

For more information regarding the content of this publication, please contact:

Marek Styczen, Project Officer - Enterprise  
Planning & Development  
The Environment Service  
Perth & Kinross Council  
Pullar House  
35 Kinnoull Street  
PERTH  
PH1 5GD

Tel 01738 477944

Email [MStyczen@pkc.gov.uk](mailto:MStyczen@pkc.gov.uk)

We welcome your comments and feedback.

# Perth and Kinross Economic Journal

## Quarter 4 2016 (October - December 2016)

The Journal is an electronic publication on the state of the local economy prepared and published by Planning & Development in Perth & Kinross Council.

### Quarter 4 2016 Highlights

- Perth & Kinross had 3rd lowest Claimant Count rate in Scotland.
- The Claimant Count rate has remained in line with pre-recession levels of JSA Claimant rate for 2 years.
- 9 out of 10 Claimants in Perth City were resident either in Perth City North or Perth City Centre.
- Kinross-shire is where most business start-ups were recorded at the end of the Quarter.
- Construction was among top 3 industries for Business Start-up companies.
- The value of House Sales in the area between October and December 2016 was £163 Million.
- 7 new business openings were recorded in Perth City Centre.
- Perth City Centre footfall numbers reached the highest level for any month in 3 years.

#### Labour Market

Claimant Count rates and numbers

Best and Worst Performing Wards

Benefit Claimants

#### Business

Business Start-Up

Investment

Planning Applications

#### Perth City Centre

Business Unit Vacancy Rate

Footfall

#### Housing Market

House Prices

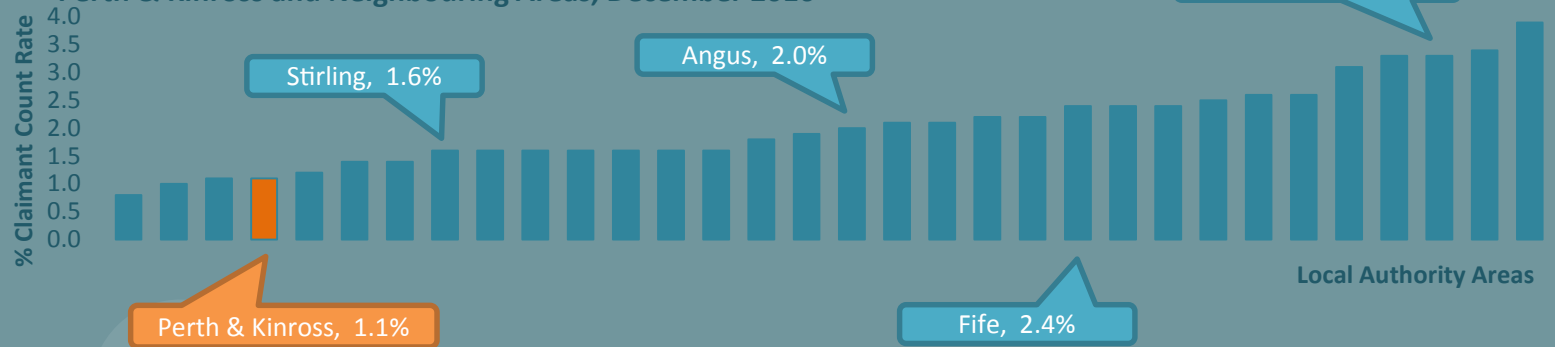
Market Volumes

## Unemployment

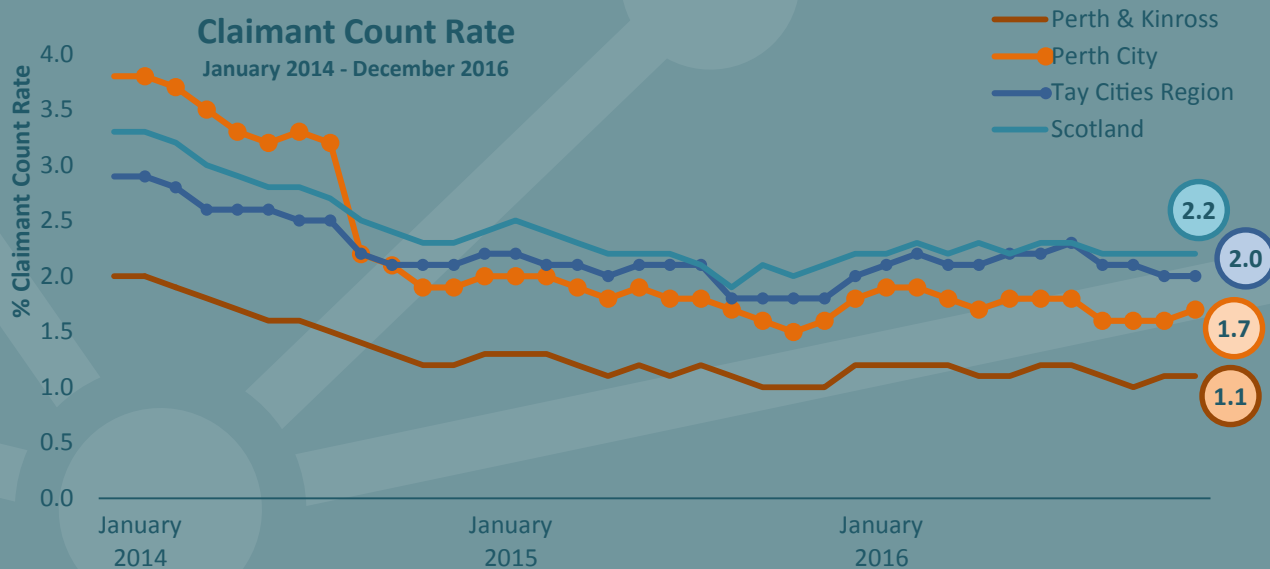
• Perth & Kinross area remains among the very top local authority areas with the third lowest rate in Scotland - the same as East Dunbartonshire. The rate of 1.1% recorded in December 2016 marks about 2 years of performance in line with pre-recession levels.

• Our key neighbouring Local Authority areas fared less favourably than Perth & Kinross in September. Their rates ranged from 1.6% in Stirling to 3.3% in Dundee.

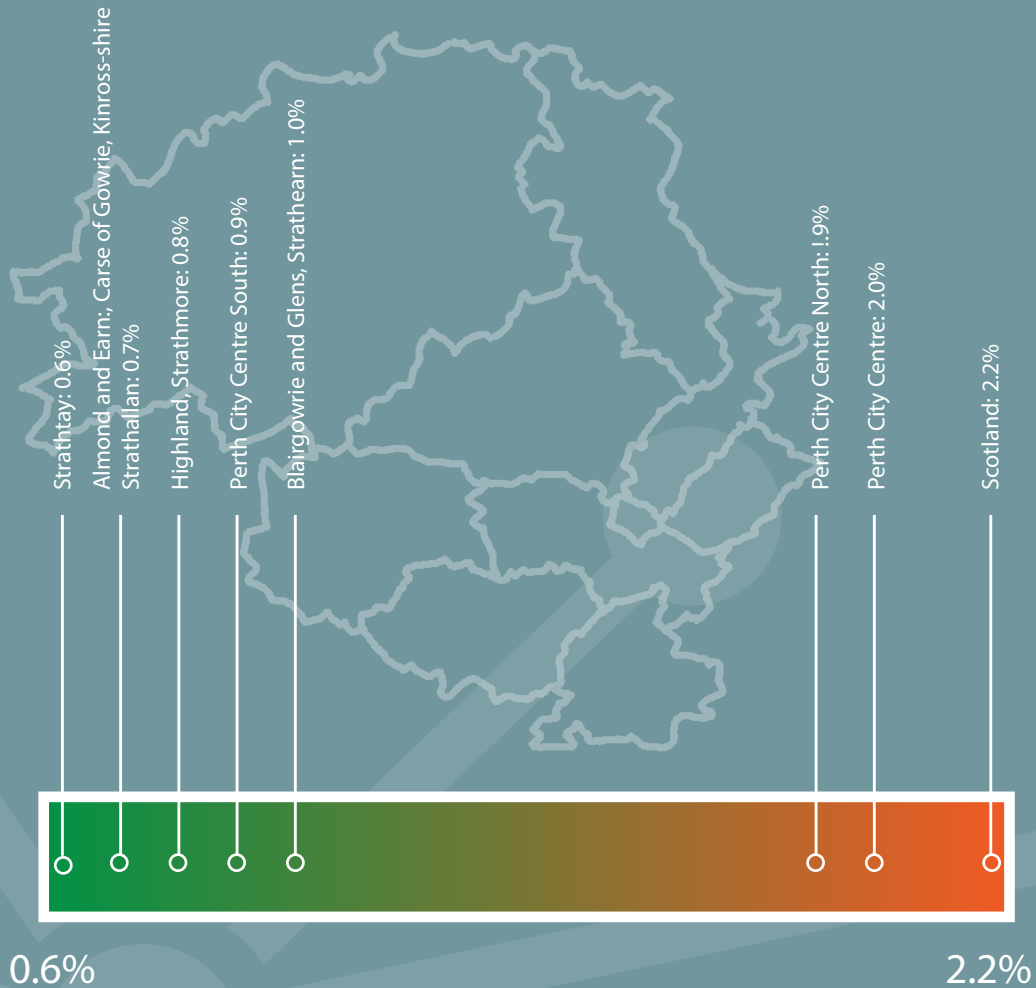
**Claimant Count Rate in Scottish Local Authorities**  
Perth & Kinross and Neighbouring Areas, December 2016



