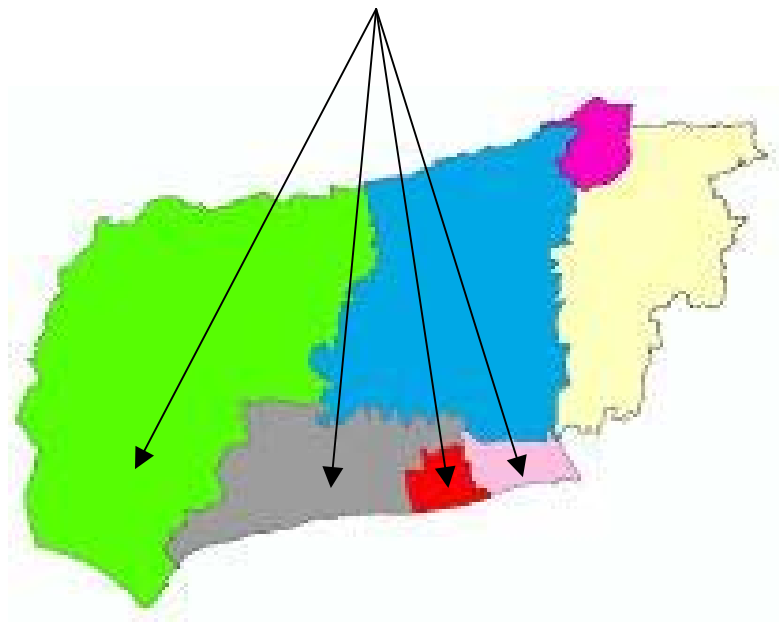


West Sussex Local Economic Assessment

Spatial Area Factsheets

COASTAL WEST SUSSEX



Introduction to Spatial Area Factsheets

The Local Economic Assessment

In 2010/11 West Sussex County Council produced the Local Economic Assessment (LEA) for West Sussex, in accordance with requirements set out in the Local Democracy, Economic Development & Construction Act (2009). It:

- Sets out the economic conditions in West Sussex and how they affect businesses and residents;
- Identifies the economic linkages between West Sussex and the wider economy;
- Identifies strengths and weaknesses within the county's economy and its economic challenges and opportunities; and
- Identifies constraints on land to sustainable economic growth.

The LEA will be updated on a regular basis, so that there is readily available intelligence to inform local economic development policies and interventions.

What is in this Spatial Factsheet

This spatial area factsheet provides a summary of the key data about Coastal West Sussex that is contained within the West Sussex Local Economic Assessment. For the purposes of the Factsheet, Coastal West Sussex refers to the following boroughs and districts: Adur, Arun, Worthing and Chichester. The factsheet has three sections:

- **People.** This focuses on population trends; the skills and qualifications of local residents; labour market participation and the occupations that people work in;
- **Place.** This focuses on the physical characteristics in each area, including transport, housing and the environment;
- **Economy.** This provides information on the business structure, business start ups, sector strengths and economic performance.

Ten other spatial factsheets have been produced in addition to the Coastal West Sussex factsheet. These are listed below:

- Adur
- Arun
- Chichester
- Crawley
- Horsham
- Mid Sussex
- Worthing
- West Sussex
- Gatwick Diamond
- Rural West Sussex

Further Information

For further information about the Coastal West Sussex economy, please contact:
Sue Cooper, West Sussex County Council. (sue.cooper@westsussex.gov.uk) 01243 777106

Claire Chester, Area Development Manager, Coastal West Sussex, West Sussex County Council.
Claire.chester@westsussex.gov.uk 01243 756703.

Coastal West Sussex Summary

People

• Resident Population/working age population in 2008	424,000/61%
• 1992-2008 population growth/ 2008-2026 projected growth	+39,400/+36,100
• Residents with Level 4+ qualifications/Low Level qualifications in 2008	28%/34%
• Median weekly earnings of residents/workers in 2010	
Adur £334/£359 Arun £359/£316 Chichester £346/£360 Worthing £378/£356	
• Residents/workers employed in 'Higher level' occupations in 2009	44%/46%
• Residents/workers employed in Elementary occupations in 2009	10%/10%
• Economic activity rate/Employment rate in 2009	78%/73%
• Unemployment rate/% claiming out of work benefits in 2009	7.0%/10.3%

