

# West Sussex Economy Snapshot

**August 2022 (Issue 25)**

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, June-July, there was a decrease of 1% in the number of claimants in West Sussex, a slightly higher percentage fall than that seen nationally and regionally. All districts and boroughs with the exception of Horsham in West Sussex saw a fall in the claimant count over this time. Crawley continues to have the highest numbers of claimants and the highest claimant count rate, which at 4.0% is higher than the county, regional and national rate. Mid Sussex has the lowest claimant count rate.

The latest data from the Annual Population Survey, released in August, is for the period April 2021-March 2022. It suggests that West Sussex has higher economic activity rates and employment rates than the national and regional average. Self-employment rates have dropped over the last year – as they have regionally and nationally. Economic inactivity rates have increased in West Sussex since the year ending 2020, with the highest percentage increase amongst 16-24 year olds. The increase in economic inactivity in West Sussex since the pandemic has largely been driven by those who are not in employment nor are unemployed because they are now studying.

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.

Job postings continue to be high, and higher than the period pre-pandemic. Health care related occupations – care workers and nursing continue to be in highest demand, and sales, customer service occupations, 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- August 2021 – July 2022 was higher than the numbers of businesses that have been dissolved or have gone into liquidation – by around 64 business. In the last three months May– July 2022 there were 120 more new business incorporations than there had been for those which were dissolved or gone into liquidation. Mid Sussex continued to have the highest number of new business incorporations over that period. Horsham had 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.

At the end of June the first set of data outputs from the 2021 Census data was released. In West Sussex, Horsham saw the highest percentage population growth with an increase of 11.8% since 2011 to reach 146,800 persons; Adur saw the lowest population increase of 5.4% since 2011 to reach 64,500 persons.

# National Headlines

Gross Domestic Product (GDP) decreased in June by 0.6%. following a decline in the previous month (a decrease from 0.5% growth in May). GDP is now 0.9% above its pre-coronavirus level in February 2020. Services fell by 0.5% in June 22, the main contributor to the service sectors decline in GDP was in human health and social work (1.8%). Production also fell in June by 0.9% - largest contribution to production decline was in rubber and plastics products, and other non-metallic mineral products (6.2%). Construction fell by 1.4% in June 2022, following 0.3% growth in April. This is construction's first decrease after seven 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 July 2021-July 2022 rose by 2.9%. All age groups saw an increase. Early estimates suggest that median monthly pay increased by over 6.6% since July 2021 and by 13.4% compared with February 2020.

From the Business Insights and Conditions Survey (BICs), 10% of currently trading businesses reported that their turnover decreased in July 2022 compared with the previous month. 46% of businesses reported that the prices of goods or services bought had increased from June 2022. Based on the responses of businesses trading the proportion of the workforce that were working as part of a hybrid model in August 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 1,827 in July 2022, 66% higher than in the same month in the previous year and 26% higher than three years previously.

There is some data available from various sources that can help with understanding the impact of increasing costs of living on households. The fuel price of diesel has increased by 41% since August last year and unleaded petrol has increased by 36%. The Consumer Price Index increased by 276% since last year of July 2021. In West Sussex, Worthing has the highest percentage of households that are currently experiencing fuel poverty at 9.4%.

# 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

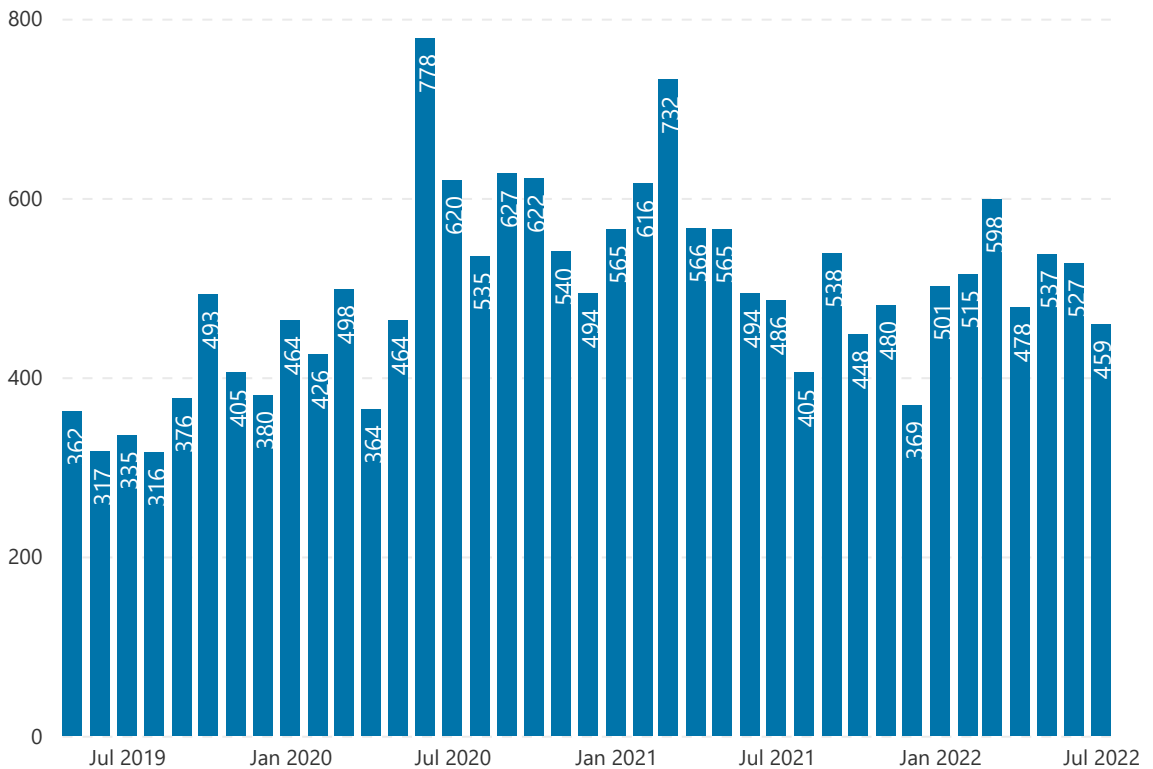
Source: FAME

Released: August 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 , August 2021-July 2022 there were around 5,692 new business incorporations, higher than the 5,628 businesses that were dissolved or which had gone into liquidation.

In the last 3 months – May – July 2022 there were 120 more new business incorporations than there had been for those which have dissolved/in liquidation.

