

London Borough Business Profiles

Barnet



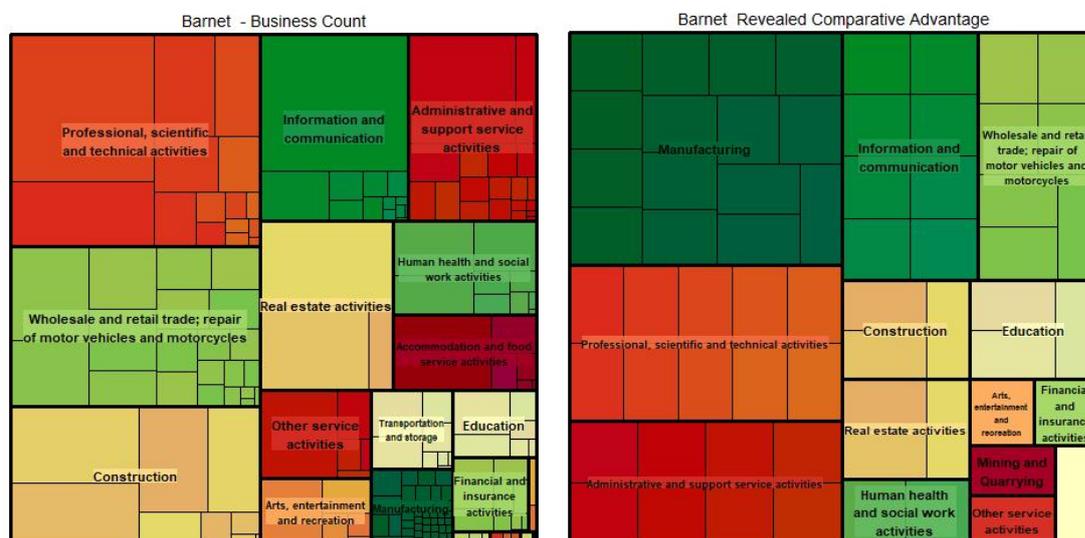
Borough Overview

Measure	Description	Borough	London
Business count	The number of registered business in the borough.	24,820	568,200
Business density	The number of registered businesses per resident employee. A score of 1 indicates an equal number of business and employees based in the borough. A low score suggests that resident employees are out-commuting or work for a few large companies, a high score indicates low levels of out-commuting and/or smaller businesses.	0.22	0.21
Micro-share	The share of registered business that are micro-businesses - defined as those businesses that have between 0-9 employees.	91%	87%
Rateable properties per business	The number of rateable properties per registered business. A low ratio indicates that there are more businesses than rateable properties in the borough suggesting smaller businesses in industries that may not have a fixed place of work e.g. consultancy or construction.	0.33	0.48
GVA per business (£m)	The borough's total economic output (Gross Value Added) per registered business.	0.41	0.75
Business diversity	A measure of the industry concentration of the total business count. Higher scores indicate the business population is more concentrated in a few industries.	0.27	0.32
Complexity	<p>The complexity score measures the number of industries in which the borough 'punches above its weight' i.e. where the share of businesses in that industry exceeds the borough's share of all businesses in the country. The borough holds a 'comparative advantage' in these industries.</p> <p>The final score is the count of industries in which the borough has a comparative advantage, scaled by how widespread the industry is nationally, as measured by the count of local authorities that also punch above their weight in that industry.</p> <p>A score of 0 indicates no industry specialism. Higher scores indicate more specialist and unique economic activity.</p>	0.79	0.90

Sources: ONS Interdepartmental Business Registry, Annual Survey of Hours and Earnings, Cebr calculations

Business count and areas of comparative advantage

The charts below illustrate the business count and relative comparative advantage of businesses in Barnet by industry. The different colours represent the broad industry sectors whereas the smaller rectangles within each coloured rectangle reflect industries that make up each sector¹. The area of each rectangle represents the relative size of each element in the borough’s business base.



The image to the left displays Barnet’s business count data. The image to the right highlights the comparative advantage of various sectors within the borough. The comparative advantage considers whether an industry business count is large relative to its own business base and the size of the industry nationally. Larger rectangles imply more of a sectoral strength and opportunities for future growth.

Sector Rank	Business count	Comparative advantage
1	Professional, scientific and technical	Manufacturing
2	Wholesale and retail trade	Professional, scientific and technical
3	Construction	Administrative and support services
4	Information and communication	Information and communication
5	Real estate activities	Construction

The professional, scientific and technical sector is the most prominent in Barnet when measured by total business count with strong representation from management consultancies, accountants, bookkeepers and architectural firms. Wholesale and retail trade, construction and information and communication are also well represented in Barnet’s business base.

Barnet has 15 industries within manufacturing that hold a relative comparative advantage over local authorities nationally.

