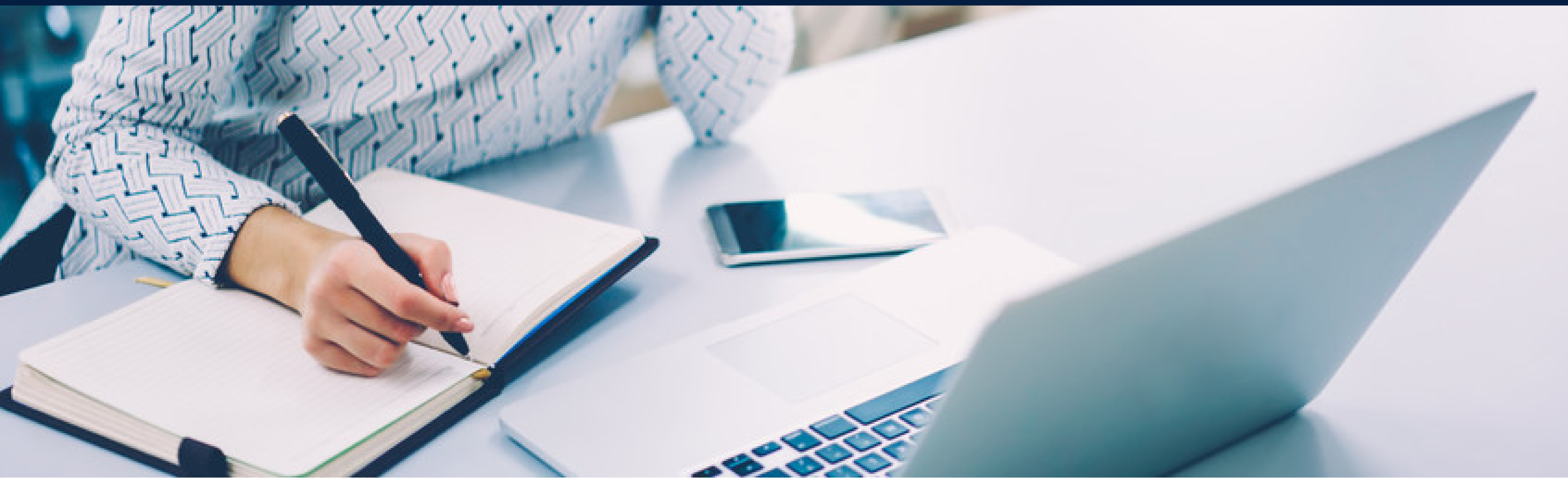
ENTERPRISE DASHBOARD

User Briefing Paper Issue 1
September 2024



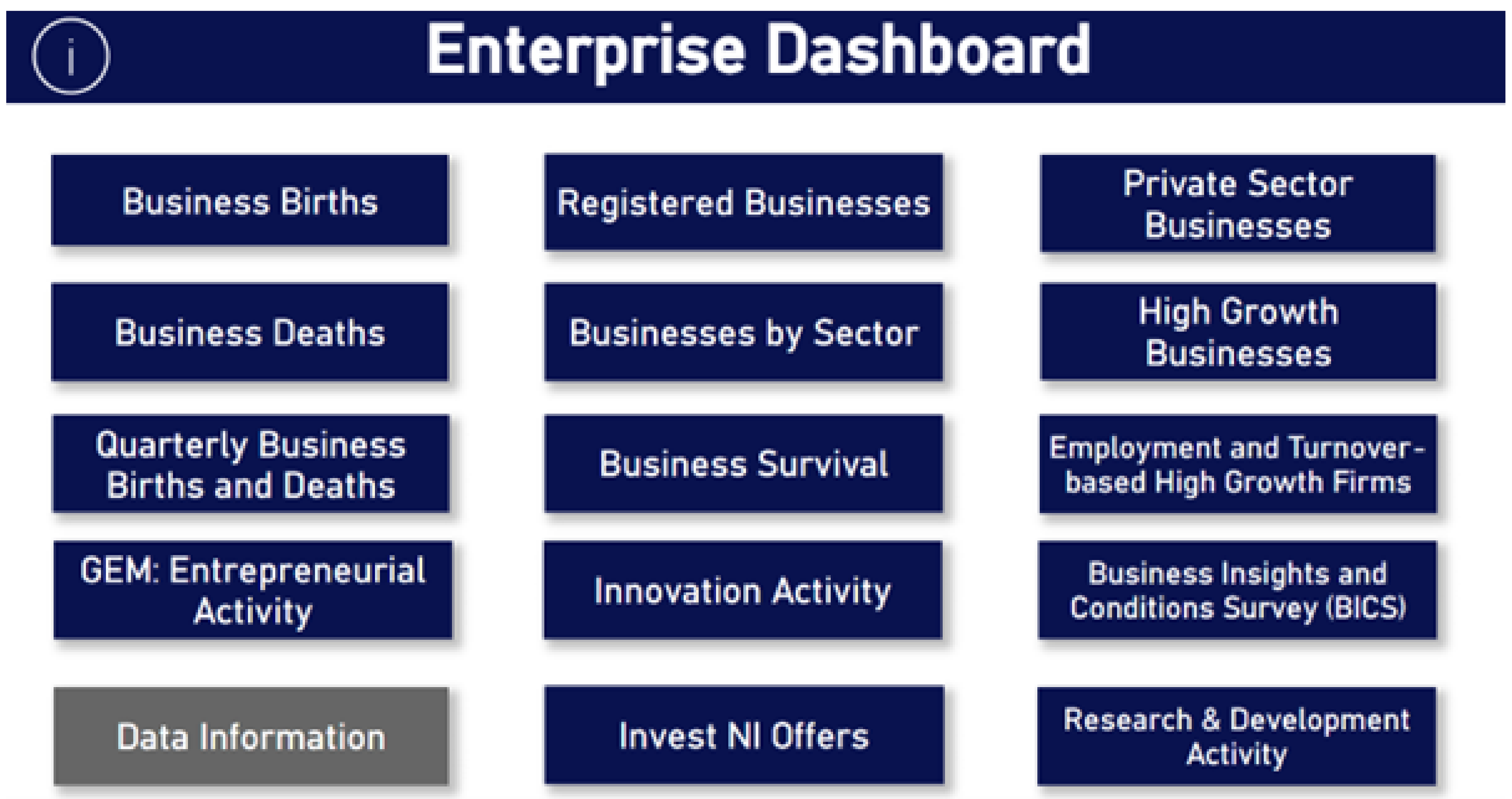
Introduction

Ulster University Economic Policy Centre (UUEPC) developed an interactive Enterprise Dashboard in 2022 designed to monitor a wide range of enterprise indicators for the Northern Ireland (NI) and wider UK economy.

Since then the Dashboard has continued to be developed and now boasts 14 tabs on a range of business statistics including business births, deaths and survival, entrepreneurship, innovation, research and development, and high-growth firms. These tabs present trends at a sectoral and Local Government District (LGD) level along with comparisons to the other UK regions.

This briefing paper aims to highlight key points from across each of the 14 tabs of the Enterprise Dashboard to provide an overview of NI's business landscape.

Enterprise Dashboard Homepage



All of the information, and charts, within this briefing paper are available in the Enterprise Dashboard here.

Private Sector Businesses

Private Sector Overview

In NI in 2023, there were an estimated 122,100 businesses in the private sector- that is companies, sole proprietors and partnerships, and excluding Government and non-profit organisations (Figure 1). The total number of private sector businesses fell by 5% between 2022-23 and the number was down considerably from the peak of 148,300 in 2020.

The peak in 2020 coincided with the pandemic and can be seen (in Figure 2) to be due to a sharp increase in the number of businesses with no employees. The number of these non-employer businesses has subsequently returned to pre-pandemic levels, at 82,900, in 2023.

The number of employer businesses i.e. businesses with employees has continued to increase since 2020, to 39,200 in 2023 32% of the total.

The largest number of private sector businesses in 2023, 18% of the total, was in the Construction sector, at 22,425, followed by Agriculture with 19,230 businesses, 16% of the total.

Figure 1: All Private Sector Businesses by Year, NI
Source: Dept. of Business and Trade, Business Population Estimates

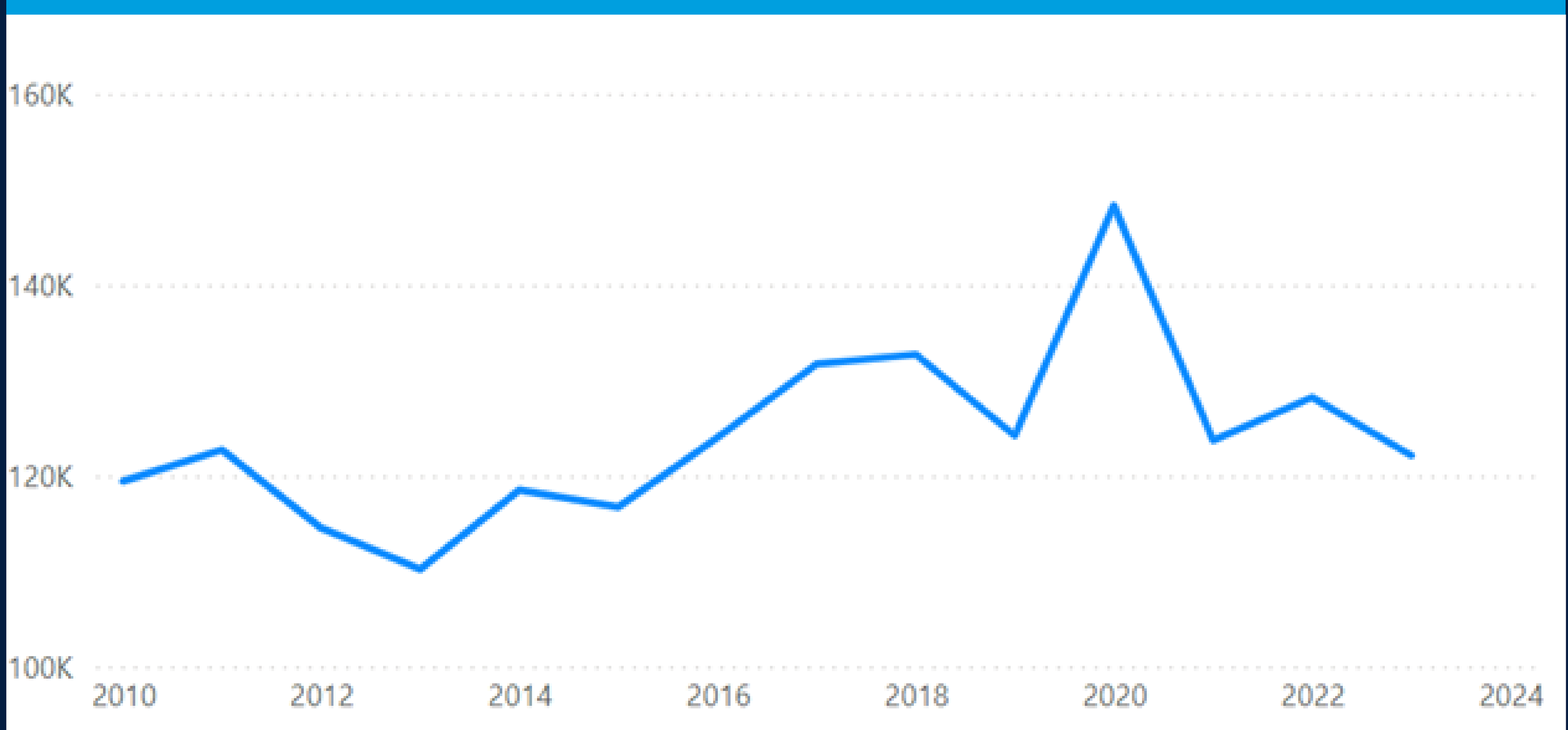
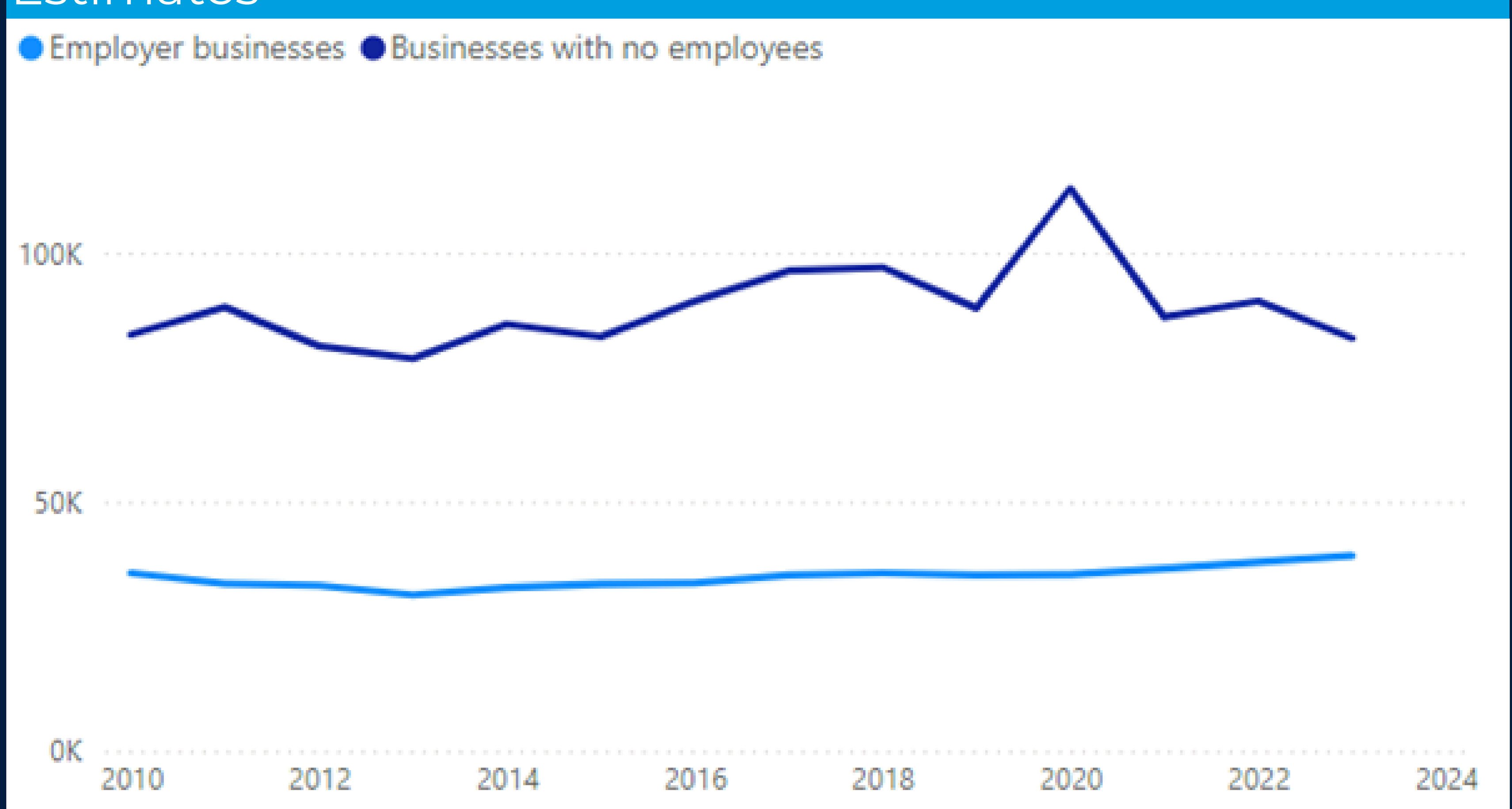


Figure 2: Employer and non-employer businesses by year, NI
Source: Dept. of Business and Trade, Business Population Estimates



Employment in the Private Sector

Employment in private sector businesses in NI totalled 556,000 in 2023. The largest sector in terms of employment was Wholesale and Retail, employing 100,000 individuals in 2023, or 18% of the total. This was also the case in the UK where this sector employed 18% of private sector employees.

