



Regional Gross Value Added (Income Approach), December 2012

Coverage: **UK**

Date: **12 December 2012**

Geographical Area: **European (NUTS)**

Theme: **Economy**

Key points

- In 2011, for the second consecutive year, Gross Value Added (GVA) per head of population increased in all NUTS1 regions. However, the rate of growth decreased across all NUTS1 regions when compared with their growth in 2010.
- In 2011, the South East had the largest increase in GVA per head at 2.2 per cent, followed by Northern Ireland at 2.0 per cent and Wales at 1.9 per cent.
- In 2011, London had the largest GVA per head at £35,638, while Wales had the lowest at £15,696.
- Of the NUTS1 regions, in 2011 London had the greatest range of GVA per head within its NUTS3 local areas. This ranged from Outer London - East and North East (£14,027) to Inner London - West (£111,519).
- GVA per head increased in all NUTS2 sub-regions in 2011, except for Eastern Scotland, which fell by 0.1 per cent.
- Of the 139 NUTS3 local areas, GVA per head of population was highest in Inner London – West at £111,519 and lowest in Wirral at £11,167.

Summary

GVA is the value generated by any unit engaged in a production activity. It is measured at current basic prices, excluding taxes (less subsidies) on products. GVA plus taxes (less subsidies) on products is equivalent to Gross Domestic Product (GDP).

Figures are presented for areas according to the European classification of Nomenclature of Units for Territorial Statistics (NUTS) (see background note 1).

Table 1: NUTS1: regional GVA<1,2>, 2011<3>

NUTS1 regions	GVA per head (£) ²	GVA per head growth on 2010 (%)	GVA per head index (UK=100)	Total GVA (£m) ²	Total GVA growth on 2010 (%)	Share of UK total GVA (%)
United Kingdom ⁴	20 873	1.4	100.0	1 340 627	2.4	100.0
North East	15 842	0.8	75.9	41 598	1.5	3.1
North West	17 754	1.3	85.1	123 914	1.9	9.2
Yorkshire & The Humber	17 037	1.0	81.6	91 044	1.9	6.8
East Midlands	18 083	1.4	86.6	81 581	2.1	6.1
West Midlands	17 486	1.6	83.8	95 842	2.0	7.1
East of England	19 355	1.7	92.7	114 117	2.9	8.5
London	35 638	0.6	170.7	282 971	2.1	21.1
South East	22 369	2.2	107.2	192 349	3.1	14.3
South West	19 093	1.6	91.5	101 465	2.3	7.6
England	21 349	1.4	102.3	1 124 881	2.3	83.9
Wales	15 696	1.9	75.2	47 340	2.2	3.5
Scotland	20 571	1.3	98.6	108 098	1.9	8.1
Northern Ireland	16 531	2.0	79.2	29 870	2.5	2.2
Extra-Regio	n/a	n/a	n/a	31 044	12.1	2.3

Table source: Office for National Statistics

Table notes:

1. GVA at current basic prices on workplace basis, based on weighted five-year moving average (see background note 3).
2. Figures may not sum due to rounding in totals; per head (£) figures are rounded to the nearest pound.

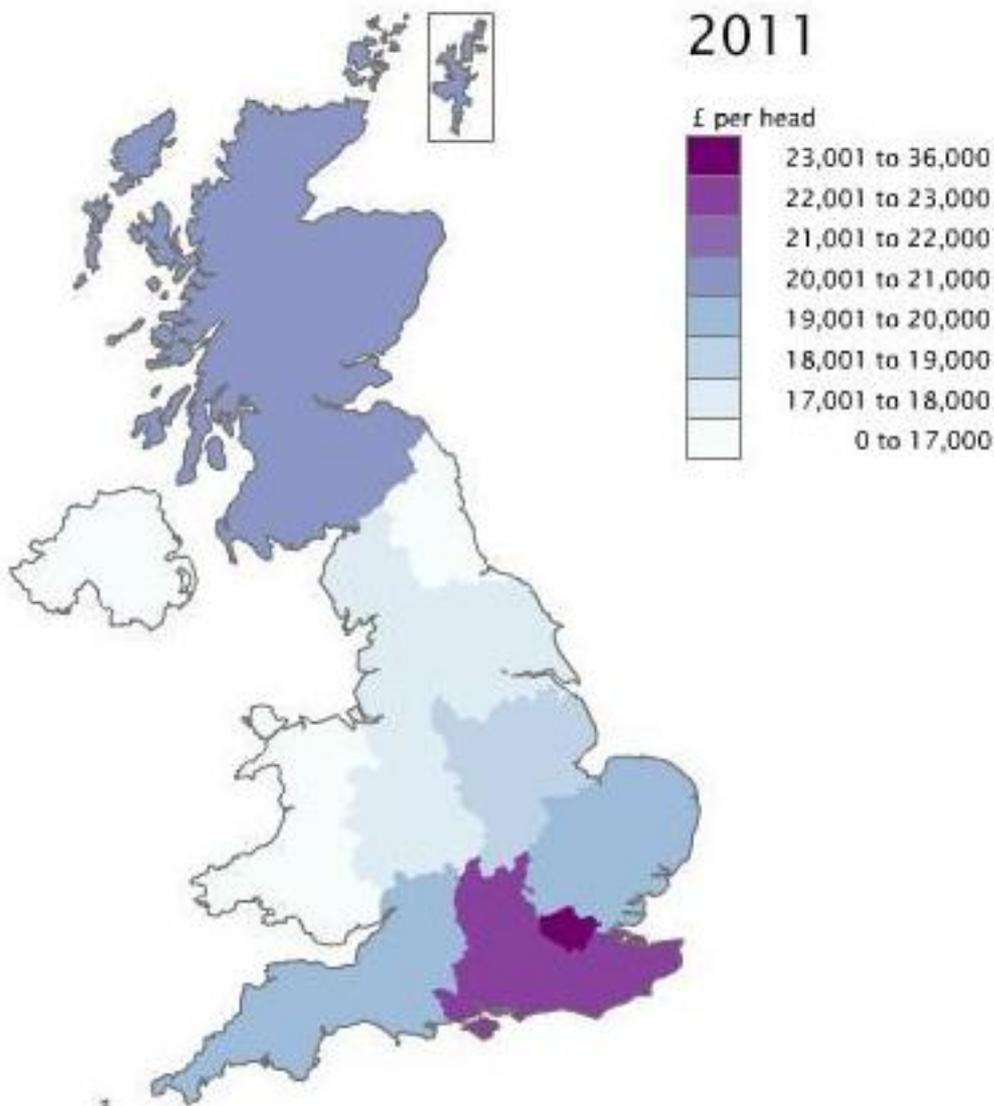
3. 2011 estimates are provisional.
4. Per head and per head index figures exclude the statistical discrepancy and Extra-Region: off-shore contribution to GVA that cannot be assigned to any region (see background note 1). These are included in the total GVA figure.

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The 2011 headline estimates show that both total GVA and GVA per head at current basic prices have increased in all UK regions.

Figure 1: NUTS1: regional GVA per head UK map, 2011



Source: Office for National Statistics

In 2011, London's Gross Value Added (GVA) per head of population was 70.7 per cent above the UK average of £20,873, while that of Wales was 24.8 per cent below the average.

