

Gross Value Added (Balanced) Estimates 2016

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At a glance:

- The ONS has introduced a new measure of GVA that has taken the strengths from the previous income and production approaches and used them to produce a new balanced measure of regional GVA that will provide a single measure of economic activity for local authorities going forward.
- The latest data release was published on 20th December 2017 and provides a timed series from 1998 to 2016 for a range of national, regional and local geographies.
- Key Bradford data are:
 - Bradford GVA at 2016 was £9.925 billion.
 - Bradford ranks the 29nd largest local authority economy in the UK.
 - Discounting London authorities and county authorities, Bradford ranks as the 9th largest city economy in England having previously ranked 8th on the income based measure. Milton Keynes has displaced Bradford using the new balanced measure.
 - Bradford GVA increased by 1.7% over the previous year compared to a UK increase of 3.7% and a Leeds City Region increase of 2.6%. Bradford's GVA increase was the lowest of any authority in the City Region.
 - Bradford GVA has increased by 18.4% over the last five years compared to a UK increase of 19.8%. Bradford growth was higher than the Leeds City Region increase of 15.5%. Bradford's GVA increase was higher than Leeds, Kirklees and Calderdale.
 - Bradford GVA per head at 2016 was 18,577. This compares to a UK figure of £26,621 and a city region figure of £21,803.
 - Within the city region, Bradford has the 3rd lowest GVA per head after Barnsley and Kirklees. Leeds, at £28,079 per head is highest.
 - GVA per head in Bradford increased by 1.2% over the year compared to UK increase of 2.9% and a city region increase of 1.8%. Harrogate has the highest growth at 5.1% whilst Calderdale had the lowest GVA per head growth at 1.1%
- Nationally, London and the South East have had the highest annual growth in GVA. The North East and Yorkshire & Humber had the lowest growth. This highlights a continuing and growing productivity gap between London and the South East and the rest of the country, the Northern regions in particular.
- Leeds City Region remains the largest economy outside of London and the South East in terms of LEP geographies.
- The combined GVA of Leeds and Bradford is £31.9 billion which is bigger than Birmingham's GVA of £25.7 billion and second only to London in the UK as a whole.

GVA (balanced) Estimates 1998-2016

Table 1 shows:

- Bradford GVA at 2016 was £9.925 billion
- Bradford is the second largest economy in the Leeds City Region.
- Bradford GVA rose by 1.7% over the year compared to UK growth of 3.7% and city region growth of 2.6%.
- Bradford annual GVA growth was the lowest in the city region.
- Bradford GVA per head at 2016 was £18,577 compared to UK figure of £26,621 and a city region figure of £21,803.
- Bradford GVA per head increased by 1.2% over the year compared to UK growth of 2.9% and city region growth of 1.8%.
- Northern GVA per head figures are significantly lower than the London and the South East. London GVA per head of £46,482 is more than twice the average across the Northern regions.
- The gap between the Northern regions and London and the South East is widening. Only the North West achieved annual GVA per head growth on a par with the UK average in 2016

Table 1: Summary of gross value added (balanced) statistics. 2016.

Area	Population	Total GVA (£000)	Annual Growth (%)	GVA per Head (£)	Annual Growth (%)
Bradford	534,279	9,925	1.7	18,577	1.2
UK	65,648,054	1,747,647	3.7	26,621	2.9
England	55,268,067	1,498,221	3.7	27,108	2.8
Yorkshire and Humber	5,425,741	112,194	2.1	20,678	1.4
Leeds City Region	3,048,545	66,468	2.6	21,803	1.8
West Yorkshire	2,299,673	50,766	2.3	22,075	1.5
Leeds	781,743	21,951	2.2	28,079	1.2
Kirklees	437,047	7,426	3.0	16,991	2.4
Wakefield	336,834	6,957	2.8	20,654	1.8
Calderdale	209,770	4,507	1.8	21,486	1.1
York	208,367	4,815	2.9	23,109	2.1
Harrogate	156,312	3,875	4.6	24,791	5.1
Barnsley	241,218	3,636	3.2	15,072	2.4
Selby	86,667	1,930	3.2	22,269	2.3
Craven	56,308	1,447	4.8	25,690	3.8
North East	2,636,848	50,675	1.2	19,218	0.7
North West	7,219,623	166,542	3.5	23,068	2.9
London	8,787,892	408,479	5.1	46,482	3.7
South East	9,026,297	258,902	2.8	28,683	1.9

Local Authority Ranking

Table 2 shows Bradford ranks the 29th largest local authority economy in the UK. London authorities occupy the top 4 spots followed by Birmingham and Leeds.

Of the 30 largest local authority economies, Bradford has the lowest GVA per head. The City of London ranks the highest at a huge £5.2 million per head which is 281 times the Bradford figure. Outside of London, only Aberdeen and Milton Keynes manage a GVA per head figure over £40,000.

