

West Sussex Economy Snapshot

August 2023 (Issue 37)

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, June'23-July'23, there an increase of 1.6% in the number of claimants aged 16+ in West Sussex, regional and national figures increased by 1.6% and 1.9% each. All districts & boroughs in West Sussex, except Mid Sussex saw an increase in claimants from June 23. Crawley has the highest number of claimants and the highest claimant count rate, at 4%, 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 August 2023, is for the period April 2022-March 2023. It suggests that West Sussex has higher economic activity rates and employment rates than the national and regional average. West Sussex's self-employment rates have stayed the same 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 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 June 2023, West Sussex's employees increased by 0.32% compared to South East and the UK by 0.33% and -0.32% 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).

The number of new business incorporations in West Sussex over the last year- August 2022 – July 2023 was higher than the number of businesses that have been dissolved or have gone into liquidation – by around 788 businesses. In the last three months May'23– Jul'23, however, there were 252 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) is estimated to have grown by 0.5% in June 2023, after showing a fall of 0.1% in May'23. Monthly GDP is now estimated to be 0.8% above its pre-coronavirus (COVID-19) levels (February 2020). Service sector grew in June 2023 by 0.2%.

The total number of online job adverts in the UK was 7% lower than the equivalent period of 2022, with 22 of the 28 online job categories below their level of a year ago. The largest year-on-year decreases were in "human resources (HR) and recruitment" and "IT, computing, and software", which fell by 38% and 37%, respectively. Total online job adverts have been relatively stable for the past six months, particularly when compared with the same period in 2022.

Consumer-facing services grew in June 2023 by 0.5%, following a fall of 0.2% in May 2023 - wholesale and retail trade and repair of motor vehicles and motorcycles are the major contributor to this growth. Production grew by 1.8% in June 2023 after a fall of 0.6% in May 2023. Construction is estimated to have decreased by 1.6% in June 2023.

The number of payrolled employees has continued to increase nationally, albeit at a slower rate, and over the year July 2022-July 2023 rose by 1.9%.

From the Business Insights and Conditions Survey (BICs), 94% of businesses reported they were trading. 17% of trading businesses reported turnover was higher compared with June 2023. 30% of trading businesses reported an increase in the prices of goods or services bought in July 2023 compared to the previous month.

Data for England and Wales on company insolvencies shows that there were 1,727 in July 2023, 6% lower than in the same month in the previous year.

New Businesses, West Sussex

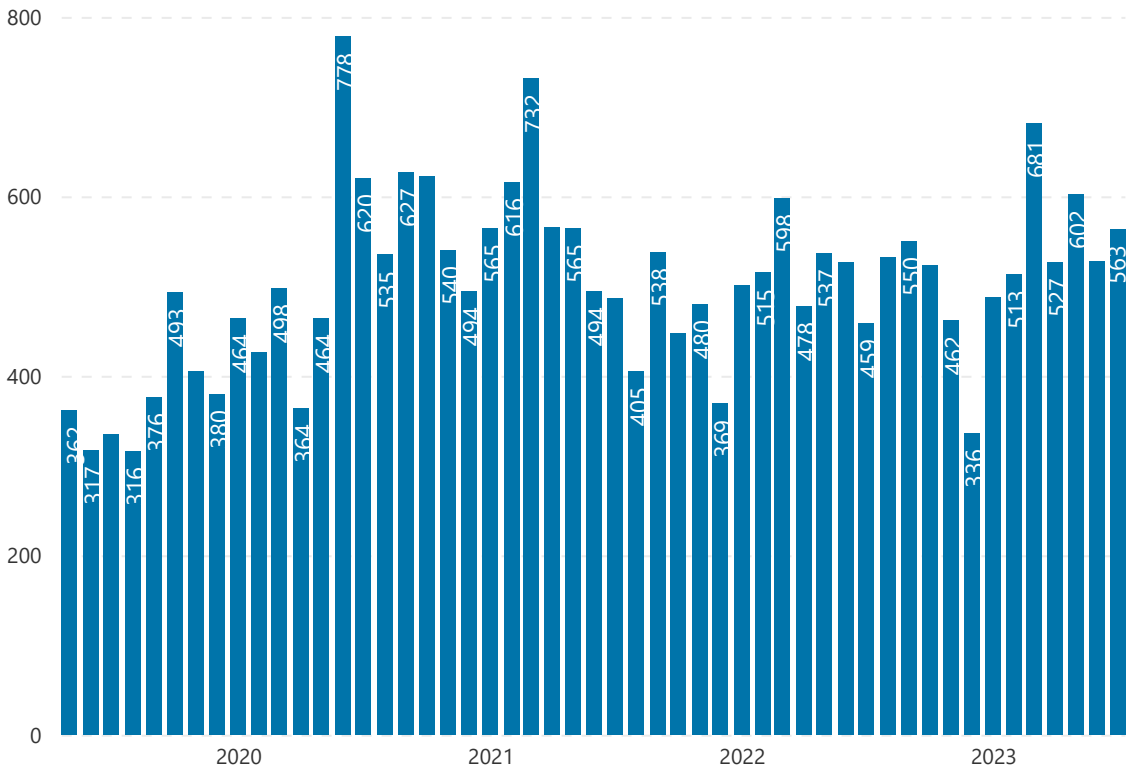
Source: FAME

Released: August 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, August 2022- July 2023, there were around 6,081 new business incorporations, 788 more than the 5,293 businesses that were dissolved, or which had gone into liquidation.

In the last 3 months – May 23 –Jul '23 there were 252 more new business incorporations (1,679) than business that dissolved/in liquidation (1,427). In July 2023, there were more new businesses (563) than closures (416).

