

Gross Disposable Household Income, 2021 – Released September 2023¹

Definition

Gross disposable household income (GDHI) is the amount of money that all 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. The household sector includes residents of traditional households, as well as those living in communal establishments. GDHI also includes the business income of self-employed people.

GDHI is measured and reported on at current basic prices.

Key Points:

- The Midlands Engine total GDHI has increased from £186.2bn in 2020 to £192.6bn in 2021. This equates to a 3.4% (+£6.3bn) annual increase, slightly behind the UK-wide growth of 3.6%.
- The Midlands Engine GDHI per head has increased from £17,904 in 2020 to £18,561 in 2021. This equates to a 3.7% (+£656) increase, matching the UK-wide growth. There is a shortfall of £3,118 to the UK figure (£21,679).

Full Brief:

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

Total Gross Disposable Household Income (GDHI)

- The Midlands Engine total GDHI has increased from £186.2bn in 2020 to £192.6bn in 2021. This equates to a 3.4% (+£6.3bn) annual increase, slightly behind the UK-wide growth of 3.6%.
- Within the Midlands Engine 64 local authorities experienced an increase in total GDHI between 2020 and 2021 (the only decrease was seen in Redditch by 0.4%, down £7m to £1.7bn).
- Stratford-on-Avon had the largest percentage GDHI increase, reporting 5.3% growth (+£184m) to £3.7bn. This was followed by Derbyshire Dales, increasing by 5.0% (+£85m) to £1.8bn and then Harborough increasing by 4.9% (+£111m) to £2.4bn.
- In real terms, Birmingham had the largest number increase, reporting £610m growth (+3.4%) to £18.5bn. This was followed by Shropshire, increasing by £249m (+3.8%) to £6.7bn and then Leicester increasing by £211m (+4.1%) to £5.3bn.

Components of Total GDHI

In 2021, the Midlands Engine area balance of primary incomes² totalled £214.4bn, the balance of secondary incomes³ totalled negative £21.8bn, leading to a total GDHI of £192.6bn.

¹ Source: Office for National Statistics (ONS): Regional Gross Disposable Household Income, UK: 1997 to 2021 – released September 2023

² 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.

³ 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 2021 for the Midlands Engine and UK (figures are in millions):

Transaction	Midlands Engine	UK
Operating surplus	£22,162	£189,530
Mixed income	£17,756	£155,401
Compensation of employees	£150,896	£1,157,823
Property income, received	£26,322	£217,931
<i>Primary resources total</i>	£217,139	£1,720,685
Property income, paid	£2,784	£21,504
<i>Primary uses total</i>	£2,784	£21,504
Balance of primary incomes	£214,354	£1,699,181
Imputed social contributions/Social benefits received	£59,709	£391,139
Other current transfers, received	£3,926	£25,388
<i>Secondary resources total</i>	£63,629	£416,527
Current taxes on income, wealth etc	£31,191	£277,942
Social contributions/Social benefits paid	£48,026	£344,526
Other current transfers, paid	£6,201	£40,193
<i>Secondary uses total</i>	£85,432	£662,661
Balance of secondary income	-£21,792	-£246,134
Gross Disposable Income	£192,559	£1,453,047

GDHI per Head

- At a UK regional level, the West Midlands had the 5th lowest GDHI per head at £18,566 and the East Midlands was 6th highest at £18,956 in 2021. While London was the highest at £31,094 down to Northern Ireland the lowest at £17,636.
- The 10 places with the lowest GDHI per head were all in four ITL1 regions of England, with two in each of the East Midlands (Leicester lowest at £14,605 and Nottingham 3rd lowest) North West, and Yorkshire and The Humber, and four in the West Midlands (Walsall 10th lowest, Wolverhampton 8th lowest, Stoke-on-Trent 6th lowest and Sandwell the 2nd lowest).
- The Midlands Engine GDHI per head has increased from £17,904 in 2020 to £18,561 in 2021. This equates to a 3.7% (+£656) increase, matching the UK-wide growth. There is a shortfall of £3,118 to the UK figure (£21,679).
- There were 14 local authorities within the Midlands Engine area where GDHI per head was higher than the UK-wide figure in 2021, the highest local authority being Stratford-on-Avon (£26,872).
- Within the Midlands Engine, GDHI per head increased among 59 local authorities. Coventry had the largest increase in GDHI per head, reporting 13.8% growth (+£2.1bn) to £17,175.
- In contrast, GDHI per head decreased in 6 local authorities: Redditch, Worcester, Rugby, Tamworth, Sandwell and Lincoln.

