

West Sussex Economy Snapshot

March 2023 (Issue 32)

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, January '23-February '23, there was an increase of 2% in the number of claimants aged 16+ in West Sussex, regional and national figures increased by 2.3% and 2.7% each. All districts & boroughs in West Sussex saw an increase over this time. Crawley has the highest number of claimants and the highest claimant count rate, at 3.7%, higher than the regional and same as national rates. Mid Sussex has the lowest claimant count rate.

Despite the claimant count rising in the last month, the numbers of employees continues to increase in West Sussex, this maybe due to some of the economically inactive now joining the workforce, though there is a lack of robust data at the local geography that allows a detailed examination of this trend. The release of the Annual Population Survey next month may shed further light on it. The number of employees on payrolls is continuing to increase in West Sussex. The number of employees on payrolls, from this data, is above that seen before April 2020. West Sussex's employees increased by 0.53% from January 2023, higher growth than South East and the UK. 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 -8% 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, programming & software developing professions and catering related occupations – kitchen and catering assistants as well as chefs. 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- Mar 2022 – Feb 2023 was higher than the number of businesses that have been dissolved or have gone into liquidation – by around 420 businesses. In the last three months Dec '22– Feb '23, however, there were 283 more business that were dissolved or gone into liquidation than there had been new business incorporations. 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) grew in January by 0.3% following a fall in the previous month (a decrease of 0.5% in December). Monthly GDP is now estimated to be 0.2% below its pre-coronavirus (COVID-19) levels (February 2020). Service sector grew by 0.5% in January 2023. Education, transport and storage, human health activities, and arts, entertainment and recreation activities, are all the largest contributor to the rebound after the fall in Dec '22. Consumer-facing services grew in January 2023 by 0.3%, following a fall of 1.2% in December 2022 - sports activities and amusement and recreation activities was the major contributor to this growth. Production fell by 0.3% in January 2023 after a fall of 0.3% in December 2022. Construction fell by 1.7% in January 2023 after being flat in December 2022.

The number of payrolled employees has continued to increase nationally, albeit at a slower rate, and over the year February 2022-February 2023 rose by 2.3%. Early estimates suggest that median monthly pay increased by over 3.6% since February 2020.

From the Business Insights and Conditions Survey (BICs), 95% of businesses reported they were trading. 25% of trading businesses reported turnover was lower compared with January 2023 and 16% reported their turnover was higher. 37% of trading businesses reported an increase in the prices of goods or services bought in February 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 1,783 in February 2023, 17% higher than in the same month in the previous year and 33% higher than three years previously.

