

West Sussex Economy Snapshot

April 2023 (Issue 33)

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, February '23-March '23, there was an increase of 1% in the number of claimants aged 16+ in West Sussex, regional and national figures increased by 2.3% and 3% respectively. All districts & boroughs in West Sussex, with the exception of Chichester and Mid Sussex saw an increase over this time. Crawley has the highest number of claimants and the highest claimant count rate, at 3.8%, higher than the regional and same as national rates. Mid Sussex has the lowest claimant count rate.

The latest data from the Annual Population Survey, released in April 2023, is for the period Jan 2022-Dec 2022. It suggests that West Sussex has higher economic activity rates and employment rates than the national and regional average. Self-employment rates have increased over the last year whereas the regional rates have dropped and national rates have stayed the same. In West Sussex, there are higher numbers of economically inactive than there were before the pandemic, with an exception in 25-49 age category. 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

The number of employees on payrolls is continuing to be significantly high than that seen before April 2020, though there was a slight fall in West Sussex from February 2023 (-0.11%) compared to a slight increase in the South East (0.01%) and the UK (0.10%). Within West Sussex, Mid Sussex has the highest number of employees at 71,965 and Adur the lowest at 26,743. Similarly, the median monthly pay levels have risen to levels higher than seen at the beginning of 2020. North East West Sussex (Crawley, Horsham & Mid Sussex) continues to have higher monthly pay levels than South West Sussex (Adur, Arun, Chichester & Worthing).

Whilst job postings continue to be higher than pre-pandemic, unique job postings fell by -1.4% from the previous month. Care workers and home carers continue to be in the highest demand. Other administrative occupations, customer service occupations, sales, and nurses also continue to be in the top 10 occupations posted. Demand is also strong for cleaners and domestics, catering related occupations – kitchen and catering assistants as well as book keepers, payroll managers & wages clerks. From postings, over the last six months, finance has been the most sought 'specialised' skill.

The number of new business incorporations in West Sussex over the last year- Apr 2022 – Mar 2023 was higher than the number of businesses that have been dissolved or have gone into liquidation – by around 618 businesses. In the last three months Jan '23– Mar '23, however, there were 198 more new business than were dissolved or gone into liquidation. Mid Sussex continues to have the highest number of new business incorporations, also companies dissolved, or 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

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National Headlines

Gross Domestic Product (GDP) have shown no growth in February following a growth in the previous month (an increase of 0.4% in January). Monthly GDP is now estimated to be 0.3% below its pre-coronavirus (COVID-19) levels (February 2020). Service sector fell by 0.1% in February 2023, education was the largest contributor to the negative growth. Consumer-facing services grew in February 2023 by 0.4%, following a growth of 0.3% in January 2023 - retail trade except motor vehicles and motorcycles was the major contributor to this growth. Production fell by 0.2% in February 2023 after a fall of 0.5% in January 2023. Construction grew by 2.4% in February 2023 after a fall in January 2023.

The number of payrolled employees has continued to increase nationally, albeit at a slower rate, and over the year March 2022-March 2023 rose by 1.8%. Early estimates suggest that median monthly pay increased by over 3.4% since February 2020.

From the Business Insights and Conditions Survey (BICs), 95% of businesses reported they were trading. 19% of trading businesses reported turnover was higher compared with February 2023. 38% of trading businesses reported an increase in the prices of goods or services bought in March 2023 compared to the previous month. Energy prices remain the top reason businesses are considering raising their prices in March 2023.

Data for England and Wales on company insolvencies shows that there were 2,457 in March 2023, 16% higher than in the same month in the previous year.

New Businesses, West Sussex

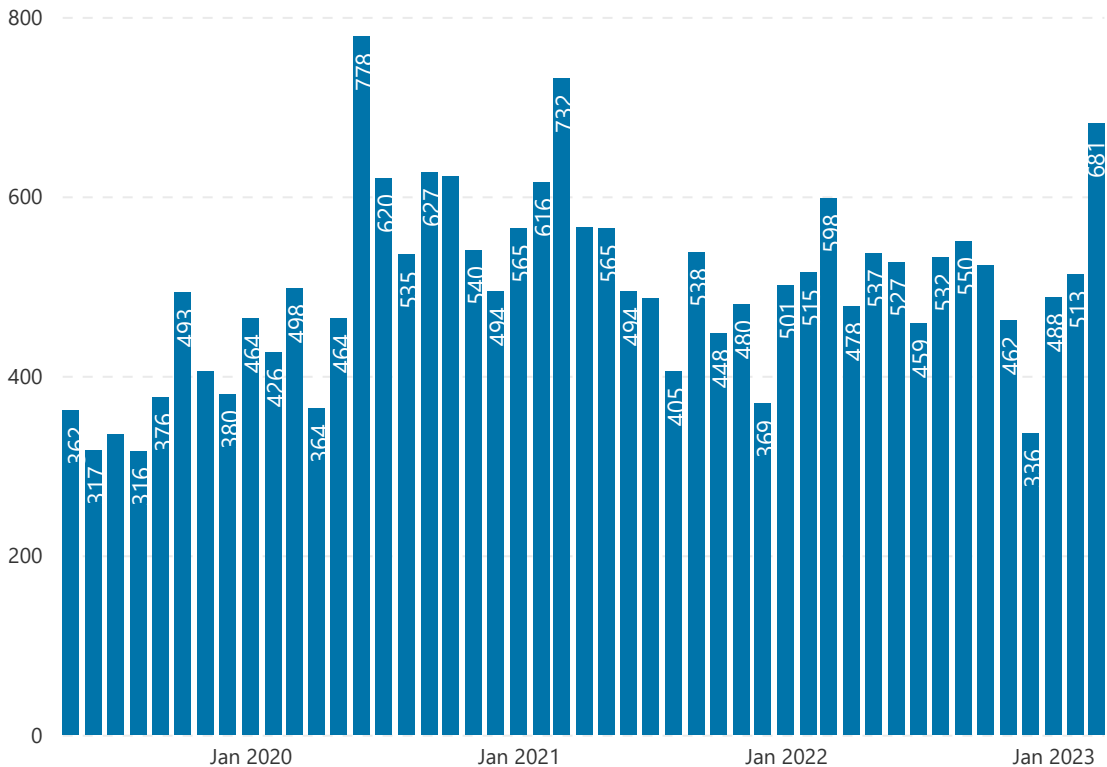
Source: FAME

Released: April 2023

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 greater than those seen pre-pandemic. In the last 12 months, April 2022- March 2023, there were around 5,937 new business incorporations, 618 more than the 5,319 businesses that were dissolved, or which had gone into liquidation.

