

Current Issues Note 47

Regional gross value added estimates for London by different geographies, 1997-2014

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Key Points

- In 2015 the Office for National Statistics (ONS) published estimates for London's total nominal Gross Value Added (GVA), as measured by GVA (I)¹, for the years 1997 to 2014. This data showed that London's total GVA was over £364 billion (up 6.8 per cent on 2013), helped by strong growth in real estate (12.8 per cent) and finance and insurance activities (11.6 per cent). Inner London accounts for 68 per cent of London's GVA, with Inner London – West alone accounting for 42 per cent of the total.
- In 2015 GVA at the local authority (LA) level was published for some but not all of London's LA's depending on the relevant NUTS3 geographies. However, in 2016 the ONS published estimates at the LA level of GVA for England as a whole.
- This data showed that Westminster had the highest level of GVA of any London LA in 2014 with it producing output worth £51.0 billion, followed by the City of London at £48.1 billion, while Barking and Dagenham had the lowest GVA of any London LA in 2014 at £3.5 billion.
- The data also showed the growing importance of the City of London to London's GVA with it accounting for 9 per cent of London's output in 1997 but 13 per cent in 2014, and the continued importance of Westminster with it accounting for 14 per cent of all London's output in 2014.
- There exists a large variance of GVA per employee job between London's LA's, with the City of London producing GVA per employee job of £119,755 in 2014, while Hillingdon produced a GVA per employee job of £59,748.
- In terms of total London output by broad sector the City of London dominates in Financial and insurance activities accounting for 47 per cent of all London's output in that sector in 2014, with Tower Hamlets accounting for a further 21 per cent and Westminster 12 per cent. While Westminster led in output in a number of other sectors such as Business services (16 per cent of London's total output in that sector) and Information and communication (19 per cent of London's total output in that sector), amongst others.

¹ This is GVA as measured by the income approach.

Introduction

In December 2015 the ONS released provisional estimates of regional, sub-regional and local GVA for 2014 measured by the income approach². GLA Economics published Current Issues Note 46 examining this data in detail in March 2016³ in which estimates of GVA at London's LA level were also calculated. Since the publication of that note the ONS has published estimates of regional GVA (I) by LA in England⁴. It should be noted that these LA GVA estimates from the ONS are not national statistics. Still, this note presents the findings for London from this release alongside an overview of GVA at other London geographic levels and provides a brief summary of how the ONS estimates of LA level GVA compare to GLA Economics initial estimates.

² ONS, December 2015, '[Regional Gross Value Added \(Income Approach\), 1997 to 2014](#)'.

³ Douglass, G., March 2016, '[Current Issues Note 46: Regional, sub-regional and local gross value added estimates for London, 1997-2014](#)'. GLA Economics. Note that since the publication of Current Issues Note 46 the ONS has published in July corrections to their estimates of NUTS3 GVA (I). The data used in this paper uses this corrected data and may therefore differ from the data published in Current Issues Note 46.

⁴ ONS, May 2016, '[Regional GVA\(I\) by Local Authority in England 1997 to 2014](#)'.

Background notes

- GVA “is a measure of the increase in the value of the economy due to the production of goods and services”⁵. The GVA estimates in this note are workplace-based, where GVA is allocated to the area in which the economic activity takes place and is measured by the income approach.
- GVA measured by the income approach “involves adding up incomes generated by resident individuals or corporations in the production of goods and services. It is calculated gross of deductions for consumption of fixed capital, which is the amount of fixed assets used up in the process of production in any period”⁶. No adjustment has been made to remove the effects of inflation. Over time, even if the true (economic) value of GVA is unchanged, GVA in current prices would increase in line with price rises (inflation).
- The GVA estimates published at the LA level are a by-product from the ONS’s work on regional GVA (I) for the Local Enterprise Partnerships (LEPs) in England and are thus only available for England. This data **does not** have national statistics standing. Further although a time series of data is provided by the ONS it is important to note that in each of the indicator datasets, data were only available at LA level for the latest years. The proportions calculated from these available years were used by the ONS to apportion the back series of the dataset. Thus calculated this way, the time series assumes a lack of change in the regional distribution of LAs within a NUTS3 region. This may not accurately reflect reality in the earlier years. The ONS envision going forward that each subsequent year will be apportioned using the latest available LA level data.

The GVA data published by the ONS in their December 2015 release covered London, its sub-regional and local areas. At the sub-regional (NUTS2⁷) level, London has five areas:

- Inner London – West;
- Inner London – East;
- Outer London – East and North East;
- Outer London – South; and
- Outer London – West and North West.

At the local (NUTS3) level London has 21 areas:

- Camden and City of London;
- Westminster;
- Kensington & Chelsea and Hammersmith & Fulham;
- Wandsworth;
- Hackney and Newham;
- Tower Hamlets;
- Haringey and Islington;
- Lewisham and Southwark;

⁵ ONS, December 2015, ‘[Regional Gross Value Added \(Income Approach\), 1997 to 2014](#)’.

⁶ Ibid.

⁷ NUTS stands for Nomenclature of Units for Territorial Statistics. It is a European classification for areas based on their size to ensure data across countries at different geographical levels are comparable.

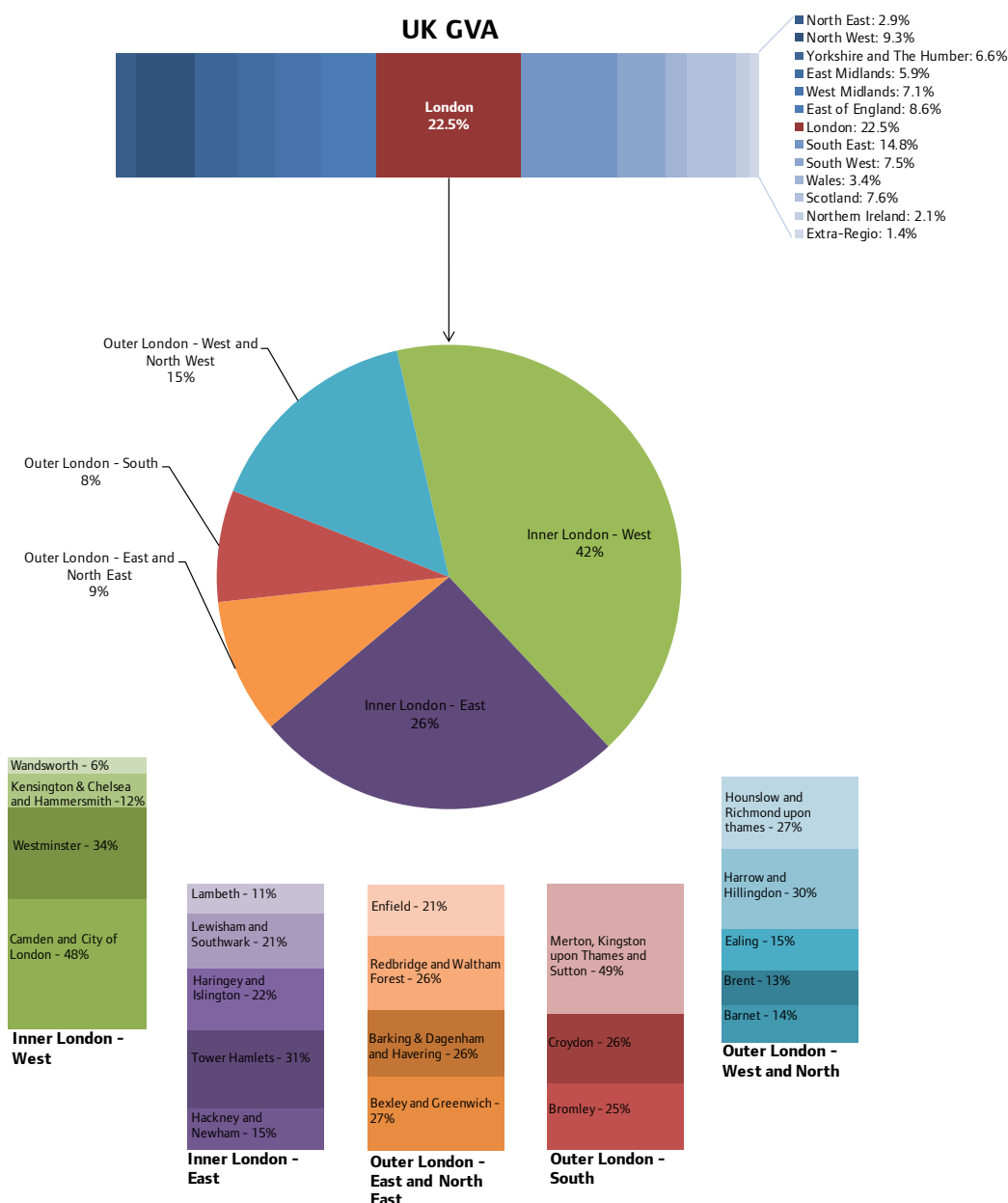
- Lambeth;
- Bexley and Greenwich;
- Barking & Dagenham and Havering;
- Redbridge and Waltham Forest;
- Enfield;
- Bromley;
- Croydon;
- Merton, Kingston upon Thames and Sutton;
- Barnet;
- Brent;
- Ealing;
- Harrow and Hillingdon; and
- Hounslow and Richmond upon Thames.

The data published by the ONS in May 2016 (and the corrected data published in July 2016) disaggregated the NUTS3 data for England into the constituent LA's within the NUTS3 area if more than one LA was present within a given NUTS3 geography. This data thus provides for the first time estimates from the ONS of GVA at the LA level for all 32 London boroughs and the City of London.

