West Sussex
Local Economic Assessment

Spatial Area Factsheets

MID 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.

It is intended that the 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

This spatial area factsheet provides a summary of the key data about Mid Sussex 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 Mid Sussex factsheet. These are listed below:

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

Further Information

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Mid Sussex Summary

People

Resident Population/working age population in 2008	131,000/62%
1992-2008 population growth/ 2008-2026 projected growth	+6,900/+24,300
Residents with Level 4+ qualifications/Low Level qualifications in 2008	33%/23%
Median weekly earnings of residents/workers in 2010	£393/£446
Residents/workers employed in 'Higher level' occupations in 2009	53%/46%
Residents/workers employed in Elementary occupations in 2009	6%/9%
Economic activity rate/Employment rate in 2009	86%/81%
Unemployment rate/% claiming out of work benefits in 2009	5.1%/6.4%

Place

Area	33,400 hectares
Main urban centres	Haywards Heath, Burgess Hill, East Grinstead,
Households with access to a car in 2001	86%
Workers who commute more than 30km to work in 2001	15%
Average residential property price in 2010	£297,930
Total commercial and industrial floorspace in 2008	872,000 sq.m
Rateable value per 1,000 sq m in 2008	£85

Economy

Total value of the economy in 2007 (GVA)	£2.55bn
GVA per head in 2007	£19,237
Number of businesses in 2010	7,170
Businesses in the Financial & Business Services sector in 2008	34%
Workers employed in the Financial & Business Services sector in 2008	22%
Businesses in the Public Administration, Education & Health sector in 2008	8%
Workers employed in Public Administration, Education & Health in 2008	27%
Business start ups per 10,000 residents in 2010	60.5
Competitiveness Rank in 2010 (out of 379)	55
Sector strengths:	Finance & Insurance; Wholesale; Property; & Health Service

Mid Sussex - People

What this Section Covers

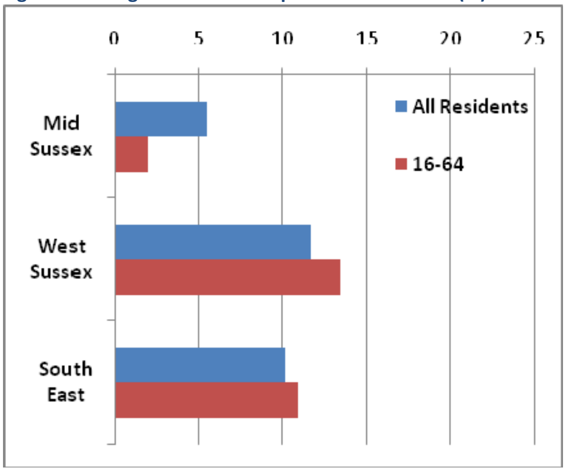
This section focuses on the characteristics of the people who live in Mid Sussex. It sets out the profile and trends of the resident population; their skills and qualification levels; labour market participation rates; the type of jobs that they do; and their average earnings.

Population Trends

In 2008, there were 131,000 residents in Mid Sussex, around 7,000 more than there had been in 1992.

Since 1992, population growth in Mid Sussex has been much slower than 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 slower rate than the increase in the whole population.

