Regional gross disposable household income, UK: 1997 to 2017

Annual estimates of regional gross disposable household income (GDHI) for the UK NUTS1, NUTS2, NUTS3 regions, local and combined authorities, city regions and other economic and enterprise regions.

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1. Main points

- In 2017, England was the only country of the UK with a gross disposable household income (GDHI) per head above the UK average.

- In 2017, the growth in GDHI per head in the UK compared with 2016 was 1.0%, this is the same for all countries except in Scotland, which grew by 0.9%.

- Of the countries and regions classified by the Nomenclature of Units for Territorial Statistics (NUTS1) in 2017, London had the highest GDHI per head where, on average, each person had £27,825 available to spend or save; Wales had the lowest at £15,754 and this compares with a UK average of £19,514.

- Between 2016 and 2017, GDHI per head of population increased in all NUTS1 regions except Yorkshire and The Humber, which fell by 0.2%; the largest positive percentage increase was in London at 2.2%.

- In 2017, Kensington & Chelsea and Hammersmith & Fulham was the local area (NUTS3) with the highest GDHI per head (£60,343), more than three times the UK average; Nottingham had the lowest GDHI per head at £12,445.

- In terms of GDHI per head in 2017, all the top 10 NUTS3 local areas were in London or the South East NUTS1 regions, the top six of which were in London; the bottom 10 local areas were all within the North West, Yorkshire and The Humber, East Midlands and West Midlands regions.

2. Things you need to know about this release

What is gross disposable household income?

Gross disposable household income (GDHI) is the amount of money that all of the individuals in the household sector have available for spending or saving after they have paid direct and indirect taxes and received any direct benefits. GDHI is a concept that is seen to reflect the “material welfare” of the household sector.

Primary and secondary accounts

In the national accounts a distinction can be made between the two stages of income distribution.

The allocation of primary income account shows the income of households generated from employment and ownership of assets. Incomings, or resources, in this account include: compensation of employees (income from employment) and operating surplus (mainly rental, including the imputed rent of owner-occupiers). There is only one outgoing, or use, in this account, which is property income paid (for example, interest paid on mortgages or loans). Total incomings less total outgoings gives the balance of primary income.

The secondary distribution of income account mostly covers government redistribution of income. The incomings, or resources, in this account are: social benefits (for example, State Pension) and other current transfers received (such as non-life insurance claims). The outgoings, or uses, in this account include: current taxes on income and wealth, and social contributions paid (employee’s pension and social security contributions). Total incomings less total outgoings gives the balance of secondary income.

GDHI is derived from summing the balances of primary and secondary income.
Gross disposable household income estimates

It should be noted that regional GDHI estimates relate to totals for all individuals within the household sector for a region rather than to an average household or family unit. The household sector comprises all individuals in an economy, including people living in traditional households as well as those living in institutions, such as retirement homes and prisons. The sector also includes sole trader enterprises (the self-employed) but excludes non-profit institutions serving households (NPISH), for example, charities and most universities.

These estimates are produced at current prices, which means the effect of inflation has not been removed.

These regional GDHI estimates update those published in May 2018 for the period 1997 to 2016 and are consistent with the UK National Accounts, The Blue Book: 2018. National aggregates for the components of GDHI are allocated to regions using the most appropriate regional indicator available.

Provisional estimates for the year 2017 are released for the first time. These figures are provisional as national estimates have not been through supply and use balancing at the time of this publication.

Additionally, where regional data for the latest year are unavailable, for example, in estimates of wages and salaries from Her Majesty’s Revenue and Customs (HMRC), a forecast method has been used.

Further information on the components that make up GDHI and the methodology used to compile regional GDHI can be found in the UK regional accounts methodology documentation.

Geographic levels for gross disposable household income estimates

GDHI estimates in this bulletin are available at four geographical levels, in accordance with the Nomenclature of Units for Territorial Statistics (NUTS) classification, which came into force on 1 January 2018. NUTS provides a single uniform breakdown for the production of regional statistics for the EU:

- NUTS1: Wales, Scotland, Northern Ireland and the nine English regions
- NUTS2: 41 sub-regions – mainly groups of counties and unitary authorities
- NUTS3: 179 local areas – principally individual counties and unitary authorities
- LAU1: 391 local authority or local council areas

Local authority data for the UK will be published, following a short delay, alongside the NUTS1, NUTS2 and NUTS3 estimates of GDHI. These local authority estimates can be aggregated to form other geographic breakdowns such as combined authorities and local enterprise partnerships (LEPs).

