevitable that some errors and omissions will have occurred. Bristol City Council will be happy to receive any amendments or additions that help to improve the accuracy of the list – please contact the City Council’s Economic Development Team on 0117 922 2928.

Company Name	Location	Unitary Authority	Business Description	No of Employees	Sector
Bristol City Council	College Green, Various	Bristol	Local Authority	5001+	Government Services
Ministry of Defence - Defence Equipment and Support Organisation	Filton	South Gloucestershire	Government Department - Procurement and Management of Defence Equipment	5001+	Government Services
South Gloucestershire Council	Thornbury	South Gloucestershire	Local Authority	5001+	Government Services
University Hospitals Bristol NHS Foundation Trust	Marlborough Street	Bristol	National Health Service Trust	5001+	Healthcare and Welfare Services
University of Bristol	Tyndall Avenue	Bristol	University	5001+	Further and Higher Education
Airbus in the UK	Filton	South Gloucestershire	Aircraft Wing Design & Manufacturing	2501 - 5000	Manufacturing
AXA Life	Stoke Gifford	South Gloucestershire	Life Assurance & Financial Services	2501 - 5000	Financial Services
Lloyds TSB Group	Harbourside, Various	Bristol	Banking & Financial Services	2501 - 5000	Financial Services
North Bristol NHS Trust	Southmead, Frenchay	Bristol & South Gloucestershire	National Health Service Trust	2501 - 5000	Healthcare and Welfare Services
Rolls-Royce	Filton	South Gloucestershire	Design, Manufacture & Support of Aero Gas Turbine Engines	2501 - 5000	Manufacturing

Company Name	Location	Unitary Authority	Business Description	No of Employees	Sector
Royal Bank of Scotland (includes Nat West Life & Direct Line)	Central Bristol/Aztec West	Bristol/South Gloucestershire	Banking Group	2501 - 5000	Financial Services
University of the West of England	Frenchay	South Gloucestershire	University	2501 - 5000	Further and Higher Education
Avon & Somerset Police	Various	Bristol/South Gloucestershire	Police Authority	1001 - 2500	Public Protection Services
Avon and Wiltshire Mental Health Partnership NHS Trust	Stapleton/Southmead/Brislington	Bristol	National Health Service Trust	1001 - 2500	Healthcare and Welfare Services
Avon Fire and Rescue Service	Various	Bristol	Fire and Rescue Service	1001 - 2500	Public Protection Services
City of Bristol College	Various	Bristol	College of Further Education	1001 - 2500	Further and Higher Education
Computershare Investor Services	Bedminster Down	Bristol	Share Registrars	1001 - 2500	Financial Services
Everything Everywhere Ltd	Bradley Stoke	South Gloucestershire	Mobile Phone Network – Head Office	1001 – 2500	Telecommunications
GKN Aerospace	Filton	South Gloucestershire	Manufacture of Wing Components and Assembly Components	1001 - 2500	Manufacturing
Network Rail	Various	Bristol	Rail Infrastructure	1001 - 2500	Transport Services
Royal Mail	Severn Beach/Patchway	South Gloucestershire	Distribution of Business & Direct Mail	1001 - 2500	Distribution

Company Name	Location	Unitary Authority	Business Description	No of Employees	Sector
Bank of Ireland Financial Services	Temple Back	Bristol	Banking and Financial Services	751 - 1000	Financial Services
British Broadcasting Corporation	Clifton	Bristol	T.V & Radio Broadcasting Services	751 - 1000	Creative and Cultural Venues and Activities
Constellation Europe	Avonmouth/Whitchurch & Severnside	Bristol	Distribution of Wines and spirits/Bottling Plant	751 - 1000	Distribution
DHL Supply Chain	Avonmouth/Emersons Green	Bristol/South Gloucestershire	Distribution	751 - 1000	Distribution
Environment Agency, The	Westbury on Trym/Aztec West	Bristol/South Gloucestershire	Government Agency	751 -1000	Government Services
Filton College	Filton	South Gloucestershire	College of Further Education	751 - 1000	Further and Higher Education
First Great Western	Temple Meads	Bristol	Public Transport Operators	751 - 1000	Transport Services
First Group Bristol	Lawrence Hill, Various	Bristol	Public Transport Operators	751 - 1000	Transport Services
Hewlett Packard	Stoke Gifford	South Gloucestershire	Computing, Imaging & Printing Equipment	751 - 1000	Manufacturing
NHS Blood and Transplant	Filton/Stoke Gifford	South Gloucestershire	Organ and Blood Donor Centre	751 -1000	Healthcare and Welfare Services
Tesco	Severnside	South Gloucestershire	Distribution Depot	751 - 1000	Distribution
Aviva	Temple Quay	Bristol	Financial Services	501 - 750	Financial Services

