

West Sussex Economy Snapshot

July 2023 (Issue 36)

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, May'23-June'23, there an increase of 2.5% in the number of claimants aged 16+ in West Sussex, regional and national figures was increased by 2% and 1.6% each. All districts & boroughs in West Sussex saw an increase in claimants from May 23. Crawley has the highest number of claimants and the highest claimant count rate, at 3.9%, higher than the regional and same as national rates. Mid Sussex has the lowest claimant count rate.

The number of employees on payrolls is continuing to increase in West Sussex, from pre-pandemic levels. The number of employees on payrolls, from this data, is above that seen before April 2020. From May 2023, West Sussex's employees decreased by -0.18% compared to South East and the UK decrease by -0.15% and -0.03% each. Within West Sussex, Mid Sussex has the highest number of employees at 71,981 and Adur the lowest at 26,512. 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).

We have begun to report on job postings from a new source (ONS) as the previous source (Lightcast) is no longer available to us. ONS have recently begun to report on online job adverts down to local authority level and different profession classifications. The latest data was released in February 2023, and covers the period, for each month, January 2017 – December 2022. This data should be considered as experimental as it is still undergoing testing the ability to meet user needs. Healthcare is the highest posted 'profession'. Healthcare would include its care workers as well as nurses, sales and trading professions are also one of the most frequent professions posted, as it was in the Lightcast findings.

The number of new business incorporations in West Sussex over the last year- July 2022 – June 2023 was higher than the number of businesses that have been dissolved or have gone into liquidation – by around 691 businesses. In the last three months Apr'23– Jun'23, however, there were 215 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

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

West Sussex

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

National

Gross Domestic Product	13
Labour Market	14
Businesses currently trading	15
Business Closures	16

National Headlines

Gross Domestic Product (GDP) is estimated to have fallen by 0.1% in June 2023, after showing a growth in May'23. Monthly GDP is now estimated to be 0.2% above its pre-coronavirus (COVID-19) levels (February 2020). Service sector showed no growth in May 2023 following a growth of 0.3% in April 2023.

Consumer-facing services fell in May 2023 by 0.2%, following a growth of 1.1% in April 2023 - food and beverage service activities are the major contributor to this fall. Production fell by 0.6% in May 2023 after a fall of 0.2% in April 2023. Construction is estimated to have decreased by 0.2% in May 2023.

The number of payrolled employees has continued to increase nationally, albeit at a slower rate, and over the year June 2022-June 2023 rose by 1.5%.

From the Business Insights and Conditions Survey (BICs), 95% of businesses reported they were trading. 24% of trading businesses reported turnover was lower compared with May 2023. 32% of trading businesses reported an increase in the prices of goods or services bought in June 2023 compared to the previous month.

Data for England and Wales on company insolvencies shows that there were 2,163 in June 2023, 27% higher than in the same month in the previous year.