New Businesses, West Sussex

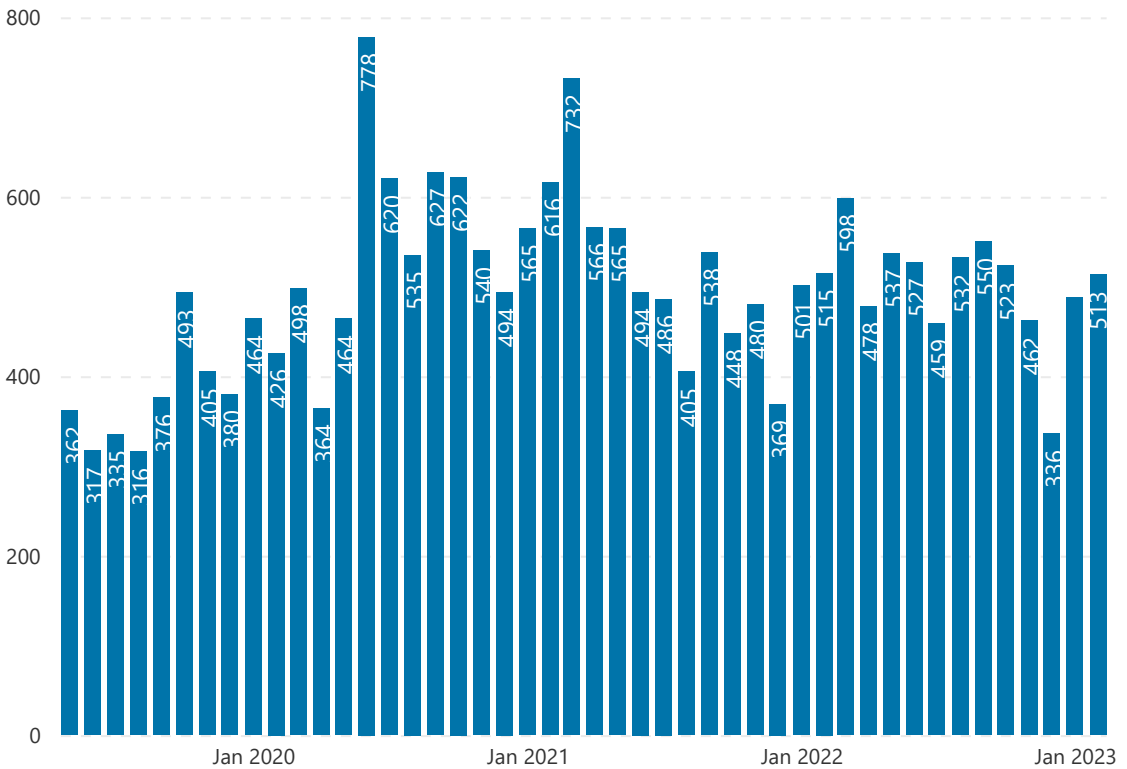
Source: FAME

Released: March 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, March 2022- February 2023, there were around 5,843 new business incorporations, 420 more than the 5,423 businesses that were dissolved, or which had gone into liquidation.

In the last 3 months – December '22 –February '23 there were 283 more businesses that had gone into liquidation, or been dissolved (1,619) than there had been new business incorporations (1,336). In January 2023, there were more closures (661) than new businesses (492).

New business incorporations in West Sussex



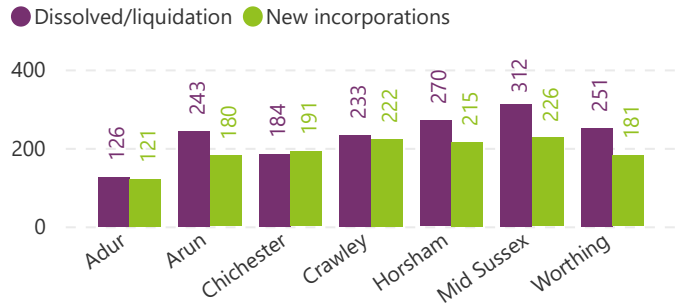
Businesses, West Sussex

Source: FAME

Released: March 2023

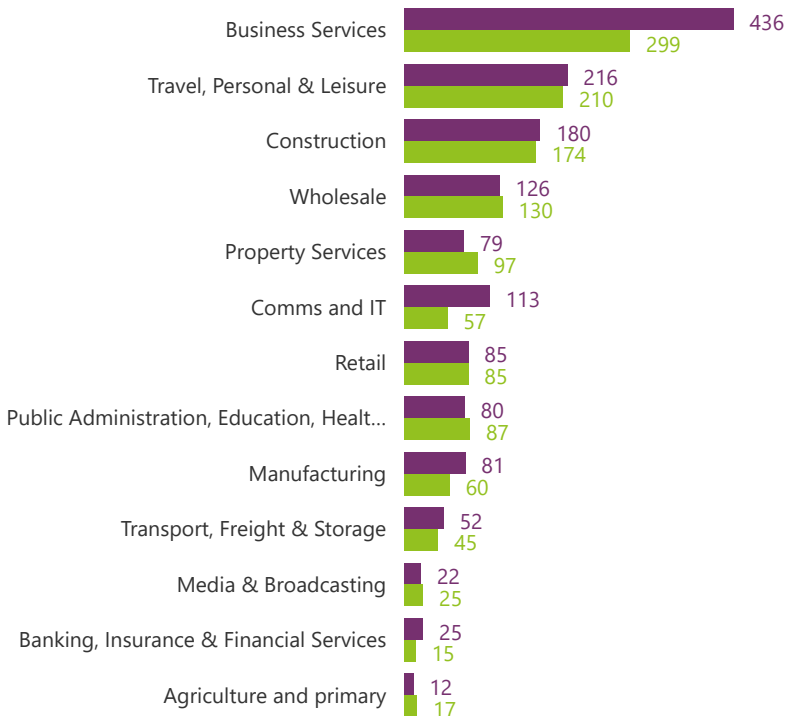
Over the last three-month period – Dec 2022- Feb 2023 Mid Sussex continues to have the highest number of new business incorporations, and the same number of businesses that have dissolved or are in liquidation. Chichester saw more new businesses than business closures than the six other local authorities in the county, and there is 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 (Dec '22-Feb '23)



Number of new business incorporations and businesses dissolved/in liquidation by industry (Dec '22-Feb '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 travel, personal & leisure, construction, manufacturing, comms & IT, 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: 14 March 2023 (February 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.