## New business incorporations in West Sussex



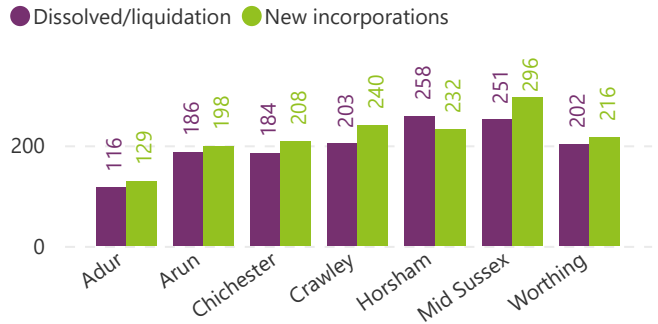
# Businesses, West Sussex

Source: FAME

Released: August 2022

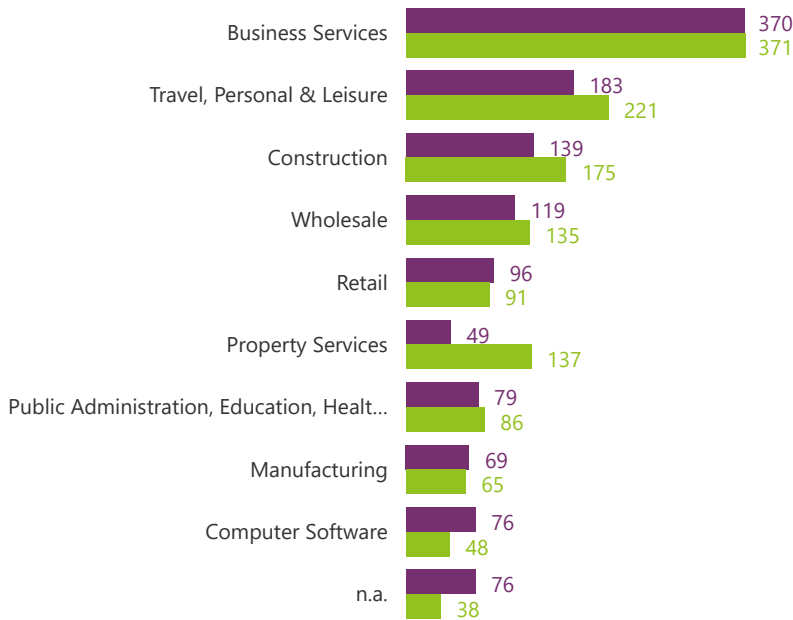
Over the last three-month period – May 2022-July 2022 Mid Sussex continues to have the highest number of new business incorporations. Horsham have the highest number of companies that have dissolved or are in-liquidation. In Horsham there were more closed companies than new formations. There is increasing 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 (May-July 22)



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

Legend: Dissolved/liquidation (Purple), New incorporations (Green)



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. Retail, manufacturing, and computer software 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.

# Economic Activity, West Sussex

Source: Annual Population Survey

Released: 16 August 2022 (Latest Data: Apr 2021-Mar 2022)

The Annual Population Survey (APS) is a residence-based labour market survey encompassing population, economic activity, economic inactivity, and qualifications. Whilst some of the data sets are released annually, most are updated quarterly. The APS is a sample survey, it's subject to sampling issues and there have been some changes in the collection of data and sample composition made in data collection during the pandemic, however, it does provide an indication of trends around economic activity.

The latest figures published cover the twelve months to Mar'22. West Sussex has higher economic activity rates compared with the regional and national average and at 79% continues to have higher employment rates compared with that of the South East Region (78.10%) and England (75.40%). Within the county, Chichester has the lowest economic activity and employment rates and Mid Sussex has the highest economic activity and employment rate. Self-employment rate for West Sussex is now at 9.6%, slightly higher than the national rate but lower than for the South East region.

Compared to the year ending March 2020, self-employment rates have generally reduced across all areas, and particularly in Horsham. Chichester has the highest self-employment rate in the county at 17.20%. However, with significant fluctuations in the data in recent quarters, together with sampling issues these figures should be treated with some caution.

## Economic Activity by local authorities

Metric	Economic activity rate - aged 16-64		Employment rate - aged 16-64		% aged 16-64 who are self employed	
	Apr 19-Mar 20	Apr 21-Mar 22	Apr 19-Mar 20	Apr 21-Mar 22	Apr 19-Mar 20	Apr 21-Mar 22
Adur	89.50	83.10	86.70	80.30	13.40	12.40
Arun	81.60	84.00	77.90	79.40	11.60	8.60
Chichester	85.30	75.00	83.00	72.40	20.70	17.00
Crawley	84.10	86.20	81.20	83.70	8.30	4.40
Horsham	81.10	77.10	80.40	74.80	16.70	9.50
Mid Sussex	81.90	87.00	78.80	84.50	9.40	7.20
Worthing	82.40	82.50	80.50	76.80	15.30	11.00
West Sussex	83.10	82.30	80.70	79.00	13.40	9.60
South East	82.30	81.00	79.60	78.10	12.00	10.50
England	79.40	78.80	76.20	75.40	11.10	9.50

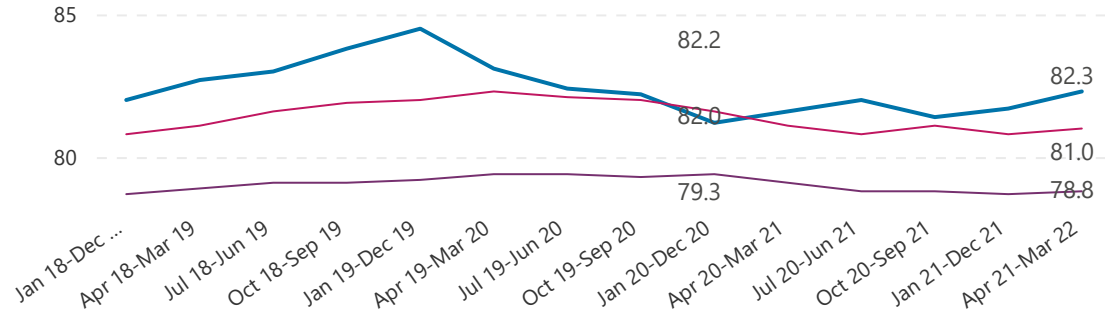
# Economic Activity, West Sussex

Source: Annual Population Survey

Released: 16 August 2022 (Latest Data: Apr 2021-Mar 2022)

