

Statistical bulletin

Business Register and Employment Survey (BRES) provisional results: 2013

Employee and employment estimates by detailed industry and geography.



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1. Main points

- 70% of all local authority districts have shown an increase in the number of employees between 2012 and 2013, with the number of employees increasing for all regions of the UK over this period
- London has shown the largest increase of all the UK regions between 2012 and 2013, with some of the largest growths in local authority districts occurring in London. This continues the trend seen in recent years
- The professional, scientific & technical sector has shown the largest increase of all broad industry groups between 2012 and 2013, with a particularly large increase for this sector within London
- Between 2009 and 2013, three-quarters of local authority districts saw a decrease in the number of public sector employees, with just over a half showing a fall between 2012 and 2013
- Between 2009 and 2013, two-thirds of local authority districts saw an increase in the number of private sector employees, with slightly less than three-quarters seeing an increase between 2012 and 2013

2. Introduction

This statistical bulletin focuses on the strengths of BRES, giving employee estimates by region level and below and by broad industry group and below. There is also a section that focuses on London and a section that looks at public/private estimates of employees. Many of the analyses contained in this bulletin make comparisons with 2009, the year that BRES was introduced.

The Business Register and Employment Survey (BRES) is the official source of employee and employment estimates by detailed geography and industry. It is also used to update the Inter-Departmental Business Register (IDBR), the main sampling frame for business surveys used to produce UK official statistics, with information on the structure of businesses in the UK.

The survey collects employment information from businesses across the whole of the UK economy for each site that they operate. This allows ONS to produce workplace based employee and employment estimates by detailed geography and industry, split by full-time/part-time workers and whether the business is in the public or the private sector.

Due to the survey's large sample size (approximately 80,000 businesses), BRES is able to produce good quality estimates for detailed breakdowns by industry and geography. In fact, no other survey conducted by ONS can produce employment estimates by industry at the detailed levels that BRES can. It is worth noting that BRES does not cover the very small businesses neither registered for VAT nor PAYE, which make up a small part of the economy. Therefore, although the quality of the estimates produced from BRES are very good at less detailed levels such as region, other sources of employment information such as the [Annual Population Survey](#) or [Workforce Jobs](#) will give a more complete coverage at these levels.

Information on employees and employment are available from BRES. Employment is the number of employees added to the number of working owners (e.g. sole proprietors and partners). The bulletin provides estimates of employees only, as the coverage issues mentioned in the previous paragraph particularly affect the employment measure. Again, Workforce Jobs and the Annual Population Survey give a better coverage of working owners /self-employed workers. The difference between the BRES UK estimate of employment and workforce jobs is approximately 3.3 million.

3. Regional estimates

Figure 1 shows the percentage growth in the number of employees between 2009 and 2013, and between 2012 and 2013 by region. Between 2009 and 2013, the number of employees in the UK has increased by 529,000 (1.9%). Over this time we have seen the number of employees in Scotland, the North East, Yorkshire and The Humber, the South West, and Northern Ireland fall, with most other regions increasing by only a small percentage each. However, the number of employees in London increased by 439,000 (10.6%), with smaller but still comparatively strong growth seen in the neighbouring East and South East. In the last year alone, the number of employees in London grew by 136,000 (3.0%). However, this year has also seen the growth of employees in other regions picking up. This growth outside of London is predominantly being driven by the professional, scientific & technical sector (notably architectural activities, activities of head offices and tax consultancy), the accommodation and food services sector (mainly businesses involved in restaurant and mobile food service activities) and the health sector.

Figure 1: Percentage change in employees by region: 2009 - 2013 and 2012 - 2013

United Kingdom



Source: Business Register and Employment Survey (BRES) - Office for National Statistics

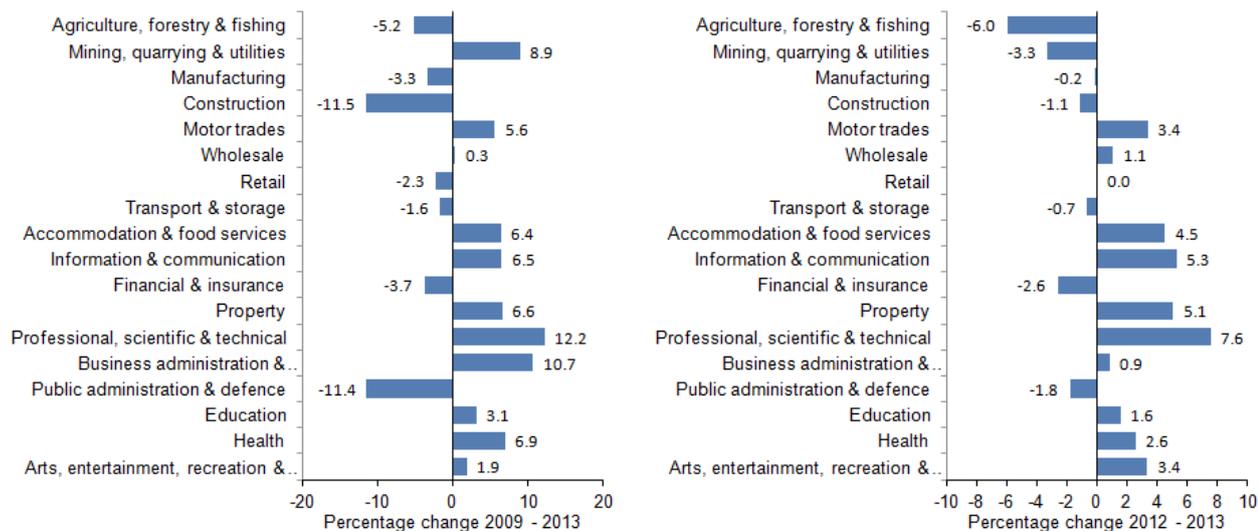
Notes:

- Shows the percentage growth in the number of employees between 2009 and 2013, and between 2012 and 2013 by region

4. Results by Broad Industry Group

Figure 2: Percentage change in employees by broad industry group: 2009 - 2013 and 2012 - 2013

United Kingdom



Source: Business Register and Employment Survey (BRES) - Office for National Statistics

Notes:

1. Shows the percentage growth in the number of employees between 2009 and 2013, and 2012 and 2013 by broad industry group

Figure 2 shows the percentage growth in the number of employees between 2009 and 2013, and 2012 and 2013 by broad industry group.

