

West Sussex Economy Snapshot

July 2024 (Issue 48)

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 June 2024, West Sussex had 14,975 claimants, an increase of 4.6% from the previous month. All districts except Mid Sussex experienced an increase, with Adur (5.9%), Arun (4.9%), Chichester (3.6%), Crawley (5.5%), and Worthing (9.5%) reporting the highest increases within the county. Crawley recorded the highest claimant count (3,380) and rate (4.3%), exceeding the national average (4.1%) and the regional rate (3.0%). Conversely, Mid Sussex had the lowest claimant count rate (1.8%). The claimant count rate for West Sussex was 2.8%.

In West Sussex, the number of people claiming Universal Credit has increased significantly by 154% since March 2020, reaching 69,491 in June 2024. Notably, 45% of these claimants are employed, exceeding both regional and national averages. Mid Sussex has the highest percentage of employed claimants (48%) and the highest increase in claimants since March 2020 (178%). Arun district has the largest number of claimants at over 14,801.

The number of employees on payrolls in West Sussex continues to be significantly higher than pre-pandemic levels. A slight increase in employees has been seen in West Sussex (0.06%) from May 2024 to June 2024 compared to the increase seen in the regional (0.02%) and national (0.05%) level.

Pay levels have decreased in West Sussex South West (Adur, Arun, Chichester, Worthing) by 0.09% and increased in the North East (Crawley, Horsham, Mid Sussex) by 0.27% over the last month. The regional pay level decreased by 0.36% and the national level decreased by 0.42%. West Sussex North East in May 2024 had a monthly median pay of £2,578 compared to that of West Sussex South West of £2,269.

New business incorporations in West Sussex remain above pre-pandemic levels. The last three months, April 2024 - June 2024 saw a net increase of 230 businesses (1,619 incorporations vs. 1,389 closures/liquidations). In June 2024 alone there were 461 openings exceeding 441 closures. Mid Sussex has the highest number of new incorporations and closures. Horsham had more business closures than incorporations compared to the rest of the county.

The latest economic activity figures released for the annual population survey, cover the twelve months to March 2024. West Sussex has a lower economic activity rate (79.60%) compared with the regional average (81.20%) and a higher economic activity rate than the national average (78.80%). The employment rate of West Sussex (76.30%) is also lower than the regional average (79.60%) but higher than the national average (75.70%). The percentage of people who are self-employed in West Sussex (10.90%) is higher than the regional (9.60%) and national average (9.30%).

West Sussex has an economic inactivity rate of 20.3% over the twelve months to March 2024, which is higher than the regional average (17.7%) but lower than the national average (21.2%). The most common reasons for economic inactivity in West Sussex were retirement (28.9%), long-term sickness (26.6%), and being a student (20.7%).

National Headlines

UK GDP:

- Monthly GDP grew by 0.4% in May 2024, following no growth in April 2024.
- Services grew in May 2024 by 0.3%.
- Production and Construction output grew in May 2024 by 0.2% and 1.9% respectively.

UK job vacancies decreased slightly (3.3%) in April to June 2024 compared to January 2024 to March 2024. This is the 24th consecutive quarter with a decline. Despite the decrease, vacancies remain higher than pre-pandemic levels.

From the Business Insights and Conditions Survey (BICs), 95% of businesses reported they were trading.

- **Turnover:** More than one-fifth (22%) of businesses reported a decrease in turnover in June compared to May, while 16% saw an increase. These figures remain relatively stable.
- **Prices:** More than one in five (21%) of businesses experienced increased input costs (goods/services bought) in June 2024 when compared to May 2024.
- **Supply Chain:** Fewer than 1 in 10 (6%) of businesses with 10 or more employees experienced global supply chain disruption in June 2024.
- **Worker Shortage:** In early July 2024, 21% of businesses with 10 or more employees reported that they were experiencing worker shortages.

Company Insolvencies in England and Wales (June 2024):

Data indicates an increase in company insolvencies across England and Wales for June 2024. The number of company insolvencies recorded in June 2024 was 2,361, 16% higher than in May 2024.

Individual Insolvencies:

Following a similar trend, individual insolvencies in England and Wales also saw an increase in June 2024. There were 10,395 individuals entering insolvency during this period, 11% higher than in May 2024.

Key Points:

- Company insolvencies in England and Wales increased by 16% in June 2024 compared to May 2024.
- Individual insolvencies followed a similar trend, increasing by 11% compared to May 2024.