**Claimant Count Rate**  
January 2014 - December 2016



- The comparative areas also recorded a more pronounced deterioration in performance compared to the same month in 2015. Perth & Kinross rate declined by 0.1% points year-on-year.
- There were 985 Claimants in Perth & Kinross in December 2016, only 30 more than the same month a year before.
- The Perth City Claimant Count rate of 1.7% remains above Perth & Kinross area but below Scottish average.
- From April 2016 onwards, the Claimant Count rate in Perth & Kinross area has included Universal Credit Claimant records.
- Tay Cities Region includes the areas of Perth & Kinross, Angus, Dundee and North-East Fife.



### Best and Worst Performing Wards

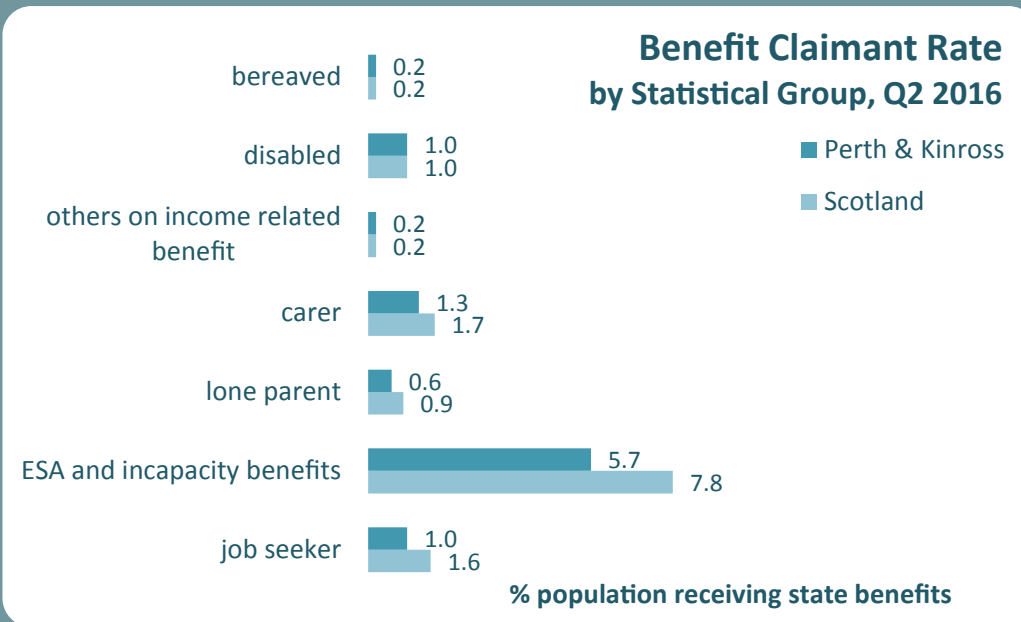
- The map illustrates how the wards in Perth & Kinross performed in terms of Claimant Count rate.\* The rates recorded across the area in September 2016 range from 0.6% to 2.0%, compared to a slightly wider range of 0.6% to 2.2% a year before. In other words, the gap between the best and the worst wards has lessened which is an improvement. The lowest rate of 0.6% was in Strathay.
- Perth City Centre was the ward with the highest annual increase in rate, at 0.2 percentage points. Perth City North, on the other hand, had the highest rate of improvement on last year - the rate dropped there by 0.3 percentage points.
- 87% of the Claimants in Perth City were resident in either City Centre or City North wards.
- All wards in Perth & Kinross had rates lower than the 2.2% in Scotland as a whole.
- 50% of all Perth & Kinross Claimants were resident in Perth City.