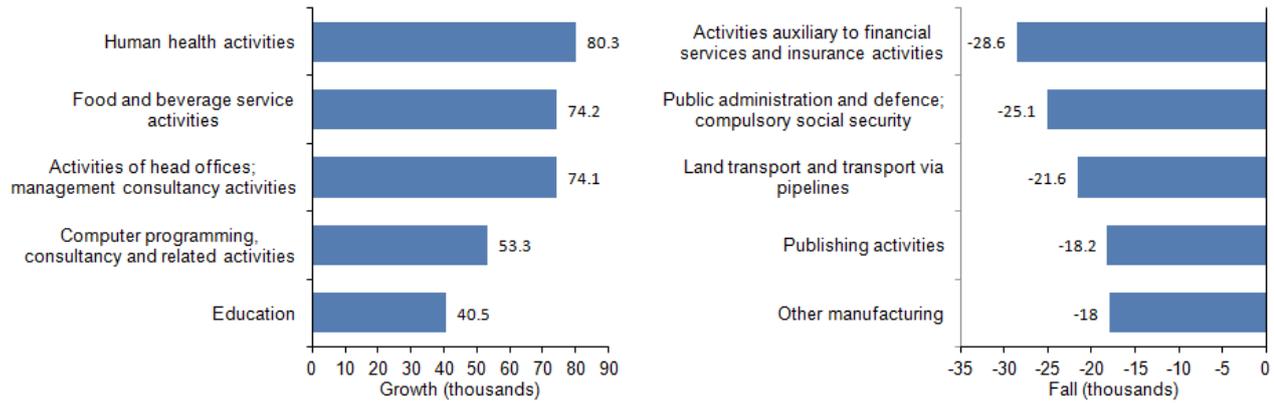
Between 2009 and 2013, the largest increase has been in the professional, scientific & technical industry group (12.2%), followed by business administration and support services (10.7%). The industries with the largest increases in this group are temporary employment activities (employment agencies) and head offices. Almost half of the growth in professional, scientific & technical is accounted for by London.

Between 2012 and 2013, the professional, scientific & technical industry group has again showed the largest growth (7.6%). In fact most of the growth in this sector between 2009 and 2013 is as a result of the growth during this final year. The information and communication sector has also shown a relatively large percentage increase between 2012 and 2013 (5.3%). The industries with the largest increases in these groups are management consultancy activities, and computer programming, consultancy and related activities. More than half of the growth in these industries is accounted for by London.

Public administration and construction have seen the largest fall in employees since 2009, although this is mainly as a result of a large fall in 2011 and 2010 respectively.

Figure 3: Top five industries showing the largest growth and fall (thousands) in the number of employees between 2012 and 2013

United Kingdom



Source: Business Register and Employment Survey (BRES) - Office for National Statistics

Notes:

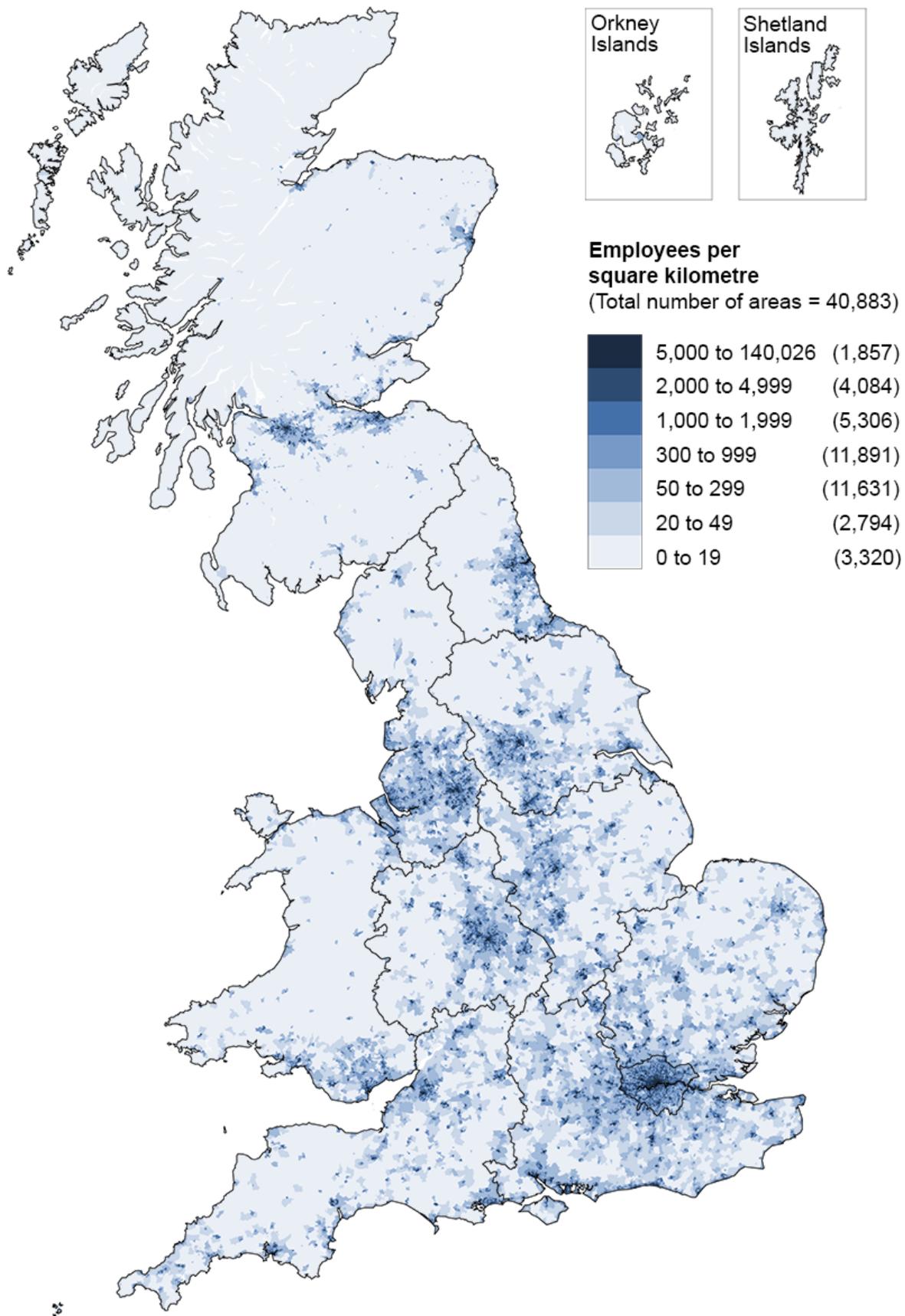
1. Shows the sectors (2-digit Standard Industrial Classification (SIC) 2007) showing the largest growth and decline in the number of employees between 2012 and 2013

