

Statistical bulletin

Business demography, UK: 2024

Annual change in the number of UK businesses broken down by sector of the economy.

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Release date:
20 November 2025

Next release:
To be announced

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1 . Main points

- The number of UK business births increased from 316,000 to 317,000 between 2023 and 2024; this has led to a small increase in the business birth rate from 11.0% to 11.1%.
- The number of UK business deaths fell from 310,000 to 280,000 between 2023 and 2024; this has led to a decrease in the business death rate from 10.8% to 9.8%, the lowest death rate since 2016.
- The transport and storage (including postal) industry has had both the highest birth and death rates since 2018; that trend continued in 2024 with the highest business birth rate, at 15.6%, and the highest death rate, at 16.5%.
- There were 14,330 high-growth businesses in the UK in 2024, measured by employment, compared with 13,750 in 2023; the high growth rate in 2024, at 4.9%, is the highest since 2018, when it was 5.0%.

2 . Business birth and death rates, 2019 to 2024

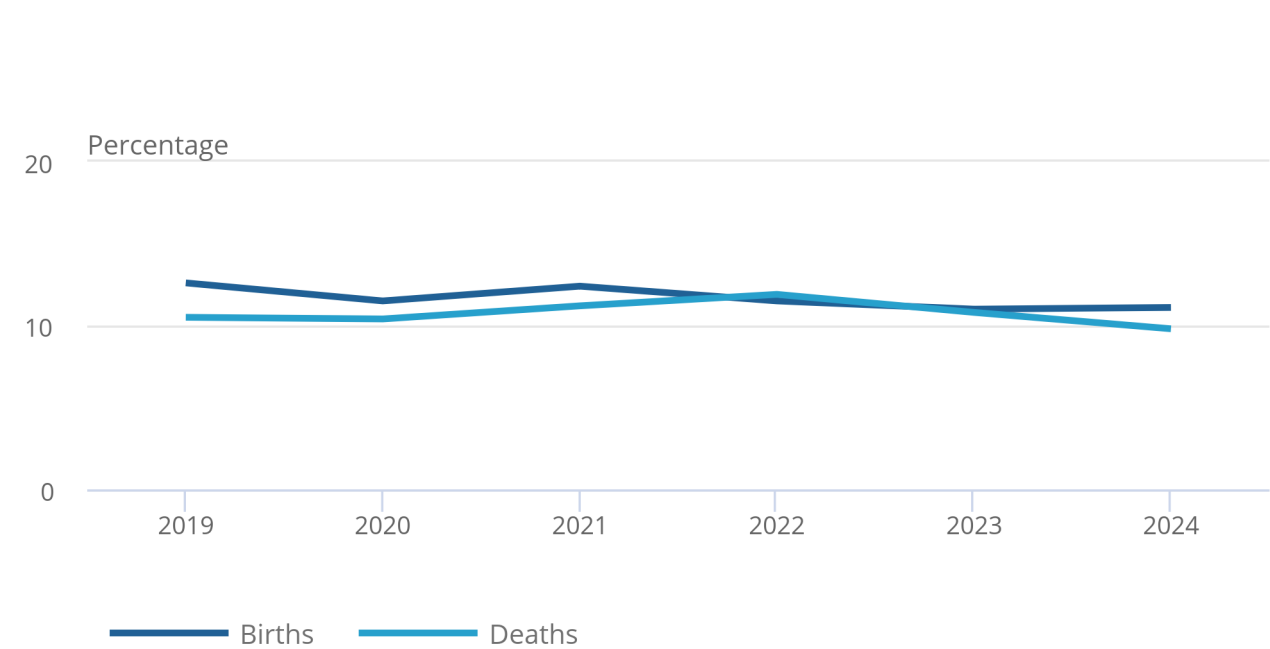
There was a slight increase in the business birth rate in 2024, 11.1%, compared with 11.0% in 2023. The business death rate fell from 10.8% to 9.8% between 2023 and 2024. This fall in the death rate has led to a widening in the gap between the birth and death rates, from 0.2 percentage points in 2023 to 1.3 percentage points in 2024.

