

West Sussex Economy Snapshot

June 2024 (Issue 47)

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 May 2024, West Sussex had 14,370 claimants. The claimant count rate remained unchanged from April 2024 to May 2024 for West Sussex (2.7%), South East (3%), and England (4%). However, some district-level fluctuations were observed, with decreases in Arun (-1.4%), Chichester (-0.5%), and Mid Sussex (-4.7%), and increases in Adur (2.1%), Horsham (4.7%), and Worthing (0.8%). Crawley recorded the highest claimant count (3,115) and rate (4%), aligning with the national average and exceeding the regional rate (3.0%). Conversely, Mid Sussex had the lowest claimant rate (1.8%).

In West Sussex, the number of people claiming Universal Credit has surged by 141% since March 2020, reaching 68,006 in May 2024. Notably, 44% of these claimants are employed, exceeding both regional and national averages. Mid Sussex leads with the highest percentage of employed claimants (47%) and the highest increase in claimants since March 2020 (164%). Arun district has the largest number of claimants at over 14,522.

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 (0.03%) from April 2024 to May 2024 compared to the decrease seen in the regional (-0.02%) and national (-0.01%) level.

Pay levels have increased in West Sussex South West and North East over the last month, April '24 to May '24 by 0.04% and 0.16% respectively. This is close compared to the regional (0.08%) and national (0.13%) trend. West Sussex North East (Crawley, Horsham, Mid Sussex) in May 2024 had a monthly median pay of £2,578 compared to that of West Sussex South West (Adur, Arun, Chichester, Worthing) of £2,269.

New business incorporations in West Sussex remain above pre-pandemic levels. The last three months, March 2024 - May 2024 saw a net increase of 384 businesses (1,752 incorporations vs. 1,368 closures/liquidations). In April 2024 alone there were 471 openings exceeding 438 closures. Mid Sussex has the highest number of new incorporations and closures.

The latest economic activity figures published cover the twelve months to December 2023 and West Sussex now has a lower economic activity rate (80.30%) compared with the regional average (81.70%) and a higher economic activity rate than the national average (79.00%). The employment rate of West Sussex (77.50%) is on level with the regional average (77.50%) and higher than the national average (76.00%). The percentage of people who are self-employed in West Sussex (9.80%) is higher than the regional (9.50%) and national average (9.50%).

Economic inactivity figures cover the twelve months to December 2023. West Sussex has an economic inactivity rate of 19.7% for this period, which is higher than the regional average (18.3%) but lower than the national average (21.0%). The most common reasons for economic inactivity in West Sussex were retirement (30.2%), long-term sickness (24.5%), and being a student (20.2%).

National Headlines

UK GDP Growth Slows in February:

- Monthly GDP showed no growth in April 2024, following a growth of 0.4% in March 2024.
- Services grew in April 2024 by 0.2%.
- Production and Construction output fell in April 2024 by 1.4%.

UK job vacancies decreased slightly (1.3%) in March to May 2024 compared to December 2023 to February 2024. This is the 23rd 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 May compared to April, while 17% saw an increase. These figures remain relatively stable.
- **Prices:** Nearly a quarter (24%) of businesses experienced increased input costs (goods/services bought) in May 2024.
- **Supply Chain:** Fewer than 1 in 10 (6%) of businesses with 10 or more employees experienced global supply chain disruption in May 2024.
- **Worker Shortage:** In early June 2024, 22% of businesses with 10 or more employees reported that they were experiencing worker shortages.

Company Insolvencies in England and Wales (May 2024):

Data indicates a decrease in company insolvencies across England and Wales for May 2024. The number of company insolvencies recorded in May 2024 was 2,006, 6% lower than in April 2024.

Individual Insolvencies:

Following a similar trend, individual insolvencies in England and Wales also saw a decrease in May 2024. There were 9,266 individuals entering insolvency during this period, 4% lower than in April 2024.

Key Points:

- Company insolvencies in England and Wales decreased by 6% in May 2024 compared to April 2024.
- Individual insolvencies followed a similar trend, decreasing by 4% compared to April 2024.