GVA (I) in London by various geographies

To put the London LA level GVA into context in December 2015 the ONS published their latest regional accounts⁸, which showed that in 2014 the provisional estimate of London's total GVA was £364,310 million. Over 68 per cent of London's GVA was produced in Inner London in 2014 (see Figure 1), with 42 per cent of London's total GVA produced in Inner London - West alone. Indeed, in 2014 Inner London - West had a higher GVA than all UK regions or nations except for the South East (and, of course, London).

Figure 1: Geographic breakdown of Headline⁹ UK GVA (I) in 2014



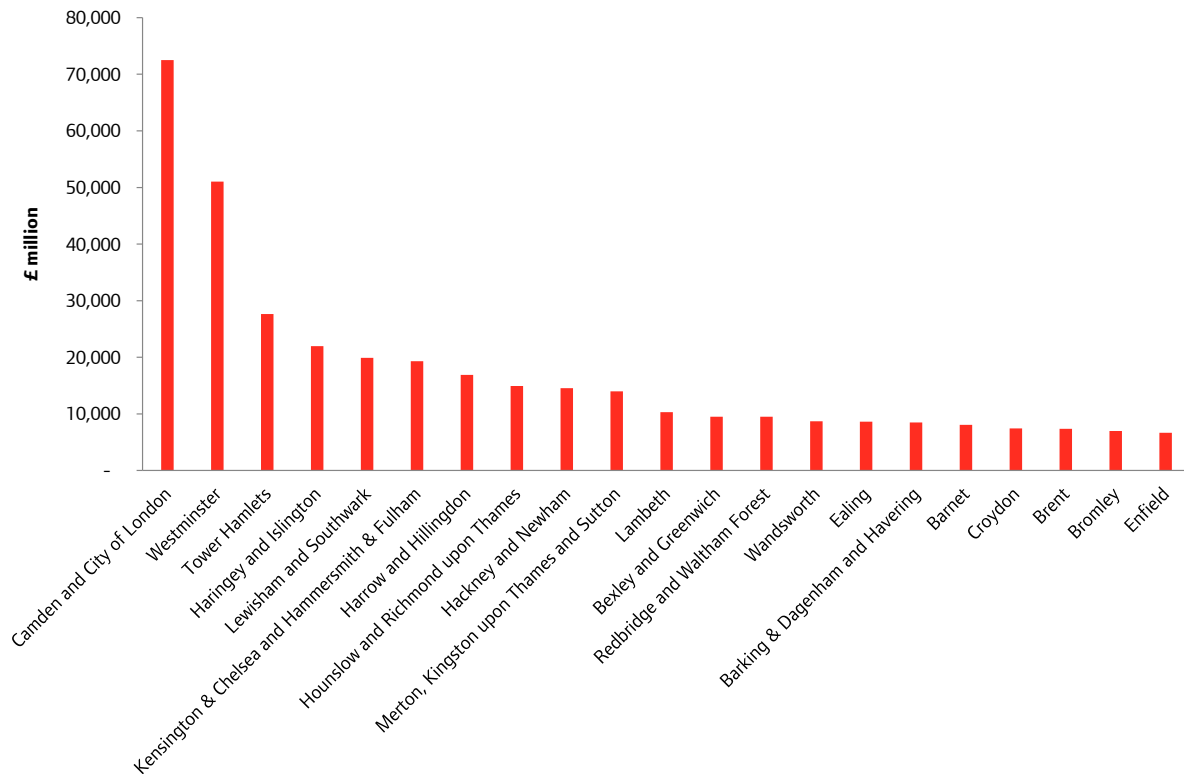
Source: Regional Accounts, ONS and GLA Economics calculations

⁸ ONS, December 2015, 'Regional Gross Value Added (Income Approach), 1997 to 2014'.

⁹ UK includes Extra-Region (which comprises compensation of employees and gross operating surplus which cannot be assigned to regions)

Great differences were also seen in the size of output at the NUTS 3 level, with Camden and City of London producing GVA worth £72.5 billion in 2014 while Enfield's GVA stood at £6.7 billion (see Figure 2).

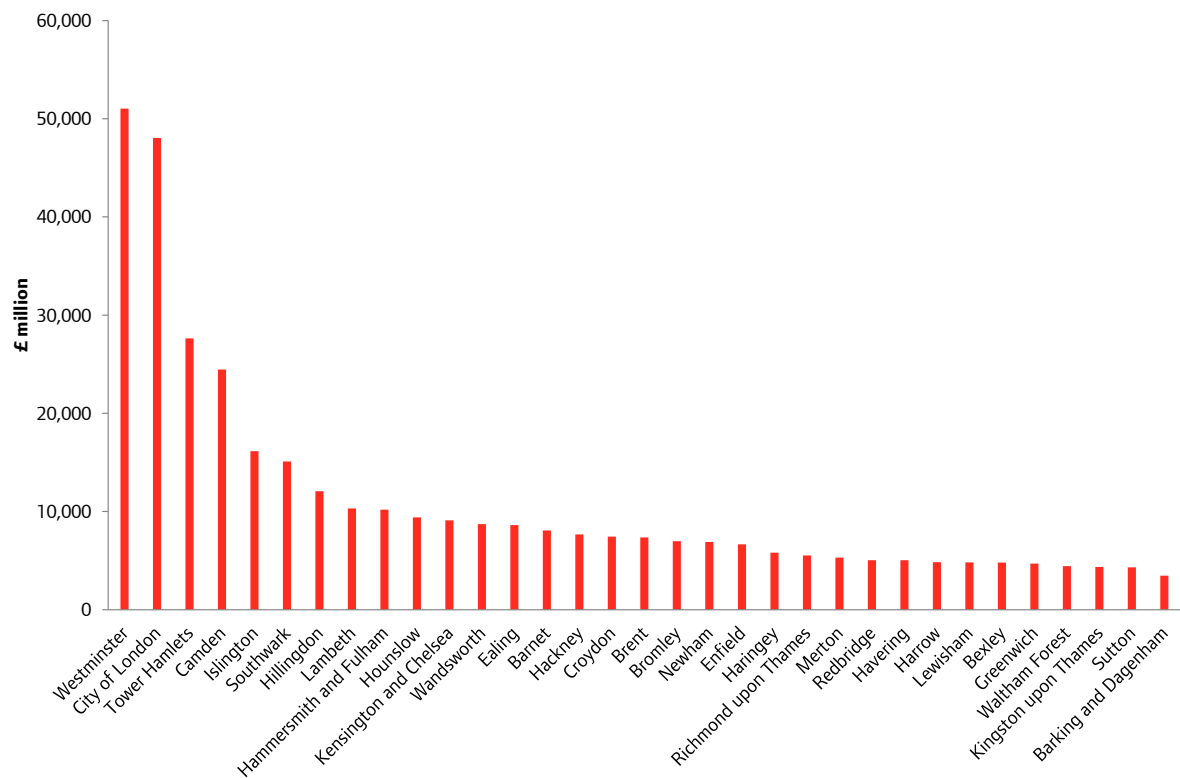
Figure 2: GVA (I) in London's NUTS3 geography in 2014



Source: Regional Accounts, ONS

Examining output at the LA level, using the corrected May 2016 estimates from the ONS, Figure 3 shows that Westminster had the highest level of GVA of any London LA in 2014 with it producing output worth £51.0 billion, followed by the City of London at £48.1 billion, while Barking and Dagenham had the lowest GVA of any London LA in 2014 at £3.5 billion.

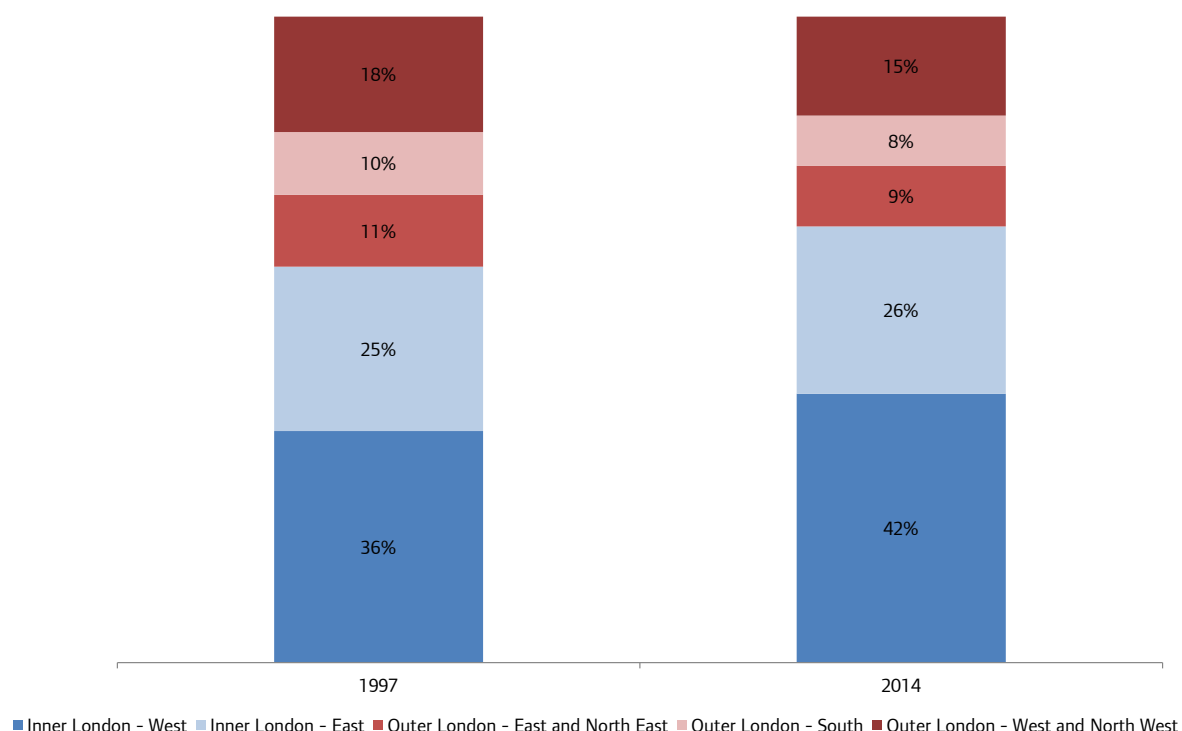
Figure 3: GVA (I) in London's by local authority in 2014



Source: ONS

Looking at the change in output over time Inner London - West saw the greatest change in its relative importance to London's economy. Having accounted for 36 per cent of London's GVA in 1997, by 2014 this was up to 42 per cent, with all other parts of London declining in importance apart from Inner London - East which saw its share of London's economy increase from 25 per cent to 26 per cent over this period (see Figure 4).

