

# West Sussex Local Economic Assessment

## Spatial Area Factsheets

### CRAWLEY



# Introduction to Spatial Area Factsheets

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## The Local Economic Assessment

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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.

It is intended that information in 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

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This spatial area factsheet provides a summary of the key data about Crawley that is contained within the West Sussex Local Economic Assessment. It 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 Crawley factsheet. These are listed below:

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

## Further Information

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# Crawley Summary

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## People

• Resident Population/working age population in 2008	104,000/67%
• 1992-2008 population growth/ 2008-2026 projected growth	+16,700/+7,900
• Residents with Level 4+ qualifications/Low Level qualifications in 2008	23%/43%
• Median weekly earnings of residents/workers in 2010	£425/£495
• Residents/workers employed in 'Higher level' occupations in 2009	36%/40%
• Residents/workers employed in Elementary occupations in 2009	21%/18%
• Economic activity rate/Employment rate in 2009	77%/71%
• Unemployment rate/% claiming out of work benefits in 2009	7.6%/10.7%

## Place

• Area	4,497 hectares
• Main urban centres	Crawley
• Households with access to a car in 2001	80%
• Workers who commute more than 30km to work in 2001	11%
• Average residential property price in 2010	£197,897
• Total commercial and industrial floorspace in 2008	1,576,000 sq.m
• Rateable value per 1,000 sq m in 2008	£106

## Economy

• Total value of the economy in 2007 (GVA)	£3.67bn
• GVA per head in 2007	£24,979
• Number of businesses in 2010	3,740
• Businesses in the Financial & Business Services sector in 2008	29%
• Workers employed in the Financial & Business Services sector in 2008	23%
• Businesses in the Public Administration, Education & Health sector in 2008	7%
• Workers employed in Public Administration, Education & Health in 2008	12%
• Business start ups per 10,000 residents in 2010	41.9
• Competitiveness rank (out of 379) in 2010	71
• Sector strengths:	Transport & communications; Aerospace & defence

# Crawley - People

## What this Section Covers

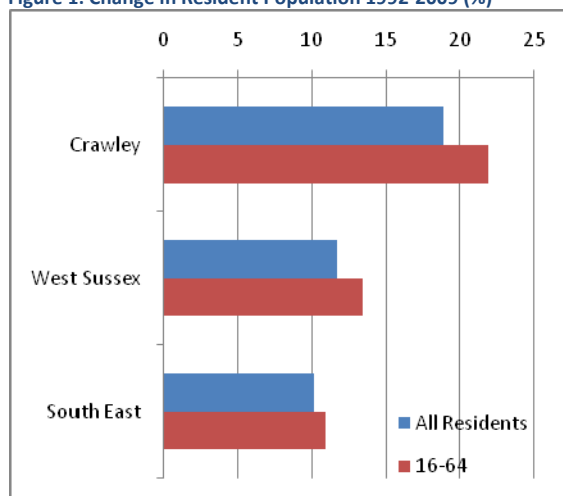
This section focuses on the characteristics of the people who live in Crawley. It sets out the profile and trends of the resident population; their skills and qualification levels; labour market participation rates; the type of jobs that they do; and their average earnings.

## Population Trends

In 2008, there were 105,000 residents in Crawley, around 17,000 more than there had been in 1992.

Since 1992, population growth in Crawley has been much faster to the rate of growth in both West Sussex and the South East region as a whole. The number of working age residents has increased at a faster rate than the increase in the whole population.

