



Economic Intelligence Wales

Quarterly report

June 2018



Foreword

It is my pleasure to be publishing this report on SME finance; the first in a series of reports from the newly formed Economic Intelligence Wales.

Economic Intelligence Wales is a collaboration between the Development Bank of Wales, Cardiff Business School and the Office for National Statistics.

Economic Intelligence Wales is a core new facet of the Development Bank of Wales and is the latest in a number of launches since the Development Bank itself was launched in October 2017.

Economic Intelligence Wales will collate and analyse data to create an independent, robust and reliable platform to inform timely policy and funding decisions. These decisions will benefit entrepreneurs and SMEs, thereby improving the Welsh economy as a whole. Economic Intelligence Wales will also seek to identify and address any Welsh data gaps.

A Steering Group comprising representatives from the Development Bank of Wales, Cardiff Business School and the Office for National Statistics has been formed to review and approve the outputs of Economic Intelligence Wales.

Cardiff Business School, on behalf of Economic Intelligence Wales, will produce quarterly reports on SME finance issues and the state of the economy from the perspective of SMEs in Wales. Over time this will build a body of objective, fact-based analysis.

In addition to quarterly reports, a number of bespoke reports will be produced by Cardiff Business School semi-annually on key issues and topics of relevance to Welsh businesses. The first of these will focus on the challenges and opportunities faced by Welsh SMEs in relation to exports.

Economic Intelligence Wales is keen to encourage ideas, feedback and collaboration from other academics, researchers and institutions to widen the brief and encourage innovation in economic research. The mechanism for suggesting bespoke report topics and suitable research partners can be found on the dedicated Economic Intelligence Wales page of the Development Bank's website.

The need for accurate and timely assessments of the state of the Welsh economy is critical to the Development Bank of Wales' ability to properly provide financial support to entrepreneurs and micro, small and medium-sized businesses.

Ultimately the goal is for these reports to become a respected and well-publicised bellwether of the Welsh economy.

A handwritten signature in blue ink, appearing to read 'Giles Thorley'.

Giles Thorley

Chief Executive, Development Bank of Wales

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The ONS has advised on the production of this report but is not responsible for the views or statistics presented and has not validated the content.

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Development Bank of Wales Plc (Banc Datblygu Cymru ccc) is the holding company of a Group that trades as Development Bank of Wales. The Group is made up of a number of subsidiaries which are registered with names including the initials DBW. Development Bank of Wales Plc is a development finance company wholly owned by the Welsh Ministers and it is neither authorised nor regulated by the Prudential Regulation Authority (PRA) or the Financial Conduct Authority (FCA). The Development Bank of Wales (Banc Datblygu Cymru ccc) has three subsidiaries which are authorised and regulated by the FCA. Please note that neither the Development Bank of Wales Plc (Banc Datblygu Cymru ccc) nor any of its subsidiaries are banking institutions or operate as such. This means that none of the group entities are able to accept deposits from the public. A complete legal structure chart for Development Bank of Wales Plc can be found developmentbank.wales



1. Introduction

This is the first in a quarterly series of Economic Intelligence Wales (EIW) reports by Cardiff Business School examining key SME trends in the Welsh economy, particularly in respect to the demand and supply for finance provision.

The *Quarterly Report* (QR) series results from a collaboration between Cardiff Business School, the Development Bank of Wales, and the Office for National Statistics (ONS) Data Science Campus. The ONS has advised on the production of this report but is not responsible for the views or statistics presented and has not validated the content. Alongside the QR series, the research team will also be producing a set of bespoke reports every year examining Wales-specific economic issues of SME interest. The first of these will be available in August 2018, and will examine financing to support Welsh SME export activity.

The content of the QR series will vary through time, reflecting the availability of SME data. This first QR aims to establish a baseline picture of Welsh SME activity, with future QRs then identifying changes and trends from this baseline. The EIW collaboration will explore the current provision of data relating to Wales-based SMEs and will identify data gaps. This report is based on publicly available data (generally reported in calendar years) together with a special analysis of data provided by the Development Bank of Wales (mostly reported in financial years). Due to differences in reporting periods there will be some slight temporal mismatch of data within this report.

The overall objective is then for the QR to provide data and commentary that will help in the understanding of:

- Recent trends in SME growth, start-ups, exits, and business survival prospects in Wales.
- Regional and macro-economic factors shaping the demand for SME finance in Wales.
- The supply of finance to SMEs in Wales.
- The amounts and types of lending/investment into SME operations in Wales.

In addition, the QR series summarises the activities of the Development Bank of Wales in the context of factors affecting the demand for, and supply of, finance to SMEs in Wales. In summary, the QR will identify:

- The use of Development Bank funds in financing Welsh SMEs, and what type of enterprises and industries are being supported.
- The geographical distribution of SME support around Wales.

The final QR of each year will additionally include:

- The outcomes for SME beneficiaries of Development Bank of Wales funding in terms of growth and survival.
- The wider economic impact of Development Bank of Wales' activity.

This QR has four further sections. The second section provides data and commentary in respect of the Welsh SME context and an analysis of those factors affecting the demand for SME finance in Wales. In the third section, the focus switches to indicators of the SME finance supply side in Wales. The fourth section then examines key activity indicators of the Development Bank of Wales, with the final section providing some conclusions from the overall analysis.



Future QRs will seek to maintain coverage of key statistics affecting SME demand for, and supply of finance in Wales, but content will vary according to statistical release timings and economic issues arising during the year.

2. The Welsh context

2.1 UK and regional economic prospects

The factors driving the demands for external finance for Welsh SMEs are complex. However, overall economic conditions in the UK (and globally) impact growth and then demands (and supply) for different types of capital and financial support.

The first quarter of 2018 revealed growing uncertainty across the national economy and with the Monetary Policy Committee in March resisting any increase in the bank rate. In the first quarter of this year the UK economy experienced weak output growth, which was largely a consequence of a large fall in construction output (3.3% down on the previous quarter), slower manufacturing growth, and with services growth slowing to 0.3%. The Office for National Statistics were hesitant in attributing the 2018Q1 performance to bad weather. Poor output growth in the first quarter occurred in the face of stronger labour market conditions (see below).

According to the Federation of Small Businesses (FSB), economic conditions are fuelling pessimism in the sector, with their *Small Business Index* revealing an increasing number of enterprises expecting performance to have worsened in the first quarter of 2018, and with the FSB reporting that one in seven small business owners were planning to downsize. Barriers to growth in 2018 were linked through to poorer consumer demand, and gaining access to skilled staff. Uncertainty caused by Brexit is also a persistent theme in reporting.

In Wales, gross value added (GVA) figures for 2017 are still to be published (publication is expected in December 2018). In 2016 Welsh GVA reached £59.6bn (up 4.0% on 2015) and with GVA per head of the population at £19,140, or 73% of the UK average, and with this differential having a persistent quality. Uppermost in Welsh economy concerns are poor productivity growth and differences in economic prospects across different parts of the economy, with GVA per head significantly below the Welsh average in parts of the West Wales and the Valleys area in particular.

A Welsh Government report on trade after Brexit, (*Trade Policy: the issues for Wales*, February, 2018), also revealed the risks facing some of the larger businesses in the regional economy. These risks may create rebound effects on Welsh SMEs, many of which form the supply chain to these larger enterprises, particularly in sectors such as automotive, electrical engineering and food.

Labour markets in Wales reflect the strength of the wider UK labour market. In the year ending 31st December 2017, the employment level in Wales (for those aged 16–64) reached almost 1.374m, up 19,200 on the previous year, with the economic activity rate at 76% (UK 78.2%) and the unemployment rate at 4.8% (UK 4.5%).

In summary, the new Development Bank of Wales starts out in an environment where Welsh SMEs are facing a challenging economic climate and uncertainty over short-term growth prospects.



2.2 The SME picture in Wales: understanding factors shaping demand for finance

The first dashboard seeks to summarise information on the nature of the SME sector in Wales, and selected factors that drive demand for external finance.

D1 shows the distribution of SMEs in Wales by size band, and points to the very large number of micro enterprises (i.e. employing 0-9) in the total population of SMEs. Of nearly 252,000 SMEs, over 95% are in the micro firm category, accounting for 56% of SME employment and 42% of SME sales. While the upper limit in this category is nine employees, the majority of micro enterprises will either employ no one, or have one employee, with average employment in a Welsh micro-enterprise being less than two people. One abiding characteristic of such micro enterprises is a strong aversion to taking on more financial risk, and a corresponding unwillingness to grow – indeed these are often described as ‘trundlers’ in the research literature. This is a factor that connects through to debates about the UK regional productivity problem. At the other end of the spectrum medium sized enterprises (51-249) make up less than 1% of the SME enterprise count in Wales, but account for nearly one fifth of SME employment and nearly 30% of sales.

D2 summarises recent changes in the Welsh SME count, and corresponding employment and sales. In the period 2016-2017 the micro SME group saw a 1% increase in the number of enterprises, and around a 1% increase in employment, but a 4% change in sales. In the same period, there was stronger growth in the enterprise count and employment in the case of small SMEs, but with medium sized enterprises seeing a fall in enterprise count, employment and sales in the year to 2017. Clearly, changes in employment in the case of medium sized enterprises could reflect loss of activity in just a few enterprises.

SME enterprises and employment are not evenly distributed across Welsh sectors (D3) with a little over 17,000 SMEs in production sectors, and with this sector accounting for 56,000 employees. Much higher numbers of SMEs are in sectors such as financial and business services, retail/wholesale, hotels and catering, and other private market services. In some of these sectors the capital constraints of start-up are lower than they are in manufacturing.

Recent changes in the SME count and activity are unevenly distributed across space and sector (D4 and D5). In the year to 2017, North and Mid & South West Wales saw increases in their enterprise counts in both the micro and small firm categories. All three of the Welsh regions saw a fall in the number of medium sized enterprises in the year to 2017.

D5 reveals that, in terms of the enterprise count, agriculture and production SMEs witnessed the greatest increase in the year to 2017; in the case of production by more than 15%. It will be important to monitor trends in these sectors as the EU transition process develops with both sectors more dependent (directly and indirectly) on overseas export markets, and also, in selected cases, most prone to foreign competition. The number of construction enterprises fell between 2016-17, as did the number of enterprises in other services.

Trends in enterprise count, employment and sales in SMEs link through to wider changes in short term output indicators in the Welsh economy (D6). The information in D6 reflects the output of all Welsh enterprises, and shows increases in each of the indices during last year, particularly in construction.

D7, 8 and 9 focus on issues around SME birth and death in Wales. A birth is defined as a business that is present in a specific year, but did not exist in the previous one or two years. Births are identified by making a comparison of the annual active business population. Birth rate is defined as the proportion of birth companies as a proportion of all active enterprises. The majority of firm new births in Wales (D7) occur in the large South East economy, with the smaller (in economic terms) areas of North, and Mid and South West Wales having fewer new starts. However, South East Wales is also shown to have a stronger birth rate (around 14%) compared to other areas of Wales. Some of the stronger performance of South East Wales is simply structural (D8).

Strong SME birth rates are found in sectors such as business administration (17%), professional services, and ICT, and in these sectors there is more activity in South East Wales. However, sectors and areas of Wales with higher birth rates will also experience higher business death rates. Net, however, between 2015 and 2016 there was an increase in active businesses in Wales of over 3,300.

The dynamism in terms of birth and death of SMEs in Wales is illustrated in terms of three-year survival rates (D9). There is some variation in survival rates across different parts of the regional economy but the figures reveal that for every 100 enterprises that started in Wales in 2013, typically only around 60 would still be active three years after birth. Three-year survival rates are slightly lower in South East Wales than in other parts of Wales, and the survival rates for UK enterprises are similar to overall rates in Wales. An analysis of enterprises born in 2011 shows that the five-year survival rate falls to 43.2% in Wales, compared with 44.1% for the UK.

