

Statistical bulletin

# Regional economic activity by gross domestic product, UK: 1998 to 2020

Annual estimates of economic activity by UK country, region and local area using gross domestic product (GDP). Estimates are available in current market prices and in chained volume measures and include a full industry breakdown of balanced regional gross value added (GVA(B)).



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# 1 . Main points

- In 2020, real gross domestic product (GDP) for the UK is estimated to have decreased by 9.7%; all International Territorial Levels (ITL) 1 regions reported negative growth over the year, on account of the widespread economic impact of the coronavirus (COVID-19) pandemic.
- Of the ITL1 regions, London witnessed the smallest decline in real GDP in 2020 at negative 9.9%; the largest decrease was seen in the North East at negative 12.0%.
- At the ITL1 level, in 2020, London had the highest GDP per head in current market prices at £55,974, while the North East had the lowest GDP per head at £23,109.
- Of the ITL3 regions, Camden and City of London showed the smallest decrease in real GDP in 2020 at negative 4.2%, while the largest decrease was registered in Luton at negative 21.5%.
- At the ITL3 level, in 2020, Camden and City of London had the highest GDP per head in current market prices at £410,912, while Ards and North Down had the lowest GDP per head at £15,939; both extremes are highly affected by commuting flows.

We have now adopted the new UK classification of [International Territorial Levels \(ITL\)](#) in place of the Nomenclature of Units for Territorial Statistics (NUTS) classification. This transition has not changed the names of regions, or the areas covered by them; it is simply a change to the codes used (for example, UKC1 is now TLC1).

## 2 . Gross domestic product by UK country and region

## Summary

UK gross domestic product (GDP), in chained volume measures, was estimated to have decreased by 9.7% in 2020. This decrease was mainly the result of the coronavirus (COVID-19) pandemic, causing widespread business closures and restrictions on consumers' mobility. Government interventions in the form of subsidies, to provide assistance to both businesses and consumers, have a negative impact on GDP.

Of the four countries in the UK, Northern Ireland showed the smallest decrease in real GDP in 2020 at negative 10.5% (Table 1). England and Scotland reported the same decrease at negative 10.7%. Wales saw the largest decline in real GDP of negative 11.2% between 2019 and 2020.

Table 1: Summary of gross domestic product statistics for selected countries and regions, 2020

	Population <sup>3</sup>	Total GDP (pounds million)	GDP per head (pounds) <sup>1</sup>	Annual growth in 'real' GDP (percentage)	Annual growth in 'real' GDP per head (percentage)
<b>UK</b>	67,081,234	2,156,073	31,972	-9.7	-10.8
<b>England</b>	56,550,138	1,858,595	32,866	-10.7	-11.1
<b>North East</b>	2,680,763	61,951	23,109	-12.0	-12.3
<b>North West</b>	7,367,455	208,183	28,257	-10.9	-11.2
<b>Yorkshire and The Humber</b>	5,526,350	142,008	25,696	-11.1	-11.5
<b>East Midlands</b>	4,865,583	126,289	25,956	-10.5	-11.1
<b>West Midlands</b>	5,961,929	156,685	26,281	-11.6	-12.0
<b>East of England</b>	6,269,161	182,910	29,176	-11.0	-11.5
<b>London</b>	9,002,488	503,904	55,974	-9.9	-10.3
<b>South East</b>	9,217,265	318,142	34,516	-10.3	-10.7
<b>South West</b>	5,659,143	158,524	28,012	-11.2	-11.8
<b>Wales</b>	3,169,586	75,695	23,882	-11.2	-11.7
<b>Scotland</b>	5,466,000	161,954	29,629	-10.7	-10.8
<b>Northern Ireland</b>	1,895,510	48,478	25,575	-10.5	-10.6
<b>Extra-Regio</b>	n/a	11,353	n/a	-22.3	n/a

Source: Office for National Statistics - Regional economic activity by gross domestic product, UK: 1998 to 2020

### Notes:

1. Figures may not sum because of rounding in totals; per head (pounds) figures are rounded to the nearest pound.
2. 2020 data are provisional.
3. Population estimates are sourced from our [Population Estimates for the UK bulletin](#).
4. Gross domestic product (GDP) in current market prices.
5. GDP in chained volume measures.
6. Per head figures exclude Extra-Regio as it comprises activity that cannot be assigned to regions.
7. N/A stands for not applicable.

