SOUTH DOWNS NATIONAL PARK

ECONOMIC DATA UPDATE
SOUTH DOWNS NATIONAL PARK

AUGUST 2020

South Downs National Park Authority

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Cover image: Looking down on South Harting from Harting Down.
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1. FOREWORD

1.1 The South Downs National Park is the most populated National Park in the United Kingdom, with around 110,000 people living within its boundary. Major urban areas surrounding the National Park include Winchester, Portsmouth, Chichester, Worthing, Brighton and Hove and Eastbourne. The National Park is also unique in the UK in its incorporation of the large market towns of Lewes, Petersfield and Midhurst. Furthermore, it is situated within an hour's travel from London and in close proximity to the international gateways of south coast seaports and Gatwick airport. The South Downs National Park therefore has a complex economic narrative.

1.2 The settlements across the National Park are strong and vibrant communities with significant investment in the future of where they live. The character, appearance and history of settlements throughout the National Park are derived from the diverse social, economic and environmental influences of the landscape. This landscape provides the natural resources of water, food, clean air and materials that contribute greatly to the health and well-being of the communities in and around the National Park.

1.3 Developing and maintaining a healthy rural economy that also takes good care of the landscape is essential to these communities and to the South Downs National Park.

1.4 The challenges and opportunities provided by the UK's exit from the EuropeanUnion and the impact of the COVID-19 pandemic make this a particularly important time to have a robust evidence base, not only for the South Downs National Park Authority, but for all our partners, stakeholders and rural businesses who can contribute to a sustainable South Downs National Park. This research was conducted prior to the COVID-19 lockdown so serves as a useful benchmark. A separate recovery plan in response to the pandemic is being developed at the time of writing.

1.5 This Economic Profile will help to frame the strategic direction of our work for the future and our ability to help in managing change so that the South Downs National Park evolves to the benefit of both landscape and people.

Ian Phillips
Chair South Downs National Park Authority

2. INTRODUCTION

2.1 This report contains an update of the key data in the South Downs Economic Profile 2018. The South Downs National Park (SDNP) has a relatively large and diverse business population comprising a range of industry sectors, in addition to the land-based industries and the visitor economy. Recognising the extent of this economic activity, the South Downs National Park Authority (SDNPA) is developing a Business Engagement Strategy to support sustainable economic growth.

2.2 There are three important underpinning pieces of evidence for the Business Engagement Strategy:

- The evidence base contained in the Economic Profile 2018 and this new data update report which explore the extent and characteristics of the business population and priority sectors.
- A mapping and gap analysis of the business support available to the small business sector in the South Downs National Park, the direction of which will be informed by the conclusions in this data update report.
- The small business survey which SDNPA is undertaking to understand what kind of advice and support businesses in the National Park would find most helpful in order to grow and succeed.

2.3 The results from these three main inputs will be used to inform the development of the Business Engagement Strategy. It will be based on a sound understanding of the business population in the South Downs National Park, their business support requirements, the current support available and the gaps which could be filled.

Picking apples at Durleighmarsh Farm © SDNPA/A K Purkiss

3. METHODOLOGY

3.1 The specification for this data update and analysis including the sources for the data is contained in Annex A. In summary, this update covers:

- The business population in the South Downs National Park, including sectors and size structure (employment and turnover)
- A detailed analysis of each of the four priority sectors: the land-based industries, advanced manufacturing and engineering, the knowledge economy and the visitor economy
- Output and productivity as a whole and by main sector
- Employment including number, type of jobs and employment by sector
- Population demographics including age profile
- Infrastructure and connectivity including ICT connectivity, travel to work patterns and commuting, employment space demand and supply

3.2 Comparator areas have been included as they were in the original Economic Profile 2018 to place the economic performance, demographic and other characteristics of the SDNP in context. A brief time series analysis between 2016 and 2018, or 2019 where available, has been included in most cases. This covers the period since the Economic Profile was published in early 2018.

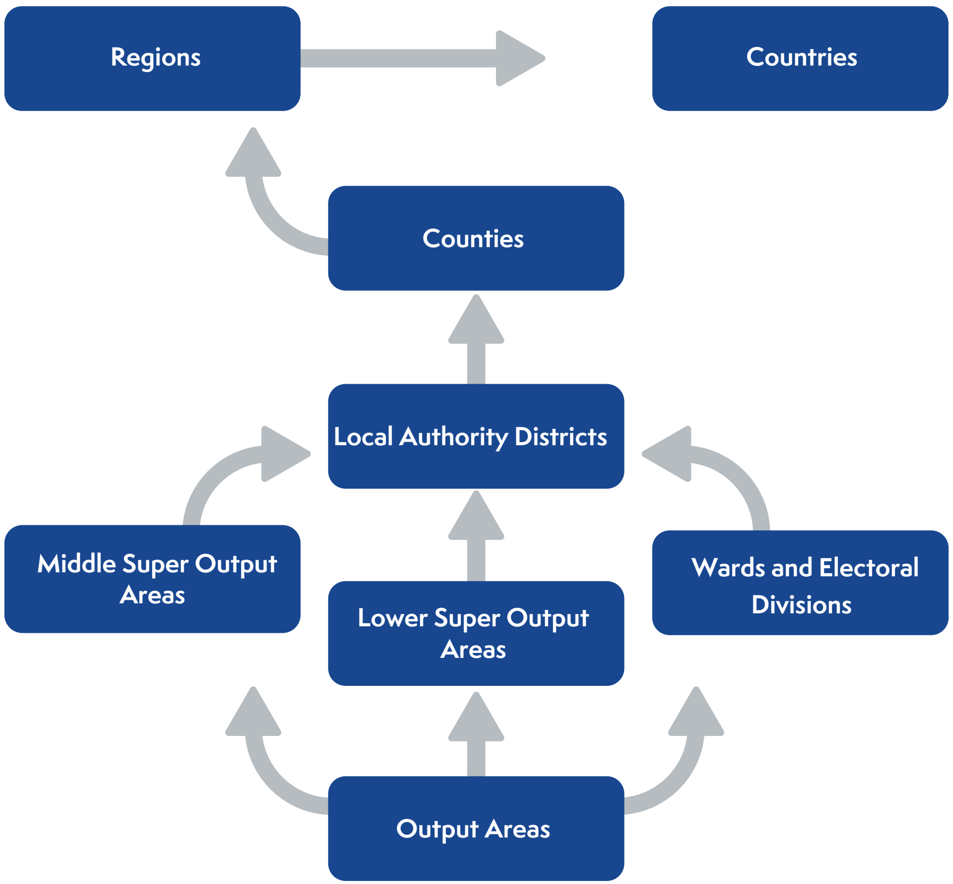
3.3 Most data sources are provide by the Office of National Statistics (ONS) as these are the most reliable and consistent over time. Where these are not available, data from other government sources have been included as well as highlights from other relevant research commissioned by the SDNPA.

STATISTICAL GEOGRAPHY

3.4 The geography of the South Downs National Park is not consistent with the most commonly used statistical geographies, for example, local authority districts and counties. Therefore, the smallest statistical geography available for each data set has been used to provide a best-fit with the National Park boundaries.

3.5 The smallest statistical geography is Output Areas (OAs), based on populations of 10,000, but not many data sets are available at this level. **FIGURE 1**.

FIGURE 1: STATISTICAL GEOGRAPHIES TREE



3.6 In most cases, the smallest statistical geography for which data are available is at Lower Super Output Area (LSOA) level. The 68 LSOAs that most closely conform to the South Downs National Park's boundaries have been used to select and then aggregate and analyse data.

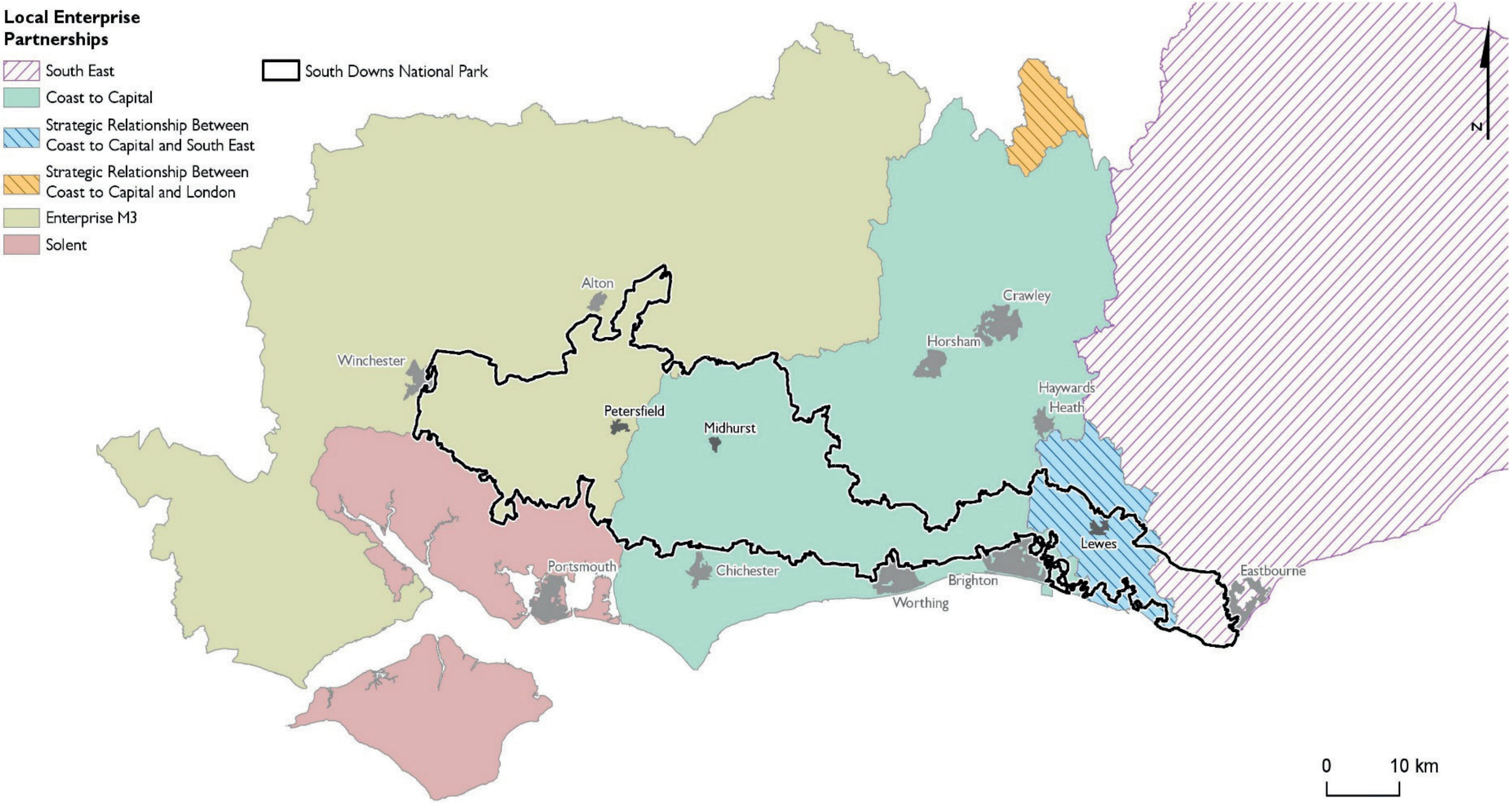
3.7 Where LSOA level data are not available, sometimes Middle Super Output Areas (MSOAs) are used. Some data are only available at local authority district level, e.g. GDP data. In this case, further estimates and interpretation for the SDNP have been provided. LSOA data has been used unless specified otherwise in the report.

3.8 The comparator areas used to set the data in its context are the same as in the Economic Profile 2018:

- Coast to Capital Local Enterprise Partnership (CtoC LEP)
- Solent Local Enterprise Partnership (Solent LEP)
- Enterprise M3 Local Enterprise Partnership (EM3 LEP)
- South East Local Enterprise Partnership (SELEP)
- The South East region (SE region)

3.9 A percentage of each of the four LEP areas lies in the South Downs National Park and together they form a wider economic area, providing a useful basis for comparison on the various metrics. A map showing the boundaries is overleaf.

MAP 1: LOCAL ENTERPRISE PARTNERSHIPS



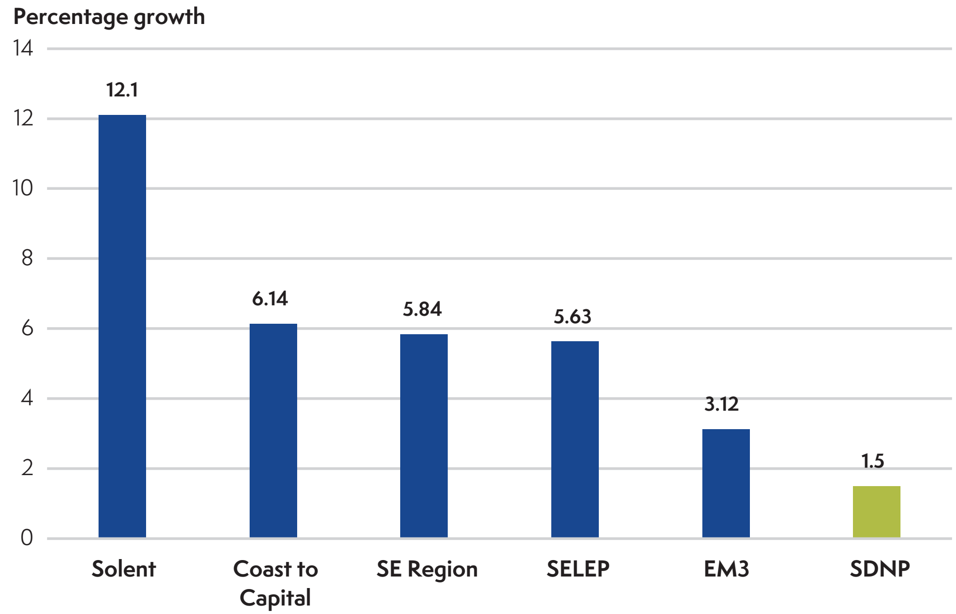
4. BUSINESS DEMOGRAPHY

BUSINESS POPULATION AND GROWTH

4.1 The business population of the South Downs National Park comprised 8,135 registered[1] enterprises in 2019, a growth of just 120 enterprises or 1.5% since 2016. The rate of growth has slowed considerably; the Economic Profile 2018 showed an increase of 18.7% in the business population in the South Downs National Park over the previous 2013 to 2017.

4.2 Although the rate of business growth has slowed in all the comparator areas between 2016 and 2019, it was lowest in the South Downs National Park. Solent LEP has seen the highest rate of growth (12.20%) but even this is almost half what it was in the previous reference period. (23.38%). **FIGURE 2**.

FIGURE 2: NET PERCENTAGE GROWTH IN THE BUSINESS STOCK 2016 TO 2019

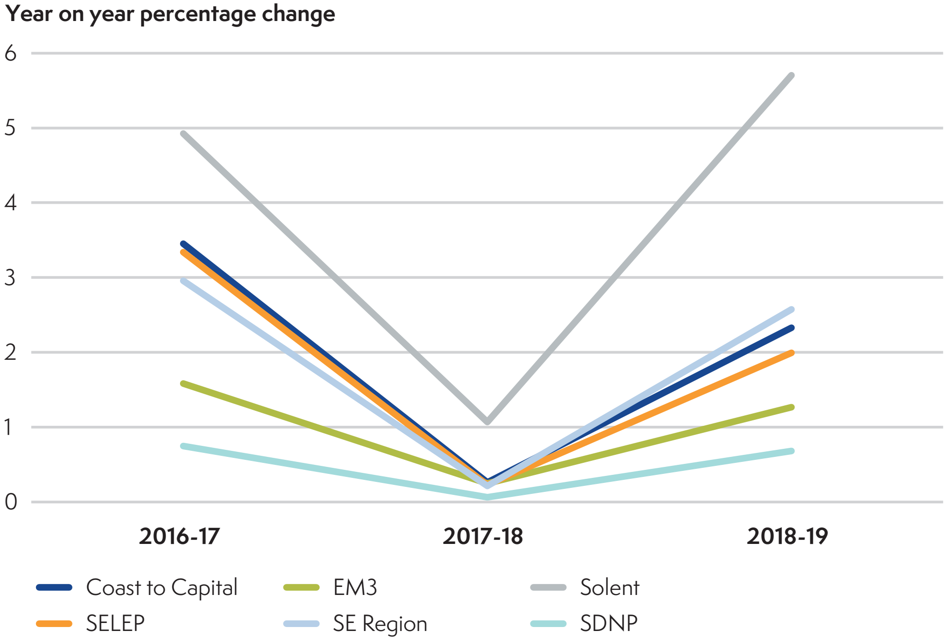


Source: ONS UK Business Counts (enterprises).

4.3 All the areas saw a significant slowdown in business growth between 2017 and 2018 although there appears to have been a recovery since then from 2018 to 2019. **FIGURE 3**.

1 ONS Business Counts include VAT and/or PAYE registered businesses but not very small businesses operating below this threshold.

FIGURE 3: YEAR ON YEAR PERCENTAGE GROWTH IN THE BUSINESS STOCK 2016 TO 2019



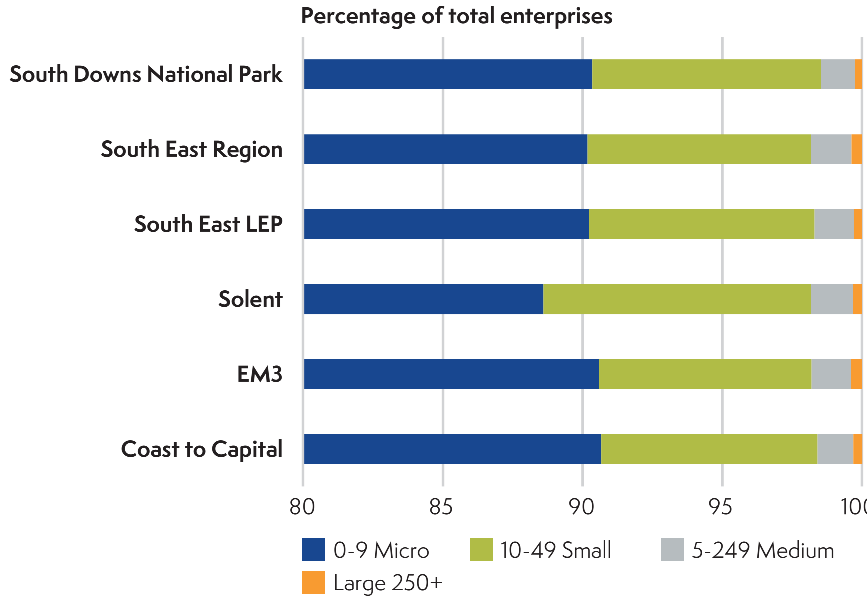
Source: ONS UK Business Counts (enterprises).

4.4 Clearly, the South Downs National Park business population has not shown the same growth rates as the other areas. This is probably due in part to the largely rural nature of the economy in the National Park. For example, growth in the Coast to Capital Local Enterprise Partnership (LEP) area varied between an average growth rate in rural areas of 3.77% compared to 6.32% in urban areas. The reasons for slower rates of business growth in rural areas commonly include the lack of premises for expansion and planning constraints, poorer infrastructure including ICT, difficulty in attracting skills and the fact that rural businesses do not benefit from the benefits of agglomeration.