What’s changed in this release?

In response to users’ requirements, we are using the local authority data to build additional areas of economic interest to users. For the first time we will publish data for city regions and other economic and enterprise regions of the UK, in addition to the combined authorities and local enterprise partnerships published last year.
In keeping with the UK National Accounts’ commitment to continuous improvement and meeting the European Commission definition of gross national income and the new European System of Accounts 2010: ESA 2010, there have been changes made to the UK National Accounts measure of gross disposable household income (GDHI). These impact upon the regional GDHI estimates in the form of different national totals for the various components of income, even where no explicit changes to the regional allocation have been needed.

As a result of a Blue Book 2018 change, we have now received a breakdown of other social benefits into Universal Credit and Personal Independence Payments. These have been regionalised separately using claimant counts.

3. The fastest-growing NUTS1 region, per head, is London

UK total gross disposable household income (GDHI) in 2017 was £1,289 billion. Of that, 86.3% was in England, 7.6% was in Scotland, 3.8% was in Wales, and Northern Ireland had the lowest share of total GDHI in 2017 at 2.3%.

Table 1 provides an overview of GDHI for the four UK countries.

<table>
<thead>
<tr>
<th>Countries of the UK</th>
<th>Population⁴</th>
<th>GDHI per head (£)¹</th>
<th>GDHI per head growth on 2016 (percentage)</th>
<th>GDHI per head index (UK=100)</th>
<th>Total GDHI (£ million)</th>
<th>Total GDHI growth on 2016 (percentage)</th>
<th>Share of the UK Population (percentage)</th>
<th>Share of UK total GDHI (percentage)</th>
</tr>
</thead>
<tbody>
<tr>
<td>UK</td>
<td>66,040,229</td>
<td>19,514</td>
<td>100.0</td>
<td>1,288,702</td>
<td>1.6</td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
</tr>
<tr>
<td>England</td>
<td>55,619,430</td>
<td>19,988</td>
<td>102.4</td>
<td>1,111,703</td>
<td>1.6</td>
<td>84.2</td>
<td>86.3</td>
<td>86.3</td>
</tr>
<tr>
<td>Wales</td>
<td>3,125,165</td>
<td>15,754</td>
<td>80.7</td>
<td>49,233</td>
<td>1.4</td>
<td>4.7</td>
<td>3.8</td>
<td>3.8</td>
</tr>
<tr>
<td>Scotland</td>
<td>5,424,800</td>
<td>18,099</td>
<td>92.7</td>
<td>98,183</td>
<td>1.3</td>
<td>8.2</td>
<td>7.6</td>
<td>7.6</td>
</tr>
<tr>
<td>Northern Ireland</td>
<td>1,870,834</td>
<td>15,813</td>
<td>81.0</td>
<td>29,583</td>
<td>1.5</td>
<td>2.8</td>
<td>2.3</td>
<td>2.3</td>
</tr>
</tbody>
</table>

Source: Office for National Statistics - Regional gross disposable household income (GDHI)

Notes

1. Figures may not sum to totals as a result of rounding; per head (£) figures are rounded to the nearest pound sterling. Back to table

2. 2017 estimates are provisional. Back to table

3. Population estimates are sourced from population estimates for UK. Back to table

Total GDHI estimates in millions of pounds (£ million) are divided by the resident population of a region to give GDHI per head in pounds (£). Per head data take account of the entire resident population of regions, sub-regions and local areas including both the working population and the economically inactive. GDHI per head are estimates of values for each person, not each household. This can be a useful way of comparing regions of different sizes.
The UK GDHI per head figure in 2017 was £19,514. Of the four UK countries, only England had a higher GDHI per head value at £19,988. The growth on 2016 across the four countries was broadly the same with England, Wales and Northern Ireland at 1.0% and Scotland slightly lower at 0.9%. Wales had the lowest GDHI per head at £15,754.

