

West Sussex Economy Snapshot

August 2024 (Issue 49)

West Sussex County Council

This is a monthly 'snapshot' of the West Sussex economy, produced by the County Council's Performance & Insight team. 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.

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

In July 2024, there were 16,100 people claiming Job Seekers Allowance or Universal Credit principally because they were out of work, available to work or working very few hours and/or earning a very low income. This was an increase of 8.4% from the previous month. This increase is most likely to be due to some changes made, in May 2024 by the Department for Work and Pensions (DWP), to the criteria for claiming Universal Credit. All local authorities in West Sussex experienced an increase, Adur (14.1%), Arun (9.3%), Chichester (9.7%), Crawley (4%), Mid Sussex (9.1) and Worthing (8.1%) compared to an increase across England of 10% and the South East region of 8.5%. The claimant count rate for West Sussex at July 2024 was 3.1%, Crawley recorded the highest claimant count (3,520) and rate (4.5%), exceeding the national average (4.4%) and the regional rate (3.3%). Conversely, Mid Sussex had the lowest claimant count rate (2%). The claimant count rate for West Sussex was 3.1%.

In West Sussex, the number of people claiming Universal Credit increased significantly by 157% since March 2020, reaching 70,401 in July 2024. Notably, 45% of claimants in a previous month (June) were employed, exceeding both regional and national averages. Mid Sussex has the highest percentage of employed claimants (47% in June 2024) and the highest increase in claimants since March 2020 (179%). Arun district has the largest number of claimants at over 15,004.

The number of employees on payrolls in West Sussex continues to be significantly higher than pre-pandemic levels. A slight decrease in employees has been seen in West Sussex (-0.04%) from June 2024 to July 2024 compared to the increase seen in the regional (0.05%) and national (0.08%) level.

Pay levels have increased in West Sussex South West (Adur, Arun, Chichester, Worthing) by 0.75% and increased in the North East (Crawley, Horsham, Mid Sussex) by 0.35% over the last month. The regional pay level increased by 0.47% and the national level increased by 0.34%. West Sussex North East in July 2024 had a monthly median pay of £2,592 compared to that of West Sussex South West of £2,291. For comparison the monthly median pay for the South East region was £2,542.

New business incorporations in West Sussex remain above pre-pandemic levels. The last three months, May 2024 - July 2024 saw a net increase of 26 businesses (1,423 incorporations vs. 1,397 closures/liquidations). In July 2024 alone there were 520 closures exceeding 509 openings. Mid Sussex has the highest number of new incorporations and closures. Arun, Horsham and Worthing had more business closures than incorporations compared to the rest of the county.

National Headlines

UK GDP:

- Monthly GDP showed no growth in June 2024, following a growth of 0.4% in May 2024.
- Services declined by 0.1% in June 2024 but grew by 0.8% over the three months ending in June.
- Production and Construction output grew in June 2024 by 0.8% and 0.5% respectively.

UK job vacancies decreased slightly (2.8%) in May to July 2024 compared to February 2024 to May 2024. This is the 25th consecutive quarter with a decline. Despite the decrease, vacancies remain higher than pre-pandemic levels.

From the Business Insights and Conditions Survey (BICs), 96% of businesses reported they were trading.

- **Turnover:** More than one-fifth (23%) of businesses reported a decrease in turnover in July compared to June, while 16% saw an increase and 53% reported no change. These figures remain relatively stable from last month.
- **Prices:** More than one in five (21%) of businesses experienced increased input costs (goods/services bought) in July 2024 when compared to June 2024.
- **Supply Chain:** Fewer than 1 in 10 (5%) of businesses with 10 or more employees experienced global supply chain disruption in July 2024.
- **Business Concern:** Almost two-thirds (63%) of businesses reported some form of concern for their business when looking ahead to September 2024.

Company Insolvencies in England and Wales (July 2024):

Data indicates a decrease in company insolvencies across England and Wales for July 2024. The number of company insolvencies recorded in July 2024 was 2,191, 7% lower than in June 2024.

Individual Insolvencies:

Individual insolvencies in England and Wales saw an increase in July 2024. There were 10,524 individuals entering insolvency during this period, 24% higher than in July 2023.

Key Points:

- Company insolvencies in England and Wales decreased by 7% in July 2024 compared to June 2024.
- Individual insolvencies increased by 24% compared to June 2024.

