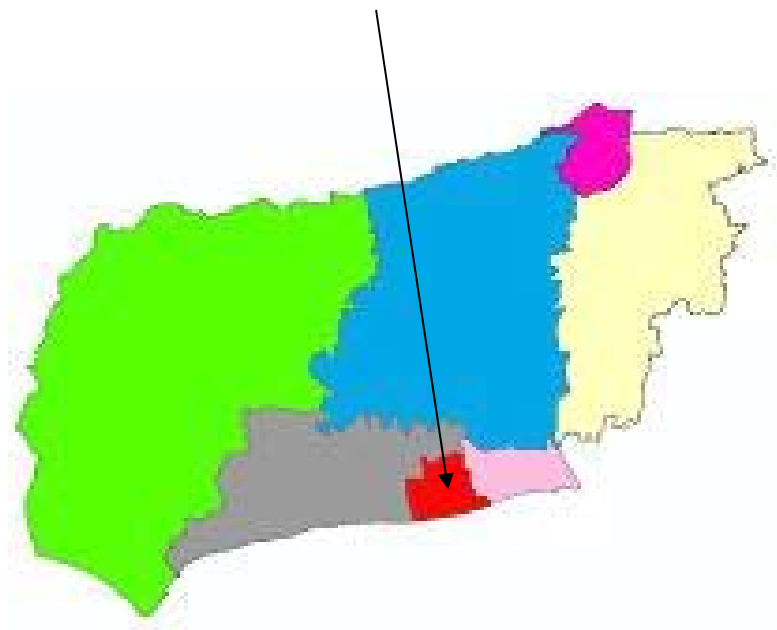


West Sussex Local Economic Assessment

Spatial Area Factsheets

WORTHING



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 Worthing 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 Worthing factsheet. These are listed below:

- | | |
|--------------|-----------------------|
| • Adur | • Mid Sussex |
| • Arun | • West Sussex |
| • Chichester | • Coastal West Sussex |
| • Crawley | • Gatwick Diamond |
| • Horsham | • Rural West Sussex |

Further Information

For further information about the Local Economic Assessment please contact:

Sue Cooper: Email: sue.cooper@westsussex.gov.uk; Tel: 01243 777106

For further information about economic development matters in Worthing, please contact:

Tina Barker: Email: Tina.Barker@adur-worthing.gov.uk; Tel: 01273 263147 or

Suzy Bastable: Email: Suzy.Bastable@Adur-worthing.gov.uk; Tel: 01273 263147

Worthing Summary

People

• Resident Population/working age population in 2008	102,000/62%
• 1992-2008 population growth/ 2008-2026 projected growth	+5,700/+4,500
• Residents with Level 4+ qualifications/Low Level qualifications in 2008	29%/33%
• Median weekly earnings of residents/workers in 2010	£378/£356
• Residents/workers employed in 'Higher level' occupations in 2009	49%/42%
• Residents/workers employed in Elementary occupations in 2009	10%/11%
• Economic activity rate/Employment rate in 2009/10	86%/79%
• Unemployment rate/% claiming out of work benefits in 2009	7.3%/11.7%

Place

• Area	3,248 hectares
• Main urban centres	Worthing
• Households with access to a car in 2001	74%
• Workers who commute more than 30km to work in 2001	10%
• Average residential property price in 2010	£217,252
• Total commercial and industrial floorspace in 2008	716,000 sq.m
• Rateable value per 1,000 sq m in 2008	£80

Economy

• Total value of the economy in 2007 (GVA)	£2.06bn
• GVA per head in 2007	£18,973
• Number of businesses in 2010	3,990
• Businesses in the Financial & Business Services sector in 2008	28%
• Workers employed in the Financial & Business Services sector in 2008	20%
• Businesses in the Public Administration, Education & Health sector in 2008	10%
• Workers employed in Public Administration, Education & Health in 2008	37%
• Business start ups per 10,000 residents in 2010	47.3
• Competitiveness rank (out of 379) in 2010	128
• Sector strengths:	Finance & Insurance; Health

Worthing - People

What this Section Covers

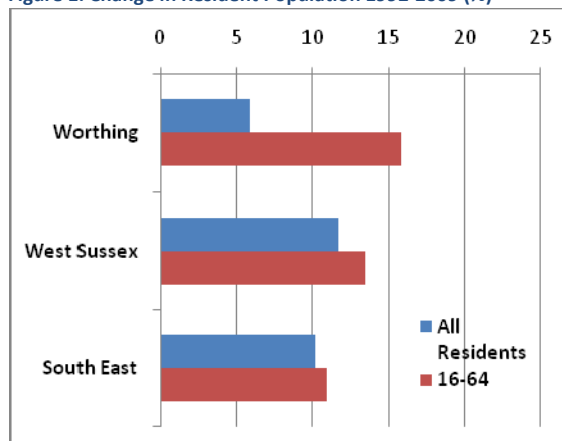
This section focuses on the characteristics of the people who live in Worthing. It sets out the profile and trends of the resident population; their skills and qualification levels; labour market participation rates; the type of jobs that they do; and their average earnings.

