Statistical bulletin

GDP, UK regions and countries: October to December 2019

Quarterly economic activity within the countries of the UK (England, Wales, Scotland and Northern Ireland) and the nine English regions (North East, North West, Yorkshire and The Humber, East Midlands, West Midlands, East of England, London, South East, and South West).

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Release date:
31 July 2020

Next release:
November 2020

Notice

28 October 2020

Delay to regional GDP publication date

The coronavirus (COVID-19) pandemic presents a significant challenge to the UK, and the Office for National Statistics (ONS) is working to ensure that the UK has the vital information needed to respond to the impact of this pandemic on our economy and society.

This means we will need to ensure that information is provided faster, using new data sources and changing how our surveys operate, which includes reviewing methodology, to ensure we provide the information necessary as the situation unfolds.

We have released a public statement on COVID-19 and the production of statistics.

Changes to outputs are listed here, together with the effective date:

Thursday 29 October 2020

Due to challenges in producing a consistent dataset and a need for further quality assurance, the GDP, UK regions and countries: January to March 2020 release has been delayed until Monday 9th November 2020.

31 July 2026

We will be introducing substantial methods and data changes to our existing quarterly regional gross domestic product (GDP) outputs. We will introduce the changes in our Update on reinstating quarterly regional GDP estimates for England and Wales article series. When we fully reinstate the output we will start a new series for statistical articles, datasets, and a quality and methodology guide.

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1 . Other pages in this release

- Methodology used to produce these estimates
- GDP in Scotland, published by the Scottish Government
- GDP in Northern Ireland, published by the Northern Ireland Statistics and Research Agency

2 . Main points

- In Quarter 4 (Oct to Dec) 2019, Scotland and Northern Ireland showed positive growth at 0.2%, while England and Wales showed negative growth at 0.1% and 1.0% respectively.
- Wales' growth in Quarter 4 (Oct to Dec) 2019 was negative 1.0%; this offsets the rise in Quarter 3 (July to Sept) of 0.7%.
- Of the nine English regions, the highest growth in Quarter 4 (Oct to Dec) 2019 was the South West with 0.8%.
- London showed the largest positive growth in gross domestic product (GDP) in Quarter 4 (Oct to Dec) 2019 when compared with the same quarter a year earlier, at 5.0%; this was more than double any other region.
- Estimates for Scotland and Northern Ireland in this release are consistent with those published by the Scottish Government and the Northern Ireland Statistics and Research Agency (NISRA) respectively.
- Data presented for Quarter 1 (Jan to March) 2012 onwards are consistent with the Balanced Regional Accounts estimates that were published in December 2019.

These estimates are designated as experimental statistics while they are still in development, and should be interpreted with some caution. Regional data can be volatile and quarterly movements should be considered alongside the long term trend. To assist with this, quarter on same quarter a year earlier data are published alongside the latest quarter on quarter estimates.

