



# Regional Report South East

2010

Research  
Centre

Fact Sheet

- The South East is the UK's largest region in terms of population, it experienced above average population growth at almost 4% from 2003 to 2008.
- Average weekly earnings in the period up to April 2009 were £537, the second highest of any region in the UK.
- South East exports totaled £38.1bn in 2009, which was equivalent to 17% of all UK exports.
- Regional output per head is 4% higher than the UK average, at £21,248. 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 chose to live in the South East. The South East's population increased almost 4% from 2003 to 2008, while the UK's population increased just 3% over the same period. In 2008, the South East had a population of approximately 8.4 million, which is equivalent to almost 14% of the total population of the UK. The South East has the largest population of all 12 regions.

Within the South East, the population of Hastings has grown just 0.3%, while the populations of Ashford, Epsom & Ewell and Milton Keynes all increased by more than 7%. The region has a population density of 439 people per sq km which is 74% higher than the UK average of 253. Portsmouth is the most densely populated city in the region, with 4,968 people per sq km.

## Age profiles

In 2008, 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 almost 33% being of pensionable age, while Slough has the largest percentage of under 5s at just under 9%. Across the region, 61% of the population is of working age, less than the UK average of 62%, while 19% of residents in the South East region are under 16, marginally higher 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% are owner occupied, compared to a UK average of 70%, while only 5% are rented from local authority, below the UK average of 10%. Average weekly earnings were £537 in the period up to April 2009, which is above the UK average of £489. This is the second highest average earnings recorded across the whole of the UK, behind London only. Average weekly household spending is estimated at £512, which is more than the UK average of £460. The Department for Communities and Local Government estimates that the average house price in the region was £249,061 at the end of 2009, 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 £200,307.

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## Regional Income

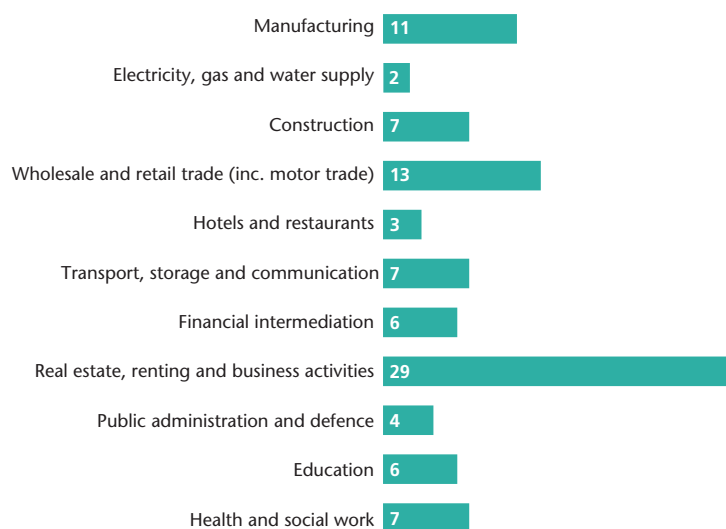
Regional output is commonly measured in terms of gross value added (GVA). Total GVA for the UK increased 6% in 2007 to £1,246bn. The South East region produced output worth £176bn, which is equivalent to 14% of national output, ranking it second out of the 12 UK regions. The region has achieved the second fastest level of growth since 1997, with output increasing by 74%. Within the region, Milton Keynes has grown the fastest, by 92%, while Southampton reported the smallest gain, of only 55%.

Regional output can also be compared on a per head basis by dividing GVA by the region's population. In 2007, the national average for GVA per head was £20,430, while that for the South East region was £21,248, which is 4% above the UK average. The South East's GVA per head has increased by 65% since 1997, which is faster than the UK's average growth in GVA per head of 61%. Across the region, GVA per head ranges from just £13,054 in the Isle of Wight to £30,970 in Berkshire. Over the last 10 years the largest increase in GVA per head was recorded in Berkshire, at 81%. Southampton has achieved the slowest growth, at 43%.

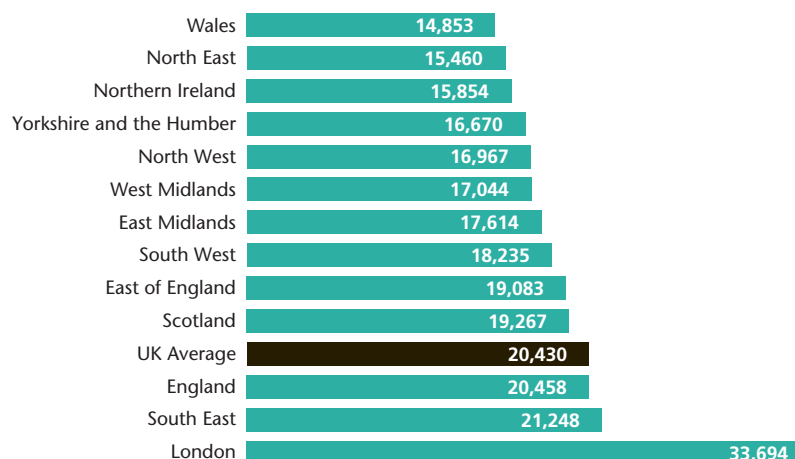
## Major Industries

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, which accounts for 13%, and

## Major Regional Industries (% of output)



## Regional output per head in 2007 (£)



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 9% 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 £38.1bn in 2009, which is equivalent to 17% of all UK exports, making the South East the largest exporting region in the UK. Machinery and transport exports account for 41% of the region's total foreign sales. Chemicals is the other main export sector, accounting for 23%. At

present, 56% 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. Economic activity measures the number of people either in work or actively seeking work. The economic activity ratio for the region currently stands at just over 82%, higher than the national average of 79%.

At the end of 2009, almost 4.2 million people were employed within the South East region. The service sector accounted for 86% 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 32%. 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 2009, the South East had an unemployment rate of 6.2%, lower than the UK average of 7.8%. 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 just under 4%. Approximately 6% of women have a second job compared to 3% of men.

Sources: ONS Regional Trends 2010 Edition, ONS Labour Market Statistics, Department for Communities and Local Government (DCLG)