\*As of April 2016, Claimant Count and related rates for Perth & Kinross area include Universal Credit Claimants.

Annual rate change:	Rate increase	No change in rate	Rate decrease
Dec 2016 on Dec 2015			
	Almond and Earn Highland Perth City Centre	Carse of Gowrie Strathallan Strathearn Strathmore Strathay	Blairgowrie and Glens Kinross-shire Perth City North Perth City South

## Benefit Claimants

- The latest benefit claimant data available at the time of publication was for the second Quarter of 2016.
- There were 9,240 benefit claimants in Perth & Kinross in Q2 2016, 130 less than a year before. This is a marginal drop of 1.4% over the course of a year. The numbers are relatively static.
- The rate of Benefit Claimants was at 10% in the area, down from 10.4% in the previous year. It was also well below the Scottish level of 13.4%.
- Statistical Group allocation in the table to the left is an indication of the main reason people claim benefits.



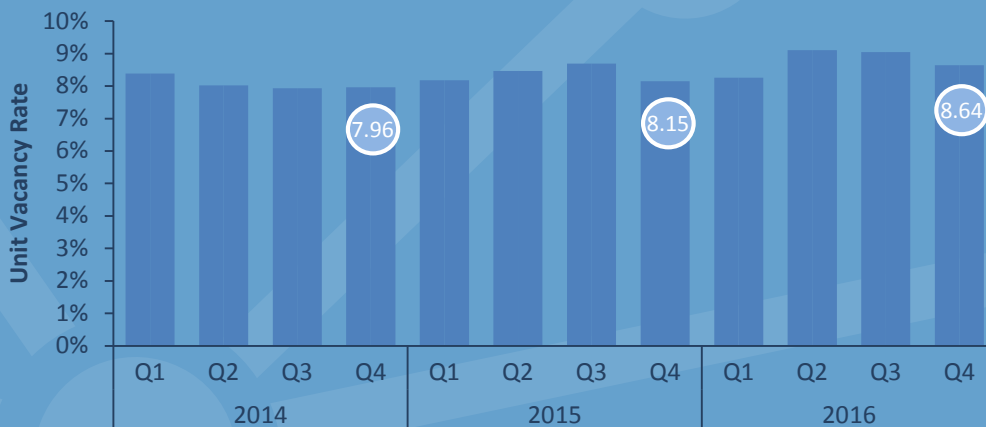
Source: Department for Work and Pensions

## Business Unit Vacancy Rate

- Perth City Centre business vacancy rate in Q4 2016 fell slightly on the previous quarter, with the level of 8.64% recorded between October and December also being above last year's 8.15%. The rate was also above the 7.96% rate 2 years before.
- Between July and September 2016, there were 7 new business openings against the backdrop of 10 closures.