New Businesses, West Sussex

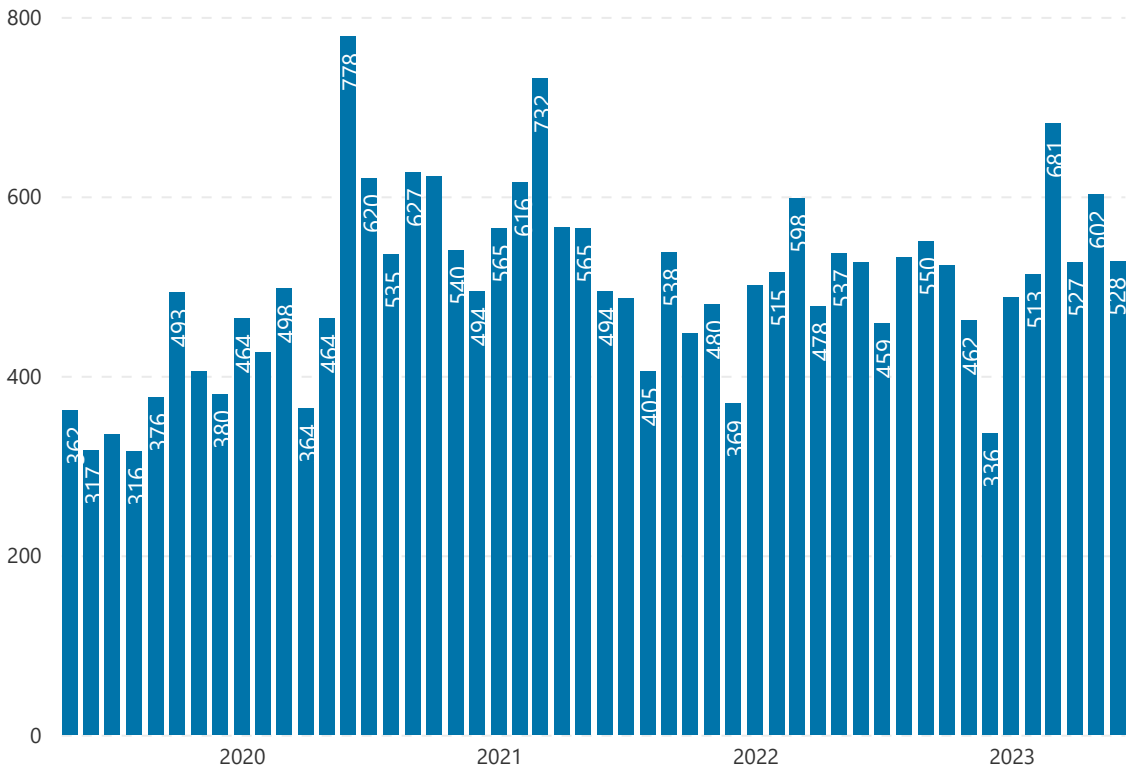
Source: FAME

Released: July 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, July 2022- June 2023, there were around 5,986 new business incorporations, 691 more than the 5,295 businesses that were dissolved, or which had gone into liquidation.

In the last 3 months – Apr'23 –Jun '23 there were 215 more new business incorporations (1,643) than business that dissolved/in liquidation (1,428). In June 2023, there were more new businesses (528) than closures (514).

New business incorporations in West Sussex



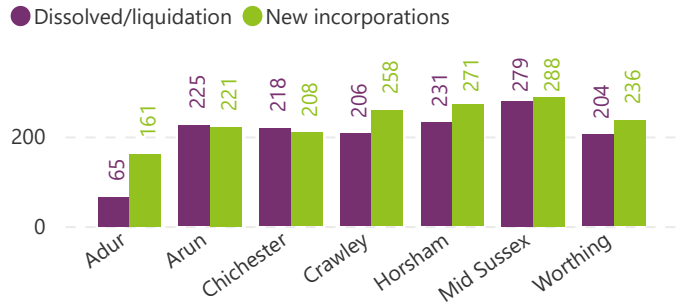
Businesses, West Sussex

Source: FAME

Released: July 2023

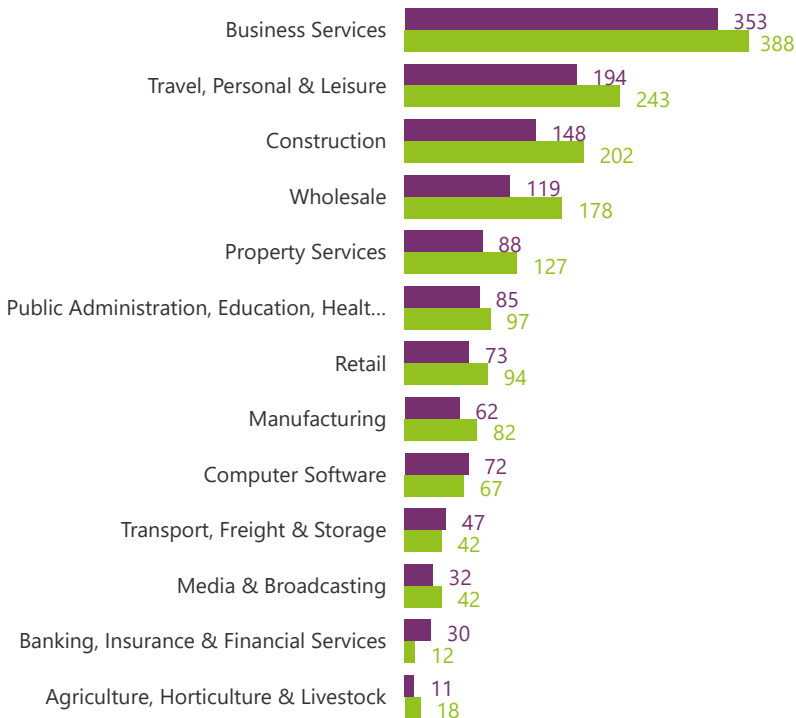
Over the last three-month period – Apr 2023– Jun 2023 Mid Sussex continues to have the highest number of new business incorporations and businesses that have dissolved or are in liquidation. Within West Sussex, Arun and Chichester districts saw more business closures than new businesses. There is an 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 (Apr '23-Jun '23)



Number of new business incorporations and businesses dissolved/in liquidation by industry (Apr '23-Jun '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. Computer software, transport, freight & storage, and 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.

Claimant Count, West Sussex

Source: [ONS, Claimant Count](#)

Released: 11 July 2023 (June 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.

