

West Sussex Economy Snapshot

September 2022 (Issue 26)

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, July-August, there was an increase of 2% in the number of claimants aged 16+ in West Sussex, a slightly higher percentage increase than that seen nationally and regionally. All districts and boroughs, with the exception of Chichester, in West Sussex saw an increase in the claimant count over this time. Crawley continues to have the highest numbers of claimants and the highest claimant count rate, which at 4.1% 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 West Sussex local authorities, with the exception of Adur and Crawley. The numbers of employees on payrolls, from this data is above that seen before April 2020. West Sussex's employees increased by 0.31% from July 2022, higher growth than South East and England. Arun has the highest percentage employee growth from July 2022 at 0.48%.

Similarly, the median monthly pay levels have risen to levels higher than seen at the beginning of 2020. 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), and Mid Sussex has the highest median monthly pay level at £2,381 compared with Arun at £1,950.

Job postings continue to be higher than pre-pandemic, though the increase in postings is slowing and indeed there was a 16% fall in postings in West Sussex over the month July-August. Health care related occupations – care workers and nursing continue to be in highest demand, and customer service occupations, sales, administrative occupations and programming & software developing professions 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. From postings over the last six months marketing has been the most sought 'specialised' skill.

The number of new business incorporations in West Sussex over the last year- September 2021 – August 2022 was higher than the number of businesses that have been dissolved or have gone into liquidation – by around 66 business. In the last three months June– August 2022 there were 106 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.

Local Insight released data on the estimated percentage of households which are in fuel poverty. The average household fuel poverty for West Sussex (8.2%) is lower than that of the South East and England.

Inside this report

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

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National Headlines

Gross Domestic Product (GDP) grew in July by 0.2% following a decline in the previous month (a decrease of 0.6% in June). GDP is now 1.1% above its pre-coronavirus level in February 2020. Services grew by 0.4% in July 22. The main contributor to the service sector growth in GDP was in information and communication (1.5%). Consumer-facing services grew in July 2022 by 0.6%, following a flat month in June 2022. Production output fell by 0.3% in July 2022 after a fall of 0.9% in June 2022. Construction also fell by 0.8% in July 2022, following a fall of 1.4% in June.

The numbers of payrolled employees have continued to increase nationally, albeit at a slower lower rate, and over the year August 2021-August 2022 rose by 2.8%. All age groups saw an increase. Early estimates suggest that median monthly pay increased by over 6.5% since August 2021 and by 13.7% compared with February 2020.

From the Business Insights and Conditions Survey (BICs), 26% of currently trading businesses reported that their turnover decreased in August 2022 compared with the previous month. 44% of businesses reported that the prices of goods or services bought had increased from July 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 65% working from a designated workspace and 8% working from home.

Data for England and Wales on company insolvencies shows that there were 1,933 in August 2022, 43% higher than in the same month in the previous year and 42% 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 as well as the business community. The most common measure taken to cope with the cost of living was to reduce spending on non-essential goods and use less fuel in the home. Over a quarter of trading businesses expect the prices of the goods or services they sell to increase over the next month, more than half of these reported that increasing energy prices was the main reason for this, though increasing costs of raw materials and labour costs were also given as reasons.