At the International Territorial Levels (ITL) 1 level, all countries and regions showed negative growth in GDP between 2019 and 2020.

The smallest decline in GDP at ITL1 level was reported in London at negative 9.9%, where all the 21 ITL3 local areas in the region witnessed a decrease. The smallest of these was in Camden and City of London at negative 4.2%. The largest decrease was in Harrow and Hillingdon at negative 18.7%. This decrease is reflected in the gross value added (GVA) (balanced) data for the areas, where an increase in the finance industries helped to reduce the impact of the pandemic in Camden and City of London. The largest decreases in Harrow and Hillingdon were seen in the accommodation and food service, and land, water and air transport industries.

The largest decrease in GDP at ITL1 level was seen in the North East region of England at negative 12.0%. Again, all the seven ITL3 local areas in the region showed a decline in 2020, with the largest decrease in Tyneside at negative 13.3%. The pattern of GVA (balanced) in this region shows marked similarities with most other regions, with the largest falls being seen in the accommodation and food service, and arts, entertainment and recreation industries.

All the ITL1 countries and regions are showing larger decreases in real GDP than the UK as a whole. This is caused by the impact of Extra-Regio, the offshore contribution to GDP that cannot be assigned to any region. In current market prices, the UK and its constituent regions are entirely consistent. The deflators used to remove price inflation and derive real volume estimates are increasing the decline in 2020 across all mainland regions. However, they are reducing the fall in Extra-Regio. This offsets to some degree the decline at the UK level.

### **Figure 1: All ITL1 regions reported negative growth between 2019 and 2020**

#### **Notes:**

1. Gross domestic product (GDP) in chained volume measures.
2. This chart shows annual growth rates to one decimal place. There may be instances where growth in a region is showing no change to one decimal place. However, there may be movements in the underlying data.

#### **Download the data**

[.xlsx](#)

## Sector and industry analysis of gross value added (balanced)

As we do not have an industrial breakdown for regional gross domestic product (GDP), we can use the gross value added (GVA) (balanced) estimates to understand the industry movements.

The impact of the coronavirus (COVID-19) pandemic has not been felt equally across industry sectors, at either the UK or regional levels. Certain industries, such as accommodation and food service, arts and entertainment, recreation and personal services, as well as many non-essential retail outlets, were more affected by temporary closures. Restrictions on mobility resulted in vastly decreased use of transport services, particularly railways and air traffic.

Conversely, some industries have shown increased activity during the pandemic, such as scientific research and development, and the manufacture of pharmaceutical products. At a subnational level, the distribution of these industries, whether they are growing or declining, is a major cause of variation between areas of the UK. It is important to bear this in mind when interpreting the regional results during this period.

Our GVA chained volume measures estimates show that Northern Ireland was the International Territorial Levels (ITL) 1 region with the smallest decrease in 2020 at negative 7.9%. The largest decline was seen in the West Midlands at negative 10.8%.

At the UK level, the services sector declined by 9.4% between 2019 and 2020. All ITL1 regions reported a decrease in this sector over the year, with the largest fall seen in the North West at negative 10.2%. Within the services sector, the biggest decreases were in the accommodation and food service, and arts, entertainment and recreation industries. The biggest increases in the services sector were seen in the scientific research and development, and postal and courier activities industries.

In 2020, the production sector shrank by 8.9% at the UK level. Again, all 12 ITL1 regions saw a decline in this sector, the biggest of which was reported in the West Midlands at negative 13.9%. Within the production sector, the largest decrease was in the manufacture of motor vehicles and the largest increase was in the manufacture of pharmaceutical products.

