

## Bristol Economic Briefing September 2017

### Summary

-  The Office of National Statistics (ONS) reported that UK GDP grew by 0.3% in the second quarter of 2017, putting growth for the first half of 2017 at 0.5% which is well below the long term average growth for the first half of past years (1.25%).
-  Labour productivity of the UK economy has fallen for two consecutive quarters. In the first quarter of 2017 productivity (output per hour worked) fell by 0.5% and in the second quarter by 0.1%.
-  Whilst earnings grew by 2.1%, prices were up 2.6% in the second quarter of 2017, so real earnings fell and remain well below the peak levels of April 2008.
-  There is accumulating evidence that rising prices and stagnant wage growth are squeezing consumers' pockets. Sales of some consumer products including clothes and cars have fallen.
-  According to the OECD consumer confidence in the UK is at its lowest level since July 2013.
-  The unemployment rate for residents of Bristol has fallen to 4.7%; this is the same as the national average and only just above the pre recession minimum (4.5%) of June 2008.
-  Bristol's labour market continues to show severe weakness in lower skilled occupations with 68% of JSA claimants looking for work in the Sales and Customer Services or Elementary occupations.
-  Bristol is still attracting private and public investment. Businesses such as Mr B and Friends are coming to the City and central government is providing investment for the new Advanced Automotive Propulsion Systems (IAAPS) facility that is due to open in early 2020.
-  Business confidence, in Bristol and the West of England, has fallen to its lowest level since 2009. This according to a survey carried out in the second quarter of 2017 by Business West.

## Bristol Economic Briefing September 2017

### 1 Overview

Estimates released by ONS<sup>1</sup> indicate that in the second quarter of 2017 the UK economy expanded<sup>2</sup> by 0.3%. This is the 18<sup>th</sup> consecutive quarter of GDP growth and puts the seasonally adjusted GDP 9% above the pre-recession peak. However, total growth for the first half of 2017 was only 0.5%, which is well below the long term average (1.25%<sup>3</sup>) growth for the first half of the year, and UK productivity fell for the second quarter<sup>4</sup>. HM Treasury's review of economic forecasts<sup>5</sup> for 2017 saw the average growth forecasts fall from 1.8% in April to 1.7% in June and 1.6% in August. Further, whilst earnings grew<sup>6</sup> by 2.1% prices<sup>7</sup> were up 2.6% in the second quarter of 2017, so real earnings fell and remain well below<sup>8</sup> the peak levels of April 2008 and sales have been falling. In July the "Visa index" fell for the third month running<sup>9</sup>. According to the OECD<sup>10</sup> consumer confidence in the UK is at its lowest level since July 2013 and it has been reported<sup>10</sup> sales of new clothes and cars are falling. At least one commentator was of the opinion that this is further evidence that rising prices and stagnant wage growth are squeezing consumers' pockets. Further the results of at least one study<sup>11</sup> suggest that profit growth for some of the UK's largest businesses is likely to fall in 2018 and that because of the uncertainties associated with the possible endpoints of the UK leaving the EU some companies are putting plans on hold or shifting operations to other parts of the EU.

While there is little official data to describe the current local economic conditions, what there is suggests that conditions have been reasonably stable over the last couple of years. Since June 2015 the employment rate in Bristol has ranged from 74.9% to 76.2% averaging 75.7%. In the same period the unemployment rate for the city has fallen steadily at 0.125 percentage points per quarter from 5.7% in June 2015 to 4.7% in March 2017. On balance it looks like the economy of Bristol continues to grow and attract investment. Invest in Bristol and Bath reported the creation of 1,600 jobs in 2016 and resident businesses in the professional services and ICT sectors have been reporting growth. Public investment also continues with The Institute for Advanced Automotive Propulsion Systems (IAAPS) under construction and due to open in mid 2020 and a £3.9m investment by the Department of Work and Pensions in skills development. However confidence amongst the businesses of Bristol and the West of England has, according to the results of the latest survey of its members by Business West<sup>12</sup>, fallen dramatically since the beginning of the year.