Inside this report

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

West Sussex

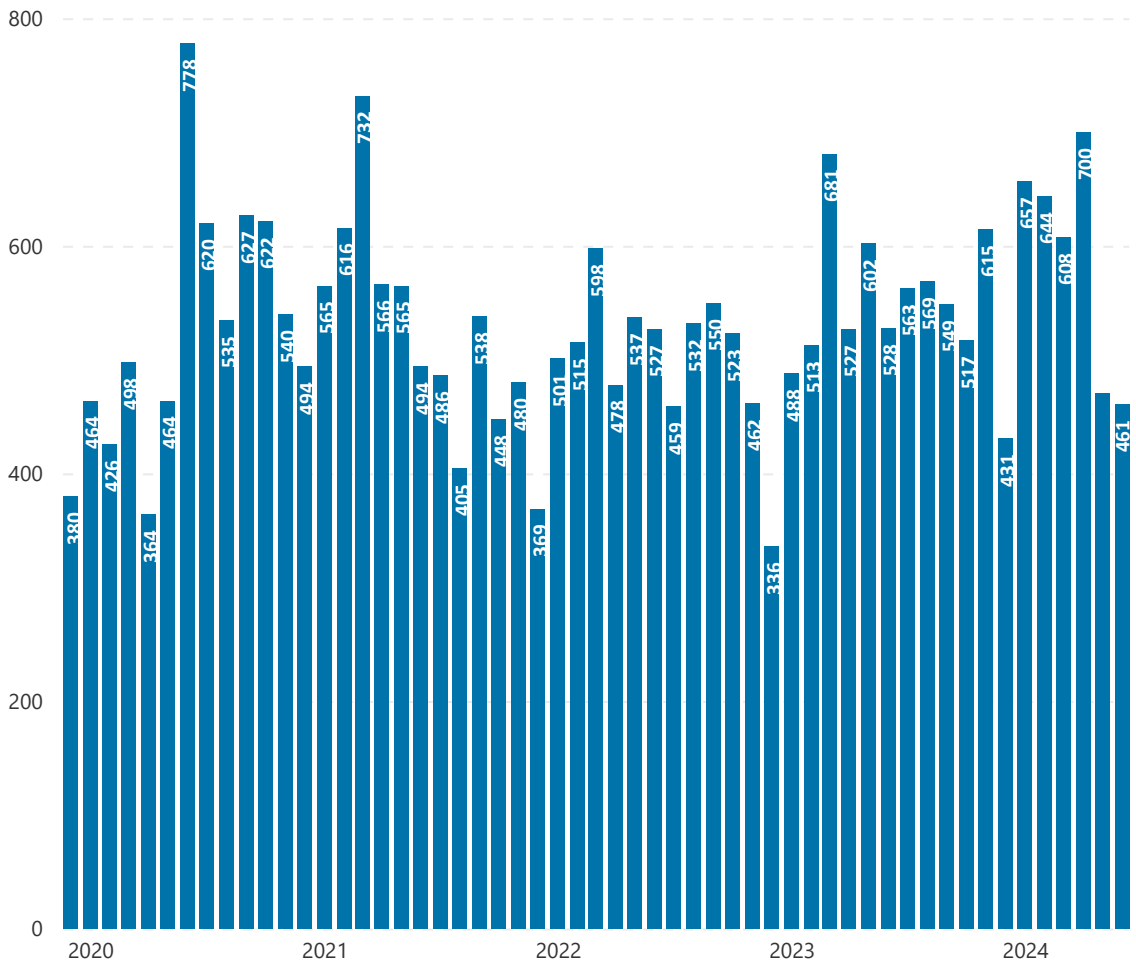
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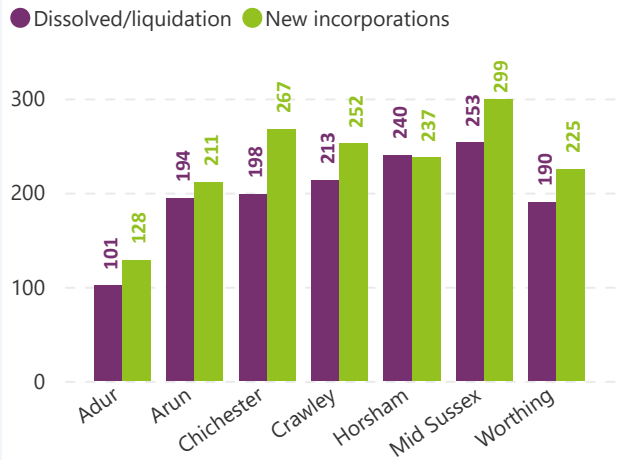
The time series shows fluctuations month on month, but generally, the numbers of new business formations have tended to be at levels greater than those seen pre-pandemic. In West Sussex in the last 12 months, July 2023- June 2024, there were around 6,435 new business incorporations, 980 higher than the 5,455 businesses that were dissolved, or which had gone into liquidation. In the last 3 months – April 2024 – June 2024 there were 230 more new business incorporations (1,619) than business that dissolved/in liquidation (1,389). In June 2024, there were more new businesses (461) than closures (441).

New business incorporations in West Sussex



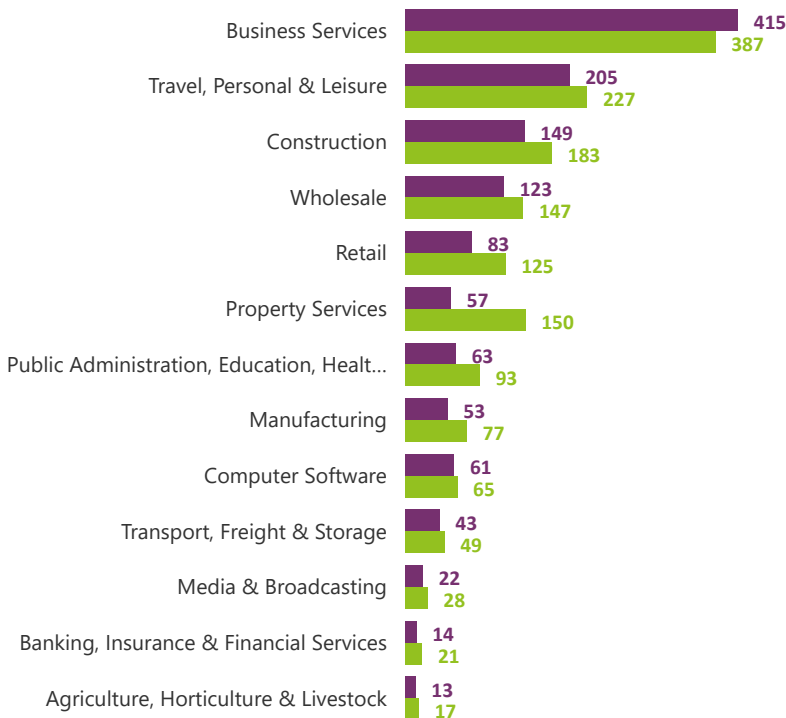
Over the last three-month period (April 2024–June 2024), Mid Sussex had the highest number of new business incorporations and the highest number of businesses that have dissolved or are in liquidation. Within West Sussex, all local authorities except Horsham had more new business incorporations than those that had closed.

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



Number of new business incorporations and businesses dissolved/in liquidation by industry (Apr'24 - Jun'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.

Economic Activity, West Sussex

Source: Annual Population Survey, Released: 18 July 2024 (Latest Data: Apr 2023 - Mar 2024)

The Annual Population Survey (APS) is a residence-based labour market survey encompassing population, economic activity, economic inactivity, and qualifications. Whilst some of the data sets are released annually, most are updated quarterly. The APS is a sample survey, it's subject to sampling issues and there have been some changes in the collection of data and sample composition made in data collection during the pandemic, however, it does provide an indication of trends around economic activity. Self employment rate for Adur is not available since the group sample size is zero or to be disclosed.

The latest figures published cover the twelve months to Mar 2024 and West Sussex now has a lower economic activity rate compared with the regional average and a higher economic activity rate than the national average. Similarly the West Sussex employment rate at 76.30% is lower to the regional average (79.60%) and higher than that of the national average (75.70%). Within the county, Crawley has the lowest economic activity and Chichester has the lowest employment rate. Adur has the highest economic activity rate (84.90%) and Crawley has the highest employment rate (79.90%). Self-employment rate for West Sussex is now at 10.90%, slightly higher than the regional and national rates.

Compared to the year ending Mar 2023, self-employment rates have decreased in Arun and Crawley. Worthing has the highest self-employment rate in the county at 19.20%. However, with significant fluctuations in the data in recent quarters, together with sampling issues these figures should be treated with some caution.

