Sevenoaks Urban Area - Economic Study

A Draft Report by Hatch Regeneris
April 2019

Sevenoaks District Council

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www.hatchregeneris.com

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1. Study Context

Introduction

1.1 Sevenoaks Urban Area is located in Sevenoaks District within the West of Kent. The Urban Area includes Sevenoaks Town and the surrounding settlements of Dunton Green, Riverhead, Chipstead and Bessels Green.

1.2 The area is a key employment location locally, with strong transport links to central London via National Rail and major motorways providing connections to Gatwick and Heathrow airports as well as the Channel Ports and Ashford and Ebbsfleet International stations.

1.3 The Sevenoaks Urban Area is surrounded by picturesque countryside areas, with 60% of the wider Sevenoaks District situated within the Kent Downs or High Weald Areas of Outstanding Natural Beauty.

Research Purpose and Approach

1.4 Urban Initiatives and Hatch Regeneris were commissioned by Sevenoaks District Council to undertake an economic study of Sevenoaks Urban Area and the Sevenoaks Neighbourhood Plan area. The economic study is comprised of three parts:

1) A review of the current socio-economic profile of the area, providing a detailed picture on the economy, workspace and local demographics.

2) A capacity assessment of key development sites within the town, identifying opportunities, constraints, mix of uses, development density and potential quantum.

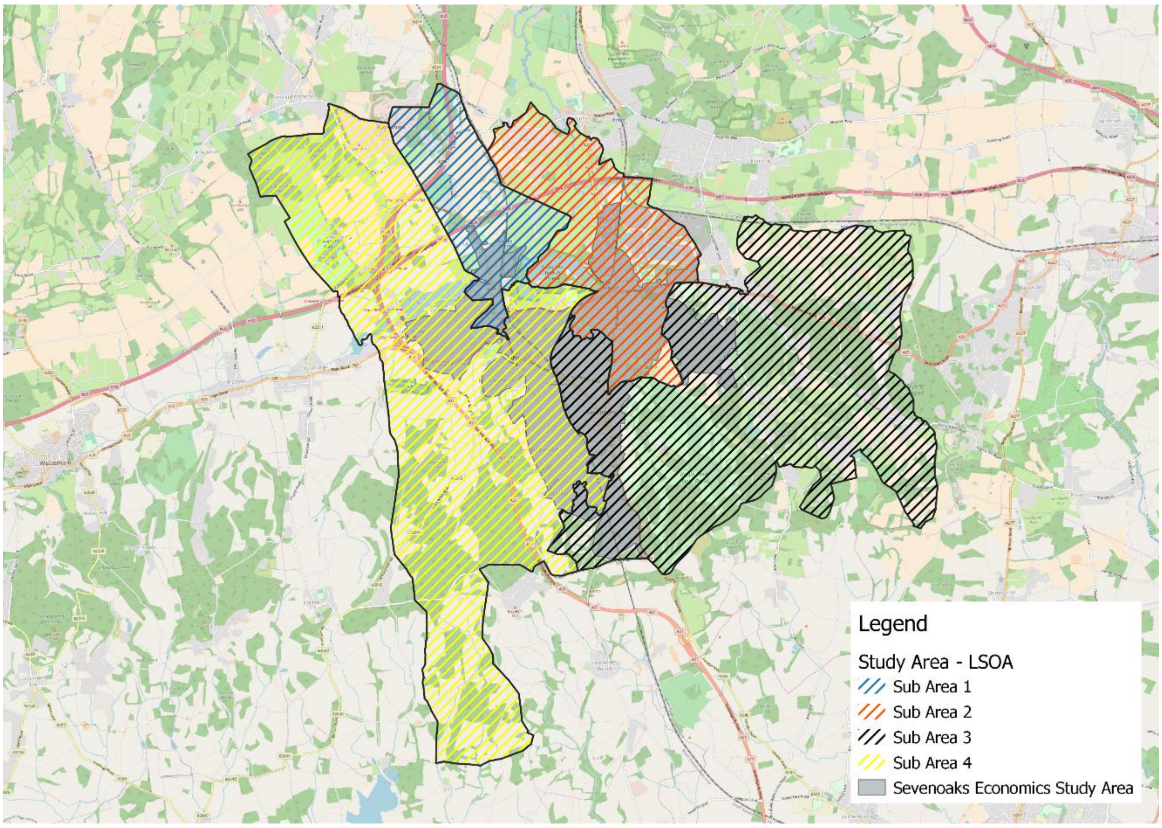
3) An assessment of the potential socio-economic contribution of these development schemes - based on the provision of affordable housing, gross employment, CIL contributions, and the uplift in residential expenditure arising from local population growth.

Statistical Geographies

1.5 In order to ensure the study captures separate and accurate data for both the Sevenoaks Urban Area and the Sevenoaks Neighbourhood Plan area the following statistical geographies have been used:

1.6 **The Sevenoaks Urban Area** has been devised by selecting Lower Super Output Areas (LSOAs) that best fit the Sevenoaks urban area boundary. In order to demonstrate the economic and social nuances of the entire urban area, the statistical geographies have been split into four distinct sub areas. These are shown spatially in Figure 1.1 and the elements they contain are detailed in Table 1.1.

Figure 1.1 Sevenoaks Urban Area – Statistical Boundary



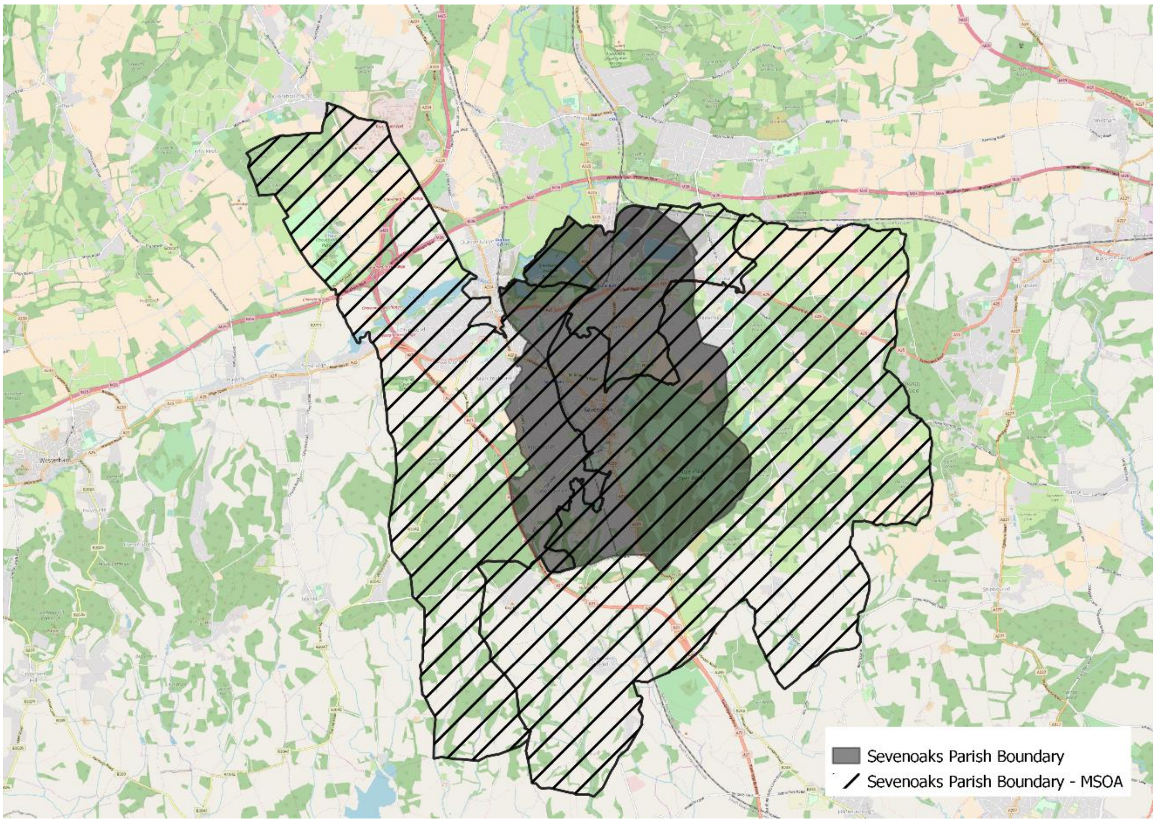
Source: Hatch Regeneris

Table 1.1 Sevenoaks Urban Area

	Town Centres Encompassed	Parish Covered	Retail and Employment Covered
Sub Area 1	Dunton Green, Riverhead	Sevenoaks, Dunton Green, Otford	Riverhead Retail and Employment Area
Sub Area 2	St Johns	Otford, Sevenoaks	Otford Retail and Employment Area
Sub Area 3	Sevenoaks Town, Tubs Hill and Sevenoaks Proposed Station	Sevenoaks, Seal	
Sub Area 4	(Periphery of Riverhead)	Chevening and Riverhead	

1.7 The geography of the **Sevenoaks Neighbourhood plan** is also included and considered separately where possible. This is comprised of Middle Super Output Areas (MSOAs) on a best fit basis and is shown spatially below in Figure 1.2.

Figure 1.2 Sevenoaks Neighbourhood Plan – Statistical Boundary



Source: Hatch Regeneris

1.8 In order to provide an indication of relative performance against each indicator, the study geographies are benchmarked against, Sevenoaks District, Kent County Council and England.

2. Economy

2.1 This section provides an overview of both the Sevenoaks Urban Area and the Sevenoaks Neighbourhood Plan economy. It considers the total scale of the economy, recent performance, enterprise and sectoral profile.

Economic Overview – Sevenoaks Urban Area

Employment

2.2 There are currently around 20,300 jobs in the Sevenoaks Urban Area, accounting for around 40% of Sevenoaks District's total employment. Sub Area 3, which encompasses Sevenoaks Town delivers the largest proportion of this employment – accounting for more than half of all jobs in the urban area.

Table 2.1 Sevenoaks Urban Area – Employment Overview

	Jobs	% of Sevenoaks Urban Area Jobs
Sevenoaks Urban Area	20,290	
Sub Area 1	1,395	7%
Sub Area 2	5,255	26%
Sub Area 3	11,015	54%
Sub Area 4	2,625	13%

Source: Business Register and Employment Survey (BRES), 2016

2.3 The Sevenoaks Urban Area has experienced notable employment growth in recent years, with an additional 4,000 jobs in the area. Here, job growth has more than doubled that seen nationally and across the wider Sevenoaks District Council area.

2.4 Across the Sevenoaks Urban Area, Sub Area 4 has experienced the greatest degree of growth, whilst Sub Area 1 has contracted in terms of jobs numbers over the past five years.

