

**Coast to
Capital**



**COVID-19
Economic
Impact
Dashboard**

July 2021
Dashboard update

Contents

- 1. Introduction - 2**
- 2. National context - 4**
- 3. Coast to Capital economy - 6**

1. Introduction

Introduction

- In September 2020 we published our [COVID-19 Economic Impact Assessment](#) report to examine in detail the full range of economic impacts from COVID-19 on the region. It built directly onto the extensive [evidence base](#) developed in preparation for a Local Industrial Strategy, prior to the pandemic. Our [Build Back Stronger, Smarter and Greener](#) investment document, together with the above form the basis for economic recovery planning for our region.
- Following the September 2020 report, we monitored a set of key COVID-19 impact indicators on a regular basis to track the impact of the pandemic on our region over time. We published a COVID-19 Economic Impact Dashboard in November 2020 and an update in [February 2021](#) with the latest available data.
- We have now produced a third COVID-19 Economic Impact Dashboard with data covering the period of January 2021 to March 2021.
- In this update, we have used a different methodology than the previously used Office for Budgetary Responsibility (OBR) method to estimate the loss in gross value added (GVA) during 2020 in our region. The OBR method forecasts sector impacts by estimating the change in gross domestic product (GDP) figures. In this update we have applied a method developed by South East Local Enterprise Partnership (SELEP) which estimates GVA figures based on lost labour time due to redundancy and furlough. This method provides analysis of sector impacts that aligns more closely with local intelligence and job postings data in our region.
- This update also complements our June 2021 [COVID-19 Skills and Labour Market Impact Assessment](#), which provides more detailed analysis of the impacts on our labour market.

2. National context

National context

- UK gross domestic product (GDP) grew by 2.1% in March 2021 and 2.3% in April 2021. This is largely attributed to positive performance of the Services sector with the re-opening of schools and strong retail sales.
- The Office for National Statistics (ONS) estimated GDP could have declined by 4% between January and March 2021, however actual figures show a decline of only 1.5%.
- Bank of England revised their forecast for GDP growth in 2021 to 7.25%, up from a previous forecast of 5% growth. Citing rapid progress with the COVID-19 vaccine and easing of restrictions paved the way for positive GDP growth.
- Whilst this is the fastest GDP growth since 1941 and the UK could reach pre-pandemic levels by end of 2021, there is still two years of lost GDP growth that could have long term economic scarring effects.
- UK unemployment remains relatively low at 4.8% as of March 2021. This is only 0.8 percentage points higher than pre-pandemic rates and 0.3 percentage points lower than the December 2020 rates.
- Average UK house prices increased 10% between March 2020 and March 2021, the highest annual increase since 2007.

GDP growth

April 2021 growth and change since February 2020

	April 2021	Comparison with February 2020
GDP	▲ up 2.3%	▼ down 3.7%
Services	▲ up 3.4%	▼ down 4.1%
Manufacturing	▼ down 0.3%	▼ down 2.4%
Construction	▼ down 2.0%	▲ up 0.3%

Source: GDP monthly estimate, UK: April 2021

 Office for National Statistics

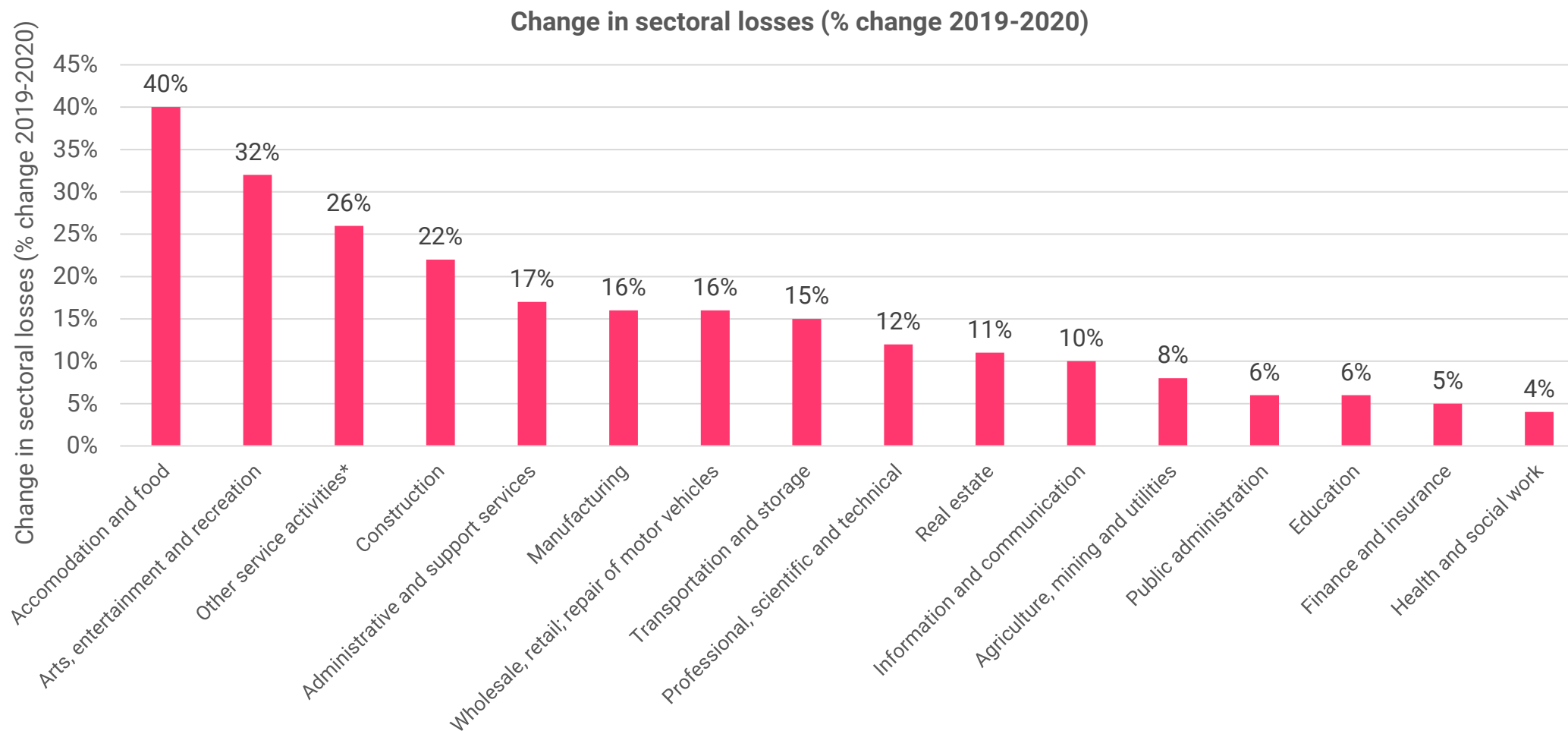
3. Coast to Capital economy

Economic output and Business environment

- in summary

- Estimates suggest our gross value added (GVA) could have declined by up to 12% in 2020, compared to a 9.9% contraction in the UK
- Accommodation and food services sector saw the largest contraction of 40%, followed closely by Arts, entertainment and recreation at 32%
- Company insolvencies declined 20% between December 2020 and March 2021, with Management and Computer consultancies as the most frequently insolvent sectors in this period
- New business registrations increased by 11% between January and March 2021 compared to the previous quarter (Oct-Dec 2020), with Wholesale and retail trade making up 30% of all registrations
- High growth companies in Coast to Capital are seeing more positive than negative impacts from COVID-19 with a 31% increase in reports of positive impacts between December 2020 and March 2021
- 67% of high growth Information and communication companies reported low impacts from COVID-19

The Coast to Capital economy is estimated to have contracted by £5.91bn in 2020 due lost labour input from impacted sectors, an overall contraction of 12% compared to the national average of 9.9% suggesting our economy is disproportionately impacted by the pandemic.



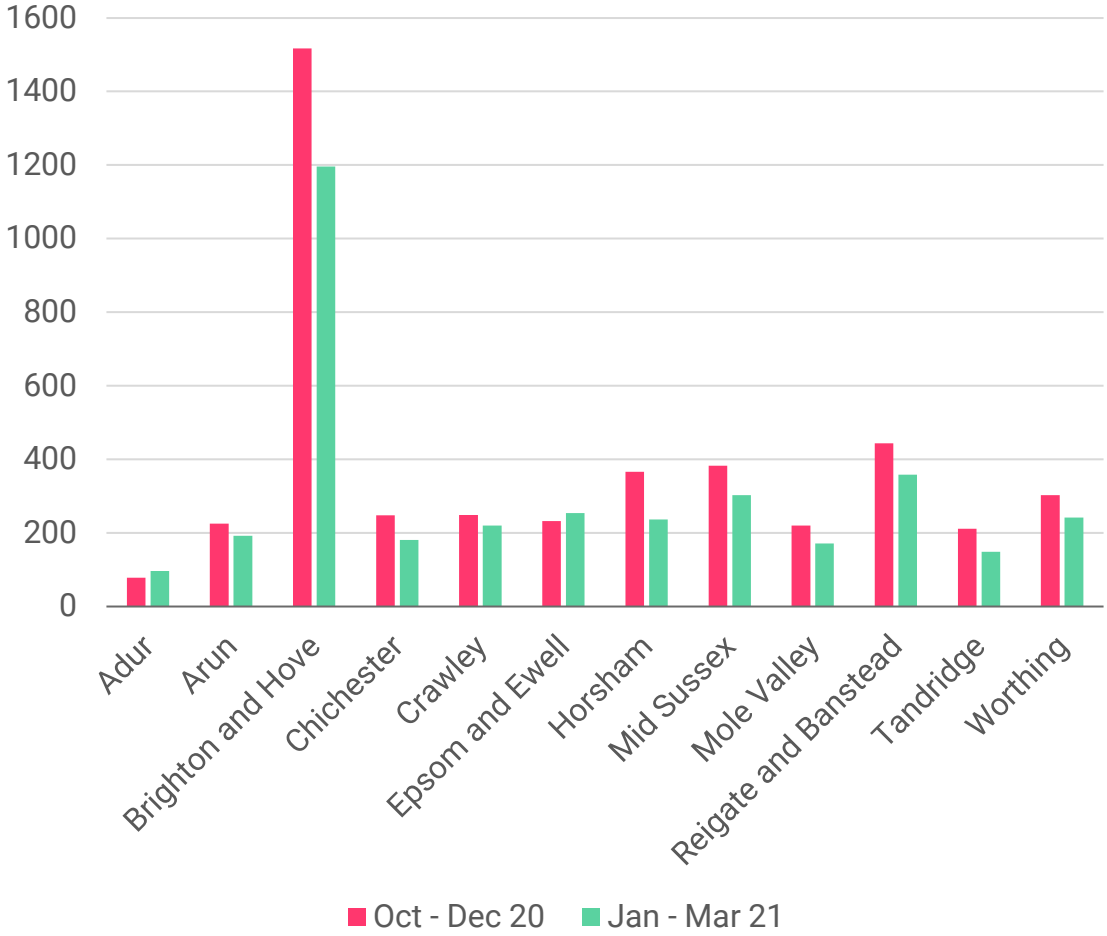
Source: HMRC, ONS, Coast to Capital Analysis**, March 2021