New business incorporations in West Sussex



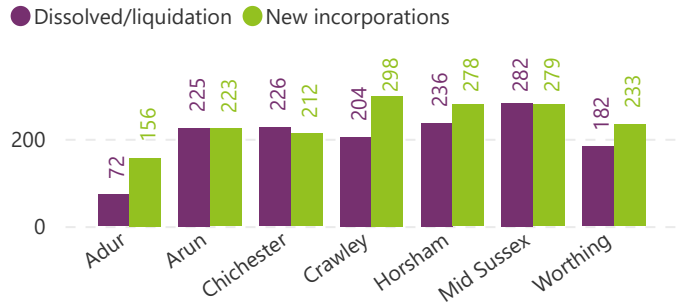
Businesses, West Sussex

Source: FAME

Released: August 2023

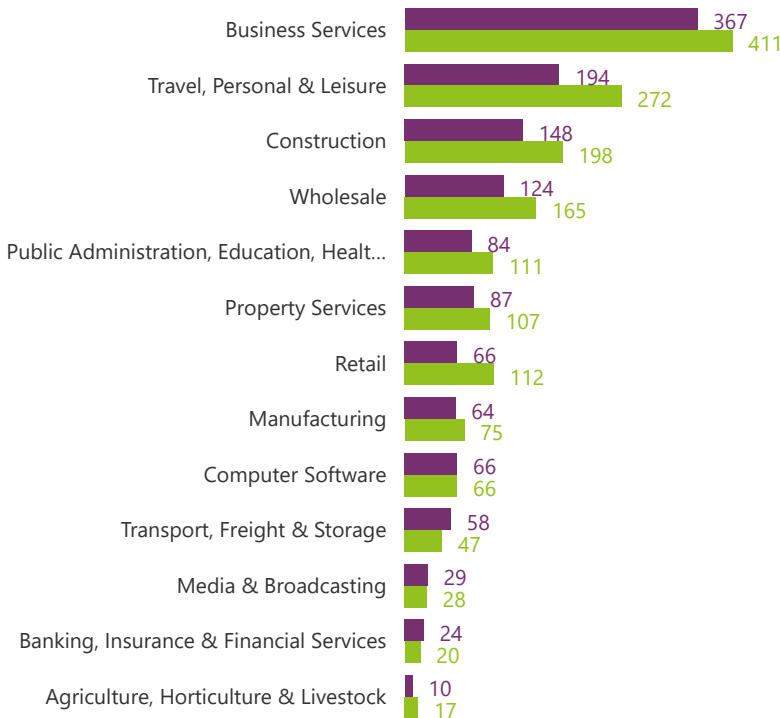
Over the last three-month period – May 2023-Jul 2023 Mid Sussex continues to have the highest number of new business incorporations and businesses that have dissolved or are in liquidation. Within West Sussex, Arun, Chichester and Mid Sussex districts saw more business closures than new businesses. There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



Number of new business incorporations and businesses dissolved/in liquidation by industry (May '23-Jul '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. Transport, freight & storage, media & broadcasting 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.

Economic Activity, West Sussex

Source: Annual Population Survey

Released: 15 August 2023 (Latest Data: Apr 2022-Mar 2023)

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 Mar '23. West Sussex has higher economic activity rates compared with the regional and national average and at 80.60% continues to have higher employment rates (78.90%) compared with that of the South East Region (78.90%) and England (78.00%). 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 10.60%, slightly higher than the national and lower than the South East region rates.

Compared to the year ending Mar 2022, self-employment rates have decreased in Chichester, Crawley and Worthing. Self employment rates have drastically dropped in Chichester from 17.00% to 7.60%. Horsham has the highest self-employment rate in the county at 13.80%. 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	Apr 21-Mar 22	Apr 22-Mar 23	Apr 21-Mar 22	Apr 22-Mar 23	Apr 21-Mar 22	Apr 22-Mar 23
Adur	83.10	82.80	80.30	82.80	12.40	N/A
Arun	84.00	86.70	79.40	85.90	8.60	11.60
Chichester	75.00	66.10	72.40	63.50	17.00	7.60
Crawley	86.20	75.60	83.70	74.00	4.40	4.20
Horsham	77.10	87.70	74.80	86.70	9.50	13.80
Mid Sussex	87.00	83.10	84.50	83.10	7.20	12.50
Worthing	82.50	79.60	76.80	73.10	11.00	9.10
West Sussex	82.30	80.60	79.00	78.90	9.60	9.60
South East	81.00	80.70	78.10	78.00	10.50	10.10
England	78.80	78.60	75.40	75.70	9.50	9.50

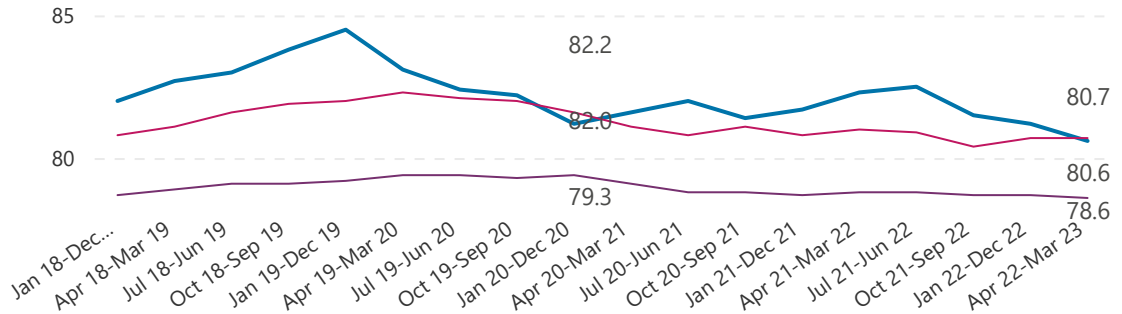
Economic Activity, West Sussex

Source: Annual Population Survey

Released: 15 August 2023 (Latest Data: Apr 2022-Mar 2023)

