

# West Sussex Economy Snapshot

**July 2022 (Issue 24)**

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, May - June, 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. All districts and boroughs in West Sussex saw a fall in the claimant count over this time, with Chichester and Crawley seeing the highest fall. Crawley continues to have the highest numbers of claimants and the highest claimant count rate, which at 4.1% is higher than the county, regional and national 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, 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, and Mid Sussex has the highest median monthly pay level at £2,327 compared with Arun at £1,921. This is experimental data only and subject to some revision.

Job postings continue 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. Demand is also strong for catering related occupations – kitchen and catering assistants as well as chefs. Marketing, over the last 6 months has been the most sought 'specialised' skill along with finance and nursing.

The numbers of new business incorporations in West Sussex over the last year- May 2021 – June 2022 was higher than the numbers of businesses that have been dissolved or have gone into liquidation – by around 217 business. In the last three months April – June 2022 there were 68 more new business incorporations than there had been for those which be dissolved or are in liquidation. 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.

At the end of June the first set of data outputs from the 2021 Census data was released. This only included population estimates down to local authority level by 5-year age bands, the number of households and population density. Further releases will continue through the rest of the year and into 2023. From this first releases it is evident that West Sussex saw a population increase of 9.4% since 2011 to reach 882,700 persons. This is a higher % increase than nationally and regionally and indeed higher than our neighbouring upper tier authorities of Brighton and Hove, East Sussex, Surrey and Hampshire.

# National Headlines

Gross Domestic Product (GDP) grew in May by 0.5%. following a decline in the previous month (an increase from -0.2% growth in May). GDP is now 1.7% above its pre-coronavirus level in February 2020. Services was the main contributor to May's growth. Production also grew in May by 0.9% driven by a growth of manufacturing (1.4%) and electricity, gas, steam and air condition supply (0.3%). Construction grew by 1.5% in May 2022, following 0.3% growth in April. This is construction's seventh consecutive month of growth.

The numbers of payrolled employees have continued to increase nationally, albeit it at a slower lower rate, and over the year June 2021-June 2022 rose by 3.0%. All age groups saw an increase. Early estimates suggest that median monthly pay increased by over 6% since June 2021 and by 1.94 compared with February 2020.

From the Business Insights and Conditions Survey (BICs), 24% of currently trading businesses reported that their turnover decreased in June 2022 compared with the previous month and around 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. 35% of businesses reported their production and/or suppliers had been affected by recent increases in energy prices in early July, compared with 25% of businesses reporting this in early March 2022. 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 63% working from a designated workspace and 8% working from home.

Data for England and Wales on company insolvencies shows that there were 1,691 in June 2022, 40% higher than in the same month in the previous year and 15% higher than three years previously.

# 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

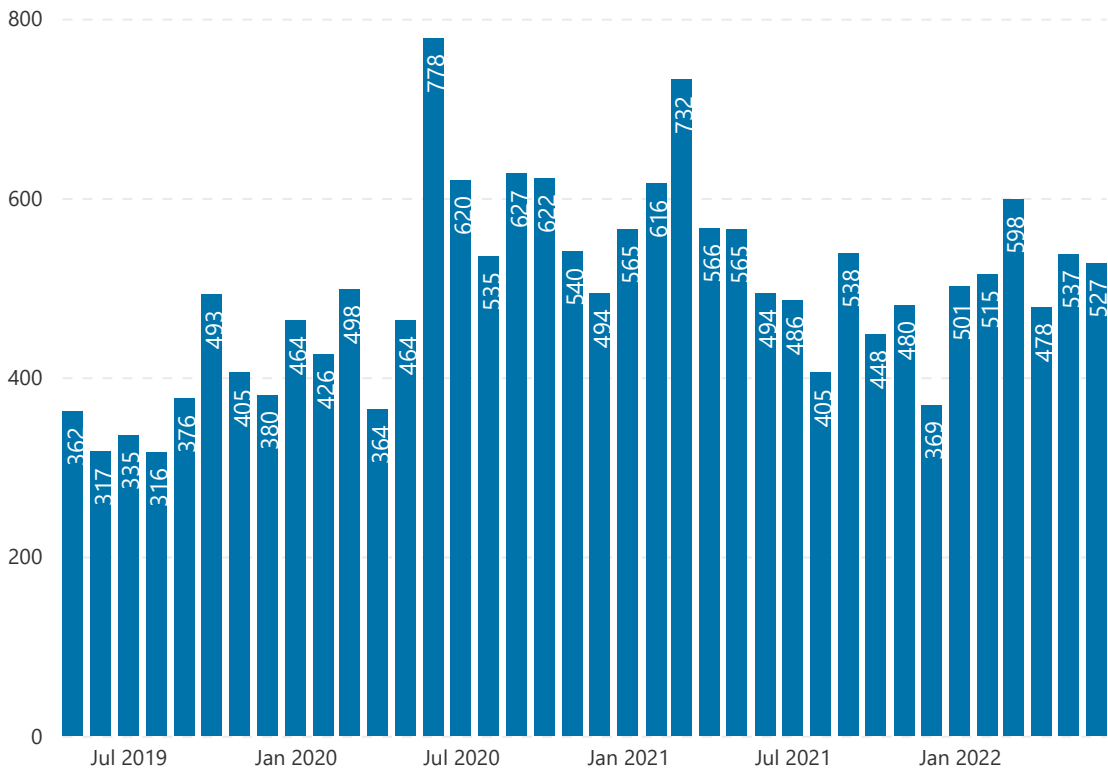
Source: FAME

Released: July 2022

Whilst lockdowns during the pandemic influenced new business formation generally since then the numbers of new business incorporations have 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, May 2021-June 2022 there were around 6,677 new business incorporations, higher than the 6,460 businesses that were dissolved or which had gone into liquidation.

