

# **An Economic Profile of West Sussex**

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## Summary

- The latest estimate (2005) of GVA for West Sussex was £13,342 million, which contributes around 8.4% of the regional GVA. It is estimated that the service sector contributes around three-quarters of GVA in West Sussex.
- The earning levels for West Sussex residents are generally lower than for the region but higher than nationally. Horsham and Mid Sussex residents see the highest level of earnings. Adur, Arun, Chichester and Worthing residents have lower average earnings than the county, regional and national average.
- As with the regional economy, West Sussex is predominately a service sector economy, with around 85% of employees employed within the service sectors, slightly higher than nationally. As expected, West Sussex has a higher concentration of employment in transport and communications compared with the national and regional average due to the presence of Gatwick Airport. In Crawley nearly a third of employees are employed in this sector and, understandably, it has the highest proportion of business in the sector.
- Since 1998, growth in male part time employment has been the most significant. This follows the regional and national trends. Around 70% of the workforce in full time employment.
- West Sussex continues to be a predominately small firm economy with around 73% of businesses employing up to 4 people, and 86% employing up to 10 people. These small businesses however, employ just over a fifth of all employees in the county, with 50% of the county's employees employed in larger firms of 50 or more employees. Within the county large firms, employing over 100 employees, are spatially concentrated in a small part of the county, with around a third of them located in Crawley.
- West Sussex has a higher than average level of managerial and professional occupations than nationally but lower than the South East.
- Results from the Annual Population Survey suggest that there is a greater proportion of self-employed residents, particularly females, in West Sussex than regionally or in Great Britain.
- West Sussex has a higher number of residents qualified to NVQ level 4+ than both regionally and nationally.
- West Sussex has a higher than average level of managerial and professional occupations but lower than the South East.
- West Sussex has a higher proportion of very elderly (over 85 years) than regionally and nationally. This is particularly high in Arun and Worthing which is more than 1% higher than the county average.

## Introduction

In 2006, West Sussex County Council commissioned the Local Futures Group to produce a "State of the County" report, an Economic, Social and Environmental Audit for West Sussex. The basic thrust of the Audit is to compare and benchmark the performance of West Sussex and each of the seven districts against the South East region and Great Britain as a whole. For some of the indicators the data is only available for England, England & Wales or the UK as a whole. The Audit is available at:

<http://www.westsussex.gov.uk/ccm/content/business/economic-information/economic-research---reports.en>

This report is a partial update of the 2006 audit focussing particularly on economic performance using data where available on the indicators from Local Knowledge<sup>1</sup> together with additional data available from the Annual Business Inquiry, Annual Survey of Hours and Earnings and the Annual Population Survey from the Office for National Statistics.

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<sup>1</sup> Developed by the Local Futures Group, Local Knowledge is a web based subscribers service providing an evidence base including a range of content, toolkits and materials for analysing and benchmarking current conditions in a particular area on a range of indicators - economic, social and environmental.

# 1 Productivity

Gross Value Added (GVA) is used as a measure of economic activity occurring in an area. GVA is similar to GDP (Gross Domestic Product), but excludes taxes and subsidies on products. It is the current basis by which National and Regional Accounts are prepared.

The Office for National Statistics (ONS) has released estimates for the period 1996-2005, at sub regional level for GVA, ('Regional Gross Value Added' December 2007<sup>2</sup>). The figures, shown below, are estimates and may be subject to further revision.

**Table 1: GVA estimates for the South East Counties 2005**

	£ million	£ per Head (000's)
UK	1096.6	18.2
South East	159.1	19.4
Surrey	24.9	23.1
Berkshire	23.6	29.2
Kent	24.0	14.8
Hampshire CC	22.4	17.8
Oxfordshire	14.0	22.3
West Sussex	13.3	17.4
Buckinghamshire CC	10.4	21.5
East Sussex CC	6.2	12.3
Brighton & Hove	4.3	17.2
Isle of Wight	1.6	11.3

Source: ONS

- The latest estimate of GVA for West Sussex was £13,342 million, which contributes around 8.4% of the regional GVA. It is estimated that the service sector contributes around three-quarters of GVA in West Sussex.
- GVA is also expressed in terms of £ per head. Whilst Kent has a higher estimate of GVA it has a lower GVA per head than West Sussex. In Buckinghamshire the GVA is lower but there is a higher GVA per head than West Sussex.
- From the GVA estimates it is evident that GVA per head has increased in West Sussex since 1996 from £12,314 to £17,405 in 2005 an increase of 41%. This does not compare favourably with the increase of 54% nationally and the larger increase of 63% seen in the South East region. Indeed, over the year 2004-2005 the increase estimated in West Sussex was also lower than that for the UK and for the South East region.
- Estimates from Local Futures suggests that in 2004 GVA per head levels were highest in Crawley at £21,370 per head, indeed all three Gatwick Diamond districts (Crawley, Horsham and Mid Sussex) saw higher levels of GVA per head than any of the West Sussex coastal districts. The lowest estimate was in Arun at £14,440 per head.

<sup>2</sup> <http://www.statistics.gov.uk/statbase/Product.asp?vlnk=14650>

## 2 Earnings

**Table 2: Weekly Earnings**

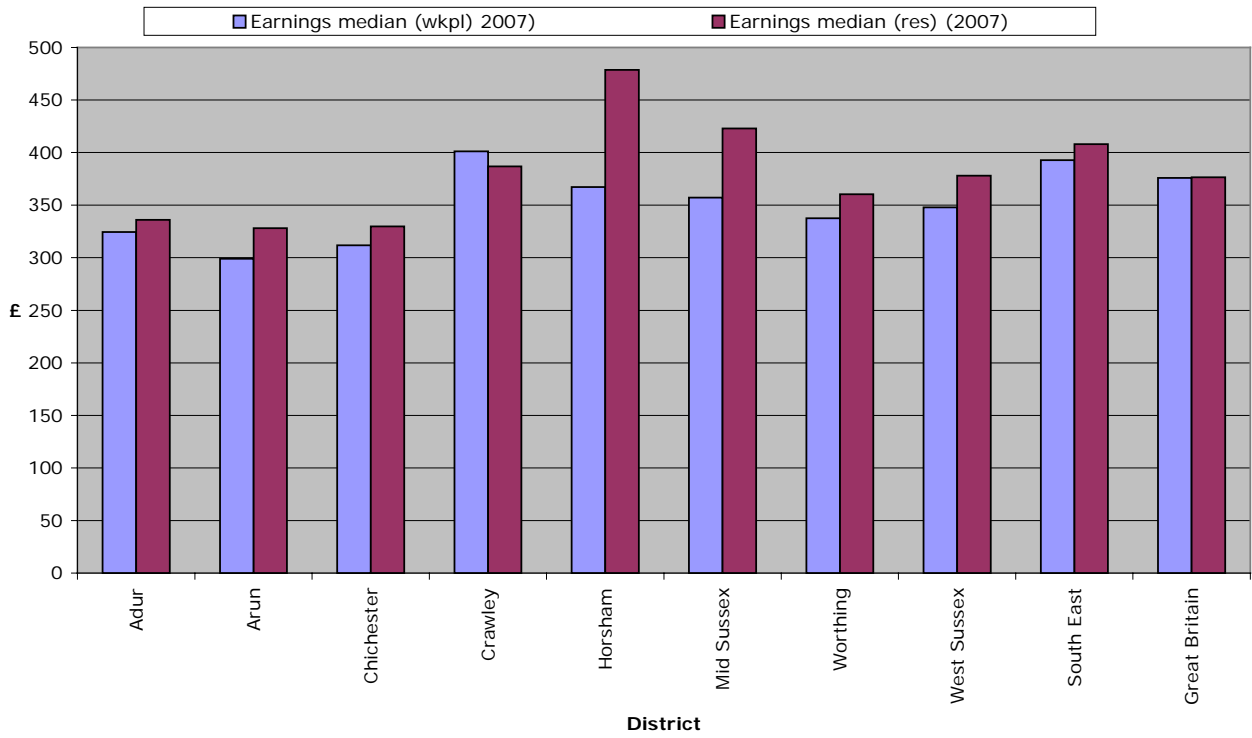
	Earnings median (workplace) (2006) <sup>3</sup>	Earnings median (residence) (2006)	Earnings median (workplace) 2007	Earnings median (residence) (2007)	Change in Earnings median (workplace) (2006-7) (%)	Change in Earnings median (residence) (2006-7) (%)
Adur	309.40	289.10	324.40	335.90	4.8	16.2
Arun	282.60	319.90	299.00	328.10	5.8	2.6
Chichester	285.10	322.00	311.80	329.70	9.4	2.4
Crawley	401.10	389.40	401.20	386.70	0.0	-0.7
Horsham	396.50	463.20	367.10	478.70	-7.4	3.3
Mid Sussex	345.60	403.80	357.10	423.00	3.3	4.8
Worthing	320.30	326.90	337.50	360.40	5.4	10.2
West Sussex	335.70	358.90	347.90	378.00	3.6	5.3
South East	380.10	394.70	392.70	407.90	3.3	3.3
Great Britain	365.20	366.40	376.00	376.50	3.0	2.8

