

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

We welcome your comments and feedback.

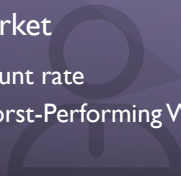
The Journal is an electronic publication on the state of the local economy prepared and published by Planning & Development in Perth & Kinross Council.

Quarter 4 2017 Highlights

- Perth & Kinross had 3rd lowest Claimant Count rate in Scotland.
- The Claimant Count rate has demonstrated robustness as it remained in line with pre-recession levels of JSA Claimant Count rate for over 2 1/2 years.
- 52% of all Claimants are resident in Perth City.
- Claimant Count in four out of eleven wards improved.
- Business start-up numbers are on decline.
- Annual house price change has been positive for the last 18 months. House prices in Perth & Kinross were £31.5k above Scottish average.

Labour Market

Claimant Count rate
Best- and Worst-Performing Wards



Perth City Centre

Business Unit Vacancy Rate
Footfall



Enterprise

Business Start Ups
Investment
Planning

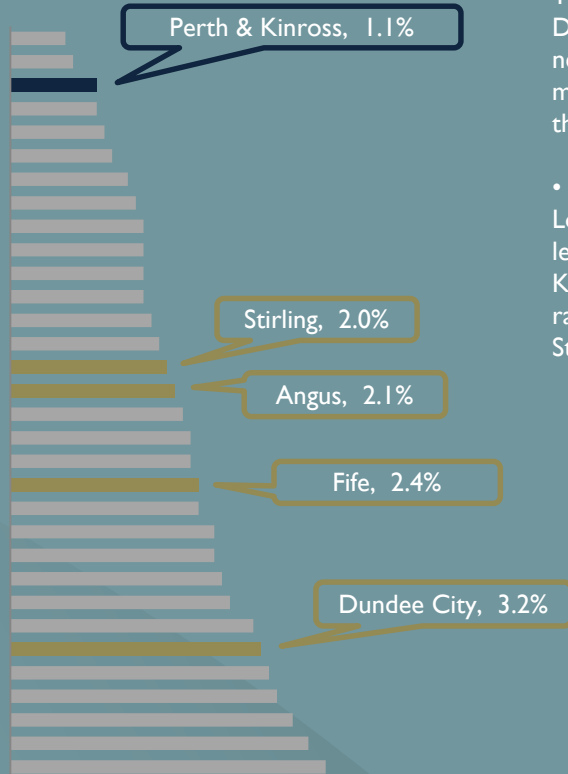


Housing Market

House Prices
Market Volume



Perth & Kinross Claimant Count rate 3rd best in Scotland December 2017



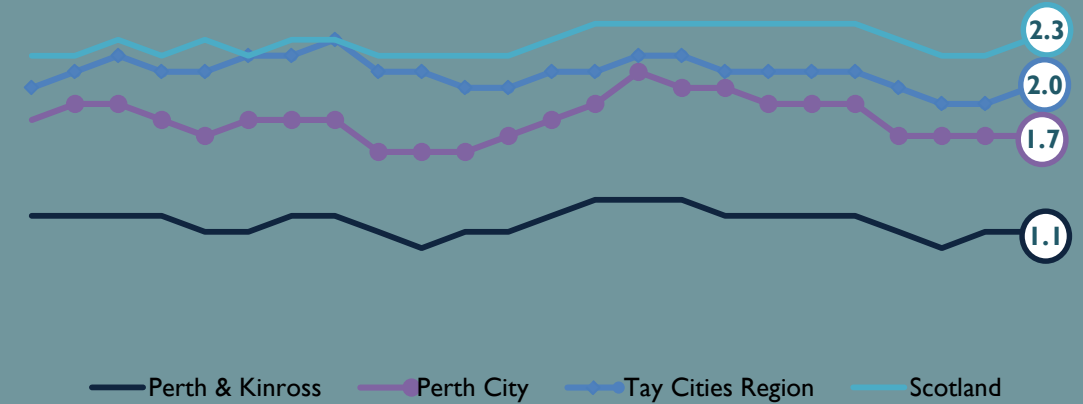
- Perth & Kinross area remains among the very top local authority areas with the third lowest rate in Scotland. The rate of 1.1% recorded in December 2017 marks nearly 3 years of performance in line with, or better than, pre-recession levels.

- Our key neighbouring Local Authority areas fared less favourably than Perth & Kinross in December. Their rates ranged from 2.0% in Stirling to 3.2% in Dundee.

