COASTAL
WEST
SUSSEX

Coastal West Sussex Profile
September 2019

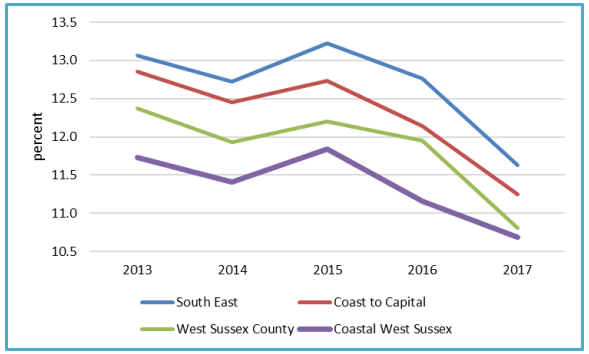
Contents

Executive Summary

Business growth and business creation:

Nearly half of West Sussex's businesses and a quarter of Coast to Capital's are in Coastal West Sussex. With over 18,000 businesses it is a significant local economy. However, the Coastal West Sussex business population is growing more slowly than any of the comparator areas with a growth rate of just 5.5% since 2015 compared to over 7% in Coast to Capital as a whole, although Adur appears to be bucking the trend with growth of 7.32% in its business base between 2015 and 2018.

One of the reasons for slower growth in the business population is that Coastal West Sussex's new business creation rate is lower than that of the comparator geographies; it was 11.4% as percentage of active enterprises between 2013 and 2017 (annual average) compared to 12.3% in Coast to Capital over the same period.



Business births as a percentage of active enterprises in Coastal West Sussex and the comparator areas 2013 to 2017. Source: ONS UK Business Demography

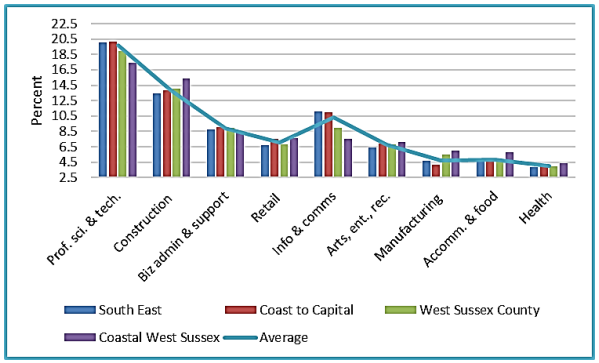
As well as lower start up rates, business closures in Coastal West Sussex have tended to be similar to those of West Sussex county and quite close to those of the other comparator areas. So a lower birth rate combined with a relatively higher closure rate is leading to a smaller rate of increase in the Coastal West Sussex business population.

Structure of the business population :

Coastal West Sussex has slightly fewer micro businesses than the comparator areas and slightly more small businesses with 10 to 49 employees, although this does vary at local authority level. Worthing has above average proportions of medium and large businesses.

Similarly, the great majority of Coastal West Sussex businesses have turnovers below £1million (91.69%) while at the other end of the spectrum, there are just 35 businesses in Coastal West Sussex with turnovers over £50m. As key employers, it will be important to continue to build strong relationships with them to help to retain them.

There are some key differences in the sectoral make up of the business population. Coastal West Sussex has a higher representation of businesses in *Construction; Arts, Entertainment & Recreation; Manufacturing; Accommodation & Food; Agriculture, Forestry & Fishing; Property and Motor Trades* and below average representation of businesses in *Professional, Scientific & Technical, Information & Communication and Education*. This is an indication of a lower level of knowledge intensity in the coastal economy than in the comparator areas.



Top 9 sectors by percentage share of businesses in Coastal West Sussex and the comparator areas in 2018. Source: ONS UK Business Counts

Employment structure

46% of West Sussex's jobs and a quarter of Coast to Capital's are in Coastal West Sussex. Jobs growth of 8.15% between 2013-17 has been lower than that of West Sussex (8.76%) but above that of Coast to Capital (7.24%) and the South East (7.35%). Adur and Arun have shown particularly high jobs growth of 17.76% and 11.75% respectively. They both have reasonably priced space for businesses to grow.

	2013	2017	No. +/-	%age +/-
Coastal W. S.	**162,5500**	**175,800**	**13,250**	**8.15**
Adur	17,515	20,625	3,110	17.76
Arun	41,475	46,350	4,875	11.75
Chichester	58,400	61,050	2,650	4.54
Worthing	45,160	47,775	2,615	5.79

Jobs growth in Coastal West Sussex 2013-2017. Source: ONS Business Register and Employment Survey

Coastal West Sussex has some key differences in its employment structure, notably its reliance on *Health*, the largest provider of jobs (18%), significantly above the health sector's share in the comparator areas.

Coastal West Sussex also has higher shares than any of the comparator areas of *Retail; Accommodation & Food; Manufacturing, Arts, Entertainment & Recreation; Public Administration; and Property* but the lowest comparative shares of employment in *Business Administration & Support; Professional, Scientific & Technical; Wholesale, Information & Communication; Transport & Storage* and *Finance & Insurance.*

	South East	Coast to Capital	West Sussex County	Coastal West Sussex
Health	12.62	14.43	12.99	18.08
Retail	9.74	10.06	10.65	11.86
Accomm. & food	7.26	7.71	8.05	8.47
Education	10.28	9.12	8.31	8.47
Manufacturing	6.11	5.06	7.01	7.91

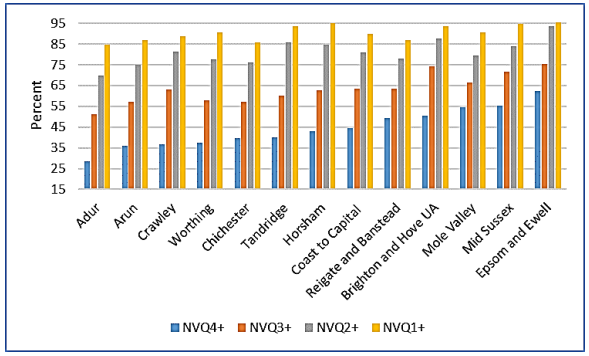
Percentage of employment in Coastal West Sussex's top 5 employment sectors in relation to the comparator areas in 2018. Source: ONS Business Register and Employment Survey

The Coastal West Sussex labour market is quite heavily skewed to less knowledge-intensive, lower wage sectors such as *Retail* and *Accommodation & Food* . However, the higher presence of *Manufacturing*, in particular, *Advanced Manufacturing & Engineering* helps to offset this.

Skills and qualifications

In Coastal West Sussex, the working age population aged 16-64 is significantly less well qualified than in the comparator areas. The percentage of the workforce qualified at NVQ levels 1+,2+,3+ and 4+ has been consistently lower in Coastal West Sussex over the 2014 to 2018

Coastal West Sussex has a higher percentage of its workforce with no qualifications at all, a total of 17,000 people of working age.



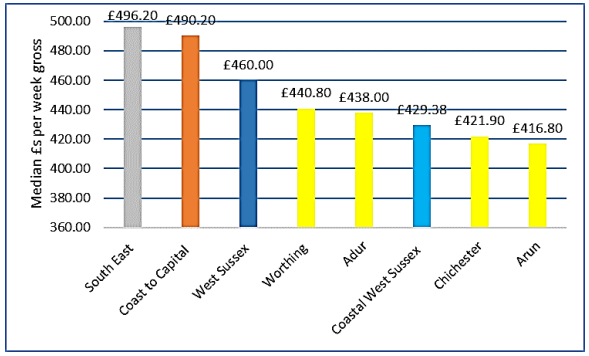
Percentage of working age population qualified at NVQ Levels 4+,3+,2+ and 1+ in Coast to Capital local authorities in 2018. Source: ONS Annual Population Survey

Adur is the lowest ranked local authority district in Coast to Capital at all levels of qualification (12th out of 12) while Arun, Chichester and Worthing remain consistently in the bottom half.

This low level of workforce skills affects productivity but also leads to lower wages, lower economic participation and lower levels of general wellbeing. It may also deter business investment.

Wages

Both residents' and workers' wages are lower in Coastal West Sussex than in the comparator areas. Arun residents' median gross weekly wage is £79 less or 16% below that of the South East region as a whole and £73.40 or 14.97% below that of Coast to Capital.



Residents' median gross weekly wages in Coastal West Sussex and the comparator areas in 2018. Source: ONS Annual Survey of Hours and Earnings (ASHE)

The gap between Coastal West Sussex workers' wages and the comparator areas is even greater than that of residents; Arun workers receive on average £137 less than the South East region median wage, a gap of 28.65%.

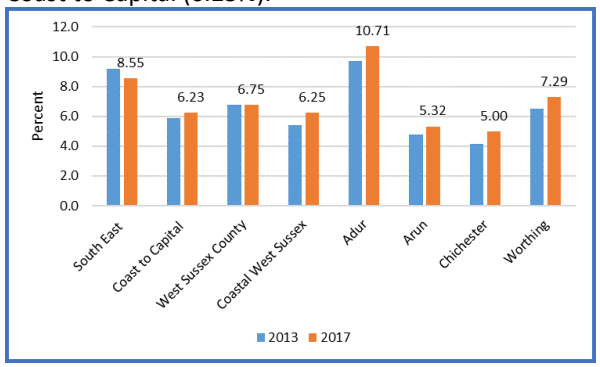
Although there is usually a gap between resident and workforce wages in areas where there are high levels of outcommuting, it is particularly noticeable in Arun where workers' wages are 18.16% below residents' wages.

It points to a low wage, low skills economy along the coast.

Knowledge economy

At 10.63% of all businesses, the percentage of knowledge economy businesses in Coastal West Sussex is lower than in West Sussex (11.85%), Coast to Capital (13.58%) and the South East (14.05%). However, the knowledge economy is unevenly distributed across Coastal West Sussex with Adur, Arun and Chichester all having lower than average concentrations of these businesses while Worthing has one of the highest, and growing, shares of knowledge economy businesses in West Sussex.

Out of the circa 178,000 employees in Coastal West Sussex, around 11,000 or 6.25% are in knowledge economy jobs in 2017, lower than West Sussex (6.75%) and the South East (8.55%) but similar to Coast to Capital (6.23%).



Knowledge economy employment as a percentage of total employment in Coastal West Sussex and the comparator areas in 2013 and 2017. Source: ONS Business Register and Employment Survey

Knowledge economy employment shows a somewhat different distribution to knowledge economy businesses. It is weaker in Arun and Chichester while Adur outperforms all the comparator areas on knowledge economy jobs due to the concentration of *Advanced Manufacturing & Engineering* in Adur. Worthing also has a higher than average share of knowledge economy jobs, due in part to the growing presence of the *Creative, Digital and IT* sector.

In summary, there is an unevenly distributed knowledge economy in Coastal West Sussex which is stronger in Worthing and Adur.

Advanced Manufacturing and Engineering (AME)

Coastal West Sussex has a higher percentage of *Manufacturing* than the comparator areas but a smaller percentage of it is classed as AME. In Coastal West Sussex 77.26% of *Manufacturing* is AME, lower than the South East (98%), West Sussex (85.56%) and Coast to Capital.

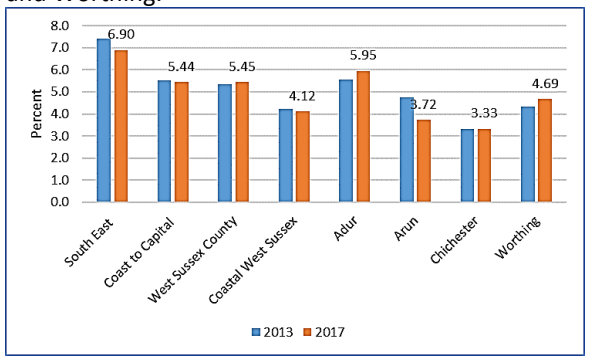
Adur and Arun have the highest concentrations of AME at 5.4% and 4.97% of total businesses compared to 4.62% in Coastal West Sussex as a whole. Around 7,500 people were employed in AME jobs in 2017, 4.26% of total jobs in Coastal West Sussex

There are higher concentrations of AME jobs in Adur and Worthing than in any of the comparator areas. Both Adur and Worthing have shown an increase in employment of around 250 jobs each over the 2013 to 2017 reference period.

The Creative, Digital and IT (CDIT) sector

There are around 1,460 CDIT businesses in Coastal West Sussex out of a total business population of 18,060. Coastal West Sussex has a lower percentage of Creative Digital and IT (CDIT) businesses at 8.08% of all businesses compared to West Sussex (9.75%), Coast to Capital (11.08%) and the South East (11.49%). Worthing is the only Coastal West Sussex district with a higher percentage than West Sussex at 10.42% or 385 businesses..

There were around 7,250 employees in the CDIT sector in Coastal West Sussex in 2017, 4.12% of the total jobs. The percentage of employment in CDIT varies significantly at local authority district level with Adur outperforming all the comparator areas apart from the South East, probably due to the Brighton spill-over effect. CDIT employment is growing in Adur and Worthing.



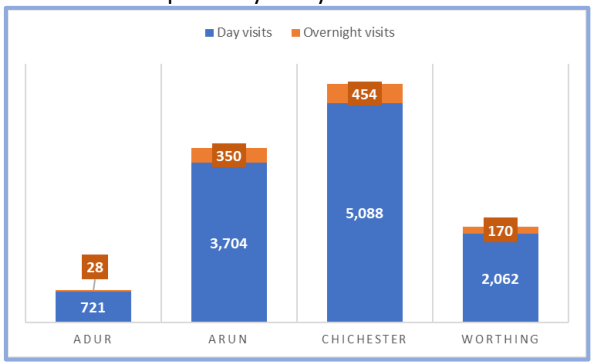
CDIT employment as a percentage of total employment in Coastal West Sussex and the comparator areas in 2013 and 2017. Source: ONS Business Register and Employment Survey

The visitor economy

Tourism and hospitality is an important contributor to the Coastal West Sussex economy accounting for nearly 11% of all businesses. Worthing, Chichester and Arun have a higher percentage of visitor economy businesses than any of the comparator areas while Chichester has the largest share of the Coastal West Sussex visitor economy business population at nearly 7,000 businesses.

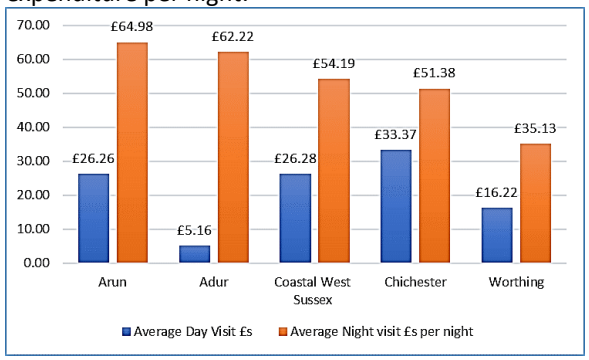
20,750 people are employed in the visitor economy in Coastal West Sussex, 11.79% of total employment and visitor economy jobs are growing

Domestic tourism in Coastal West Sussex was worth an average of £463.2m per annum between 2015 and 2017. This was generated by an average of 12.58 million visits per annum. Day visits made up 11.56 million or 92.04% of these visits while overnight stays accounted for just over 1 million or 7.06%. Coastal West Sussex is primarily a day visit destination.



Average annual day and overnight visits in Coastal West Sussex 2015 to 2017. Numbers in thousands. Source: Visit Britain, Great British Tourism Survey

Business tourists staying overnight in Coastal West Sussex spend the most at £94.42 per night while those on holiday spend £66.96 and those visiting friends & relatives spend the least at £34.08 average expenditure per night.