Finally (D10) provides information from the *SME Finance Monitor* on the proportion of Welsh SMEs that use external finance, (whether in the form of overdrafts, credit cards and loans). In 2017 it was estimated that 41% of Welsh SMEs made use of such provisions (37% in England and 36% in Scotland). The *SME Finance Monitor* also revealed that just 32% of Welsh SMEs had a desire to grow, with 54% content to maintain activity at current levels (D11). Clearly, the number of enterprises having low growth ambitions might be a factor determining the number of small and micro enterprises that evolve into medium sized firms.

3. Provision of SME finance and cost of finance

This section focuses on the factors affecting the provision of finance to SMEs in Wales. Before analysing Welsh level information, it is important to reflect on wider UK trends in lending. D12 shows that total bank lending to UK SMEs plateaued at a little under £60bn in 2015-2016, and then with a slight fall into 2017. Counteracting the slight fall in the level of total bank lending in 2017 has been a steady rise (in money terms) of asset finance and flows from private equity organisations. Interest rates to SMEs who are successful in gaining loans (i.e. other loans and new advances) averaged 3.32% in 2018 (D13).

D13 also shows the monthly 12-month growth rate of monetary financial institutions' sterling and all foreign currency loans to SMEs (in percent). This series reveals growth in loans of just 0.2% in March 2018 compared to the same period in the preceding year, and shows a slowdown in lending to SMEs during much of 2017.

A major source of SME finance is overdraft facilities (D14). In Wales, the cumulative stock of overdraft balances between 2011Q3 and 2017Q4, was around £15bn, with the stock of overdraft facilities approved of around £2bn. This is relatively high on both counts in comparison to other regions of the

UK, and given Wales as a whole makes up an estimated 4-5% of the UK economy. For 2017Q4 the *UK Finance Report* (February 2018) revealed that there were reduced volumes of loans at a UK level, although Wales appears to have moved against the trend with more loans approved compared to the same quarter in the previous year.

Notwithstanding the Welsh share of total GB bank lending to SMEs is slightly above the economy share i.e. varying between 4.5% and 4.7% in the period 2013Q2 to 2017Q3, although D15 shows some growth in the Welsh share in the period 2017Q1-Q3. For Wales in 2017Q3 the overdraft facilities approved for small enterprises (< 50 employees) was £1.31bn compared to £0.68bn for medium sized enterprises. In several other UK regions the overdraft approvals to medium sized enterprises are greater than those to small enterprises, with this indicating in part the smaller number of medium sized enterprises in Wales.

It is difficult to be specific on the spatial distribution of lending to Welsh SMEs but D16 shows that just over 50% of the lending in the four quarters to 2017Q3 was to Cardiff and Swansea postcodes, although in both cases this covers urban and rural areas. It is difficult to draw firm conclusions from this data because of problems matching economic activity to postcode areas, and with some postcode areas crossing local authority boundaries. D16 includes an estimate of bank lending to SMEs with a Shrewsbury postcode, but located in Wales (for example including those in Newtown and Aberystwyth).

External finance to SMEs in Wales also embraces venture capital finance and private equity sources. The BVCA revealed there were 50 companies in Wales that had received investment in 2016 (UK, 728). These enterprises have largely gained venture capital and expansion capital, and were associated with an investment of around £49m in 2016, down from £55m in 2015 (D17), and with much of this investment (D18) focused in healthcare and technology sectors (i.e. around 82% of the total investment in 2016). The Development Bank plays a significant role in providing equity investments in Wales.

Finally in this dashboard the level of lending to SMEs also links through to provider assessment of SME risks. Detailed risk information is not available for all Welsh SMEs. However, D19 reveals information from over 60,000 SMEs in Wales (information accessed from the FAME database in June 2018 and reflecting firm latest available accounts at that date).¹ The risk classifications used range from High Risk to Secure, being derived from accounting and other information available to credit risk agencies.

For SMEs classified in the High-risk category, there is significant expectation that they will become insolvent within one year and will be unable to continue trading without significant remedial action. The Caution category carries a significant risk of failure and with enterprises in this category typically four times more likely to fail than those in the Normal category.

D19 compares the proportion of SMEs falling into different credit risk bands in Wales, UK and selected regions. Overall, the share of Welsh enterprises in every credit risk band is similar to that in the UK. The data still makes for sobering reading with around 4% of Welsh SMEs estimated to be High risk and with 70% being in the Caution category. There is little variation in these proportions across different

¹ Data available from: <https://fame.bvdinfo.com/version-2018327/Home.serv?product=fameneo&setlanguage=en>

parts of Wales, although there is some variation by industry (D20). There is a smaller proportion of High risk SMEs in sectors such as primary sectors (agriculture etc.) and insurance. A corollary is that these same sectors have high proportions of enterprises in the Normal, Stable or Secure categories.

4. Development Bank of Wales activity

The final dashboard summarises relevant Development Bank of Wales activities to date, in terms of investments made by type, sector, location, fund and size of business. Together the information provides an overview of activity within the demand and supply context provided earlier.

The information provided in this dashboard shows short term impacts, recorded at the point of investment or on the first anniversary. The end of year report will highlight the longer-term impacts of Development Bank of Wales investment activity.

The first five panels in Dashboard 3 indicate the scale and distribution of Development Bank of Wales investment to date, with cumulative figures covering the period from 2001/2-2017/18. During this period D21 reveals total investment was almost £507m, with loans accounting for just over half of this total, equity investments representing around 28% and mezzanine investments the remaining 21%.

D22 provides the same analysis by type of investment, but shows the number of enterprises and jobs supported over the period to the final quarter of 2017/18 financial year. There are almost 2,900 firms who have received loans, far outnumbering those receiving other types of investment, which have created over 11,000 jobs, and safeguarding almost 18,000. D23 shows that the manufacturing sector has been the main recipient of Development Bank of Wales' investment, followed by construction, information and communications sectors and then professional and technical. This pattern of investment does not match the general sectoral distribution of SMEs in Wales, where the production sectors featured the lowest number of SMEs, and relatively low associated jobs.² However, these same production sectors often have higher demands for capital to gain growth prospects.

The geographical distribution of investment to date is shown in D24. As noted earlier, loans make up the majority of investments in all locations, and with the South East region accounting for the largest share of all types of investment. Mid & South West has the next largest share of loans, and higher levels of cumulative equity and mezzanine investment than North Wales. D25 reveals cumulative investments and investment available by different funds, as at the final quarter of the 2017/18 financial year. The largest fund is the EU co-financed Wales Business Fund which has £170m to invest. A number of Development Bank of Wales funds have the ability to recycle their investments. The Wales Property Fund has currently recycled over £22m. The next data sets (D26-D29) show more recent investment activity. Whilst loans are the most significant component of the Development Bank of Wales portfolio, growth in loan investments has been relatively low over the period since 2016/17Q4 (D26). Equity investment has seen the highest growth rate, increasing by more than 60% in the same period, with Beauhurst Research stating that the Development Bank of Wales is a major equity investor in the UK.³ For mezzanine investment, the longer term trend (D27) is upwards, but both D27 and D28 show some volatility in investment from quarter to quarter.

² Investment data from the earliest funds did not have an integrated means of recording sectoral information due to sectoral reporting requirements. Consequently, approximately 13% of the Development Bank of Wales dataset lacked sectoral information. The investment, jobs created and safeguarded jobs from these enterprises are not included in D23.

³ Available from: <https://businessnewswales.com/equity-backed-welsh-businesses-turnover-1-5bn/>



Recent investment by selected sector is shown in D29. This shows the amounts (£m) of overall investment for 2017/18 financial year. Investment has been highest in the construction sector, followed by manufacturing and then information and communications, professional services, and wholesale and retail.

Chart D30 shows recent investment activity by size of firm. During the financial year 2017/18, investment in micro enterprises accounted for the largest share of funds, at 40%, with 36% of investments in small enterprises, and 23% in medium sized enterprises. Only 1% of the value of investments during the financial year were to large enterprises.

An annual historical perspective on investments, number of enterprises and jobs supported is shown in D31 and D32. D32 shows the short-term impact of funds in creating and safeguarding jobs. The pattern of investments and jobs has been volatile over the period since 2001. The dip in investments and jobs during the 2007 financial crisis is particularly noticeable. Whilst investment recovered quickly from this, reaching a peak in 2010, investment and jobs fell again in the period to 2012.

The period since 2012 has seen increases in investment and private sector leverage. The number of new jobs created has however plateaued since 2014. The trend in jobs safeguarded is upwards, but with a dip during 2015. During 2017, 311 enterprises received investments of over £64m, with this linked to just over £80m of private sector leverage, almost 1,200 new jobs and more than 2,500 safeguarded jobs.

5. Conclusion

This first QR compiles a number of economic indicators that are significant to the Welsh SME context. It is from this basis that subsequent QRs will assess changes to the Welsh economy. By doing this, EIW will identify future challenges and opportunities for the Welsh economy and the Development Bank of Wales as a deliverer of Welsh Government policy.

Welsh SMEs are operating within a challenging economic climate. The uncertainty over UK economic prospects through 2018-2019 is expected to have some influence on the demand for finance. The first QR provides evidence of slow UK growth in the first quarter of 2018, and with the prospect that SMEs in Wales could expect poorer performances this year. Underpinning business uncertainty is a lack of clarity on the EU transition landscape, and with some of Wales' largest exporters facing a complex set of risks in any expected Brexit scenario.

SME owners in Wales might take some comfort from stronger labour markets conditions both nationally and regionally with activity rates high, and some increases in the Welsh economic activity accounted for by micro and small enterprises in the recent past. However, the QR reveals a weaker performance by medium sized enterprises in terms of recent employment and sales growth. The first QR also provides evidence of strong variations in business birth rates across Wales and by sectors, and the high numbers of Welsh enterprises that fail within their first three years of existence. These survival rates are linked with the findings on credit risk ratings of Welsh SMEs, which show the large numbers of enterprises categorised into High risk and Caution categories.

