

# Runnymede Borough Council

## Economic Assessment

July 2016



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**Runnymede**  
BOROUGH COUNCIL



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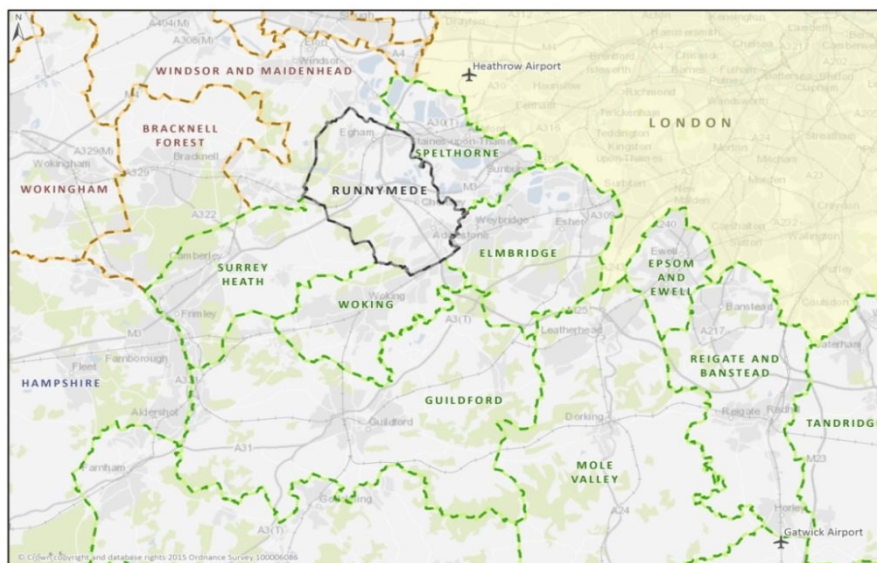


## Chapter 1: Introduction

Runnymede has a thriving high-tech economy which has witnessed significant growth over the last 15 years as a result of its location and connectivity. These, combined with its skills base and the quality of the environment make it highly attractive to multi-national companies seeking UK or global headquarters. This report shows that the Borough outperforms many of its peers in terms of competitiveness and plays a vital role in supporting the growth of the South East and the UK economy

- 1.1 This economic assessment outlines the overall economic performance, competitiveness and productivity of Runnymede. It covers the following themes:
- People and communities
  - Labour supply and demand
  - Economic competitiveness
  - Business and enterprise
  - Transport and infrastructure
  - Employment land and property
- 1.2 It is informed by official, updatable measures of economic well-being and competitiveness and other economic, social and environmental indicators. In addition to regional and national data comparisons, Runnymede has also been compared where possible with other local authorities in Surrey, the Enterprise M3 Local Economic Partnership (EM3 LEP) area, Runnymede's Functional Economic Area (FEA), and Bracknell Forest and Slough Unitary Authorities.
- 1.3 Runnymede Borough is located in north-west Surrey only 20 miles from central London and has a population of 80,500<sup>1</sup>. It is a small borough compared to most other Surrey authorities, measuring only 8 miles from north to south and covering 78 km<sup>2</sup>. Approximately 79% of its area lies within the metropolitan Green Belt which makes it an attractive area to live, work and visit.

**Figure 1: Location of Runnymede Borough**



<sup>1</sup> 2011 Census




- 1.4 Runnymede has boundaries with five neighbouring local authorities (see Figure 1). The nearest major settlements in these adjacent local authorities are Staines-upon-Thames, Walton-on-Thames, Weybridge, Windsor and Woking. Camberley and Maidenhead are also large towns located within the neighbouring authorities but are geographically some distance from the boundary of Runnymede.
- 1.5 Figure 2 shows the Borough's key transport links and the location of the major urban areas including the three main towns of Addlestone, Chertsey and Egham, and key designations.

**Figure 2 Map of the Borough**



- 1.6 In 2014, Runnymede produced a Functional Economic Areas (FEA<sup>2</sup>) report. This showed that given the strength of transport links in and out of Runnymede, the Borough is most likely to sit on the edge of two different FEAs; Heathrow and the south-west London/M3/A3 corridor market. The northern part of the Borough, in particular the Thorpe, Egham and Englefield Green areas are considered to sit within a wider FEA which focusses on Heathrow Airport at its centre. The boroughs that Runnymede has the strongest relationships with in this Heathrow centred FEA are Spelthorne, Hounslow and Hillingdon. Some economic links with the Royal Borough of Windsor and Maidenhead have also been found, although this authority is considered to have stronger links elsewhere and be located in a different FEA to Runnymede. The same can be said for Bracknell Forest.
- 1.7 The southern parts of the Borough, in particular the Addlestone and Chertsey areas are considered to sit on the edge of a south-west London/M3/A3 corridor market. Again the extent of this wider FEA is considered to cover a substantial geographical area stretching to Reigate in the south, Croydon to the east and Guildford to the south-west. Whilst these areas undoubtedly have some economic links to Runnymede due to the existing transport network, Runnymede does not benefit from any substantial links with these authorities. It has the strongest links with Woking and Elmbridge. Table 1 below summarises the economic links between Runnymede and its surrounding boroughs, identified in the FEA analysis.

Table 1: Summary of boroughs with key economic links to Runnymede					
Borough / Indicator	LEP geography	LEP sub area analysis	HMA analysis	Travel to work analysis/ transport network	Main catchment areas for retail and cultural facilities
Spelthorne					
Woking					
Elmbridge					
Hounslow					
Hillingdon					

Key:  strong link  medium link  weak/non-existent link

### The implications for the Economic Development Strategy

- 1.8 The authority's economic links to other areas are varied and may require a tailored approach to meet the requirements of its two principal FEAs. Collaborations and joint

<sup>2</sup> Defined on the basis of various markets or catchment areas, such as labour markets, retail catchment areas, markets for the trade of goods and services and housing and commercial property markets.

working is likely to be strongest in the north-east with Spelthorne, Hounslow and Hillingdon, and to the south and south-west with Woking and Elmbridge.

### **Purpose of the report**

- 1.9 The Economic Assessment will be used to inform the development of an Economic Development Strategy for Runnymede which will identify priorities and actions to support and promote sustainable economic development.



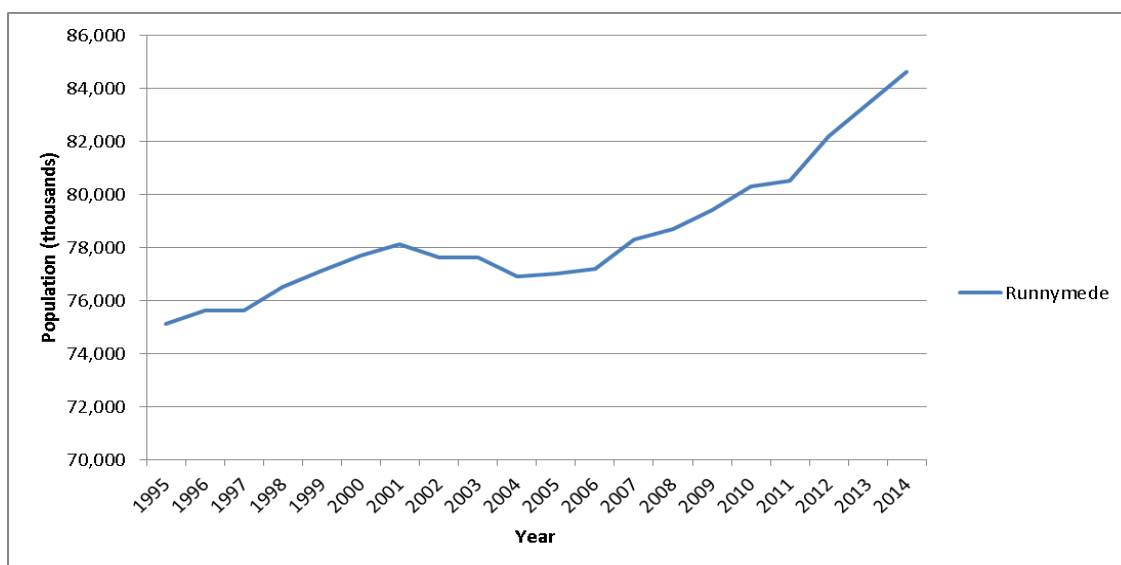
## Chapter 2: People and communities

Runnymede has a small but dense and competitive local economy. Despite recent sluggish population growth compared to its comparator areas Runnymede is projected to grow by a fifth by 2033, outpacing the county, the region and England. This will require comprehensive planning to ensure adequate public services, infrastructure, jobs and training to meet the needs of a growing and ageing population.

### Current population and historic population growth

- 2.1 In 2011, Runnymede's population was 80,510, one of the lowest population figures of all the local authorities in the sub-region. Between 2001 and 2011 the population increased by 2,477 or 3.2%. This increase was the lowest in Surrey - which saw an average population increase of over double that (7%), the second lowest in the EM3 LEP area, and lower than the increase in the South East (8%) and England (7.9%). It was also considerably lower than the population growth of 8.7% experienced in Runnymede between 1991 and 2001.
- 2.2 Table 1 in the Technical Annex compares population data, including population density figures for Runnymede with other authorities in the sub-region. Despite having one of the lowest population figures in the sub-region, Runnymede's population density in 2011 was 10.3 persons per hectare, making it the sixth most densely populated borough/district out of the eleven boroughs/districts in Surrey.
- 2.3 The latest 2014 mid-year population estimate for Runnymede is 84,600. Figure 3 plots the mid-year population estimates for Runnymede for the period 1995 to 2014. The data shows how population growth started to accelerate in the Borough from around 2007 onwards, a trend that is set to continue.

**Figure 3: Total population in Runnymede based on mid-year estimates (1995-2014)**

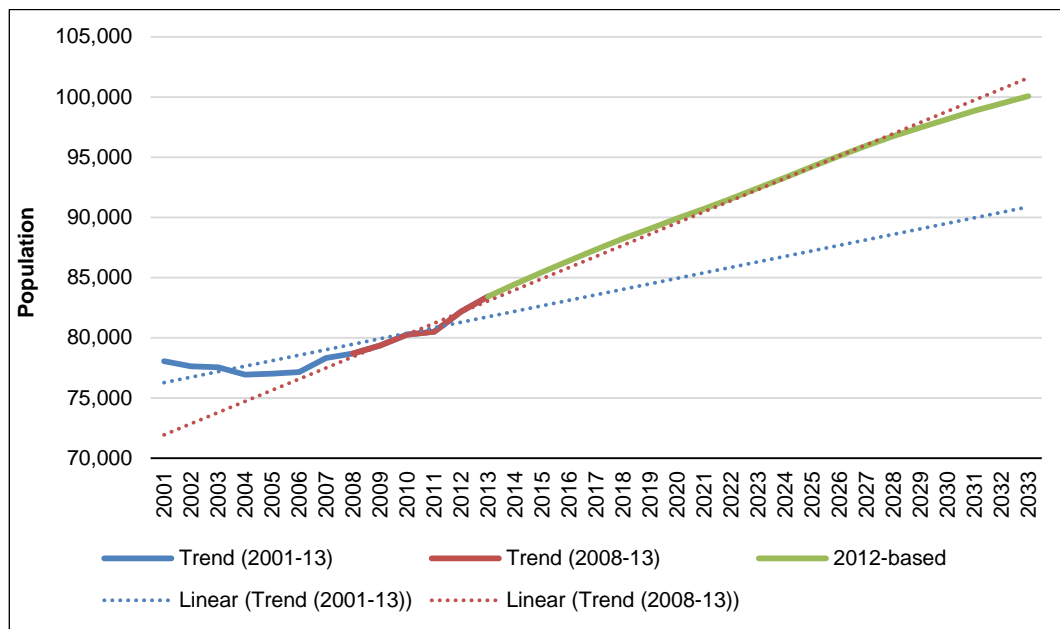


Source: ONS Mid-Year Population Estimates

## Future population change

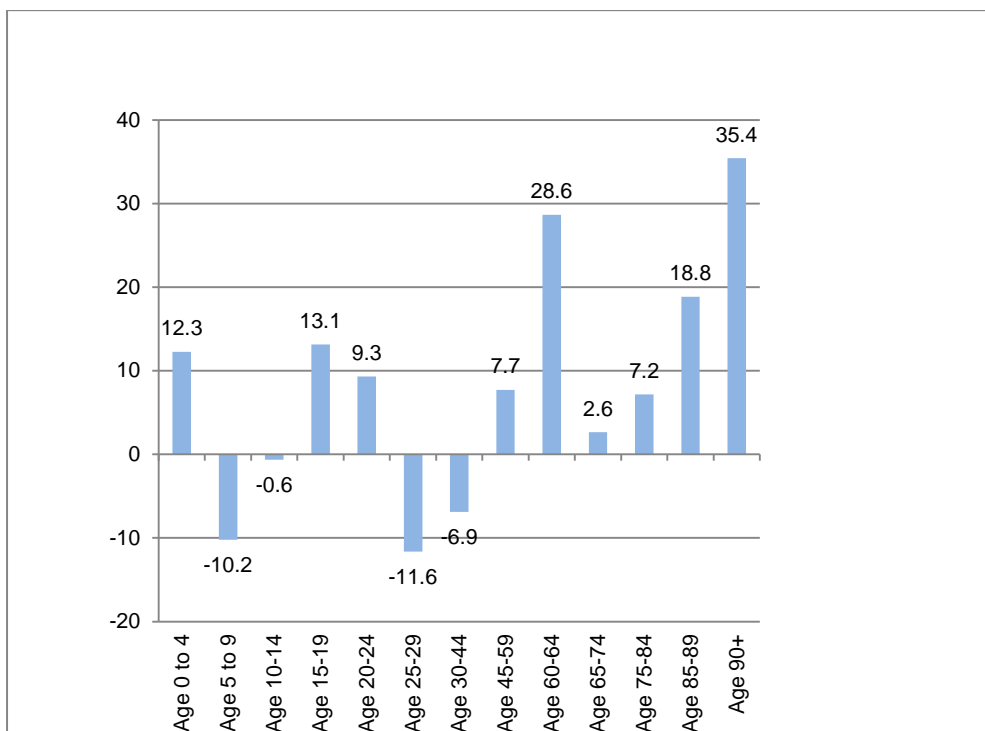
- 2.4 Although historic population growth has been low in Runnymede compared to the sub-region, the Borough is projected to grow by 16,640 persons (19.9%) between 2013-2033, higher than projections for Surrey (16%), the South East (14.9%) or England (13.3%).

