



# **Business structure: Size and turnover of VAT/PAYE- registered enterprises, 2018**

**Key findings for the Lancashire-14 area**



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# Contents

<b>1</b>	<b>Overview .....</b>	<b>1</b>
<b>2</b>	<b>Summary of key findings .....</b>	<b>1</b>
2.1	Number of VAT/PAYE-registered enterprises in March 2018 .....	1
2.2	Change in the number of VAT/PAYE-registered enterprises, 2011 to 2018.....	1
2.3	Yearly change in the number of VAT/PAYE-registered enterprises, 2017 to 2018.....	2
2.4	VAT/PAYE-registered enterprises by number of employees .....	3
2.4.1	<i>Enterprises employing between five and 249 employees.....</i>	<i>3</i>
2.4.2	<i>Enterprises employing 0-4 employees and 250 or more employees .....</i>	<i>3</i>
2.5	Public sector VAT/PAYE-registered enterprises .....	4
2.6	VAT/PAYE-registered enterprises by turnover.....	4
<b>3</b>	<b>Background information .....</b>	<b>5</b>
3.1	Data classifications .....	5
3.2	Turnover and VAT thresholds .....	5
<b>4</b>	<b>Differences between business stock data sources.....</b>	<b>5</b>
<b>5</b>	<b>Description of the geographies used in this report.....</b>	<b>6</b>
<b>6</b>	<b>Analysis of the Lancashire-14 figures .....</b>	<b>7</b>
6.1	Analysis of the number of VAT/PAYE-registered enterprises in the Lancashire-14 area in 2018 .....	7
6.2	Recent low points in the number of VAT/PAYE-registered enterprises .....	8
6.3	Change in the number of VAT/PAYE-registered enterprises, 2011 to 2018.....	8
6.4	Change in the number of VAT/PAYE-registered enterprises, 2013 to 2018.....	10
6.5	Yearly change in the number of VAT/PAYE-registered enterprises, 2017 to 2018.....	10
6.6	VAT/PAYE-registered enterprises by employee numbers .....	11
6.6.1	<i>Enterprises employing 0-4 persons and 250 or more persons .....</i>	<i>11</i>
6.6.2	<i>Enterprises employing between five and 249 employees .....</i>	<i>13</i>
6.7	Public sector VAT/PAYE-registered enterprises .....	13
6.8	VAT/PAYE-registered enterprises by turnover.....	14
<b>7</b>	<b>Related websites .....</b>	<b>16</b>

# 1 Overview

The figures in this article are sourced from [UK business: activity, size and location statistics](#), published by the [Office for National Statistics \(ONS\)](#). These are derived from the Inter-Departmental Business Register (IDBR), which is a comprehensive list of UK businesses in all parts of the economy. It excludes some very small businesses operating without VAT or PAYE schemes (self-employed and those with low turnover and without employees) and some non-profit organisations. It contains information on VAT traders and PAYE employers in a register comprising over two million enterprises. Statistics for all other areas of the country can be downloaded directly from the [Office for National Statistics \(ONS\) website](#) or via the [National On-line Manpower Information System \(Nomis\) website](#).

The release of the 2018 combined VAT and PAYE-registered businesses figures marks the eleventh year of publication of this dataset. Up to 2007, the figures only included enterprises registered for VAT, whereas for 2008 to 2018, the results include PAYE-registered businesses. This means there was a major discontinuity in the data between 2007 and 2008 and direct comparisons cannot be made with the VAT only figures published up to 2007.

## 2 Summary of key findings

### 2.1 Number of VAT/PAYE-registered enterprises in March 2018

In March 2018, there were 43,530 VAT/PAYE-registered enterprises in the Lancashire-12 area, and 52,395 in the Lancashire-14 area. The Lancashire-12 area accounts for 1.6% of all enterprises in the United Kingdom (2,669,440) and 16.3% of enterprises in the North West (267,765). The Lancashire-14 area accounts for 2.0% of all enterprises in the United Kingdom and 19.6% of enterprises in the North West.

At the district level, Preston (5,165), Lancaster (4,585) and West Lancashire (4,410) had the largest numbers of enterprises in the Lancashire-12 area in 2018. Chorley (4,350) and Wyre (4,215) also had numbers greater than 4,000 enterprises.

Hyndburn (2,245) had the lowest number of VAT/PAYE-registered enterprises in both the Lancashire-12 and Lancashire-14 areas in 2018. Burnley (2,530), Pendle (2,790) and Rossendale (2,800) also had numbers lower than 3,000.

In Blackburn with Darwen, there were 4,960 VAT/PAYE-registered enterprises in 2018. This was the second largest figure in the Lancashire-14 area, behind Preston, whilst the Blackpool total (3,905) was the seventh largest in the Lancashire-14 area.

### 2.2 Change in the number of VAT/PAYE-registered enterprises, 2011 to 2018

Between 2011 (the UK post-recession low point for the number of enterprises) and 2018, the number of VAT/PAYE-registered enterprises in the UK increased by 28.3% (588,580). The percentage increases of 15.9% (5,985 enterprises) in the Lancashire-

12 area, and 17.8% (7,910 enterprises) in the Lancashire-14 area were lower than the UK rise.

All of the Lancashire-12 areas recorded lower percentage increases than the UK (28.3%) between 2011 and 2018. Rossendale (23.1%, 525) saw the largest percentage rise in the area over the period, followed by Burnley (21.3%, 445), Chorley (21.2%, 760) and Preston (20.4%, 875 enterprises). Hyndburn (8.7%, 180) recorded the lowest percentage increase in the Lancashire-12 area since 2011.

In terms of increases to the *number* of enterprises in the Lancashire-12 area, Preston (875, 20.4%), Chorley (760, 21.2%) and West Lancashire (590, 15.4%) recorded the largest growth between 2011 and 2018. Hyndburn (180, 8.7%) saw the lowest increase in the area.

