

London Borough Business Profiles Barking and Dagenham



**LONDON
COUNCILS**

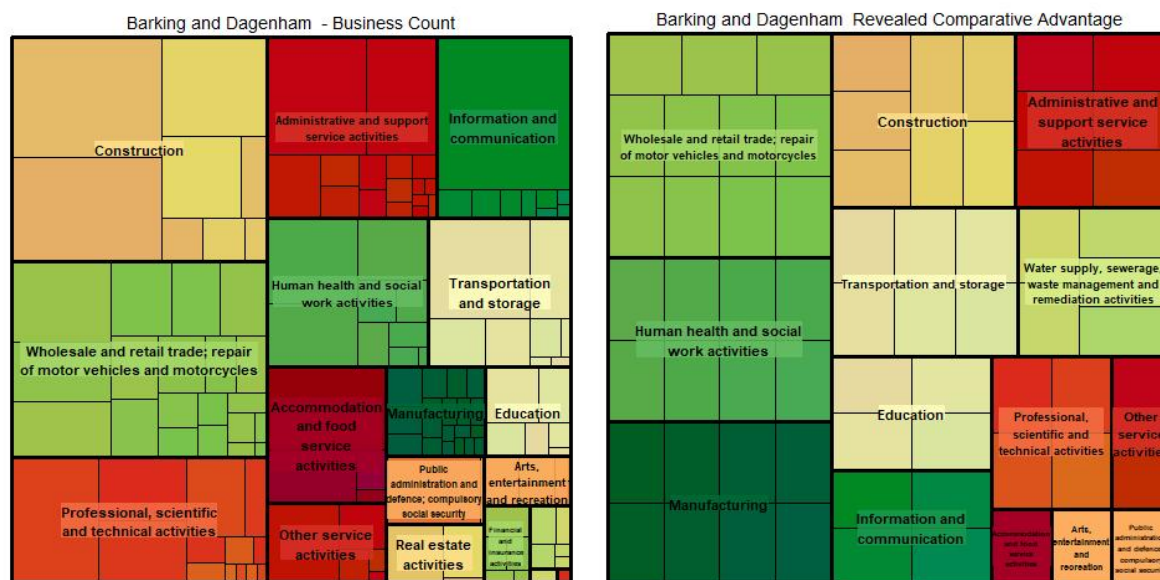
Borough Overview

Measure	Description	Borough	London
Business count	The number of registered business in the borough.	7,790	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.	88%	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.	0.51	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.	0.24	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>	0.46	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 Barking and Dagenham 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 Barking and Dagenham'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	Construction	Wholesale and retail trade
2	Wholesale and retail trade	Human health and social work
3	Professional, scientific and technical	Manufacturing
4	Administration and support services	Construction
5	Human health and social work	Transportation and storage

Construction is the most prevalent sector in Barking and Dagenham when measured by business counts and construction of residential and non-residential buildings is the largest sub-industry within the sector. Wholesale and retail trade, administrative and support service activities and professional, scientific and technical activities are also well represented in Barking and Dagenham's business base.

Barking and Dagenham has 11 industries within wholesale and retail trade 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	400	7%
41202 : Construction of domestic buildings	325	5%
82990 : Other business support service activities	300	5%
70229 : Management consultancy activities	260	4%
49410 : Freight transport by road	235	4%

Computer consultancy activities, the construction of domestic buildings and other business support service activities have the highest number of local units in Barking and Dagenham.

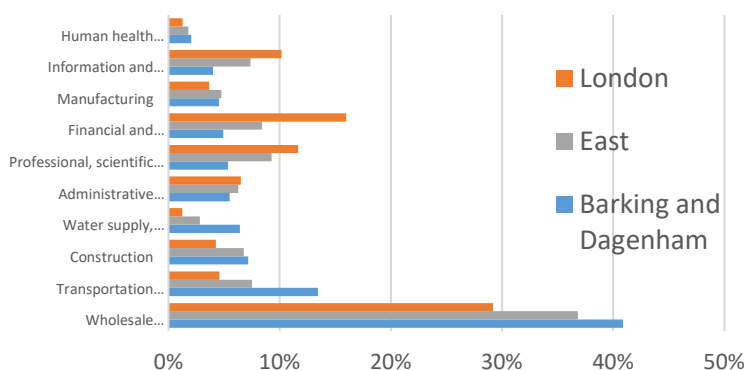
Together the top five industries account for a quarter of all registered businesses in the borough.

