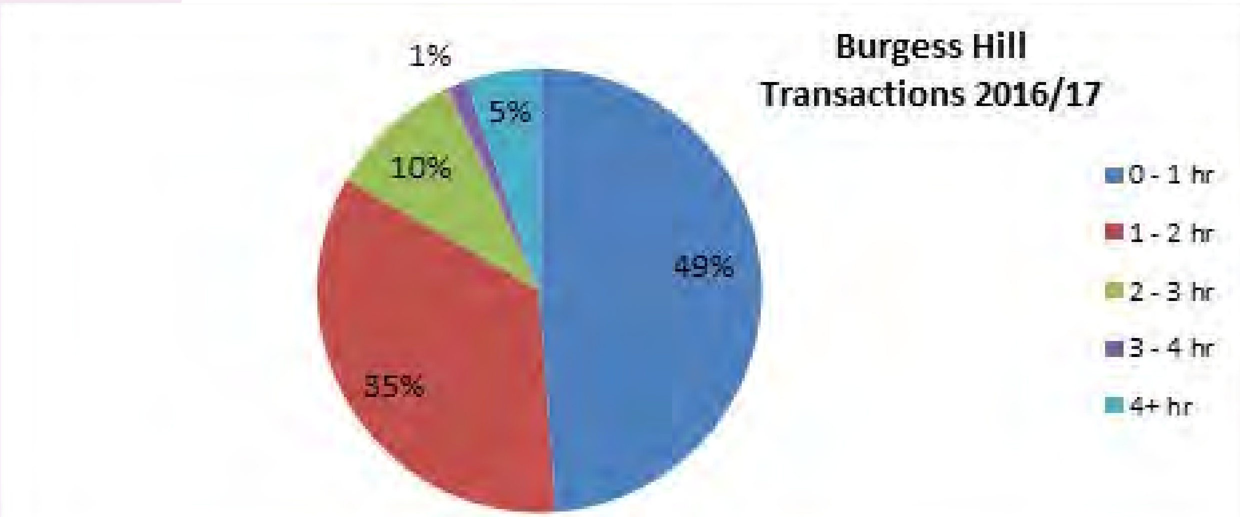
Burgess Hill

There are five pay and display car parks in Burgess Hill providing 818 spaces - 2 long stay, 2 short stay and 1 combined long and short stay car park. A total of 444,575 pay and display transactions were made in Burgess Hill during 2016/17, a growth of 2% on the previous year. 84% of all transactions were made for the 0-1 hour and 1-2 hour stay periods. It should be noted that an additional 300 spaces are provided within the town by the Marketplace shopping centre, commonly known as the Waitrose car park, which are excluded from this analysis.



Car parking issues in the Business Parks / Town Centre Offices

The lack of available car parking is a key concern for the businesses with many indicating that this has impacted a recruitment and retention of staff as well as business expansion. A number of businesses are starting to explore development of Green Travel Plans for staff and have been exploring the potential for park and ride schemes.

Analysis of the use of Council car parks and the fact that 83% of transactions were for less than 2 hours, will be used to inform the refresh of the parking strategy to ensure car parks are supporting the economic prosperity of each town centre.

Housing

Mid Sussex has competitive Council Tax charges as shown by the 2017/18 figures below:

Council Tax	Charges for a Band D property
Adur	£1,697.23 - £1,725.13
Arun	£1,580.77 - £1,698.88
Chichester	£1,560.31 - £1,675.48
Crawley	£1,603.54
Horsham	£1,565.68 - £1,645.54
Mid Sussex	**£1,570.68 - £1,678.82**
Worthing	£1,577.03 - £1,634.14

