

Local Government Reorganisation

The economic importance of Newhaven, Telscombe (including East Saltdean), Peacehaven, and Kingston to East Sussex

Economic Impact Report

September 2025

Retaining Newhaven, Telscombe (including East Saltdean), Peacehaven, and Kingston is critical to East Sussex's economic resilience and future growth capacity.

Together, they make an outsized contribution to East Sussex, providing nearly 7% of its population and GVA, nearly 10% of its industrial floorspace, almost 10,000 jobs, and over 1,000 businesses.

Newhaven anchors the county's scarce industrial and logistics base, Kingston contributes high-level human capital, and Peacehaven, Telscombe & East Saltdean supply a significant labour force. East Sussex has a constrained land supply, particularly in industrial floorspace, and already leans heavily towards the healthcare, education, and retail sectors. Losing these areas would further reduce the diversity of East Sussex's economic mix, strip the county of its largest industrial cluster, diminish tax revenues, and weaken local supply chains.

Significant investment has been made in these areas over recent years, including nearly £40m in Newhaven alone. Alongside this, concerted effort has been invested in building effective relationships with numerous private and third sector partners.



BACKGROUND

Brighton & Hove is currently considering an expansion of the existing city boundary, to include several Lewes District wards.

As part of the Government's local government reorganisation, councils have been asked to consider populations of ~500,000 as being a sufficient size to withstand shocks. Further guidance from government has indicated that populations below 300,000 would likely be deemed too small. Since Brighton & Hove's current population is just over 280,000, this requires the council to expand.

The Council first undertook an engagement exercise between February and March 2025, in which it asked for residents' feedback on potential expansions to the east, west, and north of the city. From this, northern expansion was generally met with opposition, while both east and west options received mixed feedback, with respondents split. Despite this, the Council has proceeded solely with expansion options to the east of the city.

Brighton & Hove City Council is currently undertaking a further engagement exercise to gather resident feedback on several potential eastward expansion options.

INTRODUCTION

This report considers the importance of Newhaven, Telscombe, East Saltdean & Peacehaven, and Kingston to the East Sussex economy, and the potential impact of losing them.

This report takes as its starting point Option D from the Brighton & Hove City Council consultation, and therefore considers the impact of losing all three areas under consideration, as well as looking at each area in its own right. For brevity, in body descriptions and charts, Peacehaven, Telscombe, & East Saltdean may be referred to collectively as '*Peacehaven*'; these areas are not considered individually.

It begins with a high level 'impact analysis' on the combined contribution of the three areas proposed, and considers what the impact on East Sussex might be if they were removed. While causation cannot be assessed or presumed within the scope of this analysis, it presents relevant data and hypotheses.

The second part of this report forms an 'evidence base', supporting the first half with additional data and further nuanced consideration and analysis of the various measures and metrics utilised to form an economic understanding of the three areas, and how they sit within the wider East Sussex economy.

Ultimately, this report is intended to support additional research, consultation, and engagement, to ensure that East Sussex has the scale and capacity it needs to ensure its future success.

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Impact analysis

IMPACT COMBINED CONTRIBUTION

Newhaven, Telscombe (including East Saltdean), Peacehaven, and Kingston make a critical contribution to East Sussex’s economic scale.

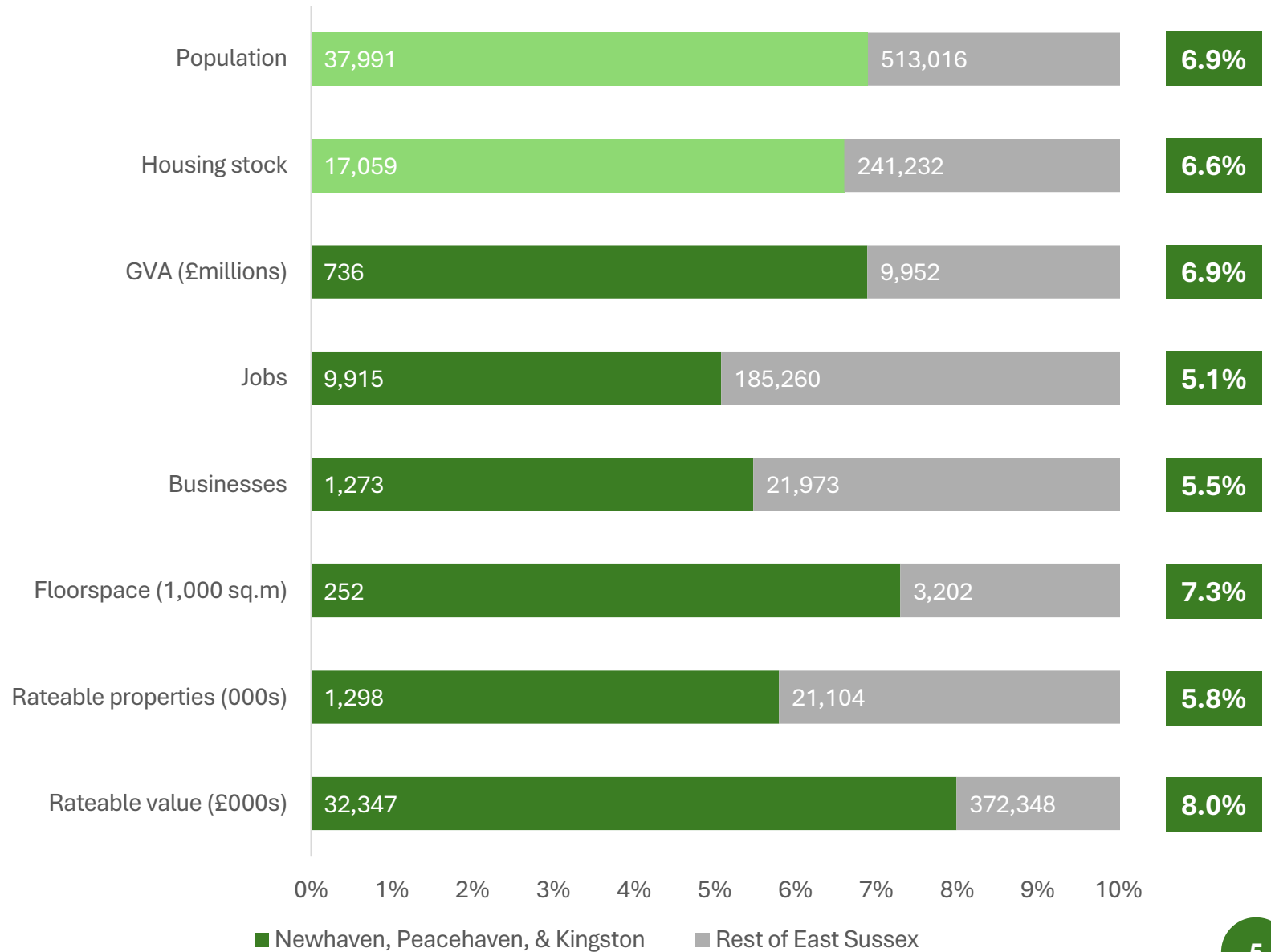
These areas combined consistently contribute between 5% and 8% across key metrics to the East Sussex economy.

The population of nearly 40,000 accounts for a GVA of nearly three quarters of a billion pounds, in part through the provision of nearly 10,000 jobs across over 1,200 businesses. In fact, with both jobs and businesses at the lower end (5.1% and 5.5% respectively), this represents a higher level of productivity than East Sussex as a whole, producing a GVA contribution of nearly 7% of East Sussex’s total.

These areas also contribute business properties and floorspace, although the scale of this is somewhat hidden when looking only at the total contribution – it is the area’s focus on industrial aspects that stands out.

Sources: Fig. 1. ONS, UK Census, 2021 (LSOA, Ward); ONS, UK small area gross value added estimates, 2022 (LSOA); ONS, Business Register and Employment Survey, 2023 (LSOA); ONS, UK Business Counts, 2024 (MSOA); Valuation Office Agency, Non-Domestic Rating: Stock of Properties including Business Floorspace, 2023 (LSOA); Valuation Office Agency, Non-Domestic Rating: Stock of Properties, 2025 (LSOA)

Fig. 1. Combined contribution to East Sussex, comparison of key metrics



IMPACT INDIVIDUAL STRENGTHS

Each of the three areas play a unique and distinct role in East Sussex's economy, some of which cannot be replicated elsewhere.

Newhaven is the industrial powerhouse of the three, contributing just 3% of East Sussex's population, but containing nearly 6% of its commercial floorspace, alongside a mix of industrial and technical businesses and employment.

Kingston, while small, plays an outsized role in GVA contribution, and contains a high density of highly qualified and relatively wealthy residents.

Meanwhile, Peacehaven, Telscombe & East Saltdean provide the largest contribution in terms of residents and housing stock, supporting the other areas in both labour force and service demand.



IMPACT KEY METRICS

There are distinct differences between the three areas, across population, wealth, and economic scale.

With a majority of the jobs and the largest GVA contribution, Newhaven is the economic heavyweight of the trio. The small number of businesses relative to jobs indicates that much of Newhaven's employment base is focused on larger employers, with a high 'employees per business' rate (14.1) compared to that of East Sussex (8.4), reflecting the economic mix. It also holds the majority of commercial property and floorspace, with a concentration in the industrial sector.

Conversely, Peacehaven & Telscombe have a relatively small number of jobs for its residents and businesses, indicating both a prevalence of micro or sole trader businesses, and its role as an exporter of labour.

Kingston, meanwhile, is by far the smallest, but produces an extremely high 'GVA per employee' of over £90,000, more than twice that of the East Sussex average (£45,157.56), reflecting its highly-qualified and productive labour force.

Sources: ONS, UK Census, 2021 (LSOA, Ward); ONS, UK small area gross value added estimates, 2022 (LSOA); ONS, Business Register and Employment Survey, 2023 (LSOA); ONS, UK Business Counts, 2024 (MSOA); Valuation Office Agency, Non-Domestic Rating: Stock of Properties including Business Floorspace, 2023 (LSOA); Valuation Office Agency, Non-Domestic Rating: Stock of Properties, 2025 (LSOA)

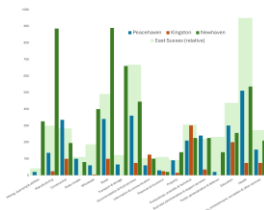
	Newhaven	Peacehaven	Kingston
Population	12,832	23,172	1,987
GVA (£million)	441.01	217.54	77.84
GVA per employee	£79,418.69	£21,418.14	£92,561.24
Jobs	5,730	3,030	1,155
Businesses	406	716	151
Employees per business	14.1	4.2	7.7
Rateable properties	780,000	366,000	152,000
Rateable value (£000s)	22,363	8,318	1,666
Commercial floorspace (sq.m)	197,000	44,000	11,000
Industrial floorspace (s sq.m)	147,000	15,000	3,000

IMPACT INDUSTRIAL CAPACITY

The three areas combined, with Newhaven in particular, make an outsized industrial contribution in key sectors and commercial floorspace.

Despite representing less than 7% of the East Sussex population, there are clear economic specialisms, particularly in Newhaven, that demonstrate their benefit to the county. With East Sussex leaning heavily towards health, accommodation and food services, and retail, the area's contribution to the mining, quarrying & utilities, manufacturing, construction, and transport & storage sectors represent businesses and jobs that are relatively scarce elsewhere. This is replicated in business properties and floorspace, with a clear overrepresentation of industrial capacity.