Economic Activity by local authorities

Metric	Economic activity rate - aged 16-64		Employment rate - aged 16-64		% aged 16-64 who are self employed	
	2023	2024	2023	2024	2023	2024
Adur	82.80%	84.90%	82.80%	71.00%	N/A	N/A
Arun	86.70%	84.20%	85.90%	79.00%	11.60%	5.50%
Chichester	66.10%	75.60%	63.50%	65.40%	7.60%	14.20%
Crawley	75.60%	73.60%	74.00%	79.90%	4.20%	3.70%
Horsham	87.70%	83.20%	86.70%	77.90%	13.80%	13.80%
Mid Sussex	83.10%	78.10%	83.10%	77.90%	12.50%	15.00%
Worthing	79.60%	78.40%	73.10%	79.40%	9.10%	19.20%
West Sussex	80.60%	79.60%	78.90%	76.30%	9.60%	10.90%
South East	80.70%	81.20%	78.00%	79.60%	10.10%	9.60%
England	78.60%	78.80%	75.70%	75.70%	9.50%	9.30%

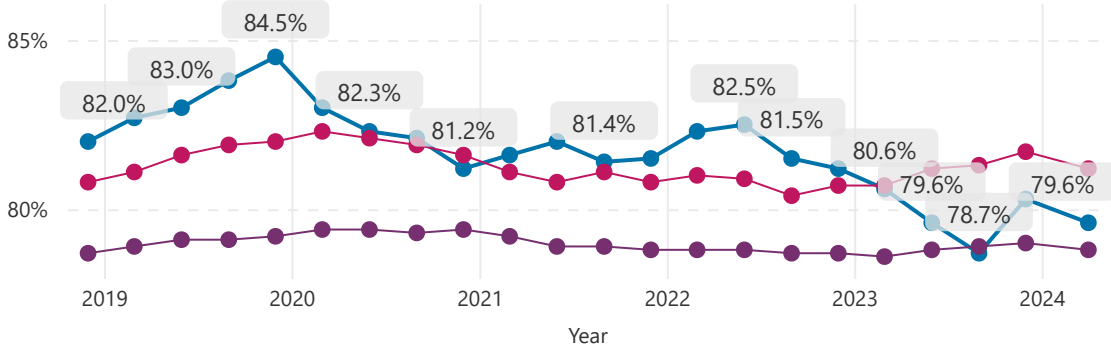
Economic Activity, West Sussex

Source: Annual Population Survey

Released: 18 July 2024 (Latest Data: Apr 2023 - Mar 2024)

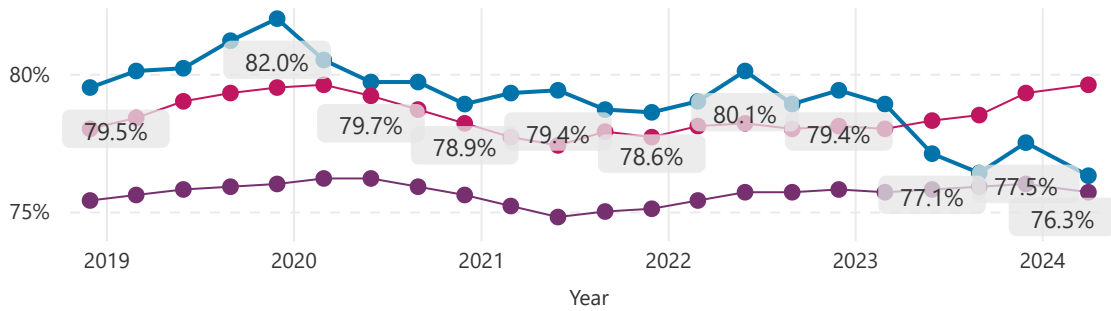
Economic activity rate - aged 16-64

● West Sussex ● South East ● England



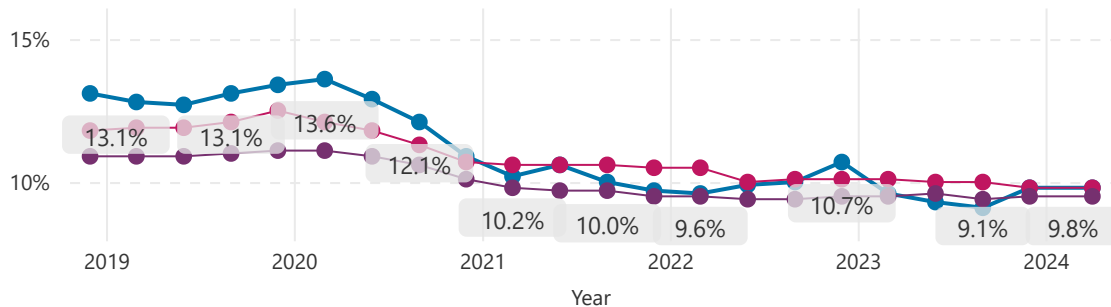
Employment rate - aged 16-64

● West Sussex ● South East ● England



% aged 16-64 who are self employed

● West Sussex ● South East ● England



Economically Inactive, West Sussex

Source: Annual Population Survey

Released: 18 July 2024 (Latest Data: Apr 2023 - Mar 2023)

Economically inactive are those who are not in employment, have not been seeking work and/or are unable to work. This group includes people who are retired, those looking after family, those who are long term sick and students.

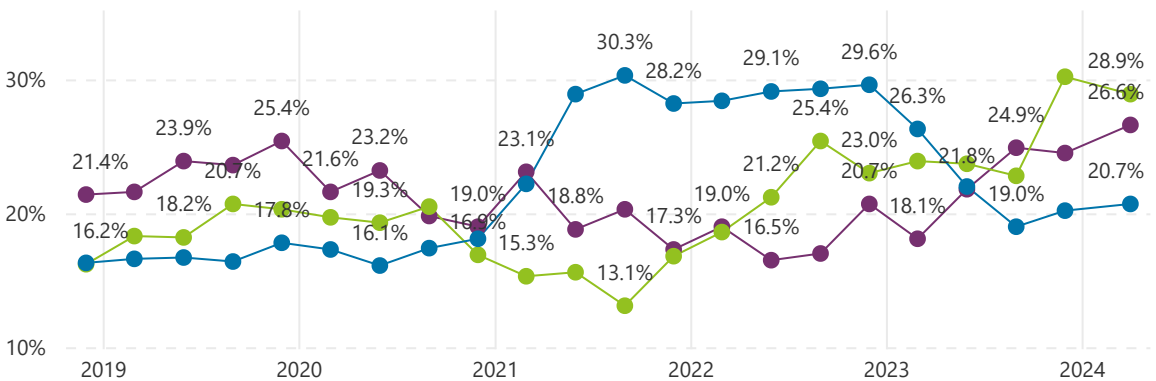
Economic inactivity by those who are retired has increased after a fall since year ending December 2022. What is noticeable however, is the increase, since the end of 2020, amongst those who are economically inactive because they are students, which has since fallen in the year ending September 2023. Economic inactivity due to long-term sick has seen an increase in West Sussex in the latest year ending September 2023 and remained fairly steady to year ending March 2024.