Figure 3 shows the sectors (2-digit Standard Industrial Classification (SIC) 2007) showing the largest growth and decline in the number of employees between 2012 and 2013. Two of the five industries showing the largest increases include consultancy activities, suggesting that this is a quickly growing area.

Public administration and defence; compulsory social security features in the list of sectors showing the largest falls, an industry that has seen a substantial reduction in the number of employees since 2009.

5. Sub-Regional Estimates

Figure 4: Employee density map for Great Britain; 2013

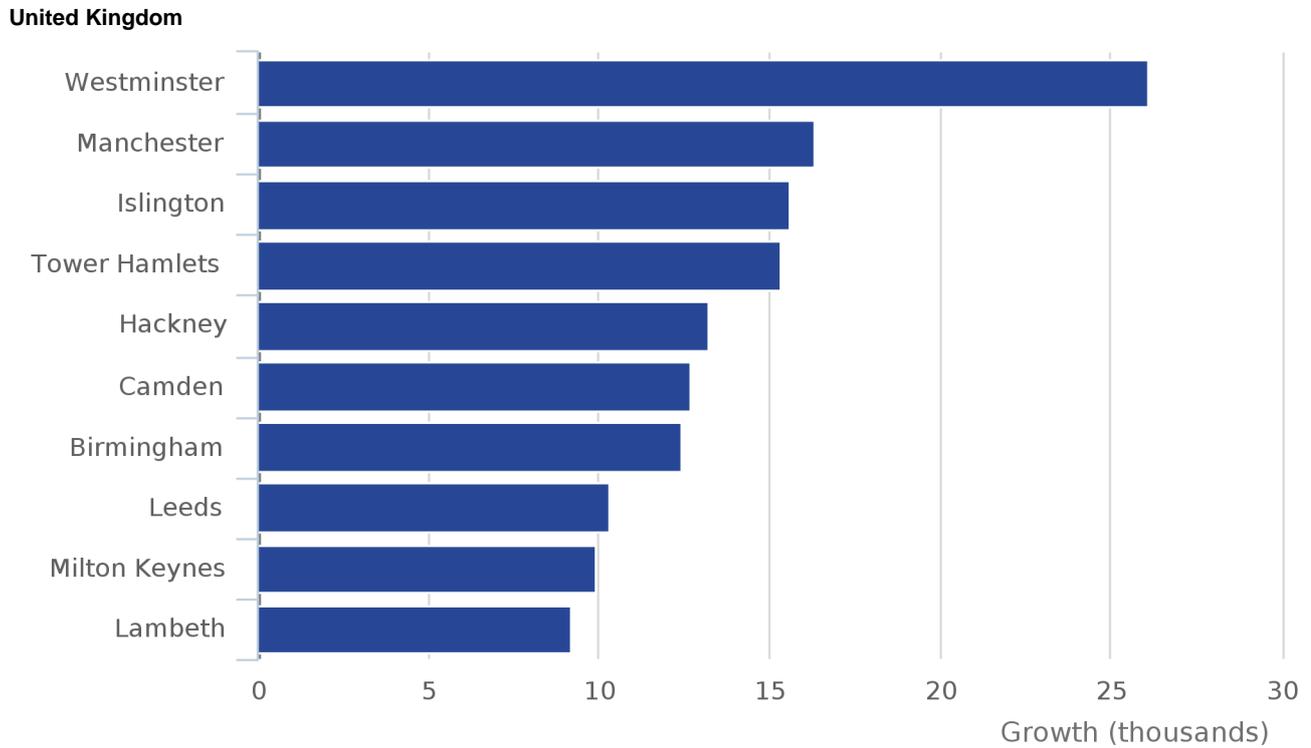


Source: Office for National Statistics – Business Register and Employment Survey.
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Figure 4 gives an overview of how the number of employees is distributed across Great Britain, with the darker colours indicating higher concentration of employees. The map is based on estimates by lower super output area.

