



A National Statistics publication for Scotland



## BUSINESS AND ENERGY

# Businesses in Scotland 2020

## 1. Introduction

The 'Businesses in Scotland' publication provides information on the number of businesses (also known as enterprises) operating in Scotland. The main purpose of the publication is to provide an estimate of Scotland's business stock (the number of businesses operating in Scotland).

The latest figures are as at March 2020. Note that the data for this release is produced from an extract taken from the Inter Departmental Business Register (IDBR) recording the position of businesses as at 13 March 2020. As such, no effects of the coronavirus (COVID-19) pandemic will be visible in these data.

Within the publication, the Scottish business stock is broken down by various dimensions including industry, business size, local authority area, urban/rural area and country of ownership. The publication includes **all** businesses that **operate** in Scotland regardless of where the business is based. This differs from UK-wide publications that tend to publish region/country results according to the registered office (base/head-quarter) of a business. Businesses in Scotland goes wider than this by providing statistics on all businesses operating in Scotland, those based/head-quartered in Scotland and also all other businesses with a presence in Scotland.

The focus of the publication is on private sector businesses, where the private sector is defined as including the following business types:

- Companies (including Building Societies)
- Sole Proprietors
- Partnerships
- Public Corporations/Nationalised Bodies
- Non-profit making bodies and mutual associations

Data are also provided on the employment and turnover of businesses. However, please note that there are time lags associated with these employment and turnover data.

The total number of businesses operating in Scotland comprises both those that are registered for VAT and/or PAYE, and those that are not (so called unregistered businesses). Unregistered businesses are sole proprietorships and partnerships that are not large enough to be VAT registered (i.e. have an annual turnover below the VAT threshold - £85,000 as at March 2020) and are not PAYE registered (i.e. do not employ others).

### **What are the statistics used for?**

Statistics from the 'Businesses in Scotland' publication are used to provide insight into the characteristics of Scotland's business stock, and how Scotland's business stock has changed over time. The data are used to inform decision making and performance monitoring – both inside and outside government.

### **What years do tables relate to?**

The latest figures relate to a snapshot of the business stock as at 13 March 2020 and were released on 11 November 2020.

The latest 2020 publication tables on the [Businesses in Scotland](#) website are consistent for the years 2010 to 2020. All industry sector data are based on the Standard Industrial Classification (SIC) 2007.

Older tables, available in the [Tables Archive](#), have not been updated to reflect the current methodology and are therefore not consistent with the latest tables. However, high level time series have been constructed for total businesses (registered and unregistered) and registered businesses for the years 2000 to 2020. These long time series have been produced on a consistent basis as far as possible.

### **When will the data be updated?**

It is our aim to publish Businesses in Scotland 2021 as soon as possible after the release of the Office for National Statistics UK Business Activity publication due for release in autumn 2021.

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## 2. Summary

- Note that the data for this release is produced from an extract taken from the Inter Departmental Business Register (IDBR) recording the position of businesses as at 13 March 2020. As such, no effects of the coronavirus (COVID-19) pandemic will be visible in these data.
- As at March 2020, there were an estimated 364,310 private sector businesses operating in Scotland.
- Between March 2019 and March 2020, the estimated number of businesses increased by 2.2% (+7,760 businesses).
- The increase over the latest year was driven by a rise in the number of unregistered businesses (those not registered for VAT and/or PAYE). The number of unregistered businesses increased from 177,770 as at March 2019 to 184,850 as at March 2020 – an increase of 7,080 unregistered businesses (4.0%).
- The number of registered businesses (those registered for VAT and/or PAYE) also increased over the latest year - up by 680 businesses (0.4%) from 178,780 as at March 2019 to 179,460 as at March 2020.
- As at March 2020, there were 361,875 Small and Medium-sized Enterprises (SMEs) operating in Scotland, providing an estimated 1.2 million jobs. SMEs accounted for 99.3% of all private sector businesses, 55.7% of private sector employment and 41.2% of private sector turnover as at March 2020.

### 3. Main Findings

#### Private sector businesses in Scotland, as at March 2020

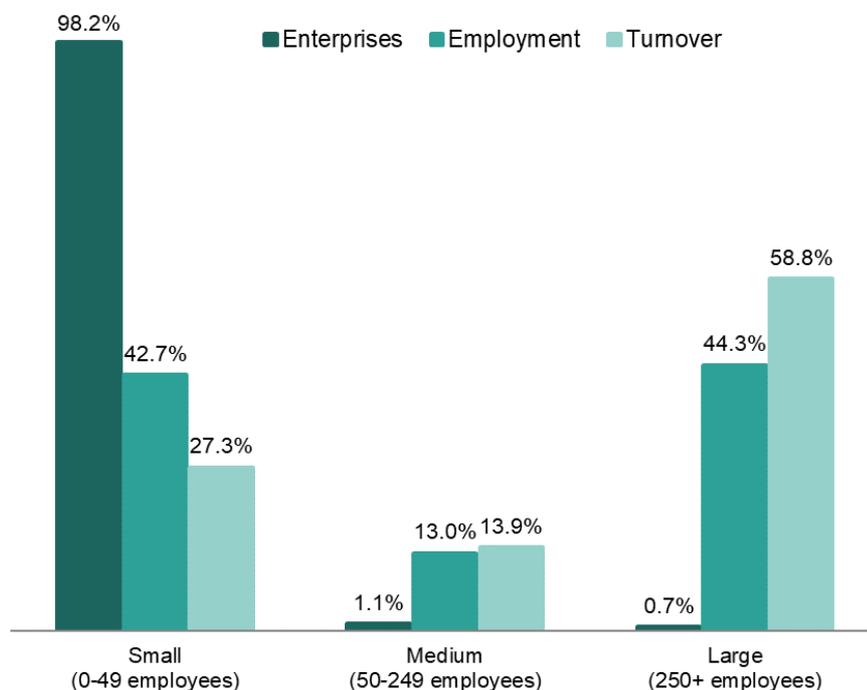
As at March 2020, there were an estimated 364,310 private sector businesses operating in Scotland. Almost all of these businesses (98.2%) were small (0 to 49 employees); 4,055 (1.1%) were medium-sized (50 to 249 employees) and 2,435 (0.7%) were large (250 or more employees).

As at March 2020, there were 361,875 Small and Medium-sized Enterprises (SMEs) operating in Scotland, providing an estimated 1.2 million jobs. SMEs accounted for 99.3% of all private sector businesses, 55.7% of private sector employment and 41.2% of private sector turnover.

Small (0 to 49 employees) businesses alone accounted for 98.2% of all private sector businesses, 42.7% of private sector employment and 27.3% of private sector turnover as at March 2020.

The 2,435 large (250+ employees) businesses operating in Scotland as at March 2020 accounted for 44.3% of private sector employment and 58.8% of private sector turnover (Chart 1).

**Chart 1: Share of businesses, employment and turnover by size, as at March 2020**



As at March 2020, businesses with no employees – that is sole proprietors/ partnerships comprising only the owner-managers or companies comprising only the employee director – accounted for 69.9% (254,740 businesses) of all private sector businesses in Scotland, 13.7% of private sector employment and 4.9% of private sector turnover.

As at March 2020, the number of businesses in Scotland with at least one employee (i.e. employers) accounted for 30.1% (109,570 businesses) of all private sector businesses in Scotland, 86.3% of private sector employment and 95.1% of private sector turnover.

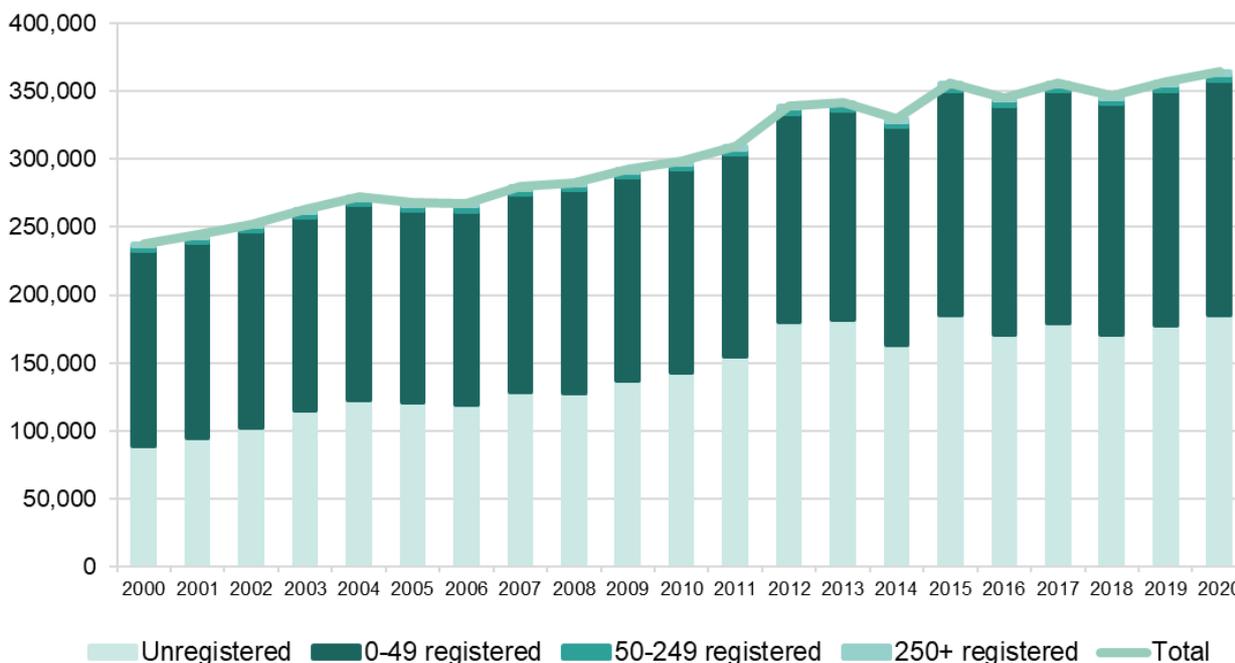
The total number of businesses operating in Scotland comprises both those that are registered for VAT and/or PAYE, and those that are not (so called unregistered businesses). Unregistered businesses are sole proprietorships and partnerships that are not large enough to be VAT registered (i.e. have an annual turnover below the VAT threshold - £85,000 as at March 2020) and are not PAYE registered (i.e. do not employ others). As at March 2020, unregistered businesses represented 50.7% of all private sector businesses in Scotland.