Figure 1: Birth and death rates of businesses

UK, 2019 to 2024

Figure 1: Birth and death rates of businesses

UK, 2019 to 2024



Source: Inter-Departmental Business Register (IDBR) from the Office for National Statistics

There were approximately 2.9 million active businesses in the UK during 2024, a decrease of 11,000 from the number of active businesses in 2023 (Table 1). Estimates for 2024 are available in greater geographical and industrial detail in our [Business demography, UK dataset](#).

Table 1: Business birth and death rates
UK, 2019 to 2024

Count to nearest thousand

	Active	Births		Deaths	
	Count	Count	Rate (%)	Count	Rate (%)
2019	2,889	364	12.6	303	10.5
2020	2,897	333	11.5	300	10.4
2021	2,940	364	12.4	328	11.2
2022	2,925	337	11.5	345	11.9
2023	2,870	316	11.0	309	10.8
2024	2,860	317	11.1	280	9.8

Source: Inter-Departmental Business Register (IDBR) from the Office for National Statistics

Notes

1. The death counts provided in this table for 2023 and 2024 are provisional.

3 . Industries with the highest business birth and death rates

There was a small increase of almost 1,500 business births in 2024, 0.4% up on the year. Out of the 15 industry groups, 11 of these showed an increase in the birth rate compared with 2023.

The number of deaths fell by 29,000 (9.5%) between 2023 and 2024. Transport and storage had the highest business birth rate for the seventh consecutive year, at 15.6%, and the highest death rate, at 16.6%. Even though transport and storage had the highest death rate of 16.6% in 2024, this was considerably lower than in 2023, which was 22.3%.

The decline in the number of business deaths compared with 2023, of around 11,000 businesses, accounts for over a third of the overall decline in the number of business deaths in the UK. The largest decrease in deaths in this industry was in freight transport by road.

The transport and storage industry has shown volatility in the number of business births and deaths in recent years, especially during the coronavirus (COVID-19) pandemic, when there was an increased demand for online retail. The high variability in transport and storage is showing signs of easing, with the number of business births in the industry at its lowest level since 2015.

Table 2: Birth and death rates by broad industry group
UK, 2024

Counts given to the nearest thousand

	Active Count	Births		Deaths	
		Count	Rate (%)	Count	Rate (%)
Production	160	12	7.6	12	7.8
Construction	423	45	10.6	37	8.8
Motor trades	89	8	9.2	6	7.2
Wholesale	112	10	8.7	10	8.9
Retail	241	27	11.4	26	10.9
Transport & storage (inc. postal)	138	22	15.6	23	16.5
Accommodation & food services	203	30	14.9	26	12.9
Information & communication	211	23	10.7	21	9.8
Finance & insurance	38	3	6.6	3	6.7
Property	131	13	10.2	8	6.2
Professional; scientific & technical	466	49	10.5	43	9.2
Business administration and support services	267	39	14.4	36	13.5
Education	49	5	10.6	4	7.5
Health	125	12	9.4	8	6.5
Arts; entertainment; recreation and other services	207	20	9.7	17	8.4
Total	2,860	317	11.1	280	9.8

Source: Inter-Departmental Business Register (IDBR) from the Office for National Statistics

Notes

1. The death counts provided in this table for 2024 are provisional.
2. Please note that figures are rounded.

Employer Demography

Births and deaths of businesses can also be measured by employer demography. This measure not only shows the number of new business births (with one or more employees) but also the existing businesses that have started to employ at least one person. Likewise, the deaths not only show the number of businesses with employees that cease to trade but also the number of businesses that have stopped employing staff.

Tables 3 and 4 show business births and deaths broken down by industry. They compare the total number of businesses, the businesses with at least one employee, and those businesses with two or more employees.