Inside this report

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

West Sussex

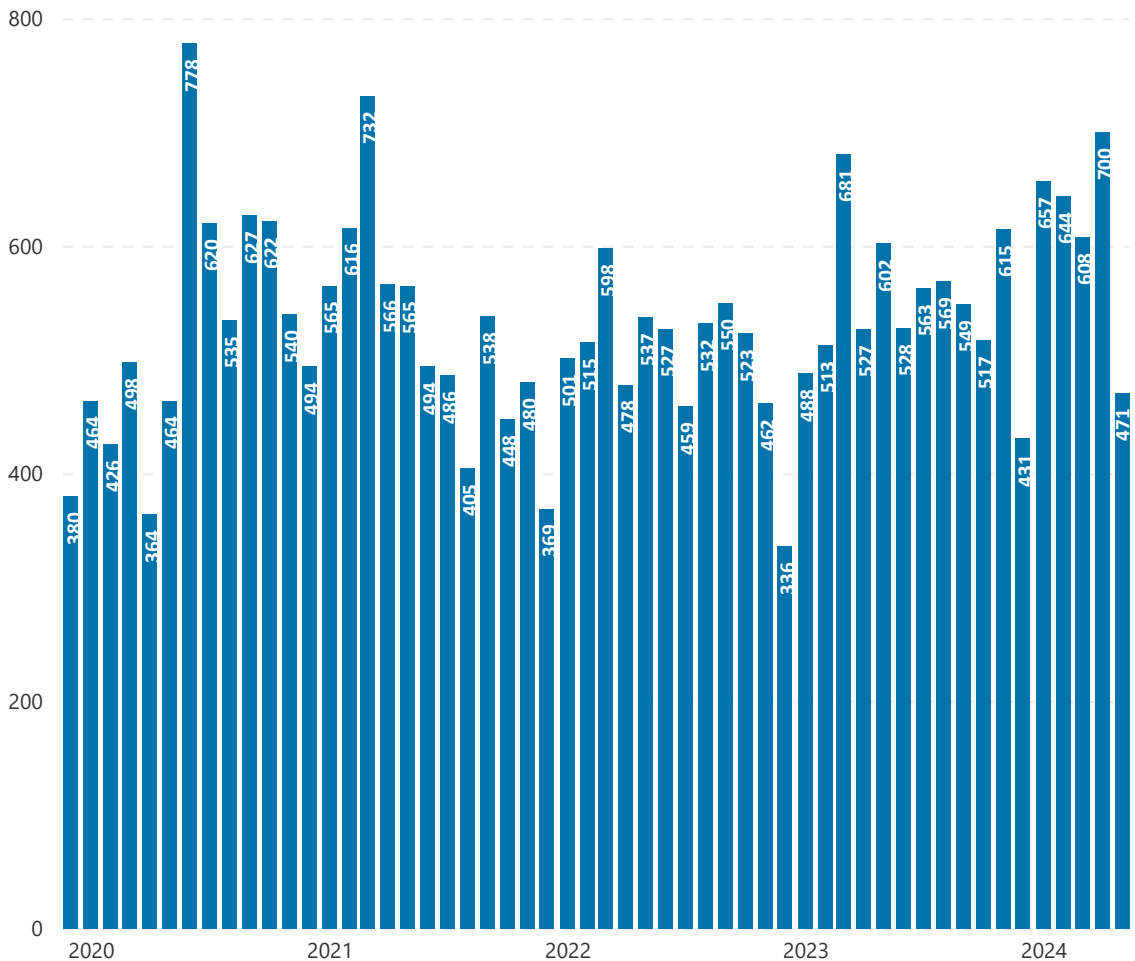
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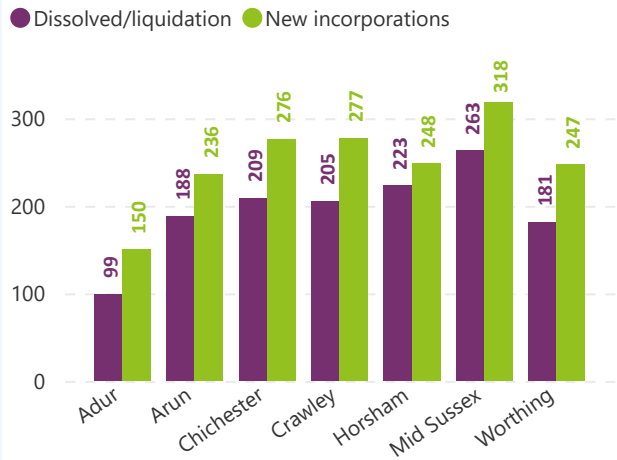
The time series shows fluctuations month on month, but generally, the numbers of new business formations have tended to be at levels greater than those seen pre-pandemic. In West Sussex in the last 12 months, June 2023- May 2024, there were around 6,519 new business incorporations, 989 higher than the 5,530 businesses that were dissolved, or which had gone into liquidation. In the last 3 months – March 2024 – May 2024 there were 384 more new business incorporations (1,752) than business that dissolved/in liquidation (1,368). In May 2024, there were more new businesses (471) than closures (438).

New business incorporations in West Sussex



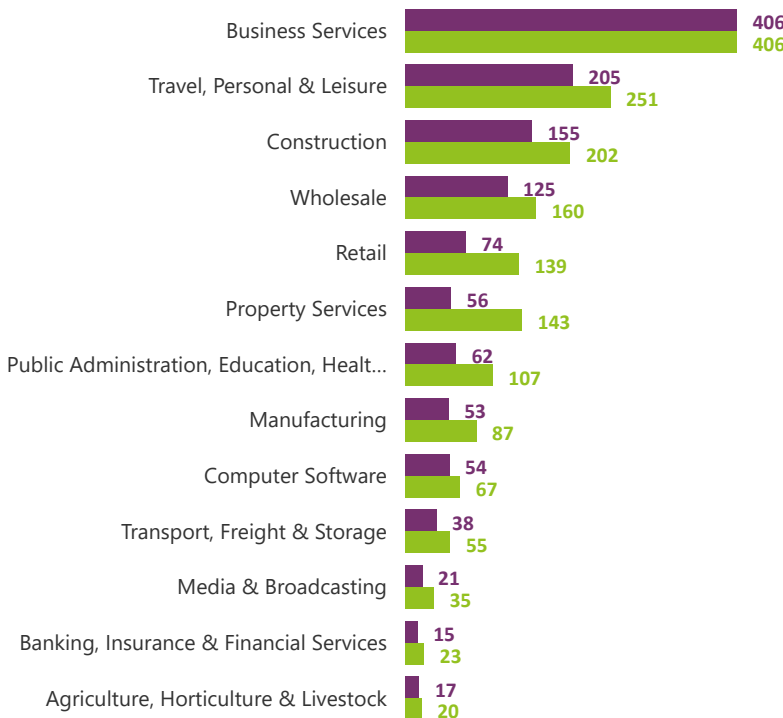
Over the last three-month period (March 2024–May 2024), Mid Sussex had the highest number of new business incorporations and the highest number of businesses that have dissolved or are in liquidation. Within West Sussex, all local authorities had more new business incorporations than those that had closed.

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



Number of new business incorporations and businesses dissolved/in liquidation by industry (Mar'24 - May'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: 16 April 2024 (Latest Data: Jan 2023 -Dec 2023)

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 Dec'23 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. West Sussex now has an employment rate (77.50%) equal to the regional average (77.50%) and higher than that of the national average (76.00%). Within the county, Chichester has the lowest economic activity and the lowest employment rate and Worthing has the highest economic activity rate and employment rate. Self-employment rate for West Sussex is now at 9.80%, slightly higher than the regional and national rates.

Compared to the year ending Dec 2022, self-employment rates have decreased in Arun, Horsham and Worthing. Worthing has the highest self-employment rate in the county at 15.40%. 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	
	2022	2023	2022	2023	2022	2023
Location	2022	2023	2022	2023	2022	2023
Adur	77.50%	77.60%	77.50%	77.60%	N/A	N/A
Arun	85.50%	87.00%	81.80%	81.20%	10.80%	5.00%
Chichester	65.40%	67.80%	63.10%	65.50%	5.60%	13.90%
Crawley	80.80%	78.60%	79.50%	78.60%	5.40%	N/A
Horsham	91.10%	79.90%	90.10%	78.00%	16.30%	13.90%
Mid Sussex	82.70%	80.60%	82.70%	78.70%	13.00%	13.60%
Worthing	80.30%	88.40%	76.50%	82.30%	16.40%	15.40%
West Sussex	81.20%	80.30%	79.40%	77.50%	10.70%	9.80%
South East	80.70%	81.70%	79.40%	77.50%	9.50%	9.50%
England	78.70%	79.00%	75.80%	76.00%	9.50%	9.50%