Source: ASHE 2006 & 2007 ONS, Local Knowledge

- The earning levels for West Sussex residents are generally lower than for the region but higher than nationally. Horsham and Mid Sussex residents see the highest level of earnings. Adur, Arun, Chichester and Worthing residents have lower average earnings than the county, regional and national average.
- For those people working in West Sussex earnings levels are lower than for the South East and for Great Britain. The earnings for those people working in West Sussex tend to be lower than for those living in the County, the exception however, is found in Crawley where the average earnings for those working in Crawley is higher than for those living in the Borough.
- Earnings between 2006 and 2007 have risen faster in West Sussex than regionally or nationally. This applies to earnings for both workers and residents. However, earnings for workers in Horsham have fallen by 7.4% and the highest rise for workers has been in Chichester at 9.4%. Resident earnings have fallen in Crawley by 0.7%. The highest rise has been in Adur at 16.2%. The differences are highlighted in the chart below.

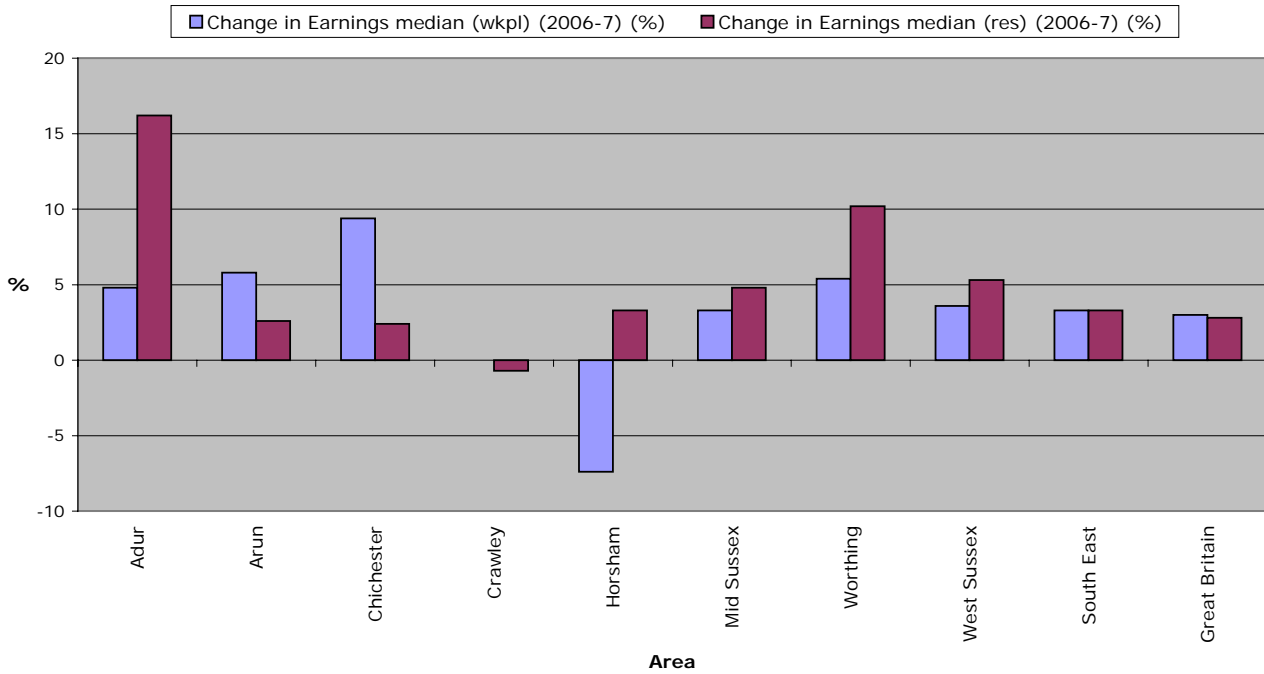
<sup>3</sup> The Annual Survey of Hours & Earnings replaces the New Earnings Survey in 2001. Estimates are available for those working in an area (workplace) and those living in an area (residence based).

**Figure 1: Weekly Earnings**



Source: ASHE 2006 & 2007 ONS, Local Knowledge

**Figure 2: Change in earnings 2006 to 2007**



Source: ASHE 2006 & 2007 ONS, Local Knowledge

### 3 Industrial Structure

**Table 3: Percentage of employment in knowledge driven and public sector employment**

	% of employment in knowledge driven production (wkpl) 2006 <sup>4</sup>	% of employment in knowledge driven services (wkpl) 2006 <sup>5</sup>	% of employment in knowledge driven sectors (wkpl) 2006 <sup>6</sup>	Employment change in knowledge driven sector employment (%) 2003- 2006	% of employment in public services (wkpl) 2006	Employment change in public services employment (%) 2003- 2006	Industrial structure score 2005 (GB = 100)	Industrial structure score rank (out of 408)
Adur	4.3	15.7	20.0	-2.1	28.5	18.2	85.48	171
Arun	2.6	14.7	17.3	6.7	31.2	21.2	76.63	215
Chichester	2.8	15.0	17.8	18.7	33.6	0.2	62.56	305
Crawley	6.3	33.0	39.3	-0.7	11.6	-0.9	159.51	11
Horsham	4.1	21.9	26.0	1.4	21.8	11.7	106.11	93
Mid Sussex	3.9	23.3	27.2	7.2	27.1	6.7	104.43	97
Worthing	6.3	20.8	27.1	-2.4	36.5	3.9	123.41	57
West Sussex	4.5	22.3	26.8	2.8	25.5	7.1	n/a	
South East	3.9	23.8	27.7	3.5	25.6	6.3	114.44	2(out of 11)
Great Britain	3.4	20.9	24.3	6.6	27.1	6.1	100.00	

Source: ABI 2006 ONS (Columns 1 to 6) & Local Knowledge

- Only Crawley has a higher percentage of employees working in knowledge based sectors than regionally and nationally though Worthing has a higher proportion than the South East East in knowledge driven production. The proportions of employees in these sectors are particularly low in the coastal districts of Adur, Arun and Chichester.
- Knowledge driven sector employment has fallen in Adur, Crawley and Worthing between 2003 and 2006. However, there has been an 18.7% rise in Chichester and a 6.7% rise in Arun. However, the proportions of employers in these sectors are still well below the regional and national average and are starting from a fairly low base.
- As elsewhere in the country, the service sector makes up the bulk of this knowledge driven employment, 22.3% compared to just 4.5% in knowledge-driven production.
- The largest percentage of employment in Public Services are found in Worthing and Chichester. This is due to the PCT being based in Worthing and the County Council being based in Chichester.
- The Industrial Structure score provides an index of the proportion of all employed persons working in the knowledge driven sectors. This is in relation to

<sup>4</sup> Knowledge Driven Production sectors are defined as aerospace, electric machinery and optical equipment, printing, publishing, recorded media, chemicals & energy.

