

# West Sussex Economy Snapshot

**September 2023 (Issue 38)**

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](mailto:business.support@westsussex.gov.uk) or [sue.cooper@westsussex.gov.uk](mailto:sue.cooper@westsussex.gov.uk)

# West Sussex Headlines

Over the last month, Jul'23-Aug'23, there was an increase of 0.6% in the number of claimants aged 16+ in West Sussex, regional and national figures increased by 0.9% and 0.3% each. Crawley, Mid Sussex and Worthing saw a decrease in number of claimants over the last month, Adur saw an increase of 6%, the highest in West Sussex. 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. Whilst Adur has the lowest number of claimants in the county, Mid Sussex has the lowest claimant count rate in West Sussex at 1.7%.

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 August 2023, West Sussex's employees increased by 0.08% compared to South East and the UK by 0.01% and less than 0.01% each. Within West Sussex, Mid Sussex has the highest number of employees at 68,781 and Adur the lowest at 26,152. 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 - September 2022 – August 2023 have tended to be at greater levels than those seen pre-pandemic. In the last three months Jun'23– Aug'23, there were 238 more new business incorporations (1,641) than business that dissolved/in liquidation (1,403). In August 2023, there were more new businesses (569) than closures (475). Mid Sussex continues to have the highest number of new business incorporations, as well as companies dissolved, or which had gone into liquidation. In West Sussex, the highest numbers of new businesses continues to be 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.

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# National Headlines

Gross Domestic Product (GDP) is estimated to have fallen by 0.5% in July 2023, after showing a growth of 0.5% in June'23. Service sector fell in July 2023 by 0.5% and was the main contributor to the fall in GDP in July. Consumer-facing services showed no growth in July 2023, following a rise of 0.5% in June 2023 - sports activities and amusement and creation activities industry was the major contributor to this growth. Production fell by 1.6% in July 2023 after a growth of 1.8% in June 2023. Construction is estimated to have decreased by 0.5% in July 2023.

In the UK, the total number of online job adverts increased by 2% on 15 September 2023 when compared with the previous week but was 6% lower than in mid-March 2023, when the series was at its highest point this year. The number of adverts were 4% below the level of the equivalent period last year. The "Human resources (HR) and Recruitment" category continues to see the largest decrease at 39%, closely followed by "Domestic help" at 38%.

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

From the Business Insights and Conditions Survey (BICs), 95% of businesses reported they were trading. 27% of trading businesses reported turnover was lower compared with July 2023. 26% of trading businesses reported an increase in the prices of goods or services bought in August 2023 compared to the previous month.

Data for England and Wales on company insolvencies shows that there were 2,308 in August 2023, 19% higher than in the same month in the previous year.

# New Businesses, West Sussex

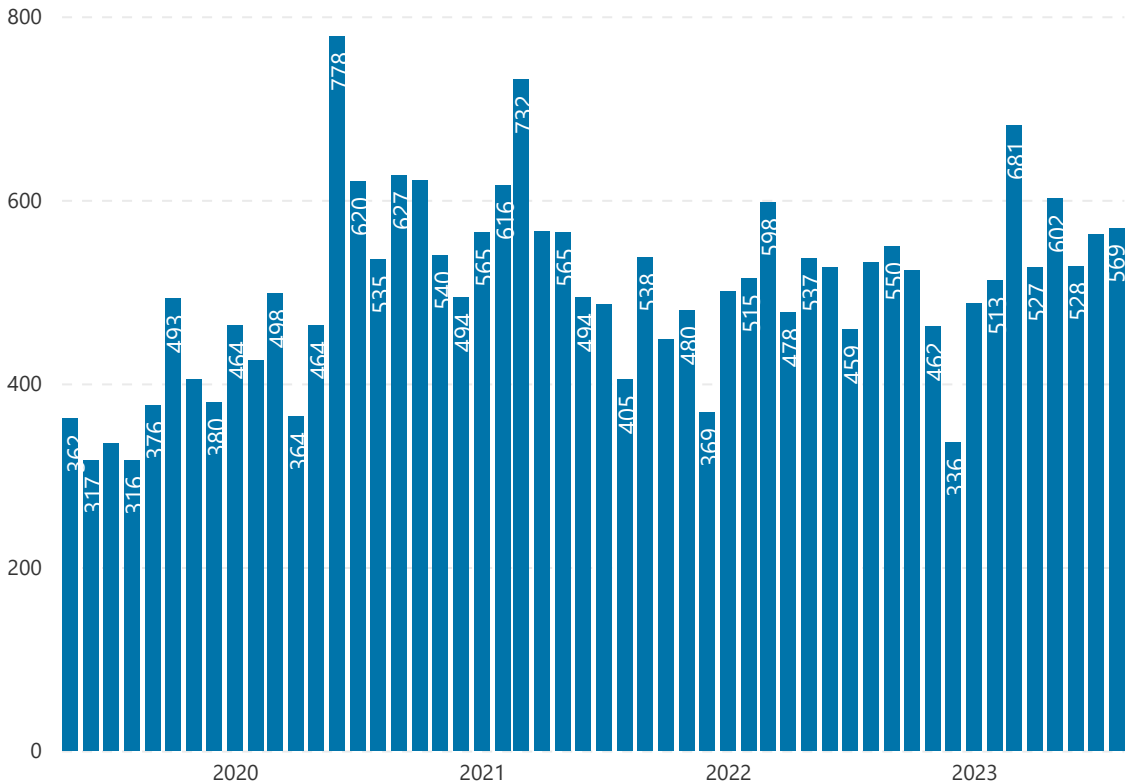
Source: FAME

Released: September 2023

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 West Sussex in the last 12 months, September 2022- August 2023, there were around 6112 new business incorporations, 878 higher than the 5234 businesses that were dissolved, or which had gone into liquidation.

