

Economic Strategy Refresh

Creating the right conditions for
Surrey businesses to start, grow
and thrive



Introduction

Metro Dynamics was commissioned to support Surrey County Council (SCC) with the refresh of their economic strategy evidence base. The previous strategy had four strategic priorities, which have been reframed to three, to be supported by the Surrey Growth and Innovation Fund and future funding received by the Council to support growth. These are:

- Creating the right conditions for Surrey businesses to start, grow and thrive
- Ensuring Surrey's residents are able to support the workforce and skills demands of Surrey businesses
- Enabling economic infrastructure to unlock growth through place-based approaches

Work was completed to review and update the logic chains for each priority, which were initially developed in 2021 and were edited by the SCC team at the start of the strategy refresh. The evidence review has involved detailed data collection and analysis, updating the current position on evidence points underpinning the strategy, and undertaking new analyses to fill gaps.

Three evidence packs have been produced, one for each priority, including an update to the logic chains.

This document includes the full findings for the first priority: **Creating the right conditions for Surrey businesses to start, grow and thrive**. The following pages present the evidence collected for this priority, collating the strengths, weaknesses and implications summarised in the revised logic chain.

Key findings

Businesses: The total number of businesses in Surrey has decreased in recent years, more sharply than UK and CIPFA averages, primarily driven by micro-businesses, whilst large businesses have grown. The number of active spinouts also fell considerably in recent years. Business birth rates in Surrey fell sharply in 2020 and are still below pre-pandemic levels, indicating that the county is not a great place to start a business. Once established, businesses tend to do well in Surrey, demonstrated by strong survival rates and low business death rates. However, the proportion of high growth businesses in Surrey is below the UK average. Surrey has strengths in businesses that offer knowledge intensive services. However, KIS businesses are declining faster than all businesses in Surrey, meaning that the proportion of businesses in knowledge intensive services is shrinking. **To boost economic growth, Surrey must grow its business base by supporting start-ups and small businesses, particularly those in knowledge intensive services.**

Trade and Supply: Surrey continues to be positioned as a net importer of goods but a net exporter of services, accounting for a larger portion of trade in goods than services for the South East. However, net exports for both goods and services have weakened since 2016. Despite this, Surrey has a high share of tradeable jobs, well above the national average, which have seen strong growth in many parts of the county in five years. However, this is not equally shared, as some pockets of significant decline exist. The share of supply chain inputs sourced locally has remained constant, but some sectors have seen significant changes. **Surrey must sustain its strengths in tradeable jobs to increase trade and the movement of goods and services inside and around the county.**

Surrey's sectors: Changes in the number of businesses have been mixed across industries, with some, such as construction, seeing significant rises in the business base while other businesses, especially those in tradeable sectors (despite a rise in employment), have declined. Surrey tends to specialise in more productive sectors, such as digital services or finance and insurance, but sub-sector specialism covers many activities. Growth has been strongest for sectors previously identified as key strengths, but weaker productivity has driven other sectors into decline. Surrey also has a high concentration of businesses in the emerging economy, with a particular strength in space activities. **Interventions should be targeted to support key sector growth opportunities.**

Innovation: Surrey businesses perform better than the UK across most indicators, with the only exception being businesses performing internal R&D. Employment in R&D is concentrated in Surrey's town centres and are often geographically close to key innovation assets in well-connected areas. Innovation occurs across the county as 11 individual clusters in the emerging economy have been identified, as many emerging economy businesses receive investment. **Surrey's innovation strengths should be leveraged to support growth across the wider region.**

Revised Logic Chain

Evidence

- Research in 2021 found that Surrey had a high and increasing proportion of large businesses, contrary to national decline, and a very high proportion of micro-businesses, 91.4%. Large companies have continued to grow. However, this research finds that micro businesses have declined significantly, driving the decline of total business counts in Surrey.
- Starting a business in Surrey is becoming increasingly difficult. University spinouts have also seen a decline in recent years. However, once established, companies tend to do well in Surrey, as demonstrated by strong survival rates and low business death rates.
- High-growth firms make up 0.3% of the total, below the UK average and most other CIPFA counties.
- Surrey has strengths in businesses providing knowledge-intensive services; however, these are declining at a faster rate than all other businesses in Surrey. Research in 2021 found that 22.9% of businesses were in Professional, scientific and technical activities. However, since then, the number of Professional, scientific and technical companies has declined significantly. Employment in Professional, scientific and technical activities has risen, suggesting that businesses are becoming more prominent on average.
- Surrey has a high share of tradeable jobs, well above the national average, which has seen strong growth in five years in many parts of the county. However, the balance between exports and imports has been widening in Surrey for goods and closing for services. Net exports for 2021 were lower in Surrey than in 2016 – potentially worrying drop in service exports.
- Research in 2021 found that Surrey was a £43.5bn economy, with growth slowing since 2015. This has increased to £46.6bn, but GVA continues to grow slowly: 0.3% increase YoY. Some notable sectors, such as finance, insurance, and advanced manufacturing, have seen negative growth.
- Research in 2021 found major sector strengths in Professional Services, AI / Digital (including creative and gaming), Aviation / Aerospace, Health, and advanced engineering. This research confirms strengths, and highlights that Surrey specialises in more productive sectors, such as digital services, or finance and insurance. However, growth in life sciences and *advanced* manufacturing has been negative (growth in traditional manufacturing has been positive).
- Surrey’s businesses are generally more innovative, with a high share of R&D roles. This is supported by key innovation assets clustering across the county.

Implications

Highly competitive and innovative business base, drawn to high skills, global connectivity and liveability.

Sector strengths fit well with national investment in zero carbon, AI, and new services. Surrey’s sectors and capabilities need to be understood further to underpin growth through the strategy, identifying the best opportunities and gaps.

A challenging and confusing business support environment for start-up and high-growth enterprises to survive or scale up. Fewer high-growth businesses suggest that the next generation of growing companies and business investments needs attention.

Large, successful firms provide significant scope to develop local supply chains, employment/skills opportunities, and needs.

Aim to be seen as a major driver of the UK economy, linked to but not dependent on London. Need to explore how cross-boundary assets and opportunities outside of Surrey can be leveraged to boost innovation (i.e. Gatwick airport).

A need to accelerate innovation and address disparities, potentially resulting in a decline of knowledge-intensive businesses.

Objectives*

Ensure Surrey remains a major economic opportunity for the UK and proactively seek cross-border/regional opportunities.

Strengthen local supply chains and the extent to which major businesses are embedded in Surrey – e.g. through using expertise in local transport or development schemes.

Ensure post-EU funded business support is targeted effectively at high growth and trade potential of micro and SMEs.

Businesses can navigate the support ecosystem to increase productivity in a sustainable way.

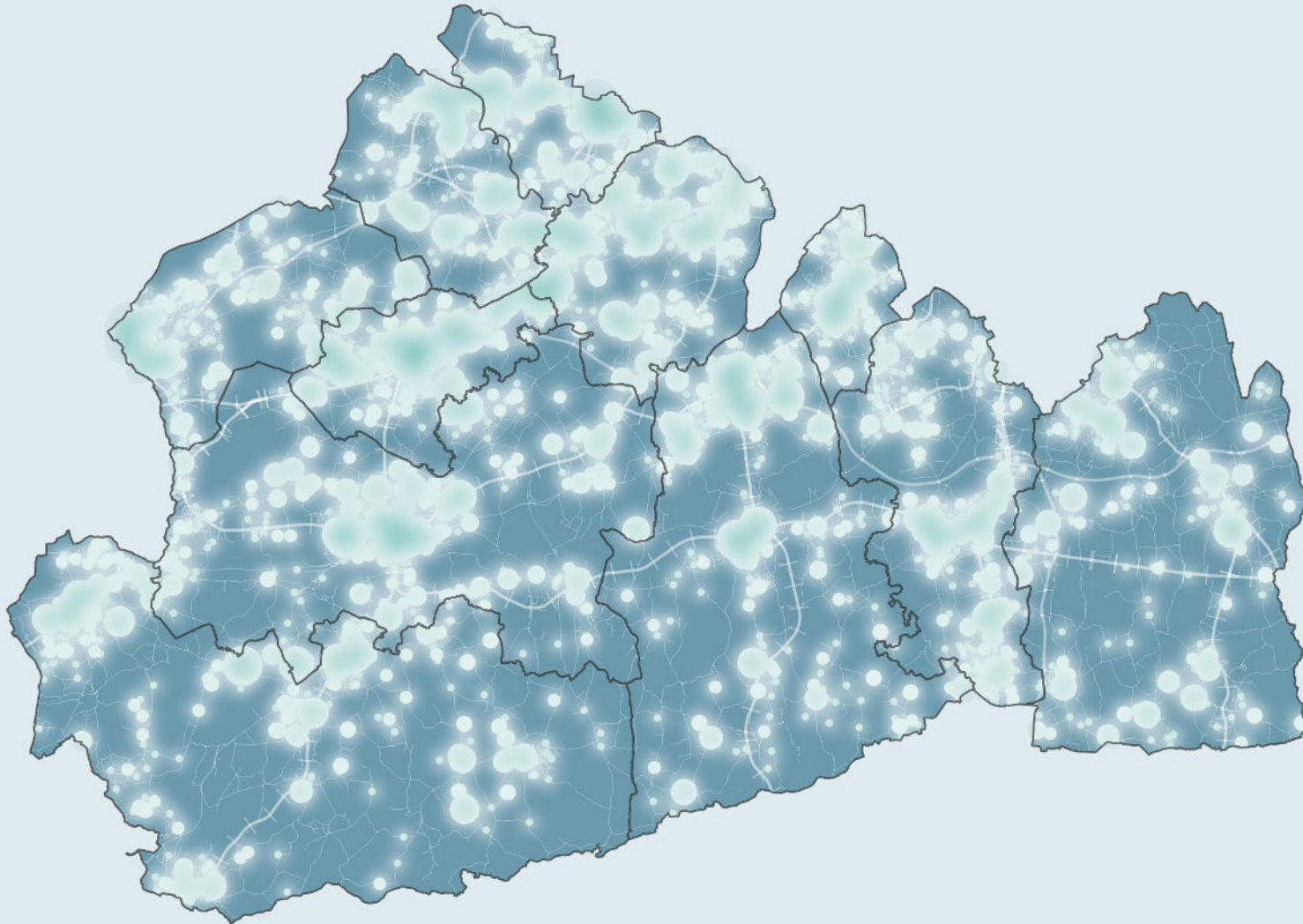
Strengthen innovation / funding ecosystem networks, encouraging diffusion from innovation centres (e.g. universities), and addressing regional disparities within Surrey where possible.

Seek opportunities to enable promotion of Surrey’s economic strengths, supporting retention of key businesses and enabling opportunities for international trade. Capture large inward investment opportunities.

Ensure that local businesses with green growth technologies and products have opportunities in local and global supply chains and that they benefit from Government policy.

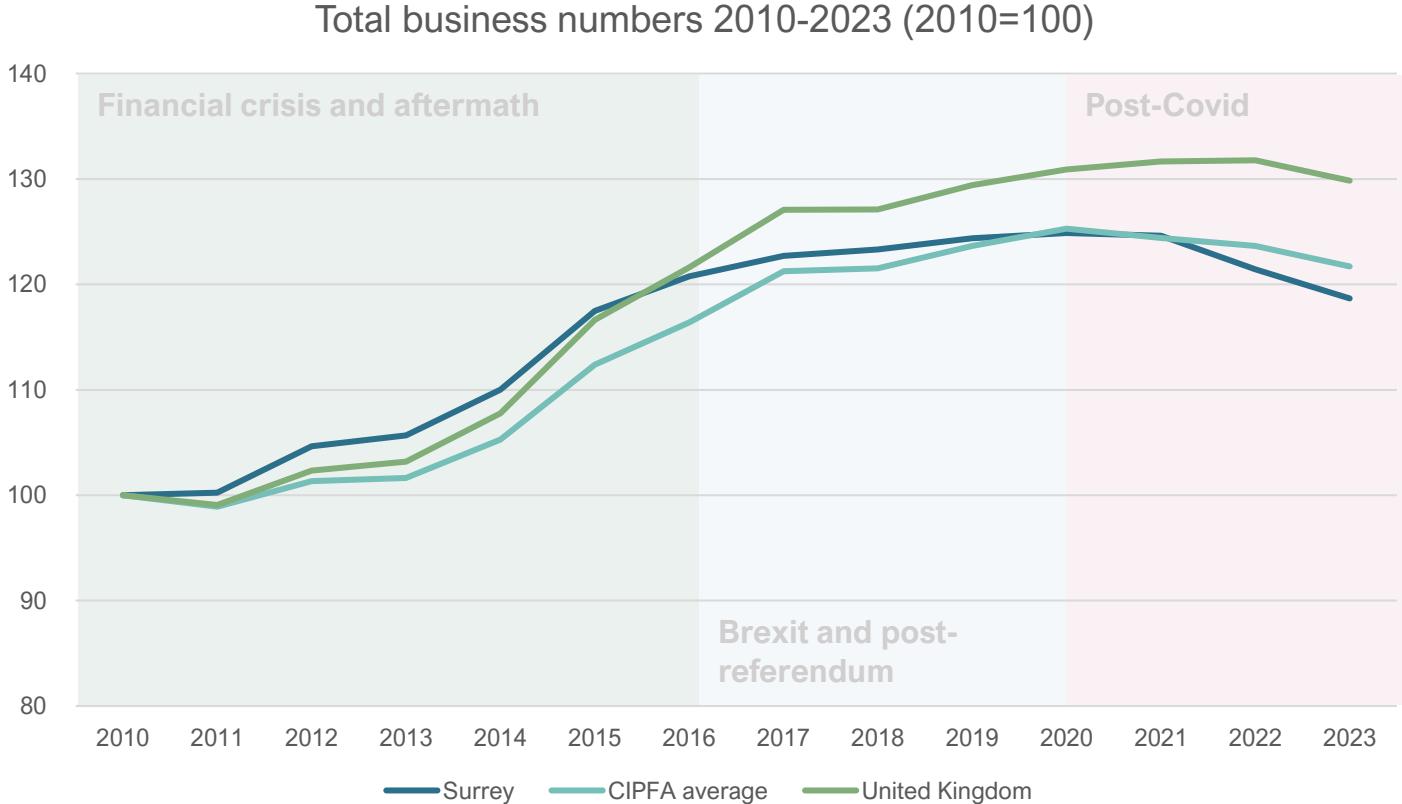
*Objectives reflect the objectives set out by Surrey at the time this evidence work was conducted; these may not be the same as the objectives in the final strategy as the evidence work was an input to strategy development.

Businesses



Total number of businesses has decreased in recent years

Post-Brexit, growth in the number of businesses in Surrey slowed against comparators, since the COVID-19 pandemic, the change in the number of businesses fell at a faster rate than comparators.



This chart shows the change in the total number of businesses in Surrey, the average of all other CIPFA counties and the UK since 2010. The other CIPFA counties are Cambridgeshire, Essex, Hertfordshire, Leicestershire, East Sussex, Hampshire, Kent, Oxfordshire, West Sussex, Devon, Gloucestershire, Warwickshire and Worcestershire.

In 2023, there were 62,000 businesses located in Surrey. The total number of businesses in Surrey has grown in line with UK averages up to 2016 and is better than the CIPFA average. However, post-Brexit, the growth rate remained stagnant despite growth still being seen by comparators.

