

BUSINESS BIRTHS, BUSINESS DEATHS, AND BUSINESS SURVIVAL RATES ANALYSIS





Introduction:

Strong business birth rates and survival rates are identified as (in time) key to strong scaleup performance through strong start-up's emerging and growing. In turn, scaleups are more productive, better employers, more innovative and more international.

Across the UK in 2020, scaleups accounted for turnover of £1.1 trillion, 50% of the total turnover generated by the whole SME community.

The analysis and findings in this report are intended to:

- Provide evidence to corroborate or challenge some prevailing thoughts about business births and growth, and the speed at which policy measures can be identified as impactful;
- Help identify specific challenges, trends and facts to enable the development of targeted, focused policies to release specific pinch points and realise opportunities;
- Assist in the managing of expectations for the delivery of meaningful, impactful change through laying out the shape and structure of business demography over time;

Contents:

- Key intelligence points
- United Kingdom local authorities
- <u>Regions of the United Kingdom</u>
- <u>Scottish local authorities</u>
- <u>Industry</u>
- <u>Sub-industry</u>

Data used:

All data presented and analysed in this slide pack is taken from the ONS release of December 2020: <u>Business</u> <u>Demography</u>.

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

Key insights:

- There is a broadly consistent series of patterns, trends across time, geography, industry and sub-industry, around survival rates; which highlights that any meaningful, significant and lasting change will take time, and likely span decades rather than one three-year cycle.
- For example, the general rule of thumb is 1 in 10 business births do not last one year, 3 in 10 do not last two years, and 4 in 10 do not last three years. The rate of survival begins to slow after two and three years respectively. This has implications for places and industries seeking to grow their overall business base as a mechanism through which to increase economic growth.
- Scotland's survival rates (vs rUK) are stronger in the first two to three years, but then begins to fall behind rUK. In terms of quartile performance, Scotland's survival rates hovers just below halfway.
- Scotland's 2016 business births (businesses now five years old, for which three years data is available) appear, from survival data, to be strong
 performers and better than the trended performance amongst Scottish business births. The same can be seen in 2018's business births, from only
 one year's data however.
- There is varying performance and trends across Scotland's local authorities.
- Broadly speaking, rural areas have higher survival percentages from lower number of start ups, whilst the cities and major urban areas have lower percentages surviving, but overall higher number of business births.
- Cities survival rates are lower (fitting an overall UK trend) but only Edinburgh sees improvement in their relative performance after three years; the other cities remain with low survival rates.
- Growth in the business base since 2014 has been increasingly driven by growth in Glasgow and Edinburgh. Already with significantly larger business populations before 2014 compared to elsewhere, their share has continued to grow since then.

Survival rates comparison

Scotland

	1 year survival	2 year survival	3 year survival	4 year survival	5 year survival
2014	92.3%	76.1%	60.4%	49.0%	42.3%
2015	90.1%	71.3%	55.6%	46.1%	
2016	91.7%	72.6%	56.5%		
2017	89.8%	71.5%			
2018	90.9%				

Rest of the UK

	1 year survival	2 year survival	3 year survival	4 year survival	5 year survival
2014	92.2%	75.8%	61.2%	49.3%	42.5%
2015	89.7%	71.3%	55.3%	46.0%	
2016	91.5%	68.3%	52.0%		
2017	89.1%	69.3%			
2018	89.3%				



United Kingdom local authorities



Businesses born in 2014 vs five years survival rate (2014-18). By local authority.

2014-18 has been chosen to show, what rate of business births (from 2014) were still in existence five years later. Around 4 in 10 businesses created, on average, remain, five years on.

	1 year survival	2 year survival	3 year survival	4 year survival	5 year survival
2014	92.2%	75.8%	61.2%	49.3%	42.5%
2015	89.7%	71.3%	55.3%	46.0%	
2016	91.5%	68.3%	52.0%		
2017	89.1%	69.3%			
2018	89.3%				

The pattern is consistent.

- 1 in 10 do not last one year
- 3 in ten do not last two years
- 4 in ten do not last three years
- Less than half last four years

The rate of businesses surviving year on year appears to slow at three years.



15,000

12,000

9,000

United Kingdom local authorities – One year survival

















United Kingdom local authorities – Two-year survival





Businesses born in 2014 vs two years survival rate (2014-15). By local authority.



Businesses born in 2015 vs two years survival rate (2015-16). By local authority.



Businesses born in 2016 vs two years survival rate (2016-17). By local authority.



Businesses born in 2017 vs two years survival rate (2017-18). By local authority.

United Kingdom local authorities – Three-year survival





Businesses born in 2014 vs three years survival rate (2014-16). By local authority.

Number of businesses born in 2014 (by local authority)



Businesses born in 2015 vs three years survival rate (2015-17). By local authority.

Number of businesses born in 2015 (by local authority)



Businesses born in 2016 vs three years survival rate (2016-18). By local authority.

Number of businesses born in 2016 (by local authority)

United Kingdom local authorities – Four-year survival





Businesses born in 2014 vs four years survival rate (2014-17). By local authority.



Businesses born in 2015 vs four years survival rate (2015-18). By local authority.

United Kingdom local authorities – Survival over time trendlines



Trendlines for the survival of businesses born in 2014 (UK local authorities) from 2014-2018.



Number of businesses born in 2014 by local authority.

Trendlines for the survival of businesses born in 2015 (UK local authorities) from 2015-2018.



Number of businesses born in 2015 by local authority.

Trendlines for the survival of businesses born in 2016 (UK local authorities) from 2016-2018.



Number of businesses born in 2016 by local authority.

Trendlines for the survival of businesses born in 2017 (UK local authorities) from 2017-2018.



Number of businesses born in 2017 by local authority.

Trendlines for the survival of businesses born in 2018 (UK local authorities).



Number of businesses born in 2018 by local authority.

Regions of the United Kingdom



UK regional quartile performance for business birth survival.

Businesses created in Scotland in 2014 and 2015 have weaker performance relative to other UK regions (NB: in earlier slides it appears ahead of the rUK, and these tables demonstrate this is due to the larger numbers and lower survival rates in London).

From 2016, the relative performance of Scottish business births to survive (compared to elsewhere in the UK) has improved, with 2016 and 2018's cohorts showing strong rates.

Regional ranking (1 - best, 13 -	1 year	2 year	3 year	4 year	5 year	1 year	2 year	3 year	4 year	1 year	2 year	3 year	1 year	2 year	1 year
worst)	survival														
Year of inception	2014			2015				2016			2017		2018		
EAST MIDLANDS	1	7	6	8	8	1	1	11	11	2	7	6	1	9	2
SOUTH EAST	2	1	1	1	2	9	4	2	3	10	1	2	4	2	6
EAST	3	2	3	3	4	3	2	3	4	1	12	12	5	1	4
SOUTH WEST	4	3	2	2	1	4	3	1	1	5	11	9	10	5	8
NORTH WEST	5	8	7	9	10	8	10	10	8	7	10	10	8	11	10
YORKSHIRE AND THE HUMBER	6	4	4	5	6	7	6	8	6	9	8	8	9	7	5
WALES	7	10	9	10	9	6	9	5	5	D	5	1	2	3	9
SCOTLAND	8	6	8	7	7	10	8	7	7	8	2	3	7	6	3
NORTH EAST	9	0	10	11	11	2	7	0	10	2	4		6	8	1
WEST MIDLANDS	10	5	5	4	5	5	5	6	9	4	3	11	3	12	7
LONDON	11	11	11	12	12	12	12	12	12	11	9	7	12	10	12
NORTHERN IRELAND	12	12	12	6	3	11	11	4	2	12	6	1	11	4	11

Highlights the survival ranking and quartile performance of Scotland (vs UK regions) by their year of birth.

The businesses created in Scotland in 2018 appear to have bucked the trend for the first year survival, and may be worth tracking to see if this improvement is sustained. Scotland's performance for two years is stronger, with only 2015's cohort appearing weak, and 2016's particularly stronger. However, Scotland's relative performance over time, when businesses are moving out of start-up phase into (hopefully) a growth (and sustained growth) phase, remains below average – with the exception of the 2016 cohort of business births.