In the last 3 months – June 23 – August '23 there were 238 more new business incorporations (1,641) than business that dissolved/in liquidation (1,403). In August 2023, there were more new businesses (569) than closures (475).

## New business incorporations in West Sussex



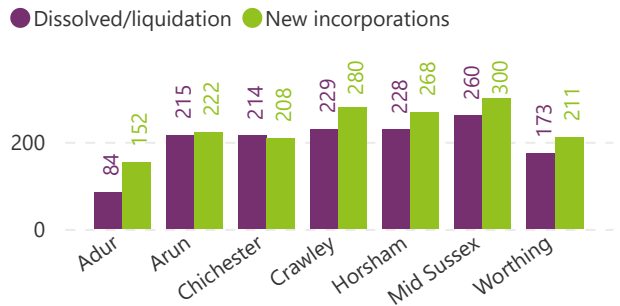
# Businesses, West Sussex

Source: FAME

Released: September 2023

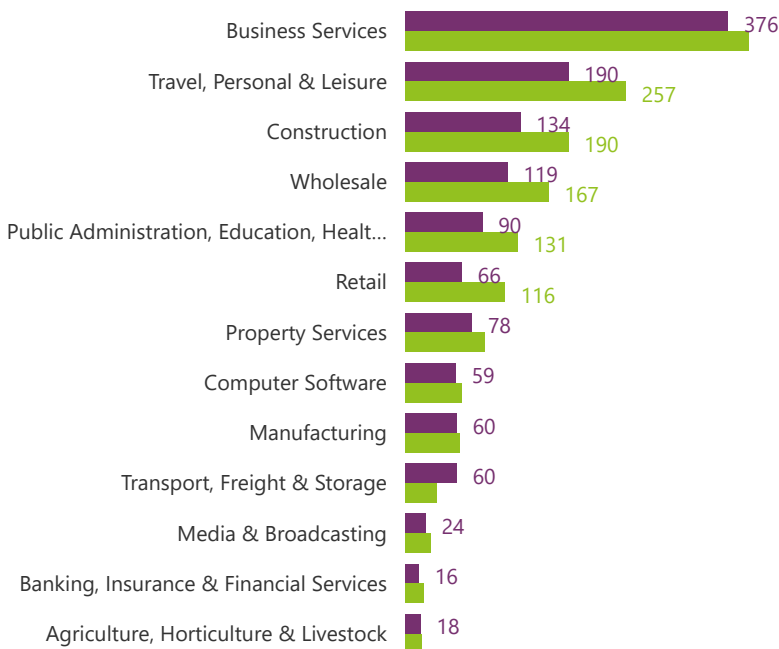
Over the last three-month period – June 2023 - August 2023 Mid Sussex continues to have the highest number of new business incorporations and businesses that have dissolved or are in liquidation. Within West Sussex, it was only Chichester that had more business closures than new businesses, and in this case – the difference was only 6 businesses, in all other local authorities there were more new businesses than closures despite the speculation that with high inflation levels as well as rising fuel and energy costs the numbers of business closures would exceed new business start-ups.

**Number of new business incorporations and businesses dissolved/in liquidation by local authority (June '23-Aug '23)**



**Number of new business incorporations and businesses dissolved/in liquidation by industry (June '23 - Aug '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. The broad transport, freight & storage sector 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: 12 September 2023 (August 2023 figures are provisional)

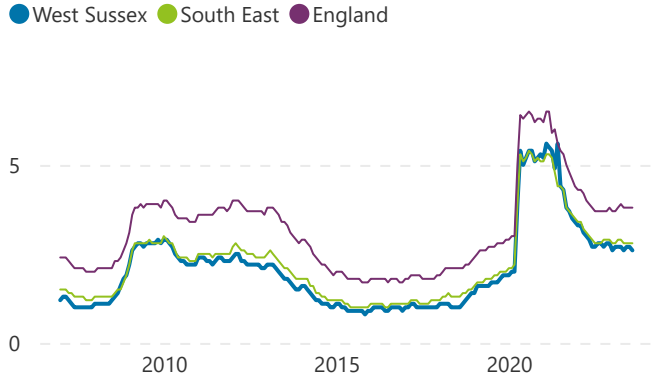
The claimant count includes those people who are claiming either Job Seekers Allowance or Universal Credit principally because they are out of work or working very few hours and/or have a very low wage.

