

West Sussex Economy Snapshot

May 2022 (Issue 22)

West Sussex County Council

This is a monthly 'snapshot' of the West Sussex economy, produced by the County Council's Performance & Intelligence team with contributions from partners. The data presented here is publicly available and any analysis provided is for information purposes only.

This report includes national data that can provide a context to the trends seen from the data in West Sussex.

The latest COVID-19 figures relating to West Sussex are available on the [county dashboard](#).

Previous reports can be found on the [Business West Sussex](#) pages.

If you have any questions relating to the information in this report, please email business.support@westsussex.gov.uk or sue.cooper@westsussex.gov.uk

West Sussex Headlines

Over the last month, March-April, there was a decrease of 5% in the number of claimants in West Sussex, a slightly higher percentage fall than that seen nationally and regionally. The number of claimants fell across all West Sussex districts and boroughs with Chichester having the highest decrease at 8%. Crawley continues to have the highest numbers of claimants and the highest claimant count rate – higher than the national and regional rate, with Adur having the lowest rate.

From the recently released and relatively new data set on the number of PAYE employees and average monthly pay the number of employees on payrolls are continuing to increase toward pre-pandemic levels, and in authority areas except for Adur and Crawley numbers of employees from this data is above that seen before April 2020.

The median monthly pay levels have risen to levels higher than seen at the beginning of 2020. Arun has the lowest median monthly pay level and Mid Sussex the highest. This is experimental data only and subject to some revision.

Job postings are continuing to be the highest in nursing, care workers, as well as amongst customer service occupations. Most sought after skills include finance, auditing and accounting.

The numbers of new business incorporations in West Sussex over the last year- May 2021-April 2022 has exceeded the numbers of businesses that have been dissolved or have gone into liquidation, this trend was also seen over the last three months to April 2022. Mid Sussex continued to have the highest number of new business incorporations over that period, as well as the highest number of companies dissolved, or which had gone into liquidation.

In West Sussex the highest numbers of new businesses were seen in the business services sector which also had the highest number of businesses that were dissolved or in liquidation - higher than the number of new businesses.

National Headlines

There has been some growth in GDP in the UK in March though at 0.1%, after no growth in February 2022 (revised down from 0.1% growth). GDP is now 1.5% above its pre-coronavirus level in February 2020. Services was the main contributor to February's growth in GDP and particularly from tourism-related industries.

The numbers of payrolled employees have continued to increase, driven by the increase in full time employees, and the largest growth sectors have been in accommodation and food service activities.

From the Business Insights and Conditions Survey (BICs), the main concern for UK Businesses continues to be energy prices, but also supply chain disruption is another key concern. 13% of businesses trading reported that they are experiencing a shortage of workers in early May 2022, this was more prevalent amongst the businesses with 10 or less employees (microbusinesses). Nearly a quarter of businesses reported that they were using or intending to continue to use increased homeworking as a permanent business model.

Data for England and Wales on company insolvencies shows that there were 1,991 in April 2022, more than double the number registered in the same month in the previous year (925 in April 2021), this could be due to the government measures put in place to support businesses and individuals during the pandemic coming to an end.

Inside this report

This report is split into two sections - local West Sussex data and National trends.

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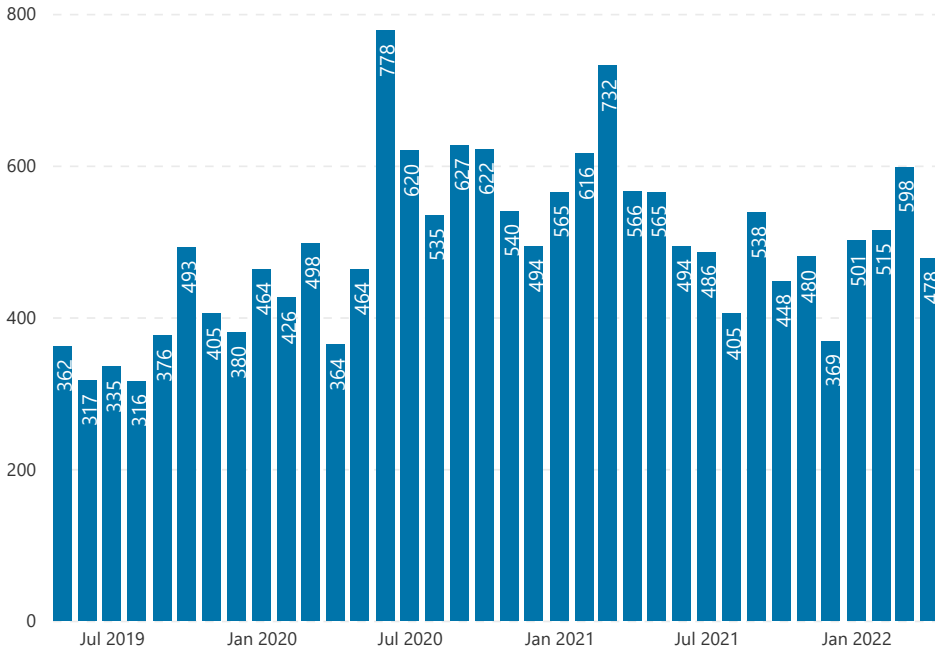
New Businesses, West Sussex