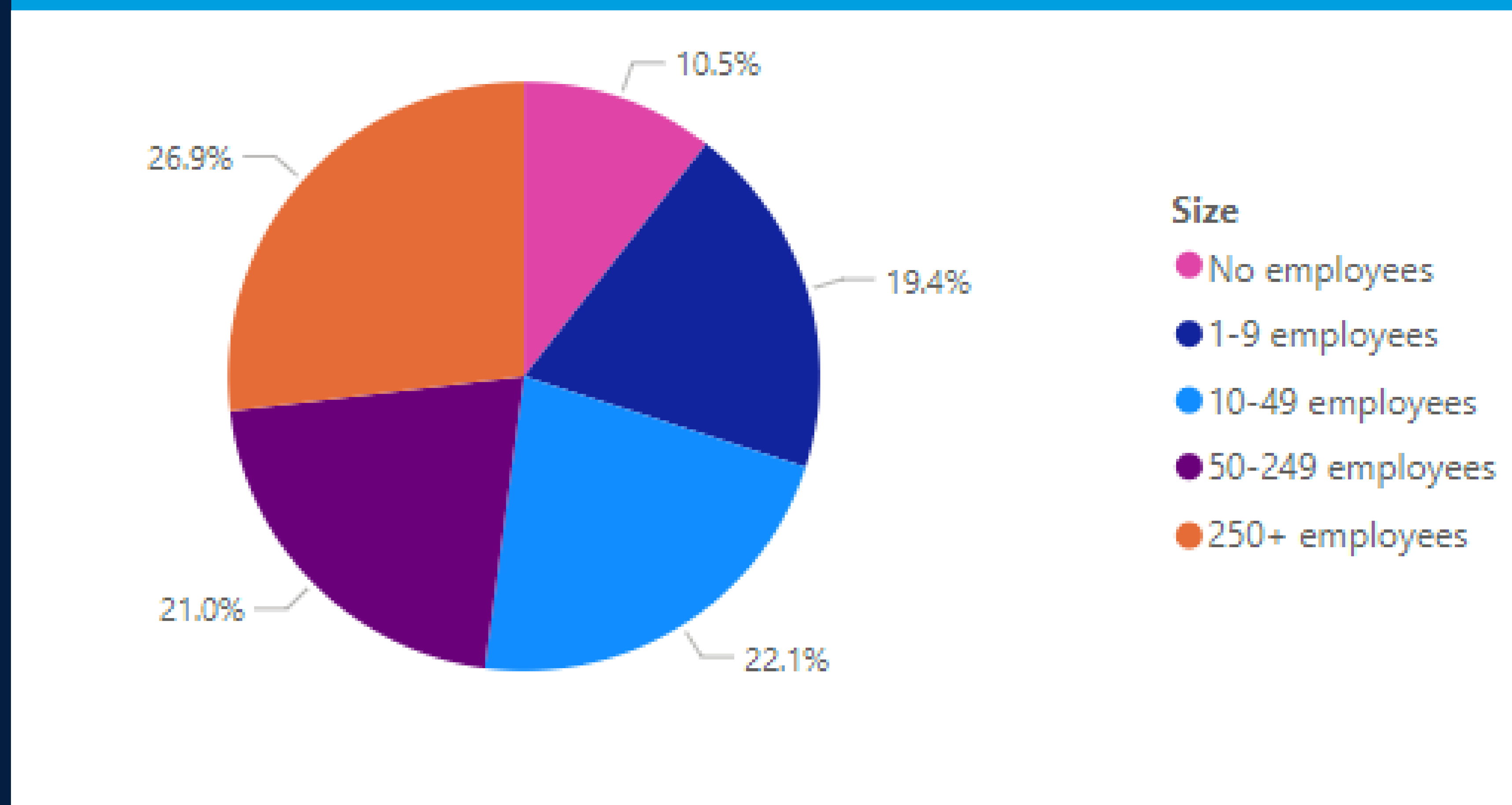
For NI, the second largest sector was Manufacturing accounting for 94,000 employees, or 17% of private sector employees. In the UK, Administration and Support was the second largest sector with 11% of private sector employees.

Private Sector Turnover

The total turnover from NI's private sector was £78.2m in 2023. The largest share, or 27%, of this was contributed by businesses with 250+ employees (Figure 3), followed by 22% from businesses with 10-49 employees.

In comparison, 47% of the UK's private sector turnover comes from businesses with 250+ employees, followed by 17% from businesses with 50-249 employees showing the dominance of larger businesses across the rest of the UK.

Figure 3: Contribution (%) to NI turnover by size of business
Source: Dept. of Business and Trade, Business Population Estimates



In terms of the sectoral contribution to turnover in NI, Wholesale and Retail had a turnover of £25.3m in 2023, 32% of the total. This was followed by Manufacturing with £16.7m, 21% of the total.

In the UK these sectors were also the largest contributors to private sector turnover in 2023, contributing 34% and 14% respectively.

Registered Businesses

Total Registered Business

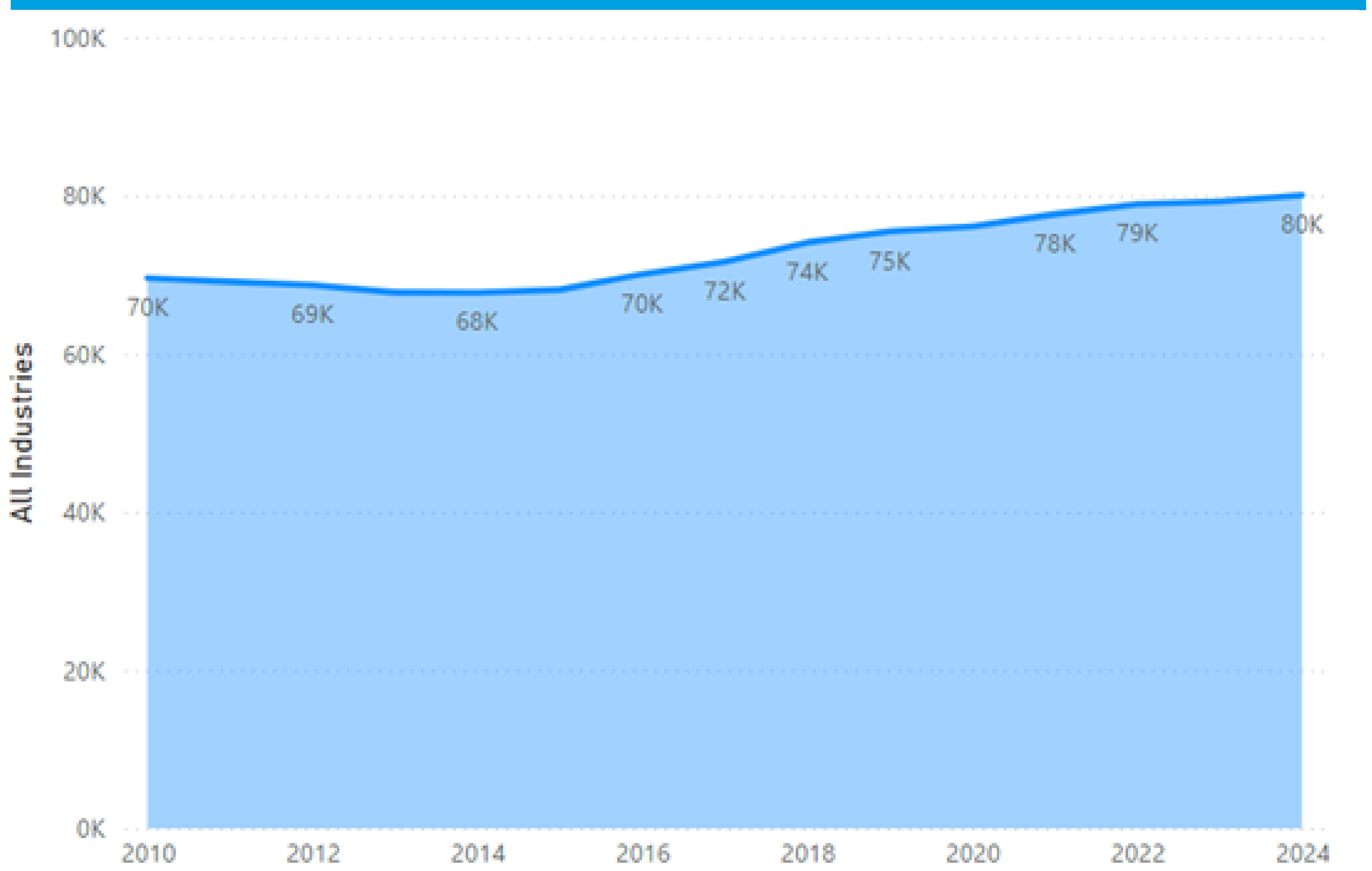
Registered businesses refers to those registered with HM Revenue and Customs (HMRC) for Value Added Tax (VAT) and/or Pay As You Earn (PAYE).

In NI there are 80,045 (Figure 4) registered businesses in 2024, an increase of 810, or 1%, from 2023.

In NI, 90% of registered businesses are micro-businesses i.e. have less than 10 employees. Only 5% have 10-19 employees, 3% have 20-49 employees and 2% have 50-249. Consequently NI is dominated by a small business population with just 0.4% of businesses having 250+ employees.

In terms of turnover, 23% of businesses have a turnover of £0-49k, 17% have a turnover of £50-99k and 26%, have a turnover from £100-249k. The remaining 44% of businesses have a turnover greater than £250k.

Figure 4: Total Number of Registered Businesses, NI
Source: NISRA, Inter-Departmental Business Register

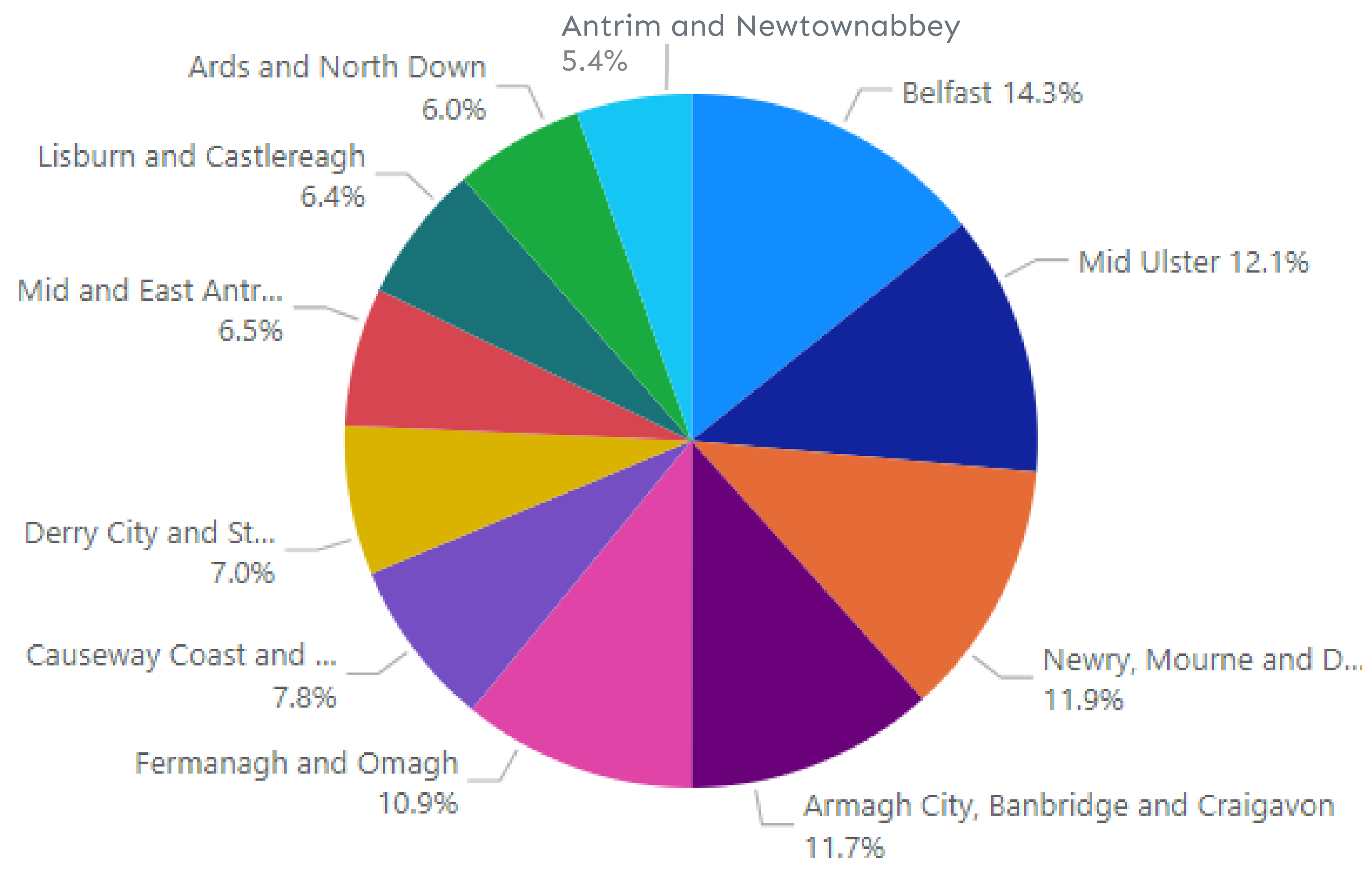


Registered Businesses by Local Government District (LGD)

In terms of location, 11,445, or 14%, of all registered businesses are in Belfast in 2024 (Figure 5) of which 81% have an employment size of 0-9. This is followed by Mid Ulster and Newry, Mourne & Down with these LGDs each accounting for 12% of businesses. These locations are also dominated by micro-firms with 92% of businesses having 0-9 employees in both areas equally.

Meanwhile, Antrim & Newtownabbey have 4,290, or 5%, of registered businesses (the lowest share). However this is an increase of 70 businesses since 2023. Lisburn & Castlereagh have experienced the largest decrease of 85 businesses over the year, reducing their total to 5,155 in 2024.

Figure 5: % of total businesses by NI LGD
Source: NISRA, Inter-Departmental Business Register



Business Ownership

In 2024 97%, or 77,780, of registered businesses operating in NI are under NI ownership. These NI owned businesses employ 75% of all employees.

Meanwhile, 865 registered businesses are owned in the 'Rest of the World' (outside GB and EU), an increase from 365 in 2014. This is followed by 760 businesses with GB ownership, 405 with RoI ownership and 240 from the EU (excluding RoI). (Figure 6 shows the dispersal of business ownership by country.)

Non-UK owned businesses employ nearly 116k people in NI in 2024, up from 104k in 2023. 28% of these employees are employed by firms with USA ownership, followed by 14% from RoI and 11% from the Isle of Man.

Figure 6: Businesses operating in NI by country of ownership
Source: NISRA, Inter-Departmental Business Register

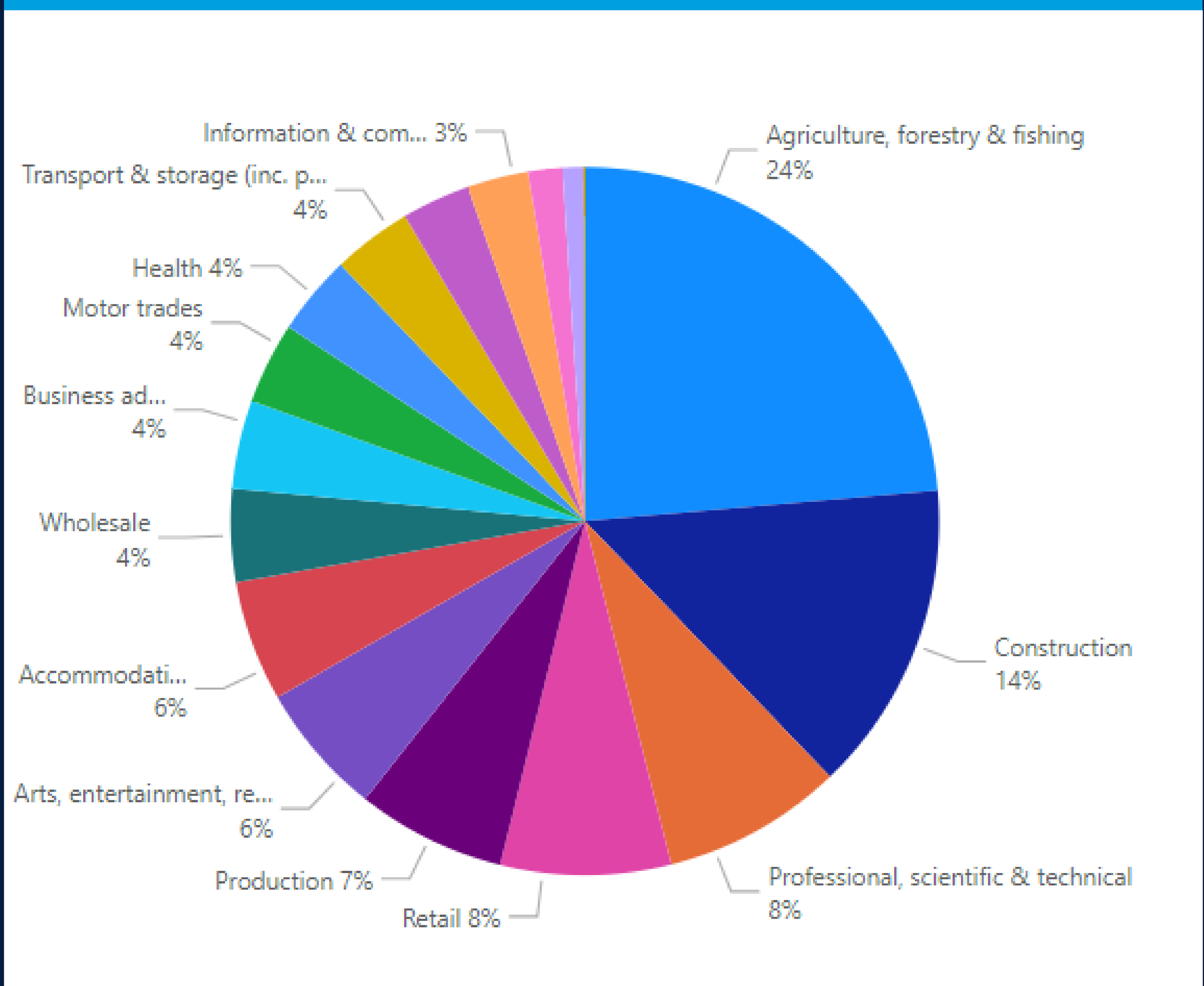
Business by Sector

NI's Largest Sectors

Within the registered business population Agriculture, Forestry, & Fishing is the largest sector accounting for 18,910, or 24%, of the total in 2024 (Figure 7). This is an increase of 265 businesses since 2023, the largest increase across the sectors. This is followed by Construction with 11,375, or 14%, of registered businesses, an increase of 180 businesses since 2023.