About this release

Regional GVA is measured using the income approach, which involves adding up the income generated by resident individuals or corporations in the production of goods and services. It is calculated gross of deductions for consumption of fixed capital, which is the amount of fixed assets used up in the process of production in any period.

The main components of income based GVA are:

- Compensation of Employees.
- Gross Operating Surplus (the sum of self-employment income, gross trading profits and surpluses, non-market capital consumption, rental income less holding gains).
- Taxes (less subsidies) incurred as a result of engaging in production, independently of the quantity or value of goods and services produced (for example business rates).

These estimates are produced at current prices which include the effect of inflation. They are consistent with the National Accounts Blue Book 2012. National aggregates are allocated to regions using the most appropriate regional indicator available.

GVA per head of population is a useful way of comparing regions of different sizes and is an important indicator for both domestic and European policy purposes. It is calculated using the entire population (including the economically inactive).

GVA estimates in this bulletin are available at three geographical levels, in accordance with the Nomenclature of Units for Territorial Statistics (NUTS). Changes to NUTS areas came into force on 1st January 2012 (see background note 1).

Economic activity that cannot be assigned to any specific region is allocated to Extra-Regio (see background note 1).

Regional GVA estimates (NUTS1) for 2011 are released for the first time with revisions back to 1997 (see background note 8). These estimates update those published in December 2011. At the more detailed levels of geography (NUTS2 and NUTS3), regional GVA estimates are produced at t-1 for the first time (where t is the year of publication).

The 2010 and 2011 estimates are being released for the first time at NUTS2 and NUTS3, along with revisions for the period 1997 to 2009, updating the estimates published in December 2011. Industry estimates are provided at t-2 for all levels of geography.

Economic commentary

Entering 2011, the UK economy had seen output decline in Q4 (October – December) 2010 following five previous quarters of growth. The economy returned to growth in Q1 (January – March) 2011 and then continued to grow slowly in Q2 (April – June) and Q3 (July – September) of 2011.

However, this was followed by a decline in output in the fourth quarter of the year as the economy returned to recession.

For 2011 as a whole, there were declines in household final consumption expenditure and gross fixed capital formation. The UK economy only experienced positive output growth due to the positive influence of the net trade balance. Exports rose at a faster rate than imports in 2011 resulting in the lowest UK trade deficit since the late 1990s.

Interest rates remained at 0.5 per cent and inflation continuously stayed above the Bank of England's target of 2 per cent throughout 2011. The Consumer Price Index (CPI) rose by 4.5 per cent from 2010 to 2011 following a 3.3 per cent rise from 2009 to 2010.

Following the pattern set in 2010 the unemployment rate was fairly constant during 2011 with no regions experiencing any statistically significant change. In terms of the numbers claiming Jobseekers Allowance, the claimant count rates were only lower at the end of 2011 than at the beginning of the year in Scotland. In Wales, Northern Ireland and all of the English regions, claimant count rates increased during the year.

The number of workforce jobs did, however, marginally increase from December 2010 to December 2011 in most of the UK. Only Northern Ireland, Scotland, East of England and the North West witnessed a decline in the total number of workforce jobs during this period.

Overall, the exports of goods to foreign countries from England, Northern Ireland and Scotland increased in 2011. However, Wales experienced a 6 per cent decline in its exports. The only other region to experience a decline in exports was the South East.

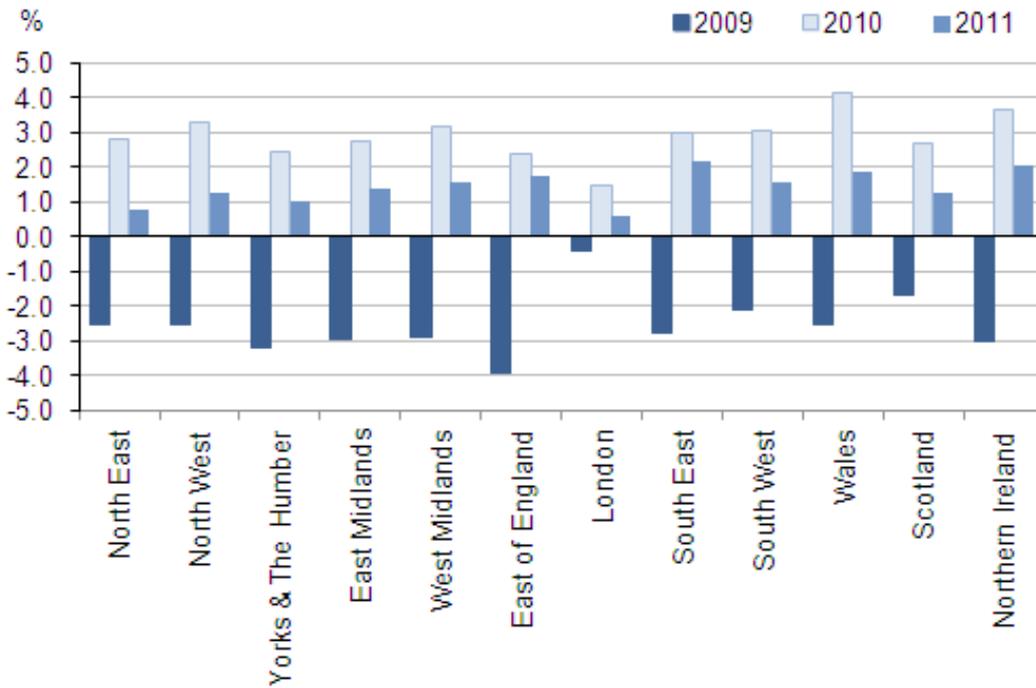
Regional (NUTS1) GVA estimates

GVA per head of population (NUTS1)

In 2011, GVA per head of population increased in all NUTS1 regions. The largest increase was in the South East at 2.2 per cent, followed by Northern Ireland at 2.0 per cent and Wales at 1.9 per cent.

The smallest increase was seen in London (0.6 per cent), however the unadjusted data shows London as having the second largest increase in 2011. The headline figures in this bulletin are smoothed using a five-year moving average. The unadjusted estimates are provided on the Office for National Statistics website. Please refer to the section on Future work plans for developments affecting the presentation of headline and unadjusted estimates.