Source: FAME

Released: May 2022

Lockdown in March 2020 had an impact on new business formation in April and May 2020, but since then new business incorporations have generally increased, and although the time series is volatile, generally at levels greater than previously. In the last 12 months, May 2021 - April 2022 there were around 5,700 new business incorporations in West Sussex compared to 5,475 that had been dissolved or are in liquidation. In the last 3 months, February to the end of April 2022, there were 94 more new businesses than there had been those which have dissolved/in-liquidation.

New business incorporations in West Sussex



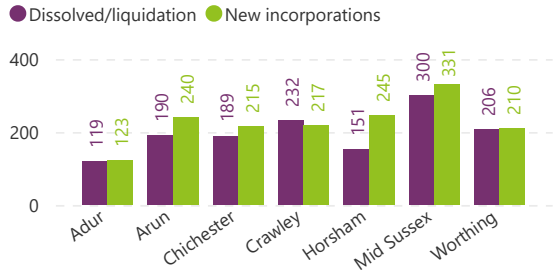
Businesses, West Sussex

Source: FAME

Released: May 2022

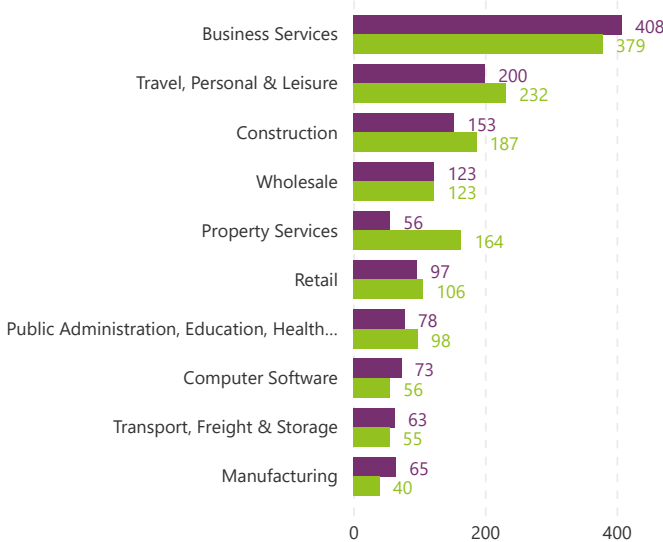
In the last 3 months (Feb-April '22) Mid Sussex continued to have highest number of new business incorporations and also the highest number of businesses dissolved or in liquidation, though Horsham had the greatest difference between new businesses and 'closed' businesses compared to other local authority areas in West Sussex. Crawley was the only area that had more closures than new businesses, and Adur had the lowest numbers of new business incorporations as well as businesses in liquidation or had been dissolved.

Number of new business incorporations and businesses dissolved/in liquidation by local authority (Feb-Apr 22)



Number of new business incorporations and businesses dissolved/in liquidation by industry (Feb-Apr 22)

● Dissolved/liquidation ● New incorporations



In the same time period, Feb - April 2022, as in previous trends, the highest number of new incorporations in West Sussex were in the business services sector, travel, personal and leisure, and construction sectors. The business services sector also saw the highest numbers of businesses dissolved, indeed during this time the numbers of dissolved businesses in this sector exceeded the number of new business incorporations.

Claimant Count, West Sussex

Source: [ONS, Claimant Count](#)

Released: 17 May 2022 (April 2022 figures are provisional)

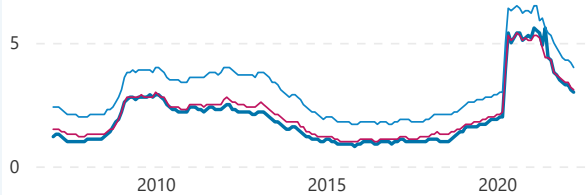
There were 15,215 claimants aged 16+ in West Sussex in April 2022, a decrease of -5% from the previous month, compared with a regional fall of -4% and national fall (England) of -3%

All the local authority districts saw a fall in claimant figures. Chichester saw the highest decline at -8% followed by Arun at -7%.