*Other service activities includes; membership organisations, computer repair and other personal services. More details found [here](#)

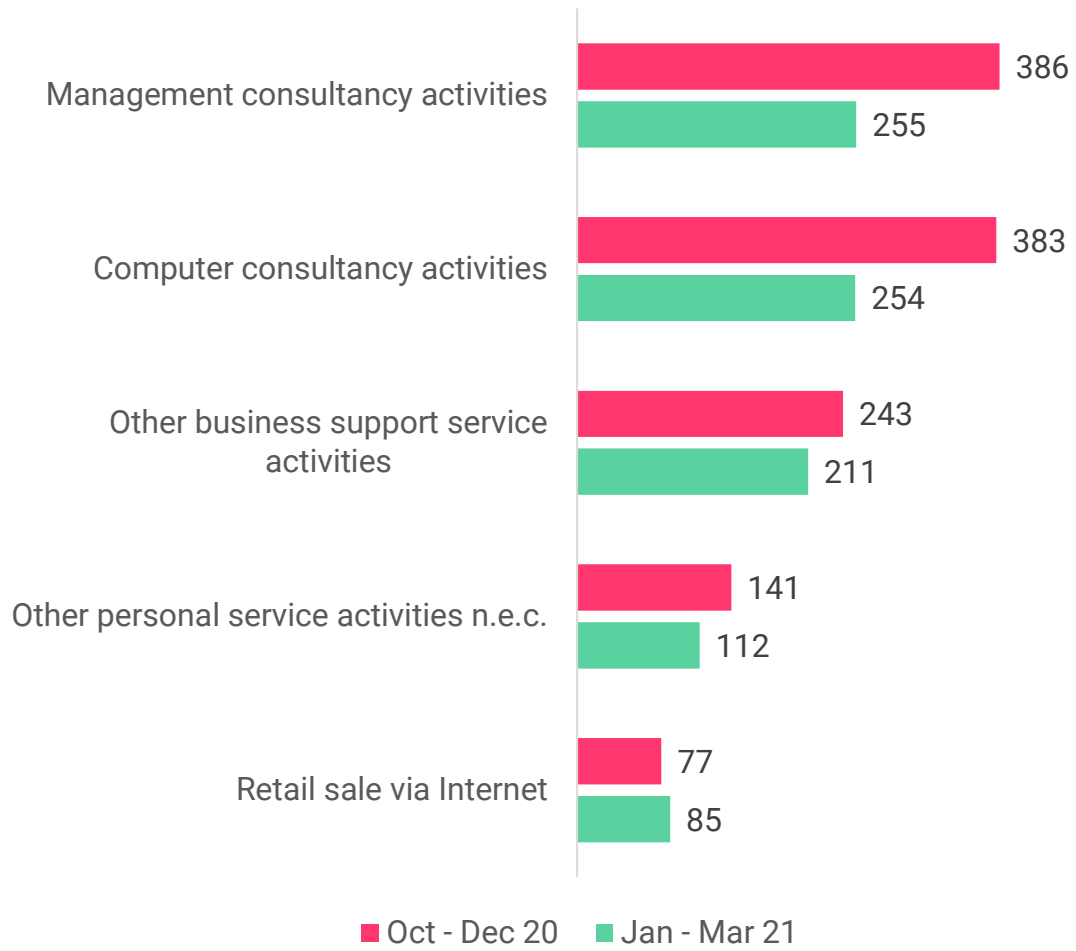
**Using lost labour time method developed by SELEP

Company insolvencies declined 20% between January 2021 and March 2021 when compared to October and December 2020 suggesting the economy was starting to recover. However, consultancy services remain the most impacted and they are one of our larger employment sectors. Businesses may look to diversify to be resilient to further economic impacts.

Company insolvencies by Local Authority

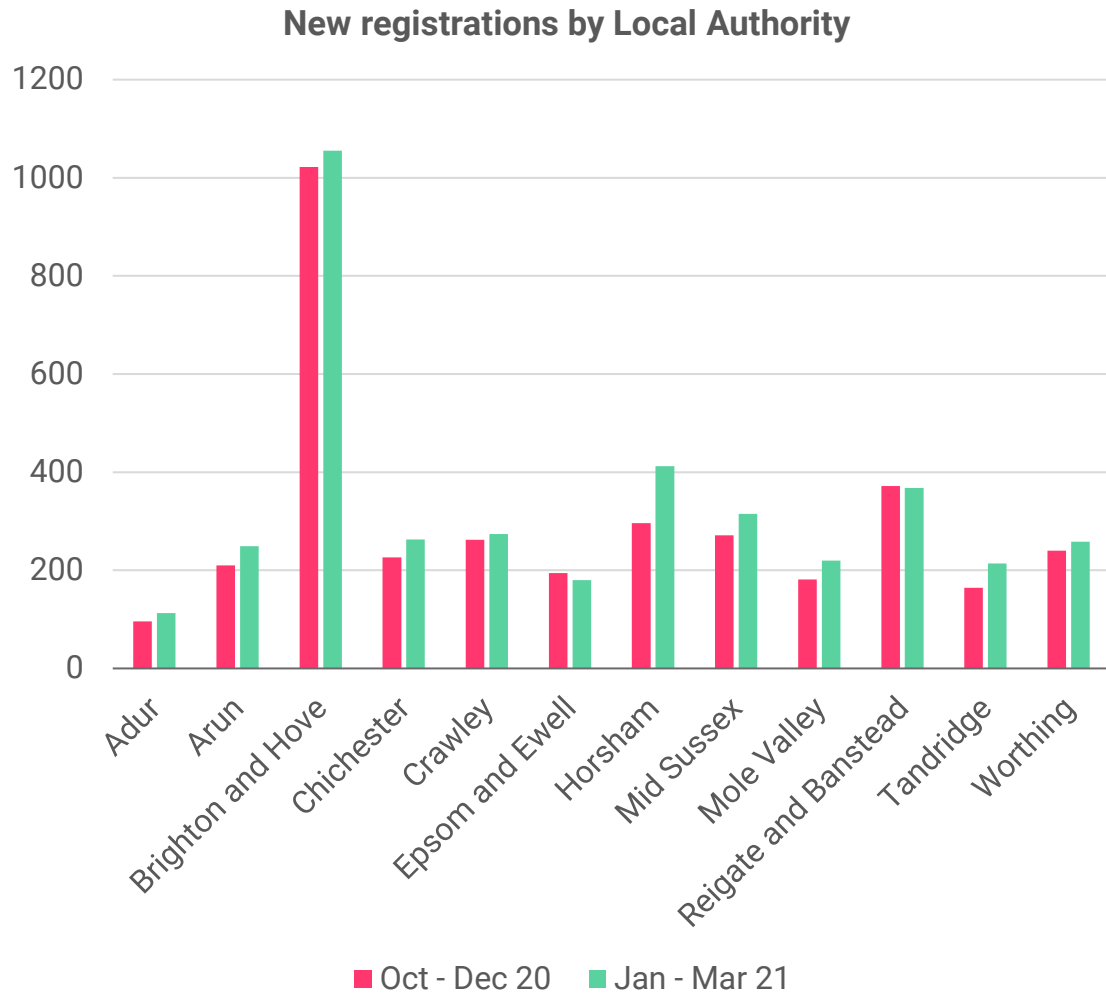


Top 5 sectors



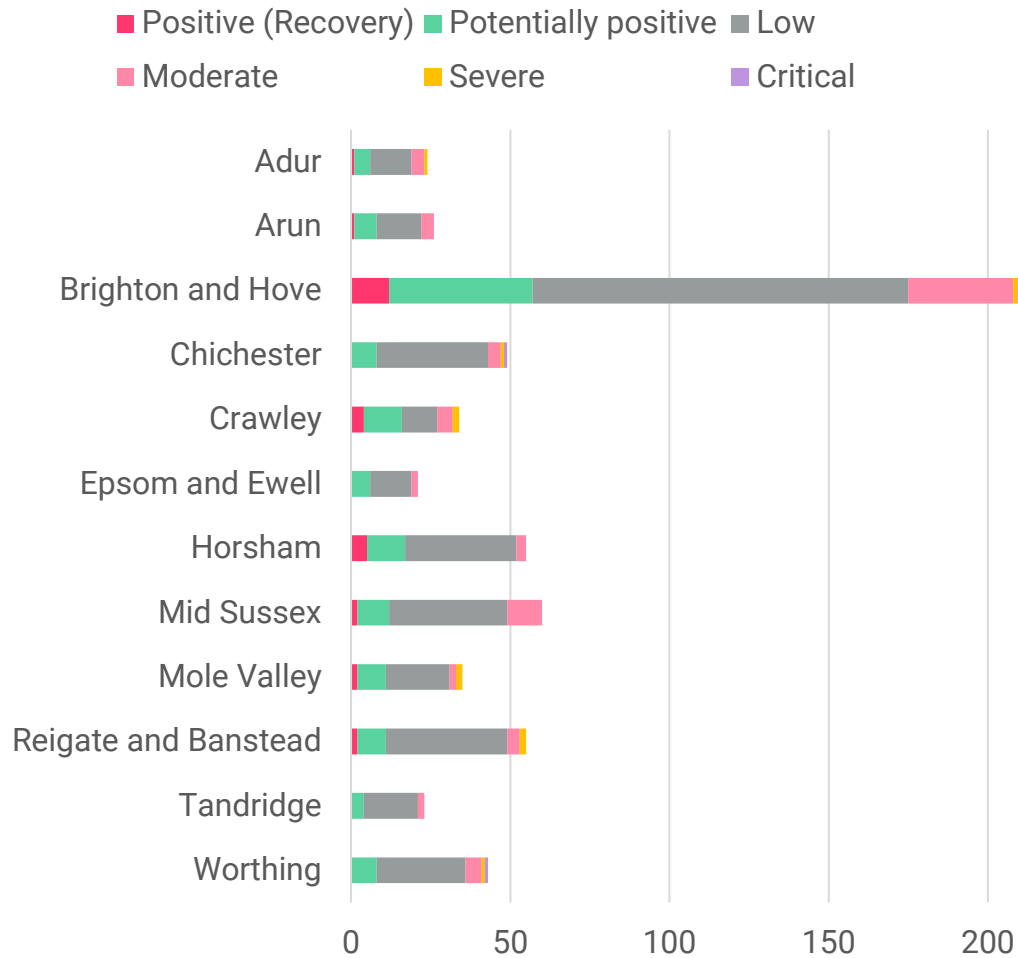
Source: Fame, March 2021

New company registrations increased by 11% in the period of January 2021 to March 2021, with an influx of businesses being created in Wholesale and retail trade, possibly due to an increase in demand for online retailers.