In the last 3 months – April – June 2022 there were 68 more new business incorporations than there had been for those which have dissolved/in liquidation.

## New business incorporations in West Sussex



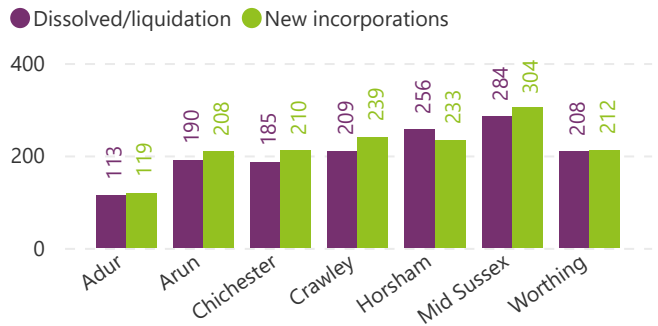
# Businesses, West Sussex

Source: FAME

Released: June 2022

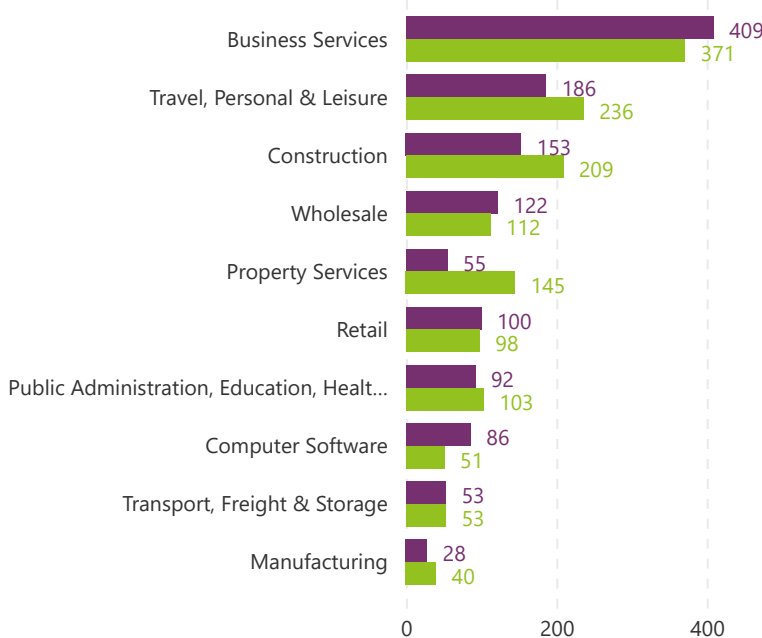
Over the last three-month period – March 2022-May 2022 Mid Sussex continues to have the highest number of new business incorporations, as well as the highest number of companies that have dissolved or are in-liquidation. In Horsham there were more closed companies than new formations. There is increasing 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 (Apr-Jun 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, Wholesale 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: 19 July 2022 (June 2022 figures are provisional)

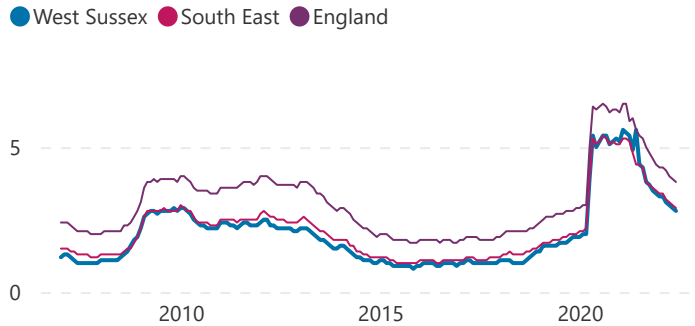
There were 13,985 claimants aged 16+ in West Sussex in June 2022, a decrease of -3% from the previous month, compared with a regional fall of -2% and a national fall (England) of -1%.

All the local authority districts saw a fall in claimant figures. Chichester and Crawley saw the highest decline at -5% followed by Mid Sussex at -4%.

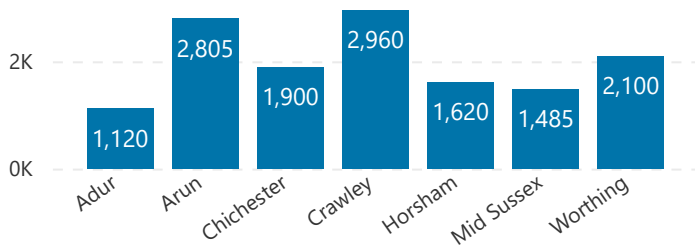
Crawley has the highest number of claimants at 2,960 and the highest claimant count rate at 4.1%, higher than the regional and national rates. Mid Sussex has the lowest claimant count rate at 1.6%.