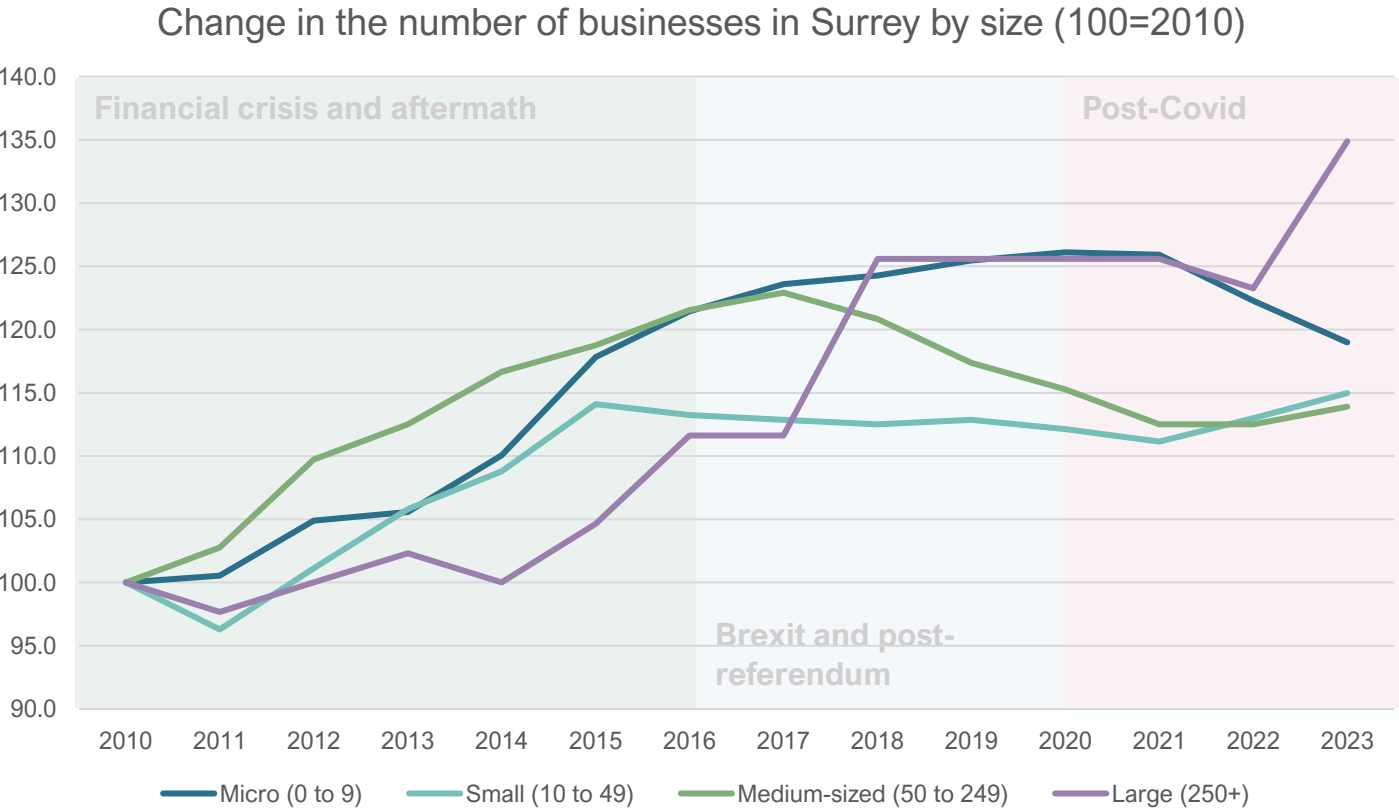
Post-pandemic, the number of businesses in Surrey fell by 5.0% since 2020, a sharper decline than the CIPFA average (3.9%) and nationally (0.8%).

From 2020 to 2022, employment in Surrey grew, suggesting that the average business size grew across the period.

Source: ONS, UK Business Counts, 2024

Recent declines have come from micro businesses and SMEs

Since 2010, different-sized employment bands have seen separate trends. Micro businesses have declined significantly post-pandemic, while large businesses have grown, and the number of SMEs has remained stagnant since 2015.



This chart shows the change in the total number of businesses located in Surrey by employment size band since 2010. In 2023, 90.7% of businesses employed fewer than ten people, whilst 0.5% were considered large, employing over 250. Therefore, 8.8% of Surrey’s business base in 2023 were small and medium-sized enterprises (SMEs).

Micro businesses grew in the ten years up to 2020, slowing post-Brexit. However, there has been a significant decline in micro businesses post-pandemic, from 59,660 in 2020 to 56,295 in 2023, driving the decline of total business counts in Surrey.

The number of SMEs has remained stagnant since Brexit, with a drop in medium-sized enterprises from 2017 to 2022.

In contrast, large businesses grew by 9% between 2022 and 2023, making up a larger share of all businesses.

Source: ONS, UK Business Counts. 2024.

Key
Decreased
Slight increase (0%-5%)
Increased (>5%)

Key industry groups are seeing declines in SME numbers

Since 2015, the number of SME’s has decreased for more than half of the industry categories which could indicate specific areas where the landscape for operating as an SME has become more difficult

Industry Group	2015-2023 % change	Industry	2015-2023 % change	2023 total SME's
Production, Utilities & Construction	1%	Agriculture, forestry & fishing	-9%	50
		Mining, quarrying & utilities	-14%	30
		Manufacturing	-8%	290
		Construction	11%	400
Retail & Transport	-1%	Motor trades	-8%	120
		Wholesale	-7%	335
		Retail	5%	315
		Transport & storage (inc postal)	6%	165
Accommodation, Food Services & Leisure	0%	Accommodation & food services	8%	585
		Arts, entertainment, recreation & other services	-9%	430
Admin & Communication	0%	Information & communication	1%	445
		Business administration & support services	7%	570
Finance, Insurance & Property	5%	Financial & insurance	6%	90
		Property	-4%	120
Professional, Scientific & Technical	4%	Professional, scientific & technical	5%	690
Public Admin, Education & Health	-11%	Public administration & defence	-50%	5
		Education	-18%	230
		Health	-3%	590

This table shows the change in the total number of SMEs located in Surrey by industry group since 2015.

The most significant decreases in SME numbers since 2015 have been seen in Public administration & defence (although the figures are small here, from 10 in 2015 to 5 in 2023), Education and Mining, quarrying & utilities (again, only a small decline here, 35 in 2015 to 30 in 2023).

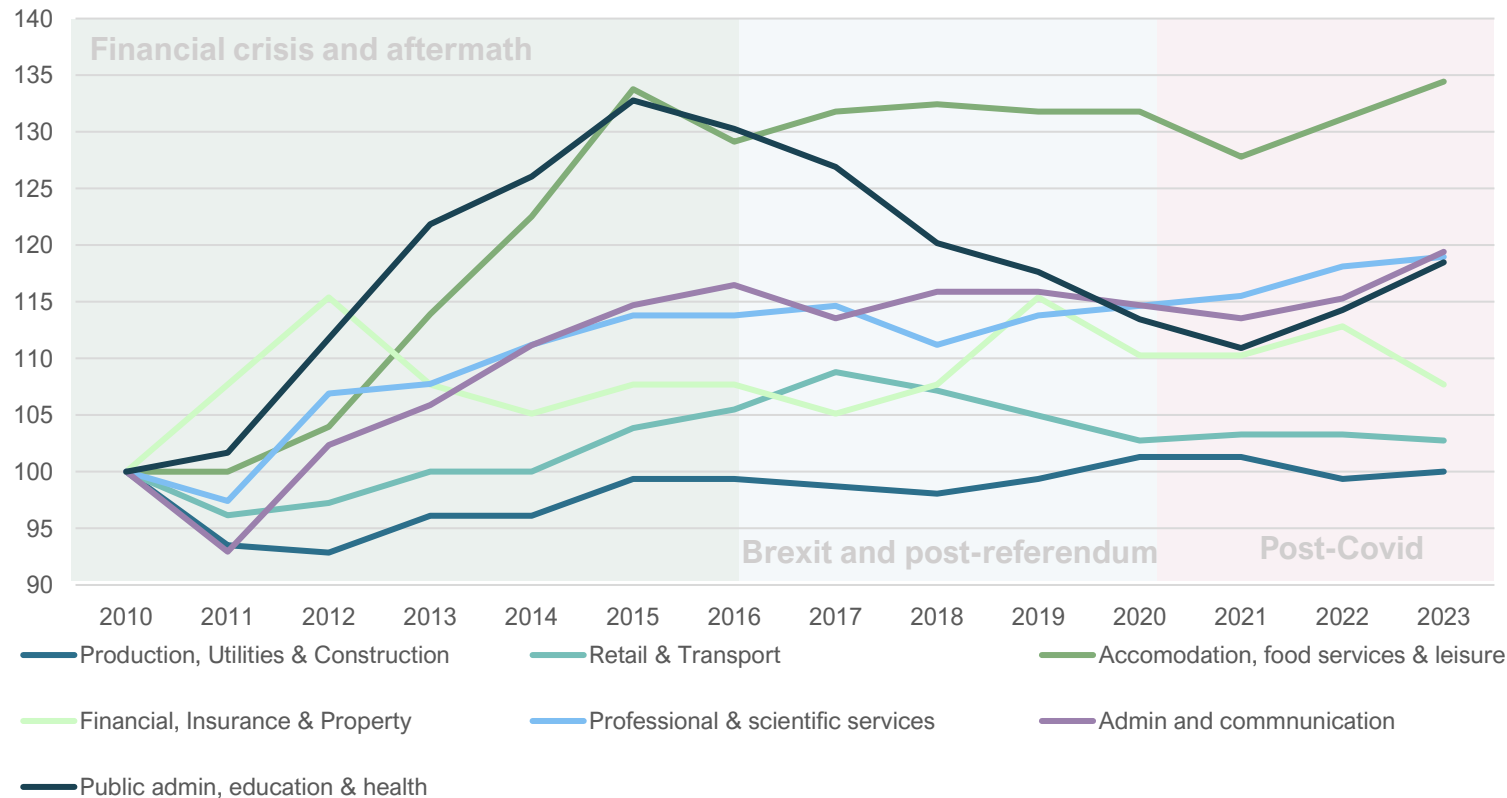
The Public administration, education, and health group is the only group to have seen declines in the number of its SMEs across all its specific industry categories.

SME growth has been strongest since 2015 in Construction, with growth also seen in the number of professional service and business support related industries (e.g. finance, admin, communication)

Low SME growth post-Brexit is a pan-industrial story

SME growth has been slow across all industries since 2015, suggesting that the slow growth in SMEs in Surrey is due to a weaker enterprise ecosystem and not driven by one or two industries.

Change in the number of SME's in Surrey by industry (100=2010)



This chart shows the change in the total number of SME's located in Surrey by industry group since 2010.

The chart shows that after 2010, most industries saw some SME growth except for production and construction or retail and transport. However, no industries had significant growth in SMEs after the Brexit referendum.

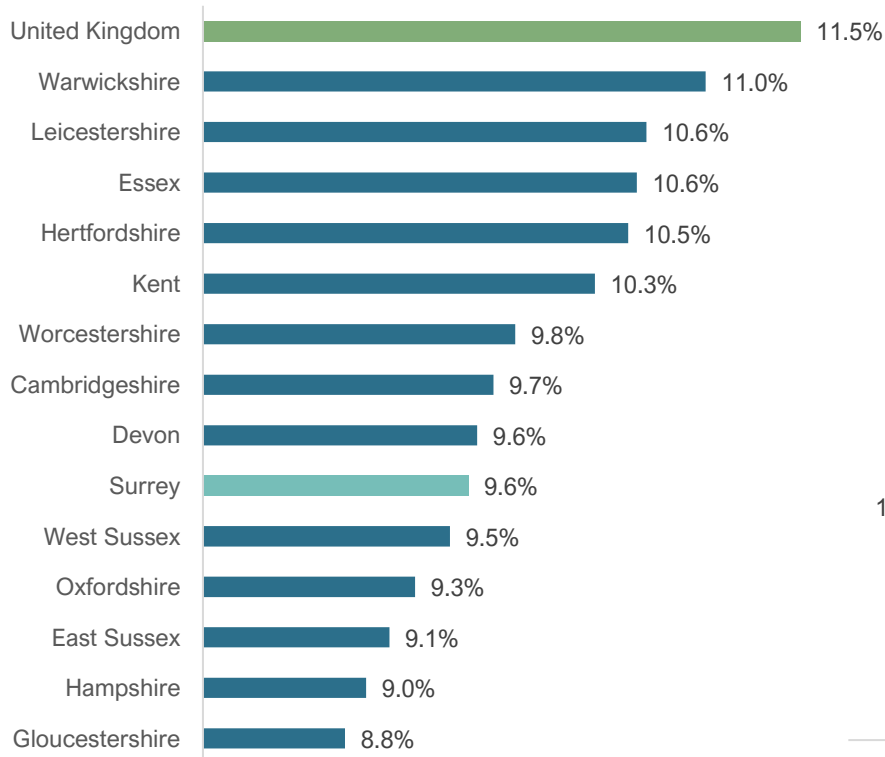
The most significant growth across the period is in accommodation, food services and leisure SMEs, with an increase of 34% between 2010 and 2023.

Admin, communication, and professional and scientific services have been steadily growing since 2010, with the number of financial, insurance, and property SME's also increasing, although this is a much more fluctuating trend.

Business birth rates in Surrey are lower than the UK average

Surrey has a lower business birth rate than comparators, which has remained consistent from 2017-2022, following a similar downward trend as national averages.

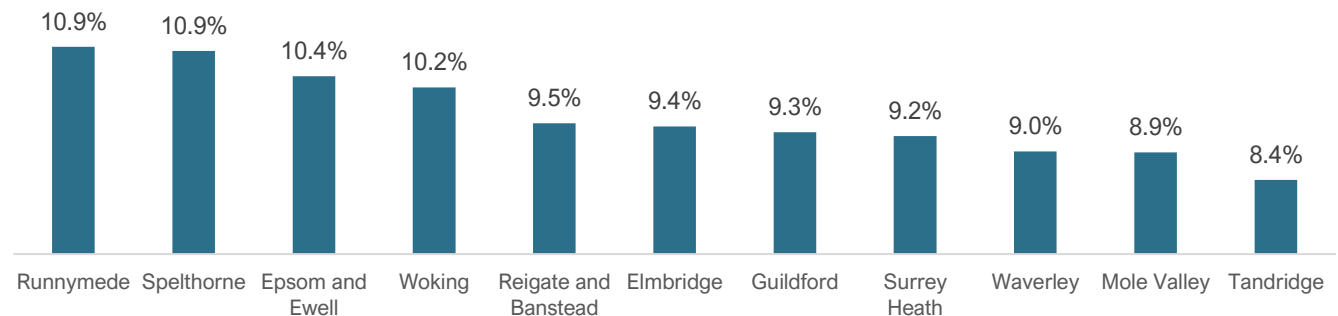
Number of business births as a proportion of active businesses (2022)



Business births refer to new businesses that have become active in Surrey or start-ups. In 2022, there were 6,520 business births, 9.6% of all active businesses, and this proportion falls significantly below the national average of 11.5%, which is a higher business birth rate than all of Surrey’s districts. The average business birth rate was 9.9% for other CIPFA counties, with the majority placing above Surrey.

Business birth rates in Surrey have evolved with UK and CIPFA averages, all seeing declines in five years. After a slight increase in 2019, business births in Surrey fell from 7,465 to 6,630. In 2022, business birth rates in Surrey were still below pre-pandemic levels. Birth rates are below the UK average in all districts, top performing districts are in the northwest of Surrey, whilst rural districts like Tandridge, Mole Valley and Waverley see low business births.

Number of business births as a proportion of active businesses (2022)



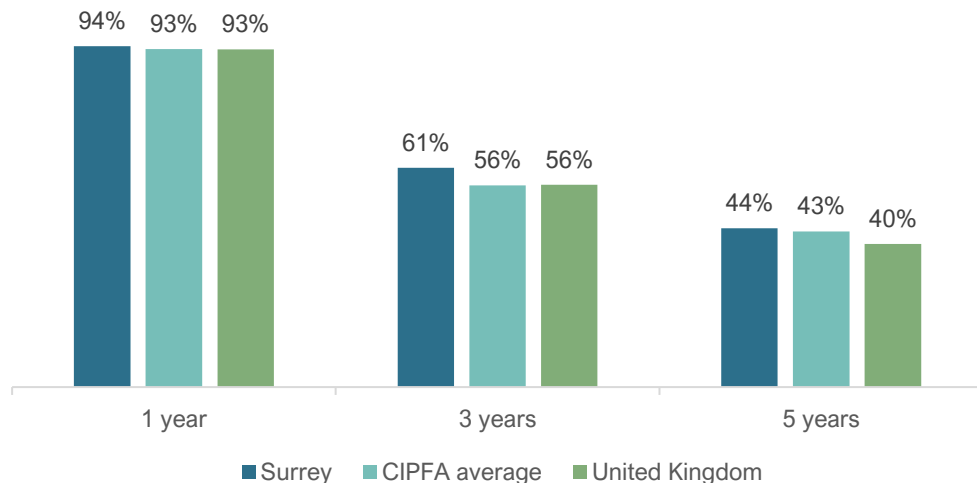
Business survival rates are strong in Surrey

Businesses that start up in Surrey are more likely to survive than comparators, especially for businesses born in 2019. Additionally, the proportion of business deaths is consistently lower than nationally.