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

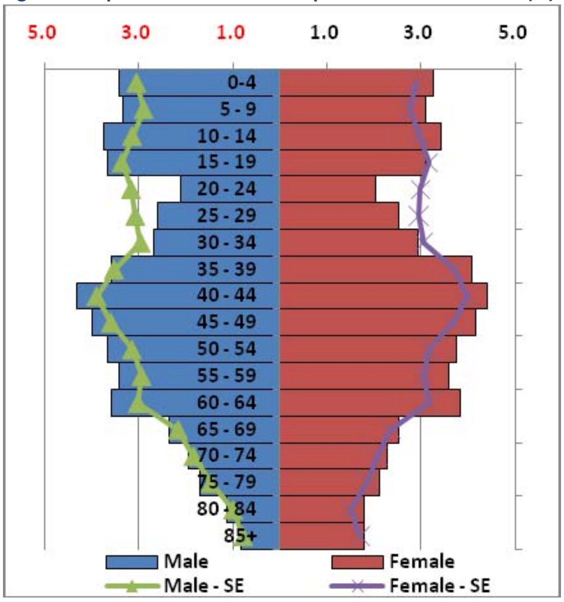


Source: Mid Year Population Estimates ONS via NOMISWEB

Around 62% of Mid Sussex's residents are of working age. This is similar to the proportion in West Sussex (60%) but below that in the South East region (63%) as w whole.

At the time of the 2001 Census, a quarter (25%) of households in the district contained a pensioner – a lower proportion than in West Sussex (30%), but the same as in 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 6,800 residents in Mid Sussex who were aged 80 or over, 4,400 of whom were women.

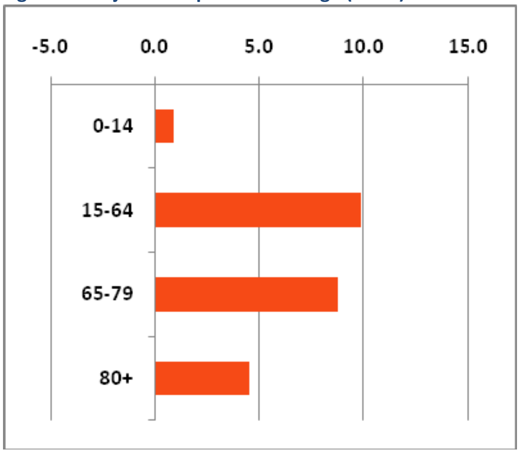
Population Projections

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 156,000 residents in Mid Sussex by 2026 – an increase of around19%.

According to West Sussex County Council projections more than half (55%) of the increase is expected to be amongst people who are aged 65+ years.

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



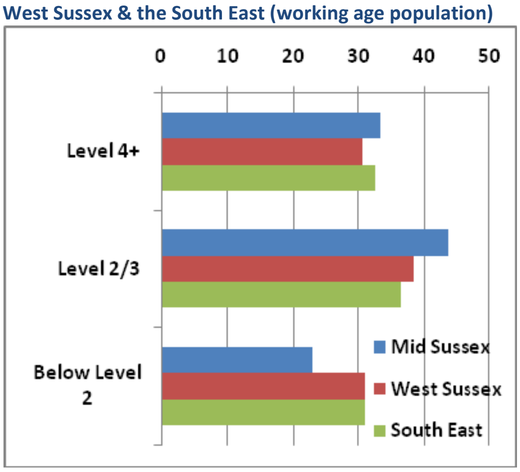
Source: West Sussex County Council

This projected pattern of population growth is similar to that in most other districts in West Sussex. The challenges of an ageing population may be a significant issue in Mid Sussex.

Skills and Qualifications

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

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



Source: Annual Population Survey Jan-Dec 2009

A third (33%) of working age residents hold a Level 4 qualification, compared with just 31% in West Sussex as a whole.

Conversely, fewer than a quarter (23%) of Mid Sussex residents hold no or low level (below Level 2) qualifications, compared with 31% in the county as a whole.

Mid Sussex has a particularly high proportion of residents with intermediate level (Level 2/3) qualifications. More than four out of ten (43%) of residents hold qualifications at this level compared with 38% across West Sussex.

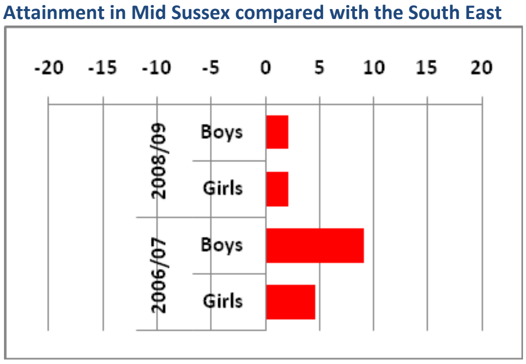
The 2001 Census suggested that employees in Mid Sussex were slightly more likely to hold higher level qualifications than local residents.