¹ Industries defined according to their 3-digit Standard Industrial Classification code

Top industries

Industry	Total borough business count	Total share of borough business count
70229 : Management consultancy activities	1775	9%
62020 : Computer consultancy activities	1300	6%
82990 : Other business support service activities	1050	5%
68209 : Letting and operating of own or leased real estate	960	5%
41100 : Development of building projects	900	4%

Management consultancy activities followed by computer consultancy activities have the highest number of businesses in terms of local units in Barnet.

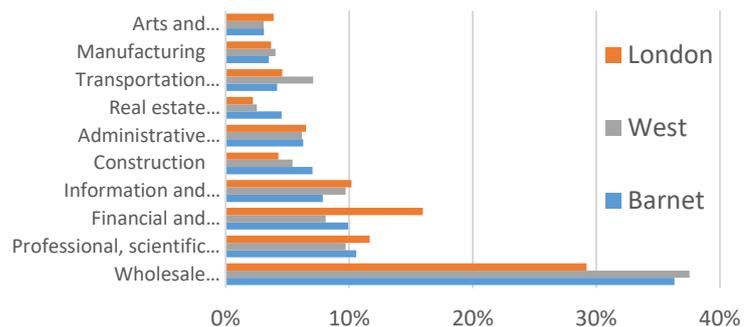
Together the top five industry groupings account for 29% of all registered businesses in the borough.

Turnover

Total business turnover in Barnet is dominated by the wholesale and retail sector which accounts for 36% of the total (37% of turnover among micro-businesses).

The compares to 38% of turnover across the West London subregion and 29% across London.

Top 10 sectors by % of total turnover



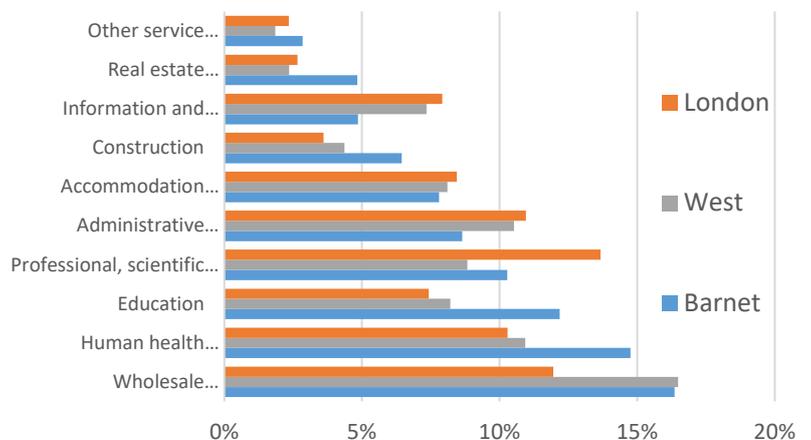
Employment

The top ten sectors by employment account for 89% of total employment in Barnet.

The equivalent sectors account for 79% of employment across the West London sub-region and 79% of employment in London.

The wholesale and retail sector is the largest, accounting for 16% of all employment in the borough.

Top 10 sectors by % of total employment



Clustering

Sector	Industry	Cluster score	Business count across borough	MSOA Dominance ²	Dominant MSOA name	Knowledge Intensive industry	Share of micro-business
Wholesale and retail trade; repair of motor vehicles and motorcycles	Retail sale via mail order houses or via Internet	0.183	440	31%	Barnet 023	No	98%
Construction	Development of building projects	0.134	900	17%	Barnet 028	No	98%
Real estate activities	Letting and operating of own or leased real estate	0.098	960	10%	Barnet 032	No	95%
Wholesale and retail trade; repair of motor vehicles and motorcycles	Retail sale of clothing in specialised stores	0.061	150	27%	Barnet 039	No	74%
Public administration and defence; compulsory social security	Public order and safety activities	0.059	20	75%	Barnet 030	No	40%

A business cluster can be defined as a geographic concentration of related businesses in a particular field. Business clusters are known to increase competition and productivity. There are numerous famous business clusters around London such as the tailors situated on Saville Row to the jewellery shops in Hatton Gardens. The table above is a snapshot of the geographical clusters³ present in Barnet.

The most geographically clustered industries in Barnet are outlined in the table above. The industry with the highest cluster score is retail sale via mail order houses or via Internet with a score of 0.183. More specifically, of the 440 local business units, 135 of those (31%) of them are situated in one MSOA indicating that there exists a geographical cluster of online retail companies in Barnet 023. Additionally, despite a relatively low business count, there is a concentrated geographical cluster of public order and safety activities located in the same MSOA namely Barnet 030.

The clustering table also identifies whether the industry is classified as Knowledge Intensive⁴ and the share of businesses in the industry operating in the borough that are defined as micro-businesses (fewer than 10 employees).