Figure 4: NUTS 2 geographical breakdown of London's headline GVA (I)¹⁰, 1997 and 2014

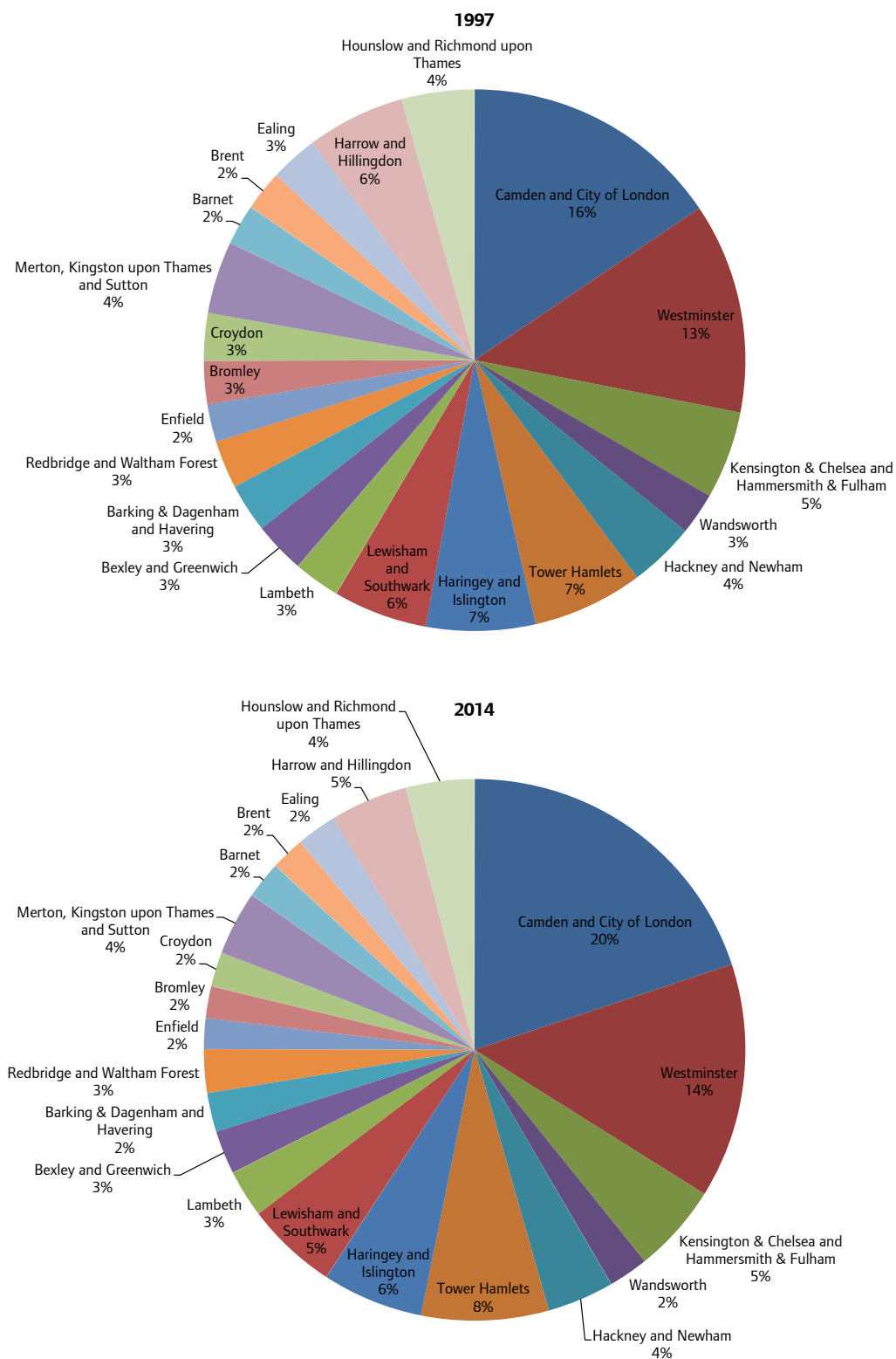


Source: *Regional Accounts, ONS and GLA Economics calculations*

These changes were also reflected at the lower level NUTS3 geography with Camden and City of London going from producing 16 per cent of London's GVA in 1997 to 20 per cent in 2014, while a number (but not all) of Outer London NUTS 3 geographies declined in their share of London's GVA, along with Haringey and Islington, Lewisham and Southwark and Wandsworth of Inner London NUTS3 areas (see Figure 5).

¹⁰ Estimates are for workplace based GVA allocating incomes to the region in which the economic activity takes place.

Figure 5: NUTS3 geographical breakdown of London's headline GVA (I)¹¹, 1997 and 2014

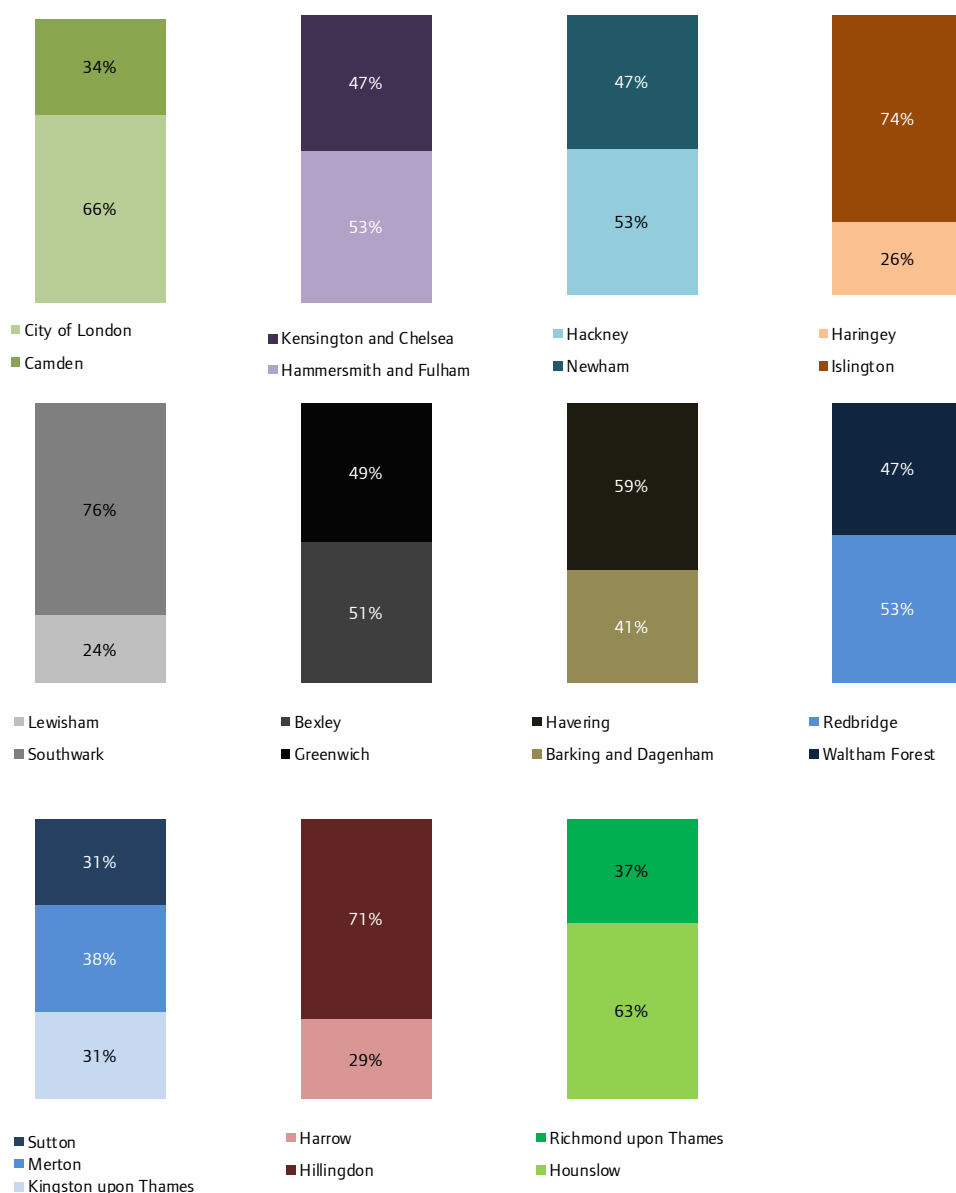


Source: Regional Accounts, ONS and GLA Economics calculations

¹¹ As above.

