

Greater Brighton & Coastal
West Sussex Background Papers
Background Paper 1
Economy

May 2015



Nathaniel Lichfield
& Partners
Planning. Design. Economics.





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**Greater Brighton & Coastal West
Sussex Background Papers**

Background Paper 1 - Economy

In association with



May 2015

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1.0 Introduction

The Greater Brighton Economic Board ('the Economic Board'), working in partnership with the Coastal West Sussex and Greater Brighton Strategic Planning Board ('the Strategic Planning Board'), commissioned a series of background papers to provide evidence and inform decision-making within Greater Brighton and Coastal West Sussex ('GBCWS').

1.1 The three background papers focus on:

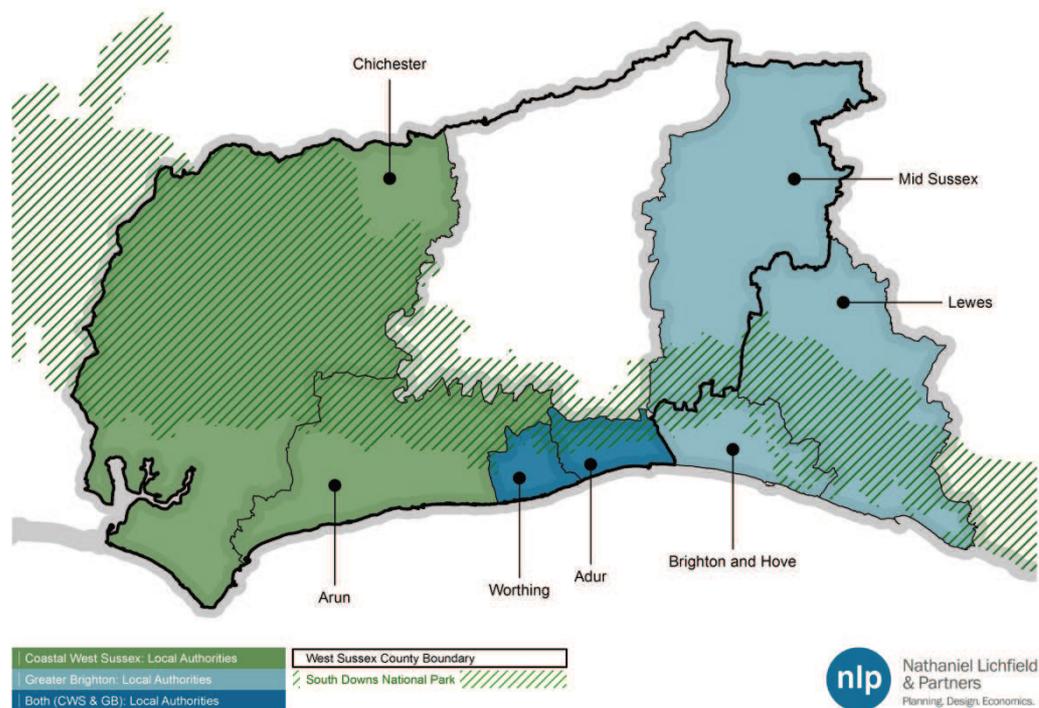
- 1 Economy (this paper)
- 2 Housing Market
- 3 Transport System

1.2 The papers have been developed by Nathaniel Lichfield & Partners ('NLP') in association with Interfleet Transport Advisory ('ITA'). An overarching Executive Summary has also been produced to accompany the individual papers.

Background

1.3 Greater Brighton and Coastal West Sussex together comprise seven local authorities and parts of the South Downs National Park Authority (SDNPA) as shown in Figure 1.1. 'Greater Brighton' includes Brighton & Hove, Adur & Worthing, Lewes and Mid Sussex. 'Coastal West Sussex' refers to Adur & Worthing, Arun and Chichester. It should be noted that Adur & Worthing are included within both geographies.

Figure 1.1 Spatial Definition of Greater Brighton and Coastal West Sussex



- 1.4 The **Greater Brighton Economic Board** was established in March 2014 to bring together city region leaders, business partners, universities, further education partners and the Coast to Capital Local Enterprise Partnership (LEP) to unlock barriers to the economic prosperity of the Greater Brighton City Region. The Board has been formally recognised by Government and forms a key aspect of the LEP's distributed governance and accountability structure for the delivery of the LEP's Strategic Economic Plan and Growth Deal.¹
- 1.5 The Local Planning Authorities within the Coastal West Sussex and Greater Brighton area formed the **Coastal West Sussex and Greater Brighton Strategic Planning Board** to identify and manage spatial planning issues that impact on more than one area, and support better integration and alignment of spatial and investment priorities.²

Purpose of the Background Papers

- 1.6 The brief for the project identifies that achieving long term sustainable growth across Greater Brighton and the wider Coastal West Sussex area will depend on addressing key strategic issues – notably employment land, housing, transport and other infrastructure – in an integrated and deliverable way.
- 1.7 At the 29 July 2014 meeting, the Economic Board agreed that three background papers should be commissioned which aim to support the Board to develop a greater understanding of the Greater Brighton and the wider Coastal West Sussex area around the three themes of economy, housing market and transport system.
- 1.8 Concurrent to this, the Strategic Planning Board is in the process of refreshing its Local Strategic Statement (LSS)³ which sets out long term strategic planning and investment priorities for an overlapping (although not contiguous) geography. It is the intention that a new Coastal West Sussex and Greater Brighton Local Strategic Statement will be prepared jointly with the Economic Board (under the auspices of the Officer Programme Board). This will draw upon the background papers to define priorities for the period 2015-2025, and support future funding bids and Local Plans through helping to facilitate meeting the Duty to Cooperate.

Structure of the Paper

- 1.9 The remainder of this paper is structured as follows:
- Section 2.0 outlines the **approach and methodology**.
 - Section 3.0 examines the economic fabric of the area with reference to **economic growth and sectors**.

¹ Greater Brighton City Deal, Deputy Prime Minister's Office, 12 March 2014, <https://www.gov.uk/government/publications/city-deal-greater-brighton>

² The Strategic Planning Board comprises Adur and Worthing, Arun, Brighton & Hove, Chichester, Lewes, Mid Sussex, West Sussex County Council and the South Downs National Park Authority.

³ Local Strategic Statement, October 2013, <http://www.coastalwestsussex.org.uk/wp-content/uploads/FINAL-Signed-LSS-for-CWS-Gtr-Brighton-30-Jan-14.pdf>

- Section 4.0 explores the area's **access to labour force**.
- Section 5.0 considers the area's **provision of employment space**.
- Section 6.0 draws together the thematic analysis to identify **potential opportunities and actions**.

2.0

Approach and Methodology

This section details the approach and methodology adopted by NLP and ITA for the purposes of preparing each of the background papers.

Approach

2.1

As noted in section 1.0, the purpose of the background papers is to help stakeholders within Greater Brighton and Coastal West Sussex consider how addressing strategic issues relating to the economy, housing market and transport can help achieve “*long-term sustainable growth*” for the area.

2.2

This analysis is being undertaken against the backdrop of significant change within the global economy, with a shift towards knowledge-based goods and services as the main drivers of productivity and economic growth. There is an increasing focus on innovation, flexibility and rapid adaptation to change so that economic assets can be used most efficiently and effectively (particularly in the context of competing locations).

2.3

Markets tend to operate across administrative geographies, and there has been recent attention on assessing needs across functional economic market areas.⁴ Sub-regions and greater metropolitan areas are identified as drivers of growth because of their role supporting clusters and agglomeration economies. The geographic proximity of economic assets and infrastructure can increase productivity through sustaining high-growth sectors and innovation, whilst the presence of universities and urban amenities tends to attract higher skilled workers and support new business creation.

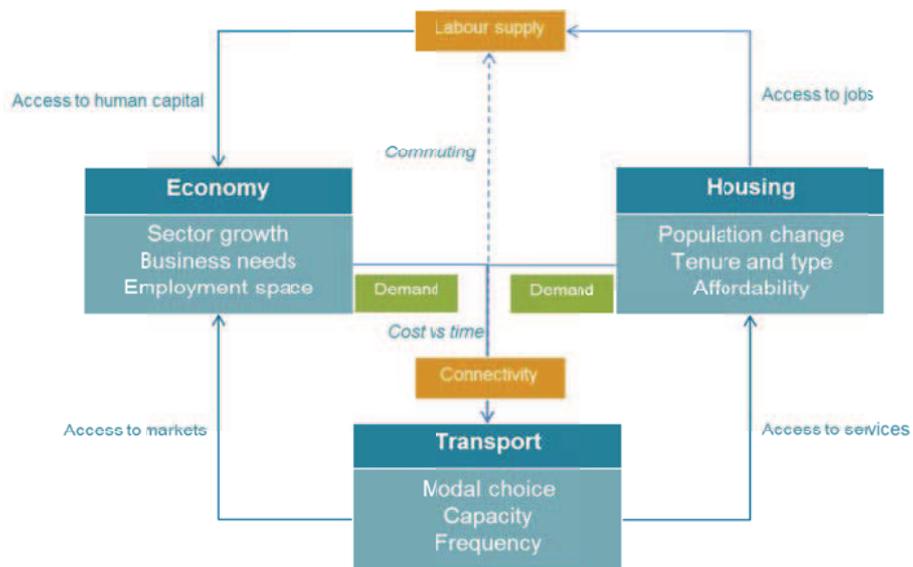
2.4

This means growth of wider sub-regions is highly inter-dependent because they access shared labour and housing markets, transport networks and commuting patterns, and proximity to large institutions such as universities. Figure 2.1 outlines some of these inter-relationships to examine the role of the economy, housing market and transport system as drivers of economic growth:

- Economy – the scale and concentration of businesses and sectors, and particularly the extent to which clusters of related or complementary activities can drive support innovation and new business creation;
- Housing market – a major determinant of access to labour supply and human capital that supports economic growth, but also as a source of demand for goods and services;
- Transport system – transport is critical to determining the relative physical connectivity between businesses, suppliers, workers and consumers, and the costs, time and reliability of these connections.

⁴ See for example Planning Practice Guidance, paragraph 13

Figure 2.1 Inter-relationships between Economy, Housing and Transport Drivers of Growth



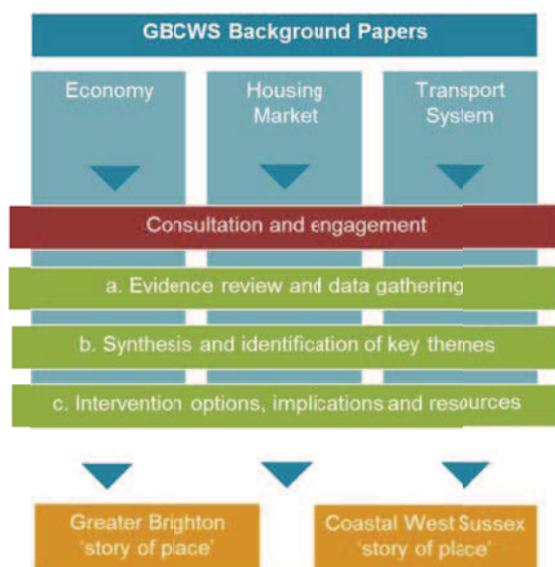
Source: NLP/ITA analysis

2.5 In combination, these drivers are major determinants of long-term growth. Analysing the local assets and dynamics related to each, as well as their interactions with each other, provides a basis for identifying actions and developing strategies that will help support an integrated approach to supporting long-term growth.

Methodology

2.6 The process for preparing the background papers has followed a three-stage methodology as set out in Figure 2.2, informed by stakeholder consultation and engagement at a number of stages.

Figure 2.2 Outline Approach for Background Papers



Source: NLP

a. Evidence review and data gathering

- 2.7 The preparation of the background papers has been underpinned by a series of key questions for the purposes of interrogating each of the economy, housing market and transport system topic areas:
- Economy: How big is the economy? What are the key sectors? How is the economy changing? What is the growth potential of the area? What is the skills profile of the area's labour force?
 - Housing market: How is the housing market area defined? What are the migration patterns within and without the area? How do house prices and affordability ratios vary across the area? What is the planned future supply of housing across the area?
 - Transport system: Where do people travel to work outside of the area? Where do people travel within the area? How do people travel, and how has this changed? What are the known transport constraints? Where is transport investment proposed?
- 2.8 The analysis draws upon existing evidence prepared at local authority, county and Local Enterprise Partnership scales supplemented by latest national datasets where available. It should be noted that this is not necessarily an exhaustive literature review but is based on a filtering of the existing evidence of most relevance to the analysis at the strategic level.
- 2.9 An important consideration for any work of this type is that it is inevitably a point-in-time assessment. This study has incorporated the latest data and other evidence available at the point of preparation. The accuracy and sources of data derived from third party sources have not been checked or verified by NLP or ITA.

b. Synthesis and identification of key themes

- 2.10 This stage involved drawing together the existing research alongside new analysis to identify a number of key 'themes' for the purposes of considering the dynamics of both Greater Brighton and Coastal West Sussex and the future growth potential of these areas individually and on a combined basis.
- 2.11 These themes have emerged from consideration of the economic position and potential of the area, and the factors most relevant to its economic performance. Across each topic this included an assessment of:
- the key features of Greater Brighton and Coastal West Sussex and the factors and trends that have influenced the area's position today;
 - what strengths have driven the area's past economic success (including whether they will continue in the future) and what weaknesses or barriers challenge the area's economic success (and whether these challenges/barriers are likely to worsen or improve in the future);

- the inter-relationships between the Greater Brighton and Coastal West Sussex and their wider hinterland, in order to understand how these could affect the economic performance of the area and how this could change in the future.

c. Intervention options, implications and resources

- 2.12 From the review of key themes, the relevant intervention options, implications and resources have been identified. This involves describing potential economic growth ambitions for Greater Brighton and Coastal West Sussex and the priorities for action that might be required to deliver them. These relate to areas where there is a potential role for public sector intervention to address market failures or to leverage resources to help support sustainable growth, through to broader advocacy of an integrated approach to strategy on the economy, housing and transport.
- 2.13 An important consideration is that Greater Brighton and Coastal West Sussex do not function in isolation from surrounding areas, and these wider relationships are relevant to all of the economy, housing market and transport themes. It should therefore be noted that, while the analysis focuses on Greater Brighton and Coastal West Sussex, factors arising from adjoining areas will be also be relevant. This is particularly in the context of the future growth potential of areas including the Gatwick Diamond, South Hampshire and Greater London.
- 2.14 It should be noted that the evidence, analysis and implications set out within the three papers do not take account of any future decisions by national Government regarding a potential second runway at Gatwick Airport, a decision on which is currently anticipated in 2015.