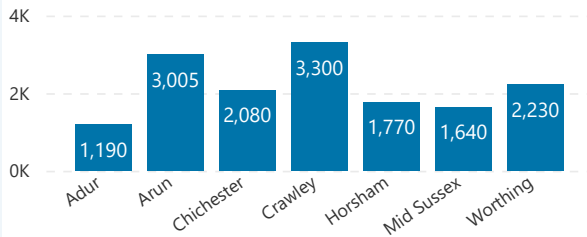
Crawley has the highest number of claimants at 3,300 and also the highest claimant count rate at 4.6%, higher than the regional and national rates. Mid Sussex has the lowest claimant count rate at 1.8%. In West Sussex, % of male claimants aged 16+ fell by -4% and female claimants by -6%.

Claimant count rate

● West Sussex ● South East ● England

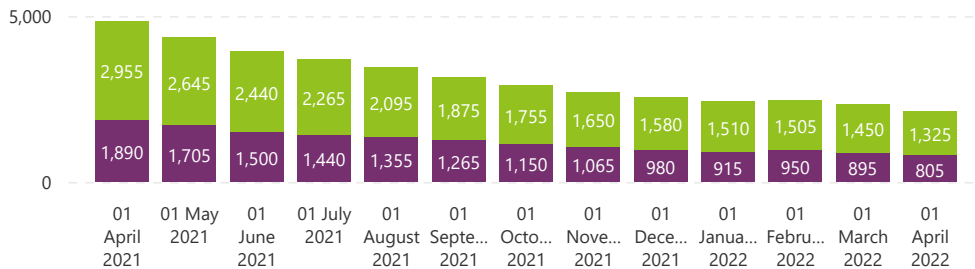


Number of claimants



Claimant count by gender, 18-24 age group

● Female ● Male



Claimant Count, West Sussex

Source: [ONS, Claimant Count](#)

Released: 17 May 2022 (April 2022 figures are provisional)

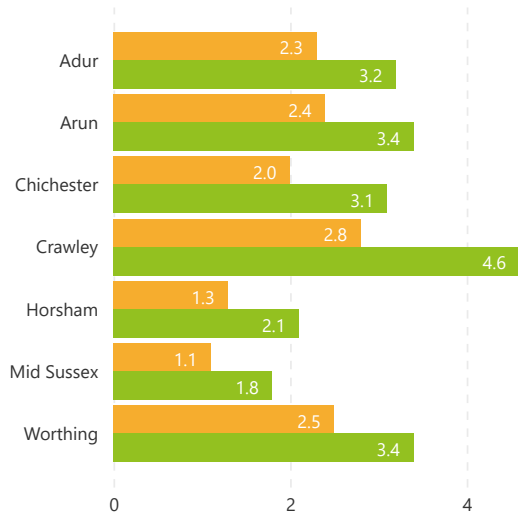
Age profile of claimants: Adur (17.6%) has the highest proportion of 16-24 year olds, and Chichester and Arun the lowest at 12% . Chichester and Arun have the higher proportion of claimants who are over 50 years.

There are 2,130 claimants aged 18-24 in West Sussex, which is a decrease of -9% from the previous month. National and regional figures also fell by -4% and -5% for this age category. Crawley has the highest number of claimants in this age group at 485, followed by Worthing 360.

Within West Sussex, over the last month, there was a drop of -9% in claimants amongst males aged 18-24 years; females fell by -10%.