<sup>1</sup> Office of National Statistics

<sup>2</sup> <https://www.ons.gov.uk/economy/grossdomesticproductgdp>

<sup>3</sup> for the period from 1956 to date

<sup>4</sup> <https://www.theguardian.com/business/live/2017/aug/16/uk-wages-and-jobs-data-set-to-show-cost-of-living-squeeze-continuing-business-live>

<sup>5</sup> <https://www.gov.uk/government/collections/data-forecasts>

<sup>6</sup> <https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/earningsandworkinghours/articles/supplementaryanalysisofaverageweeklyearnings/latest>

<sup>7</sup> Consumer Prices Index including owner occupiers' housing costs (CPIH).

<sup>8</sup> <https://twitter.com/resfoundation/status/897748451852779521/photo/1>

<sup>9</sup> <https://www.theguardian.com/business/2017/aug/07/uk-consumers-cut-spending-on-clothes-cars-and-foreign-travel>

<sup>10</sup> <https://data.oecd.org/leadind/consumer-confidence-index-cci.htm>

<sup>11</sup> <https://www.theguardian.com/politics/2017/aug/23/big-uk-firms-2018-slowdown-brexit-uncertainty-study>

<sup>12</sup> <http://www.bristol-business.net/business-west-blames-political-uncertainty-over-brexit-as-survey-reveals-shock-slump-in-confidence/>

## 2 Labour Market

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### Employment Rates

The employment rate<sup>13</sup> in Bristol increased by 0.6 percentage points (from 75.6% to 76.2%) between December 2016 and March 2017 whilst the rate for GB increased from 74.0% to 74.2%. Neither rates changed significantly. Further, having increased significantly (7.2 percentage points) between Jun-14 and Jun-15, the employment rate for Bristol has not changed significantly since. During the same period the employment rate for Great Britain increased by 2.3 percentage points. As a result the employment rate in Bristol has remained above that for Great Britain over the last eight quarters.

**Table 4 Employment Rates for GB and the British Core Cities, March 2016**

Area	Employment Rate <sup>14</sup>			Change Between Years	
	2007	2012	2017	2007-12	2012-17
Bristol	74	69.9	76.2	-4.1	6.3
Birmingham	62.2	56.9	64.5	-5.3	7.6
Cardiff	66.7	65.5	69.1	-1.2	3.6
Glasgow	63.4	62.7	67.4	-0.7	4.7
Leeds	74.8	67.4	74.8	-7.4	7.4
Liverpool	62.9	59.6	65	-3.3	5.4
Manchester	65	58.8	63	-6.2	4.2
Newcastle	66.3	62.8	65.7	-3.5	2.9
Nottingham	64.9	59.6	60.9	-5.3	1.3
Sheffield	67	63.9	69	-3.1	5.1
Great Britain	72.6	70	74.2	-2.6	4.2

Source: Annual Population Survey, 2016, Nomis, O.N.S., ©Crown Copyright.  
The 95% confidence limits for this Core Cities data vary from 2.1% to 3.3%.