Consultation and Engagement

- 2.15 Across each of the stages, consultation and engagement has been undertaken with a range of stakeholders from across Greater Brighton and Coastal West Sussex. Those consulted included relevant offices within each of the local authorities, including specialists within economic development, housing, planning policy and transport.
- 2.16 This consultation process was designed to ensure that each of the background papers benefited from access to latest evidence and data but also from qualitative inputs from relevant experts. Consultation took place through a number of formats, including presentations to Board and Officer Group meetings, roundtable discussions at a stakeholder workshop held in Worthing in February 2015, as well as some individual interviews. In addition, this work was coordinated through a Steering Group comprising representatives of the Economic Board and Strategic Planning Board.

3.0

Economic Growth and Sectors

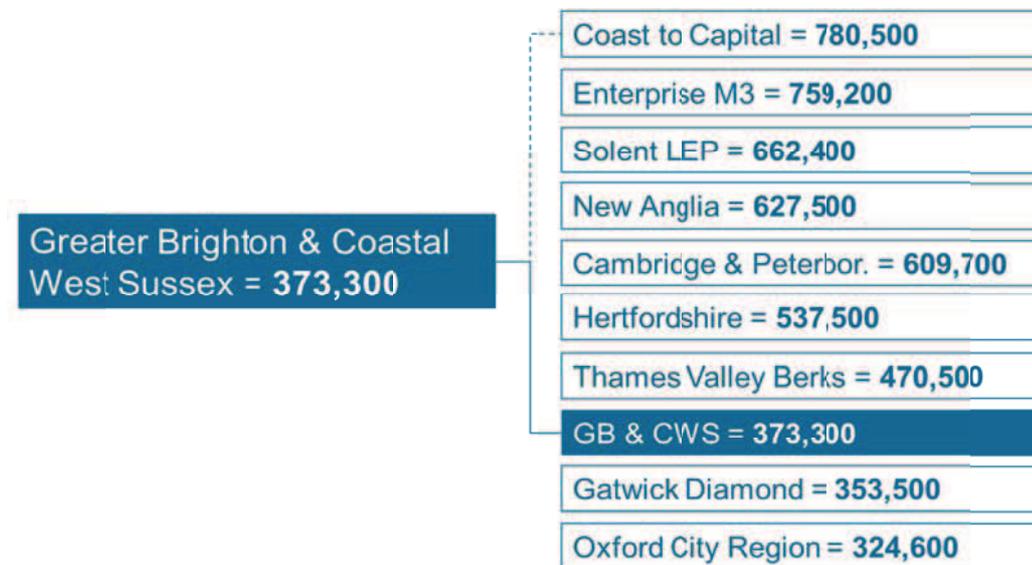
In order to understand the growth potential of the GBCWS economy, this section considers the scale of the area’s economy against comparator areas, recent and forecast trends in employment growth, and the degree of sector specialisation and growth potential that exists.

Comparative Economic Scale

3.1

In 2013, the Greater Brighton and Coastal West Sussex economy supported approximately 373,300 employee jobs, equivalent to almost 50% of all employee jobs within the Coast to Capital LEP area (i.e. which includes GBCWS) (Figure 3.1).

Figure 3.1 Size of Employee Base by Economic Area, 2013



Source: NOMIS / NLP analysis

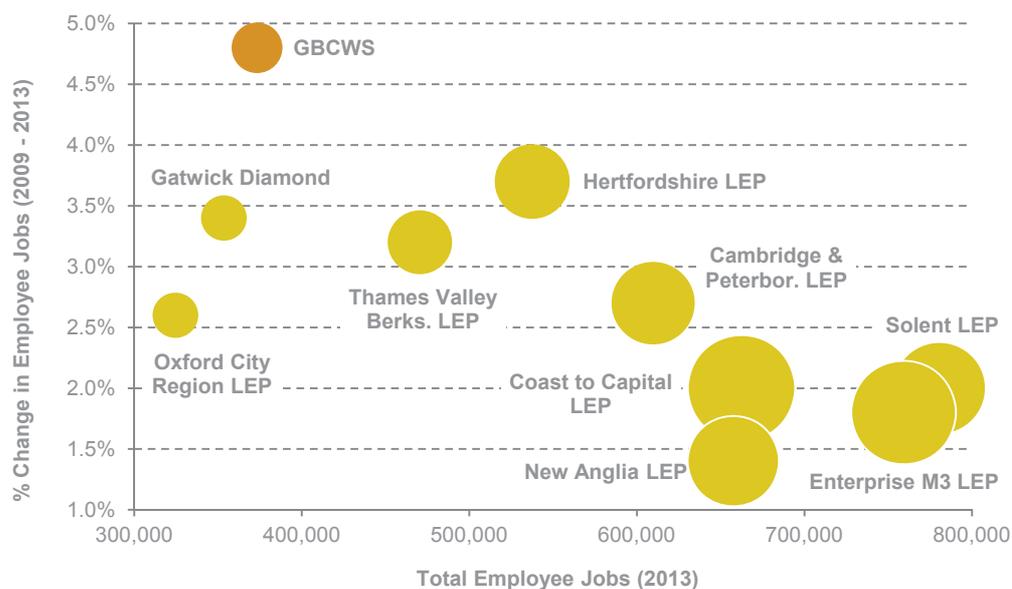
3.2

When compared with a range of other LEP areas positioned within the South East and East of England regions, it is apparent that the combined Greater Brighton and Coastal West Sussex area represents a sizeable economy. For example, the area has comparable job numbers to the Gatwick Diamond (353,500 jobs) and Oxfordshire LEP (324,600 jobs).

3.3

The area has also generated strong employment growth rates during recent years. Between 2009 and 2013, national statistics indicate that overall employee job growth in Greater Brighton and Coastal West Sussex equated to approximately 4.8%. Compared to other areas, GBCWS was one of the fast growing areas over this period (Figure 3.2).

Figure 3.2 Employment Scale and Growth for Comparator Areas / LEPs



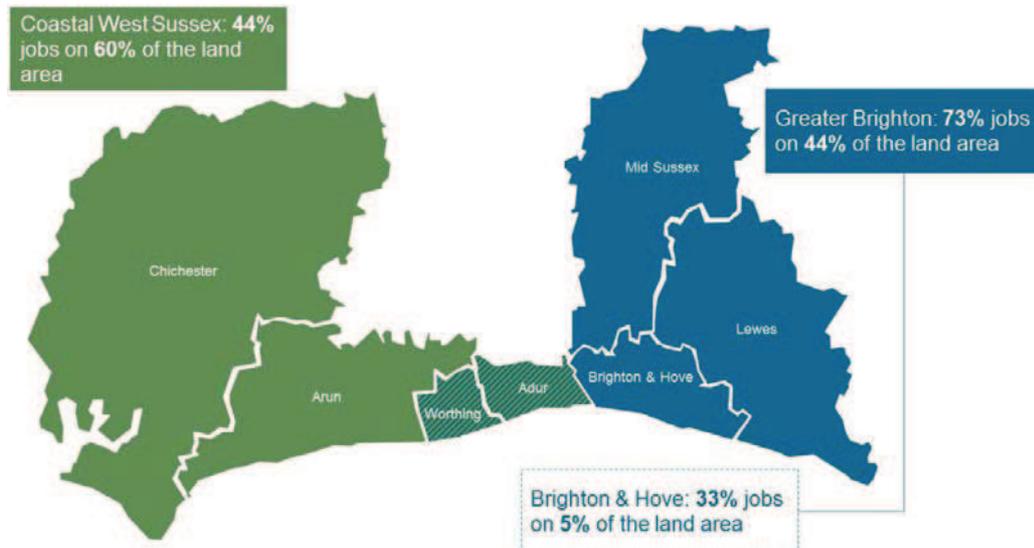
Source: ONS NOMIS / NLP analysis

Distribution of Employment

- 3.4 The majority of the economic activity undertaken within the sub-region is concentrated in a small number of locations, with Greater Brighton representing the key driver of economic growth. The economy of the area is also influenced by other growth locations, such as Crawley and the Gatwick Diamond more widely, as well as Greater London.
- 3.5 Latest available Experian data indicates that there were a total of 455,000 workforce jobs in Greater Brighton and Coastal West Sussex in 2014.⁵ Around 73% of these were within the 'Greater Brighton' area comprising the authorities of Adur, Brighton & Hove, Lewes, Mid Sussex and Worthing. More specifically within Greater Brighton, economic activities are highly concentrated within the local authority of Brighton & Hove (150,700 jobs) which alone accommodates a third of all workforce jobs within GBCWS. Coastal West Sussex (including Adur and Worthing) accommodated a total of 198,600 jobs in 2014 (Figure 3.3).

⁵ Experian produces detailed time-series data for the number of workforce jobs and economic output by local authority which are triangulated with reference to a range of ONS data sources, and therefore are not directly comparable to BRES data available via NOMIS.

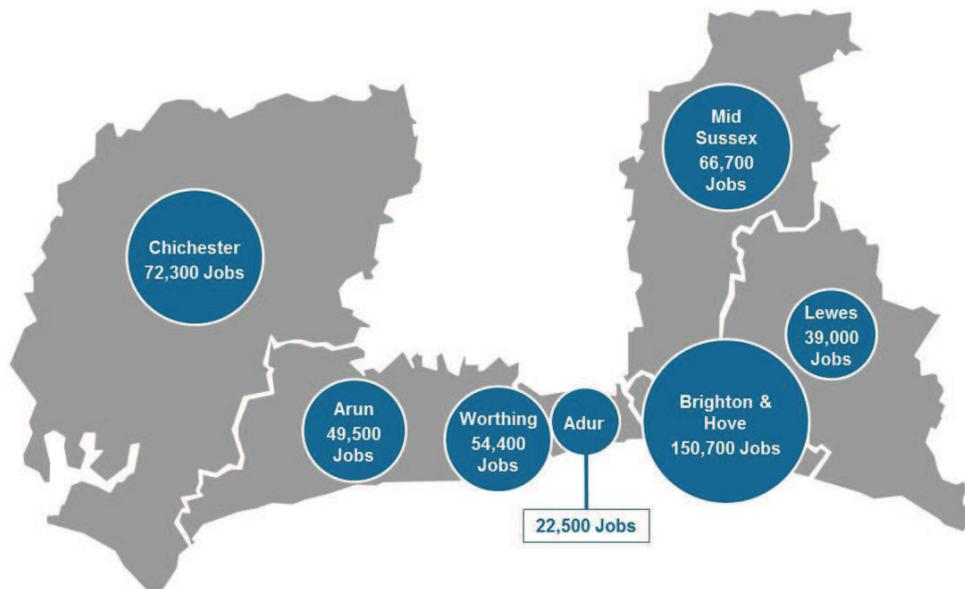
Figure 3.3 Employment Distribution across Greater Brighton and Coastal West Sussex, 2014



Source: Experian / NLP analysis

3.6 Brighton & Hove represents the largest economy in GBCWS with 150,700 jobs, over twice the size of Chichester which is the second largest economy with 72,300 jobs. Adur represents the smallest economy in employment terms with 22,500 workforce jobs (Figure 3.4).

Figure 3.4 Number of Workforce Jobs by Local Authority in GBCWS, 2014



Source: Experian / NLP analysis

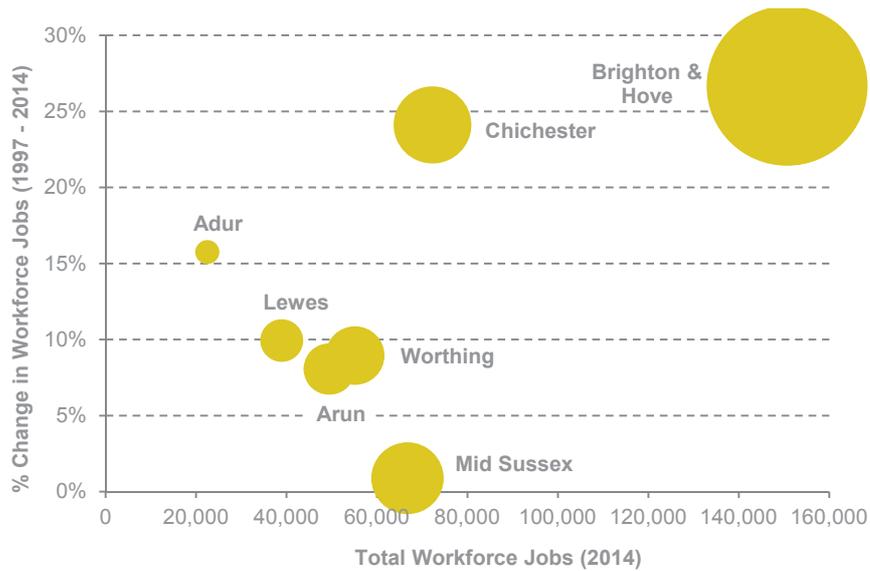
3.7 The distribution of economic activity is important given that the Greater Brighton area only accounts for about 44% of the total land area of Greater Brighton and Coastal West Sussex, which reiterates the fact that the majority of employment is spatially concentrated in a few key locations. Within this context, Brighton & Hove represents the most significant spatial concentration of employment within the Greater Brighton and Coastal West Sussex economy with around a third of all workforce jobs supported within 5% of the land area.

