



# **State of the Somerset Economy Report**

**April 2016**

**Compiled by Economy and Planning, Somerset County Council**

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# Introduction

The State of the Somerset Economy Report 2015 provides a snapshot of the County's economy. It presents key economic data and analysis to enable understanding of the County's strengths, weaknesses and economic performance.

The data in the State of the Somerset Economy Report is drawn from a number of national and local sources, presented on a themed basis. It includes projections of the direction the local economy is expected to take in the future. Data within the report will be used by the Council and its partners to make the case for investment in Somerset and to establish a baseline against which to assess the impact of those investments.

As part of the Heart of the South West Local Enterprise Partnership (LEP), Somerset works closely with the neighbouring local authority areas of Devon, Plymouth and Torbay. Having a thorough understanding of the County's economy in the context of the wider LEP area and beyond helps to achieve the best deal for Somerset.

Regularly updated headline economic data is available in our Economic Factsheets:

<http://www.somersetintelligence.org.uk/economic-factsheets/>

# Chapter 1: Population

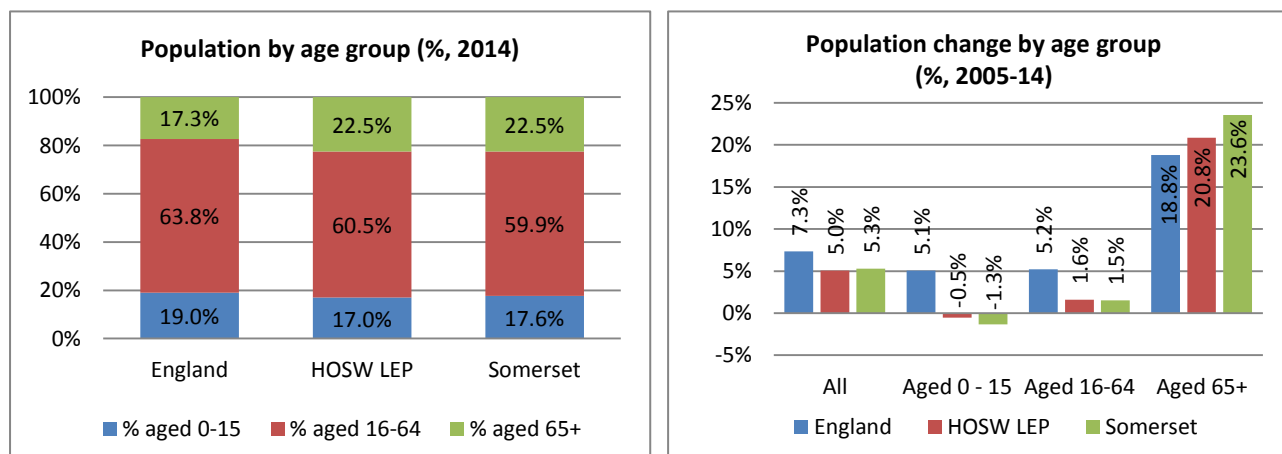
## Key facts

- In June 2014, Somerset's total population was 541,600, an increase of 3,500 (0.7%) since 2013.
- Almost half (48.4%) of Somerset's population live in rural areas, compared to 17.6% across England.
- The proportion of Somerset's population aged 65 and over has increased by 23.6% since 2005 and is projected to grow a further 41.8% by 2030.
- Somerset has a working age population of 321,600, which equates to 59.8% of the County's total population. It is expected to be 1.7% less in 2030 (54.1% of the population).

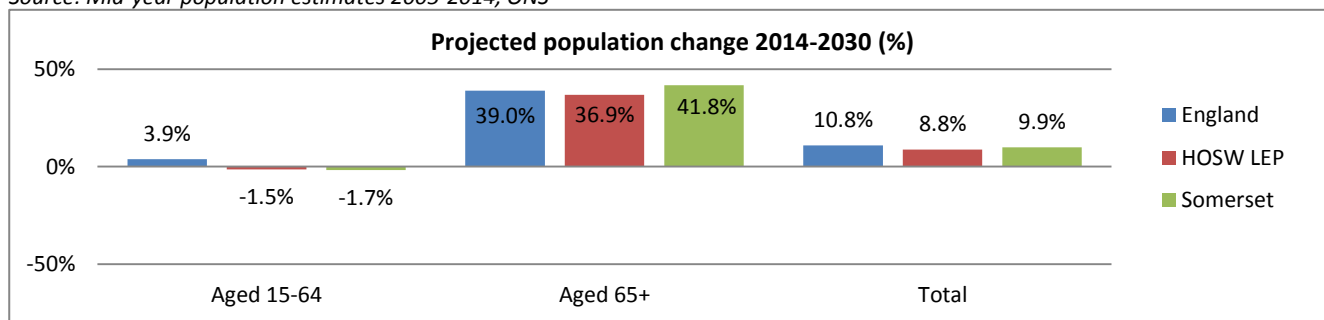
## National context

- According to the Office for National Statistics (ONS)<sup>1</sup>, the UK population grew to 64.6 million in mid-2014, representing a gain of 491,100 (0.77%) over the previous year mid-2013. This growth is above the annual average seen over the last decade (0.75%). This means that the UK's population has increased by around 5 million since 2001, and by more than 10 million since 1964.
- The population increase in the year to mid-2014 included natural growth of 226,200 people (777,400 births minus 551,200 deaths). Net international migration of 259,700 people in the year to mid-2014 (582,600 international migrants arrived in the UK and 322,900 migrants left the UK to live abroad) also added to population growth. The number of births occurring in the year to mid-2014 is down on that seen in the previous year (down 1.9%), continuing the downward movement seen in births since the recent peak in the year to mid-2012. The median age of the population at mid-2014 was 40 years - the highest ever estimated. The number and proportion of older people continues to rise, with over 11.4 million (17.7% of the population) aged 65 and over in mid-2014, up from 11.1 million (17.4%) last year.

## Somerset Overview



Source: Mid-year population estimates 2005-2014, ONS



Source: 2012-based population projections, ONS (NB. Age groups differ slightly for projections data).

<sup>1</sup> ONS Statistical Bulletin: Annual Mid-year Population Estimates 2014 (25<sup>th</sup> June 2015)

## Working age population

- Somerset has a working age population of 321,600, which equates to 59.8% of the County's total population. This is a slightly lower proportion than the LEP area (60.6%) and England as a whole (64%). Although some people remain economically active after 65, in economic terms, the working age population provides the majority of an area's workforce.
- The proportion of the population of working age in Somerset has increased by 1.5% since 2005, despite total population growth of 5.3% over the same period, and a decline of 1.7% is expected by 2030. This is a concern when it comes to an adequate labour supply being available to support the County's economic growth.

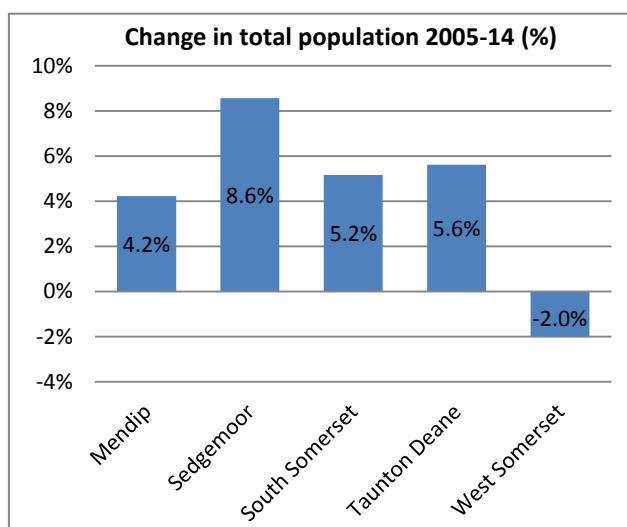
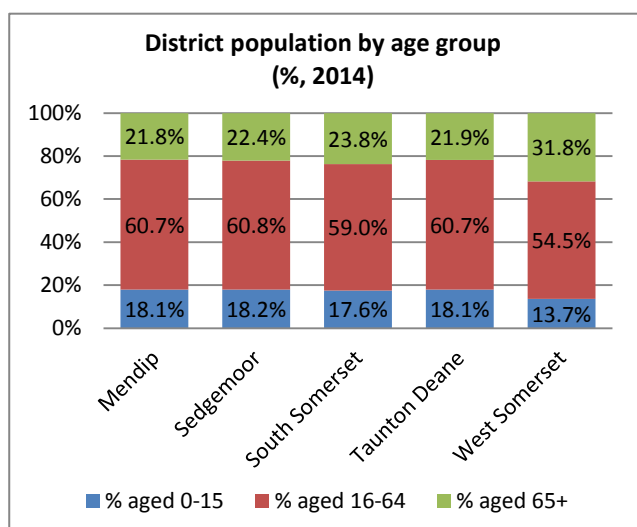
## Ageing population

- It is widely known that England has an ageing population due to increased life expectancies and the impact of the post-war 'baby boom' generation reaching retirement age. In Somerset, however, this trend towards an ageing population is more pronounced. In 2014, 124,800 of Somerset residents were aged 65 or over, representing 23.2% of the total population compared to 17.7% nationally.
- Somerset's population aged 65 and over has increased by 23.6% since 2005 and is projected to grow a further 41.8% by 2030. The projected growth in this age group is more than 4 times the expected rate for the population as a whole. An increasingly older population will have implications for public service delivery across Somerset, as well as an impact on specific industries such as the care sector (see Chapter 3 for more detail on industry sectors).

## Migration

- Total net migration into Somerset between 2005 and 2013 resulted in a gain of 30,900 people for the County<sup>2</sup>. The majority of this increase (71.2%) came from internal migration within the UK, with only 8,900 net migrants from international origins.
- Somerset experiences a net flow of migrants from other parts of England and Wales, especially from some neighbouring districts, the South East and London. However, there is a consistent net flow of 16-24 year-olds out of Somerset.<sup>3</sup> As outlined above, a dwindling working age population and increasing older population has implications for economic balance the supply of labour. Somerset's desirability as a destination for internal migration also has an impact on the housing market (see Chapter 6).

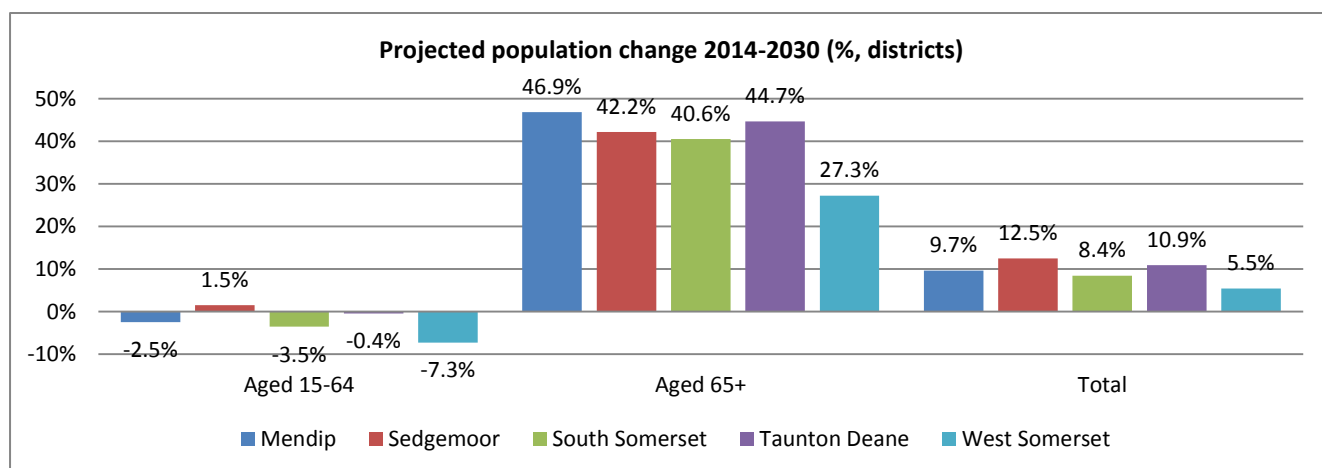
## Local trends (Districts)



Source: Mid-year population estimates 2005-2014, ONS

<sup>2</sup> ONS Local Area Migration Indicators, August 2014

<sup>3</sup> <http://www.somersetintelligence.org.uk/migration.html>



Source: 2012-based population projections, ONS

### Working age population

- Sedgemoor has the highest working age population (60.8%) of all the districts, whilst West Somerset has the lowest (54.5%). In terms of total population, West Somerset has actually seen a decrease of 2% between 2005 and 2014. Sedgemoor has the highest population growth of 8.6% over the same period.
- By 2030, the working age population is projected to decline in all of the 5 districts except Sedgemoor which is expected to show a slim increase of 1.5%.

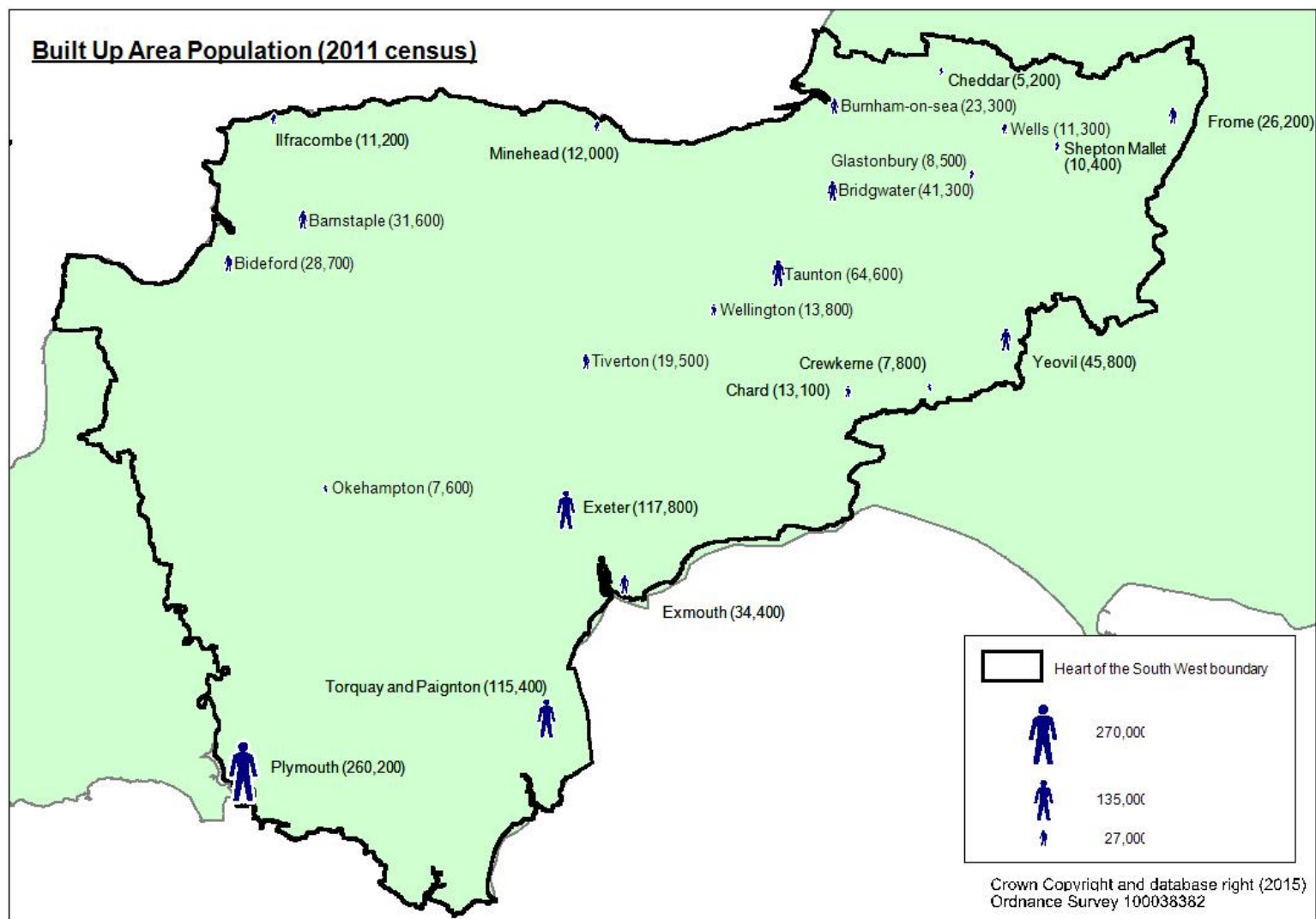
### Ageing population

- West Somerset has the oldest population profile of all the districts, with 31.8% of the area's population aged 65 or over. Sedgemoor has the highest proportion of young people with 18.2%.
- All of Somerset's districts are expected to experience a substantial increase in the population aged 65 or over by 2030, with Mendip's projected to grow the most (+46.9%)

### Urban/rural

- Taunton Deane is the most 'urban' of the Somerset districts, with 71% of the population living in urban areas. Conversely, West Somerset and South Somerset are characterised by more sparse populations with 66.5% and 63.5% of residents in those areas living in rural areas.<sup>4</sup> This classification is based on Output Areas which are about 125 households and then aggregated up to districts.

<sup>4</sup> Urban and rural definitions as classified by the ONS Rural-Urban Classifications 2011.



## DATA TABLES Chapter 1: Population

### Population age structure

	2005				2014				2030 (Projected)		
	Total	Under 16	16-64	65+	Total	Under 16	16-64	65+	Total	15-64*	65+
England	50,606,000	9,808,200	32,769,800	8,028,000	54,316,600	10,303,600	34,475,400	9,537,700	60,106,500	36,426,300	13,245,500
HOSW LEP	1,619,700	289,600	1,007,100	322,900	1,701,400	288,100	1,023,100	390,200	1,841,500	1,019,400	533,900
Somerset	514,300	96,500	316,800	101,000	541,600	95,200	321,600	124,800	593,900	321,500	177,000
Mendip	106,300	20,900	66,700	18,800	110,800	19,900	66,900	24,000	121,400	66,200	35,400
Sedgemoor	109,700	20,700	67,700	21,300	119,100	21,400	71,400	26,300	132,700	73,100	37,400
South Somerset	156,500	29,500	95,800	31,200	164,600	28,900	96,700	39,000	178,600	95,100	55,100
Taunton Deane	106,800	20,100	66,400	20,300	112,800	20,300	68,000	24,600	125,000	69,000	35,600
West Somerset	35,000	5,300	20,200	9,500	34,300	4,700	18,700	10,900	36,700	17,900	14,000

Source: Mid-year population estimates 2005-14, ONS / 2012-based population projections, ONS

\*Projected data uses different age bands from mid-year estimates.

### Migration (cumulative total 2005-2013)

	Net international migration	Net internal migration (within UK)	Total net migration	Migration as % of 2014 population
England	1,951,600	-99,100	1,852,500	3.4%
HOSW LEP	27,100	70,400	97,500	5.7%
Somerset	8,900	22,000	30,900	5.7%
Mendip	1,400	3,500	4,900	4.4%
Sedgemoor	2,300	6,900	9,200	7.7%
South Somerset	2,900	5,700	8,600	5.2%
Taunton Deane	1,700	4,900	6,600	5.9%
West Somerset	600	1,200	1,800	5.2%

Source: Local Area Migration Indicators - August 2014, ONS

### Urban/rural population split (2011)

	% Urban	% Rural
England	82.4	17.6
HOSW LEP	61.7	38.3
Somerset	51.6	48.4
Mendip	55.3	44.7
Sedgemoor	56.1	43.9
South Somerset	36.5	63.5
Taunton Deane	71.0	29.0
West Somerset	33.5	66.5

Source: 2011 Census, ONS



## Chapter 2: Economic Output and Productivity

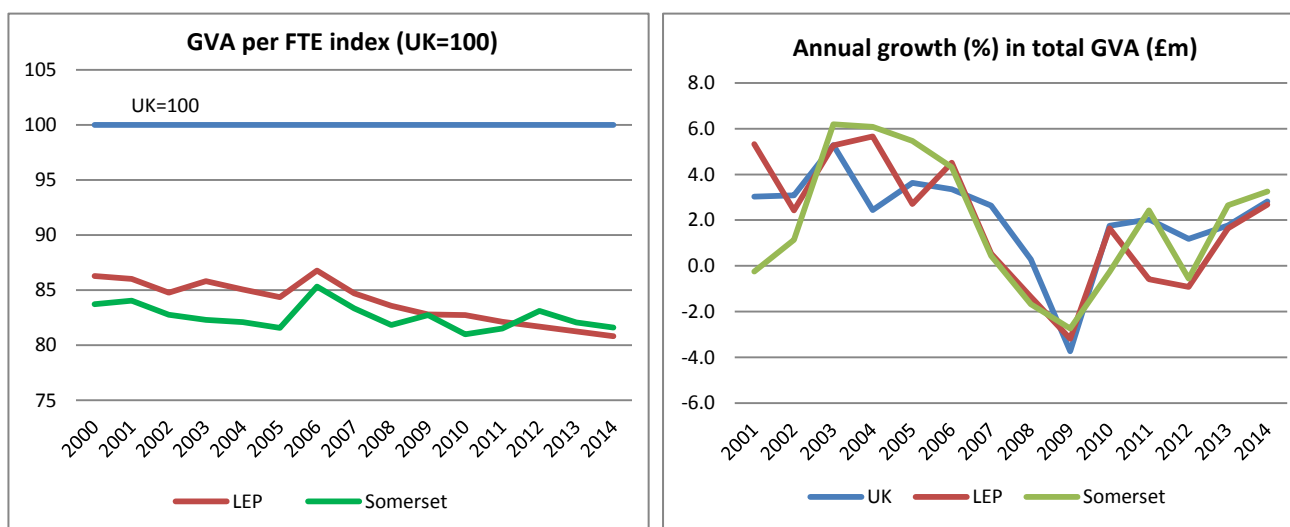
### Key facts

- The credit crunch caused Somerset's GVA to contract by 4.6% between 2007 and 2010. Since 2012 the Somerset economy has been growing at a faster rate than LEP and UK.
- In 2014, the Somerset economy was worth £9.586 billion, an increase of 3.2% since 2013.
- Somerset's economic productivity consistently lags behind the UK level, with a difference of 18.4% in GVA per full-time equivalent job in 2014.
- Somerset's recovery since 2012 has been predominantly employment led not productivity led.

### National context

- The UK economy grew by 2.6% in 2014. The UK economy has outperformed the Office for Budget Responsibility's (OBR) March forecast, growing by 2.4 per cent in the first three quarters of the year against the forecast of 1.9 per cent, with GDP expected to grow by 3.0 per cent this year. But wage and productivity growth have once again disappointed, while national income and spending have outperformed most in those areas that yield least tax revenue. For these and other reasons, this year has seen a sharp fall in the amount of tax raised for every pound of measured economic activity. As a result, despite strong economic growth, the budget deficit is expected to fall by only £6.3 billion this year to £91.3 billion.<sup>5</sup>

### Somerset Overview



Source: Heart of the South West LEP Model, Oxford Economics 2014

### Output (GVA)

- The Somerset economy was worth £9.586 billion in 2014 in terms of total Gross Value Added (GVA) at 2011 prices. This represents 0.7% of the UK economy and constitutes an increase of 3.2% on the previous year. This compares to lower rates of annual growth in the UK and LEP areas (2.8% and 2.7% respectively). GVA output since showed its largest annual decrease between 2008 and 2009, with the Somerset economy shrinking by 2.7%. Since 2009 annual GVA growth rates have fluctuated but Somerset has posted an overall increase in GVA of 7.7%.

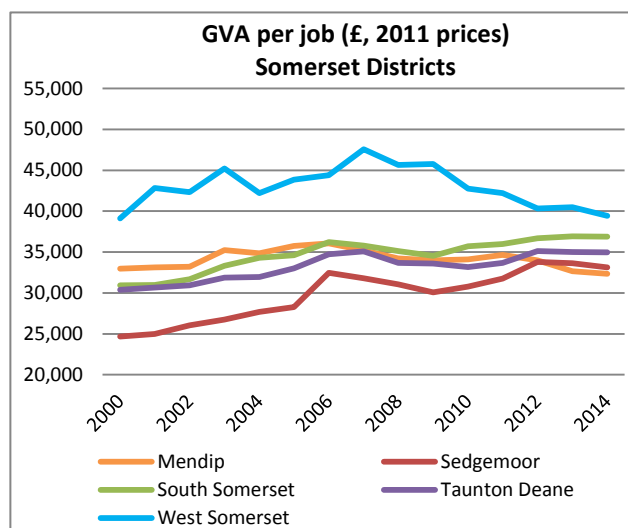
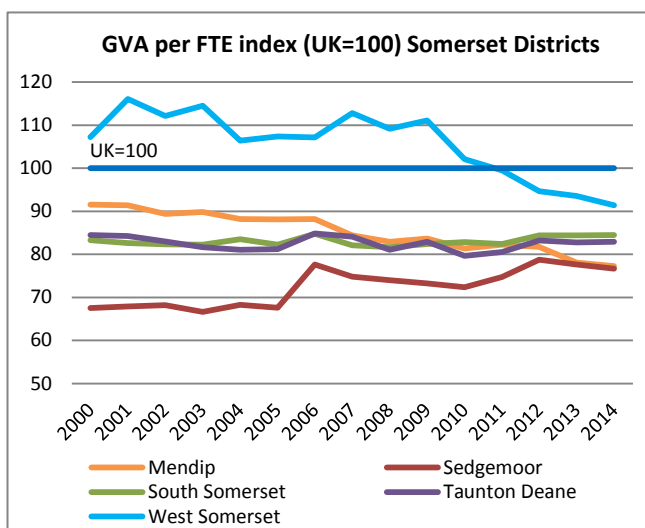
<sup>5</sup> Source: Economic and Fiscal Outlook – December 2014, Office for Budget Responsibility (pp.5-8)

### Productivity (GVA per FTE and GVA per job)

- In 2014, Somerset's GVA per full-time equivalent job (FTE) was £42,787, substantially lower (18%) than the UK level of £52,430. This differential has remained relatively constant in the face of times of expansion and contraction in the economic cycle, indicating that this stubborn gap is likely to be difficult to close.
- GVA per job is an alternative measure of productivity and takes into account differences in working patterns. With GVA per job of £34,933 in 2014, Somerset still under-performs against the national level of £43,673. Taken on this measure, Somerset's productivity has increased over time but at a very similar rate to the national level. The gap remains persistent.

### Local trends (Districts)

District	Total GVA 2014 (£m, 2011 prices)	% change 2010-14	% share of Somerset GVA 2014
Mendip	1,854	4.2%	19.3%
Sedgemoor	1,712	16.3%	17.9%
South Somerset	3,067	6.2%	32.0%
Taunton Deane	2,261	8.8%	23.6%
West Somerset	691	4.7%	7.2%



Source: Heart of the South West LEP Model, Oxford Economics 2014

### Output (GVA)

- South Somerset is the largest of the 5 district economies, with a value of £3.067 billion in 2014, accounting for just under one third of the County's total GVA. At £691 million, West Somerset is the smallest of the district economies. Sedgemoor's economy suffered the greatest immediate impact of the economic downturn in 2008-9 so its encouragingly strong recovery since then partially reflects a recouping of this sudden drop in GVA.