Figure 2.1 Jobs Growth 2011-16

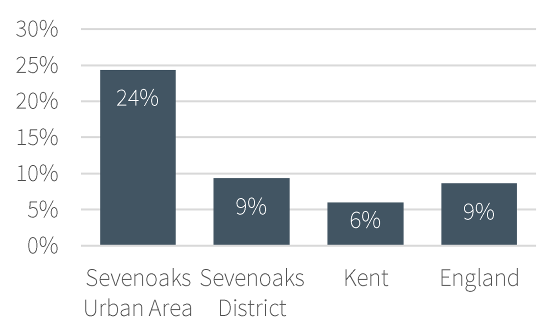
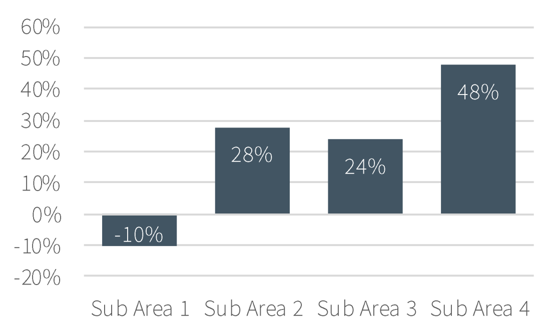


Figure 2.2 Sub Area Jobs Growth 2011-16



Source: BRES, 2016-2011

Business

2.5 There are currently around 2,900 businesses in the Sevenoaks Urban Area. Sub Area 3, which primarily encompasses Sevenoaks Town Centre occupies over half of total businesses. Sub Area 2 which covers St John's makes up just under a quarter of the total Sevenoaks Urban Area businesses.

Table 2.2 Sevenoaks Urban Area – Business Overview		
	Businesses	**% of Sevenoaks Urban Area Businesses**
Sevenoaks Urban Area	2,903	
Sub Area 1	203	7%
Sub Area 2	632	22%
Sub Area 3	1,521	52%
Sub Area 4	547	19%

Source: Companies House Data, 2018

2.6 The Sevenoaks Urban Area has experienced a degree of business growth in recent years, albeit to a lesser extent than that seen nationally.

2.7 There has been business growth across each of the Sub Areas, with Sub Area 4 experiencing the largest degree of growth over the past five years.

Figure 2.3 Business Growth 2012-17

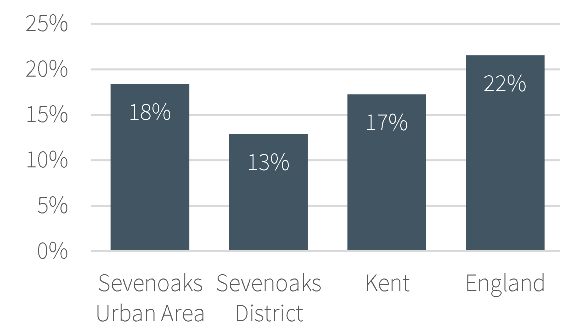
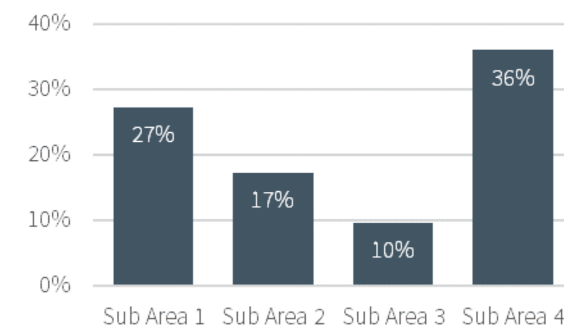


Figure 2.4 Sub Area Business Growth 2012-17



Source: UK Business Count,

Possible Implications for Sevenoaks Urban Area

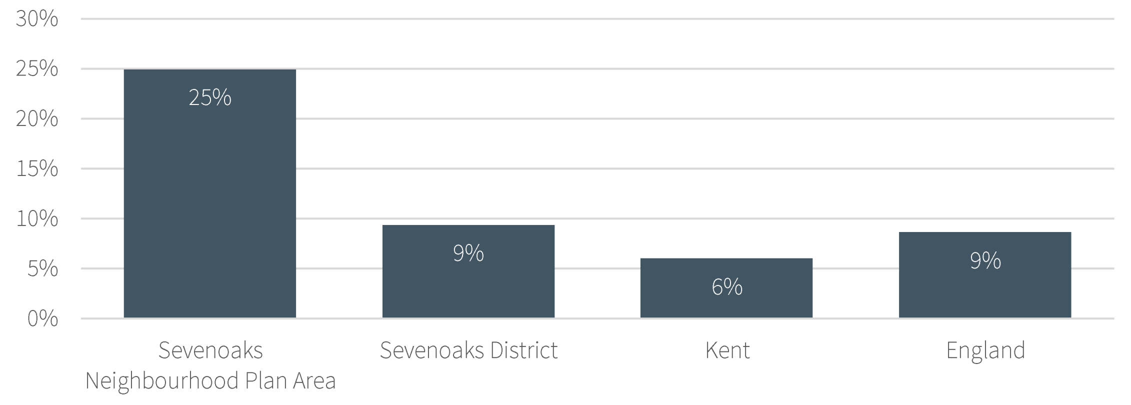
- These findings highlight the changing nature of work in each area and the associated demand for space – such as the strong growth around Sub Area 4 (Chevening), compared to a decline in employment in Sub Area 1 (Dunton Green).
- Further interrogation of local market data would improve local understanding of the type of employment space that is thriving across Sevenoaks Urban Area and within the sub areas, as well as other types which are struggling.
- The strong levels of growth in Sub Area 3 (Sevenoaks Town Centre) may suggest that there is increased demand for the sorts of uses associated with the town centres – office space, retail units, back office functions.

Economic Overview – Sevenoaks Neighbourhood Plan Area

2.8 There are currently around 17,800 jobs in the Sevenoaks Neighbourhood Plan Area, accounting for around a third of all jobs in Sevenoaks District Council.

2.9 The Sevenoaks Neighbourhood Plan area has experienced growth in recent years with 3,600 more people employed in the area than five years ago. In terms of percentage jobs growth, the Sevenoaks Neighbourhood Plan area has experienced over double the level of growth than that seen across the rest of Kent and England.

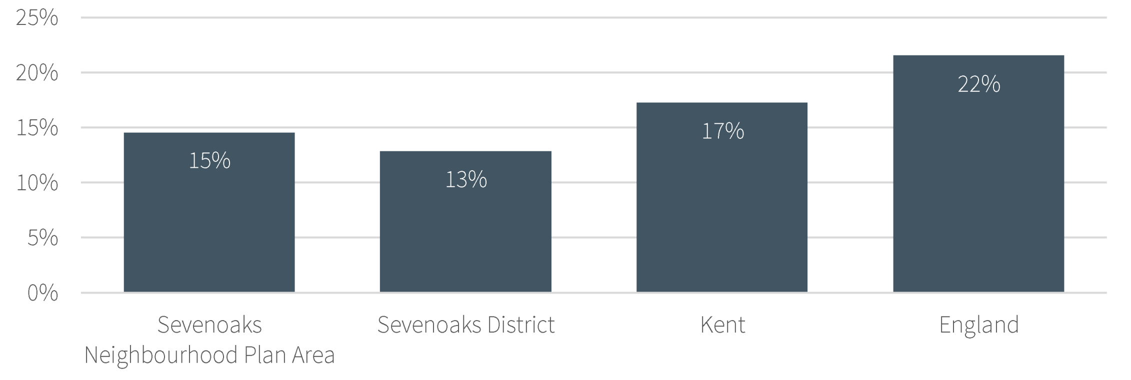
Figure 2.5 Sevenoaks Neighbourhood Plan Area Employment Growth 2011-16



Source: BRES, 2016

2.10 Whilst the area has grown in business terms in recent years, with around 250 more businesses operating in the area, the scale of growth is to a lesser extent than that seen across Kent and England.

Figure 2.6 Sevenoaks Neighbourhood Plan Area Business Growth 2012-17



Source: UK Business Count, 2017-2012

Possible Implications for Sevenoaks Neighbourhood Plan Area

- As employment growth has been strong, there is likely to be higher demand from the sectors that are driving this growth. The sectoral growth data provided in the following section provides further insight into the possible demand for particular types of space.
- Whilst employment has grown notably, the area's business base has experienced more modest levels of growth. This may indicate that larger companies in the area are growing and raises questions as to whether the local office stock currently provides sufficient 'grow on' space to retain its local growing businesses.

Sector Profile - Sevenoaks Urban Area

2.11 The largest sector in the Sevenoaks Urban Area is public administration, education and health, accounting for around a quarter of all jobs in the area. This is a similar proportion to that experienced nationally. Other prominent sectors within the Sevenoaks Urban Area economy includes financial & professional services (3,300 jobs), retail (2,800 jobs) and construction (2,000 jobs), all of which have a higher proportion of employment in Sevenoaks Urban Area than that seen nationally.

2.12 The fastest growing sectors in the Sevenoaks Urban Area over the last five years have been business support services (+212%) and construction (+183%). Other fast-growing sectors over the last five years include public administration, education & health (+1,206 jobs) and ICT, media and creative activities (+301 jobs).

Table 2.3 Sevenoaks Urban Area – Largest Sectors – Employment

	Employ.	% of Total	LQ[1]	Total Change 2011-16	% Change
Public Admin, Education, Health	4,900	24%	1.0	1,206	33%
Financial and Professional Services	3,300	16%	1.2	75	2%
Retail	2,800	14%	1.3	51	2%
Construction	2,000	10%	2.1	1,300	183%
Business Support Services	1,800	9%	1.1	1,249	212%
ICT, Media and Creative Activities	1,600	8%	1.3	301	23%
Hospitality, Leisure and Recreation	1,600	8%	0.8	151	10%
Wholesale	700	4%	0.8	-260	-26%
Manufacturing - Higher Tech	400	2%	0.6	61	20%
Transport	300	1%	0.4	115	72%

Source: BRES, 2016

Blue represents a Sevenoaks Urban Area sector which possesses a greater degree of specialisation and greater degree of growth than that seen nationally

Sub Area Sector Profile

2.13 Reviewing the sectoral composition of each of the sub areas allows for a more granular understanding of the local economy. The construction sector is particularly specialised across all of the sub areas except from in Sub Area 3. In Sevenoaks Town (Sub Area 3) there is the presence of several high value sectors such as ICT media and creative activities and financial and professional services reflecting the high degree of office stock and transport connectivity with London. Sub Area 2 which covers St Johns has a notable level of specialisation in the food and higher tech manufacturing sectors.

Table 2.4 Most Specialised (LQ) Sectors by Sub Area (Employment 2016)

Sub Area 1	Sub Area 2.	Sub Area 3	Sub Area 4
Construction 3.9	Construction 4.2	ICT, Media and Creative Activities 1.7	Construction 4.6
Retail 3.3	Retail 2.1	Business Support Services 1.6	ICT, Media and Creative Activities 1.4
Other Services 1.2	Manufacturing - Food 1.9	Financial and Professional Services	Public Admin, Education, Health 1.2

[1] Location Quotient (LQ) shows the proportion of local employment relative to that seen nationally, with a figure above 1.0 showing a sector has a higher proportion of employment in a sector relative to England.