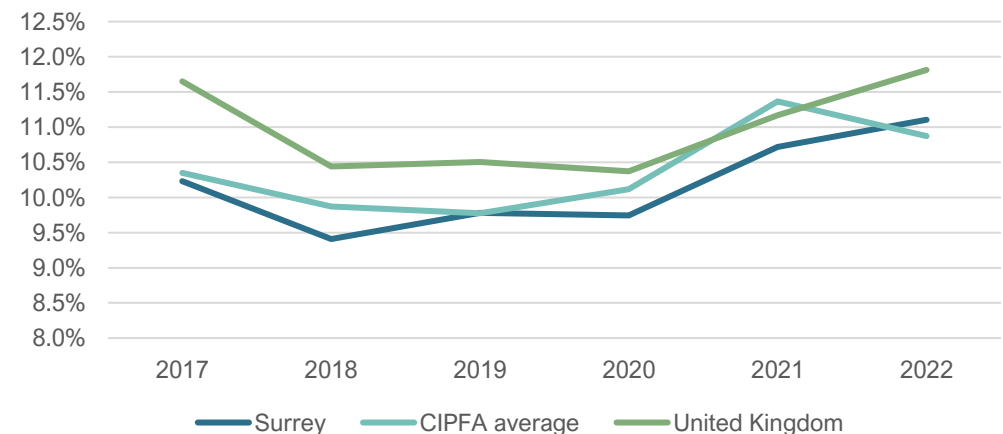
Business survival rates show the proportion of businesses still active a certain number of years after being born. In contrast, business deaths represent the number of businesses that have become inactive. High survival rates and a low proportion of deaths imply that Surrey is a strong place to do business, but a less competitive market could also drive it.

In Surrey, new businesses are more likely to survive for 1, 3 and 5 years up to 2022, compared to the UK and CIPFA averages. The three-year business survival rate in Surrey is especially high in comparison to the CIPFA and national average. Surrey also has a consistently fewer business deaths as a proportion of active enterprises than the national average. However, Surrey has seen the share of businesses grow from 9.7% in 2020 to 11.1%, exceeding the CIPFA average.

Business survival rate to 2022



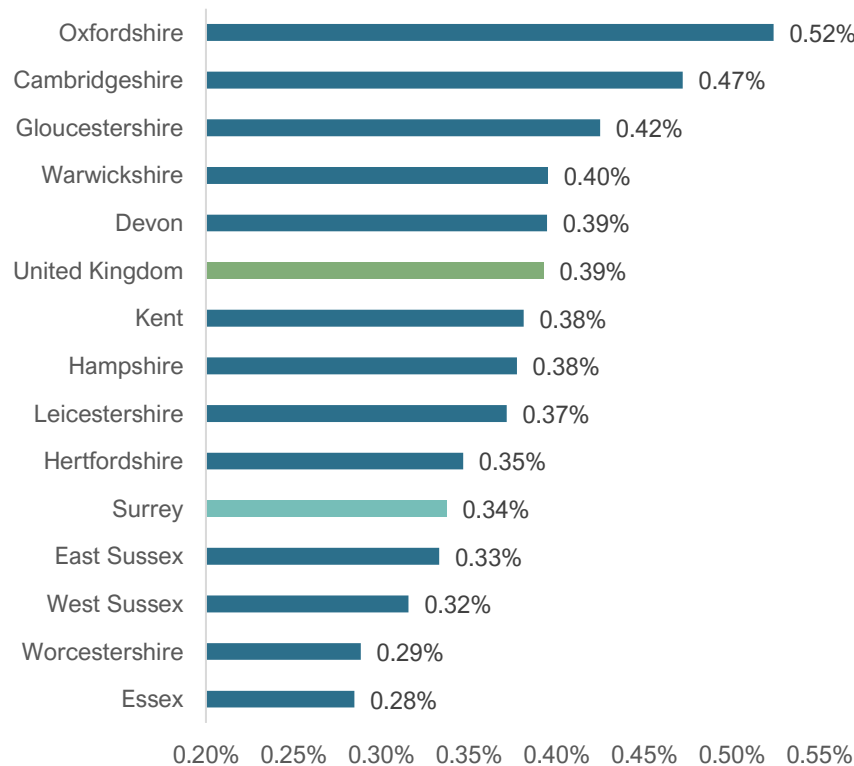
Change in business deaths as a proportion of active businesses



Surrey’s proportion of high growth enterprises is below comparators

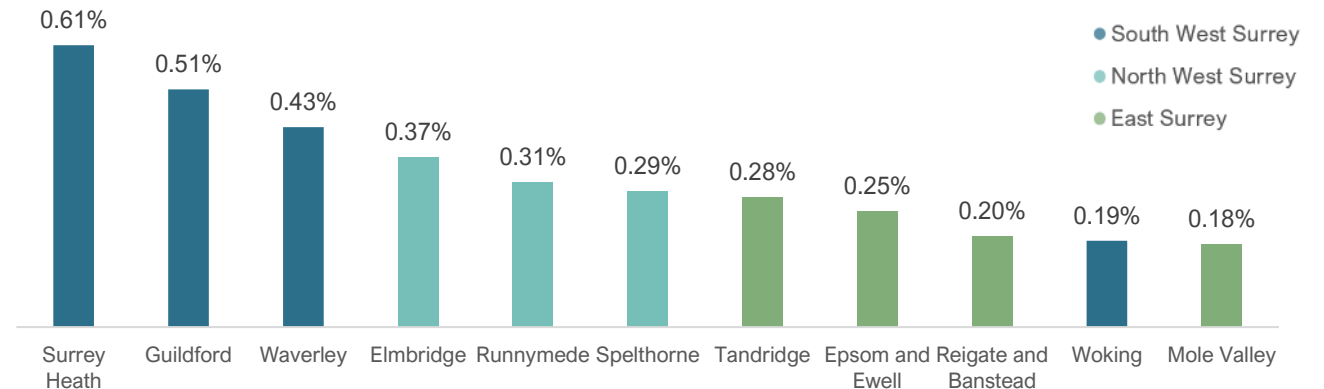
The proportion of active enterprises that are high growth in Surrey was 0.34%, slightly lower than the CIPFA average and nationally. Since 2017, the number of high growth enterprises has also declined in Surrey.

Number of high growth enterprises as a proportion of active enterprises (2022)



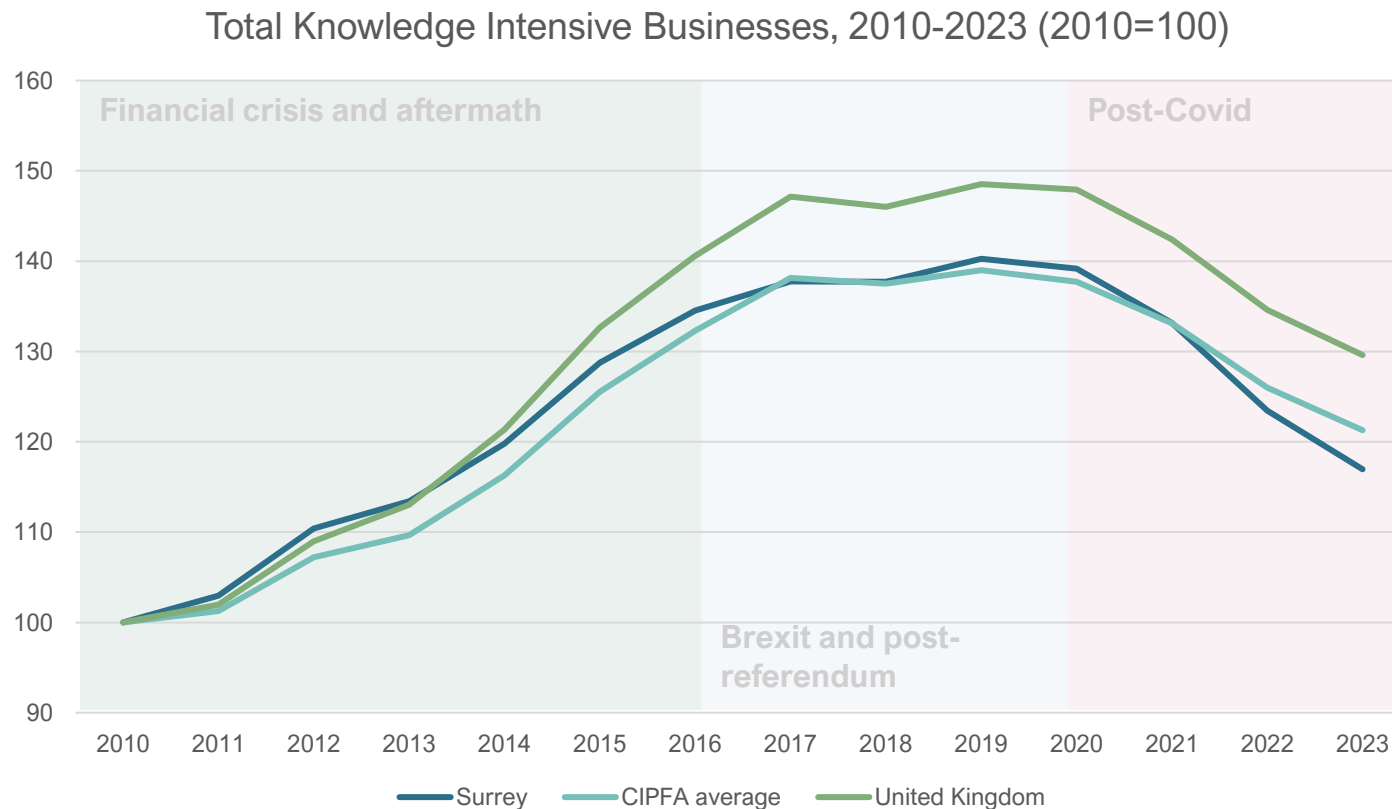
High-growth enterprises are defined as all enterprises with average annualised growth greater than 20% per annum (turnover or employment) over a three-year period. In 2022, there were 230 high-growth enterprises in Surrey, accounting for 0.34% of all active enterprises, less than the national and CIPFA averages at 0.39% and 0.37%, respectively. Within Surrey, Surrey Heath, Guildford and Waverley in Southwest Surrey perform well, each showing a higher proportion of high growth enterprises than comparators. Still, Woking and Mole Valley have less than half the national proportion. Since 2018, the number of high-growth enterprises in Surrey fell more sharply than comparators at 40%, reaching its lowest level in 2021 at 180 high-growth enterprises. However, numbers recovered in 2022, as high-growth enterprises in Surrey grew by 50.

Number of high growth enterprises as a proportion of active enterprises (2022)



Businesses in Knowledge intensive services in Surrey are declining

Despite Surrey having a high proportion of businesses in Knowledge Intensive Services, the total number of businesses is declining faster than nationally and the CIPFA average.



Businesses in knowledge-intensive services are defined as those in Information and communication, Financial and insurance activities, and Professional, scientific, and technical activities.

The proportion of all knowledge-intensive businesses is significantly higher in Surrey at 35.1% of all businesses in 2023 compared to 24.9% and 24.3% in the CIPFA average and nationally. As well as in business counts, knowledge-intensive services account for a higher share of Surrey’s total GVA than all other CIPFA regions and the national average at 30.1%.

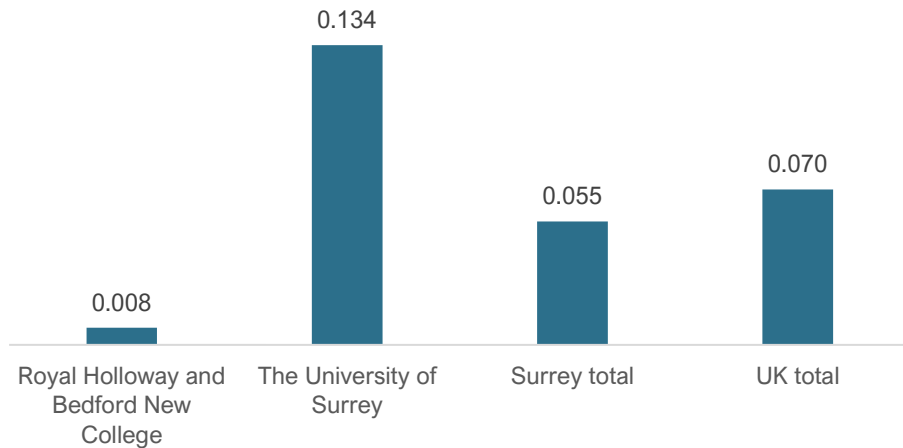
KIS businesses are declining at a faster rate than all businesses in Surrey, meaning that their share of the market is going down. In absolute terms, Surrey has seen a larger decline in KIS businesses than all CIPFA counties besides Hampshire.

Employment in KIS has also seen a decline in Surrey since 2019, but to a lesser extent, the largest decline seen in Information and communication.

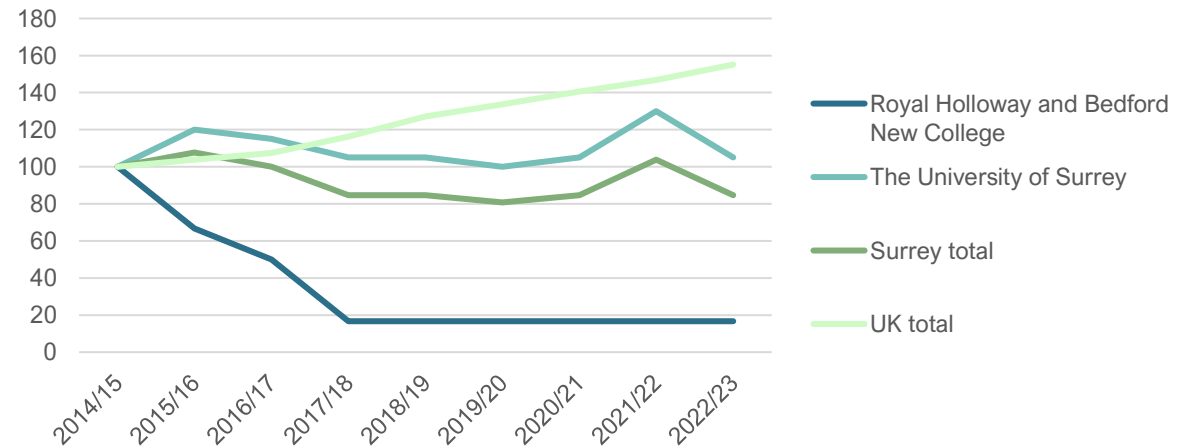
The number of university spinouts have declined

The University of Surrey produces a high proportion of spinouts, whilst other universities in Surrey produce very few. The number of active spinouts in Surrey has declined slightly despite a clear upward trend nationally.

Spinouts per 100 students enrolled



Change in the number of active spinouts (100=2014/15)



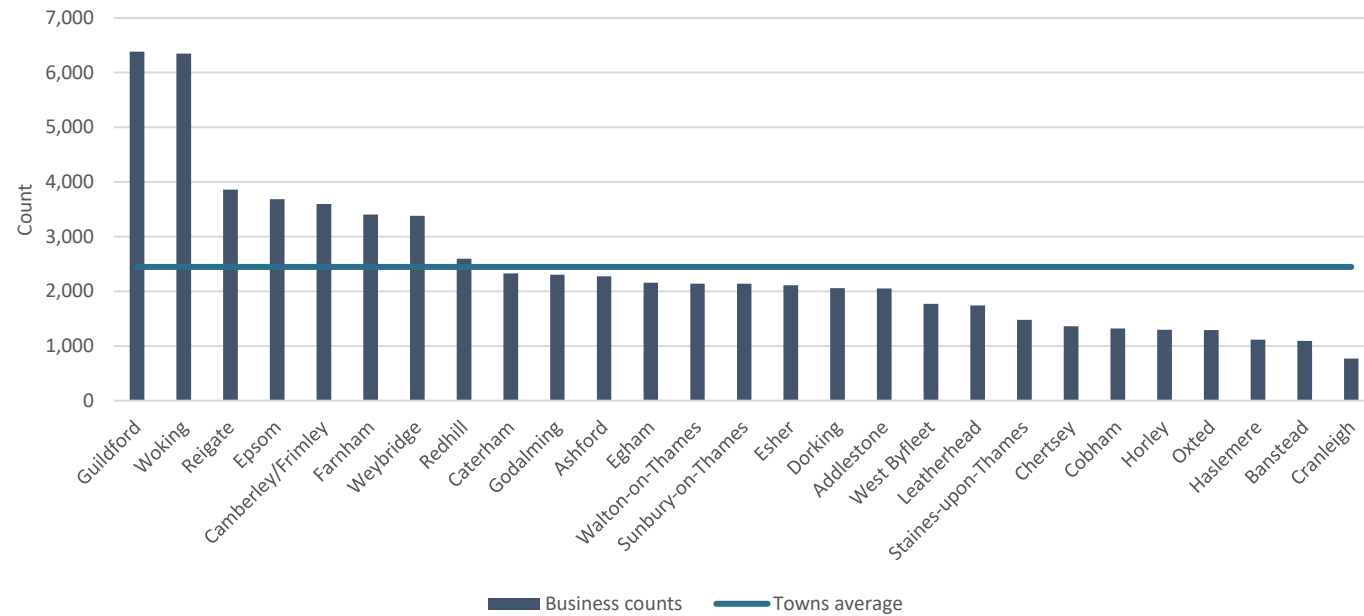
For the academic year 2022/23, there were 22 active spinouts from Surrey universities; the University of Surrey accounts for 21 of all spinouts (or 0.134 per every 100 students enrolled), whilst Royal Holloway accounts for just one (0.008 spinouts per 100 students). In Surrey, there were 0.055 spinouts per every 100 students enrolled, slightly fewer than the UK average of 0.07. However, the University of Creative Arts currently has no active spinouts, so excluding the university would bring the Surrey total to 0.077 spinouts per 100 students enrolled, slightly above the UK total.