Employment Growth Trends

3.8

Between 1997 and 2014, total employment growth across Greater Brighton and Coastal West Sussex amounted to 60,400 jobs equivalent to 15% growth. The number of workforce jobs in Brighton & Hove increased by around 27%, which was the highest amongst all the authorities within the area, followed by Chichester (24%). Figure 3.5 highlights the role of Brighton & Hove and to a lesser extent Chichester as the largest and fastest growing economies within Greater Brighton and Coastal West Sussex respectively.

Figure 3.5 Employment Size and Growth by Local Authority, 1997-2014

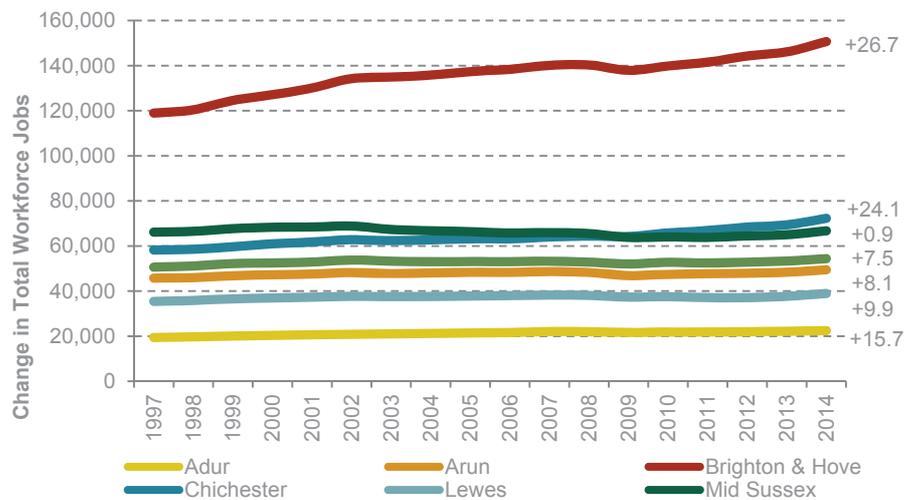


Source: Experian/NLP analysis

3.9

Figure 3.6 profiles employment change by local authority over the period since 1997. This indicates the profile of the increases in all authorities, but notably Brighton & Hove, Chichester and Adur in proportionate terms.

Figure 3.6 Employment Change by Local Authority, 1997-2014



Source: Experian/NLP analysis

- 3.10 The effect of these employment growth trends has been that the share of total jobs within Greater Brighton and Coastal West Sussex concentrated within the largest urban centres of Brighton & Hove and Chichester has increased over recent years (Table 3.1).

Table 3.1 Change in Proportion of Jobs Supported by Local Authority, 1997-2014

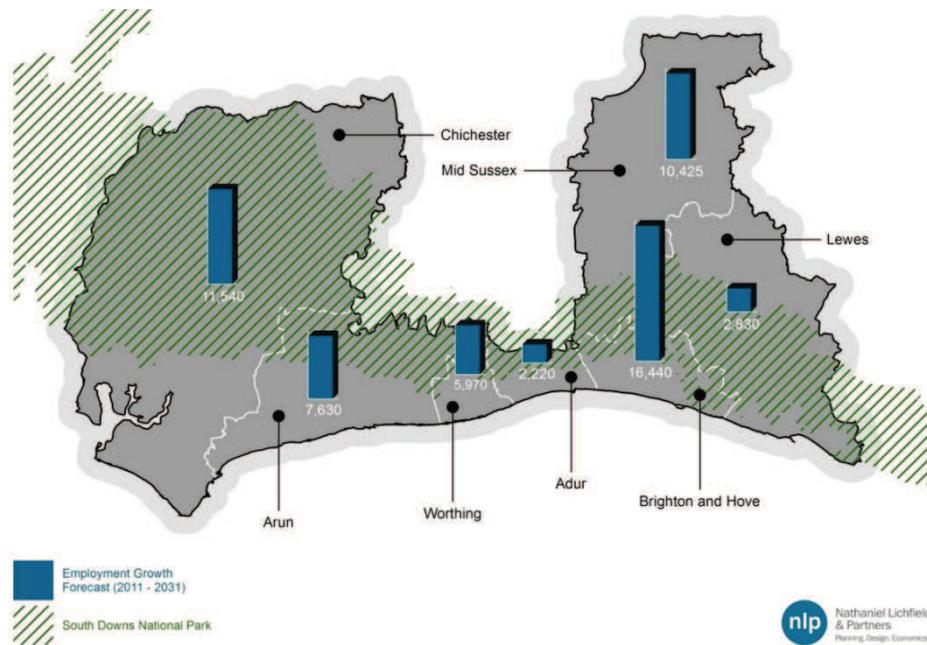
	% of Total Employment in GBCWS		Change in % Jobs Supported
	1997	2014	
Adur	4.9%	4.9%	0.0%
Arun	11.6%	10.9%	- 0.7%
Brighton & Hove	30.1%	33.1%	+ 3.0%
Chichester	14.8%	15.9%	+ 1.1%
Lewes	9.0%	8.6%	- 0.4%
Mid Sussex	16.8%	14.7%	- 2.1%
Worthing	12.8%	12.0%	- 0.9%

Source: Experian/NLP analysis

Employment Forecasts

- 3.11 Employment forecasts used to inform the respective Strategic Housing Market Assessments (SHMAs) for Greater Brighton and Coastal West Sussex indicate that Brighton & Hove and Chichester will remain important drivers of growth in the sub-regional economy. To some degree these forecasts reflect projections of population growth within each of the authorities, and therefore are affected by the extent to which housing delivery is able to meet demographic needs.
- 3.12 These forecasts estimate around 57,055 new jobs will be created across Greater Brighton and Coastal West Sussex by 2031, equivalent to about 2,850 jobs per annum. The largest increase is forecast for Brighton & Hove with 16,400 jobs (+29%), followed by Chichester with 11,500 jobs (+20%) and Mid Sussex with 10,435 jobs (+18%).
- 3.13 The forecasts imply total potential job growth for Greater Brighton up to 2031 of about 37,900 jobs, equivalent to 66% of the total forecast growth for the area. Forecast growth for Coastal West Sussex is 27,400 jobs if Adur and Worthing are included, or 19,200 jobs if only Arun and Chichester are considered.

Figure 3.7 Employment Growth Forecasts by Local Authority, 2011 - 2031



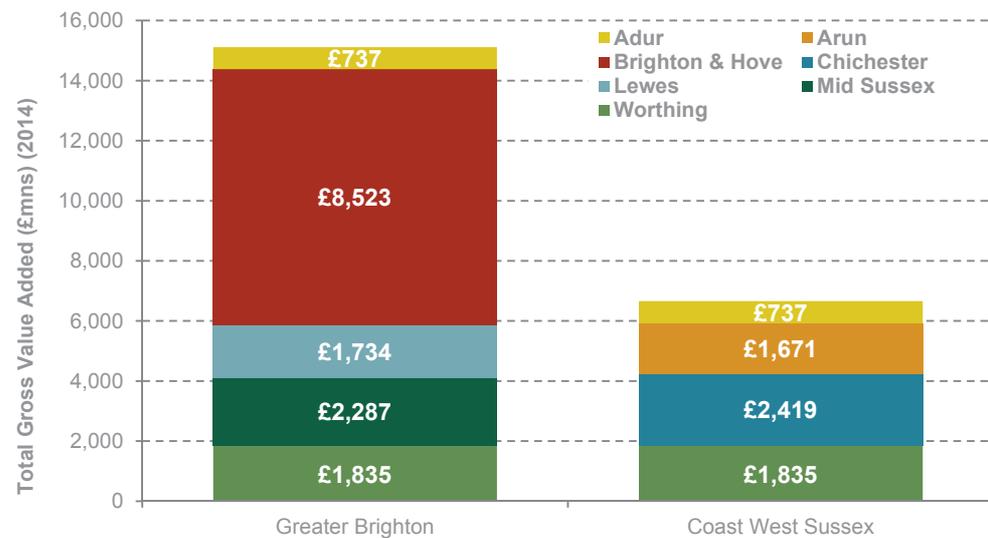
Source: Arun, Adur, Brighton & Hove, Chichester and Worthing forecasts for 2011 to 2031 from the Coastal West Sussex SHMA (2012), based on March 2012 Experian data. Lewes forecasts for 2012 to 2031 from the Lewes ELR Update (2012), based on Spring 2012 Experian data. Mid Sussex forecasts for 2011 to 2031 from the Northern West Sussex EGA (2014), based on May 2013 Experian data.

Economic Output

3.14

The total economic output measured in terms of Gross Value Added (GVA) of Greater Brighton and Coastal West Sussex in 2014 was £19.2 billion. As Figure 3.8 illustrates, the total output of Greater Brighton was £15.1bn, of which Brighton & Hove accounted for 55%. The total economic output for Coastal West Sussex was £6.7bn, of which 35% was generated by Chichester.

Figure 3.8 Total Gross Value Added by Local Authority ('000s), 2014

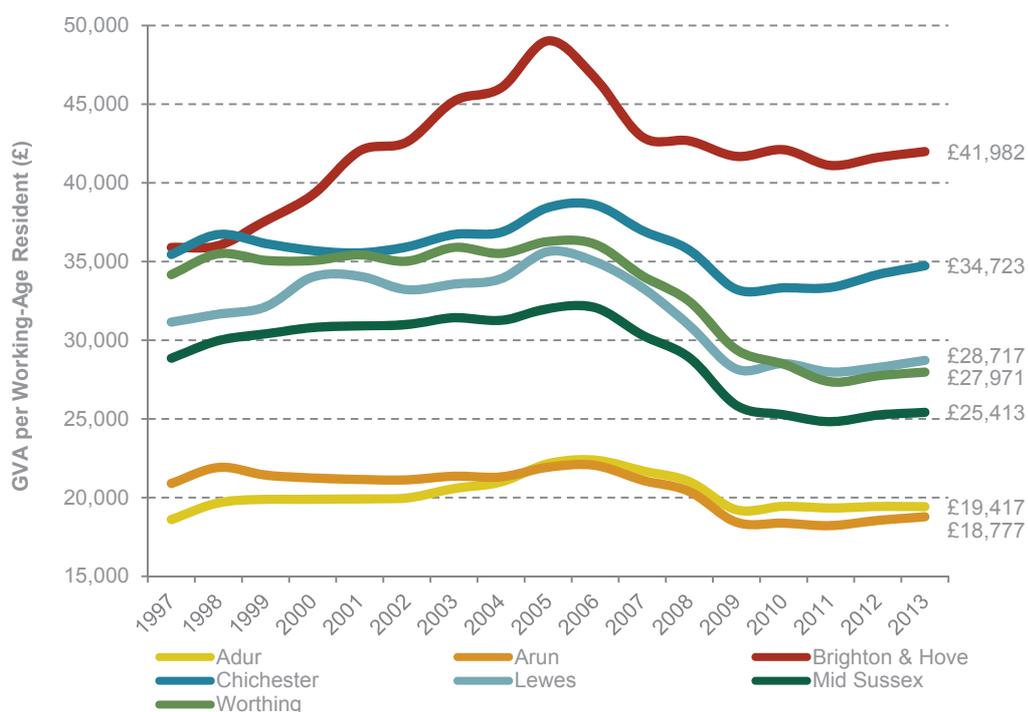


Source: Experian/NLP analysis

3.15 A related measure is the productivity of the economy, expressed as the amount of Gross Value Added generated per working-age resident as shown in Figure 3.9. This reveals a general trend of declining productivity since the recession which is in line with national trends.

3.16 Brighton & Hove has the highest GVA levels per worker and was on sharp upward trajectory until 2006/07, having been at a similar level to Chichester until 1999. Chichester has the second highest levels of output per worker, although in overall terms has not grown significantly since 1997. Lewes, Mid Sussex and Worthing all have similar levels of output, and all have declined over recent years. Adur and Arun have the lowest levels of output per worker and have followed a similar trend.