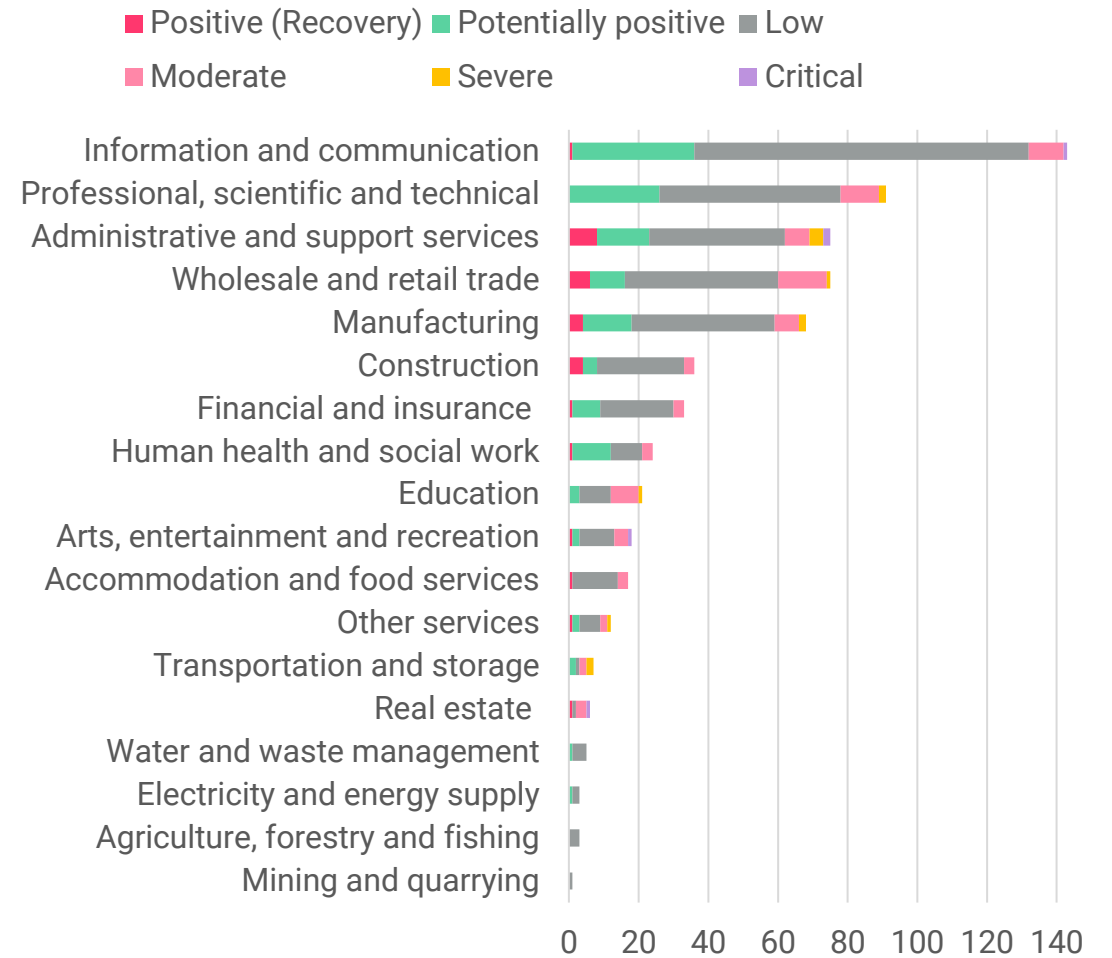


Negative impacts from COVID-19 on high growth companies in Coast to Capital are reducing as we start to see an increase in positive impacts. Similarly, Information and communication and Professional, scientific and technical companies have the highest rates of positive impact from the pandemic, potentially due to increase in demand for online services.

Current COVID-19 status by Local Authority



Current COVID-19 status by sector



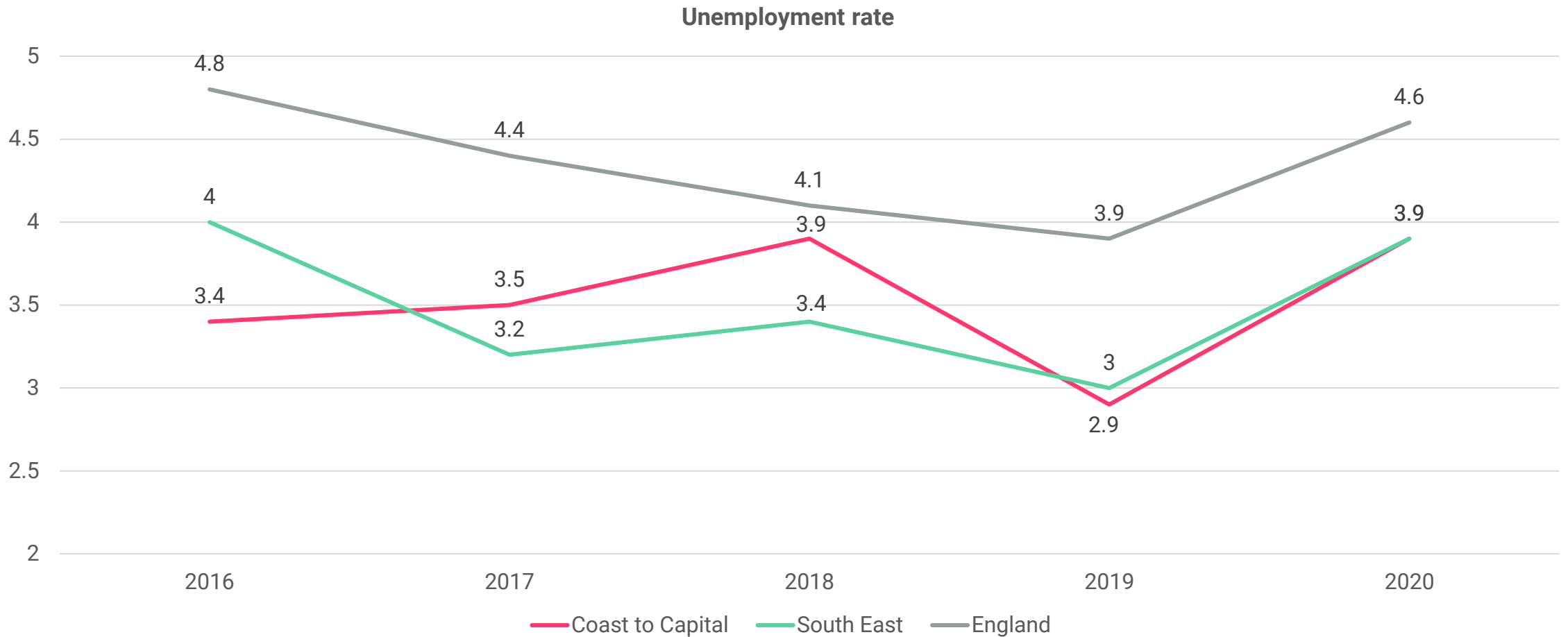
Source: Beauhurst, Current COVID-19 Status, March 2021. Responding companies: 639

Labour market

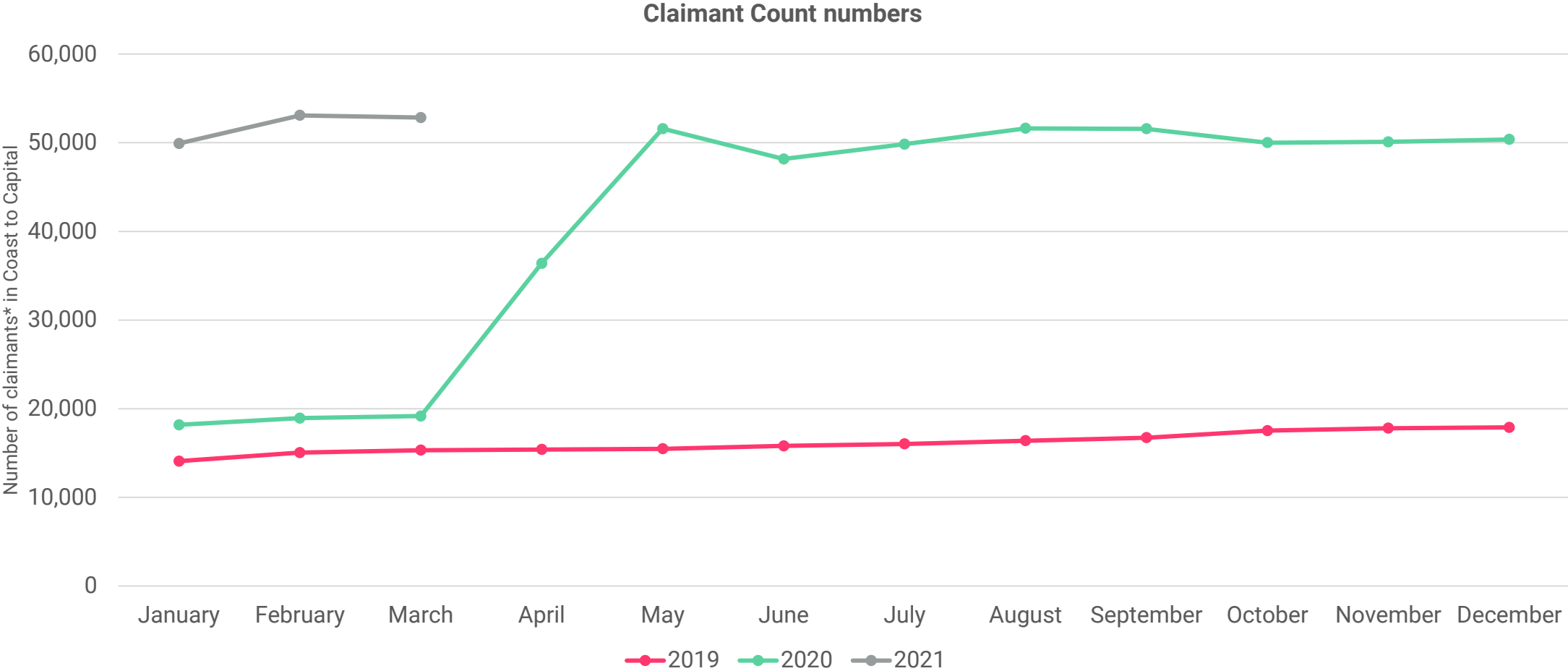
- in summary

- Unemployment in Coast to Capital reached 3.9% by December 2020 – an increase of 0.2 percentage points from September 2020 but 0.7 percentage points lower than the England rate
- As a percentage of residents aged 16-64, claimants rose by 0.2 percentage points in Coast to Capital between December 2020 and March 2021, in line with increases seen in the South East and England
- Crawley and Arun saw the highest percentage point increases of claimant counts of 0.5 and 0.4 respectively between December 2020 and March 2021
- Furlough rates in Coast to Capital went up two percentage points between December 2020 and March 2021 to 15%, a slightly higher rate than both the South East and England rates of 14%
- Take up rates of the Self Employment Income Support Scheme (SEISS) increased in Coast to Capital by 9% between December 2020 and January 2021 to a rate of 63%. Although the take up rate increased, it is below the peak take up rate of 76% in July 2020
- Job postings increased by 1.4% between December 2020 and March 2021, despite a 16% decrease between January and February 2021

Unemployment in Coast to Capital was 3.9% by December 2020 which is 0.2 percentage points higher than the September 2020 rate, but the same as the 2018 rate. Suggesting the Government support schemes are keeping the unemployment rates low during the pandemic.



