

West Sussex Economy Snapshot

October 2022 (Issue 27)

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, August-September, there was an increase of 0.5% in the number of claimants aged 16+ in West Sussex, a lower percentage increase than that seen nationally and regionally. Adur, Chichester and Mid Sussex saw a decrease in claimant count, whereas all other districts and boroughs in West Sussex saw an increase 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.

The latest data from the Annual Population Survey, released in October, is for the period July 2021-June 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 in West Sussex 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 in West Sussex. The number of employees on payrolls, from this data, is above that seen before April 2020. West Sussex's employees increased by 0.35% from August 2022, higher growth than South East and England.

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).

Job postings continue to be higher than pre-pandemic, though the increase in postings is slowing and indeed there was a 21% fall in postings in West Sussex over the month July-Sept. 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- October 2021 – September 2022 was higher than the number of businesses that have been dissolved or have gone into liquidation – by around 276 business. In the last three months July– September 2022 there were 144 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.

Inside this report

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

West Sussex

New Businesses	5
Businesses	6
Economic Activity	7
Economic Inactivity	9
Claimant Count	10
Universal Credit Claimants	12
Real Time Information Pay as you Earn Employees	13
Job Postings	15

National

Gross Domestic Product	16
Labour Market	17
Businesses currently trading	18
Business Closures	19

National Headlines

Gross Domestic Product (GDP) fell in August by 0.3% following a growth in the previous month (an increase of 0.1% in July). GDP is now estimated to be at the same level above its pre-coronavirus level in February 2020. Services fell by 0.1% in August 2022. The main contributor to the service sector decline in GDP was in Human health and social work activities (1.3%) and arts, entertainment and recreation activities (5.0%). Consumer-facing services fell in August 2022 by 1.8%, following a 0.7% growth in July 2022 - retail trade was the major contributor to this decline. Production output fell by 1.8% in August 2022 after a fall of 1.1% in July 2022. Construction grew by 0.4% in August 2022, following a growth of 0.1% in July.

The number of payrolled employees have continued to increase nationally, albeit at a slower lower rate, and over the year September 2021-September 2022 rose by 2.5%. Early estimates suggest that median monthly pay increased by over 6.3% since September 2021 and by 14.6% compared with February 2020.

From the Business Insights and Conditions Survey (BICs), 48% of businesses reported that the prices of goods or services bought had increased from August 2022. 52% of trading businesses in the accommodation and food service activities industry reported that their turnover was lower compared with August 2022. Energy prices continued to be the most common reason for trading businesses to consider raising their prices at 39%. Based on the responses of businesses trading the proportion of the workforce that were working as part of a hybrid model in early October 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 1,679 in September 2022, 17% higher than in the same month in the previous year and 11% higher than three years previously.

New Businesses, West Sussex

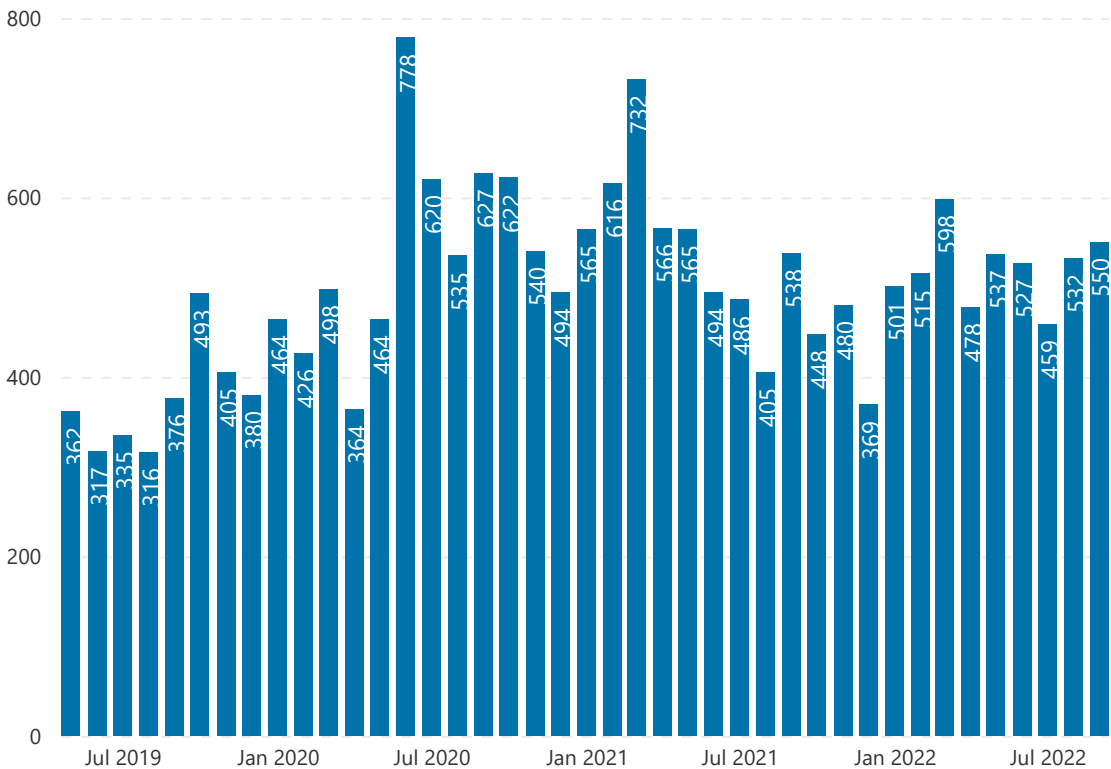
Source: FAME

Released: October 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, October 2021-September 2022 there were around 5,811 new business incorporations, higher than the 5,535 businesses that were dissolved, or which had gone into liquidation.