The number of active spinouts fell considerably between 2021/22 and 2022/23, whereas the number of active spinouts nationally is on an upward trajectory. Royal Holloway has significantly declined active spinouts from six in 2014/15 to just one since 2017/18.

Guildford and Woking have a notably higher number of businesses

This indicator shows the total business counts for each town, based on the number of businesses with a registered trading address in the town area.

Guildford has the most business counts with 6,382, compared with Cranleigh which has only 768 businesses with a registered trading address in the town area.



Rank	Town	Business counts
1	Guildford	6,382
2	Woking	6,349
3	Reigate	3,860
4	Epsom	3,685
5	Camberley/Frimley	3,597
6	Farnham	3,404
7	Weybridge	3,379
8	Redhill	2,599
9	Caterham	2,325
10	Godalming	2,303
11	Ashford	2,272
12	Egham	2,156
13	Walton-on-Thames	2,140
14	Sunbury-on-Thames	2,137
15	Esher	2,108
16	Dorking	2,059
17	Addlestone	2,050
18	West Byfleet	1,768
19	Leatherhead	1,744
20	Staines-upon-Thames	1,476
21	Chertsey	1,361
22	Cobham	1,318
23	Horley	1,299
24	Oxted	1,292
25	Haslemere	1,116
26	Banstead	1,090
27	Cranleigh	768

Trade and supply

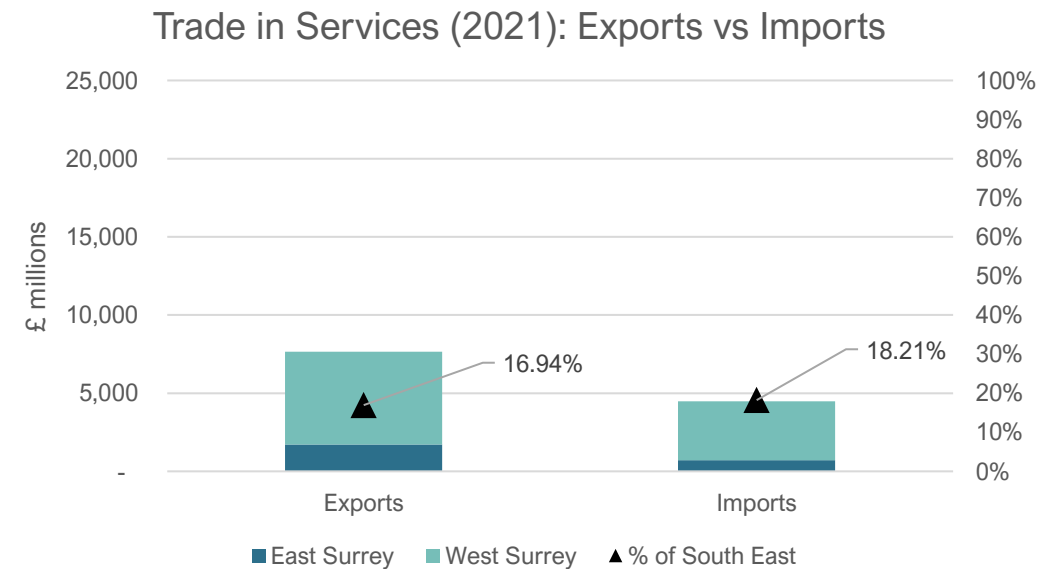


Surrey exports nearly 20% of services in the South East

Surrey is a net importer of goods by around £12.0 billion, accounting for 22% of exports and 19% of imports in the South East. However, Surrey is a net exporter of services by around £3.2 billion, but accounting for a smaller share of trade in the South East than goods.

The two charts show the value of exports and imports for goods/services in Surrey. For goods, both East Surrey and West Surrey are net importers of £2.6 billion and £9.4 billion, respectively. West Surrey has a larger gap between imports and exports, as they import 3.17 times more goods than they export, in East Surrey this figure is 1.69 times. As for services, both East and West Surrey are net exporters of £994 million and £2.2 billion, respectively. East Surrey has a larger gap between exports and imports, as they export 2.38 times more services than import, in West Surrey, this figure is 1.58 times.

Since the previous analysis (showing 2019 data), Surrey accounts for a slightly higher proportion of trade in goods (both imports and exports) in the South East and a significantly higher proportion of imported services, from just 13.49% to 18.21%.



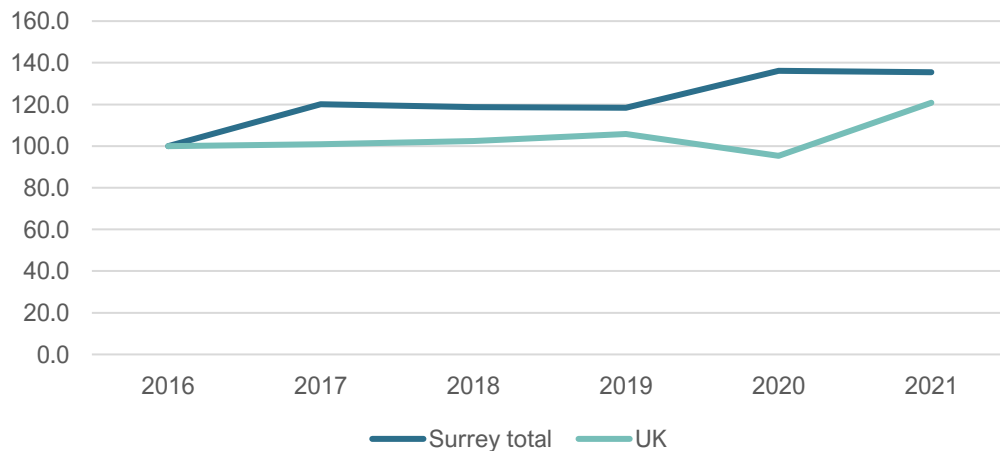
Balance of trade in services is in decline

Balance between exports and imports have been widening in Surrey for goods and closing for services. This means that for both goods and services, net exports for 2021 were lower in Surrey than in 2016.

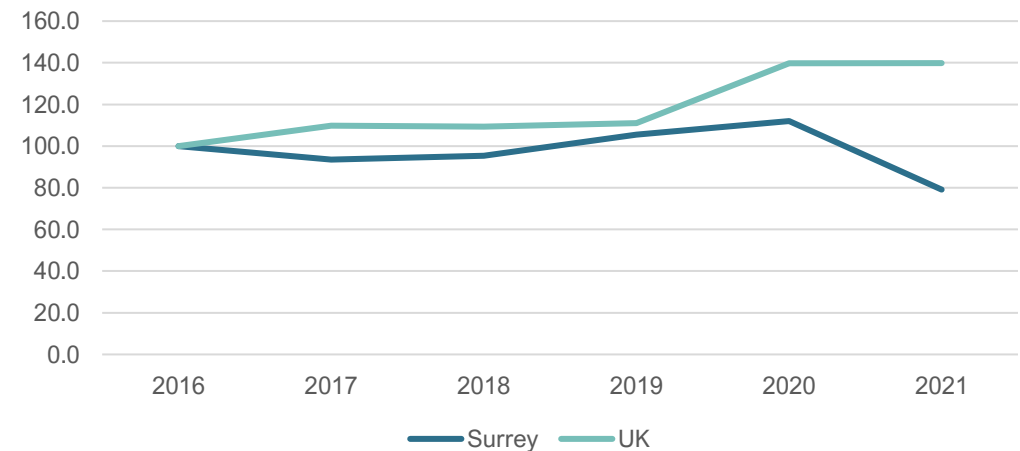
The two charts show the change in the balance of trade in goods and services in East and West Surrey in five years (2016-2021). In 2021, Surrey was a net importer of goods of -£12.0 billion (-£2.6bn in East Surrey and -£9.4bn in West Surrey). In the same year, Surrey was a net exporter of services worth around £3.2 billion.

Surrey has been widening the balance in trade gap of goods slightly in the last five years, at 30% wider in East Surrey (driven by the reduction in exports exceeding the reduction in imports) and 40% wider in West Surrey (driven by both a reduction in exports and an increase in imports), compared to 20% in the UK. The excess number of exports to imports gap is closing for the balance in trade of services. For West Surrey, this is due to a large drop in service exports between 2020 and 2021 of £1.4 billion. East Surrey has also seen the gap close across the period, but there has been a slight rise in exports and a slight fall in imports between 2020 and 2021.

Change in the balance of trade for goods, 2016-2021 (100=2016)



Change in the balance of trade for services, 2016-2021 (100=2016)



Surrey shows strengths in tradeable jobs

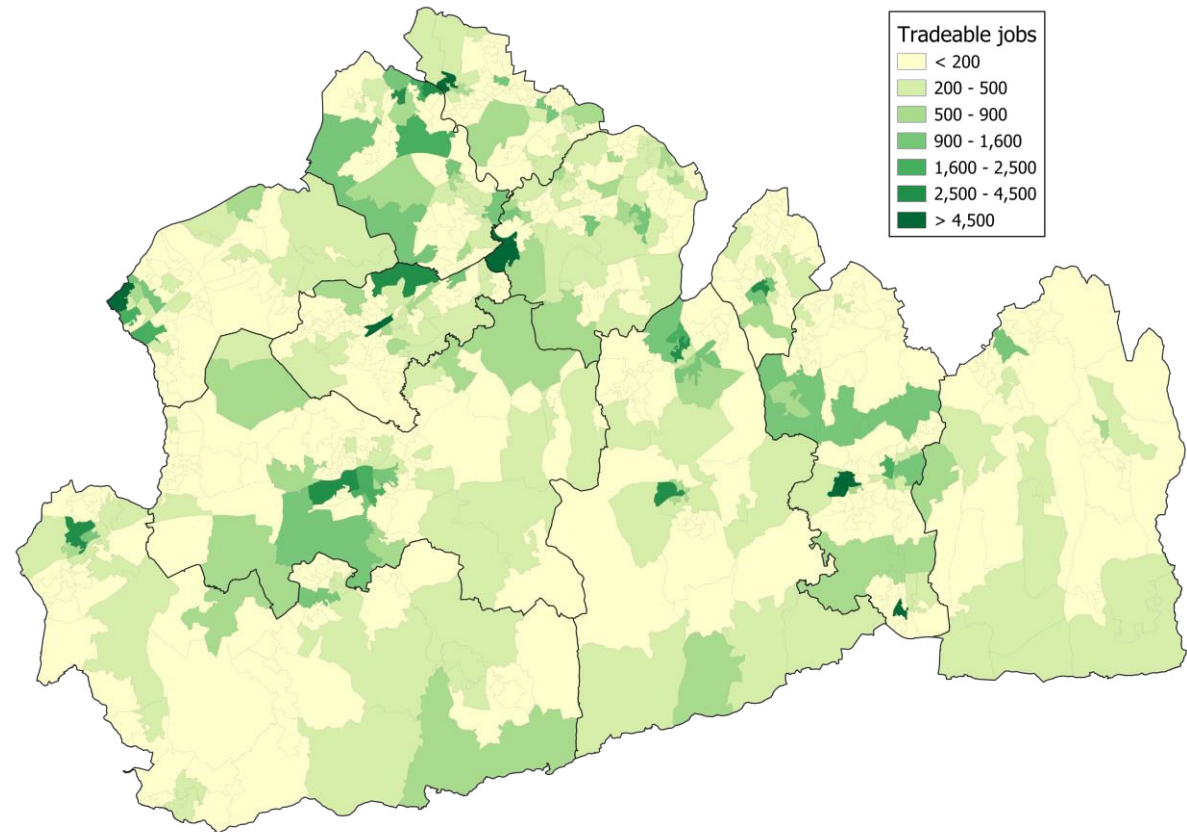
Tradeable sectors have a greater productivity potential than others. Surrey has a high proportion of tradeable jobs, with many key town centres across the county having significant concentrations.

Tradable sectors, defined as those that produce goods and services that can be traded outside the region, are the key to increasing productivity and generating growth. This is because conditions in the local market do not limit growth and prices, and businesses are more likely to innovate as they are exposed to more competition. The next few slides look at the geography of jobs in tradable sectors in Surrey and how these have evolved over the last several years.

Surrey has high concentrations of tradeable jobs across the county. Notable town centres include Camberley, Guildford, Horley, Reigate, Staines, Woking, and Weybridge.

The sectors included in the analysis of tradeable jobs are:

- Manufacturing
- Professional, Scientific and Technical
- Finance and Insurance
- Information and Communications
- Administration and Support Services
- Arts, Entertainment and Recreation



Surrey has a higher proportion of tradeable jobs compared to most CIPFA counties

Surrey has a high concentration of tradeable jobs compared to other CIPFA counties. Tradeable sectors have also shown strong growth in employment since 2017, accounting for a higher proportion of total employment.

	Tradeable jobs 2022	Total Jobs 2022	% of jobs which are tradeable	5-year change in tradeable jobs	% change in tradeable jobs	% change in jobs
Cambridgeshire	135,500	342,500	39.6%	4,250	3.2%	3.5%
Essex	186,500	605,000	30.8%	- 10,500	-5.3%	2.9%
Hertfordshire	261,500	634,500	41.2%	- 17,000	-6.1%	0.4%
Devon	93,000	340,500	27.3%	2,500	2.8%	6.2%
Gloucestershire	110,500	300,000	36.8%	3,500	3.3%	4.7%
Leicestershire	122,000	333,000	36.6%	1,000	0.8%	6.6%
Warwickshire	117,500	319,000	36.8%	8,000	7.3%	6.5%
Worcestershire	91,500	260,500	35.1%	3,000	3.4%	-1.5%
East Sussex	49,000	181,000	27.1%	3,750	8.3%	-0.3%
Hampshire	225,500	626,000	36.0%	15,500	7.4%	4.2%
Kent	190,500	647,000	29.4%	11,500	6.4%	5.5%
Oxfordshire	142,750	386,500	36.9%	25,250	21.5%	7.2%
West Sussex	128,000	379,500	33.7%	7,000	5.8%	-0.8%
Surrey	235,500	573,500	41.1%	26,000	12.4%	2.4%
Great Britain	11,098,500	30,961,500	35.8%	467,000	4.4%	4.8%

This table shows the number of tradeable jobs in Surrey, Great Britain, and other CIPFA counties, as well as the proportion of all jobs that are tradeable. It also shows the absolute and relative change in tradeable jobs and the relative change in total jobs to give insight as to whether the proportion of all jobs is changing.

Surrey has 235,500 tradeable jobs, accounting for 41.1% of all jobs in the county. This is the second highest share of tradeable jobs of all CIPFA counties and significantly higher than the Great Britain average at 35.8%. It falls just short of Hertfordshire, at 41.2%, which is on a downward trend.

Additionally, Surrey has seen a **strong increase** in tradeable jobs since 2017: 26,000, the greatest of any county, or 12.4%, the second highest growth in relative terms. The increase in tradeable jobs exceeds the rise in total employment, meaning the proportion of tradeable jobs is getting stronger.

The proportion of tradeable jobs in Surrey exceeds the national average

Within Surrey, most districts have more tradeable jobs than the national average. However, the change in the number of tradeable jobs differs significantly by district.