Figure 3.9 Gross Value Added per Working-Age Resident, 2014



Source: Experian/NLP analysis

Sectoral Composition

3.17 The Greater Brighton and Coastal West Sussex economy is recognised as supporting a diverse business base across a wide range of sector activities, with strong prospects to generate high levels of growth in the future.⁶

3.18 Table 3.2 overleaf provides an overview of the past and future projected growth levels for individual sectors for each local authority in terms of positive (green) or negative (red) growth or broadly no change (orange). In line with the overall employment growth trends and forecasts noted above, it is clear that Brighton & Hove and Chichester have the greatest share of sectors which have

⁶ CWS & GB Strategic Planning Board, CWS & GB Local Strategic Statement, October 2013

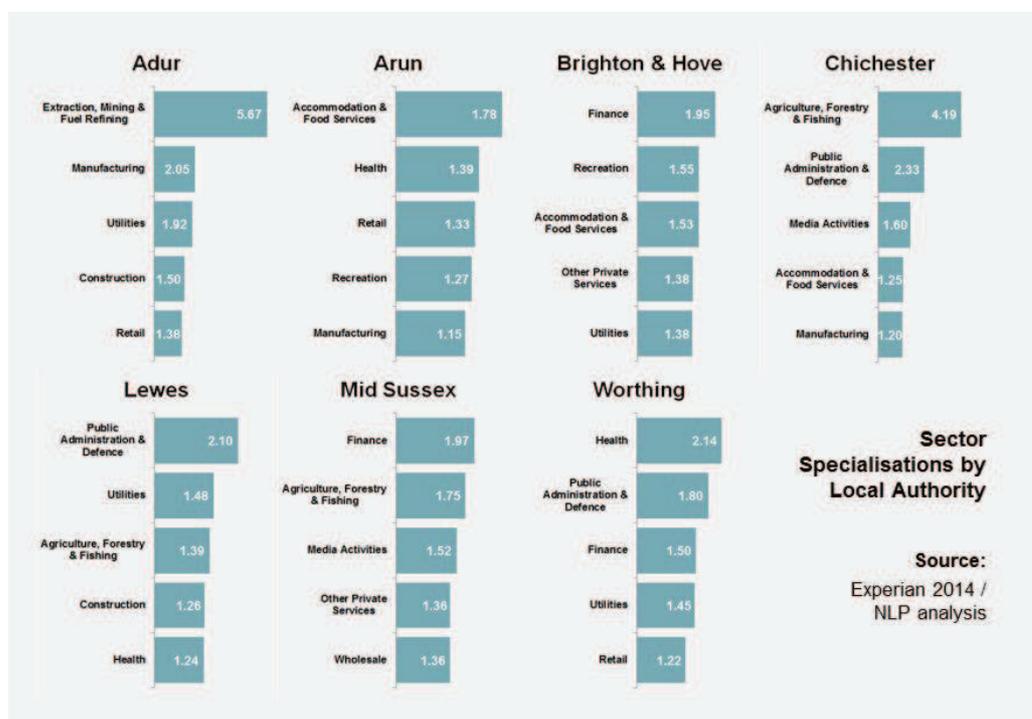
recorded past growth and also have identified future growth potential. In Adur and Arun there have been less significant fluctuations within individual sectors with many recording only limited change, whilst Mid Sussex and Worthing have the highest concentrations of declining sectors.

3.19 Some overarching trends can also be identified across individual sectors, for example manufacturing has declined and is forecast to decline further across GBCWS apart from Chichester. The growth of some sectors such as computing/IT and media activities is almost exclusively confined to the urban centres of Brighton & Hove and Chichester. The future outlook for employment growth in public services is limited in all locations.

Sector specialisation

3.20 Figure 3.10 shows how the sectoral composition of the each economy in the area differs with reference to the top five sectors.

Figure 3.10 Employment Location Quotients for Top 5 Sectors by Local Authority, 2014



Source: Experian/NLP analysis

3.21 This indicates specialisation in some higher value 'wealth-generating' sectors such as finance, private sector services and media, mainly limited to Brighton & Hove, Chichester, Mid Sussex and Worthing. Traditional industries such as agriculture, manufacturing, construction and extractive industries and utilities are also prevalent, notably in Adur, Lewes and Worthing. Beyond this, consumption-related local services such as public administration, health and retail also feature, particularly in Arun and Worthing. Accommodation and food services is over-represented in Arun, Brighton & Hove and Chichester linked to the visitor economy and the presence of the South Downs National Park.

Table 3.2 Historic and Forecast Employment Growth Levels by Sector, 1997-2031

	Adur		Arun		Brighton & Hove		Chichester		Lewes		Mid Sussex		Worthing	
	Past	Future	Past	Future	Past	Future	Past	Future	Past	Future	Past	Future	Past	Future
Administrative Services	▲	—	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲
Agriculture & Forestry	—	—	▲	▲	▲	▲	▲	▲	▲	—	▲	▲	—	—
Computing & IT Services	—	—	—	—	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲
Construction	▲	▲	▲	▲	▲	▲	▲	▲	▲	—	▲	▲	▲	—
Education	—	—	▲	▲	▲	—	▲	▲	▲	▲	▲	▲	▲	▲
Finance & Insurance	—	▲	—	▲	▲	▲	▲	▲	—	—	▲	▲	▲	▲
Health	▲	—	—	—	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲
Hospitality & Recreation	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲
Manufacturing	▲	—	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲
Media Activities	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Other Private Services	▲	—	—	—	—	—	—	—	—	—	—	—	—	—
Professional Services	▲	—	—	—	—	—	—	—	—	—	—	—	—	—
Public Services & Defence	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Real Estate	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Residential & Social Care	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Retail	▲	—	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲
Telecoms	—	—	—	—	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲
Wholesale & Transport	—	—	▲	—	▲	—	▲	▲	▲	—	▲	▲	▲	▲

Source: Experian/NLP analysis Note: Green = growth of more than 300 jobs, Red = decline of more than 300 jobs, Orange = change of less than 300 jobs

Summary

- 3.22 Greater Brighton and Coastal West Sussex is a significant economic entity, comprising 50% of jobs in the Coast to Capital LEP area and which supports comparable levels of employment to the Gatwick Diamond and Oxford City Region.
- 3.23 Within the area, there is a clear spatial concentration of economic activity within a small number of locations – notably Brighton & Hove which is twice the size of the second largest economy, Chichester. Greater Brighton also accounts for the largest share of economic output, of which Brighton & Hove alone contributes over half. The implication is that jobs and growth are currently focused on a relatively small part of the overall land area of GBCWS.
- 3.24 There has been significant employment growth within the area, largely driven by Brighton & Hove, Chichester and – to a lesser extent – Adur. Growth in the other authorities has been considerably less, and in overall terms the Mid Sussex economy has grown by less than 1% since 1997. The effect over time is that the share of total jobs within GBCWS concentrated in the urban centres of Brighton & Hove and Chichester has increased.
- 3.25 Looking ahead, employment forecasts indicate potential for 57,000 new jobs by 2031 across GBCWS, which in line with past trends will be mainly focused in Brighton & Hove and Chichester although all areas are expected to register net job gains. Some of this job growth will be driven by population growth and the demand for consumption-related activities and services that flow from this, so a relevant consideration to achieving these forecasts is the extent to which future increases in population can be accommodated.
- 3.26 The overall growth trends within GBCWS reflect the underlying economic fabric of the area in terms of the distribution of sectors. Brighton & Hove and Chichester have the greatest share of sectors which have recorded past growth and have identified future growth potential, notably in financial and business services, media and technology sectors. In Adur and Arun most sectors have been relatively stable, but overall there has been limited growth and some sectors (e.g. manufacturing) are forecast to decline. Mid Sussex and Worthing currently have the highest concentrations of sectors with forecast employment declines, notably administrative support services.
- 3.27 At the present time, specialisation in higher value ‘wealth-generating’ sectors such as finance, private sector services and media, appears to be mainly confined to Brighton & Hove, Chichester, Mid Sussex and Worthing, whilst outside of these areas there is more reliance on consumption-related local services such as public administration, health and retail which generally produce lower levels of economic output. This position, of course, does not preclude the potential for new sectoral strengths to be established. As might be expected in this location, visitor economy and rural sectors are also over-represented.

4.0

Access to Labour Force

This section explores the current labour force within Greater Brighton and Coastal West Sussex particularly how this relates to commuting flows within and outside of the area and relative skills levels in different locations.

Local Labour Force

4.1

The resident labour force in Greater Brighton and Coastal West Sussex is characterised by strong economic activity rates and low unemployment levels compared to the South East average. Table 4.1 shows that Arun, Chichester and Adur support the most economically active labour force, while Worthing, Lewes and Brighton & Hove display lower economic activity rates. In addition, Coastal West Sussex displays a lower overall unemployment level compared to Greater Brighton, with the higher unemployment rate in Brighton & Hove skewing the overall unemployment rate in the area.

Table 4.1 Summary of Key Labour Force Indicators by Local Authority in GBCWS

	Adur	Arun	Brighton & Hove	Chichester	Lewes	Mid Sussex	Worthing	Greater Brighton Average	Coastal West Sussex Average
Economic Activity Rate	84.5%	85.9%	79.8%	84.8%	79.7%	82.8%	73.1%	80.4%	82.2%
Unemployment Rate	5.0%	4.2%	6.2%	3.8%	5.0%	2.8%	5.5%	5.2%	4.5%
% Higher Skilled Occupations	36.4%	42.0%	61.0%	50.6%	53.2%	54.1%	48.9%	54.7%	45.2%

Source: NOMIS / Experian 2014 / NLP analysis

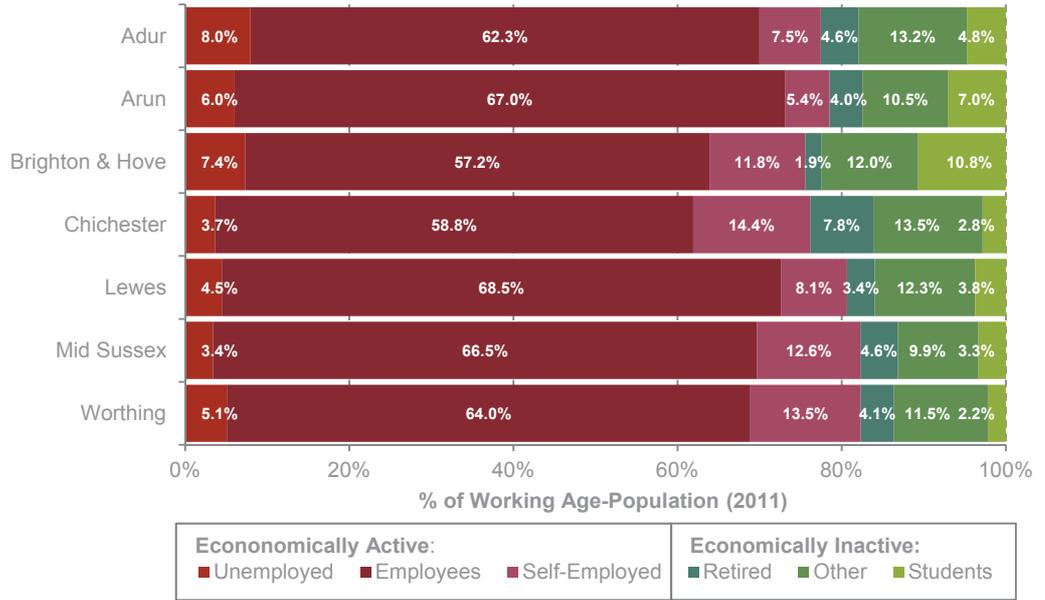
4.2

However the lower economic activity rate in Brighton & Hove partly reflects its significant student population, which as Figure 4.1 overleaf indicates represents around 10% of the local working-age population. While this group is considered to be economically inactive, in reality, they represent a potentially important driver to future growth in the economy, as they provide a key source of higher skilled workers to businesses if they can be retained locally. Arun also accommodates a high share of students, with 7% of the working-age population categorised in this group.

4.3

The breakdown of economically active and inactive working-age persons also highlights the fact that Chichester accommodates almost double the share of retired persons (i.e. early retirees under the age of 64) compared to any other authority in GBCWS, while Brighton & Hove supports a much smaller proportion of early retirees. In terms of employees and self-employed persons, Mid Sussex, Worthing and Lewes accommodate the highest share in GBCWS, while Brighton & Hove and Adur display the lowest proportion (Figure 4.1).

Figure 4.1 Breakdown of Economically Active and Inactive Working-Age Persons by Local Authority, 2011



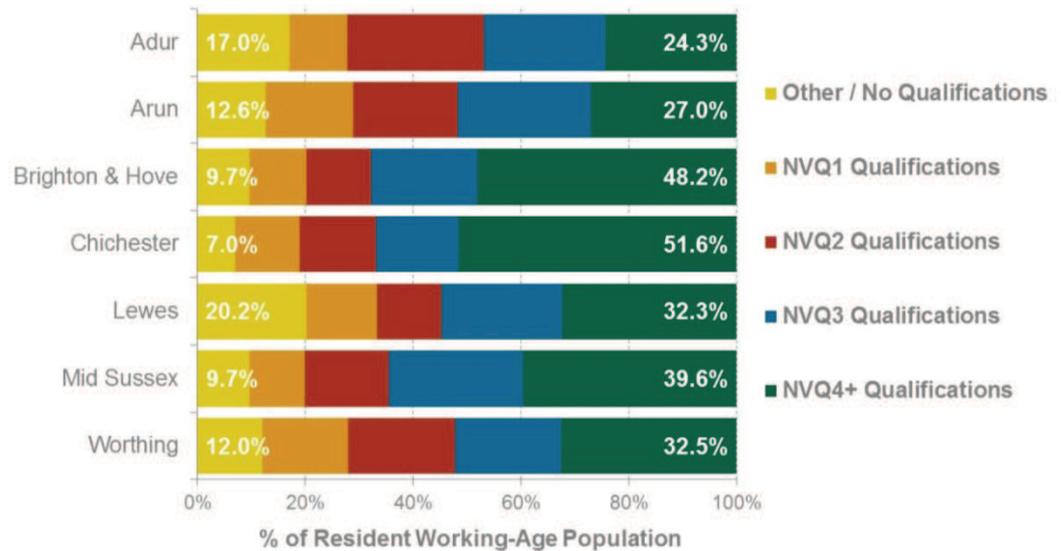
Source: ONS NOMIS / NLP analysis

Note: The 'other' economically inactive group includes persons looking after their family or home, temporary or long-term sick, and other persons discouraged to seek employment.