There were 13,840 claimants aged 16+ in West Sussex in August 2023, a increase of 0.6% from the previous month, compared with a regional and national (England) increase of 0.9% and 0.3% respectively.

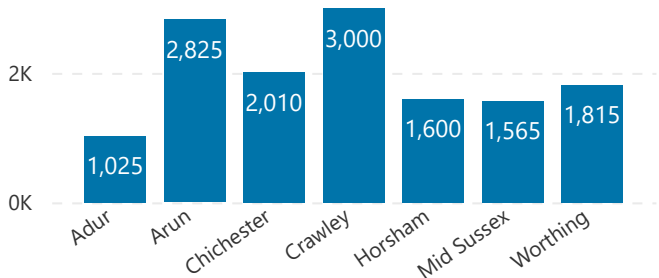
Crawley, Mid Sussex and Worthing saw a decrease in the number of claimants over the last month, July - August 2023 Adur saw an increase of 6%, the highest in West Sussex.

Crawley has the highest number of claimants at 3000 and the highest claimant count rate at 3.9%, 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 0.9% and female claimants by 0.3%.

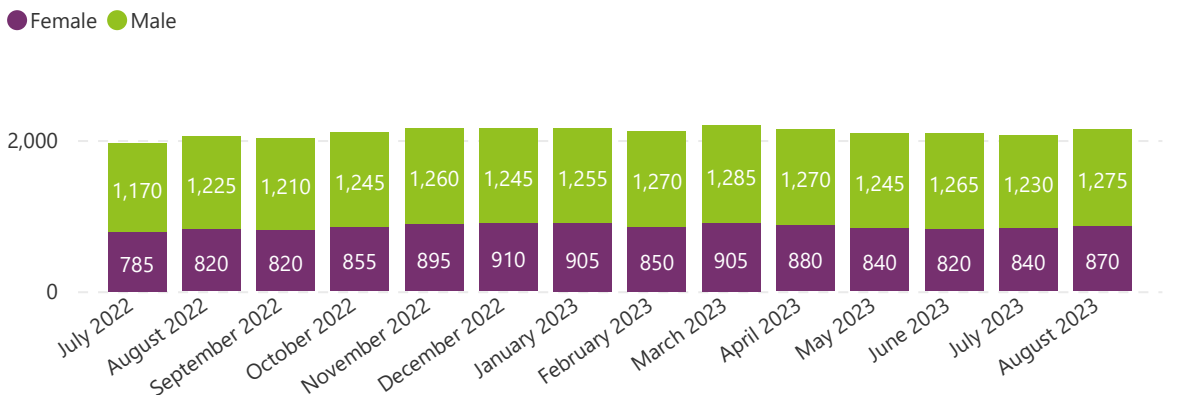
## Claimant count rate



## Number of claimants



## Claimant count by gender, 18-24 age group



# Claimant Count, West Sussex

Source: [ONS, Claimant Count](#)

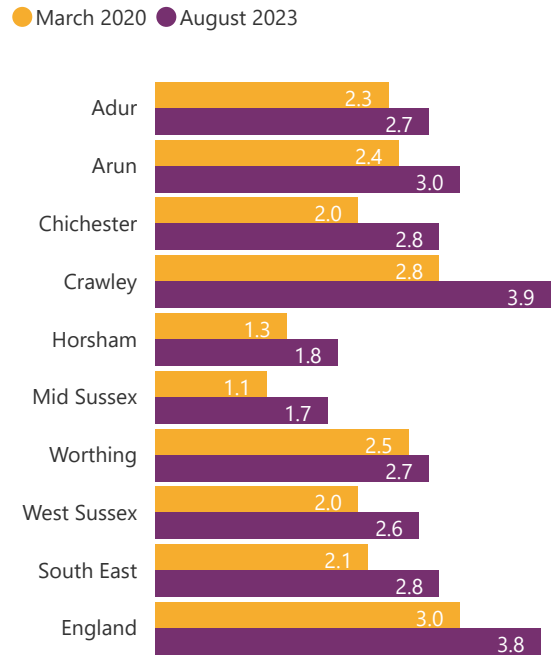
Released: 12 September 2023 (August 2023 figures are provisional)

Age profile of claimants: Worthing (19.3%) has the highest proportion of 16-24 year olds, and Arun the lowest at 13.6%, Chichester has a higher proportion of claimants who are over 50 years.

