



Newhaven Economic Profile

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Executive Summary

This report provides an outline of the town of Newhaven in relation to its businesses, employment, skills and population, highlighting the key strengths and weaknesses in each theme. It has been produced to inform and support the activities of the Employment and Skills Task Group set up by the Enterprise Zone Project Board to identify skills issues in Newhaven and work on solutions to support the Enterprise Zone and the wider town.

The report finds that Newhaven has a younger population than the wider region, with a higher percentage of 0-15 year olds and a higher percentage of working age population. This suggests that Newhaven will not be as affected by an ageing population, putting it in a strong position regarding its potential labour market in the future.

However, Newhaven has an issue with the skills of its population, it is an area that is lower skilled than the surrounding region, with a lower percentage of the population with high level qualifications and over a quarter of the population having no qualifications at all. The skills of the population need to be raised to respond to increasing skills requirements across all sectors, but particularly in manufacturing where increasingly technology is changing roles and processes that require higher skills.

This underperformance starts at an early stage, Newhaven has lower attainment levels at GCSE level, with almost half as many students being entered for the English Baccalaureate compared to nationally. Similarly achievements in apprenticeships are mostly in the Intermediate level and at a higher rate than regionally. However, Newhaven has strong levels of achievements in Manufacturing which reflects its strong base of manufacturing companies and their engagement in the development of local skills.

Overall, employment in Newhaven is at a similar level to surrounding regions, however self-employment rates are up to 6% lower, which may point to a lack of opportunity and support for entrepreneurialism. Whilst this employment is in line with the wider region, the types of jobs available in Newhaven are lower skilled.

Nearly half of all jobs in Newhaven are in Manufacturing, Retail, or Transport, compared to a fifth in the wider region, which reflects its strength as a port town. Similarly, Newhaven's businesses are dominated by the Manufacturing, Construction, and Retail industries, making up 37% of all businesses, 10% higher than the wider region. This concentration of industries highlight potential areas for specialisation in Newhaven, particularly if this specialisation can be used to drive advances in productivity and skills within these sectors.

Jobs in high skilled industries such as Information Technology, Professional, Scientific, and Technical, and Finance are scarce, these sectors are 2.5 to 3.5 times smaller in Newhaven compared to the wider region. Attracting more businesses in these sectors, and the jobs they would bring, would boost productivity in the town and potentially help other industries through positive spillover effects. This shift to higher skilled jobs would help change the areas reliance on middle and lower skilled jobs, both of which are higher than surrounding regions.

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Population

The town of Newhaven has a population 12,200¹ and it has a younger age profile than the wider Lewes district and the Coast to Capital region. The 0-15 age group makes up 19.5% of the population compared to 17.4% and 18.7% respectively. The working age population accounts for 63.4% of the population, compared to 59.9% in Lewes.

Skills

The population of Newhaven is lower skilled on average compared to surrounding areas. The level of the 16+ population with no qualifications is 25%, higher than both Lewes District and Coast to Capital, and it has higher levels of level 1 and level 2 qualifications. There are similar rates of level 3 qualifications across all three geographies, however level 4 qualifications in Newhaven (18.6%) are much lower than in Lewes District (29.4%) and Coast to Capital (31.4%)².

