

# West Sussex Economy Snapshot

**June 2022 (Issue 23)**

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](mailto:business.support@westsussex.gov.uk) or [sue.cooper@westsussex.gov.uk](mailto:sue.cooper@westsussex.gov.uk)

## West Sussex Headlines

Over the last month, April - May, there was a decrease of 3% in the number of claimants in West Sussex, a slightly higher percentage fall than that seen nationally and regionally. With the exception of Adur the number of claimants fell across West Sussex districts and boroughs, Mid Sussex had the highest decrease at 5% followed by Chichester and Arun. Crawley continues to have the highest numbers of claimants and the highest claimant count rate, which at 4.4% is higher than the national and regional rate, Mid Sussex has the lowest claimant count 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 all authority areas with the exception of Crawley the numbers of employees from this data is above that seen before April 2020.

Similarly, the median monthly pay levels have risen to levels higher than seen at the beginning of 2020. The increase is most marked in North East West Sussex (Crawley, Horsham and Mid Sussex) than South West Sussex Sussex, and Mid Sussex has the highest median monthly pay level at £2,171 compared with Arun at £1,786. This is experimental data only and subject to some revision.

Job postings are continuing to be high, and higher than the period pre-pandemic. Health care related occupations – nursing and care workers continue to be in highest demand, and customer service occupations, sales, programmers and software professionals continue to be in the top ten most advertised postings. Marketing, over the last 6 months has been the most sought 'specialised' skill along with finance, nursing and accounting.

The numbers of new business incorporations in West Sussex over the last year- June 2021-May 2022 was lower than the numbers of businesses that have been dissolved or have gone into liquidation – by around 90 business. This pattern was reversed over the last three months with over 100 more new incorporations in the county than numbers of closed businesses. 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.

In May 2022 the new set of GVA figures down to local authority level were released. There will be further exploration of the trends in time, it is evident, however, and not surprising, that the pandemic caused a significant downturn in GVA levels in West Sussex over the year 2019-2020. There was a fall of 6% in GVA across the county over this year, compared with a fall in England of 3.1% and the South East region of 3.2%. There was some increase in GVA in Adur and Worthing, but the most marked change was the downturn in Crawley, by over 18%, attributed to the fall in the transport sector, caused by the virtual shut down of air transport during the pandemic, and the associated accommodation and food services sector.

## National Headlines

Whilst over the three months to April 2022 there was some growth in GDP, it fell in April by 0.3%. (down from 0.1% growth in March). GDP is now 0.9% above its pre-coronavirus level in February 2020. Services was the main contributor to April's fall. Production also fell in April by 0.6% as businesses continue to report the impact of price increases and supply chain shortages.

The numbers of payrolled employees have continued to increase, albeit it at a slower lower rate, and over the year May 2021-May 2022 rose by 3.9%. From the Business Insights and Conditions Survey (BICs), the main concern for UK Businesses continues to be energy prices. Approximately 1 in 7 (14%) businesses currently trading reported that they expect their turnover to decrease in July 2022, this was most notable amongst businesses within the accommodation and food service activities. Based on the responses of businesses trading the proportion of the workforce that were working as part of a hybrid model in May 2022 was 22%, with 64% working from a designated workspace and 8% working from home.

Data for England and Wales on company insolvencies shows that there were 1,817 in May 2022, 800 more than May 2021, though reduced from the previous month – April 2022.

