

London Borough Business Profiles Wandsworth



**LONDON
COUNCILS**

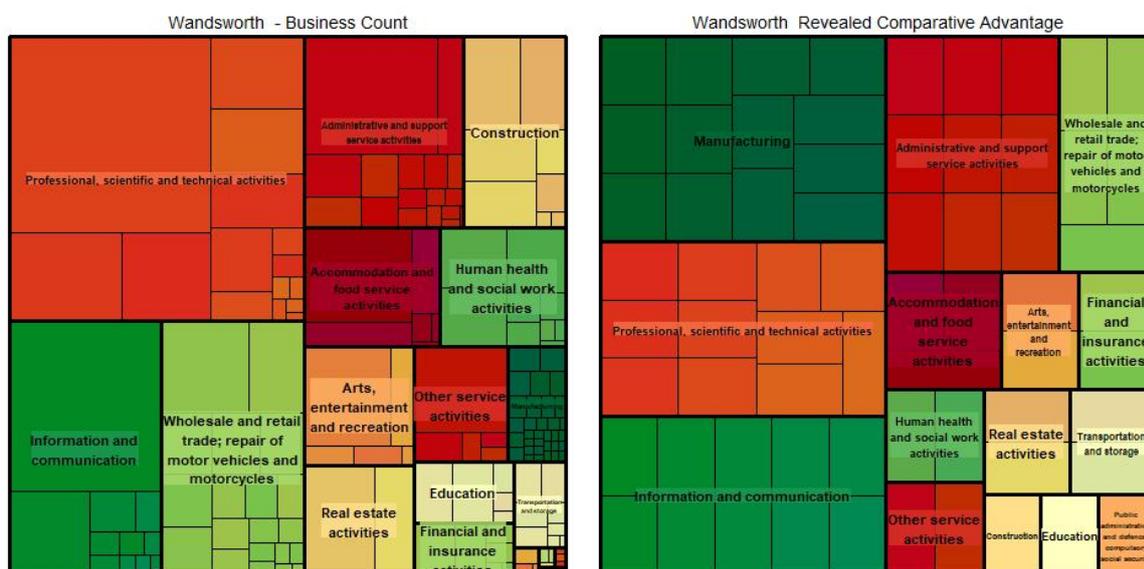
Borough Overview

Measure	Description	Borough	London
Business count	The number of registered business in the borough.	19,010	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.	0.16	0.21
Micro-share	The share of registered business that are micro-businesses - defined as those businesses that have between 0-9 employees.	90%	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.	0.42	0.48
GVA per business (£m)	The borough's total economic output (Gross Value Added) per registered business.	0.61	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.	0.38	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>	0.61	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 Wandsworth 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 Wandsworth'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	Professional, scientific and technical
3	Wholesale and retail trade	Information and communication
4	Administrative and support services	Administrative and support services
5	Construction	Wholesale and retail trade

The professional, scientific and technical sector is the most prominent in Wandsworth 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 Wandsworth's business base.

Wandsworth has 13 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	2175	14%
62020 : Computer consultancy activities	1160	7%
82990 : Other business support service activities	980	6%
69201 : Accounting, and auditing activities	430	3%
74100 : Specialised design activities	380	2%

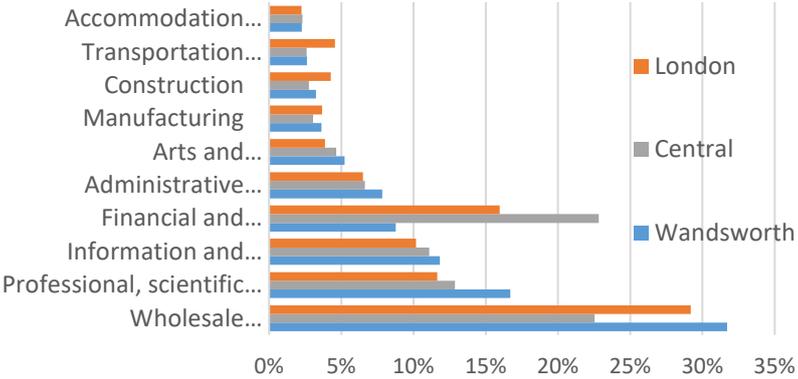
Management consultancy activities followed by computer consultancy activities have the highest number of businesses in terms of local units in Wandsworth. Together the top five industry groupings account for 32% of all registered businesses in the borough.