At the UK level, the construction sector declined by 16.7% between 2019 and 2020. All ITL1 regions reported negative growth in real GVA, with the largest fall in Yorkshire and The Humber at negative 19.3%, and the smallest decrease in the West Midlands at negative 13.6%.

### 3 . Highest 10 and lowest 10 ITL3 areas

When ordered by gross domestic product (GDP) per head in current market prices, the highest 10 International Territorial Levels (ITL) 3 areas in 2020 were in the London, South East, Scotland or North West ITL1 regions (Table 2). The top four areas were all within the London region. Milton Keynes is the highest area outside London, but is now fifth, after Hounslow and Richmond upon Thames experienced a more severe decrease during the coronavirus (COVID-19) pandemic.

In real terms, all the 179 ITL3 areas witnessed a decrease in GDP per head between 2019 and 2020. The largest decreases were in Luton (negative 21.7%), Harrow and Hillingdon (negative 19.2%) and West Sussex (North East) (negative 18.0%); all three areas including major airports. The smallest decreases were in Ealing (negative 6.2%), Cheshire East (negative 6.4%) and Na h-Eileanan Siar (negative 6.5%).

The lowest 10 ITL3 areas now cover 8 of the 12 ITL1 countries and regions, with only Yorkshire and The Humber, East Midlands, East of England and South East not represented in 2020.

While GDP per head can be a useful way of comparing regions of different sizes, comparisons can be affected by commuting flows into or out of the region. Therefore, [our figures should be used with caution](#). For such areas, it is advisable to refer to [the ONS sub-regional productivity data](#) for a direct measure of economic performance.

Table 2: Highest 10 and lowest 10 ITL3 areas by gross domestic product (GDP) per head, 2020

	<b>GDP per head (pounds)<sup>2 3</sup></b>	<b>Annual growth in 'real' GDP per head (percentage)</b>	<b>Population</b>	<b>Total GDP (pounds million)<sup>2</sup></b>	<b>Annual growth in 'real' GDP (percentage)</b>
<b>United Kingdom</b>	31,972	-10.8	67,081,234	2,156,073	-9.7
<b>Highest 10 GDP per head</b>					
<b>Camden and City of London</b>	410,912	-7.7	290,454	119,351	-4.2
<b>Westminster</b>	274,318	-13.7	269,848	74,024	-10.9
<b>Tower Hamlets</b>	116,624	-9.9	331,969	38,715	-7.9
<b>Kensington &amp; Chelsea and Hammersmith &amp; Fulham</b>	66,202	-10.4	340,408	22,536	-10.7
<b>Milton Keynes</b>	55,268	-12.0	270,203	14,934	-11.8
<b>Berkshire</b>	53,224	-7.8	917,762	48,847	-7.5
<b>Hounslow and Richmond upon Thames</b>	52,799	-14.7	469,908	24,811	-14.6
<b>Haringey and Islington</b>	50,196	-9.3	514,472	25,824	-8.7
<b>City of Edinburgh</b>	48,718	-12.4	527,620	25,705	-12.0
<b>Manchester</b>	47,433	-12.0	555,741	26,361	-11.6
<b>Lowest 10 GDP per head</b>					
<b>East Dunbartonshire, West Dunbartonshire and Helensburgh and Lomond</b>	19,072	-14.0	222,805	4,249	-14.2
<b>Northumberland</b>	19,071	-10.5	323,820	6,176	-10.1
<b>Sefton</b>	18,540	-8.7	275,899	5,115	-8.9
<b>Walsall</b>	18,375	-13.1	286,716	5,269	-12.7
<b>Redbridge and Waltham Forest</b>	18,328	-13.9	582,598	10,678	-13.8
<b>Gwent Valleys</b>	18,282	-13.1	346,583	6,336	-12.7
<b>Causeway Coast and Glens</b>	18,136	-11.2	144,943	2,629	-11.1
<b>Isle of Anglesey</b>	17,703	-16.2	70,440	1,247	-15.7
<b>Torbay</b>	17,020	-13.7	136,218	2,318	-13.7
<b>Ards and North Down</b>	15,939	-11.1	162,056	2,583	-10.9

