

4 Topic Paper: Place

4.1 Transport

Road and rail links in the County are poorly connected and congested, impacting on its attractiveness as a place in which to live, work or visit.

The quality of local transport plays a key role in maintaining and developing the health and vitality of an area. For residents, transport links provide access to medical care, employment, shops and other services, whilst connectivity to both internal and external markets is cited by more than 40 per cent of businesses as an important factor in location decisions.¹

In urban areas of high demand, delays associated with congestion can impact adversely on both businesses and employees, affecting quality of life, and eroding some of the benefits associated with the concentration of economic activity.² In rural areas, poor quality transportation can lead to these communities being marginalised, negatively affecting their health and productivity whilst exacerbating problems of worklessness.

4.1.1 Roads

East Sussex performs poorly in comparison with other counties and levels of satisfaction with the condition of local roads and pavements are lower than average. A strategic road network which is not fit for purpose, in terms of accommodating longer distance traffic, results in increased traffic using less appropriate roads, creating a greater maintenance burden on those roads, higher accident rates and poor connectivity between areas. East Sussex has no motorway and little trunk or A-road (<1 per cent of total), whilst levels of traffic have increased by three per cent between 2003 and 2008.

Specific problems are in evidence on the corridor of the A27 and A259 where the roads are operating at capacity during peak hours and have sections with significant safety issues. A number of schemes have been identified through the regional transport programme which would help deliver spatial and economic growth in the county, as well as journey time reliability sought by local businesses whilst reducing carbon emissions generated by stationary traffic in local congestion hotspots.

4.1.2 Buses and Community Transport

Many people, especially older and more vulnerable groups, rely heavily on local bus and community transport links for access to jobs and services, preventing them becoming economically and socially marginalised.

Bus travel has increased in recent years thanks to schemes such as the Quality Bus Partnership (QBP) – which has helped improve punctuality and reliability of service, leading to greater satisfaction and increased number of people using buses in the town. Together with partners such as Action in Rural Sussex (AiRS), local communities and voluntary groups, the County Council is seeking to expand the range of community transport services operating in the county by providing start-up grants for a range of community led schemes to support and make them self sustaining in the future

¹ IPSOS MORI (2008) National Business Survey

² Glossop, C. (2008) *Housing and Economic Development: Moving forward together*, Centre for Cities and Housing Corporation Centre for Research and Market Intelligence.

4.1.3 Rail

Rail travel is an especially important form of transport for commuters and tourists, with poor quality services affecting the willingness of businesses or workers to relocate in an area, or tourists to visit. The quality and standard of train services in East Sussex suffers both in terms of east-west movement along the coastal corridor and also in terms of connectivity between the coastal towns; in particular the regional hub of Hastings with Ashford and London. There is a need for heavy investment in rail infrastructure to make the County competitive.

4.1.4 Ports

Around 500,000 passengers pass through Newhaven port every year. Current regeneration initiatives to help boost the economic regeneration of the port and the town include promotion of the port for both freight and passengers, the onward shipment of freight from the port by rail and better passenger interchange facilities at Newhaven rail station. In addition, the port was named in the government's paper on offshore wind facilities – 'UK Ports for the Offshore Wind Industry: Time to Act' – as a place from which a potential offshore wind development in the Channel could be serviced.

4.1.5 Air

Over 30 million passengers travel through Gatwick airport in neighbouring West Sussex every year. The Gatwick Surface Access Strategy, published in 2007, sets out to encourage greater use of public transport in accessing the airport and local hotels with the aim of reducing levels of car and taxi use. Importantly, improvements to the Brighton Mainline Railway and the Thameslink service could reinforce the links between Gatwick and the East Sussex coast, particularly if it includes the services to Eastbourne.

4.2 Housing

The County made good progress against the South East Plan targets, but scores poorly on measures of affordability; vacancy rates are high and waiting lists are growing.