- The rate in Perth & Kinross over the last 3 months of the year was exactly in line with the same months in 2016. October saw the rate drop to 1.0%, the lowest recorded for the area.

- There were 1,015 Claimants in Perth & Kinross in December 2017.

Claimant Count Rate January 2016 - December 2017



- The Perth City Claimant Count rate of 1.7% remains above Perth & Kinross level but below Scottish average. Perth City rate has been improving at a faster rate than Scotland as a whole recently. The gap between Perth City rate and Scotland's rate has increased from 0.1% in May 2017 to 0.3% points in December.

Notes

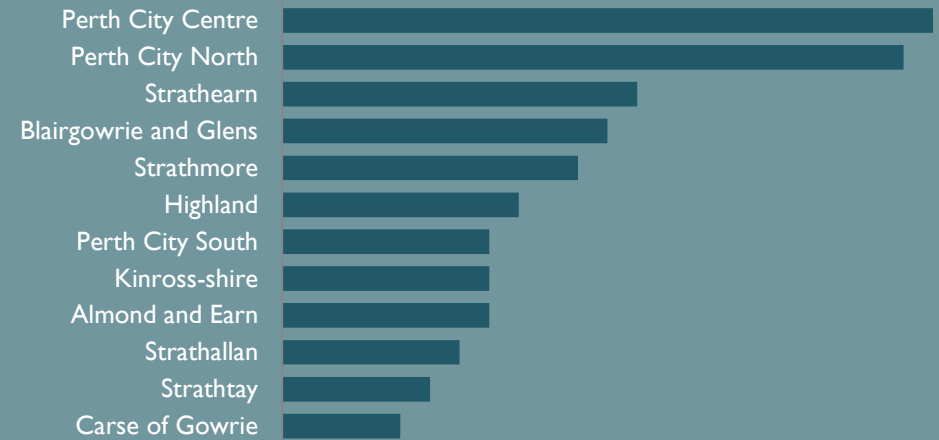
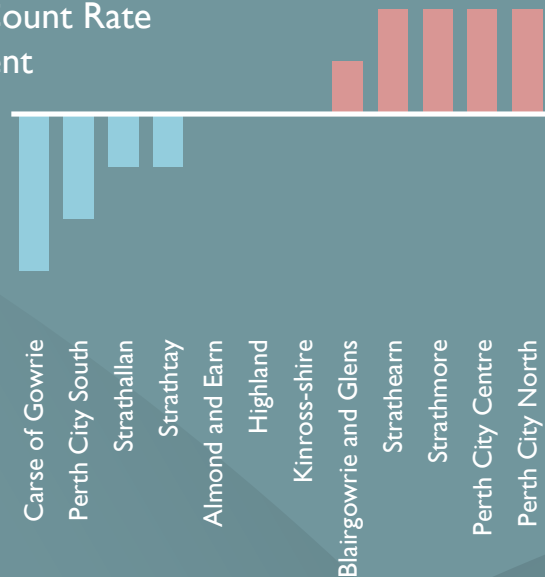
From April 2016 onwards, the Claimant Count rate in Perth & Kinross area has included Universal Credit Claimant records.

Tay Cities Region includes the areas of Perth & Kinross, Angus, Dundee and North-East Fife.

Best and Worst Performing Wards

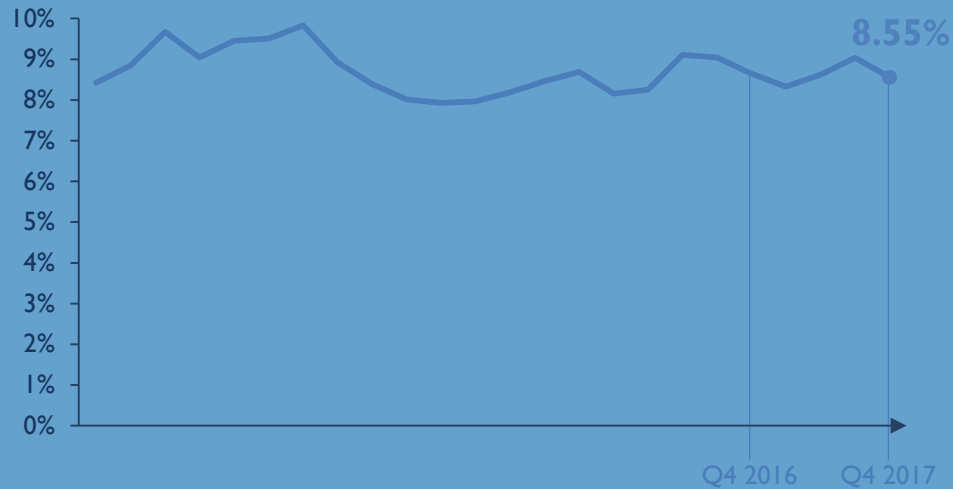
- The graph illustrates how the wards in Perth & Kinross performed in terms of Claimant Count rate. The rates recorded across the area in December 2017 ranged from 0.4% to 2.2%, compared to a noticeably narrower range of 0.6% to 2.0% a year before. In other words, the gap between the best- and the worst-performing wards increased from 1.4 percentage points to 1.8 percentage points.
- The lowest rate of 0.5% was in Carse of Gowrie and Strathtay. Perth City Centre had the highest rate at 2.2%. All the Wards were below Scottish average.