There appears to have been little change in the proportion of residents holding higher level qualifications in recent.

GCSE Attainment

GCSE attainment amongst 15 year old Mid Sussex residents has improved in recent years. However, the improvements have not been at the same rate as improvements across the South East region as a whole. Achievement amongst the districts boys and girls is still higher than the regional average, but the gap closed between 2006/07 and 2008/09.

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



Source: Neighbourhood Statistics

In 2008/09 69% of boys and 76% of girls living in Mid Sussex 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, 67,200 of Mid Sussex's working age residents were economically active. This represents under nine out of ten (85.5%) of the district's working age residents. This is amongst the highest economic activity rate in the county and higher than both West Sussex (81.50.0%) and the South East (79.3%) as a whole.

Males (93%) are much more likely to be economically active than females (78%)[1]. This is a pattern in most areas, but economic activity amongst males is particularly high.

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

Source: Annual Population Survey Jan-Dec Oct 09-Sept 10

The employment rate (81.2%) in Mid Sussex is also higher than the average for West Sussex (76.3%) and the South East (74.5%).

The unemployment rate in Mid Sussex (5.1%) is lower than in both West Sussex (6.1%) and the South East (6.1%). The proportion of working age residents who were claiming out of work benefits (6.4%) in November 2009 was amongst the lowest of all districts in the county and well below the average for West Sussex (9.0%) and the South East region (9.0%) as a whole. There are a sizeable number of Mid Sussex residents who are looking for jobs, but not be claiming out of work benefits.

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

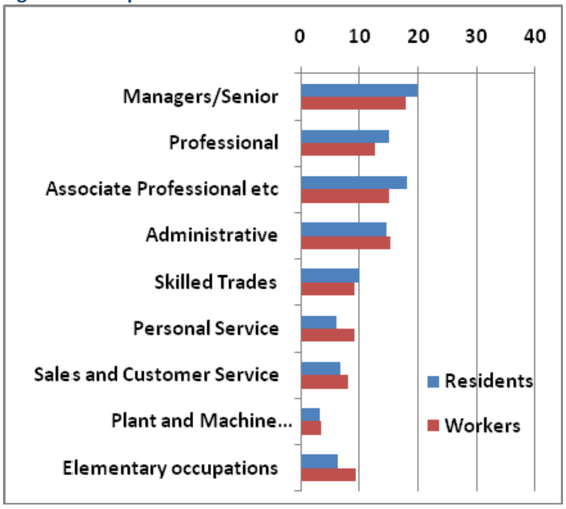
The number of residents claiming out of work benefits increased from 4,550 in November 2008 to more than 5,200 a year later, reflecting the impact that the recession has had on employment in Mid Sussex.

Employment

Just over seven out of ten (71.4%) of Mid Sussex's working residents are employed full-time. This is 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 amongst the highest of all the districts in West Sussex – 19.2% 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.

Figure 7: Occupations of Residents and Workers in Mid Sussex



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

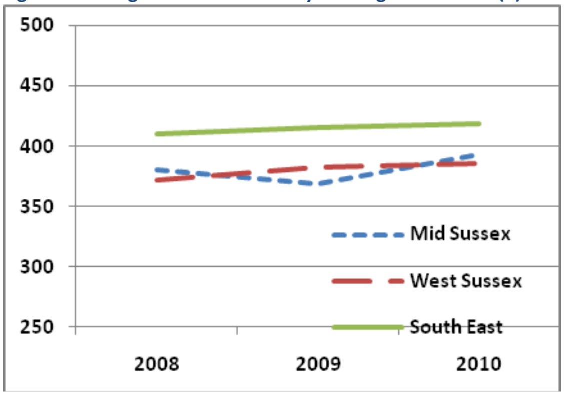
Residents in Mid Sussex are more likely to work in higher level occupations, such as Managers & Senior Officials, Professionals and in Associate Professional & Technical Occupations than people who work in the district. By contrast, Mid Sussex workers are more likely than residents to be employed in lower level occupations, such as Elementary Occupations; Sales and Customer Service Occupations; and Personal Service Occupations. This suggests that many of the district's residents commute out of the district to higher level jobs, whilst many local residents are employed in lower level occupations.

