

Business Activity in Bristol Since 2010.

Summary



Data from the Office for National Statistics¹ indicates that at the economy of Great Britain supported 3.045m business units² in 2018, up by 0.4% from 3.044m in 2017. This compares to 3.5% and 4.0% increases in 2015-16 and 2016-17 respectively.



Between 2015 and 2017 the number of business units in Great Britain grew from 2.83m to 3.04m (7.7%) at a definite trend rate of 109k units per year, up from 23k units per year between 2010 and 2013.



Between 2015 and 2017 the number of business units in Bristol grew from 20,615 to 22,175 (7.6%) at a definite trend rate of 780 units per year.



Growth stalled between 2017 and 2018. In 2018 the economy of Bristol supported 22,170 business units down by 0.02% from 22,175 in 2017. Growth of -0.2% places Bristol 8th amongst the British Core Cities in 2017-18.



Over the whole span³ of the time series the number of business units in Bristol grew at an annual average of 2.35% per year 4th fastest of the British Core Cities behind Manchester (6.23%), Liverpool (3.21%) and Birmingham (2.86%).



Continued growth at 2.35% per year would result in over 25,000 business units in Bristol by 2024, which may have implications for future demand for business space and business support services.

¹ Source: <http://www.nomisweb.co.uk/> - UK Business Counts - local units by industry and employment size band 2010-2018

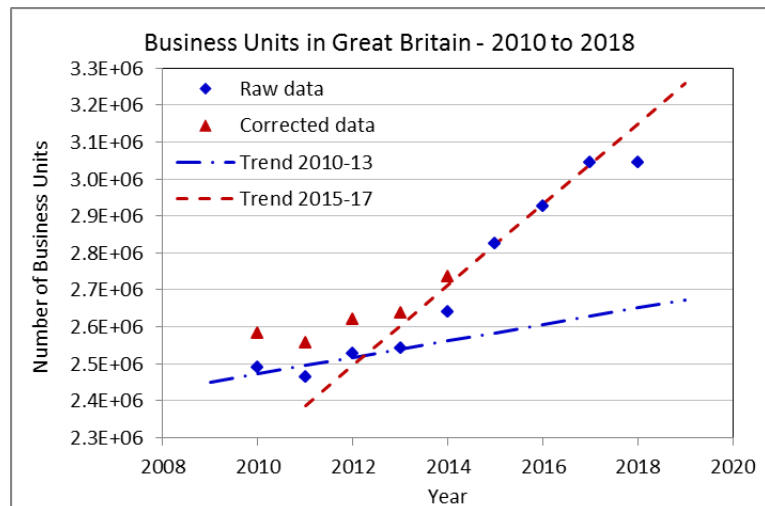
² A business unit is an individual site (for example a factory, office or shop) associated with an enterprise.

³ 2010 to 2018 excluding 2014-2015 because the extended coverage of 2015 artificially inflates growth for 2014 to 2015.

Business Activity in Bristol Since 2010.

The National Picture (Great Britain)

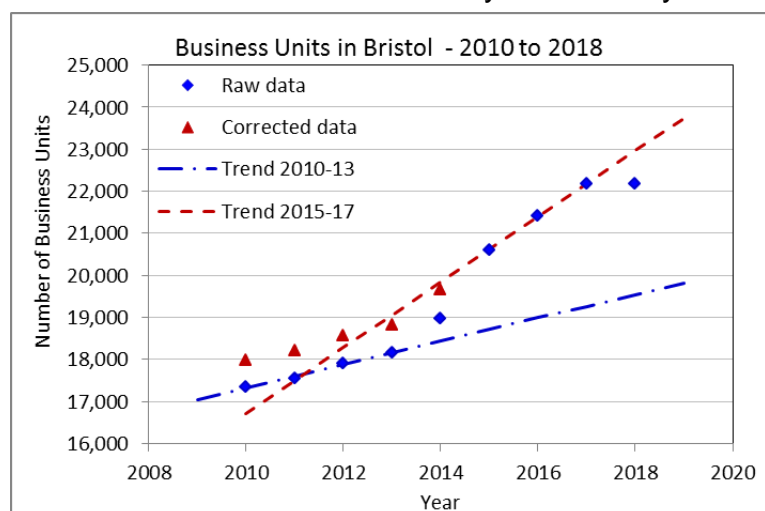
Having remained reasonably static between 2010 and 2013 the number of active business units in Great Britain grew more or less steadily year on year in the period 2013 and 2017. Growth stalled between 2017 and 2018. The chart opposite shows the time series^{4,5} for the period 2010 to 2018. Trends for the periods 2010 to 2013 and 2015 to 2017 show that growth accelerated in the latter part of the series. In the period 2015 to 2017 there was a definite^{6,7} trend growth of 109.1k business units per year⁸. Using the raw⁹ data and discarding the 2014-15 increase, between 2011 and 2017, the number of active business units in Great Britain grew at an average of 1.9% per year. Between 2017 and 2018 the number of active business units in Great Britain grew by 0.04% from 3.044m to 3.045m.