Average day visit and overnight visit expenditure in Coastal West Sussex 2015-2017. Source: Visit Britain, Great British Tourism Survey

Productivity

Coastal West Sussex contributes 23% of Coast to Capital's output, less than its 25.6% share of its business population, indicating that the coastal economy is less productive than that of Coast to Capital as a whole.

Coastal West Sussex's output is growing at a lower rate than that of the comparator areas. If Coastal West Sussex GVA had grown at the same rate as that of the South East rate of 17.03%, the coastal economy would have generated an additional £886 million between 2012 and 2016.

Gross Value Added (GVA) per head is also lower in Coastal West Sussex, largely because of the underperformance of Adur and Arun. This may be due in part to high levels of outcommuting and lower job densities in these districts.

GVA per worker tells a different story. Adur outperforms West Sussex in terms of employment productivity and Arun is above the Coastal West Sussex average on this metric. Weaker worker productivity in Chichester is probably due to high concentrations of the retail and visitor economy sectors in the district although Chichester also has a significant manufacturing sector which should tend to offset this. A helpful sign is that Chichester GVA per worker has been growing faster than the other Coastal West Sussex local authorities.

In summary, however, lower output growth overall is a cause for concern and highlights the need to focus on more knowledge and technology intensive sectors rather than on lower value industries.

	2012	2016	%age +/- 2012-16
Coast to Capital	58,130	60,712	4.44
South East	56,914	60,711	6.67
Adur	56,111	58,450	4.17
West Sussex	53,118	56,714	6.77
Arun	55,738	55,413	-0.58
Worthing	55,652	55,021	-1.13
Coastal W. Sussex	53,133	54,230	2.07
Chichester	48,483	51,344	5.90

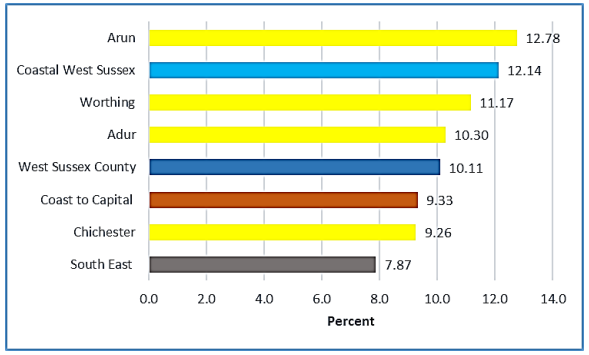
GVA per worker in Coastal West Sussex and the comparator areas in 2012 and 2016. Source: ONS Regional Gross Value Added Statistics (Balanced Method)

Demographic change

Between 2000 and 2018, the population in Coastal West Sussex grew by 50,571 from 403,900 in 2000 to 454,471 in 2018, an increase of 12.52%. Although significant, this was below the increases in the comparator geographies. In Coastal West Sussex Adur saw the smallest population growth of 4,469 or 7.52% while Arun experienced the greatest growth in population of 19,527 or 13.92%.

Between 2020 and 2035, the population of Coastal West Sussex is forecast to grow at a faster rate than the comparator areas, reversing the past trend of slower growth along the coast between 2000 and 2018.
Growth of 12.14% between 2020 and 2035 will bring the total to 503,807 or 49,336 more people than current estimates of population in 2018.

In Coastal West Sussex, the ageing population will be a major factor in population growth as the "baby boomer bulge" works its way through. In numerical terms, the 65+ age group shows the greatest increase of nearly 47% or over 57,000 over the 20 years between 2020 and 2041.



Forecast percentage growth in population in Coastal West Sussex and the comparator areas between 2020 and 2035. Source: ONS Population Forecasts.

Travel to work patterns

Although the majority (63.9%) of Coastal West Sussex employees work somewhere in Coastal West Sussex there is still a very high level of commuting with over 136,000 movements each day.

Chichester has a net increase in its workforce each day of over 8,000 while Arun and Adur have large net losses. The top three destinations for Coastal West Sussex employees are Chichester, Worthing and Arun with 20% or more of workers travelling to these areas while Brighton & Hove and Adur attract about 7% of Coastal West Sussex workers each day.

63% of journeys are by car with greener methods of cycle, foot, bus and train make up just 22% in total.
There is an argument for a co-ordinated green transport strategy to reduce car dependence in Coastal West Sussex, particularly given the current emphasis on health and well being and mitigating the effects of climate change.

Life expectancy

After a long upward trend, life expectancy has recently started to plateau in Coastal West Sussex and the comparator areas. The same trend has been observed nationally and there have been no definitive explanations. Some commentators have blamed austerity and the cuts to social care and other services. Others have suggested that peak longevity may have been reached. However, this doe not account for continued rises in life expectancy in other countries.

In Coastal West Sussex, the link between relative affluence and longevity is clear with Chichester males and females both enjoying longer lives than the Coast to Capital and West Sussex averages, while those in Adur, Arun and in particular, Worthing experiencing lower life expectancy.

Wellbeing and happiness

Chichester residents experience the greatest life satisfaction and feelings of life being worthwhile, while Arun residents are the happiest and the least anxious. Adur residents are the least happy while Worthing residents are the most anxious and the least likely to feel that life is worthwhile or satisfying. This may have something to do with age profiles as happiness tends to increase with age up to a point.

1. Introduction

Coastal West Sussex runs from Chichester and Selsey in the West, through Bognor Regis, Littlehampton, Worthing and Shoreham to the borders of Brighton and Hove in the east. It is an area of high ambition and untapped economic potential, offering a rich and distinctive natural and built environment surrounded by the sea, the South Downs National Park, all within a short commute of London, Brighton and Hove, Gatwick and Heathrow Airports and the sea ports of Portsmouth and Southampton.

Despite its superb location, it is an area of contrasts that lacks a clear economic identity, is hampered by its seaside tourism history and under investment in skills, property and infrastructure. It is an area where highly affluent areas are close to much less prosperous 'seaside' towns. As a result of these disparities the Coastal West Sussex economy tends to underperform on a number of key indicators compared to the wider region and particularly in relation to high growth areas such as Brighton.

This report has been commissioned by Coastal West Sussex Partnership to provide an up-to-date assessment of the coastal West Sussex economy in 2019 and understand its strengths and challenges along with the key drivers and barriers to growth. It is designed to provide an evidence base to aid the development of future strategies and plans, to support bids for future economic development funds and, equally importantly, to continue to raise the profile of the coastal area among stakeholders including Government.

2. Context

As the UK prepares to leave the European Union (EU), there is a growing emphasis on place-based strategies and the relative resilience of different locations. On the other hand, there is also uncertainty about the future of funding. Recent sources of economic development funding have included the Coastal Communities Fund and the Future High Streets Fund. They have tended to use competitive bidding to allocate relatively small amounts of funding. Unless there is a substantial allocation to fund the implementation of the UK's Industrial Strategy and its local equivalent, the Local Industrial Strategies (LISs) being drawn up by Local Enterprise Partnerships (LEPs), this piecemeal approach seems likely to continue.

Government policy on funding for the Industrial Strategy and/or the LISs is currently unclear. The UK Shared Prosperity Fund (UKSPF) was announced as a means of replacing the European Structural and Investment Funds (ESIF), currently worth about €2.4bn per annum, after the UK leaves the EU. The Government previously said that there would be a consultation on the UKSPF but this has not yet happened. There have been some indications that decisions on the Fund might be taken during the 2019 Spending Review in the Autumn.

There is also no certainty about the objectives, scope, size, scale or method of distribution of the UKSPF, if, indeed, it comes to pass. LEPs may be given some funding to implement their LISs, although resources for economic development will have to be balanced with the probable need for spending restraint, following the UK's anticipated departure from the EU. It is probably wise to assume that the current approach of ad hoc competitive funding pots with a place-based theme will continue, along with possibly some business support funding to stimulate growth and/ or support for exporters based on the priorities in LISs.

Given the likelihood of future funding being focused on delivering LISs, the priorities set out in the LIS guidance have been taken into account in defining the scope of this economic profile and reflected in the set of indicators which are contained in this report.

In brief, the LIS guidance calls for a robust evidence base with verifiable data that covers the following:

- Resources and features that distinguish the area, e.g. coastal communities
- How these distinctive features help or hinder productivity. For example, the presence of large employers can carry a risk of dependency and hamper growth in other sectors
- How local leaders can use resources to improve productivity.

The LIS evidence base will align to the Grand Challenges:

- Artificial Intelligence and data
- Ageing society
- Clean growth
- Future of mobility

The LIS evidence base will also contain data and analysis of the business population and environment and how they are changing as well as sectoral information and drivers of sectoral strengths and weaknesses. It will also look at the spatial distribution and drivers of inequalities. LEP LIS evidence bases will also look at the difference between rural and urban economies including key characteristics, competitive advantages and barriers to growth.

People and skills are also highlighted as being very important in the LEP LIS evidence base including current and future skills needs and mismatches.

3. Methodology

The most recent data has been collected on the framework of economic and labour market indicators in this report which have been designed to align with the LEP LIS evidence base requirements as well as to reflect the priorities of the Coastal West Sussex Partnership. Data for the South East, the Coast to Capital LEP area and West Sussex county (the comparator areas) have been included as well as Coastal West Sussex to provide a basis for comparison.

Trend analysis is based on the most recent five years' data available, e.g. 2013 to 2017 or 2014 to 2018. This shows how the comparator areas have performed over time, relative to each other.

Coastal West Sussex is not a precise statistical geography and the data for the four local authorities within which it sits have been used in most cases. These are Adur, Arun, Chichester and Worthing local authority districts. Some rural/urban data have been included where available.

4. Business profile

Business growth and business creation: key points:

- There are 18,060 businesses in Coastal West Sussex, nearly half of West Sussex's business population and a quarter of Coast to Capital's - a significant local economy
- The Coastal West Sussex business population has grown by 945 or 5.52% since 2015, a slower rate of growth than that of West Sussex county (6.17%), Coast to Capital (7.02%) and the South East Region (7.18%).
- Faster rates of business growth in the Coast, to Capital sub region tend to occur along the M25 and A23/M23 corridors with the coast tending to be left behind.
- However, Adur appears to be bucking the trend recently with growth of 7.32% in its business base between 2015 and 2018
- One of the reasons for slower business growth is that Coastal West Sussex's new business creation rate is lower than that of the comparator geographies (annual average).
- Worthing has the highest rate of new business creation (12.19%) and Chichester has the lowest (10.79%).

Business population

For the purposes of this report, Coastal West Sussex is defined as comprising the four West Sussex local authority districts of Chichester, Arun, Adur and Worthing. There were 18,060 businesses in Coastal West Sussex in 2018 accounting for nearly half (49.76%) of West Sussex businesses and just over a quarter (25.26%) of Coast to Capital's business population according to ONS UK Business Counts.

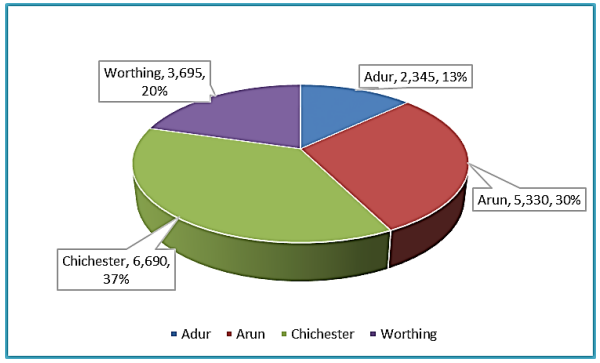


Figure 1: Business counts and percentage of total in Coastal West Sussex in 2018. Source: ONS UK Business Counts

Chichester has the largest share of Coastal West Sussex businesses with 37%, followed by Arun with 30%, Adur 13% and Worthing with 20%. These shares have not changed significantly since the last report in 2018. Figure 1.

Growth in the business population

The business population in Coastal West Sussex has increased by 945 businesses or 5.52% since 2015. This is lower than the rate of growth in the business population in West Sussex county (6.17%), Coast to Capital (7.02%) and the South East Region (7.18%). [1]

Among the Coastal West Sussex local authorities, only Adur has exceeded the Coast to Capital average rate of growth over the reference period while Worthing, Chichester and Arun are all below it. Figure 2.

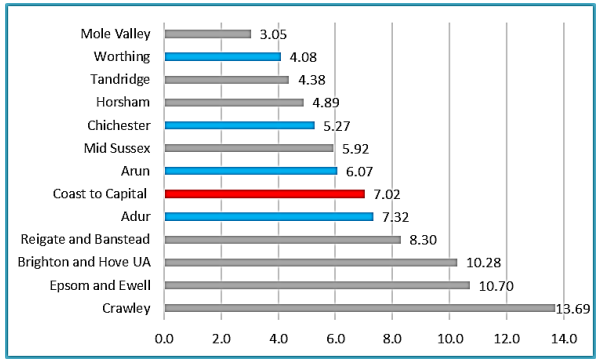


Figure 2: Percentage increase in the business population in Coast to Capital local authorities 2015 to 2018. Source: ONS UK Business Counts.

Apart from Adur, the four local authority districts in Coast to Capital showing above average increases in the business population are situated along the M25 and down the A23/M23 growth corridors.

[1] A four year reference period of 2015 to 2018 has been used for this dataset as ONS changed the business counts methodology at the beginning of 2015 to include VAT and/or PAYE registered businesses. Previously, it had included only VAT and PAYE registered businesses.

Adur probably benefits from its proximity to Brighton and a spill over of businesses. Figure 2 and Table 1.

	2015-16	2016-17	2017-2018	Total 2015-18
Crawley	7.68	6.51	-0.87	13.69
Epsom & Ewell	6.09	3.22	1.09	10.70
Brighton & Hove	4.11	3.76	2.09	10.28
Reigate & Banstead	4.34	3.65	0.14	8.30
Adur	3.66	2.65	0.86	7.32
Coast to Capital	3.47	2.93	0.48	7.02
Arun	2.99	3.67	-0.65	6.07
Mid Sussex	2.82	3.44	-0.41	5.92
Chichester	2.28	2.23	0.68	5.27
Horsham	2.51	2.79	-0.46	4.89
Tandridge	2.71	0.30	1.32	4.38
Worthing	2.68	1.37	0.00	4.08
Mole Valley	2.00	0.84	0.19	3.05

Table 1: Percentage increase in the business base in Coast to Capital local authorities between 2015 and 2018. Source: ONS UK Business Counts

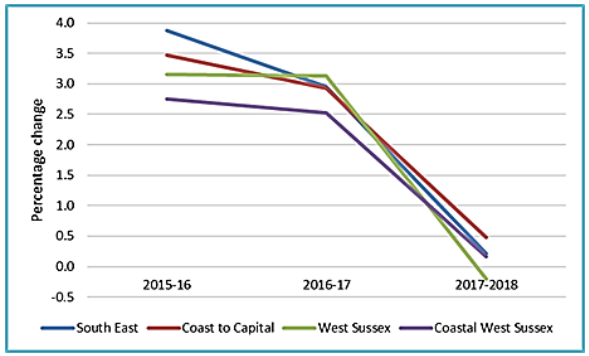


Figure 3: Percentage growth in the business base in the comparator areas between 2015 and 2016. Source: ONS UK Business Counts

All the comparator areas have shown a slowdown in the year-on-year rate of growth between 2015 and 2018. The slowdown is particularly marked in 2017-2018. Among the Coast to Capital local authorities, in 2017-18, only Brighton & Hove showed growth above 2% and none of the Coastal West Sussex areas showed growth in the business population above 1%.Table 1.

New business creation

Net growth in the business base comes from more businesses moving into or starting up in an area than move out or close down. One of the reasons that Coastal West Sussex's business growth tends to be below average (apart from Adur) is that fewer new businesses start up than in the comparator areas. In all the comparator areas, the rate of new business creation has slowed but the rate in Coastal West Sussex has been consistently lower over the reference period 2013-17. Figure 4.