		1.5	
Business Services 1.0	Manufacturing - Higher Tech 1.8	Public Admin, Education, Health 1.0	Financial and Professional Services 1.2
ICT, Media and Creative Activities 1.0	Wholesale 1.3	Hospitality, Leisure and Recreation 1.0	Hospitality, Leisure and Recreation 1.1

Source: BRES, 2016

2.14 The top five growth sectors within each sub area are detailed below in Table 2.5.

Table 2.5 Highest Growth Sectors by Sub Area (Employment 2011-2016)

Sub Area 1	**Sub Area 2.**	**Sub Area 3**	**Sub Area 4**
ICT, Media and Creative Activities 183%	Transport 500%	Utilities and waste - gas, water, electricity 400%	Construction 115%
Construction 108%	Construction 423%	Business Support Services 358%	Hospitality, Leisure and Recreation 111%
Public Admin, Education, Health 101%	Manufacturing - Food 160%	Public Admin, Education, Health 50%	Manufacturing - Higher Tech 100%
Business Support Services 74%	Manufacturing - Higher Tech 32%	Construction 34%	ICT, Media and Creative Activities 51%
Other Services 50%	Retail 31%	ICT, Media and Creative Activities 28%	Financial and Professional Services 51%

Source: BRES, 2016

Sector Profile – Sevenoaks Neighbourhood Plan Area

2.15 The Sevenoaks Neighbourhood Plan area has a similar sector breakdown to the Sevenoaks Urban Area, with a strong representation of jobs in public administration, education and health (4,740 jobs), financial & professional services (3,065 jobs) and business support services (2,160 jobs). There is a much lower presence of construction and retail jobs in the Neighbourhood Plan area relative to the Urban Area, but a higher presence of business support services which include activities such as human resource provision, cleaning services and office administrative services.

2.16 The Sevenoaks Neighbourhood Plan area has experienced similar sector employment growth to the Sevenoaks Urban Area, although there has been much stronger growth in business support services, and weaker growth in construction and public administration, education & health. The fastest growing sector was business support services, more than quadrupling in size relative to 2011.

2.17 The fastest growing sectors in the Sevenoaks Urban Area over the last five years have been business support services (+212%) and construction (+183%). Other fast-growing sectors over the last five years include public administration, education & health (+1,206 jobs) and ICT, media and creative activities (+301 jobs).

Table 2.6 Sevenoaks Neighbourhood Plan Area – Largest Sectors

	Employ.	% of Total	LQ	Total Change 2011-16	% Change
Public Admin, Education, Health	4,740	27%	1.1	963	25%
Financial and Professional Services	3,065	17%	1.3	257	9%
Business Support Services	2,160	12%	1.4	1,640	315%
Retail	1,950	11%	1.0	110	6%
Hospitality, Leisure and Recreation	1,620	9%	0.9	195	14%
ICT, Media and Creative Activities	1,520	9%	1.4	350	30%
Construction	1,025	6%	1.2	386	60%
Wholesale	685	4%	0.9	-245	-26%
Other Services	230	1%	0.7	-32	-12%
Transport	190	1%	0.3	25	15%

Source: BRES, 2016

Blue represents a Sevenoaks Neighbourhood Plan Area sector which possesses a greater degree of specialisation than that seen nationally or a greater degree of growth

Location Quotient (LQ) shows the proportion of local employment relative to that seen nationally, with a figure above 1.0 showing a sector has a higher proportion of employment in a sector relative to England

Possible Implications for Sevenoaks Urban Area

- The evidence suggests there is growing demand for office space around a few key sectors (e.g. Financial and Professional Services (75 new jobs), ICT, Media and Creative Activities (300 new jobs)). Whilst these key sectors are growing, the total increase is relatively small so impact on space demand would be minimal. However, this could highlight demand for space appropriate for smaller businesses, as well as businesses and individuals seeking co-working/flexible style workspace in the area.
- Large levels of growth in business support services sector may suggest that there may be a growing demand for out of town office space.
- There is a possibility of providing more space to support the specialisation in Sub Area 2 (St John's) – Food manufacturing (130 jobs) and higher tech manufacturing (290 jobs) sectors that typically require lower density, light industrial accommodation.

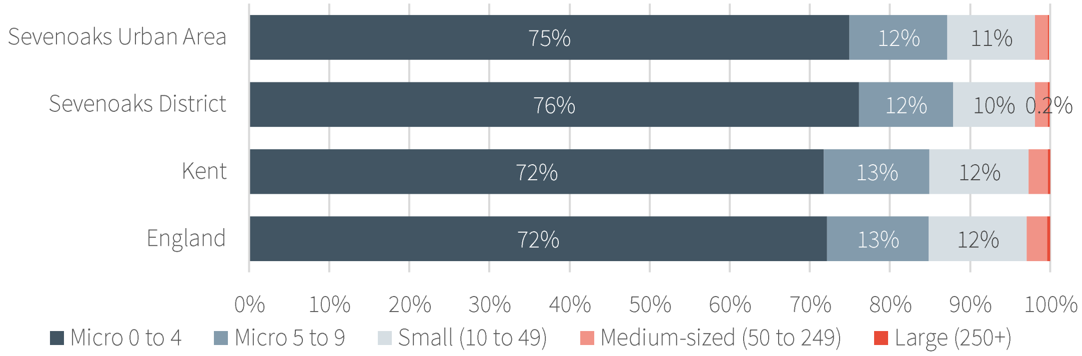
Business and Enterprise – Sevenoaks Urban Area

2.18 Data provided by UK Business Count provides an insight into business activity at the local level. The data here has been captured using a Local Units measure, this considers individual sites that belong to an Enterprise and is typically the best method to gain a holistic understanding of business activity.

2.19 Sevenoaks Urban Area is characterised by a large degree of micro businesses (businesses employing 9 people or less), which represent 88% of the total business base. There are currently:

- around 50 businesses that employ between 50-249 people (Medium-Sized)
- 5 businesses operating in the Sevenoaks Urban Area that employ over 250 people (Large).

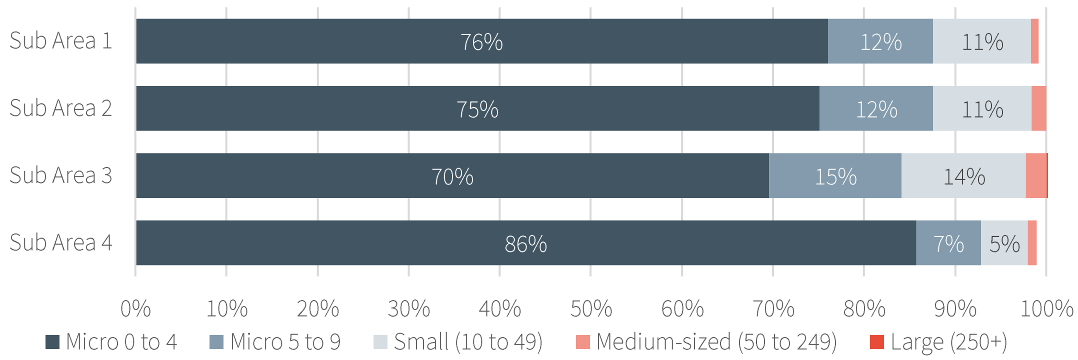
Figure 2.7 Sevenoaks Urban Area – Business Size Profile



Source: UK Business Count, 2017

2.20 The business size profile across the Sub Area's is relatively uniform, with Sub Area 4 accommodating the largest proportion of micro businesses. Sub Area 3, which encompasses Sevenoaks Town Centre is the only Sub Area to contain a Large business. This area contains all 5 of the Urban Area's large businesses, reflecting Sevenoaks Town Centre's important position within the wider economic context.

Figure 2.8 Sevenoaks Urban Sub Area's - Business Size Profile



Source: UK Business Count, 2017

2.21 Sole Proprietor data shows the amount of businesses run solely by the owner and provides a good indication of enterprise locally. Here, Sevenoaks Urban Area has a lower proportion of self-run businesses relative to Sevenoaks District and England possibly reflecting the more established role of the area as a business location.

2.22 Sub Area 2 has the largest degree of Sole Proprietor businesses, which matches the national average. Sub Area 3 has the lowest proportion, again possibly reflecting the more established role of Sevenoaks Town Centre as a business location.

Figure 2.9 Sole Proprietor Businesses 2017

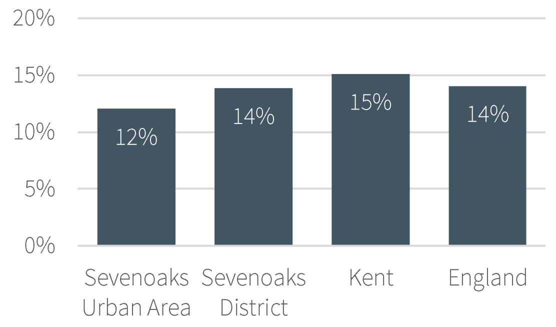
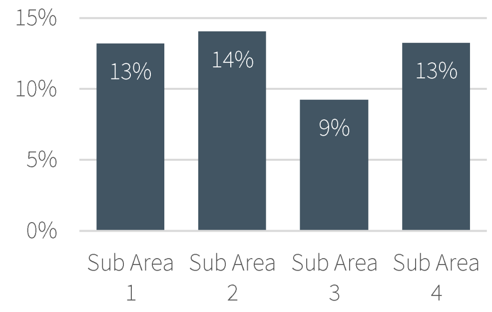


Figure 2.10 Sub Area - Sole Proprietor Businesses 2017

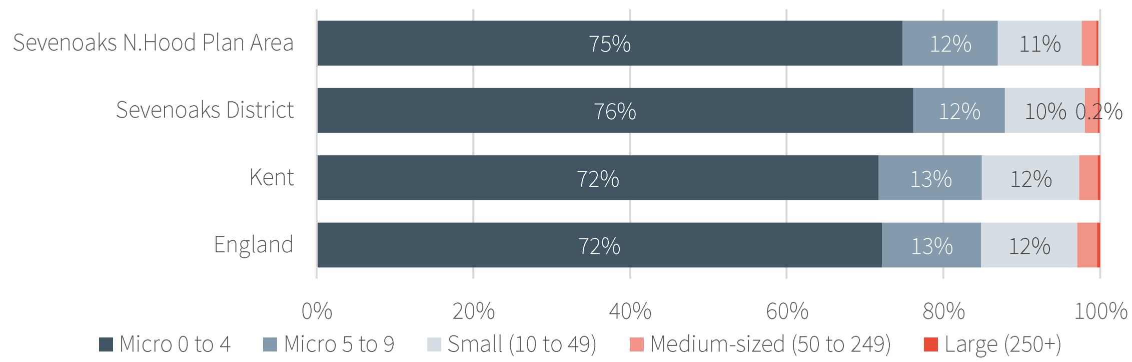


Source: UK Business Count, 2018

Business and Enterprise – Sevenoaks Neighbourhood Plan

2.23 The Sevenoaks Neighbourhood Plan area is characterised by micro sized businesses, which represent 87% of the area's total business base. This proportion of micro businesses is larger than that seen across the rest of Sevenoaks District, however, is smaller than the profile seen nationally.

