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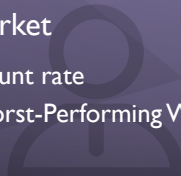
The Journal is an electronic publication on the state of the local economy prepared and published by Planning & Development in Perth & Kinross Council.

Quarter 1 2017 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 Count rate for over 2 years.
- 9 out of 10 Claimants in Perth City were resident either in Perth City North or Perth City Centre.
- For the first time in 12 months, a ward in Perth & Kinross had a higher rate than Scotland as a whole - it was Perth City Centre at 2.6%.
- 91 new businesses started in Perth & Kinross in March 2017.
- House prices in Perth & Kinross were nearly £35k 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

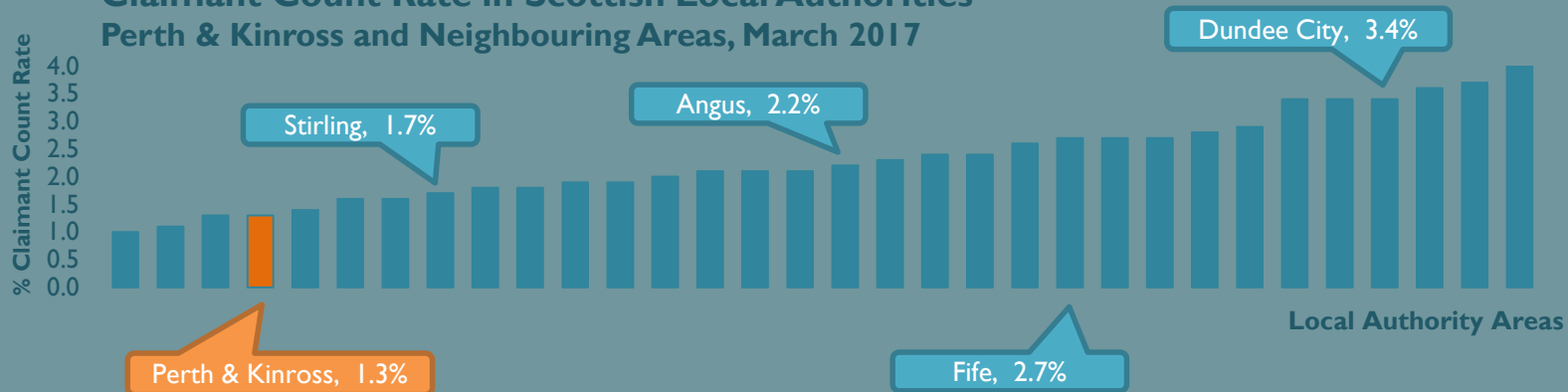
House Prices
Market Volume



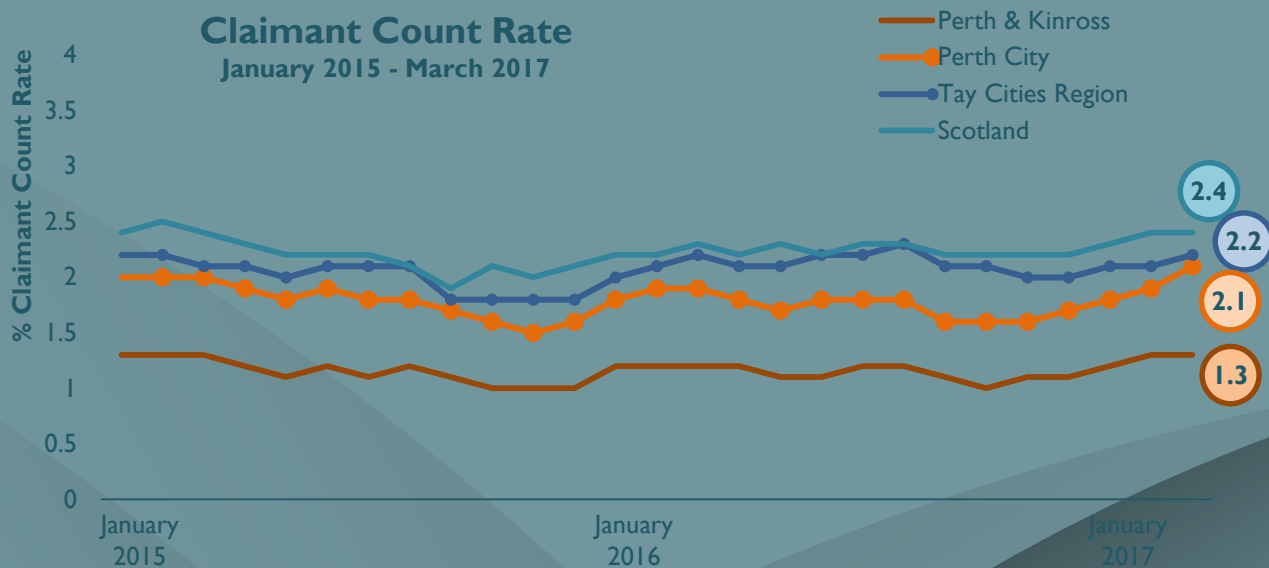
Unemployment

- Perth & Kinross area remains among the very top local authority areas with the third lowest rate in Scotland - the same as East Renfrewshire. The rate of 1.3% recorded in March 2017 marks over 2 years of performance in line with pre-recession levels.
- Our key neighbouring Local Authority areas fared less favourably than Perth & Kinross in March. Their rates ranged from 1.7% in Stirling to 3.4% in Dundee.

Claimant Count Rate in Scottish Local Authorities Perth & Kinross and Neighbouring Areas, March 2017



