

Gross value added for the South East

Regional briefing

Individual NUTS3 summaries added

January 2010

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¹ Headline GVA has been used throughout this briefing, based on five-period moving average.

Regional and Sub-regional GVA – South East Briefing

Overview

- The 2008 Regional and 2007 Sub-regional Gross Value Added (GVA) data were released on 9 December 2009 by the Office for National Statistics. This latest release includes revisions to earlier years and also provides analysis by broad industry sector.

Regional GVA - 2008

- GVA estimates for 2008 show that the South East contributed £182 billion to the UK economy on a workplace basis. This was more than 14 per cent of the UK total.
- The contribution of the South East was second only to that of London and together the two regions accounted for over 35 per cent of the UK total of £1,260bn¹ in 2008.
- In the South East, nominal growth in GVA was £5.2bn between 2007 and 2008, slightly less than a 3 per cent increase, which was below the national growth rate of 3.5 per cent. Nominal growth rates take no account of inflation.
- GVA per head of population in the South East was £21,700 in 2008, 5.7 per cent above the UK average of £20,500. The annual increase equated to 2.1 per cent (£21,200 in 2007), less than the UK increase of 2.9 per cent (£20,000 in 2007). GVA growth in the South East is partly off-set by an estimated increase in population of over 71,000.

Comparisons with Other Regions (2007 to 2008)

- Total GVA in 2008 increased by the highest percentage in Scotland (4.7 per cent), followed by London with a 4.1 per cent increase compared with 2007. The South East had the lowest rate of increase at just below 3 per cent, followed by the West Midlands, Northern Ireland and Wales each at just over 3 per cent.
- Scotland also had the highest annual increase in GVA per head (4.2 per cent), the only region above 4 per cent. The North West was next with 3.5 per cent, whereas the increase was just over 2 per cent in the East, South East and Northern Ireland.
- Regions generally maintained their positions relative to each other as measured by the indexed GVA per head, although the North West edged above the West Midlands in 2008. The South East with a value of 106 and London with 170 were the only regions to have an average GVA per head above that of the UK (UK=100) in 2008.

Sub-regional GVA (2006 to 2007)

- On a work-place basis GVA in the South East increased by 5.3 per cent between 2006 and 2007, compared with a 5.6 per cent increase in the UK overall. Within the region the highest growth rate was in Surrey at 6.5 per cent and the lowest was in Buckinghamshire with 3.7 per cent.
- Only the NUTS 3 areas of Surrey, Hampshire and Berkshire had rates of increase above the UK average (6.5, 6.2 and 5.9 per cent respectively in 2007), although the range of growth rates in the region continues to narrow since 2005.
- Average GVA per head for the UK increased from £19,000 to almost £20,000 (4.9 per cent) between 2006 and 2007. NUTS3 areas in the South East with per capita growth rates above the UK average were Hampshire (5.3 per cent) and Surrey (5.2 per cent). The lowest growth rate for GVA per head was in Milton Keynes at 2.9 per cent.
- GVA per head remained relatively low in the Isle of Wight and Medway with indices of 65 and 68 respectively in 2007, i.e. around two-thirds of the UK average; whereas indices were highest in the South East in Berkshire (155) and Milton Keynes (146).
- These figures are influenced by commuting patterns within the region and into London, as the numerator (GVA) reflects economic activity on a workplace basis, and the denominator, population, is on a residence basis.

¹ Excluding statistical discrepancy and Extra-Region (off-shore contribution to GVA that cannot be assigned to any region).

Headline¹ workplace based Gross Value Added^{2,3} (GVA) at current basic prices by region

	1995	1997	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008 ⁴	Percentage change 2007 to 2008
Total GVA (£ million)													
United Kingdom	653,935	739,524	822,774	864,285	907,594	957,094	1,015,008	1,070,951	1,116,648	1,181,141	1,245,735	1,296,332	4.06
North East	23,662	25,647	27,437	28,327	29,694	31,167	33,045	34,794	36,204	37,955	39,648	40,916	3.20
North West	68,033	74,957	82,323	85,264	89,394	93,659	98,762	103,393	106,675	111,329	116,466	120,702	3.64
Yorkshire and The Humber	48,817	54,792	59,666	61,837	65,045	68,664	72,714	76,370	78,738	82,249	86,307	89,122	3.26
East Midlands	42,226	47,484	51,597	53,467	56,522	59,844	63,884	67,524	69,926	73,614	77,497	79,977	3.20
West Midlands	53,675	60,194	65,892	68,212	71,388	74,531	78,238	81,582	83,849	87,510	91,727	94,494	3.02
East of England	54,898	61,984	69,120	72,099	76,039	80,407	86,067	91,809	95,957	101,816	108,029	111,555	3.26
London	116,645	136,479	158,456	166,064	174,952	187,169	199,757	212,095	222,535	237,950	254,621	265,063	4.10
South East	87,808	101,277	116,987	123,151	130,586	137,629	146,028	153,772	159,397	167,720	176,541	181,750	2.95
South West	48,365	55,355	61,833	64,629	68,435	72,431	77,185	81,693	84,841	89,532	94,421	97,840	3.62
England	544,128	618,170	693,310	723,051	762,055	805,501	855,679	903,031	938,123	989,674	1,045,257	1,081,419	3.46
Wales	26,638	28,911	30,923	32,080	33,665	35,363	37,314	39,022	40,514	42,197	44,263	45,610	3.04
Scotland	55,873	61,439	66,059	68,185	71,141	75,024	79,622	83,893	87,948	93,465	99,114	103,814	4.74
Northern Ireland	14,388	16,385	18,372	19,223	20,180	21,220	22,519	24,037	25,085	26,473	27,890	28,734	3.03
United Kingdom less Extra-Regio ⁵ & statistical discrepancy	641,027	724,906	808,664	842,540	887,040	937,109	995,133	1,049,983	1,091,670	1,151,810	1,216,524	1,259,576	3.54
Extra-Regio ⁵	12,909	14,619	14,110	21,745	20,554	19,985	19,876	20,966	24,979	29,338	29,217	38,522	31.85
Statistical discrepancy (income adjusted)	-	-	-	-	-	-	-	-	-	-	-	-1,767	
GVA per head (£)													
United Kingdom	11,270	12,682	14,020	14,677	15,353	16,133	17,043	17,895	18,537	19,495	20,430	21,147	3.51
North East	9,162	9,987	10,758	11,137	11,690	12,266	13,002	13,687	14,200	14,851	15,460	15,887	2.76
North West	9,964	11,032	12,154	12,587	13,199	13,818	14,523	15,161	15,596	16,245	16,967	17,555	3.46
Yorkshire and The Humber	9,841	11,052	12,038	12,471	13,070	13,728	14,463	15,081	15,416	15,994	16,670	17,096	2.55
East Midlands	10,320	11,524	12,426	12,828	13,491	14,176	15,017	15,735	16,158	16,868	17,614	18,041	2.42
West Midlands	10,210	11,439	12,499	12,944	13,519	14,075	14,729	15,316	15,671	16,306	17,044	17,463	2.46
East of England	10,546	11,769	12,947	13,414	14,080	14,801	15,721	16,659	17,249	18,160	19,083	19,473	2.05
London	16,873	19,456	22,150	22,947	23,893	25,425	27,126	28,704	29,846	31,674	33,694	34,786	3.24
South East	11,311	12,896	14,706	15,412	16,276	17,103	18,057	18,925	19,475	20,360	21,248	21,688	2.07
South West	10,114	11,467	12,668	13,144	13,844	14,564	15,422	16,204	16,679	17,473	18,235	18,782	3.00
England	11,246	12,703	14,140	14,686	15,411	16,223	17,160	18,021	18,589	19,496	20,458	21,020	2.75
Wales	9,222	9,987	10,661	11,036	11,568	12,112	12,730	13,244	13,717	14,228	14,853	15,237	2.58
Scotland	10,948	12,086	13,024	13,468	14,048	14,842	15,744	16,520	17,262	18,266	19,267	20,086	4.25
Northern Ireland	8,725	9,804	10,942	11,423	11,946	12,507	13,226	14,054	14,547	15,200	15,854	16,188	2.11
United Kingdom less Extra-Regio ⁵	11,047	12,431	13,780	14,308	15,006	15,797	16,709	17,545	18,123	19,011	19,951	20,520	2.85
GVA per head indices (UK less Extra-Regio=100)													
United Kingdom	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	
North East	82.9	80.3	78.1	77.8	77.9	77.6	77.8	78.0	78.4	78.1	77.5	77.4	
North West	90.2	88.7	88.2	88.0	88.0	87.5	86.9	86.4	86.1	85.5	85.0	85.6	
Yorkshire and The Humber	89.1	88.9	87.4	87.2	87.1	86.9	86.6	86.0	85.1	84.1	83.6	83.3	
East Midlands	93.4	92.7	90.2	89.7	89.9	89.7	89.9	89.7	89.2	88.7	88.3	87.9	
West Midlands	92.4	92.0	90.7	90.5	90.1	89.1	88.2	87.3	86.5	85.8	85.4	85.1	
East of England	95.5	94.7	94.0	93.8	93.8	93.7	94.1	95.0	95.2	95.5	95.6	94.9	
London	152.7	156.5	160.7	160.4	159.2	161.0	162.3	163.6	164.7	166.6	168.9	169.5	
South East	102.4	103.7	106.7	107.7	108.5	108.3	108.1	107.9	107.5	107.1	106.5	105.7	
South West	91.6	92.2	91.9	91.9	92.3	92.2	92.3	92.4	92.0	91.9	91.4	91.5	
England	101.8	102.2	102.6	102.6	102.7	102.7	102.7	102.7	102.6	102.6	102.5	102.4	
Wales	83.5	80.3	77.4	77.1	77.1	76.7	76.2	75.5	75.7	74.8	74.4	74.3	
Scotland	99.1	97.2	94.5	94.1	93.6	94.0	94.2	94.2	95.3	96.1	96.6	97.9	
Northern Ireland	79.0	78.9	79.4	79.8	79.6	79.2	79.2	80.1	80.3	80.0	79.5	78.9	

¹ The headline regional GVA series for this publication have been calculated using a five-period moving average.

² Estimates of workplace based GVA allocate income to the region in which commuters work.

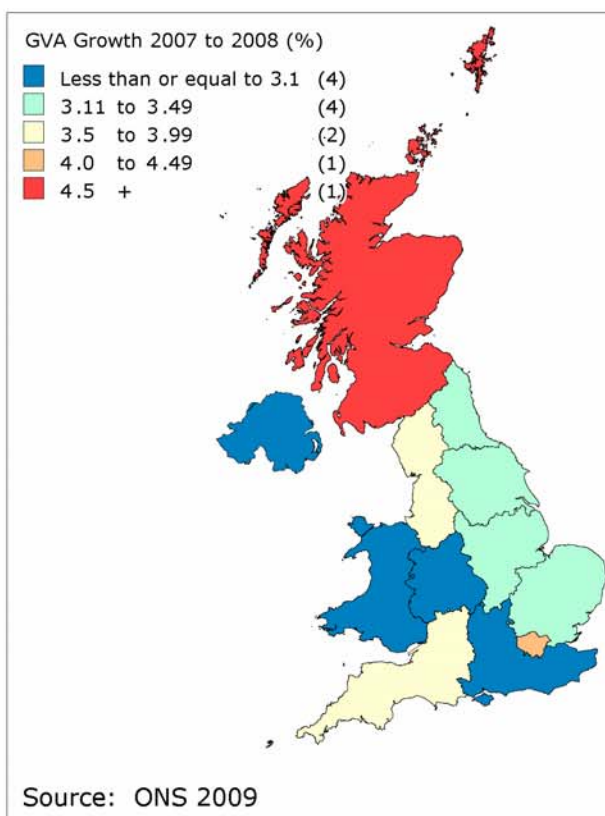
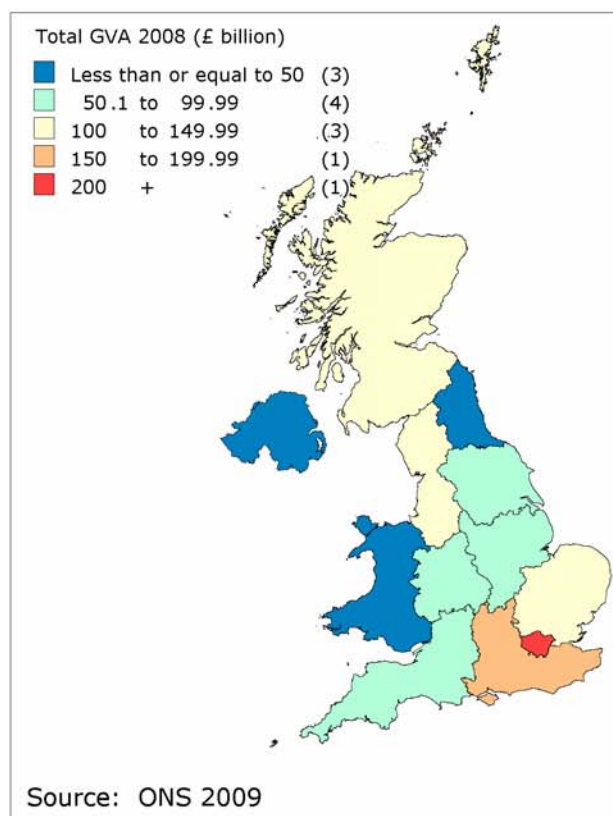
³ Components may not sum to totals as a result of rounding.

⁴ Provisional.

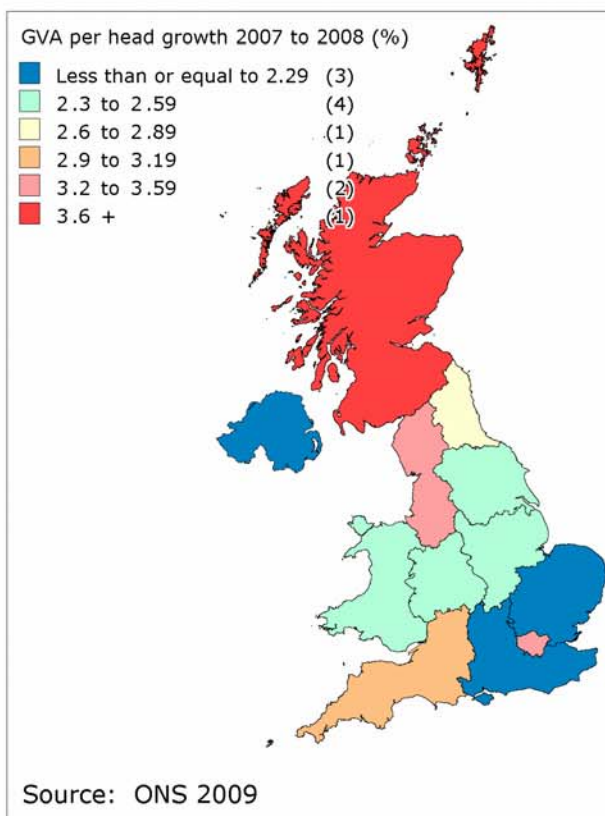
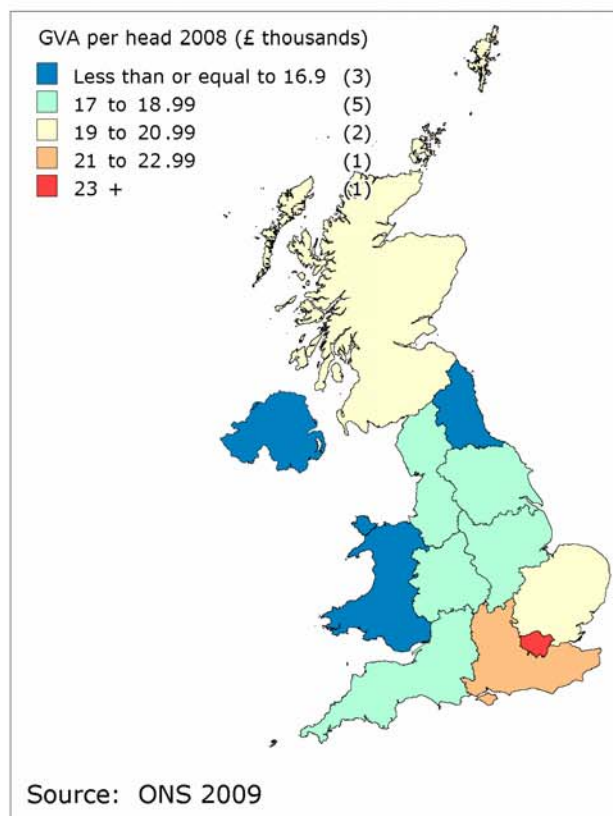
⁵ The GVA for Extra-Regio comprises compensation of employees and gross operating surplus which cannot be assigned to regions.

Source: Office for National Statistics

Headline GVA (workplace) for regions (NUTS 1)

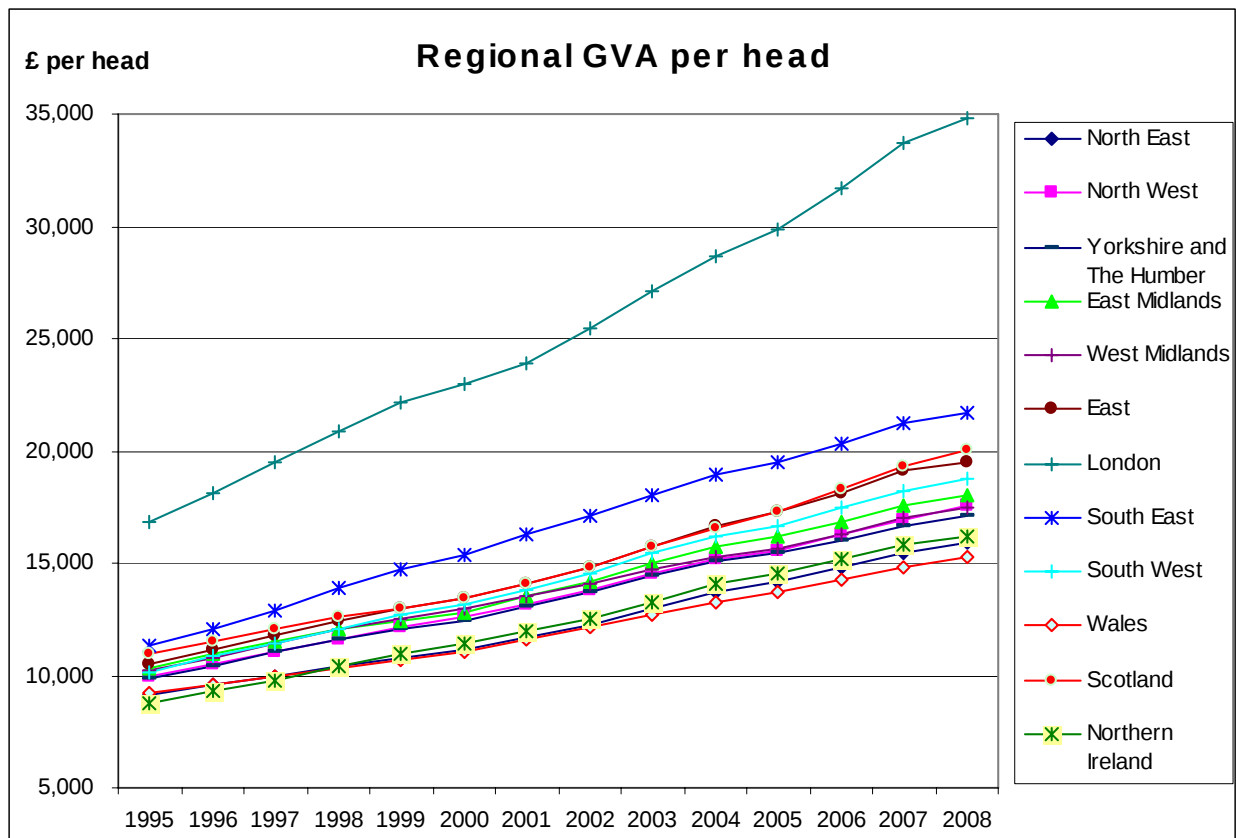


GVA per head

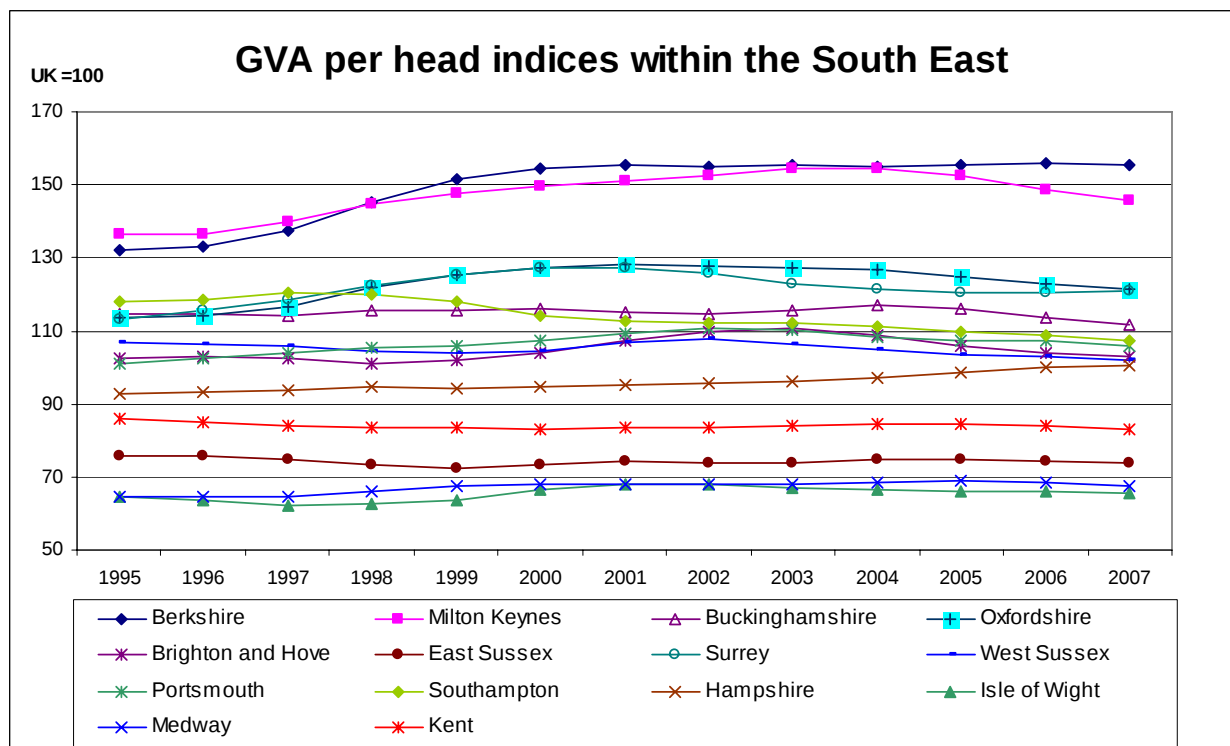


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Source: Office for National Statistics