Economically inactive by age (%)

Age	Aged 16-24		Aged 25-49		Aged 50+	
	Apr 2022- Mar 2023	Apr 2023- Mar 2024	Apr 2022- Mar 2023	Apr 2023- Mar 2024	Apr 2022- Mar 2023	Apr 2023- Mar 2024
West Sussex	0.45%	0.40%	0.08%	0.08%	0.58%	0.58%
South East	0.38%	0.36%	0.10%	0.08%	0.55%	0.54%
England	0.40%	0.41%	0.12%	0.12%	0.57%	0.56%

Reasons for Economic Inactivity in West Sussex

● % of economically inactive long-term sick ● % of economically inactive retired ● % of economically inactive student



Claimant Count, West Sussex

Source: ONS, Claimant Count

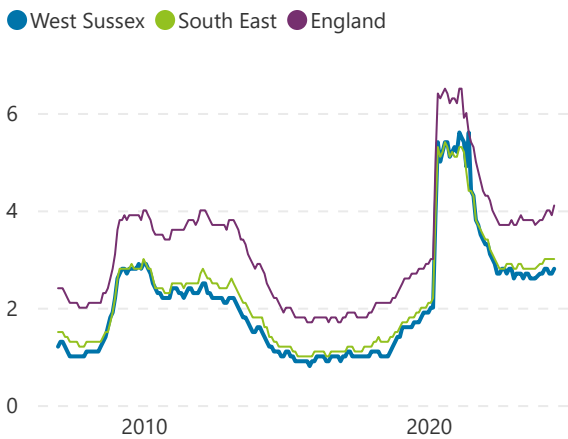
Released: 18 July 2024 (June 2024 figures are provisional)

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.

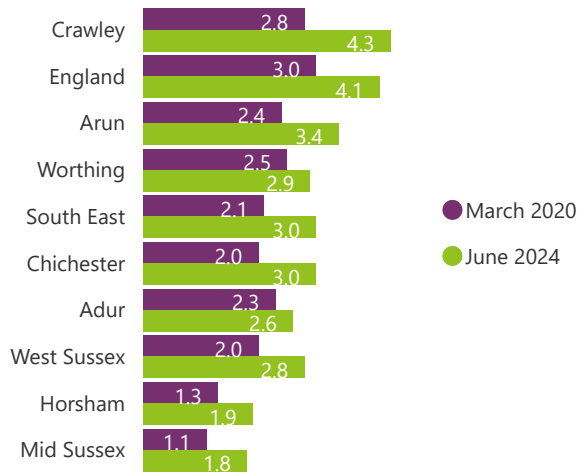
In June 2024, West Sussex saw a rise in claimants to 14,975, representing a 4.6% increase from the previous month. The claimant count rate increased to 2.8% for West Sussex and 4.1% for England. All districts except Mid Sussex experienced an increase, with Adur (5.9%), Arun (4.9%), Chichester (3.6%), Crawley (5.5%), and Worthing (9.5%) reporting the highest increases within the county.

Crawley recorded the highest claimant count (3,380) and rate (4.3%), exceeding the national average (4.1%) and the regional rate (3.0%). Conversely, Mid Sussex had the lowest claimant count rate (1.8%).

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 18.4%, while Chichester has the lowest at 11.7% and the highest proportion of claimants over 50 years old.

In June 2024, West Sussex experienced a 2% decrease in the number of 18-24 year-old Jobseeker Allowance claimants compared to the previous month, contrasting with a 0.5% national increase and a 1.1% regional decrease for this age group.

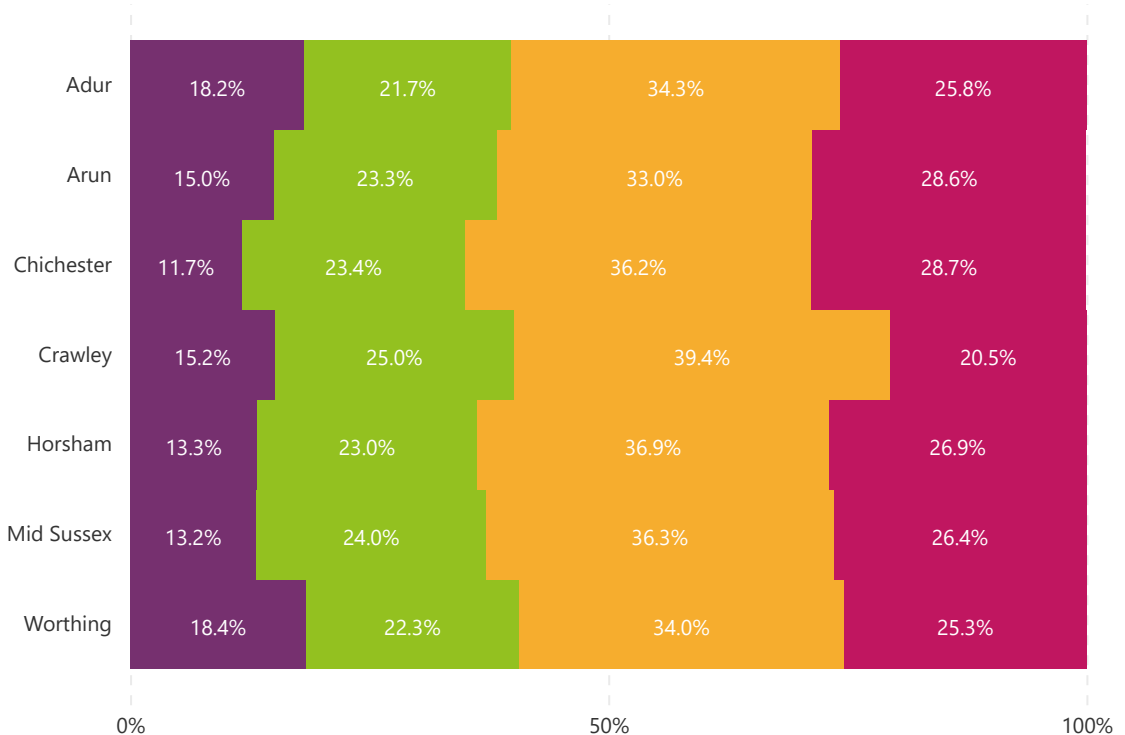
Within West Sussex, the following trends were observed:

- **Decreases:** Adur (5.3%), Chichester (7.4%), Crawley (1.9%), Horsham (2.2%) and Mid Sussex (4.3%)
- **No change:** Arun
- **Increases:** Worthing (2.9%)

Crawley reported the highest number of claimants aged 18-24, with 510 claimants.