Place

• Area	108,161 hectares
• Main urban centres: Worthing, Chichester, Littlehampton, Bognor Regis, Shoreham-by-Sea	
• Total commercial and industrial floorspace in 2008	2,926,000 sq.m
• Households with access to a car in 2001:	
Adur 77% Arun 78% Chichester 84% Worthing 74%	
• Workers who commute more than 30km to work in 2001:	
Adur 9% Arun 10% Chichester 12% Worthing 10%	
• Average residential property price in 2010:	
Adur £220,762 Arun £242,231 Chichester £317,456 Worthing £217,252	
• Rateable value per 1,000 sq m in 2008	
Adur £61 Arun £59 Chichester £78 Worthing £80	

Economy

• Total value of the economy in 2007 (GVA)	£7.28bn
• GVA per head in 2007	
Adur £18,048 Arun £16,833 Chichester £18,853 Worthing £18,973	
• Business start ups per 10,000 residents in 2010	
Adur 40.6 Arun 36.1 Chichester 60.0 Worthing 47.3	
• Competitiveness rank (out of 379) in 2010	
Adur 186 Arun 250 Chichester 78 Worthing 128	
• Number of businesses in 2010	18,400
• Businesses in the Financial & Business Services sector in 2008	28%
• Workers employed in the Financial & Business Services sector in 2008	17%
• Businesses in the Public Administration, Education & Health sector in 2008	9%
• Workers employed in Public Administration, Education & Health in 2008	32%
• Sector strengths:	
Adur: Manufacturing; Construction; Motor Trades; Wholesale; Retail; Advanced Engineering	
Arun: Agriculture (inc Horticulture); Manufacturing; Motor Trades; Retail; Accommodation & Food; Health; Advanced Engineering	
Chichester: Agriculture (inc. Horticulture); Manufacturing; Retail; Accommodation & Food; Property; Health; Public Administration; Advanced Engineering	

Coastal West Sussex - People

What this Section Covers

This section focuses on the characteristics of the people who live in Coastal West Sussex. It sets out the profile and trends of the resident population; their skills and qualification levels; labour market participation rates; the type of jobs that they do; and their average earnings.

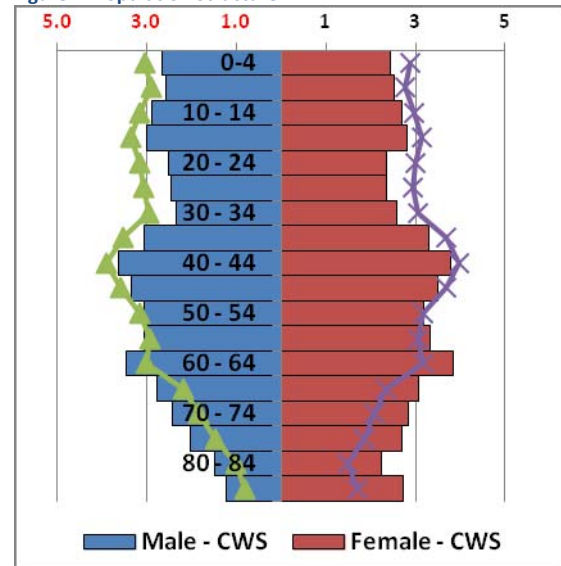
At the time of the 2001 Census all the Coastal West Sussex districts had a higher proportion of pensioner households than the average for West Sussex (30%) and the South East (25%). In Adur 32% of households contained a pensioner. In Arun it was 36% of households; and in both Chichester and Worthing it was 32%.

Population Trends

In 2008, there were 424,000 residents in Coastal West Sussex, around 39,000 more than there had been in 1992.

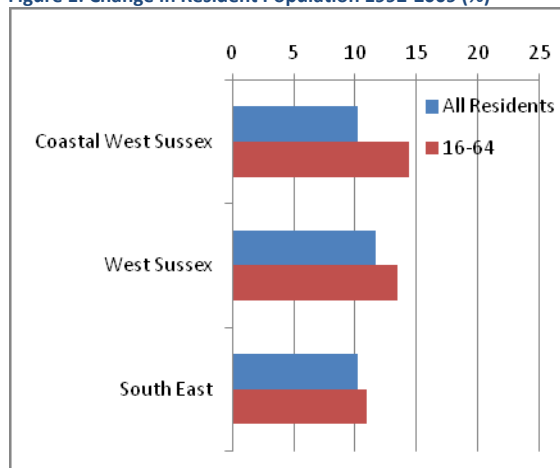
Since 1992, the population has grown at a slower rate in Coastal West Sussex than in West Sussex, but at a similar rate as in the South East region as a whole. However, there has been a more rapid increase in the working age population.