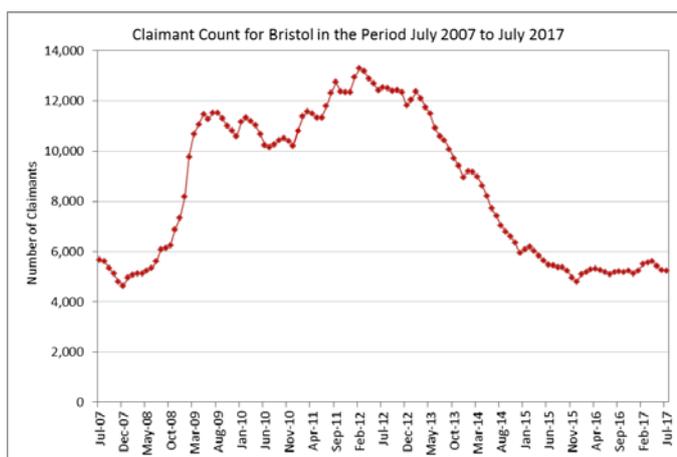
The employment rate for Bristol remains the highest of all of the British Core Cities. For all but Leeds the differences are at least twice the relevant confidence limits and are therefore significant. However, some areas like Basingstoke, Stroud, Woking and Wycombe have employment rates significantly higher (at least 7.8 percentage points) than that of Bristol. Amongst the 378 UAs<sup>15</sup> in Great Britain, Bristol was ranked 173<sup>rd</sup> in March 2017.

### Unemployment

In July 2017 the Claimant rate<sup>16</sup> for Bristol (1.7%) was 0.2 percentage points below the national average (England 1.9%). The rate has barely changed over the last two years and is 0.1 percentage points below the rate for July 2015. The claimant count<sup>17</sup> (5,235) for Bristol has not changed significantly since July 2015 but that for England has increased by 5.6%.

Bristol still has the lowest claimant rate of all the British Core Cities<sup>18</sup> however it has been consistently higher than that for areas such as Guildford (0.6%); Cambridge, Stroud, Warwick & York (0.7%); Sevenoaks (0.8%), Exeter; Oxford and St Albans (0.9%); Cheltenham and Chichester (1.0%); and Poole (1.1%). According to the Annual Population Survey the numbers of Bristol residents (aged 16 to 64) that are unemployed has decreased since 2015 but remains above 11,500 about 11% higher than the pre-recession level of March 2007.

**Fig 1: JSA Claimants in Bristol July 2007 to July 2013**



<sup>13</sup> The percentage of all people aged 16 to 64 (working age population) who are in employment.

<sup>14</sup> In March of the year

<sup>15</sup> Excluding The Isles of Scilly and City of London for which the data is disclosive or missing

<sup>16</sup> Proportion of Working Age Population (WAP).

<sup>17</sup> On Nomis "Claimant Count": now the number of people claiming JSA plus those claiming Universal Credit who are "out of work"

<sup>18</sup> The second and third of the core cities are Cardiff and Leeds with rates of 2.1% and 2.2% respectively

## JSA Claimants by Gender

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Prior to 2012 there had always<sup>19</sup> been at least twice<sup>20</sup> as many men claiming JSA as there were women. Further in the 20 years prior to the 2008 recession there were always at least 2.5 times as many men as women claiming JSA. Post-recession, in the years 2009 to 2017 the situation has changed more or less steadily so that over this period the proportion of women claiming JSA increased, reaching an all-time high<sup>21</sup> in October 2016 of 36.8% for Bristol. This is not to say the number of women claimants has been increasing on the contrary it decreased at a linear rate of about 1,020 per year in the 23 months to December 2014. However this is less than half the linear rate of decrease (2,340 per year) seen for male claimants over the same period. In 2015 decreases slowed but that (1,025 per year) for male claimants remained over twice that (404 per year) for females. Since the end of 2015 numbers have not changed significantly. Thus as of July 2017 there were 3,360 and 1,875 men and women claiming in Bristol, 60.0% below and 38% below the pre-recession levels of July 2008, respectively.

## JSA Claimants by Duration<sup>22</sup>

The numbers of long-term<sup>23</sup>, very long term<sup>24</sup> and extremely long term<sup>25</sup> claimants have been falling more or less steadily since sometime<sup>26</sup> in 2012-13. As a result, in July 2016 there were 1,805, 1,025 and 485 long term (LT), very long term (VLT) and extremely long term (ELT) JSA claimants<sup>27</sup> resident in Bristol, respectively. Since July 2016 the numbers haven't changed significantly. However the numbers remain higher than pre-recession levels. As of July 2017 the numbers of VLT and ELT claimants resident in Bristol were 1.2 and 2.9 times those of the pre-recession (July 2007) minima, respectively. Further whereas pre-recession LT, VLT and ELT claimants accounted for 24.0%, 9.2% and 1.9% of all claimants resident in Bristol, respectively in July 2017 the equivalent percentages were 47.3%, 28.6% and 14.1%.