Analysis of business births shows that most industries show a large proportion of business births that were either sole proprietors or single employee businesses in 2024. For example, nearly 85% of business births in the transport and storage industry in 2024 were in this category. Conversely, three-quarters of business births in the accommodation and food services industry have two or more employees.

Table 3: Comparison of business births by industry and employee size bands
UK, 2024

Counts given to the nearest thousand

	Business Demography	Employer Demography	2 or more employees
Production	12,180	11,525	3,775
Construction	44,955	40,120	10,810
Motor trades	8,190	7,635	2,235
Wholesale	9,685	9,310	1,910
Retail	27,385	26,030	7,895
Transport and storage (inc. postal)	21,510	13,560	3,130
Accommodation and food services	30,360	29,895	22,565
Information and communication	22,575	21,790	4,940
Finance and insurance (Excl 6420)	2,525	2,490	860
Property	13,385	12,875	3,500
Professional, scientific and technical	48,970	46,505	10,240
Business administration and support services	38,610	37,830	11,250
Education	5,200	5,040	1,840
Health	11,750	11,660	4,095
Arts, entertainment, recreation and other services	20,160	18,220	7,705
Total	317,440	294,485	96,750

Source: Inter-Departmental Business Register (IDBR) from the Office for National Statistics

Notes

1. Please note that figures are rounded.
2. Employer demography is an alternative measure of business demography based on businesses with at least one employee.

There are six industries within the business death comparisons where the employer demography deaths are higher than the business demography deaths. This is because of the employer demography figures including businesses who have stopped employing people.

Table 4: Comparison of business deaths by industry and employee size bands
UK, 2024

	Business Demography	Employer Demography	2 or more employees
Production	12,470	12,130	4,475
Construction	37,065	34,705	9,480
Motor trades	6,410	5,990	2,035
Wholesale	9,935	9,740	2,770
Retail	26,150	25,060	8,020
Transport and storage (inc. postal)	22,825	16,120	4,870
Accommodation and food services	26,195	27,180	18,360
Information and communication	20,635	21,055	3,860
Finance and insurance (Excl 6420)	2,580	2,675	1,035
Property	8,115	7,405	1,955
Professional, scientific and technical	42,700	42,445	8,965
Business administration and support services	36,195	37,210	11,425
Education	3,690	3,710	1,265
Health	8,075	8,530	3,015
Arts, entertainment, recreation and other services	17,335	16,070	5,760
Total	280,375	270,025	87,290

Source: Inter-Departmental Business Register (IDBR) from the Office for National Statistics

Notes

1. Please note that figures are rounded.
2. Employer demography is an alternative measure of business demography based on businesses with at least one employee.

4 . Regions with the highest business births and deaths

At a regional level, London had the highest business birth rate at 12.7%. The main industry contributing to the births in London was professional, scientific and technical, at 17.7%, with management consultancy businesses contributing almost half of this increase.

The West Midlands was the region with the highest business death rate, at 10.6%. The biggest proportion of these deaths was in business administration and support services, at 16.8%.

Table 5: Birth and death rates by region
UK, 2024

Counts given to the nearest thousand

	Active Births			Deaths	
	Count	Count	Rate (%)	Count	Rate (%)
North East	77	9	11.8	8	10.3
North West	284	34	11.9	30	10.5
Yorkshire and The Humber	200	23	11.3	20	10.2
East Midlands	188	20	10.6	19	10.3
West Midlands	229	27	11.8	24	10.6
East	286	30	10.4	27	9.3
London	595	76	12.7	61	10.3
South East	431	43	10.0	39	9.1
South West	233	22	9.6	21	9.1
Wales	100	10	10.1	10	9.6
Scotland	172	18	10.7	16	9.4
Northern Ireland	66	6	9.5	5	7.3
Total	2,860	317	11.1	280	9.8

Source: Inter-Departmental Business Register (IDBR) from the Office for National Statistics

Notes

1. The death counts provided in this table for 2024 are provisional.
2. Please note that figures are rounded.

5 . Five year survival rates

The five-year survival rates show the percentage of businesses born in 2019 that survived into 2024. The region with the highest five-year survival rate was the South West, at 43.5%. The largest proportion of these surviving businesses was in the construction industry. The five-year survival rate of construction businesses in the South West was higher than in any other region.

