

Statistical bulletin

UK business; activity, size and location: 2026

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

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1 . Main points

- There were 2.79 million Value Added Tax (VAT) and/or Pay As You Earn (PAYE) businesses in the UK as of March 2026, an increase of 1.9% from March 2025.
- The number of companies has continued to rise, now representing 77.3% of total UK businesses, while the proportion of sole proprietors and partnerships has fallen to 19.2%.
- The largest industry group is still professional, scientific, and technical, making up 15.3% of all registered businesses in the UK.
- There was an increase in the number of businesses in all regions in March 2026 for the first time since 2017.
- There were 3.2 million sites (local units) in the UK as of March 2026, an increase of 1.6% from 2025.

2 . Increase in the number of businesses

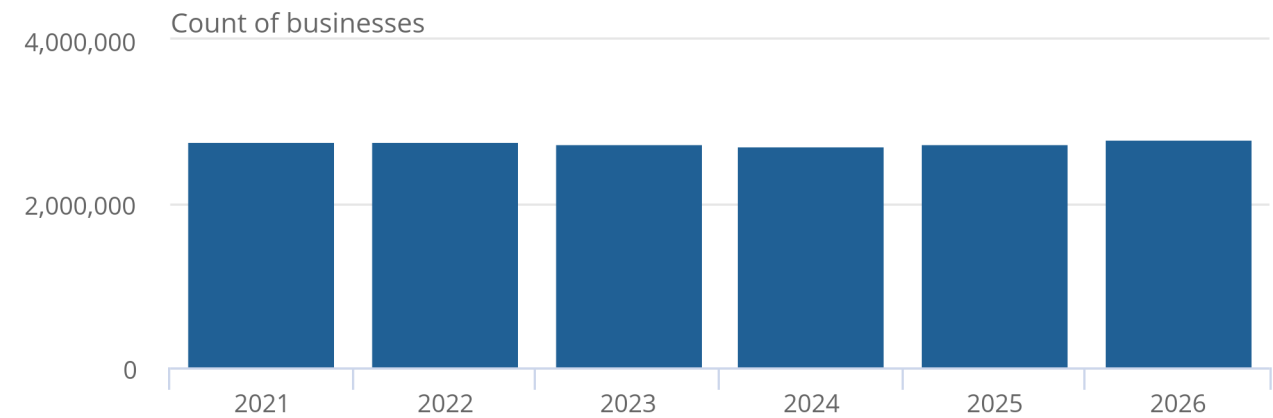
There were 2.79 million Value Added Tax (VAT) and/or Pay As You Earn (PAYE) businesses in the UK as of March 2026.

Figure 1: The number of VAT and/or PAYE businesses in the UK increased by 1.9% in the past year

Number of VAT and/or PAYE based businesses, UK, 2021 to 2026

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Number of VAT and/or PAYE based businesses, UK, 2021 to 2026



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

3 . Sole proprietors and partnerships continue to decrease

Between March 2025 and March 2026, the number of companies increased by 2.8%. Sole proprietors decreased by 0.6%.

Table 1: Count of businesses by status and percentage change on previous year
UK, 2024 to 2026

	2024	%	2025	%	2026	%
1 - Company (including building society)	2,059,120	0.9	2,096,600	1.8	2,155,395	2.8
2 - Sole proprietor	396,740	-4.0	380,520	-4.1	378,410	-0.6
3 - Partnership	167,465	-3.1	160,865	-3.9	156,030	-3.0
4 - Public corporation or nationalised body	175	0.0	165	-5.7	180	9.1
5 - Central government	3,470	5.8	3,350	-3.5	3,205	-4.3
6 - Local authority	9,060	0.3	9,115	0.6	9,260	1.6
7 - Non-profit body or mutual association	88,740	0.4	84,000	-5.3	84,505	0.6
Total	2,724,770	-0.1	2,734,615	0.4	2,786,985	1.9

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

Notes

1. Please note that figures may not sum because of rounding.

Table 2 shows the share of the total number of businesses by legal status. The proportion of companies has continued to rise and now represents 77.3% of total UK businesses.