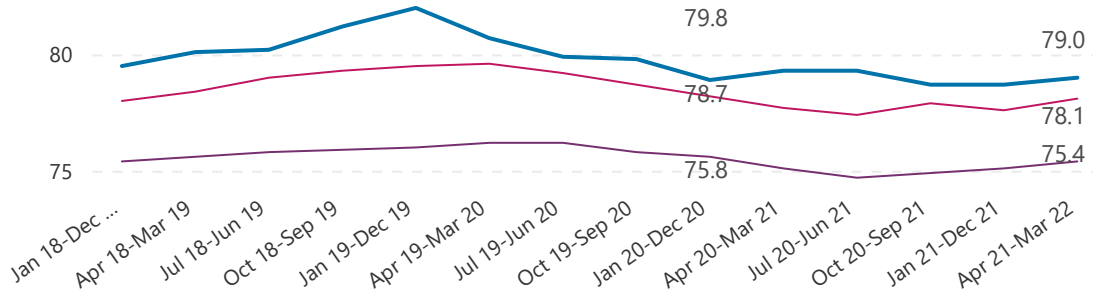
## Economic activity rate - aged 16-64

● West Sussex ● South East ● England



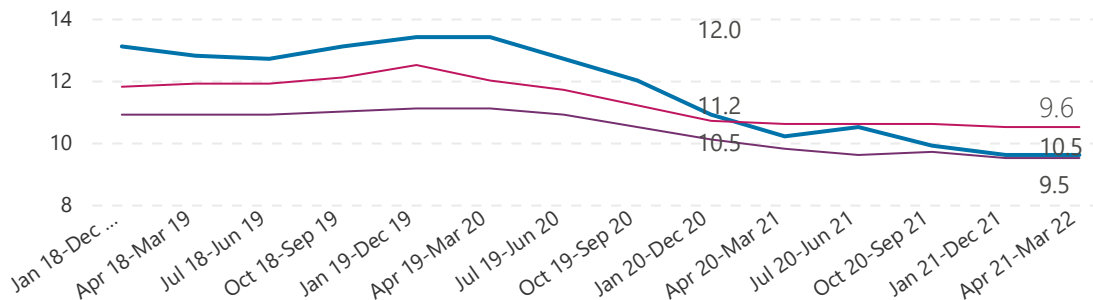
## Employment rate - aged 16-64

● West Sussex ● South East ● England



## % aged 16-64 who are self employed

● West Sussex ● South East ● England





# Economically Inactive, West Sussex

Source: Annual Population Survey

Released: 16 August 2022 (Latest Data: Apr 2021-Mar 2022)

Economically inactive are those who are not in employment who have not been seeking work and/or are unable to work. This group includes people who are retired, those looking after family, those who are long term sick and students. In West Sussex, there are higher numbers of economically inactive than there were before the pandemic.

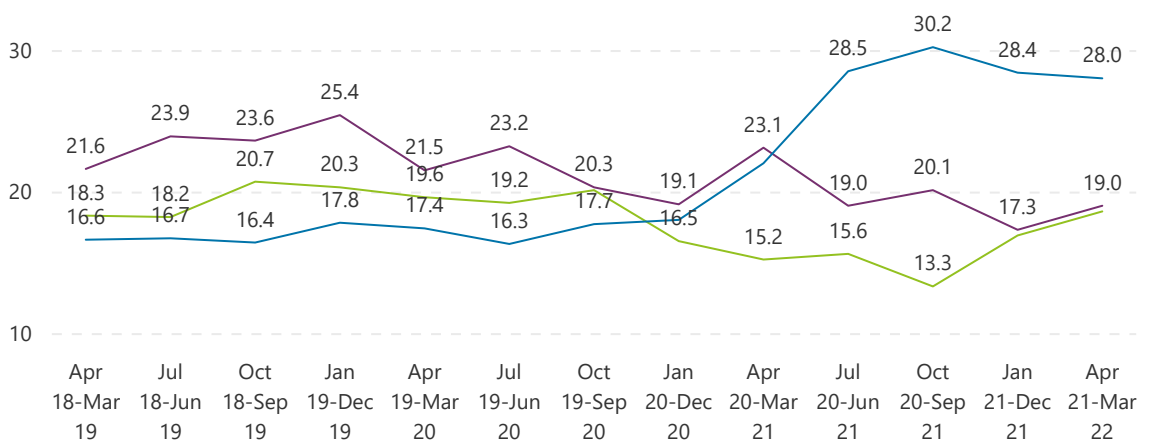
Economic inactivity by those who are retired, or who are long term sick has increased in the last quarter in West Sussex. What is noticeable however, is the increase, since the end of 2020, amongst those who are economically inactive for the reason that they are students, though this has fallen slightly in the last six months.

## Economically inactive by age

Age	Aged 16-24		Aged 25-49		Aged 50+	
	Apr 19-Mar 20	Apr 21-Mar 22	Apr 19-Mar 20	Apr 21-Mar 22	Apr 19-Mar 20	Apr 21-Mar 22
West Sussex	21,800	26,600	22,100	21,000	211,300	215,800
South East	299,600	344,700	266,900	293,700	1,936,500	1,996,800
England	2,235,700	2,326,700	2,282,200	2,194,100	11,526,900	12,055,300

## Reasons for Economic Inactivity in West Sussex

● % of economically inactive long-term sick ● % of economically inactive retired ● % of economically inactive student



# Claimant Count, West Sussex

Source: [ONS, Claimant Count](#)

Released: 16 August 2022 (July 2022 figures are provisional)

The claimant count includes those people who are claiming either Job Seekers Allowance or Universal Credit principally because they are out of work or working very few hours and/or have a very low wage.

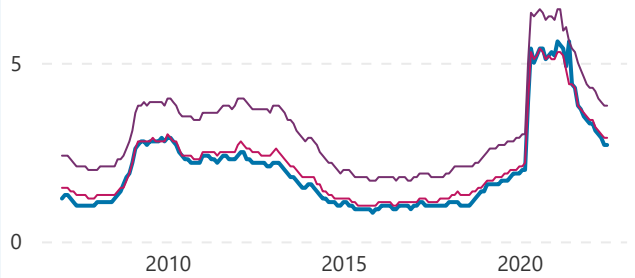
There were 13,880 claimants aged 16+ in West Sussex in July 2022, a decrease of -1% from the previous month, compared with a regional and national fall (England) of -0.6%.

All districts and boroughs in West Sussex saw a fall in claimant figures except for Horsham where claimant figures increased by 3% from June'22. Crawley saw the highest decline in claimants at -5%.

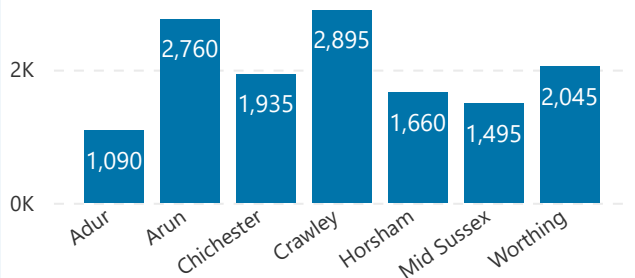
Crawley has the highest number of claimants at 2,895 and the highest claimant count rate at 4.0%, higher than the regional and national rates. Mid Sussex has the lowest claimant count rate at 1.6%. In West Sussex, % of male claimants aged 16+ fell by -2% and female increased by 0.5%.