Within the complex SME context in Wales, the Development Bank of Wales has played an important role in supporting SME activity, with total investments of over £0.5bn since 2001, leveraging over £0.7bn from the private sector, and creating and safeguarding over 49,000 jobs in Wales. Note that

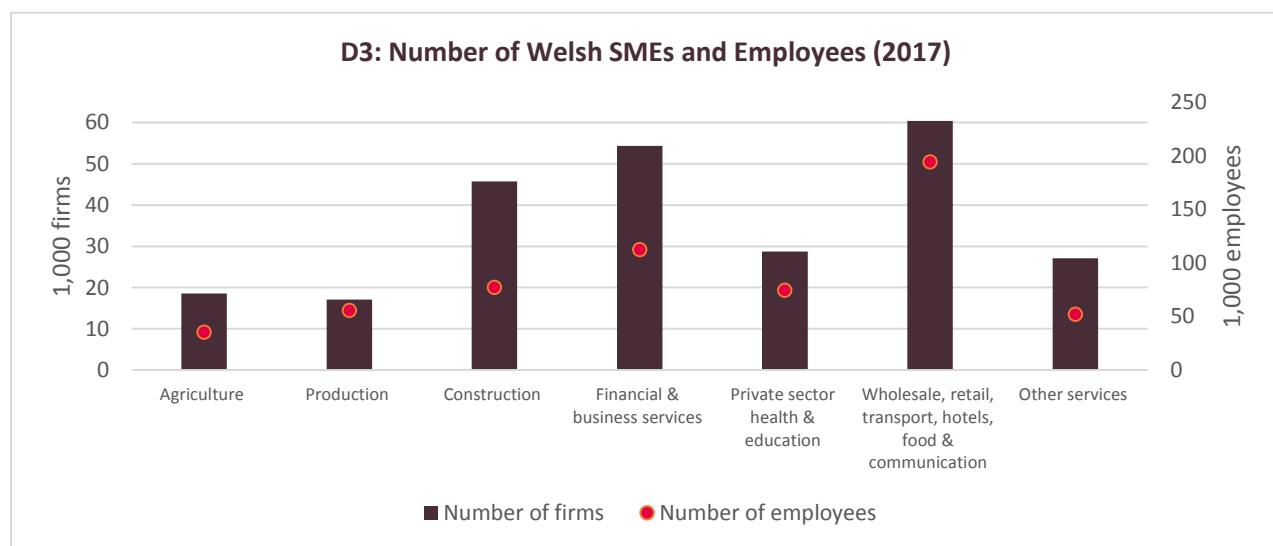
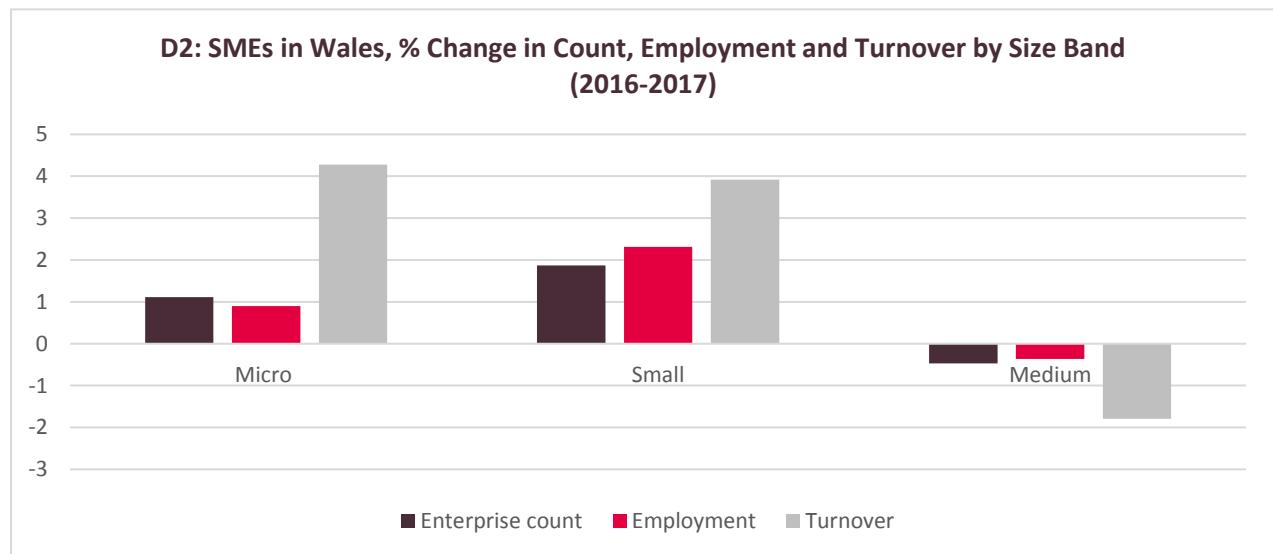
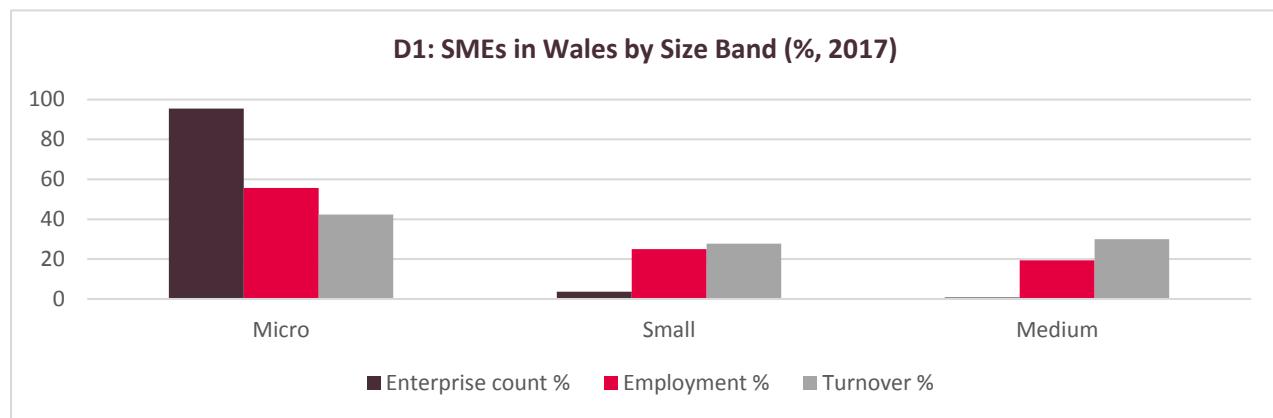


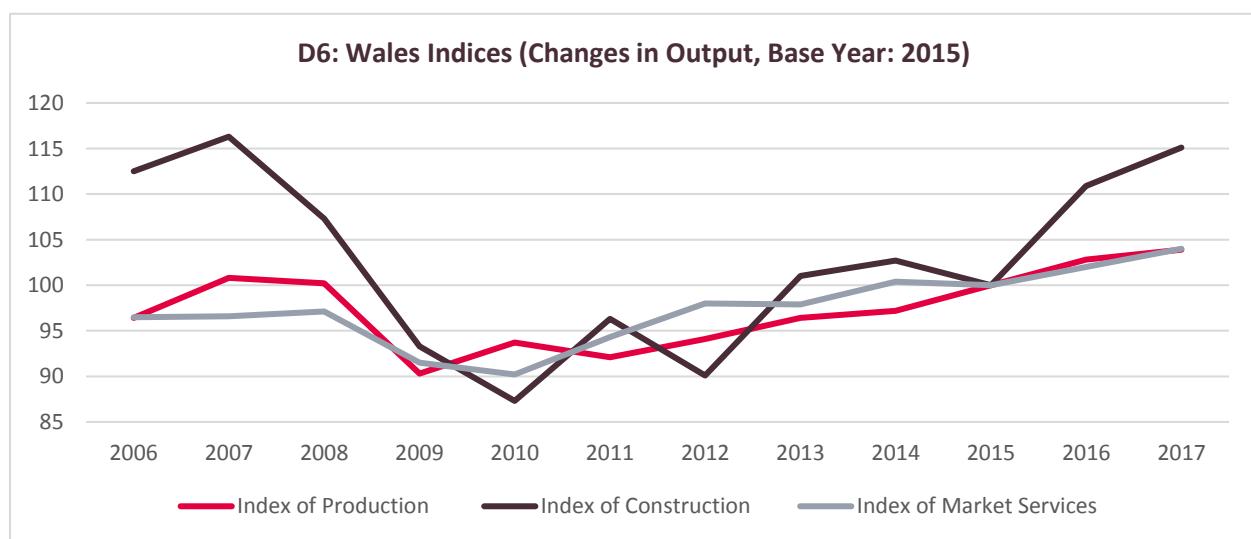
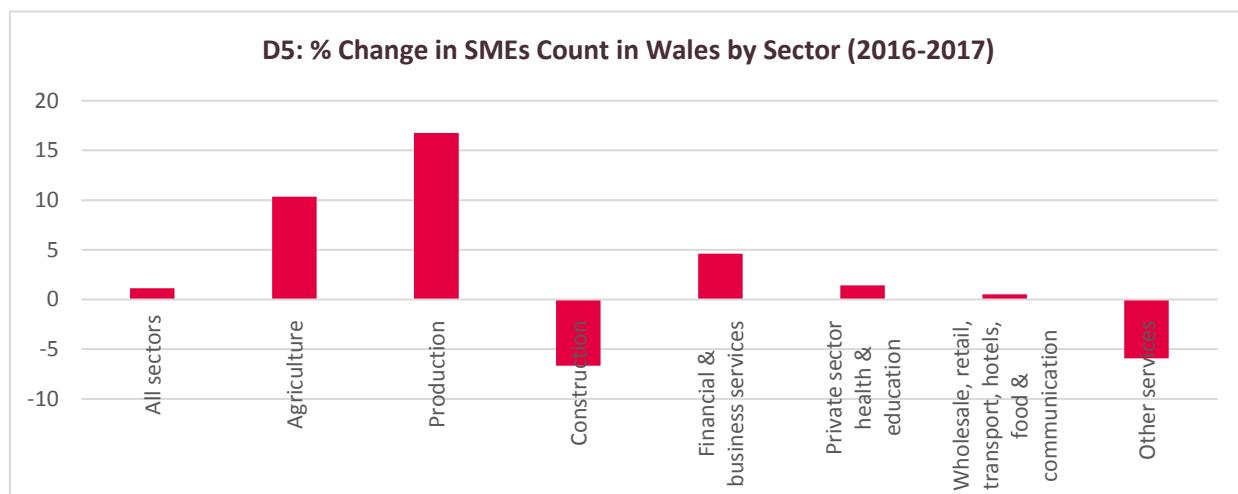
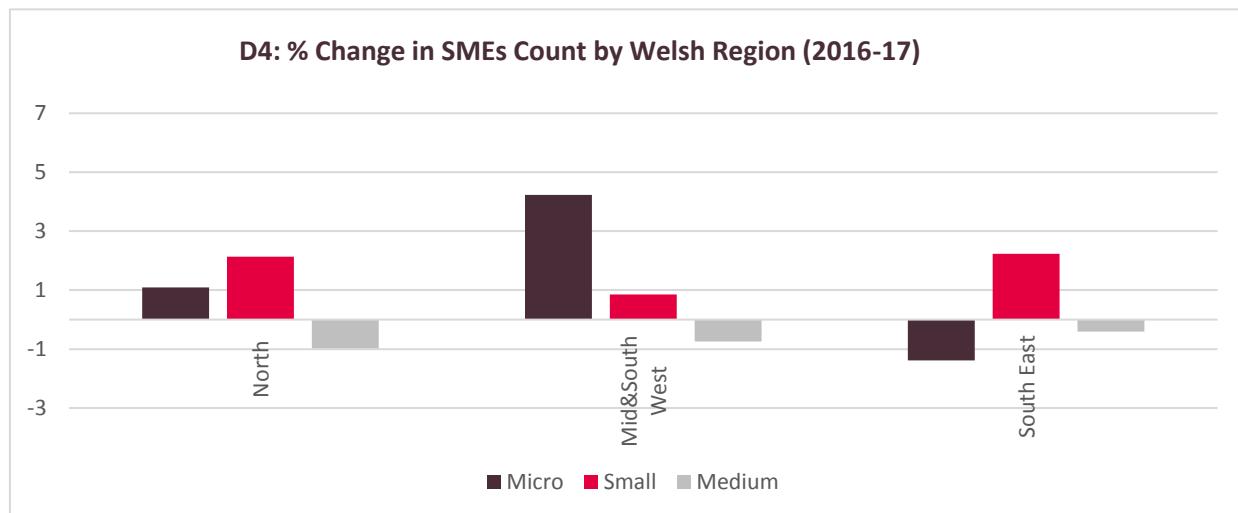
these are long-term jobs estimates and cannot be compared to those in the Dashboard, which only focus on short-term job creation and support.