Regional ranking (1 - best, 13 -	1 year survival					2 year survival				3 year survival			4 year survival		5 year survival
worsy	2014	2015	2016	2017	2018	2014	2015	2016	2017	2014	2015	2016	2014	2015	2014
EAST MIDLANDS	1	1	2	1	2	7	1	7	9	6	11	6	8	11	8
SOUTH EAST	2	9	10	4	6	1	4	1	2	1	2	2	1	3	2
EAST	3	3	1	5	4	2	2	12	1	3	3	12	3	4	4
SOUTH WEST	4	4	5	10	8	3	3	11	5	2	1	9	2	1	1
NORTH WEST	5	8	7	8	10	8	10	10	11	7	10	10	9	8	10
YORKSHIRE AND THE HUMBER	6	7	9	9	5	4	6	8	7	4	8	8	5	6	6
WALES	7	0	6	2	Ρ	10	9	5	2	9	5	5	10	5	9
SCOTLAND	8	10	8	7	3	6	8	2	6	8	7	3	7	7	7
NORTH EAST	r r	2	3	6		9	7	4	8	-	9	4	11	10	11
WEST MIDLANDS	10	5	4	3	7	5	5	3	12	5	6	11	4	9	5
LONDON	11	12	11	12	12	11	12	9	10	11	12	7	12	12	12
NORTHERN IRELAND	12	11	12	11	11	12	11	6	4	12	4	1	6	2	3

Highlights the survival ranking and quartile performance of Scotland (vs UK regions) by their stage of survival.

Regions of the United Kingdom – One year survival



2014 business births surviving after one year





2015 business births surviving after one year





2016 business births surviving after one year




2017 business births surviving after one year





2018 business births surviving after one year





Regions of the United Kingdom – Survival by year of birth



Trendlines for the survival of businesses born in 2014 (UK regions) from 2014-2018.



Number of businesses born in 2014 by UK regions.

Trendlines for the survival of businesses born in 2015 (UK regions) from 2015-2018.



Number of businesses born in 2015 by UK regions.



Trendlines for the survival of businesses born in 2016 (UK regions) from 2016-2018.

Survival percentages are for the UK as a whole

110,000

2 years 68.3% survival rate

3 years 52.0% survival rate

Number of businesses born in 2016 by UK regions.

60,000

70,000

80,000

90,000

100,000

50,000

Number of businesses born in 2016 surviving.

70,000

60,000

50,000

40,000

30,000

20,000

10,000

0

0

10,000

20,000

30,000

40,000

Trendlines for the survival of businesses born in 2017 (UK regions) from 2017-2018.



Number of businesses born in 2017 by UK regions.

Trendlines for the survival of businesses born in 2018 (UK regions).



Survival percentages are for the UK as a whole

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Scottish local authorities – survival over time



Businesses born in 2014 vs one year survival rate. By local authority.



Number of businesses born in 2014 (by local authority)

Businesses born in 2014 vs two years survival rate (2014-15). By local authority.



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Businesses born in 2014 vs three years survival rate (2014-16). By local authority.



Number of businesses born in 2014 (by local authority)

Businesses born in 2014 vs four years survival rate (2014-17). By local authority.



Businesses born in 2014 vs five years survival rate (2014-18). By local authority.



Number of businesses born in 2014 (by local authority)

Scottish local authorities – comparisons (including over time)



Number of business births by local authority 2014-19



Number of business births in 2014 by local authority

3,500 The number of business births by year from 2014-19, reflect an inherent structure across Scotland's local authorities. 3,000 Top tier – Glasgow City and the City of Edinburgh are well out in front, with over 2,500 business births every year. 2,500 Second tier - Aberdeen City, Aberdeenshire, Fife, South and North Lanarkshire, and Highland, make up the next group which have over and around, 1,000 business births 2,000 annually. Long tail – local authorities with business births ranging from 200-500 annually 1,500 (Renfrewshire, West Lothian, Dundee City, Falkirk, Perth & Kinross, North Ayrshire, Stirling, East Ayrshire, South Ayrshire, Dumfries & Galloway, East Lothian, Angus, 1,000 East Renfrewshire, Scottish Borders, East Dunbartonshire, West Dunbartonshire, Midlothian, Argyll & Bute, Moray, and Inverclyde. 500 End of the tail - At the end of the long tail, four places have fewer than 200 business births per year; Clackmannanshire, Na hn East Dunbatonshire Durnties and Galloway Aberdeenshire west Dunbartonshire Clathnamanshile City of Faithouted SouthLanatestile Northlanattshife Petthakinoss SouthAnshire East Ayrshire NorthAnshire Last Rentremstive scottish Borders Na^{htileanan siat} Glasgon City AberbeenCity Highland Westlothian Rentenshire Falkirk Dundee City East Lothian Areville Bute Invercivale Shetland Islands Orkney Islands Moray Eileanan Siar, Shetland Islands, and Orkney Islands.

Number of business births in 2015 by local authority

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Number of business births in 2016 by local authority

Number of business births by local authority 2014-19



Number of business births in 2017 by local authority

Number of business births by local authority 2014-19

annually.

Islands.

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Number of business births in 2019 by local authority

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Number of business deaths in 2018 by local authority

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Number of business deaths in 2019 by local authority

Number of active businesses by local authority 2014-19



West Lothian	Scottish Borders	Falkirk	Stirling	Dundee City	Angus	Argyll & Bute	South Ayrshire	North Ayrshire	East Dunbartonshire	East Lothian
22,000										
20,000 -										
18,000										
14,000 ·										
12,000 -										
10,000										
6000										
4000										
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E	ast Ayrshire	Moray	East Renfrewshire	Midlothian	West Dunbartonshire	Inverclyde	Clackmannanshire	Na h-Eileanan Siar	Shetland Islands	Orkney Islands
22,000										
20,000										
18,000 -										
16,000 .										
14,000 .										
12,000 -										
10,000 ·										
8000 .										
6000 ·										
4000										
2000										
3014	2015- 2016- 2017- 2019-	2014 2015 2016 2016 2016	2014 2015 2016 2016 2016	2014 2015 2015 2015 2015	2014 2015 2016 2016 2016	2014 2015 2016 2016 2016	2014 2015 2016 2016 2016	2014 2015 2016 2016 2016	2014 2015 2016 2016 2016	2014 2016 2016 2016 2016
đ										

Click your mouse to explore the findings and analysis

The totals, trends and structure to business births and deaths in Scotland's local authorities from 2014-19 contributes to these changes in the number of active businesses across places in Scotland:

- The structures outlined in the previous two slides are borne out in the business population;
- Growth in the number of active businesses was most significant in Glasgow and Edinburgh, which were already (before 2014) home to a large proportion of Scotland's businesses this concentration has increased since 2014;
- Some local authorities did see growth; Fife, South and North Lanarkshire, Renfrewshire, West Lothian all showed noticeable increases in its business population;
- Notably, Aberdeen City and Aberdeenshire have seen declines over this time period, reflecting the impact from the fall in the price of oil from late 2014;
- The remaining local authorities have flat trendlines, as the number of business births and deaths equal out.

Trendlines for the survival of businesses born in 2014 (Scottish local authorities) from 2014-2018.



Number of businesses born in 2014 by local authority.

Trendlines for the survival of businesses born in 2015 (Scottish local authorities) from 2015-2018.



Number of businesses born in 2015 by local authority.

Trendlines for the survival of businesses born in 2016 (Scottish local authorities) from 2016-2018.



Number of businesses born in 2016 by local authority.

Trendlines for the survival of businesses born in 2017 (Scottish local authorities) from 2017-2018.



Number of businesses born in 2017 by local authority.

Trendlines for the survival of businesses born in 2018 (Scottish local authorities)



Number of businesses born in 2018 by local authority.