See slide 20 for more detail on the differences in economic mix.



Sources: Fig. 2. ONS, Business Register and Employment Survey, 2023 (LSOA); Fig. 3. ONS, UK Business Counts, 2024 (MSOA); Fig. 4. Valuation Office Agency, Non-Domestic Rating: Stock of Properties, 2025 (LSOA); Fig. 5. Valuation Office Agency, Non-Domestic Rating: Stock of Properties including Business Floorspace, 2023 (LSOA)

Fig. 2. Employment in key sectors, 2023

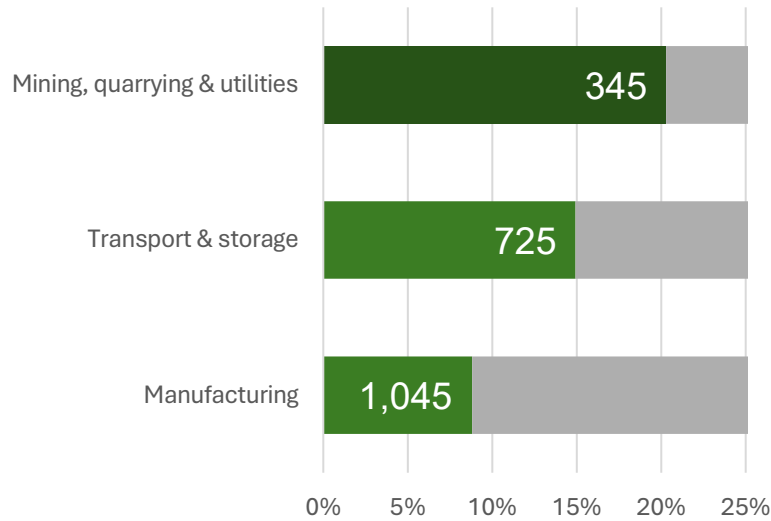


Fig. 4. Rateable properties (count), 2025

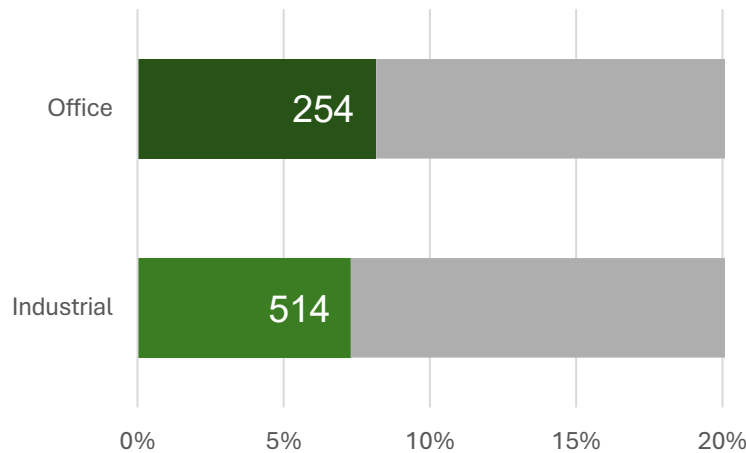


Fig. 3. Business counts in key sectors, 2024

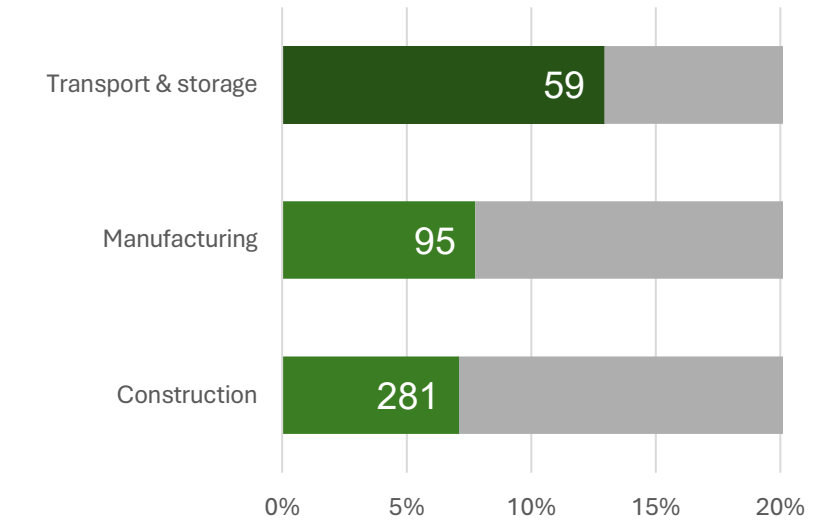
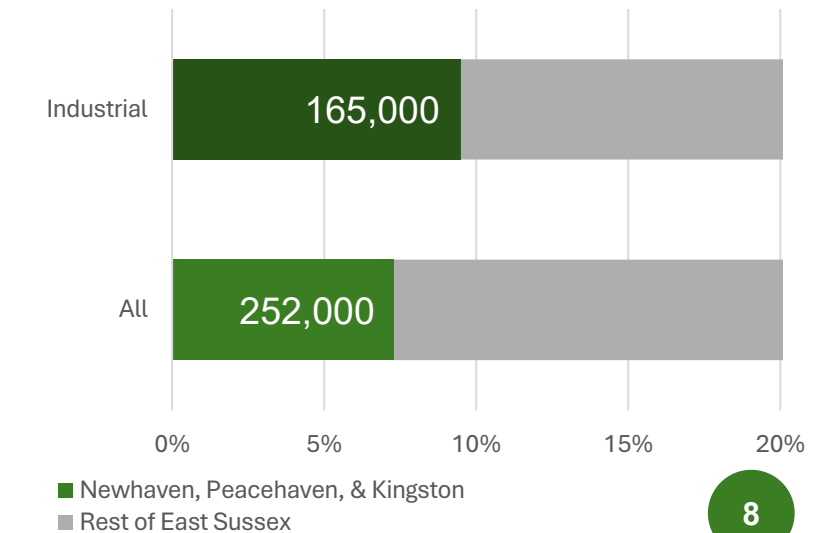


Fig. 5. Commercial floorspace (sq.m), 2023



IMPACT FISCAL RESILIENCE

Between the business rates and council tax bases, the three areas provide a vital fiscal contribution that safeguards resilience.

Newhaven, Telscombe (including East Saltdean), Peacehaven, and Kingston combined contain 6.6% of East Sussex’s housing stock, 5.8% of the commercial properties, and 8% of the rateable value in commercial properties. However, this masks the contribution of industrial property, typically more challenging to replace when lost, for which the three areas contain nearly 14% of the rateable value, at over £15 million. Losing these would have a serious impact on the business rates collectable in East Sussex.

Similarly, losing the combined housing stock, and particularly the highly-rated properties in Kingston, would have a notable negative impact on council tax collection rates, again damaging the fiscal resilience of the Council.

Sources: Fig. 6. Valuation Office Agency, Non-domestic Rating: Stock of Properties, 2025 (LSOA); Fig. 7. ONS, UK Census, 2021 (Ward); Fig. 7. ONS, Median house prices by ward: HPSSA dataset 37, 2023 (Ward)

Fig. 6. Rateable property values by area, proportions of East Sussex, 2025

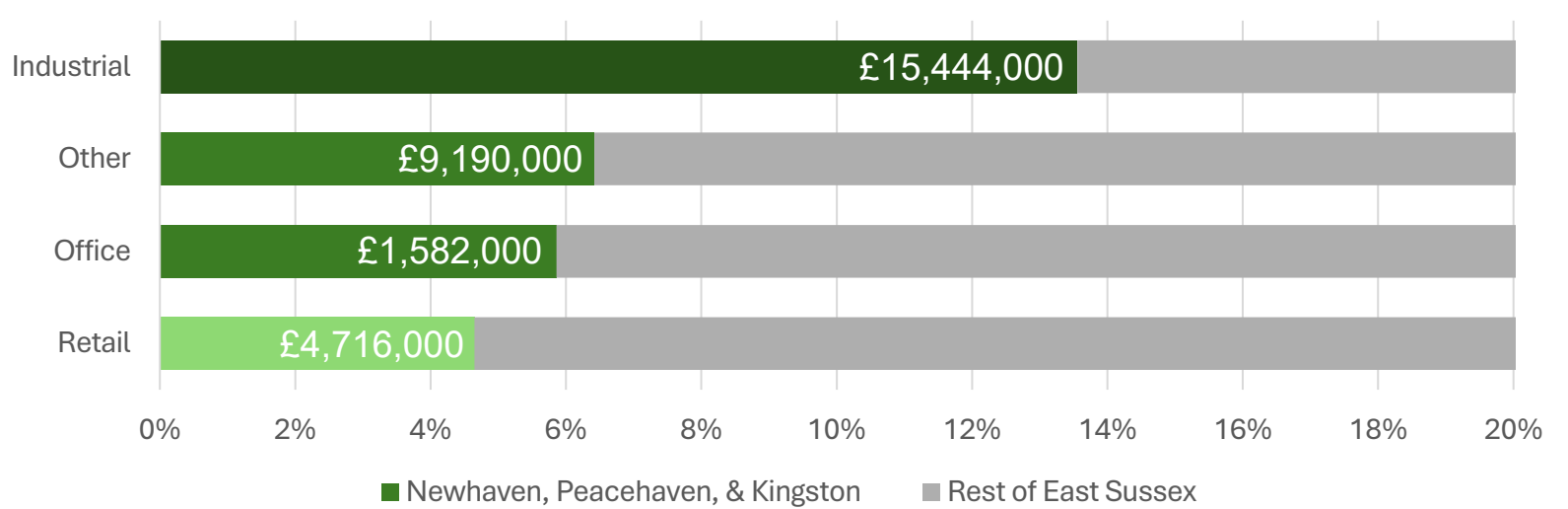
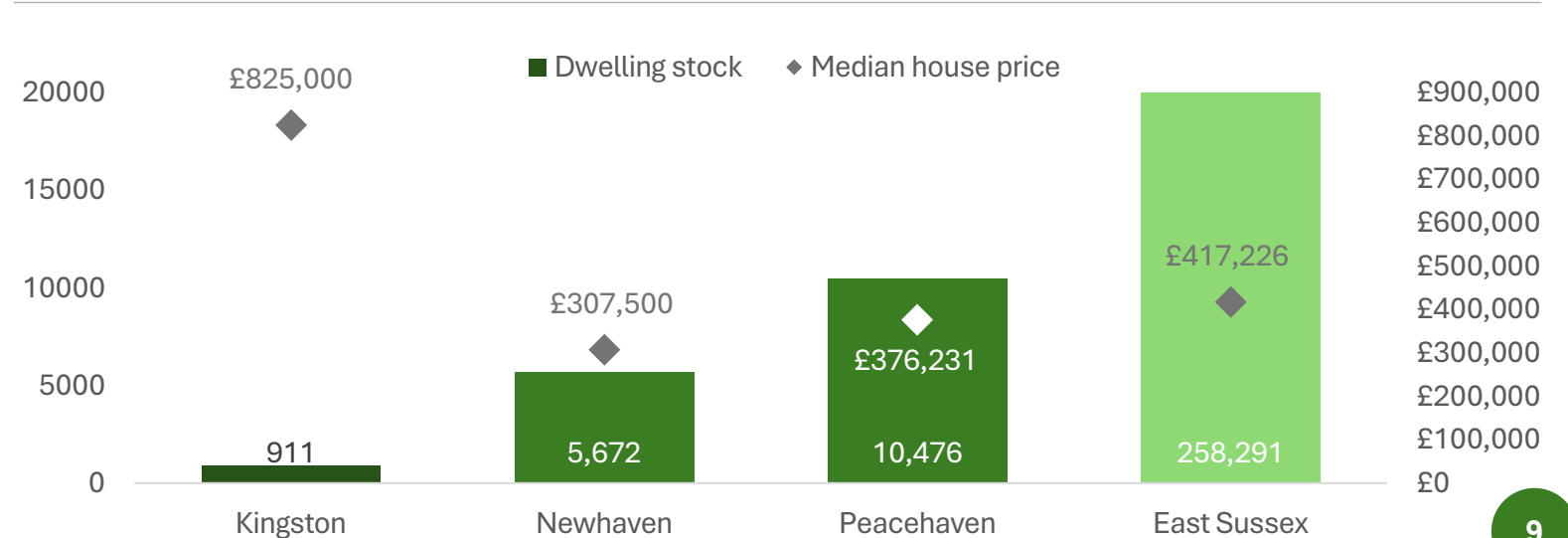