Figure 2: Population Structure



Source: Mid Year Population Estimates ONS via NOMISWEB

Figure 1: Change in Resident Population 1992-2009 (%)



Around 60% of Coastal West Sussex's residents are of working age. This is similar to the proportion in West Sussex (61%) but below that in the South East region (64%) as a whole.

In 2008, there were 33,000 residents in Coastal West Sussex who were aged 80 or over, 21,000 of whom were women.

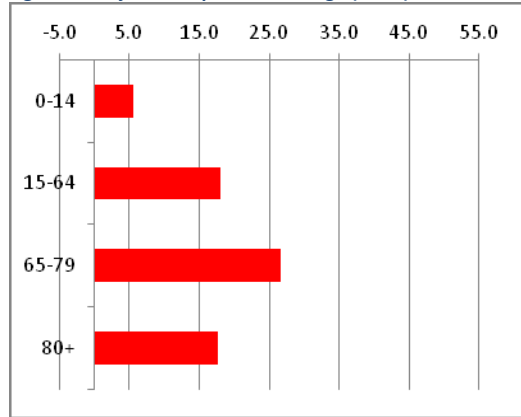
Population Projections

Population projections provide an indication of how the population might change in the future. However, a number of factors influence population changes.

Current projections suggest that there could be around 454,100 residents in Coastal West Sussex by 2026 – an increase of around 11%.

Two-thirds (65%) of the increase is expected to be amongst people who are aged 65+ years. There is projected to be a much smaller increase in the working age population.

Figure 3: Projected Population Change ('000s) 2008-2026



Source: Sub-National Population Projections (2008 based) ONS

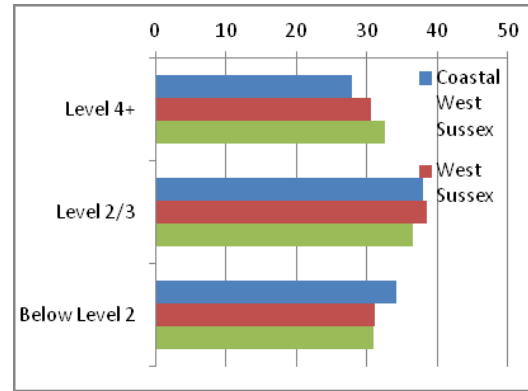
This projected pattern of population growth is not the same in all parts of Coastal West Sussex. There is expected to be a significant growth in the working age population in Worthing, but negligible growth in Arun, for example.

However, responding to an ageing resident population is likely to be a significant challenge for Coastal West Sussex in the foreseeable future.

Skills and Qualifications

Coastal West Sussex residents tend to have lower qualification levels than residents across the whole of West Sussex and the South East region.

Figure 4: Qualification Levels (%) of residents in Coastal West Sussex, West Sussex & the South East (working age population)



Source: Annual Population Survey Jan-Dec 2009

Just over one quarter (28%) of working age residents hold a Level 4 qualification, compared with 31% in West Sussex as a whole.

However, just over a third (34%) of Coastal West Sussex residents hold no or low level (below Level 2) qualifications, compared with 31% in the county as a whole.

Qualification levels in Arun are amongst the lowest in the county.

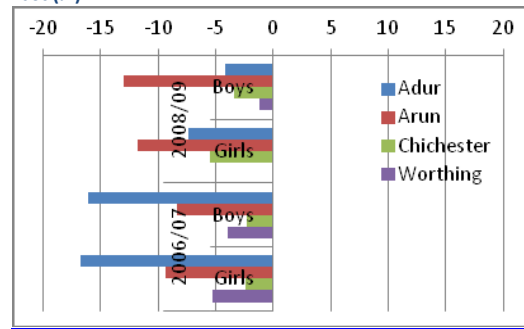
The 2001 Census suggested that employees in in Adur and Worthing, in particular, were more likely to hold higher level qualifications than local residents. This suggests that more people with higher level skills commute into these areas to work than travel out.

There appears to have been a significant increase in the proportion of residents holding higher level qualifications in recent years in all the Coastal West Sussex districts.

GCSE Attainment

GCSE attainment amongst 15 year old Coastal West Sussex residents has improved in recent years, but it remains below the South East average in all the districts, except amongst girls in Worthing. The 'achievement gap' has narrowed significantly in Adur and Worthing. However, the gap has widened in Arun.

Figure 5: Difference between 15 Year Old Residents' GCSE Attainment in Coastal West Sussex compared with the South East (%)



Source: Neighbourhood Statistics

In 2008/09 achievement of five A*-C grade GCSEs or equivalent was highest in Worthing amongst both boys (65%) and girls (74%). It was lowest in Arun amongst both boys (53%) and girls (62%). This compares with achievement rates of 66% amongst boys and 74% amongst girls in the South East region as a whole.