### Productivity (GVA per FTE and GVA per job)

- In terms of GVA per FTE, West Somerset outperforms all the other districts although it no longer exceeds the UK level. The sparse job density in the area partially accounts for this, but the occupational and sectoral profile of the area's workforce also has an impact. West Somerset has the highest proportion of GVA generated by production/manufacturing industries (39.6%), predominantly due to the importance of the construction sector, which accounts for 13% of GVA in the district.
- GVA per job has increased in Sedgemoor, South Somerset and Taunton Deane since 2010, but decreased in Mendip and West Somerset, indicating declining levels of productivity

## DATA TABLES Chapter 2: Economic Output and Productivity

**Total GVA (£m, 2011 prices)**

	2010	2011	2012	2013	2014	% change 2010-14
UK	1,347,350	1,374,766	1,391,026	1,415,641	1,455,615	8.0
HOSW LEP	28,667	28,499	28,239	28,702	29,472	2.8
Somerset	8,880	9,095	9,045	9,285	9,586	8.0
Mendip	1,779	1,825	1,775	1,790	1,854	4.2
Sedgemoor	1,473	1,510	1,661	1,670	1,712	16.3
South Somerset	2,889	2,980	2,851	2,966	3,067	6.2
Taunton Deane	2,078	2,146	2,129	2,178	2,261	8.8
West Somerset	661	636	629	681	691	4.7

**Annual growth rate (%) in total GVA (£m, 2011 prices)**

	2010	2011	2012	2013	2014
UK	1.8	2.0	1.2	1.8	2.8
HOSW LEP	1.6	-0.6	-0.9	1.6	2.7
Somerset	-0.3	2.4	-0.6	2.7	3.2
Mendip	1.7	2.6	-2.7	0.9	3.5
Sedgemoor	0.5	2.5	10.0	0.5	2.6
South Somerset	0.6	3.1	-4.3	4.0	3.4
Taunton Deane	-2.1	3.2	-0.8	2.3	3.8
West Somerset	-4.7	-3.8	-1.1	8.3	1.5

**GVA per full-time equivalent job (FTE) (£, 2011 prices)**

	2010	2011	2012	2013	2014	% change 2010-14
UK	51,008	51,885	52,027	52,417	52,430	2.8
HOSW LEP	42,197	42,604	42,500	42,584	42,365	0.4
Somerset	41,306	42,290	43,239	43,009	42,787	3.6
Mendip	41,487	42,658	42,531	40,915	40,512	-2.4
Sedgemoor	36,927	38,760	40,972	40,711	40,206	8.9
South Somerset	42,249	42,765	43,898	44,247	44,293	4.8
Taunton Deane	40,637	41,779	43,281	43,386	43,477	7.0
West Somerset	52,065	51,625	49,243	49,056	47,910	-8.0

**Productivity (£s per job, 2011 prices)**

	2010	2011	2012	2013	2014	% change 2010-14
UK	42,973	43,621	43,696	43,902	43,673	1.6
HOSW LEP	34,899	34,792	34,639	34,664	34,389	-1.5
Somerset	34,274	34,748	35,426	35,202	34,933	1.9
Mendip	34,103	34,656	33,991	32,668	32,326	-5.2
Sedgemoor	30,775	31,764	33,772	33,628	33,127	7.6
South Somerset	35,701	36,002	36,699	36,939	36,879	3.3
Taunton Deane	33,156	33,659	35,114	35,023	34,968	5.5
West Somerset	42,756	42,200	40,321	40,469	39,421	-7.8

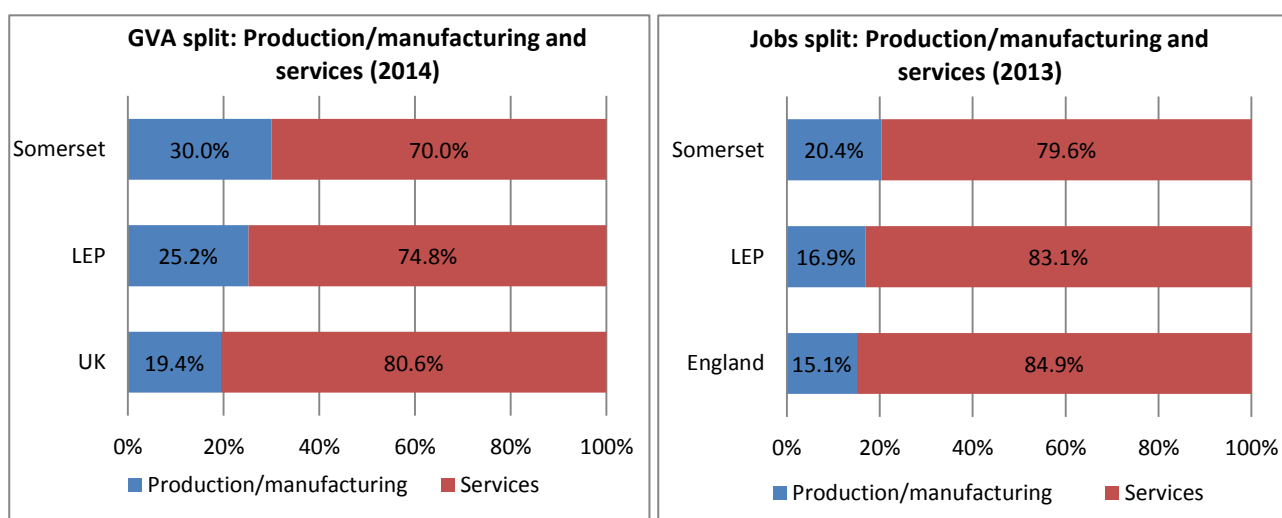
Source: Heart of the South West Economic Model, Oxford Economics 2015

## Chapter 3: Industry sectors

### Key facts

- The majority of Somerset's GVA (£6.7bn in 2014) is generated by service-based industries, but production and manufacturing play a greater role in the County than at a national level.
- Wholesale and retail is the largest sector in Somerset, contributing £1.17bn in GVA (12.2%) to the economy in 2014. The sector also provides a large number of jobs (39,400) in Somerset, accounting for 18% of the workforce in 2013.
- Somerset's most productive sector is real estate with GVA per FTE of £282,766 in 2014.
- Somerset has a high concentration of employment in the aerospace and food and drink sectors compared to the national level.
- In GVA terms, the advanced manufacturing sector has seen the most growth in Somerset since 2009 (+89.1%).

### Somerset Overview

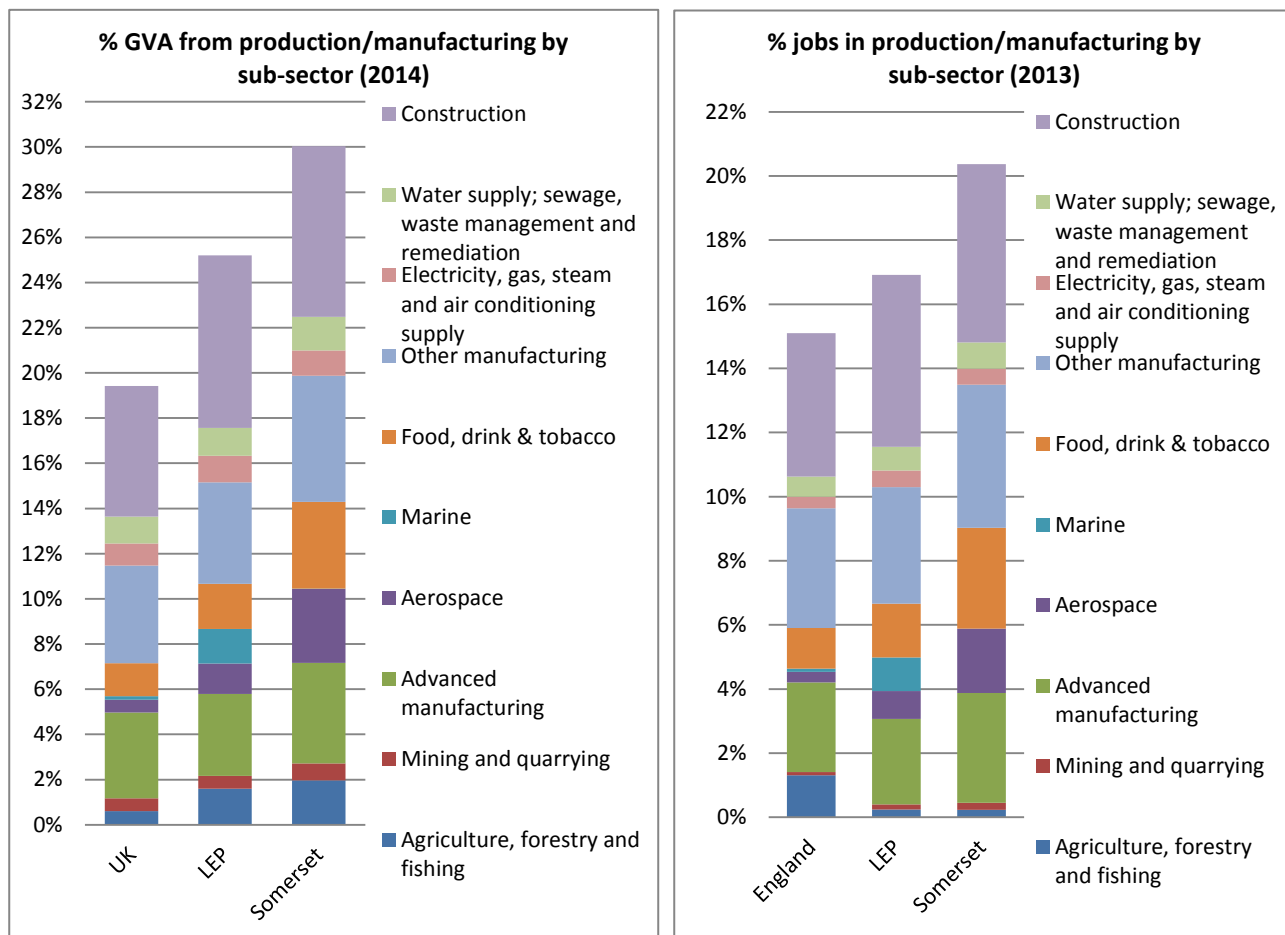


Source: Heart of the South West LEP Model, Oxford Economics 2015 / Business Register and Employment Survey, NOMIS 2014

### Broad sectors

- The Somerset economy is predominantly service-based, with service industries generating £6.7bn of the County's GVA in 2014. The focus on services is even more pronounced at national level, with 80.6% of the UK's GVA coming from service industries compared to 70% in Somerset.
- Although smaller than the services sector, the production/manufacturing industries play a more important role in Somerset than nationally, both in GVA and employment terms. In 2014, £2.9bn of Somerset's GVA was generated by production/manufacturing. In 2013, 44,700 people in Somerset were employed in production/manufacturing industries, representing 20.4% of the workforce. The LEP area generates less GVA from manufacturing than Somerset (25.2%) and has a lower proportion of jobs (16.9%).
- The importance of Somerset's production/manufacturing industries to GVA has actually increased steadily, from 27.3% of the economy's value in 2000 to 30% in 2014. Over the same period, the contribution of production/manufacturing to the national economy has dropped from 21.4% to 19.4%.

## Industry sub-sectors: Production/manufacturing



Source: Heart of the South West LEP Model, Oxford Economics 2015 / Business Register and Employment Survey, NOMIS 2014

### Construction

- Within the production/manufacturing industries, construction is the largest sector in Somerset, contributing £724m in GVA (7.5%) to the economy in 2014. The value of the construction sector has seen fluctuations in recent years, particularly during the economic downturn, but it has shown growth of 17.3% since 2000 and is now approaching the level of its most recent peak in 2005 (£764m). At a national level, construction contributes 5.8% of GVA.
- The construction sector also accounts for the largest proportion (5.6%) of the production/manufacturing workforce, providing 12,210 jobs in Somerset in 2013. At national level the proportion slightly lower with 4.5% of total jobs in construction.

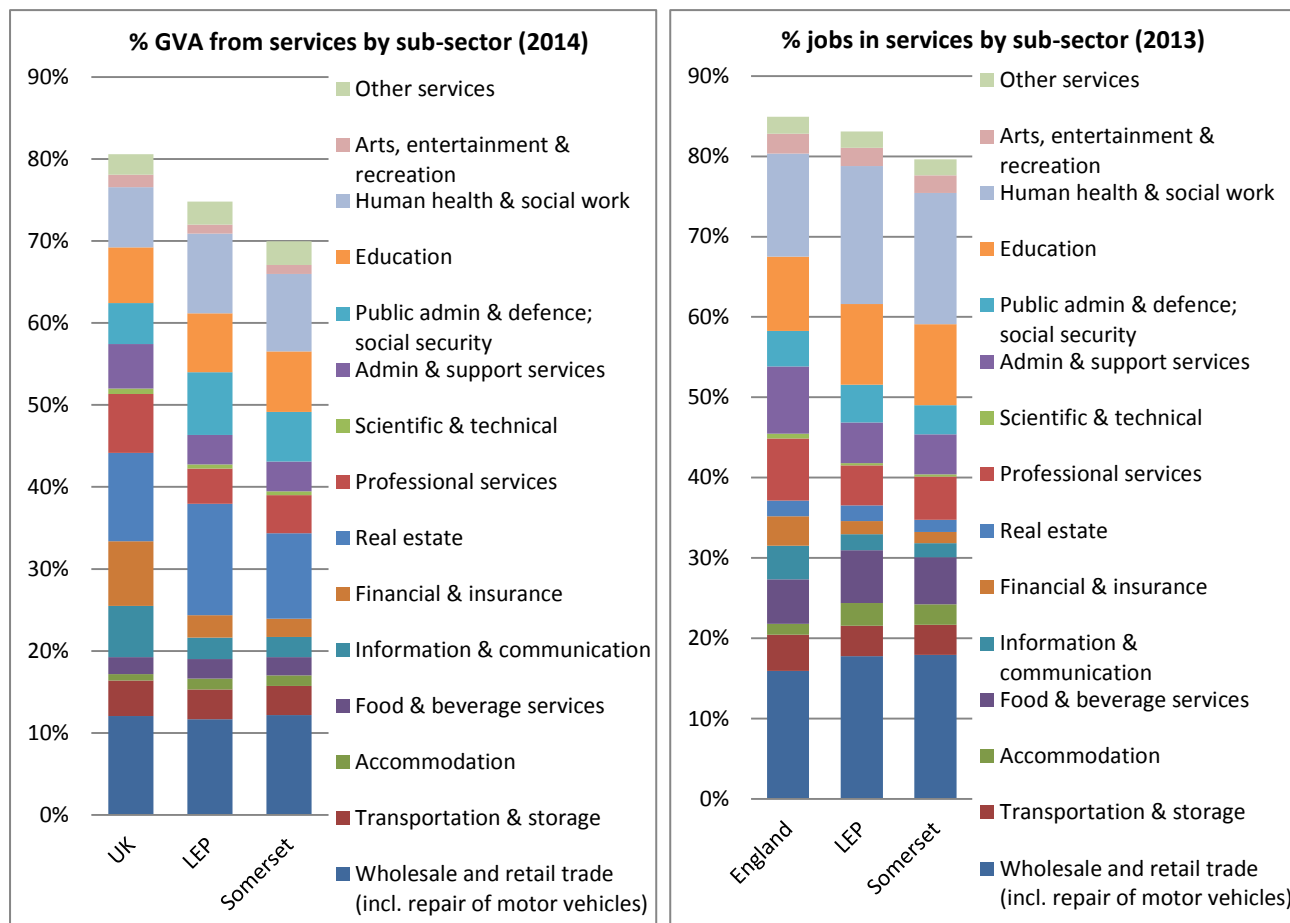
### Manufacturing

- The significance of manufacturing to the Somerset economy can be seen more clearly at a sector level. Advanced manufacturing and 'other' manufacturing account for 4.4% and 5.6% respectively of Somerset's GVA; a total of £961m in 2014. The value of the advanced manufacturing sector (excluding aerospace and marine) has grown by 89% since 2000, almost double the national growth of 51% over the same period.

### Sector specialisms

- Compared to the UK and LEP area, Somerset has particular concentrations of employment and economic value in the aerospace and food and drink manufacturing sectors. Aerospace contributed £314m to Somerset's GVA in 2014; 3.3% of the total, compared to just 0.6% nationally and 1.4% across the LEP. Food and drink manufacturing is worth £368m to the Somerset economy, accounting for 3.8% of total GVA compared to 1.5% nationally and 2% across the LEP.

## Industry sub-sectors: Services



Source: Heart of the South West LEP Model, Oxford Economics 2015 / Business Register and Employment Survey, NOMIS 2014

### Wholesale and retail

- Within the service industries, wholesale and retail is the largest sector in Somerset, contributing £1.17bn in GVA (12.2%) to the economy in 2014. The value of the wholesale and retail sector has remained relatively constant in recent years, showing a slight contraction of 0.1% since 2009. The sector also provides a large number of jobs (39,400) in Somerset, accounting for 18% of the workforce.

### Human health and social work

- The human health and social work sector contributed £906m of Somerset's GVA in 2014. It represents a higher proportion in Somerset (9.4%) compared to nationally (7.3%), possibly as a reflection of the County's ageing population profile requiring greater health and social care. In employment terms, 16.3% of Somerset's jobs are in the health and social work sector, compared to 12.8% nationally.

### Tourism

- The tourism industry (defined here as the accommodation and food and beverage services sectors combined) contributes a modest 3.6% to Somerset's GVA, but provides a substantial amount of the County's employment. In 2013, 18,400 (8.4%) of the workforce were employed in the tourism industry. This is likely to be an underestimation, given that elements of tourism-related activity can be found in the retail and arts, entertainment and recreation sectors. The data does not allow 'tourism' as sector to be analysed because activities are split across various sectors.

### Public sector

- 8,000 people in Somerset (3.6% of the workforce) are employed in public administration and defence. This proportion has declined from 4.5% in 2010. If education and health and social care are included, the public sector employs 30% of Somerset's workforce.

### Somerset's most productive sectors (compared to County overall)

Productivity: GVA per FTE by sub-sector (2014) (Blue = Production/manufacturing, Red = Services)	% higher than Somerset overall
Real estate	560.9%
Mining and quarrying	214.5%
Water supply; sewage, waste management and remediation	112.4%
Electricity, gas, steam and air conditioning supply	95.0%
Financial & insurance	69.7%
Aerospace	49.7%
Advanced manufacturing	42.0%
Public admin & defence; social security	35.4%
Marine	30.8%
Other manufacturing	23.9%
Information & communication	16.8%
Food, drink & tobacco	14.7%

Source: Heart of the South West Economic Model, Oxford Economics 2015

### Somerset's strong employment sectors (compared to UK)

Concentration of employment (2013) – location quotient (Blue = Production/manufacturing, Red = Services)	LQ
Aerospace	595
Food, drink & tobacco	247
Mining and quarrying	242
Accommodation	185
Electricity, gas, steam and air conditioning supply	140
Water supply; sewage, waste management	131
Human health & social work	127
Construction	124
Advanced manufacturing	122
Other manufacturing	120
Wholesale and retail trade (incl. repair of motor vehicles)	112
Education	109
Food & beverage services	106

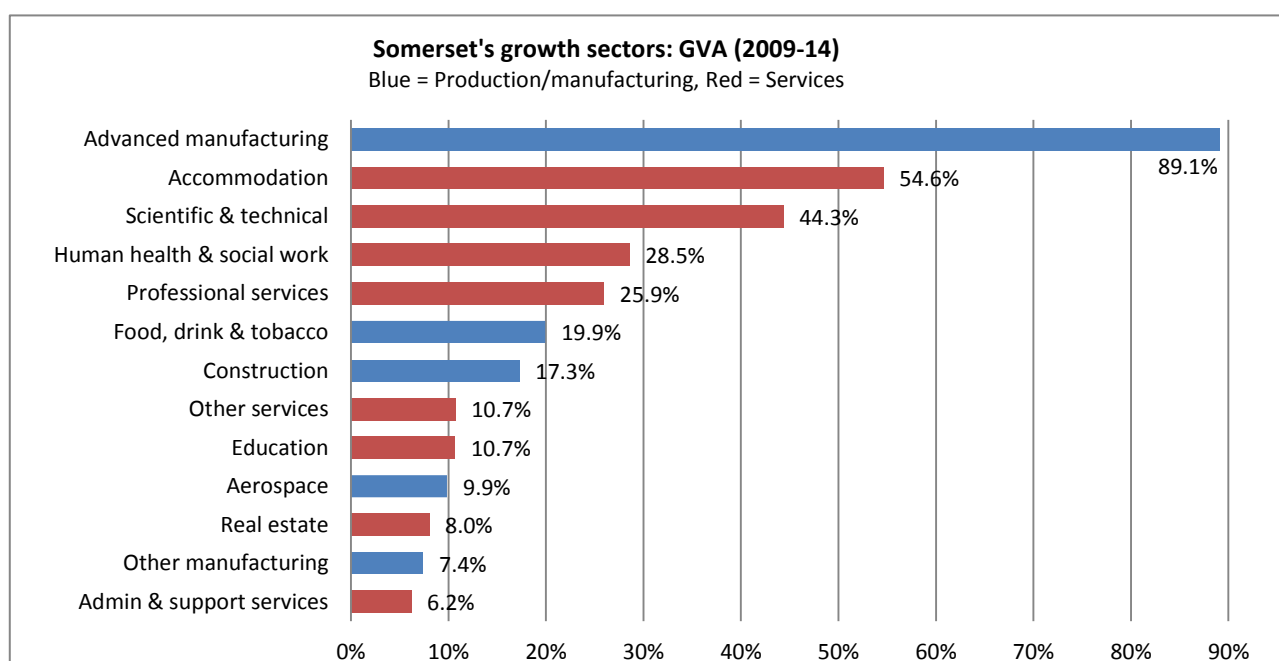
Source: Business Register and Employment Survey, NOMIS 2014

### Productivity

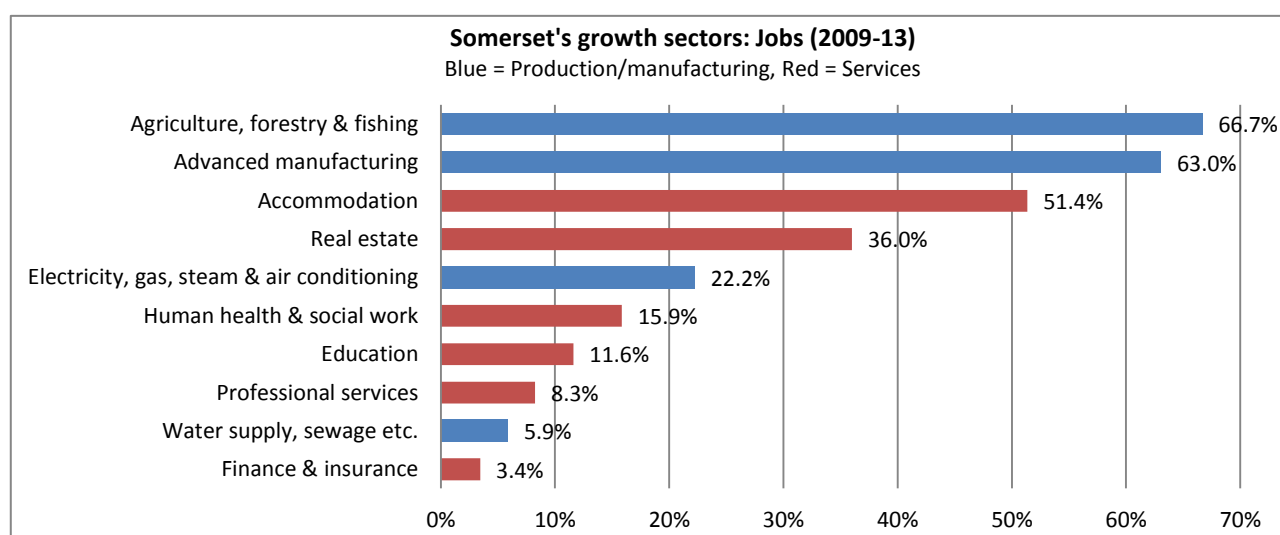
- GVA per full-time equivalent job gives a measure of a sector's productivity; essentially the economic wealth it generates per full-time job in that industry. Somerset's most productive sector by this measure is real estate with GVA per FTE of £282,766. This sector is also the most productive at a national level.
- The arts, entertainment and recreation sector is the least productive in Somerset, with a GVA per FTE of £21,533. The food and beverage services and accommodation sectors are also low in productivity, with GVA per FTE figures of £22,016 and £23,771 respectively.

### Employment concentration

- Somerset's high concentration of employment in the aerospace and food and drink sectors compared to the national level can be seen above. A location quotient (LQ) of more than 100 indicates a sector with a high concentration of employment in a sector compared to the national level. Somerset also has strong concentrations of employment in mining and quarrying and accommodation.



Source: Heart of the South West Economic Model, Oxford Economics 2015



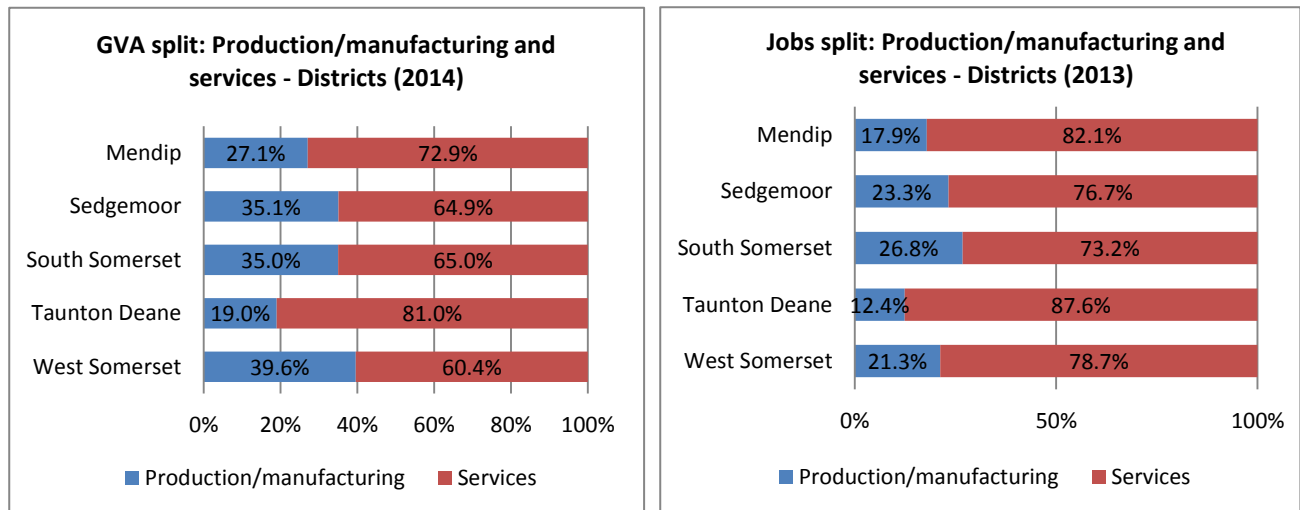
Source: Business Register and Employment Survey, NOMIS 2014

### Growth trends

- In GVA terms the advanced manufacturing sector has seen the most growth in Somerset since 2009 (+89.1%). Employment in this sector has also grown substantially, by 63% between 2009 and 2013.
- The amount of GVA generated by the accommodation sector has grown by 54.6% since 2009, illustrating the continuing importance of tourism to the Somerset economy. The sector has also posted job growth of 51.4% between 2009 and 2013.
- The agriculture, forestry and fishing sector has shown the highest level of job growth in Somerset since 2009, with an increase of 66.7%. Despite this, the economic contribution of the sector in GVA terms has fallen by 8.9%, indicating reduced levels of productivity.



## Local trends (Districts)



Source: Heart of the South West LEP Model, Oxford Economics 2015 / Business Register and Employment Survey, NOMIS 2014

### Top 5 sectors by district – percentage of total GVA

(Blue = Production/manufacturing, Red = Services)

Mendip	Sedgemoor	South Somerset	Taunton Deane	West Somerset
Wholesale and retail trade (12.5%)	Wholesale and retail trade (13.5%)	Wholesale and retail trade (11.3%)	Human health & social work (14.1%)	Real estate (13.8%)
Real estate (12.2%)	Other manufacturing (9.5%)	Real estate (10.4%)	Wholesale and retail trade (13%)	Construction (13%)
Education (9.8%)	Food, drink & tobacco (8.6%)	Aerospace (10%)	Public admin & defence; social security (11.1%)	Electricity, gas, steam and air conditioning supply (11.6%)
Construction (8.1%)	Human health and social work (8.4%)	Human health and social work (8.3%)	Real estate (10.9%)	Wholesale and retail trade (9.6%)
Human health & social work (7.7%)	Education (8.4%)	Public admin & defence; social security (7.2%)	Education (7.1%)	Human health & social work (6.5%)

Source: Heart of the South West LEP Model, Oxford Economics 2015

### Top 5 sectors by district – percentage of total jobs

(Blue = Production/manufacturing, Red = Services)

Mendip	Sedgemoor	South Somerset	Taunton Deane	West Somerset
Wholesale and retail trade (19%)	Wholesale and retail trade (19%)	Wholesale and retail trade (17.4%)	Human health & social work (23.5%)	Wholesale and retail trade (15.7%)
Education (12.5%)	Human health & social work (13.7%)	Human health & social work (15.3%)	Wholesale and retail trade (17.4%)	Accommodation (15%)
Human health & social work (12.5%)	Education (10.6%)	Education (8.8%)	Education (9.4%)	Human health & social work (13.4%)
Food & beverage services (6.9%)	Transportation & storage (7.5%)	Advanced manufacturing (6.7%)	Public admin & defence; social security (7.6%)	Education (9.4%)
Professional services (6.9%)	Other manufacturing (7%)	Aerospace (6.5%)	Professional services (7%)	Construction (7.9%)

Source: Business Register and Employment Survey, NOMIS 2014

### Top 5 sectors by district – Productivity (GVA per FTE)

(Blue = Production/manufacturing, Red = Services)

Mendip	Sedgemoor	South Somerset	Taunton Deane	West Somerset
Real estate (£258,493)	Real estate (£264,437)	Real estate (£297,517)	Real estate (£283,233)	Real estate (£326,343)
Mining and quarrying (£130,459)	Mining and quarrying (£140,535)	Mining and quarrying (£131,630)	Water supply; sewage, waste management and remediation (£102,250)	Water supply; sewage, waste management and remediation (£110,076)
Water supply; sewage, waste management and remediation (£106,520)	Water supply; sewage, waste management and remediation (£91,959)	Electricity, gas, steam and air conditioning supply (£89,136)	Electricity, gas, steam and air conditioning supply (£81,890)	Electricity, gas, steam and air conditioning supply (£92,363)
Aerospace (£71,146)	Financial & insurance (£68,733)	Financial & insurance (£77,015)	Aerospace (£79,074)	Advanced manufacturing (£77,042)
Financial & insurance (£67,617)	Advanced manufacturing (£66,721)	Aerospace (£63,814)	Financial & insurance (£73,872)	Financial & insurance (£75,203)

Source: Heart of the South West LEP Model, Oxford Economics 2015

### Broad trends

- Taunton Deane has highest concentration of service industries of all the Somerset districts, in both GVA and employment terms (81% and 87.8% respectively).
- West Somerset has the highest proportion of GVA from generated by production/manufacturing industries (39.6%), predominantly due to the importance of the construction sector, which accounts for 13% of GVA in the district.
- South Somerset has the highest proportion of employment in production/manufacturing industries of all the districts (26.8%), largely due to a strong concentration of aerospace and advanced manufacturing in this area.