Chart 1: NUTS1: GVA per head growth on previous year, 2009, 2010 and 2011



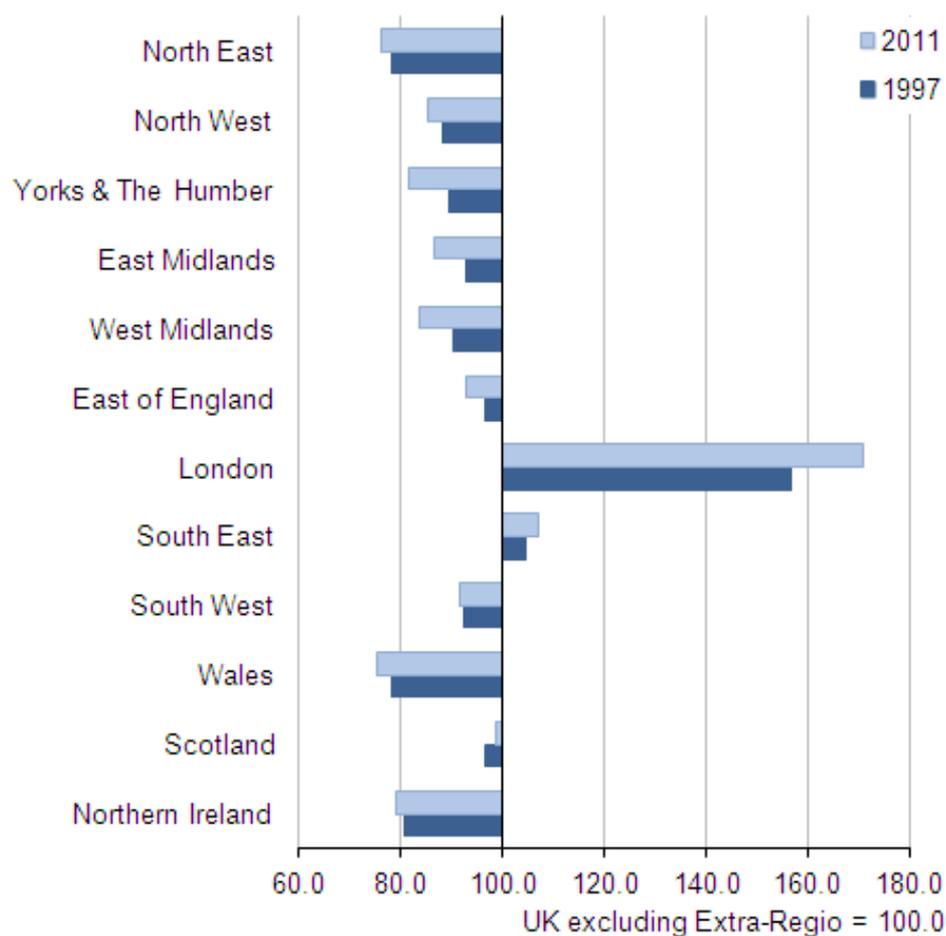
Source: Office for National Statistics

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In 2010 and 2011 positive growth occurred in every NUTS1 region. In 2011, the rate of annual growth decreased in every NUTS1 region when compared with the rate of growth in 2010. The rate of annual growth decreased most in Wales (from 4.1 per cent in 2010 to 1.9 per cent in 2011). The smallest decrease in the rate of growth was in East of England (from 2.4 per cent in 2010 to 1.7 per cent in 2011).

The UK was in recession for a significant part of 2009 and all regions were affected, with negative growth across every NUTS1 region during 2009.

Chart 2: NUTS1: GVA per head index comparison with UK average, 1997 and 2011

Source: Office for National Statistics

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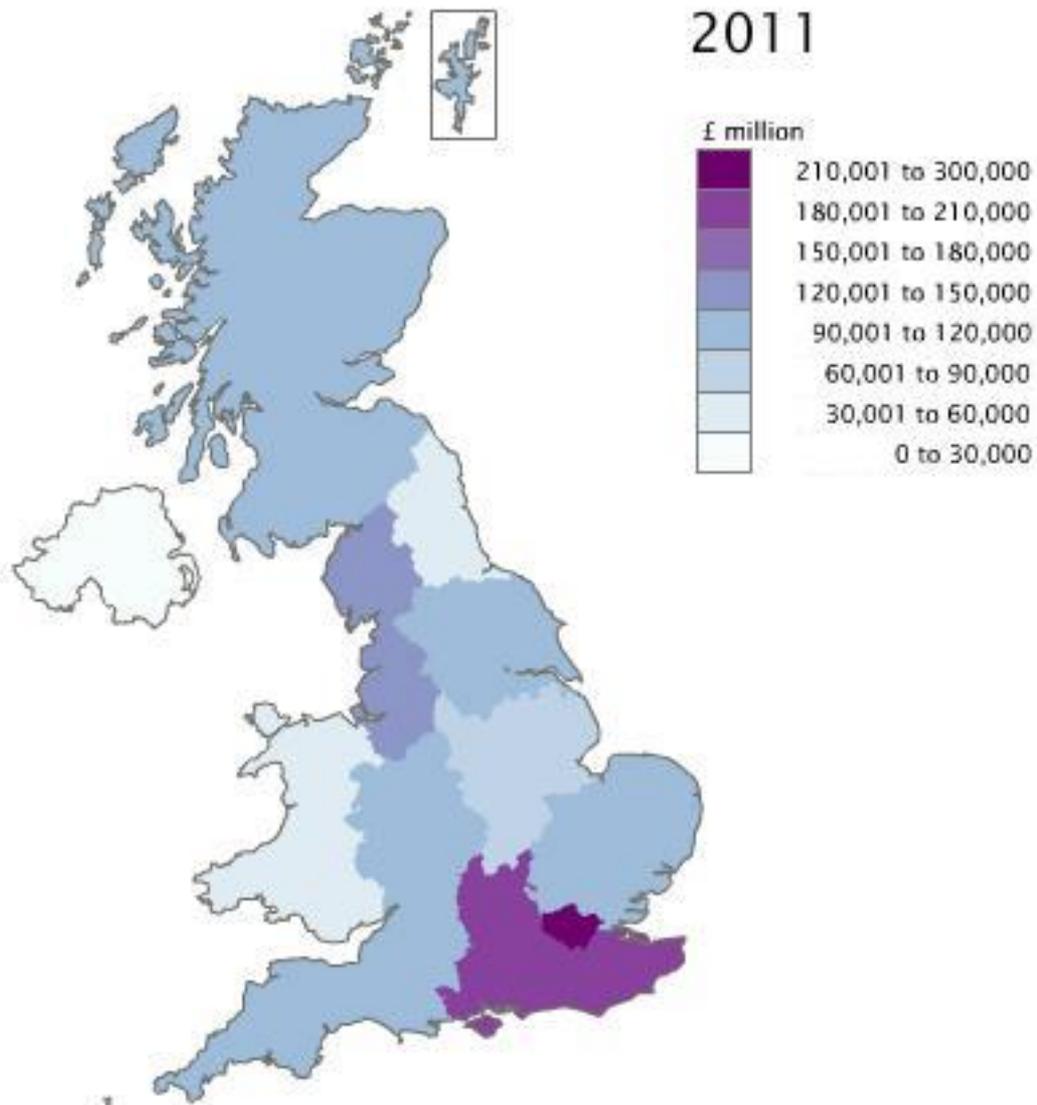
When compared with the UK average, in 1997 and 2011, only London and the South East had per head indices above the UK value. During this period three regions' per head indices increased compared with the UK average. These were London, which increased from 156.8 to 170.7, the South East, which increased from 104.7 to 107.2, and Scotland, which increased from 96.5 to 98.6.

Wales had the lowest per head index figure in both 1997 and 2011, with 78.1 and 75.2 respectively.

Between 1997 and 2010 Yorkshire and The Humber showed the greatest downward movement away from the UK average, with a decrease from 89.6 to 81.6.