Turnover

Total business turnover in Barking and Dagenham is dominated by the wholesale and retail sector which accounts for 41% of the total (43% of turnover among micro-businesses).

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

Top 10 sectors by % of total turnover



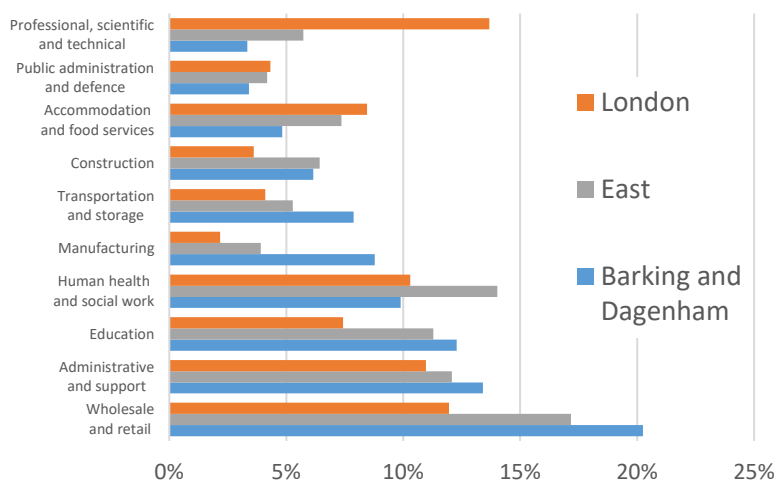
Employment

The top ten sectors by employment account for 90% of total employment in Barking and Dagenham.

The equivalent sectors account for 87% of employment across the East London sub-region and 77% of employment in London.

The wholesale and retail sector is by far 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
Public administration and defence; compulsory social security	General public administration activities	1.007	130	65%	Barking and Dagenham 015	No	78%
Human health and social work activities	Other social work activities without accommodation	0.271	140	36%	Barking and Dagenham 015	No	77%
Wholesale and retail trade; repair of motor vehicles and motorcycles	Maintenance and repair of motor vehicles	0.201	145	28%	Barking and Dagenham 019	No	96%
Professional, scientific and technical activities	Solicitors	0.200	20	75%	Barking and Dagenham 015	Yes	80%
Wholesale and retail trade; repair of motor vehicles and motorcycles	Other retail sale in non-specialised stores	0.170	25	60%	Barking and Dagenham 015	No	57%

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 from the tailors on Saville Row to the jewellery shops in Hatton Gardens. The table above is a snapshot of the geographical clusters³ present in Barking and Dagenham.

The most geographically clustered industries in Barking and Dagenham are outlined in the table above. The industry with the highest cluster score is general public administration activities with a score of 1.01. More specifically, of the 130 local business units, 85 of those (65%) of them are situated in one MSOA (Barking and Dagenham 015). Despite a relatively low business count, there is a concentrated geographical knowledge intensive cluster of solicitors located in Barking and Dagenham 015.

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).

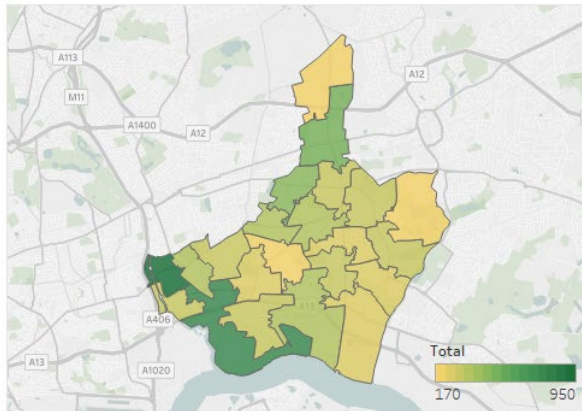
² Proportion of industry local units found in the dominant MSOA.