3 000	Above ave survival r	rage Below average ate survival rate	Businesses born in 2014 vs five years survival rate (2014-18). By local authority.									
3,000	City of Edinb	urgh Glasgow City	When Scotland's local authorities are presented in focus, a clear pattern with a hierarchy has appeared – and remains the case, consistently over time									
	Aberdeens	hire Aberdeen City	(as the last slide shows).									
	Fife	North Lanarkshire	This broadly fits other business performance trends (e.g. Medium-Sized Businesses) across geographies.									
_	South Lanar	shire Renfrewshire										
(Â; 2,500	Highland	Dundee City	The trendline broadly fits that of the UK, so the challenge is in trying to positively change the number of business births and those that survive in many									
utho	West Loth	an North Ayrshire	areas, whilst seeking to identify amongst these businesses which have the greatest potential to grow and ultimately sustain their growth and scale up.									
ial au	Perth & Kin	ross Dumfries & Galloway	There is also merit in place-focused approaches:									
y loc	Falkirk	East Ayrshire	• For example, Glasgow City sees a large number of businesses created, so focus on ensuring more survive and/or viable potential growth businesses.									
d) s	Scottish Bor	ders South Ayrshire	 Elsewhere, places with higher rural aspects (e.g. Highland and Aberdeenshire) appear to have (marginally) higher surviving rates, which suggests focus ought to be on assisting them to go on to become growth businesses, and ultimately scale ups, who create jobs and become anchors in these communities. But in the large majority of places, the likely approach ought to be a combination and blend of both encouraging more business births and then assisting more of these (and the ones with the highest potential) to grow. 									
five year	Stirling	East Renfrewshire										
	Angus	West Dunbartonshire										
fter	East Dunbarto	nshire Inverclyde										
surviving a 1,500	East Lothi	an Clackmannanshire										
	Moray	Na h-Eileanan Siar										
	Argyll and E	Bute Orkney Islands										
2014	Midlothia	in	Above average survival rate									
ц ц	Shetland Isl	ands	City of Edinburgh •									
bor			•									
Shetland Isla	Scottish Border Stir Angus East Dunbartonshire East Lothian Moray Argyll & Bute Midlothian	s ing Perth & Kinross v Falkirk Dundee City	Vest Lothian Renfrewshire Dumfries and Galloway East Ayrshire Dumfries and Galloway East Ayrshire									
Orkr	0 hey Islands Na h-Eileanan Siar Clackman	500 Inverclyde nanshire West Dunbar	South Ayrshire 1,000 1,500 2,000 2,500 3,000 East Renfrewshire Number of businesses born in 2014 (by local authority) 1,500 3,000									

Scottish local authorities quartile performance (in UK context) for business birth survival by age.

UK LA ranking (1 - best, 415 -	1 year survival					2 year survival				3 year survival			4 year survival		5 year survival
worsty	2014	2015	2016	2017	2018	2014	2015	2016	2017	2014	2015	2016	2014	2015	2014
Aberdeen City	339	360	329	350	179	263	368	315	336	358	355	278	352	351	339
Aberdeenshire	8	90	13	50	18	13	31	11	39	78	58	14	113	61	80
Angus	280	14	27	30	60	204	86	28	47	58	189	106	156	187	45
Argyll and Bute	210	101	233	299	293	267	102	117	224	137	164	108	41	225	84
City of Edinburgh	400	408	411	398	391	366	387	291	324	338	336	231	316	297	285
Clackmannanshire	122	40	140	232	4	386	247	235	176	377	333	373	307	376	272
Dumfries and Galloway	107	244	25	110	95	259	224	62	135	373	111	19	347	107	310
Dundee City	369	404	364	377	260	361	406	379	379	387	406	376	326	406	351
East Ayrshire	162	13	165	200	243	345	22	383	210	372	160	381	337	158	383
East Dunbartonshire	9	44	73	10	61	127	152	110	132	128	303	93	77	270	58
East Lothian	152	65	270	97	9	269	65	91	30	178	70	85	101	77	136
East Renfrewshire	24	160	12	51	140	260	204	113	201	315	178	328	304	189	311
Falkirk	198	82	19	19	29	55	187	122	241	222	292	263	265	349	245
Fife	50	282	72	106	314	108	268	66	93	247	201	126	330	260	280
Glasgow City	398	397	372	271	343	398	388	319	347	405	385	347	398	383	397
Highland	301	142	278	402	53	87	252	42	267	100	94	17	127	29	105
Inverclyde	233	161	15	179	237	9	285	133	323	308	285	146	118	353	295
Midlothian	73	239	332	135	175	3	210	92	182	16	90	47	51	226	55
Moray	153	181	380	304	56	185	45	150	188	179	26	33	284	86	213
Na h-Eileanan Siar	2	361	403	306	76	413	270	274	378	410	397	142	403	344	411
North Ayrshire	329	59	268	114	69	261	159	187	146	228	237	292	235	278	276
North Lanarkshire	287	183	136	71	39	325	324	226	360	375	353	238	361	374	378
Orkney Islands	3	179	63	25	142	118	3	8	175	145	5	2	24	5	34
Perth and Kinross	78	301	156	89	133	52	197	24	46	77	219	8	56	211	95
Renfrewshire	181	318	186	358	177	314	359	173	292	354	309	302	366	317	333
Scottish Borders	395	21	29	56	13	375	228	33	24	232	145	16	219	101	111
Shetland Islands	396	26	46	297	384	4	267	4	222	1	302	15	1	145	2
South Ayrshire	403	388	35	387	62	403	384	347	313	404	396	380	386	369	366
South Lanarkshire	165	130	189	190	183	130	312	258	333	223	271	276	244	309	282
Stirling	234	307	358	170	19	89	238	120	99	263	304	236	215	271	174
West Dunbartonshire	282	113	102	57	23	395	337	54	369	409	387	280	410	397	412
West Lothian	235	165	185	24	181	280	282	261	174	173	350	303	147	361	221

As previous slides have demonstrated, from the second to third year, Scotland's performance weakens.

Those born in 2016 appear to have the potential to buck this trend but overall, Scotland's business births do not translate into strong performance as they move into (hopefully) growth phases.

Top quartile Second quartile Third quartile Bottom quartile

Percentage ranking of local authorities

The table highlights the ranking and quartile performance of Scotland's local authorities (compared to the whole of the UK), by the stage of survival.

As businesses develop over time, the performance (compared to elsewhere in the UK) of Scottish local authorities weakens.
Scottish local authorities quartile performance for business birth survival by age.