## 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

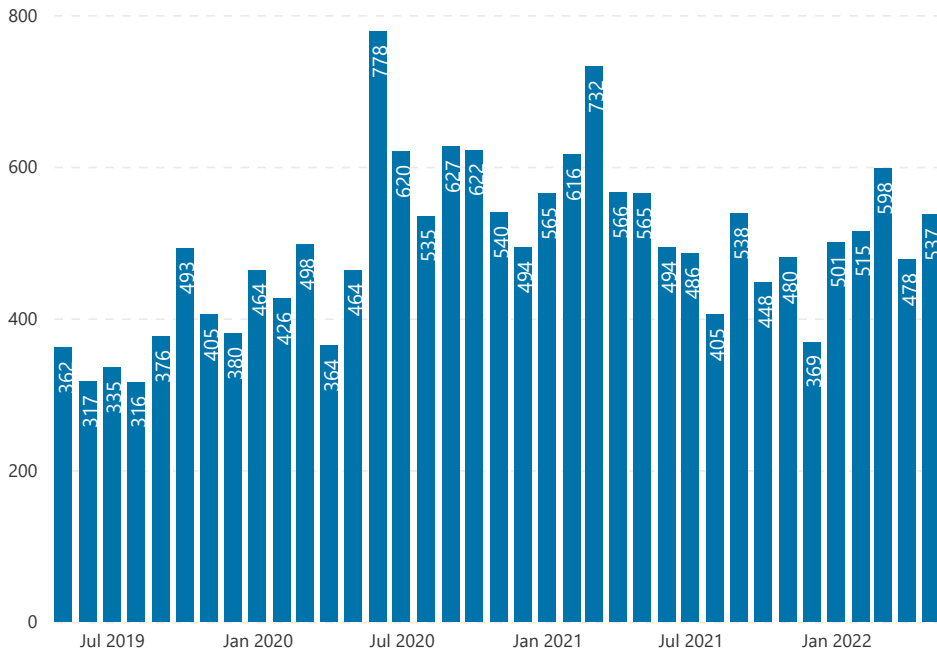
Source: FAME

Released: June 2022

Whilst lockdowns during the pandemic influenced new business formation generally since then the numbers of new business incorporations have generally increased. There is no doubt that the time series shows fluctuations month on month, but generally the numbers of new business formations have tended to be at levels great than those seen pre-pandemic. In the last 12 months, June 2021-May 2022 there were around 5,650 new business incorporations, lower than the 5,740 businesses that were dissolved or which had gone into liquidation.

In the last 3 months – March – May 2022 there were 115 more new business incorporations than there had been for those which have dissolved/in liquidation.

## New business incorporations in West Sussex



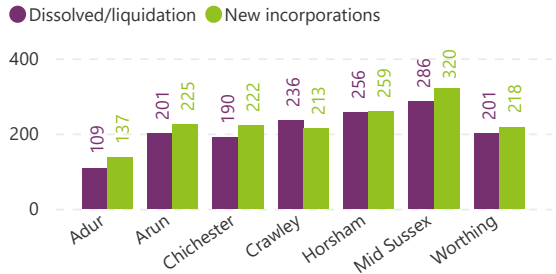
# Businesses, West Sussex

Source: FAME

Released: June 2022

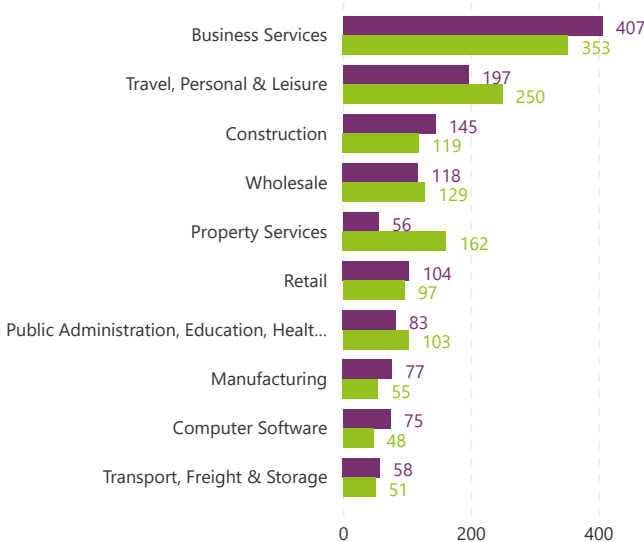
Over the last three-month period – March 2022-May 2022 Mid Sussex continues to have the highest number of new business incorporations, as well as the highest number of companies that have dissolved or are in-liquidation. In Crawley there were more closed companies than new formations, and there wasn't much difference between the two sets of figures in Horsham. There is increasing speculation that with high inflation levels as well as rising fuel and energy costs that more businesses will close.

## Number of new business incorporations and businesses dissolved/in liquidation by local authority (Mar-May22)



## Number of new business incorporations and businesses dissolved/in liquidation by industry (Mar-May 22)

● Dissolved/liquidation ● New incorporations



Business services has the highest number of new incorporations as well as numbers dissolved or in liquidation over the last 3 months a continuation of the past trends. Business Services, retail, manufacturing, and computer software are all sectors which saw more closed businesses than new business formations, the top three sectors for new business formations are as in previous months – business services, travel personal and leisure and construction.

