



Smart Growth Analytics

economic research and intelligence consultancy

Professionals working at home is now a significant economic driver of the UK economy (and all local areas within the economy)

The Smart Growth Analytics 2020 White Paper, *'Home Office Professionals - the 'invisible' co-working business resource'*, demonstrates the significant and growing economic importance of home professionals across the country.

Professionals who work from home, whether business owners, self-employed or employees, are highly competitive, productive and sustainable workers and make an estimated GVA economic output contribution in excess of £100 billion per annum to the national economy of England. This represents some 6.2% of national GVA output with just 4.4%, 1.3 million, of its workers. Recent rapid growth in the numbers of these workers, combined with expected growth for the foreseeable future, suggests that the significance and importance of their contribution to the economy is also growing.

This White Paper develops and analyses this national trend and its importance for sustainable, economic development. The top cluster locations of 'Home Office Professional hotspots' (HOPspots) across England are identified and the symbiotic relationship between Home Office Professionals and local co-working space is explored, together with virtual co-working.

Key findings are as follows:

- Across England, there are currently over 1.3 million professionals working predominantly at home during the working week, equivalent to 4.4% of all those in employment work in home offices
- Home offices are an important feature of all sub-regional economies, with new homes increasingly incorporating dedicated office facilities
- Home professional volumes in England grew by 45% from 2001 to 2019 compared to 19% growth in all workers
- Growth in home professional working has been strong in all local economies, though growth in some has been particularly strong
- Employers in prime city centre rental areas can save in excess of £6k per annum per employee that switches to the home office
- The top three Local Enterprise Partnership areas (LEPs) with the highest geographic concentrations of home professionals are London, Black Country and Greater Manchester
- In some local areas of the economy home professionals now account for more than 1 in 10 workers
- Surrey is arguably the nation's top HOPspot with 41,000 home professionals, accounting for a staggering 7% of all resident workers

The table below has been extracted from the main White Paper. It shows the 'Top 30' Upper Tier Local Authorities in terms of their absolute volumes of home professionals. As well as these volumes, also included in the table are their respective '% of home professionals as a proportion of total resident employment' and their respective 'volume of home professionals per hectare'.

The top 30 Local Authority HOPspots in England by Key Measures, 2019			
Local Authority Area	by volume of HOPs	by HOPs as % of total resident employment	by volume of HOPs per hectare
Surrey	41,000	6.7%	0.2
Hampshire	37,000	5.3%	0.1
Kent	35,000	4.6%	0.1
Hertfordshire	33,000	5.4%	0.2
Essex	30,000	4.2%	0.1
West Sussex	23,000	5.4%	0.1
Oxfordshire	23,000	6.5%	0.1
Devon	21,000	5.6%	0.0
Lancashire	20,000	3.5%	0.1
Buckinghamshire	19,000	6.9%	0.1
Cambridgeshire	19,000	5.6%	0.1
Gloucestershire	18,000	5.5%	0.1
Norfolk	17,000	4.1%	0.0
Suffolk	17,000	4.6%	0.0
North Yorkshire	16,000	5.3%	0.0
Northamptonshire	16,000	4.2%	0.1
Staffordshire	16,000	3.8%	0.1
East Sussex	16,000	6.2%	0.1
Wiltshire	16,000	6.2%	0.0
Nottinghamshire	15,000	3.8%	0.1
Leicestershire	15,000	4.3%	0.1
Birmingham	15,000	3.3%	0.6
Worcestershire	15,000	5.0%	0.1
Derbyshire	15,000	3.8%	0.1
Somerset	14,000	5.2%	0.0
Warwickshire	14,000	5.0%	0.1
Leeds	14,000	3.6%	0.2
Cornwall	14,000	5.1%	0.0
Lincolnshire	13,000	3.7%	0.0
Camden	13,000	9.7%	6.0
England	1,195,000	4.4%	0.1

Local Authorities are listed highest by 'volume of HOPs' at the top to lowest at bottom

Source: Smart Growth Analytics Ltd estimates based on analysis of data from the Office for National Statistics

Jim Plunkett-Cole, Principal Analyst at Smart Growth Analytics, commented:

“The findings demonstrate the significant and rapidly growing economic importance of home offices in regional economies across the Country.

The findings will be of interest to regional and local planners and developers of urban and rural residential areas who are considering the potential to support existing Home Office Professionals and attract new ones, for example through specifying dwellings with purpose-built home office facilities or commercial flexible working and co-working space. This will also be particularly relevant to the regeneration of town centres and to the design of premium locations such as waterfront developments and urban and garden villages, which are highly attractive to Home Office Professionals.

They provide strong supportive evidence of a need for home office support to maximise their economic contribution.”

For further information and to receive a copy of the full report:

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Notes for editors:

Smart Growth Analytics Ltd is a unique economic research and intelligence consultancy that specialises in the provision of ground-breaking local area information concerning enterprise and entrepreneurship.

The data used in this report has been extracted from Smart Growth Analytics' Home Professional Dataset which has in turn been extracted from Smart Growth Analytics' knowledge-base of local area data and analysis covering enterprise and entrepreneurship in the UK. The data, analysis and other information shown in this report are estimates and should not be taken as a statement of fact. All data shown are estimates derived through synthesis and modelling, carried out by Smart Growth Analytics in early 2020, of the latest national statistical information available from the Office for National Statistics.

The Local Authority data shown here refers to the 152 Principal Local Authorities in England. They have been prepared with informed professionalism in the subject area, drawing upon the best available information, and are provided in good faith. Smart Growth Analytics reserves the right to alter the underpinning methodology for this data and analysis, or to edit or withdraw the work entirely as it sees fit. Any personal or commercial use of this information is entirely the risk, and solely the responsibility of, the person or persons using the information.

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