Inside this report

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

West Sussex

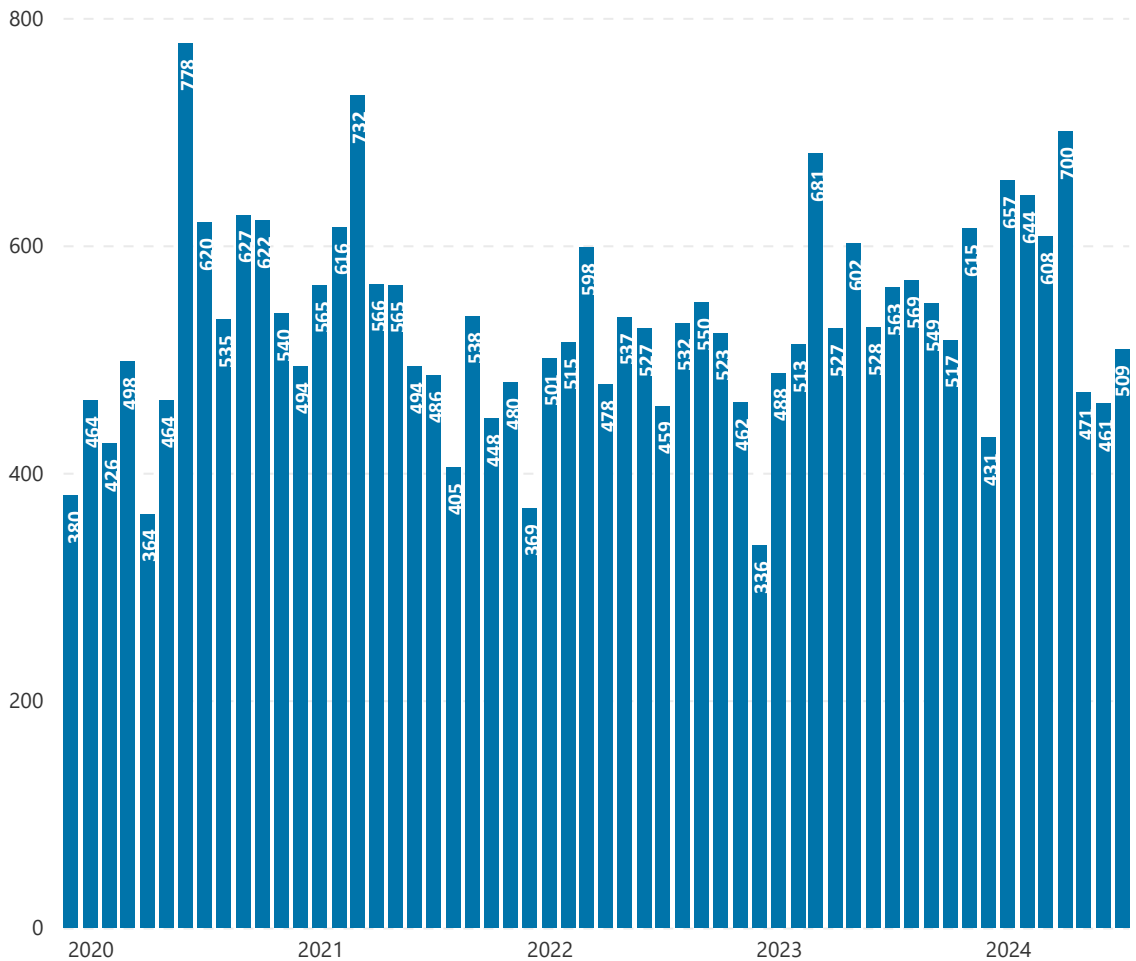
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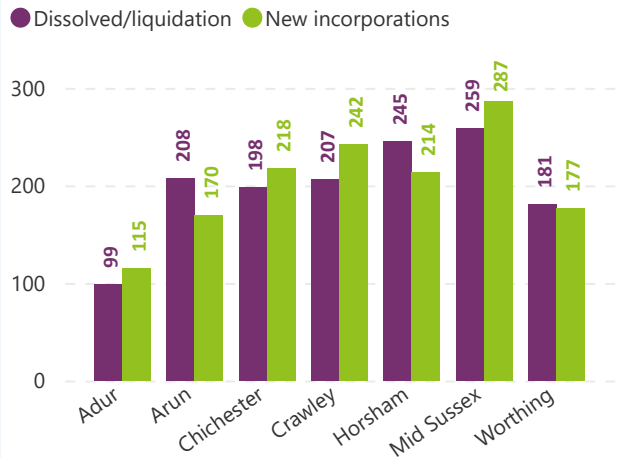
The time series shows fluctuations month on month, but generally, the numbers of new business formations have tended to be at levels greater than those seen pre-pandemic. In West Sussex in the last 12 months, Aug 2023- July 2024, there were around 6,381 new business incorporations, 827 higher than the 5,554 businesses that were dissolved, or which had gone into liquidation. In the last 3 months – May 2024 – July 2024 there were 26 more new business incorporations (1,423) than business that dissolved/in liquidation (1,397). In July 2024, there were more closures (520) than new businesses (509).

New business incorporations in West Sussex



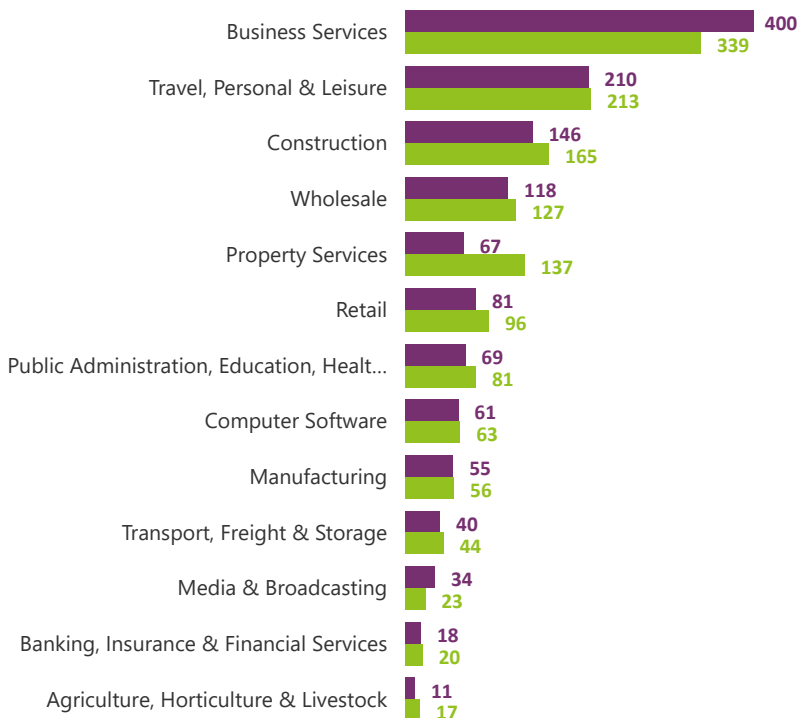
Over the last three-month period (May 2024–July 2024), Mid Sussex had the highest number of new business incorporations and the highest number of businesses that have dissolved or are in liquidation. Within West Sussex, Arun, Horsham and Worthing had more business that had closed than new incorporations.