Claimant Count Rate January 2015 - March 2017

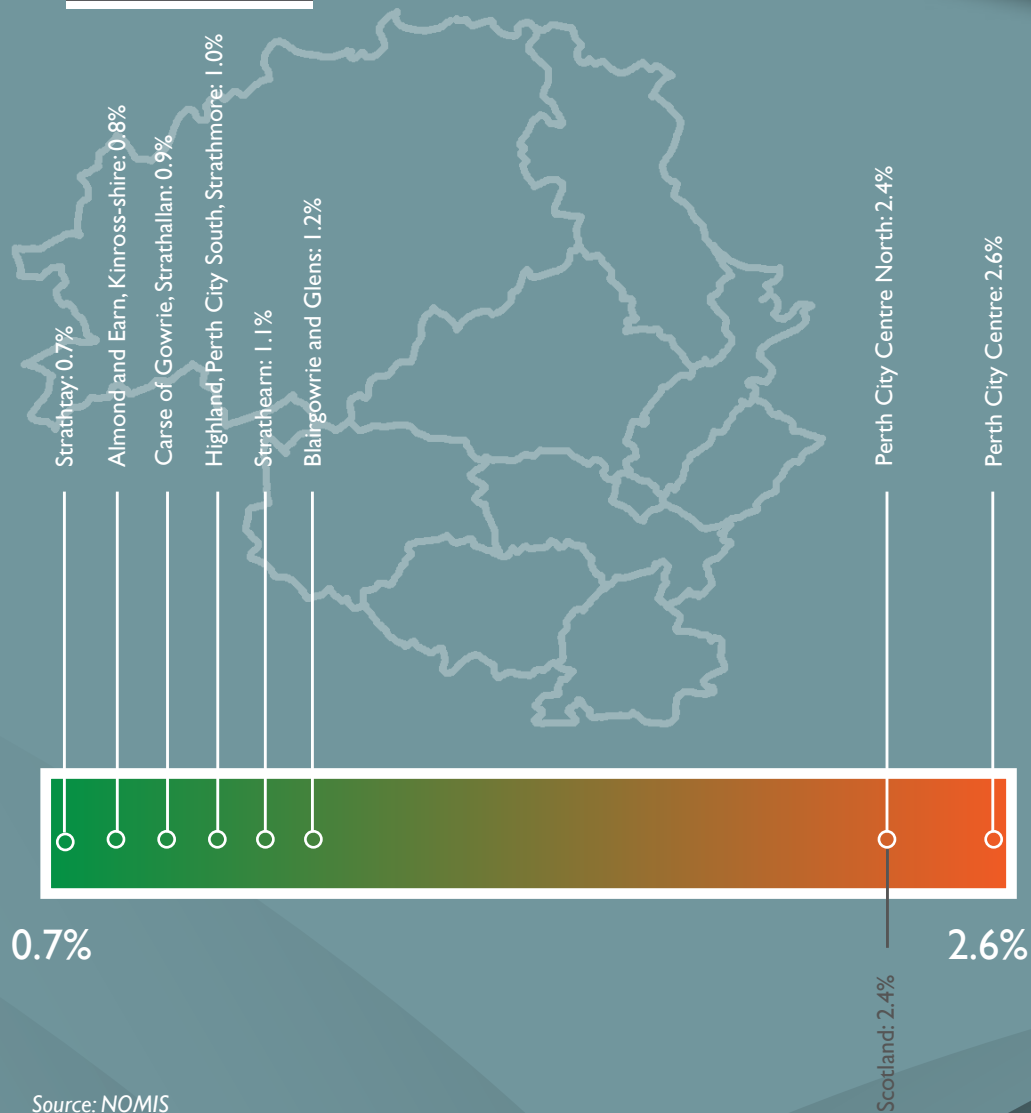


- The comparative areas also recorded a more pronounced deterioration in performance compared to the same month in 2016. Perth & Kinross rate declined by 0.1% points year-on-year.
- There were 1,215 Claimants in Perth & Kinross in March 2017, 75 more than the same month a year before.
- The Perth City Claimant Count rate of 2.1% remains above Perth & Kinross area but below Scottish average. The gap between Perth City rate and Scotland's rate has decreased marginally to 0.3 percentage points.

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 March 2017 ranged from 0.7% to 2.6%, compared to a marginally narrower range of 0.7% to 2.5% a year before. In other words, the gap between the best and the worst wards increased slightly which signals a minor deterioration in more deprived areas. The lowest rate of 0.7% was in Strathtay.
- 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.
- For the first time in 12 months, a ward in Perth & Kinross had a higher rate than Scotland as a whole - it was Perth City Centre at 2.6%. Perth City North rate climbed to reach the same rate as Scotland for the first time since May 2015. Importantly, it is too early to draw any long-term conclusions from this.
- 53% of all Perth & Kinross Claimants were resident in Perth City.

Annual rate change:
 March 2017
 on March 2017

Rate increase	No change in rate	Rate decrease
Carse of Gowrie Perth City Centre Perth City North Perth City South Strathallan Strathearn	Blairgowrie and Glens Kinross-shire Highland Strathmore Strathtay	Almond and Earn

Source: NOMIS

Business Unit Vacancy Rate

• Perth City Centre business vacancy rate in Q1 2017 increased on the previous quarter, with the level of 9.33% recorded between January and March also being above last year's 8.25%. The rate was also above the 8.18% rate 2 years before.

• There were 8 new business openings against the backdrop of 7 closures, 1 expansion and 2 businesses moving premises in the first 3 months of the year.



