

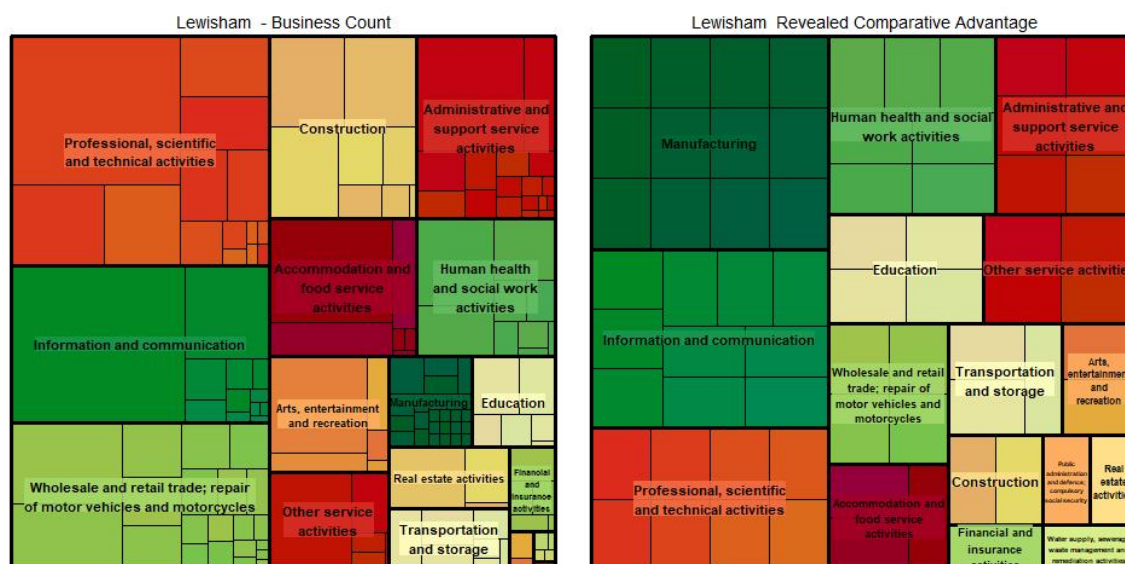
## Borough Overview

Measure	Description	Borough	London
<b>Business count</b>	The number of registered business in the borough.	<b>10,970</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>0.11</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>91%</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>0.49</b>	<b>0.48</b>
<b>GVA per business (£m)</b>	The borough's total economic output (Gross Value Added) per registered business.	<b>0.48</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>0.31</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>0.51</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 Lewisham 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 Lewisham'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	Information and communication	Information and communication
3	Wholesale and retail trade	Professional, scientific and technical
4	Construction	Human health and social work
5	Administrative and support services	Administrative and support services

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

Lewisham has 12 industries within manufacturing 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	855	11%
62020 : Computer consultancy activities	745	9%
82990 : Other business support service activities	465	6%
47110 : Retail sale in non-specialised stores with food, beverages or tobacco predominating	295	4%
74100 : Specialised design activities	240	3%

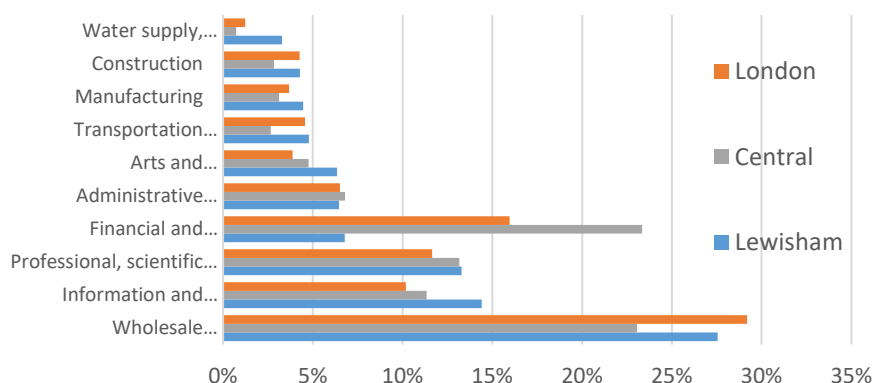
Management consultancy activities followed by computer consultancy activities have the highest number of businesses in terms of local units in Lewisham. Together the top five industry groupings account for a third of all registered businesses in the borough.

## Turnover

Total business turnover in Lewisham is dominated by the wholesale and retail sector which accounts for 28% of the total (30% of turnover among micro-businesses).

This compares to 23% of turnover across the Central London subregion and 29% across London.

Top 10 sectors by % of total turnover



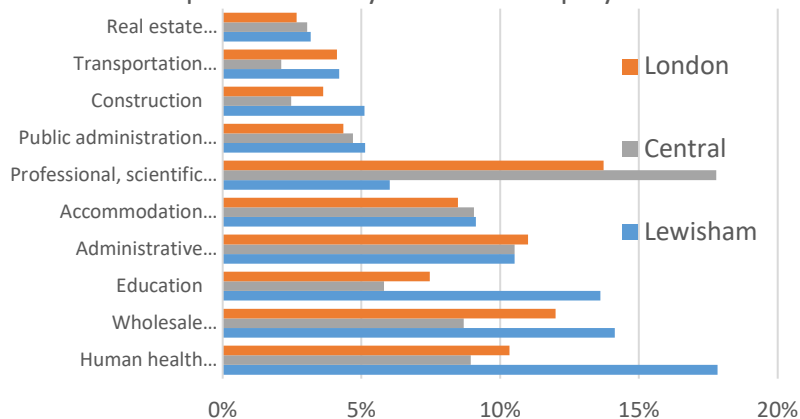
## Employment

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

The equivalent sectors account for 73% of employment across the Central London sub-region and 89% of employment in London.