**Figure 4: Past and projected population growth – Runnymede**



Source: ONS (from the Runnymede-Spelthorne SHMA, Nov 2015, GL Hearn)

**Figure 5: Runnymede - age profile (% change 2001-2011)**



Source: Census, 2011

- 2.5 Figure 5 shows that between 2001-2011 Runnymede witnessed a fall in the percentage of the population aged 5 - 14 and 25 - 44, and subsequent rise in other age categories, in particular those aged 60 – 64 and 90+. A reduced working age population will constrain future labour supply and affect productivity.
- 2.6 The proportion of the population from minority ethnic groups is similar to the England average, although lower than for Surrey and the South East. The percentage of other white groups is relatively high (7.4%) compared to 5.5% in Surrey, 4.4% in the South East and 4.6% in England. This reflects the attraction of the area to EU citizens.

### Socio-demographics

- 2.7 According to Mosaic data in the Technical Annex Figure 1, the three largest classifications of households in Runnymede are described as:
- Middle income families in moderate suburban semis (15%),
  - Successful professionals living in suburban or semi-rural homes (19%), and
  - Young well-educated city dwellers (15%).
- 2.8 Wealthy people living in the most sought after neighbourhoods (10%) and couples with young children in comfortable modern housing (11%) also form a significant proportion of the population. The data paints a picture of a very wealthy local economy with small pockets of inequality. Very affluent households live in some of the most sought after neighbourhoods in the country alongside middle income families living in a variety of private housing and elderly households either in private or social housing as well as younger couples and singles living in starter homes.
- 2.9 Runnymede ranks the 46<sup>th</sup> least deprived out of 326 [local authorities](#) (see Technical Annex Table 2). Although it has a high domain rank for employment, it has a low domain rank for barriers to housing and services. The domain rank for education is also average when compared with the sub-regional rankings. Furthermore, Runnymede has fallen 12 places in the English rankings since 2010.
- 2.10 Table 2 shows how the Surrey local authorities rank in order of deprivation when only compared against each other. The table therefore highlights Runnymede's relative deprivation when compared to the other Surrey local authorities.

Table 2: IMD across the Surrey Authorities	
Local authority district/borough	Index Rank (one = most deprived)
Spelthorne	1
<b>Runnymede</b>	<b>2</b>
Tandridge	3
Reigate and Banstead	4
Woking	5
Guildford	6
Mole Valley	7
Epsom and Ewell	8
Surrey Heath	9
Elmbridge	10
Waverley	11

Source: IMD 2015

- 2.11 Figure 2 in the Technical Annex highlights the marked variation in levels of deprivation in the wards within Runnymede Borough. Although Runnymede does not contain any areas that are within the most deprived 10% nationally, the wards with greatest deprivation in the Borough are Addlestone Bourneside, Addlestone North, Chertsey St Anns and Englefield Green West.

### Quality of life

- 2.12 Runnymede has a rich architectural and environmental heritage and offers a high quality of life for its residents and workers supported by a strong community base. A state of the art CCTV system is in operation across all North Surrey, and the Council's Safer Runnymede Unit makes a major contribution to a low crime rate and the general public's perception of safety. A range of housing options is available across the Borough in both urban and rural settings, with the Wentworth Estate recently recognised as one of the best places to live in Britain by The Sunday Times.
- 2.13 The Borough's three main towns offer a range of shops, services and employment uses. Addlestone, a relatively young centre, is currently undergoing regeneration. Chertsey, a historic town developed around a Benedictine abbey dating from Saxon times, benefits from the 170-acre Chertsey Meads Local Nature Reserve, open meadows adjacent to the river providing opportunities for walking and cycling. Egham, home to Strode's College and Royal Holloway, University of London, is also the location of choice for a significant number of large and small businesses due to its excellent connectivity to Heathrow, the M25, M3 and M4. In addition to the three towns the Borough also has a number of villages and local centres which provide basic services for residents.

### Tourism and leisure

- 2.14 Tourism is an important part of the local economy. A number of significant leisure and tourism businesses are located in Runnymede including Thorpe Park and Wentworth Golf course. Other notable attractions include Chertsey and Egham museums and the historic landscapes of Runnymede Meadows (Magna Carta), the Air Forces Memorial, Savill Garden, Windsor Great Park, the site of the former Chertsey Abbey. The area also offers a range of hotel accommodation from 4\* establishments at the Runnymede-on-Thames which provides business conferencing facilities, to historic Great Fosters, Foxhills and Savill Court. The Borough is also home to a growing number of budget hotels, which are located in the town centres.

### Implications for the Economic Development Strategy

- 2.15 Managing population growth will be a key priority for the Borough. For instance new residents will need new housing which in turn will require construction skills. New residents also require new jobs. An increase to the resident population of a 1,000 will on average have the potential to give rise to a further 230 jobs in the locality<sup>3</sup>. The Borough has a large proportion of wealthy and middle income well-educated professionals as well as an ageing population. Appealing employment opportunities for residents therefore are likely to be high value well paid jobs or part-time paid/voluntary occupations suitable carers or retirees. There are pockets of deprivation that need addressing and access to housing and services are an area of concern. The Council will continue to support measures that stimulate visitor expenditure. The Economic Development Strategy will also support activities to

<sup>3</sup> OffPat Employment Densities Guide, 2010 2<sup>nd</sup> Edition.



maintain the high quality of life for its residents, visitors and workers, preserving its rich architectural and environmental heritage and historic landscapes.

## Chapter 3: Labour Supply and demand

One of the key ingredients of any successful economy is the availability of an appropriately skilled labour market. This chapter considers the supply of labour in Runnymede, its working age population, economic activity rates, employment by sector, earnings and occupations.

### Economic Activity

- 3.1 In 2014 the working age population (16-64 years) was estimated at 55,400 persons (65.5% of the population), higher than for Surrey (62.1%) the South East (62.4%) or England (63.5%). Runnymede and Guildford have the same percentage of working age population, the joint highest in Surrey and second joint highest in the EM3 LEP area.

Table 3: Working age population, unemployment and higher level occupations				
Population 16-64	Runnymede	Runnymede (%)	SE (%)	GB (%)
All people	55,400	65.5	62.4	63.5
Males	27,200	65.9	63.1	64.3
Females	28,200	65.1	61.7	62.8
Unemployed (All)	1,500	3.3	4.4	5.7
Soc 2010 Group 1-3*		49.9	49.4	44.3

Source: ONS Mid-Year Estimates (2014) and Annual Population Survey July 2014-June 2015

\*Managers, Directors & Senior Officials; Professional Occupations; Associate Professional & Technical

- 3.2 Of the 55,400 people of working age (those aged between 16 and 64) in Runnymede, 44,800 are economically active and 43,400 are in employment. The proportion of economically active residents in Runnymede is approximately the same as for Great Britain and some 2% lower than the South East.
- 3.3 Between July 2014 and June 2015, 3.3% of the resident workforce was out of work, which was below both the percentages seen in the South East and Great Britain. The level of unemployment in the Borough has been reducing since it peaked at 5.6% in the period April 2011 to March 2012.

### Qualifications and skills

- 3.4 Skills enhance productivity and competitiveness and are linked with higher levels of innovation and workforce flexibility. High level skills are required to drive innovation and leadership within an economy, and to enable businesses to compete globally. In terms of labour market performance and skills there is a significant positive correlation between high-level graduate skills and the proportion of the workforce within knowledge-intensive industries.

- 3.5 Over half of residents in Runnymede (59.3%) are qualified to NVQ Level 3 and above. This is comparable to the percentage for the South East and slightly higher than for Great Britain as shown in table 4.

<b>Table 4: Skill levels in Runnymede compared to the South East and Great Britain</b>				
<b>Skill level</b>	Runnymede Numbers	Runnymede (%)	South East (%)	Great Britain (%)
<b>NVQ4 and above</b>	19,900	36.4	39.1	36.0
<b>NVQ3 and above</b>	32,500	59.3	60.5	56.7
<b>NVQ2 and above</b>	40,600	74.1	77.1	73.3
<b>NVQ1 and above</b>	46,600	85.1	89.2	85.0
<b>No qualifications</b>	5,400	9.8	5.6	8.8

Source: ONS Annual Population Survey (January 2014 to December 2014)

- 3.6 However Runnymede has one of the lowest percentages of 16-64s qualified to Level NVQ4 and above (See Technical Annex Figure 3), and the highest percentage of 16-64s with no qualifications (See Technical Annex Figure 4) in the sub-region. Figure 5 in the Technical Annex highlights the polarisation in qualifications levels amongst working aged residents, with 45% of residents aged 16 and over in Virginia Water ward qualified to Level 4, compared to just 24.3% in Chertsey St Anns and 25.4% in Addlestone Bournside. Chertsey St Anns ward also has the highest percentage of residents with no qualifications (27.6%), just over 5% higher than the average for England.
- 3.7 Runnymede's slightly poorer record in terms of skills and qualifications compared to the Surrey and EM3 LEP average can in part be explained by looking at the 2010 Indices of Multiple Deprivation. The 'Education, Skills and Training Deprivation' domain considers both lack of skills and qualifications among the working age adult population as well as education deprivation for children/young people. The 2010 data shows that two of Runnymede's Super Output Areas were within the twentieth lowest performing areas in Surrey for this domain – Forest Estate ranked 10<sup>th</sup> and Chertsey St Ann's ranked 12<sup>th</sup>, although the latter area has improved since it was ranked as the lowest performing area in Surrey in the 2007 Indices.
- 3.8 There are four state funded secondary schools in the Borough which all perform above the English average for 5 GCSEs (or equivalent) Grades A\*-C (See Technical Annex Table 3). Just one school performs below the Surrey average. In addition, there are four private schools, all with sixth form provision, including two international schools. There is also a sixth form college in Egham mainly focused on A level delivery. The Borough is also home to Royal Holloway University of London ranked 119<sup>th</sup> in world and ranking 19<sup>th</sup> in the UK in the Times Higher Education World University Education Rankings 2015/2016.

### Earnings by residence

- 3.9 Runnymede records higher earnings than the South East and Great Britain averages for earnings by residence, as shown in Table 5.

<b>Table 5: Earnings by residence in Runnymede, the South East and Great Britain</b>			
<b>Gross Weekly Pay (FT Workers)</b>	<b>Runnymede (£)</b>	<b>South East (£)</b>	<b>GB (£)</b>
<b>Full Time Workers (All)</b>	597.9	574.9	529.6
<b>Male Full Time Workers</b>	618.8	626.5	570.4
<b>Female Full Time Workers</b>	544.5	499.5	471.6

Source: ONS Annual Survey of Hours and Earnings – Resident Analysis (2015).

Note: Median earnings in pounds for employees living in the area.

- 3.10 Table 4 in the Technical Annex compares median earnings for residents in the sub-region. This shows that although earnings in Runnymede are high in comparison with the regional and national figures, they are lower than for many areas in the sub-region, in particular other parts of Surrey. Earnings continued to rise in Runnymede after the start of the recession, peaking in 2010 – since then they have dipped to come more in line with the regional average.
- 3.11 Between 2002 and 2015 there has been a gradual closing of the earnings gap between the sexes. Female earnings have generally shown a progressive increase resulting in an overall increase in median gross weekly pay of £152.8, whereas male earnings witnessed an increase to 2010 of over £200 followed by a decrease to 2015 of over £100, resulting in an overall increase for the period of £119.
- 3.12 Runnymede records high earnings in the workplace with the median gross weekly pay recorded as approximately £671 per week for full-time workers, compared to £552 in the South East and £529 in Great Britain. Workplace earnings are higher than resident earnings suggesting that there are a number of well-paid jobs in Runnymede, but a percentage of these are held by in-commuters rather than the resident workforce. Male full-time workplace earnings are significantly higher (some 15%) than female full-time workplace earnings. This is considerably higher than the national average of 9.4%.

<b>Table 6: Earnings by Workplace in Runnymede, the South East and Great Britain</b>			
<b>Gross Weekly Pay (full time workers) per week</b>	Runnymede (£)	South East (£)	Great Britain (£)
<b>Full time workers (All)</b>	670.8	552.1	529.0
<b>Male full time workers</b>	709.9	600.0	569.9
<b>Female full time workers</b>	604.8	484.7	471.5

Source: ONS Annual Survey of Hours and Earnings – Workplace Analysis (2015)

Note: Median earnings in pounds for employees working in the area

### Out of work benefits

- 3.13 Runnymede has 1% less out-of-work claimants than the Great Britain average (table 7).

<b>Table 7: JSA claimants in Runnymede, the South East and Great Britain (between ages 16-64)</b>				
<b>Total JSA claimants</b>	<b>Runnymede (Numbers)</b>	<b>Runnymede (%)</b>	<b>South East (%)</b>	<b>Great Britain (%)</b>
<b>All people</b>	317	0.6	1.0	1.6
<b>Males</b>	180	0.7	1.2	2.0
<b>Females</b>	137	0.5	0.8	1.2

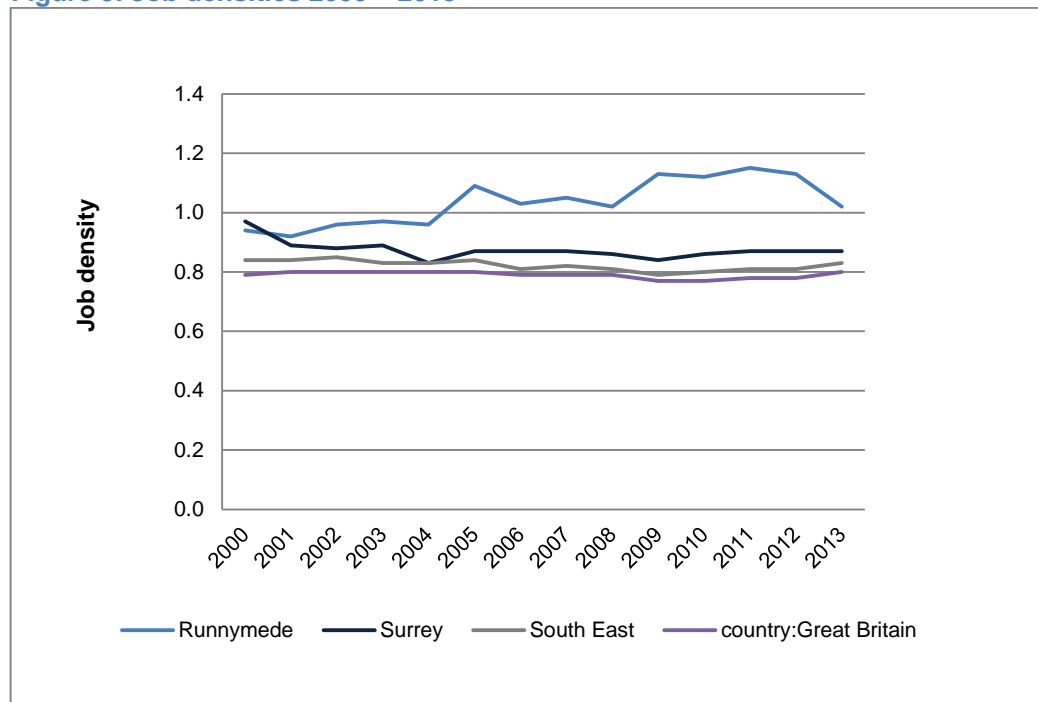
Source: ONS Claimant Count with Rates and Proportions (September 2015)



### Job density<sup>4</sup>

- 3.14 There are a relatively high proportion of jobs based in the Borough relative to the number of working age residents. A job density of one would mean that there is one job for every resident of working age. The data in Figure 3 shows how the job density figure in the Borough increased between 2000 and 2011, reaching a high of 1.15 in 2011. Unlike Surrey, the South East or Great Britain, Runnymede witnessed an increase in job density between 2008 and 2010 at the height of the recession. In 2013, Runnymede had the third highest job density in the EM3 LEP area and the second highest job density in Surrey.