The region with the lowest five-year survival rate was the West Midlands, at 30.6%. This was influenced by an unusually high number of births in business administration and support services in 2019, followed by two years of high business deaths, largely because of [multiple business registrations](#) at the same address in this area.

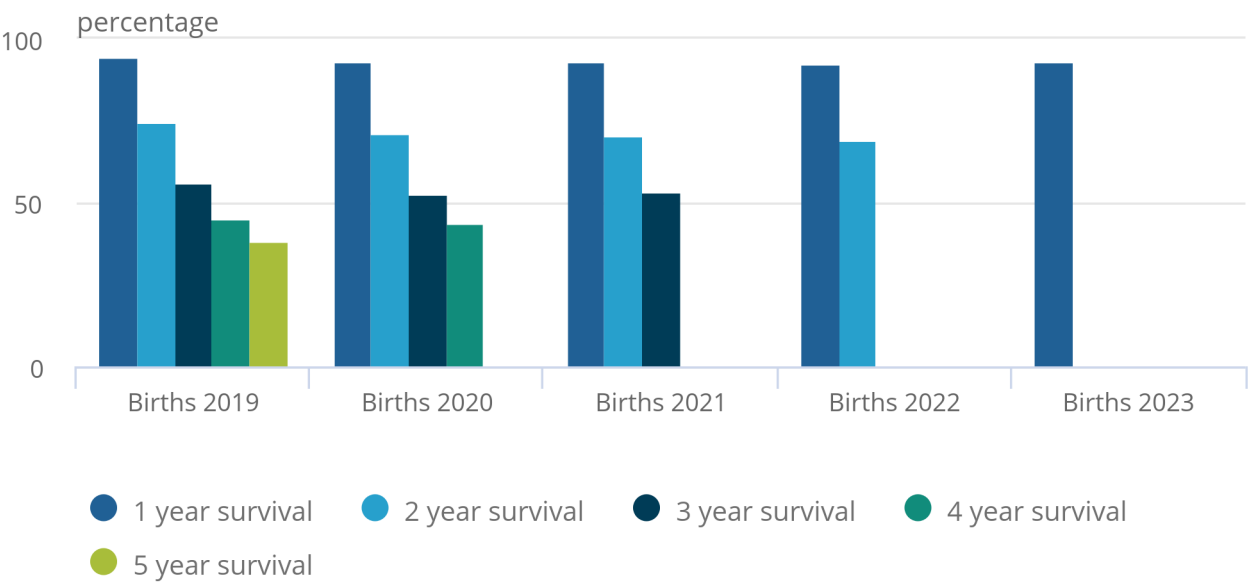
By industry, transport and storage had the lowest five-year survival rate. Wales is the region with the lowest percentage of businesses surviving five years in the transport and storage industry, at 14.8%.

Figure 2: The five-year survival rate for UK businesses born in 2019 is 38.4%

Survival rates of UK businesses born between 2019 and 2024

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Survival rates of UK businesses born between 2019 and 2024



Source: Inter-Departmental Business Register (IDBR) from the Office for National Statistics

6 . High-growth businesses in the UK

At the UK level, out of 292,000 businesses that had 10 or more employees in 2024, 14,330 businesses (4.9%) are classed as high-growth. This is an increase of 0.2 percentage points compared with last year.

Breakdown by region

London was the region with the largest number of businesses showing high-growth, at 3,540 businesses, with a high-growth rate of 6.6%. Northern Ireland had the smallest high-growth rate, at 3.5%.