New Businesses, West Sussex

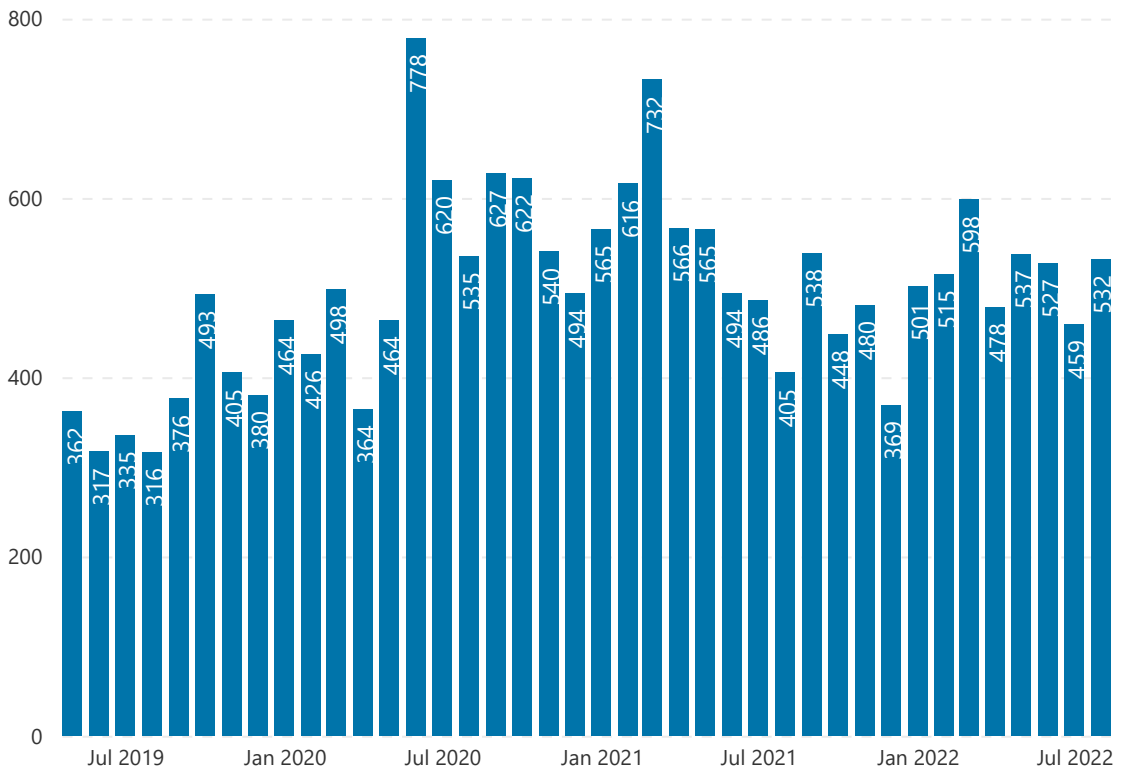
Source: FAME

Released: September 2022

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 , September 2021- August 2022 there were around 5,812 new business incorporations, higher than the 5,746 businesses that were dissolved or which had gone into liquidation.

In the last 3 months – June– August 2022 there were 106 more new business incorporations than there had been for those which have dissolved/in liquidation.

New business incorporations in West Sussex



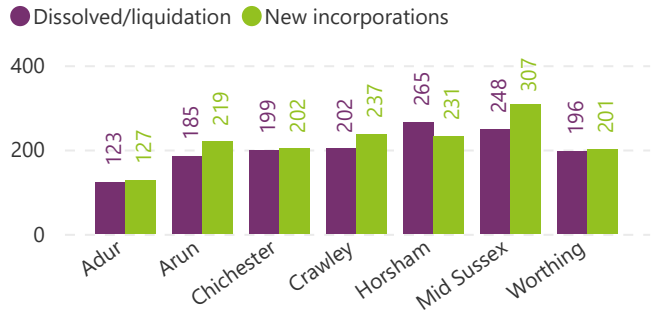
Businesses, West Sussex

Source: FAME

Released: September 2022

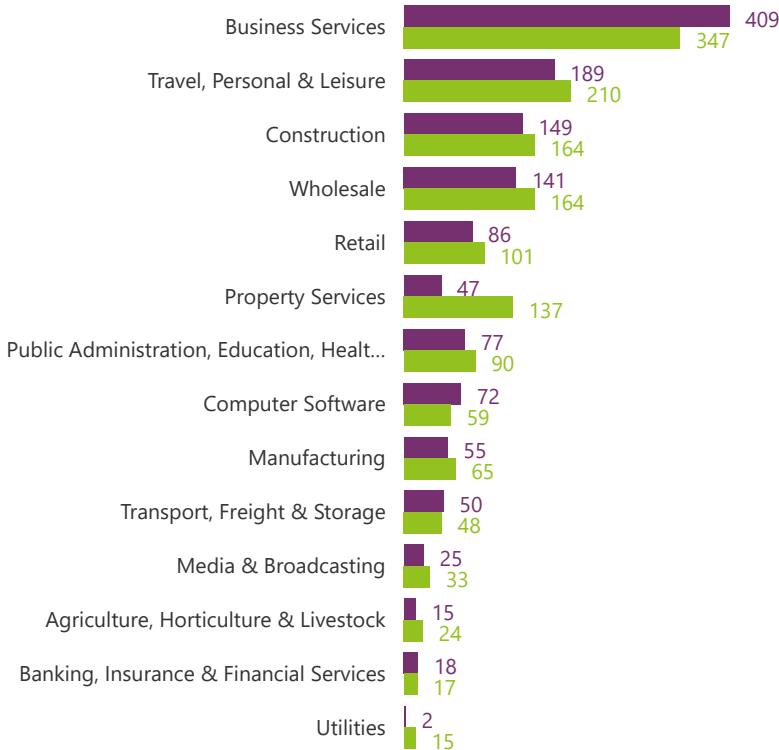
Over the last three-month period – June 2022-Aug 2022 Mid Sussex continues to have the highest number of new business incorporations. Horsham has the highest number of companies that have dissolved or are in-liquidation. In Horsham there were more closed companies than new formations. There is increasing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



Number of new business incorporations and businesses dissolved/in liquidation by industry (June-Aug 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, computer software, and transport, freight & storage are 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: 13 September 2022 (August 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.

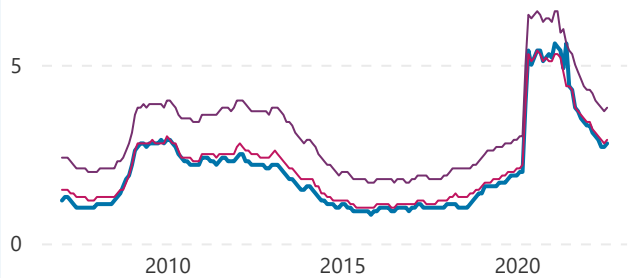
There were 14,120 claimants aged 16+ in West Sussex in August 2022, an increase of 2% from the previous month, compared with a regional and national increase (England) of 1%.

All districts and boroughs in West Sussex saw an increase in claimant figures except for Chichester where claimant figures decreased by -1% from July'22. Horsham saw the highest increase in claimants at 5%.

