

London Borough Business Profiles Redbridge



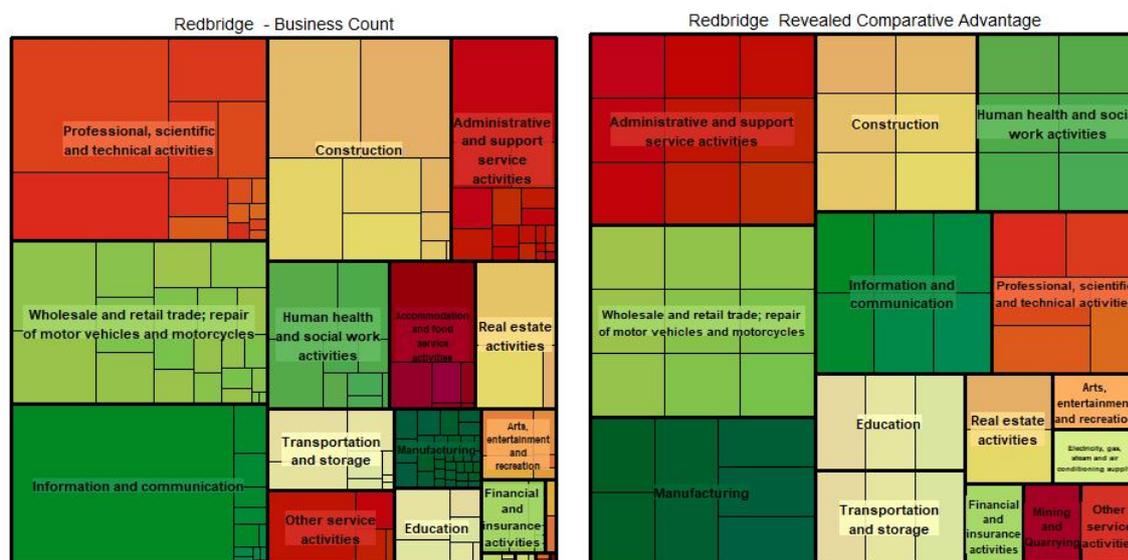
Borough Overview

Measure	Description	Borough	London
Business count	The number of registered business in the borough.	14,760	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.	0.20	0.21
Micro-share	The share of registered business that are micro-businesses - defined as those businesses that have between 0-9 employees.	92%	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.	0.37	0.48
GVA per business (£m)	The borough's total economic output (Gross Value Added) per registered business.	0.36	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.	0.35	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>	0.57	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 Redbridge 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 Redbridge'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	Administrative and support services
2	Wholesale and retail trade	Wholesale and retail trade
3	Information and communication	Manufacturing
4	Construction	Construction
5	Administrative and support services	Information and communication

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

Redbridge has 9 industries within administrative and support service activities 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	1450	12%
70229 : Management consultancy activities	970	8%
82990 : Other business support service activities	555	5%
69201 : Accounting, and auditing activities	440	4%
41202 : Construction of domestic buildings	425	4%

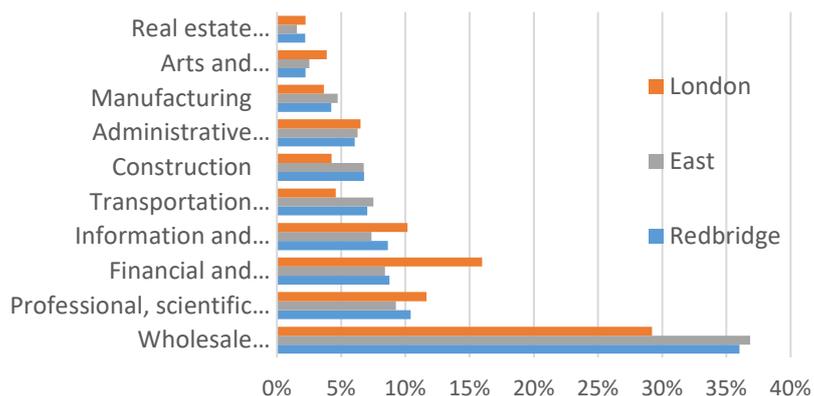
Computer consultancy activities followed by management consultancy activities have the highest number of businesses in terms of local units in Redbridge. Together the top five industry groupings account for a third of all registered businesses in the borough.

Turnover

Total business turnover in Redbridge is dominated by the wholesale and retail sector which accounts for 36% of the total (39% of turnover among micro-businesses).

This compares to 37% of turnover across the East London subregion and 29% across London.

Top 10 sectors by % of total turnover



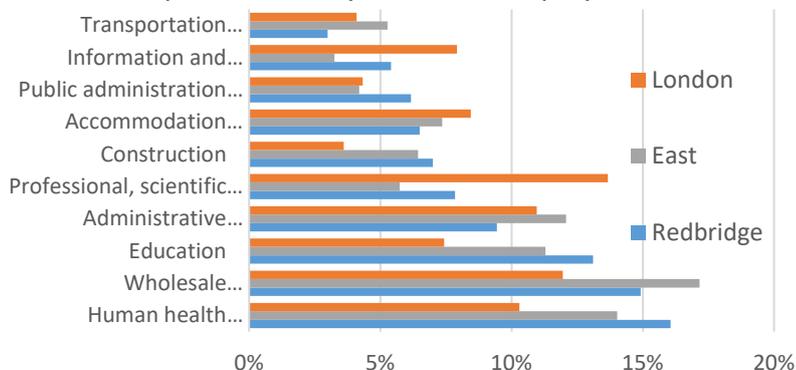
Employment

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

The equivalent sectors account for 87% of employment across the East London sub-region and 83% of employment in London.

