



# Regional Report South East

2009

Research  
Centre

Fact Sheet

- The South East is the UK's largest region in terms of population, with 6% growth in the last decade.
- Average weekly earnings were £523, the second highest of any region in the UK.
- South East exports totalled £39.9bn in 2008, which was equivalent to 16% of all UK exports.
- Regional output per head is 4% higher than the UK average, at £20,152. This ranks the South East second in terms of economic output.

## South East

The South East region covers an area of 19,069 sq km, stretching from the New Forest in the west to Thanet and Dover in the east, and from the Isle of Wight in the south to Milton Keynes in the north.

## Population trends

The close proximity to London is a major reason people choose to live in the South East. The South East's population has increased almost 6% since 1997, while the UK's population increased almost 5% over the same period. In 2007, the South East had a population of over 8.3 million, which is equivalent to almost 14% of the total population of the UK. The South East has the largest population of all the regions in the UK.

Within the South East, the population of Chiltern has decreased 0.3%, while Ashford's population has increased over 15% and Milton Keynes' population has grown by over 14%. The region has a population density of 436 people per sq km which is 74% higher than the UK average of 251. Portsmouth is the most densely populated city in the region, with 4,913 people per sq km.

## Age profiles

In 2007, almost 20% of the South East's population was of pensionable age, more than the national average of 19%. The

region has a similar proportion of under 5s as the UK average, at just under 6%. Rother has the 'oldest' population, with over 32% being of pensionable age, while Slough has the largest percentage of under 5s at over 8%. Across the region, 61% of the population is of working age, less than the UK average of 62%, while over 19% of residents in the South East region are under 16, slightly greater than the national average.

## Households

There are almost 3.5 million households in the South East, an increase of almost 14% since the early 1990s. Of these households, 74% were owner occupied, compared to the UK average of 70%, while only 5% were rented from the local authority, below the UK average of 10%. Average weekly earnings were £523 in the period up to April 2008, which is above the UK average of £479. This is the second highest average earnings recorded across the whole of the UK, behind London only. Average weekly household spending is estimated at £513, which is more than the UK average of £454. The Department for Communities and Local Government estimates that the average house price in the region was £243,363 at the end of 2008, implying that the South East is the second most expensive region in the UK. The average house price for the UK as a whole was £195,317.

## Contact

**Shona Dobbie**

Head of Research Centre

Alliance Trust PLC  
8 West Marketgait, Dundee DD1 1QN

**Tel** +44 (0)1382 321000

**Fax** +44 (0)1382 321185

**Email** [contact@alliancetrust.co.uk](mailto:contact@alliancetrust.co.uk)

**Web** [www.alliancetrust.co.uk](http://www.alliancetrust.co.uk)

Alliance Trust PLC is the largest generalist investment trust company listed on the London Stock Exchange. The Research Centre is part of Alliance Trust and was formed to carry out economic and social analysis to deepen our understanding of economies, markets and socio-economic issues.

The views, information and data in this publication are those of the Research Centre and this publication is not a financial promotion or recommendation to make any particular investment. Alliance Trust is not authorised to give financial advice.

## Regional Income

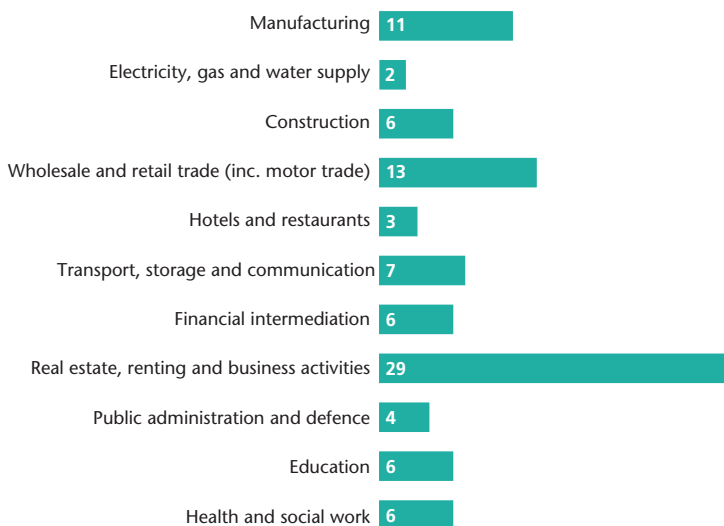
Regional output is commonly measured in terms of gross value added (GVA). Total GVA for the UK increased 6% in 2006 to £1,177.2bn. The South East region produced output worth £166bn, which is equivalent to 14% of national output, ranking it second out of the 12 UK regions. The region has achieved the second fastest level of growth since 1996, with output increasing by almost 77%. Within the region, Milton Keynes has grown fastest, by 102%, while West Sussex reported the smallest gain, of only 61%.