windsy 2014 2015 2016 2017 2018 2016 2014 2015 2016 2014 2015 2016 <	LA ranking (1 - best, 32 -		1)	vear surviv	val			2 year s	survival		3)	/ear survi	val	4 year s	5 year surviva			
Aberdeen City 28 27 25 27 22 18 28 27 23 27 22 28 24 25 Aberdeenshire 3 10 2 6 5 12 14 6 5 5 3 3 3 3 5 3 3 8 3 6 3 3 3 3 5 3 3 8 3 6 6 Argyl and Bure 17 11 21 24 22 14 16 15 14 9 9 25 7 7 25 7 22 20 25 14 16 15 14 9 25 7 7 25 7 22 20 22 21 14 16 13 1 17 12 14 16 20 11 22 24 9 22 24 9 22 31 31	worsty	2014	2015	2016	2017	2018	2014	2015	2016	2017	2014	2015	2016	2014	2015	2014		
Aberdeenshire 3 10 2 6 4 4 3 3 5 3 3 8 3 6 Angus 21 2 6 5 12 14 6 5 5 3 12 12 10 3 7 Argyland Bure 17 11 22 24 28 10 13 3 13 7 City of Edinburgh 31 32 32 32 28 17 23 13 27 25 21 24 17 21 19 20 City of Edinburgh 31 17 20 25 23 13 32 28 22 30 22 23 23 22 23 21 24 9 32 22 32 32 33 33 8 7 20 11 6 6 11 23 12 12 14 10 1	Aberdeen City	26	27	25	27	22	18	28	28	27	23	27	22	26	24	25		
Angus 21 2 6 5 14 6 5 5 3 12 12 10 3 ArgyIal ad Bus 17 11 21 24 23 31 32 28 30 27 25 21 24 17 21 18 3 3 3 3 3 3 3 34 33 34 <t< td=""><td>Aberdeenshire</td><td>3</td><td>10</td><td>2</td><td>6</td><td>4</td><td>4</td><td>3</td><td>3</td><td>3</td><td>5</td><td>3</td><td>3</td><td>8</td><td>3</td><td>6</td></t<>	Aberdeenshire	3	10	2	6	4	4	3	3	3	5	3	3	8	3	6		
Argyl and Bute 17 11 21 24 28 19 7 15 19 8 10 13 3 13 7 City of Edinburgh 31 32 32 32 32 28 30 27 25 21 24 17 21 91 20 Clackmannanshire 10 5 15 21 1 28 17 23 13 27 23 29 20 29 20 29 20 29 20 29 20 29 20 29 20 21 11 11 20 21 21 4 10 11 21 21 21 4 10 11 21 21 21 4 10 21 11 21 11 13 21 <th21< th=""> 21 21 21</th21<>	Angus	21	2	6	5	12	14	6	5	5	3	12	12	12	10	3		
City of Edinburgh 31 32 32 31 32 28 30 27 25 21 17 21 19 20 Clackmannanshire 10 5 15 21 1 28 17 23 13 27 23 29 20 22 16 Dumfres and Galoway 9 22 5 14 16 15 14 9 32 28 53 7 7 25 7 72 Dundre City 27 31 17 20 26 24 2 32 31 32 28 32 30 22 32 32 East Dunbartonshire 4 6 12 1 11 11 8 13 8 7 20 11 7 4 11 East Lothian 11 8 23 12 7 6 10 17 20 13 18 20 17 23 15 East Lothian 16 9 4 2	Argyll and Bute	17	11	21	24	28	19	7	15	19	8	10	13	3	13	7		
Clackmannanshire 10 5 15 16 1 28 17 23 13 27 23 29 20 29 16 Dumfres and Gallowy 9 22 5 14 6 15 14 9 9 25 7 7 7 25 72 28 22 28 Dundre City 27 31 28 29 27 21 11 17 20 28 24 2 30 22 24 9 32 24 9 23 24 9 23 24 9 23 24 9 25 71 24 9 32 24 9 23 24 9 23 24 9 23 24 9 23 11 11 11 11 11 11 11 11 11 11 12 11 11 12 11 13 12 11 13 14 13 14 13 14 13 14 13 14 <	City of Edinburgh	31	32	32	31	32	26	30	27	25	21	24	17	21	19	20		
Dumfries and Galloway 9 25 7 7 75 75 72 72 Dundee City 27 31 28 29 27 25 32 31 32 28 32 30 22 32 28 East Ayrshire 13 1 17 20 26 24 2 32 17 24 9 32 24 9 32 24 9 32 24 9 32 24 9 32 24 9 32 24 9 32 24 9 33 36 7 20 11 61 17 13 14 16 17 13 14 23 15 15 14 7 19 17 12 14 16 20 11 13 29 28 30 28 28 30 30 30 30 30 30 30 30 30 3	Clackmannanshire	10	5	15	21	1	28	17	23	13	27	23	29	20	29	16		
Dundee City 27 31 28 29 27 25 32 31 32 28 32 30 22 32 32 East Ayrshire 13 1 17 20 26 24 2 32 17 24 9 32 24 9 29 East Dunbartonshire 4 6 12 1 11 18 7 20 11 6 16 15 East Lothian 11 8 23 12 2 20 5 11 2 12 4 10 7 4 11 East Renfrewshire 5 15 1 7 19 17 12 14 16 20 11 27 18 11 20 13 14 23 15 18 Glasgow City 30 30 29 22 30 31 28 30 28 28 30 30 30 30 Midiothian 7 21 26 16 20 <td>Dumfries and Galloway</td> <td>9</td> <td>22</td> <td>5</td> <td>14</td> <td>16</td> <td>15</td> <td>14</td> <td>9</td> <td>9</td> <td>25</td> <td>7</td> <td>7</td> <td>25</td> <td>7</td> <td>22</td>	Dumfries and Galloway	9	22	5	14	16	15	14	9	9	25	7	7	25	7	22		
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North Ayrshire2572215141692110151524151817North Lanarkshire23201410823252229262619272828Orkney Islands2181041810121291121212Perth and Kinross8241611175114441425128Renfrewshire152619282122272022222225282124Scottish Borders283783271561168514610Shetland Islands294923312191181194181South Ayrshire32298301331293023293031292727South Lanarkshire1413201924122426141621162019South Lanarkshire1413201924122426141621162019West Dunbartonshire221213962926 <td>Na h-Eileanan Siar</td> <td>1</td> <td>28</td> <td>31</td> <td>26</td> <td>15</td> <td>32</td> <td>21</td> <td>26</td> <td>31</td> <td>32</td> <td>31</td> <td>15</td> <td>31</td> <td>22</td> <td>31</td>	Na h-Eileanan Siar	1	28	31	26	15	32	21	26	31	32	31	15	31	22	31		
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Stirling 18 25 27 17 5 8 16 16 7 18 21 18 13 17 12 West Dunbartonshire 22 12 13 9 6 29 26 8 30 31 29 23 32 31 32 West Lothian 19 17 18 3 23 21 22 25 11 10 25 26 11 26 14	South Lanarkshire	14	13	20	19	24	12	24	24	26	14	16	21	16	20	19		
West Dunbartonshire 22 12 13 9 6 29 26 8 30 31 29 23 32 31 32 West Lothian 19 17 18 3 23 21 22 25 11 10 25 26 11 26 14	Stirling	18	25	27	17	5	8	16	16	7	18	21	18	13	17	12		
West Lothian 19 17 18 3 23 21 22 25 11 10 25 26 11 26 14	West Dunbartonshire	22	12	13	9	6	29	26	8	30	31	29	23	32	31	32		
	West Lothian	19	17	18	3	23	21	22	25	11	10	25	26	11	26	14		

Top quartile Second quartile Third quartile Bottom quartile

Percentage ranking of local authorities

The table highlights the survival ranking and quartile performance of Scotland's local authorities, by their year of birth.

Within Scotland, performance across local authorities appears to be broadly similar over time.

Whilst Aberdeen City remains towards the bottom, Aberdeenshire is consistently a high performer. Angus performs strongly, as do other largely rural areas, although low numbers are a factor here.

City of Edinburgh per the trend for cities, is consistently low but improves post-second year, bucking national trends. Dumfries and Galloway (NB with low numbers) performs stronger, and focus ought be to increase overall numbers of business births and those surviving.

Dundee City is consistently a poor performer. East Ayrshire, East Renfrewshire and Falkirk appear to reflect the weakening, post two years for Scotland. Continuing the cities trend, Glasgow City has weaker % performance, but unlike the City of Edinburgh, does not

show improvement post-two years. Highland demonstrates improvement over time, particularly after two years, as does Midlothian and Moray who's quartile performance improves after the first years.

North Lanarkshire's relative performance weakens significantly after the first twelve months. Orkney Islands, Perth and Kinross, and Shetland Islands do well for survival percentages, albeit on the back of small numbers. Renfrewshire also sees its performance weaken over time, but from a weaker starting position. The Scottish Borders is similar to Dumfries and Galloway, with strong relative performance (% wise). South Ayrshire appears to be struggling to sustain businesses surviving beyond twelve months. Stirling appears to get better over time. West Dunbartonshire appears to struggle beyond one year, as does West Lothian, but West Dunbartonshire

falls from a stronger one year performance level.

Scottish local authorities quartile performance (in UK context) for business birth survival by years of operating.

UK LA ranking (1 - best, 415 - worst)	1 year survival	2 year survival	3 year survival	4 year survival	5 year survival	1 year survival	2 year survival	3 year survival	4 year survival	1 year survival	2 year survival	3 year survival	1 year survival	2 year survival	1 year survival		
Year of inception			2014				20)15			2016		20	17	2018		
Aberdeen City	339	263	358	352	339	360	368	355	351	329	315	278	350	336	179		
Aberdeenshire	8	13	78	113	80	90	31	58	61	13	11	14	50	39	18		
Angus	280	204	58	156	45	14	86	189	187	27	28	106	30	47	60		
Argyll and Bute	210	267	137	41	84	101	102	164	225	233	117	108	299	224	293		
City of Edinburgh	400	366	338	316	285	408	387	336	297	411	291	231	398	324	391		
Clackmannanshire	122	386	377	307	272	40	247	333	376	140	235	373	232	176	4		
Dumfries and Galloway	107	259	373	347	310	244	224	111	107	25	62	19	110	135	95		
Dundee City	369	361	387	326	351	404	406	406	406	364	379	376	377	379	260		
East Ayrshire	162	345	372	337	383	13	22	160	158	165	383	381	200	210	243		
East Dunbartonshire	9	127	128	77	58	44	152	303	270	73	110	93	10	132	61		
East Lothian	152	269	178	101	136	65	65	70	77	270	91	85	97	30	9		
East Renfrewshire	24	260	315	304	311	160	204	178	189	12	113	328	51	201	140		
Falkirk	198	55	222	265	245	82	187	292	349	19	122	263	19	241	29		
Fife	50	108	247	330	280	282	268	201	260	72	66	126	106	93	314		
Glasgow City	398	398	405	398	397	397	388	385	383	372	319	347	271	347	343		
Highland	301	87	100	127	105	142	252	94	29	278	42	17	402	267	53		
Inverciyde	233	9	308	118	295	161	285	285	353	15	133	146	179	323	237		
Midlothian	73	3	16	51	55	239	210	90	226	332	92	47	135	182	175		
Moray	153	185	179	284	213	181	45	26	86	380	150	33	304	188	56		
Na h-Eileanan Siar	2	413	410	403	411	361	270	397	344	403	274	142	306	378	76		
North Ayrshire	329	261	228	235	276	59	159	237	278	268	187	292	114	146	69		
North Lanarkshire	287	325	375	361	378	183	324	353	374	136	226	238	71	360	39		
Orkney Islands	3	118	145	24	34	179	3	5	5	63	8	2	25	175	142		
Perth and Kinross	78	52	77	56	95	301	197	219	211	156	24	8	89	46	133		
Renfrewshire	181	314	354	366	333	318	359	309	317	186	173	302	358	292	177		
Scottish Borders	395	375	232	219	111	21	228	145	101	29	33	16	56	24	13		
Shetland Islands	396	4	1	1	2	26	267	302	145	46	4	15	297	222	384		
South Ayrshire	403	403	404	386	366	388	384	396	369	35	347	380	387	313	62		
South Lanarkshire	165	130	223	244	282	130	312	271	309	189	258	276	190	333	183		
Stirling	234	89	263	215	174	307	238	304	271	358	120	236	170	99	19		
West Dunbartonshire	282	395	409	410	412	113	337	387	397	102	54	280	57	369	23		
West Lothian	235	280	173	147	221	165	282	350	361	185	261	303	24	174	181		
Top quartile]		L	γ		J		L	Ŷ	J		γ	J		<u>γ</u>		