NUTS1 total GVA

Figure 2: NUTS1: regional GVA UK map, 2011



Source: Office for National Statistics

In 2011, total GVA increased in all NUTS1 regions. The largest increase occurred in the South East (3.1 per cent) followed by East of England (2.9 per cent). The smallest increase was in the North East (1.5 per cent).

Shares of total GVA

Chart 3: NUTS1: shares of total GVA, 1997 and 2011

Source: Office for National Statistics

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London, the South East and the South West are the only regions to have increased their share of UK GVA in the period 1997 to 2011. London (21.1 per cent) and the South East (14.4 per cent) had the largest regional shares of UK GVA in 2011.

London had the largest increase in share of GVA between 1997 and 2011, from 18.5 per cent to 21.1 per cent. The North West had the largest decrease in share of GVA between 1997 and 2011, from 10.1 per cent to 9.2 per cent.

Sub-regional (NUTS2) and local (NUTS3) estimates

NUTS2 sub-regions

Table 2: NUTS2: top five and bottom five sub-regions by GVA<1> per head, 2011<2>

NUTS2 sub-regions	GVA per head (£)	GVA per head growth on 2010 (%)	GVA per head index (UK=100)	Total GVA (£m)	Total GVA growth on 2010 (%)
United Kingdom³	20 873	1.4	100.0	1 340 627	2.4
Top five GVA per head					
Inner London	62 398	0.5	298.9	195 090	1.9
North Eastern Scotland	31 944	5.3	153.0	14 950	6.5
Berks, Bucks & Oxon	27 795	2.4	133.2	63 310	3.5
Cheshire	22 743	1.7	109.0	20 321	2.3
Glos, Wilts & Bristol/Bath area	22 019	1.3	105.5	52 301	2.2
Bottom five GVA per head					
South Yorkshire	15 467	1.1	74.1	20 705	1.9
Lincolnshire	15 270	2.9	73.2	10 806	3.5
Tees Valley and Durham	14 627	0.6	70.1	17 281	1.2
Cornwall & Isles of Scilly	13 848	1.8	66.3	7 507	2.7
West Wales & The Valleys	13 573	2.2	65.0	25 785	2.4

Table source: Office for National Statistics

Table notes:

1. GVA at current basic prices on workplace basis, based on weighted five-year moving average (see background note 3).
2. 2011 estimates are provisional.
3. Per head and per head index figures exclude the statistical discrepancy and Extra-Regio: off-shore contribution to GVA that cannot be assigned to any region (see background note 1). These are included in the total GVA figure.
4. Data for all NUTS2 sub-regions are included in tables 2.1 to 2.3.

Download table

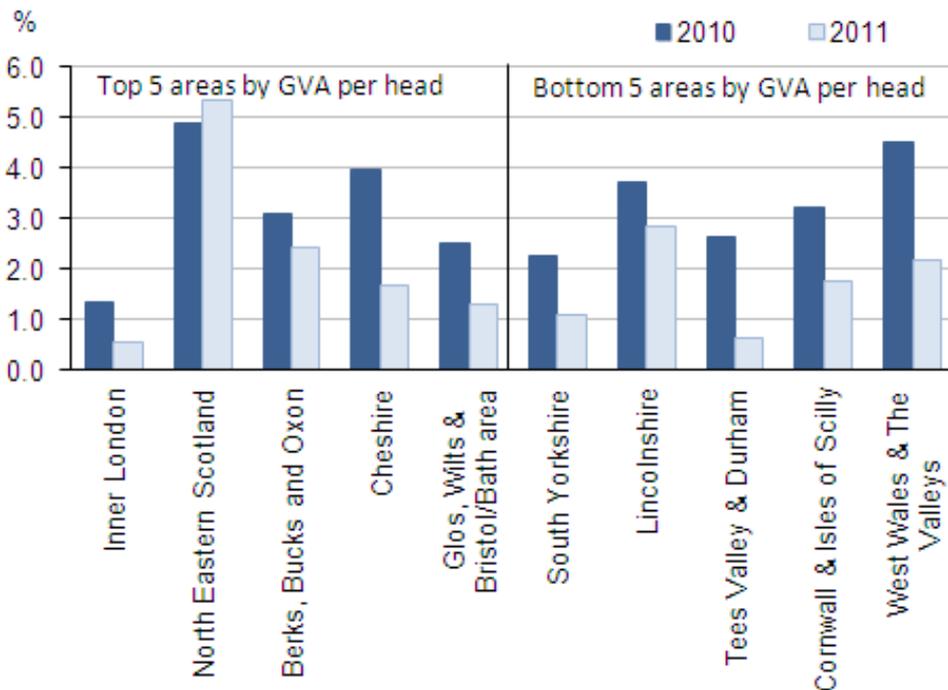
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NUTS2 GVA per head of population

In 2011, within the 37 NUTS2 sub-regions, Inner London had the largest GVA per head (£62,398). West Wales and The Valleys had the lowest (£13,573). These figures compare with the UK average (excluding Extra-Region) of £20,873.

GVA per head increased in all NUTS2 sub-regions in 2011 except for Eastern Scotland, which fell by 0.1 per cent. This can mainly be attributed to a decline in a number of sectors, including financial services, in Edinburgh and a slow recovery in the construction sector.

Chart 4: NUTS2: GVA per head growth on previous year, 2010 and 2011



Source: Office for National Statistics

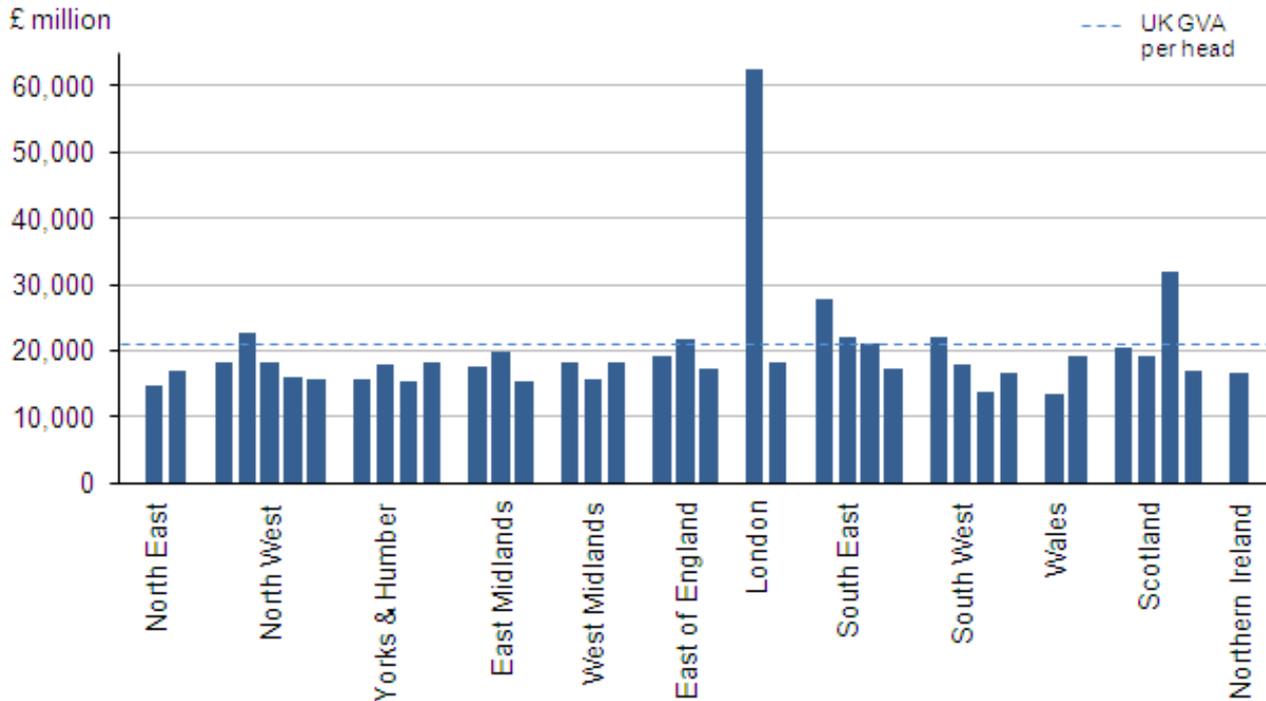
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In 2011, a slowdown in the rate of annual growth was apparent in all NUTS2 sub-regions except for North Eastern Scotland, which increased from 4.9 per cent in 2010 to 5.3 per cent in 2011. This can be attributed mainly to the oil and gas production industries, where UK profits have grown significantly between 2009 and 2010 and between 2010 and 2011.