The largest contraction in numbers was in the Transport & Storage sector, which declined by 7% to 2,900 businesses in 2024.

Figure 7: Broad Industry group as % of NI Total
Source: NISRA, Inter-Departmental Business Register



Employment and Turnover by Sector

Employment within NI's Agriculture businesses continues to be dominated by micro-businesses as 99% have 0-9 employees.

Meanwhile, 52% of Agriculture businesses have a turnover from £0-49k followed by 15% (equally) having turnover between £50k-£99k and £100k-249k.

Public Administration and Defence, despite having the lowest number of registered businesses, is large in terms of its employment size as 36% of these organisations employ 250+ individuals. Additionally, 72% have a turnover greater than £1 million.

Sector Distribution by LGD

Amongst the LGDs, Agriculture continues to dominate, for instance in Fermanagh & Omagh and Mid Ulster, 45% and 35% of businesses in these areas are within this sector, respectively. Unsurprisingly in Belfast, Agriculture accounts for less than 1% of businesses. Instead, the Professional, Scientific, & Technical sector is the largest sector accounting for 17% of businesses, followed by 10% in Arts, Entertainment & Other Services and 10% in Retail.

Agriculture and Construction are the top two sectors across all LGDs, with the exception of Belfast, combined accounting for between 24% and 58% of businesses across the other council areas.

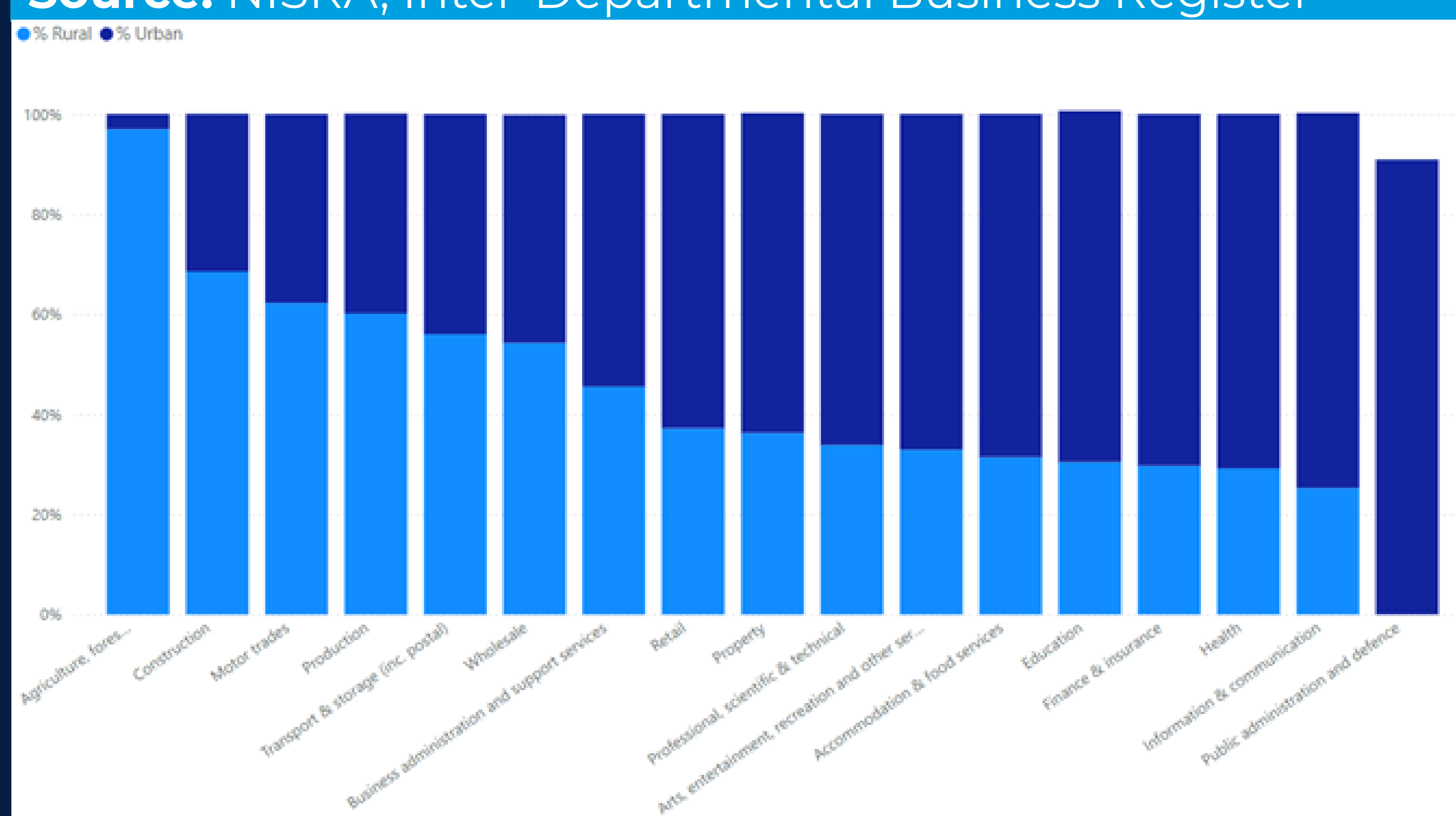
Urban vs Rural Distribution [1]

Rural and urban location varies by sector. As expected, Agriculture has the highest proportion of business located rurally at 97% (Figure 8). This is followed by 69% of Construction businesses also being rural.

Conversely, 91% of Public Administration & Defence businesses are in urban settings (none are noted in rural areas), followed by 75% of ICT businesses also being urban.

In terms of the size of businesses by urban and rural location all sectors, with the exception of Public Administration & Defence, are dominated by micro-businesses.

Figure 8: % Urban and % Rural businesses by broad industry group
Source: NISRA, Inter-Departmental Business Register



1 Rural businesses have been defined using the Urban/Rural split of settlement based on postcodes from the Central Postcode Directory. Settlements of less than 5,000 are classed as Rural.

Business Births and Business Deaths

Business Births

A business birth refers to new registrations (for VAT and/or PAYE) on the Inter-departmental Business Register (IDBR).

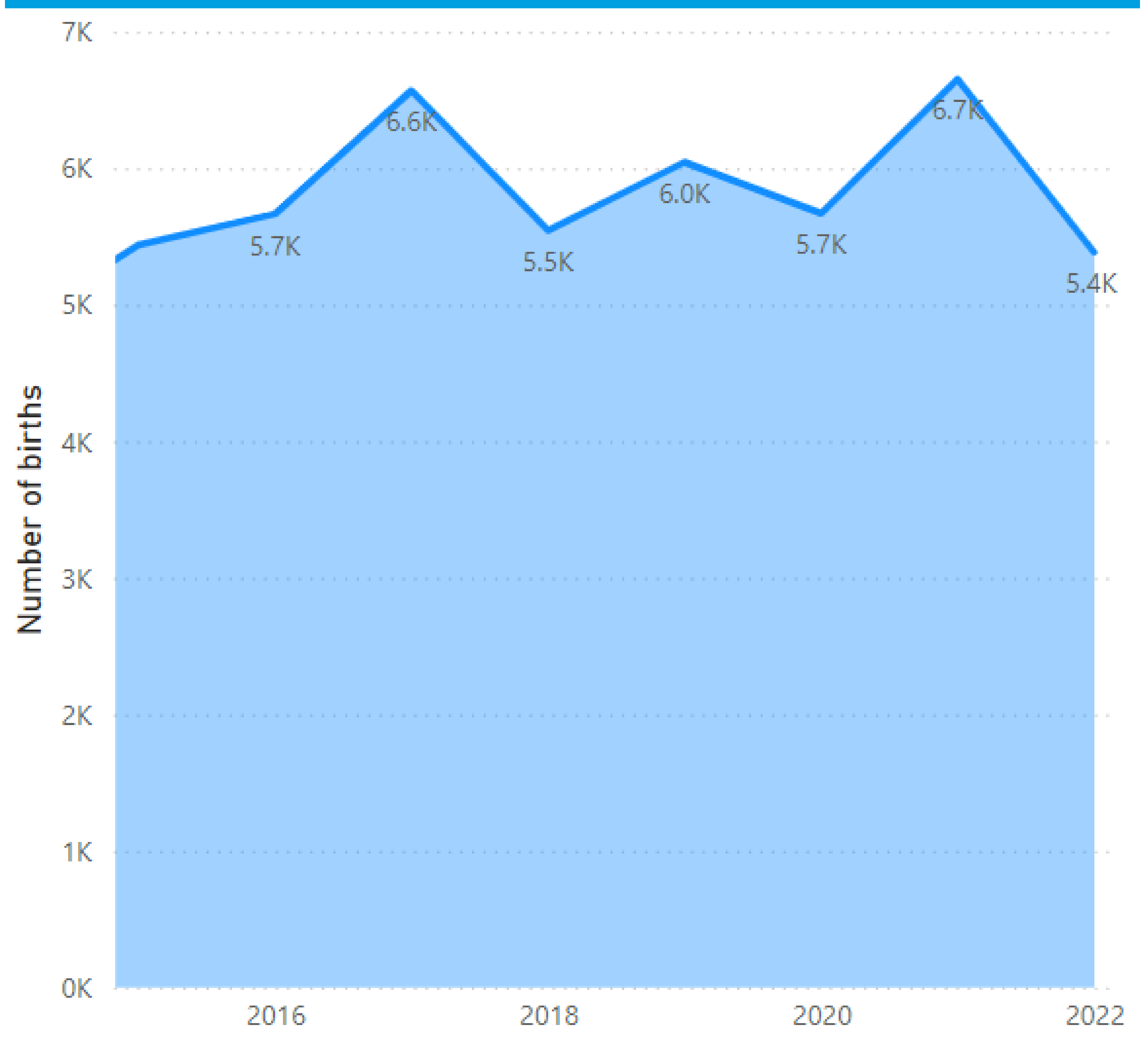
The latest available data shows that in 2022, there were 5,385 business births in NI, down 19% from a high of 6,655 in 2021 (Figure 9).

NI had a business birth rate (births as a proportion of active businesses) of 8.3% in 2022, a decline from 10.3% in 2021. NI subsequently has the lowest birth rate across the UK constituent countries with the UK average being 11.5%, England and Wales had the joint highest birth rate at 11.6% each, whilst Scotland's birth rate was 10.8%.

In NI, Construction accounted for 975, or 15%, of business births in 2022, followed by Professional, Scientific & Technical Services with 685, or 10%. Education and Finance & Insurance accounted for just 1% of business births equally.

Across the LGDs, Belfast had the highest number of births at 1,055 and a birth rate of 9.2%, above the NI average of 8.3%. However, Belfast, along with the other LGDs, followed the NI trend with a reduction from 2021. Antrim & Newtownabbey had the lowest number of births at 305 in 2022 and a birth rate of 8.1%.

Figure 9: Number of Births by Year, NI
Source: ONS & NISRA, Business Demography



Business Deaths

A business death occurs when a business that was previously active on the IDBR is no longer present.

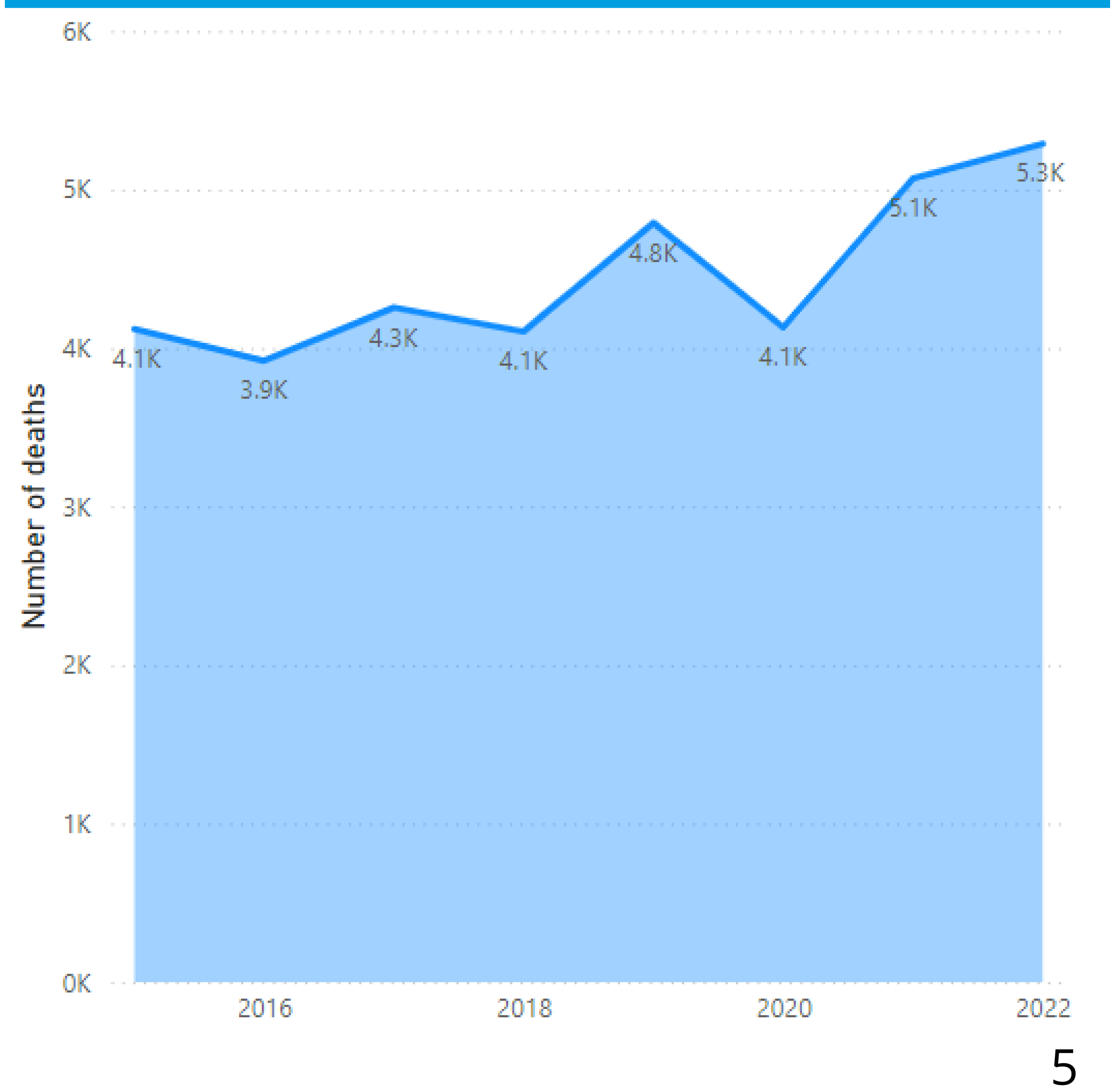
In 2022, there was a high of 5,290 business deaths in NI, a 4% increase from 2021 when there were 5,070 deaths (Figure 10).

Subsequently, NI's death rate (deaths as a proportion of active businesses) increased to 8.2% in 2022 from 7.8% in 2021. Compared to the rest of the UK constituent countries, NI had the lowest number of business deaths. NI also has the lowest death rate (8.2%) compared to England (12.0%) and the UK average (11.8%).

The number of business births and deaths are typically correlated. Construction accounted for 970, or 18%, of total business deaths in NI in 2022. Finance & Insurance along with Education accounted for just 1% of deaths equally.

Across the LGDs, Antrim and Newtownabbey experienced the lowest number of business deaths in 2022 with 350, but an above average death rate of 9.3%. Belfast had the highest number of business deaths with 1,030 deaths and a death rate of 8.9%.