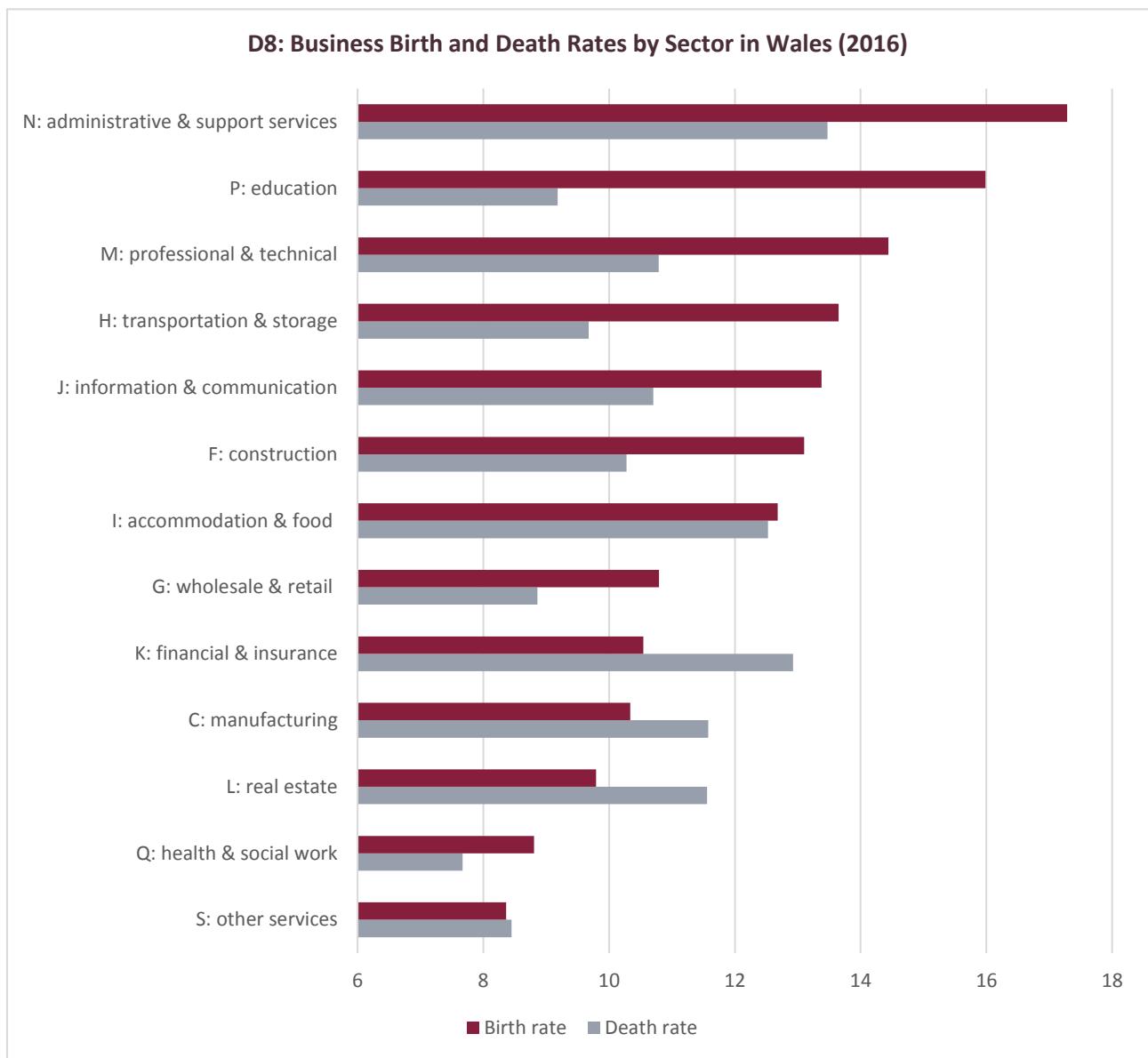
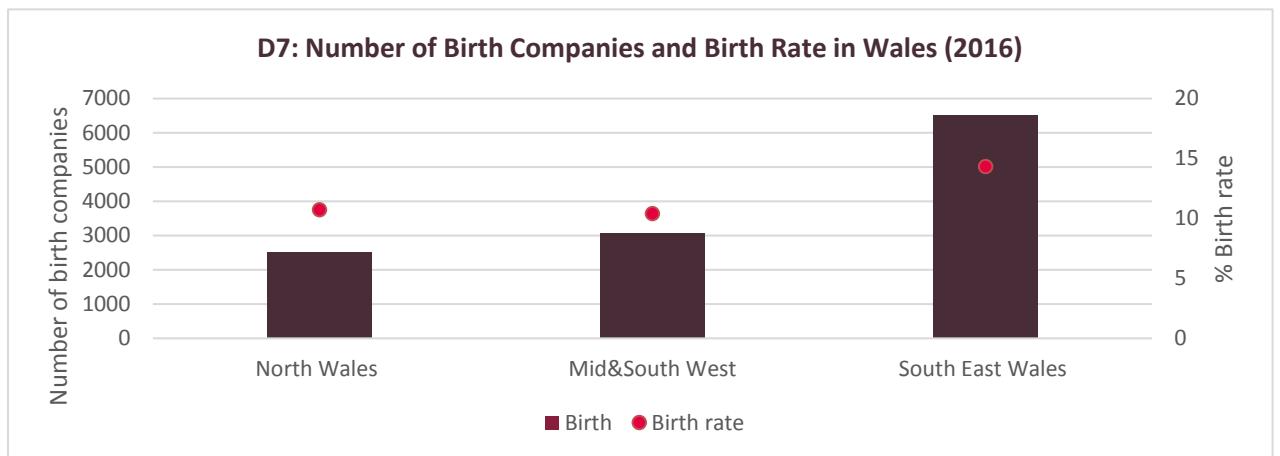
More difficult economic conditions have impacted the growth in loan investments in the period since 2017Q1, but with stronger recent growth in equity investment. Most recently in 2017, 311 enterprises received investments of over £64m, with this linked to just over £80m of private sector leverage, almost 1,200 new jobs and more than 2,500 safeguarded jobs.

6. June 2018 Dashboards

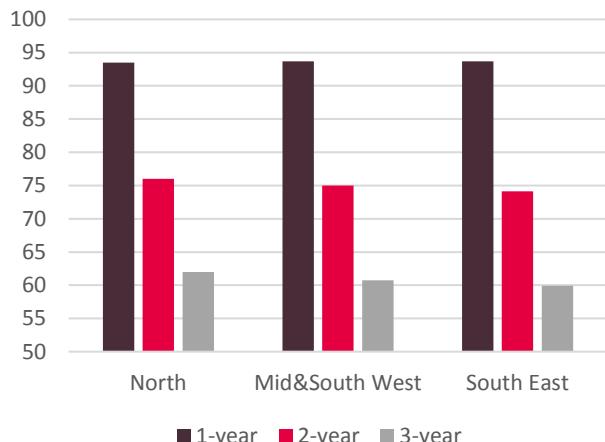
6.1 Dashboard 1: The SME picture in Wales



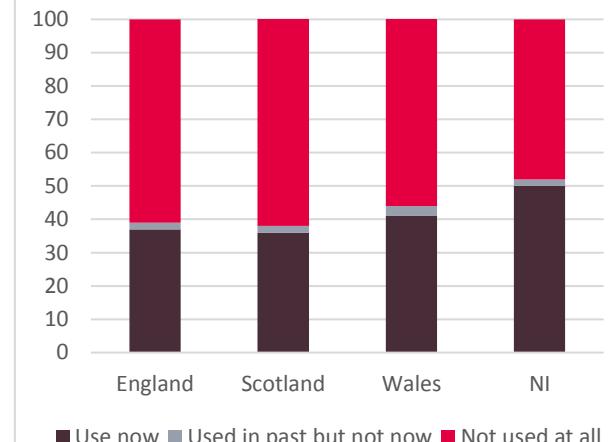




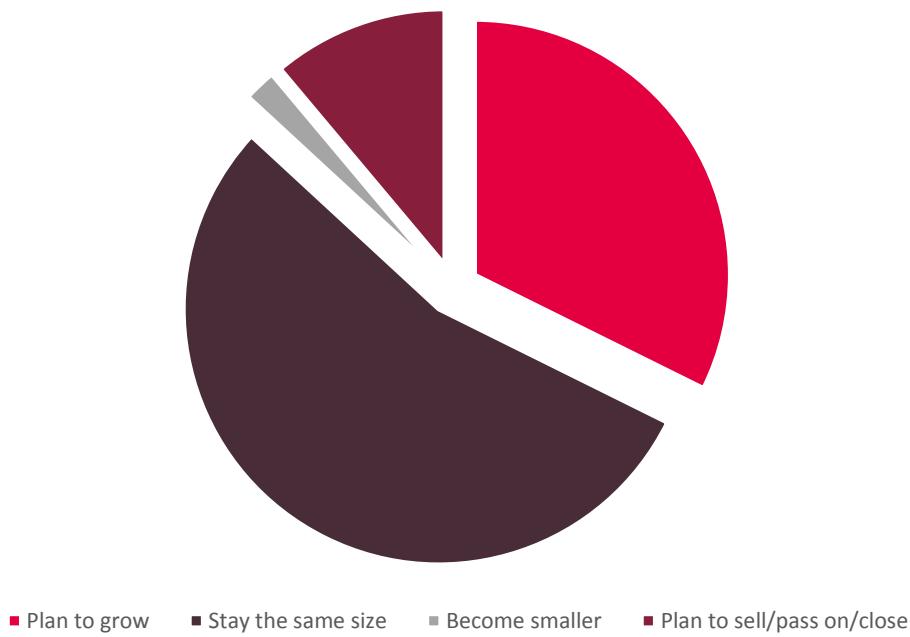
D9: Average Survival Rate % of Enterprises Born in Wales in 2013