In West Sussex, % of male claimants aged 16+ fell by -2% and female claimants by -3%.

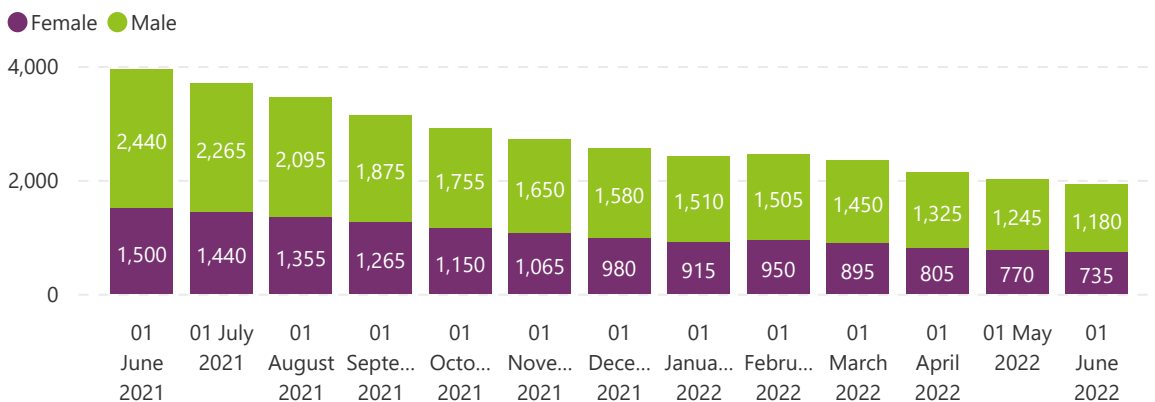
## Claimant count rate



## Number of claimants



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



# Claimant Count, West Sussex

Source: [ONS, Claimant Count](#)

Released: 19 July 2022 (June 2022 figures are provisional)

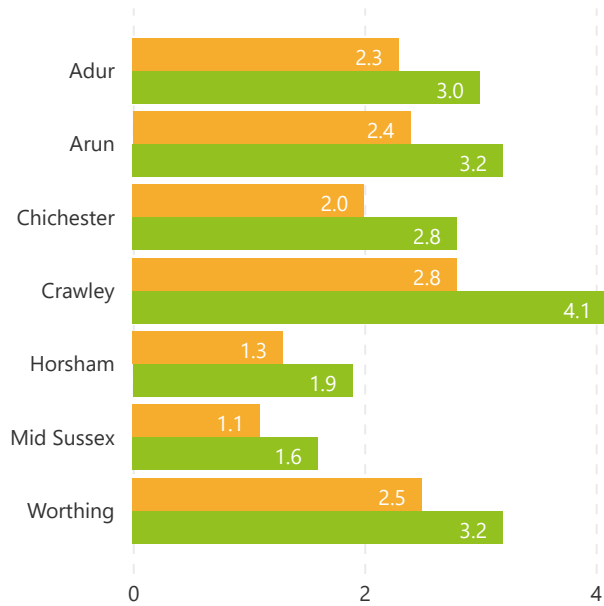
Age profile of claimants: Worthing (17.2%) has the highest proportion of 16-24 year olds, and Chichester the lowest at 10.8%. Chichester and Arun have the higher proportion of claimants who are over 50 years.

There are 1,915 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 -1% and -2% for this age category. Crawley has the highest number of claimants in this age group at 420. All the local authority districts saw a fall in figures in this age category; Chichester the highest at -15%.

Within West Sussex, over the last month, there was a drop of -4% in claimants amongst males aged 18-24 years; females fell by -3%.