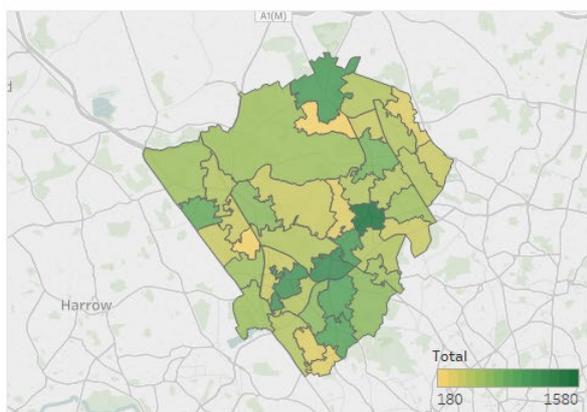
² Proportion of industry local units found in the dominant MSOA.

³ The cluster score is calculated as the proportion of businesses with the same 5-digit SIC code operating in the same MSOA divided by the sum of all the businesses with the same 5-digit SIC code in the borough. The higher the score the more geographically clustered the industry.

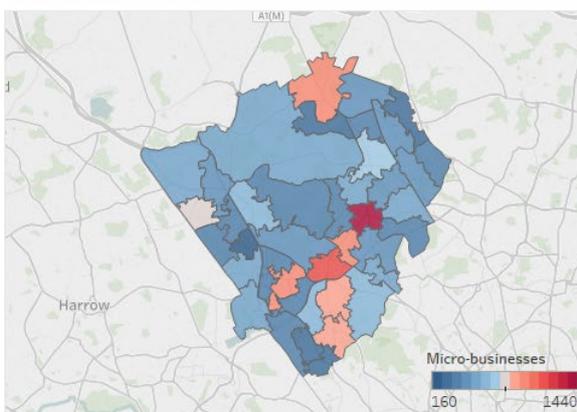
⁴ The Office for National Statistics has categorised certain Standard Industry Classification (SIC) codes as Knowledge Intensive service industries. This categorisation is based on the proportion of tertiary-educated people employed in the industry.

Mapping the business base

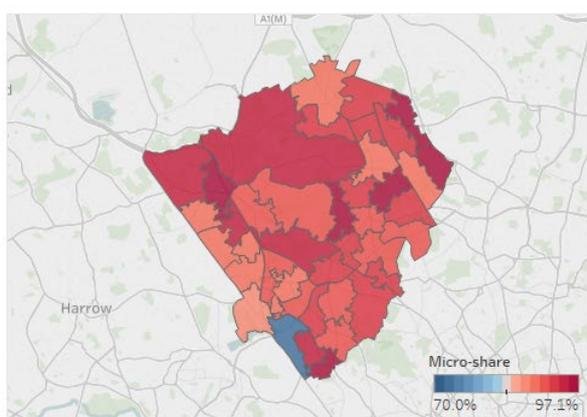
Local Units



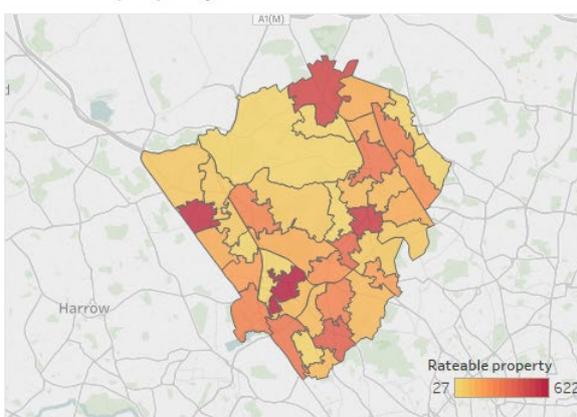
Micro-businesses



Micro-share



Rateable property



Local units: There are 24,820 businesses (in local units) across Barnet. As illustrated on the map in the left corner, the businesses are relatively evenly spread out across the borough with a higher density of businesses located in the centre of the borough. The MSOA with the highest concentration of businesses is Barnet 019 which contains 6% (1,580 local units) of all local units in Barnet.

Micro-businesses: Of the 24,820 businesses located in Barnet, 22,665 are microbusinesses with 0-9 employees. Unsurprisingly, the MSOA with the highest number of microbusinesses is Barnet 019 with 1,440 local units. The map in the top right corner displays the distribution of micro-businesses across Greenwich. Similar to the local units map to the left, there is a high concentration of micro-businesses located in the middle of the borough.

Micro-share: The average share of microbusinesses across MSOAs in Barnet is 91%. Barnet 003, 013 and 020 have the highest share of microbusinesses at 97%. In contrast, Barnet 019 who have the highest number of microbusinesses in local units only have a 91% share of microbusinesses because most of the larger businesses are also located in this MSOA.

Rateable property: Barnet has 8,105 rateable properties the majority of these properties are located in Barnet 032, which has the third highest business count after Barnet 019 and Barnet 028.

MSOA reference map

The map below indicates the three-digit reference number for each of Barnet's MSOAs.