# Claimant Count, West Sussex

Source: [ONS, Claimant Count](#)

Released: 14 June 2022 (May 2022 figures are provisional)

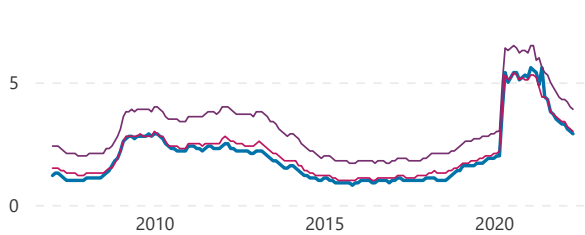
There were 14,605 claimants aged 16+ in West Sussex in May 2022, a decrease of -3% from the previous month, compared with a regional fall of -2% and a national fall (England) of -1%

All the local authority districts saw a fall in claimant figures except Adur. There were 1,160 claimants in Adur, an increase of 1% from the previous month. Mid Sussex saw the highest decline at -5% followed by Chichester and Arun at -4%.

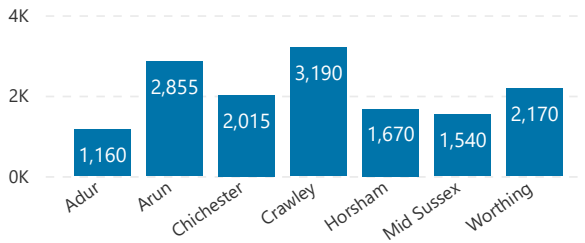
Crawley has the highest number of claimants at 3,190 and the highest claimant count rate at 4.4%, higher than the regional and national rates. Mid Sussex has the lowest claimant count rate at 1.7%. In West Sussex, % of male claimants aged 16+ fell by -3% and female claimants by -2%.

## Claimant count rate

● West Sussex ● South East ● England

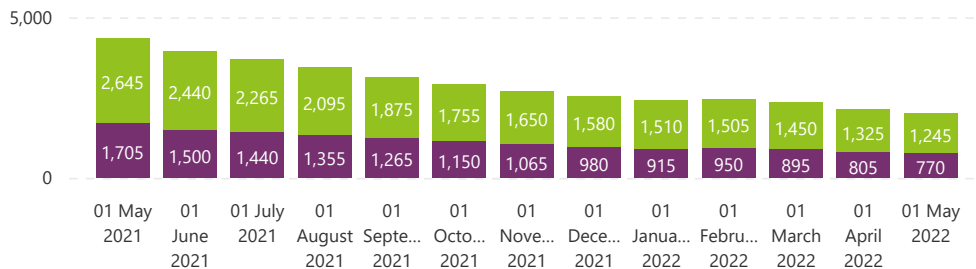


## Number of claimants



## Claimant count by gender, 18-24 age group

● Female ● Male



# Claimant Count, West Sussex

Source: [ONS, Claimant Count](#)

Released: 14 June 2022 (May 2022 figures are provisional)

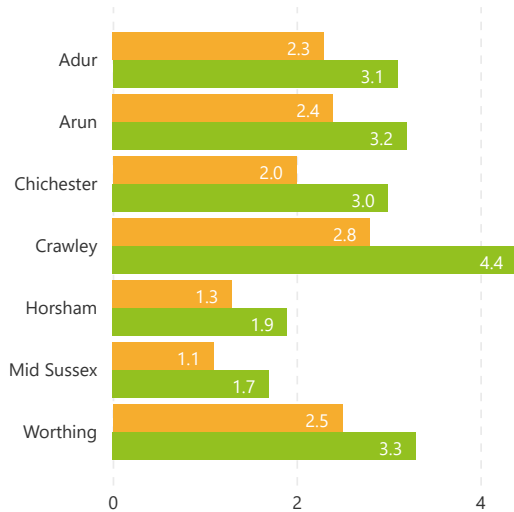
Age profile of claimants: Worthing (16.8%) has the highest proportion of 16-24 year olds, and Arun the lowest at 11.6%. Chichester and Arun have the higher proportion of claimants who are over 50 years.