In the last 3 months – July– September 2022 there were 144 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: October 2022

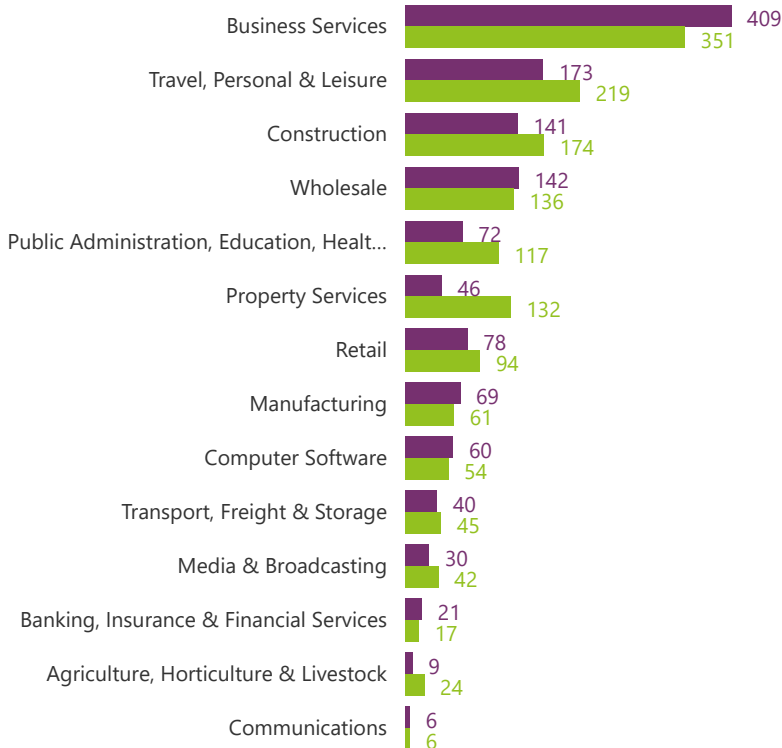
Over the last three-month period – July 2022– Sept 2022 Mid Sussex continues to have the highest number of new business incorporations. Horsham has the highest number of companies that have dissolved or are in liquidation. In Horsham there were more closed companies than new formations. There is increasing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



Number of new business incorporations and businesses dissolved/in liquidation by industry (July-Sept 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. Business services, wholesale, manufacturing, computer software & banking, insurance & finance 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: 11 October 2022 (Latest Data: Jul 2021-Jun 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 Jun'22. West Sussex has higher economic activity rates compared with the regional and national average and at 82.50% continues to have higher employment rates compared with that of the South East Region (78.20%) and England (75.70%). 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 9.90%, slightly higher than the national rate but lower than for the South East region.

Compared to the year ending June 2021, self-employment rates have increased in Adur, Arun and particularly in Chichester. Chichester has the highest self-employment rate in the county at 15.40%. 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	
Location	Jul 20-Jun 21	Jul 21-Jun 22	Jul 20-Jun 21	Jul 21-Jun 22	Jul 20-Jun 21	Jul 21-Jun 22
Adur	87.30	78.90	84.70	75.40	11.80	12.40
Arun	85.20	86.30	82.90	82.20	7.40	9.10
Chichester	70.60	69.60	70.10	67.00	12.20	15.40
Crawley	89.60	82.70	86.80	82.10	5.10	4.70
Horsham	79.30	85.60	76.00	84.80	13.50	9.20
Mid Sussex	79.20	87.20	76.30	85.80	9.40	7.70
Worthing	85.20	82.50	81.30	77.40	16.90	13.60
West Sussex	82.00	82.50	79.40	80.10	10.60	9.90
South East	80.80	80.90	77.40	78.20	10.60	10.00
England	78.90	78.80	74.80	75.70	9.70	9.40

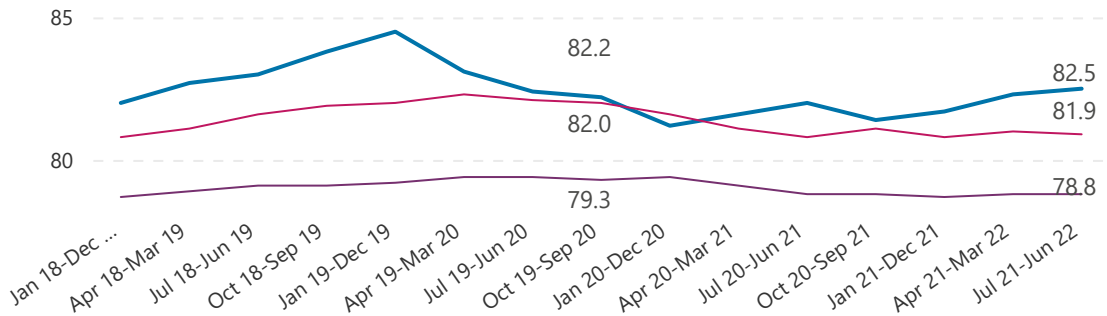
Economic Activity, West Sussex

Source: Annual Population Survey

Released: 11 October 2022 (Latest Data: Jul 2021-Jun 2022)