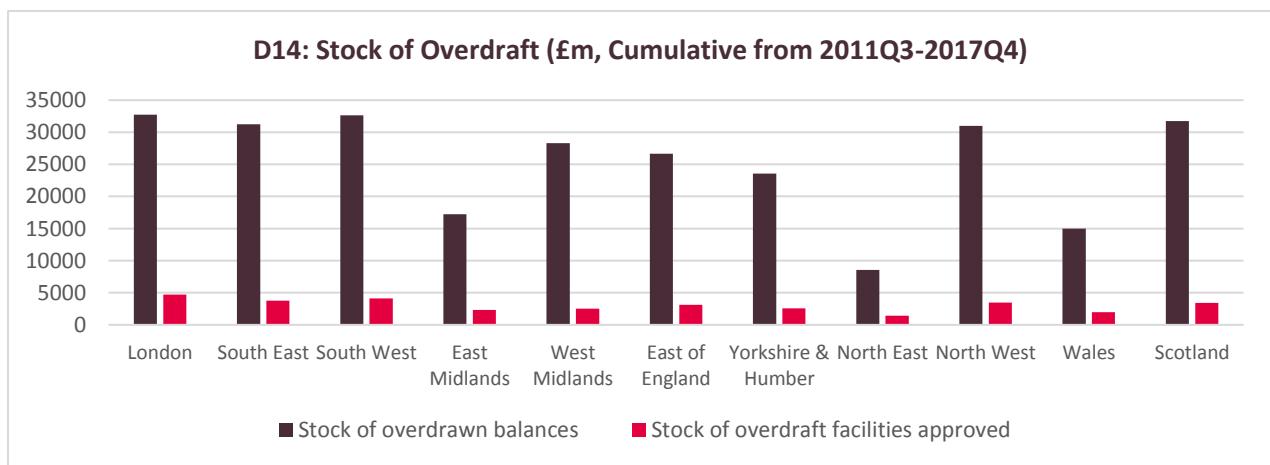
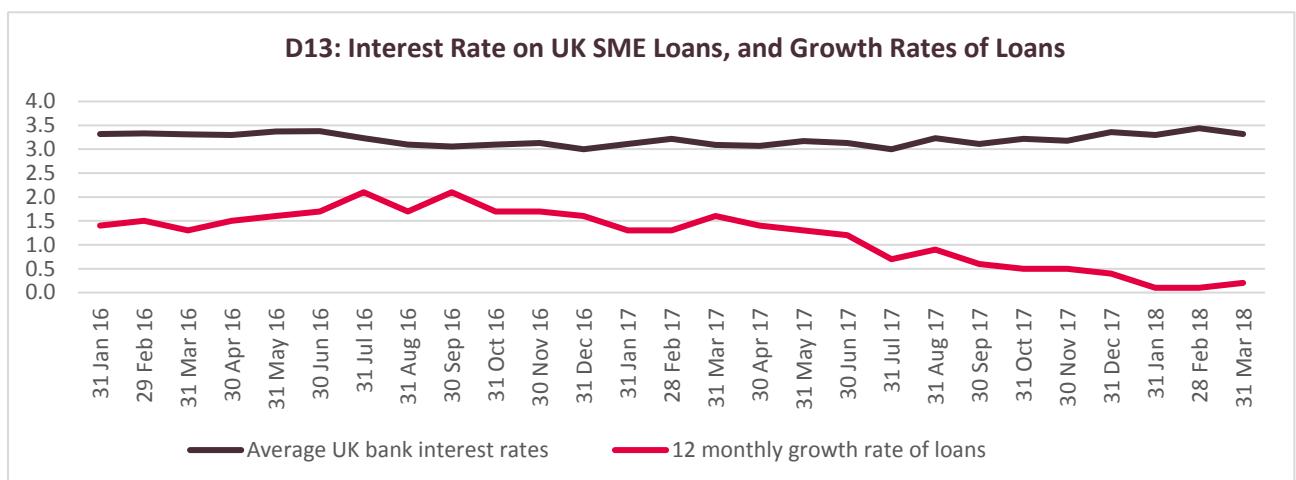
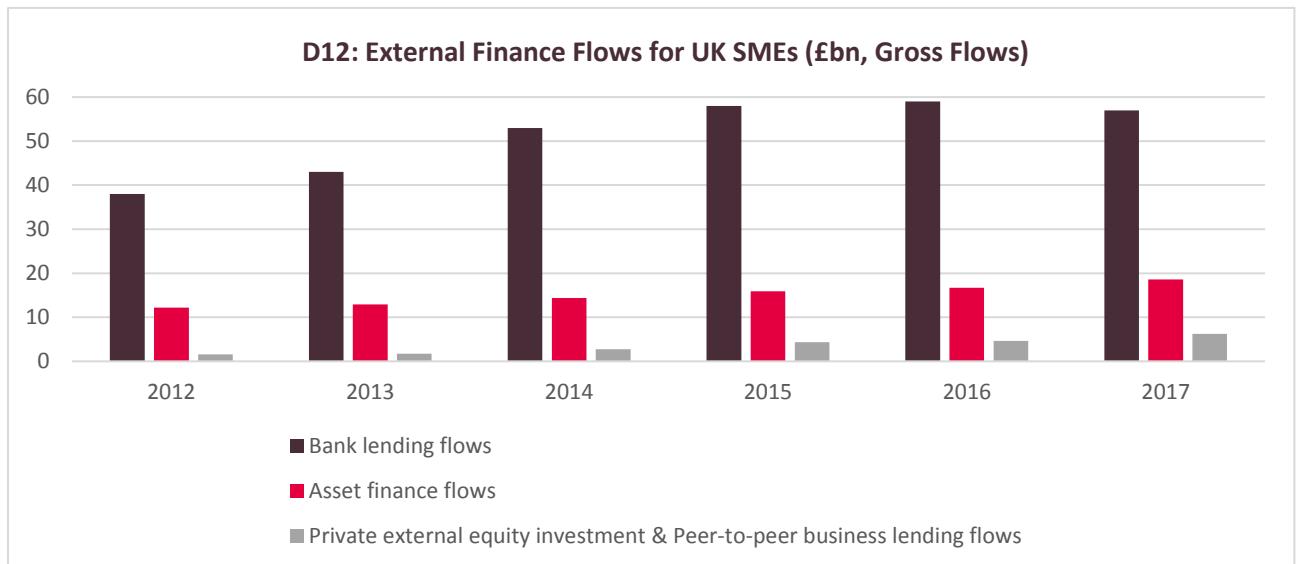
D10: Use of External Finance in Last 5 Years, % SMEs



D11: SME Growth Plans for Next 12 Months (Q4 2016, %)

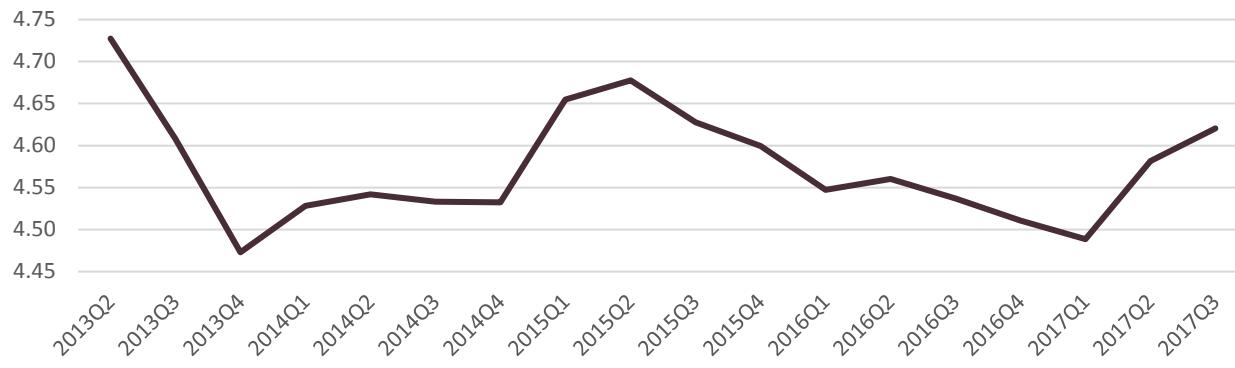


6.2 Dashboard 2: Provision of SME finance and cost of finance

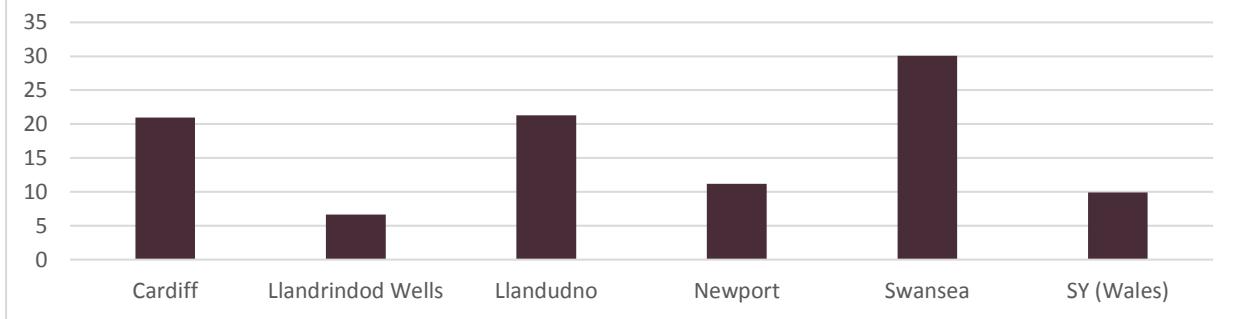




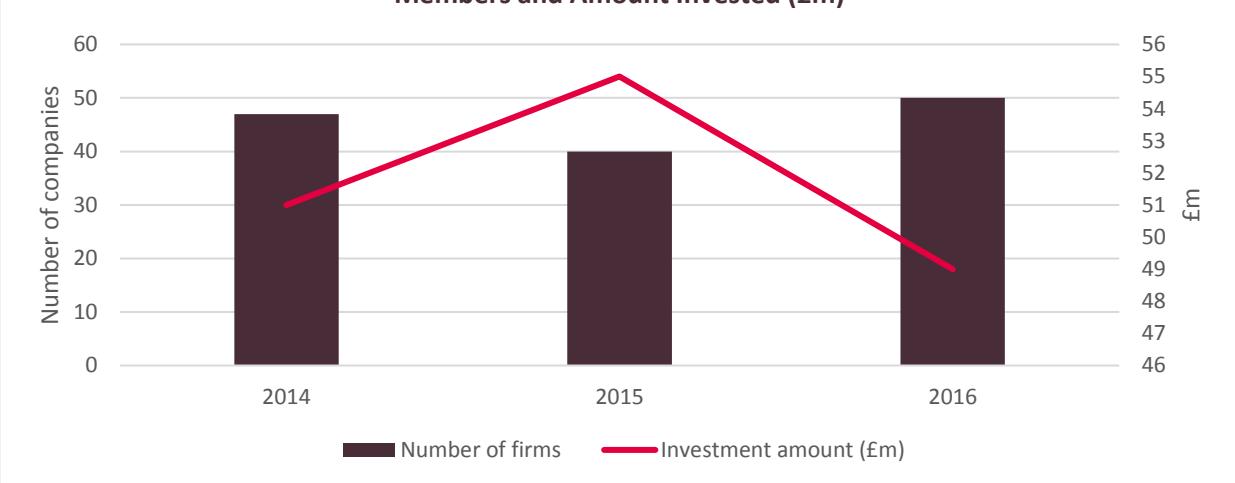
D15: Wales Share of GB Bank Lending to SMEs (%), 2013Q2-2017Q3)