Company Name	Location	Unitary Authority	Business Description	No of Employees	Sector
BAE Systems	Filton	South Gloucestershire	Aerospace Equipment & Services	501 - 750	Manufacturing
Bristol Port Company, The	Avonmouth/Royal Portbury	Bristol/North Somerset	Port Operators	501 - 750	Transport Services
BT Group	Marsh St	Bristol	Telecommunication Services	501 - 750	Telecommunications
Burges Salmon LLP	Narrow Quay	Bristol	Solicitors	501 - 750	Professional & Business Services
Capita Business Services Ltd	Temple St	Bristol	TV Licensing	501 - 750	Professional & Business Services
Clifton College	Clifton	Bristol	Independent School	501 - 750	Schools
Department for Work and Pensions	Brislington/Bedminster/Fishponds	Bristol	Government Department	501 - 750	Government Services
Hargreaves Lansdown	Harbourside	Bristol	Financial Advisers and Fund Management	501 - 750	Financial Services
Lyons Davidson	Victoria St	Bristol	Solicitors	501 - 750	Professional & Business Services
MBDA	Filton	South Gloucestershire	Defence Systems	501 - 750	Manufacturing
NHS Bristol	Marlborough Street	Bristol	Primary Care Trust	501 - 750	Healthcare and Welfare Services
NHS South Gloucestershire	Emersons Green	South Gloucestershire	Primary Care Trust	501 - 750	Healthcare and Welfare Services

Company Name	Location	Unitary Authority	Business Description	No of Employees	Sector
RAC Motoring Services	Bradley Stoke	South Gloucestershire	Motoring Organisation	501 - 750	Transport Services
Thales / Aircraft Carrier Alliance	Frenchay	South Gloucestershire	Naval Engineering Consultants	501 - 750	Manufacturing
TLT Solicitors	Redcliffe St	Bristol	Solicitors	501 - 750	Professional & Business Services
West of England Job Centre Plus	Various	Bristol	Government Agency - Supporting People into Work	501 - 750	Government Services
WS Atkins Highway & Transportation Engineers	Almondsbury	South Gloucestershire	Transport Engineers - Highways, Infrastructure and Transportation Schemes	501 - 750	Professional & Business Services
Alexandra Workwear	Thornbury/Bradley Stoke	South Gloucestershire	Workwear & Career Wear	251 - 500	Manufacturing
Allianz Insurance	Central Bristol/Aztec West	Bristol/South Gloucestershire	Home & Motor Insurance	251 - 500	Financial Services
AstraZeneca	Sevenside	South Gloucestershire	Manufacture of Pharmaceuticals	251 - 500	Manufacturing
Babcock	Ashton Vale	Bristol	Heavy Engineering	251 - 500	Manufacturing
Baileys Caravans	Ashton	Bristol	Caravan Manufacturers	251 - 500	Manufacturing
Beachcroft LLP	Portwall Lane	Bristol	Solicitors	251 - 500	Professional & Business Services
Bristol News & Media Ltd	Temple Way	Bristol	Newspaper / Magazine Publishers	251 - 500	Manufacturing