Population Trends

In 2008, there were 102,000 residents in Worthing, around 6,000 more than there had been in 1992.

Since 1992, population growth in Worthing has been much slower than the rate of growth in both West Sussex and the South East region as a whole. However, there has been a much more rapid increase in the working age population.

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



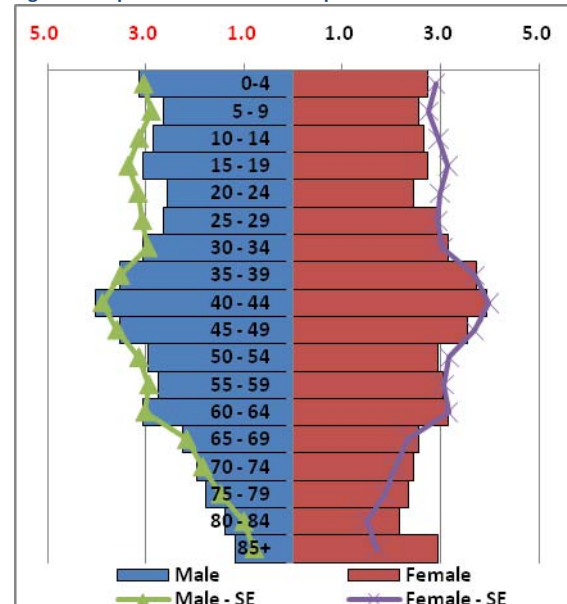
Source: Mid Year Population Estimates ONS via NOMISWEB

Around 62% of Worthing'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 a whole.

At the time of the 2001 Census, a third (32%) of households in the Borough contained a pensioner – a higher 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 7,800 residents in Worthing who were aged 80 or over, 5,200 of whom were women.

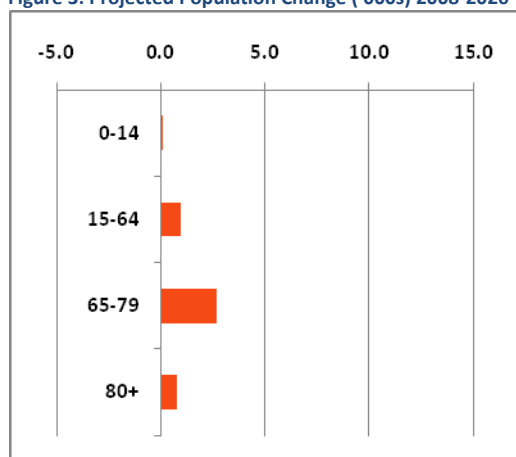
Population Projections

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 105,000 residents in Worthing by 2026 – an increase of around 5%.

According to West Sussex County Council more than three quarters (78%) of the increase is projected to be amongst people who are aged 65+.

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

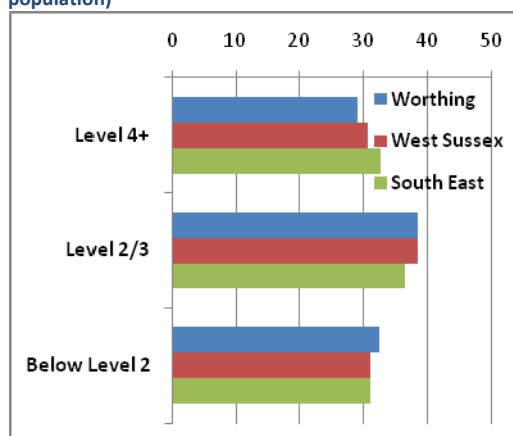


Source: West Sussex County Council

Skills and Qualifications

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

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



Source: Annual Population Survey Jan-Dec 2009

Less than a third (29%) 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 Worthing residents hold no or low level (below Level 2) qualifications, compared with 31% in the county as a whole.

Of all the districts in West Sussex, the qualifications profile in Worthing and Chichester are the most similar to the county average.

