

# Economic Factsheet: Business Demography November 2016



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 (2015)

Area	Active enterprises 2015	Business Births	Business Deaths	Net change 2014-2015
Somerset	21,945	2,370	1,815	555
Mendip	5,305	635	405	230
Sedgemoor	4,450	470	385	85
South Somerset	6,475	665	545	120
Taunton Deane	4,360	485	380	105
West Somerset	1,355	115	100	15
Heart of the South West LEP	64,295	6,960	5,570	1,390
UK	2,672,025	383,075	252,040	131,035

In 2015, there were 21,945 active enterprises in Somerset. 6,475 were located in South Somerset District (29.5%). West Somerset was the only district in Somerset who had a fall in the number of active enterprises between 2014 and 2015.

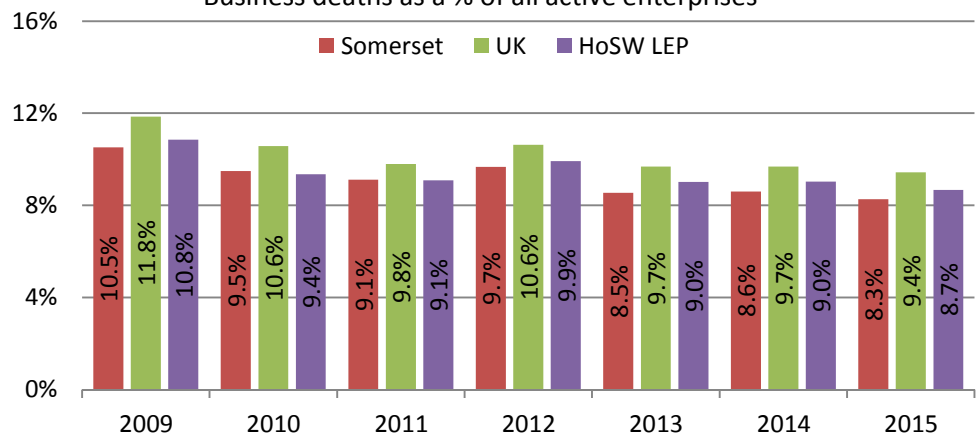
Source (all tables and charts): ONS Business Demography 2015

In 2015, there were 1,815 business 'deaths' in Somerset; 8.3% of the total active enterprises in the County. This is a slightly lower rate than the UK (9.4%) and Heart of the SW LEP area (8.7%). Business death rates peaked in 2009 after the financial crisis.

In 2015, there were 2,370 business births in Somerset, a rate of 10.8%. This is lower than the birth rate of 14.3% for the UK area. The number of start-ups in the County has fallen since 2013.

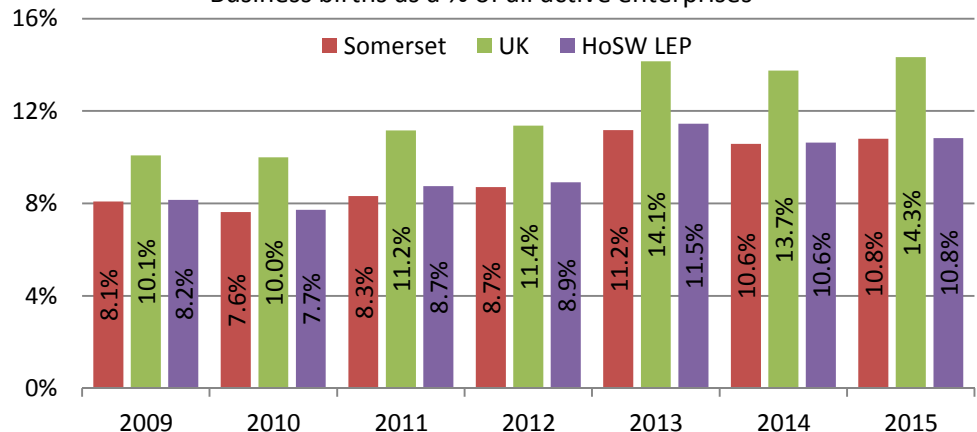
### Business Death Rate

Business deaths as a % of all active enterprises



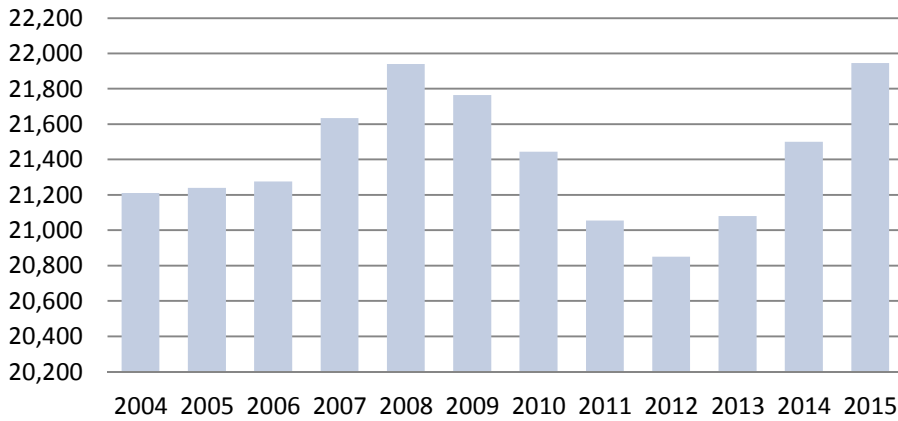
### Business Birth Rate

Business births as a % of all active enterprises



## Active Enterprises

Number of active enterprises in Somerset, 2004 - 2015



The number of active enterprises in Somerset peaked this year with 21,945.

The number of active enterprises in Somerset rose by 445 between 2014 and 2015. This is a rise of 2.1% which is slower than the national rise of 4.7%. The number of active enterprises in the County has returned to pre-recession levels.

## Business survival rates (2015)

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
2010	1,635	88.7	59.9	43.7	4,835	88.7	59.8	43.3	235,145	86.7	57.1	41.4
2011	1,750	94.0	62.3		5,405	93.7	62.3		261,370	93.1	60.5	
2012	1,815	92.6	60.3		5,480	92.6	60.4		269,565	91.2	59.4	
2013	2,355	94.3			7,120	93.5			346,485	93.5		
2014	2,275	94.3			6,715	92.9			350,585	92.2		

43.7% of Somerset businesses started in 2010 were still trading 5 years later, compared to 43.3% across the LEP and 41.4% 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 2014 in Somerset were West Somerset (95.5%) and Taunton Deane (94.7%) respectively.

## 1 year survival rates

% of businesses still active 1 year after start-up