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

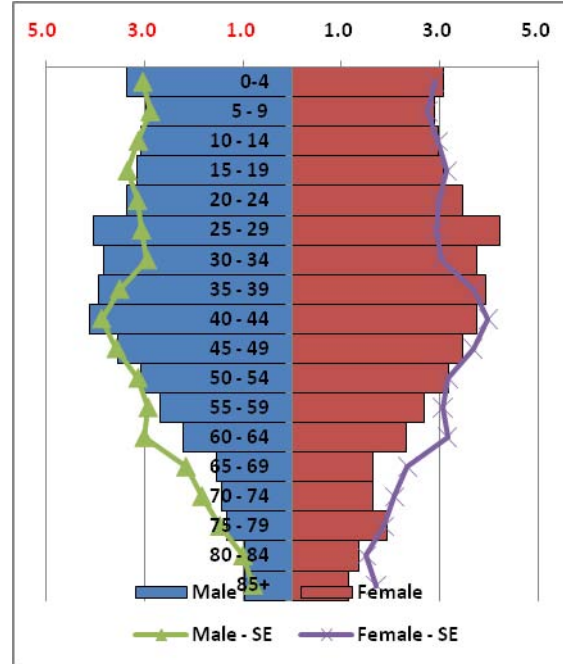


Source: Mid Year Population Estimates ONS via NOMISWEB

Around 67% of Crawley's residents are of working age. This is a much higher proportion than in West Sussex (60%) and the South East region (63%) as a whole.

At the time of the 2001 Census, more than one fifth (22%) of households in the district contained a pensioner – a lower proportion than in both West Sussex (30%) and the South East (25%).

Figure 2: Population Structure Compared to the South East (%)



Source: Mid Year Population Estimates ONS via NOMISWEB

In 2008, there were 4,600 residents in Crawley who were aged 80 or over, 2,600 of whom were women.

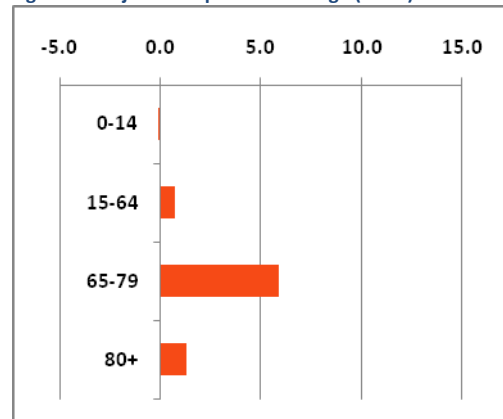
## Population Projections

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 109,000 residents in Crawley by 2026 – an increase of around 8%.

According to West Sussex County Council estimates, almost all the increase (92%) is projected to be in the post working age population.

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



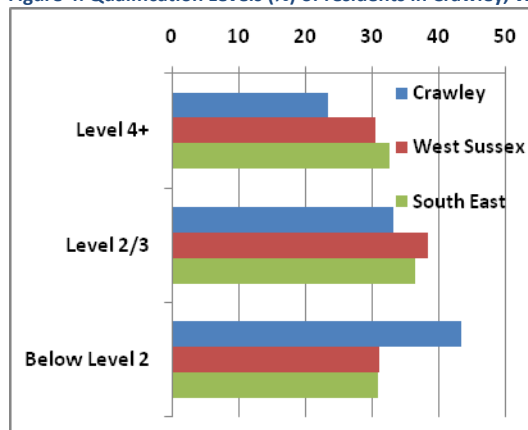
Source: West Sussex County Council

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## Skills and Qualifications

Crawley 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 Crawley, West Sussex & the South East (working age population)



Source: Annual Population Survey Jan-Dec 2009

Low skills are a clear issue for residents in Crawley. More than Four out of ten (43%) of working age residents do not hold a Level 2 qualification, compared with just 31% in West Sussex as a whole. Conversely, fewer than a quarter (23%) of Crawley residents hold higher level (Level 4+/degree) qualifications, compared with 31% in the county as a whole.

The low skills amongst Crawley's residents mean that it is likely to be difficult for local people to access the good quality jobs that exist in the Borough.

The 2001 Census suggested that employees in Crawley were more much likely to hold higher level qualifications than local residents, which may suggest that many higher skilled jobs in the Borough are taken by people who commute in from other areas.