Figure 3: Job densities 2000 – 2013



Source: ONS data

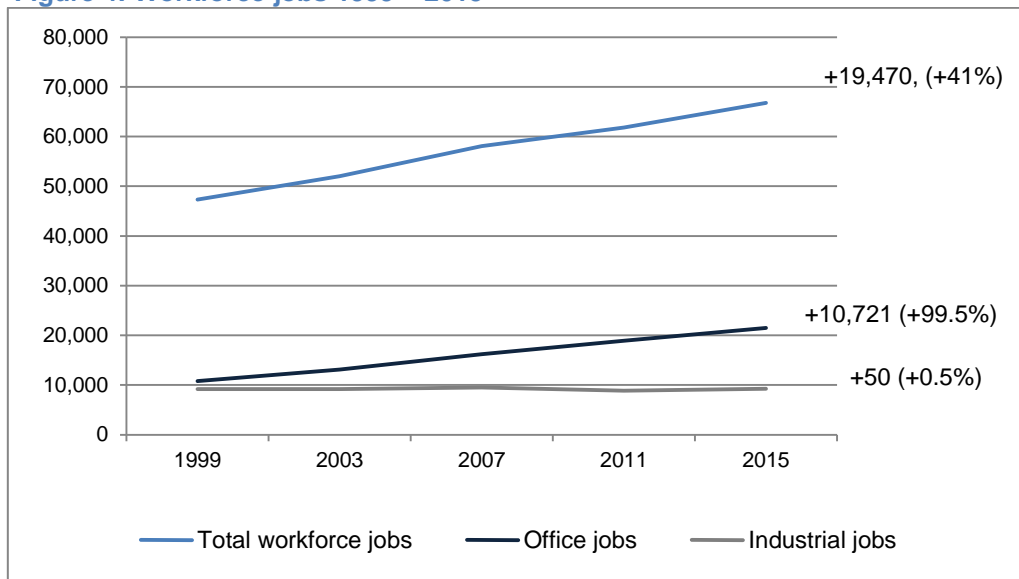
### Workforce jobs

- 3.15 In 2015 there were 66,770 workforce jobs within Runnymede Borough<sup>5</sup>. 21,495 were office jobs and 9,243 industrial jobs. As Figure 4 shows, between 1999 and 2015 there has been a steady increase in total workforce job numbers, with office jobs increasing significantly by 100%, whilst the number of industrial jobs saw little variance.

<sup>4</sup> Job density figures represent the ratio of total jobs to population aged 16-64.

<sup>5</sup> Experian data September 2015

**Figure 4: Workforce jobs 1999 – 2015**



Source: Experian RPS September 2015 / NLP analysis \* includes self-employee jobs, government sponsored trainees and her Majesty's Forces

### Implications for the Economic Development Strategy

- 3.16 Whilst there are relatively few out-of-work claimants or unemployed individuals there are local geographical disparities in qualification achievement. Unless these gaps are addressed the competitiveness of the Borough will be threatened and there will be a stark education gap between areas within the Borough. Lower qualification levels may in part explain the lower earnings achieved in some areas of the Borough and the fact commuters (male commuters in particular) appear to be taking more of the better paid jobs.
- 3.17 Runnymede has witnessed an exceptional growth in workforce employment over the last decade and half increasing by 41% or 19,470. This has been fuelled by a huge expansion of office jobs which have doubled. This explains the relatively high proportion of jobs based in the Borough relative to the number of working age residents. The implications for economic development are twofold, (a) there has been increased pressure on local infrastructure to keep up with the pace of change, and (b) there are jobs available for local residents provided they have the appropriate qualifications and skills to compete with highly paid, highly skilled commuters.

## Chapter 4: Economic competitiveness

Between 2000 and 2015 Runnymede experienced very high CAGR in GVA of 4.3%, higher than all its sub-regional comparators. However, ranked in the top 20 local authorities on the UK Competitiveness Index (2010), its ranking dropped slightly in 2013.

### Competitiveness and productivity

- 4.1 Whilst the Borough is very competitive at the national level and compared to neighbouring areas, between 2010 and 2013 it has slipped from second out of 14 EM3 LEP local authorities to eighth out of 14. This is the largest decline with the exception of Rushmoor.

**Table 8: UK Competitiveness Index**

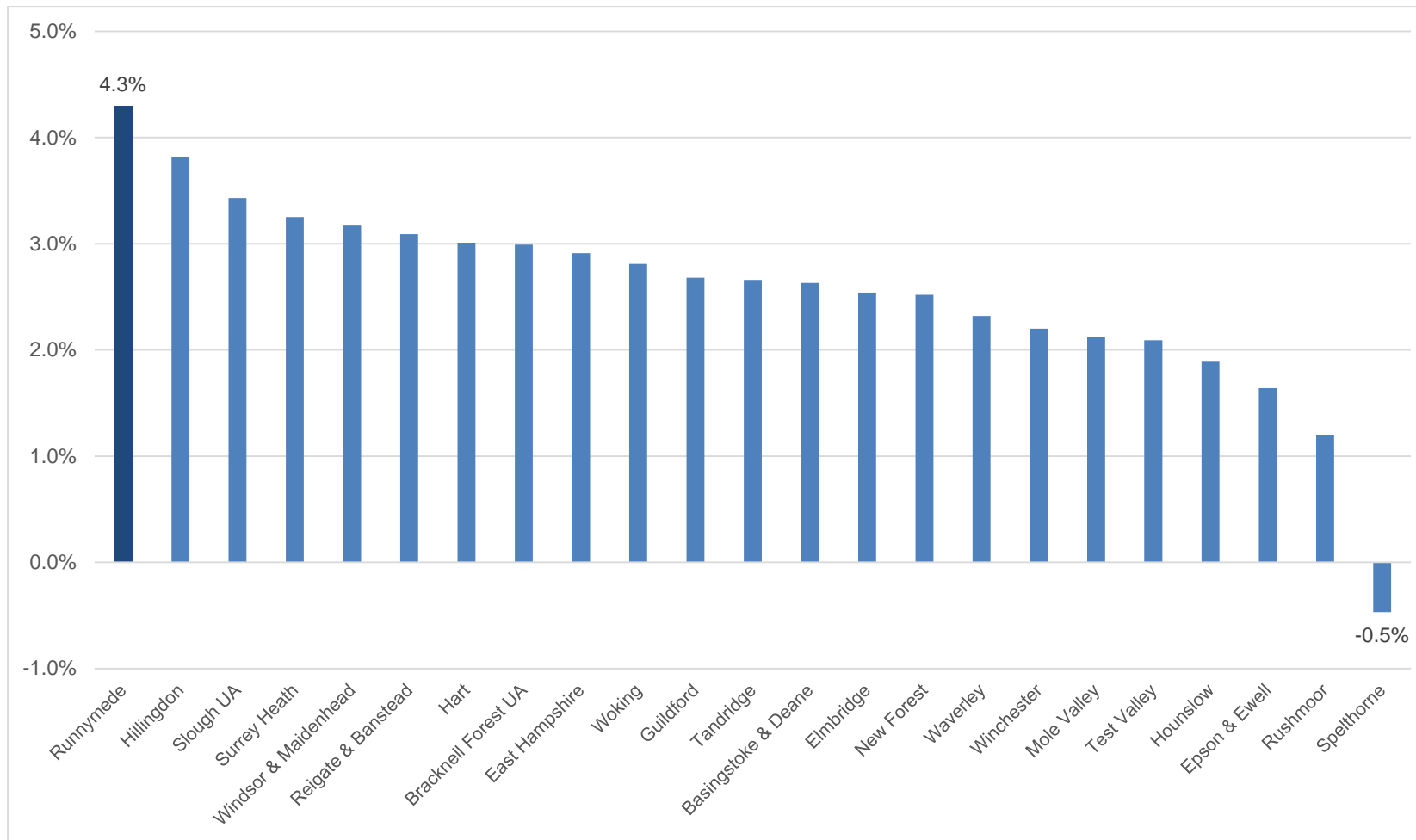
		Rank 2010	Rank 2013	Change rank 2010 - 2013
<b>EM3 LEP Authorities</b>	Basingstoke & Deane	60	56	4
	East Hampshire	76	42	34
	Hart	41	44	-3
	New Forest	175	117	58
	Rushmoor	47	87	-40
	Test Valley	53	35	18
	Winchester	29	26	3
	Elmbridge	15	20	-5
	Guildford	21	22	-1
	Runnymede	19	36	-17
	Spelthorne	61	13	48
	Surrey Heath	26	27	-1
	Waverley	31	21	10
	Woking	32	41	-9
<b>Other Surrey Authorities</b>	Epsom and Ewell	48	25	23
	Mole Valley	12	11	1
	Reigate and Banstead	42	28	14
	Tandridge	68	92	-24
<b>Neighbouring authorities</b>	Bracknell Forest	20	24	-4
	Hillingdon	34	32	2
	Hounslow	28	23	5
	Slough UA	49	50	-1
	Windsor & Maidenhead	9	10	-1

- 4.2 Between 2000 and 2015 Runnymede experienced a very high compound annual growth rate (CAGR) in GVA of 4.3%, higher than all the sub-regional comparators (figure 5), and considerably higher than for Surrey (2.5%), the South East (2.2%) and the UK (1.8%). Continued investment in business growth will help to ensure the Borough maintains its economic performance (and its competitiveness does not continue to deteriorate). Although the projected compound annual growth rate in GVA

for Runnymede for the period 2015 to 2035 at 3.0% is significantly lower than historic levels, it is still above that for Surrey (2.6%), the South East (2.6%) and the UK (2.3%). This forecast level of growth highlights the continued strength and importance of the Runnymede economy to driving growth in both Surrey and the EM3 LEP area. But the rate of decline is a concern if we are to remain a highly performing economy.



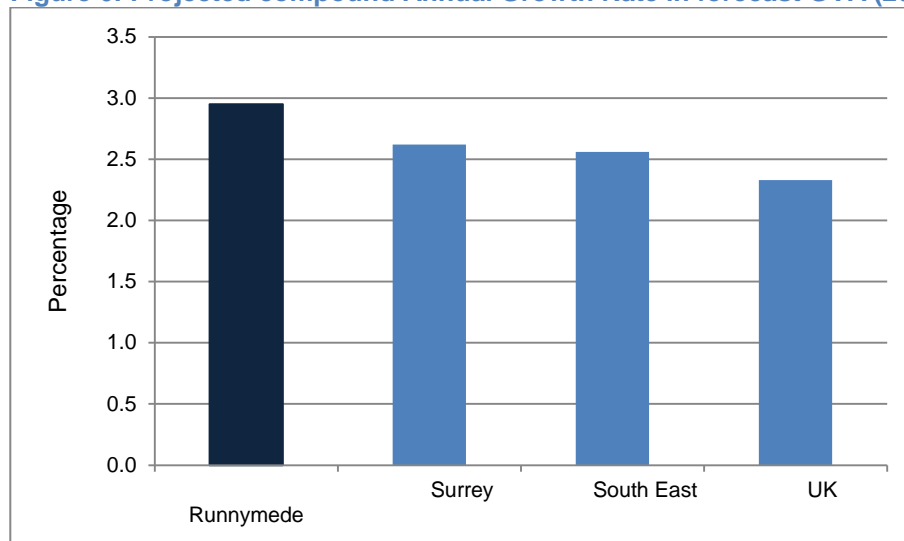
Figure 5: Compound annual growth rate GVA<sup>6</sup> 2000 to 2015



Source: Experian Local Labour Market Forecasts September 2015/RBC analysis.

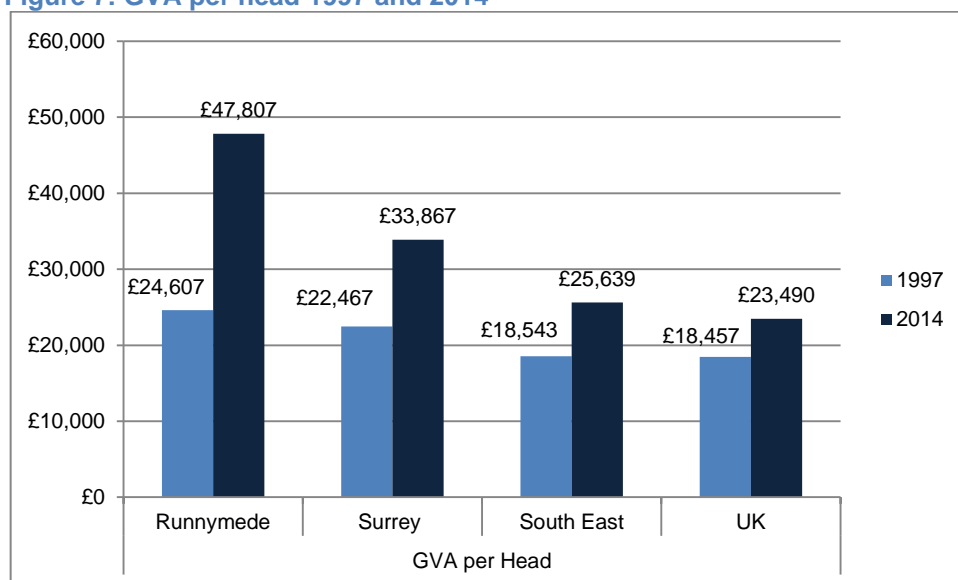
<sup>6</sup> Note: GVA in the RPS is measured by the place where the work is done (workplace based). Total Output (GVA) (£mn CVM 2011 prices)

**Figure 6: Projected compound Annual Growth Rate in forecast GVA (2015 to 2035)**



Source: Experian Local Labour Market Forecasts September 2015/RBC analysis.

**Figure 7: GVA per head 1997 and 2014**



Source: Experian Local Labour Market Forecasts September 2015 and ONS

### Implications for the Economic Development Strategy

- 4.3 Whilst Runnymede has a strong local economy, it is important its relative competitive position is maintained. Its GVA per head has grown at a rapid rate and its continued strength will ensure it makes a valuable contribution to the local and EM3 economy. Recent declines are a warning signal that our highly performing economy can't be taken for granted.