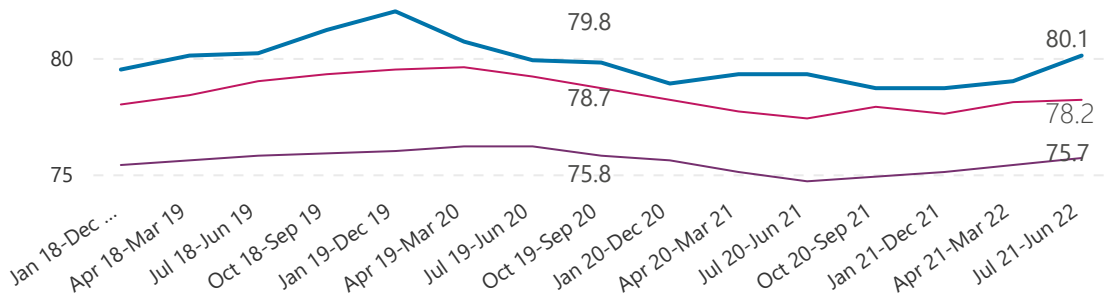
Economic activity rate - aged 16-64

● West Sussex ● South East ● England



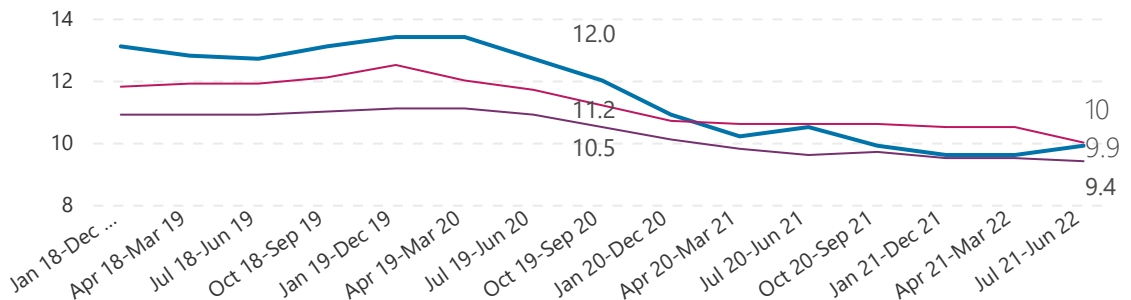
Employment rate - aged 16-64

● 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: 11 October 2022 (Latest Data: Jul 2021-Jun 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.

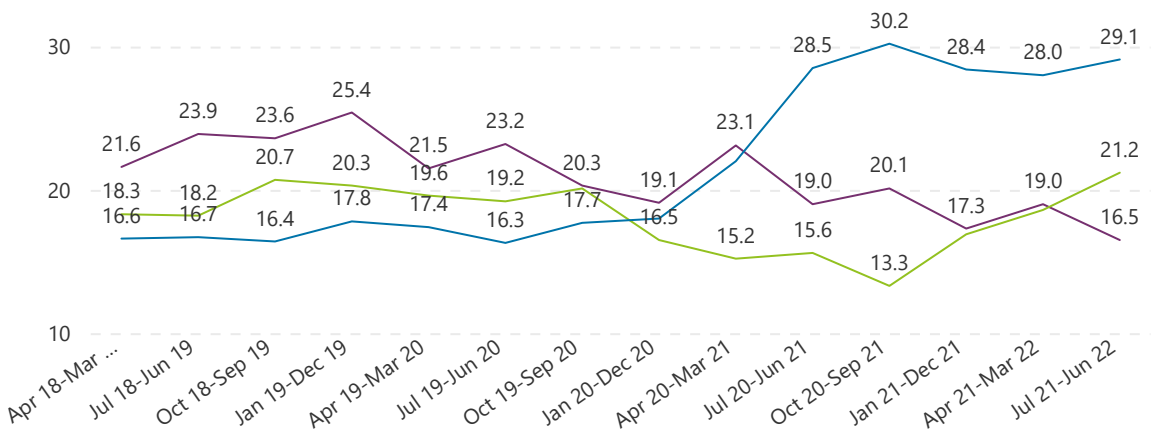
Economic inactivity due to long-term sickness has fallen below the pre-pandemic levels. What is noticeable however, is the increase, since the end of 2020, amongst those who are economically inactive for the reason that they are students, though this was fallen slightly, and has again increased in the year ending June 2021. Economic inactivity by those who are retired has also seen an increase in West Sussex.

Economically inactive by age

Age	Aged 16-24		Aged 25-49		Aged 50+	
	Apr 19-Mar 20	Jul 21-Jun 22	Apr 19-Mar 20	Jul 21-Jun 22	Apr 19-Mar 20	Jul 21-Jun 22
West Sussex	21,800	27,000	22,100	20,300	211,300	212,900
South East	299,600	335,500	266,900	298,300	1,936,500	2,010,400
England	2,235,700	2,303,800	2,282,200	2,212,000	11,526,900	12,048,800

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: 11 October 2022 (September 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.

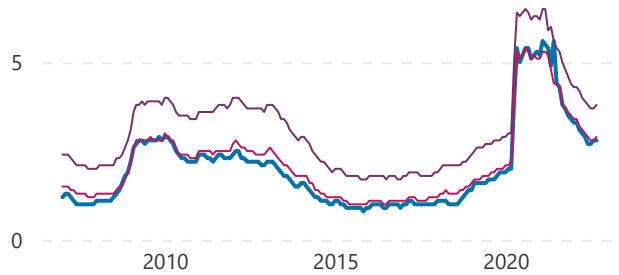
There were 14,075 claimants aged 16+ in West Sussex in August 2022, an increase of 0.5% from the previous month, compared with a regional and national increase (England) of 1%.

Adur, Chichester and Mid Sussex saw a decrease in claimant figures, whereas all other districts and boroughs in West Sussex saw an increase in claimants from Aug'22. Horsham saw the highest increase in claimants at 2.3% followed by Arun at 2.2%.