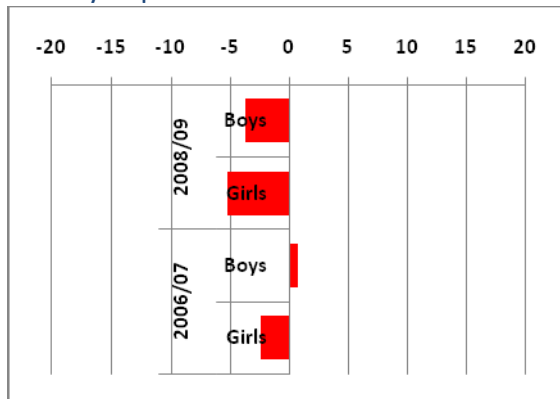
There appears to have been little improvement in the levels of qualifications that are held by Crawley residents in recent years.

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## GCSE Attainment

GCSE attainment amongst 15 year old Crawley residents has improved in recent years. However, the improvements have not been at the same rate as improvements in achievement across the South East region as a whole. This means that achievement amongst both boys and girls in 2008/09 was below the South East average, whereas in 2006/07, boys in Crawley outperformed boys across the region as a whole.

Figure 5: Difference between 15 Year Old Residents' GCSE Attainment in Crawley compared with the South East



Source: Neighbourhood Statistics

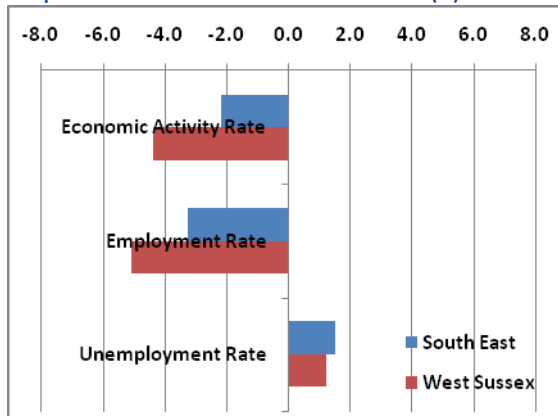
In 2008/09 63% of boys and 69% of girls living in Crawley achieved five A\*-C grades at GCSE or equivalent. This compares with 66% and 74% respectively in the South East region as a whole.

## Economic Activity

In 2009/10, 54,800 of Crawley's working age residents were economically active. This represents just over three-quarters (77.1%) of the Borough's working age residents. This is below the economic activity rate in both West Sussex (81.5%) and the South East (79.3%) as a whole.

Males (84%) are much more likely to be economically active than females (70%)<sup>1</sup>. This is a pattern in most areas.

Figure 6: Labour Market Participation Rates in Crawley compared with West Sussex and the South East (%)



Source: Annual Population Survey Oct 09-Sept 10

The employment rate (71.2%) in Crawley is also both below the average for West Sussex (76.3%) and the South East (74.5%).

This suggests that Crawley has a higher level of workless residents than the West Sussex average. This is reflected in the unemployment rate, which at 7.6% is higher than in both West Sussex (6.1%) and the South East (6.1%).

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

The proportion of working age residents who were claiming out of work benefits (10.7%) in November 2009 was also higher than in West Sussex (9.0%) and the South East region (9.0%) as a whole.

The number of residents claiming out of work benefits increased from 6,500 in November 2008 to more than 7,500 a year later, reflecting the impact that the recession has had on employment in Crawley.

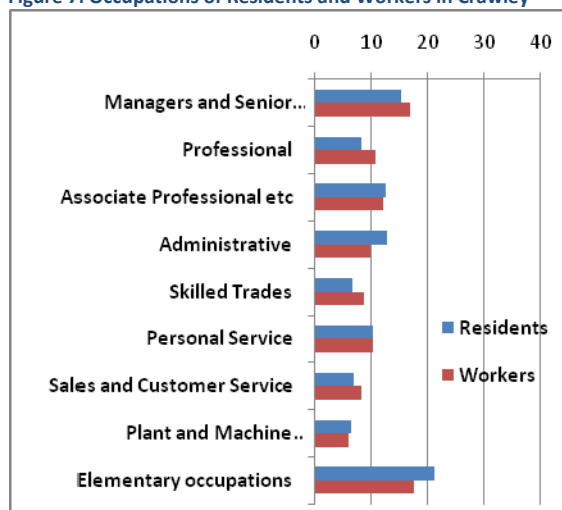
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## Employment

Just over three-quarters (76.8%) of Crawley's working residents are employed full-time. This is higher than the proportion who work full-time across West Sussex (73.2%) and the South East (73.4%) region.