## Chapter 5: Business and enterprise

A strong and diverse business base coupled with a healthy culture of enterprise and entrepreneurship are key elements of a successful economy. This chapter examines the business demographics of Runnymede, its sectoral strengths and the principal economic challenges faced.

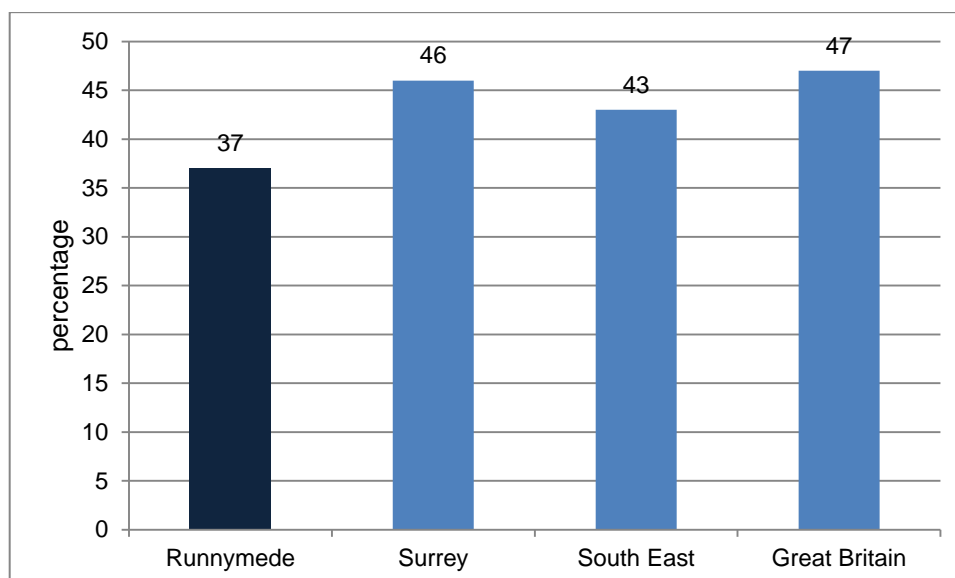
### Business counts

- 5.1 Table 9 shows that between 2007 and 2015 the number of enterprises in Runnymede grew by 1,100 from 2,940 in 2007 to 4,040 in 2015 – a total growth rate in this period of 37%. This growth rate however, was ten percentage points below growth experienced in Great Britain, nine percentage points less than Surrey and six percentage points less than the South East (see figure 6). Maintaining the size of business stock is important for a healthy economy.

Table 9: Number of enterprises 2007-2015					
Region	2007	2009	2011	2013	2015
Runnymede	2,940	3,625	3,555	3,735	4,040
Surrey	42,110	53,070	52,410	55,250	61,430
South East	263,125	337,385	328,015	339,965	377,445
Great Britain	1,615,700	2,081,780	2,012,900	2,100,885	2,382,370

Source: ONS data (Inter Departmental Business Register (IDBR))

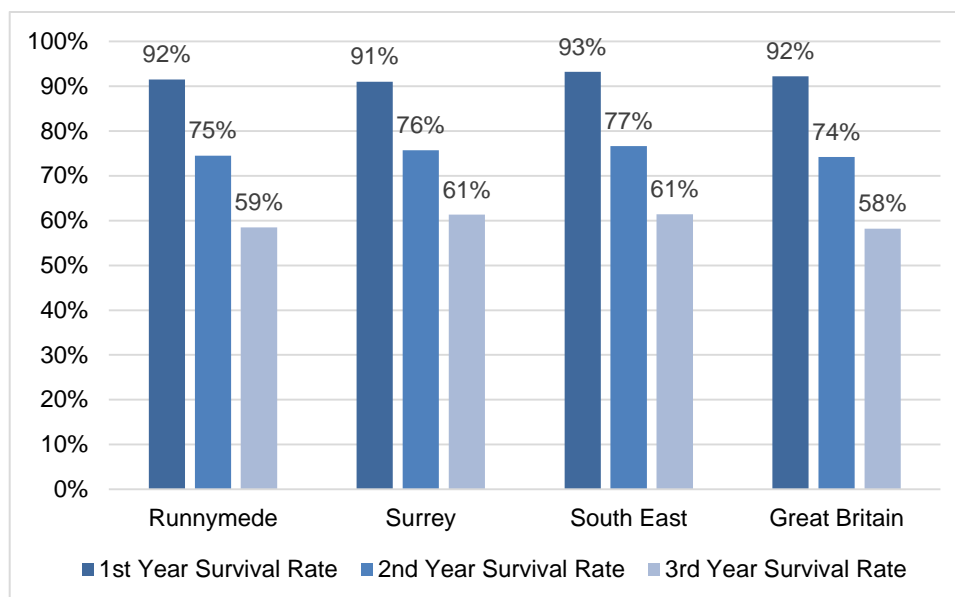
Figure 6: Percentage change in number of enterprises between 2007 and 2015



Source: ONS data (Inter Departmental Business Register (IDBR))

- 5.2 The latest ONS data on the survival rates of newly born enterprises is from businesses born in 2008. Although the survival rates do not vary markedly between Runnymede, Surrey, the South East and Great Britain, the survival rate for businesses in the second and third year is slightly lower in Runnymede than that achieved at the county and South East level (see figure 7).

**Figure 7: Survival rates of newly born enterprises by births of units in 2008**



Source: ONS, 2008

### Size of firms

- 5.3 The majority of enterprises within Runnymede in 2015, like elsewhere, are small businesses with 0-9 persons, but table 10 shows the Borough has a relatively significant number of large enterprises (250 or more persons). These represent 15.6% of all large enterprises in Surrey and 10.8% of all large enterprises in the EM3 LEP area in 2015.

Table 10: Size of enterprises				
Number of VAT and/or PAYE Enterprises by Size Band	Runnymede (%)	Surrey (%)	SE (%)	GB (%)
0-9 persons (micro)	88.7 (3,585)	90.7 (55,740)	89.4	88.7
10-49 persons (small)	8.2 (330)	7.5 (4,610)	8.7	9.3
50-249 persons (medium)	2.4 (95)	1.4 (855)	1.5	1.6
250 or more persons (large)	0.9 (35)	0.4 (225)	0.4	0.4

Source: Inter Departmental Business Register (ONS) 2015 Business Count

- 5.4 When data on large enterprises is considered in more detail, Runnymede is shown to have a comparatively high percentage of medium sized enterprises with 250-499 persons too when compared to Surrey, the South East and Great Britain. However, the percentage of very large enterprises in size bands 500-999 and 1000+ is also higher. Examples of large enterprises and institutions in the Borough include several household names, organisations and global groups:

• Astellas Pharma	• Future Electronics	• Toshiba
• Automatic Data Processing	• Gartner	• VM Ware
• Belron	• HCL	• APHA (veterinary laboratories)
• British Gas/Centrica	• Hitachi	• CABI
• BUPA	• Kerry Foods	• Royal Holloway (University of London)
• Chep	• Kone	
	• Merlin Entertainments	



• <b>Compass Group</b>	• <b>Procter &amp; Gamble</b>	• <b>St Peter's Hospital &amp; Ashford Hospital NHS Trusts</b>
• <b>Crest Nicholson</b>	• <b>Salesforce</b>	
• <b>Dow Chemicals</b>	• <b>Samsung Electronics</b>	
• <b>Enterprise Rent-a-Car</b>	• <b>Ricoh</b>	

- 5.5 Looking at the last five years there has been an increase in the percentage of micro enterprise and large enterprises – the latter have increased from 30 in 2010 to 35 in 2015. Knowing and understanding the growth ambitions of large employers is a priority.

### Key sectors of employment

- 5.6 The majority of employment in Runnymede is within the service sector. The Borough has a smaller proportion of total workforce jobs in manufacturing than for Surrey, the South East or UK. The Borough has a concentration of jobs (28%) in professional and other private services. Public services comprise a smaller proportion of total jobs than the comparators. Although accounting for a smaller proportion of total jobs, both the information and communication and utilities sectors are more dominant in Runnymede.

Table 11: Key sectors of employment in Runnymede, Surrey, the South East and UK 2015				
Sector	Runnymede	Surrey	South East	UK
Accommodation, food services & recreation	10.0%	<b>10.7%</b>	10.4%	9.7%
Agriculture, forestry & fishing	0.2%	0.5%	1.0%	<b>1.3%</b>
Construction	6.2%	<b>7.8%</b>	6.8%	6.2%
Extraction & mining	0.0%	<b>0.2%</b>	0.1%	<b>0.2%</b>
Finance & insurance	3.3%	<b>4.2%</b>	3.1%	3.4%
Information & communication	<b>10.1%</b>	6.4%	6.0%	4.0%
Manufacturing	1.9%	3.9%	5.7%	<b>7.8%</b>
Professional & other private services	<b>27.9%</b>	25.4%	21.8%	21.5%
Public services	21.8%	23.2%	24.8%	<b>25.6%</b>
Transport & storage	2.7%	2.7%	4.3%	<b>4.7%</b>
Utilities	<b>3.7%</b>	0.9%	0.9%	1.0%
Wholesale & retail	12.1%	14.2%	15.0%	<b>14.7%</b>
Workforce jobs	100.0	100.0	100.0	100.0

Source: Experian Local Labour Market Forecasts September 2015.

- 5.7 Table 12 looks at changes in workforce jobs per sector. The 'other', education and IT and administrative services have shown the greatest growth over the last 15 years.

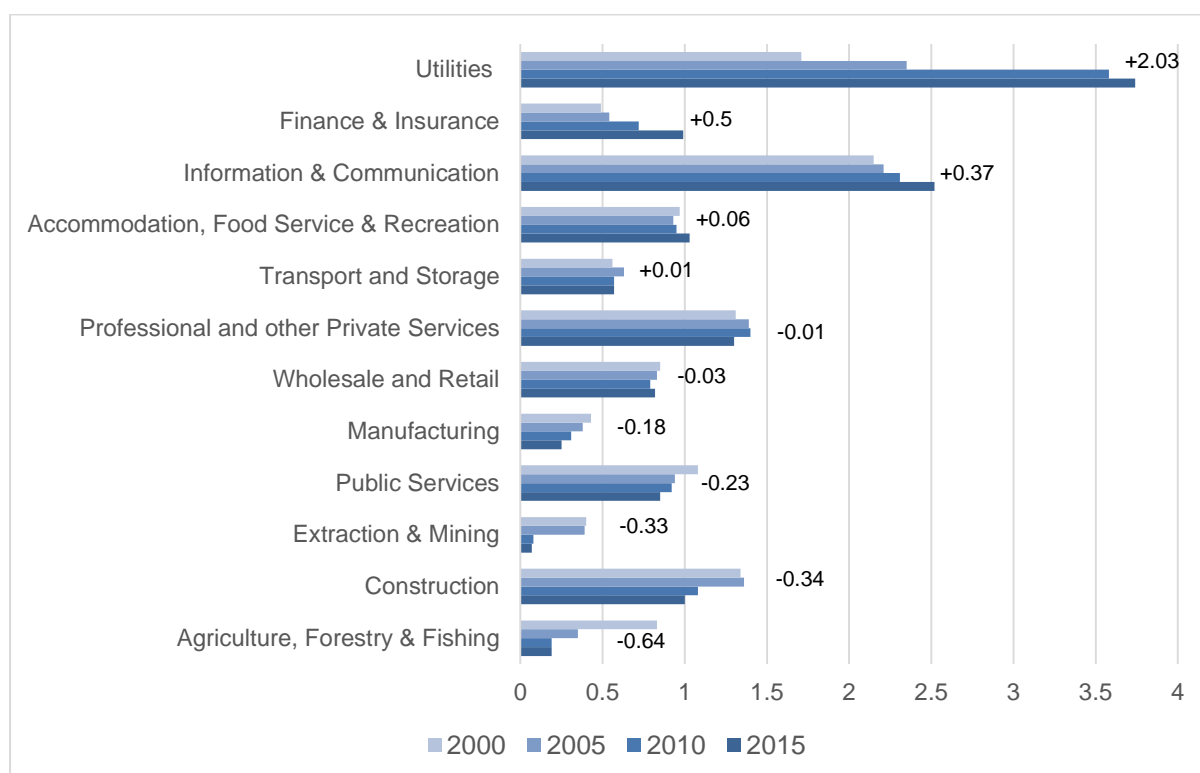
Table 12: Change in workforce jobs per sector in Runnymede (2000 to 2015)					
Sector	2000	2005	2010	2015	% Change
Others	8.8%	10.2%	13.2%	13.1%	4.3%
Administrative & supportive services	9.4%	11.2%	10.2%	11.0%	1.6%
Computing & information services	7.4%	7.2%	7.3%	8.5%	1.1%
Education	7.6%	7.7%	8.6%	8.6%	1.0%
Specialised construction activities	8.0%	7.9%	7.6%	7.9%	-0.1%
Accommodation & food services	5.5%	5.1%	4.6%	5.0%	-0.5%
Health	9.1%	8.9%	10.0%	8.0%	-1.1%
Professional services	4.5%	3.9%	3.9%	3.4%	-1.1%
Retail	4.9%	5.7%	3.9%	3.3%	-1.6%
Wholesale	28.9%	26.9%	26.2%	27.1%	-1.8%
Residential care & social work	6.0%	5.4%	4.5%	4.1%	-1.9%

Source: Experian Local Labour Market Forecasts September 2015/RBC analysis.

### Location quotients

- 5.8 Location quotients measure the geographical concentration of industries; a value greater than one means that a location has a higher share of employee jobs in an industry than its share of national employee jobs. Figure 8 shows the location quotients for the broad sectors in Runnymede in five year bands since 2000. It shows the high concentration of information and communication, utilities and, to a lesser extent, professional and other private services. The greatest increase in concentration has taken place in the utilities sector, with a significant decrease in agriculture.

**Figure 8: Location Quotients by sector in Runnymede (2000, 2005, 2010 to 2015) and Percentage Change 2000-2015**



Source: Experian Local Labour Market Forecasts September 2015/RBC analysis.

5.9 Table 13 shows the forecast CAGR of the broad sectors in Runnymede over the next 15 years. The table highlights the forecast growth in the finance and insurance and information and communication sectors, in contrast to the continuing decline of the manufacturing and public services sectors. ICT and digital media is one of four key sectors identified in the EM3 LEP Strategic Economic Plan (SEP), which provides 8.7% of total employee jobs in the EM3 LEP area. ICT employment in the EM3 LEP area is far more concentrated than nationally and getting more so.