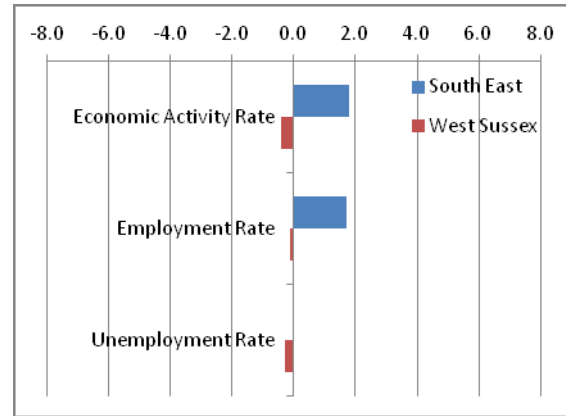
Economic Activity

In 2009, 192,000 of Coastal West Sussex's working age residents were economically active. This represents just under four-fifths (81.1%) of the working age residents. This is below the rate in both West Sussex (81.5%) and the South East (79.3%) as a whole.

Males (88%) are more likely to be economically active than females (75%)¹. Economic activity amongst males is highest in Adur (94%) and lowest in Arun (84%). Amongst females, economic activity is highest in Worthing (83%) and lowest in Adur (68%).

Figure 6: Labour Market Participation Rates in Coastal West Sussex compared with West Sussex and the South East

¹ Note: Samples sizes at district level are quite small, so these figures should be viewed with some caution



Source: Annual Population Survey Jan-Dec 2009

The employment rate (76.2%) in Coastal West Sussex is similar to the average for West Sussex (76.3%) and higher than the South East (74.5%).

The unemployment rate in Coastal West Sussex (6.1%) similar to the rates in both West Sussex (6.4%) and the South East (6.1%) and the proportion of residents claiming out of work benefits (10.3%) in November 2009 was higher than the average for both West Sussex (9.0%) and the South East region (9.0%). Parts of Coastal West Sussex have significant levels of involuntary worklessness. Worthing (11.7%) has the highest proportion of working age residents claiming out of work benefits in the county, whilst Arun (9.8%) has the highest unemployment rate.

The number of residents claiming out of work benefits increased from 23,220 in November 2008 to more than 26,060 a year later, reflecting the impact that the recession has had on employment in Coastal West Sussex.

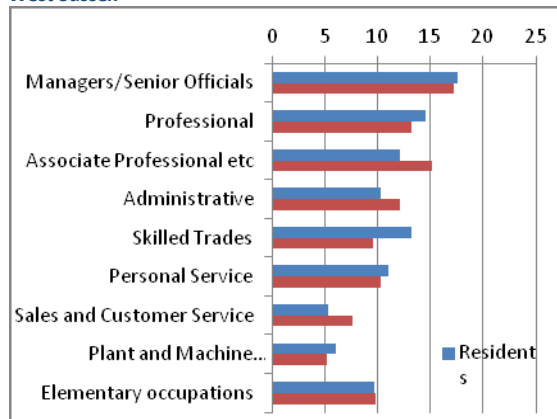
Employment

Nearly three quarters (72.8%) of Coastal West Sussex's working residents are employed full-time. This is slightly lower than the proportion who work full-time across West Sussex (73.2%) and the South East (73.4%) region.

Levels of self-employment are lower than the average for the county. 14.8% of residents in

employment run their own businesses, compared with 15.5% in West Sussex and 13.9% across the South East as a whole. Self employment is a particularly important feature of the Chichester economy, where nearly one in five (17%) people in work run their own business.

Figure 7: Occupations of Residents and Workers in Coastal West Sussex



Source: Annual Population Survey Jan-Dec 2009 ONS via NOMISWEB

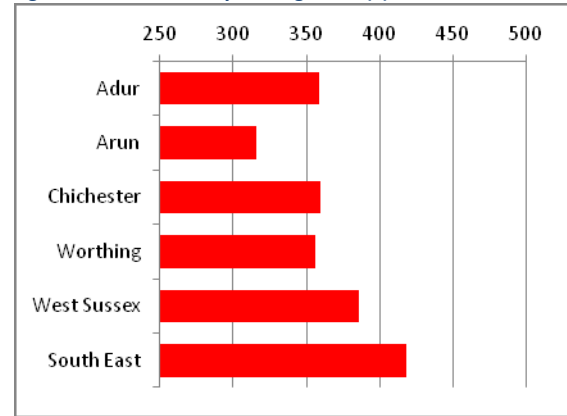
Residents in Coastal West Sussex are more likely to work in Professional, Skilled Trades and Personal Service Occupations than people who work in the area. By contrast, Coastal West Sussex workers are more likely than residents to be employed in Associate Professional & Technical; Administrative & Secretarial; and Sales & Customer Service Occupations.