Fig. 7. Dwelling stock, 2021, and median house price, 2023, by area



IMPACT INVESTMENT & PARTNERSHIPS

Significant investment has been made in the areas in recent years, alongside concerted relationship-building with major private sector and third sector partners.

Within the last 5 years, nearly £40 million has been invested or allocated to the area, particularly in Newhaven. This investment has included new public realm improvements, business grant programmes, and social infrastructure for the communities.

Much effort has also been made to develop strong partnerships with various private and charity sector organisations. These include the Newhaven Port Authority, the Newhaven Enterprise Zone, Rampion Offshore Wind, and Veolia Environment Services, and third sector partners such as Sustrans and the Avenue Verte, a cycling route running between London and Paris, passing via Newhaven and on through East Sussex.

Sources: Photographs: <https://yournewhaven.commonplace.is/en-GB/>; Avenue Verte map: <https://www.avenuvertelondonparis.co.uk/>; Logos: respective websites



NEWHAVEN



IMPACT GEOGRAPHIC INTEGRATION

The areas are well-connected with the rest of East Sussex, through both road and rail infrastructure, and social geographies.

Newhaven, Telscombe (including East Saltdean), Peacehaven, and Kingston benefit from good transport infrastructure integration with East Sussex.

Newhaven Town rail station has direct connections with Lewes and Seaford, with good onward connections to other parts of East Sussex, including Eastbourne (Fig. 8).

Meanwhile, for road traffic, Newhaven and Peacehaven are well-connected east via the A259, north to Lewes via the A26, and from Lewes east via the A27, which also bisects Kingston (Fig. 9).

Finally, the areas benefit from social geographic connections with East Sussex in education and healthcare, including Newhaven's participation in the East Sussex College Group (Fig.10).

Fig. 8. Rail connection between Newhaven, Lewes, and nearby East Sussex

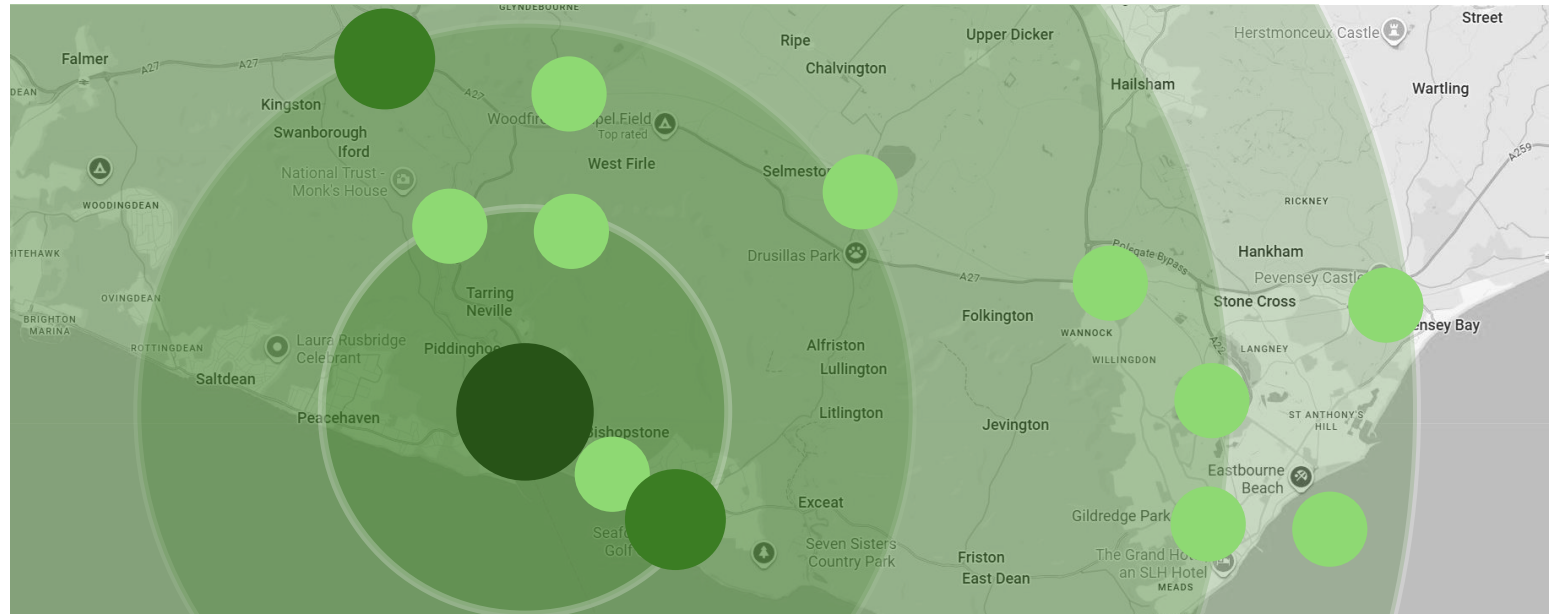


Fig. 9. Road connections with East Sussex



Fig. 10. Education



East Sussex College has five main campuses in **Eastbourne**, **Lewes**, **Hastings**, **Ore Valley** and **Newhaven**.

IMPACT STRATEGIC RISKS

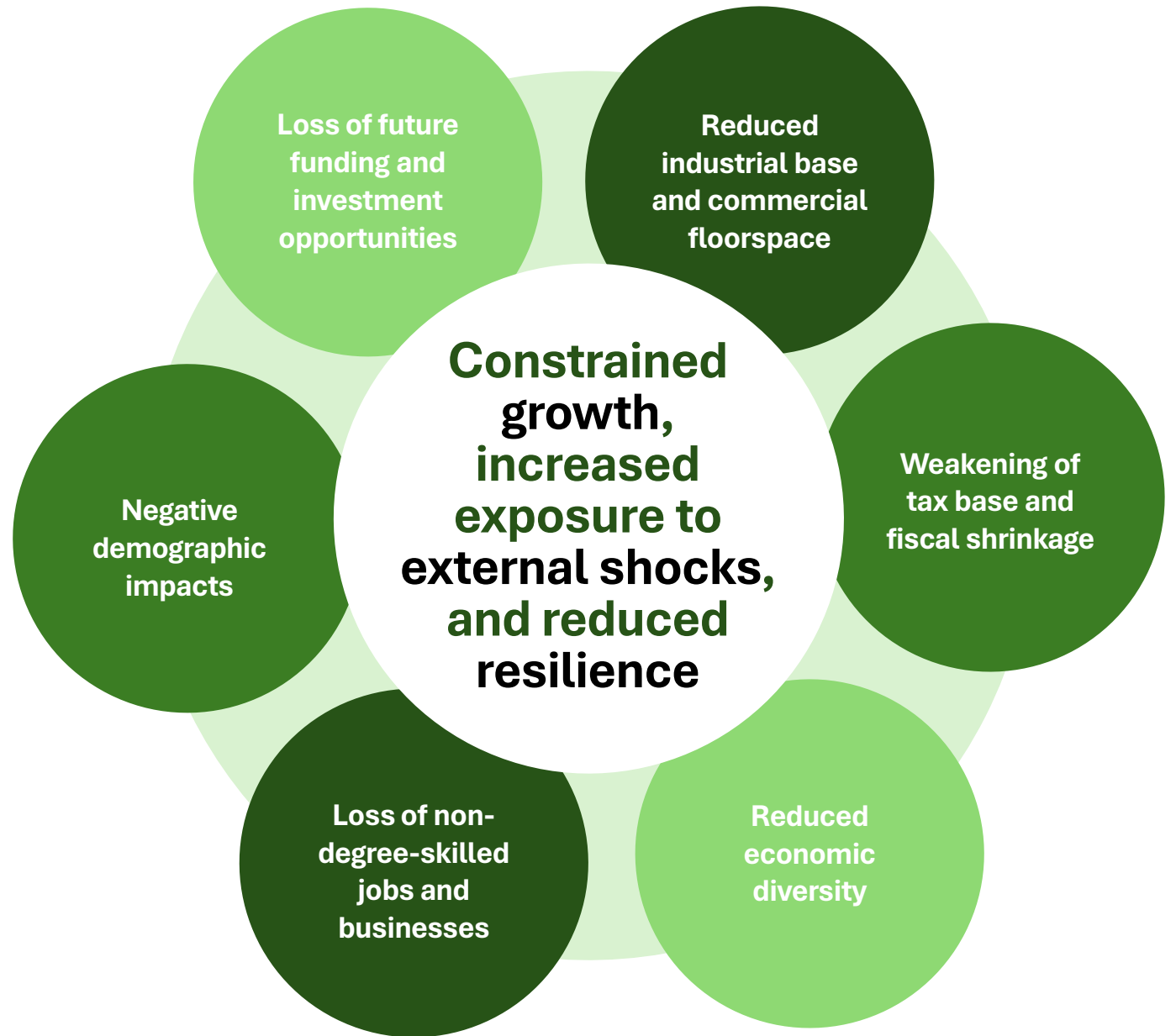
Retaining Newhaven, Telscombe (including East Saltdean), Peacehaven, and Kingston is critical to East Sussex's economic resilience and future growth capacity.

Should these areas be lost to East Sussex, it would have direct and indirect negative effects on the growth prospects of the county.

Losing these areas, with their high prevalence of larger-size industrial manufacturing and logistics-related firms, would reduce the vital economic diversity of East Sussex and weaken local supply chains, many of which are anchored in the area. Meanwhile, the loss of the business rates and council tax base would shrink the county's fiscal base, increasing exposure to fiscal shocks.

Population decreases would inhibit the potential for future funding and investment opportunities, while also pushing East Sussex further in a low-wage, high-aging direction.

All this would result in a weaker, less dynamic East Sussex, less capable of withstanding external shocks, and which has less capacity for the sustainable growth needed to thrive.