There are 2,015 claimants aged 18-24 in West Sussex, which is a decrease of -4% from the previous month. National (England) and regional figures also fell by -2% and -4% for this age category. Crawley has the highest number of claimants in this age group at 455. All the local authority districts saw a fall in figures in this age category except Worthing; increased by 4%.

Within West Sussex, over the last month, there was a drop of -5% in claimants amongst males aged 18-24 years; females fell by -3%.

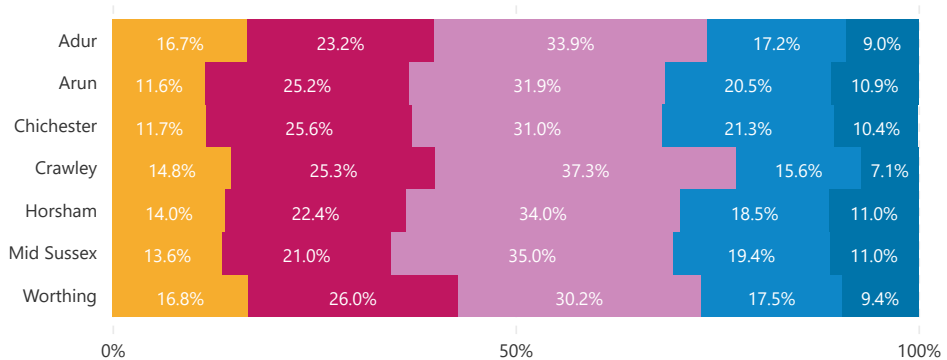
## Claimant count rates change

● 01 March 2022 ● 01 May 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

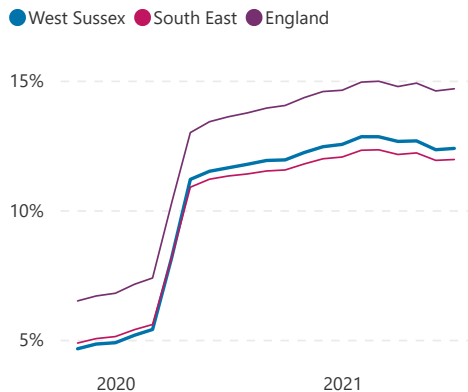
Source: [Department for Work and Pensions](#)

Released: : 14 June 2022 (May 2022 figures are provisional)

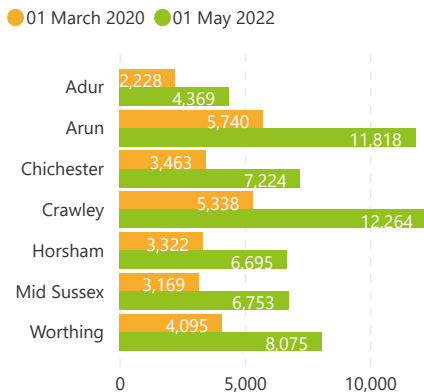
In May 2022, there were 57,198 Universal Credit claimants, which is a 0.6% increase from previous month. The numbers of people claiming Universal Credit in West Sussex has increased 109% since March 2020 - from 27,355 to 57,198 in May 2022.

Crawley has seen the highest % rise (130%) over the period from March 2020 (at the start of the pandemic) to May 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.

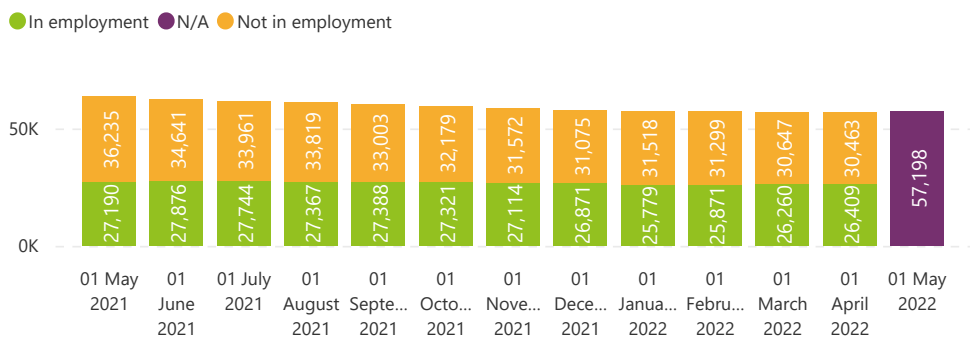
## Percentage of people aged 16-64 years claiming Universal Credit