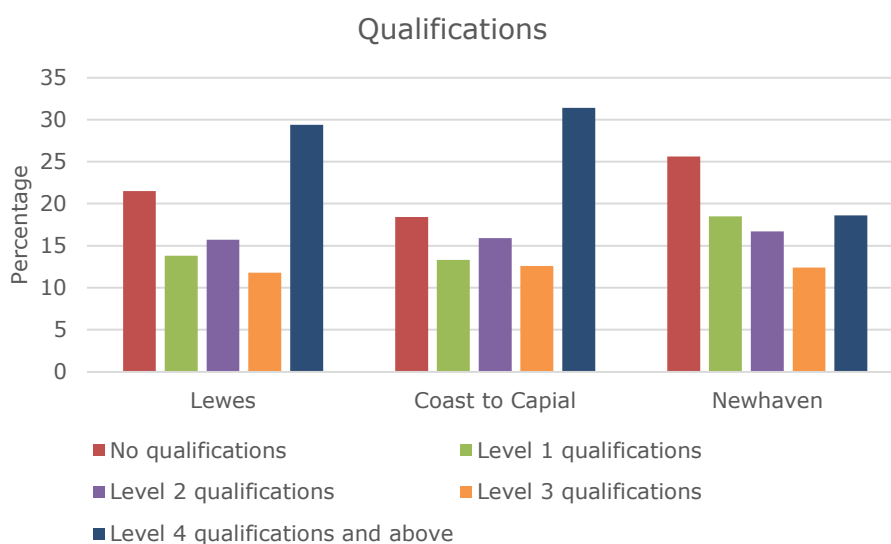


Figure 1

In the last two academic years (2014/15 and 2015/16) just under a fifth of apprenticeship completions were in Health and Social Care, 12% in Administration, 11% in Business Management, and 10% in Manufacturing Technologies. Achievement levels in these apprenticeships are generally lower than achievement levels in the Coast to Capital area, however achievements in Manufacturing Technologies are 6% higher in Newhaven. There were very few achievements in Accounting and Finance, ICT, and Media and Communication, and none in Science or Travel and Tourism in Newhaven³.

¹ Census 2011

² Ibid

³ SFA Data Cube 2017

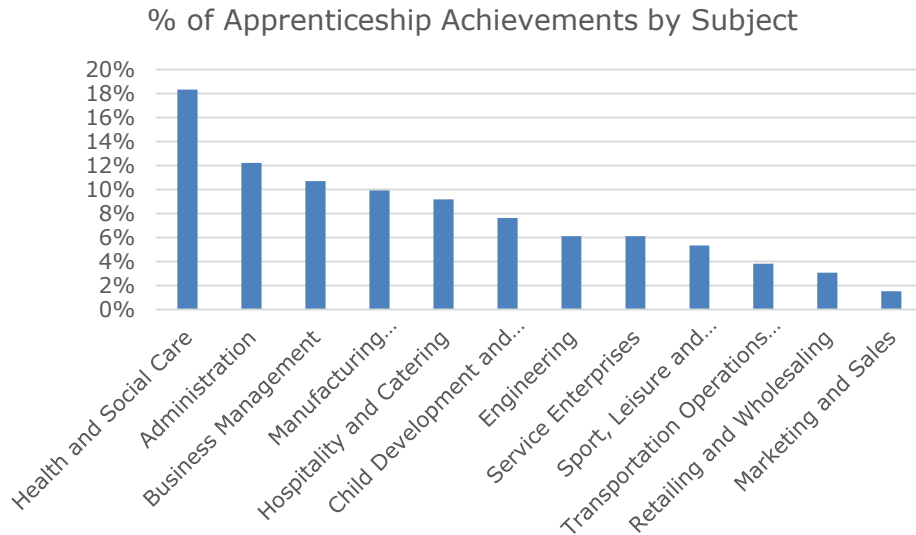


Figure 2

The majority of apprenticeship achievements were at the Intermediate level (67%), 32% were at the Advanced level, and less than 1% were at the Higher level. In the wider Coast to Capital area 61% were in Intermediate level, 37% in the Advanced level, and 2% in the Higher level. In part this is due to the deeper provision that the wider Coast to Capital region can support, but it does point to lower skill level apprenticeships being more prevalent in Newhaven.

Apprenticeship achievements were mostly in the post 18 age groups, those aged 16-18 made up 15.3% of achievements, those aged 19-24 made up 40.5%, and those aged 25+ made up 44.3%. However the 16-18 age group in Newhaven makes up a higher percentage of achievements than the wider Coast to Capital region, which has higher levels of 19-24 year old apprenticeship achievements.