## JSA Claimants by Sought Occupation<sup>10,16</sup>

As of July 2017 67.9% (2,470) of the JSA claimants resident in Bristol were looking for work in the SOC<sup>28</sup> 2000 group "Sales and Customer Services". Numbers of claimants looking for work in the other eight occupational groups are all well below the pre-recession levels of July 2007. Over 75% (76.9% or 2,800) of JSA claimants are looking for work in low or relatively low skills (Sales & Customer service and Elementary) occupations. The data is summarised in the table opposite.

Occupation (SIC2000 group)	Number or Claimants	
	Jul-07	Jul-17
1 : Managers & Senior Officials	280	95
2 : Professional Occupations	225	30
3 : Associate Professional & Technical	335	35
4 : Administrative & Secretarial	585	310
5 : Skilled Trades	470	100
6 : Personal Service	185	55
7 : Sales & Customer Service	940	2,470
8 : Process, Plant & Machine Op's	435	50
9 : Elementary	2,135	330
Total	5,600	3,640

<sup>19</sup> Since June 1983 the earliest date in the JSA claimant count data series.

<sup>20</sup> In Bristol, more than 3 times and 2.5 times for 48% and 77% of the data series respectively

<sup>21</sup> the same is true nationally (UK) but with the high at 36.5%

<sup>22</sup> These are JSA only because the Claimant Count (see footnote 9 above) is not separated by duration or occupation

<sup>23</sup> Claiming for over 6 months

<sup>24</sup> Claiming over 1 year

<sup>25</sup> Claiming over 2 years

<sup>26</sup> mid 2012 for long term and very long term and mid 2013 for extremely long term.

<sup>27</sup> These numbers exclude those claiming Universal Credit who are out of work and are therefore underestimates, by about 6%

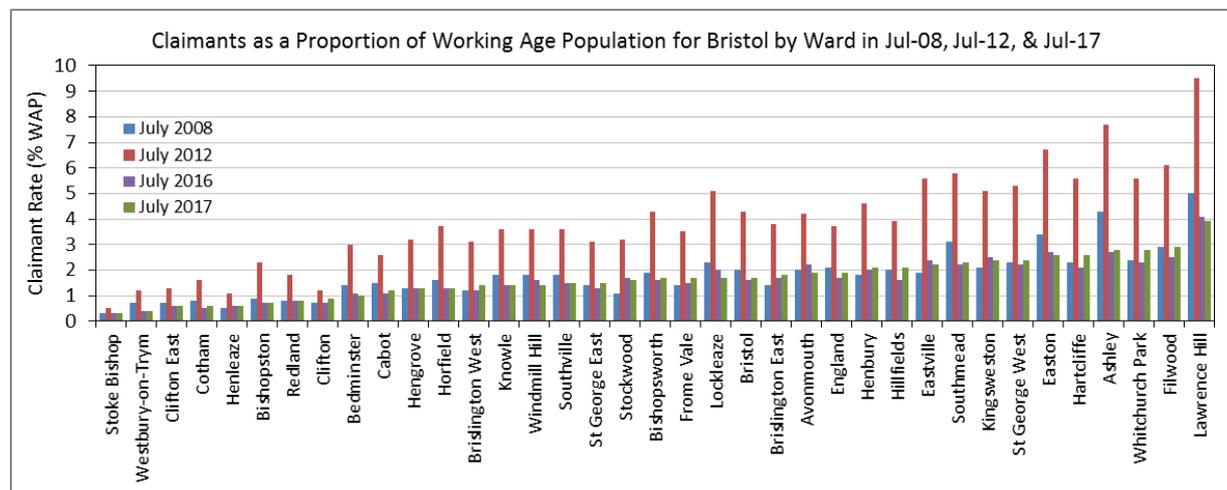
<sup>28</sup> Standard Occupational Classification