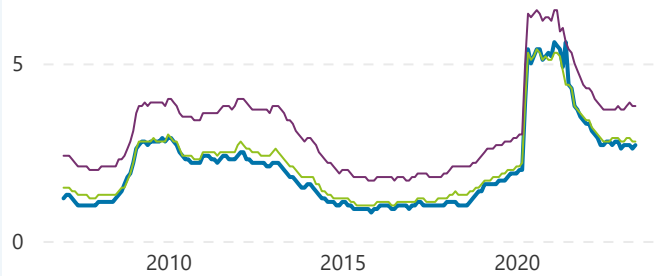
There were 13,975 claimants aged 16+ in West Sussex in June 2023, an increase of 2.5% from the previous month, compared with a regional and national (England) increase of 2.1% and 1.6%.

Within West Sussex, all local authority districts saw an increase in claimants from May'23. Arun saw the highest increase in claimants at 3.4%.

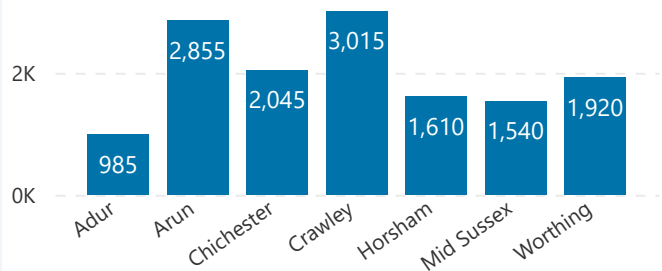
Crawley has the highest number of claimants at 2,855 and the highest claimant count rate at 3.9%, higher than the regional and same as the national rates. Mid Sussex has the lowest claimant count rate at 1.7%. In West Sussex, % of male claimants aged 16+ increased by 3% and female by 2%.

Claimant count rate

● West Sussex ● South East ● England

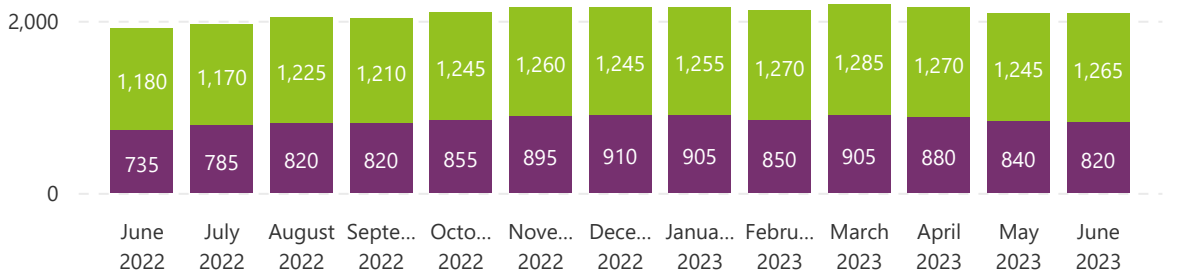


Number of claimants



Claimant count by gender, 18-24 age group

● Female ● Male



Claimant Count, West Sussex

Source: [ONS, Claimant Count](#)

Released: 11 July 2023 (June 2023 figures are provisional)

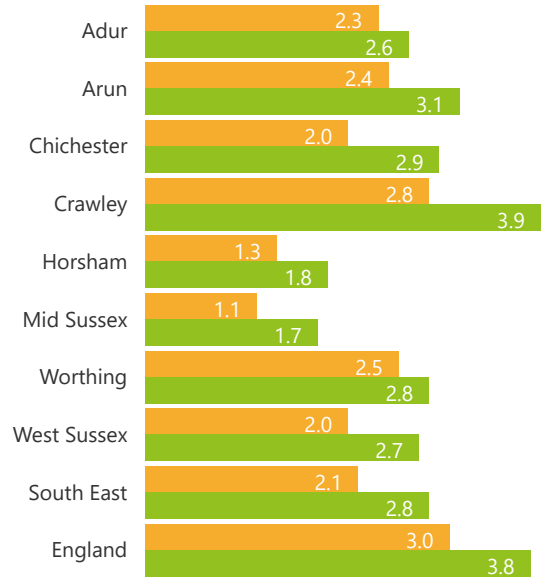
Age profile of claimants: Worthing (19%) has the highest proportion of 16-24 year olds, and Chichester the lowest at 13%. Chichester has a higher proportion of claimants who are over 50 years.

There are 2,085 claimants aged 18-24 in West Sussex, which is an increase of 0.2% from the previous month. National (England) and regional figures increased by 0.7% and 0.6%, for this age category. Crawley has the highest number of claimants in this age group at 460. In West Sussex, Adur, Arun and Horsham saw a decrease in claimants aged 18-24. Mid Sussex saw 5% 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 -2%.