## Universal Credit claimants in West Sussex change



## Universal Credit claimants in West Sussex by employment status



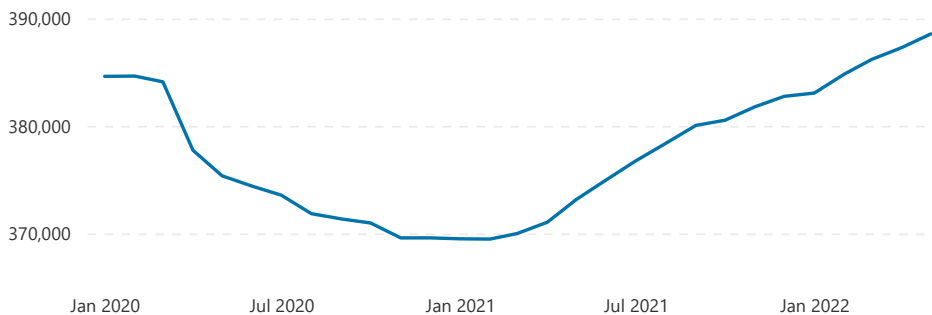
# Real Time Information Pay As You Earn (RTI PAYE), Employees, West Sussex

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

Released: 14 June 2022

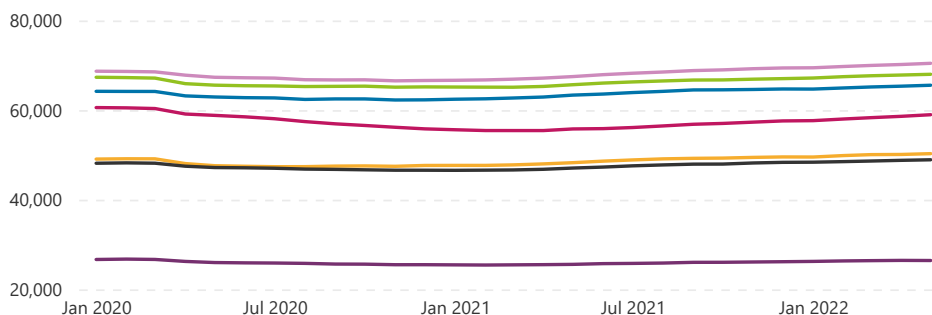
These figures are from a set of 'experimental statistics' from ONS from the earnings and employment statistics Pay as You Earn (PAYE) Real Time Information (RTI) seasonally adjusted data set. They have only recently been made available at local authority level, the latest data is up to the month of May 2022. The latest data shows that Mid Sussex has the highest number of employees at 70,437 in West Sussex and Adur the lowest at 26,431. 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 again. This increase has continued to the current date where all districts except Crawley have reached or exceeded the employee figures seen pre-April 2020.

## West Sussex Number of Employees



## District Number of Employees

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



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

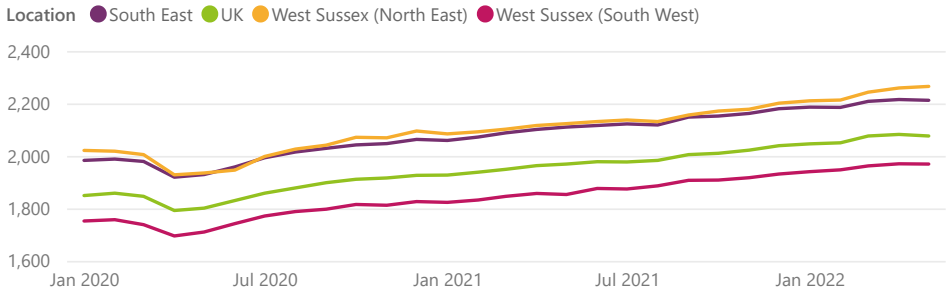
Source: ONS - [Earnings and employment from Pay As You Earn Real Time Information, seasonally adjusted](#)