Turnover

Total business turnover in Wandsworth is dominated by the wholesale and retail sector which accounts for 32% of the total (34% 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



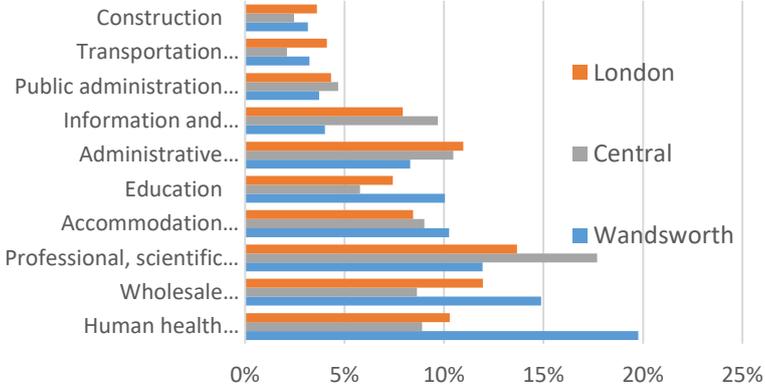
Employment

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

The equivalent sectors account for 79% of employment across the Central London sub-region and 83% of employment in London.

The human health and social work sector is the largest, accounting for 20% 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	Wholesale of fruit and vegetables	0.392	80	87%	Wandsworth 002	No	56%
Wholesale and retail trade; repair of motor vehicles and motorcycles	Wholesale of flowers and plants	0.096	15	100%	Wandsworth 002	No	100%
Public administration and defence; compulsory social security	Public order and safety activities	0.064	10	100%	Wandsworth 010	No	25%
Wholesale and retail trade; repair of motor vehicles and motorcycles	Retail sale of fruit and vegetables in specialised stores	0.064	10	99%	Wandsworth 002	No	75%
Construction	Scaffold erection	0.064	10	99%	Wandsworth 002	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 Wandsworth.

The most geographically clustered industries in Wandsworth are outlined in the table above. The industry with the highest cluster score of 0.392 is wholesale of fruit and vegetables. More specifically, of the 80 local business units, 70 of them (88%) are located in the same MSOA indicating that there exists a cluster of fruit and vegetable wholesalers in Wandsworth 002. Additionally, there is a concentrated geographical cluster of flower and plant wholesalers and fruit and vegetable retailers in Wandsworth 002.

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).

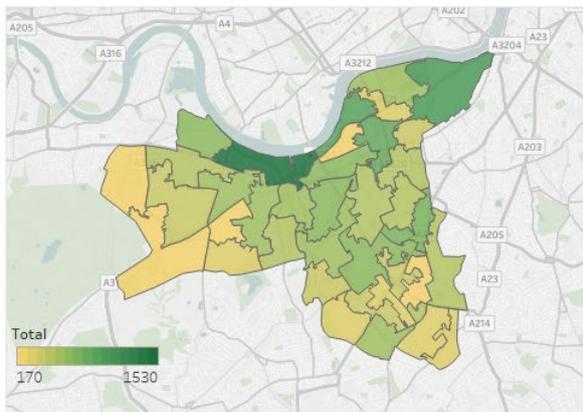
² Proportion of industry local units found in the dominant MSOA.

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.