In the last 3 months – Jan'23 –March '23 there were 198 more new business incorporations (1,682) than business that dissolved/in liquidation (1,484). In March 2023, there were more new businesses (681) than closures (381).

New business incorporations in West Sussex



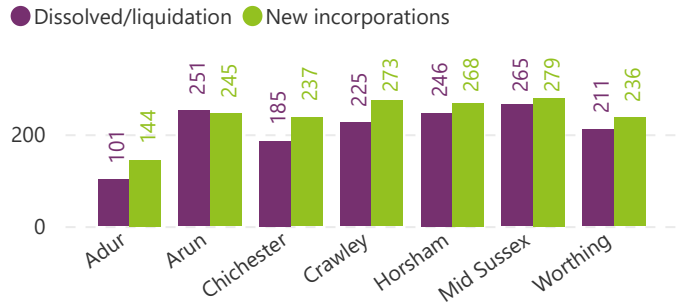
Businesses, West Sussex

Source: FAME

Released: April 2023

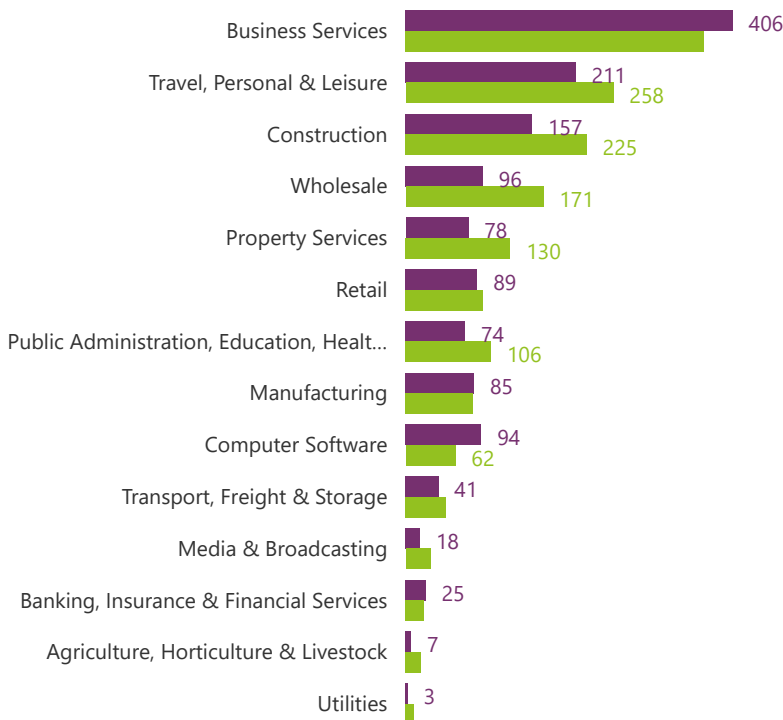
Over the last three-month period – Jan 2023-Mar 2023 Mid Sussex continues to have the highest number of new business incorporations and businesses that have dissolved or are in liquidation. Within West Sussex, only Arun saw more business closures than new business. There is an increasing speculation that with high inflation levels as well as rising fuel and energy costs more businesses will close.

Number of new business incorporations and businesses dissolved/in liquidation by local authority (Jan '23-Mar '23)



Number of new business incorporations and businesses dissolved/in liquidation by industry (Jan '23-Mar '23)

● 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, though along with manufacturing, computer software, banking, insurance & financial services 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: 18 April 2023 (Latest Data: Jan 2022-Dec 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. Self employment rate for Adur is not available since the group sample size is zero or to be disclosed.

The latest figures published cover the twelve months to Dec'22. West Sussex has higher economic activity rates compared with the regional and national average and at 81.20% continues to have higher employment rates (79.40%) compared with that of the South East Region (78.10%) and England (75.80%). Within the county, Chichester has the lowest economic activity and employment rates and Horsham has the highest economic activity and employment rate. Self-employment rate for West Sussex is now at 10.70%, slightly higher than the national and South East region rates.

Compared to the year ending Dec 2021, self-employment rates have decreased in Arun and Chichester. Self employment rates have drastically dropped in Chichester from 16.30% to 5.60%. Worthing has the highest self-employment rate in the county at 16.40%. 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	Jan 21-Dec 21	Jan 22-Dec 22	Jan 21-Dec 21	Jan 22-Dec 22	Jan 21-Dec 21	Jan 22-Dec 22
Adur		86.30	77.50	82.70	77.50	13.00	
Arun		81.90	85.50	79.60	81.80	11.70	10.80
Chichester		73.70	65.40	71.20	63.10	16.30	5.60
Crawley		87.80	80.80	84.90	79.50	2.70	5.40
Horsham		76.70	91.10	74.30	90.10	7.40	16.30
Mid Sussex		84.80	82.70	82.30	82.70	6.30	13.00
Worthing		80.90	80.30	76.10	76.50	13.80	16.40
West Sussex		81.50	81.20	78.60	79.40	9.70	10.70
South East		80.80	80.70	77.70	78.10	10.50	10.10
England		78.80	78.70	75.10	75.80	9.50	9.50