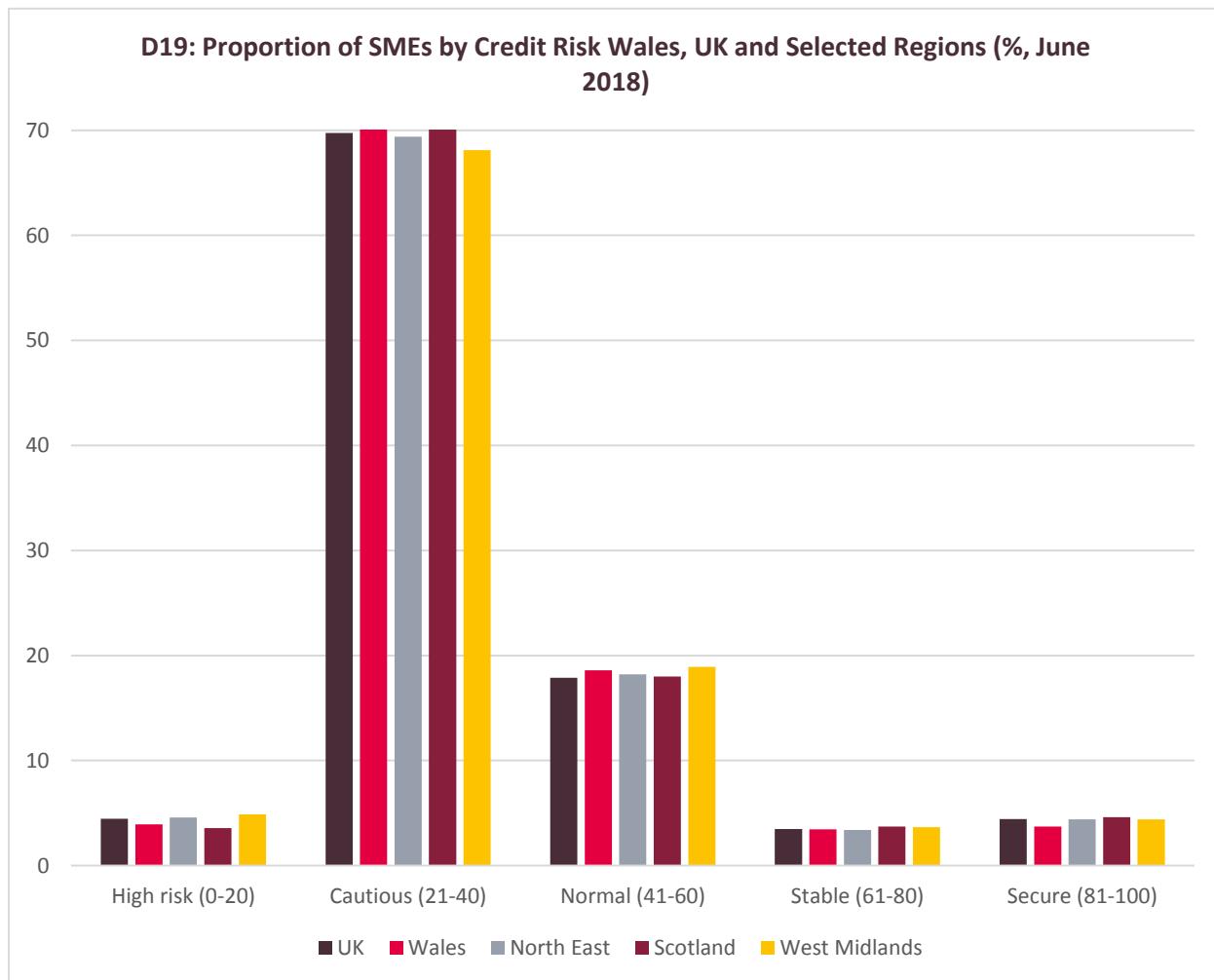
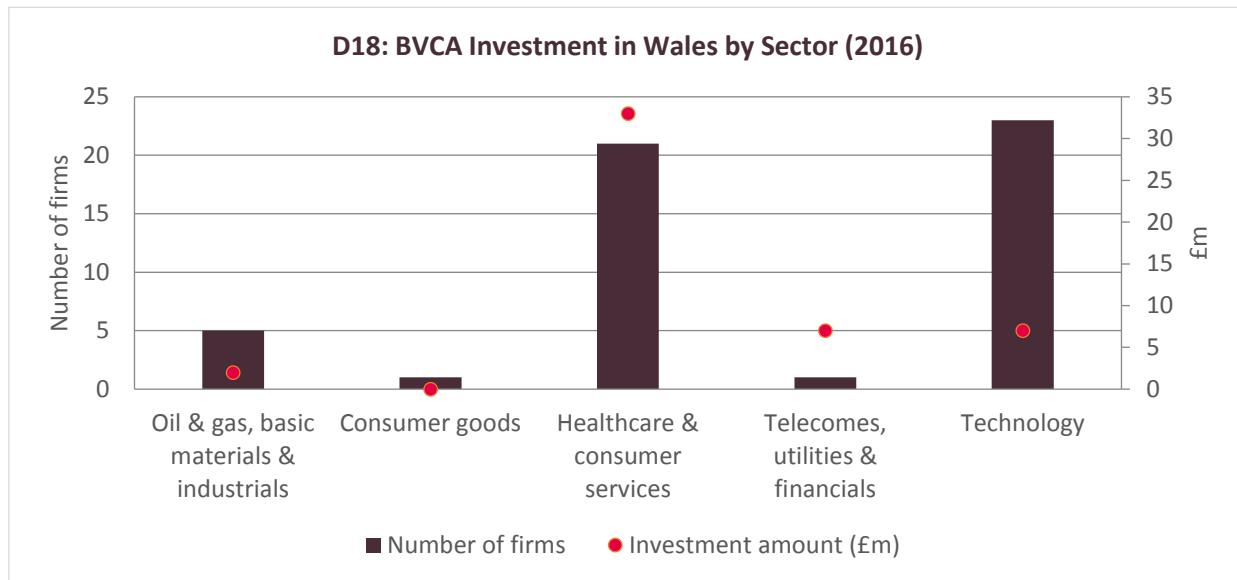


**D16: Bank Lending to SMEs: Postcode Areas as a Share of All Wales Lending
(Average between 2016Q4-2017Q3)**



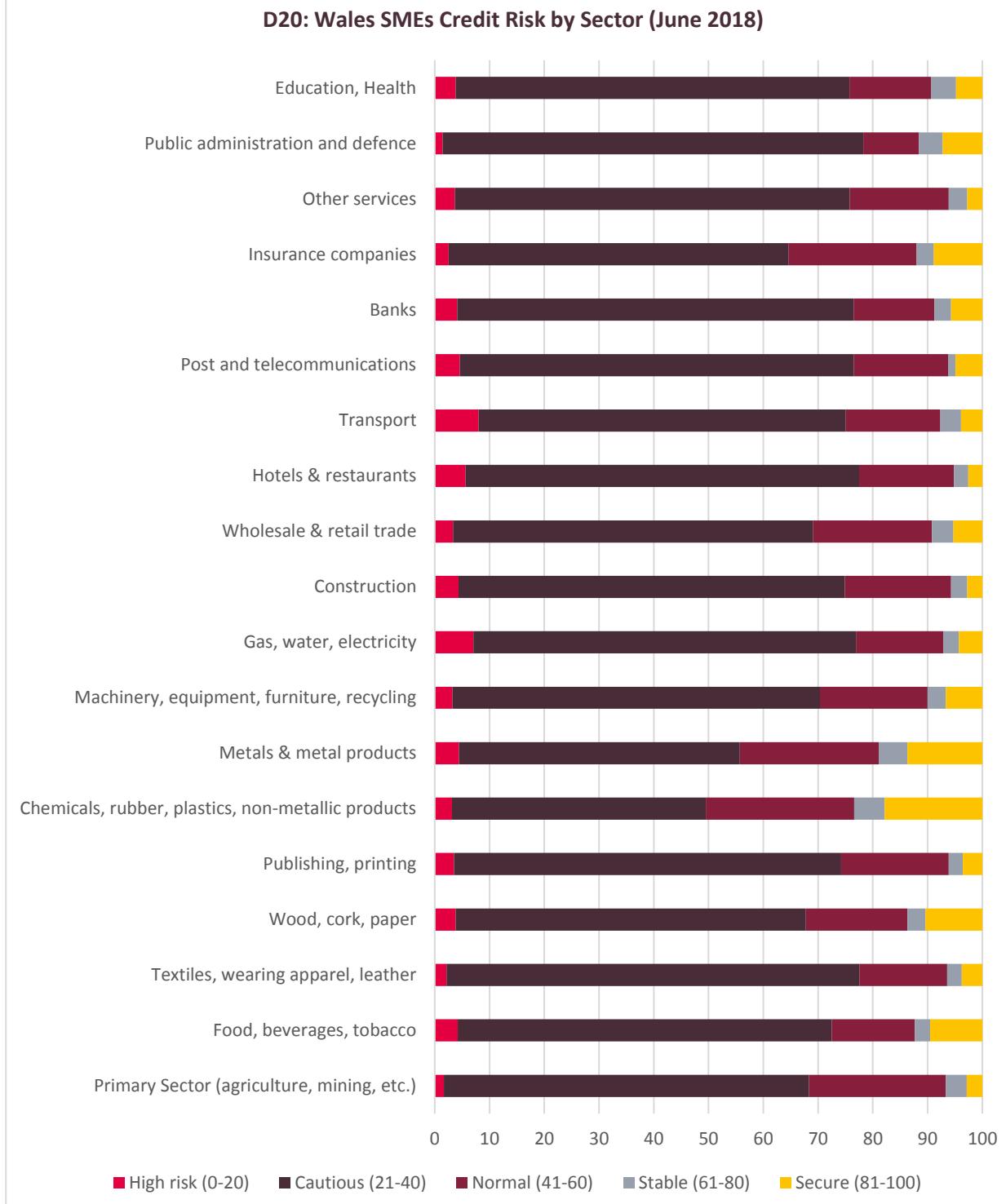
D17: Number of Companies in Wales Receiving Investment from BVCA Members and Amount Invested (£m)



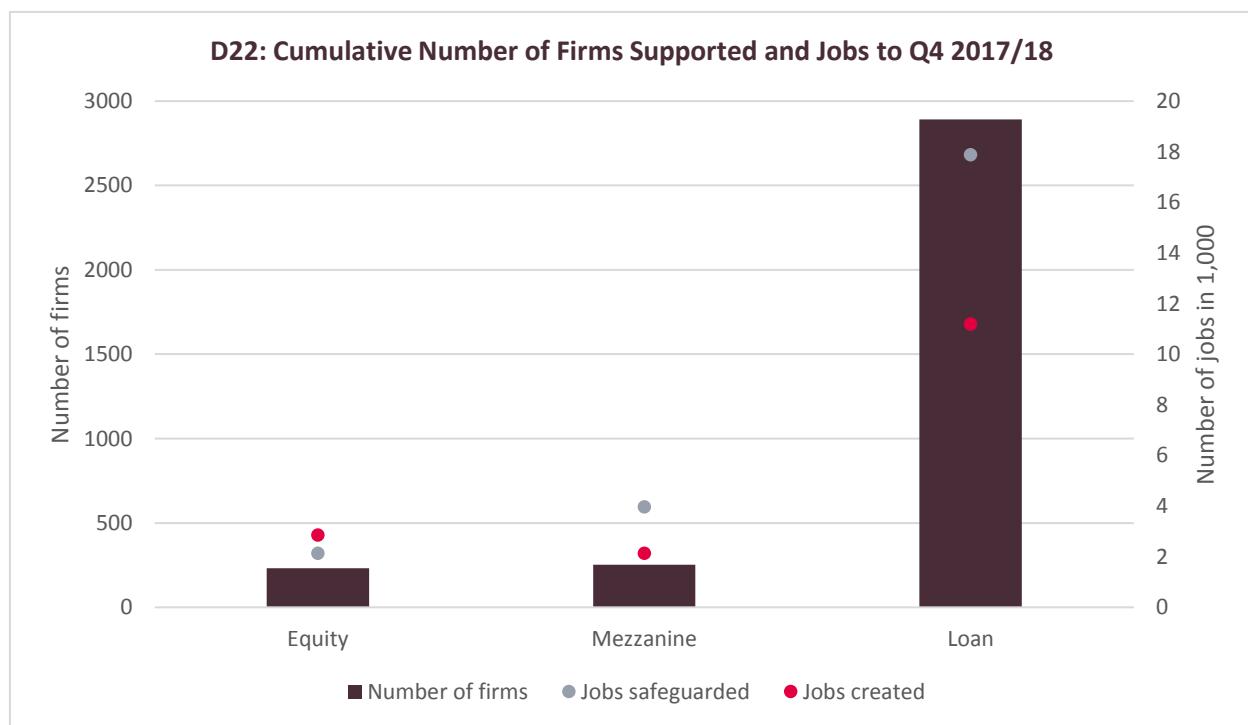
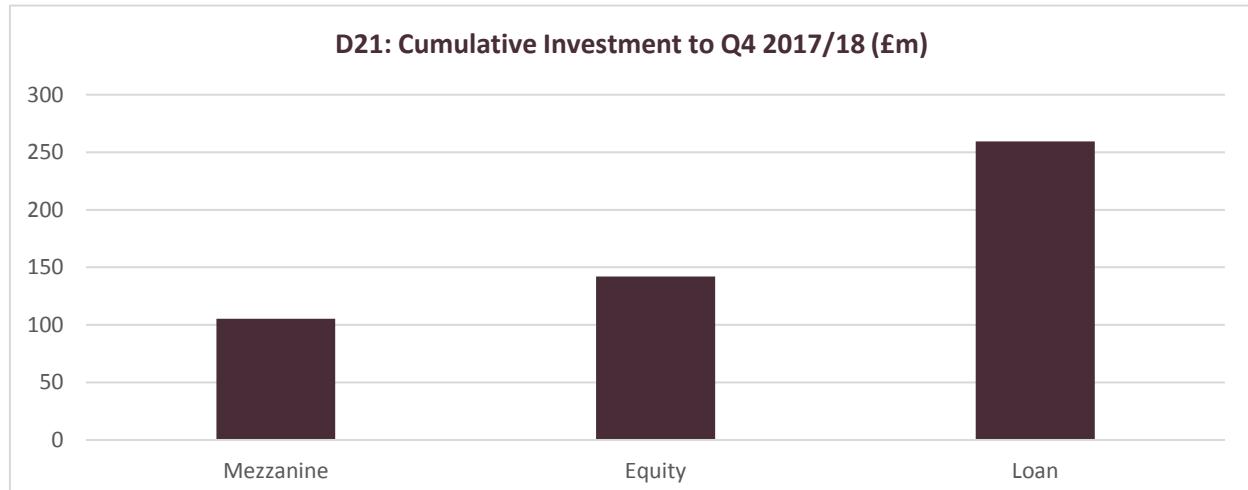