Although the individual estimates at this level can vary in quality, the map does give a good overall view of the concentration of employees, with the highly concentrated areas generally corresponding to some of the major cities of the UK. Interestingly, much of the UK is quite sparse, with fewer than 20 employees per square kilometre in much of Scotland, Wales and the South West.

Figure 5: Local authorities showing the greatest growth in the number of employees between 2012 and 2013 (thousands)



Source: Business Register and Employment Survey (BRES) - Office for National Statistics

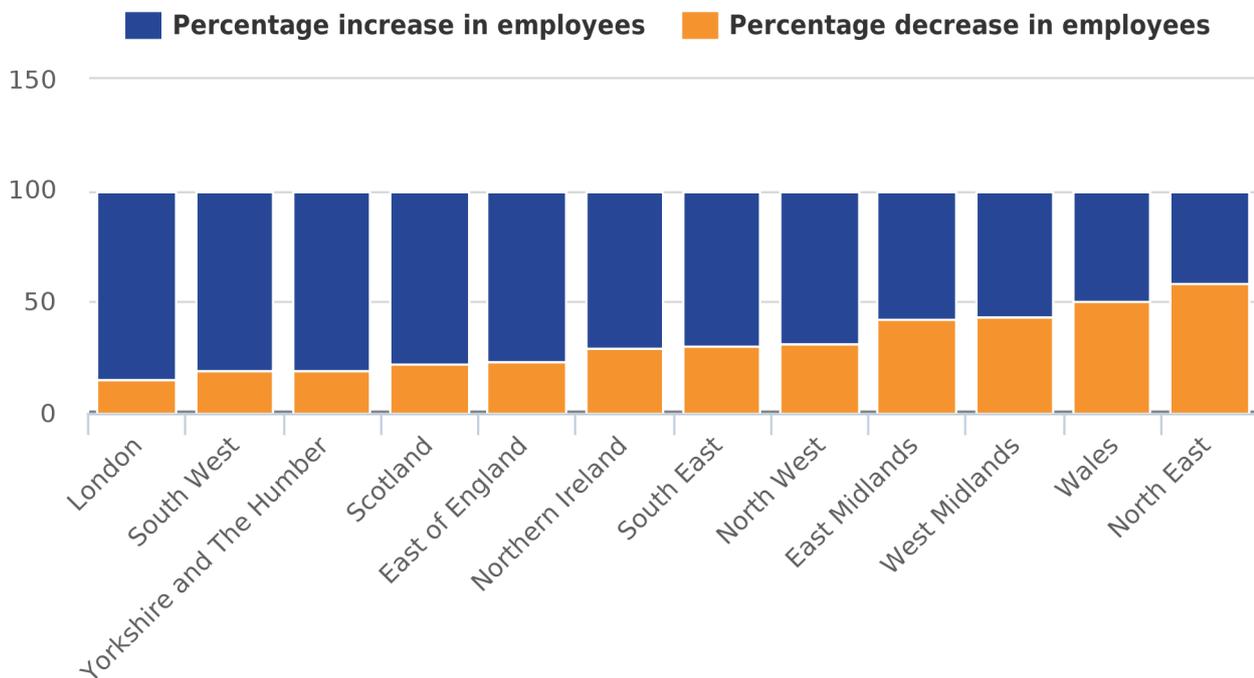
Notes:

1. Shows the ten local authorities that have shown the largest growth in terms of the number of employees between 2012 and 2013

Figure 5 shows the 10 local authorities that have shown the largest growth in terms of the number of employees between 2012 and 2013. Six of these local authorities are situated in London, supporting the picture that can be seen in the regional growth tables (figure 1). For the ten local authorities, the industries that are contributing most to this increase are professional, scientific & technical and business administration & support services.

Figure 6: Percentage of local authority districts that have seen an increase/decrease in the number of employees between 2012 and 2013

United Kingdom



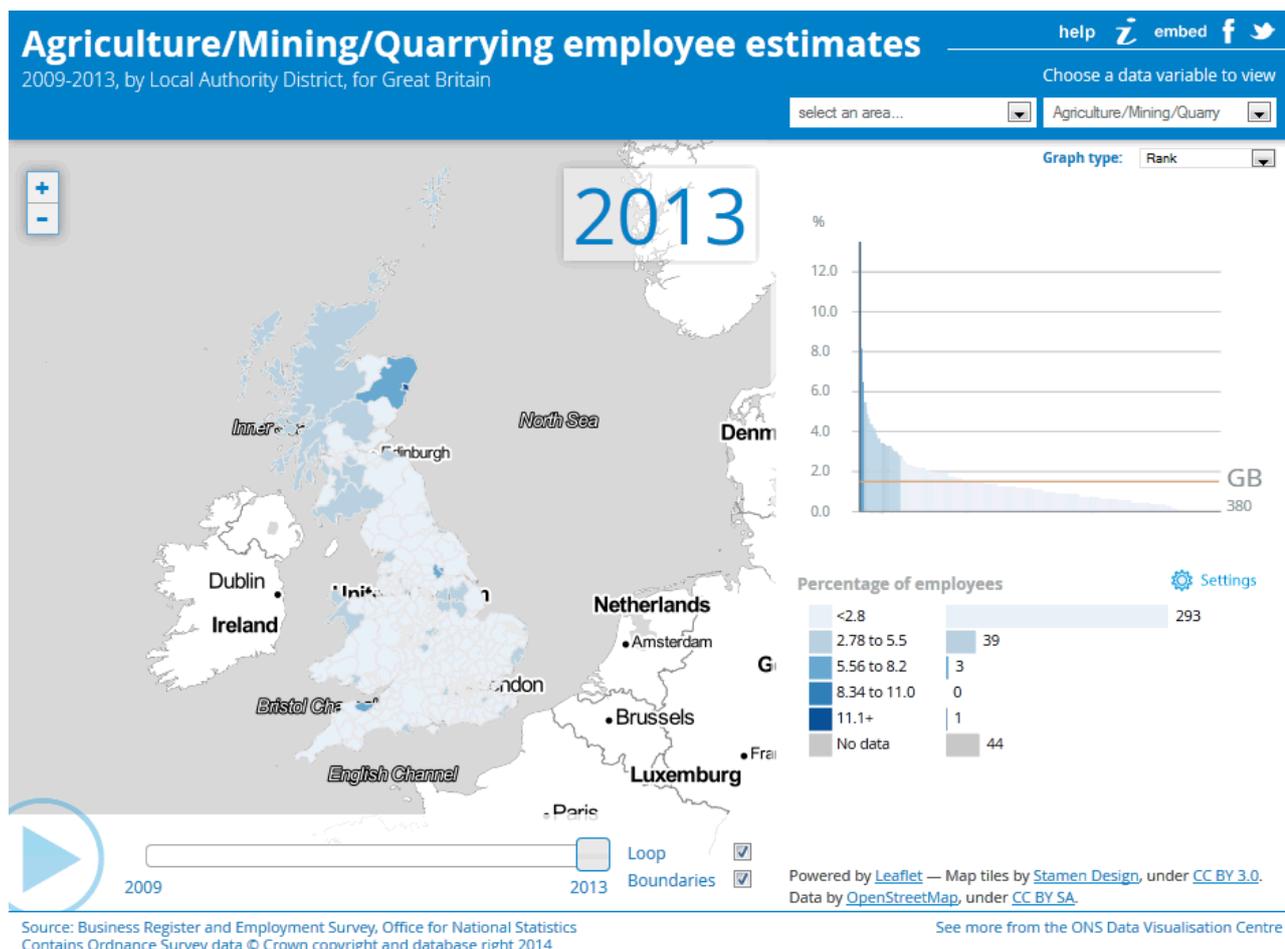
Source: Business Register and Employment Survey (BRES) - Office for National Statistics