SIZE OF BUSINESSES

4.5 The majority of businesses in the South Downs National Park are micro businesses with fewer than 10 employees. In 2019, 7,350 firms or 90.35% were in this category while 665 or 8.17% were categorised as small with 10 to 49 employees. This is broadly similar to the comparator areas, apart from Solent LEP which has a different size composition with significantly fewer micros and more small and medium businesses than the other areas. **FIGURE 4** and **TABLE 1**.

FIGURE 4: PERCENTAGE OF BUSINESSES IN EACH EMPLOYMENT SIZE BAND IN 2019



Source: ONS UK Business Counts (enterprises).

TABLE 1: NO.S AND PERCENTAGES OF BUSINESSES IN EACH EMPLOYMENT SIZE BAND IN 2019

	0-9 Micro		10-49 Small		5--249 Medium		Large 250+		Total
	No.	%	No.	%	No.	%	No.	%	No.
CtoC LEP	66,520	90.68	5,670	7.73	940	1.28	240	0.33	73,360
EM3	72,890	90.59	6,115	7.60	1,135	1.41	325	0.40	80,465
Solent LEP	39,410	88.60	4,255	9.57	670	1.51	145	0.33	44,480
SELEP	156,370	90.22	13,990	8.07	2,435	1.40	520	0.30	173,315
S.E. Region	374,185	90.17	33,185	8.00	6,030	1.45	1,580	0.38	414,975
SDNP	7,350	90.35	665	8.17	100	1.23	20	0.25	8,135

Source: ONS UK Business Counts (enterprises)

4.6 However, South Downs National Park has lower percentages of medium and, particularly, large companies, probably due to restrictions on employment space. This may also account in part for the lower growth rates in the National Park, with fewer large companies to support supply chains.

4.7 There is a similar distribution by turnover size band with the majority of businesses in the South Downs National Park and the comparator areas falling into two smallest size brackets i.e. the less than £100k and the £100k to £500k turnover brackets.

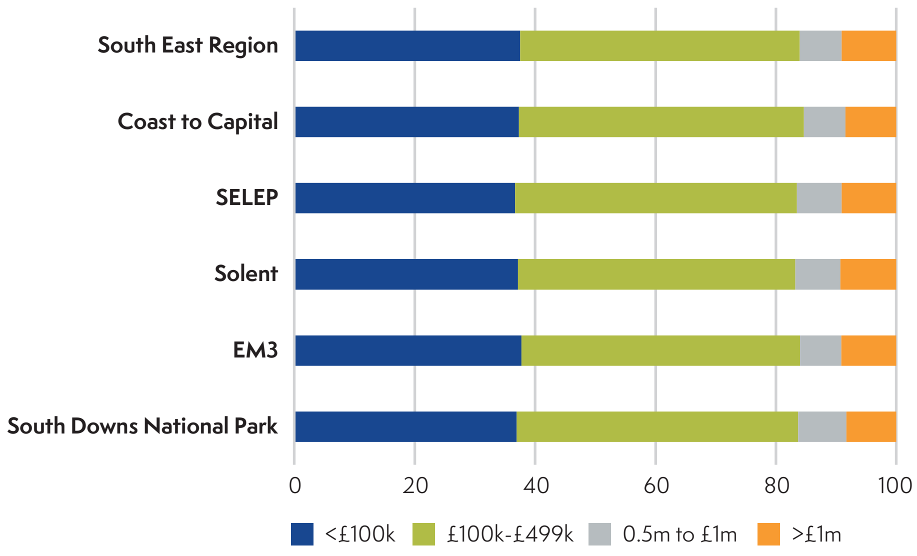
4.8 However, South Downs National Park has the highest percentage in the second largest £0.5m to £1m bracket and the lowest percentage in the largest turnover size band of more than £1m per annum. This has not changed since the 2018 Economic Profile. **FIGURE 5** and **TABLE 2**.

SECTORAL ANALYSIS

4.9 The largest sector in the South Downs National Park is the *Professional, Scientific & Technical* sector which makes up 21.02% of all businesses, indicating a relatively knowledge intensive business base compared to Solent LEP and South East LEP in both of which *Construction* is the largest sector. However, *Professional Scientific & Technical* makes up a higher percentage of Enterprise M3 (EM3) businesses (23.17) and the knowledge economy is not as prevalent as it might be in the SDNP as further analysis will reveal. **TABLE 3**.

4.10 The South Downs National Park has the lowest share of *Construction* businesses at 10.51% and, as might be expected, the highest share of *Agriculture, Forestry & Fishing* (8.79%). This is the third largest sector in the National Park but does not figure in the top six in any other area. **TABLE 3** and **TABLE 4**.

FIGURE 5: PERCENTAGE OF BUSINESSES IN EACH TURNOVER SIZE BAND IN 2019



Source: ONS UK Business Counts (enterprises).

Amberley Museum © Amberley Museum

TABLE 2: NO.S AND PERCENTAGES OF BUSINESSES IN EACH TURNOVER SIZE BAND IN 2019

	<£100k		£100k-£499k		0.5m to £1m		>£1m		Total
	No.s	%	No.s	%	No.s	%	No.s	%	Total
SDNP	3,005	36.94	3,805	46.77	650	7.99	675	8.30	8,135
EM3	30,355	37.72	37,255	46.30	5,495	6.83	7,355	9.14	80,465
Solent LEP	16,530	37.16	20,480	46.04	3,330	7.49	4,140	9.31	44,480
SELEP	63,575	36.68	81,155	46.83	12,865	7.42	15,720	9.07	173,315
CtoC LEP	27,355	37.29	34,755	47.38	5,045	6.88	6,200	8.45	73,360
S.E. Region	155,775	37.54	192,565	46.40	28,955	6.98	37,680	9.08	414,975

Source: ONS UK Business Counts (enterprises).

TABLE 3: THE SIX LARGEST SECTORS BY PERCENTAGE SHARE OF BUSINESSES IN THE SOUTH DOWNS NATIONAL PARK AND THEIR PERCENTAGE SHARE IN THE COMPARATOR AREAS.

	EM3	Solent LEP	SELEP	SE Region	C to C LEPl	SDNP
Professional, scientific & technical	23.17	14.82	16.62	19.76	20.03	21.02
Construction	11.96	16.12	18.07	13.65	13.50	10.51
Agriculture, forestry & fishing	2.67	1.56	3.47	2.86	2.43	8.79
Business administration & support services	8.96	7.67	8.63	9.05	9.15	8.42
Arts, entertainment, recreation & other services	6.36	5.94	5.89	6.31	6.94	7.87
Information & communication	12.95	7.12	7.57	11.07	10.58	7.62

Source: ONS UK Business Counts (enterprises).

TABLE 4: THE SIX TOP RANKED SECTORS BY PERCENTAGE SHARE OF BUSINESSES IN THE SOUTH DOWNS NATIONAL PARK AND THE COMPARATOR AREAS 2019

	1st	2nd	3rd	4th	5th	6th
SDNP	Prof. Sci & Tech	Construction	Agric., for. & fish.	Business admin	Arts, ent & rec.	Info & comms
EM3	Prof, Sci. & Tech	Info & comms	Construction	Business admin.	Arts, ent. & rec,	Retail
Solent LEP	Construction	Prof, Sci. & Tech	Retail	Business admin.	Info & comms	Manufact. inc mining
SELEP	Construction	Prof, Sci. & Tech	Business admin.	Info & comms	Retail	Arts, ent. & rec,
C to C LEP	Prof, Sci. & Tech	Construction	Info & comms	Business admin.	Retail	Arts, ent. & rec,
SE Region	Prof, Sci. & Tech	Construction	Info & comms	Business admin.	Retail	Arts, ent. & rec,

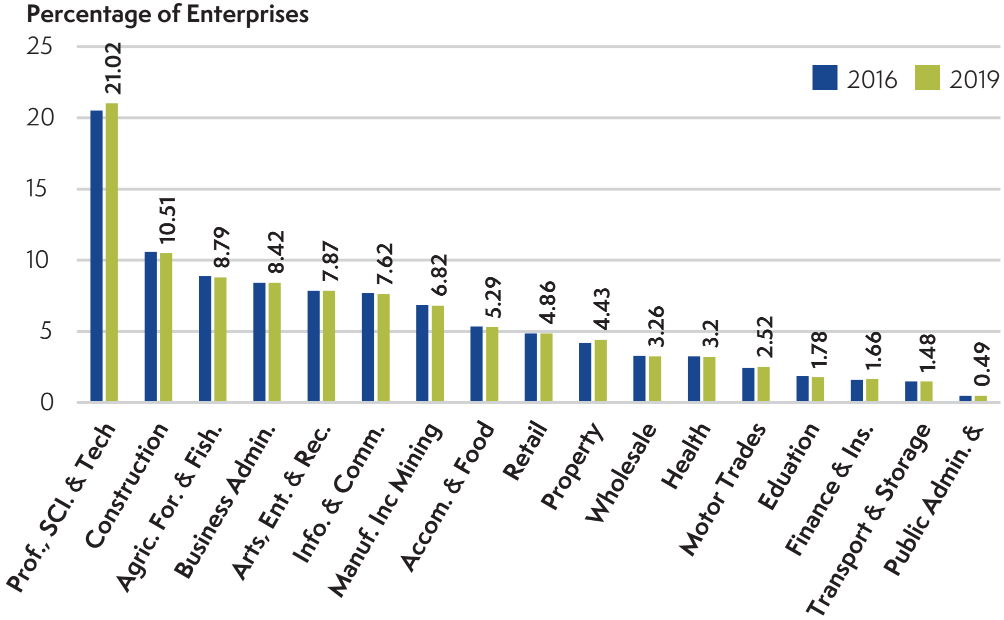
Source: ONS UK Business Counts (enterprises).

4.11 The South Downs National Park has the smallest *Information & Communication* sector by percentage share. It is the 6th largest sector in the National Park, compared to 2nd largest in EM3 and 3rd in Coast to Capital. This matters because the IT sector underpins other knowledge and technology intensive sectors. *Information & Communication* makes up just 7.62% of businesses in the National Park compared to 12.95% in EM3. The share in the South Downs National Park has fallen from 8.0% in the Economic Profile 2018 when it was the fourth largest sector.

4.12 There have been some small changes in sectoral share between 2016 and 2019. *Professional, Scientific & Technical, Business Administration, Retail, Property, Motor Trades* and *Finance & Insurance* have all increased in percentage share terms in the National Park whereas *Construction, Agriculture, Forestry & Fishing, Information & Communication, Manufacturing, Wholesale, Health, Education* and *Transport* have all declined, although these changes are small at less than 1%. **FIGURE 6** and **FIGURE 7**.

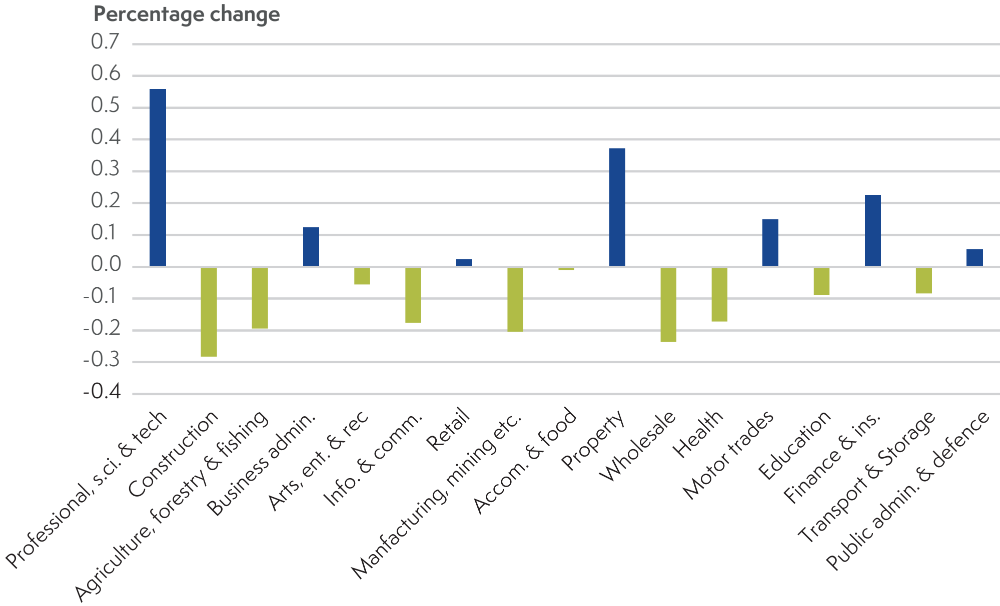
Depot, Lewes © Ming Cheng/ Burrell Foley Fischer LLP

FIGURE 6: PERCENTAGE SHARE OF BUSINESSES BY SECTOR IN THE SOUTH DOWNS NATIONAL PARK 2016 AND 2019



Source: ONS UK Business Counts (enterprises).

FIGURE 7: PERCENTAGE CHANGE BY SECTOR IN SOUTH DOWNS NATIONAL PARK BETWEEN 2016 AND 2019



Source: ONS UK Business Counts (enterprises).

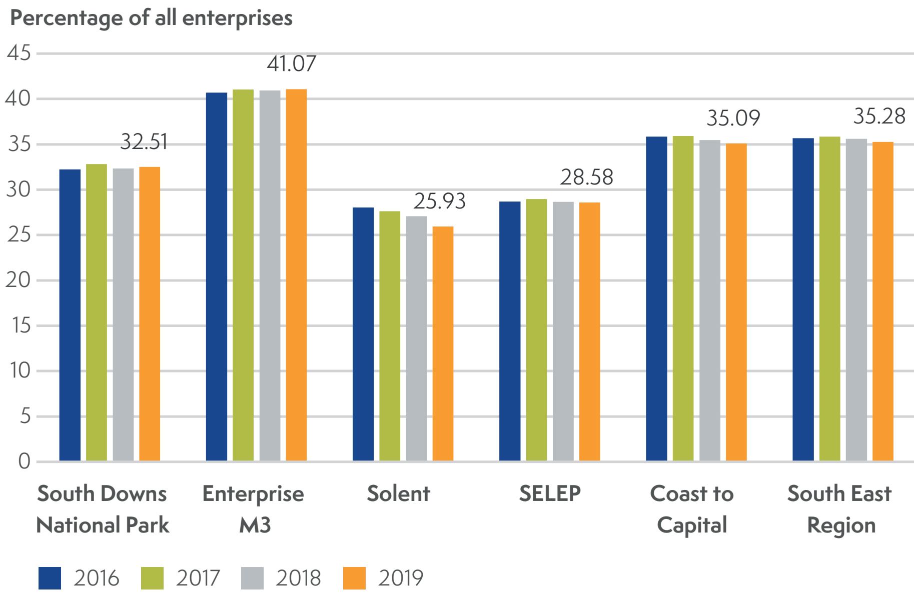
THE KNOWLEDGE ECONOMY

4.13 The knowledge economy refers to those sectors and businesses in which the production of goods and services is based primarily upon knowledge-intensive activities. Research shows that in faster growing regions such as London and the South East, a large portion of economic growth and employment is a result of knowledge-intensive activities[2].

4.14 Using the ONS broad knowledge economy definition in Annex B, there were 2,645 business in 2019 in the knowledge economy in the South Downs National Park, 32.51% of the total of 8,135 businesses.

4.15 The Economic Profile 2018 highlighted the fact the National Park's economy was relatively less knowledge-intensive than that of the comparator areas and was growing more slowly, apart from that of Solent LEP. Since then, only the National Park itself and EM3 have shown a positive growth in the percentage of knowledge economy businesses over the reference period 2016 to 2019 whereas Solent, SELEP, Coast to Capital and the South East region have all shown a decline. **FIGURE 8** and **TABLE 5**.

FIGURE 8: PERCENTAGE OF KNOWLEDGE ECONOMY BUSINESSES AS A PERCENTAGE OF TOTAL ENTERPRISES 2016 TO 2019 (NUMBERS REFER TO PERCENTAGE IN 2019)



Source: ONS U K Business Counts (enterprises).

2 ONS Economic Review April 2018

TABLE 5: PERCENTAGE OF KNOWLEDGE ECONOMY BUSINESSES AS A PROPORTION OF TOTAL ENTERPRISES 2016 TO 2019

	2016	2017	2018	2019	% +/-
SDNP	32.25	32.82	32.36	32.51	0.26
EM3 LEP	40.70	41.06	40.93	41.07	0.38
Solent LEP	28.04	27.63	27.07	25.93	-2.10
SELEP	28.71	28.97	28.66	28.58	-0.13
C to C LEP	35.86	35.92	35.49	35.09	-0.76
SE Region	35.69	35.85	35.60	35.28	-0.42

Source ONS: UK Business Counts (enterprises).

4.16 It is noteworthy that knowledge economy growth has been more or less static or declining in all the comparator areas recently when compared to its positive growth over the last reference period.

4.17 Within the eighteen subsectors that are included in the knowledge economy, the top three subsectors account for over 56% of businesses in the South Downs National Park knowledge economy. *Head offices & management consultancy* makes up 28.54% of the knowledge economy total with 755 businesses out of 2,645. This is followed by *Computer programming & consultancy* with 15.88% or 420 firms while in third place, *Other Professional, Scientific & Technical* accounts for 12.29% of the knowledge economy or 325 businesses. **TABLE 6**.

4.18 Comparing the sub sectoral composition of the knowledge economy in the South Downs National Park with the largest and most successful knowledge economy in the comparator areas, i.e. that of Enterprise M3, highlights some key differences. In EM3, the top three sub sectors account for 62.6% of all knowledge economy businesses, compared to 56.71% in the SDNP.

TABLE 6: SHARE OF KNOWLEDGE ECONOMY BY SUB SECTOR IN SOUTH DOWNS NATIONAL PARK 2019

Knowledge economy sub sector	No.	Percent
Head offices & management consultancy	755	28.54
Computer programming and consultancy	420	15.88
Other professional; scientific & technical.	325	12.29
Architecture & engineering	285	10.78
Legal & accountancy	220	8.32
Education	150	5.67
Motion picture; video & TV production	100	3.78
Advertising & market research	90	3.40
Publishing	50	1.89
Printing & reproduction of recorded media	35	1.32
Financial services	35	1.32
Activities auxiliary to financial services	80	3.02
Manufacture of computer, electrical and optical equipment	25	0.95
Information services	25	0.95
Scientific R&D	20	0.76
Insurance & pensions	15	0.57
Telecommunications	10	0.38
Programming & broadcasting	5	0.19
TOTAL	**2,645**	**100**

Source: ONS UK Business Counts (enterprises).

4.19 As in the National Park, the largest sub sector in EM3 is *Head Offices & Management Consultancy* (27.53%) and the second largest is *Computer Programming & Consultancy*. However. EM3 has a 50% higher share of businesses in this subsector where it accounts for nearly a quarter of knowledge economy businesses (24.50%) compared to under 16% in SDNP, highlighting how relatively "IT poor" the National Park's economy is. This weak IT intensity is likely to act as a constraint on productivity and knowledge economy growth.

4.20 Since the Economic Profile 2018 was published, the ONS has developed a more nuanced methodology for assessing the knowledge economy, using a classification of *Knowledge Intensive Services* (KIS) and *Technology Intensive Manufacturing*. At national level, analysis reveals that the UK's growth both before and after the economic downturn of 2008 was dominated by the *Knowledge Intensive Service* sectors. Between 2010 and 2016, the period of economic recovery also saw improved growth in *Technology Intensive Manufacturing*. These sectors are therefore important for growth. In the South Downs National Park where environmental considerations are paramount, they are key to sustainable economic development.