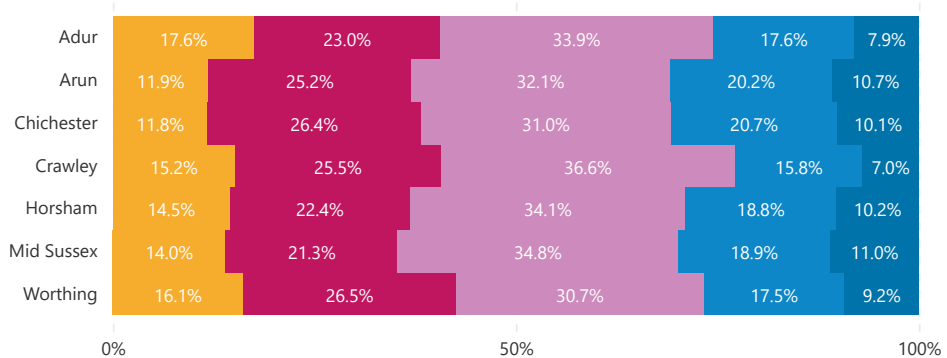
Claimant count rates change

● 01 March 2020 ● 01 April 2022



Distribution of claimants by age band

● Aged 16-24 ● Aged 25-34 ● Aged 35-49 ● Aged 50-59 ● Aged 60+



Universal Credit Claimants, West Sussex

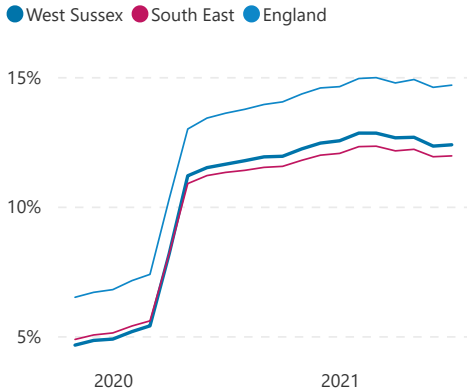
Source: [Department for Work and Pensions](#)

Released: : 17 May 2022 (April 2022 figures are provisional)

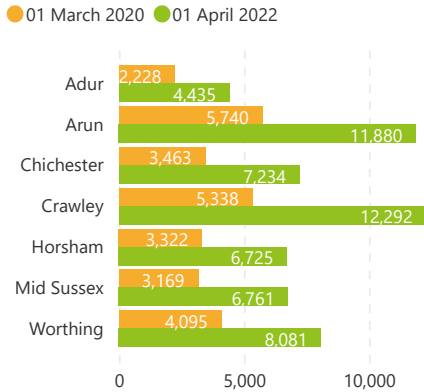
In April 2022, there were 57,412 Universal Credit claimants, which is a 1% increase from previous month. The numbers of people claiming Universal Credit in West Sussex has increased 110% since March 2020 - from 27,355 to 57,412 in April 2022.

Crawley has seen the highest % rise (130%) over the period from March 2020 (at the start of the pandemic) to April 2022 though there has been a significant rise in the number of residents claiming Universal Credit across the county. Please note the latest figures are always provisional and they are not broken down by employment/not in employment.

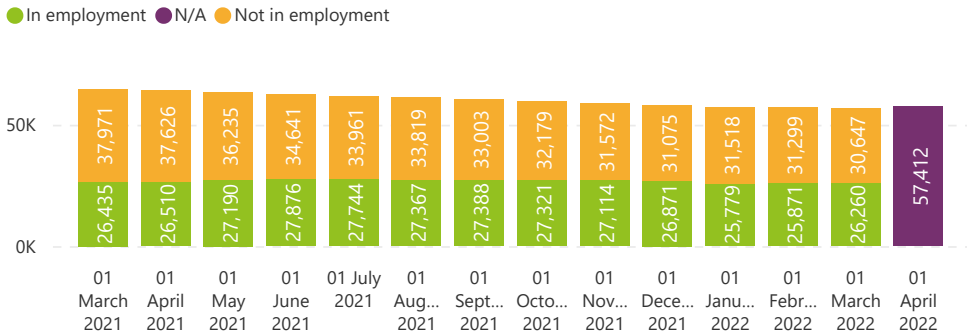
Percentage of people aged 16-64 years claiming Universal Credit



Universal Credit claimants in West Sussex change



Universal Credit claimants in West Sussex by employment status



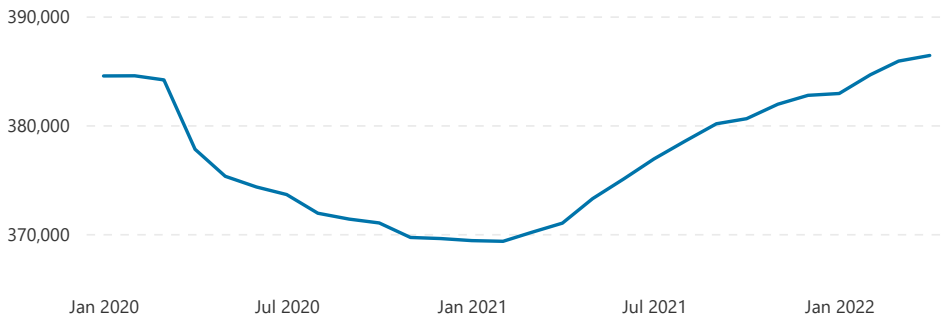
Real Time Information Pay As You Earn (RTI PAYE), Employees, West Sussex

Source: ONS - [Earnings and employment from Pay As You Earn Real Time Information, seasonally adjusted](#)