<sup>5</sup> Knowledge Driven Services are defined as telecomms, computer & related services, R & D, finance, business services, air transport services & recreational & cultural services.

<sup>6</sup> Knowledge Driven Sectors are the amalgamation of both of the above categories.



the national average providing an indication of the level of knowledge sector employment relative to the national trend. It is seen that Crawley ranks 11<sup>th</sup> out of 408 local authority areas.

**Table 4: Percentage of employees in employment by sector in West Sussex in 2006**

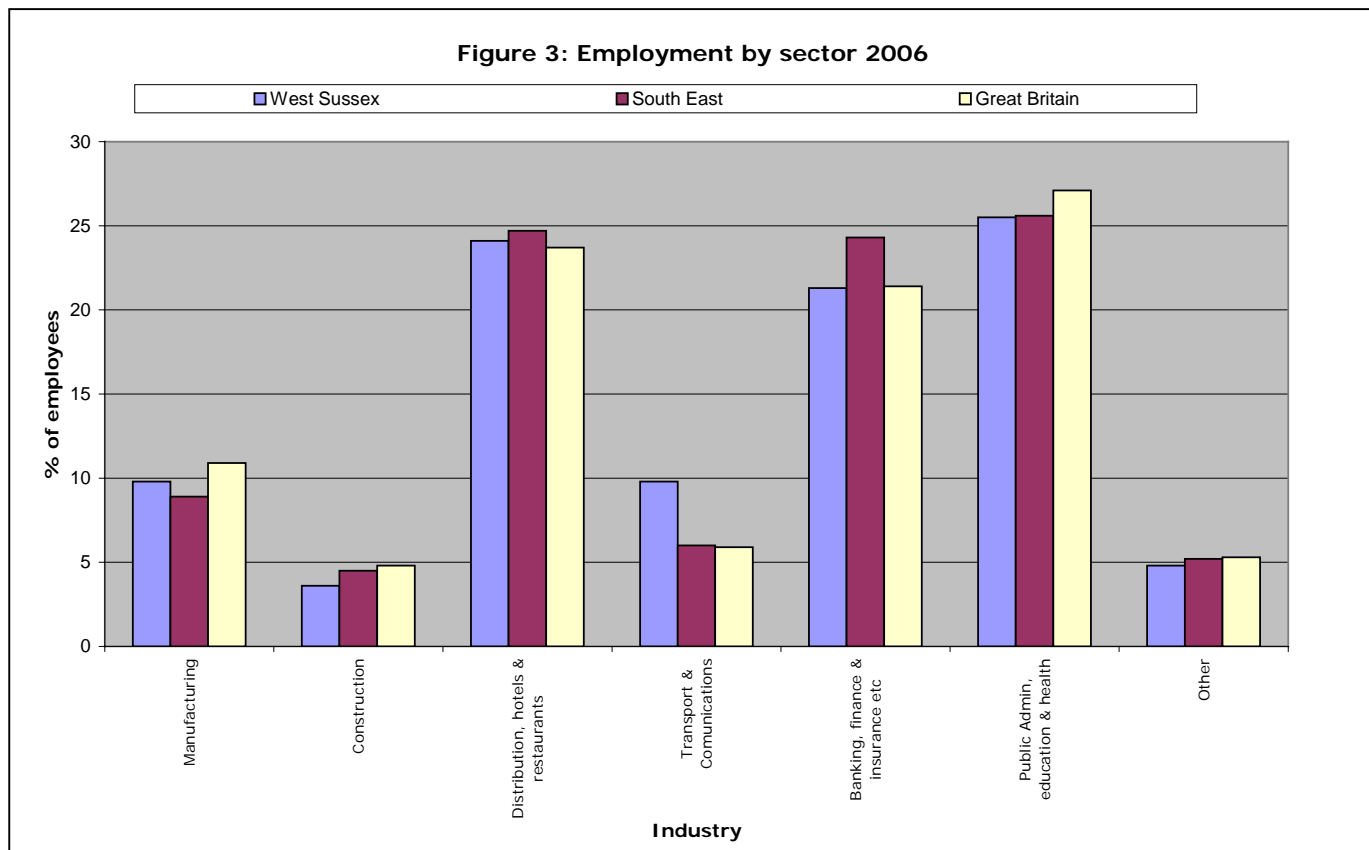
	Manufacturing	Construction	Distribution, hotels & restaurants	Transport & Communications	Banking, finance & insurance etc	Public Admin, education & health	Other
Adur	14.3	6.1	25.8	2.8	18.2	28.5	4.2
Arun	10.1	3.6	29.6	3.3	15.0	31.2	5.1
Chichester	9.2	4.3	25.3	2.6	17.5	33.6	5.7
Crawley	9.3	1.5	21.1	31.7	21.7	11.6	2.0
Horsham	11.9	5.3	25.4	3.6	24.4	21.8	7.0
Mid Sussex	8.8	4.3	23.3	3.6	24.9	27.1	7.0
Worthing	7.7	2.6	21.7	2.7	24.3	36.5	3.6
West Sussex	9.8	3.6	24.1	9.8	21.3	25.5	4.8
South East	8.9	4.5	24.7	6.0	24.3	25.6	5.2
Great Britain	10.9	4.8	23.7	5.9	21.4	27.1	5.3

Source: Annual Business Inquiry, 2006, ONS/NOMIS

Table 4 above shows the proportions of employees in employment by broad industrial sector<sup>7</sup>.

- The service sectors predominate, with a greater proportion of employees employed in the transport and communications sector in the county due to the presence of Gatwick Airport, as expected this is most significant in Crawley.
- Adur and Horsham have a higher proportion of employees in manufacturing jobs than the county average, the South East and Great Britain.

<sup>7</sup> Agriculture and fishing has not been included in the tables in this report. The ABI covers the non farm parts of the agricultural sector, much of the employment in this sector, along with construction sector is made up by self-employment which is not included in the ABI.



Source: Annual Business Inquiry, 2006, ONS/NOMIS

**Table 5: Percentage change of employees in employment by sector in West Sussex 1998 - 2005<sup>8</sup>**

	Manufacturing	Construction	Distribution, hotels & restaurants	Transport & Communications	Banking, finance & insurance etc	Public Admin, education & health	Other
Adur	-7.7	26.7	21.3	69.1	36.1	0.0	7.4
Arun	-10.0	-6.3	0.5	23.0	31.1	19.4	10.3
Chichester	-26.9	-13.2	16.3	-9.9	26.7	-3.6	19.9
Crawley	-21.8	-5.3	9.6	11.4	22.5	29.8	20.4
Horsham	6.3	-38.5	16.8	-9.7	22.2	17.4	2.8
Mid Sussex	-22.9	-3.9	16.6	27.6	-24.2	16.8	9.1
Worthing	-7.9	-13.2	16.7	17.0	-14.9	13.1	15.8
West Sussex	-14.9	-14.7	12.6	11.8	5.3	11.6	11.6
South East	-25.4	13.0	10.0	4.6	21.5	17.0	26.1
Great Britain	-27.0	9.5	8.1	12.2	21.4	24.1	20.0

Source: Annual Business Inquiry, 1998-2005, ONS/NOMIS

- Manufacturing has shown a fall in the number of employees in every district except Horsham but falls for the County as a whole are lower than regionally and nationally.
- Construction has also shown a fall in West Sussex with only Adur showing an increase. There have been rises in this sector nationally and regionally.
- The finance sector has shown a small growth in West Sussex but considerable falls in Mid Sussex and Worthing.

<sup>8</sup> At the time of compiling this report it was not possible to compare the 2006 ABI data with earlier years as there are significant discontinuities which affect comparisons. For comparison over time, the 2005 has been used.