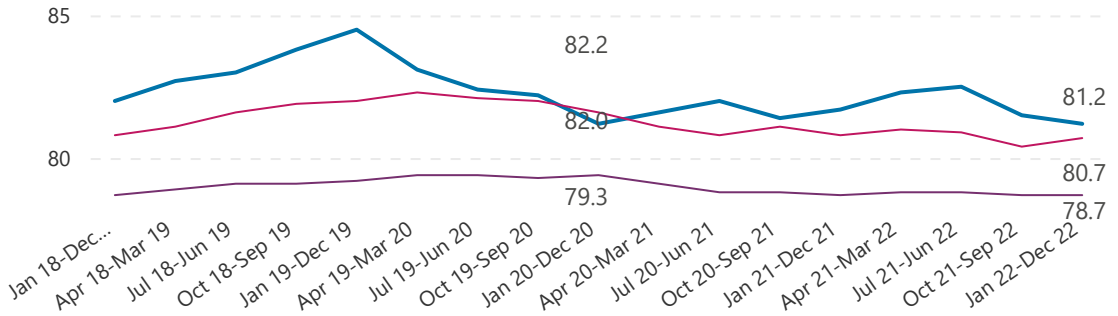
Economic Activity, West Sussex

Source: Annual Population Survey

Released: 18 April 2023 (Latest Data: Jan 2022-Dec 2022)

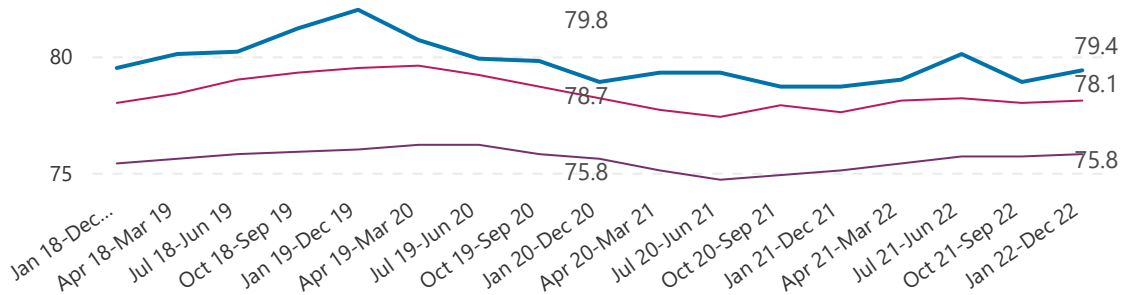
Economic activity rate - aged 16-64

● West Sussex ● South East ● England



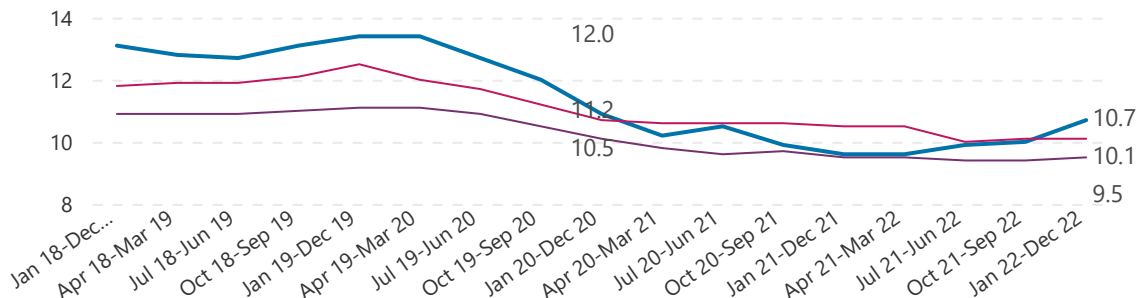
Employment rate - aged 16-64

● 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: 18 April 2023 (Latest Data: Jan 2022-Dec 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, with an exception in 25-49 age category.

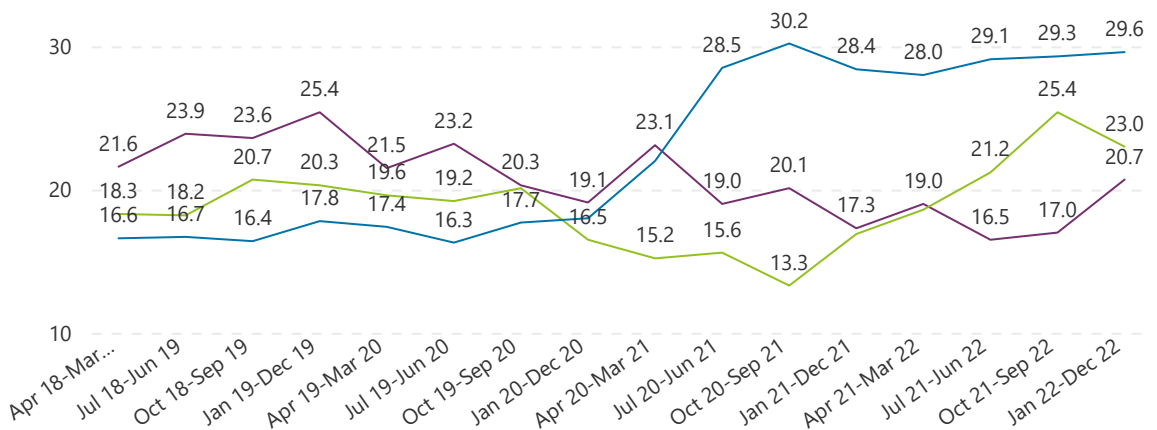
Economic inactivity by those who are retired has slightly fallen after a steady increase since year ending Sep'21. What is noticeable however, is the increase, since the end of 2020, amongst those who are economically inactive for the reason that they are students, though this was fallen slightly, and has again increased in the year ending June 2021. Economic inactivity due to long-term sick has also seen a steady increase in West Sussex.

Economically inactive by age

Age	Aged 16-24		Aged 25-49		Aged 50+	
	Apr 19-Mar 20	Jan 22-Dec 22	Apr 19-Mar 20	Jan 22-Dec 22	Apr 19-Mar 20	Jan 22-Dec 22
West Sussex	21,800	31,200	22,300	20,700	211,800	215,600
South East	298,000	351,100	266,000	290,100	1,939,900	1,997,500
England	2,231,800	2,313,600	2,276,400	2,175,700	11,540,800	12,089,200

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: 18 April 2023 (March 2023 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.