## JSA by Ward for Bristol

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Over the last year, the claimant count for Bristol increased by 2.7%, from 5,095 in July 2016 to 5,235 in July 2017. The increase left the claimant rate at 1.7% just above that (1.6%) of July 2016. As is shown by the chart below amongst the wards of Bristol, nine saw claimant rates decrease; 16 saw claimant rates increase and ten saw claimant rates unchanged. Despite a fall of 0.2 percentage points and with a claimant rate of 3.9% which is more than twice the Bristol

**Figure 3 JSA claimants by Ward for July 2008, 2012 and 2017**



average, the worst performing ward is still Lawrence Hill. However the five worst performing wards have changed. In July 2017, along with Lawrence Hill, the five worst performing wards included Filwood (2.9%), Whitchurch Park and Ashley (2.8%) and Easton and Hartcliffe (2.6%). Thus the gap between the rates for the 2nd and 5th worst performing wards has shrunk from 1.4 in pre recession July 2008 to 0.3 in July 2017 percentage points.

## Youth Unemployment

In July 2017 the number (925) of young<sup>29</sup> claimants resident in Bristol was 64% below the level (2,585) of July 2013 and about 44% below the pre-recession level (1,645) of July 2008 but unchanged in nearly 2 years. Of the young people claiming JSA (415) about 40% (165) are long term claimants. This compares very poorly with the pre-recession monthly average of 15.6%.

## Unemployment Amongst 50 to 64 year Olds

The number (1,290) older<sup>30</sup> claimants resident in Bristol was 22% below the level (1,665) of July 2013 but remains at nearly two times the pre-recession level (675) of July 2008. The proportion (25%) of claimants that are aged 50 to 64 year is at an historic<sup>31</sup> high and 55% of claimants<sup>27</sup> in this age group are long term claimants. The numbers of claimants in both of these groups had been on a decreasing trend throughout 2013, 2014 and 2015. However since November 2015 the total numbers of older claimants has increased at an average rate of 176 per annum and as of July 2017 was 26% above the minimum (1,020) of November 2015.

<sup>29</sup> People aged 18yrs to 24yrs

<sup>30</sup> aged 50 and over

<sup>31</sup> Since June 1983 the earliest date in the JSA claimant count data series.

### 3 Retail and Commercial Property

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#### Overview

Nationally, as is evidenced by the PMI for UK Construction<sup>32</sup>, volumes of commercial building contracted in July (2017). An Associate Director at IHS Markit (and author of the report) said "Worries about the economic outlook and heightened political uncertainty were key factors contributing to subdued demand." Further according to Savills<sup>33</sup>, commercial development activity has barely recovered from the 2008-09 slump, and the next five years will see lender and borrower risk aversion leading to a 30-40% fall in development activity across the board.

#### Retail

In July 2017 the Bristol's citywide retail property vacancy rate was 6.7% more or less unchanged from that (6.8%) for July 2016. Over the last three years the vacancy rate has been quite stable, averaging 7.0% and ranging from 6.5% to 7.5%. In the year to June 2017 there were 344 (source Bank Search<sup>34</sup>) new retail sector start-ups in Bristol. This is 14% down on the peak level (402) for June 2013 but still 32% higher than the level (259) of June 2009.