Evidence base

EVIDENCE POPULATION

The three areas constitute nearly 40,000 residents, with a notably younger demographic in Newhaven, Telscombe, and Peacehaven than the East Sussex average.

Of the three areas, Telscombe, Peacehaven & East Saltdean is by far the largest, making up 61% of the total population of the area, and 4.2% of the East Sussex total. By contrast, Newhaven represents 33.8% of the area and 2.3% of East Sussex, and Kingston just 5.2% of the area and 0.4% of the East Sussex population.

Both Newhaven and Peacehaven have younger populations than the East Sussex average, with Newhaven in particular having a greater number of under-20 year olds. This is the opposite of the trend in much of East Sussex, which is increasingly ageing.

Fig. 11. Population, 2021

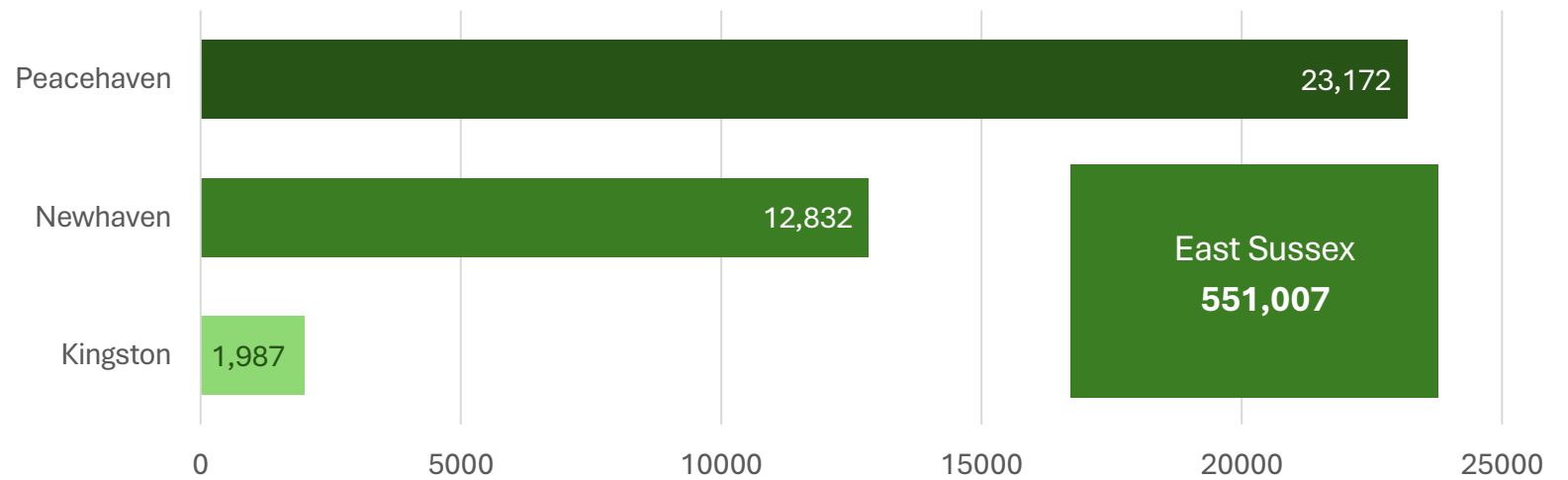


Fig. 12. Age structure, count, 2021

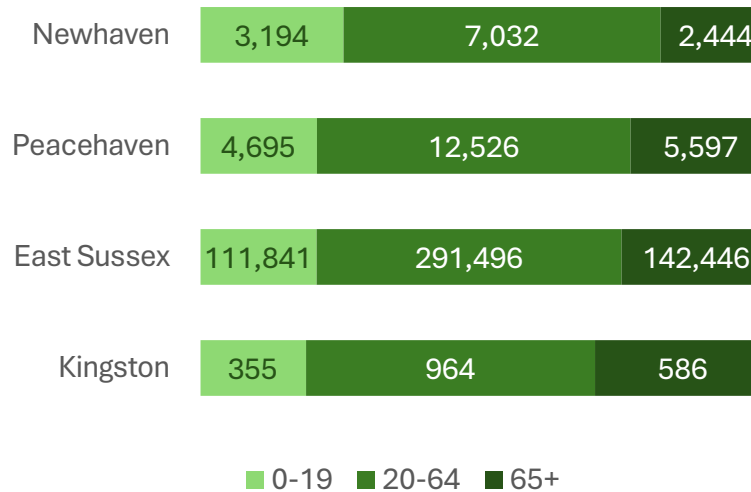
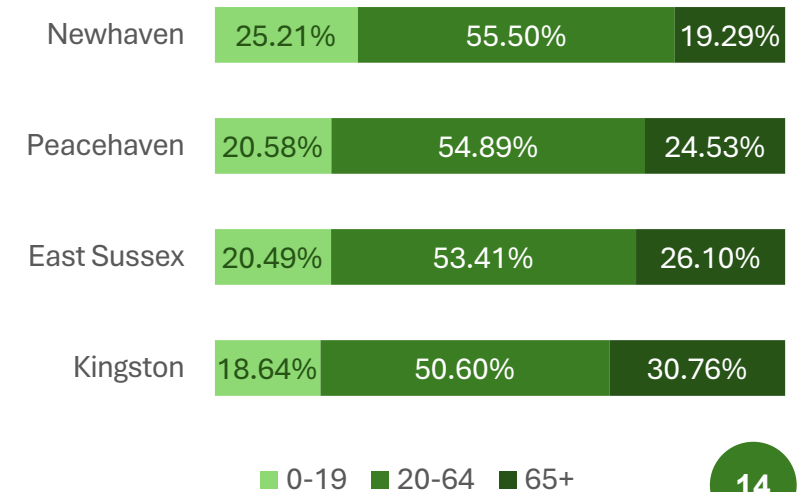


Fig. 13. Age structure, %, 2021



EVIDENCE EMPLOYMENT

Representing nearly 20,000 economically active individuals, the area balances a higher-than-average economic activity rate with a higher unemployment rate.

Economic activity follows the working age demographics, with Newhaven having the most economically active population (59.8%), followed by Peacehaven (57.6%). Only Kingston (55.7%) is below the East Sussex average (55.9%), reflecting its older demography.

Similarly, Newhaven and Peacehaven lead the rates of unemployment and claimant counts, again reflective of the larger proportions of the working age populations. Interestingly, Newhaven's claimant count mix includes more 16-24 year olds than Peacehaven, which itself has a larger proportion of 50+ year olds.

Sources: Fig. 14. ONS, UK Census, 2021 (LSOA); Fig. 15. ONS, Claimant count by sex and age, July 2025 (Ward); Fig. 16. ONS, UK Census, 2021 (LSOA)

Fig. 14. Economic activity, aged 16-64, 2021

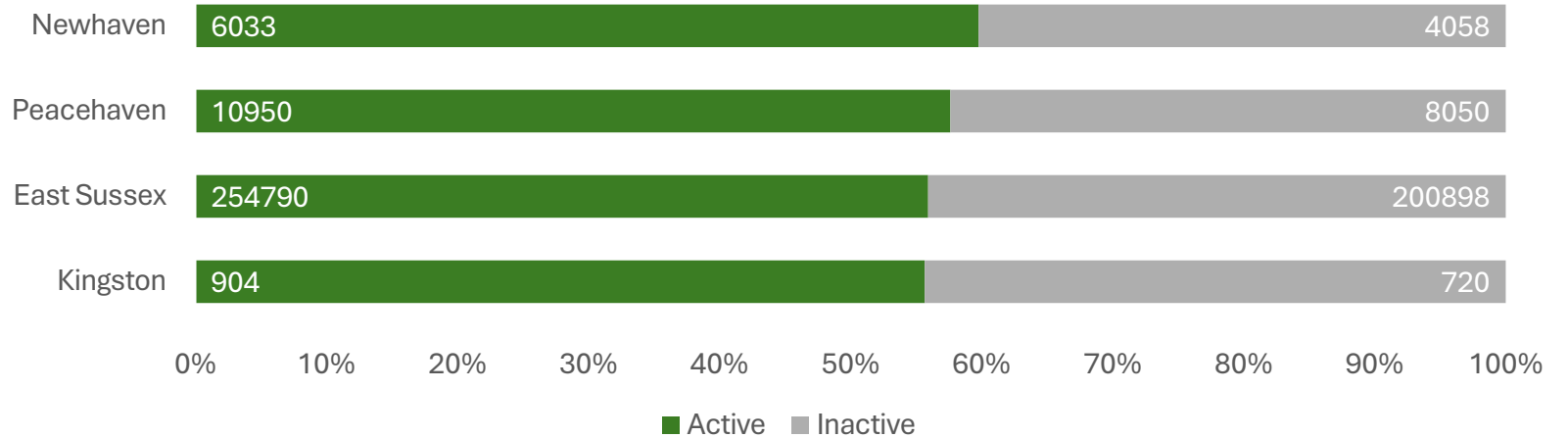


Fig. 15. Claimant count by age, 2025

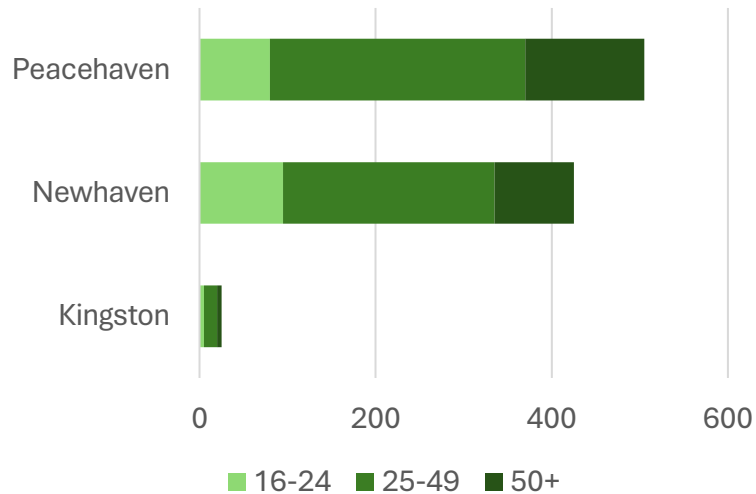
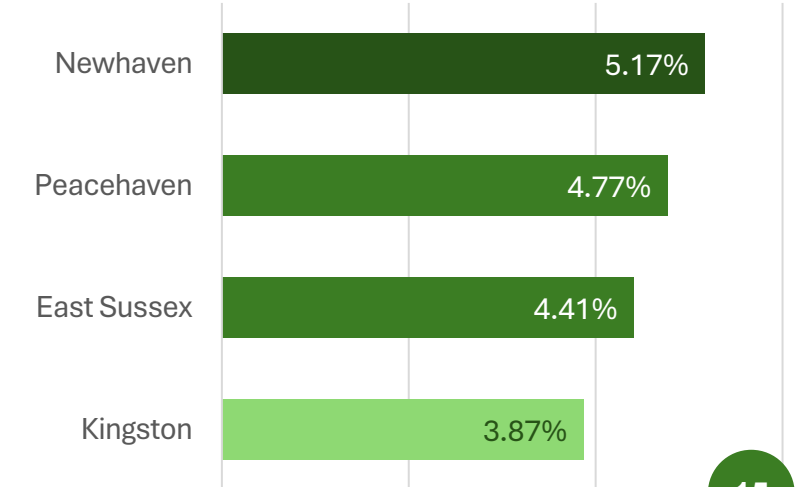


Fig. 16. Unemployment rate, %, 2021



EVIDENCE SKILLS & OPPORTUNITY

Kingston contains a higher density of highly qualified residents than East Sussex on average, while Newhaven, Telscombe (including East Saltdean), and Peacehaven lag behind.