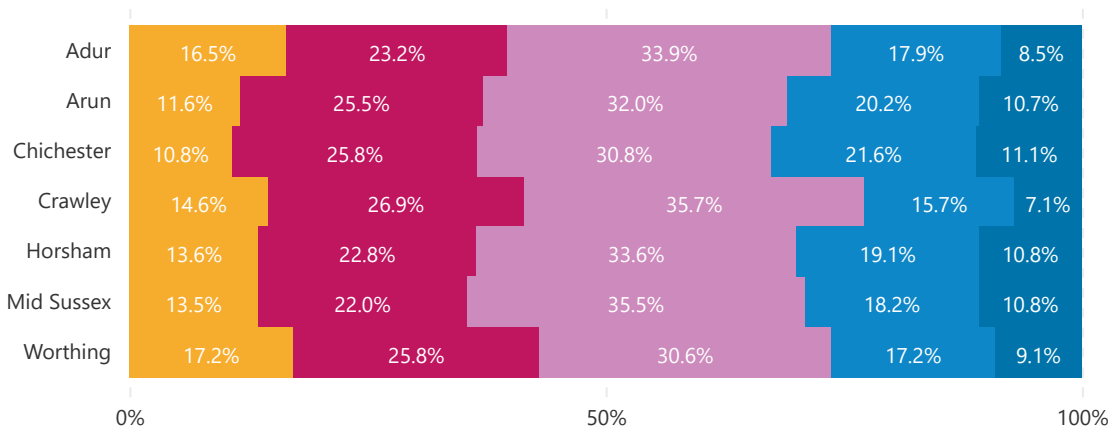
## Claimant count rates change

● 01 March 2020 ● 01 June 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

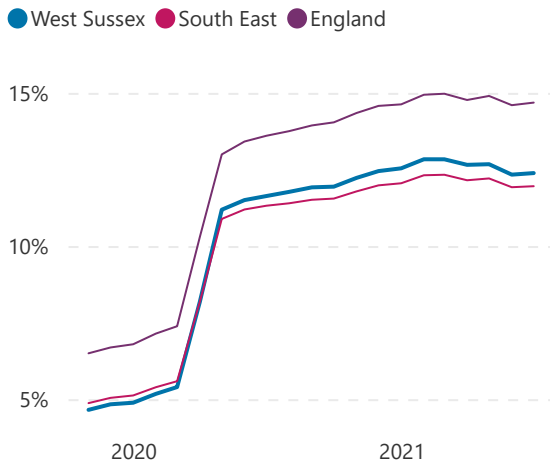
Source: [Department for Work and Pensions](#)

Released: : 19 July 2022 (June 2022 figures are provisional)

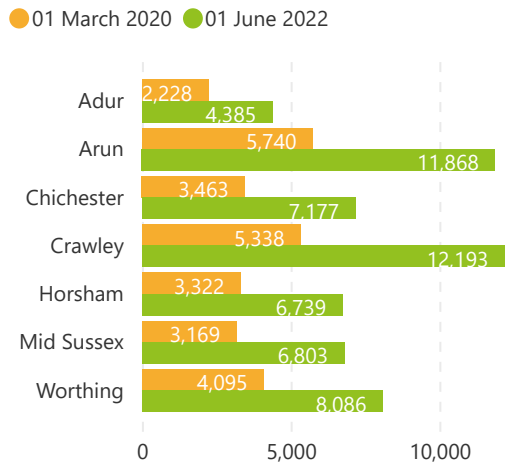
In June 2022, there were 57,252 Universal Credit claimants, which is a 1.2% increase from previous month. The numbers of people claiming Universal Credit in West Sussex has increased 109% since March 2020 - from 27,355 to 57,252 in May 2022.

Crawley has seen the highest % rise (128%) over the period from March 2020 (at the start of the pandemic) to June 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.

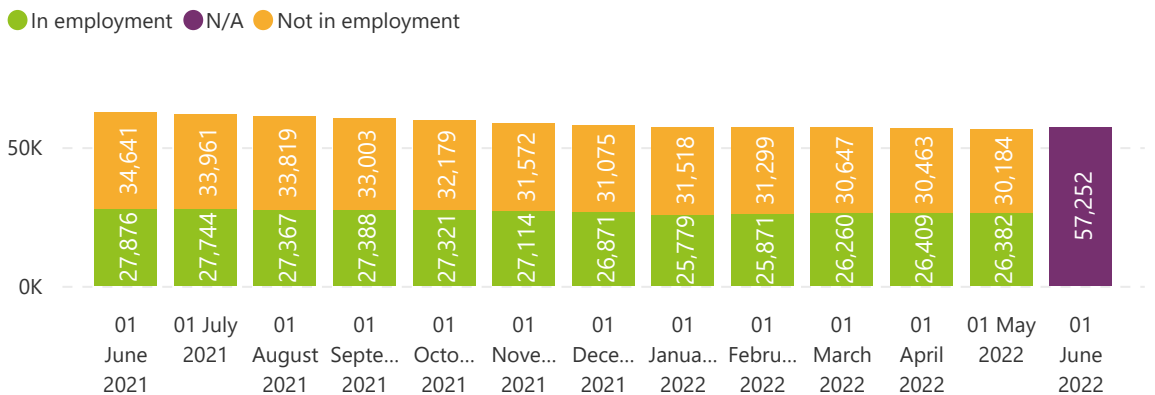
## Percentage of people aged 16-64 years claiming Universal Credit



## 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

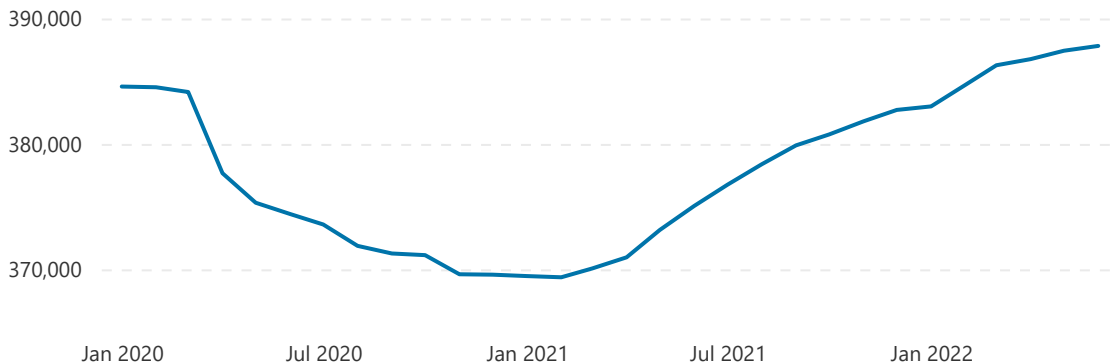
Source: ONS - [Earnings and employment from Pay As You Earn Real Time Information, seasonally adjusted](#)