Distribution of claimants by age band

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

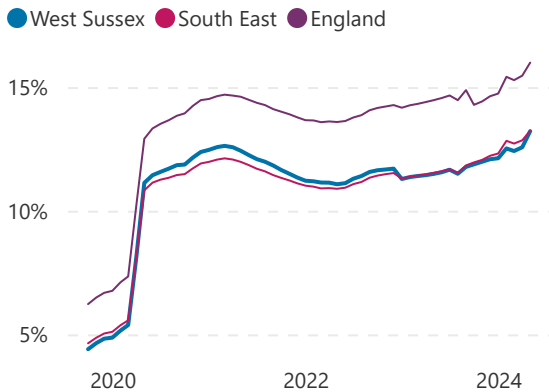


Universal Credit Claimants, West Sussex

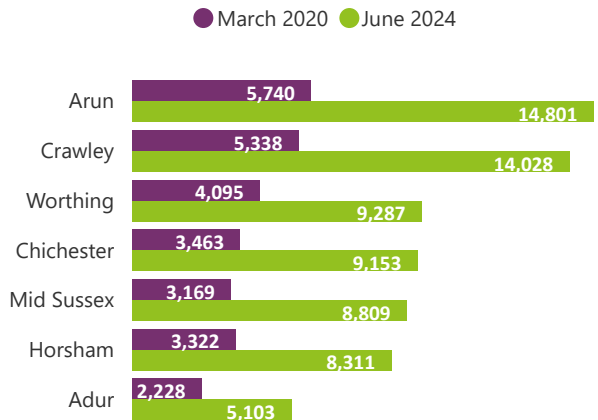
Source: [Department for Work and Pensions](#) Released: 9 July 2024 (June 2024 figures are provisional)

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 June 2024, there were 69,491 Universal Credit claimants in West Sussex, representing a 3.1% 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 69,491 in June 2024, a 154% increase. This rise is higher than the national increase of 131% and the regional increase of 142%. In West Sussex, 45% of those claiming Universal Credit in May 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%, May 2024) and England (38%, March 2024). Within West Sussex, Mid Sussex has the highest percentage of Universal Credit claimants who are in work (48% in May 2024). Mid Sussex has witnessed the highest percentage rise (178%) in claimants from March 2020 (pre-pandemic) to June 2024. Arun district currently has the highest number of Universal Credit claimants at over 14,801. The employment/not in employment breakdown for June 2024 hasn't been released yet.

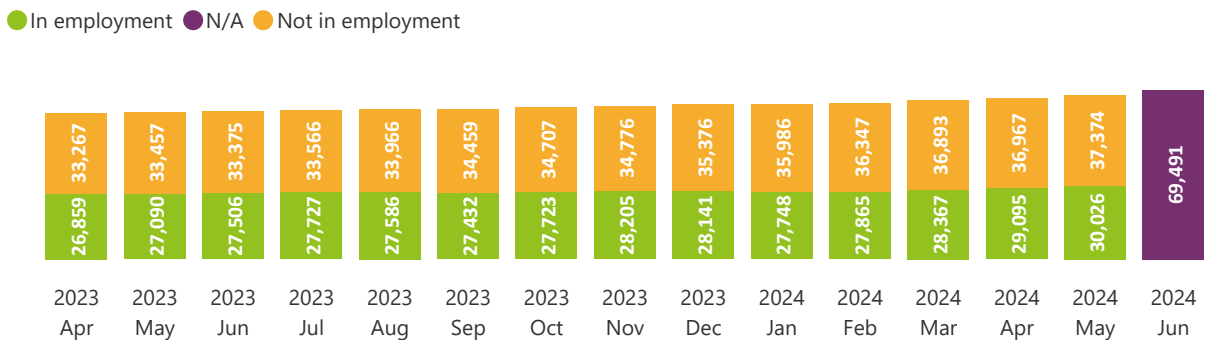
Percentage of people aged 16-64 years claiming Universal Credit



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: 18 July 2024

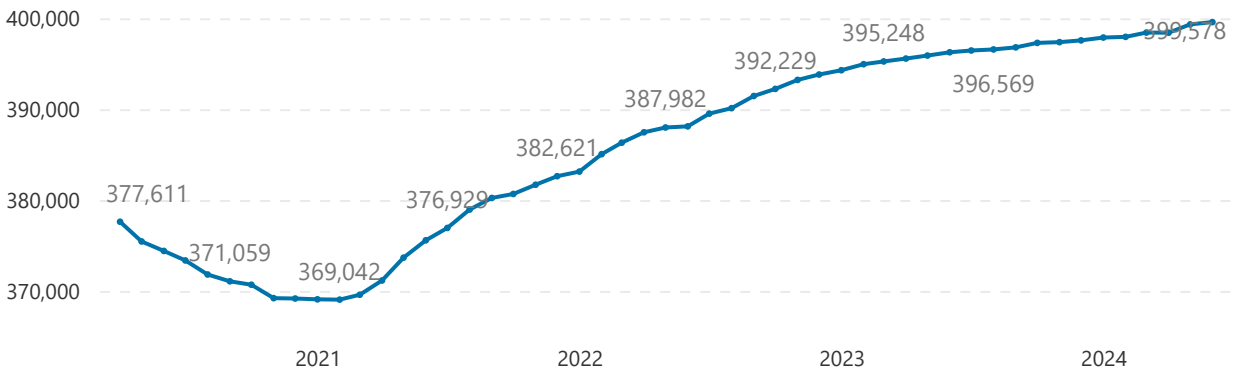
This data is taken from experimental statistics obtained from the Office for National Statistics (ONS). The data is derived from earnings and employment figures collected through the Pay as You Earn (PAYE) Real Time Information (RTI) system and has been seasonally adjusted to account for predictable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