	Tradeable jobs 2022	Total Jobs 2022	% of jobs which are tradeable	5-year change in tradeable jobs	% change in tradeable jobs	% change in jobs
Elmbridge	28,125	64,000	43.9%	4,875	21.0%	5.8%
Epsom and Ewell	11,475	30,500	37.6%	2,125	22.7%	3.4%
Guildford	31,250	83,000	37.7%	4,500	16.8%	6.4%
Mole Valley	21,500	46,000	46.7%	1,050	5.1%	2.2%
Reigate and Banstead	28,750	72,500	39.7%	4,750	19.8%	10.7%
Runnymede	25,375	60,000	42.3%	3,625	16.7%	-0.8%
Spelthorne	16,075	39,500	40.7%	4,675	41.0%	9.7%
Surrey Heath	21,375	46,500	46.0%	- 2,000	-8.6%	-15.5%
Tandridge	10,150	32,500	31.2%	1,200	13.4%	4.8%
Waverley	20,325	52,500	38.7%	2,200	12.1%	-0.9%
Woking	21,125	45,500	46.4%	50	0.2%	-1.1%
Great Britain	11,098,500	30,961,500	35.8%	467,000	4.4%	4.8%

This table shows the number of tradeable jobs in each of Surrey’s local authority districts and the proportion of all jobs that are tradeable with Great Britain as a national benchmark. It also shows the absolute and relative change in tradeable jobs and the relative change in total jobs to give insight as to whether the proportion of all jobs is changing.

Whilst Surrey has a strong proportion of tradeable jobs at 41.1%, certain districts perform especially well. Surrey Heath, Woking, and Mole Valley each have a share of tradeable jobs at 46% or above, over ten percentage points above the national average. The only district to lag Great Britain in the share of tradeable jobs is Tandridge, at 31.2%.

The change in the number of tradeable jobs has been mixed across the county. Spelthorne, Elmbridge, and Epsom & Ewell have seen the number of tradeable jobs increase by 20% or more in five years, while Surrey Heath has declined by 8.6%.

The growth in tradeable jobs has exceeded the growth in all jobs for each county, meaning that the proportion of jobs that are tradeable has increased across the region.

The number of tradeable jobs in Surrey is growing

Between 2017 and 2022, the number of tradeable jobs in Surrey grew by 26,000. Whilst many of Surrey’s large towns have felt this increase, other towns and areas have faced a decline.

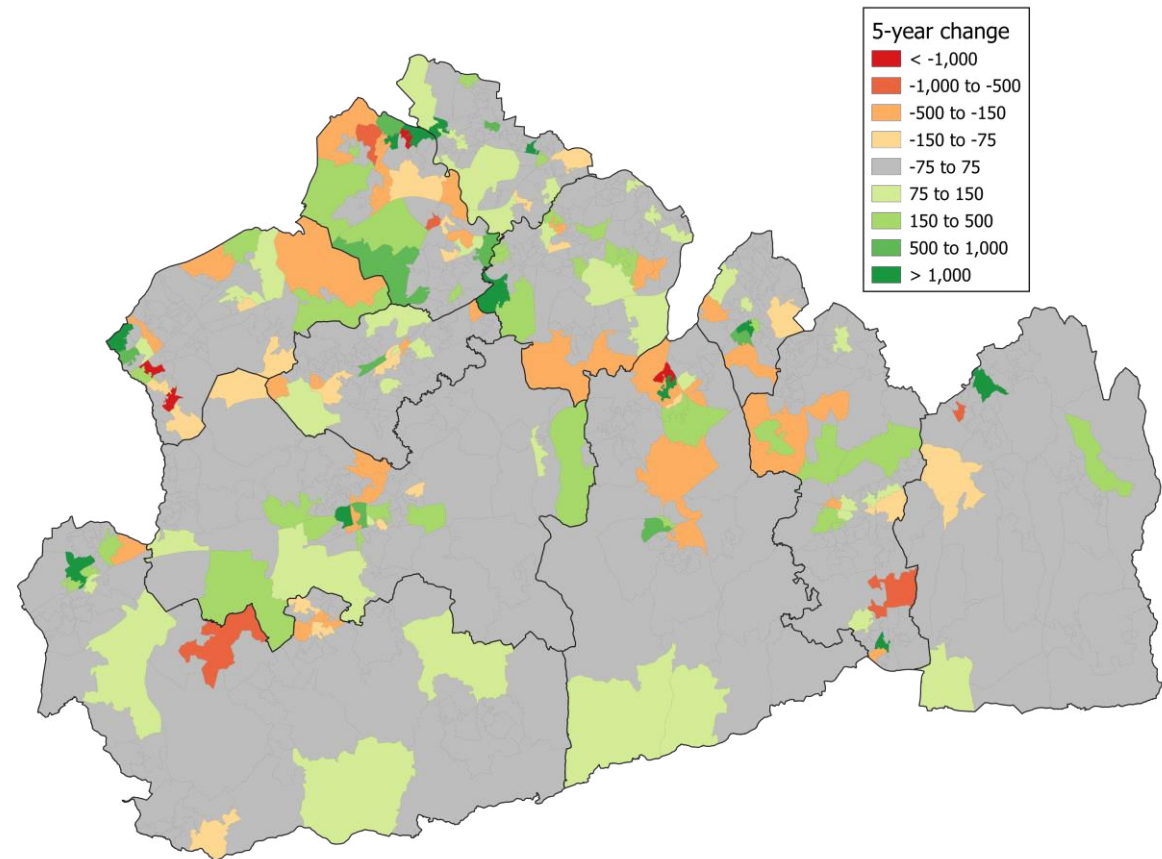
Surrey has seen strong growth in tradeable jobs. However, this growth has not been equal across all neighbourhoods. The map highlights the change in tradeable jobs by LSOA.

Towns that have seen significant rises in tradeable jobs include Staines and Egham, Guildford, Weybridge, Camberley, Epsom, and Farnham. Some of these have neighbourhoods where tradeable jobs have increased by 1,000 or more in five years.

However, some towns, such as Frimley and Leatherhead, have seen significant declines in tradeable jobs, more than 1,000 reductions. Other areas that have seen some declines include Godalming and Claygate.

Significant employment growth has been seen across most tradeable industries, with the only exception being manufacturing, in which employment declined by 8.2% in five years.

Industry	5-year change
Manufacturing	-8.2%
Information and communication	21.4%
Financial and insurance activities	14.6%
Professional, scientific and technical activities	7.9%
Administrative and support service activities	17.2%
Arts, entertainment and recreation	22.5%

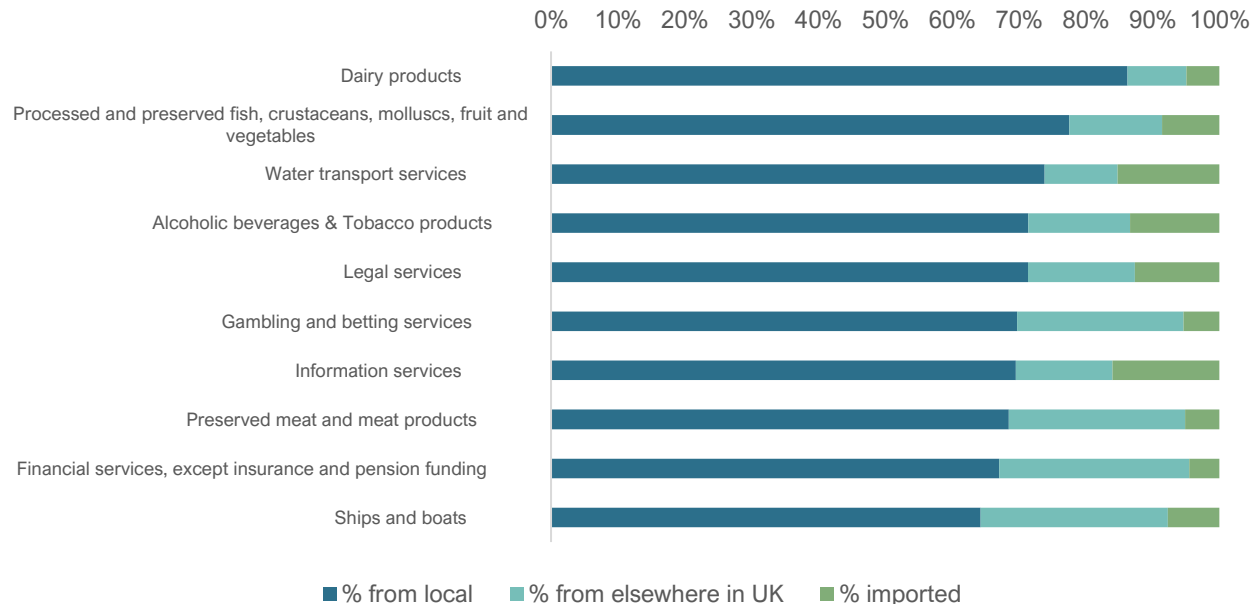


Surrey's sectors source 44% of inputs locally on average

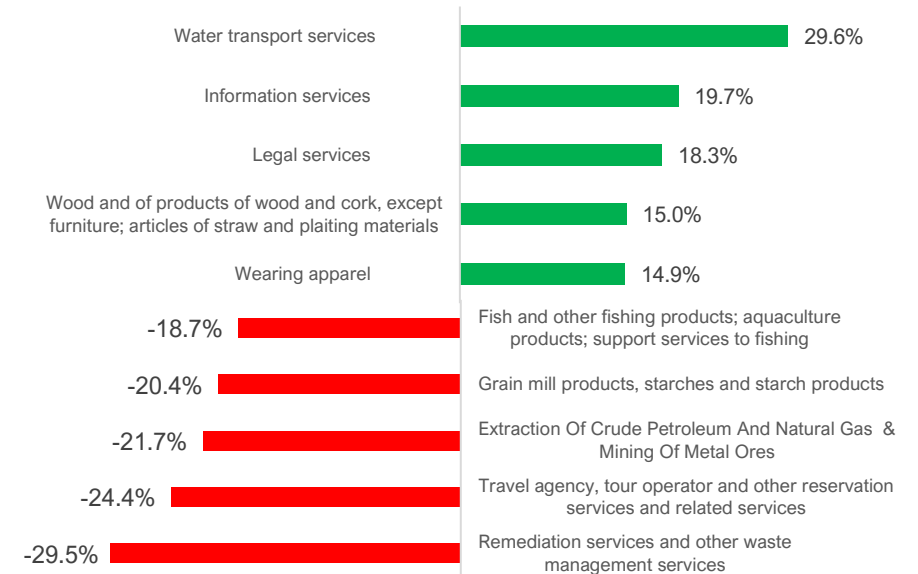
The proportion of Surrey's sectors that are sourcing goods locally has seen a very slight increase as a whole, but some specific sectors within Surrey have seen significant differences.

To understand the links between businesses, novel modelling of supply chains has been carried out, based upon Flegg and Tohmo's work on regional input-output tables. This analysis has been produced for NUTS 2 regions in England. This examines the quantity of goods and services needed by each subsector and the ability of local places to supply them. The first graph below shows the top ten sectors that can source inputs locally, showing the proportion of inputs sourced locally, from elsewhere in the UK and imported. The second chart shows the five sectors that have seen the greatest increase in inputs sourced locally and the five sectors seeing the largest decline. Across all sectors, the average percentage of locally sourced inputs is 43.7%, only slightly higher than the previous analysis at 43.0%.

Top 10 sectors sourcing inputs locally



Top five increase and decreases since 2021 analysis (percentage points)

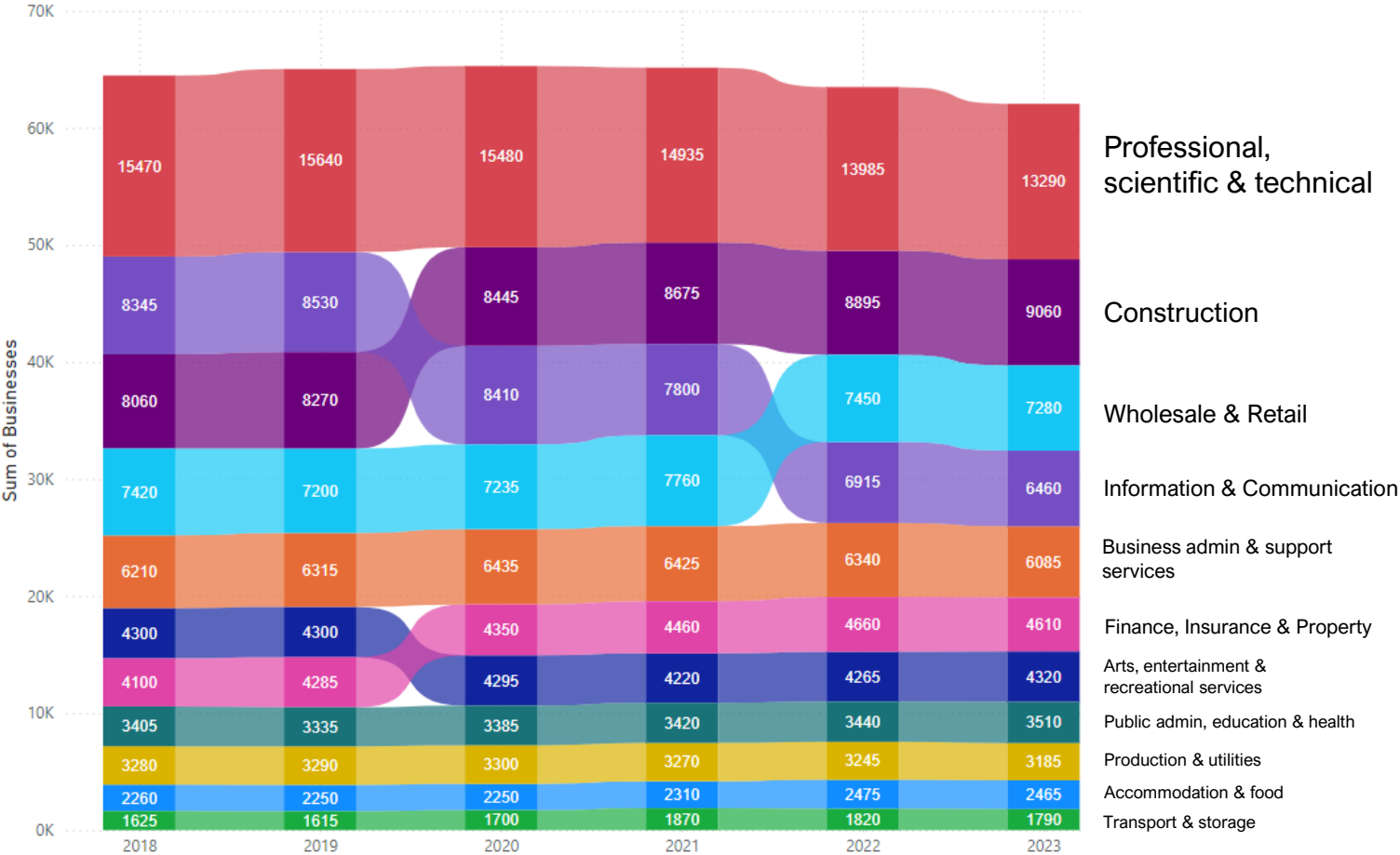


Sectors

A stylized map of the Camberley and Frimley area, rendered in shades of blue. The map shows a network of roads and property boundaries. Numerous glowing blue dots of varying sizes are scattered across the map, representing different sectors or data points. The word "Sectors" is written in large, white, sans-serif font in the upper-middle part of the map.

Information and communication businesses are in decline

The total number of businesses in Surrey is lower than in 2018, following a decline post-2020. Decline has been driven by knowledge-intensive industries such as professional, scientific and technical and information and communication.



This ribbon chart shows the change in the number of businesses in each of Surrey’s broad industries, ordered from largest to smallest top down.

Businesses in Professional, scientific and technical industries continue to be the largest industry in Surrey.

Industries that have seen a significant rise in the number of businesses located in Surrey include construction, business administration & support services, and finance, insurance and property.

However, some of Surrey’s largest industries have experienced significant declines in the number of businesses. This includes professional, scientific, and technical industries and information and communication, which are tradeable. Despite a falling number of businesses, employment has grown in both, suggesting that business sizes are growing and these industries are becoming less competitive.

Source: ONS, UK Business Counts, 2024.

Explaining the Sector Growth Index

We have built a growth index using the change in employment, business counts, GVA, productivity and concentration, considering absolute growth and relative growth compared to national performance.