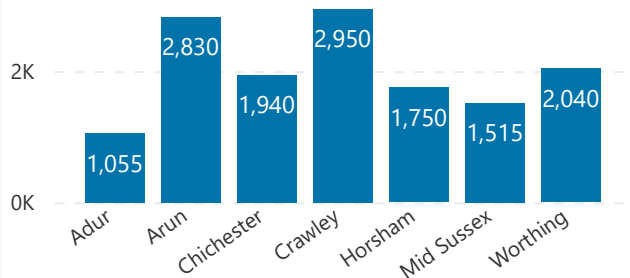
Crawley has the highest number of claimants at 2,950 and the highest claimant count rate at 4.1%, higher than the regional and national rates. Mid Sussex has the lowest claimant count rate at 1.7%. In West Sussex, % of male claimants aged 16+ fell by -0.1% and female increased by 1.4%.

Claimant count rate

● West Sussex ● South East ● England

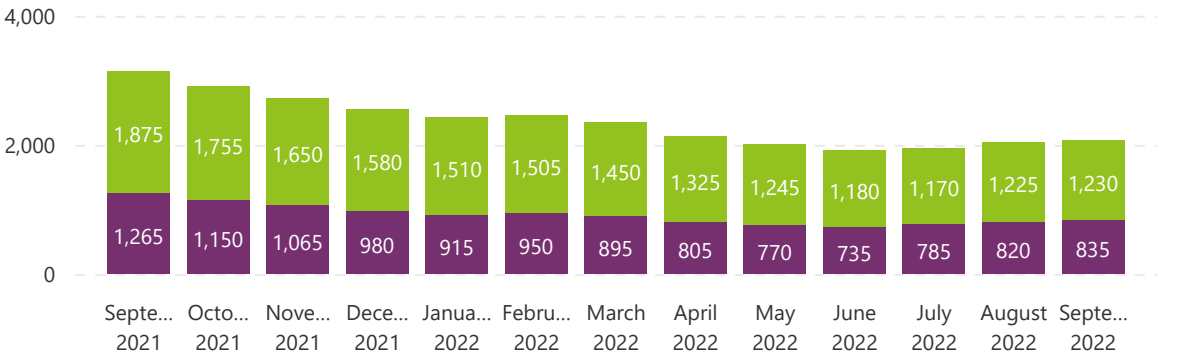


Number of claimants



Claimant count by gender, 18-24 age group

● Female ● Male



Claimant Count, West Sussex

Source: [ONS, Claimant Count](#)

Released: 11 October 2022 (September 2022 figures are provisional)

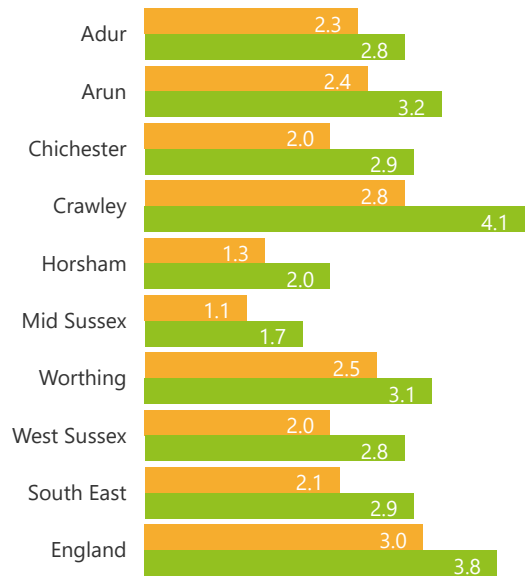
Age profile of claimants: Worthing (19.4%) has the highest proportion of 16-24 year olds, and Chichester the lowest at 12.1%. Chichester has a higher proportion of claimants who are over 50 years.

There are 2,065 claimants aged 18-24 in West Sussex, which is an increase of 2% from the previous month. National (England) and regional figures also increased by 2% and 1.6% for this age category. Crawley has the highest number of claimants in this age group at 430, and it was only Crawley in West Sussex that saw a fall, (-1.1%), in the claimants aged 18-24 over the last month, Adur and Mid Sussex 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 0.8% in claimants amongst males aged 18-24 years; females by 4.4%.

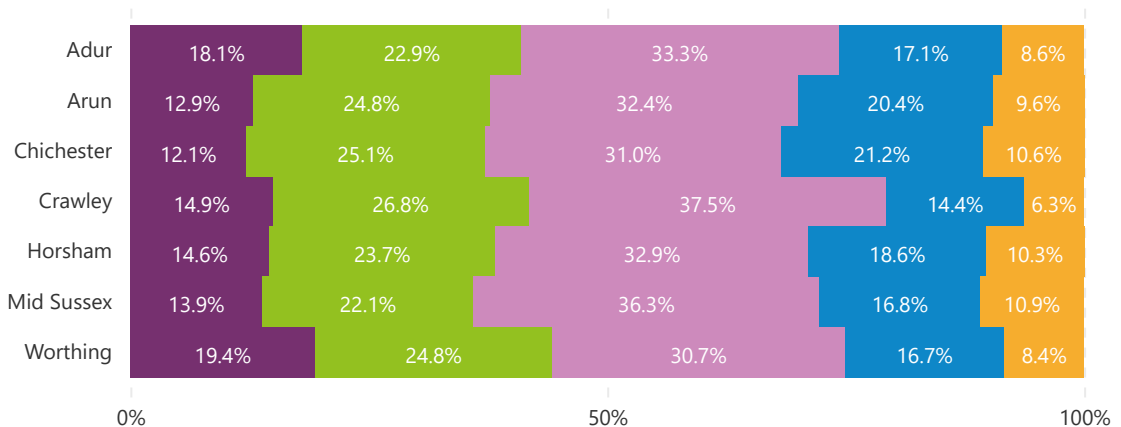
Claimant count rates change

● March 2020 ● September 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

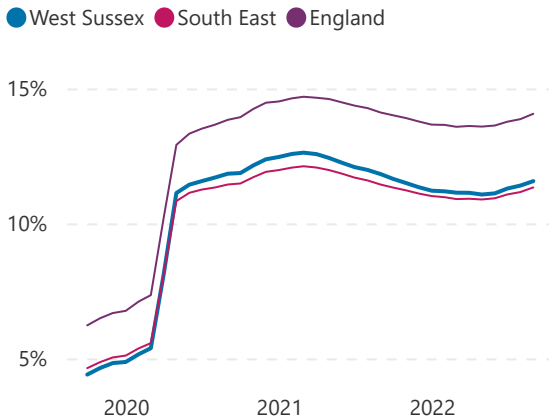
Source: [Department for Work and Pensions](#)

