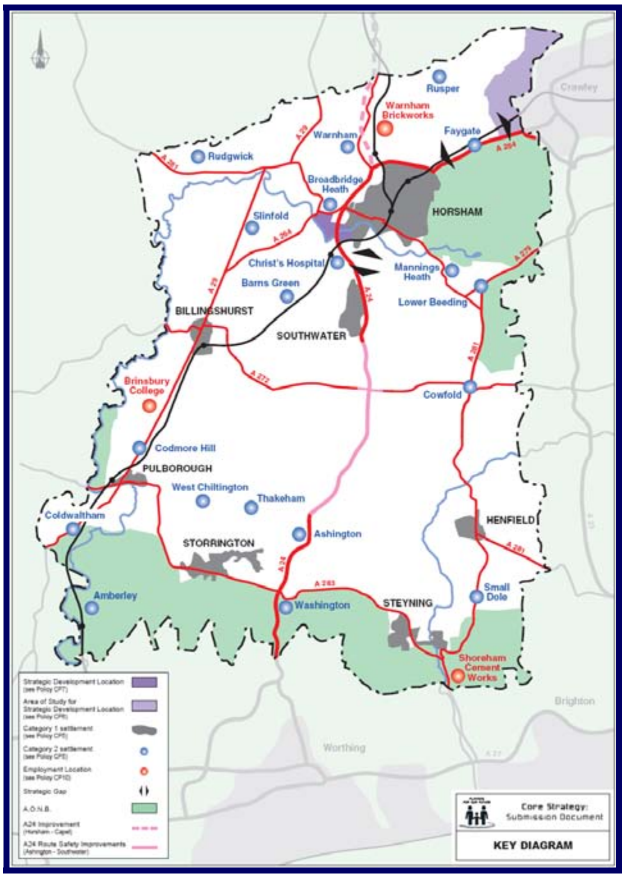
Visioning Horsham



Final Report

Horsham District Council

March 2008

Visioning Horsham: Final Report

Horsham District Council

Contents

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Date: March 2008

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An overview of the visioning project

The *Visioning Horsham* project took place over a nine-month period, beginning in July 2007. Experian facilitated the process alongside a project steering group brought together from Horsham District Council (HDC) and the Horsham District Community Partnership (HDCP). It was initiated in response to requirements to review the District's spatial and community policy, and a recognition that Horsham District was entering a period of change and uncertainty – that doing nothing was not an option and that the District should attempt to choose and guide the nature of change, to ensure that it is what the local community wants and not simply what fate and external influences impose.

The *Visioning Horsham* project was *not* concerned with developing a *new* vision for the District – this is the responsibility of HDCP. Rather, the terms of reference for the project were to flesh out the *existing* vision for the District, assess its challenges, provide a platform for decision-making and help the District achieve it. In summary, the key requirements agreed for the project were to:

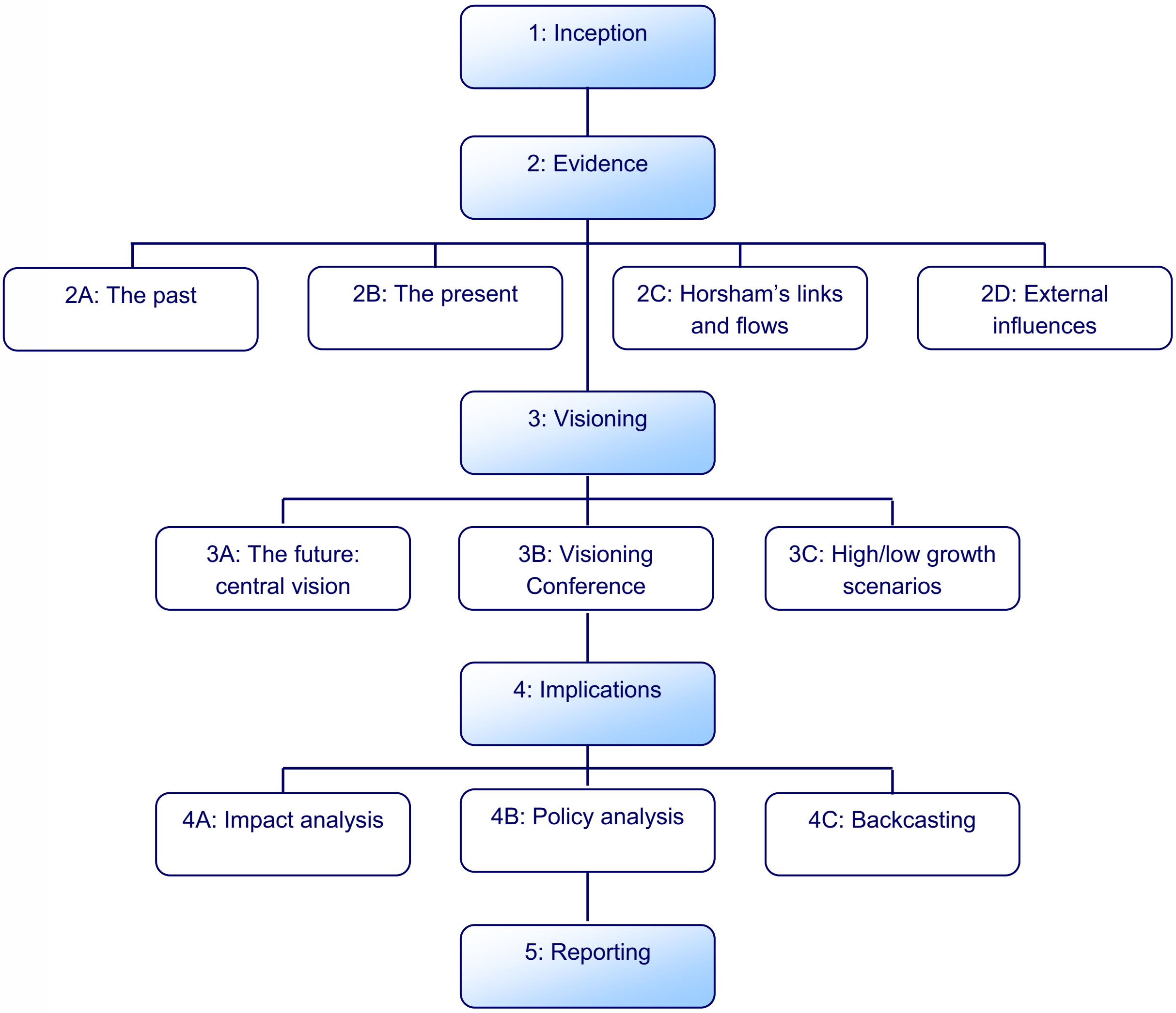
- provide an evidence-base for future spatial policy-making which is consistent with evidence at the regional and national level;
- identify, assess and understand key trends, drivers, events and developments that are likely to impact on Horsham District over the next twenty years – and consider whether, and how, they will work with or against the current HDCP vision;
- assess the economic dimension of HDC's spatial policy and its implications for the LDF Core Strategy's spatial objectives; and
- provide an understanding of the potential scenarios facing the District, identifying key implications to underpin HDC's decision-making and strategic planning in the present.

In order to deliver these requirements, it was important that the *Visioning Horsham* project embodied a number of key principles:

- Taking an holistic view – a broad and inter-disciplinary approach to the District's future, set in a wider economic, social, environmental, technological and political perspective.
- Building on a rigorous and credible evidence base – providing a quantitative, robust evidence base for the District's decision-making which is credible in the eyes of wider public and private sector stakeholders.
- Designed to assist better decision-making and policy formulation – focusing on techniques that deliver insight and point to specific policy options and interventions.
- Engaging stakeholders in the District – being steered by a project group from HDC/HDCP and consulting throughout with key stakeholders in the District and meeting/presenting to the full HDCP membership.
- Combining different futures techniques – using both quantitative and qualitative techniques to generate rich and useable information.

The research methodology for the *Visioning Horsham* project has combined a range of qualitative, quantitative and participatory exercises over its nine-month lifetime. The methodology is summarised in the figure below.

The Visioning Horsham Methodology: A Summary



The *Visioning Horsham* project has identified a number of issues and challenges facing the achievement of the District's vision – these are set out in detail in the rest of this report. In response to these issues and challenges, a series of suggestions, recommendations and potential policy responses are made. These are intended to be *a platform* and *evidence-base* for HDC/HDCP decision-making – the decisions and choices themselves are in the hands of everybody involved in the District.

This is not the end of the *Visioning Horsham* process – this report sets out next steps:

- review the policy responses in the light of the *Visioning Horsham* evidence base;
- consider and agree the way forward with HDCP – what needs to be done now, what needs to be done later, which external partners does HDCP need to influence?
- continue to monitor the evidence base, the trends and the policy outcomes; and
- re-evaluate spatial planning policy proposals, and extend to the longer term.

It is important to act now in order to steer future change in the direction that reflects the best interests of Horsham District.

Introduction

The background to the *Visioning Horsham* project

Horsham District Council (HDC) is currently developing policy and strategy to inform the future of the District. Along with councils across England, HDC is responsible for preparing and adopting a Local Development Framework (LDF), a Sustainable Community Strategy (SCS) and a Corporate Plan. These documents set the framework for the future of the District – the District's development, the District's services and the Council's overall priorities. HDC is ahead of the game, having already adopted its LDF Core Strategy on 2nd February 2007. Working together with the Horsham District Community Partnership (HDCP), HDC is committed to reviewing the LDF Core Strategy and the SCS over the next year.

The *Visioning Horsham* project has been undertaken to inform this process – to flesh out the *existing* vision for the District, assess its challenges, provide a *platform* for decision-making and help the District achieve it. In summary, the key requirements agreed for the project were to:

- provide an evidence-base for future spatial policy-making which is consistent with evidence at the regional and national level;
- identify, assess and understand key trends, drivers, events and developments that are likely to impact on Horsham District over the next twenty years – and consider whether, and how, they will work with or against the current HDCP vision;
- assess the economic dimension of HDC's spatial policy and its implications for the LDF Core Strategy's spatial objectives; and
- provide an understanding of the potential scenarios facing the District, identifying key implications to underpin HDC's decision-making and strategic planning in the present.

The research and activity undertaken

The *Visioning Horsham* project commenced in July 2007. A range of research and consultation activities have taken place since then, including:

- a comprehensive *Visioning Horsham* Data Scorecard, providing historic, current and forecast data and evidence across Horsham District Council's areas of corporate responsibility, with county, regional and national comparators (supplemented by a training and briefing session for Council Officers on accessing, using and interpreting the data);
- Experian's Local Markets Database detailed forecast data for Horsham District and Crawley District, and a baseline Local Area Assessment working paper;
- the facilitation of the 2007 Horsham District Community Partnership Conference and a Conference Summary report, setting out the focus of the *Visioning Horsham* project;
- the production of three econometric future scenarios for Horsham District;
- a series of consultations with people in the District, and two backcasting workshops – one with Council Officers and one with HDCP Task Group/Council Cabinet Members;
- a final *Visioning Horsham* report with a series of annexes, and two presentations of the final report in the District (to Council Members and the full HDCP).

1 Horsham today

1.1 The District's challenges

Horsham District is an attractive place to live, as reflected in its numerous awards and high-rankings. The attractiveness of Horsham District is due to factors including its beautiful countryside and environment, its proximity to large employment centres including London and aspects of its social infrastructure such as high-performing schools. The District has attracted many well-off households, leading to wages, incomes and qualification levels that are higher than average.

But the District faces a number of challenges and questions.

Challenges

- Economic and employment growth in the District has been slower since 2000 than in the county and the South East of England region as a whole.
- A significant proportion of Horsham District residents need to commute out of the District to work, particularly those with highly-skilled or senior-level jobs.
- The high quality of life in the District is not shared by all residents, around 5% of whom are in low-income households. The District's high cost of living (particularly housing) means that it is difficult for low-earners, first-time buyers and young adults to live locally.
- The population is growing, but it is also ageing. This means that the growth in working-age population required for future economic expansion is limited. Economic inactivity has increased slightly in recent years, and is now slightly above the South East of England average.

Questions

- What is the role of Horsham District in the Gatwick Diamond sub-region? What implications does this have for the District's economy and infrastructure?
- What is the future of Horsham District's economy? Should it accept a subordinate relationship with Crawley, London and the Sussex Coast? Or should Horsham District promote itself as a viable economic centre?
- How should Horsham District respond to its ageing population and its loss of young adults? How is this linked with education provision, including ideas for a university in Crawley?
- What balance of social and cultural infrastructure is required to accommodate Horsham's future growth? How is this linked with tourism aspirations?

The District's future will also be influenced by broader trends which are evident at the national or even international level. The most important of these for Horsham District are likely to be:

- $kills. Successful businesses and economies are increasingly dependent on skills, knowledge and innovation. People need to be appropriately skilled to adapt to economic changes and to access jobs. Skilled workers enable businesses and places to be competitive. Businesses are increasingly mobile in their search for skilled labour, and places that do not offer a skilled workforce will find it difficult to secure investment and economic development in the future.

- Uprooted youth. Young people in many rural districts are being uprooted, unable to afford homes in the area in which they grew up. These housing pressures on young people are compounded by the availability of university education and better jobs elsewhere, often in large towns and cities. Rural areas are losing their young people, particularly those with higher skills and aspirations, often not returning until later in life if at all.
- Localism. At the grassroots level, there is increasing interest in community participation, voluntary activity and devolution of decision-making responsibility. At the same time, technology is helping to bring together local policymakers, businesses and citizens, and to deliver many public services online. These trends are increasing the opportunity for all community members to take an active role in local life, strengthening community bonds.
- Work anywhere. Technology is making it easier for people to work anywhere, some or all of the time, with increasing numbers of people working from home. This means that areas which offer a high quality of life are more likely to be able to attract high-earners and other home-workers. Pleasant places which at first glance seem to offer fewer job opportunities locally are increasingly able to attract highly-skilled workers who, because they work from home, spend a higher proportion of their income locally than commuters.
- Servicing the experience economy. The price of goods is falling and consumers are spending much higher proportions of their disposable income on experiences including holidays, restaurants, cinemas and leisure activities. The experience economy is growing quickly, with many jobs created in the future likely to be in service sectors. This is true in urban and rural areas. In urban areas, traditional production/manufacturing jobs are being replaced by jobs in services. In the countryside, agricultural employment is being replaced, in part by reform through the Common Agricultural Policy (CAP) which is rewarding environmental management, in part through increasing interest in rural leisure and tourism.
- True cost economics. There is growing public and political concern over carbon emissions and the threat of climate change. This concern is leading to greater scrutiny of the true cost of our consumption, taking into account so-called externalities such as food miles. As the true cost of goods and services becomes better reflected in prices, there is increasing interest in buying and sourcing locally. In the future, the impact of this trend is likely to be far-reaching, covering foods, tourism, transport and so on.

These challenges, questions and trends form the basis of the rest of this report. In 1.2 below, key evidence is summarised. A full evidence base for the Visioning Horsham project has been developed in a series of separate annexes, which are listed on the contents page.

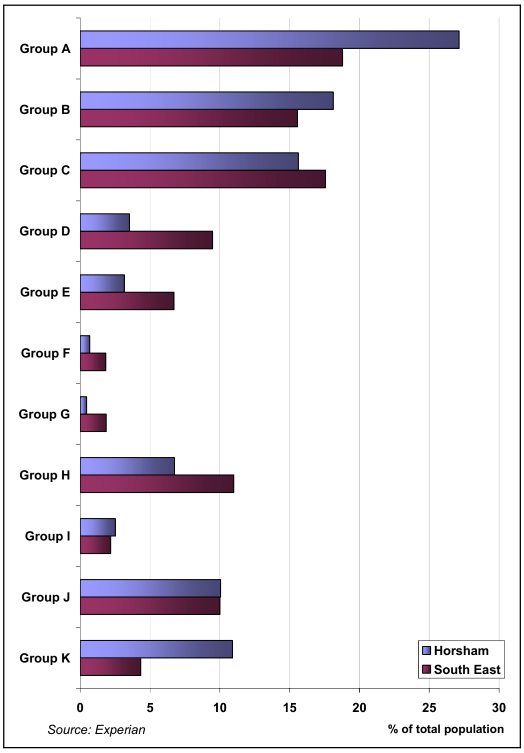
1.2 How the evidence stacks up

This section provides evidence to underpin the observations made in section 1.1 above. We provide quantitative details of Horsham's overall economic, social and environmental well-being, as well as the challenges that the District has faced in recent years.

- Horsham continues to be an attractive place to live, with two Areas of Outstanding Natural Beauty and a number of rural towns and villages. The District's attractiveness has been reflected in significant population growth. Between 2001 and 2006 the population grew by 4,700, increasing the population by an average of 0.8% each year. Such growth outstripped the rates of growth in West Sussex and the South East region, which grew by 0.4% and 0.5% respectively each year during the same period.

- Part of the attraction of the District is the quality of local schools, which outperform those in the wider South East. Data from the Department for Children, Schools and Families shows that grades are higher in Horsham at every Key Stage of compulsory schooling, including at GCSE level. In 2005, 69% of school children in Horsham attained 5 or more A* to C grades, whilst this figure was much lower at 56% in West Sussex and 58% in the South East.
- The overall attractiveness of the District is reflected in its Mosaic profile. Mosaic is a system which categorises the population of an area into distinct socio-demographic groups. The profiles of Horsham and the South East are shown below in Figure 1.1. It can be seen that Horsham has a very high proportion of the population classed as 'career professionals living in sought after locations' (Group A) as well as a high proportion living in remote rural areas (Group K). The high incidence of Group A reflects Horsham's popularity as a place for managers and professionals to live, and this is also shown in average wages. The average residence-based weekly wage in Horsham was £452 in 2006, compared to £345 in West Sussex and £379 in the South East.1

Figure 1.1: Percentage of the population belonging to each Mosaic group, Horsham District and South East, 2006



A: Career professionals living in sought after locations
B: Younger families living in newer homes
C: Older families living in suburbia
D: Close-knit, inner city and manufacturing town communities
E: Educated, young, single people living in areas of transient populations
F: People living in social housing with uncertain employment in deprived areas
G: Low income families living in estate based social housing
H: Upwardly mobile families living in homes brought from social landlords
I: Older people living in social housing with high care needs
J: Independent older people with relatively active lifestyles
K: People living in rural areas far from urbanisation

- Despite Horsham's popularity amongst managers and professionals, a significant proportion commute out of the District, particularly to London and Crawley. In 2001, Horsham had a net commuting outflow of 8,100 managers and professionals – including a net outflow of 3,000 to London and 2,500 to Crawley.[2] Aggregating across all workers,

[1] Wage data sourced from the Annual Survey of Hours and Earnings (ASHE).
[2] Latest available evidence on commuting flows is from the 2001 Census. 'Net commuting outflows' is derived from the number of commuters travelling outside Horsham District minus the number travelling into Horsham District from elsewhere.

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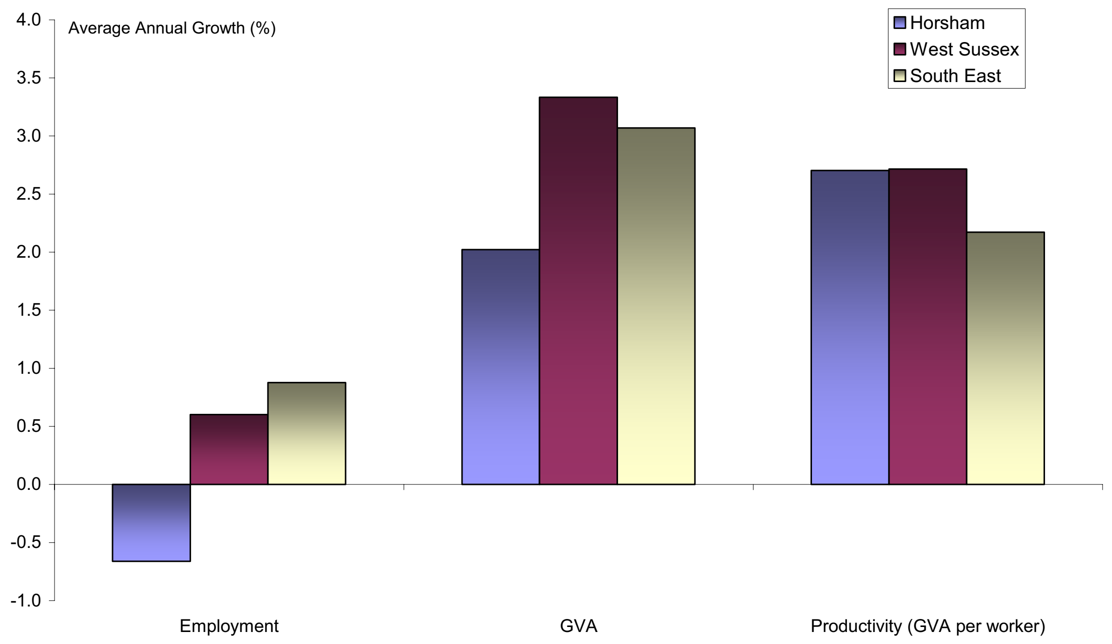
Horsham had a net outflow of 10,800 commuters in 2001. This means that the District is failing to reap the full benefits of its highly skilled population.