Second quartile Third quartile Bottom quartile

Percentage ranking of local authorities

The survival rankings for Scottish local authorities post two years survival shows improvement, particularly since 2016.

2014 and 2015 over time does not seem to have improved the performance of these businesses. However, 2016 onwards started with higher

performance which has continued into 2017 and 2018.

2018's births survival rate after 12 months is strong, with ¾ of local authorities in the top half.

Broadly speaking, the same places in Scotland perform well or worse by year of business inception (2014-18).

The table highlights the survival ranking and quartile performance of Scotland's local authorities (compared to the whole of the UK), by their year of birth.

Scottish local authorities quartile performance for business birth survival by years of operating.

wors) bersurviva<	LA ranking (1 - best, 32 -	1 year	2 year	3 year	4 year	5 year	1 year	2 year	3 year	4 year	1 year	2 year	3 year	1 year	2 year	1 yea
Vear of inception Image: Part of the P	worst)	survival	surviva													
Aberdeen City 26 18 23 26 25 27 24 25 28 22 27 27 22 Aberdeenshifter 3 4 5 8 6 10 3 3 3 2 3 3 6 3 4 Angus 21 14 3 12 3 7 11 7 10 13 21 15 13 24 19 28 City of Edmburgh 31 26 21 21 22 22 14 17 7 5 9 7 14 9 16 Dumbres and Galoway 9 15 25 25 22 22 14 7 7 5 9 7 14 9 16 Dumbres and Galoway 9 15 23 24 24 29 1 21 11 11 14 14 15 16 <tr< td=""><td>Year of inception</td><td></td><td></td><td>2014</td><td></td><td></td><td></td><td>20</td><td>15</td><td></td><td></td><td>2016</td><td></td><td>20</td><td>)17</td><td>2018</td></tr<>	Year of inception			2014				20	15			2016		20)17	2018
Aberdeenshire 3 4 5 8 6 10 3 3 3 2 3 3 6 3 4 Argyll and Bute 11 11 3 12 10 13 21 15 13 24 19 28 City of Edinburgh 31 26 21 21 20 32 30 24 19 32 27 17 31 24 19 25 32 29 21 13 14 9 16 Dumtries and Galoway 9 15 25 22 22 21 13 22 32 32 23 23 23 23 23 23 23 24 34 4	Aberdeen City	26	18	23	26	25	27	28	27	24	25	28	22	27	27	22
Angus 21 14 3 12 3 2 6 12 10 6 5 12 5 5 12 Argyland Bue 17 19 8 3 7 11 7 10 13 21 15 13 24 19 32 27 17 31 25 32 Clackmannanshire 10 28 27 20 16 5 17 23 29 15 23 29 21 13 25 25 25 22 22 14 7 7 5 9 7 14 9 16 Dundree City 27 25 28 22 28 31 30 23 23 20 11 11 21 13 21 13 21 15 11 11 14 12 13 21 13 21 13 14 15 11 11	Aberdeenshire	3	4	5	8	6	10	3	3	3	2	3	3	6	3	4
Argyl and Bure 17 19 8 3 7 11 7 10 13 21 15 13 24 19 28 Citry of Edinburgh 31 28 27 20 22 22 15 23 20 21 13 25 22 Clackmannashre 10 28 27 20 16 5 17 23 29 15 23 29 21 13 24 19 28 Dunde City 27 25 28 22 22 14 7 7 5 9 7 14 9 16 Dunde City 27 25 28 22 22 13 32 33 23 23 28 22 28 31 32 32 23 24 16 16 17 25 17 66 8 20 16 12 11 10 11 10 12 12 11 11 10 14 23 24 23 24 <td>Angus</td> <td>21</td> <td>14</td> <td>3</td> <td>12</td> <td>3</td> <td>2</td> <td>6</td> <td>12</td> <td>10</td> <td>6</td> <td>5</td> <td>12</td> <td>5</td> <td>5</td> <td>12</td>	Angus	21	14	3	12	3	2	6	12	10	6	5	12	5	5	12
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Clackmannanshrie 10 28 27 20 16 5 17 23 29 15 23 29 21 13 1 Dumfres and Gallowy 9 15 25 22 22 22 24 7 7 5 9 7 14 9 16 Dundre City 27 25 28 22 28 31 32 32 28 31 30 29 32 27 East Ayrshire 13 24 24 24 29 1 2 9 9 17 32 32 20 17 28 East Lothin 11 20 12 7 11 8 5 4 4 23 11 10 12 21 16 18 13 17 23 15 11 11 14 14 9 6 19 East RentPrevshife 5 17 23 18 18 23 13 15 11 10 14 13	City of Edinburgh	31	26	21	21	20	32	30	24	19	32	27	17	31	25	32
Dumfeis and Galloway 9 15 25 22 22 21 14 7 7 5 9 7 14 9 16 Dundee City 27 25 28 22 26 31 32 32 32 28 31 30 29 32 27 East Ayrshire 13 24 24 24 29 1 22 9 9 17 32 32 20 17 26 East Dunbaronshire 4 11 7 6 5 6 8 20 16 12 11 11 1 14 9 16 East Dunbaronshire 4 11 7 6 5 6 8 20 11 11 14 9 16 East Arenfrewshire 5 17 20 12 13 15 12 11 10 14 13 14 9 16	Clackmannanshire	10	28	27	20	16	5	17	23	29	15	23	29	21	13	1
Dundee City 27 28 28 22 26 31 32 32 32 28 31 30 29 32 27 East Ayrshire 13 24 24 24 29 1 2 9 9 17 32	Dumfries and Galloway	9	15	25	25	22	22	14	7	7	5	9	7	14	9	16
Least Ayrshire 13 24 24 24 29 1 2 9 9 17 32 32 32 17 26 East Dunbartonshire 4 11 7 6 5 6 8 20 16 12 13 11 1 8 11 East Lothian 11 20 12 7 11 8 5 4 4 23 11 10 12 2 2 East Renfrewshire 5 17 20 19 23 15 12 11 11 14 14 27 7 16 19 Fife 6 9 17 23 18 23 20 13 15 11 10 14 13 6 29 29 28 22 28 30 30 30 30 31 31 28 30 29 29 28 22 28 30 Glasgow City 30 30 30 30 31 31 <td>Dundee City</td> <td>27</td> <td>25</td> <td>28</td> <td>22</td> <td>26</td> <td>31</td> <td>32</td> <td>32</td> <td>32</td> <td>28</td> <td>31</td> <td>30</td> <td>29</td> <td>32</td> <td>27</td>	Dundee City	27	25	28	22	26	31	32	32	32	28	31	30	29	32	27
East Dumbartonshire 4 11 7 6 5 6 8 20 16 12 13 11 1 8 11 East Lothian 11 20 12 7 11 8 5 4 4 23 11 10 12 2 2 East Renferwshire 5 17 20 19 23 15 11 11 14 44 20 2 20 7 Fife 6 9 17 23 18 23 20 13 15 11 10 14 13 6 22 28 30 Glasgow City 30 30 30 30 30 30 31 28 31 11 10 14 13 6 22 24 7 6 32 21 9 Glasgow City 30 30 30 30 31 28 31	East Ayrshire	13	24	24	24	29	1	2	9	9	17	32	32	20	17	26
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East Renfrewshire 5 17 20 19 23 15 12 11 11 1 14 27 7 16 19 Falkirk 16 6 13 17 15 9 10 18 23 4 17 20 2 20 7 Glasgow City 30 30 30 30 30 30 31 28 30 29 29 28 22 28 30 Highland 24 7 6 10 9 14 18 6 2 24 7 6 32 21 9 Invercive 20 3 19 9 14 13 5 14 26 12 9 16 14 20 Moray 12 13 11 18 13 19 4 2 5 30 19 8 25 15 10 Moray 12 13 11 18 22 31 26 15 10 </td <td>East Lothian</td> <td>11</td> <td>20</td> <td>12</td> <td>7</td> <td>11</td> <td>8</td> <td>5</td> <td>4</td> <td>4</td> <td>23</td> <td>11</td> <td>10</td> <td>12</td> <td>2</td> <td>2</td>	East Lothian	11	20	12	7	11	8	5	4	4	23	11	10	12	2	2
Fakirk 16 6 13 17 15 9 10 18 23 4 17 20 2 20 7 Glasgow City 30 30 30 30 30 30 30 30 20 13 15 11 10 14 13 6 29 Glasgow City 30 30 30 30 30 31 28 30 29 24 7 6 32 21 9 Invercive 20 3 19 9 21 16 23 17 25 3 18 16 18 24 25 Midlothian 7 1 2 4 4 21 13 5 14 26 19 8 25 15 10 Moray 12 13 11 18 13 19 4 2 5 30 19 8 25 15 10 Moray 12 13 11 18 13 12	East Renfrewshire	5	17	20	19	23	15	12	11	11	1	14	27	7	16	19