While Kingston is a much smaller population than the other areas, it is also a much more highly-qualified workforce, with higher proportions employed in AB positions (higher & intermediate managerial, administrative, & professional) than the other areas and than the East Sussex average.

Contrastingly, Newhaven lags behind the rest, with the highest proportion of residents with a Level 2 qualification or below as the highest qualification.

Peacehaven & Telscombe (including East Saltdean) has the skill levels and social grade mix most similar to East Sussex, although still slightly behind on both measures.

Sources: Fig. 17-18. ONS, UK Census, 2021 (LSOA)

Fig. 17. Highest level of qualification, 2021

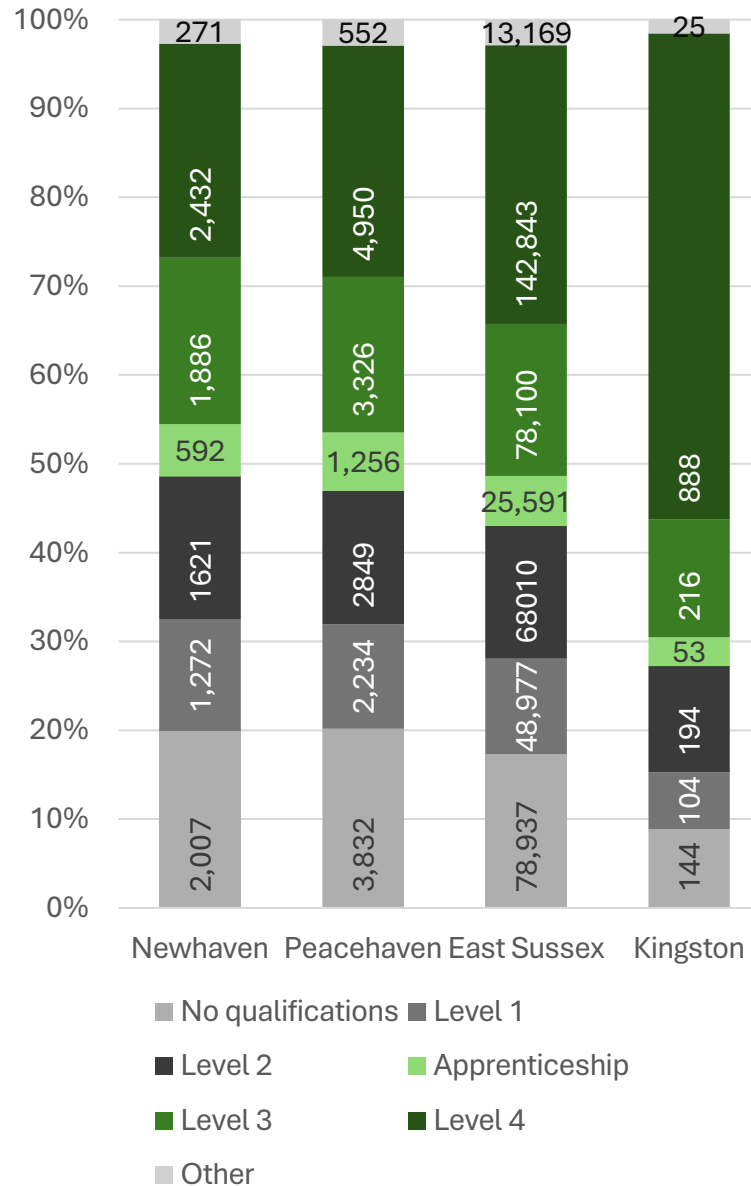
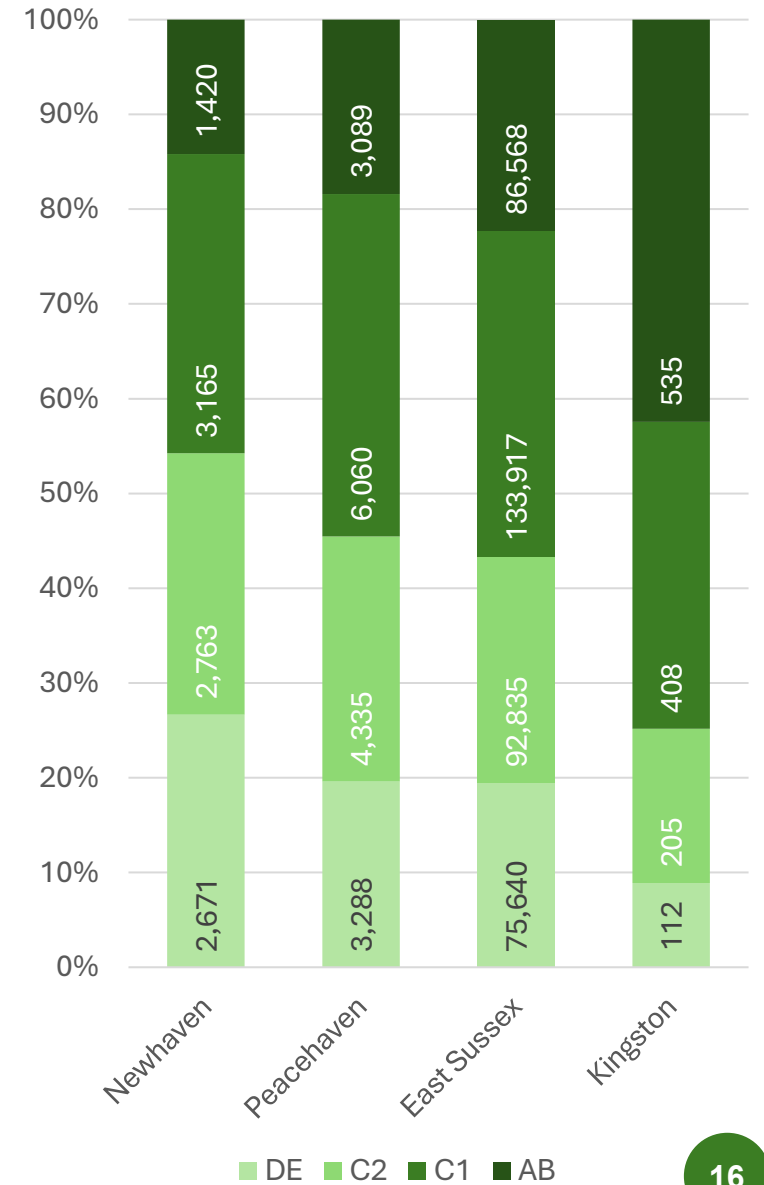


Fig. 18. Social Grade, 2021



EVIDENCE INCOME & HOUSING

While Peacehaven, Tescombe, & East Saltdean hold the largest housing stock, Newhaven has some of the most affordable housing in East Sussex, while Kingston has both high earners and expensive housing.

In both income and house price terms, Kingston is the clear outlier, with median household incomes around £10,000 higher than the other areas, but with an astonishingly high median house price of £825,000, resulting in the highest housing affordability multiplier (18.5). Meanwhile, Newhaven has the lowest median household income, although with the lowest house prices this results in the most affordable housing (9.62 multiplier). As with other measures, Peacehaven (including Telscombe and East Saltdean) most closely reflects the East Sussex average, with slightly lower incomes, house prices, and slightly greater housing affordability.

As with population, Peacehaven contributes the largest housing stock, at 61.4% of the area and 4% of the East Sussex total. Newhaven contributes about half this, while Kingston contains a total housing stock of less than 1,000.

Sources: Fig. 19. ONS, Median house prices by ward: HPSSA dataset 37, 2023 (Ward); Multiplier using ONS, UK Census – Dwelling count, 2021 (Ward); Fig. 20. ONS, Net annual household income by middle layer super output area, England and Wales, 2020 (MSOA); Fig. 20. ONS, UK Census, 2021 (Ward)