A particularly high proportion of Worthing residents work as Managers and Senior Officials (24%), whilst a large proportion of workers in Adur are employed in Skilled Trades (17%).

Earnings

Median earnings of people who work in all the Coastal West Sussex districts are below those for West Sussex (£385.50) and the South East (£418.60) as a whole. Weekly median earnings for people who are employed in Arun are lower (£315.90) any other district in West Sussex.

Figure 8: Median Weekly Earnings 2010 (£)

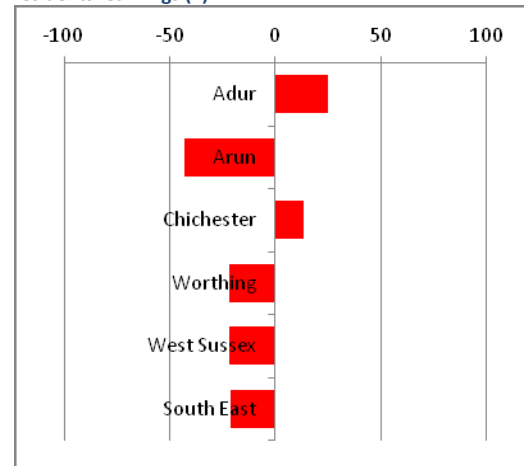


Source: Annual Survey of Hours and Earnings (ASHE) 2010 via NOMISWEB

Median weekly earnings for employees are below those of residents in Arun (-£42.80) and Worthing (-£22.00). However, the reverse is the case in Adur (+£24.80) and Chichester (+£13.40).

This may mean that many residents in Arun and Worthing travel out to better paid jobs, whilst people commute into work in higher paid occupations in Chichester and Adur.

Figure 9: Difference in workers earnings compared with residents' earnings (£)



Source: Annual Survey of Hours and Earnings (2010) ONS via NOMISWEB

Overall in both West Sussex and in the South East, residents' median earnings tend to be higher than those of employees.

Coastal West Sussex - Place

What this Section Covers

This section focuses on the characteristics of Coastal West Sussex as a physical location. It considers issues relating to its geography, transport, housing, commercial land and property; and the environment.

Where possible, information that is specific to Coastal West Sussex has been provided. However, there are a number of issues relating to transport and the environment, in particular, that relate to West Sussex, as a whole.

Geography and Location

Coastal West Sussex covers an area of 108,161 hectares and includes both the county's largest district (Chichester) and its smallest (Worthing). Its urban centres include Chichester, Worthing, Bognor Regis, Littlehampton and Shoreham-by-Sea.

It is a popular visitor destination with a coastline that includes Shoreham Port and the Harbour regeneration area and numerous family beaches and recreation/leisure and cultural facilities.

Transport

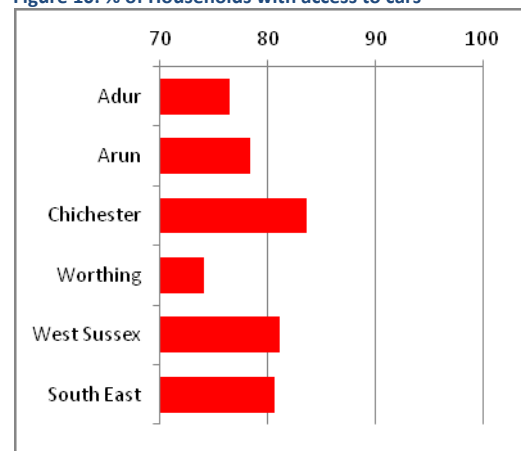
Some parts of Coastal West Sussex have good transport links to London, Brighton & Hove and Portsmouth. However, the transport infrastructure is recognised as being difficult for many people living in the area.

The A27 east-west road link can be slow and congested and public transport to and from parts of Arun, in particular, is limited.

The West Sussex Transport Plan (2011-2026) sets out a vision to achieve an efficient, safe and less congested transport network across the county. This includes improving the A27 and rail infrastructure, as well as promoting community transport initiatives and encouraging a modal shift to more sustainable forms of transport.

Good transport is important to promoting sustainable economic development and social inclusion. Residents in most districts in Coastal West Sussex are less likely to have access to a car than residents across West Sussex and the South East, as a whole.