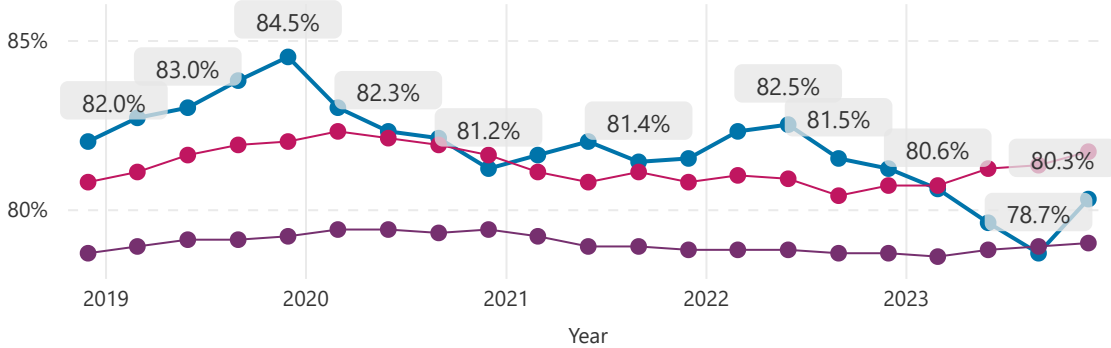
Economic Activity, West Sussex

Source: Annual Population Survey

Released: 16 April 2024 (Latest Data: Jan 2023 -Dec 2023)

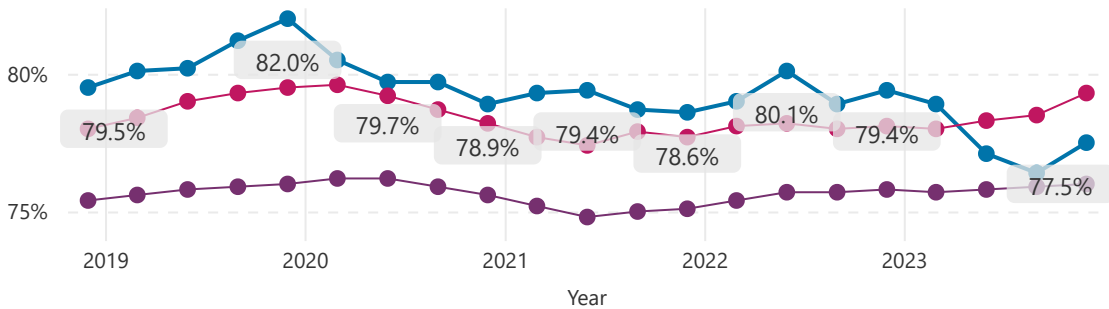
Economic activity rate - aged 16-64

● West Sussex ● South East ● England



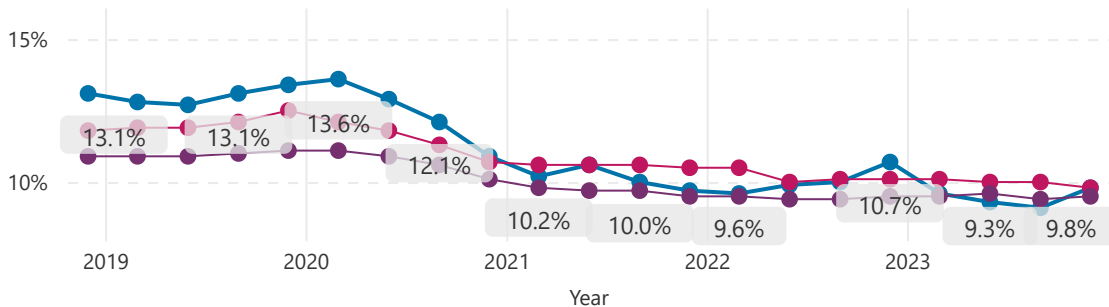
Employment rate - aged 16-64

● 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: 16 April 2024 (Latest Data: Jan 2023 -Dec 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.

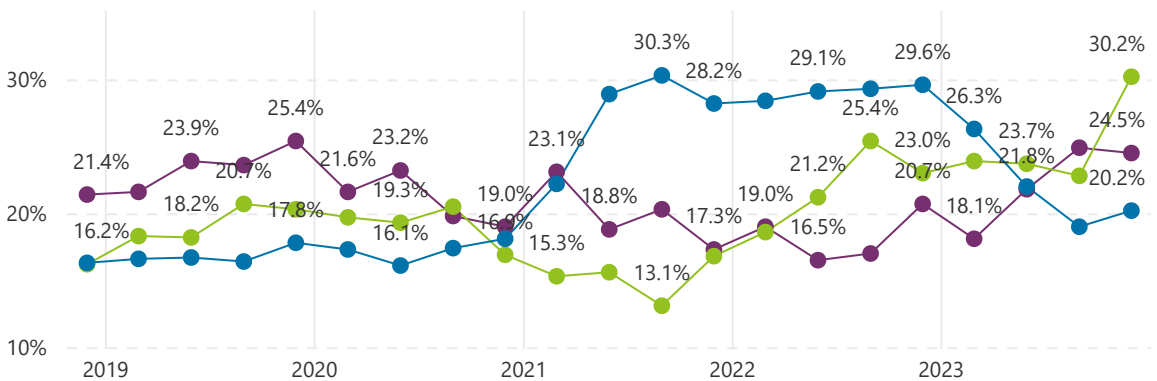
Economic inactivity by those who are retired has increased after a fall since year ending December 2022. What is noticeable however, is the increase, since the end of 2020, amongst those who are economically inactive for the reason that they are students, though this has fallen in the year ending September 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 even to year ending December 2023.