Released: 11 October 2022 (September 2022 figures are provisional)

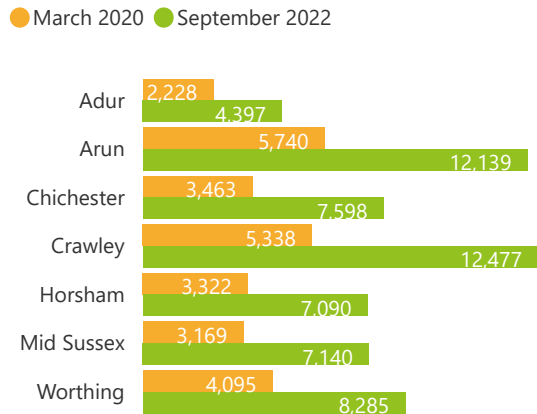
Universal Credit is a single payment for each household to help with living costs for those on a low income or out of work. In September 2022, there were 59,124 Universal Credit claimants, which is a 1.5% increase from previous month. The numbers of people claiming Universal Credit in West Sussex has increased 116% since March 2020 - from 27,355 to 59,124 in September 2022. The percentage of people in employment claiming Universal Credit increased since Jan'22 from 45% to 47% in Aug'22.

Crawley has seen the highest % rise (134%) over the period from March 2020 (at the start of the pandemic) to Sep 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.

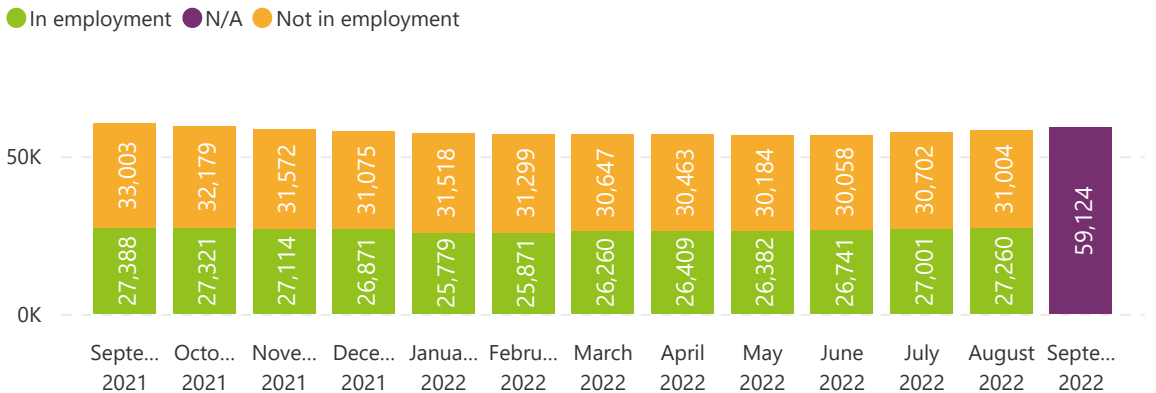
Percentage of people aged 16-64 years claiming Universal Credit



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

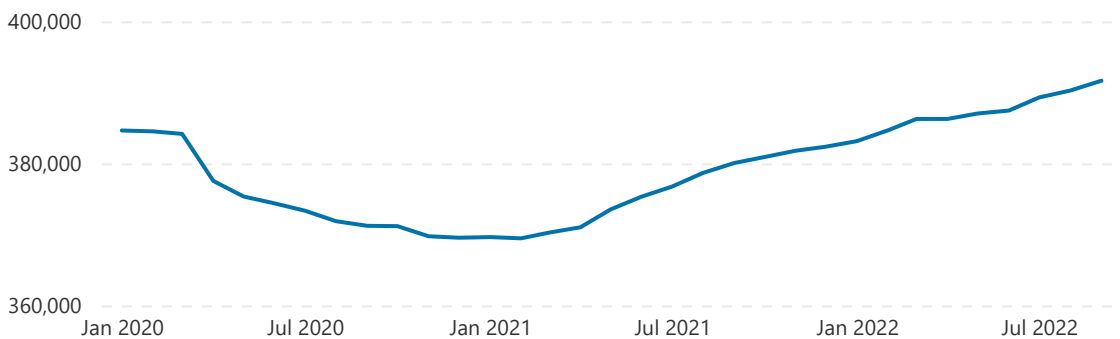
Source: ONS - [Earnings and employment from Pay As You Earn Real Time Information, seasonally adjusted](#)