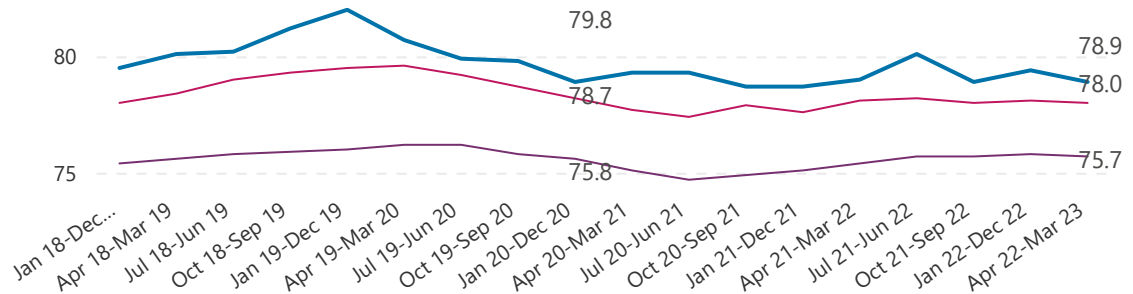
Economic activity rate - aged 16-64

● West Sussex ● South East ● England



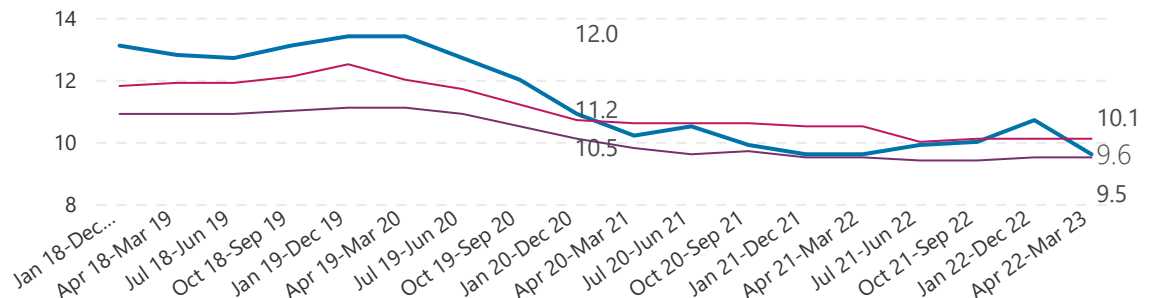
Employment rate - aged 16-64

● 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: 15 August 2023 (Latest Data: Apr 2022-Mar 2023)

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.

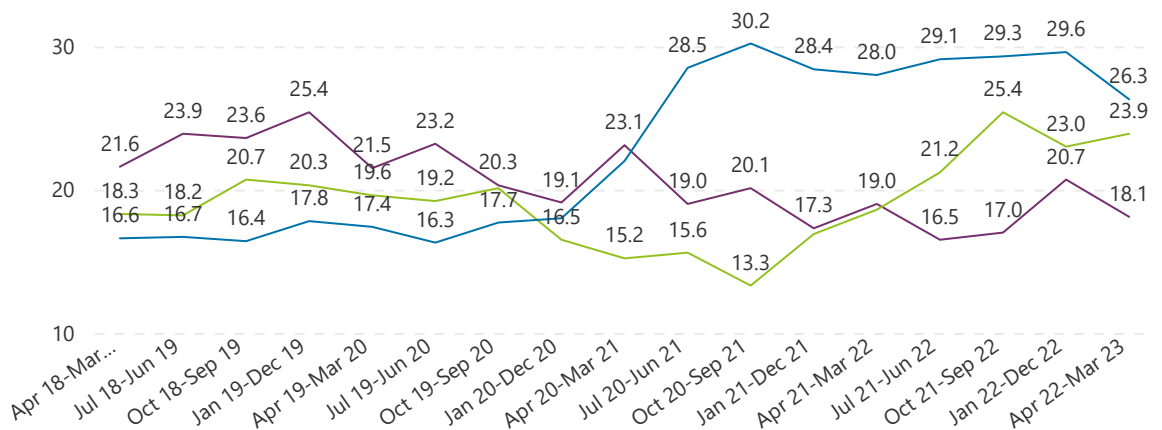
Economic inactivity by those who are retired has slightly increased after a fall since year ending Dec'22. What is noticeable however, is the increase, since the end of 2020, amongst those who are economically inactive for the reason that they are students, though this has slightly fallen in the year ending Mar 2023. Economic inactivity due to long-term sick has also seen a slight decline in West Sussex.

Economically inactive by age

Age	Aged 16-24		Aged 25-49		Aged 50+	
	Apr 19-Mar 20	Apr 22-Mar 23	Apr 19-Mar 20	Apr 22-Mar 23	Apr 19-Mar 20	Apr 22-Mar 23
West Sussex	21,800	32,000	22,300	21,600	211,800	217,900
South East	298,000	344,700	266,000	296,700	1,939,900	1,999,600
England	2,231,800	2,314,000	2,276,400	2,219,400	11,540,800	12,080,800

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: 15 August 2023 (July 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.

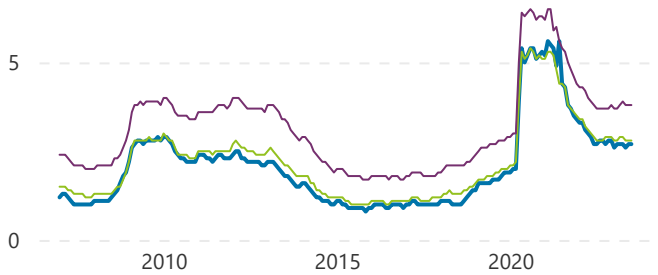
There were 13,965 claimants aged 16+ in West Sussex in July 2023, an increase of 1.6% from the previous month, compared with a regional and national (England) increase of 1.6% and 1.9%.