In terms of output at the LA level Figure 6 highlights that most NUTS3 areas of London had output split relatively evenly between their constituent LA's, but not all of them. For instance Islington represents 74 per cent of the GVA generated in 2014 in the Haringey and Islington NUTS3 area.

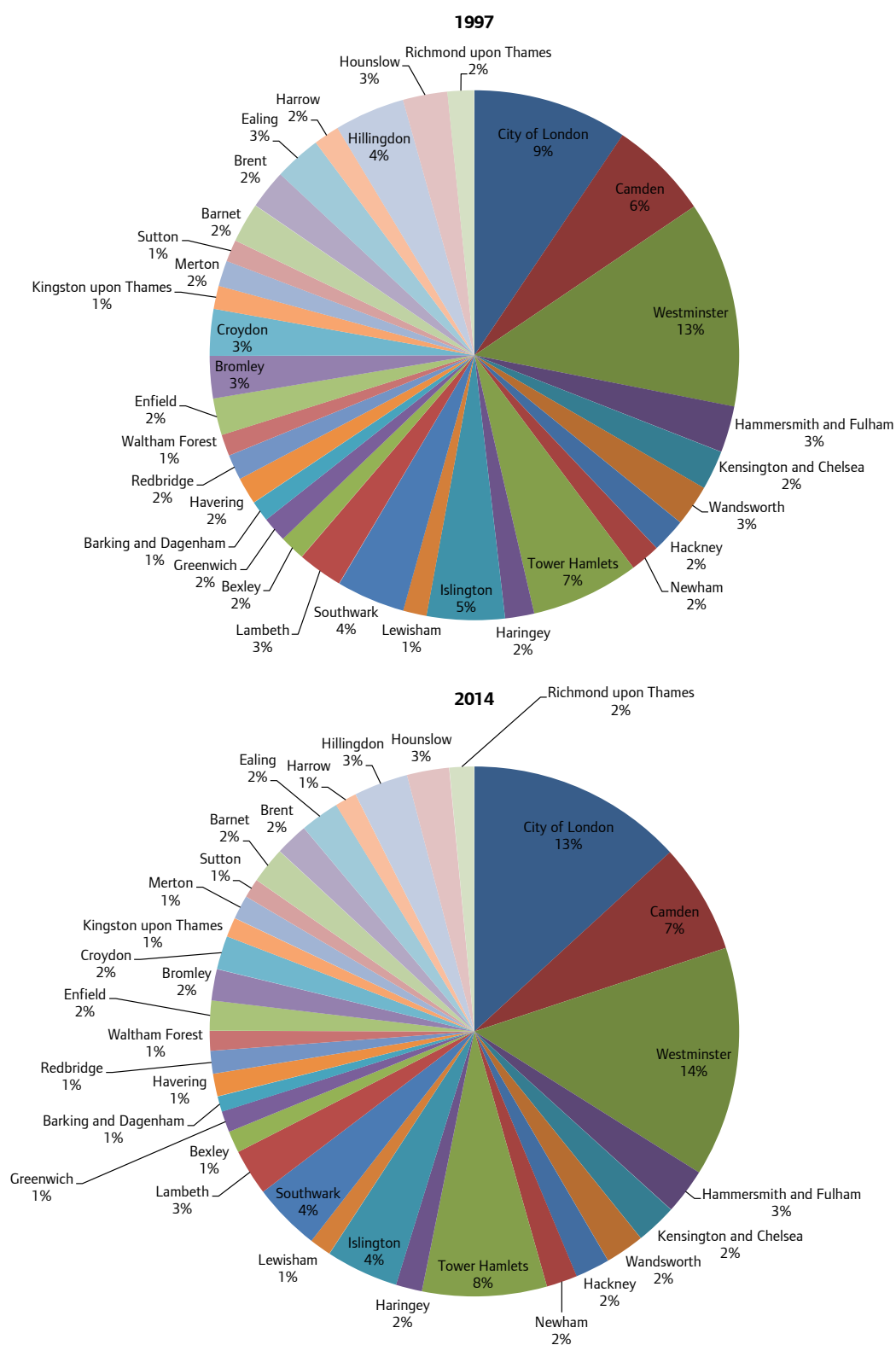
Figure 6: Breakdown of local authority output per NUTS3 geography in London in 2014



Source: ONS and GLA Economics calculations

While, Figure 7 shows the growing importance of the City of London to London's GVA with it accounting for 9 per cent of London's output in 1997 but 13 per cent in 2014, and the continued importance of Westminster with it accounting for 14 per cent of all London's output in 2014. Most, but not all, LA's in Inner London, saw their share of London's total GVA rise or remain constant over this period, while Outer London LA's, despite seeing rises in their nominal GVA over this time period, generally saw a static or declining share of London's total GVA.

Figure 7: Local authority breakdown of London's headline GVA (I)¹², 1997 and 2014



Source: ONS and GLA Economics calculations

¹² Estimates are for workplace based GVA allocating incomes to the region in which the economic activity takes place.

Box 1: Comparing GLA Economics LA level GVA (I) estimates to those produced by the ONS

At the time of publication of Current Issues Note 46 unique estimates of GVA at the borough level were available for some London LA's, while others had been aggregated together. However, in the past to better understand the sub-regional nature of London's economy, GLA Economics had estimated LA level GVA (I) for all London's local authorities, using the five sub-regions that were previously available at the NUTS3 level for London¹³. New GLA Economics estimates of LA level GVA were therefore calculated for Current Issues Note 46.

The approach previously used by GLA Economics to estimate LA level GVA for London was to take the estimate for sector level GVA (I) at the NUTS3 level that existed prior to January 2015 and apportion it to the constituent LA's, based on the LA's employment in those sectors compared to overall employment in the sector at that NUTS3 level using Business Register and Employment Survey (BRES) data. However for the December 2015 release of GVA (I), a new NUTS3 geography at a greater level of disaggregation for London was available. Thus LA level estimates¹⁴ could now be based on these smaller ONS sub-regional estimates that had become available. In some instances, a single NUTS3 region covered a single London borough, so no calculations to estimate GVA for that borough was required, however in other cases calculations were needed to estimate LA level output. Since then the ONS have modified their estimates of output at the NUTS3 level in London. GLA Economics has therefore recalculated these estimates based on this new data in order to give an indication of the accuracy of this methodology. The estimates of LA level GVA for all of London LA's, based on the ONS official estimates that are available in July 2016, and GLA Economics calculations using the July 2016 data where necessary, are outlined in Table 1¹⁵ below (and thus differ from the previously published estimates).

¹³ Keijonen, M., March 2015, '[Current Issues Note 43: Regional, sub-regional and local gross value added estimates for London, 1997-2013](#)'. GLA Economics.

¹⁴ In detail the methodology used calculated full-time equivalent employment from BRES data for 2014 in both the NUTS3 level geography and its constituent LA's for 10 broad sectors that cover the totality of the economy. This was used to calculate each LA's share of employment for the NUTS3 level geography for each of the 10 broad sectors. This share was then multiplied by the sectors GVA at the NUTS3 level to give the LA's estimated GVA for that sector; this was repeated for all 10 broad sectors and summed to give the estimate of the LA's GVA. It should be noted that this methodology makes a number of simplifying assumptions such as productivity being constant in sectors across LA's etc.

¹⁵ Note due to rounding by the ONS the sum of the sectors GVA at the NUTS3 level does not perfectly match the stated level of total GVA for each NUTS geography; for London this discrepancy at the NUTS 3 level is around £1 to 2 million. Therefore the calculated sum of LA level GVA for each NUTS3 level geography can deviate slightly from that published by the ONS before rounding to the nearest million was undertaken.

Table 1: GLA Economics' calculations of London LA GVA (I) in 2014

Inner London - West		Inner London - East	
Borough	GVA (£ million)	Borough	GVA (£ million)
Camden*	£22,699	Hackney*	£8,216
City of London*	£49,816	Haringey*	£4,948
Hammersmith and Fulham*	£9,107	Islington*	£17,017
Kensington and Chelsea*	£10,181	Lambeth	£10,316
Wandsworth	£8,704	Lewisham*	£4,097
Westminster	£51,042	Newham*	£6,340
		Southwark*	£15,815
		Tower Hamlets	£27,636
Total	£151,549¹⁶	Total	£94,385
Outer London – West & North West		Outer London – East & North East	
Borough	GVA (£ million)	Borough	GVA (£ million)
Barnet	£8,057	Barking and Dagenham*	£3,332
Brent	£7,367	Bexley*	£4,918
Ealing	£8,616	Enfield	£6,653
Harrow*	£4,793	Greenwich*	£4,575
Hillingdon*	£12,102	Havering*	£5,157
Hounslow*	£9,614	Redbridge*	£4,882
Richmond upon Thames*	£5,311	Waltham Forest*	£4,600
Total	£55,863	Total	£34,118
Outer London - South			
Borough	GVA (£ million)		
Bromley	£6,979		
Croydon	£7,446		
Kingston upon Thames*	£4,517		
Merton*	£5,364		
Sutton*	£4,091		
Total	£28,395		

Source: ONS and where applicable GLA Economics' calculations. Note: *Denotes GLA Economics estimates

However, as noted above the ONS published estimates of GVA by LA in May 2016. Table 2 below compares GLA Economics estimates shown above with those published by the ONS both calculated from the revised NUTS3 data published by the ONS in July 2016. As can be observed, the majority of GLA Economics' estimates were within 7 per cent of the ONS estimates. However, there was a wider variance for some boroughs, with Barking and Dagenham showing the greatest percentage variance between the two estimates. This likely reflects differences in the apportionment methodology used on the NUTS3 level data by GLAE and the ONS.