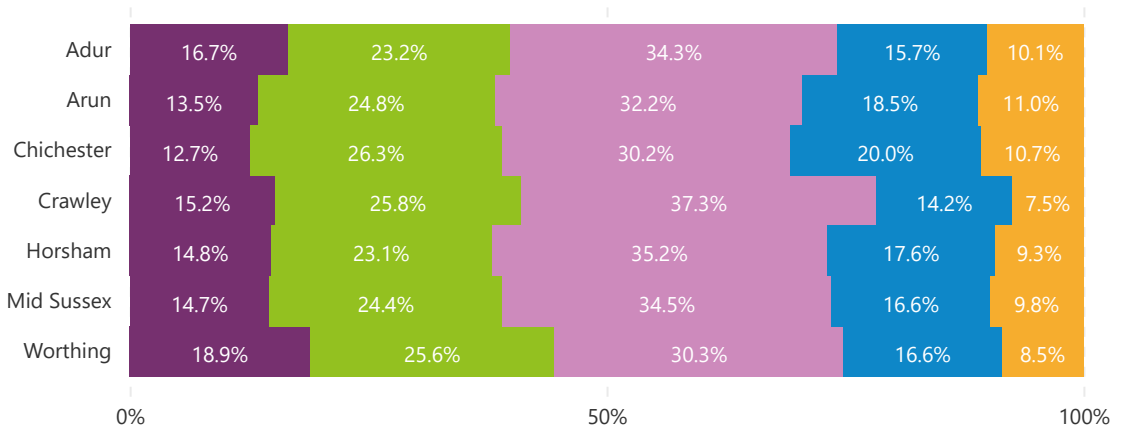
Claimant count rates change

● March 2020 ● June 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

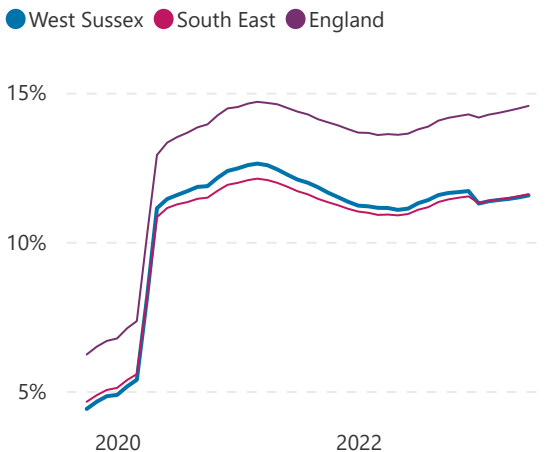
Source: [Department for Work and Pensions](#)

Released: 11 July 2023 (June 2023 figures are provisional)

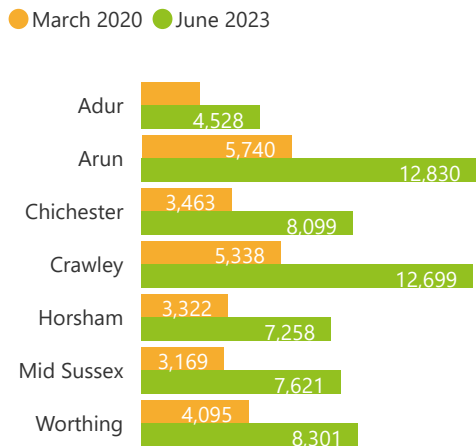
Universal Credit is a single payment for each household to help with living costs for those on a low income or out of work. In June 2023, there were 61,330 Universal Credit claimants, which is a 1.3% increase from previous month. The numbers of people claiming Universal Credit in West Sussex has increased 124% since March 2020 - from 27,355 to 61,330 in June 2023. In West Sussex, the percentage of people in employment claiming Universal Credit increased since Mar'20 from 41.14% to 44.7% in May'23. In May'23, within West Sussex, Mid Sussex (3,556) has seen the highest percentage of Universal Credit claimants who are in work at 48% followed by Crawley (5,725) and Horsham (3,357) at 46%.

Crawley has seen the highest % rise (138%) over the period from March 2020 (at the start of the pandemic) to June 2023 though there has been a significant rise in the number of residents claiming Universal Credit across the county. Please note June 2023 employment/not in employment breakdown hasn't been 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

● In employment ● N/A ● Not in employment



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

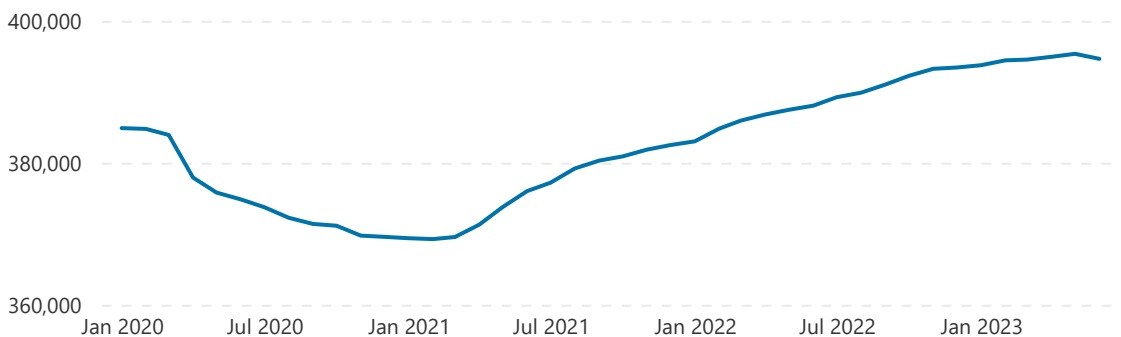
Source: ONS - [Earnings and employment from Pay As You Earn Real Time Information, seasonally adjusted](#)