Table 13: 15 Year compound annual growth rate					
Sector	15 Year	10 Year	5 Year	3 Year	1 Year
Acc., food service & recreation	0.40%	1.07%	1.81%	1.98%	2.21%
Agriculture, forestry & fishing	-9.48%	-6.15%	-0.08%	0.26%	-0.08%
Construction	-1.91%	-3.02%	-1.55%	2.08%	0.35%
Extraction & mining	-10.78%	-15.37%	-2.71%	3.32%	-5.80%
Finance & insurance	4.84%	6.21%	6.53%	7.04%	2.09%
Information & communication	1.05%	1.30%	1.75%	2.05%	0.62%
Manufacturing	-3.49%	-4.03%	-4.09%	-3.52%	-3.02%
Prof. & other private services	-0.03%	-0.66%	-1.39%	-3.42%	-1.43%
Public services	-1.55%	-0.98%	-1.55%	-0.32%	-0.75%
Transport and storage	0.09%	-1.04%	-0.25%	-1.00%	0.76%
Utilities	5.36%	4.77%	0.88%	-0.04%	4.80%
Wholesale and retail	-0.24%	-0.08%	0.87%	0.66%	-1.72%

Source: Experian Local Labour Market Forecasts September 2015/RBC analysis.

## Growth in the ICT/Cybersecurity sector

Table 14: Employment: Cyber-security proxy, concentration and growth per annum (2009-2013)					
Total employees in employment	2009	2010	2011	2012	2013
EM3	33,787	34,953	36,928	33,699	39,047
London LEP	114,026	135,055	145,880	127,509	144,935
BTVLEP	33,895	35,172	39,654	37,210	41,286
Runnymede	3,770	3,875	4,090	4,189	4,362
Great Britain	475,657	501,703	529,639	501,871	554,137
South East	119,857	126,305	139,314	128,424	144,569
Concentration (GB=1, Highest to lowest)*					
TVB LEP	4.1	3.9	4.2	4.2	4.2
Runnymede	4.0	3.7	3.7	4.0	4.1
Em3	2.5	2.4	2.4	2.3	2.5
Surrey	2.3	2.4	2.5	2.3	2.4
Hampshire	2.0	1.9	1.9	1.9	2.0
BTV LEP	1.7	1.7	1.9	1.7	1.8
South East	1.8	1.7	1.8	1.8	1.8
London LEP	1.5	1.7	1.7	1.5	1.5
Oxfordshire	1.3	1.2	1.3	1.2	1.3
C2C LEP	1.2	1.2	1.3	1.2	1.2
Great Britain	1.0	1.0	1.0	1.0	1.0

Source: Hampshire County Council

- 5.10 Cyber security has been identified as both a niche growth sector for Surrey and the EM3 LEP area. Runnymede has a particularly high concentration of cyber security employment, over four times the national average. This cluster of activity may be linked to the work carried out at Royal Holloway, University of London's (RHUL) Information Security Group. The relative employment concentration in this sector is increasing over time too, and whereas overall employment growth in Runnymede in 2013 was just 0.1%, it was 3.7% in the cyber security sector. Given that the UK cyber security market is currently worth £2.8bn and is forecast to be worth over £3.4bn by 2017, this cluster provides significant opportunities for Runnymede to achieve growth in this niche sector. The Enterprise Zone at Longcross Park could potentially offer an attractive new cluster opportunity.

### Innovation

- 5.11 The Borough benefits from the presence of the following institutions and businesses which are key features of innovation-driven competitiveness occurring with the Borough:
- Royal Holloway, University of London (RHUL) and research establishments;
  - A large base of international, leading edge technology-based companies; and
  - Significant Foreign Direct Investment (FDI).

## Royal Holloway, University of London and research establishments

- 5.12 Royal Holloway was the birthplace of information security as an academic discipline. It is a U.K Academic Centre of Excellence in Cyber Security Research, and is home to one of the largest and most established security groups in the world – ICT4D group. This group climbed to 7th place in a list of the world's top Science and Technology think tanks and is ranked 1st in the U.K<sup>7</sup>. It is estimated that between 60% and 70% of professionals working in the information security sector in 2014 are graduates of Royal Holloway<sup>8</sup>. The ICT4D group is active in both education and research and cooperates with both Government and industry. It also promotes the use of information technology in developing countries and represents a great resource for companies looking for opportunities.
- 5.13 As part of its campus development, Royal Holloway plans to build a new Regional Innovation Centre, which will include incubation space for up to 40 business start-ups.
- 5.14 The Borough is also home to the Animal and Plant Health Agency headquarters in New Haw (which includes the veterinary Investigation Centre), CABI's science centre at Egham, and the Procter and Gamble Technical Centre.
- 5.15 CABI is an international not-for-profit organisation which provides information and applies scientific expertise to solve problems in agriculture and the environment. Core areas of work include development and research projects, scientific publishing and microbial services, much of it for national government departments, in particular Defra and DfID. The science centre at Egham is home to the Microbial services team, whose work is supported by the genetic resource collection on site, which holds cultures of 28,000 living micro-organisms.

## A large base of international, leading edge technology-based companies

- 5.16 With the close proximity of the M25, M3 and M4 motorways plus Heathrow and Gatwick Airports, and direct access to London (by train), the links make Runnymede the sixth best destination for technology firms<sup>9</sup>. Of these top ten clusters four are located in the EM3 LEP area (highlighted in light blue in Table 15) with Runnymede ranked in 6th place.

Ranking	Region	Local Authority
1	South East	Wokingham
2	South East	Rushmoor
3	South East	Hart
4	South East	Slough
5	South East	Mole Valley
6	<b>South East</b>	<b>Runnymede</b>
7	South East	Windsor and Maidenhead
8	South East	Reading
9	South East	Woking
10	South East	West Berkshire

Source: KPMG Tech Monitor UK (2013)

<sup>7</sup> University of Pennsylvania/Wharton Business School's global think tank ranking. This is based on a survey of over 1,100 international experts evaluating a pool of over 6,500 think tanks from 182 countries.

<sup>8</sup> RHUL

<sup>9</sup> ['Understanding Tech clusters and tracking the UK Tech sector's outlook for employment and growth'](#), KPMG, October 2013

- 5.17 The presence of a tech cluster in Runnymede is important for the future growth prospects of the local economy, as the most recent [Tech Monitor Survey](#) produced for KPMG by Markit identified exception growth in the sector. It is a resilient sector that continues to grow in terms of investment and employment. Tech City UK's 2015 'Tech Nation' report shows that 56% of UK-based digital technology companies have seen their revenue rise in the last year, and 90% expect it to grow next year.

#### **Inward investment/tourism spend**

- 5.18 Inward investment has played a significant part in Runnymede's success as a business location, with a large number of national and international firms having located to the Borough during the last 15 years. In 2014/15 UKTI recorded three successes in the Borough resulting in 143 additional jobs, although the total number of additional jobs is likely to be higher.
- 5.19 In July 2015, Visit Britain published an analysis of the [Great Britain Tourism Survey](#) 2014. This report estimated that consumer spending on tourism in Surrey had an annual value of £176 million. The same report estimated that annual spend in Runnymede was at a level of approximately £18 million, with approximately £5 million of expenditure being generated from holidays, £6 million from visiting friends and relatives and £7 million from business tourism.

#### **Implications for the Economic Development Strategy**

- 5.20 The Borough's performance in relation to new business surviving two or three years could be enhanced and enterprise support should include measures to promote early enterprise growth. Runnymede has some strong industrial concentrations including ICT and digital media; one of four key sectors identified in the EM3 LEP Strategic Economic Plan (SEP). Runnymede's strategic location, international schools and other facilities make it a highly attractive location for foreign companies wishing to set up UK and global headquarters, and

large firms continue to find it an attractive place to locate. Inward investment activity is a key priority for the Strategy and supporting the growth aspirations of the many medium and large businesses, especially those in the fast growing tech sector will be crucial.



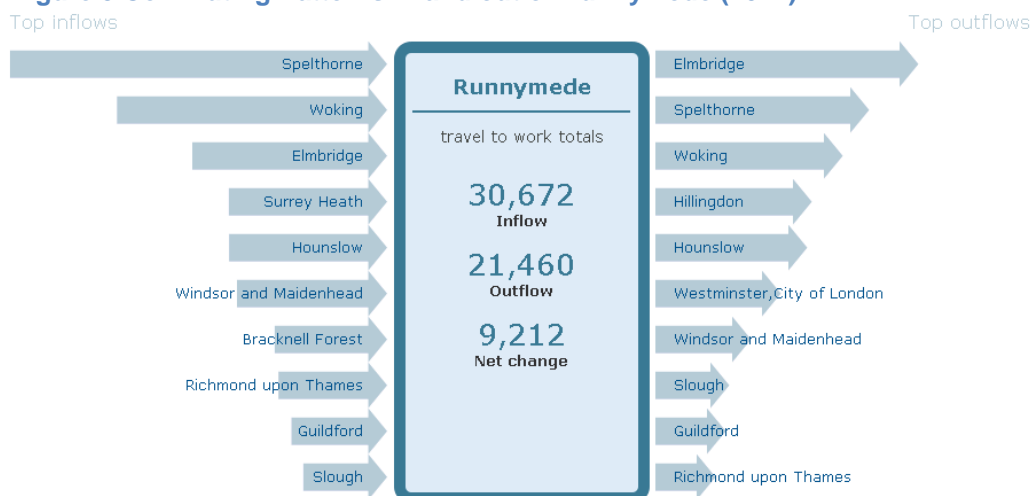
## CHAPTER 6: TRANSPORT AND INFRASTRUCTURE

Runnymede is strategically located at the junction of the M25 and M3 motorways, as well as being in close proximity to the M4. It has excellent road and rail connections to the capital and by road to Heathrow and Gatwick Airports. There is good access to the wider South East region by the motorway network and direct connections to London by rail. The South West is also easily accessible by motorway and rail. These factors combined make Runnymede a highly desirable location for both businesses and workers.

### Commuting patterns and functional labour market

- 6.1 Figure 9 highlights that significantly more people commute into the Borough to work than commute out. This overall net inflow of workers into the Borough has almost doubled since 2001 to over 9,200. The data also shows the importance of economic links between the neighbouring boroughs of Spelthorne, Elmbridge and Woking, and the importance of Heathrow as an employment centre for the Borough's residents, as well as highlighting the not insignificant numbers of residents working in Westminster and the City of London which is a viable commuting location.

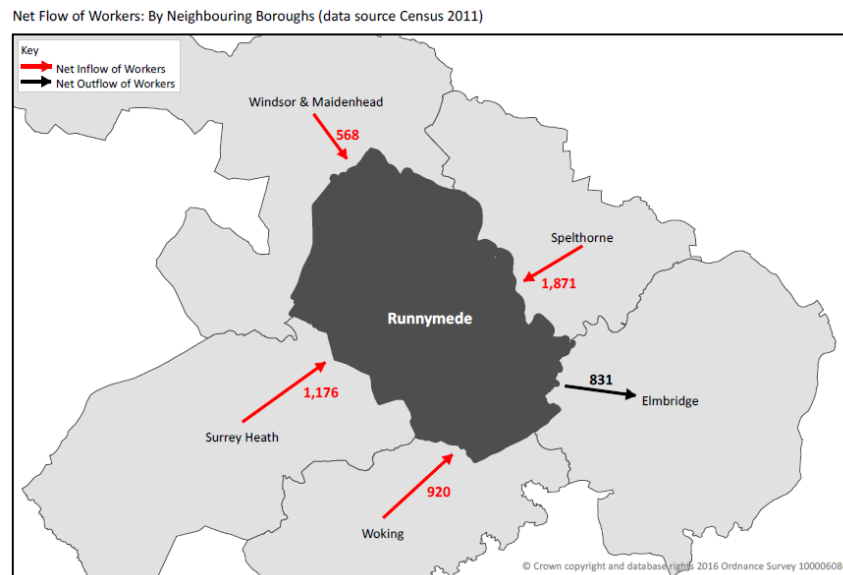
**Figure 9 Commuting Patterns in and out of Runnymede (2011)**



Source: 2011 Census origin and destination data ONS

- 6.2 Net inflows and outflows to and from Runnymede's neighbouring boroughs are shown in figure 10. The only net outflow is to Elmbridge, which has increased marginally since 2001. The largest net inflows are from Spelthorne and Surrey Heath; however the largest increase in net inflows between 2001 and 2011 has been from Woking.

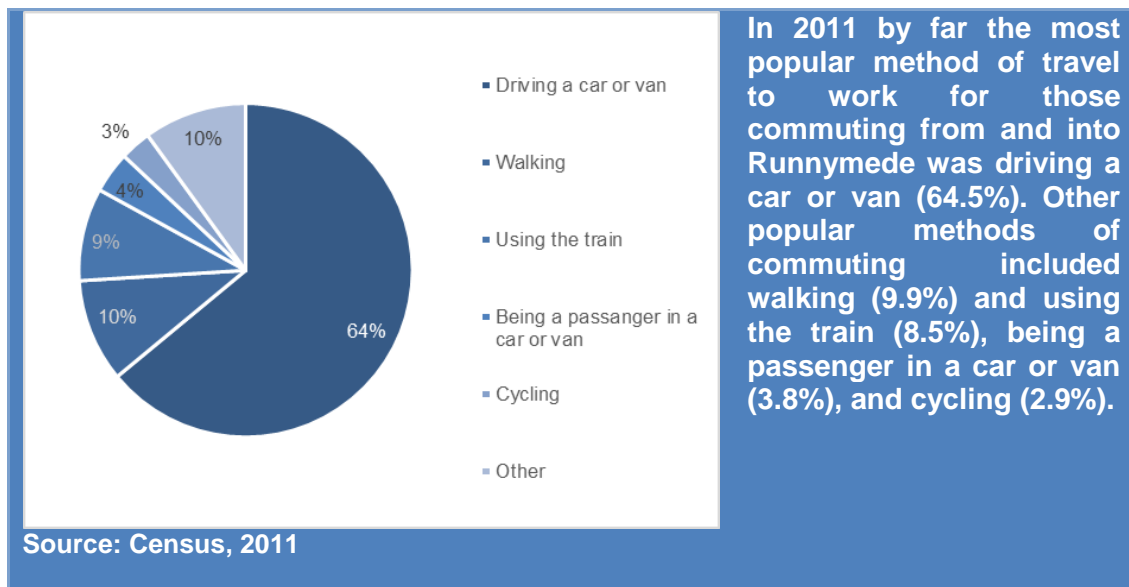
**Figure 10 Net flows of workers by neighbouring boroughs (2011)**



- 6.3 The self-containment rate of an area signals the proportion of working age residents working within it, as opposed to commuting elsewhere. In Runnymede, origin and destination data for 2011 indicates that the self-containment level for Runnymede continues to be generally low at 39% - a fall of 4% since 2001, reflecting the influence of London and density of the transport network.