Regional output can also be compared on a per head basis by dividing GVA by the region's population. In 2006, the national average for GVA per head was £19,430, while that for the South East region was £20,152, which is 4% above the UK average. The South East's GVA per head has increased by 67% since 1996, which is faster than the UK's average growth of 62%. Across the region, GVA per head ranges from just £12,474 in the Isle of Wight to £28,853 in Berkshire. Over the last 10 years the largest increase in GVA per head was recorded in Berkshire, at 85%. Southampton has achieved the slowest growth, at 50%.

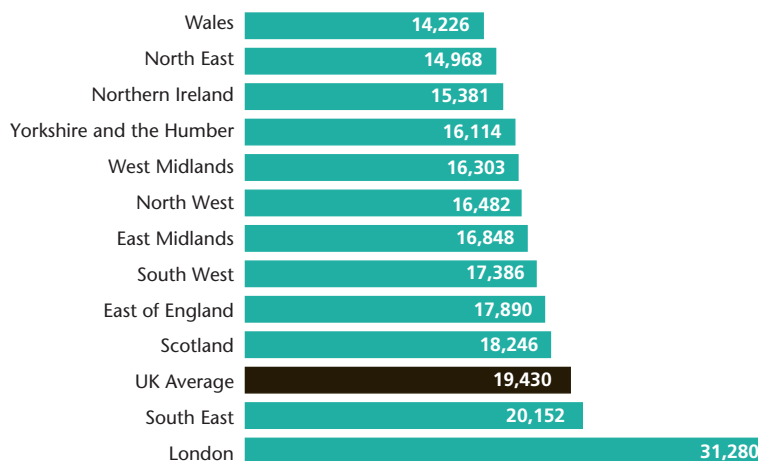
## Major Industries

The largest contributor to the area's output is real estate, renting and business activities, which produces 29% of output. This is followed by wholesale & retail trade, which accounts for 13%

## Major Regional Industries (% of output)



## Regional output per head in 2006 (£)



and manufacturing, which accounts for a further 11% of output. These three industries produce over half of the region's total output. The financial intermediation industry accounts for only 6% of total output, compared to 8% across the UK as a whole. Similarly, manufacturing, health & social work and public administration & defence account for a smaller share of output than is the case across the UK as a whole.

## Exports

Exports from the South East amounted to £39.9bn in 2008, which is equivalent to 16% of all UK exports, making the South East the largest exporting region in the UK. Machinery and transport exports account for 42% of the region's total foreign sales. Chemicals are the other main export sector, accounting for

22%. At present, 59% of the South East's exports go to Europe, 20% to North America and 11% to Asia.

## Workforce

The South East has the most active population in terms of economic activity, which measures the proportion of the working age population in work or actively seeking work. It currently stands at just under 83%, higher than the national average of just over 79%.

In 2008, over 4.2 million people were employed within the South East region. The service sector accounted for 85% of total employment. Within the region, distribution, transportation, finance and business service sectors account for 54% of jobs while the public administration, education and health sectors account for 31%. Manufacturing employs around 8% of the total workforce, below the UK average of 10%. Construction jobs are lower than the national average at just 5%.

At the end of 2008, the South East had an unemployment rate of 4.9%, lower than the UK average of 6.3%. In the South East, over 4% of all employees have a second job to supplement income which is slightly higher than the UK average of almost 4%. Almost 6% of women have a second job compared to over 3% of men.

Sources: ONS Regional Trends 2009 Edition, ONS Labour Market Statistics, Department for Communities and Local Government (DCLG), HMRC