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

- West Sussex: +0.06%
- South East: +0.02%
- UK: +0.05%

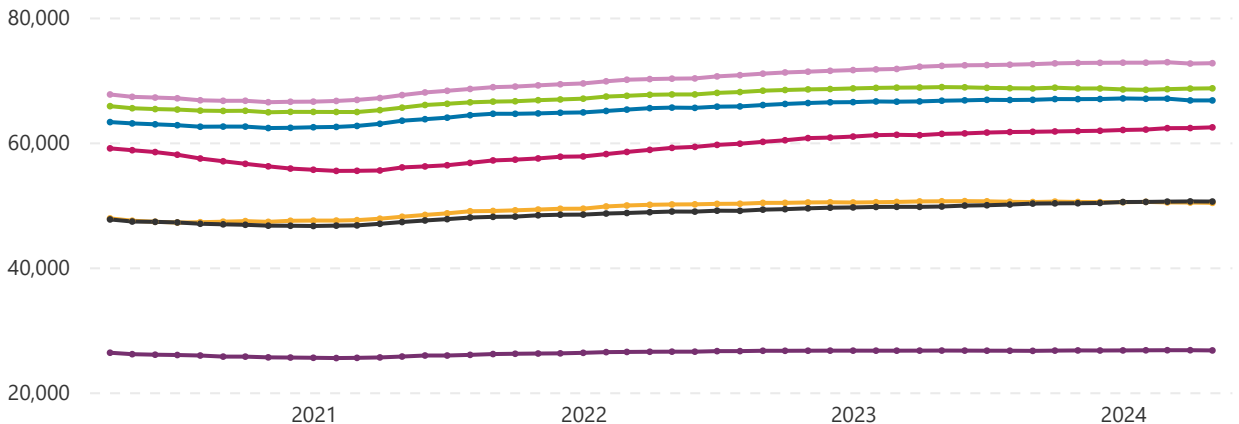
There was a slight increase in the number of employees in West Sussex, South East and England from May 2024 to June 2024.

West Sussex Number of Employees



District Number of Employees

Location: Adur (Purple), Arun (Green), Chichester (Yellow), Crawley (Pink), Horsham (Blue), Mid Sussex (Light Purple), Worthing (Black)



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](#)

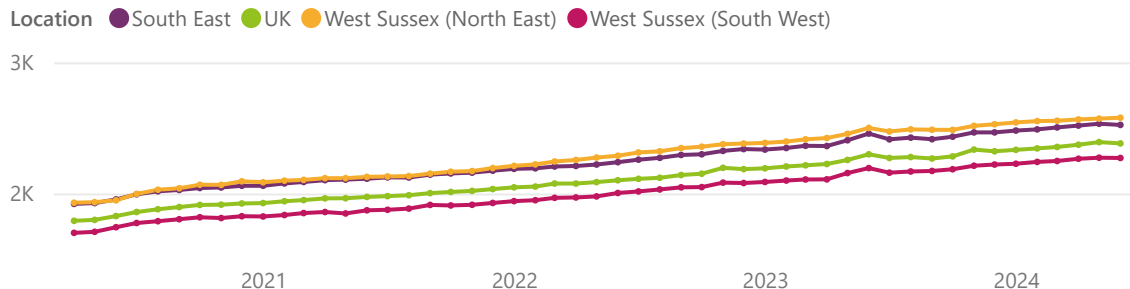
Released: 18 July 2024

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 data set and are up to the month of June 2024.

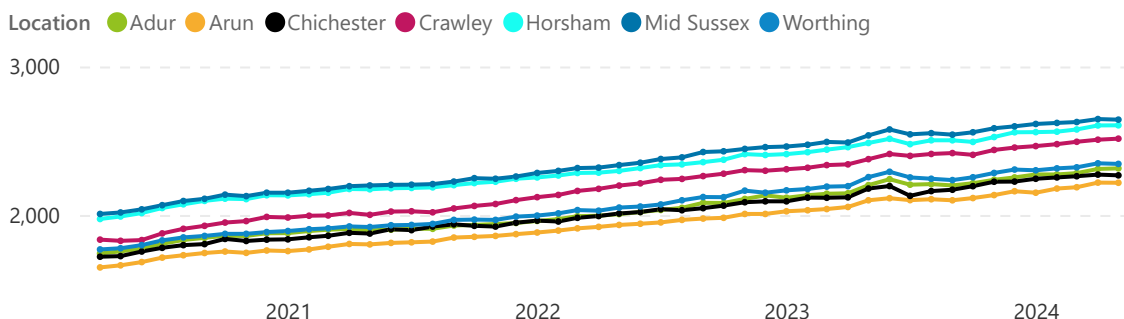
ONS data (June 2024) shows West Sussex South West median pay decreased by 0.09% and West Sussex North East increased by 0.27%. The South East region decreased by 0.36% and the UK decreased by 0.42% compared to May 2024.

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. 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).

Median Pay National and Regional Figures



Median Pay in West Sussex



Job Vacancies, UK

Source: [ONS](#)

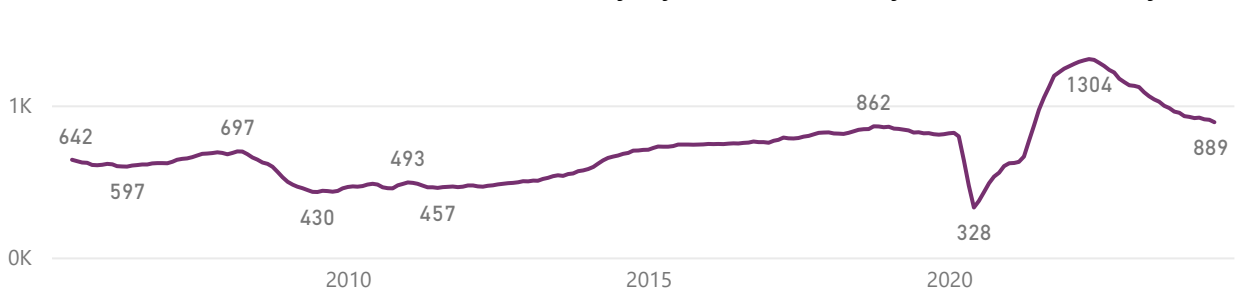
Released: 18 July 2024

The estimated number of vacancies in the UK from April to June 2024 was 889,000, a decrease of 30,000 or 3.3% from January to March 2024. Vacancy numbers decreased on the quarter for the 24th consecutive period in April to June 2024, with vacancies decreasing in 14 of the 18 industry sectors. In April 2024 to June 2024, total estimated vacancies were down by 151,000 (14.5%) from the level seen in the previous year, although they remained 93,000 (11.6%) above their pre-coronavirus (COVID-19) pandemic January to March 2020 levels. In March to May 2024, the number of unemployed people per vacancy was 1.7, up from 1.6 the previous quarter (December 2023 to February 2024) because of falling vacancy numbers alongside rising unemployment.

The industry sector showing the least annual decrease in the number of vacancies was education which decreased by 8.4%.