Appendix

The table shows a breakdown of total GDHI and GDHI per head at local authority level in the Midlands Engine (total GDHI figures are in millions):

	Total GDHI			GDHI per head			
	2020	2021	Percentage Change	2020	2021	Percentage Change	2021 Gap to UK
Amber Valley	£2,434	£2,524	3.7%	£18,891	£19,953	5.6%	£-1,726
Ashfield	£2,046	£2,099	2.6%	£15,942	£16,608	4.2%	£-5,071
Bassetlaw	£2,168	£2,241	3.4%	£18,332	£18,935	3.3%	£-2,744
Birmingham	£17,879	£18,489	3.4%	£15,676	£16,183	3.2%	£-5,496
Blaby	£1,905	£1,958	2.8%	£18,688	£18,957	1.4%	£-2,722
Bolsover	£1,307	£1,349	3.2%	£16,075	£16,766	4.3%	£-4,913
Boston	£1,187	£1,226	3.3%	£16,757	£17,318	3.3%	£-4,361
Bromsgrove	£2,299	£2,369	3.0%	£22,860	£23,815	4.2%	£2,136
Broxtowe	£2,068	£2,131	3.0%	£18,041	£19,226	6.6%	£-2,453
Cannock Chase	£1,749	£1,798	2.8%	£17,236	£17,873	3.7%	£-3,806
Charnwood	£3,326	£3,445	3.6%	£17,653	£18,845	6.8%	£-2,834
Chesterfield	£1,803	£1,845	2.3%	£17,182	£17,797	3.6%	£-3,882
Coventry	£5,728	£5,897	3.0%	£15,097	£17,175	13.8%	£-4,504
Derby	£4,285	£4,370	2.0%	£16,685	£16,736	0.3%	£-4,943
Derbyshire Dales	£1,702	£1,787	5.0%	£23,501	£24,930	6.1%	£3,251
Dudley	£5,322	£5,466	2.7%	£16,510	£16,893	2.3%	£-4,786
East Lindsey	£2,541	£2,653	4.4%	£17,888	£18,561	3.8%	£-3,118
East Staffordshire	£2,258	£2,335	3.4%	£18,675	£18,761	0.5%	£-2,918
Erewash	£2,042	£2,094	2.5%	£17,708	£18,519	4.6%	£-3,160
Gedling	£2,218	£2,285	3.0%	£18,760	£19,482	3.8%	£-2,197
Harborough	£2,278	£2,389	4.9%	£23,845	£24,308	1.9%	£2,629
Herefordshire, County of	£3,921	£4,052	3.3%	£20,249	£21,602	6.7%	£-77
High Peak	£1,808	£1,872	3.5%	£19,513	£20,549	5.3%	£-1,130
Hinckley and Bosworth	£2,214	£2,279	2.9%	£19,477	£20,047	2.9%	£-1,632
Leicester	£5,135	£5,346	4.1%	£14,503	£14,605	0.7%	£-7,074
Lichfield	£2,360	£2,470	4.7%	£22,341	£23,105	3.4%	£1,426
Lincoln	£1,590	£1,606	1.0%	£15,890	£15,693	-1.2%	£-5,986
Malvern Hills	£1,843	£1,931	4.8%	£23,198	£24,148	4.1%	£2,469
Mansfield	£1,866	£1,908	2.3%	£17,064	£17,250	1.1%	£-4,429
Melton	£1,089	£1,131	3.9%	£21,189	£21,842	3.1%	£163
Newark and Sherwood	£2,411	£2,521	4.6%	£19,580	£20,429	4.3%	£-1,250
Newcastle-under-Lyme	£2,206	£2,303	4.4%	£17,024	£18,723	10.0%	£-2,956
North East Derbyshire	£1,924	£2,004	4.2%	£18,826	£19,585	4.0%	£-2,094
North East Lincolnshire	£2,709	£2,777	2.5%	£17,001	£17,667	3.9%	£-4,012
North Kesteven	£2,238	£2,298	2.7%	£18,943	£19,386	2.3%	£-2,293
North Lincolnshire	£2,874	£2,953	2.7%	£16,637	£17,374	4.4%	£-4,305
North Warwickshire	£1,218	£1,258	3.3%	£18,605	£19,250	3.5%	£-2,429
North West Leicestershire	£2,072	£2,141	3.3%	£19,770	£20,387	3.1%	£-1,292
Nottingham	£4,652	£4,798	3.1%	£13,800	£15,015	8.8%	£-6,664
Nuneaton and Bedworth	£2,301	£2,370	3.0%	£17,647	£17,652	0.03%	£-4,027
Oadby and Wigston	£1,073	£1,114	3.8%	£18,718	£19,296	3.1%	£-2,383
Redditch	£1,693	£1,686	-0.4%	£19,783	£19,385	-2.0%	£-2,294
Rugby	£2,227	£2,309	3.7%	£20,122	£20,108	-0.1%	£-1,571
Rushcliffe	£2,742	£2,846	3.8%	£22,586	£23,828	5.5%	£2,149
Rutland	£981	£1,013	3.3%	£24,228	£24,489	1.1%	£2,810
Sandwell	£4,831	£4,994	3.4%	£14,682	£14,614	-0.5%	£-7,065
Shropshire	£6,474	£6,723	3.8%	£19,894	£20,704	4.1%	£-975
Solihull	£4,844	£4,980	2.8%	£22,271	£22,984	3.2%	£1,305
South Derbyshire	£2,115	£2,205	4.3%	£19,316	£20,407	5.6%	£-1,272
South Holland	£1,660	£1,732	4.3%	£17,314	£18,139	4.8%	£-3,540
South Kesteven	£3,038	£3,144	3.5%	£21,209	£21,864	3.1%	£185
South Staffordshire	£2,300	£2,407	4.7%	£20,468	£21,727	6.2%	£48