The average house price in Mid Sussex for July 2016 was **£367,793.**

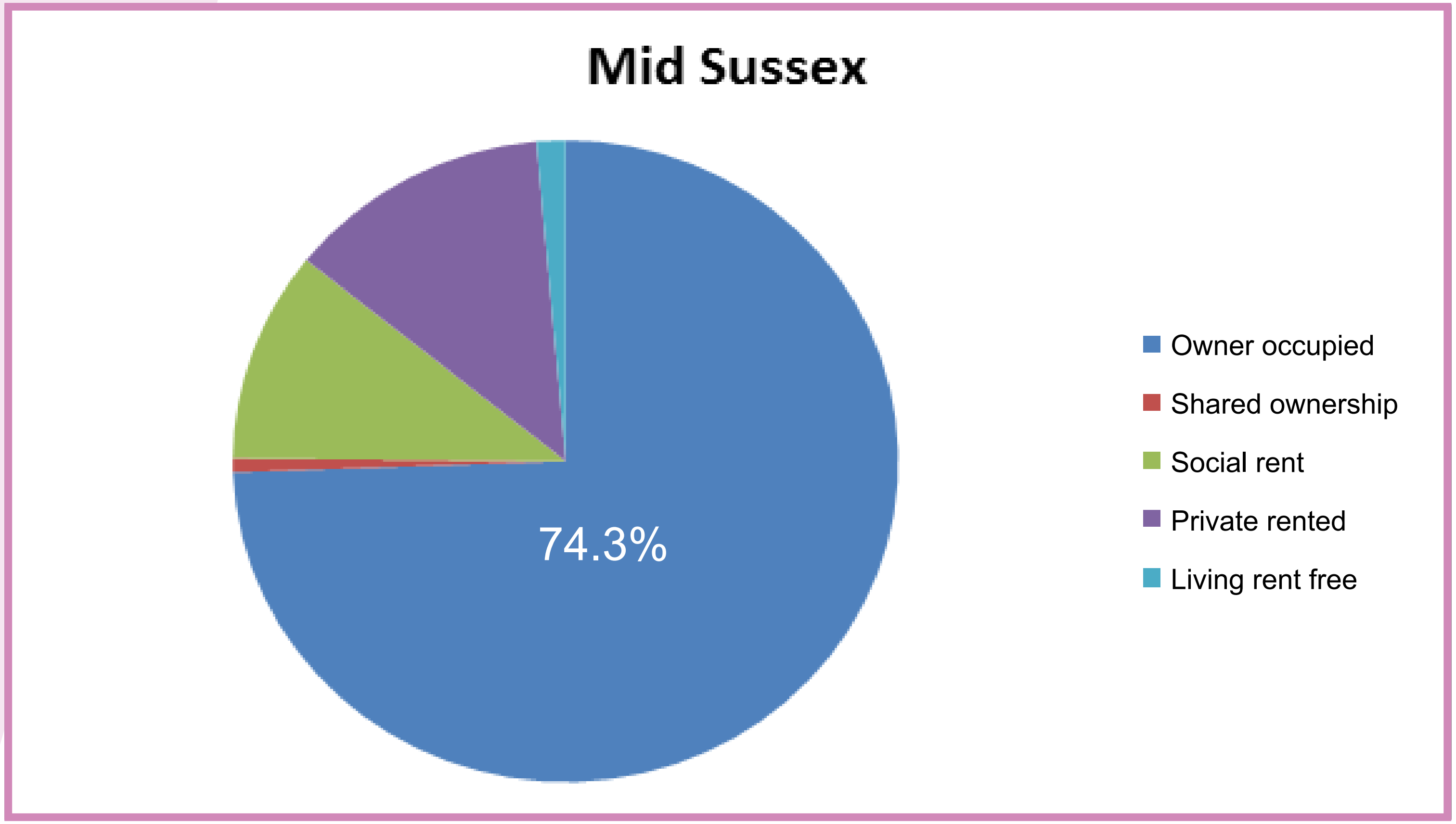
Housing Affordability

House prices are high in Mid Sussex compared with the average for West Sussex and the national average. Land Registry figures show that the average house price in Mid Sussex at July 2016 was £367,793, against the average for the South East of £313,315 and for West Sussex of £311,327. Average house prices in the District have increased by 44.5% in the period 2011-2016 The ratio of median house prices to median earnings in 2015 in Mid Sussex was 11.59, demonstrating issues with housing affordability, particularly for young people trying to get on to the housing ladder.

Housing Tenure

Mid Sussex has a higher level of privately owned homes than most of the country. This may be a reflection of higher than average salaries of residents of the district and the fact that there are many long-term residents. There has, however, been a large increase in the size of the private rented sector between the 2001 and 2011 Census, up from 8% to 13%. The percentage of owner occupation in Mid Sussex has decreased in this period from 79% to 74%.

Tenure of households	Mid Sussex	West Sussex (%)	South East (%)	**England (%)**
Owner occupied	42,658 (74.3%)	70.6%	67.6%	63.4%
Shared ownership	561 (0.7%)	0.8%	1.1%	0.8%
Social rent	6,092 (10.6%)	12.8%	13.7%	17.7%
Private rented	7,322 (12.8%)	14.4%	16.3%	16.8%
Living rent free	776 (1.4%)	1.4%	1.3%	1.3%
Total number of households	57,409			



Rural Economy

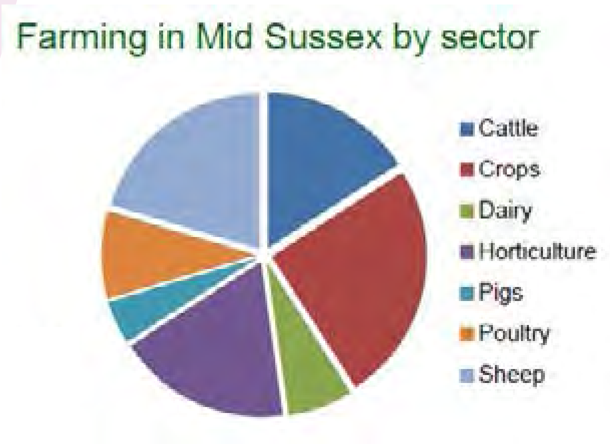
The Coast to Capital LEP produced a Rural Statement in 2016 in recognition that the rural economy is a significant contributor to the Coast to Capital's prosperity.

In Mid Sussex 27% of businesses are based in rural locations which is just above the national average of 26%.

Coast to Capital Local Authority District	% of rurally based business
Horsham	71.50
Lewes	35.51
Mid Sussex	29.18
Crawley	1.51
Brighton and Hove	0.41

The rural business population is sectorally diverse in the Coast the Capital LEP area and includes agricultural and forestry; wholesale and retail trade and repair of motor vehicles; professional, scientific and technical services; construction; and tourism. Home based businesses arean important feature of the rural economy however these are generally characterised as being small.

