

UK Business: Activity, Size and Location - October 2021¹

The UK Business: activity, size and location dataset released in October 2021 provides a snapshot of the Business Demography dataset from 12th March 2021 and provides a breakdown by 2-digit SIC codes (aligned to sectors), employment size band and turnover bands.

The fuller Business Demography is released in November each year which provides the total number of active enterprises in each location.

The following briefing is based on enterprises as opposed to local units².

Key points:

- The snapshot from March 2021 shows there were 380,560 enterprises in the Midlands Engine area, an increase of 0.4% (+1,525 enterprises) compared to March 2020 snapshot, the UK increased by 0.6%.
- For the Midlands Engine area, the percentage of enterprises that employed 10-49 people was above the UK average (8.7% vs 8.4%). Also 1.6% of enterprises employed 50 to 249 people, compared to 1.5% for the UK.
- In 2021, the Midlands Engine area had a higher proportion of enterprises with a turnover between £250,000 - £999,000 at 21% of enterprises, the UK was at 20.2% and also enterprises between £1m - £4.99m at 7.3% of enterprises, while the UK average was 7.0%.
- In the Midlands Engine area, the sector with the highest proportion of enterprises was business professional and financial services which accounted for 30.5% of the business base, compared to UK average of 33%. Retail accounted for 16.4% of the Midlands Engine business base, which was above the UK-wide of 14.7%. This was followed by construction at 14.2%, below the UK-wide of 14.7%.

In Detail:

- The snapshot from March 2021 shows there were 380,560 enterprises in the Midlands Engine area, an increase of 0.4% (+1,525 enterprises) compared to March 2020 snapshot, the UK increased by 0.6%.
- Within the Midlands Engine in 2021, there were 36 local authorities which increased from the March 2020 snapshot. The largest number increases were in; Leicester (+2,710 to 15,925 in total), Telford and Wrekin, (+545 to 6,105) and Sandwell (+480 to 9,585). There were a further three local authorities which has remained the same. Of the remaining local authorities, the largest decreases were seen in Bromsgrove (-1,930 to 7,250), Birmingham (-1,445 to 36,925) and Warwick (-300 to 7,640). There is a table in the appendix which shows a breakdown by local authority within the Midlands Engine area.

Employment by Size Band

¹ Office for National Statistics (ONS)/ Nomis: UK Business; activity, size and location: 2021/ UK Business Counts—released October 2021

² ONS state that an enterprise can be thought as the overall business, made up of all the individual sites or workplaces. It is defined as the smallest combination of legal units that has a certain degree of autonomy within an enterprise group. A local unit is an individual site (for example a factory or shop) associated with an enterprise. It can also be referred to as workplace.

- In the Midlands Engine area, 89.3% (339,750) of enterprises employed between 0-9 employees, below the UK average of 89.7%. Compared to the 2020 snapshot, the Midlands Engine proportion increased by 0.2pp (+2,010 enterprises) compared to the UK increase of 0.1pp.
- For the Midlands Engine area, the percentage of enterprises that employed 10-49 people was above the UK average (8.7% vs 8.4%). This is despite the Midlands Engine area decreasing by 0.1pp (-370 enterprises) when compared to the 2020 snapshot, the UK also decreased by 0.1pp.
- Across the Midlands Engine area, 1.6% of enterprises employed 50 to 249 people and 1.5% for the UK. These have remained the same proportions since the 2020 snapshot, however the number of enterprises did decrease by 110 in the Midlands Engine.
- The proportion that employed over 250 people match the UK average of 0.4%. These proportions have remained the same since the 2020 snapshot. However, the number of enterprises had dropped by 25 for the Midlands Engine.

The following table shows the 2021 snapshot of employment by size band for the Midlands Engine and the UK:

	Midlands Engine	UK
Total	380,560	2,765,150
Micro (0 to 9)	339,750	2,480,140
% Micro	89.3%	89.7%
Small (10 to 49)	33,240	232,815
% Small	8.7%	8.4%
Medium-sized (50 to 249)	6,000	41,655
% Medium-sized	1.6%	1.5%
Large (250+)	1,550	10,540
% Large	0.4%	0.4%

Turnover Band

- For the Midlands Engine area, 37.9% of enterprises had turnover between £0-£99,999, this was below the UK average of 38%. These were the highest percentages for the Midlands Engine area and the UK out of the five turnover bands.
- The Midlands Engine area had a higher proportion of enterprises with a turnover between £250,000 - £999,000 at 21% of enterprises, the UK was at 20.2% and also enterprises between £1m - £4.99m at 7.3% of enterprises, while the UK average was 7.0%.
- The Midlands Engine area had the same proportion of enterprises with turnover over £5m as the UK average at 2.4%.

The following table shows the Midlands Engine and UK turnover band from the 2021 snapshot:

	Midlands Engine 2021	Midlands Engine %	UK 2021	UK %
£0 - £99,999	144,250	37.9%	1,049,710	38.0%
£100,000 - £249,999	119,555	31.4%	895,385	32.4%
£250,000 - £999,999	79,885	21.0%	557,890	20.2%
£1m - £4.99m	27,765	7.3%	194,845	7.0%
£5m+	9,105	2.4%	67,320	2.4%
Total	380,560	100%	2,765,150	100%

Enterprises by Sector

- In the Midlands Engine area, the sector with the highest proportion of enterprises was business professional and financial services which accounted for 30.5% of the business base, compared to UK average of 33%. Compared to the 2020 snapshot, business professional and financial services have decreased by 3.3% (-3,985), the UK decreased 2%.
- Retail accounted for 16.4% of the Midlands Engine business base, which was above the UK-wide of 14.7%. This was followed by construction at 14.2%, below the UK-wide of 14.7%.