The rate of annual growth decreased most in Cumbria, from 6.4 per cent in 2010 to 4.0 per cent in 2011, followed by West Wales and the Valleys, from 4.5 per cent to 2.2 per cent, and Cheshire, from 4.0 per cent to 1.7 per cent.

Chart 5: NUTS2: GVA per head grouped by NUTS1 region, 2011



Source: Office for National Statistics

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In 2011, of the 37 NUTS2 sub-regions, eight were above the UK average GVA per head (£20,873). These were: Inner London (£62,398); North Eastern Scotland (£31,944); Berkshire, Buckinghamshire and Oxfordshire (£27,795); Cheshire (£22,743); Gloucestershire, Wiltshire and Bristol/Bath area (£22,019); Surrey, East and West Sussex (£21,963); Bedfordshire and Hertfordshire (£21,765); and Hampshire and Isle of Wight (£20,964).

The GVA per head of Inner London was almost three times the UK average and almost double the next highest sub-region. Three of the four NUTS2 sub-regions within the South East were above the UK average GVA per head in 2011.

NUTS2 total GVA

In 2011, total GVA increased in all NUTS2 sub-regions. The largest increase was in North Eastern Scotland, at 6.5 per cent, followed by Cumbria at 3.9 per cent.

NUTS3 local areas

Table 3: NUTS3: top five and bottom five local areas by GVA<1> per head, 2011<2>

NUTS3 local areas	GVA per head (£)	GVA per head growth on 2010 (%)	GVA per head index (UK=100)	Total GVA (£m)	Total GVA growth on 2010 (%)
United Kingdom³	20 873	1.4	100.0	1 340 627	2.4
Top five GVA per head					
Inner London-West	111 519	0.5	534.3	127 730	2.0
Edinburgh, City of	34 178	-1.7	163.7	16 930	0.2
Inner London-East	34 000	0.5	162.9	67 359	1.9
Belfast	33 190	3.0	159.0	8 880	2.5
Berkshire	32 798	2.5	157.1	28 697	3.7
Bottom five GVA per head					
Isle of Anglesey	12 624	3.8	60.5	866	3.8
Torbay	12 620	0.7	60.5	1 698	0.9
Sefton	11 797	0.3	56.5	3 220	0.3
Gwent Valleys	11 626	2.6	55.7	3 861	2.7
Wirral	11 167	1.6	53.5	3 448	1.6

Table source: Office for National Statistics

Table notes:

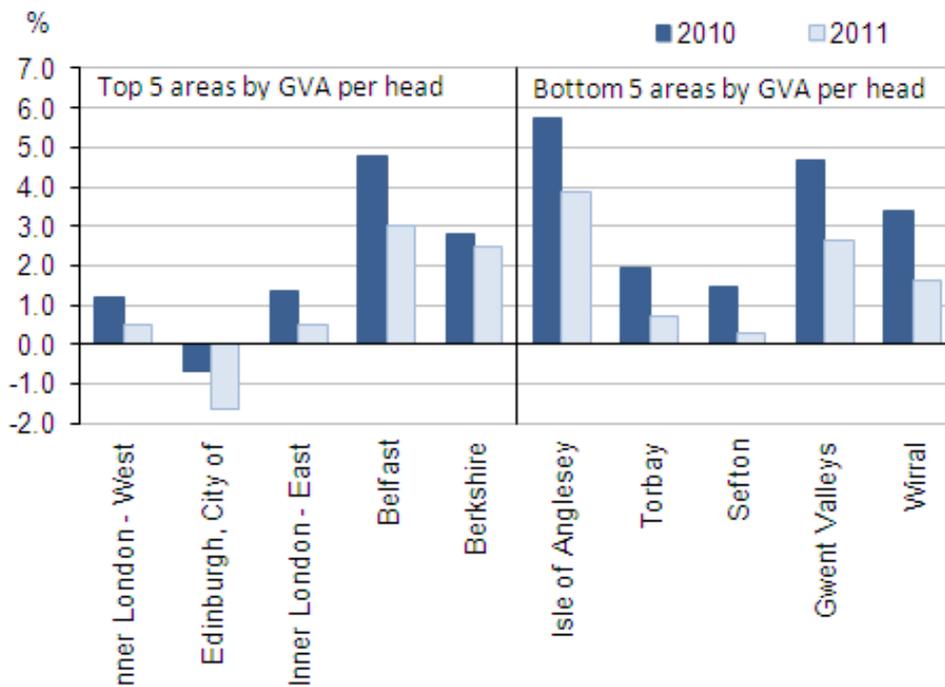
1. GVA at current basic prices on workplace basis, based on weighted five-year moving average (see background note 3).
2. 2011 estimates are provisional.
3. Per head and per head index figures exclude the statistical discrepancy and Extra-Regio: off-shore contribution to GVA that cannot be assigned to any region (see background note 1). These are included in the total GVA figure.
4. Data for all NUTS3 local areas are included in tables 3.1 to 3.3.

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NUTS3 GVA per head of population

Within the 139 NUTS3 areas, Inner London - West had the largest GVA per head (£111,519) in 2011. Wirral had the smallest (£11,167). These figures compare with the UK average (excluding Extra-Regio) of £20,873.

Chart 6: NUTS3: GVA per head growth on previous year, 2010 and 2011

Source: Office for National Statistics

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Of the five NUTS3 regions with the highest GVA per head in 2011, only City of Edinburgh had negative growth in both 2010 and 2011. Total GVA has increased slightly in Edinburgh over these periods, but has grown at a slower rate than the population.

In 2011, a slowdown in the rate of annual growth was evident in 134 of the 139 NUTS3 areas.