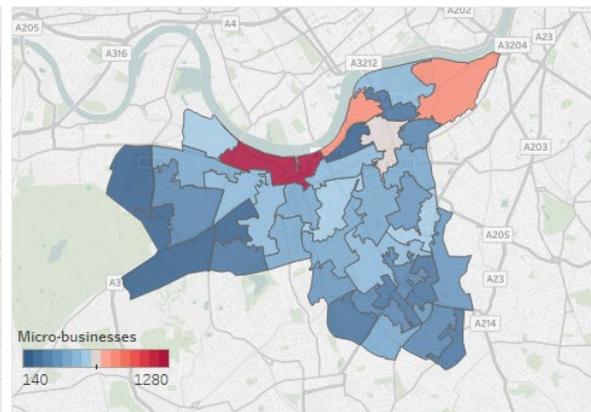
⁴ The Office for National Statistics has categorised certain Standard Industry Classification (SIC) codes as Knowledge Intensive service industries. This categorisation is based on the proportion of tertiary-educated people employed in the industry.

Mapping the business base

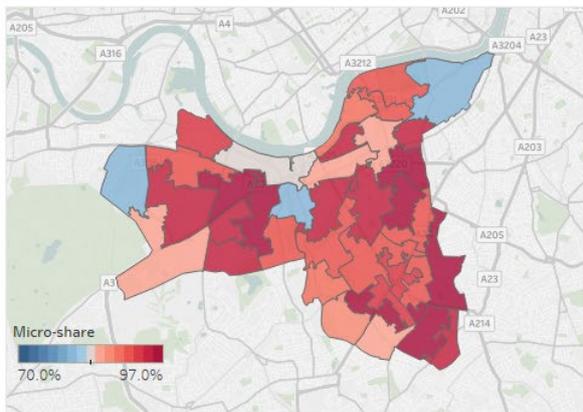
Local Units



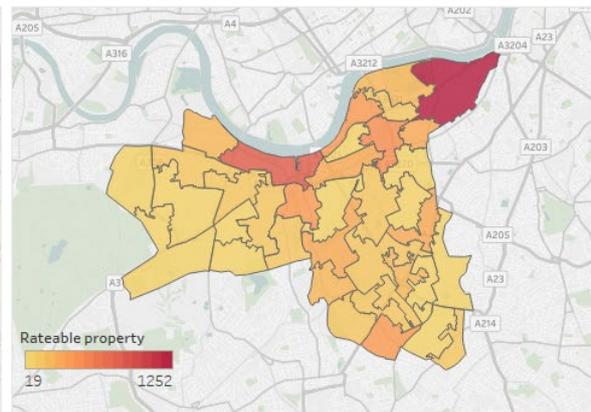
Micro-businesses



Micro-share



Rateable property



Local units: There are 19,010 businesses (in local units) across Wandsworth. 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 along the river Thames. The MSOA with the highest concentration of businesses are Wandsworth 010 and 002 which combined contain 14% (2,575 local units) of all local units in Wandsworth.

Micro-businesses: Of the 19,010 businesses located in Wandsworth, 17,110 are microbusinesses with 0-9 employees. Unsurprisingly, the MSOA with the highest number of microbusinesses is Waltham Forest 010 and 002 with a total 2,120 local units. The map in the top right corner displays the distribution of micro-businesses across Wandsworth. Similar to the local units map to the left, there is a high concentration of micro-businesses in the MSOAs along the river Thames.

Micro-share: The average share of microbusinesses across MSOAs in Wandsworth is 90%. Wandsworth 009, 017, 026 and 036 have the highest share of microbusinesses at 97%. In contrast, Wandsworth 010 who have the highest number of microbusinesses in local units only have an 84% share of microbusinesses because most of the larger businesses are also located in this MSOA.

Rateable property: Wandsworth has 8,050 rateable properties the majority of these properties are located in Wandsworth 002 and 010. This aligns with other results as Wandsworth 002 and 010 also have the highest number of businesses local units.

MSOA reference map

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