Source: Office for National Statistics - Regional economic activity by gross domestic product, UK: 1998 to 2020

Notes:

1. Data for all ITL3 local areas are included in our [Regional gross domestic product \(GDP\): all ITL regions dataset](#).
2. GDP at current market prices on workplace basis.
3. Figures may not sum because of rounding in totals; per head (pounds) figures are rounded to the nearest pound sterling.
4. 2020 data are provisional.
5. Per head figures exclude Extra-Regio as it comprises activity that cannot be assigned to regions.
6. Population estimates are sourced from our [Population Estimates for the UK bulletin](#).
7. GDP in chained volume measures.

## 4 . Gross domestic product per head for UK local authorities, 1998 to 2020

Figure 2 allows users to explore how gross domestic product (GDP) per head in current market prices has varied among local authorities between 1998 and 2020.

### Figure 2: Gross domestic product per head for UK local authorities, 1998 to 2020

#### Notes:

1. The City of London is not shown on the map because its gross domestic product (GDP) per head is a large outlier value.
2. Natural breaks have been used to classify the data into ranges.

#### Download the data

[.xlsx](#)

## 5 . Regional economic activity data

### [Regional gross domestic product: all ITL regions](#)

Dataset | 30 May 2022

Annual estimates of balanced UK regional gross domestic product (GDP). Current price estimates and chained volume measures for UK countries, International Territorial Levels (ITL) 1, ITL2 and ITL3 regions.

### [Regional gross domestic product: city regions](#)

Dataset | 30 May 2022

Annual estimates of balanced UK regional gross domestic product (GDP). Current price estimates and chained volume measures for combined authorities and city regions.

### [Regional gross domestic product: enterprise regions](#)

Dataset | 30 May 2022

Annual estimates of balanced UK regional gross domestic product (GDP). Current price estimates and chained volume measures for local enterprise partnership areas and other economic and enterprise regions.

### [Regional gross domestic product: local authorities](#)

Dataset | 30 May 2022

Annual estimates of balanced UK regional gross domestic product (GDP). Current price estimates and chained volume measures for local authority districts, London boroughs, unitary authorities and Scottish Council areas.

### [Regional gross value added \(balanced\) by industry: all ITL regions](#)

Dataset | 30 May 2022

Annual estimates of balanced UK regional gross value added (GVA(B)). Current price estimates, chained volume measures and implied deflators for UK countries, ITL1, ITL2 and ITL3 regions, with a detailed industry breakdown.

## 6 . Glossary

### **Chained volume measures (CVM)**

These time series have the effects of inflation removed by considering changes in quantity between consecutive periods, holding prices from previous periods constant.

### **Constant price (KP) series**

These series have the effects of inflation removed by holding prices throughout the series at the level in a chosen base year (also known as "real terms" series).

### **Current price (CP) series**

These series include the effects of inflation.

### **GDP**

Gross domestic product (GDP) measures the value of goods and services produced in the UK. It estimates the size of and growth in the economy.

### **Gross value added (GVA)**

The value generated by any unit engaged in production and the contributions of individual sectors or industries to gross domestic product.

## ITL

[International Territorial Levels \(ITL\)](#) is the new UK geographies classification system. This has superseded the Nomenclature of Units for Territorial Statistics (NUTS) classification system.

# 7 . Measuring the data

## Methodology information

Various [guidance and methodology publications relating to regional gross value added](#): balanced (GVA(B)), income (GVA(I)) and production (GVA(P)) are available. Our [Regional accounts methodology guide: June 2019](#) provides an overview of the methodology used to compile regional accounts outputs.