Number of new business incorporations and businesses dissolved/in liquidation by local authority (May'24-Jul'24)



Number of new business incorporations and businesses dissolved/in liquidation by industry (May'24 - Jul'24)

● 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 top three sectors for new business formations are – business services, travel personal and leisure, and construction.

Claimant Count, West Sussex

Source: ONS, Claimant Count

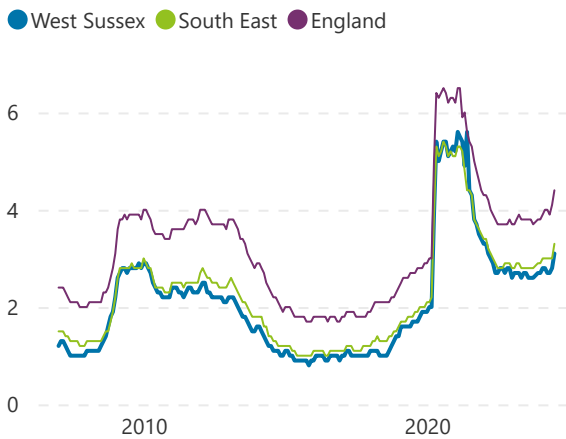
Released: 16 August 2024 (July 2024 figures are provisional)

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.

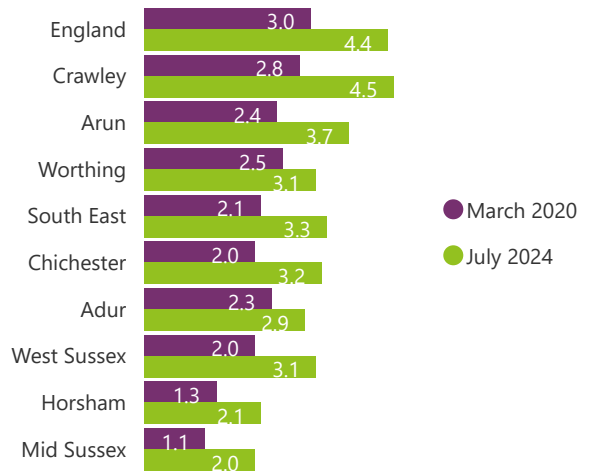
In July 2024, West Sussex saw a rise in claimants to 16,100, representing a 8.4% increase from the previous month. The claimant count rate increased to 3.1% for West Sussex and 4.4% for England and 3.3% for South East. All districts experienced an increase Adur (14.1%), Arun (9.3%), Chichester (9.7%), Crawley (4%), Mid Sussex (9.1%) and Worthing (8.1%). Adur reported the highest increases within the county.

Crawley recorded the highest claimant count (3,520) and rate (4.5%), exceeding the national average (4.4%) and the regional rate (3.3%). Conversely, Mid Sussex had the lowest claimant count rate (2%).

Claimant count rate



Claimant count rates change



Total Number of Claimants by Local Authority



Age Profile of Claimants:

Distribution: Worthing holds the highest proportion of claimants aged 18-24 at 18.8%, while Chichester has the lowest at 11.7% and the highest proportion of claimants over 50 years old.

In July 2024, West Sussex experienced a 4.3% increase in the number of 18-24 year-old Jobseeker Allowance claimants compared to the previous month, contrasting with a 4.4% national increase and a 4.1% regional increase for this age group.