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, weighted according to the total business count in that industry. The higher the score the more geographically clustered the industry.

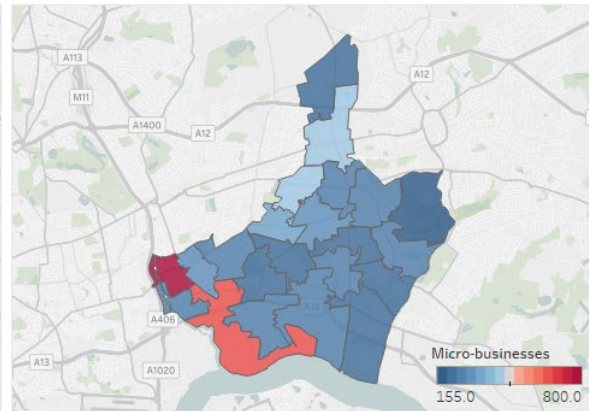
⁴ The Office for National Statistics has categorised certain Standard Industry Classification (SIC) codes as Knowledge Intensive service industries. This categorisation is based on the proportion of tertiary-educated people employed in the industry.

Mapping the business base

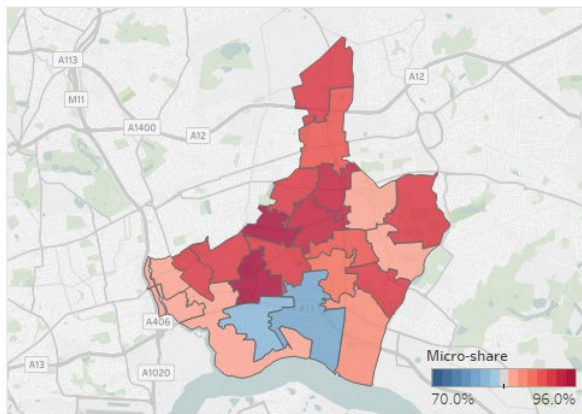
Local Units



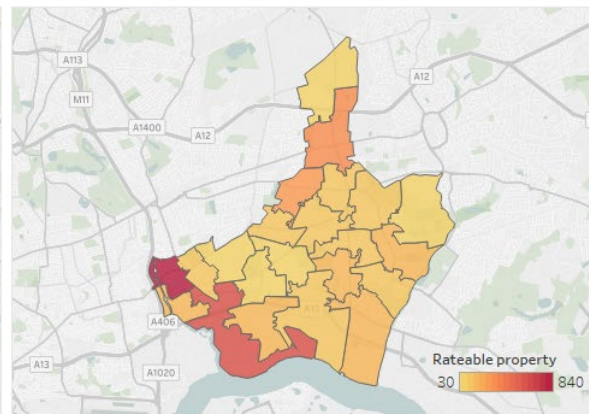
Micro-businesses



Micro-share



Rateable property



Local units: There are 7,790 businesses (in local units) across Barking and Dagenham. 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 is Barking and Dagenham 015 which contains 12% (950 local units) of all local units in Barking and Dagenham.