4.4

Table 4.1 also indicates a large share of the labour force in Greater Brighton and Coastal West Sussex are employed in higher skilled roles compared to the national average, although Coastal West Sussex does fall below the regional average. Brighton & Hove has the largest share of workers employed in higher skilled occupations, while Adur has the smallest share by a significant margin. In addition, Figure 4.2 shows that Brighton & Hove and Chichester support the most qualified working-age population in GBCWS while Lewes and Adur have the largest share of working-age persons that have attained no qualification or other types of qualifications.

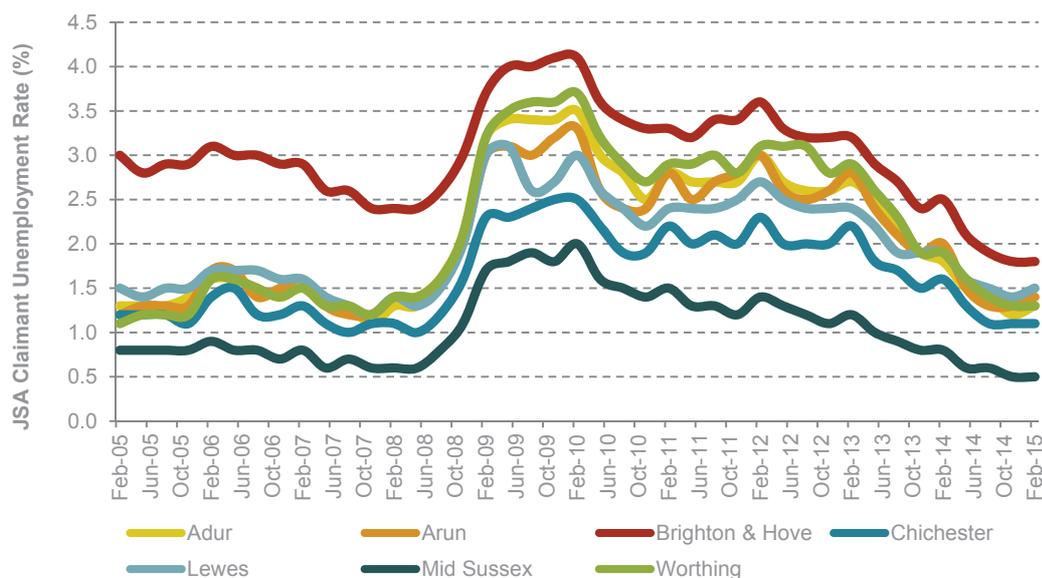
Figure 4.2 Breakdown of Qualification Attainment by Local Authority, 2014



Source: ONS NOMIS / NLP analysis

- 4.5 Historic trends in unemployment levels in GBCWS can also be considered in terms of Job Seekers Allowance (JSA) claimants. Figure 4.3 illustrates that Brighton & Hove has historically displayed the highest level of JSA claimant levels, but since 2008 has closed the gap with most of the other authorities in the area, which may reflect the economic recession having a greater impact on other local economies. In February 2015, the majority of the authorities in GBCWS had a JSA claimant rate between 1.1% and 1.5%, while Mid Sussex continued to record much lower JSA claimant rates in comparison.

Figure 4.3 Change in JSA Claimant Levels by Local Authority, 2005 - 2015



Source: ONS NOMIS / NLP analysis

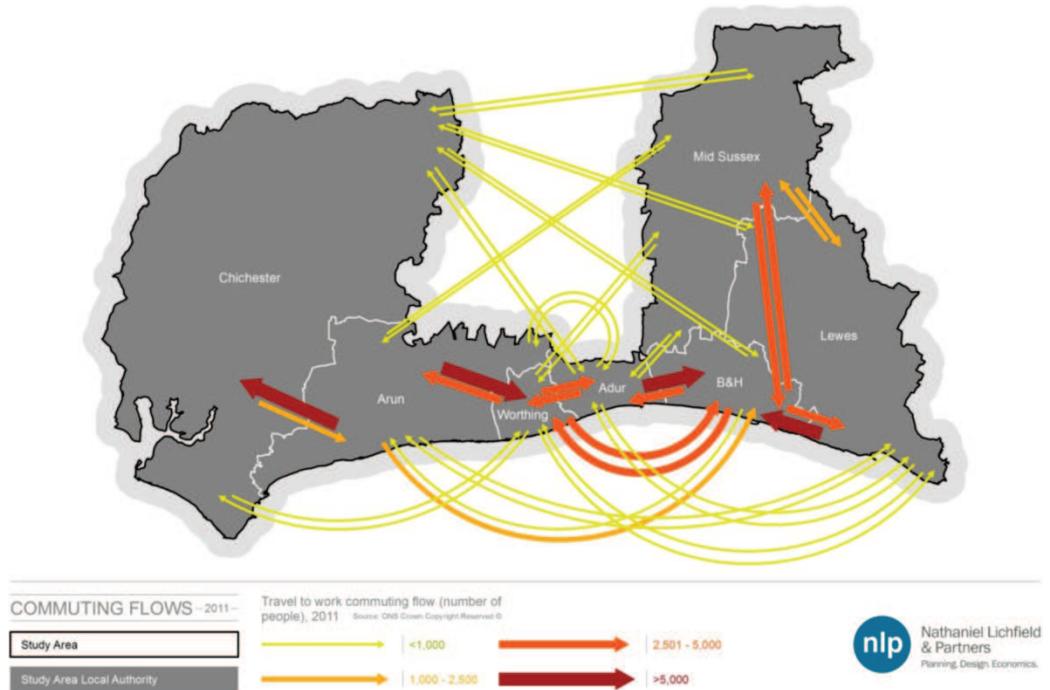
- 4.6 Overall the resident labour force in Greater Brighton and Coastal West Sussex is characterised by strong economic activity rates, low unemployment levels, and relatively higher skilled workers compared with regional and national rates. In particular, the local labour force in Brighton & Hove and Chichester support a large share of higher skilled workers. However parts of Coastal West Sussex (i.e. Arun and Adur) do show some current deficiency in terms of the skill levels of their labour force which may impact the ability of local population to access higher value jobs and/or the relative attractiveness of these locations for growth sectors.

Internal Commuting Flows

- 4.7 The internal commuting patterns in GBCWS will be primarily influenced by the spatial connections between different parts of the area, as well any mismatch between demand and supply for employment in an economy, which could drive workers to seek employment opportunities outside the local area.
- 4.8 Drawing upon 2011 Census data, the most significant internal commuting flows are identified as involving Brighton & Hove, which represents the largest and most diverse employment base in GBCWS. Figure 4.4 shows Brighton & Hove attracts a large volume of commuting workers from the surrounding authorities

of Adur, Lewes, Mid Sussex and Worthing, which help to support the labour supply requirements of businesses in Brighton & Hove. Other major commuting flows are from Arun to Chichester and Arun to Worthing, while there are notably limited commuting journeys between Brighton & Hove and Chichester which is likely to be due to the relative distance and journey times (by both road and rail) between the two areas.

Figure 4.4 Internal Commuting Flows in GBCWS, 2011

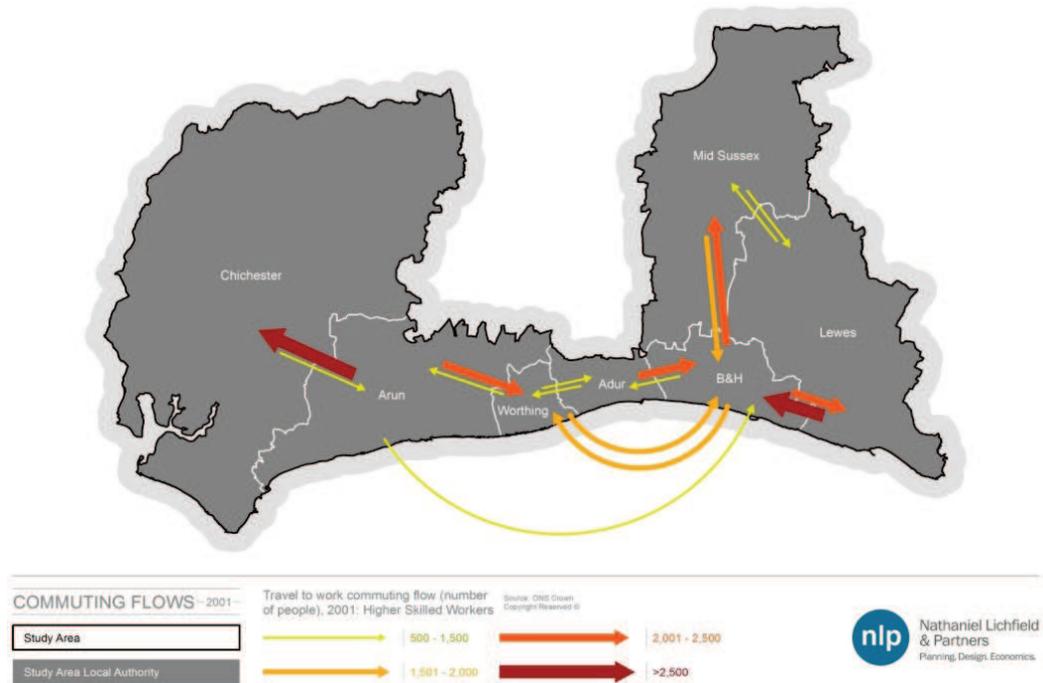


Source: Census 2011 / NLP analysis

4.9

A key factor that influences the internal commuting relationships in GBCWS is the movement of higher skilled workers, which have more incentive to travel outside their local area to gain suitable employment roles. As shown in Figure 4.5, the higher value industries supported in Brighton & Hove and Chichester correlate with a large volume of higher skilled workers commuting into these authorities for their employment from surrounding areas.

Figure 4.5 Internal Commuting Flows of Higher Skilled Workers in GBCWS, 2001*



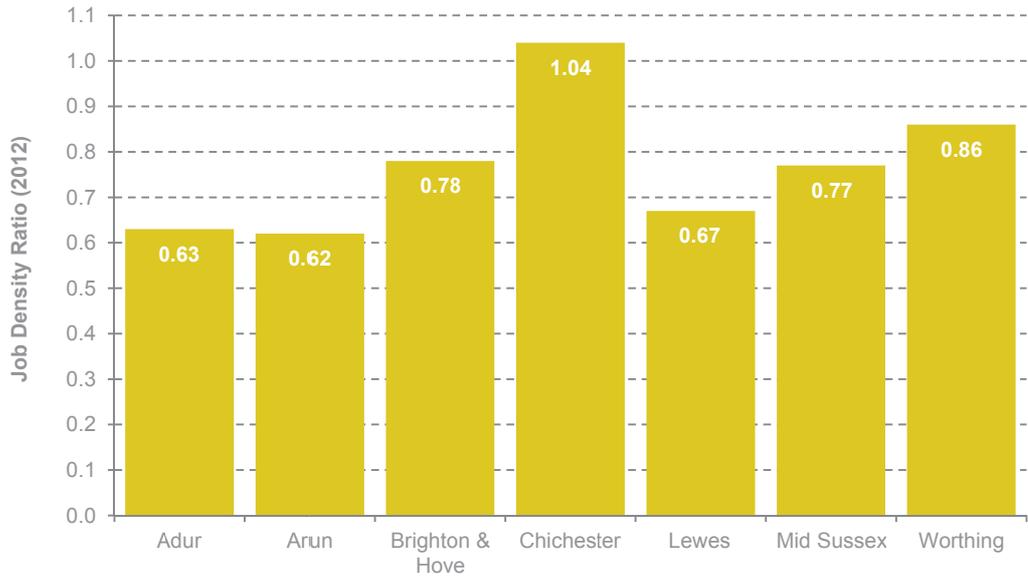
Source: Census 2001 / NLP analysis

* Note: 2011 Census commuting data by occupation group has not yet been released

Levels of Self-Containment

- 4.10 While a number of factors will play a role in influencing the commuting trends in Greater Brighton and Coastal West Sussex, one factor relates to the imbalance between the demand and supply of employment in an economy. In essence, if the number and types of jobs within a particular area do not match those demanded by local persons; resident workers will seek other roles outside the local area which will ultimately increase commuting flows. However, the reality of a functioning labour market is that there will always be some degree of commuting.
- 4.11 In this context a useful analysis is to consider the number of jobs supported in an economy per working-age person, in order to determine the extent to which there is a local supply of jobs to meet demand from workers (albeit based on administrative boundaries which do not necessarily correlate to functional labour markets). Figure 4.6 illustrates that Chichester (i.e. which has more than 1 job per working-age person), Worthing and Brighton & Hove have the highest job density ratios, while Arun, Adur and Lewes have the lowest ratios.