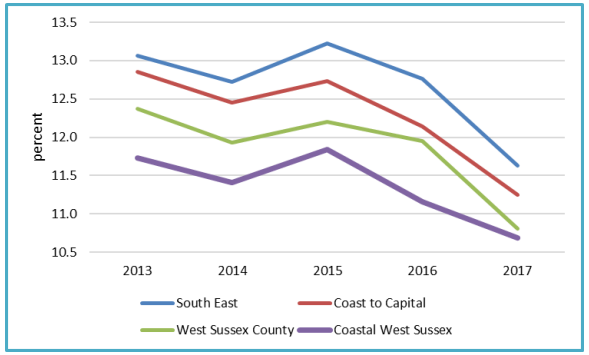


Figure 4: Business births as a percentage of active enterprises in Coastal West Sussex and the comparator areas 2013 to 2017. Source: ONS UK Business Demography.

Within Coastal West Sussex, Chichester had the lowest average new business creation rate and Worthing had the highest between 2013 and 2017. Worthing is nearly on a par with Coast to Capital's average business creation rates. Figure 5.

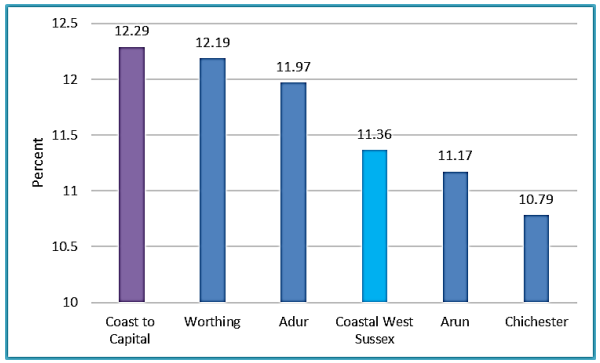


Figure 5: Average new business creation rate as a percentage of active enterprises in Coastal West Sussex 2013 to 2017. Source: ONSUK Business Demography

Business closures

Although business creation rates are lower than in the comparator areas, business closures in Coastal West Sussex have tended to be similar to those of West Sussex county and closer than its start up rates to those of the other comparator areas since 2014, although recently closures in Coastal West Sussex have fallen.

The fact that Coastal West Sussex closures were higher than any of the comparator areas in 2013 may indicate that the area took longer to recover from the economic downturn in 2008/9. Figure 6.

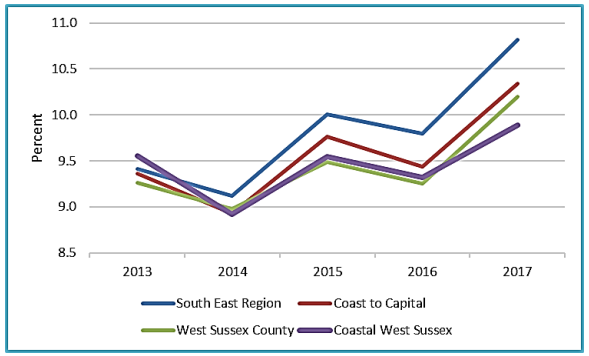


Figure 6: Business closures (deaths) as a percentage of active enterprises in Coastal West Sussex and the comparator areas 2013-2017. Source: ONS UK Business Demography.

Looking at business creation and business closures together, in all areas, birth rates have declined over the reference period while closures have risen. Coastal West Sussex business birth rates have, until recently, tended to be significantly lower than those of the South East and Coast to Capital, but business closures rates have been closer to those of the comparator areas.

The smaller gap between births and deaths in Coastal West Sussex is one of the reasons for lower net growth in the coastal business population as a whole. Figure 7 and Table 2.

	2013	2014	2015	2016	2017
South East	3.65	3.60	3.22	2.98	0.82
Coast to Capital	3.52	3.26	3.18	2.72	0.84
West Sussex	3.11	2.96	2.71	2.70	0.61
Coastal West Sussex	2.17	2.49	2.30	1.84	0.79

Table 2: Business birth rate minus business death rate (net churn) in Coastal West Sussex and the comparator areas 2013-2107. Source: ONS UK Business Demography

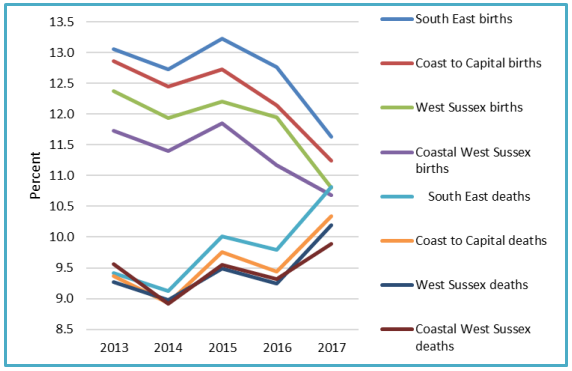


Figure 7: Business births and deaths as a percentage of active enterprises in Coastal West Sussex and the comparator areas 2013-17. Source: ONS UK Business demography.

Structure of the business base: key points

- Coastal West Sussex has slightly fewer micro businesses than the comparator areas, although this does vary at local authority level with Chichester having the highest proportion and Worthing the lowest. Worthing has above average proportions of medium and large businesses.
- The great majority of Coastal West Sussex businesses have turnovers below a million (91.69%). At the other end of the spectrum, there are just 35 businesses in Coastal West Sussex with turnovers over £50m. It will be important to continue to build strong relationships with them and retain them.
- There are some key differences in the sectoral make up of the business population. Coastal West Sussex has a higher representation of businesses in *Construction; Arts, Entertainment & Recreation; Manufacturing; Accommodation & Food; Agriculture, Forestry & Fishing; Property* and *Motor Trades.*
- Coastal West Sussex has a below average representation of businesses in *Professional, Scientific & Technical* and, particularly, *Information & Communication* and *Education,* an indication of a lower level of knowledge intensity in the coastal economy than in the comparator areas.
- Both *Professional, Scientific & Technical* and *Information & Communication*, have increased their percentage share of the business base between 2015 and 2018 which is a good sign, although increases have been modest.

Employment size profile of businesses

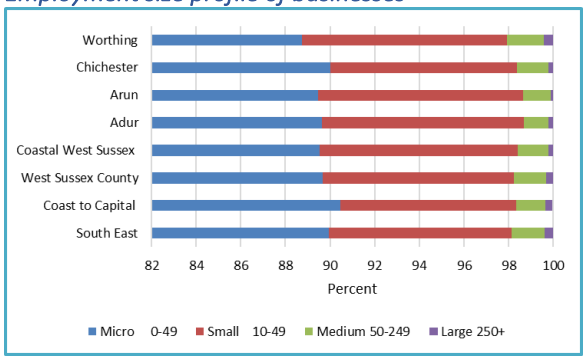


Figure 8: Business employment size structure in Coastal West Sussex and the comparator areas in 2018. Source: ONS UK Business Counts

In all areas, micro businesses with fewer than 10 employees predominate but Coastal West Sussex has slightly fewer of them than the comparator areas and a slightly higher percentage of small businesses with 10 to 49 employees. Figure 8 and Table 3.

	Micro 0-49	Small 10-49	Medium 50-249	Large 250+
South East	89.95	8.18	1.49	0.38
Coast to Capital	90.45	7.91	1.28	0.34
West Sussex	89.68	8.57	1.42	0.33
Coastal W Sussex	**89.46**	**8.95**	**1.35**	**0.24**
Adur	89.62	9.05	1.10	0.22
Arun	89.47	9.18	1.26	0.10
Chichester	90.00	8.38	1.38	0.23
Worthing	88.75	9.19	1.65	0.41

Table 3: Business employment size structure in Coastal West Sussex and the comparator areas in 2018. Source: ONS UK Business Counts

Chichester has the highest proportion of micro businesses and Worthing has the lowest. Worthing has above average percentages of medium and large companies. Figure 8 and Table 3. These differences tend to reflect sectoral make up, for example, the importance of the hospitality sector (which is made up predominantly of micro businesses) in Chichester but are also due to the availability of different types of business space.

Turnover size structure

Similar to the employment size structural pattern, the great majority of businesses in all areas fall into the smallest turnover bracket with over 90% having turnovers under a £1million.

	<£1m	£1m -2m	£2m -5m	£5m - 10m	£10 m - 50m	£50 m+
South East	91.00	3.99	2.78	1.02	0.91	0.31
Coast to Capital	91.59	3.85	2.62	0.91	0.73	0.27
West Sussex	91.03	4.00	2.82	1.03	0.84	0.28
Coastal W. Sussex	**91.69**	**4.01**	**2.66**	**0.86**	**0.53**	**0.19**
Adur	90.41	4.48	2.56	1.28	0.85	0.21
Arun	92.12	4.13	2.72	0.75	0.28	0.09
Chichester	91.48	4.04	2.77	0.90	0.52	0.22
Worthing	92.29	3.52	2.44	0.68	0.68	0.27

Table 4: Percentage of businesses in each turnover size band in Coastal West Sussex and the comparator areas in 2018. Source: ONS UK Business Counts

Among the comparator areas, Coastal West Sussex has the highest percentage of businesses in the smallest turnover band and the lowest percentage in each of the three highest brackets. Table 4. Within Coastal West Sussex, there are 35 businesses with a turnover of over £50m per annum. Chichester has the largest number of £50m+ businesses. Table 5.

	£0.5-£1m	£1m-2m	£2m-5m	£5m-10m	£10m-50m	£50m+
Coastal W. Sussex	16,560	725	480	155	95	35
Adur	2,120	105	60	30	20	5
Arun	4,910	220	145	40	15	5
Chichester	6,120	270	185	60	35	15
Worthing	3,410	130	90	25	25	10

Table 5: Number of businesses in each turnover size band in Coastal West Sussex local authorities in 2018. Source: ONS UK Business Counts

Sectoral make up

Coastal West Sussex has some key differences in its sectoral make up in relation to the comparator areas.

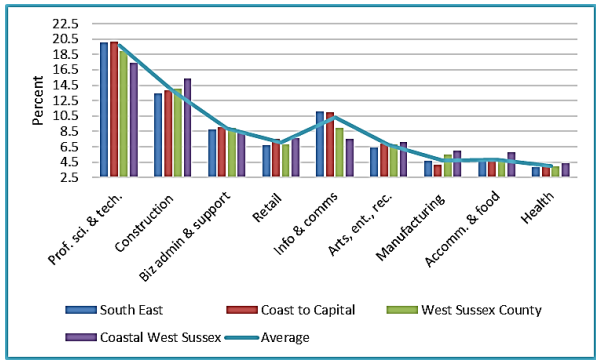


Figure 9: Top 9 sectors by percentage share of businesses in Coastal West Sussex and the comparator areas in 2018. Source: ONS UK Business Counts.

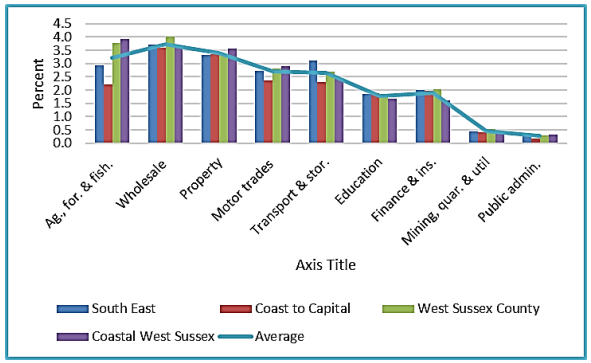


Figure 10: Lowest 9 sectors by percentage share in Coastal West Sussex and the comparator areas in 2018. Source: ONS UK Business Counts.

Coastal West Sussex has above average percentages of businesses in *Construction, Arts, Entertainment & Recreation, Manufacturing, Accommodation & Food, Agriculture, Forestry & Fishing, Property* and *Motor Trades.*

Coastal West Sussex has below average percentages of businesses in *Professional, Scientific & Technical, Information & Communication* and *Education,* an indication of a lower level of knowledge intensity in the coastal economy than in the comparator areas.

Information & Communications makes up just 7.56% of businesses in Coastal West Sussex which is 2.76% lower than the average for the comparator areas of 10.32%, well outside one standard deviation (1.7%). This could be a matter of concern as the IT sector underpins the development of knowledge and technology intensive businesses..

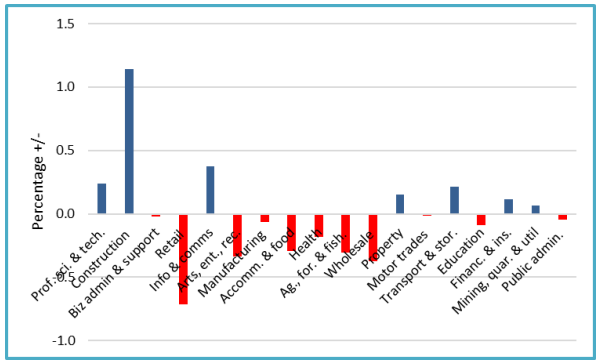


Figure 11: Change in percentage share by sector in Coastal West Sussex 2015 to 2018. Source: ONS UK Business Counts

Both *Professional, Scientific & Technical* and *Information & Communication*, have increased their percentage share of the business base between 2015 and 2018, although not by much. *Construction* has shown the biggest increase in percentage share of 1.14% between 2015 and 2018. Figure 11.

	2015	2018	2015-18 =/-
Agriculture, forestry & fishing	725	710	-15
Mining, quarrying & utilities	65	80	15
Manufacturing	1,035	1,080	45
Construction	2,430	2,770	340
Motor trades	500	525	25
Wholesale	680	650	-30
Retail	1,425	1,375	-50
Transport & storage	380	440	60
Accomm. & food	1,045	1,050	5
Information & comms	1,230	1,365	135
Finance & insurance	255	290	35
Property	585	645	60
Professional sci. & tech.	2,935	3,140	205
Business admin & support	1,435	1,510	75
Public administration	65	60	-5
Education	300	300	0
Health	770	780	10
Arts, entertainment & rec.	1,280	1,290	10
Total	**17,115**	**18,060**	**945**

Table 6: Change in numbers of businesses in Coastal West Sussex in 2015 and 2018. Source: ONS UK Business Counts

The increases and decreases in numerical terms in Coastal West Sussex are shown in Table 6. The biggest increase in numbers has been in *Construction* which has gained 340 businesses, followed by an increase of 205 in the *Professional, Scientific & Technical* sector and 135 in the *Information & Communications* sector.

Employment: key points

- There are 175,800 employees in Coastal West Sussex, a quarter of the Coast to Capital total and 46% of West Sussex jobs.
- Jobs growth of 8.15% between 2013-17 has been lower than that of West Sussex (8.76%) but above Coast to Capital (7.24%) and the South East (7.35%)
- Although they have smaller shares, Adur and Arun have both shown above average jobs growth of 17.76% and 11.75% respectively. They both have space for businesses to expand and reasonably priced employment space.
- Coastal West Sussex has some key differences in its employment structure, notably its reliance on Health, the largest provider of jobs (18%), significantly above the health sector's share in the comparator areas.
- Coastal West Sussex also has higher shares than any of the comparator areas of *Retail; Accommodation & Food; Manufacturing, Arts, Entertainment & Recreation; Public Administration; and Property*.
- Coastal West Sussex has the lowest comparative shares of employment in *Business Administration & Support; Professional, Scientific & Technical; Wholesale, Information & Communication; Transport & Storage* and *Finance & Insurance.*
- The Coastal West Sussex market is quite heavily skewed to less knowledge-intensive, lower wage sectors such as *Retail*. However, the higher presence of manufacturing, in particular, advanced manufacturing helps to offset this

Employment growth

There were 175,800 employees in Coastal West Sussex in 2017, around a quarter (25.44%) of the Coast to Capital total of 691,055 employees and on a par with the Coastal West Sussex share of the business population. Within Coastal West Sussex, the largest share of jobs is in Chichester with 35% followed by Worthing (27%) and Arun (26%). Adur has the smallest share with just 12% of employment. Figure 12.