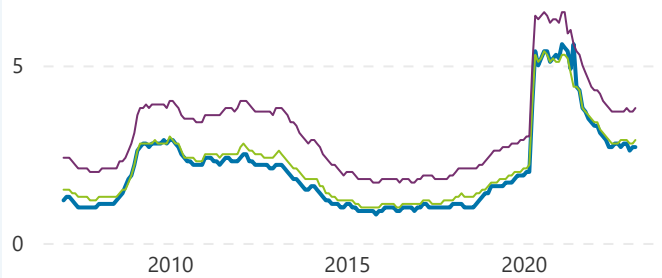
There were 14,080 claimants aged 16+ in West Sussex in March 2023, an increase of 1% from the previous month, compared with a regional and national (England) increase of 2.3% and 3.3%.

Within West Sussex, all local authority districts except Chichester and Mid Sussex saw an increase in claimants from Feb'23. Arun saw the highest increase in claimants at 4.5%.

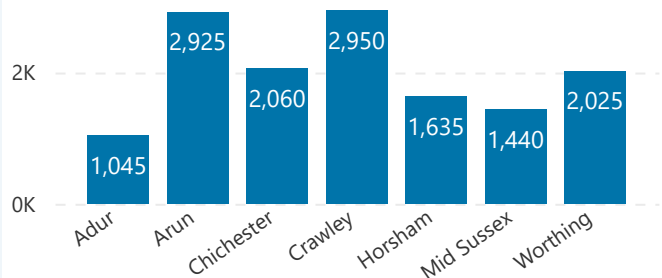
Crawley has the highest number of claimants at 2,950 and the highest claimant count rate at 3.8%, higher than the regional and same as the national rates. Mid Sussex has the lowest claimant count rate at 1.6%. In West Sussex, % of male claimants aged 16+ increased by 0.1% and female by 2.2%.

Claimant count rate

● West Sussex ● South East ● England

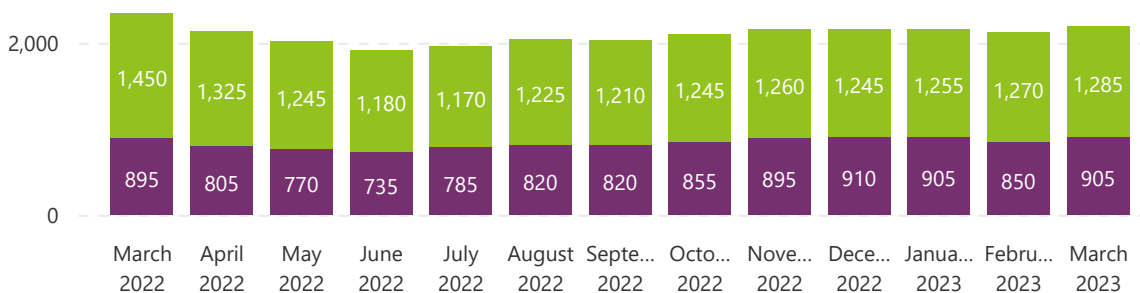


Number of claimants



Claimant count by gender, 18-24 age group

● Female ● Male



Claimant Count, West Sussex

Source: [ONS, Claimant Count](#)

Released: 18 April 2023 (March 2023 figures are provisional)

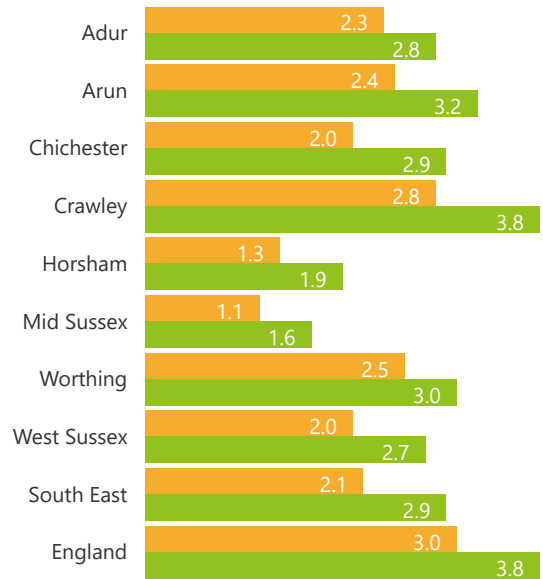
Age profile of claimants: Worthing (20%) has the highest proportion of 16-24 year olds, and Chichester the lowest at 12.7%. Chichester has a higher proportion of claimants who are over 50 years.

There are 2,195 claimants aged 18-24 in West Sussex, which is an increase of 4% from the previous month. National (England) and regional figures increased by 3.3% and 3% for this age category. Crawley has the highest number of claimants in this age group at 450. All local authorities in West Sussex saw an increase in claimants for this age category. Horsham (8%) and Arun (6%) in West Sussex saw the highest increase, in the claimants aged 18-24 over the last month.

Within West Sussex, over the last month, there was an increase of 2% in claimants amongst males aged 18-24 years; females by 6%.