Table 2 provides an overview of GDHI for each of the Nomenclature of Units for Territorial Statistics: NUTS1 regions. In 2017, GDHI per head was above the UK average of £19,514 in 3 of the 12 NUTS1 regions:

- London, at £27,825
- the South East, at £22,568
- the East of England, at £20,081
<table>
<thead>
<tr>
<th>NUTS1 countries and regions</th>
<th>Population³</th>
<th>GDHI per head (£)¹</th>
<th>GDHI per head growth on 2016 (percentage)</th>
<th>GDHI per head index (UK=100)</th>
<th>Total GDHI (£ million)</th>
<th>Total GDHI growth on 2016 (percentage)</th>
<th>Share of the UK population (percentage)</th>
<th>Share of UK total GDHI (percentage)</th>
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<tbody>
<tr>
<td>UK</td>
<td>66,040,229</td>
<td>19,514 1.0</td>
<td>100.0</td>
<td>1,288,702 1.6</td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
</tr>
<tr>
<td>North East</td>
<td>2,644,727</td>
<td>15,809 1.3</td>
<td>81.0</td>
<td>41,811 1.6</td>
<td>4.0</td>
<td>3.2</td>
<td>4.0</td>
<td>3.2</td>
</tr>
<tr>
<td>North West</td>
<td>7,258,627</td>
<td>16,861 0.5</td>
<td>86.4</td>
<td>122,388 1.0</td>
<td>11.0</td>
<td>9.5</td>
<td>11.0</td>
<td>9.5</td>
</tr>
<tr>
<td>Yorkshire and The Humber</td>
<td>5,450,130</td>
<td>16,119 -0.2</td>
<td>82.6</td>
<td>87,849 0.2</td>
<td>8.3</td>
<td>6.8</td>
<td>8.3</td>
<td>6.8</td>
</tr>
<tr>
<td>East Midlands</td>
<td>4,771,666</td>
<td>16,932 0.8</td>
<td>86.8</td>
<td>80,795 1.8</td>
<td>7.2</td>
<td>6.3</td>
<td>7.2</td>
<td>6.3</td>
</tr>
<tr>
<td>West Midlands</td>
<td>5,860,706</td>
<td>16,885 1.1</td>
<td>86.5</td>
<td>98,960 1.9</td>
<td>8.9</td>
<td>7.7</td>
<td>8.9</td>
<td>7.7</td>
</tr>
<tr>
<td>East of England</td>
<td>6,168,432</td>
<td>20,081 0.3</td>
<td>102.9</td>
<td>123,870 1.0</td>
<td>9.3</td>
<td>9.6</td>
<td>9.3</td>
<td>9.6</td>
</tr>
<tr>
<td>London</td>
<td>8,825,001</td>
<td>27,825 2.2</td>
<td>142.6</td>
<td>245,555 2.8</td>
<td>13.4</td>
<td>19.1</td>
<td>13.4</td>
<td>19.1</td>
</tr>
<tr>
<td>South East</td>
<td>9,080,825</td>
<td>22,568 1.3</td>
<td>115.6</td>
<td>204,934 1.8</td>
<td>13.8</td>
<td>15.9</td>
<td>13.8</td>
<td>15.9</td>
</tr>
<tr>
<td>South West</td>
<td>5,559,316</td>
<td>18,984 0.1</td>
<td>97.3</td>
<td>105,540 0.8</td>
<td>8.4</td>
<td>8.2</td>
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<td>2.8</td>
<td>2.3</td>
<td>2.8</td>
<td>2.3</td>
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Source: Office for National Statistics - Regional gross disposable household income (GDHI)

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GDHI per head of population increased in all NUTS1 regions except for Yorkshire and The Humber, which fell by 0.2%. The largest percentage increase was in London at 2.2%, followed by the North East and South East, both at 1.3%. The smallest percentage increase was in the South West at 0.1%.

In 2017, the Consumer Prices Index including owner occupiers' housing costs (CPIH) inflation rate was 2.6%. Using this measure of inflation, this suggests that no regions in the UK kept pace with the rate of inflation and all NUTS1 regions saw a decrease in the “real terms” value of their disposable income.

Another comparable measure of inflation, the real household expenditure implied deflator, showed an inflation rate of 2.1% in 2017. Using this measure of inflation, London was the only region of the UK to show a “real terms” increase in disposable income per head.
4. Analysis of NUTS1 regions

To understand what is driving the difference between regions in these gross disposable household income (GDHI) figures we can look at the components of income. These form two stages, the allocation of primary income and the distribution of secondary income.