	Total GDI			GDI per head			
	2020	2021	Percentage Change	2020	2021	Percentage Change	2021 Gap to UK
Stafford	£2,769	£2,864	3.4%	£20,084	£20,872	3.9%	£807
Staffordshire Moorlands	£1,875	£1,953	4.2%	£19,046	£20,343	6.8%	£1,336
Stoke-on-Trent	£3,909	£3,992	2.1%	£15,232	£15,470	1.6%	£2,209
Stratford-on-Avon	£3,470	£3,654	5.3%	£26,206	£26,872	2.5%	£5,193
Tamworth	£1,342	£1,366	1.8%	£17,462	£17,327	-0.8%	£1,352
Telford and Wrekin	£3,146	£3,292	4.6%	£17,352	£17,711	2.1%	£3,968
Walsall	£4,432	£4,579	3.3%	£15,459	£16,106	4.2%	£5,573
Warwick	£3,609	£3,731	3.4%	£24,905	£25,088	0.7%	£3,409
West Lindsey	£1,852	£1,926	4.0%	£19,254	£20,154	4.7%	£1,525
Wolverhampton	£4,113	£4,227	2.8%	£15,557	£16,008	2.9%	£5,671
Worcester	£1,835	£1,885	2.7%	£18,301	£18,190	-0.6%	£3,489
Wychavon	£3,015	£3,159	4.8%	£22,997	£23,732	3.2%	£2,053
Wyre Forest	£1,926	£2,010	4.4%	£19,047	£19,746	3.7%	£1,933
Midlands Engine	£186,247	£192,559	3.4%	£17,904	£18,561	3.7%	£3,118
United Kingdom	£1,402,455	£1,453,047	3.6%	£20,907	£21,679	3.7%	