Fig. 19. Median house price, 2023, & multiplier

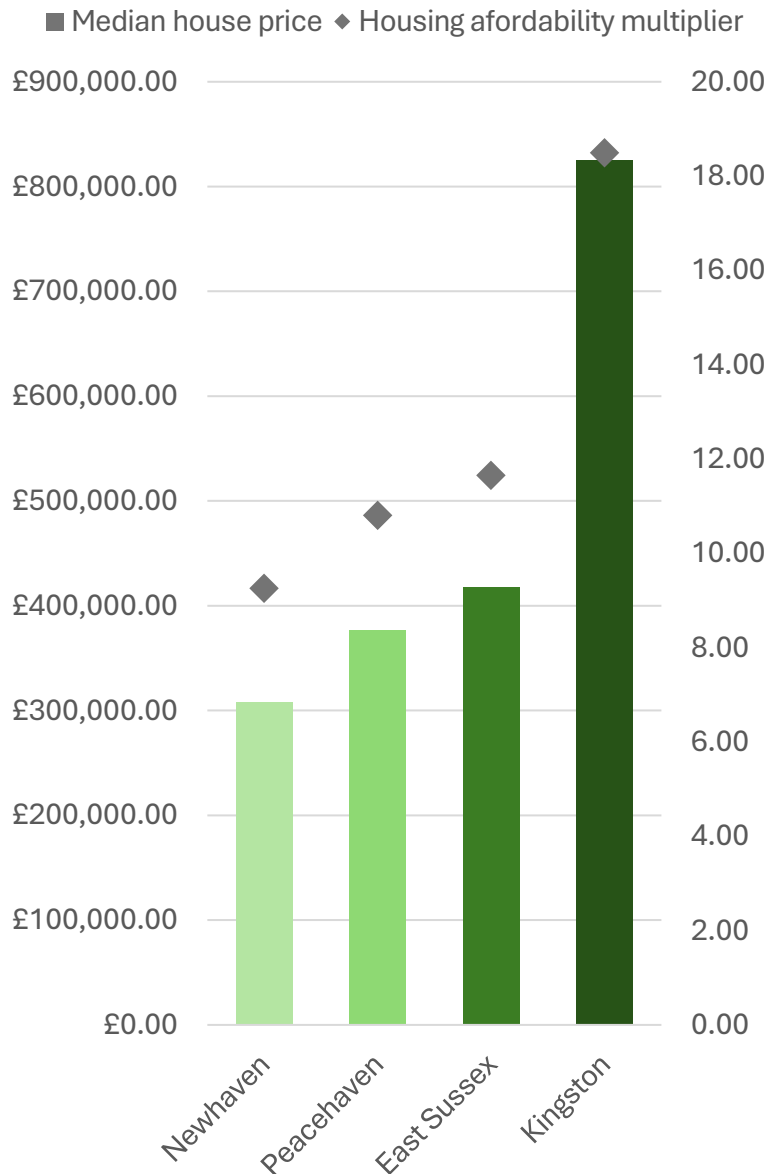


Fig. 20. Net annual household income, 2020

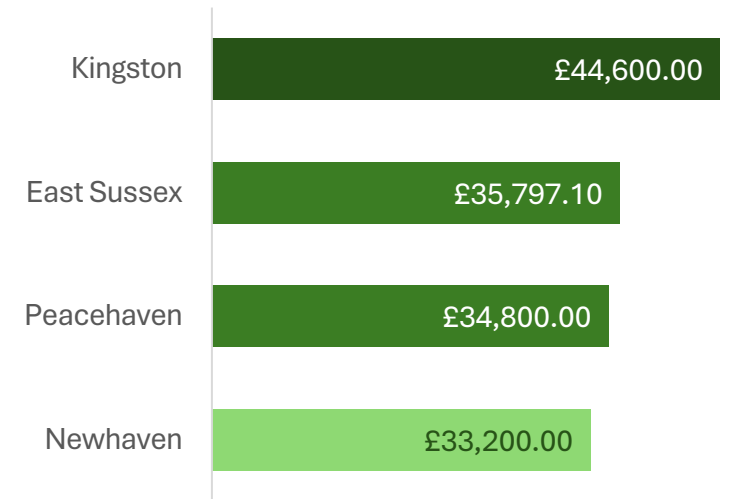
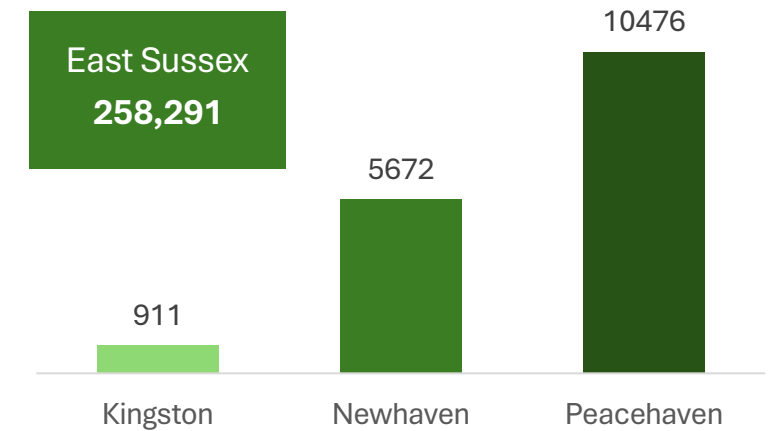


Fig. 21. Dwelling stock, 2021



EVIDENCE ECONOMY

Newhaven makes the largest contribution to East Sussex's GVA of the three, although Kingston has a particularly high GVA relative to its labour force and population.

Newhaven's GVA contribution to East Sussex (4.1%) is larger than Peacehaven's (including Telscombe & East Saltdean) (2%) and Kingston's (0.7%), with the total contribution of the area reaching £736,400,000.

However, when looking at per capita and per worker GVA, as proxies of productivity, Kingston rises to the top, with a GVA per worker of £92,561.24, more than twice that of the East Sussex average (£45,157.56). Newhaven, too, has a GVA per worker 76% higher than that of East Sussex, at £79,418.69.

The explanations for this may lie in the skills and industry base in each area, with Kingston containing a large number of highly qualified individuals in professional and managerial roles, and Newhaven's industrial base supported by skilled workers in sectors that are relatively scarce elsewhere in the region.

Sources: Fig. 22. ONS, UK small area gross value added estimates, 2022 (LSOA); Fig. 23-24. Calculated using: ONS, UK small area gross value added estimates, 2022 (LSOA); and ONS, UK Census, 2021 (LSOA)

Fig. 22. Gross value added (small area estimates), £million, 2022

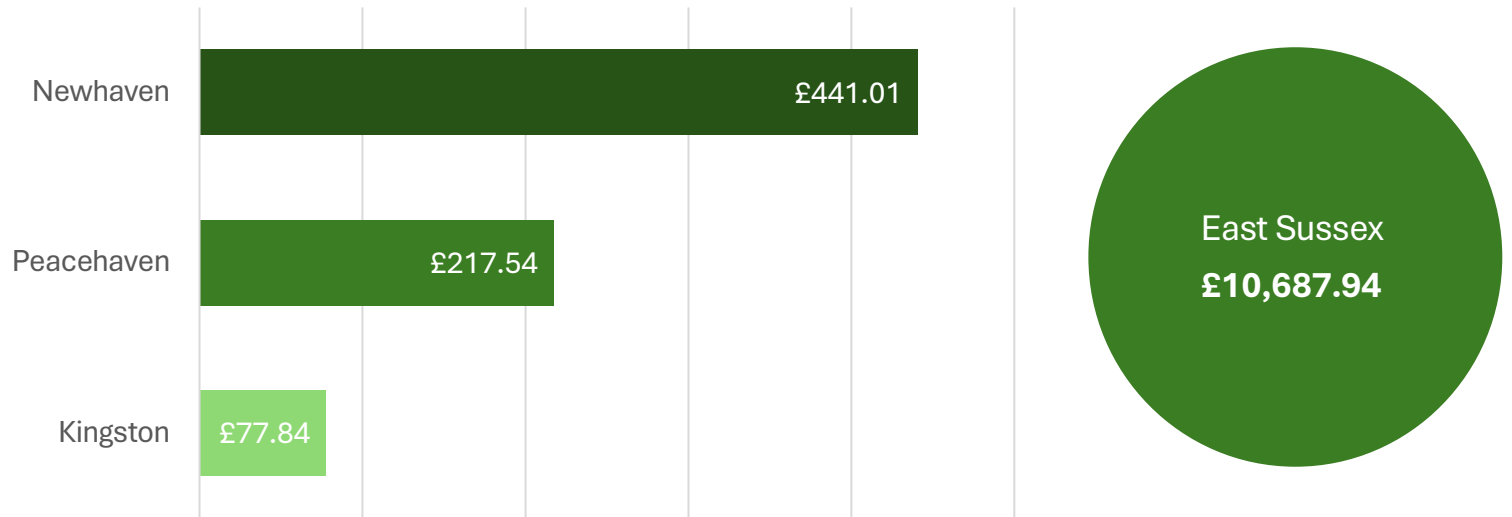
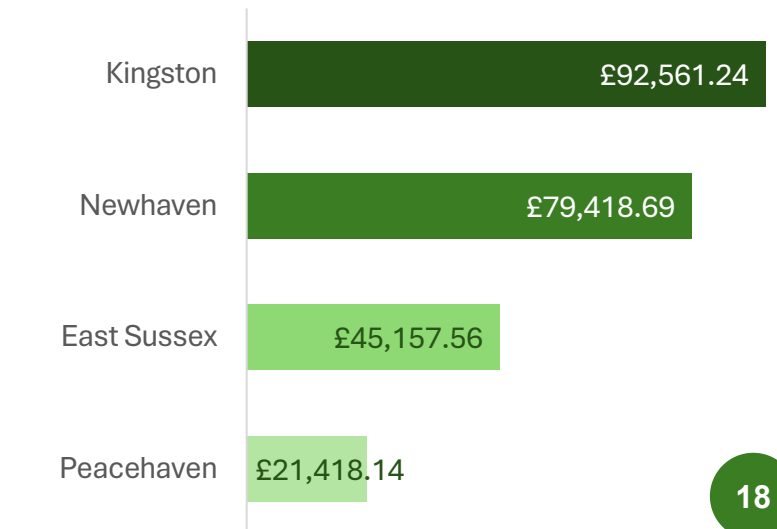


Fig. 23. GVA per capita



Fig. 24. GVA per active worker



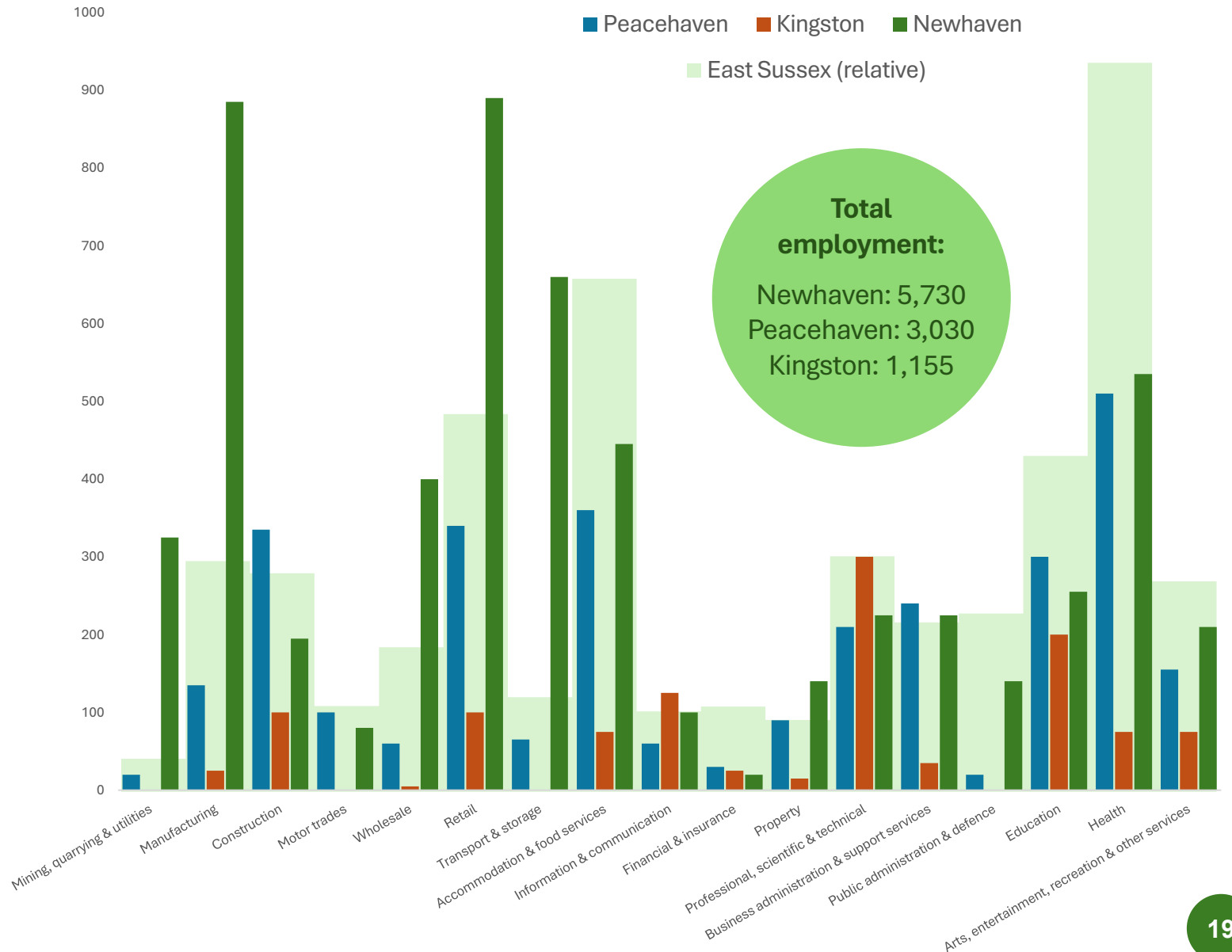
EVIDENCE SECTOR EMPLOYMENT

The three areas represent a markedly different economic mix from East Sussex as a whole, with Newhaven providing an outsized contribution in mining, quarrying & utilities, manufacturing, and transport & storage employment.