## Claimant count rate

● West Sussex ● South East ● England

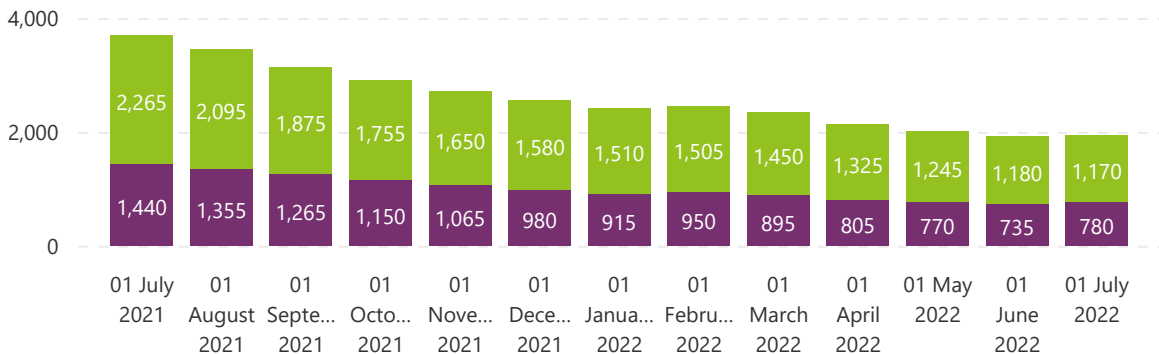


## Number of claimants



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

● Female ● Male



# Claimant Count, West Sussex

Source: [ONS, Claimant Count](#)

Released: 16 August 2022 (July 2022 figures are provisional)

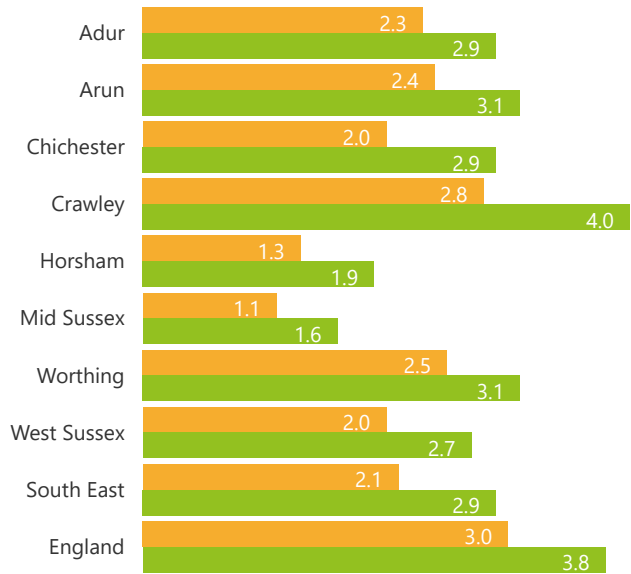
Age profile of claimants: Adur (17.8%) has the highest proportion of 16-24 year olds, and Chichester the lowest at 11.1%. Chichester and Arun have the higher proportion of claimants who are over 50 years.

There are 1,950 claimants aged 18-24 in West Sussex, which is an increase of 1% from the previous month. National (England) and regional figures also increased by 2% and -1% for this age category. Crawley has the highest number of claimants in this age group at 425. All the local authority districts saw an increase in claimants in this age category except for Crawley (-3%) and Mid Sussex (-5%).

Within West Sussex, over the last month, there was an increase of 0.4% in claimants amongst males aged 18-24 years; females by 2%.

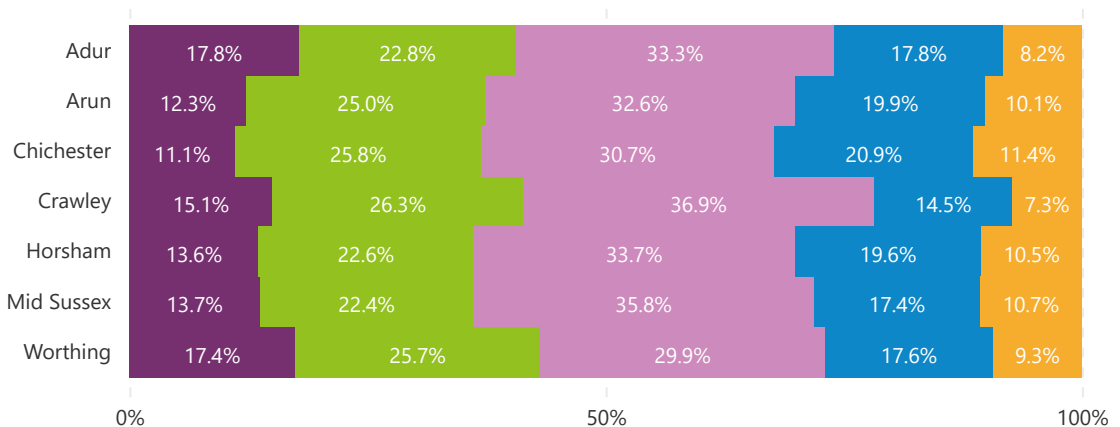
## Claimant count rates change

● 01 March 2020 ● 01 July 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

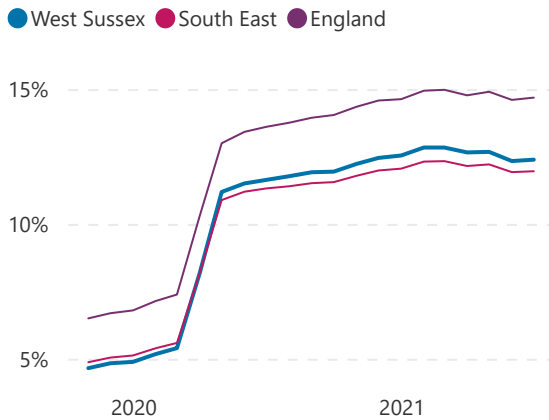
Source: [Department for Work and Pensions](#)

Released: 16 August 2022 (July 2022 figures are provisional)

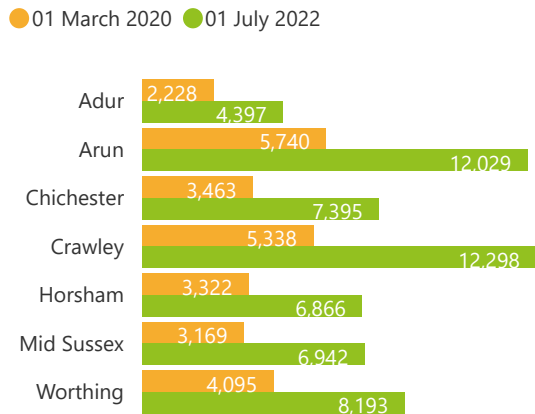
Universal Credit is a single payment for each household to help with living costs for those on a low income or out of work. In July 2022, there were 58,121 Universal Credit claimants, which is a 2% increase from previous month. The numbers of people claiming Universal Credit in West Sussex has increased 112% since March 2020 - from 27,355 to 58,121 in July 2022. The percentage of people in employment claiming Universal Credit increased since Jan'22 from 45% to 47% in June'22.