Figure 1 shows the components of the allocation of primary income account on a per head of population basis and how they varied across Nomenclature of Units for Territorial Statistics: NUTS1 regions in 2017. The allocation of primary income account shows how the household sector generated income.

Incomings are from compensation of employees (income from employment), mixed income (from self-employment), operating surplus (mainly rental, imputed or otherwise) and property income received from financial assets. There is only one outgoing (represented as negatives in Figure 1) in this account, which is property income paid (for example, mortgage interest payments, rent on land).

It should be noted that GDHI is calculated before other housing costs such as rental and mortgage capital repayments (including imputed rental of owner-occupiers; although rental income is included from the perspective of the landlord (or owner)).
Figure 1: Londoners received the largest income in all categories of primary income in 2017

Components per head of the allocation of primary income account by NUTS1 region, UK, 2017

Figure 1: Londoners received the largest income in all categories of primary income in 2017
Components per head of the allocation of primary income account by NUTS1 region, UK, 2017

Source: Office for National Statistics - Regional gross disposable household income (GDHI)

Notes:

1. 2017 estimates are provisional.

As with GDHI, London received the largest incomings in the form of primary income. Compensation of employees was by far the largest component of primary income and accounted for £21,734 per head in London.

Wales, the region with the lowest GDHI per head, received £11,684 per head from compensation of employees. Wales had a similar balance of primary income to Northern Ireland, having a similar contribution from compensation of employees, but a smaller amount from mixed income and a larger amount from operating surplus.

Scotland had a similar balance of primary income to the East Midlands, having a similar level of mixed income and property income received but a larger amount from operating surplus and compensation of employees.

The outgoing in this account, property income paid, accounted for only a very small amount in each region, in part representing the current very low interest rates on mortgages.

The secondary distribution of income account follows the allocation of primary income account; this is shown in Figure 2.
The secondary distribution of income account mostly relates to government redistribution of income. Incomings are from social benefits (for example, State Pension, Jobseeker’s Allowance, Universal Credit) and other current transfers received (such as financial gifts or non-life insurance claims). The outgoings (represented as negatives in Figure 2) in this account are current taxes on income and wealth, social contributions paid (employee’s pension and social security contributions) and other current transfers paid (such as non-life insurance premiums).

Figure 2: Londoners received the lowest amount of benefits in 2017

Components per head of the distribution of secondary income account by NUTS1 region, UK, 2017

Source: Office for National Statistics - Regional gross disposable household income (GDHI)

Notes:

1. 2017 estimates are provisional.

We would expect to see current taxes on income strongly correlated with the incommings in the allocation of primary income account. The region paying the largest amount of current taxes on income and wealth was London at £6,023 per head, while Northern Ireland paid the least at £2,107 per head.

The main incoming of this account was imputed social contributions or social benefits received, of which the vast majority related to social benefits. This component saw very little variation across regions; the South West received the largest amount, at £5,831 per head, and London received the least, at £4,408 per head. One factor contributing to this is the fact that London has the lowest proportion of retired people in its population.

Further information on the components that make up GDHI and the methodology used to compile regional GDHI can be found in the UK regional accounts methodology documentation.
## 5. The highest disposable income NUTS3 local areas remain in London and the South East

The 10 Nomenclature of Units for Territorial Statistics: NUTS3 local areas with the highest gross disposable household income (GDHI) per head and the 10 with the lowest GDHI per head in 2017 are displayed in Table 3. The top five are unchanged in their ranking from the previous year.

Table 3: Top 10 and bottom 10 gross disposable household income (GDHI) per head¹ by NUTS3 local areas, UK, 2017²