- Inward migration has put upward pressure on house prices, and this is part of the explanation for a movement of young people out of the District. Between 2001 and 2006 the District received net inflows of all age groups with the exception of 15-19 year olds, where there was a net outflow of 2,000 people. Whilst much of this is attributable to student flows, net inflows of 20-29 year olds are not high enough (by some margin) to offset the loss of 15-19 year olds.[3]
- Whilst young people are leaving, the population is ageing rapidly. Between 1996 and 2006, the working age population increased by a total of 6%, whilst the over 65 population increased by 15%.[4] Over the same period the over 85 population increased by over 20%. Such ageing of the population means that the potential for growth in the working-age population which is required for future economic expansion is limited. There is also an increased demand on public services.
- In addition to demographic challenges, the economy has been sluggish in recent years – as shown in Figure 1.2. Whilst total employment grew marginally in West Sussex and the South East between 2001 and 2006, employment in Horsham fell by around 1,960 jobs.[5] GVA growth (a measure of output) was also notably weak, growing by just 2.0% a year compared to 3.3% and 3.1% in West Sussex and the South East respectively.[6] Productivity growth kept pace with the county and regional averages.

Figure 1.2: Headline indicators of economic performance, 2001-2006

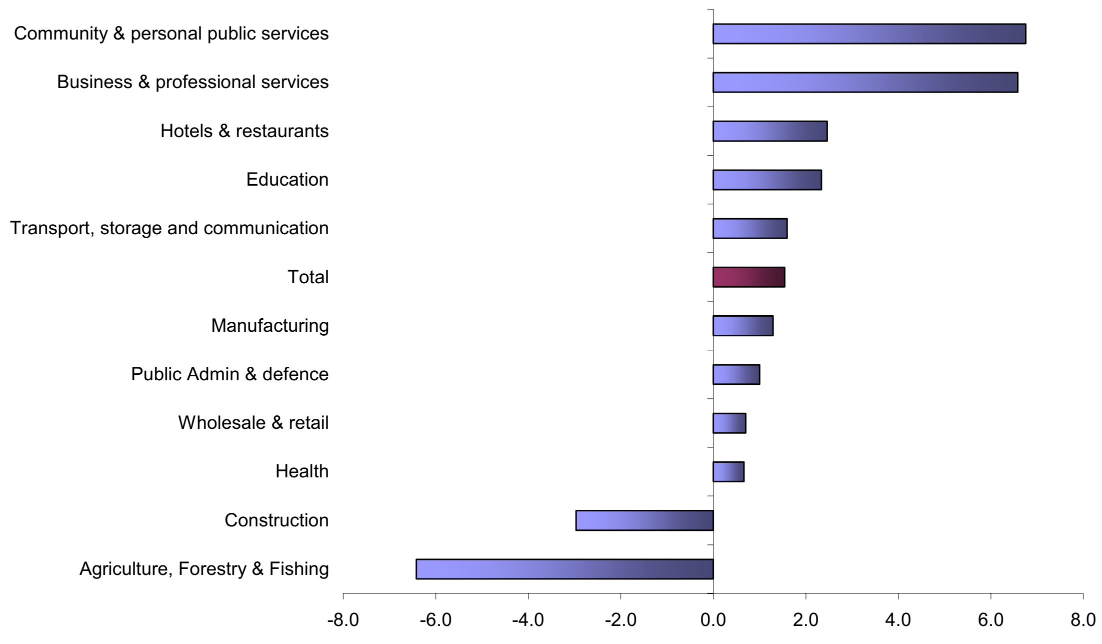


Source: Experian

[3] Migration data sourced from the National Health Service Central Register.
[4] Sourced from Experian, based on National Statistics.
[5] Sourced from Experian, based on Annual Business Inquiry.
[6] Sourced from Experian, based on National Statistics.

- Partly as a result of employment declines over the past five years, the rate of economic inactivity is relatively high in the District. The proportion of the working age population that are inactive is 18.4% – higher than average for the county and region.[7]
- Encouragingly, poor employment growth does not seem to be due to a lack of 'human capital'. In 2006, 35% of Horsham residents had a degree or higher, compared to 30% in West Sussex and 31% in the South East. In addition, just 6% had no qualifications in Horsham, compared to 8% in West Sussex and 10% in the South East.[8] Commuting patterns however show that those with high qualifications tend to commute outside the District to 'employment hotspots' such as London and Crawley.
- In addition to good qualifications, the sectoral mix of Horsham is strong, with large proportions of the workforce involved in 'high value' activities. Nineteen per cent of the workforce is involved in business and professional services, which is broadly in line with the average for the South East (21%), and well above average for West Sussex (15%). The insurance sector is particularly well represented in Horsham, accounting for twice as high a share of total employment (5%) than average for West Sussex and the South East.
- Long term employment trends show that the District has been experiencing structural change common in many parts of the country. This is shown in figure 1.3 below. Between 1996 and 2006 employment in business and professional services grew by 6.6% a year, whilst agricultural employment fell by 6.4% per year. Manufacturing has proved more robust than average over the past decade, growing by 1.3% per year. This is compared to declines of 0.9% and 2.6% in West Sussex and the South East respectively.

Figure 1.3: Employment growth by sector in Horsham, 1996-2006



Source: Experian

7 Sourced from the Annual Population Survey.
8 Sourced from the Annual Population Survey.

2 Horsham's future/s

2.1 The Horsham District Community Partnership vision

"*A dynamic district where people care and where individuals from all backgrounds can get involved in their communities and share the benefits of a district that enjoys a high quality of life.*"

This is the vision for Horsham District. Agreed by the Horsham District Community Partnership, it underpins the *Community Strategy* and the *LDF Core Strategy*. The aim of the *Visioning Horsham* project is to test the achievability and resilience of this vision, and to add further detail and substance to it wherever possible.

What does this vision mean for Horsham, in broad terms? According to the *Community Strategy*, the *LDF Core Strategy* and the evidence above, it means by 2018 (potentially 2026):

- a place whose present qualities are protected, whilst significant change is accommodated positively in Horsham Town and the north-eastern part of the District nearest Crawley and the centre of the Gatwick Diamond;
- a place with more residents and more homes, around 13,000 more homes according to the latest *South East Plan* Inspectors' Report (an average of 650 more a year between 2006 and 2026), around 4,000-5,000 of these homes on new greenfield sites;[9]
- a place where local and environmental assets are enhanced, including a new South Downs National Park which passes along the south of the District;
- a place with the social, leisure and cultural facilities required to attract and service a larger number of residents, workers and visitors;
- a place with good learning opportunities and a workforce with the skills required to participate fully in the economy;
- a place with safe, healthier communities, and sustainable, easier access to all parts of the District – urban and rural; and
- a place with more jobs locally, due in part to the District's position in the Gatwick Diamond and Sussex Coast sub-regions.

To deliver this vision, the LDF Core Strategy has designated a number of spatial objectives that need to be achieved. These form part of the framework for the *Visioning Horsham* analysis in this report, particularly the following:

- **to enable the provision of a sufficient number of dwellings** ensuring that there is an appropriate mix of types, sizes and tenures, particularly to address affordable housing needs;

[9] The *South East Plan* Inspectors' Report is available at http://www.southeast-ra.gov.uk/southeastplan/. The housing numbers cited here are the latest figures as of February 2008, but there is a chance that the figures may rise further. The only figure currently agreed is in the LDF Core Strategy, 10,575 between 2001 and 2018. The *Visioning Horsham* project and final report use the latest *South East Plan* numbers as the basis for analysis. Our sensitivity analysis suggests that a small number of additional households would not substantially affect our econometric scenarios, as set out below.

- **to provide for business and employment development needs, particularly for existing local businesses.** This will include provision for the development of sufficient employment floorspace to enable a range of sizes and types of employment sites and premises to meet modern business needs;
- **to meet the diverse needs of the communities and businesses of the District** and to promote and enhance community leisure and recreation facilities, and to assist the development of appropriate tourism and cultural facilities; and
- to enhance the vitality and viability of Horsham town centre and the centres of the smaller towns and villages in the District, to ensure that new development in the District is of high quality and to reduce the expected growth in car-based travel by seeking to provide choice in modes of transport wherever possible.

2.2 Scenarios

Three potential future scenarios have been developed to provide a framework for the *Visioning Horsham* project. These scenarios are econometric, i.e., they are developed using a quantitative economic model. In summary, the three scenarios are:

- central vision – based on Experian's latest forecast for Horsham District and consistent with the county, region and UK;
- high growth – based on Horsham District sharing the benefits of the South East of England region achieving its *Regional Economic Strategy* targets;
- low growth – based on Horsham District not sharing the benefits of the South East of England region achieving its *Regional Economic Strategy* targets.

The headline results of the scenarios are presented below.

Scenario	Employment (000s)[10]		Average annual employment growth 2006-2026 (%)	Average annual GVA[11] growth 2006-2026 (%)
	2006	2026		
Central vision	48.8	52.5	0.4	2.7
High growth	48.8	60.0	1.0	3.5
Low growth	48.8	45.2	-0.4	1.9
Source: Experian				

2.2.1 Scenario – "central vision"

The "central vision" scenario is a quantification of the vision set out above, using Experian's latest forecast for Horsham District – this is consistent with the forecast for West Sussex, the South East of England region and the UK as a whole.

The key characteristics of the central vision scenario are:

[10] Employment is measured as "full-time equivalent (FTE)" employment.
[11] Gross Value Added (GVA) is a measure of economic output – the contribution to the economy of each individual producer, industry or sector.

- Horsham District, West Sussex and the South East of England region grow as they are currently expected.
- In 2026, the population of Horsham District is 146,800, an increase of 20,000 people from 2006. The District's working age population has risen to 79,100, from its level of 75,400 in 2006. Therefore, the working age population has declined as a proportion of total population in the District, from 59% to 54%. Much of the growth in the population will be driven by the 50+ age group.
- In 2026, there are 52,500 full-time equivalent (FTE) jobs in Horsham District, 3,700 more than in 2006. This equates to average annual employment growth of 0.4% between 2006 and 2026. Gross value added (GVA) growth in Horsham District is an annual average of 2.7% between 2006 and 2026.
- In 2026, the largest sectors in the Horsham economy are business services (15.7%), community/personal services (12.2%), manufacturing (11.4%), wholesaling (8.4%), construction (8.3%), education (8.1%) and retailing (8.0%).

2.2.2 Scenario – "high growth"

The "high growth" scenario estimates what Horsham District will look like if its economy grows considerably faster than in the central vision – this is consistent with the South East of England region achieving the growth aspirations set out in the *Regional Economic Strategy*.

The key characteristics of the high growth scenario are:

- The South East of England region achieves its *Regional Economic Strategy* growth aspirations, namely:
  - achieve an average annual increase in GVA per capita of at least 3%;
  - increase productivity per worker by an average of 2.4% annually by 2016;
  - raise economic activity rates to 85% by 2016.
- In 2026, Horsham District is as economically important to the region as it is in the central vision scenario. However, because the region has grown much faster than in the central vision, so has the District.
- The benefits of regional economic growth are spread across the region, so Horsham District shares these benefits. In part, this is due to Horsham District's success in integrating itself into the Gatwick Diamond sub-region as well as the wider London and South East of England economy.
- There is a greater shift towards financial and business services in the Horsham District economy, so the District is able to retain more workers in this sector who would have commuted out of the area. Economic activity rates have also improved in Horsham District and across the South East of England region, meaning more people are in work.

2.2.3 Scenario – "low growth"

The "low growth" scenario estimates what Horsham District will look like if its economy grows considerably slower than in the central vision – this is consistent with the South East of England region achieving the growth aspirations set out in the *Regional Economic Strategy*.

The key characteristics of the low growth scenario are:

- The South East of England region achieves its *Regional Economic Strategy* growth aspirations, as set out above.
- In 2026, Horsham District is less economically important to the region than in the central vision scenario.
- The benefits of regional economic growth have been concentrated in urban centres such as Crawley, to such an extent that this growth has had a negative impact on the economies of surrounding areas such as Horsham District. Horsham District has not succeeded in integrating itself into the Gatwick Diamond sub-region, so even greater numbers of people are commuting out of the District to work.

2.2.4 Using scenarios to frame the rest of this report

We have developed these scenarios in order to frame our analysis. Using scenarios in this way helps to illustrate:

- the implications of the vision for the District, compared to alternative high- and low-growth outcomes; and
- the challenges and decisions facing the District in trying to achieve its vision.

3 Population and households

3.1 Key findings

This section of the report addresses the population and households of Horsham District. It assesses links with migration, commuting and housing.

Figure 3.1: Population in Horsham, central vision scenario, 1982-2026

Theme	Key findings
Population	Total population growth has been strong in Horsham in the past 20 years. This is expected to continue. Population increases from 126,900 in 2006 to 146,800 in 2026 in the central vision scenario, an increase of 15.7% over this period. The twin trends of an ageing population and a loss of young people in the area are projected to continue in the long term. The high growth scenario population is 900 persons higher than the central vision by 2026. Population in the low growth scenario is not significantly different from the central vision. For the high scenario to be realised, the District will need to retain and attract young people to the District to provide local employers with a relevant labour supply.
Commuting	Horsham is an area with large outflows of commuters. However the balance between commuters flowing out and commuters flowing in to Horsham has swung towards those flowing into the local area in the last 15 years or so due to strong growth in jobs located in Horsham. This is expected to reverse to a certain degree in the central vision as employment growth is boosted in competitor areas. Out-commuting is significantly reduced in the high growth scenario as more workers are retained within the area to take up the additional jobs, while more people commute in. In the low growth scenario the reverse happens. Horsham loses jobs in the low growth scenario, and as a result more people commute out to find jobs elsewhere – in Crawley, London, etc.
Migration	In line with the projected increase in population, migration is forecast to increase into Horsham District. However, migration does not change significantly in the low and high growth scenarios because it is assumed that the stock of housing in the District remains constant across the scenarios. However, migration under each scenario is assumed to have a different age profile, with fewer young people migrating away from the District in the high growth scenario than under the central vision. The greater or lesser demand for a constant stock of housing in the District has an impact on house prices.
Households	The occupational and socio-economic profile of Horsham is concentrated at the higher-end of the scale. Currently the majority of housing in the District is detached (40.2%) and semi-detached (27.6%). This is expected to continue in the central vision. By 2026 detached households make up 39.7% of all households with the corresponding figure for semi-detached 28.1%. The socio-economic profile of the area and the nature of the current supply of housing explain the current high incidence of owner occupation in the district, the overall consequence of which is relatively high house prices which create affordability pressures in the area. Under all scenarios, affordability is likely to continue to be an issue, increasingly so under the high growth scenario unless there is an adequate supply of affordable housing above current targets.

The link between economic development, population and housing is inherently complex. The effect on population of creating additional jobs in an area will depend on how commuting and migration react. For example, there may be an increase in jobs in Horsham District; however, these jobs may be taken up by people who already live in the locality and currently commute out, or by residents of other Districts who commute in. As a result an increase in employment may not necessarily lead to higher population in the relevant area, with the converse also being true. If population does change in response to employment, the form the additional housing demand takes (i.e. detached, semi-detached, etc.) will depend on the types of people migrating into the area, which in turn is dependent on the types of jobs created. The relationship is further complicated as migration, commuting and population may themselves be determined by housing availability, so changes in the supply of housing in Horsham District will over time impact on the housing take-up, population and employment.

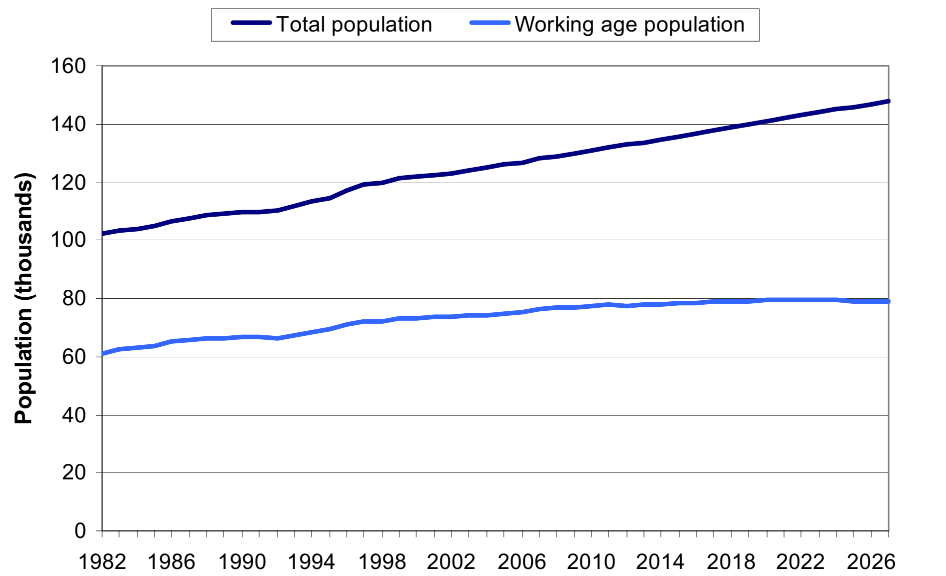
With the above issues in mind we have estimated future population under the high and low growth scenarios by applying assumptions with respect to commuting and migration effects. This is translated into housing implications using the occupational and socio-economic profile of the population in each scenario.

3.2 Population

3.2.1 Central vision scenario

Figures 3.2 and 3.3 summarise population estimates and projections for Horsham from 1982-2026.

Figure 3.2: Population in Horsham, central vision scenario, 1982-2026



Source: ONS, Experian

Figure 3.3: Population in Horsham, central vision scenario, 1982-2026

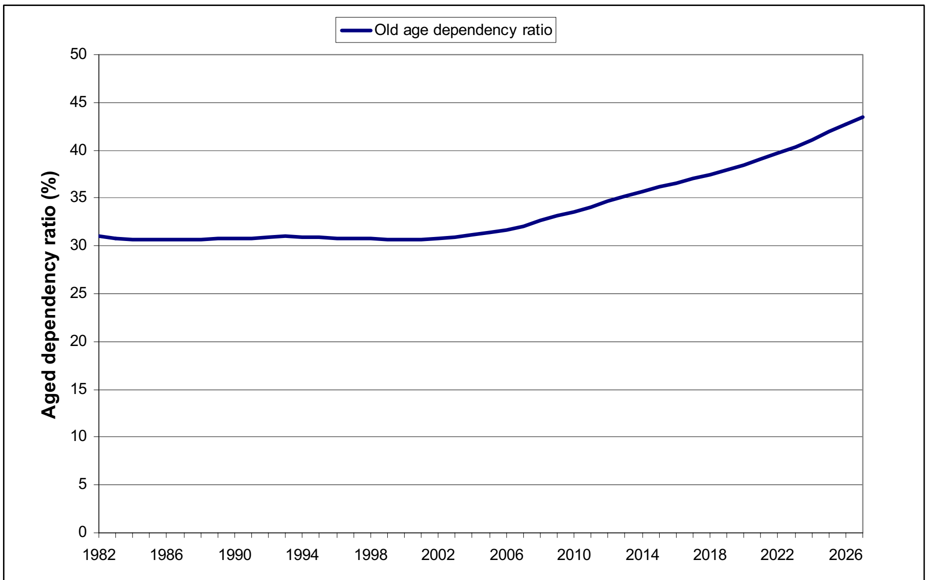
	Horsham population, thousands					
	1982	1986	1996	2006	2016	2026
Total	102.1	106.3	117.1	126.9	136.8	146.8
Working age	61.1	64.9	70.9	75.4	78.6	79.1
Source: ONS, Experian						

Horsham District has experienced strong population growth in the last 20 years. Total population in the local area has increased from 106,300 in 1986 to 126,900 in 2006, an increase of 19.4%. By comparison in West Sussex growth has been 10.3% over the same period, while at the regional level the figure is 10.1%. In the last 10 years growth has slowed. From 1996-2006 population grew by 8.4% in the local area. However this is still ahead of growth in the county and region at 5.6% and 5.3% respectively. The historical population trend is in line with the view of Horsham as an attractive place to live, particularly for higher income earners who commute out to London and other employment centres. Population is projected to continue growing strongly. By 2026 total population is expected to reach 146,800, an increase of 15.7% on 2006.

The trend in working age population highlights the problems of slowing growth in people of working age and an ageing population. In the last 10 years working age population growth has fallen behind growth in total population. Working age population increased by 6.4% from 1996-2006 against 8.4% for total population. Working age population is expected to increase by 5.0% over the next 20 years, levelling out after 2016, compared with total population growth of 15.7%.

Figure 3.4 charts the dependency ratio in Horsham District, defined as the ratio of people of pension age (males 65 and over, females 60 and over) to the working age population. The ratio was steady for around 20 years from 1982 to 2002. The ratio has risen slowly since then, from 0.31 in 2002 to 0.32 in 2006. The expected ageing of the Horsham population means the ratio increases to an estimated 0.43 by 2026.