Figure 10: Annual Business Deaths, NI
Source: ONS & NISRA, Business Demography



Business Survival

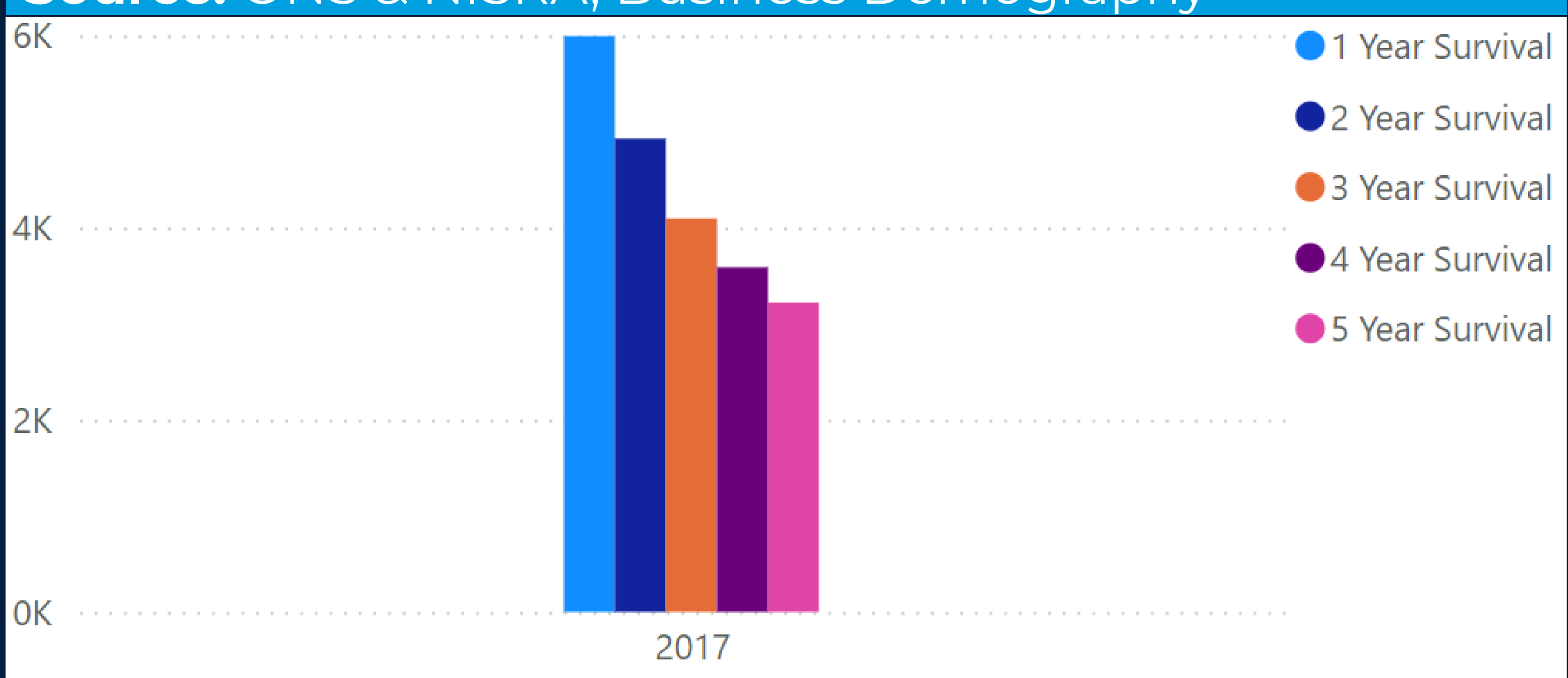
Business Survival Rates

Not all new businesses survive and the latest data for business survival shows that 91% of businesses born between 2015-2021 survived at least 1 year, whilst 73% survived 2 years.

This reduces to 60% for businesses surviving 3 years and 53% surviving 4 years. Meanwhile, less than half of new businesses survive 5 years of more with an average 5 year survival rate of 47%.

Looking at 2017 in isolation (Figure 11), of the 6,570 businesses born in that year, 49%, or 3,220 businesses, had survived for 5 years, meaning they were still operating in 2022.

Figure 11: Total number of businesses surviving 1-5 years across all industries (2017 birth year)
Source: ONS & NISRA, Business Demography



Sector-specific Survival Rates

Turning to the 5-year survival rates, of the businesses born in 2017, Finance & Insurance had the highest 5-year survival rate at 64%. This was followed by Property which had a 58% 5-year survival rate.

At the other end of the scale, Transport & Storage along with Accommodation & Food had the lowest 5-year survival rates at 36% and 41%, respectively.

The latest data shows that for businesses born in 2020, Health along with Accommodation & Food had the highest 1-year survival rate at 96%.

The highest 2-year survival rate, for businesses born in 2020, was 83% in Finance & Insurance, followed by 82% in Health. Transport & Storage had the lowest 2-year survival rate at 49%.

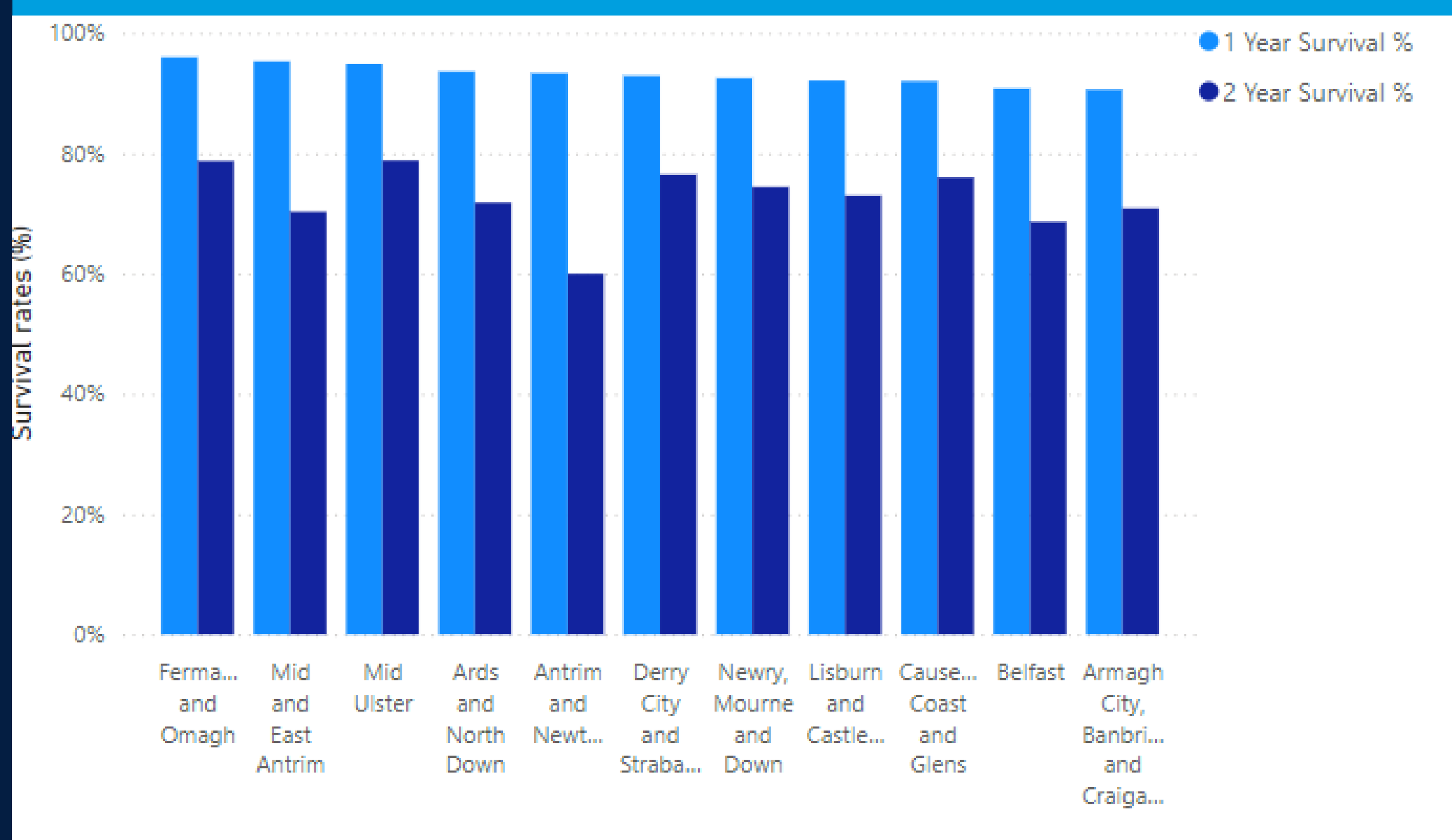
Business Survival by LGD

For the LGDs, Mid Ulster had the highest 5-year survival rate as 56% of businesses born in 2017 were still operating in 2022. This is followed by Newry, Mourne and Down which had a 52% 5-year survival rate.

Meanwhile, Antrim and Newtownabbey had the lowest 5-year survival rate at 44%, just below Belfast at 45%.

For businesses born in 2020, Fermanagh and Omagh had the highest 1-year survival rate at 96% (Figure 12). Mid-Ulster and Fermanagh and Omagh had the highest 2-year survival rate of 79% each.

Figure 12: 1-2 year survival rates of businesses born in 2020
Source: ONS & NISRA, Business Demography



Business Survival by UK Constituent Countries and Regions

Positively, NI had the highest 5-year survival rates in the UK with the 2017 rate of 49% above the UK average of 40%. Wales had the lowest 5-year survival rate at 37%.

In 2017, NI also had the highest rate compared to the other UK sub-regions, the South West had the second highest 5-year survival rate at 45%.

NI's 1-year survival rate, however, is not as strong. Of those businesses born in NI in 2021 90% survived to 2022 compared to a UK average of 93%. Scotland had the highest rate at 94%.

NI's 1-year survival rate has been the lowest out of the UK constituent countries since 2015 when the rate was 88%. The UK average was 90% and Wales had the highest rate at 91%.

GEM: Entrepreneurial Activity[2]

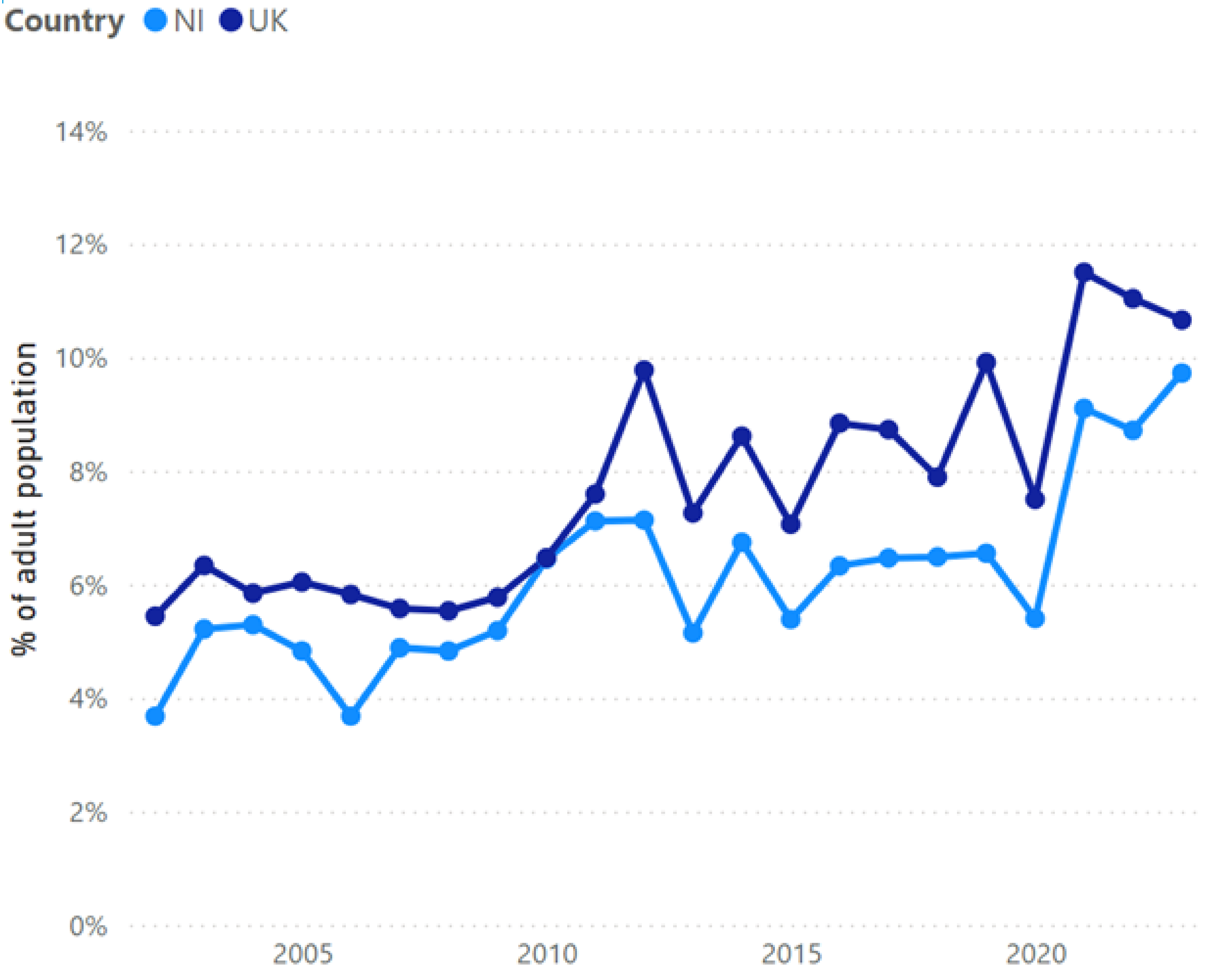
Total Early-stage Entrepreneurial Activity (TEA)

The TEA rate is the proportion of nascent entrepreneurs (those in the first 3 months of setting up a business) and new business owner/managers (those with a business up to 3.5 years old) in the working age population.

NI's TEA rate was 9.7% in 2023 (Figure 13), the highest rate since records began in 2002. In 2023, the UK rate was 10.7%, down from the 2020 peak of 11.5%.

In NI, the TEA rate for females in 2023 was 8.2% compared to 11.3% for males. This was also an all time high for females, a decade earlier this figure was just 2.2%. In the UK, females had a TEA rate of 9.8%, also at a high and an increase from 5.8% in 2013.

Figure 13: TEA rate. % of adult population aged 18-64, NI and UK
Source: UK GEM



Entrepreneurial Motivations

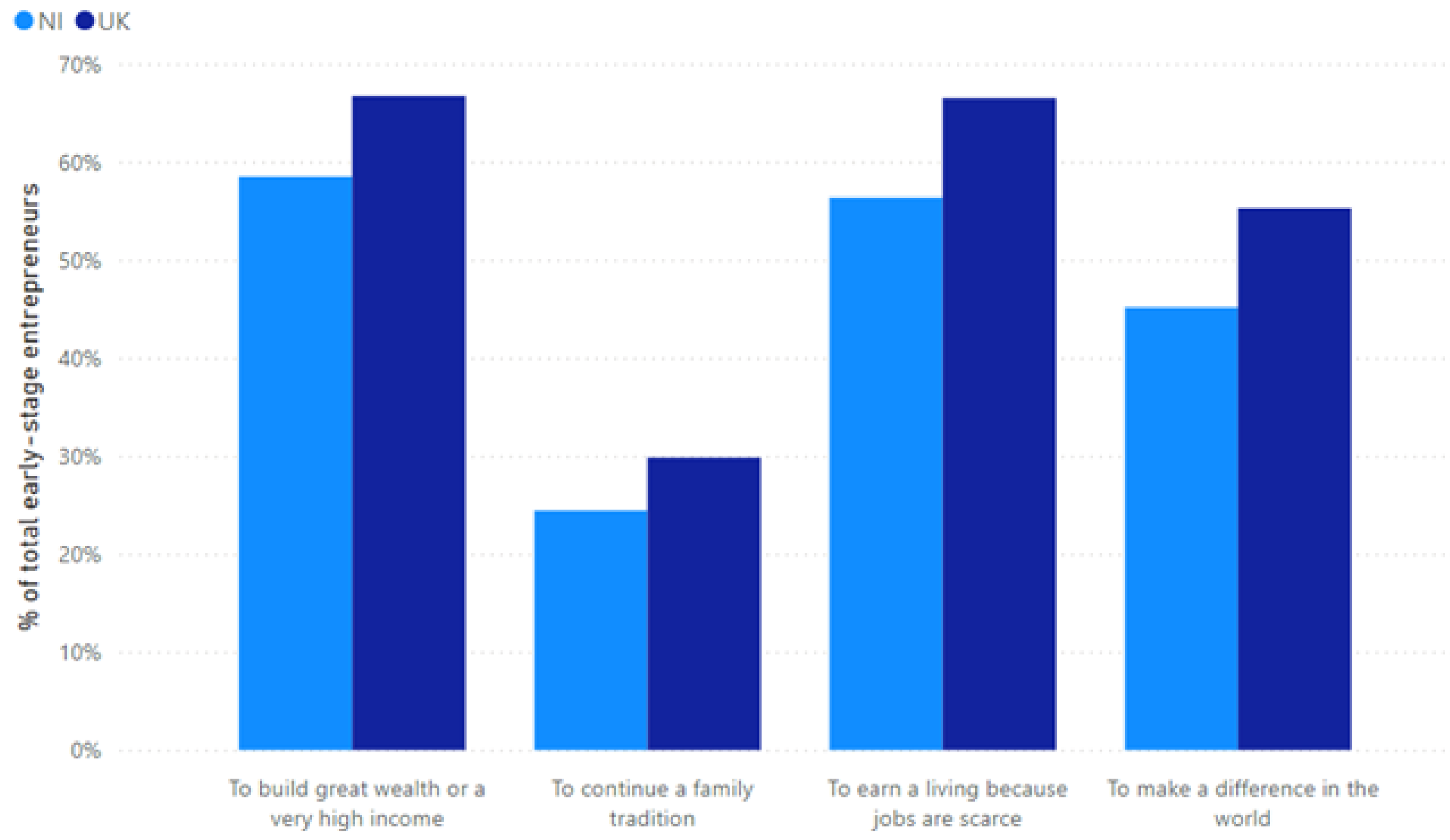
In NI and the UK, the majority, 59% and 67% respectively, were motivated to start a business 'To build great wealth or a very high income' (Figure 14).

'To earn a living because jobs are scarce' came second at 56% in NI and 67% in the UK.