### Changes in the Scottish private sector business stock over time

#### All businesses (registered and unregistered)

As at March 2020, there were an estimated 364,310 private sector businesses operating in Scotland – this is the highest point in the current series (which goes back to 2000). Between 2000 and 2020, the estimated total number of businesses increased by 53.1% (126,415 businesses). As shown in Chart 2 below, this increase over the long term has been driven by a rise in the number of unregistered businesses, having more than doubled (107.2%, 95,620 businesses) since 2000. However, there has been a considerable increase in the number of registered businesses over this period as well – up 20.7% (30,795 businesses).

**Chart 2: Private sector businesses operating in Scotland, 2000 to 2020**



Between March 2019 and March 2020, the total number of private sector businesses in Scotland increased by 7,760 businesses (2.2%). Despite some fluctuation from year to year, the total number of private sector businesses in Scotland has remained relatively stable since 2015.

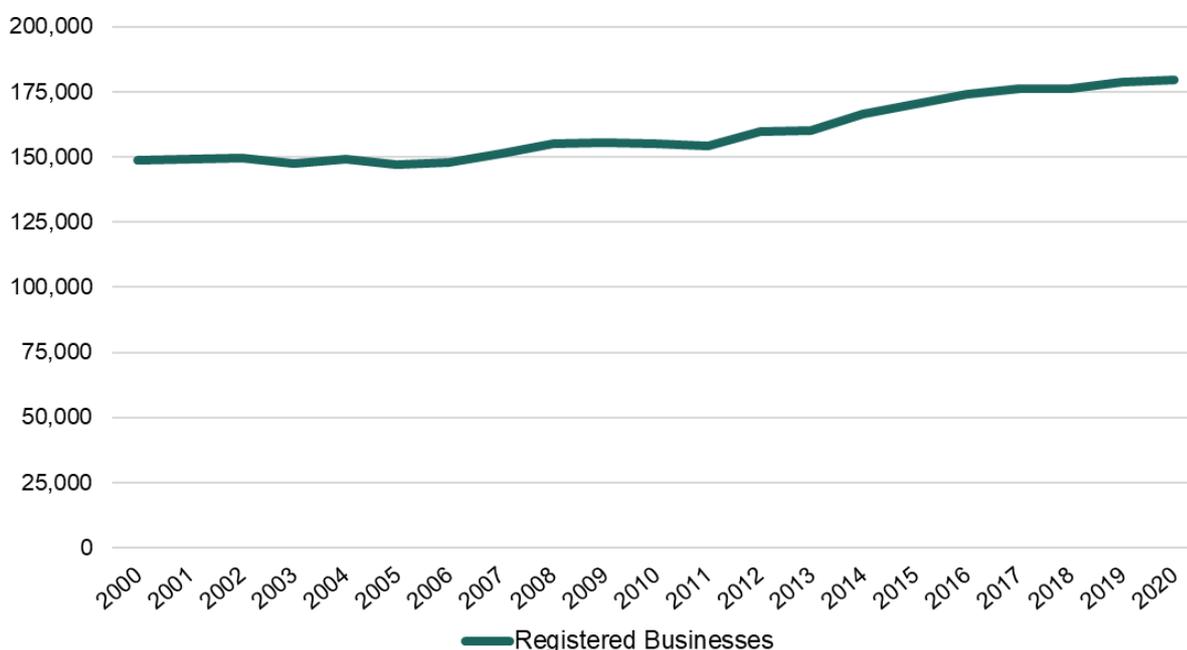
### Unregistered businesses

The increase in the total number of private sector businesses in Scotland over the latest year was driven by a rise in the number of unregistered businesses (those not registered for VAT and/or PAYE). The number of unregistered businesses increased from 177,770 as at March 2019 to 184,850 as at March 2020 – an increase of 7,080 unregistered businesses (4.0%).

### Registered businesses

The number of registered businesses (those registered for VAT and/or PAYE) also increased over the latest year - up by 680 businesses (0.4%) from 178,780 as at March 2019 to 179,460 as at March 2020. This continues the generally increasing trend in the registered business stock seen since 2011. The March 2020 registered business count of 179,460 marked the highest point in the time series (which goes back to 2000).

**Chart 3: Private sector registered businesses, 2000 to 2020**



All sizes of registered business (small, medium and large) increased between March 2019 and March 2020.

The number of small registered businesses (0 to 49 employees) increased over the latest year by 0.3% (600 businesses). Of these small registered businesses, the increase was entirely in the number of non-employing registered businesses (i.e. 0 employees) of 0.9% (600 businesses), as the number of employing small registered

businesses (i.e. 1 to 49 employees) remained at the same level as in 2019 (103,080 businesses). There has been an increase of 29,905 small registered businesses since 2000 (an increase of 20.9%).

The number of medium-sized businesses (50 to 249 employees) increased over the latest year, to 4,055 - an increase of 70 businesses since March 2019. There has been an increase of 705 medium-sized businesses since 2000 (an increase of 21.0%).

The number of large businesses (250 or more employees) also increased over the latest year, to 2,435 - an increase of 10 businesses since March 2019. There has been an increase of 190 large businesses since 2000 (an increase of 8.5%).

The number of private sector businesses with at least one employee (i.e. employers) in Scotland increased by 0.1% (80 businesses) over the latest year, from 109,490 in March 2019 to 109,570 in March 2020. This continues a generally increasing trend since 2005, and takes the number of employers to the highest point in the time series (back to 2000).

### **Private sector businesses by legal status (All businesses - registered and unregistered)**

As at March 2020, private sector businesses in Scotland comprised the following:

Sole Proprietors/Partnerships <sup>1</sup>	(64.8% of businesses, 19.3% of employment)
Companies <sup>2</sup>	(33.0% of businesses, 72.2% of employment)
Non-Profit Making Bodies	(2.2% of businesses, 8.5% of employment)

Sole Proprietors/Partnerships continue to make up the majority of private sector businesses, but there has been sustained growth in the number of Companies, from 77,060 as at March 2010 to 120,260 as at March 2020 – an increase of 56.1% (43,200 businesses). Although the number of Sole Proprietors/Partnerships has increased over the same time period – an increase of 10.5% (22,510 businesses) – the respective share of Companies has increased, pushing down the share of Sole Proprietors/Partnerships. (Table 1)

**Table 1: Number of private sector businesses and employment (registered and unregistered), Scotland, March 2010 and March 2020**

	2010			2020		
	Number of businesses	Proportion of businesses	Proportion of employment	Number of businesses	Proportion of businesses	Proportion of employment
Sole Proprietors/Partnerships	213,640	71.6%	22.1%	236,150	64.8%	19.3%
Companies	77,060	25.8%	69.4%	120,260	33.0%	72.2%
Non-Profit Making Bodies	7,720	2.6%	8.5%	7,895	2.2%	8.5%

<sup>1</sup> Note that the Sole Proprietorships/Partnerships legal status group includes unregistered businesses.