Figure 10: % of Households with access to cars



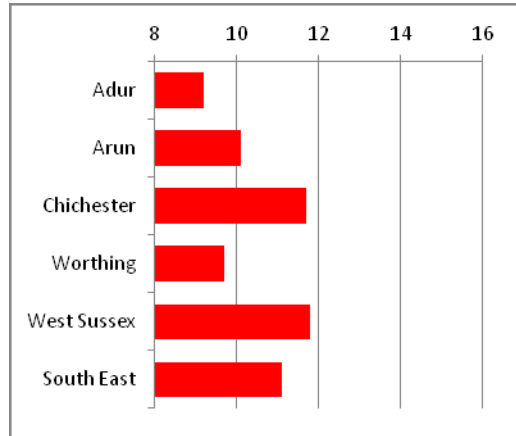
Source: Census 2001

The only exception to this was Chichester, where 83.6% of households had access to a car. Car ownership was lower in Worthing (74.0%) than in any other district in the county.

Working residents in all districts except Chichester (11.7%) were less likely to travel long distances to work than the average for both West Sussex (11.8%) and the South East (11.1%). Working residents in Adur (9.2%) were less likely to travel more than 30km to

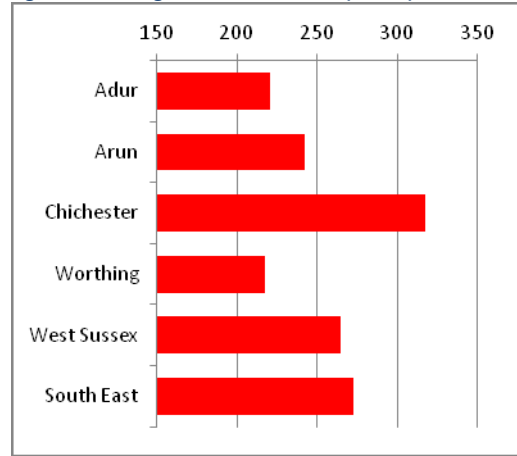
work than working residents in any other district in West Sussex.

Figure 11: % of Residents in Work who Commute 30km or more to work



Source: Census 2001

Figure 12: Average House Prices 2010 (£'000s)



Source: Land Registry of England & Wales

Housing

In 2001, houses were more likely to be owned outright (without a mortgage) in all Coastal West Sussex districts than the average for the county (35%) and the South East (31%), as a whole.

Arun had the highest proportion of properties that were owned outright (42%) in the county. It also had the lowest level of socially-rented housing (9.1%).

In common with other parts of the South East, house prices in Coastal West Sussex have increased rapidly over the past decade, but they are below the county (£264,572) and South East (£272,405) in all districts, except for Chichester (£317,456). Average house prices range from £217,252 in Worthing to £317,456 in Chichester.

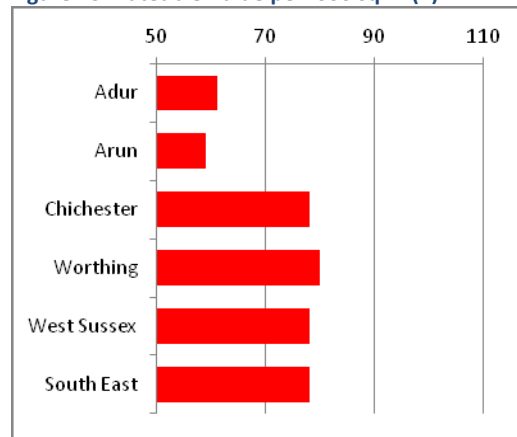
Average house prices are 11.9 times the annual gross full-time earnings of people who live in Chichester and 13.5 times the earnings of people who work there, making it the least affordable district in West Sussex.

Commercial Land and Property

In 2008, there was 2,926,000 sq m of commercial and industrial floorspace in Coastal West Sussex. This included 1,633,000 sq m of industrial space; 425,000 sq m of office space and 728,000 sq. m of retail space.

The rateable value of commercial accommodation in Coastal West Sussex districts is generally lower than in West Sussex and the South East region as a whole.