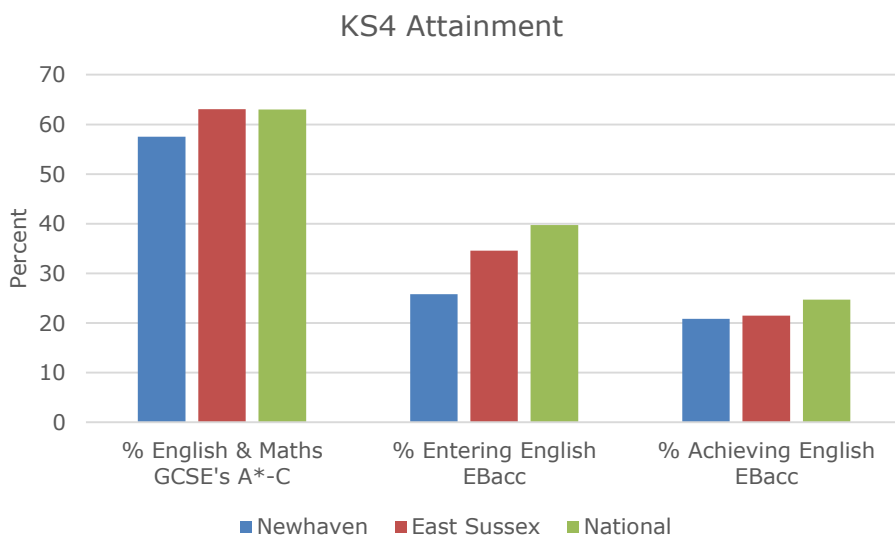


Figure 3

At the KS4 level Newhaven underperforms compared to East Sussex and nationally. In Newhaven 57% of students in 2015/16 achieved an A*-C GCSE in English and Maths, compared to 63% in East Sussex and nationally. Far fewer

students are entered for English Baccalaureates in Newhaven, 25% compared to almost 40% nationally. Students entered for the baccalaureates are also less likely to achieve the qualification, 21% compared to 24% nationally⁴.

This attainment gap appears to start at a younger age, where KS2 attainment in Newhaven is higher in 'below expectations' and 'at expectations' when compared to East Sussex and nationally. The percentage of those achieving KS2 results 'above expectations' in Newhaven is 15.8% lower than nationally, just under half the national rate.

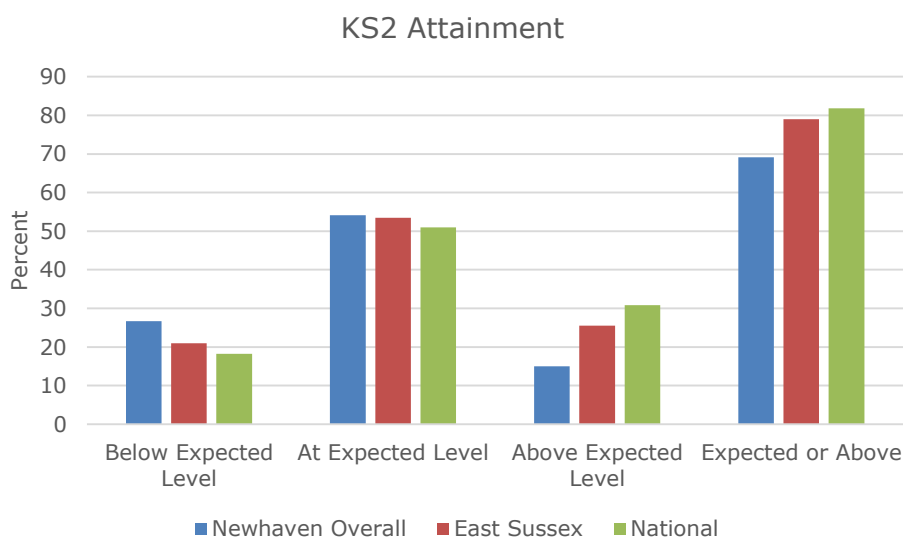


Figure 4

Employment

The employment rate for Newhaven (63.9%) is similar to that of Lewes District (63.6%) but slightly lower than the Coast to Capital rate (65.2%) and self-employment in Newhaven is lower than the surrounding areas by up to 6%⁵. The unemployment rate for Newhaven (6.3%) is higher than both Lewes District (4.8%) and Coast to Capital (5%), as is the long-term unemployment rate.

There were 4,850 jobs in Newhaven in 2014, this has fallen 4.1% since 2009, which is a larger fall than the 0.6% decline in Lewes District and against the wider trend of the Coast to Capital region where the number of jobs grew 3.8% over the same period. In 2013 and 2014 there has been higher than average jobs growth in Newhaven however, although it has not returned to 2009 levels.