However, overall, both residents and workers in Mid Sussex are more likely to be in 'higher level' occupations than people who live and work in many other districts in West Sussex.

Earnings

Median earnings of people who work in Mid Sussex were £393.00 per week in 2010. This is £12.90 higher than in 2008. Median earnings in Mid Sussex are similar to those in West Sussex (£385.50), but below those in the South East (£418.60) as a whole.

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

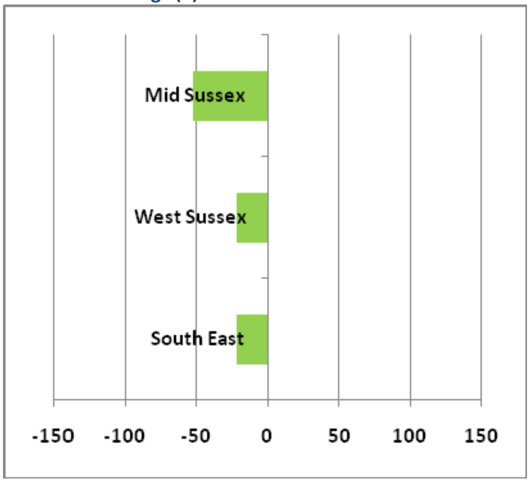


Source: Annual Survey of Hours and Earnings (ASHE) 2008, 2009 & 2010 via NOMISWEB

Median earnings for workers in Mid Sussex are much lower than residents' median earnings. Mid Sussex residents who are in work earn, on average, £445.50 per week – some £52.50 more per week than Mid Sussex workers' average earnings.

This pattern is reflected in both West Sussex and the South East as a whole, but not to the same extent as in Mid Sussex. It is possible that the high levels of self-employment in Mid Sussex offset the comparatively low-paying nature of many of its employee jobs.

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



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

The low median earnings of workers in Mid Sussex may reflect the relatively low value added nature of parts of the local economy. Furthermore, the close proximity of Mid Sussex to Crawley and easy access to London make higher paying jobs outside the district accessible to local residents.

Mid Sussex - Place

What this Section Covers

This section focuses on the characteristics of Mid 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 Mid 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

Mid Sussex covers an area of 33,402 hectares and is one of the larger districts in West Sussex. It is located within the Gatwick Diamond and is on the north eastern edge of the county. Its main urban centres are Burgess Hill, Haywards Heath, and East Grinstead.

It also contains many villages and hamlets and the South Downs National Park covers parts of the south of the district, whilst the High Weald AONB stretches into the north of Mid Sussex.

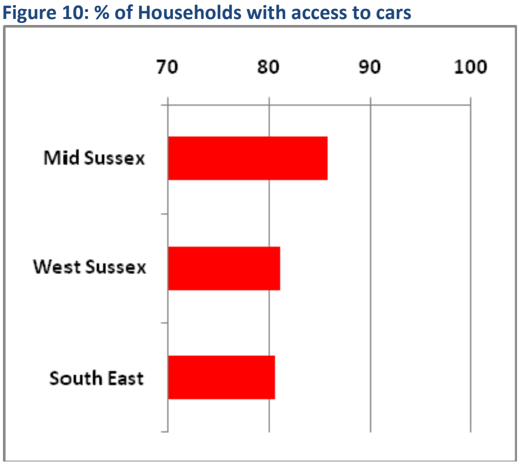
Transport

Mid Sussex has good transport links to London and to Brighton & Hove. It is also well connected to national and international markets via Gatwick Airport, which is located in the neighbouring borough of Crawley

