

## Gross Disposable Household Income, 2019 – Released October 2021<sup>1</sup>

### Introduction

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. GDHI estimates are produced in current prices.

It should be noted that these estimates relate to totals for all individuals within the household sector for a region rather than to an average household or family unit. GDHI per head are estimates of values for each person, not each household.

### Key Points:

- The Midlands Engine total GDHI has increased from £183.5bn in 2018 to £188.8bn in 2019. This equates to a 2.9% (+£5.3bn) annual increase, below UK-wide growth of 3.1%.
- The Midlands Engine GDHI per head has increased from £17,830 in 2018 to £18,241 in 2019. This equates to a 2.3% (+£411) increase, slightly below the UK-wide growth of 2.5%. There is a shortfall of £3,192 to the UK figure (£21,433).

### Full Brief:

A table is located the Appendix which shows a breakdown of total GDHI and GDHI per head at local authority level and LEPs in the Midlands Engine.

### Total Gross Disposable Household Income (GDHI)

- The Midlands Engine total GDHI has increased from £183.5bn in 2018 to £188.8bn in 2019. This equates to a 2.9% (+£5.3bn) annual increase, below UK-wide growth of 3.1%.
- Total GDHI increased across all 9 Midlands Engine LEPs, with Derby, Derbyshire Nottingham and Nottinghamshire (D2N2) LEP increasing by 3.4% (+£1.3bn to £40bn) down to Leicester and Leicestershire LEP increasing by 2.1% (+£394m to £18.9bn).
- Within the Midlands Engine all local authorities experienced an increase in total GDHI between 2018 and 2019. Warwick had the highest percentage GDHI increase, reporting 8.0% growth (+£299m) to £4bn. This was followed by Rutland, increased by 6.3% (+£58m) to nearly £1bn and then South Kesteven increasing by 5.9% (+£170m) to nearly £3.1bn.

### Components of Total GDHI

In 2019, the Midlands Engine area balance of primary incomes<sup>2</sup> totalled £206.2bn, the balance of secondary incomes<sup>3</sup> totalled -£17.4bn, leading to total GDHI of £188.8bn.

<sup>1</sup> Source: Office for National Statistics (ONS): Regional Gross Disposable Household Income, UK: 1997 to 2019 – released October 2021

<sup>2</sup> The allocation of primary income account for the household sector reflects incomes and outgoings arising as part of the production process or through the ownership of assets required for production. Balance of primary income = primary resources less primary uses.

<sup>3</sup> The secondary distribution of income account reflects money transferred to, or from, households unrelated to a productive activity. This includes government redistribution of primary income and traces the various transfers that occur subsequent to the allocation of primary income. Balance of secondary income = secondary resources less secondary uses.

The following table shows a breakdown of GDHI components for 2019 for the Midlands Engine and UK (figures are in millions):

Transaction	Midlands Engine	UK
Operating surplus	£20,627	£184,041
Mixed income	£16,215	£147,822
Compensation of employees	£144,527	£1,095,653
Property income, received	£28,489	£229,505
<b>Primary resources total</b>	<b>£209,864</b>	<b>£1,657,021</b>
Property income, paid	£3,670	£27,710
<b>Primary uses total</b>	<b>£3,670</b>	<b>£27,710</b>
<b>Balance of primary incomes</b>	<b>£206,191</b>	<b>£1,629,311</b>
Imputed social contributions/Social benefits received	£57,410	£378,372
Other current transfers, received	£6,576	£42,234
<b>Secondary resources total</b>	<b>£63,983</b>	<b>£420,606</b>
Current taxes on income, wealth etc	£28,927	£248,556
Social contributions/Social benefits paid	£44,079	£315,605
Other current transfers, paid	£8,401	£54,078
<b>Secondary uses total</b>	<b>£81,407</b>	<b>£618,239</b>
<b>Balance of secondary income</b>	<b>-£17,420</b>	<b>-£197,633</b>
<b>Gross Disposable Income</b>	<b>£188,767</b>	<b>£1,431,678</b>

### GDHI per Head

- The Midlands Engine GDHI per head has increased from £17,830 in 2018 to £18,241 in 2019. This equates to a 2.3% (+£411) increase, slightly below the UK-wide growth of 2.5%. There is a shortfall of £3,192 to the UK figure (£21,433).
- Total GDHI per person increased across all 9 Midlands Engine LEAs, with D2N2 LEA increasing by 2.8% (+£486) to £18,025, down to Leicester and Leicestershire LEA increasing by 1.5% (+£258) to £17,867.
- Within the Midlands Engine, Warwick had the highest percentage GDHI per person increase, reporting 7.1% growth (+£1,848) to £27,980, which is £6,547 above the UK. In contrast, GDHI per person decreased in four local authorities: Stratford-on-Avon (-0.8%), Bromsgrove (-0.5%), Rugby (-0.5%) and Harborough (-0.5%), although all four local authorities GDHI per head remains above the UK-wide figure in 2019. Nottingham had the lowest GDHI per head (£13,381) across all ITL3 areas in the UK in 2019. This was followed by Leicester being second lowest (£13,802) and then Sandwell the third lowest (£14,454).