Levels of self employment are the lowest of all the districts in West Sussex – 7.8% 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<sup>2</sup>.

Figure 7: Occupations of Residents and Workers in Crawley



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

Residents in Crawley are more likely to work in 'lower and intermediate level' occupations, such as Elementary Occupations and Administrative and Secretarial Occupations than people who work in the district. By contrast, Crawley workers are more likely than residents to be employed in 'higher level' occupations, such as Managers & Senior Officials and Professional Occupations. This suggests that many of the Borough's higher level jobs are taken by people who commute from other areas.

There is some evidence of 'labour market duality' in Crawley, with both residents and workers more likely to be working in higher or lower occupations, but fewer people working in intermediate level jobs.

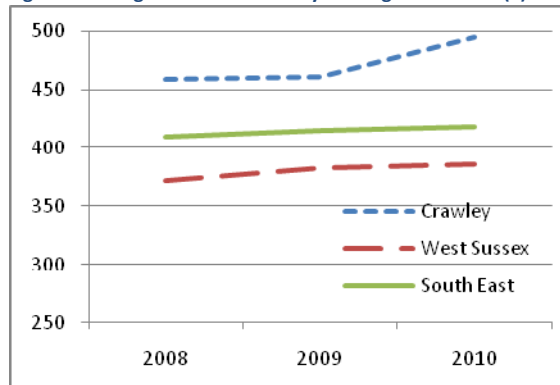
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## Earnings

<sup>2</sup> Source: Annual Population Survey Jan 09- Dec 09 via NOMISWEB

Median earnings of people who work in Crawley were £494.60 per week in 2010. This is £35.90 higher than in 2008. Median earnings are much higher in Crawley than they in both West Sussex (£385.50) and the South East (£418.60) as a whole.

Figure 8: Change in Median Weekly Earnings 2008-2010 (£)



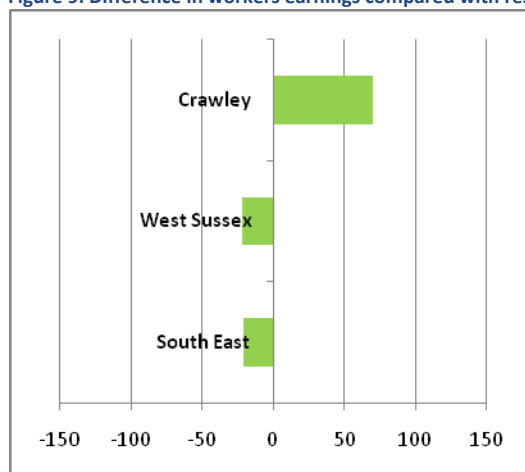
Source: Annual Survey of Hours and Earnings (ASHE) 2008, 2009 & 2010 via NOMISWEB

There is some evidence to suggest that median earnings of workers in Crawley have increased faster than those of workers in West Sussex and the South East recently. However, it is too early to suggest that this is a longer term trend however.

Median earnings for workers in Crawley are much higher than residents' median earnings. Crawley residents who are in work earn, on average, £424.90 per week – some £69.70 less per week than Crawley workers' average earnings.

This is not a pattern that is reflected in either West Sussex or the South East as a whole, where, on average, residents earn more than workers. This is because Crawley is a major employment centre that draws labour from a much wider area than the Borough itself.

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



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

The high median earnings of workers in Crawley reflects the distribution of occupations in the Borough, where there is a greater concentration of higher level jobs than in other parts of West Sussex.

