

Midlands Engine Intelligence Briefing: Gross Value Added (GVA): May 2021¹

Key Points:

- The Midlands Engine (65 Local Authorities) total GVA has increased from £239.2bn in 2018 to £245.8bn in 2019. This equates to a 2.7% annual increase, slightly below UK average growth of 3.5%.
- Midlands Engine GVA is higher than any other UK region outside of London and the South East.
- Total GVA increased across all 9 Midlands Engine LEP areas, with Derby, Derbyshire, Nottingham and Nottinghamshire (D2N2) increasing the fastest between 2018 and 2019. Above the national average for growth, GVA in D2N2 increased by 3.63% (+£1.8bn) to over £50bn overall. Leicester and Leicestershire also relatively fast GVA growth: 3.5% in line with the national average.
- Midlands Engine GVA per head has increased from £23,250 in 2018 to £23,750 in 2019. This equates to a 2.2% increase, below the UK average growth of 2.9%. There is a shortfall of £5,849 to the UK figure (£29,599).
- Of the Midlands Engine's broad key sectors, Business, Professional & Financial Services remains the largest in terms of GVA: this sector grew by 2.4% between 2018 and 2019, now totalling £66.2bn.

Full Briefing:

Total GVA – Balanced

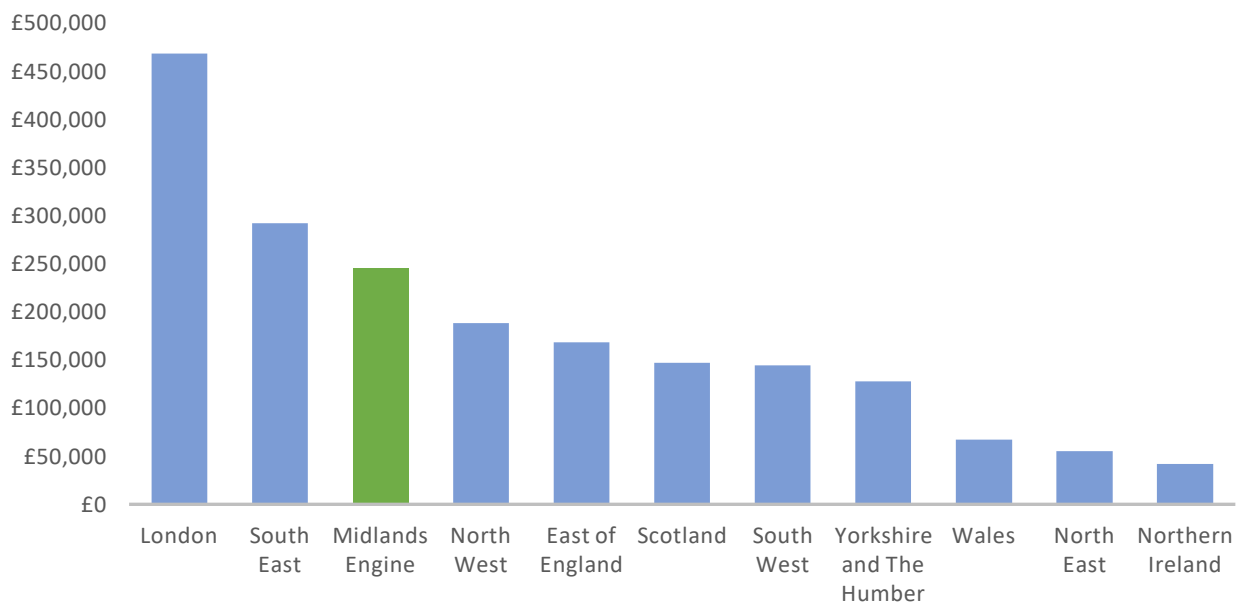
- The Midlands Engine (65 Local Authorities) total GVA has increased from £239.2bn in 2018 to £245.8bn in 2019. This equates to a 2.7% annual increase, slightly below UK average growth of 3.5%.
- There was varied GVA growth performance across local authority areas between 2018 and 2019. Shown fully in the annex, the area with the fastest GVA percentage growth was West Lindsey (+9.4%), followed by East Staffordshire (+7.4%), Rushcliffe (+7.2%) and Mansfield (+6.6%). In contrast, GVA decreased in nine local authorities, including Broxtowe (-2.0%) High Peak (-1.8%), Bromsgrove (-1.5%), Cannock Chase (-0.5%) and Rugby (-0.2%).
- The GVA of the West Midlands region stands at £144.5bn as of 2019, reflecting 2.3% growth compared to the previous year. East Midlands regional GVA grew slightly faster over the same time period, reaching £113.5bn GVA in 2019 through 3.4% growth.
- Total GVA increased across all 9 Midlands Engine LEP areas, with Derby, Derbyshire, Nottingham and Nottinghamshire (D2N2) increasing the fastest between 2018 and 2019. Above the national average for growth, GVA in D2N2 increased by 3.63% (+£1.8bn) to over £50bn overall. Leicester and Leicestershire also relatively fast GVA growth: 3.5% in line with the national average.