Table 2: Percentage of businesses by status
UK, 2024 to 2026

	2024	%	2025	%	2026	%
1 - Company (including building society)	2,059,120	75.6	2,096,600	76.7	2,155,395	77.3
2 - Sole proprietor	396,740	14.6	380,520	13.9	378,410	13.6
3 - Partnership	167,465	6.1	160,865	5.9	156,030	5.6
4 - Public corporation or nationalised body	175	0.0	165	0.0	180	0.0
5 - Central government	3,470	0.1	3,350	0.1	3,205	0.1
6 - Local authority	9,060	0.3	9,115	0.3	9,260	0.3
7 - Non-profit body or mutual association	88,740	3.3	84,000	3.1	84,505	3.0
Total	2,724,770	100	2,734,615	100	2,786,985	100

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

Notes

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Of the 2.2 million companies, 43.0% are single-employee limited companies. The professional, scientific, and technical, and the construction industries together account for almost two-fifths of these companies. However, both industries have seen a small decrease in this type of business.

4 . Professional, scientific, and technical industry accounts for the largest share of businesses

The professional, scientific, and technical industry accounted for the largest number of businesses, with 15.3% of all registered businesses in the UK.

Table 3: Number of VAT and/or PAYE businesses by broad industry group
UK, 2024 to 2026

		Count to nearest thousand					
		2024	%	2025	%	2026	%
Agriculture, forestry and fishing		141	5.2	141	5.2	140	5.0
Production		148	5.4	147	5.4	145	5.2
	Mining, quarrying and utilities	16	0.6	17	0.6	17	0.6
	Manufacturing	132	4.9	130	4.8	128	4.6
Construction		380	14.0	385	14.1	393	14.1
Wholesale and retail; repair of motor vehicles		398	14.6	396	14.5	402	14.4
	Motor trades	82	3.0	83	3.0	85	3.0
	Wholesale	102	3.7	101	3.7	101	3.6
	Retail	215	7.9	213	7.8	216	7.7
Transport and storage (including postal)		117	4.3	114	4.2	119	4.3
Accommodation and food services		174	6.4	177	6.5	181	6.5
Information and communication		188	6.9	188	6.9	191	6.8
Finance and insurance		59	2.2	56	2.1	59	2.1
Property		118	4.3	122	4.5	130	4.7
Professional, scientific and technical		418	15.3	420	15.3	428	15.3
Business administration and support services		227	8.3	222	8.1	219	7.8
Public administration and defence		8	0.3	8	0.3	8	0.3
Education		48	1.8	49	1.8	52	1.9
Health		114	4.2	117	4.3	122	4.4
Arts, entertainment, recreation and other services		188	6.9	192	7.0	199	7.2
Total		2,725	100	2,735	100	2,787	100