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

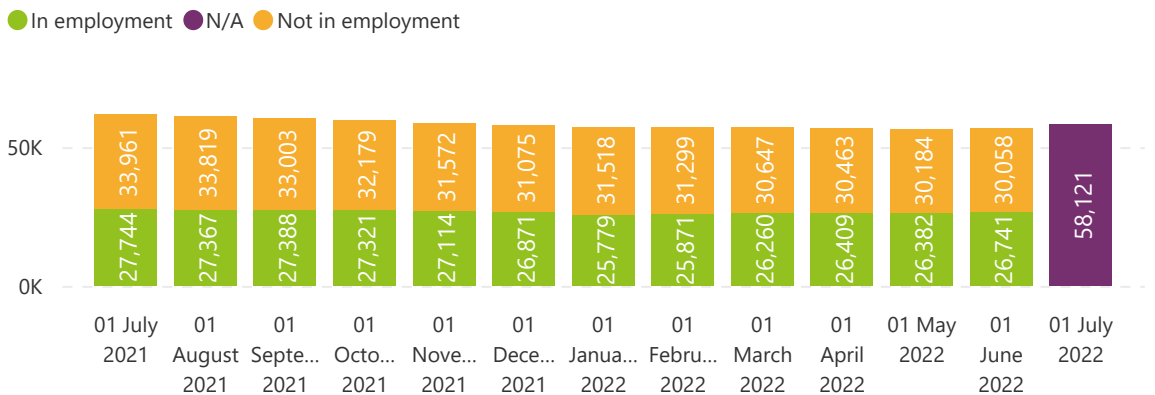
## Percentage of people aged 16-64 years claiming Universal Credit



## 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

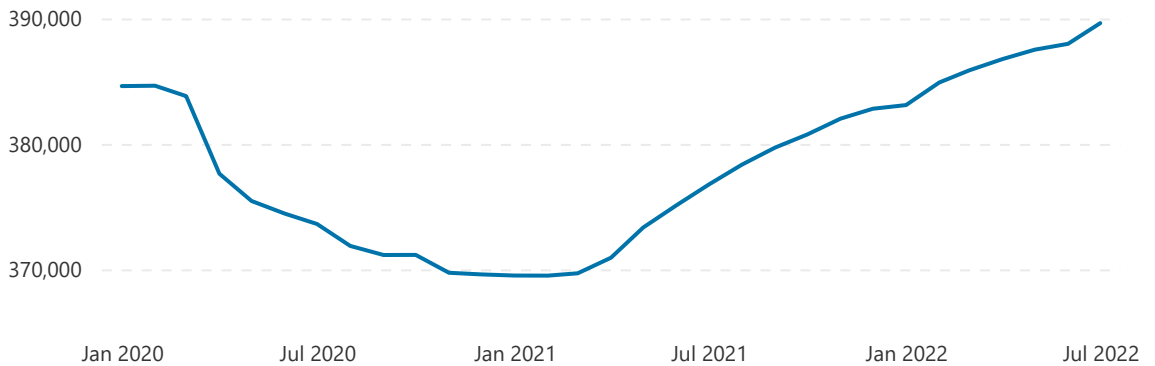
Source: ONS - [Earnings and employment from Pay As You Earn Real Time Information, seasonally adjusted](#)

Released: 16 August 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 data at national, regional and the two sub-county level geographies is up to the date July 2022. West Sussex's employees increased by 0.4% from June 2022. The South East's employees grew by 0.3% and England's employees grew by 0.2%

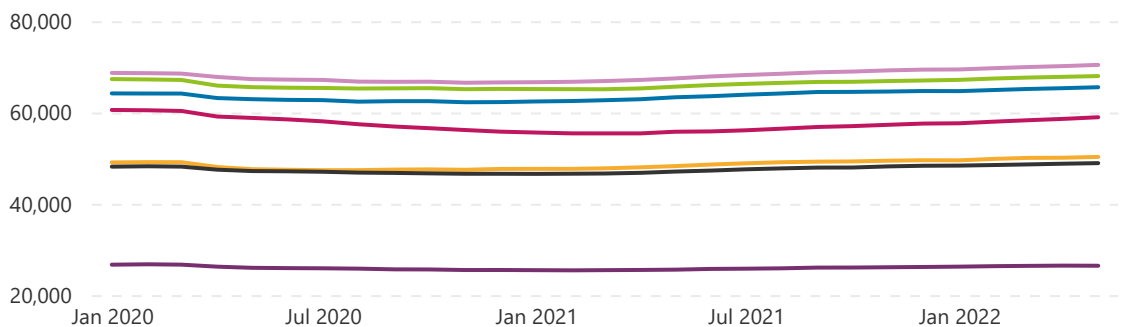
The latest data shows that Mid Sussex has the highest number of employees at 70,437 in West Sussex and Adur the lowest at 26,431. The timeline of employees in West Sussex shows a decrease from April 2020, at the beginning of the first lockdown and continuing to decrease until March 2021 at which point 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

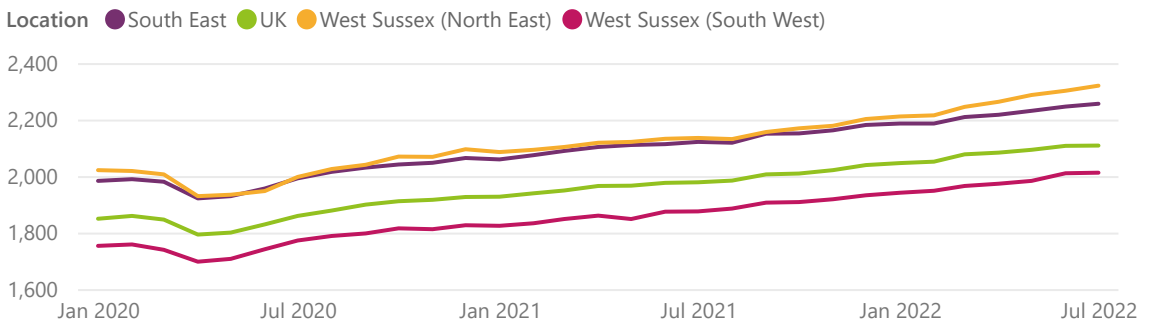
Source: ONS - [Earnings and employment from Pay As You Earn Real Time Information, seasonally adjusted](#)

Released: 16 August 2022

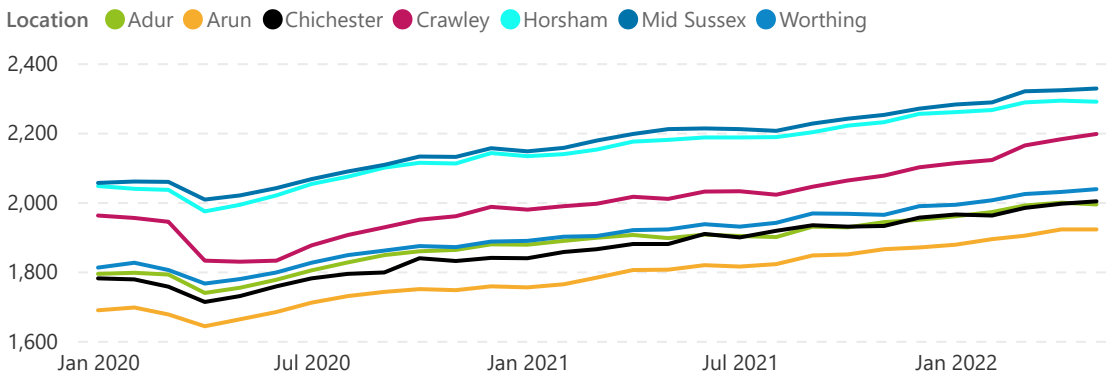
As in the previous page these figures are based on the ONS statistics from the earnings and employment Pay As You Earn (Seasonally Adjusted) RTI data set and are up to the month of May 2022 for local authority level and July 2022 for national, regional and the two sub-county levels. West Sussex South West and North East both had an increase in median monthly pay this month with an increase of 0.1% and 0.78% respectively. The South East had an increase of 0.45% and the UK had an increase of 0.05% this month. West Sussex North East had a higher percentage increase than the national and regional levels while West Sussex South West had a lower percentage increase than 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