Within West Sussex, all local authority districts except Mid Sussex saw an increase in claimants from June'23. Crawley saw the highest increase in claimants at 3.7%.

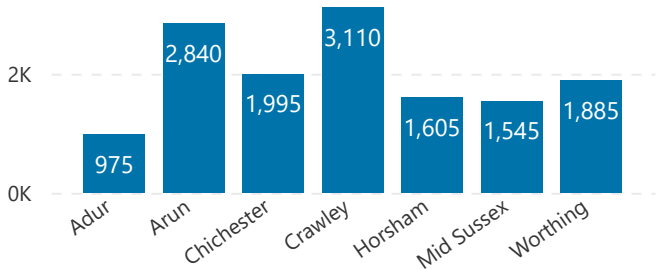
Crawley has the highest number of claimants at 3,110 and the highest claimant count rate at 4.0%, higher than the regional and the national rates. Mid Sussex has the lowest claimant count rate at 1.7%. In West Sussex, % of male claimants aged 16+ increased by 0.8% and female by 2.7%.

Claimant count rate

● West Sussex ● South East ● England

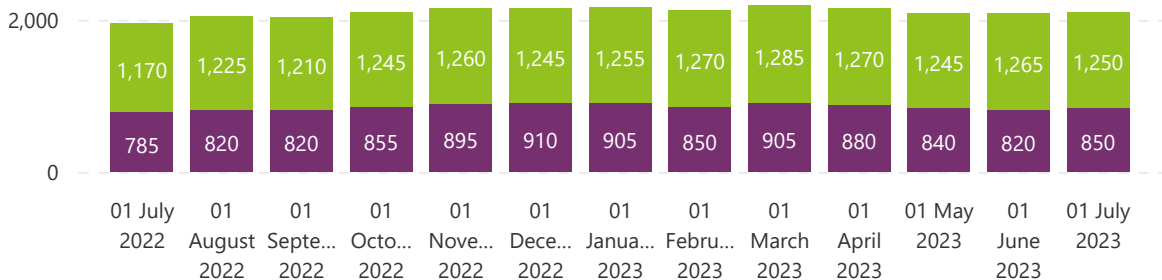


Number of claimants



Claimant count by gender, 18-24 age group

● Female ● Male



Claimant Count, West Sussex

Source: [ONS, Claimant Count](#)

Released: 15 August 2023 (July 2023 figures are provisional)

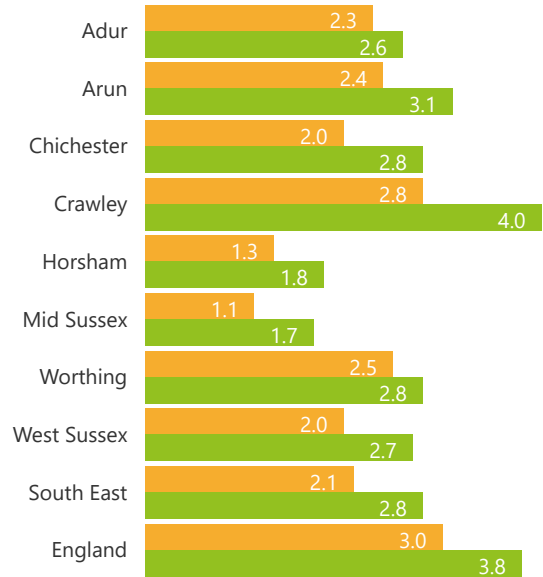
Age profile of claimants: Worthing (18.3%) has the highest proportion of 16-24 year olds, and Chichester the lowest at 13%. Chichester has a higher proportion of claimants who are over 50 years.

There are 2,095 claimants aged 18-24 in West Sussex, which is an increase of 2.4% from the previous month. National (England) and regional figures increased by 2% and 1.7%, for this age category. Crawley has the highest number of claimants in this age group at 475. In West Sussex, all local authority districts except Worthing saw an increase in claimants aged 18-24. Adur saw the highest increase at 13%, in the claimants aged 18-24 over the last month.

Within West Sussex, over the last month, there was an increase of 0.4% in claimants amongst males aged 18-24 years; females by 6.3%.

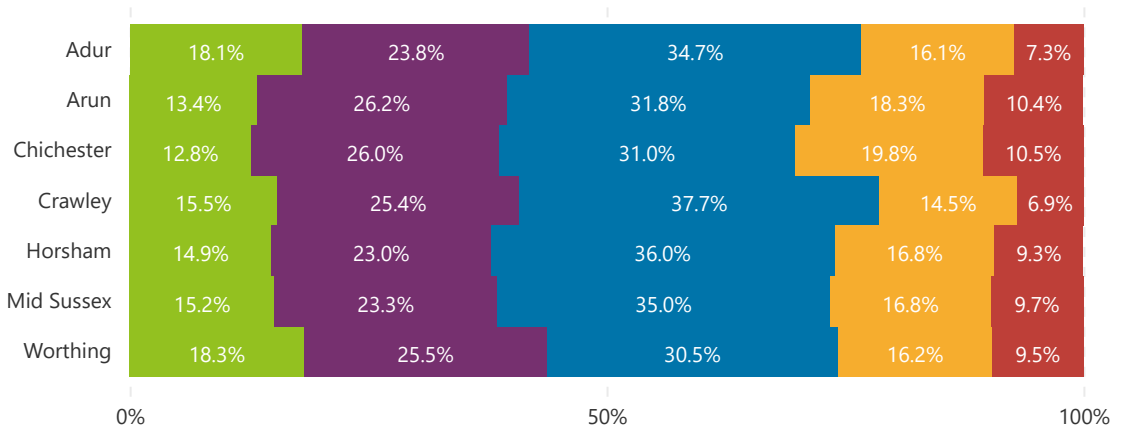
Claimant count rates change

● 01 March 2020 ● 01 July 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](#)