Four Wards Show Claimant Count Rate Improvement



- Compared to the same month in 2016, five wards had a higher (worse) rate of Claimant Count in December. Four of these increased by 0.2 percentage points.
- Only three wards did not record a change in rate over the same period.
- Improvement was noted in four wards. Carse of Gowrie decreased (improved) the most (-0.3%).
- 89% of the Claimants in Perth City were resident in either City Centre or City North wards.
- 52% of all Perth & Kinross Claimants were resident in Perth City.

Business Unit Vacancy Rate improves

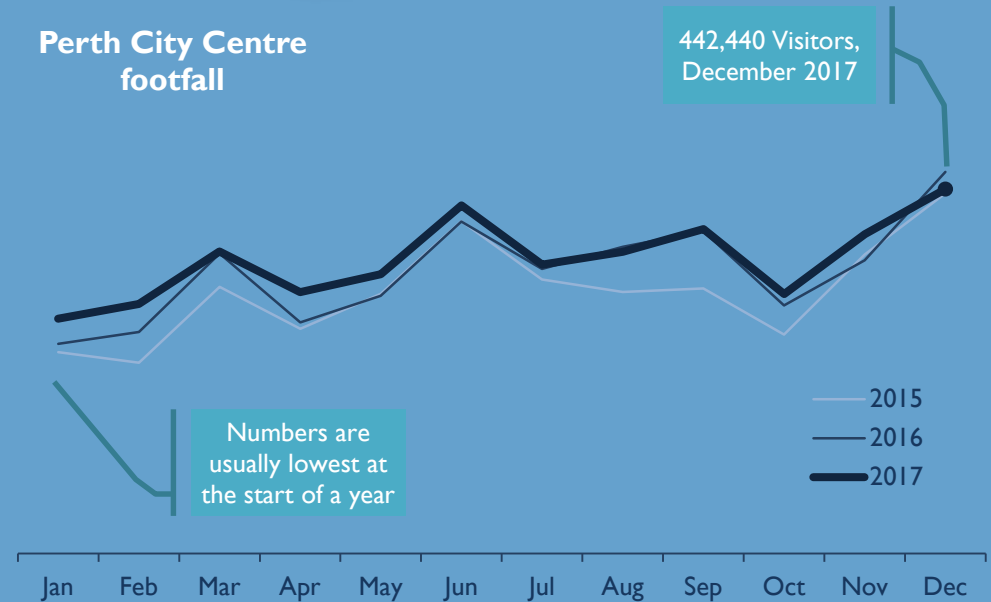


• Perth City Centre business vacancy rate in Q4 2017 fell from the previous quarter. The 8.55% recorded between October and December was also lower than the rate recorded a year before. The rate was higher, however, than the 8.15% in the same quarter 2 years before.



• There were 13 new business openings against the backdrop of 5 closures in the last quarter of the year. Due to increased trading over the festive period

