Multiple business registrations at a single postcode, UK: 2025

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

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Release date:
19 November 2026

Next release:
To be announced

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1 . Overview

The Inter-Departmental Business Register (IDBR) holds the number of businesses registered for Value Added Tax (VAT) and/or Pay As You Earn (PAYE). Aggregated information on these businesses is published in our Business demography, UK bulletin and UK business; activity, size and location bulletin.

Multiple registrations affect lower geography analysis in these two bulletins. Since most of these cases register or deregister in groups, they present more difficulty for the business demography bulletin, which records the number of businesses trading throughout the reference year and tracks survivals for five years after birth. In contrast, the UK business bulletin records the number of businesses trading at a specific point in time.

The business demography bulletin shows the number of businesses that were actively trading during a year. It also records the number of business births (new business registrations), deaths (businesses that have ceased to trade, identified through deregistration of administrative units) and survival rates.

These data are broken down geographically into country, region, and local authority district.

2 . Aim

This methodology gives insight into the issue of multiple registrations at a single postcode. Based on the current methodology of the business demography and UK business bulletins, which includes all businesses registered for Value Added Tax (VAT) or Pay As You Earn (PAYE), it is not appropriate to exclude all multiple registrations. However, we understand that one of the reasons that the business demography data are used by local authorities is for planning purposes, and these multiple registrations can cause issues. Therefore, we aim to make users aware of some of the reasons for multiple registrations and have produced tables based purely on postcodes where there are more than 500 businesses' births or deaths (businesses registered or deregistered for VAT or PAYE). These tables can be found in Section 10: Postcodes with over 500 business births or deaths.

The analysis is broken down to local authority level, and users can see the effect these multiple registrations have had on the published data.

3 . Reasons for multiple registrations at a single postcode

In recent years, the number of multiple registrations observed on the Inter-Departmental Business Register (IDBR) at a single postcode have increased. This can cause large fluctuations and distort lower geography data analysis. It was always recommended to treat data with caution when it is broken down to the lower geographical level.

There are several reasons why these multiple registrations can occur, for example:

- the increase in the use of management and personal service companies
- the use of formation agents to register a new business with Companies House
- virtual offices
- the presence of the HM Revenue and Customs (HMRC) local offices
- foreign online sellers

4 . Potential impact of multiple registrations on the publications

Business demography

In certain local authorities, this has caused:

- large increases in business births
- large increases in business deaths
- poor survival rates

UK business: activity, size and location

This has caused large year-on-year fluctuations.

5 . Management and personal service companies

There has been an increase in the number of temporary staff, for example, supply teachers, drivers, and nurses, setting up their own limited companies. In these cases, when the person registers as a limited company, they are the only employee and are also the owner or director of the business.

Very often, these limited companies (sometimes referred to as personal service companies) are using a management company and are registered at the address of the management company rather than the individual limited company address. These businesses may only exist for a few months, to cover the period of the temporary contract. They register for Pay As You Earn (PAYE) and are picked up on the Inter-Departmental Business Register (IDBR). In extreme cases, several thousand businesses can be registered at a single management company address. These are a true reflection of the number of businesses overall, but the lower-level geography is distorted because they reflect the management company address rather than their own. In some cases, these businesses can be recorded under the activity of the management company rather than their own individual Standard Industrial Classification (SIC).

When new businesses are registered as limited companies by temporary workers and contractors, their survival rates can be shorter. For example, in the initial year, the area could show a higher-than-normal business birth rate, but in the following years, there could have an adverse effect on the business death rates that will result in lower business survival rates.

To see the impact of multiple registrations at local authority level, please see Tables 1 and 2.

6 . Company formation agents

It is common for new businesses to use a formation agent in order to register their business with Companies House. As well as dealing with the incorporation of the business, the formation agent offers a number of services to support the new business. One of the services is to provide a registered office address. In some cases, the formation agent can register thousands of businesses at a single address.

To see the impact of multiple registrations at local authority level, please see Tables 1 and 2.

7 . Virtual offices

Virtual offices offer a chance for a business to register their office address in a prestigious location. Often, these are prime UK city locations. The services offered to businesses vary but can include the use of a registered address, mail forwarding, call answering and use of meeting rooms. The presence of this type of business in a local authority can cause multiple registrations at a single postcode.

To see the impact of multiple registrations at local authority level, please see Tables 1 and 2.