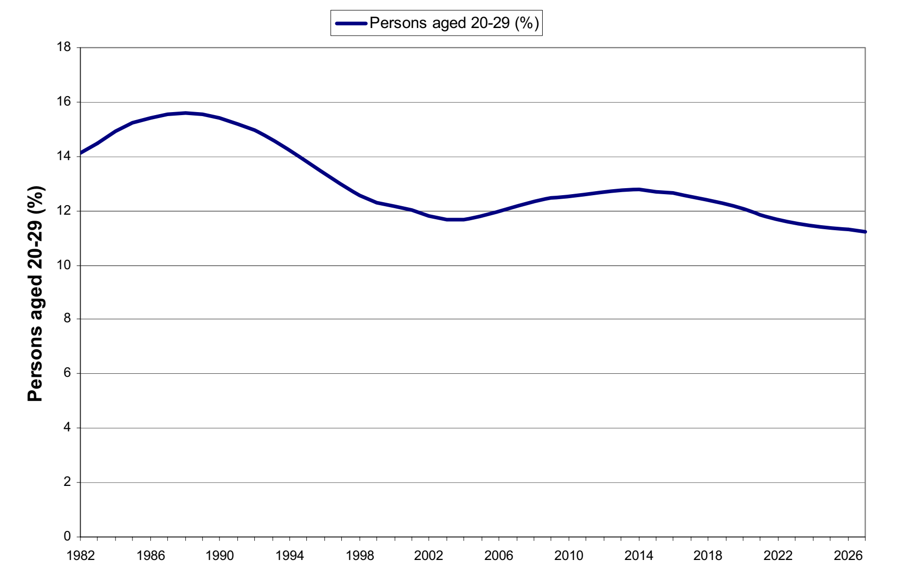
Figure 3.4: Aged dependency ratio, Horsham, central vision scenario, 1982-2026



Source: ONS, Experian

Figure 3.5 shows the share of the population in Horsham which is aged 20-29. The District is particularly susceptible to the uprooted youth trend, highlighted by the fall in the share of this section of the population. In 1988, 20-29 year olds made up 15.6% of the population of Horsham District. This has fallen to 12.0% in 2006. We expect the share to recover in the short to medium term, reaching 12.8% by 2014. However in the long-term the share falls below its current figure. By 2026 we estimate 20-29 year olds to make up 11.3% of the population of Horsham District.

Figure 3.5: Persons aged 20-29 as % total population, central vision scenario, 1982-2026



Source: ONS, Experian

3.2.2 High growth and low growth scenarios

Figure 3.6 compares population under the high and low growth scenarios with the central vision.

Figure 3.6: High and low growth scenario population in Horsham District, 1982-2026

	Total population, thousands		
	2006	**2016**	**2026**
Central scenario	126.9	136.8	146.8
High scenario	126.9	137.2	147.7
Low scenario	126.9	136.7	146.8
Source: Experian 2008			

The high growth scenario is one in which the South East region achieves the targets set in the *Regional Economic Strategy* (RES) and the benefits are spread across all areas in the region, including Horsham District. Therefore, as described in section 2, employment, productivity and GVA in Horsham District significantly increase in the high growth scenario as the locality manages to benefit from the improved economic conditions in the region. Crucially it is *workplace* employment that increases significantly (i.e., jobs located in Horsham District), particularly in financial & business services (F&Bs). The assumption is that a large part of this increase comes from a reduction in out-commuting of F&Bs workers resident in Horsham District, i.e., the local area manages to retain more F&Bs workers resident in Horsham to take up the additional jobs created in this sector in the scenario. This reduces the number of new jobs that are taken up by workers migrating into Horsham District, and therefore limits additional population in the scenario. In addition it is assumed that some of the jobs created in the high growth scenario are taken up by residents currently unemployed or inactive in Horsham. This further restricts the effect on population of higher employment in the area. The result is that the population increase in the high growth scenario relative to the central vision is muted, constrained by the housing stock in the District which remains largely constant.

The impact of the low growth scenario on population is muted, constrained again by the constant housing stock. In this scenario, the South East region once again achieves RES targets. However, growth has been concentrated in urban centres such as Crawley, to such an extent that this growth has had a negative impact on the economies of surrounding areas such as Horsham District. As described in section 2, the assumption is that this reduces jobs located in Horsham in the F&Bs, retail and manufacturing sectors. In this scenario the jobs that are lost in Horsham District go elsewhere in the region – workers commute out to these jobs while continuing to reside in the area. As a result there is no direct impact from the scenario on the number of Horsham residents with a job. Workers do not migrate away despite a loss of jobs in the area – they simply commute to where the jobs have moved to in the scenario. In the low growth scenario, Horsham in effect becomes more of a “dormitory” district.[12] Thus there is no direct impact on population from the scenario.

To summarise the implications for population in the scenarios, the assumptions for commuting and migration mean that population in the high and low growth scenarios does not deviate significantly from the central vision despite changes to the number of jobs located in Horsham. The population in the scenarios is in line with the housing allocation articulated in the Horsham Local Development Framework (LDF) Core Strategy and the evolving South East Plan. The unresponsive nature of population to changes in Horsham District employment is therefore consistent with the view that the housing allocation stated in the Horsham LDF Core Strategy drives the District’s uptake of housing and growth in population. A change in the number of jobs in Horsham District, as in the high and low growth scenarios, does not significantly affect the size of the resident population, but rather where these residents work.

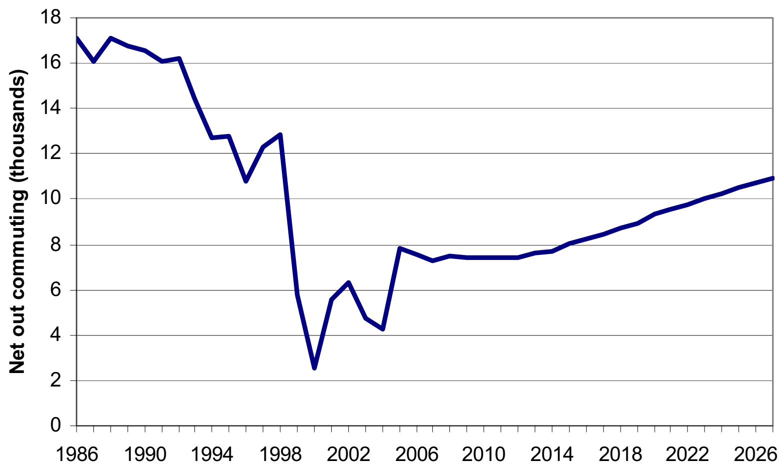
3.3 Commuting

3.3.1 Central vision scenario

Figure 3.7 shows net out-commuting in Horsham from 1986-2026.[13] Although Horsham has historically been seen as an area with high levels of out-commuting, the data shows that net out-commuting fell significantly from 17,100 persons in 1986 to 2,500 persons in 2000 due to strong growth in jobs located in Horsham. Net out-commuting has increased from 2000 to the present due to workplace employment stalling over this period, but is still below the highs of the 1980s and early 1990s. In the central vision, net out-commuting is expected to continue rising gradually in the long-term as a result of stronger employment growth in surrounding areas. Net out-commuting reaches 10,700 persons by 2026 from 7,600 persons in 2006.

[12] Despite a loss of workplace jobs relative to the central vision, population remains the same as people are happy to remain in the area and commute out to where the jobs have “moved” to. The implicit assumption is that despite the poorer economic performance in the scenario, this does not reduce the attractiveness of Horsham District as a place to live.
[13] Net out-commuting is defined as the number of out-commuters less the number of in-commuters.

Figure 3.7: Net out-commuting, Horsham, 1986-2026



Source: Experian 2008

Figure 3.8 details the level of in and out commuting by industry in Horsham for employees in 2001. Transport has the largest level of net out-commuting of approximately 3,200 employees. Most of this is made up of workers commuting to Gatwick. Net out-commuting in F&Bs is high as a result of significant out-commuting to elsewhere in the South East and London. Looking at gross in/out flows there are notable commuting flows in manufacturing with around 2,900 people flowing in and out of the District, mostly between Horsham and other South East areas.

Figure 3.8: Commuting by industry, Horsham, 2001

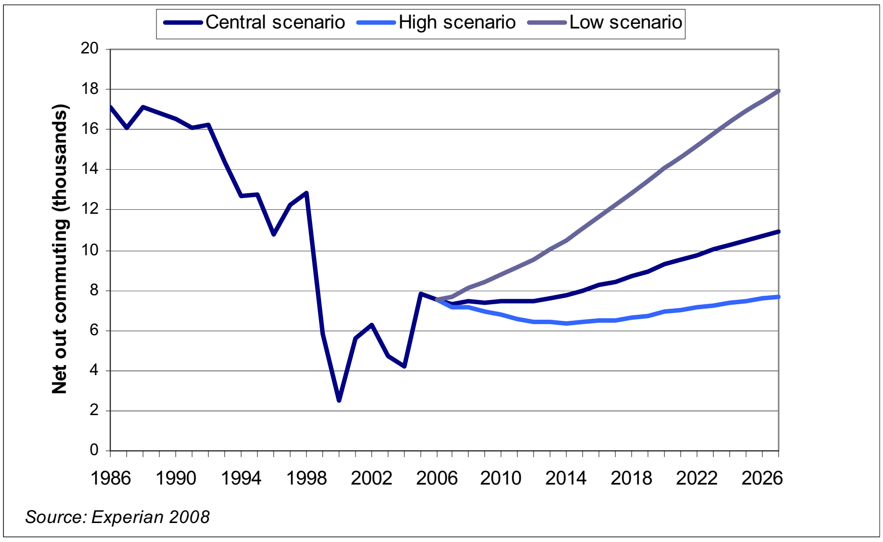
	Employees, 2001		
	Commuting out of Horsham	**Commuting into Horsham**	**Net out commuting**
Primary	551	412	139
Manufacturing	2,871	2,942	-71
Construction	1,164	1,401	-237
Wholesaling	1,531	1,276	255
Retail	1,549	893	656
Hotels & Catering	613	402	211
Transport	3,612	426	3,186
Communications	765	344	421
Financial & Business Services	6,649	3,560	3,089
Community/personal public services	6,120	3,038	3,082
Total	25,425	14,694	10,731

Source: Census 2001

3.3.2 High growth and low growth scenarios

Figure 3.9 compares net out-commuting in the high and low growth scenarios with the central vision. The figure illustrates the strong relationship between commuting patterns and the District’s future economic growth.

Figure 3.9: Net out-commuting, various scenarios, Horsham, 1986-2026



In the high growth scenario many of the additional jobs created in F&Bs in Horsham go to Horsham residents who in the central vision commute out to work in other areas. This reduces out-commuting and means net out-commuting is lower relative to the central vision. Net out-commuting is 7,700 persons in the high growth scenario in 2026, compared with 10,700 persons in the central vision.

In the low growth scenario jobs are drawn away from Horsham as economic growth is concentrated elsewhere. Horsham residents working in F&Bs, retail and manufacturing with jobs in the area under the central vision instead commute out to jobs, whilst continuing to live in Horsham. At the same time there is a fall in people commuting into Horsham to work in these sectors, since the jobs are not there. This leads to a significant increase in net out-commuting relative to the central vision. Net out-commuting reaches 17,900 persons by 2026 in this scenario.

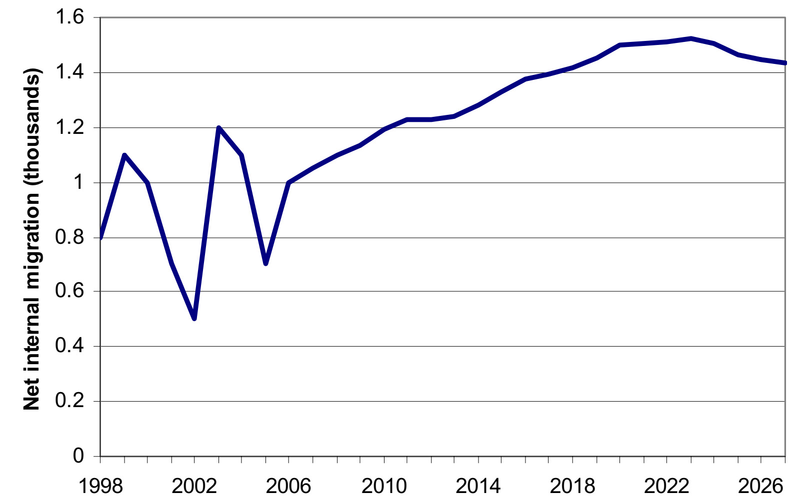
3.4 Migration

Figure 3.10 shows historical data on net internal in-migration[14] for Horsham 1998-2006 and central vision estimates from 2007-2026. In line with the projected strong population growth in the central vision, net internal in-migration is forecast to be positive and increasing for much of the forecast period, reaching 1,400 persons per year by 2026 from the current 2006 figure of 1,000 persons. There is no significant change in migration patterns under the low and high growth scenarios because the housing stock is assumed to be constant.

However, the age profile of new in-migrants is assumed to be younger under the high growth scenario, as greater proportions of younger, working-age people are attracted to the greater numbers of jobs available in the District itself. Conversely, under the low growth scenario, fewer jobs available in Horsham District mean in-migrants are concentrated in older age-groups who can afford to commute outside to work or are retired.

[14] Net internal in-migration for an area is defined as migration into the area from elsewhere in the UK less migration out of the area to elsewhere in the UK in a given year. It is therefore the change in population in an area in a particular year due to movements within the UK.

Figure 3.10: Net internal in-migration, Horsham, central vision scenario, 1982-2026



Source: ONS, Experian

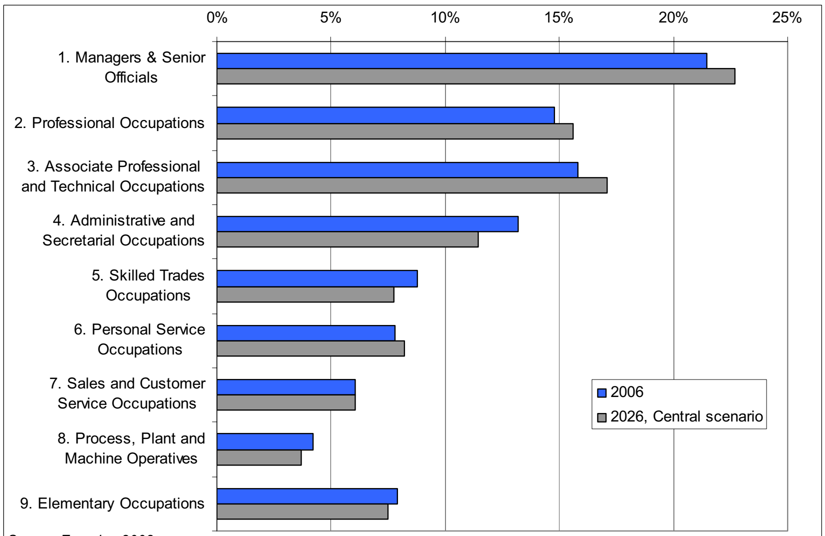
3.5 Households

What does the above imply for the type of households likely to be living in and moving to Horsham District over the next 20 years? To estimate this, we have used *Mosaic Public Sector*, Experian's consumer segmentation product which categorises the population according to socio-economic and socio-cultural factors, as set out in Section 1.2. The Mosaic profile for Horsham changes over time depending on the industry/occupational profile of the jobs in the various scenarios. We derive the likely Mosaic profile of jobs in each scenario and what the new Mosaic profile implies for the mix of households.

3.5.1 Central vision scenario

Figures 3.11 and 3.12 detail the occupational profile of Horsham residents in 2006 and 2026 in the central vision.

Figure 3.11: Occupational profile of Horsham residents, 2006 and 2026



Source: Experian 2008

Figure 3.12: Employment by occupation of Horsham residents, 2006 and 2026

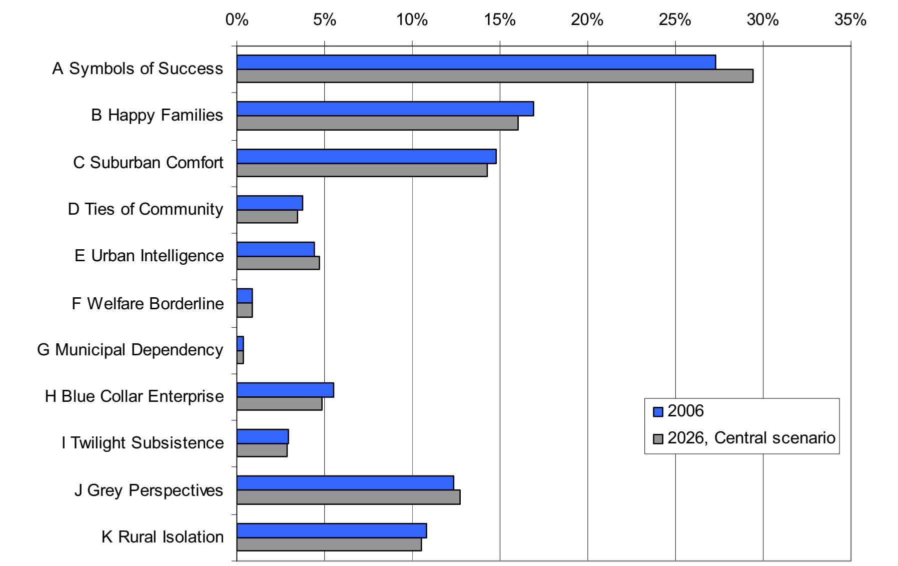
	Total employment, thousands		
	2006	2026, Central scenario	Change, 2006-2026
1. Managers & Senior Officials	14.5	17.1	2.6
2. Professional Occupations	10.0	11.8	1.8
3. Associate Professional and Technical Occupations	10.7	12.9	2.2
4. Administrative and Secretarial Occupations	8.9	8.6	-0.3
5. Skilled Trades Occupations	5.9	5.8	-0.1
6. Personal Service Occupations	5.3	6.2	0.9
7. Sales and Customer Service Occupations	4.1	4.6	0.5
8. Process, Plant and Machine Operatives	2.9	2.8	-0.1
9. Elementary Occupations	5.3	5.6	0.3
Total	67.6	75.4	7.8

Source: Experian 2008

As can be seen, the occupational profile of residents is concentrated in higher occupational groups. These form the large number of higher income earners resident in Horsham and are mostly employed in the F&Bs, health and education sectors. There is a slight shift towards more employment in these higher occupational groups from 2006 to 2026. This is a result of particularly strong employment growth in F&Bs in the central vision scenario, and to a lesser extent health and education.

The occupational mix of Horsham residents is reflected in the estimated Mosaic profiles of households in the area. Figures 3.13 and 3.14 show households by Mosaic group in 2006 and 2026.

Figure 3.13: Mosaic profile of Horsham households, 2006 and 2026



Source: Experian 2008

Figure 3.14: Households by Mosaic group, Horsham, 2006 and 2026

	Horsham households, thousands		
	2006	2026, Central scenario	Change, 2006-2026
A Symbols of Success	14.6	18.3	3.7
B Happy Families	9.0	11.1	2.0
C Suburban Comfort	7.9	9.7	1.8
D Ties of Community	2.0	2.4	0.4
E Urban Intelligence	2.4	3.0	0.6
F Welfare Borderline	0.5	0.6	0.1
G Municipal Dependency	0.2	0.2	0.0
H Blue Collar Enterprise	2.9	3.6	0.6
I Twilight Subsistence	1.6	2.0	0.4
J Grey Perspectives	6.6	8.2	1.6
K Rural Isolation	5.8	7.1	1.3
All households	53.5	66.2	12.7
Source: Experian 2008			

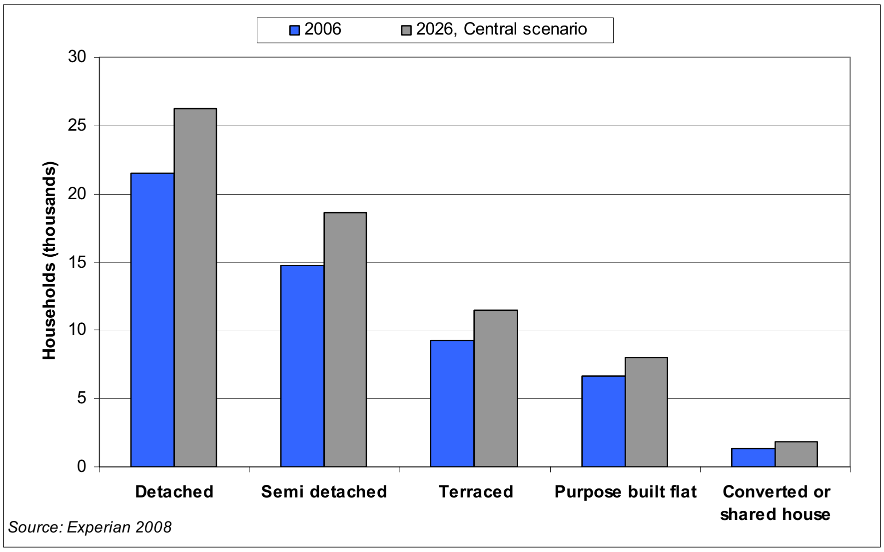
58.9% of residents are in the top three Mosaic groups in 2006 – Symbols of Success, Happy Families and Suburban Comfort. These 3 groups see the largest increases in the number of households. We have seen there is a shift towards more residents in higher occupations from 2006 to 2026. This has the effect of increasing the share of Symbols of Success by 2.1 percentage points from 2006-2026. However there are slight falls in the shares for Happy Families and Suburban Comfort of 0.9% and 0.5% respectively. This is caused by decreases in the shares for middle order occupations – administrative & secretarial and skilled trades. These occupations have high likelihoods of belonging to Happy Families and Symbols of Success, and this has a negative effect on the shares for these two Mosaic groups. However the shares for Happy Families and Symbols of Success continue to be high in 2026.