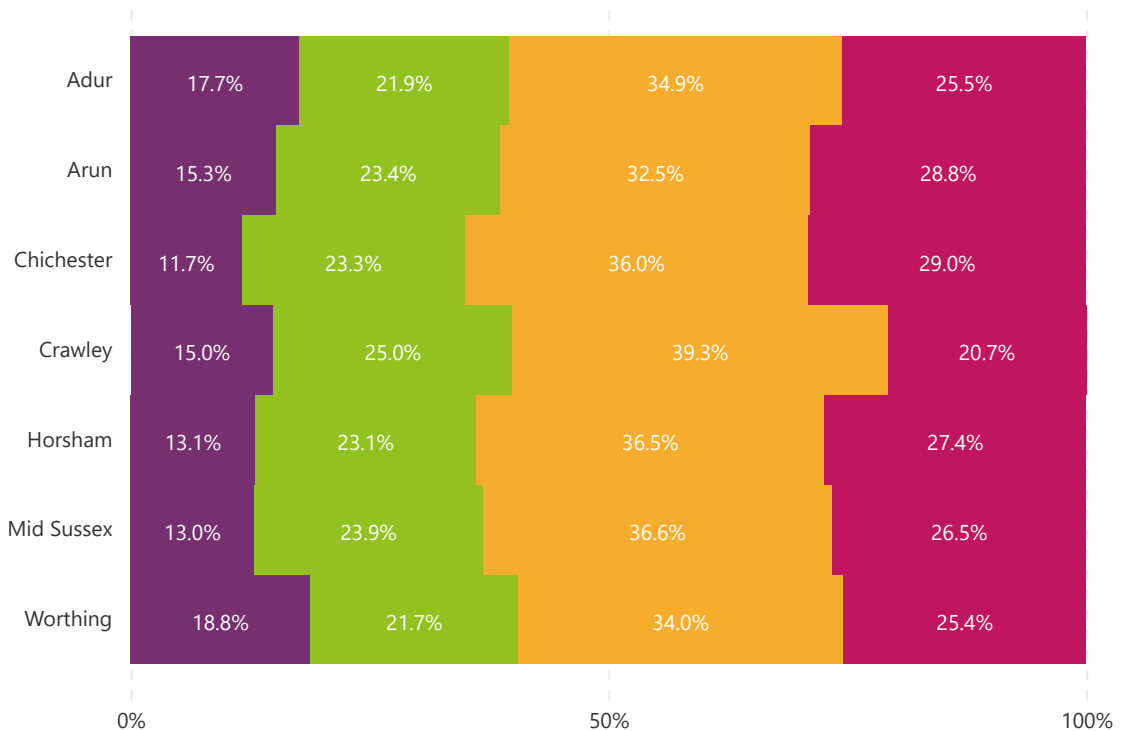
Within West Sussex, the following trends were observed:

- **Decreases:** Mid Sussex (2.3%)
- **Increases:** Adur (2.9%), Arun (7.3%), Chichester (12.2%), Crawley (1%), Horsham (9.3%) and Worthing (1.4%)

Crawley reported the highest number of claimants aged 18-24, with 505 claimants.

Distribution of claimants by age band

● Aged 18-24 ● Aged 25-34 ● Aged 35-49 ● Aged 50+

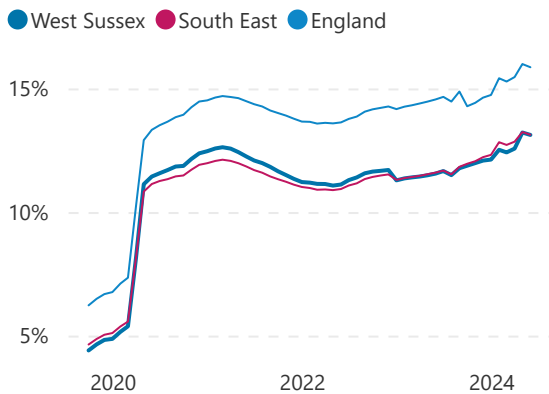


Universal Credit Claimants, West Sussex

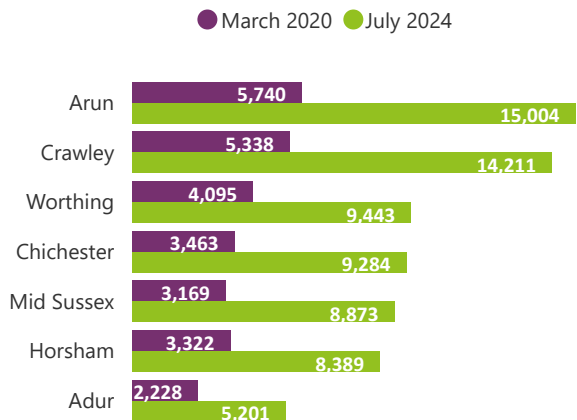
Source: Department for Work and Pensions Released: 13 August 2024 (July 2024 figures are provisional)

Universal Credit is a single payment per household that helps with living costs for those on a low income or are out of work. In July 2024, there were 70,401 Universal Credit claimants in West Sussex, representing a 2.1% increase from the previous month. The number of people claiming Universal Credit in West Sussex has increased significantly since March 2020. Compared to 27,355 claimants in March 2020, there were 70,401 in July 2024, a 157% increase. This rise is higher than the national increase of 133% and the regional increase of 144%. In West Sussex, 45% of those claiming Universal Credit in June 2024 were in employment. This figure has risen from 41% observed in March 2020. West Sussex has a higher proportion of claimants in employment compared to both the South East (41%, June 2024) and England (38%, June 2024). Within West Sussex, Mid Sussex has the highest percentage of Universal Credit claimants who are in work (47% in June 2024). Mid Sussex has witnessed the highest percentage rise (163%) in claimants from March 2020 (pre-pandemic) to July 2024. Arun district currently has the highest number of Universal Credit claimants at over 15,004. The employment/not in employment breakdown for July 2024 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