# Crawley - Place

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## What this Section Covers

This section focuses on the characteristics of Crawley 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 Crawley 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.

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## Geography and Location

Crawley covers an area of 4,497 hectares and covers a smaller area than most other districts in West Sussex. It is an urban district.

Crawley town is a significant retail destination and in Gatwick Airport, it is home to the UK's second busiest airports.

Crawley District has a significant number of large businesses, particularly based in the Manor Royal area of the Borough.

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## Transport

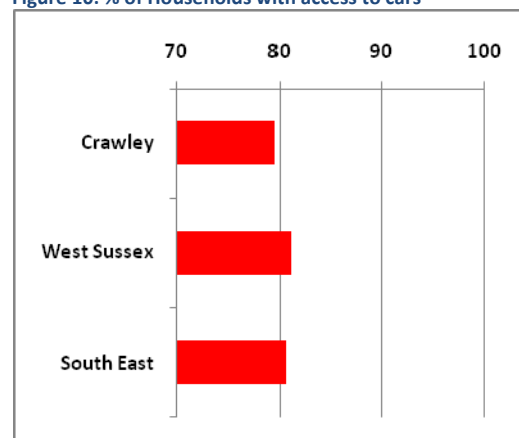
Crawley has good transport links to London and to national and international markets via Gatwick Airport. There are around 90 airlines serving more than 200 overseas and 13 domestic destinations operating out of Gatwick Airport. Around 33 million passengers use the Airport each year.

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 Crawley 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

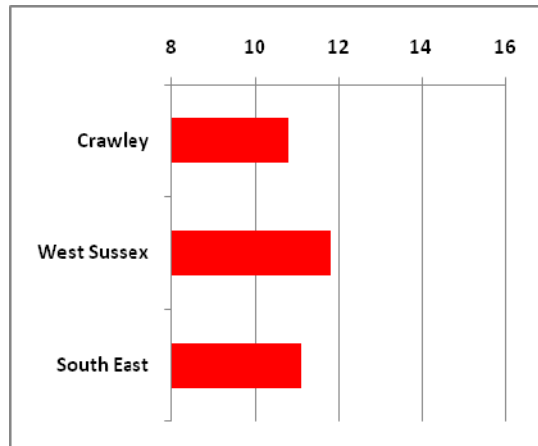
Although more than three quarters (79.6%) of households had access to a car in 2001, this still means that nearly one in five households in the Borough do not have access to private transport.

More than one in ten (10.8%) of the district's working residents travelled more than 30km to work in 2001. This is lower than the proportion of working residents in West Sussex (11.8%) and the South East (11.1%) who commute long distances.

The relatively low level of long distance commuting amongst Crawley's residents may reflect both the large volume of local jobs and the fact that a relatively high proportion of

local residents are employed in lower level occupations.

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



Source: Census 2001

## Housing

In 2001, 20.3% of households lived in accommodation rented from the Council. This is much higher than any other district in West Sussex and higher the average for the County (6.6%) and the South East (7.4%) region, as a whole. By contrast, Crawley had small private rented sector (5.5%) compared with the county average (7.7%).

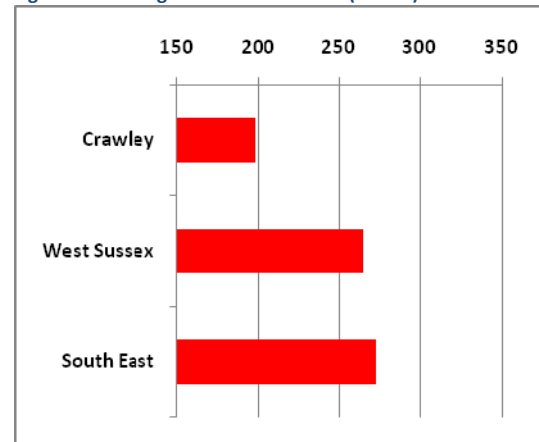
Three-quarters (67%) houses in the Borough were either owned with a mortgage or owned outright in 2001 – a lower proportion than in West Sussex (76%) and the South East (73%) as a whole. Crawley had a lower proportion (23%) of properties that were owned outright (without a mortgage) than any other district in West Sussex.