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

Notes

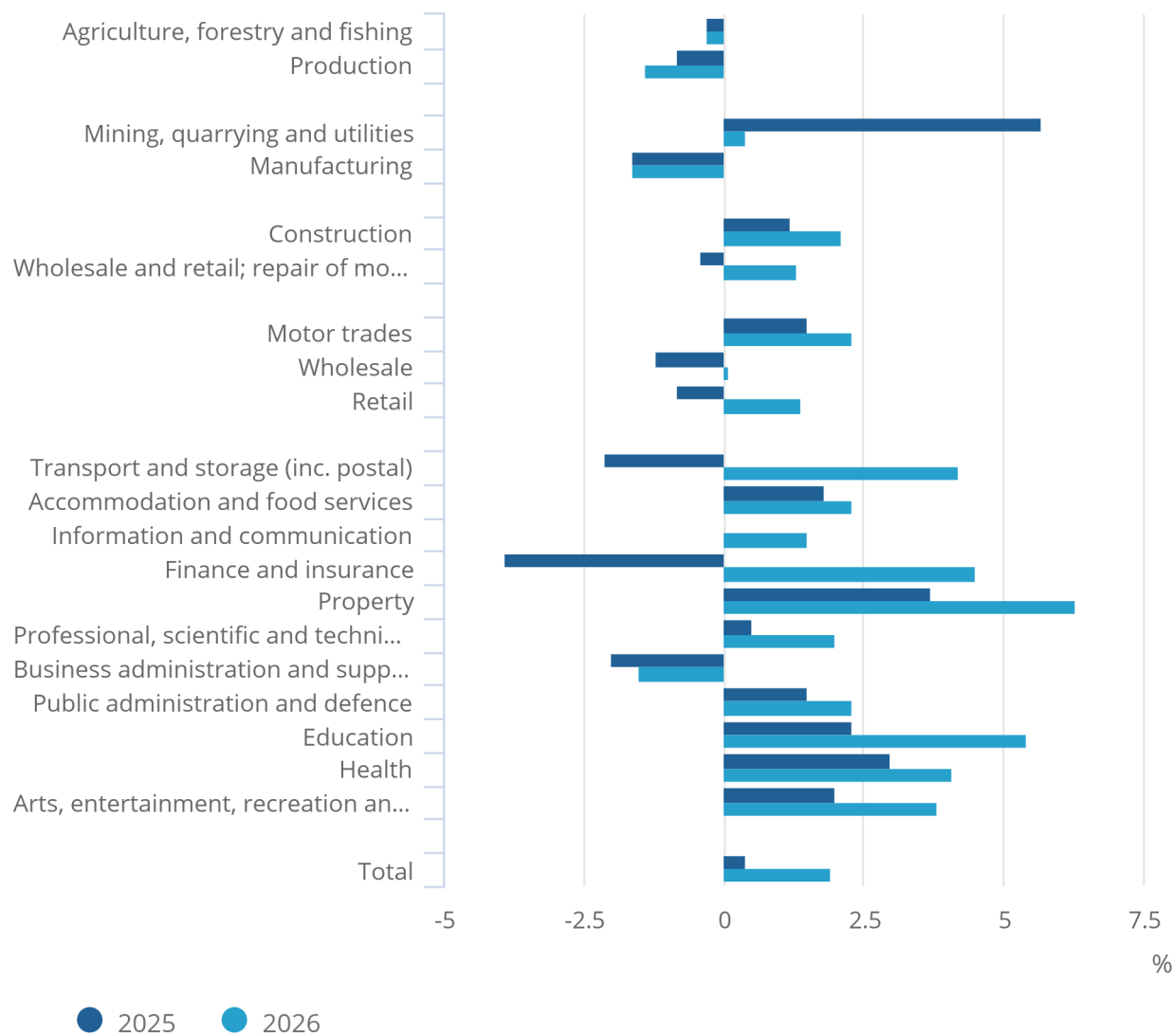
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Figure 2: The property industry showed the largest percentage increase in businesses

Percentage change in businesses by broad industry group, UK, 2025 to 2026

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Percentage change in businesses by broad industry group, UK, 2025 to 2026



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

The largest percentage increase in March 2026 was in the property industry, at 6.3%, compared with March 2025. The number of businesses in this industry has risen every year since 2012. Within the property industry, the Standard Industrial Classification (SIC) with the largest growth in businesses was buying and selling of own real estate, up 10.0%.

Over the period from 2012 to 2026, there has been a significant increase in the number of single-person limited companies in property. In 2012, they represented 28.0% of all property businesses, which has risen to 42.0% in 2026.

The second largest percentage increase was in the education industry, at 5.4%. Within the education industry, the SIC with the largest growth was educational support activities, up 12.5% on March 2025.

5 . All regions in the UK saw an increase in the number of businesses

All regions in the UK showed an increase in the number of businesses between 2025 and 2026. This is the first time since 2017 that all regions have increased.

Table 4 shows the number of businesses in each region, along with the region's share of the UK total.

Table 4: Number of VAT and/or PAYE businesses by region
UK, 2024 to 2026

	Count to nearest thousand					
	2024	%	2025	%	2026	%
North East	72	2.6	73	2.7	74	2.7
North West	266	9.8	266	9.7	272	9.8
Yorkshire and The Humber	190	7.0	191	7.0	194	7.0
East Midlands	182	6.7	181	6.6	184	6.6
West Midlands	216	7.9	216	7.9	220	7.9
East	270	9.9	271	9.9	277	9.9
London	531	19.5	538	19.7	553	19.8
South East	404	14.8	405	14.8	412	14.8
South West	236	8.7	235	8.6	238	8.5
Wales	105	3.9	105	3.8	106	3.8
Scotland	172	6.3	173	6.3	176	6.3
Northern Ireland	79	2.9	80	2.9	82	2.9
Total	2,725	100	2,735	100	2,787	100