The human health and social work 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
Accommodation and food service activities	Hotels and similar accommodation	0.101	20	75%	Redbridge 029	No	67%
Wholesale and retail trade; repair of motor vehicles and motorcycles	Retail sale of clothing in specialised stores	0.085	90	22%	Redbridge 029	No	90%
Arts, entertainment and recreation	Performing arts	0.078	50	40%	Redbridge 036	No	100%
Public administration and defence; compulsory social security	General public administration activities	0.067	15	66%	Redbridge 030	No	0%
Wholesale and retail trade; repair of motor vehicles and motorcycles	Retail sale of watches and jewellery in specialised stores	0.052	25	40%	Redbridge 029	No	100%

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 Redbridge.

The most geographically clustered industries in Redbridge are outlined in the table above. The industry with the highest cluster score of 0.101 is hotels and similar accommodation activities. More specifically, of the 20 local business units, 15 of them (75%) are located in the same MSOA indicating a geographical cluster of hotels in Redbridge 029. There is also a performing arts cluster in Redbridge 036.

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).

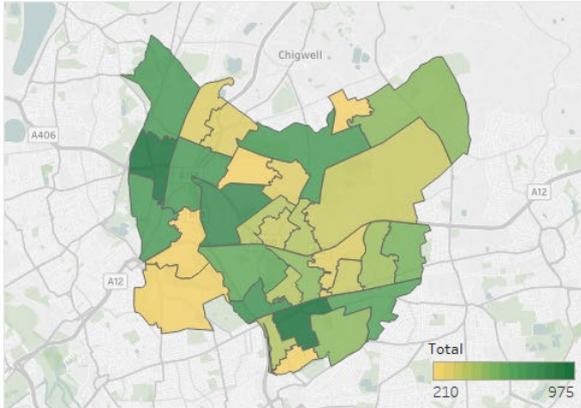
² Proportion of industry local units found in the dominant MSOA.

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.

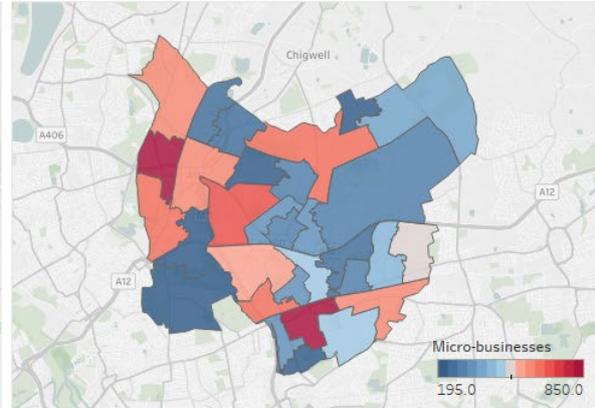
⁴ The Office for National Statistics has categorised certain Standard Industry Classification (SIC) codes as Knowledge Intensive service industries. This categorisation is based on the proportion of tertiary-educated people employed in the industry.

Mapping the business base

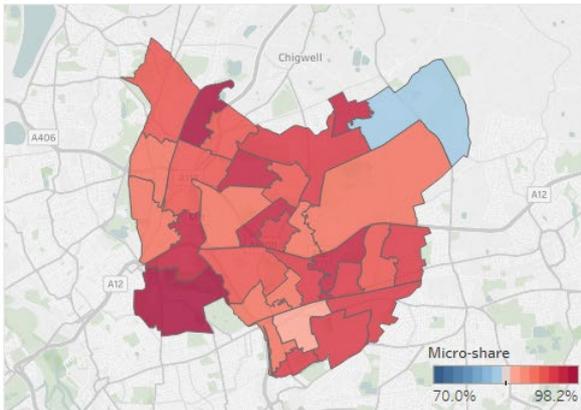
Local Units



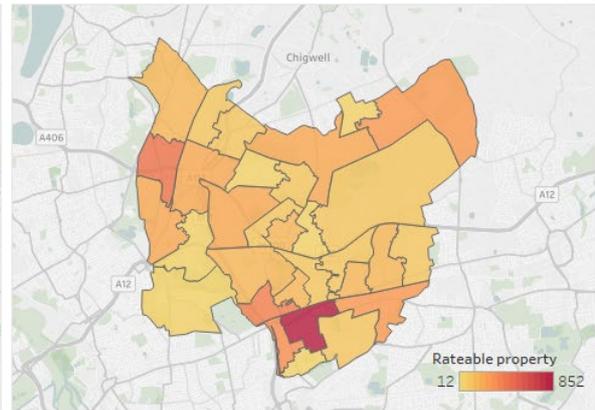
Micro-businesses



Micro-share



Rateable property



Local units: There are 14,760 businesses (in local units) across Redbridge. As illustrated on the map in the left corner, the businesses are relatively evenly spread out across the borough. The MSOAs with the highest concentration of businesses are Redbridge 030 and 007 which contain 13% (1,920 local units) of all local units in Redbridge.

Micro-businesses: Of the 14,760 businesses located in Redbridge, 13,515 are microbusinesses with 0-9 employees. Unsurprisingly, the MSOA with the highest number of microbusinesses is Redbridge 007 and 030 with 850 and 840 local units respectively. The map in the top right corner displays the distribution of micro-businesses across Redbridge. There is a high concentration of micro-businesses in the North West of Redbridge and south of Redbridge.

Micro-share: The average share of microbusinesses across MSOAs in Redbridge is 92%. Redbridge 004 and 027 have the highest share of microbusinesses at 98%.

Rateable property: Redbridge has 5,460 rateable properties the majority of these properties are located in Redbridge 030. This aligns with other results as Redbridge also has the highest number of businesses local units.

MSOA reference map

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