### Method of travel to work

**Figure 11: Most popular travel to work mode for commuters to and from Runnymede**



- 6.4 Figure 6 in the Technical Annex shows the top inflows and outflows of people to and from Runnymede travelling by train, driving a car or van, by bicycle and on foot.

## Major strategic investments and place shaping

- 6.5 One of the four key goals in the Borough's 2012 Sustainable Community Strategy - Revitalisation sought '*to create a better place to live, with the local services that our citizens need and expect, in a borough that is fit for the 21<sup>st</sup> Century.*' To achieve this goal the Council has used its strategic property assets in the town centres and elsewhere to bring forward major regeneration projects, including the Addlestone One development. This strategic priority for the Council is supported in the 2016-2020 Corporate Business Plan, which has as one of its four themes 'enhancing our environment'. A key priority under this theme is to proactively seek opportunities for regeneration in the Borough to assist with place shaping and the enhancement of the built environment. The following initiatives have or are being undertaken:
- The Addlestone One scheme, due for completion at the end of 2017, will deliver a range of retail units, restaurants, a gym, cinema and over 200 apartments. Further phases of regeneration in the town are being explored, and the Council is also working in conjunction with Surrey County Council and the EM3 LEP to bring forward highway improvements in the town.
  - A major renewal scheme was completed in Chertsey at the end of the 1990's between the station and the main shopping area. This was successful in attracting a number of major companies to locate/remain in the town. In 2014, a masterplan for the town was produced jointly for Runnymede Borough Council and Surrey County Council to stimulate further private sector development. Since publication of the masterplan a number of international companies have located in empty offices within the town centre, several older commercial properties have been refurbished or converted to provide residential units and a major food retailer has been granted planning permission to locate in the town.
  - In October 2015, the Council launched a procurement exercise to select a private sector partner to enter a development agreement with the Council to deliver a development programme of new or improved facilities in the Borough. This major regeneration programme known as 'Runnymede Regeneration' includes sites throughout the Borough, including the 'Egham Gateway' site, in the Station Road North area of Egham Town Centre, and Egham leisure centre.
  - In addition to the above proposals, Royal Holloway, University of London, located a short distance from the town is also undertaking major redevelopment to its campus.

## Transport proposals

- 6.6 Major highway improvements are due to start in 2015 at Runnymede roundabout, and along the Causeway through implementation of the Egham Sustainable package. Surrey County Council is completing a Transport Impact Assessment for the Borough which considers the resilience of the highway network and the impact of development proposals coming forward in the emerging Local Plan. This assessment, together with evidence in the Surrey Infrastructure study and other relevant infrastructure strategies, will inform the Runnymede Infrastructure Delivery Plan which will set out infrastructure requirements for the Borough. This plan is due to be completed in the autumn.

### Implications for the Economic Development Strategy

- 6.7 The quality of the built environment, facilities and services in a location has a significant effect on the quality of life of residents and the attractiveness of a location to business. Continued investment by the public and private sectors, particularly within the Borough's town centres will be critical to encouraging future economic growth and prosperity. The Council will continue to use its strategic property assets in the town centers and elsewhere to bring forward major regeneration projects.
- 6.8 One of the effects of a strategically located borough with a strong density of job opportunities is a large two way flow of commuters. Rail connections to London, road connections to Heathrow and road and rail connections to neighbouring boroughs are important – it is encouraging that 10% of commuters use the train, (9%) walk and (3%) cycle. Continued investment in these modes will clearly have a number of benefits if the Borough is to retain its high quality of life and remain a location of choice for employers.

## CHAPTER 7: EMPLOYMENT LAND AND PROPERTY

The main centres of economic activity and employment within the Borough are Addlestone, Chertsey and Egham town centres. There are also a series of suburban office parks and industrial estates<sup>1</sup>, major public employment sites within the Green Belt<sup>1</sup>, and smaller office and industrial locations scattered across the rest of the Borough.

### Employment Land

- 7.1 In November 2015 there was approximately 631,100m<sup>2</sup> of commercial floor space in Runnymede, approximately 81,287m<sup>2</sup> (13%) of which was reported vacant. Table 16 shows that the bulk (58%) of employment floor space in the Borough is in office use.

Table 16: Total employment floor area in Runnymede (November 2015)	
Use class	Total floor area (m <sup>2</sup> )
B1a/b (office)	367,454
B1c/B2 (industrial)	85,785
B8 (warehousing)	177,883
Total	631,122m <sup>2</sup>

Source: RBC/NLP ELR 2015

- 7.2 Table 17 shows the total amount of office, industrial and B use floor space for all the authorities in the sub-region in 2012. The data shows that Runnymede had the fourth lowest total B use floor space of the 14 EM3 LEP authorities and fifth lowest total B use floor space in Surrey. However, the Borough had the fourth highest concentration of B use floor space per hectare in the EM3 LEP area and third highest concentration of B use floor space per hectare in Surrey. Of particular significance is the former Defence Evaluation and Research Agency (DERA) site at Longcross Park on the western side of Runnymede extending into Surrey Heath. This site covers some 125 hectares split into two parts (north and south) and is dissected by the M3 motorway. The majority of the existing commercial development at the site is on the northern part of the site. On the basis of the extant planning consents, this site has the potential to become a high profile employment site if either consent is implemented with all floor space in one of the consents being built out and occupied. The proposals could provide the space for over 5,259 jobs.

**Table 17: Total B use floorspace in the authorities within the sub-region in 2012**

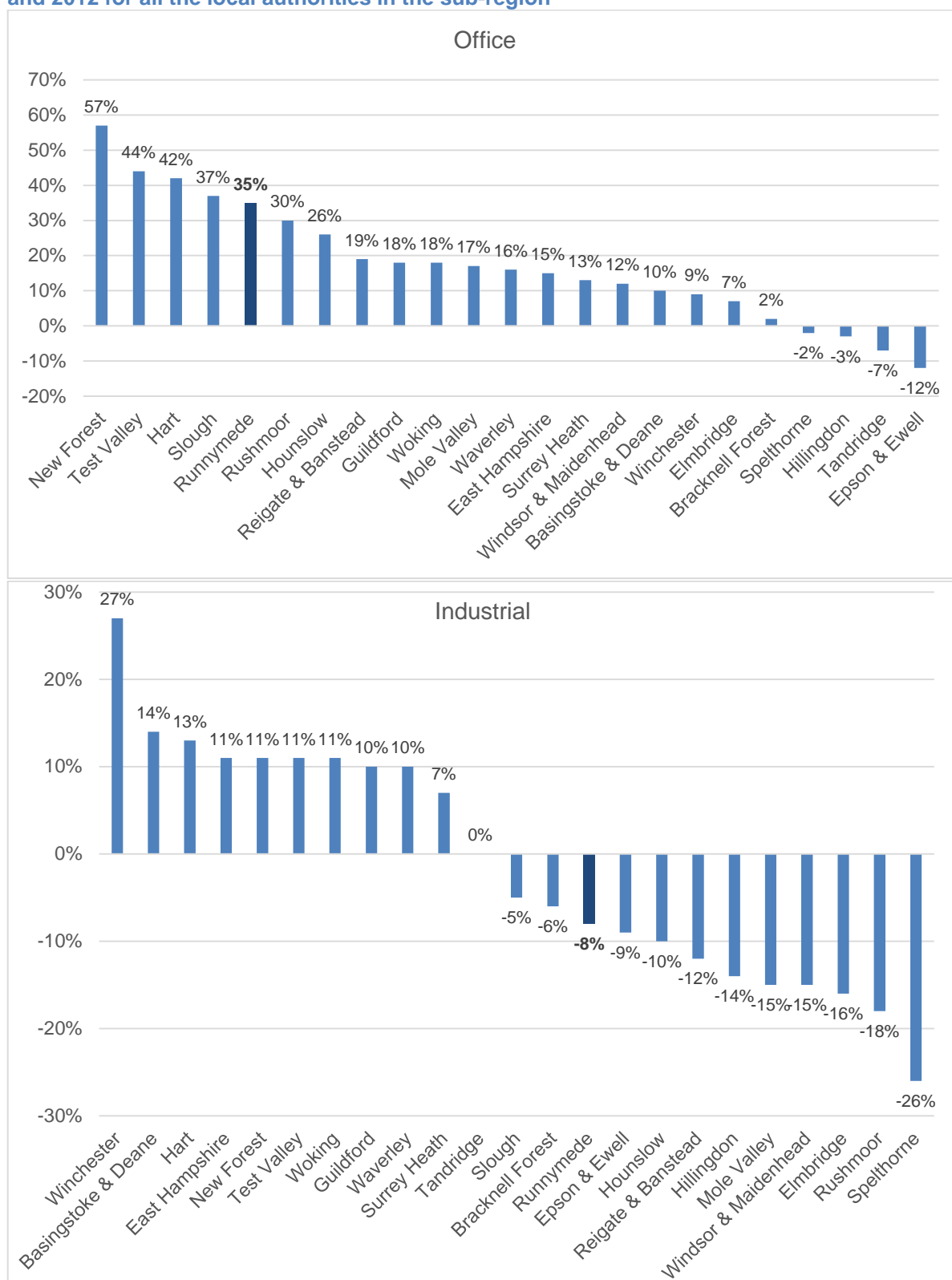
Authority	Total office floorspace sq.m	Total industrial floorspace sq.m	Total B use floorspace sq.m	B use floorspace per hectare	Rank by B use floorspace per hectare
<b>EM3 LEP Authorities</b>					
Rushmoor	305,000	314,000	619,000	184	4
Spelthorne	153,000	313,000	466,000	104	5
Woking	245,000	323,000	568,000	89	6
Runnymede	291,000	224,000	515,000	66	8
Elmbridge	267,000	335,000	602,000	63	9
Surrey Heath	205,000	323,000	528,000	56	10
Guildford	323,000	373,000	696,000	26	14
Basingstoke & Deane	515,000	980,000	1,495,000	24	15
Hart	210,000	155,000	365,000	17	17
New Forest	113,000	604,000	717,000	16	18
Waverley	152,000	268,000	420,000	12	19
Winchester	285,000	444,000	729,000	11	20
East Hampshire	94,000	467,000	561,000	11	22
Test Valley	186,000	1,072,000	1,258,000	10	23
<b>Other Surrey LAs</b>					
Epsom & Ewell	95,000	86,000	181,000	53	11
Reigate & Banstead	311,000	295,000	606,000	47	12
Mole Valley	269,000	199,000	468,000	18	16
Tandridge	70,000	202,000	272,000	11	20
<b>Other nearby LAs</b>					
Hounslow	756,000	1,163,000	1,919,000	475	1
Slough	503,000	1,042,000	1,545,000	475	1
Hillingdon	664,000	1,080,000	1,744,000	343	3
Bracknell Forest	417,000	345,000	762,000	70	7
Windsor & Maidenhead	430,000	313,000	743,000	38	13

*Source: VOA 2012 (last year comprehensive data on commercial floor space at local authority level was produced)*

- 7.3 Figures 11 and 12 show the percentage change in employment floor space between 2000 and 2012. The data highlights the considerable growth in office floor space which has occurred in Runnymede during this period - the highest percentage increase in Surrey and fourth highest percentage increase in the EM3 LEP area at 35%. It also shows the decline in industrial space that has occurred (8%), although this has not been as great as that experienced by some other authorities.



Figures 11 and 12: Percentage change in office and industrial floor space between 2000 and 2012 for all the local authorities in the sub-region



Source: VOA, 2012

## Local property markets

- 7.4 Runnymede forms part of a wider M25 commercial property market, and in particular the south-west M25 quadrant which is characterised by its strong links with nearby Heathrow Airport to the east of the M25 and Thames Valley to the west. This accessibility, alongside quality of life factors and a skilled local workforce, make it an attractive business location. As a consequence of this, the Borough has a relatively large office market which has seen significant growth in recent years.
- 7.5 This wider M25/Thames Valley market comprises some significant employment centres including Staines-upon-Thames, Heathrow, Weybridge, Uxbridge and Slough and represents one of the most active and in-demand corridors of the M25. Within this wider area, local commercial property agents described the presence of two distinct sub-market areas of relevance to Runnymede: the North and the South.
- 7.6 The northern parts of the Borough in and around Egham are generally more popular for larger office occupiers due to easier access to Junction 13 of the M25, better train links to London and proximity to Staines-upon-Thames, the largest conurbation in the area. Occupiers seeking commercial property in this area will also tend to consider Staines-upon-Thames, Slough and Windsor and locations near to Heathrow. Meanwhile, Chertsey and Addlestone to the south of the Borough tend to compete with the nearby centre of Weybridge and the Brooklands business area in particular. Tables 17 and 18 highlights how industrial and office rents in Runnymede compare with others nearby.

Tables 17: Industrial Rents in Runnymede and Comparator Centres				
Location	Prime/Grade A		Secondary/Grade B	
	Industrial Rent/ft <sup>2</sup>	Rank	Industrial Rent/ft <sup>2</sup>	Rank
Brooklands	£14.00	1	£12.00	1
Heathrow	£13.75	2	£10.00	3
Uxbridge/Stockleigh Park	£12.00	3	£11.00	2
Staines-upon-Thames	£12.00	3	£10.00	3
Egham	£12.00	3	£10.00	3
Leatherhead	£12.00	3	£8.50	8
Weybridge	£11.50	7	£9.50	8
Slough	£11.50	7	£9.00	8
M Maidenhead	£10.75	9	£8.00	11
Addlestone	£10.00	10	£10.00	3
High Wycombe	£10.00	10	£8.00	11
Woking	£10.00	10	£7.50	13
Chertsey	£10.00	10	£7.50	13
Windsor	£8.50	14	£8.50	9
Bracknell	£8.50	15	£6.50	15

Tables 18: Office Rents in Runnymede and Comparator Centres				
Location	Prime/Grade A		Secondary/Grade B	
	Office Rent/ ft <sup>2</sup>	Rank	Office Rent/ ft <sup>2</sup>	Rank
Maidenhead	£35.00	1	£26.00	2
Heathrow	£35.00	1	£16.00	11
Staines-upon-Thames	£34.00	3	£27.00	1
Uxbridge/Stockleigh Park	£34.00	3	n/a	n/a
Weybridge	£34.00	3	£22.50	4
Windsor	£32.50	6	£24.00	3
Brooklands	£32.00	7	n/a	n/a
Egham	£30.00	8	£17.50	8
Addlestone	£30.00	8	£16.00	11
Chertsey	£30.00	8	£16.00	11
Woking	£28.00	11	£20.00	5
Leatherhead	£28.00	11	£20.00	5
Slough	£27.00	13	£17.00	9
Bracknell	£22.50	14	£18.00	7
High Wycombe	£22.50	14	£17.00	9

Source: Colliers International Rent Map 2015 / Knight Frank, M25 Offices: Investment, Development & Occupier Markets Q3 2015 / EGi Property Link / Discussions with local commercial property agents

### Implications for the Economic Development Strategy

- 7.7 There has been considerable growth in office floor space of over a third (35%) between 2000 and 2012, one of the fastest growth rates locally. Runnymede forms part of a wider commercial property market in the south-west M25 quadrant which is characterised by its strong links with nearby Heathrow Airport to the east of the M25 and Thames Valley to the west. This 'south-western wedge' is a very dynamic economy offering the ingredients - accessibility, quality of life factors and a skilled local workforce - of an attractive business location for high-value, knowledge intensive activities.
- 7.8 It is important the Strategy is able to ensure the Borough's new and existing businesses are able thrive, innovate and continue to be productive within the context of the 'south-western wedge'. This will require investment in infrastructure, skills and transport, as well as in the main town centres of Addlestone, Chertsey and Egham, and the key suburban office parks and industrial estates. The Longcross Park site<sup>10</sup> now has Enterprise Zone status and the potential to become a significant employment site of over 5,000 jobs. Ensuring these ambitious plans are realised is a key priority for the Borough and the EM3 area.