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

Notes

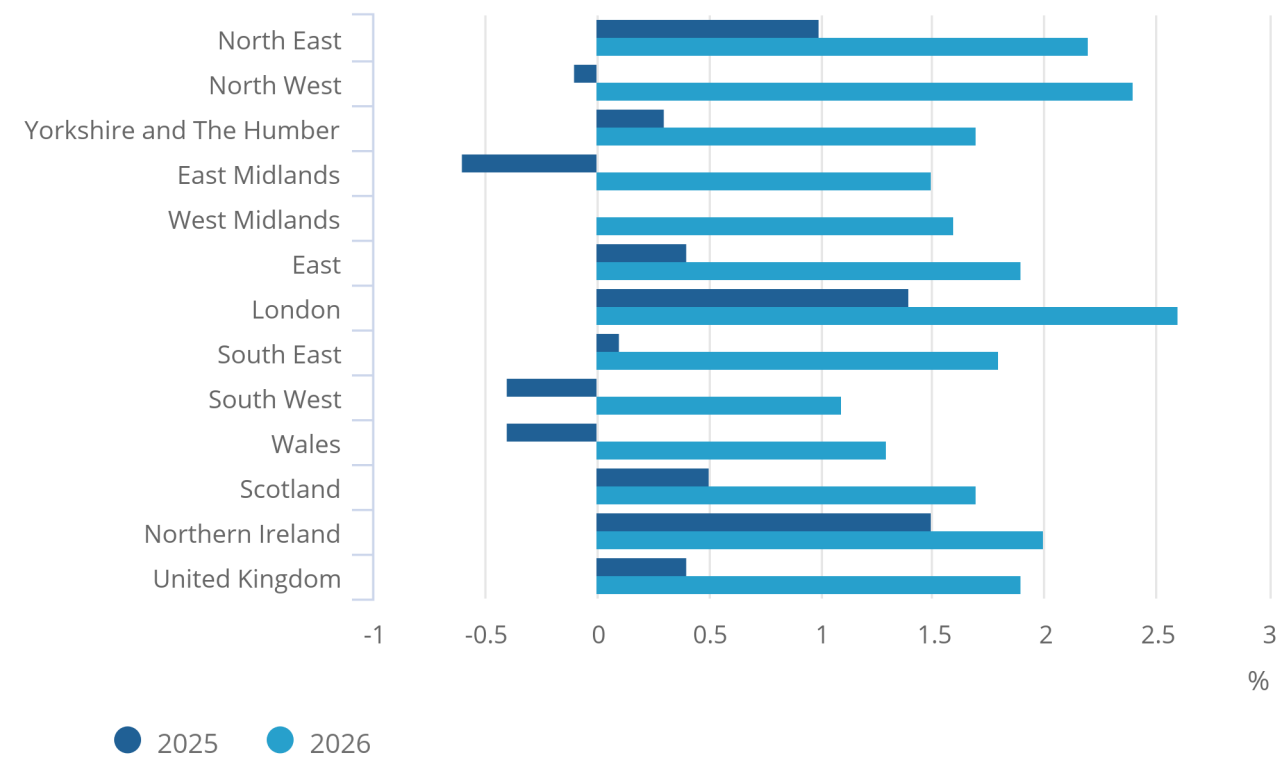
1. Please note that figures may not sum because of rounding.

Figure 3: All regions in the UK showed an increase in the number of businesses

Percentage change in the number of businesses by region, UK, 2025 to 2026

Figure 3: All regions in the UK showed an increase in the number of businesses

Percentage change in the number of businesses by region, UK, 2025 to 2026



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

The largest percentage increase in the number of businesses between 2025 and 2026 was in London, which saw an increase of 2.6%. This growth was mainly led by the professional scientific and technical, and the property industries.

The North West had the second largest increase, of 2.4%, from a decrease of 0.1% in 2025. The largest percentage increase within this region was in the property industry, up 7.5% (over 900 businesses).

Please note that, for various reasons, multiple business registrations can be recorded at a single address, which can distort figures for smaller geographical areas. More information is available in our [Multiple business registrations at a single postcode methodology](#).