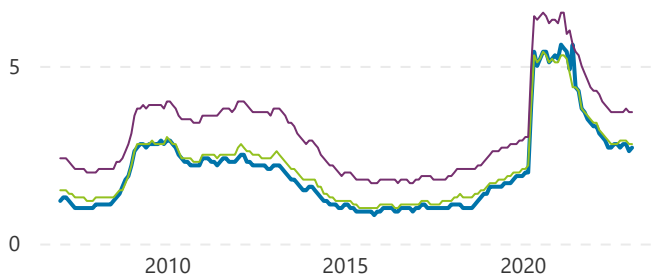
There were 14,030 claimants aged 16+ in West Sussex in February 2023, an increase of 1.9% from the previous month, compared with a regional and national (England) increase of 2.3% and 2.7%.

Within West Sussex, all local authority districts saw an increase in claimants from Jan'23. Horsham saw the highest increase in claimants at 4.7%.

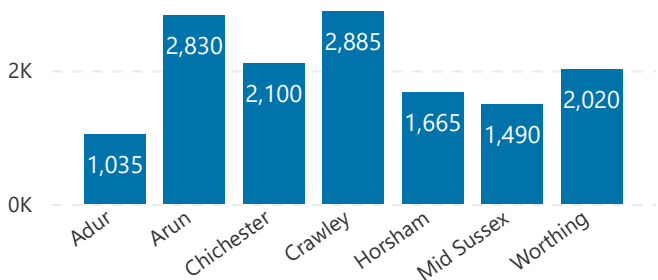
Crawley has the highest number of claimants at 2,885 and the highest claimant count rate at 3.7%, higher than the regional and same as the national rates. Mid Sussex has the lowest claimant count rate at 1.6%. In West Sussex, % of male claimants aged 16+ increased by 2.2% and female by 2.5%.

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: 14 March 2023 (February 2023 figures are provisional)

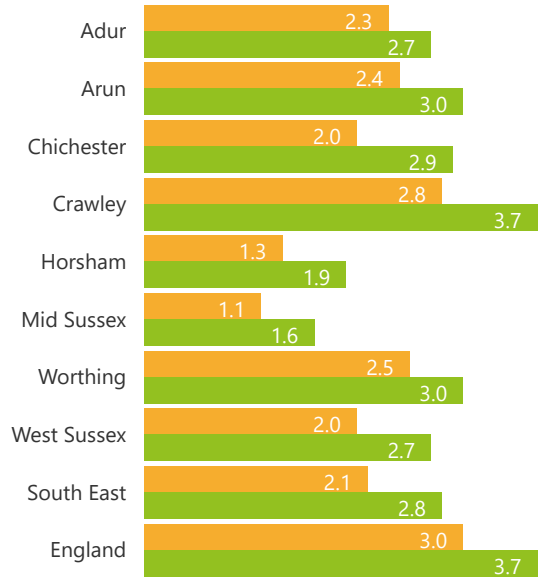
Age profile of claimants: Worthing (19.8%) has the highest proportion of 16-24 year olds, and Chichester the lowest at 12.1%. Chichester has a higher proportion of claimants who are over 50 years.

There are 2,120 claimants aged 18-24 in West Sussex, which is a decrease of -1% from the previous month. National (England) and regional figures increased by 4% and 3% for this age category. Arun has the highest number of claimants in this age group at 415. Crawley (5%) and Horsham (2%) in West Sussex saw an increase, in the claimants aged 18-24 over the last month, and all other local authorities in the county saw a decline.

Within West Sussex, over the last month, there was an increase of 2% in claimants amongst males aged 18-24 years; females fell by -5%.