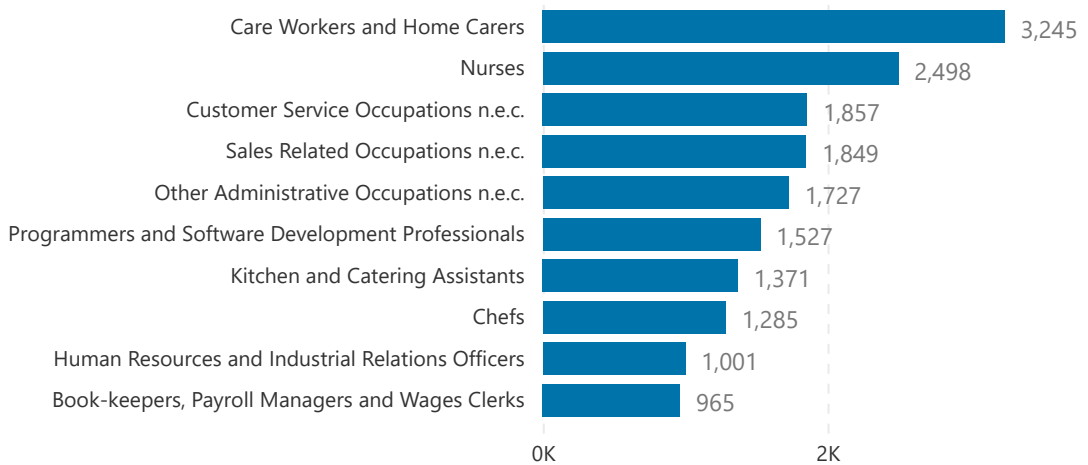
# Job Postings, West Sussex

Source: Lightcast

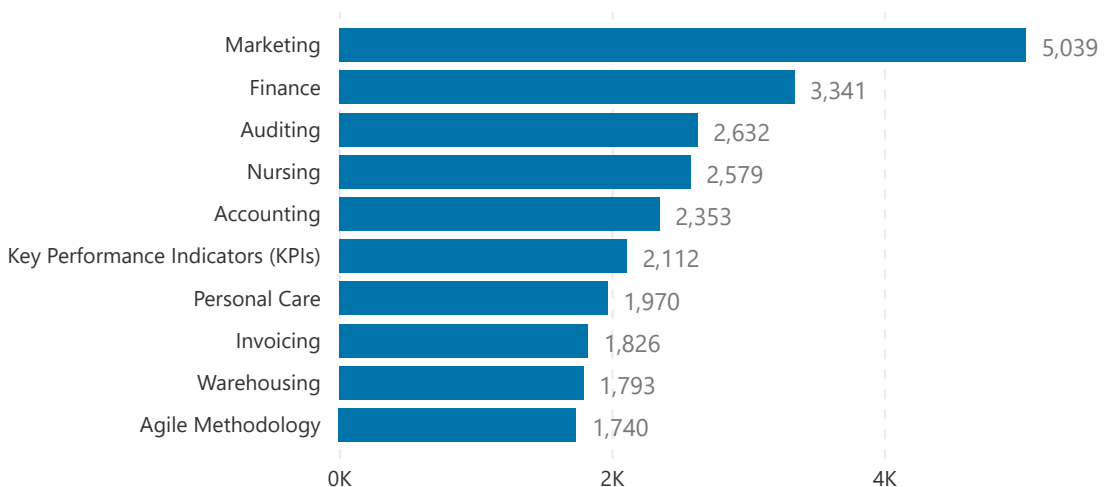
Released: August 2022

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. 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 Feb-July 22)



## Top 10 hard skills (unique postings Feb-July 22)



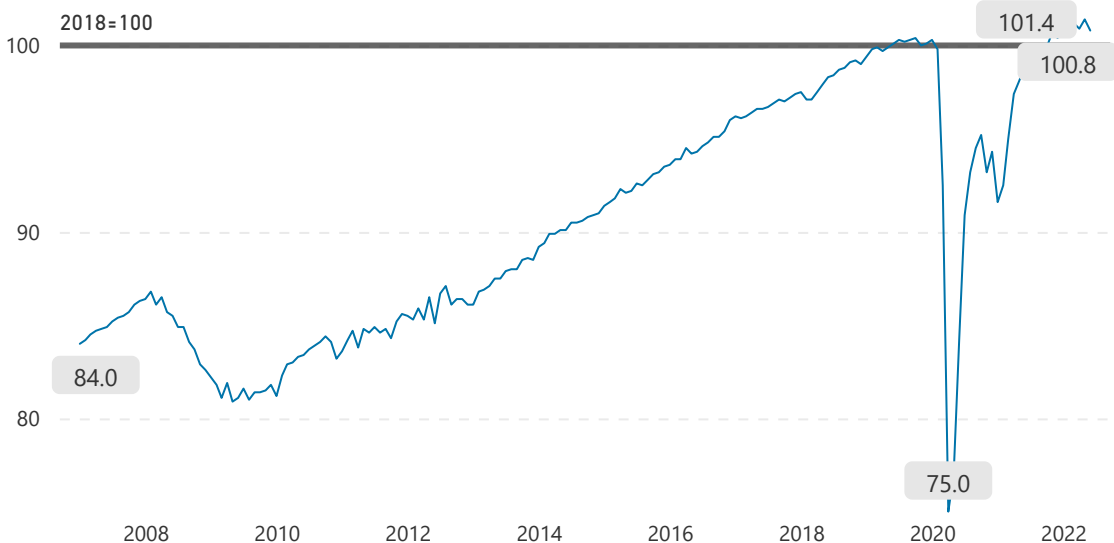
# National Headlines - Gross Domestic Product (GDP), UK

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

Released: 12 August 2022

- Gross domestic product (GDP) decreased by 0.6% in June 2022, after an increase of 0.4% in May 2022; UK GDP declined by 0.4% in the three months to June 2022. Monthly GDP is now estimated to be 0.9% above its pre-coronavirus pandemic levels at February 2020. The Platinum Jubilee, and the move of the May bank holiday, led to two fewer working days in June 2022.
- Services fell by 0.5% in June 2022 and the main contributor to the service sectors decline in GDP was in human health and social work (1.8%). The largest positive contributor to the services sector was accommodation and food services (2.1) due to the rise in mobile food stands and takeaway shops.
- Consumer-facing services in June 2022 remained flat. The largest positive contributor in consumer-facing services was food and beverage activities (3.0%). This was offset by falls in wholesale and retail trade and repair of motor vehicles and motorcycles (3.0%) and travel agency, tour operator and other reservation service and related activities (6.2%). Consumer-facing services was 4.9% below its pre-coronavirus levels in June 2022 while all other services were 2.7% above.
- Production output fell by 0.9% in June 2022 driven by a contraction of 1.6% in manufacturing, with widespread falls in 10 of the 13 manufacturing sub-sectors. The largest contribution to production decline was in rubber and plastics products, and other non-metallic mineral products (6.2%)
- Construction output decreased by 1.4% in June 2022 and is the first decrease in monthly construction output since October 2021. Construction output is now 2.9% above its pre-coronavirus pandemic level.