Jobs in Newhaven are concentrated in Manufacturing, Retail, and Transport industries, these three industries account for 48% of all jobs in Newhaven compared to around 20% in Lewes District and Coast to Capital⁶. The manufacturing industry is very important to the local economy accounting for 20% of Newhaven jobs alone, compared to 5% and 6% in Coast to Capital and Lewes District. Jobs in Newhaven are also much higher on average in Wholesale, Retail, and Transport industries, on average being 1.5 to 3 times larger than Coast to

⁴ East Sussex County Council Data 2015/2016

⁵ Census 2011

⁶ Business Register and Employment Survey 2015

Capital or Lewes District. This relates to the historical and ongoing port activities which has encouraged industrial and manufacturing uses.

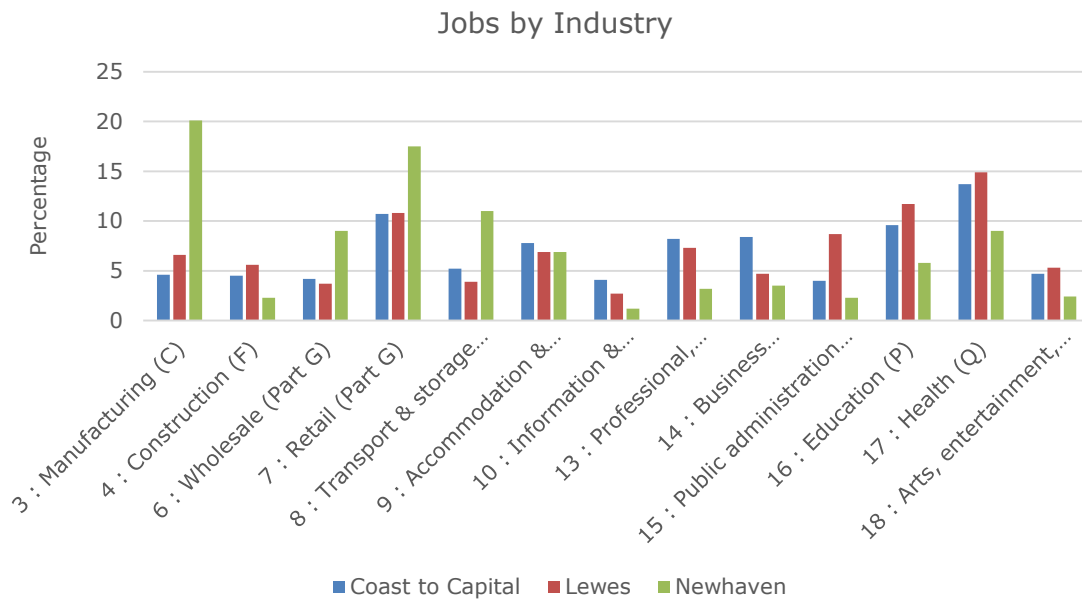


Figure 5

Jobs in high skilled industries such as Information Technology, Professional, Scientific, and Technical, and Finance are scarce in Newhaven, these sectors are 2.5 to 3.5 times smaller in Newhaven compared to Lewes district or Coast to Capital. There are also lower levels of mid skilled jobs in the Business Admin, Public Administration, Education, and Health industries.

Newhaven has slightly higher levels of full-time employment (67.4%) than compared to Coast to Capital and Lewes District, however this has fallen 2.6% since 2009⁷. Part-time jobs make up 32.6% of all jobs in Newhaven, growing as the share of full-time jobs falls, indicating a shift in the types of jobs people are doing.

Private sector jobs account for 88% of jobs in Newhaven, 10% higher than in Lewes District and 4% higher than the wider Coast to Capital region⁸. This has been caused by a fall in the number of public sector jobs, which are down by 400 since 2009, rather than an increase in private sector jobs, which are up by 170.

The Newhaven economy is predominantly middle skilled, reflecting the large number of manufacturing jobs in the area, and it has a higher level of lower skilled jobs compared to Lewes District and Coast to Capital⁹. Middle skilled jobs account for 39% of employment, 4-6% higher than Lewes District or Coast to Capital, while lower skilled jobs account for 30% of employment, 8% higher than the comparator geographies. This means that high skilled employment is much lower in Newhaven (31%) than in Lewes District or Coast to Capital where it is 12-14% higher.