To understand the dynamics of Surrey’s sectors, we have tested growth using an index. This analysis aggregates five-year changes to employment, business counts, GVA, productivity and concentration into a points system to create a growth index.

Average concentration is calculated using location quotient (LQ) analysis. A location quotient explores the relative concentration of that sector against a national benchmark. It is calculated by dividing the share of employment in that sector within Surrey by the share in Great Britain. An LQ score of 1 means that the relative concentration of that sector is equivalent nationally, and an LQ score of 1.25 is the threshold of specialism as the sector concentration is 25% greater in Surrey than nationally. Average concentration is the mean of the employment LQ and the business LQ.

Scoring is based on whether a sector is seeing significant growth (>2% CAGR in five years) while taking into consideration national trends. If the sector is growing significantly faster than Great Britain, it adds a further 0.5 points.

The maximum score possible is a 7 – meaning that a sector has seen growth across all measures, each growing faster than nationally. The reverse would be a score of minus 7, meaning that a sector has had a significant decline (< -2 % CAGR) across all measures and is declining faster than national averages.

This analysis demonstrates the change that has happened in each sector, so it does not reflect a sector's overall size, value, or specialism. Due to sectors' different sizes, each sector should be looked at individually, as each sector represents a different amount of Surrey’s overall economy.

For each growth measure:

Condition	Score
Growing and faster than GB	1.5
Growing and equivalent to GB	1
Growing but slower than GB	0.5
Static but GB declining	0.5
Static	0
Static but GB growing	-0.5
Declining but slower than GB	-0.5
Declining equivalent to GB	-1
Declining faster than GB	-1.5

Surrey's most specialised sectors are generally more productive

Sector	Employment	Businesses	GVA (£millions)	Productivity	Average concentration
Health & Social Care	72,975	2,175	£3,053	£41,836	0.92
Visitor Economy*	65,690	5,920	£4,819	£73,362	0.90
Education	57,000	1,135	£2,451	£43,007	1.13
Retail & Wholesale	54,045	6,090	£4,404	£81,493	0.91
Other Services	53,060	5,050	£1,932	£36,416	1.22
Hospitality Services	45,780	2,870	£1,403	£30,648	0.78
Digital	40,070	5,655	£4,462	£111,352	1.64
Administrative Services	36,415	4,300	£1,915	£52,598	1.14
Construction	34,025	8,900	£3,561	£104,658	1.10
Finance & Insurance	33,795	3,345	£3,999	£118,321	1.33
Professional Business Services	28,420	7,520	£2,231	£78,494	1.61
Agri-Food	28,110	2,120	£1,306	£46,459	0.53
Advanced Manufacturing	21,605	2,250	£1,705	£78,912	1.07
Creative & Cultural	17,485	5,085	£1,761	£100,692	1.18
Transport & logistics	16,220	1,740	£882	£54,361	0.58
Public Administration	13,525	80	£1,037	£76,673	0.47
Real Estate	10,765	2,570	£7,571	£703,298	0.97
Manufacturing	9,115	1,365	£865	£94,912	0.54
Utilities	5,835	245	£464	£79,548	0.81
Life Sciences & MedTech	5,210	215	£985	£189,124	1.14
Legal Services	3,880	505	£298	£76,701	0.63
Air & Aerospace	2,710	145	£180	£66,397	1.03
Total	589,000	63,490	£46,563	£79,054	1

Surrey's most productive sectors are more concentrated in Surrey than nationally.

This table summarises the data produced for each sector at a static level in 2022. The sectors are colour-coded from most (green) to least (red).

The table shows that the top employing sectors are more likely to have higher business counts and GVA. However, disparities exist, such as health and education, which have high employment but low business counts, likely due to large employers such as schools and the NHS. In contrast, creative and cultural businesses are generally smaller in Surrey. Hospitality services have high employment but lower GVA, reflected by weaker productivity.

Some correlation can be seen between productivity and average concentration, and some of Surrey's specialised sectors, such as digital services, finance, and insurance, also see high concentration.

**Visitor Economy is an aggregate sector; GVA and productivity of Real Estate have been from conditional formatting due to imputed rental driving the total*

The sectors growth story is mixed

Sector	Employment growth	Business growth	GVA growth	Productivity growth	Concentration growth
Health & Social Care	-0.5%	-1.8%	0.5%	1.0%	0.4%
Visitor Economy*	0.9%	1.3%	-0.8%	-1.7%	-0.7%
Education	0.9%	1.0%	1.2%	0.3%	10.4%
Retail & Wholesale	-2.3%	0.5%	0.5%	2.9%	-3.2%
Other Services	1.5%	1.0%	2.7%	1.1%	2.0%
Hospitality Services	0.3%	1.3%	0.8%	0.5%	-3.8%
Digital	1.7%	-4.6%	5.7%	3.9%	0.0%
Administrative Services	4.4%	-0.1%	-0.6%	-4.8%	17.5%
Construction	-1.3%	2.6%	-0.4%	0.9%	-4.8%
Finance & Insurance	3.1%	0.6%	-4.3%	-7.2%	11.3%
Professional Business Services	2.2%	-2.5%	10.3%	7.9%	6.9%
Agri-Food	0.0%	0.6%	1.9%	2.0%	2.5%
Advanced Manufacturing	0.3%	-3.8%	-3.1%	-3.4%	3.2%
Creative & Cultural	1.7%	0.6%	-0.3%	-2.0%	1.0%
Transport & logistics	1.1%	1.9%	-2.0%	-3.1%	-6.0%
Public Administration	1.1%	0.0%	-1.0%	-2.1%	-4.8%
Real Estate	-1.0%	3.2%	0.6%	1.6%	-6.9%
Manufacturing	-2.2%	-1.3%	2.5%	4.8%	-3.4%
Utilities	-10.1%	5.2%	-19.5%	-10.5%	-24.1%
Life Sciences & MedTech	-2.3%	0.5%	1.7%	4.1%	-13.5%
Legal Services	2.0%	-0.6%	3.9%	1.8%	2.9%
Air & Aerospace	6.0%	0.0%	3.3%	-2.6%	23.0%
Total	0.4%	-0.2%	0.3%	-0.1%	0%

In Surrey, no sectors are showing strong growth across all metrics.

This table shows the compound annual growth rates for each metric over five years (2017-2022). The growth in average concentration is calculated by the five-year total change in average concentration.

Surrey’s Air and Aerospace sector has seen strong growth in total employment and average concentration. Meanwhile, GVA has also grown across the period, but the extent of this growth is lower than employment, meaning that productivity has declined. Other sectors that have seen significant increases in specialisation are finance, insurance, and administrative services.

Despite growing productivity, digital and professional business services have seen a decline in business counts, whilst life sciences and MedTech have declined in employment.

**Visitor Economy is an aggregate sector; GVA and productivity of Real Estate have been from conditional formatting due to imputed rental driving the total*

Sector strengths are growing

Growth has been weak overall; however, professional business services are growing.

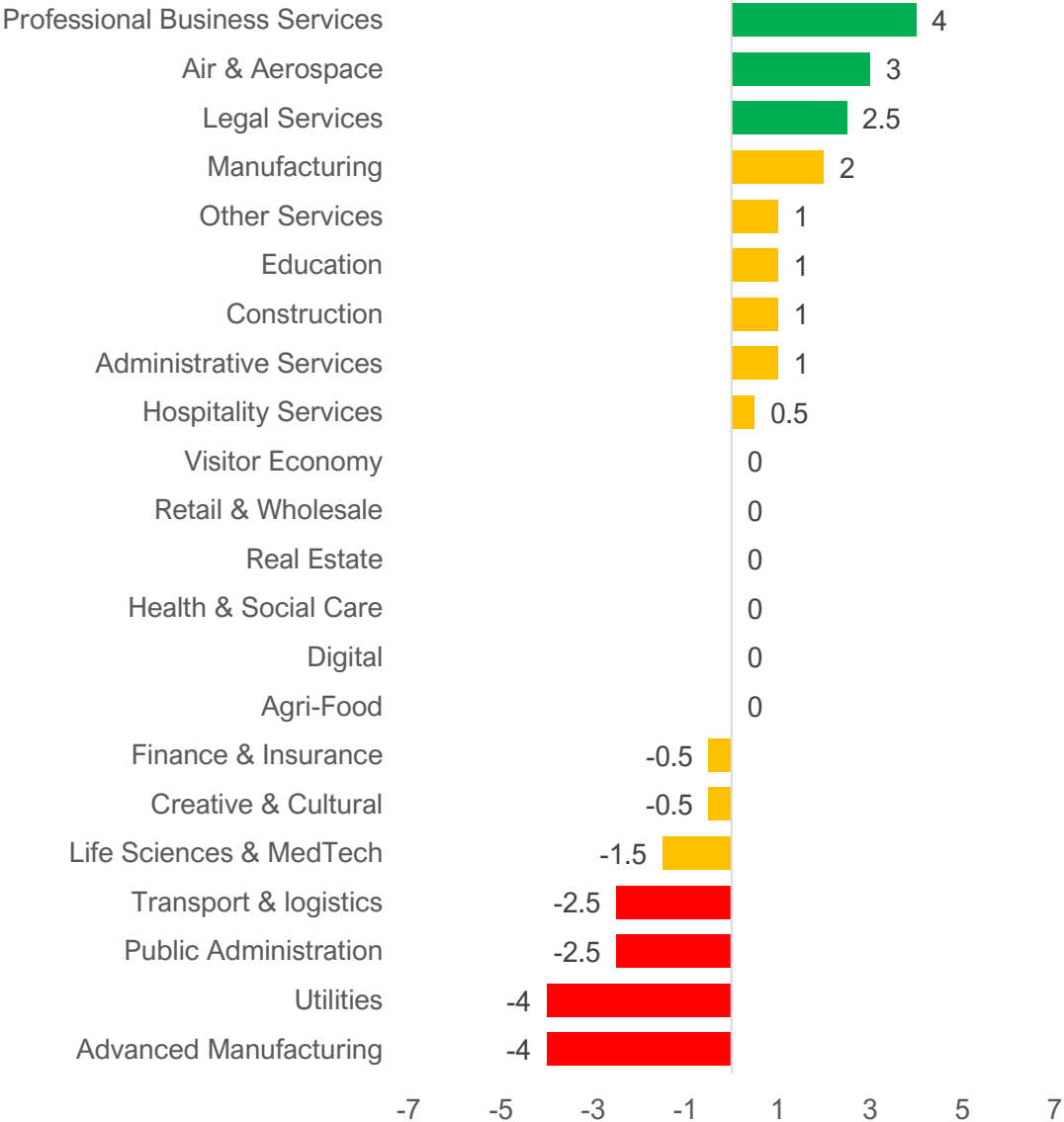
The growth index shows that a high proportion of sectors have seen no significant growth, with scores between -2 and 2, meaning that growth has been minimal or mixed across indicators.

Some sectors that have seen significant growth are professional business services, particularly in GVA, productivity, and concentration, while growth in air and aerospace and legal services has been driven by growth in employment and GVA.

Advanced manufacturing and utilities have seen declines across many metrics, including businesses, GVA, and productivity.

Within advanced manufacturing, the manufacture of petroleum, chemicals, and other minerals has seen a large decline in GVA, while the number of architectural and engineering businesses has significantly fallen.

	Growth index score of 2.5 or more, sector has seen growth across multiple measures.
	Growth index score between -2.5 and 2.5, growth has been relatively static or mixed.
	Growth index score of -2.5 or less, sector has seen decline across multiple measures.



Surrey has specialisms in a large variety of sub-sectors

Sub-sector specialisms are not concentrated to one or two sectors, they vary across multiple sectors as the top 15 most specialised sub-sectors employing above 300 are within 10 sector groupings, highlighting the polycentricity of Surrey’s economy

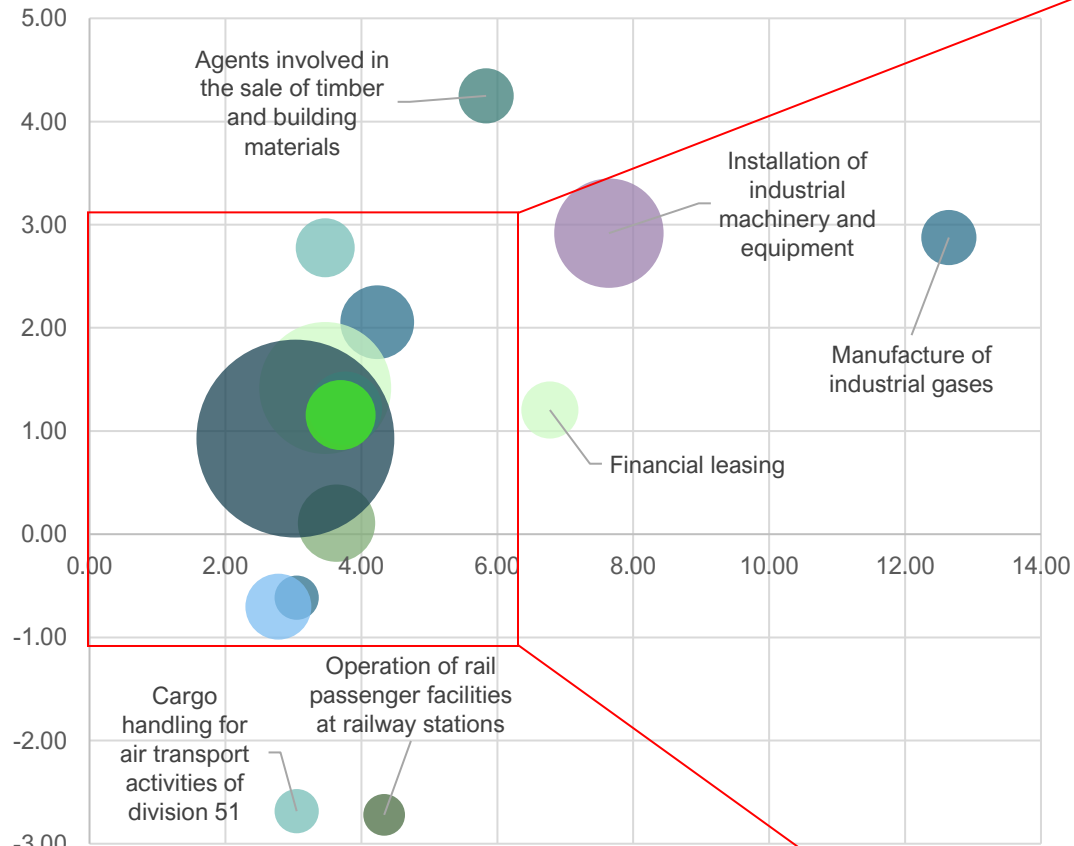
The charts on the following slide show the 15 greatest employment specialisms across 5-digit SICs in Surrey that employ more than 300 people. The x-axis represents the sector location quotient (LQ), while the y-axis shows the five-year change in LQ. Bubble sizes represent the total employment of each sector. This table summarises the data by showing Surrey's top 15 most specialised sub-sectors and how the relative specialism has changed.

Surrey shows specialism across various sectors, highlighting that its activities encompass many activities. For example, Surrey's top five most specialised sub-sectors are from different sector groupings.