¹⁶ The NUTS level totals are totals from the Regional Accounts release.

Table 2: Comparing GLAE and ONS estimates of the GVA (I) of London's local authorities in 2014

Local authority	GLAE estimate of GVA (£ million)	ONS estimate of GVA (£ million)	Difference (£ million)	Difference as % of total ONS GVA
Camden	£22,699	£24,465	-£1,489	-6%
City of London	£49,816	£48,051	£1,850	4%
Hammersmith and Fulham	£9,107	£9,259	-£949	-9%
Kensington and Chelsea	£10,181	£8,288	£1,172	13%
Hackney	£8,216	£7,658	£791	11%
Haringey	£4,948	£5,342	-£565	-10%
Islington	£17,017	£15,759	£1,152	7%
Lewisham	£4,097	£4,823	-£599	-13%
Newham	£6,340	£6,898	-£241	-4%
Southwark	£15,815	£15,089	£926	6%
Harrow	£4,793	£4,834	£147	3%
Hillingdon	£12,102	£12,062	£767	7%
Hounslow	£9,614	£9,403	£517	6%
Richmond upon Thames	£5,311	£5,523	£15	0%
Barking and Dagenham	£3,332	£3,614	£501	18%
Bexley	£4,918	£4,628	£534	12%
Greenwich	£4,575	£4,506	£164	4%
Havering	£5,157	£5,235	£374	8%
Redbridge	£4,882	£4,700	£28	1%
Waltham Forest	£4,600	£4,120	£448	11%
Kingston upon Thames	£4,517	£4,358	£235	5%
Merton	£5,364	£5,304	£201	4%
Sutton	£4,091	£4,308	-£123	-3%

Source: ONS and GLA Economics' calculations

GVA (I) per employee job by various London geographies

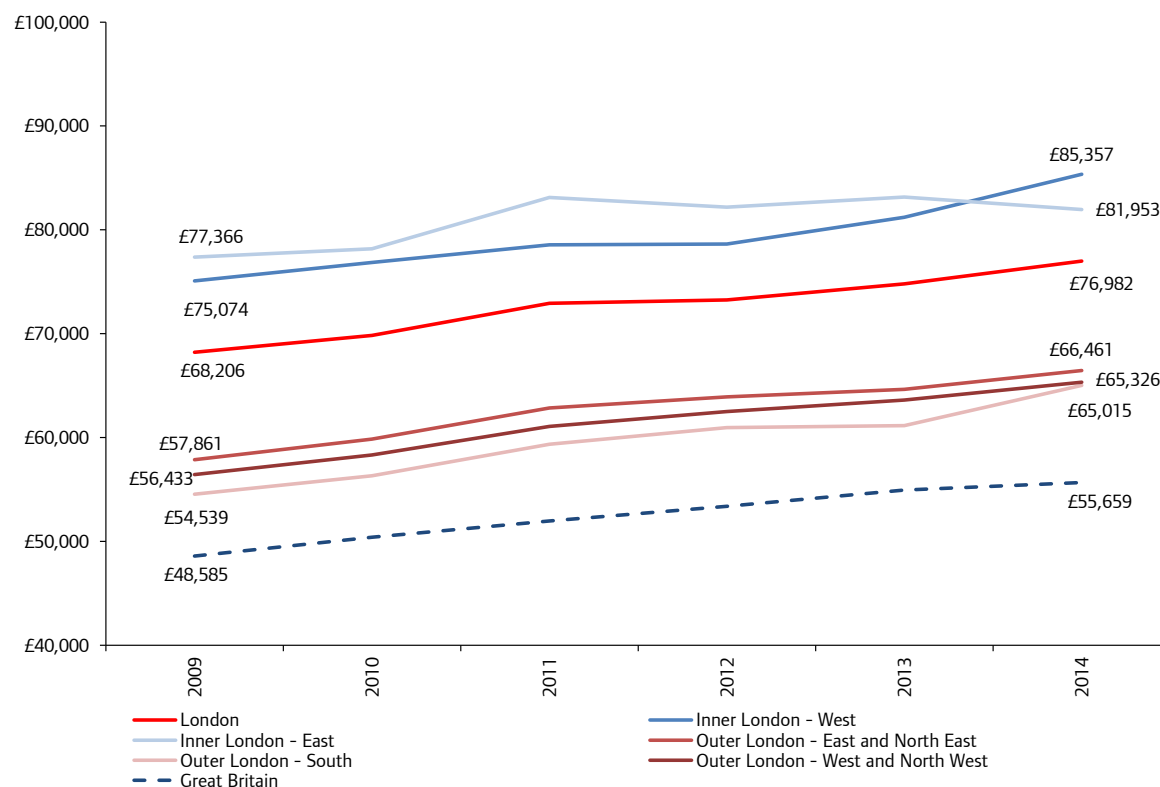
In order to examine the productivity of different areas of London GVA per employee job needs to be calculated¹⁷. To calculate this measure employee jobs data from the BRES is used. GVA per employee job is calculated by dividing the areas GVA by the number of employee jobs in that area. It should be noted that the data is only available for the years 2009 to 2014 and data is not available for Northern Ireland. As a result, in the following analysis, where necessary, London's results will be compared to the results for Great Britain as a whole¹⁸. To put the productivity of the various London LA's into perspective Figures 8 and 9 show GVA per job (as measured by employees only) across London since 2009. As can be observed London has a higher GVA per employee job than Great Britain as a whole. Further, all NUTS2 regions in London also outperform Great Britain, although the Inner London regions also outperform London as a whole on this measure.

Looking at these areas in London in more detail the variance between them is evident; in 2014 there was a GVA per employee job difference of £20,342 between the highest (Inner London – West) and the lowest (Outer London – South). Since 2009, all of London's NUTS2 areas saw a rise in GVA per employee job; however there are differences between the growth rates seen between the sub regions. Thus GVA per employee job increased by 13.7 per cent in Inner London – West over 2009 to 2014, however the increase seen in Inner London – East was lower at 5.9 per cent over this time period. GVA per employee job also increased in Outer London between 2009 and 2014 with Outer London – South rising by 19.2 per cent (the highest of any London NUTS2 area), compared to rises of 15.8 per cent and 14.9 per cent in Outer London – West and North West and Outer London – East and North East respectively.

¹⁷ Other measures of productivity are available such as GVA per worker, however in order to allow comparisons between productivity at the various London NUTS levels and productivity at the London LA level GVA per employee job is the only measure reported in this note. Different measures of productivity at the London level are given in: Douglass, G., March 2016, '[Current Issues Note 46: Regional, sub-regional and local gross value added estimates for London, 1997-2014](#)'. GLA Economics.

¹⁸ This figure is calculated by the sum of the output of England, Scotland and Wales (and thus excludes Extra- Regio) divide by the employee jobs measure given by BRES.

Figure 8: Headline GVA (£)¹⁹ per employee job²⁰ at London NUTS2 level and Great Britain, 2009-2014, current prices



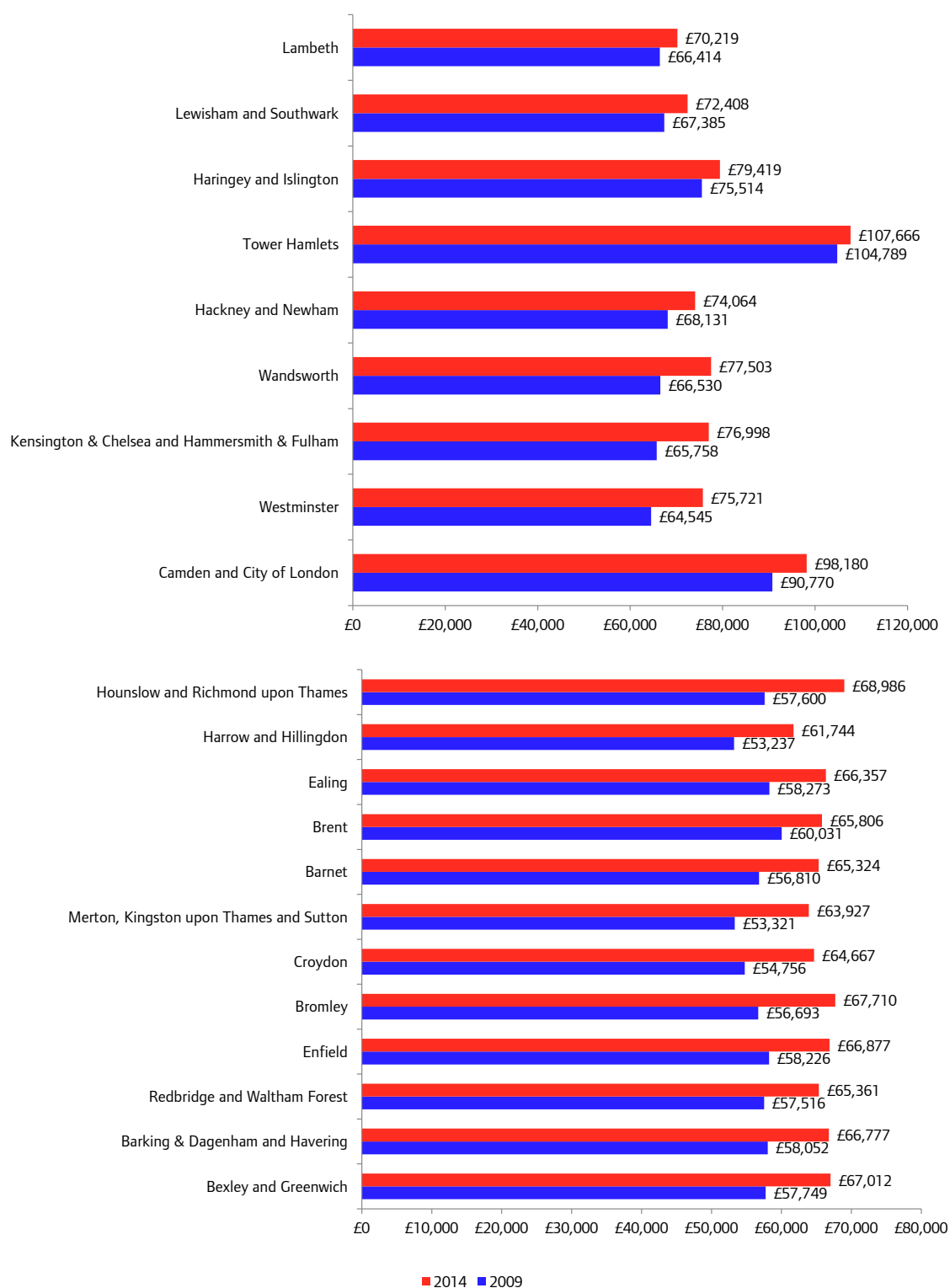
Source: Regional Accounts & BRES, ONS and GLA Economics calculations