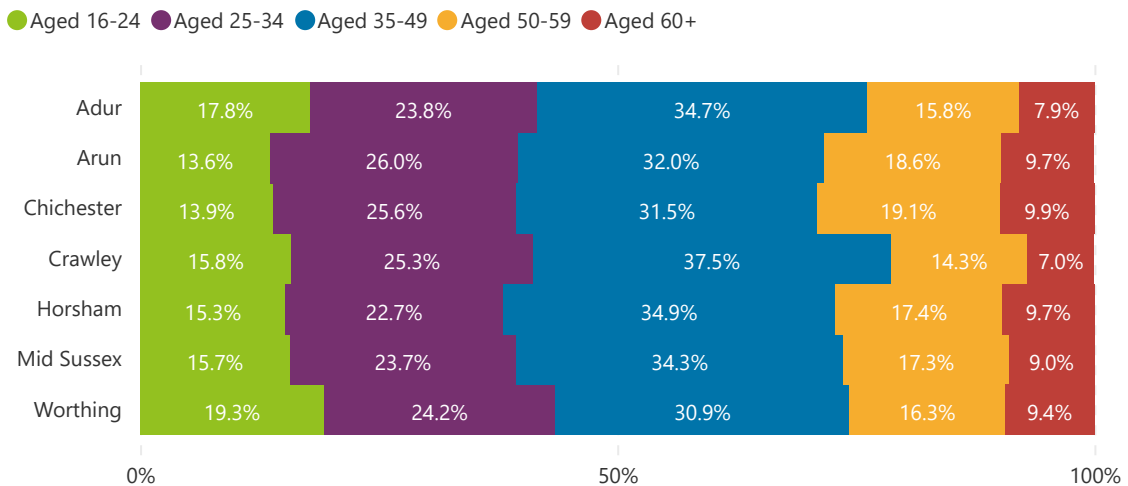
There are 2,145 claimants aged 18-24 in West Sussex, which is an increase of 3.6% from the previous month. National (England) and regional figures increased by 1.9% and 2.2%, for this age category. Crawley has the highest number of claimants in this age group at 475. In West Sussex, all local authorities saw an increase in claimants aged 18-24 years, though in Horsham the number of claimants was the same as the previous. Chichester saw the highest percentage increase at 7.8%, in the claimants aged 18-24 compared to the last month.

Within West Sussex, over the last month, there was an increase of 3.6% in claimants amongst males aged 18-24 years; females by 3.6%.

## Claimant count rates change



## Distribution of claimants by age band





# Universal Credit Claimants, West Sussex

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

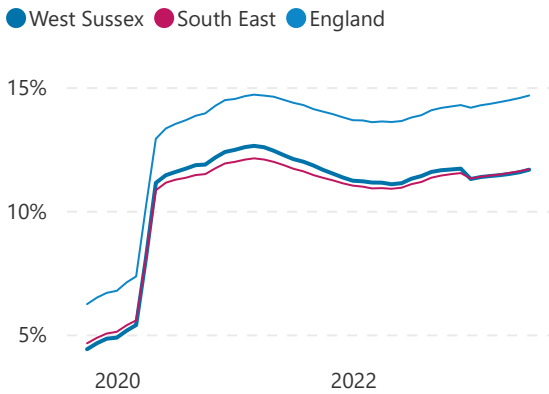
Released: 13 September 2023 (August 2023 figures are provisional)

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 August 2023, there were 62,103 Universal Credit claimants in West Sussex, which is a 1.3% increase from previous month. The numbers of people claiming Universal Credit in West Sussex has increased 127% since March 2020 - from 27,355 to 62,103 in August 2023, a higher percentage increase than nationally (104%) and regionally (117%).

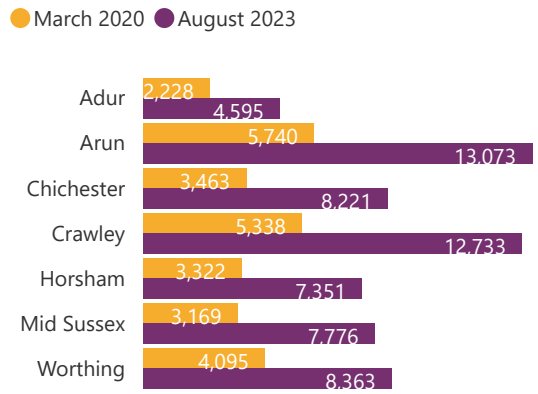
In West Sussex, the percentage of people in employment claiming Universal Credit increased since Mar'20 from 41.14% to 45.2% in July '23, this is a higher proportion of claimants in work than the South East at 41.4% and nationally (England) 39%. In Jul '23, within West Sussex, Mid Sussex has the highest percentage of Universal Credit claimants who are in work at 48% followed by Horsham at 46.5%.

Mid Sussex has seen the highest % rise (145%) over the period from March 2020 (at the start of the pandemic) to August 2023, Arun has the highest number of Universal Credit claimants at over 13,000 and since March 2020 there has been a significant rise in the number of residents claiming Universal Credit across the county. Please note August 2023 employment/not in employment breakdown hasn't been released yet.