Released: 11 July 2023

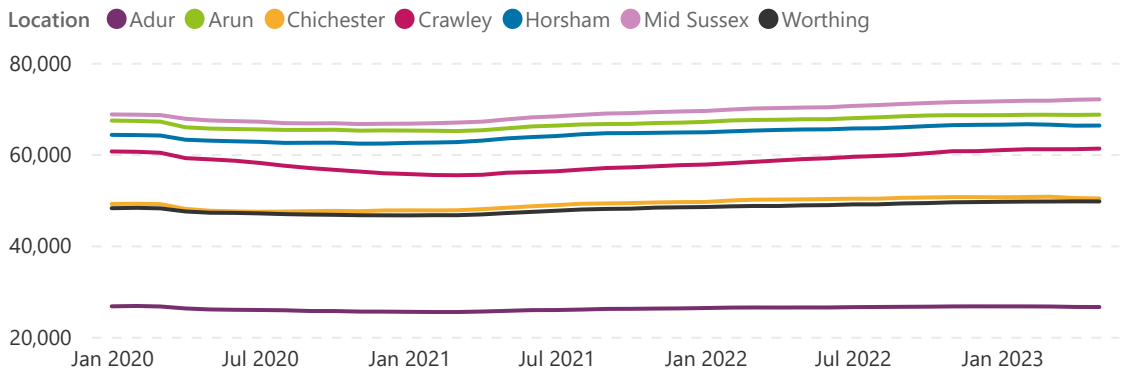
These figures are from a set of 'experimental statistics' from ONS from the earnings and employment statistics Pay as You Earn (PAYE) Real Time Information (RTI) seasonally adjusted data set. The latest data is up to the month of June 2023. West Sussex's employees decreased by -0.18% from May 2023. The South East's employees decreased by -0.15% and the UK's employees decreased by -0.03%. The local authority with the largest growth from April was Crawley with 0.21%. Chichester had the highest employee decline with 0.16%,

The latest data shows that Mid Sussex has the highest number of employees at 71,981 in West Sussex and Adur the lowest at 26,512. 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](#)

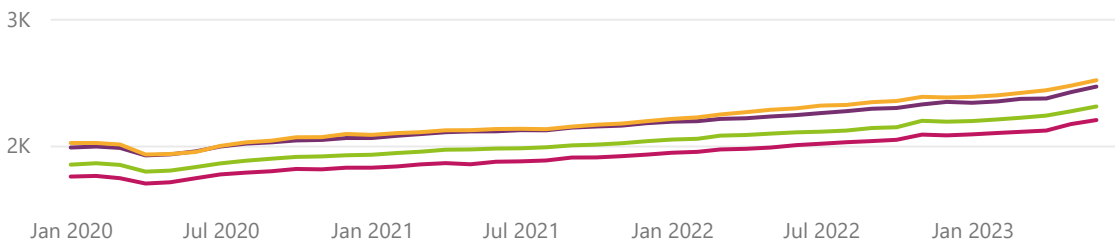
Released: 11 July 2023

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 June 2023. The local authority with the largest percentage increase of pay from April 2023 was Chichester with 0.94% compared to a decrease of 0.04% in Horsham which saw the largest decrease. West Sussex South West had a increase in median monthly pay by 1.48% and the North East had a increase in median monthly pay by 1.74% from May 2023. The South East's monthly median pay increased by 1.82% and the UK's increased by 1.67% since May 2023.

The local authority with the highest median monthly pay is Mid Sussex at £2,250, and the lowest is seen in Arun at £1,849. 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 February being 2.17% in both Arun and Crawley. The lowest increase since February was 1.53% in Horsham.