Of the total, 45% in NI and 55% in the UK said their motivation was 'To make a difference in the world.'

The lowest motivational factor for both NI and UK was 'to continue a family tradition' at 24% in NI and 30% in the UK respectively.

Figure 14: Motivation for Starting a Business, NI and UK
Source: UK GEM



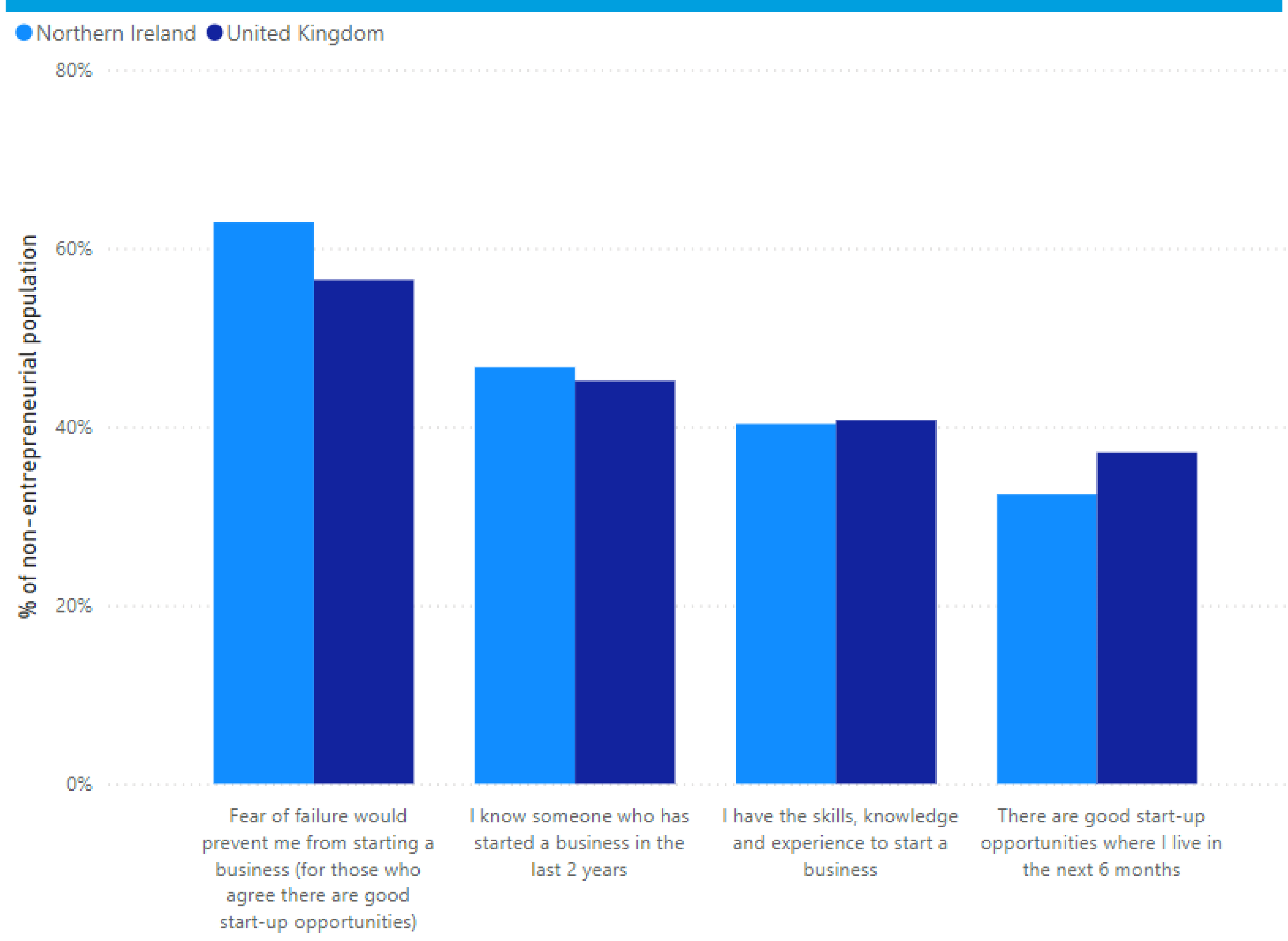
Attitudes towards Entrepreneurship

In NI, 32% of non-entrepreneurs thought there were 'Good start-up opportunities where I live in the next 6 months', in the UK this figure was 37% (Figure 15).

Of those individuals 63% in NI stated that 'Fear of failure would prevent me from starting a business', in the UK this figure was 57%.

Overall, however, just under a fifth (19%) of the non-entrepreneurial population in NI had future start-up expectations (in the next 3 years). The UK figure was 20% in 2023. NI's figure is up from 18% in 2022, or from 4% over the longer-term in 2002.

Figure 15: Entrepreneurial attitudes & perceptions, % of non-entrepreneurial population aged 18-64
Source: UK GEM



2 Global Entrepreneurship Monitor

Research and Development (R&D) Activity

R&D Spending Overview [3]

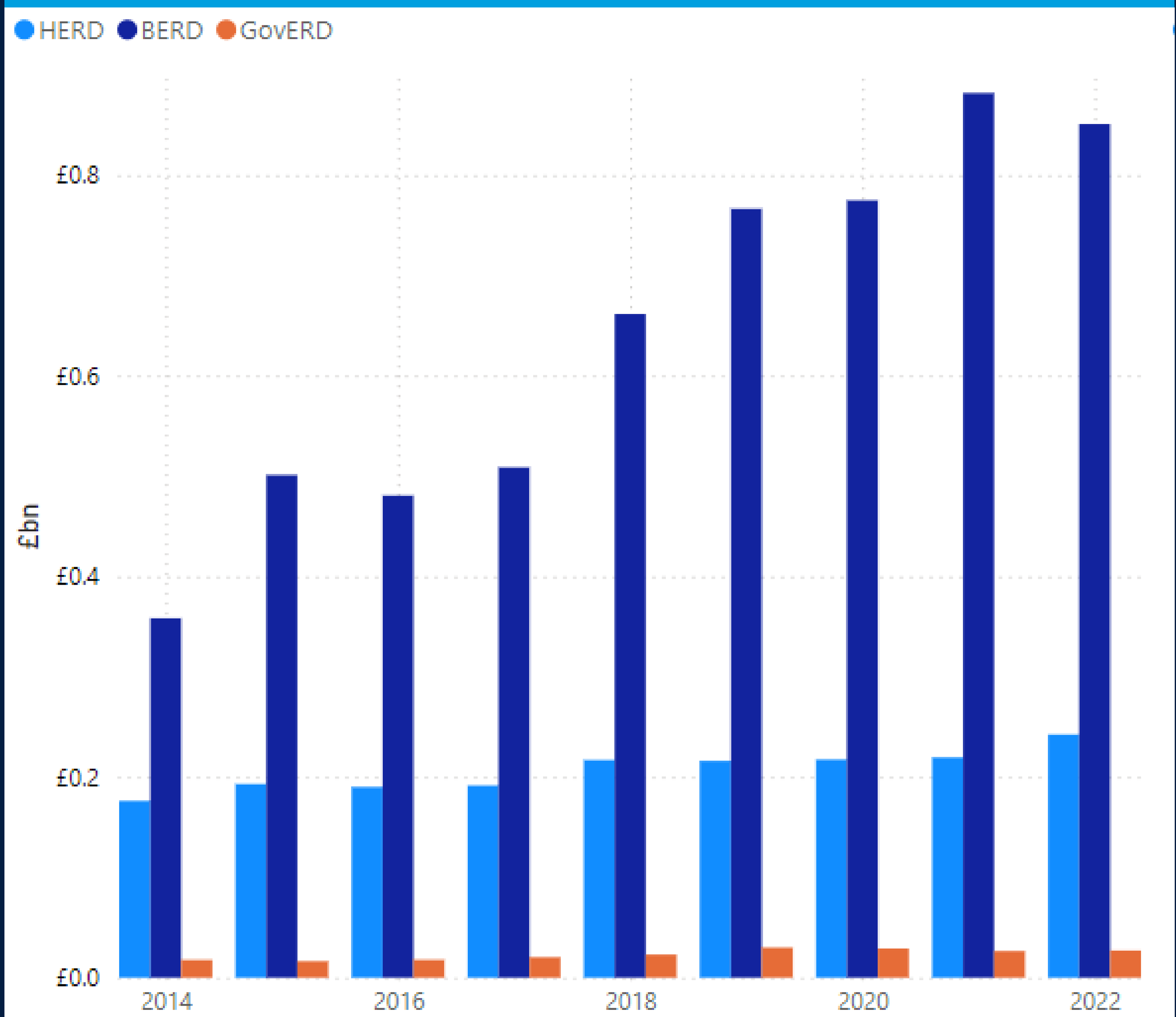
The latest total spend on R&D in NI was £1.12 billion in 2022, a slight decrease from £1.13 billion in 2021.

Spending by businesses on R&D (BERD) in NI was £0.85 billion, a decrease of £0.03 billion from 2021 (Figure 16). The 2022 Higher Education Expenditure R&D (HERD) spending in NI was £0.24 billion, an increase from £0.22 billion in 2021.

Meanwhile Government Expenditure on R&D (GovERD) totalled £0.03 billion in 2022, this amount was also spent each year from 2019-2021.

Overall, BERD was the largest contributor (76%) to NI's total R&D spending, this has been consistent over the longer-term.

Figure 16: R&D spending breakdown by HERD, BERD and GovERD, £bn
Source: ONS/NISRA, Business Demography



Business R&D Activity

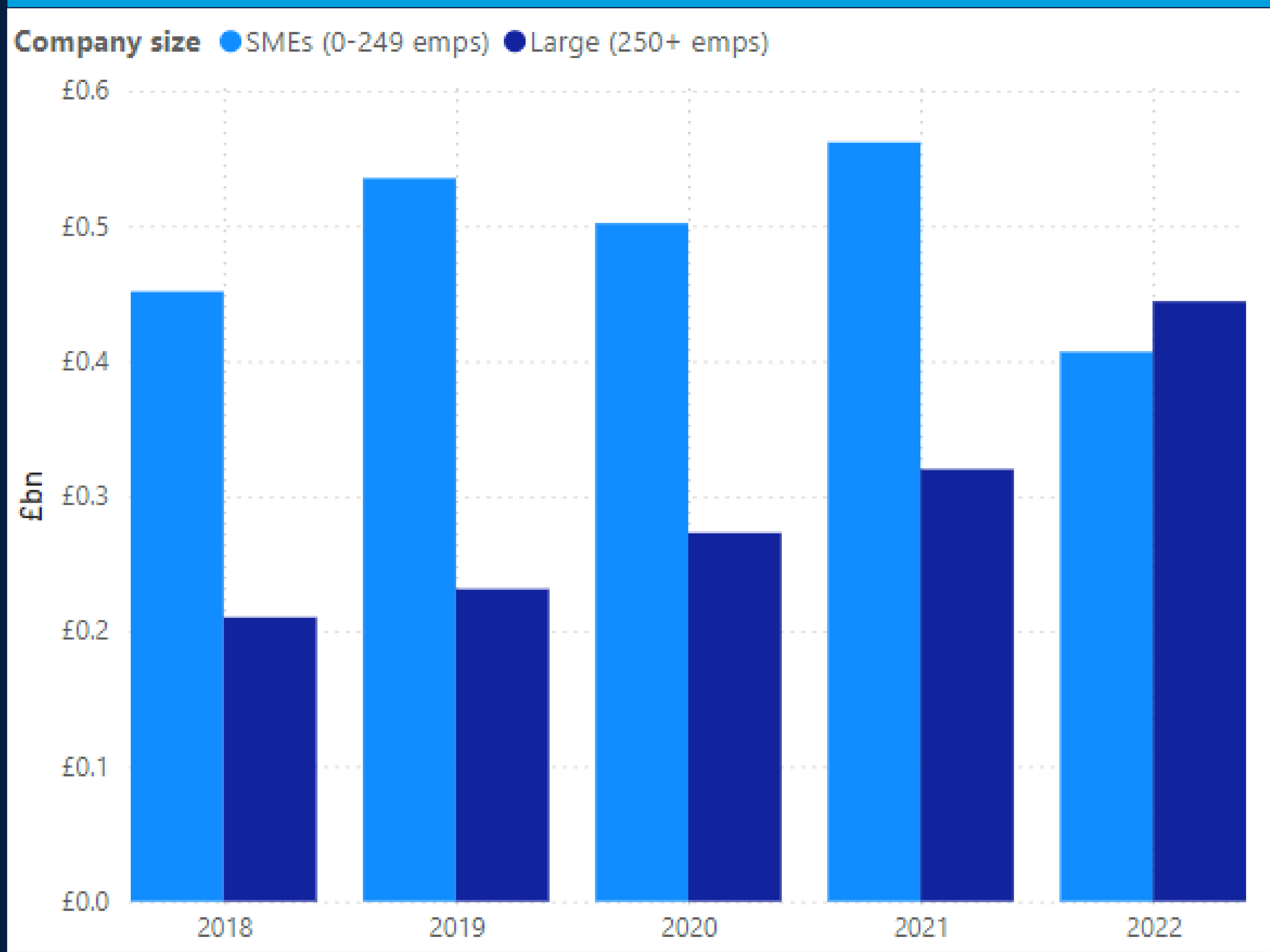
In 2022 there were 2,054 R&D performing companies in NI, the highest number recorded and an increase from 1,709 in 2021.

Interestingly the breakdown of BERD spending by business size shows that from 2018-2021, spending by SMEs was greater than large businesses (Figure 17). However, large businesses overtook SMEs in 2022 making 53% of the total BERD spend.

The majority (63%) of spending by businesses is self-funded, followed by funding from a parent company at 16%.

Meanwhile, in 2022 52% of BERD was by externally owned businesses who spent £0.44 billion, up from £0.35 billion in 2021. Locally owned businesses spent £0.41 billion in 2022, down from £0.53 billion in 2021.

Figure 17: Total BERD spend by business size
Source: ONS/NISRA, Business Demography

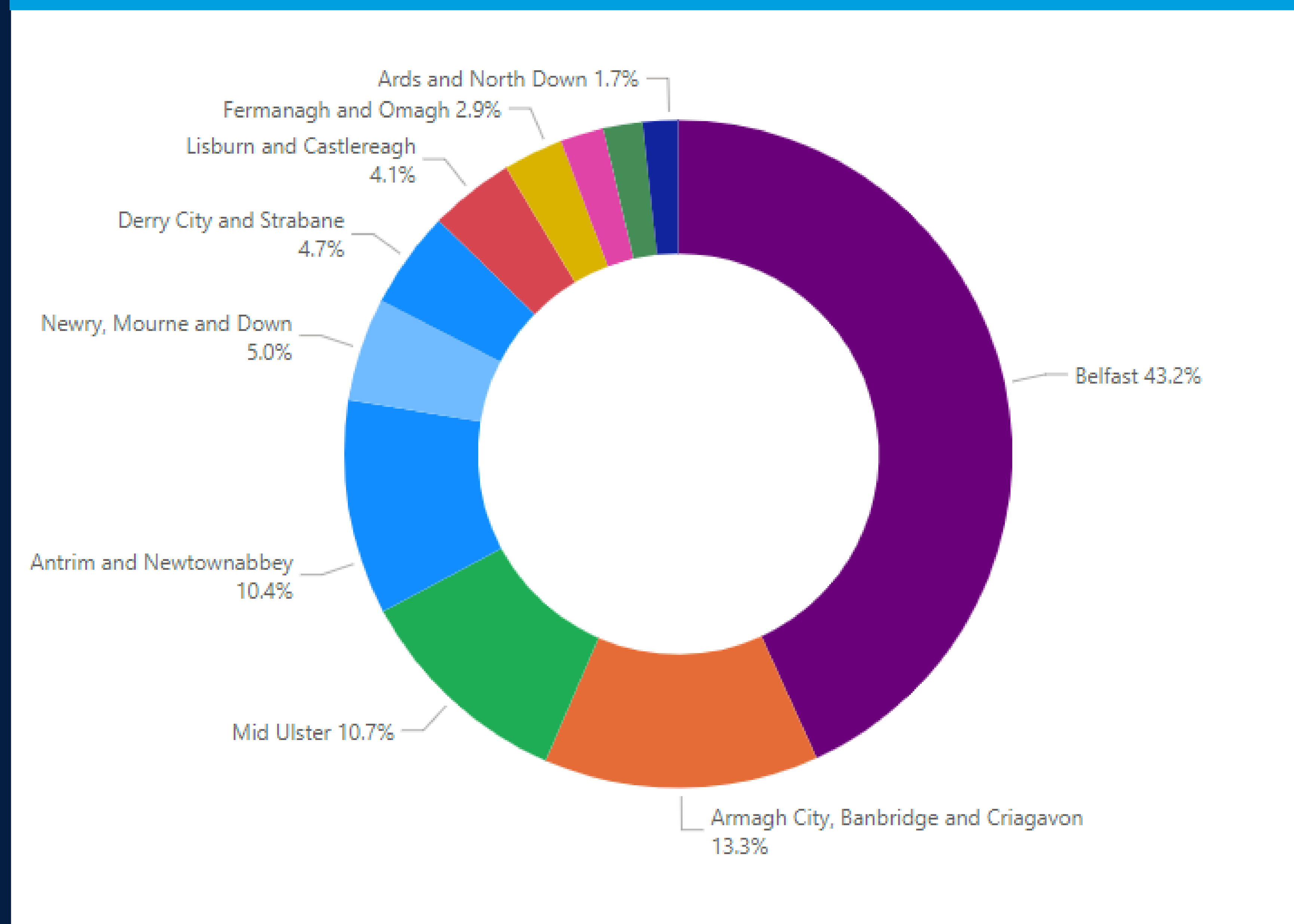


BERD Spending by LGD

In 2022, Belfast spent £0.37 billion on BERD, or 43% of the NI total (Figure 18). This was followed by Armagh, Banbridge & Craigavon which spent £0.11 billion, equalling 13% of the total.