Business Openings vs. Business Closures
Perth City Centre Q1 2017

Perth City Centre Business Unit Vacancy Rate

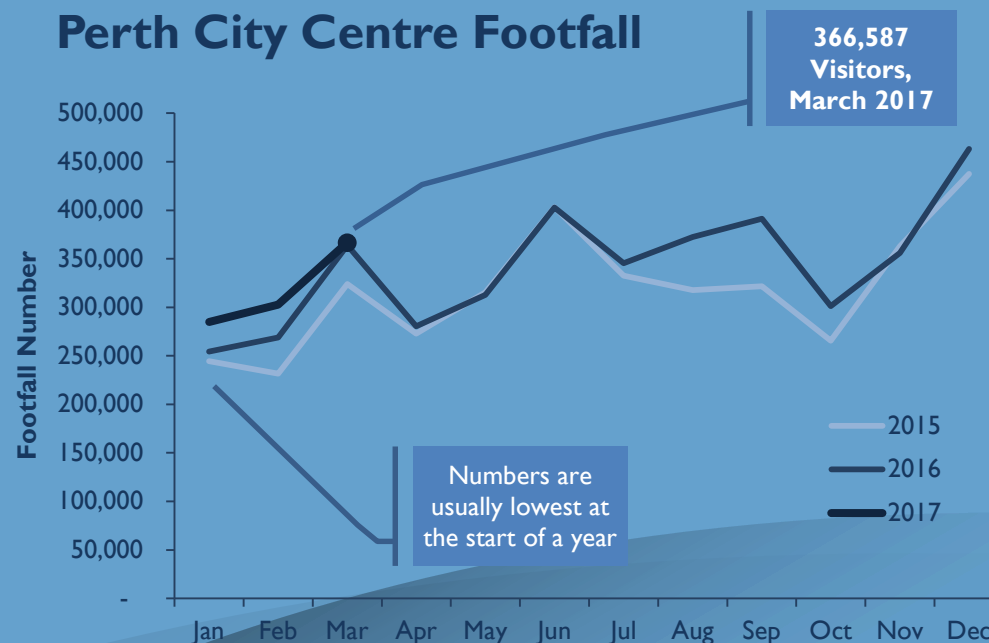


Footfall

• Footfall numbers in the first 3 months of 2017 followed the established trend of steady growth starting with the low in January. The number of 366,587 in March 2017 was 21% higher than the previous month and a marginal 0.7% higher than March 2016.

• Footfall numbers do not directly relate to consumer spend in the City Centre.