## Employment Status

**Table 6: Percentage of employees in employment by status and district in West Sussex, the South East and Great Britain in 2006**

	Male Full time	Male part time	Female full time	Female part time	Male	Female	Full time workers	Part time workers
Adur	85.0	15.0	52.2	47.8	52.3	47.7	69.3	30.7
Arun	83.9	16.1	54.3	45.7	46.9	53.1	68.2	31.8
Chichester	83.3	16.7	53.9	46.1	47.4	52.6	67.8	32.2
Crawley	87.2	12.8	60.3	39.7	55.9	44.1	75.3	24.7
Horsham	84.8	15.2	54.5	45.5	50.5	49.5	69.8	30.2
Mid Sussex	83.9	16.1	54.0	46.0	46.7	53.3	67.9	32.1
Worthing	82.7	17.3	52.7	47.3	41.5	58.5	65.1	34.9
West Sussex	84.7	15.3	54.9	45.1	48.9	51.1	69.5	30.5
South East	84.4	15.6	54.1	45.9	50.2	49.8	69.3	30.7
Great Britain	84.6	15.4	52.9	47.1	50.3	49.7	68.9	31.1

Source: Annual Business Inquiry, 2006, ONS/NOMIS

- The County trend follows the regional and national trends with around 70% of the workforce in full time employment.
- The highest proportion of full time jobs are in Crawley at 75%. This figure is considerably higher than both nationally and regionally. Part time employment is highest in Worthing at nearly 35%.

**Table 7: Percentage change in employees in employment by status and district in West Sussex, the South East and Great Britain 1998 to 2005**

	Male Full time	Male part time	Female full time	Female part time	Male	Female	Total persons	Full time workers	Part time workers
Adur	16.3	27.1	8.8	6.6	17.8	7.6	12.6	13.6	10.7
Arun	4.2	17.1	8.6	10.4	6.3	9.5	8.0	5.9	11.8
Chichester	4.8	4.3	7.0	-5.1	4.7	0.5	2.4	5.7	-3.1
Crawley	10.7	34.7	-5.7	24.8	13.7	5.3	9.8	4.4	27.6
Horsham	-0.2	31.0	8.1	15.4	4.0	11.7	7.7	2.7	19.1
Mid Sussex	-11.2	23.9	2.3	9.1	-6.1	5.6	-0.1	-6.0	12.5
Worthing	-3.5	31.1	6.4	10.3	2.1	8.4	5.6	0.7	14.5
West Sussex	2.9	24.6	3.4	10.2	6.2	6.7	6.4	3.1	13.5
South East	6.8	31.2	7.0	11.1	10.1	9.0	9.6	6.8	15.5
Great Britain	4.2	34.5	7.8	11.4	8.1	9.5	8.8	5.6	16.4

Source: Annual Business Inquiry, 1998 & 2005, ONS/NOMIS

- Over the longer term, growth in male part time employment has been the most significant. This follows the regional and national trends.
- Mid Sussex district is the only district within West Sussex to show a fall in full time employment between 1998 and 2005. However, more recently during the time period of 2003 and 2005 Crawley, Mid Sussex and Worthing have experienced a

fall in the number of full time employees. Indeed over this time, Crawley has seen a fall in both full time and part time employees. (See Table 8).

**Table 8: Percentage change in employees in employment by status and district in West Sussex, the South East and Great Britain 2003 to 2005**

	Male Full time	Male part time	Female full time	Female part time	Male	Female	Total persons	Full time workers	Part time workers
Adur	1.0	5.9	6.8	1.4	1.8	3.8	2.7	2.9	2.4
Arun	2.7	16.9	9.4	0.7	5.0	4.7	4.8	5.3	4.0
Chichester	3.4	21.0	11.2	3.4	6.2	7.1	6.7	6.5	7.0
Crawley	-0.2	-3.7	-4.1	-4.7	-0.8	-4.3	-2.4	-1.6	-4.4
Horsham	0.1	14.4	3.0	-0.4	2.3	1.3	1.8	1.1	3.1
Mid Sussex	-4.2	24.3	-0.1	6.0	0.2	2.8	1.6	-2.5	10.1
Worthing	-3.0	21.2	-0.7	-2.5	1.2	-1.6	-0.4	-2.0	2.2
West Sussex	-0.3	12.8	2.3	0.4	1.8	1.3	1.5	0.7	3.2
South East	4.7	2.4	3.5	1.7	4.3	2.6	3.4	4.2	1.9
Great Britain	2.6	4.3	3.4	3.1	2.8	3.3	3.1	2.9	3.4

Source: Annual Business Inquiry, 2003 & 2005, ONS/NOMIS

## Business in West Sussex

Table 9 shows the number of data units by size. West Sussex is a small firm economy, with around 86% of firms employing up to 10 employees. This follows the regional trend. There are more larger firms of over 100 employees in the Gatwick Diamond districts (Crawley, Horsham and Mid Sussex) than there are in the coastal districts, these tend to be within the distribution, hotels and restaurants, the banking, finance, and business services sector, and public admin.

**Table 9: Percentage of Businesses by size of workplace<sup>9</sup> and districts in West Sussex 2006**

Area	Number of employees						
	1 - 4	5 - 10	11 - 24	25 - 49	50 - 99	100 - 199	200+
Adur	74.1	13.2	6.7	2.9	2.2	n/a	n/a
Arun	74.3	12.5	7.3	3.4	1.7	0.5	n/a
Chichester	75.1	11.3	7.7	3.6	1.3	0.6	0.4
Crawley	60.9	15.4	10.9	5.6	3.5	1.6	2.1
Horsham	76.6	11.6	6.5	2.9	1.5	0.5	0.4
Mid Sussex	75.9	12.2	6.5	2.8	1.6	0.6	0.4
Worthing	69.4	14.1	9.0	4.1	1.7	1.0	0.6
West Sussex	73.2	12.6	7.6	3.5	1.8	0.7	0.6
South East	73.6	12.5	7.5	3.3	1.7	0.8	0.5
Great Britain	70.3	13.9	8.3	3.9	2.0	0.9	0.7

Source: Annual Business Inquiry 2006, ONS/NOMIS

- Table 10 shows the proportion of employees in the county by the size of workplace they are employed in. Whilst only 1.3% of firms in West Sussex employ over 100 employees, around 38% of all employees in West Sussex are employed in such sized firms. This proportion is higher in Gatwick Diamond districts where 39% of employees are employed in firms of 100 employees or more, compared with 33% of employees in the Coastal Districts. This is partly due to the high proportion of the largest companies being in Crawley.

**Table 10: Percentage of Employees by Business Size and District 2006**

	1 - 4	5 - 10	11 - 24	25 - 49	50 - 99	100 - 199	200 +
Adur	14.8	11.0	12.1	11.6	16.6	n/a	n/a
Arun	16.9	11.7	15.3	14.6	14.7	9.3	n/a
Chichester	16.2	10.2	15.6	15.6	10.7	10.1	21.6
Crawley	5.0	5.4	8.3	9.3	11.3	10.3	50.3
Horsham	18.4	11.9	14.7	14.0	13.8	10.6	16.6
Mid Sussex	16.9	11.4	13.2	12.9	13.7	10.1	21.7
Worthing	11.5	9.7	13.6	12.9	11.3	12.7	28.3
West Sussex	13.4	9.7	12.9	12.7	12.7	10.3	28.3
South East	13.4	9.7	12.7	12.2	12.4	11.3	28.4
Great Britain	11.6	9.2	12.2	12.2	12.2	11.2	31.4

Source: Annual Business Inquiry 2006, ONS/NOMIS

<sup>9</sup> This information is from the number of data units from the ABI, a data unit is similar to a workplace and here is used as a proxy for the number of firms