## Monthly index, UK





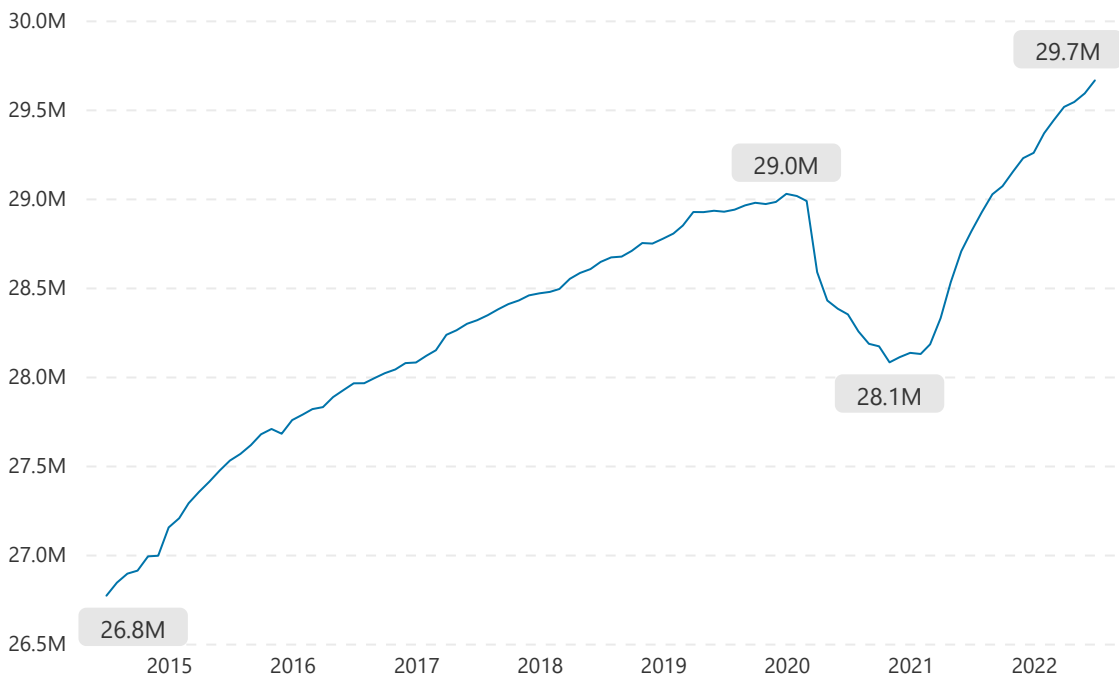
# Labour Market, UK

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

Released: 16 August 2022

- Early estimates for July 2022 indicate that the number of payrolled employees rose by 2.9% compared with July 2021, a rise of 847,000 employees; the number of payrolled employees was up by 2.2% since February 2020, a rise of 649,000.
- Payrolled employment increased by 73,000 employees (0.2%) in July 2022 when compared with June 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 June 2022 compared with May 2022 has been revised from an increase of 0.1% reported in the last bulletin to an increase of 0.2%, 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 July 2022 indicate that median monthly pay increased by 6.6% compared with July 2021 and increased by 13.4% when compared with February 2020.
- All age groups saw an increase in payrolled employees between July 2021 and July 2022; there was an increase of 220,000 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: 25 August 2022

The data presented in this bulletin are the final results from Wave 63 of the Business Insights and Conditions Survey (BICS), which was live for the period 8 August – 21 August 2022.

- In early August 2022, 94% of businesses reported they were trading, with 85% fully trading and 9% partially trading.
- From the responses, around 22% of the workforce were working a hybrid model with 64% working from a designated workspace and 8% working from home.
- In July 2022, 46% of businesses currently trading reported that the prices of goods or services bought had increased from June 2022, and 23% reported that prices sold had increased across the same period.
- Energy prices continued to be the most common reason for trading businesses of all sizes to consider raising their prices, with the accommodation and food service activities industry continuing to report the highest percentage, at 69%.
- Of currently trading businesses, 10% reported that their turnover decreased in July 2022 compared with June 2022.

# Businesses Closures, UK

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

Released: 16 August 2022

Data for England and Wales on company insolvencies shows that there were 1,827 in July 2022, 66% higher than in the same month in the previous year (1,096 in July 2021), and 26% higher than the number registered three years previously (1,440 in July 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 Creditors' Voluntary Liquidations (CVLs) 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