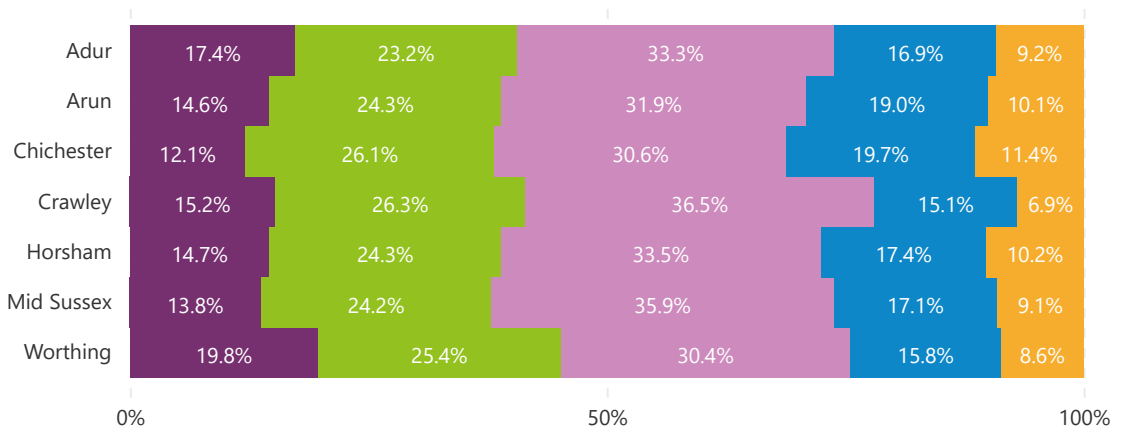
Claimant count rates change

● March 2020 ● February 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

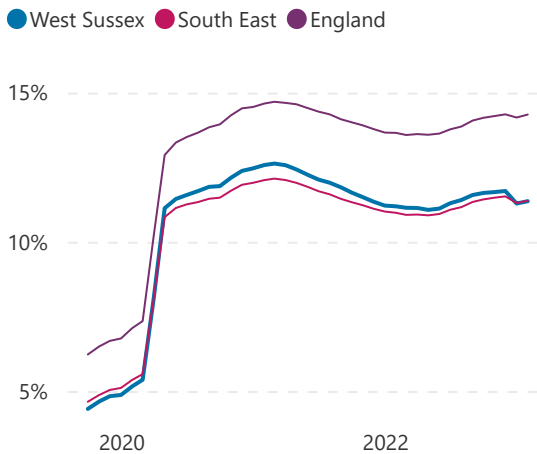
Source: [Department for Work and Pensions](#)

Released: 14 March 2023 (February 2023 figures are provisional)

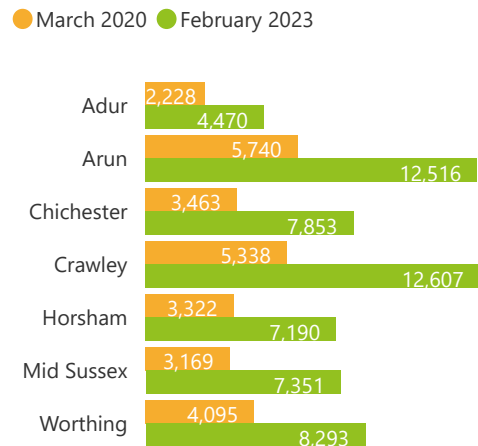
Universal Credit is a single payment for each household to help with living costs for those on a low income or out of work. In February 2023, there were 60,276 Universal Credit claimants, which is a 1.6% increase from previous month. The numbers of people claiming Universal Credit in West Sussex has increased 120% since March 2020 - from 27,355 to 60,276 in February 2023. In West Sussex, the percentage of people in employment claiming Universal Credit increased since Mar'20 from 41.14% to 44.3% in Jan'23. In Jan'23, within West Sussex, Mid Sussex (3,390) has seen the highest percentage of Universal Credit claimants who are in work at 47% followed by Crawley (5,657) and Horsham (3,209) at 46%.

Crawley has seen the highest % rise (136%) over the period from March 2020 (at the start of the pandemic) to February 2023 though there has been a significant rise in the number of residents claiming Universal Credit across the county. Please note February 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

● In employment ● N/A ● Not in employment



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

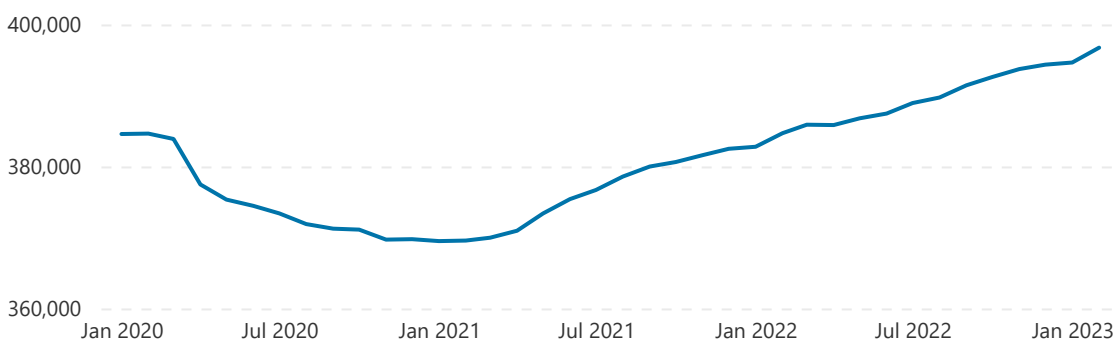
Source: ONS - [Earnings and employment from Pay As You Earn Real Time Information, seasonally adjusted](#)