### Sector strengths

- The wholesale and retail sector is the most significant sector in GVA terms in Mendip, Sedgemoor and South Somerset. It also provides the most jobs in these districts and West Somerset.
- Human health and social work provides the greatest GVA and jobs contribution of all sectors in Taunton Deane (14.1% and 23.5% respectively).
- Manufacturing is of particular importance to the economy in Sedgemoor. The food, drink and tobacco and 'other' manufacturing sectors contribute a total of 18.1% of the district's GVA.
- In productivity terms, real estate and utilities are important across all districts, and the highly productive nature of manufacturing industries and the finance and insurance sector is also clear.

## DATA TABLES Chapter 3: Industry sectors

### Total GVA by industry sector

Total GVA 2014 (£m, 2011 prices)	UK	LEP	Somerset	Mendip	Sedgemoor	South Somerset	Taunton Deane	West Somerset
A : Agriculture, forestry and fishing	8,835.4	472.2	187.9	34.5	33.8	56.2	31.5	31.9
B : Mining and quarrying	8,111.7	167.0	72.4	53.2	12.1	5.9	1.3	0.0
C : Manufacturing	150,133.2	3,825.7	1,644.8	245.2	370.2	772.3	207.1	49.9
Advanced manufacturing (excluding aerospace & marine)	55,473.6	1,069.2	425.9	49.6	59.1	218.9	79.8	18.5
Aerospace	8,133.4	395.2	314.2	5.1	0.0	306.1	2.9	0.0
Marine	2,221.6	450.1	1.7	0.1	0.0	1.6	0.1	0.0
Food, drink & tobacco	21,212.3	591.4	367.6	83.9	148.0	102.4	25.1	8.1
Other manufacturing	63,092.3	1,319.8	535.4	106.4	163.1	143.3	99.2	23.4
D : Electricity, gas, steam and air conditioning supply	14,139.9	350.2	107.0	0.0	0.0	10.3	16.3	80.5
E : Water supply; sewage, waste management and remediation activities	17,420.7	360.2	143.7	19.7	50.7	17.5	33.9	21.9
F : Construction	84,095.6	2,251.0	723.7	149.3	133.6	210.3	140.6	89.8
<b>Total production/manufacturing</b>	<b>282,736.5</b>	<b>7,426.4</b>	<b>2,879.5</b>	<b>502.0</b>	<b>600.4</b>	<b>1,072.5</b>	<b>430.7</b>	<b>274.0</b>
G : Wholesale and retail trade; repair of motor vehicles and motorcycles	175,348.1	3,440.8	1,167.9	230.8	231.7	346.2	293.1	66.1
H : Transportation and storage	63,423.2	1,064.2	341.2	73.0	133.8	84.1	34.8	15.5
I : Accommodation and food service activities	41,322.2	1,101.2	337.4	67.1	69.0	77.6	63.9	59.8
Accommodation	11,028.6	394.0	121.5	19.6	25.1	19.1	13.4	44.3
Food & beverage services	30,293.6	707.3	215.8	47.5	43.9	58.5	50.5	15.4
J : Information and communication	90,919.8	764.6	235.2	71.7	21.8	85.3	48.6	7.8
K : Financial and insurance activities	114,859.9	813.0	211.5	33.2	36.4	48.5	87.0	6.4
L : Real estate activities	156,776.6	3,996.1	999.2	227.0	110.8	320.5	245.9	95.1
M : Professional, scientific and technical activities	114,294.8	1,414.7	491.8	123.2	68.8	131.0	150.8	18.0
Professional services	104,450.9	1,269.6	447.0	113.7	60.4	116.7	142.2	14.0
Scientific & technical	9,843.9	145.1	44.8	9.5	8.3	14.3	8.6	4.0
N : Administrative and support service activities	79,186.2	1,062.0	346.5	67.4	47.1	125.7	97.3	8.9
O : Public administration and defence; compulsory social security	72,742.9	2,259.9	580.8	39.7	50.9	222.2	252.0	16.1
P : Education	98,587.1	2,120.2	708.5	180.9	143.2	183.6	160.0	40.8
Q : Human health and social work activities	106,937.2	2,863.9	905.6	142.4	143.7	254.8	319.8	44.8
R : Arts, entertainment and recreation	22,257.4	318.8	105.0	21.5	16.9	30.6	26.6	9.3
S : Other service activities	36,223.2	826.4	276.4	73.9	37.9	84.8	50.9	28.9
<b>Total services</b>	<b>1,172,878.6</b>	<b>22,045.8</b>	<b>6,706.9</b>	<b>1,351.7</b>	<b>1,112.0</b>	<b>1,994.9</b>	<b>1,830.8</b>	<b>417.5</b>
<b>Total</b>	<b>1,455,615.1</b>	<b>29,472.1</b>	<b>9,586.5</b>	<b>1,853.8</b>	<b>1,712.4</b>	<b>3,067.4</b>	<b>2,261.5</b>	<b>691.4</b>

Source: Heart of the South West Economic Model, Oxford Economics 2015

**Productivity (GVA per FTE) by industry sector**

GVA per full-time equivalent job (FTE) 2014 (£, 2011 prices)	UK	LEP	Somerset	Mendip	Sedgemoor	South Somerset	Taunton Deane	West Somerset
A : Agriculture, forestry and fishing	22,917	21,685	24,731	21,882	23,379	24,764	26,608	28,437
B : Mining and quarrying	126,276	137,529	134,561	130,459	140,535	131,630	0	0
C : Manufacturing	60,263	54,310	55,682	52,212	55,545	54,978	61,061	67,692
Advanced manufacturing (excluding aerospace & marine)	66,576	59,124	60,738	62,041	66,721	56,118	67,280	77,042
Aerospace	78,282	64,789	64,038	71,145	0	63,814	79,074	0
Marine	67,358	59,591	55,982	59,367	0	55,500	66,359	0
Food, drink & tobacco	54,672	47,744	49,062	48,361	51,470	44,537	55,065	64,774
Other manufacturing	55,676	50,147	53,024	50,988	56,172	47,425	57,954	62,643
D : Electricity, gas, steam and air conditioning supply	116,903	89,546	83,454	0	0	89,136	81,890	92,363
E : Water supply; sewage, waste management and remediation activities	92,199	79,704	90,864	106,520	91,959	55,558	102,250	110,076
F : Construction	42,806	36,585	35,067	30,783	32,997	36,348	37,272	41,240
G : Wholesale and retail trade; repair of motor vehicles and motorcycles	45,467	34,137	35,615	32,469	34,332	36,068	37,579	43,019
H : Transportation and storage	43,589	37,012	37,657	35,351	36,069	40,018	40,276	48,332
I : Accommodation and food service activities	27,610	21,194	22,617	20,839	22,569	23,452	24,308	22,121
Accommodation	29,984	22,068	23,771	23,915	24,455	25,999	27,190	21,739
Food & beverage services	26,836	20,737	22,015	19,787	21,617	22,725	23,642	23,297
J : Information and communication	73,934	47,987	49,957	53,612	44,512	48,049	49,987	58,419
K : Financial and insurance activities	110,935	71,412	72,602	67,617	68,733	77,015	73,872	75,203
L : Real estate activities	332,803	289,335	282,766	258,493	264,437	297,517	283,233	326,343
M : Professional, scientific and technical activities	45,407	32,619	32,794	32,313	31,491	32,819	32,928	42,046
Professional services	45,187	32,568	32,510	32,325	31,111	32,380	32,710	41,221
Scientific & technical	47,876	33,070	35,932	32,174	34,555	36,904	36,994	45,221
N : Administrative and support service activities	35,151	31,178	31,345	29,312	31,367	30,719	33,435	35,840
O : Public administration and defence; compulsory social security	54,002	55,500	57,919	61,507	56,362	54,613	60,161	72,015
P : Education	45,634	38,260	40,503	40,476	40,580	41,099	39,532	41,651
Q : Human health and social work activities	32,624	28,886	30,567	31,666	29,502	31,059	29,982	32,322
R : Arts, entertainment and recreation	32,601	20,787	21,533	18,191	20,717	25,039	20,940	24,333
S : Other service activities	47,359	38,266	40,192	36,653	39,643	39,680	43,900	47,537
<b>Total</b>	<b>52,430</b>	<b>42,365</b>	<b>42,787</b>	<b>40,512</b>	<b>40,206</b>	<b>44,293</b>	<b>43,477</b>	<b>47,910</b>

Source: Heart of the South West Economic Model, Oxford Economics 2015

### Employment (jobs) by industry sector (2013)

Industry	England	LEP	Somerset	Mendip	Sedgemoor	South Somerset	Taunton Deane	West Somerset
A : Agriculture, forestry and fishing	322,100	1,700	500	100	100	200	100	100
B : Mining and quarrying	23,100	1,100	500	400	100	0	0	0
C : Manufacturing	2,020,300	68,400	28,600	4,600	6,400	13,500	3,500	700
Advanced manufacturing (excluding aerospace & marine)	686,500	18,400	7,500	700	1,000	4,400	1,200	300
Aerospace	82,700	6,000	4,400	100	0	4,300	0	0
Marine	22,800	7,300	0	0	0	0	0	0
Food, drink & tobacco	312,300	11,600	6,900	1,800	2,500	2,000	600	100
Other manufacturing	916,000	25,100	9,800	2,000	2,900	2,800	1,700	300
D : Electricity, gas, steam and air conditioning supply	88,200	3,600	1,100	0	100	100	200	700
E : Water supply; sewage, waste management and remediation activities	154,300	5,100	1,800	200	600	300	400	200
F : Construction	1,098,700	37,100	12,200	2,700	2,400	3,600	2,500	1,000
<b>Total production/manufacturing</b>	<b>3,706,700</b>	<b>117,000</b>	<b>44,700</b>	<b>8,000</b>	<b>9,700</b>	<b>17,700</b>	<b>6,700</b>	<b>2,700</b>
G : Wholesale and retail trade; repair of motor vehicles and motorcycles	3,921,100	123,000	39,400	8,500	7,900	11,500	9,400	2,000
H : Transportation and storage	1,100,100	26,100	8,200	1,900	3,100	2,000	800	300
I : Accommodation and food service activities	1,694,400	65,100	18,400	4,100	3,800	4,300	3,400	2,900
Accommodation	338,700	19,800	5,600	1,000	1,300	900	500	1,900
Food & beverage services	1,355,700	45,300	12,800	3,100	2,500	3,400	2,900	1,000
J : Information and communication	1,024,200	13,700	3,900	1,100	400	1,400	800	100
K : Financial and insurance activities	905,700	11,400	3,000	500	500	700	1,200	100
L : Real estate activities	474,100	13,400	3,400	800	500	1,000	800	200
M : Professional, scientific and technical activities	2,044,400	36,600	12,400	3,200	1,800	3,300	3,900	300
Professional services	1,900,600	34,500	11,800	3,100	1,700	3,100	3,800	300
Scientific & technical	143,800	2,100	600	100	100	200	100	0
N : Administrative and support service activities	2,060,500	34,800	10,900	2,300	1,500	3,800	3,000	300
O : Public administration and defence; compulsory social security	1,080,600	32,600	8,000	800	1,000	1,800	4,100	300
P : Education	2,269,200	69,600	22,100	5,600	4,400	5,800	5,100	1,200
Q : Human health and social work activities	3,150,100	118,700	35,800	5,600	5,700	10,100	12,700	1,700
R : Arts, entertainment and recreation	606,600	15,600	4,800	1,100	700	1,300	1,300	300
S : Other service activities	515,100	14,100	4,400	1,200	600	1,400	900	300
<b>Total services</b>	<b>20,846,100</b>	<b>574,700</b>	<b>174,700</b>	<b>36,700</b>	<b>31,900</b>	<b>48,400</b>	<b>47,400</b>	<b>10,000</b>
<b>Total</b>	<b>24,552,800</b>	<b>691,700</b>	<b>219,400</b>	<b>44,700</b>	<b>41,600</b>	<b>66,100</b>	<b>54,100</b>	<b>12,700</b>

Source: Business Register and Employment Survey (BRES) 2014, ONS

**Percentage change in total GVA by industry sector (2009-2014)**

Industry	UK	LEP	Somerset	Mendip	Sedgemoor	South Somerset	Taunton Deane	West Somerset
A : Agriculture, forestry and fishing	1.0%	-12.8%	-8.9%	-13.9%	-3.8%	-5.7%	-3.4%	-18.1%
B : Mining and quarrying	64.0%	9.2%	-1.1%	-11.4%	57.0%	50.4%	-19.2%	N/A
C : Manufacturing	8.9%	20.8%	24.4%	22.4%	35.5%	21.2%	23.0%	15.4%
Advanced manufacturing (excluding aerospace & marine)	14.6%	50.9%	89.1%	113.5%	75.1%	75.6%	110.6%	226.6%
Aerospace	9.8%	24.4%	9.9%	76.0%	-100.0%	8.6%	2209.2%	N/A
Marine	-5.6%	20.9%	-71.8%	-64.5%	-100.0%	-68.3%	-88.7%	N/A
Food, drink & tobacco	10.1%	12.5%	19.9%	12.8%	40.3%	15.3%	-17.0%	7.1%
Other manufacturing	4.4%	6.3%	7.4%	6.9%	22.9%	4.9%	-0.3%	-22.3%
D : Electricity, gas, steam and air conditioning supply	-8.6%	-34.4%	-28.3%	0.0%	N/A	-41.8%	-30.2%	-25.7%
E : Water supply; sewage, waste management and remediation activities	7.4%	-10.7%	-13.7%	-16.9%	105.1%	-27.5%	-38.4%	-43.7%
F : Construction	11.5%	7.3%	17.3%	14.3%	26.2%	7.2%	4.4%	81.1%
<b>Total production/manufacturing</b>	<b>9.3%</b>	<b>7.7%</b>	<b>13.6%</b>	<b>10.4%</b>	<b>34.4%</b>	<b>14.3%</b>	<b>3.6%</b>	<b>-1.8%</b>
G : Wholesale and retail trade; repair of motor vehicles and motorcycles	14.8%	-1.5%	-0.1%	0.3%	6.2%	-2.8%	0.1%	-7.7%
H : Transportation and storage	4.6%	-10.5%	-6.9%	-24.3%	18.3%	-14.9%	-16.4%	-4.4%
I : Accommodation and food service activities	9.7%	4.4%	14.2%	6.0%	4.4%	19.0%	3.0%	53.6%
Accommodation	17.6%	13.9%	54.6%	24.5%	25.1%	81.1%	3.8%	129.1%
Food & beverage services	7.1%	-0.3%	-0.5%	-0.2%	-4.6%	7.0%	2.8%	-21.1%
J : Information and communication	15.2%	-13.5%	-9.0%	-15.4%	20.7%	-6.0%	-16.2%	10.2%
K : Financial and insurance activities	-10.8%	-23.9%	-18.4%	-29.9%	-16.0%	-22.3%	-6.5%	-50.8%
L : Real estate activities	12.5%	19.9%	8.0%	-7.6%	14.1%	7.8%	21.6%	14.7%
M : Professional, scientific and technical activities	27.8%	13.4%	27.4%	34.8%	12.6%	26.1%	35.9%	-3.4%
Professional services	28.0%	12.5%	25.9%	33.8%	10.5%	23.3%	34.5%	-6.6%
Scientific & technical	25.4%	22.0%	44.3%	46.8%	30.6%	54.4%	64.3%	9.5%
N : Administrative and support service activities	50.2%	16.0%	6.2%	77.4%	4.5%	-3.9%	52.6%	-81.7%
O : Public administration and defence; compulsory social security	-10.3%	-13.3%	-12.5%	-14.6%	-3.2%	-10.6%	-16.1%	1.0%
P : Education	3.2%	3.8%	10.7%	15.1%	10.2%	13.1%	2.1%	19.8%
Q : Human health and social work activities	13.8%	23.5%	28.5%	38.3%	29.2%	24.6%	27.6%	27.4%
R : Arts, entertainment and recreation	15.4%	-15.6%	-15.3%	-22.1%	-12.8%	-21.0%	-3.3%	-12.1%
S : Other service activities	2.4%	6.7%	10.7%	17.0%	-13.1%	16.1%	6.1%	32.3%
<b>Total services</b>	<b>10.1%</b>	<b>3.5%</b>	<b>5.3%</b>	<b>4.4%</b>	<b>9.1%</b>	<b>3.2%</b>	<b>7.2%</b>	<b>0.7%</b>
<b>Total</b>	<b>9.9%</b>	<b>4.5%</b>	<b>7.7%</b>	<b>6.0%</b>	<b>16.8%</b>	<b>6.8%</b>	<b>6.5%</b>	<b>-0.3%</b>

Source: Heart of the South West Economic Model, Oxford Economics 2015

**Percentage change in employment (jobs) by industry sector (2009-13)**

Industry	England	LEP	Somerset	Mendip	Sedgemoor	South Somerset	Taunton Deane	West Somerset
A : Agriculture, forestry and fishing	-5.4%	88.9%	66.7%	0.0%	N/A	100.0%	0.0%	0.0%
B : Mining and quarrying	-8.0%	-21.4%	-28.6%	-20.0%	0.0%	N/A	N/A	N/A
C : Manufacturing	-3.7%	-5.0%	-3.4%	4.5%	-1.5%	-3.6%	-7.9%	0.0%
Advanced manufacturing (excluding aerospace & marine)	4.5%	26.9%	63.0%	75.0%	42.9%	63.0%	71.4%	200.0%
Aerospace	-3.2%	5.3%	-15.4%	N/A	N/A	-15.7%	N/A	N/A
Marine	-21.6%	-3.9%	-100.0%	N/A	N/A	-100.0%	N/A	N/A
Food, drink & tobacco	0.6%	-11.5%	-8.0%	5.9%	0.0%	-16.7%	-14.3%	0.0%
Other manufacturing	-9.9%	-19.3%	-19.7%	-13.0%	-12.1%	-24.3%	-29.2%	-40.0%
D : Electricity, gas, steam and air conditioning supply	-0.5%	0.0%	22.2%	N/A	0.0%	0.0%	0.0%	16.7%
E : Water supply; sewage, waste management and remediation activities	17.6%	15.9%	5.9%	-33.3%	100.0%	0.0%	-33.3%	-33.3%
F : Construction	-12.2%	-21.9%	-10.9%	-3.6%	-4.0%	-18.2%	-21.9%	42.9%
<b>Total production/manufacturing</b>	<b>-5.8%</b>	<b>-9.9%</b>	<b>-4.7%</b>	<b>-1.2%</b>	<b>2.1%</b>	<b>-6.3%</b>	<b>-15.2%</b>	<b>12.5%</b>
G : Wholesale and retail trade; repair of motor vehicles and motorcycles	-1.0%	-11.9%	-14.0%	-7.6%	-12.2%	-17.3%	-17.5%	-9.1%
H : Transportation and storage	-1.8%	-22.3%	-21.9%	-32.1%	-3.1%	-31.0%	-38.5%	0.0%
I : Accommodation and food service activities	5.7%	-0.2%	4.5%	5.1%	-9.5%	10.3%	-8.1%	61.1%
Accommodation	13.2%	10.6%	51.4%	25.0%	30.0%	80.0%	-16.7%	137.5%
Food & beverage services	3.9%	-4.2%	-7.9%	0.0%	-21.9%	0.0%	-6.5%	0.0%
J : Information and communication	8.0%	-13.3%	-15.2%	-26.7%	0.0%	-12.5%	-20.0%	0.0%
K : Financial and insurance activities	-2.9%	-6.6%	3.4%	0.0%	0.0%	0.0%	9.1%	0.0%
L : Real estate activities	10.5%	39.6%	36.0%	14.3%	66.7%	25.0%	33.3%	100.0%
M : Professional, scientific and technical activities	11.4%	-7.1%	5.1%	18.5%	-5.3%	3.1%	8.3%	-25.0%
Professional services	12.6%	-3.6%	8.3%	24.0%	0.0%	6.9%	11.8%	0.0%
Scientific & technical	-1.8%	-41.7%	-33.3%	-50.0%	-50.0%	-33.3%	-50.0%	-100.0%
N : Administrative and support service activities	11.7%	-11.9%	-19.3%	35.3%	-28.6%	-32.1%	7.1%	-78.6%
O : Public administration and defence; compulsory social security	-12.8%	-10.7%	-20.0%	-11.1%	0.0%	-25.0%	-22.6%	0.0%
P : Education	3.9%	10.5%	11.6%	16.7%	10.0%	16.0%	4.1%	20.0%
Q : Human health and social work activities	7.8%	16.8%	15.9%	24.4%	18.8%	12.2%	14.4%	13.3%
R : Arts, entertainment and recreation	3.8%	-8.8%	-12.7%	-15.4%	-22.2%	-23.5%	0.0%	0.0%
S : Other service activities	-2.9%	-2.8%	-2.2%	9.1%	-25.0%	0.0%	-10.0%	0.0%
<b>Total services</b>	<b>3.5%</b>	<b>-2.2%</b>	<b>-2.9%</b>	<b>3.1%</b>	<b>-3.6%</b>	<b>-7.1%</b>	<b>-3.5%</b>	<b>2.0%</b>
<b>Total</b>	<b>2.0%</b>	<b>-3.6%</b>	<b>-3.3%</b>	<b>2.3%</b>	<b>-2.3%</b>	<b>-6.9%</b>	<b>-5.1%</b>	<b>4.1%</b>

Source: Business Register and Employment Survey (BRES) 2014, ONS



## Chapter 4: Unemployment

### Key facts

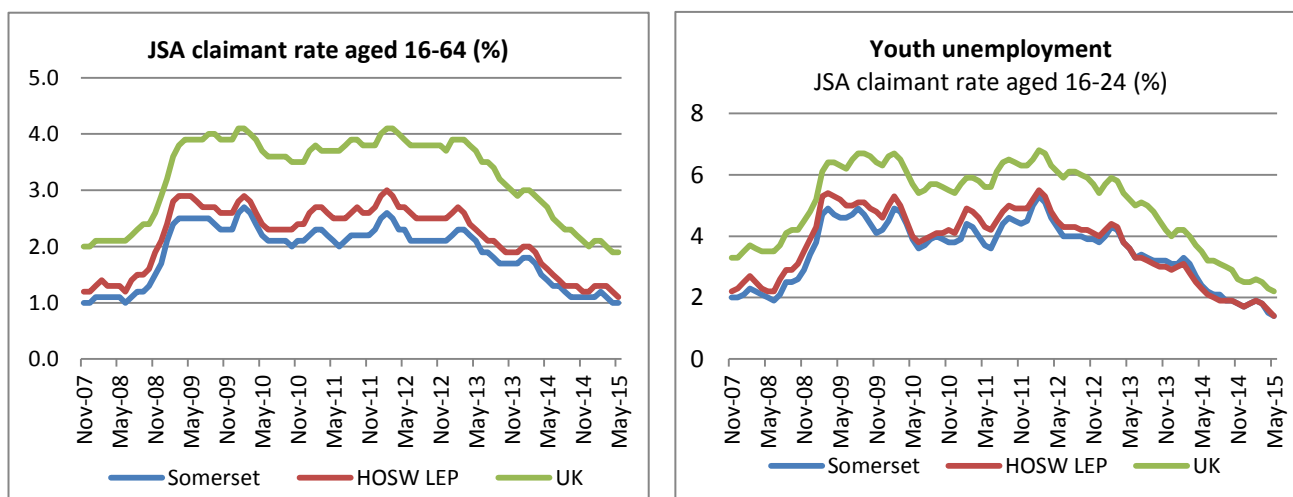
- Somerset's claimant rate has fallen significantly from its recent peak of 2.6% in January to 1% in May 2015. However, rates of long term unemployment increased steadily from May 2009 and remain higher than before the recession. The JSA claimant rate remains slightly higher amongst young people in Somerset (aged 16-24), standing at 1.4% in May 2015.
- In December 2014, 13,500 people in Somerset were unemployed; this equates to a rate of 5.2%.

### National context

- According to the Office for National Statistics<sup>6</sup>, there were 1.81 million unemployed people in the UK in April 2015. This was 43,000 fewer than for the 3 months to January 2015 and 349,000 fewer than for a year earlier. Comparing the estimates for February to April 2015 with those for the 3 months to January 2015, employment continued to rise and unemployment continued to fall. These changes maintain the general direction of movement since late 2011 to early 2012. The proportion of the economically active population who were unemployed (the unemployment rate) was 5.5%, lower than for the 3 months to January 2015 (5.7%) and for a year earlier (6.6%).
- There were 9.02 million people aged from 16 to 64 who were out of work and not seeking or available to work (known as economically inactive), 10,000 fewer than for the 3 months to January 2015 but 60,000 more than for a year earlier. The proportion of people aged from 16 to 64 who were economically inactive (the inactivity rate) was 22.2%, little changed compared with the 3 months to January 2015 and with a year earlier.

### Somerset Overview

#### Jobseekers Allowance



#### Long term unemployment

	% JSA claimants claiming 12 months+ (May 2015)		Quarterly change (Feb-May 2015)		Annual change (May 2014-May 2015)	
	Aged 16-64	Aged 16-24	Aged 16-64	Aged 16-24	Aged 16-64	Aged 16-24
UK	28.0%	13.7%	-0.4	+0.6	-1.3	-3.7
HOSW LEP	19.4%	9.7%	-0.5	+1.3	-0.9	-4.8
Somerset	17.6%	10.1%	-0.5	+0.5	-1.0	-3.7

Source: Claimant count, NOMIS 2015

<sup>6</sup> UK Labour Market, June 2015, ONS.



### Claimant rate

- In May 2015, 3,075 Somerset residents aged 16-64 were claiming Jobseekers Allowance; a claimant rate of 1%. This represents a significant decline from its recent peak of 2.6% in January 2010 and a return to the pre-recession levels of low unemployment which are typical of the Somerset economy. Claimant rates across the UK and LEP have followed a similar pattern to Somerset since 2007 although they remain consistently higher. In May 2015, 1.9% of residents nationally were claiming JSA.

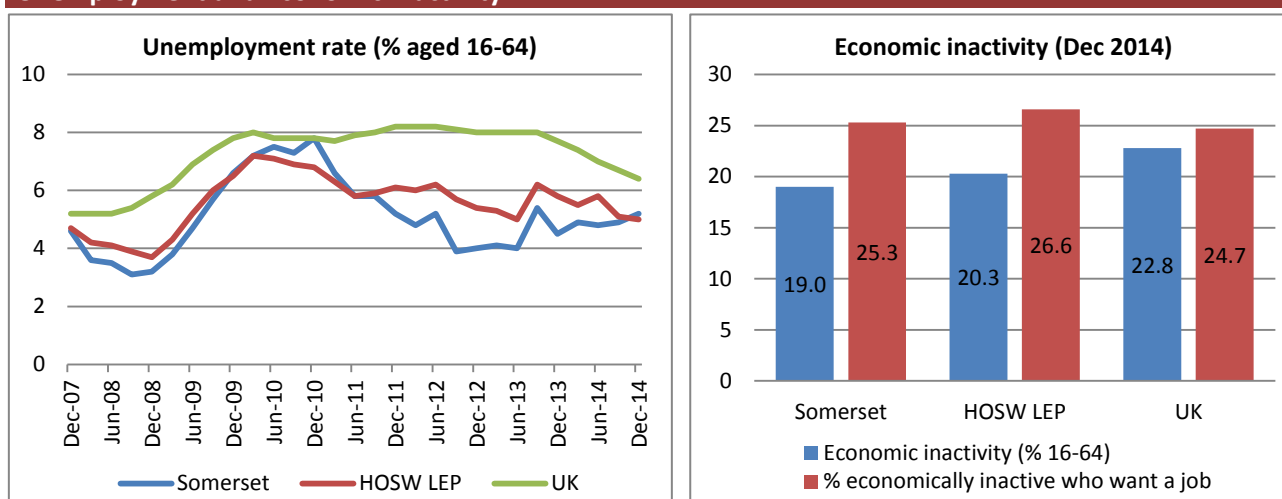
### Long-term unemployment

- Rates of long term unemployment increased steadily from May 2009 and remain higher than before the recession. In May 2015, 17.6% of Somerset residents claiming JSA had been doing so for more than 12 months, compared to the recent low of just 2.8% in May 2009. This is a substantially lower rate than national, with 27.8% at present. The rising incidence of long term unemployment is often a feature of recessions, as job-finding rates tend to remain persistently low, even after the first signs of a recovery have appeared. This 'hardening' of unemployment impacts on the individuals concerned and distances them further from the labour market.

### Young people

- At 1.4% in May 2015, the claimant rate amongst young people in Somerset (aged 16-24) is slightly higher than the overall rate but has fallen substantially from its peak of 5.3% in February 2012.

## Unemployment and Economic Inactivity



Source: Annual Population Survey, NOMIS 2015 (NB. Economic inactivity a broader measure of people who are economically inactive for a range of reasons, including students, people who are unable to work due to illness, retired people and those looking after family/ home).