The variations in output in London at the NUTS3 level are even more marked as shown in Figure 9 with Tower Hamlets showing output per employee job of £107,666 in 2014 (93.4 per cent higher than the Great Britain average) and Camden and City of London showing output per employee job of £98,180 (76.4 per cent higher than the Great Britain average). It should also be noted that no London NUTS3 area saw a fall in output per employee job over the years 2009 and 2014.

¹⁹ Estimates are for workplace based GVA allocating incomes to the region in which the economic activity takes place.

²⁰ Calculated by dividing headline GVA by annual employee jobs data from BRES.

Figure 9: Headline GVA (£)²¹ per employee job²² at London NUTS3 level, 2009-2014, current prices



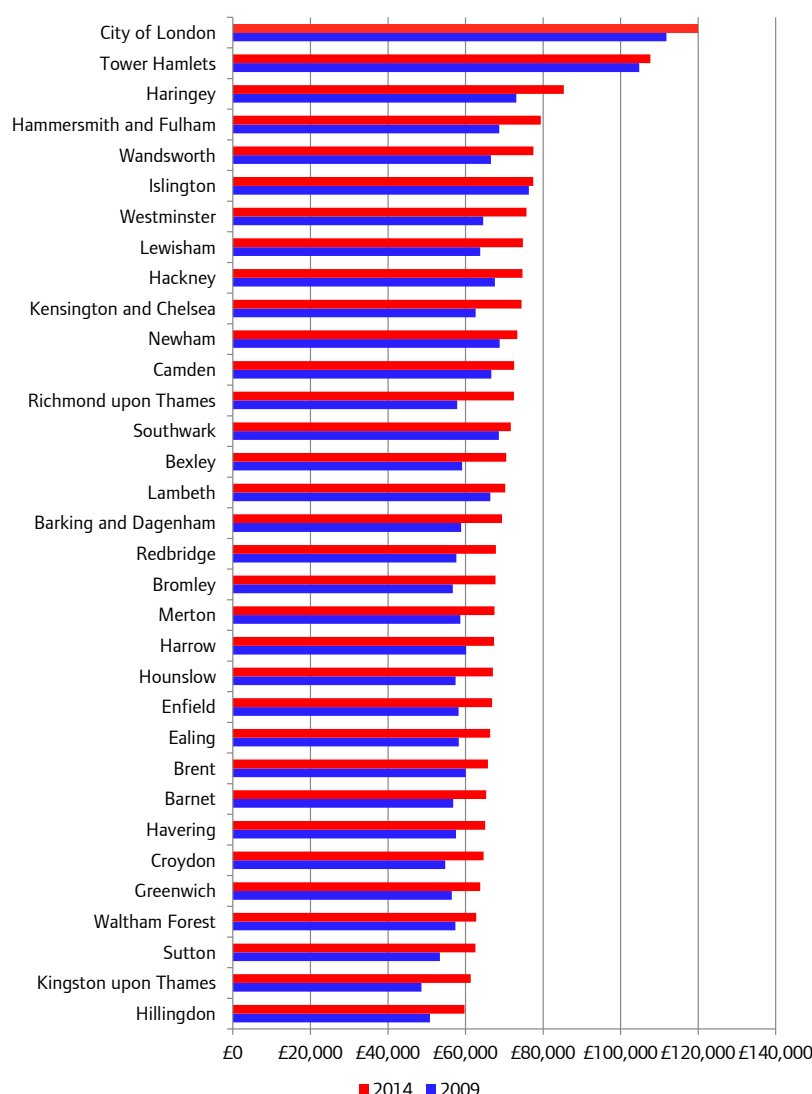
Source: Regional Accounts & BRES, ONS and GLA Economics calculations

²¹ Estimates are for workplace based GVA allocating incomes to the region in which the economic activity takes place.

²² Calculated by dividing headline GVA by annual employee jobs data from BRES.

Looking at London's LA's it can be seen that there exists even great variance between output per employee job between them, with the City of London producing GVA per employee job of £119,755 in 2014, while Hillingdon produced a GVA per employee job of £59,478. However both LA's still produced a higher level of GVA per employee job than the average for Great Britain, 115.2 per cent higher for the City of London and 7.3 per cent higher for Hillingdon. In terms of growth between 1997 and 2014 GVA per employee job saw the fastest growth in Kingston upon Thames with a 26.1 per cent increase, while Islington saw the lowest growth in GVA per employee job with a 1.5 per cent increase. Interestingly it appears that GVA per employee job grew on average quicker in Outer London compared to Inner London over the period 2009 to 2014, while growth in nominal GVA over this period has varied between Inner and Outer London. A likely explanation is that employee jobs generally grew more quickly in Inner London than Outer London over this time period.

Figure 10: Headline GVA (I)²³ per employee job²⁴ at London local authority level, 2009-2014, current prices



Source: ONS and GLA Economics calculations

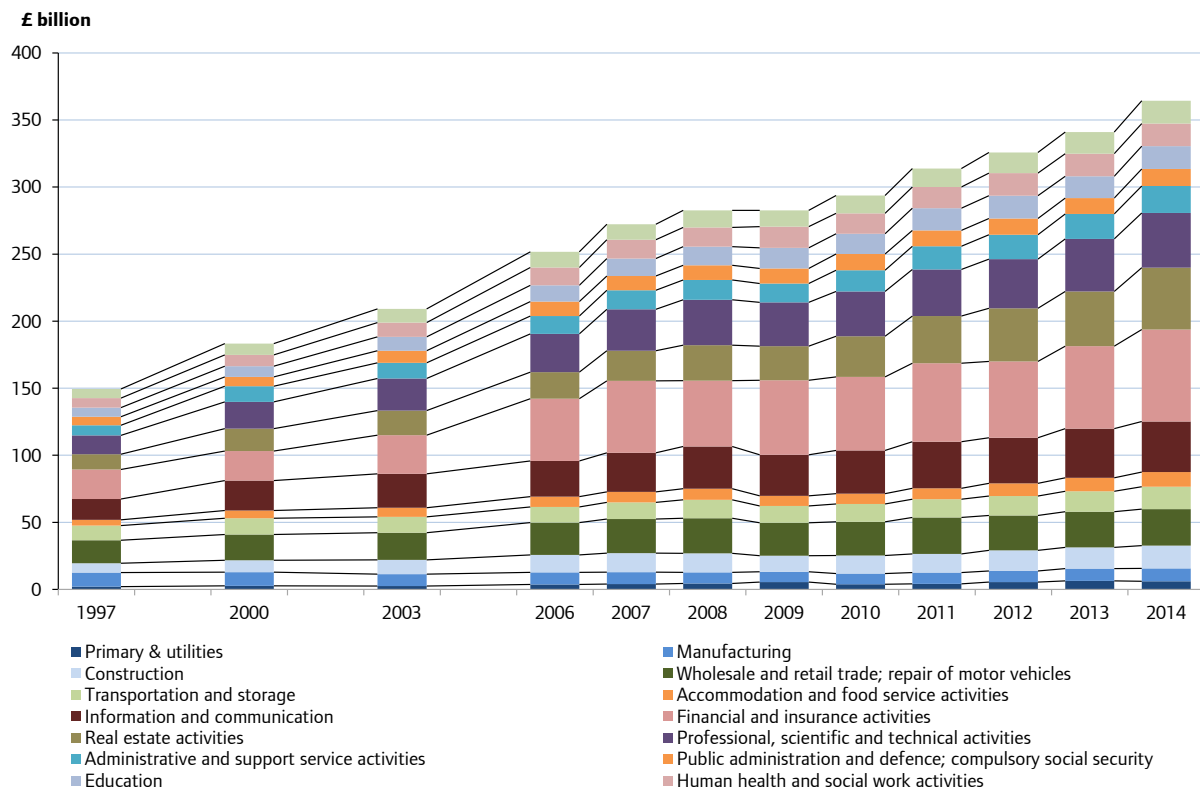
²³ Estimates are for workplace based GVA allocating incomes to the region in which the economic activity takes place.

²⁴ Calculated by dividing headline GVA by annual employee jobs data from BRES.