In the wider Lancashire-14 area, Blackburn with Darwen (34.8%) was the only local authority area to record a percentage increase in the number of VAT/PAYE-registered enterprises that was greater than the UK rise (28.3%) since 2011. Blackburn with Darwen (+1,280 enterprises) also saw the largest increase in the *number* of enterprises in the Lancashire-14 area between 2011 and 2018.

The increase in the *number* of enterprises in Blackpool (+645) was just over half of the rise in Blackburn with Darwen, however, the Blackpool increase was ranked in fourth position in the Lancashire-14 area. The percentage rise in Blackpool (19.8%) was lower than the UK increase and was the sixth highest in the Lancashire-14 area.

### **2.3 Yearly change in the number of VAT/PAYE-registered enterprises, 2017 to 2018**

The number of VAT/PAYE-registered enterprises in the UK rose by just 630 enterprises (0.0%) between March 2017 and March 2018. This was by far the lowest yearly increase in the UK in the period from 2011 to 2018.

The Lancashire-12 area saw the number of VAT/PAYE-registered enterprises fall slightly, by 20 enterprises (0.0%) between 2017 and 2018. This was contrary to the slight increase in the UK (630 enterprises, 0.0%).

Within the Lancashire-12 area, eight of the local authority areas recorded a reduction in the number of VAT/PAYE-registered enterprises between 2017 and 2018, amounting to a total fall of 240 enterprises. Wyre recorded no change. The largest decreases were seen in Pendle (-60, -2.1%), West Lancashire (-55, -1.2%), Burnley (-35, -1.4%) and Hyndburn (-30, -1.3%).

Three of the Lancashire-12 areas saw increases to their number of VAT/PAYE-registered enterprises between 2017 and 2018. Rossendale (210, 8.1%) saw the largest rise in the area, followed by Preston (10, 0.2%) and Lancaster (5, 0.1%). In percentage terms, these were all greater increases than the zero percentage change recorded for the UK. The total of the increases in these three areas amounted to 225 enterprises. Please note that the individual local authority increases and decreases may not sum to the Lancashire-12 total, owing to rounding.

Both Blackburn with Darwen (305, 6.1%) and Blackpool (40, 1.0%) recorded increases to the number of VAT/PAYE-registered enterprises in their areas between 2017 and 2018, amounting to a total rise of 345 enterprises.

For the Lancashire-14 area, the increases in Blackburn with Darwen and Blackpool were offset by the slight decrease in the Lancashire-12 area and resulted in an overall rise of 325 enterprises (0.6%) in the Lancashire-14 area between 2017 and 2018. Please note that the increases and decreases for the individual local authorities, or sub areas, within the Lancashire-14 area may not sum to the reported change for the Lancashire-14 area, owing to rounding.

## **2.4 VAT/PAYE-registered enterprises by number of employees**

### **2.4.1 Enterprises employing between five and 249 employees**

Both the Lancashire-12 area (23.8%) and the Lancashire-14 area (24.4%) had a greater percentage of enterprises that employ between five and 249 employees than the UK average (21.7%).

In the Lancashire-12 area, eight of the local authority areas had percentages that were above the UK average (21.7%) for this 5-249 employees banding. Hyndburn (28.3%), Burnley (26.3%), West Lancashire (25.3%), Lancaster (25.2%) and Pendle (24.7%) had the highest percentages in the area. Ribble Valley (21.3%), Chorley (21.4%), Wyre (21.6%) and Rossendale (21.6%) were the four areas that had percentages that were below the UK average for this banding.

Blackburn with Darwen (29.2%) had the greatest percentage of its enterprises in the Lancashire-14 area that employed between 5-249 employees. The percentage in Blackpool (24.3%) was again above the UK average.

### **2.4.2 Enterprises employing 0-4 employees and 250 or more employees**

The Lancashire-12 area (75.9%) had a lower proportion of very small enterprises (0-4 employees) than the UK (77.9%) in 2018. The Lancashire-12 area (0.3%) also had a slightly lower proportion of large enterprises (250+ employees) than the UK average (0.4%). As a consequence, four of the five remaining enterprise size categories (by employee numbers) had higher percentages than the UK averages for these categories.

A similar spread of enterprises by size (by number of employees) was evident for the Lancashire-14 area. The percentage of enterprises with 0-4 employees (75.3%) was lower than the Lancashire-12 area (75.9%) and the UK average (77.9%).

In the Lancashire-12 area, only Ribble Valley (78.7%), Wyre (78.3%), Chorley (78.2%) and Rossendale (78.2%) had percentages of enterprises in the 4 employees or fewer category that were above the UK average (77.9%). As a consequence, these areas tend to have lower percentages of their enterprises in some of the larger employee number categories when compared to the UK, specifically those employing 10 or more persons.

Blackburn with Darwen (70.4%) had the lowest percentage of its enterprises in the 4 employees or fewer category in the Lancashire-14 area (UK = 77.9%). Blackpool had 75.2% of its enterprises in the 4 employees or fewer category, which was also lower than the UK average.

Within the UK, only 0.4% of enterprises have 250 or more employees. For the Lancashire-12 area (0.3%) and Lancashire-14 area (0.3%) the percentages are marginally lower, but represent 140 and 180 enterprises in each of the areas, respectively. Despite the percentages being small, these large businesses directly employ a significant number of people, and via purchasing of goods and services support many other jobs across the Lancashire-14 area and the UK.

Within the Lancashire-12 area, Preston (25) had the greatest number of large enterprises (employing 250 or more persons), followed by South Ribble (20). Blackburn with Darwen (25), in the Lancashire-14 area, has a similar number of large enterprises to Preston. In Blackpool, the number of enterprises employing 250 or more persons was 15.

## **2.5 Public sector VAT/PAYE-registered enterprises**

Of the 43,530 enterprises in the Lancashire-12 area in March 2018, only 185 (0.4%) were in the public-sector. For the Lancashire-14 area, of the 52,395 enterprises, 225 enterprises (0.4%) were in the public-sector.