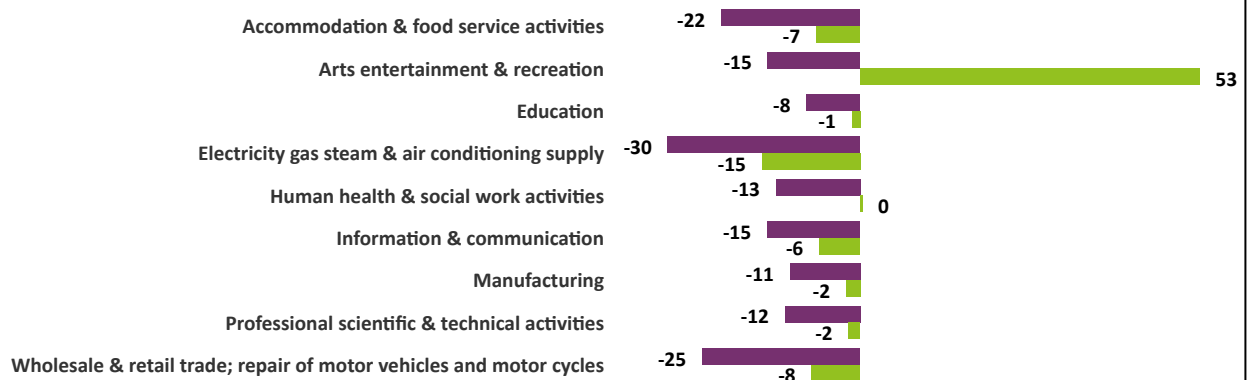
Number of vacancies in the UK

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 Apr to Jun 2023 ● Quarterly percentage change since Jan to Mar 2024



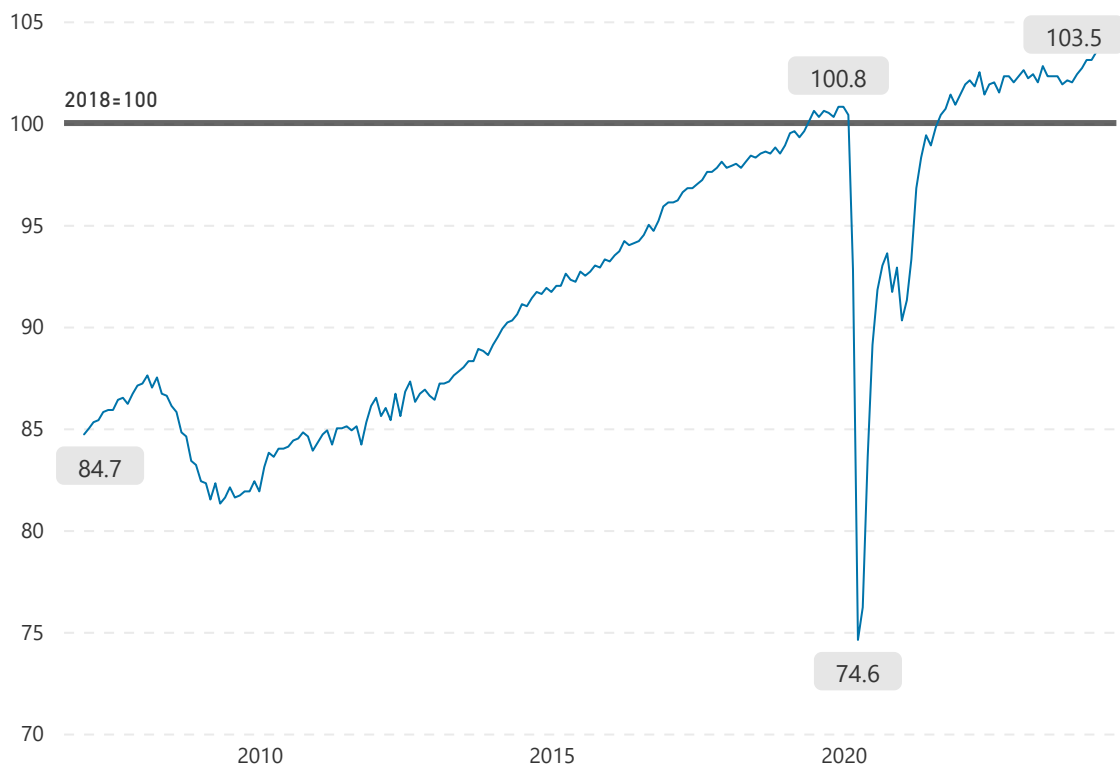
National Headlines - Gross Domestic Product (GDP), UK

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

Released: 11 July 2024

- Monthly real gross domestic product (GDP) is estimated to have grown by 0.4% in May 2024 after showing no growth in April 2024 (unrevised from our last publication).
- Real gross domestic product is estimated to have grown by 0.9% in the three months to May 2024 compared with the three months to February 2024, driven by a growth of 1.1% in services output.
- Services output grew by 0.3% in May 2024, following growth of 0.3% in April 2024 (revised up from 0.2% growth in our last publication), and was the largest contributor to monthly GDP growth in May 2024.
- Production output grew by 0.2% in May 2024 following an unrevised fall of 0.9% in April 2024, and showed no growth in the three months to May 2024.
- Construction output grew by 1.9% in May 2024, following a fall of 1.1% in April 2024 (revised up from a fall of 1.4% in our last publication), and fell by 0.7% in the three months to May 2024.