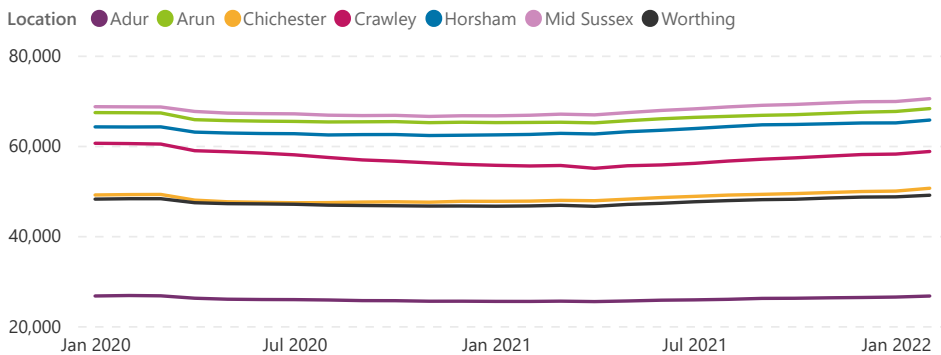
Released: 17 May 2022

These figures are from a set of 'experimental statistics' from ONS from the earnings and employment statistics Pay As You Earn (PAYE) Real Time Information (RTI) seasonally adjusted data set. They have only recently been made available at local authority level, the latest data is up to the month of April 2022 for West Sussex and up to February 2022 for local authority geographies. The latest data shows that Mid Sussex has the highest number of employees at 70,420 and Adur the lowest at 26,654. The timeline of employees in West Sussex shows a decrease from April 2020, at the beginning of the first lockdown and continuing to decrease until March 2021 at which point the employee figures begin to increase. This increase has continued to the current date where the districts of Arun, Chichester, Horsham, Mid Sussex and Worthing have higher employee levels than pre-April 2020, whereas Adur and Crawley employee levels continue to be below April 2020 levels.

West Sussex Number of Employees



District Number of Employees



Real Time Information Pay As You Earn (RTI PAYE), Employees, West Sussex

Source: ONS - [Earnings and employment from Pay As You Earn Real Time Information, seasonally adjusted](#)

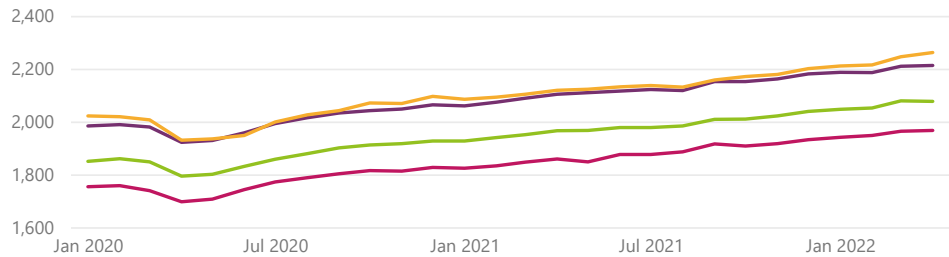
Released: 17 May 2022

As in the previous page these figures are based on the ONS statistics from the earnings and employment Pay As You Earn (Seasonally Adjusted) RTI data set and are up to the month of April 2022 for the UK, South East and West Sussex and up to the month of February 2022 for the districts of West Sussex.. The district with the highest median monthly pay, from the latest figures for February is Mid Sussex at £2,269, and the lowest is seen in Arun at £1,880.

A decrease in median pay can be seen in between the month of March and April 2020 which was the beginning of the first lockdown. Median monthly pay trends then appear to return to pre lockdown levels by July 2020 for all local authorities except for Crawley. Compared to the regional and national median monthly pay, North East West Sussex (Crawley, Horsham & Mid Sussex) has higher monthly pay levels than South West Sussex (Adur, Arun, Chichester & Worthing).

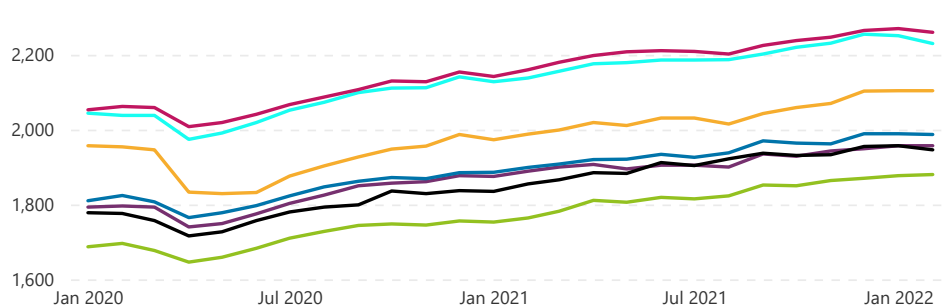
Median Pay National and Regional Figures