Economically inactive by age (%)

Age	Aged 16-24		Aged 25-49		Aged 50+	
	Jan 2022- Dec 2022	Jan 2023- Dec 2023	Jan 2022- Dec 2022	Jan 2023- Dec 2023	Jan 2022- Dec 2022	Jan 2023- Dec 2023
West Sussex	44.30%	35.30%	8.00%	8.00%	57.30%	59.00%
South East	39.00%	36.20%	10.10%	8.90%	55.00%	54.30%
England	40.20%	40.10%	11.90%	11.80%	56.70%	56.10%

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: 22 June 2024 (May 2024 figures are provisional)

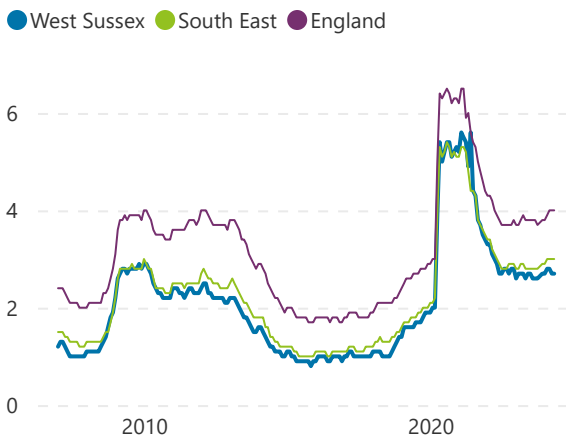
The claimant count includes those people who are claiming either Job Seekers Allowance or Universal Credit principally because they are out of work or working very few hours and/or have a very low wage.

In May 2024, the number of Jobseeker Allowance claimants in West Sussex remained unchanged (14,370) compared to the previous month. The claimant count rate also remained unchanged for West Sussex, South East and England compared to the previous month. However, some districts experienced fluctuations:

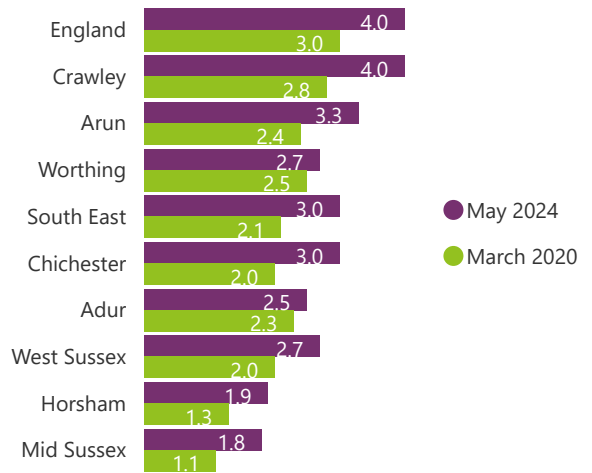
- Arun (-1.4%), Chichester (-0.5%), and Mid Sussex (-4.7%) saw a decrease in claimants.
- Adur (2.1%), Horsham (4.7%), and Worthing (0.8%) reported an increase in claimants.

Crawley recorded the highest claimant count (3,115) and rate (4%), aligning with the national average and exceeding 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: Adur has the highest proportion of claimants aged 18-24 (20.2%), while Chichester has the lowest (13.5%). Conversely, Chichester has the highest proportion of claimants over 50 years old.

In May 2024, West Sussex experienced a 1.3% decrease in the number of 18-24 year-old Jobseeker Allowance claimants compared to the previous month, contrasting with a 0.1% national increase and a 0.2% regional decrease for this age group.

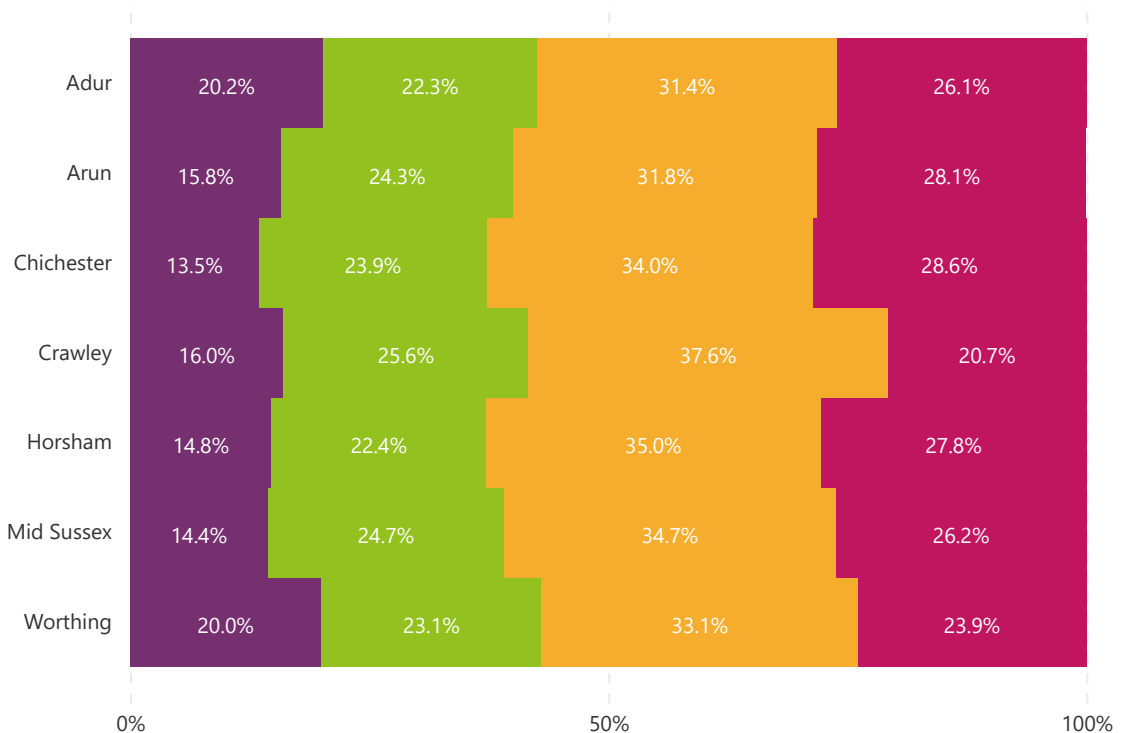
Within West Sussex, the following trends were observed:

- **Decreases:** Arun (3%), Chichester (3.5%), and Mid Sussex (10.2%)
- **No change:** Horsham
- **Increases:** Adur (2.6%), Crawley (1.1%), and Worthing (2.8%)

Arun and Crawley jointly reported the highest number of claimants aged 18-24, with 495 claimants each.