<table>
<thead>
<tr>
<th>NUTS3 Areas</th>
<th>Population³</th>
<th>GDHI per head (£)¹</th>
<th>GDHI per head growth on 2016 (percentage)</th>
<th>GDHI per head index (UK=100)</th>
<th>Total GDHI (£ million)</th>
<th>Total GDHI growth on 2016 (percentage)</th>
</tr>
</thead>
<tbody>
<tr>
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<td>66,040,229</td>
<td>19,514</td>
<td>1.0</td>
<td>100.0</td>
<td>1,288,702</td>
<td>1.6</td>
</tr>
<tr>
<td>Top 10 GDHI per head</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Kensington &amp; Chelsea and Hammersmith &amp; Fulham</td>
<td>338,739</td>
<td>60,343</td>
<td>4.9</td>
<td>309.2</td>
<td>20,441</td>
<td>4.9</td>
</tr>
<tr>
<td>Westminster</td>
<td>244,796</td>
<td>53,101</td>
<td>2.3</td>
<td>272.1</td>
<td>12,999</td>
<td>3.5</td>
</tr>
<tr>
<td>Camden and City of London</td>
<td>261,015</td>
<td>46,288</td>
<td>0.5</td>
<td>237.2</td>
<td>12,082</td>
<td>2.3</td>
</tr>
<tr>
<td>Wandsworth</td>
<td>323,257</td>
<td>37,129</td>
<td>0.2</td>
<td>190.3</td>
<td>12,002</td>
<td>0.7</td>
</tr>
<tr>
<td>Hounslow and Richmond upon Thames</td>
<td>464,780</td>
<td>30,353</td>
<td>0.0</td>
<td>155.5</td>
<td>14,107</td>
<td>0.2</td>
</tr>
<tr>
<td>Barnet</td>
<td>387,803</td>
<td>28,950</td>
<td>2.8</td>
<td>148.4</td>
<td>11,227</td>
<td>3.6</td>
</tr>
<tr>
<td>West Surrey</td>
<td>785,062</td>
<td>28,773</td>
<td>1.6</td>
<td>147.5</td>
<td>22,589</td>
<td>1.9</td>
</tr>
<tr>
<td>Haringey and Islington</td>
<td>506,224</td>
<td>28,577</td>
<td>1.7</td>
<td>146.4</td>
<td>14,466</td>
<td>2.1</td>
</tr>
<tr>
<td>Bromley</td>
<td>329,391</td>
<td>28,338</td>
<td>2.4</td>
<td>145.2</td>
<td>9,334</td>
<td>3.0</td>
</tr>
<tr>
<td>East Surrey</td>
<td>400,259</td>
<td>27,717</td>
<td>0.5</td>
<td>142.0</td>
<td>11,094</td>
<td>1.1</td>
</tr>
<tr>
<td>Bottom 10 GDHI per head</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Wolverhampton</td>
<td>259,926</td>
<td>14,231</td>
<td>0.8</td>
<td>72.9</td>
<td>3,699</td>
<td>1.6</td>
</tr>
<tr>
<td>Stoke-on-Trent</td>
<td>255,378</td>
<td>14,217</td>
<td>2.0</td>
<td>72.9</td>
<td>3,631</td>
<td>2.7</td>
</tr>
<tr>
<td>Birmingham</td>
<td>1,137,123</td>
<td>14,128</td>
<td>1.0</td>
<td>72.4</td>
<td>16,065</td>
<td>1.8</td>
</tr>
<tr>
<td>Bradford</td>
<td>534,800</td>
<td>13,969</td>
<td>-1.6</td>
<td>71.6</td>
<td>7,471</td>
<td>-1.2</td>
</tr>
<tr>
<td>Sandwell</td>
<td>325,460</td>
<td>13,359</td>
<td>0.8</td>
<td>68.5</td>
<td>4,348</td>
<td>1.6</td>
</tr>
<tr>
<td>Manchester</td>
<td>545,501</td>
<td>13,355</td>
<td>1.0</td>
<td>68.4</td>
<td>7,285</td>
<td>1.8</td>
</tr>
<tr>
<td>Kingston upon Hull, City of</td>
<td>260,673</td>
<td>12,960</td>
<td>-1.1</td>
<td>66.4</td>
<td>3,378</td>
<td>-0.9</td>
</tr>
<tr>
<td>Blackburn with Darwen</td>
<td>148,772</td>
<td>12,623</td>
<td>0.9</td>
<td>64.7</td>
<td>1,878</td>
<td>1.1</td>
</tr>
<tr>
<td>Leicester</td>
<td>353,540</td>
<td>12,560</td>
<td>-1.5</td>
<td>64.4</td>
<td>4,441</td>
<td>-0.4</td>
</tr>
<tr>
<td>Nottingham</td>
<td>329,209</td>
<td>12,445</td>
<td>-0.3</td>
<td>63.8</td>
<td>4,097</td>
<td>1.1</td>
</tr>
</tbody>
</table>
Source: Office for National Statistics - Regional gross disposable household income (GDHI)

Notes

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3. Population estimates are sourced from population estimates for UK. Back to table

Of the 179 NUTS3 local areas, Kensington & Chelsea and Hammersmith & Fulham was the NUTS3 area with the highest GDHI per head, unchanged from the previous year and more than three times the UK average. Westminster and then Camden and City of London followed, each with more than double the UK average GDHI per head.