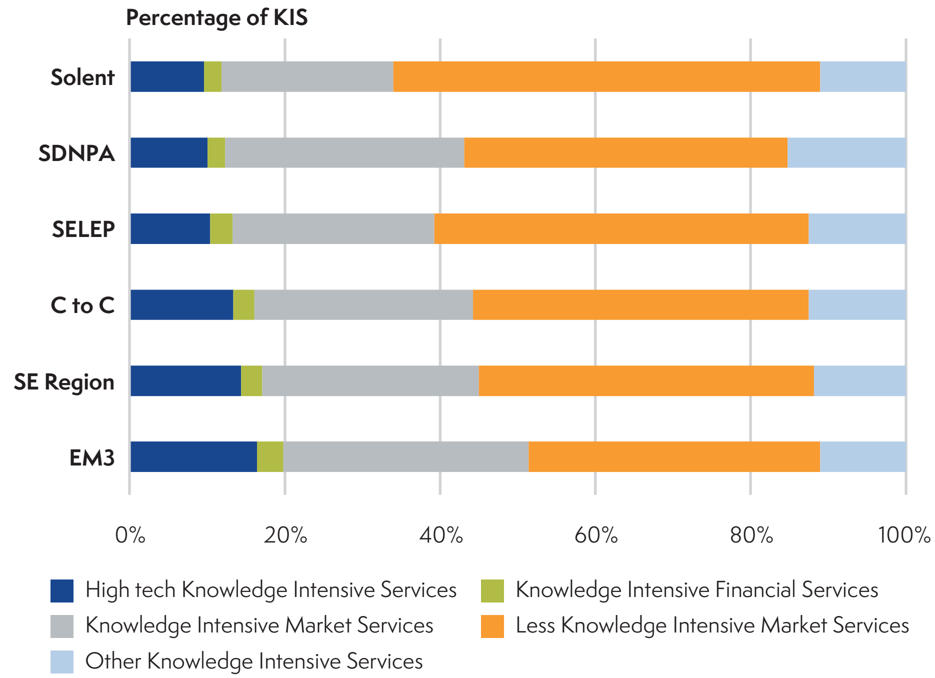
4.21 *Technology Intensive Manufacturing* in the South Downs National Park is examined in the section on *Advanced Manufacturing & Engineering* while this section looks at the National Park's performance in *Knowledge Intensive Services*. . A full list of what these comprise is in Annex B.

4.22 There are five main categories of Knowledge Intensive Services:

- High Tech Knowledge Intensive Services including: digital media, telecoms, computer programming and scientific R&D
- Knowledge Intensive Financial Services
- Knowledge Intensive Market Services including head offices, management consultants, architecture and engineering
- Less Knowledge Intensive Market Services including wholesale, retail, transport, accommodation etc.
- Other Knowledge Intensive Services including: health, care, education, creative, arts and entertainment

4.23 Using this more specific approach reveals that, within the *Knowledge Intensive Services* sector as a whole, the South Downs National Park has a the second lowest percentage of businesses in the *High Tech Knowledge Intensive Services*, apart from Solent LEP, and the lowest percentage of *Knowledge Intensive Financial Services* among the comparators. **FIGURE 9** and **TABLE 7**.

FIGURE 9: COMPOSITION OF KNOWLEDGE INTENSIVE SERVICES IN SOUTH DOWNS NATIONAL PARK AND THE COMPARATOR AREAS IN 2019



Source: ONS UK Business Counts (enterprises).

TABLE 7: COMPOSITION OF KNOWLEDGE INTENSIVE SERVICES IN SOUTH DOWNS NATIONAL PARK AND THE COMPARATOR AREAS IN 2019

	High tech Knowledge Intensive Services	Knowledge Intensive Financial Services	Knowledge Intensive Market Services	Less Knowledge Intensive Market Services	Other Knowledge Intensive Services
EM3 LEP	16.41	3.38	31.64	37.52	11.06
SE Region	14.37	2.71	27.94	43.14	11.84
C to C LEP	13.35	2.75	28.15	43.25	12.50
SELEP	10.40	2.88	25.98	48.22	12.53
SDNPA	10.04	2.25	30.82	41.65	15.24
Solent LEP	9.59	2.26	22.12	54.99	11.04

Source: ONS UK Business Counts (enterprises).

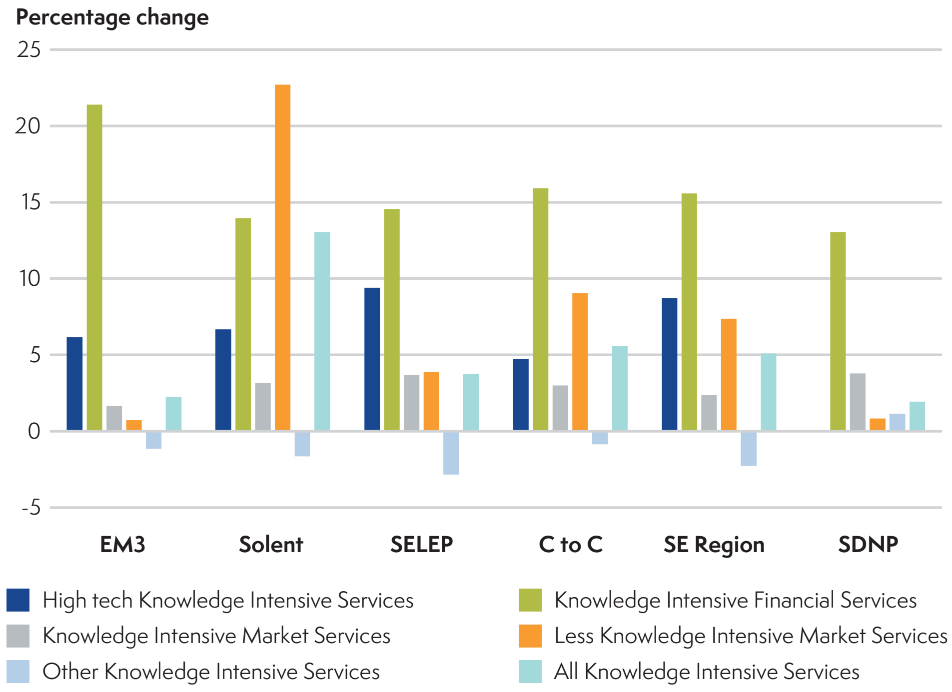
4.24 On the positive side, South Downs National Park scores second highest on *Knowledge Intensive Market Services* which includes *Legal & Accounting Activities, Head Offices, Management Consultancy, Architectural & Engineering Activities; Technical Testing & Analysis, Advertising & Market Research, Other Professional, Scientific & Technical Activities, Employment Activities* and *Security & Investigation Activities.*

4.25 South Downs National Park also has a relative strength in *Other Knowledge Intensive Services* and leads the comparator areas with this subsector making up 15.24% of Knowledge Intensive Services in the National Park.

4.26 A full numerical breakdown of Knowledge Intensive Market Services in the South Downs is contained in Annex B.

4.27 Solent has seen the greatest growth in the Knowledge Intensive Services sector as a whole (mainly driven by *Less Knowledge Intensive Market Services*), while the South Downs National Park has seem the lowest overall growth. **FIGURE 10** and **TABLE 8**.

FIGURE 10: PERCENTAGE CHANGE IN KNOWLEDGE INTENSIVE SERVICES SUBSECTORS 2016 TO 2019



Source: ONS UK Business Counts (enterprises).

TABLE 8: PERCENTAGE CHANGE IN KNOWLEDGE INTENSIVE SERVICES SUBSECTORS 2016 TO 2019

KIS sub sector	EM3	Solent	SELEP	C to C	SE Region	SDNP
High tech Knowledge Intensive Services	6.15	6.68	9.40	4.72	8.73	0.00
Knowledge Intensive Financial Services	21.39	13.95	14.57	15.91	15.58	13.04
Knowledge Intensive Market Services	1.66	3.16	3.68	2.99	2.35	3.79
Less Knowledge Intensive Market Services	0.71	22.70	3.89	9.03	7.36	0.84
Other Knowledge Intensive Services	-1.15	-1.65	-2.84	-0.85	-2.27	1.15
All Knowledge Intensive Services	2.25	13.05	3.76	5.57	5.09	1.94

(Growth leader for each sub sector highlighted in green, growth laggard highlighted in pink).
Source: ONS UK Business Counts (enterprises).

4.28 It appears that the sub sectoral mix of Knowledge Intensive Services is changing and areas are becoming more specialised in particular subsectors. EM3 has seen the largest growth in *Knowledge Intensive Financial Services* over the reference period, a specialism where it already leads by percentage share. All areas have seen a growth in *KI Financial Services* although actual numbers of businesses tend to be small in this subsector.

4.29 South Downs National Park has experienced the greatest growth in *Knowledge Intensive Market Services* among the comparator areas over the reference period, an area in which it is ranked second for percentage share. It has also been the only area to see any, albeit small, growth in the *Other Knowledge Intensive Services* sub sector.

4.30 SELEP has led on growth in *High Tech Knowledge Intensive Services* over the reference period while South Downs National Park has performed least well and seen no growth in this sub sector. Coast to Capital has seen the greatest growth in *Less Knowledge Intensive Market Services*. Overall, it would seem that SELEP and EM3 are tending towards more specialisation in the high tech, high value end of the KIS spectrum while Coast to Capital and South Downs are tending towards the less specialised end. **TABLE 8**.

THE VISITOR ECONOMY

4.31 The visitor economy is undoubtedly a very significant part of the South Downs National Park's economy. The most recent figures from the South Downs National Park's recently commissioned research shows that that in 2018 there were 19.08 million visitors or 20.4 million visitor days with an economic contribution of £436.81m[3] at 2018 prices.

4.32 There is plentiful data on visitor numbers due to the extensive surveys carried out by VisitBritain each year. However, measuring business activity in the visitor economy is more difficult as there is no precise definition of what the supply side includes, many businesses serve a variety of customers, some of whom may be visitors, and many visitor economy businesses are small, micro or informal operations, particularly since the advent of AirBnB and other online letting platforms.

4.33 The ONS visitor economy definition identifies 10 2 digit SIC codes which, although somewhat broad, have been used at LSOA level which is the geography

3 STEAM data for the South Downs National Park Global Tourism Solutions.

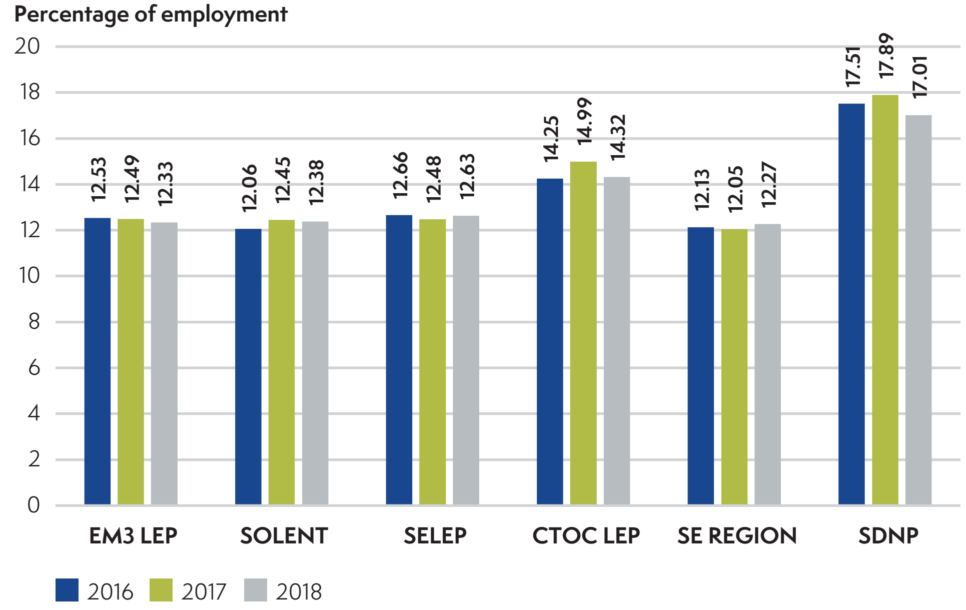
that closely matches the South Downs National Park boundaries. These are as follows:

- Land transport
- Water transport
- Air transport
- Accommodation
- Food and beverage service activities
- Travel agency; tour operator and other reservation service and related activities
- Creative; arts and entertainment activities
- Libraries; archives; museums and other cultural activities
- Gambling and betting activities
- Sports activities and amusement and recreation activities

4.34 Clearly, this is a rather broad sectoral definition of the visitor economy. There is a five digit ONS SIC definition but these data are only available at MSOA level which does not adhere to the National Park boundaries with any degree of accuracy and therefore over reports the business numbers quite significantly..

4.35 Using the definition above, there were 860 visitor economy businesses in the South Downs National Park in 2019 representing 10.57% of the business population, similar to the figure in the Economic Profile 2018. The visitor economy has shown little overall growth in percentage terms in the South Downs National Park over the reference period and it is either static or declining in the comparator areas. **FIGURE 11**.

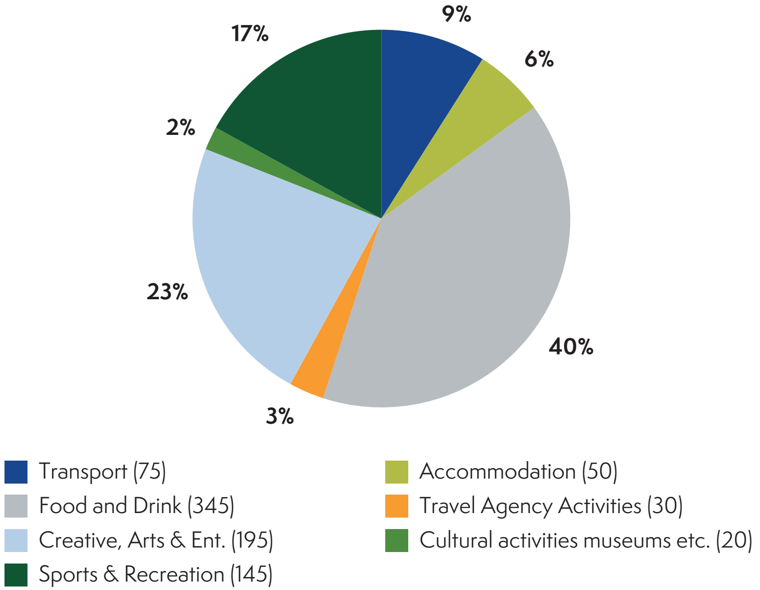
FIGURE 11: VISITOR ECONOMY AS A PERCENTAGE OF ALL BUSINESSES IN 2016 AND 2019



Source: ONS UK Business Counts (enterprises).

4.36 The visitor economy sub-sectoral make up in the South Downs National Park has shown little change since the Economic Profile 2018. *Food & Drink* makes up 40% of visitor economy businesses while *Accommodation* accounts for just 6% or 50 businesses. **FIGURE 12** and **TABLE 9**.

FIGURE 12: SUB-SECTORAL COMPOSITION OF THE VISITOR ECONOMY IN THE SOUTH DOWNS NATIONAL PARK 2019



Source: ONS UK Business Counts (enterprises).

4.37 As previously noted, the official ONS data only includes more formally structured businesses that are registered for VAT and/or PAYE. Many accommodation businesses are likely to operate informally, below the VAT and PAYE threshold or be listed under another SIC code such as farms, pubs, cafes etc. which also provide accommodation. The STEAM data includes hotels, guest houses, B&Bs, self catering, campsites and visitor hostels based on directories and on line searches. It estimates a figure of 473 establishments providing 8,408 beds[4].

TABLE 9: VISITOR ECONOMY BUSINESSES IN THE SOUTH DOWNS NATIONAL PARK 2016 TO 2019

	2016	2017	2018	2019
Transport	80	85	75	75
Accommodation	50	50	50	50
Food and Drink	345	340	340	345
Travel Agency Activities	30	25	30	30
Creative, arts & ent.	180	190	190	195
Cultural activities, museums etc,	20	20	20	20
Sports & recreation	140	145	140	145
TOTAL	**845**	**855**	**845**	**860**

Source: ONS UK Business Counts (enterprises).

4.38 Another important factor is that the accommodation sector is undergoing major change since the advent of on-line platforms such as AirBnB, Booking.com and HomeAway. This has led to the entry into the market of large numbers of informal providers and a blurring of the distinctions between the formal and informal sector as many established hotels and other commercial accommodation providers also use some of on-line sites to reach their markets.

4.39 AirBnB data for the South Downs National Park in 2018 indicates that between 2016 and 2018, 1,442 new listings were added to the site in the South Downs National Park of which around 60% were entire houses or flats and 40% were self-contained rooms in private houses, adding approximately 5,500 beds to the accommodation provision in the National Park. Very few would appear to be registering as new businesses for VAT and PAYE.

4 STEAM data for the South Downs National Park Global Tourism Solutions.

AGRICULTURE, FORESTRY AND FISHING

4.40 According to the ONS there were 715 *Agriculture, Forestry & Fishing* businesses in the South Downs National Park in 2019 using the 68 LSOAs boundary, a slight increase of 10 businesses since the publication of the Economic Profile 2018. *Agriculture, Forestry & Fishing* makes up 8.91% of all registered businesses.

4.41 It should be noted, however, that agriculture is a difficult sector to analyse and track with accuracy. ONS UK Business Counts statistics are limited to those businesses that are registered for VAT and/or PAYE but many farms operate under less formal structures and employ casual or contract labour.

4.42 Defra's farm business survey 2017 indicated that, nationally only circa 8% of farms are limited companies while over half (52%) operate as sole traders and a further 39% as partnerships which may be relatively informally structured. Therefore, the ONS UK Business Counts figure is likely to be an underestimate. The latest statistics available from the Defra Farm Survey indicated that there were at least 950 commercial agricultural holdings in the National Park in 2016[5]. The Defra Farms Survey is compulsory but has size restrictions so does not include very small or non commercial farms.

4.43 A more detailed breakdown of ONS data is available at MSOA level, although this larger statistical geography does not map accurately to the National Park's boundaries and tends to overestimate. *Growing of cereals* is the most numerous type of holding accounting for 210 farms, followed *by Mixed Farming* with 175. *Horse related farming* accounts for a further 150 establishments, more numerous than *Raising of Sheep* in fourth place with 145 holdings. **TABLE 10**.

TABLE 10: BREAKDOWN OF THE AGRICULTURE SECTOR BY FIVE DIGIT SIC CODE IN THE SOUTH DOWNS NATIONAL PARK 2019

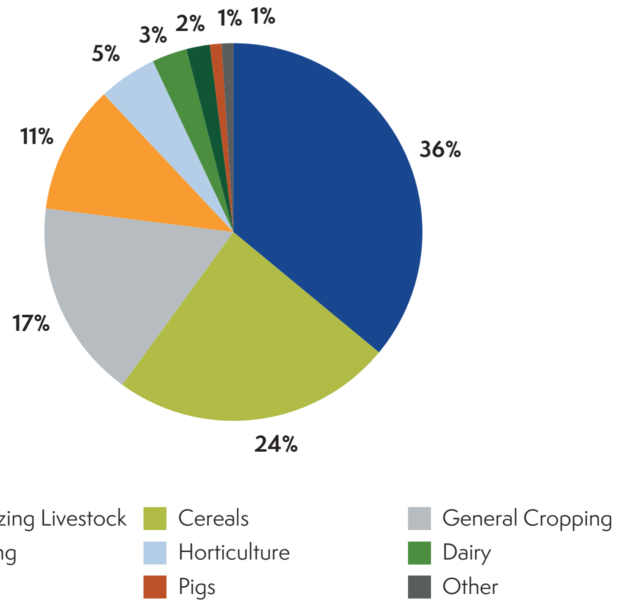
	2016	2017	2018	2019
01110 – Growing of cereals (except rice), leguminous crops and oil seeds	205	205	210	210
01500 – Mixed farming	185	185	180	175
01430 – Raising of horses and other equines	155	155	145	150
01450 – Raising of sheep and goats	135	145	140	145
01130 – Growing of vegetables and melons, roots and tubers	90	90	90	90
01410 – Raising of dairy cattle	45	35	35	35
01610 – Support activities for crop production	25	25	25	35
01420 – Raising of other cattle and buffaloes	25	25	25	25
01470 – Raising of poultry	30	20	25	25
01160 – Growing of fibre crops	15	20	15	15
01190 – Growing of other non-perennial crops	15	20	15	15
01490 – Raising of other animals	15	15	10	15
01629 – Support activities for animal production (other than farm animal boarding and care) n.e.c	20	20	15	15
01240 – Growing of pome fruits and stone fruits	10	10	10	10
01300 – Plant propagation	10	10	5	10
01210 – Growing of grapes	5	5	5	5
01621 – Farm animal boarding and care	5	5	5	5
Total	**990**	**990**	**955**	**980**

Source: ONS UK Business Counts (enterprises) MSOA level.