#### Office<sup>35</sup>

According to the Bristol Office Agents the levels of take up in Bristol's city centre and out of town office markets in the first half of 2017 were 267,989sq.ft. and 148,773sq.ft. respectively. For the city centre the area transacted is down 30% on the same period in 2016 and for the out of town take up was up by 10% on the same period for 2015. According to CBRE<sup>36</sup>, in the 1st half of 2016, the Bristol City Centre 89% of the office take up was split between 6 sectors that included Public Sector (26%); Creative Industries/TMT (25%); Business Services (18%); Consumer Services & Leisure (11%); Banking & Finance (9%) and Professional Services (8%).

#### 4 Business Start Ups (BankSearch Data)

In the year to June 2017 Bank Search<sup>37</sup> data indicates that there were about 3,527 new business starts in Bristol. The number is down 3% on the year (3,637) to June 2016, 9.3% below the high (3,887) of June 2013 but above the level (3,385) of June 2009. The database

indicates that in the five years to June 2017 that there were about 17,900 new business starts in Bristol. The table opposite shows the 11 most active sectors that account for over 91% of the start-ups. With just over 2,800 new business starts in the previous five years the fastest growing sector was professional, scientific & technical activities. Retail trade and repair (1,733) comes a distant 2<sup>nd</sup> followed closely by Personal & community service activities (1,711); Construction (1,606) and Administrative & support services (1,559).

Industrial Sector	5 Year total Jun-13 to Jun-17	
	Number	Percent
Manufacturing	810	4.52
Construction	1,606	8.97
Retail trade & repair	1,733	9.68
Accommodation & food service	1,227	6.85
Transportation & storage	686	3.83
Information & communication	1,087	6.07
Professional, scientific & technical activities	2,815	15.72
Administrative & support services	1,599	8.93
Human health & social work	1,161	6.48
Personal & community service activities	1,711	9.55
Recreational, cultural & sporting activities	886	4.95
All Industry	17,908	100

<sup>32</sup> <https://www.markiteconomics.com/Public/Release/PressReleases> - IHS Markit/CIPS UK Construction PMI

<sup>33</sup> Savills World Research: Key themes in UK real estate - Savills Cross Sector Report | 2016/17

<sup>34</sup> Proprietary data base that counts new "business" bank accounts. <https://www.banksearch-consultancy.co.uk/IADB-BSU/>

<sup>35</sup> Data supplied by Bristol Office Agents Society

<sup>36</sup> [http://www.cbre.co.uk/uk\\_en/research](http://www.cbre.co.uk/uk_en/research)

## **Advanced Engineering, Aerospace and Defence**

### **Automotive Research Centre**

A new automotive research centre, that has been two years in the making, has been given the go ahead. Construction of The Institute for Advanced Automotive Propulsion Systems (IAAPS) at the Bristol and Bath Science Park will start in mid 2018 and it's scheduled to open in early 2020. A number of international and local automotive businesses have already lined up to work with the IAAPS.

### **Unit-DX Attracts High Tech Tenants**

Unit DX has its first two tenants, NuNano and Ziylo, both of which originated at the University of Bristol. NuNano makes probes so small they are invisible to the naked eye, which can build images of microscopic materials like cells. In contrast Ziylo, a chemistry start-up, is developing a device to test blood glucose levels that is more accurate than those currently available.

## **Business Services**

### **Record Year for Bristol Based Almeda**

Almeda the privately owned local, facilities management, business has won a string of high-profile clients over the last year that includes a contract with English Heritage for mechanical and engineering maintenance at 23 of its historic sites. The business has partnered with several educational establishments to help support and develop students across the region.

### **Deloitte - Six Senior Appointments**

Business advisory firm Deloitte has made six senior appointments, including three new partners and three directors. Deloitte South West senior partner said: "These promotions are a clear example of how we are investing in our region and further strengthening our capabilities in the South West."

## **Creative**

### **Evolutions Expands in Bristol**

Evolutions has opened its third office in Bristol just four years after setting up its first base in the city. The full service TV post-production company opened its third office on St Paul's Road in Clifton to complement the other two on Whiteladies Road and facilitate further expansion.