At the other end, Ards & North Down had the lowest spending at £0.01 billion, just below Mid & East Antrim and Causeway Coast & Glens at £0.02 billion, equally.

Figure 18: 2022 % of total NI BERD spend by LGD
Source: ONS/NISRA, Business Demography



3 Methodological changes implemented in 2021 mean users should be cautious when making comparisons between pre-2018 and 2018-2021. Further changes were made in 2022 so users should be cautious making comparisons with pre-2022.

Innovation Activity

NI and UK Innovation Activity

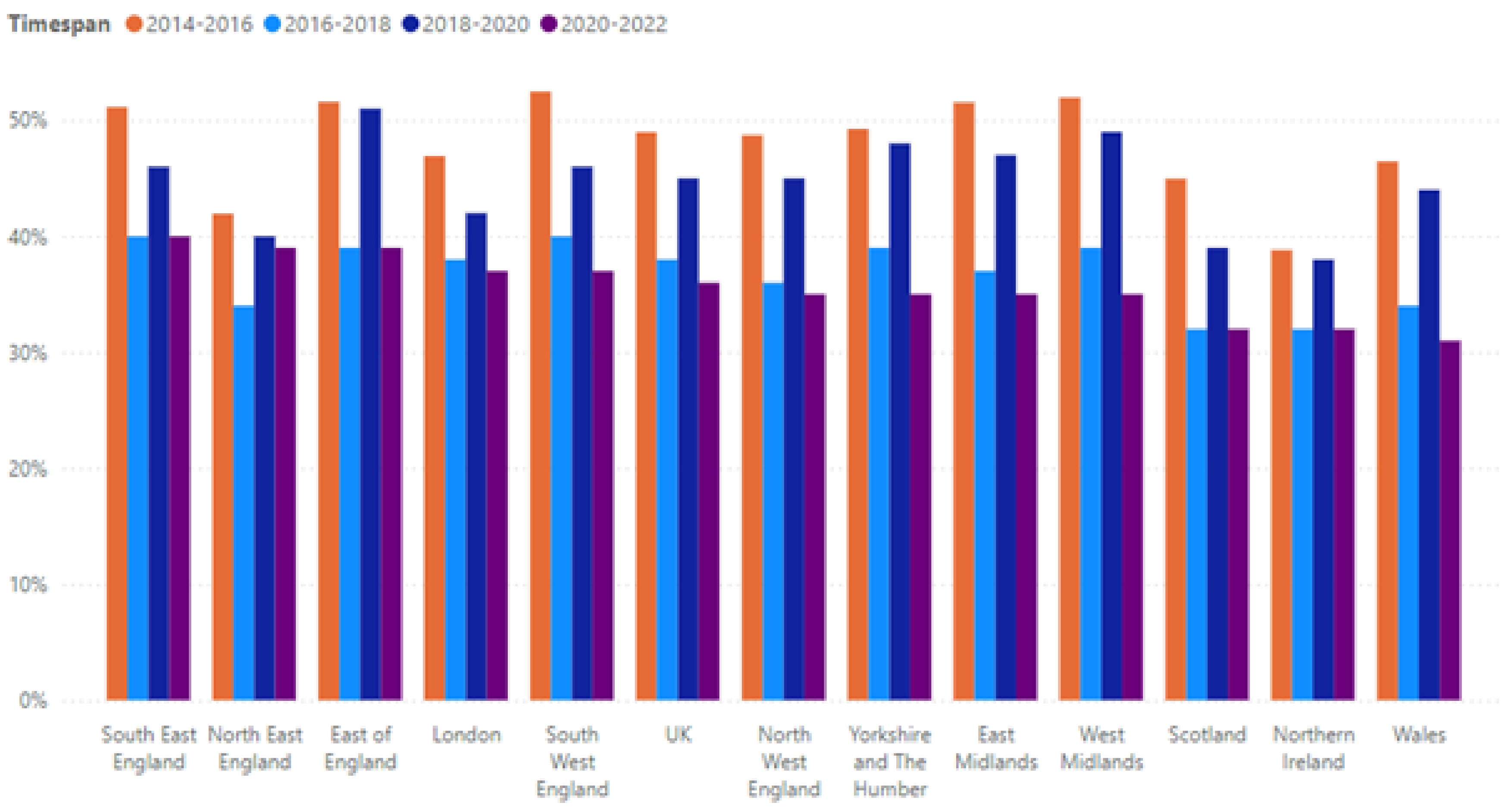
The latest data (2020-2022) highlights that 32% of businesses were innovation active [3] in NI, down from 38% during 2018-2020. In the UK 36% were innovation active.

Overall, NI had the second lowest share of innovation active businesses out of the UK regions at 32%, equal to Scotland and just above Wales at 31% (Figure 19). The South East of England had the highest proportion of innovation active businesses at 40% in 2020-2022.

Meanwhile, 35% of NI businesses were engaging in 'broader innovation' [3], the UK rate was 39%.

The breakdown by business size shows that 32% of NI SMEs were innovation active, compared to 45% for large businesses. In the UK these figures were 36% and 49%, respectively.

Figure 19: Innovation active business, UK regions
Source: ONS/NISRA



Innovation Activities by Type of Investment

The most common investments in NI in 2020-2022 were in computer hardware and machinery & equipment at 16% of innovation active businesses equally. In the UK investment in computer software was the most common at 18%.

The lowest type of investment was in market research and acquisition of external knowledge at 3% each for both NI and the UK.

Innovation Activity by Broad Sector

In NI and the UK, manufacturing of electrical & optical equipment had the highest proportion of innovation active businesses in 2020-2022 at 66% and 62%, respectively.

For NI this was followed by food, clothing, wood, paper, publishing & printing at 57%. In the UK the second highest innovation active sector was manufacturing of transport equipment at 60%.

Hotels & restaurants had the lowest rate of innovation active businesses in NI and UK at 14% and 25%, respectively.

Motivations for Innovation

In NI, the main motivation for innovation amongst broader innovators was 'Improving quality of goods or services' at 49%.

This was followed by 37% of broader innovators rating 'Meeting regulatory requirements' of high importance.

'Entering new markets' was only rated of high importance by 21% of broader innovators in 2020-2022, however this is up from 18% in 2018-2020.

Non-Innovator Firms

The main stated reason for not innovating was 'No need due to market conditions' at 44%, up from 23% in 2016-2018 and 30% in 2018-2020.

37% of non-innovators said there was 'No need due to previous innovations', up from 11% and 13% in 2016-2018 and 2018-2020, respectively.

Meanwhile, 'Lack of qualified personnel' was the lowest reason for not innovating at 4% in 2018-2020.

3 Innovation active is defined as a business that has engaged in:

1. Introducing a new or significantly improved product (good or service) or process, or
2. Engagement in innovation projects not yet complete or abandoned, or
3. New and significantly improved forms of organisation, business structures or practices and marketing concepts or strategies.

A broader innovator is defined as a business that has engaged in any of the activities (1-3) above and:
4. Activities in areas such as internal research and development, training, acquisition of external knowledge or machinery and equipment linked to innovation activities,

A wider innovators is defined as a business that has engaged in activity 3 (above).

High Growth Businesses

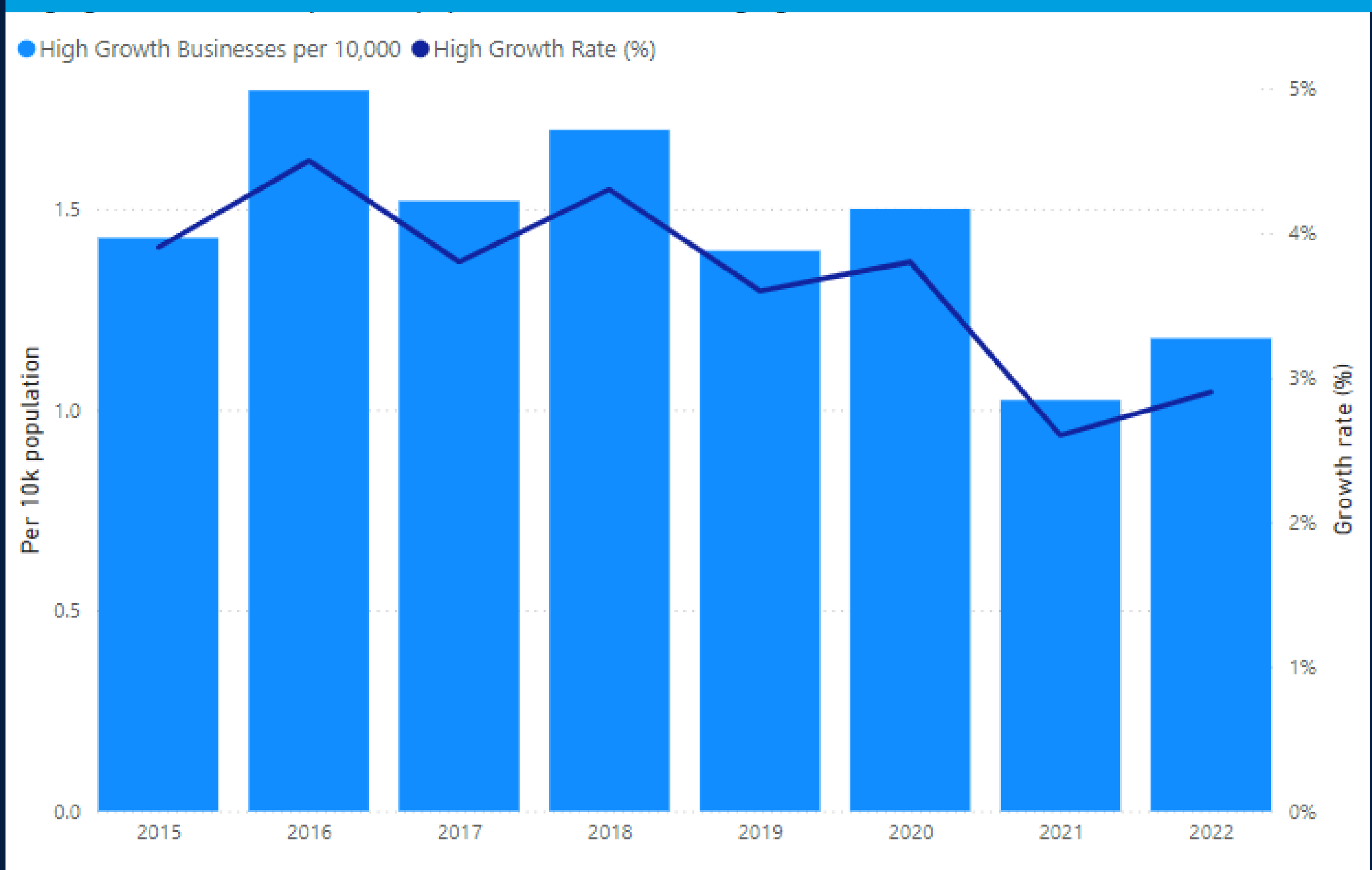
NI Headline Figures

High growth businesses are enterprises with average annualised growth greater than 20% per annum, over a 3 year period. Growth can be measured by the number of employees or turnover. The 'High Growth Businesses' tab within the Enterprise Dashboard, and the information on this page, presents growth through employment only.

In 2022, in NI there were 225 high growth firms (HGFs), an increase of 30 from 2021 with a high growth rate of 2.9%.

The analysis highlights that there were 1.2 HGFs per 10k population in 2022, up from 1.02 in 2021 (Figure 20). A high of 1.8 HGFs per 10k population was previously recorded in 2016.

Figure 20: High growth business per 10K population and annual high growth rate, NI
Source: ONS/NISRA, Business Demography



High Growth Businesses by LGD

Belfast had the highest number of HGFs with 70 in 2022, an increase from 65 in 2021, equating to a high growth rate of 3.9%.

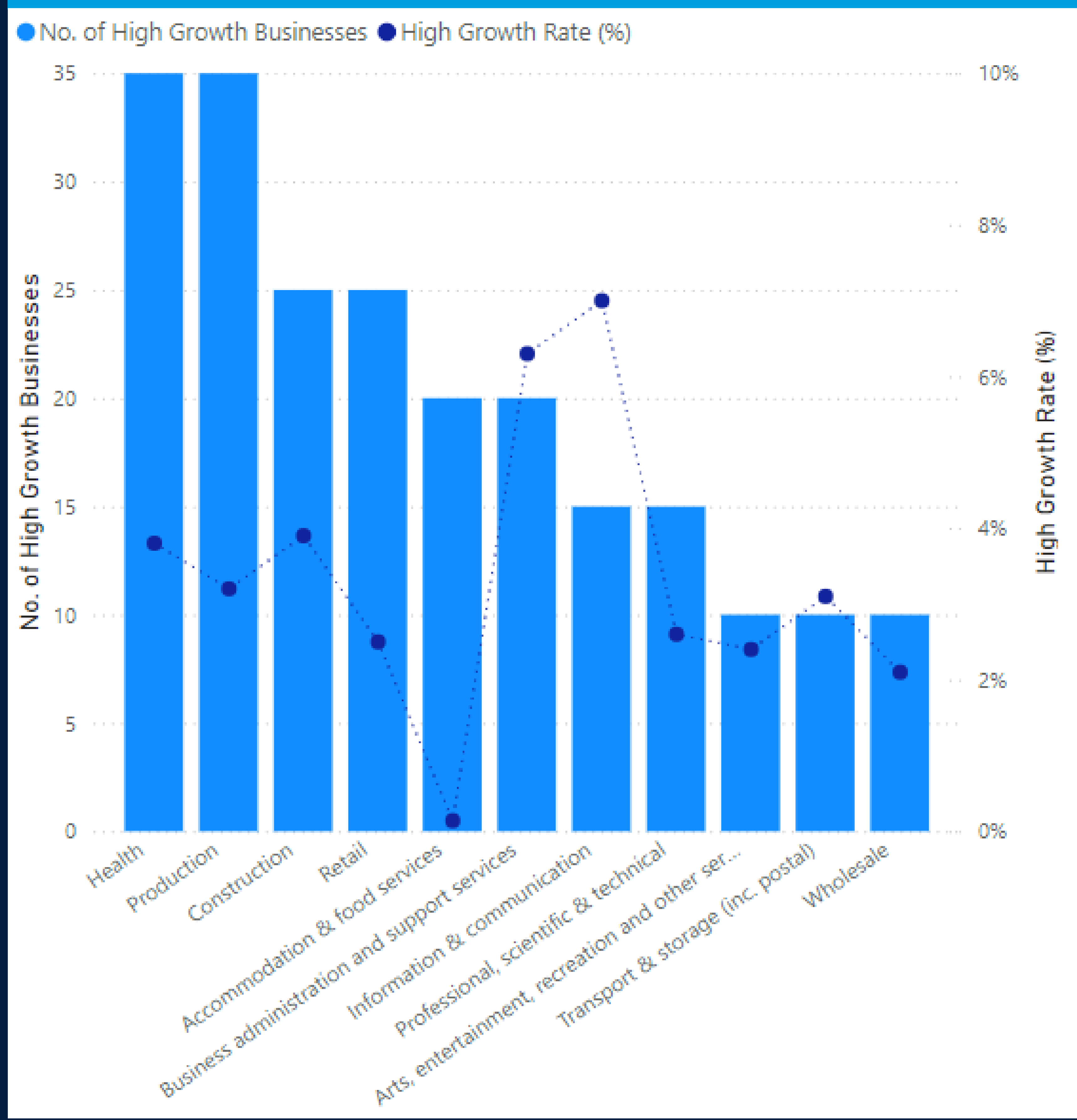
Mid Ulster had the second largest number of HGFs with 30 in 2022, an increase of 5 businesses from 2021, equating to a high growth rate of 4.0%.

Mid & East Antrim had the lowest number of HGFs with 5 in 2022 and a high growth rate of 1.1%.

Sectoral Performance

Health and Production both had 35 HGFs equally in 2022, the highest across the sectors, but the sectors with the largest high growth rate were Information & Communication (7.0%) and Business Administration & Support (6.3%) (Figure 21).