Figure 13: Rateable Value per '000 sq.m (£)



Source: Local Knowledge, Commercial & Industrial Floorspace and Rateable Value Statistics

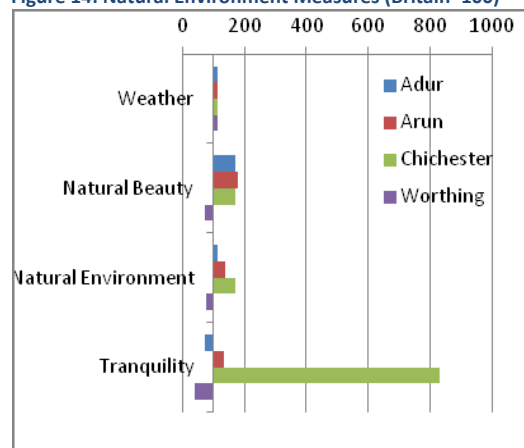
In 2008, the rateable value in Arun was lower than anywhere else in the county (£59 per 1000 sq. m)

Environment

West Sussex as a whole has a high quality natural environment, with the South Downs National Park now covering around 40% of land in the county.

It is difficult to measure the natural environment so that areas can be compared with each other. However, an Index developed by Local Futures has attempted to do this by using Natural Environment Measures.

Figure 14: Natural Environment Measures (Britain=100)



Source: Local Futures

This index uses four measures: Weather, Natural Beauty, Natural Environment; and Tranquility.

Most Coastal West Sussex districts score above the average for Britain by all measures. Chichester scores particularly high on the Tranquility Measure, with an index score of 831. Only Worthing scores below average on a number of these environmental index measures.

Air quality across West Sussex is generally considered to be good. However, the

following areas have been declared as Air Quality Management Areas (AQMA):

- The A259 at Shoreham High Street and at Southwick;
- The area around the A27/A286 Stockbridge Roundabout in Chichester;
- The A286 at Orchard Street in Chichester;
- Part of St. Pancras in Chichester;
- The A27/A24 junction at the Grove Lodge roundabout in Worthing

West Sussex County Council has identified addressing climate change as a key priority, particularly along the coastal areas. Per capita greenhouse gas emissions in West Sussex are just below the regional average.

Agreed actions include promoting environmentally responsible land use and protecting environmentally designated sites.

Broadband Connectivity

Broadband connectivity is becoming an increasingly important feature of everyday living for both residents and businesses.

However, there are a number of mainly rural areas in West Sussex that do not have broadband connections and in some of those that do, connections can be poor and/or slow.

Initiatives are being explored to increase broadband speeds to all households to more than 2Mbps by 2012 and to more than 15Mbps by 2018.

Coastal West Sussex - Economy

What this Section Covers

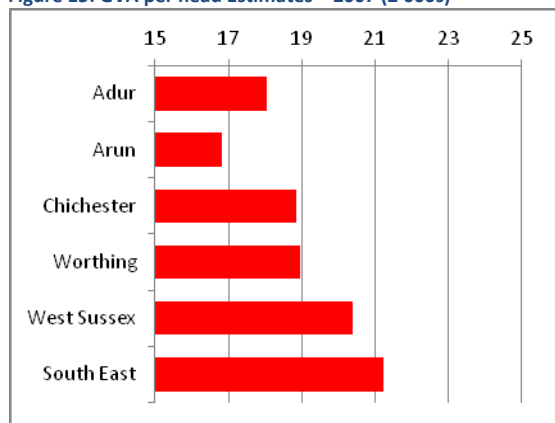
This section focuses on Coastal West Sussex's economy. It considers its economic performance, its business and employment structure, business dynamism and sector strengths. It concludes by providing commentary on employment forecasts.

Economic Performance

Across West Sussex, recent economic performance, as measured by Gross Value Added (GVA) has been modest compared with regional averages. Prior to the 2008/09, there was a strong reliance on the public sector for growth and, in common with other areas West Sussex faces challenges in responding to the deficit reduction programme and in supporting private sector-led growth.

In 2007, Coastal West Sussex's economy was worth around £7.28bn – around 46% of the West Sussex economy. Productivity levels (as measured by GVA per head) in all Coastal West Sussex districts are below the average for West Sussex and the South East region as a whole.

Figure 15: GVA per head Estimates – 2007 (£'000s)



Source: Local Futures Ltd

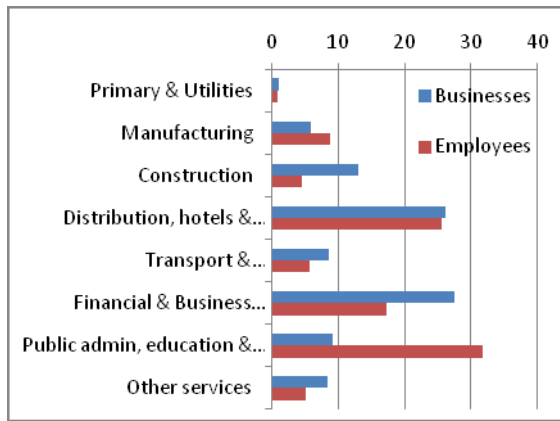
GVA per head in 2007 was lowest in Arun (£16,833) and highest in Worthing (£18,973). This compares with £20,382 in West Sussex and £21,248 across the South East region as a whole. This reflects the lower value added activity of many of the jobs in the area. Furthermore, the same estimates suggest that productivity increases between 1997 and 2007 were below the county average in all the Coastal West Sussex districts.