The chart here demonstrates the differences between the three areas, particularly Newhaven, in their economic makeup when compared with East Sussex. The East Sussex contribution is not shown to scale, but rather included to demonstrate the employment sectoral balance.

East Sussex's employment is concentrated predominantly in health, accommodation & food services, and retail, with smaller strengths in wholesale and education.

Fig. 25. Employment by industry sector, 2023



Source: Fig. 25. ONS, Business Register and Employment Survey, 2023 (LSOA)

EVIDENCE SECTOR EMPLOYMENT

Within themselves, each of the three areas has a clearly different employment mix of key economic sectors.

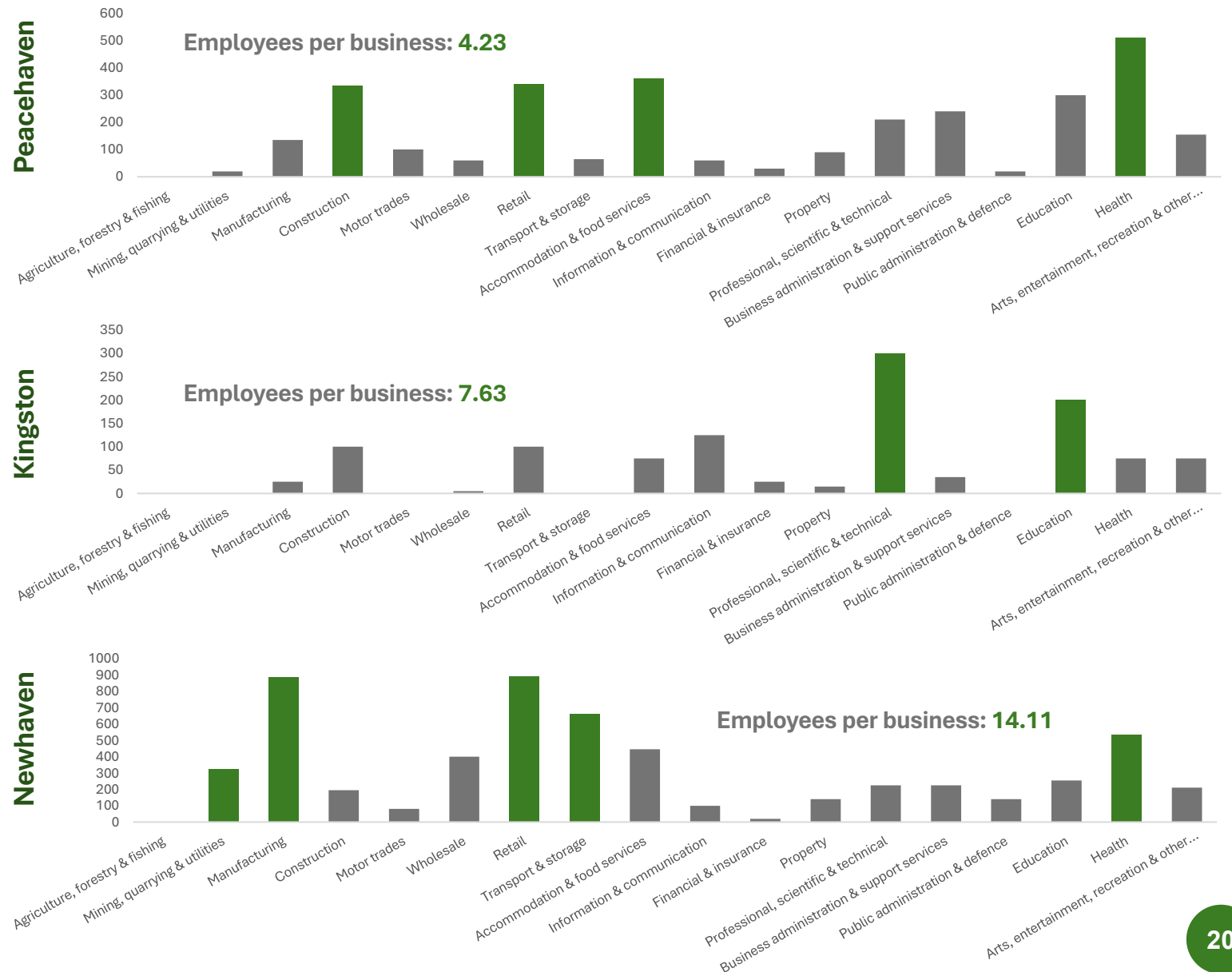
Peacehaven, Telscombe & East Saltdean are closer to the East Sussex sectoral mix, with concentrations in health, accommodation and food services, and retail, alongside an interesting concentration in construction – likely predominantly micro businesses or sole-traders, given the low employees-per-business in the area.

Kingston clearly has strengths in the professional, scientific & technical sector, reflecting the highly-qualified nature of its labour force.

Newhaven has a high employee-per-business figure, indicating the presence of larger firms, which is to be expected given the heavy concentration in technical sectors such as mining, quarrying & utilities, manufacturing, and transport & storage. Of the three areas, Newhaven’s is most distinct from that of East Sussex, reflecting the heavy industrial concentration of the town.

Source: Fig. 25. ONS, Business Register and Employment Survey, 2023 (LSOA); Employees per business calculated using: ONS, UK Business Counts, 2024 (MSOA)

Fig. 26. Employment by industry sector, 2023



EVIDENCE BUSINESS COUNTS

In addition to Newhaven’s strengths in manufacturing, construction, and transport & storage, Telscombe & Peacehaven contains a high number of businesses, particularly in construction.

As in the previous chart, the East Sussex balance is not shown to scale, demonstrating instead the different concentrations of businesses by sector.

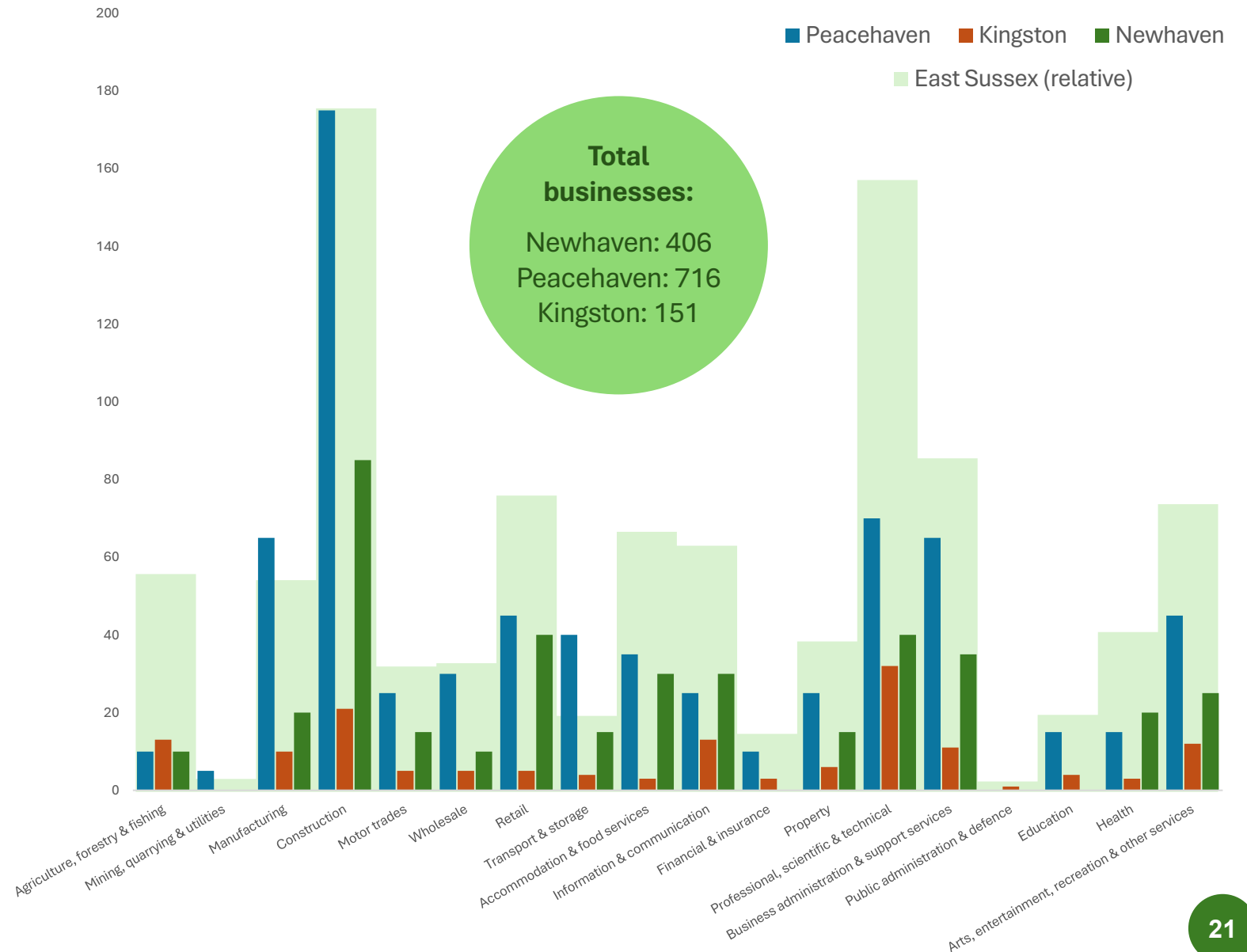
There are a number of differences between this chart and that showing employment by sector, in particular the reduced number of businesses in sectors like mining, quarrying, & utilities, and transport & storage, indicating fewer, larger firms in these sectors.

There is a large number of construction businesses in Peacehaven which are not overrepresented in terms of employment, suggesting a base of small or single-employee firms in this sector.

As before, manufacturing and transport & storage, particularly in Newhaven, differ from the concentrations in East Sussex as a whole, where concentrations exist in construction, professional, scientific & technical, retail, and arts, entertainment, recreation & other services.

Source: Fig. 27. ONS, UK Business Counts, 2024 (MSOA)

Fig. 27. Business count by industry sector, 2024



EVIDENCE COMMERCIAL PROPERTY

Newhaven leads the way in both commercial properties and rateable value, with a concentration in industrial facilities.

With 3.5% of East Sussex’s rateable properties alone, and 5.9% when focusing on industrial specifically, Newhaven contains the largest proportion of commercial space. This is reflected in the relative rateable values, with Newhaven’s industrial premises alone worth 12.2% of East Sussex’s entire industrial rateable value.

For Telscombe & Peacehaven, there are larger quantities of retail and ‘other’ premises, as would be expected given the higher service demand from the larger population, while Kingston’s concentration in office space makes sense given the balance of its residents in professional roles and the professional, scientific, & technical sector.

Peacehaven’s relatively few business premises, when compared to the high business count, reinforces the assumption that a large number of businesses are home-based as sole traders.

Overall, the three areas combined demonstrate an outsized contribution in commercial properties to East Sussex, particularly office (8.2%) and industrial (7.3%).