February and March 2021 saw the highest claimant figures to date, exceeding peak months in 2020. Coast to Capital saw a greater claimant count increase between January 2021 and March 2021 compared to the England and South East rates. Possibly due to most of the area being in Tier 2 restrictions until the end of December causing a delay in a spike of claimant counts until the third national lockdown in January 2021.

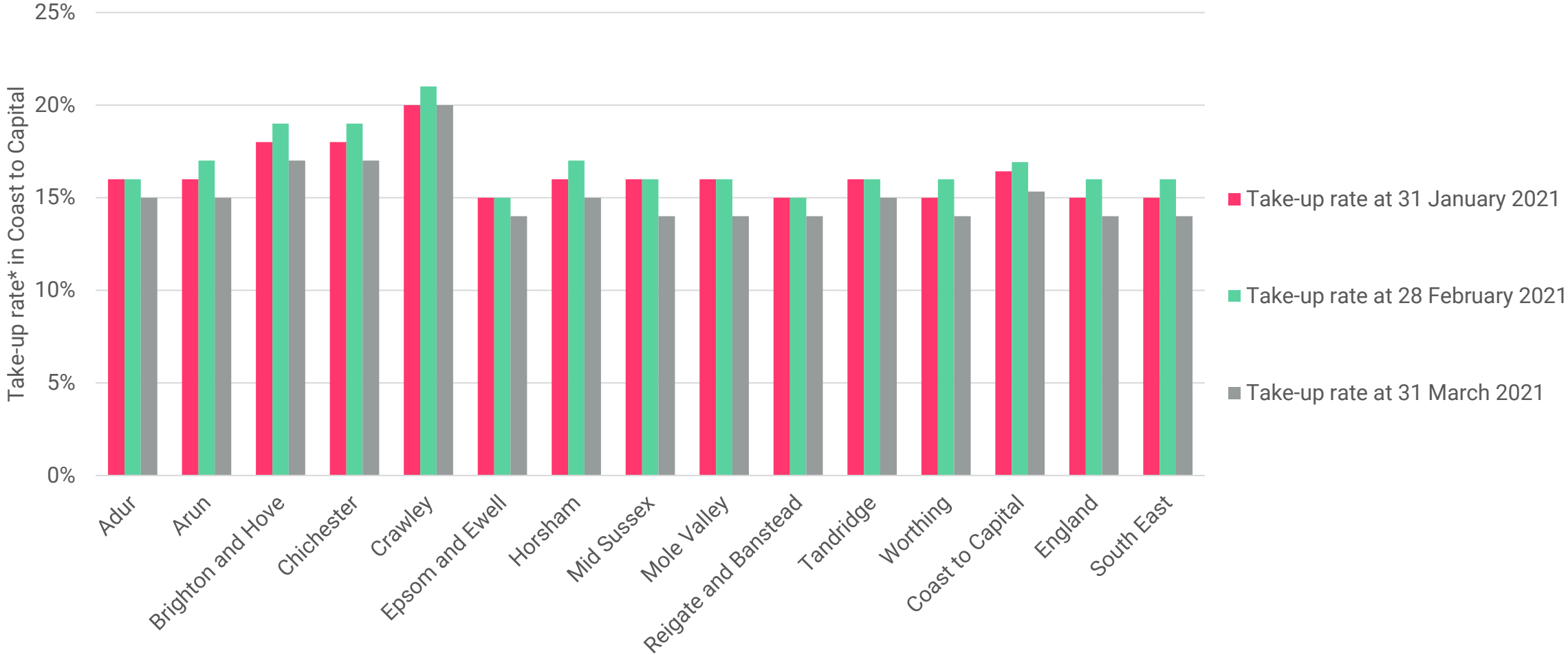


Source: Claimant Count - Nomis, March 2021

* The number of people claiming JSA and the number of people claiming Universal Credit required to seek work

In March 2021 Coast to Capital saw a higher take-up rate of the furlough scheme at 15% when compared to both the England and South East rates of 14%. Crawley remained the area with the highest take-up rate at 20%, closely followed by Brighton and Hove (17%) and Chichester (17%).

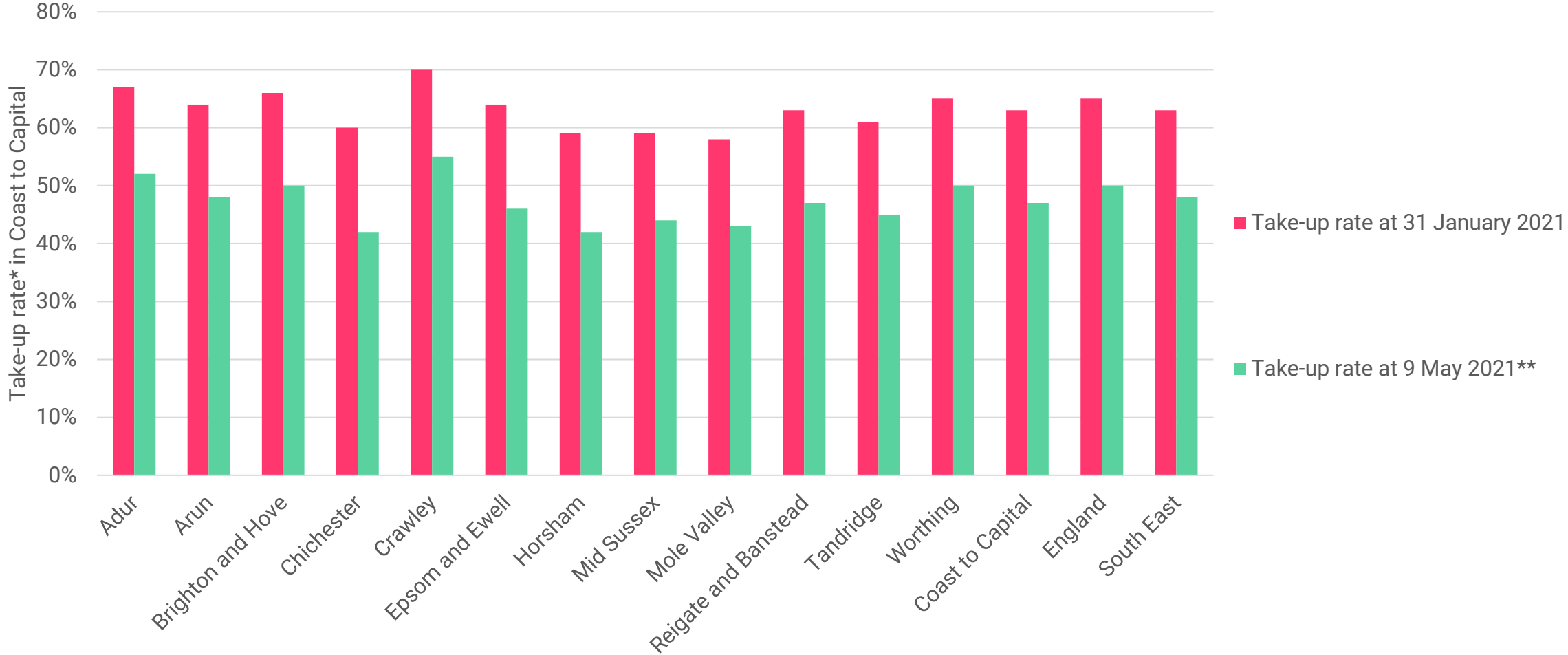
Coronavirus Job Retention Scheme (CJRS) Take-up



Source: HMRC – Coronavirus Job Retention Scheme (CJRS), March 2021
 * Take-up rate calculated as the percentage of eligible employments claiming against the CJRS

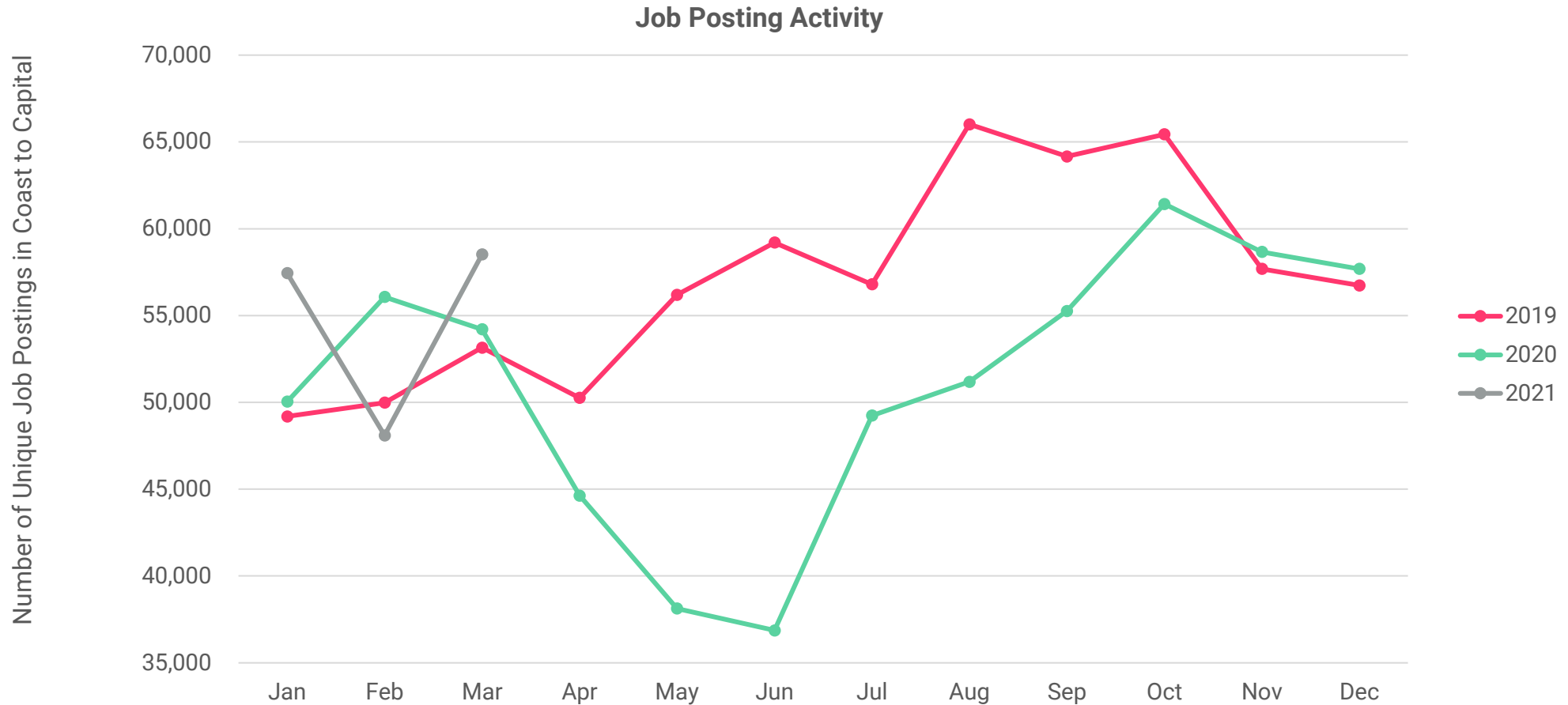
Crawley and Adur were the only areas in Coast to Capital to consistently have take-up rates for the Self-Employment Income Support Scheme (SEISS) above the national averages between January and May 2021, suggesting larger proportions of self employed in those areas.