Released: 14 June 2022

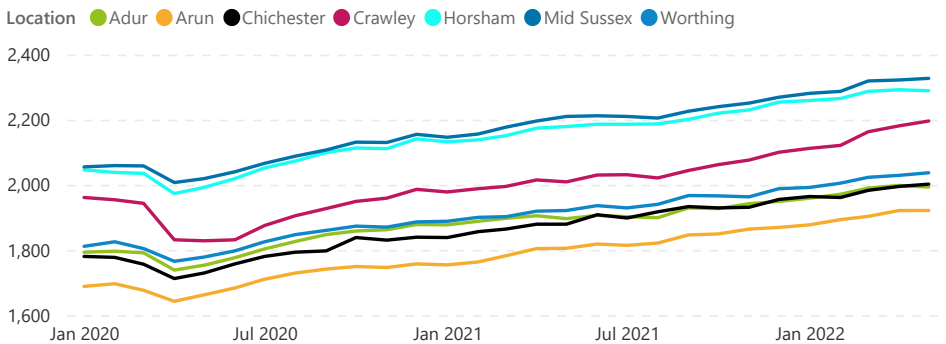
As in the previous page these figures are based on the ONS statistics from the earnings and employment Pay As You Earn (Seasonally Adjusted) RTI data set and are up to the month of May 2022. The district with the highest median monthly pay is Mid Sussex at £2,171, and the lowest is seen in Arun at £1,786.

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 return to pre lockdown levels by July 2020 for all local authorities. 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



## Median Pay in West Sussex



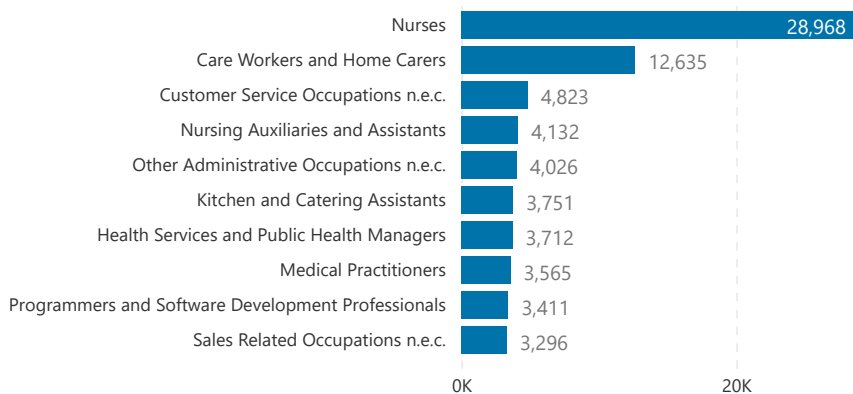
# Job Postings, West Sussex

Source: EMSI

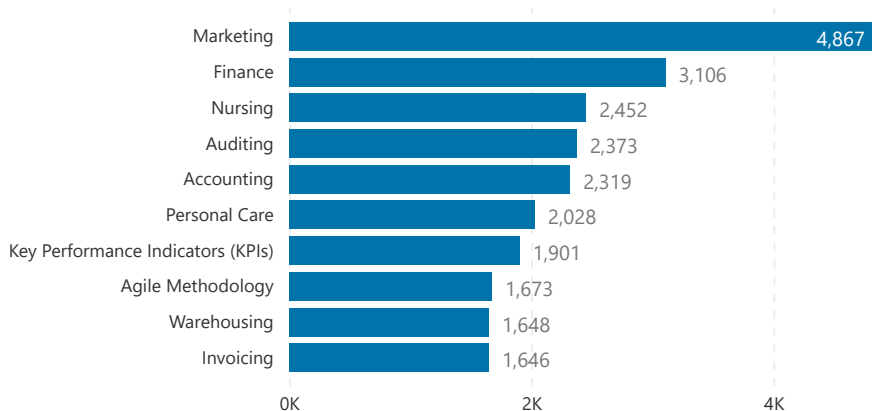
Released: June 2022

Job postings continue to remain high, and generally are higher than pre-pandemic levels. In terms of the 'top' posted occupations over the last six months nurses continue to make up the highest numbers of job postings, with care workers and home carers the second highest. Customer service occupations, along with administration and sales related occupations are also in demand. Programmers and software development professional along with occupations within the catering sector continue to be in the top 10 occupations posted.