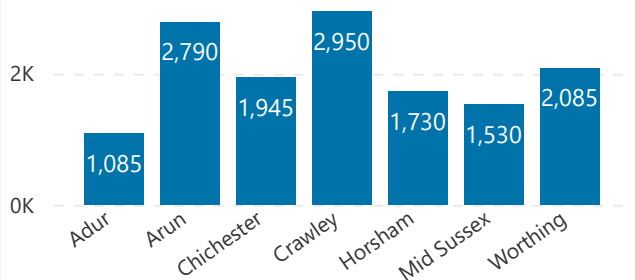
Crawley has the highest number of claimants at 2,950 and the highest claimant count rate at 4.1%, higher than the regional and national rates. Mid Sussex has the lowest claimant count rate at 1.7%. In West Sussex, % of male claimants aged 16+ increased by 1.6% and female increased by 2.1%.

Claimant count rate

● West Sussex ● South East ● England

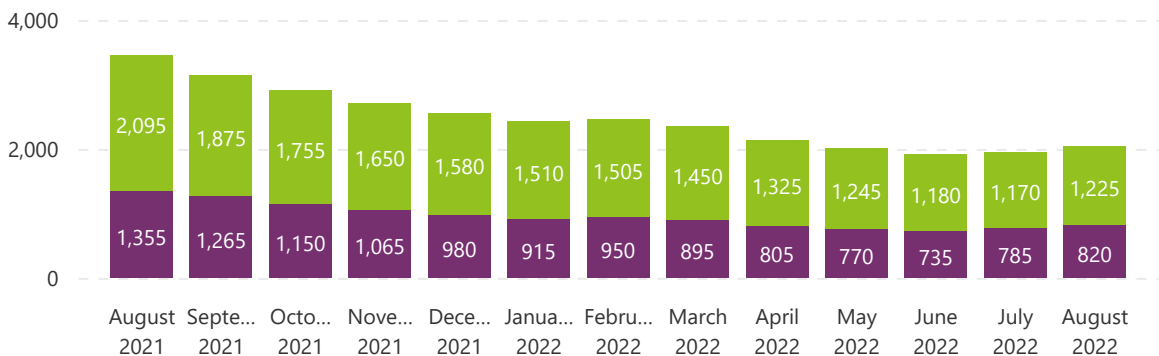


Number of claimants



Claimant count by gender, 18-24 age group

● Female ● Male



Claimant Count, West Sussex

Source: [ONS, Claimant Count](#)

Released: 13 September 2022 (August 2022 figures are provisional)

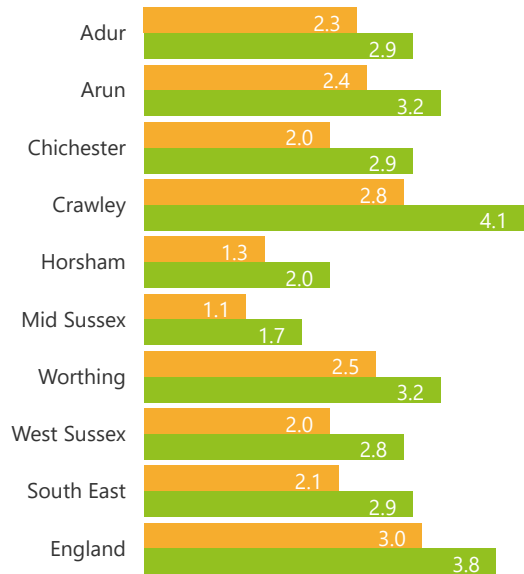
Age profile of claimants: Worthing (18.2%) has the highest proportion of 16-24 year olds, and Chichester the lowest at 11.4%. Chichester has the higher proportion of claimants who are over 50 years.

There are 2,045 claimants aged 18-24 in West Sussex, which is an increase of 4.3% from the previous month. National (England) and regional figures also increased by 3.5% and 4% for this age category. Crawley has the highest number of claimants in this age group at 423, and it was only Crawley in West Sussex that saw a fall, (-2.2%), in the claimants aged 18-24 over the last month, Adur saw no change and all other local authorities in the county saw an increase.

Within West Sussex, over the last month, there was an increase of 5% in claimants amongst males aged 18-24 years; females by 4%.