Distribution of claimants by age band

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

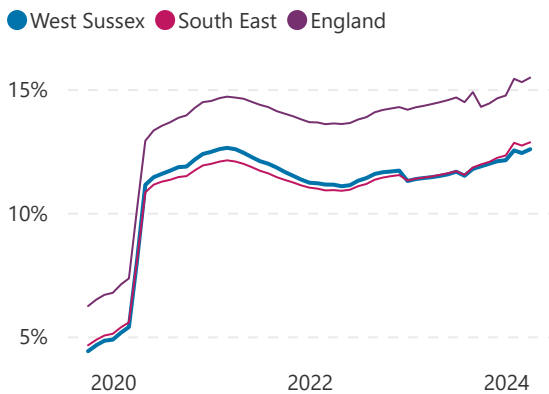


Universal Credit Claimants, West Sussex

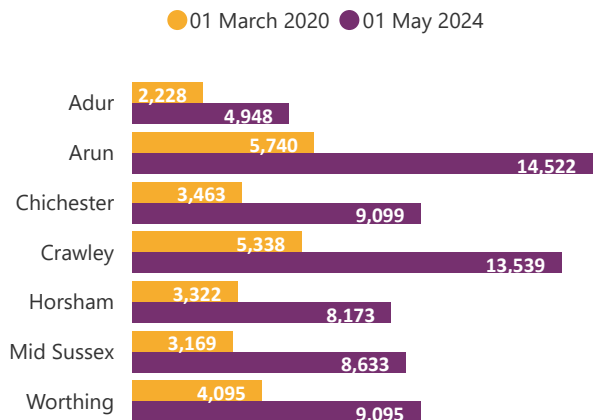
Source: [Department for Work and Pensions](#) Released: 22 June 2024 (May 2024 figures are provisional)

Universal Credit is a single payment per household that helps with living costs for those on a low income or out of work. In May 2024, there were 68,006 Universal Credit claimants in West Sussex, representing a 2.9% 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 68,006 in May 2024, a 141% increase. This rise is higher than the national increase of 128% and the regional increase of 139%. In West Sussex, 44% of those claiming Universal Credit in April 2024 were in employment. This figure has risen from 41% observed in March 2020. West Sussex also has a higher proportion of claimants in employment compared to both the South East (40%, April 2024) and England (38%, March 2024). Within West Sussex, Mid Sussex hold the highest percentage of Universal Credit claimants who are in work (47% in April 2024). Mid Sussex has witnessed the highest percentage rise (164%) in claimants from March 2020 (pre-pandemic) to May 2024. Arun district currently has the highest number of Universal Credit claimants at over 14,522. Since March 2020, there has been a substantial increase in the number of residents claiming Universal Credit across the entire county. The employment/not in employment breakdown for May 2024 hasn't been released yet.

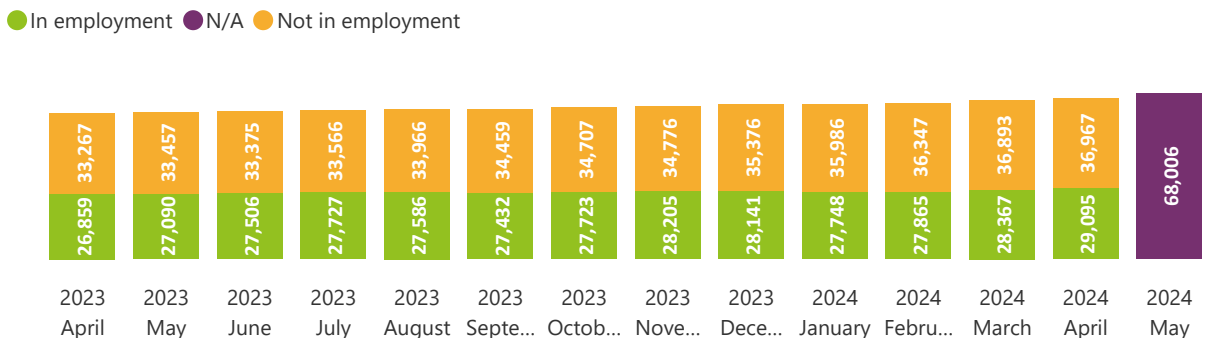
Percentage of people aged 16-64 years claiming Universal Credit



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: 16 May 2024

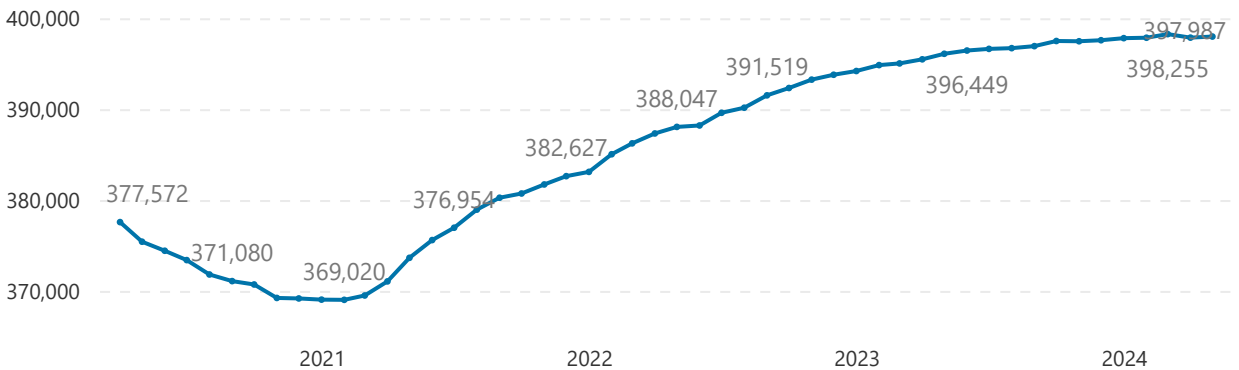
This data is taken from experimental statistics obtained from the Office for National Statistics (ONS). The data is derived from earnings and employment figures collected through the Pay as You Earn (PAYE) Real Time Information (RTI) system and has been seasonally adjusted to account for predictable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