Released: 19 July 2022

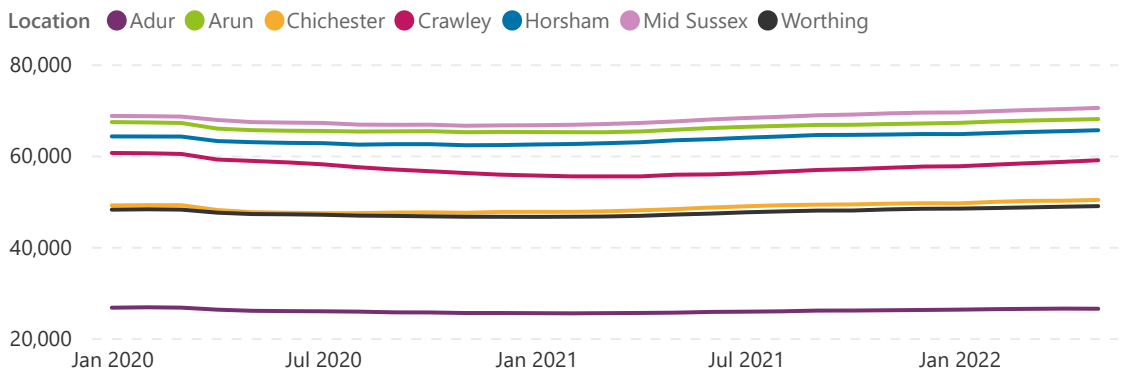
These figures are from a set of 'experimental statistics' from ONS from the earnings and employment statistics Pay as You Earn (PAYE) Real Time Information (RTI) seasonally adjusted data set. They have only recently been made available at local authority level, the latest data is up to the month of May 2022. The most recent national, regional and county level data is up to the date June 2022. West Sussex's employees increased by 0.1% from May 2022 inline with the regional and national trends.

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



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

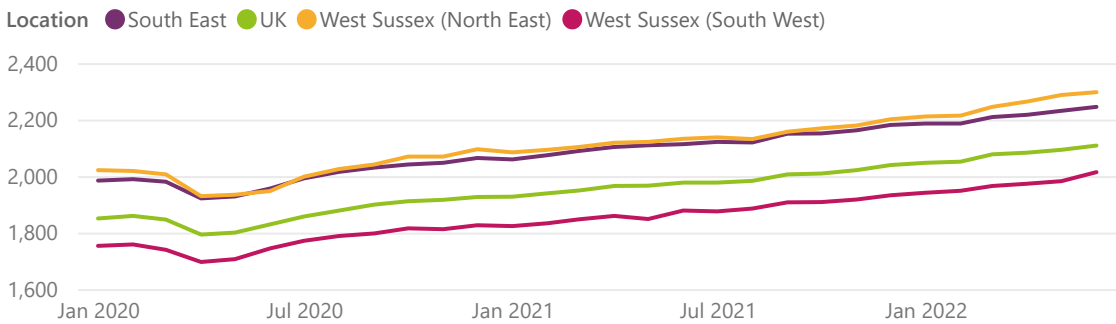
Source: ONS - [Earnings and employment from Pay As You Earn Real Time Information, seasonally adjusted](#)

Released: 19 July 2022

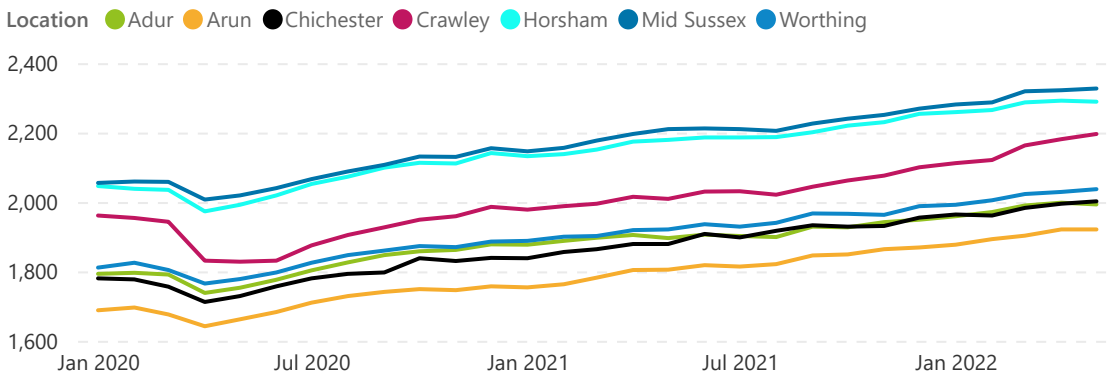
As in the previous page these figures are based on the ONS statistics from the earnings and employment Pay As You Earn (Seasonally Adjusted) RTI data set and are up to the month of May 2022 for local authority level and June 2022 for national, regional and county level. West Sussex South West and North East both had an increase in median monthly pay this month with an increase of 1.61% and 0.44% respectively. The South East had an increase of 0.63% and the UK had an increase of 0.72% this month. West Sussex South West had a higher percentage increase than the national and regional levels while West Sussex North East had a lower percentage increase than the national and regional level.