Source: Office for National Statistics



Source: Office for National Statistics

Headline¹ Gross Value Added (GVA)^{2,3} at current basic prices by South East NUTS 3 areas

NUTS Level 1											
NUTS Level 2											
NUTS Level 3	1995	1997	1999	2000	2001	2002	2003	2004	2005	2006	2007
Total GVA (£million)											
United Kingdom	653,935	739,524	822,774	864,285	907,594	957,094	1,015,008	1,070,951	1,116,648	1,181,141	1,245,735
England	544,128	618,170	693,310	723,051	762,055	805,501	855,679	903,031	938,123	989,674	1,045,257
South East	87,808	101,277	116,987	123,151	130,586	137,629	146,028	153,772	159,397	167,720	176,541
Berkshire, Buckinghamshire and Oxfordshire	27,564	32,278	38,840	41,147	43,531	45,768	48,797	51,505	53,312	55,837	58,532
Berkshire	11,373	13,543	16,629	17,670	18,731	19,623	20,813	21,832	22,758	24,154	25,571
Milton Keynes	2,900	3,470	4,202	4,484	4,827	5,172	5,602	5,928	6,111	6,360	6,651
Buckinghamshire	5,933	6,677	7,585	7,931	8,275	8,662	9,260	9,906	10,202	10,543	10,935
Oxfordshire	7,358	8,589	10,424	11,062	11,699	12,311	13,122	13,839	14,241	14,780	15,375
Surrey, East and West Sussex	28,176	32,577	37,284	39,375	41,876	44,029	46,151	48,067	49,432	52,030	54,966
Brighton and Hove	2,735	3,116	3,484	3,708	4,033	4,329	4,596	4,728	4,799	4,976	5,212
East Sussex	4,006	4,486	4,890	5,155	5,482	5,796	6,167	6,585	6,838	7,147	7,460
Surrey	12,905	15,297	18,195	19,255	20,271	21,040	21,864	22,712	23,453	24,855	26,471
West Sussex	8,530	9,678	10,714	11,257	12,090	12,865	13,524	14,042	14,342	15,052	15,822
Hampshire and Isle of Wight	18,075	20,838	23,435	24,431	25,920	27,456	29,281	30,994	32,482	34,540	36,524
Portsmouth	2,108	2,451	2,744	2,882	3,087	3,297	3,500	3,655	3,798	4,002	4,183
Southampton	2,752	3,200	3,519	3,554	3,709	3,923	4,182	4,368	4,516	4,722	4,953
Hampshire	12,317	14,201	16,029	16,748	17,764	18,796	20,090	21,382	22,517	24,078	25,567
Isle of Wight	898	987	1,143	1,247	1,360	1,440	1,509	1,588	1,650	1,738	1,821
Kent	13,993	15,585	17,428	18,198	19,259	20,376	21,800	23,206	24,171	25,313	26,519
Medway	1,725	1,950	2,296	2,418	2,553	2,688	2,858	3,019	3,137	3,272	3,405
Kent	12,268	13,635	15,133	15,780	16,705	17,687	18,942	20,187	21,034	22,041	23,114
GVA per head (£)											
United Kingdom	11,270	12,682	14,020	14,677	15,353	16,133	17,043	17,895	18,537	19,495	20,430
England	11,246	12,703	14,140	14,686	15,411	16,223	17,160	18,021	18,589	19,496	20,458
South East	11,311	12,896	14,706	15,412	16,276	17,103	18,057	18,925	19,475	20,360	21,248
Berkshire, Buckinghamshire and Oxfordshire	13,613	15,690	18,645	19,643	20,706	21,739	23,069	24,242	24,869	25,850	26,847
Berkshire	14,606	17,082	20,870	22,069	23,318	24,493	25,977	27,212	28,155	29,605	30,970
Milton Keynes	15,077	17,378	20,334	21,373	22,692	24,062	25,830	27,101	27,602	28,295	29,112
Buckinghamshire	12,679	14,171	15,939	16,620	17,270	18,114	19,300	20,577	21,042	21,633	22,289
Oxfordshire	12,560	14,469	17,264	18,220	19,264	20,147	21,253	22,243	22,635	23,386	24,193
Surrey, East and West Sussex	11,390	13,019	14,666	15,443	16,369	17,182	17,940	18,614	19,036	19,907	20,850
Brighton and Hove	11,308	12,730	14,049	14,902	16,134	17,371	18,488	19,092	19,221	19,789	20,562
East Sussex	8,380	9,305	9,993	10,485	11,117	11,685	12,347	13,099	13,534	14,119	14,678
Surrey	12,526	14,725	17,235	18,217	19,121	19,841	20,535	21,269	21,812	22,903	24,103
West Sussex	11,790	13,140	14,302	14,964	16,013	16,995	17,801	18,377	18,708	19,528	20,382
Hampshire and Isle of Wight	10,451	11,919	13,265	13,780	14,546	15,345	16,280	17,168	17,855	18,880	19,794
Portsmouth	11,159	12,937	14,615	15,342	16,416	17,457	18,381	19,030	19,482	20,378	21,154
Southampton	13,031	14,974	16,286	16,357	16,894	17,733	18,761	19,499	19,913	20,653	21,423
Hampshire	10,237	11,661	13,002	13,546	14,310	15,096	16,069	17,069	17,876	19,020	20,025
Isle of Wight	7,117	7,752	8,790	9,490	10,231	10,743	11,175	11,635	11,971	12,549	13,054
Kent	9,115	10,085	11,150	11,568	12,182	12,817	13,619	14,387	14,876	15,486	16,102
Medway	7,145	8,047	9,317	9,732	10,226	10,716	11,353	11,996	12,462	13,000	13,501
Kent	9,483	10,464	11,493	11,913	12,549	13,211	14,042	14,829	15,318	15,938	16,573
GVA per head indices (UK less Extra-regio = 100)											
United Kingdom	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
England	101.8	102.2	102.6	102.6	102.7	102.7	102.7	102.7	102.6	102.6	102.5
South East	102.4	103.7	106.7	107.7	108.5	108.3	108.1	107.9	107.5	107.1	106.5
Berkshire, Buckinghamshire and Oxfordshire	123.2	126.2	135.3	137.3	138.0	137.6	138.1	138.2	137.2	136.0	134.6
Berkshire	132.2	137.4	151.5	154.2	155.4	155.1	155.5	155.1	155.4	155.7	155.2
Milton Keynes	136.5	139.8	147.6	149.4	151.2	152.3	154.6	154.5	152.3	148.8	145.9
Buckinghamshire	114.8	114.0	115.7	116.2	115.1	114.7	115.5	117.3	116.1	113.8	111.7
Oxfordshire	113.7	116.4	125.3	127.3	128.4	127.5	127.2	126.8	124.9	123.0	121.3
Surrey, East and West Sussex	103.1	104.7	106.4	107.9	109.1	108.8	107.4	106.1	105.0	104.7	104.5
Brighton and Hove	102.4	102.4	102.0	104.2	107.5	110.0	110.6	108.8	106.1	104.1	103.1
East Sussex	75.9	74.9	72.5	73.3	74.1	74.0	73.9	74.7	74.7	74.3	73.6
Surrey	113.4	118.5	125.1	127.3	127.4	125.6	122.9	121.2	120.4	120.5	120.8
West Sussex	106.7	105.7	103.8	104.6	106.7	107.6	106.5	104.7	103.2	102.7	102.2
Hampshire and Isle of Wight	94.6	95.9	96.3	96.3	96.9	97.1	97.4	97.9	98.5	99.3	99.2
Portsmouth	101.0	104.1	106.1	107.2	109.4	110.5	110.0	108.5	107.5	107.2	106.0
Southampton	118.0	120.5	118.2	114.3	112.6	112.3	112.3	111.1	109.9	108.6	107.4
Hampshire	92.7	93.8	94.4	94.7	95.4	95.6	96.2	97.3	98.6	100.0	100.4
Isle of Wight	64.4	62.4	63.8	66.3	68.2	68.0	66.9	66.3	66.1	66.0	65.4
Kent	82.5	81.1	80.9	80.9	81.2	81.1	81.5	82.0	82.1	81.5	80.7
Medway	64.7	64.7	67.6	68.0	68.1	67.8	67.9	68.4	68.8	68.4	67.7
Kent	85.8	84.2	83.4	83.3	83.6	83.6	84.0	84.5	84.5	83.8	83.1

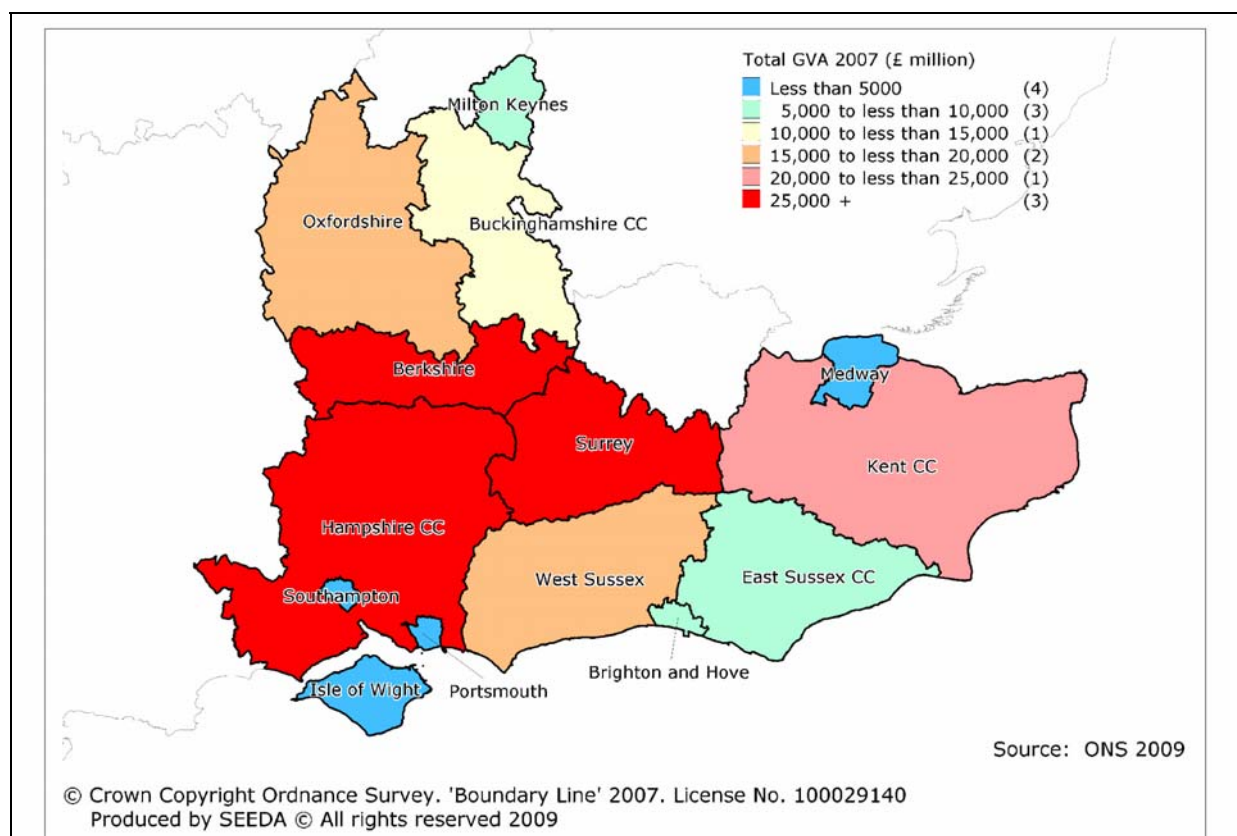
¹ The headline GVA series for this publication have been calculated using a five-period moving average.

² Estimates of workplace based GVA allocate income to the region in which commuters work.

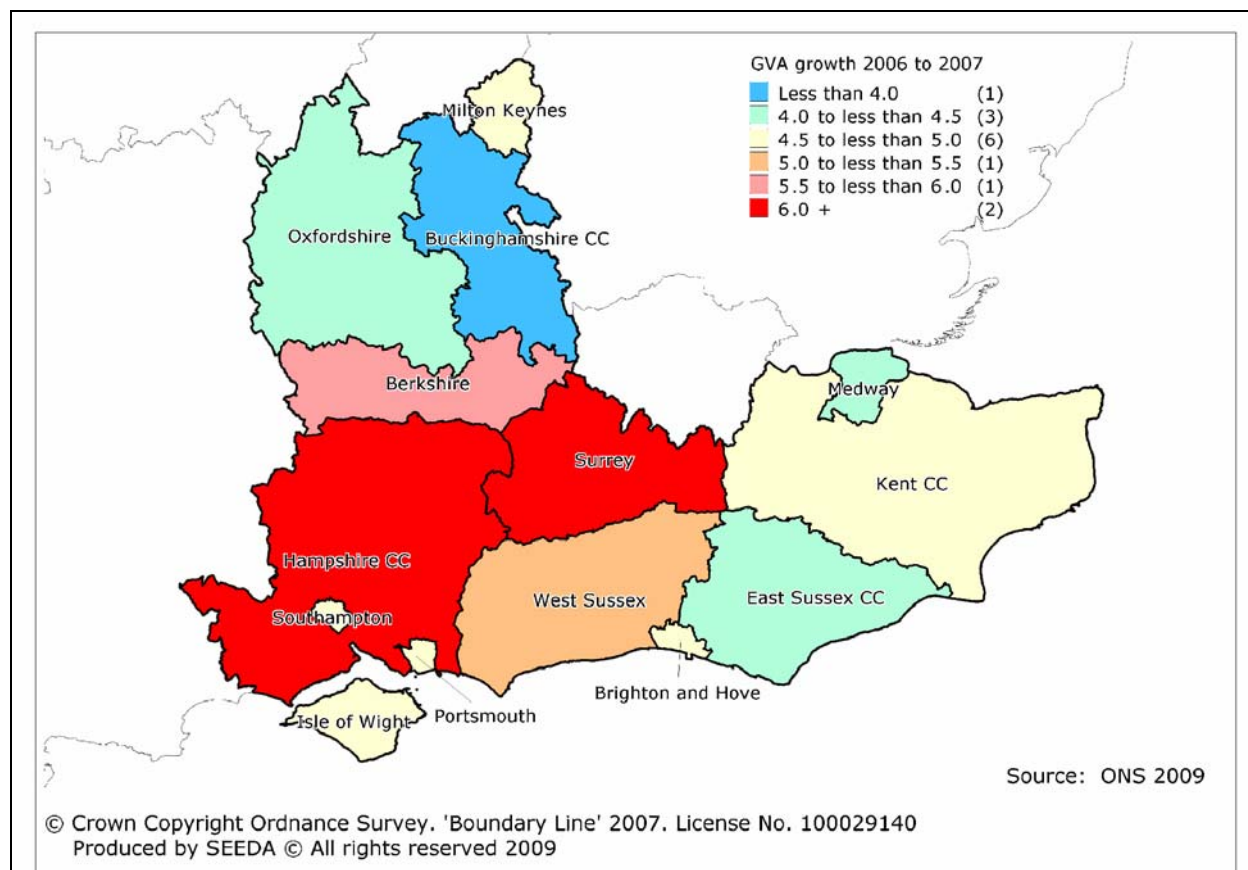
³ Components may not sum to totals as a result of rounding.

⁴ The GVA for Extra-Region comprises compensation of employees and gross operating surplus which cannot be assigned to regions.