The human health and social work sector is the largest, accounting for 18% 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	0.158	35	57%	Lewisham 012	No	78%
Financial and insurance activities	Banks	0.099	15	66%	Lewisham 012	Yes	60%
Manufacturing	Printing (other than printing of newspapers and printing on labels and tags) nec	0.078	25	40%	Lewisham 016	No	100%
Wholesale and retail trade; repair of motor vehicles and motorcycles	Retail sale of second-hand goods (other than antiques and antique books) in stores	0.072	30	33%	Lewisham 012	No	86%
Wholesale and retail trade; repair of motor vehicles and motorcycles	Other retail sale in non-specialised stores	0.072	30	33%	Lewisham 012	No	70%

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 clusters<sup>3</sup> present in Lewisham.

The most geographically clustered industries in Lewisham are outlined in the table above. The industry with the highest cluster score of 0.158 is retail sale of clothing in specialised stores. More specifically, of the 35 local business units, 20 of those (57%) of them are situated in one MSOA indicating that there exists a geographical cluster in Lewisham 012. Additionally, there is also a small geographical cluster of printing firms registered in Lewisham 016.

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).

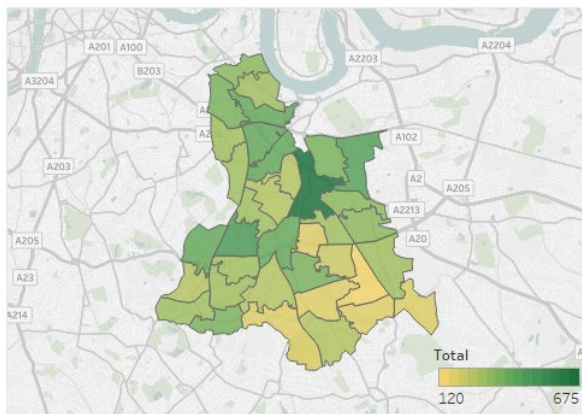
<sup>2</sup> Proportion of industry local units found in the dominant MSOA.

<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.

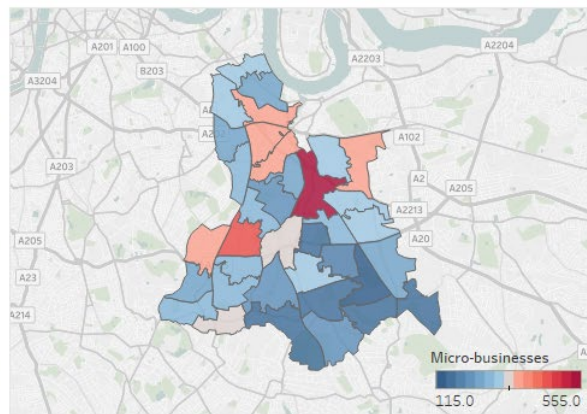
<sup>4</sup> The Office for National Statistics has categorised certain Standard Industry Classification (SIC) codes as Knowledge Intensive service industries. This categorisation is based on the proportion of tertiary-educated people employed in the industry.

# Mapping the business base

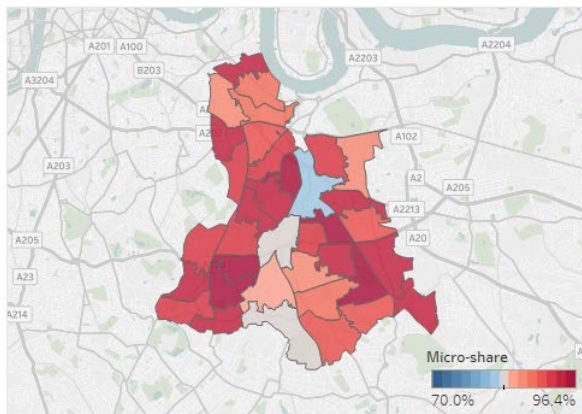
Local Units



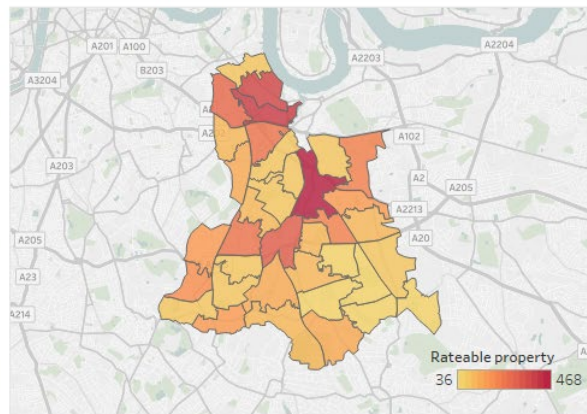
Micro-businesses



Micro-share



Rateable property



**Local units:** There are 10,970 businesses (in local units) across Lewisham. 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 middle of the borough. The MSOA with the highest concentration of businesses is Lewisham 012 which contains 6% (675 local units) of all local units in Lewisham.

**Micro-businesses:** Of the 10,970 businesses located in Lewisham, 9,990 are microbusinesses with 0-9 employees. Unsurprisingly, the MSOA with the highest number of microbusinesses is Lewisham 012 with 555 local units. The map in the top right corner displays the distribution of micro-businesses across Lewisham. 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 Lewisham is 91%. Lewisham 011, 024 and 026 have the highest share of microbusinesses at 96%. In contrast, Lewisham 012 who have the highest number of microbusinesses in local units only have an 86% share of microbusinesses because most of the larger businesses are also located in this MSOA.

**Rateable property:** Lewisham has 5,420 rateable properties the majority of these properties are located in Lewisham 012. This aligns with other results as Lewisham 012 also has the highest number of businesses local units.



# MSOA reference map

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