Local Authority	Population	Total GVA (£000)	Annual Growth (%)	GVA per Head (£)	Annual Growth (%)
Westminster	247,614	59057	5.7	238,506	3.4
City of London	9,401	49165	9.3	5,229,716	1.9
Camden	246,181	32283	7.8	131,133	5.6
Tower Hamlets	304,854	27857	0.9	91,378	-2.2
Birmingham	1,124,569	25720	4.3	22,871	3.0
Leeds	781,743	21951	2.2	28,079	1.2
Glasgow City	615,070	20371	3.5	33,120	2.0
City of Edinburgh	507,170	19942	4.6	39,321	2.9
Manchester	541,263	18172	5.4	33,573	3.2
Islington	232,865	18077	4.8	77,628	2.5
Southwark	313,223	15214	3.1	48,573	1.7
Bristol, City of	454,213	14313	4.7	31,513	3.6
Hillingdon	302,471	13183	2.5	43,585	0.9
Cheshire East	376,695	13063	6.7	34,678	6.3
Hounslow	271,139	12949	12.0	47,759	11.1
Milton Keynes	264,479	12372	8.2	46,780	7.1
Kensington and Chelsea	156,726	11804	2.6	75,318	3.3
Sheffield	575,424	11433	1.4	19,870	0.4
Liverpool	484,578	11334	0.6	23,389	-0.6
Hammersmith and Fulham	179,654	11296	4.3	62,879	4.2
Wandsworth	316,096	11214	5.0	35,476	4.5
Wiltshire	488,409	11009	5.3	22,541	4.8
Lambeth	327,910	10941	-0.7	33,365	-1.7
Belfast	339,579	10866	2.3	31,999	2.1
Aberdeen City	229,840	10607	-2.2	46,151	-1.9
Barnet	386,083	10524	2.0	27,259	0.3
Ealing	343,196	9938	4.1	28,956	4.0
Cardiff	361,468	9933	5.7	27,480	4.5
Bradford	534,279	9925	1.7	18,577	1.2
Cheshire West and Chester	335,680	9677	4.9	28,828	4.3

Cities Ranking

Table 3 shows how Bradford ranks the 9th biggest city economy in England and the 14th largest in the UK. Bradford ranks the 5th biggest economy on the Northern Powerhouse.

City	Population	Total GVA (£000)	Annual Growth (%)	GVA per Head (£)	Annual Growth (%)
London	8,787,892	408,479	5.1	46,482	3.7
Birmingham	1,124,569	25,720	4.3	22,871	3.0
Leeds	781,743	21,951	2.2	28,079	1.2
Glasgow City	615,070	20,371	3.5	33,120	2.0
City of Edinburgh	507,170	19,942	4.6	39,321	2.9
Manchester	541,263	18,172	5.4	33,573	3.2
Bristol, City of	454,213	14,313	4.7	31,513	3.6
Milton Keynes	264,479	12,372	8.2	46,780	7.1
Sheffield	575,424	11,433	1.4	19,870	0.4
Liverpool	484,578	11,334	0.6	23,389	-0.6
Belfast	339,579	10,866	2.3	31,999	2.1
Aberdeen City	229,840	10,607	-2.2	46,151	-1.9
Cardiff	361,468	9,933	5.7	27,480	4.5
Bradford	534,279	9,925	1.7	18,577	1.2
Nottingham	325,282	8,911	4.4	27,393	2.3
Coventry	352,911	8,185	2.3	23,192	0.2
Newcastle upon Tyne	296,478	7,802	2.1	26,317	0.8
Leicester	348,343	7,745	0.6	22,233	-1.0
Brighton and Hove	289,229	7,349	1.4	25,407	0.0
Reading	162,666	7,224	2.9	44,408	2.3

Measuring GVA

Gross value added (GVA) is a measure of the increase in the value of the economy due to the production of goods and services.

Historically ONS have published estimates of regional gross value added (GVA) using the income approach (National Statistics) and the production approach (as Experimental Statistics).

The income approach involves adding up all the income earned by resident individuals or corporations in the production of goods and service. Transfer payments such as state benefits are excluded as they represent a redistribution of previously earned incomes and thus do not add anything to current economic activity.

The Production approach is calculated as the total value of all goods and services produced in a given year (output) minus the value of the goods and services that are used up or transformed in the production process (intermediate consumption). GVA(P) is valued at 'basic prices' and reflects the amounts received by producers of goods and services minus product taxes and subsidies.

The latest publication has taken the strengths from both approaches and used them to produce a new balanced measure of regional GVA, GVA(B). This will give users a single measure of economic activity within a region, therefore avoiding any confusion from having two different estimates of the same thing.

GVA per head

GVA per head of population is a useful way of comparing regions of different size and is an important indicator for both domestic and European policy purposes. Total GVA(B) estimates in millions of pounds sterling (£ million) are divided by the total resident population of a region (including the economically inactive) to give GVA per head in pounds sterling (£). While GVA per head can be a useful way of comparing regions of different size, comparisons can be affected by commuting flows into or out of the region. They should therefore be used with caution.

Data sources and further information

Report

<https://www.ons.gov.uk/economy/grossvalueaddedgva/bulletins/regionalgrossvalueaddedbalanceduk/1998to2016>

Regional Data

<https://www.ons.gov.uk/economy/grossvalueaddedgva/datasets/nominalregionalgrossvalueaddedbalancedperheadandincomecomponents>

Local Authority Data

<https://www.ons.gov.uk/economy/grossvalueaddedgva/datasets/regionalgrossvalueaddedbalancedbylocalauthorityintheuk>

Combined Authority Data

<https://www.ons.gov.uk/economy/grossvalueaddedgva/datasets/regionalgrossvalueaddedbalancedbycombinedauthorityintheuk>

Local Enterprise Partnership Data

<https://www.ons.gov.uk/economy/grossvalueaddedgva/datasets/regionalgrossvalueaddedbalancedbylocalenterprisepartnershipinengland>

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