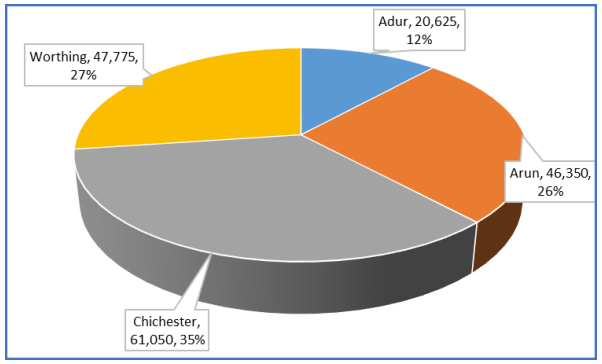


Figure 12: Employee counts and percentage of total in Coastal West Sussex in 2017. Source: ONS UK Business Register and Employment Survey

Jobs growth in Coastal West Sussex has been below that of West Sussex in percentage terms with an increase of 8.15% between 2013 and 2017. However, Adur and Arun have both shown above average jobs growth of 17.76% and 11.75% respectively. They have the space for businesses to expand. Table 7.

	2013	2017	No. +/-	%age +/-
South East	3,824,000	4,105,000	281,000	7.35
Coast to Capital	644,380	691,055	46,675	7.24
West Sussex	354,000	385,000	31,000	8.76
Coastal W. Sussex	**162,5500**	**175,800**	**13,250**	**8.15**
Adur	17,515	20,625	3,110	17.76
Arun	41,475	46,350	4,875	11.75
Chichester	58,400	61,050	2,650	4.54
Worthing	45,160	47,775	2,615	5.79

Table 7: Jobs growth in Coastal West Sussex and the comparator areas 2013-2017. Source: ONS Business Register and Employment Survey

Employment by sector

Coastal West Sussex shows some key differences in its sectoral employment structure in relation to the comparator areas. *Health* is the largest employment sector in all areas but Coastal West Sussex has by far the largest share at 18% of employment compared to the South East average of 12.62%.

Coastal West Sussex also leads on *Retail, Accommodation & Food, Manufacturing, Arts, Entertainment & Recreation, Public Administration, Property, Agriculture, Forestry & Fishing Mining Quarrying & Utilities*. Table 8.

	South East	Coast to Capital	West Sussex County	Coastal West Sussex
Health	12.62	14.43	12.99	18.08
Retail	9.74	10.06	10.65	11.86
Accomm. & food	7.26	7.71	8.05	8.47
Education	10.28	9.12	8.31	8.47
Manufacturing	6.11	5.06	7.01	7.91
Business admin. & support	8.62	9.30	9.61	6.78
Arts, ent., rec.	5.24	5.43	4.94	5.65
Prof. sci. & tech.	7.92	7.20	5.97	5.08
Construction	5.46	4.81	4.42	4.52
Public admin.	3.19	3.01	3.12	4.52
Wholesale	4.56	4.01	4.68	3.39
Information & comms	5.85	4.18	3.38	2.82
Transport & storage	4.58	5.32	7.27	2.54
Finance & insurance	2.83	4.63	3.12	2.54
Property	1.63	1.78	1.82	2.26
Agriculture, forestry & fishing	0.83	0.92	1.30	1.98
Motor trades	1.92	1.61	1.82	1.69
Mining, quarrying . & utilities	1.36	1.43	1.56	1.41

Table 8: Percentage of employment by sector in Coastal West Sussex and the comparator areas in 2018. Source: ONS Business Register and Employment Survey

KEY

	Highest percentage of jobs
	Lowest percentage of jobs

Among the comparator areas, Coastal West Sussex has the lowest shares of employment in *Business Administration & Support; Professional, Scientific & Technical; Wholesale, Information & Communication; Transport & Storage* and *Finance & Insurance.* It shows a labour market that is quite heavily skewed to less knowledge intensive, lower wage sectors.

However, the higher presence of manufacturing and in particular, advanced manufacturing helps to offset this (see later section on Advanced Manufacturing & Engineering).

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Skills and qualifications

Skills and qualifications: key points

- In Coastal West Sussex, the working age population aged 16-64 is significantly less well qualified than in the comparator areas.
- The percentage of the workforce qualified at NVQ levels 1+,2+,3+ and 4+ has been consistently lower in Coastal West Sussex over the 2014 to 2018 reference period with the exception of level NVQ1+, the lowest level.
- However even on this lowest measure, Coastal West Sussex's workforce is now less well qualified than the comparator areas.
- Adur is the lowest ranked local authority district in Coast to Capital at all levels of qualification (12th out of 12) while Arun, Chichester and Worthing remain consistently in the bottom half.
- Coastal West Sussex has a higher percentage of its workforce with no qualifications at all, a total of 17,000 people of working age.
- This low level of workforce skills affects productivity but also leads to lower wages, economic participation and general wellbeing. It may also deter business investment.

In Coastal West Sussex, the working age population aged 16-64 is significantly less skilled than in the comparator areas. Figures 15 to 18 show that the percentage of the workforce qualified at NVQ levels 1+,2+,3+ and 4+ has been consistently lower in Coastal West Sussex over the 2014 to 2018 reference period.

Coast to Capital has led on NVQ4+, NVQ3+ and NVQ2+ metrics over the reference period. This is because of the performance of local authority districts such as Epsom and Ewell, Mid Sussex and Mole Valley which have significantly better qualified populations than all the Coastal West Sussex districts and all the West Sussex districts with the exception of Mid Sussex. Figure 13.

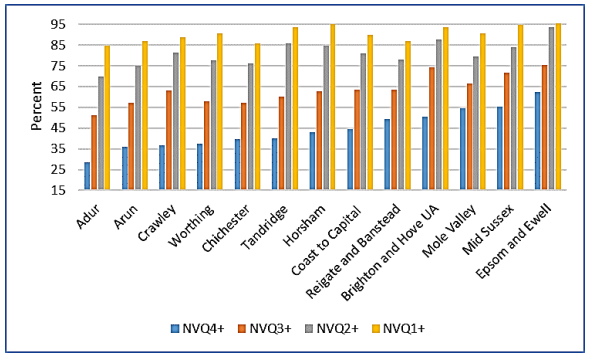

Figure 13: Percentage of working age population qualified at NVQ Levels 4+,3+,2+ and 1+ in Coast to Capital local authorities in 2018. Source: ONS Annual Population Survey

Table 9 shows the rankings of the Coast to Capital local authority districts by percentage of working age population at each NVQ level in 2018. Epsom and Ewell is consistently first while Adur is consistently in last place at all levels. Chichester, Worthing and Arun are consistently in the bottom half at all levels although Worthing makes 6th place on NVQ Level 1+.

	NVQ 4+	NVQ 3+	NVQ 2+	NVQ 1+
Epsom & Ewell	1	1	1	1
Mid Sussex	2	3	5	3
Mole Valley	3	4	7	7
Brighton & Hove	4	2	2	5
Reigate & Banstead	5	5	8	10
Horsham	6	7	4	2
Tandridge	7	8	3	4
Chichester	8	11	10	11
Worthing	9	9	9	6
Crawley	10	6	6	8
Arun	11	10	11	9
Adur	12	12	12	12

Table 9: Coast to Capital local authorities ranked by percentage of working age population qualified at NVQ4+, NVQ3+, NVQ2+ and NVQ1+ in 2018

It is only on the percentage of the workforce with no qualifications that Coastal West Sussex is in the lead and has consistently outperformed the comparator areas between 2015 and 2018 . There were a total of 17,000 people of working age in Coastal West Sussex in 2018 without any qualifications. Figure 14 and Table 10.

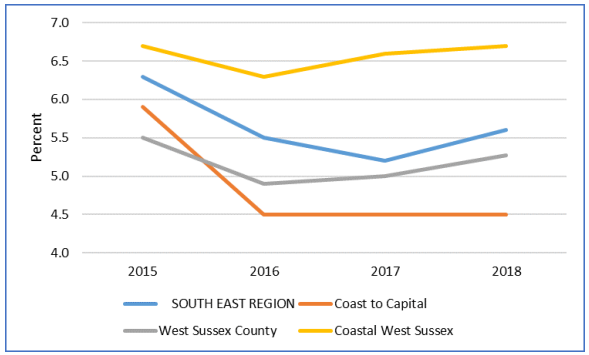

Figure 14: Percentage of working age population with no qualifications in Coastal West Sussex and the comparator areas 2015 to 2018. Source: ONS Annual Population Survey

	2015	2016	2017	2018
Adur	1,900	2,600	1,600	2,300
Arun	7,700	5,700	5,200	4,800
Chichester	4,800	4,700	5,900	5,000
Worthing	2,700	2,900	4,100	4,900
Coastal West Sussex	**17,100**	**15,900**	**16,800**	**17,000**

Table 10: Numbers of working age population with no qualifications in Coastal West Sussex and the comparator areas 2015 to 2018. Source: ONS Annual Population Survey

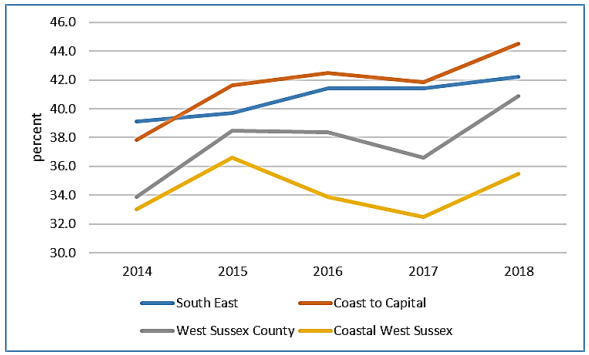

Figure 15: Percentage of working age population qualified to NVQ4+ in Coastal West Sussex and the comparator areas 2014 to 2018. Source: ONS Annual Population Survey.

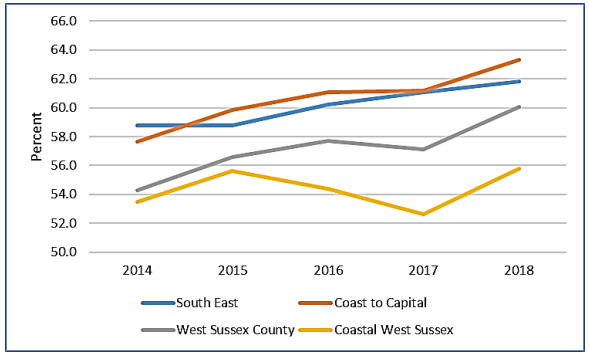

Figure 16: Percentage of working age population qualified to NVQ3+ in Coastal West Sussex and the comparator areas 2014 to 2018. Source: ONS Annual Population Survey.

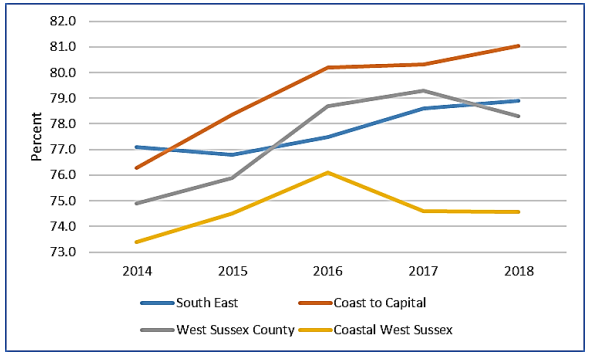

Figure 17: Percentage of working age population qualified to NVQ2+ in Coastal West Sussex and the comparator areas 2014 to 2018. Source: ONS Annual Population Survey

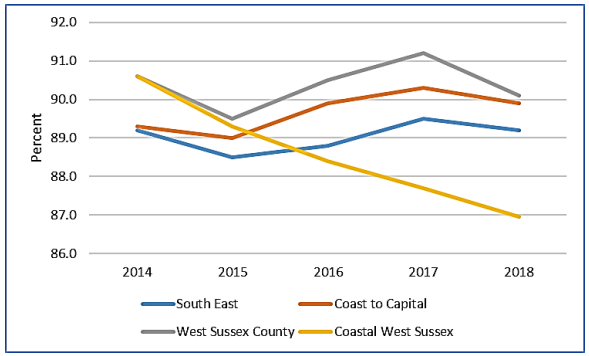

Figure 18: Percentage of working age population qualified to NVQ1+ in Coastal West Sussex and the comparator areas 2014 to 2018. Source: ONS Annual Population Survey

Wages: key points

- Both residents' and workers' wages are lower in Coastal West Sussex than in the comparator areas.
- Arun residents' median gross weekly wage is £79 less or 16% below that of the South East region as a whole and £73.40 or 14.97% below that of Coast to Capital.
- The gap between Coastal West Sussex workers' wages and the comparator areas is even greater. Arun workers receive on average £137 less than the South East region median wage or 28.65%.
- Although there is usually a gap between resident and workforce wages in areas where there are high levels of outcommuting, it is particularly noticeable in Arun where workers' wages are 18.16% below residents' wages.
- This is in spite of residents' wages being the lowest in Arun among Coastal West Sussex districts and is a significant gap.
- It points to a low wage, low skills economy.

Wages

Both residents' and workers' wages are lower in Coastal West Sussex than in the comparator areas and Arun has the lowest wages on both measures. Figures 19 and 20.

Arun residents' wages are 16.01% below the South East average and workplace wages are 28.66% below. Workers' wages tend to be below residents' wages in areas with high out-commuting levels as workers with the skills to do so will travel to better paid jobs but even so, this is a very sizeable gap..

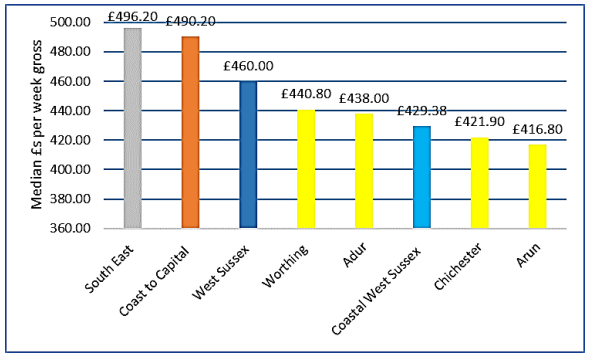

Figure 19: Residents' median gross weekly wages in Coastal West Sussex and the comparator areas in 2018. Source: ONS Annual Survey of Hours and Earnings (ASHE)

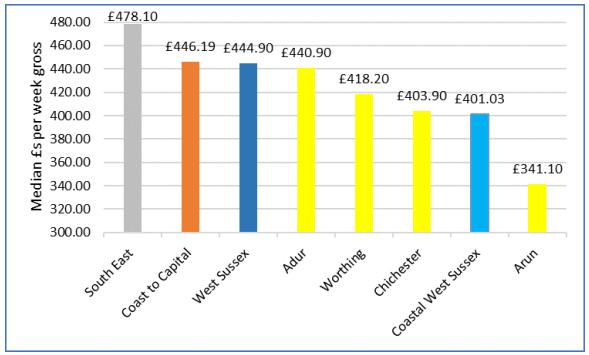

Figure 20: Workplace median gross weekly wages in Coastal West Sussex and the comparator areas in 2018. Source: ONS Annual Survey of Hours and Earnings (ASHE)

Knowledge economy: key points

- At 10.63% of all businesses, the percentage of knowledge economy businesses in Coastal West Sussex is lower than in West Sussex (11.85%), Coast to Capital (13.58%) and the South East (14.05%).
- However, the knowledge economy is unevenly distributed across Coastal West Sussex with Adur, Arun and Chichester all having lower than average concentrations of these businesses while Worthing has one of the highest, and growing, shares in West Sussex.
- It is a somewhat different picture for knowledge economy jobs; Out of the circa 178,000 employees in Coastal West Sussex, around 11,000 or 6.25% are in knowledge economy jobs in 2017, lower than West Sussex (6.75%) and the South East (8.55%) but similar to Coast to Capital (6.23%).
- This is largely due to the weaker knowledge economy in Arun and Chichester as Adur outperforms all the comparator areas with 10.71% of its workforce employed in knowledge economy jobs due to the concentration of advanced manufacturing in Adur.
- Worthing also has a higher than average share of knowledge economy jobs, due in part to the growing presence of Creative, Digital and IT.
- In summary, a strong but unevenly distributed knowledge economy.