### **Bristol's Film Industry Grows.**

Figures from Bristol Film Office and the Bottle Yard Studios – both owned by the city council – showed that these businesses in the Film and TV industry contributed £18.3m to the cities economy in 2016/17 up 11% on the previous year. Bristol's Mayor said, "Bristol's cultural sector is a thriving environment of creativity, industry, opportunity and diversity", and, "At the forefront of this success are the Bristol Film Office and The Bottle Yard Studios, whose good work is evidenced by these latest figures."

### **Mr B & Friends Comes to Bristol**

The creative digital agency, Mr B and Friends, has move into offices at Temple Quay. The agency that currently employs 40 people expects to recruit another 15 to 20 in the next year. The company's CEO said, "We are growing fast – we've doubled in size over the past 18 months," and "over 60% of our staff came from Bristol" and "the move from Bath to Bristol was a logical step for the agency".

## **Continue Expansion for Digirank**

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The digital marketing agency Digirank that is based in Temple Studios at Temple Gate and includes amongst its clients Clarks and Bristol based ForrestBrown has nearly doubled its workforce over the last year.

## **New Installation at Fat Media**

Fat Media has installed a testing lab in its new Bristol office on Wine Street. The lab which is the core of the new office will allow the company to measure reactions to its products by monitoring facial expressions and body language. The managing director of Fat Media said, "we put the customer first in any project, be it a website or a digital marketing campaign, using a robust set of user testing techniques to base our recommendations on".

## **Energy**

### **OVO Energy - Expansion**

OVO, the Bristol-based energy supplier OVO has acquired two specialist firms and formed a partnership with the UK's largest provider of infrastructure to the electric vehicle sector. At the same time company, which employs around 900, has launched a service which offers its energy customers free membership to the largest nationwide electric vehicle charging network.

## **Financial Services**

### **Growth at Bristol based Specialist Insurer**

Bristol-based legal expenses insurer ARAG achieved an 11% growth in consolidated income to £12.3m last year despite challenging times for its sector. ARAG managing director said: "I'm very pleased that our 10<sup>th</sup> year in business was such a successful one, in spite of what continued to prove challenging times for the legal expenses insurance sector".

## **Food and Drink**

### **Japanese Food Firm**

Japanese food tech firm Cookpad is to open its first UK base in Bristol, taking space in the high-quality Silversmiths office scheme that forms part of the largescale Glassfields development on Temple Way. Cookpad is Japan's largest recipe sharing service which allows visitors to upload and search through original, user-created recipes. It has exchanged contracts with developer Royal London Asset Management (RLAM) to take sole occupancy of 7,338 sq ft at Silversmiths on Broad Plain.

## **ICT**

### **Evolved Intelligence Grows**

Bristol tech firm Evolved Intelligence has doubled its office space to accommodate more staff. It provides services such as security to more than 60 mobile operators around the world. The CEO said: "Evolved Intelligence has grown rapidly over recent years and we are actively recruiting new staff." and "Bristol has a strong history of technical and engineering innovation and we are delighted to be part of its continued growth and success."

### **On-Line and On-demand Recruitment**

Limber, the Bristol-based digital platform that makes it easier for bars and restaurants to hire part-time staff, and previously a member of SETsquared, has received a funding boost to accelerate its roll-out. The investment came from the Bristol Private Equity Club which invests sums between £100,000 and £500,000 in local businesses

## **Bristol-made Robot in Global Test Programme**

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Reach Robotics, the Bristol-based robotics firm, was formed as part of the Bristol Robotics Laboratory incubator programme and is now based at Future Space. It has now secured a £5.8m investment which will help it to take its MekaMon intelligent gaming robot to market as well as strengthening its team.

## **Manufacture**

### **Rugged Interactive.**

Rugged Interactive, the Fowey (Cornwall) based innovative exercise equipment firm has become the latest business to move into Bristol's new tech and science hub Future Space. One of the founders of the business said, "We were really keen to move into Future Space for two reasons – we needed a commercial office to work alongside our manufacturing base in Cornwall and Bristol is perfect geographically as it's not too far from Cornwall but is easily accessible from the rest of the UK."