6 . Increase in the number of sites

The number of sites has continued to increase and is up 1.6% in 2026. Out of the 2.787 million Value Added Tax (VAT) and/or Pay As You Earn (PAYE) businesses, only 57,975 operate from more than one site. Out of these businesses, the industry with the biggest increase in sites was professional, scientific, and technical, with an increase of 70 sites. The largest decreases were in retail and health, both with a drop of 90 sites.

Table 5: Number of VAT and/or PAYE businesses and their associated local units
UK, 2026

Number of local units						
	1	2 to 4	5 to 9	10 to 19	20 or more	Total
Business	2,729,010	45,290	6,970	2,960	2,755	2,786,985
Local units	2,729,010	108,015	44,365	39,335	311,690	3,232,415

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

Notes

1. Please note that figures may not sum because of rounding.

7 . Data on UK business

[UK business: activity, size, and location](#)
Dataset | Released 24 September 2026
Numbers of enterprises and local units produced from a snapshot of the Inter-Departmental Business Register (IDBR) taken on 13 March 2026.

8 . Glossary

Business

For this release, the term "business" is used to represent an enterprise.

Company

Companies are businesses that are legally separate entities from the owners. These owners have limited liability, meaning they are not wholly responsible for losses and debts.

Enterprise

An enterprise is an organisational unit producing goods or services, which has a certain degree of autonomy in decision-making.

Inter-Departmental Business Register

The Inter-Departmental Business Register (IDBR) is a comprehensive list of UK businesses used by government for statistical purposes. The IDBR provides the main sampling frame for surveys of businesses carried out by the Office for National Statistics (ONS) and other government departments. It is also an important data source for analyses of business activities.

The two main sources of input are Value Added Tax (VAT) and Pay as You Earn (PAYE) records from HM Revenue and Customs (HMRC). Additional information comes from Companies House, Dun and Bradstreet, and ONS business surveys.

Local unit

A local unit is an individual site (for example a factory or shop) within an enterprise.

Partnerships

A business run by two or more self-employed people.

Public corporations

A public corporation is a market body that is controlled by central government, local government, or other public corporations and which has substantial day-to-day operating independence, so that it is seen as an institutional unit separate from its parent departments.

Sole proprietors

A business run by one self-employed person.

9 . Data sources and quality

Measuring the data

Our [UK business: activity, size and location quality and methodology information \(QMI\)](#) contains important information on:

- the strengths and limitations of the data and how it compares with related data
- quality characteristics
- users and uses of the data
- how the output was created
- accessibility and characteristics

Strengths and limitations

The figures for this release are produced from an extract taken from the Inter-Departmental Business Register (IDBR), recording the position of businesses on 13 March 2026, in line with the same timing of all previous releases of this publication.

This publication represents the businesses registered with HM Revenue and Customs (HMRC) for Value Added Tax (VAT) and/or Pay As You Earn (PAYE). The Department for Business, Innovation, Science and Trade (DBIST) produces [Business population estimates](#), which provides full coverage of all types of businesses in the UK, including an estimate of the unregistered business population.

Numerous breaks in the methodology of the IDBR exist over time. In late 2025, we introduced a new tool for coding business descriptions to the Standard Industrial Classification (SIC). The new tool, called ClassifAI, represents an upgrade on the previous tool, called Gcode, in terms of ease of use and in overall quality. This means that there are some changes at detailed industry level, but comparisons between the two systems have shown a 93% agreement between them at the five-digit industry level.

Please note the figures in the statistical bulletin tables use disclosure methods and are rounded individually. Therefore, the sum of component items may be slightly different than the totals shown.

10 . Related links

[Business population estimates](#)

Collection | Last updated 2 October 2025

UK Government's annual business population estimates for the UK and regions in 2025.

[Business demography UK: 2024](#)

Bulletin | Released 20 November 2025

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

[Business demography, quarterly, UK](#)

Dataset | Released 30 July 2026

Business births and deaths from the Inter-Departmental Business Register with high-level breakdowns by industry and region. Quarterly official statistics in development.

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

Article | Released 20 November 2025

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

11 . Cite this statistical bulletin

Office for National Statistics (ONS), released 24 September 2026, ONS website, statistical bulletin, [UK business; activity, size and location: 2026](#)