Company Name	Location	Unitary Authority	Business Description	No of Employees	Sector
Bristol Water Group	Bedminster Down	Bristol	Water Company	251 - 500	Public Utilities
British Nuclear Group	Oldbury-on-Severn	South Gloucestershire	Electricity Generation - Nuclear Power Station	251 - 500	Public Utilities
Canada Life Group Insurance	Temple Quay	Bristol	Life Insurance	251 - 500	Financial Services
Chubb Security	Whitchurch	Bristol	Security Systems	251 - 500	Miscellaneous
Clarke Willmott	Bath Street	Bristol	Solicitors	251 - 500	Professional & Business Services
DAS Legal Expenses Insurance	Temple Back	Bristol	Legal Expenses Insurance	251 - 500	Financial Services
Deloitte LLP	Temple Quay	Bristol	Chartered Accountants	251 - 500	Professional & Business Services
Essilor	Thornbury	South Gloucestershire	Manufacture of Ophthalmic Lenses	251 - 500	Manufacturing
GE Capital Solutions	Aztec West	South Gloucestershire	Equipment Financing	251 - 500	Financial Services
Hanson Aggregates & Concrete	Chipping Sodbury/Various	South Gloucestershire	Sand, Gravel & Aggregates	251 - 500	Mining and Quarrying
Highways Agency, The	Temple Quay/Avonmouth	Bristol	Government Agency	251 - 500	Government Services
HM Prison Service, Bristol	Horfield	Bristol	Custodial Establishment	251 - 500	Public Protection Services

Company Name	Location	Unitary Authority	Business Description	No of Employees	Sector
HM Revenue & Customs	Various	Bristol	Revenue & Customs	251 - 500	Government Services
Hovis	Avonmouth	Bristol	Bakery	251 - 500	Manufacturing
HSBC Life UK	Redcliffe St	Bristol	Insurance Services	251 - 500	Financial Services
Imperial Tobacco	Southville	Bristol	Tobacco Products	251 - 500	Manufacturing
Indesit	Yate	South Gloucestershire	Manufacture of Tumble Dryers	251 -500	Manufacturing
Integral	Aztec West	South Gloucestershire	Estate & Property Facilities Management	251 - 500	Construction
Inter Route	Aztec West	South Gloucestershire	Asset Management Services to the Highways Agency	251 - 500	Transport Services
ISG Pearce Group	Stoke Gifford	South Gloucestershire	Construction Company	251 - 500	Construction
Jordans	St Thomas St	Bristol	Business Registration Agents and Legal Services	251 - 500	Business Services
KPMG	Temple St	Bristol	Chartered Accountants	251 - 500	Professional & Business Services
Merlin Housing Society	Chipping Sodbury	South Gloucestershire	Provider of Social Housing	251 - 500	Miscellaneous
Mitie Group	Emersons Green	South Gloucestershire	Facilities Management/Building Services, etc	251 - 500	Construction

Company Name	Location	Unitary Authority	Business Description	No of Employees	Sector
MM Teleperformance	Stokes Croft	Bristol	Outsource Contact Centre	251 - 500	Professional & Business Services
Nisbets	Avonmouth	Bristol	Commercial Catering Equipment Suppliers	251 - 500	Distribution
Nokia	Central Bristol/Emersons Green	Bristol/South Gloucestershire	Mobile Telecommunications & Software	251 - 500	Telecommunications
Osborne Clarke	Temple Quay	Bristol	Solicitors	251 - 500	Professional & Business Services
Price Waterhouse Coopers	Great George St	Bristol	Chartered Accountants	251 - 500	Professional & Business Services
Scottish and Southern Electricity (SSE)	St. Phillips	Bristol	Electricity Supplier	251 - 500	Public Utilities
Serco - Home Affairs Division	Pucklechurch	South Gloucestershire	Custodial Establishment	251 - 500	Public Protection Services
Simply Health	Victoria St	Bristol	Healthcare Insurance Agents, Consultants & Brokers	251 - 500	Financial Services
Tulip Fresh Meats	Westerleigh	South Gloucestershire	Meat Processing	251 - 500	Manufacturing
Audit Commission, The	Stoke Gifford	South Gloucestershire	Public Sector Auditing Body	200 - 250	Government Services
Bevan Brittan LLP	Queens St	Bristol	Solicitors	200 - 250	Professional & Business Services
Bond Pearce LLP	Temple Quay	Bristol	Solicitors	200 - 250	Professional & Business Services