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 Mid Sussex are more 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



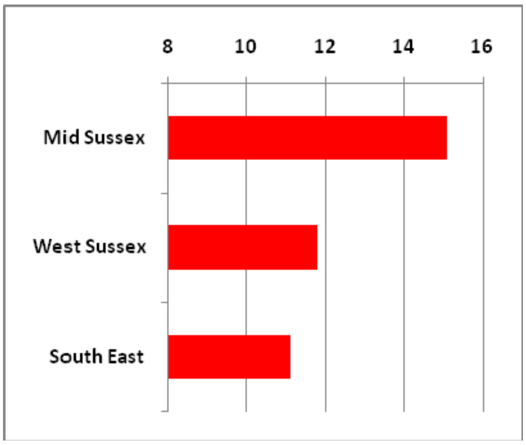
Source: Census 2001

Although a high proportion (85.8%) of households had access to a car in 2001, this still means that around one in eight households in the district did not have access to private transport.

Around one in seven (15.1%) of the district's working residents travelled more than 30km to work in 2001. This is a higher proportion of working residents than any other district in the county and higher than the average for West Sussex (11.8%) and the South East (11.1%), as a whole.

The relatively high level of long distance commuting amongst Mid Sussex's residents may reflect a lack of large numbers of good quality local jobs and the accessibility of more significant employment centres, such as Crawley, Croydon and London.

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



Source: Census 2001

Housing

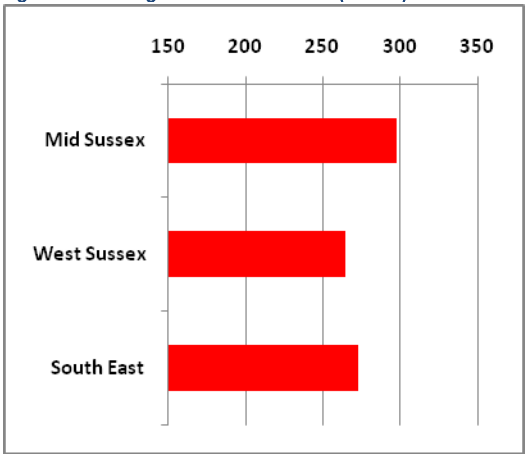
In 2001, 0.5% of households lived in accommodation rented from the Council. This is the lowest of all districts in West Sussex and below the average for the County (6.6%) and the South East (7.4%) region, as a whole. However, a higher proportion of households (9.6%) were in other socially rented accommodation than in West Sussex (6.1%) as a whole.

Four-fifths (80%) of houses in the district were either owned with a mortgage or owned outright in 2001 – a higher proportion than in West Sussex (76%) and the South East (73%) as a whole. The proportion of dwellings that were owned with a mortgage (46%) was amongst the highest in the county.

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

The average price of a house in June 2010 was £297,930. This is amongst the highest of all the districts in West Sussex and above the county and South East averages. Average house prices are 10.1 times the annual gross full-time earnings of people who are living in the district and 11.1 times the earnings of people who work in Mid Sussex.

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



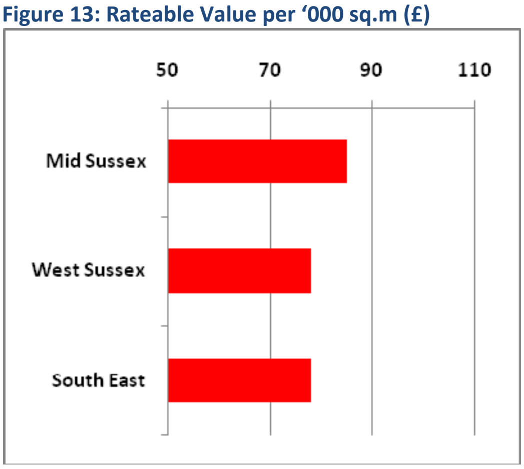
Source: Land Registry of England & Wales

Commercial Land and Property

In 2008, there was 872,000 sq m of commercial and industrial floorspace in Mid Sussex. This included 424,000 sq m of industrial space; 213,000 sq m of office space and 192,000 sq. m of retail space.