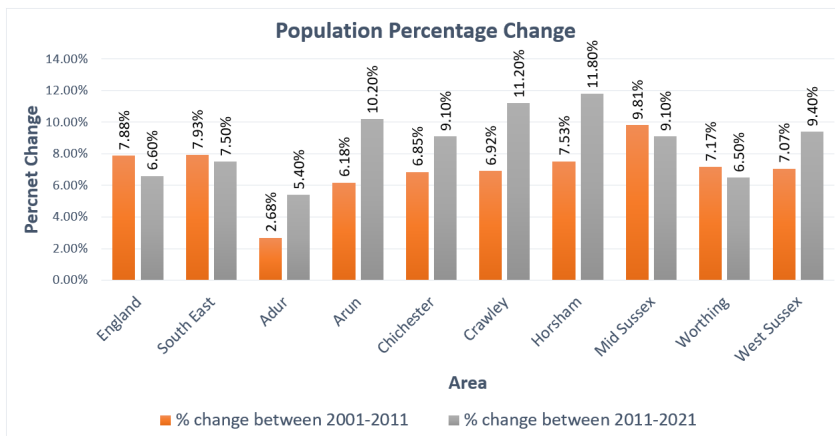
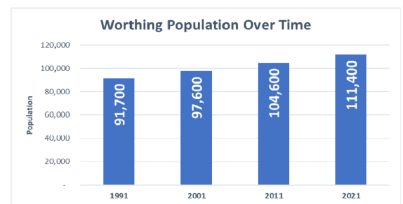
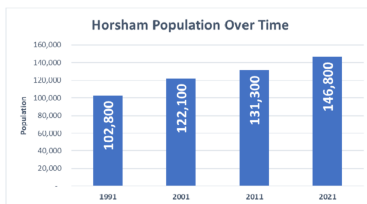
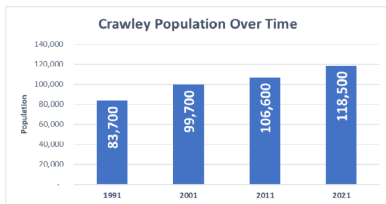
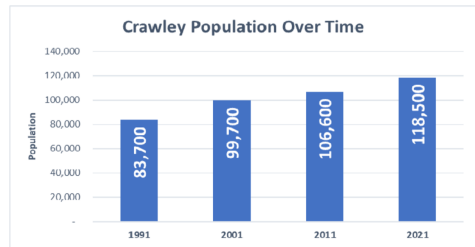
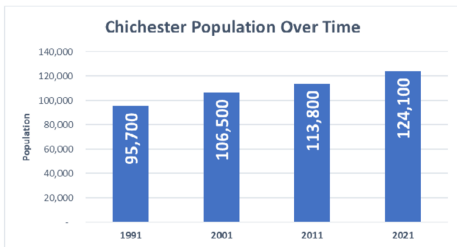
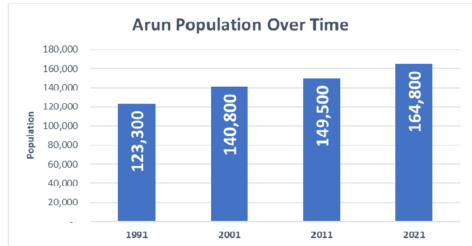
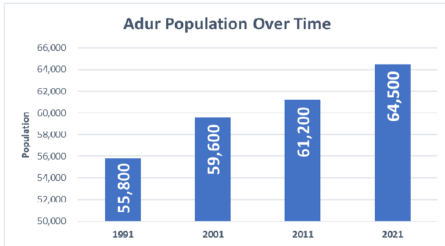


# Census 2021

Source: [Census 2021](#)

Released: 28 June 2022

The Census 2021 results were made available on the 28th of June. The results included the population by 5-year age bands down to local authority level. The charts below show the total population at each Census since 1991.



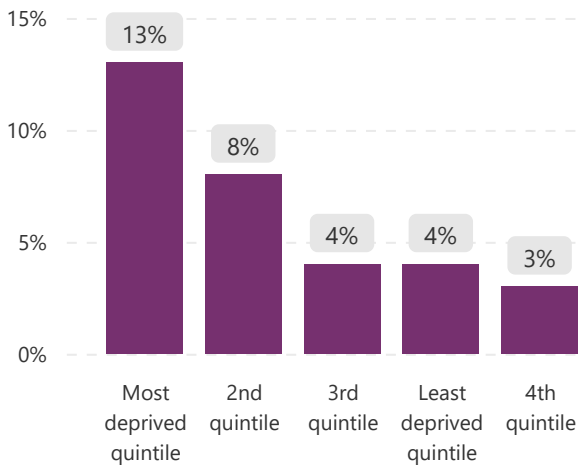
# Cost Of Living

Source: [Cost of Living](#)

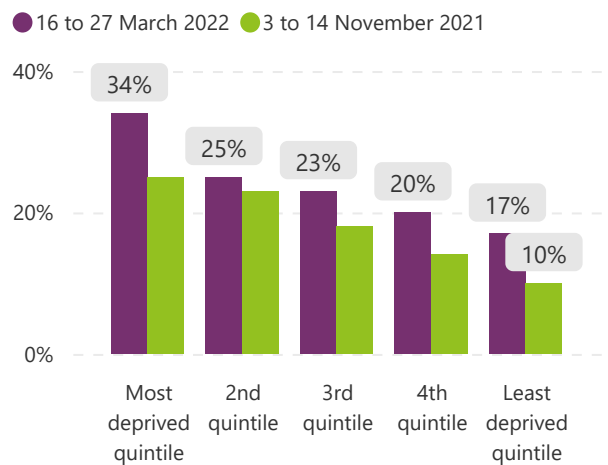
Released: 10 June 2022

To measure the cost of living, ONS has published results for the Opinions and Lifestyle Survey, The survey is available at national level (England) and does not go to county level or below. The survey results show the percentage of participants who answered yes to the questions given. Two key results from the survey are displayed below showing that the most deprived areas are struggling on paying bills compared to the less deprived areas. The increase in fuel price has also been included. The price of diesel has increased by 41% since August last year and unleaded petrol has increased by 36%.

## % adults behind on payments for gas or electricity (16-27 March 2022)



## % adults reporting difficulties paying household bills



## Fuel Price (p/litre) by Fuel Type



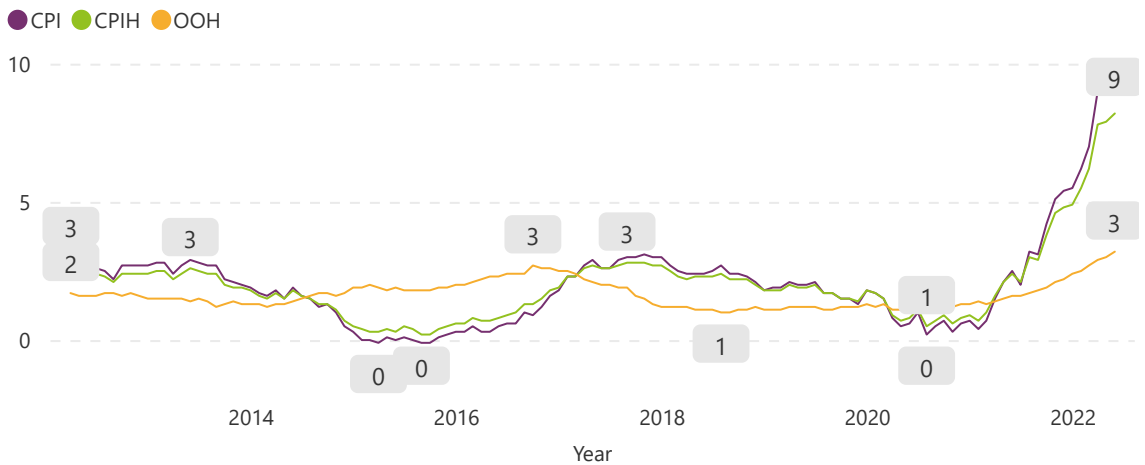
# Cost Of Living

Source: [Cost of Living](#)

Released: 10 June 2022

To measure the cost of living, ONS has published results for the Consumer Price Index (CPI), Owner Occupiers Household (OOH) and CPI including OOH (CPIH). The Consumer Price Index increased by 276% since last year of July 2021. Local Insight (OSCI) provides an estimate of households that are currently experiencing fuel poverty with Worthing having the highest estimated percentage at 9.4%.

## CPIH, OOH component and CPI annual inflation rates for the last 10 years, UK



## % Estimate of Household in Fuel Poverty by LA 2020