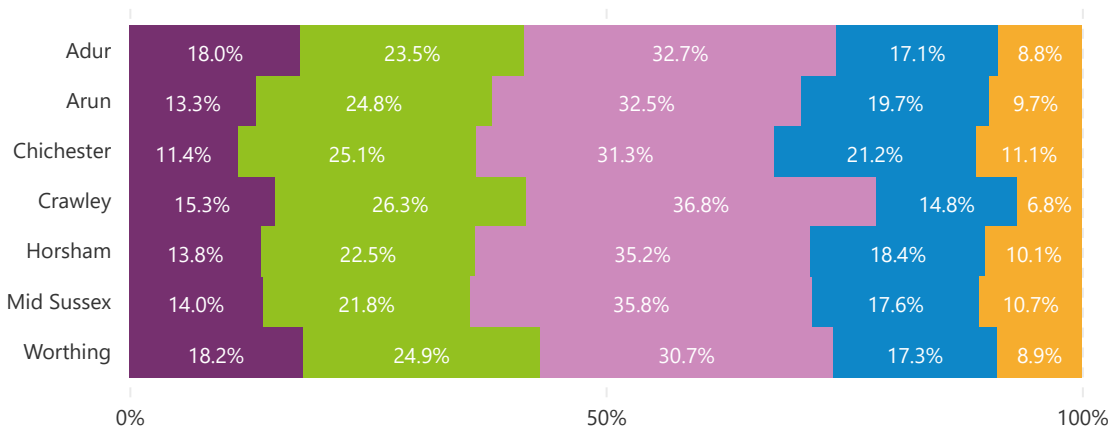
Claimant count rates change

● March 2020 ● August 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

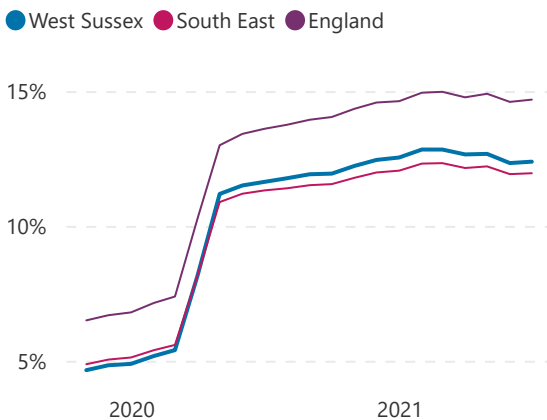
Source: [Department for Work and Pensions](#)

Released: 13 September 2022 (August 2022 figures are provisional)

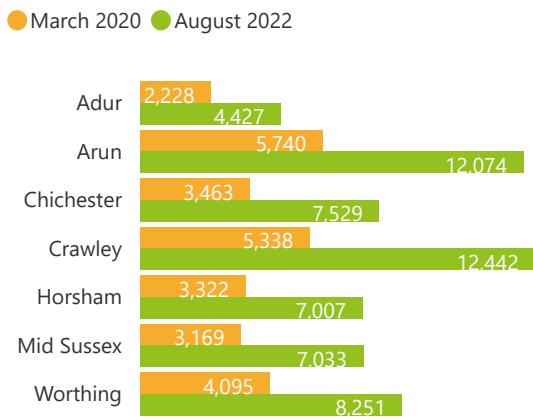
Universal Credit is a single payment for each household to help with living costs for those on a low income or out of work. In August 2022, there were 58,761 Universal Credit claimants, which is a 2% increase from previous month. The numbers of people claiming Universal Credit in West Sussex has increased 115% since March 2020 - from 27,355 to 58,761 in August 2022. The percentage of people in employment claiming Universal Credit increased - since Jan'22 from 45% to 47% in July'22.

Crawley has seen the highest % rise (133%) over the period from March 2020 (at the start of the pandemic) to Aug 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.

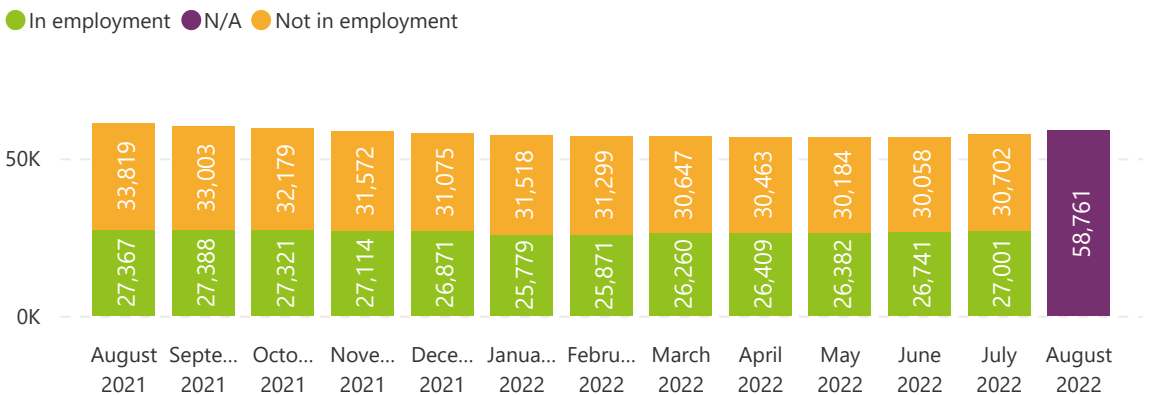
Percentage of people aged 16-64 years claiming Universal Credit



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

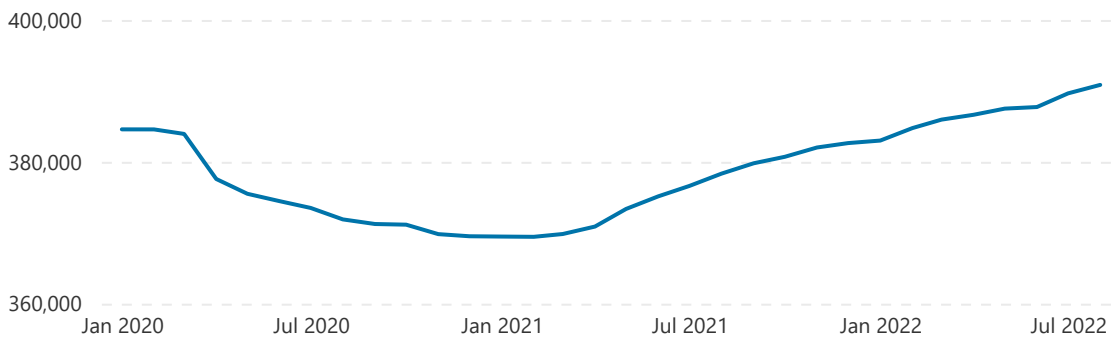
Source: ONS - [Earnings and employment from Pay As You Earn Real Time Information, seasonally adjusted](#)