The rateable value of commercial accommodation in Mid Sussex 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

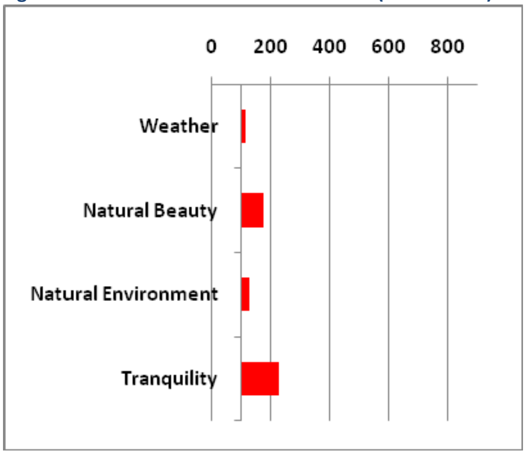
In 2008, the rateable value in Mid Sussex was £85 per 1000 sq.m, compared with £78 across both West Sussex and the South East region.

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) [2]



Source: Local Futures

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

Mid Sussex scores above average for Britain by all measures. The district scores particularly strongly on the 'Tranquillity' measure, with an index score of 228.

Air quality across West Sussex is generally considered to be good. However, the area surrounding the junction at the Stonepound crossroads in Hassocks is an air quality 'hotspot'.

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 undertaken to increase broadband speeds to all households to more than 2Mbps by 2012 and to more than 15Mpbs by 2018.

[22] Note: This scale has been used so that this figure can be compared with the same figure in other spatial factsheets

Mid Sussex - Economy

What this Section Covers

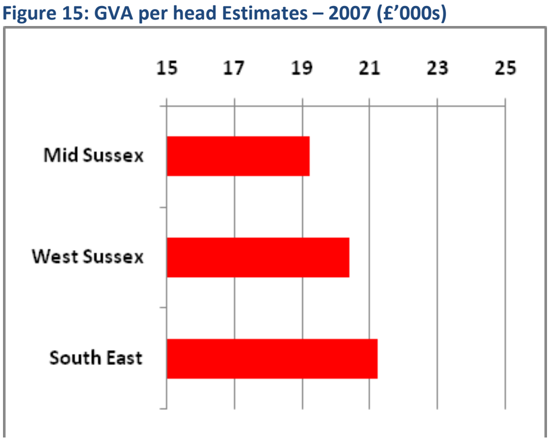
This section focuses on Mid Sussex's economy. It considers its economic performance, its business and employment structure, business dynamism and sector strengths. It concludes by providing commentary on employment forecasts.

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, Mid Sussex's economy was worth around £2.55bn – around 16% of the West Sussex economy. Productivity levels (as measured by GVA per head) in Mid Sussex 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

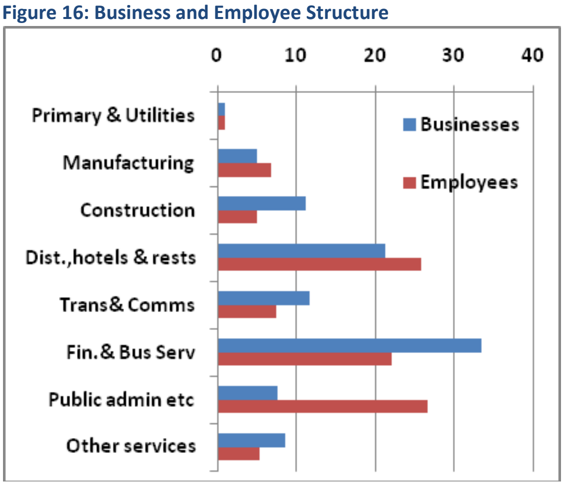
GVA per head in Mid Sussex in 2007 was estimated to be £19,237, compared with £20,382 in West Sussex and £21,248 across the South East region as a whole. This reflects the lower value added activity of many of the jobs in the district. Furthermore, the same estimates suggest that productivity increases between 1997 and 2007 (+46%) were below 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, Mid Sussex is ranked 55th out of 379 districts in terms of its competiveness. This puts it in the 15th percentile, making it the most competitive of all the districts in West Sussex.