More quality and methodology information on strengths, limitations, appropriate uses, and how the data were created is available in the [Regional gross value added \(balanced\) QMI](#).

Other historical guidance, methodology and update documents are also available in [Section 7: Measuring the data](#).

## Revisions

Gross domestic product (GDP) and GVA estimates show revisions for the period 1998 to 2019.

All estimates, by definition, are subject to statistical error. However, in this context, the word refers to the uncertainty in any process or calculation that uses sampling, estimation or modelling. Most revisions reflect either the adoption of new statistical techniques or the incorporation of new information, which allows the statistical error of previous estimates to be reduced.

Only rarely are there avoidable errors such as human or system errors and such mistakes are made clear when they are discovered and corrected.

This year we have introduced nine new government subsidies that were introduced to assist businesses and consumers during the coronavirus (COVID-19) pandemic. Eight of these new subsidies are classified as subsidies on production (transaction code D.39) and are measured directly by the income approach to GVA (and indirectly by the production approach). These include the Coronavirus Job Retention Scheme and the Self-employed Income Support Scheme, more commonly referred to as the furlough schemes. These subsidies also include various funds provided directly to support small businesses and industries suffering particular hardship.

The other new subsidy is the Eat Out to Help Out scheme, which is classified as a subsidy on products (transaction code D.31). This type of subsidy is not measured as part of GVA but does feature in the measurement of GDP.

We have published revisions triangles for GVA. These include our [Revisions triangles: regional gross value added \(balanced\) in current basic prices dataset](#) and our [Revisions triangles: regional gross value added \(balanced\) in chained volume measures dataset](#).

# 8 . Strengths and limitations

## National Statistics

Data included in this release are designated as [National Statistics](#). This means they have been assessed by the Office for Statistics Regulation as fully compliant with the Code of Practice for Statistics.

## Quality information

Figures for 2020 are provisional as national estimates have not been through supply and use balancing at the time of this publication. Regional industry estimates for the components of income and production in 2020 have been calculated by applying growth in gross domestic product (GDP) (output) industry figures. They are then constrained to sum to the income and production component totals. The figures used in this process are consistent with those published in our [UK National Accounts, The Blue Book: 2021 compendium](#).

More up to date estimates for the UK as a whole are available in the latest edition of the [UK quarterly national accounts](#).

At the time of publication, data on the precise distribution of the new coronavirus (COVID-19) subsidies across industries and regions of the UK remains incomplete. Although we have been able to gather most of the relevant distributive data, in some cases we used a degree of modelling to inform the industry or geographic allocation of one of these subsidies. As a result, there is greater uncertainty over the distribution of these subsidies and their impact on GVA and GDP for areas of the UK. It is likely that we will see greater than usual revisions to these estimates next year, when we expect the data to be complete and fully incorporated within the UK National Accounts.

More information regarding the quality of these estimates can be found in our [Regional gross value added \(balanced\) QMI](#).

## 9 . Related links

### [GDP, UK regions and countries: April to June 2021](#)

Bulletin | 18 February 2022

Quarterly economic activity within the countries of the UK (England, Wales, Scotland and Northern Ireland) and the nine English regions (North East, North West, Yorkshire and The Humber, East Midlands, West Midlands, East of England, London, South East, and South West).

### [Regional gross disposable household income, UK: 1997 to 2019](#)

Bulletin | 14 October 2021

Annual estimates of regional gross disposable household income (GDHI) for the UK International Territorial Level (ITL) ITL1, ITL2, ITL3 regions, local and combined authorities, city regions and other economic and enterprise regions.

### [Country and regional public sector finances: financial year ending 2021](#)

Article | 27 May 2022

Public sector revenue, expenditure and net fiscal balance on a country and regional basis.

### [Subregional productivity in the UK: July 2021](#)

Article | 23 July 2021

Estimates for subregional labour productivity measured as gross value added (GVA) per hour worked and GVA per filled job.