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: 13 August 2024

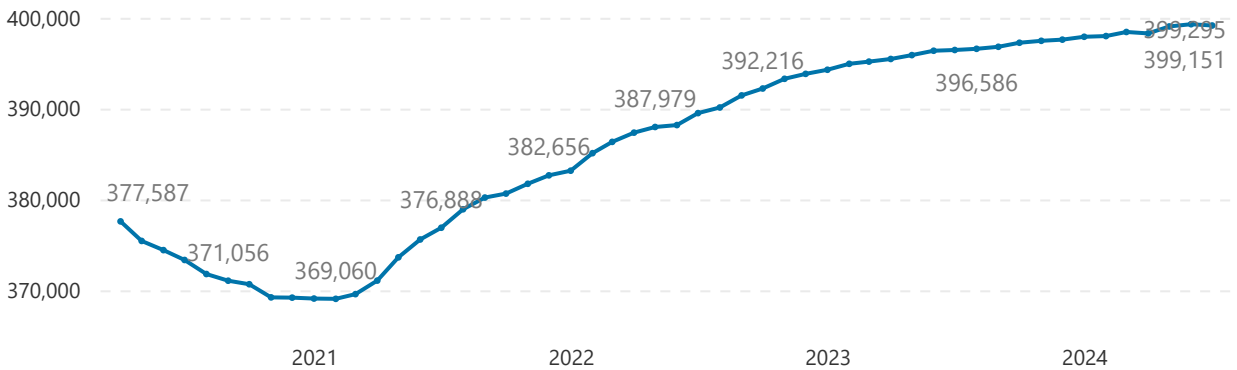
This data is taken from experimental statistics obtained from the Office for National Statistics (ONS). The data is derived from earnings and employment figures collected through the Pay as You Earn (PAYE) Real Time Information (RTI) system and has been seasonally adjusted to account for predictable fluctuations throughout the year. The most recent data included in this report is for July 2024.

% change in employees (Jun'24 - Jul'24)

- West Sussex: -0.04%
- South East: +0.05%
- UK: +0.08%

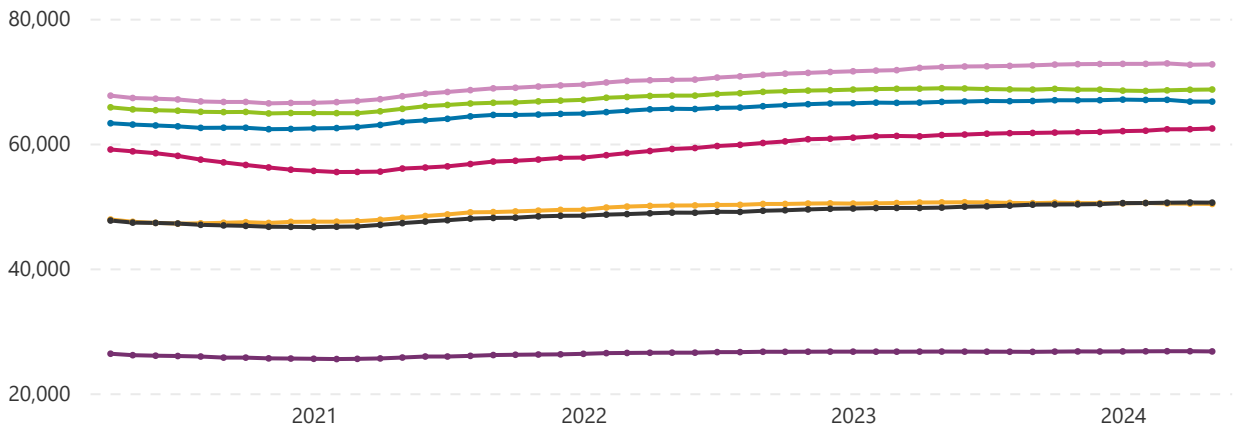
There was a slight increase in the number of employees in the South East and England from June 2024 to July 2024 and a slight decrease in West Sussex.

West Sussex Number of Employees



District Number of Employees

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



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](#)

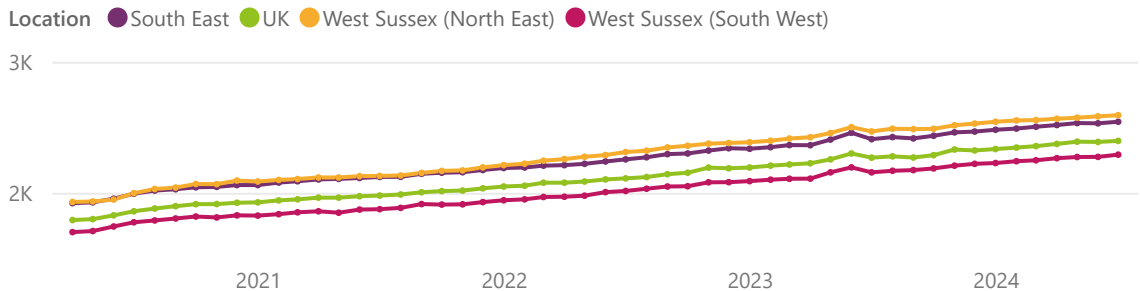
Released: 13 August 2024

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 dataset and are up to the month of July 2024.