Released: 14 March 2023

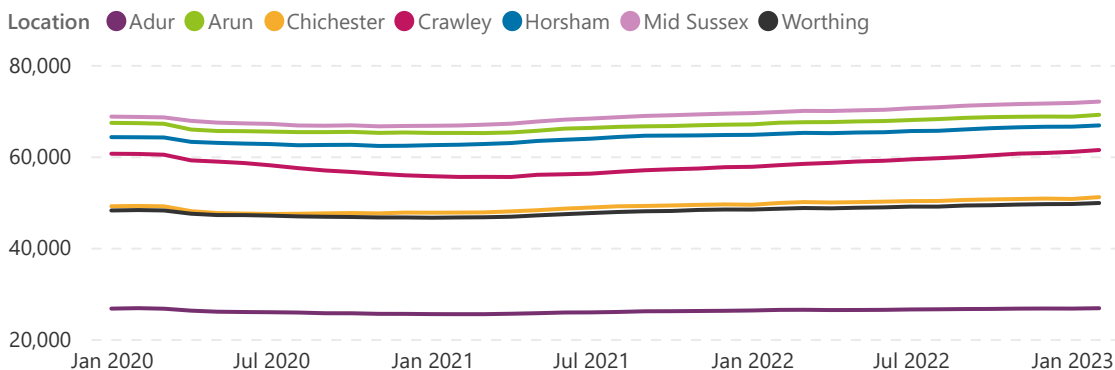
These figures are from a set of 'experimental statistics' from ONS from the earnings and employment statistics Pay as You Earn (PAYE) Real Time Information (RTI) seasonally adjusted data set. The latest data is up to the month of February 2023. West Sussex's employees increased by 0.53% from January 2023. The South East's employees grew by 0.44% and the UK's employees grew by 0.33%. 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

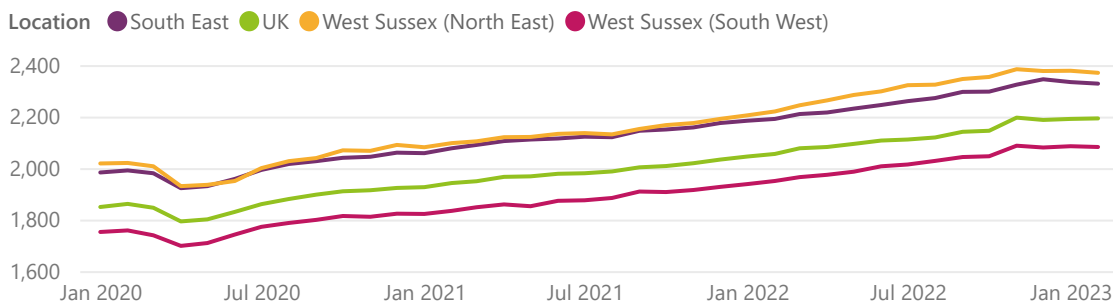
Source: ONS - [Earnings and employment from Pay As You Earn Real Time Information, seasonally adjusted](#)

Released: 14 March 2023

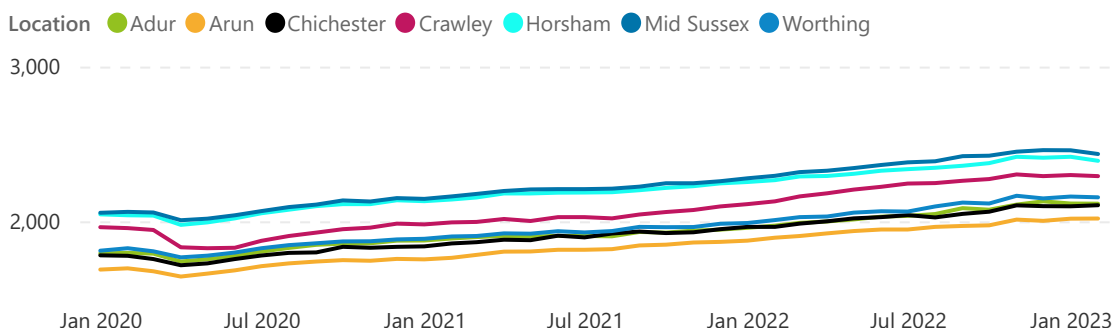
As in the previous page, these figures are based on the ONS statistics from the earnings and employment Pay As You Earn (Seasonally Adjusted) RTI data set and are up to the month of February 2023. The local authority with the largest percentage increase of pay from January 2023 was Chichester with 0.33% 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 -0.14% and the North East had a decrease in median monthly pay by -0.34% from January 2023. The South East's monthly median pay decreased by -0.26% and the UK's increased by 0.09% since January 2023.