Headline GVA (workplace) for NUTS 3 areas of the South East, 2007 £m

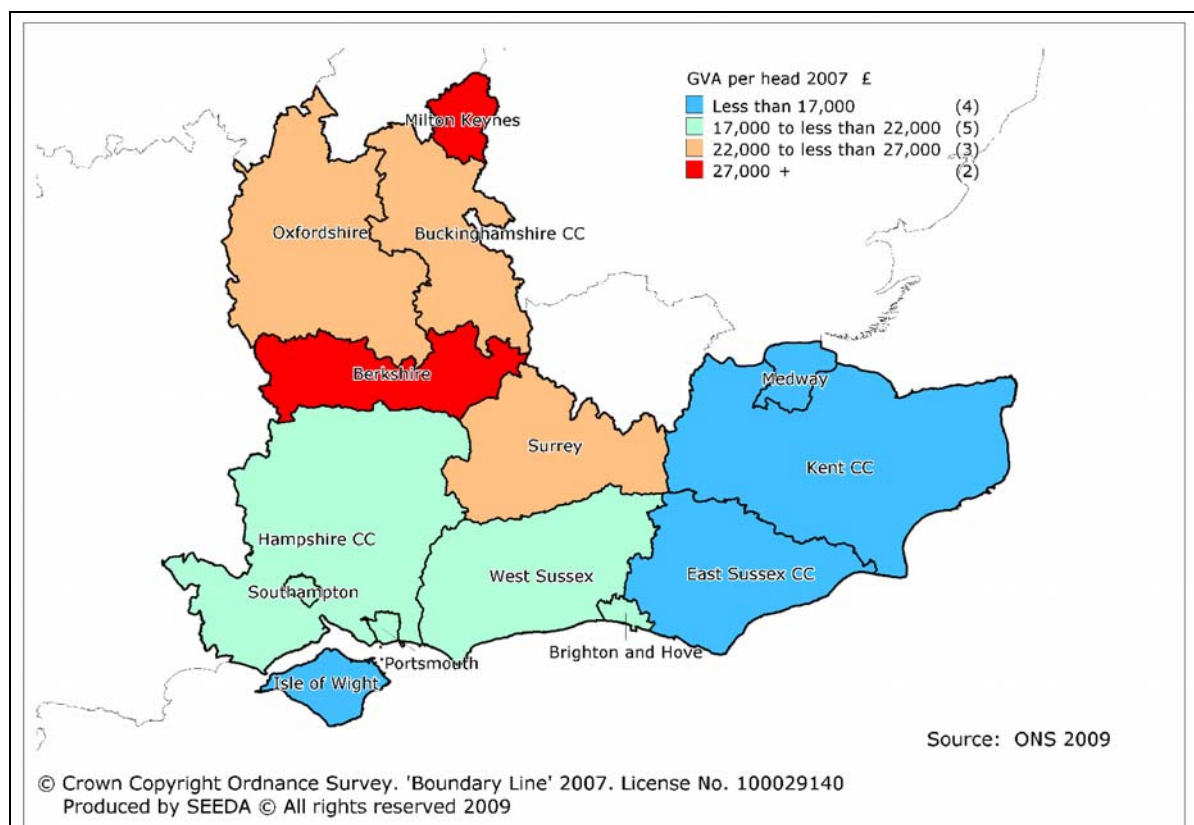


Percentage change in headline GVA for NUTS 3 areas, 2006 to 2007



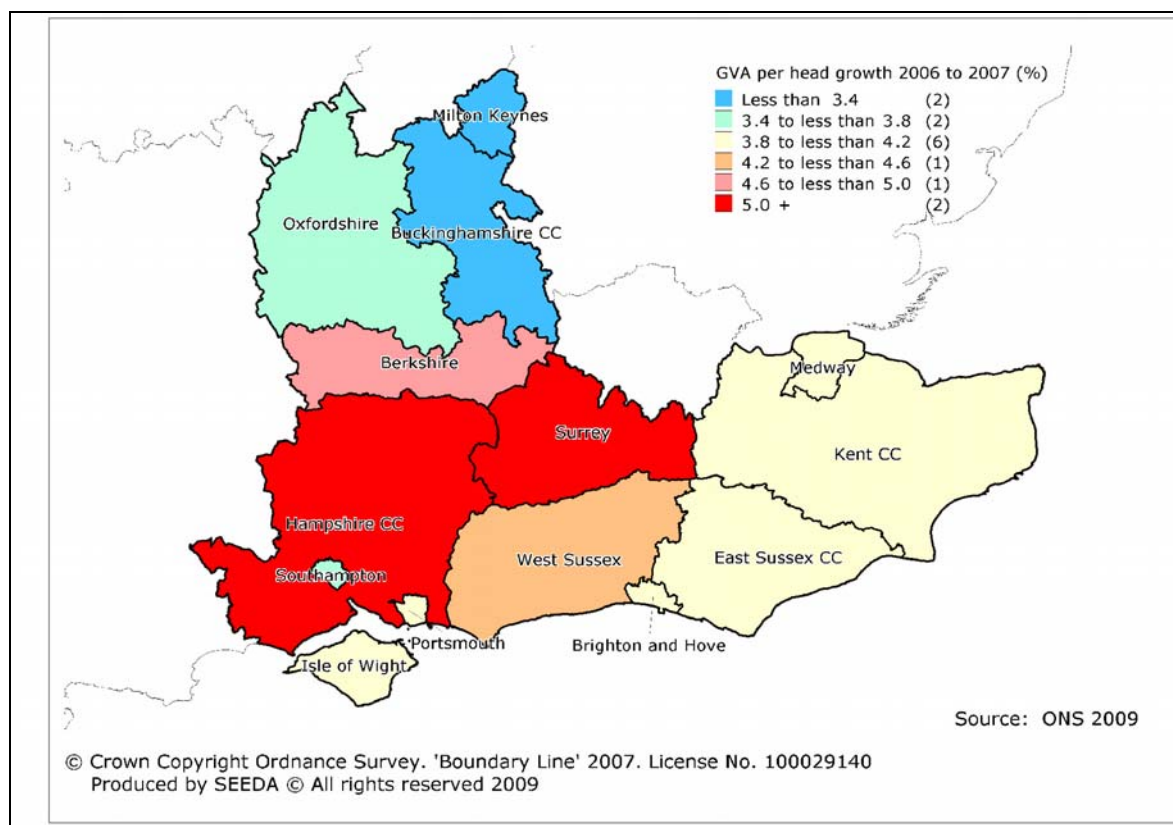
Source: Office for National Statistics

Headline GVA (workplace) per head of population¹ £ per annum, 2007

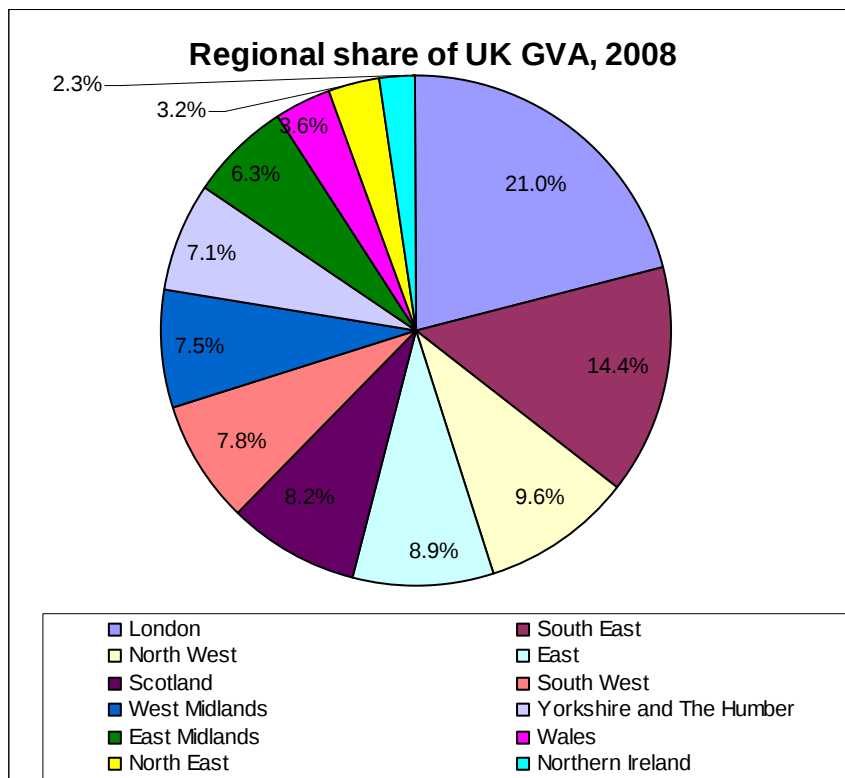


1 Estimates of workplace based GVA allocate income to where people work, whereas the denominator (population) is on a residence basis.

Percentage change in headline GVA per head, 2006 to 2007



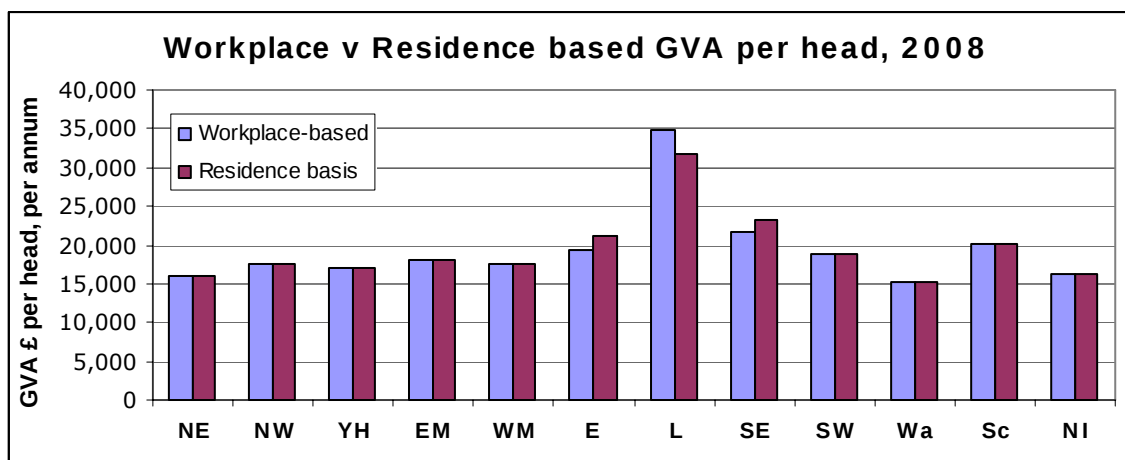
Source: Office for National Statistics



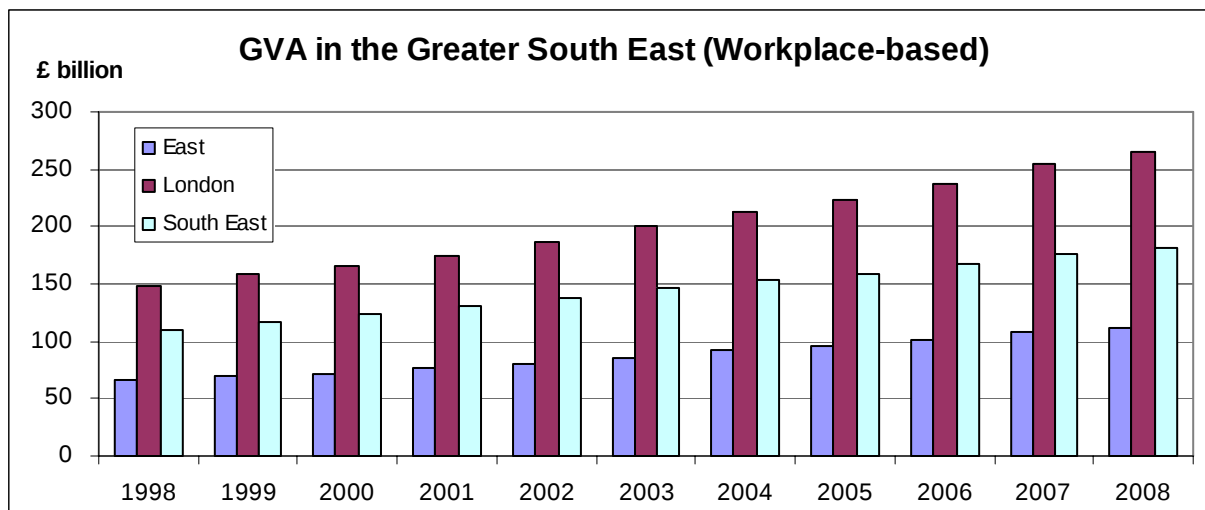
Source: Office for National Statistics

The South East contributed the second highest proportion to the national GVA after London. These two regions together continued to account for more than one-third of the overall total of £1,260bn in 2008. The proportions for most regions have remained fairly similar since 1995, although London's share increased by nearly three percentage points. There were also small increases in shares for the South East, the South West, the East and Northern Ireland.

The increase in London's shares is slightly less if GVA on a residence basis is used. For data on this basis see the annex. There are only three regions where cross-regional commuting has an acknowledged effect; these are London, the East and the South East. Collectively these regions are known as the Greater South East.



Source: Office for National Statistics



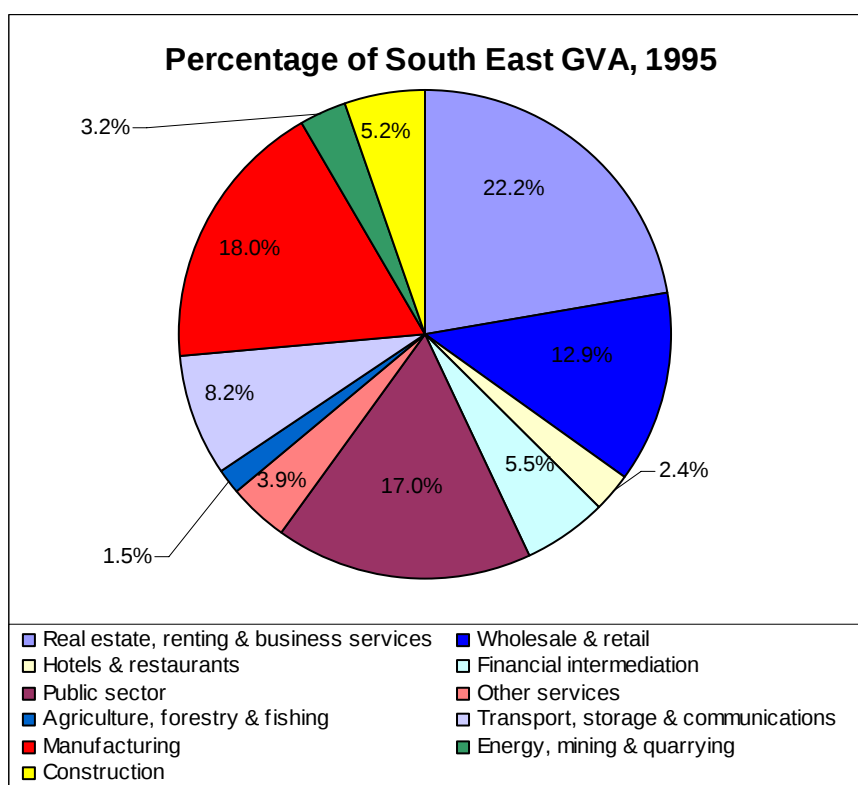
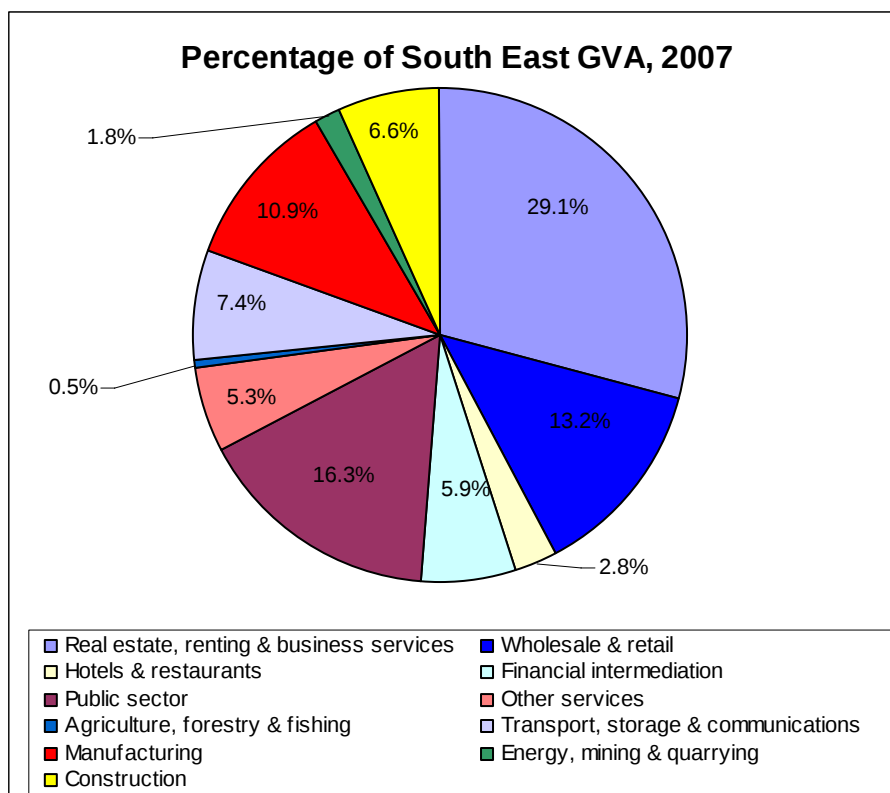
Source: Office for National Statistics

GVA by industry sector

GVA for NUTS 1 regions has been estimated for 31 different industry sectors. Real estate and business services contributed by far the largest proportion of the GVA in the South East, around 29 per cent in 2007 which totalled £51bn, 2007 is the latest period for which estimates are available. Several of the sectors are relatively small and some are combined into broader sectors for presentational purposes. The next largest contribution to GVA came from the Public Sector at £29bn. Agriculture, forestry and fishing contributed the smallest proportion which amounted to less than £1bn.

Public sector activity comprises three main components – education, health, together with defence and public administration the latter accounting for just under 4 per cent of the overall South East total and the other two public components 6 and 7 per cent respectively. Wholesaling and retailing together contributed 13 per cent, whilst the Transport and communications sector contributed a further 7 per cent. This latter sector has shown a reduction in share of nearly one percentage point since 1995. Financial services and construction are also key sectors in the South East accounting for 5.9 and 6.6 per cent respectively of the total GVA in 2007. Both these sectors have been increasing their shares of the South East Economy over the last few years.

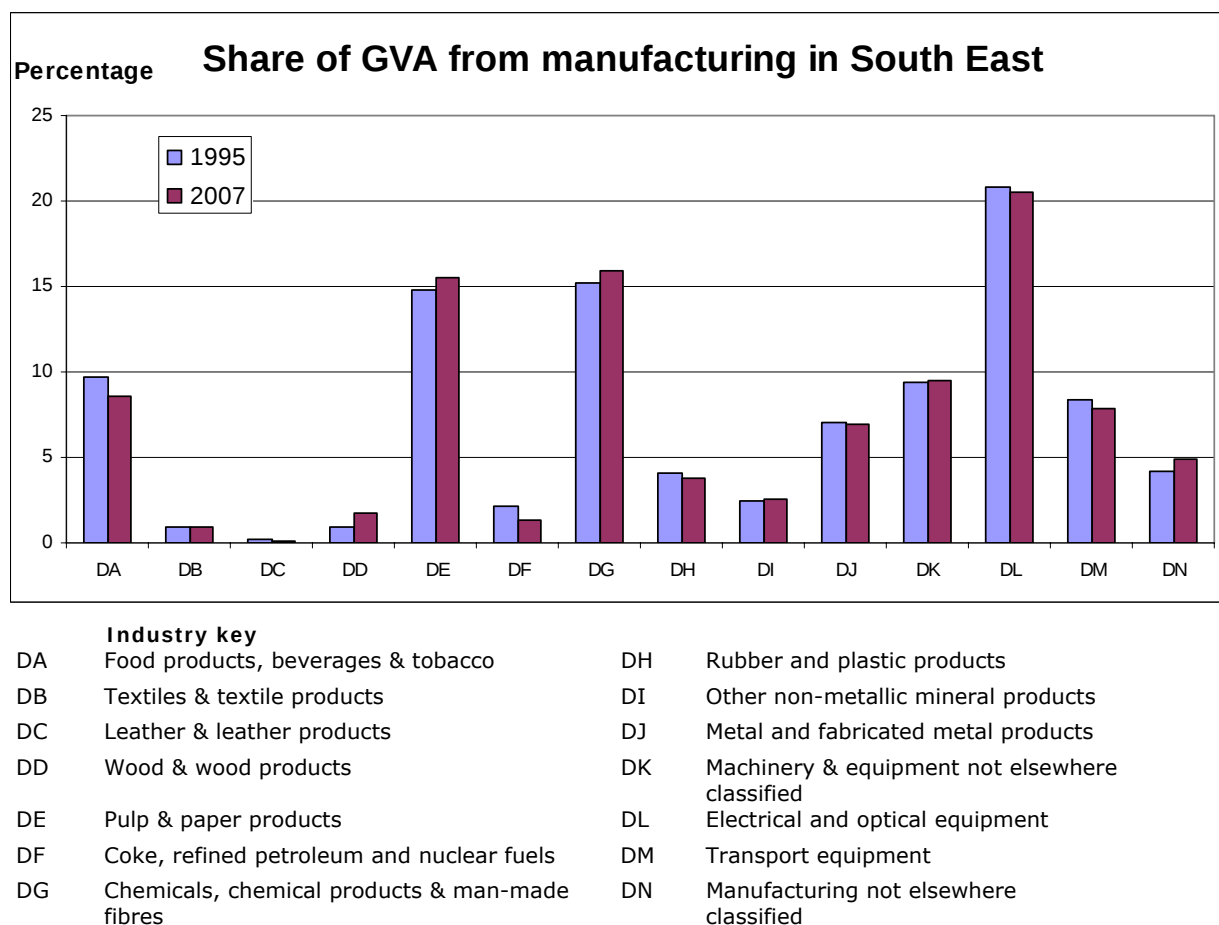
Not only did the real estate and business services sector continue to contribute the highest proportion of regional GVA, it has been the sector which has shown the greatest increase in share, rising by nearly 7 percentage points since 1995 when its contribution totalled £19.5bn in current price terms. Construction and other services were the sectors which also showed increases in share of regional GVA over this 12 year period, although their increases were relatively modest at between one and two percentage points each.



In the South East the proportion of GVA derived from manufacturing declined by 7 percentage points between 1995 and 2007, although the value in current price terms increased slightly, but less than the rate of inflation, from £16bn to more than £19bn over the same period¹.