## **Medical**

### **Innaxon Moves Into New Science Innovation Hub**

Research-stage biomedical firm Innaxon, which is investigating treatments for cancer and inflammatory diseases, was the first businesses to move into the new Future Space science innovation hub in June. Innaxon director said: "Future Space bridges the gap for companies like us between completing early-stage pilot studies and securing the investment we need to conduct wider studies."

## **Professional Services**

### **Michelmores' Bristol Office Continues to Grow**

Regional law firm Michelmores' has made two new appointments at its Bristol Office. The firms managing partner said, "The Bristol office has continued to attract the very best legal talent and has seen steady growth since opening in 2012."

### **Bevan Brittan - Recruits**

Bevan Brittan appoints a senior associate in its Bristol corporate team. The new associate is a specialist in social investment. A senior partner at the firm said, "Social investment is an important part of creating successful communities and has much to contribute to regional economies."

## **Retail and Distribution**

### **Cargo Grows**

The success of CARGO 1 and 2, the retail hub at Whapping Warf has prompted a proposal for further expansion. The proposed new extension will accommodate eight more business units in addition to the 56 that make up CARGO 1 and 2.

## **Transport**

### **Portway Railway Station**

Government funding having been secured by Bristol City Council and announced last month work is underway to design a railway station close to Portway Park & Ride site near Avonmouth. The £2.23m station is due to be completed by 2019.

## **EasyJet adds More Routes**

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Low-cost airline easyJet is to launch direct flights to Stockholm and Athens from Bristol later this year. Bristol Airport's business development director said, "The announcement of these two new routes by easyJet is very exciting news for Bristol Airport. Athens and Stockholm are destinations our customers have frequently told us they would like to see served directly from the region, and their addition to our network increases the number of European capital cities we serve to 18 - the largest number in the airport's 60-year history."

## **Self service Trial at Bristol Airport**

Bristol Airport is trialling self-service bag drop technology aimed at cutting passenger queues as it prepares for its busiest weekend of the year. The bag drop pilot is being piloted for passengers flying with easyJet – the airport's largest operator serving 64 destinations. Bristol Airport's head of operations support said the trial was already speeding up the process for passengers and the initial feedback had been very positive.

## **General News**

### **Invest in Bristol and Bath**

In June the inward investment agency, Invest in Bristol and Bath (IBB), reported that a record 1,600 jobs had been created in the region last year by businesses (both national and international) that had been attracted to the area. IBB said that nearly 800 jobs were created in the digital sector but that overall investment has come from a variety of sectors including aerospace, advanced engineering, financial and professional services, the nuclear sector and distribution & logistics with investment in the latter focused on the Avonmouth and Severnside Enterprise Area.

### **Devolution Brings Funding for Skills Project**

The West of England is to get of £3.9m government devolution funding. The investment, from the Department of Work and Pensions, will pay for a two-and-a-half-year Innovation Pilot which aims to support tenants in social housing into secure, more meaningful and better-paid careers. The pilot starting next January will be managed by the West of England Combined Authority (WECA) and delivered by the three councils which make up WECA - Bath & North East Somerset, Bristol and South Gloucestershire.

### **Business West Survey Reveals Loss in Confidence**

Confidence amongst the businesses of Bristol and the West of England has, according to the results of the latest survey of its members by Business West, fallen dramatically. Business confidence fell to its lowest level since 2009. Almost two-thirds of the businesses surveyed cited falling domestic sales, increased inflationary pressures and the lack of a clear roadmap for exiting the EU as factors contributing to an increasingly gloomy outlook. The managing director of Business West said, "It is becoming abundantly clear that 12 months of political uncertainty triggered by the Brexit vote is weighing on business confidence."

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