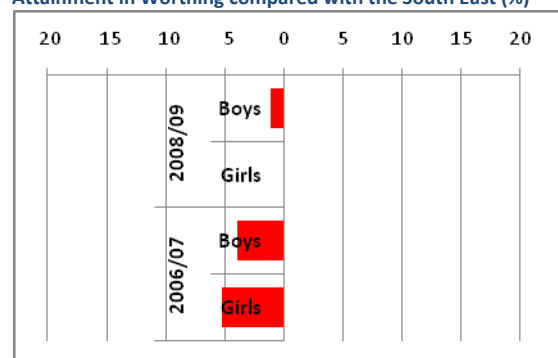
The 2001 Census suggested that employees in Worthing were more likely to hold higher level qualifications than local residents, which suggests that more people with higher level skills commute into the Borough to work than travel out.

There appears to have been a significant increase in the proportion of residents holding higher level qualifications in recent years (see the West Sussex LEA p.44).

GCSE Attainment

GCSE attainment amongst 15 year old Worthing residents has improved in recent years. The improvements have been at a faster rate than improvements across the South East region as a whole. Achievement amongst the districts boys and girls is now similar to the regional average.

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



Source: Neighbourhood Statistics

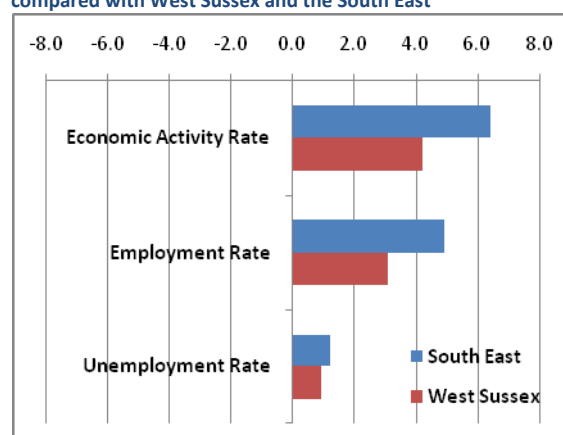
In 2008/09 65% of boys and 74% of girls living in Worthing achieved five A*-C grades at GCSE or equivalent. This compares with 66% and 74% respectively in the South East region as a whole.

Economic Activity

In 2009/10, 54,000 of Worthing's working age residents were economically active. This represents more than four-fifths (85.7%) of the Borough's working age residents. This is similar to the rate in both West Sussex (81.5%) and the South East (79.3%) as a whole.

Males (88%) are slightly more likely to be economically active than females (83%)¹. Economic activity amongst females is the highest in the county.

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



Source: Annual Population Survey Oct. 09-Sept. 10

The employment rate (79.4%) in Worthing is also higher than the average for West Sussex (76.3%) and the South East (74.5%).

The unemployment rate in Worthing (7.3%) is higher than in both West Sussex (6.1%) and the South East (6.1%) and the proportion of residents claiming out of work benefits (11.7%) in November 2009 was higher than in any other district in West Sussex. The average for both West Sussex and the South East region was 9.0%. There are a sizeable number of Worthing residents who are looking for jobs and claiming out of work benefits.

The number of residents claiming out of work benefits increased from 6,500 in November 2008 to more than 7,350 a year later, reflecting the impact that the recession has had on employment in Worthing.

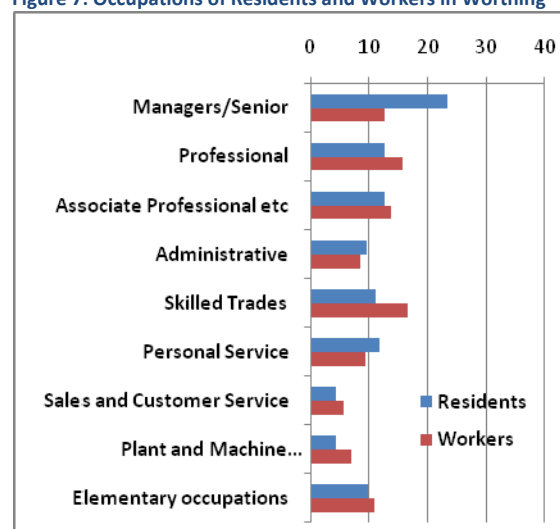
¹ Note: Samples sizes at district level are quite small, so these figures should be viewed with some caution

Employment

Nearly eight out of ten (78.1%) of Worthing'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%) region².