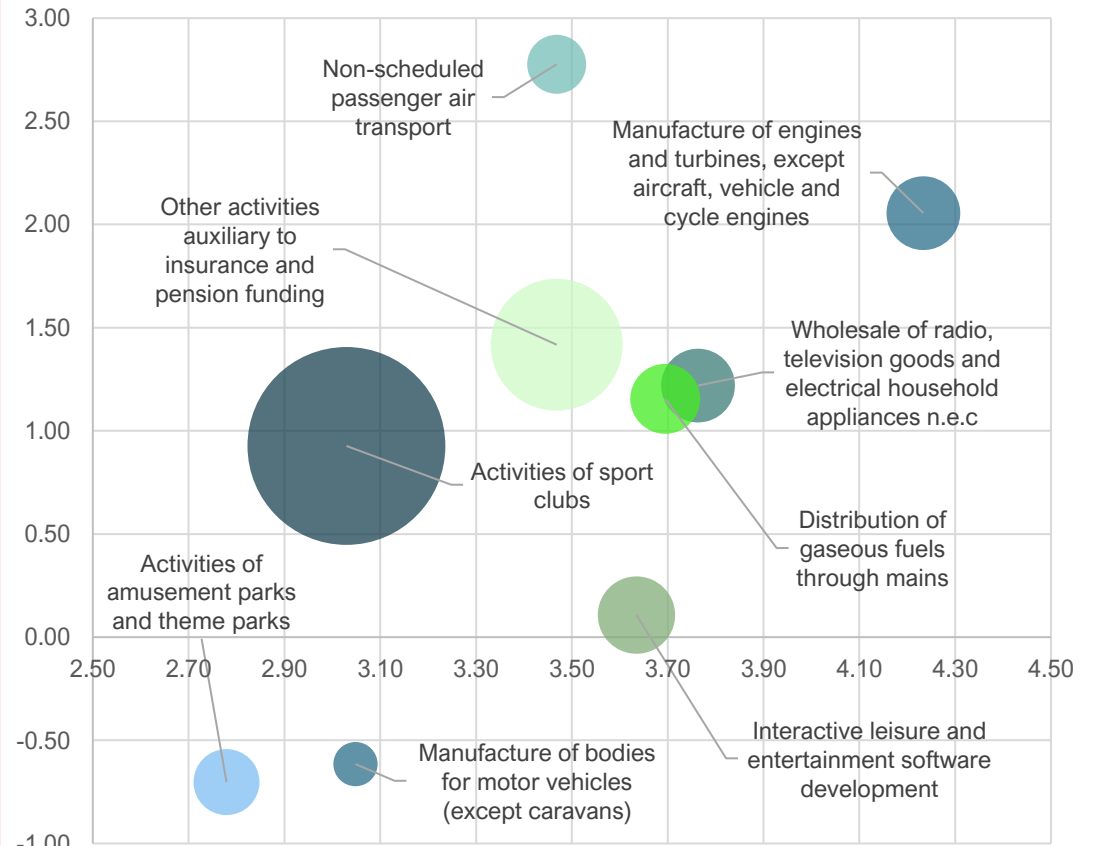
Growing specialism can be seen in manufacturing activities such as manufacturing industrial gases and installing industrial machinery and equipment or agents selling timber and building materials. The sub-sectors that are seeing significant reductions to relative concentration generally employ fewer. Growth in specialisation can be seen in some focus sectors, such as finance and insurance, advanced manufacturing and digital services.

Sector Grouping	Sub-sector	Employment 2022	LQ 2022	LQ change
Advanced Manufacturing	Manufacture of industrial gases	700	12.64	2.88
Manufacturing	Installation of industrial machinery and equipment	2,750	7.64	2.92
Finance & Insurance	Financial leasing	750	6.77	1.20
Retail & Wholesale	Agents involved in the sale of timber and building materials	700	5.84	4.25
Transport & logistics	Operation of rail passenger facilities at railway stations	400	4.34	-2.72
Advanced Manufacturing	Manufacture of engines and turbines, except aircraft, vehicle and cycle engines	1,250	4.23	2.05
Retail & Wholesale	Wholesale of radio and television goods and of electrical household appliances	1,250	3.76	1.22
Utilities	Distribution of gaseous fuels through mains	1,125	3.69	1.15
Digital	Ready-made interactive leisure and entertainment software development	1,375	3.63	0.11
Air & Aerospace	Non-scheduled passenger air transport	800	3.47	2.78
Finance & Insurance	Other activities auxiliary to insurance and pension funding	4,000	3.47	1.42
Advanced Manufacturing	Manufacture of bodies for motor vehicles	450	3.05	-0.62
Air & Aerospace	Cargo handling for air transport activities of division 51	450	3.05	-2.68
Other Services	Activities of sport clubs	9,000	3.03	0.93
Hospitality Services	Activities of amusement parks and theme parks	1,000	2.78	-0.70

Surrey has specialisms in a large variety of sub-sectors



- Advanced Manufacturing
- Air & Aerospace
- Digital
- Finance & Insurance
- Hospitality Services
- Manufacturing
- Other Services
- Retail & Wholesale
- Transport & logistics
- Utilities



- Advanced Manufacturing
- Air & Aerospace
- Digital
- Finance & Insurance
- Hospitality Services
- Manufacturing
- Other Services
- Retail & Wholesale
- Transport & logistics
- Utilities

Surrey’s emerging economy is strong

Surrey has a strong emerging economy, as many DataCity RTICs have a high concentration of businesses registered in the county.

Specialism in Surrey (LQ >1.25)
No significant specialism (0.8 – 1.24)
Significantly under-specialised (<0.8)

Agency Market	AdTech	Advanced Materials
Business Support Services	Advanced Manufacturing	AgriTech
Cloud Computing	Artificial Intelligence	Cryptocurrency Economy
Data Infrastructure	Autonomy and Robotics	EdTech
Data Intermediaries	Biopharmaceutical	Energy Generation
Design and Modelling Technologies	CleanTech	Engineering Biology Application
Digital Creative Industries	Computer Hardware	FinTech
Electronics Manufacturing	Cyber	Land Remediation
ESG	E-Commerce	Marine and Maritime
Gaming	Energy Management	Modular Construction
Geospatial Economy	Energy Storage	Quantum Technology
In-Orbit Servicing and Manufacturing	Engineering Biology Supply Chain	
Media and Publishing	Food Tech	
MedTech	Immersive Technologies	
Net Zero	Internet of Things	
Pharma	Legal Services	
Photonics	Life Sciences	
Quantum Economy	Omics	
Rehabilitation	Software as a Service (SaaS)	
Research and Consulting - Physical Sciences and Engineering	Software Development	
Sensors	Supply Chain Logistics	
Space Economy	Wearables and Quantified Self	
Space Energy		
Streaming Economy		
Telecommunications		

The table represents all the emerging economy activities listed on Data City in which businesses operate in Surrey. An explanation of the Data City platform can be found in the annex. The table shows that Surrey has a strong emerging economy, with a high proportion of businesses operating in emerging sectors and only a small proportion significantly under-specialised.

Advanced manufacturing has no significant specialism in Surrey according to the DataCity, which looks at advanced manufacturing in terms of process rather than output.

Surrey has a large concentration of businesses in the space sector

Top 15 most specialised RTICs from the Data City and top 20 sub-RTICs using company count LQ analysis, only considering sub-sectors with over 20 companies registered in Surrey.

These tables rank the RTICs and sub-RTICs with the greatest concentration of businesses registered in Surrey.

These tables highlight that Surrey has a high concentration of space businesses registered in the county, with key strengths in multiple space energy and economy activities. Other strengths include deep tech, including quantum and sensors, as well as part of life science like pharma and MedTech.

The following section on innovation highlights that looking at the spatial distribution and clustering of businesses in the emerging economy shows 11 innovation corridors in Surrey.

15 top specialised RTICs

Rank	Sector
1	Space Energy
2	Space Economy
3	MedTech
4	Sensors
5	Quantum Economy
6	Pharma
7	Data Intermediaries
8	Streaming Economy
9	ESG
10	Geospatial Economy
11	Data Infrastructure
12	In-Orbit Servicing and Manufacturing
13	Research and Consulting - Physical Sciences and Engineering
14	Cloud Computing
15	Media and Publishing

20 top specialised sub-RTICs

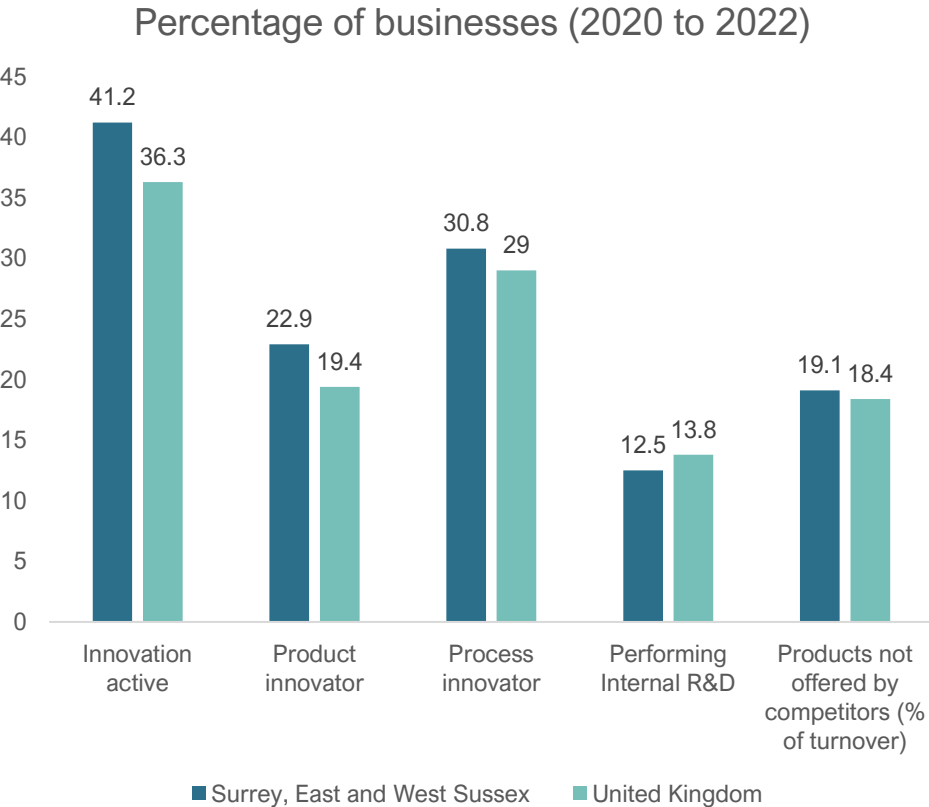
Rank	Sector	Sub-sector
1	Space Economy	Hardware
2	Space Economy	Engineering
3	Space Economy	Materials
4	Space Energy	Operations Management
5	Space Energy	Power Core
6	Sensors	Industry 4.0
7	Digital Creative Industries	Streaming
8	Electronics Manufacturing	Electromedical technologies
9	Media and Publishing	Broadcasting Services
10	Quantum Economy	Components and Materials
11	CleanTech	Environmental Protection and Monitoring
12	Telecommunications	Broadcasting
13	Business Support Services	Vehicle Rental Services
14	Marine and Maritime	Autonomy & Robotics
15	Research and Consulting - Physical Sciences and Engineering	Engineering Research
16	Pharma	Pharma and BioPharma
17	Gaming	Game Development Studios
18	Cloud Computing	Platform as a Service (PaaS) & Platform Management
19	Agency Market	Public Relations
20	Net Zero	Pollution Control and Mitigation

Innovation

The background of the slide is a dark blue map of a region, likely the Reigate and Redhill area. The map is overlaid with a network of glowing white and light blue nodes and lines. The nodes vary in size and brightness, with some appearing as large, bright white circles and others as smaller, dimmer dots. The lines are thin and white, forming a complex web that connects the nodes across the map. The overall aesthetic is clean, modern, and data-driven, suggesting a focus on technology, infrastructure, or innovation.

Surrey businesses are generally more innovative than nationally

The UK innovation survey highlights that Surrey’s businesses are generally more innovative than the UK average. The change since the previous Innovation Survey has also been better than the UK average across all indicators, excluding businesses performing internal R&D.



This chart highlights the 2023 UK Innovation Survey results from 2020 to 2022. The table below shows the percentage change since the previous innovation survey, covering the period 2018-2020.

Surrey has an exceptionally high share of innovation active businesses that regularly innovate to improve their product or service at 4.9 and 2.5 percentage points higher than the UK average, respectively. Surrey also has a slightly higher proportion of businesses innovating to improve their process than the national average and a slightly higher proportion of turnover produced by products not offered by competitors. The only indicator that slightly lags the national average is the share of businesses performing internal R&D, which is 1.3 percentage points than the UK average.

Surrey’s relative performance against the UK has also improved across most indicators, with a better change since 2018-2020 than the UK. The only outlier that saw a larger decline since the previous survey than nationally was the share of businesses performing internal R&D.

Change since 2018-2020					
Region	Innovation active	Product innovator	Process innovator	Performing Internal R&D	Products not offered by competitors
Surrey, East and West Sussex	-1.2%	4.6%	85.5%	-21.9%	223.7%
UK	-19.2%	-5.4%	79.0%	-13.8%	135.9%

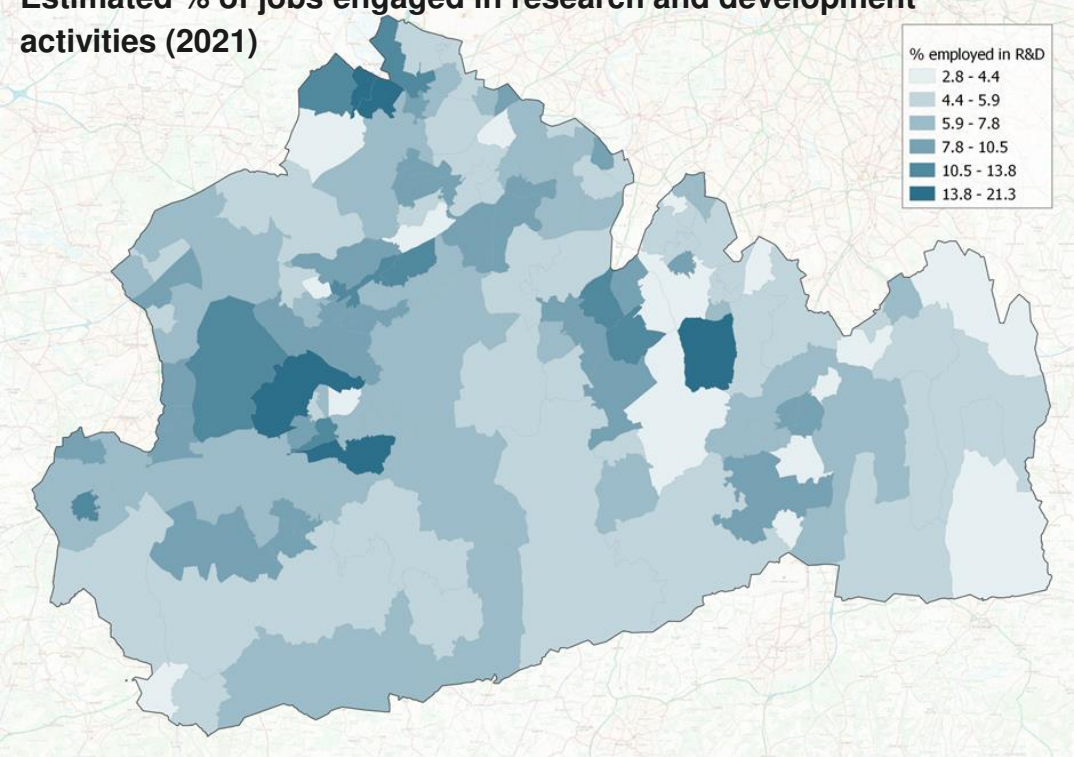
Source: BEIS, 2024

Urban areas have a high proportion of jobs in R&D

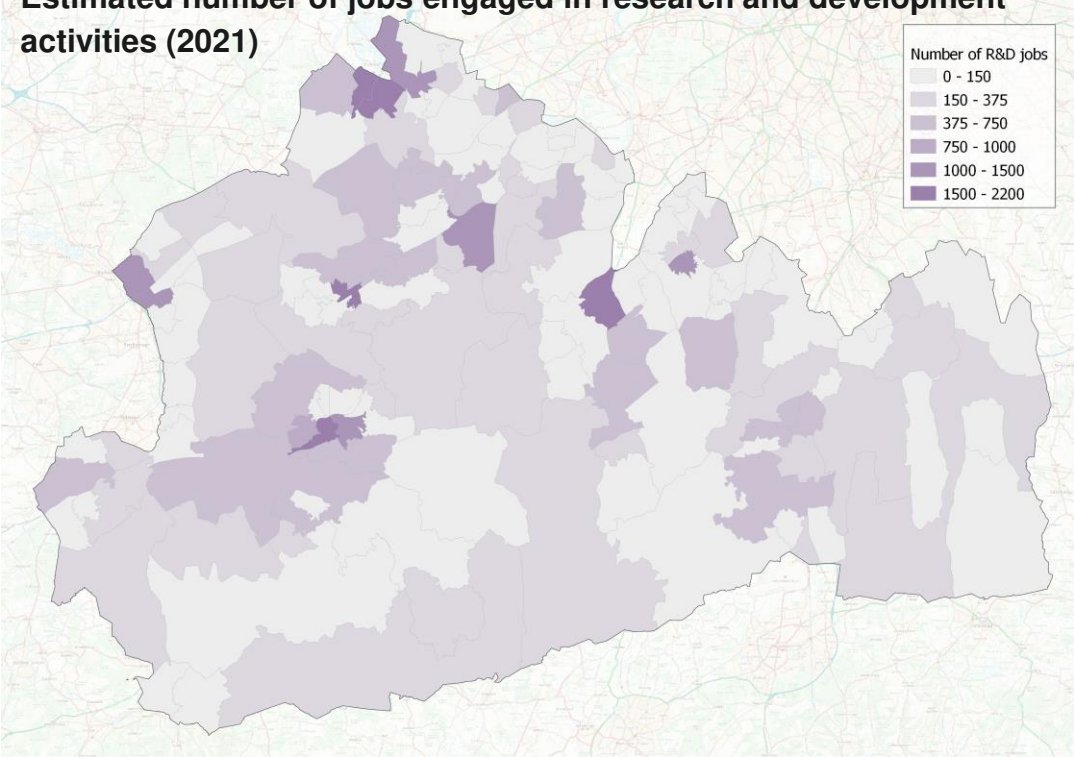
Despite a slightly weaker proportion of businesses performing R&D, Surrey is home to several areas with a high concentration of research and development jobs. These include towns such as Egham and Staines, Guildford, and Reigate.