Figure 4.6 Job Density Ratios by Local Authority, 2012

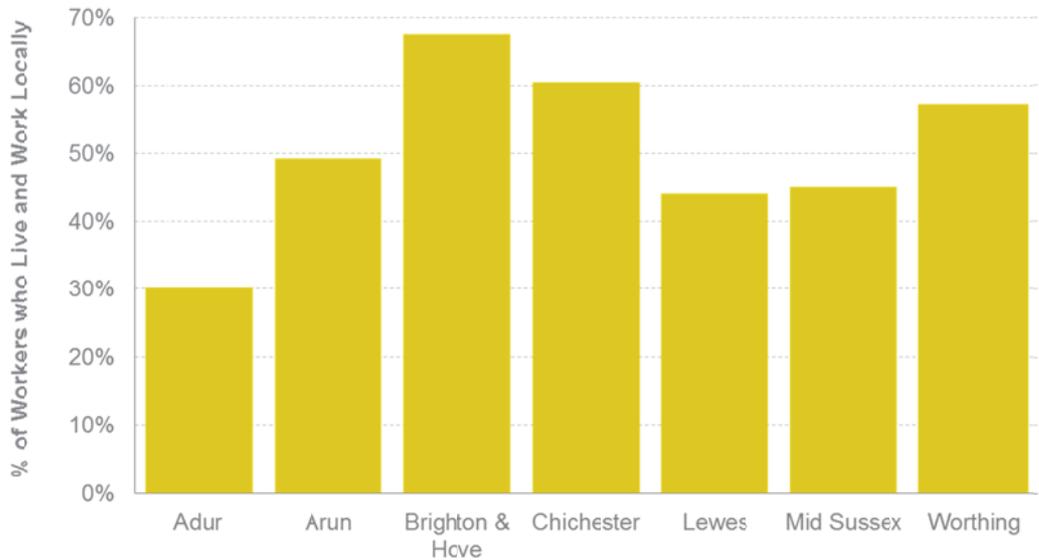


Source: ONS NOMIS / NLP analysis

4.12 The rate of self-containment relates to the share of workers who both live and work in the same local authority. Generally, larger local economies display higher self-containment rates as they can support a more diverse employment base that can meet the needs of a wider range of local workers. This is evident in GBCWS where both Brighton & Hove and Chichester display self-containment levels in excess of 60%, while it is also notable that Worthing has a self-containment rate greater than 50% given its smaller scale (Figure 4.7).

4.13 By contrast, the local authority areas of Adur, Lewes and Mid Sussex display the lowest self-containment rates in GBCWS, suggesting a higher proportion of their working residents travelled to other authority areas for their employment.

Figure 4.7 Self-Containment Levels by Local Authority in Greater Brighton and Coastal West Sussex, 2011



Source: Census 2011 / NLP analysis

4.14 The three local authorities that display the highest job density ratio also have the highest self-containment rates, which underlines the range of jobs available. The reverse trend is also evident in Adur and Lewes where the lower job density ratios also correspond with lower self-containment rates. However it should be noted that job density ratios are only one factor influencing commuting patterns, as shown by Arun that displays the lowest job density ratio in GBCWS but still has relatively high self-containment levels.

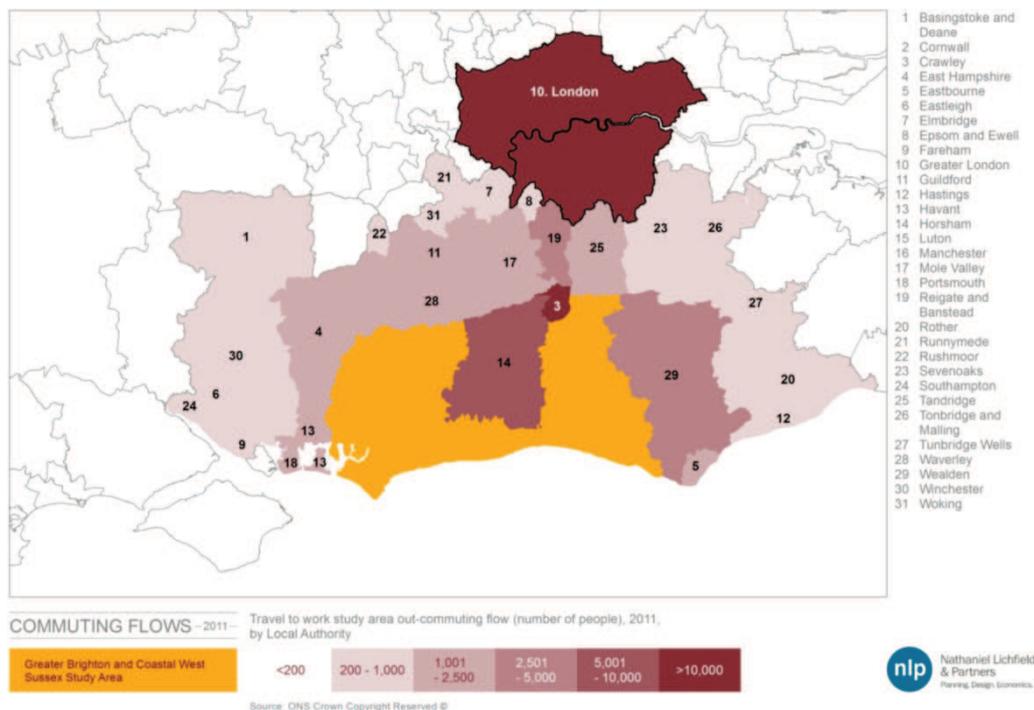
4.15 Overall, the level of self-containment within Greater Brighton and Coastal West Sussex equates to around 75%, meaning only 25% of local workers commute outside the area for employment. The self-containment rate in Greater Brighton is also estimated at around 73%, while the level of self-containment in Coastal West Sussex is slightly lower at approximately 71%.

External Commuting Flows

4.16 While the strongest flow of workers is generally undertaken between the local authorities forming GBCWS (i.e. evidenced by high self-containment rates), the commuting flow of workers in and out of GBCWS is also relatively significant. Drawing on 2011 Census data, it is possible to investigate commuting patterns relating to the volume of workers entering and exiting GBCWS for employment.

4.17 About 86,660 workers or 25% of the total living in GBCWS commuted outside the area for their employment in 2011. The most significant outflow of workers were to Greater London and Crawley, which accounted for nearly half of all out-commuting workers, while Horsham and Wealden were also relatively popular commuting destinations (Figure 4.8).

Figure 4.8 Out-Commuting Flows from Greater Brighton and Coastal West Sussex, 2011

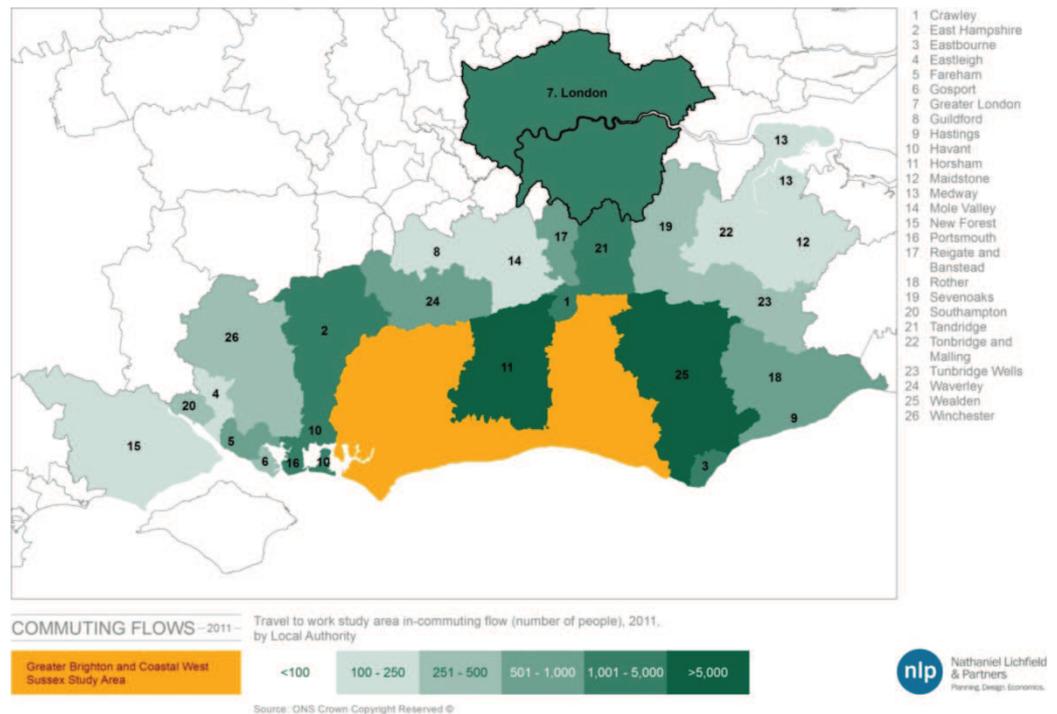


Source: Census 2011 / NLP analysis

4.18

At the same time a large flow of workers travelled to GBCWS for employment in 2011. These flows totalled 46,750 workers, equivalent to 15% of workplace jobs in the GBCWS. The largest inflow of workers came from the adjoining authorities of Horsham and Wealden. However in contrast to the concentrated outflow of workers to Greater London and Crawley, the inflow of workers into GBCWS came from a more widespread area across the surrounding region (Figure 4.9). This points towards the significance of Greater Brighton and Coastal West Sussex in offering a broad employment base that is attractive to a wide labour catchment market, especially Brighton & Hove and Chichester.

Figure 4.9 In-Commuting Flows to the City Region, 2011



Source: Census 2011 / NLP analysis

4.19

On balance, GBCWS can be characterised as a net exporter of labour with a large net outflow of around 39,900 workers.⁷ However the significant outflow of workers from the area should also be considered in the context of an overall self-containment rate of 75% (see description of self-containment rates above), which indicates the majority of workers live and work locally within GBCWS.

4.20

However an important feature of the commuting patterns for GBCWS is that it is a significant net exporter of higher skilled workers out of the region, with a net outflow of around 27,210 higher skilled workers in 2011. This outflow equated to around 30% of all higher skilled workers residing in GBCWS, with Greater London drawing the highest proportion of higher skilled workers from GBCWS (i.e. supporting the employment requirements of around 10% of higher skilled residing in GBCWS).

⁷ The net outflow of workers from the GBCWS economy is based on 86,660 resident workers travelling outside the area for their employment, and 46,750 workers travelling into the area for their employment.

- 4.21 By contrast only around 13% of all lower skilled workers residing in GBCWS commuted outside the area for employment in 2011, including just 1% of lower skilled workers commuting to Greater London. The more localised commuting patterns for lower skilled workers reflects the reduced capability and incentives of these workers to incur high travel costs to access employment opportunities outside their local economy.

Summary

- 4.22 The resident labour force supporting the business base in GBCWS is largely characterised by strong economic activity rates and low unemployment trends when compared with regional and national levels (i.e. with Worthing being the main exception in terms of economic activity). While Coastal West Sussex displays slightly higher economic activity rates, this is in part due to the lower economic activity rate in Brighton & Hove, which is influenced by its sizeable student population.
- 4.23 The workforce skills profile in Greater Brighton and Coastal West Sussex is also relatively strong. A large share of the resident labour force is employed in higher skilled roles, with Brighton & Hove, Lewes and Chichester supporting the largest proportions. In contrast, Adur and Arun have the lowest proportion of workers in higher skilled roles, which also correspond to these authorities having the lowest NVQ4 and above qualification attainment. These factors suggest parts of Coastal West Sussex have a current deficiency in labour skill levels.
- 4.24 Given the fact that higher skilled workers are more likely to commute outside their local economy to find appropriate employment, it is not surprising that Brighton & Hove and Chichester attract the largest flows of workers from the surrounding authorities in GBCWS. These local economies provide the largest and most diverse employment base to workers in the area, and therefore draw a significant share of higher skilled workers from surrounding local authorities. These commuting workers help to support the labour supply requirements of these larger economies in GBCWS.
- 4.25 In addition to this, Chichester and Brighton & Hove, alongside Worthing, have the highest self-containment levels (i.e. relating to the share of workers who both live and work in the same local authority) within GBCWS, whilst Arun and Lewes have the lowest self-containment levels. These respective self-containment levels reflect the job density ratio (i.e. number of workforce jobs provided per working-age person) in each authority, with Chichester, Brighton & Hove and Worthing providing enough jobs to reduce the share of local workers that need to commute outside the area for their employment.
- 4.26 Overall, the self-containment level in GBCWS equates to around 75%, which means around 25% of resident workers commute outside the area for work. In addition, Greater Brighton has a self-containment level of 73% and Coastal West Sussex has a self-containment level of 71%.

4.27

An important commuting pattern for GBCWS also relates to the area being a large net exporter of labour, with a net outflow of approximately 39,000 workers in 2011. While this pattern should be considered in the context of its high self-containment levels, the retention or attraction of a higher number of workers to the area would increase the available labour supply and provide better support to local businesses. In particular, GBCWS should seek to retain a higher share of its higher skilled workers, with around 30% of all higher skilled workers in the area commuting outside the area for employment.

5.0

Provision of Employment Space

This section considers the capacity for growth, both in terms of the existing profile of employment space within Greater Brighton and Coastal West Sussex and additional provision planned within the area.

5.1

The analysis below reviews the supply of office, industrial and warehousing space across GBCWS, which are defined as 'B-class' uses in planning terms. There are however other sources of employment in the economy which do not typically occupy B-class space, for example retail, health and education.