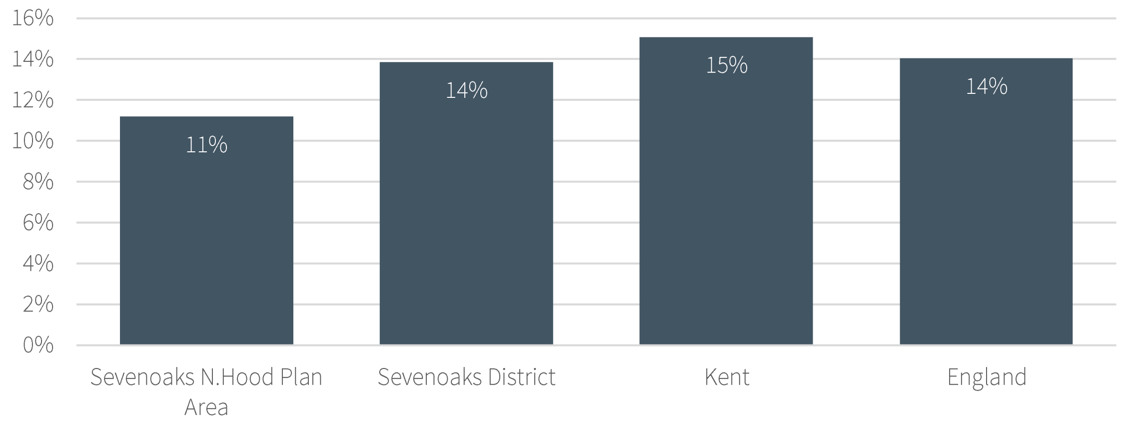
Figure 2.11 Sevenoaks Neighbourhood Plan Area – Business Size Profile



Source: UK Business Count, 2017

2.24 There are currently around 235 sole proprietor businesses in the Sevenoaks Neighbourhood Plan Area. The Neighbourhood Plan area has a lower proportion of self-run businesses relative to Sevenoaks District and England.

Figure 2.12 Sevenoaks Neighbourhood Plan Area – Sole Proprietor Businesses



Source: UK Business Count, 2017

Business Starts and Survival

2.25 Business demography data is provided at the local authority level and offers a relative indication of enterprise. In 2016 there were 815 business starts in Sevenoaks District. In terms of start-up rate Sevenoaks District is performing marginally below the rate seen across the rest of Kent and England (Figure 2.13). Despite lower levels of start-up rates, business survival data suggests that Sevenoaks District is a strong place to start up a business, with 46% of businesses that started up in 2011 still trading in 2016 a greater degree than that seen in Kent and nationally.

Figure 2.13 Business Start Up Rate - 2016

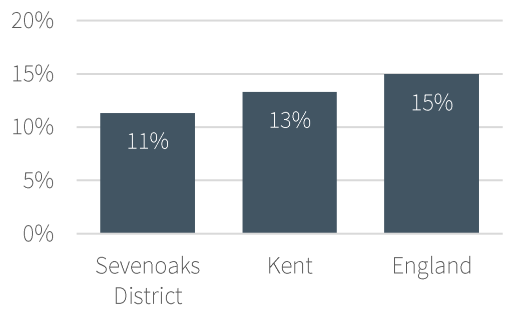
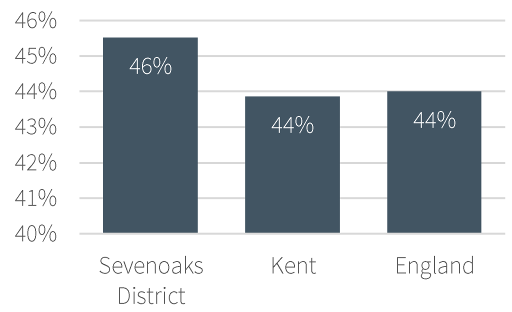


Figure 2.14 5 Year Business Survival Rate 2011-2016



Source: Business Demography, 2017

Possible Implications for Sevenoaks Urban Area

- Very few large employers in the area (all of which are located in Sub Area 3).
- There has been no change in the number of large employers over the last five years suggesting that this is unlikely to change going forward. It is difficult to tell from the evidence whether large scale speculative office development will attract large firms to the area. This is likely to be considered on a site by site basis as there is currently not an abundance of large spaces for firms to relocate to.
- Demand for space is likely to be driven by micro and small businesses, who dominate the local economy and have grown in size in recent years.

3. Workspace

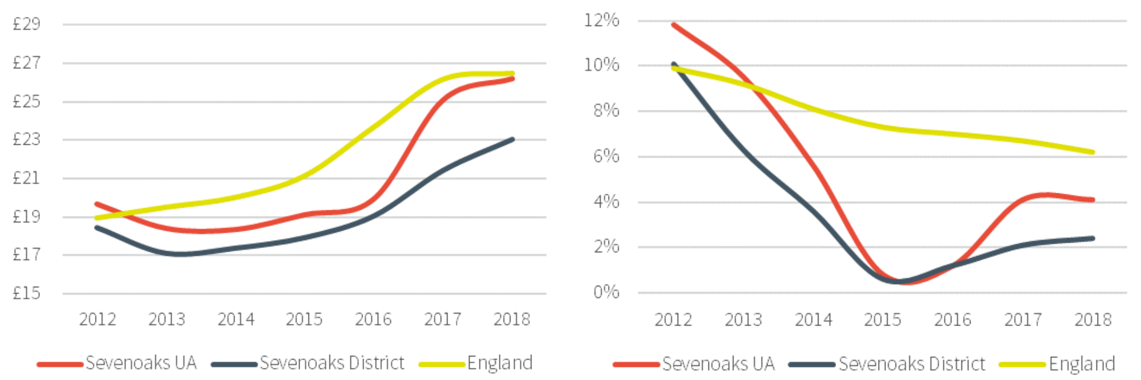
3.1 Given the availability of data, this section provides an overview of workspace available within Sevenoaks Urban Area, the current commercial property market performance, and a quality assessment of the workspace in the area.

3.2 The performance of Sevenoaks Urban Area commercial property market has been compared to Sevenoaks District and national data, although it was not possible to provide analysis for the sub-areas given the small number of units that would be available for analysis in each area.

Office Market Trends

3.3 The office market in Sevenoaks Urban Area has been performing strongly in recent years, with vacancy levels falling by two-thirds over the last six years and rental values increasing by 32%. The average office rental values are now £26 per sqft, above the cost of space across the district, but below average national levels. The vacancy of office space has fallen considerably since 2012, falling to 1% in 2015, before a recent rise to 4% in 2018.

Figure 3.1 Office Market Trends – Rental Values (Left), Vacancy Levels (Right)

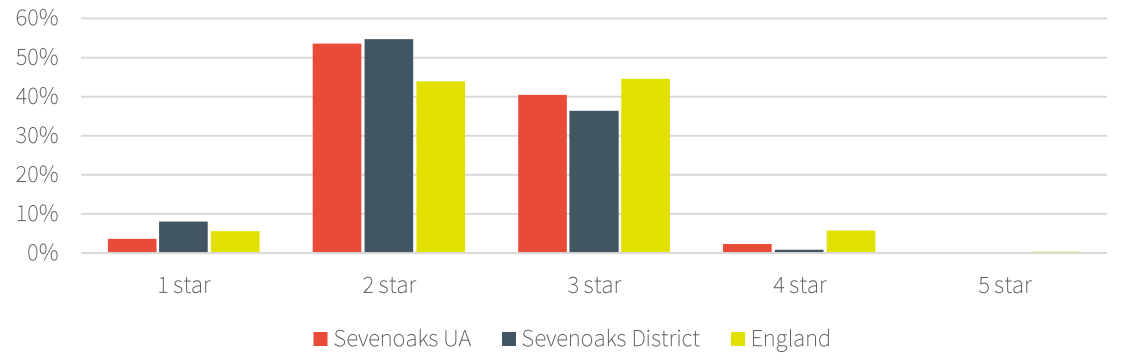


Source: CoStar, 2018 Note – Sevenoaks UA represents Sevenoaks Urban Area

3.4 Co-Star data provides an indication of the quality of each office unit, based on the CoStar Building Rating System[2], which considers characteristics including: architectural attributes, structure and systems specifications and third-party certifications. Office stock in Sevenoaks Urban Area is typically of a higher quality than offices across the rest of the district, although it is of a lower quality compared to nationally. Just over half of offices in Sevenoaks Urban Area are rated 2-star, with limited additional facilities, minimal/no lobby and an ageing structure.

[2] *CoStar Building Rating System – provides an office rating based on a range of criteria, including architectural design, building systems, amenities, management and certifications.

Figure 3.2 Quality of Office Stock



Source: CoStar, 2018

Permitted Development Rights

3.5 Since 2013 Permitted Development Rights (PDR) were introduced to the planning system, allowing the conversion of office space to residential use without the need for change of use. This move has placed pressures on employment floorspace in some areas where there has been a disproportionate loss of floorspace, creating issues in terms of local supply. Data is provided on PDR for Sevenoaks district.

3.6 In Sevenoaks District there have been 31 PDR approvals given between 2013 and 2016 with around half of these being completed.

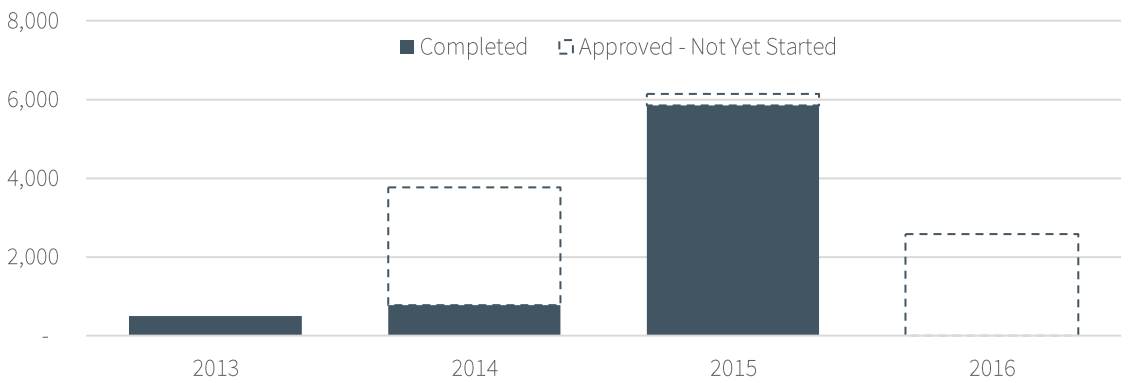
Table 3.1 Permitted Development Rights – Sevenoaks District 2013-2016

	PDR Approvals	Floorspace (sqm)
Completed	12	7,121
Approved – Not Yet Started	19	5,856
Total	31	12,977

Source: Sevenoaks District Council, 2018

3.7 In 2015 there was almost 6,000 sqm of office space lost to PDR in Sevenoaks District, with other years experiencing relatively small levels of PDR approvals going through to completion.