In the Lancashire-12 area, around 20 of the public sector organisations employed 250 or more people. For the Lancashire-14 area, around 25 of the public sector enterprises employed 250 or more people. These organisations represent an important proportion of the 180 enterprises allocated to the largest employment-size category (250 or more employees) in the Lancashire-14 area.

## **2.6 VAT/PAYE-registered enterprises by turnover**

The turnover figures reveal that the £100,000 to £249,000 banding had the largest percentage of enterprises at the UK level (31.9%), followed by the £50,000 to £99,000 band (23.3%), and then the £49,000 or lower banding (16.3%). These three bandings accounted for the majority of the enterprises (71.4%).

In the Lancashire-12 area, the percentage of enterprises in the three lower turnover bands (those up to £249,000), at 70.2%, is slightly below the UK average of 71.4%. Conversely, the percentage of enterprises in the four higher turnover bands (£250,000 or more) in the Lancashire-12 area, at 29.8%, is slightly above the UK average of 28.6%.

A similar picture is evident for the Lancashire-14 area, with 29.7% of enterprises in the four higher turnover bands (UK = 28.6%) and 70.3% in the three lower turnover bands (UK = 71.4%).

For the three lower turnover bands combined, the percentage of enterprises in these groupings were only higher than the UK average (71.4%) in Rossendale (73.8%),

Wyre (72.4%) and Chorley (72.3%) in the Lancashire-12 area, and Blackpool (72.7%) in the Lancashire-14 area. Hyndburn (67.3%) had the lowest percentage of enterprises in the three lower turnover bands combined across the wider Lancashire-14 area.

## 3 Background information

### 3.1 Data classifications

The ONS presents figures at both enterprise and local unit level, but this particular research article just looks at the results at the enterprise level.

An enterprise is roughly equivalent to a single business, company or firm. Commonly used in other analyses is the local unit, which is roughly equivalent to a single branch or site. Since many businesses have more than one branch or site, figures for local units are higher than those for enterprises.

- **Local unit:** this is a statistical unit in an enterprise defined as the individual site (a shop, branch or a factory for example). Since many businesses have more than one outlet, branch or site, the number of local units is higher than that of enterprises.
- **Enterprise:** this is the smallest combination of legal units (generally based on VAT and PAYE records) which has a degree of autonomy within an enterprise group. An enterprise is essentially a business and is generally located at the main operating site or the head office. A large supermarket chain for example will have one head office but multiple operational units (local units or sites) at numerous addresses throughout the country.
- **Enterprise Group:** this is a group of legal units under common ownership.

Figures are based on the number of enterprises in March each year.

### 3.2 Turnover and VAT thresholds

Turnover provided to the ONS for the majority of traders is based on VAT returns for a period of one year. The threshold at which it becomes necessary to register for VAT is set as part of the budget and usually changes annually. For details of the latest thresholds please visit the [gov.uk website](http://gov.uk).

## 4 Differences between business stock data sources

Both the business structure (activity, size and location) statistics and the business demography statistics (births and deaths of enterprises and survival rates) are derived from the Inter-Departmental Business Register (IDBR), published by the



Office for National Statistics (ONS). However, the total stock of active VAT and/or PAYE registered businesses in the UK, sourced from the UK business: activity, size and location document, gives a figure of 2.667 million VAT and/or PAYE registered businesses (for March 2017). This is lower than the [business demography statistics](#) (2.93 million VAT and/or PAYE registered businesses for 2017). This arises because the business demography definition of an active business is based on activity at any point in the calendar year, whereas the UK business: activity, size and location definition is based on a snapshot at a point in time (in March each year).

A complementary report produced by Business Intelligence at Lancashire County Council analyses the [business demography](#) of VAT and/or PAYE registered businesses by local authority area, sourced from the ONS [UK business demography dataset](#).

The IDBR contains information on over 2.5 million VAT and/or PAYE registered businesses in the UK. The Department for Business, Energy and Industrial Strategy (BIS) produces a third business dataset, the BIS [business population estimates](#), which is the only estimate of the total UK business population in the UK. It includes an estimate of both the unregistered business population and VAT and/or PAYE registered businesses. It focusses on the private sector, but also provides the statistics for the public sector and non-profit organisations. It produces a UK business population total for a single point in time as the beginning of each calendar year (1 January). The data is however only available at the UK and regional level. The data can be broken down by employee numbers, legal status, industry and geography (regions).

At the start of 2017, the BIS [business population estimates](#) indicated that there were 5.695 million private sector businesses in the UK. The 2.563 million businesses registered for VAT and/or PAYE represented 45.0% of the estimated total UK private sector business population. There were just over 3.1 million businesses that traded without being registered for VAT or PAYE (with no employees). Of the 2.563 million VAT or PAYE registered businesses, 1.196 million had no employees and 1.367 million had employees. 76.0% of private businesses in the UK had no employees.

Information about how business demography data relates to other business population statistics and guidance on how to use each product can be found in the Guide to the business population and demographics statistics publications.

## 5 Description of the geographies used in this report.

The Lancashire-12 area is comprised of the 12 local authorities that fall within the Lancashire County Council administrative boundary. The Lancashire-14 area incorporates the two additional unitary authorities of [Blackburn with Darwen](#) and [Blackpool](#) and has the same geographic footprint as the [Lancashire Local Enterprise Partnership](#) (LEP) area and Lancashire Constabulary.

The 12 local authorities within the LCC boundary are [Burnley Borough Council](#), [Chorley Borough Council](#), [Fylde Borough Council](#), [Hyndburn Borough Council](#),

Lancaster City Council, Pendle Borough Council, Preston City Council, Ribble Valley Borough Council, Rossendale Borough Council, South Ribble Borough Council, West Lancashire Borough Council and Wyre Borough Council.