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

- West Sussex: 0.03%
- South East: -0.02%
- UK: -0.01%

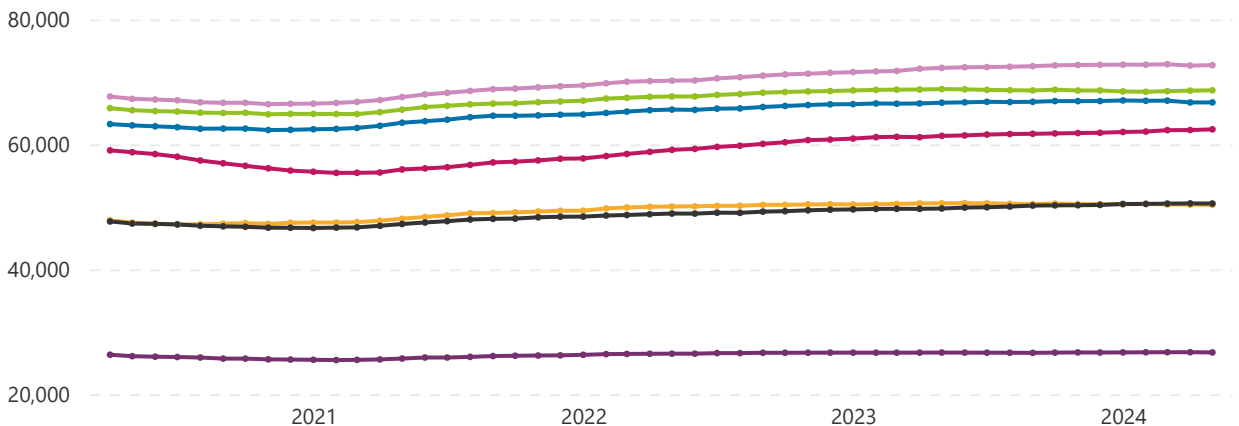
There was a slight increase in the number of employees in West Sussex from April 2024 to May 2024 compared the regional and national figures which both saw a decrease in the number of employees.

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: 11 June 2024

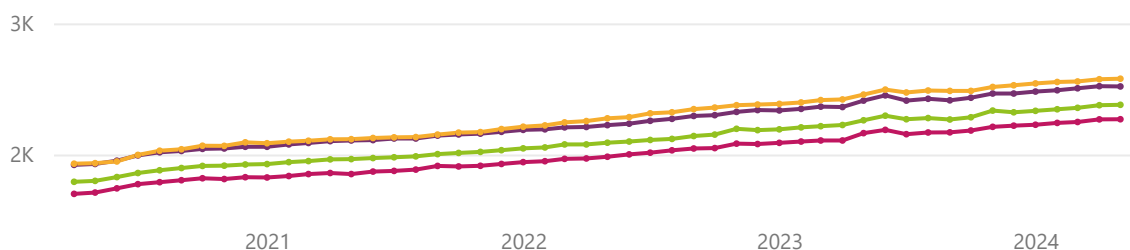
As in the previous page, these figures are based on the ONS statistics from the earnings and employment Pay As You Earn (Seasonally Adjusted) RTI data set and are up to the month of May 2024.

ONS data (May 2024) shows West Sussex (South West & North East) median pay increased by 0.04% & 0.16% respectively. The South East region decreased by 0.08%, while the UK increased by 0.13% compared to April 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).

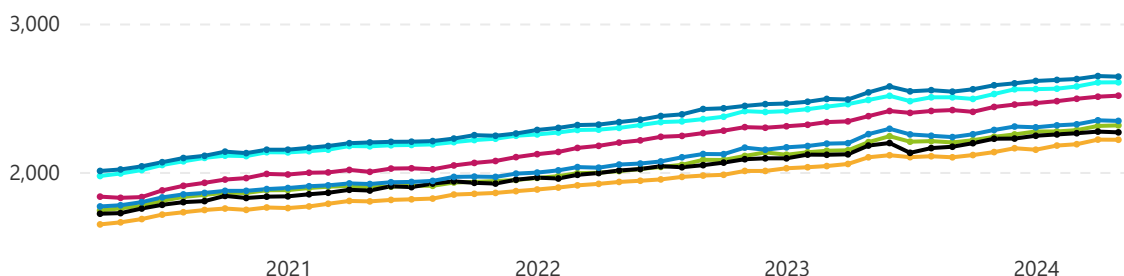
Median Pay National and Regional Figures

Location ● South East ● UK ● West Sussex (North East) ● West Sussex (South West)



Median Pay in West Sussex

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



Job Vacancies, UK

Source: [ONS](#)

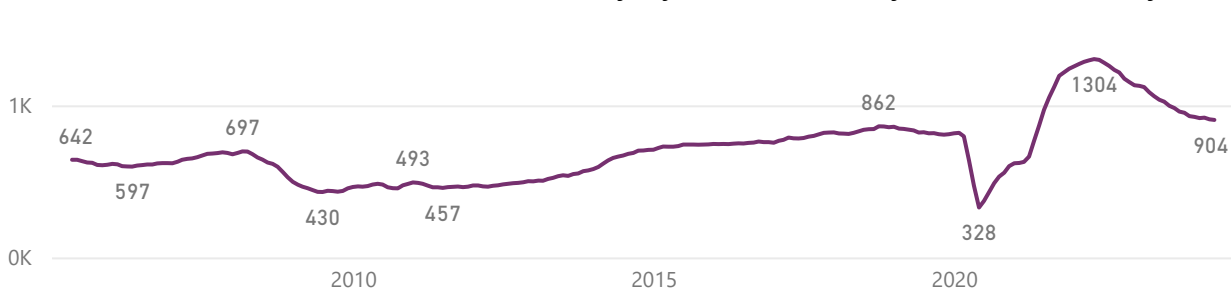
Released: 11 June 2024

The estimated number of vacancies in the UK from March to May 2024 was 904,000, a decrease of 12,000 or 1.3% from December 2023 to February 2024. Vacancy numbers decreased on the quarter for the 23rd consecutive period in March to May 2024, with vacancies decreasing in 9 of the 18 industry sectors. In March 2024 to May 2024, total estimated vacancies were down by 156,000 (14.7%) from the level seen in the previous year, although they remained 108,000 (13.6%) above their pre-coronavirus (COVID-19) pandemic January to March 2020 levels. In February to April 2024, the number of unemployed people per vacancy was 1.7, up from 1.5 the previous quarter (November to January 2024) because of rising unemployment.

The industry sector showing the largest annual increase in the number of vacancies was human health and social work which increased by 4.8%.