Figure 3.3 Office Floorspace (sqm) Lost through PDR - Sevenoaks District – 2013-2016



Source: Sevenoaks District Council, 2018

3.8 Guidance provided by HCA regarding employment density indicates that the office space lost through PDR could support a substantial amount of jobs. The office space that has already been lost under PDR in Sevenoaks District could support around 590 jobs. Office space with PDR prior approval that have not yet been completed would be able to support around 490 jobs.

3.9 Whilst it is not possible to directly attribute a causal link, a loss office space of this degree is likely to have an impact on the aforementioned office rents and vacancy levels. Over the period where office space has been lost under PDR:

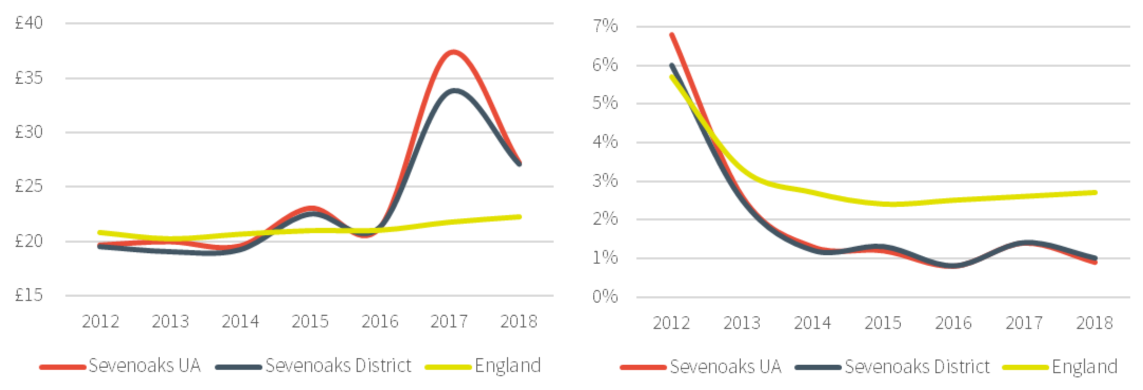
- Office rental values have risen by 43%
- Office vacancy rates have decreased 1.5 percentage points

Office space that has already been lost under PDR in Sevenoaks District could support around 590 jobs

Retail Market Trends

3.10 The retail market in Sevenoaks Urban Area has also performed strongly, with very low levels of vacancy and rising rents, especially over the last two years. Vacancy levels among Sevenoaks Urban Area retail units have been continually below 2% over the last five years, with levels across the district matching those in Sevenoaks Urban Area. The national retail vacancy rate is higher by comparison (continually being above 2% for the whole period). However, it is important to note that the recent closure of Tesco in Sevenoaks Town Centre may influence this position going forward. Rental values have increased dramatically over the last two years and are now above the national rate, being around £27 per sq ft in 2018.

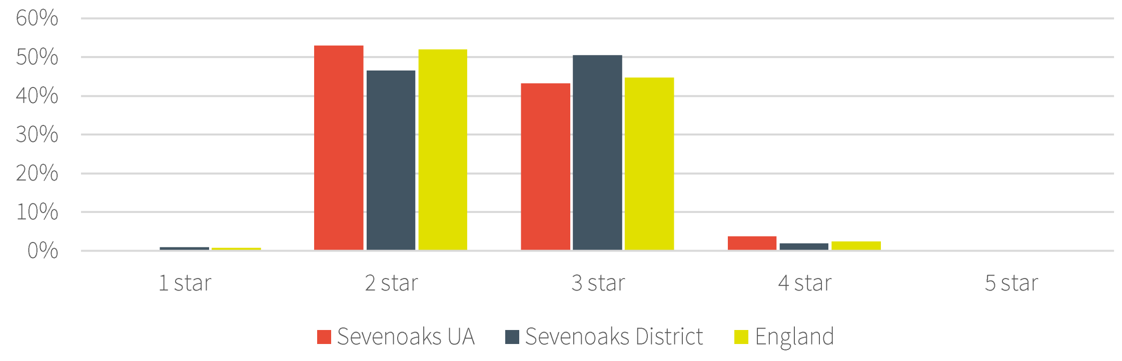
Figure 3.4 Retail Market Trends – Rental Values (Left), Vacancy Levels (Right)



Source: CoStar, 2018

3.11 Data from Co-Star provides an indication of the quality of each retail unit (based on similar metrics to the office quality data). Sevenoaks' Urban Area retail units are generally of a better quality than retail units in the district and nationally, with over half of units being rated 3-star or higher (being able to host national or regional retailers with an average design).

Figure 3.5 Quality of Retail Stock

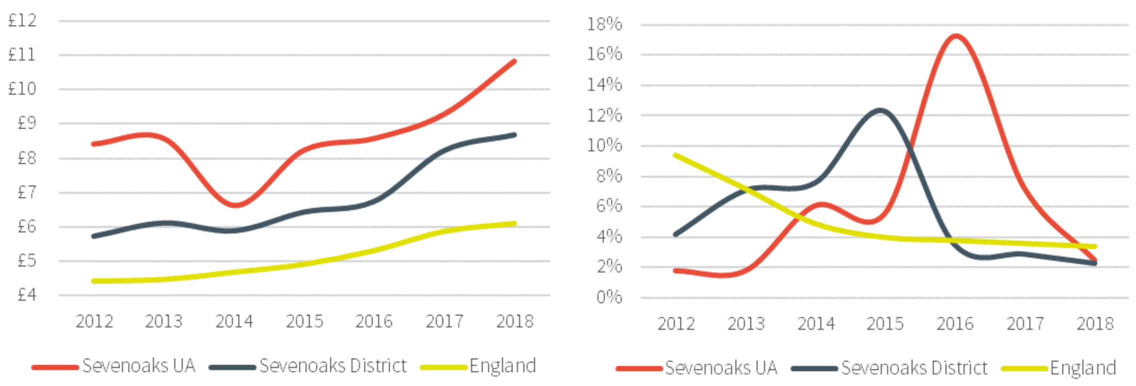


Source: CoStar, 2018

Industrial Market Trends

3.12 The industrial market in Sevenoaks Urban Area has performed well, with strong growth in rental values over the last four years following a short-term fall in the market. Rental values in Sevenoaks Urban Area are above the district and national level, with industrial values 75% higher than the national average. This premium on value is likely to reflect Sevenoaks location near to London and the constrained nature of land in the South East of England. Vacancy levels amongst Sevenoaks' Urban Area industrial units has varied over the last six years, with the vacancy rate increasing considerably in 2016, before falling back to the national average in 2018 (3%). The low levels of industrial vacancy and limited availability of premises is also a likely contributing factor to the high industrial values in Sevenoaks Urban Area.

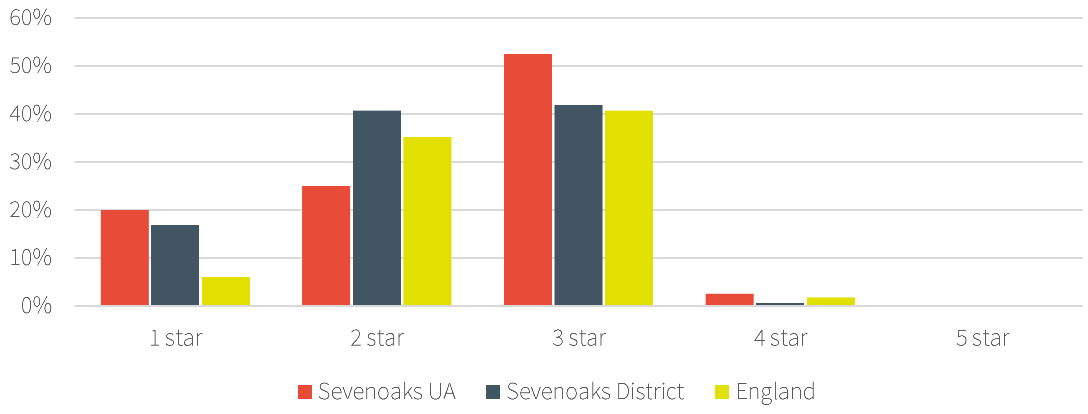
Figure 3.6 Industrial Market Trends – Rental Values (Left), Vacancy Levels (Right)



Source: CoStar, 2018

3.13 Data from Co-Star provides an indication of the quality of each industrial unit (based on similar metrics to the office quality data). Sevenoaks' Urban Area industrial units are of a slightly lower quality than those in the district, although they are of a similar quality to nationally. The majority are rated two or three star.

Figure 3.7 Quality of Industrial Stock



Source: CoStar, 2018

Possible Implications – for Sevenoaks Urban Area

- Vacancy levels have fallen sharply in recent years, suggesting a high demand for available space. The increased demand for office space has driven up rental values for office space.
- High levels of demand and strong rental values suggest there may be an appetite for developers to deliver office space in the area.
- Office quality is below the level seen nationally and whilst prices remain buoyant, this may also affect how attractive Sevenoaks Urban Area is as a place to do business.
- The retail market is performing well, with low levels of vacancy, above average rental values and good quality stock. Although it is important to note that the Recent Tesco closure may affect this position going forward.

4. People

4.1 This section provides an overview of both the Sevenoaks Urban Area and Sevenoaks Neighbourhood Plan Area population, looking at the total scale of the population, recent and projected growth, age profiles and earnings.

Population Overview

Sevenoaks Urban Area

4.2 There are around 32,900 people in the Sevenoaks Urban Area, comprising 28% of the total Sevenoaks District population.

4.3 With a resident population of 10,400, Sub Area 2 is the largest Sub Area accommodating almost a third of all of Sevenoaks Urban Area population. Sub Areas 4 and 3 follow closely behind, at 30% and 26% respectively.

Table 4.1 Sevenoaks Urban Area – Population Overview

	Population	% of Sevenoaks Urban Area Population
Sevenoaks Urban Area	32,911	
Sub Area 1	4,094	12%
Sub Area 2	10,394	32%
Sub Area 3	8,549	26%
Sub Area 4	9,874	30%

Source: ONS Mid-Year Population Estimates, 2016

4.4 Population growth has occurred at a faster rate in the Sevenoaks Urban Area (5%) compared to England as a whole (4%) in recent years. The Sevenoaks Urban Area grew by 1,600 people from 2011 to 2016.

4.5 With a 13% increase, Sub Area 1 has experienced the greatest degree of relative growth, though it should be noted that it grew from a lower base than the other Sub Areas.