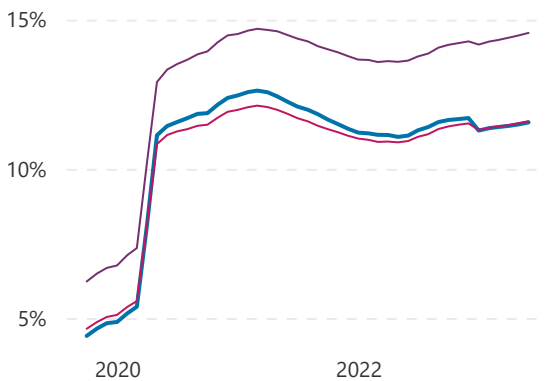
Released: 15 August 2023 (July 2023 figures are provisional)

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 126% since March 2020 - from 27,355 to 61,777 in July 2023. In West Sussex, the percentage of people in employment claiming Universal Credit increased since Mar'20 from 41.14% to 45.2% in Jun'23. In Jul '23, within West Sussex, Mid Sussex (3,631) has seen the highest percentage of Universal Credit claimants who are in work at 48% followed by Horsham (3,381) at 47%.

Crawley has seen the highest % rise (139%) over the period from March 2020 (at the start of the pandemic) to July 2023 though there has been a significant rise in the number of residents claiming Universal Credit across the county. Please note July 2023 employment/not in employment breakdown hasn't been released yet.

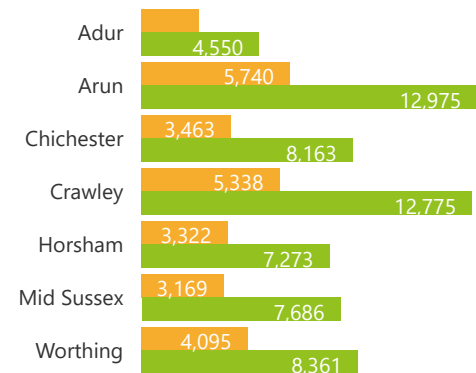
Percentage of people aged 16-64 years claiming Universal Credit

● West Sussex ● South East ● England



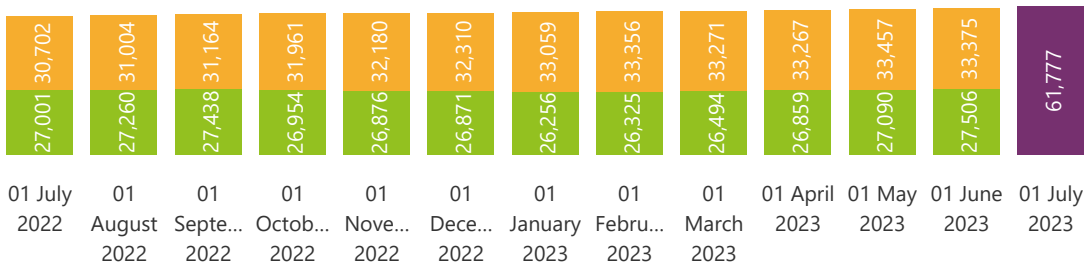
Universal Credit claimants in West Sussex change

● 01 March 2020 ● 01 July 2023



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

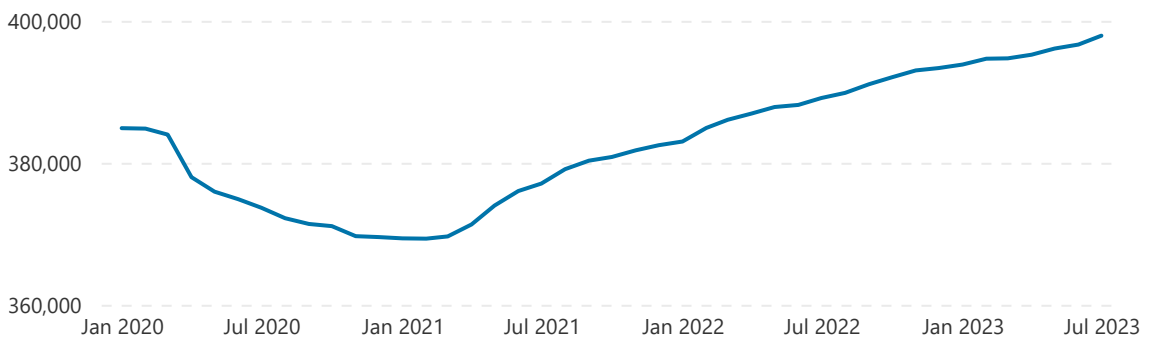
Source: ONS - [Earnings and employment from Pay As You Earn Real Time Information, seasonally adjusted](#)