Levels of self employment are below the average for the county. 13.0% 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 Worthing



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

Residents in Worthing are more likely to work as Managers & Senior Officials and in Personal Service and Administrative Occupations than people who work in the Borough. By contrast, Worthing workers are more likely than residents to be employed in Professional; Associate Professional & Technical; Skilled Trades; and Elementary Occupations.

A high proportion of Worthing residents (18.2%) work as Managers or Senior Officials.

² Source: Annual Population Survey (ONS) Jan 09-Dec 09 via NOMISWEB

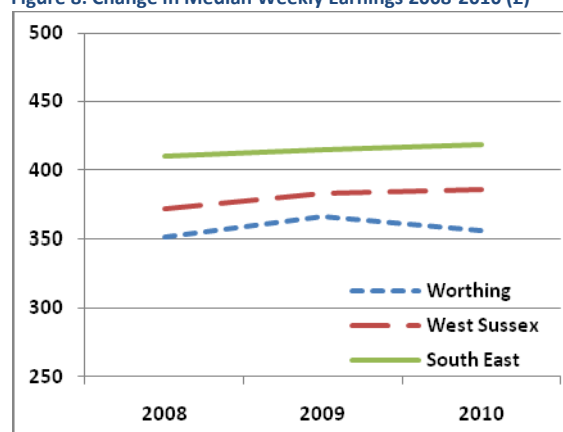
Earnings

Median earnings of people who work in Worthing were £356.20 per week in 2010. This is £4.70 higher than in 2008. Median earnings in Worthing are below those in West Sussex (£385.50) and in the South East (£418.60) as a whole.

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

The low median earnings of workers in Worthing may reflect the relatively low value added nature of parts of the local economy and the relative accessibility of major employment centres, such as Brighton & Hove, Crawley and London.

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



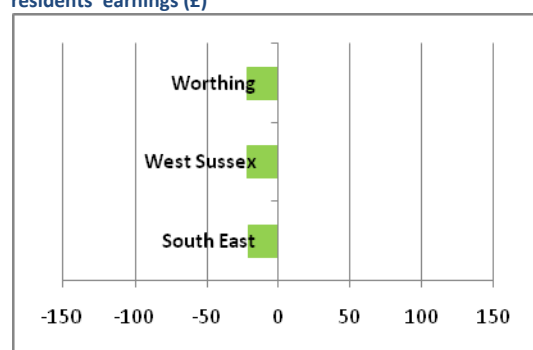
Source: Annual Survey of Hours and Earnings (ASHE) 2008, 2009 & 2010 via NOMISWEB

Median earnings amongst workers in Worthing have been below the county average for each of the last three years.

They are also lower than residents' median earnings. Worthing residents who are in work earn, on average, £378.20 per week – some £22.00 more per week than Worthing workers' average earnings.

This pattern is reflected in both West Sussex and the South East as a whole and suggests that many Worthing residents travel out of the Borough to find better paying jobs.

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



Worthing - Place

What this Section Covers

This section focuses on the characteristics of Worthing 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 Worthing 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

Worthing covers an area of 3,248 hectares and is the smallest district in West Sussex. It is located on the West Sussex coast between Adur and Arun districts.

It is a popular visitor destination and, as well as its coastline, it has four film and theatre venues.

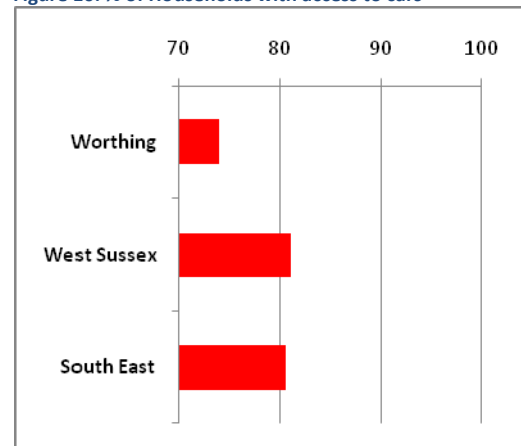
Transport

Worthing has good transport links to London, Brighton & Hove and Portsmouth. It is also well connected to national and international markets via Gatwick Airport, which is located in Crawley Borough.

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 Worthing are much 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 nearly three quarters (74.0%) of households had access to a car in 2001, this still means that around one in four households in the Borough did not have access to private transport.

Around one in ten (9.7%) of the Borough's working residents travelled more than 30km to work in 2001. This is a lower proportion than the average for West Sussex (11.8%) and the South East (11.1%), as a whole.