Figure 21: Latest annual number of high growth businesses and high growth rate by sector, NI
Source: ONS/NISRA, Business Demography

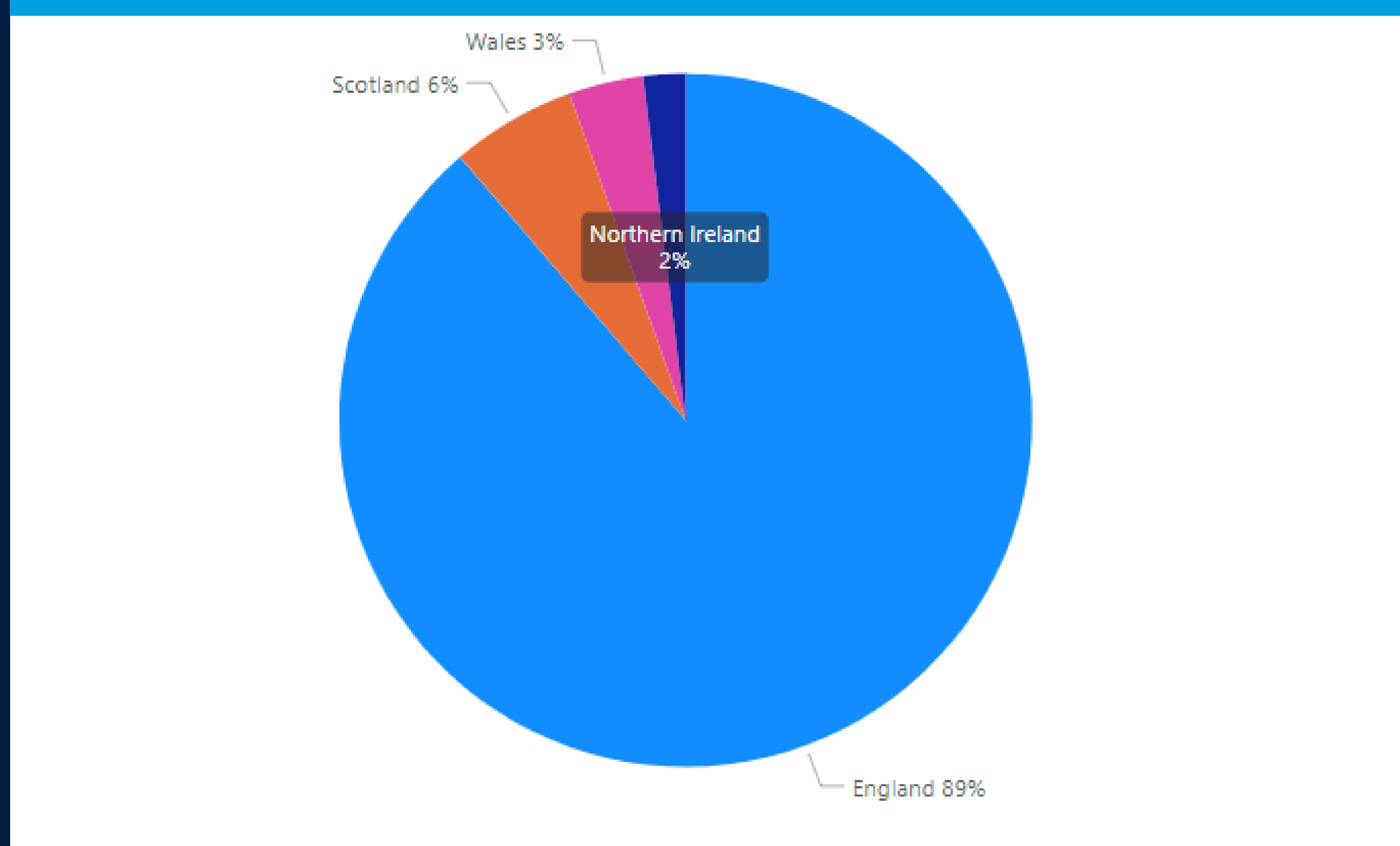


High Growth Businesses by UK Constituent Countries

In 2022, there were 11,485 HGFs in the UK an increase of 790 from 10,695 in 2021. England accounted for 10,190 of these businesses in 2022, or 89% of the UK total (Figure 22).

Scotland and Wales accounted for 670 and 400 HGFs, or 6% and 3% of the UK total respectively whilst NI accounted for 2%.

Figure 22: High growth businesses as % of UK total
Source: ONS/NISRA, Business Demography



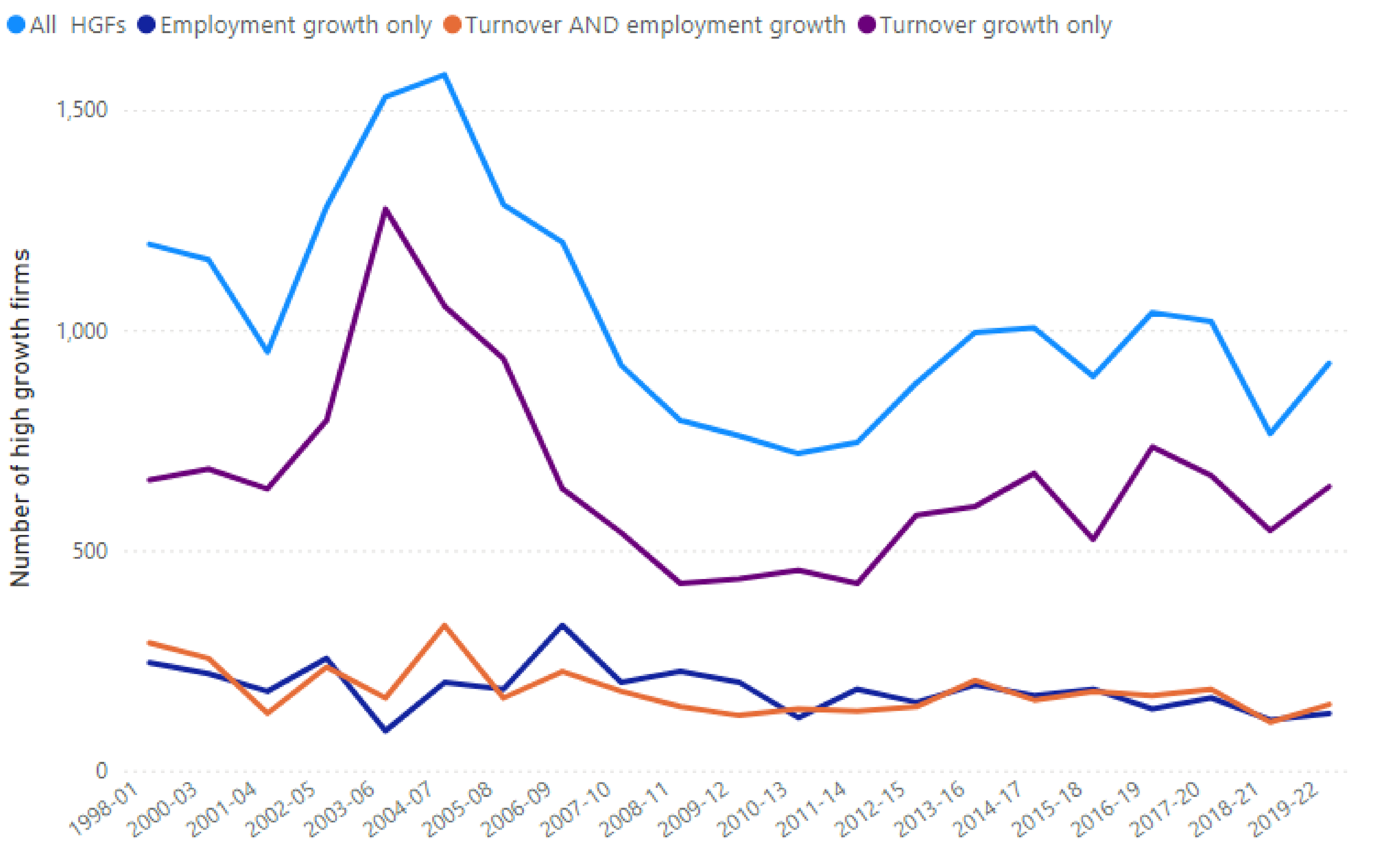
Employment and Turnover-based High Growth Firms [4]

High Growth Firms with 10+ Employees

During 2019-2022, the number of HGFs with 10+ employees was 925 (Figure 23), an increase from 765 in the 2018-2021 period, with an annual high growth rate of 12.1%.

Within the 925 figure, 645 experienced turnover growth only (Figure 23). Meanwhile, 130 had employment growth only. Lastly, there were 150 businesses experiencing both turnover and employment high growth in 2019-2022, up from 110 in the previous period.

Figure 23: Number of High Growth Firms with more than 10 Employees, NI
Source: Dept. for the Economy, High Growth Firms

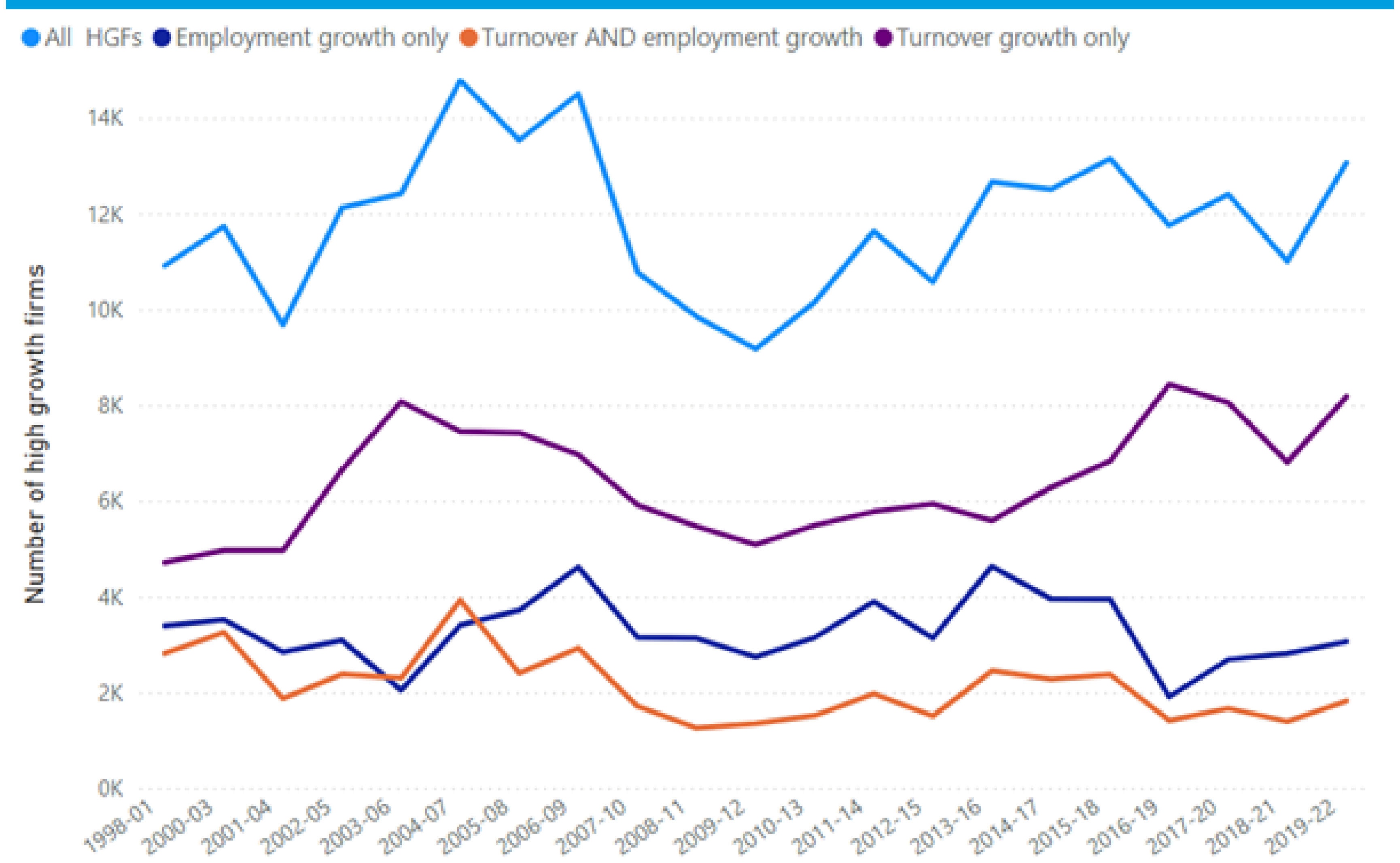


HGFs with Less Than 10 Employees

In NI there were 13,060 HGFs with fewer than 10 employees from 2019-2022 (Figure 24), an increase from 11,000 in 2018-2021, with an annual high growth rate of 24.1%.

Within this figure, the majority (8,175) experienced turnover growth only, 3,060 had employment growth only and 1,820 had both turnover and employment growth.

Figure 24: Number of High Growth Firms with less than 10 Employees, NI
Source: Dept. for the Economy, High Growth Firms

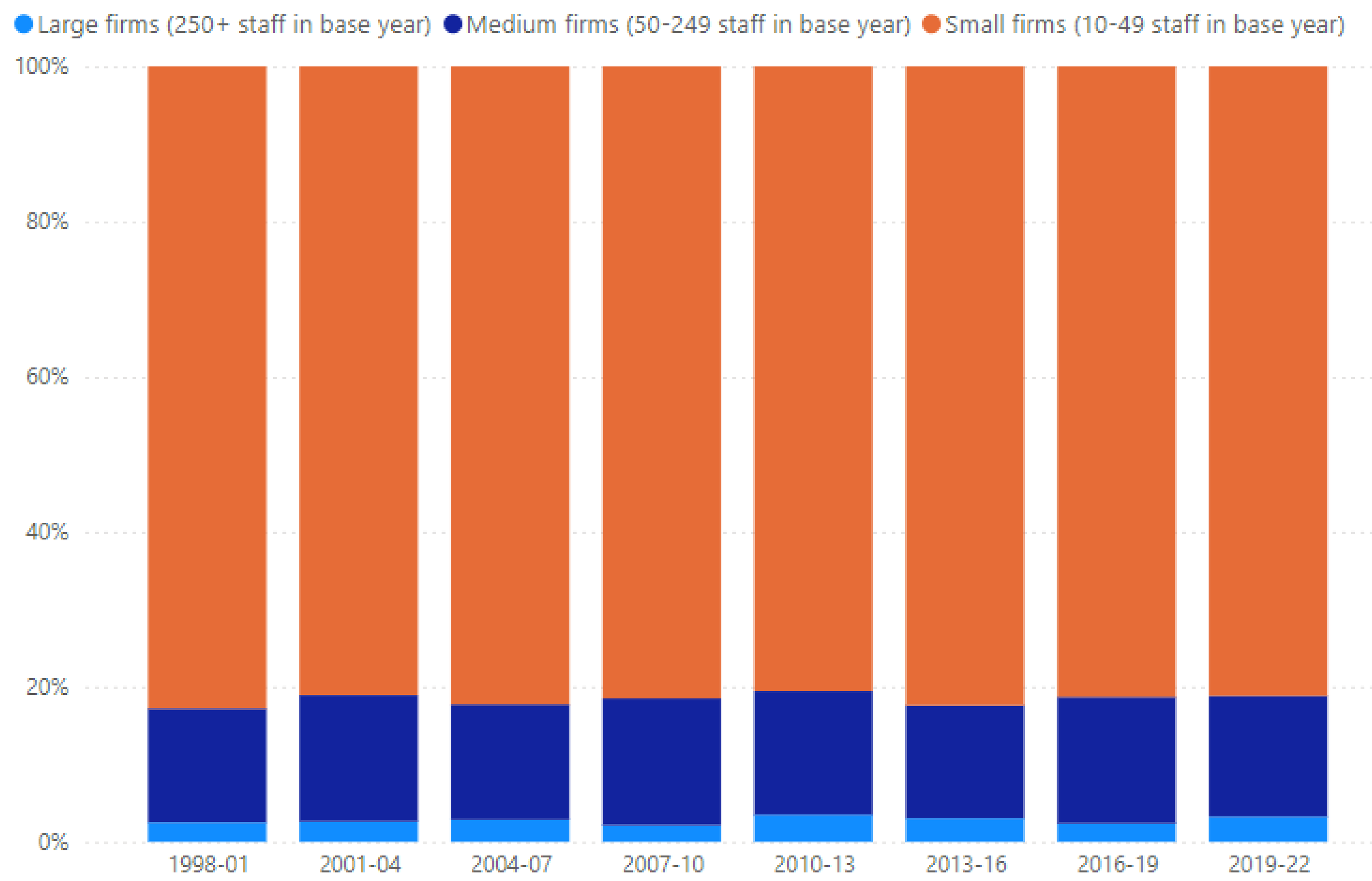


Composition of HGFs

Overall in NI, small firms (10-49 staff) accounted for the largest share of HGFs at over 80% for each period (Figure 25).

Medium sized firms accounted for 16% of HGFs in 2019-2022, whilst large firms accounted for 3%.

Figure 25: Composition of HGFs by size, NI
Source: Dept. for the Economy, High Growth Firms



NI Regional Variations

During the 2019-2022 period, the West and South of NI had the highest number of HGFs with 10+ employees, at 245 firms, and a high growth rate of 13.1%.

This trend was also apparent for HGFs with fewer than 10 employees as the West and South again had the highest figure at 5,360 HGFs, and a high growth rate of 26.2%.

The North of NI had the lowest number of HGFs with 10+ employees, with 105 in 2019-2022, and a high growth rate of 10.9%.

However for HGFs with less than 10 employees, Belfast had the lowest number of HGFs at 1,115, and a high growth rate of 19.4%.