The Knowledge Economy

According to OECD, the term "knowledge economy" is used to describe "*trends in advanced economies towards greater dependence on knowledge, information and high skill levels*". The knowledge economy is therefore very important for productivity and is a key driver of growth in modern economies.

In Coastal West Sussex, the percentage of businesses in the knowledge economy is lower than in the comparator areas. It was 3.42% below that of the South East region in 2018.Table 11 and Figure 21.

The three Coastal West Sussex areas of Adur, Adur and Chichester have consistently had the lowest concentrations of knowledge economy businesses.

Worthing is the exception and is among the top three West Sussex local authorities in West Sussex on this measure and its knowledge economy business share appears to be growing. Figure 22.

However, this is not the full picture as there are some important large businesses in the knowledge economy, although their numbers and percentage shares are small (see knowledge economy subsectors below).

	2015	2016	2017	2018	+/- 2015 -18
South East	13.54	13.86	13.97	14.05	0.51
Coast to Capital	13.36	13.68	13.66	13.58	0.22
West Sussex	11.58	11.90	12.02	11.85	0.26
Coastal West Sussex	10.20	10.46	10.68	10.63	0.44

Table 11: Percentage of businesses in the knowledge economy 2015 to 2018 in Coastal West Sussex and the comparator areas. Source: ONS UK Business Counts

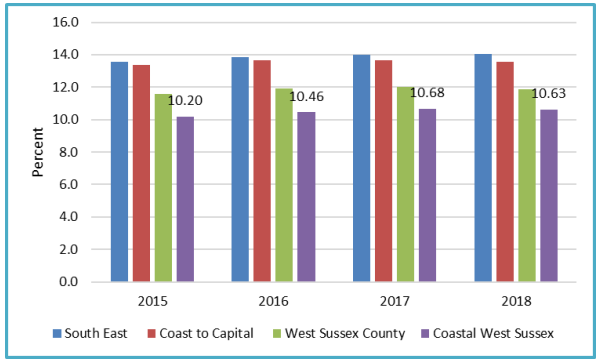

Figure 21: Percentage of businesses in the knowledge economy in 2018 in Coastal West Sussex and the comparator areas. Source: ONS UK Business Counts.

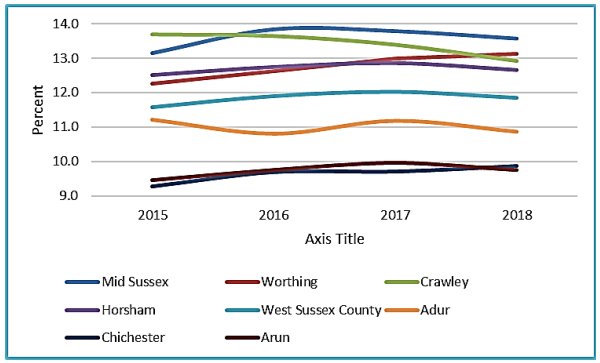

Figure 22: Percentage of businesses in the knowledge economy 2018 in West Sussex local authorities. Source: ONS UK Business Counts

Knowledge economy employment

Out of the circa 178,000 employees in Coastal West Sussex, around 11,000 or 6.25% were in knowledge economy jobs in 2017, lower than West Sussex and the South East but similar to Coast to Capital.

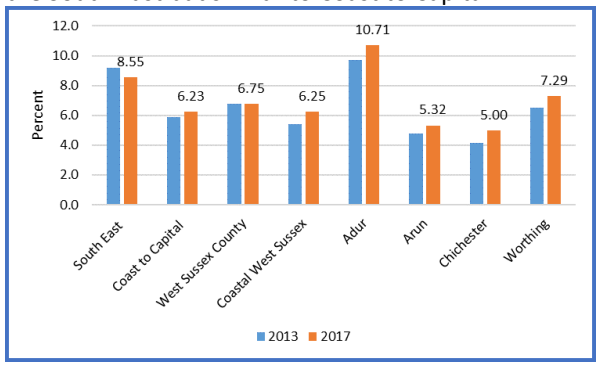

Figure 23: Knowledge economy employment as a percentage of total employment in Coastal West Sussex and the comparator areas in 2013 and 2017. Source: ONS Business Register and Employment Survey

However, this weaker performance on knowledge economy employment is largely due to the underperformance of Arun and Chichester. Adur outperforms all the comparator areas with 10.71% of its workforce employed in knowledge economy jobs. This is probably related to the above average concentration of manufacturing, and particularly advanced manufacturing, in Adur. Worthing also has a higher than average share of knowledge economy jobs, due in part to the growing presence of Creative, Digital and IT (see below).

Knowledge economy sub-sectors

In common with the wider economy, the largest knowledge economy sub sector in Coastal West Sussex is *IT Services* with 44% of all knowledge economy businesses in this sub sector. Figure 24.

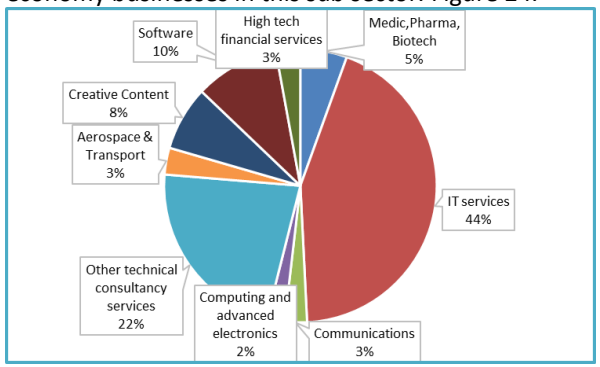

Figure 24: Knowledge economy subsectors in Coastal West Sussex. Source: ONS UK Business Counts

A number of large companies in the coastal area such as Rolls Royce (*Aerospace & Transport*), Ricardo (*Technical Consultancy*) and GSK (*Pharmaceuticals*) make an important contribution to jobs and output.

Advanced Manufacturing & Engineering (AME) key points

- Coastal West Sussex has a higher percentage of manufacturing than the comparator areas but a smaller percentage of it is classed as AME. In Coastal West Sussex 77.26% of manufacturing is AME, lower than the South East (98%), West Sussex (85.56%) and Coast to Capital.
- Adur and Arun have the highest concentrations of AME at 5.54% and 4.97% of all businesses compared to 4.62% in Coastal West Sussex as a whole.
- Numbers of advanced manufacturing businesses in each local authority apart from Worthing have increased between 2015 and 2018, Chichester having shown the greatest numerical increase.
- Circa 7,500 people were employed in AME jobs in 2017 or 4.26% of total jobs in Coastal West Sussex
- There are higher concentrations of AME jobs in Adur and Worthing than in any of the comparator areas. Both Adur and Worthing have shown an increase in employment of around 250 jobs each over the 2013 to 2017 reference period.

Advanced Manufacturing and Engineering (AME)

Manufacturing and particularly engineering, have historically played an important role in Coastal West Sussex since before the early part of the 20th century when some of the first aircraft were made in Shoreham. Advanced Manufacturing and Engineering (AME) is the technology-intensive part of the sector and is a key driver of productivity growth.

Coastal West Sussex has a higher percentage of manufacturing than any of the comparator areas but a smaller percentage of it is classed as AME. In the South East, 98% of manufacturing is AME whereas in West Sussex it is 85.56% and in Coastal West Sussex it is 77.26%. Figure 25.

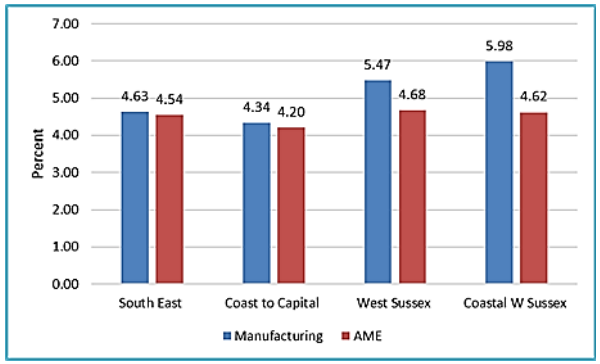

Figure 25: Percentage of manufacturing businesses and advanced manufacturing & engineering businesses in Coastal West Sussex and the comparator areas in 2018. Source: ONS UK Business Counts.

	2015	2016	2017	2018
Adur	5.72	5.52	5.38	5.54
Arun	5.17	5.12	4.94	4.97
West Sussex	**4.93**	**4.91**	**4.77**	**4.68**
Worthing	4.79	4.66	4.47	4.33
Coast to Capital	**4.44**	**4.37**	**4.31**	**4.20**
Chichester	4.09	4.15	4.14	4.19

Table 12: Percentage of AME businesses in the Coastal West Sussex local authorities, West Sussex and Coast to Capital 2015-18. Source: ONS UK Business Counts

Adur and Arun have above average shares of AME compared to West Sussex and Coast to Capital whereas Chichester and Worthing are below average. Historically, manufacturing has tended to be concentrated in these two districts in Coastal West Sussex. Table 12.

In all districts in West Sussex apart from Worthing, the AME share of the total business population has declined slightly since 2015. Figure 26.

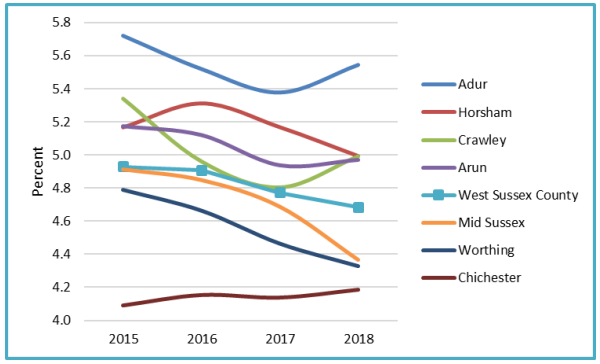

Figure 26: Percentage of AME businesses in West Sussex between 2015 and 2018. Source: ONS UK Business Counts

However, numbers of advanced manufacturing businesses in each local authority apart from

Worthing have increased over the reference period, Chichester having shown the greatest increase.

	2015	2016	2017	2018	+/-
Coastal W. Sussex	815	830	830	835	20
Adur	125	125	125	130	5
Arun	260	265	265	265	5
Chichester	260	270	275	280	20
Worthing	170	170	165	160	-10

Table 13: Numbers of AME businesses in Coastal West Sussex 2015 -2018. Source: ONS UK Business Counts.

AME employment

In 2017, around 7,500 people were employed in AME jobs or 4.26% of total jobs in Coastal West Sussex.. There are higher concentrations of AME jobs in Adur and Worthing than in any of the comparator areas. Both Adur and Worthing have shown an increase in employment of around 250 jobs each over the 2013 to 2017 reference period. Figure 27.

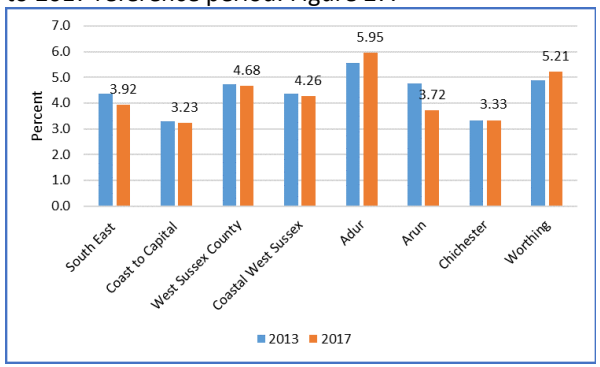

Figure 27: AME employment as a percentage of total employment in Coastal West Sussex and the comparator areas in 2013 and 2017. Source: ONS Business Register and Employment Survey

The Creative, Digital and IT (CDIT) sector: key points

- There are around 1,460 CDIT businesses in Coastal West Sussex out of a total of 18,060.
- Coastal West Sussex has a lower percentage of Creative Digital and IT (CDIT) businesses at 8.08% of all businesses compared to West Sussex (9.75%), Coast to Capital (11.08%) and the South East (11.49%).
- Worthing is the only Coastal West Sussex district with a higher percentage than West Sussex at 10.42% or 385 businesses.
- However, this does not include self-employed CDIT individuals e.g. makers and artists, so the numbers are probably higher.
- There were around 7,250 employees in the CDIT sector in Coastal West Sussex in 2017, 4.12% of the total jobs, lower than the share of enterprises (8.08%), indicating that they tend to be small...
- The percentage of employment in CDIT varies significantly at local authority district level with Adur outperforming all the comparator areas apart from the South East, probably due to the Brighton spill-over effect
- CDIT employment is growing in Adur and Worthing.

The Creative, Digital and IT (CDIT) sector

Creative Digital and IT (CDIT)[2] sector has been an important focus for economic development in Coast to Capital particularly in Greater Brighton. In this analysis, we have used the Technation definition[3].

2018	CDIT	Total Business	% CDIT
South East	46,475	404,555	11.49
Coast to Capital	7,925	71,500	11.08
West Sussex	3,440	35,270	9.75
Coastal W. Sussex	**1,460**	**18,060**	**8.08**
Adur	205	2,345	8.74
Arun	400	5,330	7.50
Chichester	470	6,690	7.03
Worthing	385	3,695	10.42
Brighton & Hove	1,995	13,950	14.30

Table 14: Number and percentage of CDIT businesses in Coastal West Sussex and the comparator areas in 2018. Source: ONS UK Business Counts.

Table 14 shows that Coastal West Sussex has a lower percentage of CDIT businesses than any of the comparator areas. Only Worthing has a higher percentage than West Sussex as a whole. Greater Brighton & Hove has been included to show that there is a significant concentration of CDIT businesses in the city, significantly above the South East regional and Coast to Capital levels. This may be spilling out into nearby Adur to some extent due to constraints on employment space in Brighton and Hove.

[2] See Annex A for detailed breakdown

3

CDIT employment

There were around 7,250 employees in the CDIT sector in Coastal West Sussex in 2017, 4.12% of the total jobs. In common with the comparator areas, this is significantly lower than the CDIT percentage share of all enterprises – 8.08% in Coastal West Sussex, indicating that CDIT businesses tend to be small. Once again, the percentage of employment in CDIT varies significantly at local authority district level with Adur outperforming all the comparator areas apart from the South East. Figure 28.