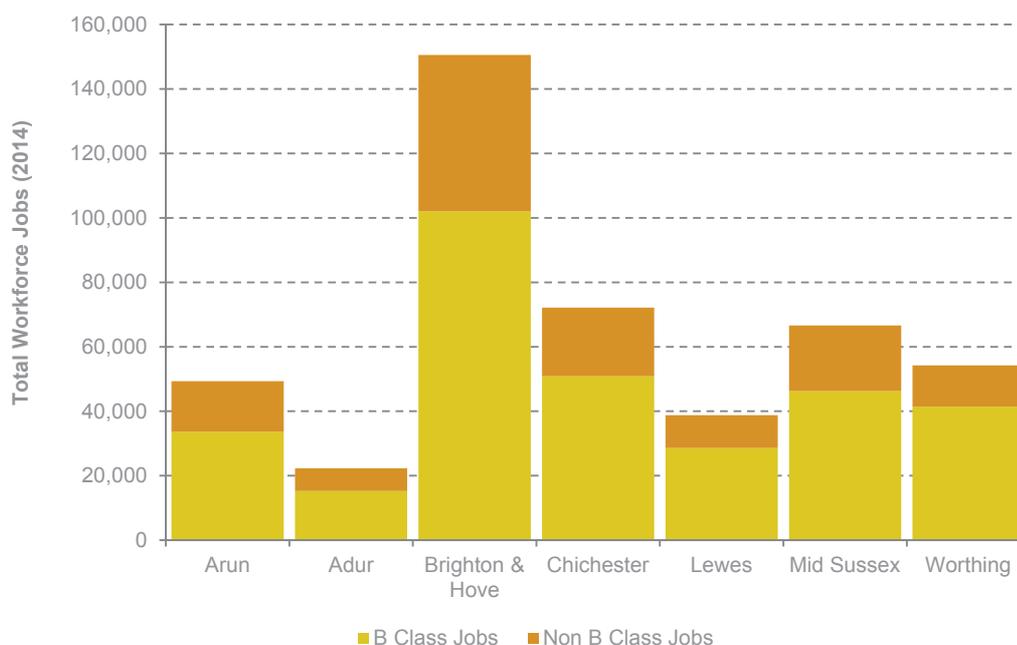
5.2

The split of employment between B class and non B class sectors in GBCWS indicates approximately 70% of jobs are in B class sectors (i.e. sector activities undertaken in office (B1a/b), industrial (B1c/B2) and warehousing (B8) space) and 30% are in non B class sectors. This employment split is also evident in Greater Brighton and Coastal West Sussex respectively, although there is a slightly higher share of B-class jobs in Coastal West Sussex.

5.3

In proportionate terms, Worthing (76%) and Lewes (74%) support the highest share of their total jobs in B class sector activities, indicating a tendency towards office and industrial-based employment in the economy. In contrast, Brighton & Hove has the smallest proportion of their total jobs accommodated in B class sector activities, with approximately 32% of jobs classified as non B class jobs. This reflects the significant number of workforce jobs in Brighton & Hove that are supported in hospitality, recreation, retail, education, health and public services, which are all largely categorised as non B class sectors.

Figure 5.1 Breakdown of B Class and Non B Class Jobs by Local Authority, 2014

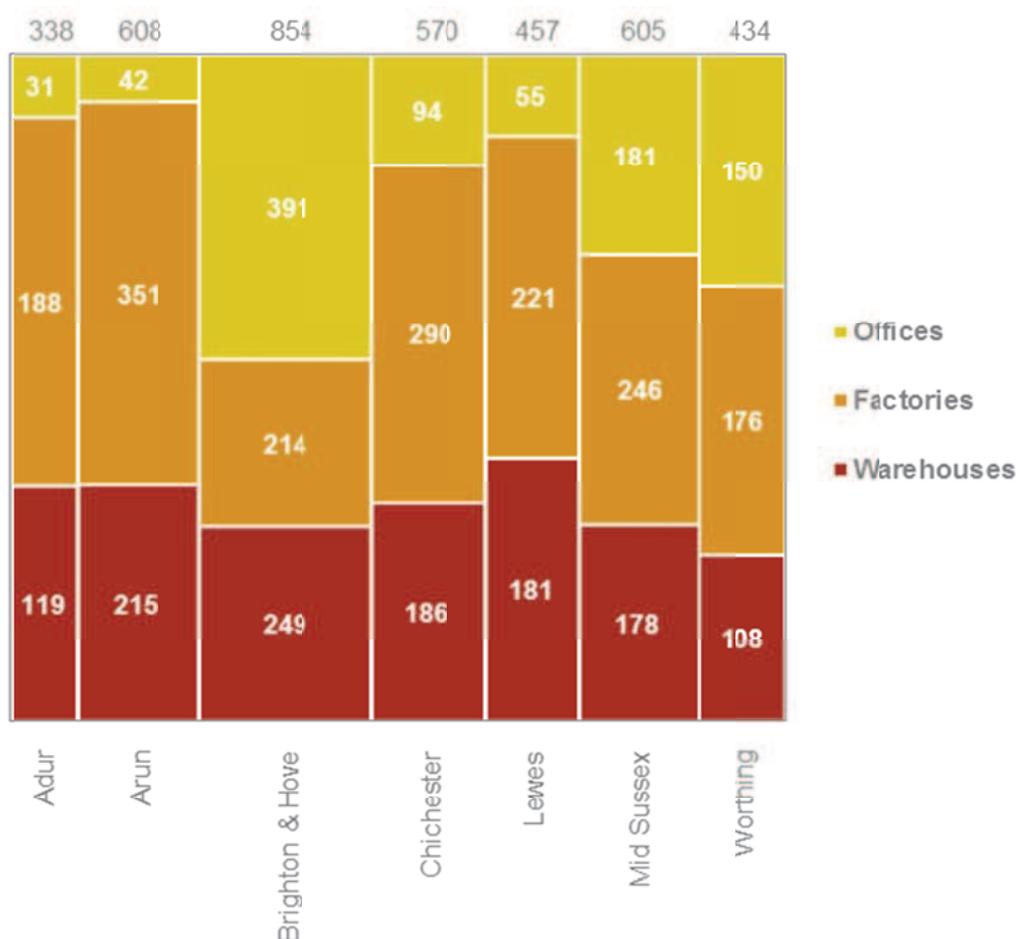


Source: Experian / NLP analysis

Existing Supply of Employment Space

- 5.4 In 2012, around 3,817,000sq.m of B class employment floorspace (i.e. offices, factories and warehouses) existed in GBCWS. The largest stock of space was in Brighton & Hove, which accounted for around 22% of total space in the area, followed by Mid Sussex (16%), Chichester (15%) and Arun (15%).
- 5.5 Based on 2008 VOA data, Brighton & Hove is by far the largest office centre in GBCWS with over 40% of the total stock of office accommodation, while Mid Sussex and Worthing are the next largest office centres in terms of space. (Figure 5.2). This highlights the fact Greater Brighton accounts for around 85% of the area's office space, and the comparatively minor role of Coastal West Sussex in office market terms (i.e. even in terms of Chichester).

Figure 5.2 Profile of Employment Floorspace by Local Authority, 2008



Source: Valuation Office Agency/NLP analysis Note: employment floorspace figures are shown in 000s

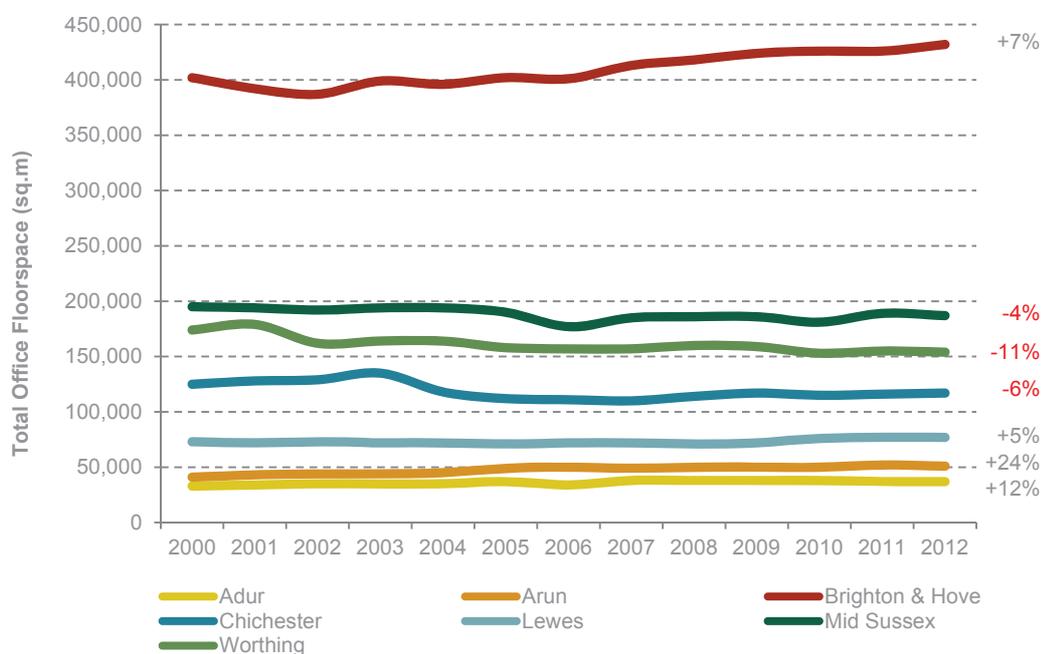
- 5.6 By contrast, Greater Brighton accounts for about 65% of the area's total supply of factory and warehousing (i.e. industrial) space. The largest stock of industrial space is within Arun and Chichester, both within Coastal West Sussex; together these areas account for over a third of the area's total stock of industrial space.

Changes in Stock of Space

5.7

Examining recent trends in the total stock of office space by local authority in GBCWS indicates that Brighton & Hove has seen the largest absolute growth in stock between 2000 and 2012, with 30,000sq.m (7.5%) of additional space developed over this period. Growth in office space in Arun (10,000sq.m), Adur (4,000sq.m) and Lewes (4,000sq.m) was also relatively strong over this period, although the scale of the total office stock in these authorities is considerably smaller in comparison to Brighton & Hove. Office accommodation in Chichester, Mid Sussex and Worthing has all declined since 2000 (Figure 5.3). This data does not include the period since 2013 when Permitted Development Rights for offices to residential were introduced, and therefore the rate of office space losses may have increased.

Figure 5.3 Change in Office Floorspace by Local Authority, 2000 - 2012

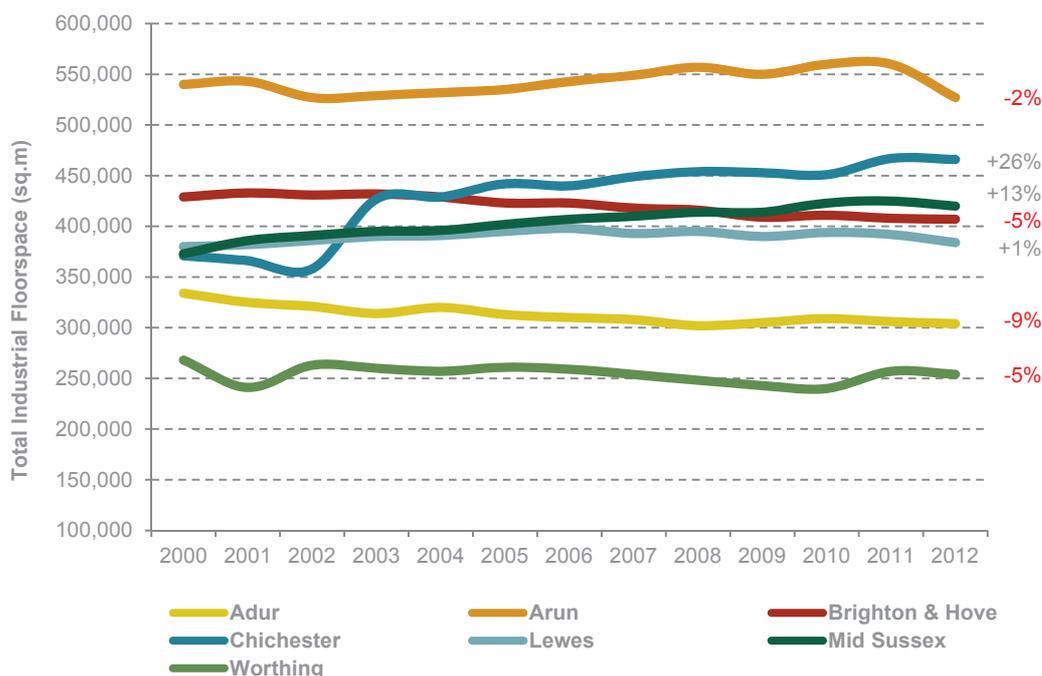


Source: Valuation Office Agency/NLP analysis

5.8

Figure 5.4 illustrates the change in industrial space in each of the authorities between 2000 and 2012. The most significant increase in industrial space during this period was in Chichester, where an additional 95,000sq.m, or (26%), of industrial space was developed. This was around double the amount of industrial space developed in any other local authority in GBCWS during this period, with Mid Sussex increasing its stock by around 47,000sq.m, or (13%). In contrast, most of the other authorities in the area recorded industrial space losses over this period, including in Adur, Arun, Brighton & Hove and Worthing, while Lewes did not see much change in its level of industrial stock.

Figure 5.4 Change in Industrial Floorspace by Local Authority, 2000 - 2012



Source: Valuation Office Agency / NLP analysis

Planned Employment Land Supply

5.9 The Coast to Capital LEP Strategic Economic Plan (SEP) (2014) identifies a number of strategic employment sites across Greater Brighton and Coastal West Sussex that will be the principal focus for employment development within the area. It should be noted that these strategic sites do not comprise the entire potential supply of employment land within GBCWS.

5.10 They are not homogeneous in nature and include a mix of strategic corridors and areas, city areas, strategic sites or locations, and a proposed Enterprise Zone (at Newhaven). These sites are identified as having capacity for about 670,000sq.m of employment space across Greater Brighton and Coastal West Sussex. While the identified strategic sites do comprise a small number of smaller sites, such as Worthing Growth Hub (1,650sq.m) and Brighton Marina (2,000sq.m), the majority of the sites will provide employment space in excess of 100,000sq.m (Figure 5.3).