¹ Deflators to assess inflationary influences are published on National Statistics website <http://www.statistics.gov.uk/STATBASE/tsdataset.asp?vlnk=204&More=N&All=Y>

Contributions to GVA from sub-sectors within manufacturing varied greatly from £17m for leather and leather products (DC) to nearly £4bn for electrical and optical equipment (DL) in 2007. Chemicals and man-made fibres (DG) and pulp and paper products (DE) also contributed around £3bn each. More than half of GVA from manufacturing in the South East came from these three major sub-sectors.



Source: Office for National Statistics

The South East contributed 17.5 per cent of the UK's total GVA from real estate and business services in 2007 and also nearly one-sixth of the UK's GVA from the wholesaling and retailing sector (16.5 per cent). Although the value of producing electrical and optical equipment (DL) is relatively small in the UK £17.4bn in 2007, the South East produced nearly one-quarter of this sector, more than twice as much as the East or the South West the next most important contributors.

Headline¹ Gross Value Added^{2,3} (GVA) by industry groups, workplace based at current basic prices

	£ million											
	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007 ⁵
South East												
Agriculture, hunting, forestry & fishing	1,293	1,099	1,020	1,019	962	937	980	1,035	1,085	830	843	967
Mining and quarrying of energy producing materials	151	134	115	107	109	110	94	79	95	125	144	102
Other mining and quarrying	149	159	150	154	156	155	134	148	188	216	226	246
Manufacturing	16,435	17,390	18,107	18,537	18,559	18,649	18,174	18,104	18,141	18,503	19,075	19,321
Electricity, gas and water supply	2,436	2,245	2,167	2,060	2,037	2,128	2,399	2,626	2,569	2,539	2,850	2,871
Construction	5,043	5,478	5,898	6,295	6,765	7,529	8,124	8,777	9,693	10,142	10,814	11,688
Wholesale and retail trade (including motor trade)	12,209	13,526	15,112	16,483	17,246	18,353	18,826	19,832	20,854	21,236	22,102	23,254
Hotels and restaurants	2,390	2,646	2,972	3,270	3,509	3,696	3,944	4,189	4,487	4,639	4,816	4,952
Transport, storage and communication	7,522	7,931	8,753	9,256	10,013	10,282	10,713	11,261	11,664	12,012	12,393	13,052
Financial intermediation	5,466	5,847	5,480	5,839	5,435	5,763	7,367	8,009	8,111	8,305	9,298	10,467
Real estate, renting and business activities	21,679	24,489	28,416	31,444	34,531	37,620	39,580	42,526	45,193	46,662	48,786	51,353
Public administration and defence ⁴	4,900	4,839	4,787	4,908	5,015	5,093	5,183	5,454	5,858	6,355	6,622	6,742
Education	5,030	5,308	5,577	5,904	6,321	6,841	7,381	7,875	8,492	9,171	9,830	10,617
Health and social work	5,564	5,804	6,109	6,358	6,751	7,277	7,990	8,817	9,519	10,242	10,980	11,500
Other services	3,851	4,382	4,936	5,352	5,743	6,152	6,740	7,296	7,822	8,420	8,940	9,409
Total	94,118	101,277	109,596	116,987	123,151	130,586	137,629	146,028	153,772	159,397	167,720	176,541
UK excluding Extra-Region												
Agriculture, hunting, forestry & fishing	11,823	10,009	9,221	9,022	8,532	8,333	9,007	9,807	10,670	7,530	7,915	9,306
Mining and quarrying of energy producing materials	2,601	2,494	2,285	2,059	1,998	1,874	1,661	1,456	1,643	2,055	2,336	1,960
Other mining and quarrying	1,588	1,681	1,626	1,700	1,784	1,750	1,469	1,519	1,848	2,115	2,330	2,690
Manufacturing	143,955	150,247	152,045	151,157	150,009	149,223	146,308	144,845	145,689	148,110	152,062	154,916
Electricity, gas and water supply	15,987	15,788	15,792	15,703	15,798	15,660	16,052	16,405	16,106	16,687	20,006	21,086
Construction	34,978	37,304	39,696	42,236	45,626	50,526	54,684	59,522	66,029	69,868	74,509	80,148
Wholesale and retail trade (including motor trade)	79,094	85,543	93,093	99,509	103,410	110,249	113,777	120,520	127,367	129,810	134,526	140,904
Hotels and restaurants	17,875	19,797	22,216	24,146	25,605	26,928	28,639	30,120	31,870	32,902	34,274	35,288
Transport, storage and communication	53,334	56,635	62,266	64,961	69,201	70,502	73,064	76,587	79,020	80,889	82,773	86,854
Financial intermediation	46,134	48,942	46,375	48,545	44,989	48,202	63,367	71,530	75,117	79,553	90,790	103,646
Real estate, renting and business activities	125,690	139,257	158,944	173,329	188,361	204,041	214,849	232,204	248,677	260,116	275,893	294,205
Public administration and defence ⁴	38,910	38,943	38,658	39,984	41,749	43,968	46,331	49,893	53,912	58,370	60,562	61,418
Education	36,942	39,065	41,717	44,914	48,111	51,675	55,099	58,328	61,934	65,739	68,993	73,477
Health and social work	43,762	45,926	48,681	51,577	55,282	59,549	64,492	70,593	75,154	79,965	84,715	88,170
Other services	29,475	33,277	36,963	39,821	42,085	44,560	48,311	51,804	54,947	57,961	60,125	62,455
Total	682,147	724,906	769,579	808,664	842,540	887,040	937,109	995,133	1,049,983	1,091,670	1,151,810	1,216,523
South East as percentage of UK												
Agriculture, hunting, forestry & fishing	10.9	11.0	11.1	11.3	11.3	11.2	10.9	10.6	10.2	11.0	10.7	10.4
Mining and quarrying of energy producing materials	5.8	5.4	5.0	5.2	5.5	5.9	5.7	5.4	5.8	6.1	6.1	5.2
Other mining and quarrying	9.4	9.5	9.2	9.1	8.7	8.8	9.1	9.7	10.2	10.2	9.7	9.1
Manufacturing	11.4	11.6	11.9	12.3	12.4	12.5	12.4	12.5	12.5	12.5	12.5	12.5
Electricity, gas and water supply	15.2	14.2	13.7	13.1	12.9	13.6	14.9	16.0	16.0	15.2	14.2	13.6
Construction	14.4	14.7	14.9	14.9	14.8	14.9	14.9	14.7	14.7	14.5	14.5	14.6
Wholesale and retail trade (including motor trade)	15.4	15.8	16.2	16.6	16.7	16.6	16.5	16.5	16.4	16.4	16.4	16.5
Hotels and restaurants	13.4	13.4	13.4	13.5	13.7	13.7	13.8	13.9	14.1	14.1	14.1	14.0
Transport, storage and communication	14.1	14.0	14.1	14.2	14.5	14.6	14.7	14.7	14.8	14.9	15.0	15.0
Financial intermediation	11.8	11.9	11.8	12.0	12.1	12.0	11.6	11.2	10.8	10.4	10.2	10.1
Real estate, renting and business activities	17.2	17.6	17.9	18.1	18.3	18.4	18.4	18.3	18.2	17.9	17.7	17.5
Public administration and defence ⁴	12.6	12.4	12.4	12.3	12.0	11.6	11.2	10.9	10.9	10.9	10.9	11.0
Education	13.6	13.6	13.4	13.1	13.1	13.2	13.4	13.5	13.7	14.0	14.2	14.4
Health and social work	12.7	12.6	12.5	12.3	12.2	12.2	12.4	12.5	12.7	12.8	13.0	13.0
Other services	13.1	13.2	13.4	13.4	13.6	13.8	14.0	14.1	14.2	14.5	14.9	15.1
Total	13.8	14.0	14.2	14.5	14.6	14.7	14.7	14.7	14.6	14.6	14.6	14.5

¹ The headline regional GVA series for this publication have been calculated using a five-period moving average.

² Estimates of regional GVA in this table are on a workplace basis

³ Components may not sum due to rounding.

⁴ Public administration, national defence and compulsory social security.

⁵ Provisional

Source: Office for National Statistics

GVA of NUTS 2 regions

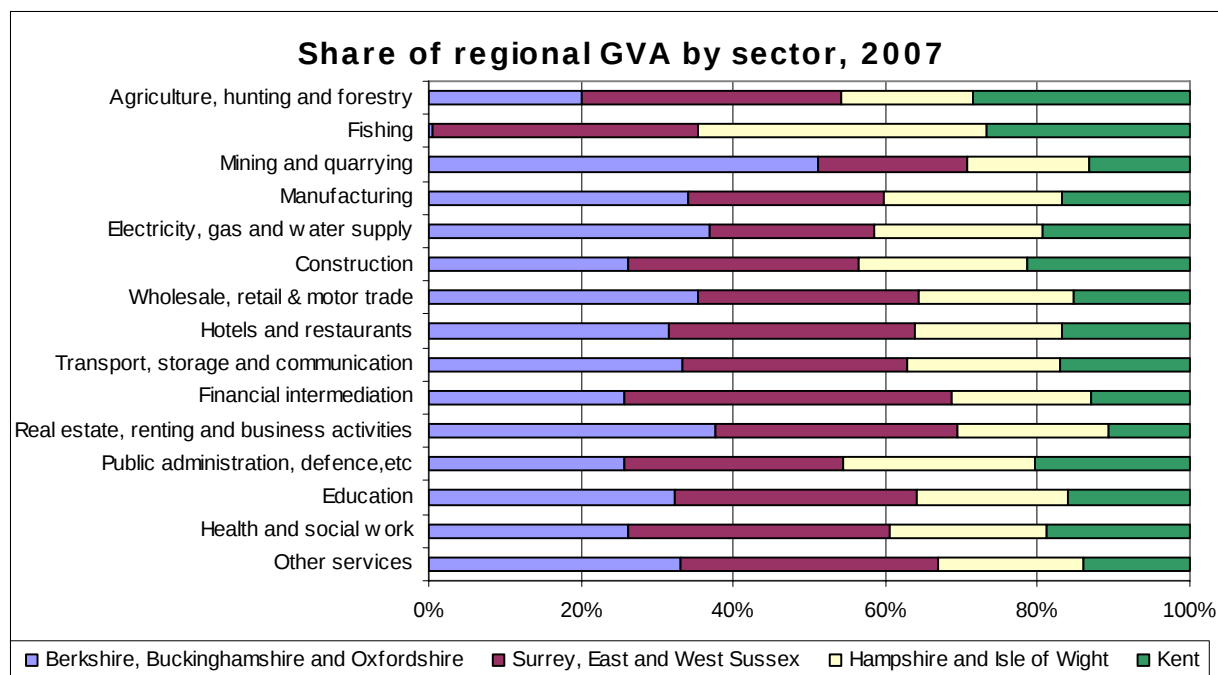
The South East is divided into four NUTS 2 regions:

- Berkshire, Buckinghamshire and Oxfordshire
- Surrey, East and West Sussex
- Hampshire and Isle of Wight
- Kent

The first two of these areas each contribute higher proportions to the national GVA (4.8 and 4.5 per cent respectively) than any other NUTS 2 regions outside London.

The NUTS 2 regions of the South East range from having 1.6 million people in Kent to 2.6 million in Surrey and Sussex. There were over 5 million people of working age (16 to 64 for males and 16 to 59 for females) in the South East in 2007. In Berkshire, Buckinghamshire and Oxfordshire almost 64 per cent of the population were of working age, whereas in Surrey and Sussex this was as below 60 per cent, compared to a national average of 62 per cent in 2007.

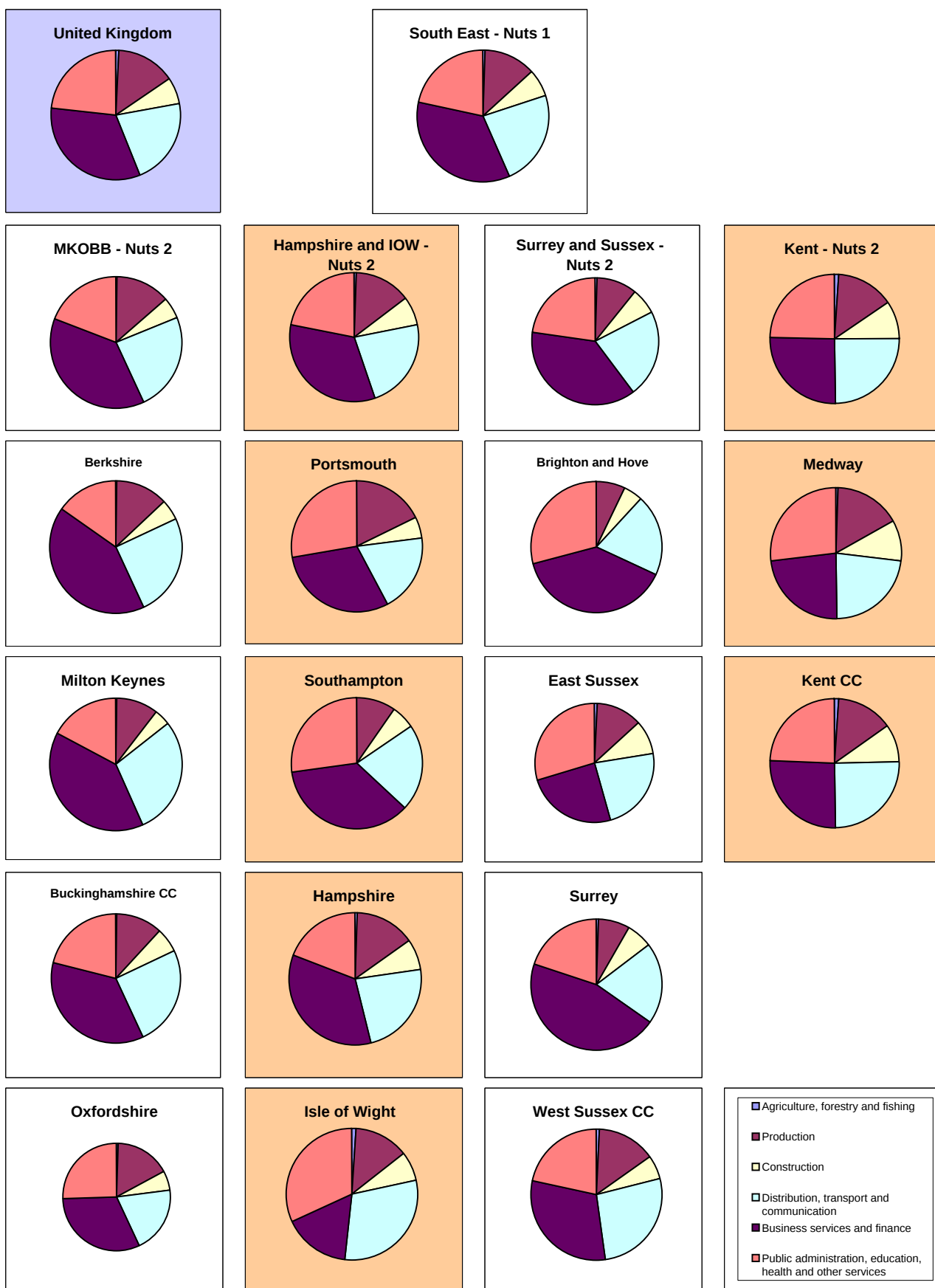
Surrey and Sussex contributed 43 per cent of the South East's GVA derived from financial intermediation and almost one-third of the total from hotels and restaurants. Around 30 per cent of the region's GVA from the agricultural sector originated in Kent with over half of mining and quarrying GVA in the South East attributable to Berkshire, Buckinghamshire and Oxfordshire. Real estate and business services in Surrey, Sussex, Berkshire, Buckinghamshire and Oxfordshire contributed around 70 per cent of the region's GVA from this sector and these two NUTS 2 regions also accounted for two-thirds of the GVA from wholesaling and retailing.



Source: Office for National Statistics

NUTS 2 regions within the South East combine areas with very different local economies which can mask wide disparities. Therefore examining the NUTS 3 areas for the South East is more appropriate.

NUTS 2 and NUTS 3 Industry shares for the South East and United Kingdom



NUTS 3 summary for the South East

Agriculture, forestry and fishing contributed nearly £1bn to the South East economy in 2007, of which Kent contributed the largest proportion (about 27 per cent). Hampshire, West Sussex and Surrey each contributed between 13 and 15 per cent of the regions agricultural GVA.

Hampshire contributed the largest share of GVA from production¹ (17 per cent), with Berkshire and Kent accounting for 15 per cent each. GVA from this sector contributed £22.5bn to the economy of the South East in 2007. The proportion of total GVA accounted for by the production sector declined in every South East NUTS 3 area over the 10 years to 2007, averaging 7 percentage points across the region as a whole. In Southampton, Buckinghamshire and the Isle of Wight the production sector's share of total GVA declined by more than 10 percentage points; the smallest declines were in Portsmouth, Oxfordshire and East Sussex (2 to 3 percentage points each).

In 2007 the construction sector contributed £11.7bn to the region's GVA; the three largest contributors were Kent (18 per cent), Hampshire (17 per cent) and Surrey (15 per cent). Across the South East the share of GVA accounted for by construction increased by 1 percentage point between 1997 and 2007. In each of East Sussex, Medway and Kent construction's share of GVA has increased by 2 to 3 percentage points over the last 10 years.

The transport, distribution and communications² sector accounted for GVA of £41.3bn in 2007, approximately 23 per cent of the South East total. The largest contributor to the £41.3bn was Berkshire (16 per cent), followed by Hampshire and Kent (both 14 per cent). Across the region, the sector maintained a relatively constant 23 per cent share of total GVA between 1997 and 2007, however sub-regionally there has been some variation. In Southampton and Hampshire the sector's share of GVA increased by more than 2 percentage points whilst in Surrey and Brighton & Hove it decreased by more than 3 percentage points.

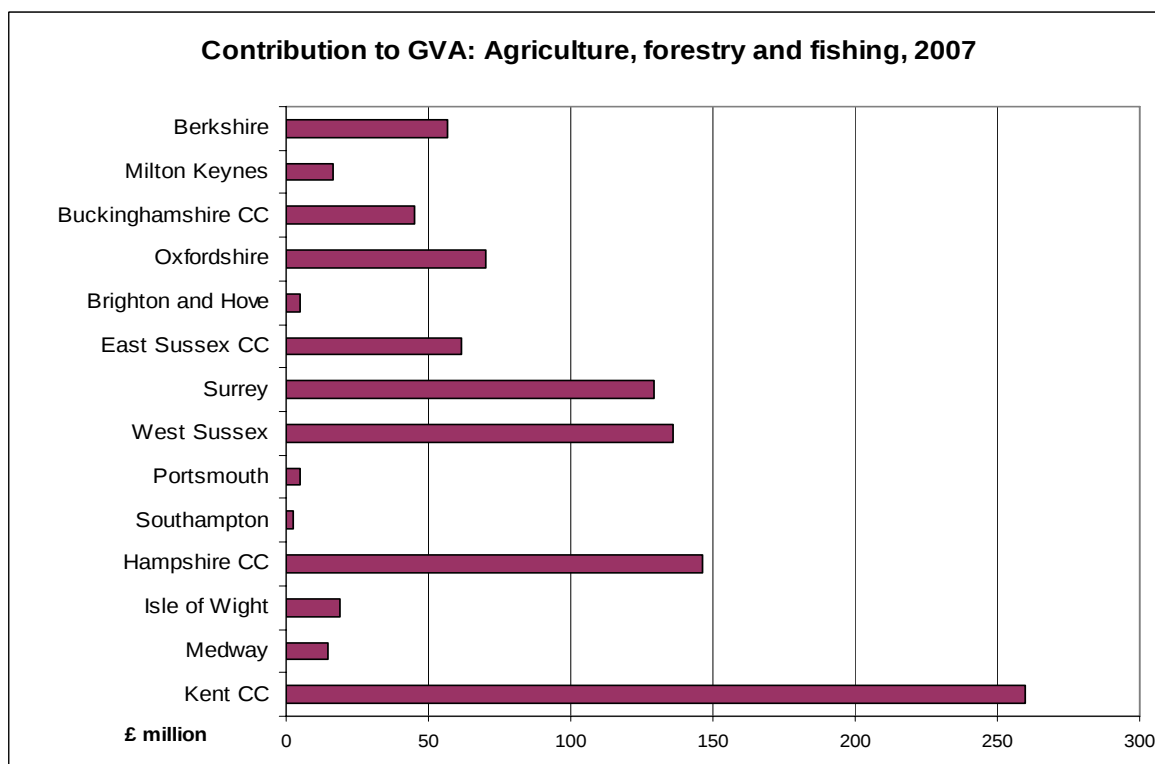
In 2007 GVA from the business services and finance sector accounted for £61.8bn, 35 per cent of the South East total, making it the largest sector in the region. Within the region, the areas contributing the most of this sector's GVA were Surrey (19 per cent), Berkshire (17 per cent) and Hampshire (14 per cent). Across the South East the share of GVA attributable to the sector increased by 5 percentage points between 1997 and 2007; in Hampshire the sector increased its share of GVA by 8 percentage points. In Brighton & Hove, West Sussex, East Sussex and Medway the sector's share of GVA increased by about 1 percentage point.