Self-Employment Income Support Scheme (SEISS) Take-up

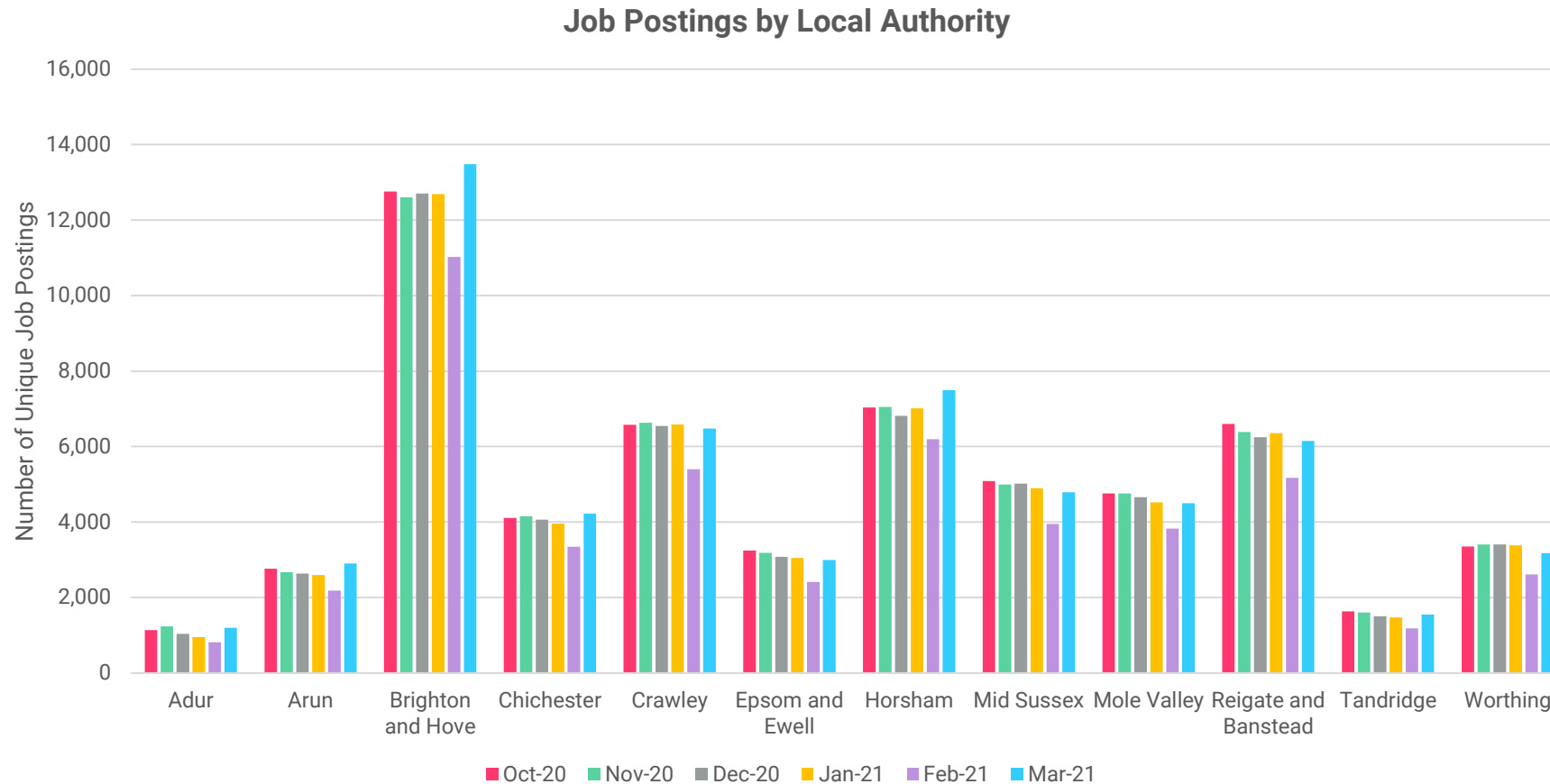


Source: HMRC – Self-Employment Income Support Scheme (SEISS), May 2021
 *Take-up rate calculated as the percentage of eligible employments claiming against the SEISS
 **There was a publication delay of the SEISS statistics with no monthly updates between February and April 2021

Job postings activity declined by 16% between January 2021 and February 2021, the largest monthly decline since April 2020. Although postings increased by 21% in March 2021, levels are still below October 2020 postings which was the 2020 peak. These percentages are slightly higher than the national figures with a 15% decline in February 2021 and 20% increase in March 2021. Job postings peaked in England in November 2020 before a 5% decline in December 2020, whereas Coast to Capital saw a 1% decline in December 2020.



Five local authority areas in Coast to Capital saw an increase in job postings between October 2020 and March 2021, however, seven saw a significant decline with the majority being located within the Gatwick Diamond. The Gatwick Diamond being a significant area of employment making up 55% of Coast to Capital employment.



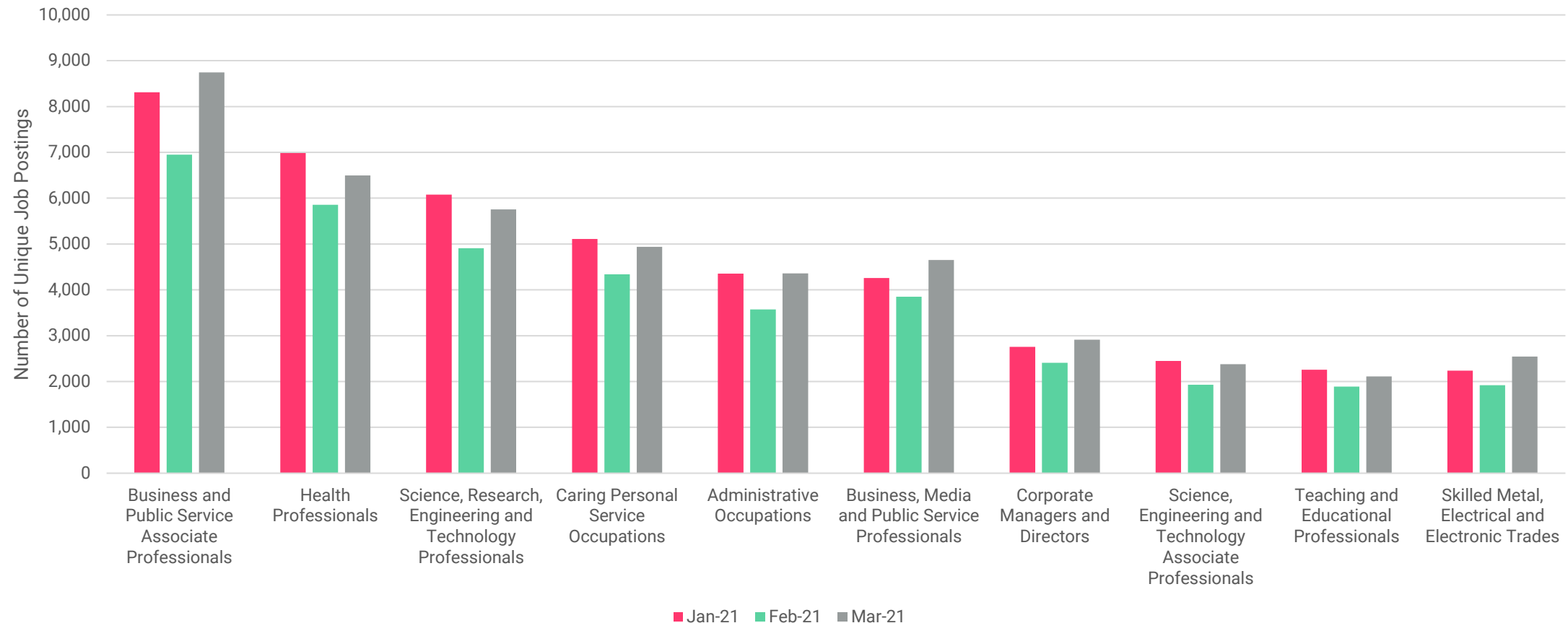
	% Change between Oct 2020 to Mar 2021
Adur	6%
Arun	5%
Brighton and Hove	6%
Chichester	3%
Crawley*	-2%
Epsom and Ewell*	-8%
Horsham*	6%
Mid Sussex*	-6%
Mole Valley*	-6%
Reigate and Banstead*	-7%
Tandridge*	-5%
Worthing	-5%

Highest
 Lowest

Source: Emsi Analyst, March 2021
 * Gatwick Diamond Local Authority

The top ten most advertised occupations remained stable between January and March 2021, but with numbers falling in February. The occupations with the largest decrease in postings from January to February were Customer Service Occupations (-34%), Leisure, Travel and related personal service occupations (-29%) and Sales Occupations (-28%).