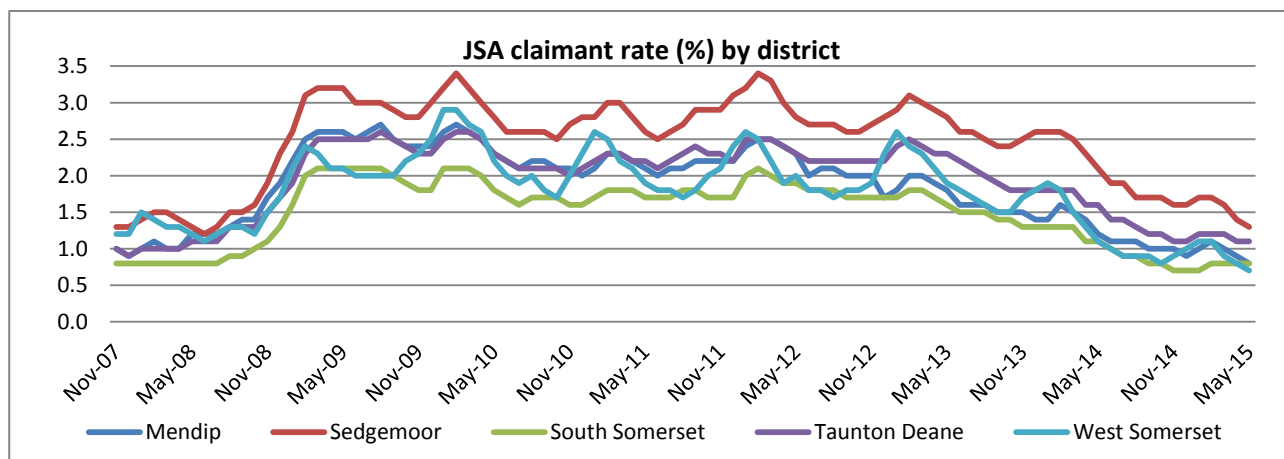
### Unemployment rate

- Often called the ILO unemployment rate, this measure assesses the number of jobless people who want to work, are available to work and are actively seeking employment. This measure is usually higher than the claimant rate as not all people looking for work are either eligible or choose to claim JSA.
- In December 2014, 13,500 people in Somerset were unemployed; this equates to a rate of 5.2%. Unemployment in the County is lower than its peak of 7.8 in December 2010 but has shown fluctuations and signs of a rising trend over the past year. Despite being consistently lower than the national rate, unemployment in Somerset has now overtaken the LEP level, which is declining.

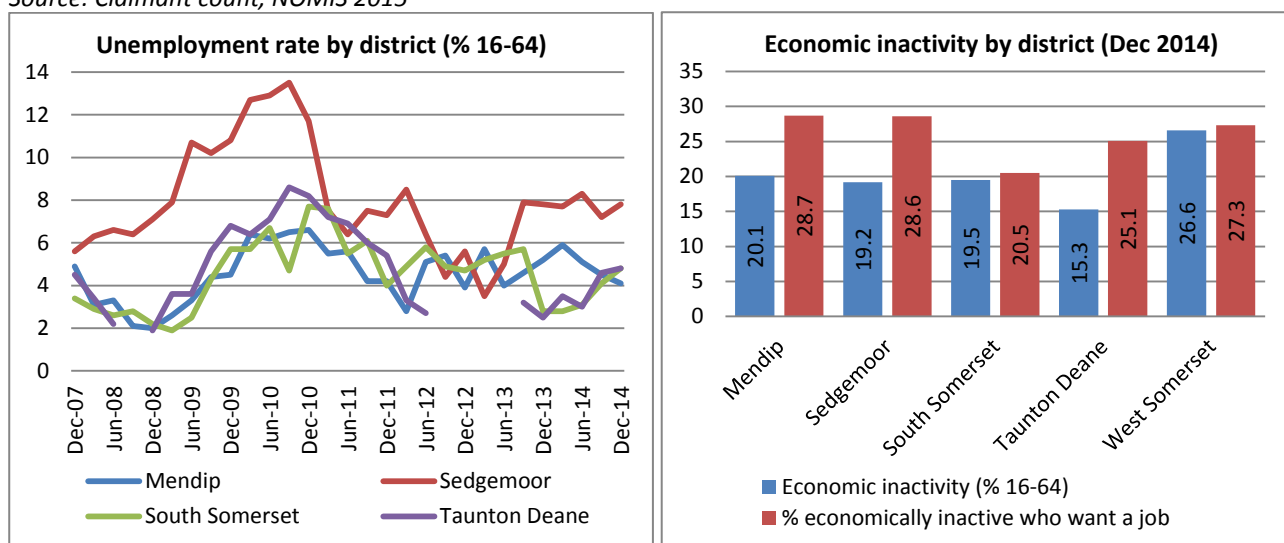
### Economic inactivity

- Somerset has a low level of economic inactivity compared to the national level (19% vs.22.8%). More than a quarter (25.3%) of the County's economically inactive residents want to be working.

## Local trends (Districts)



Source: Claimant count, NOMIS 2015



Source: Annual Population Survey, NOMIS 2015 (NB. Unemployment data not available for West Somerset).

### Claimant rate<sup>7</sup>

- Sedgemoor has the highest claimant rate of all the 5 Somerset districts (1.3%) and is also higher than the Somerset County level overall. West Somerset has the lowest claimant rate (0.7%). Rates in all districts have fallen steadily since February 2014.
- Despite falling over the last year, the claimant rate for young people remains higher than the overall rate in all of the Somerset districts (see data tables section below).

### Unemployment rate

- Sedgemoor has the highest unemployment rate of all the districts (7.8% in December 2014). The rate had declined in 2012/13 but rose again in September 2013 and has remained at a similar level ever since. Mendip currently has the lowest unemployment rate (4.1%) by a small margin.

### Economic inactivity

- West Somerset has the highest proportion of economically inactive residents (26.6%) whilst Taunton Deane has the lowest (15.3%). Mendip and Sedgemoor have the highest proportions of economically inactive residents who would like to work (28.7% and 28.6% respectively).

<sup>7</sup> For JSA claimant data below district level see: <http://informsomerset.org.uk/byTheme?themelD=28>

## DATA TABLES Chapter 4: Unemployment

### Claimant rate

	All (aged 16-64)								Young people (aged 16-24)							
	UK	HOSW LEP	Somerset	Mendip	Sedgemoor	South Somerset	Taunton Deane	West Somerset	UK	HOSW LEP	Somerset	Mendip	Sedgemoor	South Somerset	Taunton Deane	West Somerset
May-09	3.9	2.9	2.5	2.6	3.2	2.1	2.5	2.1	6.3	5.2	4.6	4.6	6.1	3.7	4.7	3.5
May-10	3.7	2.4	2.2	2.3	2.8	1.8	2.3	2.2	5.7	4.0	3.9	4.1	5.1	3.2	3.8	3.0
May-11	3.7	2.5	2.1	2.1	2.6	1.7	2.2	1.9	5.6	4.3	3.7	3.6	4.7	3.3	3.8	3.0
May-12	3.9	2.7	2.3	2.3	2.8	1.9	2.3	2.0	6.1	4.5	4.3	4.3	5.4	3.8	4.2	3.1
May-13	3.7	2.3	2.1	1.8	2.8	1.6	2.3	1.9	5.2	3.6	3.6	3.4	4.4	3.0	4.0	3.2
May-14	2.7	1.6	1.4	1.2	2.1	1.1	1.6	1.1	3.5	2.3	2.4	1.9	3.7	1.9	2.5	1.7
May-15	1.9	1.1	1.0	0.8	1.3	0.8	1.1	0.7	2.2	1.4	1.4	1.2	1.8	1.2	1.4	1.0
<b>Change 2009-15</b>	<b>-2.0</b>	<b>-1.8</b>	<b>-1.5</b>	<b>-1.8</b>	<b>-1.9</b>	<b>-1.3</b>	<b>-1.4</b>	<b>-1.4</b>	<b>-4.1</b>	<b>-3.8</b>	<b>-3.2</b>	<b>-3.4</b>	<b>-4.3</b>	<b>-2.5</b>	<b>-3.3</b>	<b>-2.5</b>

Source: NOMIS 2015

### Unemployment and economic inactivity

	Unemployment rate (aged 16-64)								Economic inactivity rate (aged 16-64)							
	UK	HOSW LEP	Somerset	Mendip	Sedgemoor	South Somerset	Taunton Deane		UK	HOSW LEP	Somerset	Mendip	Sedgemoor	South Somerset	Taunton Deane	West Somerset
Dec-09	7.8	6.5	6.6	4.5	10.8	5.7	6.8	23.5	20.9	21.0	22.9	21.1	19.6	21.3	20.6	
Dec-10	7.8	6.8	7.8	6.6	11.7	7.7	8.2	24.0	22.6	20.2	15.3	27.8	16.8	23.7	13.1	
Dec-11	8.2	6.1	5.2	4.2	7.3	4.0	5.4	24.0	22.5	21.2	21.0	24.9	22.1	17.5	16.7	
Dec-12	8.0	5.4	4.0	3.9	5.6	4.7		23.4	21.8	22.4	20.2	27.0	23.1	16.3	30.0	
Dec-13	7.7	5.8	4.5	5.2	7.8	2.8	2.5	22.9	20.6	19.7	24.5	14.8	18.7	18.4	31.0	
Dec-14	6.4	5.0	5.2	4.1	7.8	4.8	4.8	22.8	20.3	19.0	20.1	19.2	19.5	15.3	26.6	
<b>Change 2009-14</b>	<b>-1.4</b>	<b>-1.5</b>	<b>-1.4</b>	<b>-0.4</b>	<b>-3.0</b>	<b>-0.9</b>	<b>-2.0</b>	<b>23.5</b>	<b>20.9</b>	<b>21.0</b>	<b>22.9</b>	<b>21.1</b>	<b>19.6</b>	<b>21.3</b>	<b>20.6</b>	

Source: Annual Population Survey, NOMIS 2015 (NB. Unemployment rate data not available for West Somerset).

## Chapter 5: Employment

### Key facts

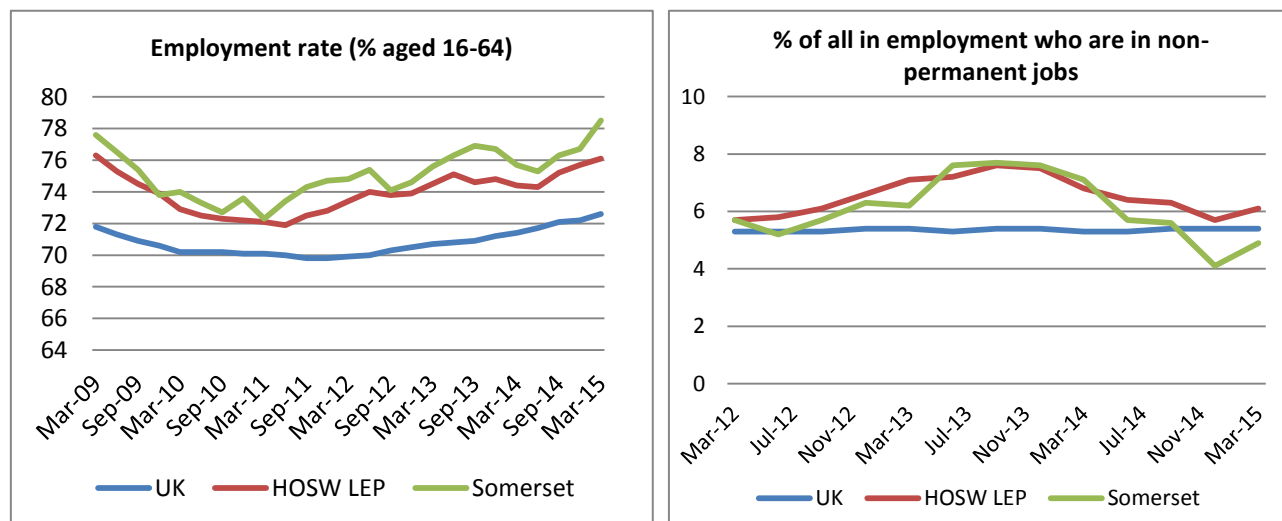
- Somerset has a higher employment rate than the UK overall (78.5% compared to 72.6%).
- 12,700 people in Somerset were employed in non-permanent jobs (4.9% of all those in employment).
- Somerset has higher levels of self-employment than the UK (17.5% compared to 14.7%). The proportion of people in the County who are self-employed has increased by 20% since 2009.

### National context

- According to the Office for National Statistics<sup>8</sup>, there were 30.98 million people in work in May 2015. This was 67,000 fewer than for the 3 months to February 2015, the first quarterly fall since February to April 2013. Comparing March to May 2015 with a year earlier, there were 265,000 more people in work (272,000 more people working full-time and 7,000 fewer people working part-time).
- Self-employment<sup>9</sup> is higher than at any point over past 40 years and the rise in total employment since 2008 is predominantly among the self-employed. Self-employed workers tend to be older than employees and are more likely to work more (over 45) or fewer (8 or less) hours.

### Somerset Overview

#### Employment



Source: Annual Population Survey, NOMIS 2015

#### Employment rate

- In March 2015, 78.5% of Somerset's population aged 16-64 were in employment, a higher rate than both the nationally and across the LEP area (72.6% and 76.1% respectively). Employment rates dipped during 2010 and 2011 in the aftermath of the economic downturn but have been rising steadily since.

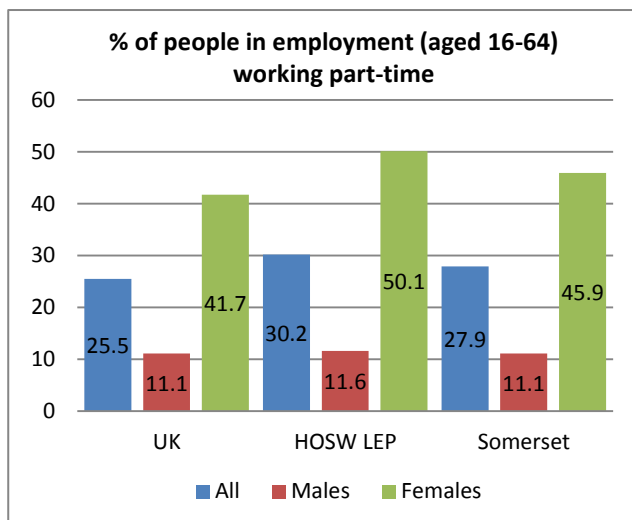
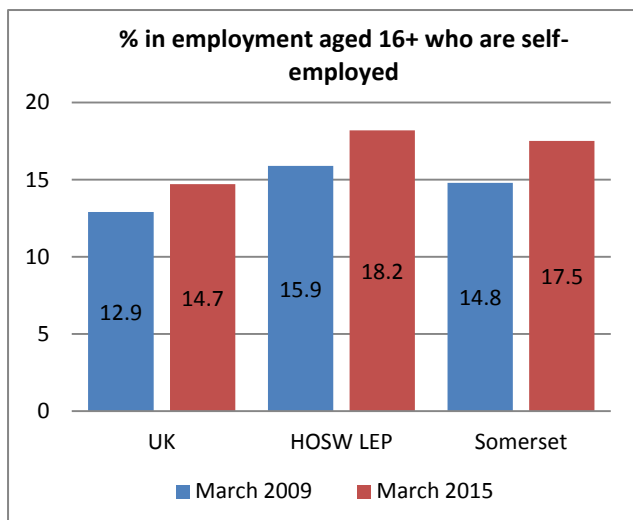
#### Non-permanent employment

- In March 2015, 12,700 people in Somerset were employed in non-permanent jobs (4.9% of all those in employment). This is a decrease from its peak of 7.7% in September 2013. Some temporary employment is likely to be seasonal (i.e. summer and Christmas) but the trend does not support this as the only factor. Businesses adjusting to uncertain financial and market conditions may use temporary contracts. Interestingly, this pattern is reflected at national level, where the rate remained constant.

<sup>8</sup> UK Labour Market, July 2015, ONS

<sup>9</sup> Self-employed workers in the UK 2014, ONS

## Working patterns



Source: Annual Population Survey, NOMIS 2015

### Self-employment

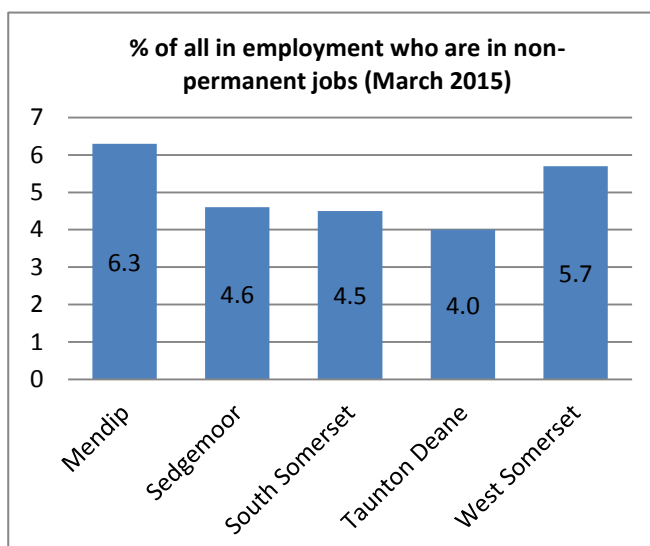
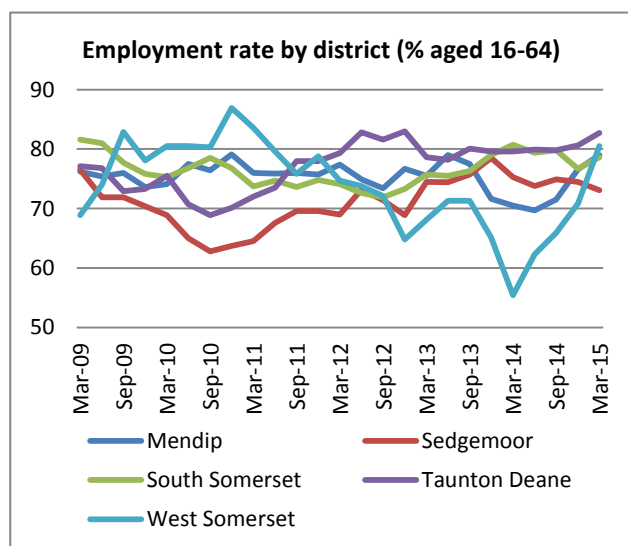
- Rates of self-employment are increasing across Somerset, the LEP area and nationally. In March 2015, 45,800 people in Somerset were self-employed, an increase of 7,600 from March 2009 (+20%). Somerset has higher levels of self-employment than the UK (17.5% compared to 14.7%) but the LEP area exceeds this at 18.2%.

### Part-time working

- 27.9% of Somerset's workforce work part-time; a higher level than nationally (25.5%) but lower than the LEP area (30.2%). This represents a slight decline from a recent peak in the County of 32.9% in December 2013. Considered in conjunction with rates of non-permanent employment above, the figures indicate a period of slightly decreased labour market stability during 2013, with more part-time and temporary employment either by choice or necessity. A much higher proportion of women than men work part-time across all the 3 geographical areas, a trend that has persisted over time.

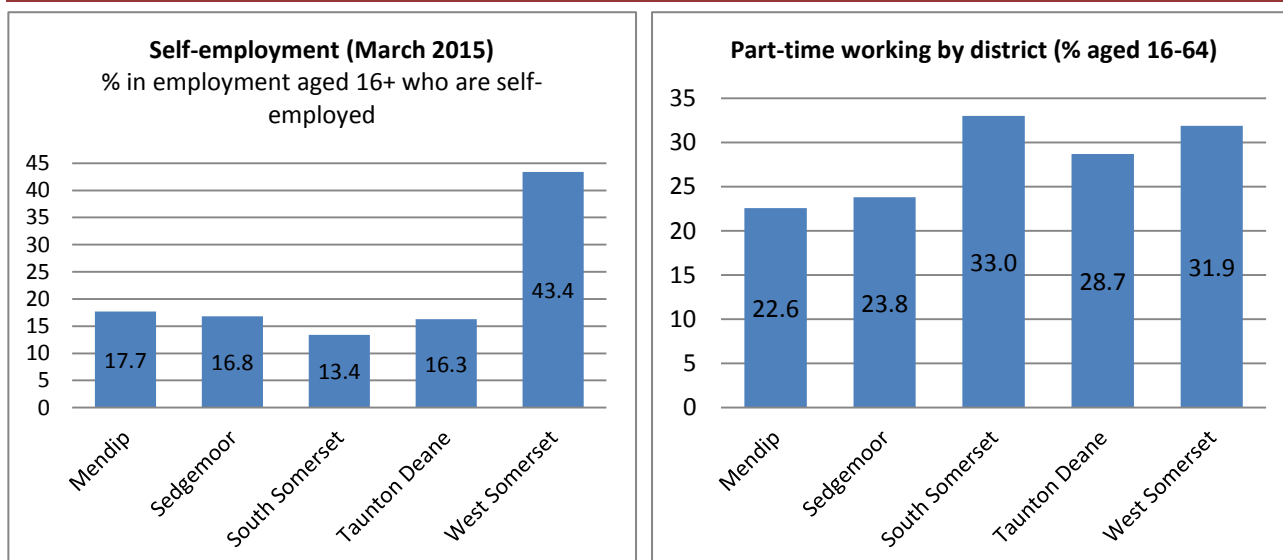
## Local trends (Districts)

### Employment



Source: Annual Population Survey, NOMIS 2015

## Working patterns



Source: Annual Population Survey, NOMIS 2015

- Taunton Deane currently has the highest employment rate of all the districts in Somerset (82.7%) and Sedgemoor has lowest (73.1%) but rates have fluctuated over time and there is no clear pattern. West Somerset has seen greatest increase in employment rates since 2009 (+11.6%) whereas Sedgemoor shows the greatest decrease (-3.4%).
- Mendip and West Somerset have highest proportions of their workforce in non-permanent roles as at March 2015 (6.3% and 5.7% respectively). Rates of non-permanent employment have fallen since 2012 for all Somerset districts (data not available for West Somerset).
- 43.4% of West Somerset's workforce is self-employed, more than double the proportion of the other districts. Levels of self-employment have increased in all the districts since 2009 but Sedgemoor has seen the greatest rise (+7.3%).
- Part-time working is most prevalent in South Somerset and West Somerset, with 33% and 31.9% respectively of the workforce employed in this way. Since 2009, these two areas have seen an increase in levels of part-time working whilst the other three districts have seen a decrease. These rates are substantially higher than the 25.5% of people who work part-time across the UK and Somerset (27.9%).

## DATA TABLES Chapter 5: Employment

Employment rate (% aged 16-64)

	UK	HOSW LEP	Somerset	Mendip	Sedgemoor	South Somerset	Taunton Deane	West Somerset
Mar-09	71.8	76.3	77.6	76.2	76.5	81.6	77.1	68.9
Mar-10	70.2	72.9	74.0	74.1	68.9	75.3	75.5	80.5
Mar-11	70.1	72.1	72.3	76.0	64.5	73.7	72.0	83.6
Mar-12	69.9	73.4	74.8	77.4	69.0	74.1	79.3	74.7
Mar-13	70.7	74.5	75.6	75.5	74.5	75.7	78.6	68.1
Mar-14	71.4	74.4	75.7	70.5	75.3	80.7	79.6	55.4
Mar-15	72.6	76.1	78.5	79.0	73.1	78.6	82.7	80.5
<b>Change 2009-15</b>	<b>0.8</b>	<b>-0.2</b>	<b>0.9</b>	<b>2.8</b>	<b>-3.4</b>	<b>-3.0</b>	<b>5.6</b>	<b>11.6</b>

% of residents in employment aged 16+ who are self-employed

	UK	HOSW LEP	Somerset	Mendip	Sedgemoor	South Somerset	Taunton Deane	West Somerset
Mar-09	12.9	15.9	14.8	17.5	9.5	11.4	16.2	38.7
Mar-10	13.4	15.0	13.7	15.9	9.6	11.8	12.7	31.8
Mar-11	13.6	16.3	14.6	16.4	13.5	14.8	11.7	20.2
Mar-12	14.1	16.5	15.9	18.5	14.2	17.7	9.6	27.3
Mar-13	14.2	17.2	16.8	17.0	13.6	17.8	15.2	29.7
Mar-14	14.6	17.9	17.4	16.9	18.1	19.1	9.6	40.4
Mar-15	14.7	18.2	17.5	17.7	16.8	13.4	16.3	43.4
<b>Change 2009-15</b>	<b>1.8</b>	<b>2.3</b>	<b>2.7</b>	<b>0.2</b>	<b>7.3</b>	<b>2.0</b>	<b>0.1</b>	<b>4.7</b>

% of employed residents in non-permanent employment (aged 16-64)

	UK	HOSW LEP	Somerset	Mendip	Sedgemoor	South Somerset	Taunton Deane	West Somerset
Mar-12	5.3	5.7	5.7	7.4	5.1	5.9	5.2	N/A
Jun-12	5.3	5.8	5.2	5.1	3.1	5.4	7.9	N/A
Sep-12	5.3	6.1	5.7	4.5	5.9	5.1	8.3	N/A
Dec-12	5.4	6.6	6.3	3.5	6.4	7.8	8.0	N/A
Mar-13	5.4	7.1	6.2	4.2	6.3	7.8	7.5	N/A
Jun-13	5.3	7.2	7.6	5.6	7.7	9.6	8.4	N/A
Sep-13	5.4	7.6	7.7	8.0	6.2	10.0	7.5	N/A
Dec-13	5.4	7.5	7.6	10.2	5.6	7.9	8.3	N/A
Mar-14	5.3	6.8	7.1	8.3	5.6	7.1	8.7	N/A
Jun-14	5.3	6.4	5.7	7.1	6.0	4.7	5.9	N/A
Sep-14	5.4	6.3	5.6	5.3	5.8	4.5	7.7	N/A
Dec-14	5.4	5.7	4.1	2.8	4.7	4.1	4.5	5.0
Mar-15	5.4	6.1	4.9	6.3	4.6	4.5	4.0	5.7
<b>Change 2012-15</b>	<b>0.1</b>	<b>0.4</b>	<b>-0.8</b>	<b>-1.1</b>	<b>-0.5</b>	<b>-1.4</b>	<b>-1.2</b>	<b>N/A</b>

% in employment (aged 16-64) working part-time

	UK	HOSW LEP	Somerset	Mendip	Sedgemoor	South Somerset	Taunton Deane	West Somerset
Mar-09	24.6	29.6	28.7	31.8	27.7	25.6	32.1	26.4
Mar-10	25.5	31.0	30.3	28.1	30.8	25.0	37.5	37.8
Mar-11	25.8	30.3	27.8	32.2	22.1	23.3	30.9	41.5
Mar-12	25.9	29.6	27.9	31.3	27.3	22.3	31.3	33.3
Mar-13	25.8	29.3	29.7	33.5	27.7	27.8	30.4	31.3
Mar-14	25.6	30.5	32.8	33.8	32.4	33.4	32.4	27.3
Mar-15	25.5	30.2	27.9	22.6	23.8	33.0	28.7	31.9
<b>Change 2009-15</b>	<b>0.9</b>	<b>0.6</b>	<b>-0.8</b>	<b>-9.2</b>	<b>-3.9</b>	<b>7.4</b>	<b>-3.4</b>	<b>5.5</b>

Source: Annual Population Survey, NOMIS 2015

## Chapter 6: Occupation and Earnings

### Key facts

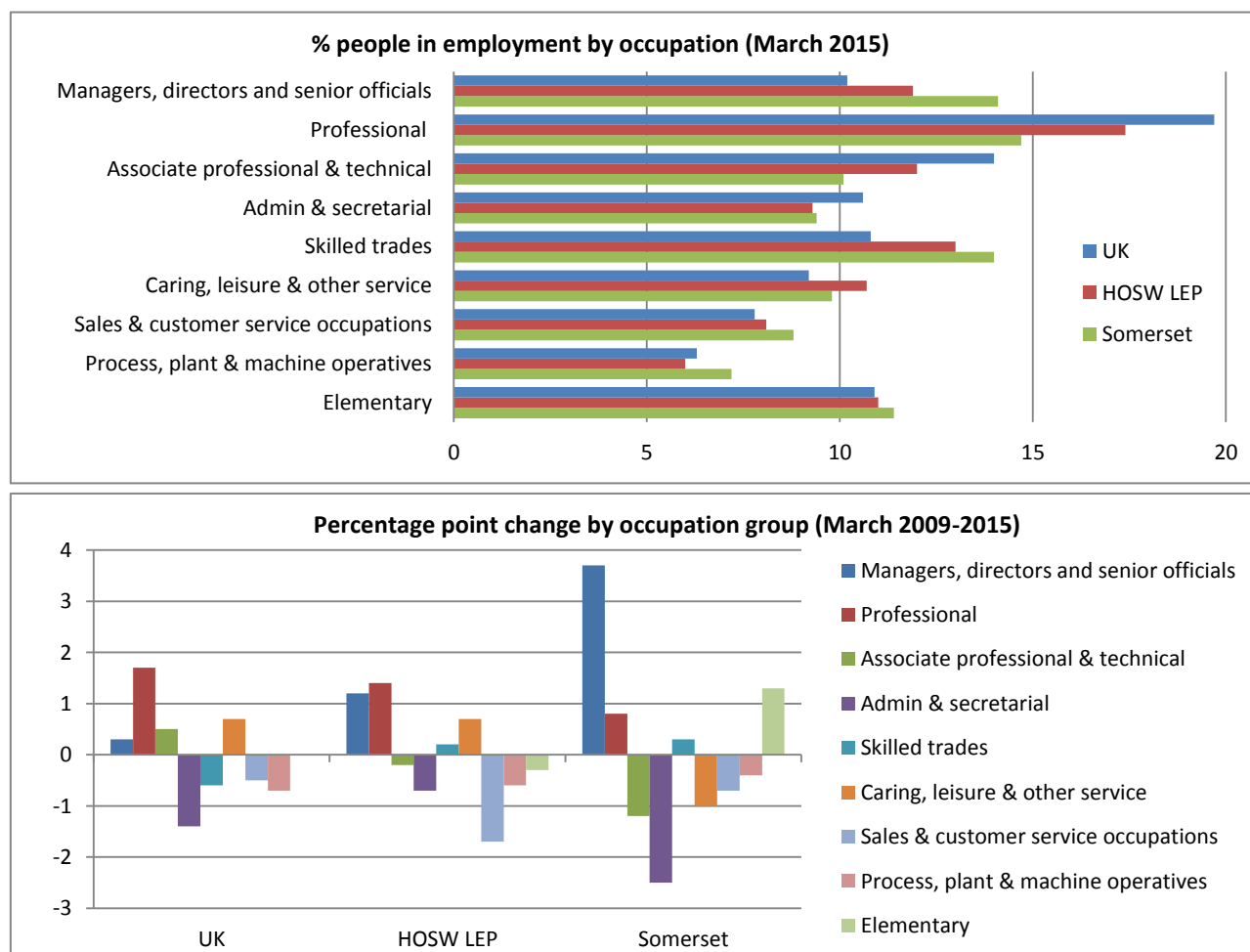
- The majority of people in employment in Somerset are working in professional occupations (14.7% at March 2015).
- Since 2009, the greatest change in Somerset's occupational structure has been in senior manager and director occupations, with an increase of 3.7 percentage points.
- Average earnings in Somerset are consistently lower than the UK level but gross disposable household income is approximately 2% higher.