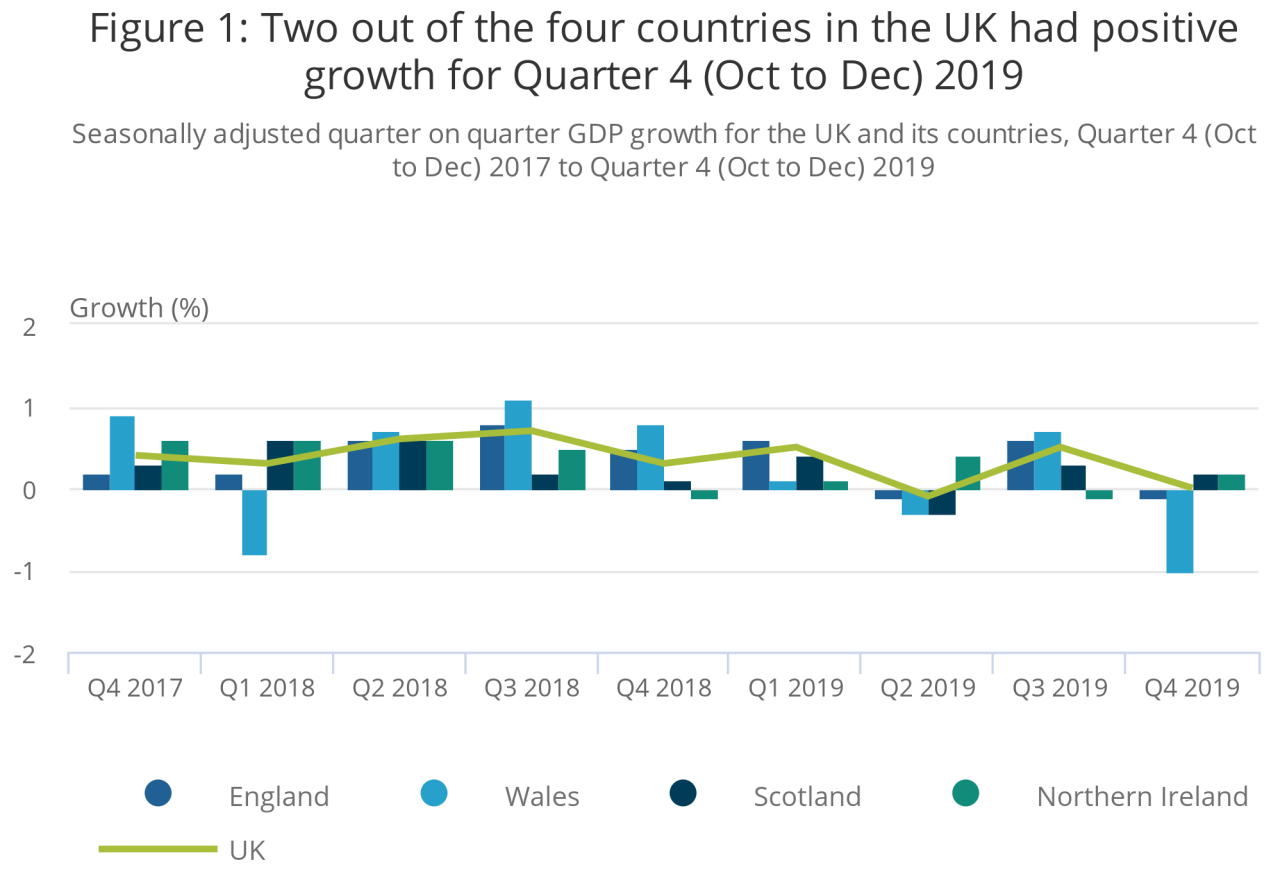
During the coronavirus (COVID-19) pandemic, we are working to ensure that we continue to publish GDP, UK regions and countries. The data collection for this quarter's publication relates to an earlier time period. We have streamlined our bulletin, however all data will continue to be available in our regional GDP dataset.

More timely regional estimates for selected variables are available in the latest Coronavirus and the economic impacts on the UK publication.

3 . Analysis of regional gross domestic product (GDP) growth

Figure 1: Two out of the four countries in the UK had positive growth for Quarter 4 (Oct to Dec) 2019

Seasonally adjusted quarter on quarter GDP growth for the UK and its countries, Quarter 4 (Oct to Dec) 2017 to Quarter 4 (Oct to Dec) 2019



Source: Office for National Statistics – Regional GDP estimate

Notes:

1. Q1 refers to Quarter 1 (Jan to Mar), Q2 refers to Quarter 2 (Apr to June), Q3 refers to Quarter 3 (July to Sept), Q4 refers to Quarter 4 (Oct to Dec).