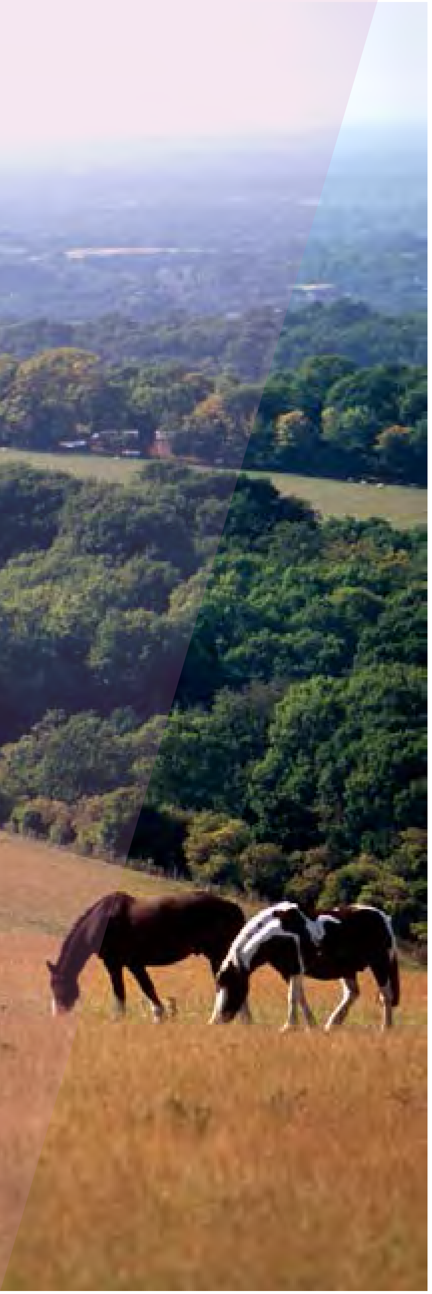
The National Farmers Union has provided a detailed breakdown of farming in Mid Sussex by sector



Viticulture is a significant business in Mid Sussex with a growing number of successful and renown wine growers in the area including the award winning Bolney Wine Estate.

Key challenges identified and being addressed at a local and sub-regional level for the rural economy include:

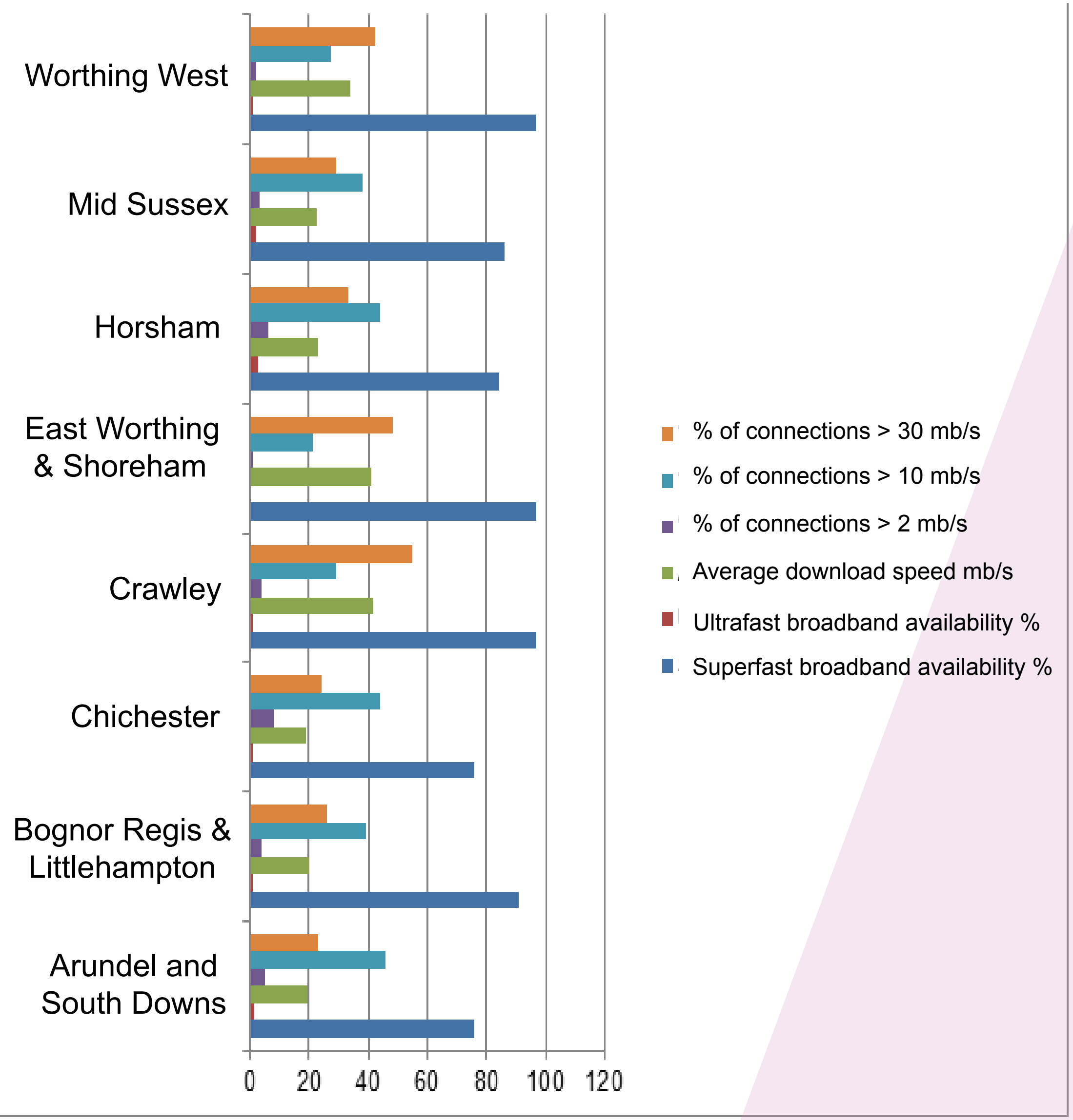
- access to communication technology including poor broadband speeds;
- transport infrastructure;
- access to skills and labour; and
- housing affordability.



Infrastructure

Broadband

The figures in the adjoining table refer to superfast availability and broadband speeds to local BT telecommunications boxes. Many businesses in the District do not actually receive these speeds to their premises since they are connected to a box via copper wires which are sometimes many miles long. This particularly applies to rural businesses. Current figures suggest that 27% of businesses in Mid Sussex are rurally based and are often receiving broadband speeds as low as 2mb. West Sussex County Council in partnership with BT Open Reach has been rolling out superfast broadband across the County for some years. The rural parts of the County have, for population density reasons had a lower priority.