Released: 13 September 2022

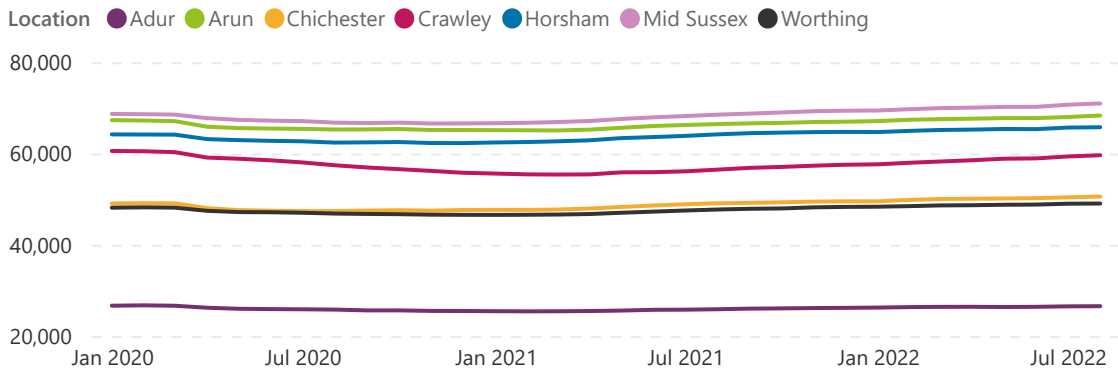
These figures are from a set of 'experimental statistics' from ONS from the earnings and employment statistics Pay as You Earn (PAYE) Real Time Information (RTI) seasonally adjusted data set. They have only recently been made available at local authority level. The latest data is up to the month of August 2022. West Sussex's employees increased by 0.31% from July 2022. Arun saw the highest % growth at 0.48% compared with Worthing's at 0.09% which was the lowest growth seen in the county. The South East's employees grew by 0.3% and England's employees grew by 0.24%

The latest data shows that Mid Sussex has the highest number of employees at 70,968 in West Sussex and Adur the lowest at 26,555. 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

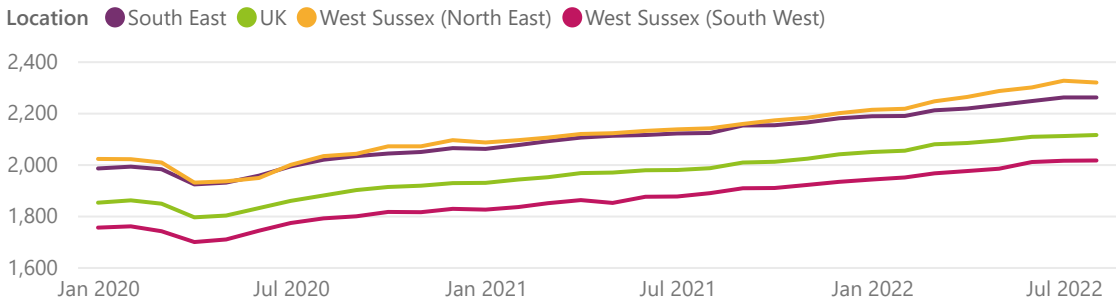
Source: ONS - [Earnings and employment from Pay As You Earn Real Time Information, seasonally adjusted](#)

Released: 13 September 2022

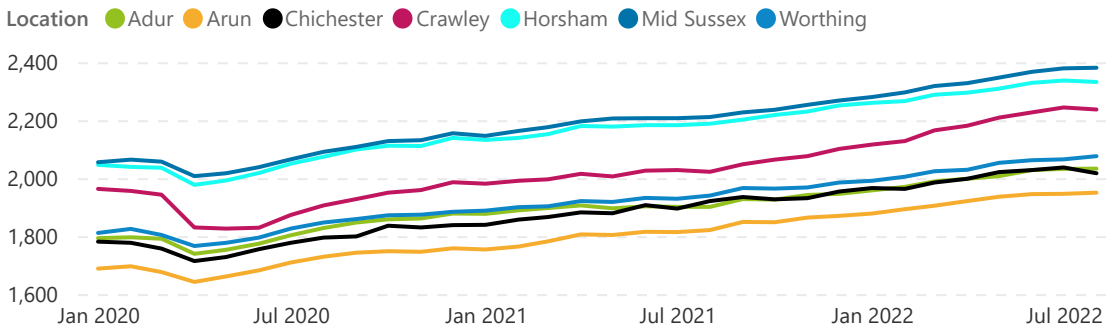
As in the previous page, these figures are based on the ONS statistics from the earnings and employment Pay As You Earn (Seasonally Adjusted) RTI data set and are up to the month of August 2022 for local authority level, national, regional and the two sub-county levels. The local authority with the largest percentage increase of pay from July 2022 was Worthing with 0.53% compared to a decrease of 0.98% in Chichester. West Sussex South West had an increase in median monthly pay by 0.05% while the North East had a decrease in median monthly pay by -0.3% from July 2022. The South East's monthly median pay has remained the same since July 2022 while the UK had an increase of 0.19%.