Fife 6 9 17 23 18 23 20 13 15 11 10 14 13 6 29 Glasgow City 30 30 30 30 30 30 30 31 28 30 29 29 28 22 28 30 Highland 24 7 6 10 9 14 18 6 2 24 7 6 32 21 9 Inverciyde 20 3 19 9 21 16 23 17 25 3 18 16 18 24 25 Midlothian 7 1 2 4 4 21 13 5 14 26 12 9 16 14 20 Moray 12 13 11 18 13 19 4 22 5 30 19 8 25 15 10 Na h-Eileanan Siar 1 32 32 31 31 28 2	Falkirk	16	6	13	17	15	9	10	18	23	4	17	20	2	20	7
Glasgow City 30 30 30 30 31 28 30 29 29 28 22 28 30 Highland 24 7 6 10 9 14 18 6 2 24 7 6 32 21 9 Invercide 20 3 19 9 21 16 23 17 25 3 18 16 18 24 25 Midlothian 7 1 2 4 4 21 13 5 14 26 12 9 16 14 20 Moray 12 13 11 18 13 19 4 2 5 30 19 8 25 15 10 Na h-Eileanan Siar 1 32 32 31 31 28 21 31 22 21 24 15 10 14 24 15 10 14 24 15 10 14 24 16 14 10 30<	Fife	6	9	17	23	18	23	20	13	15	11	10	14	13	6	29
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Inverclyde 20 3 19 9 21 16 23 17 25 3 18 16 18 24 25 Midlothian 7 1 2 4 4 21 13 5 14 26 12 9 16 14 20 Moray 12 13 11 18 13 19 4 2 5 30 19 8 25 15 10 Na h-Eileanan Siar 1 32 31 31 28 21 31 22 31 26 15 10 14 10 14 10 14 15 10 14 10 16 14 22 19 10 29 8 16 16 15 17 7 9 15 18 22 21 19 10 29 8 20 25 26 28 14 22 19 10 29 8 24 11 14 12 16 14 12 <td< td=""><td>Highland</td><td>24</td><td>7</td><td>6</td><td>10</td><td>9</td><td>14</td><td>18</td><td>6</td><td>2</td><td>24</td><td>7</td><td>6</td><td>32</td><td>21</td><td>9</td></td<>	Highland	24	7	6	10	9	14	18	6	2	24	7	6	32	21	9
Midlothian 7 1 2 4 4 21 13 5 14 26 12 9 16 14 20 Moray 12 13 11 18 13 19 4 2 5 30 19 8 25 15 10 Na h-Eileanan Siar 1 32 32 31 31 28 21 31 22 31 26 15 26 31 15 North Ayrshire 25 16 15 17 7 9 15 18 22 21 24 15 10 14 North Ayrshire 23 23 26 27 28 20 25 26 28 14 12 16 4 12 16 14 10 29 8 Orkney Islands 2 10 9 2 2 18 1 1 1 10 22 11 4 12 18 Perth and Kinross 8 5 4	Inverclyde	20	3	19	9	21	16	23	17	25	3	18	16	18	24	25
Moray 12 13 11 18 13 19 4 2 5 30 19 8 25 15 10 Na h-Eileanan Siar 1 32 32 31 31 28 21 31 22 31 26 15 26 31 15 North Ayrshire 25 16 15 15 17 7 9 15 18 22 21 24 15 10 14 North Lanarkshire 23 23 26 27 28 20 25 26 28 14 22 19 10 29 8 Orth Piston 2 10 9 2 2 18 1 1 1 10 2 1 4 12 18 Perth and Kinross 8 5 4 5 8 24 11 14 12 16 4 2 11 4 17 Renfrewshire 15 22 22 28 24 26	Midlothian	7	1	2	4	4	21	13	5	14	26	12	9	16	14	20
Na h-Eileanan Siar 1 32 32 31 31 28 21 31 22 31 26 15 26 31 15 North Ayrshire 25 16 15 15 17 7 9 15 18 22 21 24 15 10 14 North Lanarkshire 23 23 26 27 28 20 25 26 28 14 22 19 10 29 8 Orkney Islands 2 10 9 2 2 18 1 1 10 2 1 4 12 18 Perth and Kinross 8 5 4 5 8 24 11 14 12 16 4 2 11 4 17 Renfrewshire 15 22 22 28 24 26 27 22 21 19 20 25 28 22 21 Scottish Borders 28 27 16 14 10 3	Moray	12	13	11	18	13	19	4	2	5	30	19	8	25	15	10
North Ayrshire2516151517791518222124151014North Lanarkshire23232627282025262814221910298Orkney Islands21092218111102141218Perth and Kinross8545824111412164211417Renfrewshire152222282426272221192025282221Scottish Borders282716141031586765813Shetland Islands292111419198914231831South Ayrshire32312929272929302783031302313South Lanarkshire141214161913241620202421192624South Lanarkshire141214161913241620202421192624South Lanarkshire141214161913 <td>Na h-Eileanan Siar</td> <td>1</td> <td>32</td> <td>32</td> <td>31</td> <td>31</td> <td>28</td> <td>21</td> <td>31</td> <td>22</td> <td>31</td> <td>26</td> <td>15</td> <td>26</td> <td>31</td> <td>15</td>	Na h-Eileanan Siar	1	32	32	31	31	28	21	31	22	31	26	15	26	31	15
North Lanarkshire 23 23 26 27 28 20 25 26 28 14 22 19 10 29 8 Orkney Islands 2 10 9 2 2 18 1 1 10 2 1 4 12 18 Perth and Kinross 8 5 4 5 8 24 11 14 12 16 4 2 11 4 17 Renfrewshire 15 22 22 28 24 26 27 22 21 19 20 25 28 22 21 Scottish Borders 28 27 16 14 10 3 15 8 6 7 6 5 8 1 3 Scottish Borders 28 27 16 14 10 3 15 8 6 7 6 5 8 1 3 Scottish Borders 32 31 29 29 27 29 30	North Ayrshire	25	16	15	15	17	7	9	15	18	22	21	24	15	10	14
Orkney Islands21092218111102141218Perth and Kinross8545824111412164211417Renfrewshire152222282426272221192025282221Scottish Borders282716141031586765813Scottish Borders282716141031586765813Scottish Borders282716141031586765813Scotth Ayrshire32312929272929302783031302313South Lanarkshire141214161913241620202421192624West Dunbartonshire222931323212262931138239306West Lothian19211011141722252618252631123	North Lanarkshire	23	23	26	27	28	20	25	26	28	14	22	19	10	29	8
Perth and Kinross8545824111412164211417Renfrewshire152222282426272221192025282221Scottish Borders282716141031586765813Shetland Islands292111419198914231831South Ayrshire32312929272929302783031302313South Lanarkshire141214161913241620202421192624West Dunbartonshire222931323212262931138239306West Lothian19211011141722252618252631123	Orkney Islands	2	10	9	2	2	18	1	1	1	10	2	1	4	12	18
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Scottish Borders282716141031586765813Shetland Islands292111419198914231831South Ayrshire32312929272929302783031302313South Lanarkshire141214161913241620202421192624South Lanarkshire188181312251621172716181775West Dunbartonshire222931323212262931138239306West Lothian19211011141722252618252631123	Renfrewshire	15	22	22	28	24	26	27	22	21	19	20	25	28	22	21
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South Ayrshire 32 31 29 29 27 29 29 30 27 8 30 31 30 23 13 South Lanarkshire 14 12 14 16 19 13 24 16 20 20 24 21 19 26 24 South Lanarkshire 14 12 14 16 19 13 24 16 20 20 24 21 19 26 24 South Lanarkshire 18 8 18 13 12 25 16 21 17 27 16 18 17 7 5 West Dunbartonshire 22 29 31 32 32 12 26 29 31 13 8 23 9 30 6 West Lothian 19 21 10 11 14 17 22 25 26 18 25 26	Shetland Islands	29	2	1	1	1	4	19	19	8	9	1	4	23	18	31
South Lanarkshire 14 12 14 16 19 13 24 16 20 20 24 21 19 26 24 South Lanarkshire 18 18 13 12 25 16 21 17 27 16 18 17 7 5 West Dunbartonshire 22 29 31 32 32 12 26 29 31 13 8 23 9 30 6 West Lothian 19 21 10 11 14 17 22 25 26 18 25 26 3 11 23	South Ayrshire	32	31	29	29	27	29	29	30	27	8	30	31	30	23	13
Stirling 18 8 18 13 12 25 16 21 17 27 16 18 17 7 5 West Dunbartonshire 22 29 31 32 32 12 26 29 31 13 8 23 9 30 6 West Lothian 19 21 10 11 14 17 22 25 26 18 25 26 3 11 23	South Lanarkshire	14	12	14	16	19	13	24	16	20	20	24	21	19	26	24
West Dunbartonshire 22 29 31 32 32 12 26 29 31 13 8 23 9 30 6 West Lothian 19 21 10 11 14 17 22 25 26 18 25 26 3 11 23	Stirling	18	8	18	13	12	25	16	21	17	27	16	18	17	7	5
West Lothian 19 21 10 11 14 17 22 25 26 18 25 26 3 11 23	West Dunbartonshire	22	29	31	32	32	12	26	29	31	13	8	23	9	30	6
	West Lothian	19	21	10	11	14	17	22	25	26	18	25	26	3	11	23