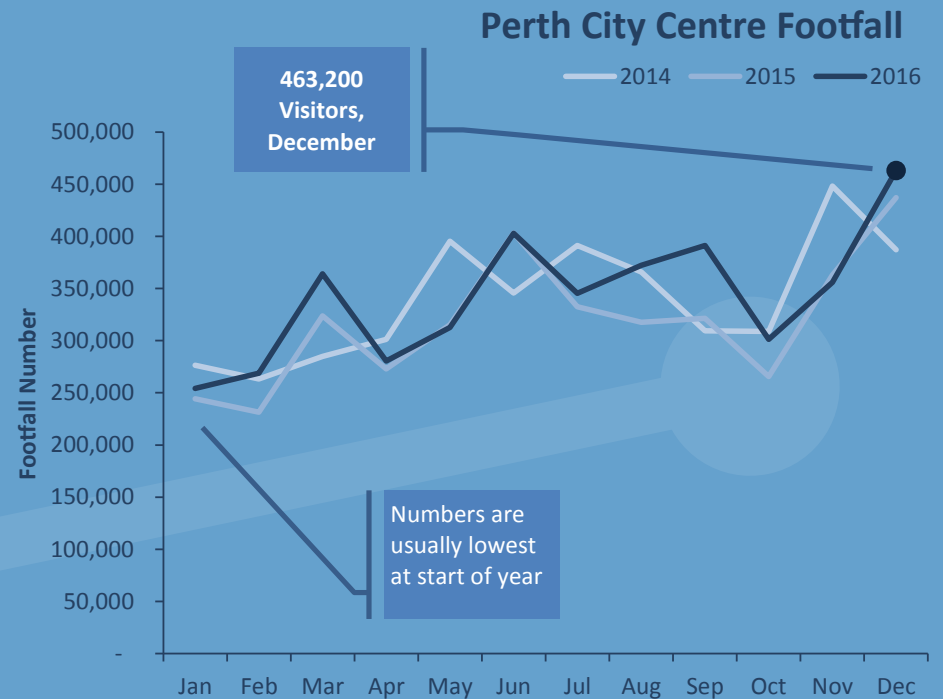


## Perth City Centre Business Unit Vacancy Rate



## Footfall

- Footfall numbers in December 2016 reached the highest level for any month in 3 years. The peak of 463,200 was 5.92% above December 2015. 9 out of the 12 months in 2016 had higher footfall numbers than their counterparts in 2015.
- Footfall is expected to fall in the next Quarter, in line with seasonality trends.



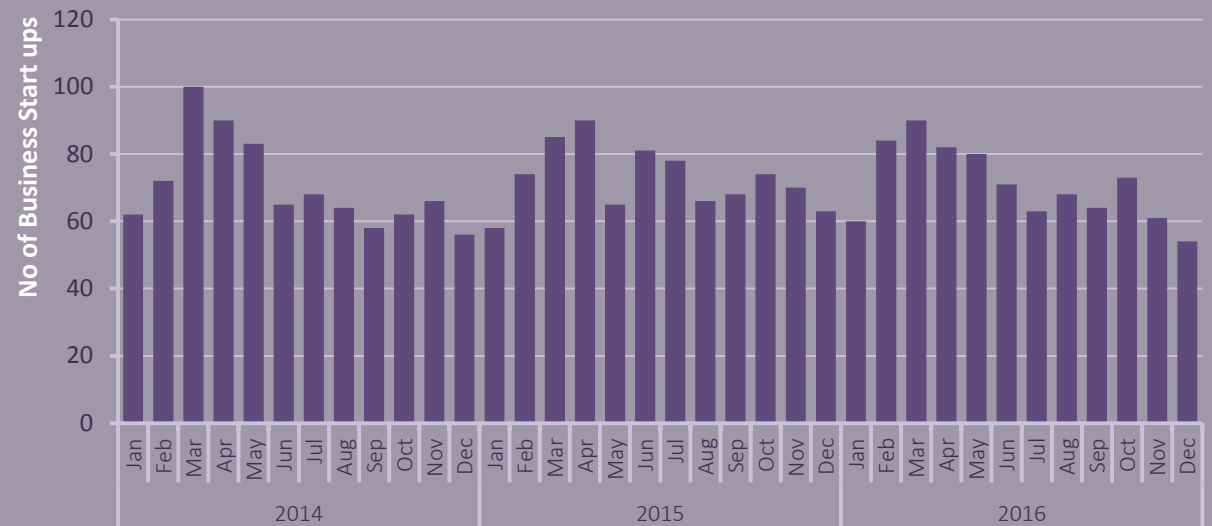
## Enterprise Start-up

- There were 2.5% fewer business start-ups in Perth & Kinross during the last month of 2016 compared with the corresponding period of previous year. This growth rate ranks Perth & Kinross at 16 out of the 32 Scottish local authority areas.
- There were 54 new businesses in December 2016 in Perth & Kinross area, 7 fewer than the previous month and 9 fewer than in December 2015.
- Within the area, Kinross-shire saw the most start-ups; Almond and Earn, Perth City North and Perth City South saw the least.
- The make up of start-ups is Limited Companies 48.1%, Sole Traders 31.5%, Other For Profit Start-ups (mainly Partnerships) 3.7% and Not For Profit 16.7%.
- The top 3 industries account for 61.1% of the starts.
- Perth & Kinross accounted for 2.9% of all start-ups across the Scotland.
- In December 2016 across all the Scottish local authority areas the median level of starts was 35. The average, minimum and maximum number of starts for a Scottish council area was 57, 6 and 247 respectively.