10 Most Advertised Occupations



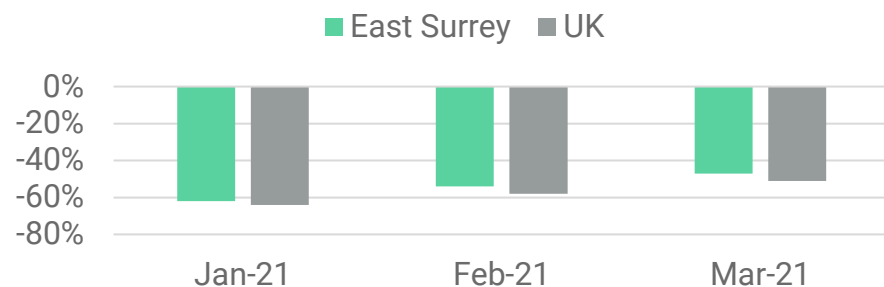
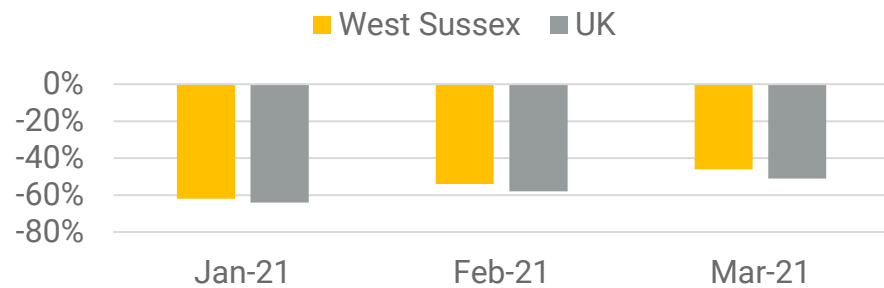
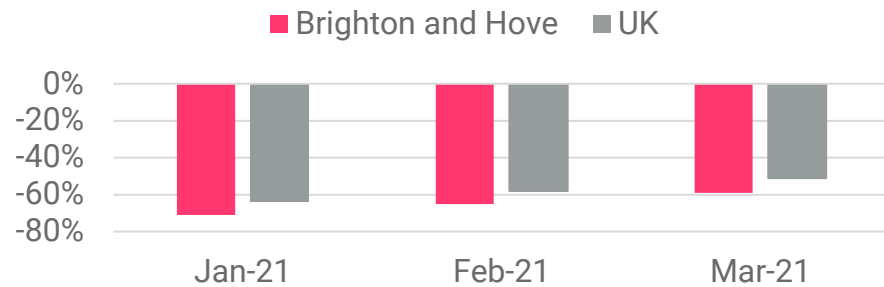
Mobility and Health

- in summary

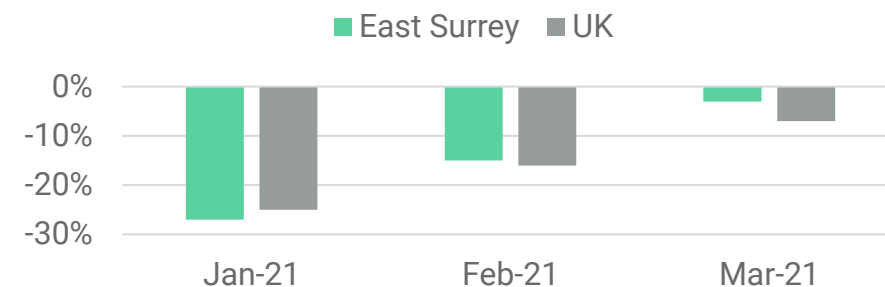
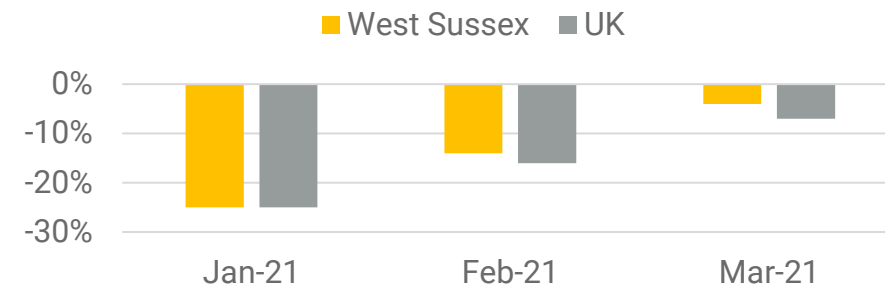
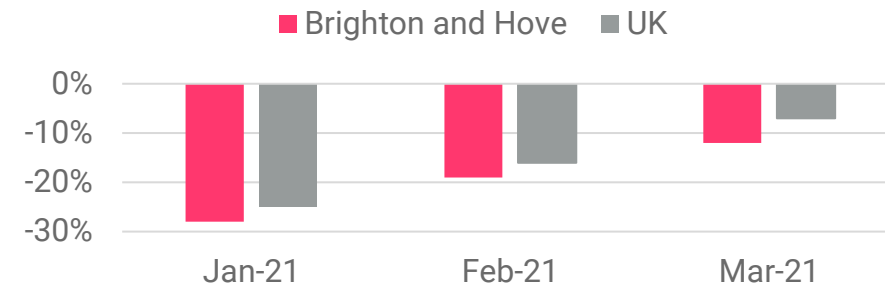
- Movement across all Google Mobility measures began to recover in December 2020 with movement around 30% below the 2020 baseline, before declining to nearly 90% below the baseline in January 2021
- There was slightly more movement to workplaces in West Sussex between January and March 2021 compared to other parts of Coast to Capital and the England average, possibly due to larger numbers of jobs that are not suited to working from home
- The COVID-19 case rate per 100,000 people began to increase in November 2020 with a rate of 68 leading to a peak rate of 254 in January 2021
- Death rate due to COVID-19 increased significantly from 102 per 100,000 people in December 2020 to 565 in January 2021
- 69% of Coast to Capital residents had a first dose of the COVID-19 vaccine by June 2021, slightly higher than both the South East (68%) and England (67%) percentages. The majority of local authorities performed better than the national rate, with only Crawley and Brighton & Hove with lower rates

Movement to essential and non-essential retail declined between January 2021 and February 2021 in line with the third national lockdown. Movement begins to recover in March 2021 as restrictions relaxed and over 50s were offered the COVID-19 vaccine. In both categories Brighton and Hove have mobility levels below the national average, suggesting a higher proportion of residents remained at home.

Retail and Recreation Mobility



Grocery and Pharmacy Mobility

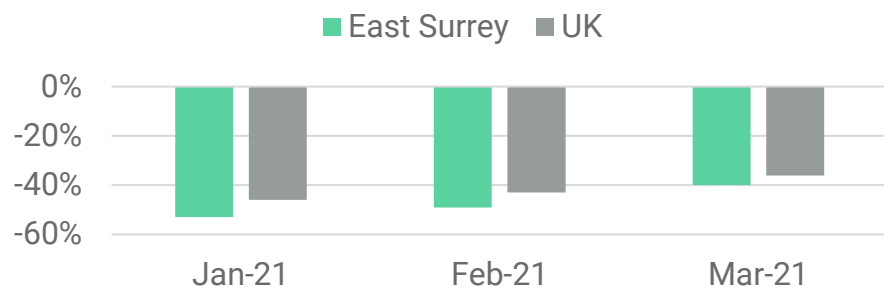
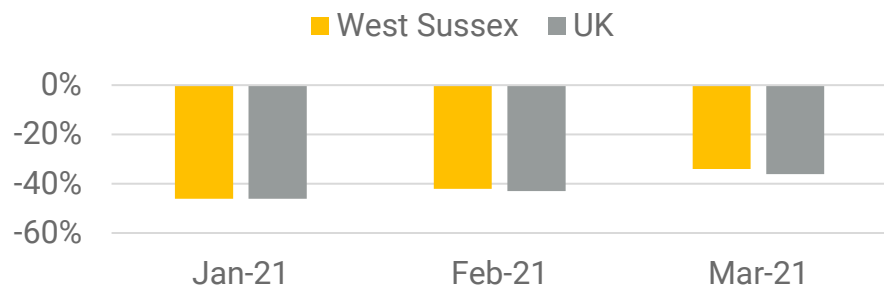
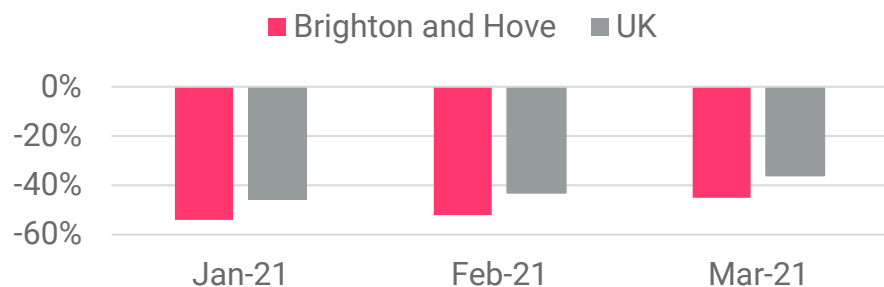


Source: Google LLC "Google COVID-19 Community Mobility Reports". <https://www.google.com/covid19/mobility/> Accessed: May 2021

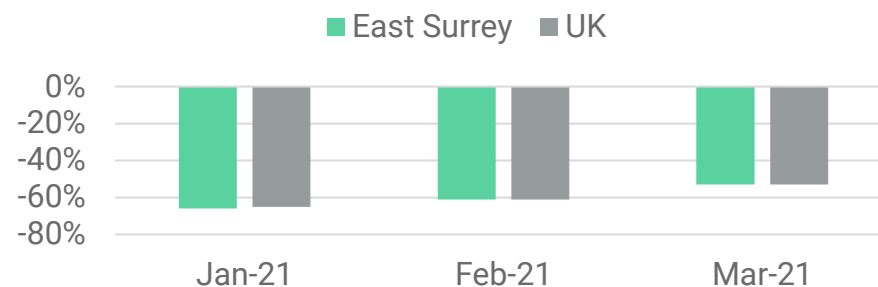
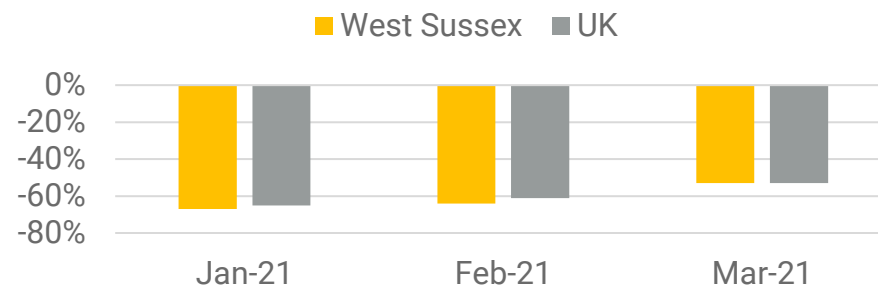
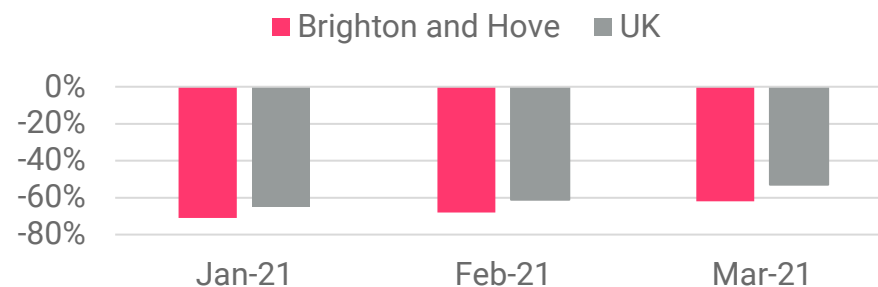
Note: Google Mobility data tracks the change in movement of persons relative to a baseline median from Jan-Feb 2020. Mobility definitions can be found [here](#)

West Sussex shows slightly more movement to workplaces, potentially due to more residents being in jobs that are not suited to working from home. Brighton and Hove and East Surrey show mobility levels below national averages, suggesting more residents can work from home and likewise are not using transit stations for work.