The district with the highest median monthly pay is Mid Sussex at £2,327, and the lowest is seen in Arun at £1,921. 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



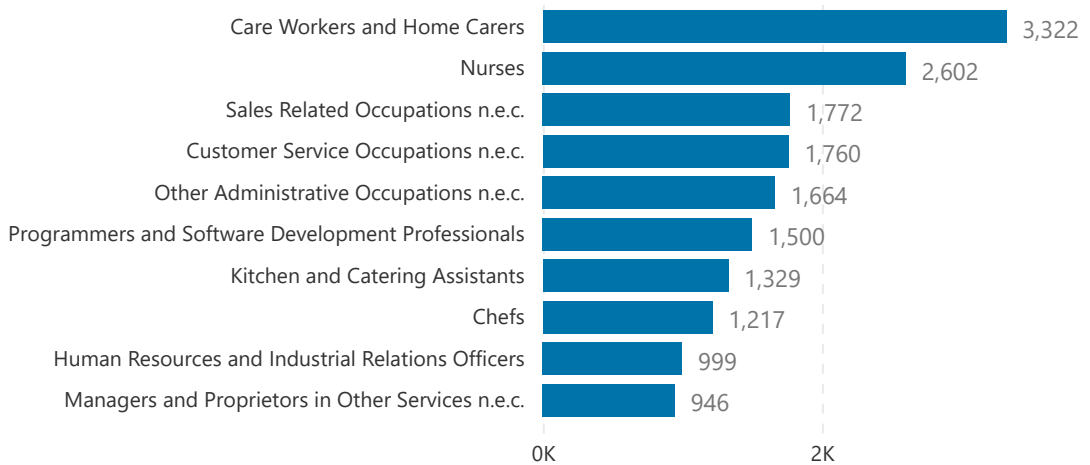
# Job Postings, West Sussex

Source: EMSI

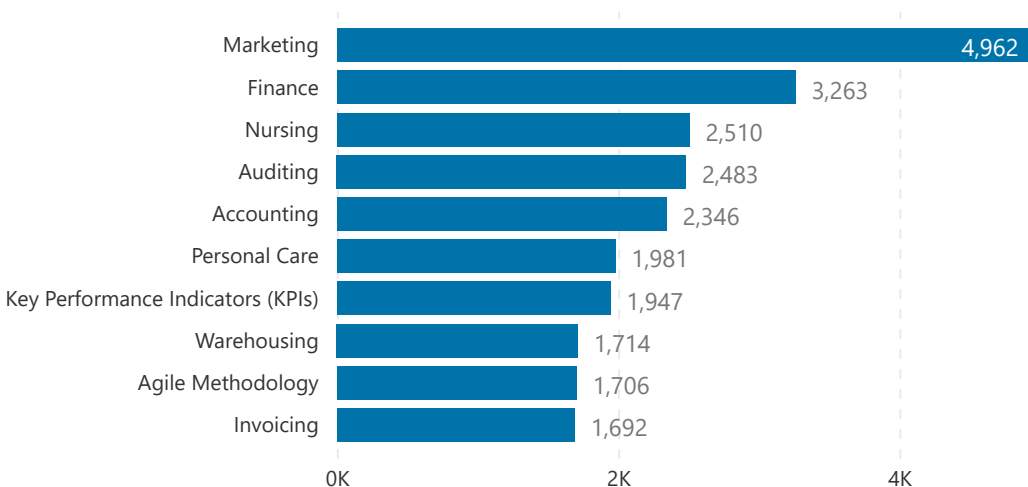
Released: July 2022

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 care workers and home carers make up the highest numbers of job postings, followed by nurses the second highest. Sales related occupations, along with customer service and administrative 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 (unique postings Jan 22 – June 22)