## 6 Analysis of the Lancashire-14 figures

### 6.1 Analysis of the number of VAT/PAYE-registered enterprises in the Lancashire-14 area in 2018

Table 1 reveals that in March 2018, there were 43,530 VAT/PAYE-registered enterprises in the Lancashire-12 area, and 52,395 in the Lancashire-14 area. The Lancashire-12 area accounts for 1.6% of all enterprises in the United Kingdom (2,669,440) and 16.3% of enterprises in the North West (267,765). The Lancashire-14 area accounts for 2.0% of all enterprises in the United Kingdom and 19.6% of enterprises in the North West.

**Table 1: Number of VAT/PAYE-registered enterprises, 2011 to 2018**

Area	2011	2012	2013	2014	2015	2016	2017	2018
	Number	Number	Number	Number	Number	Number	Number	Number
Burnley	2,085	2,160	2,125	2,200	2,440	2,470	2,565	2,530
Chorley	3,590	3,640	3,580	3,725	4,090	4,200	4,370	4,350
Fylde	2,865	2,855	2,825	2,870	3,060	3,150	3,255	3,250
Hyndburn	2,065	2,060	2,005	2,055	2,180	2,210	2,275	2,245
Lancaster	4,055	3,985	3,960	4,110	4,430	4,500	4,580	4,585
Pendle	2,430	2,465	2,460	2,500	2,730	2,790	2,850	2,790
Preston	4,290	4,305	4,255	4,425	4,865	5,005	5,155	5,165
Ribble Valley	2,975	2,955	3,035	3,110	3,250	3,290	3,330	3,305
Rossendale	2,275	2,295	2,230	2,295	2,455	2,475	2,590	2,800
South Ribble	3,400	3,355	3,415	3,515	3,700	3,790	3,900	3,890
West Lancashire	3,820	3,885	3,830	3,935	4,240	4,370	4,465	4,410
Wyre	3,705	3,675	3,620	3,745	4,035	4,095	4,215	4,215
<b>Lancashire-12</b>	<b>37,545</b>	<b>37,635</b>	<b>37,335</b>	<b>38,485</b>	<b>41,480</b>	<b>42,335</b>	<b>43,550</b>	<b>43,530</b>
Blackburn with Darwen	3,680	3,790	3,800	3,985	4,380	4,490	4,655	4,960
Blackpool	3,260	3,160	3,045	3,210	3,570	3,625	3,865	3,905
<b>Lancashire-14</b>	<b>44,485</b>	<b>44,590</b>	<b>44,180</b>	<b>45,680</b>	<b>49,435</b>	<b>50,450</b>	<b>52,070</b>	<b>52,395</b>
North West	201,060	205,690	206,815	216,665	235,955	245,170	260,055	267,765
United Kingdom	2,080,860	2,149,185	2,167,580	2,263,645	2,449,415	2,554,510	2,668,810	2,669,440

Note: The cells shaded grey in the above table are the low points in the number of enterprises since 2011.

Source: Office for National Statistics: UK Business: Activity, Size and Location

At the district level, Preston (5,165), Lancaster (4,585) and West Lancashire (4,410) had the largest numbers of enterprises in the Lancashire-12 area in 2018. Chorley (4,350) and Wyre (4,215) also had numbers greater than 4,000 enterprises.

Hyndburn (2,245) had the lowest number of VAT/PAYE-registered enterprises in both the Lancashire-12 and Lancashire-14 areas in 2018. Burnley (2,530), Pendle (2,790) and Rossendale (2,800) also had numbers lower than 3,000.

In Blackburn with Darwen, there were 4,960 VAT/PAYE-registered enterprises in 2018. This was the second largest figure in the Lancashire-14 area, behind Preston, whilst the Blackpool total (3,905) was the seventh largest in the Lancashire-14 area.

## **6.2 Recent low points in the number of VAT/PAYE-registered enterprises**

Between 2010 and 2018, the number of VAT/PAYE-registered enterprises in the UK dipped to a low point in 2011 at 2,080,860 enterprises. The majority of local authorities in the Lancashire-12 area (seven), however, saw the number of VAT/PAYE-registered enterprises fall to a low point later, in 2013. Both the Lancashire-12 and Lancashire-14 areas also recorded low points in 2013.

For five of the local authority areas within the Lancashire-12 area, the number of enterprises dipped to a post-recession low point earlier than 2013. Burnley, Pendle and West Lancashire reached a low point in 2011. This was the same year as the low point for the UK and the North West region. Ribble Valley and South Ribble recorded low points in 2012.

Blackburn with Darwen saw the number of VAT/PAYE-registered enterprises fall to a low point in 2011, whilst the low point for Blackpool was later, in 2013.

## **6.3 Change in the number of VAT/PAYE-registered enterprises, 2011 to 2018**

Tables 1 and 2 show that between 2011 (the UK post-recession low point for the number of enterprises) and 2018, the number of VAT/PAYE-registered enterprises in the UK increased by 28.3% (588,580). The percentage increases of 15.9% (5,985 enterprises) in the Lancashire-12 area, and 17.8% (7,910 enterprises) in the Lancashire-14 area were lower than the UK rise.

All of the Lancashire-12 areas recorded lower percentage increases than the UK (28.3%) between 2011 and 2018. Rossendale (23.1%, 525) saw the largest percentage rise in the area over the period, followed by Burnley (21.3%, 445), Chorley (21.2%, 760) and Preston (20.4%, 875 enterprises). Hyndburn (8.7%, 180) recorded the lowest percentage increase in the Lancashire-12 area since 2011.

Blackburn with Darwen (34.8%, 1,280 enterprises) saw the greatest percentage increase in the number of VAT/PAYE-registered enterprises in the Lancashire-14 area between 2011 and 2018. The percentage rise in Blackpool (19.8%, 645 enterprises) was lower and was the sixth highest in the Lancashire-14 area.

The number of VAT/PAYE-registered enterprises in the Lancashire-14 area rose by 17.8% (7,910 enterprises) between 2011 and 2018. This was slightly greater than the Lancashire-12 percentage rise of 15.9%.