GVA from the Public administration and defence, education, health and other services sector was £38.3bn in 2007, 22 per cent of the South East total. The NUTS 3 areas contributing the most to this total in 2007 were Kent (15 per cent), Surrey (14 per cent) and Hampshire (13 per cent). Between 1997 and 2007 the share of total GVA accounted for by the sector increased by 2 percentage points across the South East. Sub-regionally the largest increases in share were in Brighton & Hove and Medway (5 percentage points each); in Portsmouth and Hampshire the share of GVA attributed to the public sector fell by 2 and 1 percentage points respectively.

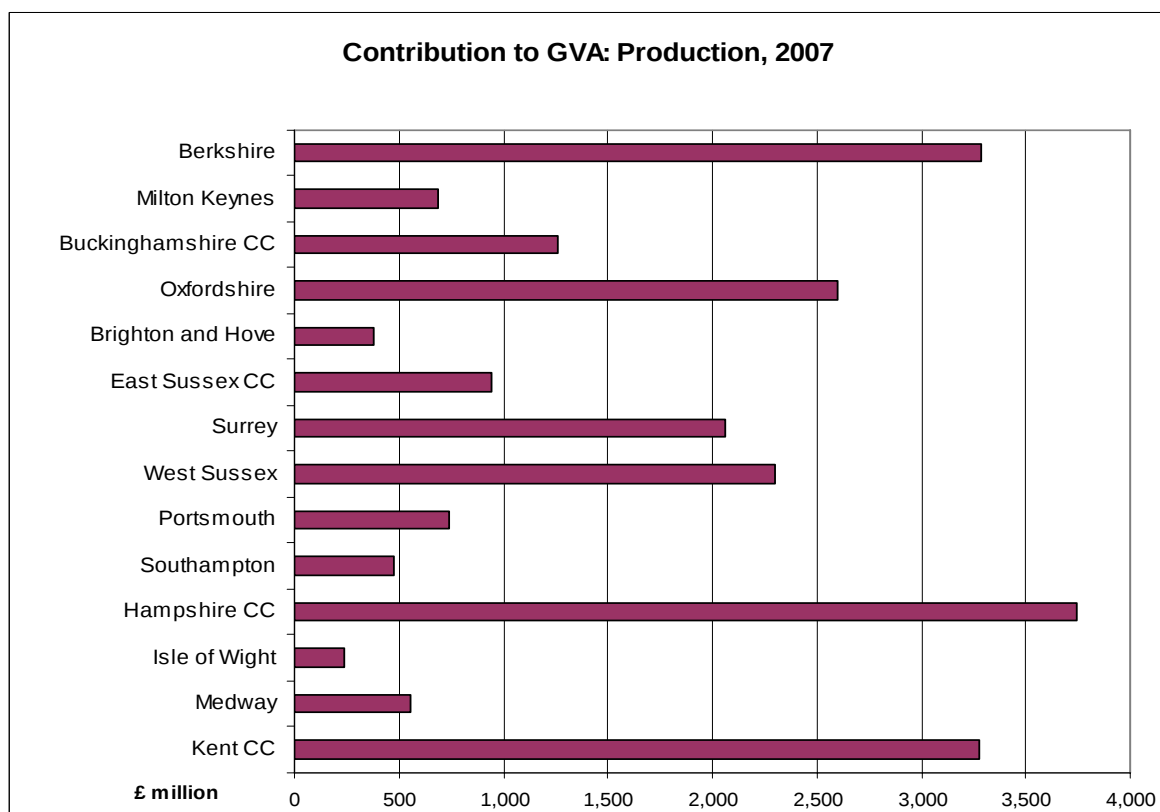
Note: At NUTS 3 level Buckinghamshire, East Sussex, Hampshire and Kent refer to areas under county council authority; the unitary authorities of Milton Keynes, Brighton & Hove, Portsmouth, Southampton, the Isle of Wight and Medway each constitute their own NUTS 3 areas.

¹ Production covers mining and quarrying, manufacturing and energy.

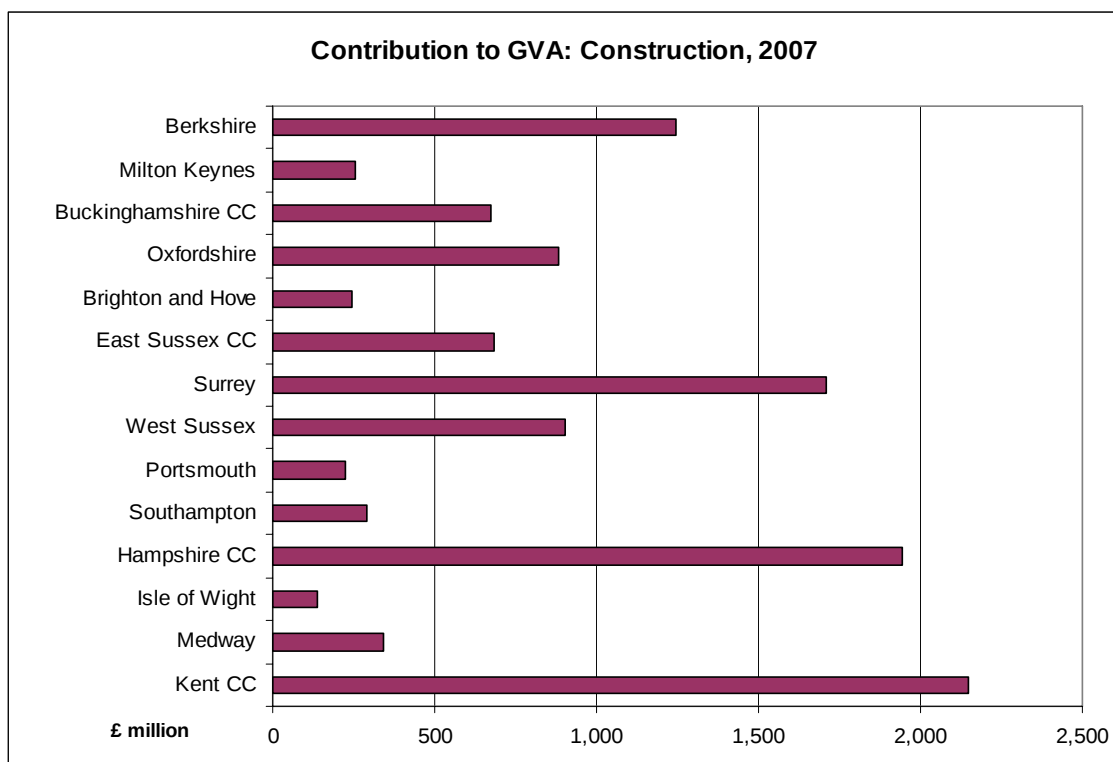
² Transport, distribution and communications includes wholesale, retail and hospitality.



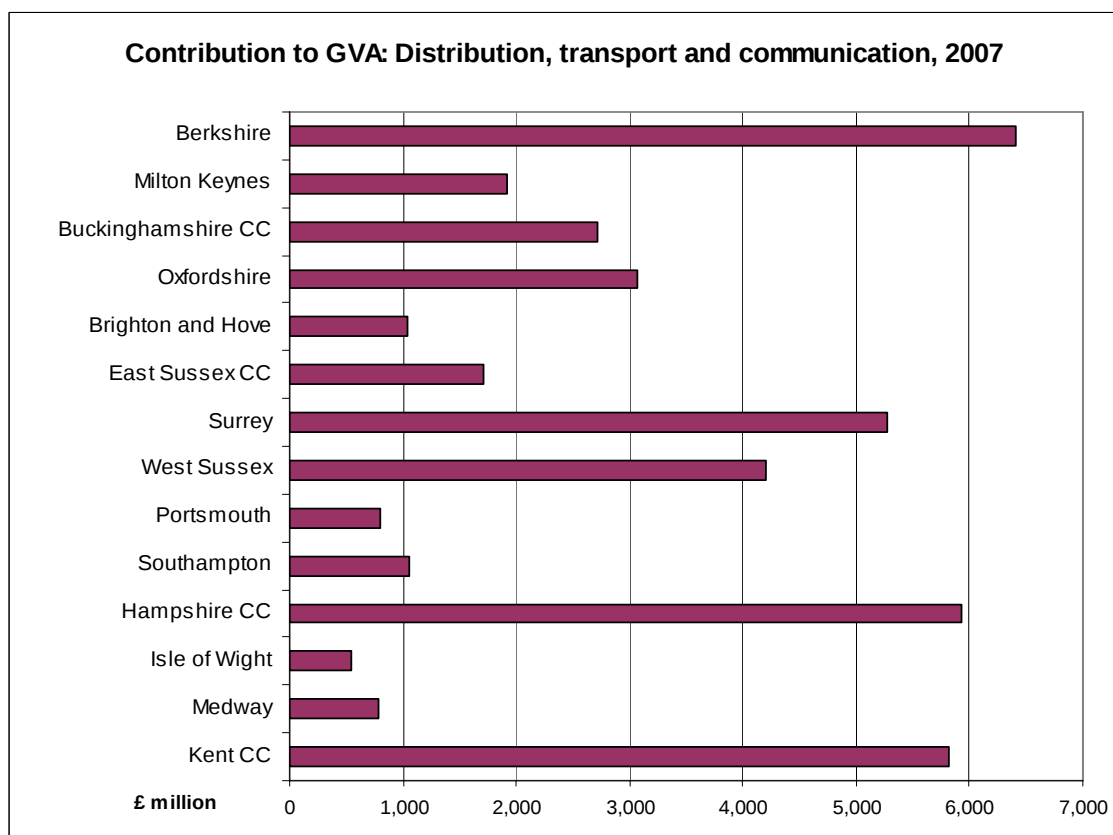
Source: Office for National Statistics



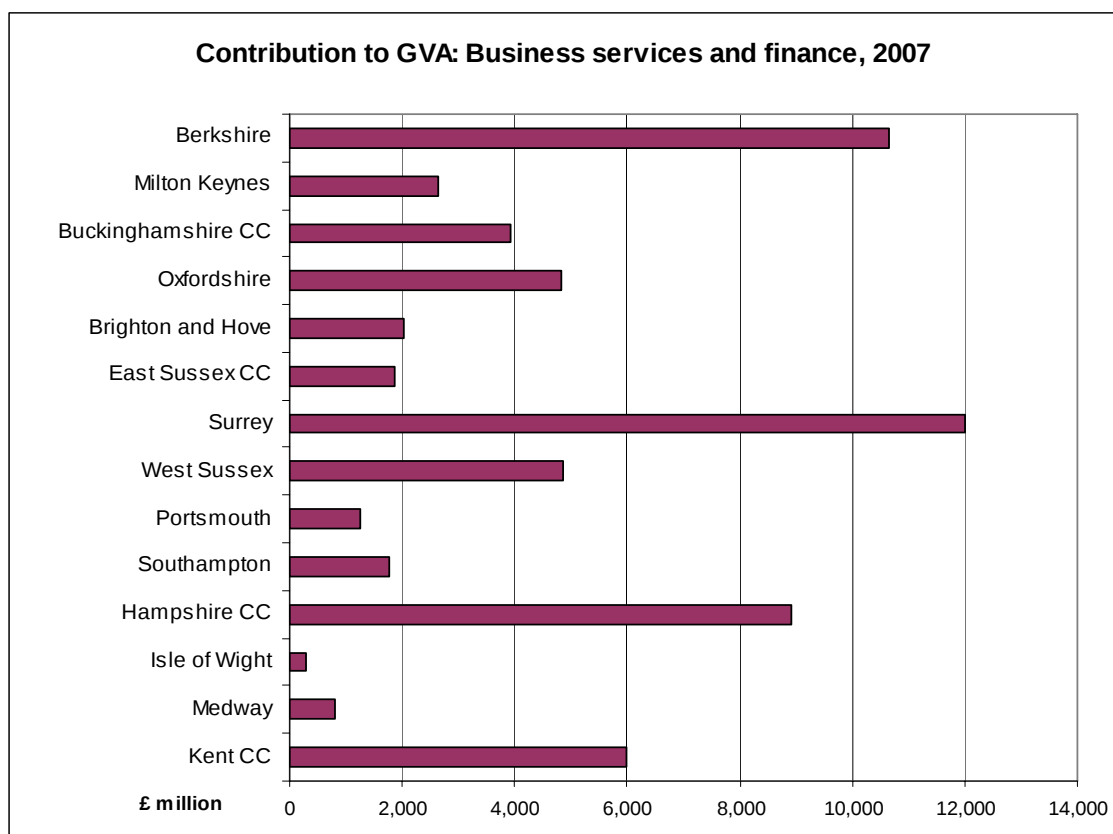
Source: Office for National Statistics



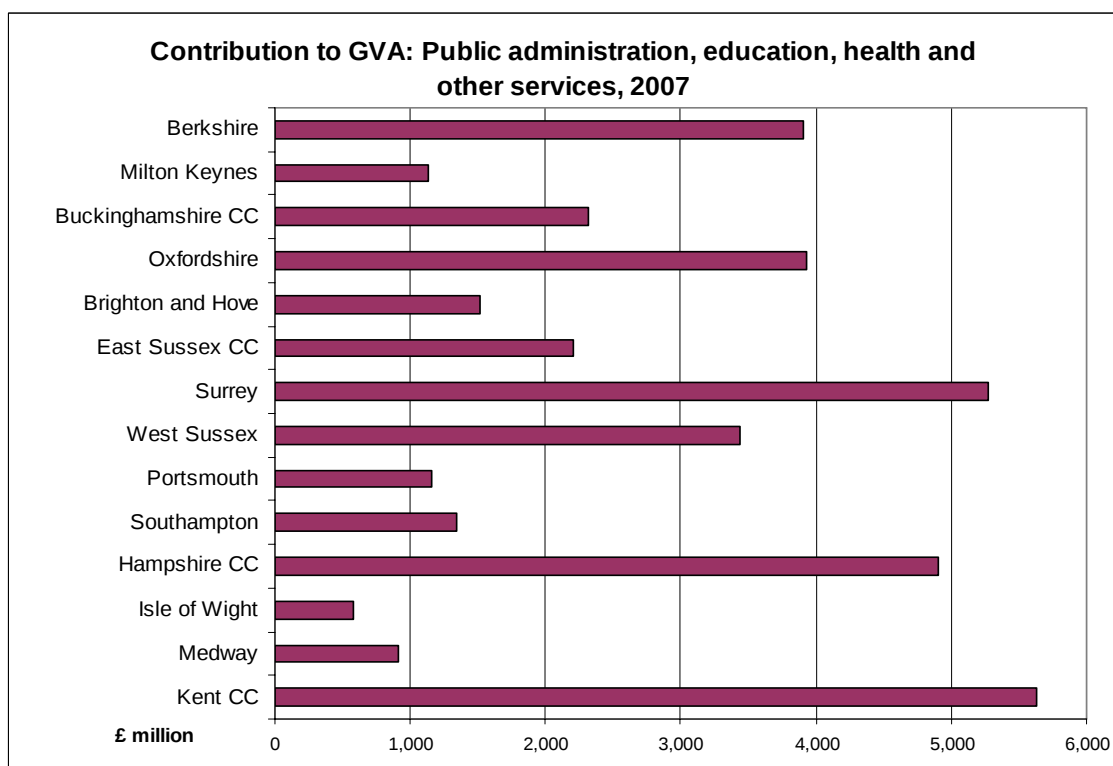
Source: Office for National Statistics



Source: Office for National Statistics

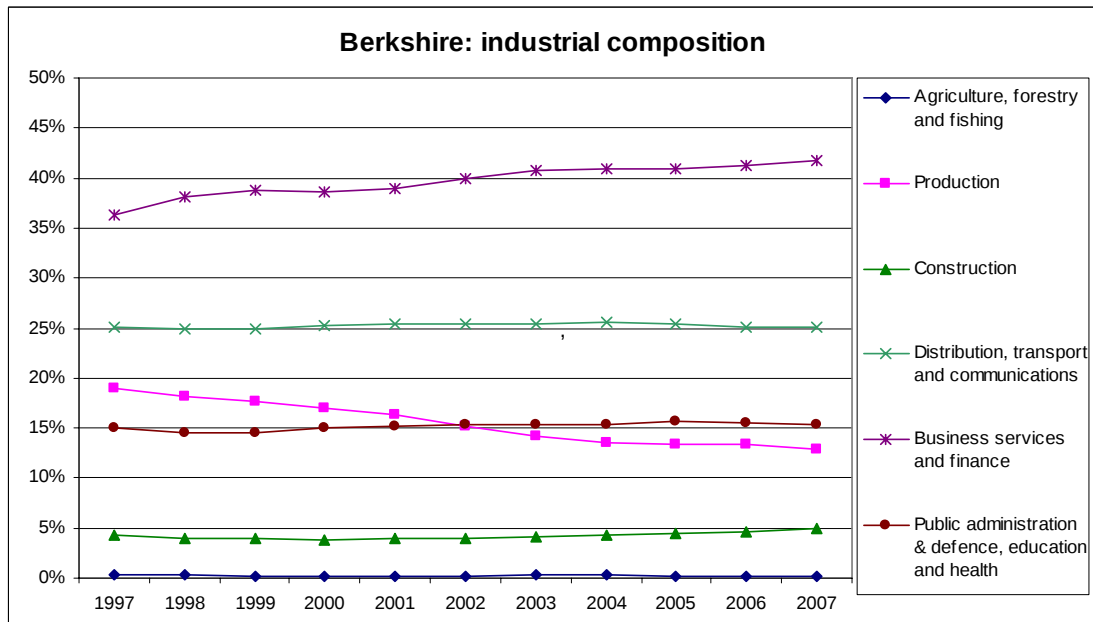


Source: Office for National Statistics



Source: Office for National Statistics

Berkshire



Source: Office for National Statistics

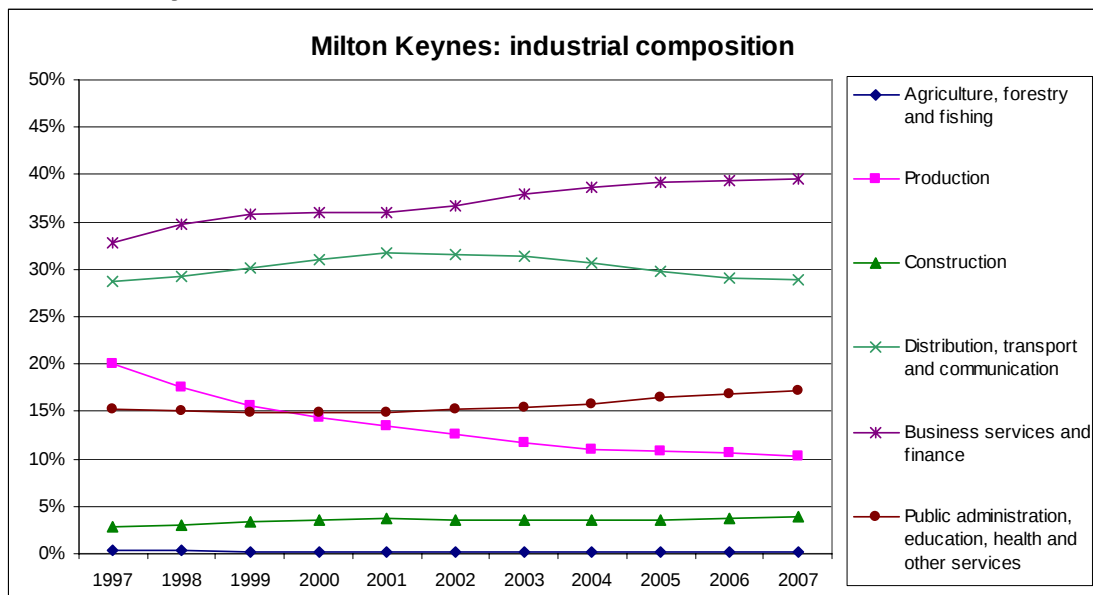
- In 2007 the business services and finance sector accounted for the highest proportion of Berkshire's GVA, about 42 per cent. This sub-region contributes 17 per cent of the South East's business services and finance GVA.
- The proportion of GVA generated by the production industries (comprising mining, energy and manufacturing) has declined since 1997; the sector accounted for 19 per cent of output in 1997, whilst in 2007 it accounted for about 13 per cent.
- The second largest contributor to Berkshire's GVA is the distribution, transport and communications sector; over the 10 years to 2007 this accounted for a relatively constant 25 per cent of output and in 2007 the sector contributed £6.4bn.
- Berkshire has the lowest proportion of GVA attributable to public, administration & defence, education and health (15 per cent) of any NUTS 3 area in the South East.
- The construction sector accounted for 5 per cent of Berkshire's GVA in 2007, 2 percentage points below the average proportion for the South East as a whole.