## Top 10 posted occupations (total postings Dec 21-May 22)



## Top 10 hard skills (total postings Dec 21-May 22)



# Gross Value Added (GVA), UK

Source: ONS: [GVA per ITL](#), [GVA Current Prices](#)

Released: 30 May 2022

Gross Value Added (GVA) data was released at Local Authority level for the year 2020 on the 30th May 2022. West Sussex's GVA has decreased by 6% from 2019 to 2020 with Crawley being the most affected with a GVA decrease of 18.4%. West Sussex's Finance and Insurance Sector had the highest increase in GVA with 15.96%. The Accommodation and food service activities sector saw the highest decrease with 39.51%.

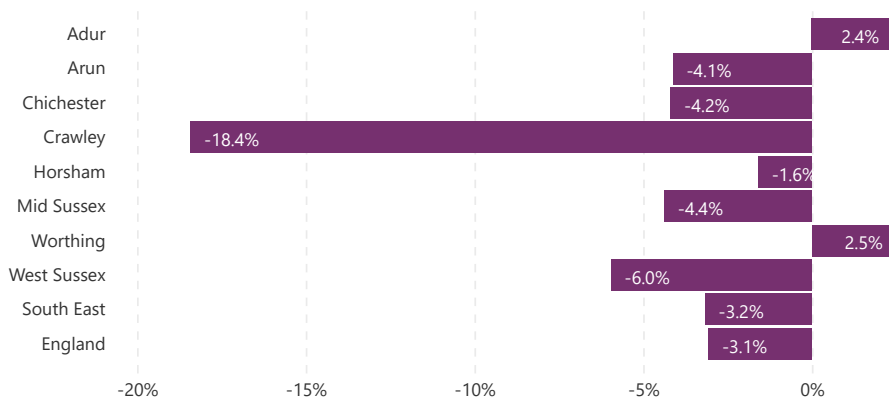
## GVA Current Price (£ Millions)

● 01 January 2019 ● 01 January 2020



## GVA (current price) % change 2019-2020

● 01 January 2020



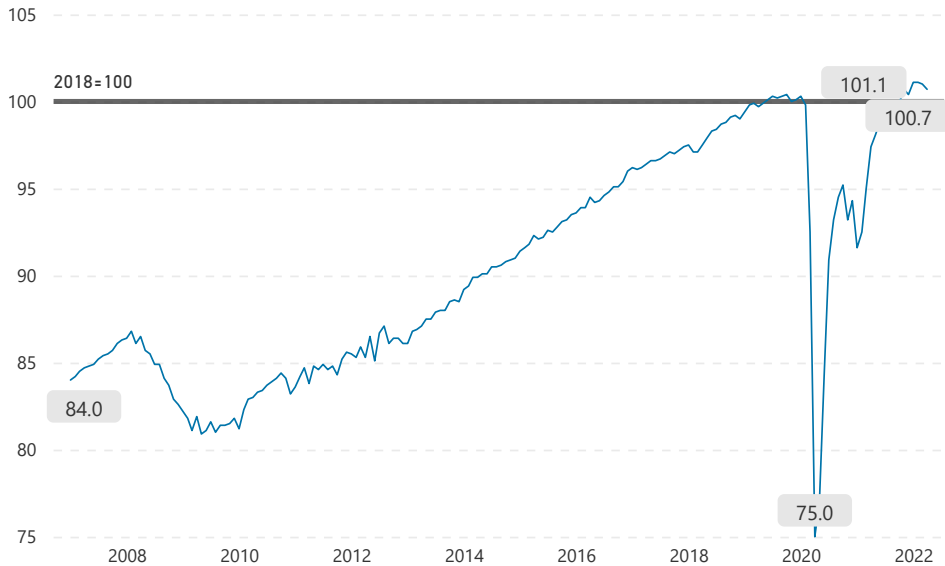
# National Headlines - Gross Domestic Product (GDP), UK

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

Released: 13 June 2022

- Gross domestic product (GDP) fell by 0.3% in April 2022, after a decline of 0.1% in March 2022; UK GDP increased by 0.2% in the three months to April 2022.
- Services fell by 0.3% in April 2022 and these were the main contributors to April's fall in GDP, reflecting a large decrease (5.6%) in human health and social work, where there was a significant reduction in NHS Test and Trace activity.
- Production fell by 0.6% in April 2022, driven by a fall in manufacturing of 1.0% on the month, as businesses continue to report the impact of price increases and supply chain shortages.
- Construction also fell by 0.4% in April 2022, following strong growth in March 2022 when there was significant repair and maintenance activity following the storms experienced in the latter half of February 2022.
- This is the first time that all main sectors have contributed negatively to a monthly GDP estimate since January 2021.