### National context

- At a national level, the occupational structure of the UK is changing. Since 2004, the proportion of people employed in professional occupations has increased from 16.9% to 19.7%.<sup>10</sup> Caring, leisure and service occupations and associate professional and technical occupations also showed an increase. Conversely, admin and secretarial occupations are declining, with 10.6% of people working in this field in 2015 compared to 13% in 2004. Skilled trades, process, plant and machine operatives and elementary occupations are also in decline.

### Somerset Overview

#### Occupation



Source: Annual Population Survey, NOMIS 2015

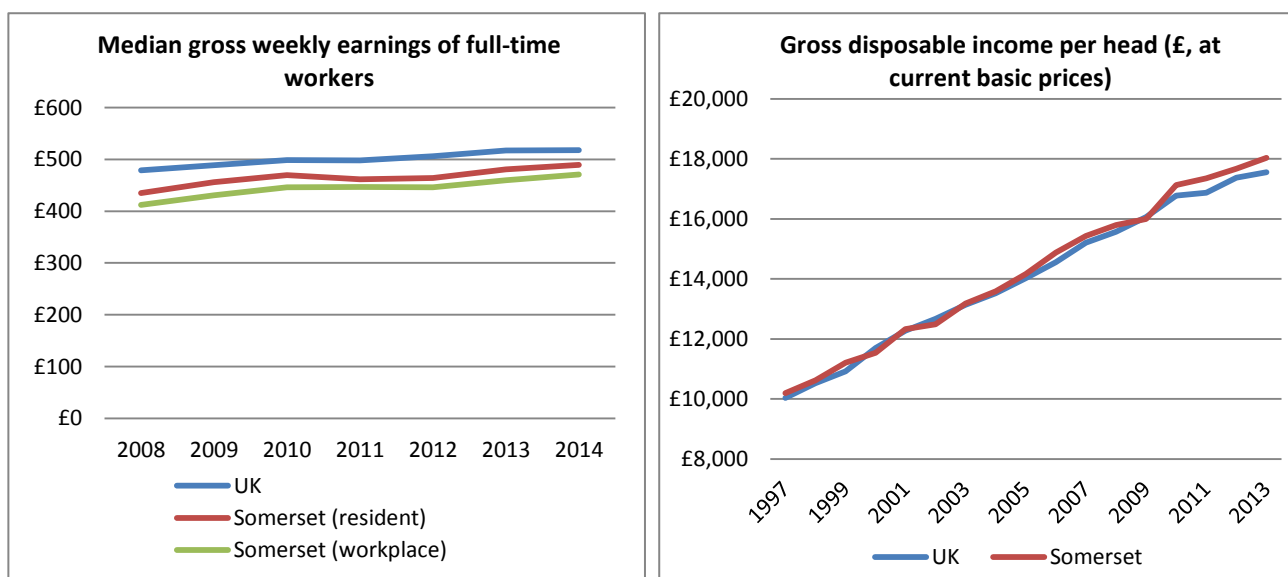
<sup>10</sup> Annual Population Survey data, December 2004 to March 2015, NOMIS.



## Occupational structure

- The majority of people in employment in Somerset are working in professional occupations (14.7% at March 2015), although this is a smaller proportion than the national and LEP levels (19.7% and 17.4% respectively).
- 14.1% of Somerset's workforce are employed in senior manager and director roles, a higher proportion than nationally and across the LEP. Skilled trades are also well-represented in the County, with 14% of people employed in these occupations.
- Since 2009, the greatest change in the County has been in senior manager and director occupations, with an increase of 3.7 percentage points. The greatest decrease has been in admin and secretarial occupations which have declined from 11.9% to 9.4% of Somerset's workforce.

## Earnings



Source: Annual Survey of Hours and Earnings 2014 (NB. Data not available for LEP areas) / Regional Gross Disposable Household Income, ONS 2014

## Average earnings

- Average earnings in Somerset are consistently lower than the UK level. Locally, average earnings can be analysed on the basis of 'workplace' or 'resident' data. Resident data shows the average earnings for all those living within Somerset. Workplace data is calculated on the basis of average wages being paid by employers within the area. Resident-based average earnings in Somerset are marginally higher than workplace-based earnings because there is some 'leakage' of residents commuting out of the County to higher value jobs in surrounding areas.

## Disposable income

- Gross Disposable Household Income (GDHI) is the amount of money that individuals (that is, the household sector) have available for spending or saving. This is money left after expenditure associated with income, for example taxes and social contributions.<sup>11</sup>
- In 2013, Gross disposable household income (GDHI) per head in Somerset stood at £18,033 compared to £17,559 nationally. Somerset's GDHI was consistently on a par with the UK level until 2010 when the County figure increased above the national level. This small gap of approximately 2% has remained since then. This is probably due to the high number of retirees in Somerset and their pension incomes.

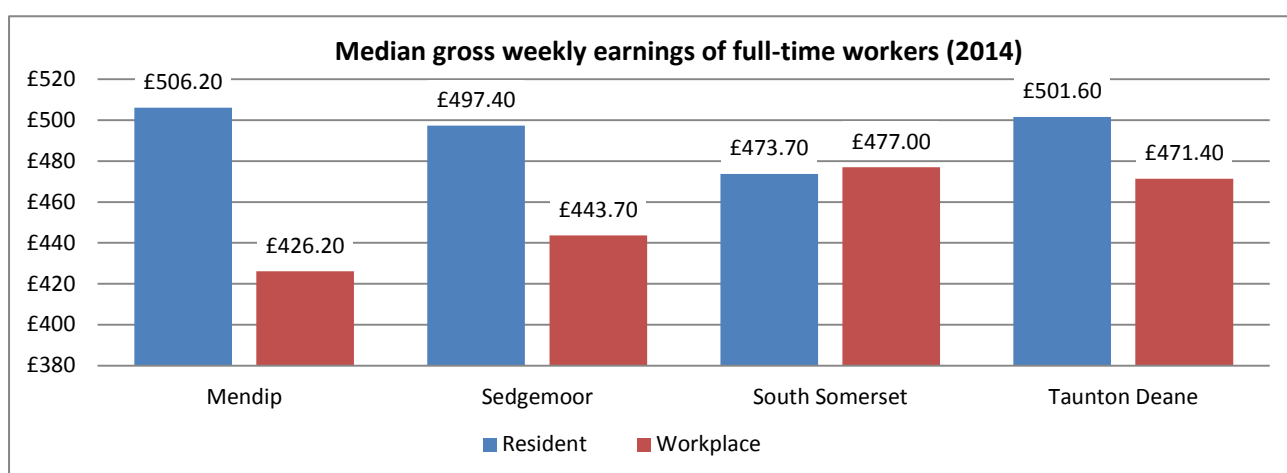
<sup>11</sup> For further information see ONS Regional Gross Disposable Household Income Information Paper, 21/10/2014.

## Local trends (Districts)

**Occupational structure by district (March 2015)** Green = higher than Somerset, Red = lower than Somerset

Occupation group	Mendip	Sedgemoor	South Somerset	Taunton Deane	West Somerset
Managers, directors and senior officials	13.7	19.3	12.7	12.0	13.7
Professional	22.0	12.8	13.4	14.9	N/A
Associate professional & technical	11.3	5.7	10.3	12.6	9.1
Admin & secretarial	5.7	11.7	8.6	12.7	6.3
Skilled trades	14.4	17.0	11.0	12.2	23.5
Caring, leisure & other service	7.9	3.7	13.1	11.2	14.3
Sales & customer service occupations	5.6	4.6	11.5	11.0	12.5
Process, plant & machine operatives	8.4	10.5	6.4	4.4	N/A
Elementary	11.0	14.8	11.1	8.9	12.5

Source: Annual Population Survey, NOMIS 2015



Source: Annual Survey of Hours and Earnings 2014. NB. Data not available for West Somerset due to small sample size.

### Occupational structure

- Of all the districts, Sedgemoor has the highest proportion of its workforce employed as managers, directors and senior officials (19.3%) whereas Taunton Deane has the lowest (12%). Mendip has the highest proportion of residents employed in professional occupations (22%) and Sedgemoor has the lowest (12.8%).
- Employment in skilled trades is highest in West Somerset by a substantial margin over the other districts (23.5%). West Somerset also has the highest proportion of residents working in caring, leisure and other service activities (14.3%).

### Average earnings

- Mendip has the highest average earnings on a resident basis (£506.20) but the lowest on a workplace basis (£426.20) suggesting high levels of out-commuting to higher value jobs. A similar but less exaggerated pattern is evident in Sedgemoor and Taunton Deane. Only South Somerset has higher workplace-based than resident-based earnings indicating the presence of high value employers.
- Resident-based earnings have increased most in Taunton Deane since 2008 (+15.5%), whereas workplace-based earnings have shown the most growth in South Somerset (12.7%).

## DATA TABLES Chapter 6: Occupation and Earnings

### % of all in employment by occupation (March 2015)

### Change in occupational structure (2009-2015)

	UK	HOSW LEP	Somerset	Mendip	Sedgemoor	South Somerset	Taunton Deane	West Somerset	UK	HOSW LEP	Somerset	Mendip	Sedgemoor	South Somerset	Taunton Deane	West Somerset
Managers, directors & senior officials	10.2	11.9	14.1	13.7	19.3	12.7	12	13.7	0.3	1.2	3.7	5	7.3	3.8	2	-6.7
Professional	19.7	17.4	14.7	22	12.8	13.4	14.9	N/A	1.7	1.4	0.8	4.9	-0.9	0.7	-1.2	N/A
Associate professional & technical	14	12	10.1	11.3	5.7	10.3	12.6	9.1	0.5	-0.2	-1.2	-1.2	-3.2	-3.4	1.4	N/A
Admin & secretarial	10.6	9.3	9.4	5.7	11.7	8.6	12.7	6.3	-1.4	-0.7	-2.5	-8.2	-0.3	-2.3	1.2	-4.5
Skilled trades	10.8	13	14	14.4	17	11	12.2	23.5	-0.6	0.2	0.3	2.7	6.7	-4.1	-2	0.5
Caring, leisure & other service	9.2	10.7	9.8	7.9	3.7	13.1	11.2	14.3	0.7	0.7	-1	-3.8	-4.5	3.5	-0.6	-5.8
Sales & customer service	7.8	8.1	8.8	5.6	4.6	11.5	11	12.5	-0.5	-1.7	-0.7	-0.9	-8.3	2.7	0.6	3.9
Process, plant & machine operatives	6.3	6	7.2	8.4	10.5	6.4	4.4	N/A	-0.7	-0.6	-0.4	2	-0.1	-1.2	-2.8	N/A
Elementary	10.9	11	11.4	11	14.8	11.1	8.9	12.5	0	-0.3	1.3	-0.5	5.7	-0.9	1.3	5

Source: Annual Population Survey, NOMIS 2015

### Average earnings (median gross weekly pay of full-time workers)

#### Resident-based

#### Workplace-based

	UK	Somerset	Mendip	Sedgemoor	South Somerset	Taunton Deane	West Somerset	UK	Somerset	Mendip	Sedgemoor	South Somerset	Taunton Deane	West Somerset
2008	£479.10	£435.00	£442.50	£437.00	£427.60	£434.40	£458.70	£479.10	£412.00	£410.40	£399.20	£423.10	£421.90	N/A
2014	£518.00	£489.10	£506.20	£497.40	£473.70	£501.60	N/A	£518.00	£470.90	£426.20	£443.70	£477.00	£471.40	N/A
<b>Change 2008-2014</b>	<b>8.1%</b>	<b>12.4%</b>	<b>14.4%</b>	<b>13.8%</b>	<b>10.8%</b>	<b>15.5%</b>	<b>N/A</b>	<b>8.1%</b>	<b>14.3%</b>	<b>3.8%</b>	<b>11.1%</b>	<b>12.7%</b>	<b>11.7%</b>	<b>N/A</b>

Source: Annual Survey of Hours and Earnings, NOMIS 2015

### Gross disposable household income (GDHI) per head at current basic prices (£)

	2005	2006	2007	2008	2009	2010	2011	2012	2013
UK	14,028	14,561	15,211	15,571	16,058	16,775	16,875	17,378	17,559
Somerset	14,158	14,878	15,432	15,791	15,997	17,128	17,357	17,670	18,033

Source: Regional Gross Disposable Income, ONS – May 2015

## Chapter 7: Skills, education and training

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### Key facts

- 34.6% of Somerset's economically active population aged 16-64 are qualified to NVQ4 or above, a lower proportion than nationally (40.3%) and across the LEP area (36.1%).
- The number of apprenticeship starts in Somerset increased steadily from 2,580 in 2008/9 to its recent peak of 5,230 in 2011/12.
- Higher Education provision across Somerset is sparse. According to HEFCE mapping, the majority of Somerset wards (63.2%) are in the 2 lowest deciles in terms of access to HE provision.
- Employer surveys indicate that school leavers are better prepared for work in Somerset than nationally. 23% of Somerset employers who were surveyed as part of the UK Commission's Employer Skills Survey (UKCESS) had found 16 year-old school leavers to be poorly prepared for work, compared to 27% across the LEP area and 36% nationally.

### National context

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#### Workforce skills

- Labour Force Survey data are used to measure the highest qualification levels of the working age population in England, where Level 2 equates to achievement of 5 or more GCSEs at grades A\*-C or equivalent qualifications, Level 3 equates to achievement of 2 or more A-levels or equivalent qualifications, and Level 4 and above to higher education and degree level qualifications.<sup>12</sup> Provisional data for 2014 show that for men and women aged 19 to 64: 81% were qualified to at least Level 2; 62.6% were qualified to at least Level 3; 41% were qualified to at least Level 4.<sup>13</sup>

#### Apprenticeships

- All age Apprenticeship participation has increased since 2009/10 to 851,500 Apprenticeships in 2013/14, although there was a small decrease between 2012/13 and 2013/14. Apprenticeship participation increased between 2012/13 and 2013/14 for those aged under 19 and 19 to 24; the decrease was due to a fall by those aged 25+. Provisional data show 776,800 learners participated on an Apprenticeship in the first three quarters of the 2014/15 academic year (August 2014 to April 2015).

#### Skills gaps

- Findings from the UKCES 2013<sup>14</sup> support a picture of a UK economy which is moving towards recovery. The number of employers reporting vacancies at the time of the survey (March to July 2013) was higher than at the equivalent time in 2011 (up from 14 per cent to 15 per cent), as was the number of vacancies that they reported (655,000 in 2013, a rise of 12% from 2011). Within England vacancies are back to pre-recession levels, employers reported a total of 559,600 job vacancies, a rise of 45% per cent from 2009.
- Economic growth and recovery may be constrained by skill shortages as the labour market responds to employer requirements. While in most cases demand for skills is met through successful recruitment, almost three in ten vacancies are reported to be hard-to-fill, and shortages in suitably skilled, qualified and/or experienced workers are the main reason for this. Overall, such skill-shortage vacancies represent more than one in five of all vacancies (22 per cent), up from one in six in 2011 (16 per cent).

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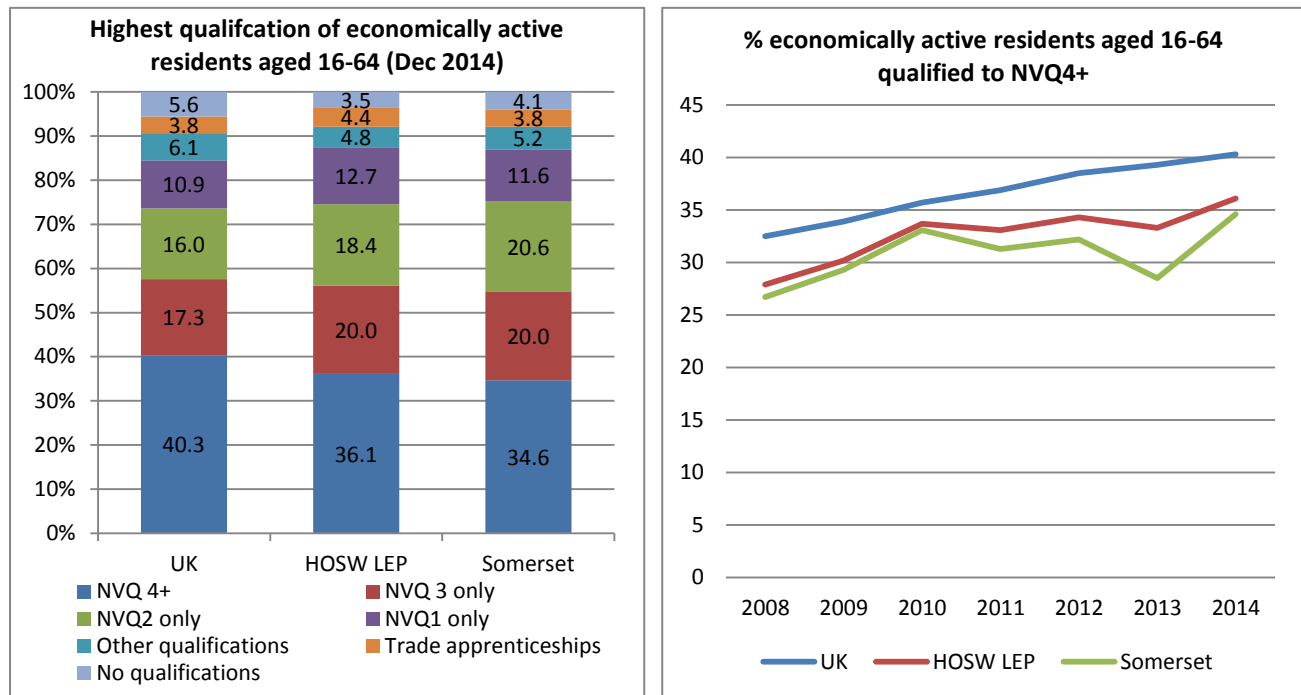
<sup>12</sup> See <https://www.gov.uk/what-different-qualification-levels-mean/compare-different-qualification-levels> for more information.

<sup>13</sup> Statistical First Release SFA/SFR29, Further Education and Skills: Learner Participation, Outcomes and Level of Highest Qualification Held, Skills Funding Agency, 25 June 2015.

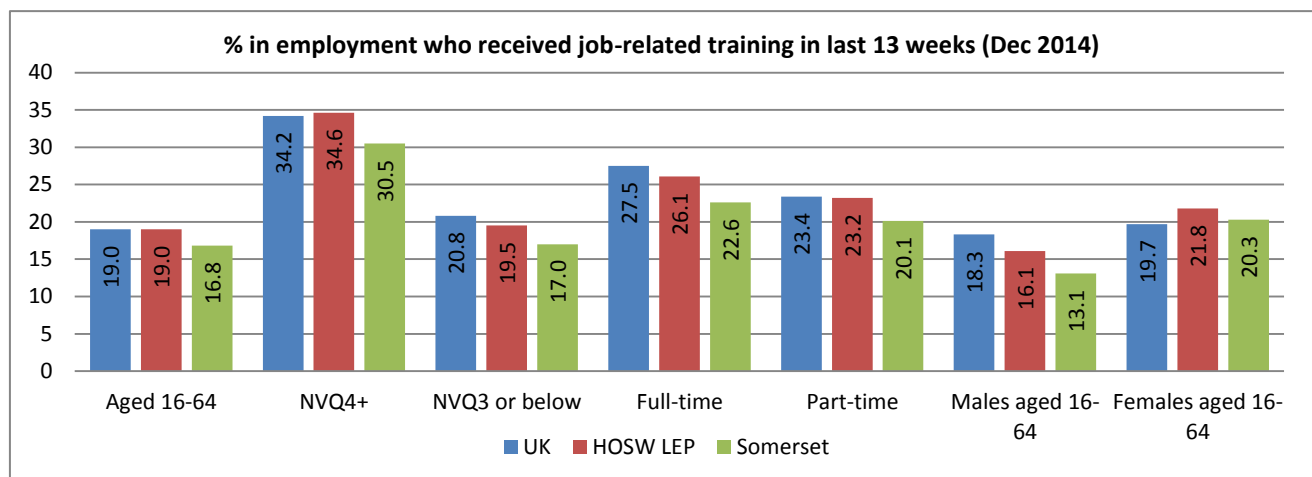
<sup>14</sup> UK Commission's Employer Skills Survey 2013: UK Results, Evidence Report 81, January 2014.

## Somerset Overview

### Workforce skills



Source: Annual Population Survey, NOMIS 2015



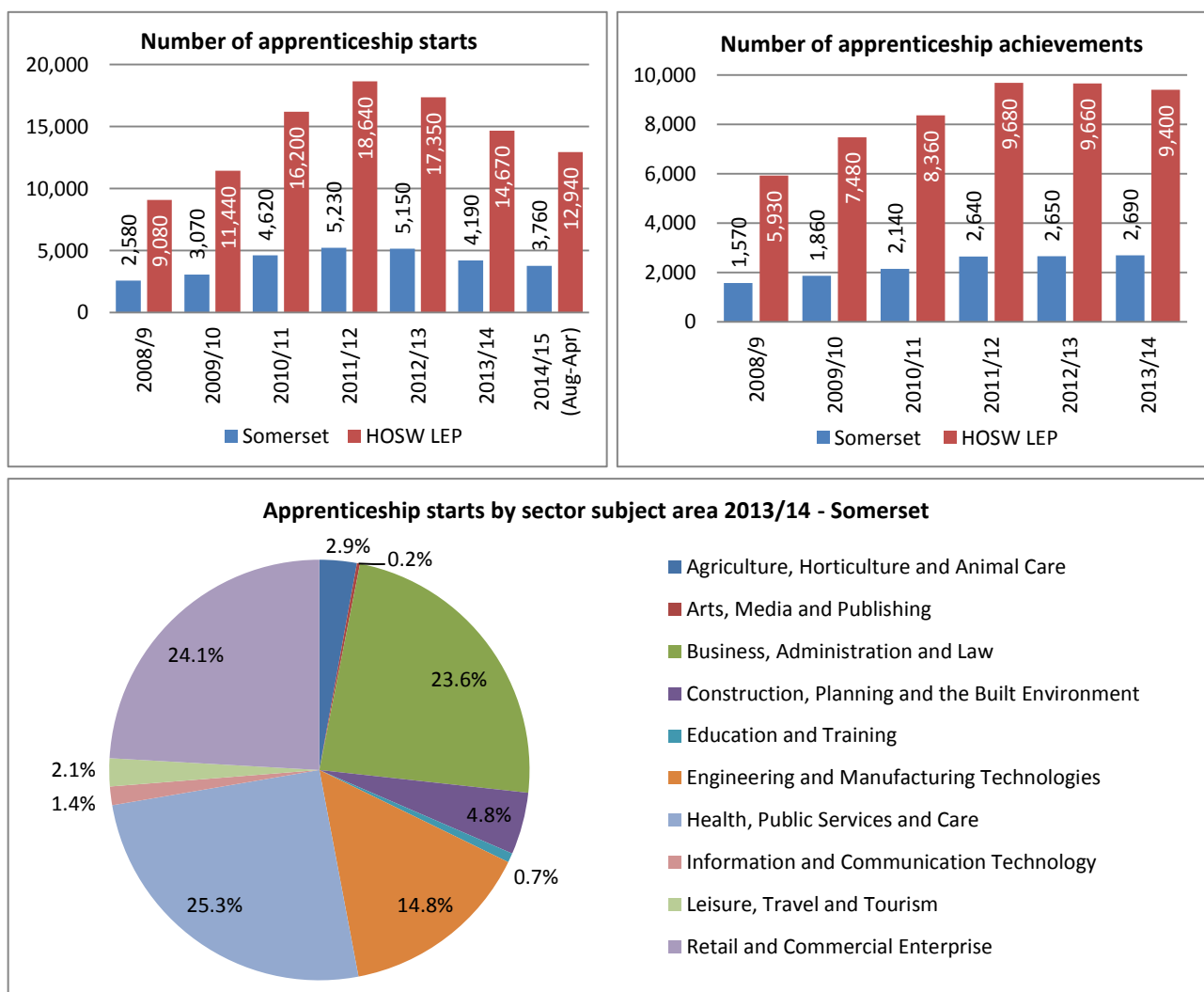
Source: Annual Population Survey, NOMIS 2015

- Somerset's workforce has a lower skills profile than the UK and LEP area. 34.6% of Somerset's economically active population aged 16-64 are qualified to NVQ4 or above, a lower proportion than nationally (40.3%) and across the LEP area (36.1%). However, higher level skills are showing improvement in the County, with a steady increase from 26.7% of the workforce qualified to this level in 2008.<sup>15</sup>
- 16.8% of Somerset's workforce aged 16-64 report that they have received job-related training in the last 13 weeks, compared to 19% nationally and across the LEP. Levels of job-related training are highest amongst those in the workforce already qualified to NVQ4+, with 30.5% of this group in Somerset receiving training in the last 13 weeks.

<sup>15</sup> For more information on qualification levels and equivalents see:

<https://nationalcareersservice.direct.gov.uk/advice/courses/Pages/QualificationsTable.aspx>

## Apprenticeships



Source: Skills Funding Agency / Department for Business, Innovation & Skills 2015<sup>16</sup>

- The number of apprenticeship starts in Somerset increased steadily from 2,580 in 2008/9 to its recent peak of 5,230 in 2011/12. Starts have remained consistently above 4,000 per annum since then and provisional year-to-date figures for 2014/15 show continued strong performance with 3,760 apprenticeship starts in the County so far.
- The highest proportion of apprenticeships started in Somerset in 2013/14 were in health, public services and care (25.3%) followed by retail and commercial enterprise (24.1%) and business, administration and law (23.6%).
- The number of apprenticeship achievements in Somerset reached 2,690 in 2013/14, almost double the number in 2008/9 and showing consistent year-on-year improvement.

<sup>16</sup> <https://www.gov.uk/government/statistical-data-sets/fe-data-library-apprenticeships>

### Not in Education Employment or Training (NEET)

- The majority of young people succeed in education and make a positive transition to adult life and the world of work. But there remains a small proportion who do not, and who become NEET (not in education, employment or training).
- Department for Education annual estimates of young people aged 16-18 not in education, employment or training reveal that, at the end of 2013, an estimated 870 young people in Somerset were NEET, representing 5.0% of the 16-18 population. There are wide variations with age: 2.0% of 16 year olds were NEET, increasing to 5.0% of 17 year olds, and 8.1% of 18 year olds.
- The estimated proportion of NEETs in Somerset in 2013 was marginally below the South West regional average (5.2%).