**Table 11: Vat Registered businesses by industry, Stocks at end of year 2006**

	Agriculture; Forestry & fishing	Mining & Quarrying; Electricity, gas & water Supply	Manufacturing	Construction	Wholesale, retail & repairs	Hotels & restaurants	Transport, storage & communication	Financial intermediation	Real Estate, renting & business activities	Public Admin; Other community, social & personal services	Education; health & social work
Adur	2.1	0.0	11.6	17.6	22.0	5.4	4.8	0.9	25.9	8.9	0.9
Arun	3.9	0.1	9.6	14.9	21.4	7.6	3.7	0.7	27.9	8.6	1.7
Chichester	9.3	0.1	7.6	11.0	19.4	6.3	2.8	0.7	32.4	8.6	1.8
Crawley	0.8	0.0	6.7	12.2	18.5	5.7	10.3	1.1	36.8	6.3	1.5
Horsham	6.6	0.1	8.6	10.9	18.3	4.5	3.4	0.8	37.2	8.4	1.4
Mid Sussex	4.1	0.1	7.1	11.0	16.9	4.6	3.4	1.5	39.7	9.9	1.7
Worthing	0.9	0.2	7.4	14.1	22.2	8.5	3.6	1.3	31.5	8.6	2.0
West Sussex	4.8	0.1	8.2	12.4	19.3	5.9	4.0	1.0	34.1	8.6	1.6
South East	3.7	0.1	7.2	12.7	18.2	6.0	4.0	0.9	36.8	8.7	1.7
Great Britain	6.8	0.1	7.9	11.6	20.7	7.3	4.4	1.1	31.0	7.7	1.6

Source: ONS/Nomis

NB: VAT registered businesses are those which have an annual turnover of £61,000 but businesses below this threshold can also register.

- VAT data is produced by the Department of Trade and Industry based on VAT information, received from HM Revenue & Customs. VAT Stock is the number of enterprises registered for VAT at the start of the year and is an indicator of the size of the business population.
- The highest percentage of VAT registered businesses in West Sussex is within the real estate, renting and business activities sectors. This is the case for Great Britain and the South East and applies to all districts within the County. This sector has a wide range of services including estate agencies, letting agents, renting of transport, and equipment, computer related activities, market research, call centres, accountancy services and business consultancy.
- Around 20% of firms within West Sussex are within the wholesale and retailing sector though this is higher in some of the districts.
- The proportion of manufacturing businesses in West Sussex is higher than for the South East and Great Britain. Adur has the highest proportion of manufacturing businesses in West Sussex.
- As expected the transport and communication sector is highest in Crawley and attributed to Gatwick airport, though this does not seem to have a knock on effect on the adjacent districts of Horsham & Mid Sussex.

**Table 12: Number of businesses & business survival rates**

	Average Business Size (Emp/Bus) 2006	Business closure rate (%) 2006	Businesses per 000 pop (number) 2007	New business formation rate (%) 2006	Business survival rate (12 months) (%) 2004-5	Business survival rate (24 months) (%) 2003-5	Business survival rate (36 months) (%) 2002-5
Adur	8.84	7.2	34.08	8.4	92	86	71
Arun	7.82	7.4	35.81	8.5	93	84	68
Chichester	8.20	6.1	59.38	7.7	93	86	79
Crawley	21.44	8.6	29.80	10.5	92	80	68
Horsham	7.20	6.2	58.11	8.1	94	86	72
Mid Sussex	7.90	7.2	55.00	9.0	92	86	75
Worthing	11.00	7.9	24.33	9.7	92	84	67
West Sussex	10.34	7.2	n/a	8.9	92.6	84.6	71.4
South East	9.59	7.5	46.11	9.5	92.8	83.7	73.2
Great Britain	11.14	7.5	39.63	9.6	90.3	80.2	69.7

Source: Local Knowledge

- Average business size is higher in West Sussex than in the South East but lower than in Great Britain. This is a reflection of the higher number of larger businesses in Crawley. In fact Crawley has the largest average business size in Great Britain.
- New business formation rates in West Sussex is lower than the South East region and for Great Britain as a whole this is most significant in Chichester and Horsham though formation rates are higher than regionally and nationally in Crawley and Worthing.
- The business survival rate in West Sussex for 1 to 2 years is comparable to the regional average but the 3 year survival rate is lower. Chichester and Mid Sussex districts have a higher percentage of businesses surviving for 3 years. However, business survival rates over the three time periods are higher in West Sussex than in Great Britain as a whole.
- Whilst Worthing has a high business formation rate it also has the lowest rate of businesses surviving for 3 years and Chichester has the lowest business formation rate but the highest survival rates in the County.

**Table 13: Commercial and Industrial Property Indicators**

	Retail floorspace (%) 2007	Office floorspace (%) 2007	Industrial floorspace (%) 2007	Change in retail floorspace (%) 1999- 2007	Change in office floorspace (%) 1999- 2007	Change in industrial floorspace (%) 1999- 2007	Business rateable value (£000) 2006
Adur	19.6	9.0	68.1	7.2	7.9	-0.3	26,765
Arun	23.3	8.0	62.1	-8.8	31.5	0.4	51,767
Chichester	22.6	15.7	56.4	0	5.6	20.7	65,945
Crawley	13.7	31.2	53.6	5.4	38.2	12.5	174,035
Horsham	17.1	19.6	58.5	-0.6	-6.9	12.0	70,663
Mid Sussex	22.2	24.2	48.7	-4.5	1.5	8.5	70,663
Worthing	32.3	24.3	40.5	-2.1	7.4	-8.8	56,120
South East	20.3	21.4	54.0	5.3	16.3	4.2	5,739,824

Source: Local knowledge

- Table 13 shows the change in commercial floorspace during 1999 – 2006. Information is not available at county level, however, the indicators suggest that retail floorspace has decreased.
- Crawley has seen an increase in floorspace across all the sectors, particularly in office floorspace and industrial floorspace appear to be increasing in the Gatwick Diamond districts and in Chichester.



## 4 Economic Activity

The Tables below consider economic activity of residents in West Sussex.

**Table 14: Labour market**

	Employment rate (res)(%) Mar 2007	Economic activity rate (res)(%) Mar 2007	ILO Unemployed (res) (%) 2006	Job seekers allowance claimants (%) Jan 2008	Change in employment rate (% points) 2004-2006
Adur	85.8	91.2	3.9	1.4	5.4
Arun	75.2	78.2	3.9	1.6	0.6
Chichester	76.3	81.3	5.3	1.2	-0.6
Crawley	80.6	81.8	4.6	1.4	7.8
Horsham	78.7	82.3	3.7	0.9	-3.4
Mid Sussex	81.6	84.1	2.9	0.7	0.5
Worthing	79.2	81.7	4.8	1.5	-3.6
West Sussex	79.1	82.2	n/a	1.2	n/a
South East	78.3	82.0	4.43	1.3	1.2
Great Britain	74.2	78.5	n/a	2.2	n/a

Source: Annual Population Survey ONS/NOMIS

- This table shows that West Sussex has a higher employment rate<sup>10</sup> that is than Great Britain and the South East. The highest rate for districts in West Sussex is for Adur at 85.8% and the lowest rate is in Arun at 75.2.
- This table also shows that West Sussex has a higher economic activity rate<sup>11</sup> than Great Britain and the South East with again the highest rate is for Adur at 91.2% and the lowest rate is in Arun at 78.2.
- The proportion of Job Seekers Allowance claimants is lower in West Sussex than regionally and nationally. No district has a rate higher than nationally although Adur, Arun, Crawley and Worthing have a higher proportion than for the South East as a whole.

<sup>10</sup> Employment rate is the proportion of working age persons who are in employment.

<sup>11</sup> The economic activity rate is the number of people in employment or unemployed as a percentage of the total population in that age group.