Figure 4.1 Population Growth 2011-16

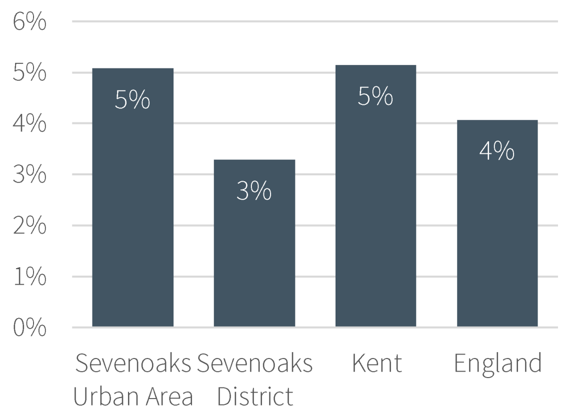
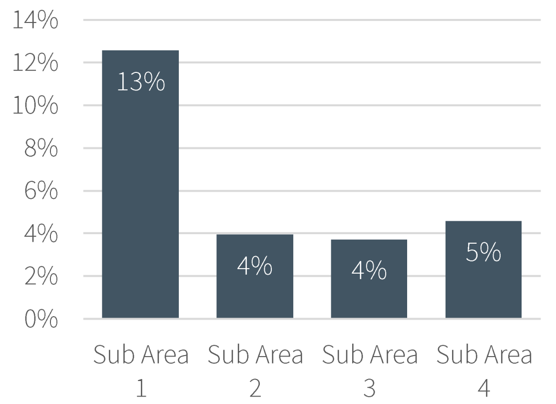


Figure 4.2 Sub Area Pop Growth 2011-16



Source: ONS Mid-Year Population Estimates, 2016

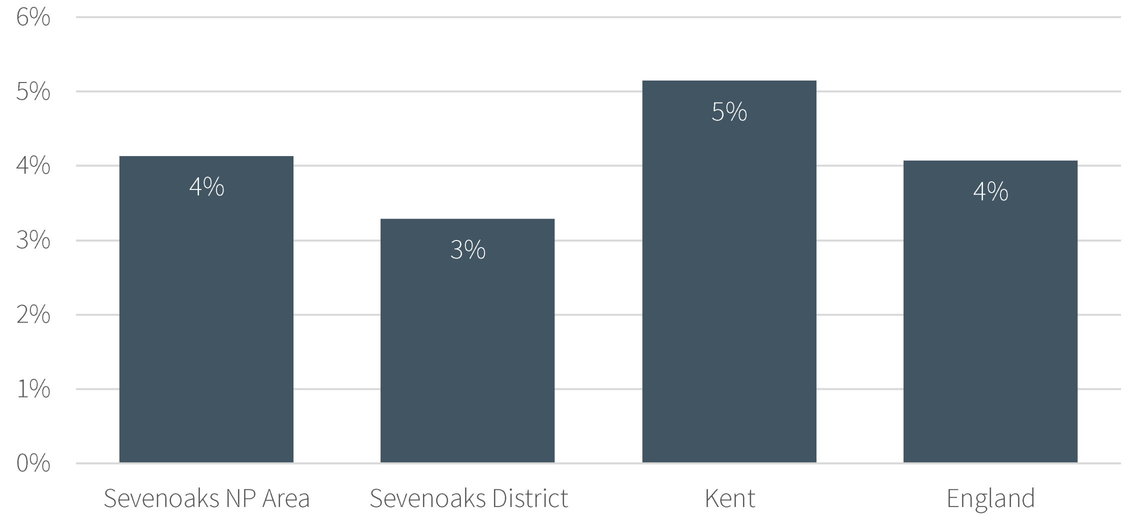
Sevenoaks Neighbourhood Plan Area

4.6 There are around 30,000 people living in the Sevenoaks Neighbourhood Plan Area, accounting for a quarter of the total Sevenoaks District population.

4.7 The Sevenoaks Neighbourhood Plan Area grew by 3,800 people from 2011-2016.

4.8 It has grown at the same rate as England as a whole in recent years (4%), and a slightly lower rate than the wider Kent County Council (5%).

Figure 4.3 Population Growth 2011-16



Source: ONS Mid-Year Population Estimates, 2016

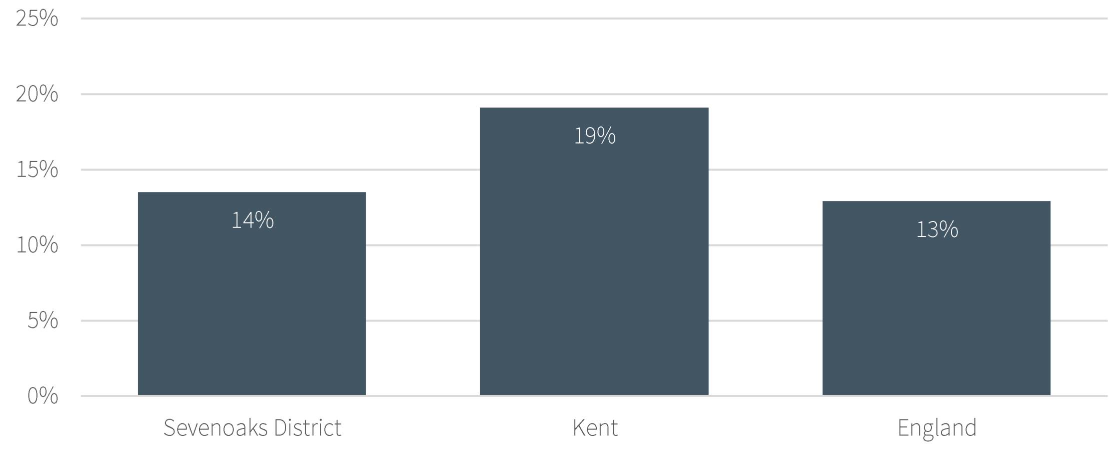
Projected population growth

4.9 Population projection data is not available at the small area level and has thus been considered at the Sevenoaks District level here. The chart below shows projected population growth in five year increments from 2016 to 2041. Historic growth (2011-16) has also been included for reference.

4.10 Population growth is expected to continue in the Sevenoaks District to 2041. While the rate of growth is anticipated to decline slightly, it is expected that the Sevenoaks District will see 7,800 people added to the population over the 25 year period.

4.11 From 2016 to 2041, growth in the Sevenoaks District Area (14%) is anticipated to occur at a slightly higher rate than England as a whole (13%), and lower than that of the wider Kent County Council area (19%).

Figure 4.4 Projected Population Growth Rates 2016-41



Source: ONS Population Projections, 2016

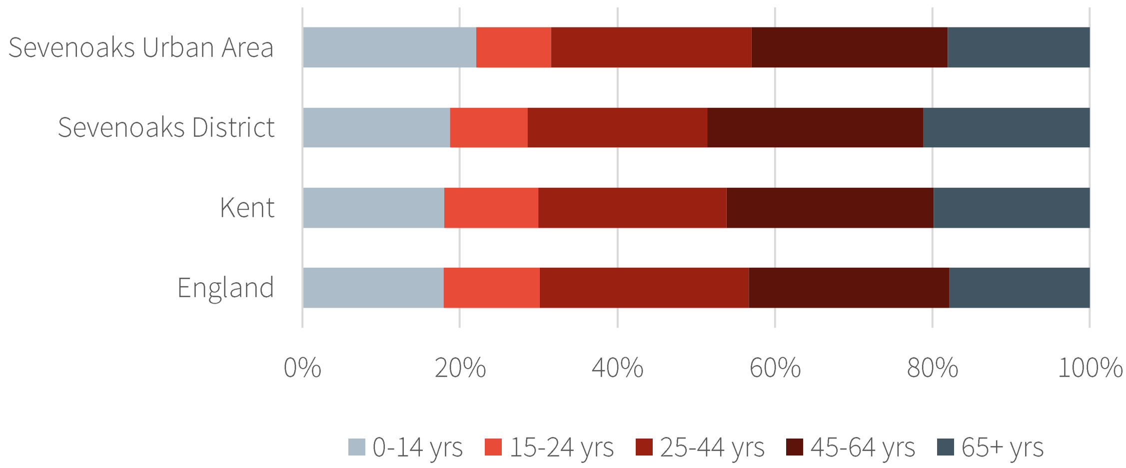
Current Population Age Profile

Sevenoaks Urban Area

4.12 Approximately 60% of the Sevenoaks Urban Area population is of working age[3]. This is lower than that of England as a whole, which has a 64% working age population. It is also lower than the wider Sevenoaks District and Kent County Council Areas.

4.13 The Sevenoaks Urban Area has a relatively high younger population, with 22% of its population aged between 0 and 14 years, suggesting that there is a large number of young families in the area.

Figure 4.5 Age Profile 2016



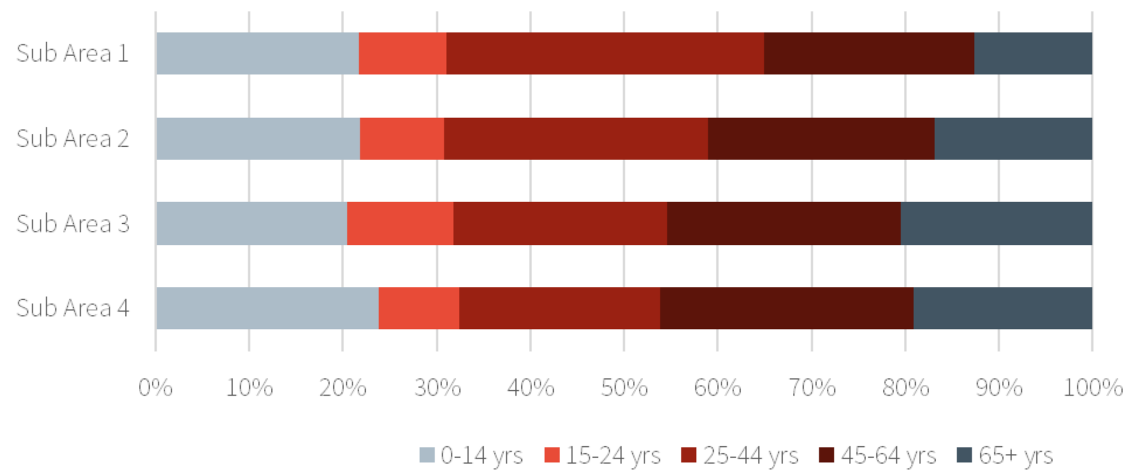
Source: ONS Mid-Year Population Estimates, 2016

[3] Small Area Mid Year Population Estimates provide data at the 15-64 which has been used here to best reflect the working age population.

4.14 Proportionally, Sub Area 1 has the highest working age population across the Sevenoaks Urban Area, at 66%. It has a relatively low older population, with only 13% of the population over the age of 64.

4.15 In absolute numbers, however, Sub Area 2 has the largest working age population. Comprising 61% of the Sub Area population, there are around 6,400 people aged between 15 and 64 in in Sub Area 2.