Berkshire GVA by industry, 1997-2007

	£ million										
Berkshire	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Agriculture, forestry and fishing	43	40	40	40	41	48	55	62	48	50	56
Production	2,580	2,767	2,946	3,012	3,055	2,965	2,939	2,940	3,043	3,246	3,283
Construction	571	606	645	677	749	792	856	952	1,025	1,125	1,247
Distribution, transport and communication	3,400	3,790	4,146	4,463	4,748	4,971	5,289	5,582	5,780	6,057	6,410
Business services and finance	4,907	5,810	6,444	6,834	7,310	7,835	8,493	8,932	9,303	9,946	10,668
Public administration, education, health and other services	2,041	2,208	2,407	2,645	2,829	3,013	3,181	3,364	3,559	3,731	3,907
Total GVA	13,543	15,221	16,629	17,670	18,731	19,623	20,813	21,832	22,758	24,154	25,571

Source: Office for National Statistics

Milton Keynes



Source: Office for National Statistics

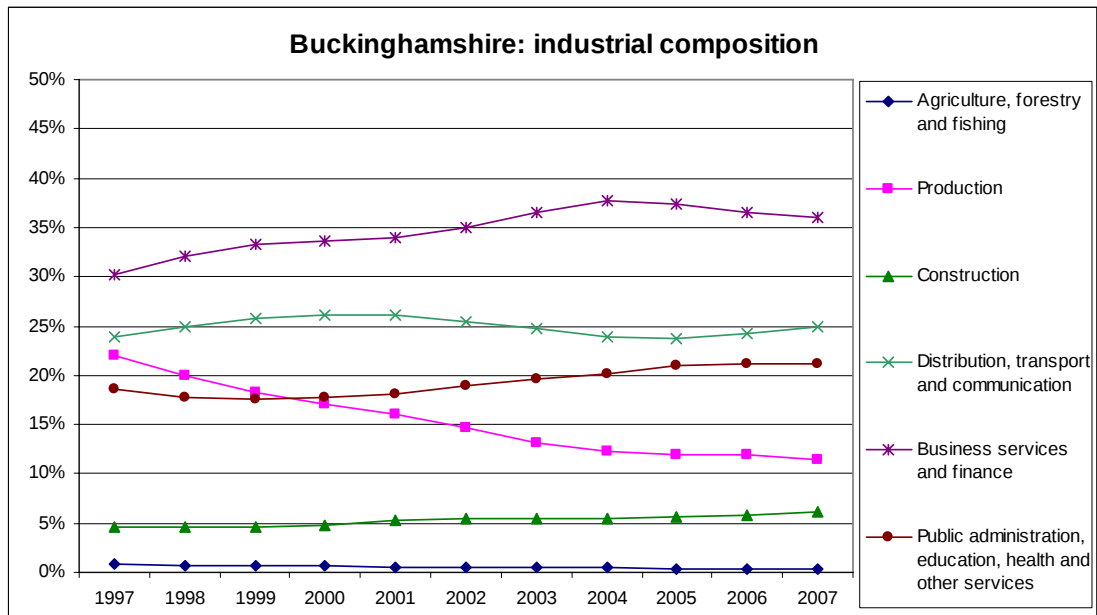
- Over the 10 years from 1997 to 2007 business services and finance have accounted for a higher and growing proportion of Milton Keynes Gross Value Added (GVA) than any other sector. In 2007 the sector accounted for 40 per cent of the economy up 7 percentage points over the decade.
- The proportion of GVA from production industries (which covers manufacturing, energy and mining) decreased from 20 per cent in 1997 to 10 per cent in 2007.
- The public sector increased its share of GVA from 15 per cent in 1997 to 17 per cent in 2007; however it is still substantially below the regional average of 22 per cent.
- Milton Keynes has the second highest proportion of GVA from distribution, transport and communication (29 per cent) in the South East after the Isle of Wight.
- The construction sector accounted for a smaller proportion of Milton Keynes GVA (4 per cent) than is typical of the South East (7 per cent).

Milton Keynes GVA by industry, 1997-2007

	£ million										
Milton Keynes	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Agriculture, forestry and fishing	11	11	11	10	10	11	13	15	13	14	16
Production	695	680	653	643	652	653	653	655	659	680	688
Construction	101	119	141	160	179	187	195	211	219	235	254
Distribution, transport and communication	994	1,130	1,266	1,394	1,530	1,636	1,754	1,822	1,822	1,852	1,919
Business services and finance	1,139	1,345	1,508	1,613	1,738	1,896	2,123	2,290	2,391	2,504	2,634
Public administration, education, health and other services	529	580	624	665	718	789	864	935	1,006	1,075	1,140
Total GVA	3,470	3,866	4,202	4,484	4,827	5,172	5,602	5,928	6,111	6,360	6,651

Source: Office for National Statistics

Buckinghamshire



Source: Office for National Statistics

- In 2007 the business services and finance sector contributed £3.9bn to Gross Value Added (GVA), 36 per cent of the Buckinghamshire total.
- Distribution, transport and communication accounted for the second largest share of Buckinghamshire's GVA, fluctuating around 25 per cent of the overall total, in the period 1997 to 2007.
- The public sector in Buckinghamshire contributed £2.3bn to GVA in 2007, approximately 21 per cent of the total.
- The production industries (mining, energy and manufacturing) accounted for 12 per cent of GVA in 2007, a 10 percentage point fall on its share in 1997.
- Construction accounted for a smaller proportion of GVA (6 per cent) than in the region as a whole (7 per cent).

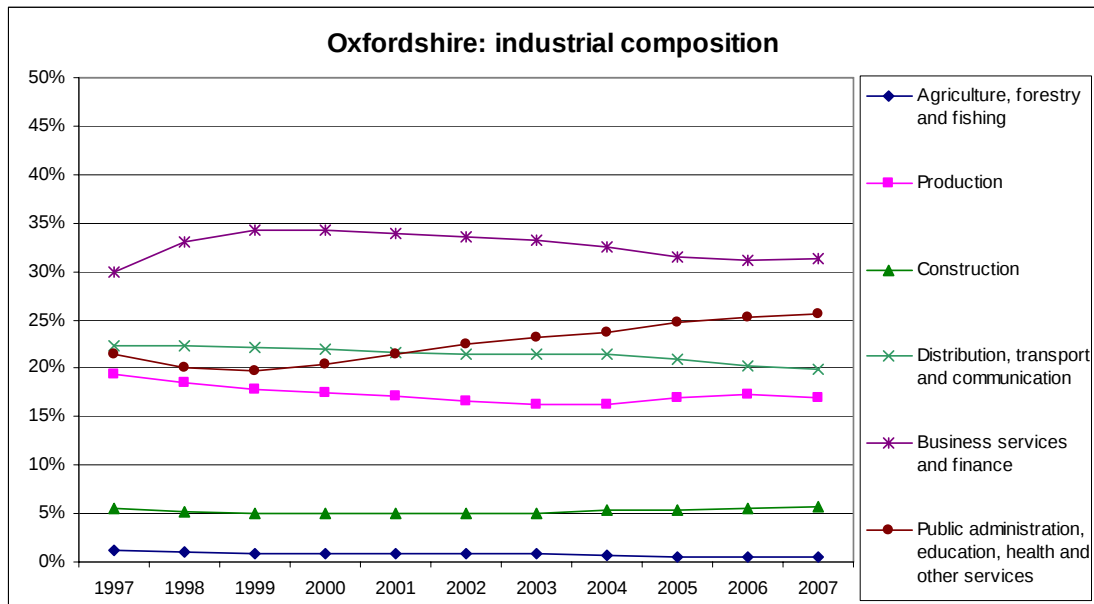
Buckinghamshire GVA by industry, 1997-2007

£ million

Buckinghamshire CC	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Agriculture, forestry and fishing	56	51	49	48	47	50	53	55	40	40	45
Production	1,465	1,439	1,384	1,351	1,326	1,276	1,224	1,212	1,214	1,258	1,258
Construction	312	326	348	385	434	472	498	545	568	619	676
Distribution, transport and communication	1,595	1,793	1,956	2,070	2,156	2,199	2,286	2,367	2,427	2,554	2,715
Business services and finance	2,012	2,305	2,520	2,673	2,810	3,030	3,387	3,736	3,807	3,844	3,930
Public administration, education, health and other services	1,237	1,282	1,328	1,404	1,501	1,635	1,810	1,992	2,145	2,229	2,312
Total GVA	6,677	7,196	7,585	7,931	8,275	8,662	9,260	9,906	10,202	10,543	10,935

Source: Office for National Statistics

Oxfordshire



Source: Office for National Statistics

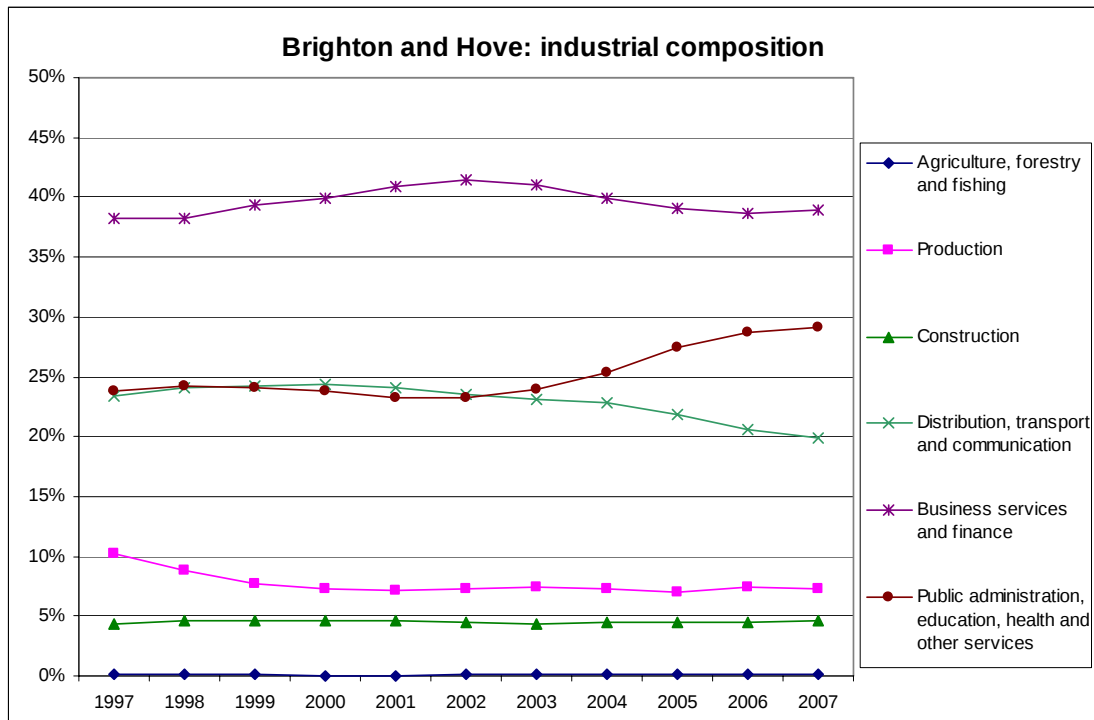
- In 2007 the largest sector in the Oxfordshire economy, accounting for 31 per cent of Gross Value Added (GVA) was business services and finance. Since 1999 the proportion of GVA from business services and finance in Oxfordshire has reduced slightly.
- Conversely, the public sector's share of GVA has increased, from 21 to 26 per cent over 1997 to 2007. The sector accounts for an above average proportion of Oxfordshire's GVA throughout the period compared with the South East region (average of 22 per cent in 2007).
- Distribution, transport and communication accounts for a slightly decreasing share of Oxfordshire's GVA since 1997, falling from 22 per cent to 20 per cent in 2007.
- As is common across the rest of the South East, the proportion of GVA accounted for by production (which comprises mining, energy and manufacturing) has fallen over the last ten years, from 19 to 17 per cent. This decline is less than in many areas of the South East. Despite this fall, Oxfordshire derives a greater proportion of its GVA from production than the South East as a whole (13 per cent).

Oxfordshire GVA by industry, 1997-2007

	£ million										
Oxfordshire	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Agriculture, forestry and fishing	110	100	99	93	92	98	103	103	70	65	70
Production	1,670	1,767	1,859	1,938	2,008	2,044	2,128	2,248	2,404	2,553	2,597
Construction	481	498	521	551	597	625	664	731	768	821	884
Distribution, transport and communication	1,913	2,135	2,308	2,423	2,531	2,638	2,821	2,966	2,976	2,996	3,071
Business services and finance	2,575	3,158	3,580	3,791	3,967	4,134	4,364	4,500	4,491	4,612	4,826
Public administration, education, health and other services	1,841	1,923	2,058	2,265	2,503	2,773	3,043	3,292	3,532	3,732	3,927
Total GVA	8,589	9,581	10,424	11,062	11,699	12,311	13,122	13,839	14,241	14,780	15,375

Source: Office for National Statistics

Brighton and Hove



Source: Office for National Statistics

- The proportion of Brighton and Hove's Gross Value Added (GVA) accounted for by business services and finance is higher than for the South East as a whole (39 and 35 per cent respectively).
- Brighton and Hove has the lowest proportion of GVA from production (7 per cent) of any NUTS 3 area in the South East.
- The proportion of GVA from the public sector has increased from 23 per cent to 29 per cent since 2001.
- Distribution, transport and communication accounted for 20 per cent of Brighton and Hove's GVA in 2007, 3 percentage points less than in 1997.
- The construction sector contributed £243 million in GVA in 2007, accounting for about 5 per cent of the total, about 2 percentage points lower than the South East average.

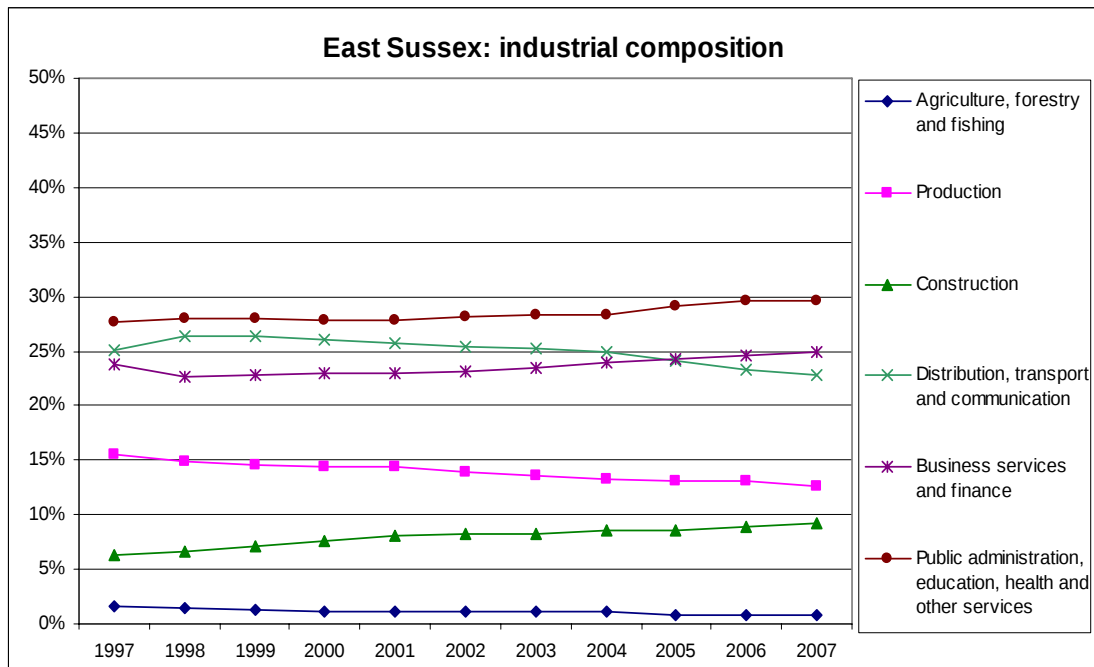
Brighton and Hove GVA by industry, 1997-2007

	£ million										
Brighton and Hove	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Agriculture, forestry and fishing	3	3	3	3	3	3	4	5	4	4	5
Production	321	289	268	268	287	315	344	343	335	367	377
Construction	134	150	161	170	185	192	196	210	214	226	243
Distribution, transport and communication	728	788	843	906	971	1,017	1,063	1,082	1,051	1,028	1,039
Business services and finance	1,191	1,253	1,371	1,482	1,649	1,793	1,889	1,891	1,875	1,923	2,028
Public administration, education, health and other services	740	793	839	880	936	1,008	1,100	1,198	1,320	1,428	1,521
Total GVA	3,116	3,275	3,484	3,708	4,033	4,329	4,596	4,728	4,799	4,976	5,212

Source: Office for National Statistics

All data for NUTS 3 areas are on a workplace basis and at current basic prices

East Sussex



Source: Office for National Statistics

- In 2007 about 30 per cent of East Sussex's Gross Value Added (GVA) was produced by the public sector, the second highest proportion of any NUTS 3 area in the South East after the Isle of Wight. The proportion of GVA accounted for by the public sector increased by 2 percentage points between 1997 and 2007.
- The share of GVA accounted for by the distribution, transport and communication sector decreased by 2 percentage points over the 10 years to 2007 from 25 per cent to 23 per cent.
- The business services and finance sector in East Sussex slightly increased its share of GVA by 2 percentage point to 25 per cent between 2002 and 2007. East Sussex derives a smaller proportion of GVA from this sector than the South East as a whole (35 per cent).
- In East Sussex the construction sector has increased its share of GVA from 6 per cent to 9 per cent.
- The production sector (comprising mining, energy and manufacturing) declined from 16 per cent of GVA in 1997 to 13 per cent in 2007.