The district with the highest median monthly pay is Mid Sussex at £2,381, and the lowest is seen in Arun at £1,950. 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



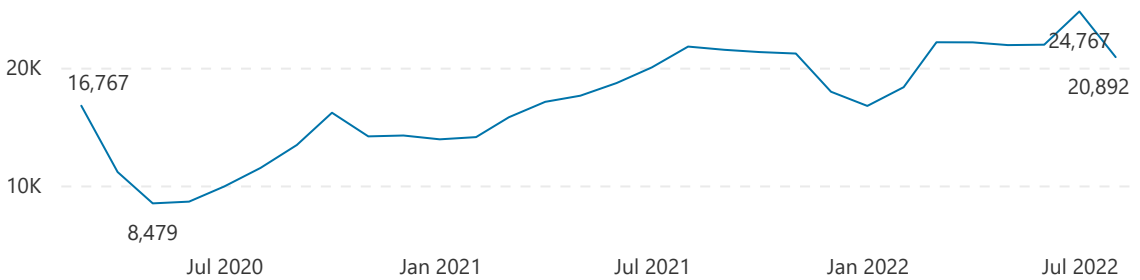
Job Postings, West Sussex

Source: Lightcast

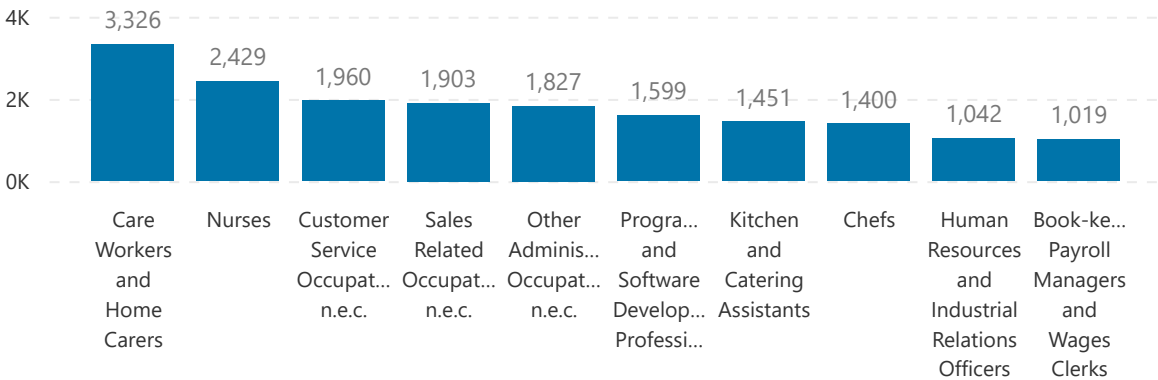
Released: September 2022

Job postings continue to be generally higher than pre-pandemic levels though have seen a fall over the summer, between July and August. In terms of the 'top' posted occupations over the last six months to August 2022 care workers and home carers continue to make up the highest numbers of job postings, followed by nurses. Customer service, sales related 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

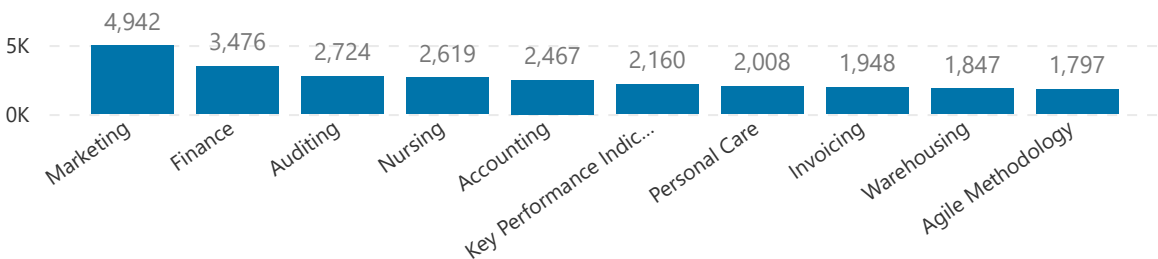
Unique job postings over time in West Sussex



Top 10 posted occupations (unique postings Mar-Aug 22)



Top 10 hard skills (unique postings Mar-Aug 22)



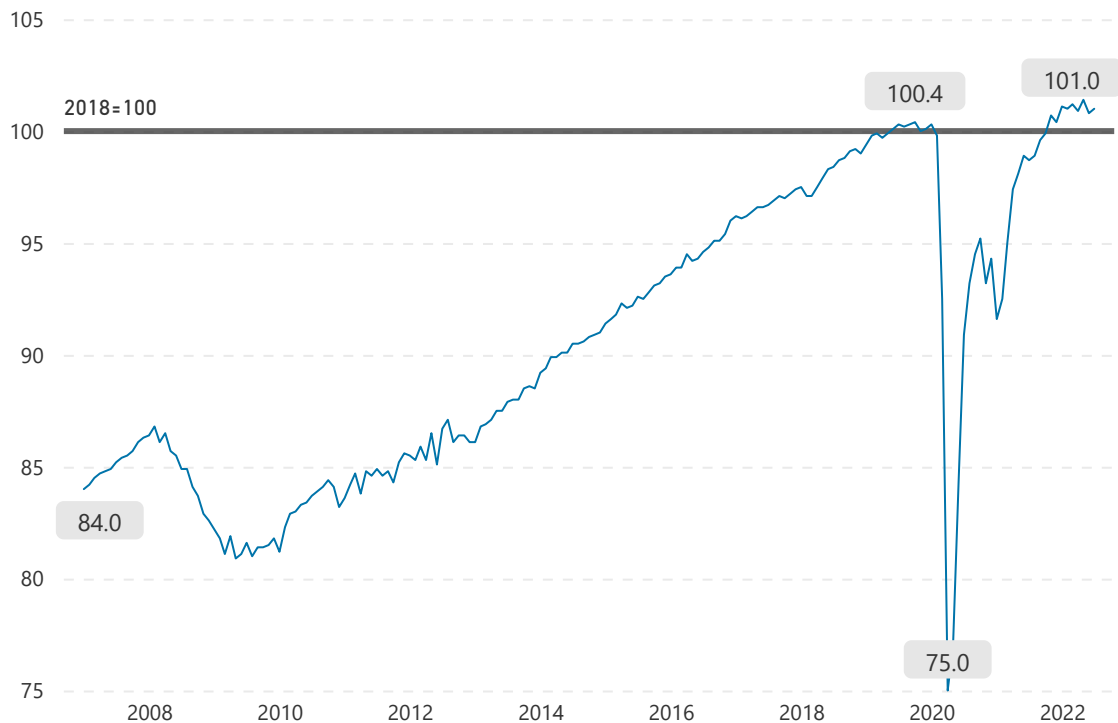
National Headlines - Gross Domestic Product (GDP), UK