The characteristics of the local housing supply, such as type, price and quality, can impact on the attractiveness of an area to live and work for different socio-economic groups. Whilst less affluent groups tend to live in areas where the quality of housing is lower and prices are cheaper, more affluent (and often more skilled) people tend to seek housing of higher quality and cost.

High average house prices can provide an indication that either demand is high for people to live and/or work in the area or that tight UK planning policy has restricted supply (or a combination of the two). This, as well as policy drives to regenerate poorer areas, can lead to residents being priced out of the market, limiting the options of those with fewer resources. On the other hand, better quality housing (and relevant amenities) can indirectly create jobs by helping to boost the attractiveness of the area to business start-ups and private sector investment.³

³ Turok, I. and Robson, B. (2007) 'Linking Neighbourhood Renewal to City-Regional Growth', *Journal of Urban Regeneration and Renewal*, Vol. 1, No. 1.

4.2.1 Condition and use of housing stock

4.7 per cent of County's housing stock is unfit for human habitation; this is slightly higher than national average (4.4 per cent) and significantly higher than the regional average (3.3 per cent). The highest rates of such housing were in the primarily urban LAs of Hastings (10.4 per cent) and Eastbourne (6.4 per cent). Meanwhile, the percentage of the housing stock vacant and in use as second home/holiday accommodation is almost double the national and regional averages; high vacancy rates squeeze the housing supply and reduce local demand for goods and services.

4.2.2 Affordability

Average house prices in the County have remained steadily below regional levels, but above national levels across the last decade. At the district level, prices in Wealden, Lewes and Rother have closely matched those observed in the region as a whole since 2002. However, the average price of a house in Hastings in 2009 was just £132,000, around 20 per cent below the national average, whilst prices in Eastbourne (£155,000), also fell below the average for England and Wales.

Figure 1: House price affordability; 2002-09

	2002	2003	2004	2005	2006	2007	2008	2009
Eastbourne	5.0	6.6	6.5	7.1	7.6	6.5	6.4	6.0
Hastings	5.2	7.0	7.6	7.8	7.8	8.3	7.9	6.5
Lewes	7.3	7.7	8.2	8.4	7.3	7.2	9.3	7.4
Rother	5.4	7.0	7.5	6.9	n/a	8.3	8.3	5.3
Wealden	5.8	7.7	7.4	8.6	7.7	8.5	9.2	8.0
East Sussex	5.8	7.3	7.4	7.9	7.7	7.9	8.4	6.8
England & Wales	3.8	4.5	4.9	5.3	5.3	5.6	5.5	5.5
South East	4.9	5.8	6.1	6.4	6.3	6.6	6.7	6.2

Source: CLG (2009)

However, the house price-earnings ratio is 6.8 in East Sussex in 2009 (meaning that average house prices in the County are 6.8 times higher than average earnings) – well above that observed in the South East (6.2) or in England & Wales (5.5). In only Eastbourne (6.0) and Rother (5.3) are the house price-earnings ratios lower than the regional average, with Wealden the highest (8.0). Whilst average house prices are around 13 per cent higher in the South East, they are around seven per cent lower in England & Wales, suggesting that either wages are too low or house prices are too high in the County (relative to the national average).

4.2.3 Need

Significant increases in the number of households on LA waiting lists support the evidence around the disparity between wages and house prices in the County. In East Sussex as a whole, the number of households on these lists increased by over 70 per cent between 2002 and 2009 to 12,167. At the district level, the numbers of households waiting for accommodation has more than doubled in Eastbourne, Lewes and Wealden over this period.

4.2.4 Affordable housing

Although the SEP has now been scrapped by the Coalition Government, it is important to note that progress against targets was strong in the County. All districts exceeded the annual average house building requirement except Wealden which missed its target by more than a third (although this was the highest target of all five districts), wh. Affordable housing has accounted for more than one fifth of

all dwellings completed in the County since 2006-7. However, this lags behind levels observed in the wider region, where around a third of all dwellings completed since 2004-5 have been classified as affordable, further exacerbating the issues surrounding the relative expense of housing in East Sussex.