London GVA (I) by industry

In terms of the output of its' various sectors the data published by the ONS in December 2015 shows that in 2014 just under a fifth of London's GVA was generated by the Financial and insurance industry, totalling £68.7 billion (see Figure 11 and Table 3). The value of this industry has grown from 14.7 per cent of London's total GVA in 1997 to 18.9 per cent in 2014. Real estate activities also significantly increased its share of the London economy, increasing from 7.6 per cent of total GVA in 1997 to 12.6 per cent in 2014. In 2014, just over half of the UK's GVA in the Financial and insurance industry was generated in London (up from 43 per cent in 1997) (see Figure 12). Indeed, London's Financial and insurance industry made up 4.3 per cent of the UK's total GVA in 2014.

Figure 11: Headline GVA (I)²⁵ in London by industry, 1997-2014, current prices



Source: *Regional Accounts, ONS*

²⁵ Estimates are for workplace based GVA allocating incomes to the region in which the economic activity takes place.

Table 3: Headline GVA (I)²⁶ in London by industry (£ billion and as per cent of total London GVA (I)), 1997, 2008 and 2014, current prices

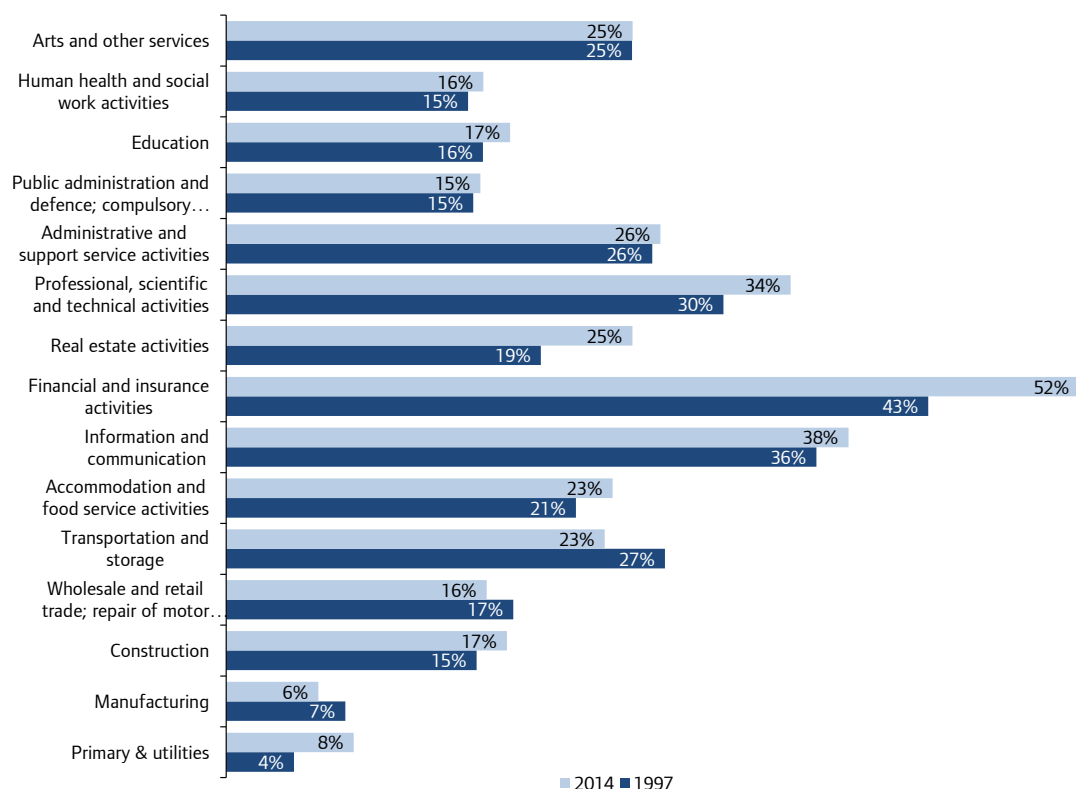
	1997		2008		2014	
	Industry GVA (£b)	% of London's economy	Industry GVA (£b)	% of London's economy	Industry GVA (£b)	% of London's economy
Primary & utilities	2.0	1.3%	4.5	1.6%	6.1	1.7%
Manufacturing	10.5	7.0%	8.2	2.9%	9.6	2.6%
Construction	7.0	4.7%	14.2	5.0%	16.9	4.7%
Wholesale and retail trade; repair of motor vehicles	17.2	11.5%	26.2	9.3%	27.2	7.5%
Transportation and storage	10.8	7.2%	13.7	4.9%	16.7	4.6%
Accommodation and food service activities	4.4	2.9%	8.2	2.9%	11.0	3.0%
Information and communication	15.5	10.4%	31.5	11.2%	37.6	10.3%
Financial and insurance activities	22.0	14.7%	49.0	17.3%	68.7	18.9%
Real estate activities	11.4	7.6%	26.5	9.4%	46.0	12.6%
Professional, scientific and technical activities	14.1	9.4%	33.9	12.0%	40.8	11.2%
Administrative and support service activities	7.5	5.0%	14.7	5.2%	20.2	5.5%
Public administration and defence; compulsory social security	6.5	4.3%	11.0	3.9%	12.7	3.5%
Education	6.8	4.5%	13.8	4.9%	17.0	4.7%
Human health and social work activities	7.1	4.7%	14.3	5.1%	16.8	4.6%
Arts and other services	6.7	4.5%	12.7	4.5%	17.1	4.7%
Total	149.4	100.0%	282.6	100.0%	364.3	100.0%

Source: Regional Accounts, ONS and GLA Economics calculations

Figure 13 shows how London's GVA by industry is spread between Inner and Outer London and their constituent areas in both 1997 and 2014. Industries that are concentrated in Outer London include Manufacturing (68.9 per cent); Transportation and storage (60.4 per cent); and Construction (54.9 per cent), whilst only 5.5 per cent of London's total Financial and insurance industry GVA was located there (down from 12.5 per cent in 1997). Meanwhile, Inner London produced 94.5 per cent of London's GVA in Financial and insurance activities; 77.7 per cent of Professional, scientific and technical activities; 74.9 per cent of Information and communication; and 56.5 per cent of Real estate industries.

²⁶ As above.

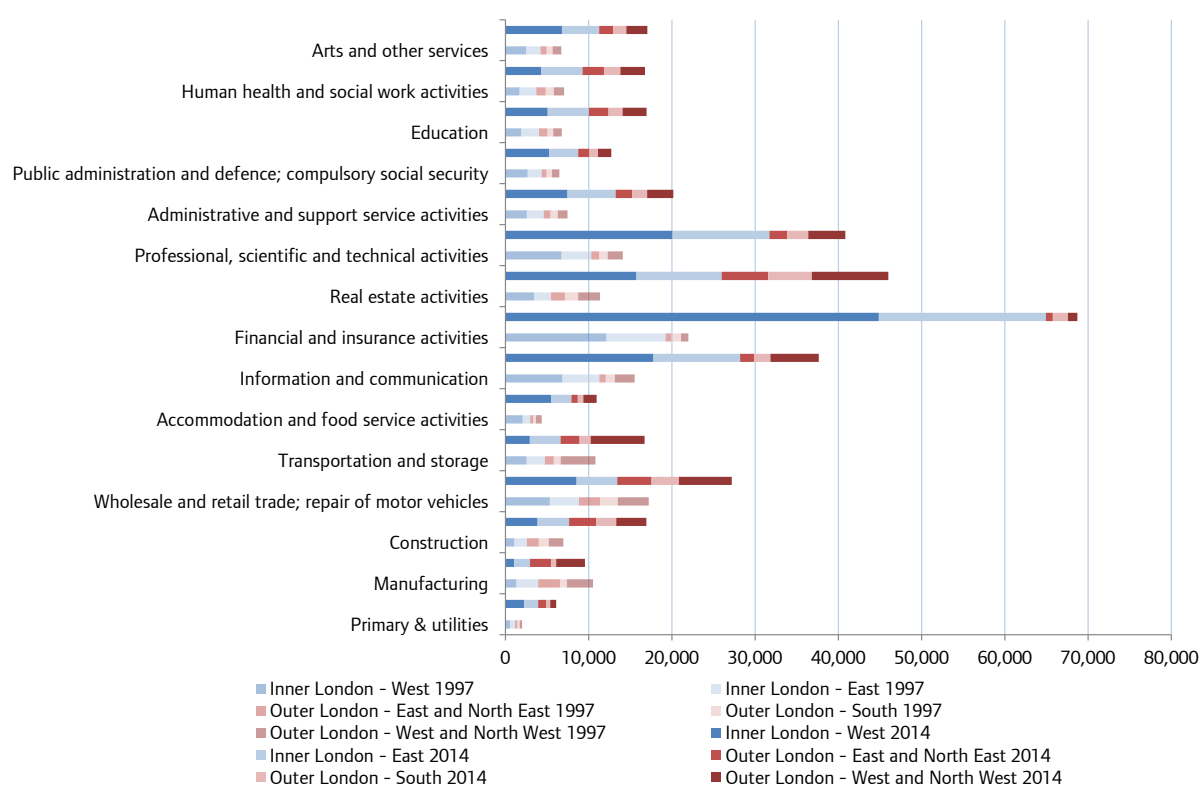
Figure 12: London's share of UK headline GVA (I)²⁷ by industry, 1997-2014, current prices



Source: *Regional Accounts, ONS and GLA Economics calculations*

²⁷ As above.