Released: 11 October 2022

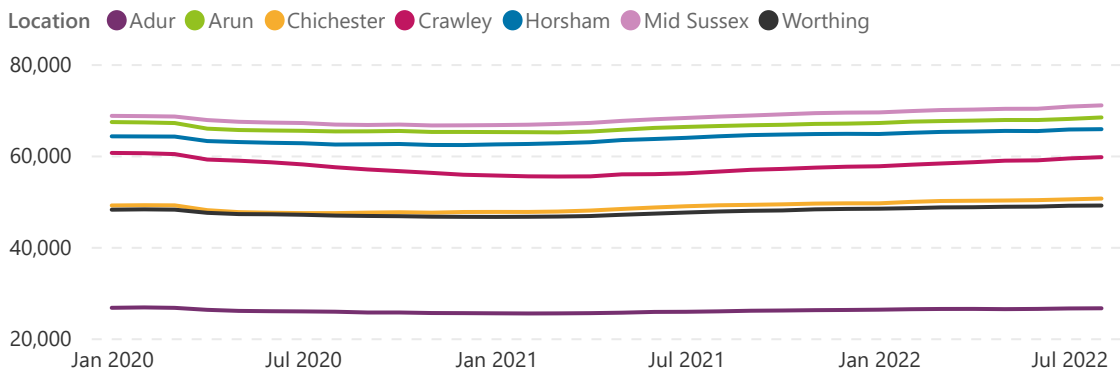
These figures are from a set of 'experimental statistics' from ONS from the earnings and employment statistics Pay as You Earn (PAYE) Real Time Information (RTI) seasonally adjusted data set. The latest data is up to the month of September 2022 for national, regional and county levels and up to August 2022 for local authorities. West Sussex's employees increased by 0.35% from August 2022. The South East's employees grew by 0.24% and the UK's employees grew by 0.23%

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), Median Pay, West Sussex

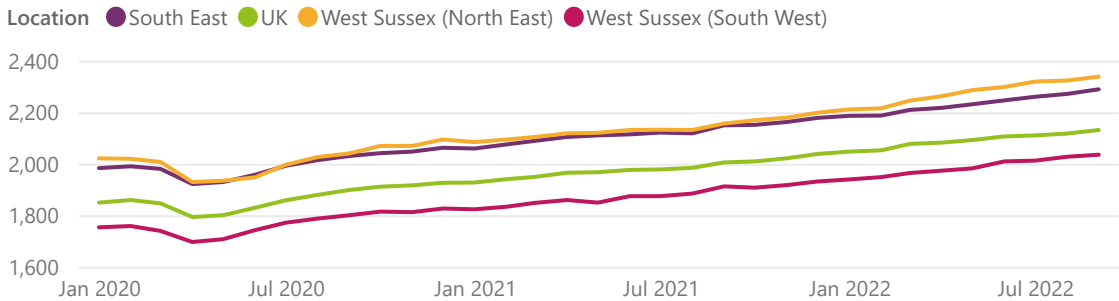
Source: ONS - [Earnings and employment from Pay As You Earn Real Time Information, seasonally adjusted](#)

Released: 11 October 2022

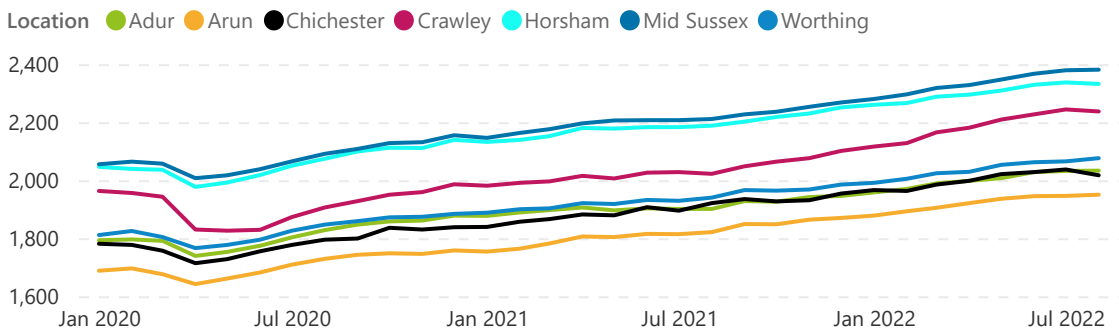
As in the previous page, these figures are based on the ONS statistics from the earnings and employment Pay As You Earn (Seasonally Adjusted) RTI data set and are up to the month of September 2022 for national, regional and the two sub-county levels. The data set is up to date for the month of August 2022 for local authorities. 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 0.39% and the North East had an increase in median monthly pay by 0.65% from August 2022. The South East's monthly median pay rose by 0.79% and the UK's rose by 0.66% since August 2022.