The relatively low level of long distance commuting amongst Worthing's residents may reflect the relatively high number of local jobs and the reasonably close proximity to other employment centres including Brighton.

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



Source: Census 2001

Housing

In 2001, 3.0% of households lived in accommodation rented from the Council. This is amongst 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, Worthing has a higher proportion of households (11.0%) living in privately rented accommodation than any other district in the county.

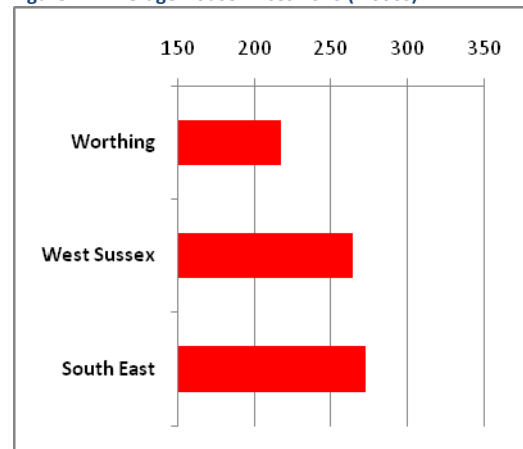
Three-quarters (77%) of houses in the district were either owned with a mortgage or owned outright in 2001 – a higher proportion than in West Sussex (76%) and the South East (73%) as a whole. The proportion of dwellings that were owned with a mortgage (46%) was amongst the highest in the county.

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

The average price of a house in June 2010 was £217,252. This is amongst the lowest of all the districts in West Sussex and below the county and South East averages. Average house prices are 8.6 times the annual gross full-time earnings of people who are living in the district and 9.4 times the earnings of people who work in Worthing.

This makes the Borough one of the most affordable districts in West Sussex.

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



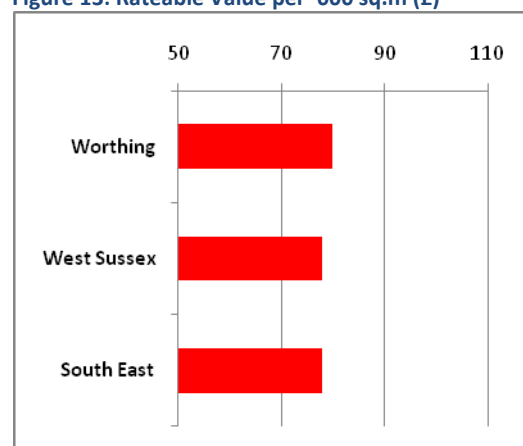
Source: Land Registry of England & Wales

Commercial Land and Property

In 2008, there was 716,000 sq m of commercial and industrial floorspace in Worthing. This included 284,000 sq m of industrial space; 176,000 sq m of office space and 235,000 sq. m of retail space.

The rateable value of commercial accommodation in Worthing is slightly 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

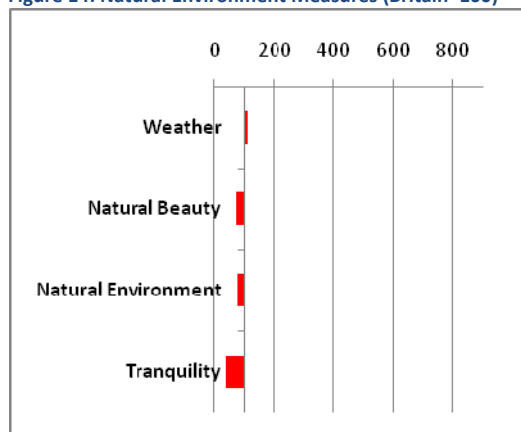
In 2008, the rateable value in Worthing was £80 per 1000 sq.m, compared with £78 across both West Sussex and the South East region.

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)



Source: Local Futures

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

Worthing scores below average for Britain by all measures, except for the Weather measure. The Borough scores particularly low on the 'Tranquility' measure, with an index score of 39.

Air quality across West Sussex is generally considered to be good. However, the area either side of the A27/A24 at the Grove Lodge Roundabout has been declared an Air Quality Management Area (AQMA). This area may be extended to Lyons Farm in the east and to Teville Gate in the south.

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.