4.3 Employment land

Employment land is relatively cheap in East Sussex, but many businesses are not satisfied with the quality and almost a fifth are considering moving out.

The cost and quality of an area's employment land can have a major bearing on business location decisions: the 2008 National Business Survey reported that the availability of suitable premises is important to over 40 per cent of businesses,⁴ whilst other research suggests that improving the design of office space can boost productivity by more than 10 per cent.⁵

Similarly to those buying houses, businesses face a trade-off between price and quality. High quality employment land, with the corresponding local amenities, will be more expensive than lower quality employment land. Whether businesses will pay this premium for higher quality space is a key business location decision.

4.3.1 Rateable value

Relative to the regional average, employment land in East Sussex is cheap; the rateable value per m² of employment land in the County is lower than in the South East as a whole. Only Eastbourne, which has the largest share of the County's retail floor space (300,000 m²) has a rateable value above £100, indicating that demand for retail space in the LA is high. The price of commercial office space in the County is very low; at less than half the average for England & Wales, with prices in Hastings at less than one third of this average. Significant increases in costs of all three types of employment land since 2000 are observed in Lewes.

4.3.2 Demand

According to the East Sussex Business Survey 2010, whilst the proportion of businesses seeking accommodation near their current location remained at 59 per cent, the proportion of businesses looking for workspace outside of the County has tripled since 2008, to almost a fifth (17 per cent). This suggests that satisfaction with employment land in East Sussex is declining. Businesses in Hastings and Lewes (both 13 per cent) were more likely to be seeking new accommodation than businesses in other districts of East Sussex, with businesses in Rother (7 per cent) the least likely. Most businesses looking relocate expect to hire more employees within two years of moving, highlighting the need to retain businesses and attract new ones, especially given the importance of creating private sector jobs at present.

4.3.3 Supply

Almost half of businesses in East Sussex (47 per cent) do not believe (or are unsure) that the County's existing business accommodation is sufficient. In comparison, 67 per cent of businesses in England and 68 per cent in the South East are satisfied with the availability of suitable premises in their current

⁴ IPSOS MORI (2008) National Business Survey

⁵ CABE (2005) The impact of office design on business performance, CABE: London.

location. This suggests that satisfaction levels with business accommodation in the County are around 15 per cent lower than either regionally or nationally.⁶

4.4 ICT infrastructure

Residents of East Sussex are relatively less likely to have access to the internet, whilst large tranches are not served by a broadband connection.

The new coalition government is aiming to create the “best superfast broadband network in Europe” by the end of the parliament.⁷ Estimates vary as to what effects such a network would have on Britain’s economy – the Federation of Small Businesses estimates that it would add £18bn to GDP and 60,000 jobs to the workforce, whilst NESTA estimate an employment increase of ten times this amount.

Broadband can not only boost business productivity by allowing them do things more quickly – such as transferring large files instantaneously, expanding possibilities of videoconferencing and home working – but could also provide the foundations for the next generation of businesses to thrive as well as facilitating faster, more flexible service provision for residents. Indeed, almost two-thirds of businesses in England view ICT and Broadband Infrastructure as important to their competitiveness.⁸