5 Source: Defra Survey of Agriculture and Horticulture 2017 (i.e. the last time data was produced for National Parks.).

4.44 There are 211 Limited Companies in this sector registered with Companies House, an increase of 29 since 2019 and representing around 25% of the total ONS figure. **TABLE 11**.

FIGURE 13: PERCENTAGE OF AGRICULTURAL HOLDINGS BY TYPE IN THE SOUTH DOWNS NATIONAL PARK 2016



Source: Defra Survey of Agriculture and Horticulture 2017 (latest data for National Parks).

TABLE 11: AGRICULTURE, FORESTRY AND FISHING REGISTERED BUSINESSES IN THE SOUTH DOWNS NATIONAL PARK 2019

5 Digit SIC Code	2019 No	2020 No
01110 – Growing of cereals (except rice)	43	31
01130 – Growing of vegetables and melons	2	4
01190 – Growing of other non-perennial crops	4	7
01210 – Growing of grapes	4	4
01240 – Growing of pome fruits and stone fruits	3	4
01270 – Growing of beverage crops	2	2
01290 – Growing of other perennial crops	3	2
0130 – Crops with animals, mixed farms	0	1
01300 – Plant propagation	2	3
01410 – Raising of dairy cattle	2	3
01420 – Raising of other cattle and buffaloes	9	7
01430 – Raising of horses and other equines	9	13
01450 – Raising of sheep and goats	2	4
01460 – Raising of swine/pigs	1	1
01470 – Raising of poultry	5	6
01490 – Raising of other animals	1	2
01500 – Mixed farming	33	42
01610 – Support activities for crop production	4	9
01621 – Farm animal boarding and care	0	1
01629 – Support activities for animal production	7	9
01630 – Post-harvest crop activities	1	4

5 Digit SIC Code	2019 No	2020 No
01700 – Hunting	6	5
02100 – Silviculture and other forestry activities	13	18
02200 – Logging	5	6
02400 – Support services to forestry	9	12
03110 – Marine fishing	2	2
03120 – Freshwater fishing	9	8
03210 – Marine aquaculture	1	1
	182	**211**

Source: Companies House.

4.45 It covers a wide range of activities but most of these specialisms are small in number of which the three most numerous are Mixed Farming (42), Growing of Cereals(31), and Silviculture & Other Forestry Activities (18). **TABLE 11**.The ONS and Companies House data differs somewhat from the Defra Farm Survey data which suggested that in 2016, 36.1% of holdings were in the Lowland Grazing and Livestock subsector while Cereals made up 23.9% of holdings. **FIGURE 13**.

4.46 These categories are, however, subject to change depending on the options offered to respondents and if all the livestock categories were added together in the ONS data it would present a result more similar to the Defra survey.

4.47 The Economic Profile 2018 reported an increase in the number of holdings producing cereals and crops as well as in horticulture and a decline in poultry, dairy and lowland grazing. It will not be possible to see if this trend is continuing using the Defra Farm Survey data which has not been updated but the Companies House data on limited companies seems to show that the cereal farming has decreased while mixed farming has increased. However, the MSOA data (which takes in a wider area) seems to show the opposite.

VITICULTURE

4.48 The growth in viticulture is a key change in the National Park but is one that is largely not identifiable in the official statistics. e.g. UK Business Counts records only 5 holdings as growing grapes (**TABLE 10**) whereas many more vineyards are known to be operating in the National Park boundaries.

4.49 Viticulture is one of the fastest growing industries in the UK. In 2019, Wine GB noted that more production is forecast in the years to come due to the ongoing proliferation of vineyards across the country:

- Acreage has tripled since 2000
- Acreage grew 13% in 2018; 1.6 million vines were planted in 2018 amounting to over 1000 acres (405 hectares)
- A further 2 million vines are set to be planted in 2019, confirming the UK wine industry as one of the fastest-growing agricultural sectors in the UK
- Employment: WineGB estimates that there will be an increase in employment across the sector of between 20,000 and 30,000 full-time employees over the next two decades, predominantly in the South East.

4.50 The majority of commercial vineyard plantings are situated in South East England with approximately 1,186 hectares or 64.5% of the total in Kent, East and West Sussex, Surrey, Hampshire, and the Isle of Wight in 2015 . South Downs National Park is at the centre of the predicted growth in vineyard hectarage and is already experiencing rapid expansion.

4.51 Recent research carried out by Vinescapes on behalf of the SDNPA mapped over 50 vineyards within or partly within the South Downs National Park.

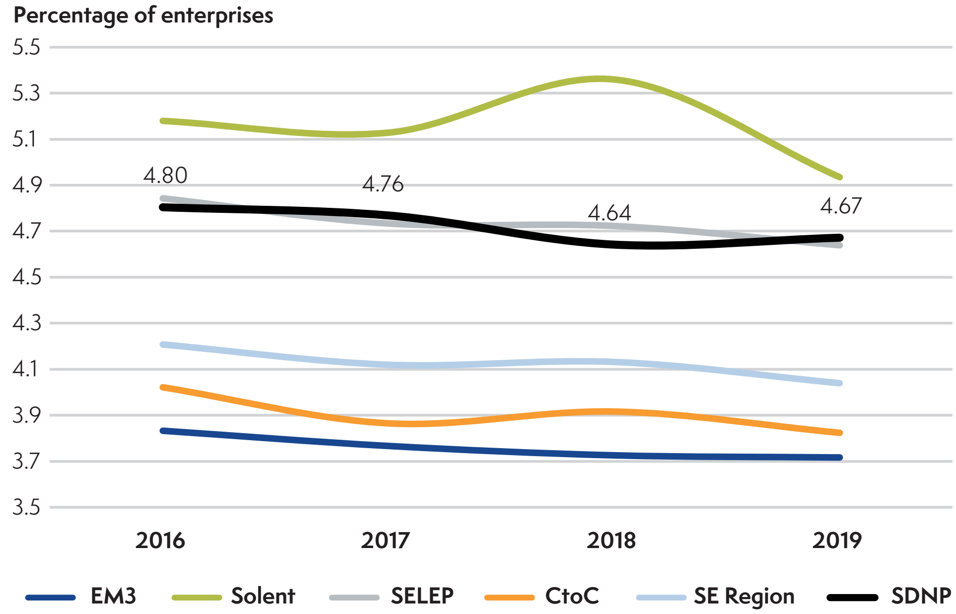
4.52 Viticulture in the South Downs National Park is already making a significant contribution to the local economy and employment; according to Vinescapes estimates, it contributes nearly £54 million GVA per annum and provides the equivalent of 1,650 full time jobs. It has the potential to grow further and make a significant contribution to the economic well-being of the local community through increases in tourism and employment and may also provide opportunities for farm diversification.

4.53 However, this expansion has to be managed sensitively bearing in mind the impact on the visual character of the South Downs National Park and on the local communities. Continued expansion depends on exactly the right conditions topographical and climatic conditions being in place as well as viticulture practices becoming more refined and adapted to UK conditions.

MANUFACTURING AND ENGINEERING

4.54 Manufacturing makes up 4.67% of the South Downs National Park's businesses with a total of 380 enterprises out of 8,135 in 2019 according to ONS. There has been a very slight decline over the 2016 to 2019 reference period of around 5 firms or 0.13%. **FIGURE 14** and **TABLE 12**.

FIGURE 14: MANUFACTURING BUSINESSES AS A PERCENTAGE OF TOTAL ENTERPRISES IN THE SOUTH DOWNS NATIONAL PARK AND COMPARATOR AREAS 2016 TO 2019



Source: ONS UK Business Counts (enterprises).

4.55 South Downs National Park has a higher percentage of manufacturing than the South East region as a whole, Coast to Capital and EM3. It is more or less on a par with SELEP for manufacturing as a share of total businesses. Only Solent LEP outperforms South Downs National Park on this metric. **FIGURE 13** and **TABLE 11**.

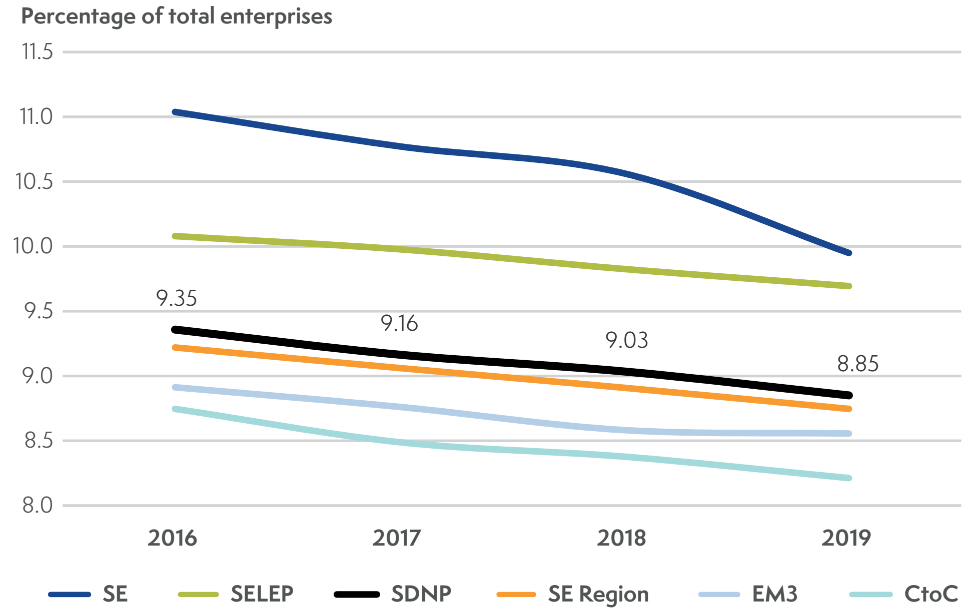
TABLE 12: MANUFACTURING BUSINESSES AS A PERCENTAGE OF TOTAL ENTERPRISES IN THE SOUTH DOWNS NATIONAL PARK AND COMPARATOR AREAS 2016 TO 2019

	2016	2017	2018	2019
Solent LEP	5.18	5.13	5.36	4.93
South Downs National Park	4.80	4.77	4.64	4.67
South East LEP	4.84	4.73	4.72	4.64
South East Region	4.21	4.12	4.13	4.04
Coast to Capital	4.02	3.86	3.92	3.82
Enterprise M3	3.83	3.77	3.73	3.72

Source: ONS UK Business Counts (enterprises).

4.56 When engineering is included, the total number of firms in the Manufacturing and Engineering sector in the South Downs National Park was 720 in 2019 making up 8.85% of the business base in the National Park. This has declined by 0.51% since 2016, a total of 30 firms. South Downs National Park is in third place behind EM3 and SELEP for percentage of enterprises when engineering is included. **FIGURE 15**.

FIGURE 15: MANUFACTURING & ENGINEERING BUSINESSES AS A PERCENTAGE OF TOTAL ENTERPRISES IN THE SOUTH DOWNS NATIONAL PARK AND COMPARATOR AREAS 2016 TO 2019



Source: ONS UK Business Counts (enterprises).

4.57 Manufacturing covers a range of sub sectors and the South Downs National Park has a diverse mix of manufacturing and engineering activity. After engineering and civil engineering, manufacture of fabricated metal products, is the most numerous sub sector. Wood products and furniture taken together account for 65 firms or 17% of manufacturing activity while food and beverages account for a further 50 firms or 13% of manufacturing. **TABLE 13**.

TABLE 13: NO.S OF MANUFACTURING AND ENGINEERING BUSINESSES BY SUBSECTOR IN THE SOUTH DOWNS NATIONAL PARK 2019

Manufacturing & Engineering Subsector 2 Digit SIC	No.
71 – Architectural and engineering activities; technical testing &analysis	285
42 – Civil engineering	55
25 – Manufacture of fabricated metal products; ex. machinery & equipt.	45
32 – Other manufacturing	45
16 – Manufacture of wood & wood products & cork; except furniture	40
18 – Printing and reproduction of recorded media	35
10 – Manufacture of food products	30
26 – Manufacture of computer; electronic and optical products	25
31 – Manufacture of furniture	25
11 – Manufacture of beverages	20
23 – Manufacture of other non-metallic mineral products	20
13 – Manufacture of textiles	15
28 – Manufacture of machinery and equipment n.e.c.	15
14 – Manufacture of wearing apparel	10
20 – Manufacture of chemicals and chemical products	10
22 – Manufacture of rubber and plastic products	10
27 – Manufacture of electrical equipment	10
30 – Manufacture of other transport equipment	10
17 – Manufacture of paper and paper products	5
24 – Manufacture of basic metals	5
29 – Manufacture of motor vehicles; trailers and semi-trailers	5
TOTAL	**720**

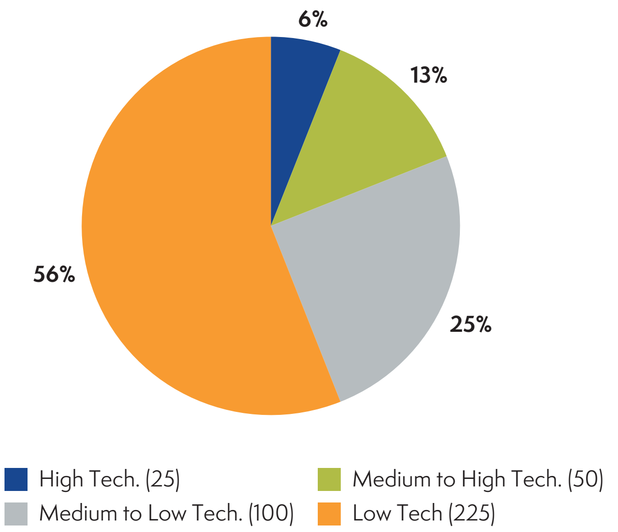
Source: ONS UK Business Counts (enterprises).

4.58 As the Economic Profile 2018 noted, "advanced" manufacturing and engineering is more economically, socially and environmentally beneficial than lower technology, less knowledge intensive manufacturing. Since the Economic Profile 2018 was produced, the ONS has developed a more sophisticated analysis which redefines manufacturing by technology intensity in four bands: low, medium to low, medium to high and high technology.

4.59 This analysis reveals that high technology manufacturing accounts for just 25 businesses or 6% of manufacturing in the South Downs while medium to high technology manufacturing accounts for a further 50 firms or 13%. **FIGURE 16**.

Lewes, © SDNPA / AK Purkiss

FIGURE 16: CLASSIFICATION OF MANUFACTURING BUSINESSES BY TECHNOLOGY INTENSITY IN THE SOUTH DOWNS NATIONAL PARK 2019



Source: ONS UK Business Counts (enterprises).

4.60 Medium to low technology and low technology manufacturing makes up 81% of the sector or 325 companies This is somewhat lower than ideal, although it should be noted that low tech manufacturing includes some sectors that are important to the National Park's economy and characteristics e.g. wood products, food and beverages. **TABLE 14**.

TABLE 14: CLASSIFICATION OF MANUFACTURING BUSINESSES BY TECHNOLOGY INTENSITY IN THE SOUTH DOWNS NATIONAL PARK 2019

	2016	2017	2018	2019
High Tech manufacturing				
26 – Manufacture of computer; electronic & optical products	30	25	25	25
Total	**30**	**25**	**25**	**25**
Medium to high tech manufacturing				
20 – Manufacture of chemicals & chemical products	15	15	15	10
27 – Manufacture of electrical equipment	10	5	10	10
28 – Manufacture of machinery & equipment n.e.c.	15	15	15	15
29 – Manufacture of motor vehicles & trailers	5	5	5	5
30 – Manufacture of other transport equipt.	5	5	5	10
Total	**50**	**45**	**50**	**50**
Medium to low tech manufacturing				
22 – Manufacture of rubber & plastic products	10	10	5	10
23 – Manufacture other non-metallic mineral products	20	20	20	20
24 – Manufacture of basic metals	5	5	5	5
25 – Manufacture of fabricated metal products;	55	55	50	45
33 – Repair & install of machinery & equipt.	20	25	25	20
Total	**110**	**115**	**105**	**100**

	2016	2017	2018	2019
Low Tech Manufacturing				
10 – Manufacture of food products	25	25	30	30
11 – Manufacture of beverages	15	15	20	20
13 – Manufacture of textiles	10	10	10	15
14 – Manufacture of wearing apparel	5	5	5	10
16 – Manufacture of wood & wood products	45	50	50	40
18 – Printing & reproduction of recorded media	40	40	35	35
31 – Manufacture of furniture	25	25	20	25
32 – Other manufacturing	50	55	50	45
Total	**215**	**225**	**220**	**220**

Source: ONS UK Business Counts (enterprises).

Turned wood from Wests of East Dean, Furniture makers © SDNPA / AK Purkiss

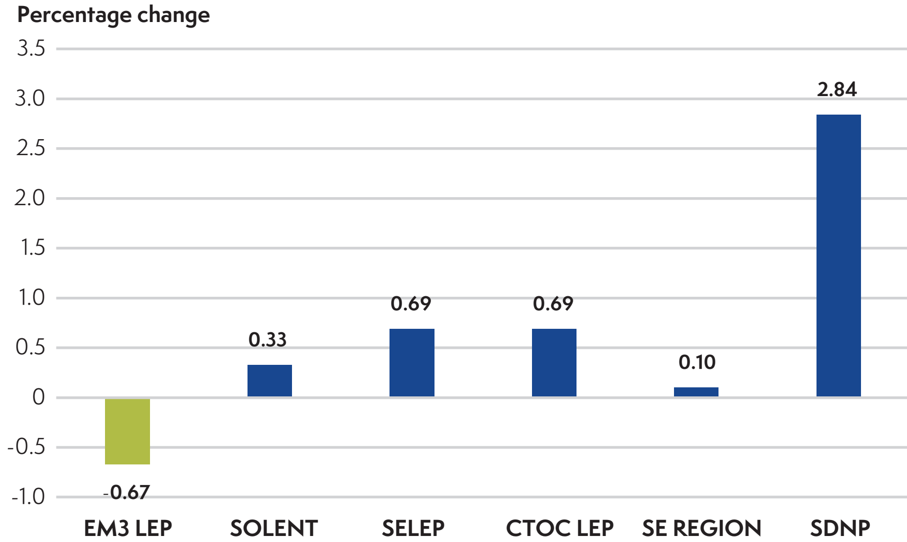
5. EMPLOYMENT

5.1 There were approximately 55,495[6] employees in the South Downs National Park in 2018, an increase of 1,530 or 2.84% between 2016 and 2019 according to the Business Register and Employment Survey (BRES) 2018 (2 Digit SIC analysis). The largest growth appears to have been in public sector employment with an increase of 1,500 jobs. Over the same period, the comparator areas have all shown less employment growth than the South Downs National Park and EM3 has shown a decrease of 0.67% or around 5,000 jobs. **FIGURE 17**.