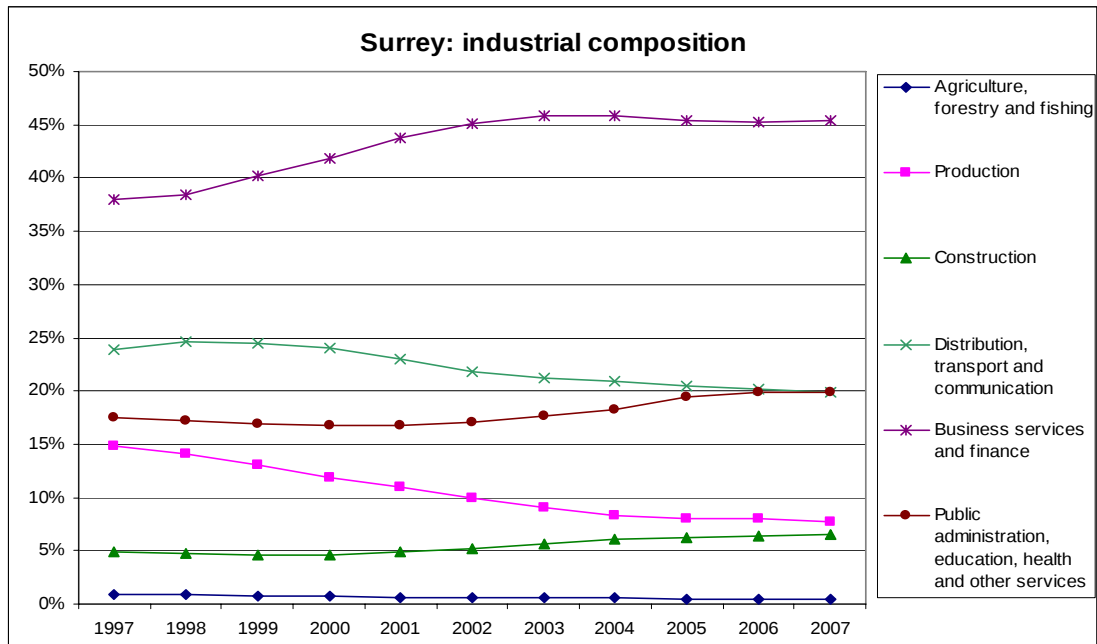
East Sussex GVA by industry, 1997-2007

£ million

East Sussex CC	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Agriculture, forestry and fishing	73	66	64	60	59	62	67	70	55	55	62
Production	696	692	710	744	789	810	843	873	899	931	940
Construction	281	312	347	389	443	482	513	565	589	633	685
Distribution, transport and communication	1,129	1,231	1,287	1,342	1,408	1,469	1,554	1,636	1,645	1,662	1,703
Business services and finance	1,066	1,058	1,115	1,182	1,256	1,341	1,443	1,578	1,656	1,755	1,863
Public administration, education, health and other services	1,240	1,306	1,367	1,439	1,527	1,632	1,747	1,863	1,995	2,111	2,208
Total GVA	4,486	4,665	4,890	5,155	5,482	5,796	6,167	6,585	6,838	7,147	7,460

Source: Office for National Statistics

Surrey



Source: Office for National Statistics

- In 2007 business services and finance accounted for more than 45 per cent of Surrey's GVA, the highest proportion of any NUTS 3 region within the South East over the ten year period to 2007
- In common with the rest of the South East the proportion of GVA from production (comprising manufacturing, energy and mining) decreased over the past 10 years, from 15 per cent to 8 per cent. Surrey has the second lowest proportion of GVA from production of any South East NUTS 3 areas.
- The distribution, transport and communication sector accounted for 20 per cent of Surrey's GVA in 2007, a fall of 4 percentage points compared with 1997.
- In 2007 the public sector accounted for 20 per cent of Surrey's GVA, an increase in share of 2 percentage points compared with 1997.
- The share of GVA from the construction industry increased from 5 to 6 per cent of Surrey's GVA in the ten years to 2007.

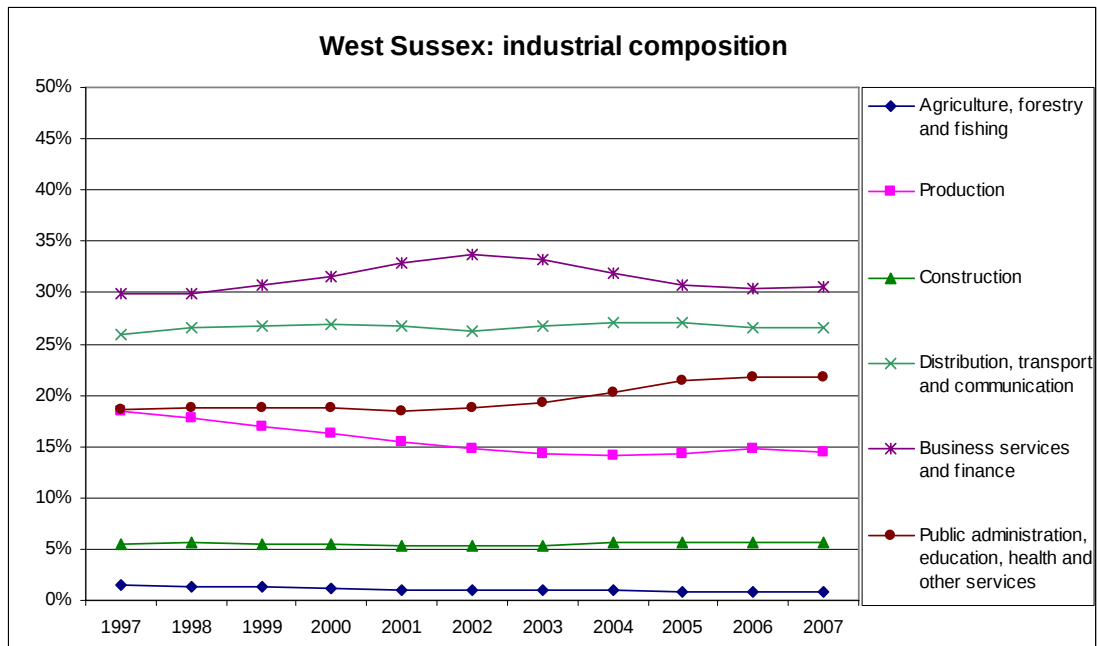
Surrey GVA by industry, 1997-2007

£ million

Surrey	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Agriculture, forestry and fishing	145	138	143	135	128	129	132	137	103	107	129
Production	2,277	2,375	2,374	2,297	2,220	2,102	1,987	1,881	1,877	1,990	2,061
Construction	747	808	839	889	988	1,106	1,232	1,384	1,458	1,572	1,710
Distribution, transport and communication	3,652	4,125	4,455	4,637	4,661	4,600	4,641	4,742	4,812	5,001	5,277
Business services and finance	5,805	6,440	7,307	8,058	8,864	9,499	10,012	10,424	10,657	11,254	12,015
Public administration, education, health and other services	2,671	2,880	3,078	3,239	3,410	3,604	3,859	4,144	4,546	4,932	5,279
Total GVA	15,297	16,766	18,195	19,255	20,271	21,040	21,864	22,712	23,453	24,855	26,471

Source: Office for National Statistics

West Sussex



Source: Office for National Statistics

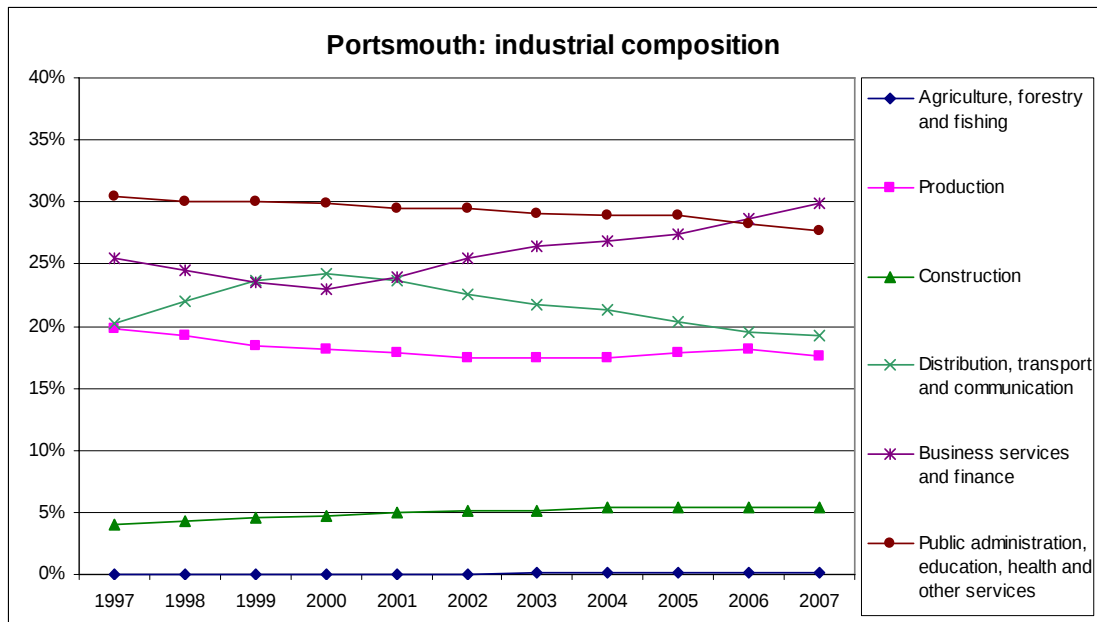
- In common with many areas of the South East, the Business services and finance sector accounted for the highest proportion of GVA within West Sussex (31 per cent in 2007). In the period 1997 to 2002 the sector increased its share of GVA from 30 per cent to 34 per cent; since 2002 the sector's share of the economy decreased to 31 per cent.
- The second largest sector in West Sussex continued to be distribution, transport and communication which accounted for 27 per cent of GVA in 2007, an increase of 1 percentage point on 1997.
- The public sector increased its share of GVA in West Sussex over the period 1997 to 2007 from 19 to 22 per cent.
- The share of GVA contributed by the production industries (comprising energy, manufacturing and mining) has fallen from 18 to 15 per cent since 1997; the sector accounts for a higher proportion of West Sussex's economy than is typical of the South East (average 13 per cent across the region).
- In 2007 the construction sector contributed £905 million to the economy of West Sussex, about 6 per cent of the area's total. This sector accounts for a smaller proportion of West Sussex's GVA than the average for the South East (7 per cent).

West Sussex GVA by industry, 1997-2007

	£ million										
West Sussex	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Agriculture, forestry and fishing	149	140	140	133	130	136	143	148	113	117	136
Production	1,788	1,805	1,813	1,828	1,869	1,903	1,930	1,983	2,055	2,222	2,299
Construction	531	570	588	610	652	690	728	793	811	848	905
Distribution, transport and communication	2,510	2,713	2,868	3,027	3,225	3,387	3,608	3,792	3,878	4,010	4,201
Business services and finance	2,898	3,057	3,297	3,551	3,978	4,342	4,499	4,486	4,401	4,572	4,845
Public administration, education, health and other services	1,802	1,917	2,006	2,108	2,236	2,407	2,616	2,839	3,084	3,282	3,436
Total GVA	9,678	10,202	10,714	11,257	12,090	12,865	13,524	14,042	14,342	15,052	15,822

Source: Office for National Statistics

Portsmouth



Source: Office for National Statistics

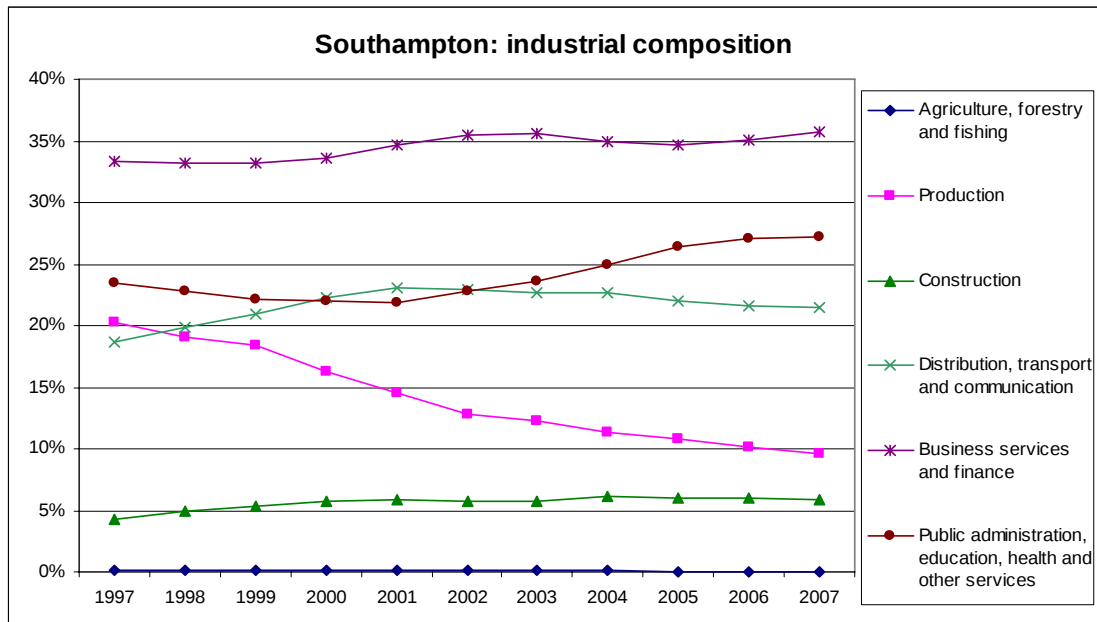
- Since 2006 the business services and finance sector has accounted for the highest share of Portsmouth's Gross Value Added (30 per cent).
- Prior to 2006 the sector with the highest share of GVA in Portsmouth was public administration and defence, education, health and other services. In 2007 the sector was the second biggest in Portsmouth and accounted for 28 per cent of GVA.
- Despite a falling share of Portsmouth's GVA, Portsmouth earns a higher proportion of its GVA from production, which comprises energy, manufacturing and mining totalling 18 per cent, than any other NUTS 3 area in the South East.
- Distribution, transport and communication accounted for 19 per cent of the GVA in Portsmouth, 1 percentage point less than in 1997 and 4 percentage points below the regional average for 2007. However, it should be noted that in 2000 the sector accounted for 24 per cent of Portsmouth's output.
- The construction sector in Portsmouth accounted for about 5 per cent of GVA, over 1 percentage point less than for the South East as a whole.

Portsmouth GVA by industry, 1997-2007

	£ million										
Portsmouth	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Agriculture, forestry and fishing	1	1	1	1	1	2	3	4	4	4	5
Production	487	504	505	523	549	575	611	639	677	728	736
Construction	98	112	124	136	154	167	180	199	206	214	226
Distribution, transport and communication	494	577	648	699	731	744	762	778	770	779	803
Business services and finance	624	643	644	663	741	840	926	980	1,043	1,147	1,253
Public administration, education, health and other services	748	787	823	860	911	970	1,018	1,056	1,097	1,130	1,160
Total GVA	2,451	2,623	2,744	2,882	3,087	3,297	3,500	3,655	3,798	4,002	4,183

Source: Office for National Statistics

Southampton



Source: Office for National Statistics

- The sector with the highest share of GVA in Southampton was business services and finance which accounted for 36 per cent of Southampton's Gross Value Added (GVA) in 2007. This was an increase of 3 percentage points on 1997 and 1 percentage point higher than the South East as a whole.
- The public sector had the second largest share of GVA in 2007 accounting for 27 per cent of the total.
- The distribution, transport and communication sector accounted for a 21 per cent share of Southampton's GVA in 2007, 2 percentage points lower than the South East average.
- In 1997 the third largest sector in Southampton was production (comprising mining, energy and manufacturing) with a 20 per cent share of GVA; by 2007 this had fallen to less than 10 per cent, giving production the fourth largest share.
- Southampton has the lowest proportion of GVA from agriculture, forestry and fishing (less than 1 per cent) of any NUTS 3 area in the South East.

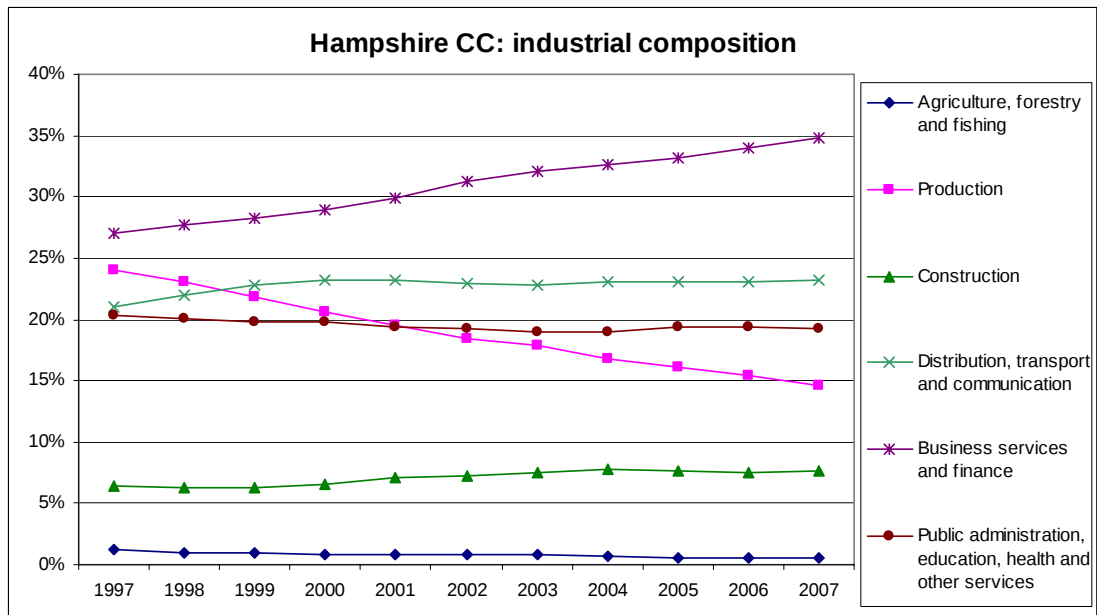
Southampton GVA by industry, 1997-2007

£ million

Southampton	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Agriculture, forestry and fishing	3	3	3	3	3	3	3	3	3	3	3
Production	649	650	646	580	541	504	513	496	489	480	477
Construction	137	168	189	204	220	227	241	266	274	281	293
Distribution, transport and communication	596	675	736	793	853	899	947	987	996	1,021	1,060
Business services and finance	1,065	1,131	1,168	1,195	1,283	1,394	1,489	1,527	1,565	1,658	1,772
Public administration, education, health and other services	750	774	777	780	809	894	989	1,089	1,190	1,280	1,348
Total GVA	3,200	3,401	3,519	3,554	3,709	3,923	4,182	4,368	4,516	4,722	4,953

Source: Office for National Statistics

Hampshire



Source: Office for National Statistics

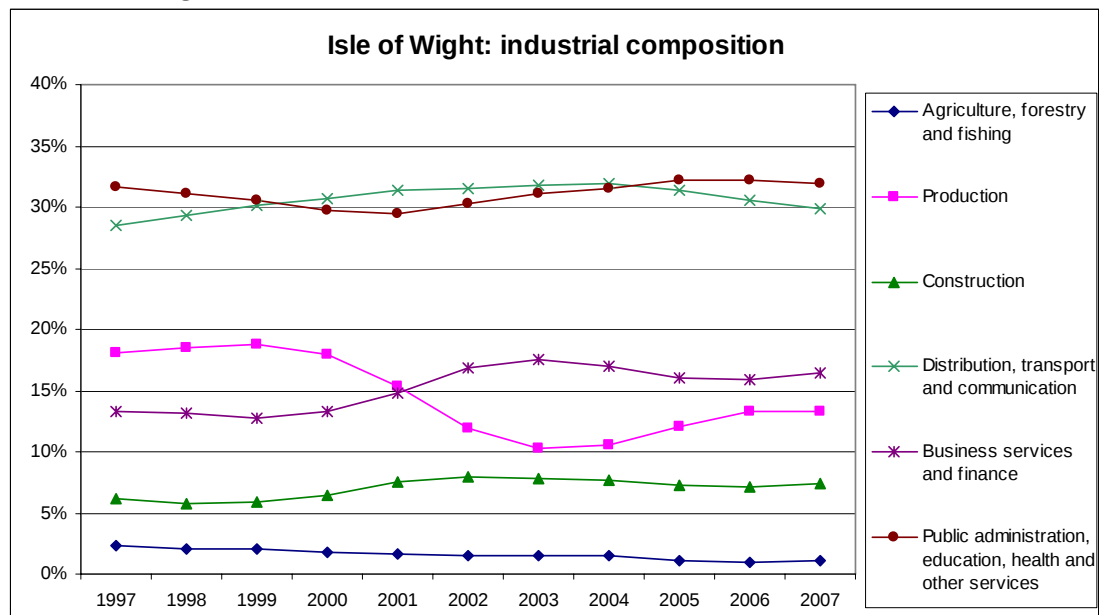
- In 2007 the business services and finance sector contributed £8.9bn to Hampshire's GVA, about 35 per cent of the total. Since 1997 this sector's share of GVA has increased steadily by 8 percentage points.
- Hampshire accounts for about 17 per cent of the South East's GVA from production (this sector comprises mining, energy and manufacturing), the highest proportion of any NUTS 3 area within the region. However, the share of Hampshire's GVA attributable to production has fallen from 24 to 15 per cent between 1997 and 2007.
- Over the 10 year period 1997 to 2007, the public sector has held a relatively stable share of Hampshire's GVA; in 2007 it accounted for 19 per cent of GVA, 3 percentage points lower than the South East average.
- Distribution, transport and communication accounted for 23 per cent of Hampshire's GVA in 2007, the same proportion as the South East as a whole.
- In 2007, the construction sector in Hampshire accounted for 8 per cent of GVA, an increase of 2 percentage points compared with 1997, and above the regional average share.