⁷ Business Register and Employment Survey 2015

⁸ Ibid

⁹ Census 2011

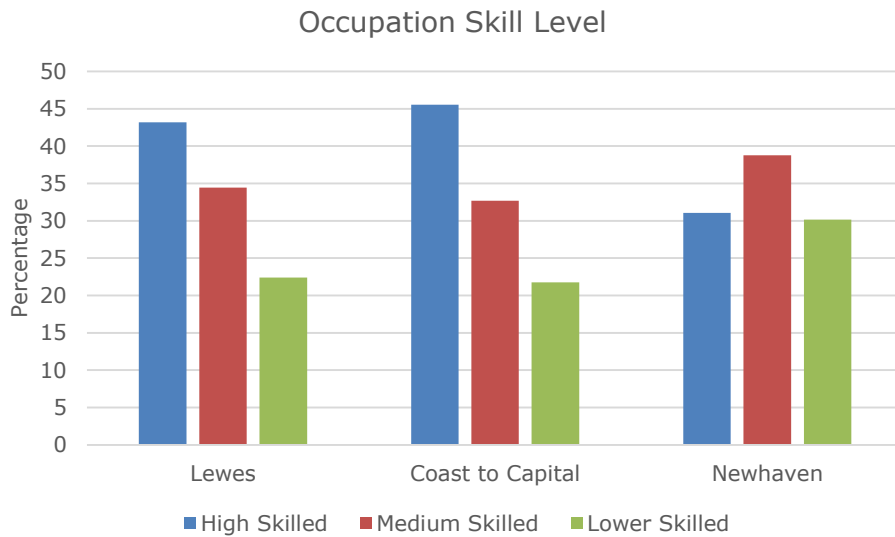


Figure 6

Newhaven has a high level of outward commuting, of those in employment in Newhaven just under a third work in Newhaven, however almost half leave to work in the wider Lewes District or nearby Brighton.

Top 10 Commuting Destinations		%
1	Newhaven	30.2%
2	Lewes (exc Newhaven)	25.7%
3	Brighton and Hove	23.5%
4	Eastbourne	3.8%
5	Wealden	3.3%
6	Mid Sussex	2.7%
7	Crawley	1.9%
8	Adur	0.9%
9	Worthing	0.7%
10	Westminster, City of London	0.5%

Business

There are just under 900 businesses in Newhaven, 23% of which are in Manufacturing and Construction, compared to 17% in Lewes District and 15% in Coast to Capital, and the largest sector in Newhaven is Wholesale and Retail trade, reflecting the town’s strong industrial base¹⁰ and working port. The Coast to Capital and Lewes District’s largest sector is Professional, Scientific, and Technical activities, followed by Administration, and Information and Communication, reflecting their professional services business base.

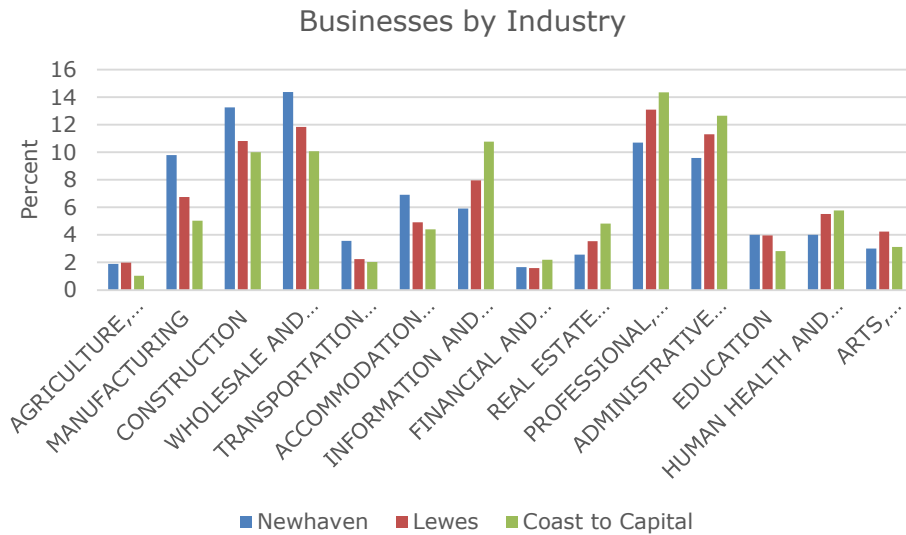


Figure 7

¹⁰ Experian Market IQ Database 2017