The local authority with the highest median monthly pay is Mid Sussex at £2,435, and the lowest is seen in Arun at £2,018. 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 little change in monthly median pay with the highest increase since November being 0.003% in Arun. The highest decrease since November was 0.01% in Horsham.

Median Pay National and Regional Figures



Median Pay in West Sussex



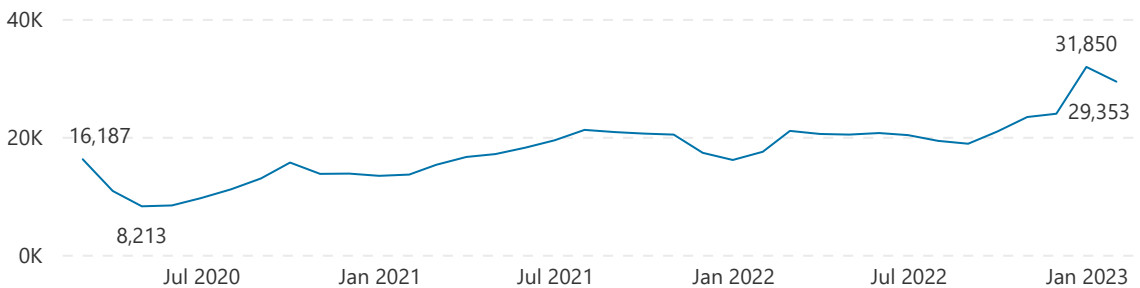
Job Postings, West Sussex

Source: Lightcast

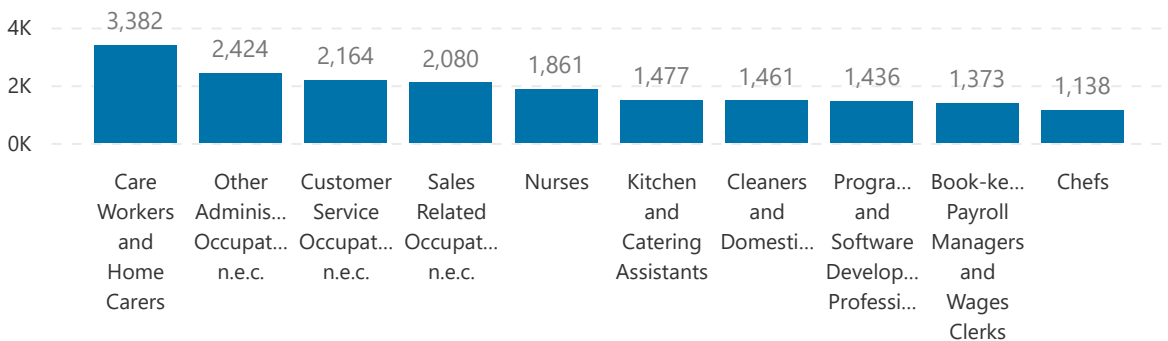
Released: March 2023

Job postings continue to be generally higher than pre-pandemic levels although there has been a significant decrease (-8%) between Jan '23 and Feb '23. In terms of the 'top' posted occupations over the last six months to Feb 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 Programmers and software development professional continue to be in the top 10 occupations posted.

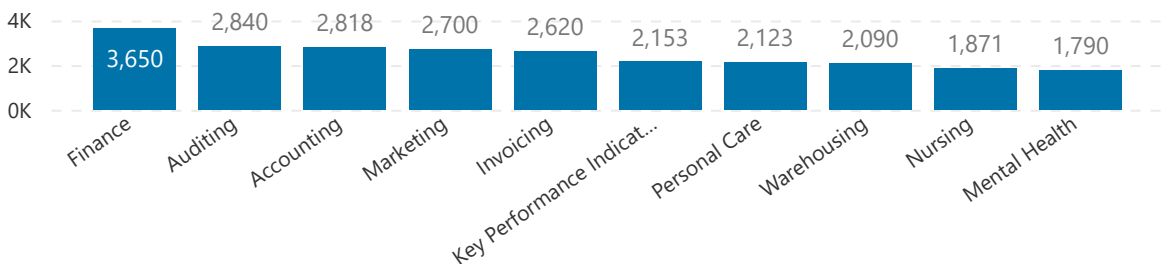
Unique job postings over time in West Sussex



