

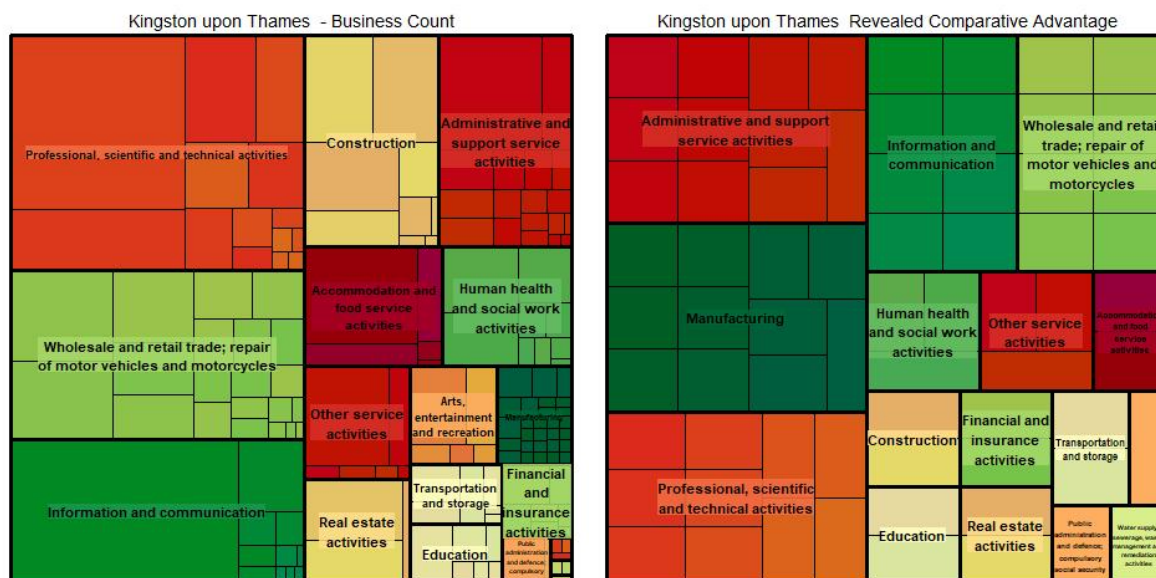
## Borough Overview

Measure	Description	Borough	London
<b>Business count</b>	The number of registered business in the borough.	<b>9,860</b>	<b>568,200</b>
<b>Business density</b>	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.	<b>0.19</b>	<b>0.21</b>
<b>Micro-share</b>	The share of registered business that are micro-businesses - defined as those businesses that have between 0-9 employees.	<b>88%</b>	<b>87%</b>
<b>Rateable properties per business</b>	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.	<b>0.44</b>	<b>0.48</b>
<b>GVA per business (£m)</b>	The borough's total economic output (Gross Value Added) per registered business.	<b>0.52</b>	<b>0.75</b>
<b>Business diversity</b>	A measure of the industry concentration of the total business count. Higher scores indicate the business population is more concentrated in a few industries.	<b>0.34</b>	<b>0.32</b>
<b>Complexity</b>	<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>	<b>0.55</b>	<b>0.90</b>

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 Kingston upon Thames by industry. The different colours represent the broad industry sectors whereas the smaller rectangles within each coloured rectangle reflect industries that make up each sector<sup>1</sup>. The area of each rectangle represents the relative size of each element in the borough's business base.



The image to the left displays Kingston upon Thames' 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	Administrative and support services
2	Wholesale and retail trade	Manufacturing
3	Information and communication	Professional, scientific and technical
4	Construction	Information and communication
5	Administrative and support services	Human health and social work

The professional, scientific and technical sector is the most prominent in Kingston upon Thames when measured by total business count with strong representation from management consultancies, architectural and engineering firms. Information and communication and wholesale and retail firms are also well represented in Kingston upon Thames's business base.

Kingston upon Thames has 11 industries within administrative and support service activities that hold a relative comparative advantage over local authorities nationally.