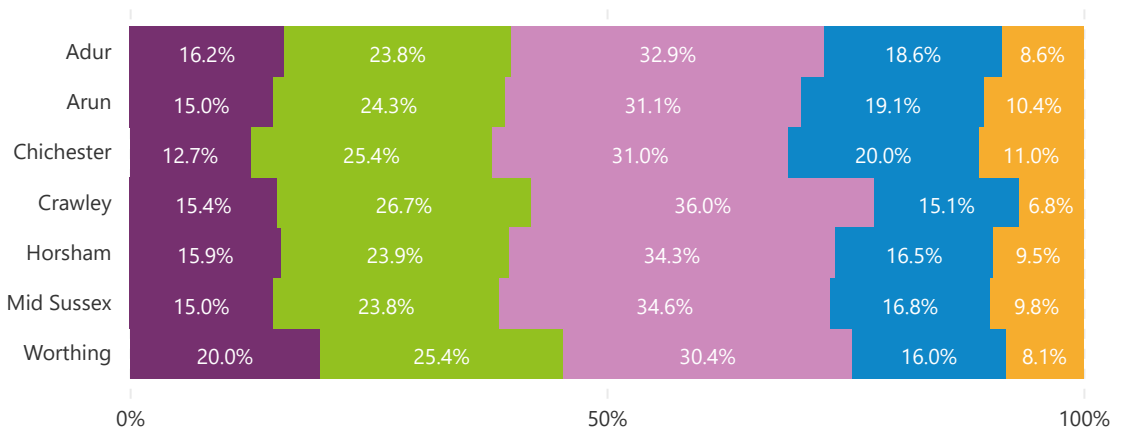
Claimant count rates change

● March 2020 ● March 2023



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

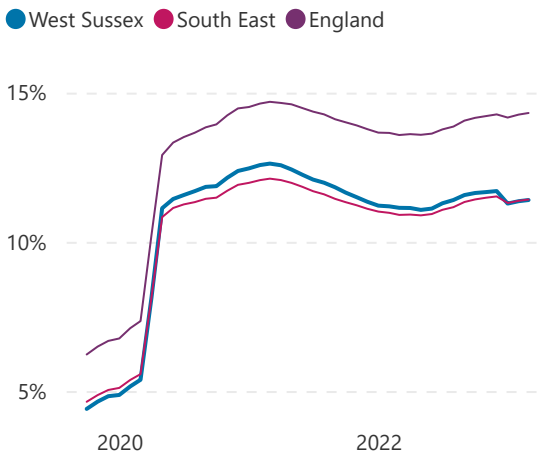
Source: [Department for Work and Pensions](#)

Released: 18 April 2023 (March 2023 figures are provisional)

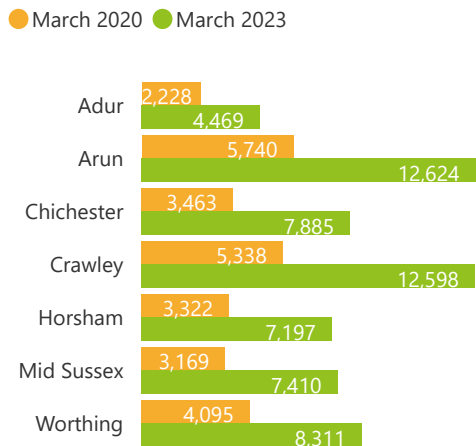
Universal Credit is a single payment for each household to help with living costs for those on a low income or out of work. In March 2023, there were 60,488 Universal Credit claimants, which is a 1.3% increase from previous month. The numbers of people claiming Universal Credit in West Sussex has increased 121% since March 2020 - from 27,355 to 60,488 in March 2023. In West Sussex, the percentage of people in employment claiming Universal Credit increased since Mar'20 from 41.14% to 44.1% in Feb'23. In Feb'23, within West Sussex, Mid Sussex (3,440) has seen the highest percentage of Universal Credit claimants who are in work at 47% followed by Crawley (5,638) and Horsham (3,216) at 45%.

Crawley has seen the highest % rise (136%) over the period from March 2020 (at the start of the pandemic) to March 2023 though there has been a significant rise in the number of residents claiming Universal Credit across the county. Please note March 2023 employment/not in employment breakdown hasn't released yet.

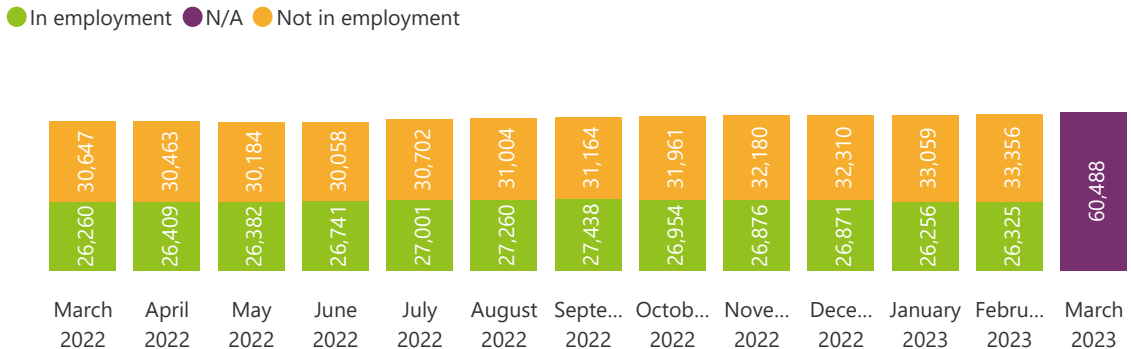
Percentage of people aged 16-64 years claiming Universal Credit



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

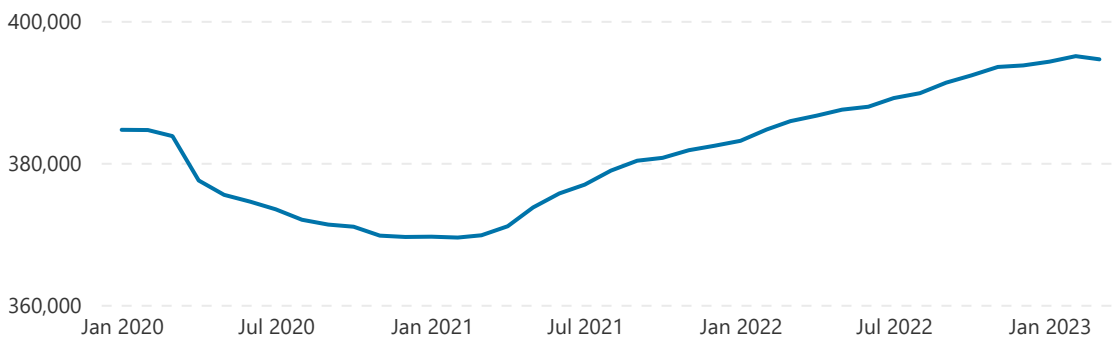
Source: ONS - [Earnings and employment from Pay As You Earn Real Time Information, seasonally adjusted](#)

