

## Gross Value Added (GVA): released May 2022<sup>1</sup>

### Key Points:

- The Midlands Engine total GVA has decreased from £249.2bn in 2019 to £240.3bn in 2020. This equated to a 3.6% annual decrease, reflecting the UK trend (-3.4%) - driven by the onset of the Covid-19 pandemic.
- Midlands Engine GVA per head decreased from £24,081 in 2019 to £23,100 in 2020. This equated to a 4.1% (-£981) decrease, above the UK average decrease of 3.8%. In 2020, there was a GVA per head shortfall of £5,964 to the UK figure (£29,063).
- Of the Midlands Engine's ten defined sectors, business, professional & financial services remain the largest in terms of GVA, accounting for 27.2% (£65.3bn) of total GVA in 2020. However, this sector's GVA decreased by 3.4% (nearly £2.3bn) since 2019.

### Full Briefing:

#### Total GVA

- The Midlands Engine (65 local authorities) total GVA has decreased from £249.2bn in 2019 to £240.3bn in 2020. This equated to a 3.6% annual decrease, reflecting the UK trend (-3.4%) – driven by the onset of the Covid-19 pandemic.
- Out of the 65 local authorities in the Midlands Engine, 10 local authorities increased in total GVA between 2019 and 2020. The highest increase was in Broxtowe, increasing by 6.2% (+£125m) to just over £2.1bn in 2020. In contrast, the highest percentage decrease in GVA was in North Lincolnshire, declining by 13.6% (to nearly £4.3bn), while the highest value decrease, by £933m, was in Solihull (to a total of just over £9.3bn).
- At a regional level, the GVA of the West Midlands region was £140.3bn in 2020, reflecting a 3.9% (-£5.7bn) decline when compared to the previous year. East Midlands regional GVA decreased at a slower rate over the same time period, to £112.2bn GVA in 2020, a 2.4% (-£2.8bn) decrease from 2019.
- Total GVA decreased across all 9 Midlands Engine LEP areas, with Derby, Derbyshire, Nottingham and Nottinghamshire, The Marches and the Black Country decreasing at a slower rate than the UK average decline (-1.8%, -2.5% and -2.8% respectively).

<sup>1</sup> Office for National Statistics: [Regional economic activity by gross domestic product, UK: 1998 to 2020](#) - released May 2022

Please note: GVA Balanced estimates are produced by combining the existing income and production approach measures using weighted quality metrics. GVA estimates are presented in current basic prices. They do not allow for different regional price levels or changes in prices over time (inflation). The release provides data up to 2020, reflecting the impact of the Covid-19 pandemic.

## Summary of GVA for the Midlands Engine, LEPs and the UK:

	2019	2020	% Change	Num. Change
	£ Millions			£ Millions
<b>Midlands Engine (65 Local Authorities)</b>	<b>£249,205</b>	<b>£240,294</b>	<b>-3.6%</b>	<b>−£8,911</b>
Black Country	£22,442	£21,833	-2.8%	−£609
Coventry and Warwickshire	£30,044	£28,519	-5.3%	−£1,525
Greater Birmingham and Solihull	£55,279	£52,562	-5.2%	−£2,717
Leicester and Leicestershire	£27,280	£26,270	-3.8%	−£1,010
Stoke-on-Trent and Staffordshire	£25,168	£24,125	-4.3%	−£1,043
The Marches	£14,987	£14,623	-2.5%	−£364
Worcestershire	£14,674	£13,953	-5.2%	−£721
Derby, Derbyshire, Nottingham and Nottinghamshire	£51,382	£50,469	-1.8%	−£913
Greater Lincolnshire	£24,571	£23,273	-5.6%	−£1,298
West Midlands Region	£145,969	£140,282	-3.9%	−£5,687
East Midlands Region	£114,964	£112,184	-2.4%	−£2,780
UK	£2,017,344	£1,949,605	-3.4%	−£67,739

## GVA per Head and Employee

- Midlands Engine GVA per head decreased from £24,081 in 2019 to £23,100 in 2020. This equates to a 4.1% (−£981) decrease, above the UK average decrease of 3.8%. In 2020, there was a GVA per head shortfall of £5,964 to the UK figure (£29,063).
- Following the trends of overall GVA, GVA per head decreased across all 9 Midlands Engine LEP's between 2019 and 2020. The smallest decrease was in Derby, Derbyshire, Nottingham and Nottinghamshire, decreasing by 2.4% (−£547) to £22,587. While the highest decrease was in Coventry and Warwickshire, decreasing by £2,034 (−6.4%) to £29,609, which was considerably above the UK average rate of decrease.