Worthing - Economy

What this Section Covers

This section focuses on Worthing'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, Worthing's economy was worth around £2.06bn – around 13% of the West Sussex economy. Productivity levels (as measured by GVA per head) in Worthing 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 Worthing in 2007 was estimated to be £18,973, compared with £20,382 in West Sussex and £21,248 across

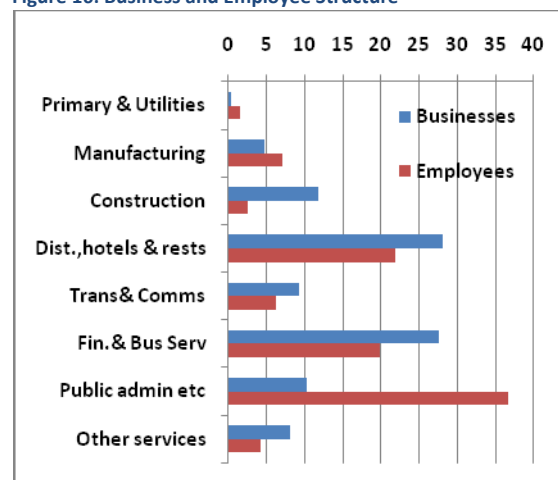
the South East region as a whole. This reflects the lower value added activity of many of the jobs in the district. Furthermore, the same estimates suggest that productivity increases between 1997 and 2007 (+44%) were below the county average.

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, Worthing is ranked 128th out of 379 districts in terms of its competitiveness. This puts it in the 34th percentile.

Businesses and Employment

In 2010, there were 3,990 businesses in Worthing. This is 11% 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

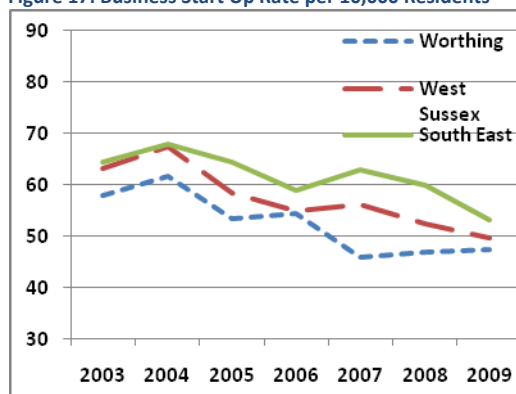
The Financial & Business Services sector accounts for more than a quarter (28%) of all

businesses, but provides only a fifth (20%) of jobs in Worthing. By contrast, just one in ten businesses are in the Public Administration, Education & Health sectors, but they provide more than a third (37%) of all local jobs. As with most other areas, the Distribution, Hotels and Restaurants sector accounts for a large proportion of Worthing businesses (28%) and provides a significant amount of the district's employment (22%).

Business Start up Rates

In 2009, there were 47.3 new businesses per 10,000 residents in Worthing. This is similar to the average for West Sussex (49.7), but below that of 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

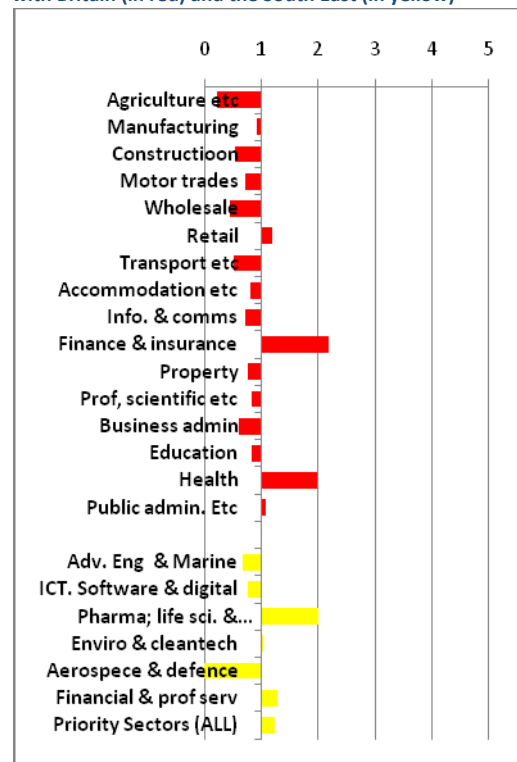
Employment Strengths

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

Worthing has strong local concentrations in Health and Finance & Insurance. In terms of regional priority sectors, there are local concentrations in Pharmaceuticals, Life Sciences & Health and, to a lesser extent, in Financial & Professional Services.

By contrast, Worthing is under-represented in many sectors of the economy, suggesting that the economic base of the Borough might be quite narrow.

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.