Location ● South East ● UK ● West Sussex (North East) ● West Sussex (South West)



Median Pay in West Sussex

Location ● Adur ● Arun ● Chichester ● Crawley ● Horsham ● Mid Sussex ● Worthing



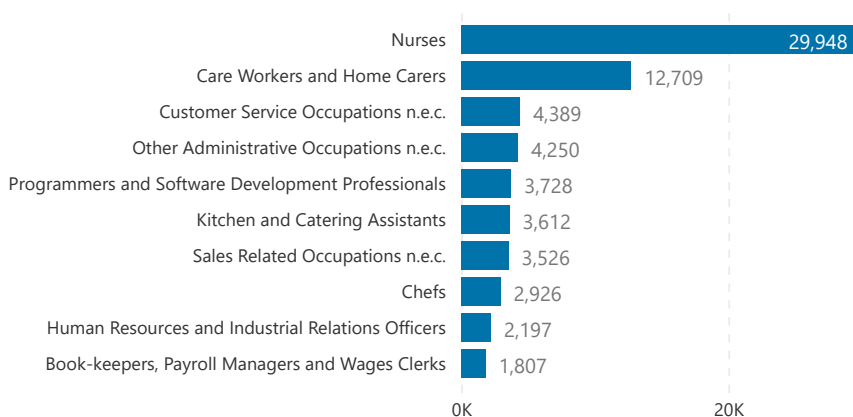
Job Postings, West Sussex

Source: EMSI

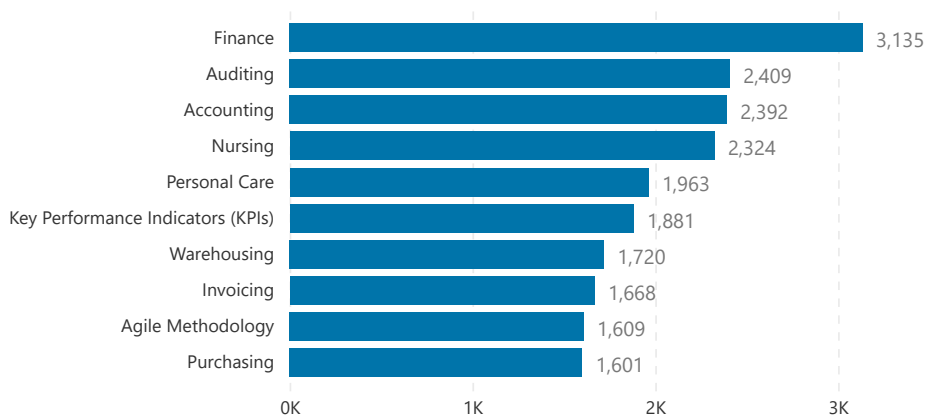
Released: May 2022

In terms of the 'top' posted occupations nurses continue to make up the highest numbers of job postings, with care workers and home carers the second highest. Customer service occupations are also in demand. Top hard skills include finance, auditing and accounting.

Top 10 posted occupations (total postings Nov 21-Apr 22)



Top 10 hard skills (total postings Nov 21-Apr 22)



Google Mobility, West Sussex

Source: [Google](#)

Released: 22 May 2022

These datasets show how visits and length of stay at different places change compared to a baseline. Changes for each day are compared to a baseline value for that day of the week: the median value, for the corresponding day of the week, during the 5-week period Jan 3–Feb 6, 2020.

Grocery & pharmacy

Mobility trends for places like grocery markets, food warehouses, farmers markets, specialty food shops, drug stores, and pharmacies.

4%

Parks

Mobility trends for places like local parks, national parks, public beaches, marinas, dog parks, plazas, and public gardens.

22%

Transit stations

Mobility trends for places like public transport hubs such as subway, bus, and train stations.

-11%

Retail & recreation

Mobility trends for places like restaurants, cafes, shopping centers, theme parks, museums, libraries, and movie theaters.