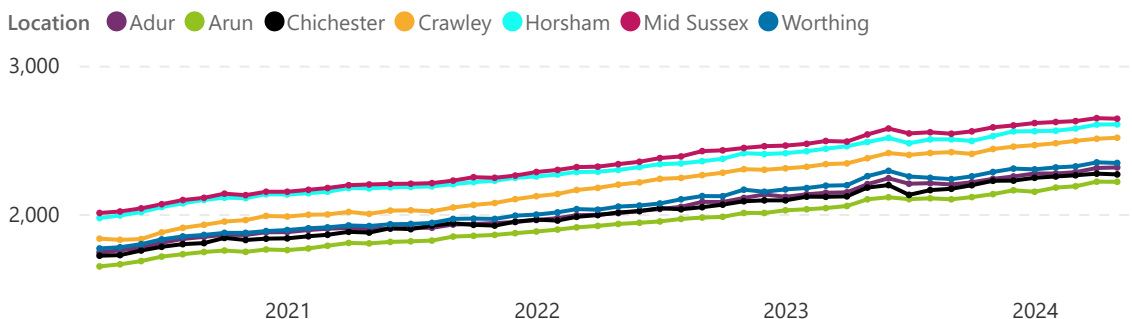
ONS data (July 2024) shows West Sussex South West median pay increased by 0.75% and West Sussex North East increased by 0.35%. The South East region increased by 0.47% and the UK increased by 0.34% compared to June 2024.

The local authority with the highest median monthly pay continues to be Mid Sussex at £2,642, and the lowest continues to be Arun at £2,217. 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. North East West Sussex (Crawley, Horsham & Mid Sussex) has higher monthly pay levels than South West Sussex (Adur, Arun, Chichester & Worthing).

Median Pay National and Regional Figures



Median Pay in West Sussex



Job Vacancies, UK

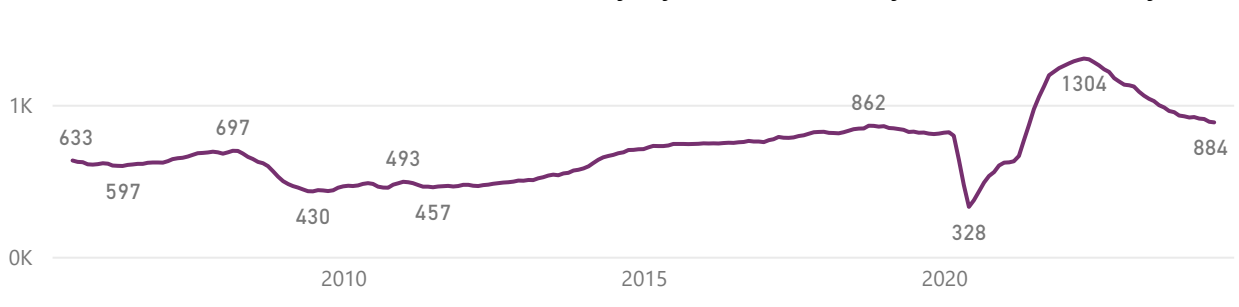
Source: [ONS](#)

Released: 13 August 2024

The estimated number of vacancies in the UK from May to July 2024 was 884,000, a decrease of 26,000 or 2.8% from February to April 2024. Vacancy numbers decreased on the quarter for the 25th consecutive period in May to July 2024, with vacancies decreasing in 10 of the 18 industry sectors. In May 2024 to July 2024, total estimated vacancies were down by 141,000 (13.7%) from the level seen in the previous year, although they remained 88,000 (11.0%) above their pre-coronavirus (COVID-19) pandemic January to March 2020 levels. In April to June 2024, the number of unemployed people per vacancy was 1.6, unchanged from the previous quarter (January 2023 to March 2024).

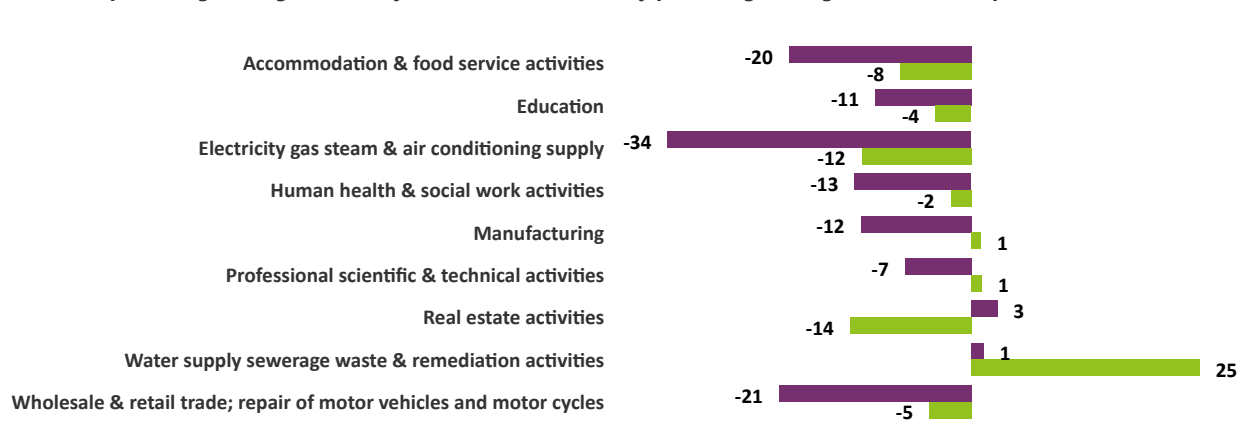
Number of vacancies in the UK

Number of vacancies (Thousands) in the UK, seasonally adjusted, March to May 2005 to March to May 2024



% Change in Number of Vacancies in UK by Sectors

● Annual percentage change since May to Jul 2023 ● Quarterly percentage change since Feb to Apr 2024