## Percentage of people aged 16-64 years claiming Universal Credit

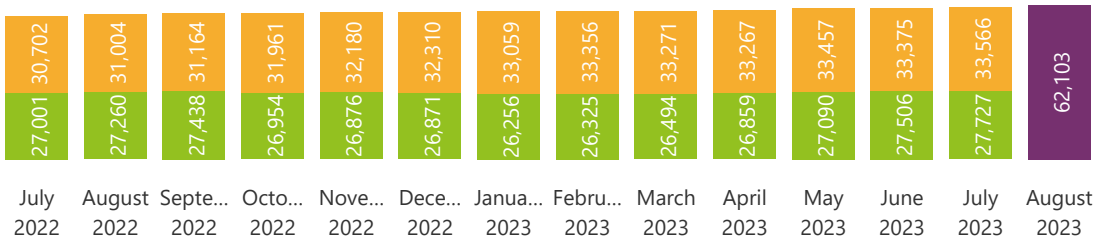


## Universal Credit claimants in West Sussex change



## Universal Credit claimants in West Sussex by employment status

Legend: ● In employment ● N/A ● Not in employment



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

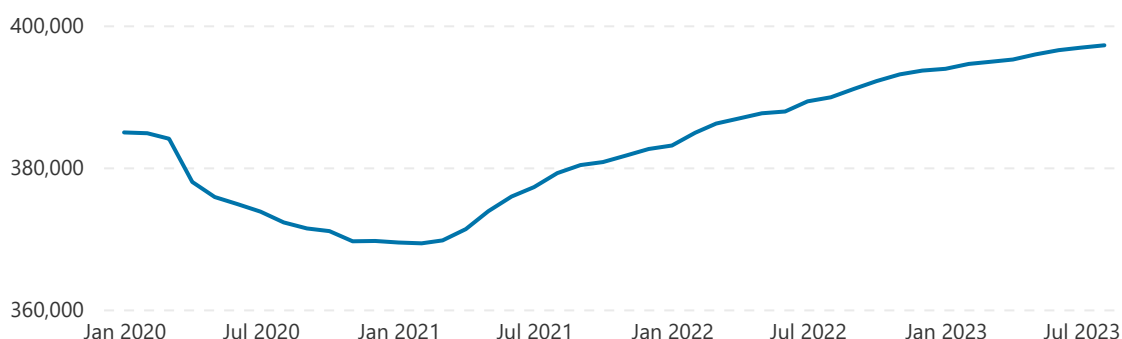
Source: ONS - [Earnings and employment from Pay As You Earn Real Time Information, seasonally adjusted](#)

Released: 12 September 2023

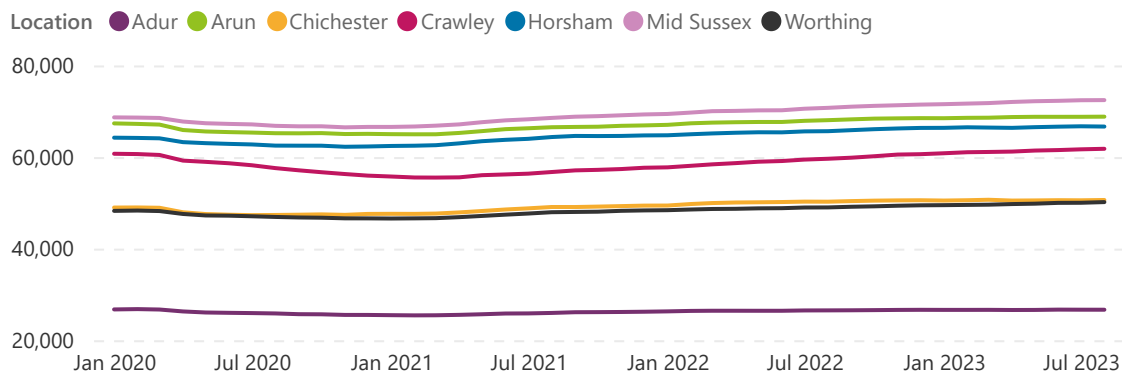
These figures are from a set of 'experimental statistics' from ONS from the earnings and employment statistics Pay as You Earn (PAYE) Real Time Information (RTI) seasonally adjusted data set. The latest data is up to the month of August 2023. West Sussex's employees increased by 0.08% from July 2023. The South East's employees increased by 0.01% and the UK's employees decreased by less than 0.01%. The local authority with the largest growth from July was Worthing with 0.30%. Horsham had the highest employee decline with -0.09%.

The latest data shows that Mid Sussex has the highest number of employees at 68,781 in West Sussex and Adur the lowest at 26,152. 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](#)

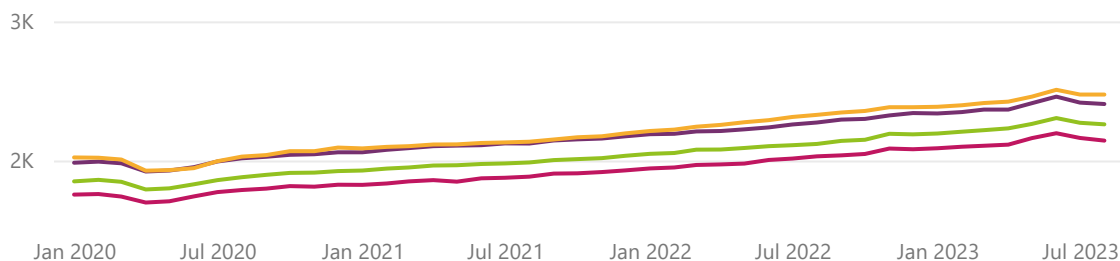
Released: 12 September 2023

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 August 2023. The local authority with the largest percentage increase of pay from July 2023 was Chichester with 0.19% compared to a decrease of 1.55% in Worthing which saw the largest decrease. West Sussex South West had a decrease in median monthly pay by 1.55% and the North East had a decrease in median monthly pay by 1.36% from July 2023. The South East's monthly median pay decreased by 0.41% and the UK's decreased by 0.48% since July 2023.