-14%

Residential

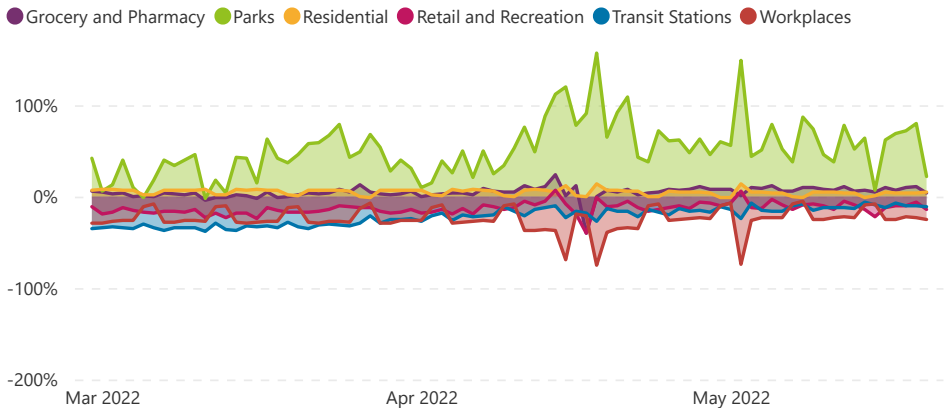
Mobility trends for places of residence.

5%

Workplaces

Mobility trends for places of work.

-25%



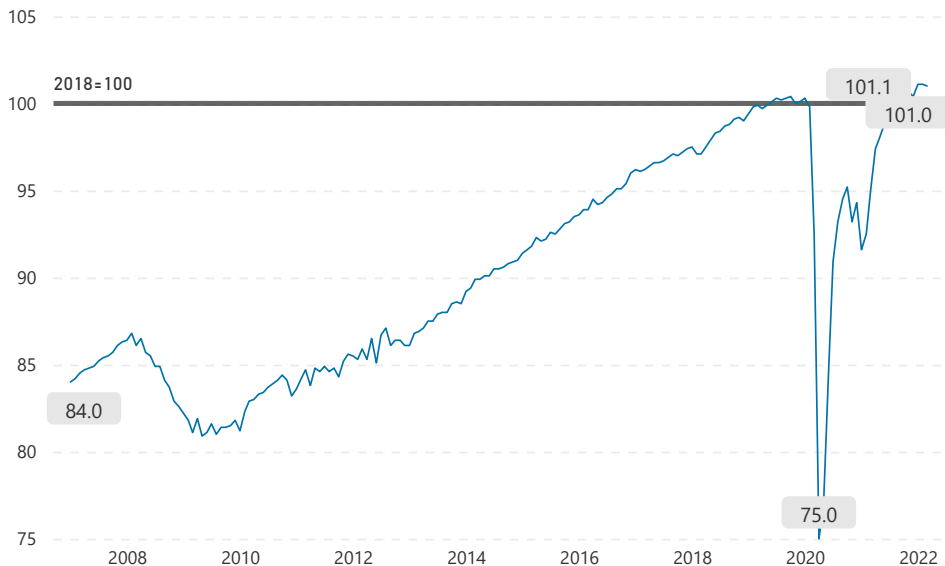
National Headlines - Gross Domestic Product (GDP), UK

Source: [ONS, GDP Monthly Estimate](#)

Released: 12 May 2022

- Gross domestic product (GDP) fell by 0.1% in March 2022, after no growth in February 2022 (revised down from 0.1% growth).
- Services fell by 0.2% on the month and was the main contributor to March's fall in GDP, reflecting a large decrease (15.1%) in the wholesale and retail trade and repair of motor vehicles and motorcycles industry.
- Production also fell on the month by 0.2%; these falls were partially offset by construction, which grew by 1.7%.
- Output in consumer-facing services fell by 1.8% in March 2022, following a 0.5% (revised down from 0.7%) growth in February 2022; non-consumer facing services grew by 0.2% on the month following a 0.1% fall in February (revised down from 0.0%).
- Monthly GDP is now 1.2% above its pre-coronavirus (COVID-19) pandemic level (February 2020).
- Services is now 1.5% above its pre-coronavirus level, while construction is 3.7% above and production is 1.6% below; within services, consumer-facing services were 6.8% below their pre-coronavirus levels in March 2022, while all other services were 3.6% above.