The impact of the uprooted youth trend is highlighted by the low share for Urban Intelligence households compared with the picture at the regional and national level. This Mosaic group is typically young and well-educated households. 4.3% of households in Horsham in 2006 are classified in this group, while the share for the South East as a whole is 7.5% and for the UK 7.6%. Given the Mosaic profile, figures 3.15 to 3.17 detail households by type in 2006 and 2026, and the change in households by type from 2006-2026,

Figure 3.15: Households by type, Horsham, 2006 and 2026

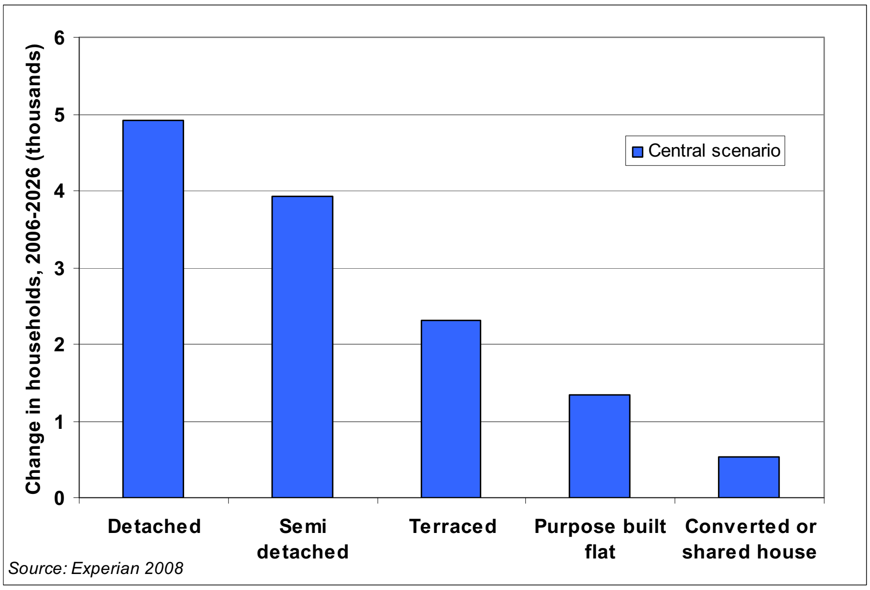
	Households, thousands		% Share of households	
	2006	2026, Central scenario	2006	2026, Central scenario
Detached	21.5	26.3	40.2%	39.7%
Semi detached	14.8	18.6	27.6%	28.1%
Terraced	9.2	11.5	17.3%	17.4%
Purpose built flat	6.7	8.0	12.5%	12.1%
Converted or shared house	1.3	1.9	2.5%	2.8%
Total	53.5	66.2	100.0%	100.0%
Source: Experian 2008				

Figure 3.16: Households by type, Horsham, 2006 and 2026



Source: Experian 2008

Figure 3.17: Change in households by type, Horsham, 2006-2026



Source: Experian 2008

The total number of households increases by 12,700 in the central vision scenario, from 53,500 in 2006 to 66,200 in 2026. This is equivalent to 630 households per year and is therefore broadly in line with the housing allocation of 620 per annum (gross) from 2001-2018 assumed in the Horsham LDF Core Strategy.[15] Looking at the housing profile of Horsham, detached and semi-detached households dominate the current housing make-up of the local area, with shares of 40.2% and 27.6% respectively in 2006. This is consistent with the occupational and Mosaic profiles of the local area, which indicate a prevalence of higher income groups in the workforce and population.

However our analysis also indicates that people who work in middle and lower order occupations in Horsham are much more likely to be in the higher Mosaic groups than at the national level. This suggests that people in these occupations who would not traditionally be

[15] Sensitivity analysis suggests that this holds true for net calculations.

associated with higher socio-economic groups make up a significant amount of the demand for detached and semi-detached properties in the District.

Although demand for detached and semi-detached properties is high amongst workers in middle and low occupations, demand for terraced properties remains much more likely to come from middle and low occupations and lower Mosaic groups such as Ties of Community, Urban Intelligence, Municipal Dependency and Blue Collar Enterprise. In terms of industrial profile these people are mainly found in construction, retailing, wholesaling and hotels & catering.

The occupational and Mosaic forecasts show that the higher income groups which are well represented in Horsham at present are expected to continue doing well to 2026 (there is a small increase in the proportion of households belonging to the top three Mosaic groups). Consequently the household types which currently dominate in Horsham are the ones that see the highest levels of growth. The number of detached households increases by 4,800 between 2006 and 2026, while demand for semi-detached houses goes up by 3,800. Demand for terraced houses (or similar sized properties) increases by 2,300 over the same period.

A significant proportion of additional housing demand from 2006-2026 will either be for detached or semi-detached properties. 37.7% of extra demand is for detached properties while 30.1% is for semi-detached. So, the implication of the scenarios is that due to the nature of job creation, demand will increase for the types of properties that people currently choose. Such an increase in demand for detached and semi-detached properties will place upward pressure on house prices if targets for housing allocation are not met. Young people and first-time buyers will be further priced out of the higher end of the market, making it even more important to respond to population growth with affordable housing provision.

3.5.2 High growth and low growth scenarios

Although there is no significant difference in the overall household profile between the central vision and the high growth scenario, the additional housing *viewed separately on its own* does have a notably different profile. This can be seen in figure 3.18, which compares the housing profile in the central vision with that of the additional housing in the high growth scenario *over and above* that in the central vision.

Figure 3.18: Central vision and additional high growth scenario household profile, 2026

	2026 baseline	Additional households under high growth scenario, 2026
Detached	39.7%	45.4%
Semi detached	28.1%	31.8%
Terraced	17.4%	16.7%
Purpose built flat	12.1%	2.0%
Converted or shared house	2.8%	4.1%
Total	100.0%	100.0%
Source: Experian 2008		

Of the additional demand for housing in the high growth scenario, 45.4% is for detached properties compared with a share of 39.4% for this property type in the central vision. Similarly 31.8% of additional demand is for semi-detached houses against a share of 28.1%. This is due to the type of jobs created in Horsham in the high growth scenario and the people moving in to fill them, i.e., more F&Bs jobs which tend to be filled by people in higher occupations.

4 Business and employment

4.1 Key findings

This section of the report addresses business and employment in Horsham District. In particular, it assesses links with employment land, education and skills. These are key areas of consideration for local authority districts, although education and skills is for Horsham District an area of considerable strength.

Figure 4.1: Key findings

Scenario	Key findings
Central vision	Employment will grow by 0.4% a year between 2006 and 2026, from 48,800 in 2006 to 52,500 in 2026 (an additional 3,700 jobs) – growth sectors are business and professional services and community/personal services. In meeting the challenges of this scenario expansion of office space is required but complemented by general industrial space. It requires both urban and rural development which is sympathetic to the physical environment and which accommodates start up, small and medium sized businesses, as well as any large businesses attracted through the Gatwick Diamond partnership. Horsham District has the skills base to achieve the employment growth, but needs to focus resources on those parts of the population without the skills, qualifications or experience to share the benefits of Horsham's growing economic prosperity.
Low growth	Employment declines by 0.4% a year, particularly in financial services – the South East's strong economic growth is focused in Crawley, whilst Horsham District becomes more of a "Dormitory District". Increasing numbers of residents commute out of the District. There is a reduction in demand for core employment space of 26,000 square metres with a decline in need for office space of 13,000 square metres – large numbers of vacancies. Floorspace for education/health/convenience does increase in line with population growth.
High growth	Employment growth is 1.0% a year, driven by high value sectors including financial services and business/professional services. This expansion is likely to create significant pressure on development land in Horsham District, which will impact on the physical environment of the District. A further increase for degree-level skills will reduce out-commuting from the District, but increase the gap between high-income high-skill residents and those in low-income households.

Source: Experian

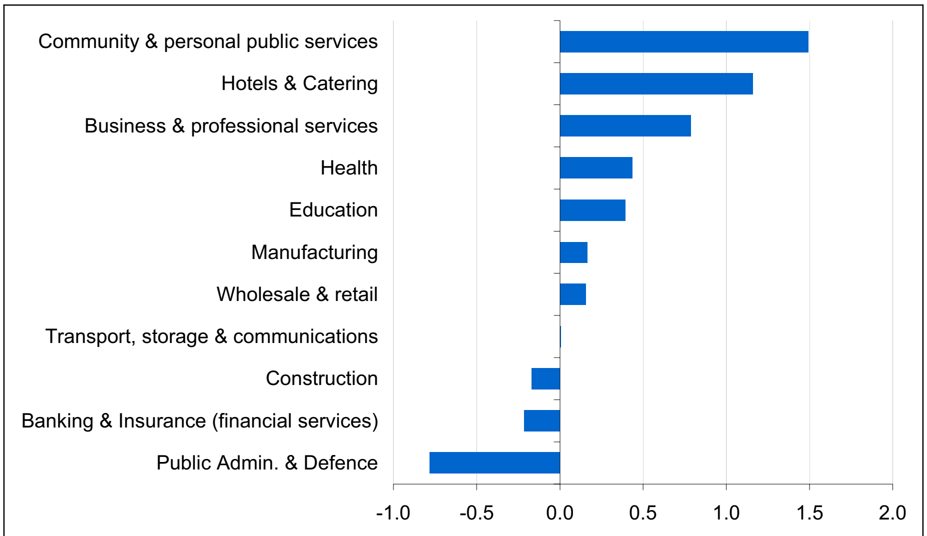
4.2 The economy

4.2.1 Central vision scenario

Between 2006 and 2026, employment is forecast to grow by 0.4% a year in the central vision scenario.[16] This aggregate growth disguises marked differences across the different sectors of the economy, and this is shown in figure 4.2 below.[17] Structural re-adjustment is likely to continue apace, with rapid declines in agriculture, forestry and fishing and strong growth in many of the service sectors – notably community services, hotels & catering and business & professional services.[18] Employment in agriculture, forestry and fishing is expected to fall, whilst growth in the strongest sector (community & personal public services) is expected to grow by 1.5% per year.

Whilst the economy is expected to become more service-based, the two most rapidly growing sectors are predominantly 'low value', and their growth is driven primarily by an expanding population. The 'high value' service sectors – business & professional services and financial services – are expected to enjoy mixed fortunes over the next two decades. We expect business & professional services to grow by 0.8% per year – an overall increase of 1,670 FTE jobs – whilst we expect modest job losses in the financial services. Insurance, which dominates Horsham's financial services sector due to Royal & SunAlliance and others, has been particularly affected by the recent global credit crunch, and an increase in online sales has put further pressure on employment. It is likely that future growth in financial services may be driven by areas other than insurance, and our forecasts for the South East region suggest that independent financial advisors and mortgage brokers will be a key growth area within the sector.[19]

Figure 4.2: Average annual growth rates of FTE employment, by sector (2006 – 2026)



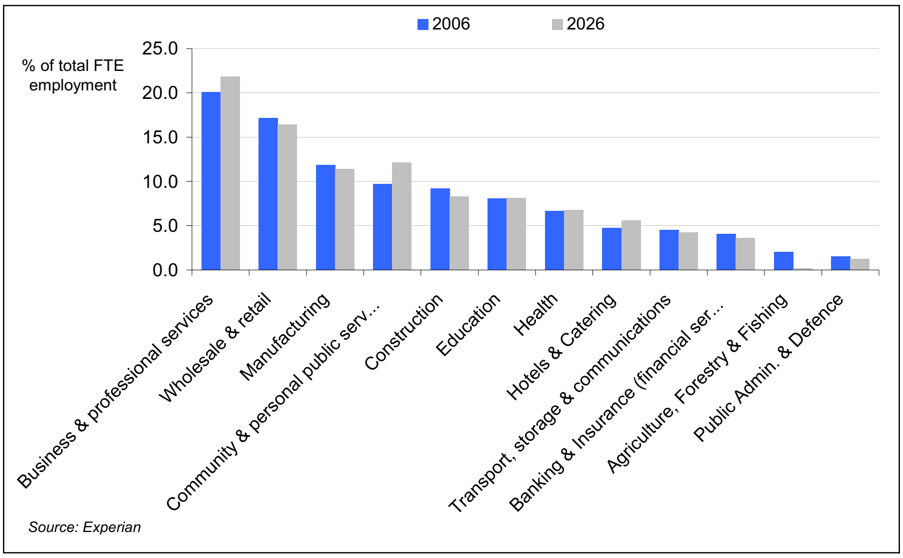
Source: Experian

[16] All references to employment in this section refer to full time equivalent (FTE) employment.
[17] We have split the Horsham economy into 14 sectors, 12 of which are reported on here. The remaining two – Mining & Quarrying and Energy & Water are too small to ensure reliable data.
[18] Agriculture, forestry and fishing is not included in the figure, as the rate of decline would skew the scale of the figure.
[19] Based on 4 digit SIC forecasts – SIC code 6713.

Given these varying rates of growth over the next two decades, figure 4.3 shows the percentage of total employment accounted for by each sector in both 2006 and 2026. The most significant developments are:

- Business and professional services are likely to be even more important to employment in the District by 2026, accounting for 22% of the total. This is positive news, as this is a high value sector with above average wages. However, in order to achieve such growth the District will have to continue to diversify and offer the type (and value) of employment space that such businesses require.
- Community & personal public services is expected to increase its share of total employment to 12% from just short of 10% in 2006. The expected increase in population drives this trend.

Figure 4.3: Industry share of each sector, 2006 and 2026 (central vision scenario)



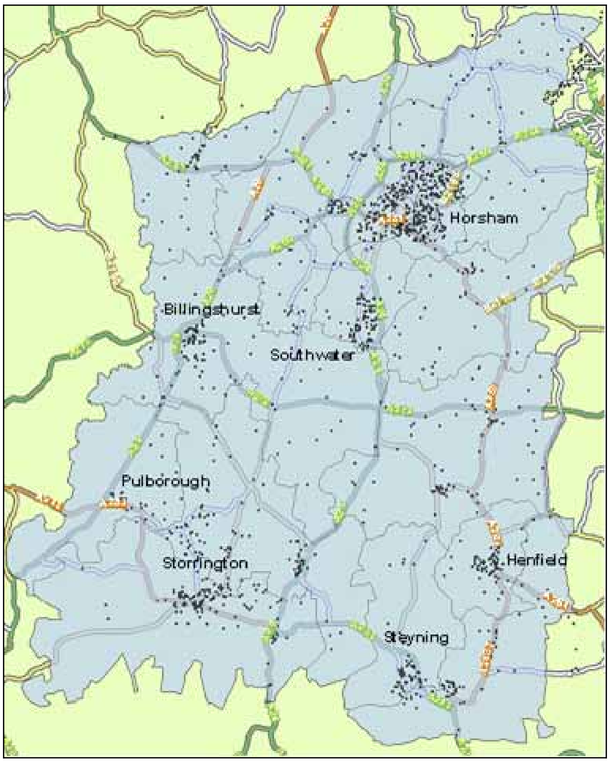
While sub-local forecasts need to be treated with caution given the paucity of robust data available at that geography, over the past few years employment creation has been most rapid in the District's rural areas. This is particularly true for the wards of Bramber, Upper Beeding & Woodmancote; Chanctonbury; and Itchingfield, Slinfold & Warnham.[20] The success of rural areas is due in part to successful diversification of the economy, and many rural wards have witnessed strong growth in business and professional services in recent years with technological advancements facilitating greater remote or home working from rural locations. This is particularly true for Bramber, Upper Beeding & Woodmancote and Itchingfield, Slinfold & Warnham. Horsham District Council has identified this higher than usual cohort of small and home-based businesses in the District, and plans to undertake research to better understand their needs over the next year.

Around 77% of business sites in Horsham employ between 1 and 4 employees suggesting that these micro-sized businesses are relatively more important to the District's business base than elsewhere (73% of business sites in West Sussex, 74% across the South East).[21] Experian's National Business Database identifies 2,800 small or home based offices (termed SOHOs) in

[20] The sub-District areas used are 2003 Census Area Wards (CAS Wards).
[21] Annual Business Inquiry, 2005.

Horsham District, with concentrations in and around Horsham Town, Storrington, Steyning and Henfield.[22]

Figure 4.4: Small and home based offices in Horsham District



The economic outlook for the District's rural areas is expected to remain healthy, although further diversification will be necessary in the coming years if they are to continue to increase employment in the service industries. The growing trend of working from home and re-locating to cheaper, and more idyllic, rural locations (work anywhere*)* means that Horsham's rural areas may be able to secure further business & professional services employment through investing in developments such as home-work units and increased broadband penetration. Rural services should also benefit from the growing number of people living and working locally.

Whilst rural areas have performed well in recent years, the performance of Horsham's two economically most significant wards – Denne and Horsham Park – has been less impressive. Denne has suffered from significant employment losses and Horsham Park recorded only modest gains. Denne's position as the District's most significant retail centre has eroded somewhat, and again it is the rural areas that have managed to increase their share of employment. In contrast, Horsham Park has cemented its position as the financial services stronghold, and future growth in this sector is expected to be concentrated in and around Horsham Park. This is because financial services tend to form clusters in order to attract skilled labour and speed up transactions (a process known as 'economies of agglomeration'). Whether Horsham Park will be able to continue to gain financial services employment will depend on whether it can supply enough skilled labour and employment land to retain and attract

[22] Experian's National Business Database is a record of 4.2 million businesses across the UK derived from Companies House and strengthened with information from the main business directories such as Thomson and Yellow Pages. While the NBD is one of the UK's most comprehensive business databases, there are important caveats around this data – namely that it is only as good as the information that the businesses themselves reports to the business directories.

employers. Horsham's transport infrastructure, particularly journey times to London and Gatwick Airport, will also be key to future success.

4.2.2 High growth and low growth scenarios

Under the high growth scenario, growth is driven by high-value sectors, particularly business & professional services and financial services.[23] The key developments under the high growth scenario are:

- Total employment growth expands by 1.0% each year.
- A recovery of the financial services sector in the District, with positive employment growth of 3.6% each year. Business & professional services grow by 1.9% a year, compared to 0.8% in the central vision.
- Overall, employment growth is positive in all of the main sectors of the economy, with the exception of public admin (where growth is essentially flat) and agriculture, forestry and fishing, which again declines.
- By 2026, business & professional services account for 24% of total employment whilst financial services account for 7% of the total.

Under the low growth scenario, Horsham fails to retain its share of regional employment and growth in the region is driven by key employment hubs such as Crawley. Many of the District's high value sectors suffer, as increasing numbers of skilled residents commute outside the District. The key developments under the low growth scenario are:

- Total employment declines by 0.4% per year.
- Employment in the financial services sector declines rapidly at 2.7% per year, whilst business and professional services also fall at 1.7% a year. The re-structuring of the economy towards high value sectors stalls. By 2026 business & professional services account for just 15% of total employment, whilst the financial services account for less than 3%.
- The dominant sector in 2026 is wholesale & retail, which accounts for 18% of total employment.

The outcomes of the different scenarios for overall employment growth are summarised in figure 4.5.

[23] This scenario assumes that the South East meets its RES target growth rate, which is led by high value sectors. Horsham retains its share of regional employment and thus the District also experiences strong growth in the high value sectors.

Figure 4.5: Total FTE employment growth in each sector, 2006 - 2026[24]

	FTE Employment 2006	FTE employment growth 2006 - 2026		
		Central	High	Low
Agriculture, Forestry & Fishing	1,000	-890	-890	-900
Mining and quarrying	*	*	*	*
Manufacturing	5,800	195	570	-440
Energy and water	*	*	*	*
Construction	4,500	-150	120	-190
Wholesale and retail trade	8,370	260	800	-360
Hotels & catering	2,320	600	790	410
Transport, storage and communication	2,220	0	140	-50
Financial services	1,990	-80	2,080	-840
Business and professional services	9,820	1,670	4,620	-2,900
Public Admin. & Defence	770	-110	-70	-120
Health	3,260	300	520	230
Education	3,950	320	590	250
Community & personal public services	4,750	1,640	2,040	1,340
Total FTE Employment	**48,780**	**3,730**	**11,257**	**-3,587**

4.3 Employment space[25]

The forecast growth in Horsham's employment has implications for land use in the District. This is because the new jobs will create demand for new employment space, in order to accommodate the jobs. The LDF Core Strategy sets out initial requirements for 210,000 square metres of employment floorspace by 2018. At the time of its preparation, it was intended that much of this floorspace would be accommodated in strategic sites such as west of Crawley and west of Horsham – the emerging plans for the strategic sites suggest that they will in fact be more weighted towards residential use than previously anticipated.