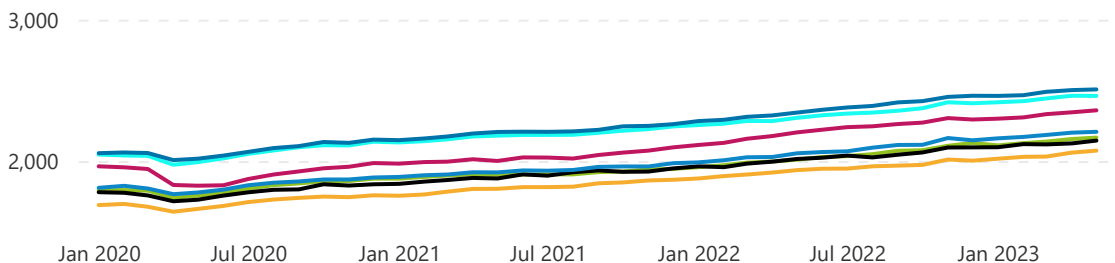
Median Pay National and Regional Figures

Location ● South East ● UK ● West Sussex (North East) ● West Sussex (South West)



Median Pay in West Sussex

Location ● Adur ● Arun ● Chichester ● Crawley ● Horsham ● Mid Sussex ● Worthing



Job Postings, West Sussex

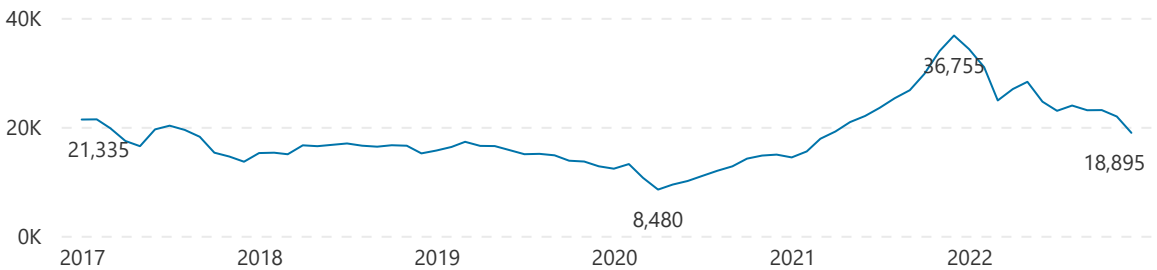
Source: [ONS](#)

Released: 13 February 2023

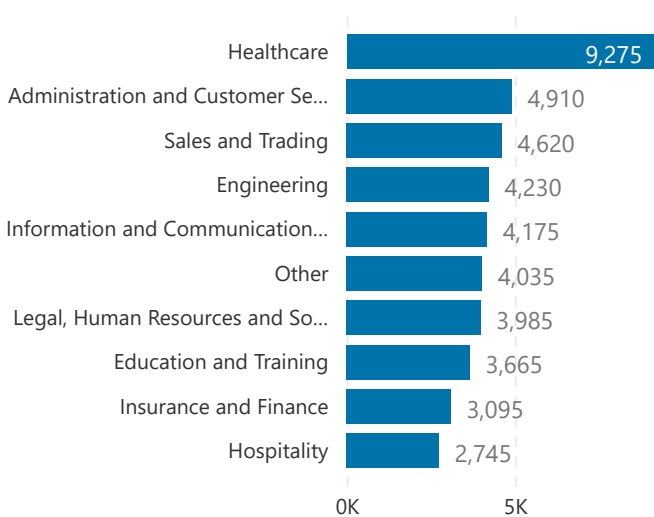
In previous snapshots we have reported on job postings from Lightcast. This data is no longer available to us. However ONS have recently begun to report on online job adverts down to local authority level and by different "profession" type classifications. The latest data was released in February 2023, and covers the period, for each month, January 2017 – December 2022. This data should be considered as experimental as it is still undergoing testing the ability to meet user needs. Whilst the Lightcast data was for unique postings, the ONS data is subject to duplication which can occur, when the same job is posted on multiple job boards, or when multiple recruiters advertise the job at the same time. The link to the data is [here](#). There is no data published related to the skills requirements for the jobs posted.

Healthcare is the highest posted 'profession' under the ONS data, similar to the trends from Lightcast. Healthcare would include care workers as well as nurses, sales and trading professions are also one of the most frequent profession posted as it was from the Lightcast data. The intention is to undertake some analysis between the two sets of data, and report any further outputs from ONS as and when the data is released.

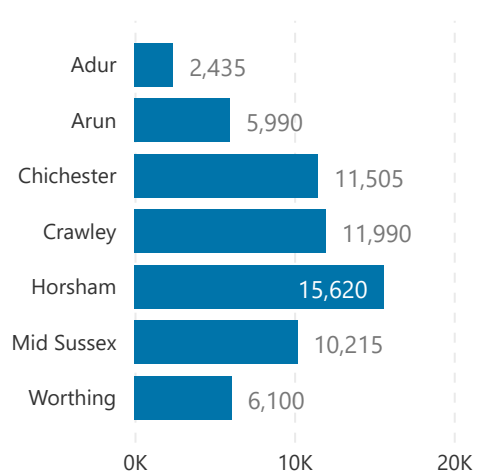
Job postings over time in West Sussex



Top 10 posted professions in West Sussex (Oct '22 - Dec '22)



Job postings by local authority districts (Oct '22 - Dec '22)