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

Released: 12 September 2022

- Gross domestic product (GDP) is estimated to have grown by 0.2% in July 2022, after decrease of 0.6% in June 2022. Looking at the broader picture, GDP was flat in the three months to July compared with the previous three months. Monthly GDP is now estimated to be 1.1% above its pre-coronavirus pandemic levels at February 2020.
- Services grew by 0.4% in July 2022 and the main contributor to the rise in GDP. Information and communication grew by 1.5% and was the largest contributor to the service growth in July.
- Consumer-facing services grew in July 2022 by 0.6%, following a flat month in June 2022. The largest positive contributor in consumer-facing services was wholesale and retail trade and repair of motor vehicles and motorcycles industry (4.0%). This was partially offset by falls in other personal service activities, after continuous growth in this industry since November 2021. Consumer-facing services were 4.3% below its pre-coronavirus levels in July 2022 while all other services were 3.0% above.
- Production output fell by 0.3% in July 2022 after a fall of 0.9% in June 2022. This was mainly due to a 3.4% fall in electricity, gas, steam and air conditioning supply.
- Construction fell by 0.8% in July 2022 after a fall of 1.4% in June 2022. This decrease in monthly construction output in July 2022 came solely from repair and maintenance which fell by 2.6%.

Monthly index, UK



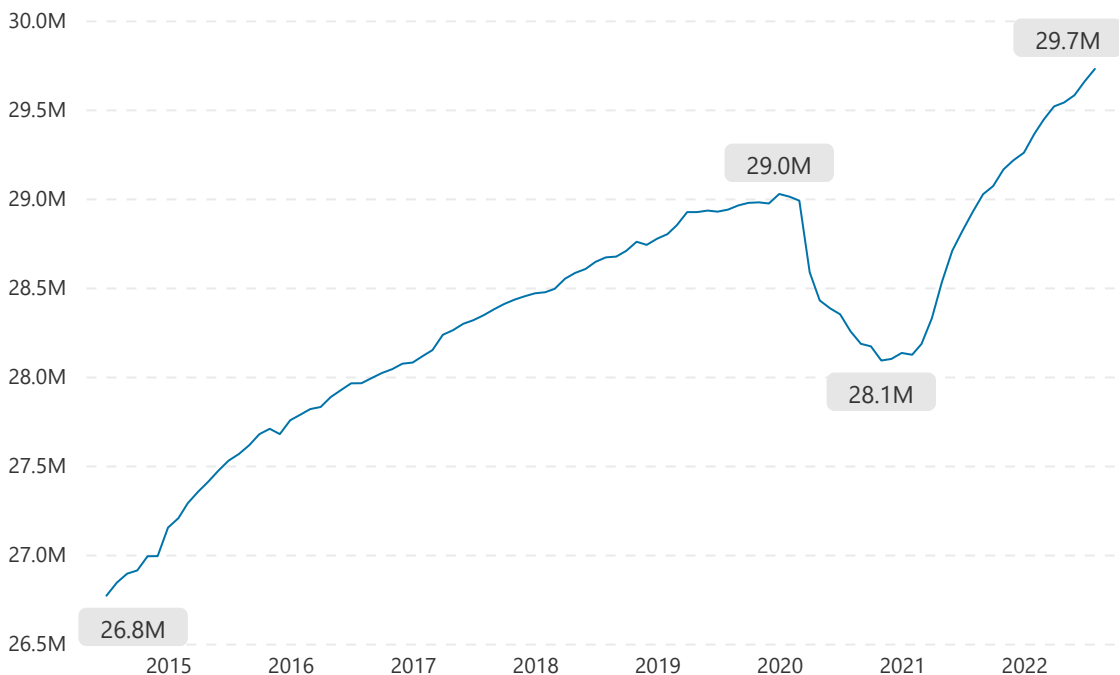
Labour Market, UK

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

Released: 13 September 2022

- Early estimates for August 2022 indicate that the number of payrolled employees rose by 2.8% compared with August 2021, a rise of 803,000 employees; the number of payrolled employees was up by 2.5% since February 2020, a rise of 718,000.
- Payrolled employment increased by 71,000 employees (0.2%) in August 2022 when compared with July 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 July 2022 compared with June 2022 has been revised from an increase of 73,000 reported in the last bulletin to an increase of 77,000, 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 August 2022 indicate that median monthly pay increased by 6.5% compared with August 2021 and increased by 13.7% when compared with February 2020.
- All age groups saw an increase in payrolled employees between August 2021 and August 2022; there was an increase of 175,000 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: 22 September 2022

The data presented in this bulletin are the final results from Wave 65 of the Business Insights and Conditions Survey (BICS), which was live for the period 5 September – 18 September 2022.

