

Borough Overview

Measure	Description	Borough	London
Business count	The number of registered business in the borough.	15,320	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.	0.17	0.21
Micro-share	The share of registered business that are micro-businesses - defined as those businesses that have between 0-9 employees.	85%	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.	0.50	0.48
GVA per business (£m)	The borough's total economic output (Gross Value Added) per registered business.	0.91	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.	0.25	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>	0.65	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 Hillingdon 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 Hillingdon’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	Wholesale and retail trade	Manufacturing
2	Professional, scientific and technical	Administrative and support services
3	Construction	Information and communication
4	Information and communication	Wholesale and retail trade
5	Administrative and support services	Transportation and storage

The wholesale and retail trade sector is the most prominent in Hillingdon when measured by total business count with strong representation from retail sale of goods in specialised and non-specialised stores. Professional, scientific and technical and construction firms are also well represented in Hillingdon’s business base.

Hillingdon 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
62020 : Computer consultancy activities	1100	9%
70229 : Management consultancy activities	840	7%
82990 : Other business support service activities	505	4%
41202 : Construction of domestic buildings	400	3%
69201 : Accounting, and auditing activities	285	2%

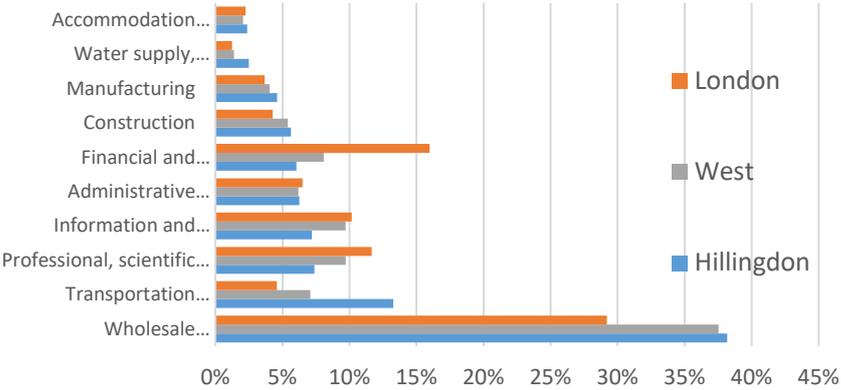
Computer consultancy activities followed by management consultancy activities have the highest number of businesses in terms of local units in Hillingdon. Together the top five industry groupings account for a quarter of all registered businesses in the borough.

Turnover

Total business turnover in Hillingdon is dominated by the wholesale and retail sector which accounts for 38% of the total (41% of turnover among micro-businesses).

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

Top 10 sectors by % of total turnover



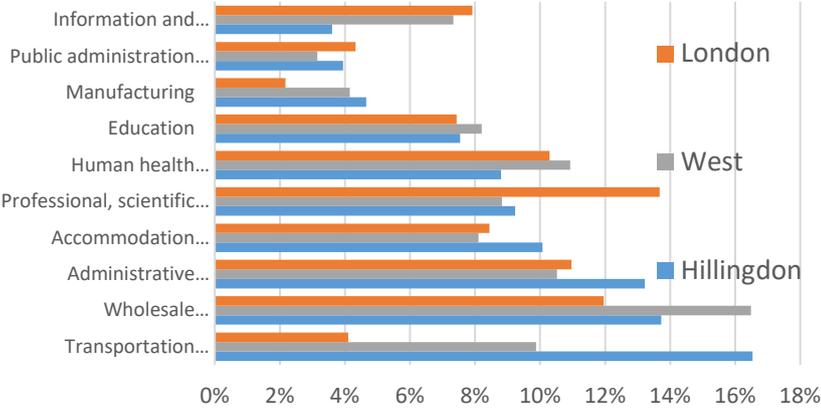
Employment

The top ten sectors by employment account for 91% of total employment in Hillingdon.

The equivalent sectors account for 88% of employment across the West London sub-region and 81% of employment in London.

The transportation and storage sector is the largest, accounting for 17% 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
Administrative and support service activities	Temporary employment agency activities	0.796	240	65%	Hillingdon 016	Yes	69%
Transportation and storage	Scheduled passenger air transport	0.532	65	100%	Hillingdon 031	Yes	46%
Transportation and storage	Service activities incidental to air transportation	0.253	40	87%	Hillingdon 031	No	30%
Transportation and storage	Other transportation support activities	0.210	130	42%	Hillingdon 031	No	71%
Accommodation and food service activities	Hotels and similar accommodation	0.128	50	50%	Hillingdon 031	No	29%

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 Hillingdon.

The most geographically clustered industries in Hillingdon are outlined in the table above. The industry with the highest cluster score of 0.8 is temporary employment agency activities. More specifically, of the 240 local business units, 155 of those (65%) of them are situated in one MSOA indicating that there exists a geographical cluster of temporary employment agencies in Hillingdon 016. In addition to this, unsurprisingly there exists a geographical cluster of air transport and hotel accommodation in Hillingdon 031 (Heathrow).