NUTS3 total GVA

In 2011, total GVA increased in all NUTS3 areas except for Southampton (-0.2 per cent). The largest increase in 2011 was in Aberdeen City and Aberdeenshire (6.5 per cent), followed by West Cumbria at 5.0 per cent.

Domestic use of regional, sub-regional and local GVA estimates

These statistics provide an overview of economic performance at regional and sub-regional level, allowing comparison between the countries and regions of the UK. They provide information about regional economic diversity and the relative importance of different industries to regional economies.

They are used by the UK Government and the Devolved Administrations of Northern Ireland, Scotland and Wales to formulate and monitor economic policy and allocate resources. These statistics are used in the development of the 'Programme for Government' and the 'Economic Strategy for Northern Ireland'.

They are also used in respect of Public Service Agreement (PSA) targets for several Northern Ireland government departments. The Scottish Government uses regional GVA estimates in the compilation of the national indicator 'Grow exports at a faster rate than GDP'. They are also used in the Scottish Quarterly GDP(I) system which is part of the Scottish National Accounts Project (SNAP). GVA per head estimates are one of the Welsh Government's 'Programme for Government' outcome indicators for Growth and Jobs.

The Department for Business, Innovation and Skills (BIS) uses regional and sub-regional GVA estimates in monitoring regional economic performance. They are currently used in the BIS publication 'Regional Economic Performance Indicators'. Local authorities and regional observatories use these statistics to facilitate evidence-based policy making and economic intervention, for example assisting Local Enterprise Partnership (LEP) applications and regional growth funding bids.

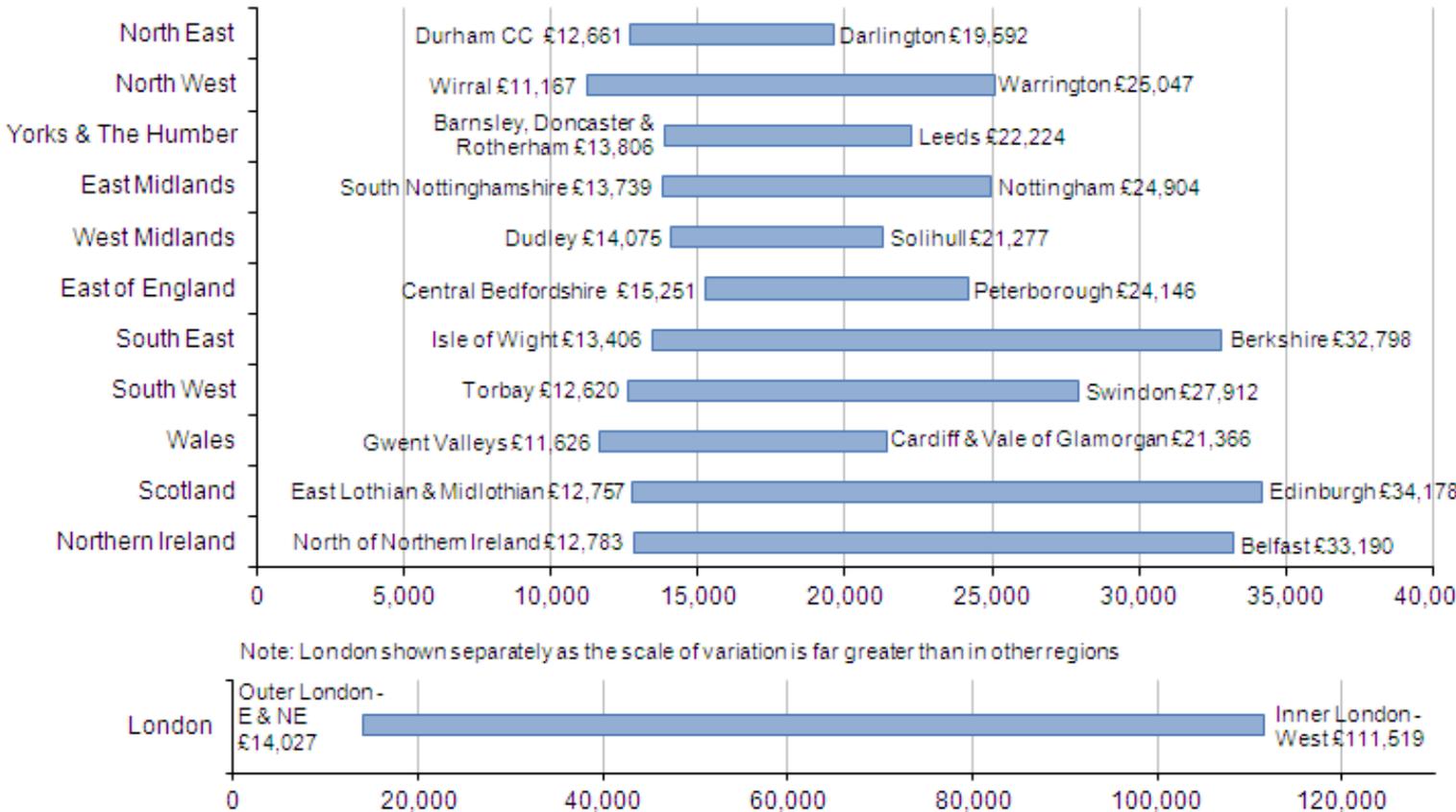
These statistics inform the general public about the state of the economy and provide insight into the relative economic positions of local areas and issues such as the 'North-South divide'. The House of Commons Library produces a standard note about these statistics and they are frequently the subject of parliamentary questions raised by Members of Parliament.

The ONS Regional Accounts team also receives general enquiries relating to these estimates from a diverse range of bodies including the Bank of England, other government departments, local authorities, business analysts, consultancy firms, financial institutions, economists and the media (provincial and national). These statistics also facilitate academic research by individuals and universities within the UK and abroad.

The countries and regions of the UK have differing demographic characteristics, industrial structure and economic performance. There is also a wide variation in the size and population of the regions which makes it difficult to compare regional economic performance using cash totals. Estimates on a per head basis allow for the comparison of regions significantly different in absolute size.

There is significant variation in the range of GVA per head within NUTS1 regions of the UK. Variation in 2011 is illustrated in the following chart. The NUTS3 local areas with the highest and lowest GVA per head within each NUTS1 region determine the range of GVA per head within that region.

Chart 7: NUTS3: GVA per head variation within NUTS1 region, 2011



Source: Office for National Statistics

Download chart

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London has the most variation, ranging between Outer London - East and North East (£14,027) and Inner London - West (£111,519). Scotland has the next highest amount of variation, between East Lothian & Midlothian (£12,757) and City of Edinburgh (£34,178). The region with the least variation is the North East, between Durham C.C. (£12,661) and Darlington (£19,692).

European Union use of UK sub-regional GVA estimates

The production of regional GVA is a legal requirement under the European System of Accounts. The sub-regional (NUTS2) estimates are used to inform European Union (EU) structural funding decisions. GDP is calculated in the currencies of the Member States and converted initially into Euros and then into an artificial common currency called the Purchasing Power Standard (PPS). This makes it possible to compare the purchasing power of different national currencies.

The resulting GDP per inhabitant estimates (expressed in terms of PPS) provide a measure of the total economic activity in a region and may be used to monitor and compare the economic development of regions over time.