In common with other parts of the South East, house prices in Crawley have increased rapidly over the past decade.

The average price of a house in June 2010 was £197,897. This is the lowest of all the districts in West Sussex and well below the county and South East averages. Average house prices are 7.6 times the annual gross full-time earnings of people who are living in the

district and 6.6 times the earnings of people who work in Crawley, making it the most affordable district in the County.

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



Source: Land Registry of England & Wales

## Commercial Land and Property

In 2008, there was 1.58mn sq m of commercial and industrial floorspace in Crawley. This included 844,000 sq m of industrial space; 491,000 sq m of office space and 217,000 sq. m of retail space.

The rateable value of commercial accommodation in Crawley is higher 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 Crawley was £106 per 1000 sq.m, compared with £78

across both West Sussex and the South East region.

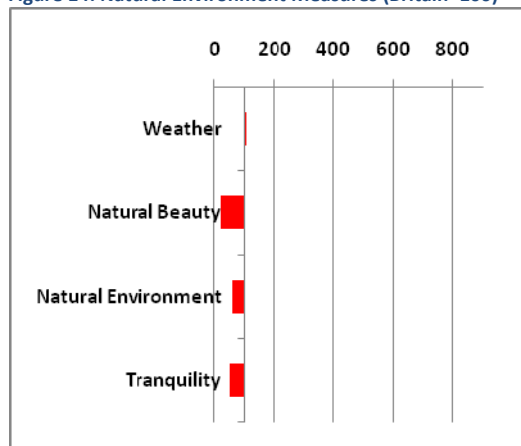
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## Environment

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)<sup>3</sup>



Source: Local Futures

This index uses four measures: weather, natural beauty, natural environment, and tranquillity.

According to each of these measures, Crawley scores below the average for Britain. The Borough scores above average on the 'Weather' measure, with an index score of 108, but scores least well on 'Natural Beauty' (20).

Air quality across West Sussex is generally considered to be good. However, there a few hotspots in Crawley and South Horley has been declared an Air Quality Management

Area, due to surface transport around Gatwick Airport.

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.

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## 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.

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<sup>3</sup> Note: This scale has been used to enable this figure to be compared with the same figure in other spatial factsheets

# Crawley - Economy

## What this Section Covers

This section focuses on Crawley'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, Crawley's economy was worth around £3.67bn – just under a quarter (23%) of the West Sussex economy. Productivity levels (as measured by GVA per head) in Crawley are above 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 Crawley in 2007 was estimated to be £24,979, compared with £20,382 in West Sussex and £21,248 across

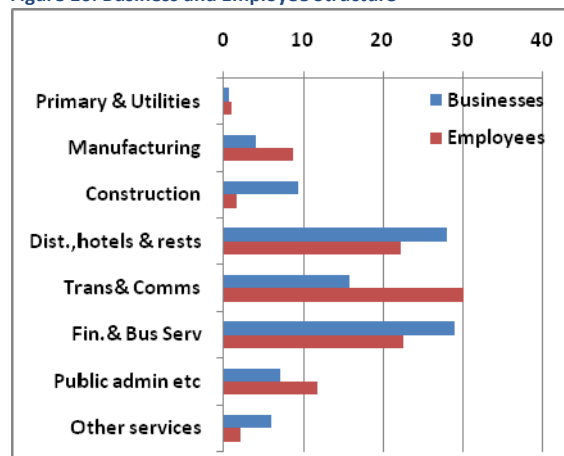
the South East region as a whole. This reflects the higher value added activity of many of the jobs in the district. Furthermore, the same estimates suggest that productivity increases between 1997 and 2007 (+90%) were well above the county average.