Workplaces Mobility



Transit Stations Mobility

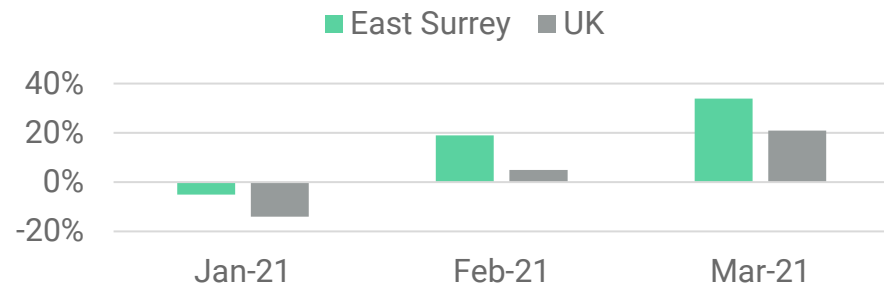
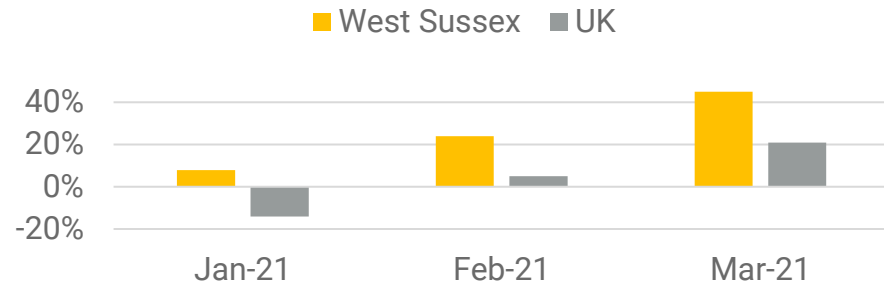
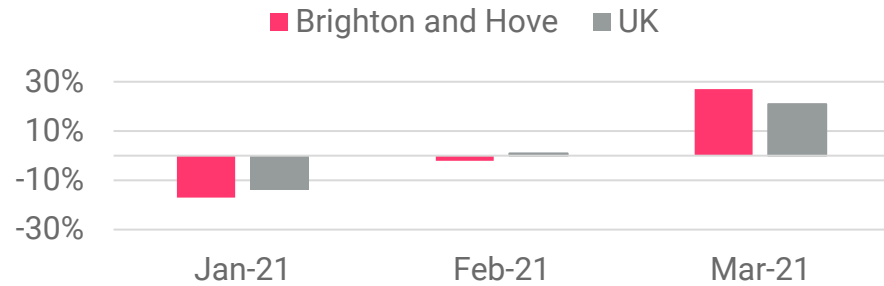


Source: Google LLC "Google COVID-19 Community Mobility Reports". <https://www.google.com/covid19/mobility/> Accessed: May 2021

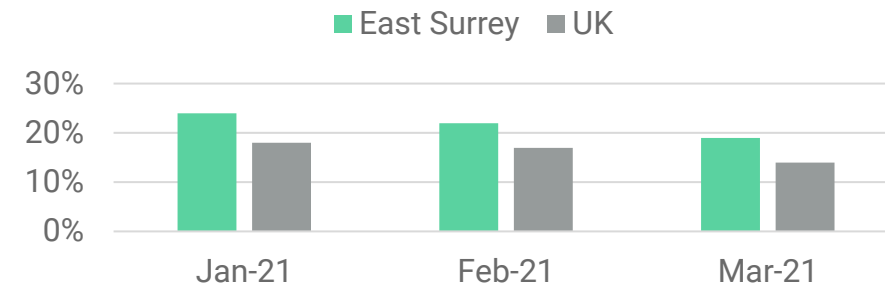
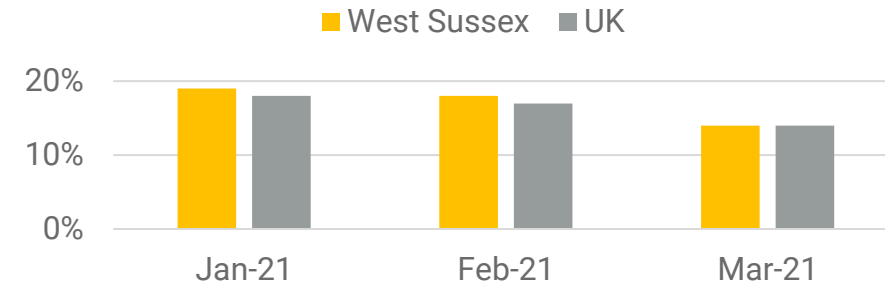
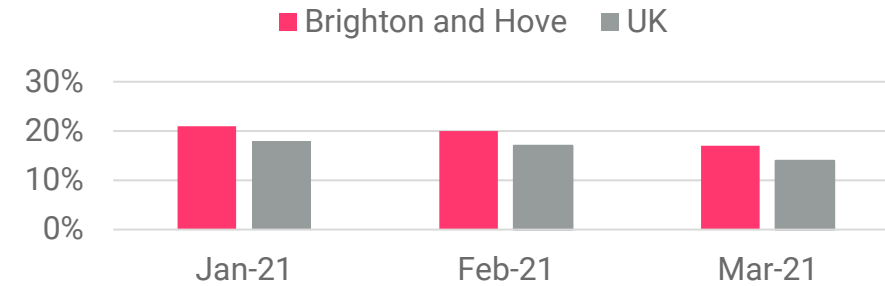
Note: Google Mobility data tracks the change in movement of persons relative to a baseline median from Jan-Feb 2020. Mobility definitions can be found [here](#)

Across our area we see movement to parks rise above the national average, potentially due to easy access to several National Parks and Areas of Outstanding Beauty. Similarly, our area has slightly higher levels of people staying at home, suggesting more people are able to work from home.

Parks Mobility

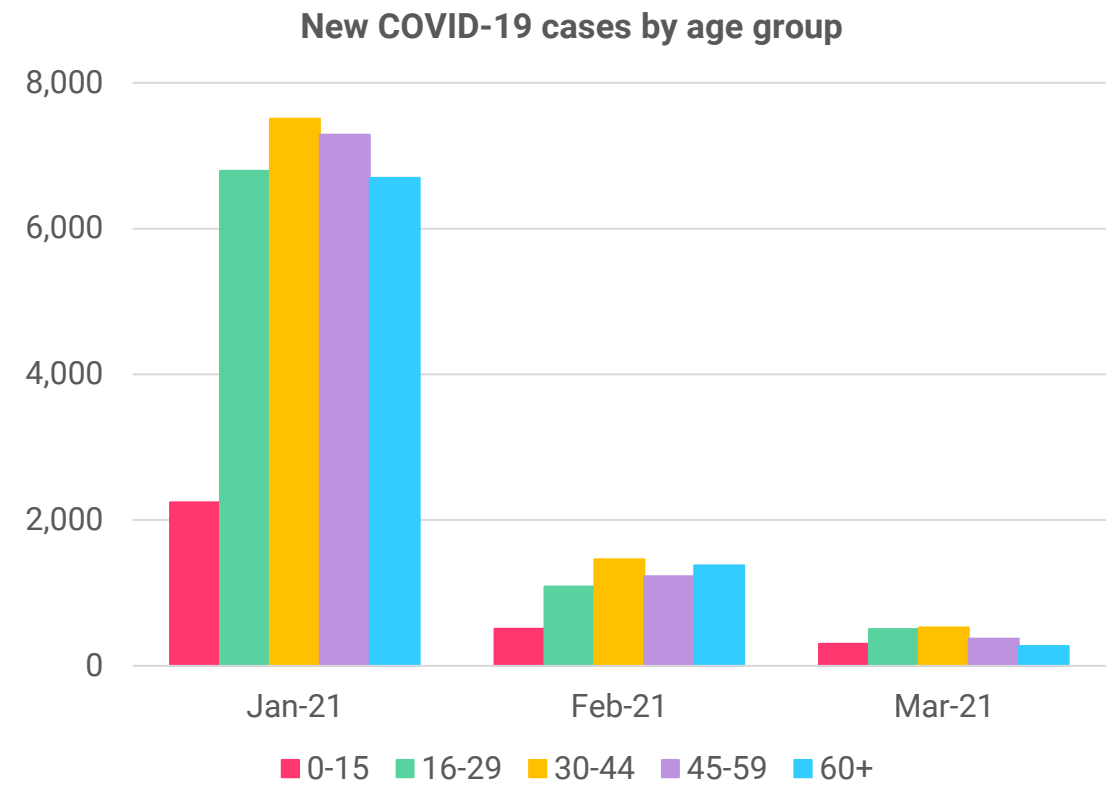
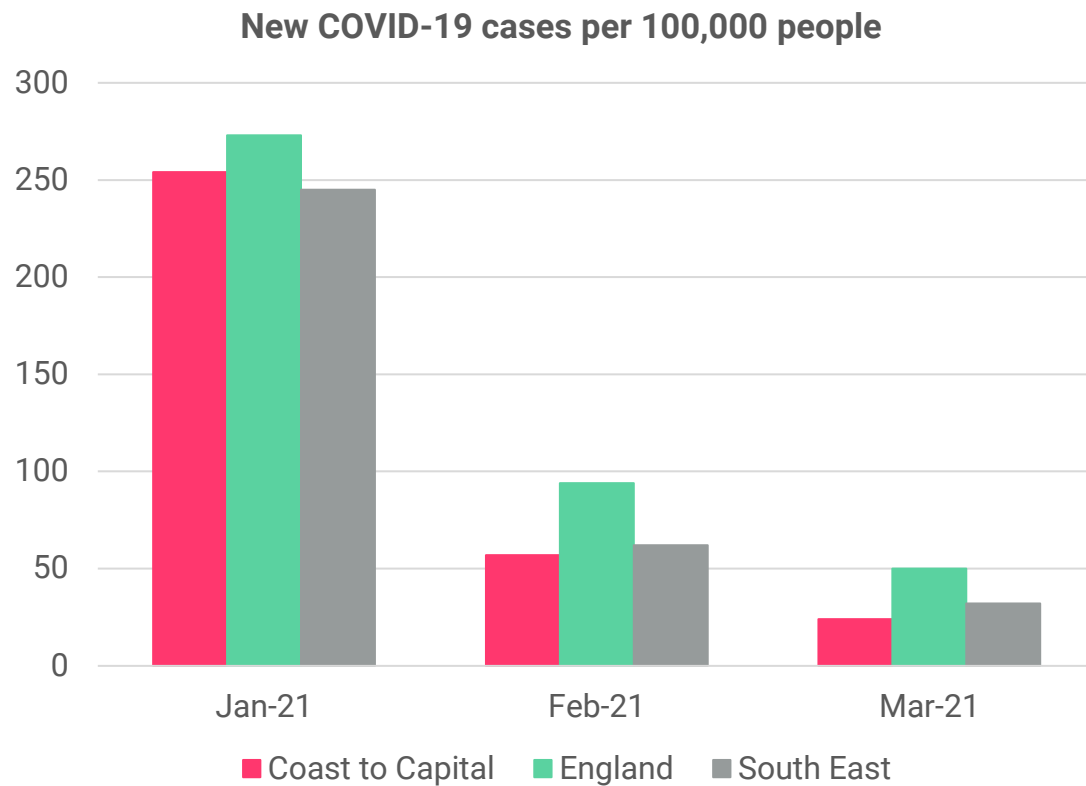