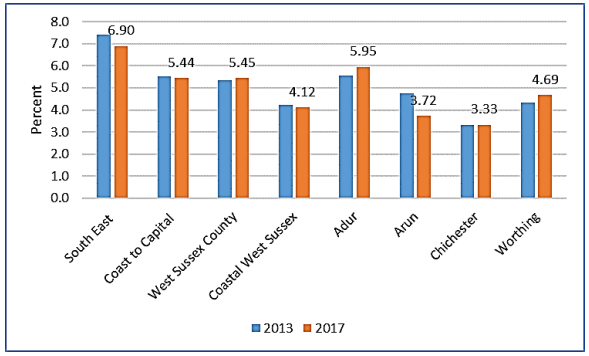

Figure 28: CDIT employment as a percentage of total employment in Coastal West Sussex and the comparator areas in 2013 and 2017. Source: ONS Business Register and Employment Survey

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The visitor economy: key points

- Tourism and hospitality is an important contributor to the Coastal West Sussex economy accounting for nearly 11% of all businesses
- Worthing, Chichester and Arun have a higher percentage of visitor economy businesses than any of the comparator areas
- Chichester has the largest share of the Coastal West Sussex visitor economy business population at nearly 7,000 businesses
- 20,750 people are employed in the visitor economy in Coastal West Sussex, 11.79% of total employment and visitor economy jobs are growing
- Domestic tourism in Coastal West Sussex was worth an average of £463.2m per annum between 2015 and 2017.
- This was generated by an average of 12.58 million visits per annum.
- Day visits made up 11.56 million or 92.04% of these visits while overnight stays accounted for just over 1 million or 7.06%. Coastal West Sussex is primarily a day visit destination.
- Business tourists staying overnight in Coastal West Sussex spend the most at £94.42 per night while those on holiday spend £66.96 and those visiting friends & relatives spend the least at £34.08 average expenditure per night

The visitor economy

Tourism and hospitality is an important contributor to the Coastal West Sussex economy. Using the ONS definition[4] which includes transport, accommodation and food and beverage services, the data shows that Worthing, Chichester and Arun have a higher percentage of visitor economy businesses than any of the comparator areas but Adur has the lowest.

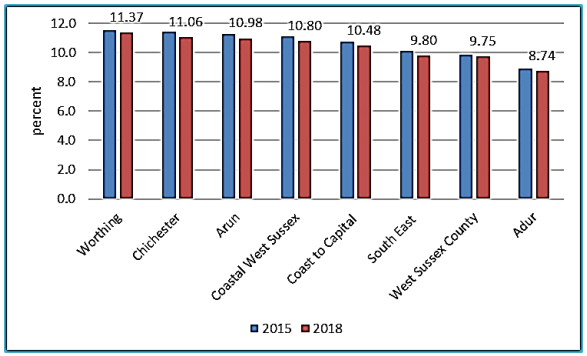

Figure 29: Visitor economy businesses as a percentage o total 2015 and 2018 in Coastal West Sussex and the comparator areas. Source: ONS UK Business Counts

Chichester has the greatest number of visitor economy businesses in Coastal West Sussex at nearly 7,000 businesses, 37% of the Coastal West Sussex total.

Adur has just 13% of all Coastal West Sussex visitor economy businesses in spite of its proximity to Brighton & Hove, one of the top 10 tourist attractions in the South East. Figure 30.

[4] See Annex A for full definition and also "*Measuring Tourism*" ONS

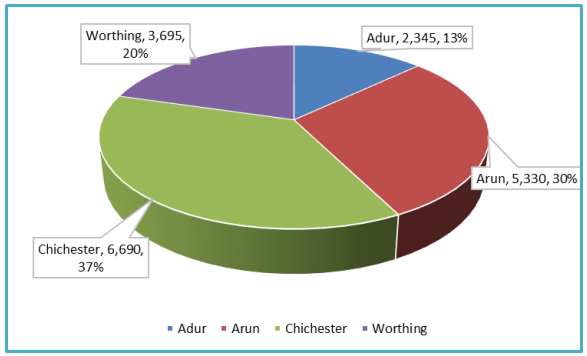

Figure 30: Number and share of visitor economy businesses in Coastal West Sussex 2018. Source: ONS UK Business Counts

Visitor economy employment

In 2017, there were 20,750 employees in the visitor economy in Coastal West Sussex, 11.79% of total employment.

	2013	2014	2015	2016	2017
Adur	1,500	1,500	1,750	1,750	1,750
Arun	7,000	7,000	7,000	7,000	7,000
Chichest'r	7,000	8,000	8,000	9,000	8,000
Worthing	3,000	3,500	3,500	4,000	4,000

Table 15: Numbers of employees in the visitor economy in Coastal West Sussex 2013 to 2017. Source: ONS Business Register and Employment Survey.

The number of visitor economy jobs has increased between 2013 and 2017 in all Coastal West Sussex local authority districts in Coastal West Sussex apart from Arun. Table 13.

Standard Industrial Classification	Jobs
56302 : Public houses and bars	3500
56101 : Licensed restaurants	2900
56102 : Unlicensed restaurants and cafes	2000
55100 : Hotels and similar accommodation	1635
93110 : Operation of sports facilities	1625
55201 : Holiday centres and villages	1530
56103 : Take away food shops and mobile food	1075
56210 : Event catering activities	1035
68209 : Letting and operating of real estate	825
68320 : Management of real estate on a fee basis	800
55300 : Camping grounds, recreational vehicle	750
56290 : Other food service activities	650
92000 : Gambling and betting activities	430
91030 : Operation of historical sites and buildings	425
49390 : Other passenger land transport nec	260
91040 : Botanical, zoological, nature reserves	250
56301 : Licensed clubs	225
90040 : Operation of arts facilities	200
90030 : Artistic creation	170
49100 : Passenger rail transport, interurban	160
49320 : Taxi operation	150
93210 : Amusement parks & theme parks	150
77110 : Renting and leasing of cars	135
91020 : Museum activities	110
90010 : Performing arts	65
55209 : Other holiday and other short-stay accom	40
82301 : Activities of exhibition and fair organizers	35
55900 : Other accommodation	30
90020 : Support activities to performing arts	25
50100 : Sea and coastal passenger water transport	15
77210 : Rent & lease of recreation & sports goods	10
50300 : Inland passenger water transport	10

Table 16: Coastal West Sussex tourism jobs in 2017 by 5 Digit SIC Code (ONS Definition). Source: ONS BRES

Table 16 shows the breakdown of Coastal West Sussex Tourism jobs by sub sector. The biggest sub sector in employment terms is public houses and bars followed by licensed and unlicensed restaurants .

Value of the visitor economy

Domestic tourism in Coastal West Sussex was worth an average of £463.2m per annum between 2015 and 2017 according to Visit Britain[5]. This was generated by an average of 12.58 million visits per annum. Day visits made up 11.56 million of 92.04% of these visits while overnight stays accounted for just over 1 million or 7.06%. Coastal West Sussex is primarily a day visit destination.

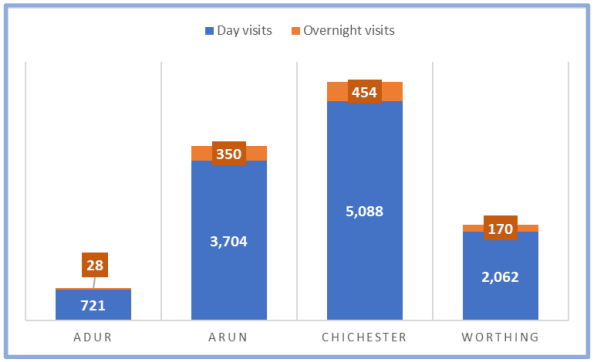

Figure 31: Average annual day and overnight visits in Coastal West Sussex 2015 to 2017. Numbers in thousands. Source: Visit Britain, Great British Tourism Survey

Among the Coastal West Sussex local authorities, Chichester and Arun have the most visits and also the highest percentage of overnight stays. Figure 31 and Table 17.

[5] Great British Tourism Survey

	Day visits	Over-Night visits	Total visits	%age over-night
Adur	721	28	749	3.70
Arun	3,704	350	4,053	8.63
Chichester	5,088	454	5,542	8.19
Worthing	2,062	170	2,232	7.62

Table 17: Average annual day and overnight visits in thousands in Coastal West Sussex 2015-2017. Source: Visit Britain, Great British Tourism Survey

Overnight visits generated £54.19 per night on average in Coastal West Sussex whereas day visits generated £26.28. There is quite a wide range at local authority level. Arun overnight visitors spend the most, followed by Adur while Adur day visitors spend the least and Chichester day visitors spend the most. Figure 32.

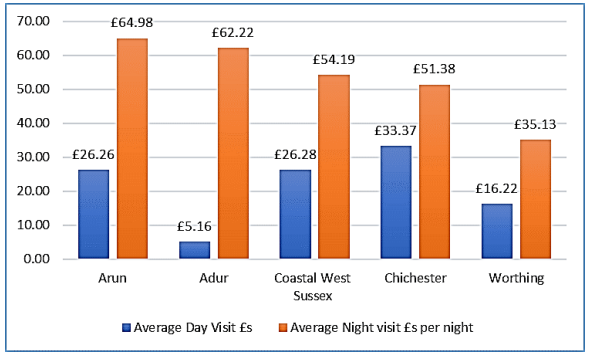

Figure 32: Average day visit and overnight visit expenditure in Coastal West Sussex 2015-2017. Source: Visit Britain, Great British Tourism Survey

Among overnight visitors to Coastal West Sussex, the most popular reason was holiday which accounted for just over half of overnight stays (51%, followed by visiting friends and relatives which made up 45%. Business tourism accounted for just 4% of overnight visits on average per year between 2015 and 2017. Figure 26.

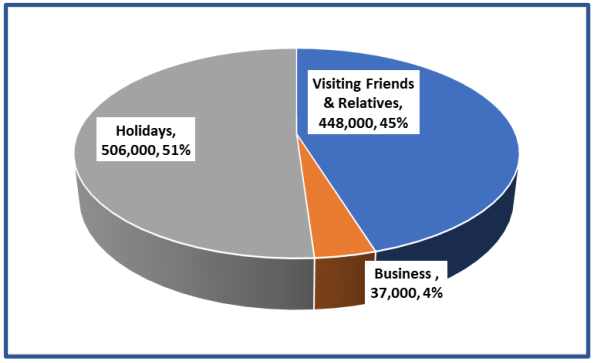

Figure 33: Reason for overnight trips in Coastal West Sussex by average annual percentage of trips 2015-2017. Source: Visit Britain, Great British Tourism Survey

Business tourists staying overnight in Coastal West Sussex spend the most at £94.42 per night while those on holiday spend £66.96 and those visiting friends & relatives spend the least at £34.08 average expenditure per night. Table 18.

Coast to Capital expenditure figures at local authority level show a similar pattern of overnight business visitors spending the most, followed by holiday makers and by overnight visitors to friends and relatives. Day trippers spend the least.

	Day visits	Business per night	VFR per night	Hols per night
Adur	£5.16	N/A	£83.33	£28.99
Arun	£26.26	£147.06	£33.33	£76.89
Brighton & Hove	£38.40	£130.76	£52.13	£117.87
Chichester	£33.37	£101.69	£37.60	£58.38
Crawley	£47.77	£92.67	£50.09	£80.80
Epsom & Ewell	£23.58	£117.65	£38.22	£122.81
Horsham	£20.41	£70.00	£42.68	£45.45
Mid Sussex	£21.01	£126.98	£50.49	£107.14
Mole Valley	£23.52	£141.30	£37.12	£32.26
Reigate & Banstead	£16.18	£133.33	£32.48	£50.00
Tandridge	£23.95	N/A	£42.94	£90.91
Worthing	£16.22	£79.71	£21.07	£71.01
Coast to Capital	£28.96	£111.65	£42.62	£84.25
Coastal West Sussex	£26.28	£94.42	£34.08	£66.96

Table 18. Average daily visitor expenditure in Coastal to Capital 2015-2017. Source: Visit Britain, Great British Tourism Survey

Productivity: key points

- Coastal West Sussex contributes 23% of Coast to Capital's output, less than its 25.6% share of its business population, indicating that the coastal economy is less productive.
- Coastal West Sussex's output is growing at a lower rate than that of the comparator areas. If Coastal West Sussex GVA had grown at the same rate as that of the South East rate of 17.03%, the coastal economy would have generated an additional £886 million between 2012 and 2016.
- Gross Value Added (GVA) per head is also lower in Coastal West Sussex, largely because of the underperformance of Adur and Arun. This may be due in part to high levels of outcommuting and lower job densities in these districts.
- GVA per worker tells a different story. Adur outperforms West Sussex in terms of employment productivity and Arun is above the Coastal West Sussex average on this metric.
- Weaker worker productivity in Chichester is probably due to high concentrations of the retail and visitor economy sectors in the district.
- Nevertheless, Chichester GVA per worker has been growing faster than the other Coastal West Sussex local authorities. Between 2012 and 2016, worker productivity increased by 5.9% in Chichester compared to 4.17% in Adur, and decreases of 0.58% in Arun and 1.13% in Worthing.
- In summary, lower output growth overall is a cause for concern and highlights the need to focus on more knowledge and technology intensive sectors rather than on lower value industries.

Productivity

Total output in Coastal West Sussex was £9,436m in 2016, the latest year for which Gross Value Added (GVA) statistics are available at local authority level.

	2012	2013	2014	2015	2016
Coastal W. Sussex	**8,820**	**9,047**	**9,111**	**9,354**	**9,436**
Adur	1,010	1,064	1,055	1,172	1,169
Arun	2,341	2,439	2,409	2,502	2,549
Chichester	2,909	3,003	3,000	3,098	3,132
Worthing	2,560	2,541	2,647	2,582	2,586

Table 19: Total GVA £s Million 2012 to 2016. Source: ONS: Regional Gross Value Added Statistics Balanced Method

This represented 23.02% of Coast to Capital's total GVA in 2016, somewhat lower than Coastal West Sussex's 25.62% share of the LEP's business population, indicating that the coastal economy is less productive than that of Coast to Capital as a whole.

Year-on-year GVA growth was consistently higher in the South East than in Coast to Capital, West Sussex or Coastal West Sussex over the 2012 to 2016 reference period. Coastal West Sussex had the lowest increase of 6.98% in output between 2012 and 2016. Figure 34.

If Coastal West Sussex GVA had grown at the same rate as that of the South East rate of 17.03%, the coastal economy would have generated an additional £886 million between 2012 and 2016.

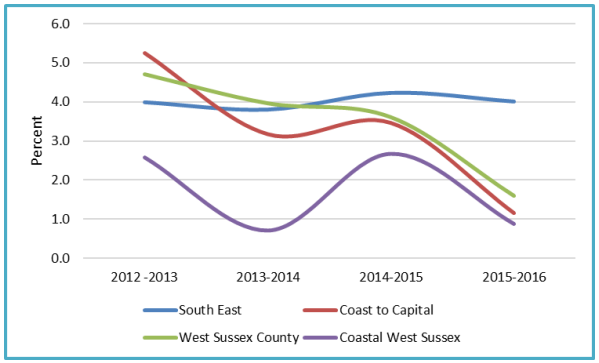

Figure 34: Year-on-year increase in GVA in Coastal West Sussex and the comparator areas 2012-16. Source: ONS Regional Gross Value Added Statistics (Balanced Method)

Coastal West Sussex also underperforms in terms of GVA per head due to the underperformance of Adur and Arun. Arun had by far the lowest GVA per head of £16,235 in 2016, 43.39% below that of the South East and 38.75% below that of Chichester. Figure 35.