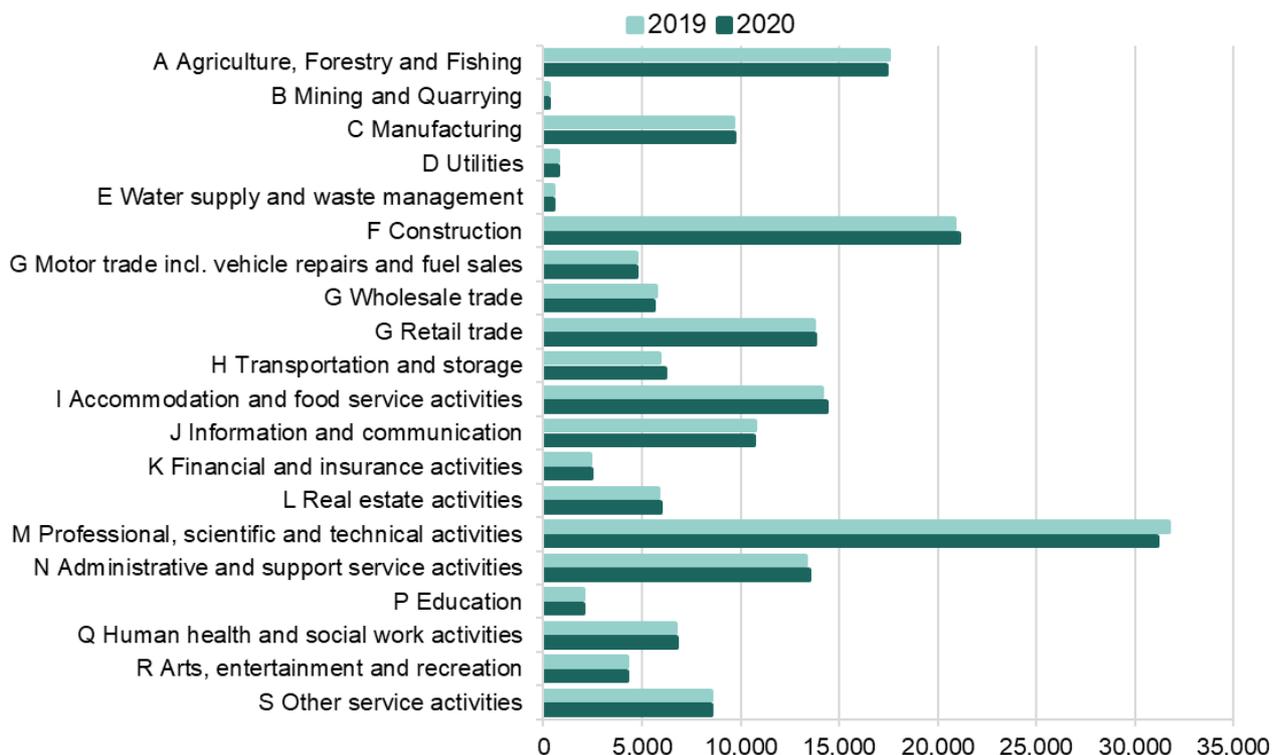
<sup>2</sup> Includes a small number of public corporations.

## Businesses by broad industry sector

As at March 2020, the two largest industry sectors were **‘Professional, Scientific & Technical Activities’** (48,030 businesses) and **Construction** (47,715 businesses). Together, these two sectors accounted for 26.3% of all private sector businesses in Scotland. In terms of private sector registered businesses – as at March 2020 - these two sectors were also the largest, with **‘Professional, Scientific & Technical Activities’** at 31,135 registered businesses and **‘Construction’** at 21,100 registered businesses.

Over the latest year, the number of registered businesses in the **‘Transportation and Storage’** sector increased by 5.1% (+300 businesses) – the sector with the highest **relative** growth over the latest year. In contrast, the number of registered businesses in the **‘Professional, Scientific & Technical Activities’** and **‘Wholesale Trade’** sectors decreased by 1.9% (-600 businesses and -110 businesses respectively) - the sectors with the lowest **relative** growth over the latest year.

**Chart 4: Number of registered private sector businesses, Scotland, by industry sector, as at March 2019 and as at March 2020**



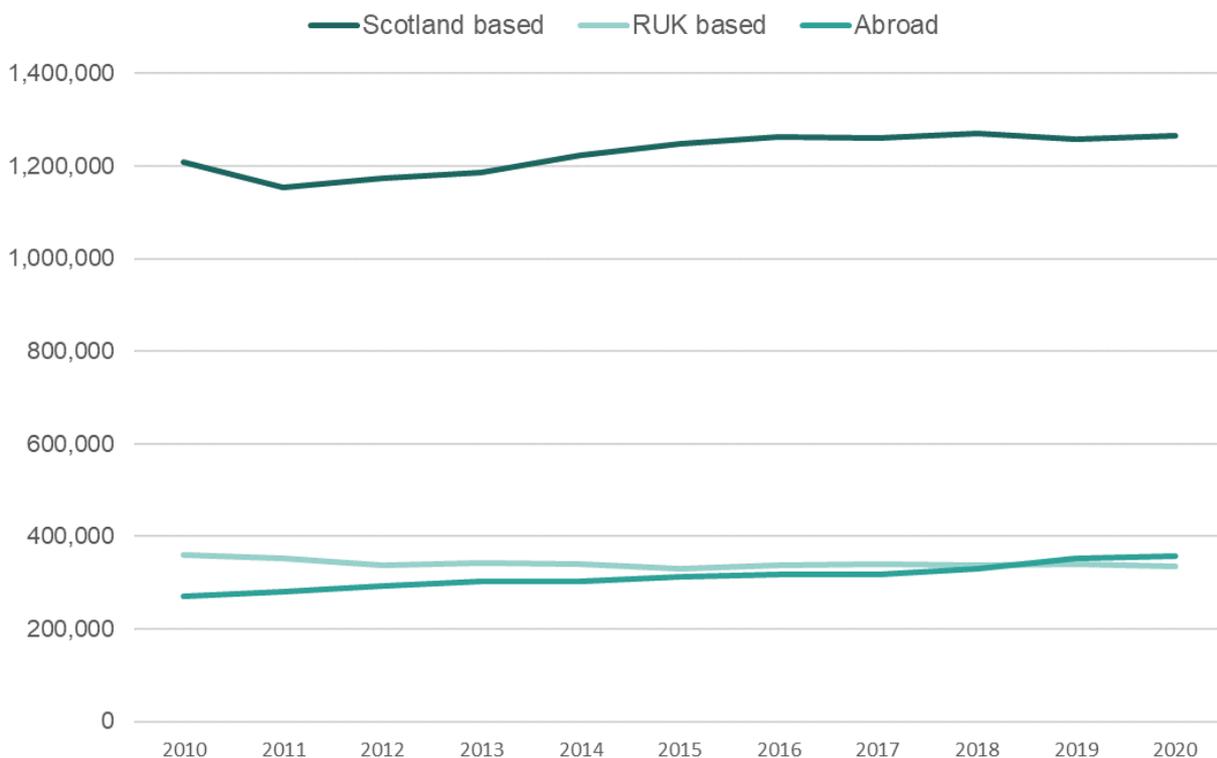
## Ownership (registered businesses only)

Within the ‘Businesses in Scotland’ publication, businesses can be either ‘UK owned - Scotland based’, ‘UK owned - Rest of the UK (RUK) based’ or ‘Abroad-owned’.

As at March 2020, registered private sector businesses with their ultimate base outside Scotland (RUK based or Abroad-owned) represented 3.3% of businesses, accounting for 35.4% of employment and 53.4% of turnover. Within large businesses they represented 82.1% of businesses, accounting for 63.8% of employment and 72.9% of turnover.

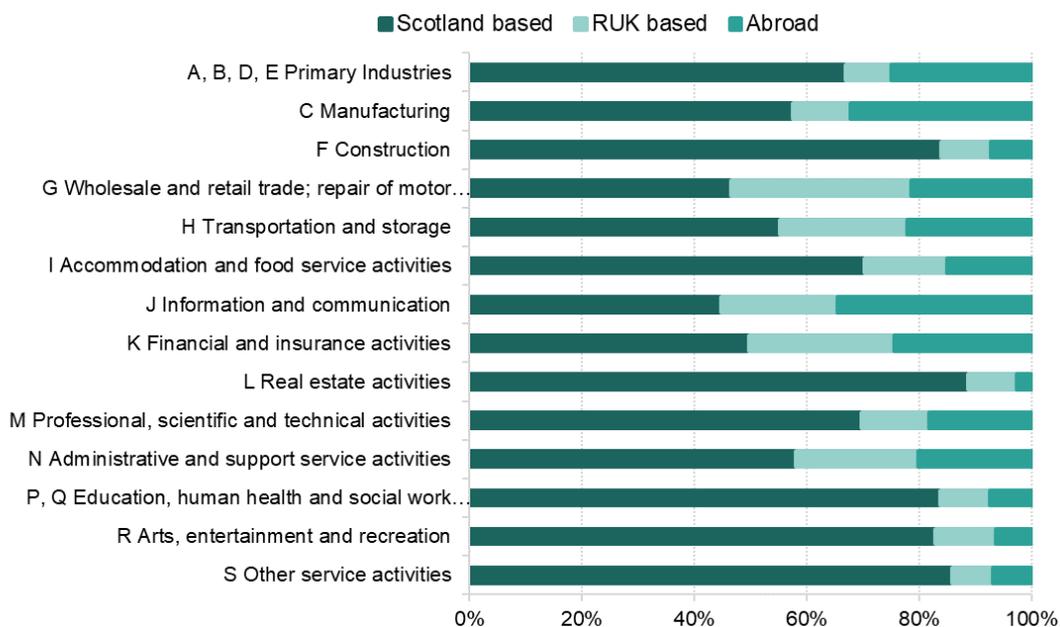
Between March 2019 and March 2020, the number of Abroad-owned businesses in Scotland increased from 2,870 to 3,010. As at March 2020, there were more Abroad-owned businesses (3,010) than RUK based businesses (2,935) operating in Scotland. Similarly, there were more Scottish jobs in Abroad-owned businesses than in RUK based businesses in March 2020 (Chart 5).