Using the employment forecasts above, we provide here our own indicative estimates for employment space (B1, B2, B8 and retail only) to 2026.[26]

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[24] The Mining & quarrying and Energy & water sectors are both too small to provide reliable data.

[25] The employment space analysis in this report draws on a review of existing forecast spatial requirements, a categorisation of Experian's employment forecasts into employment space types, the identification of employment densities and an assessment of the various scenarios.

[26] The results are based on a number of key assumptions based on standard employment densities. Specific other assumptions are:

- Sectors with high decreases in employment such as agriculture where it is nearly impossible to accurately forecast spatial requirements are excluded from the analysis.
- Our forecasts account for increasing efficiency of office space created by home working and other issues identified associated with the work anywhere trend.

4.3.1 Central vision, high growth and low growth scenarios

Figure 4.6: Gross additional employment space required (2006-2026)

	Central		Low Scenario		High Scenario	
	Employment change (FTE)	Square Metre Space Requirement	Employment change (FTE)	Square Metre Space Requirement	Employment change (FTE)	Square Metre Space Requirement
B1 - Business / Office	3,111	43,547	-2,517	-35,241	8,657	121,197
B2 - General Industrial	210	7,126	-415	-14,100	578	19,640
B8 - Storage and Distribution	-12	-528	-69	-4,925	128	10,616
Retail - Standard	205	2,627	-224	-2,868	466	5,969
Retail - Wholesale / Superstores	57	5,148	-135	-12,184	331	29,788
Total	**3,570**	**57,921**	**-3,361**	**-69,318**	**10,160**	**187,211**

Source: Experian

In broad terms, therefore, total gross spatial requirements by 2026 are:[27]

- Central vision scenario: 58,000 square metres.
- Low growth scenario: -69,000 square metres.
- High growth scenario: 187,000 square metres.

There are two key implications for Horsham District's land-use policy:

- Under the central vision scenario, demand is forecast to be strongest by far for B1 (business/office) type employment space – 44,000 square metres representing 75% of the total additional floorspace requirements. Demand for B2 (general industrial) type employment space grows only slightly, and demand for B8 (storage and distribution) space remains fairly stagnant.
- The high growth and low growth scenarios imply significant changes for Horsham's employment land use. The high growth scenario implies an additional gross requirement of 187,000 square metres by 2026, with 121,000 of this requirement being for B1 space – this would require significant development to deliver. On the other hand, the low growth scenario implies a reduction in demand for employment space, particularly for B1 space, as Horsham fails to retain its share of regional employment and growth in the region is driven by key employment hubs such as Crawley, with increasing numbers of skilled residents commuting outside the District to work.

The employment space estimates above are gross, i.e., they do not take into account any vacant employment space that may currently be available in the District and therefore able to accommodate some of the future growth in demand. Data on vacancies is difficult to collate and by nature changes regularly. However, data provided by Horsham District Council suggests that there is currently vacant employment space in the District. This equates to over 30,000 square metres of B1 (business/office), over 8,000 square metres of B2 (general industrial), almost

[27] As a further 'reasonableness' check, our estimates are broadly in-line with the Horsham District Council, *Retail Health Check Report*, February 2003 – 3,500 convenience floorspace to 2016.

7,000 square metres of B8 (storage and distribution) and over 3,000 square metres of retail (standard). This vacant employment space suggests that much of the gross additional employment space required to achieve the central vision scenario could potentially be accommodated within the existing stock, particularly for B2 and B8. However, there are a number of key issues that policymakers in Horsham District will need to take into account, with regard to employment space allocations between 2006 and 2026:

- Employment space planning is not simply a numbers game. It is a question at least as much of quality as of quantity. The previous Crawley, Horsham and Mid Sussex employment land review, supplemented by our consultations with local agents/policymakers, suggest that the stock in Horsham is of comparatively good condition and quality. However, anecdotal evidence suggests that local companies wanting to expand are having difficulties doing so due to reasons such as inappropriate stock, site topographies, restrictions due to close proximity to residential settlements and so on. Employment space planning should therefore focus on gross estimates, although making the most of existing vacant stock wherever possible (either by filling it or by re-developing it to match future requirements).
- Much of the employment space requirement between 2006 and 2026 will need to be accommodated in Horsham Town and the north-east of the District, close to the Gatwick Diamond where much of the job growth is likely to be concentrated. However, employment space will also need to be provided in urban/rural areas across the District, driven by factors such as local firms wishing to expand without moving too far from their bases/workers, small businesses wishing to locate in more rural areas and the need to ensure that local areas across the District remain sustainable places of employment.
- Are the employment space estimates deliverable given the competition and momentum for large scale commercial development within the Gatwick Diamond? Key to this is the mix and choice of employment sites developed in the District. Large offices, when filled, bring significant benefits to local areas in terms of employment and profile. However, they can be high risk given the dependency they bring on a small number of large employers, and they can be hard to fill. With large employers such as Royal & SunAlliance already based in Horsham, there is a strong case for dedicating resources to the account management of these, encouraging them to stay and develop locally. The attraction of new, large employers should be undertaken in partnership with the Gatwick Diamond, with Horsham District making the case to accommodate employers whose needs are best suited to the District's own role in the sub-region.
- It will be important for the District to provide a range and choice of employment sites, with sufficient attention given to start-up, small and medium-sized businesses. This reflects the burgeoning role of Horsham within the Gatwick Diamond sub-region as a location for more upmarket, niche employers. In meeting the needs of the sub-region's existing large employers, there will be a continued need for support services and business – this provides an opportunity to grow local businesses or attract new SMEs to Horsham in similar niches or associated supply chains. More generally, Horsham District is much more likely to attract employers who want to be based in attractive locations. Growth space for micro businesses is a priority, particularly in rural areas. Even in Horsham Town, the work anywhere trend suggests that creative firms are likely to want higher density offices, which enable hot-desking and home-working. Account management should also include the development of these small, high growth firms. In general, high quality space is important to Horsham, to match the high quality of the District's environment.

In summary, a greater focus should in future be placed on developing high quality, small to medium sized office space for growing companies because this will:

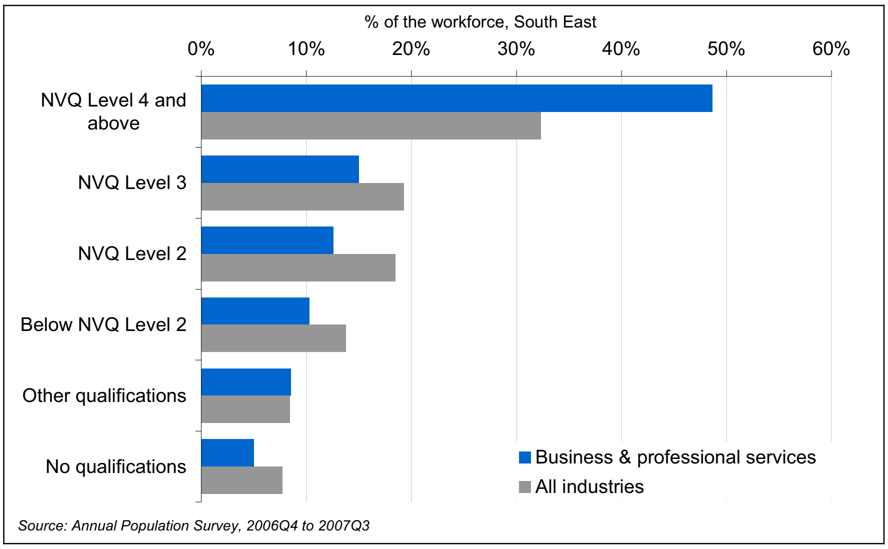
- help grow indigenous businesses;
- provide the next step for 'small/home based' businesses;
- allow greater flexibility in rentals and occupancy terms, important for enterprise;
- lower risk for the public sector;
- complement rather than compete with development elsewhere in the Gatwick Diamond;
- be more realistic in terms of growth patterns/trends;
- mean the focus can remain on high skilled, niche organisations (high value);
- mean the private sector will be more likely to meet this need given recent success of serviced offices and less risk associated with not needing a major anchor/pre-let tenant.

4.4 Education and skills

Over the next 20 years, the skills required by businesses in Horsham, and in the surrounding Gatwick Diamond, will change.

Currently Horsham benefits from a strong presence of higher value service industries and, as highlighted above, it is these sectors (and perhaps a more mixed basket of these activities) that are expected to drive expansion of the local economy over the next 20 years. It is also expansion of these sectors that could enable Horsham to achieve the high growth scenario, ensuring the District is able to keep pace with rapid growth in the wider South East economy. However, these are sectors of the economy that are heavily dependent on highly skilled workers – 50% of the business and professional services workforce are employed within managerial or professional roles and a similar proportion are qualified to degree level or above – and thus the skills base of the locality will play a central role in supporting Horsham achieve its Vision.

Figure 4.7: Skills requirements of the business & professional services sector



With growth of employment in Horsham driven by high value sectors of the economy, over half of the *additional* jobs created in the District between 2006 and 2026 will be graduate level jobs.

Moreover, the requirement for highly skilled workers is even greater under the high growth scenario, with 5,775 additional graduate level jobs created over the next twenty years. This is strong evidence of the impact of the $kills trend on Horsham District, and illustrates why the recent *Leitch Review of Skills*[28] highlighted the fundamental importance of higher level skills and set out an objective to exceed 40% of adults qualified to NVQ level 4 and above by 2020.

> "In the 21st Century, our natural resource is our people – and their potential is both untapped and vast. Skills will unlock that potential. Without increased skills, we would condemn ourselves to a lingering decline in competitiveness, diminishing economic growth and a bleaker future for all. The case for action is compelling and urgent. *Leitch Review of Skills*."

Conversely the demand for low skilled jobs will be far more limited within the central vision scenario for Horsham, with less than 10% of additional jobs in the District being suitable for low skilled workers (qualified below NVQ Level 2). Under the high growth scenario, however, the growth of financial services – a large employer of administrative workers – and other sectors such as community, social and personal services, retail and hospitality means that job creation will be more balanced, with both high and low skilled opportunities available.

Figure 4.8: Additional jobs created in Horsham District 2006-2026, by qualifications level

	Baseline	High scenario	Low scenario
NVQ Level 4 and above	2,430	5,775	- 765
NVQ Level 3	800	2,470	- 795
NVQ Level 2	660	2,180	- 815
Below NVQ Level 2	325	1,410	- 735
Other qualifications	295	940	- 345
No qualifications	100	615	- 430
Total	4,610	13,390	- 3,885

Source: Experian, 2008

Horsham District, unlike many areas striving for expansion in high value sectors, already benefits from a sizeable base of highly skilled workers, albeit that many of these workers commute out of the District to jobs elsewhere. This is a key asset that should, when coupled with the District's wider quality of life, its location in the Gatwick Diamond, and the availability of good quality, relatively low cost office space, enable Horsham to attract inward investment from these important service industries.

However, this skills base cannot be taken for granted. Firstly, there exists the challenge for Horsham to retain the talent of highly skilled workers, who tend to commute out of the District to access higher wage employment opportunities elsewhere (notably in Crawley and London). Moreover, the population is ageing and some of Horsham's most highly skilled residents will be moving into retirement.

[28] The *Leitch Review of Skills* states that skills are fundamental to a competitive 21st Century economy, and proposes a greater focus on higher-level skills, economically valuable skills and greater employer involvement in the skills and training process. It forecasts a loss of 600,000 unskilled jobs in the UK between 2006 and 2011.

The flow of highly skilled workers entering the labour market is, therefore, of vital importance and this may be an area of significant challenge for Horsham. The District is losing large numbers of young people (a manifestation of the uprooted youth trend), who move elsewhere to access higher education opportunities and more affordable housing. Indeed, Horsham District lacks the presence of a higher education institution. While those living in the south of the District are within close proximity of the centres of higher education in Brighton (University of Sussex and University of Brighton) and Chichester (University of Chichester), those located elsewhere have limited options – although the proposed University of Crawley would certainly help. Young people therefore leave the District to access higher education, and generally do not return on completion of their study. This uprooted youth trend is by no means specific to Horsham, but is exacerbated in the District due to a relative lack of suitable employment opportunities and affordable housing.

Further education (FE) provision in Horsham District is mainly delivered by

- Collyer's college (Horsham) which offers a variety of AS and A2 courses as well as some vocational courses (mainly limited to childcare and education);
- Brinsbury College (Pulborough) which specialises in mainly agricultural and land/animal management courses;
- Weald School (Billingshurt) which delivers an 11-18 offer;
- Steyning Grammar (Steyning) which offers a local 6^{th} form;
- Central Sussex College (Horsham Town campus) which delivers satellite courses in addition to its primary bases at Crawley and Haywards Heath.

While these colleges do offer a variety of courses across the whole spectrum, the diversity of offer of vocational courses and professional qualifications in very local areas is far more limited. Therefore, those living in rural parts of the District are often required to either travel to the South Coast or to Horsham Town to access FE courses of their choice, and the current public transport offer can act as a considerable barrier to this. While technology will increasingly facilitate online learning for rural residents (another aspect of the localism trend), there may be scope for additional public or community transport provision for students that are resident in rural parts of the District.

Finally, while FE provision in the District is currently meeting the needs of the vast majority, the growth of the Gatwick Diamond will influence the demand for both further and higher education. In addition to the general growing need for higher level skills ($kills), there will be increasing demand for specific types of skills, particularly specialist science-based courses to support growth of high-value manufacturing sectors (e.g. biotechnology) and business and professional qualifications. Horsham currently benefits from a good academic base of these qualifications, but the consortium of local FE providers[29] will play an important role in ensuring the correct mix of academic and vocational courses to support expansion of priority sectors in the Gatwick Diamond.

A University of Crawley concept has recently been proposed, in order to enhance the higher education offer available in the Gatwick Diamond itself. There is no doubt that a higher education presence in Crawley would benefit not only Crawley but surrounding areas such as

[29] The consortium of local FE providers is comprised of Collyer's College, Central Sussex College (Crawley), Forest School and Millais School.

Horsham, and would serve to strengthen the offer of the Gatwick Diamond as a whole. Higher education institutions bring many benefits to areas, including:

- a skilled workforce, on graduation;
- a leisure/hospitality sector workforce, prior to graduation;
- higher education provision for local businesses and residents, unable or unwilling to travel long distances in order to access it;
- collaborators in innovation, research and development; and
- an increased market/audience for local leisure and service providers.

It is important that concepts such as the University of Crawley are supported in Horsham District, even if they are not actually based inside the District's boundaries. Horsham District's economic aspirations will be aided substantially by the presence of a university on its doorstep. The University of Crawley concept is a good example of an initiative which would benefit the Gatwick Diamond as a whole and all of its constituent parts, regardless of its specific location within the sub-region.

4.5 The Gatwick Diamond and other sub-regions

The extent to which Horsham District (particularly Horsham Town and the north-eastern part of the District) can integrate and benefit from developments within the Gatwick Diamond will play a critical role in whether Horsham achieves its central, high or low growth projection.

The *Gatwick Diamond Economic Strategy* presents the strategic objectives for the area up to 2016.[30] The principal objective is to secure increasing levels of business creation and survival, particularly in the higher value sectors of the economy. In order to achieve this objective, a series of necessary interventions have been identified:

- *Implement a Smart Business Initiative to increase the number and productivity of firms*. This will include actively engaging with small-medium sized enterprises (SMEs), improving services such as Train to Gain and promoting the supply of affordable business space;
- *Improve the skills base of the Diamond, including an enhancement of the Further and Higher Education offer*. This will include lobbying for a Higher Education campus in the Diamond (probably in Crawley) and promoting work-based skills;
- *Improve the rate of investment into high growth business activities, in particular identifying suitable employment sites in urban centres.* This will include the development of local masterplans and investment into business support infrastructure (such as conference facilities and ICT infrastructure);
- *Implement a transport programme*. Key priorities will be to improve connectivity with London and improve journey times to Gatwick Airport.

In the central vision scenario, employment growth in Horsham is expected to be 0.4% a year between 2006 and 2026, in line with growth in the Gatwick Diamond (also 0.4%) and slightly above growth in Crawley (0.2% per year).

[30] West Sussex Economic Partnership & Surrey Economic Partnership (2006) *Gatwick Diamond Economic Strategy*.

Under the low growth scenario, however, employment growth in the Gatwick Diamond is likely to be concentrated in Crawley, and Horsham will play an increasing role as a residential and commuter area. Indeed, under this scenario employment will decline by 3,590 in Horsham and grow by 23,236 in Crawley. Figure 4.9 shows how the different sectors of the economy will perform in Horsham and Crawley under our low growth scenario.

- Clearly, the major impact will be in the business & professional services. Under this scenario, the sector grows steadily in the larger towns of the South East (such as Crawley) and firms re-locate from smaller towns such as Horsham. A similar process occurs for the financial services, albeit on a much smaller scale.
- While retail declines marginally in Horsham, employment grows by over 3,000 in Crawley. As Crawley performs well under this scenario, it is likely that it will be able to make progress against its retail targets set out in the *Crawley Economic Strategy 2005-200*9. This highlights Crawley's ambitions to have a retail offer that can compete with Brighton & Hove, Guildford and Tunbridge Wells. Horsham suffers as increasing numbers travel to Crawley to shop.
- The scale of such changes highlights the trade-offs that Horsham faces under the different scenarios. Under this scenario, Horsham is likely to retain its attractiveness as a place in which to live although local employment will suffer. This is likely to maintain the strong quality of life on offer in the District, although a lack of employment opportunities may reinforce the problem of uprooted youth.

Figure 4.9: Employment growth under low growth scenario, 2006-2026

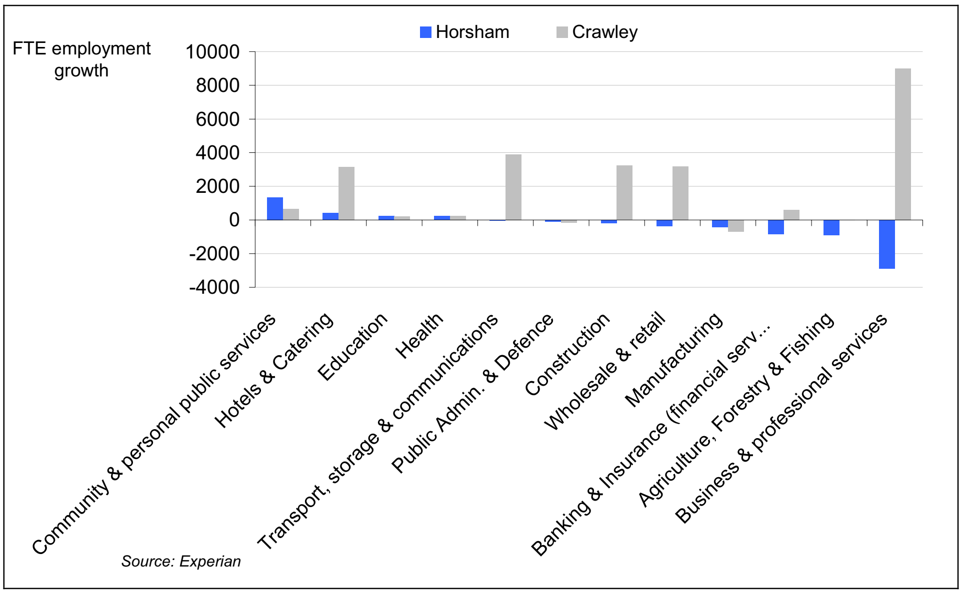


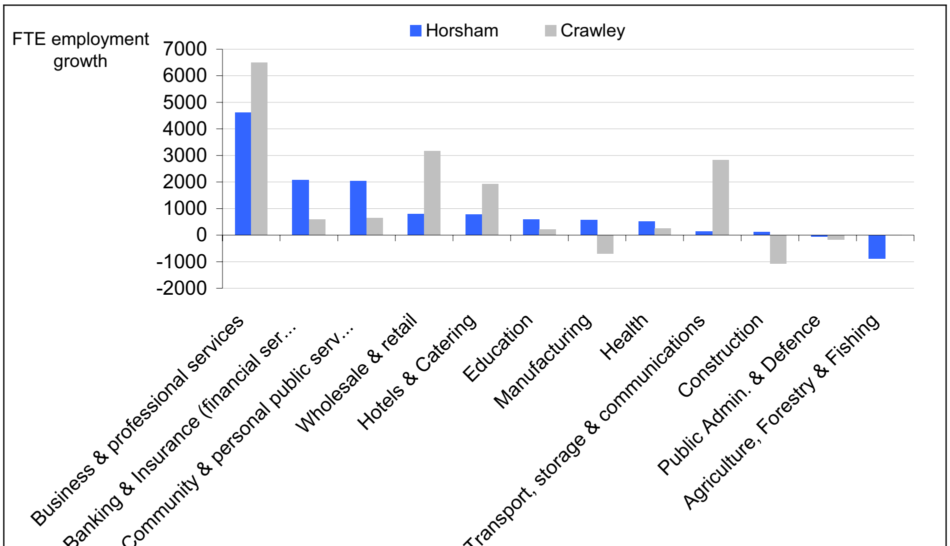
Figure 4.10 below shows the different levels of employment growth under the high growth scenario. Under this scenario, Horsham maintains its relative economic importance to the South East and the Gatwick Diamond area, and thus growth is not concentrated primarily in Crawley:

- Under this scenario, total employment growth is 11,260 in Horsham and 14,140 in Crawley.
- The high value service sectors compete effectively with Crawley. Whilst overall growth is lower in the business & professional services, average annual growth rates are in line:

1.9% per year in Horsham and 2.0% per year in Crawley. Growth in Horsham's financial services out-paces that in Crawley.