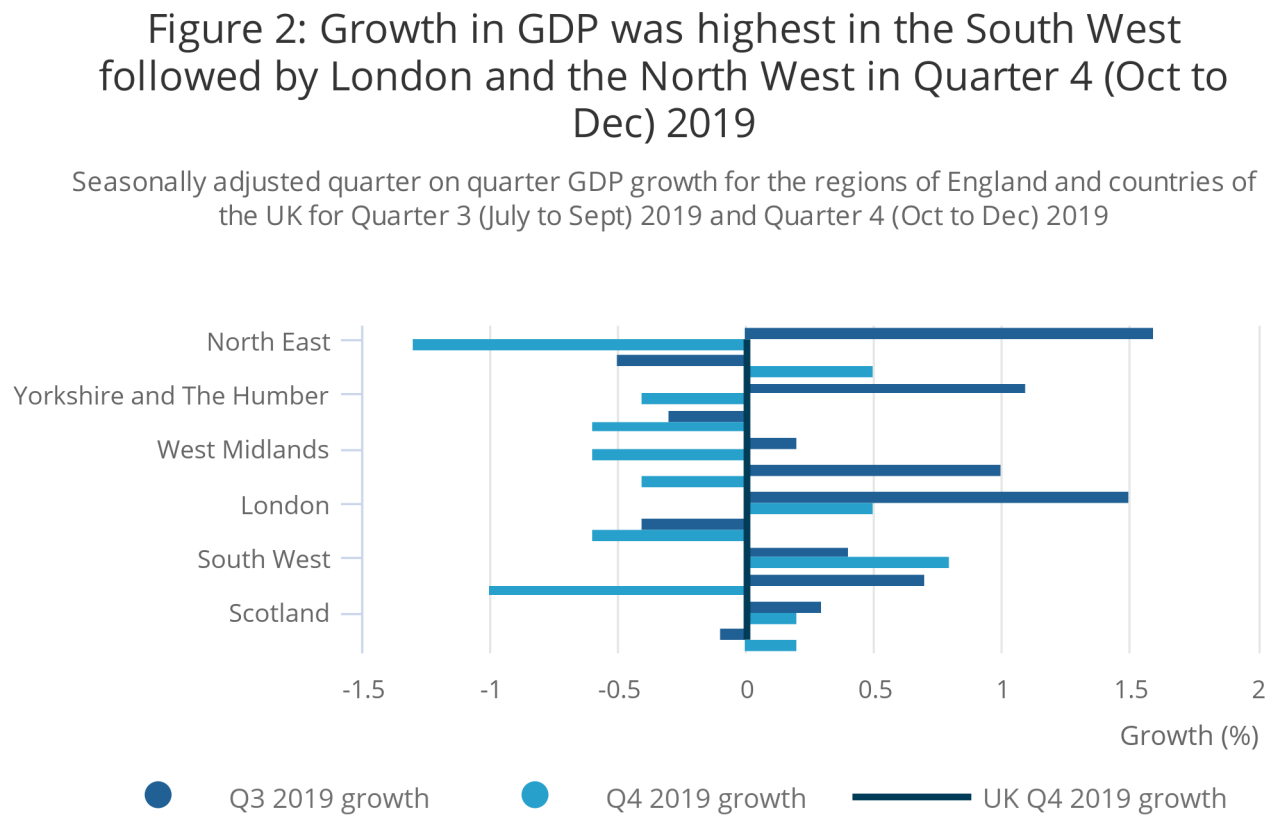
UK gross domestic product (GDP) growth was flat in Quarter 4 (Oct to Dec) 2019. This followed positive growth of 0.5% in Quarter 3 (July to Sept) 2019.

Two of the four countries in the UK (Scotland and Northern Ireland) had positive quarter on quarter growth of 0.2% in Quarter 4 2019. Growth in England was negative, at 0.1% while Wales showed the lowest growth this quarter of negative 1.0%.

More information about the drivers for these changes can be found in the data tables that accompany this publication and the data published by the Scottish Government and the Northern Ireland Statistics and Research Agency.