Hampshire GVA by industry, 1997-2007

	£ million										
Hampshire CC	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Agriculture, forestry and fishing	166	155	156	147	141	145	152	160	128	130	146
Production	3,415	3,510	3,507	3,448	3,466	3,452	3,594	3,595	3,621	3,708	3,745
Construction	911	951	1,010	1,106	1,256	1,371	1,506	1,664	1,735	1,822	1,942
Distribution, transport and communication	2,978	3,359	3,651	3,894	4,133	4,313	4,592	4,924	5,199	5,555	5,923
Business services and finance	3,836	4,217	4,525	4,839	5,317	5,889	6,439	6,985	7,470	8,194	8,906
Public administration, education, health and other services	2,894	3,048	3,181	3,314	3,451	3,627	3,808	4,054	4,364	4,667	4,904
Total GVA	14,201	15,240	16,029	16,748	17,764	18,796	20,090	21,382	22,517	24,078	25,567

Source: Office for National Statistics

Isle of Wight



Source: Office for National Statistics

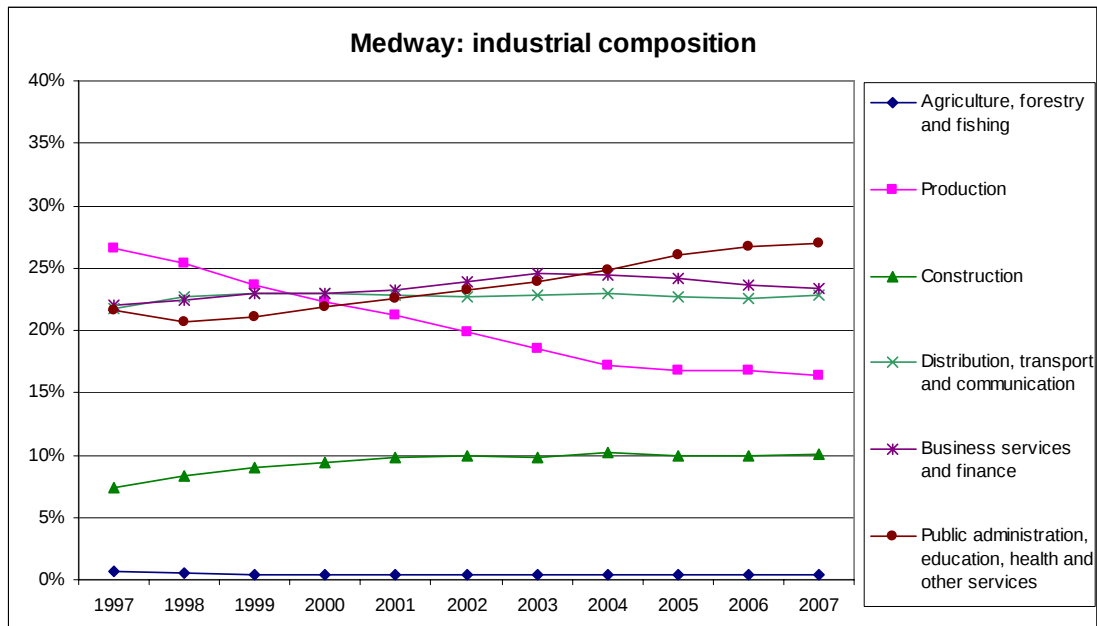
- The public sector accounted for 32 per cent of the Isle of Wight's Gross Value Added (GVA) in 2007, the highest proportion of any South East NUTS 3 region and 10 percentage points higher than the share for the South East as a whole.
- In 2007 distribution, transport and communication accounted for 30 per cent of the Isle of Wight's output, the highest proportion of any NUTS 3 area in the South East.
- In the Isle of Wight the business services and finance sector makes up a smaller proportion of GVA than in any other NUTS 3 area in the South East; in 2007 16 per cent of output was attributed to this sector.
- The proportion of GVA attributed to production which comprises energy, manufacturing and mining sectors, fell from 18 per cent in 1997 to just 10 per cent in 2003, however, since 2003 the sector's contribution to the Isle of Wight's GVA increased to 13 per cent.
- In common with most other parts of the South East the agriculture, forestry and fishing sector has had a small and decreasing share of the Isle of Wight's GVA, from 2 per cent in 1997 to 1 per cent in 2007.

Isle of Wight GVA by industry, 1997-2007

	£ million										
Isle of Wight	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Agriculture, forestry and fishing	23	22	23	22	22	23	24	24	18	17	19
Production	179	196	214	224	208	172	155	167	199	231	242
Construction	61	61	68	80	102	115	118	121	120	124	135
Distribution, transport and communication	281	310	344	383	426	453	479	507	517	531	545
Business services and finance	130	139	146	167	201	242	264	269	264	277	300
Public administration, education, health and other services	312	329	349	371	401	436	468	500	532	560	580
Total GVA	987	1,057	1,143	1,247	1,360	1,440	1,509	1,588	1,650	1,738	1,821

Source: Office for National Statistics

Medway



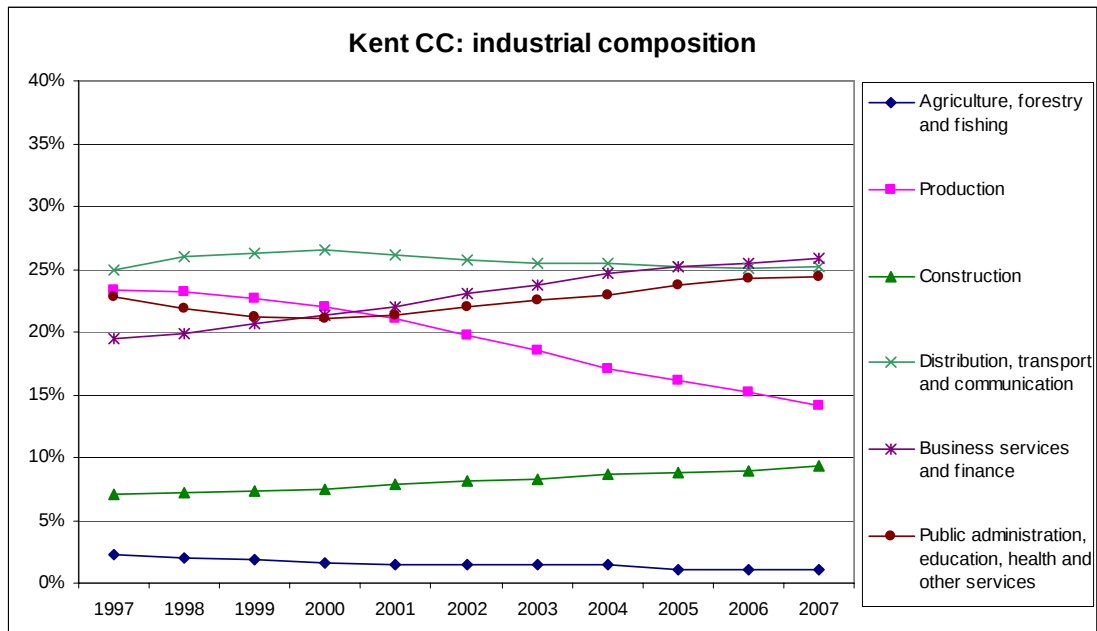
Source: Office for National Statistics

- In terms of Gross Value Added (GVA) the largest sector in Medway is public administration, education, health and other services which accounted of 27 per cent of total output in 2007.
- In 1997 production (comprising energy, manufacturing and mining) was the largest sector in Medway accounting for 27 per cent of GVA, by 2007 it was the fourth largest sector in the area and accounted for 16 per cent of GVA.
- The business services and finance sector accounted for the second highest proportion of Medway's GVA (23 per cent in 2007). However, this was 12 percentage points below the average for the South East region where the sector averaged 35 per cent of GVA.
- The proportion of GVA from distribution, transport and communication has remained relatively stable over the last 10 years, in 2007 it accounted for 23 per cent of GVA.
- Of South East NUTS 3 areas, Medway has the highest proportion of GVA from construction (10 per cent), 3 percentage points higher than the South East as a whole.

Medway GVA by industry, 1997-2007

	£ million										
Medway	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Agriculture, forestry and fishing	13	11	11	10	9	10	12	14	11	12	15
Production	519	539	542	540	542	534	531	521	526	550	558
Construction	145	178	207	228	251	265	280	306	313	323	342
Distribution, transport and communication	423	482	527	556	583	610	652	691	713	740	778
Business services and finance	428	477	526	554	592	643	701	738	756	771	796
Public administration, education, health and other services	422	438	484	530	577	625	683	749	818	875	917
Total GVA	1,950	2,125	2,296	2,418	2,553	2,688	2,858	3,019	3,137	3,272	3,405

Source: Office for National Statistics

Kent

Source: Office for National Statistics

- The distribution, transport and communications sector was the biggest contributor to the county of Kent's Gross Value Added in 1997, accounting for about 25 per cent of output. However, since 2006 the business services and finance sector has accounted for a higher proportion of GVA than any other sector. In 2007 it made up 26 per cent of GVA and was worth £6bn.
- Between 1997 and 2007 the production sectors (comprising mining, energy and manufacturing) share of GVA has been in decline, falling from 23 to 14 per cent.
- In 2007, agriculture, forestry and fishing accounted for slightly more than 1 per cent of Kent's GVA, the highest proportion of any NUTS 3 area in the South East. Kent continued to account for around 27 per cent of all agriculture, forestry and fishing GVA in the South East.
- The construction sector accounted for 9 per cent of the Kent economy in 2007, the second highest proportion of any NUTS 3 area after Medway.
- The public administration and defence, education, health and other services sector contributed £5.6bn to the economy of Kent in 2007, the highest amount of any NUTS 3 area in the South East. This sector contributed almost one-quarter of the total GVA of Kent.

Kent GVA by industry, 1997-2007

£ million											
Kent CC	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Agriculture, forestry and fishing	304	279	277	259	252	260	271	284	220	226	260
Production	3,188	3,326	3,438	3,466	3,529	3,497	3,506	3,441	3,384	3,350	3,280
Construction	970	1,039	1,109	1,181	1,320	1,433	1,569	1,745	1,842	1,970	2,146
Distribution, transport and communication	3,408	3,728	3,975	4,182	4,375	4,545	4,833	5,128	5,301	5,526	5,814
Business services and finance	2,660	2,863	3,133	3,365	3,676	4,071	4,506	4,970	5,288	5,627	5,984
Public administration, education, health and other services	3,105	3,141	3,201	3,328	3,554	3,881	4,256	4,619	5,000	5,340	5,630
Total GVA	13,635	14,377	15,133	15,780	16,705	17,687	18,942	20,187	21,034	22,041	23,114

Source: Office for National Statistics

All data for NUTS 3 areas are on a workplace basis and at current basic prices

Annexes

Residence based regional GVA – 2008

- Only three regions – London, East and the South East - are considered to be affected by cross-regional commuting to work and estimates for these regions are published on both a workplace and residence basis.
- GVA estimates for 2008 show that the South East contributed an additional £14bn to the UK economy when measured on a residence basis; this equated to £195bn, over 15.5 per cent of the UK total.
- London continued to contribute the largest share almost 19.3 per cent of the UK total economy of £1,260bn¹ in 2008.
- On this basis the increase in GVA in the South East was 3.3 per cent between 2007 and 2008, slightly below the overall rate for the UK. GVA is valued at current prices and no adjustments are made for changes in price or inflation. The greatest percentage increase was in Scotland at 4.7 per cent, whereas in Northern Ireland, the West Midlands and Wales the rate of increase was lowest with just over 3 per cent increase each.

Residence-based regional gross value added (GVA)^{1, 2}

	GVA 2008 (£m)	Percentage change on 2007	GVA per head 2008 (£)	Percentage change of GVA per head on 2007	GVA per head index 2008 (UK=100)
North East	40,916	3.2	15,887	2.8	77.4
North West	120,702	3.6	17,555	3.5	85.6
Yorkshire and The Humber	89,122	3.3	17,096	2.5	83.3
East Midlands	79,977	3.2	18,041	2.4	87.9
West Midlands	94,494	3.0	17,463	2.5	85.1
East of England	120,524	3.2	21,039	2.0	102.5
London	242,420	3.9	31,814	3.1	155.0
South East	195,423	3.3	23,320	2.4	113.6
South West	97,840	3.6	18,782	3.0	91.5
England	1,081,418	3.5	21,020	2.7	102.4
Wales	45,610	3.0	15,237	2.6	74.3
Scotland	103,814	4.7	20,086	4.2	97.9
Northern Ireland	28,734	3.0	16,188	2.1	78.9
United Kingdom ⁴	1,259,576	3.5	20,520	2.9	100.0

1 GVA at current basic prices on residence basis

2 Figures may not sum due to rounding.

3 Estimates for 2008 are provisional.

4 Excluding statistical discrepancy and Extra-regio.

Source: Office for National Statistics

Key published tables

		Key
NUTS 1	http://www.statistics.gov.uk/downloads/theme_economy/NUTS1.xls	
1:1	Headline Gross Value Added (GVA) at current basic prices by region	✓
1:2	Headline Gross Value Added (GVA) by component of income at current basic prices by region	
1:3	Headline Gross Value Added (GVA) by industry groups, current basic prices by region	✓
1:4	Headline Workplace based Gross Value Added (GVA) at current basic prices by region	✓✓
1:5	Gross Value Added (GVA) at current basic prices by region	
1:6	Gross Value Added (GVA) by component of income at current basic prices by region	
1:7	Gross Value Added (GVA) by industry groups, current basic prices by region	
1:8	Workplace based Gross Value Added ^{1,2} (GVA) at current basic prices by region	
NUTS 2	http://www.statistics.gov.uk/downloads/theme_economy/NUTS2.xls	
2:1	Headline Gross Value Added (GVA) by NUTS2 area at current basic prices by region	✓✓
2:2	Headline Gross Value Added (GVA) per head by NUTS2 area at current basic prices by region	✓
2:3	Headline Gross Value Added (GVA) per head indices by NUTS2 area at current basic prices by region	✓
2:4	Headline Compensation of Employees (COE) by NUTS2 area at current basic prices by region	
2:5	Headline Gross Value Added (GVA) by NUTS2 area and 15 industries at current basic prices by region	✓✓
2:6	Headline Compensation of Employees (COE) by NUTS2 area and 15 industries at current basic prices by region	
2:7	Gross Value Added (GVA) by NUTS2 area at current basic prices by region	
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2:12	Compensation of Employees (COE) by NUTS2 area and 15 industries at current basic prices by region	
NUTS 3	http://www.statistics.gov.uk/downloads/theme_economy/NUTS3.xls	
3:1	Headline Gross Value Added (GVA) by NUTS3 area at current basic prices by region	✓✓
3:2	Headline Gross Value Added (GVA) per head by NUTS3 area at current basic prices by region	✓
3:3	Headline Gross Value Added (GVA) per head indices by NUTS3 area at current basic prices by region	✓
3:4	Headline Gross Value Added (GVA) by NUTS3 area and 6 industries at current basic prices by region	✓✓
3:5	Unadjusted (constrained to headline NUTS2) Gross Value Added (GVA) by NUTS3 area at current basic prices by region	
3:6	Unadjusted (constrained to headline NUTS2) Gross Value Added (GVA) per head by NUTS3 area at current basic prices by region	
3:7	Unadjusted (constrained to headline NUTS2) Gross Value Added (GVA) per head indices by NUTS3 area at current basic prices by region	
3:8	Unadjusted (constrained to headline NUTS2) Gross Value Added (GVA) by NUTS3 area and 6 industries at current basic prices by region	
3:9	Unadjusted (constrained to unadjusted NUTS2) Gross Value Added (GVA) by NUTS3 area at current basic prices by region	
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3:11	Unadjusted (constrained to unadjusted NUTS2) Gross Value Added (GVA) per head indices by NUTS3 area at current basic prices by region	
3:12	Unadjusted (constrained to unadjusted NUTS2) Gross Value Added (GVA) by NUTS3 area and 6 industries at current basic prices by region	

Notes and definitions

Definition of Gross Value Added

Gross Value Added (GVA) represents the incomes generated by economic activity within the UK economy. GVA data presented in the Regional Accounts uses the income approach or GVA(I) and comprises:

- compensation of employees (wages and salaries, national insurance contributions, pension contributions, redundancy payments etc);
- gross operating surplus (self-employment income, gross trading profits of partnerships and corporations, gross trading surplus of public corporations, rental income etc).

A full definition of GVA(I) can be found in the UK National Accounts (Blue Book) http://www.statistics.gov.uk/downloads/theme_economy/BB09.pdf. Estimates are at current basic prices and do not allow for inflation or differences in regional price levels. The headline GVA series have been calculated using a 5-year moving average to remove some volatility. The unadjusted series are also provided on the ONS website.

Extra- Regio

Extra Regio is offshore economic activity and the contribution of UK embassies abroad and UK forces stationed overseas, which cannot be allocated to specific regions.

Geographical Units & NUTS Levels

The Nomenclature of Units for Territorial Statistics (NUTS) provides a single uniform breakdown for the production of regional statistics for the European Union. There are three levels of NUTS in the UK:

NUTS 1: 12 areas – nine Government Office Regions in England, plus Wales, Scotland and Northern Ireland.

NUTS 2: 37 areas – mainly groups of counties and unitary authorities; can be referred to as sub-regions

NUTS 3: 133 areas – principally individual counties and unitary authorities; also known as local areas.

Industry Breakdowns of GVA

Estimates of regional GVA by industry are available for the years 1995 to 2007 for 31 industries at NUTS 1, for 17 industries at NUTS 2 and for six industries at NUTS 3.

Methodological changes made to the National and Regional Accounts in 2008 mean that Regional GVA and GVA by industry cannot be compared directly to estimates released in 2007 and earlier.

Productivity Measures

When making comparisons between regions, especially at lower geographical levels, GVA per head can be distorted by the effects of demographic differences and commuting. Therefore the measure of regional and sub-regional productivity preferred by ONS is GVA per job or per hour worked. See Knight, J; Oguz, S (2009); Regional economic indicators with a focus on industries in the UK regions, *Economic and Labour Market Review*, Vol.3 No.11, November 2009:

www.statistics.gov.uk/CCI/article.asp?ID=2308

Also see Dunnell, K (2009); National Statistician's article: measuring regional economic performance, *Economic & Labour Market Review*, vol 3, no 1, January 2009:

www.statistics.gov.uk/cci/article.asp?ID=2103

For further guidance on the uses of regional GVA please see the ONS Productivity Handbook: www.statistics.gov.uk/about/data/guides/productivity/ch11.asp

National Statistics

National Statistics are produced to high professional standards set out in the National Statistics Code of Practice. They undergo regular quality assurance reviews to ensure that they meet customer needs. They are produced free from any political interference.

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Maps have been prepared by the SEEDA GIS Manager.

Sources

Data for the period 1989 to 2008 can be found at the ONS website via <http://www.statistics.gov.uk/statbase/Product.asp?vlnk=14650>

The above link also gives access to a 'Statistical Bulletin' highlighting the key messages, data and definitions as well as Excel version of the datasets. Further details regarding the Regional GVA First Release can be obtained from:

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Data released include:

- PDF file with further tables containing regional GVA, Compensation of Employees, Operating Surplus/Mixed Income, Residence and Workplace based GVA and industry breakdowns can be found: http://www.statistics.gov.uk/downloads/theme_economy/CRC2008ALL.pdf
- Excel spreadsheet of Regional GVA at NUTS 1 (Government Office Region) http://www.statistics.gov.uk/downloads/theme_economy/NUTS1.xls
For more industry detail: http://www.statistics.gov.uk/downloads/theme_economy/NUTS1_A31_GVA_COE.xls
- Excel Spreadsheet of Regional GVA at NUTS 2 level http://www.statistics.gov.uk/downloads/theme_economy/NUTS2.xls
- Excel Spreadsheet of Regional GVA at NUTS 3 level http://www.statistics.gov.uk/downloads/theme_economy/NUTS3.xls

An overview of Regional Accounts

<http://www.statistics.gov.uk/CCI/nugget.asp?ID=182>

For an overview of GVA: <http://www.statistics.gov.uk/CCI/nugget.asp?ID=254>

A Summary Quality Report for regional GVA describes the intended uses of the statistics presented in this publication, their general quality and the methods used to produce them. Further details:

www.statistics.gov.uk/about_ns/economicstatistics_qualityreports.asp



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