**Chart 5: Private sector jobs in Scotland, by business ownership, 2000 to 2020**



As previously stated, 35.4% of private sector employment as at March 2020 was in businesses with their ultimate base outside Scotland. Breaking this down, 17.1% of Scottish private sector employment was in businesses with their ultimate base in the RUK and 18.3% was in businesses with their ultimate ownership Abroad (i.e. outside the UK). The share of employment in Abroad-owned businesses varies by industry sector. For example, 34.5% of Scottish 'Information and communication' employment as at March 2020 was in Abroad-owned businesses, compared to 2.6% of Scottish 'Real estate activities' employment.

**Chart 6: Share of employment by ownership and industry sector, as at March 2020**



As at March 2020, there were 1,265 EU Abroad-owned businesses operating in Scotland – employing 128,780 people and generating a turnover of £35 billion (36.3% of all turnover from Abroad-owned registered businesses in Scotland).

In terms of individual countries, USA-owned businesses accounted for the highest share of Scotland’s Abroad-owned businesses, Abroad-owned employment and Abroad-owned turnover. As at March 2020, there were 660 USA-owned businesses operating in Scotland – employing 112,740 people and generating a turnover of over £31 billion (32.2% of all turnover from Abroad-owned registered businesses in Scotland).

### Local Authority Area breakdown (registered businesses only)

Between March 2019 and March 2020, the registered business stock increased in half (16) of Scotland’s 32 local authority areas – with the registered business stock rising the most in Glasgow City (up 2.2%, 460 businesses) and City of Edinburgh (up 1.0%, 215 businesses). Over the last year, Highland experienced the greatest decrease in the registered business stock, falling by 1.1% (125 businesses).

The share of employment in Abroad-owned businesses varied significantly by local authority area. For example, as at March 2020, 30.1% of West Lothian’s private sector employment was in Abroad-owned businesses, compared to 6.6% in East Renfrewshire.

The share of employment in SMEs also varied significantly by local authority area. SMEs accounted for a larger share of employment in the more rural local authority areas, compared to the more urban local authority areas. As at March 2020, SMEs accounted for 83.1% of private sector employment in the Orkney Islands compared to 39.2% in Renfrewshire.

## Urban/Rural Area breakdown (registered businesses only)

SMEs accounted for a larger share of private sector employment in rural areas, compared to urban areas. As at March 2020, SMEs accounted for 79.5% of private sector employment in remote rural areas compared to 69.2% in accessible rural areas and 46.8% in the rest of Scotland.

In remote rural areas, the 'Accommodation and food service activities' industrial sector had the largest share of private sector employment (18.2%) as at March 2020; the 'Agriculture, forestry and fishing' sector had the largest share in accessible rural areas (14.7%). However, in Scotland's urban areas the 'Wholesale, Retail and Repair' sector accounted for the largest share of private sector employment (19.3%) as at March 2020.

## National Performance Framework – National Indicators

The [National Performance Framework \(NPF\) 'Number of Businesses' Indicator](#) measures the total number of registered private sector businesses operating in Scotland per 10,000 adults (the business stock rate). The provisional business stock rate<sup>3</sup> as at March 2020 shows that there were 395 businesses per 10,000 adults, up from a rate of 394 as at March 2019.

**Table 2: Number of registered businesses in Scotland per 10,000 resident adults, 2010 to 2020**

Year	Number of Businesses	Resident Adult Population (aged 16+)	Business Stocks per 10,000 resident adults
2010	155,045	4,344,402	357
2011	154,365	4,383,797	352
2012	159,580	4,398,974	363
2013	160,050	4,416,121	362
2014	166,525	4,436,559	375
2015	170,335	4,460,738	382
2016	173,995	4,488,783	388
2017	176,400	4,507,358	391
2018	176,295	4,518,598	390
2019	178,780	4,541,903	394
2020	179,460	4,541,903	395

The [National Performance Framework \(NPF\) 'High Growth Businesses' Indicator](#) measures high growth<sup>4</sup> businesses as a share of all registered businesses operating in Scotland. The number of high growth businesses decreased by 35 from 1,880 as at March 2019 to 1,845 as at March 2020. This resulted in a decrease in the high growth business share from 1.1% as at March 2019 to 1.0% as at March 2020. Note that although the latest business counts were as at the

<sup>3</sup> The provisional business stock rate for 2020 was based on the March 2020 estimate of registered businesses and the 2019 mid-year population estimates. This rate will be revised when the 2020 mid-year population estimates are published in 2021.

<sup>4</sup> For the indicator a high growth business is a business with 10+ employees in the base year (x-3) exhibiting an average of 20% annual growth in turnover over three years.

position in March 2020, the latest turnover data (used to measure high growth) are lagged and relate to the year of 2018 for most businesses.

**Table 3: Number of high growth businesses as a share of all registered businesses in Scotland, 2010-2013 to 2017-2020**

Years	High Growth Businesses	All Businesses	High Growth Percentage Share
2010-2013	1,255	160,050	0.8%
2011-2014	1,515	166,525	0.9%
2012-2015	1,925	170,335	1.1%
2013-2016	2,060	173,995	1.2%
2014-2017	2,075	176,400	1.2%
2015-2018	1,820	176,295	1.0%
2016-2019	1,880	178,780	1.1%
2017-2020	1,845	179,460	1.0%

### Comparisons with the UK Business Stock

Business stock estimates for the UK as a whole are published by the Department for Business, Energy and Industrial Strategy (BEIS). The BEIS [Business Population Estimates 2020](#) showed that, for the UK as a whole, the total number of businesses (registered and unregistered) increased by 1.9% between the start of 2019 and the start of 2020. This compares to an increase of 2.2% for Scotland between March 2019 and March 2020 (as per the Businesses in Scotland 2020 results).

Scotland has a different business base structure compared to that of the UK as a whole. Table 4 below shows that, in 2020, Scotland had a business stock rate of 785 (registered and unregistered) businesses per 10,000 adults, compared to 1,105 businesses per 10,000 adults in the UK as a whole. Scotland has a lower rate of small businesses (particularly those that do not employ others) but a higher rate of medium and large businesses compared to the UK as a whole. Large businesses account for a higher share of Scotland's private sector employment (44%), compared to the UK as a whole (39%). Note that the size bands used in Table 4 are as per the number of jobs in the business UK-wide.

**Table 4: Number of registered private sector businesses per 10,000 resident adults, UK and Scotland, 2020**

Country	Resident Adults Mid-year 2019	Private Sector Businesses (registered and unregistered)	Private Sector Businesses per 10,000 adults				
			Business Size (number of employees UK-wide)				All Sizes
			None	Small (1-49)	Medium (50-249)	Large (250+)	
UK	54,098,971	5,980,520	844	253	7	1	1,105
Scotland	4,541,903	356,415	561	211	8	5	785

Source: UK - Business Population Estimates 2020, BEIS. Scotland – Businesses in Scotland 2020. Note that the Scotland data, in the table above, is restricted to businesses that are companies, sole proprietorships, partnerships or public corporations (so excludes charities) to ensure as much consistency as possible between the UK and Scotland results.

## 4. Tables – Where will I find the data I need?

### Time Series 2000 to 2020

The latest [2020 publication tables](#) are consistent for the years 2010 to 2020. However, high level time series have been constructed for 2000 to 2020 for all businesses (registered and unregistered) and for registered businesses only. These long time series have been produced on a consistent basis as far as possible.

The latest [2020 publication tables](#) contain the following:

Table	Time Trend	Content
Time Series 1	2000-2020	Number of businesses (registered and unregistered) in Scotland by employee sizeband
Time Series 2	2000-2020	Number of businesses (registered only) in Scotland by employee sizeband

### All Businesses (registered and unregistered)

Tables A to E include both registered and unregistered businesses. Table A includes the public sector; Tables B to E exclude all public sector businesses.

Table	Time Trend	Content
Table A	2010-2020	Number of businesses (registered and unregistered, including public sector) in Scotland and their total Scottish employment and turnover by business legal status and employee sizeband
Table B	2010-2020	Number of businesses (registered and unregistered) in Scotland and their total Scottish employment and turnover by employee sizeband
Table C	2010-2020	Number of businesses (registered and unregistered) in Scotland by sector and employee sizeband
Table D	2010-2020	Total Scottish employment in businesses (registered and unregistered) in Scotland by sector and employee sizeband
Table E	2010-2020	Total Scottish turnover of businesses (registered and unregistered) in Scotland by sector and employee sizeband

## Registered Businesses Only

Tables 1 – 3 include registered private sector businesses (excluding public sector businesses). Table 4 refers to public sector businesses. Tables 1 - 4 **exclude** estimates for unregistered businesses.

Web Link	Time Trend	Content
Table 1	2010-2020	Number of registered private sector businesses in Scotland by sector, division (2 digit SIC), employee sizeband and total Scottish employment and turnover
Table 2	2010-2020	Number of registered private sector businesses in Scotland and their total Scottish employment and turnover by sector and country of main base (percentage based in Scotland)
Table 3	2010-2020	Number of registered private sector businesses in Scotland and their total Scottish employment and turnover by sector and country of ownership (Scotland/Rest of UK/UK/Abroad)
Table 4	2010-2020	Number of registered public sector businesses in Scotland and their employment by sector

## Local Authority Area Tables (Registered Businesses Only)

Tables 5 - 8 provide data split by Local Authority area. They include registered private sector businesses (excluding public sector businesses). Tables 5 - 8 **exclude** estimates for unregistered businesses.