Figure 2: Growth in GDP was highest in the South West followed by London and the North West in Quarter 4 (Oct to Dec) 2019

Seasonally adjusted quarter on quarter GDP growth for the regions of England and countries of the UK for Quarter 3 (July to Sept) 2019 and Quarter 4 (Oct to Dec) 2019



Source: Office for National Statistics – Regional GDP estimate

Notes:

1. Q1 refers to Quarter 1 (Jan to Mar), Q2 refers to Quarter 2 (Apr to June), Q3 refers to Quarter 3 (July to Sept), Q4 refers to Quarter 4 (Oct to Dec).

The South West shows the highest growth in Quarter 4 (Oct to Dec) 2019 at 0.8%, followed by London and the North West at 0.5%. The North East, Yorkshire and The Humber, East Midlands, West Midlands, East of England, South East and Wales all showed negative growth in Quarter 4 (Oct to Dec) 2019.

The following table shows the quarter on quarter growths across the countries and regions in Quarter 4 (Oct to Dec) 2019 and in Quarter 3 (July to Sept) 2019.

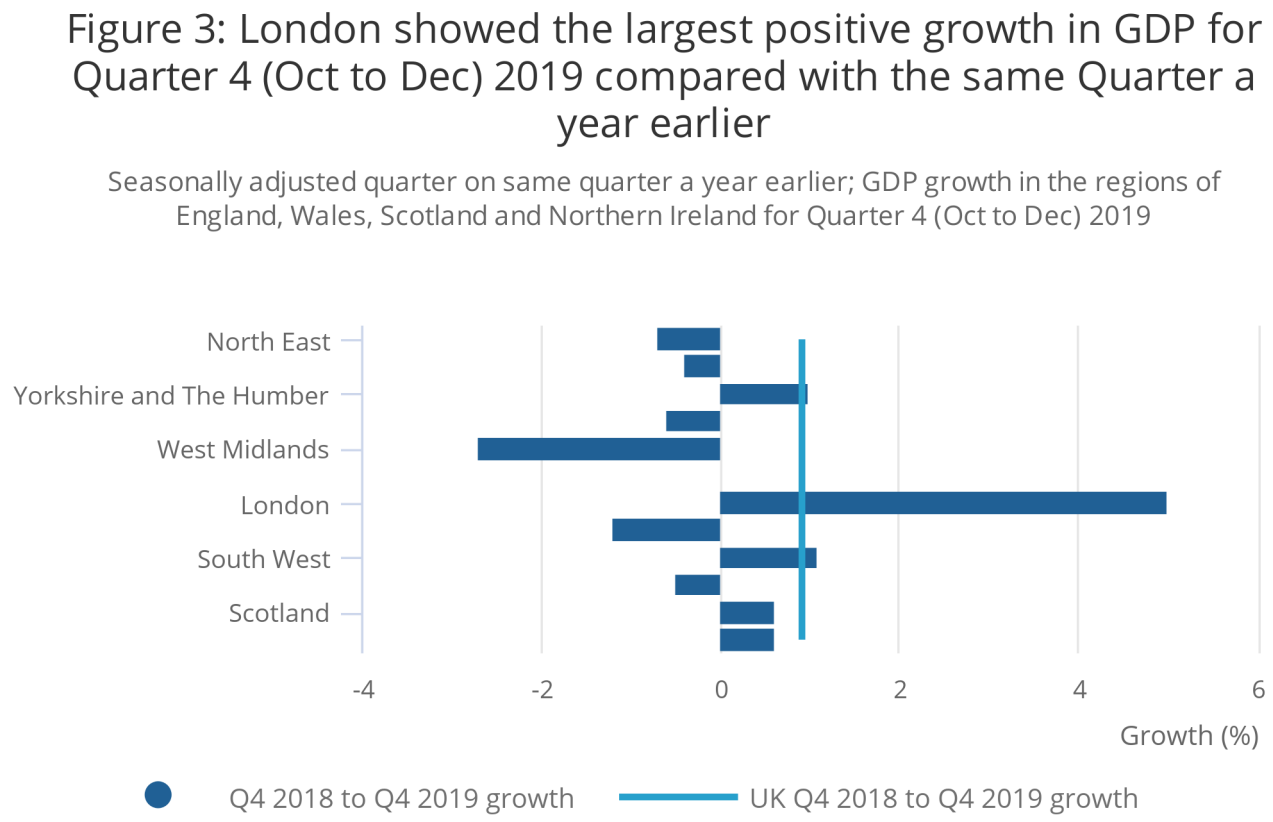
Table 1: Seasonally adjusted quarter on quarter percentage growth in the countries and regions of the UK, Quarter 3 (July to Sept) 2019 and Quarter 4 (Oct to Dec) 2019