Perth City Centre Footfall

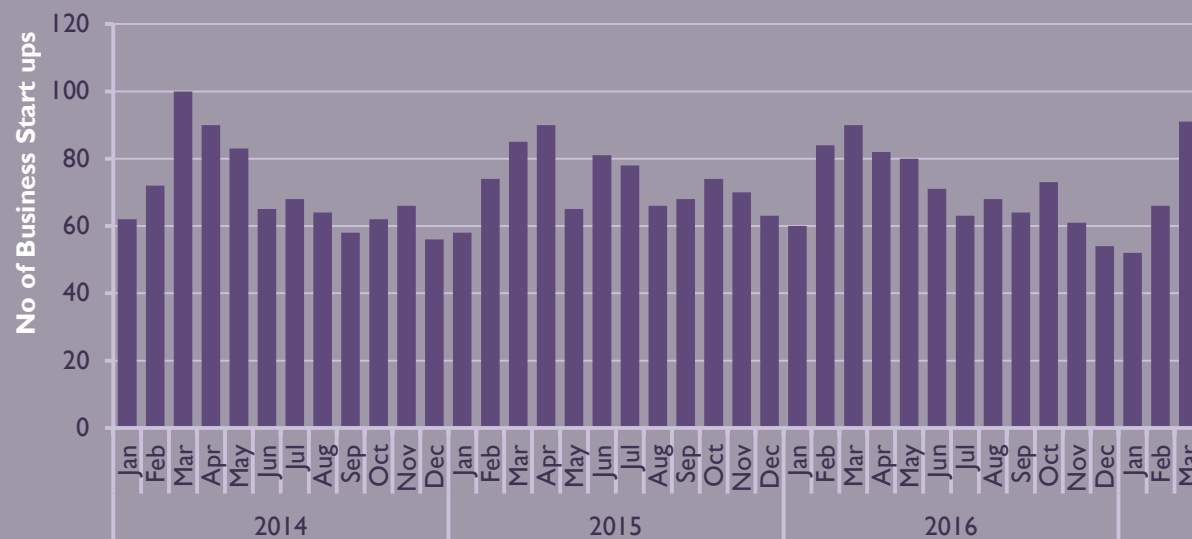


Enterprise Start-up

- There were 10.7% fewer business start-ups in Perth & Kinross during the first three months of this year compared with the corresponding period of last year. This growth rate ranks Perth & Kinross at 26 out of the 32 Scottish local authority areas.
- Growth in the number of start-ups across Scotland has risen. So far this year Clackmannanshire (60.0%), North Lanarkshire (57.5%) and Angus (44.4%) have seen the strongest growth compared to the corresponding period in 2016. Dundee City (-13.8%), Orkney Islands (-14.7%) and East Lothian (-14.9%) have had the weakest growth.
- There were 91 new businesses in March 2017 in Perth & Kinross area, 25 more than the previous month and 1 more than in March 2016.
- Within the area, Strathtay saw the most start-ups; , Strathmore and Strathearn saw the least.
- The make up of start-ups is Limited Companies 50.5%, Sole Traders 25.3%, Other For Profit Start-ups (mainly Partnerships) 5.5% and Not For Profit 18.7%.
- The top 3 industries account for 60.4% of the starts.