Web Link	Time Trend	Content
Table 5	2010-2020	Number of registered private sector businesses in Scotland and their total Scottish employment and turnover by Local Authority area and employee sizeband
Table 6	2010-2020	Number of registered private sector businesses in Scotland by Local Authority area, employee sizeband and sector
Table 7	2010-2020	Number of registered private sector businesses in Scotland and their total Scottish employment and turnover by Local Authority area and sector
Table 8	2010-2020	Number of business sites of registered private sector businesses by Local Authority area, sector and employee sizeband of site

## Urban Rural Tables (Registered Businesses Only)

Tables 9 - 13 provide data split by the Scottish Government 2016 Urban Rural definition. Tables 9 – 11 and 13 include registered private sector businesses (excluding public sector businesses). Table 12 refers to public sector businesses. Tables 9 - 13 **exclude** estimates for unregistered businesses.

Web Link	Time Trend	Content
Table 9	2015-2020	Number of registered private sector businesses in Scotland and their total Scottish employment and turnover by urban/rural classification and employee sizeband
Table 10	2015-2020	Number of registered private sector businesses in Scotland and their total Scottish employment and turnover by urban/rural classification and by sector
Table 11	2015-2020	Number of registered private sector businesses in Scotland and their total Scottish employment and turnover by urban/rural classification, employee sizeband and sector
Table 12	2015-2020	Number of registered public sector businesses in Scotland and their total Scottish employment by urban/rural classification and broad sector
Table 13	2015-2020	Number of business sites of registered private sector businesses in Scotland by urban/rural classification and Local Authority area

## Foreign-Owned Businesses Tables (Registered Businesses Only)

Web Link	Time Trend	Content
Table 14	2010-2020	Number of foreign-owned registered private sector businesses in Scotland and their total Scottish employment and turnover by country of ownership
Table 15	2010-2020	Number of foreign-owned registered private sector businesses in Scotland and their total Scottish employment and turnover by EU breakdown and sector
Table 16	2010-2020	Number of foreign-owned registered private sector businesses in Scotland and their total Scottish employment and turnover by EU breakdown and Local Authority area

## National Indicator Tables (Registered Businesses Only)

Web Link	Time Trend	Content
Table 17	2010-2020	Number of registered private sector businesses in Scotland per 10,000 resident adults
Table 18	2010-2020	Number of registered private sector businesses in Scotland per 10,000 resident adults by Local Authority area
Table 19	2010-2013 to 2017-2020	Number of registered private sector high growth businesses in Scotland as a share of all registered private sector businesses
Table 20	2010-2013 to 2017-2020	Number of registered private sector high growth businesses in Scotland as a share of all registered private sector businesses by sector, owner and Local Authority area

All the tables in 'Businesses in Scotland 2020' publication are on a SIC 2007 basis. Please go to the [Tables Archive](#) for data on a SIC 2003 basis for 2000 to 2010. However, please note that the Archived Tables have not been updated with the latest methodology (to estimate the number of unregistered businesses) or had the registered business count revised upwards to take account of the extra registered businesses added to the IDBR in 2012 as a result of improvements made to HMRC computer systems.

# 5. Methodology

## 1. Introduction

The 'Businesses in Scotland' Publication (formerly Scottish Corporate Sector Statistics) provides information about the **number of businesses operating in Scotland**, broken down by various groupings including industry, business size, local authority area, urban/rural area and country of ownership. The publication includes all businesses that operate in Scotland regardless of where the business is based. This allows a more comprehensive understanding of the Scottish business environment than is possible via other business population estimates which only allocate businesses to Scotland if they have their UK base in Scotland.

## 2. Use

Statistics from the 'Businesses in Scotland' publication are used to provide insight into the characteristics of Scotland's business stock, and how Scotland's business stock has changed over time. The data are used to inform decision making and performance monitoring – both inside and outside government.

## 3. Overview of Methodology and Sources

The estimates have been constructed using data from the [Inter-Departmental Business Register \(IDBR\)](#), the Annual Population Survey (annual version of the [Labour Force Survey \(LFS\)](#)), the [Family Resources Survey \(FRS\)](#) and Self-Assessment (SA) data. The IDBR provides the number of businesses registered for VAT and/or PAYE in Scotland. However there is a substantial number of very small businesses which have no employees and are therefore not included on the IDBR. A modeling procedure that combines data from the IDBR with estimates derived from the LFS, FRS and SA data is used to estimate the number of unregistered businesses. The principles of the model were developed by economic consultants working with the then Department of Trade and Industry and Eurostat.

## 4. Key Terms

Business units held on the IDBR can be grouped into 3 types:

### **Administrative Units:**

- VAT trader and PAYE employer information supplemented with incorporated business data from Companies House.

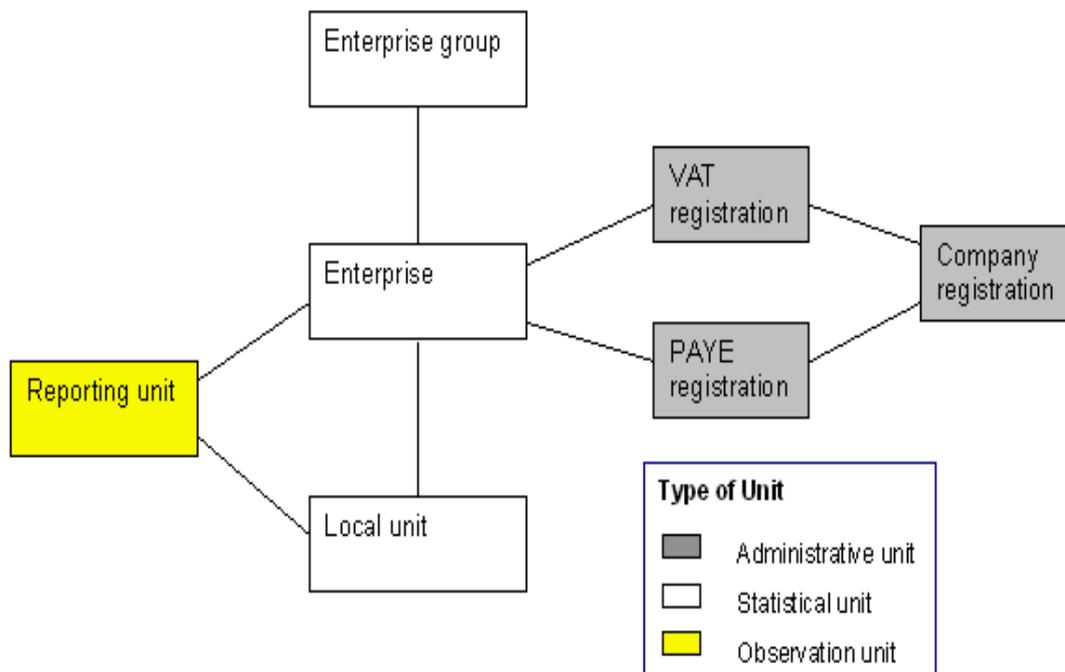
## Statistical Units:

- A group of legal units under common ownership is called an Enterprise (Business) Group.
- A **business** can be defined as the smallest combination of legal units (generally based on VAT and/or PAYE records) that is an organisational unit producing goods or services, which benefits from a certain degree of autonomy in decision-making, especially for the allocation of its current resources. A business carries out one or more activities at one or more locations. A business may be a sole legal unit.
- A **local unit (or business site)** is a business or part thereof (e.g. a workshop, factory, warehouse, office, mine or depot) situated in a geographically identified place.

## Observation Units:

- Reporting Units hold the mailing address to which the survey questionnaires are sent. The questionnaire can cover the business as a whole, or parts of the business identified by lists of local units.

The Businesses in Scotland publication is based on business counts, with the exception of Table 8 and Table 13 which are based on business sites (or local units).



## 5. About the Estimates

The purpose of the publication is to provide information about the number of businesses but the estimates also include information about businesses' employment and turnover. The function of these data is to act as 'auxiliary variables' that can be used to (i) classify businesses by employee/turnover size band and (ii) calculate shares of employment and turnover across industrial sectors, local areas, business sizes etc. The nature of the underlying processes used to update these variables on the IDBR means that direct comparisons made using the absolute values are less reliable. (See Section 6.4 to 6.6)

Businesses are counted only once in Scotland-level estimates or once in each of the local authority areas or rural/urban areas they operate in (Tables 5-7, 9-11, 16, 18 and 20). Estimates of the number of business sites in each local authority area are provided in Table 8 and also by urban/rural area in Table 13. (See Section 12)

The estimates do not include turnover information for financial and insurance businesses as it is not available on a comparable basis.

The figures for unregistered businesses are estimated primarily using data from a sample survey (LFS), which is subject to sampling error – this should be considered when making year on year comparisons between the number of unregistered businesses (these make up the majority of the smallest size band in Tables A-E).