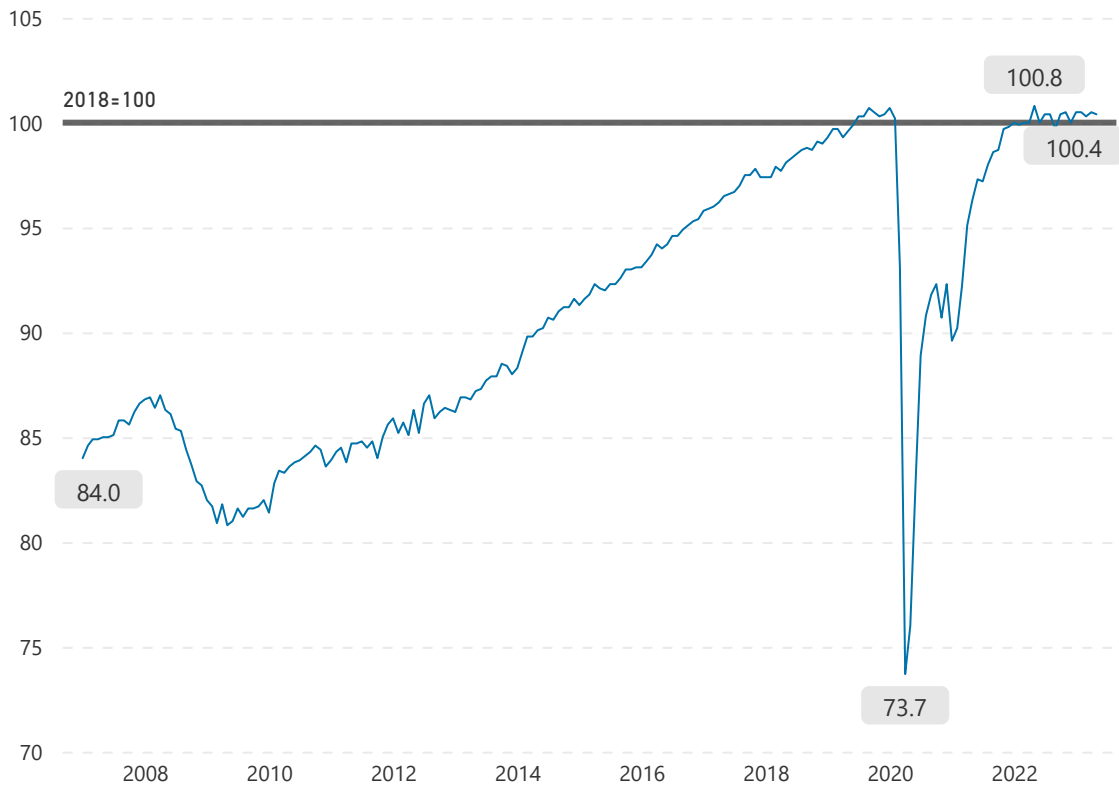
National Headlines - Gross Domestic Product (GDP), UK

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

Released: 13 July 2023

- Gross domestic product (GDP) is estimated to have fallen by 0.1% in May 2023, after a growth of 0.2% in April 2023. Looking at the broader picture, GDP has shown no growth in the three months to May 2023. Monthly GDP is now estimated to be 0.2% above its pre-coronavirus (COVID-19) levels (February 2020).
- Services showed no growth in May 2023 following a growth of 0.3% in April 2023. Overall, the services sector showed no growth in the three months to May 2023 compared with the three months to February 2023.
- Consumer-facing services fell by 0.2% in May 2023, after a growth of 1.1% in April 2023. The largest contributor to the fall in consumer-facing services came from food and beverage service activities, which fell by 1.1%.
- Production fell by 0.6% in May 2023 after a fall of 0.2% in April 2023. Electricity, gas, steam and air conditioning supply fell by 2.0% and was the largest contributor to the fall in production.
- Construction is estimated to have decreased by 0.2% in May 2023 this is the third consecutive fall in the month-on-month series. The main contributor to the decrease in construction came from a decrease in new work (0.4% fall). Four out of the nine sectors saw a decrease on the month