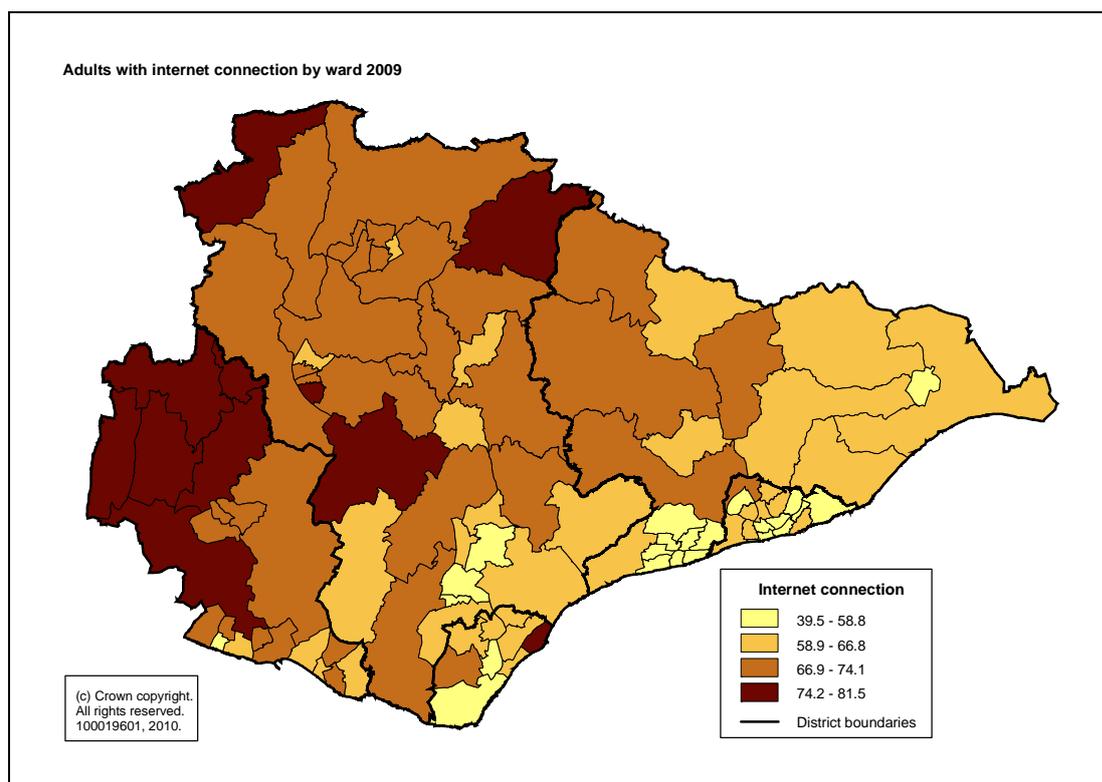
4.4.1 Resident access to the internet

Estimates of the number of adults with a daily internet connection prepared by CACI in 2009 show that East Sussex residents are less likely to have access to the internet than the national and regional averages. Around 65 per cent of East Sussex adults, compared with 71 per cent nationally and just over 73 per cent regionally were estimated to have access to a daily internet connection.

⁶ East Sussex Business Survey (2010)

⁷ Jeremy Hunt, Culture Secretary; 8th June 2010

⁸ IPSOS MORI (2008) National Business Survey

Figure 2: Access to the internet connection in 2009 (proportion of adults)

Source: CACI (2009)

4.4.2 Resident access to broadband

Around 90 per cent of all internet connections in the UK are broadband, meaning that around 63 per cent of all UK households have access, although levels vary quite a lot across the County. There are 11 fairly large areas with absolutely no broadband access⁹, but there is broadband coverage (at a range of speeds) available elsewhere.

4.4.3 Business access to broadband

Whilst things obviously move quickly in the digital space, the ESABS 2007 suggested that almost three-quarters of businesses in East Sussex used a broadband connection (71 per cent), with a further 7 per cent connection through dial-up, whilst 22 per cent had no means of connecting to the internet. Businesses in the business & financial services sector are the most likely to connect to the internet via Broadband (87%), followed by those in the production & distribution (72%) and education, health & social care (68%) sectors. Businesses cite the primary benefits of a good broadband connection as increasing overall efficiency, improving customer service and developing products/services.

4.5 Transition to a low carbon economy

The County's carbon footprint is relatively low and the green economy represents a very real opportunity for growth, but businesses have been slow to implement green policies and initiatives.