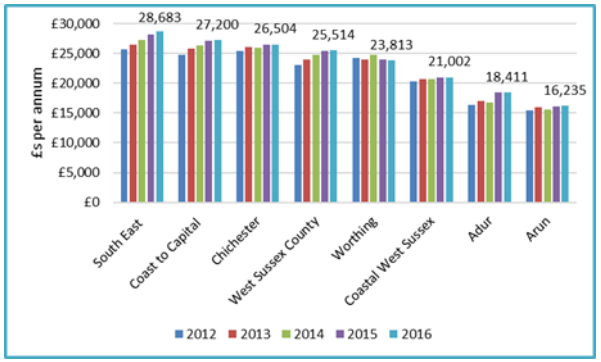

Figure 35: GVA per head in Coastal West Sussex and the comparator areas from 2012 to 2016. Source: ONS Regional Gross Value Added Statistics (Balanced Method)

GVA per head is not strictly a measure of productivity since it is arrived at by dividing the total output for

the area by the total population of all ages. It is influenced by commuting flows and population density. For example, the City of London has very high rates of in-commuting but a relatively small resident population so the GVA per head is comparatively high.

Conversely, areas with high out-commuting tend to have lower rates of GVA per head since the GVA generated by those workers will be attributed to the areas in which they work. Job density is also a factor since, in areas with low job density, there are lower proportions of workers to add to the GVA total.

This weak performance on GVA per head in Adur and Arun is likely to be due in a large part to the very high level of out-commuting in the District. At the time of the last census in 2011, Arun had a net loss of 18,421 workers on a daily basis or 28% of those in employment at the time. (See travel to work patterns). Arun's job density was 0.58 in 2017 and Adur's was 0.61, compared to 0.83 in Worthing and 1.16 in Chichester.

A better measure of productivity is GVA per worker. These statistics are not released by ONS at local authority district and borough level but our calculations show that the Adur, Arun and Worthing all outperform Chichester on this metric and Adur has higher GVA per worker than West Sussex as a whole. Table 20.

	2012	2016	%age +/- 2012-16
Coast to Capital	58,130	60,712	4.44
South East	56,914	60,711	6.67
Adur	56,111	58,450	4.17
West Sussex	53,118	56,714	6.77
Arun	55,738	55,413	-0.58
Worthing	55,652	55,021	-1.13
Coastal W. Sussex	53,133	54,230	2.07
Chichester	48,483	51,344	5.90

Table 20: GVA per worker in Coastal West Sussex and the comparator areas in 2012 and 2016. Source: ONS Regional Gross Value Added Statistics (Balanced Method)

In Coastal West Sussex, *Manufacturing* contributes a higher percentage of total GVA as does *Real Estate* and *Public Administration, Education & Health.* Figure 36.

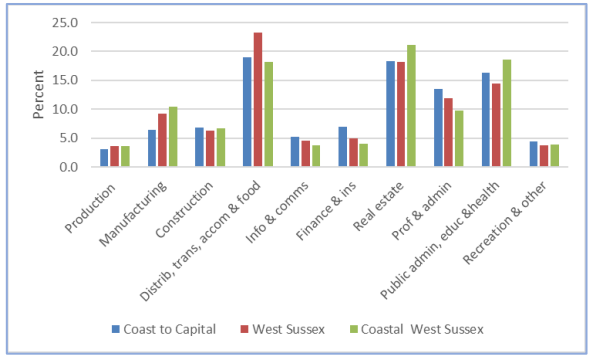

Figure 36: %age of GVA by broad sector in Coastal West Sussex, Coast to Capital and West Sussex in 2016. Source: ONS Regional Gross Value Added Statistics (Balanced Method)

5. People and well being

Demographic change: key points

- Between 2000 and 2018, the population in Coastal West Sussex grew by 50,571 from 403,900 in 2000 to 454,471 in 2018, an increase of 12.52%. This was below the increases in the comparator geographies
- Adur saw the smallest population growth of 4,469 or 7.52% while Arun experienced the greatest growth in population of 19,527 or 13.92%.
- Between 2020 and 2035, the population of Coastal West Sussex is forecast to grow at a faster rate than the comparator areas, reversing the past trend of slower growth along the coast between 2000 and 2018.
- The population in Coastal West Sussex is forecast to grow by 12.14% between 2020 and 2035 bringing the total to 503,807 or 49,336 more people than current estimates in 2018.
- In Coastal West Sussex, the ageing population will be a major factor in population growth as the "baby boomer bulge" works its way through.
- In numerical terms, the 65+ age group shows the greatest increase of nearly 47% or over 57,000 over the 20 years between 2020 and 2041.

Demographic change

Between 2000 and 2018, the population in Coastal West Sussex grew by 50,571 from 403,900 in 2000 to 454,471 in 2018, an increase of 12.52%. This was below the increases in the comparator geographies. Figure 37.

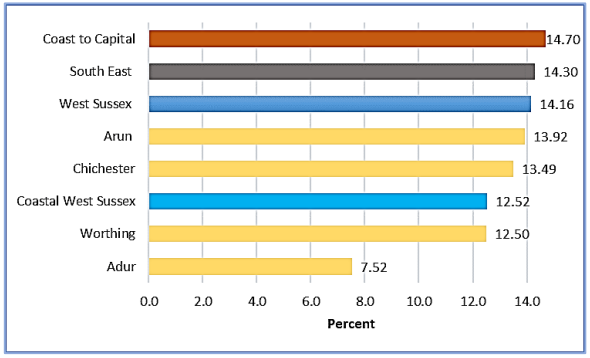

Figure 37: Percentage growth in population in Coastal West Sussex and the comparator areas between 2000 and 2018. Source: ONS Mid year population estimates

Adur saw the smallest population growth of 4,469 or 7.52% while Arun experienced the greatest growth in population of 19,527 or 13.92%. Table 21.

	Number
Coastal West Sussex	50,571
Adur	4,469
Arun	19,527
Chichester	14,350
Worthing	12,225

Table 21: Numerical growth in population in Coastal West Sussex between 2000 and 2018. Source: Mid year population estimates.

Between 2020 and 2035, the population of Coastal West Sussex is forecast to grow at a faster rate than the comparator areas, reversing the past trend of slower growth along the coast between 2000 and 2018.

The population in Coastal West Sussex is forecast to grow by 12.14% between 2020 and 2035 bringing the total to 503,807 or 49,336 more people than current estimates in 2018. Figure 38.

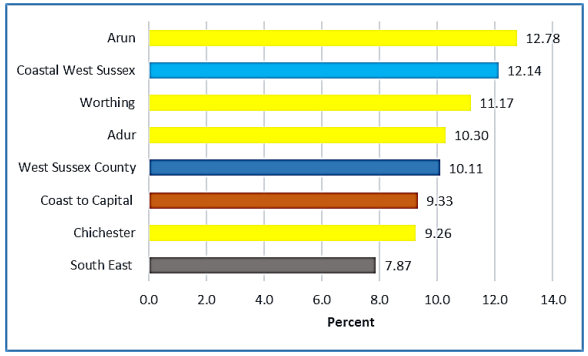

Figure 38. Forecast percentage growth in population in Coastal West Sussex and the comparator areas between 2020 and 2035. Source: ONS Population Forecasts.

	2020	2025	2030	2035
Adur	65,619	68,188	70,422	72,378
Arun	163,391	170,911	177,985	184,273
Chichester	122,687	126,802	130,800	134,051
Worthing	112,710	117,212	121,365	125,299

Table 22: Forecast numerical growth in population in Coastal West Sussex between 2020 and 2035. Source: ONS Population Forecasts.

The factors influencing population growth are people living longer, birth and death rates and-migration. In Coastal West Sussex, the ageing population is likely to be a major factor in the forecast period as the

"baby boomer bulge" works its way through. Figure 39 and Table 23 show that, in numerical terms, the 65+ age group shows the greatest increase of nearly 47% over the 20 years between 2020 and 2040.

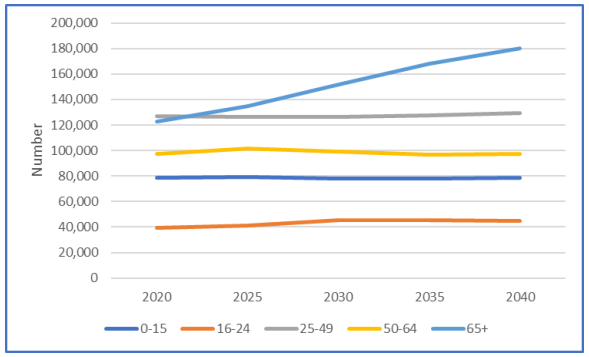

Figure 39: Table 20: Forecast numerical growth by age of population in Coastal West Sussex between 2020 and 2040. Source: ONS Population Forecasts.

	0-15	16-24	25-49	50-64	65+
2020	78,411	39,353	126,769	97,206	122,665
2025	79,290	41,184	126,097	101,583	134,959
2030	78,193	45,284	126,387	98,910	151,793
2035	77,921	45,512	127,796	96,645	168,127
2040	78,523	44,622	129,493	97,170	180,132
+/-	**+112**	**+5,269**	**+2,724**	**-36**	**+57,467**
+/- %	+0.14%	+13.39 %	+2.15%	-0.04%	+46.85 %

Table 23: Forecast numerical growth by age of population in Coastal West Sussex between 2020 and 2040. Source: ONS Population Forecasts

Rural urban population

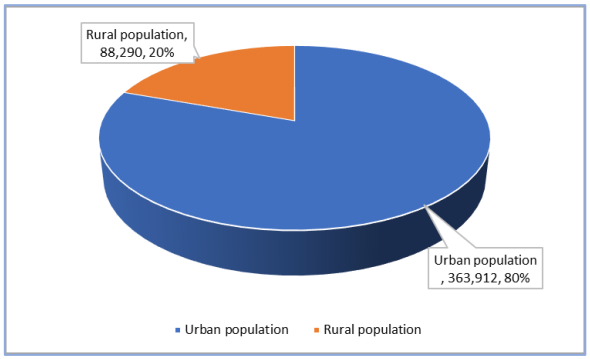

Figure 40: Rural urban population split in Coastal West Sussex 2018. Source ONS Mid year population estimates

The urban/rural population in Coastal West Sussex is split 80/20. Figure 40
It should be noted that neither Worthing nor Adur have significant rural populations according to the Rural Urban Classification system (RUC) used by Defra and ONS.

In terms of age profile, the rural population in Coastal West Sussex is not significantly older than the urban population. Urban Arun has the highest percentage of 66+. Table 24

District	0 to 17	18 to 65	66+
Adur urban	20.24	57.52	22.23
Arun urban	17.68	54.67	27.64
Chichester urban	17.55	57.51	24.94
Worthing urban	19.72	58.99	21.29
Arun rural	18.68	56.30	25.02
Chichester rural	19.10	55.04	25.85

Table 24 Percentage of population by broad age band in urban and rural Coastal West Sussex. Source: ONS mid year population estimates 2018

Travel to work patterns: key points

- Although the majority (63.9%) of Coastal West Sussex employees work somewhere in Coastal West Sussex there is still a very high level of commuting with over 136,000 movements each day.
- Chichester sees a net increase in its workforce each day of over 8,000 while Arun and Adur see large net losses of 18,251 in Arun and 7,110 in Adur.
- The top three destinations for Coastal West Sussex employees are Chichester, Worthing and Arun with 20% or more of workers travelling to these areas.
- Brighton and Adur attract about 7% of Coastal West Sussex workers each day.
- 63% of journeys are by car with greener methods of cycle, foot, bus and train make up just 22% in total.
- There is an argument for a co-ordinated green transport strategy to reduce car dependence in Coastal West Sussex, particularly given the current emphasis on health and well being and mitigating the effects of climate change.

Travel to work patterns

The majority of Coastal West Sussex employees work in Coastal West Sussex itself with 63.9% working in the top 3 destinations of Chichester, Worthing and Arun. Table 25.

Coastal West Sussex	%
Chichester	22.4
Worthing	21.4
Arun	20.1
Brighton and Hove	7.1
Adur	7.0
Horsham	3.8
Crawley	1.9
Portsmouth	1.5
Havant	1.3
Westminster, City of London	1.3

Table 25: Top 10 places of work for Coastal West Sussex residents in employment: Source: ONS Census 2011

Arun shows the biggest net loss in numerical terms of 18,251 while Chichester is the only net gainer of 8,161. Table 26. It adds up to 136,928 journey movements each day in Coastal West Sussex 63% of which are made by car. Figure 42.

	Outflow	Inflow	Net Flow
Adur	16,465	9,355	-7,110
Arun	27,224	8,973	-18,251
Chichester	16,135	24,296	8,161
Worthing	17,782	16,698	-1,084

Table 26: Daily commuting inflows and outflows in Coastal West Sussex local authorities. Source: ONS Census 2011

Among Coast to Capital local authorities, Arun shows the biggest percentage net shrinkage in its workforce on a daily basis due to negative net flow of nearly 30% with Adur not far behind on nearly 26% net loss. Chichester is the only significant travel to work area in Coastal West Sussex with a net gain of nearly 17%. Figure 41.

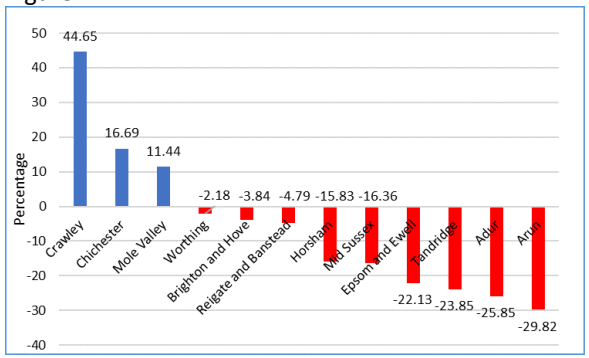

Figure 41: Net percentage change in workforce size. Source: ONS Census 2011

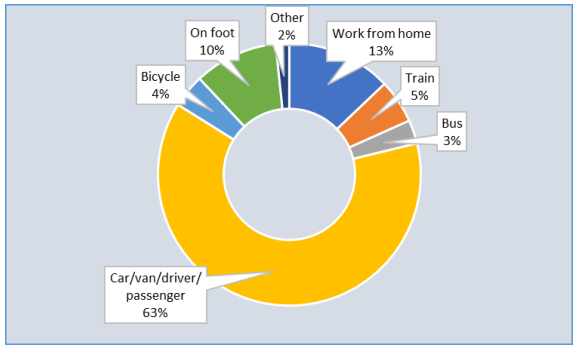

Figure 42: Method of travel to work in Coastal West Sussex. Source: ONS Census 2011.

Housing affordability

Chichester is the least affordable district in Coastal West Sussex but also among the comparator areas, using median house price to median resident wage ratio. This has been the case throughout the 2014 to 2018 reference period. Table 27

	2014	2015	2016	2017	2018
Chichester	11.21	11.10	11.08	11.57	11.82
Coast to Capital	9.71	10.51	11.08	11.63	11.55
Adur	9.87	10.31	11.56	12.23	11.40
West Sussex	8.91	9.56	10.07	10.79	10.37
Coastal W Sussex	9.62	10.02	10.50	11.18	10.96
Worthing	8.30	9.04	9.21	10.57	10.32
Arun	9.09	9.62	10.15	10.36	10.28
South East	8.20	8.81	9.43	9.79	9.93

Table 27: Median house price to median earnings (residence based) in Coastal West Sussex and the comparator areas 2014-2018. Source: ONS house price statistics

Arun is the most affordable local authority district in Coastal West Sussex at a median house price to median wage ratio of 10.28, although this is above the South East regional ratio of 9.93. Table 27.

Most areas have seen a slight decline in the ratio in the last year, meaning that houses may be starting to become more affordable. House price growth has started to slow and wages have started to increase although they are still not back to their pre 2008 level in real terms. Figure 43.