### Time Series

The 2011 and 2012 publications introduced several methodological changes:

- All data are now published using the Standard Industrial Classification (SIC) 2007 only.
- In 2011 a number of changes were made to the methodology used to estimate the number of unregistered businesses. See the [“7. Unregistered Businesses” section](#) of this bulletin for more details.
- In 2012 improvements to HMRC computer systems led to previously excluded businesses being added to the IDBR. For Scotland, this resulted in 2,340 extra businesses being added to the IDBR in 2012; these extra businesses should have been included in previous years also.

The 2018 publication also introduced a new methodological tweak to constrain the estimates of unregistered jobs to the Scotland total.

The latest 2020 publication tables on the [Businesses in Scotland](#) website are consistent for the years 2010 to 2020 i.e. all methodological changes above have been applied back to 2010.

Older tables, available in the [Tables Archive](#), have not been updated to reflect the methodological changes and are therefore not consistent with the latest tables for 2010 to 2020.

However, a high level time series for total (registered and unregistered) businesses and registered businesses has been constructed for 2000 to 2020. This long time series has been produced on a consistent basis as far as possible – as follows:

- The registered time series has been adjusted upwards to take account of the 2,340 extra businesses added to the IDBR in 2012. Note that this back revision was based on businesses that were in operation in 2012, by using the birth dates of the businesses they can be added into the stock estimates for back years. See Table 5 below.
- The unregistered time series has been adjusted upwards to take account of the improved unregistered businesses estimation methodology. See table below.

**Table 5: Constructed Back Series**

Year	Original			Constructed Time Series		
	Registered	Unregistered	Total	Registered*	Unregistered**	Total
2000	148,635	89,195	237,830	148,665	89,230	237,895
2001	149,325	94,580	243,905	149,370	94,615	243,985
2002	149,560	102,655	252,215	149,615	102,695	252,310
2003	147,490	115,135	262,625	147,590	115,180	262,770
2004	149,025	122,980	272,005	149,180	123,025	272,205
2005	146,890	120,685	267,575	147,065	120,730	267,795
2006	147,490	119,670	267,160	147,745	119,715	267,460
2007	150,745	128,745	279,490	151,145	128,795	279,940
2008	154,635	127,490	282,125	155,285	127,540	282,825
2009	154,370	137,010	291,380	155,320	137,065	292,385

\* Adjusted for HMRC additions.

\*\* Adjusted based on relationship between estimates under old and latest methodology in 2010.

## 6. Registered Businesses

### 6.1. Source

The Inter-Departmental Business Register (IDBR) is maintained by the Office for National Statistics (ONS) and is a database of all registered businesses operating in the UK i.e. businesses that are registered for VAT and/or PAYE. It covers 99% of economic activity in the UK. Those excluded are small sole traders or partnerships with no employees and an annual turnover of less than the VAT threshold.

When a business registers/de-registers for VAT/PAYE with HMRC, this information is fed through to the IDBR. The reporting of de-registrations, however, can be subject to a number of time delays. For example, when a business closes there may be a delay before HMRC are informed. Closure of the VAT record may then be delayed until all liabilities are settled. There may also be lags in recording PAYE data.

## **6.2. Time Period Covered**

The estimate of registered businesses is based on a snapshot of the IDBR taken in March of each year (prior to 2005 a November snapshot was used). A Scottish extract provides a count of the IDBR businesses that were “live” at the snapshot date. However, due to the time lags that often occur in recording de-registrations, a business which had ceased trading by March but had outstanding business with HMRC may still have been included on the IDBR at the time the extract was taken. Whilst this introduces some error into the data, this lag impacts on each year so the extracts are consistent over time.

## **6.3. Scope**

All tables in the ‘Businesses in Scotland’ Publication (excluding Table A, Table 4 and Table 12) are for the private sector - that is companies, sole proprietors, partnerships, public corporations/nationalised bodies and not for profit organisations - and exclude central and local government. This differs from the headline estimates from the ONS publication “UK Business: Activity, Size and Location” which includes the public sector.

## **6.4. Employment**

Prior to 2009, the employment information held on the IDBR was mainly drawn from the Business Register Survey and the employment part of the Annual Business Inquiry (ABI/1). The use of these sources caused a considerable time lag in the employment data, so that in each March extract, the majority of employment information was two years out of date i.e. employment estimates for 2009 were mainly based on data from 2007. For some businesses, however, the employment data was more lagged than this.

The Business Register and Employment Survey (BRES) replaced and integrated the BRS and ABI/1 in 2009. For businesses that are surveyed by BRES, the regional and local estimates of employment are more accurate because, rather than producing data by an apportionment model, they are obtained directly from data reported at site level. Employment data is now updated on the IDBR on a monthly basis rather than annually, as updates are made as completed surveys are returned. This means that, at any point in time, employment data on the IDBR will be as accurate and up to date as possible, based on the survey returns that have been received at that time.

However, it also means that year on year comparisons made using point in time extracts of the IDBR will be less accurate as businesses are unlikely to return their forms at precisely the same time each year.

The most up to date employment information in ‘Businesses in Scotland 2020’ tends to be based on data from BRES 2018 (which asks businesses for their level of employment as at September 2018). For some businesses the employment data will be more lagged than this.

It is important for users to be aware that time lags exist in the employment estimates in every year. However, the difference between the March 2009 and March 2010 extracts were particularly influenced by the change in BRES reporting.

Because BRES (and previously BRS/ABI1) is based on a sample of businesses, estimates from previous returns and other ONS surveys are also used to update employment on the IDBR. For the smallest businesses, either PAYE jobs or employment imputed from VAT turnover is used.

Note that the employment estimates refer to the number of employee jobs rather than the number of individual employees. A person who has more than one job will be counted once in each business they work for. Furthermore, no distinction is made between full-time and part-time employees – both count as one employee.

## 6.5. Turnover

On the IDBR, turnover for the majority of registered businesses is based on VAT returns for a 12 month period. For 2020, these tend to relate to a 12 month period ending in December 2018, or January/February 2018, depending on the reporting pattern of the trader. For other records, in particular members of VAT group registrations; turnover may relate to an earlier period or survey data. For traders who have registered more recently, turnover represents the estimates made by traders at the time of registration. The turnover figures on the IDBR generally exclude VAT but include other taxes, such as the revenue duties on alcoholic drinks and tobacco.

## 6.6. Making Comparisons over Time

The main purpose of the 'Businesses in Scotland' publication is to provide information about the number of businesses which were operating in Scotland at the time of the IDBR snapshot in March but the estimates also include information about businesses' employment and turnover. Sections 6.4 and 6.5 explained that these variables are updated on the IDBR via a number of sources and at different times. This makes it difficult to obtain accurate employment/turnover estimates on the IDBR because the figures for each business may not relate to the same point in time. This should be considered if employment and turnover estimates are compared over time. The employment/turnover data should really be considered to be 'auxiliary variables' that can be used to compare shares across industrial sectors or to determine how shares have changed over a period of several years.<sup>5</sup>

However, comparisons of business counts can be made robustly. As the IDBR is a live register that is continually updated each time a business registers/de-registers for VAT/PAYE, it can be taken as a reliable estimate of the number of businesses in operation at any point in time. Since 'Businesses in Scotland' data is always based on a March extract of the IDBR, comparisons of business counts from year to year can be considered reliable.

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<sup>5</sup> More detailed comparisons can be obtained via [BRES](#) (for employee jobs) or [Scottish Annual Business Statistics](#) (for turnover).

## 6.7. Exclusions

Businesses with no UK activity or dummy businesses created to help with clerical procedures are excluded. Businesses which have zero employment and zero turnover are also excluded as they are holding companies whose activity is recorded elsewhere or are businesses not contributing to the economy at the time of the estimates.

There were a few instances where several registrations for a single company (usually VAT registrations) occurred at the same address. This may be a result of a legal loophole created as a result of changes in legislation. The Office for National Statistics now exclude these from their publications as the figures would overstate the actual number of businesses in existence and their associated employment in local area tables. Please note the estimates for 2000 and 2001 have not been amended to reflect these changes.

## 6.8. Major Reclassifications

### Historic Reclassifications

The number of public corporations in Scotland decreased from 60 businesses in 2014 to 35 businesses in 2015 – this was largely as a result of the reclassification of Lloyds Banking Group plc. On 30th April 2014, the Office for National Statistics (ONS) announced the reclassification of Lloyds Banking Group plc. (and subsidiaries) as a former Public Corporation into the private sector. More information on this can be found in [Classification of Lloyds Banking Group and Subsidiaries](#).

On 17<sup>th</sup> December 2013, the Office for National Statistics (ONS) announced that from 1<sup>st</sup> September 2014, Network Rail would be reclassified as a Central Government body in the public sector. This change can be most clearly seen in Table 4 of the Businesses in Scotland publication, where public sector employment in the 'H Transportation and storage' sector increased by 2,850 (+87%) between 2014 and 2015. More information on this can be found in [Classification of Network Rail](#).

Colleges of Further Education were re-classified by the Office for National Statistics to the public sector in October 2010 for the purposes of National Accounts. The change transferred 35 businesses from the business sector to the public sector from the March 2011 results onwards. This reclassification has not been applied back to previous years' estimates.

Primary Care NHS Trusts and all remaining NHS Trusts were re-classified by the Office for National Statistics to the public sector in 2001 and 2003 respectively. This was done to bring the 2003 Standard Industrial Classification in line with international guidelines for National Accounts. The change transferred 54,200 and 95,530 jobs from the business sector to the public sector in 2001 and 2003. This has led to a discontinuity between tables as tables previously included this employment.