- Under this scenario, Horsham plays a much more integral role in the economy of the wider Gatwick Diamond.

Figure 4.10: Employment growth under high growth scenario, 2006-2026



Source: Experian

The rural parts of Horsham District's economy were touched on above (section 4.2), and are discussed more generally in section 5.3. Those located in the south of the District may also look to the Sussex coast for employment (as well as for education opportunities and leisure facilities). The area surrounding Brighton and Hove has also been earmarked as a Diamond for Growth in the *Regional Economic Strategy*, with the sub-region offering significant numbers of employment opportunities in business and professional services and the creative industries and acting as a centre for learning, being home to two higher education institutions.

5 Community and leisure

5.1 Key findings

This section of the report addresses the community and leisure of Horsham District. In effect, it assesses the essential backcloth to the District's economy and quality of life.

This section deals directly with a number of the key trends likely to impact on Horsham District in the future, namely:

- Uprooted youth – How can we attract a younger resident population?
- Work anywhere – People can work at home, remotely, so where do services have to be provided and how?
- Leisure countryside – Our countryside is a resource for our residents, visitors and employers. What offer can be provided for visitors, what is the current offer?
- Localism and true cost economics – can we meet needs locally, what can we deliver locally, what is currently being under utilised? Does transport infrastructure serve our purposes?

Figure 5.1: Key findings

Theme	Key findings
Retail • Work anywhere • Localism • True cost economics	Our low scenario sees the retail sector significantly affected by neighbouring developments. However, even in our high scenario modest growth is forecast and this is a challenging target. Development of a niche retail offer in Horsham and areas near significant employment is important. This will serve our new employment base (central and high scenario), our new residents who are more conscious of where products come from, and our visitors arriving for an authentic experience. It will differentiate Horsham, complementing Crawley.
Rural issues • Work anywhere	The development of rural areas as sustainable employment locations is a genuine possibility based on development and retaining existing small and home based businesses. This will require development of suitable, high quality (but sympathetically designed) business space which meets the needs of growing companies. These locations must be well connected to local settlements, public transport and IT infrastructure.
Tourism • Leisure countryside • True cost economics	Urban and rural areas have an equal role in promoting and developing tourism in the District. The core assets of Horsham are the built heritage e.g. Horsham and Steyning and the vast natural heritage on offer. Investment in promotion and development of these assets is required to gain full benefit for all visitors. 'The Heart of Sussex' strap line communicates the potential of the area well and a coordinated approach to understanding the strengths of individual market towns, development of trails linked to events and activities will maximise tourist spending.

Source: Experian

Two key drivers of requirements for community facilities, public services and leisure infrastructure are population change and the aspirations for what type of place Horsham District should be. Our scenarios suggest that population will continue to grow, but will remain relatively constant across the scenarios constrained by the housing stock. Population is likely to grow by almost 20,000 people between 2006 and 2026. Of this 20,000 growth, working age population is likely to grow by around 3,750 people (i.e., growing in its own right but declining as a proportion of total population).

This section considers how the profile of the population may change over the next 20 years – either naturally over the course of time, or because of pro-active efforts on the part of HDC and partners, for example to attract more young people to live in the District.

5.2 Infrastructure

Horsham District is already recognised as an attractive place for people to live:

- winning Britain in Bloom in the large town/small city in 2007;
- being awarded the Royal Horticultural Society's 'Bloomin' Wild' award in 2007;
- being pronounced as the second best place to live in the UK by Channel 4 in 2006; and
- the only place in the world to win two awards in the Nations in Bloom competition.

More generally Horsham District is recognised for excellent infrastructure including various leisure facilities, parks and community facilities and other infrastructure including public artwork. It has significant natural and built heritage assets and is well located within the Gatwick Diamond, i.e., it is in close proximity to an even greater, complementary range of community and leisure facilities. Horsham District is particularly strong in environmental and healthy living infrastructure (parks, open spaces, green spaces, swimming pools, Areas of Outstanding Natural Beauty), and this is the District's most important contribution to the overall offer of the Gatwick Diamond, complementing the strong retail and entertainment offer elsewhere in the sub-region.

In understanding the future needs of the population it is important to understand what existing supply is, and a broad indication based on Experian data is provided in the table below. It has been necessary to make some basic assumptions in order to produce these estimates, the most important of which are that the current supply of infrastructure is broadly acceptable (where this is clearly not the case, as with hospital provision, this has been flagged) and that demand is driven primarily by residents rather than visitors. Additional facilities will be required at different points of time between now and 2026.

Figure 5.2: Resident facilities and infrastructure

Resident Service / Facility / Infrastructure	Current Count	Population per facility (2006)	Additional required by 2026
Libraries	4	31,700	1
Leisure Centres	10	12,700	2
Restaurants (all excluding hotels)	86	1,500	14
Cinemas	4	31,700	1
Swimming Pools	2	63,400	1
Hospitals	1	126,900	0[31]
Doctors (Medical Practitioners)	18	7,000	3
Pubs	83	1,500	13
Nightclubs, discos & dancehalls	1	126,900	0[32]
Source: Experian National Business Database (NBD) – these numbers are indicative only, based on companies and organisations reporting accurate information to the sources contained in the NBD			

Broadly speaking, in comparison to other parts of the UK, Horsham District's day-time infrastructure is adequate to meet the needs of its current population. However, its night-time offer is comparatively weak. Furthermore, the Council and the Community Partnership has identified a "critical yawning gap" in hospital provision in the north-east of the District.

All of the facilities above are subject to changes in demand and preferences of individuals – but the servicing the experience economy trend is towards consumers spending increasing proportions of their income on experiences and services, so the demand is likely to increase if anything. What is more, the high growth scenario in particular forecasts much higher numbers of jobs in Horsham, which means much higher numbers of workers in the District during the day, creating increased demand for retail, food outlets and recreation facilities. This will be particularly true if Horsham can develop an increasingly attractive niche offer with a strong focus on high quality outlets, whether clothing or catering.

More difficult to assess at this stage is the demand for public services including schools, libraries and hospitals – the figures provided here are indicative only. Demand for libraries is likely to be subject to changes in technology as are the services they offer. In terms of schools and hospitals, as major pieces of public infrastructure, demand / market need varies depending on the changing population, age demographics, and again changes in technology and national policy. The trend towards localism which is seeing technology helping to bring together local policymakers, businesses and citizens and deliver many public services online, is really important for a place like Horsham District where the sense of community is so strong and so important to residents. These technology enhancements will need to be taken into account when undertaking resource planning for public sector services in Horsham District, given its rural nature and transport connectivity issues.

Taking more pro-active steps to change the profile of the District, by attracting higher proportions of certain groups (e.g., young adults) to live in Horsham in the future, has been a major theme throughout many of our consultations with local stakeholders. The uprooted youth trend, in particular, is of concern to many local people and groups. There is also commitment to ensure that the older population of the District continues to be served well in the future. To better understand what can be done to serve different groups and attract and retain them where appropriate, we have drawn on Mosaic to provide a deeper insight into their future needs. The

[31] However, this disguises an already "critical yawning gap" in provision for the north of the District, as identified in the introduction to the Horsham District Council Corporate Plan 2008-2011.
[32] Our consultations suggest that the current number is low

figure below shows the Mosaic profile for Horsham, West Sussex, Crawley, the South East and the UK.

Figure 5.3: Mosaic profiles of Horsham and other areas, by group/household, 2006

	Horsham	Crawley	West Sussex	South East	UK
Households estimate 2006	52,779	40,759	335,277	3,443,220	25,707,158
A Symbols of Success (HH)	26%	5%	14%	17%	10%
B Happy Families (HH)	17%	22%	13%	15%	11%
C Suburban Comfort (HH)	15%	14%	16%	17%	15%
D Ties of Community (HH)	4%	8%	10%	10%	17%
E Urban Intelligence (HH)	4%	6%	3%	8%	8%
F Welfare Borderline (HH)	1%	2%	1%	2%	7%
G Municipal Dependency (HH)	0%	2%	1%	2%	7%
H Blue Collar Enterprise (HH)	6%	33%	11%	10%	11%
I Twilight Subsistence (HH)	3%	5%	4%	3%	4%
J Grey Perspectives (HH)	12%	3%	23%	12%	8%
K Rural Isolation (HH)	11%	0%	6%	4%	5%
Source: Experian Mosaic					

As discussed earlier in the report, the largest share of Horsham's population is in '*Symbols of Success*' or career professionals living in sought after locations, representing 28% of the population. This group is over represented in Horsham compared to the other geographies. There is an under representation of *Blue Collar Enterprise* and *Urban Intelligence* in Horsham compared to the South East and the UK and particularly compared to West Sussex and Crawley. This provides an indication of the numbers of people in specific groups likely to move to Horsham District in the future.

Figure 5.4 below shows the household population of Horsham in 2006 and 2026 under the central vision scenario. It shows that, under the central vision scenario, the groups that are currently well-represented are likely to grow the fastest, without specific intervention to alter the trends.

Figure 5.4: Numbers of households in Horsham District, 2006 and 2026

	2006 (Thousands)			2026 (Thousands)
	Central	High	Low	Central
A Symbols of Success (HH)	14.6	14.6	14.6	18.3
B Happy Families (HH)	9.0	9.0	9.0	11.1
C Suburban Comfort (HH)	7.9	7.9	7.9	9.7
D Ties of Community (HH)	2.0	2.0	2.0	2.4
E Urban Intelligence (HH)	2.4	2.4	2.4	3.0
F Welfare Borderline (HH)	0.5	0.5	0.5	0.6
G Municipal Dependency (HH)	0.2	0.2	0.2	0.2
H Blue Collar Enterprise (HH)	2.9	2.9	2.9	3.6
I Twilight Subsistence (HH)	1.6	1.6	1.6	2.0
J Grey Perspectives (HH)	6.6	6.6	6.6	8.2
K Rural Isolation (HH)	5.8	5.8	5.8	7.1
Total	53.5	53.5	53.5	66.2
Source: Experian				

The *symbols of success* group which is unusually well represented in Horsham District, is generally interested in theatre and the arts, golf, motoring, classical music, boats and yachting and voluntary and charity work. The 'graduate' group (*urban intelligence* or educated, young, single people living in areas of transient populations) is most likely to be of the 15-34 age group. In this group, household interests include fashion, clothing, cinema, going to the pub, hair and beauty, theatre and the arts and the internet. If the District decided to intervene more directly to attract this group, there would need to be increased provision of facilities such as popular high street shops, internet cafes, beauty salons, cinemas, pubs, clubs and other leisure venues. Our consultations suggest that currently much of this demand is met by travel to Crawley or even further afield to Guildford, Brighton or London. In the future, Horsham District needs to provide access to some of these experiences whilst recognising its location and overall role within the Gatwick Diamond and Sussex Coast sub-regions where leisure and retail offers are comparatively strong.

Because Horsham District is unusually well represented in higher income groups, it is even more important to focus on the well-being of its lower income groups, particularly people living in social housing with uncertain employment in deprived areas (*welfare borderline*) and low income families living in estate based social housing (*municipal dependency*). These households have a higher inference of social exclusion and are more likely to rely on state benefits for income. They are also less likely to be car owners and therefore more likely to rely on public transport, which is exacerbated if they live in rural areas. A lower propensity to own computers and use the internet also makes these groups more difficult to access through technology, and therefore less likely to be engaged through the localism trend that is evident elsewhere in Horsham District.

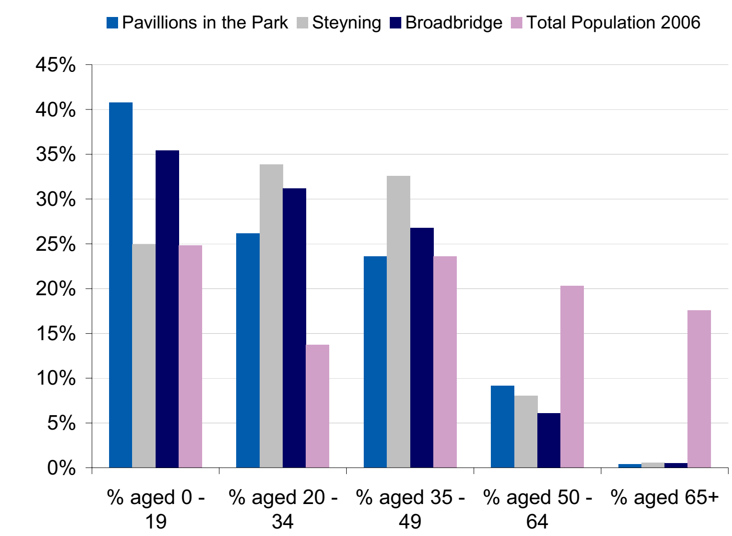
These lower income groups include young people who are likely to be less mobile, due to financial, educational or other reasons. The District's community and leisure infrastructure will need to provide for the needs of these young people in future, alongside support structures to help them achieve rising aspirations (it is important to point out that, in 20 years' time, many of the young people who will be entering the labour market are not yet born today). Older people living in social housing with high care needs (*twilight subsistence*) are also potentially vulnerable. This group is likely to be less active in their leisure time than better off pensioners, and require more significant state support through public services. Whilst this is a relatively under-represented group in the District, they will continue to have important needs such as health care, community transport, day-help and day-care, leisure opportunities such as clubs and fitness activities, and schemes to ensure older people do not become isolated, particularly those living in rural areas. Because of the forecast growth in the number of older people, it will be important for the Council to work closely with its partners to increase the capacity of services and facilities and ensure they are sufficient for older people resident in the District.

In broad terms, the District's community and leisure offer, and general quality of life offer, is based around its environmental and healthy living strengths. One illustration of this is the sports facilities in the District. We have already highlighted that there appears to be an under provision of pools and leisure centres. Our consultation with staff from DC Leisure has highlighted other key factors about current provision and use of sporting/leisure facilities in Horsham District, our focus has been on:

- Pavilions in the Park;
- Steyning; and
- Broadbridge Heath.

It is encouraging that existing facilities are being well used and this suggests they are of at least a reasonable quality with good services being provided. However, there appears to be little capacity remaining within the centres to meet the demand of a potentially expanding population. Previous research also highlights that provision per head of population is comparatively low and that gym and outdoor sports facilities are being used to near full capacity. The figure below provides a summary of the leisure centre user profile.

Figure 5.5: Users by age



Source: DC Leisure

Figure 5.5 clearly illustrates the high levels of usage by younger residents in comparison to their population profile. This has two implications in the future:

- in meeting the need of a young, or younger profile, population sporting facilities are likely to be an important service for residents; and
- there is a significant under-representation of older users which should be addressed (already identified by DC Leisure as 'the grey market').

The first of the issues is particularly important in meeting the challenge of attracting a younger, more diverse resident population, and thereby helping to address the uprooted youth trend. The figure below illustrates that the majority of centre users are from Horsham Town with the exception of Steyning where unsurprisingly its local facility is well used by its residents. The data more clearly helps to illustrate that provision of community facilities are important in meeting the needs of residents and attracting new residents. Further research comparing provision per population in each area would shed further light on comparative levels of provision *within* the District.

Figure 5.6: Residence of centre users

Pavilions in the Park   Broadbridge Heath   Steyning

Source: DC Leisure adapted by Experian

5.3 Rural issues

Horsham District is – outside of Horsham Town and the north-easterly parts bordering Crawley – fundamentally rural. The District's rural settlements are remarkably active compared to many rural parts of West Sussex. These rural areas in Horsham District will be a critical element of the future success of the district by:

- supporting the development of the economy;
- helping exploit tourism opportunities;

- providing recreational resources for residents; and
- being an attractive place to live.

Our Mosaic analysis shows that a large proportion of Horsham's population are people living in rural areas where country life has not been influenced by urban consumption patterns. Usually, people in this group are most likely to be of pre retirement age and therefore importantly economically active. However, increasingly it is becoming difficult for families to live and work in rural areas due to housing costs, lack of business space and connectivity issues.

Despite the apparently high numbers of small and home businesses in the District, our consultations have highlighted that there are a number of challenges currently facing the rural areas of Horsham as a place to live and work. These include:

- high house prices;
- lack of suitable growth business space;
- transport issues, including lack of integration between public transport operators; and
- the sustainability of settlements and their core facilities and services, including post offices, schools and local businesses.

While these challenges exist, efforts are being coordinated to make the greatest use of rural areas and create the most benefits for residents. In terms of creating sustainable rural communities we know that there is a relatively high amount of home working individuals or small companies in the District. This is encouraging although we believe that there are challenges in meeting the next stage of these firms' development. Rural growth is often constrained as space is not available meaning companies move to urban areas or out of the District.

A key challenge is therefore to provide growth/incubator space in rural communities. While some of this may be achieved/delivered by refurbishing existing properties there may also be need for new build property which is sympathetically designed to fit the natural environment, in line with Core Strategy Spatial Objectives 1-2. This type of development may be more expensive than some standard urban new build and therefore potentially less attractive in terms of return on investment to the private sector. Facilitating these developments may therefore require public sector support or incentives. This is something to be picked up in the LDF as the process moves beyond the Core Strategy. One proposal also under consideration is an innovation centre in Southwater. Another opportunity is to link small office developments with affordable housing (self build) under the Community Land Trust programme. It is important to ensure that rural settlements have places in which people can gather – this is important for social reasons but also for business reasons because home-workers and home-businesses need places to meet clients and suppliers.

As in urban areas, local young rural residents often have to move from their 'home areas' due to the lack of affordable housing – the fewer amounts of employment opportunities in rural areas only exacerbates the problem. There is a significant challenge in addressing this, but an opportunity exists to deliver small pockets of rural housing to meet the needs of rural communities. This is in line with the LDF Core Strategy which, whilst focusing growth in strategic locations around Horsham Town and Crawley, makes allowance under Spatial Objective 4 for small scale gradual growth where issues such as affordability are apparent and where the nature of existing settlements is not damaged. These developments can be delivered alongside work space and critically can also be integrated with transport infrastructure (i.e., public transport) in a more effective manner than dispersed or standalone developments. The loss of young people also creates a cycle where services which should be delivered locally are not due to a lack of demand. But if this cycle is broken, non-public but nevertheless essential services are also likely to be required by rural communities such as access to night buses, childcare and health services.

The rural areas provide huge benefits to the population of the District. Horsham is a somewhat untapped part of West Sussex in terms of leisure and recreation use by residents. There are areas which are well used in the county, particularly the Downs for activities such as walking, cycling and horse riding. However, there are areas in Horsham, for example to the north and particularly the ‘Clays’, which are less well utilised. Greater development of these areas for recreational activity such as walking and cycling can be achieved. However, this is likely to require a programme of promotion, mapping, and activities such as guided walks. Furthermore, capital investment in path surface improvements is likely to be important in actually achieving a cultural shift in people’s use of these areas.

The rural areas, including market towns, also have a critical role to play in the development of tourism spend. As part of the Gatwick Diamond, Horsham can provide a unique product to complement the retail-orientated offer of major conurbations such as Crawley. The rural offer is best presented as a discrete element of the West Sussex visitor package including the Downs and various areas of environmental significance, i.e., AONB/National Park. Packaging Horsham as a standalone offer but within the sub-region means the offer is equally relevant and attractive to local residents, day trippers and those on weekend breaks. The rural economy will be helped by the exploitation of these opportunities and can be further developed to generate more income to support rural communities. Encouragement from public sector agencies in terms of marketing and promotion is likely to be important and this could manifest itself in greater income for a number of rural tourism businesses such as bed and breakfasts and country inns and pubs.

One of the main linkages between urban and rural areas is transport. A thriving rural economy and community is likely to require better transport links than currently exist, and given the roads infrastructure this is likely to be public transport. A co-ordinated approach to residential and business development can aid this process and make public transport options more sustainable, in line with LDF Spatial Objective 9 to reduce the expected growth in car based travel by seeking to provide choice in modes of transport wherever possible. This is important for a largely rural area like Horsham District where car ownership and car use is so high, given the trend towards true cost economics where in the future the true cost of goods and services will become better reflected in prices, through mechanisms such as road-charging.

However, the true cost economics trend is also likely to bring potential benefits to an area like Horsham District, since there will be an increasing interest in buying and sourcing locally. Because of its particular niche role in the Gatwick Diamond, Horsham District is well-placed to establish itself as a centre for farmers markets, niche retailers and local produce caterers – in line with its environmental and healthy living reputation. This broad proposition brings benefits not only to Horsham District but to the wider Gatwick Diamond. It is an attractive proposition for residents and visitors, which could be further enhanced by a market town trail including walks and activities in the South Downs, nature walks/reserves alongside specialist retail and craft centres. However, to be successful it is likely that existing information (e.g., Heart of Sussex) will have to be supported by further marketing and capital investment.