Broadband Speeds

The percentage with superfast broadband available in Mid Sussex is at the average level for the South East of 86%, but average download speeds at 22.2Mb/s are lower than the South East average of 30.2 Mb/s.

Slow broadband speeds and mobile “not spots” in rural locations act as a constraint to economic growth. Many businesses have taken affordable, adequate premises in a rural environment when they do not need to be based in a commercial area. This is particularly true of web based and general IT companies. However, the number of premises that could be used is very restricted across the District because of poor broadband speeds to the premises. This situation restricts the growth of the rural economy and prevents the use of many premises which could be used for growing businesses. Areas with intermittent or no mobile phone reception (“not spots”) still exist across the District.

Transport

All three town centres have either benefited from recent investment in transport infrastructure or funding has been secured for future investment. The East Grinstead and Haywards Heath train stations have been upgraded and provided with addional parking. £16.96m has been secured from Local Growth Funds to upgrade the A2300 in Burgess Hill with a futher £14.9m secured for infrastructure improvements, the majority of which will support a comprehensive sustainable transport package. A comprehensive transport study assessing measures to improve traffic flow around Haywards Heath has led to the prioritisation of projects to be delivered with S106 funds.

Protecting and enhancing the District's built and natural environment

The Mid Sussex area has 36 designated conservation areas. Once a conservation area is designated the Council is required by the legislation to preserve or enhance the character of the area and development proposals have to be considered in light of this requirement.

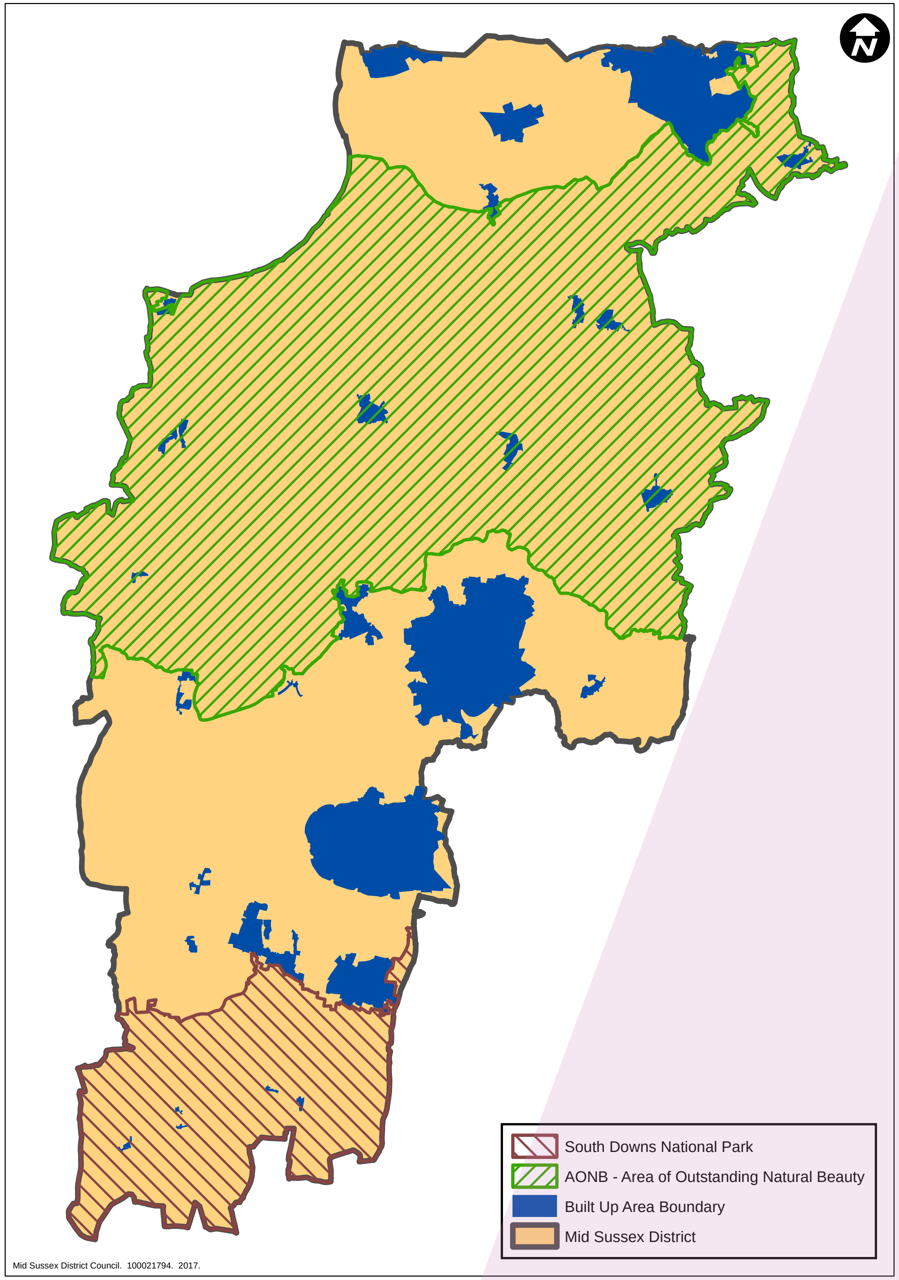
- There are also 1,040 listed buildings within the District of which 18 are the highest grade (Grade I) which are considered to be of exceptional importance, along with 10 Registered Parks and Gardens in the District.

Mid Sussex District has a high quality natural environment and around 60% of the District is covered by protected landscape designations. Nearly 50% of the District is within the High Weald Area of Outstanding Natural Beauty (AONB) and just over 10% is within the South Downs National Park. In addition the Ashdown Forest lies adjacent to the North East boundary of the District.