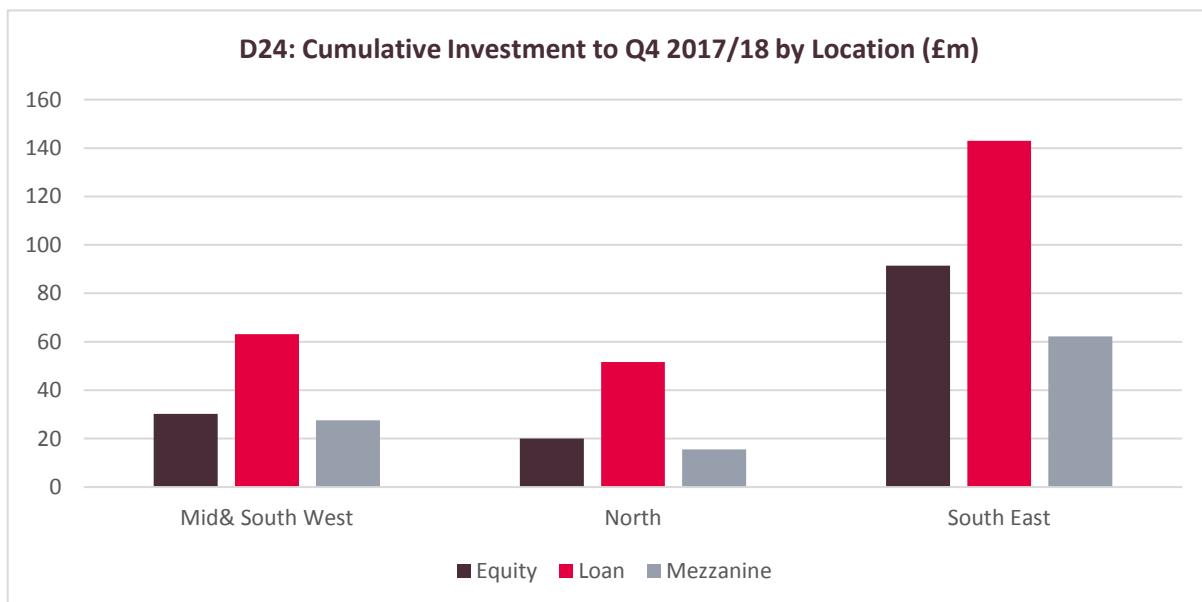
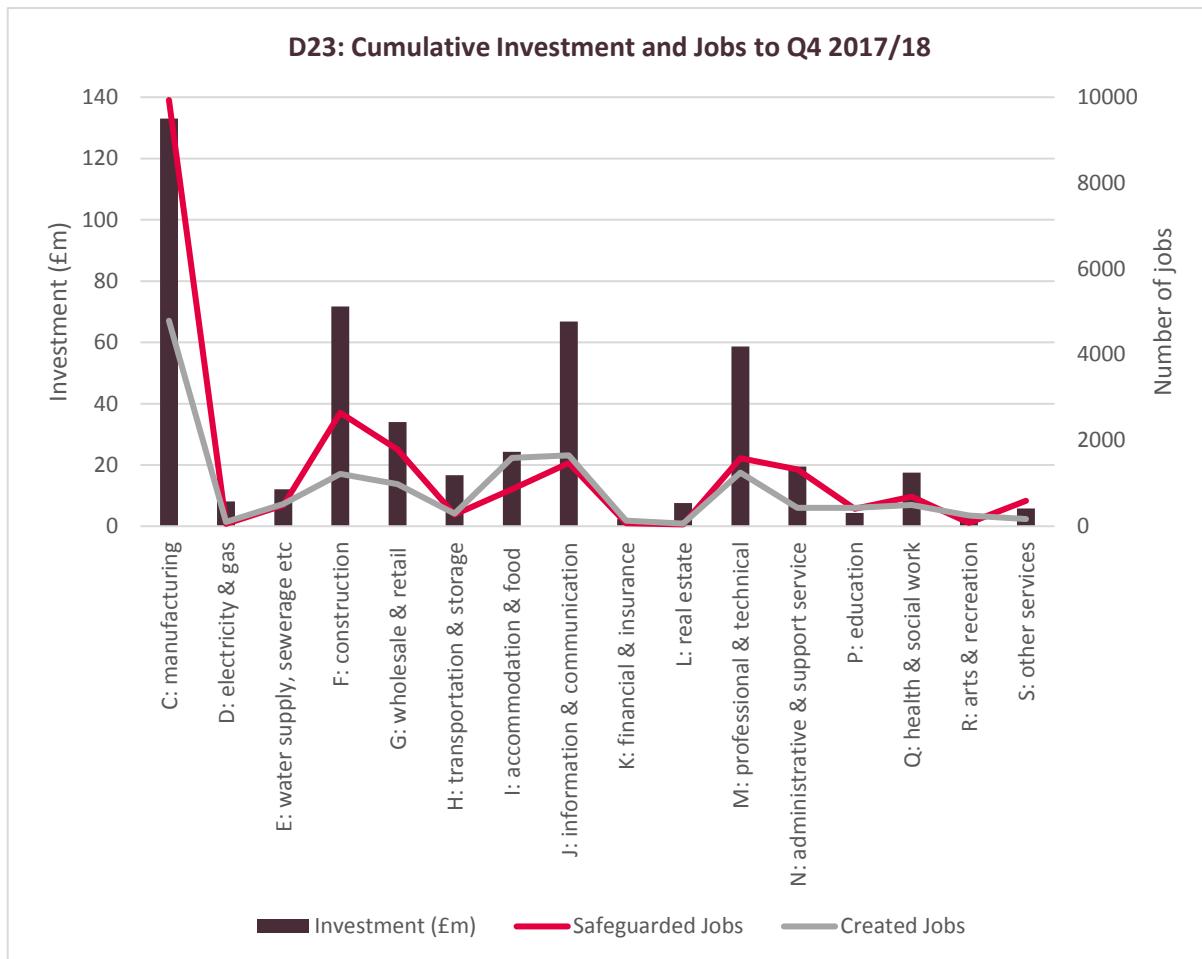


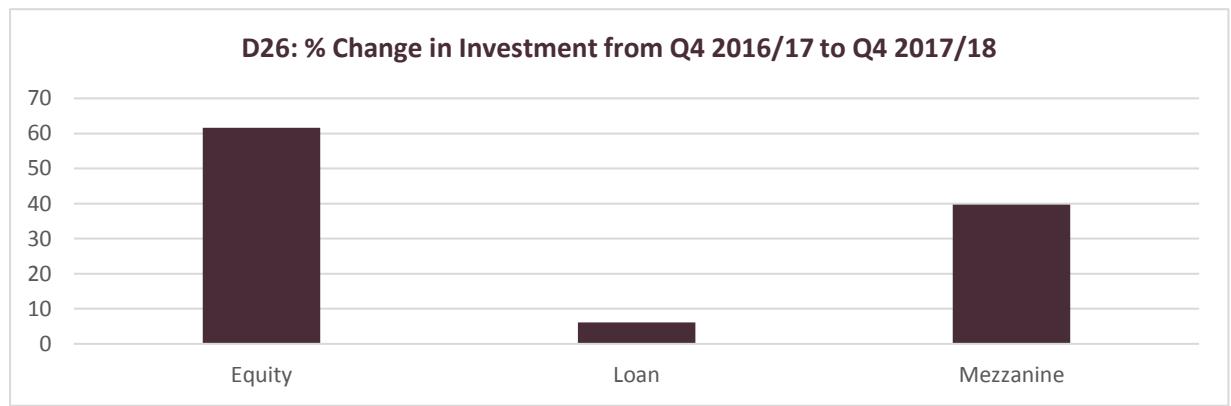
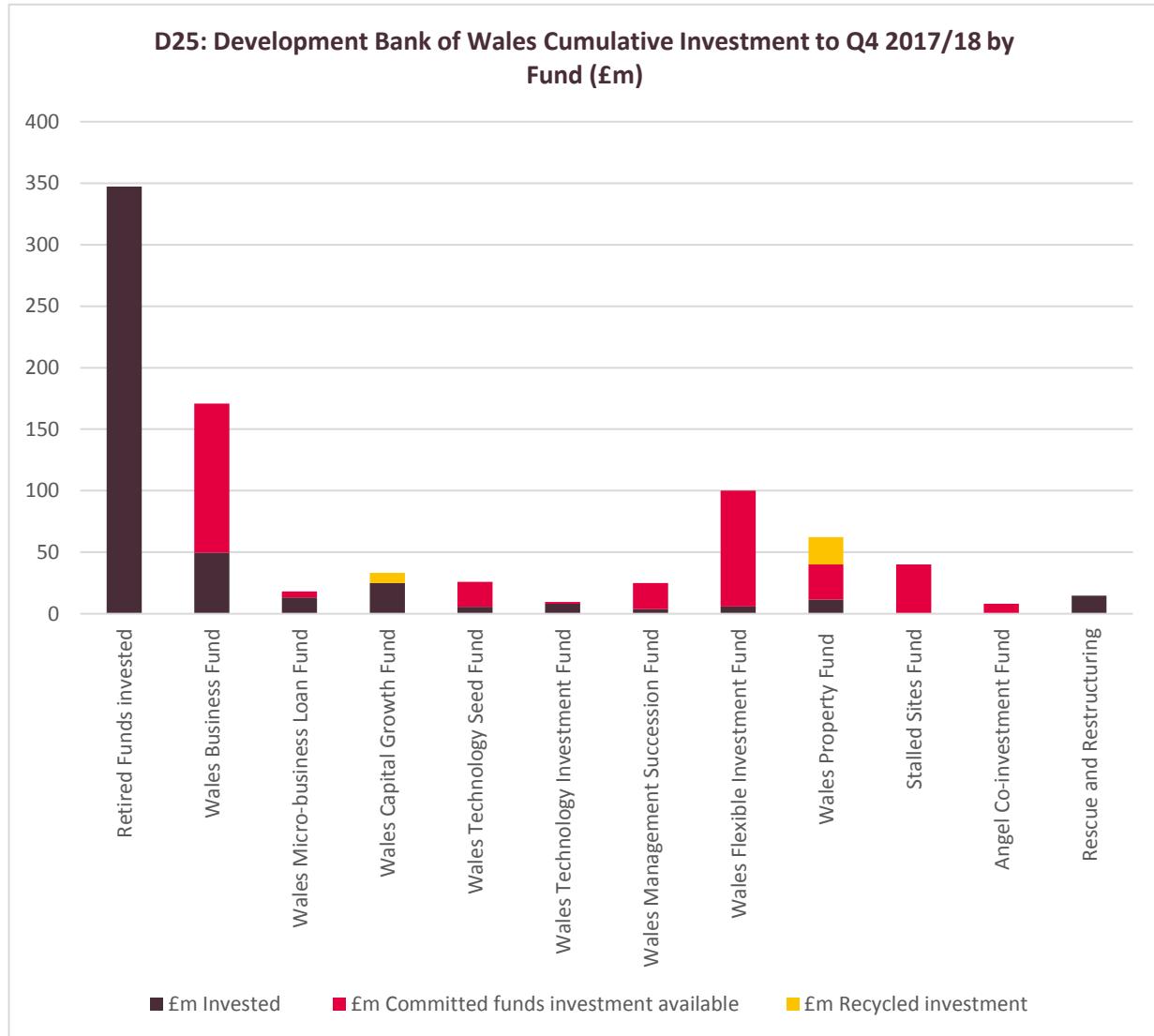
D20: Wales SMEs Credit Risk by Sector (June 2018)