¹ [ONS, Regional economic activity by gross domestic product, UK: 1998 to 2019](#), released May 2021

Table 1: GVA in the Midlands Engine

LEP Area	£ Millions		Change	% Change
	2018	2019		
Midlands Engine (65 Local Authorities)	£239,220	£245,640	£6,420	2.7%
Black Country	£21,999	£22,282	£283	1.3%
Coventry and Warwickshire	£29,369	£29,733	£364	1.2%
Derby, Derbyshire, Nottingham and Nottinghamshire	£48,744	£50,513	£1,769	3.6%
Greater Birmingham and Solihull	£53,263	£54,695	£1,432	2.7%
Greater Lincolnshire	£23,334	£23,935	£601	2.6%
Leicester and Leicestershire	£25,960	£26,873	£913	3.5%
Stoke-on-Trent and Staffordshire	£24,222	£24,967	£745	3.1%
The Marches	£14,417	£14,851	£434	3.0%
Worcestershire	£14,098	£14,484	£386	2.7%
West Midlands Region	£141,181	£144,455	£3,274	2.3%
East Midlands Region	£109,781	£113,526	£3,745	3.4%
UK	£1,910,247	£1,977,096	£66,849	3.5%

- As depicted in Figure 1, Midlands Engine GVA is higher than any other UK region outside of London and the South East.

Figure 1: GVA by UK Region (2019)**GVA per Head and Employee**

- Midlands Engine GVA per head has increased from £23,250 in 2018 to £23,750 in 2019. This equates to a 2.2% increase, below the UK average growth of 2.9%. There is a shortfall of £5,849 to the UK figure (£29,599).
- Following the trends of overall GVA, Leicester and Leicestershire and D2N2 reported the fastest increased in GVA per head between 2018 and 2019: increased of £701 (+2.8%) and £661 (+3.0%) respectively.
- Despite the only Midlands LEP area to see GVA per head decrease, Coventry & Warwickshire still has the highest GVA per head overall, followed by Greater Birmingham & Solihull.

Table 2: GVA per Head in the Midlands Engine Area

LEP Area	2018	2019	Change	% Change
Midlands Engine (65 Local Authorities)	£23,250	£23,750	£500	2.2%
Black Country	£18,434	£18,586	£152	0.8%
Coventry and Warwickshire	£31,318	£31,315	-£2	0.0%
Derby, Derbyshire, Nottingham and Nottinghamshire	£22,080	£22,743	£661	3.0%
Greater Birmingham and Solihull	£26,105	£26,725	£620	2.4%
Greater Lincolnshire	£20,773	£21,209	£436	2.1%
Leicester and Leicestershire	£24,642	£25,342	£700	2.8%
Stoke-on-Trent and Staffordshire	£21,415	£21,978	£563	2.6%
The Marches	£20,889	£21,344	£455	2.2%
Worcestershire	£23,812	£24,311	£499	2.1%
UK	£28,753	£29,599	£846	2.9%

- The Midlands Engine GVA per employee was £51,119 in 2019; this is a 2.0% (+£1,071) increase from 2018. England increased by 2.2% to £64,701 per employee, leading to a shortfall of £9,582 for the Midlands Engine.

GVA by Sector

- Of the Midlands Engine's broad key sectors, Business, Professional & Financial Services remains the largest in terms of GVA: this sector grew by 2.4% between 2018 and 2019, now totalling £66.2bn.
- The sector with the highest GVA growth was Creative, Design & Digital, increasing by 10.2%. All sectors demonstrated growth apart from Advanced Manufacturing. This large sector's GVA decreased slightly, from £40.0bn to £39.7bn (-0.8%).

Table 3: GVA by Broad Sector

	£ Millions					England	
	2018	2019	% 2019	Change	% Change	% 2019	% Change
Advanced Manufacturing	£40,044	£39,742	-£302	-0.8%	16.2%	9.7%	0.1%
Business, Professional & Financial Services	£64,627	£66,205	£1,578	2.4%	26.9%	34.4%	2.4%
Construction	£17,305	£17,987	£682	3.9%	7.3%	7.1%	4.7%
Creative, Design & Digital	£9,533	£10,501	£968	10.2%	4.3%	6.9%	9.4%
Energy & Low Carbon Activities	£11,607	£11,870	£263	2.3%	4.8%	4.3%	1.1%
Healthcare & Life Sciences	£20,486	£20,644	£158	0.8%	8.4%	7.5%	2.8%
Public Sector inc. Education	£26,078	£27,629	£1,551	5.9%	11.2%	10.9%	6.3%
Retail	£29,358	£30,110	£752	2.6%	12.3%	10.4%	3.1%
Transport Technologies & Logistics	£10,234	£10,684	£450	4.4%	4.3%	4.1%	4.9%
Visitor Economy	£9,944	£10,392	£448	4.5%	4.2%	4.6%	5.1%
Total	£239,216	£245,777	£6,561	2.7%	100%	100%	3.5%