**Table 2: Number of VAT/PAYE-registered enterprises, 2011 to 2013, 2017 and 2018, plus percentage changes to 2018.**

Area	2011	2012	2013	2017	2018	Percentage change			
	Number	Number	Number	Number	Number	2011-2018	2012-2018	2013-2018	2017-2018
Burnley	2,085	2,160	2,125	2,565	2,530	21.3%	17.1%	19.1%	-1.4%
Chorley	3,590	3,640	3,580	4,370	4,350	21.2%	19.5%	21.5%	-0.5%
Fylde	2,865	2,855	2,825	3,255	3,250	13.4%	13.8%	15.0%	-0.2%
Hyndburn	2,065	2,060	2,005	2,275	2,245	8.7%	9.0%	12.0%	-1.3%
Lancaster	4,055	3,985	3,960	4,580	4,585	13.1%	15.1%	15.8%	0.1%
Pendle	2,430	2,465	2,460	2,850	2,790	14.8%	13.2%	13.4%	-2.1%
Preston	4,290	4,305	4,255	5,155	5,165	20.4%	20.0%	21.4%	0.2%
Ribble Valley	2,975	2,955	3,035	3,330	3,305	11.1%	11.8%	8.9%	-0.8%
Rossendale	2,275	2,295	2,230	2,590	2,800	23.1%	22.0%	25.6%	8.1%
South Ribble	3,400	3,355	3,415	3,900	3,890	14.4%	15.9%	13.9%	-0.3%
West Lancashire	3,820	3,885	3,830	4,465	4,410	15.4%	13.5%	15.1%	-1.2%
Wyre	3,705	3,675	3,620	4,215	4,215	13.8%	14.7%	16.4%	0.0%
<b>Lancashire-12</b>	<b>37,545</b>	<b>37,635</b>	<b>37,335</b>	<b>43,550</b>	<b>43,530</b>	<b>15.9%</b>	<b>15.7%</b>	<b>16.6%</b>	<b>0.0%</b>
Blackburn with Darwen	3,680	3,790	3,800	4,655	4,960	34.8%	30.9%	30.5%	6.6%
Blackpool	3,260	3,160	3,045	3,865	3,905	19.8%	23.6%	28.2%	1.0%
<b>Lancashire-14</b>	<b>44,485</b>	<b>44,590</b>	<b>44,180</b>	<b>52,070</b>	<b>52,395</b>	<b>17.8%</b>	<b>17.5%</b>	<b>18.6%</b>	<b>0.6%</b>
North West	201,060	205,690	206,815	260,055	267,765	33.2%	30.2%	29.5%	3.0%
<b>United Kingdom</b>	<b>2,080,860</b>	<b>2,149,185</b>	<b>2,167,580</b>	<b>2,668,810</b>	<b>2,669,440</b>	<b>28.3%</b>	<b>24.2%</b>	<b>23.2%</b>	<b>0.0%</b>

Note: The cells shaded grey in the above table are the low points in the number of enterprises since 2011.

Source: Office for National Statistics: UK Business: Activity, Size and Location

In terms of increases to the *number* of enterprises, Preston (875, 20.4%), Chorley (760, 21.2%) and West Lancashire (590, 15.4%) recorded the largest growth between 2011 and 2018 in the Lancashire-12 area. Hyndburn saw the lowest increase in the area (180, 8.7%).

In the wider Lancashire-14 area, Blackburn with Darwen (34.8%) was the only local authority area to record a percentage increase in the number of VAT/PAYE-registered enterprises that was greater than the UK rise (28.3%) since 2011. Blackburn with Darwen (+1,280 enterprises) also saw the largest increase in the *number* of enterprises in the Lancashire-14 area between 2011 and 2018.

The increase in the *number* of enterprises in Blackpool (+645) was just over half of the rise in Blackburn with Darwen, however, the Blackpool increase was ranked in

fourth position in the Lancashire-14 area. The percentage rise in Blackpool (19.8%) was lower than the UK increase and was the sixth highest in the Lancashire-14 area.

#### **6.4 Change in the number of VAT/PAYE-registered enterprises, 2013 to 2018**

For the time series in table 1 (2011 to 2018), the number of VAT/PAYE-registered enterprises dipped to a low point in 2013 in both the Lancashire-12 area (37,335 enterprises) and the Lancashire-14 area (44,180 enterprises). Seven of the local authorities in the Lancashire-12 area, plus Blackpool in the wider Lancashire-14 area also saw the number of enterprises in their respective areas fall to low points in 2013.

Between 2013 and 2018, the number of enterprises in the Lancashire-12 area increased by 16.6% (6,195) and by 18.6% (8,215) in the Lancashire-14 area. These percentage increases were considerably lower than the UK rise of 23.2%. In the Lancashire-12 area, only Rossendale (25.6%, 570 enterprises) saw a percentage rise above the UK increase (23.2%) since 2013. Ribble Valley had the smallest percentage increase of just 8.9% (270 enterprises) over this period.

Both Blackburn with Darwen (30.5%, 1,160 enterprises) and Blackpool (28.2%, 860 enterprises) saw percentage increase that were above the UK rise (23.2%) between 2013 and 2018. These were the largest percentage increases in the Lancashire-14 area over this period.

In terms of increases to the *number* of enterprises, Preston (910, 21.4%), Chorley (770, 21.5%) and Lancaster (625, 15.8%) recorded the largest growth in the Lancashire-12 area between 2013 and 2018, whilst Hyndburn showed the lowest rise (240 enterprises, 12.0%).

Blackburn with Darwen (1,160, 30.5%) saw the greatest increase in the *number* of enterprises in the Lancashire-14 area between 2013 and 2018, whilst the growth in Blackpool (860 enterprises, 28.2%) was the third largest in the area, just below the rise in Preston (910).

#### **6.5 Yearly change in the number of VAT/PAYE-registered enterprises, 2017 to 2018**

The number of VAT/PAYE-registered enterprises in the UK rose by just 630 enterprises (0.0%) between March 2017 and March 2018. This was by far the lowest increase in the UK in the period from 2011 to 2018.