## Summary of GVA per Head in the Midlands Engine Area and UK-wide:

	2019	2020	% Change	Num. Change
<b>Midlands Engine (65 Local Authorities)</b>	<b>£24,081</b>	<b>£23,100</b>	<b>-4.1%</b>	<b>−£981</b>
Black Country	£18,719	£18,156	-3.0%	−£563
Coventry and Warwickshire	£31,643	£29,609	-6.4%	−£2,034
Greater Birmingham and Solihull	£27,010	£25,638	-5.1%	−£1,373
Leicester and Leicestershire	£25,727	£24,618	-4.3%	−£1,109
Stoke-on-Trent and Staffordshire	£22,156	£21,166	-4.5%	−£990
The Marches	£21,540	£20,880	-3.1%	−£660
Worcestershire	£24,630	£23,330	-5.3%	−£1,300
Derby, Derbyshire, Nottingham and Nottinghamshire	£23,133	£22,587	-2.4%	−£547
Greater Lincolnshire	£21,687	£20,434	-5.8%	−£1,252
West Midlands Region	£24,599	£23,530	-4.3%	−£1,069
East Midlands Region	£23,773	£23,057	-3.0%	−£716
UK	£30,201	£29,063	-3.8%	−£1,138

- The Midlands Engine GVA per employee was £54,737 in 2020; this was a 2.1% (−£1,164) decrease from 2019. England decreased by 1.2% (−£788) to £65,210 GVA per employee, leading to a shortfall of £10,474 for the Midlands Engine in 2020.

## GVA by Sector

- Of the Midlands Engine's ten defined sectors, business, professional & financial services remain the largest in terms of GVA, accounting for 27.2% (£65.3bn) of total GVA in 2020. However, this sector's GVA decreased by 3.4% (nearly £2.3bn) since 2019.
- Despite, the overall decline in GVA, two sectors for the Midlands Engine area increased between 2019 and 2020. These were; public sector inc. education, increasing by 6.4% (+£1.8bn) to reach £29.9bn and healthcare and life sciences increasing by 15.3% (+£3.2bn) to £24.4bn.
- For the Midlands Engine since 2019, eight sectors experienced a decline in GVA. The smallest decrease was in the creative, design & digital sector, declining by 0.2% (-£18m) to a total of £9.5bn in 2020. The largest decrease was in the visitor economy sector, declining by 35.3% (-£3.7bn) to a total of nearly £6.8bn in 2020. This is likely to affect the particularly damaging effect of Covid lockdowns on the tourism industry.

## GVA by Sector for the Midlands Engine overall and UK-wide:

	Midlands Engine					UK			
	2019	2020	% Change	Num. Change	% of 2020 total	2019	2020	% Change	% of 2020 total
	£ Millions			£ Millions		£ Millions			
Advanced Manufacturing	£41,830	£37,775	-9.7%	-£4,055	15.7%	£200,263	£186,948	-6.6%	9.6%
Business, Professional & Financial Services	£67,606	£65,326	-3.4%	-£2,280	27.2%	£707,964	£692,080	-2.2%	35.5%
Construction	£17,955	£16,132	-10.2%	-£1,823	6.7%	£141,032	£123,734	-12.3%	6.3%
Creative, Design & Digital	£9,553	£9,535	-0.2%	-£18	4.0%	£125,228	£123,269	-1.6%	6.3%
Energy & Low Carbon Activities	£12,113	£11,572	-4.5%	-£541	4.8%	£89,933	£80,444	-10.6%	4.1%
Healthcare & Life Sciences	£21,176	£24,415	15.3%	£3,239	10.2%	£152,595	£177,316	16.2%	9.1%
Public Sector inc. Education	£28,132	£29,944	6.4%	£1,812	12.5%	£217,153	£230,978	6.4%	11.8%
Retail	£29,793	£28,607	-4.0%	-£1,186	11.9%	£210,845	£203,788	-3.3%	10.5%
Transport Technologies & Logistics	£10,610	£10,219	-3.7%	-£391	4.3%	£80,429	£70,709	-12.1%	3.6%
Visitor Economy	£10,451	£6,762	-35.3%	-£3,689	2.8%	£91,902	£60,339	-34.3%	3.1%
Total	£249,205	£240,294	-3.6%	-£8,911	100%	£2,017,344	£1,949,605	-3.4%	100%