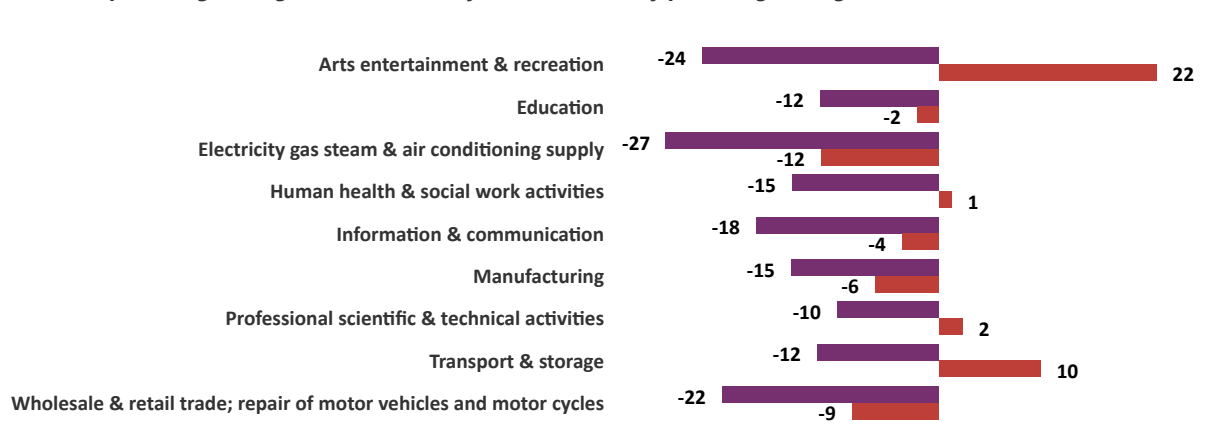
Number of vacancies in the UK

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 Mar to May 2023 ● Quarterly percentage change since Dec 2023 to Feb 2024



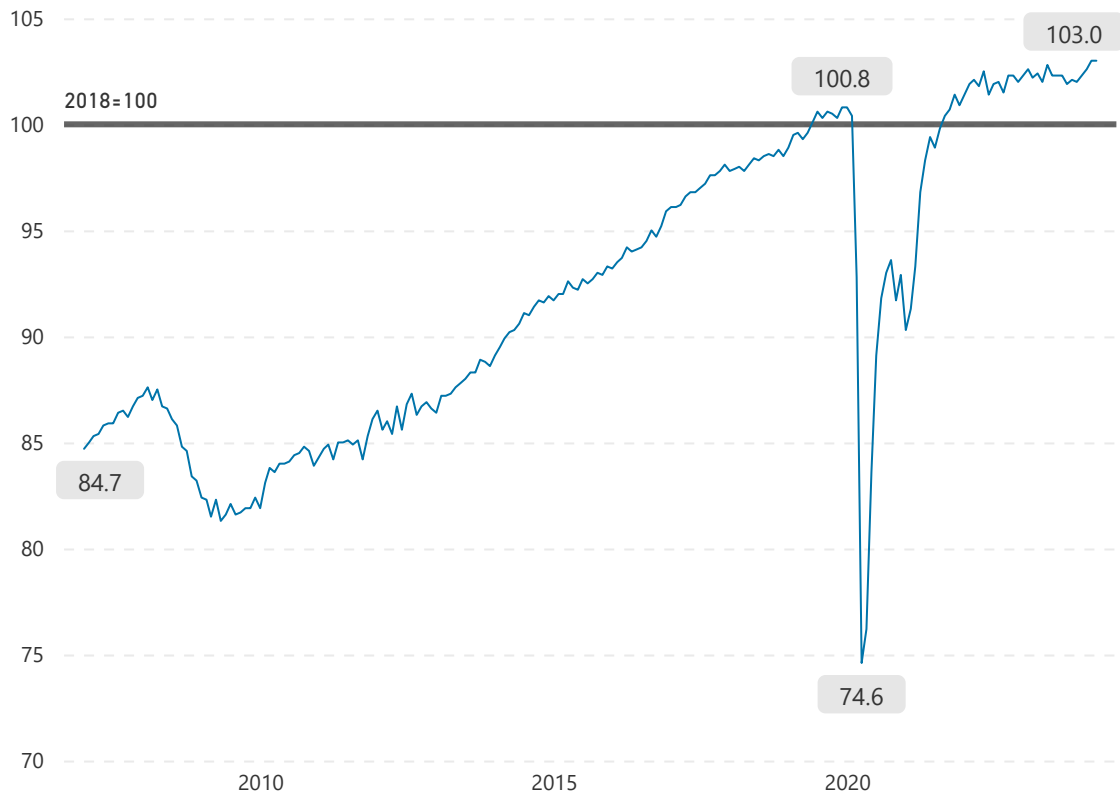
National Headlines - Gross Domestic Product (GDP), UK

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

Released: 12 June 2024

- Monthly real gross domestic product (GDP) is estimated to have shown no growth in April 2024, following growth of 0.4% in March 2024.
- Real gross domestic product is estimated to have grown by 0.7% in the three months to April 2024 compared with the three months to January 2024.
- Services output grew by 0.2% in April 2024, its fourth consecutive monthly growth, and also grew by 0.9% in the three months to April 2024.
- Production output fell by 0.9% in April 2024 following growth of 0.2% in March 2024, but grew by 0.7% in the three months to April 2024.
- Construction output fell by 1.4% in April 2024, its third consecutive monthly fall, and fell by 2.2% in the three months to April 2024.