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



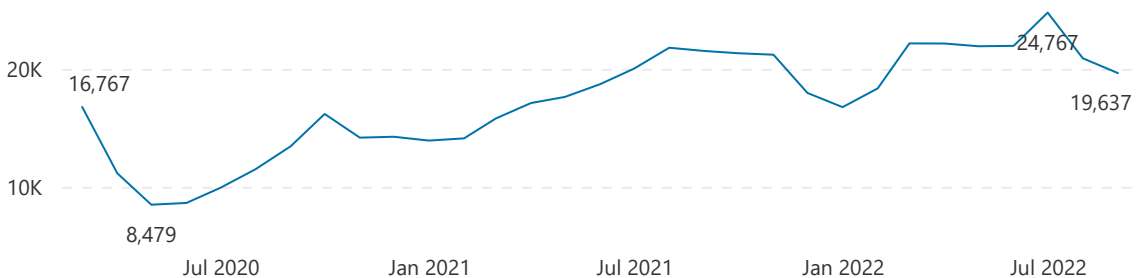
Job Postings, West Sussex

Source: Lightcast

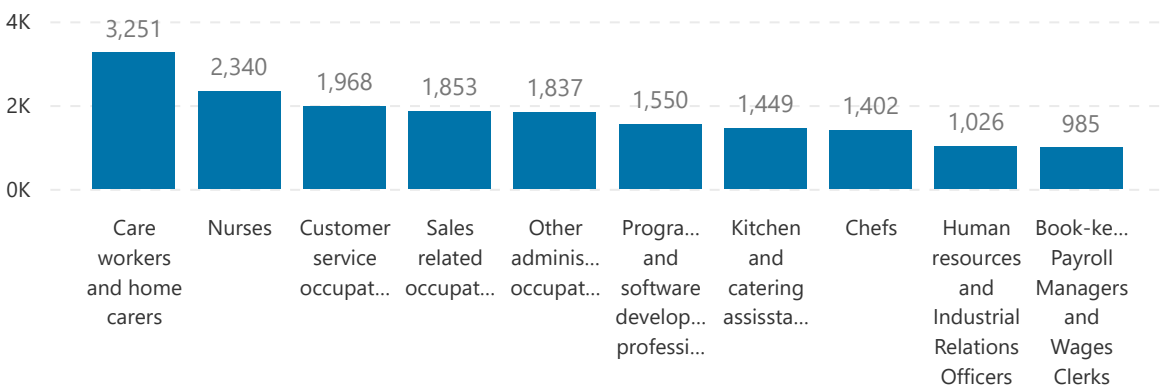
Released: October 2022

Job postings continue to be generally higher than pre-pandemic levels though have seen a fall since July'22. In terms of the 'top' posted occupations over the last six months to September 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

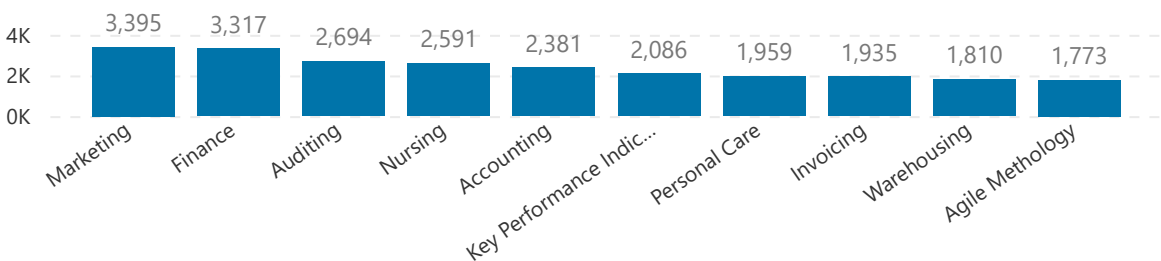
Unique job postings over time in West Sussex



Top 10 posted occupations (unique postings Apr-Sept 22)



Top 10 hard skills (unique postings Apr-Sept 22)



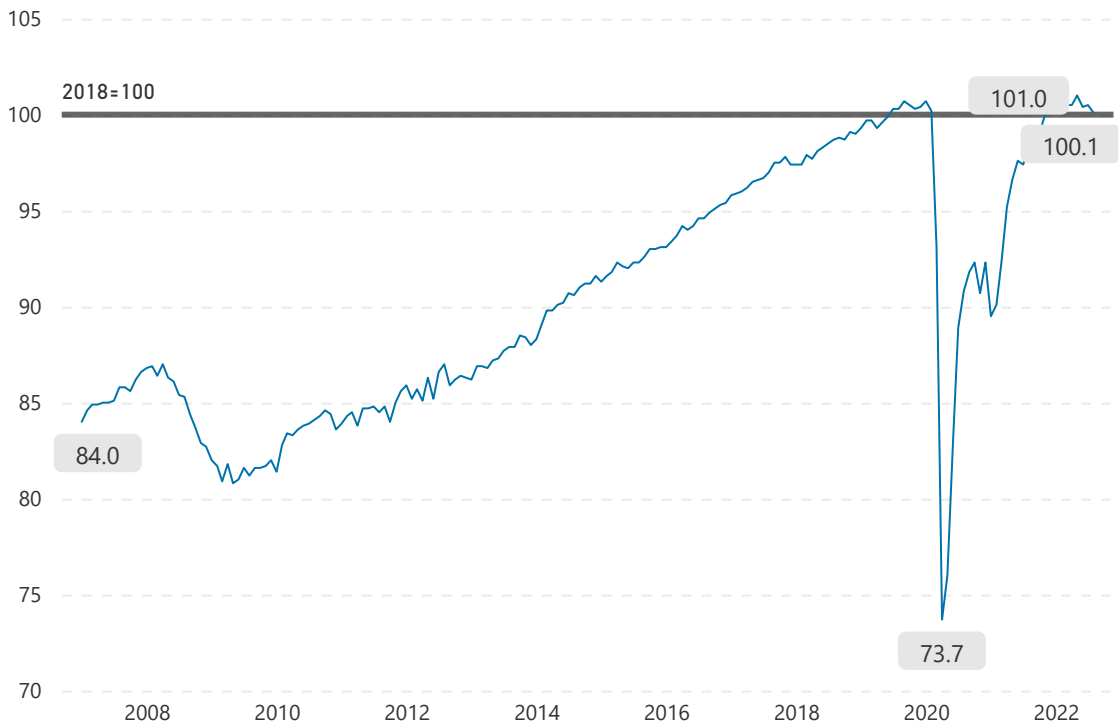
National Headlines - Gross Domestic Product (GDP), UK

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

Released: 12 October 2022

- Gross domestic product (GDP) is estimated to have fallen by 0.3% in August 2022, after a growth of 0.1% in July 2022. Looking at the broader picture, GDP fell in the three months to August compared with the previous three months. Monthly GDP is now estimated to be at the same level above its pre-coronavirus pandemic levels in February 2020.
- Services fell by 0.1% in August 2022 after a growth of 0.3% in July 2022. Human health and social work activities and arts, entertainment and recreation activities fell by 1.3% and 5.0% respectively and were the largest contributors to the small fall in services in August. This was partially offset by a growth of 1.2% in professional scientific and technical activities.
- Consumer-facing services fell by 1.8% in August 2022, after a growth of 0.7% in July 2022. The largest negative contributor in consumer-facing services was retail trade, except of motor vehicles and motorcycles (1.6%). This was partially offset by gains in veterinary activities (4.6%).
- Production output fell by 1.8% in August 2022 after a fall of 1.1% in July 2022. Manufacturing was the main driver of negative production growth, falling by 1.6%.
- Construction grew by 0.4% in August 2022 after a growth of 0.1% in July 2022. This increase in construction output came solely from an increase in new work (1.9%).