Company Name	Location	Unitary Authority	Business Description	No of Employees	Sector
Bristol Grammar School	Clifton	Bristol	Independent School	200 - 250	Schools
Bristol Marriot Royal Hotel, The	College Green	Bristol	Hotel and Conference Centre	200 - 250	Hotels
Callcredit Information Group	Temple St	Bristol	Callcentre Telemarketing Services	200 - 250	Professional & Business Services
Ceva	Patchway	South Gloucestershire	Distribution Depot - Newspapers & Magazines	200 - 250	Distribution
Cooperative Legal Services, The	Aztec West	South Gloucestershire	Legal Services	200 - 250	Professional & Business Services
DHL Express	Bradley Stoke	South Gloucestershire	Parcel Delivery	200 - 250	Distribution
DSG International	Severn Beach	South Gloucestershire	Distribution Depot	200 - 250	Distribution
DST Output	Bradley Stoke	South Gloucestershire	Transactional Mail Specialists	200 - 250	Professional & Business Services
Ernst and Young	Bridewell St	Bristol	Chartered Accountants	200 - 250	Professional & Business Services
Grant Thornton	Victoria Street	Bristol	Chartered Accountants	200 - 250	Professional & Business Services
Graphic Packaging International	Fishponds	Bristol	Packaging and Manufacturing	200 - 250	Manufacturing
Greencore Group	Bradley Stoke	South Gloucestershire	Pasta Sauce Manufacturers	200 - 250	Manufacturing

Company Name	Location	Unitary Authority	Business Description	No of Employees	Sector
Harding Brothers Ltd	Avonmouth	Bristol	Ship Supplies	200 - 250	Distribution
Higher Education Funding Council	Frenchay	South Gloucestershire	Higher Education Funding Body	200 - 250	Further and Higher Education
IBM UK	Temple Quay	Bristol	IT Services	200 - 250	Professional & Business Services
Institute of Physics Publishing	Temple Back	Bristol	Technical Publishers	200 - 250	Manufacturing
Jardine Lloyd Thompson	Victoria St	Bristol	Insurance Brokers	200 - 250	Financial Services
Kappa Yate	Yate	South Gloucestershire	Manufacturing of Corrugated Packaging	200 - 250	Manufacturing
M J Church Plant	Marshfield	South Gloucestershire	Excavation & Plant Hire, Waste Disposal	200 - 250	Construction
Motability Finance	Frenchay	South Gloucestershire	Contact Fleet Hire - Customer Operations Dept	200 - 250	Financial Services
Palmer and Harvey McLane	St Annes Park	Bristol	Wholesale Distributor to Multiple and Independent Retailers	200 - 250	Distribution
Parsons Brinkerhoff	Redland	Bristol	Consulting Engineers	200 - 250	Professional & Business Services
Robert Wiseman Dairies	Avonmouth	Bristol	Dairy	200 - 250	Manufacturing
SEA Systems	Frenchay	South Gloucestershire	Systems Engineering, Software and Electronic Engineering Services	200 - 250	Professional & Business Services

Company Name	Location	Unitary Authority	Business Description	No of Employees	Sector
Smith and Williamson	Portwall Lane	Bristol	Chartered Accountants	200 - 250	Professional & Business Services
Spire Bristol Hospital	Redland	Bristol	Private Hospital	200 - 250	Healthcare and Welfare Services
ST Microelectronics	Aztec West	South Gloucestershire	Microelectronics - Silicon Chip Design, Research & Development	200 - 250	Manufacturing
St Monica Trust	Westbury on Trym	Bristol	Care and Support for the Elderly	200 - 250	Healthcare and Welfare Services
TNT Express Service	Yate	South Gloucestershire	Distribution Company	200 - 250	Distribution
Unum	Redcliffe Way	Bristol	Insurance Services	200 - 250	Financial Services
Veale Wasborough Vizards	Orchard Lane	Bristol	Solicitors	200 - 250	Professional & Business Services
Western Power Distribution	St. Phillips	Bristol	Electricity Supplier	200 - 250	Public Utilities
Yell	Lewins Mead	Bristol	Telemarketing Services	200 - 250	Professional & Business Services