

Economic Factsheet: Business Demography December 2015



The Office for National Statistics (ONS) produces annual data on Business Demography. This source shows the number of business start-ups ('births') and business closures ('deaths') each year and gives an indication of the health and dynamism of the local economy. It also provides information on survival rates of business start-ups.

Business births and deaths (2014)

Area	Active enterprises 2014	Business Births	Business Deaths	Net change 2013-2014
Somerset	21,500	2,275	1,845	430
Mendip	5,095	530	385	145
Sedgemoor	4,420	430	395	35
South Somerset	6,375	730	545	185
Taunton Deane	4,245	475	390	85
West Somerset	1,365	110	130	-20
Heart of the South West LEP	63,160	6,715	5,645	1,070
UK	2,550,890	350,585	245,835	104,750

In 2014, there were 21,500 active enterprises in Somerset. 6,375 were located in South Somerset District (29%). West Somerset was the only district in Somerset who had a fall in the number of active enterprises between 2013 and 2014.

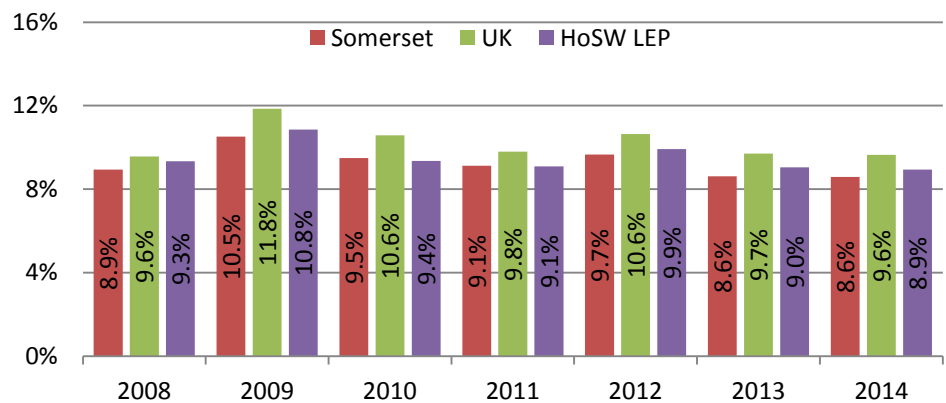
Source (all tables and charts): ONS Business Demography 2014

In 2014, there were 1,845 business 'deaths' in Somerset; 8.6% of the total active enterprises in the County. This is a slightly lower rate than the UK (9.6%) and Heart of the SW LEP area (8.9%). Business death rates peaked in 2009 after the financial crisis.

In 2014, there were 2,275 business births in Somerset, a rate of 10.6%. This is lower than the birth rate of 13.7% for the UK area. The number of start-ups in the County has fallen since 2013.

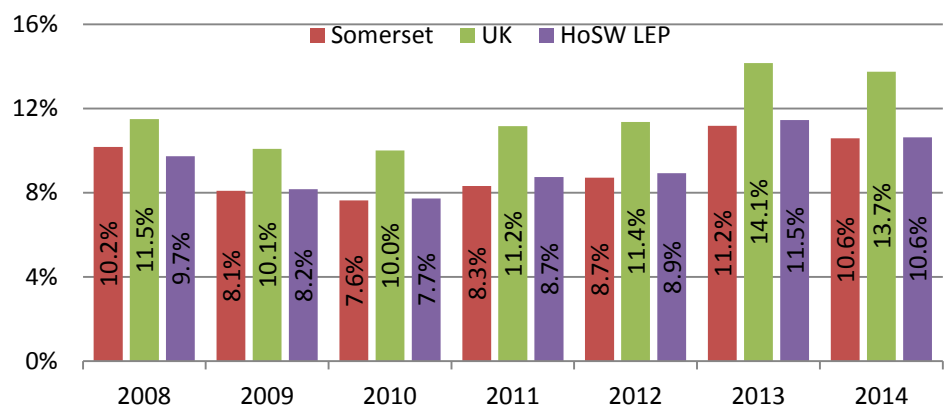
Business Death Rate

Business deaths as a % of all active enterprises



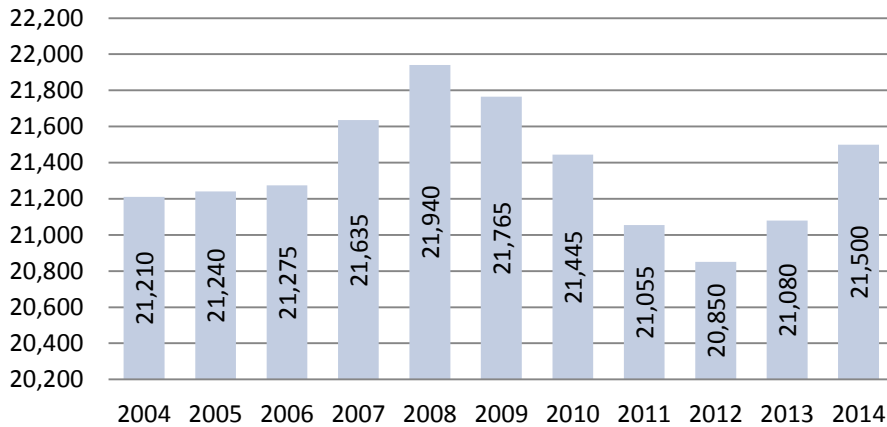
Business Birth Rate

Business births as a % of all active enterprises



Active Enterprises

Number of active enterprises in Somerset, 2004 - 2014



The number of active enterprises in Somerset peaked at 21,940 in 2008.

The number of active enterprises in Somerset rose by 420 between 2012 and 2013. This is a rise of 2% which is slower than the national rise of 4%. The number of active enterprises in the County has returned to pre-recession levels.

Business survival rates (2013)

Year	Somerset				HoSW LEP				UK			
	No. of start ups	Survival rates (%)			No. of start ups	Survival rates (%)			No. of start ups	Survival rates (%)		
		1 year	3 years	5 years		1 year	3 years	5 years		1 year	3 years	5 years
2009	1,760	93.2	62.5	44.0	5,180	93.0	63.2	44.8	236,030	90.8	59.6	41.7
2010	1,635	88.7	59.9		4,835	88.7	59.8		235,145	86.7	57.1	
2011	1,750	94.0	62.3		5,405	93.7	62.3		261,370	93.1	60.5	
2012	1,815	92.6			5,480	91.2			269,565	91.2		
2013	2,355	94.3			7,120	93.8			346,485	93.5		

44% of Somerset businesses started in 2009 were still trading 5 years later, compared to 44.8% across the LEP and 41.7% for the UK.

2010 was the worst year in recent times to start a business. Only 88.7% of Somerset businesses started in 2010, were still trading in 2011. It was a similar picture for the LEP and UK areas.

The highest 1 year business survival rates for births in 2013 in Somerset were Mendip (95.5%) and South Somerset (95.3%) respectively.

1 year survival rates

% of businesses still active 1 year after start-up