All regions apart from the South West saw an increase in high-growth in 2024. The region with the highest increase in high-growth rate was Northern Ireland, up 0.4 percentage points.

Table 6: High growth rates by region
UK, 2024

	High Growth Count	Actives (10 or more employees) Count	% Rate Rate (%)
North East	425	9,025	4.7
North West	1,420	30,800	4.6
Yorkshire and The Humber	990	22,245	4.5
East Midlands	835	19,625	4.3
West Midlands	1,000	23,830	4.2
East	1,225	26,855	4.6
London	3,540	53,620	6.6
South East	2,085	41,410	5.0
South West	1,195	25,075	4.8
Wales	485	11,070	4.4
Scotland	855	20,750	4.1
Northern Ireland	275	7,820	3.5
Total	14,330	292,125	4.9

Source: Inter-Departmental Business Register (IDBR) from the Office for National Statistics

Notes

1. Please note that figures are rounded.

Breakdown by broad industry group

The industry with the highest percentage of businesses in high-growth was information and communication, at 9.2%, followed by finance and insurance, at 7.3%. The industry with the smallest percentage of high-growth businesses was motor trades, at 2.7%.

The industries to show the largest increase in high-growth rate were finance and insurance, and arts, entertainment, recreation and other services. The high-growth rate for both industries increased by 0.7 percentage points.

Table 7: High growth rates by broad industry group
UK, 2024

	High Growth	Actives (10 or more employees)	% Rate
	Count	Count	Rate (%)
Production	1,085	30,745	3.5
Construction	840	20,870	4.0
Motor trades	180	6,570	2.7
Wholesale	730	17,965	4.1
Retail	800	20,585	3.9
Transport & storage (inc. postal)	460	9,600	4.8
Accommodation & food services	1,925	43,915	4.4
Information & communication	1,365	14,905	9.2
Finance & insurance	355	4,830	7.3
Property	195	6,670	2.9
Professional; scientific & technical	1,885	30,485	6.2
Business administration and support services	1,740	25,510	6.8
Education	445	8,350	5.3
Health	1,375	33,100	4.2
Arts; entertainment; recreation and other services	950	18,025	5.3
Total	14,330	292,125	4.9

Source: Inter-Departmental Business Register (IDBR) from the Office for National Statistics

Notes

1. Please note that figures are rounded.

7 . Data on Business demography, UK

[Business demography, UK](#)

Dataset | Released 20 November 2025

Annual data on births, deaths and survivals of businesses in the UK, by geographical area and Standard Industrial Classification 2007: SIC 2007 groups.

8 . Glossary

Active business

The starting point for the calculation of business demography data is the concept of active businesses in a reference year. These are defined as businesses that had either turnover or employment at any time during the reference period.

Business

For the purpose of this release, "business" is used to represent an enterprise. An enterprise is an organisational unit producing goods or services that has a certain degree of autonomy in decision-making.

Business birth

New business registrations (identified through registration of the administrative units, that is, VAT and PAYE) are referred to as business births. The birth rate is calculated using the number of births as a proportion of the active businesses.

Business death

Businesses that have ceased to trade (identified through de-registration of the administrative units) are referred to as business deaths. The death rate is calculated using the number of deaths as a proportion of the active businesses.

Employer business birth

Employer business births include new businesses with at least one employee, as well as existing non-employer businesses that have become employer businesses.

Employer business death

Employer business deaths are businesses that ceased to trade with at least one employee, as well as businesses that ceased to employ staff.

Employer demography

Employer demography is an alternative measure of business demography based on businesses with at least one employee.

High growth

High growth, for the purpose of this publication, measures all businesses with an average growth in employment of greater than 20% per year, over a three-year period (between 2021 to 2024). The size threshold used to identify these businesses is that they have 10 or more employees.

Inter-Departmental Business Register (IDBR)

The IDBR is a database of all businesses in the UK registered for VAT and/or the PAYE income tax system. The IDBR is the register of UK businesses used as a sampling frame for Office for National Statistics (ONS) business surveys.