The local authority with the highest median monthly pay is Mid Sussex at £2,251, and the lowest is seen in Arun at £1,851. 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 May being 0.63% in Crawley. The highest decrease since May was -1.81% in Worthing.

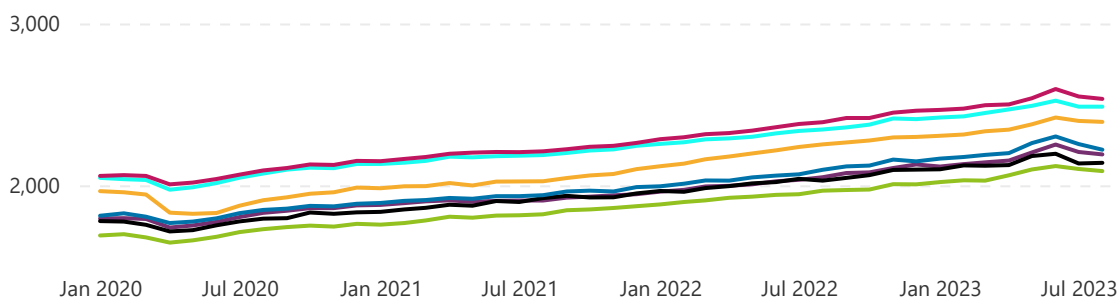
## Median Pay National and Regional Figures

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

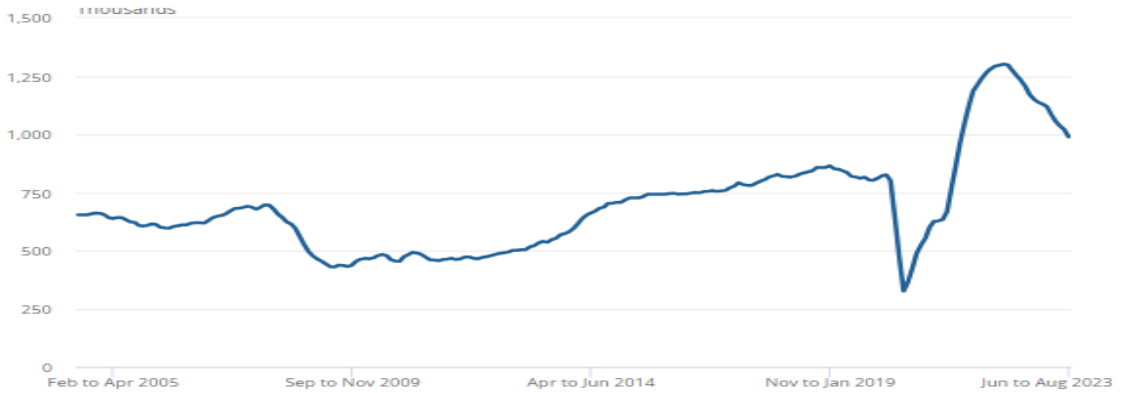
Source: [ONS](#)

Released: 12 September 2023

The number of vacancies in the UK, in June to August 2023 was 989,000, a decrease of 64,000 from March to May 2023, it was the 14<sup>th</sup> consecutive period to show a fall on the quarter since May – July 2022, and the first time vacancies have been under 1 million since May to July 2021. Despite this fall, and that vacancies in June – August 2023 were 268,000 from the level of a year ago they remained 188,000 above their pre-coronavirus (COVID-19) January – March 2020 levels.

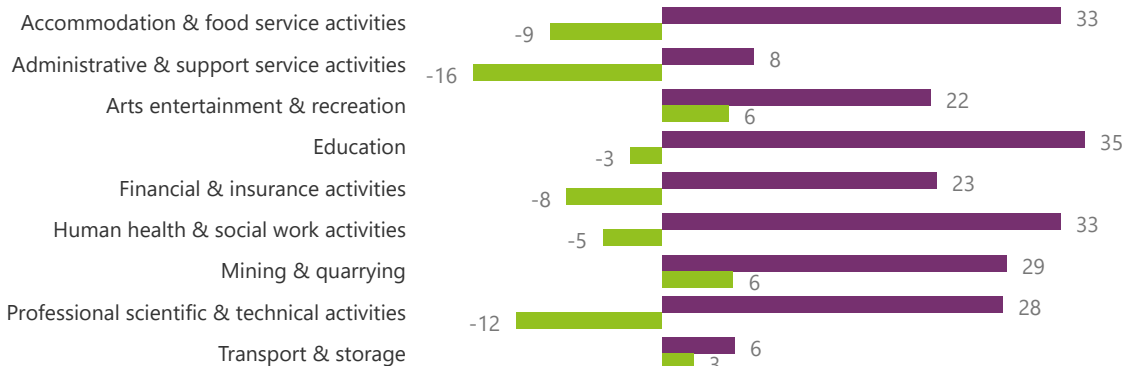
The number of vacancies has fallen in the majority of industrial sectors. The total number of vacancies fell by 6.0% from the previous quarter, with administrative and support service activities, and professional, scientific, and technical activities contracting the most, falling by 15.7% and 12.1%, respectively. The largest growth was in mining and quarrying at 5.9%. When comparing trends over the last year, the industry with the largest fall was accommodation and food service activities. Since the quarter January – March 2020 – pre COVID-19 the vacancies are higher, with human health and social work activities showing the largest increase (45,000).