### Pupils going into Higher Education

- Around 37% of pupils in state-funded mainstream schools and colleges in Somerset attended a UK higher education (HE) establishment the year after Key Stage 5, according to 2012/13 figures. This represents a notable fall on the 44% of Somerset pupils going to HE in 2011/12, a year before the increase in tuition fees.
- The proportion of Somerset pupils going to HE in 2012/13 remained well below the national average (of 48%) and was the 11<sup>th</sup> equal lowest of any local authority area in England. The South West continues to have the lowest rate of pupils going to university of any region in England.<sup>17</sup>

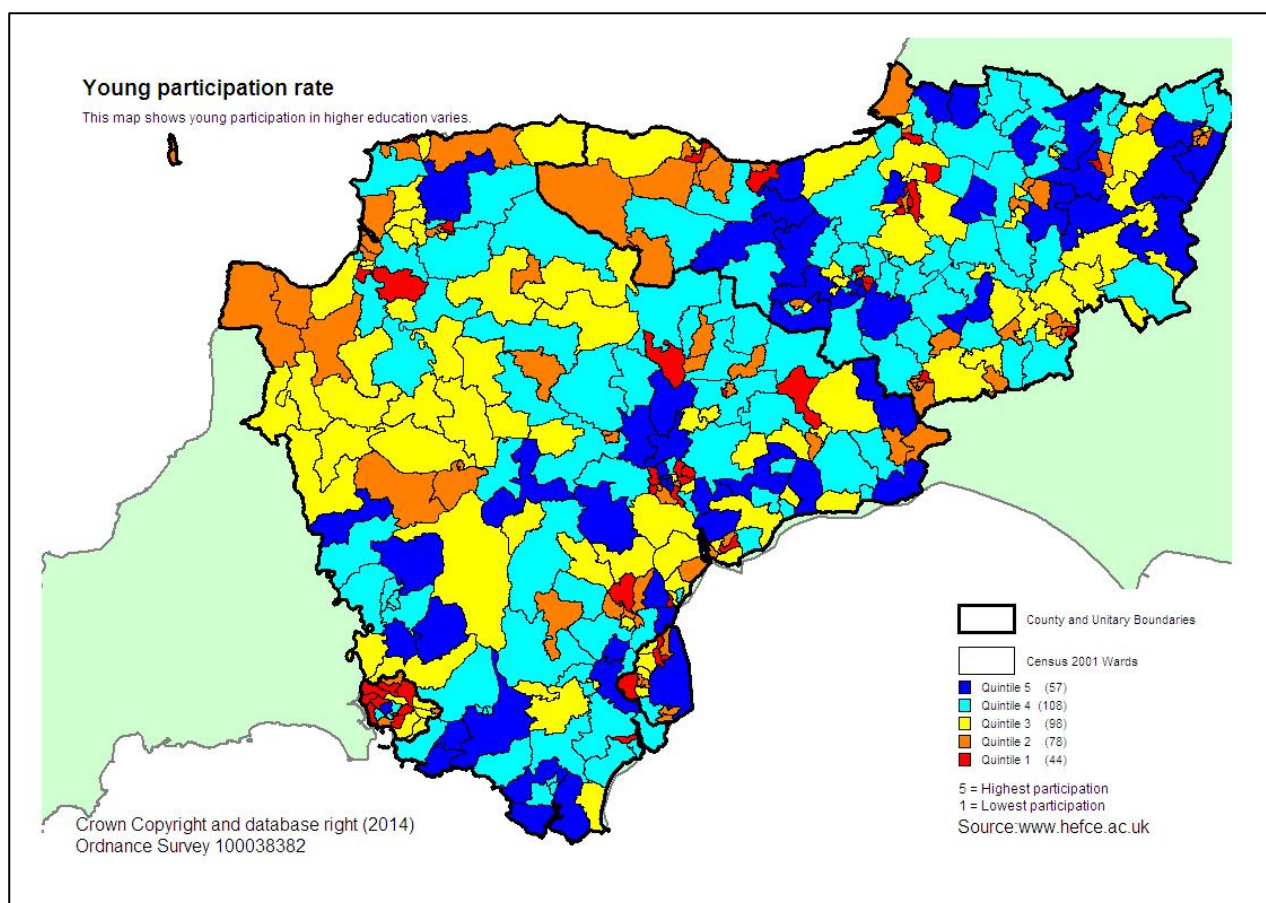
### Higher Education Participation

- Somerset is a recognised 'HE Cold Spot'. The map below shows the proportion of young people in each ward across the LEP area who participate in Higher Education (HEFCE HE 'cold spots' mapping, 2014). According to the HEFCE research, 32% of Somerset's wards have a low HE participation rate (in the 1<sup>st</sup> or 2<sup>nd</sup> quartile), a higher proportion than the LEP overall (31.3%).
- Somerset also has concentrated areas of very low participation. Bridgwater Hamp ward has the lowest HE participation rate (9%) of all the LEP wards and Bridgwater Sydenham has the third lowest (10.4%).

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<sup>17</sup> <http://www.somersetintelligence.org.uk/eet-neet.html>





Source: HEFCE Data maps of Higher Education Provision 2015 <http://www.hefce.ac.uk/analysis/yp/>

The HEFCE research also examined 'participation gaps'; the difference between expected<sup>18</sup> and actual levels of HE participation:

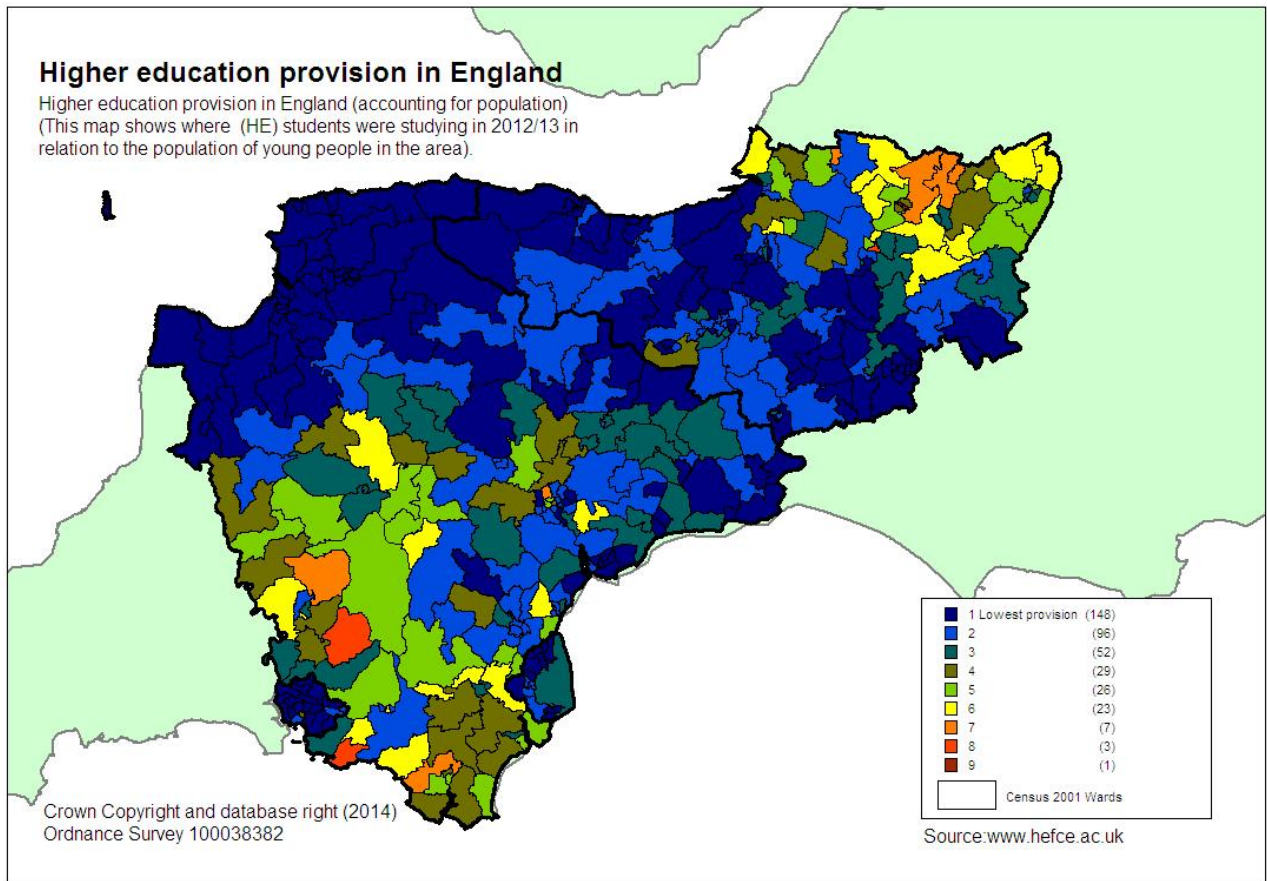
- Somerset has a higher percentage than the LEP area of wards with lower than expected participation rates (55% vs 53.2%).
- Only 27.8% of Somerset wards have participation rates at the expected level.
- Blackdown ward (in South Somerset) has the greatest participation gap of all the LEP wards (16.5 percentage points).

#### Current Higher Education provision

- Higher Education provision across Somerset is sparse. According to HEFCE mapping, the majority of Somerset wards (63.2%) are in the 2 lowest deciles of HE provision, compared to 58.2% of Devon wards. West Somerset and parts of South Somerset have the lowest levels of provision within Somerset (shown in dark blue on the map below).

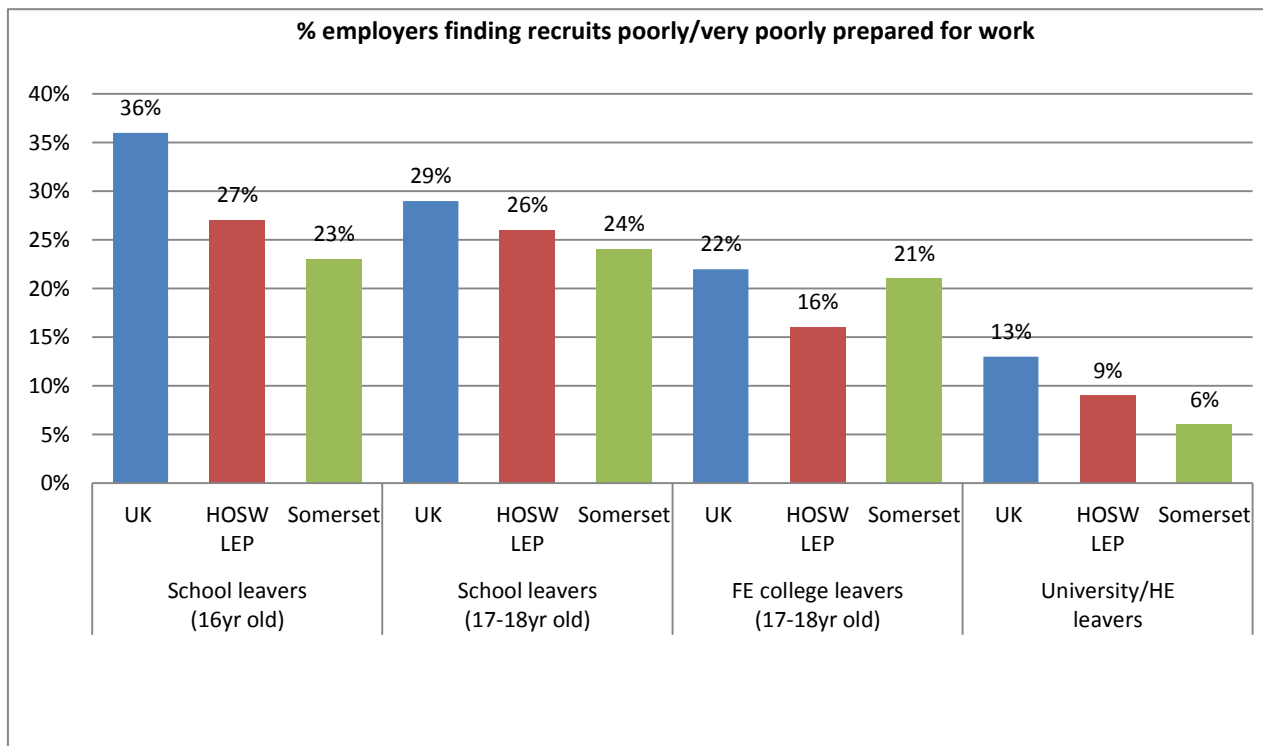
<sup>18</sup> Based upon levels of GCSE attainment and ethnic profile, which are known to have a bearing on levels of young participation (HEFCE 2014).

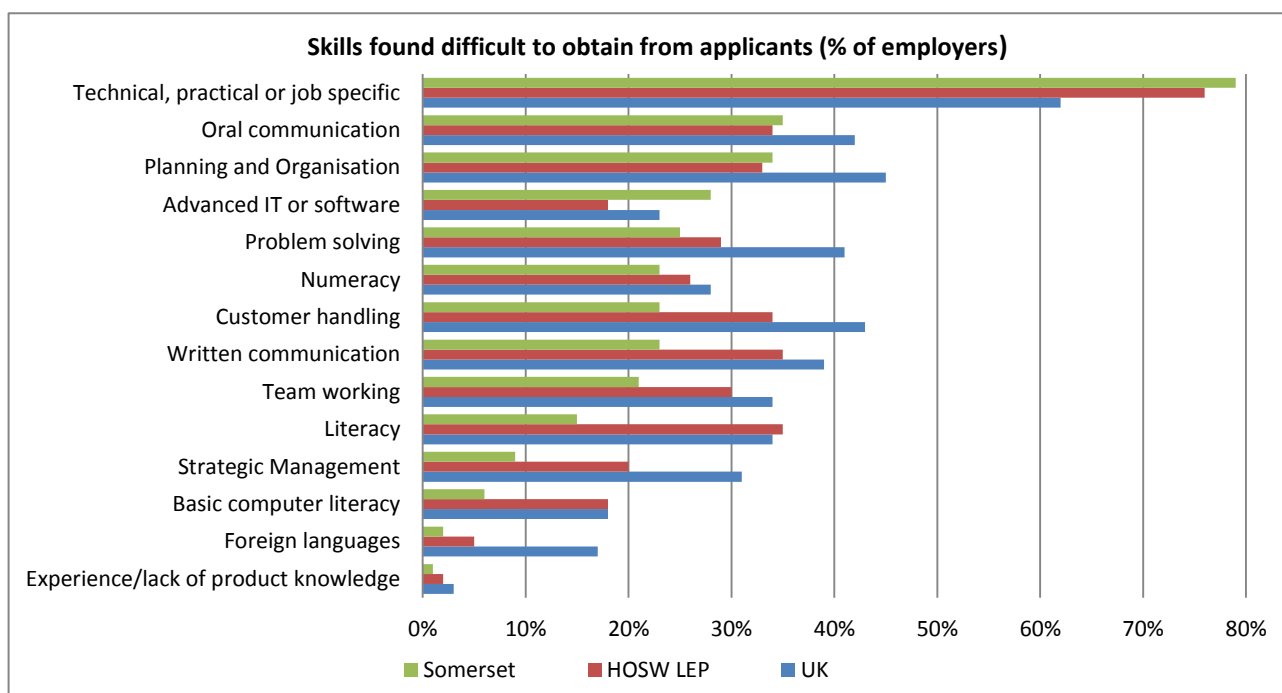




Source: HEFCE Data maps of Higher Education Provision 2015 <http://www.hefce.ac.uk/analysis/coldspots/>

## Skills gaps





Source: UK Commission's Employer Skills Survey (UKCESS) 2013<sup>19</sup>

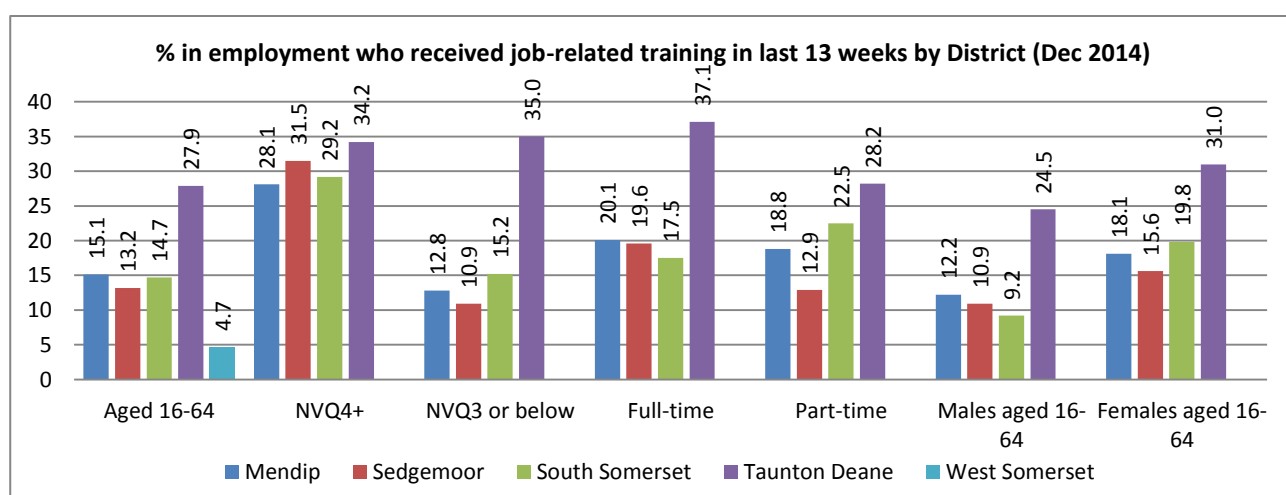
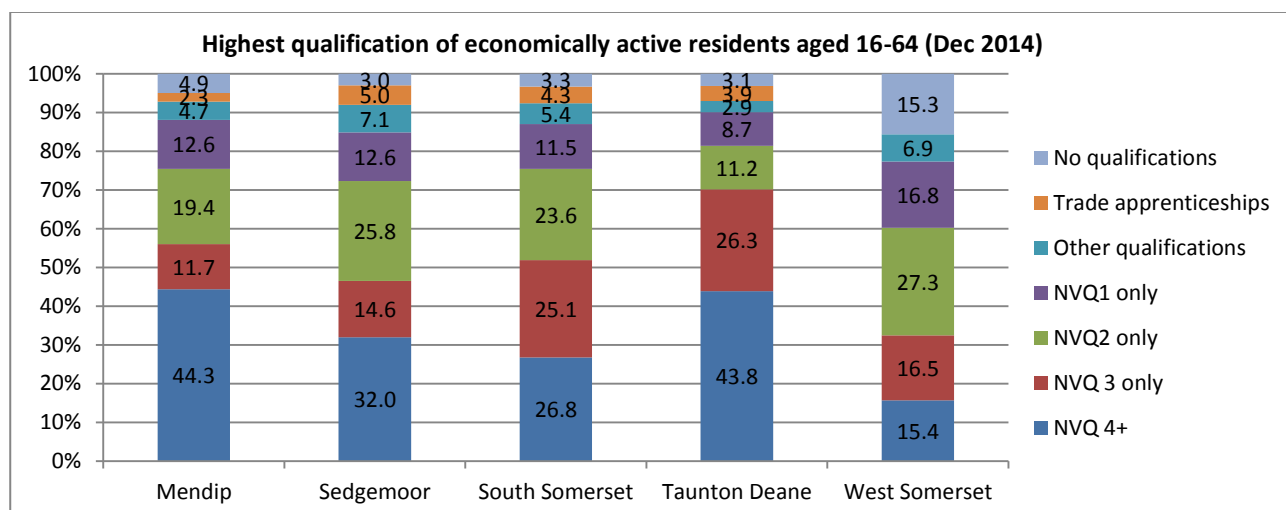
- School leavers are better prepared for work in Somerset than nationally. 23% of Somerset employers who were surveyed as part of the UK Commission's Employer Skills Survey (UKCESS) had found 16 year-old school leavers to be poorly prepared for work, compared to 27% across the LEP area and 36% nationally. Only 6% of Somerset employers stated that University/Higher Education leavers had been poorly prepared for work, compared to 9% and 13% across the LEP area and UK respectively. According to employers, further education leavers in Somerset are most poorly prepared compared to the national level.
- Of those employers in Somerset who stated they had difficulty in obtaining certain skills from applicants, the most frequent deficiency was in technical, practical or job specific skills (79%). Whilst this is a high proportion, many skills of this nature are specific and could reasonably expect to be addressed by on-the-job training of new recruits. In terms of general skills, deficiencies in oral communication and planning and organisation were identified by 35% and 34% respectively of Somerset employers.
- In January 2015, Wavehill carried out a survey on behalf of Somerset County Council to understand local employer skills needs<sup>20</sup>. According to the survey:
  - 77% of businesses in the Somerset Skills Survey have trained staff in the last 12 months compared to 62% in the ESS.
  - 36% of businesses in the Somerset Skills Survey had employed school, college or university leavers in the last 12 months.
  - The skills most needed improving by employees were Technical, Practical or job specific (42%), Planning and organizing (31%) and Customer handling (30%) and Team working (29%). These vary by sector.
  - When asked about the qualifications sought when recruiting staff 48% said they looked for vocational qualifications.
  - When recruiting young people, employers thought that the skills most prevalent were IT skills (90%) and the least prevalent strategic management skills (69%).

<sup>19</sup> <https://www.gov.uk/government/statistics/employer-skills-survey-local-data>

<sup>20</sup> Somerset Employer Skills Survey – A Report for Somerset County Council, Wavehill Ltd, January 2015.

- Businesses are keen to link into educational institutions to help young people, 29% said they would like to help more and 31% to help more but would need a bit more information to help them decide how.
- Businesses are more concerned about finding higher skilled staff in the future than lower skilled staff with only 44% confident of finding higher skilled compared to 70% for lower skilled.

## Local trends (Districts)



Source: Annual Population Survey, NOMIS 2015

- Mendip and Taunton Deane have the highest qualified workforce of all the Somerset districts, with 44.3% and 43.8% respectively of their economically active population aged 16-64 qualified to NVQ4 or above. Taunton Deane and South Somerset also have just over a quarter of their workforce qualified to NVQ3.
- 27.9% of Taunton Deane's workforce aged 16-64 report that they have received job-related training in the last 13 weeks, the highest proportion of all the Somerset districts. Across all districts, levels of job-related training are generally highest amongst those in the workforce already qualified to NVQ4+, with around a third of this group in all areas receiving training in the last 13 weeks.

## DATA TABLES Chapter 7: Skills, education and training

### Economically active residents

Area	Highest qualifications of economically active aged 16-64 (% , Dec 2014)							% of all who received job related training in last 13 wks (Jan-Dec 2014)						
	NVQ 4+	NVQ 3 only	NVQ2 only	NVQ1 only	Other qualifications	Trade apprenticeships	No qualifications	Aged 16-64	NVQ4+	NVQ3 or below	Full-time	Part-time	Males aged 16-64	Females aged 16-64
UK	40.3	17.3	16.0	10.9	6.1	3.8	5.6	19.0	34.2	20.8	27.5	23.4	18.3	19.7
HOSW LEP	36.1	20.0	18.4	12.7	4.8	4.4	3.5	19.0	34.6	19.5	26.1	23.2	16.1	21.8
Somerset	34.6	20.0	20.6	11.6	5.2	3.8	4.1	16.8	30.5	17.0	22.6	20.1	13.1	20.3
Mendip	44.3	11.7	19.4	12.6	4.7	2.3	4.9	15.1	28.1	12.8	20.1	18.8	12.2	18.1
Sedgemoor	32.0	14.6	25.8	12.6	7.1	5.0	3.0	13.2	31.5	10.9	19.6	12.9	10.9	15.6
South Somerset	26.8	25.1	23.6	11.5	5.4	4.3	3.3	14.7	29.2	15.2	17.5	22.5	9.2	19.8
Taunton Deane	43.8	26.3	11.2	8.7	2.9	3.9	3.1	27.9	34.2	35.0	37.1	28.2	24.5	31.0
West Somerset	15.4	16.5	27.3	16.8	6.9	N/A	15.3	4.7	N/A	N/A	N/A	N/A	N/A	N/A

Source: Annual Population Survey, NOMIS 2015

### Apprenticeship starts by sector subject area (2013/14)

	Agriculture, Horticulture & Animal Care	Arts, Media & Publishing	Business, admin & law	Construction, Planning & the Built Environment	Education & Training	Engineering & Manufacturing Technologies	Health, Public Services & Care	ICT	Leisure, Travel & Tourism	Retail & Commercial Enterprise	Science & Maths	Total
England	6,870	1,390	124,420	15,640	4,710	63,850	107,210	12,890	11,100	86,190	350	434,620
HOSW LEP	390	30	3,170	840	140	2,110	4,420	200	370	3,020	20	14,710
Somerset	120	10	990	200	30	620	1,060	60	90	1,010	0	4,190

Source: Skills Funding Agency / Department for Business, Innovation & Skills 2015

### Skills employers found difficult to obtain from applicants (% employers with skills shortage vacancies)

	Experience/ product knowledge	Foreign languages	Basic computer literacy	Strategic Management	Literacy	Team work	Written communication	Customer handling	Numeracy	Problem solving	Advanced IT or software	Planning and Organisation	Oral communication	Technical, practical or job specific
UK	3%	17%	18%	31%	34%	34%	39%	43%	28%	41%	23%	45%	42%	62%
HOSW LEP	2%	5%	18%	20%	35%	30%	35%	34%	26%	29%	18%	33%	34%	76%
Somerset	1%	2%	6%	9%	15%	21%	23%	23%	23%	25%	28%	34%	35%	79%

Source: UK Commission's Employer Skills Survey (UKCESS) 2013

## Chapter 8: Housing

### Key facts

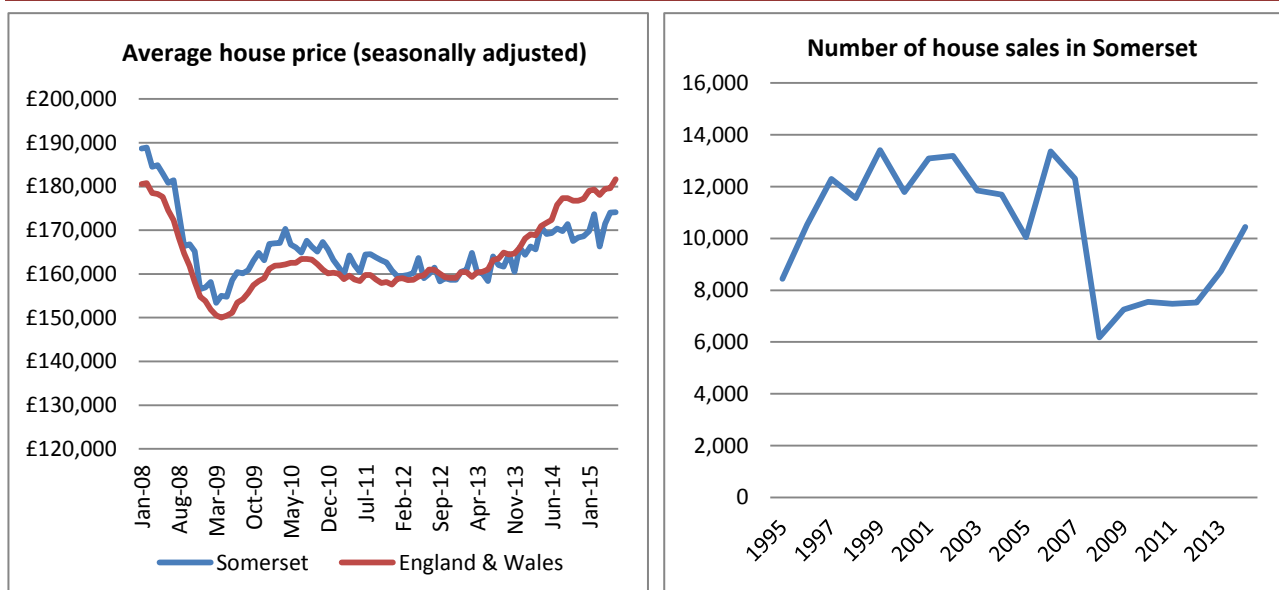
- In June 2015, the average house price in Somerset was £174,127, a decrease of 9.3% from the recent peak of £191,910 in October 2007, before the economic downturn. Average prices in the County hit their lowest level of £153,388 in March 2009 and have been gradually recovering since, although they remain below the peak of 2007.
- Between 2007 and 2008, the number of house sales in Somerset dropped dramatically from 12,303 to 6,180 (-49.8%) as mortgage finance dried up during the financial crisis.
- Housing affordability in Somerset is worse than at national level. In 2013, the lower quartile house price was 7.5 times the lower quartile wage, compared to 6.5 times nationally. Affordability ratios escalated significantly after 2001 and have not returned to these lower levels since, despite the economic downturn.

### National context

- House prices in the UK had been on an upward trend prior to January 2008, when the mix-adjusted average UK house price was 85.5% higher than its value in February 2002. The average house price then fell over the course of 2008-09 to give an index value in March 2009 that was similar to that in April 2006.
- The recent sustained increase in house prices has been mainly supported by prices in London, which increased by 12.3% over the 12 months to December 2013. This was more than double the UK average house price increase over that period. The London region has the second biggest weight of all the regions in the House Price Index of 14.3%, after the South East of England (16.7%). Following the downturn, housing prices in London continued to increase at a faster rate than the rest of the UK, ultimately giving London the fastest growing house prices of all UK regions by the end of 2013.<sup>21</sup>

### Somerset Overview

#### Housing market



Source: Land Registry 2015. NB. Data not available for LEP areas.