Top 10 posted occupations (unique postings Sep '22 - Feb '23)



Top 10 hard skills (unique postings Sep '22 - Feb '23)



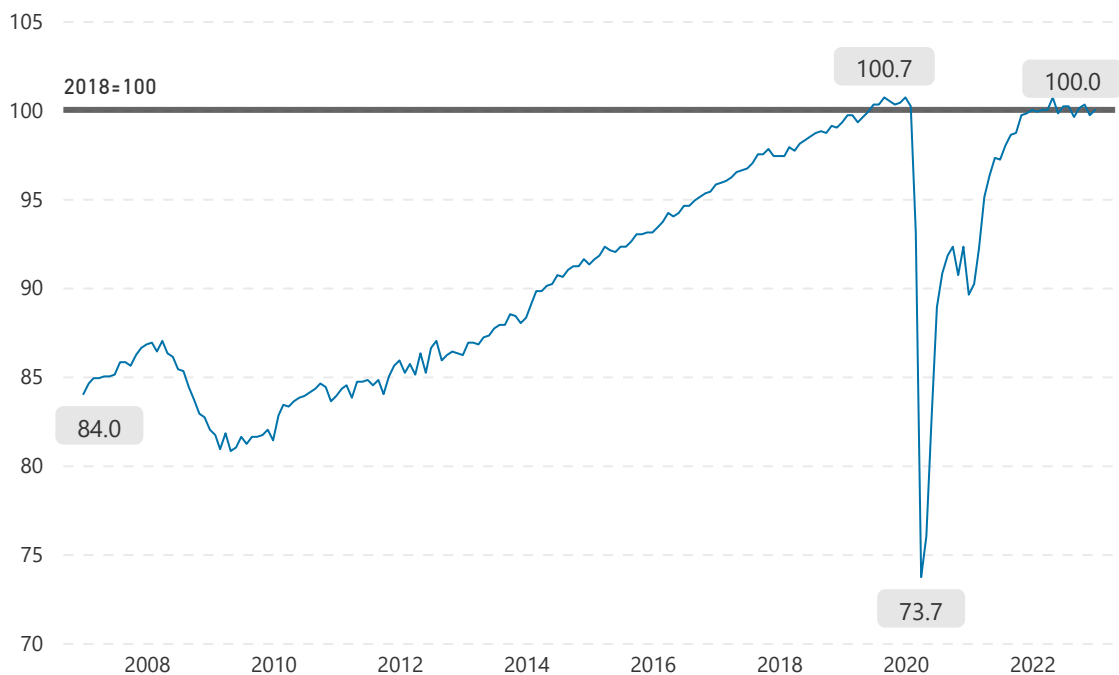
National Headlines - Gross Domestic Product (GDP), UK

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

Released: 10 March 2023

- Gross domestic product (GDP) is estimated to have growth by 0.3% in January 2023, after a fall of 0.5% in December 2022. Looking at the broader picture, GDP was flat in the three months to January 2023. Monthly GDP is now estimated to be 0.2% below its pre-coronavirus (COVID-19) levels (February 2020).
- Services grew by 0.5% in January 2023 after a fall of 0.8% in December 2022. The largest contributions to services was from education, transport and storage, human health activities, and arts, entertainment and recreation activities, all of which have rebounded after falls in December 2022.
- Consumer-facing services grew by 0.3% in January 2023, after a fall of 1.2% in December 2022. The largest contributor in consumer-facing services was sports activities and amusement and recreation activities (8.9%). This was due to the Premier League football being resumed after matches were postponed in December 2022.
- Production fell by 0.3% in January 2023 after a fall of 0.3% in December 2022. Manufacturing was the main driver of the fall in production.
- Construction fell by 1.7% in January 2023 after a being flat in December 2022. The main contributor to the fall in construction came from a fall in new work (4.0%).