Figure 4.6 Sub Area Age Profile 2016

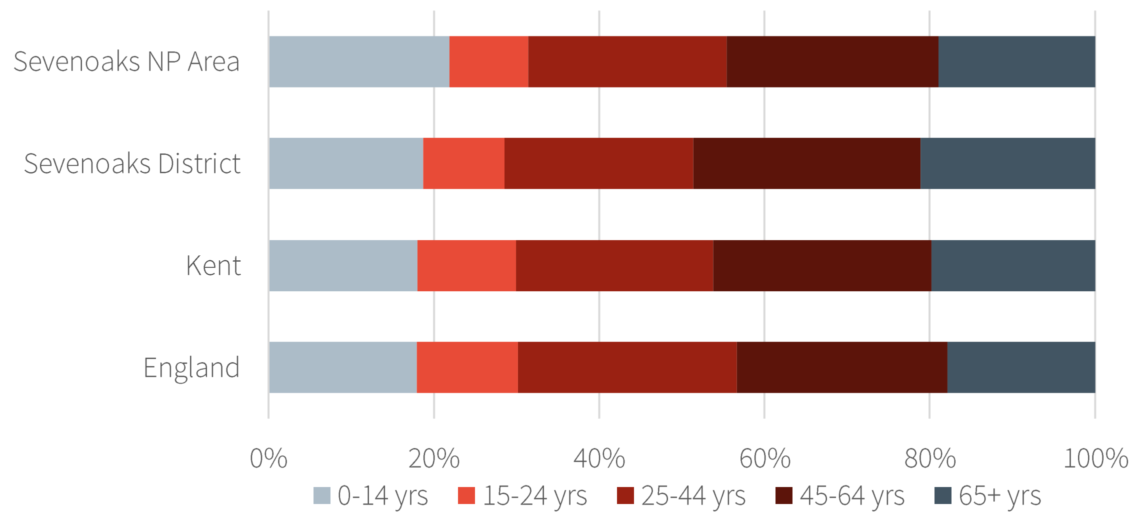


Source: ONS Mid-Year Population Estimates, 2016

Sevenoaks Neighbourhood Plan Area

4.16 Approximately 61% of the Sevenoaks Neighbourhood Plan Area population is of working age. This is lower than that of the District, Kent County Council area and England as a whole.

Figure 4.7 Age Profile 2016



Source: ONS Mid-Year Population Estimates, 2016

Change in Population Age Profile

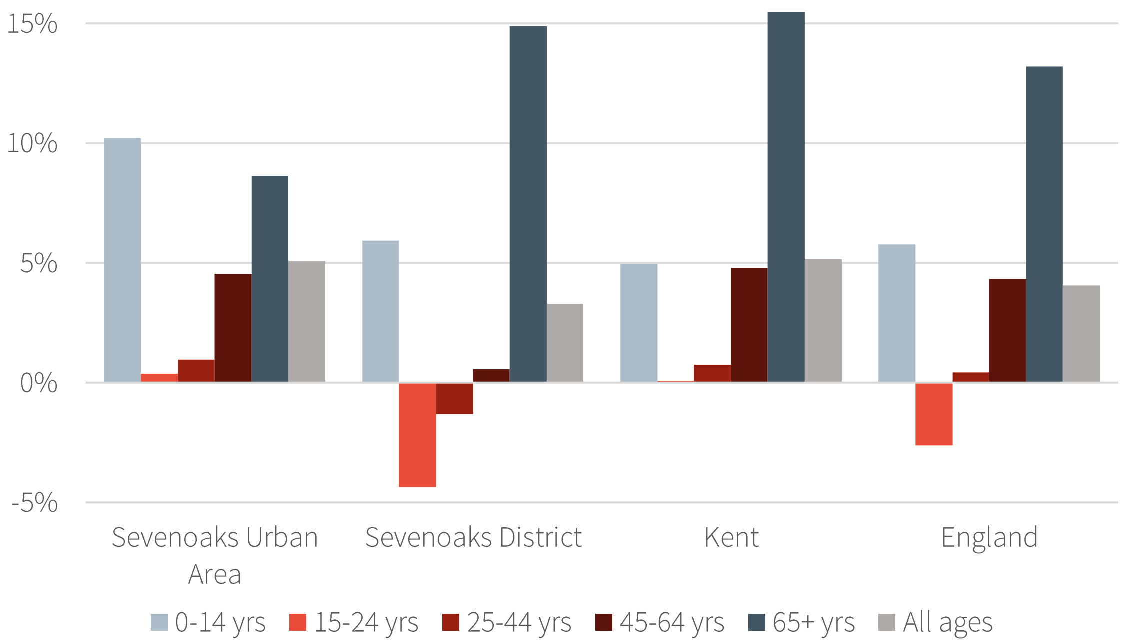
Sevenoaks Urban Area

4.17 While there has been notable growth (9%) in the older population cohort (65+ years), the Sevenoaks Urban Area has not seen the same level of ageing in its population seen in the comparator areas.

4.18 The Sevenoaks District, Kent County Council Area and England as a whole all saw an increase of 13-15% in their 65+ age cohort. Both the District and England simultaneously saw a decrease in their youth (15-24 years) cohort, while the Sevenoaks Urban Area saw a modest increase.

4.19 Growth in the number of children aged 0 to 14 years has been relatively high in recent years in the Sevenoaks Urban Area.

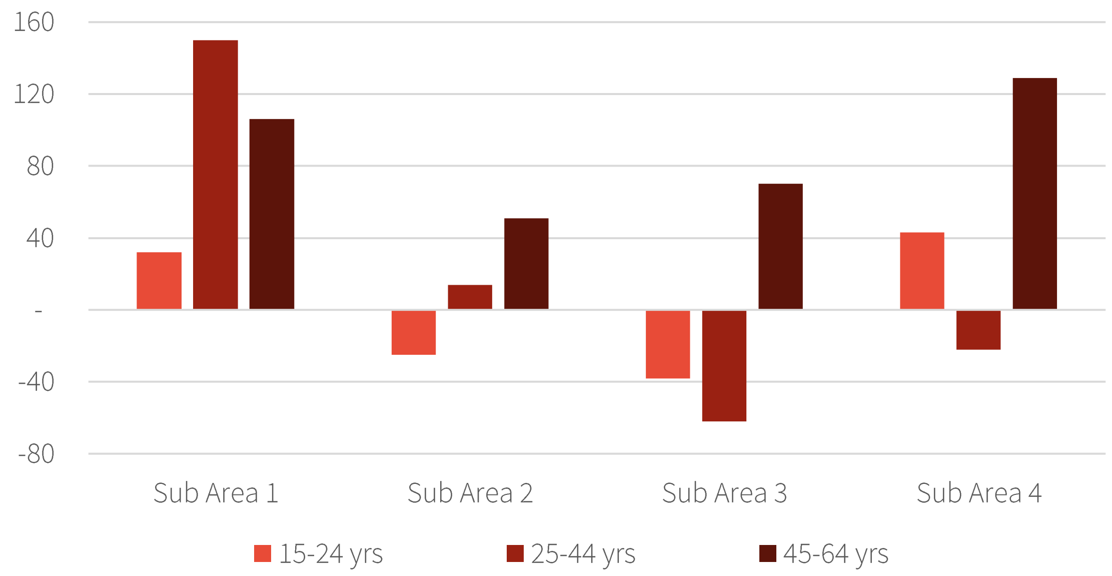
Figure 4.8 % Change in Age Profile 2011-16



Source: ONS Mid-Year Population Estimates, 2016

4.20 As identified previously, Sub Area 1 is the fastest growing area within the Sevenoaks Urban Area. This growth is also occurring across the working age population, in particular the 25-44 year old population.

Figure 4.9 Sub Area Change in Working Age Profile 2011-16 (absolute numbers)



Source: ONS Mid-Year Population Estimates, 2016

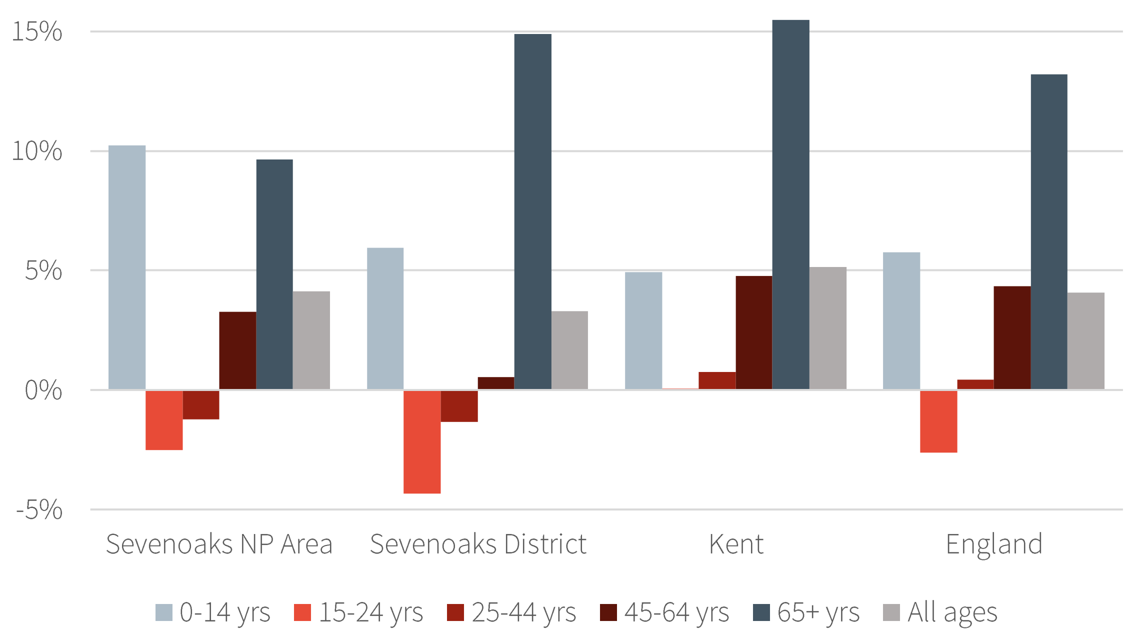
Sevenoaks Neighbourhood Plan Area

4.21 Over the past five years the Sevenoaks Neighbourhood Plan Area has seen a decline in its younger working age population (15 to 44 years) at a time when this group has grown slightly across the rest of Kent.

4.22 The Neighbourhood Plan area has seen growth in its child population (0 to 14 years), where there has been a greater degree of change than that seen across all comparator geographies.

4.23 Whilst the area has experienced growth in its population aged over 65 years, this is to a lesser degree than that seen across the rest of Sevenoaks District, Kent and England.