Economic resilience depends heavily on the competitiveness of an economy, in terms of the products and services that it provides and the knowledge and intellectual capital of its labour force. According to the UK Competitiveness Index, districts in Coastal West Sussex ranked between 78th out of 379 districts (Chichester) and 250th (Arun). None of the Coastal West Sussex districts were considered to be as competitive as any of the West Sussex districts that are in the Gatwick Diamond area.

Businesses and Employment

In 2010, there were 18,400 businesses in Coastal West Sussex. This is 51% of the total business stock in West Sussex. Some sectors have large numbers of businesses, but provide a small number of jobs whilst in other sectors, the reverse is the case. This is shown in Figure 16.

Figure 16: Business and Employee Structure



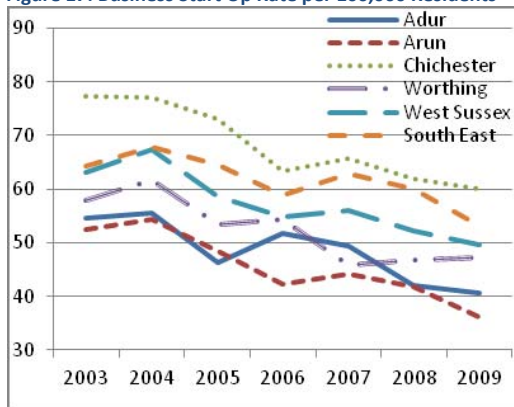
Source: Annual Business Inquiry 2008

The Financial & Business Services sector accounts for more than a quarter (28%) of all businesses, but provides only around one in six (17%) of jobs in Coastal West Sussex. By contrast, less than one in ten businesses are in the Public Administration, Education & Health sectors (9%), but they provide a third (32%) of all local jobs. As with most other areas, the Distribution, Hotels and Restaurants sector accounts for a large proportion of Coastal West Sussex businesses (26%) and provides a significant amount of the district's employment (26%).

Business Start up Rates

Businesses formation per 10,000 residents was lower than the West Sussex (49.7) and South East (53.1) averages in all the Coastal West Sussex districts, except Chichester (60.0). In all districts the rate of business formation was well below that of earlier in the 2000s.

Figure 17: Business Start Up Rate per 100,000 Residents



Source: Office for National Statistics

Employment Strengths

It is useful to understand local economic strengths by comparing the distribution of employment in sectors in Coastal West Sussex with the national (or regional) distribution.

This is done using Location Quotients (LQ). Any LQ above 1.0 shows a local concentration and any below 1.0 shows an under-representation.

This is shown for the districts in Coastal West Sussex in Figure 18, below.

Figure 18: Sector Strengths (Location Quotients)

Adur	Manufacturing (1.59); Construction (1.5); Motor Trades (1.19); Wholesale (1.18); Retail (1.29) Priority Sectors: Advanced Engineering (1.9)
Arun	Agriculture etc. (inc Horticulture) (2.78); Manufacturing (1.27); Motor Trades (1.1); Retail (1.31); Accommodation & Food Service (1.19); Health (1.53) Priority Sectors: Advanced Engineering (1.33)
Chichester	Agriculture etc. (inc Horticulture) (4.11); Manufacturing (1.11); Retail (1.1); Accommodation & Food Service (1.19); Property (1.62); Health (1.21); Public Administration (1.25) Priority Sectors: Advanced Engineering (1.33)
Worthing	Retail (1.19); Finance & Insurance (2.18); Health (1.98) Priority Sectors: Financial & Professional Services (1.23)

Source: Annual Business Inquiry 2008

Local concentrations are different between the districts, but all have a higher than average concentration of retail employment; whilst amongst priority sectors, Advanced Engineering features strongly across Coastal West Sussex.

Employment Forecasts

It is difficult to predict the path of the economy. However, according to the West Sussex LEA, pre-recession forecasts suggest that employment growth would be mainly in the financial and business services and public

sectors. Given the Government's deficit reduction plans, it seems unlikely that the public sector will be a driver of growth in the short to medium term.