**Table 15: Occupational Structure Indicators**

	Manager & professional occupations (%) (res) Mar 2007	Skilled technical occupations (%) (res) Mar 2007	Lower skilled occupations (%) (res) Mar 2007	Elementary occupations (%) (res) Mar 2007	Knowledge worker score (GB = 100) <sup>12</sup>
Adur	34.3	23.0	33.3	9.0	95.57
Arun	32.2	19.8	37.5	10.6	91.52
Chichester	31.0	29.8	32.1	6.9	114.78
Crawley	19.4	26.4	38.0	16.5	79.58
Horsham	36.5	27.8	25.9	9.8	126.33
Mid Sussex	33.2	29.0	28.4	9.5	105.94
Worthing	22.6	31.1	33.3	11.8	96.16
West Sussex	30.1	26.7	32.4	10.6	n/a
South East	31.6	27.8	30.4	10.2	109.49
Great Britain	28.1	26.3	33.9	11.5	100.00

Source: Local Knowledge

- Looking at the four occupational groups, West Sussex has a higher than average level of managerial and professional occupations but lower than the South East.
- The countywide figures obscure variations at the district level. Horsham has a very high level of managerial and professional occupations at 36.5%, whereas Crawley has a very low level, only 19.4%.
- Crawley has the highest levels of lower skilled and elementary occupations in the county and the elementary occupation figure is 5% higher than for Great Britain as a whole.

**Table 16: Percentage of working residents by industrial sector March 2007**

	Agriculture, forestry, fishing etc	Manufacturing	Construction	Distribution, hotels & restaurants	Transport & Communications	Banking, finance & insurance	Public Admin, education & health	Other services
Adur	n/a	17.3	12.0	16.9	6.8	18.3	19.1	8.7
Arun	1.4	17.1	8.2	21.1	4.7	9.4	30.8	5.8
Chichester	3.0	10.9	5.8	22.2	4.3	15.2	29.1	9.5
Crawley	n/a	8.7	7.5	26.5	20.9	14.2	16.6	4.7
Horsham	2.2	15.7	6.0	18.2	7.7	21.4	22.4	6.3
Mid Sussex	2.1	6.2	8.0	12.3	11.0	27.4	26.9	4.9
Worthing	2.6	9.7	4.8	13.1	7.2	18.2	34.9	5.9
West Sussex	1.9	12.0	7.3	18.6	9.1	17.9	26.0	6.3
South East	1.2	11.7	7.7	18.6	7.3	18.8	27.0	6.4
Great Britain	1.2	13.1	8.1	18.9	6.8	16.1	28.2	6.1

Source: Annual Population Survey/NOMIS

<sup>12</sup> The knowledge worker score is calculated by dividing the number of knowledge workers (see footnotes on page 8) by the number of all persons of working age. This is in relation to the national average, providing an indication of the level of employment relative to the national trend.

- The Annual Population Survey, 2007, is the latest data that gives a detailed breakdown of the employment of the resident workforce. The majority of the work force is employed in the service sector, particularly in the public administration, education and health sectors and banking, finance and insurance sectors.
- Chichester and Worthing have a higher proportion of residents working in agricultural employment than regionally or nationally, accounted for by the growing horticultural industry along the coast.
- As expected a greater proportion of West Sussex residents are employed in the transport sector, particularly in Crawley due to the presence of Gatwick Airport which also influences the proportion of employment in this sector in Horsham and Mid Sussex.

**Table 17: Self employment 2007**

	% in employment who are employees - working age	% in employment who are self employed - working age	% of males in employment who are employees - working age	% of males in employment who are self employed - working age	% of females in employment who are employees - working age	% of females in employment who are self employed - working age
Adur	85.9	14.1	85.5	14.5	86.5	13.5
Arun	84.6	15.4	77.8	22.2	92.3	7.7
Chichester	78.9	19.7	73.5	26.5	84.6	12.6
Crawley	89.3	9.5	87.6	12.4	91.5	5.9
Horsham	87.3	12.7	87.8	12.2	86.8	13.2
Mid Sussex	85.4	13.8	81.2	18.0	90.3	8.8
Worthing	82.8	15.2	80.5	17.1	85.4	13.1
West Sussex	85.0	14.2	82.0	17.5	88.5	10.4
South East	85.8	13.6	81.4	18.1	90.9	8.3
Great Britain	86.8	12.6	82.5	17.0	92.0	7.3

Source: Annual Population Survey/NOMIS

- Results from the Annual Population Survey suggest that there is a greater proportion of self-employed residents, particularly females, in West Sussex than regionally or in Great Britain. The proportion of self-employed is greatest amongst the coastal districts.

## 5 Qualifications

**Table 18: Qualifications and work related training**

	Working population qualified below NVQ level 2 (wkpl) (%) 2006	Working population qualified below NVQ level 2 (res) (%) 2006	Working population qualified to NVQ level 2 (wkpl) (%) 2006	Working population qualified to NVQ level 2 (res) (%) 2006	Working population qualified to NVQ level 3 (wkpl) (%) 2006	Working population qualified to NVQ level 3 (res) (%) 2006	Working population qualified to NVQ level 4+ (wkpl) (%) 2006	Working population qualified to NVQ level 4+ (res) (%) 2006	Employees who have received training in last 4 weeks (res)(%) 2006	5+ GCSE's grades A*-C (%) (2006)
Adur	28.3	23.7	14.0	17.0	19.2	17.9	30.0	28.0	12.0	37.7
Arun	22.6	22.9	18.0	25.3	15.7	16.4	30.2	26.1	7.4	51.2
Chichester	22.9	20.3	10.2	15.2	18.8	17.8	38.3	39.0	9.1	60.6
Crawley	25.8	30.7	22.3	25.5	16.2	15.8	17.9	17.6	10.2	56.4
Horsham	18.9	19.0	15.9	24.1	15.9	16.5	38.4	35.0	9.7	69.7
Mid Sussex	21.6	21.8	16.8	23.3	17.8	18.7	33.0	32.6	10.1	66.2
Worthing	19.1	23.3	17.3	21.8	19.0	18.8	31.9	28.2	13.2	55.7
West Sussex	22.3	21.3	16.6	17.0	17.3	17.4	31.7	32.1	10.0	56.8
South East	21.8	22.4	16.1	20.9	16.3	16.6	33.2	30.5	11.5	59.5
Great Britain	23.2	22.4	15.9	15.7	15.6	15.7	31.1	27.4	10.8	n/a

Source: Local Knowledge/ Annual Population Survey ONS

**NB: No qualifications:** People without any academic, vocational or professional qualifications

**Level 1:** 1 To 4 O level passes, 1 to 4 CSE/GCSE any grades, NVQ Level 1 or foundation GNVQ)

**Level 2:** 5+ 'O' levels, 5+ CSEs (grade 1), 5+ GCSEs (grade A – C), School Certificate, 1+ 'A' levels/'AS' levels, NVQ level 2, Intermediate GNVQ or equivalents.

**Level 3:** 2 or more A Levels, 4 or more AS Levels, Higher School Certificate, NVQ Level 3, Advanced GNVQ

**Level 4/5:** First degree, Higher Degree, NVQ levels 4 – 5, HNC, HND, Qualified Teacher Status, Qualified Medical Doctor, Qualified Dentist, Qualified Nurse, Midwife, Health Visitor or equivalents.

- West Sussex has a higher number of residents qualified to NVQ level 4+ than both regionally and nationally.
- The highest number of NVQ 4+ residents are in Chichester district where 39% have degree level qualifications.
- The Government describes NVQ 2 as its minimum standard for skills so those qualified below this level are described as being in "Skills Poverty". The county has a smaller proportion of workers than nationally with below NVQ 2 and has a lower number of residents than both regionally and nationally.
- There is a large variation in GCSE results between districts. Horsham has nearly 70% of pupils obtaining 5 or more A to C GCSE passes whereas the figure in Adur is only 37.7%. Only Chichester, Horsham and Mid Sussex are achieving higher numbers than for the South East where the figure is 59.5%.