- In early September 2022, 94% of businesses reported they were trading, with 84% fully trading and 10% partially trading.
- From the responses, around 22% of the workforce were working a hybrid model with 65% working from a designated workspace and 8% working from home.
- In August 2022, 26% of trading businesses reported their turnover was lower compared with July 2022, while 15% reported their turnover was higher
- In August 2022, 44% of businesses currently trading reported that the prices of goods or services bought had increased from July 2022, and 46% 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 at 46%. 55% of Businesses with 10 or more employees considered raising prices due to energy prices.
- Of currently trading businesses, 55% reported that their expected turnover will remain the same with 19% expecting their turnover to decrease.

Businesses Closures, UK

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

Released: 16 September 2022

Data for England and Wales on company insolvencies shows that there were 1,933 in August 2022, 43% higher than in the same month in the previous year (1,348 in August 2021), and 42% higher than the number registered three years previously (1,365 in August 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



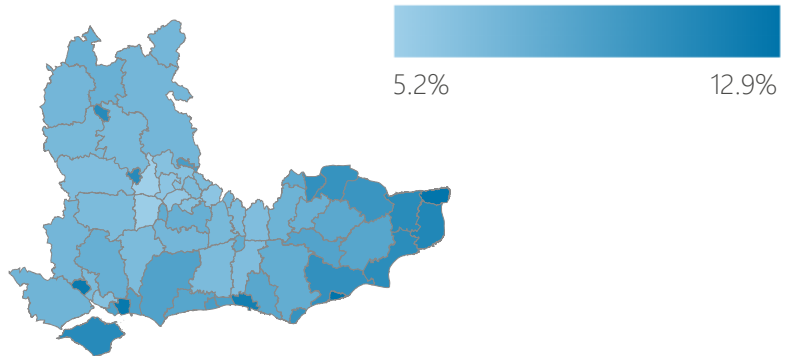
Fuel Poverty

Source: Local Insight (OCSI)

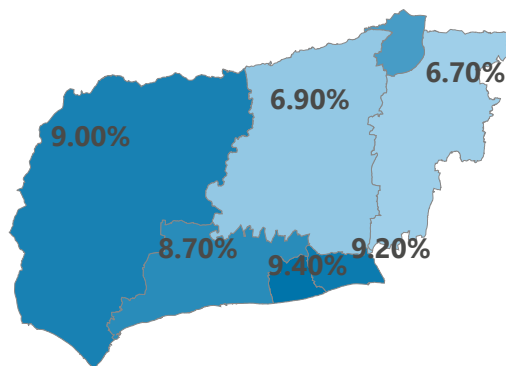
Released: April 2022

Local Insight released data on the estimated percentage of households which are in fuel poverty. The definition of fuel poverty is based on the Low Income Low Energy Efficiency (LILEE) fuel poverty metric. This is where a household is either determined to have an energy efficiency rating band of D, E, F or G or it's disposable income (income after housing costs (AHC) and energy needs) would be below the income poverty level. The rate is calculated as = (Households living in fuel poverty)/(Total Households)*100. The average household fuel poverty for West Sussex (8.2%) is lower than that of the South East (8.6%) and England (13.2%). The highest ranked local authority in the South East (out of 64) is Hastings at 12.9%. Worthing is ranked 17th in the South East region with 9.4% and Mid Sussex ranks 54th with 6.7%.

South East % Estimate of Household in Fuel Poverty by LA 2020



% Estimate of Household in Fuel Poverty by LA 2020



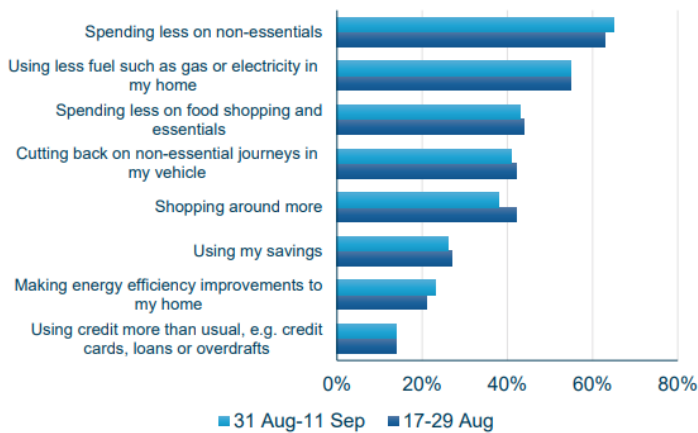
Cost of Living

Source: [ONS Economic Forum](#)

Released: 26 September 2022

ONS recently released updated information from both the Opinions and Lifestyle Survey (OPN), a survey of households and the Business Insights and Conditions Survey (BICS), a survey of businesses which gives some insight into the impact of rising prices. It is evident that households are spending less on non-essential goods, as well as cutting down on fuel use including in the home and cutting back on food/essential goods spend. Nearly half of the businesses surveyed reported an increase in the prices of goods and services bought over the last month, and more than a quarter expect the prices of goods or services they sell to increase in October 2022 – the main reason given is the increase in energy prices.

Proportion of people taking measures in response to increased cost of living



Reasons for considering price rises