## Monthly index, UK



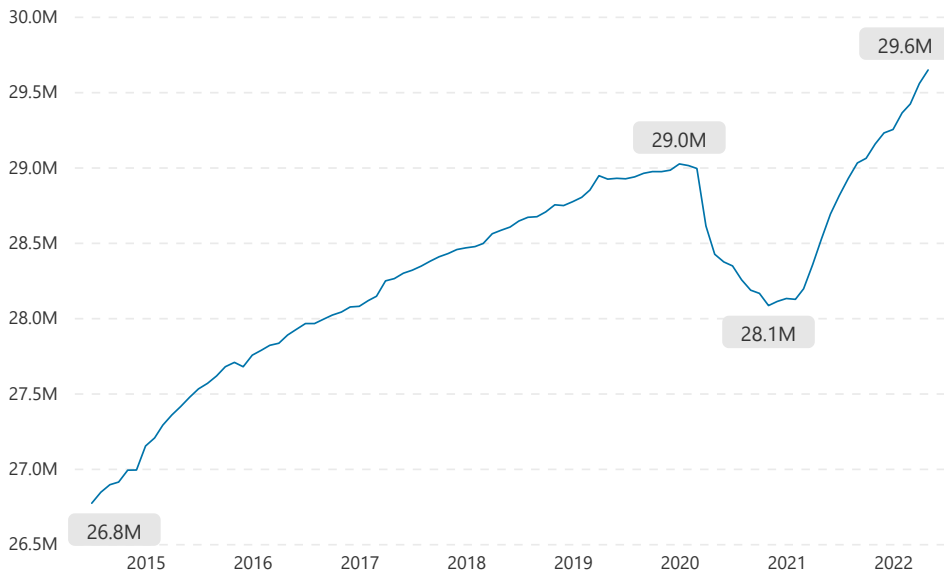
# Labour Market, UK

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

Released: 14 June 2022

- Early estimates for May 2022 indicate that the number of payrolled employees rose by 3.9% compared with May 2021, a rise of 1,118,000 employees; the number of payrolled employees was up by 2.2% since February 2020, a rise of 627,000.
- Payrolled employment increased by 90,000 employees (0.3%) in May 2022 when compared with April 2022, though this should be treated as a provisional estimate and is likely to be revised when more data is received next month.
- UK payrolled employee growth for April 2022 compared with March 2022 has been revised from an increase of 121,000 reported in the last bulletin to an increase of 107,000, 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 May 2022 indicate that median monthly pay increased by 5.4% compared with May 2021 and increased by 11.7% when compared with February 2020.
- All age groups saw an increase in payrolled employees between May 2021 and May 2022; there was an increase of 520,000 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: 30th June 2022

The data presented in this bulletin are the final results from Wave 59 of the Business Insights and Conditions Survey (BICS), which was live for the period 13 June – 26 June 2022.

- In late June 2022 93% of businesses reported they were trading, 86% fully trading and 8% partially trading.
- From the responses around 22% of the workforce were working a hybrid model with 64% working from a designated workspace.
- In May 2022, half of businesses currently trading reported that the prices of goods or services bought had increased from April 2022, and 21% reported that prices sold had increased across the same period.
- In late June '22 over a third of businesses reported their production and/or suppliers had been affected by recent increases in energy prices, up from businesses reporting this in early May 2022.
- Of those currently trading businesses 30% expected to increase the prices of goods and services they sell in July 2022 – with the main factor reported for this by 42% as being energy prices.
- Around a fifth of trading businesses reported that their turnover in May 2022 was lower than the previous month, this was highest amongst the accommodation and food service activities sector.



# Businesses Closures, UK

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

Released: 17 June 2022

Data for England and Wales on company insolvencies shows that there were 1,817 in May 2022, 79% higher than in the same month in the previous year (1,014 in May 2021), and 34% higher than the number registered three years previously (1,352 in May 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