Released: 18 April 2023

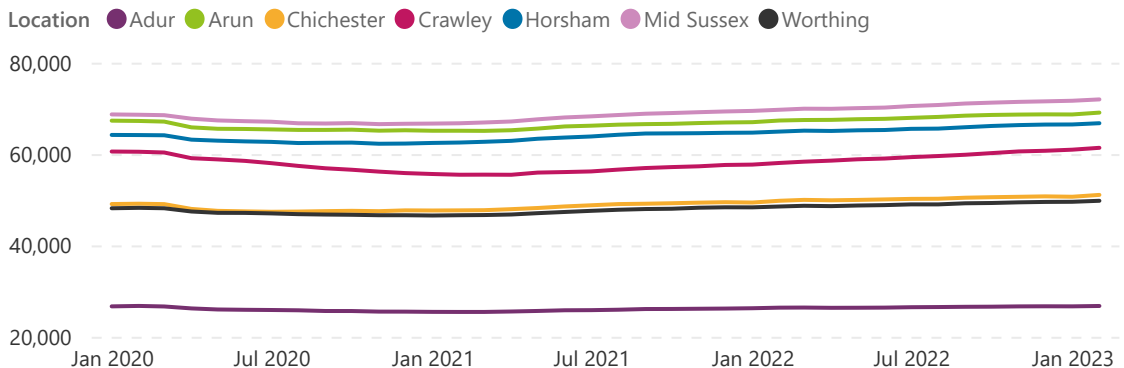
These figures are from a set of 'experimental statistics' from ONS from the earnings and employment statistics Pay as You Earn (PAYE) Real Time Information (RTI) seasonally adjusted data set. The latest data is up to the month of March 2023 for West Sussex, South East and England and up to February 2023 for local authorities. West Sussex's employees decreased by 0.11% from February 2023. The South East's employees grew by less than 0.01% and the UK's employees grew by 0.10%. The local authority with the largest growth from January was Chichester with 0.80%. Adur had the lowest employee growth with 0.31%.

The latest data shows that Mid Sussex has the highest number of employees at 71,965 in West Sussex and Adur the lowest at 26,743. 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 and boroughs have 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

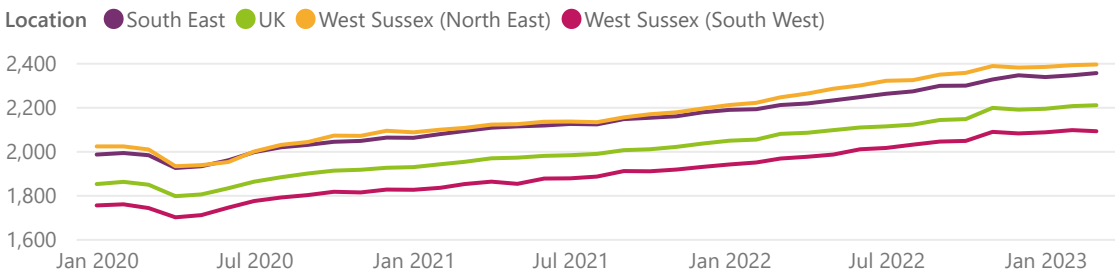
Source: ONS - [Earnings and employment from Pay As You Earn Real Time Information, seasonally adjusted](#)

Released: 18 April 2023

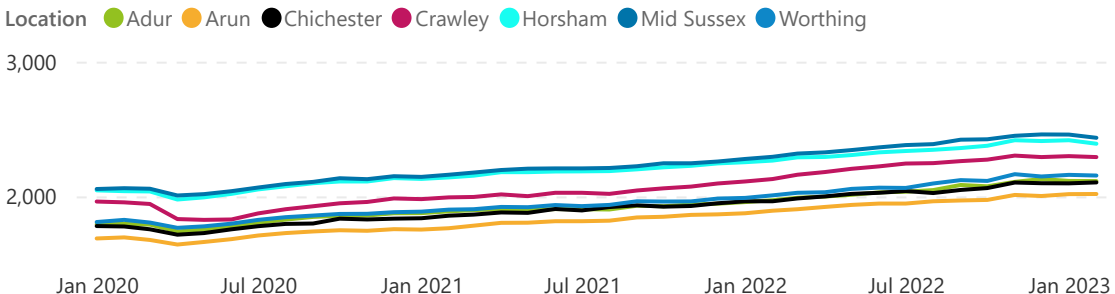
As in the previous page, these figures are based on the ONS statistics from the earnings and employment Pay As You Earn (Seasonally Adjusted) RTI data set and are up to the month of March 2023 for West Sussex, South East and UK and up to February for local authorities. The local authority with the largest percentage increase of pay from January 2023 was Chichester with 0.33% compared to a decrease of 1.08% in Horsham which saw the largest decrease. West Sussex South West had a decrease in median monthly pay by -0.24% and the North East had a decrease in median monthly pay by 0.13% from February 2023. The South East's monthly median pay increased by 0.43% and the UK's increased by 0.18% since February 2023.

The local authority with the highest median monthly pay is Mid Sussex at £2,230, and the lowest is seen in Arun at £1,833. 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). The past four months have seen change in monthly median pay with the highest increase since November being 0.35% in Arun. The highest decrease since November was -1.08% in Horsham. (Please note, the last four monthly change has been altered since the last snapshot. The previous figures were related to employees which has now been fixed).