The same classification of occupations model allows us to estimate the percentage and number of jobs in a place that are engaged in R&D. This shows the areas of Surrey where R&D makes up a large share of employment and the places with the largest volume of these jobs.

Estimated % of jobs engaged in research and development activities (2021)



Estimated number of jobs engaged in research and development activities (2021)



Source: Metro Dynamics analysis of BRES data.

Key innovation assets are in well-connected areas

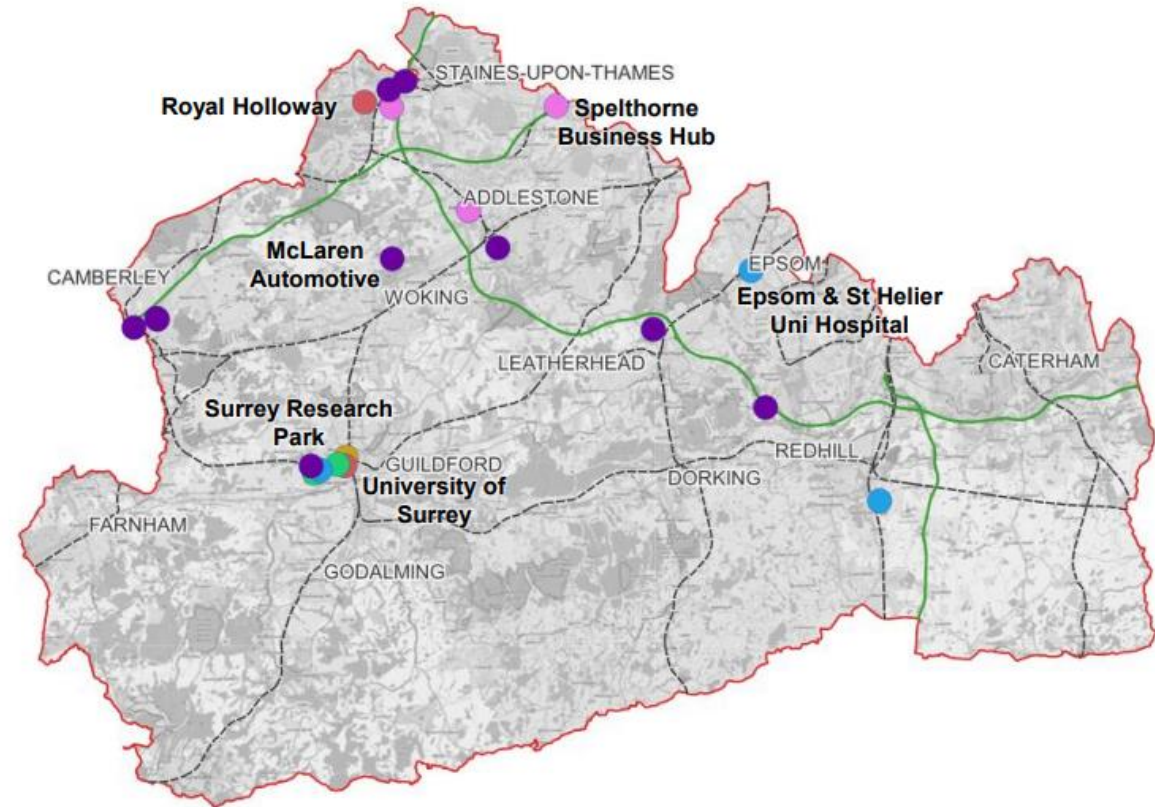
Surrey hosts several key innovation assets including universities, anchor businesses, incubators, research hospitals and science & business parks.

Many key innovation assets are near Surrey’s largest towns, such as Guildford, Camberley, Staines and Egham, or Weybridge and Addlestone. Many are also located near key transport networks, such as motorways like the M3, M23 and M25 or commuter railway services, easing workers’ accessibility. Rural districts such as Waverley or Tandridge have fewer innovation assets.

There is also a close correlation between key innovation and research asset locations and areas with a high proportion of employment in R&D jobs, as shown on the previous slide. Two notable examples include:

- **Guildford:** Home to the University of Surrey and Surrey Research Park, as well as areas where over 12% of employment is in R&D.
- **Staines and Egham:** This full area is home to Royal Holloway University, a couple of large businesses, and an incubator. It also has a high proportion of jobs in R&D.

All of Surrey’s incubators are located in Runnymede or Spelthorne, the two districts with the highest business birth rates in Surrey. This demonstrates the need for incubators to grow Surrey’s business base.



Innovation and research assets in Surrey

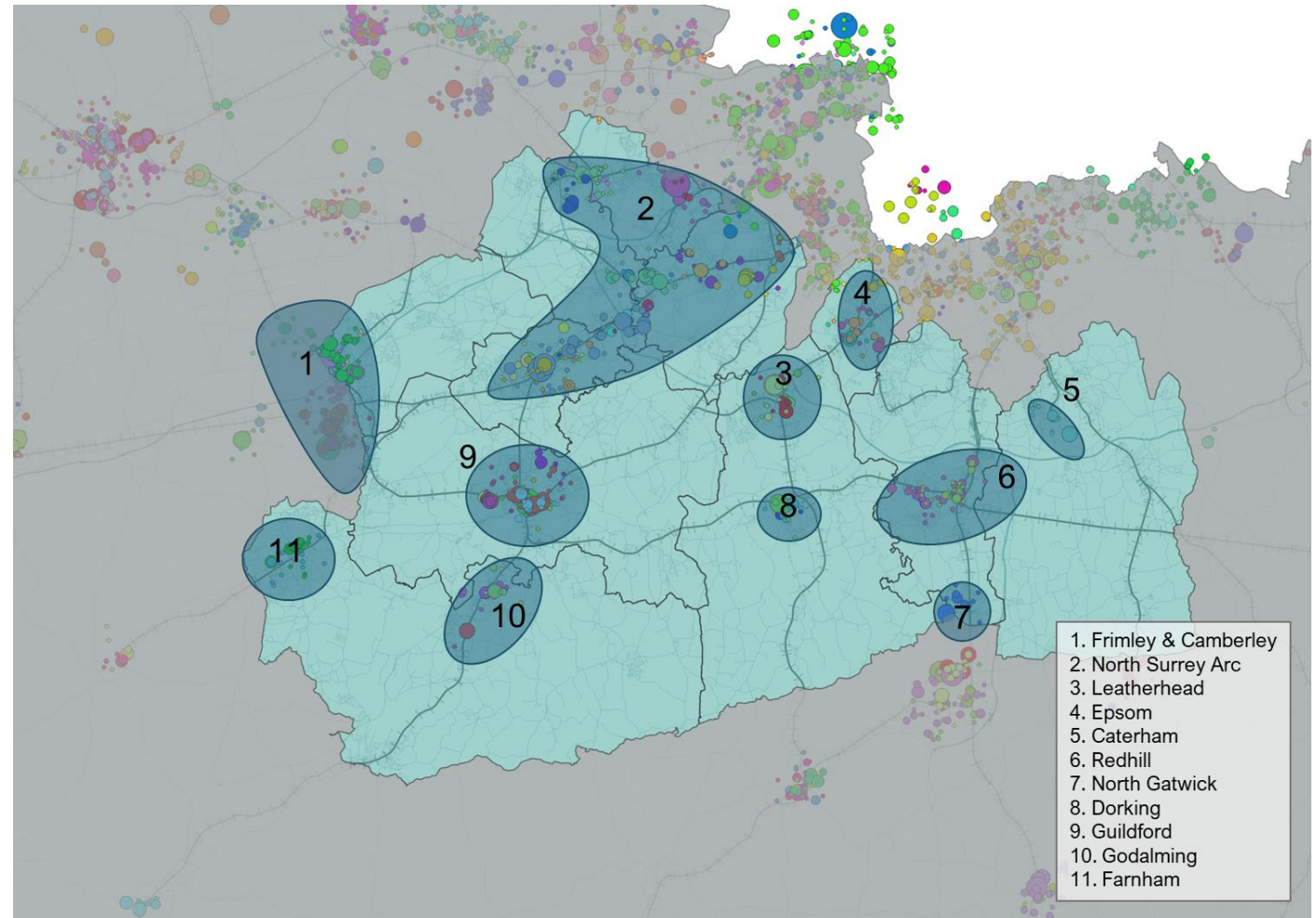
● Business Park	● Large Business	● Science Park	● University	— Motorway
● Hospital Research	● Incubator	--- Rail line		

Surrey hosts 11 innovation clusters

Surrey is home to 11 key innovation corridors which have a high concentration of activity in the emerging economy.

This map shows the locations of businesses in the emerging economy, defined by businesses that have been assigned an RTIC by Data City. These are businesses that it has been determined are part of new sectors or based around emerging technologies, whose activity is not captured by SIC codes. Following this, we can identify innovation clusters based on the proximity of businesses. As a result, 11 areas have been identified in Surrey with concentrated innovation activity.

The majority of these places have a density-based cluster in more than one of the 9 RTICs, with 5, 12, and 7 being the exceptions.



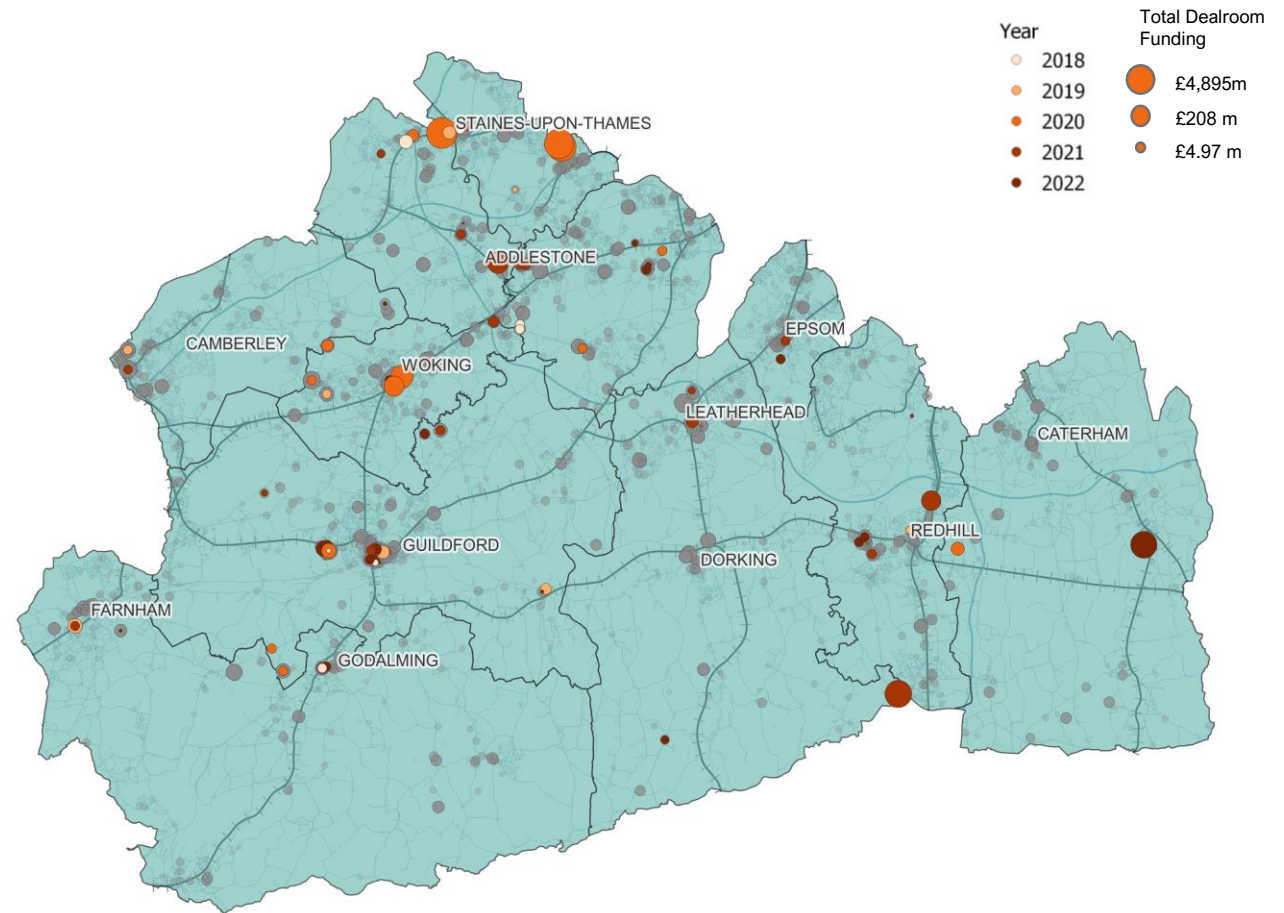
Investment activity is occurring across the county

Key investment funding from Dealroom to Surrey’s will continue to boost Surrey’s strong innovation performance.

This map shows all businesses in the emerging economy that have raised funding in the last five years. It uses data obtained via Data City from Dealroom, a global data platform for intelligence on startups, innovation, high-growth companies, ecosystems, and investment strategies. Through Data City, we can obtain details on firms that have raised funding, the last year in which they did so, and the total amount.

The points representing businesses that have raised funding are shaded by year and sized according to the total amount raised.

There is no way to identify where this money is being spent; many of these firms have multiple locations, but it is useful to see where the firms that are investment active are located.



Annex

The background of the slide is a dark blue map of an area labeled 'Annex'. The map features a network of thin white lines representing roads or boundaries. Numerous glowing white and light blue circular nodes of varying sizes are scattered across the map, with a higher concentration in the lower-central region. A prominent dashed white line runs vertically through the center of the map, and another dashed white line runs horizontally across the lower-left portion. The overall aesthetic is clean and modern, typical of a corporate or technical presentation.

Annex A: Data City

Much of the completed analysis has used data from the ONS to determine activity in each sector. The ONS uses Standard Industrial Classification of Economic Activities (SIC) codes to define sectors. The sectors analysed were made up of grouping 5-digit SIC codes, the most granular sector level. However, the traditional SIC codes used by national statistics are outdated and do not reflect sectors developing new and emerging technology, as they were last updated in 2007.

The Data City is an online platform used to gather broader insights on business activity, focusing on emerging and innovative sectors. The platform uses an alternative to SIC codes called 'Real Time Industrial Classifications' (or RTICs). These new-tech sector groupings are identified via web scraping and machine learning technology, analysing text on businesses' websites to understand the activity and sectors they are involved in based on keywords and business demography.

The platform only analyses companies listed on Companies House that also have a website, which make up around 30% of the total business base. This means that sole proprietors or micro companies with no websites are often not reflected. Over 5 million companies and 350 sectors (RTICs) and sub-sectors (sub-RTICs) are analysed in the UK.

However, insights deriving from the Data City do come with some caveats. As the platform uses machine learning technology, some additional businesses may be picked up while others may be left out. This is particularly the case when analysing some businesses in the 'Net Zero' RTIC, as some businesses may claim to use sustainable practices but not necessarily in the Net Zero sector. This means that the Data City is used for relative figures such as shares or specialisms. The Data City is also best used to analyse business counts as employee and turnover figures are estimated based upon a sample of businesses.

At Metro Dynamics, we **care** about places, our clients, and our colleagues.

We are an **independent** organisation, **curious** about our work, and **collaborative** in our approach. We strive to **make a difference** in all that we do.

**3 Waterhouse Square
138 Holborn
London
EC1N 2SW**

020 3865 3082

1 St Peter's Square

Manchester

M2 3DE

0161 883 3736