## Number of vacancies in the UK



## Quarterly growth rate by industry sectors

● Percentage growth since January to March 2020 ● Quarterly percentage growth since March to May 2023



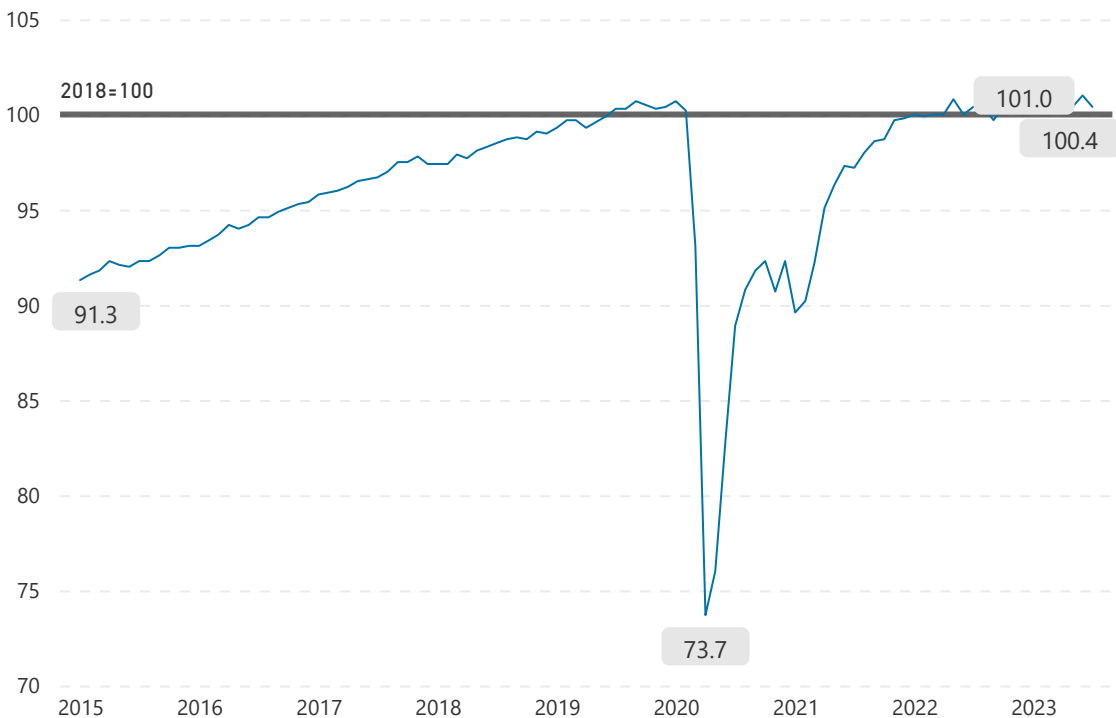
# National Headlines - Gross Domestic Product (GDP), UK

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

Released: 13 September 2023

- There are no revisions to previously published data in this monthly release because of the regular [National Accounts revision policy](#); we will see the data revisions from our pre-announced changes highlighted in our [Impact of Blue Book 2023 article](#) in the Quarterly National Accounts release (to be published on 29 September), and also in the next monthly GDP release (published on 12 October).
- Gross domestic product (GDP) is estimated to have fallen by 0.5% in July 2023, after a growth of 0.5% in June 2023. Looking at the broader picture, GDP grew 0.2% in the three months to July 2023.
- Services sector fell by 0.5% in July 2023 after a growth of 0.2% in June 2023, and was the main contributor to the fall in GDP in July.
- Consumer-facing services showed no growth in July 2023, after a rise of 0.5% in June 2023. The largest positive contributor to consumer-facing services came from sports activities and amusement and recreation activities industry (12.4%)
- Production fell by 1.6% in July 2023 after a growth of 1.8% in June 2023. The largest falling sub-sector was manufacturing, which fell by 0.8%.
- Construction is estimated to have decreased by 0.5% in July 2023 following from a 1.6% decrease in June 2023.; This came from a decrease in repair and maintenance (1.3%).