Country/Region	Growth in 2019 Quarter 3 (July to Sept)	Growth in 2019 Quarter 4 (Oct to Dec)
North East	1.6%	-1.3%
North West	-0.5%	0.5%
Yorkshire and The Humber	1.1%	-0.4%
East Midlands	-0.3%	-0.6%
West Midlands	0.2%	-0.6%
East of England	1.0%	-0.4%
London	1.5%	0.5%
South East	-0.4%	-0.6%
South West	0.4%	0.8%
England	0.6%	-0.1%
Wales	0.7%	-1.0%
Scotland	0.3%	0.2%
Northern Ireland	-0.1%	0.2%
United Kingdom	0.5%	0.0%

Source: Office for National Statistics – Regional GDP estimate

Figure 3: London showed the largest positive growth in GDP for Quarter 4 (Oct to Dec) 2019 compared with the same Quarter a year earlier

Seasonally adjusted quarter on same quarter a year earlier; GDP growth in the regions of England, Wales, Scotland and Northern Ireland for Quarter 4 (Oct to Dec) 2019



Source: Office for National Statistics – Regional GDP estimate

Notes:

1. Q4 refers to Quarter 4 (Oct to Dec).

Three regions in the UK had growth in Quarter 4 (Oct to Dec) 2019 above the UK level when compared with the same quarter in 2018. These were London at 5.0%, the South West at 1.1% and Yorkshire and The Humber at 1.0%. Scotland and Northern Ireland fell below the UK level at positive 0.6%.

More information regarding the sub-industries contributing to these quarterly changes can be found in the data tables for Wales, the regions of England and the data published by the Scottish Government and Northern Ireland Statistics and Research Agency (NISRA).

4 . GDP growth by key industrial sector for the English regions and Wales

Data for Scotland and Northern Ireland are not shown here as they are published by the Scottish Government and the Northern Ireland Statistics and Research Agency (NISRA).

Figure 4: Interactive maps by main industrial sector for the English regions and Wales

Seasonally adjusted quarter on quarter GDP growth for Quarter 4 (Oct to Dec)

Source: Office for National Statistics – Regional GDP estimate

Download the data

Figure 5: Interactive chart by area for the English regions and Wales

Seasonally adjusted quarter on quarter GDP growth for Quarter 4 (Oct to Dec)

Source: Office for National Statistics – Regional GDP estimate

Download the data

Figure 6: Interactive time series charts by main sections for the English regions and Wales

Seasonally adjusted quarter on quarter GDP growth, Quarter 4 (Oct to Dec) 2017 to Quarter 4 2019 Quarter 4 (Oct to Dec)

Source: Office for National Statistics – Regional GDP estimate

Download the data

More detail about the growth in GDP in each region can be found in our regional GDP dataset.

These estimates are calculated based on site-level (local unit) activity. Industry movements may differ to those at the national level, which are based on overall (reporting unit) business activity.

5 . GDP, UK regions and countries data

Quarterly country and regional GDP
Dataset | Released on 31 July 2020
Quarterly economic activity within Wales and the nine English regions (North East, North West, Yorkshire and The Humber, East Midlands, West Midlands, East of England, London, South East, and South West).