Arundel shops © SDNPA / Mischa Haller

6 Total from 5 digit SIC count

FIGURE 17: PERCENTAGE GROWTH/DECLINE IN EMPLOYEES BETWEEN 2016 AND 2019



Source: ONS Business Register and Employment Survey.

5.2 As in the Economic Profile, the largest employment sector in the South Downs National Park continues to be *Accommodation & Food* with nearly 11% of employment and 6,000 jobs. **TABLE 15**.

TABLE 15: EMPLOYMENT BY SECTOR (BROAD INDUSTRY GROUP) IN THE SOUTH DOWNS NATIONAL PARK IN 2018

Sector	No.	%
Accommodation & Food	6,000	10.93
Retail	5,000	9.11
Professional, Scientific & Technical	5,000	9.11
Education	5,000	9.11
Health	5,000	9.11
Manufacturing	4,500	8.20
Public Administration & Defence	4,500	8.20
Arts, Entertainment & Recreation	4,500	8.20
Bus. Admin. & Support	3,500	6.38
Construction	3,000	5.46
Wholesale	2,000	3.64
Information & Communication	1,750	3.19
Property	1,500	2.73
Motor Trades	1,000	1.82
Transport & Storage	900	1.64
Finance & Insurance	900	1.64
Mining, Quarrying & Utilities	500	0.91
Agriculture, Forestry & Fishing*	350	0.64
Column Total	**54,900**[7]	**100**

Farm employment is not included, 2 digit SIC.
Source: ONS UK Business and Employment Survey.

5.3 Among the comparator areas, South Downs National Park, has the highest percentage share of employment in *Accommodation & Food* and *Property* and is a very close second to Solent LEP on Manufacturing (8.2% in the South Downs National Park compared to 8.3% of jobs in Solent). SDNP is ranked only fourth on *Agriculture, Forestry & Fishing* by share of employees but this does not include farm-based labour which is not included in Business Register and Employment (BRES) data. **TABLE 16**.

Farming near Kingley Vale © SDNPA

7 Note: Numbers are rounded. Farm labour is not included Total from 2 Digit SIC

TABLE 16: PERCENTAGE SHARE OF EMPLOYMENT BY BROAD INDUSTRIAL GROUP IN SOUTH DOWNS NATIONAL PARK AND THE COMPARATOR AREAS 2018 (LEADERS IN EACH SECTOR HIGHLIGHTED IN GREEN)

	EM3 LEP	Solent LEP	SELEP	CtoC LEP	SE Region	SDNP
Accommodation & Food	7.7	7.8	7.3	7.8	7.3	**10.9**
Retail	8.8	**11.0**	10.7	9.7	9.6	9.1
Professional, Scientific & Technical	**11.0**	7.0	7.3	8.4	9.0	9.1
Education	9.1	**10.0**	9.9	9.3	9.9	9.1
Health	12.2	13.8	13.9	**14.2**	12.7	9.1
Manufacturing	5.8	**8.3**	6.6	5.3	6.3	8.2
Public Administration & Defence	2.6	**4.4**	3.5	2.9	3.1	8.2
Arts, Entertainment & Recreation	**6.0**	4.0	4.4	4.8	4.8	8.2
Bus. Admin. & Support	8.3	8.7	8.0	**9.4**	8.8	6.4
Construction	5.6	4.7	**6.5**	4.7	5.1	5.5
Wholesale	**5.3**	3.2	4.4	3.8	4.7	3.6
Information & Communication	**7.1**	4.0	2.7	4.1	5.7	3.2
Property	1.4	1.1	1.6	1.5	1.4	**2.7**
Motor Trades	2.0	2.1	**2.5**	1.7	2.0	1.8
Transport & Storage	3.1	5.5	**5.7**	5.6	4.7	1.6
Finance & Insurance	2.7	2.8	2.7	**4.6**	2.9	1.6
Mining, Quarrying & Utilities	0.9	1.1	1.2	**1.3**	1.2	0.9
Agriculture, Forestry & Fishing*	0.4	0.4	**1.1**	0.9	0.7	0.6

** Excludes farm employment.*
Source: ONS UK Business Register and Employment Survey.

5.4 In the South Downs National Park, Approximately 34,100 employees or 62.05% were in full time employment and 20,860 or 37.95% were part time in 2018. Full time employment declined by 1,275 jobs or -3.6% between 2016 and 2018 while part-time employment increased by 770 jobs or 3.83%.

KNOWLEDGE ECONOMY EMPLOYMENT

5.5 There were 12,655 people employed in the knowledge economy in the South Downs National Park in 2018, making up 22.80% of employment, the lowest knowledge economy employment share among the comparator areas. **TABLE 17**.

TABLE 17: KNOWLEDGE ECONOMY JOBS AS A PERCENTAGE OF TOTAL JOBS IN SOUTH DOWNS NATIONAL PARK AND THE COMPARATOR AREAS 2016 AND 2018

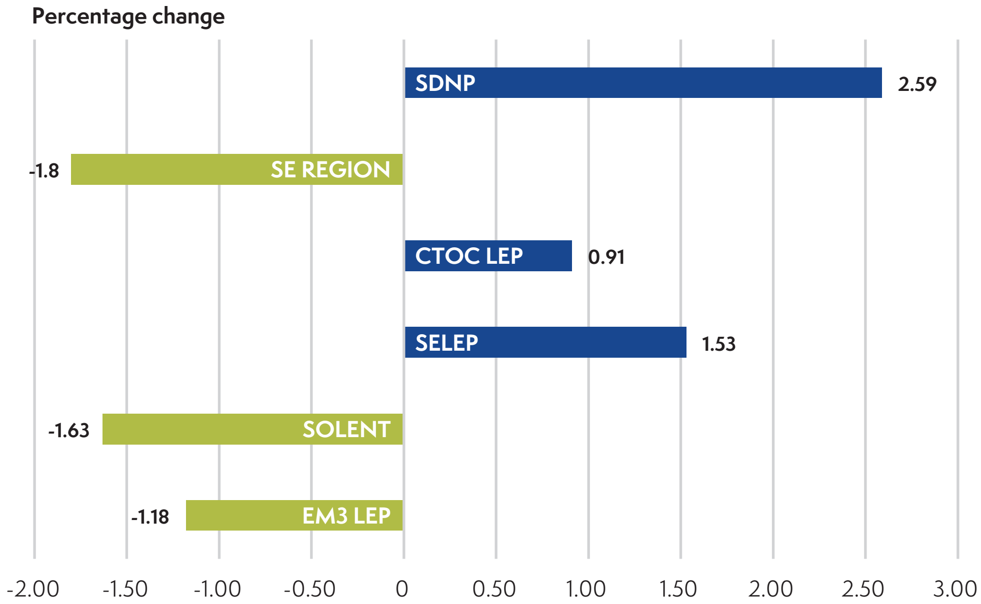
KE %	EM3 LEP	Solent LEP	SELEP	CtoC	SE region	SDNP
2016	30.55	25.31	23.14	27.23	28.78	22.86
2018	30.39	24.81	23.34	27.29	28.23	22.80
% change	**-0.16**	**-0.50**	**0.19**	**0.06**	**-0.55**	**-0.05**

Source: ONS Business Register and Employment Survey.

5.6 The knowledge economy employment share is significantly lower than the knowledge economy share of the SDNP's businesses at 33.26% of all enterprises in 2018, indicating that knowledge economy businesses tend to be small in employment terms.

5.7 On a more positive note, knowledge economy employment in the South Downs National Park has grown by 320 jobs or 2.59%, over the last 3 years, in line with the growth in total employment and higher than knowledge economy business growth of just 0.11% over the same period. Knowledge economy employment has grown at a faster rate than any of the comparator areas over the 2016 to 2019 reference period. **FIGURE 18**.

FIGURE 18: PERCENTAGE CHANGE IN KNOWLEDGE ECONOMY JOBS IN THE SOUTH DOWNS NATIONAL PARK AND THE COMPARATOR AREAS 2016 TO 2018



Source: ONS Business Register and Employment Survey.

5.8 The largest knowledge economy sub sector in employment terms is Education with 5,000 employees or 39.51% of knowledge economy jobs although it makes up only 5.67% of knowledge economy organisations. Educational institutions do tend to be large in employment terms so that once this is taken out, the employment rankings are broadly similar to the enterprise rankings with *Activities of Head Office & Management Consultancy* followed by *Computer Programming* forming the two next largest sectors. **TABLE 18**.

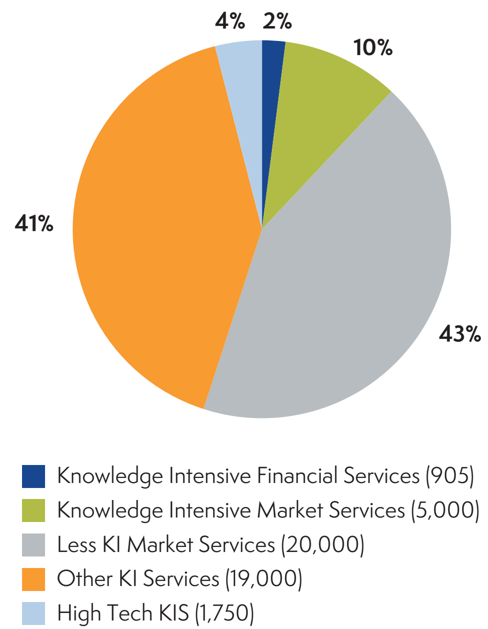
TABLE 18: SHARE OF KNOWLEDGE ECONOMY EMPLOYMENT BY SUB SECTOR IN THE SOUTH DOWNS NATIONAL PARK IN 2019.

	No.	%age
Education	5,000	39.51
Activities of head offices; management consultancy	1,750	13.83
Computer programming; consultancy & related activities	1,250	9.88
Architectural & engineering activities; technical testing and analysis	1,000	7.90
Legal & accounting activities	900	7.11
Activities auxiliary to financial services & insurance activities	700	5.53
Other professional; scientific & technical	500	3.95
Publishing activities	250	1.98
Motion picture; video & TV production; sound recording	225	1.78
Scientific research & development	225	1.78
Advertising & market research	225	1.78
Manufacture of computer; electronic & optical products	200	1.58
Financial service activities; except ins. & pension funding	175	1.38
Printing & reproduction of recorded media	75	0.59
Telecommunications	75	0.59
Information service activities	50	0.40
Insurance; reinsurance & pension funding	30	0.24
Programming and broadcasting activities	25	0.20
	12,655	**100**

Source: ONS UK Business Counts.

5.9 Using the knowledge intensive services classification in the same way as it was applied to the business composition the knowledge economy reveals that High Tech Knowledge Intensive Services make up 4% of knowledge intensive services jobs compared to around 10% share of knowledge intensive businesses. **FIGURE 19**.

FIGURE 19: COMPOSITION OF KNOWLEDGE INTENSIVE SERVICES IN THE SOUTH DOWNS NATIONAL PARK IN 2018



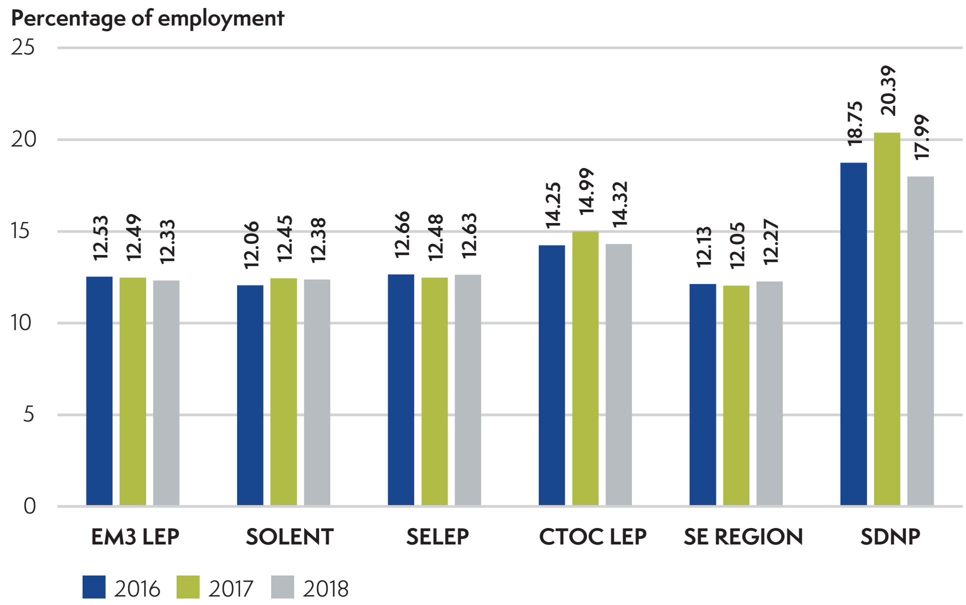
Source: ONS Business Register and Employment Survey.

5.10 Knowledge Intensive Financial Services make up 2% of employment and 2.25% of businesses in the knowledge intensive sectors. Knowledge Intensive Market Services make up 30.82% of the businesses but just 10% of employment, indicating that these companies are small.

VISITOR ECONOMY EMPLOYMENT

5.11 There were 9,440 jobs in the visitor economy in 2018 using the ONS definition referred to in paragraph 3.34. This accounts for 17.01% of total employment, highlighting how significant the visitor economy is to the South Downs National Park. This is a significantly higher percentage of visitor economy employment than any of the comparator areas. **FIGURE 20** and **TABLE 19**.

FIGURE 20: VISITOR ECONOMY EMPLOYMENT AS A PERCENTAGE OF TOTAL EMPLOYMENT IN SDNP AND THE COMPARATOR AREAS 2016 TO 2019



Source: ONS UK Business Counts.

5.12 Visitor economy employment is also higher than the visitor economy share of the business population in the South Downs National Park of 10.5%, although as previously noted, many visitor economy businesses are not VAT and PAYE registered. Also, part time employment outnumbers full time employment in the sector. 49% of these jobs are full time and around 51% are part time.

5.13 Visitor economy employment in the South Downs National Park has shown some volatility over the 2016 to 2018 reference period with a peak of 11,265 jobs in 2017, over 20% of employment followed by a fall to 17.99% of total jobs in 2018. **TABLE 19**.

TABLE 19: VISITOR ECONOMY JOBS AS PERCENTAGE OF TOTAL EMPLOYMENT IN THE SOUTH DOWNS NATIONAL PARK AND THE COMPARATOR AREAS 2016 TO 2018

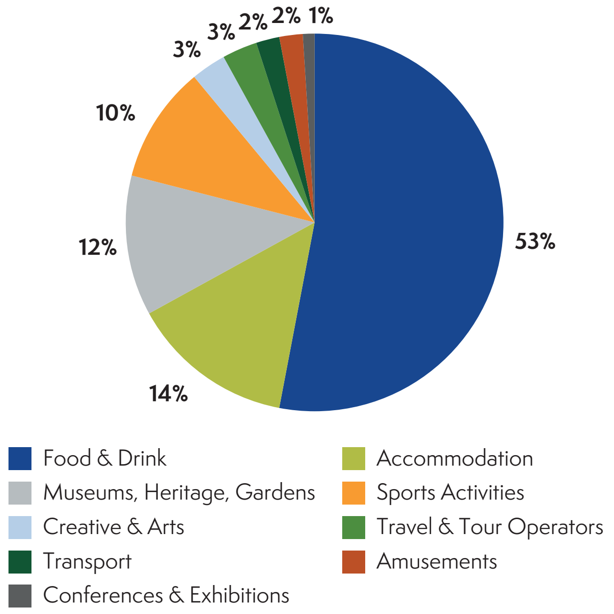
	2016	2017	2018	% +/-
EM3 LEP	12.53	12.49	12.33	-0.20
Solent LEP	12.06	12.45	12.38	0.32
SELEP	12.66	12.48	12.63	-0.02
C to C LEP	14.25	13.99	14.32	0.06
SE Region	12.13	12.05	12.27	0.14
SDNP	**18.75**	**20.39**	**17.99**	**-0.76**

Source: ONS Business Register and Employment Survey.

FIGURE 21: NO. OF VISITOR ECONOMY JOBS BY SUB SECTOR IN THE SOUTH DOWNS NATIONAL PARK 2016 TO 2018

Source: ONS Business Register and Employment Survey.

FIGURE 22: VISITOR ECONOMY PERCENTAGE OF JOBS BY SUBSECTOR IN THE SOUTH DOWNS NATIONAL PARK 2018 (5 DIGIT SIC AGGREGATED)



Source: ONS Business Register and Employment Survey.

5.14 To understand the visitor economy more fully, a detailed analysis has been carried out at 5 Digit SIC code level using the specification in the ONS guide to measuring tourism. The SIC codes are in Annex B. Because there are 39 subsectors, these have been aggregated into 9 categories.

5.15 *Food & Dink* makes up over half of visitor economy employment with 53.44% or 5,045 jobs. *Accommodation* is the second largest visitor economy sector with 14.09% or 1,330 jobs in 2018 while *Museums, Heritage & Gardens* is in third place with 12.18% or 1,150 jobs. **FIGURE 22** and **TABLE 20**.

TABLE 20: NO. AND PERCENTAGE OF VISITOR ECONOMY JOBS BY SUB SECTOR IN THE SOUTH DOWNS NATIONAL PARK 2016 TO 2018 – AGGREGATED FROM 5 DIGIT SIC

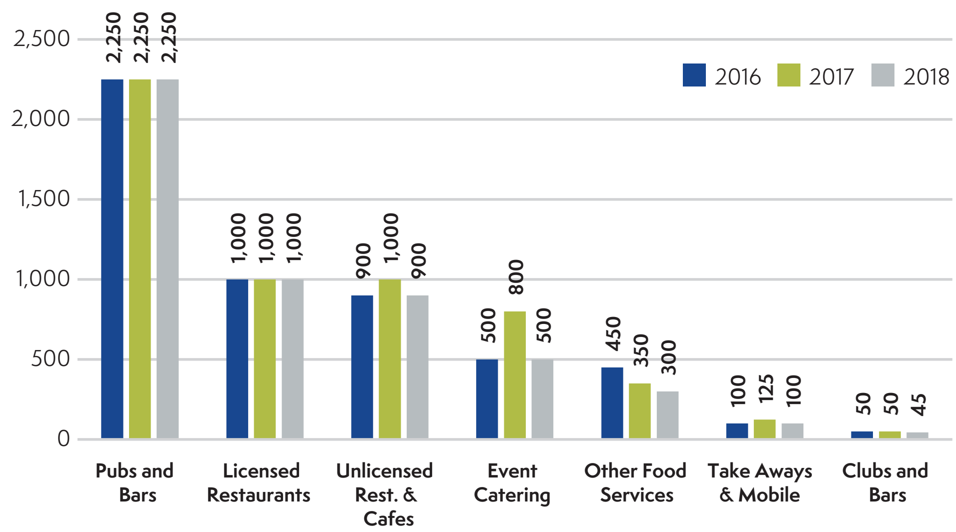
	2016 no.	2016 %age	2017 No.	2017 %age	2018 no.	2018 %age	% +/- 2016-18
Food & Drink	5,250	55.56	5,575	56.40	5,045	53.44	-2.11
Accommodation	1,040	11.01	1,310	13.25	1,330	14.09	3.08
Museums, Heritage, Gardens	1,100	11.64	1,300	13.15	1,150	12.18	0.54
Sports Activities	1,030	10.90	815	8.24	935	9.90	-0.99
Creative & Arts	165	1.75	205	2.07	295	3.13	1.38
Travel & Tour	360	3.81	185	1.87	250	2.65	-1.16
Transport	215	2.28	160	1.62	185	1.96	-0.32
Amusements	200	2.12	250	2.53	185	1.96	-0.16
Conferences & exhibitions	90	0.95	85	0.86	65	0.69	-0.26
	9,450	**100.02**	**9,885**	**99.99**	**9,440**	**100**	

Source: ONS Business Register and Employment Survey.