Residential Mobility



Source: Google LLC "Google COVID-19 Community Mobility Reports". <https://www.google.com/covid19/mobility/> Accessed: May 2021
 Note: Google Mobility data tracks the change in movement of persons relative to a baseline median from Jan-Feb 2020. Mobility definitions can be found [here](#)

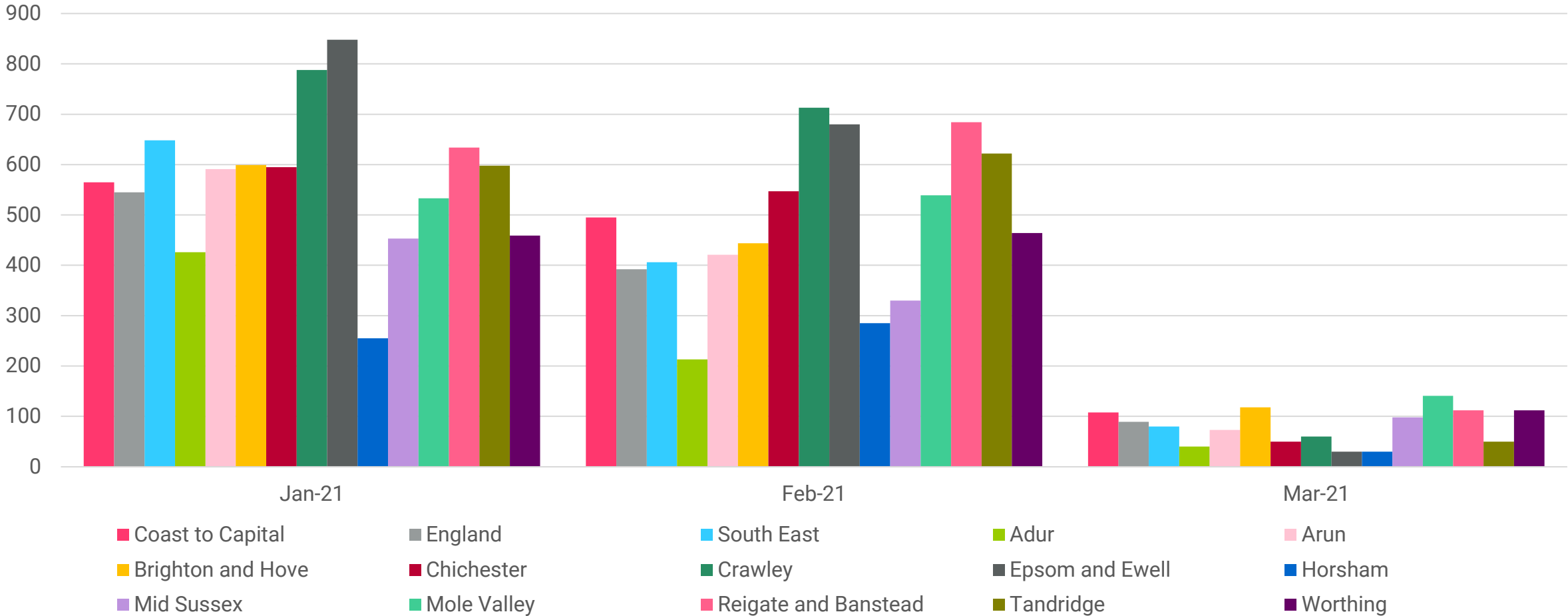
COVID-19 infection rates dropped considerably between January and March 2021, in line with the third national lockdown and the vaccination roll out. The 30-44 age group had the highest number of cases in Coast to Capital, with lower numbers in the 45+ age groups presumably as the vaccination programme was rolled out to the older age groups first.



Source: Public Health England, March 2021

Coast to Capital had death rates from COVID-19 higher than the national rates between January and March 2021, which is counter to July 2020 rates when the rates were lower than the national average. In January 2021 seven out of twelve local authorities had rates above the national average. Epsom and Ewell had the highest rate at 848, 56% higher than the England rate.

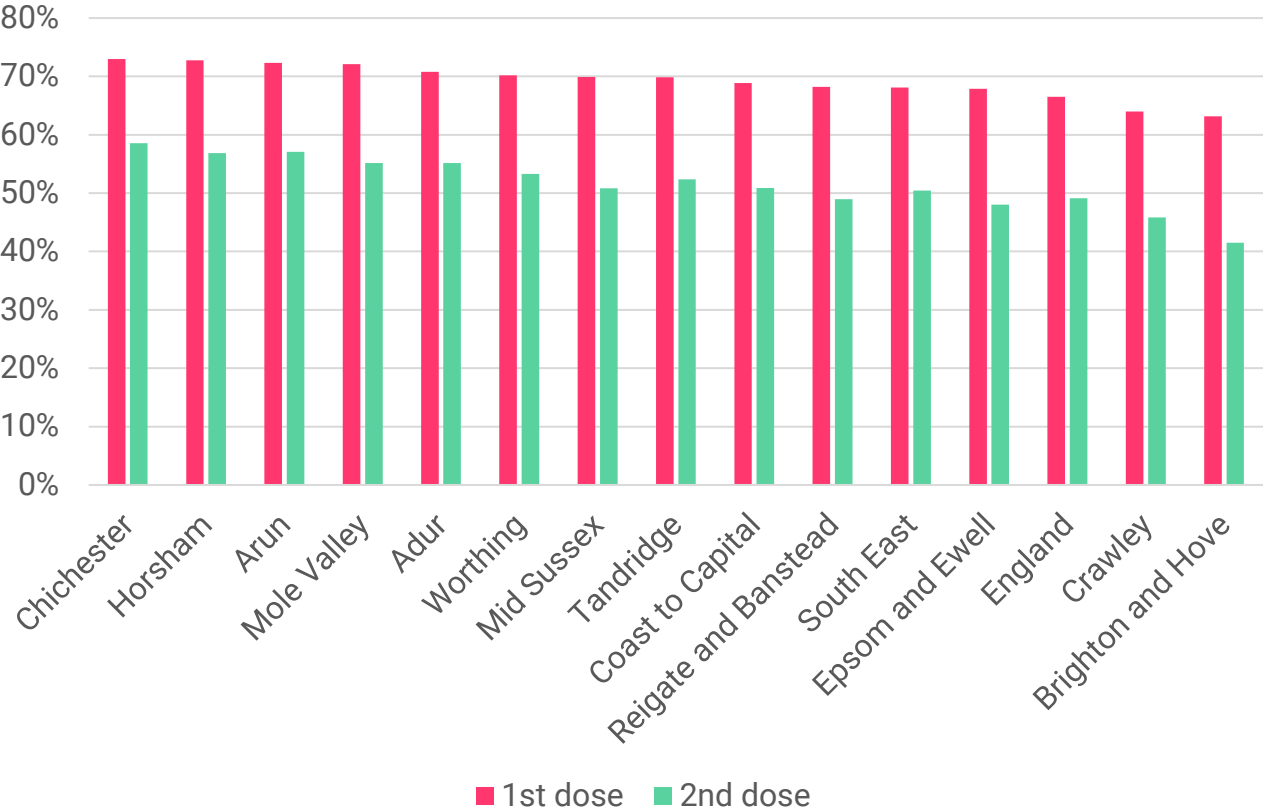
Weekly cumulative COVID-19 deaths per 100,000 people



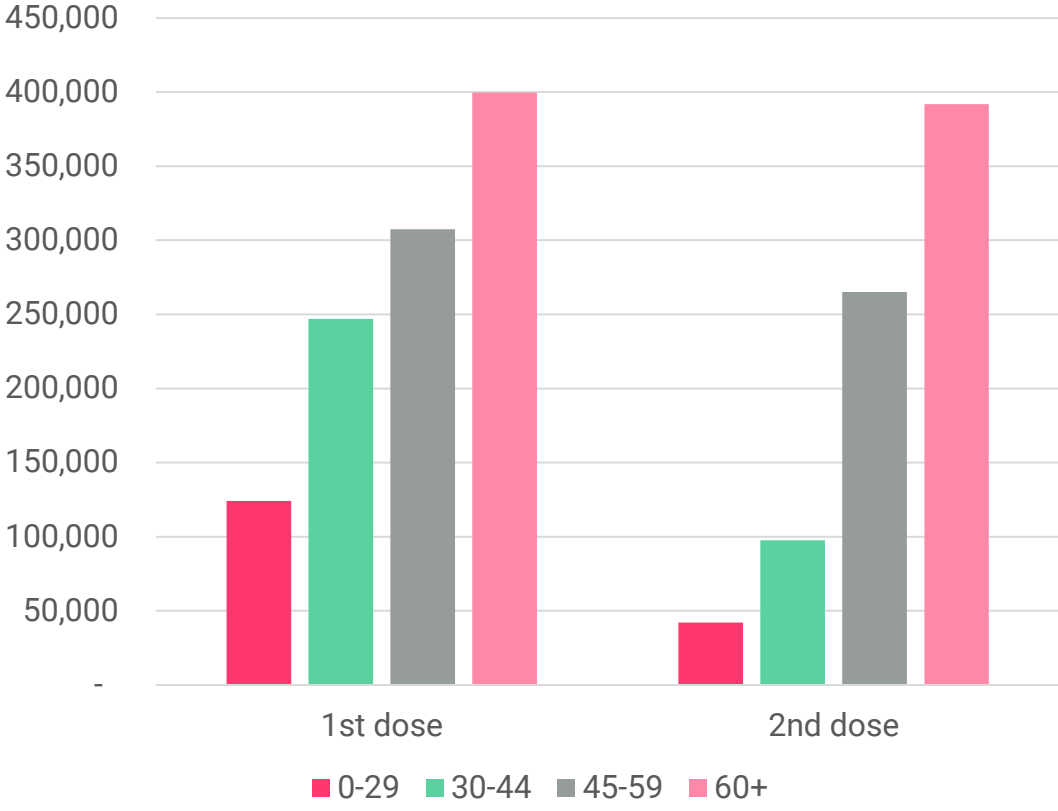
Source: Public Health England – March 2021

The Coast to Capital area performed slightly better than the national average in terms of the percentage of population vaccinated* against COVID-19 for both first and second doses. Ten local authorities perform better than the national figures regarding percentage of population with a first dose, with only Crawley and Brighton and Hove with lower percentages. The over 60 group have the highest numbers of vaccinations, possibly due to older residents being offered the vaccine earlier and the over 60s making up 26% of the Coast to Capital population.

COVID-19 vaccinations as a percentage of the population



Coast to Capital COVID-19 vaccinations by age



Source: Public Health England – June 2021
 *Cumulative COVID-19 vaccinations, December 2020 to June 2021

Coast to Capital

This report was prepared by
Marsha Robert, Knowledge and
Analysis Lead at Coast to Capital

[Coast2capital.org.uk](https://coast2capital.org.uk)
Contact@coast2capital.org.uk