## **7. Unregistered Businesses**

A large number of very small firms are excluded from the IDBR because they are small sole traders/partnerships with no employees and an annual turnover of less than the VAT threshold. This section describes the method used to estimate the number of unregistered businesses in Scotland.

### **7.1. Estimation**

The Labour Force Survey (LFS) provides data on the number of people who are self-employed in their first or second jobs (with no employees). A new methodology has been applied to the estimates from 2010 onwards; the new methodology enables a better estimate of the self-employed to be obtained by reclassifying people who have misclassified their employment status.

The LFS figure for second jobs is augmented by data from the Family Resources Survey (FRS) on people who are self-employed in a third job, to obtain an estimate of the total number of self-employed jobs (with no employees). This estimate is compared to the level of self-employment that is already registered on the IDBR in businesses (sole traders/partnerships) with no employees. As many self-employed people are not required to pay VAT or register for PAYE, the figure from the LFS/FRS is generally higher.

The difference between these two figures (self-employed jobs in unregistered businesses) is the starting point for estimating the number of additional sole traders and partners with no employees. The ratio between sole traders and partners is different in each industry and is obtained via HMRC Self Assessment (SA) data. Previously the Survey of Personal Incomes (SPI) was used for this purpose but delays with updated data and more stringent disclosure control processes meant that it was necessary to use a different source.

The ratios are used to derive the number of unregistered sole traders and partners in each industry and hence the number of sole proprietorships and partnerships.

Note that each of the sample surveys above are subject to sampling error. For example a yearly estimate of 300,000 taken from the Annual Population Survey (annual version of the Labour Force Survey (LFS)) has a 95% confidence interval of +/- 12,000. This sampling error should be considered when making year on year comparisons between the number of unregistered businesses (the smallest size band in Tables A-E).

**Diagram 1: Estimating Unregistered Businesses**



## 7.2. Time Period Covered

The estimate of unregistered businesses is driven by the self-employment estimates from the Labour Force Survey. The LFS data that is used covers the period April to March, i.e. the estimate of unregistered businesses for 2020 was derived from annual LFS data covering April 2019 to March 2020.

The FRS data used to estimate the number of people self-employed in a third job relative to those who are self-employed in a second job is based on a three year rolling average percentage. The 2020 estimates are based on FRS data from 2016/17, 2017/18 and 2018/19.

Self-Assessment data as at 2017/18 were used to obtain the ratio of sole traders to partners for the 2020 estimates.

## 7.3. Turnover

Turnover in unregistered businesses will generally be lower than that of registered businesses of the same size, as turnover in the former would usually be below the VAT threshold. Turnover for the unregistered businesses is imputed from turnover

per head of registered sole traders and partners with zero employees in each industry division and then scaled down by a factor of a half. For a few 2-digit industry divisions, this still leaves average annual turnover per unregistered business above the VAT threshold. In these cases, the unregistered turnover is reduced to the VAT threshold for that year.

## **8. Industrial Classification**

The industrial sectors presented in the tables are defined by the UK Standard Industrial Classification (SIC). This is used to classify business establishments and other statistical units by the type of economic activity in which they are engaged.

### **8.1. Assigning Businesses to Industrial Sectors**

Businesses may have business sites operating in several industrial sectors. The business as a whole is assigned to one sector based on the sector and then division in which the majority of its Scottish employment is found. A change in the balance of employment across sites can therefore lead to some businesses changing their sector between years.

Table 8 provides sector classification at business site level rather than business level.

The classification for this publication follows the standard coding scheme. Some titles have been shortened to make them more readable. The tables generally exclude central and local government (as defined by the legal status of the business). The small number of businesses that provide support services to public administration are, for these tables, included within the sector 'Other community social and personal services'. Extra territorial organisations and private households with employees are excluded.

### **8.2. Revision of Standard Industrial Classification**

In January 2008, the Standard Industrial Classification underwent a major revision to enable it to more accurately reflect the structure of the modern economy and SIC 2003 was replaced by SIC 2007. The revision was motivated by the need to adapt the classification to changes in the world economy. The revised classification reflects the growing importance of service activities in economies over the last fifteen years, mainly due to the developments in information and communications technologies.

The Businesses in Scotland 2020 tables provide data on registered businesses for 2010 to 2020 on a SIC 2007 basis. Tables for unregistered businesses (and hence total businesses) are available on a SIC 2007 basis for 2010 to 2020. Time series data on total (unregistered and registered) and registered businesses has also been made available from 2000 to 2020. Data on the old SIC 2003 basis is still available on the Scottish Government website but note that archived tables have not been updated with the latest methodology.

## 9. VAT Thresholds

Operative Dates	VAT Registration Threshold
01 Apr 1999 – 31 Mar 2000	£51,000
01 Apr 2000 – 31 Mar 2001	£52,000
01 Apr 2001 – 24 Apr 2002	£54,000
25 Apr 2002 – 09 Apr 2003	£55,000
10 Apr 2003 – 31 Mar 2004	£56,000
01 Apr 2004 – 31 Mar 2005	£58,000
01 Apr 2005 – 31 Mar 2006	£60,000
01 Apr 2006 – 31 Mar 2007	£61,000
01 Apr 2007 – 31 Mar 2008	£64,000
01 Apr 2008 – 30 Apr 2009	£67,000
01 May 2009 – 31 Mar 2010	£68,000
01 Apr 2010 – 31 Mar 2011	£70,000
01 Apr 2011 – 31 Mar 2012	£73,000
01 Apr 2012 – 31 Mar 2013	£77,000
01 Apr 2013 – 31 Mar 2014	£79,000
01 Apr 2014 – 31 Mar 2015	£81,000
01 Apr 2015 – 31 Mar 2016	£82,000
01 Apr 2016 – 31 Mar 2017	£83,000
01 Apr 2017 – 31 Mar 2018	£85,000
01 Apr 2018 – 31 Mar 2019	£85,000
01 Apr 2019 – 31 Mar 2020	£85,000

Further details on VAT thresholds can be found via the following link – [HM Revenue & Customs](#).

## 10. Size Bands

In the tables (with the exception of Table 8), businesses are classified by employee size bands on the basis of their total UK employees. The rationale behind this approach is that the size of the overall business determines its behaviour as an economic agent. A business with a large number of employees in the UK as a whole is likely to behave like a large business, regardless of its level of Scottish employment.

Table 8 contains data on the number of business sites and is classified by the total number of employees at each site.

Businesses with only one employee (who is also the employer) are treated as a self-employed person working in a firm with zero employees unless the business is part of an enterprise (business) group. As these businesses provide no employment for others it is more consistent to classify them as businesses with no employees.

## 11. Public Sector

Public sector businesses are involved in more varied activities than the majority of those in the private sector, so Table 4 (and Table 12) accounts for this by counting each business once in each sector it has activity in. This helps to provide a more realistic impression of public sector activity in each industry. However, in order to provide accurate figures at Scotland level, each business is counted only once in the total, therefore the table components do not equal the overall total.

Public sector employee jobs estimates at the local authority area level are available via the ONS publication [Business Register Employment Survey](#).

## 12. Geographical Analyses

The geographical analyses use a postcode index file from the Office for National Statistics. Unregistered businesses are not included in the geographical analyses.

### Tables 5-7,16,18,20:

These tables split the data by local authority area. They include each business once in each local authority it operates in, irrespective of how many business sites it has in each area. As in Table 4, each business is only counted once in the total for Scotland, hence cells in the business column of the tables do not sum to the overall total due to double counting.

Note that only businesses are double-counted in these tables – businesses' employment and turnover, where provided, are assigned to the local authority areas they operate in.

### Tables 8, 13:

Table 8 (and Table 13) present data on individual business sites within each local authority area (and urban/rural area for Table 13). This is a straightforward count of the number of sites located in each local authority area (and urban/rural area for Table 13). Note that in Table 8 the employee size bands are based on the number of employees at each site.

### Tables 9-11:

These tables split the data by urban/rural area. They include each business once in each area it operates in, irrespective of how many business sites it has in each area. As in Tables 5-7, each business is only counted once in the total for Scotland, hence cells in the business column of the tables do not sum to the overall total due to double counting.

Note that only businesses are double-counted in these tables – businesses' employment and turnover, where provided, are assigned to the urban/rural areas they operate in.

Data on the total number of business sites at intermediate-zone will be made available on <http://statistics.gov.scot/>.

### **13. Business Ownership**

Within Businesses in Scotland, business ownership is defined as:

- UK (Scotland based)
- UK (Rest of the UK (RUK) based)
- Abroad

Country of ownership is either UK or Abroad (outside the UK). Business country of ownership is determined by the nationality of the ultimate parent of the business (i.e. the institutional unit, proceeding up a business' chain of control, which is not controlled by another institutional unit). Where control of the business is shared, country of ownership is determined by the country of residence of the majority ultimate owner. Enterprise (business) groups with foreign ownership are identified using data provided by Dun & Bradstreet. All businesses that do not belong to an enterprise (business) group, and are therefore not under the control of another institutional unit, are classified as UK-owned.