The following table shows the number and change for enterprises by sector for the Midlands Engine and UK:

	Midlands Engine 2020	Midlands Engine 2021	Midlands Engine % Change 2020-21	Midlands Engine Num. Change 2020-21	Midlands Engine 2021 % of Total	UK 2021	UK % Change 2020-21	UK 2020 % of Total
Advanced Manufacturing	25,270	25,545	1.1%	275	6.7%	140,105	1.7%	5.1%
Business, Professional & Financial Services	119,910	115,925	-3.3%	-3,985	30.5%	911,640	-2.0%	33.0%
Construction	52,710	54,205	2.8%	1,495	14.2%	406,240	2.6%	14.7%
Creative, Design & Digital	20,810	20,015	-3.8%	-795	5.3%	212,960	-5.7%	7.7%
Energy & Low Carbon Activities	24,355	22,710	-6.8%	-1,645	6.0%	156,385	-4.5%	5.7%
Healthcare & Life Sciences	15,150	15,370	1.5%	220	4.0%	104,545	1.2%	3.8%
Public Sector	7,845	7,890	0.6%	45	2.1%	53,190	1.0%	1.9%
Retail	59,050	62,590	6.0%	3,540	16.4%	406,415	5.0%	14.7%
Transport Technologies & Logistics	24,485	25,810	5.4%	1,325	6.8%	138,410	12.5%	5.0%
Visitor Economy	29,120	30,050	3.2%	930	7.9%	235,265	2.2%	8.5%
Total	379,035	380,560	0.4%	1,525	100%	2,765,150	0.6%	100%

Appendix

The following table shows the 2020 and 2021 snapshot for the number of enterprises and also the change by local authority within the Midlands Engine area:

	2020	2021	Percentage Change	Number Change
Birmingham	38,370	36,925	-3.8%	-1,445
Bromsgrove	9,180	7,250	-21.0%	-1,930
Cannock Chase	3,430	3,405	-0.7%	-25
Coventry	10,120	10,210	0.9%	90
Dudley	9,940	10,220	2.8%	280
East Staffordshire	4,845	4,855	0.2%	10
Herefordshire, County of	10,350	10,385	0.3%	35
Lichfield	4,750	4,780	0.6%	30
Malvern Hills	4,345	4,315	-0.7%	-30
Newcastle-under-Lyme	3,515	3,605	2.6%	90
North Warwickshire	2,820	2,815	-0.2%	-5
Nuneaton and Bedworth	3,830	3,735	-2.5%	-95
Redditch	3,235	2,995	-7.4%	-240
Rugby	5,170	5,215	0.9%	45
Sandwell	9,105	9,585	5.3%	480
Shropshire	15,870	15,745	-0.8%	-125
Solihull	8,305	8,215	-1.1%	-90
South Staffordshire	4,530	4,315	-4.7%	-215
Stafford	5,370	5,365	-0.1%	-5
Staffordshire Moorlands	4,180	4,115	-1.6%	-65
Stoke-on-Trent	6,270	6,430	2.6%	160
Stratford-on-Avon	8,475	8,290	-2.2%	-185
Tamworth	2,350	2,320	-1.3%	-30
Telford and Wrekin	5,560	6,105	9.8%	545
Walsall	7,865	8,190	4.1%	325
Warwick	7,940	7,640	-3.8%	-300
Wolverhampton	7,450	7,725	3.7%	275
Worcester	3,205	3,300	3.0%	95
Wychavon	7,085	7,085	0.0%	0
Wyre Forest	4,450	4,260	-4.3%	-190
North East Lincolnshire	4,635	4,800	3.6%	165
North Lincolnshire	5,535	5,625	1.6%	90
Amber Valley	4,540	4,525	-0.3%	-15
Ashfield	2,985	3,100	3.9%	115
Bassetlaw	4,010	4,065	1.4%	55
Blaby	4,180	4,295	2.8%	115
Bolsover	2,265	2,305	1.8%	40
Boston	2,260	2,295	1.5%	35
Broxtowe	3,275	3,275	0.0%	0
Charnwood	6,710	6,575	-2.0%	-135
Chesterfield	3,360	3,590	6.8%	230
Derby	7,430	7,595	2.2%	165
Derbyshire Dales	4,680	4,585	-2.0%	-95
East Lindsey	5,475	5,490	0.3%	15
Erewash	3,730	3,730	0.0%	0
Gedling	3,525	3,555	0.9%	30
Harborough	5,540	5,375	-3.0%	-165
High Peak	4,040	3,940	-2.5%	-100

	2020	2021	Percentage Change	Number Change
Hinckley and Bosworth	4,865	4,805	-1.2%	-60
Leicester	13,215	15,925	20.5%	2,710
Lincoln	2,570	2,630	2.3%	60
Mansfield	2,855	2,915	2.1%	60
Melton	2,530	2,505	-1.0%	-25
Newark and Sherwood	4,875	4,840	-0.7%	-35
North East Derbyshire	3,370	3,460	2.7%	90
North Kesteven	4,060	4,120	1.5%	60
North West Leicestershire	4,330	4,605	6.4%	275
Nottingham	9,305	9,420	1.2%	115
Oadby and Wigston	2,000	2,075	3.8%	75
Rushcliffe	5,405	5,400	-0.1%	-5
Rutland	2,000	2,200	10.0%	200
South Derbyshire	3,775	3,800	0.7%	25
South Holland	4,065	3,955	-2.7%	-110
South Kesteven	5,940	5,990	0.8%	50
West Lindsey	3,790	3,800	0.3%	10
Midlands Engine	379,035	380,560	0.4%	1,525
UK	2,749,700	2,765,150	0.6%	15,450