<sup>1</sup> 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	870	11%
62020 : Computer consultancy activities	740	9%
82990 : Other business support service activities	375	5%
47910 : Retail sale via mail order houses or via Internet	235	3%
69201 : Accounting, and auditing activities	195	2%

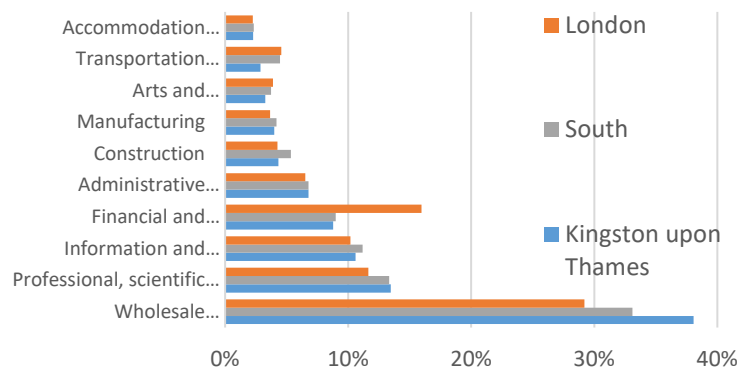
Management consultancy activities followed by computer consultancy activities have the highest number of businesses in terms of local units in Kingston. Together the top five industry groupings account for 30% of all registered businesses in the borough.

## Turnover

Total business turnover in Kingston upon Thames is dominated by the wholesale and retail sector which accounts for 38% of the total (40% of turnover among micro-businesses).

This compares to 33% of turnover across the South London subregion and 29% across London.

Top 10 sectors by % of total turnover



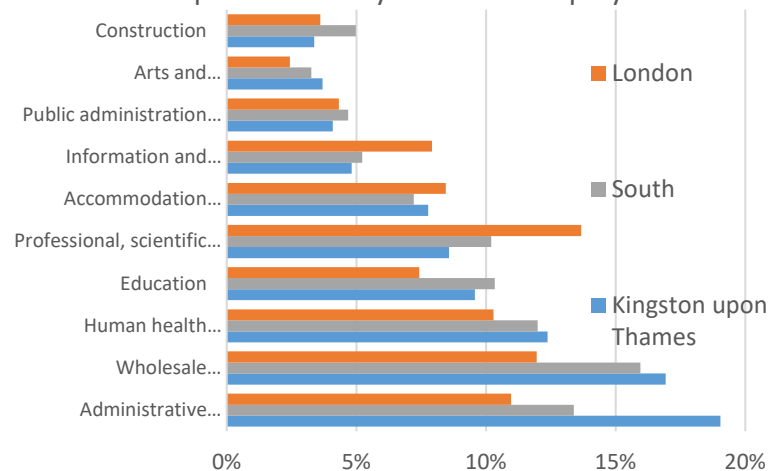
## Employment

The top ten sectors by employment account for 90% of total employment in Kingston upon Thames.

The equivalent sectors account for 87% of employment across the South London sub-region and 81% of employment in London.

The administrative and support service sector is the largest, accounting for 19% of all employment in the borough.

Top 10 sectors by % of total employment



# Clustering

Sector	Industry	Cluster score	Business count across borough	MSOA Dominance <sup>2</sup>	Dominant MSOA name	Knowledge Intensive industry	Share of micro-business
Wholesale and retail trade; repair of motor vehicles and motorcycles	Retail sale of clothing in specialised stores	0.743	70	93%	Kingston upon Thames 009	No	53%
Wholesale and retail trade; repair of motor vehicles and motorcycles	Retail sale via mail order houses or via Internet	0.724	235	51%	Kingston upon Thames 007	No	98%
Public administration and defence; compulsory social security	General public administration activities	0.555	45	100%	Kingston upon Thames 009	No	30%
Accommodation and food service activities	Unlicensed restaurants and cafes	0.262	120	42%	Kingston upon Thames 009	No	79%
Wholesale and retail trade; repair of motor vehicles and motorcycles	Retail sale of cosmetic and toilet articles in specialised stores	0.204	25	80%	Kingston upon Thames 009	No	80%

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 several 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 clusters<sup>3</sup> present in Kingston.

The most geographically clustered industries in Kingston upon Thames are outlined in Table 3 above. The results indicates that there exists a cluster of retailers in Kingston upon Thames 007 and 009. The highest cluster score is retail sale of clothing in specialised stores with a score of 0.7, of the 70 local units in the industry 65 of them (93%) are situated in Kingston upon Thames 009. Additionally, there is a cluster of online retailers present in Kingston upon Thames 007 as 51% of industry local units are found in the MSOA. A third retail cluster, the sale of cosmetic and toilet articles in specialised stores is located in Kingston upon Thames 009.

The clustering table also identifies whether the industry is classified as Knowledge Intensive<sup>4</sup> and the share of businesses in the industry operating in the borough that are defined as micro-businesses (fewer than 10 employees).