The previous slide highlighted how Scotland's places performed over time compared to the UK.

It showed that Scotland broadly speaking improved after year two, contrary to the findings earlier on, highlighting the impact that London has on the rUK figures.

Within Scotland, the picture is more nuanced with a mix of strong and weak performers.

Broadly speaking, rural areas have higher survival percentages from lower number of start ups, whilst the cities and major urban areas have lower percentages surviving, but overall higher number of business births.

Top quartile Second quartile Third quartile Bottom quartile

Percentage ranking of local authorities

Industry level



2018	2017	2016	2015	2014	Year of inception
60	45	35	31	36	Account
51	36	30	44	50	Activities
31	25	33	29	14	Activities auxiliary to fin-
37	7	6	8	8	Activities of head official services of
28 1	27 3	31 5	34 7	34 6	Adventising a membership on a meriance
17 4	36 4	55 8	70 4	63 6	Air transport
26	46	3 47	31	5 58	Architeacurat & ensured
15	7	7	3	5	conn
41 2	37 3	42 1	51 1	52 1	Construction
3 30	7 60	5 53	0 20	1 18	Creatile. arts & pullidings
74	72	68	76	3 71	coucation antertamment activities
10	44	35	34	31	Employment & Steelin & Caulos
77 7	75 7	78 7	78 73	77 6	Extradion of complete an conditioning summer
5 18	2 24	4 31	3 43	9 53	Financial service petroleum & number
70	69	53	68	64	Ganhim beretage seminas, excl msum gas
32	63	54	34	17	Human how the activities and a pension and the sector of t
59 7	65 7	62 7	62 7	60 7	Information activities
8 3	8 43	9 38	7 23	7 31	insurance, reinsure activities
12	9	13	9	10	Leose of transport & transport & Dension &
54	35	25	45	20	Librarias Librarias
46	35	29	38	13	Manufactors muse
65 5	52 2	69 1	63 2	37 2	Manufacture of basic metals
6 42	3 42	6 41	52	59	wanufacture of basic Pharmacours
66	74	45	75	76	Manufacture of chemical and products
56 6	59 6	46 6	54 4	42 5	Manufacture of cole & refined provide
2 8	4 11	2 33	5 25	7 16	Nanufacture of computer, electro bum provide
38	28	36	35	29	wanufacture of fahrical equipment optical prod
22	14	35	21	26	Manufacture of food metal Provins
57 5	44 5	61 5	68 5	65 4	Manufacture of fumiling
50 24	54 32	5 41	50 27	40	Manufacture of leather & relates
4 27	2 12	1 21	7 32	0 30	Wanufacture of mochinery & equina
35	39	45	43	46	Manues. Of other sections trades.
61	37 (52 :	64	62	Manufacture of other trans. In minemine allow
15 2	1 3	4	3 4	3 3	Manufacture of Daper & Dates equipment
5 79	77	3 1	2 81	81	wanufacture of factor & plastic meric
21	36	36	54	66	Manufacture of to bacon
1 8	8 8	6 8	5 7	7 7	Nanufacture of wearing announds
0 81	0 81	0 81	9 80	9 80	Maning of coart & in proving
73	74	71	66	72	Minimo of metal orec
40	34	26	15	18	Notion not service and
67 6	65 5	69 6	57 5	53 6	Office administrativities
69 6	50 7	51 7	58 6	51 7	Other manufacture, Support of the rear
58 7	79 3	75 9	59 18	72 19	Other mining &
36	48	55	8 30	9 31	Other Porsonal service
39	58	53	39	46	Post- Dofessional
63	14	24	23	26	Printipo e courter actionation & technical
49	44	45	35	46	Programment and activities
53 7	40 6	40 6	47 6	44 4	Publishing & broadcasting
2 58	6 58	0 40	1 48	5 52	real estate activities a activities
44	20	22	25	32	Renter a ectivities
11	16	18	12	16	Repair & Sang adjuits
5 7	12 6	12 6	18 5	45 3	Repair of constitution of machine
1 1	i9 2	8 3	57 2	32 3	Residential care & person of equipment
9 47	2 47	1 3	5 36	9 3(Ketali trace activities orial & househou.
20	37	46	38	60	Secure 1900
6	39	24	13	21	Services in the stigation
9	1 :	4	15	1	Severados Duiktings & Ian Vittes
2 1	33 2	39 2	31 1	19 23	Social work and a chilikes
4 34	1 37	2 32	5 24	3 30	Specialised construction accommendation
48	54	41	48	54	Telecomon destruties & amine activities
29 4	34 1	50 1	51 2	44 1	Travel agence and a factering
3 13	8 31	9 37	0 46	2 46	Veterinary activities
3 52	14	54	5 53	5 55	Warehousing & sum
76	76	52	56	75	Water come of treatment of the firm
64 1	63 1	66 1	63 1	56 2	Water trans. In the most & disposal act.
16 3	17 3	19 4	15 4	21 4	Wholesale & supply admittes
5	ŀ	ŀ	5	5	epeu elesaiou
					7

Average ranking of businesses born in this year surviving (in 1-5 yrs per available data) (1-82) Lower score is better



The table is comprised of the findings from 82 industry's business birth survival rates. The score reflects the average ranking of the industry's survival rate across the number of year's the industry's survival rate is available. Please note the number of years vary; e.g. 2014's score is comprised using data from one, two, three, four and five year's data, and 2018's is made up of one year's data. The lower the score, the better the performance (ranking).