Monthly index, UK



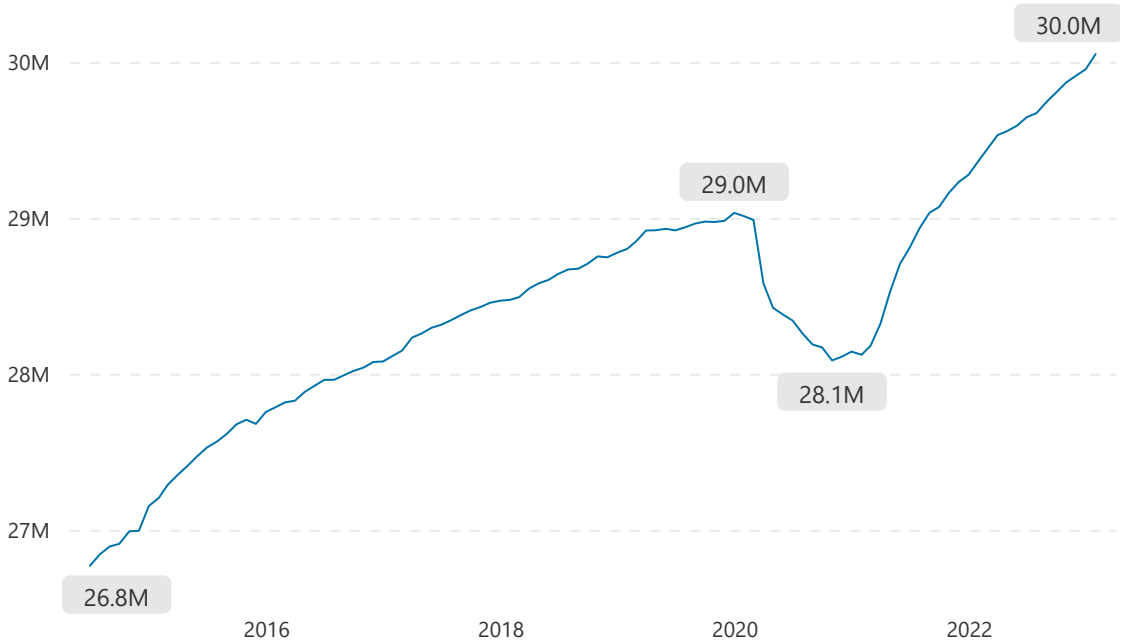
Labour Market, UK

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

Released: 14 March 2023

- Early estimates for February 2023 indicate that the number of payrolled employees rose by 2.3% compared with February 2022, a rise of 684,000 employees; the number of payrolled employees was up by 3.6% since February 2020, a rise of 1,040,000.
- Payrolled employment increased by 98,000 employees (0.3%) in February 2023 when compared with January 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 January 2023 compared with December 2022 has been revised from an increase of 102,000 reported in the last bulletin to an increase of 42,000, 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 February 2023 indicate that median monthly pay increased by 6.7% compared with February 2022, and increased by 17.8% when compared with February 2020.
- All age groups saw an increase in payrolled employees between February 2022 and February 2023; there was an increase of 67,000 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: 23 March 2023

The data presented in this bulletin are the final results from Wave 78 of the Business Insights and Conditions Survey (BICS), which was live for the period of 6 to 19 March 2023.

- In early March 2023, 95% of businesses reported they were trading, with 86% fully trading and 9% partially trading.
- In February 2023, a quarter (25%) of trading businesses reported their turnover was lower compared with January 2023, while 16% reported their turnover was higher across this period; therefore, a net 9% of business reported their turnover decreased.
- Of trading businesses, 37% reported an increase in the prices of goods or services bought in February 2023 compared with January 2023; this percentage has been falling since the question was asked in March 2022 (50%).
- Energy prices remain the top reason businesses are considering raising their prices in March 2023 with 36% of trading businesses reporting this.
- More than one in five (22%) of trading businesses expect turnover to increase in April 2023, while 12% of businesses expect turnover to decrease; the net 9% of businesses expecting turnover to increase is the highest net position since the question was asked in April 2022.
- Over two-thirds (68%) of trading businesses reported their overall performance had stayed the same or improved in February 2023 compared with February 2022; 18% of those reported their performance had increased.

Businesses Closures, UK

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

Released: 14 March 2023

Data for England and Wales on company insolvencies shows that there were 1,783 in February 2023, 17% higher than in the same month in the previous year (1,518 in February 2022), and 33% higher than the number registered three years previously (1,345 in February 2020).

There were 158 compulsory liquidations in February 2023, 32% more than twice the number in February 2022 and 32% lower than in February 2020. Numbers of compulsory liquidations have increased from historical lows seen during the coronavirus (COVID-19) pandemic.

There were 2,083 Debt Relief Orders (DROs) in February 2023, which was 7% lower than February 2022 and 13% lower than the pre-pandemic comparison month (February 2020).

There were, on average, 5,627 Individual Voluntary Arrangements (IVAs) registered per month in the three-month period ending February 2023, which is 12% lower than the three-month period ending February 2022, and similar to the three-month period ending February 2020.

Company insolvencies in England & Wales