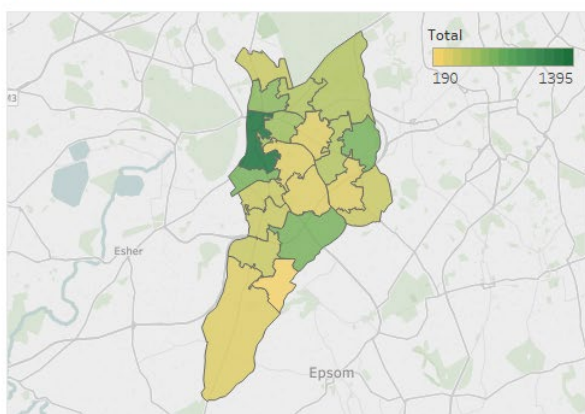
<sup>2</sup> Proportion of industry local units found in the dominant MSOA.

<sup>3</sup> 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.

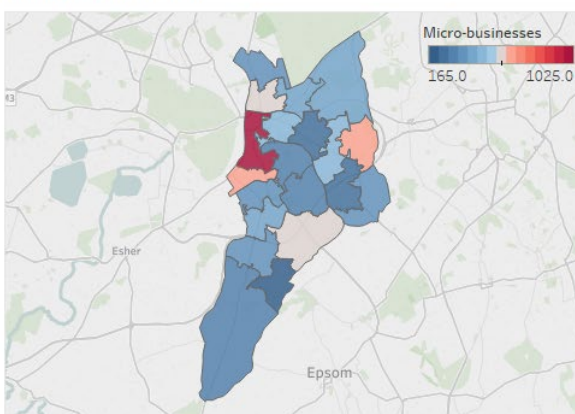
<sup>4</sup> The Office for National Statistics has categorised certain Standard Industry Classification (SIC) codes as Knowledge Intensive service industries. This categorisation is based on the proportion of tertiary-educated people employed in the industry.

# Mapping the business base

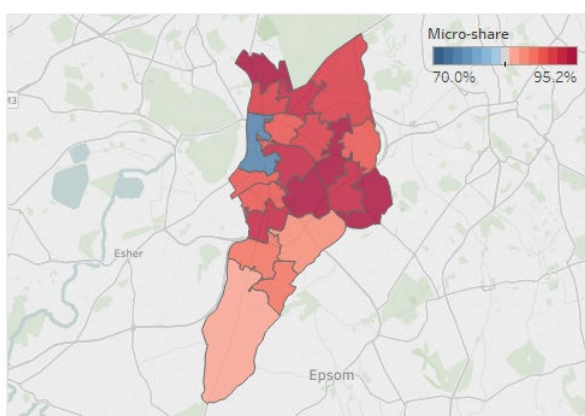
Local Units



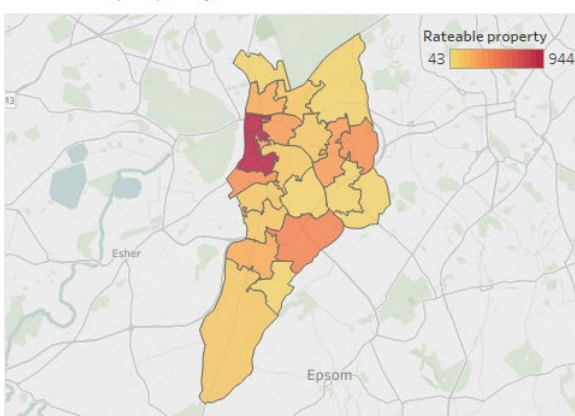
Micro-businesses



Micro-share



Rateable property



**Local units:** There are 9,865 businesses (in local units) across Kingston upon Thames. As illustrated on the map (top left), the businesses are relatively evenly spread out across the borough with a slightly denser business population in the northwest. The MSOA with the highest concentration of businesses is Kingston upon Thames 009 where 1,395 businesses (14%) are located. The MSOA with least number of business (in local units) is Kingston upon Thames 019 with 190 businesses.

**Micro-businesses:** Kingston upon Thames has a high concentration of microbusinesses. 88% of all businesses in Kingston upon Thames are considered microbusinesses (0-9 employees) – equivalent to 8,690 businesses. The highest number of microbusinesses can be identified in Kingston upon Thames 009 with 1,025 local units.

**Micro-share:** The average share of micro-businesses across MSOAs in Kingston upon Thames is 90% with Kingston upon Thames 014 having the highest share of microbusinesses at 94%. Kingston upon Thames 009 has the highest number of micro-businesses in local units only has a 73% share because most of the larger businesses are also located in this MSOA.

**Rateable property:** Kingston upon Thames has 4,369 rateable properties with 22% of these located in Kingston upon Thames 009. This is relatively unsurprising since Kingston upon Thames 009 has the highest number of businesses and micro-businesses.

# MSOA reference map

The map below indicates the three-digit reference number for each of Kingston upon Thames' MSOAs.