Notes:

1. Gives a different way of looking at the increase in the number of employees by region. (Overall regional growth seen in figure 1)

Figure 6 gives a different way of looking at the increase in the number of employees by region. While the overall regional growth seen in figure 1 is susceptible to changes to employees within a particular local authority district, figure 6 looks at the percentage of districts within a region that have shown an increase or a decrease in the number of employees, giving an indication of how well the growth is spread across all districts within the region. For example, we can see that there are four regions that have had a larger percentage of districts that have shown an increase compared with the East of England, whereas in figure 1, only London has a higher percentage increase in the number of employees. This is because, while the districts that have shown an increase in this region far outweigh those that have not, the growth in the East of England is concentrated in fewer districts. Conversely, Yorkshire and The Humber performs better when looking at the data in this way, since the percentage of districts showing an increase is large, even though the overall effect on the growth in the number of employees within this region is not as large as some of the others.

Figure 7: Industrial make-up of local authority district employment



We

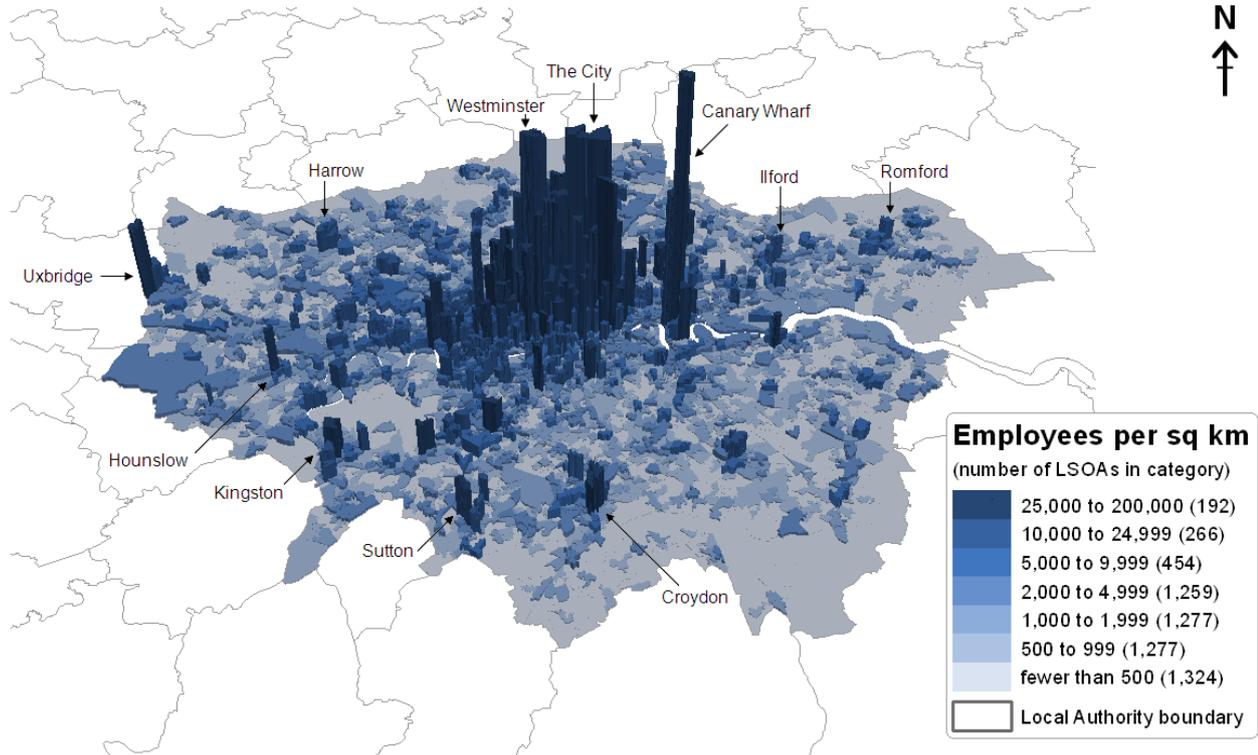
can further investigate change within local authority districts. The [interactive map](#) shows the prevalence of different industry groups within each local authority in Great Britain. Looking at the information in this way shows some interesting patterns about the spatial distribution of industries. Some observations given from the map are:

- The professional, scientific and technical industry group and the information and communication industry group are examples of sectors where activity is spatially concentrated across neighbouring local authority districts. In both these cases, the number of employees is concentrated across a large area of the south of England, particularly London and the South East region
- The finance and insurance sector is an example of a sector that is highly concentrated in small clusters of local authorities. In this case the employment mostly falls within central London
- There are also some industries, for example retail, where the number of employees is not concentrated in particular areas of the country because the industries act to serve local populations and, as a result, tend to be dispersed across the country relatively evenly

6. Focus on London

Figure 8

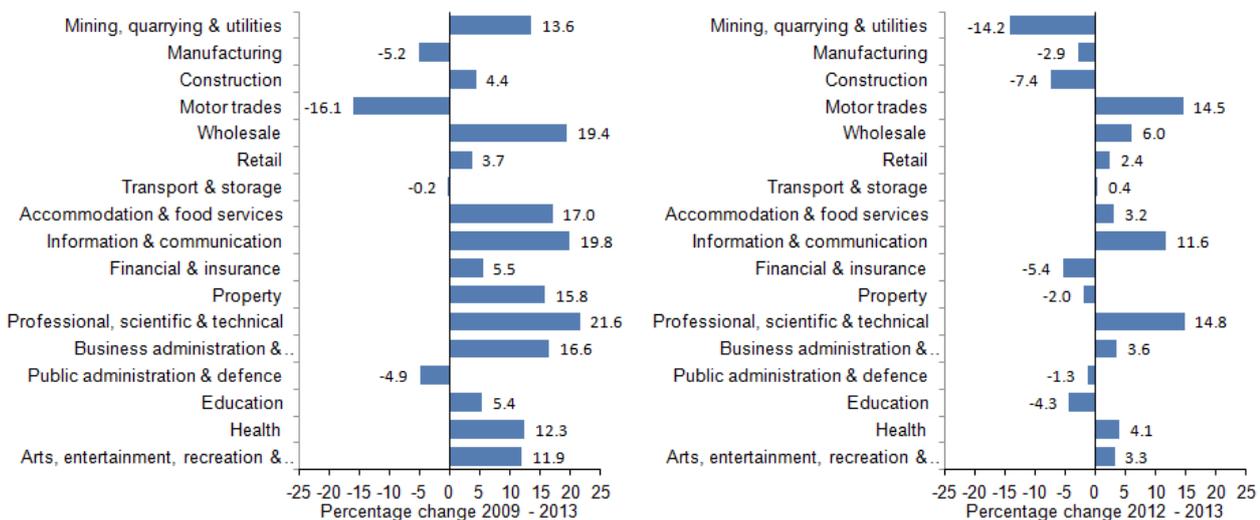
Number of employees (per sq km) in each London LSOA, 2013



Source: Office for National Statistics © Crown copyright and database right 2013
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The map in figure 8 shows employees per square kilometre in London for 2013. The colours represent the different bandings displayed in the legend, while the height of each bar adds some definition, highlighting the area with the greatest concentration of employees.

Figure 9: Percentage change in employees by broad industry group in London: 2009 - 2013 and 2012 - 2013



Source: Business Register and Employment Survey (BRES) - Office for National Statistics

Notes:

1. Gives an indication of what sectors are driving growth in London.

London is the UK region that has shown the highest growth every year since 2009. Figure 9 gives an indication of what sectors are driving this growth. In summary:

- The total number of employees working in London has risen from 4.14m in 2009 to 4.58m in 2013, and most industrial sectors have shown growth in London
- Only four sectors fell, specifically motor trades fell by 16.1%, manufacturing and public administration & defence have fallen by about 5%, and transportation & storage has fallen by a very small amount
- The financial & insurance sector, known for being strong in London, has grown 5.5% between 2009 and 2013, which equates to 18,000 employees. However between 2012 and 2013 there has actually been a fall of -5.4%
- The biggest impacts upon employees in London have been the professional, scientific & technical sector, growing by 21.6% (110,000 employees) over the last four years, followed by business administration & support service activities (16.6%), information & communication (19.8%), health (12.3%), and accommodation & food service activities (17.0%). These five sectors account for 77% of the 439,000 growth in numbers of employees in London over the last four years
- In comparison, the rest of the UK has seen a contraction in the number of finance & insurance employees of 7.7%, and while the professional, scientific & technical, business administration & support service activity, and health did all increase, they only increased at about half the rate of London