Released: 15 August 2023

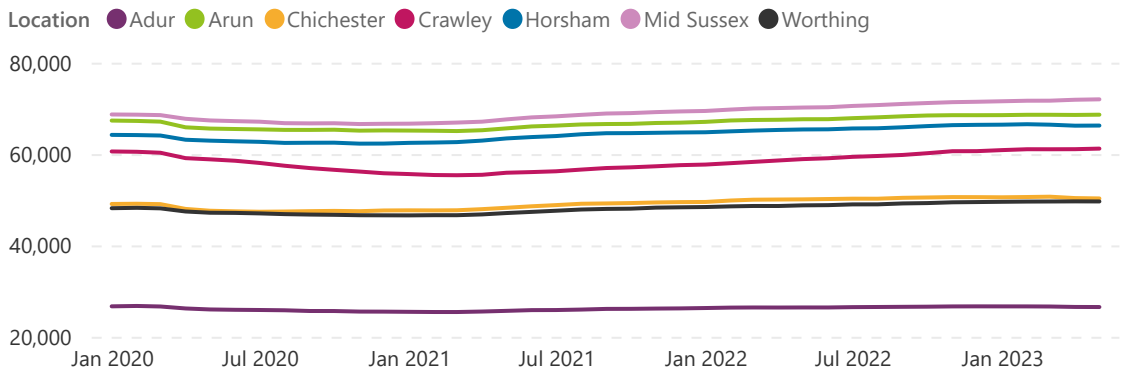
These figures are from a set of 'experimental statistics' from ONS from the earnings and employment statistics Pay as You Earn (PAYE) Real Time Information (RTI) seasonally adjusted data set. The latest data is up to the month of July 2023. West Sussex's employees increased by 0.32% from June 2023. The South East's employees increased by 0.33% and the UK's employees decreased by 0.32%. 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](#)

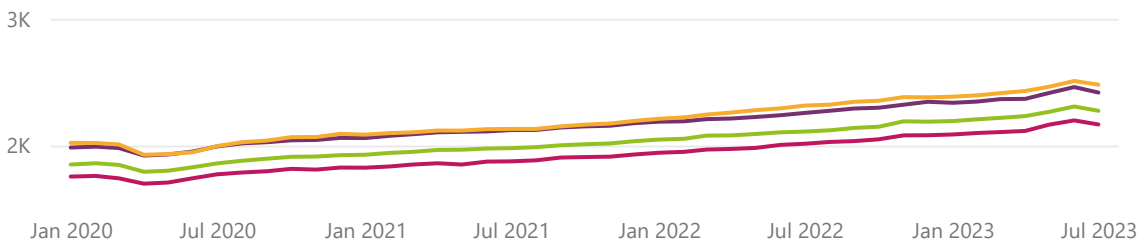
Released: 15 August 2023

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 July 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 decrease in median monthly pay by 1.46% and the North East had a decrease in median monthly pay by 1.16% from June 2023. The South East's monthly median pay decreased by 1.75% and the UK's decreased by 1.47% since June 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.

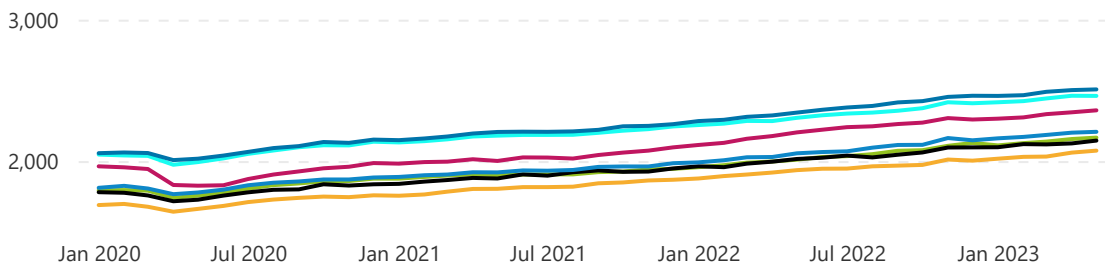
Median Pay National and Regional Figures

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 Vacancies, UK

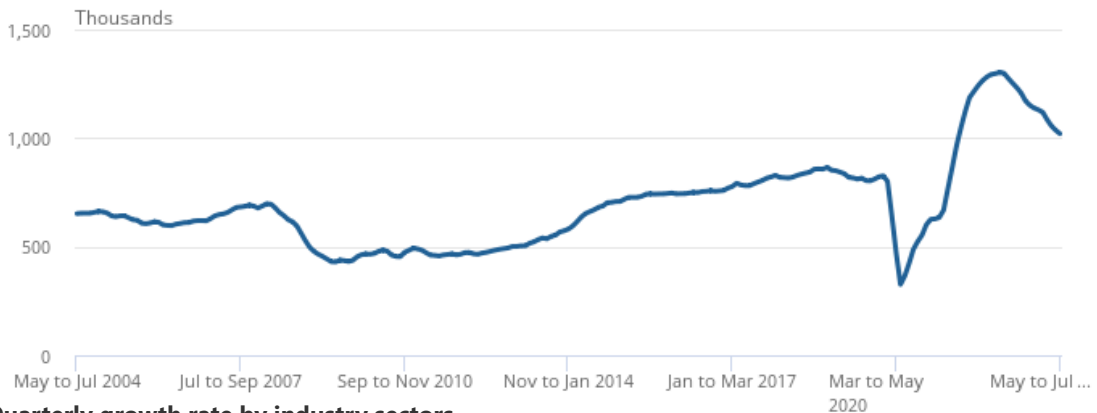
Source: [ONS](#)

Released: 15 August 2023

The number of vacancies in the UK in May to July 2023 was 1,020,000, a decrease of 66,000 from February to April 2023. Vacancy numbers fell on the quarter for the 13th consecutive period in May to July 2023, down by 6.0% from February to April 2023, with vacancies falling in 13 of the 18 industry categories, with the largest falls seen in the professional, scientific and technical activities and administrative and support service activities which fell by 13.25 and 12.7% respectively. Real estate saw the strongest growth.