The Lancashire-12 area saw the number of VAT/PAYE-registered enterprises fall slightly, by 20 enterprises (0.0%) between 2017 and 2018. This was contrary to the slight increase in the UK (630 enterprises, 0.0%).

Within the Lancashire-12 area, eight of the local authority areas recorded a reduction in the number of VAT/PAYE-registered enterprises between 2017 and 2018, amounting to a total fall of 240 enterprises. Wyre recorded no change. The largest

decreases were seen in Pendle (-60, -2.1%), West Lancashire (-55, -1.2%), Burnley (-35, -1.4%) and Hyndburn (-30, -1.3%).

Three of the Lancashire-12 areas saw increases to their number of VAT/PAYE-registered enterprises between 2017 and 2018. Rossendale (210, 8.1%) saw the largest rise in the area, followed by Preston (10, 0.2%) and Lancaster (5, 0.1%). In percentage terms, these were all greater increases than the zero percentage change recorded for the UK. The total of the increases in these three areas amounted to 225 enterprises. Please note that the individual local authority increases and decreases may not sum to the Lancashire-12 total, owing to rounding.

Both Blackburn with Darwen (305, 6.1%) and Blackpool (40, 1.0%) recorded increases to the number of VAT/PAYE-registered enterprises in their areas between 2017 and 2018, amounting to a total rise of 345 enterprises.

For the Lancashire-14 area, the increases in Blackburn with Darwen and Blackpool were offset by the slight decrease in the Lancashire-12 area and resulted in an overall rise of 325 enterprises (0.6%) in the Lancashire-14 area between 2017 and 2018. Please note that the increases and decreases for the individual local authorities, or sub areas, within the Lancashire-14 area may not sum to the reported change for the Lancashire-14 area, owing to rounding.

## 6.6 VAT/PAYE-registered enterprises by employee numbers

### 6.6.1 Enterprises employing 0-4 persons and 250 or more persons

At the UK level, 77.9% of enterprises had four employees or fewer (down from 78.2% in 2017).

The Lancashire-12 area (75.9%) had a lower proportion of very small enterprises (0-4 employees) than the UK and a slightly lower proportion of large enterprises (250+ employees) than the national average (Lancashire-12 (0.3%) v UK (0.4%)). As a consequence, four of the five remaining enterprise size categories (by employee numbers) had higher percentages than the UK averages for these categories. The percentage of enterprises employing 100 to 249 employees in the Lancashire-12 area (0.6%) was the same as for the UK (0.6%).

The percentage of enterprises employing 0-4 employees in the Lancashire-12 area (75.9%) in 2018 was marginally lower than the 2017 figure (76.1%).

A similar spread of enterprises by size (by number of employees) was evident for the Lancashire-14 area, although the percentage of enterprises with 0-4 employees (75.3%) was lower than the Lancashire-12 area (75.9%). Again, the percentage of enterprises employing 0-4 employees in the Lancashire-14 area (75.3%) in 2018 was lower than the 2017 figure (75.8%).

In the Lancashire-12 area, only Ribble Valley (78.7%), Wyre (78.3%), Chorley (78.2%) and Rossendale (78.2%) had percentages of enterprises in the 4 employees or fewer category that were above the UK average (77.9%). As a consequence, these areas tend to have lower percentages of their enterprises in some of the larger

employee number categories when compared to the UK, specifically those employing 10 or more persons. Rossendale, however, appears to partially buck this trend, as the percentages for its 10 to 19 employees category (6.1%) and its 100 to 249 employees category (0.7%) were greater than the UK percentages of 5.7% and 0.6%, respectively.

Table 3 considers the number of employees in VAT/PAYE-registered enterprises split by seven categories of employee numbers. Cells coloured blue are equal to, or above the UK average.

**Table 3: VAT/PAYE-registered enterprises by number of employees, 2018**

Area	0 to 4	5 to 9	10 to 19	20 to 49	50 to 99	100 to 249	250 or more
	%	%	%	%	%	%	%
Burnley	73.3%	13.0%	7.1%	4.2%	1.2%	0.8%	0.4%
Chorley	78.2%	11.5%	5.5%	3.0%	0.9%	0.5%	0.3%
Fylde	76.0%	12.5%	5.8%	3.7%	1.2%	0.3%	0.5%
Hyndburn	71.7%	13.6%	7.6%	4.7%	1.6%	0.9%	0.2%
Lancaster	74.5%	14.2%	6.1%	3.3%	0.9%	0.8%	0.3%
Pendle	75.1%	13.1%	5.7%	3.8%	1.4%	0.7%	0.4%
Preston	75.2%	12.2%	6.8%	3.6%	1.2%	0.6%	0.5%
Ribble Valley	78.7%	11.8%	5.4%	2.9%	0.9%	0.3%	0.2%
Rossendale	78.2%	11.4%	6.1%	2.5%	0.9%	0.7%	0.2%
South Ribble	75.3%	11.8%	6.2%	4.2%	1.2%	0.6%	0.5%
West Lancashire	74.4%	12.8%	7.0%	3.6%	1.1%	0.7%	0.3%
Wyre	78.3%	11.9%	5.7%	2.8%	0.8%	0.4%	0.2%
<b>Lancashire-12</b>	<b>75.9%</b>	<b>12.4%</b>	<b>6.2%</b>	<b>3.5%</b>	<b>1.1%</b>	<b>0.6%</b>	<b>0.3%</b>
Blackburn with Darwen	70.4%	15.0%	8.3%	3.9%	1.3%	0.7%	0.5%
Blackpool	75.2%	13.1%	6.3%	3.1%	1.3%	0.6%	0.4%
<b>Lancashire-14</b>	<b>75.3%</b>	<b>12.7%</b>	<b>6.4%</b>	<b>3.5%</b>	<b>1.1%</b>	<b>0.6%</b>	<b>0.3%</b>
North West	77.3%	11.7%	5.9%	3.2%	1.0%	0.6%	0.4%
<b>United Kingdom</b>	<b>77.9%</b>	<b>11.4%</b>	<b>5.7%</b>	<b>3.0%</b>	<b>1.0%</b>	<b>0.6%</b>	<b>0.4%</b>

Note: The cells coloured blue in the above table are equal to or above the UK average for the various employee number bandings.