5.4 Retail

Retail plays an important part in the Gatwick Diamond, and is strong and growing in Crawley in particular. The positioning of Horsham's retail offer is therefore important. There are major plans to create a 'step change' in the retail offer in Crawley, which will of course affect Horsham. Crawley Borough Council's vision is that "*by the year 2020, the Town Centre will have grown to be a major regional shopping centre providing a full range of shops, services and facilities enabling it to compete with the best centres in the South East".*[33] This is hugely ambitious, and likely to be an important factor in the future success of the Gatwick Diamond given Crawley's position at the centre of the sub-region and its proximity to Gatwick Airport.

While previous research suggested that there was no need for additional warehouse retail space in Crawley, plans continue to deliver this in out of town locations.[34] This is a major part of the retail strategy for Crawley while continuing to promote the town centre as a major focus. The town centre development is being progressed with Grosvenor, as part of a master planning exercise for 'Town Centre North' which has already identified John Lewis as an anchor tenant. The major retail development plans are in line with our scenarios for Crawley which forecast a very high (almost 50%) increase in retail employment over the next 20 years. The total new build floor space at Town Centre North is likely to be in the region of 890,000 square feet with other major developments planned at Croydon (810,000 square feet), Tunbridge Wells (105,000 square feet) and Guildford (150,000 square feet).

Experian[35] research indicates that Crawley has around a 15-20% market share of Horsham resident retail expenditure – this is currently forecast to increase to 30-40% following the delivery of the major planned retail developments. Expenditure by Horsham residents in Horsham itself could even fall slightly as a result. This suggests that Crawley (and the other locations discussed above) will become more attractive for major day-out big-basket shopping trips, although Horsham will still be used regularly for everyday shopping trips out of convenience, loyalty and diversity.

Horsham has gradually fallen down Experian's retail rankings since 2001 and is currently ranked at 148th in the UK, with an approximate high street spend of £289 million. In our recent retail rankings study we also found that Horsham is likely to continue to fall down the rankings to 160th in 2017 with a comparative spend of £264 million. Key statistics for the Horsham retail offer are:

- 340 outlets of which just 26 are vacant (index of 69 against UK levels);
- 860,000 square feet of floor space of which just 34,900 is vacant (index of 44 against UK); and
- 172 multiple outlets (index of 151 against UK levels).

These statistics paint a fairly healthy picture of a town centre with low vacancy and high levels of 'multiple outlets' which are seen as enhancing the appeal of a retail centre for consumers. However, this must be taken in the context of the healthy retail offer, including high levels of multiple outlets, being offered in neighbouring developments. These are sighted as the main

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33 *Crawley Town Centre Strategy*, Consultation Draft.
34 *Crawley Local Development Framework Public Examination of Core Strategy*, statement of representation made by Barton Willmore.
35 Crawley: Development Analysis, January 2008.

reason for the forecast fall in the retail ranking of Horsham. We must also further consider the forecast fall in relative spend up to 2017. The real fall in consumer spending in Horsham is compounded using spend per head as an indicator which suggests spend per head (£2,259 in 2007) will fall to around £1,900 in 2017. A further issue for the retail offer in Horsham is the increasing online spend of consumers, which is likely to increase significantly in the future. On-line market share was just 1.4% in 2001 and while this rose to 5% in 2007 it is forecast to increase to above 9% by 2011.[36] If these trends continue at the same rate, over 23% of all retail expenditure could be online by 2026. We agree with the 2003 retail research commissioned by HDC which argued that there is limited opportunity to attract additional multiple retailers.

This data suggests that Horsham's retailers will face the following challenges between now and 2026:

- a decrease in resident spend per head (assuming a status quo offer);
- a fall in its UK importance as a retail location, including loss of ground to other major local centres e.g. Crawley; and
- increased competition from online retailers.

To meet these challenges, there are two broad options open to Horsham District:

- The first option is to attempt to compete with neighbouring developments / towns, including Crawley, Guildford and those in the Gatwick Diamond. This option would require attracting major multiple outlets and thereafter continuing historic relative success in terms of low vacancy and multiple outlet indicators. Challenges for this option are the lack of land availability and the progress made by Crawley, which may also mean there will be difficultly engaging the private sector.
- The second option would be to complement neighbouring developments / towns, taking an alternative approach and developing a niche retail offer. This would complement the development/promotion of Horsham District as an important heritage and tourist location, building on the environment and healthy living assets of the District. Although attracting multiple retailers would not be ruled out (such retailers are a fact of life, and will continue to secure a large market share in the coming years), this option would focus on boosting retail spend in Horsham District through increased levels of convenience retailers which currently make up less than half the standard UK level (index 51) – butchers, bakers, greengrocers, fishmongers and other convenience. Establishing Horsham District as a place for quality food and drink, locally produced, would complement the retail offer in the rest of the Gatwick Diamond.

The second option is by far the most beneficial to both Horsham District and the wider Gatwick Diamond. It creates a specific, niche role for the District, and would even complement the high growth scenario by providing the retail backcloth necessary to attract and serve an increased working population. The opportunity provided by the true cost economics trend means that demand will increase for these types of locally sourced, locally branded offers, working well with the vision for Horsham District.

Broadly, this positions Horsham District as a place with an attractive environment including historic buildings, river walks and parks and a niche, local, more upmarket retail offer. This

[36] UK e-Retail 2007.

move would help to minimise the impact of significant increase in online market share. Attracting and encouraging retailers serving a growing local population, niche markets, and tourists would also help to off-set any losses to other sub-regional retail centres, e.g. Crawley, which will continue to develop their complementary multiple outlet offer.

5.5 Tourism

Tourism performance in Horsham District has been strong in the context of West Sussex. The table below shows 2003 to 2005 revenue from tourists for West Sussex Districts:

Figure 5.7: Total revenue by district(£s millions)

District Area	2003	2004	2005	% Change
Adur	48.68	50.33	50.58	4%
Arun	178.68	183.56	187.02	5%
Chichester	142.21	153.57	150.5	6%
Crawley	284.04	296.69	279.12	-2%
Horsham	96.11	103.67	106.14	10%
Mid Sussex	112.7	123.74	124.26	10%
Worthing	72.22	78.06	75.83	5%
Total	**934.66**	**989.63**	**973.45**	**4%**
Source: STEAM data – West Sussex				

Horsham District tourism revenue increased by 10% between 2003 and 2005, more than twice that for the County and only matched by Mid Sussex. There has also been a 7% increase in tourist days between 2002 and 2004. Data for 2003 and 2004[37] suggests an increase in tourism revenue of 4% compared to an increase in visitor days of 3%. Increasing the value of tourism spend in this manner is an important aim for Horsham District.

In terms of their economic impact day visitors are by far the most important to Horsham, accounting for 68% of all expenditure, compared to 46% across the County. This means that while tourism revenue is seasonal it does not demonstrate the same level of drop off in the shoulders of the main tourist season that most locations do with November, December, January and February accounting for 20% of all spend. The data tells us that Horsham District is performing relatively well in the tourism sector with:

- increased numbers of tourists; and
- increased spending by tourists (increased revenue).

However, as with all locations but particularly for Horsham, challenges to growth include:

- increased competition;
- satisfying and generating repeat day visitors;
- increasing the number of overnight visitors (and therefore spend).

Figure 5.8 below provides detail on visits to various attractions in West Sussex. The table shows the range of attractions within the locality, with a focus on heritage based sites. Despite large fluctuations in visitor numbers at individual sites over the sample, there has been static

[37] STEAM data provided by Horsham District Council.

performance/growth. It is encouraging that the main attraction in Horsham, the Museum, over the same period and since 2003 has generally seen an increase in visitor numbers.

The visitor offer in Horsham District, and nearby, is wide and varied, and it is important to consider Horsham and its neighbouring areas from a visitor view point. A brief summary of some of the main reasons to visit Horsham (101 Reasons to Visit Horsham) produced by the District Council gives a good indication of the strengths of the area. We have categorised these reasons further as follows:

- Access reasons i.e. ease of access, transport, connectivity – 8;
- Arts and events – 12;
- Attractions (in or near Horsham) – 11;
- Education and community activities – 4;
- Food and drink – 6;
- Heritage – 5;
- Leisure and sport – (sports centre, golf club, bowling, football, rugby) – 19;
- Natural heritage – (walks, scenery, reserves, outdoors) – 9;
- Retail – (supermarkets, shopping centre) – 2; and
- Specialist retail (food and drink, markets, independent retailers) – 8.

The list shows a variety of reasons for visiting Horsham although primarily the leisure and sport reasons are likely to be relevant mainly to local residents. In terms of tourists including overnight visitors, significant reasons are the arts, heritage and specialist retail offer locally, and particularly the natural heritage offer as part of the wider County.

Figure 5.8: Attractions performance in West Sussex

Name	District	Year of Opening	Category	2005	2006	Change	Paid / Free
Arundel Wildfowl & Wetlands Trust	Arun	1976	Nature reserve/Wetlands/Wildlife trips	82,290	84,122	2%	F
Bognor Regis Museum and Wireless Museum	Arun	1984	Museum and / or art gallery	13,700	10,800	-21%	F
Borde Hill Garden	Mid Sussex	Not Known	Garden	54,573	37,039	-32%	P
Chichester District Museum	Chichester	Not Known	Museum and / or art gallery	29,801	28,568	-4%	P
Cj's	Mid Sussex	Not Known	Leisure/Theme Park	100,000	100,000	0%	P
Coultershaw Beam Pump	Chichester	1980	Industrial/Craft workplace	929	919	-1%	P
Earnley Gardens	Chichester	1986	Safari Park/Zoo/Aquarium/Aviary	24,420	23,000	-6%	P
Fishers Farm park	Chichester	1990	Farm/Rare breeds/Farm animals	141,943	144,532	2%	P
Harbour Park Family Entertainment	Arun	1932	Leisure/Theme Park	415,000	440,000	6%	F
Henfield Museum	Horsham	1948	Museum and / or art gallery	3,168	2,750	-13%	F
High Beeches gardens	Mid Sussex	1988	Garden	8,000	6,023	-25%	P
Highdown Gardens	Worthing	1968	Garden	20,000	20,000	0%	F
Holmbush Farm World	Horsham	Not Known	Farm/Rare breeds/Farm animals	-	39,346	n/a	P
Hook Norton Pottery & Craft Gallery	Cherwell	1969	Industrial/Craft workplace	3,600	3,600	0%	
Nymans Garden	Mid Sussex	1954	Garden	164,692	163,696	-1%	P
Horsham Museum	Horsham	Not Known	Museum and / or art gallery	33,007	36,225	10%	
Petworth Cottage Museum	Chichester	1996	Museum and / or art gallery	1,520	1,656	9%	
Saint Manor Hill	Mid Sussex	1985	Historic house/house and Garden/Palace	12,000	15,000	25%	F
South Downs Planetarium	Chichester	2001	Science/Technology Centre	11,639	13,537	16%	P
St Mary's House & Gardens	Horsham	1952	Historic house/house and Garden/Palace	4,011	3,675	-8%	P
Standen	Mid Sussex	1973	Historic house/house and Garden/Palace	69,202	65,193	-6%	
Tangmere Military Aviation Museum	Chichester	1982	Museum and / or art gallery	23,539	27,006	15%	P
Tilgate Park & Nature Centre	Crawley	1972	Country Park	280,000	280,000	0%	P
Wakehurst Place	Mid Sussex	1964	Garden	428,770	433,187	1%	P
Washbrooks Farm Centre	Mid Sussex	Not Known	Farm/Rare breeds/Farm animals	50,000	50,000	0%	P
Weald and Downland open Air Museum	Chichester	1971	Museum and / or art gallery	136,214	142,533	5%	P
West Dean Gardens	Chichester	1973	Garden	72,658	65,585	-10%	P
West Wittering Beach	Chichester	Not Known	Other	1,000,000	1,000,000	0%	F
Total (Sample)				3,184,676	3,198,646	0%	

Source: Tourism South East

To meet the visitor challenges identified earlier and to maximise visitor spend it is critical that the opportunities associated with the unique and core themes of Horsham District are a focus. Based on our knowledge of existing competition we do not believe Horsham District will develop as a major retail centre. However, promotion and development of unique selling points such as the medieval built heritage in the Town Centre can continue to be a core sales method. This can be used alongside the development of a niche retail offer created through proactive town centre management.

In the wider District there is an opportunity to develop the rural tourism market which is likely to be of a similar demographic (market segment) to that interested in built heritage which is so prominent in Horsham District – there is a growing trend in people valuing the countryside as a place to spend their leisure time. This has been discussed previously and reflects the thoughts of delegates at the 2007 Horsham District Community Partnership visioning which identified the following four factors (out of six) as positive in Horsham:

- beautiful physical environment;
- rural nature of the District;
- accessibility, despite rural location;
- people – good community spirit.

The high quality natural heritage in Horsham District will enable it to develop itself as a standalone destination within West Sussex and the Gatwick Diamond, as part of a wider offer for overnight visitors. Changes in the structure of the rural economy, i.e. the decline of agricultural employment, may provide further development opportunities to attract visitors. We recognise that a sound basis for this approach is already in place including current materials such as 'Horsham – time well spent' and 'The Heart of Sussex'. Finally, selling the heritage offer and focusing on a particular market segment may create opportunities to develop the weekend break market. A focus on this segment is likely to be attractive to the ageing population, an opportunity which Horsham is well-placed to exploit and therefore increase visitor revenue.

Achieving the aspiration of increased visitor spend will depend on the availability of suitable accommodation[38] and activities being provided in Horsham District (including the near 200 events already identified in 2007). Suitable packages for visitors including sites such as Southwater Country Park, the South Downs, the Riverside Walk, heritage buildings, and specialist retail in the market town should be actively developed and promoted. This will allow Horsham to differentiate itself from the rest of the sub-region and also increase visits from local / regional visitors. Private sector investment is likely to be focused on accommodation, hospitality and catering (bars, restaurants). This should be encouraged as it will have a strong overlap with facilities required to retain young people in Horsham.

Our estimates for bed spaces, based on the employment forecasts underpinning the three scenarios, range from an additional 1,200 under the low growth scenario to 2,400 under the high growth scenario. Under the central vision scenario, it is estimated that a further 1,800 beds will be required by 2026 – these will be required in Horsham Town itself, serving business as well as visitor needs, and across the District mainly serving the tourist market.

[38] There is currently little advertised in Horsham on the 'EnjoySussex' website.

Figure 5.9: Gross additional bed estimates (2006-2026)

	Central Vision		Low Scenario		High Scenario	
	Employment change (FTE)	Estimated bed requirement	Employment change (FTE)	Estimated bed requirement	Employment change (FTE)	Estimated bed requirement
Visitor beds	603	1,810	414	1,240	786	2,360

Source: Experian

Increasing the impact of tourism may require more investment from the public sector. The strategic framework for the West Sussex Visitor Economy identified that Horsham has the lowest level of tourism budget in the County,[39] although these figures were from 2002. For example, in 2002 expenditure was reported to be £20,000 in Horsham compared to £407,000 in Arun with the economic impact of tourism being just under half the level in Horsham of that in Arun. This suggests tourism expenditure is creating excellent return on investment in Horsham and could be exploited further.

[39] *A Strategic Framework for the West Sussex Visitor Economy*; Background Paper 20 September 2005.

6 Conclusions and implications for decision-making

6.1 Conclusions and broad implications

The Visioning Horsham project has been concerned with fleshing out the *existing* vision for the District, and assessing the challenging facing its achievement.

Horsham District's vision for the future is of "*a dynamic district where people care and where individuals from all backgrounds can get involved in their communities and share the benefits of a district that enjoys a high quality of life*". There are problems which need to be tackled – 5% of the population are in low-income households and the fear of crime is an issue for many residents. However, in many ways, the vision for Horsham District is one which reflects the high quality of life today. The real challenge for the District will be sustaining it into the future, in the face of external challenges and high population and economic growth in and around Horsham.

The *Visioning Horsham* scenarios (summarised in section 2.2 and outlined in figure 6.1) have highlighted the importance to Horsham District of its surroundings, particularly the Gatwick Diamond.

Figure 6.1: Scenario headline results

Scenario	Employment (000s)[40]		Average annual employment growth 2006-2026 (%)	Average annual GVA[41] growth 2006-2026 (%)
	2006	2026		
Central vision	48.8	52.5	0.4	2.7
High growth	48.8	60.0	1.0	3.5
Low growth	48.8	45.2	-0.4	1.9
Source: Experian, 2008				

The high growth and low growth scenarios are very dependent on the future performance of the Gatwick Diamond and the South East region generally, which is itself hugely dependent on the London economy. The Gatwick Diamond sub-region, backed by the *Regional Economic Strategy* and *Regional Spatial Strategy* for the South East, is gaining increasing momentum. The scenarios illustrate that Horsham District must ensure that it is integrated into the sub-region to avoid the low growth scenario at the very least, in which the South East's future success is concentrated in Crawley to the detriment of surrounding areas such as Horsham. Integration into the sub-region will be beneficial to Horsham District itself, to the Gatwick Diamond since it will complement the sub-region's overall offer to businesses, residents and visitors, and to the South East region which will need all of its diamonds to perform well if it is to meet its challenging *RES* targets.

Our discussions suggest that Horsham District is already very engaged in the Gatwick Diamond sub-region, with Horsham District Council showing strong leadership over the past few years.

[40] Employment is measured as "full-time equivalent (FTE)" employment.
[41] Gross Value Added (GVA) is a measure of economic output – the contribution to the economy of each individual producer, industry or sector.

So the most important question is what role should Horsham District seek to fill in the sub-region? We analyse this question in some detail in section 6.2. However, in broad terms, Horsham's role should be based around the following factors:

- Horsham District's role should be complementary. Experian's 2006 report for SEEDA on the diamonds[42] highlighted the importance of the Gatwick Diamond's high quality of rural and semi-rural life, large parts of which are to be found in Horsham District. In that report, Experian pointed out that boosting the job offer in the Gatwick Diamond was key to its future success. This would be dependent on harnessing the sub-region's high levels of income and quality of life offer, and building on its strong connectivity. These are all areas in which Horsham District can bring benefits to the sub-region as a whole.
- Crawley and Gatwick Airport provide the beating industrial heart of the Diamond. At this heart is also a concentrated, critical mass of transport infrastructure, major hotel and conference facilities and multiple retail/leisure outlets. Horsham District should not focus future efforts on replicating these assets.
- Crawley, at the heart of the Gatwick Diamond, has weaknesses as well as strengths. Fundamentally important is its poor skills base, since this is an increasingly major factor in business location decisions and economic growth. There is also a shortage of high quality business accommodation in Crawley, exacerbating the relatively poor quality of place and environment compared to surrounding areas such as Horsham District.
- Functional economic areas stretch beyond administrative boundaries. Businesses, even residents and visitors, tend to look at wider areas when deciding where to locate themselves, to ensure they have access to labour, to jobs, to transport, to accommodation, etc. Horsham District offers specific benefits to the Gatwick Diamond sub-region, including a highly skilled workforce, planned population/housing growth in strategic locations close to Crawley, vacant business accommodation, good schools and an extremely attractive environment. This is the District's complementary offer which needs to be integrated into the Gatwick Diamond as a whole – one which is themed around an attractive work/live environment, niche retail/leisure, healthy living and healthy learning.
- Away from the Gatwick Diamond, the vibrancy of the District's population settlements needs to be sustained. The high concentration of small and home based businesses across the District illustrates that its rural areas have their own functioning economies. The presence of these businesses makes it even more important to ensure that Horsham's rural settlements act as infrastructure hubs, providing services and venues required by businesses and residents located locally and in the wider catchment area.

In section 6.2 below, we summarise the broad implications for future decision-making in Horsham District, in order to achieve the vision – as measured by the central vision scenario.

During the *Visioning Horsham* project, we have been given no indication that the low growth scenario is desirable. The low growth scenario has been useful throughout our analysis in illustrating the potential threats and challenges to the vision for Horsham District, namely that economic prosperity cannot be taken for granted, that the District needs to integrate itself into wider sub-regions (particularly the Gatwick Diamond but also Brighton/Hove and the wider Sussex Coast) and that not doing so will turn the District into a "Dormitory District" with the effect of making it even more difficult for young people and low-income earners to live locally. Because there is no desire to "achieve" this scenario, we ignore it when setting out implications

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[42] *South East Diamonds for Investment and Growth: the evidence*, Experian for SEEDA, 2006.

below. Furthermore, we only refer to the high growth scenario when it serves to highlight issues around the central vision scenario.

Under the central vision scenario, the District's population grows (in line with, and constrained by, housing allocations in the South East Plan and the LDF Core Strategy):

- from 126,900 in 2006 to 146,800 in 2026, an increase of 15.7% over this period;
- meaning the total number of households increases by 12,700, from 53,500 in 2006 to 66,200 in 2026;
- the population continues to age, meaning the District's working age population increases by 5.0% at a slower rate than its total population – dependency ratios increase;
- rates of net out-commuting remain largely as today, with significant numbers of higher-socio economic groups remaining well-off and continuing to commute outside the District to work.