<sup>21</sup> Text source: 'Regional house price disparities following the economic downturn', 28<sup>th</sup> May 2014, ONS.  
<http://www.ons.gov.uk/ons/rel/hpi/house-price-index/march-2014/sty-regional-house-prices.html>

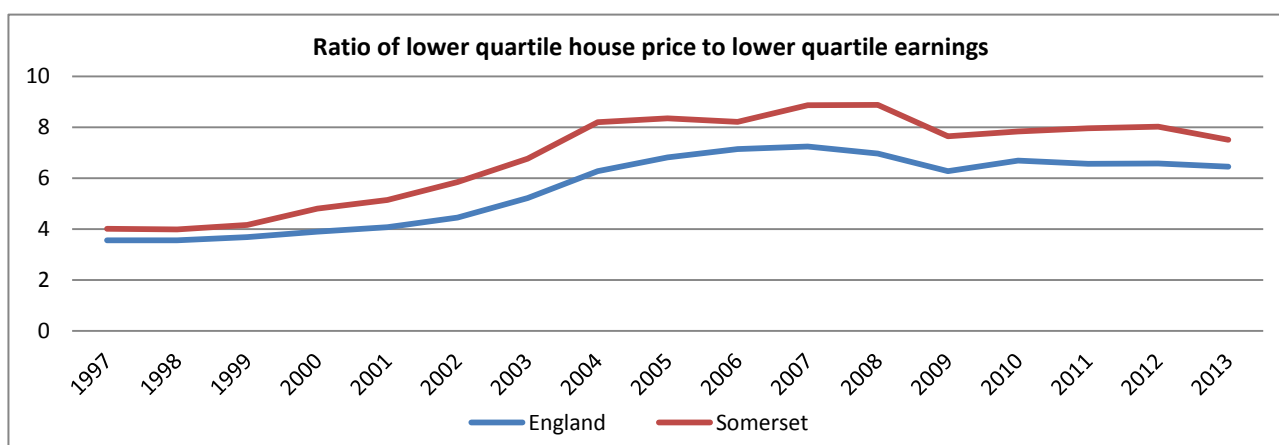
## House prices

- In June 2015, the average house price in Somerset was £174,127, a decrease of 9.3% from the recent peak of £191,910 in October 2007, before the financial crisis. Average prices in the County hit their lowest level of £153,388 in March 2009 and have been gradually recovering since, although they remain below the peak of 2007.
- Average house prices for England and Wales followed a similar pattern of sharp decline during the economic downturn and subsequent gradual recovery until early 2014. Since then, growth in average prices has accelerated more rapidly at national level, climbing to £181,619 by June 2015.

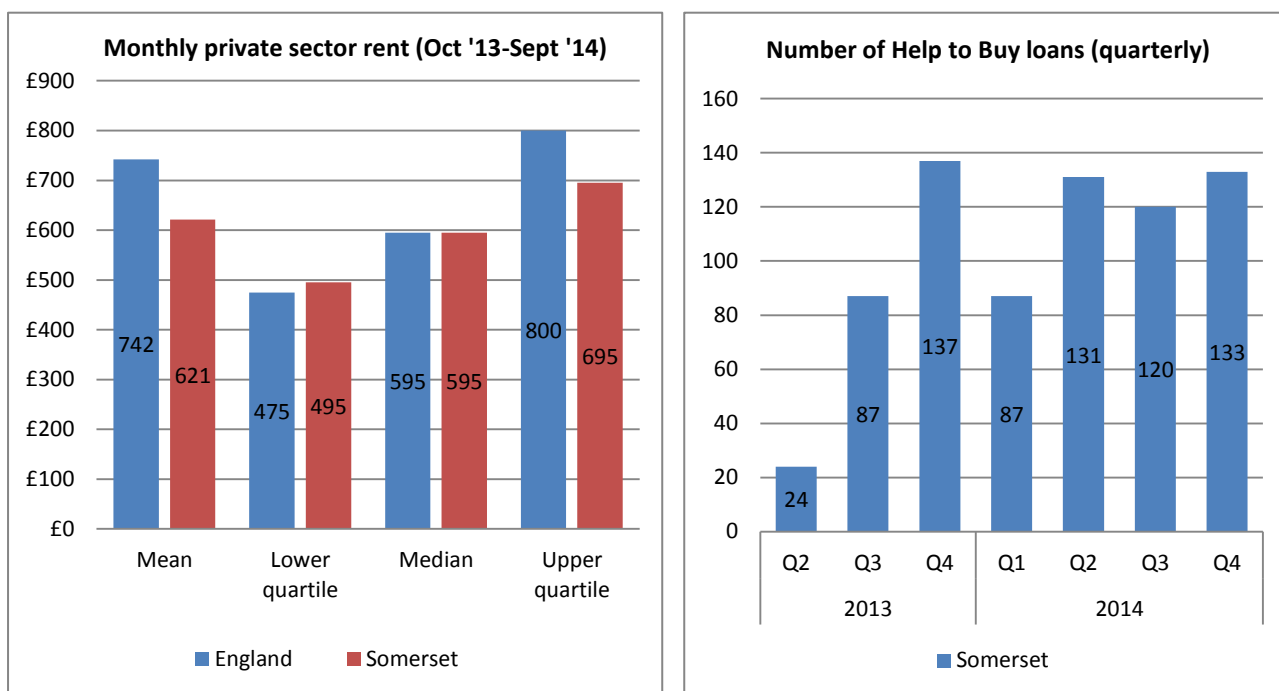
## Number of sales

- Between 2007 and 2008, the number of house sales in Somerset dropped dramatically from 12,303 to 6,180 (-49.8%) as mortgage finance dried up during the financial crisis. Since 2013, the number of sales has begun to pick up, reaching 10,437 in 2014.

## Affordability



Source: Communities and Local Government, Table 576



Source: Private Rental Market Statistics – Table 2.7, Valuation Office Agency / Communities and Local Government 2015

## Affordability

- Housing affordability in Somerset is worse than at national level. The ratio of lower quartile house price to lower quartile earnings is used as an indication of the affordability of entry level homes, i.e. first time buyers entering the market. In 2013, the lower quartile house price was 7.5 times the lower quartile wage, compared to 6.5 nationally. With mortgage companies typically lending around 3 times a person's salary, accessing the housing market is virtually impossible for many Somerset residents. Affordability ratios escalated significantly after 2001 and have not returned to these lower levels since, despite the economic downturn.

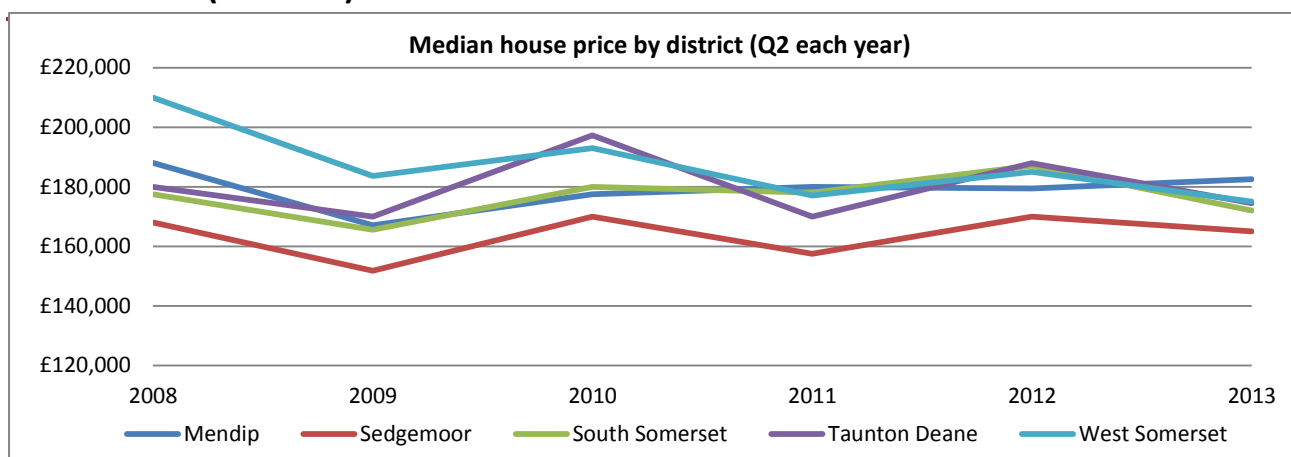
## Help to Buy<sup>22</sup>

- Another barrier to housing ownership has been the large deposits still currently required by mortgage lenders following the financial crisis. Since 2013, the Government 'Help to Buy' scheme has provided a mortgage guarantee to help people buy a home with just a 5% deposit. In Somerset, 719 Help to Buy loans have been completed since the scheme's inception.

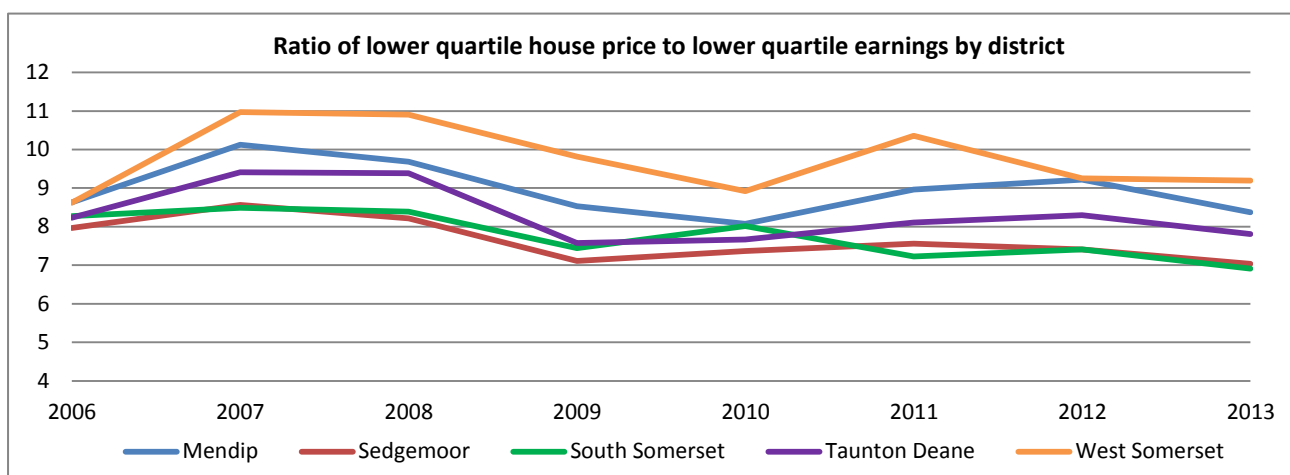
## Private rented sector

- The average (mean) monthly rent for private sector rented housing in Somerset in 2013/2014 was £621. This is lower than the national average of £742, but the lower quartile rent is higher in Somerset (£495 vs. £475). With lower than average wages in the County, access to housing via the private rented sector is difficult for many residents.

## Local trends (Districts)

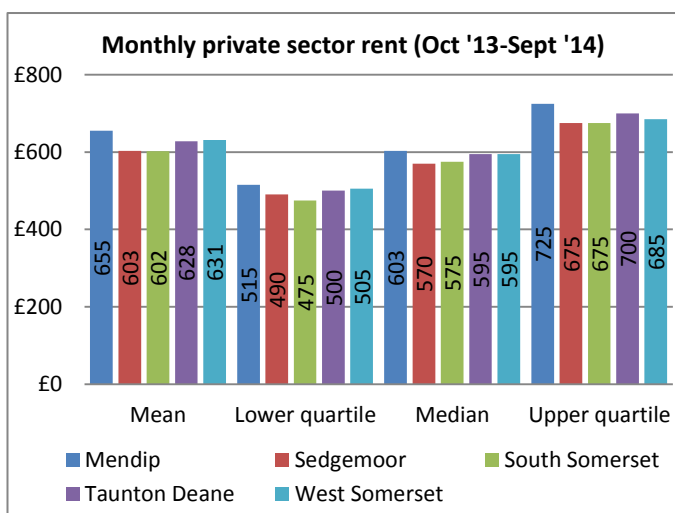
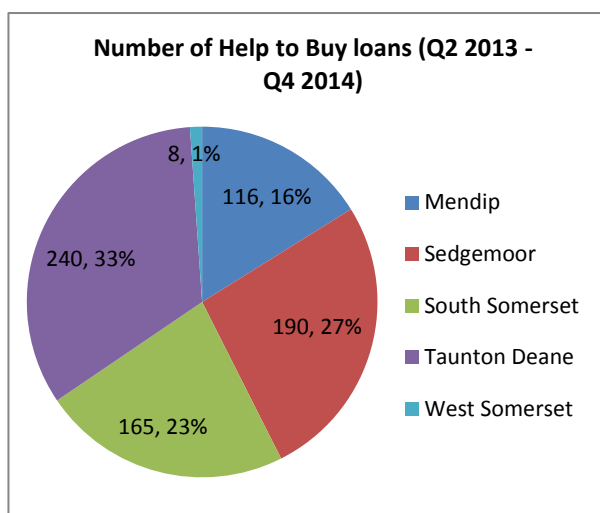


Source: Communities and Local Government, Table 582



Source: Communities and Local Government, Table 576

<sup>22</sup> <http://www.helptobuy.org.uk/>



Source: *Communities and Local Government 2015 / Private Rental Market Statistics – Table 2.7, Valuation Office Agency*

### Average price

- Mendip currently has the highest median house price of all the Somerset districts with £182,500, whereas the lowest price can be found in Sedgemoor (£ 165,000).
- All Somerset districts have seen a decrease in price between 2008 and 2013 but the greatest fall has been in West Somerset (-16.7%).

### Affordability

- Despite recent decreases in price, housing affordability is still an issue across Somerset. West Somerset has the highest lower quartile house price to earnings ratio (9.2). South Somerset is the most affordable of the districts but a typical 'entry level' home still costs 6.9 times the lower quartile wage.

### Help to Buy

- The majority of Somerset take-up of the Help to Buy scheme has been in Taunton Deane (33%), with 240 equity loans agreed since the scheme began.

### Private rent

- Private sector rents are highest in Mendip, with an average (mean) monthly cost of £655. South Somerset has the lowest entry level rents with lower quartile costs of £475 per month.



## DATA TABLES Chapter 8: Housing

**Average house price (seasonally adjusted)**

	Somerset	England & Wales
<b>Jun-08</b>	£180,840	£174,517
<b>Jun-09</b>	£158,598	£151,134
<b>Jun-10</b>	£166,083	£162,558
<b>Jun-11</b>	£160,439	£158,345
<b>Jun-12</b>	£159,035	£159,706
<b>Jun-13</b>	£158,359	£160,978
<b>Jun-14</b>	£169,331	£172,367
<b>Jun-15</b>	£174,127	£181,619
<b>% change 2008-14</b>	<b>-3.7%</b>	<b>4.1%</b>

Source: Land Registry 2015

**Annual house sales**

	Somerset	England & Wales
<b>2007</b>	12,303	1,226,774
<b>2008</b>	6,180	621,752
<b>2009</b>	7,255	616,644
<b>2010</b>	7,549	656,622
<b>2011</b>	7,477	654,625
<b>2012</b>	7,523	663,212
<b>2013</b>	8,741	789,164
<b>2014</b>	10,437	913,238

**Median house price by district (Q2 each year)**

	Mendip	Sedgemoor	South Somerset	Taunton Deane	West Somerset
<b>2008</b>	£188,000	£168,000	£177,500	£179,950	£210,000
<b>2009</b>	£167,000	£151,750	£165,500	£170,000	£183,580
<b>2010</b>	£177,500	£169,975	£180,000	£197,250	£193,000
<b>2011</b>	£180,000	£157,500	£177,975	£170,000	£177,000
<b>2012</b>	£179,450	£169,973	£187,000	£187,950	£185,000
<b>2013</b>	£182,500	£165,000	£172,000	£174,500	£175,000

Source: Communities and Local Government, Table 582

**Number of Help to Buy Equity Loans**

	Total to Q4 2014
England	41,533
HOSW LEP	1,776
Somerset	719
Mendip	116
Sedgemoor	190
South Somerset	165
Taunton Deane	240
West Somerset	8

Source: Communities and Local Government 2015

**Private rental market statistics (Oct 2013-Sept 2014)**

	Mean	Lower quartile	Median	Upper quartile
England	£742	£475	£595	£800
Somerset	£621	£495	£595	£695
Mendip	£655	£515	£603	£725
Sedgemoor	£603	£490	£570	£675
South Somerset	£602	£475	£575	£675
Taunton Deane	£628	£500	£595	£700
West Somerset	£631	£505	£595	£685

Source: Valuation Office Agency 2015

**Affordability ratio (lower quartile)**

	2008	2013
England	6.97	6.45
Somerset	8.88	7.51
Mendip	9.69	8.37
Sedgemoor	8.22	7.04
South Somerset	8.39	6.91
Taunton Deane	9.39	7.81
West Somerset	10.90	9.19

Source: CLG Table 576

## Chapter 9: Businesses

### Key facts

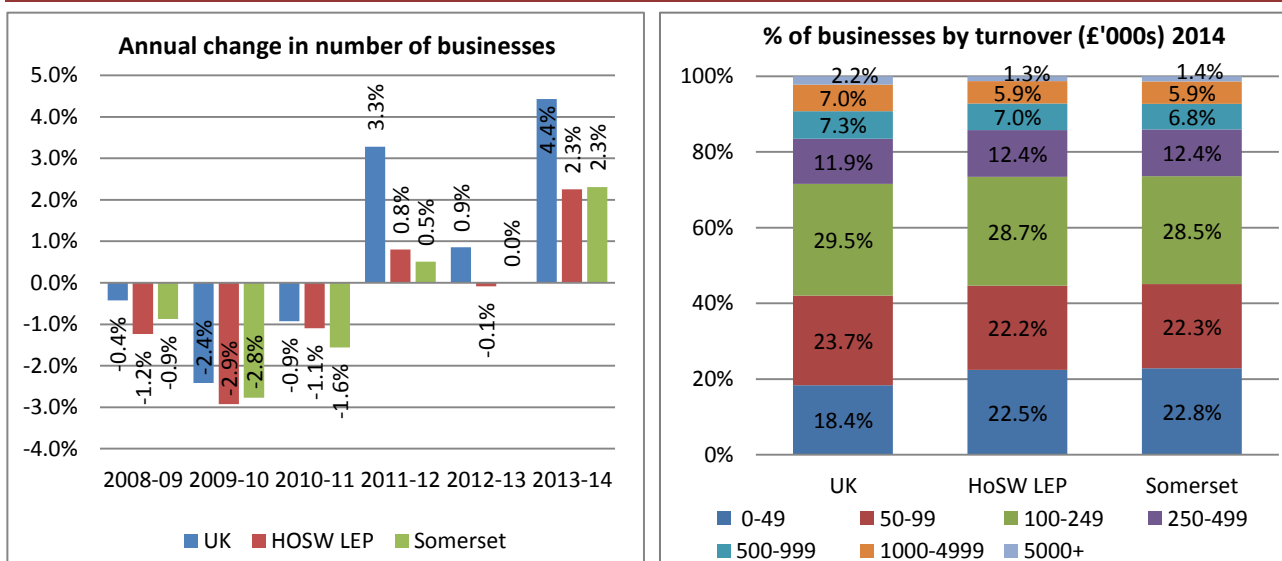
- According to ONS data, in 2014 there were 22,370 businesses in Somerset, an increase of 2.3% on the previous year. Between 2008 and 2014, the number of businesses in Somerset declined by 2.4%; comparable to the LEP figure of -2.3% over the same period but poor compared to the UK overall which saw an increase of 4.7% over the same period.
- Somerset performs well in terms of business density, with 42 businesses per 1,000 population, compared to 36 nationally and 39 across the LEP.
- Somerset's economy is predominantly made up of small businesses. 76.3% of the County's businesses have fewer than 5 employees and a further 13% have 5-9 employees.
- In 2013, there were 2,355 business births in Somerset, a rate of 11.2%. This is lower than the birth rates of 14.1% for the UK and 11.5% for the LEP area. The number of start-ups in the County has improved during this period.

### National context

- In 2013 there were 346,000 business births in the UK. The birth rate increased from 11.4% to 14.1% between 2012 and 2013. This was caused by an increase of 28.5% in the number of births between 2012 and 2013. The business death rate decreased from 10.7% to 9.7% between 2012 and 2013, the lowest death rate in the UK since 2008.
- In recent years the rate of business births per year has usually been higher than the rate of business deaths. This was the case leading up to the 2007 global financial market shock and subsequent economic downturn in 2008/09. As economic conditions worsened, the rate of business births began to fall in 2008 on a trend that continued into 2010, from a high of 12.3% to a low of 10.0%.
- The death rate of businesses in the UK fell slightly in 2008 before increasing sharply in 2009, rising above the birth rate. One factor behind this initial fall could be that a number of businesses continued to trade in the expectation that economic growth would resume quickly while benefiting from lower interest rates during this period. However, GDP growth did not return until 2010, by which time some of those businesses had ceased trading.<sup>23</sup>

### Somerset Overview

#### Business profile



<sup>23</sup> ONS Statistical Bulletin – Business Demography 2013, 27<sup>th</sup> November 2014

## % of businesses by number of employees 2014

	Number of employees						
	0-4	5-9	10-19	20-49	50-99	100-249	250+
UK	75.7%	12.6%	6.3%	3.3%	1.1%	0.6%	0.4%
HOSW LEP	75.1%	13.6%	6.4%	3.3%	0.9%	0.5%	0.3%
Somerset	76.3%	13.0%	6.0%	3.2%	0.9%	0.5%	0.2%

Source: UK Business Activity, Size and Location, ONS 2014

### Business numbers

- According to ONS data, in 2014 there were 22,370 businesses in Somerset, an increase of 2.3% on the previous year. The economic downturn had an impact on the number of businesses in the County, with a decrease every year between 2008 and 2011. Between 2008 and 2014, the number of businesses in Somerset declined by 2.4%; comparable to the LEP figure of -2.3% over the same period but poor compared to the UK overall which saw an increase of 4.7% over the same period. There has been recovery since 2011 which means that the number of businesses is almost back to its 2008 level of 22,930.
- The rate of growth in businesses numbers since 2011 has been stronger at a national level, with growth of 8.8% between 2011 and 2014. Somerset still performs well in terms of business density though, with 42 businesses per 1,000 population, compared to 36 nationally and 39 across the LEP.
- A slightly different picture of business numbers can be seen if looking at data from the MINT UK business database<sup>24</sup>. MINT UK shows that there were 32,200 businesses in Somerset as at February 2015; around 10,000 more than the ONS statistics. The MINT data is more likely to capture micro-businesses and the self-employed, of which Somerset has a high proportion, which results in this higher total. The data tables at the end of this chapter show the MINT data for Somerset.

### Business size

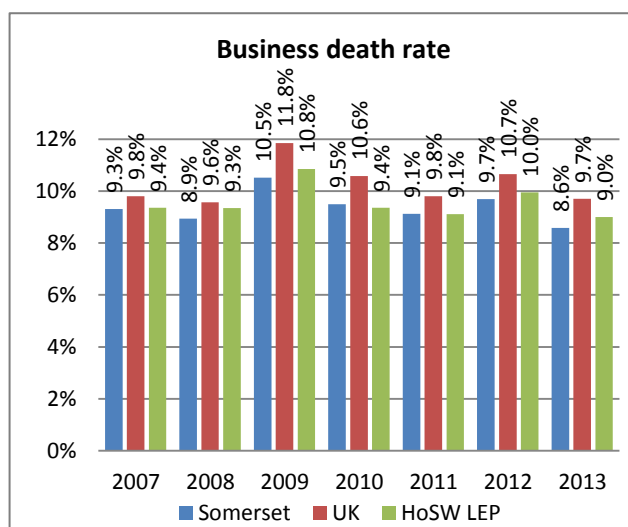
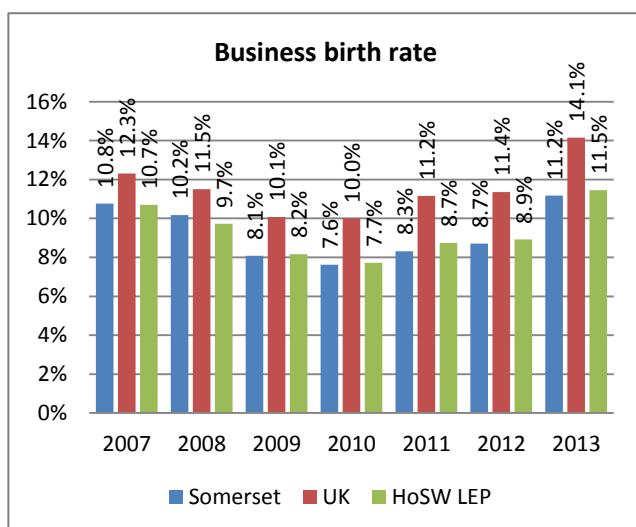
- Somerset's economy is predominantly made up of small businesses. 76.3% of the County's businesses have fewer than 5 employees and a further 13% have 5-9 employees.
- This pattern is also reflected in business turnover levels. 45% of Somerset businesses have an annual turnover less than £100k.

### Business sectors

- The ONS data provides a breakdown of the number of businesses by broad sector but, for the purposes of this report, MINT UK data shows a more detailed sectoral picture. ONS data shows that the largest proportion of businesses in Somerset are in the agriculture, forestry and fishing sector (16.6%), followed by the professional, scientific and technical (13.2%) and construction sectors (12.6%). Nationally, profession, scientific and technical accounts for the highest proportion (17.5%).
- The MINT UK data allows analysis of business numbers for the more detailed sectors in the Heart of the South West LEP Economic Model and therefore provides consistency with the sector information in Chapter 3 of this report. According to the MINT data, the largest proportion of Somerset businesses are in the wholesale and retail sector (14.1%), followed by construction (10%) and professional services (9.1%).

<sup>24</sup> Somerset County Council subscribes to the MINT UK database provided by Bureau van Dijk:  
<http://www.bvdinfo.com/en-gb/our-products/company-information/national-products/mint-uk>

## Business demography



### Business survival rates

Year	Somerset				HoSW LEP				UK			
	No. of start ups	Survival rates (%)			No. of start ups	Survival rates (%)			No. of start ups	Survival rates (%)		
		1 year	3 years	5 years		1 year	3 years	5 years		1 year	3 years	5 years
2008	2,230	93.7	62.6	44.8	6,250	94.3	62.7	45.6	267,445	92.0	58.0	41.3
2009	1,760	93.2	62.5		5180	93.0	63.2		236,030	90.8	59.6	
2010	1,635	88.7	59.9		4,835	88.7	59.8		235,145	86.7	57.1	
2011	1,750	94.0			5,405	93.7			261,370	93.1		
2012	1,815	92.6			5,480	92.6			269,565	91.2		

Source: ONS Business Demography 2013

### Business births and deaths<sup>25</sup>

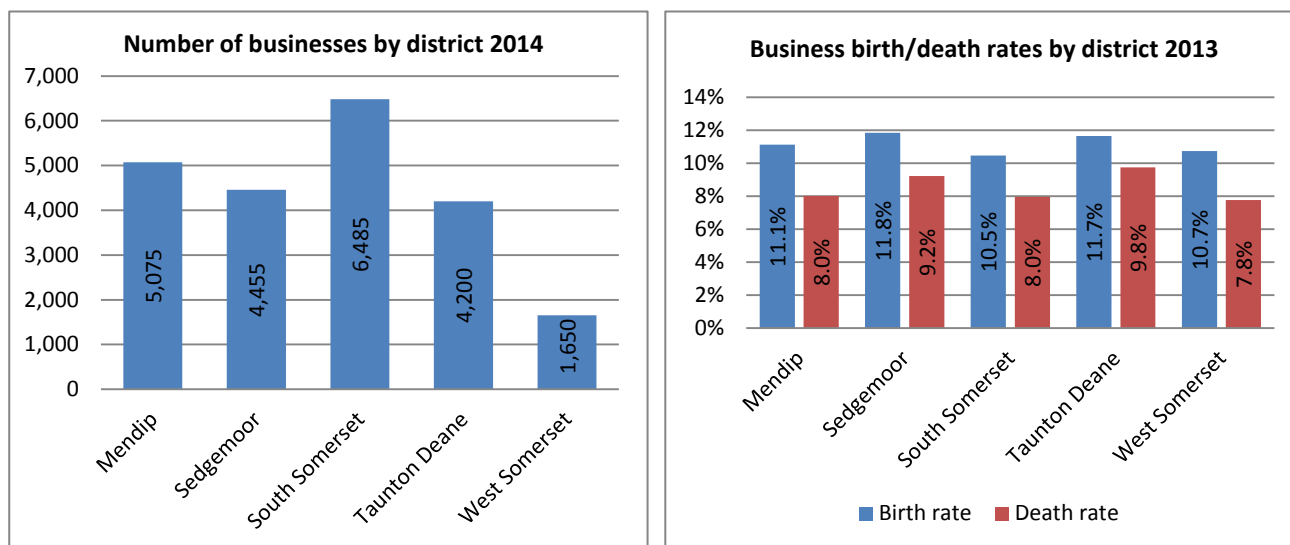
- In 2013, there were 1,810 business 'deaths' in Somerset; 8.6% of the total active enterprises in the County. This is a slightly lower rate than the UK (9.7%) and Heart of the SW LEP area (9.0%). Business death rates peaked in 2009 after the financial crisis.
- In 2013, there were 2,355 business births in Somerset, a rate of 11.2%. This is lower than the birth rates of 14.1% for the UK and 11.5% for the LEP area. The number of start-ups in the County has improved during this period.