Source: [Office for National Statistics: UK Business: Activity, Size and Location](#)

Blackburn with Darwen (70.4%) had the lowest percentage of its enterprises in the 4 employees or fewer category in the Lancashire-14 area (UK = 77.9%). However, all of the other employee number categories had higher percentages than the UK averages. Blackpool had 75.2% of its enterprises in the 4 employees or fewer category, which was also lower than the UK average.

Within the UK, only 0.4% of enterprises have 250 or more employees. For the Lancashire-12 area (0.3%) and Lancashire-14 area (0.3%) the percentages are marginally lower, but represent 140 and 180 enterprises in each of the areas,

respectively. Despite the percentages being small, these large businesses directly employ a significant number, and via purchasing of goods and services support many other jobs across the Lancashire-14 area and the UK.

Within the Lancashire-12 area, Preston (25) had the greatest number of large enterprises (employing 250 or more persons), followed by South Ribble (20). Blackburn with Darwen (25), in the Lancashire-14 area, has a similar number of large enterprises to Preston. In Blackpool, the number of enterprises employing 250 or more persons was 15.

### 6.6.2 Enterprises employing between five and 249 employees

Both the Lancashire-12 area (23.8%) and the Lancashire-14 area (24.4%) had a greater percentage of enterprises that employ between five and 249 employees than the UK average (21.7%).

In the Lancashire-12 area, eight of the local authority areas had percentages that were above the UK average (21.7%) for this 5-249 employees banding. Hyndburn (28.3%), Burnley (26.3%), West Lancashire (25.3%), Lancaster (25.2%) and Pendle (24.7%) had the highest percentages in the area. Ribble Valley (21.3%), Chorley (21.4%), Wyre (21.6%) and Rossendale (21.6%) were the four areas that had percentages that were below the UK average for this banding.

Blackburn with Darwen (29.2%) had the greatest percentage of its enterprises in the Lancashire-14 area that employed between 5-249 employees. The percentage in Blackpool was (24.3%), again above the UK average.

## 6.7 Public sector VAT/PAYE-registered enterprises

The [National Online Manpower Information System \(Nomis\)](#) website publishes business enterprise figures that are split by private and public sector categories. Of the 43,530 enterprises in the Lancashire-12 area in March 2018, only 185 (0.4%) were in the public-sector. For the Lancashire-14 area, of the 52,395 enterprises, 225 enterprises (0.4%) were in the public-sector. All of these public sector enterprises were allocated to one of the three industry sectors covering public administration and defence, education, or health.

In the Lancashire-12 area, around 20 of the public sector organisations employed 250 or more people. For the Lancashire-14 area, around 25 of the public sector enterprises employed 250 or more people. These organisations represent an important proportion of the 180 enterprises allocated to the largest employment-size category (250 or more employees) in the Lancashire-14 area.

### Notes on enterprise counts, split by private and public sector categories

All figures are rounded to avoid disclosure. Values may be rounded down to zero and so all zeros are not necessarily true zeros. It is therefore difficult to report accurately on public sector enterprises at the district or unitary authority level, owing to the relatively small numbers in each area. Even data at the Lancashire-12 and



Lancashire-14 level could be suppressed. This should be borne in mind when analysing and interpreting the data. Totals across tables may differ by minor amounts due to the disclosure methods used. Furthermore, figures sourced from Nomis may differ by small amounts from those published in ONS outputs due to the application of a different rounding methodology.

## 6.8 VAT/PAYE-registered enterprises by turnover

The ONS also publishes the number of VAT/PAYE-registered enterprises broken down by a number of turnover bandings by local authority area.

The figures relating to turnover in table 4 reveal that the £100,000 to £249,000 banding had the largest percentage of enterprises at the UK level (31.9%), followed by the £50,000 to £99,000 band (23.3%), and then the £49,000 or lower banding (16.3%). These three bandings accounted for the majority of the enterprises (71.4%).

**Table 4: Percentage of VAT/PAYE-registered enterprises by turnover (thousands of pounds), 2018**

Area	Total Enterprises	Thousands (£ 000's)								
		£0 to £49	£50 to £99	£100 to £249	£0 to £249	£250 of more	£250 to £499	£500 to £999	£1,000 to £4,999	£5,000 or more
		%	%	%	%	%	%	%	%	%
Burnley	2,530	13.4%	23.7%	31.4%	68.6%	31.4%	11.9%	7.9%	9.1%	2.6%
Chorley	4,350	14.9%	24.7%	32.6%	72.3%	27.7%	11.5%	7.0%	7.0%	2.2%
Fylde	3,250	14.2%	24.0%	31.8%	70.0%	30.0%	13.7%	7.2%	7.4%	1.7%
Hyndburn	2,250	13.6%	21.6%	32.2%	67.3%	32.7%	13.1%	7.8%	8.7%	3.1%
Lancaster	4,580	15.7%	23.3%	31.1%	70.1%	29.9%	13.8%	7.4%	6.9%	1.9%
Pendle	2,790	14.5%	23.3%	31.7%	69.5%	30.5%	12.7%	7.5%	7.7%	2.5%
Preston	5,165	15.6%	21.6%	31.6%	68.7%	31.3%	12.8%	7.9%	7.9%	2.6%
Ribble Valley	3,305	18.5%	21.2%	31.8%	71.4%	28.6%	13.6%	7.7%	6.1%	1.2%
Rosendale	2,800	13.9%	32.5%	27.3%	73.8%	26.3%	11.3%	6.6%	6.3%	2.1%
South Ribble	3,890	13.5%	24.4%	31.9%	69.8%	30.2%	11.7%	7.1%	8.6%	2.8%
West Lancashire	4,405	14.3%	22.7%	30.8%	67.8%	32.2%	13.4%	7.6%	8.6%	2.6%
Wyre	4,215	13.6%	26.6%	32.1%	72.4%	27.6%	13.0%	6.6%	6.3%	1.7%
<b>Lancashire-12</b>	<b>43,530</b>	<b>14.7%</b>	<b>24.0%</b>	<b>31.4%</b>	<b>70.2%</b>	<b>29.8%</b>	<b>12.7%</b>	<b>7.4%</b>	<b>7.5%</b>	<b>2.2%</b>
Blackburn-w-Darwen	4,960	14.5%	25.1%	29.7%	69.4%	30.6%	12.6%	7.1%	8.2%	2.8%
Blackpool	3,905	10.6%	30.3%	31.8%	72.7%	27.3%	13.7%	6.0%	5.9%	1.7%
<b>Lancashire-14</b>	<b>52,395</b>	<b>14.4%</b>	<b>24.6%</b>	<b>31.3%</b>	<b>70.3%</b>	<b>29.7%</b>	<b>12.8%</b>	<b>7.2%</b>	<b>7.4%</b>	<b>2.2%</b>
North West	267,765	15.3%	26.1%	30.7%	72.1%	27.9%	12.0%	6.9%	6.7%	2.2%
<b>United Kingdom</b>	<b>2,669,440</b>	<b>16.3%</b>	<b>23.3%</b>	<b>31.9%</b>	<b>71.4%</b>	<b>28.6%</b>	<b>12.3%</b>	<b>7.1%</b>	<b>6.9%</b>	<b>2.3%</b>

