# **Birmingham Business Counts Update 2024**

## **Introduction**

This report analyses business activity in the city using the latest official business count figures for 2024 from the Office for National Statistics (ONS). This is an extract compiled from the Inter Departmental Business Register (IDBR) recording the number of businesses that were live in March 2024. There are two business count measures:

* **Enterprises** - the overall business, made up of all the individual sites or workplaces. This is the measure used for the majority of the analysis in the report.
* **Local Units** - All individual sites that belong to an enterprise - in other words each branch of a chain is recorded separately.

This report sets out the change in the number of businesses in the city in 2024 with comparisons with other areas. The report also explores which sub-sectors in the local economy have seen the largest increase and decrease between 2023 and 2024.

## Infographic showing headline busienss numbers for the city in 2024**Key Findings**

In 2024 the total number of enterprises in the city increased by 255 to 37,245. The number of local units also increased by 250 to 44,535. Business numbers using both measures rose by 0.7% and 0.6% respectively locally last year, mainly driven by an increase in micro business numbers (+295, +0.9%).

Nationally, there was a marginal fall in enterprise numbers (-0.1%) and in local units (-0.1%).

The public services and retail sectors saw the strongest growth amongst the major sectors locally with business numbers increasing by 215 (+6.6%) and 90 (+1.2%) respectively between 2023 and 2024.





## **Business Counts in the West Midlands**

The change in enterprise numbers for the 7 West Midlands Met areas is shown in figure 1 below. Overall business numbers in the Met area decreased by 395 (-0.4%) in 2024.



There was a mixed picture across the Met area with three areas seeing a decline in business numbers and four areas seeing a small increase in numbers. Wolverhampton (-655), Coventry (-365) and Dudley (-140) saw the largest decreases in business numbers last year.

**Table 1: West Midlands Business Counts Ranked by % Annual Change**

| **Area** | **2023** | **2024** | **Annual Change** | **Annual Change %** |
| --- | --- | --- | --- | --- |
| Solihull | 8,025 | 8,355 | 330 | 4.1% |
| Walsall | 8,160 | 8,320 | 160 | 2.0% |
| Birmingham | 36,990 | 37,245 | 255 | 0.7% |
| Sandwell | 9,935 | 9,945 | 10 | 0.1% |
| Dudley | 10,035 | 9,895 | -140 | -1.4% |
| Coventry | 10,335 | 9,970 | -365 | -3.5% |
| Wolverhampton | 8,860 | 8,205 | -655 | -7.4% |
| West Midlands Met Area | 92,335 | 91,940 | -395 | -0.4% |
| West Midlands Region  | 217,885 | 216,135 | -1,750 | -0.8% |
| UK | 2,726,830 | 2,724,770 | -2,060 | -0.1% |

## **Business Counts in the Core Cities**

The table below shows the change in business numbers for the core cities and nationally. Birmingham (+0.7%) was the 3rd best performing core city in terms of growth in business numbers between 2023 and 2024.

Business numbers decreased across the core cities between 2023 and 2024, down by 860 (-0.5%) a little higher than the UK decline of -0.1%.

**Table 2: Core City Business Counts Ranked by % Change**

|  | **Area** | **2023** | **2024** | **Annual Change** | **Annual Change %** |
| --- | --- | --- | --- | --- | --- |
| 1 | Nottingham | 9,685 | 9,800 | 115 | 1.2% |
| 2 | Glasgow | 19,435 | 19,595 | 160 | 0.8% |
| 3 | Birmingham | 36,990 | 37,245 | 255 | 0.7% |
| 4 | Manchester | 22,835 | 22,895 | 60 | 0.3% |
| 5 | Bristol | 18,395 | 18,330 | -65 | -0.4% |
| 6 | Newcastle | 8,740 | 8,705 | -35 | -0.4% |
| **7** | Leeds | 29,270 | 29,020 | -250 | -0.9% |
| 8 | Liverpool | 14,530 | 14,360 | -170 | -1.2% |
| 9 | Sheffield | 17,040 | 16,755 | -285 | -1.7% |
| 10 | Cardiff | 12,445 | 11,780 | -665 | -5.3% |
|  | Core Cities | 189,365 | 188,485 | -880 | -0.5% |
|  | UK | 2,726,830 | 2,724,770 | -2,060 |  -0.1% |
|  | London | 525,855 | 530,815 | 4,960 | 0.9% |

## **Business Counts by Sector**

The ONS produce a breakdown of enterprises in the city by sub sector which is shown in Table 3 on the next page. The infographic opposite shows the major sectors in the local economy, how many businesses there were in each sector in 2024, how this has changed since 2023 and what share of total businesses in the local economy that each sector accounts for.

Retail trade forms the largest sector in terms of business numbers locally, accounting for over one in five (21%) of businesses in the city.

The public services and retail sectors saw the strongest growth amongst the major sectors locally with business numbers increasing by 215 (+6.6%) and 90 (+1.2%) respectively between 2023 and 2024.