Each of these London areas showed positive growth in the total operating surplus component, with the exception of a small fall in Camden and City of London. GDHI is calculated before other housing costs such as rental and mortgage capital repayments (including imputed rental of owner-occupiers; although rental income is included from the perspective of the landlord (or owner)). GDHI will therefore be inflated in regions with higher housing costs, such as London and the South East.

All the top 10 NUTS3 local areas were in London or the South East NUTS1 regions, the top six of which were in London. The bottom 10 local areas were all within the North West, Yorkshire and The Humber, East Midlands and West Midlands regions.

Nottingham had the lowest GDHI per head in 2017, at 36.2% below the UK average. This was followed by Leicester, and Blackburn with Darwen.

As well as being the highest-performing local area in terms of GDHI per head, Kensington & Chelsea and Hammersmith & Fulham showed a strong growth between 2016 and 2017 of 4.9%; the highest of the top 10 NUTS3 local areas. GDHI per head increased in 134 of the 179 NUTS3 local areas between 2016 and 2017. The largest percentage increases were all in the London areas:

- Croydon at 5.0%
- Kensington & Chelsea and Hammersmith & Fulham at 4.9%
- Enfield at 4.7%

There was strong growth in the compensation of employees (CoE) component in each of these regions, which contributed to their growth in GDHI per head.

In 2017, the Consumer Prices Index including owner occupants’ housing costs (CPIH) inflation rate was 2.6% and there were 16 NUTS3 areas showing growth above this in terms of GDHI per head. This compares with 72 NUTS3 areas showing growth above the CPIH in 2016 of 1.0% in the previous publication in May 2018.

GDHI per head decreased in 45 local areas. The largest decreases were in:
• Central Bedfordshire (East of England region), at negative 2.6%
• Chorley and West Lancashire (North West region), at negative 1.9%
• East Derbyshire (East Midlands region), at negative 1.7%

Between 2016 and 2017, in terms of total GDHI, all three regions showed a fall in growth between these years.

6 . What was the average disposable household income in your local area?

Figure 3 shows how gross disposable household income (GDHI) per head varied across NUTS3 local areas in the years 1997 to 2017.

Figure 3: The NUTS3 area with the highest gross disposable household income (GDHI) per head in 2017 was Kensington & Chelsea and Hammersmith & Fulham

Gross disposable household income (GDHI) per head for NUTS3 local areas, UK, 1997 to 2017

Download the data

7 . Links to related statistics

Regional gross value added

While gross disposable household income (GDHI) estimates can be considered a measure of prosperity, regional gross value added (GVA) data provide an indication of the economic activity happening within a region.

We have produced estimates of balanced regional GVA (GVA(B)), which have been accredited as National Statistics, giving users a single measure of economic activity within a region. In December 2017, we published additional industry detail for Nomenclature of Units for Territorial Statistics: NUTS1 and NUTS2 regions and in December 2018, we published additional industry detail for NUTS3 and local authority areas across the UK. These have been made available in both value and volume terms.

Because of the need to safeguard against the identification of individual company information, the smaller areas do not have the range of industries available for the larger areas, but we have published considerably greater detail than in previous years.

In response to users’ requirements, we have used the local authority data to build additional areas of economic interest to users. For the first time, we have published data for city regions and other economic and enterprise regions of the UK, in addition to the combined authorities and local enterprise partnerships published in December 2017. All of these are available in both value and volume terms and can be found in the datasets of the GVA(B) release.

Estimates of GVA(B) are available in both current prices (including the effect of inflation) and chained volume measures (excluding the effects of inflation).
We are continuing to produce and publish the individual datasets for GVA (income) and GVA (production) to allow users access to the data in their unbalanced form.

Regional and subregional productivity

Gross value added (GVA) per head can be a useful way of comparing regions of different sizes. This is particularly the case where there are no large net-commuting effects, when GVA per head can act as a good proxy for measures of economic performance such as productivity.