5.16 The *Food & Drink* sector employment appears to have shrunk by 2.11% while *Accommodation* has grown by 3.08% over the 2016 to 2018 reference period.

5.17 A further breakdown of the *Food & Drink* sector reveals that *Pubs and Bars* which makes up the largest share, has remained relatively stable as has *Licensed Restaurants*. Employment in *Unlicensed Restaurants and Cafes* has shown more volatility as has *Event Catering*, subsectors which tend to be characterised by short term contracts and casual labour. **FIGURE 23**.

FIGURE 23: FOOD & DRINK EMPLOYMENT IN THE SOUTH DOWNS NATIONAL PARK 2016 TO 2018



Numbers are rounded to prevent disclosure.
Source: ONS UK Business Register and Employment Survey.

5.18 In the *Accommodation* sector, detailed analysis of the official employment data shows that the hotel subsector provides the great majority of the jobs. However, the official employment data provide a partial picture due to informal and casual employment being a characteristic of the sector. **TABLE 21**.

TABLE 21: ACCOMMODATION EMPLOYMENT IN THE SOUTH DOWNS NATIONAL PARK 2016 TO 2018

	2016	2017	2018
Hotels	1,000	1,250	1,250
Holiday centres	0	10	10
Other holiday & short stay accommodation .	10	15	15
Camping	25	25	45
Other accommodation	5	10	10
	1,040	**1,310**	**1,330**

Numbers are rounded to prevent disclosure.
Source: ONS UK Business Register and Employment Survey.

MANUFACTURING EMPLOYMENT

5.19 There were 4,335 people employed in *Manufacturing* in the South Downs National Park in 2018, 7.85%% of employment, significantly higher than the manufacturing sector's share of businesses of 4.67% of the total business population. *Architectural & Engineering Activities* together with *Civil Engineering* provide a further 1,750 jobs or 28.66% of total *Manufacturing & Engineering* employment when both sectors are taken together. These two engineering sectors provide 3.2% of employment in the National Park meaning that together *Manufacturing and Engineering* provide around 11% of all jobs.

5.20 The largest sub sector is *Manufacture of Motor Vehicles*, which is helped by the presence of Rolls Royce in Chichester district. This subsector provides 1,500 jobs or 24.57% of the total *Manufacturing & Engineering employment*. (Although the Rolls Royce HQ lies just outside the National Park boundaries, many of its employees are located within.) *Architectural Engineering* is the second largest employer in the broader sector with 1,150 jobs while *Civil Engineering* provides a further 600. After the two main engineering sectors, *Manufacture of Chemicals* and *Manufacture of Food Products* are the next largest employment sectors. Between them, the top five subsectors provide 4,250 jobs or 69.62% of *Manufacturing and Engineering* employment in the South Downs National Park. .

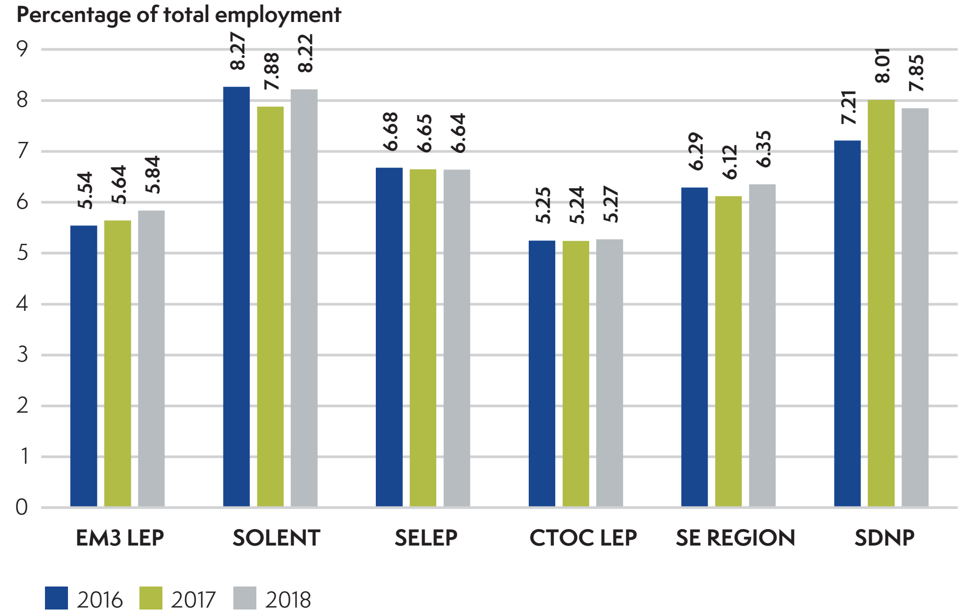
TABLE 22: NO.S OF MANUFACTURING AND ENGINEERING JOBS BY SUBSECTOR IN THE SOUTH DOWNS NATIONAL PARK 2018

Subsector	No.s
29 : Manufacture of motor vehicles, trailers and semi-trailers	1500
71 : Architectural and engineering activities; technical testing and analysis	1150
42 : Civil engineering	600
20 : Manufacture of chemicals and chemical products	600
10 : Manufacture of food products	400
25 : Manufacture of fabricated metal products, except machinery and equipment	300
28 : Manufacture of machinery and equipment n.e.c.	250
26 : Manufacture of computer, electronic and optical products	200
11 : Manufacture of beverages	175
27 : Manufacture of electrical equipment	175
23 : Manufacture of other non-metallic mineral products	150
32 : Other manufacturing	125
22 : Manufacture of rubber and plastic products	100
33 : Repair and installation of machinery and equipment	100
16 : Manufacture of wood and of products of wood and cork, except furniture; manufacture of articles of straw and plaiting materials	75
18 : Printing and reproduction of recorded media	75
31 : Manufacture of furniture	75
13 : Manufacture of textiles	35
21 : Manufacture of basic pharmaceutical products and pharmaceutical preparations	10
14 : Manufacture of wearing apparel	5
30 : Manufacture of other transport equipment	5
TOTAL	**6,105**

Source: ONS Business Register and Employment Survey

5.21 South Downs National Park has the second highest percentage of manufacturing jobs after Solent LEP among the comparator areas and has see a net increase over the reference period of around 465 jobs or nearly 12%. Most of this growth has been in *Motor Vehicles* (500), *Manufacture of Food* (200) and *Non Metallic Minerals* (100).. **FIGURE 24** and **TABLE 23**.

FIGURE 24: MANUFACTURING EMPLOYMENT AS A PERCENTAGE OF TOTAL EMPLOYMENT IN THE SOUTH DOWNS NATIONAL PARK AND THE COMPARATOR AREAS IN 2016 TO 2018



Source: Business Register and Employment Survey.

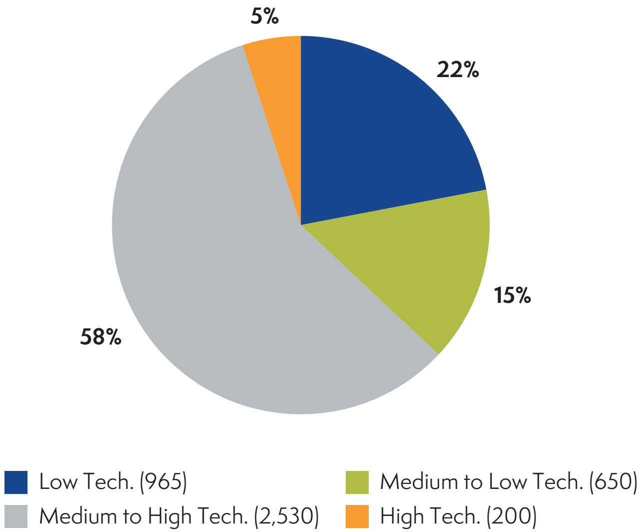
TABLE 23: NO.S OF MANUFACTURING JOBS IN THE SOUTH DOWNS NATIONAL PARK AND THE COMPARATOR AREAS IN 2016 TO 2019

	EM3	Solent LEP	SELEP	CtoC	SE Region	SDNP
2016	41,125	43,500	106,575	36,490	261,025	3,890
2017	41,185	41,285	106,600	36,000	251,400	4,425
2018	43,055	43,390	106,775	36,885	263,750	4,355
+/-	1,930	-110	200	395	2,725	465
% +/-	4.69	-0.25	0.19	1.08	1.04	11.95

Source: Business Register and Employment Survey.

5.22 Using the technology-intensive manufacturing classification for employment in the same way as it was used to examine the business composition of the manufacturing sector reveals that, although high technology manufacturing accounts for only 5% of manufacturing employment, 58% of South Downs manufacturing jobs are in the medium to high technology bracket.

FIGURE 25: CLASSIFICATION OF MANUFACTURING EMPLOYMENT BY TECHNOLOGY INTENSITY IN THE SOUTH DOWNS NATIONAL PARK IN 2018



Source: ONS Business Register and Employment Survey

5.23 This is notably higher than the medium to high technology share of firms (13%), indicating that firms in this category are larger in employment terms. However, these figures are somewhat skewed by the presence of Rolls Royce as motor vehicle manufacture is classified as medium to high technology.

PUBLIC SECTOR EMPLOYMENT

5.24 It is difficult to define public sector employment accurately as there are public sector organisations operating in many sectors e.g. *Health*, *Transport* while the *Education* sector, which is popularly regarded as being "public sector" and is responsible for large percentages of public expenditure, contains not only private schools but also universities which increasingly regard themselves as private sector or private/public hybrids since the introduction of tuition fees.

5.25 The most clearly defined sector in this respect *is Public Administration & Defence* employment made up 8.19% of total jobs in 2018, a growth of 1,500 or a 2.54% increase in share of all employment. When *Education* is included, there were 9,500 employees working in these two sectors or 17.29% of total employment in the South Downs National Park. **TABLE 24**.

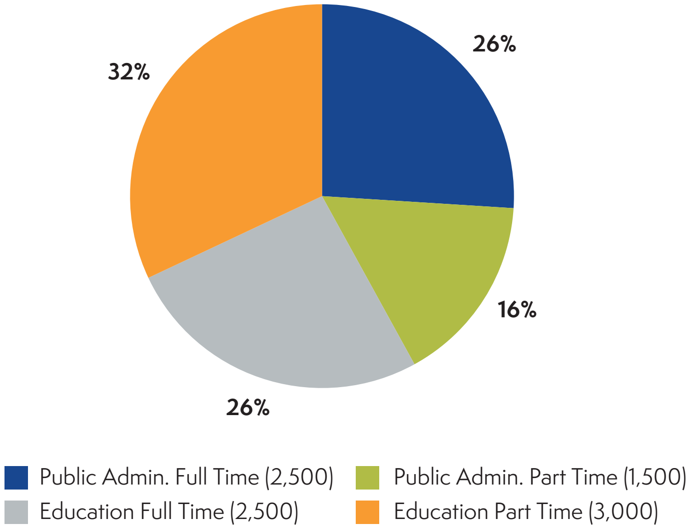
TABLE 24: PUBLIC ADMINISTRATION & DEFENCE AND EDUCATION EMPLOYMENT IN THE SOUTH DOWNS NATIONAL PARK 2016 TO 2018. (%AGES ARE OF TOTAL EMPLOYMENT)

	2016 no.s	2016 %age	2018 no.s	2018 %age	2016-18 +/- no.s	2016-18 +/-% share
Public administration & defence	3,000	5.65	4,500	8.19	1,500	2.54
Education	5,000	9.42	5,000	9.10	0	-0.31

Source: ONS Business Register & Employment Survey.

5.26 The majority of the jobs in Public Administration & Defence are full time (2,500) making up over a quarter of all employment in the two sectors combined, while the majority of education jobs are part-time (3,000), making up nearly a third of jobs in the combined sectors. **FIGURE 26**.

FIGURE 26: FULL AND PART TIME EMPLOYMENT IN PUBLIC ADMINISTRATION & DEFENCE AND EDUCATION EMPLOYMENT IN THE SOUTH DOWNS NATIONAL PARK 2016 TO 2018.



Source: ONS Business Register & Employment Survey.

5.27 The large increase in *Public Administration & Defence* jobs of 1,500 or 50% since 2016 seems to have been divided between full and part-time employment. There were 700 part time jobs in *Public Administration & Defence* in 2016 and 1,500 in 2018, an increase of 800 part time jobs.

5.28 The *Health and Social Care* sector also contains a high percentage of public sector workers but also, like Education includes many private providers such as care homes. The Health and Social Care sector accounted for around 5,000 jobs in 2018 in the South Downs National Park in 2018 or 9.1% of total employment. Together, these three heavily public sector industries make up over 26% of employment in the South Downs National Park.

EMPLOYMENT BY OCCUPATIONAL GROUP

5.29 Employment in the South Downs National Park is heavily skewed towards the top occupational groups. Among the comparator areas, South Downs National Park has the highest percentage of residents employed in the top occupational group, 1*: Managers, directors and senior officials*. 18.7% are employed at this level compared to just 10.1% of residents in Solent LEP.

FIGURE 27:PERCENTAGE OF EMPLOYMENT BY OCCUPATIONAL LEVEL IN SDNP AND THE COMPARATOR AREAS 2019

Source: ONS Annual Population Survey.

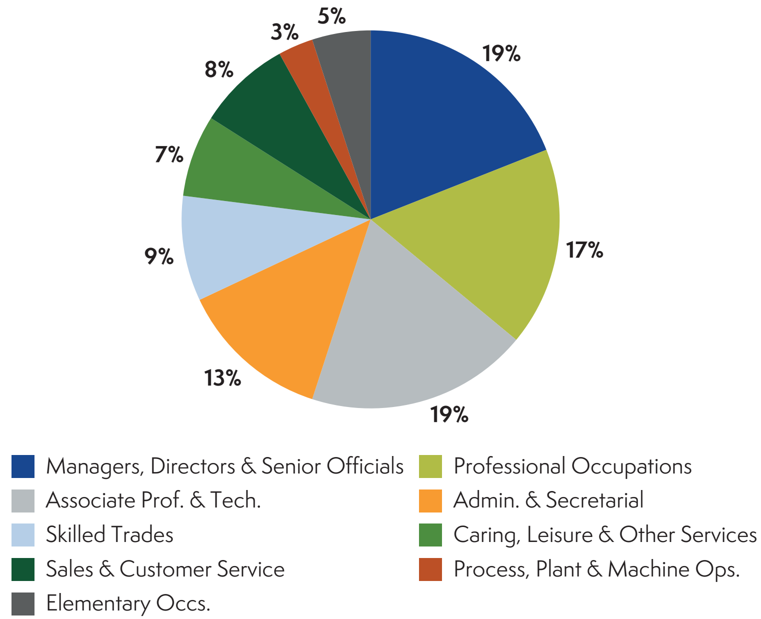
5.30 As noted in the Economic Profile 2018, SDNP has the lowest percentage of residents employed in *Group 2: Professional Occupations* with just 17% employed in this group compared to over a quarter in EM3 LEP, the highest performer on this metric. It may be that property prices are a factor, pricing teachers, nurses etc. out of the market although it might be expected that this would also apply to *Group 3: Associate Professional & Technical* and *Group 4: Administrative & Secretarial* where percentages of employment are highest in the National Park among the comparator areas.

TABLE 25: PERCENTAGE OF EMPLOYMENT BY OCCUPATIONAL LEVEL IN SDNP AND THE COMPARATOR AREAS 2019 (LEADERS IN EACH OCCUPATIONAL GROUP HIGHLIGHTED IN GREEN, LAGGARDS IN LIGHT GREEN)

	SDNP	EM3 LEP	CtoC LEP	SE Region	SE LEP	Solent LEP
1: Managers, directors & senior officials	18.7	15.5	14.0	13.3	12.7	10.1
2: Professional occupations	17.0	25.4	22.7	22.8	20.0	19.6
3: Associate prof. & tech.	18.7	18.2	18.1	16.2	14.4	13.9
4: Admin. & secretarial	13.3	9.1	9.2	9.5	10.2	10.1
5: Skilled trades	8.8	8.1	8.8	9.0	10.5	10.4
6: Caring, leisure & other service	7.6	8.4	8.7	8.7	8.8	10.2
7: Sales & customer service	8.4	5.0	6.7	6.7	7.2	7.6
8: Process, plant & machine ops	2.9	3.9	3.3	4.8	6.0	6.7
9: Elementary occupations	4.6	6.2	7.9	8.5	9.7	11.0

Source: ONS Annual Population Survey.

FIGURE 28: PERCENTAGE OF EMPLOYMENT BY OCCUPATIONAL LEVEL IN THE SOUTH DOWNS NATIONAL PARK 2019

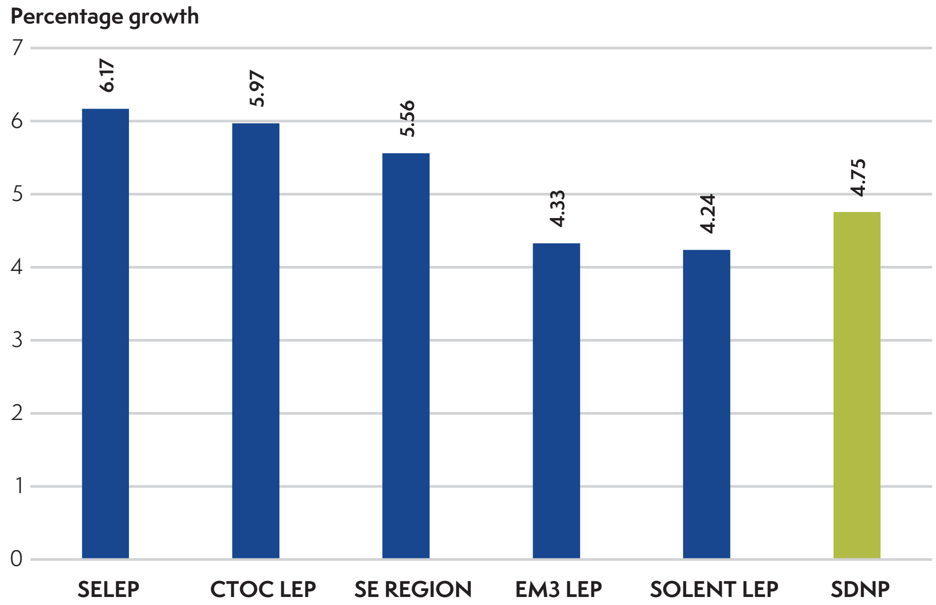


Source: ONS Annual Population Survey.

6. POPULATION

6.1 There were 117,832 residents in the South Downs National Park in 2018 according to ONS mid year population estimates, an increase of 5,340 or 4.75% since 2011. The South Downs National Park has a lower rate of population growth than South East LEP, Coast to Capital LEP or the South East Region but a higher rate of growth than Solent LEP and EM3 LEP. Population change is affected by life expectancy, birth and mortality rates and by in and out migration which in turn is influenced by such factors as the supply of housing and employment opportunities.