Figure 4.10 % Change in Age Profile 2011-16



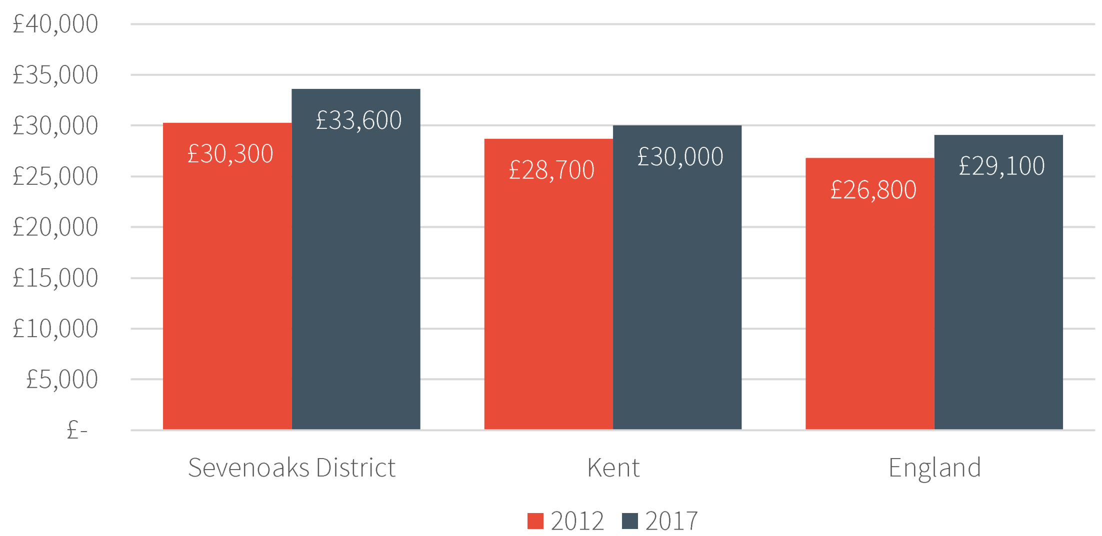
Source: ONS Mid-Year Population Estimates, 2016

Local Earnings

4.24 The Sevenoaks District has higher median resident earnings than wider Kent and England. The median resident earns £33,600 per annum, while the median Kent resident earns £30,000 and the median England resident earns £29,000.

4.25 Wages have increased by 11% in Sevenoaks District from 2012 to 2017, compared to a 4% and 8% increase in Kent and England.

Figure 4.11 Median annual resident earnings (nominal) 2012-17

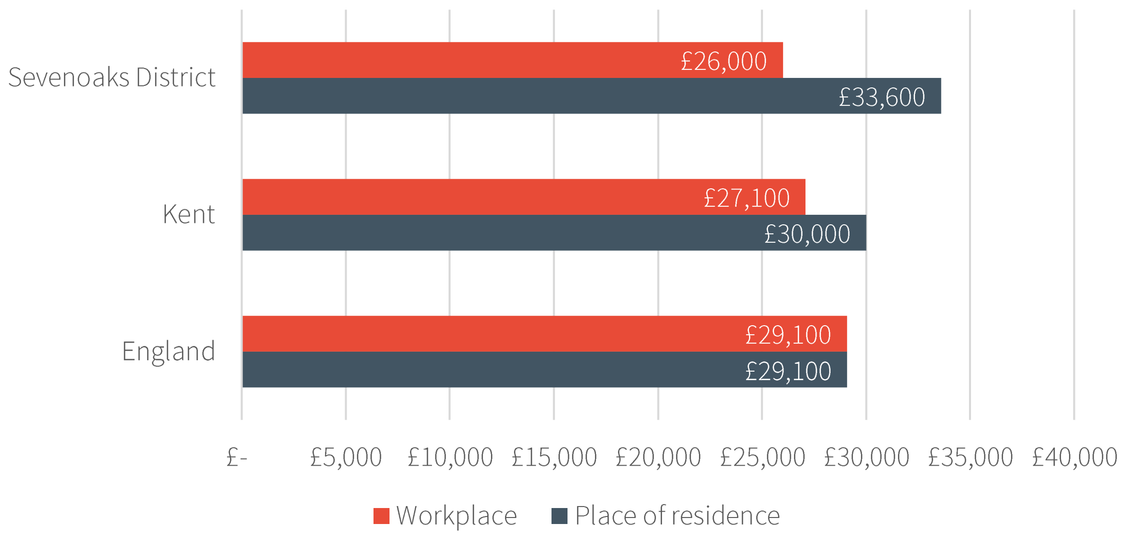


Source: ONS ASHE, 2017

4.26 Resident earnings outstrip those of workers in Sevenoaks District by a significant margin. While the median income of those who work in Sevenoaks District is around £26,000 per annum, it is around £33,600 for those who live there.

4.27 Comparatively, there is only an £3,000 wage gap between workers and residents in wider Kent.

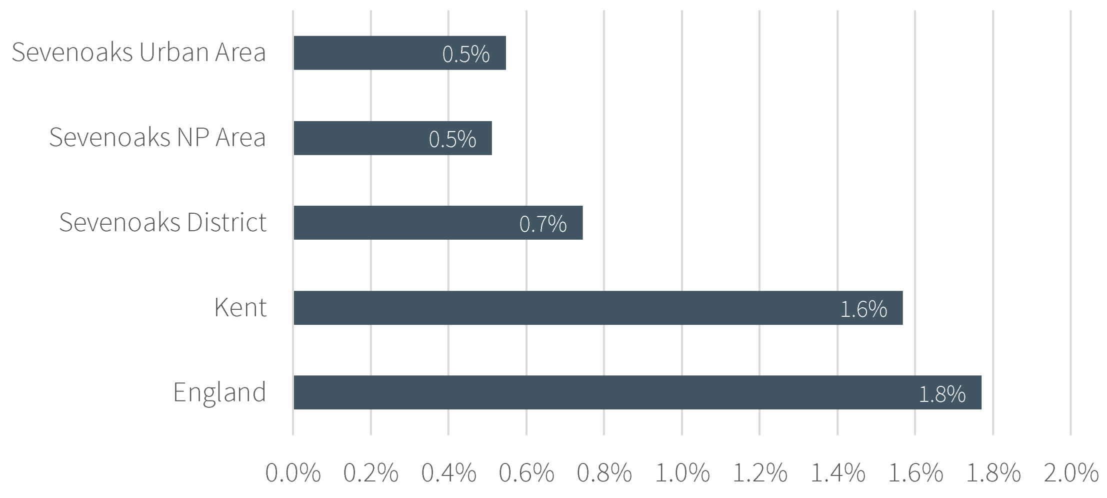
Figure 4.12 Median earnings – Workplace vs. Place of residence 2012-17



Source: ONS ASHE, 2017

4.28 Claimant count data provides a measure of the number of people claiming benefits principally for the reason of being unemployed. By this measure there is a lower proportion of claimants in the Sevenoaks Urban Area and Neighbourhood Plan Area than in wider Kent and England as a whole.

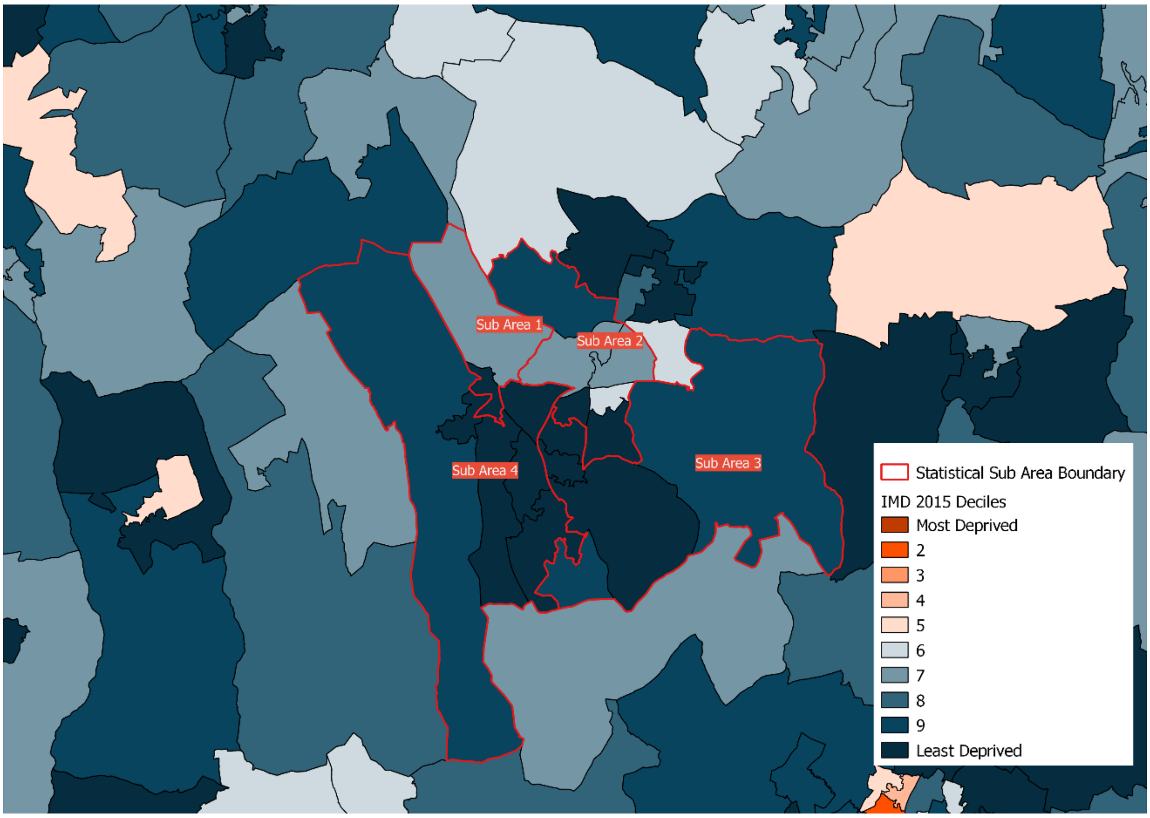
Figure 4.13 No. of claimants as a proportion of residents 2016 (16-64 year olds)



Source: ONS Mid-Year Population Estimates, 2016; ONS Claimant counts, 2016

4.29 The Index of Multiple Deprivation (IMD) shows relative deprivation at the small area level across England. A review of the Sevenoaks Urban Area shows that relatively speaking the area is one of the least deprived parts of England. The area with the smallest degree of deprivation is found in the areas surrounding Sevenoaks Town Centre. The north of the Sevenoaks Urban Area is characterised by small areas that fall into a lower IMD decile, albeit with a ranking that is still in the top 50% of the least deprived nationally.

Figure 4.14 Index of Multiple Deprivation 2015



Source: ONS Index of Multiple Deprivation, 2015

Possible Implications – for Sevenoaks Urban Area

- Population growth in the area may increase the demand for local workspace. Population growth in the wider area also may lead to additional commuting. Given the changing nature of work patters and role of enhanced digital connectivity allowing for more flexible working, an increased population locally may lead to an increasing number of people working from home.
- Sevenoaks has a strong and growing labour market which may prove attractive to firms seeking to relocate.

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