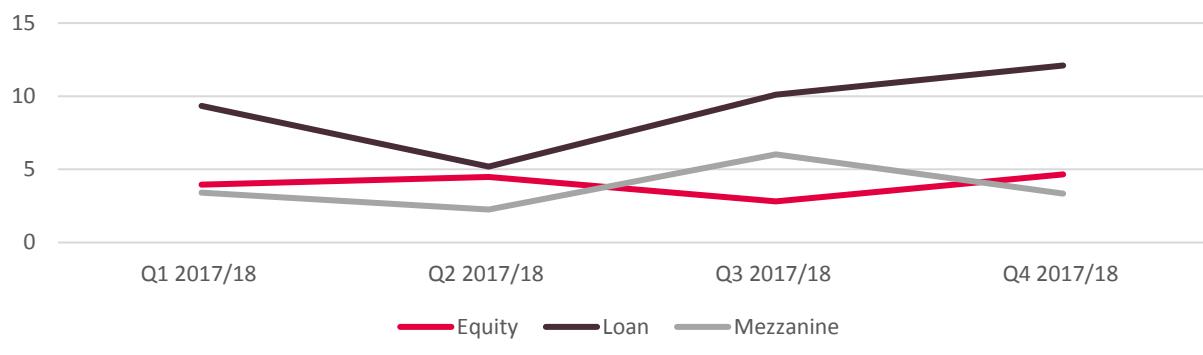
6.3 Dashboard 3: Development Bank of Wales



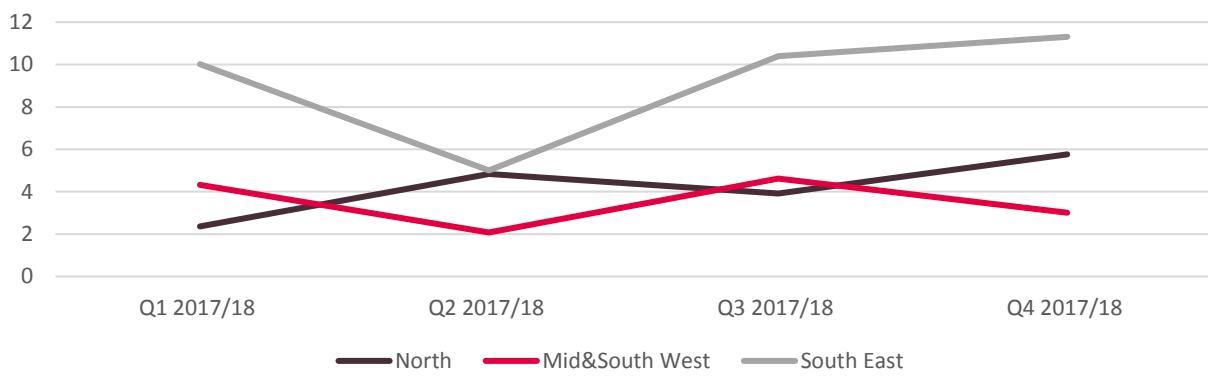




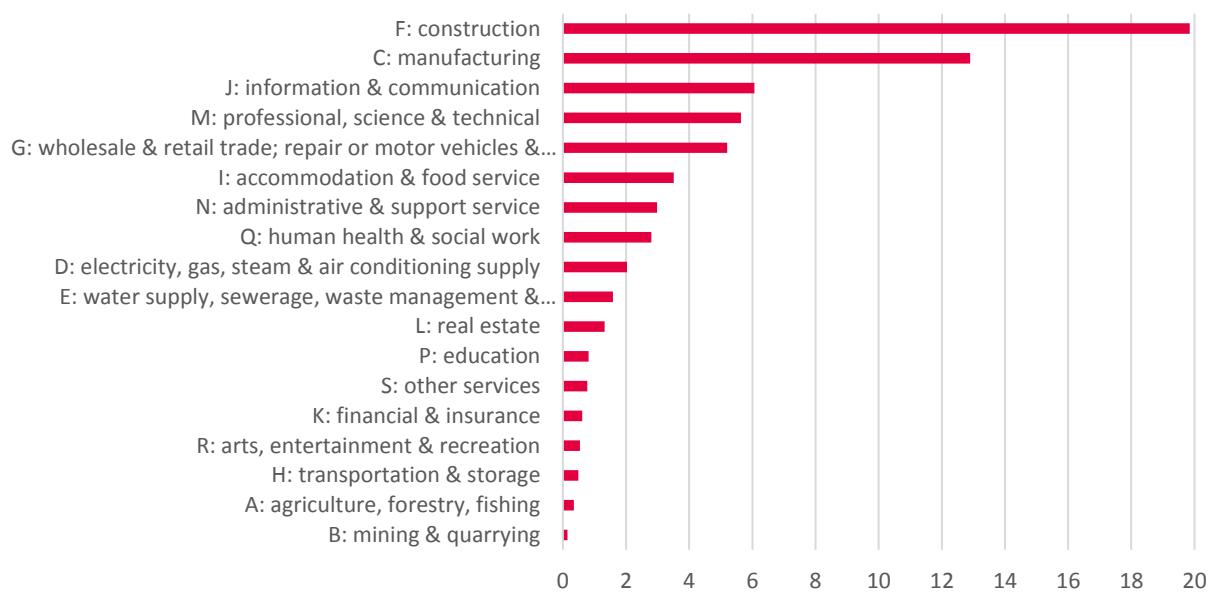
D27: New Investment by Finance Type Q1 2017/18 – Q4 2017/18 (£m)



D28: Amount of New Investment by Region (£m)

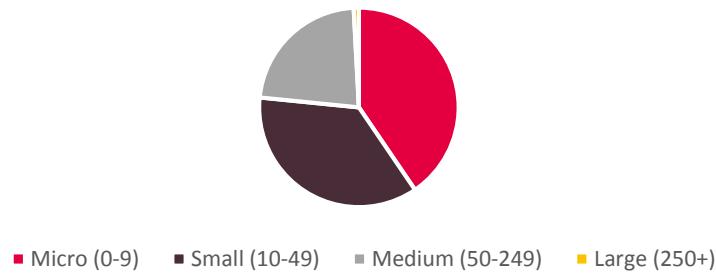


D29: New Investment by Selected Industry Q1 2017/18 - Q4 2017/18 (£m)

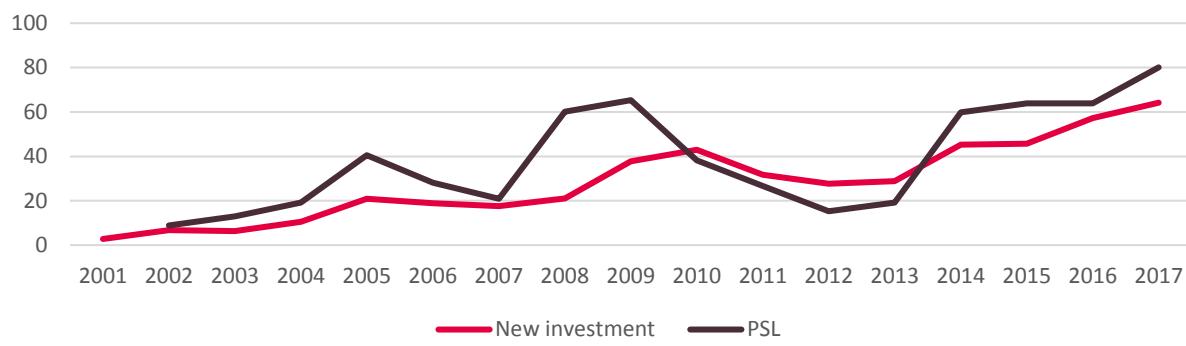




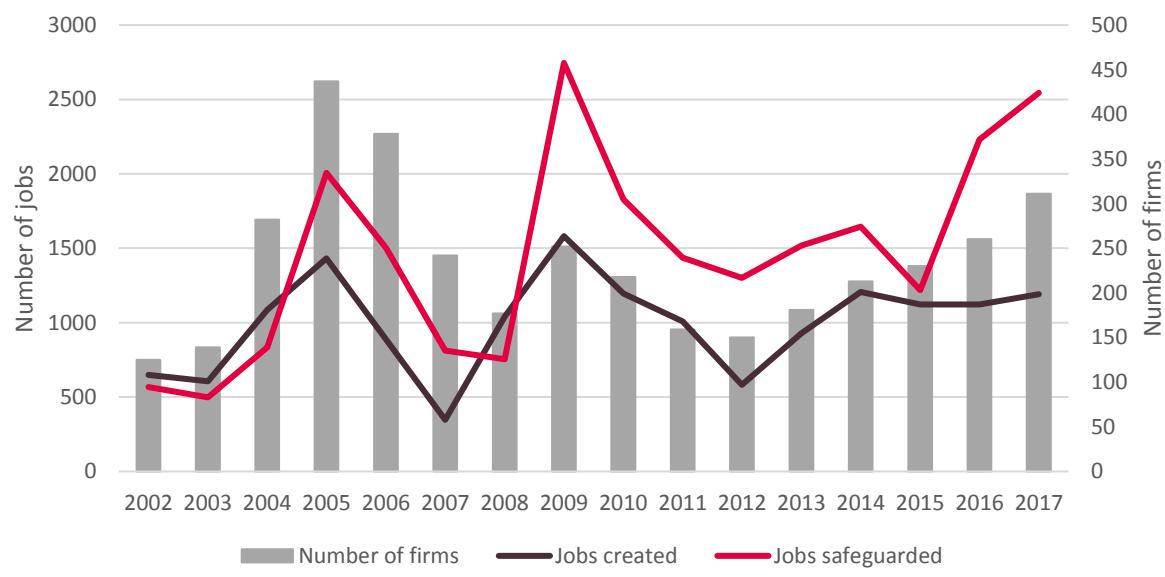
D30: Investment by Size of Business (%, Q1 2017/18 -Q4 2017/18)



D31: New Investment and Private Sector Leverage (£m)



D32: Number of Firms Receiving Investment and Jobs Created and Safeguarded





Sources:

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- D2** StatsWales. Available from: <https://statswales.gov.wales/Catalogue/Business-Economy-and-Labour-Market/Businesses/Business-Structure/Headline-Data/enterprises-by-industry-sic2007-sizeband-area>
- D3** StatsWales. Available from: <https://statswales.gov.wales/Catalogue/Business-Economy-and-Labour-Market/Businesses/Business-Structure/Headline-Data/latestbusinessstructureinwales-by-sizeband-measure>
- D4** StatsWales. Available from: <https://statswales.gov.wales/Catalogue/Business-Economy-and-Labour-Market/Businesses/Business-Structure/Headline-Data/enterprises-by-sizeband-area-year>
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- D15 & D16** UK Finance (2018). GB SME Lending (loans and overdrafts). Available from: <https://www.ukfinance.org.uk/uk-lending-by-postcode-sector-q3-2017/>
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- D19 & D20** FAME, Bureau van Dijk, and based on Companies House data. Available from: <https://fame.bvdinfo.com/version-2018327/Home.serv?product=fameneo&setlanguage=en>
- D21-D32** Development Bank of Wales, Special analysis