⁹ These include areas surrounding Burwash Common; the east of Jarvis Brook; Robertsbridge; Three Oaks; the Pevensey Levels; areas north of Jevington and Arlington; Southease and Rodmell; Ditchling; areas east of Wych Cross; South West of Rotherfield and Groombridge. No borough or district is affected more than others – areas with no broadband provision are spread throughout the County

The definition of a ‘low carbon economy’ remains fairly ambiguous, but the Government has targeted a reduction in carbon dioxide levels to 80 per cent below 1990 levels by 2050. Broadly speaking, this means reducing carbon dioxide emissions by around three per cent per year, but how this will translate into the future structure of the economy of East Sussex is uncertain. Clearly, it will be easier to reduce emissions from some activities – such as improved recycling and building energy efficient homes – than others, meaning that the structure of the entire UK economy may have to change dramatically if targets are to be met.

4.5.1 Government policy

The Coalition Agreement stated the aim to “*decarbonise the economy and support the creation of new green jobs and technologies*” whilst supporting an increase in the EU emission reduction target to 30 per cent of 1990 levels by 2020. Decarbonisation of the power sector is key to achieving emissions reduction targets and renewable energy generation – through wind power, new energy storage and load balancing technologies such as smart metering, and some solar power – could make a significant contribution to power sector decarbonisation in the UK.

4.5.2 Carbon Dioxide (CO₂) emissions

Stockholm Environment Institute data suggest that East Sussex has a greater per capita ecological footprint than the UK as a whole, but is below the South East on this measure. Rother and Wealden produce more than 13 tonnes of CO₂ per capita per year, almost 10 per cent more than the UK average. Conversely, Hastings performs better than the UK average on all measures. Emissions fell by just over 6 per cent between 2005 and 2007, primarily due to a drop in the consumption of oil, whilst the majority of business CO₂ emissions are from the use of electricity (57.6 per cent), with around one fifth of emissions resulting from gas consumption.

Figure 3: Measuring the ecological footprint of East Sussex (per capita)

	Ecological footprint gha	Tonnes CO ₂	Green House Gas footprint CO ₂
Eastbourne	5.36	12.12	16.48
Hastings	5.24	11.80	16.01
Lewes	5.61	12.68	17.21
Rother	5.73	13.01	17.57
Wealden	5.91	13.32	18.08
East Sussex	5.57	12.59	17.07
South East	5.63	12.76	17.28
UK	5.30	12.08	16.34

Source: Stockholm Environment Institute (REAP) 2004 data published Oct 200; gha = Global hectares

4.5.3 Business Waste

Waste costs businesses money (collection and disposal costs are in the order of £140 per tonne) and contributes both directly (organic waste produces off methane when it decays) and indirectly (producing new materials such as plastics instead of recycling) to levels of emissions. Historically, levels of waste have increased with economic growth, as businesses create more products and provide more services and consumers become more profligate. The Coalition Government is aiming to create a ‘zero waste

economy', creating a huge scope both for businesses to become more resource efficient and for commercial opportunities to exploit this through the development and provision of goods and services.

Estimates of the commercial and industrial waste produced by the County vary from around 313,500 to 490,000 tonnes annually; the ESABS 2010 suggests that just 42 per cent of businesses in East Sussex have taken action to reduce or prevent the amount of solid waste that their business produces. The vast majority of businesses (90 per cent) recycle but 44 per cent of businesses recycle or compost less than one fifth of their company's waste.

4.5.4 Business Energy Consumption

Research conducted in 2009 for Business Link South East found that the vast majority of businesses in the Region felt that their business practices were sustainable¹⁰. However, only 45 per cent of businesses in East Sussex Business Survey had a formal environmental management system or written environmental 'good practice' policy in 2007. Awareness of advice schemes was found to be fairly low in the County at around 25 per cent, but more than four-fifths of those businesses who had accessed advice put at least some of the energy cost reduction suggestions received into practice.