Perth City Centre footfall

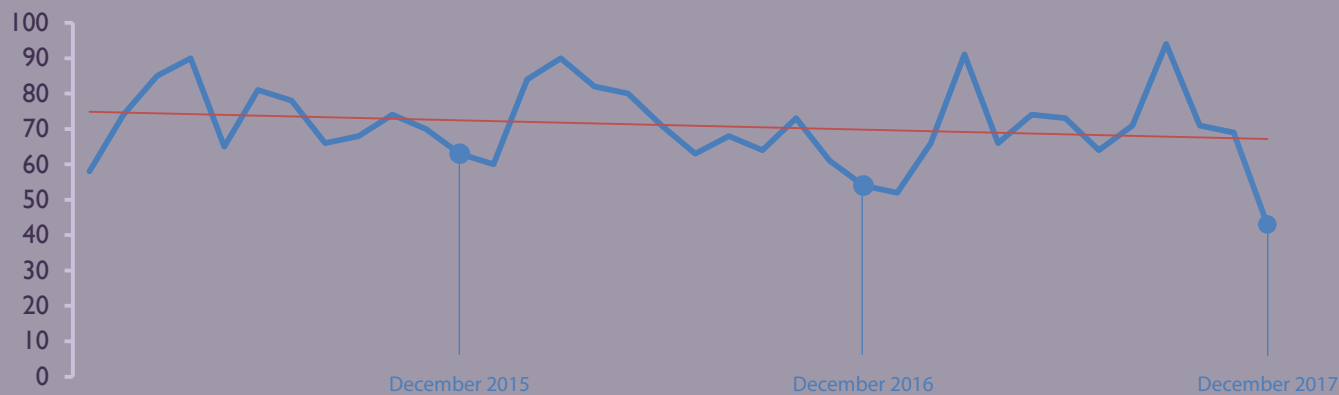


• Footfall numbers in the fourth quarter of 2017 were up on the year before in October (4.6%) and November (8.9%) but tailed off slightly in December (-4.5%).

• Please note that footfall numbers do not directly relate to consumer spend in the City Centre.

Business Start-ups in Perth & Kinross

in red: trendline Jan 2015 - Dec 2017



- 1.9% fewer businesses started up in Perth & Kinross during the last month of 2017 compared with the corresponding period of last year. **This growth rate ranks Perth & Kinross at 29 out of the 32 Scottish local authorities.** The trend remains negative.
- Growth in the number of start-ups across Scotland has risen. So far this year Eilean Siar (29.7%), North Lanarkshire (24.7%) and Angus (17.1%) have seen the strongest growth compared to the corresponding period in 2016. South Lanarkshire (-2.0%), East Lothian (-2.7%) and South Ayrshire (-3.1%) have had the weakest growth.
- In Perth & Kinross 43 new businesses started up in December 2017, 26 fewer than the previous month and 11 fewer than in December 2016. December figure was lower than any month in the last 3 years. Blairgowrie and Glens saw the most start-ups; Strathtay saw the least.
- The make up of start-ups is Limited Companies 53.5%, Sole Traders 32.6%, Other For Profit Start-ups (mainly Partnerships) 2.3% and Not For Profit 11.6%.
- Perth & Kinross accounted for 2.4% of all start-ups across Scotland.

Top 3 Start up Industries

Recreational, personal & community services

Real estate, professional services & support activities

Accommodation & food services

- In December 2017, the top 3 industries accounted for 67.4% of the starts.

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.