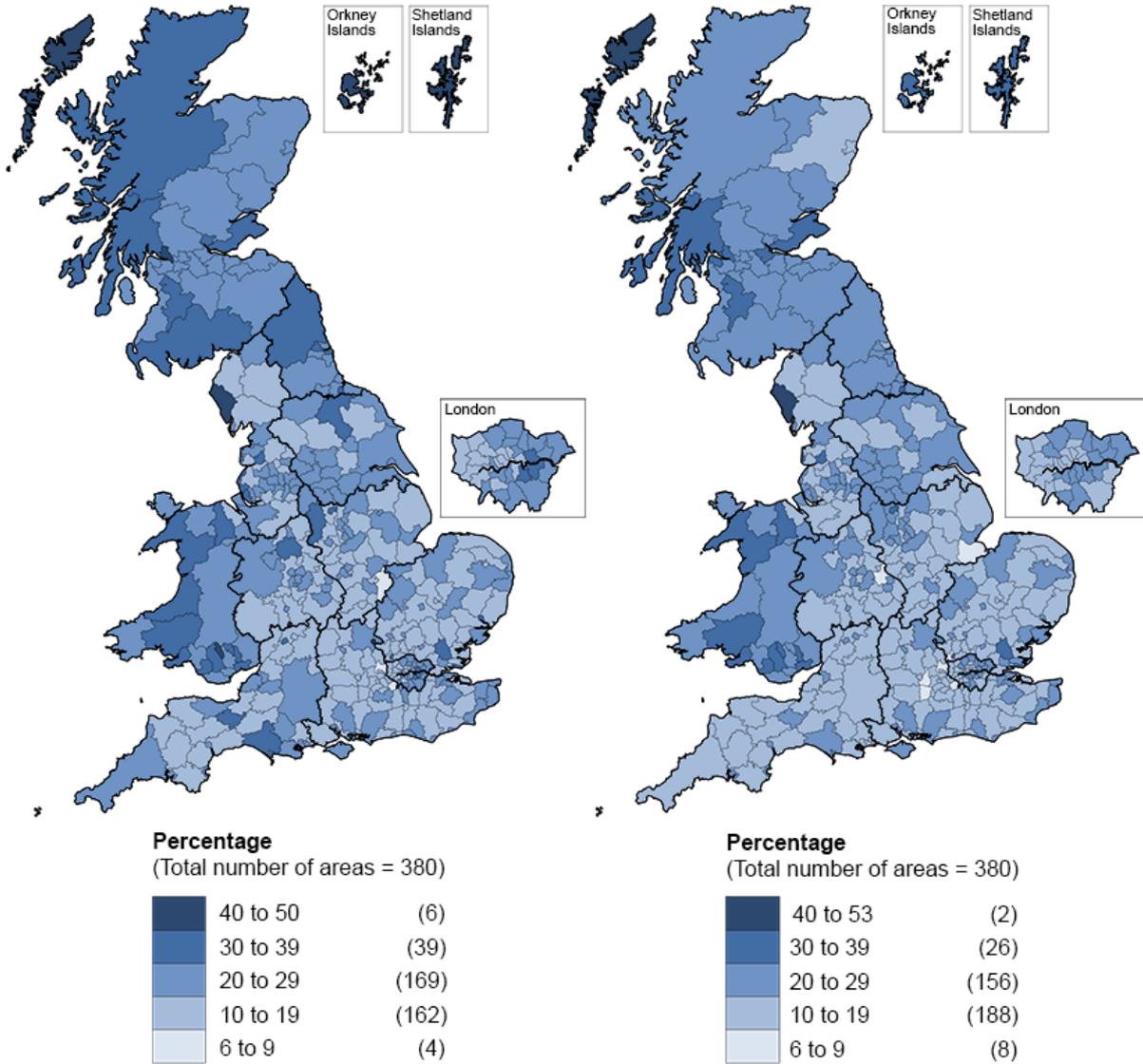
7. Public/private estimates

Figure 10: Percentage of public sector employees by local authority; 2013

Great Britain

2009

2013



Source: Office for National Statistics – Business Register and Employment Survey.
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Figure 10 shows the number of public sector employees as a percentage of total employees by local authority for 2009 and 2013. This clearly shows that there has been a substantial decrease in the proportion of public sector jobs for many local authorities. This is due to a combination of a decrease in the number of public sector employees over this period, along with an increase in the number of private sector employees.

Figure 11: Percentage change in employees by region for the public sector: 2009 – 2013 and 2012 – 2013

United Kingdom



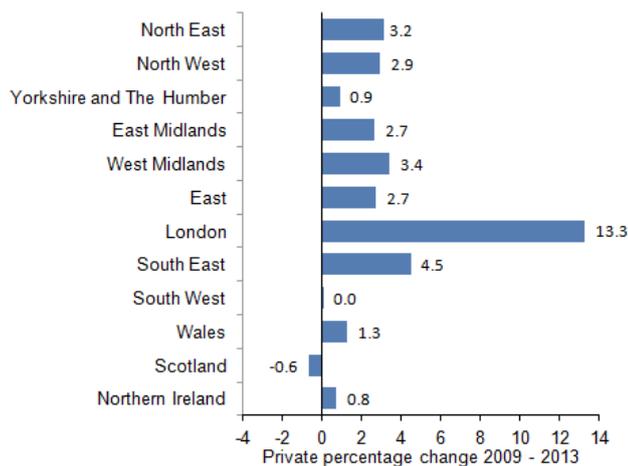
Source: Business Register and Employment Survey (BRES) - Office for National Statistics

Notes:

- Shows the change in public sector employees between 2009 - 2013 and 2012 - 2013 as a percentage by local authority
 - Apart from Wales, all regions have shown a fall in the number of public sector employees between 2009 and 2013. The regions in the North of England (the North East, the North West and Yorkshire and The Humber) and the South West region have shown the largest percentage falls over this period. Between 2012 and 2013, six regions have continued to show a fall in the number of public sector workers, but the remaining six regions have shown an increase
 - Between 2009 and 2013, three quarters of local authority districts saw a decrease in the number of public sector employees, although this reduced to just over a half when comparing 2012 with 2013

Figure 12: Percentage change in employees by region for the private sector: 2009 – 2013 & 2012 – 2013

United Kingdom



Source: Business Register and Employment Survey (BRES) - Office for National Statistics

Notes:

- Shows the change in private sector employees between 2009 - 2013 and 2012 - 2013 as a percentage by local authority
- Between 2009 and 2013, All UK regions have shown an increase in the number of private sector employees with the exception of the South West, which remained static and Scotland, which saw a decrease in the number of private sector employees of 0.6%
- Between 2009 and 2013, London and the South East have shown by far the biggest increase in the number of private sector employees at 449,000 (13.3%) and 138,000 (4.5%) respectively
- Other regions' private sector employees picked up between 2012 and 2013, notably the North West and the South West, which had an increase of 58,000 (2.5%) and 42,000 (2.3%) respectively
- Between 2009 and 2013, two thirds of local authority districts saw an increase in the number of private sector employees, with slightly less than three quarters seeing an increase between 2012 and 2013

8. Background notes

- To support this release a set of tables providing greater geographical and industrial detail is available
- Estimates presented in this release and associated published tables are rounded to prevent disclosure. Differences may exist in totals across tables due to rounding of estimates and disclosure methods used
- For 2013, employee job numbers are estimated as at 13 September
- Sub-regional estimates are based on the county and district geography boundaries at the time the survey sample was selected (August 2013)
- Although this bulletin focuses on employees, BRES collects information on employees and employment (employees plus working owners). BRES therefore includes self-employed workers (within the employment estimates) as long as they are registered for VAT or Pay-As-You-Earn (PAYE) schemes. Self employed people not registered for these, along with HM Forces and Government Supported trainees are not included

6. Employee jobs are allocated to the area in which the businesses completing the survey questionnaire say the employee works. Therefore, geographic estimates are on a work-place basis, and do not reflect where the person lives. Jobs at local hospitals, for example, may be situated in one local authority while the employees/people may reside in another
7. The public sector comprises central government, local government and public corporations. The private sector comprises companies, sole proprietors, partnerships and non-profit bodies
8. An employee is defined as anyone aged 16 years or over that is paid directly from the payroll, in return for carrying out a full-time or part-time job or being on a training scheme. Employment includes employees plus the number of working owners who receive drawings or a share of the profits. Full-time is defined as working more than 30 hours per week with part-time defined as working 30 hours or less per week
9. Farm agriculture data are either provided or taken from existing publications by the Department for Environment, Food and Rural Affairs (DEFRA), the Scottish Government, the Welsh Government and the Department for Agriculture and Rural Development Northern Ireland. These figures are not available for all sub-regions so for consistency they have not been included in estimates below Region level. The figures have only been included at a 2-digit Standard Industrial Classification (SIC) level and above. Where employment in farm agriculture has been included in estimates it has been included within the private sector
10. Alternative employment estimates are available from the Labour Force Survey (LFS) and Workforce Jobs (WFJ). BRES is the primary source for employee estimates at a detailed regional and industrial level. Workforce Jobs will benchmark the private sector employee component to the BRES private sector employee estimates on an annual basis. The WFJ series, which is compiled mainly from surveys of businesses, is the preferred source of statistics when comparing changes in employment over time. The LFS, which collects information mainly from residents of private households, is the preferred source of statistics on employment at the whole economy level. The concept of employment (measured by the LFS as the number of people working at least one hour during the survey reference week) differs from the concept of jobs, since a person can have more than one job, and some jobs may be shared by more than one person. The LFS can also be used to produce estimates of the total number of jobs in the UK, by adding together the headline employment figures (which are equivalent to main jobs) and those for workers with a second job
11. The public sector employee job figures from BRES aggregated to regional or national level will not match those produced from the Public Sector Employment release, which is the recommended source for public sector employment figures. For example, in 2013 the BRES estimates that there were 5.58 million employee jobs in the public sector in the UK. The public sector employment estimates for the UK in the comparable period (2013 Quarter 3) indicate that public sector employment was 5.64 million; a difference of 60,000. The Public Sector Employment figures include HM Forces, whereas BRES does not
12. On 31 May 2012, ONS announced the reclassification of English further education corporations and sixth form colleges to the private sector, as Non-Profit Institutions Serving Households (NPISH), effective from 1 April 2012. As such, employee estimates for English further education colleges and sixth form college corporations are included in ONS estimates of public sector employment for 2011 and earlier years. From 2012 onwards, English further education corporations and English sixth form college employment estimates will be included in the private sector
13. A further breakdown of the number of employees, by region and industry, is provided on the [Nomis website](#) . Employee estimates from the Business Register and Employment Survey can only be viewed on Nomis by applying for access, details of which can be found on the Nomis website
14. Figures are classified to the 2007 revision to the Standard Industrial Classification (SIC). BRES includes breakdowns by public and private sector according to the legal status of employees for National Accounts classification purposes

15. ONS applies statistical methods to the survey returns to ensure that the estimates derived are as representative of the population as possible. Nevertheless, there is still some error associated with these estimates, and ONS measure this by calculating coefficients of variation, which are defined as the ratio of the standard error of an estimate to the estimate itself

For example, an estimate with a CV of 5% will have a standard error that is 5% of the estimate. The smaller the coefficient of variation the greater the accuracy of the estimate. CVs that are greater than or equal to 20% should be used with caution.

CVs are provided within the [published tables](#) that accompany this release.

16. Quality Methodology Information (QMI) for BRES is available on the [ONS website \(300.7 Kb Pdf\)](#)
17. BRES is a sample survey. For the 2013 survey period, approximately 80,000 businesses were sampled for Great Britain. Further details of the sample design can be found in the BRES QMI to be published before the end of November 2014. The response rate for the 2013 BRES survey was 88%. Northern Ireland data was collected independently by the Northern Ireland Statistical and Research Agency (NISRA)
18. The statistical contact for this release is James Tucker (james.tucker@ons.gsi.gov.uk)
19. Details of the policy governing the release of new data are available by visiting www.statisticsauthority.gov.uk/assessment/code-of-practice/index.html or from the Media Relations Office email: media.relations@ons.gsi.gov.uk

These National Statistics are produced to high professional standards and released according to the arrangements approved by the UK Statistics Authority.