*Note: A 'Start-up' reflects the opening of a first current account from a small business banking product range. They represent businesses new to banking or those previously operated through a personal account. The data exclude businesses operating through personal accounts.*

Source: BankSearch / Companies House

## Business Start-ups in Perth & Kinross



## Top 3 Start up Industries

- Real estate, professional services & support activities
- Recreational, personal & community service
- Construction

## Investment

• The monetary values reported in this section are an indication of investment, both under way in the reporting period, and planned within the following 3 years.

• The value of building works requiring a Building Warrant in quarter 4 of 2016 was £36.5 million. This was 50% higher than the figure in the same quarter a year before at £24.4 million. Q4 in 2016 was also 62% higher than the same quarter in 2014.

• There were 444 applications for a Building Warrant and amendment to a Building Warrant between October and December 2016.

# 36.5 Million

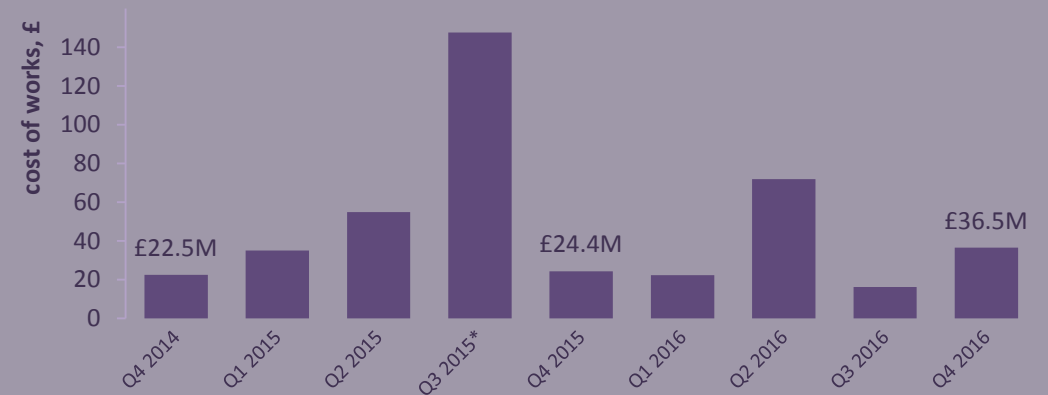
Cost in Pound Sterling of Building Works requiring building warrant in Q4 2016

## Planning Applications

• The number of new Planning Applications submitted to Perth & Kinross Council remained static at 430 in the fourth quarter of 2016; this was 5.1% above the 468 in the same quarter a year earlier.

• The number of determined applications at 363 was at a significantly lower level than the previous year's figure of 468.

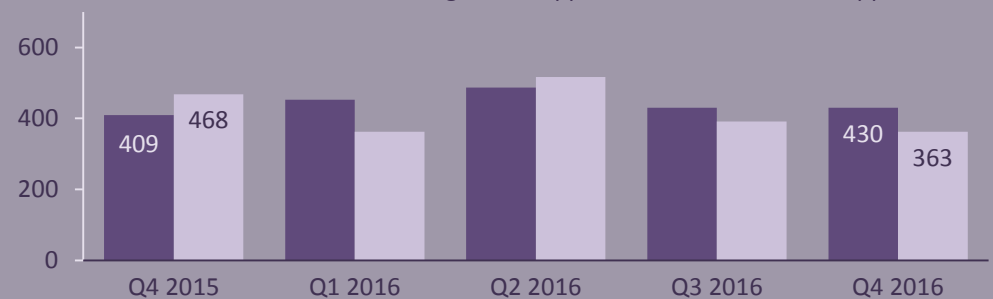
## Cost of Works in Perth & Kinross



\*Due to legislation changes in October 2015, Perth & Kinross Council registered an unprecedented volume of applications in the months preceding the changes, which reflected in the value of works reported for Q3 2015 (and possibly Q2 2015 to a lesser extent). For the same reason, it is impractical to treat these values as directly comparable with other reported figures.

## Planning Applications in Perth & Kinross

■ Registered Applications ■ Determined Applications



## House Prices

- There was a marginal drop in average house prices in Q4 2016 in Perth & Kinross, with the mean residential property price of £190,496. This figure was £22k above the Scottish average.
- Average Perth & Kinross house prices were 8th highest among local authority areas in Scotland.