Monthly index, UK



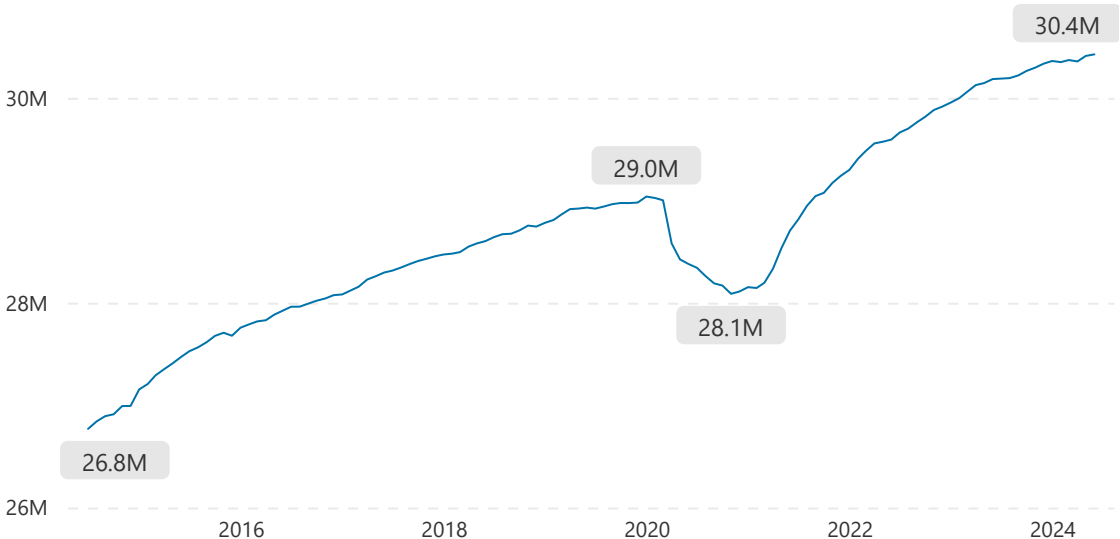
Labour Market, UK

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

Released: 18 July 2024

- Early estimates for June 2024 indicate that the number of payrolled employees rose by 0.8% compared with June 2023, a rise of 241,000 employees.
- This annual increase was largest in the health and social work sector, a rise of 161,000 employees.
- Payrolled employees increased by 16,000 (0.1%) in June 2024 when compared with May 2024 figures for June should be treated as provisional estimates and are likely to be revised when more data are received next month.
- UK payrolled employee growth for May 2024 compared with April 2024 has been revised from a decrease of 3,000 reported in the last bulletin to an increase of 54,000; 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 June 2024 indicate that median monthly pay increased by 3.6% compared with June 2023.
- Annual growth in median pay in June 2024 was highest in the wholesale and retail sector, with an increase of 8.2%, and lowest in the health and social work sector, with a decrease of 8.2%; the decrease in the health and social work sector reflects the comparison with June 2023, when a pay settlement was paid to all NHS workers.

Payrolled employees, seasonally adjusted, UK



Businesses currently trading, UK

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

Released: 18 July 2024

The data presented in this bulletin are the final results from Wave 112 of the Business Insights and Conditions Survey (BICS), which was live from 1 to 14 July 2024.

- The latest results suggest that business conditions continue to remain challenging, with the proportion of trading businesses expecting their turnover to increase, falling from a high of 22% for March 2024, to 15% for August 2024.
- More than 1 in 5 (22%) trading businesses reported that their turnover had decreased in June 2024 compared with May 2024, 16% reported their turnover was higher, while 54% reported their turnover had stayed the same; these figures are all broadly stable from last month.
- More than 1 in 5 (21%) trading businesses reported an increase in the prices of goods or services bought in June 2024 when compared with May 2024, while less than 1 in 10 (8%) reported an increase in the prices of goods or services sold; these are the lowest proportions reported since these response options were introduced in March 2022.
- More than two thirds (69%) of trading businesses expect the prices of goods or services they sell in August 2024 to stay the same, broadly stable with expectations for July 2024; 9% reported that they expect prices to increase, down 2 percentage points over the same period, and the lowest proportion reported since the question was introduced in April 2022.
- Fewer than 1 in 10 (6%) businesses with 10 or more employees experienced global supply chain disruption in June 2024, broadly stable with May 2024.
- In early July 2024, 10% of all businesses and 21% of businesses with 10 or more employees reported that they were experiencing worker shortages; both figures are broadly stable with early June 2024.

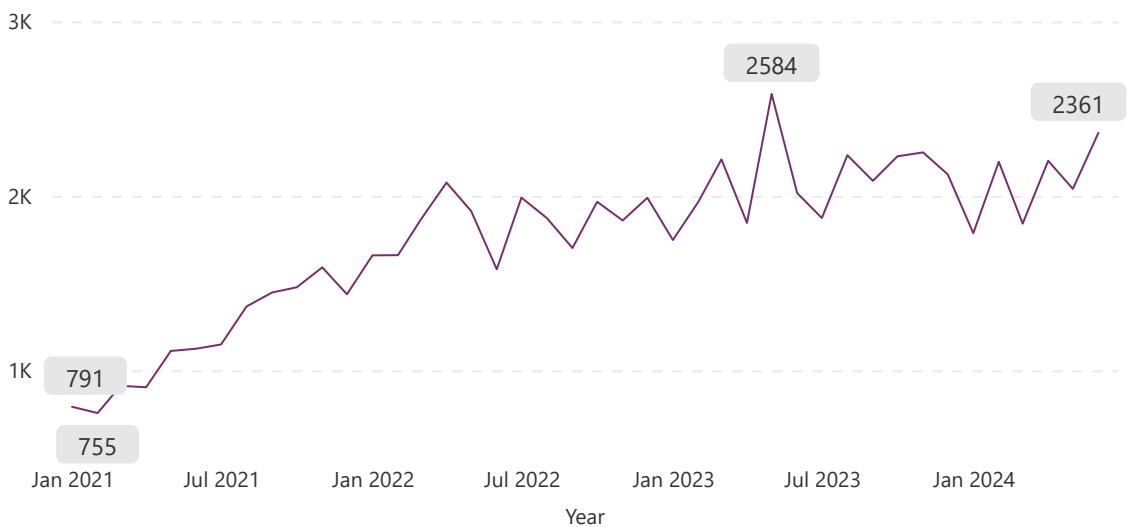
Businesses Closures, UK

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

Released: 19 July 2024

- After seasonal adjustment, the number of registered company insolvencies in England and Wales in June 2024 was 2,361, 16% higher than in May 2024 (2,040) and 17% higher than the same month in the previous year (2,016 in June 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 June 2024 consisted of 302 compulsory liquidations, 1,866 creditors' voluntary liquidations (CVLs), 170 administrations and 23 company voluntary arrangements (CVAs). All types of company insolvency were higher than in both June 2023 and May 2024.
- One in 179 companies on the Companies House effective register (at a rate of 55.8 per 10,000 companies) entered insolvency between 1 July 2023 and 30 June 2024. This was an increase from the 55.1 per 10,000 companies that entered insolvency in the 12 months ending 30 June 2023. These 12-month rolling rates are calculated as a proportion of the total number of companies on the effective register to show longer term trends and reduce the volatility that would be 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: 23 July 2024

- After seasonal adjustment, 10,395 individuals entered insolvency in England & Wales in June 2024. This was 11% higher than in May 2024 and 33% higher than in June 2023.
- The individual insolvencies consisted of 651 bankruptcies, 4,383 debt relief orders (DROs) and 5,361 individual voluntary arrangements (IVAs). The number of DROs in June 2024 increased compared to May 2024, which had already set a record high in the monthly time series going back to their introduction in 2009. The higher DRO numbers since April 2024 coincided with the removal of the £90 administration fee to obtain a DRO from 6 April 2024. The number of IVAs registered in June was similar to the numbers seen over the past 12 months. Bankruptcy numbers remained at about half of pre-2020 levels, but similar levels to those seen in the last 12 months.
- In the 12 months ending 30 June 2024, one in 457 adults in England & Wales entered insolvency (a rate of 21.9 per 10,000 adults). This is lower than the rate of 23.4 per 10,000 adults (1 in 427) who entered insolvency in the 12 months ending 30 June 2023.
- There were 6,970 Breathing Space registrations in June 2024. This is 12% lower than in June 2023.

Individual insolvencies in England & Wales