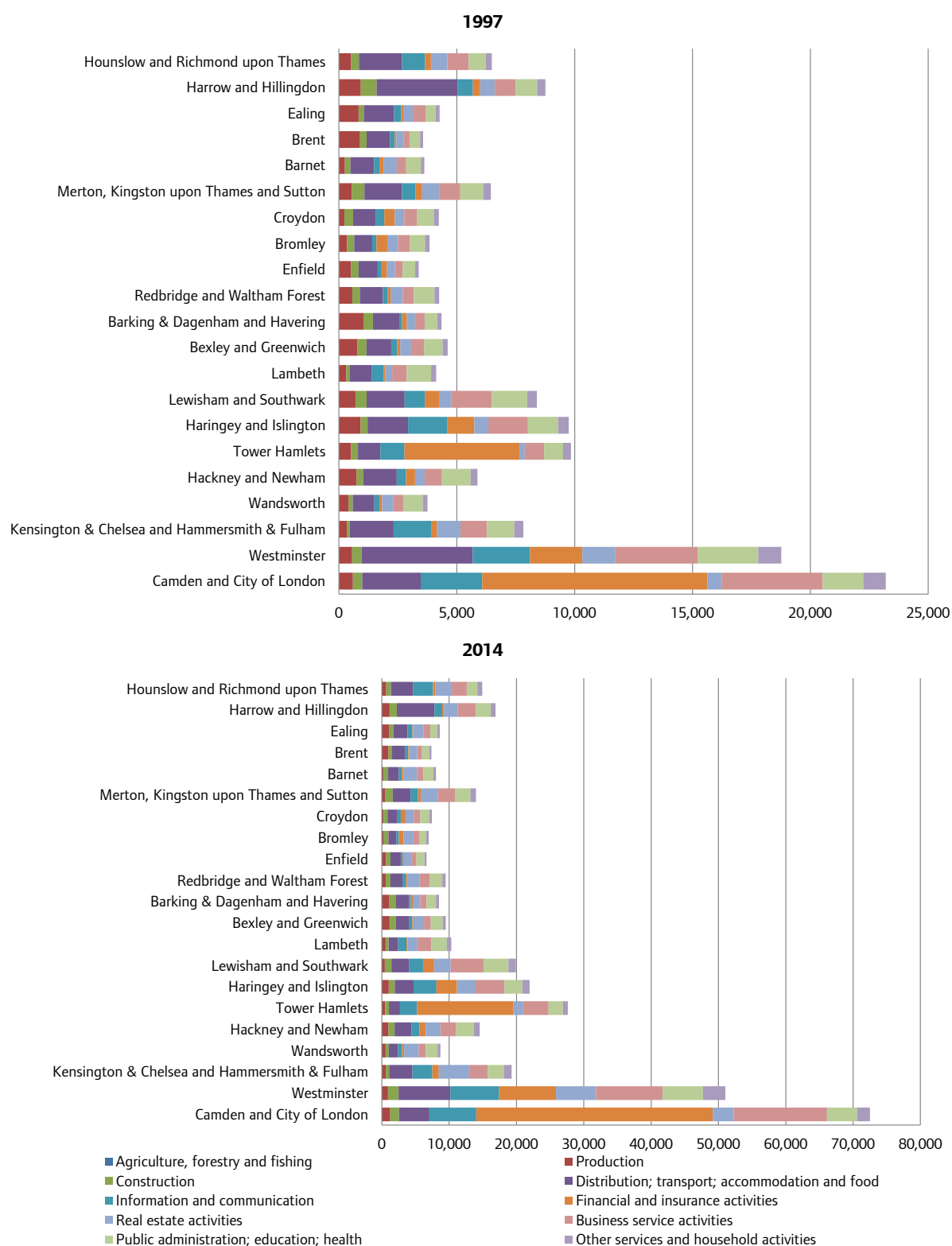
Figure 13: Inner and Outer London GVA (£) by industry, 1997 and 2014



Data at the NUTS 3 level is more aggregated but as shown by Figure 14 the importance of certain broad sectors of the economy has changed at the NUTS3 level between 1997 and 2014. Thus Production has declined in importance as a percentage of the areas GVA in all of London's NUTS3 geographies between 1997 and 2014, while Real estate activities has increased. Financial and insurance activities generally increased in importance in Inner London, with for instance it accounting for 41 per cent of the GVA of Camden and the City of London in 1997, with this rising to 48 per cent in 2014. However, in Outer London its importance at the NUTS3 level remained more broadly stable.

²⁸ As above.

Figure 14: London GVA (I)²⁹ by industry by NUTS3 geography, 1997 and 2014



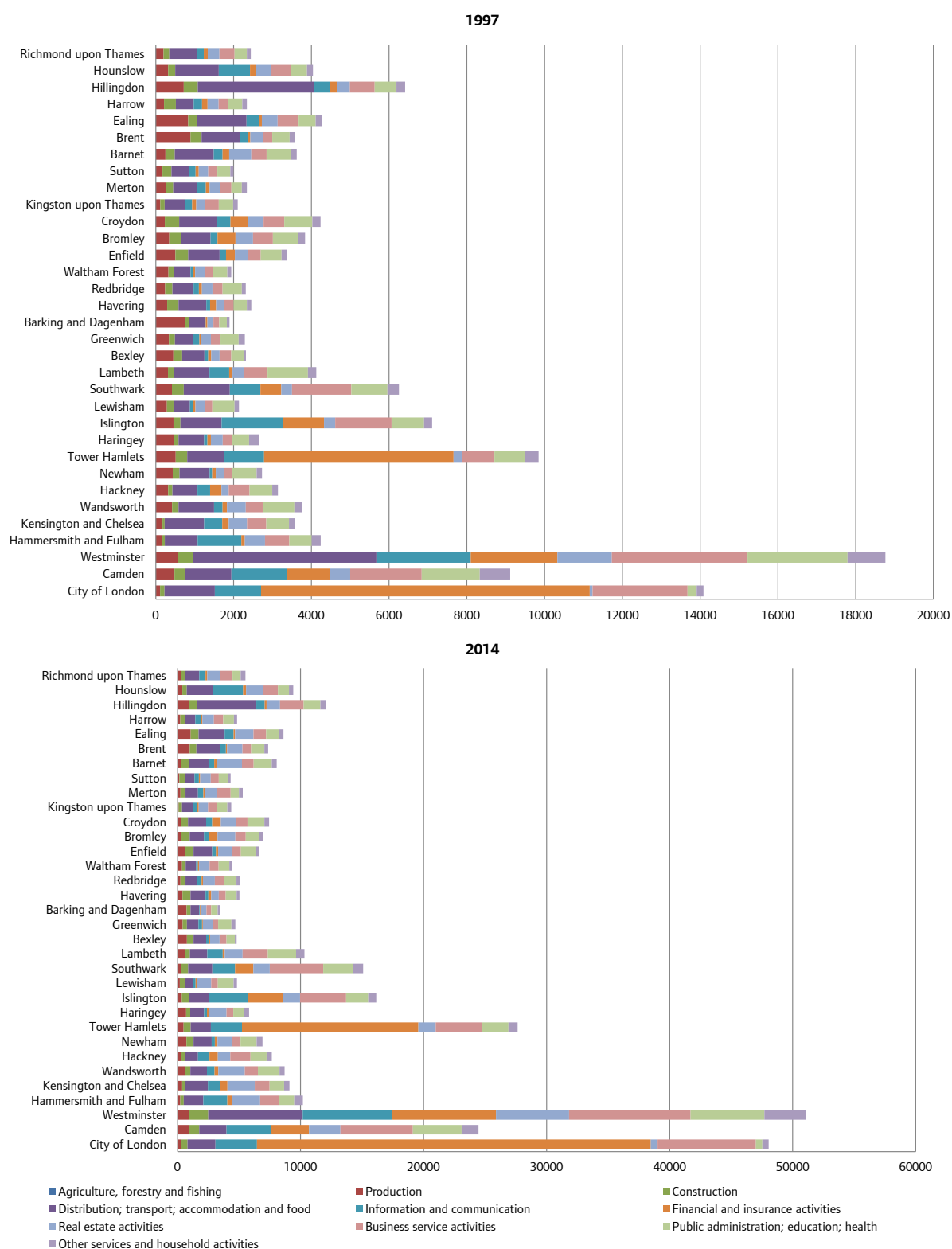
Source: Regional Accounts, ONS

²⁹ As above.

Examining the geographic breakdown of sectoral GVA in London at an even more disaggregated level Figure 15 shows that between 1997 and 2014 no London LA saw an increase in Production as a share of its total GVA, while all LA's saw an increase in Real estate as a share of their total GVA. Looking at the data in more detail Merton saw Business services increase its share of the boroughs GVA from 13 per cent in 1997 to 22 per cent in 2014, while Financial and insurance activities increased in importance in the City of London with it rising from being 60 per cent of total GVA in 1997 to 67 per cent in 2014.

In terms of total London output by broad sector the City of London dominates in Financial and insurance activities accounting for 47 per cent of all London's output in that sector in 2014, with Tower Hamlets accounting for a further 21 per cent and Westminster 12 per cent. While in terms of Business services Westminster accounted for 16 per cent of London's total output in that sector followed by the City of London at 13 per cent, Camden at 10 per cent and Southwark at 7 per cent. And in terms of Information and communication Westminster again led with 19 per cent of London's total output in this sector, followed by Camden (10 per cent), the City of London (9 per cent), Tower Hamlets (7 per cent) and Hounslow (7 per cent). Finally, in 2014 Westminster also had the highest share of London's output in Other services and household activities (20 per cent of London's total), Real estate activities (13 per cent of London's total), Distribution; transport; accommodation and food (14 per cent of London's total) and Public administration; education; health (13 per cent of London's total).

Figure 15: London GVA (I)³⁰ by industry by NUTS3 geography, 1997 and 2014



Source: ONS

³⁰ As above.

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