The purpose of EU structural funding is to redress regional imbalances by supporting the development of regional economies. Convergence funding provided by the European Regional Development Fund (ERDF) and the European Social Fund (ESF) is allocated to promote growth-enhancing conditions and factors leading to economic convergence for the least developed EU Member States and regions.

Where the average GDP per inhabitant of a region (in PPS), over an agreed three year period, falls below 75 per cent of the average for the 27 EU Member States (EU-27), full convergence funding is allocated to promote economic development. A 'phasing-out' element of the funding is allocated to regions with GDP per inhabitant just above the threshold.

Within the current round of funding (covering the period 2007 to 2013), the UK receives full convergence assistance for Cornwall and the Isles of Scilly and West Wales and The Valleys, while Highlands and Islands receives 'phasing-out' support.

The most recently published Eurostat GDP per inhabitant estimates (for 2009), expressed in PPS, were released in March 2012. The EU-27 average was 23,500 PPS, down from 25,000 PPS in 2008. In 2009 Inner London had the highest GDP per inhabitant of the NUTS2 regions of the EU Member States, at 78,000 PPS.

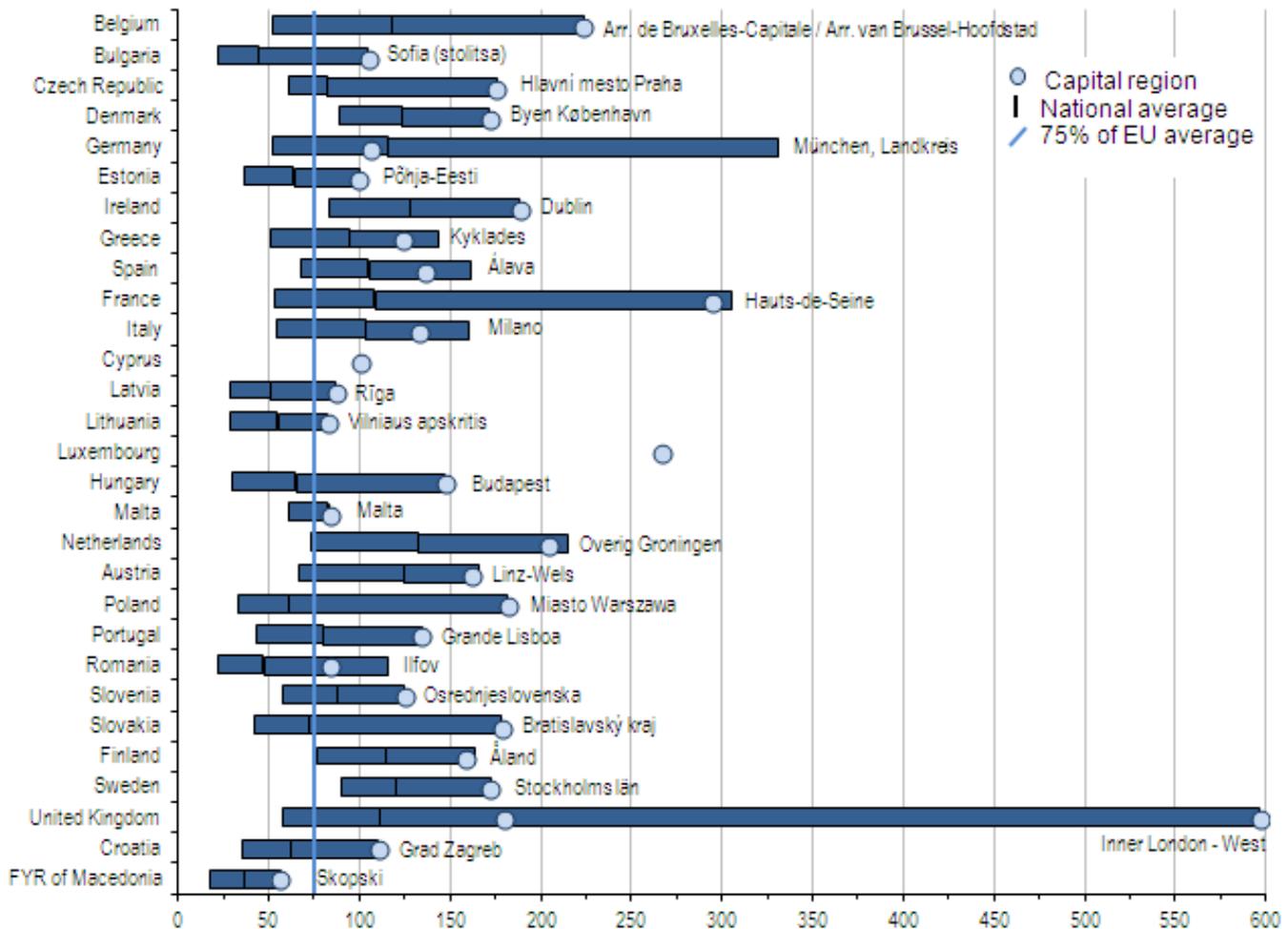
The following chart illustrates the variation in the range of GDP per inhabitant (expressed in PPS) within the EU Member States at NUTS3 level. Inner London - West had the highest GDP per inhabitant (PPS) of the NUTS3 regions within the EU.

Further information relating to the compilation of EU regional GDP statistics can be found on the Eurostat website:

- [Statistics in Focus, Eurostat](#)
- [Regional GDP News Release March 2012, Eurostat](#)

Chart 8: Variation across the European Union, 2009

(Gross Domestic Product (GDP) per inhabitant, in Purchasing Power Standard (PPS), by NUTS3 regions, 2009<1> (% of the EU-27 average, EU-27=100))



Source: Eurostat

Notes:

- The graph shows the range of the highest to lowest region for each country; the black vertical line is the average (mean); the light blue circular marker is the capital city region; the name of the region with the highest value is also included. Please note that two NUTS3 regions are included for the capital city of the United Kingdom (Inner London - West and Inner London - East). The graph also includes two candidate countries, Croatia and Macedonia.

Download chart

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Future work plans

- ONS plans to publish estimates of regional, sub-regional and local GVA for 1997 to 2012 in December 2013.

- Population estimates from the 2011 Census for all regions of the UK will be incorporated in the regional, sub-regional and local GVA statistical bulletin planned for December 2013, including revised estimates for all years from 2002.
- The publication of Regional Gross Disposable Household Income (GDHI) estimates for the period 1997 to 2011 is currently planned for 24th April 2013.
- A project is underway to develop estimates of [real regional GVA growth using a production approach \(237.3 Kb Pdf\)](#). Details of progress to date and plans for these statistics can be found on the ONS website.
- ONS Methodology Directorate has reviewed the methods used to produce smoothed (headline) GVA and GDHI estimates and to take account of commuting in the workplace-based GVA estimates. The results of this process were published in August 2012. Smoothing will be removed from both the GVA and GDHI publications in 2013. An exercise will be undertaken during 2013 to assess the impact of expanding the regional GVA commuting adjustment across all regions. [Details of the review, the subsequent user consultation and plans for implementation](#) are set out on the ONS website.