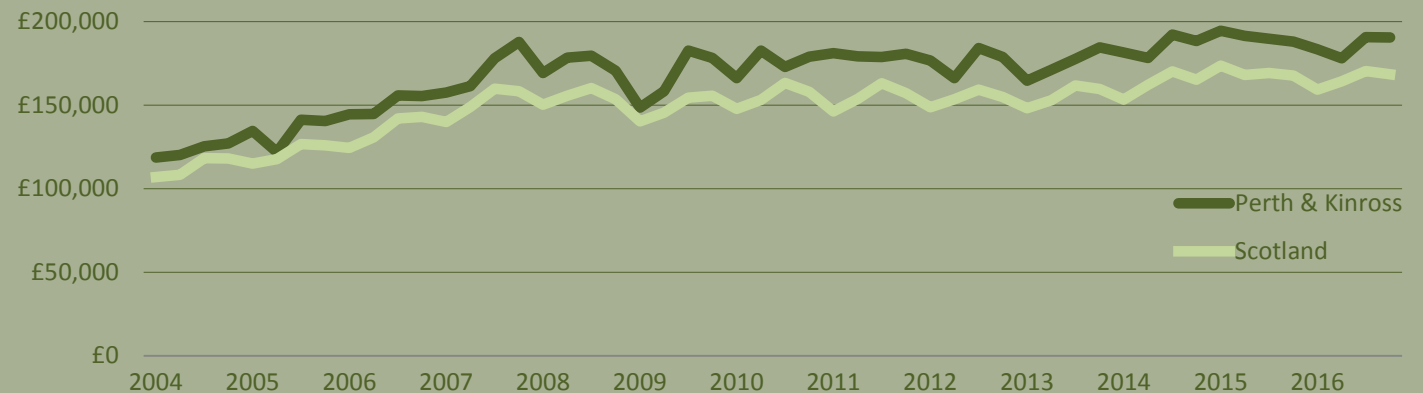
**£190,496**

Average House Price  
(All Types)  
Perth & Kinross

**£168,495**

Average House Price  
(All Types)  
Scotland

## Average (Mean) Residential Property Prices



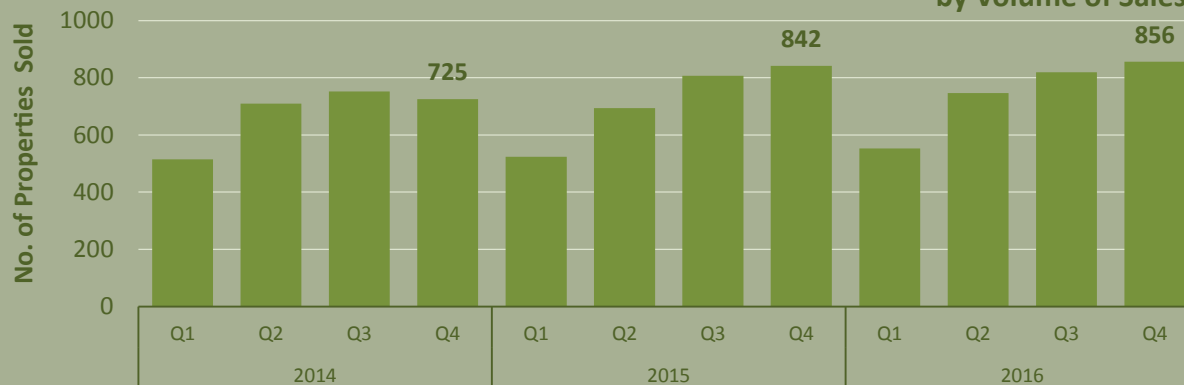
**£163 Million**

value of residential  
property sales in Perth  
& Kinross, Q4 2016

**£4,733 Million**

value of residential  
property sales in  
Scotland, Q4 2016

## Housing Market in Perth & Kinross by Volume of Sales



## Market Volumes

- 856 houses sold in Perth & Kinross area between October and December 2016, compared to 842 in the same quarter a year earlier and 725 two years before.
- Houses sold in Perth & Kinross accounted for 3% of the housing stock sales in Scotland. For comparison, the value of house sales in Perth & Kinross constitutes 3.4% of the total value of residential property sales in Scotland.

Source: Registers of Scotland