Once it is determined that a business is UK owned, the next step is to classify businesses into whether they are Scotland registered or registered in the Rest of the UK (RUK). Businesses, and their associated local units, are classified as Scotland registered if the business's VAT/PAYE registered office address is in Scotland. Businesses, and their associated local units, are classified as registered in RUK if the business's VAT/PAYE registered office address is, outside Scotland, elsewhere in the UK.

### **14. Statistical Disclosure Control**

The confidentiality of all data held on the IDBR is protected by the Code of Practice for Official Statistics and by specific legislation. The disclosure of data relating to individual undertakings without consent is prohibited under the Statistics of Trade Act 1947, the Value Added Tax Act 1994 and the Finance Act 1969. In accordance with these requirements, measures have been taken to ensure that no information about individual businesses or local units are disclosed. All figures in this publication have been rounded to avoid disclosure, and where necessary additional measures have been taken to protect confidentiality.

The number of businesses/business sites are rounded to the nearest 5, employment is rounded to the nearest 10 and turnover is rounded to the nearest £million.

The statistical disclosure control process was updated for the 2010 results onwards. Previously, a minimum threshold rule was applied, whereby the employment and turnover values associated with business counts below a certain

threshold were suppressed. To avoid disclosure by deduction, additional cells were also suppressed. To further minimise disclosure, the minimum threshold was lowered and an additional dominance rule was introduced. The dominance rule identifies and suppresses cells where a small number of businesses account for the majority of the associated employment or turnover. The overall effect of these changes is that more information is included in the tables but greater protection is provided for businesses which dominate their respective industry or local area.

## **15. Revisions Policy**

### **15.1. General Revisions Policy for Unregistered Businesses**

LFS self-employment data is the basis for the estimate of unregistered jobs, which lead to the estimate of unregistered businesses. ONS reweight the LFS data according to the latest population estimates. As a result, we will revise the unregistered time series to take account of the reweighted LFS data. These revisions are generally small in magnitude – we will revise to take account of the latest LFS data on a biennial basis (every two years). We may also make improvements to the unregistered business methodology.

### **15.2 Unregistered Businesses – latest revisions**

The unregistered estimates have not been revised back this year. The next set of revisions for the unregistered estimates will be in the Businesses in Scotland 2021 publication to take account of the latest LFS reweighted data and any other methodological improvement.

### **15.3. General Revisions Policy for Registered Businesses**

In general, the figures for registered businesses should be final and should not be revised in future, since they are based on a snapshot in time from the IDBR which cannot change. However sometimes, when quality assuring the data for the latest year, errors in terms of the industry or geographical classifications applied to businesses may come to light in which case we may correct the erroneous business classifications in previous years.

### **15.4. Registered Businesses – latest revisions**

The registered estimates have not been revised back this year.

## **16. Making comparisons with other business statistics**

### **16.1. Business Stock Data published by ONS and BEIS**

Business stock estimates for the UK and all regions of the UK (including Scotland) are published by the Office for National Statistics (ONS) and the Department for Business, Energy and Industrial Strategy (BEIS). A key difference between the UK series for Scotland and the 'Businesses in Scotland' publication estimates is that 'Businesses in Scotland' includes all businesses that operate in Scotland

regardless of where the business is based. This differs from the UK-wide publications that tend to publish region/country results according to the registered office (base/head-quarter) of a business. Businesses in Scotland goes wider than this by providing statistics on all businesses operating in Scotland, those based/head-quartered in Scotland and also all other businesses with a presence in Scotland.

## **16.2. Scottish Annual Business Statistics**

Scottish Annual Business Statistics (SABS) is another publication released by the Scottish Government. The source of the SABS is the Annual Business Survey. The main purpose of SABS is to provide information on the performance of detailed industry sectors of the Scottish economy, predominately, in terms of turnover or gross value added. As discussed, in section 6.6 above, the employment and turnover estimates provided in the 'Businesses in Scotland' publication are not ideal for comparing change in employment or turnover over time. Scottish Annual Business Statistics is the best source for comparing turnover change over time for detailed industry sectors.

## 6. Contact Details

If you have any enquiries relating to Business Statistics then please contact us at:

Email: [industrystatistics@gov.scot](mailto:industrystatistics@gov.scot)

Telephone: 0131 244 6813

Post: Scottish Government  
Business Statistics  
Office of the Chief Economic Adviser  
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150 Broomielaw  
Glasgow  
G2 8LU

We welcome any comments on both the format and content of the website, including any problems you may encounter.

You may also contact the Statistician Group Enquiries for general information.

## 7. Useful links – within the Scottish Government

### [statistics.gov.scot](https://statistics.gov.scot)

statistics.gov.scot is the Open Data Platform for official statistics for Scotland. On the site you can access a range of official statistics about Scotland for information and re-use. You can explore the data by theme, organisation, or geography. You can also search for datasets, places or enter your postcode to find data about your local area. The data can be viewed as tables, maps and charts or downloaded in various formats.

### [Growth Sector Statistics Database](#)

The Growth Sector statistics database provides economic statistics for the growth sectors (also known as key sectors) as set out in the [Scotland's Economic Strategy 2015](#).

### [Scottish Annual Business Statistics](#)

Scottish Annual Business Statistics (SABS) provides data mainly on the Production (including Manufacturing), Construction and Service Sectors in Scotland. The Annual Business Survey, from which the statistics are largely derived, covers approximately two thirds of the economy. The main sectors not covered are the financial sector & parts of agriculture and the public sector. These statistics are therefore best suited to the analysis of individual industries rather than the economy as a whole.

## 8. Useful links – outside the Scottish Government

Please note that when accessing the following links you will leave the Scottish Government website. The Scottish Government and its staff are not responsible for content external to this website.

### [Business Population Estimates](#)

Produced by the Department for Business, Energy and Industrial Strategy, the Business Population Estimates publication is the main UK equivalent of Businesses in Scotland and provides business information for each Government Office Region in the UK broken down by company size and industry. It includes information about registered and unregistered businesses.

### [UK Business: Activity, Size and Location](#)

The publication UK Business: Activity, Size and Location is produced by the Office for National Statistics (ONS) and contains detailed information on all registered businesses in the UK including size, classification and location.

### [Business Demography](#)

Statistics on Business Births, Deaths and Survival are released annually by the ONS. They are the best official source on business start-ups, closures and survival rates and provide detailed information by local authority, region and industrial sector at a UK level.

### [IDBR](#)

For more information on the Inter Departmental Business Register (IDBR) please see the link above.

### [Business Register and Employment Survey \(BRES\)](#)

Business Register and Employment Survey (BRES) is the preferred source for employment estimates by industry for regional and sub-regional geographies. Data are released annually in September.

### [Public Sector Employment \(PSE\)](#)

The National Statistics Public Sector Employment (PSE) series is the preferred source of *public sector* employment data. This is published quarterly by ONS and the Scottish Government and provides employment estimates at national and regional (government office) level based on public sector returns.

### **[Secure Research Service \(SRS\)](#)** - *formerly known as Virtual Microdata Laboratory*

The Secure Research Service (SRS) is an Office for National Statistics (ONS) facility for providing secure access to sensitive detailed data for statistical research purposes that serve the public good. Access is provided for Approved Researchers working on defined and approved projects. Available data sources include business surveys, earnings data, social surveys and Census samples. SRS data can't be downloaded, but users can access the data at their desk if they are part of a government organisation (subject to connection criteria being met), or in an ONS approved Safe Setting if not. Safe Settings are located in London, Newport (Gwent), Titchfield as well as locations in Belfast and Glasgow

### **[UK Data Service](#)**

The UK Data Service is a comprehensive resource funded by the ESRC to support researchers, teachers and policymakers who depend on high-quality social and economic data. It is a single point of access to a wide range of secondary data including large-scale government surveys, international macrodata, business microdata, qualitative studies and census data.

### **[Scottish Business Information Service](#)**

Scottish Business Information Service (SCOTBIS) provides a research service for businesses across Scotland. SCOTBIS is based on the vast resources of the National Library of Scotland (NLS). At NLS you can access market research reports, business databases, international directories, and business and trade journals.

### **[Companies House](#)**

Companies House provide a free Company Data Product which is a downloadable data snapshot containing basic company data of live companies on the Companies House register.

## **A National Statistics publication for Scotland**

The United Kingdom Statistics Authority has designated these statistics as National Statistics, in accordance with the Statistics and Registration Service Act 2007 and signifying compliance with the Code of Practice for Official Statistics.

Designation can be interpreted to mean that the statistics: meet identified user needs; are produced, managed and disseminated to high standards; and are explained well.

### **Correspondence and enquiries**

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For general enquiries about Scottish Government statistics please contact:

Office of the Chief Statistician, Telephone: 0131 244 0442,  
e-mail: [statistics.enquiries@gov.scot](mailto:statistics.enquiries@gov.scot)

### **How to access background or source data**

The data collected for this statistical bulletin:

- are available in more detail through [Statistics.gov.scot](http://Statistics.gov.scot)
- may be made available on request, subject to consideration of legal and ethical factors. Please contact [industrystatistics@gov.scot](mailto:industrystatistics@gov.scot) for further information.
- cannot be made available by Scottish Government for further analysis as Scottish Government is not the data controller.

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