Note: The cells coloured yellow in the above table are equal to, or above, the UK percentage for the various turnover bandings.

Source: [Office for National Statistics: UK Business: Activity, Size and Location](#)

Please note that the cells coloured yellow in table 4 are equal to or above the UK percentage for the various turnover bandings.

In the Lancashire-12 area, the percentage of enterprises in the three lower turnover bands (those up to £249,000), at 70.2%, is slightly below the UK average of 71.4%. Conversely, the percentage of enterprises in the four higher turnover bands (£250,000 or more) in the Lancashire-12 area, at 29.8%, is slightly above the UK average of 28.6%.

A similar picture is evident for the Lancashire-14 area, with 29.7% of enterprises in the four higher turnover bands (UK = 28.6%) and 70.3% in the three lower turnover bands (UK = 71.4%).

For the three lower turnover bands combined, the percentage of enterprises in these groupings were only higher than the UK average (71.4%) in Rossendale (73.8%), Wyre (72.4%) and Chorley (72.3%) in the Lancashire-12 area, and Blackpool (72.7%) in the Lancashire-14 area. Hyndburn (67.3%) had the lowest percentage of enterprises in the three lower turnover bands combined across the wider Lancashire-14 area.

Looking at the three lower turnover bands individually, only the second banding (£50,000 to £99,000) for the Lancashire-12 area (24.0%) had a percentage that was greater than the UK average (23.3%). Six of the Lancashire-12 authorities had percentages that were above the UK average for this banding and two had the same percentage as the UK average. The highest percentage for this banding in the both the Lancashire-12 and Lancashire-14 areas was recorded for Rossendale (32.5%).

Blackpool (30.3%) had the second highest percentage of enterprises in the £50,000 to £99,000 turnover banding in the Lancashire-14 area. The percentage for Blackburn with Darwen (25.1%) was again above the UK average. In light of these two figures, the £50,000 to £99,000 turnover banding for the Lancashire-14 area (24.6%) was also above the UK average (23.3%).

For the £0 to £49,000 turnover banding, only Ribble Valley (18.5%) had a percentage that was above the UK average (16.3%) in the wider Lancashire-14 area. For the £100,000 to £249,000 banding, only Chorley (32.6%), Hyndburn (32.2%) and Wyre (32.1%) had percentages that were above the UK average (31.9%) in the Lancashire-14 area.

Eight of the Lancashire-12 local authority areas had greater percentages of their enterprises in the four higher turnover bandings (£250,000 or more) than the UK average (28.6%).

Hyndburn (2,245) had the lowest total number of enterprises in the Lancashire-14 area in 2018, and the lowest growth in enterprises (8.7%, 180) since 2011 in the area. However, Hyndburn (32.7%, 735) had the highest proportion of enterprises in the £250,000 or more turnover bandings in the Lancashire-14 area in 2018.

West Lancashire (32.2%, 1,420 enterprises), Burnley (31.4%, 795 enterprises) and Preston (31.3%, 1,615 enterprises) had the next greatest percentages of their

enterprises in the £250,000 or more turnover bandings. The percentage for Ribble Valley (28.6%, 945 enterprises) was the same as the UK proportion. Blackburn with Darwen (30.6%, 1,520 enterprises), in the Lancashire-14 area, also had a greater percentage than the UK. The number of enterprises in the higher turnover bandings in Blackburn with Darwen was also the second greatest in the Lancashire-14 area.

Preston had the largest total number of enterprises (5,165) in the Lancashire-14 area in 2018 and also the largest sub-total (1,615 enterprises) within in the £250,000 or more turnover bands.

Only Rossendale (26.3%), Wyre (27.6%) and Chorley (27.7%) within the Lancashire-12 area, and Blackpool (27.3%) in the Lancashire-14 area, had percentages of their VAT/PAYE enterprises that were below the UK average (28.6%) for the £250,000 and over bandings.

## 7 Related websites

[Office for National Statistics – Business, industry and trade](#)

[Government statistics – Business population estimates: annual business population estimates for the UK and regions at the start of each year, 2018](#)

[Lancashire local authority profiles - Statistics and intelligence about the local authority areas in the Lancashire-12 and Lancashire-14 areas](#)

[Lancashire Local Enterprise Partnership \(LEP\)](#)

[Guide to the business population and demographics statistics publications](#)

[National On-line Manpower Information System \(Nomis\) - Nomis is a service provided by the Office for National Statistics.](#)