8 . HM Revenue and Customs local Value Added Tax offices

The presence of a local Value Added Tax (VAT) office can affect the data of a local authority in the cases where the businesses registered for VAT carry the address of the VAT office.

For example, businesses holding the VAT office address in Grimsby distort the figures for North East Lincolnshire. The Grimsby VAT office deals with the liable no longer liable (LNLL) type of registrations. These registrations carry the address of the Grimsby VAT office and influence the data for the North East Lincolnshire unitary authority. We have previously published an article analysing the effect of the Grimsby VAT office on business survival rates in North East Lincolnshire. After obtaining further information from HM Revenue and Customs (HMRC), a decision was made to remove the businesses holding the Grimsby VAT office address. In the 2017 publication, all data have been revised back to 2012 to reflect this change.

The VAT office in Aberdeen has had an impact on business demography publications since 2017. If an overseas seller does not have a UK business establishment or has not appointed a tax representative, then HMRC may ask for the seller to make their trading records available at the Aberdeen office. If, as a result, the seller has to register for VAT in the UK, then very often the address of the VAT office is used. Owing to an increase in foreign online sellers registering for VAT, there has been an increase in the use of the Aberdeen VAT office address for multiple registrations. These cases have now been excluded from the business demography bulletin.

9 . Foreign online sellers

Foreign online sellers selling their goods in the UK now need to register for Value Added Tax (VAT) with HM Revenue and Customs (HMRC). Very often, these VAT registrations use the address of a management company or accountancy firm.

To be included in the publications, a business must have a site in the UK. Therefore, the foreign online sellers should be excluded from the business demography bulletin. As these businesses can use the registered address of a UK management company or accountancy firm, they can be hard to identify. Every effort is made to exclude these businesses from the publications.

10 . Postcodes with over 500 business births or deaths

Table 1: Count of business births per district at postcodes with 500 or more businesses 2020 to 2025

	2020	2021	2022	2023	2024	2025
Leicester	1,565	:	:	:	:	:
Birmingham	880	:	:	:	:	:
Bromsgrove	1,030	:	:	:	:	:
Wyre Forest	:	550	:	:	:	:
Camden	1,470	2,325	1,560	1,950	1,880	1,590
Hackney	1,390	2,130	2,000	2,345	2,165	1,650
Islington	1,240	1,775	1,665	2,235	2,185	1,900
Southwark	:	605	:	:	:	:
Westminster	525	1,065	:	515	500	575
Barnet	:	540	:	:	:	:
Brighton and Hove	1,335	620	:	:	:	:
Southampton	670	:	:	:	:	:

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

Notes

1. : District was not affected this year.

Table 2: Count of business deaths per district at postcodes with 500 or more businesses 2020 to 2025

	2020	2021	2022	2023	2024	2025
Leeds	:	:	855	:	:	:
Leicester	:	:	1,510	:	:	:
Wellingborough	1,515	:	:	:	:	:
Telford and Wrekin	:	530	:	:	:	:
Birmingham	3,385	840	:	:	:	:
Bromsgrove	2,025	3,480	:	:	:	:
East Hertfordshire	740	:	:	:	:	:
Camden	750	910	1,130	970	1,105	1,280
City of London	1,335	:	:	:	:	:
Hackney	775	880	1,095	990	1,510	1,625
Islington	780	885	1,220	1,190	1,350	1,445
Brighton and Hove	:	595	600	:	:	:
Buckinghamshire	:	:	:	:	605	:
Eastleigh	550	:	:	:	:	:

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

Notes

1. : District was not affected this year.

11 . Related links

Business demography UK: 2025
Bulletin | Released 19 November 2026
Annual change in the number of UK businesses broken down by sector of the economy.

Business demography, quarterly, UK: July to September 2026
Bulletin | Released 29 October 2026
Business births and deaths from the Inter-Departmental Business Register, with high-level breakdowns by industry and region. Quarterly official statistics in development.

UK business; activity, size and location: 2026
Bulletin | Released 24 September 2026
Annual publication of UK businesses broken down by legal status, industry, region, employment and turnover size bands.

Business population estimates
Collection | Last updated 5 November 2026
Annual business population estimates for the UK and regions in 2026.

12 . Cite this methodology

Office for National Statistics (ONS), released 19 November 2026, ONS website, methodology, Multiple business registrations at a single postcode, UK: 2025