**Table 19: Job related training**

All persons who received job related training in the last 13 weeks (%)	All persons of working age	25 years - retirement age	All employees & self emp. of working age	in managerial & prof. Occups.	in service industries	in private services	in production	In public sector	With NVQ Level 4 equivalent and above	With NVQ Level 3 equivalent and below	full-time workers	Part time workers
Adur	26.8	24.7	32.4	32.3	38.9	31.1	23.0	59.2	59.0	20.6	32.3	32.8
Arun	18.8	17.9	24.7	34.6	28.8	26.9	19.7	31.2	31.9	22.1	27.0	19.1
Chichester	18.5	19.9	23.4	27.7	28.2	22.9	n/a	37.3	24.0	23.6	23.7	24.3
Crawley	18.4	17.6	23.2	30.2	23.6	14.3	29.2	59.4	43.1	18.7	24.8	16.5
Horsham	24.3	23.9	31.5	36.5	34.0	28.8	21.4	45.7	34.9	29.4	33.1	26.1
Mid Sussex	21.0	21.2	25.4	23.9	27.0	20.6	26.6	43.4	31.9	22.7	24.9	27.7
Worthing	27.8	30.4	35.4	47.0	35.7	33.2	45.5	39.1	41.1	32.4	39.5	25.4
West Sussex	21.8	21.8	27.6	32.5	30.0	24.2	23.8	42.0	35.3	24.1	29.0	24.4
South East	23.1	23.4	29.5	35.5	32.0	24.5	22.0	45.9	38.4	24.9	30.3	27.2
Great Britain	21.6	21.8	29.0	36.7	31.8	23.7	21.4	45.2	39.6	24.1	29.8	26.8

Source: Annual Population Survey 2006 ONS/NOMIS

- Information is available on the numbers of people who received job related training in the previous three months. This can be broken down by employment status, sector and age.
- The Table above suggests that those working in the public sector are more likely to receive training than perhaps in other sectors. Also work related training for full time workers is highest in Worthing and is 10% higher than for the County as a whole.

## 6 Demography

**Table 20: Population age bands**

	Population aged 0-14 (%) 2006	Population aged 15-24 (%) 2006	Population aged 25-44 (%) 2006	Population aged 45-64 (%) 2006	Population aged 65+ (%) 2006	Population aged 85+ (%) 2006
Adur	16.7	11.1	24.7	26.16	21.36	3.15
Arun	15.4	10.1	22.4	26.42	25.74	4.32
Chichester	16.2	10.5	22.3	27.67	23.35	3.40
Crawley	18.8	12.8	31.3	22.75	14.33	2.00
Horsham	18.8	10.1	26.1	27.61	17.39	2.50
Mid Sussex	18.8	10.5	26.3	27.34	17.04	2.48
Worthing	16.6	10.7	26.7	24.34	21.70	4.26
West Sussex	17.4	10.7	25.5	26.18	20.21	3.16
South East	17.9	12.5	27.8	25.31	16.49	2.35
Great Britain	17.6	13.2	28.3	24.78	16.05	2.07

Source: Local Knowledge

- West Sussex has a higher proportion of very elderly (over 85 years) than regionally and nationally. The figures are particularly high in Arun and Worthing which have more than double the percentage of Crawley.

**Table 21: Ethnicity**

	Population who are white (%) 2005	Population who are mixed (%) 2005	Population who are Asian or British Asian (%) 2005	Population who are Black or Black British (%) 2005	Population who are Chinese or other (%) 2005	Population who are non-white (%) 2005	Population who are non-white rank (out of 408)
Adur	96	1.2	1.3	0.7	0.8	4.0	183
Arun	96.7	0.8	1.1	0.7	0.6	3.3	215
Chichester	96.8	0.9	0.9	0.7	0.7	3.2	221
Crawley	87.0	1.7	8.6	1.8	0.9	13.0	55
Horsham	95.8	1.0	1.3	0.9	0.9	4.2	176
Mid Sussex	95.2	1.3	1.6	0.9	0.9	4.8	155
Worthing	95.3	1.2	1.8	0.7	0.8	4.7	158
West Sussex	94.7	1.0	2.4	0.9	0.8	5.3	n/a
South East	93.1	1.4	3.1	1.3	1.2	7.0	7 (out of 11)
England	89.1	1.6	5.3	2.7	1.3	10.9	

Source: Local Knowledge

- West Sussex is less ethnically diverse than the South East and England. However, Crawley has a much larger Asian or British Asian community than both regionally and nationally which is also reflected in the larger non-white population.

Research<sup>13</sup> has recently been conducted into the impact of economic migration to the South East from the new Member States of the European Union in Central and Eastern Europe known collectively as Accession 8 (A8).<sup>14</sup>

- Data from the Worker Registration Scheme<sup>15</sup>, shows that between May 2004 and September 2007, Arun district had the second highest number of A8 migrants in the South East with 3,790 people. Chichester district had the sixth highest number with 2,690 people. There were just over 90,000 such registrations in the South East.

However, these figures need to be treated with caution as migrants leaving the area are not deleted from the count. In addition, self-employed people are excluded from the Worker Registration Scheme and this could particularly affect those areas with higher than average employment in the Agriculture and Construction sectors where self employment is more common.

Also, there will be local variations in the duration of stay of migrants, with those working in the agriculture/horticulture sectors in rural areas likely to be characterised by shorter periods of stay than their counterparts in other industries in urban areas.

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<sup>13</sup> Migrant Workers in the South East Regional Economy,

Institute for Employment Research, University of Warwick and BMG Research, July 2008.

<sup>14</sup> "Accession 8" – Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Slovakia and Slovenia.

<sup>15</sup> Workers from the A8 countries (see footnote above) (excluding the self-employed) are required to register under the WRS within one month of starting a new job. However, once a person has worked in the UK for at least 12 months without interruption, then registration under the WRS is no longer required.

## 7 Deprivation

**Table 22: Deprivation and Inequality Indicators**

	IMD Average SOA Score 2007	Inequality (range of IMD ranks) 2007 <sup>16</sup>	Indices of Deprivation, Income Deprivation Domain Average SOA score 2007	Indices of Deprivation, Employment Deprivation Domain Average SOA score 2007	Indices of Deprivation, Health Deprivation Domain Average SOA score 2007	Indices of Deprivation, Education, Skills and Training Deprivation Domain Average SOA score 2007	Indices of Deprivation, Barriers to Housing and Services Deprivation Domain Average SOA score 2007	Indices of Deprivation, Crime Average SOA score 2007	Indices of Deprivation, The Living Environment Deprivation Domain Average SOA score 2007	Inequality score	Deprivation score	Deprivation score rank (out of 354)
Adur	20.55	176	0.12	0.08	-0.15	31.07	31.64	-0.08	24.24	91.93	95.25	138
Arun	16.64	27044	0.12	0.08	-0.26	19.87	24.84	-0.19	17.21	101.63	77.13	187
Chichester	12.08	24409	0.09	0.06	-0.83	11.37	26.29	-0.66	21.09	91.73	56.01	259
Crawley	15.55	27134	0.12	0.07	-0.41	22.05	25.88	-0.13	8.8	101.97	72.08	207
Horsham	7.38	17164	0.07	0.05	-1.48	6.73	23.45	-0.81	9.65	64.50	34.20	337
Mid Sussex	6.94	22790	0.07	0.05	-1.12	7.64	17.25	-0.67	9.24	85.64	32.19	346
Worthing	17.48	27626	0.12	0.09	-0.05	17.69	21.3	-0.22	26.06	103.82	81.04	172
West Sussex	13.11	23924.14	0.10	0.07	-0.61	16.70	24.35	-0.40	16.67	n/a	n/a	130 (out of 149)
South East	13.82	25086.25	0.11	0.07	-0.66	16.11	21.69	-0.28	15.16	94.27	64.07	9 (out of 9)
England	21.57	26609.96	0.16	0.10	-0.01	21.57	21.84	-0.01	21.73	100	100	

**Source:** The Indices of Deprivation 2007, Department for Communities & Local Government

<sup>16</sup> This indicator is a measure of inequality and shows the range between all the Super Output Areas within each district. The higher the score, the more inequality within the area. Super Output Areas (SOA's) are statistically standard areas with varying numbers per ward (usually around 15 SOA's per ward). They allow standard comparison between areas based on number of households.