The High Weald AONB is a mediaeval landscape characterised by dispersed settlements, historic routeways, ancient woodland, open heaths and small irregular-shaped fields.

The South Downs National Park has rolling chalk downland with a steep north-facing scarp dropping down to the Low Weald landscape. The chalk grassland is a valuable habitat and the area is popular for walking and cycling. The South Downs National Park Authority is the local planning authority for the National Park area.

Mid Sussex District also has a variety of nature conservation sites including thirteen Sites of Special Scientific Interest (SSSI) and six Local Nature Reserves which are important for biodiversity. Mid Sussex is the tenth most wooded district in the South-East and two-thirds of its woodland is classed as ancient woodland.



Premises

Having assessed the data around availability of premises the following key issues have emerged:

Key findings:

- There are a diverse range of businesses within Mid Sussex with 20% in the professional, scientific and technical sector.
- 7,305 businesses in the District and a high number of new businesses starting up each year- 905 business births in 2014.
- There are better survival rates of businesses in Mid Sussex than the South East average.
- Mid Sussex is home to a number of major manufacturers, retailers and insurers and is also home to a number of leading science and technology companies, there are a high proportion of micro businesses (75%) employing less than 5 people.
- Although there is a reasonable supply of employment space (605,000 m^2 with 41% industrial; 29% distribution and warehousing; and 30% office space).
- The stock is relatively old and there is some evidence of a lack of “grow on premises” for smaller businesses looking to expand.
- The industrial and office rents are competitive compared to Crawley and Brighton and Hove however the rental values have increased over the last year.
- There has been a significant loss of office floor space to residential conversions particularly in East Grinstead.
- Allocated employment land in Mid Sussex must be brought to the market quickly in order to meet local need and reduce the risk of displacement of local businesses.

"There is real potential for growth amongst both SMEs and large business, but we need to have modern and competitive premises for them to grow into."

Representives from the Business Associations for Haywards Heath, Burgess Hill & East Grinstead

There were 56,800 employees working in Mid Sussex in 2015, 49,100 (87%) of whom work in the private sector. Mid Sussex is in line with the West Sussex average, but has a higher proportion of private sector employees compared to England as a whole (83%).

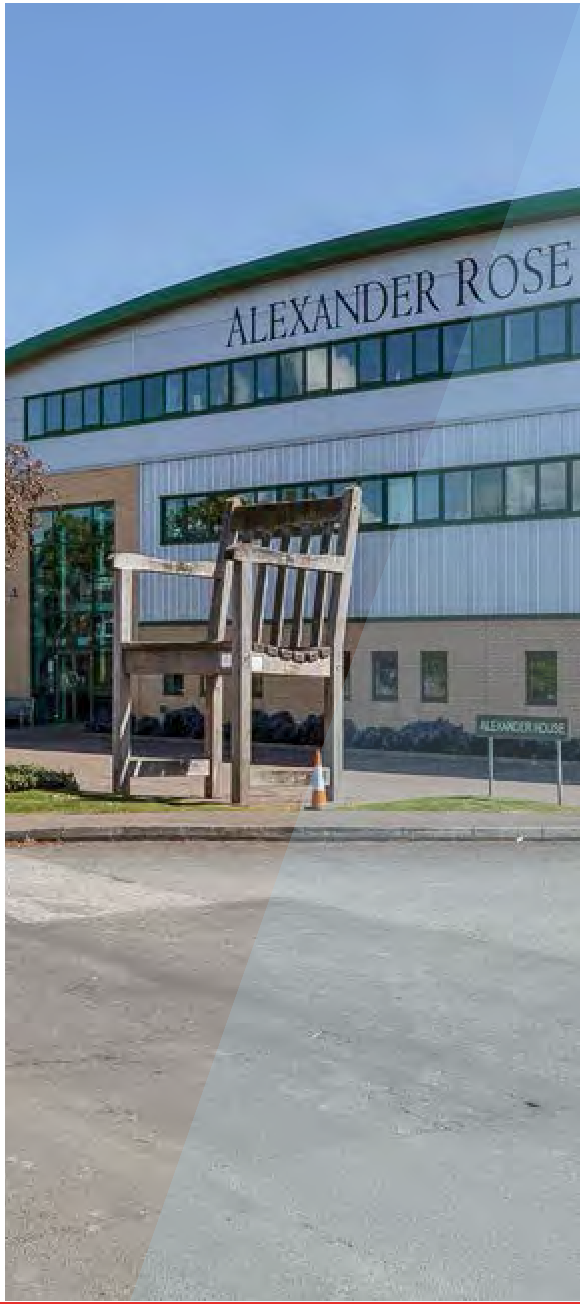
Two thirds (66%) of local employees in Mid Sussex work full-time and 34% work part-time, which is in line with the West Sussex average. In England as a whole 69% are full-time and 31% part-time. Four sectors account for over half (55%) of employee jobs in Mid Sussex as follows:

Wholesale and retail trade	(21%)
Human Health and social work activities	(16%)
Education	(11%)
Professional, scientific and technical activities	(8%)

Size of businesses in Mid Sussex

Mid Sussex has a number of major manufacturers, retailers and insurers as well as many smaller businesses. The table on the next page shows the variety of sizes of businesses in the local area. Mid Sussex has a higher proportion of micro businesses than most of West Sussex, with 75% of businesses employing less than 5 people. Many of Mid Sussex's businesses are listed in the **Mid Sussex Business Directory** which can be found on the Council's website. A number of the business parks are supported by active business associates. Details of these associations can be found at the Burgess Hill Business Park Association

http://www.bhbpa.co.uk/, East Grinstead Business Association **http://www.egba.co.uk/** and Haywards Heath Business Association: **http://hhdba.com/home/** .
There are also a number of smaller industrial estates across the District.