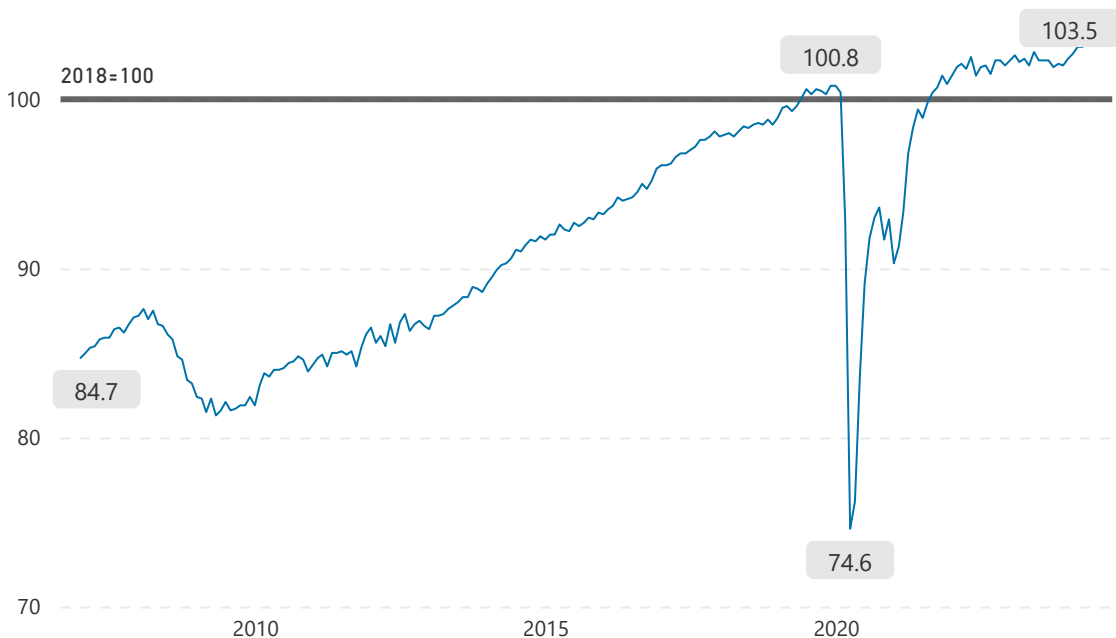
National Headlines - Gross Domestic Product (GDP), UK

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

Released: 15 August 2024

- Monthly real gross domestic product (GDP) is estimated to have shown no growth in June 2024, following unrevised growth of 0.4% in May 2024.
- Real GDP is estimated to have grown by 0.6% in the three months to June 2024, compared with the three months to March 2024 with widespread growth in the services sector driving growth in this period.
- Services output fell by 0.1% in June 2024, following unrevised growth of 0.3% in May 2024, but grew by 0.8% in the three months to June 2024.
- Production output grew by 0.8% in June 2024, following growth of 0.3% in May 2024 (revised up from 0.2% in our last publication), but fell by 0.1% in the three months to June 2024.
- Construction output grew by 0.5% in June 2024, following growth of 1.7% in May 2024 (revised down from 1.9% in our last publication), but fell by 0.1% in the three months to June 2024.
- There are revisions to April and May 2024 in this monthly release in accordance with the [National Accounts revision policy](#); data revisions up to 2022, as announced in our [Blue Book 2024: Advanced aggregate estimates release](#), and any additional updates to data from 2023 onwards, will be published in our monthly GDP release on 11 October 2024.