Median Pay National and Regional Figures



Median Pay in West Sussex



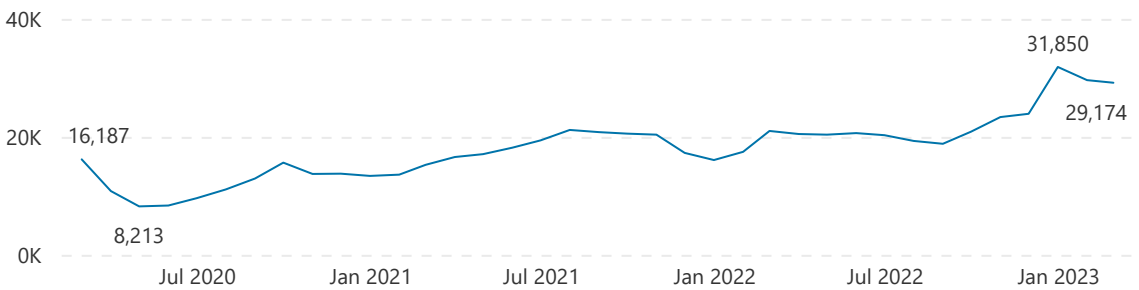
Job Postings, West Sussex

Source: Lightcast

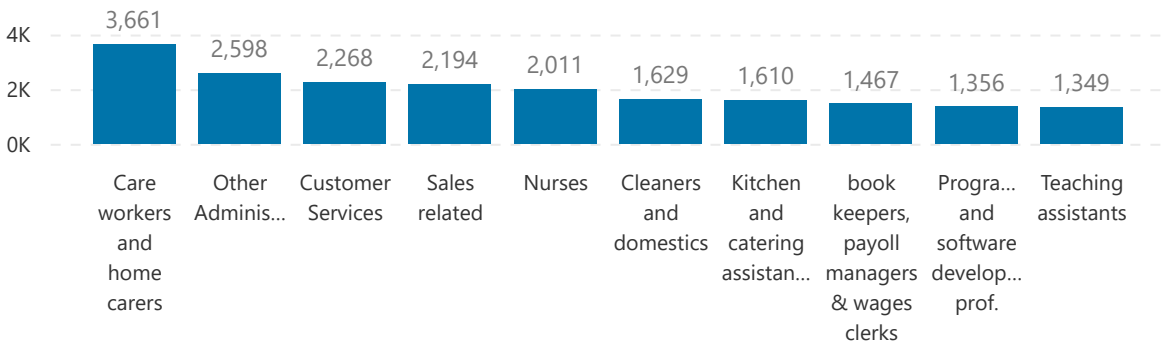
Released: April 2023

Job postings continue to be generally higher than pre-pandemic levels although there has been a slight decrease (-1.4%) between Feb'23 and Mar '23. In terms of the 'top' posted occupations over the last six months to Mar 2023, care workers and home carers continue to make up the highest numbers of job postings, followed by other administrative occupations. Customer service occupations, sales related and nurses also continue to be in demand. Catering sector, cleaners and domestics along with book keepers, payroll managers & wages clerks continue to be in the top 10 occupations posted.

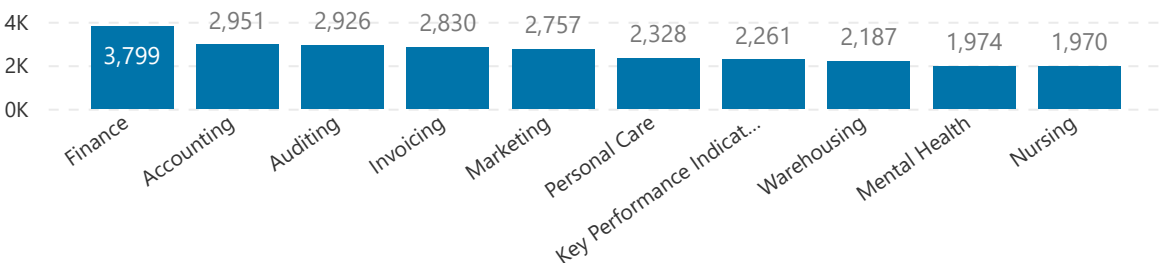
Unique job postings over time in West Sussex



Top 10 posted occupations (unique postings Oct '22 - Mar '23)



Top 10 hard skills (unique postings Oct '22 - Mar '23)



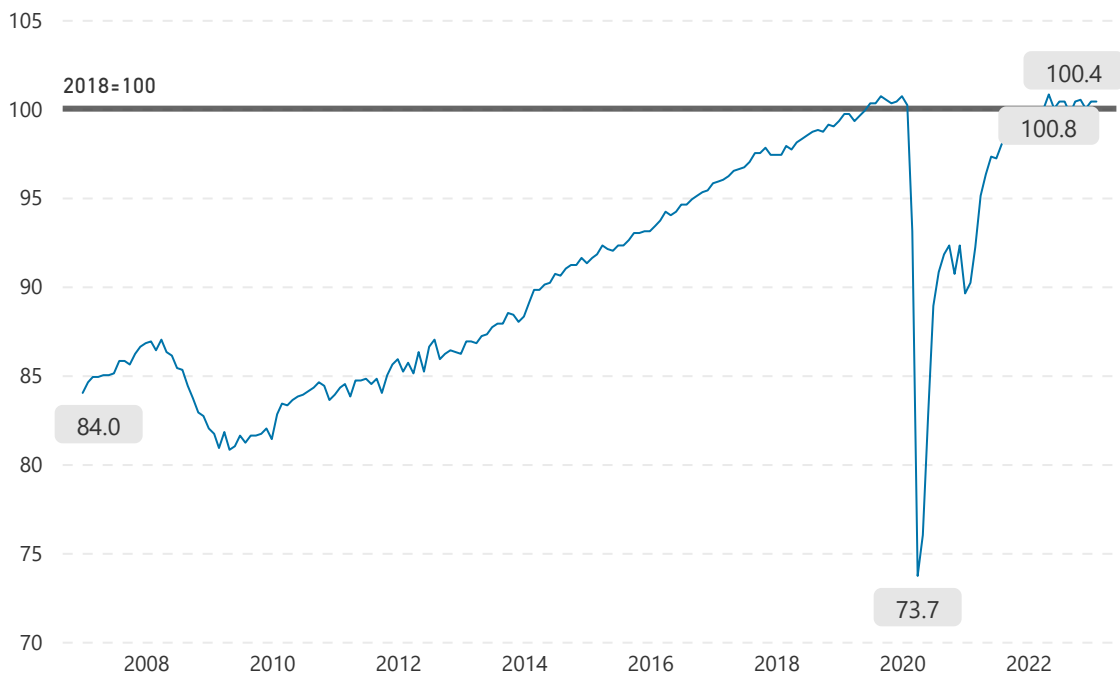
National Headlines - Gross Domestic Product (GDP), UK

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

Released: 13 April 2023

- Gross domestic product (GDP) is estimated to have shown no growth in February 2023, after a growth of 0.4% in January 2023. Looking at the broader picture, GDP grew in by 0.1% in the three months to February 2023. Monthly GDP is now estimated to be 0.3% below its pre-coronavirus (COVID-19) levels (February 2020).
- Services fell by 0.1% in February 2023 after a growth of 0.7% in January 2023. The largest contributor to negative growth was education, which fell by 1.7% in a month where teacher strikes took place.
- Consumer-facing services grew by 0.4% in February 2023, after a growth of 0.3% in January 2023. The largest contributor in consumer-facing services was retail trade except motor vehicles and motorcycles. (1.2%). This is the largest growth since October 2022.
- Production fell by 0.2% in February 2023 after a fall of 0.5% in January 2023. Electricity, gas, steam and air conditioning supply fell by 2.2% and was the main driver of the fall in production.
- Construction grew by 2.4% in February 2023 after a fall in January 2023. The main contributor to the growth in construction came from increases in repair and maintenance (4.5%) and new work (1.1%).