Labour Market

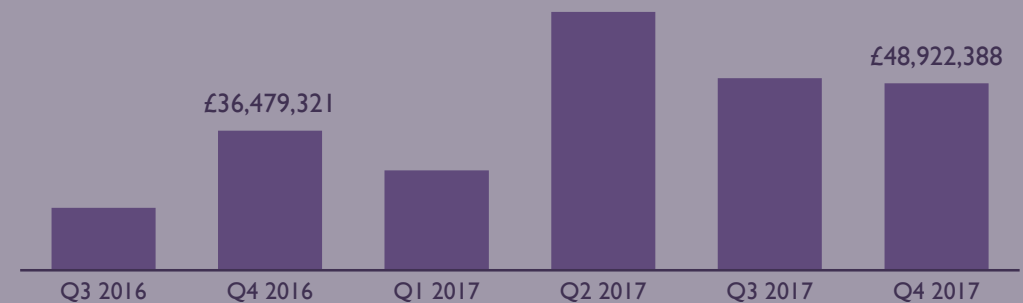
Perth City Centre

Business

Housing Market

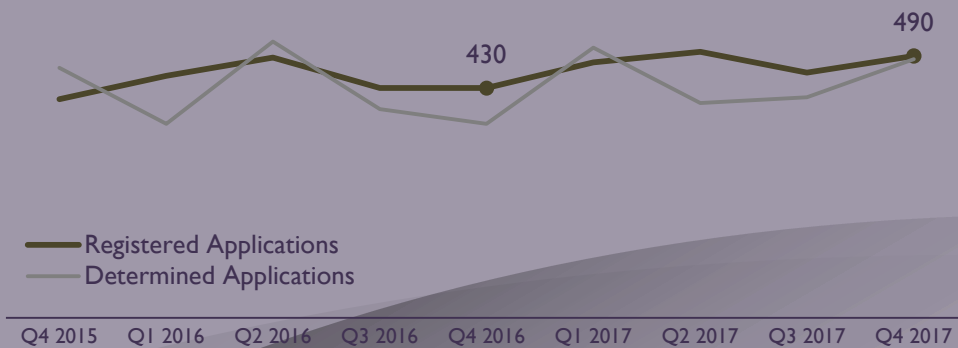
Investment

- 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 the last quarter of 2017 was just over 1/3 higher than the value recorded in the same quarter the year before.
- There were 449 applications for a Building Warrant and amendment to a Building Warrant between October and December 2017, a marginal increase of 1.1% compared to the same quarter in 2016.
- The average value of a Building Warrant application in Q4 2017 was £108,958. This was just above the average value in the previous quarter and the second highest value this year.



Planning Applications

- The number of new Planning Applications submitted to Perth & Kinross Council and validated increased compared to the same quarter last year. The increase was 14%.



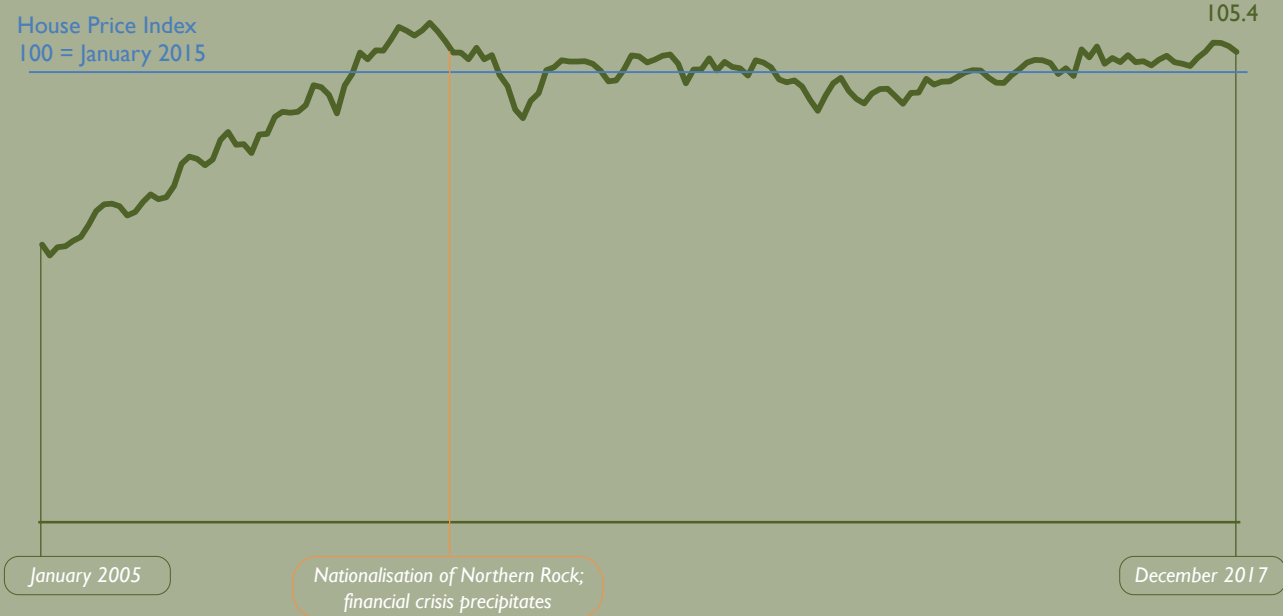
Housing Market

- Average Perth & Kinross house prices were 6th highest among local authority areas in Scotland.
- The largest annual increase in house prices in Scotland was in West Dunbartonshire (10.3%), and the highest drop, in Na h-Eileanan Siar (-11.3%). 8 local authority areas recorded annual decrease in prices.
- There was a drop (-1.3%) in average residential property prices in November 2017 in Perth & Kinross, compared to the previous month. When compared to the same month a year before, however, the price change was an increase of 1.7%. A house sold in the area cost £177,527 on average. This figure was £31,535 above Scotland.

Annual % change in property prices has been positive over the last 18 months



Source: UK HPI (ONS)



January 2005

Nationalisation of Northern Rock; financial crisis precipitates

December 2017

	September 2017	September 2016	Variance
Volume of Sales in Perth & Kinross	287	310	-7.4%
Volume of Sales in Scotland	9,323	9,563	-2.5%

Housing Market Volume

(Latest data available: September 2017)

- Housing markets experienced a contraction compared to 2016. Perth & Kinross saw a more substantial drop than Scotland.