6 . Glossary

GDP

Gross domestic product (GDP) measures the value of goods and services produced in the UK. It estimates the size of and growth in the economy.

Production

Production is the process of combining various materials or other inputs in order to generate a product for consumption. It includes output in the manufacturing (the largest component of production), mining and quarrying, energy supply, and water supply and waste management industries.

Services

Services are activities that people, or businesses provide for a consumer or other businesses. The main components of the service industries are: wholesale and retail; hotels and restaurants; transport, storage and communication; business services and finance; and government and other services.

7 . Measuring the data

The main data for these estimates is turnover data from approximately 1.9 million VAT returns. Information from the Inter-departmental business register (IDBR) on workplace employment allows us to apportion the VAT turnover for each business based on their employment share within a region. The quality assurance of administrative data (QAAD) report for VAT data is available.

Other volume measure data are used where appropriate, or where VAT data has insufficient coverage. A full list of other data sources is included in the methodology article.

A detailed analysis of these new data was published in the Economic Review on 21 October 2019.

This publication includes a consistent time series of growth rates and indices, back to 2012. These are consistent with the Balanced Regional Accounts estimates published in December 2019. We use a statistical algorithm to automatically align our datasets to ensure consistency. Revisions back to 2012 reflect statistical improvements and ongoing changes to methods used in compiling these estimates as the ONS develop these experimental statistics.

We welcome feedback and comments on this publication, including on presentation, further development of other data sources.

8 . Strengths and limitations

These data are designated as experimental statistics. These are statistics that are in the testing phase. We will continue to develop these statistics and seek users' views on their uses and needs for these data.

While the data sources and methods used in both our regional and national estimates of GDP are broadly similar, there are some clear differences. For example, in the extent to which VAT data is used in the compilation of these estimates.

These estimates aim to produce the best estimates at a subnational level. However, the sum of the UK regions may not equal the national total, reflecting that there are some differences in data sources and methods. We have constrained our regional GDP estimates in such a way that minimises the changes to the region by industry quarterly growth rates using automated statistical methods. While the overall impact of this constraining on the regional estimates is small, we will continue to examine the impact of this method and consider options to determine which one is best suited to these data in advance of applying to be assessed as National Statistics.

Following the announcement by the UK Statistics Authority in March 2019, Construction output price indices, Great Britain construction output statistics and Construction new orders were re-designated as National Statistics. It was noted, however, that the subnational and subsector breakdowns were excluded from consideration because of concerns around the path of the sub-national estimates of construction output. We have worked closely with the Construction Statistics Steering Group and Consultative Committee on Construction Industry Statistics (CCCIS) on improving these estimates. While these users have acknowledged the improvements in the modelling of these estimates, there is ongoing development work to improve these lower-level estimates as we ultimately look to regain National Statistic status in due course. Any developments in this area will in turn lead to improved accuracy in the Regional GDP estimates.

9 . Related links

GDP in Scotland
Statistical publication - released 29 April 2020
This publication includes Gross domestic product (GDP) for Scotland (first estimate) for Quarter 4 (Oct to Dec) 2019), produced by the Scottish Government.

NI Composite Economic Index
Release - published 16 July 2020
The NICEI is an experimental quarterly measure of the performance of the NI economy based on available official statistics.

Welsh Short-Term Output Indicators
Report - published 23 April 2020
Data showing the short-term movements in the output of industries in the production, construction and market services sectors.

GDP monthly estimate, UK: May 2020
Bulletin - Released 14 July 2020
Gross domestic product (GDP) measures the value of goods and services produced in the UK.

Regional economic activity by gross domestic product, UK: 1998 to 2018
Bulletin - Released 19 December 2020
Annual estimates of economic activity by UK country, region and local area using gross domestic product (GDP). Estimates are available in current market prices and in chained volume measures and include a full industry breakdown of balanced regional gross value added (GVA(B)).