- Perth & Kinross accounted for 3.1% of all start-ups across Scotland.

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.

Business Start-ups in Perth & Kinross



Top 3 Start up Industries

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

Source: BankSearch / Companies House

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 1 of 2017 was £26.1 million. This was 16.8% higher than the figure in the same quarter a year before (£22.4 million). Q1 2017 was, however, 25.6% lower than the same quarter in 2015.

• There were 456 applications for a Building Warrant and amendment to a Building Warrant between January and March 2017.

**£26.1
Million**

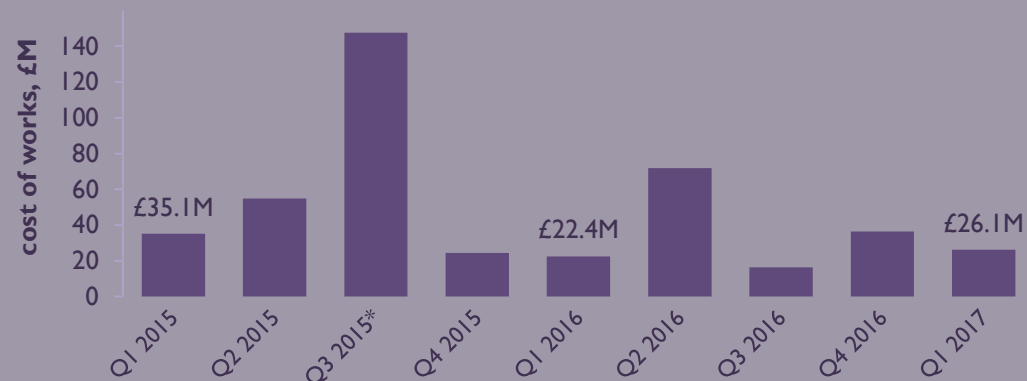
Cost of Building Works
requiring building warrant
in Q1 2017

Planning Applications

• The number of new Planning Applications submitted to Perth & Kinross Council and validated increased to 478 in the first quarter of 2017; this was 5.5% above the 453 in the same quarter a year earlier.

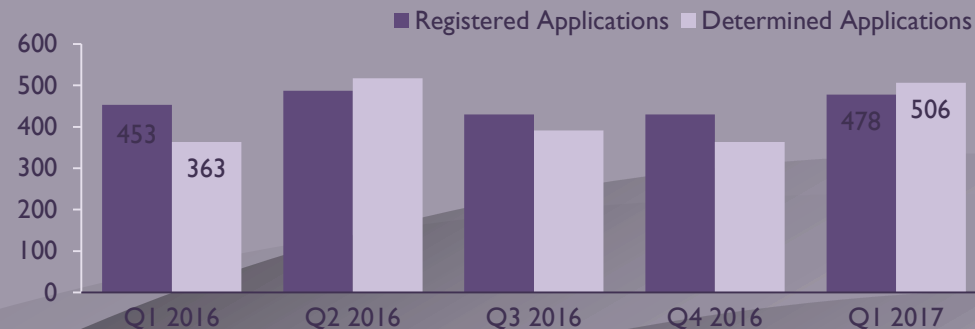
• The number of determined applications at 506 was at a significantly higher level than the previous year's figure of 363.