Size of businesses by employment

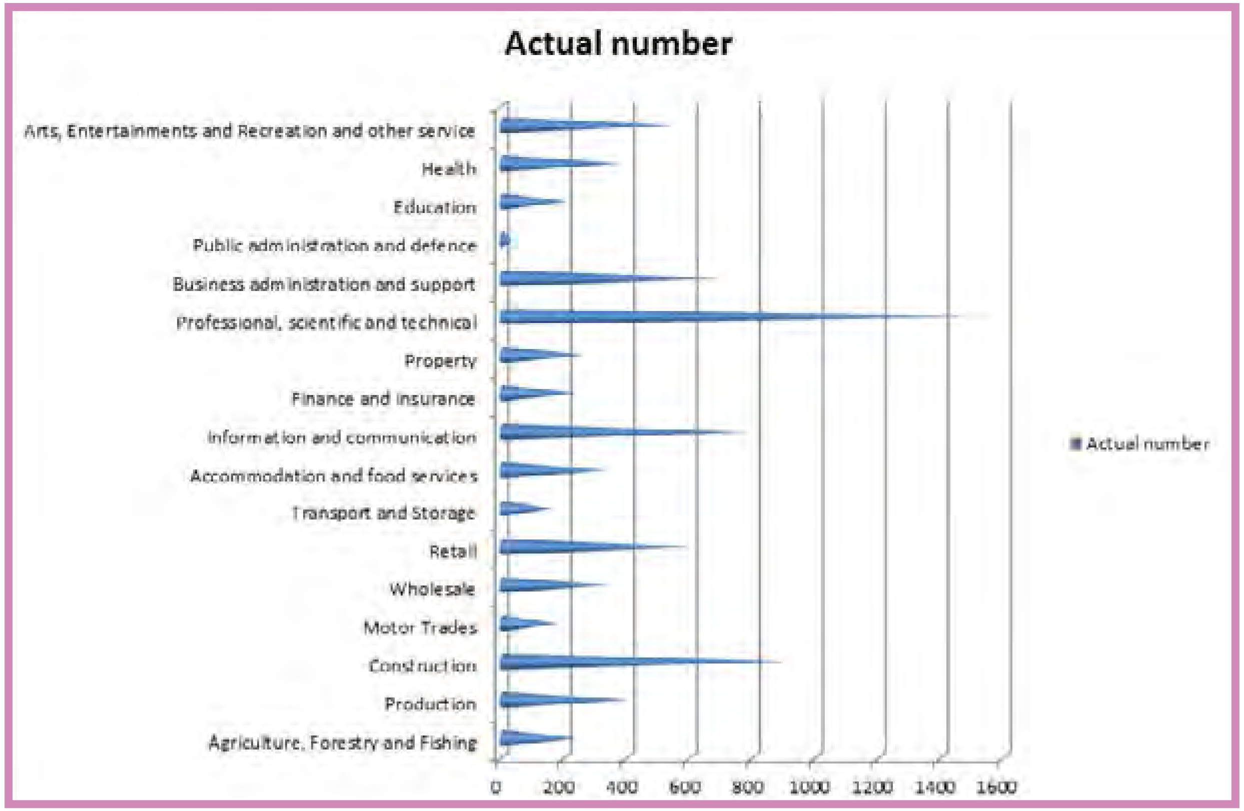
Employment Size	0-4	5-9	10-19	20-49	50-99	100-249	250+	Total
Adur	1,860	350	190	125	40	15	5	2,585
Arun	4,225	855	480	305	70	40	10	5,985
Chichester	5,395	960	520	335	85	50	25	7,370
Crawley	2,710	600	455	310	150	100	55	4,380
Horsham	6,090	990	505	340	105	35	15	8,080
Mid Sussex	**5,960**	**965**	**565**	**320**	**95**	**60**	**15**	**7,980**
West Sussex	29,360	5,320	3,080	1,975	635	340	140	40,850
South East	329,810	55,945	33,080	21,295	7,015	3,945	1,615	452,705