Monthly index, UK



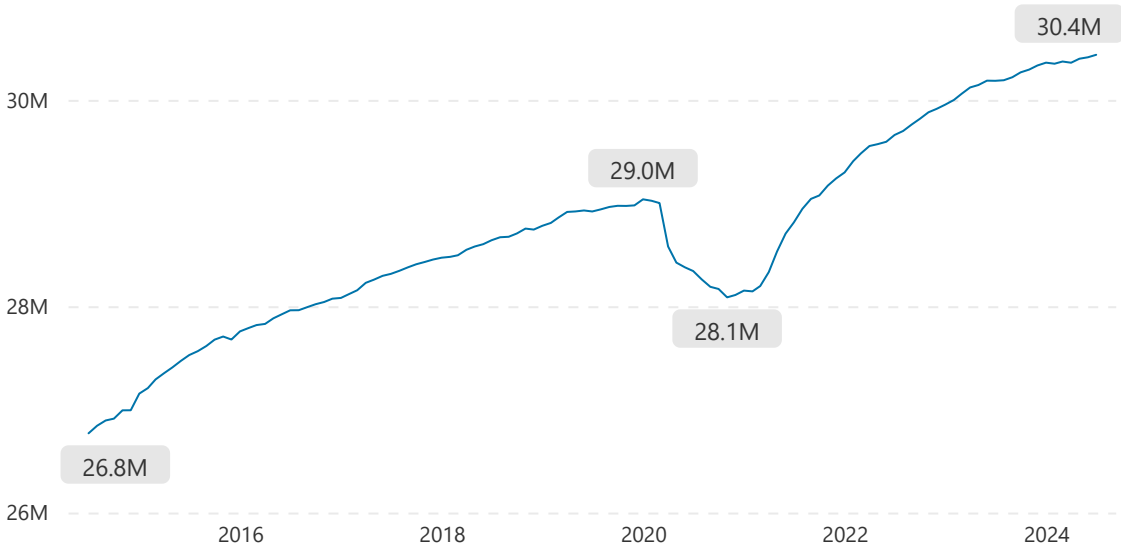
Labour Market, UK

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

Released: 13 August 2024

- Early estimates for July 2024 indicate that the number of payrolled employees rose by 0.8% compared with July 2023, a rise of 252,000 employees.
- This annual increase was largest in the health and social work sector, a rise of 163,000 employees.
- Payrolled employment increased by 24,000 employees (0.1%) in July 2024 when compared with June 2024; figures for July should be treated as provisional estimates and are likely to be revised when more data are received next month.
- UK payrolled employee growth for June 2024 compared with May 2024 has been revised from an increase of 16,000 reported in the last bulletin, to an increase of 14,000; this is 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 2024 indicate that median monthly pay increased by 5.6% compared with July 2023.
- Annual growth in median pay in July 2024 was highest in the other service activities sector, with an increase of 8.4%, and lowest in the public administration and defence sector, with a decrease of 2.4%; the decrease in the public administration and defence sector reflects the comparison with July 2023 when a pay settlement consisting of a one-off cost of living payment and a backdated pay-increase was paid to all civil servants.

Payrolled employees, seasonally adjusted, UK



Businesses currently trading, UK

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

Released: 22 August 2024

The data presented in this bulletin are the final results from Wave 114 of the Business Insights and Conditions Survey (BICS), which was live from 5 August to 18 August 2024.

- More than 1 in 5 (23%) trading businesses reported that their turnover had decreased in July 2024 compared with June 2024, 16% reported an increase, while 53% reported no change; these figures are all broadly stable from last month.
- Approximately 1 in 6 (17%) trading businesses expect their turnover to increase in September 2024, with 58% expecting turnover to stay the same, up 3 and 2 percentage points, respectively, on expectations for August 2024; while 13% expect turnover to fall, down 3 percentage points over the same period.
- More than 1 in 5 (21%) trading businesses reported an increase in the prices of goods or services bought in July 2024 when compared with June 2024, while less than 1 in 10 (8%) reported an increase in the prices of goods or services sold; these percentages were both broadly stable compared with the previous month.
- Almost two-thirds (64%) of trading businesses expect the prices of goods or services they sell to stay the same in September 2024, down 5 percentage points on expectations for August 2024; the proportion of businesses that expect to increase their prices rose 4 percentage points to 12% over the same period, with labour costs (21%) being reported as the main reason for this.
- Fewer than 1 in 10 (5%) businesses with 10 or more employees experienced global supply chain disruption in July 2024, this has remained broadly stable since June 2023.
- Almost two-thirds (63%) of businesses reported some form of concern for their business when looking ahead to September 2024, up 3 percentage points from August 2024; the most reported concern was falling demand for goods and services (20%).

Businesses Closures, UK

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

Released: 20 August 2024

- After seasonal adjustment, the number of registered company insolvencies in England and Wales in July 2024 was 2,191, 7% lower than in June 2024 (2,363) but 16% higher than the same month in the previous year (1,890 in July 2023). The number of company insolvencies remained much higher than those seen both during the COVID-19 pandemic and between 2014 and 2019.
- Company insolvencies in July 2024 consisted of 320 compulsory liquidations, the highest monthly number since before the COVID-19 pandemic, 1,691 creditors' voluntary liquidations (CVLs), 155 administrations and 25 company voluntary arrangements (CVAs). All types of company insolvency were higher than in July 2023.
- One in 177 companies on the Companies House effective register (at a rate of 56.6 per 10,000 companies) entered insolvency between 1 August 2023 and 31 July 2024. This was an increase from the 54.7 per 10,000 companies that entered insolvency in the 12 months ending 31 July 2023. These rates are calculated on a 12-month rolling basis as a proportion of the total number of companies on the effective register. The 12-month rolling rates show longer term trends and reduce the volatility associated with estimates based on single months.
- While the insolvency rate has increased since the lows seen in 2020 and 2021, it remains much lower than the peak of 113.1 per 10,000 companies seen during the 2008-09 recession. This is because the number of companies on the effective register has more than doubled over this period.

Company insolvencies in England & Wales



Businesses Closures, UK

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

Released: 20 August 2024

- After seasonal adjustment, 10,524 individuals entered insolvency in England & Wales in July 2024. This was similar to the numbers seen in June 2024 and 24% higher than in July 2023.
- The individual insolvencies consisted of 634 bankruptcies, 4,163 debt relief orders (DROs) and 5,727 individual voluntary arrangements (IVAs). The last four months have all seen the highest monthly numbers of DROs since their introduction. This comes after the [removal of the £90 administration fee](#) to obtain a DRO from 6 April 2024 and the expanding eligibility criteria for DROs in June 2024. The number of IVAs registered in July was similar to June 2024 and 12% higher than in July 2023. Bankruptcy numbers remained at about half of pre-2020 levels, but similar levels to those seen in the past 12 months.
- In the 12 months ending 31 July 2024, one in 442 adults in England & Wales entered insolvency (a rate of 22.6 per 10,000 adults). This is lower than the rate of 23.3 per 10,000 adults (1 in 429) who entered insolvency in the 12 months ending 31 July 2023.
- There were 7,369 Breathing Space registrations in July 2024. This is 5% lower than in July 2023.

Individual insolvencies in England & Wales