### Annex: Midlands Engine GVA by Local Authority Area:

	2019	2020	% Change	Num. Change
	£ millions			£ millions
Amber Valley	£2,823	£2,865	1.5%	£42
Ashfield	£2,861	£2,750	-3.9%	-£111
Bassetlaw	£2,346	£2,358	0.5%	£12
Birmingham	£28,398	£27,906	-1.7%	-£492
Blaby	£3,810	£3,428	-10.0%	-£382
Bolsover	£2,039	£1,901	-6.8%	-£138
Boston	£1,462	£1,409	-3.6%	-£53
Bromsgrove	£2,913	£2,615	-10.2%	-£298
Broxtowe	£2,014	£2,139	6.2%	£125
Cannock Chase	£2,172	£2,035	-6.3%	-£137
Charnwood	£3,655	£3,630	-0.7%	-£25
Chesterfield	£2,476	£2,526	2.0%	£50
Coventry	£10,181	£9,941	-2.4%	-£240
Derby	£7,608	£7,203	-5.3%	-£405
Derbyshire Dales	£1,603	£1,564	-2.4%	-£39
Dudley	£5,541	£5,443	-1.8%	-£98
East Lindsey	£2,254	£2,042	-9.4%	-£212
East Staffordshire	£3,702	£3,329	-10.1%	-£373
Erewash	£1,820	£1,836	0.9%	£16
Gedling	£1,580	£1,591	0.7%	£11
Harborough	£2,185	£2,112	-3.3%	-£73
Herefordshire, County of	£4,048	£3,857	-4.7%	-£191
High Peak	£1,510	£1,480	-2.0%	-£30
Hinckley and Bosworth	£2,469	£2,461	-0.3%	-£8
Leicester	£9,252	£9,143	-1.2%	-£109
Lichfield	£2,396	£2,366	-1.3%	-£30
Lincoln	£2,885	£2,749	-4.7%	-£136
Malvern Hills	£1,755	£1,640	-6.6%	-£115
Mansfield	£1,736	£1,717	-1.1%	-£19
Melton	£1,289	£1,246	-3.3%	-£43
Newark and Sherwood	£2,579	£2,446	-5.2%	-£133
Newcastle-under-Lyme	£2,219	£2,125	-4.2%	-£94
North East Derbyshire	£1,511	£1,491	-1.3%	-£20
North East Lincolnshire	£3,255	£3,208	-1.4%	-£47
North Kesteven	£2,451	£2,384	-2.7%	-£67
North Lincolnshire	£4,934	£4,264	-13.6%	-£670
North Warwickshire	£3,064	£2,846	-7.1%	-£218
North West Leicestershire	£3,766	£3,430	-8.9%	-£336
Nottingham	£10,519	£10,565	0.4%	£46
Nuneaton and Bedworth	£2,220	£2,135	-3.8%	-£85
Oadby and Wigston	£855	£819	-4.2%	-£36
Redditch	£2,233	£1,966	-12.0%	-£267
Rugby	£2,858	£2,774	-2.9%	-£84
Rushcliffe	£3,054	£2,954	-3.3%	-£100
Rutland	£750	£758	1.1%	£8
Sandwell	£6,736	£6,644	-1.4%	-£92

	2019	2020	% Change	Num. Change
	£ millions			£ millions
Shropshire	£6,269	£6,101	-2.7%	-£168
Solihull	£10,257	£9,324	-9.1%	-£933
South Derbyshire	£3,303	£3,083	-6.7%	-£220
South Holland	£2,130	£2,214	3.9%	£84
South Kesteven	£2,856	£2,722	-4.7%	-£134
South Staffordshire	£1,958	£1,930	-1.4%	-£28
Stafford	£3,217	£3,114	-3.2%	-£103
Staffordshire Moorlands	£1,595	£1,484	-7.0%	-£111
Stoke-on-Trent	£6,226	£6,170	-0.9%	-£56
Stratford-on-Avon	£5,204	£4,589	-11.8%	-£615
Tamworth	£1,684	£1,571	-6.7%	-£113
Telford and Wrekin	£4,670	£4,665	-0.1%	-£5
Walsall	£4,816	£4,603	-4.4%	-£213
Warwick	£6,517	£6,234	-4.3%	-£283
West Lindsey	£1,594	£1,524	-4.4%	-£70
Wolverhampton	£5,349	£5,143	-3.9%	-£206
Worcester	£3,201	£3,295	2.9%	£94
Wychavon	£3,048	£2,986	-2.0%	-£62
Wyre Forest	£1,524	£1,451	-4.8%	-£73
<b>Midlands Engine</b>	<b>£249,205</b>	<b>£240,294</b>	<b>-3.6%</b>	<b>-£8,911</b>
UK	£2,017,344	£1,949,605	-3.4%	-£67,739