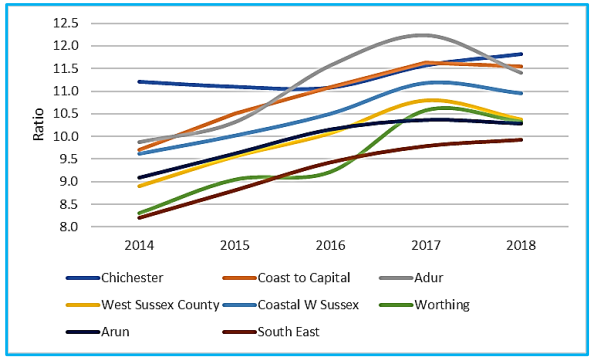

Figure 43: Median house price to median earnings in (residence based) in Coastal West Sussex and the comparator areas 2014-2018. Source: ONS house price statistics.

Housing demand

Projected population growth means that demand for housing will continue to rise. Arun and Worthing are expected to see the greatest increase in demand for housing in terms of numbers of households. Between 2016 and 2031, there will be an increase of nearly 17% in households in Arun and over 16% in Worthing, greater than the increases in the comparator areas. Figure 44

In numerical terms, this means that there will be a need for a further 30,000 more houses in Coastal West Sussex between 2016 and 2031, with the greatest numerical increase in Arun with 12,000. Table 28.

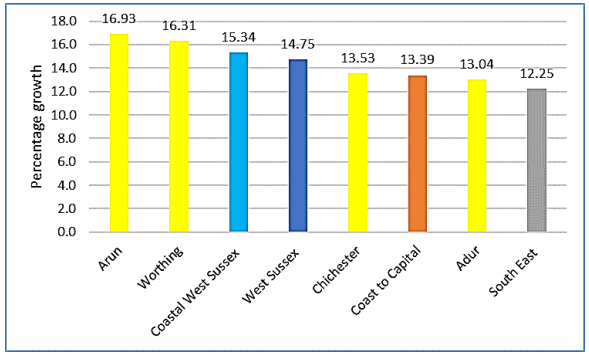

Figure 44: Projected increase in households 2016 to 2031 in Coastal West Sussex and the comparator areas. Source: ONS Household projections for England (2016 model)

	2016	2021	2026	2031	+/-
South East	3,705	3,850	4,007	4,159	454
Coast to Capital	647	674	704	734	87
West Sussex	362	378	397	415	53
Coastal W. Sussex	**199**	**208**	**219**	**229**	**30**
Adur	28	29	30	31	3
Arun	70	73	77	82	12
Chichester	52	54	57	59	7
Worthing	49	52	54	57	8

Table 28: Numbers of households (000s) in Coastal West Sussex and the comparator areas 2016 to 2031. Source: ONS Household projections for England (2016 model)

Life expectancy

After a long upward trend, life expectancy has recently started to plateau in Coastal West Sussex and the comparator areas. The same trend has been observed nationally and there have been no definitive explanations. Some commentators have blamed austerity and the cuts to social care and other services. Others have suggested that peak longevity may have been reached. However, this doe not account for continued rises in life expectancy in other countries.

In Coastal West Sussex, the link between relative affluence and longevity is clear with Chichester males and females both enjoying longer lives than the Coast to Capital and West Sussex averages, while those in Adur, Arun and in particular, Worthing experiencing lower life expectancy. Figures 45 & 46 and Tables 29 & 30.

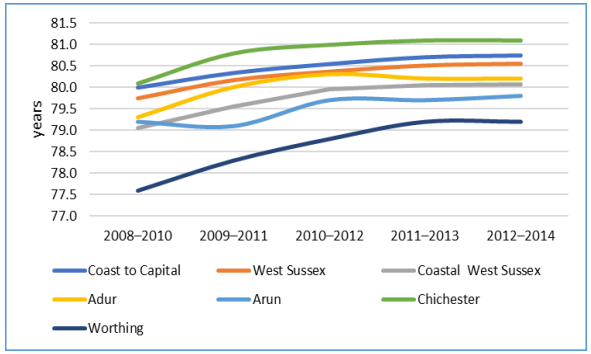

Figure 45: Life expectancy for males born between 2008-10 and 2012-14 in Coastal West Sussex and the comparator areas. Source: ONS Population Statistics.

	2008–2010	2009–2011	2010–2012	2011–2013	2012–2014
Coast to Capital	80.0	80.3	80.5	80.7	80.7
West Sussex	79.7	80.2	80.4	80.5	80.6
Coastal W Sussex	**79.1**	**79.6**	**80.0**	**80.1**	**80.1**
Adur	79.3	80.0	80.3	80.2	80.2
Arun	79.2	79.1	79.7	79.7	79.8
Chichester	80.1	80.8	81.0	81.1	81.1
Worthing	77.6	78.3	78.8	79.2	79.2

Table 29: Life expectancy for males born between 2008-10 and 2012-14 in Coastal West Sussex and the comparator areas. Source: ONS Population Statistics

Males born in Chichester in 2012 to 2014 can expect to live 1.9 years longer than those in Worthing and Chichester females can expect to live 1.8 years longer than Worthing females.

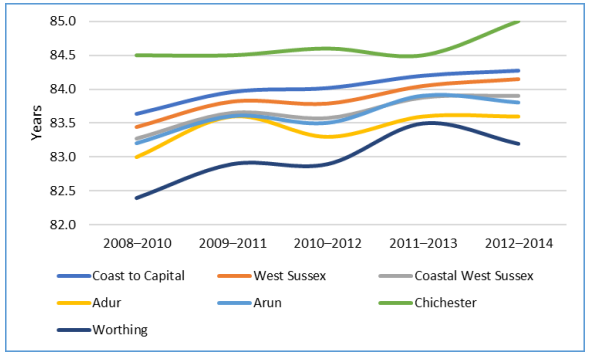

Figure 46: Life expectancy for females born between 2008-10 and 2012-14 in Coastal West Sussex and the comparator areas. Source: ONS Population Statistics.

	2008 – 2010	2009 – 2011	2010 – 2012	2011 – 2013	2012 – 2014
Coast to Capital	83.6	84.0	84.0	84.2	84.3
West Sussex	83.4	83.8	83.8	84.0	84.1
Coastal W. Sussex	**83.3**	**83.7**	**83.6**	**83.9**	**83.9**
Adur	83.0	83.6	83.3	83.6	83.6
Arun	83.2	83.6	83.5	83.9	83.8
Chichester	84.5	84.5	84.6	84.5	85.0
Worthing	82.4	82.9	82.9	83.5	83.2

Table 30: Life expectancy for females born between 2008-10 and 2012-14 in Coastal West Sussex and the comparator areas. Source: ONS Population Statistics

Wellbeing

Coastal West Sussex residents score slightly more highly than the comparator areas on life satisfaction and feeling that life is worthwhile as well as happiness. Anxiety levels seem to be highest in Coast to Capital. Figure 47.

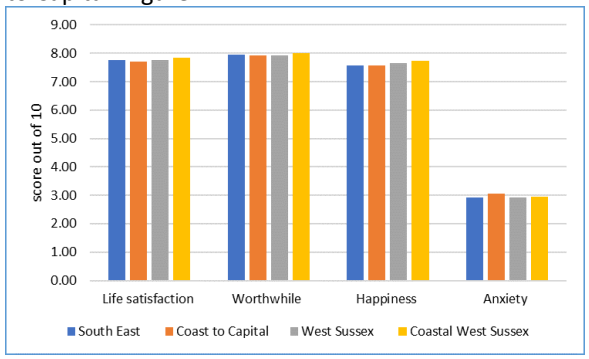

Figure 47: Life satisfaction, feelings of life being worthwhile, happiness and anxiety in Coastal West Sussex and the comparator areas in 2018. Source: ONS Wellbeing data

Within Coastal West Sussex, Chichester residents experience the greatest life satisfaction and feelings of life being worthwhile, while Arun residents are the happiest and the least anxious. Adur residents are the least happy while Worthing residents are the most anxious and the least likely to feel that life is worthwhile or satisfying. This may have something to do with age profiles as happiness tends to increase with age up to a point. Figure 48

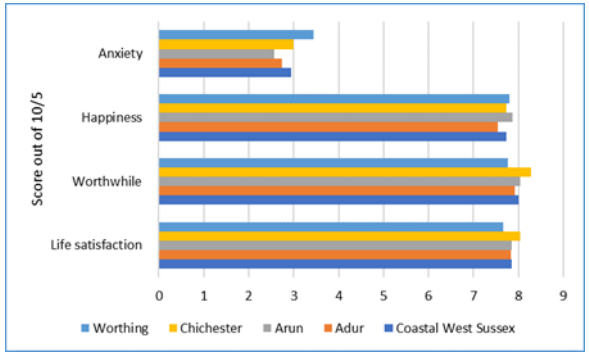

Figure 48: Life satisfaction, feelings of life being worthwhile, happiness and anxiety in Coastal West Sussex and the comparator areas in 2018. Source: ONS Wellbeing data

Annex A: Sector specifications

Knowledge economy:

There are several definitions: the most commonly used being the broad definition:
18 : Printing and reproduction of recorded media
26 : Manufacture of computer; electronic and optical products
58 : Publishing activities
59 : Motion picture; video and television programme production; sound recording and music publishing activities
60 : Programming and broadcasting activities
61 : Telecommunications
62 : Computer programming; consultancy and related activities
63 : Information service activities
64 : Financial service activities; except insurance and pension funding
65 : Insurance; reinsurance and pension funding; except compulsory social security
66 : Activities auxiliary to financial services and insurance activities
69 : Legal and accounting activities
70 : Activities of head offices; management consultancy activities
71 : Architectural and engineering activities; technical testing and analysis
72 : Scientific research and development
73 : Advertising and market research
74 : Other professional; scientific and technical activities
85 : Education

However, this results in very high numbers of businesses being classified as KE. The more focussed ONS definition below is more specific and has been used in this report.

Knowledge economy	SIC 2007 Definition
Medical Devices	26511 MF of electronic instruments & appliances for measuring, navigation, except industrial
	26513 MF of non-elect' instruments & appliances for measuring, testing and navigation, except industrial
	26600 MF of irradiation, electromedical and electrotherapeutic equipment
	26701 MF of optical precision instruments
	32500 MF of medical and dental instruments and supplies
	72190 Other research and experimental development on natural sciences and engineering
	74202 Other specialist photography
Pharma / Biotechnology	21100 MF of basic pharmaceutical products
	21200 MF of pharmaceutical preparations
	72110 Research and experimental development on biotechnology
IT services	62020 Computer programming, consultancy and related activities
	62030 Computer facilities management
	62090 Other information technology and computed service activities
	63110 Data processing, hosting and related activities
Communications	26301 MF of telegraph and telephone apparatus and equipment
	26309 Manu of communications equipment
	61900 Other telecommunications activities
Computing and advanced electronics	26200 MF of computers and peripheral equipment
	26110 MF of electronic components and boards
	26400 MF of consumer electronics
	26512 MF of electronic industrial process control equipment
	27110 MF of electric motors, generators, transformers and electricity distribution and control apparatus
	27200 MF of batteries and accumulators
	27310 MF of fibre optic cables
	27900 MF of other electrical equipment
	28910 Manufacture of machinery for metallurgy
Other technical consultancy services	71121 Engineering design activities for industrial process and production
	71122 Engineering related scientific and technical consulting activities
	71200 Technical testing and analysis

Knowledge economy	SIC 2007 Definition
	74100 Specialised design activities
	74901 Environmental consulting activities
Aerospace & Transport	28110 MF of engines and turbines, except aircraft, vehicle and cycle engines
	28120 MF of fluid power equipment
	28131 MF of pumps
	28132 MF compressors
	28150 MF of bearings, gears, gearing and driving elements
	29100 MF of motor vehicles
	29201 MF of bodies
	29202 MF of trailers and semitrailers
	29310 MF of electrical and electronic equipment for motor vehicles
	29320 MF of other parts and accessories for motor vehicles
	30110 Building of ships and floating structures
	30120 Building of pleasure and sporting boats
	30200 MF of railway locos
	30300 MF of air and spacecraft and related machinery
	30400 MF of military fighting vehicles
Creative Content	59111 Motion picture production activities
	59112 Video production activities
	59113 Television programme production activities
	59120 Motion picture, video and television post production activities
	59200 Sound recording and music publishing activities
	18201 Reproduction of sound recording
	18202 Reproduction of video recording
	18203 Reproduction of computer media
Software	58210 Publishing of computer games
	58290 Other software publishing
	62011 Computer programming activities
	62012 Business and domestic software development
	63120 Web portals
High tech financial services	64301 Activities of investment trusts
	64302 Activities of unit trusts
	64303 Activities of venture and development capital companies
	64304 Activities of open-ended investment companies
	64305 Activities of property unit trusts
	64306 Activities of real estate investment trusts

Knowledge economy	SIC 2007 Definition
	64921 Credit granting by non-deposit taking finance houses and other specialist consumer credit grantors
	64992 Factoring
	64999 Financial intermediation not elsewhere classified
	65300 Pension funding

CDIT Tech Sector.

The following definition used by Technation (formerly e-skills UK) has been used

CDIT/Tech sector
26 : Manufacture of computer; electronic and optical products
27 : Manufacture of electrical equipment
58 : Publishing activities
59 : Motion picture; video and television programme production; sound recording and music publishing activities
60 : Programming and broadcasting activities
61 : Telecommunications
62 : Computer programming; consultancy and related activities
63 : Information service activities

Advanced manufacturing and engineering. (AME)

The following ONS definition has been used

Industry Advanced Manufacturing and Engineering (AME)
7112 : Engineering activities and related technical consultancy
331 : Repair of fabricated metal products, machinery and equipment
265 : Manufacture of instruments and appliances for measuring, testing and navigation; watches and clocks
282 : Manufacture of other general-purpose machinery
20 : Manufacture of chemicals and chemical products
30 : Manufacture of other transport equipment
261 : Manufacture of electronic components and boards
332 : Installation of industrial machinery and equipment
263 : Manufacture of communication equipment
271 : Manufacture of electric motors, generators, transformers and electricity distribution and control apparatus
289 : Manufacture of other special-purpose machinery
291 : Manufacture of motor vehicles
264 : Manufacture of consumer electronics
279 : Manufacture of other electrical equipment
281 : Manufacture of general purpose machinery
292 : Manufacture of bodies (coachwork) for motor vehicles; manufacture of trailers and semitrailers
262 : Manufacture of computers and peripheral equipment
266 : Manufacture of irradiation, electromedical and electrotherapeutic equipment
273 : Manufacture of wiring and wiring devices
274 : Manufacture of electric lighting equipment
284 : Manufacture of metal forming machinery and machine tools
293 : Manufacture of parts and accessories for motor vehicles
267 : Manufacture of optical instruments and photographic equipment
275 : Manufacture of domestic appliances
283 : Manufacture of agricultural and forestry machinery
21 : Manufacture of basic pharmaceutical products and pharmaceutical preparations
268 : Manufacture of magnetic and optical media
272 : Manufacture of batteries and accumulators

Tourism

The definition in the ONS document "Measuring Tourism" has been used

Industry: Tourism			
	SIC 2007 code	Industry	SIC 2007 code
Railway passenger transport.	49100	Transport Equipment Rental	77110
Road Passenger transport	49320	77341	
49390		77351	
Water Passenger transport	50100	Sporting and recreational activities	77210
50300		92000	
Air Passenger transport	51101	93110	
51102		93199	
Accommodation for Visitors	55100	93210	
55201		93290	
55202	Country-specific tourism characteristic activities	82301	
55209		82302	
55300	Cultural Activities	90010	
55900		90020	
Food and beverage serving activities	56101	90030	
56102		90040	
56103		91020	
56210		91030	
56290		91040	
56301			
56302			
68209			