FIGURE 29: POPULATION GROWTH (PERCENTAGE) IN THE SOUTH DOWNS NATIONAL PARK AND THE COMPARATOR AREAS 2011 TO 2018.



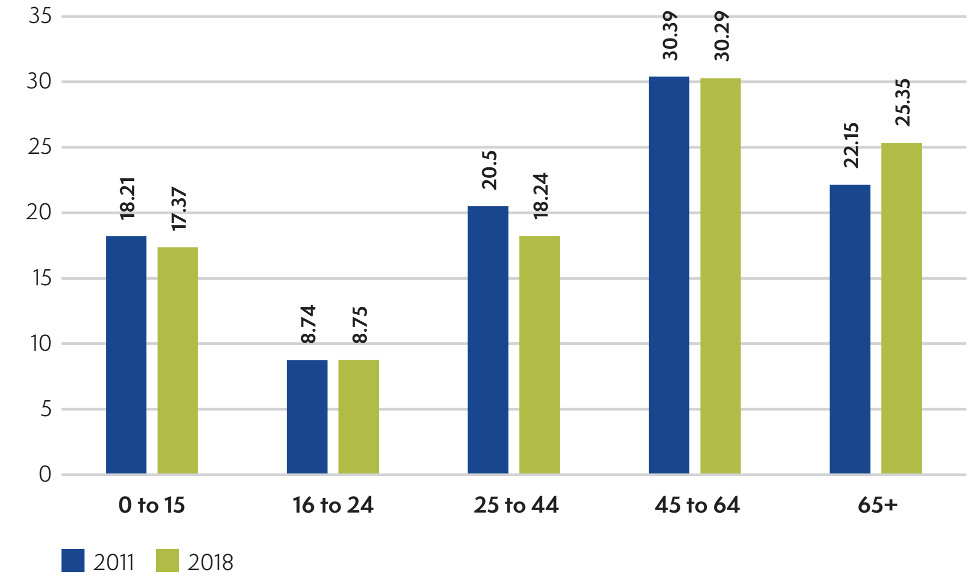
Source: ONS mid year population estimates.

6.2 Similar trends to those observed in the Economic Profile 2018 are in evidence; the older age groups are increasing as a percentage of the population in the South Downs National Park. The 65+ age group has continued to increase at the fastest rate and now makes up 25.35% of the population in the National Park while 25 to 44 year olds have shown the greatest decline. **TABLE 26** and **FIGURE 30**.

TABLE 26: NO. AND PERCENTAGE OF THE POPULATION BY BROAD AGE BAND IN THE SOUTH DOWNS NATIONAL PARK 2011 AND 2018.

Age	2011 no.	2011%	2018 no.	2018%	no. +/-	%+/-
0 to 15	20,489	18.21	20,468	17.37	-21	-0.84
16 to 24	9,832	8.74	10,311	8.75	479	0.01
25 to 44	23,061	20.50	21,492	18.24	-1569	-2.26
45 to 64	34,190	30.39	35,691	30.29	1,501	-0.10
65+	24,920	22.15	29,870	25.35	4,950	3.20
	112,492	**100.00**	**117,832**	**100.00**	**5,340**	

FIGURE 30: PERCENTAGE OF THE POPULATION BY BROAD AGE BAND IN THE SOUTH DOWNS NATIONAL PARK 2011 AND 2018

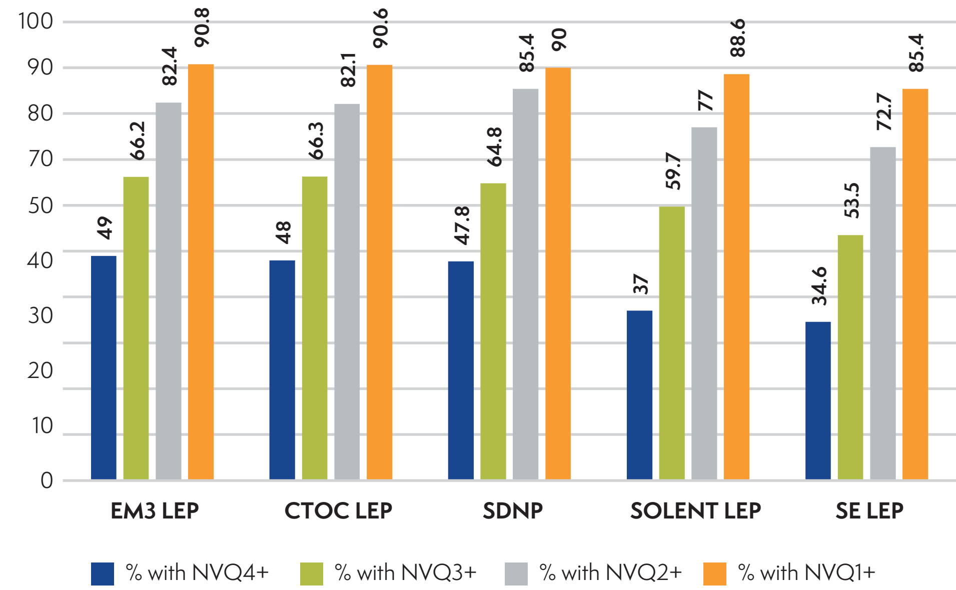


QUALIFICATIONS

6.3 As might be expected, the resident population in the South Downs National Park is highly qualified with 47.8% of the resident working age population holding a degree (Level 4) or above qualification compared to just over a third (34.6%) of the residents of the South East as a whole.

6.4 This is not quite as high as the level in EM3 or Coast to Capital, and it the same picture for intermediate skills at Level 3 and above, but in general the skills profile in the South Downs is more similar to EM3 and Coast to Capital than to Solent LEP and the South East. All areas have seen a rise in higher level skills since 2016. **FIGURE 32** and **TABLE 27**.

FIGURE 31: QUALIFICATION LEVELS OF THE WORKING AGE RESIDENT POPULATION IN SOUTH DOWNS NATIONAL PARK AND THE COMPARATOR AREAS 2019.



Source: ONS Annual Population Survey.

TABLE 27: QUALIFICATION LEVELS OF THE WORKING AGE RESIDENT POPULATION IN SOUTH DOWNS NATIONAL PARK AND THE COMPARATOR AREAS 2019.

	% with NVQ4+	% with NVQ3+	% with NVQ2+	% with NVQ 1+
EM3 LEP	49.0	66.2	82.4	90.8
CtoC LEP	48.0	66.3	82.1	90.6
SDNP	47.8	64.8	85.4	90.0
Solent LEP	37.0	59.7	77.0	88.6
SE LEP	34.6	53.5	72.7	85.4

Source: ONS Annual Population Survey.

SDNPA Teachers’ Conference © SDNPA/ AK Purkiss

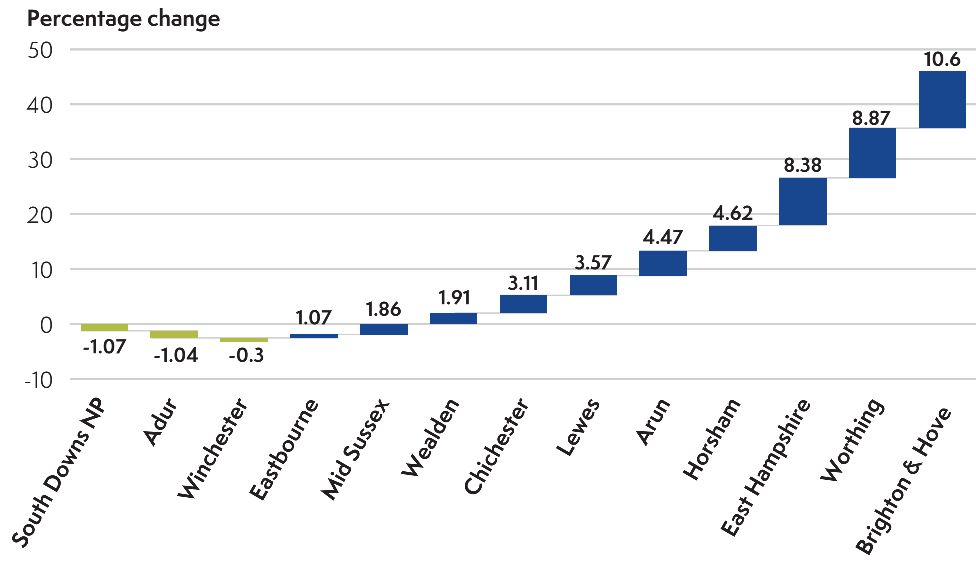
7. OUTPUT AND PRODUCTIVITY

7.1 Output data are not available below local authority level. Based on the South Downs National Park's share of businesses and employment of the twelve local authorities within which it lies, the estimated total output in 2018 was £3,657 million, a slight fall of £40m or 1.07% since 2016.

7.2 Among the local authorities within which the South Downs National Park lies, there has been a disparate performance on output measured by Gross Value Added (GVA) growth during the 2016 to 2018 reference period. Brighton and Hove has seen the greatest growth of 10.6% followed by Worthing and East Hampshire. **FIGURE 33**.

Canoeing at Cuckmere Haven © SDNPA

FIGURE 32: PERCENTAGE CHANGE IN GROSS VALUE ADDED (BALANCED METHOD) BY LOCAL AUTHORITY BY AT CURRENT PRICES 2016-19



Source: ONS Regional Productivity Statistics

7.3 A estimate by sector has been made as an approximate guide to the total output in the South Downs National Park in 2018. **TABLE 28**.

TABLE 28 ESTIMATES OF GVA BY SECTOR IN THE SOUTH DOWNS NATIONAL PARK IN 2018

Industry	£s million	%age of GVA
A. Agriculture, Forestry & Fishing	85.76	2.34
C. Manufacturing	580.24	15.86
F. Construction	182.65	4.99
G. Wholesale & Retail	285.11	7.80
H. Transport and Storage	54.57	1.49
I. Accommodation and Food Services	154.81	4.23
J. Information & Communication	134.76	3.68
K. Finance & Insurance	18.93	0.52
L. Real Estate	878.72	24.03
M. Professional, Scientific and Technical	132.53	3.62
N. Administration & Support	92.44	2.53
O. Public Administration & Defence	277.31	7.58
P. Education	325.20	8.89
Q. Health	300.70	8.22
R. Arts, Entertainment & Recreation	73.51	2.01
S. Other services	55.69	1.52
T. Activities of households	24.50	0.67
All industries	**3657.44**	**100**

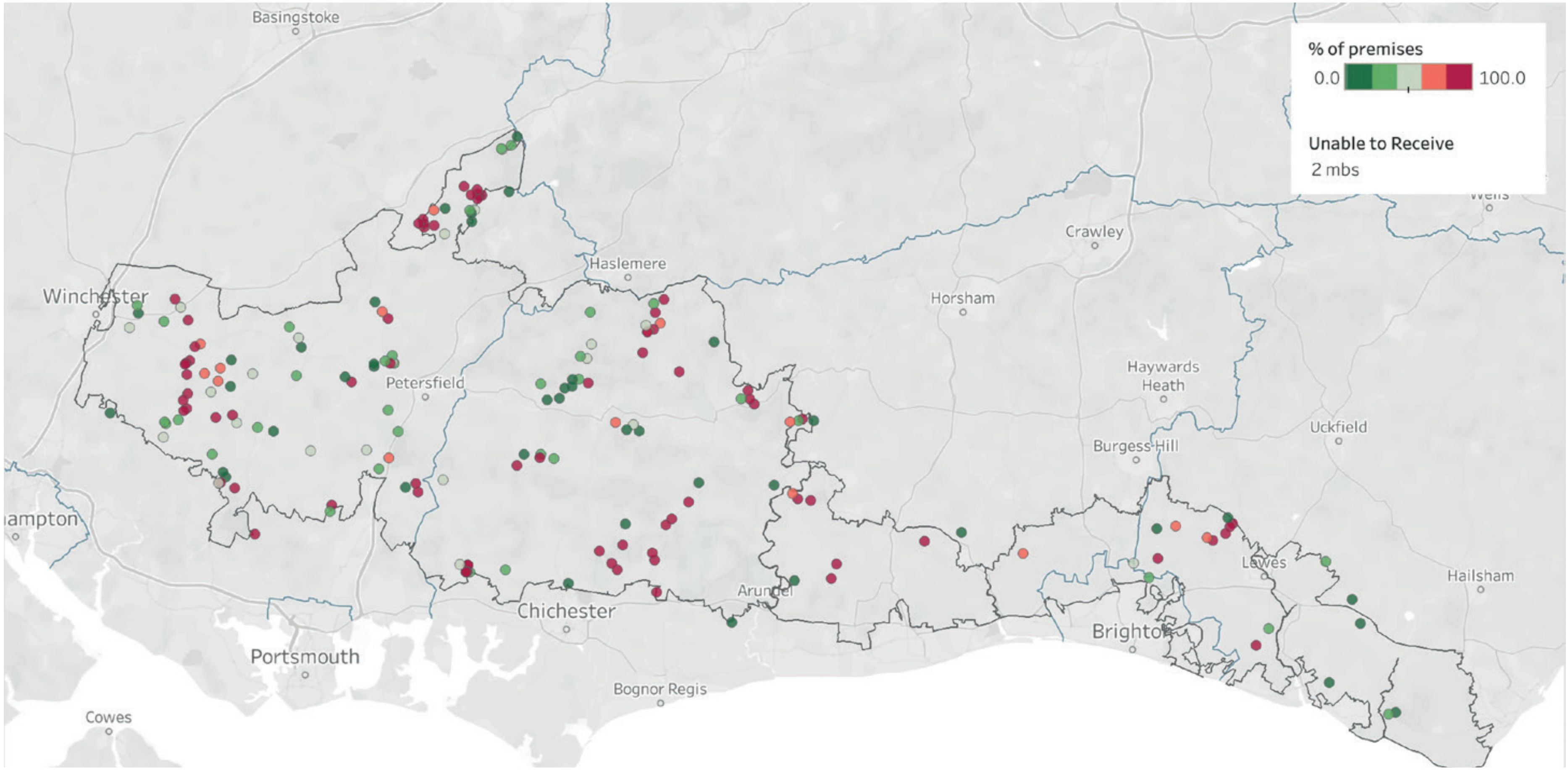
Source: ONS Regional Productivity Statistics (balanced method) at current prices.

7.4 N.B. All GVA statistics are estimates and have been based on ONS estimates by industry at local authority level, attributed pro rata to the South Downs National Park based on the shares of businesses and employment. An adjustment has then been made for the sectoral composition of the economy in the National Park. These figures should not be reproduced without this provison.

Selborne Pottery © Robert Goldsmith

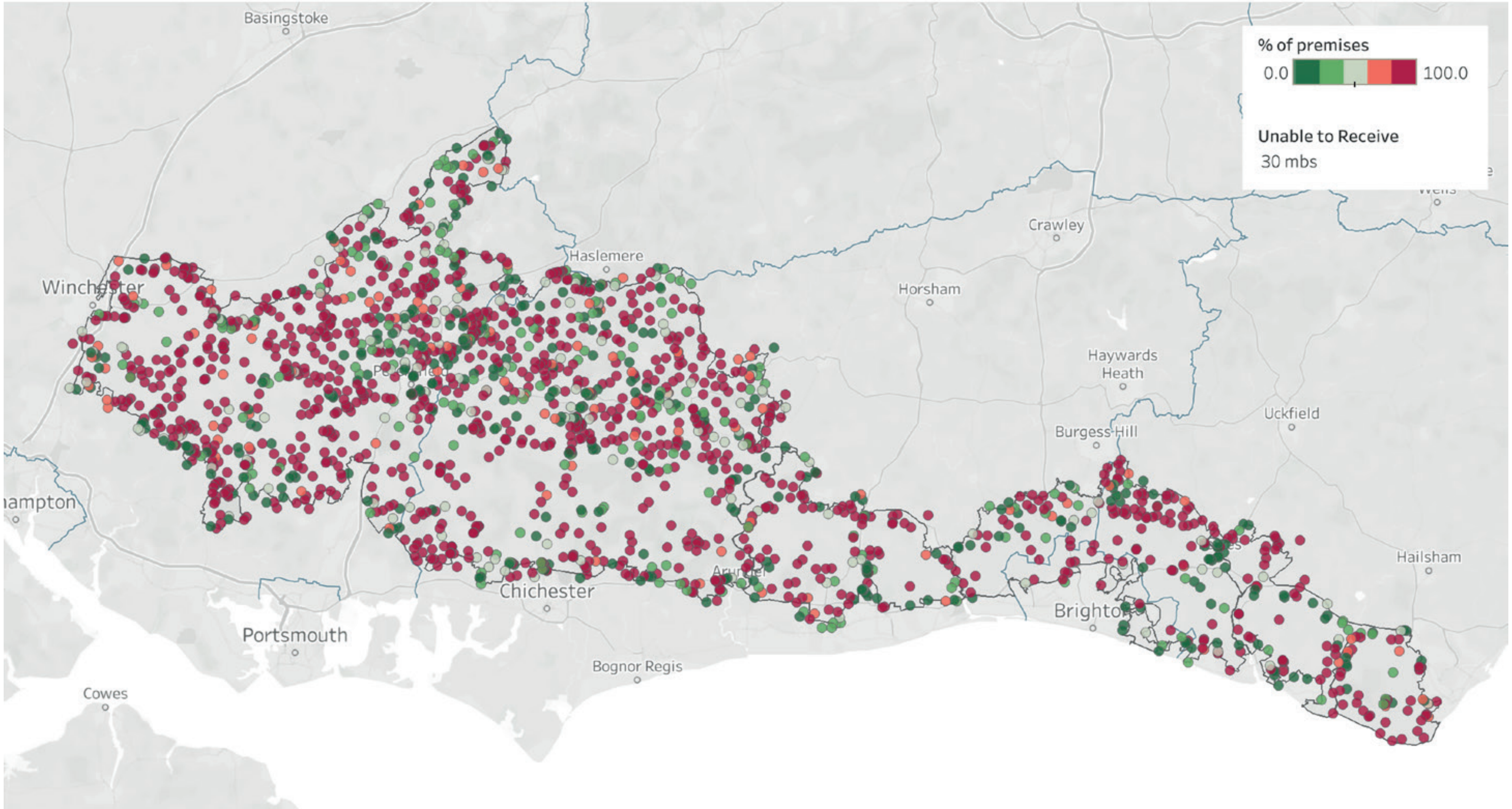
8. CONNECTIVITY

FIGURE 33: POSTCODES IN SDNPA AREA WITH PREMISES UNABLE TO RECEIVE AT LEAST 2MBS DOWNLOAD BROADBAND SPEEDS IN EACH QUINTILE.