Monthly index, UK



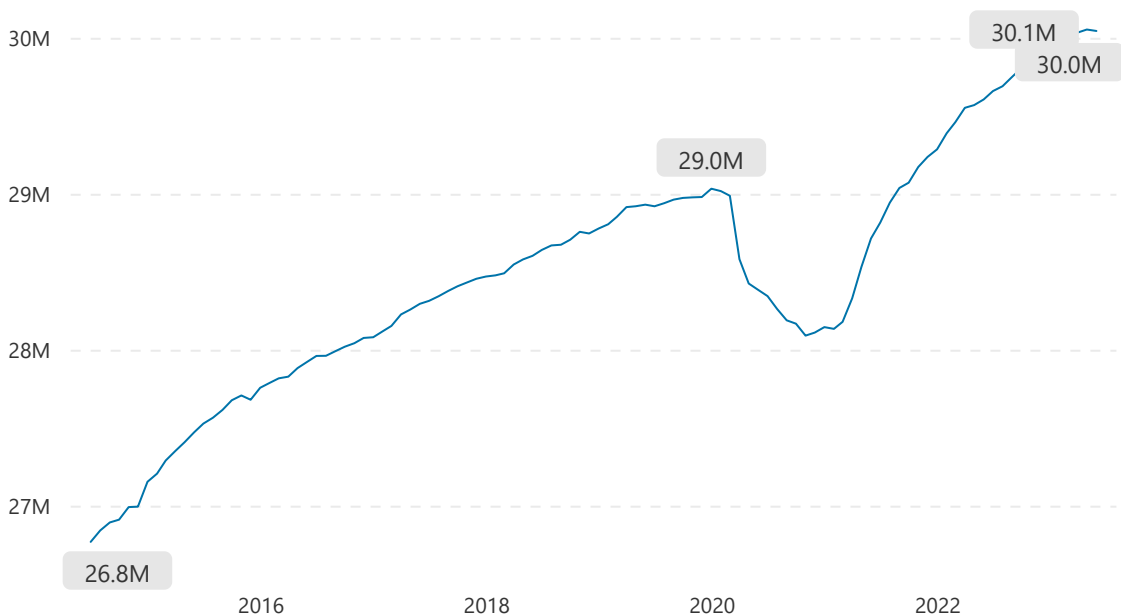
Labour Market, UK

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

Released: 11 July 2023

- Early estimates for June 2023 indicate that the number of payrolled employees rose by 1.5% compared with June 2022, a rise of 439,000 employees; the number of payrolled employees was up by 3.5% since February 2020, a rise of 1,027,000.
- Payrolled employment decreased by 9,000 employees (0%) in June 2023 when compared with May 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 May 2023 compared with April 2023 has been revised from an increase of 23,000 reported in the last bulletin to an increase of 20,000, 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 June 2023 indicate that median monthly pay increased by 9.7% compared with June 2022, and increased by 24.1% when compared with February 2020.
- Between June 2022 and June 2023, there was a decrease of 32,000 payrolled employees aged under 25 years; during the same period, payrolled employees aged 35 to 49 years increased by 156,000.

Payrolled employees, seasonally adjusted, UK



Businesses currently trading, UK

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

Released: 13 July 2023

The data presented in this bulletin are the final results from Wave 86 of the Business Insights and Conditions Survey (BICS), which was live for the period of 26 June to 9 July 2023.

- In early July 2023, 95% of businesses reported they were trading, with 86% fully trading, 9% partially trading, 4% temporarily paused and 2% permanently ceased trading.
- In June 2023, less than a quarter (24%) of trading businesses reported their turnover was lower compared with May 2023 (24%). In comparison, 15% of businesses reported their turnover was higher in June 2023.
- When looking ahead to August 2023, more than a half (54%) of trading businesses expect their turnover to stay the same while 15% reported that they expect their turnover to increase.
- Of trading businesses, 32% reported an increase in the prices of goods or services bought in June 2023 compared with May 2023. This is broadly stable with those that reported higher prices in May 2023 compared with April 2023.
- When looking ahead, 15% of trading businesses expect to raise the prices of goods or services they sell in August 2023. A quarter (25%) of these businesses reported energy prices as a reason for considering these increases, 21% reported labour costs and 19% reported raw material prices.
- More than one in six (17%) of trading businesses reported they expect staffing costs to increase over the next three months, with the accommodation and food service activities industry reporting the largest proportion (25%); these percentages are down from 30% and 61%, respectively, from April 2023.
- Nearly one in five (18%) businesses reported a decrease in domestic demand for goods and services in June 2023 compared with May 2023; this is up from the 16% reported for both May and April 2023.

Businesses Closures, UK

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

Released: 18 July 2023

Data for England and Wales on company insolvencies shows that there were 2,163 in June 2023, 27% higher than in the same month in the previous year (1,698 in June 2022),

There were 260 compulsory liquidations in June 2023, 77% higher than in June 2022. Numbers of compulsory liquidations have increased from historical lows seen during the coronavirus (COVID-19) pandemic, partly as a result of an increase in winding-up petitions presented by HMRC.

For individuals, 643 bankruptcies were registered, which was 29% higher than in June 2022, but less than half of pre-2020 levels.

There were 2,320 Debt Relief Orders (DROs) in June 2023, which was 21% higher than in June 2022. Monthly DRO numbers between April and June 2023 were similar to pre-2020 levels.

There were, on average, 6,026 Individual Voluntary Arrangements (IVAs) registered per month in the three-month period ending June 2023, which is 22% lower than the three-month period ending June 2022.

Company insolvencies in England & Wales