Between 2017 and 2018 the number of active business units in Great Britain grew by 0.04% from 3.044m to 3.045m.

The Picture for Bristol

The number of business units that contribute to the Bristol economy increased year on year between 2010 and 2017. The chart opposite shows the time series. Regardless of the extended coverage growth rates increased after 2013. Trend analysis for the periods 2010 to 2013 and 2015 to 2017 results in definite¹⁰ trends of 277 units per year and 780 units per year respectively. The growth rate increased by something close to a factor of three. However having grown strongly for the five



⁴ Note in 2015 ONS extended the coverage of the businesses with the result that 105,000 (3.72%) were added.

⁵ To estimate the pre 2015 numbers 3.72% of the published numbers were added to get "Corrected data"

⁶ Trend analysis results in a value of R² between 0 and 1. R² = 0 means no trend and R² = 1 an absolutely definite trend

⁷ Here R² = 0.9978. Thus the trend is definite

⁸ Unaffected by the extended coverage

⁹ The corrected data give 2.96% per year

¹⁰ Here R² = 0.9927 for 2010 to 2013 and R² = 0.9999 for 2015 to 2017.

years from 2013 to 2017, growth stalled completely between 2017 and 2018. In 2018 there were a total of 22,170 business units in Bristol essentially unchanged from the number (22,175) in 2017.

Comparison with the British Core Cities

The table below summarises the ONS business activity data for business units in the British Core Cities. Clearly the numbers of business units involved in the economies of

Area Name	Trend 2010 to 2013			Trend 2015 to 2017			Average Annual Growth - ex 2014-15 (%)
	Growth Rate (Units/yr)	95% Conf	Quality of Trend	Growth Rate (Units/yr)	95% Conf	Quality of Trend	
Bristol	277	34	definite	780	17	definite	2.35
Birmingham	19	296	none	3,838	863	definite	2.85
Cardiff	60	140	none	503	193	definite	1.79
Glasgow	225	213	possible	630	242	definite	1.89
Leeds	347	192	definite	1,013	1,169	probable	1.96
Liverpool	-30	196	none	910	277	definite	3.21
Manchester	547	216	definite	2,645	1,126	definite	6.23
Newcastle	60	104	none	300	12	definite	1.54
Nottingham	-73	90	possible	423	55	definite	1.42
Sheffield	-35	170	none	668	170	definite	1.36
Great Britain	22,286	23,338	possible	109,145	10,242	definite	1.94

the Core Cities have been increasing¹¹ more or less steadily since 2013. Nationally growth stalled between 2017 and 2018. The numbers of active business units in the Core Cities did not all follow suit. Growth continued unaltered in Liverpool and Manchester; continued but more slowly in Newcastle and Nottingham; stalled in Bristol, Cardiff, Leeds and Sheffield and fell significantly in Birmingham. Over the full time period¹² 2010 to 2018 the number of active business units in Bristol grew at an average of 2.35% per year, fourth fastest of the British Core Cities, behind Manchester (6.23%); Liverpool (3.21%) and Birmingham (2.85%). For Bristol, continued growth at 2.35% per year would result in over 25,000 business units in Bristol by 2024, which may have implications for future demands on business space and business support services. Questions related to the types of business units (e.g. size, legal status and industry) are beyond the scope of this note but may be reported on in the future.

Questions about the contents of this briefing should be addressed to:

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¹¹ Charts of the full time series 2010 to 2018 are shown in Appendix 1

¹² 2010 to 2018 excluding 2014-15 because the extended coverage of 2015 artificially inflates growth for 2014 to 2015.

Appendix 1