However, it is not such a good proxy for those areas with high net in-commuting or out-commuting. This is because it compares a workplace measure of economic output (GVA), which includes the contribution of in-commuters, with a residence-based denominator (population). For such areas it is advisable to refer to Office for National Statistics regional and subregional productivity data for a direct measure of economic performance.

Economic statistics for devolved administrations

The devolved administrations of Wales, Scotland and Northern Ireland each produce economic statistics for their countries. Scottish Government publishes disposable household income as part of the Scottish National Accounts Programme (SNAP). We work with the devolved administrations through the Inter-Administration Committee (IAC) and its subsidiary the Devolved Economic Statistics Co-ordination group (DESC).

Small area income estimates

The small area model-based income estimates provide average weekly household income at the Middle layer Super Output Area (MSOA) level in England and Wales. They are calculated using a model-based method, which uses a combination of data from the Family Resources Survey, the 2011 Census and several administrative data sources.

The admin-based income statistics (ABIS) are the continuation of the Income Research Outputs published last year to produce administrative data-based, small-area, multivariate income statistics.

A guide to sources of data on earnings and income

There is a guide available that outlines the different data sources and outputs that feed into the analysis of earnings and income within the UK.

8. Future work plans

We are looking into the viability of disaggregating local authority data further down into output areas for gross disposable household income (GDHI) and workplace zones for gross value added (GVA).

Recent acquisition of Value Added Tax (VAT) data from Her Majesty’s Revenue and Customs (HMRC) has brought the GVA strand closer and we are currently investigating methods and systems.

The GDHI strand is dependent on the Office for National Statistics (ONS) gaining access to the HMRC Pay As You Earn (PAYE) and self-assessment data, along with benefits data from the Department for Work and Pensions (DWP). Discussions are underway to agree a regular supply of these data.
In September 2018 we published an article and a first set of experimental estimates of regional household final consumption expenditure (HFCE) for Nomenclature of Units for Territorial Statistics: NUTS1-level countries and regions of the UK. This publication was followed by a public consultation to gather views from users. Taking account of the feedback received we are now moving into regular production and publication from summer 2019 and will look to expand the geographic content to smaller areas as we secure source data of sufficient quality and coverage.

Work has also been progressing on the development of quarterly gross domestic product (GDP) for the nine English regions. Along with the existing quarterly indicators produced by the devolved administrations of Scotland, Wales and Northern Ireland, this will complete the coverage of the UK and provide users with timely indicators of economic growth at the NUTS1 level. The English region measures are planned to be published for the first time in July 2019, accompanied by a public consultation.

Further details about our development programme are available in the article Supporting devolution: developments in regional and local statistics.

9. Quality and methodology

Quality

The Regional gross disposable household income (GDHI) Quality and Methodology Information report contains important information on:

- the strengths and limitations of the data and how it compares with related data
- uses and users of the data
- how the output was created
- the quality of the output including the accuracy of the data

Figures for 2017 are provisional as national estimates have not been through supply and use balancing at the time of this publication. The figures used in this process are consistent with those published in the UK National Accounts, The Blue Book: 2018.

Methodology

Various guidance and methodology documents relating to regional GDHI are available. The UK regional accounts methodology guide provides an overview of the methodology used to compile regional accounts outputs. Quality and methodology information (QMI) reports are available, covering the relevance, accuracy, timeliness, accessibility and coherence of each of the regional accounts outputs. Other historical guidance and methodology documents are also available.

Revisions

Revisions to regional GDHI estimates in this statistical bulletin cover the period 1997 to 2016. Very few statistical revisions arise as a result of errors in the popular sense of the word. All estimates, by definition, are subject to statistical error but 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 that 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.

The main reasons for revisions are detailed in the What has changed in this release? section of this statistical bulletin.

We have published revisions triangles detailing the changes between publications.

A summary of revisions to regional GDHI estimates for 2016 are shown in Table 4.

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<th>2016</th>
<th>Total revision (percentage)</th>
<th>Revision due to national estimates (percentage)</th>
<th>Revision due to other regional dataset changes (percentage)</th>
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<td>0.6</td>
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</tr>
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</table>

Source: Office for National Statistics - Regional gross disposable household income (GDHI)

Notes

1. May not sum due to rounding. Back to table