Businesses and Employment

In 2010, there were 7,170 businesses in Mid Sussex. This is 20% 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



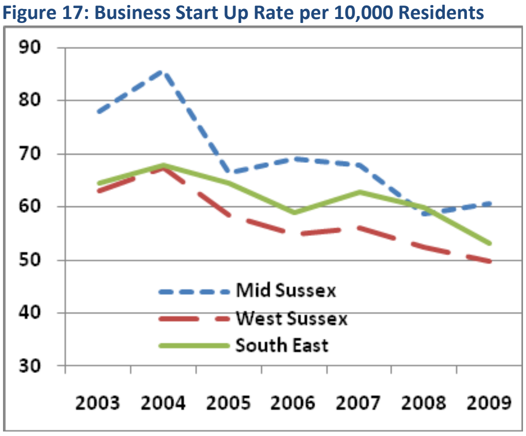
Source: Annual Business Inquiry 2008

The Financial & Business Services sector accounts for a third (34%) of all businesses, but provides less than a quarter (22%) of jobs in Mid Sussex. By contrast, just one in thirteen businesses are in the Public Administration, Education & Health sectors, but they provide more than a quarter (27%) of all local jobs. As with most other areas, the Distribution, Hotels and Restaurants sector accounts for a large proportion of Mid Sussex businesses (22%) and provides a significant amount of the district's employment (26%).

Business Start up Rates

In 2009, there were 60.5 new businesses per 10,000 residents in Mid Sussex. This is higher than any other district in the county and above the average for West Sussex (49.7) and the South East (53.1). However, it is well below the rate of business formation in the district of the early 2000s.

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



Source: Office for National Statistics

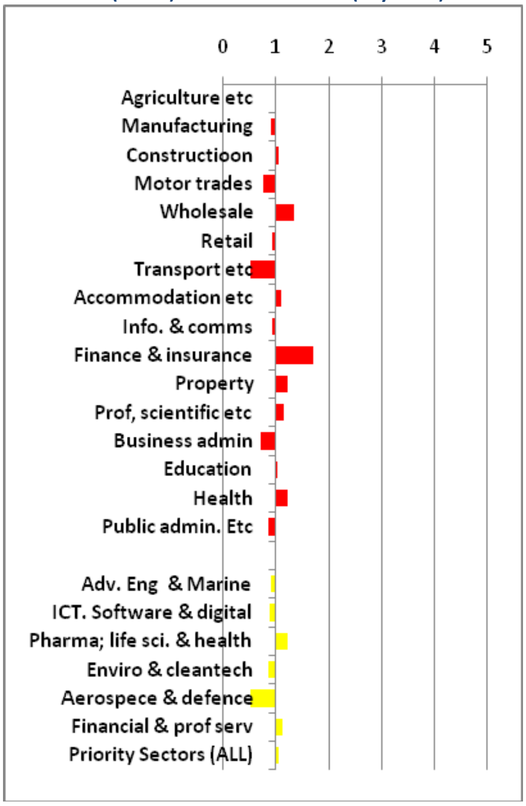
Employment Strengths

It is useful to understand local economic strengths by comparing the distribution of employment in sectors in Mid 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 Mid Sussex 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

Mid Sussex has strong local concentrations in a number of sectors, notably Finance and Insurance; Property; and Health. In terms of regional priority sectors, there are local concentrations in Pharmaceuticals, Life Sciences & Health and in Financial & Professional Services. By contrast, Mid Sussex is under-represented in Transport & Storage, Business Administration; Manufacturing; Motor Trades; and Public Administration.

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.