Source: Fig. 28-29. Valuation Office Agency, Non-Domestic Rating: Stock of Properties, 2025 (LSOA)

Fig. 28. Rateable properties (count, 000s), 2025

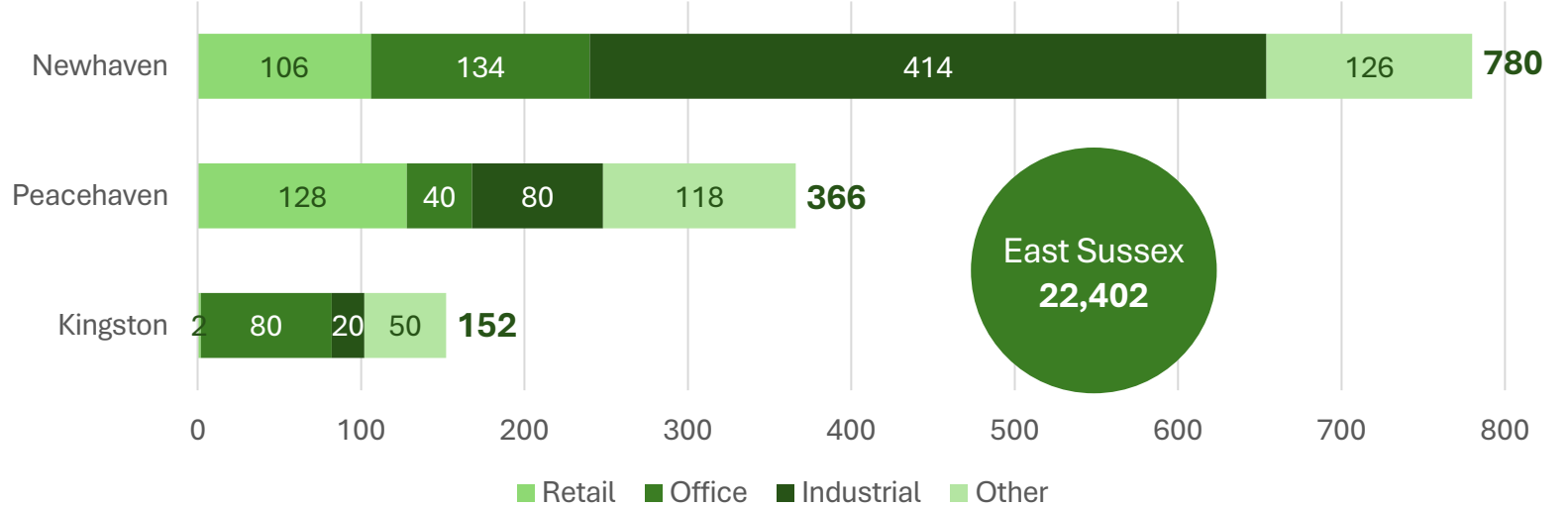
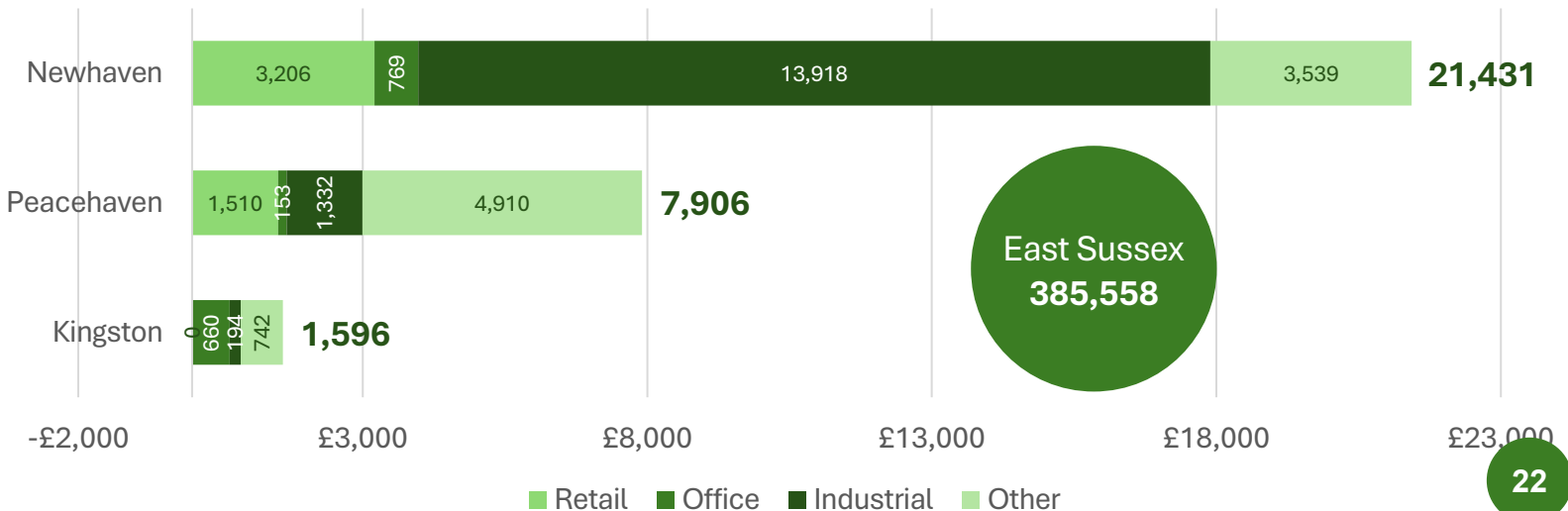


Fig. 29. Rateable property value (£000s), 2025



EVIDENCE COMMERCIAL FLOORSPACE

Newhaven contains a significant amount of commercial floorspace, with a particular focus on industrial floorspace.

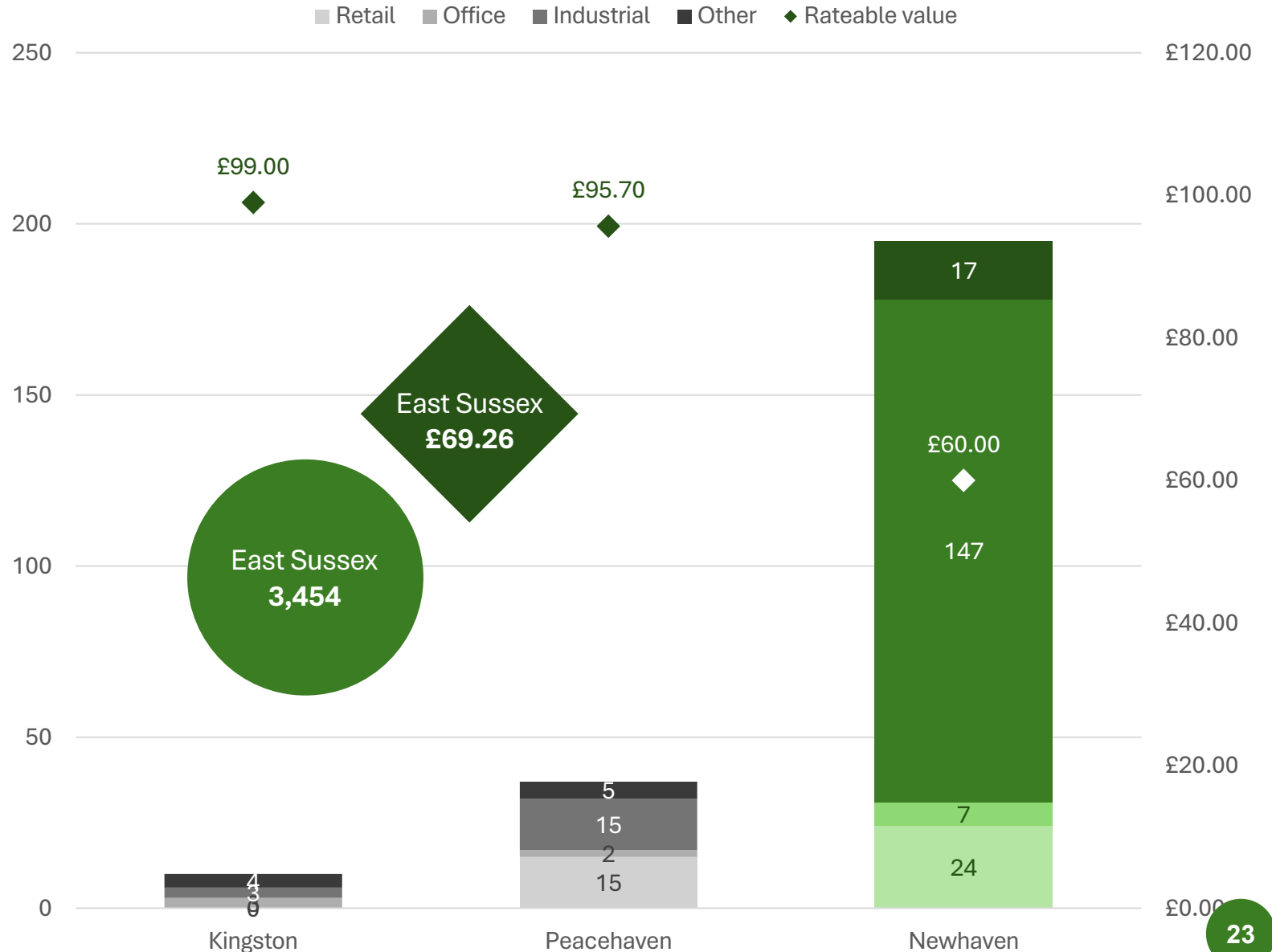
As with commercial premises, Newhaven contains the vast majority of commercial floorspace (195,000 sq.m), 78.2% of all the commercial floorspace within the three areas, and with a concentration in industrial (147,000 sq.m), 8.5% of the total industrial floorspace of East Sussex.

This profusion of floorspace naturally results in a lower rateable value per square metre (£60) than the other areas, and East Sussex as a whole (£69.26), where such a commodity is scarcer.

The higher average rateable values for Telscombe & Peacehaven (£95.70) and Kingston (£99.00) similarly reflect the lower contributions of floorspace to East Sussex, at 1.1% and 0.3%, respectively.

Source: Fig. 30. Valuation Office Agency, Non-Domestic Rating: Stock of Properties including Business Floorspace, 2023 (LSOA)

Fig. 30. Commercial floorspace (000s sq.m) and rateable value (£ per sq.m), 2023



NOTES

A note on the data used and presented in this report.

Where possible, all data has been collated at the Lower Layer Super Output Area (LSOA) or Ward level, thereby allowing for contiguity with the proposed areas for expansion by Brighton & Hove City Council. All data for Peacehaven, Telscombe & East Saltdean are combined as one single entity throughout.

However, for some datasets, only the Middle Layer Super Output Area (MSOA) level is available. While this remains contiguous with the Peacehaven (including Telscombe & East Saltdean) and Newhaven elements of the area, the MSOA for Kingston also includes areas not within scope for consideration. In such cases, the Kingston figures have been multiplied by 0.2, to reflect the population share of the Kingston ward within the wider MSOA, while recognising the limitations in this approach.

For all sources throughout, it is noted whether the data has been collated at the LSOA, MSOA, or Ward level.

For the Business Counts, Rateable Properties, Rateable Values, and Commercial Floorspace datasets, some figures have been withheld below a specified threshold. To approximate accuracy in these cases, a stand-in figure of 0.5x the relevant suppression threshold has been used, but it must be recognised that these figures are still likely to be biased downwards.

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