## Appendix

The table shows a breakdown of total GDHI and GDHI per head at local authority level and LEPs in the Midlands Engine:

	Total GDHI			GDHI per head			
	2018	2019	Percentage Change	2018	2019	Percentage Change	2019 Gap to UK
Herefordshire, County of	£3,863	£3,978	3.0%	£20,109	£20,631	2.6%	-£802
Bromsgrove	£2,372	£2,388	0.7%	£24,041	£23,909	-0.5%	£2,476
Malvern Hills	£1,770	£1,827	3.2%	£22,657	£23,220	2.5%	£1,787
Redditch	£1,717	£1,806	5.2%	£20,202	£21,187	4.9%	-£246
Worcester	£1,932	£1,975	2.2%	£18,966	£19,509	2.9%	-£1,924
Wychavon	£2,908	£3,037	4.4%	£22,838	£23,462	2.7%	£2,029
Wyre Forest	£1,884	£1,928	2.3%	£18,644	£19,037	2.1%	-£2,396
North Warwickshire	£1,300	£1,312	0.9%	£20,046	£20,109	0.3%	-£1,324
Nuneaton and Bedworth	£2,355	£2,420	2.8%	£18,268	£18,636	2.0%	-£2,797
Rugby	£2,378	£2,404	1.1%	£22,180	£22,071	-0.5%	£638
Stratford-on-Avon	£3,593	£3,634	1.1%	£28,161	£27,934	-0.8%	£6,501
Warwick	£3,723	£4,022	8.0%	£26,132	£27,980	7.1%	£6,547
Telford and Wrekin	£3,012	£3,102	3.0%	£16,940	£17,250	1.8%	-£4,183
Shropshire	£6,521	£6,699	2.7%	£20,359	£20,732	1.8%	-£701
Stoke-on-Trent	£3,854	£3,962	2.8%	£15,063	£15,455	2.6%	-£5,978
Cannock Chase	£1,769	£1,823	3.1%	£17,670	£18,096	2.4%	-£3,337
East Staffordshire	£2,260	£2,367	4.7%	£19,059	£19,763	3.7%	-£1,670
Lichfield	£2,312	£2,407	4.1%	£22,236	£22,974	3.3%	£1,541
Newcastle-under-Lyme	£2,231	£2,287	2.5%	£17,231	£17,666	2.5%	-£3,767
South Staffordshire	£2,271	£2,301	1.3%	£20,258	£20,463	1.0%	-£970
Stafford	£2,730	£2,811	3.0%	£20,095	£20,473	1.9%	-£960
Staffordshire Moorlands	£1,894	£1,911	0.9%	£19,250	£19,411	0.8%	-£2,022
Tamworth	£1,366	£1,415	3.6%	£17,821	£18,446	3.5%	-£2,987
Birmingham	£17,097	£17,547	2.6%	£14,979	£15,368	2.6%	-£6,065
Solihull	£5,016	£5,133	2.3%	£23,342	£23,722	1.6%	£2,289
Coventry	£5,584	£5,703	2.1%	£15,225	£15,350	0.8%	-£6,083
Dudley	£5,266	£5,382	2.2%	£16,424	£16,735	1.9%	-£4,698
Sandwell	£4,605	£4,748	3.1%	£14,066	£14,454	2.8%	-£6,979
Walsall	£4,372	£4,480	2.5%	£15,428	£15,694	1.7%	-£5,739
Wolverhampton	£3,960	£4,082	3.1%	£15,113	£15,500	2.6%	-£5,933
Derby	£4,171	£4,321	3.6%	£16,219	£16,793	3.5%	-£4,640
Bolsover	£1,273	£1,294	1.6%	£16,001	£16,062	0.4%	-£5,371
Chesterfield	£1,721	£1,763	2.4%	£16,444	£16,802	2.2%	-£4,631
North East Derbyshire	£1,854	£1,937	4.5%	£18,334	£19,094	4.1%	-£2,339
Amber Valley	£2,348	£2,433	3.6%	£18,535	£18,983	2.4%	-£2,450
Derbyshire Dales	£1,822	£1,854	1.8%	£25,311	£25,635	1.3%	£4,202
Erewash	£2,021	£2,111	4.5%	£17,503	£18,301	4.6%	-£3,132
High Peak	£1,823	£1,837	0.8%	£19,767	£19,824	0.3%	-£1,609
South Derbyshire	£2,050	£2,162	5.5%	£19,617	£20,154	2.7%	-£1,279
Nottingham	£4,311	£4,454	3.3%	£13,021	£13,381	2.8%	-£8,052
Ashfield	£2,081	£2,155	3.6%	£16,370	£16,845	2.9%	-£4,588
Bassetlaw	£2,118	£2,184	3.1%	£18,130	£18,596	2.6%	-£2,837
Mansfield	£1,832	£1,907	4.1%	£16,834	£17,448	3.6%	-£3,985
Newark and Sherwood	£2,342	£2,449	4.6%	£19,265	£20,004	3.8%	-£1,429
Broxtowe	£2,068	£2,118	2.4%	£18,261	£18,570	1.7%	-£2,863
Gedling	£2,205	£2,270	2.9%	£18,717	£19,250	2.8%	-£2,183