Monthly index, UK



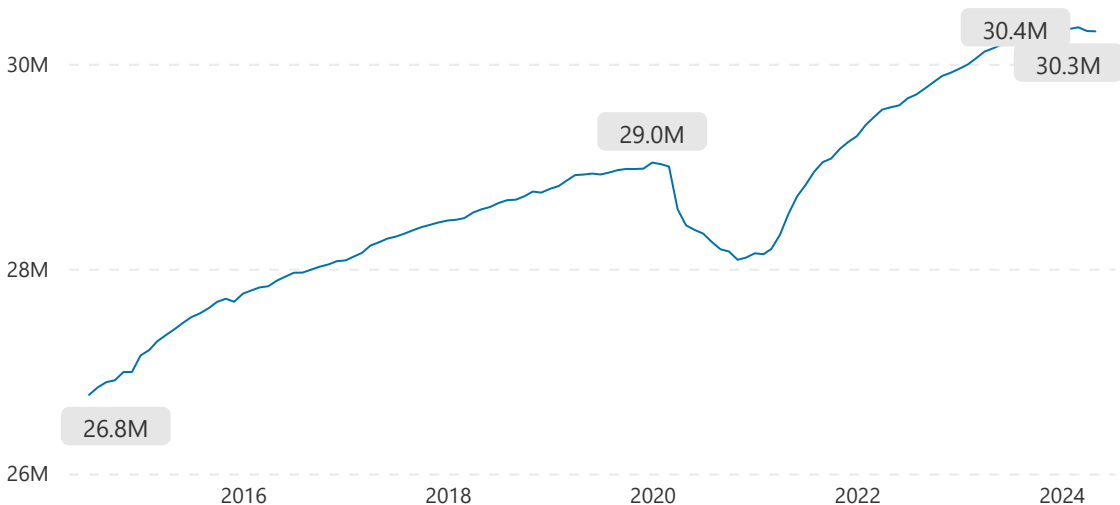
Labour Market, UK

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

Released: 11 June 2024

- Early estimates for May 2024 indicate that the number of payrolled employees rose by 0.6% compared with May 2023, a rise of 167,000 employees.
- This annual increase was largest in the health and social work sector, a rise of 155,000 employees.
- Payrolled employees broadly stayed the same in May 2024 when compared with April 2024, decreasing slightly by 3,000 employees; figures for May should be treated as provisional estimates and are likely to be revised when more data are received next month.
- UK payrolled employee growth for April 2024 compared with March 2024 has been revised from a decrease of 85,000 reported in the last bulletin to a decrease of 36,000; 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 May 2024 indicate that median monthly pay increased by 5.2% compared with May 2023.
- Annual growth in median pay in May 2024 was highest in the accommodation and food service activities sector, with an increase of 9.8%, and lowest in the finance and insurance sector, with an increase of 1.9%.

Payrolled employees, seasonally adjusted, UK



Businesses currently trading, UK

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

Released: 20 June 2024

The data presented in this bulletin are the final results from Wave 110 of the Business Insights and Conditions Survey (BICS), which was live from 3 to 16 June 2024.

- More than 1 in 5 (22%) trading businesses reported that their turnover had decreased in May 2024 compared with April 2024, which is broadly stable from last month; in contrast, 17% reported that their turnover was higher, while the proportion that reported turnover stayed the same was 52%.
- Nearly a quarter (24%) of trading businesses reported an increase in the prices of goods or services bought in May 2024 when compared with April 2024, down 4 percentage points.
- Approximately 1 in 10 (11%) trading businesses expected to raise the prices of goods or services they sell in July 2024, broadly stable with expectations for June 2024, while 68% reported that they expect prices to stay the same, up 4 percentage points over the same period.
- Fewer than 1 in 10 (6%) businesses with 10 or more employees experienced global supply chain disruption in May 2024, broadly stable with April 2024.
- Approximately 1 in 6 (16%) trading businesses reported that their overall performance increased in May 2024 compared with the same calendar month last year, while 22% reported that they expect their overall performance to increase over the next 12 months.
- In early June 2024, 22% of businesses with 10 or more employees reported that they were experiencing worker shortages, broadly similar with early May 2024.

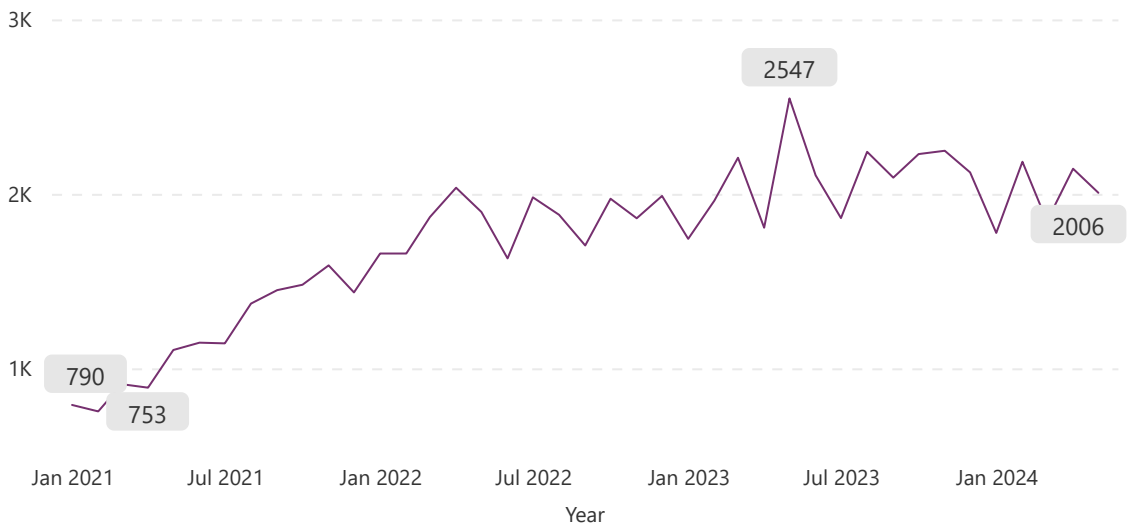
Businesses Closures, UK

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

Released: 18 June 2024

- After seasonal adjustment, the number of registered company insolvencies in England and Wales in May 2024 was 2,006, 6% lower than in April 2024 (2,144) and 21% lower than the same month in the previous year (2,547 in May 2023, which was the highest monthly number since October 2008). 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 May 2024 consisted of 271 compulsory liquidations, 1,590 creditors' voluntary liquidations (CVLs), 126 administrations and 19 company voluntary arrangements (CVAs). Numbers of CVLs and administrations were lower than in both May 2023 and April 2024, while the number of compulsory liquidations was lower than in May 2023, but higher than in April 2024 .
- One in 180 companies on the Companies House effective register (at a rate of 55.6 per 10,000 companies) entered insolvency between 1 June 2023 and 31 May 2024. This was an increase from the 54.2 per 10,000 companies that entered insolvency in the 12 months ending 31 May 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: 18 June 2024

- After seasonal adjustment, 9,266 individuals entered insolvency in England & Wales in May 2024. This was 4% lower than in April 2024 and 3% higher than in May 2023.
- The individual insolvencies consisted of 604 bankruptcies, 3,716 debt relief orders (DROs) and 4,946 individual voluntary arrangements (IVAs). The number of IVAs registered in May was lower than the numbers seen over the past 12 months. The number of DROs in May 2024 increased compared to April 2024, which had already set a record high in the monthly time series going back to their introduction in 2009. The higher DRO numbers in April and May 2024 coincided with the removal of the £90 administration fee to obtain a DRO from 6 April 2024. Bankruptcy numbers remained at about half of pre-2020 levels, lower than in the past 12 months and slightly lower than in May 2023.
- In the 12 months ending 31 May 2024, one in 463 adults in England & Wales entered insolvency (a rate of 21.6 per 10,000 adults). This is lower than the rate of 23.9 per 10,000 adults (1 in 418) who entered insolvency in the 12 months ending 31 May 2023.
- There were 7,652 Breathing Space registrations in May 2024. This is 14% higher than in May 2023.

Individual insolvencies in England & Wales