Survivals

A business is deemed to have survived if it was born in year t or has survived to year t , and it is active in terms of employment and/or turnover in any part of t plus 1.

9 . Data sources and quality

Measuring the data

Business demography is an annual publication produced from the Inter-Departmental Business Register (IDBR). The publication focuses on changes to the registered business population, that is, those businesses registered at HM Revenue and Customs (HMRC) for Value Added Tax (VAT) and/or Pay As You Earn (PAYE), and at Companies House.

Quality

More quality and methodology information on strengths, limitations, appropriate uses, and how the data were created is available in our Business demography quality and methodology information (QMI).

Strengths and limitations

The starting point for the calculation of business demography data is the concept of active businesses in a reference year. These are defined as businesses that had either turnover or employment at any time during the reference period.

New business registrations (identified through registration of the administrative units, that is, VAT and PAYE) are referred to as business births. The birth rate is calculated using the number of births as a proportion of the active businesses. Businesses that have ceased to trade (identified through de-registration of the administrative units) are referred to as business deaths. The death rate is calculated using the number of deaths as a proportion of the active businesses.

The [Eurostat and Organisation for Economic Co-operation and Development \(OECD\) manual on business demography](#) statistics recommends waiting for two years after the reference period to allow for reactivations before deaths figures are calculated. In this release, we estimated the number of reactivations and adjusted the data accordingly. This adjustment has been applied to all industries, by removing units from the death data. This can lead to different percentage adjustments at the lowest level of aggregation.

Since the level of reactivations is subject to some uncertainty, the latest two years in the publication are provisional and subject to revision. Table 9 of our [Business demography dataset](#) shows the adjustments made to the death data for reactivations.

In recent years, the number of multiple business registrations at a single postcode on the [Inter-Departmental Business Register \(IDBR\)](#) have increased. This has affected the number of births, deaths and survival rates. There are several reasons why these multiple registrations can occur, such as an increase in the use of management and personal service companies, virtual offices and foreign internet sellers. To help users assess the effect of these registrations, our [Multiple business registrations at a single postcode](#) article has been published to explain this issue in more detail, as its accompanying dataset gives rounded counts at district level for births of these businesses.

An improvement was made to the 2021 publication onwards by removing businesses that have neither VAT nor PAYE but do have a live company number. They were removed from both annual and quarterly demography because they can misrepresent business birth and death figures.

Industrial classification of businesses on the IDBR often comes from imperfect sources. We embarked on a programme of work to examine the quality of the industrial classification for businesses which come onto the IDBR. More information is available in our [Investigating the accuracy of Standard Industrial Classification \(SIC\) using Business Register and Employment Survey \(BRES\) methodology](#).

Accredited official statistics

These [accredited official statistics](#) were independently reviewed by the Office for Statistics Regulation in October 2020. They comply with the standards of trustworthiness, quality and value in the [Code of Practice for Statistics](#) and should be labelled "accredited official statistics".

10 . Related links

[Multiple business registrations at a single postcode, UK: 2024](#)

Article | Released 20 November 2025

Business demography explainer covering additional information on the impact of multiple registrations at a single postcode.

[Business demography, quarterly, UK: July to September 2025](#)

Bulletin | Released 30 October 2025

Business creations or births and closures or deaths from the Inter-Departmental Business Register (IDBR) with high-level breakdowns by industry and region. These are official statistics in development.

[UK business: activity, size and location: 2025](#)

Bulletin | Released 24 September 2025

UK businesses broken down by legal status, industry, region, employment and turnover size bands.

[Business population estimates](#)

Bulletin | Updated 2 October 2025

Annual business population estimates for the UK and regions in 2025.

11 . Cite this statistical bulletin

Office for National Statistics (ONS), published 20 November 2025, ONS website, statistical bulletin, [Business demography, UK: 2024](#)