Figure 5.5 Strategic Employment Sites in GBCWS



Source: Coast to Capital LEP SEP (2014) / NLP analysis

- 5.11 It is notable that the majority of the strategic sites identified as important growth locations within Greater Brighton and Coastal West Sussex are also located outside the primary areas of existing economic activity, with the exception being the strategic sites proposed to come forward in Brighton & Hove. The majority of the strategic sites are located within periphery areas to these main economic areas, such as Shoreham in Adur and Bognor Regis in Arun, which could be a consequence of a scarcity of available land for strategic developments in existing areas of economic activity.
- 5.12 In any case, the development of strategic employment sites across the area will provide opportunities for employment growth to be more evenly spread across the sub-regional economy, and offer a range of local economies the opportunity to accommodate and cultivate their local business base and sector advantages. With this in mind, the timing of delivery and type of employment space developed at each of the strategic sites need to meet local business requirements to have the greatest impact.
- 5.13 In reviewing the pipeline of employment space within Greater Brighton and Coastal West Sussex it is apparent that there is a 'missing middle' in the supply of employment land, with sites either supporting relatively small-scale space or large strategic space. In order for the area to retain businesses within the area, it will be important to ensure that suitable employment space is provided that would support the growth needs of small-to-medium sized businesses that have outgrown small commercial units, but do not require large-scale strategic sites to support their space needs.

Summary

- 5.14 Latest available data indicates that in 2012 there was about 3.8 million sq.m of office, industrial and warehousing space within GBCWS. The largest stock of

space is within Brighton & Hove which accounts for about 22% of the total, followed by Mid Sussex (16%), Chichester (15%) and Arun (15%).

- 5.15 Brighton & Hove is the largest office centre, comprising 40% of the total stock within GBCWS. This stock has expanded by about 7% over the past decade; Adur and Arun has seen proportionately greater increases but from a much lower base. Chichester, Worthing and Mid Sussex have all lost office space in net terms.
- 5.16 The position for industrial space has been more mixed, with only Chichester and Mid Sussex recording significant net gains in overall stock. In most other locations there have been declines or very limited change.
- 5.17 Plans within GBCWS propose new strategic allocations with capacity for in the order of 670,000 sq.m. The majority of the strategic sites are located within periphery areas to the main established economic areas, such as Shoreham in Adur and Bognor Regis in Arun, which could be a consequence of a scarcity of available land for strategic developments in existing areas of economic activity. However, it is apparent that there is a 'missing middle' in the supply of employment land, with sites either supporting relatively small-scale space or large strategic space.

6.0

Future Opportunities and Actions

This section draws together the implications from the preceding analysis to identify future opportunities and actions in support of promoting long-term sustainable growth across Greater Brighton and Coastal West Sussex with particular reference to the economy.

Meeting Growth Needs

6.1 From the preceding analysis, it is clear that the focus of most economic activity (in terms of employment, economic output and productivity) is very firmly concentrated in Brighton & Hove, and to a lesser extent Chichester. This is particularly indicative of the success of the Brighton & Hove economy which has grown significantly over the past decade across a wide range of sectors, but notably advanced service sectors such as finance, digital and media. The City can be very much regarded as the ‘powerhouse’ of the area’s economy.

6.2 The corollary of this trend is that other parts of Greater Brighton, and particularly Coastal West Sussex, have seen much slower rates of growth and in some cases do not exhibit the broad mix of sectors that can sustain higher levels of jobs and economic output growth. There remains greater representation in more traditional sectors such as manufacturing and agriculture/horticulture, and public services and consumption-related activities play a greater role. Consequently, and aside from Chichester, the growth potential of these areas is less strong and the value of economic output is lower. That is not to say that some individual sector growth opportunities do not exist (and may be worthy of future investment), but rather that they are more limited at the present time.

6.3 However, given the physical constraints and congestion issues faced by Brighton & Hove, a strategy which seeks to more widely distribute economic growth across the Greater Brighton and Coastal West Sussex area would appear practical. The evidence indicates that a third of total jobs are located on just 5% of the entire land area of GBCWS. This is not to undermine the economic role of Brighton & Hove, but to ensure that growing businesses and sectors are not unduly constrained and can be retained within the area (rather than potentially relocating elsewhere). This approach would enable all locations to capitalise on leading growth sectors and to help alleviate ‘overheating’ within Brighton & Hove, and in turn provide the foundations for more sustainable long-term economic growth.

Towards a Polycentric Strategy

6.4 To be effective, it is important that future planning and economic strategy across GBCWS works with the grain of the market and the sector opportunities that exist both now and in the future. This requires an assessment of:

- the key strengths of different locations and the opportunities for clustering;
- the ability of different locations to support different parts of an industry value chain;
- opportunities for expansion, and balancing the needs of start-up and scale-up businesses.

6.5 Adopting a more polycentric growth strategy for GBCWS means a strategy which is framed in terms of developing a complementary offer for the area in overall terms, not just individual locations. This is likely to mean a requirement to define a 'role' for different parts of the area, and potentially accepting that some locations will be more significant drivers of the economy than others.

6.6 However, this should be underpinned by a principle of complementarity rather than competition between places. A specific recent example is the opening of the Rolls Royce facility in Bognor Regis where allocated land was made available through the Enterprise Bognor Regis initiative as an extension to the company's existing headquarter operations in Chichester – it demonstrates how the area can capture different parts of the value chain of a particular business to generate growth locally. It is these types of complementary opportunities that need to be explored further with businesses across the area, and particularly those that might otherwise seek to locate some operations elsewhere.

Raising Productivity and Economic Output

6.7 As noted in section 3.0, there productivity levels and economic output vary considerably across GBCWS. At the present time, specialisation in higher value 'wealth-generating' sectors such as finance, private sector services and media, appears to be mainly confined to Brighton & Hove, Chichester, Mid Sussex and Worthing, whilst outside of these areas there is more reliance on consumption-related local services such as public administration, health and retail which generally produce lower levels of economic output. As might be expected in this location, visitor economy and rural sectors are also over-represented.

6.8 This position, of course, does not preclude the potential for new sectoral strengths to be established and a number of specific initiatives are already in place, for example the University Technical College in Newhaven which will focus on marine and green technologies. A programme of targeted investment of this type will support the transition to higher value sectors, including by supporting existing businesses to repurpose existing assets and adopt new technologies.

6.9 A strategy to support higher growth and higher value added sectors will need to be supported by commensurate improvements to the skills profile in some locations within GBCWS if local people are to access jobs within new and emerging sectors and the benefits of these are to be felt at a local area. A

more detail assessment of skills needs will need to be considered as part of developing a more polycentric growth strategy.

Capacity for Growth

- 6.10 Meeting the space needs of key sectors and growing businesses is a recurring theme identified through the consultation as part of preparing these papers. There are ambitious plans set out within Local Plans to provide significant new employment premises, but much is profiled towards larger strategic sites on the outer edges of the area – notably in Lewes, Mid Sussex and Arun.
- 6.11 This presents two issues: the ‘missing middle’ that needs to fill the gap between the small-scale starter space provision (e.g. New England House in Brighton & Hove) and the larger strategic sites (e.g. Burgess Hill in Mid Sussex), and meeting needs that want to be located closer to the main focus of economic and business activity within Brighton & Hove and its immediate periphery. Some intermediate opportunities (e.g. Toads Hole Valley) will assist, but overall it is less clear that the current proposed employment land supply across the area is necessarily well placed to address these needs. A related issue is the extent to which the area’s success as an incubator for new businesses can be extended to ensure businesses are retained within the area as they grow and expand (and require larger premises) without being forced to relocate elsewhere potentially outside of the area.
- 6.12 This implies a requirement to consider how some existing sites can contribute to meeting short and medium-term needs before strategic sites become available, including through redevelopment and intensification. This presents an immediate opportunity for locations such as Adur, Worthing and Lewes (particularly Newhaven) which have close functional relationships with Brighton & Hove and are an obvious next ‘stepping stone’ for any businesses needing to expand outwards from Brighton & Hove but not requiring a larger site further away such as Enterprise Bognor Regis. An important element of this development is consideration of how transport can contribute to bringing Adur, Worthing and Lewes ‘closer’ to the economic centre. This may include revisiting the role of bus and rail in regional connectivity. This is particularly the case with Newhaven and Worthing where existing links are considered poor.

Promoting GBCWS as an Investment Location

- 6.13 As noted earlier in this paper, Greater Brighton and Coastal West Sussex represent a significant economic entity within the context of the wider South East. In terms of scale of jobs, the area compares with many of the other key growth ‘hotspots’ such as the Gatwick Diamond, Thames Valley and Oxfordshire.
- 6.14 There is an opportunity for local stakeholders to better leverage the combined scale and strength of GBCWS when seeking to articulate the growth potential of the area and when making the case for investment to external bodies. This will be particularly the case if a more polycentric growth strategy is being

pursued and therefore delivery of, for example new transport investment, can help unlock net additional growth the wider area. At this scale it might be possible for the business case for a particular investment to be established but which might not otherwise be possible on the basis of only considering more localised benefits.

- 6.15 There is also a broader place marketing value to promoting GBCWS in a more holistic way. A mechanism is already in place for the Greater Brighton area through the 'Superfused' initiative, but this does not currently extend to cover all parts of Coastal West Sussex.

Opportunities and Actions

- 6.16 Table 6.1 below draws together the strategy elements outlined above and identifies specific opportunities and actions for each. These are also considered in terms of the extent to which they would potentially deliver improved outcomes against each of the overall themes considered in this paper. These are broadly applicable across both Greater Brighton and Coastal West Sussex.

Table 6.1 Potential Opportunities to Support Economic Growth

Strategy element	Opportunities and actions	Relevant Themes		
		1: Economic Growth and Sectors	2: Access to Labour Force	3: Provision of Employment Space
1. Develop polycentric growth strategy for GBCWS	<ul style="list-style-type: none"> Identify the key strengths and opportunities for clustering across GBCWS, including 'mapping' of sectors to land and infrastructure requirements Define a complementary role for each part of GBCWS, and develop coordinated strategies Coordinated approach to retaining growing businesses by offering scale-up potential in accessible or proximate locations 	XX	X	X
2. Ensure economic activity is retained within the sub-region	<ul style="list-style-type: none"> Analyse business needs arising from main centres of economic activity (i.e. Brighton & Hove, Chichester) Work with expanding firms to identify future requirements for resources and space Promote the potential of new strategic employment sites (see 4 below) 	X	X	X
3. Raise productivity levels and economic output	<ul style="list-style-type: none"> Accelerate growth in high growth sectors through targeted investment in new initiatives Help low-growth legacy companies to repurpose assets and adopt new technologies Support existing companies to retain local HQs and/or encourage local expansion Expand skills and training programmes for sought-after skillsets and to help address skills deficits in some locations 	XX	X	

Strategy element	Opportunities and actions	Relevant Themes		
		1: Economic Growth and Sectors	2: Access to Labour Force	3: Provision of Employment Space
4. Ensure adequate provision of employment space to meet business needs	<ul style="list-style-type: none"> Devise realistic delivery programme for strategic sites that are planned Identify dedicated resources to support delivery and to promote new sites to market (linked to 5 below) Address the 'missing middle' in employment land supply terms, and use this as an opportunity to promote other locations 	X		XX
5. Make GBCWS a premier investment location	<ul style="list-style-type: none"> Leverage the Brighton & Hove 'brand' to articulate the economic potential of the wider area Seek cross-area place marketing to maximise potential in a crowded investment marketplace (e.g. 'Superfused') Develop institutional capacity to enable more unified approach across GBCWS to meeting indigenous and inward investment needs (in liaison with LEP) 	X	X	X

Source: NLP analysis

6.17

Following from the above, Table 6.2 outlines more specific actions for Greater Brighton and Coastal West Sussex respectively where applicable.

Table 6.2 Potential Opportunities to Support Economic Growth by Area*

Strategy element	Specific opportunities for Greater Brighton	Specific opportunities for Coastal West Sussex
1. Develop polycentric growth strategy for GBCWS	<ul style="list-style-type: none"> Undertake analysis of key sector land and infrastructure requirements to assess 'pinch points', including where enhanced public transport services would unlock potential 	<ul style="list-style-type: none"> Identify land-intensive sectors for potential relocation/expansion from constrained urban centres
2. Ensure economic activity is retained within the sub-region	<ul style="list-style-type: none"> Assess scope and capacity to address business expansion needs (particularly Brighton & Hove). 	<ul style="list-style-type: none"> Assess scope and capacity to address business expansion needs from Chichester and/or Brighton & Hove.
3. Raise productivity levels and economic output	<ul style="list-style-type: none"> Accelerate growth in high growth sectors through targeted investment in new initiatives 	<ul style="list-style-type: none"> Encourage high growth sectors through targeted investment Improve skills and training provision to maximise access to higher growth sectors
4. Ensure adequate provision of employment space to meet business needs	<ul style="list-style-type: none"> Prepare sector investment prospectuses for new employment sites – Burgess Hill (incl proposed science park) and Newhaven. 	<ul style="list-style-type: none"> Prepare sector investment prospectuses for new employment sites – Bognor Regis, Shoreham.
5. Make GBCWS	<ul style="list-style-type: none"> Leverage the Brighton & Hove 	<ul style="list-style-type: none"> Investigate options to establish

Strategy element	Specific opportunities for Greater Brighton	Specific opportunities for Coastal West Sussex
a premier investment location	'brand' to articulate the economic potential of the wider area <ul style="list-style-type: none"> • Harness the potential of new strategic employment site locations (e.g. Burgess Hill) within inward investment markets. 	more formal place promotion initiatives jointly with Greater Brighton <ul style="list-style-type: none"> • Harness the potential of new strategic employment site locations (e.g. Enterprise Bognor Regis) within inward investment markets.

Source: NLP analysis * Note: Adur & Worthing are included within both geographies



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