The Indices of Deprivation 2007 was published by the Department for Communities and Local Government (DCLG) in December 2007. The output is, as in 2004, published by Lower Super Output Area (LSOA) and the index is made up of seven SOA level Domain Indices which are: income; employment; health deprivation and disability; education, skills and training; barriers to housing, and services; living environment and crime.

DCLG have stated that given the similarities between methodologies and indicators used in 2004 and 2007, it is possible to compare deprivation across the two indices. Data have been released at county, local authority and lower super output area (LSOA) level. Most of the data used to calculate the 2007 index relates to 2005.

- In 2007, West Sussex ranked 130 out of 149 counties (1 being the most deprived 149 the least). In 2004, West Sussex ranked 133<sup>rd</sup> suggesting that in *relative terms* West Sussex has become more deprived. This is in line with neighbouring authorities (except for Surrey which remained at their 2004 ranking). Note the indices examine *relative* deprivation so between 2004 and 2007 all areas could have improved in absolute terms (for example in relation to income or employment) but some areas may have improved more than others.
- All Local Authority areas in West Sussex (except Mid Sussex) have become relatively more deprived when compared to their positions in 2004. Adur has fallen the largest number of places down the rankings (has become relatively more deprived), a fall of 41 places; this is third largest fall in England, after Barnet and the Isles of Scilly.
- There is a marked difference between the Local Neighbourhood Improvement Areas (LNIAs), as defined in the West Sussex Local Area Agreement<sup>17</sup>, and non LNIA areas; the LNIA areas experienced an increase in the number of LSOAs within the most 20% deprived in England.

Further work will be undertaken on the sub domains of the index – for example on child and older person poverty (which will be carried out following release of the population denominators from the DCLG) and the sub domains of the education, barriers to housing and services and living environment domains.

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<sup>17</sup> There are 5 LNIAs in the county: –

Shoreham = Southlands, Eastbrook, Mash Barn and Churchill wards

Littlehampton = River, Ham, Wick with Toddington wards

Bognor Regis = Marine, Hotham, Pevensey, Orchard, Bersted wards

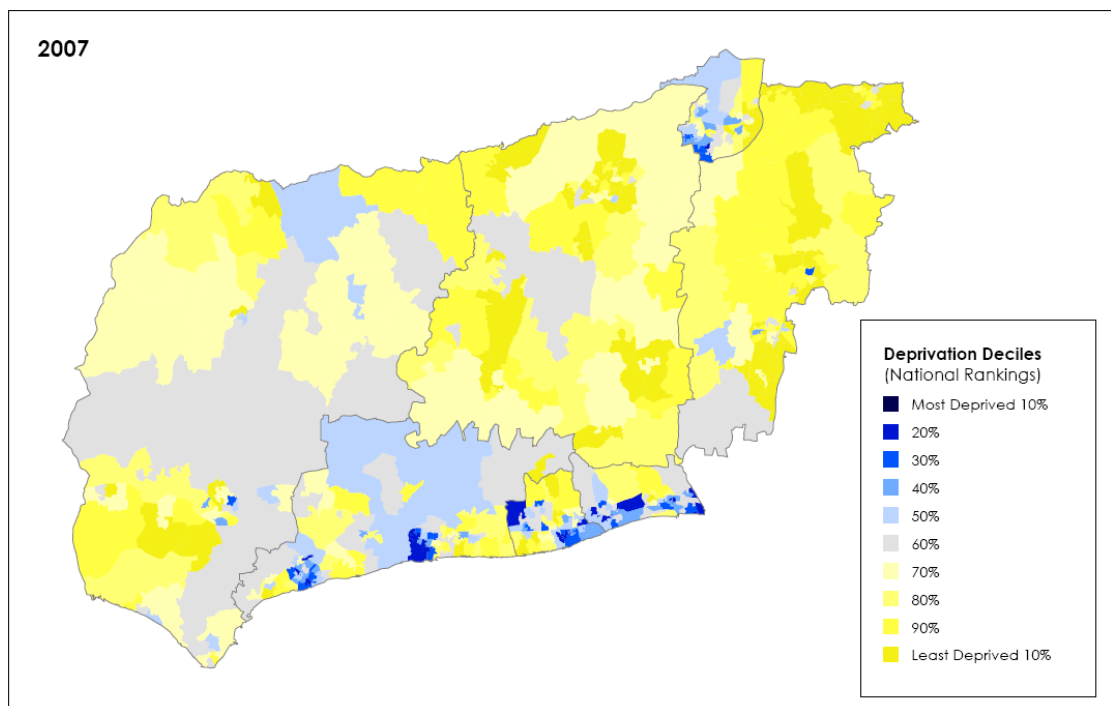
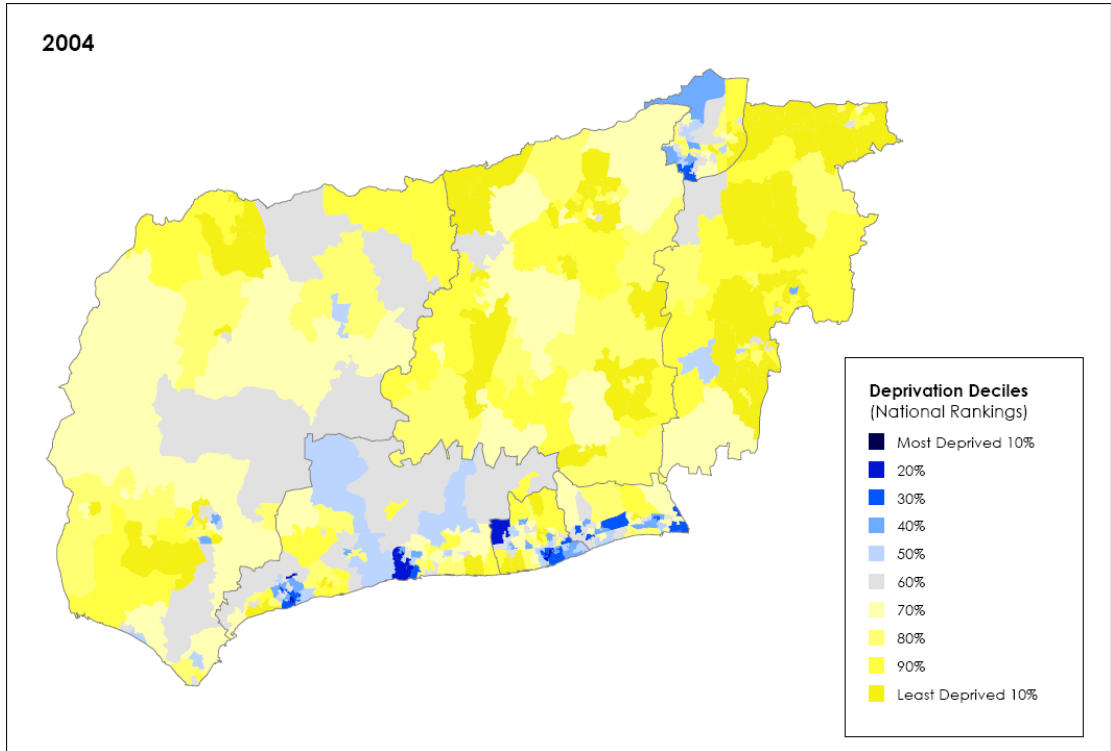
Crawley = Broadfield North and South, Bewbush, Langley Green wards

Worthing = Heene, Central, Selden, Northbrook, Durrington wards

## Index of Multiple Deprivation - Overall Deprivation Rankings

Rankings shown by Super Output Area

Source: Department of Communities and Local Government)



(Produced by J Clay WSCC/WS Public Health Observatory, Dec 2007)