Year of inception	Accontinocation	Activities auxilian be a	Activities of head offices.	Adventising & monoteship organic consumation	Withington with the research wallows without activities	Civil engineers	Computer Program	Oreative of Duildingo Consultance &	Education	Electricity, gas, strong	Extractionent activities	Financial service permetum &	Gambingo a dalvities, excl matural gas Gambingo a garaco servico hisuraco	Human heats, activities arroe & pension function	information reduities	Land frammer a activities	Legal & acort & transport via	curaries, archives, multiples, multiples, and archives, an	Manufacture of basic marcine & other run.	Manufacture of basic pharmacours	Manufacture of chemican	Manufacture of coke & refine	Nanufacture of computer, electronic, sum products	Ammacure of fabricated manners of optical products	Nanufacture of fumily. Drodicts	Manufacture of leather & react	Manufacture of machinery & equin-	Manufacture of other nounces, trailens &	Manufacture of other transport equinating and trailers Manufacture of parents port equinations and products	Manufacture of rubber & new Products	Menufacture of textiles realic products Menu-	Manufacture of Meaning appro-	Manning of coart & ipmodules	Mining Support of South	Motion picture, uries activities	Other manustrative, supro-	Other mining & outsidess support	nier Personal service acr.	Postal & courses and scientific & to	Program & reproduction	Publishing act broadcasting of the of	Real estate activities ""B activities	Renard diation activities &	Repart Resing adjuites waste rrgt service	Repair of computers & machinen & wildes	Retail trace Retail trace	Scientific Tesearch •	Services to investigation	Serverage Serverage	oolal work advivities	Sports activities and accommodation	Telecommunication and withites	Veterinan	Warehousino s	Waste Offection, freactivities ====================================	Water trans.	Wholesa & Bretain & Buppy Cuntles	Open and the second		,
1 year	56 5	1 30	22	28 49	3	39	7 43	23	33 7	3 17	77 3	34 74	16	66 2	7 60	78	13 11	56	29	62 48	49	73 5	0 60	14 3	7 22	49 5	5 30	29 3	2 62	55 3	4 64	34 6	80	81 7	2 35	56 6	4 73	6 3	31 25	40	55 4	16 70	55	31 12	2 16	63 2	20 50	26	20 8	3 11	24 3	37 51	41	29 1	5 42	74 (9 14			
2 years	38 3	3 18	4 2	28 62	2 4	47	4 49	21	41 7	/2 42	77 4	15 73	39	68 3	7 61	78	30 9	27	17 (61 20	48	70 5	5 59	19 33	2 29	61 5	i0 35	24 4	4 50	46 3	8 60	50 6	80	81 6	9 21	58 5	4 74	12	42 51	20	44 4	4 64	55	24 11	1 25	54 2	9 33	51	27 9	23	19 2	29 49	43	14 4	3 41	73 (64 18			
3 years	21 3	0 22	2 :	37 54	8	47	6 49	7	35 7	/2 41	78 5	52 71	53	62 4	2 64	77	39 12	2 18	39	57 10	47	50 4	6 54	28 3	1 29	71 4	48 44	22 5	0 55	39 4	4 54	55 6	5 79	80 7	0 17	62 6	2 73	16	41 60	20	25 4	15 50	42	28 17	7 26	48 4	10 24	56	17 2	2 35	18 2	23 46	50	14 6	2 59	50 (50 21	1		
4 years	20 4	9 24	2	40 71	9	47	4 48	6	14 7	75 39	77 4	19 69	65	60 4	5 62	77	47 10) 15	40 3	35 5	57	77 4	4 46	29 2	7 18	72 3	37 31	26 5	4 60	29 4	5 81	67 5	5 79	80 7	1 9	66 6	67	26	39 61	14	36 4	12 41	42	25 23	3 32	47 3	37 26	57	16 2	2 50	14 2	26 47	50	13 5	6 58	49 5	51 22	1		
5 years	25 6	4 30	3	41 54	10	57	8 50	4	13 6	6 38	76 4	48 62	2 71	52 4	5 67	77	61 9	2	6	15 5	60	81 4	0 49	17 28	8 16	75 4	46 34	33 5	8 63	29 1	8 80	72	78	79 7	4 12	69 5	51 73	27	47 68	20	42 3	37 19	35	29 24	4 43	31 4	4 22	65	23 1	53	14 3	32 56	39	11 5	5 59	70 3	36 21			

Average ranking of businesses born in this year surviving (in 1-5 yrs per available data) (1-82) Lower score is better



The table is comprised of the findings from 82 industry's business birth survival rates. The score reflects the average ranking of the industry's survival rate after each particular milestone. Please note the number of years vary; e.g. 1 year scores uses data from one, two, three, four and five year's data, and 5 years is made up of one year's data (2014-18). The lower the score, the better the performance (ranking).

Trendlines for the survival of businesses born in 2014 (by industry) from 2014-2018.



Trendlines for the survival of businesses born in 2015 (by industry) from 2015-2018.



Trendlines for the survival of businesses born in 2016 (by industry) from 2016-2018.



Trendlines for the survival of businesses born in 2017 (by industry) from 2017-2018.



Trendlines for the survival of businesses born in 2018 (by industry).



Number of businesses born in 2018, by industry Survival percentages are for the UK as a whole Click <u>here</u> to return to index page and contents, or click to continue to next section

Sub-industry level



60,000 Within sub-industries, of which there are 252, the main sub-industries with most businesses created and best survival rates are highlighted in the charts below. 50,000 active after one year Yet again, the story is of a broad structural pattern existing over years, reflecting the challenge involved in driving lasting, significant change. The below charts shows the trend for which five year's detail was available (2014-18). It is strikingly similar for 2015-18, 2016-18 etc. 40,000 sub-industry, Business support service activities n.e.c. Number of businesses born in 2014 by 000'00 000'00 000'00 Management consultancy activities Computer programming, consultancy & related activities Other professional, scientific & technical activities n.e.c. Restaurants & mobile food service activities Architectural & engineering activities Electrical, plumbing & other construction installation •Building completion & finishing Freight transport by road & removal services Other personal service activities • Construction of residential & non-residential buildings 0 10,000 20,000 30,000 40,000 50,000 60,000 0 Number of businesses born in 2014, by sub-industry



Two year business survival rates by sub-industry (businesses born in 2014) (UK figures)

60,000 Within sub-industries, of which there are 252, the main sub-industries with most businesses created and best survival rates are highlighted in the charts below. active after three years 50,000 Yet again, the story is of a broad structural pattern existing over years, reflecting the challenge involved in driving lasting, significant change. The below charts shows the trend for which five year's detail was available (2014-18). It is strikingly similar for 2015-18, 2016-18 etc. 40,000 Number of businesses born in 2014 by sub-industry, 000'00 000'00 Business support service activities n.e.c. Management consultancy activities • Computer programming, consultancy & related activities Architectural & engineering activities . • Other professional, scientific & technical activities n.e.c. Building completion & finishing • Electrical, plumbing & other construction installation Freight transport by road & removal services Other personal service activities Construction of residential & non-residential buildings 0 10,000 20,000 30,000 40,000 50,000 60,000 0 Number of businesses born in 2014, by sub-industry

Three year business survival rates by sub-industry (businesses born in 2014) (UK figures)

60,000 Within sub-industries, of which there are 252, the main sub-industries with most businesses created and best survival rates are highlighted in the charts below. after four years 20000 Yet again, the story is of a broad structural pattern existing over years, reflecting the challenge involved in driving lasting, significant change. The below charts shows the trend for which five year's detail was available (2014-18). It is strikingly similar for 2015-18, 2016-18 etc. active 40,000 sub-industry, Number of businesses born in 2014 by 000'05 000'05 Management consultancy activities • Business support service activities n.e.c. Computer programming, consultancy & related activities Electrical, plumbing & other Architectural & engineering activities construction installation Other professional, scientific & technical activities n.e.c. Building completion & finishing Restaurants & mobile food service activities Construction of residential & • Freight transport by road & removal services Other personal service activities non-residential buildings

30,000

Number of businesses born in 2014, by sub-industry

40,000

0

0

10,000

20,000

Four year business survival rates by sub-industry (businesses born in 2014) (UK figures)

60,000

50,000



Five year business sub-industry survival (businesses born in 2014) (UK figures)

Trendlines for the survival of businesses born in 2014 (sub-industries) from 2014-2018.



Number of businesses born in 2014 by sub-industry.

Trendlines for the survival of businesses born in 2015 (sub-industries) from 2015-2018.



Number of businesses born in 2015 by sub-industry.

Trendlines for the survival of businesses born in 2016 (sub-industries) from 2016-2018.



Number of businesses born in 2016 by sub-industry.

Trendlines for the survival of businesses born in 2017 (sub-industries) from 2017-2018.



Number of businesses born in 2017 by sub-industry.

Trendlines for the survival of businesses born in 2018 (sub-industries).



Number of businesses born in 2018 by sub-industry.

WHAT'S NEXT?

Now you have seen the size, shape, structure, trends and behaviours across all these business demographics, the question moves to growth.

What happens to these businesses surviving by place, industry, etc?

Click here to find out.



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