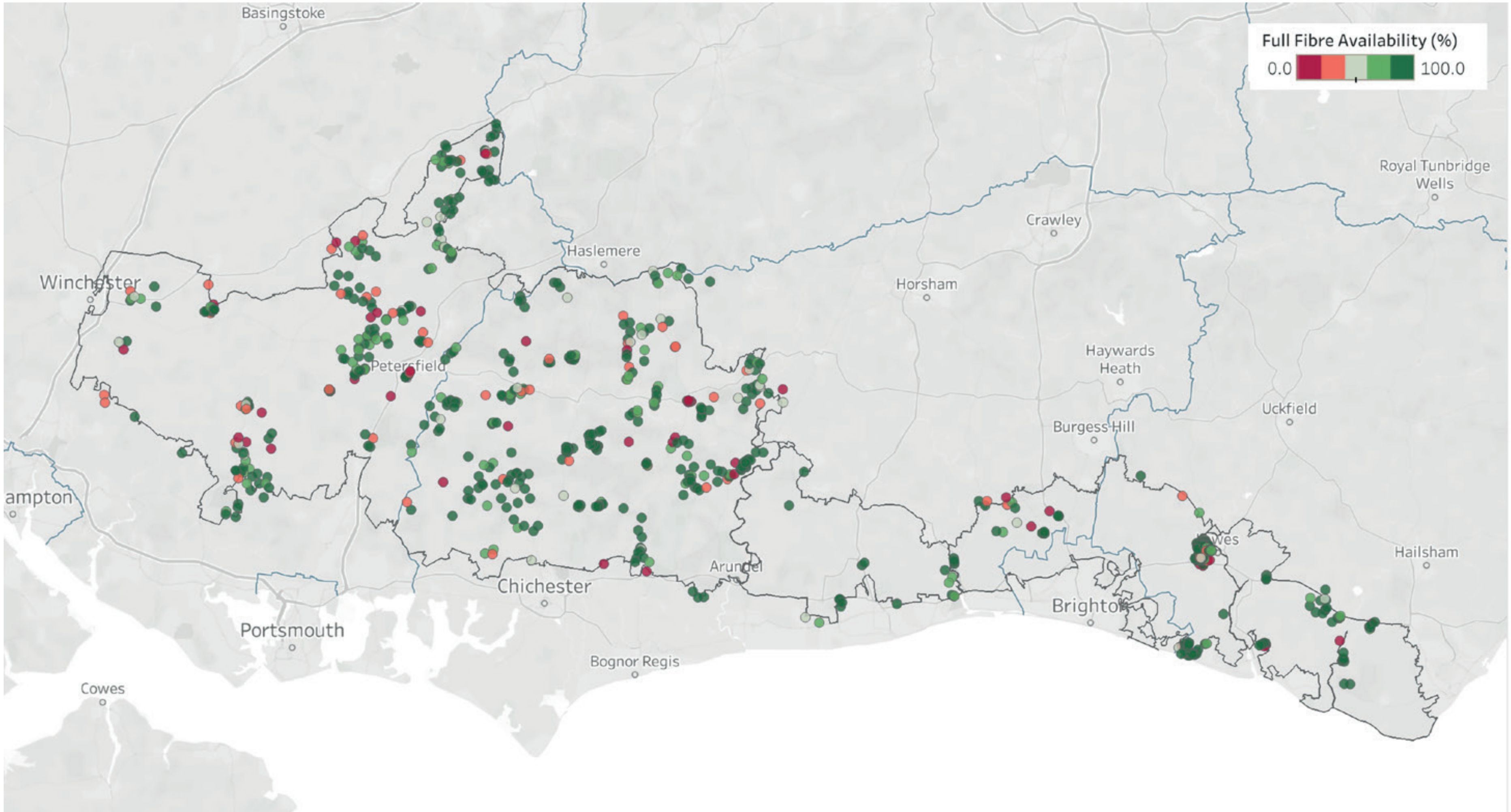
Source: Ofcom Connected Nations 2019.
Note: postcodes where all premises receive over 2mbs download speeds not included.

FIGURE 34: POSTCODES IN SDNPA AREA WITH PREMISES UNABLE TO RECEIVE 30MBS DOWNLOAD INTERNET BROADBAND SPEEDS IN EACH QUINTILE.



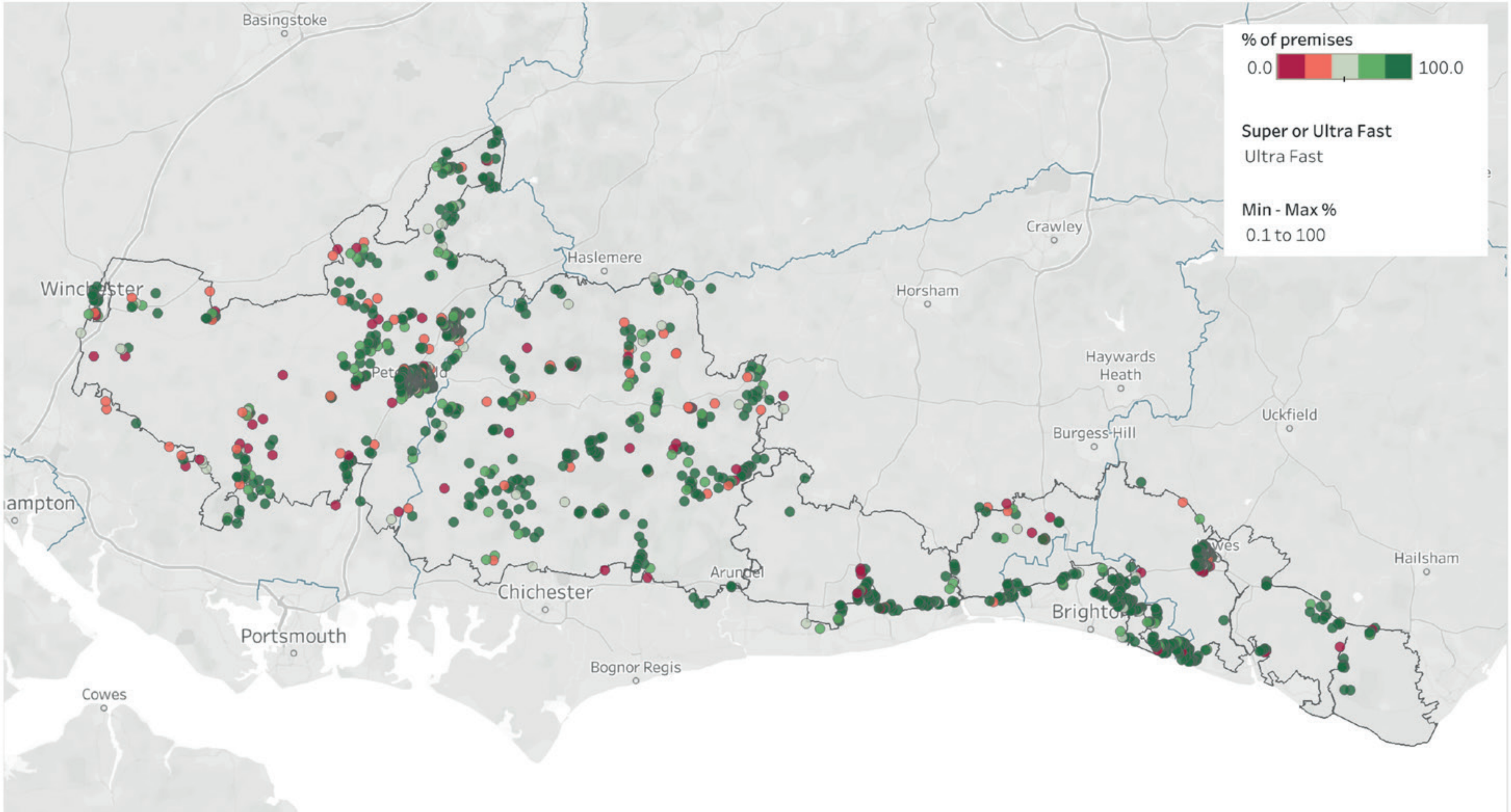
Source: Ofcom Connected Nations 2019.
Note: postcodes where all premises receive over 30mbs download speeds not included

FIGURE 35: POSTCODES IN SDNPA WHERE PREMISES CAN ACCESS FULL FIBRE CONNECTIVITY IN EACH QUINTILE.



Source: Ofcom Connected Nations 2019.
Note: postcodes where no premise can access Full Fibre are not included. Full Fibre defined as a premise connected to the local exchange with fibre rather than copper wires

FIGURE 36: POSTCODES IN SDNPA AREA WITH PREMISES ABLE TO RECEIVE ULTRA FAST BROADBAND (DEFINED AS OVER 300MBS DOWNLOAD SPEED) IN EACH QUINTILE.



Source: Ofcom Connected Nations 2019.
Note: postcodes with no premises able to receive Ultra Fast Broadband not included.

9. ANNEXES

ANNEX A: DATA SPECIFICATION FOR THE DATA UPDATE

Performance indicator/ domain	Data source	Geography	Reference Period
Business Population and characteristics			
Business population	UK Business Counts	LSOA/ SDNP	2016-19
Business population by size (employment)	UK Business Counts	LSOA /SDNP	2016-19
Business population by turnover	UK Business Counts	LSOA /SDNP	2016-19
Sectors			
Advanced Manufacturing and Engineering	UK Business Counts	LSOA/ SDNP	2016-19
The Knowledge Economy	UK Business Counts	LSOA /SDNP	2016-19
The Visitor Economy	UK Business Counts	LSOA /SDNP	2016-19
Land Based Industries	UK Business Counts	LSOA /SDNP	2016-19
Employment	BRES	LSOA /SDNP	2016-18
Full and part time	BRES	LSOA /SDNP	2016-18
Employment by sector as above	BRES	LSOA /SDNP	2016-18
Population by age	ONS Mid Year pop estimates	LSOA /SDNP	2016-19
Population change	ONS Mid Year pop estimates	LSOA/ SDNP	2016-19
Qualifications	APS	LAD/ SDNP	2016-19
GDP	ONS GDP statistics	LAD /SDNP	2016-18
GDP per sector	ONS GDP statistics	LAD/ SDNP	2016-18
ICT Connectivity	Ofcom	Postcode/SDNP	2019

ANNEX B: SECTOR DEFINITIONS

1. TOURISM/VISITOR ECONOMY

9.1 The definition in the ONS document "Measuring Tourism" has been used with the 2007 SIC codes as follows where data are available by 5 digit SIC (i.e. Business Register and Employment Survey):

Table 1: International definition of tourism related industries defined on the basis of UK SIC07 codes (5Digit). Industry	**SIC 2007 code**		**Industry**		**SIC 2007 code**
Railway passenger transport	49100		Transport Equipment Rental		77110
Road Passenger transport		49320		77341	
49390			77351		
Water Passenger transport	50100		Sporting and recreational activities		77210
50300			92000		
Air Passenger transport		51101		93110	
51102			93199		
Accommodation for Visitors		55100		93210	
55201			93290		
55202		Country-specific tourism characteristic activities		82301	
55209			82302		
55300		Cultural Activities		90010	
55900			90020		
Food and beverage serving activities		56101		90030	
56102			90040		
56103			91020		

Table 1: International definition of tourism related industries defined on the basis of UK SIC07 codes (5Digit). Industry	SIC 2007 code	Industry	SIC 2007 code
56210		91030	
56290		91040	
56301			
56302			
68209			
68320			

Jane Austen's House Museum, Chawton © Isabel Snowden

9.2 Where data are available only by 2 digit SIC at LSOA level, (i.e. UK Business Counts) the following ONS definition has been used:

49: Land transport
50: Water transport
51: Air transport
55: Accommodation
56: Food and beverage service activities
79: Travel agency; tour operator and other reservation service and related activities
90: Creative; arts and entertainment activities
91: Libraries; archives; museums and other cultural activities
92: Gambling and betting activities
93: Sports activities and amusement and recreation activities

Sheep shearing on Butser Hill © SDNPA

2. LAND BASED INDUSTRIES.

Industry and 2007 SIC Code
Code 01110: Growing of cereals (except rice); leguminous crops and oil seeds
Code 01120: Growing of rice
Code 01130: Growing of vegetables and melons, roots and tubers
Code 01140: Growing of sugar cane
Code 01150: Growing of tobacco
Code 01160: Growing of fibre crops
Code 01190: Growing of other non-perennial crops
Code 01210: Growing of grapes
Code 01220: Growing of tropical and subtropical fruits
Code 01230: Growing of citrus fruits
Code 01240: Growing of pome fruits and stone fruits
Code 01250: Growing of other tree and bush fruits and nuts
Code 01260: Growing of oleaginous fruits
Code 01270: Growing of beverage crops
Code 01280: Growing of spices, aromatic, drug and pharmaceutical crops
Code 01290: Growing of other perennial crops
Code 01300: Plant propagation
Code 01410: Raising of dairy cattle
Code 01420: Raising of other cattle and buffaloes
Code 01430: Raising of horses and other equines
Code 01440: Raising of camels and camelids
Code 01450: Raising of sheep and goats
Code 01460: Raising of swine/pigs
Code 01470: Raising of poultry
Code 01490: Raising of other animals
Code 01500: Mixed farming

Industry and 2007 SIC Code
Code 01610: Support activities for crop production
Code 01621: Farm animal boarding and care
Code 01629: Support activities for animal production (other than farm animal boarding and care) n.e.c.
Code 01630: Post-harvest crop activities
Code 01640: Seed processing for propagation
Code 01700: Hunting, trapping and related service activities
Code 02100: Silviculture and other forestry activities
Code 02200: Logging
Code 02300: Gathering of wild growing non-wood products
Code 02400: Support services to forestry
Code 03110: Marine fishing
Code 03120: Freshwater fishing
Code 03210: Marine aquaculture
Code 03220: Freshwater aquaculture

9.3 The employment data for Agriculture is not included in BRES so this is normally supplemented with data from Defra's farm survey **gov.uk/government/statistical-data-sets/structure-of-the-agricultural-industry-in-england-and-the-uk-at-june**

9.4 This has the advantage of being compulsory so that it is in effect a census of commercial agricultural holdings although Defra have not updated the report for National Parks since 2017 using 2016 data.

3. MANUFACTURING AND ENGINEERING. THE FOLLOWING 2 DIGIT SIC CODES HAVE BEEN USED

Manufacturing & Engineering Subsector 2 Digit SIC
71: Architectural and engineering activities; technical testing &analysis
42: Civil engineering
25: Manufacture of fabricated metal products; ex. machinery & equipt.
32: Other manufacturing
16: Manufacture of wood & wood products & cork; except furniture
18: Printing and reproduction of recorded media
10: Manufacture of food products
26: Manufacture of computer; electronic and optical products
31: Manufacture of furniture
11: Manufacture of beverages
23: Manufacture of other non-metallic mineral products
13: Manufacture of textiles
28: Manufacture of machinery and equipment n.e.c.
14: Manufacture of wearing apparel
20: Manufacture of chemicals and chemical products
22: Manufacture of rubber and plastic products
27: Manufacture of electrical equipment
30: Manufacture of other transport equipment
17: Manufacture of paper and paper products
24: Manufacture of basic metals
29: Manufacture of motor vehicles; trailers and semi-trailers

9.5 For **Advanced manufacturing and engineering. (AME)**The following ONS definition was used in the Economic Profile 2018)

Industry and 2007 SIC Code
7112: Engineering activities and related technical consultancy
331: Repair of fabricated metal products, machinery and equipment
265: Manufacture of instruments and appliances for measuring, testing and navigation; watches and clocks
282: Manufacture of other general-purpose machinery
20: Manufacture of chemicals and chemical products
30: Manufacture of other transport equipment
261: Manufacture of electronic components and boards
332: Installation of industrial machinery and equipment
263: Manufacture of communication equipment
271: Manufacture of electric motors, generators, transformers and electricity distribution and control apparatus
289: Manufacture of other special-purpose machinery
291: Manufacture of motor vehicles
264: Manufacture of consumer electronics
279: Manufacture of other electrical equipment
281: Manufacture of general purpose machinery
292: Manufacture of bodies (coachwork) for motor vehicles; manufacture of trailers and semitrailers
262: Manufacture of computers and peripheral equipment
266: Manufacture of irradiation, electromedical and electrotherapeutic equipment
273: Manufacture of wiring and wiring devices
274: Manufacture of electric lighting equipment
284: Manufacture of metal forming machinery and machine tools
293: Manufacture of parts and accessories for motor vehicles
267: Manufacture of optical instruments and photographic equipment
275: Manufacture of domestic appliances
283: Manufacture of agricultural and forestry machinery
21: Manufacture of basic pharmaceutical products and pharmaceutical preparations
268: Manufacture of magnetic and optical media
272: Manufacture of batteries and accumulators

Rolls-Royce, Goodwood plant © Rolls-Royce

9.6 This has since been superseded by the classification by technology intensity which has been used in this 2020 Update as follows:

Technology intensity manufacturing categories
High Tech Manufacturing
26: Manufacture of computer; electronic & optical products
20: Manufacture of chemicals & chemical products
Medium to High Tech Manufacturing
27: Manufacture of electrical equipment
28: Manufacture of machinery & equipment n.e.c.
29: Manufacture of motor vehicles & trailers
30: Manufacture of other transport equipt.
Medium to low tech manufacturing
22: Manufacture of rubber & plastic products
23: Manufacture other non-metallic mineral products
24: Manufacture of basic metals
25: Manufacture of fabricated metal products;
33: Repair & install of machinery & equipt.
Low Tech Manufacturing
10: Manufacture of food products
11: Manufacture of beverages
13: Manufacture of textiles
14: Manufacture of wearing apparel
16: Manufacture of wood & wood products
18: Printing & reproduction of recorded media
31: Manufacture of furniture
32: Other manufacturing

4. KNOWLEDGE ECONOMY:

9.7 There are several definitions: the most commonly used being the broad definition:

Knowledge Sector 2 digit SIC
18: Printing and reproduction of recorded media
26: Manufacture of computer; electronic and optical products
58: Publishing activities
59: Motion picture; video and television programme production; sound recording and music publishing activities
60: Programming and broadcasting activities
61: Telecommunications
62: Computer programming; consultancy and related activities
63: Information service activities
64: Financial service activities; except insurance and pension funding
65: Insurance; reinsurance and pension funding; except compulsory social security
66: Activities auxiliary to financial services and insurance activities
69: Legal and accounting activities
70: Activities of head offices; management consultancy activities
71: Architectural and engineering activities; technical testing and analysis
72: Scientific research and development
73: Advertising and market research
74: Other professional; scientific and technical activities
85: Education

9.8 For the classification of Knowledge Intensive Services, the following SIC codes have been used:

High tech Knowledge Intensive Services
59: Motion picture, video and television programme production, sound recording and music publishing activities
60: Programming and broadcasting activities
61: Telecommunications
62: Computer programming, consultancy and related activities
63: Information service activities
72: Scientific research and development
High Tech Financial Services
64: Financial service activities, except insurance and pension funding
65: Insurance, reinsurance and pension funding, except compulsory social security
66: Activities auxiliary to financial services and insurance activities
Knowledge Intensive Market Services
50: Water transport
51: Air transport
69: Legal and accounting activities
70: Activities of head offices; management consultancy activities
71: Architectural and engineering activities; technical testing and analysis
73: Advertising and market research
74: Other professional, scientific and technical activities
78: Employment activities
80: Security and investigation activities

Less Knowledge Intensive Market Services
45: Wholesale and retail trade and repair of motor vehicles and motorcycles
46: Wholesale trade, except of motor vehicles and motorcycles
47: Retail trade, except of motor vehicles and motorcycles
49: Land transport and transport via pipelines
52: Warehousing and support activities for transportation
53: Postal and courier activities
55: Accommodation
56: Food and beverage service activities
77: Rental and leasing activities
79: Travel agency, tour operator and other reservation service and related activities
81: Services to buildings and landscape activities
82: Office administrative, office support and other business support activities
94: Activities of membership organisations
95: Repair of computers and personal and household goods
96: Other personal service activities
97: Activities of households as employers of domestic personnel
98: Undifferentiated goods- and services-producing activities of private households for own use
Other Knowledge Intensive Services
58: Publishing activities
75: Veterinary activities
84: Public administration and defence; compulsory social security

85: Education
86: Human health activities
87: Residential care activities
88: Social work activities without accommodation
90: Creative, arts and entertainment activities
91: Libraries, archives, museums and other cultural activities
92: Gambling and betting activities
93: Sports activities and amusement and recreation activities

Statue in Charleston House garden © SDNPA

Fishing in the River Meon © SDNPA