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



Source: Perth & Kinross Council

Please note the data reported in this section are not comparable to data published previously in Economic Journal or other Council publications. This is due to the change in the source for the data, effective from the current issue.

House Prices

(Latest data available: February 2017)

- There was a marginal drop in average house prices in February 2017 in Perth & Kinross, with the average residential property price of £173,639. This figure was £34,818 above the Scottish average.
- Average Perth & Kinross house prices were 8th highest among local authority areas in Scotland.
- The largest annual increase in house prices in Scotland was in Shetland Islands (25.9%), and the highest drop, in Aberdeen (-9.6%).

Average House Price (All Types)

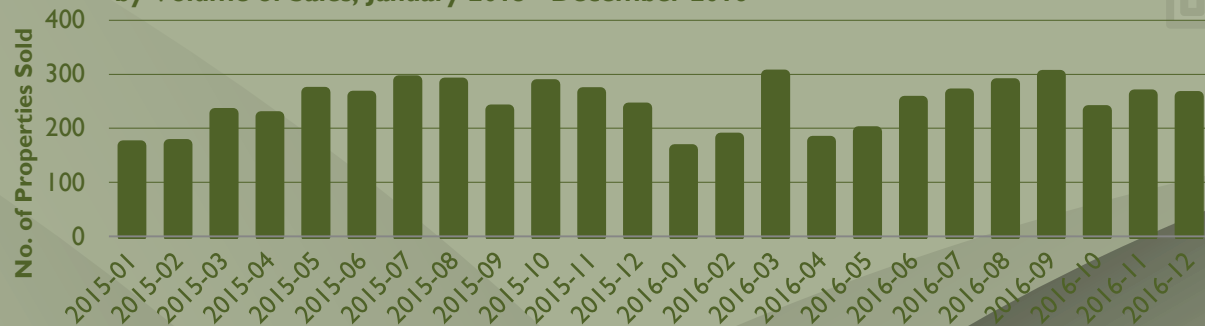
£173,639

Perth & Kinross

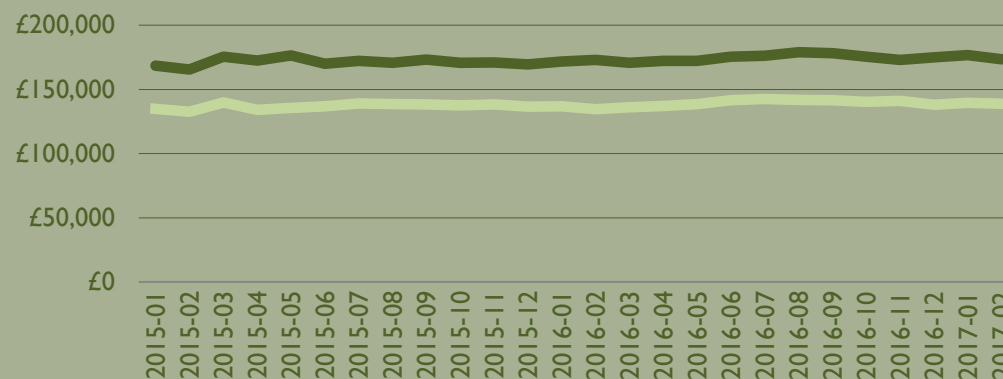
£138,821

Scotland

Housing Market in Perth & Kinross by Volume of Sales, January 2015 - December 2016



Average Residential Property Prices January 2015 - February 2017



103.06 = Perth & Kinross House Price Index,
February 2017
(100 = January 2015)

Market Volume

(Latest data available: December 2016)

- 259 houses sold in Perth & Kinross area in December 2016, compared to 238 in the same month a year earlier.
- Houses sold in Perth & Kinross accounted for 3.1% of the housing stock sales in Scotland.

Source: UK HPI (ONS)