## Top 10 hard skills (unique postings Jan 22 – June 22)



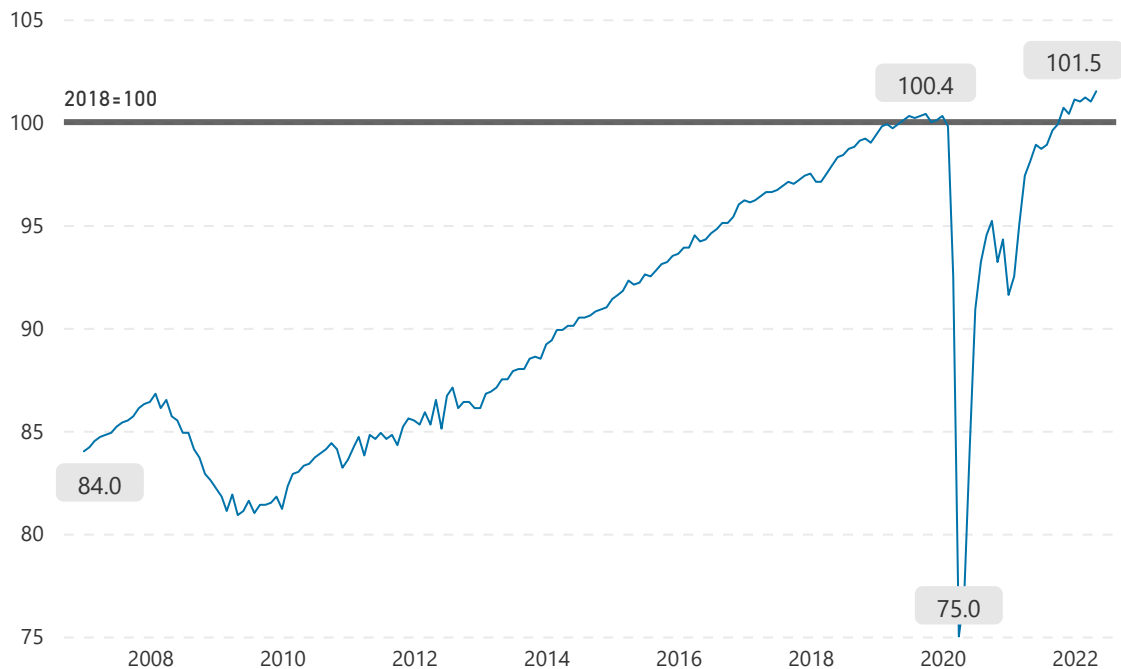
# National Headlines - Gross Domestic Product (GDP), UK

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

Released: 13 July 2022

- Gross domestic product (GDP) grew by 0.5% in May 2022, after a decline of 0.2% in April 2022; UK GDP grew by 0.5% in the three months to May 2022. Monthly GDP is now estimated to be 1.7% above its pre-coronavirus pandemic levels at February 2020.
- Services grew by 0.4% in May 2022 and these were the main contributors to May's growth in GDP, (2.1%) in human health and social work. This growth was driven by human health activities.
- However, there was a fall in output in consumer facing services in May 2022 with a fall in wholesale and retail trade; repair of motor vehicles and motorcycles, falling by 0.8%. The main driver of this negative growth was wholesale trade except of motor vehicles and motorcycles which fell by 1.5%. Consumer-facing services was 4.7% below its pre-coronavirus levels in May 2022 while all other services were 3.6% above.
- Production output rose by 0.9% in May 2022 driven by a growth of manufacturing (1.4%) and electricity, gas, steam and air condition supply (0.3%). The largest contribution to production growth was in other manufacturing and repair (up 3.4%)
- Construction output increased by 1.5% in May 2022 and is now at its highest level since records began in 2010. Construction output is now 4.1% above its pre-coronavirus pandemic level.