Monthly index, UK



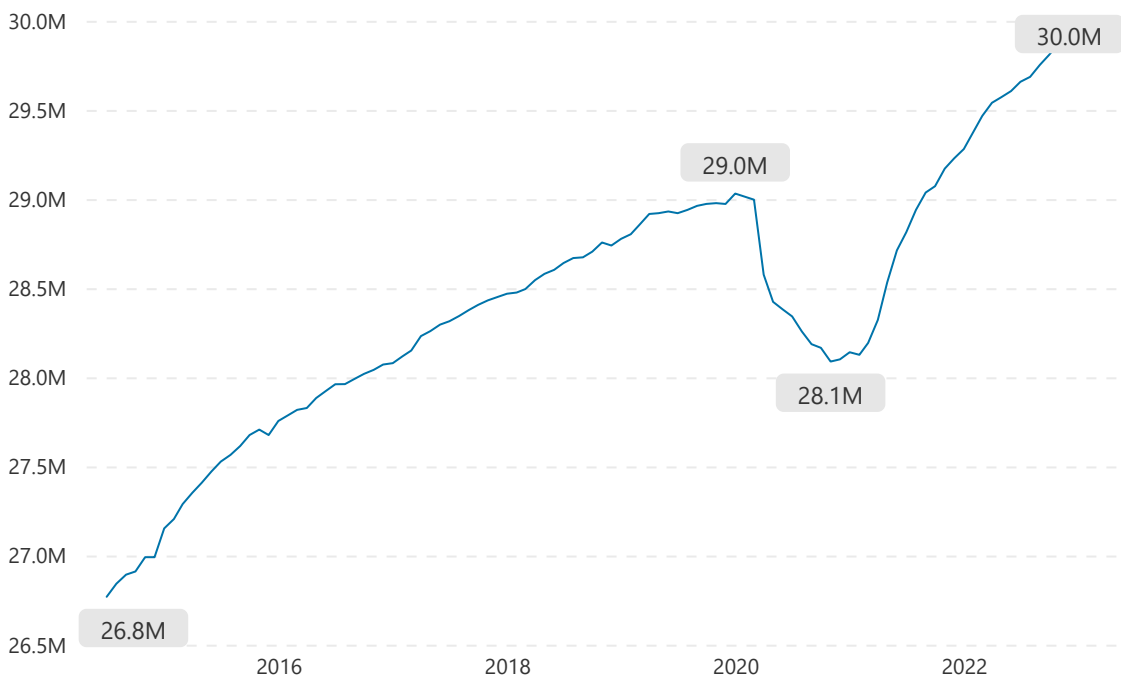
Labour Market, UK

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

Released: 18 April 2023

- Early estimates for March 2023 indicate that the number of payrolled employees rose by 1.8% compared with March 2022, a rise of 533,000 employees; the number of payrolled employees was up by 3.4% since February 2020, a rise of 986,000.
- Payrolled employment increased by 31,000 employees (0.1%) in March 2023 when compared with February 2023, though this should be treated as a provisional estimate and is likely to be revised when more data are received next month.
- UK payrolled employee growth for February 2023 compared with January 2023 has been revised from an increase of 98,000 reported in the last bulletin to an increase of 39,000, 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 March 2023 indicate that median monthly pay increased by 6.3% compared with March 2022, and increased by 18.7% when compared with February 2020.
- All age groups saw an increase in payrolled employees between March 2022 and March 2023; there was an increase of 7,000 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 April 2023

The data presented in this bulletin are the final results from Wave 80 of the Business Insights and Conditions Survey (BICS), which was live for the period of 3 to 16 April 2023.

- In early March 2023, 95% of businesses reported they were trading, with 86% fully trading, 10% partially trading, 3% temporarily paused and 1% permanently ceased trading.
- In March 2023, nearly one in five (19%) of trading businesses reported their turnover was higher compared with February 2023 (16%).
- Of trading businesses, 38% reported an increase in the prices of goods or services bought in March 2023 compared with February 2023; however, the proportion of businesses reporting higher prices compared with the previous month has steadily fallen from a peak of 48% in September 2022.
- Approximately one in six (16%) trading businesses reported an increase in the prices of good or services sold in March 2023 compared with February 2023; in comparison, 62% of businesses reported prices stayed the same.
- When asked in early April 2023, nearly a quarter (23%) of trading businesses reported they expect to raise their prices in May 2023, while more than half (53%) expect the prices of goods or services they sell to stay the same
- More than half (53%) of businesses with 10 or more employees reported their staffing costs had increased in the last three months to early April 2023; in comparison, 58% reported they expect their staffing costs to increase over the next three months, higher than the 52% of businesses that expected higher costs when asked in early January 2023.

Businesses Closures, UK

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

Released: 18 April 2023

Data for England and Wales on company insolvencies shows that there were 2,457 in March 2023, 16% higher than in the same month in the previous year (2,120 in March 2022).

There were 288 compulsory liquidations in March 2023, more than twice in March 2022. Numbers of compulsory liquidations have increased from historical lows seen during the coronavirus (COVID-19) pandemic.

For individuals, 672 bankruptcies were registered, which was 2% higher than in March 2022, but less than half of pre-2020 levels.

There were 3,383 Debt Relief Orders (DROs) in March 2023, which was 35% higher than in March 2022. Monthly DRO numbers may be volatile at present due to the introduction of new DRO hubs.

There were, on average, 6,100 Individual Voluntary Arrangements (IVAs) registered per month in the three-month period ending March 2023, which is 14% lower than the three-month period ending March 2022.

Company insolvencies in England & Wales