## Monthly index, UK



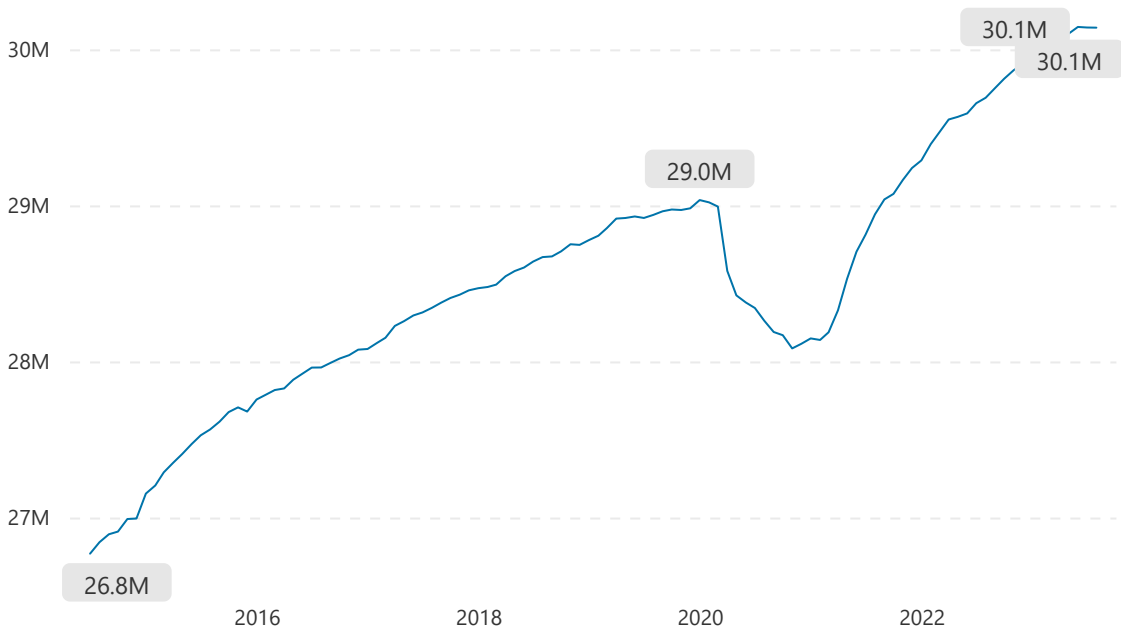
# Labour Market, UK

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

Released: 12 September 2023

- Early estimates for August 2023 indicate that the number of payrolled employees rose by 1.5% compared with August 2022, a rise of 449,000 employees; the number of payrolled employees was up by 3.9% since February 2020, a rise of 1,120,000.
- Payrolled employment decreased by 1,000 employees (0.0%) in August 2023 when compared with July 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 July 2023 compared with June 2023 has been revised from an increase of 97,000 reported in the last bulletin to an decrease of 4,000, because of the incorporation of additional real time information (RTI) submissions into the statistics, which takes place every publication and reduces the need for imputation.
- Early estimates for August 2023 indicate that median monthly pay increased by 6.7% compared with August 2022, and increased by 21.4% when compared with February 2020.
- Between August 2022 and August 2023, there was an decrease of 45,000 payrolled employees aged under 25 years; during the same period, payrolled employees aged 35 to 49 years increased by 174,000.

## Payrolled employees, seasonally adjusted, UK



# Businesses currently trading, UK

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

Released: 21 September 2023

The data presented in this bulletin are the final results from Wave 91 of the Business Insights and Conditions Survey (BICS), which was live for the period of 4 September to 17 September 2023.

- In early August 2023, 95% of businesses reported they were trading, with 86% fully trading, 9% partially trading, 3% temporarily paused and 2% permanently ceased trading.
- In August 2023, approximately (27%) of trading businesses reported their turnover was lower compared with July 2023 (24%). This is up 2 percentage points from July 2023; in comparison 15% reported their turnover was higher, down 17% from the same period.
- When looking ahead to October 2023, 18% of trading businesses expect their turnover to increase, The same proportion that had these expectations for September 2023; meanwhile 54% reported that they expect their turnover to stay the same.
- Of trading businesses, 26% reported an increase in the prices of goods or services bought in August 2023 compared with July 2023, down 4 percentage points when comparing July 2023 with June 2023.
- Less than 1 in 6 (14%) of trading businesses to raise the prices of goods or services they sell in October 2023, down 2 percentage points from expectations for September 2023.
- Almost one in five (19%) trading businesses reported that their performance had decreased in August 2023 compared with August 2022; this was broadly consistent with July 2023.
- In early September 2023, nearly a quarter (23%) of trading businesses reported that they expect their overall performance to increase over the next 12 months; this is broadly consistent with early August 2023.

# Businesses Closures, UK

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

Released: 15 September 2023

Data for England and Wales on company insolvencies shows that there were 2,308 in August 2023, higher than in the same month in the previous year and a third higher than the previous month.

There were 221 compulsory liquidations in August 2023, 45% higher than in August 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.

In August 2023 there were 1,880 creditors' voluntary liquidations (CVLs), 13% higher than in August 2022. The number of administrations was also higher than in August 2022

For individuals, 648 bankruptcies were registered in August 2023, which was 12% higher than in August 2022, but less than half of pre-2020 levels.

There were 2,714 Debt Relief Orders (DROs) in August 2023, which was 40% higher than in August 2022. Monthly DRO numbers between April and July 2023 were slightly higher than pre-2020 levels.

There were 5,174 Individual Voluntary Arrangements (IVAs) registered in August 2023, which is 27% lower than August 2022.

## Company insolvencies in England & Wales