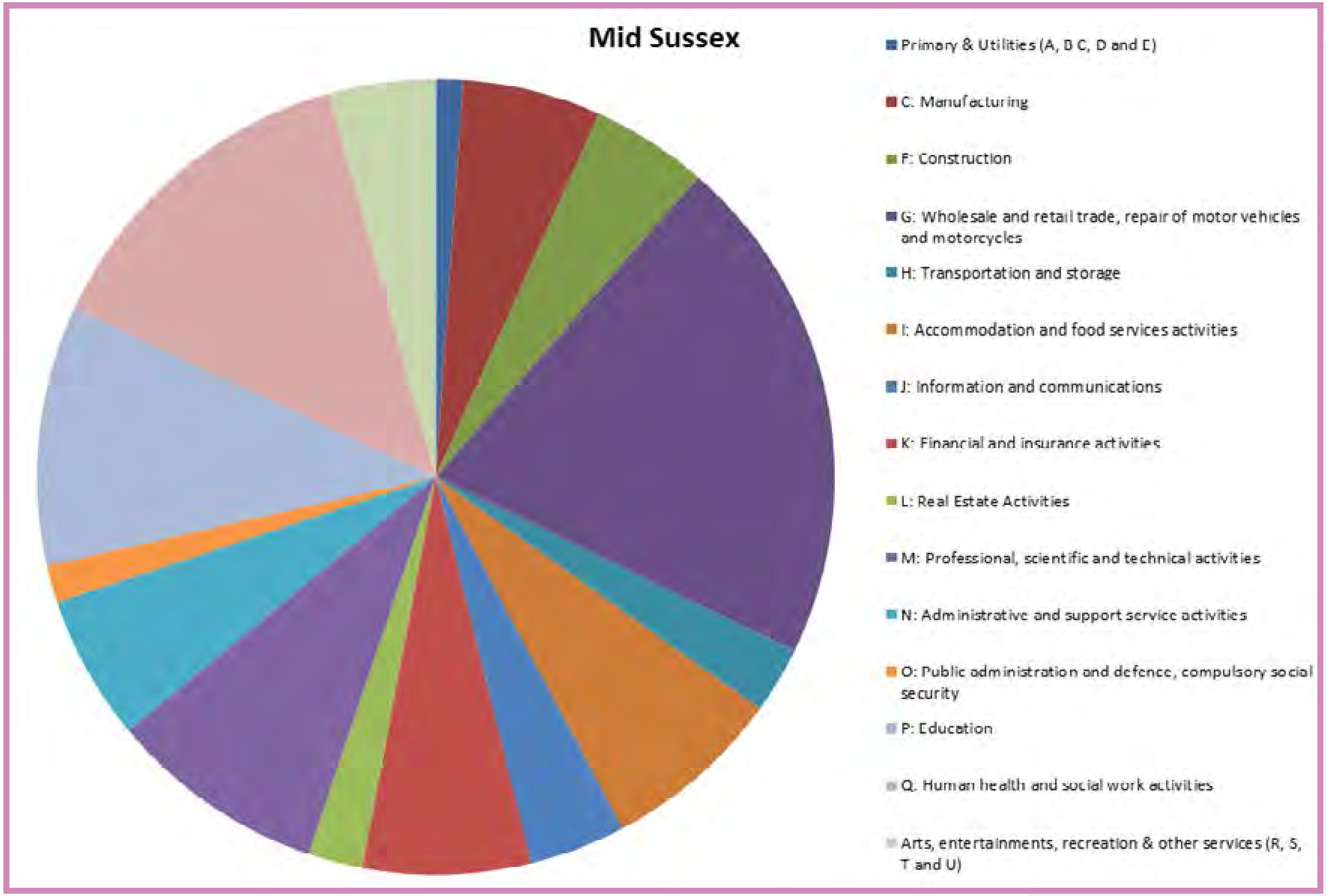
Source ONS 2016 UKBABa Enterprise/local units by employment size band and local authority

Diverse and specialised sectors

Mid Sussex is home to a diverse range of businesses as shown in the chart below. The largest sector in Mid Sussex is the professional, scientific and technical sector at 20%. Information and communication enterprises account for 10% of all enterprises in Mid Sussex. Both of these sectors require employees with technical skills.

Breakdown of Mid Sussex Business by Industry Group 2016





From BRES Analysis (The Business Register and Employment Survey) information at 2015

Biggest Commercial Employers in Mid Sussex

American Express Europe	Flowserve
1st Central Insurance	Rockwell Collins
Alexander Rose	CAE
The Caravan Club	Serco
Roche Diagnostics	Servecorp
AV Trade	Accelerated Mail and Marketing
HPC Compressed Air Systems	Edwards
Thermo Fisher Scientific	International Logistics Group

Mid Sussex has a record of being a resilient economy with a large number of active businesses and a high survival rate for new enterprises.

Active Businesses

Active businesses	2009	2010	2011	2012	2013	2014
Adur	2,290	2,320	2,255	2,275	2,340	2,390
Arun	5,345	5,290	5,260	5,225	5,205	5,320
Chichester	6,295	6,310	6,240	6,255	6,300	6,390
Crawley	2,970	2,960	3,015	3,100	3,215	3,380
Horsham	6,965	6,875	6,810	6,860	7,065	7,365
Mid Sussex	6,820	6,865	6,910	6,990	7,065	7,305
Worthing	3,850	3,880	3,800	3,830	3,890	4,005

Source ONS Business Demography 2009-2014

Mid Sussex has the second largest number of active businesses in West Sussex and the numbers have increased each year between 2009 and 2014.

Current Employment Space in Mid Sussex

The current stock of employment (41%) floorspace in Mid Sussex is 605,000 sq. m with much of the supply formed of industrial and distribution and warehousing space (29%). The commercial office stock at that stage was 81,000 sq. m, representing some 30% of all employment floorspace in the District. The distribution of the District's office stock is primarily concentrated in Haywards Heath (31%), Burgess Hill (25%) and East Grinstead (24%). The stock of industrial floorspace is concentrated around Burgess Hill (42%) and the A273 corridor.

Analysis included in the EGA found that the stock was relatively old. 77% of all commercial office space was built before 1980 (50% before 1940), which is a greater proportion in than the wider South East region as a whole (65% and 40% respectively). For industrial space, 70% is pre-1980s, slightly higher than the regional equivalent of 66%. Mid Sussex vacancy levels are around 12% of total stock. Industrial floorspace vacancy was recorded as 8% in Burgess Hill. These levels of vacancy are considered normal for the market (10% is usually considered a reasonable average vacancy level). As a consequence there is a shortage of high quality end accommodation for both offices and industrial uses. As such there is a risk that some businesses will move out of the local area.

The Strategic Economic Land Availability Assessment prepared in May 2016 assessed the quality of employment sites in the District. Approximately 35% of the sites surveyed were rated as good, 57% average and only 7% of sites were rated as poor.

Permitted Development Legislation passed in 2013 allows owners of office buildings to convert them to residential use without the need to apply for planning consent. Since the value of a building is much greater as residential than it is as office space, the District has seen an accelerating loss of office space. East Grinstead has been the worst affected to date with Haywards Heath and Burgess Hill also affected.

The Basepoint Centre provides 9,500 sq. ft. of high quality workspace and managed office to over 30 local businesses, and is located within walking distance to Haywards Heath Train Station. The Centre has been at full capacity shortly after opening and has a healthy waiting list which supports a gap in the market for a similar opportunity.