<sup>10</sup> Formerly known as the DERA site

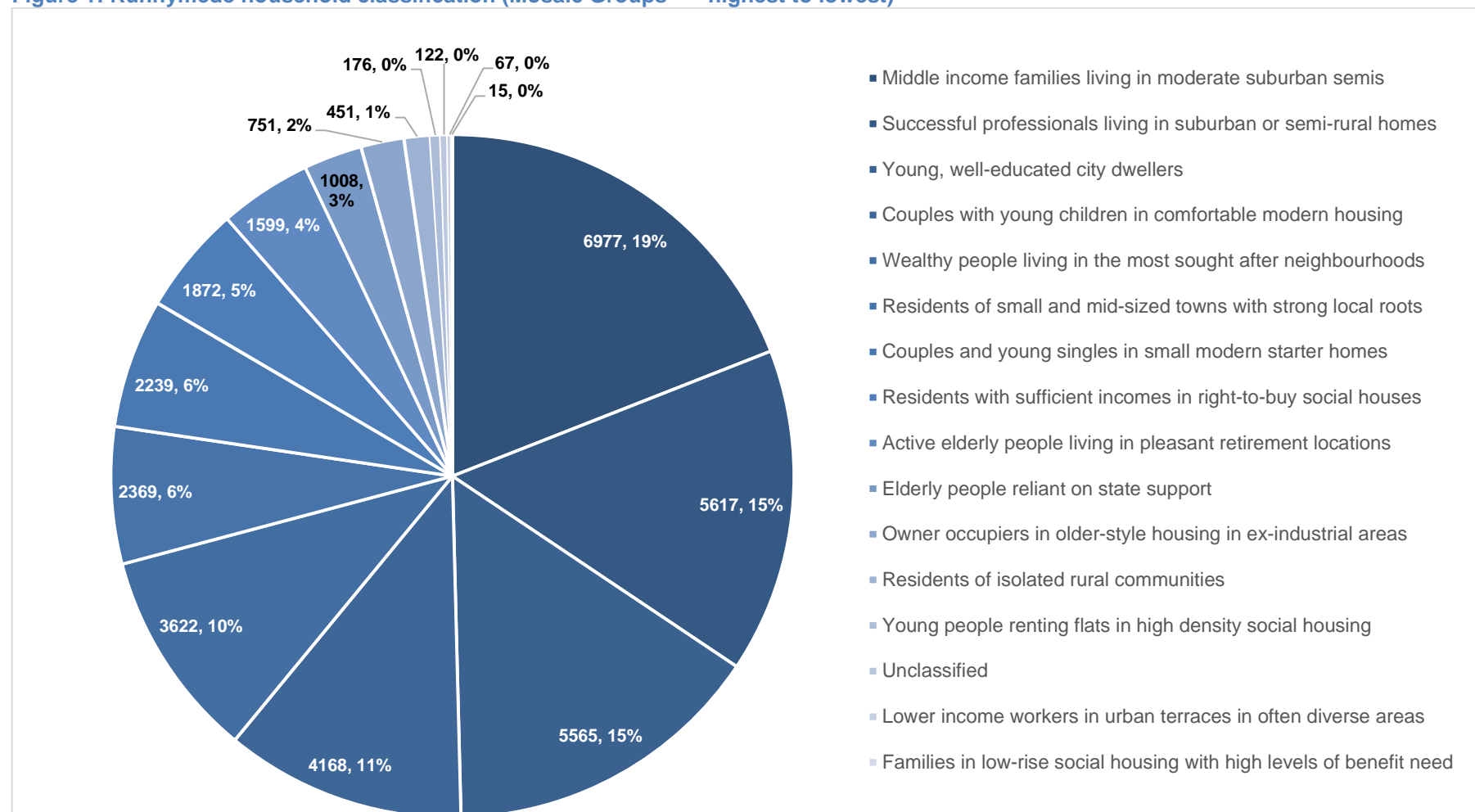
## Technical Annex

Table 1: Population change 2001-2011 and population density in the sub-region

Authority	2001 persons	2011 persons	% change	2011 population density
<b>LEP Authorities</b>				
Basingstoke & Deane	152,573	167,799	10.0	2.6
East Hampshire	109,274	115,608	5.8	2.2
Hart	83,505	91,033	9.0	4.2
New Forest	169,331	176,462	4.2	2.3
Rushmoor	90,987	93,807	3.1	24
Test Valley	109,801	116,398	6.0	1.9
Winchester	107,222	116,595	8.7	1.8
Elmbridge	121,936	130,875	7.3	13.8
Guildford	129,695	137,183	5.8	5.1
Runnymede	78,033	80,510	3.2	10.3
Spelthorne	90,390	95,598	5.8	21.3
Surrey Heath	80,314	86,144	7.3	9.1
Waverley	115,667	121,572	5.1	3.5
Woking	89,854	99,198	10.4	15.6
<b>Other Surrey Authorities</b>				
Epsom and Ewell	67,059	75,102	12.0	22
Mole Valley	80,285	85,375	6.3	3.3
Reigate and Banstead	126,525	137,835	8.9	10.7
Tandridge	76,268	82,998	8.8	3.3
<b>Other neighbouring authorities</b>				
Bracknell Forest UA	109,617	113,205	3.3	10.3
Slough UA	119,067	140,205	17.8	43.1
Windsor & Maidenhead	133,626	144,560	8.2	7.4
<b>Surrey</b>	1,059,015	1,132,390	6.9	6.8
<b>South East</b>	8,000,645	8,634,750	7.9	4.5
<b>England</b>	49,138,831	53,012,456	7.9	4.1

Source ONS Census 2001 & 11 usually resident population

Figure 1: Runnymede household classification (Mosaic Groups<sup>11</sup> – highest to lowest)



Source: Experian's 'Mosaic Public Sector'

<sup>11</sup> Data is from Experian's 'Mosaic Public Sector', a UK classification designed for use by the public sector focusing on the needs of citizens. It provides an understanding of each citizen's location, their demographics, lifestyles and behaviours.

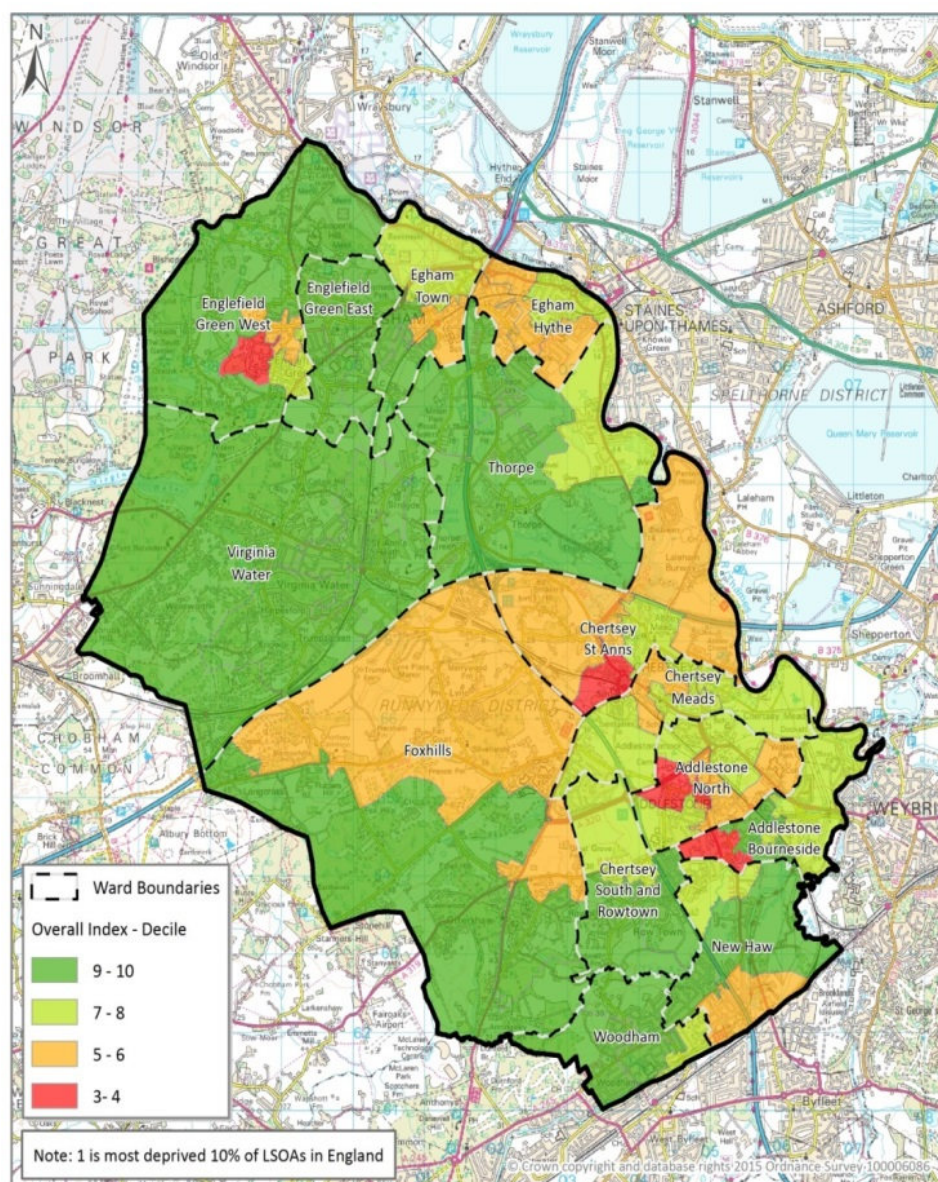
**Table 2: Indices of Multiple Deprivation across the sub-region (2015)**

	Rank of Average Rank	IMD	Income	Employment	Education	Health	Crime	Barriers	Living
<b>EM3 LEP Authorities</b>	Basingstoke & Deane	275	275	275	222	226	226	149	317
	East Hampshire	308	301	300	298	295	288	135	302
	Hart	326	325	325	319	324	298	218	325
	New Forest	257	253	235	214	256	206	126	251
	Rushmoor	205	198	242	111	148	126	177	279
	Test Valley	286	290	291	258	288	253	101	284
	Winchester	307	306	301	312	299	286	110	276
	Elmbridge	322	314	319	317	315	234	282	195
	Guildford	304	308	308	284	304	221	174	215
	Runnymede	280	289	307	234	282	243	53	146
	Spelthorne	233	234	261	132	249	132	189	130
	Surrey Heath	320	321	317	296	303	265	148	319
	Waverley	323	316	312	313	302	301	247	307
	Woking	301	287	293	287	272	213	210	220
<b>Other Surrey Authorities</b>	Epsom and Ewell	313	311	309	310	307	201	202	198
	Mole Valley	305	317	305	306	301	294	132	191
	Reigate and Banstead	292	279	286	267	285	181	137	267
	Tandridge	284	283	276	249	278	108	183	256
<b>Other neighboring authorities</b>	Bracknell Forest	287	267	284	219	268	249	78	326
	Hillingdon	153	120	193	185	175	44	86	165
	Hounslow	86	86	175	224	161	28	7	57
	Slough UA	79	66	139	116	141	14	30	77
	Windsor & Maidenhead	306	300	306	308	311	152	235	244

Source: IMD 2015 (based on 2012/13 data). 1 most deprived – 326 least deprived. Population weighted average of the combined ranks for the LSOAs in a larger area.