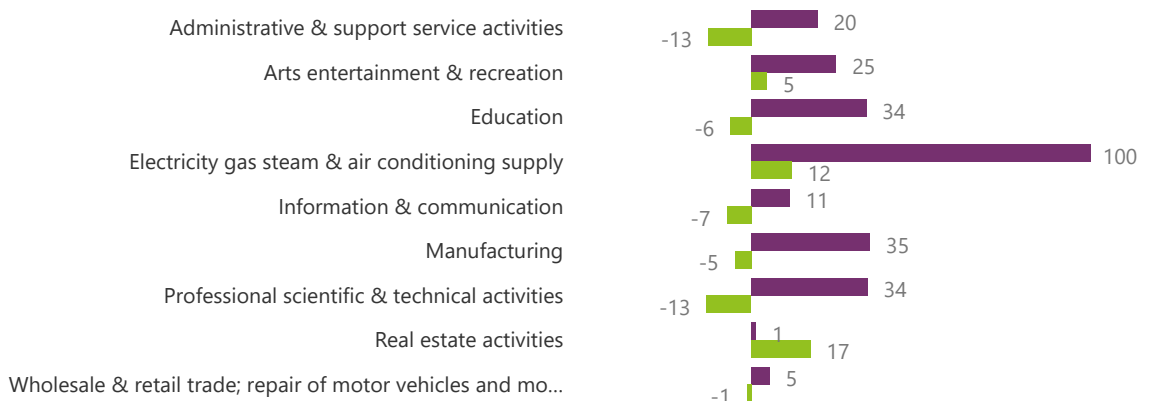
In May to July 2023, total vacancies were down by 256,000 from the level of a year ago, although they remained 219,000 above their pre-coronavirus (COVID-19) January to March 2020 levels. In April to June 2023 the number of unemployed people per vacancy was 1.4, up from 1.2 the previous quarter (January to March 2023) as the number of vacancies fell while unemployment rose.

Number of vacancies in the UK



Quarterly growth rate by industry sectors

● Percentage growth since January to March 2020 ● Quarterly percentage growth since February to April 2023



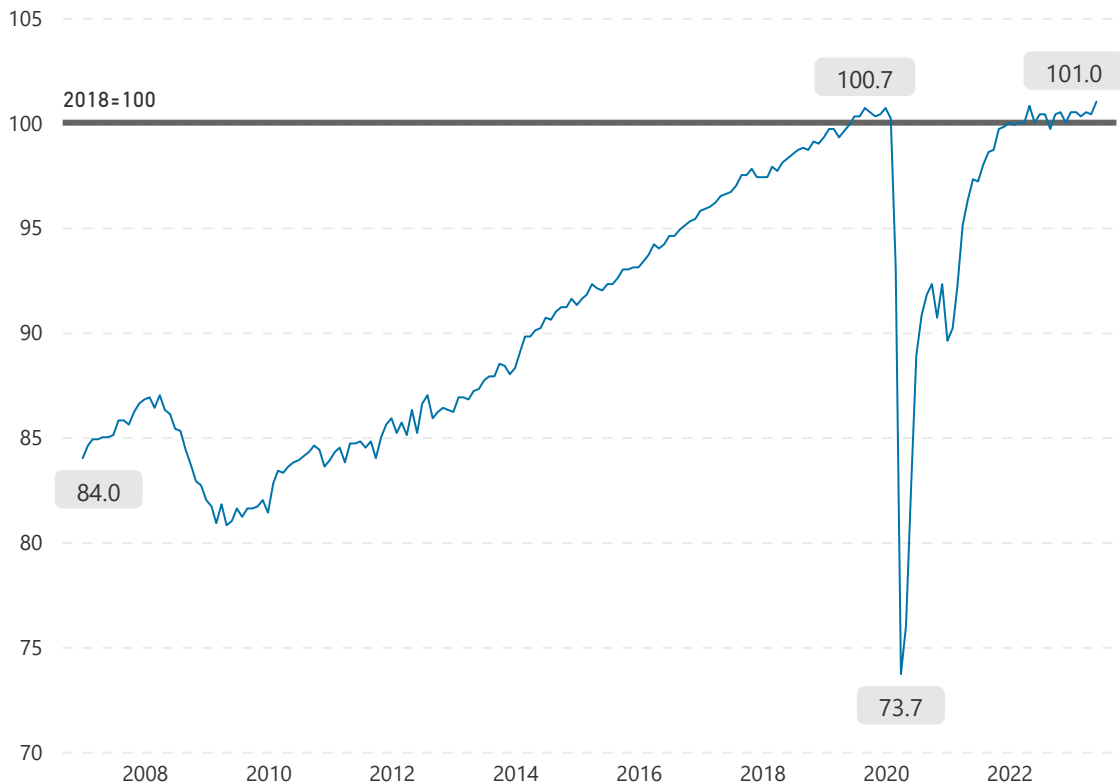
National Headlines - Gross Domestic Product (GDP), UK

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

Released: 11 August 2023

- Gross domestic product (GDP) is estimated to have grown by 0.5% in June 2023, after a fall of 0.1% in May 2023. Looking at the broader picture, GDP grew 0.2% in the three months to June 2023. Monthly GDP is now estimated to be 0.8% above its pre-coronavirus (COVID-19) levels (February 2020).
- Services sector grew by 0.2% in June 2023 following no growth in May 2023. Overall, the services sector grew 0.1% in the three months to June 2023 compared with the three months to March 2023.
- Consumer-facing services grew by 0.5% in June 2023, after a fall of 0.2% in May 2023. The largest contributor to the growth in consumer-facing services came from wholesale and retail trade and repair of motor vehicles and motorcycles, which grew by 3.9%.
- Production grew by 1.8% in June 2023 after a fall of 0.6% in May 2023. This was the largest contributor to the growth in GDP in June 2023 and the strongest growth seen since August 2020.
- Construction is estimated to have decreased by 1.6% in June 2023; this came from increases in both new work (2.0%) and repair and maintenance (1.1%) on the month.