	Total GDHI			GDHI per head			
	2018	2019	Percentage Change	2018	2019	Percentage Change	2019 Gap to UK
Rushcliffe	£2,676	£2,787	4.1%	£22,745	£23,384	2.8%	£1,951
Leicester	£4,800	£4,889	1.9%	£13,512	£13,802	2.1%	-£7,631
Rutland	£928	£986	6.3%	£23,381	£24,707	5.7%	£3,274
Blaby	£1,892	£1,944	2.7%	£18,842	£19,145	1.6%	-£2,288
Charnwood	£3,323	£3,396	2.2%	£18,196	£18,275	0.4%	-£3,158
Harborough	£2,254	£2,274	0.9%	£24,369	£24,246	-0.5%	£2,813
Hinckley and Bosworth	£2,188	£2,245	2.6%	£19,463	£19,841	1.9%	-£1,592
Melton	£1,076	£1,100	2.2%	£21,058	£21,473	2.0%	£40
North West Leicestershire	£1,979	£2,035	2.8%	£19,380	£19,644	1.4%	-£1,789
Oadby and Wigston	£1,038	£1,062	2.3%	£18,195	£18,629	2.4%	-£2,804
Boston	£1,222	£1,251	2.4%	£17,611	£17,826	1.2%	-£3,607
East Lindsey	£2,342	£2,435	4.0%	£16,640	£17,178	3.2%	-£4,255
Lincoln	£1,624	£1,676	3.2%	£16,402	£16,874	2.9%	-£4,559
North Kesteven	£2,263	£2,328	2.9%	£19,512	£19,912	2.1%	-£1,521
South Holland	£1,730	£1,754	1.4%	£18,403	£18,459	0.3%	-£2,974
South Kesteven	£2,895	£3,065	5.9%	£20,407	£21,522	5.5%	£89
West Lindsey	£1,773	£1,790	1.0%	£18,688	£18,709	0.1%	-£2,724
North East Lincolnshire	£2,610	£2,644	1.3%	£16,330	£16,569	1.5%	-£4,864
North Lincolnshire	£2,890	£2,966	2.6%	£16,804	£17,218	2.5%	-£4,215
<b>Midlands Engine</b>	<b>£183,458</b>	<b>£188,767</b>	<b>2.9%</b>	<b>£17,830</b>	<b>£18,241</b>	<b>2.3%</b>	<b>-£3,192</b>
Black Country	£18,203	£18,692	2.7%	£15,253	£15,591	2.2%	-£5,842
Coventry and Warwickshire	£18,933	£19,496	3.0%	£20,189	£20,534	1.7%	-£899
Greater Birmingham and Solihull	£35,793	£36,814	2.9%	£17,543	£17,988	2.5%	-£3,445
Leicester and Leicestershire	£18,551	£18,945	2.1%	£17,609	£17,867	1.5%	-£3,566
Stoke-on-Trent and Staffordshire	£20,688	£21,283	2.9%	£18,291	£18,736	2.4%	-£2,697
The Marches	£13,396	£13,779	2.9%	£19,409	£19,804	2.0%	-£1,629
Worcestershire	£12,584	£12,962	3.0%	£21,254	£21,755	2.4%	£322
Derby, Derbyshire, Nottingham and Nottinghamshire	£38,717	£40,036	3.4%	£17,539	£18,025	2.8%	-£3,408
Greater Lincolnshire	£20,277	£20,895	3.0%	£17,986	£18,442	2.5%	-£2,991
East Midlands Region	£87,420	£90,117	3.1%	£18,197	£18,635	2.4%	-£2,798
West Midlands Region	£105,915	£108,891	2.8%	£17,949	£18,350	2.2%	-£3,083
UK	£1,389,040	£1,431,678	3.1%	£20,908	£21,433	2.5%	