Background notes

1. The [Nomenclature of Units for Territorial Statistics \(NUTS\)](#) provides a single uniform breakdown for the production of regional statistics for the EU. These regional GVA estimates are compiled at three levels of NUTS geography:
 - NUTS1: Wales, Scotland, Northern Ireland and the nine English regions.
 - NUTS2: 37 areas – mainly groups of counties and unitary authorities; can be referred to as sub-regions.
 - NUTS3: 139 areas – principally individual counties and unitary authorities; also known as local areas.
 - Some areas appear at more than one level, for example Northern Ireland appears at NUTS1 and NUTS2 level.

The changes to NUTS areas proposed by the UK during the 2010 NUTS Review were accepted by the European Commission and came into force on 1st January 2012. There are seven changes to the NUTS3 areas in England. One of these changes impacts upon the NUTS2 level, with Halton moving from Cheshire to be included within Merseyside.

The NUTS classification was established by Eurostat in the early 1970s as a single, coherent system for dividing up European Union territory in order to produce regional statistics for the EU. Since 2003, any changes to boundaries to account for changes in, for instance, local authority boundaries, have needed to go through a formal process of application to the EU, with any changes being implemented at the end of pre-set periods of enforced stability.

The contribution to GVA of UK embassies abroad and UK forces stationed overseas is included in Extra-Regio, along with the elements relating to activities taking place on the continental shelf (i.e. North Sea oil and gas extraction). As these cannot be assigned to specific regions they are assigned as Extra-Regio GVA.

2. These estimates are presented in current basic prices. They do not allow for different regional price levels or changes in prices over time (inflation). The income approach to calculating GVA produces only current price estimates because some income components cannot easily be converted into prices and volume (e.g. gross operating surplus).
3. The headline regional GVA series have been calculated using a five-year, weighted moving average technique. These adjusted series remove some year to year volatility in the unadjusted series. The unadjusted series are also provided on the Office for National Statistics website.
4. The NUTS1 GVA estimates presented here are on a workplace basis (allocated to the location where the economic activity takes place). Residence-based estimates, where earnings of individuals are allocated to the region in which they live, are also published at NUTS1 level.
5. GVA per head is a useful way of comparing regions of different sizes. It is not, however, a measure of regional productivity as the population estimates used to calculate it include the economically inactive population. ONS produces estimates of regional and sub-regional productivity based on the regional GVA data.

[Subregional Productivity, March 2012](#)

Updated productivity outputs based on this new regional GVA release will follow, with production scheduled for later in December for regional productivity and Q1 2013 for sub-regional productivity.

6. **Quality**

Regional Accounts published updated Quality and Methodology Information (QMI) reports for [regional GVA \(279.7 Kb Pdf\)](#) and [regional GDHI \(584.2 Kb Pdf\)](#) in April 2012, detailing methods used to produce these statistics.

7. Figures for 2011 are provisional as national estimates have not been through Supply and Use balancing at the time of this publication.

The statistical discrepancy is the difference between the sum of the national income components and the definitive national estimate of GVA.

As with the National Accounts, regional, sub-regional and local GVA estimates are calculated as reliably as possible. There is no easy way to measure the reliability of the estimates but ONS carries out consistency checks on data inputs, applies methods consistently and makes use of local knowledge for England, Scotland, Wales and Northern Ireland through consultation with key users in the Devolved Administrations and other government departments. The estimates are partly based on sample surveys and the quality of the results therefore varies according to sample size. This means that the results for smaller regions are subject to a greater degree of uncertainty than those for larger regions.

8. **Revisions**

Revisions to NUTS1 regional GVA estimates in this statistical bulletin cover the period 1997 to 2010. Revisions to NUTS2 and NUTS3 estimates cover the period 1997 to 2009.

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 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.

One such error did occur in the compilation of the GVA data published in December 2011. It concerned the allocation of North Sea oil and gas extraction and affected all regions to some extent.

The main reasons for revisions are detailed below:

Data are subject to revisions in light of revised National Accounts Blue Book data. In Blue Book 2012, the totals for national GVA by industry were revised as far back as 2009. These changes led to revisions in the regional data, which are constrained to the national figures.

Final estimates for 2010 became available from various data providers. Source data are delivered by suppliers in accordance with the Standard Industrial Classification of All Economic Activities (UK SIC 2007).

PAYE data from Her Majesty's Revenue and Customs (HMRC), used in the compilation of compensation of employees estimates, were revised for 2009/10 and new estimates supplied for 2010/11.

Revisions to GVA estimates for both 2009 and 2010 are shown in the following tables. The total change has been broken down to show the revision due to the changes to the national figures introduced in the Blue Book 2012, and the revision due to the other changes described in this section. The revision due to the correction of the compilation error (see above) is also shown separately.

Table 4: NUTS1: Percentage revisions to workplace-based headline GVA in 2010 and 2009

2010	Total revision (%)	Revision due to correction to offshore data (%)	Revision due to national estimates (%)	Other revision (%)
UK	0.8	0.0	0.8	0.0
North East	-0.3	-0.1	0.6	-0.8
North West	0.9	-0.1	0.7	0.3
Yorkshire & The Humber	-0.2	-0.1	0.8	-0.9
East Midlands	-1.7	-0.1	0.7	-2.3
West Midlands	1.1	-0.1	0.6	0.6
East of England	0.4	-0.1	0.3	0.2
London	0.9	-0.1	0.6	0.4
South East	-0.4	-0.1	-0.3	0.0
South West	1.0	-0.1	0.7	0.4
Wales	2.1	-0.1	0.9	1.3
Scotland	0.5	-0.1	1.6	-1.0
Northern Ireland	4.2	-0.1	1.3	3.0
Extra-Regio	19.4	4.9	13.9	-0.1
2009	Total revision (%)	Revision due to correction to offshore data (%)	Revision due to national estimates (%)	Other revision (%)
UK	0.6	0.0	0.6	0.0
North East	-0.1	-0.1	0.4	-0.4
North West	0.6	-0.1	0.5	0.2
Yorkshire & The Humber	-0.3	-0.1	0.4	-0.6
East Midlands	-1.1	-0.1	0.3	-1.3

West Midlands	0.6	-0.1	0.3	0.4
East of England	0.3	-0.1	0.3	0.1
London	0.3	-0.1	0.2	0.2
South East	-0.1	-0.1	0.0	0.0
South West	0.5	-0.1	0.3	0.2
Wales	1.0	-0.1	0.5	0.6
Scotland	0.2	-0.1	0.8	-0.5
Northern Ireland	2.8	-0.1	0.7	2.2
Extra-Regio	24.3	4.6	18.9	0.0

Table source: Office for National Statistics

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This document is also available on our website at www.ons.gov.uk.

Statistical contacts

Name	Phone	Department	Email
Trevor Fenton	+44 (0)1633 456083	Regional Accounts, Office for National Statistics	trevor.fenton@ons.gsi.gov.uk

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Issuing Body:

Office for National Statistics

Media Contact Details:

Telephone: 0845 604 1858
(8.30am-5.30pm Weekdays)

Emergency out of hours (limited service): 07867 906553

Email:

media.relations@ons.gsi.gov.uk