Under the central scenario, employment in the District grows:

- by 0.4% a year, from 48,800 in 2006 to 52,500 in 2026 (an additional 3,700 jobs);
- structural changes in the economy continue as it becomes more service-based;
- the fastest growing sectors are community/personal services, hotels/catering and business/professional services;
- the largest employment sectors are business/professional services (15.7%), community/personal services (12.2%), manufacturing (11.4%), wholesaling (8.4%), construction (8.3%), education (8.1) and retailing (8.0%);
- the Gatwick Diamond becomes even more important to Horsham District's economy, providing the District with the critical mass of economic activity and infrastructure that it needs to be able to grow;
- much of the employment growth is in the north east of the District (in the Gatwick Diamond), but employment in the District's rural settlements also continues to diversify and grow, driven in part by healthy small and home based office clusters in settlements such as Southwater, Billingshurst, Storrington, Steyning and Henfield.

In the rest of this section, we focus on setting out implications for achieving the central vision scenario. These implications serve as the research conclusions arising from the *Visioning Horsham* project.

These conclusions are intended to be *a platform* and *evidence-base* for Horsham District Council/Horsham District Community Partnership decision-making – the decisions and choices themselves are in the hands of everybody involved in the District.

6.2 Policy responses

In setting out conclusions and broad implications for strategic planning and decision-making, we summarise:

- Rationale and implications for achieving the vision (quantitative wherever possible).
- Policy responses.

- Alignment with LDF Spatial Objectives.

Figure 6.2: Policy responses to achieve the vision for Horsham District

Housing	
Rationale and implications for vision	The uprooted youth trend means that young people / first-time buyers will continue to find it difficult to locate in Horsham District, compared to surrounding districts such as Crawley. The work anywhere trend means that technology will make it easier for people to work remotely, making Horsham District an increasingly attractive place for higher-earners to locate. These pressures will continue to consolidate Horsham District's role in the wider sub-region as a place where households move later in life, when starting families and/or earning higher incomes. Horsham District's housing stock grows in line with, and constrained by, the housing allocations in the South East Plan and LDF Core Strategy – the figure currently agreed is 10,575 new homes between 2001 and 2018, but this is subject to revision from the period of 2006 – concentrated in strategic locations west of Horsham Town and on the border with Crawley. At least 13,000 new homes will be required from 2006 to 2026 under the provisions of the South East Plan. A significant proportion of the additional housing demand will be for detached (37.7%) or semi-detached (30.1%) property, creating further upward pressure on prices and exacerbating barriers for young people, first time buyers and low-income households. In the Gatwick Diamond, the market price mechanism is likely to steer proportions of these groups to look elsewhere in the sub-region for affordable housing if it is not available in Horsham District.
Policy responses	• Housing policy must promote integration (not reinforce potential for division) between Horsham's different socio-economic groups – this is key to the central vision which emphasises *inclusion* over everything else. The District's vision implies the need to maintain a balanced community, even if there is significant market demand for upmarket housing. • The socio-economic composition of the future increase in the District's population is likely to be family-oriented (given Horsham District's role in the Gatwick Diamond sub-region) meaning high demand for larger houses, which conflicts with current policy which stipulates that 60% of housing provision must be 1 or 2 bed – this policy needs to be considered. • It is important to keep affordable housing provision as high as possible, at a 40% minimum. Housing Needs Surveys need to test the desirability of and demand for different affordable/intermediate housing products, for the 5% of the population who are income deprived along with low-skilled, low-paid residents, key workers and hard-to-reach groups. There may also be scope for more creative housing products tailored to the needs of these groups, including "3G housing" suitable for three different generations of a family living in separate parts of the same house or more 'campus style' accommodation for younger people. • Housing policy needs to continue to be aligned with broader policy. This includes policy on leisure and the night-time economy (to retain/attract young people and begin to reverse the uprooted youth trend), on transport (to ensure housing is located close to key transport infrastructure, and reduce car use, in recognition of the continuing high rates of commuting, particularly to Crawley/London). • Housing/planning policy should support the growth of the District's home-

<table>
<tr><td></td><td>based business clusters, with accompanying infrastructure (local services, retail and venues for home-based business owners to hold meetings). Research needs to be undertaken to assess the needs of home-based businesses, including live/work units.
Work more closely with Gatwick Diamond partners to plan housing at the sub-regional level, ensuring that a mix of units is provided across the sub-regional housing market area. Maintain Core Strategy policy to locate most residential development in the north-east of the District, with small-scale mixed development across the rest of the District in response to local need. Residential development should be sensitive to the local environment which is key to Horsham District's offer to residents, visitors and businesses.</td></tr>
<tr><td>Alignment with LDF Spatial Objectives</td><td>3, 4, 6, 9</td></tr>
</table>

<table>
<tr><th colspan="2">Employment space</th></tr>
<tr><td>Rationale and implications for vision</td><td> Horsham District's future employment growth will be concentrated in office-based sectors, reflecting ongoing structural changes in the economy of the South East of England. The demand for employment space generated by this growth in jobs will be 58,000 square metres, broken down as follows: 44,000 square metres of B1 business/office space, representing 75% of total additional floorspace requirements.
7,000 square metres of B2 general industrial space, representing 12% of total additional floorspace requirements.
8,000 square metres of standard, wholesale and superstore retail space, representing 13% of total additional floorspace requirements.
No square metres of B8 storage/distribution space. However, if the South East Regional Economic Strategy targets are to be achieved by 2026, the additional job growth that is forecast in the high growth scenario will need to be accommodated somewhere in the Gatwick Diamond. The demand for employment space generated by the high growth scenario will be significantly higher at 187,000 square metres, broken down as B1 business/office space (65%), B2 general industrial (10%), B8 storage/distribution (6%) and retail (19%) plus knock-on increases for leisure, restaurants, cafes and drinking establishments due to the significant increase in people working in the District during the day. Horsham District currently has around 50,000 square metres of vacant space, much of this being B1 business/office of generally good condition. There is a shortage of high quality business accommodation elsewhere in the Gatwick Diamond, particularly Crawley, meaning future demand will be high for quality accommodation in the north-east of Horsham District. Elsewhere in the District, the work anywhere trend will generate demand for quality work/live, home based and small business accommodation alongside an advanced technology infrastructure. </td></tr>
<tr><td>Policy responses</td><td>Spatial policy should seek to accommodate the estimated gross 58,000 square metres of additional employment space set out above, using the employment forecasts provided in the Visioning Horsham report as a guide.
Spatial policy should be flexible enough to respond to employment growth in the Gatwick Diamond, since the achievement of the high growth scenario (and the Regional Economic Strategy targets) will require an additional 131,000 square metres of employment space over and above the 58,000 in</td></tr>
</table>

	the central vision. • The District should work strategically with its Gatwick Diamond partners to strengthen/market the sub-region's brand (and Horsham's niche brand within it) and offer business a broad range of locations and sites – this may require greater harmonisation of spatial policy across the sub-region. This would also help to address, and overcome perceptions of, poor rates of return on investment in employment space in the District. • Much of the employment space requirement between 2006 and 2026 will need to be accommodated in Horsham Town and the north-east of the District, close to the Gatwick Diamond where much of the job growth is likely to be concentrated. Horsham's role within the Gatwick Diamond sub-region will be as a location for more upmarket, niche employers who want to be located in attractive places and high quality premises with easy access to skilled labour. Horsham District should make the case to accommodate these employers – this should not rule out any big inward investment opportunities should they arise, but acknowledges that the District is likely to be more attractive to small to medium sized firms. • The District should also safeguard its existing high quality employment sites and premises, including around 50,000 square metres of vacant space, much of this being B1 business/office of generally good condition. The Council needs to work closely with site/premises owners, agents and Gatwick Diamond partners to let vacant space and to identify vacant premises that cannot be let in their current form. • Whilst safeguarding its existing high quality employment sites and premises, the allocation of new employment space to accommodate additional future requirements should be suitable for small to medium sized businesses. In line with Horsham District's particular offer, developments should be high quality, high density, sensitive to the local environment with good transport access (particularly London, airports and other parts of the Gatwick Diamond). The Council should expand its policy of providing incubator, start-up and grow-on space. • Throughout the District, the needs of the strong clusters of small and home-based businesses should be met. Policy should consider work/live units, move-on accommodation for home-based businesses and greater flexibility in occupancy terms. Policy should also consider more creative interventions such as the provision of wimax infrastructure – technology for wireless data provision over long distances – across the District, along with venues in each rural settlement which can serve as meeting rooms for home-workers, small and home-based businesses. Research should be undertaken to assess the needs of home-workers, small and home-based businesses.
Alignment with LDF Spatial Objectives	3, 5, 6, 7, 8

Education/Skills	
Rationale and implications for vision	$kills are increasingly important for people, businesses and places to compete in the economy. By 2026, almost all jobs in Horsham District will require a qualification of some kind. Over 50% of the new jobs forecast for the District will require a degree-level qualification or above. Horsham District's population is much higher skilled than average. This will be key to the District's future economic prosperity. Horsham District's skilled workers will also be key to the future economic prosperity and competitiveness of the Gatwick

	Diamond, since skills and qualification levels are relatively low in locations such as Crawley. However, the importance of skills may work against the District's vision through trends such as uprooted youth since young people will continue to move away from home to attend university and get higher-paid jobs, and are less likely to return home if housing is not affordable and the local leisure offer not appropriate or adequate. Also, Horsham District may face a skills polarisation if young people from low-income households or rural areas do not progress beyond school education, due to barriers such as low aspirations or poor transport access.
Policy responses	• Horsham District should focus sufficient resources on young people and other residents with no or low qualifications, in order to help them share the benefits of future economic prosperity – this should include employability skills and basic skills such as literacy, numeracy and managing personal finances. There will be strong job growth in sectors which are traditionally perceived to be lower-skilled (retail, hospitality, etc), but in the future these jobs will still require qualifications of some kind as well as employability skills, so it will be important to ensure that residents are able to attain these qualifications/skills through education and work experience. • Greater than usual efforts should be put into ensuring the minimum wage is enforced in the District, since Horsham District's workplace and residence based earnings are fairly wide apart, meaning the District is a relatively expensive place to live for people at the lower-end of the wage spectrum. The introduction of a Horsham District "living wage" should be considered at some point in the future if affordability issues get any worse. • The District must maintain the high quality of its schools and work to better exploit the existing college and sixth-form offer in the District. Policy should also support the enhancement of the District's education offer where possible, including expansion plans by further (and higher) education providers such as the Brinsbury College and Central Sussex College developments. This support should be linked to the Gatwick Diamond's job growth. It should also include the enhancement of online learning in order to capitalise on the localism trend of using technology to bring communities together and break down barriers such as poor transport access. Horsham District should support older people to ensure they can also derive benefits through technology. • The University of Crawley proposal should be supported, even though the facilities themselves are likely to fall outside Horsham District's boundaries. A higher education provider in the Gatwick Diamond will boost the sub-region's attractiveness as a whole to businesses and make it easier for Horsham District residents and employees to undertake higher education learning without moving or travelling too far from the area. There is potential for a business school or management centre to be located in Horsham District, linked for example to the Roffey Park Institute or the prestigious Christ's Hospital, in order to exploit the District's wider high quality offer.
Alignment with LDF Spatial Objectives	6, 7, 8

Infrastructure	
Rationale and implications for vision	Horsham District is strong in environmental and healthy living infrastructure in the context of the overall Gatwick Diamond offer, complementing the industrial/transport heart of the sub-region. The District's green/open spaces, health, leisure and high quality of life will continue to attract residents and

	businesses who want to be based in the Gatwick Diamond and/or close to London, but want to be located in an attractive environment. This offer must be sustained. However, the relatively poor affordability and the rural nature of the District may create barriers to more deprived/excluded residents sharing its benefits, particularly around public transport, health/education facilities and access to leisure. The geography of the District, being predominantly rural, provides opportunity and impetus to enhance the provision of public services locally alongside improved access to technology through the localism trend, although those most in need of public service access tend to be those who have least access to technology solutions. Enhancing/altering the leisure offer of the District may make it more attractive to young people, although they will always look to Crawley, Brighton and London for certain leisure experiences. The District needs to decide whether to accept that the young adult cohort is best served by the surrounding areas, and focus instead on enhancing its offer for children, family and higher-earners.
Policy responses	• The District’s spatial policy must maintain the appropriate balance between accommodating development (residential and economic) and maintaining quality of life and environment. This balance is *fundamental* to the District’s offer to residents, visitors and businesses. • Work more closely with Gatwick Diamond partners to deliver an integrated infrastructure across the sub-region, collaborating with other local authorities on policy development, economic development and resource allocation. Some infrastructure may be better delivered/provided in some local authorities more than in others – e.g., major hotel/conference facilities are better located in Crawley and Gatwick Airport. Gatwick Diamond partners will need to lobby Central Government for investment in infrastructure to match the economic growth aspirations of the sub-region. It will be essential to ensure that the District’s transport infrastructure enables it to be fully integrated into the Gatwick Diamond economy, as well as facilitating continued travel to work to other commuting hotspots such as London. • Strong communities are a fundamental part of what makes the District an attractive place to live and these needs to be sustained, through for example events that create a sense of place and foster a community spirit. The District’s quality infrastructure and facilities need to be accessible (a) by all (b) not only by car. This is a major issue for the 5% of the population who are most deprived and therefore more reliant on public transport. The District needs to review its infrastructure (in the context of planned future residential/economic growth) and identify points of weakness. Community transport initiatives and free/reduced travel for older and younger people should be expanded. Lobbying for increased hospital provision in the north-east of the District should be continued. Support youth services and the District’s night-time offer, in recognition of some residents’ perceptions of crime and anti-social behaviour in the District – this support could include working with commercial operators to meet the needs of young people, e.g., encouraging café franchises to open later for young people. The forecast growth in the number of older people means that it will be important for the Council to work closely with its partners to increase the capacity of services and facilities and ensure they are sufficient for older people resident in the District so that they do not become isolated, particularly those living in rural areas. • Sustain infrastructure across the District, using its major rural settlements as hubs for services and facilities, in recognition of the District’s fundamentally

	rural nature. Rural settlements should act as essential service/facility hubs for the residents, businesses and home-workers in their catchment areas – this includes space to meet clients/suppliers/colleagues and technology/wimax infrastructure. Investigate the opportunities to generate additional funds through the Community Infrastructure Levy (currently under consultation) and Supplementary Business Rates. Explore the potential for Business Improvement District schemes in rural settlements.
Alignment with LDF Spatial Objectives	3, 5, 6, 7, 8, 9

Rural	
Rationale and implications for vision	Horsham District will, outside of Horsham Town and the north-easterly parts bordering Crawley, continue to be fundamentally rural. The District's rural areas will be required to fulfil a variety of functions: • supporting the development of the economy, through the District's thriving small and home based business sector; • helping exploit tourism opportunities as a discrete element of the West Sussex visitor package including the proposed South Downs National Park; • providing recreational resources for residents, including a programme of promotion, mapping and activities; • being an attractive place to live – although in the future, pressures on house prices are likely to increase, so measures to provide affordable rural housing alongside transport options will be important. The True Cost Economics trend means there will be an increasing interest in buying and sourcing locally. Because of its particular niche role in the Gatwick Diamond, Horsham District is well-placed to establish itself as a centre for farmers markets, niche retailers and local produce caterers – in line with its environmental and healthy living reputation. This broad proposition brings benefits not only to Horsham District but to the wider Gatwick Diamond, since it is an attractive proposition for residents, visitors and workers.
Policy responses	• Sustain infrastructure across the District's rural areas. Rural settlements should act as essential service/facility hubs for the residents, businesses and home-workers in their catchment areas – this includes community services, retail, space to meet clients/suppliers/colleagues and technology/wimax infrastructure. Assess the impact of the SEEDA-funded pilot to position Billingshurst as a hub of services for its hinterland, and investigate the potential to roll this model out across the District's larger rural settlements. • In policy, view and position the rural areas as functioning economies, not rural idylls, whilst protecting and enhancing the natural environment. Support the diversification of rural economies, particularly around tourism. Key to this is the provision of start-up, move-on/grow-on space for the clusters of small and home-based businesses across the District (particularly in Southwater, Billingshurst, Storrington, Steyning and Henfield). • Improve accessibility across the District, introducing community transport initiatives and free/reduced travel for older and younger people. Link rural transport policy with education/skills policy, to ensure people living in rural areas can access provision. Work with transport providers to integrate the District's transport infrastructure and improve ease of access to key sites including new employment sites/premises. • It is important to keep affordable housing provision as high as possible in

	rural areas, at a 40% minimum and using creative alternatives where commercial thresholds cannot be met. The Strategic Housing Market Assessment and local Housing Needs Surveys need to test the desirability of and demand for different affordable/intermediate housing products in rural areas. There should be small-scale mixed development which is sensitive to the local environment in rural areas in response to local need.
Alignment with LDF Spatial Objectives	1, 2, 3, 4, 5, 6, 7, 8, 9

Retail	
Rationale and implications for vision	Horsham District's future retail growth will take place alongside major, transformational growth in Crawley's retail offer. The demand for employment space generated by Horsham District's growth in retail jobs will be **8,000** square metres, broken down as follows: • 3,000 square metres of standard retail space, representing 40% of total additional floorspace requirements. • 5,000 square metres of wholesale/superstore retail space, representing 60% of total additional floorspace requirements. However, if some of the additional 130,000 square metres of employment space required under the high growth scenario are accommodated in the District, this will have a significant knock-on effect (mainly in Horsham Town and the north-east of the District) of up to a further 28,000 square metres of retail space. Demand for locally sourced, environmentally friendly retail options is growing through the True Cost Economics trend, complementing Horsham District's reputation as a place with an attractive environment.
Policy responses	• Complement, rather than compete with, Crawley's retail offer. Spatial policy should seek to accommodate the estimated *gross* 8,000 square metres of additional retail space set out above, using the employment forecasts provided in the *Visioning Horsham* report as a guide. • Niche retailing is most suited to the District's offer, and most realistic in the context of such significant growth in Crawley and surrounding areas. However, the retail mix needs to be managed. The employment space requirements set out above demonstrate that it will still be necessary to attract/retain wholesale, superstore and multiple retailers to provide a core reason for shoppers to come to the District. The district must investigate further the appropriate balance between town centre and out-of-town retail space, particularly in light of the changing planning policy context. • Create the conditions to help independent/smaller retailers thrive in the District. This should include business support and advice, starter units, marketing and branding of Horsham District's retail offer (including to the higher socio-economic groups resident in the District who perhaps currently shop elsewhere), public transport access and pleasant shopping environments.
Alignment with LDF Spatial Objectives	5, 6, 7, 8, 9

Tourism	
Rationale and implications for vision	People are spending increasingly high proportions of their income on experiences due to the servicing the experience economy trend, so tourism (particularly the weekend break market) opportunities are increasing fast. At the same time, the

	True Cost Economics trend will mean that consumers are more wary of what they spend their money on, preferring to spend it on more healthy, natural, environmentally friendly options (legislation is likely to be used increasingly to prompt such activity too), meaning that places such as Horsham District can draw significant economic benefits from quality natural environments. There are a number of opportunities to improve tourism performance in Horsham District in the future, building on its niche attractions and reputation to establish a product within West Sussex and the Gatwick Diamond. These opportunities include making best use of the "101 reasons to visit Horsham", focusing on natural heritage, healthy activities, arts and specialist retail, improving green spaces and open spaces, supporting the further diversification of the rural economy, developing the weekend break market and increasing the numbers of bed spaces in the District.
Policy responses	• Increase efforts to promote tourism in the District. Support the diversification of the rural economy, including opening up rural areas such as river walkways to public access. Collaborate with agencies and commercial operators to establish tourism packages around healthy living offers such as the Heart of Sussex, the Southwater Country Park, the South Downs National Park, the Riverside Walk, heritage buildings and specialist retail. • Spatial policy should support the provision of more bed spaces, up to 1,800 across the District under the central vision. This should include hotel provision in Horsham Town, serving both visitors and business needs. However, essential for the tourism market are small hotels and B&B type accommodation across the District. • Ensure the District's infrastructure is sufficient to withstand future growth in resident *and* visitor numbers. This includes transport infrastructure, making sure there is sufficient car parking alongside initiatives to encourage both residents and visitors to use public transport. Investigate ways in which public, community and private transport can be better integrated. • Investigate the potential for one or more regional/national tourism attractions being located in Horsham District (on sites such as Shoreham Cement Works), working with partners in the Gatwick Diamond, the Sussex Coast and West Sussex.
Alignment with LDF Spatial Objectives	1, 5, 6, 7, 8, 9

6.3 Next steps

There are some key next steps following the *Visioning Horsham* project:

- Review possible policy responses in the light of the *Visioning Horsham* report and evidence base.
- Consider and agree the way forward with HDCP – what needs to be done now, what needs to be done later, which external partners does HDCP need to influence?
- Continue to monitor the evidence base, the trends and the policy outcomes.
- Re-evaluate spatial planning policy proposals, and extend to the longer term.

It is important to act now in order to steer future change in the direction that reflects the best interests of Horsham District.