Monthly index, UK



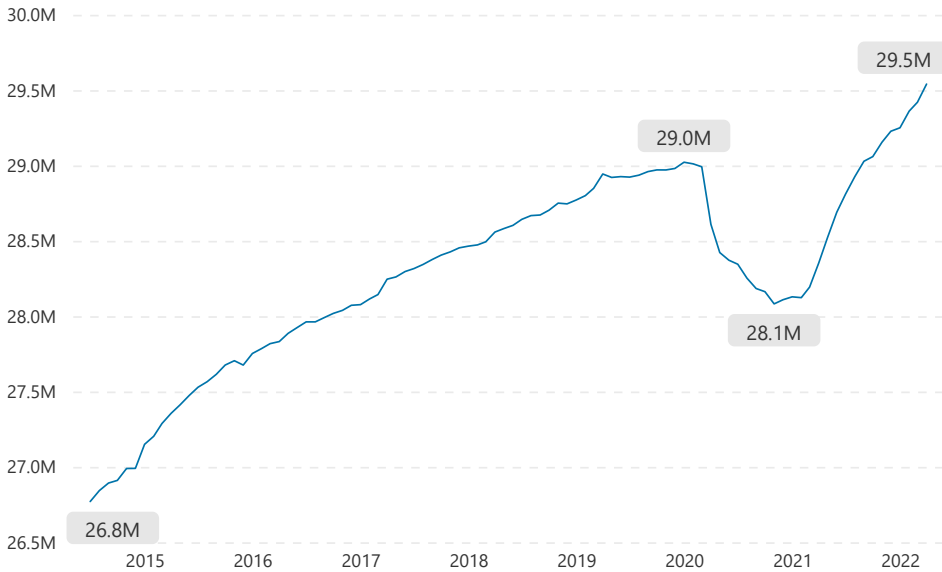
Labour Market, UK

Source: [ONS, Earning and Employment from Pay As You Earn](#)

Released: 17 May 2022

- Early estimates for April 2022 indicate that the number of payrolled employees rose by 4.2% compared with April 2021, a rise of 1,187,000 employees; the number of payrolled employees was up by 1.8% since February 2020, a rise of 530,000.
- Payrolled employment increased by 0.4% in April 2022 when compared with March 2022, a rise of 121,000 people; this should be treated as an upper bound and is likely to be revised downwards when more data is received next month.
- UK payrolled employee growth for March 2022 compared with February 2022 has been revised from an increase of 35,000 reported in our last publication to an increase of 59,000, because of the incorporation of additional real time information (RTI) submissions into the statistics, which takes place every publication and reduces the need for imputation.
- Early estimates for April 2022 indicate that median monthly pay increased by 5.6% compared with April 2021, and increased by 11.7% when compared with February 2020.
- All age groups saw an increase in payrolled employees between April 2021 and April 2022; there was an increase of 503,000 payrolled employees aged under 25 years.

Payrolled employees, seasonally adjusted, UK



Businesses currently trading, UK

Source: [ONS, Business insights and impact on the UK economy](#).

Released: 19 May 2022

The data presented in this bulletin are the final results from Wave 56 of the Business Insights and Conditions Survey (BICS), which was live for the period 3 May – 15 May 2022.

- In early May 2022 94% of businesses reported they were trading, with 85% full trading and 8% partially trading. 4% of businesses were temporarily paused trading and 2% were permanently ceased trading.
- The two main concerns reported by trading businesses were additional paperwork and a change in transportation costs. In addition customs duties or levies, whilst those reporting they did not face a challenge was 41%, up from 32%.
- Over a quarter (26%) of businesses that are trading to some capacity reported that their production and/or suppliers had been affected by recent increase in energy prices; the accommodation and food service activities industry reported the highest percentage at 41%. More than a third of businesses reported that they were having to absorb costs as a result of general price increase, 29% had to pass the price increase onto customers.
- 13% reported that they were experiencing a shortage of workers in early May 2022, compared with 14% in early April 2022; for businesses with 10 or more employees, these percentages were 45% and 13%, respectively.
- In early May 2022, 28% of not permanently stopped trading businesses reported that they were using, or intending to use, increased homeworking as a permanent business model.

Businesses Closures, UK

Source: Gov.uk, [Monthly Insolvency Statistics](#)

Released: 17 May 2022

Data for England and Wales on company insolvencies shows that there were 1,991 in April 2022, more than double the number registered in the same month in the previous year (925 in April 2021), and 39% higher than the number registered three years previously (pre-pandemic; 1,429 in April 2019).

From the start of the coronavirus (COVID-19) pandemic until mid-2021, overall numbers of company and individual insolvencies were low when compared with pre-pandemic levels. While CVL numbers are now higher than pre-pandemic levels, numbers for other insolvency procedures, such as compulsory liquidations for companies and bankruptcies for individuals, remain lower. These trends are likely to be partly driven by government measures put in place to support businesses and individuals during the pandemic, including:

- Temporary restrictions on the use of statutory demands and certain winding-up petitions (leading to company compulsory liquidations).
- Enhanced government financial support for companies and individuals.

On 30 September 2021, some of these temporary measures either ended or were replaced by new tapering measures. On 31 March 2022, all of the remaining temporary insolvency measures ended.

Company insolvencies in England & Wales