4.5.5 Green economy

With large cuts in public spending it is clear that the transition to a low carbon economy will be a key opportunity for private sector investment and growth, especially it would seem, in renewables and energy efficiency. However, there are no reliable data for East Sussex showing how this translates into jobs and GVA and indeed to what extent the local economy could suffer if it is not well placed to exploit these opportunities. East Sussex does however have a strong technical skills base with relatively high levels of manufacturing employment in Wealden, Lewes and Hastings, in particular. It must be ensured that these skills are developed and applied to take advantage of new opportunities that may emerge with the future development of environmental technologies. Importantly, the carbon intensive sectors most at risk from a low carbon economy are not very prevalent in East Sussex.

4.5.6 Green Procurement

Although no data is available specifically for East Sussex, the SEEDA Annual South East Sustainability Survey 2009 found a considerable increase in the proportion of businesses in the South East meeting customer demand for more environmentally or ethically acceptable products in 2009 (59 per cent) compared with 2007 (35 per cent). The same proportion (59 per cent) also felt that "buying ethically from suppliers with similar values" (presumably including environmental values) was very or fairly important, a rise of 7 per cent from 12 months previously.

4.5.7 Green Transport

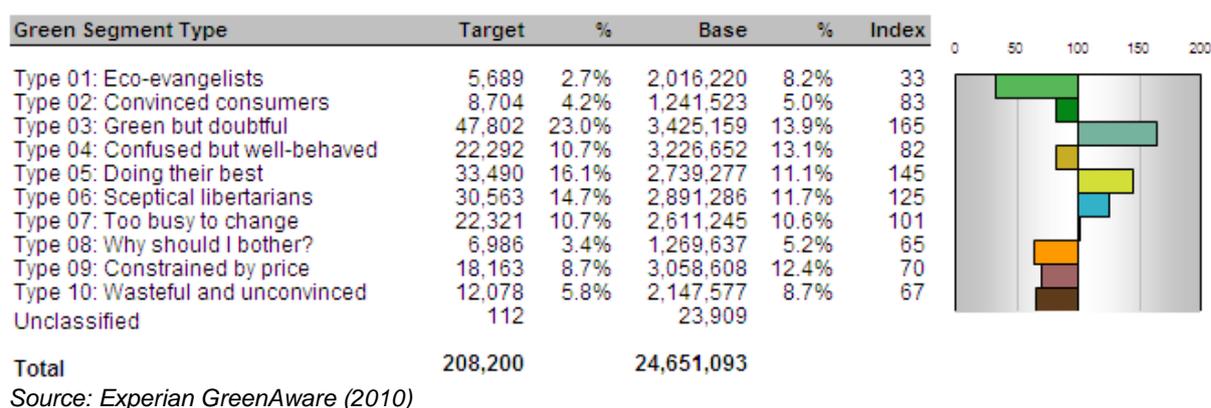
The introduction and uptake of green transport can offer significant cost savings to businesses and their employees. However, the ESABS 2010 reported that two-thirds of businesses were taking no action in support of Government policy to reduce non-renewable energy consumption and carbon emissions. The most common initiative being introduced is green travel plans – although this is true of less than one fifth of businesses – ahead of changing to rail for long hauls (11 per cent).

¹⁰ *South East Business Monitor – Hot Topic Spotlight: Sustainability*, November 2006, Business Link.

4.5.8 Attitudes towards the environment

According to Experian’s GreenAware tool – which segments consumers into one of ten categories in terms of their carbon footprint, behaviour and attitudes – residents in East Sussex are more aware of, and concerned about, the impact of their behaviour on the environment relative to regional and national averages. Some 57 per cent of households in the County are classified in the top five groups (those segments deemed most ‘environmentally-friendly’) compared with 54 per cent of households in the South East as a whole, and 51 per cent of those across England. At the district-level, the most ‘environmentally aware’ area on this measure is Rother (64 per cent) with the least being Hastings (43 per cent).

Figure 4: Attitudes towards the environment in East Sussex



Source: Experian GreenAware (2010)