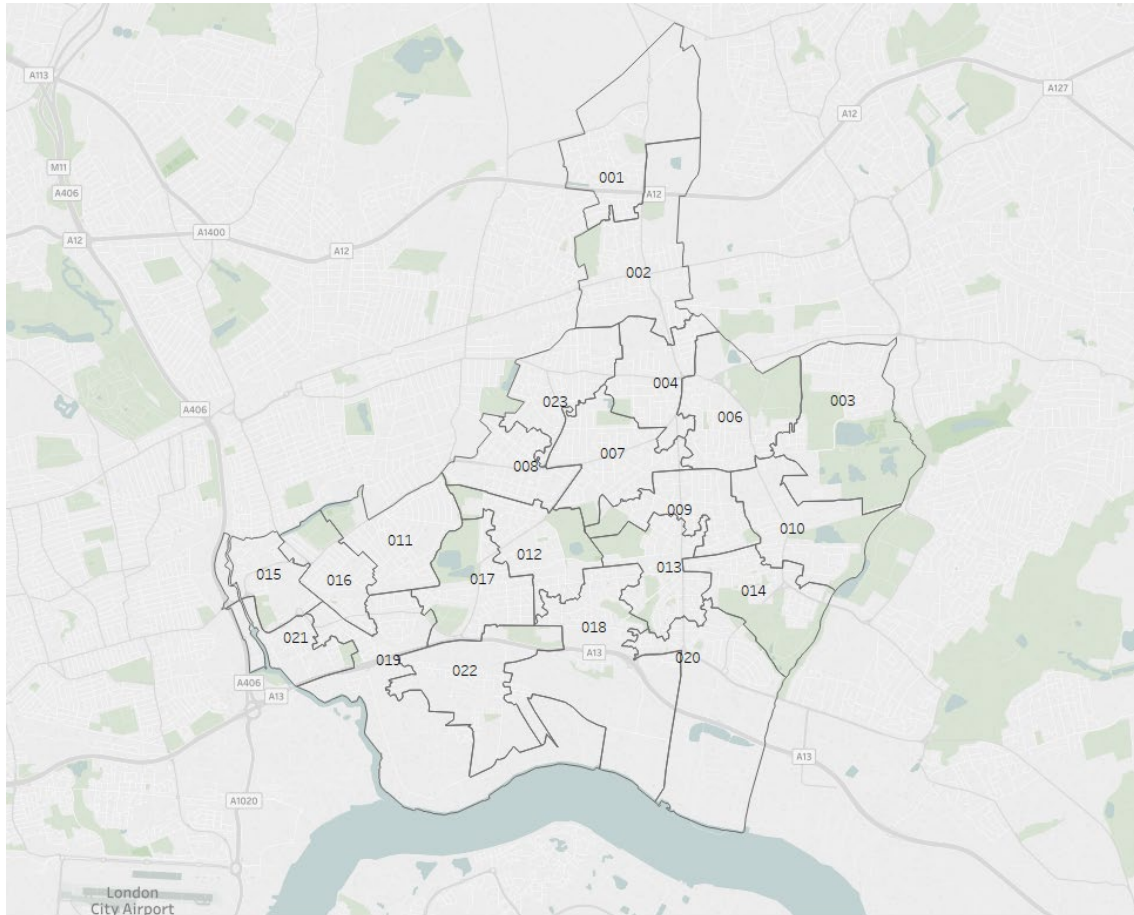
Micro-businesses: Of the 7,790 businesses located in Barking and Dagenham, 6,875 are microbusinesses with 0-9 employees (89%). Unsurprisingly, the MSOA with the highest number of microbusinesses is Barking and Dagenham 015 with 800 local units. The map in the top right corner displays the distribution of micro-businesses across Barking and Dagenham. Similar to the local units map to the left, there is a high concentration of micro-businesses in the south eastern parts of Barking and Dagenham.

Micro-share: The average share of microbusinesses across MSOAs in Barking and Dagenham is 88%. Barking and Dagenham 008 and 017 have the highest share of microbusinesses at 96%. In contrast, Barking and Dagenham 015 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: Barking and Dagenham has 3,882 rateable properties the majority of these properties are located in Barking and Dagenham 015. This aligns with other results as Barking and Dagenham 015 also has the highest number of businesses local units.

MSOA reference map

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



Longitude (generated) and Latitude (generated). The marks are labeled by ShortLabelNames. The data is filtered on Borough, which keeps Barking and Dagenham.