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, Crawley is ranked 71<sup>st</sup> out of 379 districts in terms of its competitiveness. This puts it in the 19<sup>th</sup> percentile, making it more competitive than most other districts in West Sussex.

## Businesses and Employment

In 2010, there were 3,740 businesses in Crawley. This is 10% 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

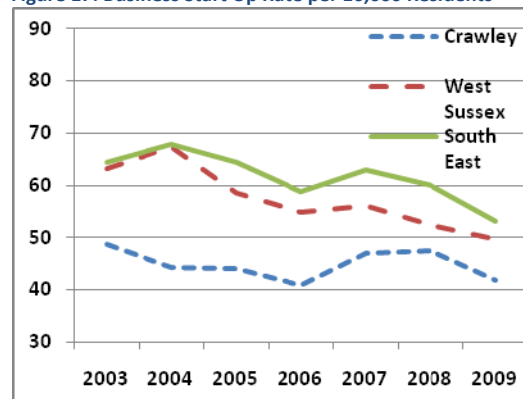
The Financial & Business Services sector accounts for nearly three out of ten (29%) of

all businesses, but provides less than a quarter (23%) of jobs in Crawley. By contrast, just one in six businesses are in the Transport & Communications sector, but they provide three out of ten (30%) of all local jobs. As with most other areas, the Distribution, Hotels and Restaurants sector accounts for a large proportion of Crawley businesses (28%) and provides a significant amount of the district's employment (22%). Crawley has a much lower proportion of jobs in Public Administration, Education & Health (12%) than other districts in West Sussex.

## Business Start up Rates

In 2009, there were 41.9 new businesses per 10,000 residents in Crawley. This is lower than the average for West Sussex (49.7) and is still well below the rate of business formation in the Borough of the early 2000s.

Figure 17: Business Start Up Rate per 10,000 Residents



Source: Office for National Statistics

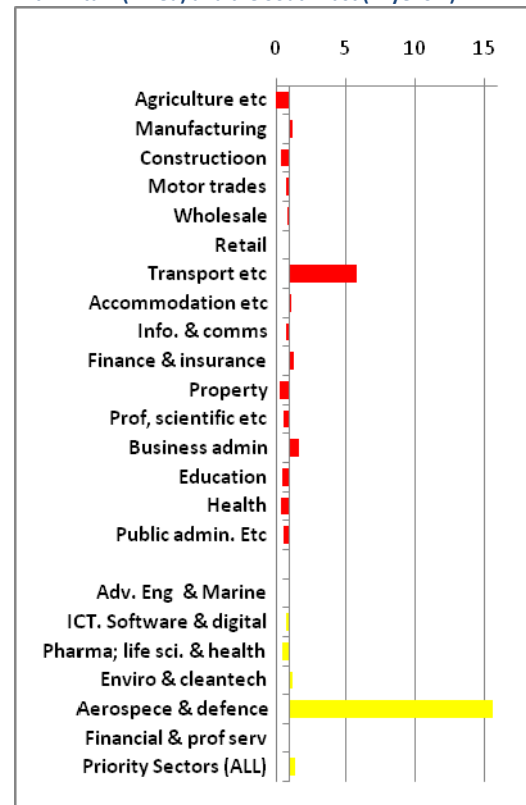
## Employment Strengths

It is useful to understand local economic strengths by comparing the distribution of employment in sectors in Crawley 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 Crawley in Figure 18, below.

Figure 18: Sector Strengths (Location Quotients) compared with Britain (in red) and the South East (in yellow)



Source: Annual Business Inquiry 2008

Crawley has strong local concentrations in Transport & Communications, due to activities linked to Gatwick Airport.. In terms of regional priority sectors, there are local concentrations in Aerospace & Defence, again due reflecting the presence of the airport. By contrast, Crawley is under-represented in many other sectors, particularly Agriculture, Forestry & Fishing; Construction; Property; and Health.

## 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 non-market services will be a driver of growth in the short to medium term.