Annex: Midlands Engine GVA by Local Authority Area:

	£ millions		Change	% Change
	2018	2019		
Amber Valley	£2,654	£2,761	£107	4.0%
Ashfield	£2,763	£2,835	£72	2.6%
Bassetlaw	£2,214	£2,309	£95	4.3%
Birmingham	£27,078	£27,798	£720	2.7%
Blaby	£3,715	£3,696	-£19	-0.5%
Bolsover	£1,998	£2,070	£72	3.6%
Boston	£1,436	£1,471	£35	2.4%
Bromsgrove	£2,926	£2,883	-£43	-1.5%
Broxtowe	£2,163	£2,120	-£43	-2.0%
Cannock Chase	£2,167	£2,156	-£11	-0.5%
Charnwood	£3,558	£3,640	£82	2.3%
Chesterfield	£2,385	£2,453	£68	2.9%
Coventry	£9,847	£9,909	£62	0.6%
Derby	£7,173	£7,429	£256	3.6%
Derbyshire Dales	£1,599	£1,618	£19	1.2%
Dudley	£5,402	£5,506	£104	1.9%
East Lindsey	£2,138	£2,236	£98	4.6%
East Staffordshire	£3,450	£3,707	£257	7.4%
Erewash	£1,694	£1,766	£72	4.3%
Gedling	£1,505	£1,574	£69	4.6%
Harborough	£2,101	£2,188	£87	4.1%
Herefordshire, County of	£3,812	£4,002	£190	5.0%
High Peak	£1,514	£1,486	-£28	-1.8%
Hinckley and Bosworth	£2,365	£2,417	£52	2.2%
Leicester	£8,577	£9,088	£511	6.0%
Lichfield	£2,290	£2,370	£80	3.5%
Lincoln	£2,790	£2,853	£63	2.3%
Malvern Hills	£1,607	£1,706	£99	6.2%
Mansfield	£1,622	£1,729	£107	6.6%
Melton	£1,174	£1,205	£31	2.6%
Newark and Sherwood	£2,466	£2,564	£98	4.0%
Newcastle-under-Lyme	£2,167	£2,217	£50	2.3%
North East Derbyshire	£1,433	£1,479	£46	3.2%
North East Lincolnshire	£3,113	£3,223	£110	3.5%
North Kesteven	£2,306	£2,413	£107	4.6%
North Lincolnshire	£4,426	£4,424	-£2	-0.05%
North Warwickshire	£2,870	£2,986	£116	4.0%
North West Leicestershire	£3,655	£3,795	£140	3.8%
Nottingham	£10,108	£10,557	£449	4.4%
Nuneaton and Bedworth	£2,124	£2,211	£87	4.1%
Oadby and Wigston	£815	£843	£28	3.4%
Redditch	£2,213	£2,219	£6	0.3%
Rugby	£2,965	£2,960	-£5	-0.2%
Rushcliffe	£2,694	£2,888	£194	7.2%
Rutland	£742	£754	£12	1.6%
Sandwell	£6,739	£6,738	-£1	0.0%

	£ millions			2018
	2018	2019	Change	
Shropshire	£6,122	£6,212	£90	1.5%
Solihull	£9,998	£10,340	£342	3.4%
South Derbyshire	£2,757	£2,876	£119	4.3%
South Holland	£2,159	£2,150	£-9	-0.4%
South Kesteven	£2,764	£2,814	£50	1.8%
South Staffordshire	£1,828	£1,943	£115	6.3%
Stafford	£3,173	£3,181	£8	0.3%
Staffordshire Moorlands	£1,538	£1,630	£92	6.0%
Stoke-on-Trent	£5,938	£6,072	£134	2.3%
Stratford-on-Avon	£5,177	£5,188	£11	0.2%
Tamworth	£1,671	£1,690	£19	1.1%
Telford and Wrekin	£4,483	£4,637	£154	3.4%
Walsall	£4,772	£4,825	£53	1.1%
Warwick	£6,387	£6,478	£91	1.4%
West Lindsey	£1,462	£1,599	£137	9.4%
Wolverhampton	£5,086	£5,214	£128	2.5%
Worcester	£3,004	£3,103	£99	3.3%
Wychavon	£2,879	£3,042	£163	5.7%
Wyre Forest	£1,469	£1,531	£62	4.2%
Midlands Engine	£239,220	£245,640	£6,420	2.7%
UK	£1,910,247	£1,977,096	£66,849	3.5%