## Monthly index, UK



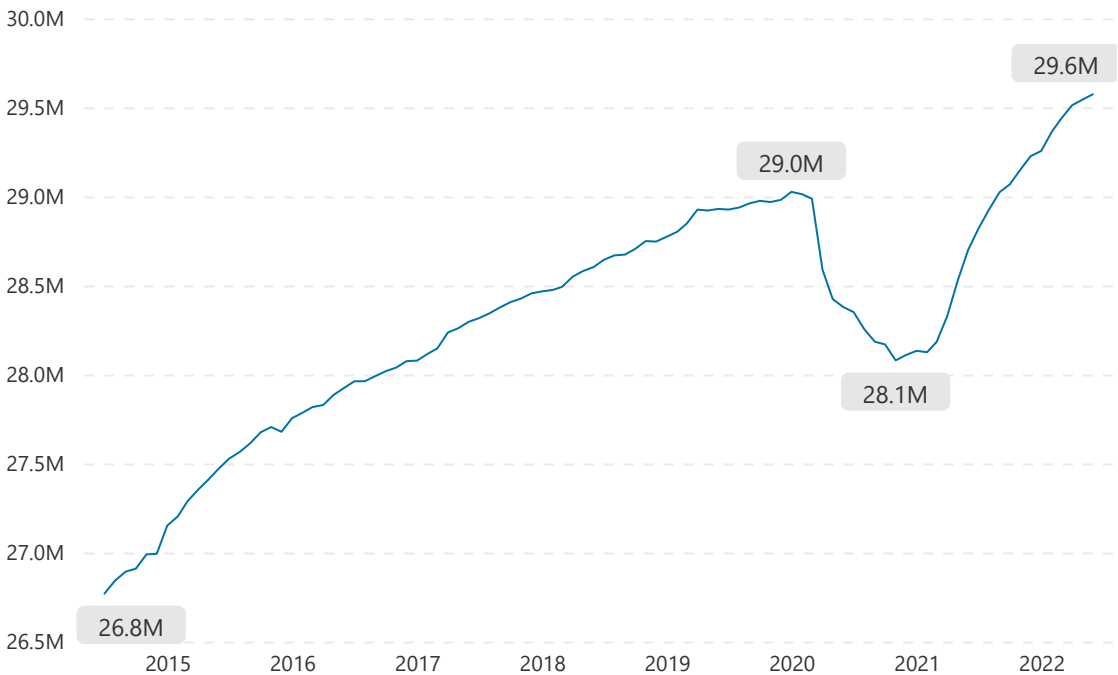
# Labour Market, UK

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

Released: 19 July 2022

- Early estimates for June 2022 indicate that the number of payrolled employees rose by 3.0% compared with June 2021, a rise of 874,000 employees; the number of payrolled employees was up by 1.94% since February 2020, a rise of 561,419.
- Payrolled employment increased by 31,000 employees (0.1%) in June 2022 when compared with May 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 May 2022 compared with April 2022 has been revised from an increase of 0.3% reported in the last bulletin to an increase of 0.1%, 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 June 2022 indicate that median monthly pay increased by 6.6% compared with June 2021 and increased by 1.94% when compared with February 2020.
- All age groups saw an increase in payrolled employees between June 2021 and June 2022; there was an increase of 186,000 payrolled employees aged 50 to 64 years.

## Payrolled employees, seasonally adjusted, UK



# Businesses currently trading, UK

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

Released: 14th July 2022

The data presented in this bulletin are the final results from Wave 60 of the Business Insights and Conditions Survey (BICS), which was live for the period 27 June – 10 July 2022.

- In early July 2022, 94% of businesses reported they were trading, with 86% fully trading and 8% partially trading.
- From the responses, around 22% of the workforce were working a hybrid model with 63% working from a designated workspace.
- In June 2022, half of businesses currently trading reported that the prices of goods or services bought had increased from May 2022, and 20% reported that prices sold had increased across the same period.
- More than two-thirds (70%) of businesses in the accommodation and food service activities industry reported their production and/or suppliers had been affected by increased energy prices.
- In early July 2022, 44% of businesses reported they had to absorb costs because of the effect of price rises on their business.
- Of currently trading businesses, 24% reported that their turnover decreased in June 2022 compared with May 2022.

# Businesses Closures, UK

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

Released: 15 July 2022

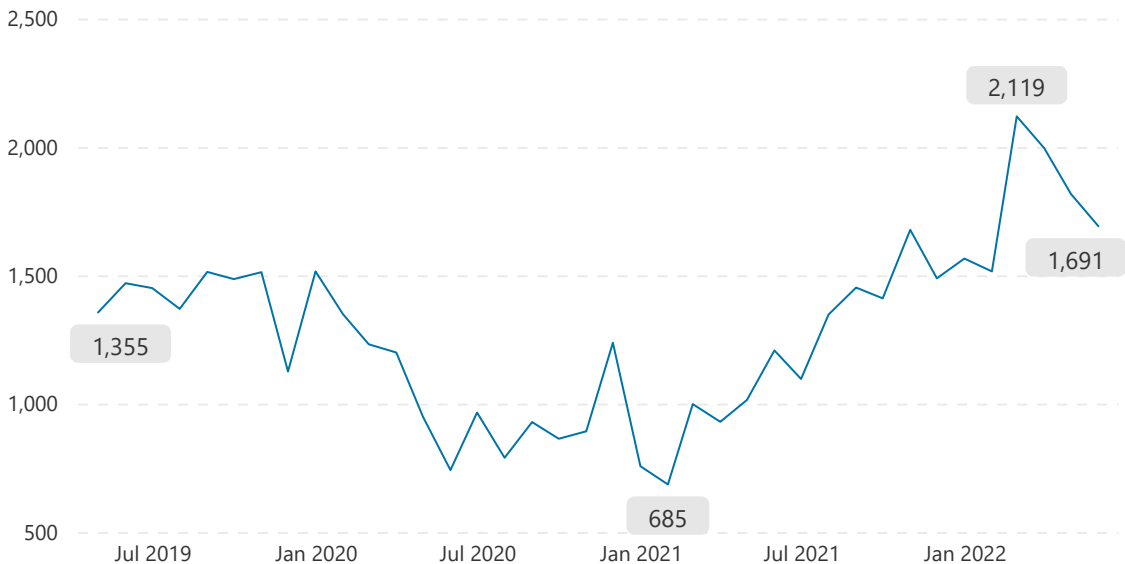
Data for England and Wales on company insolvencies shows that there were 1,691 in June 2022, 40% higher than in the same month in the previous year (1,207 in June 2021), and 15% higher than the number registered three years previously (1,467 in June 2019).

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





# Census 2021

Source: [Census 2021](#)

Released: 28 June 2022

The Census 2021 results were made available on the 28th of June. The results included the population and household figures for England and Wales down to local authority level.

- The West Sussex population has increased by 9.4% since 2011, to 882,700 people.
- This is a larger increase than for our neighbouring counties: East Sussex 3.6%, Hampshire 6.3% and Surrey 6.3%. The figure for the South East is 7.5% and England 6.6%.
- We've seen a higher than average increase in our number of households at 8.6% (England 6.2% and South East 7.1%) giving us 375,200