4 Page 10 only displayed HGFs based on growth in employment only, this page presents HGFs based on employment and turnover growth (businesses that has experienced 20%+ growth in either employment or turnover).
The HGFs on page 10 relate to those enterprises with head offices in NI, while these relate to enterprises located in NI.

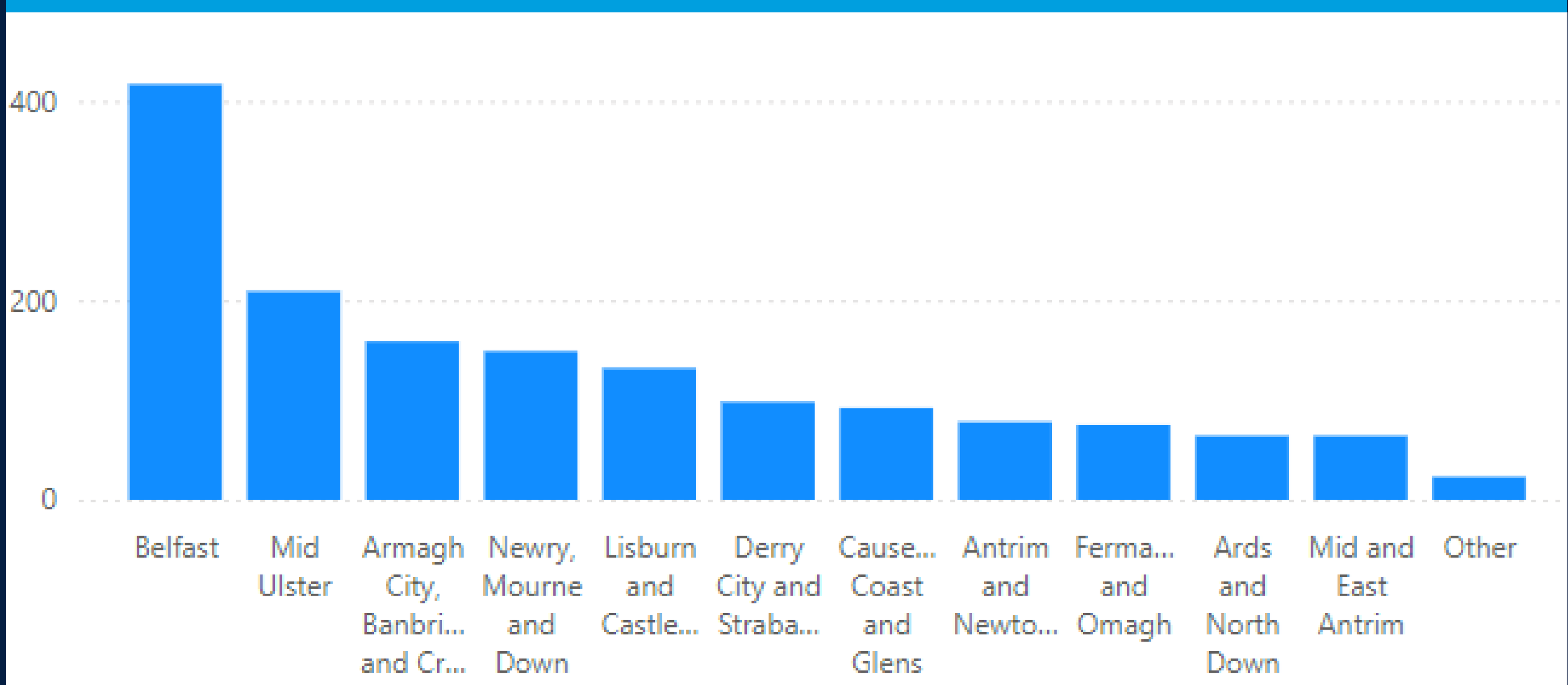
Invest NI Offers

Offers of Assistance

In 2022-23 Invest NI made 1,560 offers of assistance. Belfast received 27% (417) of the 2022-23 offers, the largest proportion across the LGDs (Figure 26). This was followed by Mid Ulster which received 209 offers, or 14% of the NI total.

Mid & East Antrim and Ards & North Down received the lowest number of offers at 64 equally, or 4% of the total.

Figure 26: Number of offers of assistance across LGDs
Source: Invest NI
Note: Other refers to businesses listed as NI wide/not determined



Total Assistance Offered

Total assistance refers to the amount of support that Invest NI offers towards a project.

In 2023-23, Invest NI's total assistance offered was £73 million, a drop from £99 million in 2021-22. Within the last 5 years Invest NI's highest assistance offered was in 2018-19 at £132 million.

Of the 2022-23 NI total, Belfast businesses were offered £29 million, or 39%, the highest proportion across the LGDs. However, this was a reduction from nearly £32 million in 2021-22.

Belfast was followed by Armagh, Banbridge & Craigavon which was offered £12 million, or 17% of the total, an increase from £6 million in 2021-22.

Total Investment

Total investment refers to the amount that the business plans to invest as result of the supported project, the figures include Invest NI assistance offered.

In 2022-23, total investment across NI was £489 million, down from £567 million in 2021-22. Belfast had the largest total investment at £191 million, an increase from £175 million in 2021-22. A breakdown by parliamentary constituency shows that Belfast South had the highest investment at £130 million, followed by Upper Bann at £102 million in 2022-23.

Offers to SMEs and Large Businesses

In 2022-23, out of the 1,560 offers made across NI, the majority (1,432) were offers made to SMEs whilst 122 were made to large businesses.

The total assistance offered to SMEs was £47 million, whilst £26 million was offered to large businesses. In terms of the total investment, SMEs were recorded to have invested £253 million, whilst large businesses planned to invest £235 million in 2022-23.

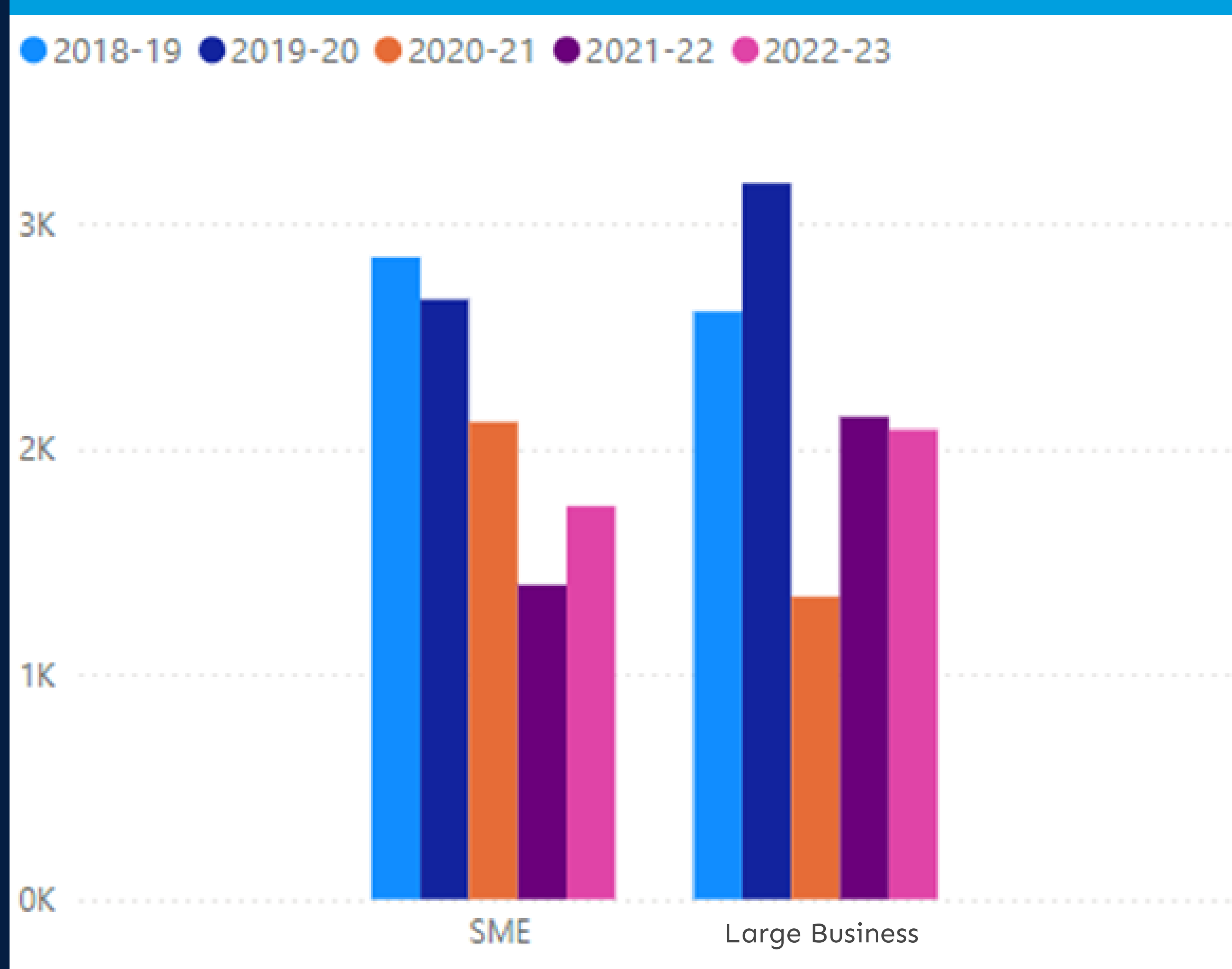
Jobs to be Created

Jobs to be created refers to the number of jobs the business expects to create as a result of the project being fully implemented.

Across NI, 3,832 jobs were to be created in 2022-23, up from 3.547 in 2021-22. Of the 2022-23 total, 1,301 jobs were to be created in Belfast, the highest across the LGDs. This was followed by Armagh, Banbridge & Craigavon with 824 jobs to be created.

The breakdown by business size shows that SMEs recorded 1,746 jobs to be created in 2022-23, up from 1,396 in 2021-22 (Figure 27). Meanwhile, large firms were to create 2,086 jobs which was down slightly from 2,143.

Figure 27: Jobs to be created by business size
Source: Invest NI



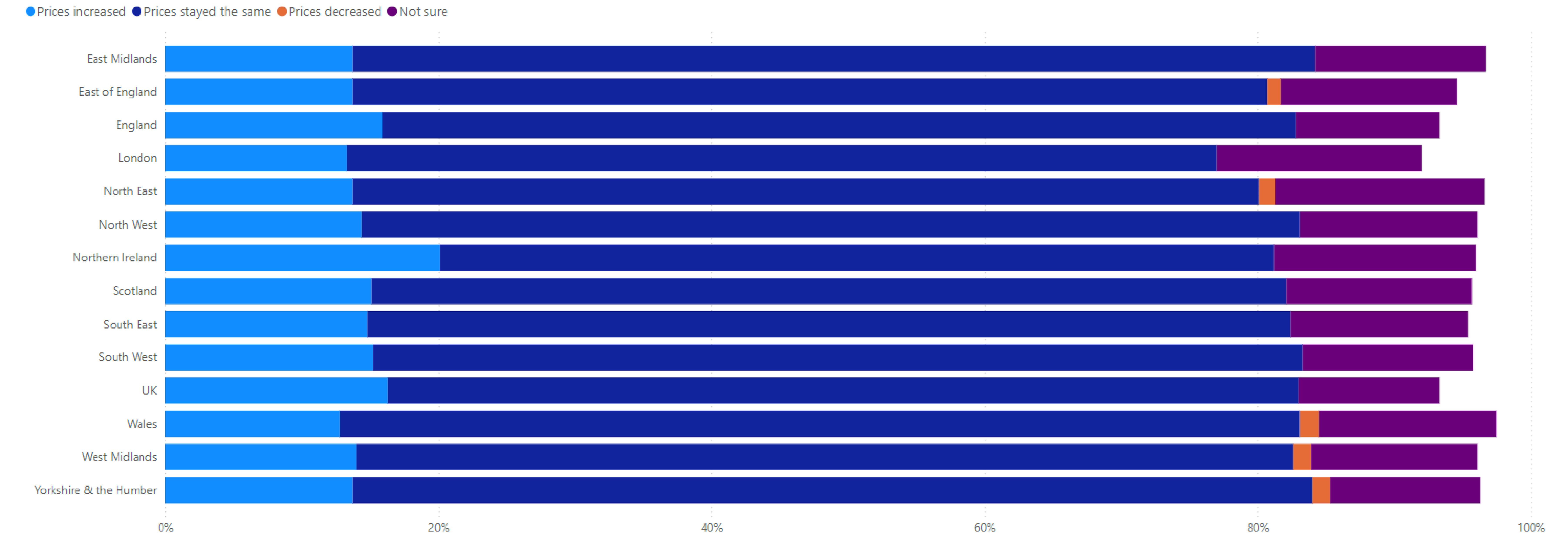
Business Insights and Conditions Survey (BICS)[4]

Prices of Goods and Services Bought

From 1st-30th June 2024, 20% of NI BICS respondents said the prices of goods and services purchased had increased compared to the previous month (Figure 28). NI's share is the highest of the UK regions and is above the UK average at 16%. Welsh respondents had the lowest proportion with only 13% of businesses agreeing that prices had increased.

The June 2024 figure for NI is a reduction from 27% and 53% for the same month in 2023 and 2022, respectively. NI also had the largest share of respondents reporting increased prices in these time periods.

Figure 28: Prices of goods and services bought by the business compared to the previous calendar month (% of respondents), June 2024
Source: BICS

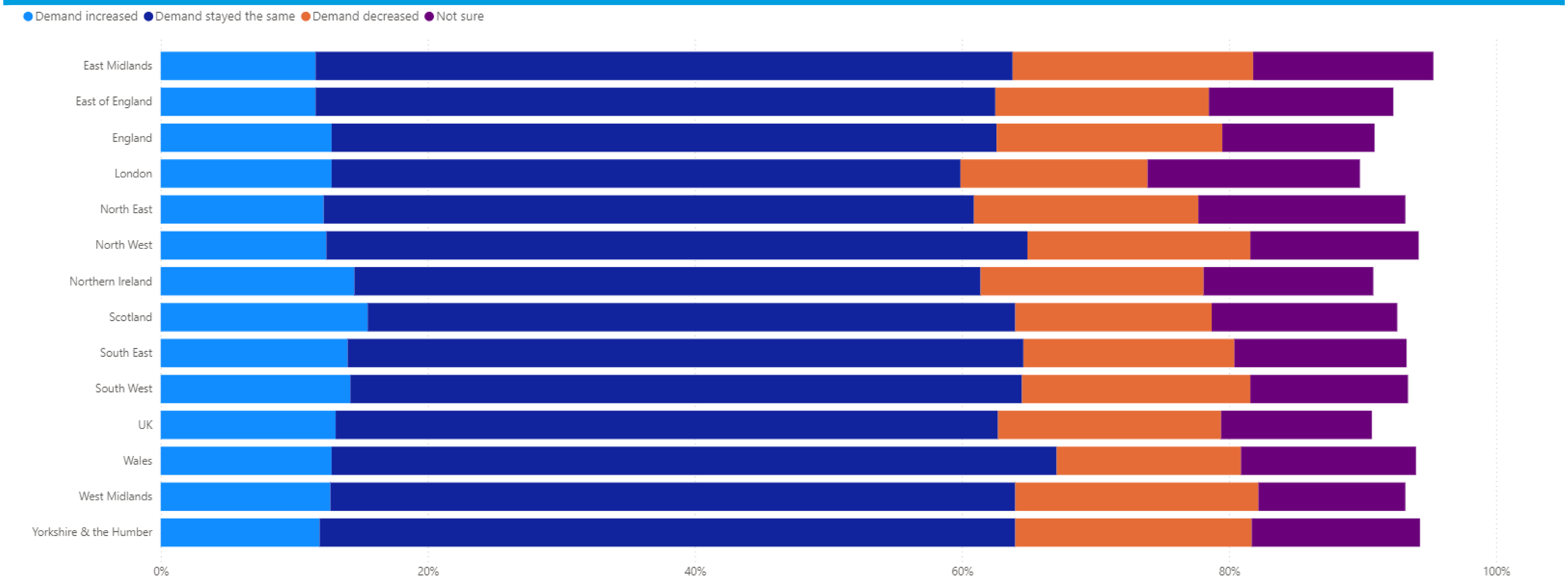


Demand for Goods and Services

In June 2024, 15% of NI respondents said domestic demand had increased compared to the previous month (Figure 29). This is just below Scotland at 16%, whilst for the UK overall this figure was 13%. For NI, the June 2024 figure is an increase from 13% and 11% for the same month in 2022 and 2023.

Meanwhile, 17% of respondents reported that demand had decreased, an increase from 13% and 15% in 2022 and 2023, respectively. 47% said demand remained the same, also a decline from 51% and 57% for the same periods.

Figure 29: Domestic demand for goods and services compared with the previous calendar month (% of respondents), June 2024
Source: BICS



4 BICS is a fortnightly survey about financial performance, workforce, prices, trade and business resilience.

About UUEPC

UUEPC is an independent economic research centre focused on producing evidence-based research to inform policy development and implementation. It engages with all organisations that have an interest in enhancing the Northern Ireland economy. The UUEPC's work is relevant to government, business and the wider public with the aim of engaging those who may previously have been disengaged from economic debate.

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