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).

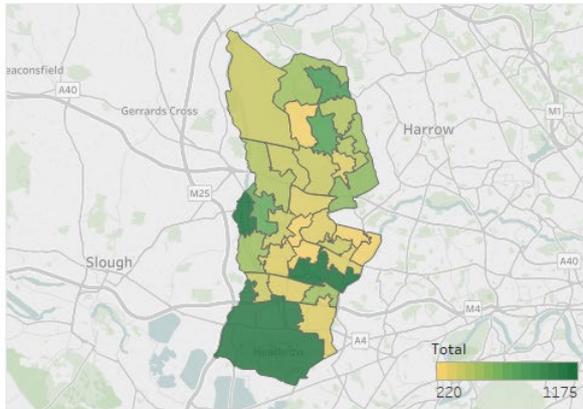
² Proportion of industry local units found in the dominant MSOA.

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.

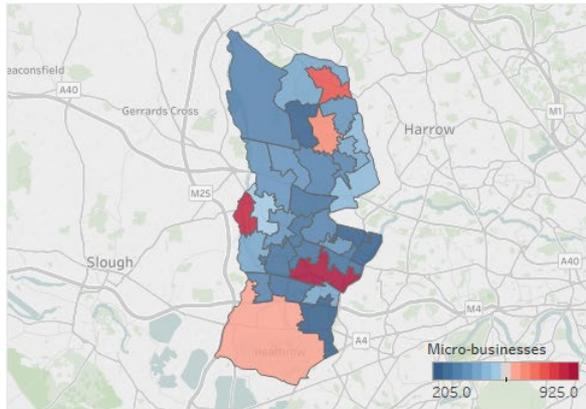
⁴ The Office for National Statistics has categorised certain Standard Industry Classification (SIC) codes as Knowledge Intensive service industries. This categorisation is based on the proportion of tertiary-educated people employed in the industry.

Mapping the business base

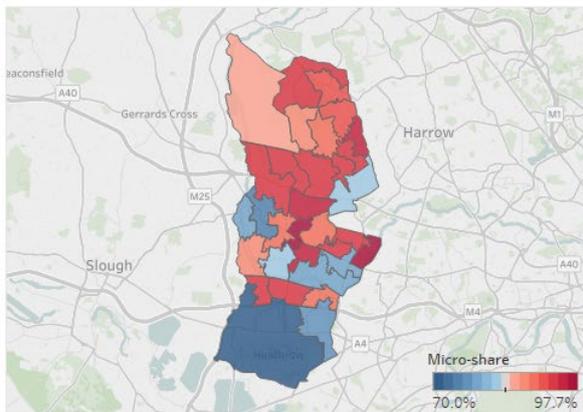
Local Units



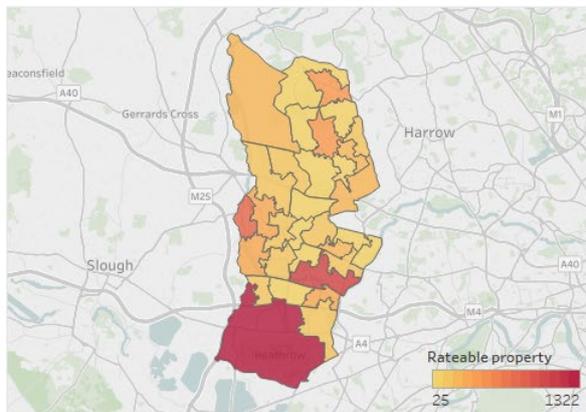
Micro-businesses



Micro-share



Rateable property



Local units: There are 15,320 businesses (in local units) across Hillingdon. 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 two MSOAs in the southern parts of Hillingdon. The MSOAs with the highest concentration of businesses are Hillingdon 027, 016 and 031, together these three MSOAs contain 22% (3,400 local units) of all local units in Hillingdon.

Micro-businesses: Of the 15,320 businesses located in Hillingdon, 13,025 are microbusinesses with 0-9 employees. The MSOA with the highest number of microbusinesses is Hillingdon 027 with 925 local units. The map in the top right corner displays the distribution of micro-businesses across Hillingdon. There is a high concentration of micro-businesses in three distinct MSOAs, highlighted in red on the map.

Micro-share: The average share of microbusinesses across MSOAs in Hillingdon is 85%. Hillingdon 023 has the highest share of microbusinesses at 98%. In contrast, Hillingdon 027 who have the highest number of microbusinesses in local units only have a 79% share of microbusinesses because most of the larger businesses are also located in this MSOA.

Rateable property: Hillingdon has 7,705 rateable properties the majority of these properties are located in Hillingdon 031. This makes sense, since Heathrow (cluster of transportation) is located in this MSOA.

MSOA reference map

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