The transport & storage and construction sectors saw the biggest decline in business numbers between 2023 and 2024, falling by 120 (-4.9%) and 165 (-4.5%) respectively.



## **Business Counts by Sub Sector**

The table on the following page sets out the picture at a more granular sub sectoral level (2 digit Standard Industrial Classification). As well as the sectors already identified there is a significant cluster of businesses in the city in food and beverage service activities, real estate, admin & business support, management consultancy activities and legal and accounting firms.

At a sub sectoral level health activities and residential care both saw strong growth in business numbers (over 10%) between 2023 and 2024, highlighting the continued growth in demand for these services due to changing demographic trends.

**Table 3 – Top 40 Sub-Sectors by Number of Businesses 2024**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Sub Sector** | **2023** | **2024** | **% Share of Total Enterprises** | **Change 2023-2024** | **% Change 2023-2024** |
| Retail trade, except of motor vehicles and motorcycles | 4,395 | 4,500 | 12.1% | 105 | 2.4% |
| Food and beverage service activities | 2,330 | 2,305 | 6.2% | -25 | -1.1% |
| Specialised construction activities | 2,150 | 2,095 | 5.6% | -55 | -2.6% |
| Real estate activities | 1,780 | 1,880 | 5.0% | 100 | 5.6% |
| Wholesale trade, except of motor vehicles and motorcycles | 1,870 | 1,875 | 5.0% | 5 | 0.3% |
| Office administrative, office support and other business support activities | 1,585 | 1,790 | 4.8% | 205 | 12.9% |
| Human health activities | 1,540 | 1,705 | 4.6% | 165 | 10.7% |
| Activities of head offices; management consultancy activities | 1,540 | 1,535 | 4.1% | -5 | -0.3% |
| Legal and accounting activities | 1,500 | 1,515 | 4.1% | 15 | 1.0% |
| Computer programming, consultancy and related activities | 1,395 | 1,385 | 3.7% | -10 | -0.7% |
| Construction of buildings | 1,455 | 1,365 | 3.7% | -90 | -6.2% |
| Wholesale and retail trade and repair of motor vehicles and motorcycles | 1,320 | 1,295 | 3.5% | -25 | -1.9% |
| Other personal service activities | 1,155 | 1,175 | 3.2% | 20 | 1.7% |
| Land transport and transport via pipelines | 1,155 | 1,140 | 3.1% | -15 | -1.3% |
| Education | 805 | 825 | 2.2% | 20 | 2.5% |
| Other professional, scientific and technical activities | 795 | 810 | 2.2% | 15 | 1.9% |
| Employment activities | 735 | 780 | 2.1% | 45 | 6.1% |
| Postal and courier activities | 815 | 745 | 2.0% | -70 | -8.6% |
| Architectural and engineering activities; technical testing and analysis | 760 | 745 | 2.0% | -15 | -2.0% |
| Social work activities without accommodation | 625 | 625 | 1.7% | 0 | 0.0% |
| Services to buildings and landscape activities | 570 | 535 | 1.4% | -35 | -6.1% |
| Warehousing and support activities for transportation | 460 | 425 | 1.1% | -35 | -7.6% |
| Manufacture of fabricated metal products, except machinery and equipment | 425 | 405 | 1.1% | -20 | -4.7% |
| Residential care activities | 300 | 330 | 0.9% | 30 | 10.0% |
| Activities of membership organisations | 325 | 325 | 0.9% | 0 | 0.0% |
| Activities auxiliary to financial services and insurance activities | 315 | 290 | 0.8% | -25 | -7.9% |
| Advertising and market research | 265 | 265 | 0.7% | 0 | 0.0% |
| Sports activities and amusement and recreation activities | 270 | 265 | 0.7% | -5 | -1.9% |
| Financial service activities, except insurance and pension funding | 270 | 260 | 0.7% | -10 | -3.7% |
| Security and investigation activities | 225 | 245 | 0.7% | 20 | 8.9% |
| Rental and leasing activities | 245 | 240 | 0.6% | -5 | -2.0% |
| Creative, arts and entertainment activities | 230 | 240 | 0.6% | 10 | 4.3% |
| Other manufacturing | 235 | 225 | 0.6% | -10 | -4.3% |
| Civil engineering | 240 | 215 | 0.6% | -25 | -10.4% |
| Accommodation | 200 | 205 | 0.6% | 5 | 2.5% |
| Motion picture, video and television programme production, sound recording and music publishing activities | 195 | 205 | 0.6% | 10 | 5.1% |
| Repair of computers and personal and household goods | 180 | 190 | 0.5% | 10 | 5.6% |
| Travel agency, tour operator and other reservation service and related activities | 175 | 170 | 0.5% | -5 | -2.9% |
| Manufacture of food products | 150 | 160 | 0.4% | 10 | 6.7% |
| Printing and reproduction of recorded media | 165 | 160 | 0.4% | -5 | -3.0% |
| **Total** | **36,990** | **37,245** | **100%** | **255** | **0.7%** |



**Development Policy**

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