Mid Sussex's commercial property market centres around the District's three main towns of Haywards Heath, Burgess Hill and East Grinstead, totalling 70.5ha of employment land, each with a distinctive offer and character. Haywards Heath is the District's main office centre due in part to its connectivity strengths, and historic role as an important office destination. Demand for good quality modern office premises remain high although there is a need to improve the older stock so that it continues to be attractive to current business occupiers.

Burgess Hill has the largest and most established industrial space market and the new business parks, once developed will provide even further employment opportunities.

East Grinstead has a mixed employment offer although has suffered significant loss of office space through permitted development.

The EGA analysed the quality and suitability of existing employment locations and identifiedthat four of the District's business parks were identified as good quality sites:

- Victoria Business Parks (East and West)at Burgess Hill
- Birch Industrial Estate in East Grinstead
- Sheddingdean at Burgess Hill)

Future Demand for Employment Space

The Quarter 1 2017 Stiles Harold Williams assessment of Industrial and Logistics for Burgess Hill and Haywards Heath reported a high level of take up of business premises in the year to date. This would have been significantly higher if more stock was available. They report an increasing number of local occupiers frustrated with the lack of available stock in Burgess Hill and Haywards Heath who are desperate to expand and are now having to consider other areas. For East Grinstead, business take up has been lower, attributed to the lack of available stock rather than a reduction in demand. The town also benefits from business demand coming from the Crawley market. Our contacts with the business community point to the lack of "grow on" premises in the District, with the worst impact on the 278m^2 – 929m^2 category.

The EGA noted that a lack of readily available land for new office and industrial development was beginning to divert enquiries outside of the District, as requirements cannot be met.

A survey conducted by the Burgess Hill Business Parks Association in September 2014 found that 74% of the businesses that responded had grown in the previous 12 months whilst a significant number of businesses reported a need to move or expand their premises within the next 18 months. This survey identified that just under half (43%) of business had experienced difficulties in finding suitable premises / sites to expand, upgrade or relocate within the local area. Just over half (51%) of respondents were considering expanding premises in the next 5 - 10 years.

The EGA concluded that the Council should:

- Seek to promote new offices and encourage renewal of older office stock within the Burgess Hill town centre. The business parks proposed to the west of Burgess Hill should be delivered in order to provide additional space and scope for existing occupiers to expand and build new premises.

- Intensify existing building space at East Grinstead to reflect demand. The EGA acknowledges that the Park Road / Maypole Road office cluster has lost considerable office space to residential use, however, the London Road / Wood Street area, closer to the town centre and railway station, is a more logical area for retention of space.

- Support and encourage office uses in the town centre. Market feedback suggests that Haywards Heath is still a relatively popular location for office occupiers.
The stock of office space in Haywards Heath, the District's main office location, requires renewal of older legacy space originally designed for larger corporate occupiers in the 1980s to smaller, more modern and flexible accommodation that is better suited to the smaller businesses that are now locating in the town.

Levels of Industrial and Office Rents

The Northern West Sussex Economic Growth Assessment (2014) identified the highest levels of industrial and office rents in Crawley, although this varies depending upon the quality and age of premises. Rents in Mid Sussex offer a cost advantage to both Crawley and nearby areas such as Brighton & Hove, Guildford and Reigate.

Industrial and Office Rents in Northern West Sussex and Comparator Locations 2014

Location	Industrial (£/sqft)	Offices (£/sqft)
Crawley - Manor Royal	7 - 10	15 - 25
Crawley - Town Centre / Three Bridges	7 - 8	10 - 20
Horsham	6 - 8	10 - 15
East Grinstead	7 - 8	9 - 10
Haywards Heath	n/a	16 - 17
Burgess Hill	7 - 8	9 - 11
Brighton & Hove	10 - 12	10 - 20

Source: Northern West Sussex Economic Growth Assessment 2014

Provision for start-up / small businesses

The Council recognises the importance of home based businesses, many of which are likely to have growth potential. The potential demand for start-up/small business space is often indicated by the proportion of the working-age population who identify their home as their primary place of work.

The most up to date data is from the 2011 Census, which showed that 13% of residents worked from home in Mid Sussex compared to 8% across the South East and 6.6% across England and Wales. There are several possible reasons for this shift towards home-working, which could include the opportunities from improved information infrastructure, increase in transport prices and employers become more flexible. Also, a trend arising from the period of economic recession of the unemployed being driven into self-employment and some pre-existing small businesses moving out of commercial property sites and into the home as a cost-cutting measure.

Home-based businesses often seek more formalised employment space or access to business support facilities as they grow and expand. There is currently a scarcity of the Managed Workspace required for homebased businesses to have the opportunity to expand. In 2015, The Council, in partnership with West Sussex County Council and Basepoint, provided 33 new business starter units on the site of the old waste depot at Bridge Road in Haywards Heath.

The only other such operational facility in the District is Citibase in Burgess Hill, which offers 27 serviced offices for rent.

Business births

Mid Sussex has a high number of new businesses starting up each year. The District saw the largest increase in West Sussex of enterprise births between 2013 and 2014 at 9%. There were 905 enterprise births in 2014 in Mid Sussex, the highest number in the County.

Enterprise Birth Rates (per 1,000 working age population (aged 16-64))

	2009	2010	2011	2012	2013	2014
West Sussex	6.6	6.5	7.0	7.0	8.8	8.7
Mid Sussex	**7.3**	**7.6**	**8.1**	**8.0**	**9.5**	**10.3**
Great Britain	5.9	5.8	6.5	6.7	8.6	8.7
South East	6.7	6.7	7.4	7.5	9.2	9.3

Source ONS Business Demography 2014 Headlines for West Sussex. WSCC Insight Team.

Enterprise Death Rates (per 1,000 working population, aged 16-64)