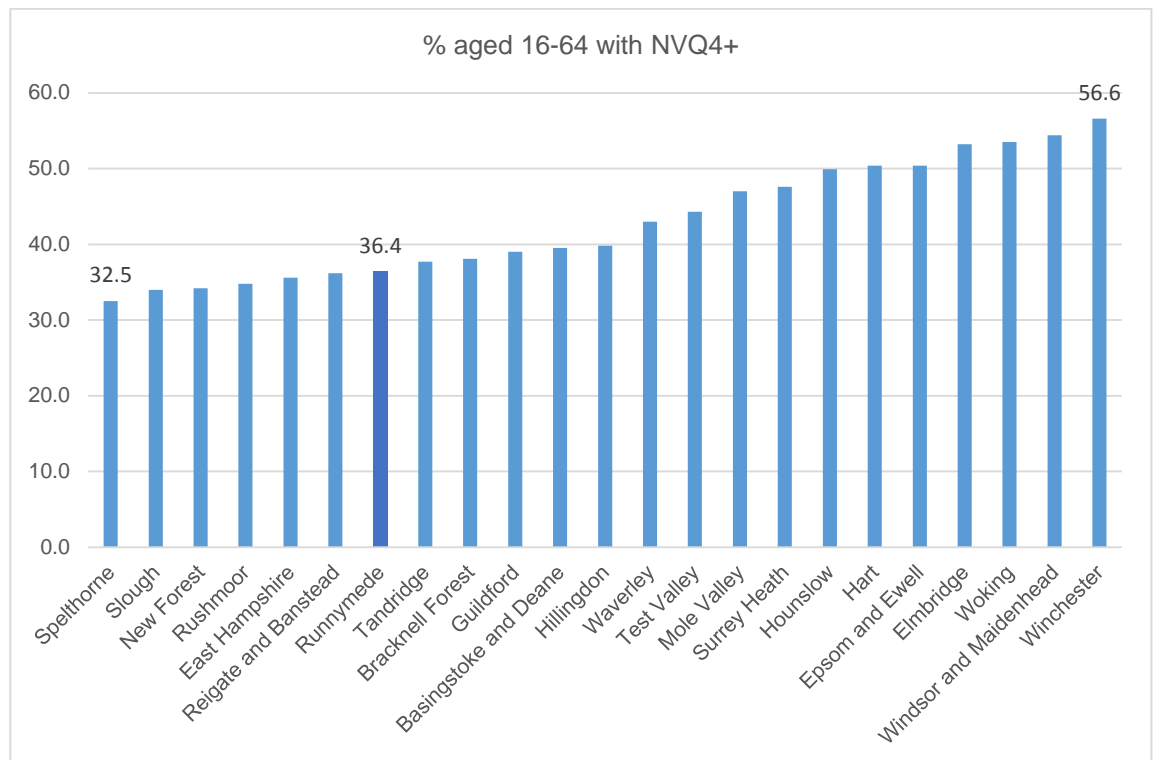


Figure 2: Ward level of deprivation in Runnymede



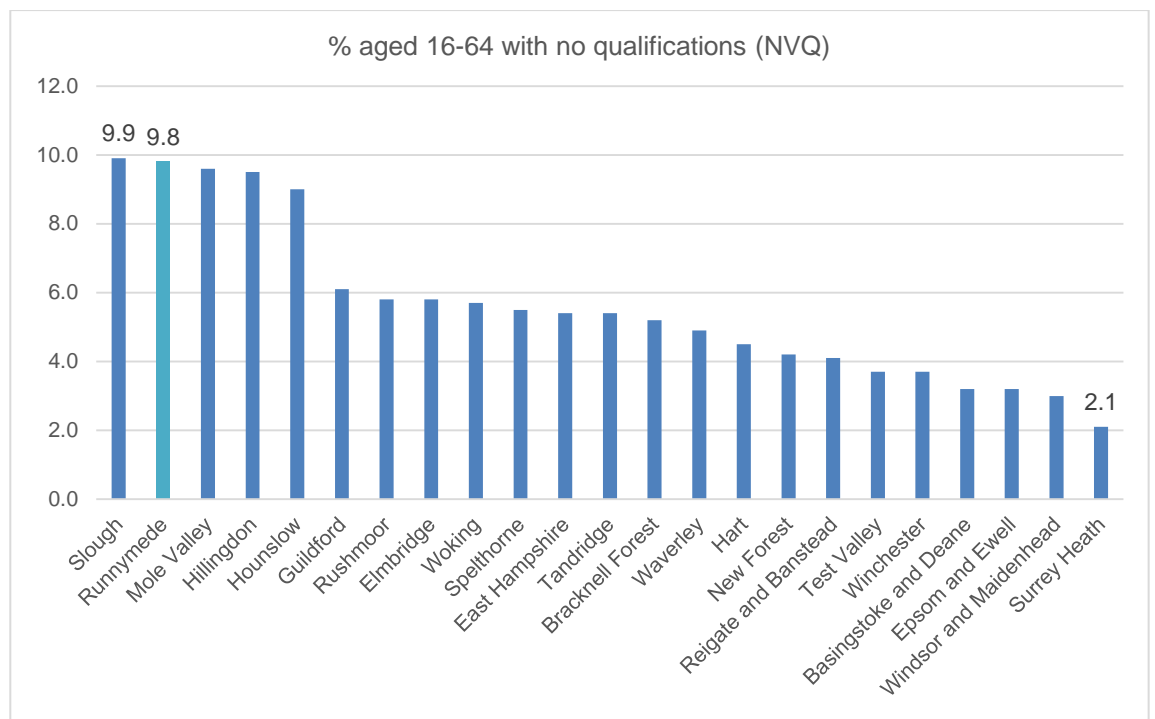
Source: IMD

**Figure 3: Percentage of those aged 16-64 with NVQ4+**



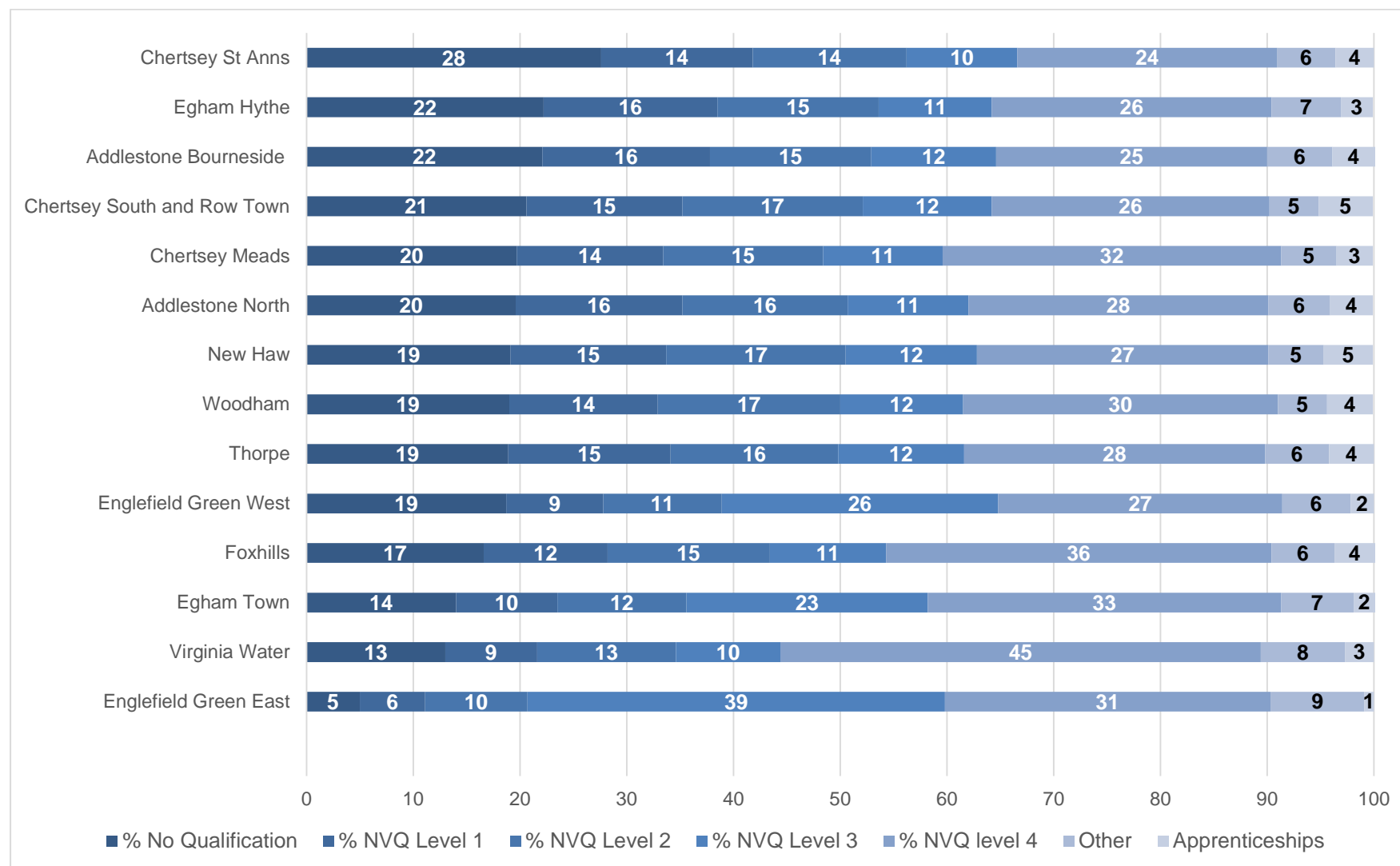
Source: ONS Annual Population Survey (January 2014 to December 2014)

**Figure 4: Percentage of those aged 16-64 with no qualifications**



Source: ONS Annual Population Survey (January 2014 to December 2014)

**Figure 5: Highest level of qualification by ward**



ONS: All usual residents aged 16+

Table 3: % Students achieving 5 GCSE (or equivalent) Grades A*-C				
	2011	2012	2013	2014
Fullbrook School	66%	69%	78%	72%
Jubilee High School	na	na	na	54%
Salesian School	87%	86%	83%	80%
The Magna Carta School	64%	52%	60%	67%
Surrey average	na	na	na	63.5%
England average	na	na	na	53.4%

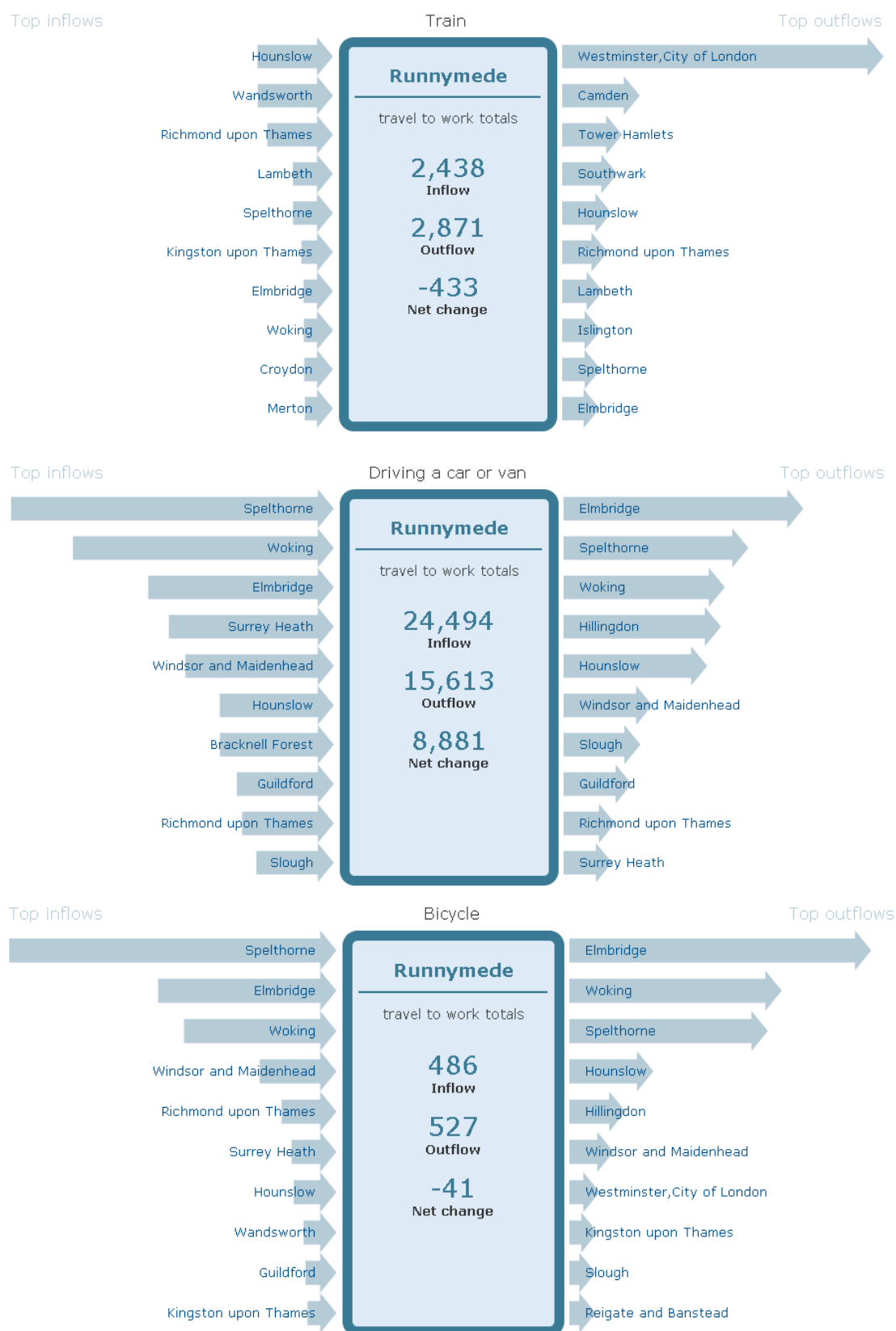
Source: DfE

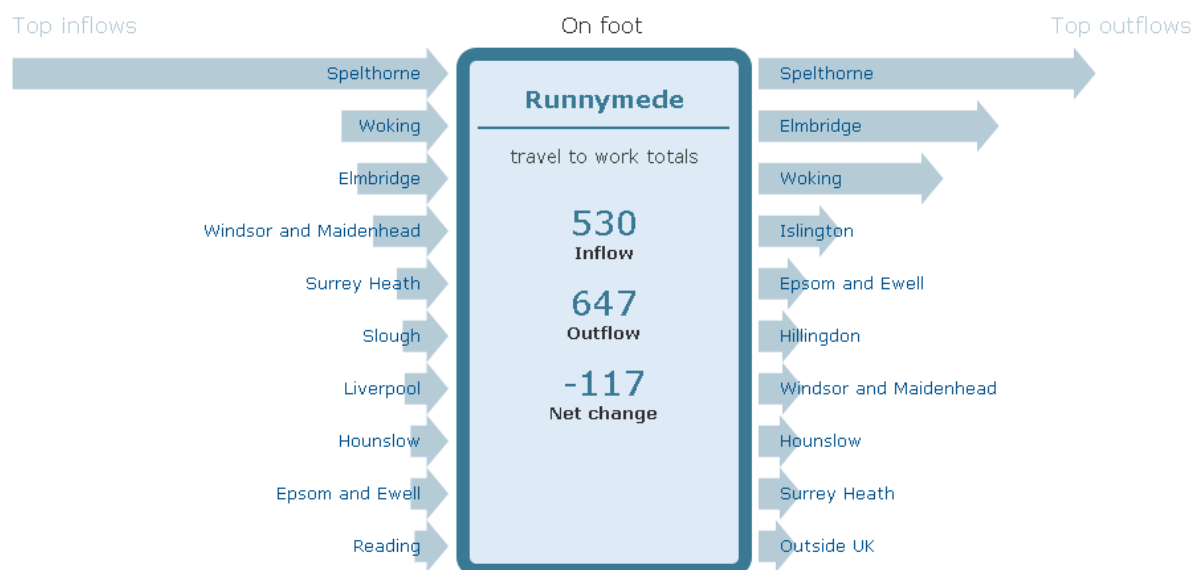
Table 4: Median Earning Residents		
Sub-Region	Median Residents Earnings	Rank
Elmbridge	£744	1
Hart	£708	2
Windsor & Maidenhead	£695	3
Waverley	£690	4
Spelthorne	£658	5
Surrey Heath	£654	6
Epson & Ewell	£652	7
Winchester	£648	8
Guildford	£646	9
Tandridge	£637	10
Reigate & Banstead	£635	11
Basingstoke & Deane	£623	12
Woking	£615	13
Hillingdon	£606	14
Test Valley	£603	15
<b>Runnymede</b>	<b>£598</b>	<b>16</b>
Mole Valley	£598	17
Bracknell Forest UA	£586	18
East Hampshire	£579	19
Hounslow	£566	20
Slough UA	£540	21
New Forest	£537	22
Rushmoor	£518	23

Source: ONS Annual Survey of Hours and Earnings – Resident Analysis (2015).

Note: Median earnings in pounds for employees living in the area.

**Figure 6 Top inflows and outflows by train, driving a car or van, by bicycle and on foot.**





Source: Census, 2011



# Runnymede Borough Council



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**Runnymede**  
BOROUGH COUNCIL