Monthly index, UK



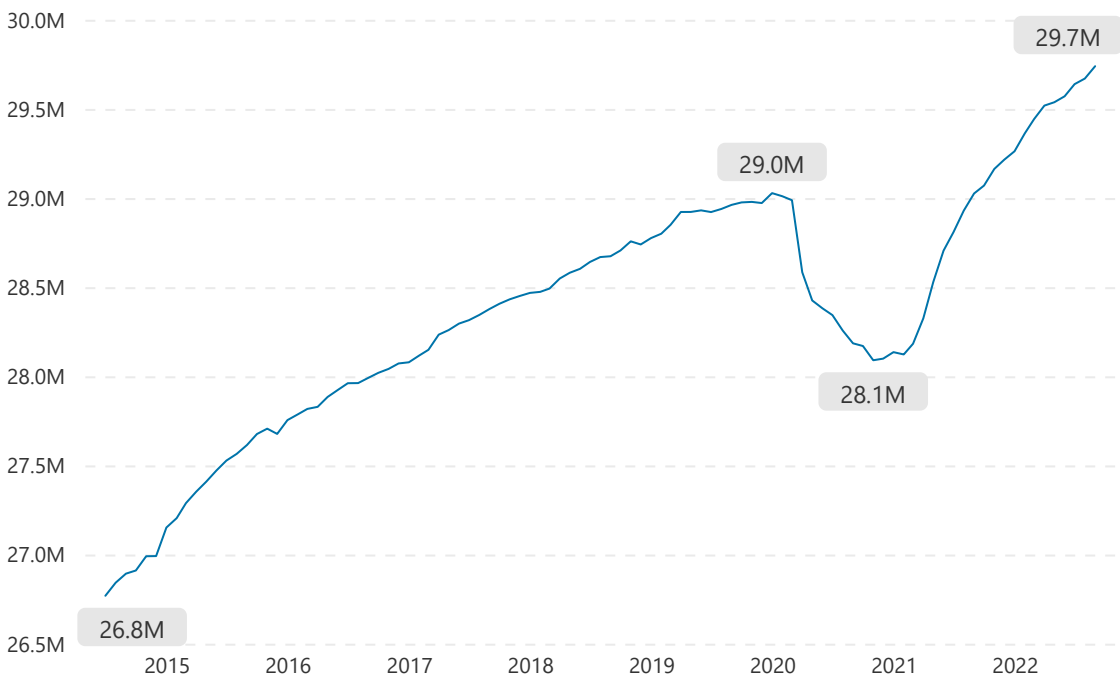
Labour Market, UK

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

Released: 11 October 2022

- Early estimates for September 2022 indicate that the number of payrolled employees rose by 2.5% compared with September 2021, a rise of 714,000 employees; the number of payrolled employees was up by 2.5% since February 2020, a rise of 730,000.
- Payrolled employment increased by 69,000 employees (0.2%) in September 2022 when compared with August 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 August 2022 compared with July 2022 has been revised from an increase of 71,000 reported in the last bulletin to an increase of 31,000, 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 September 2022 indicate that median monthly pay increased by 6.3% compared with September 2021 and increased by 14.6% when compared with February 2020.
- All age groups saw an increase in payrolled employees September 2021 and September 2022; there was an increase of 165,000 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: 20 October 2022

The data presented in this bulletin are the final results from Wave 67 of the Business Insights and Conditions Survey (BICS), which was live for the period of 3 October – 16 October 2022.

- In early October 2022, 95% of businesses reported they were trading, with 85% 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 September 2022, 52% of trading businesses in the accommodation and food service activities industry reported that their turnover was lower compared with August 2022. This is 18 percentage points higher than any other industry and an increase of 9 percentage points from those who reported turnover was lower in August 2022 compared with July 2022.
 - In September 2022, 48% of businesses currently trading reported that the prices of goods or services bought had increased from the previous month (August'22).
 - Energy prices continued to be the most common reason for trading businesses of all sizes to consider raising their prices at 39%. The accommodation and food service activities industry reported the largest proportion at 75%.
 - Early October 2022 reported 41% of businesses had either no cash reserves (13%) or had three months or less (28%).
- A quarter (25%) of businesses reported their performance had decreased in September 2022 compared with September 2021.

Businesses Closures, UK

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

Released: 14 October 2022

Data for England and Wales on company insolvencies shows that there were 1,679 in September 2022, 17% higher than in the same month in the previous year (1,453 in September 2021), and 11% higher than the number registered three years previously (1,508 in September 2019).

In September 2022 there were 1,379 Creditors' Voluntary Liquidations (CVLs). 4% higher than in September 2021 and 25% higher than September 2019. Other types of company insolvencies, such as compulsory liquidations, remained lower than before the coronavirus pandemic, although there were over 6 times as many compulsory liquidations in September 2022 compared to September 2021.

For individuals, 535 bankruptcies were registered, which was 15% lower than in September 2021 and 61% lower than September 2019.

There were, on average, 7,188 Individual Voluntary Arrangements (IVAs) registered per month in the three-month period ending September 2022, which is 5% higher than the three month period ending September 2021.

Company insolvencies in England & Wales