### Survival rates

- 44.8% of Somerset businesses started in 2008 were still trading 5 years later, compared to 45.6% across the LEP and 41.3% for the UK.
- 2010 was the worst year in recent times to start a business. Only 88.7% of Somerset businesses started that year were still trading in 2011. 1 year survival rates improved in 2011, with 94% of new Somerset firms surviving into 2012.

<sup>25</sup> Start-ups and closures as a percentage of active enterprises.

## Local trends (Districts)



Source: UK Business Activity, Size and Location, ONS 2014 / ONS Business Demography 2013

### % of businesses by number of employees 2014

Area	Number of employees						
	0-4	5-9	10-19	20-49	50-99	100-249	250+
Mendip	76.1	12.8	6.5	3.0	0.9	0.6	0.2
Sedgemoor	76.5	13.7	5.5	3.1	0.8	0.3	0.1
South Somerset	76.6	12.6	5.8	3.2	0.9	0.6	0.2
Taunton Deane	75.1	12.9	6.3	3.6	1.1	0.5	0.5
West Somerset	77.7	13.6	5.3	2.7	0.6	0.0	0.0

Source: UK Business Activity, Size and Location, ONS 2014

- The highest proportion of Somerset's businesses (29.9%) are located in South Somerset. Only 7.5% of the County's businesses are located in West Somerset.
- Between 2008 and 2014, all of Somerset's districts saw a decrease in the number of businesses in their area. West Somerset had the greatest reduction (-7.4%) and Sedgemoor the lowest (-0.5%). Business birth and death rates in 2013 have been similar across all the districts. Sedgemoor had a marginally higher birth rate (11.8%) whereas Taunton Deane has the highest death rate (9.8%).
- West Somerset has highest proportion of micro-businesses, with 77.7% of businesses in the district employing fewer than 5 people. Taunton Deane has the highest proportion of larger businesses, with 0.5% employing more than 250 people.
- Survival rates for businesses started in 2012 show mixed fortunes across the County. All businesses started in West Somerset in 2012 were still trading a year later; a sharp increase on the 89.5% rate the previous year. On the other hand, Taunton Deane saw a drop in 1 year survival from 95.5% to 90.2%.

## DATA TABLES Chapter 9: Businesses

### Number of businesses

Area	Total businesses 2014	Business density (per 1000 population)	Change 2008-2014	
			Number of businesses	% of businesses
UK	2,263,650	36	102,095	4.7%
HOSW LEP	65,590	39	-1,575	-2.3%
Somerset	22,370	42	-560	-2.4%
Mendip	5,210	48	-65	-1.2%
Sedgemoor	4,530	40	-25	-0.5%
South Somerset	6,680	41	-180	-2.6%
Taunton Deane	4,265	39	-155	-3.5%
West Somerset	1,685	49	-135	-7.4%

Source: UK Business Activity, Size and Location, ONS 2014

### Business births and deaths

	Active enterprises 2013	Business Births	Business Deaths	Net change 2012-2013
UK	2,448,745	346,485	237,660	108,825
HOSW LEP	62,165	7,120	5,595	1,525
Somerset	21,080	2,355	1,810	545
Mendip	4,985	555	400	155
Sedgemoor	4,390	520	405	115
South Somerset	6,155	645	490	155
Taunton Deane	4,200	490	410	80
West Somerset	1,350	145	105	40

Source: ONS Business Demography 2013

### Number of businesses by broad sector 2014

	Agriculture, forestry & fishing	Production	Construction	Motor trades	Wholesale	Retail	Transport & storage	Accommodation & food services	Information & communication	Finance & insurance	Property	Professional, scientific & technical	Business admin & support services	Public admin & defence	Education	Health	Arts, entertainment, recreation & other services	TOTAL
UK	145,280	137,375	266,315	68,420	103,915	190,355	72,070	132,810	179,120	44,915	83,675	395,695	156,825	5,810	37,240	96,235	147,595	2,263,650
LEP	11,490	3,925	8,220	2,330	2,370	5,440	1,670	4,750	2,885	900	2,205	7,800	3,775	355	1,000	2,705	3,770	65,590
Somerset	3,705	1,545	2,810	845	865	1,690	600	1,390	1,090	310	695	2,945	1,335	140	345	780	1,280	22,370
Mendip	765	395	660	165	180	395	170	325	320	50	170	730	320	30	85	150	300	5,210
Sedgemoor	670	360	635	180	200	340	145	300	190	70	135	580	275	25	70	130	225	4,530
South Somerset	1,140	495	850	265	260	475	155	365	340	90	190	905	380	45	105	235	385	6,680
Taunton Deane	625	225	530	180	175	335	100	240	190	90	165	575	265	25	70	215	260	4,265
West Somerset	505	70	135	55	50	145	30	160	50	10	35	155	95	15	15	50	110	1,685

Source: UK Business Activity, Size and Location, ONS 2014

## Number of businesses by sector 2015

	UK	HOSW LEP	Somerset	Mendip	Sedgemoor	South Somerset	Taunton Deane	West Somerset
Agriculture, forestry and fishing	16,645	1,155	485	100	70	160	135	25
Mining and quarrying	20,960	1,035	325	70	75	105	50	25
Advanced manufacturing	49,545	1,560	555	105	130	185	100	35
Aerospace	605	30	20	5	5	10	0	0
Marine	1,100	90	5	0	0	5	0	0
Food and drink manufacturing	11,720	540	210	55	40	70	30	15
Other manufacturing	98,025	3,960	1,390	305	320	410	265	85
Utilities	16,025	560	210	85	45	40	35	10
Construction	270,715	9,820	3,225	715	710	930	760	110
<b>Total production/manufacturing</b>	<b>485,340</b>	<b>18,750</b>	<b>6,425</b>	<b>1,440</b>	<b>1,395</b>	<b>1,915</b>	<b>1,375</b>	<b>305</b>
Wholesale and retail trade; repair of motor vehicles and motorcycles	399,160	14,120	4,550	1,010	930	1,345	970	300
Transportation and storage	75,375	2,240	770	180	160	235	140	55
Accommodation	31,385	2,430	585	125	135	125	80	125
Food & beverage services	146,345	4,770	1,430	320	325	420	255	110
Information and communication	230,055	3,975	1,495	395	270	430	330	70
Financial and insurance activities	83,960	2,150	670	155	130	170	180	35
Real estate activities	142,660	3,720	1,160	265	220	285	325	70
Professional services	349,860	7,865	2,945	725	580	795	710	135
Scientific and technical	11,110	440	170	35	40	35	50	10
Admin and support services	271,880	5,525	1,930	420	455	565	415	75
Public admin & defence; social security	26,470	1,275	400	75	65	115	115	30
Education	72,540	2,405	795	175	165	230	180	40
Human health and social work	131,215	3,605	1,080	235	170	295	310	70
Arts, entertainment & recreation	82,725	2,690	895	215	190	235	180	80
Other services	227,070	6,800	2,035	425	410	580	505	120
<b>Total services</b>	<b>2,281,810</b>	<b>64,010</b>	<b>20,910</b>	<b>4,755</b>	<b>4,245</b>	<b>5,860</b>	<b>4,745</b>	<b>1,325</b>
<i>Sector data not available</i>	771,215	14,915	4,865	1,175	885	1,370	1,120	310
<b>Total</b>	<b>3,538,365</b>	<b>97,675</b>	<b>32,200</b>	<b>7,370</b>	<b>6,525</b>	<b>9,145</b>	<b>7,240</b>	<b>1,940</b>

Source: MINT UK Business Database (February 2015). Data rounded to nearest 5. Sector definitions as per HOSW LEP Economic Model provided by Oxford Economics.

## Chapter 10: Economic Projections

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The Heart of the South West Local Enterprise Partnership (LEP), of which Somerset is a part, has access to an economic projections model provided by Oxford Economics. This model projects the current economic picture forward to give an indication of future performance if current conditions were to continue without policy intervention. The model also allows for the ‘testing’ of policy scenarios and their potential impact on the direction of the economy.

The baseline data within the model is updated regularly, the most recent version being from May 2015. When the model is updated, it generates a set of baseline data which is ‘policy neutral’; applying current conditions and projecting the general trend into the future without taking into account any economic investment or policy interventions. The analysis within this chapter is based upon the baseline output from the model in May 2015. It is policy neutral and gives an indication of the direction the economy could take without intervention. Policy and investment options require testing using various scenarios within the model and they are beyond the scope of this report. The analysis below should be read as a general indication of what economic conditions could look like if they continue on their current path.

### Key facts

- Without policy intervention, by 2030, the Somerset economy is expected to be worth £13.892bn; growth of 44.9% from its 2014 level.
- Without policy intervention the productivity gap between Somerset and the UK is expected to persist and even increase over the period to 2030.
- Without policy intervention the number of jobs in Somerset is projected to increase by 8% in the period to 2030, compared to 9.5% nationally.
- Knowledge-intensive sectors will continue to be important to the Somerset economy. The professional services sector has the highest projected GVA growth in the County (+91.2%), closely followed by scientific and technical industries with 89.5% and the information and communication sector (+83.8%).

### National context

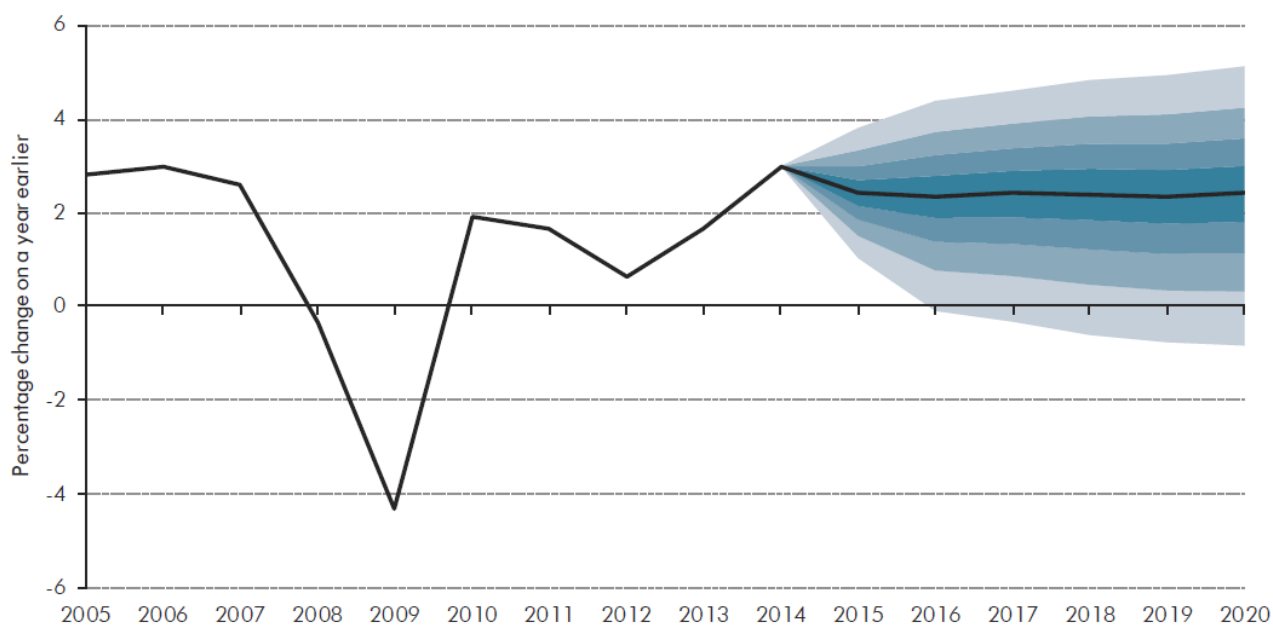
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- In the first quarter of 2015, UK GDP is estimated to have increased by 0.4 per cent on the previous quarter. That is below the 0.7 per cent forecast in March and down from 0.8 per cent in the final quarter of 2014. The lower contribution from the services sector was a key reason behind this lower growth.
- The OBR expects GDP growth to pick up to 0.6 per cent in the second and third quarters, unchanged from the March forecast. The in-year cuts to public spending announced in June are expected to affect the economy late in the fiscal year and the OBR have assumed the effects will be sufficient to push quarterly GDP growth down to 0.5 per cent in the final quarter of 2015 and first quarter of 2016. These changes leave GDP growth in 2015 as a whole at 2.4 per cent, slightly below the March forecast and largely reflecting the weaker than expected first quarter data.
- The OBR’s GDP growth forecast is shown below. The distribution surrounding it shows the probability of different outcomes based on past forecast accuracy. The solid black line shows the median forecast, with successive pairs of lighter shaded areas around it representing 20 per cent probability bands.<sup>26</sup>

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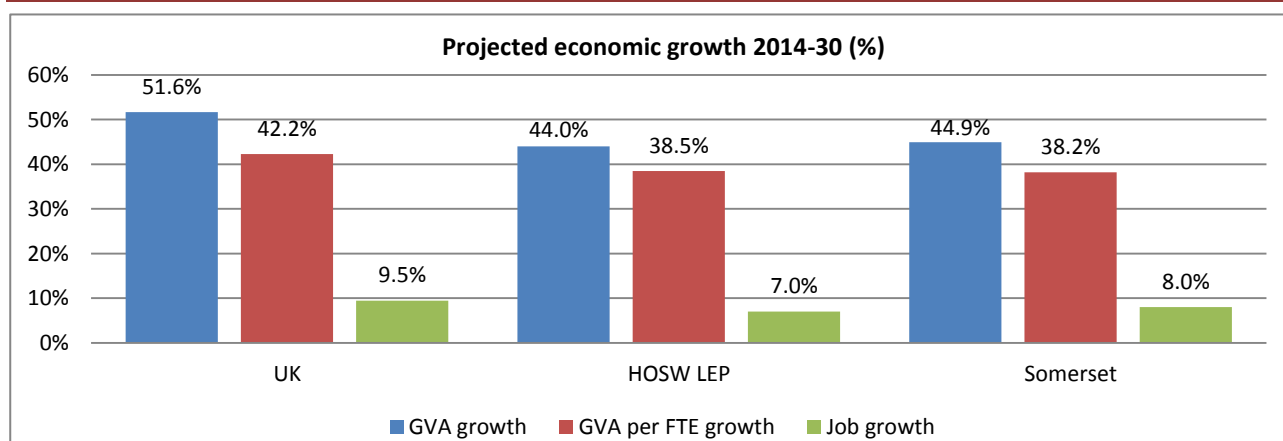
<sup>26</sup> Source: Economic and Fiscal Outlook – July 2015, Office for Budget Responsibility (pp. 45-49). Chart 3.15, p.49 shown.





Source: ONS, OBR

## Somerset Overview



### Somerset's top 10 projected growth sectors: Total GVA (£m at 2011 prices)

Industry sector (Blue = Production/manufacturing, Red = services)	% growth 2014-30	Average annual growth 2014-30
Professional services	91.2%	5.7%
Scientific & technical	89.5%	5.6%
Information and communication	83.8%	5.2%
Administrative and support services	78.1%	4.9%
Real estate activities	61.6%	3.9%
Wholesale & retail trade & repair of motor vehicles & motorcycles	59.6%	3.7%
Retail trade, except of motor vehicles & motorcycles	58.9%	3.7%
Food & beverage services	56.6%	3.5%
Accommodation	51.8%	3.2%
Transportation and storage	51.6%	3.2%

### Somerset's top 10 projected growth sectors: Productivity (GVA per FTE)

Industry sector (Blue = Production/manufacturing, Red = services)	% growth 2014-30	Average annual growth 2014-30
Electricity, gas, steam and air conditioning supply	64.2%	4.0%
Information and communication	63.3%	4.0%
Scientific & technical	59.9%	3.7%
Mining and quarrying	59.8%	3.7%
Professional services	58.5%	3.7%
Aerospace	53.7%	3.4%
Marine	53.6%	3.3%
Food, drink & tobacco	52.8%	3.3%
Advanced manufacturing (excluding aerospace & marine)	52.8%	3.3%
Administrative and support service activities	52.4%	3.3%

### Somerset's top 10 projected growth sectors: Jobs (000s)

Industry sector (Blue = Production/manufacturing, Red = services)	% growth 2014-30	Average annual growth 2014-30
Professional services	25.7%	1.6%
Arts, entertainment and recreation	25.1%	1.6%
Scientific & technical	24.8%	1.6%
Administrative and support service activities	24.8%	1.5%
Real estate activities	22.5%	1.4%
Construction	21.9%	1.4%
Other service activities	20.1%	1.3%
Transportation and storage	15.7%	1.0%
Information and communication	14.2%	0.9%
Food & beverage services	12.5%	0.8%

Source: Heart of the South West LEP Model, Oxford Economics 2015

### Overall economic growth

- By 2030, the Somerset economy is expected to be worth £13.892bn. Analysis based upon projections from the Oxford Economics model shows that the total value of Somerset's economy (GVA) is expected to grow by 44.9% by 2030. This is a slower rate of growth than the UK as whole (51.6%) but slightly higher than across the LEP area (44%).
- The productivity gap between Somerset and the UK is expected to persist and even increase over the period to 2030. Somerset's productivity growth in terms of economic value generated per full-time equivalent job is projected to be 38.2%, whereas the UK is expected to see an increase of 42.2% over the same period.
- The number of jobs in Somerset is projected to increase by 8% in the period to 2030, compared to 9.5% nationally and 7% across the LEP area.

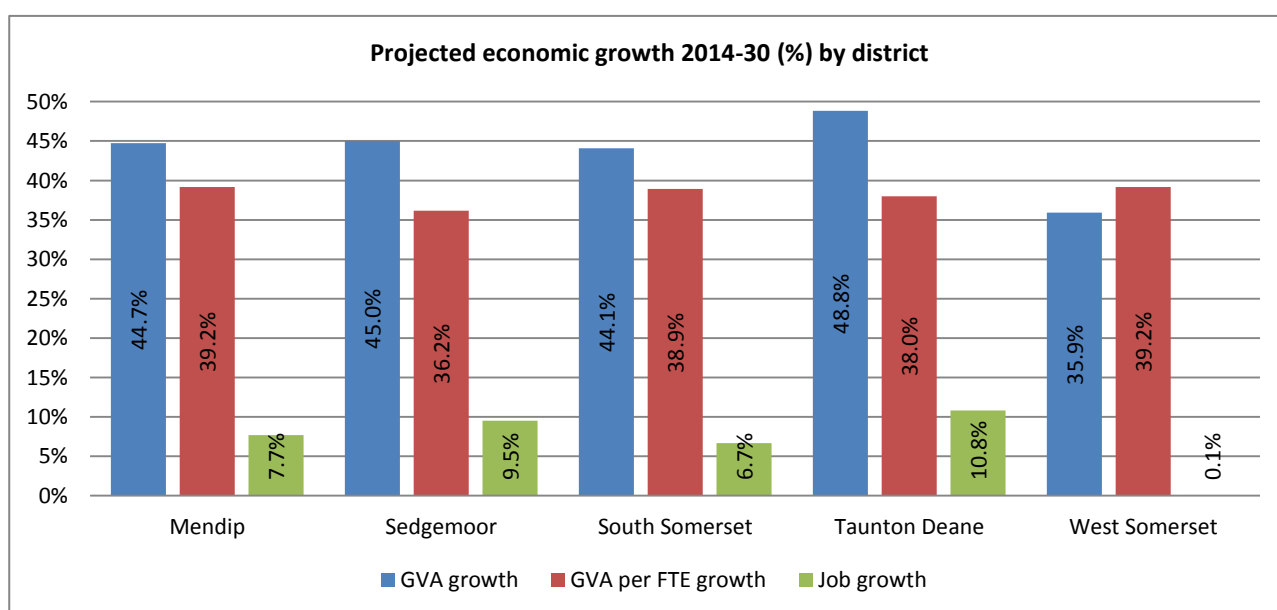
### Growth sectors

- The industry sectors expected to show the most growth in Somerset differ depending on whether projections are examined for total GVA, productivity or jobs. In overall GVA terms, the 10 sectors expected to grow the most in the period to 2030 are all service-based.
- The professional services sector comes out on top, with projected GVA growth of 91.2% to 2030, closely followed by scientific and technical industries with 89.5%. The information and communication sector is also expected to grow strongly (83.8%), showing the importance of knowledge-intensive sectors to the Somerset economy.
- In productivity terms, manufacturing industries feature strongly in the top 10 projected growth sectors in Somerset. Electricity and gas supply is expected to show greatest productivity growth to 2030

(64.2%), although the value of this sector is heavily reliant on the price of the supplied commodity which is likely to reflect an element of the industry's growth potential. The productivity of aerospace and other advanced manufacturing industries is also projected to grow by 50%+ in the period to 2030.

- The importance of the information and communication and scientific and technical industries can also be seen in productivity terms, with projected growth of 63.3% and 59.9% respectively.
- As well as strong projected overall GVA growth, professional services also come top of the list in terms of expected job growth to 2030. Employment in the sector in Somerset is projected to grow by 25.7% over the period. Strong employment growth is also projected in the arts, entertainment and recreation sector (+25.1%) although these are likely to be lower value jobs, as the sector shows a modest increase in overall GVA (+40.9%) compared to others in the County.

## Local trends (Districts)



Source: Heart of the South West LEP Model, Oxford Economics 2015

### GVA

- Taunton Deane district is projected to have the highest GVA growth of all the Somerset districts in the period to 2030 (+48.8%), exceeding the Somerset growth rate (+44.9%). West Somerset's economy has the lowest level of expected GVA growth over the period (+35.9%).

### Productivity

- Productivity is expected to increase the most in Mendip and West Somerset (+39.2%) in the period to 2030, compared to 38.2% for the County as a whole. Sedgemoor is expected to see the lowest productivity growth of all the districts (36.2%).

### Employment

- The strongest employment growth of all the districts is projected to occur in Taunton Deane, with 10.8% more jobs by 2030. Sedgemoor is also expected to show strong employment growth over the period (+9.5%), compared to 8% across Somerset as a whole.
- The number of jobs in West Somerset is projected to remain constant, with only a 0.1% increase projected by 2030. Given that productivity in the district is expected to increase strongly in the district, this suggests businesses will need to innovate and expand production to achieve this improvement. It may also be a necessary reflection of the projected decline in the working age population of the area (see Chapter 1).

## DATA TABLES Chapter 10: Economic Projections

### Projected economic growth in Somerset by sector (2014-2030)

	Total GVA (£m, 2011 prices)			Productivity (GVA per FTE, £ 2011 prices)			Employment (Jobs, 000s)		
	2014	2030	Growth 2014-30 (%)	2014	2030	Growth 2014-30 (%)	2014	2030	Growth 2014-30 (%)
A : Agriculture, forestry and fishing	187.9	219.4	16.8%	24,731	34,488	39.5%	8.8	7.2	-17.8%
B : Mining and quarrying	72.4	71.3	-1.6%	134,561	214,993	59.8%	0.5	0.3	-38.4%
C : Manufacturing	1,644.8	2,136.8	29.9%	55,682	85,036	52.7%	31.0	26.1	-15.6%
Advanced manufacturing (excluding aerospace & marine)	425.9	553.8	30.0%	60,738	92,800	52.8%	7.4	6.2	-15.6%
Aerospace	314.2	408.3	30.0%	64,038	98,440	53.7%	5.0	4.2	-15.6%
Marine	1.7	2.3	30.0%	55,982	85,980	53.6%	0.0	0.0	-15.6%
Food, drink & tobacco	367.6	476.9	29.7%	49,062	74,982	52.8%	7.8	6.6	-15.7%
Other manufacturing	535.4	695.5	29.9%	53,024	80,629	52.1%	10.8	9.1	-15.7%
D : Electricity, gas, steam and air conditioning supply	107.0	142.2	32.8%	83,454	137,046	64.2%	1.3	1.0	-19.1%
E : Water supply; sewage, waste management and remediation activities	143.7	196.8	37.0%	90,864	137,444	51.3%	1.7	1.5	-9.3%
F : Construction	723.7	1,036.0	43.2%	35,067	42,129	20.1%	22.2	27.1	21.9%
G : Wholesale and retail trade; repair of motor vehicles and motorcycles	1,167.9	1,859.0	59.2%	35,615	52,650	47.8%	41.9	45.9	9.7%
Wholesale & retail trade & repair of motor vehicles & motorcycles	509.4	812.8	59.6%	43,596	63,595	45.9%	12.8	14.1	10.1%
Retail trade, except of motor vehicles & motorcycles	658.5	1,046.3	58.9%	31,197	46,440	48.9%	29.1	31.8	9.5%
H : Transportation and storage	341.2	517.2	51.6%	37,657	50,145	33.2%	9.8	11.4	15.7%
I : Accommodation and food service activities	337.4	522.4	54.9%	22,617	33,069	46.2%	21.1	23.5	11.5%
Accommodation	121.5	184.4	51.8%	23,771	34,220	44.0%	6.4	7.0	9.2%
Food & beverage services	215.8	338.0	56.6%	22,015	32,473	47.5%	14.7	16.5	12.5%
J : Information and communication	235.2	432.4	83.8%	49,957	81,584	63.3%	5.2	6.0	14.2%
K : Financial and insurance activities	211.5	307.6	45.4%	72,602	108,396	49.3%	3.4	3.3	-2.6%
L : Real estate activities	999.2	1,615.1	61.6%	282,766	405,512	43.4%	4.6	5.7	22.5%
M : Professional, scientific and technical activities	491.8	939.4	91.0%	32,794	52,019	58.6%	17.4	21.8	25.6%
Professional services	447.0	854.6	91.2%	32,510	51,534	58.5%	15.9	20.0	25.7%
Scientific & technical	44.8	84.9	89.5%	35,932	57,470	59.9%	1.5	1.9	24.8%
N : Administrative and support service activities	346.5	617.1	78.1%	31,345	47,781	52.4%	13.9	17.4	24.8%
O : Public administration and defence; compulsory social security	580.8	671.1	15.5%	57,919	72,951	26.0%	11.4	10.3	-9.4%
Administration of the State, economic & social policy of the community	311.6	358.1	14.9%	75,054	97,593	30.0%	5.0	4.4	-12.6%
Provision of services to the community as a whole	254.9	296.7	16.4%	45,853	56,551	23.3%	5.9	5.5	-6.5%
Compulsory social security activities	14.3	16.3	14.0%	45,136	57,533	27.5%	0.4	0.4	-11.9%
P : Education	708.5	792.0	11.8%	40,503	44,803	10.6%	23.9	24.1	0.8%
Q : Human health and social work activities	905.6	1,301.2	43.7%	30,567	41,001	34.1%	40.3	44.0	9.2%
R : Arts, entertainment and recreation	105.0	147.9	40.9%	21,533	28,769	33.6%	7.5	9.3	25.1%
S : Other service activities	276.4	367.1	32.8%	40,192	46,954	16.8%	8.6	10.3	20.1%
<b>Total</b>	<b>9,586.5</b>	<b>13,892.0</b>	<b>44.9%</b>	<b>42,787</b>	<b>59,123</b>	<b>38.2%</b>	<b>274.4</b>	<b>296.3</b>	<b>8.0%</b>

Source: Heart of the South West LEP Economic Model, Oxford Economics 2015

**Projected economic growth (2014-2030)**

		2014	2030	Projected growth 2014-2030		Average annual growth 2014-2030
				Actual	%	
<b>GVA (£m, 2011 prices)</b>	UK	1,455,615.1	2,207,090.1	751,475.0	51.6%	3.2%
	HOSW LEP	29,472.1	42,438.9	12,966.7	44.0%	2.7%
	Somerset	9,586.5	13,892.0	4,305.5	44.9%	2.8%
	Mendip	1,853.8	2,682.8	829.1	44.7%	2.8%
	Sedgemoor	1,712.4	2,483.5	771.1	45.0%	2.8%
	South Somerset	3,067.4	4,420.1	1,352.7	44.1%	2.8%
	Taunton Deane	2,261.5	3,365.8	1,104.3	48.8%	3.1%
	West Somerset	691.4	939.8	248.4	35.9%	2.2%
<b>GVA per FTE (£, 2011 prices)</b>	UK	52,430	74,574	22,144	42.2%	2.6%
	HOSW LEP	42,365	58,671	16,306	38.5%	2.4%
	Somerset	42,787	59,123	16,335	38.2%	2.4%
	Mendip	40,512	56,381	15,869	39.2%	2.4%
	Sedgemoor	40,206	54,754	14,548	36.2%	2.3%
	South Somerset	44,293	61,538	17,245	38.9%	2.4%
	Taunton Deane	43,477	59,992	16,515	38.0%	2.4%
	West Somerset	47,910	66,668	18,759	39.2%	2.4%
<b>Employment (jobs, 000s)</b>	UK	33,330.0	36,486.3	3,156.3	9.5%	0.6%
	HOSW LEP	857.0	917.0	60.0	7.0%	0.4%
	Somerset	274.4	296.3	21.9	8.0%	0.5%
	Mendip	57.3	61.8	4.4	7.7%	0.5%
	Sedgemoor	51.7	56.6	4.9	9.5%	0.6%
	South Somerset	83.2	88.7	5.5	6.7%	0.4%
	Taunton Deane	64.7	71.7	7.0	10.8%	0.7%
	West Somerset	17.5	17.6	0.0	0.1%	0.0%

Source: Heart of the South West LEP Economic Model, Oxford Economics 2015