Monthly index, UK



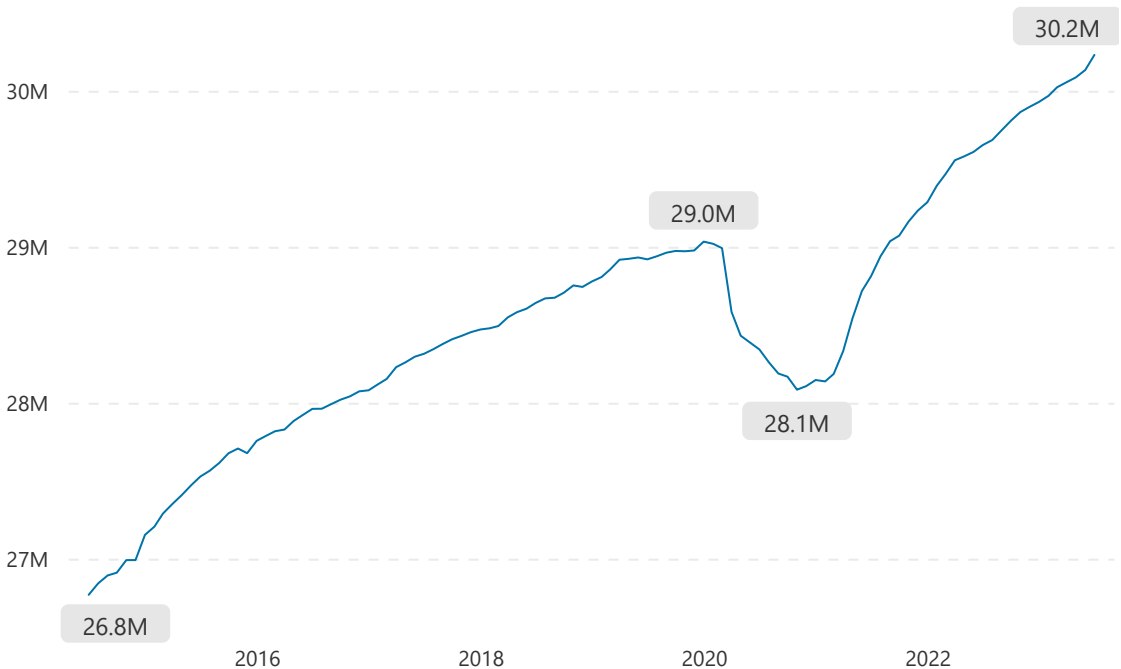
Labour Market, UK

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

Released: 15 August 2023

- Early estimates for July 2023 indicate that the number of payrolled employees rose by 1.9% compared with July 2022, a rise of 578,000 employees; the number of payrolled employees was up by 4.2% since February 2020, a rise of 1,211,000.
- Payrolled employment increased by 97,000 employees (0.3%) in July 2023 when compared with June 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 June 2023 compared with May 2023 has been revised from a decrease of 9,000 reported in the last bulletin to an increase of 47,000, 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 July 2023 indicate that median monthly pay increased by 7.8% compared with July 2022, and increased by 22.3% when compared with February 2020.
- Between July 2022 and July 2023, there was an increase of 15,000 payrolled employees aged under 25 years; during the same period, payrolled employees aged 35 to 49 years increased by 196,000.

Payrolled employees, seasonally adjusted, UK



Businesses currently trading, UK

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

Released: 24 August 2023

The data presented in this bulletin are the final results from Wave 89 of the Business Insights and Conditions Survey (BICS), which was live for the period of 7 to 20 August 2023.

- In early August 2023, 94% of businesses reported they were trading, with 85% fully trading, 9% partially trading, 5% temporarily paused and 2% permanently ceased trading.
- In July 2023, approximately (17%) of trading businesses reported their turnover was higher compared with June 2023 (24%). This is the first increase reported since March 2023.
- When looking ahead to September 2023, 18% of trading businesses expect their turnover to increase, up from the 15% that reported this for August 2023; meanwhile 55% reported that they expect their turnover to stay the same,
- Of trading businesses, 30% reported an increase in the prices of goods or services bought in August 2023 compared with July 2023. This percentage has fallen over time and is the lowest figure reported since a peak of 50% in March 2022.
- Approximately 1 in 8 (12%) trading businesses reported an increase in the prices of goods or services sold in July 2023, this is also at its lowest level since peaking in March 2022; meanwhile 16% of trading businesses expect to raise their prices in September 2023, with 24% reporting energy prices as the reason for the consideration.
- Approximately 1 in 11 (9%) businesses experienced difficulties recruiting employees in July 2023, this is broadly stable with June 2023, but has slowly fallen from the 11% reported in March 2023
- More than 1 in 10 (11%) businesses reported an increase in domestic demand for their goods and services in July 2023 compared with June 2023; this is back in line with May 2023, following a drop that was seen in June 2023 of 3 percentage points.

Businesses Closures, UK

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

Released: 15 August 2023

Data for England and Wales on company insolvencies shows that there were 1,727 in July 2023, 6% lower than in the same month in the previous year (1,831 in July 2022),

There were 248 compulsory liquidations in July 2023, 81% higher than in July 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, 620 bankruptcies were registered, which was 14% higher than in July 2022, but less than half of pre-2020 levels.

There were 2,667 Debt Relief Orders (DROs) in July 2023, which was 45% higher than in July 2022. Monthly DRO numbers between April and July 2023 were slightly higher than pre-2020 levels.

There were, on average, 5,659 Individual Voluntary Arrangements (IVAs) registered per month in the three-month period ending July 2023, which is 26% lower than the three-month period ending June 2022.

Company insolvencies in England & Wales

