

Analysis of Annual Gross Value Added (GVA)¹ and Productivity² Estimates: Black Country

In Summary

- In 2022, total GVA in current prices for the Black Country was £23.9bn. However, GVA in Chain Volume Measures (CVM, 2019 value) the Black Country totalled £21.5bn.
- When compared to 2021, for Black Country GVA in current prices, there was an increase of 8.4% (+£1.9bn), the UK increased by 9.7%. When compared to 2019, the Black Country increased by 10.7% (+£2.3bn), in comparison the UK increased at a faster rate of 12.5%. However, when using the GVA CVM approach, the change is significantly different for the Black Country. Since 2021, the Black Country increased by 3.3% (+£688m), the UK increased at a faster rate of 4.1%. When compared to 2019, the Black Country decreased by 0.4% (-£86m), the UK increased by 1.6%.
- In 2022, Black Country GVA per head in current prices was £19,532. While Black Country GVA CVM was at £17,581. There was a gap in current prices to the national average by £13,696 (UK: £33,227) and for GVA per head in CVM there was a gap to the national average by £12,412 (UK: £29,993).
- Black Country GVA per head in current prices when compared to 2021 had increased by 7.6% (+£1,386), the UK increased by 8.8%. When compared to 2019, there was an increase of 9.5% (+£1,698), the UK increased by 11.0%.
- In CVM terms there is a stark difference in change, when compared to 2021 there was an increase for the Black Country of 2.6% (+£439), the UK increased by 3.2%. However, when compared to 2019, Black Country GVA per head decreased by 1.4% (-£253), the UK increased by 0.2%.
- For both GVA in current prices and in CVM, the Black Country had six sectors above the national average proportions.
- GVA in current prices shows that excluding environmental technologies, all other defined sectors increased for the Black Country area annually and compared to 2019. While in CVM, there were three sectors with annual declines (advanced manufacturing, environmental technologies and retail). Compared to 2019, there were five sectors that have declined (environmental technologies, public sector including education, retail, transport technologies and the visitor economy). Notably, advanced manufacturing was 2.8% higher.
- In 2022, GVA per hour for the Black Country area was £31.90. Since 2021, the Black Country increased by 1.9% (+£0.60), above the UK growth of 1.5%. When compared to 2019, GVA per hour for the Black Country area increased by 11.1% (+£3.20) while the UK increased by 8.5% (+£3.10).
- In 2022, UK GVA per hour was £39.70 meaning the Black Country area had a shortfall of £7.80.

¹ Source: Office for National Statistics (ONS), Regional economic activity by gross domestic product, UK: 1998 to 2022, released April 2024.

² Source: ONS, Regional and subregional labour productivity, UK: 2022, released June 2024. Please note, data is current prices; i.e., data are not adjusted for inflation and the data is smoothed using a weighted 5-year moving average.

In Detail

Total GVA

- In 2022, total GVA in current prices (including the effects of inflation) for the Black Country was £23.9bn. However, GVA in Chain Volume Measures (CVM, 2019 value – where the effects of inflation are removed) the Black Country totalled £21.5bn.
- When compared to 2021, for Black Country GVA in current prices, there was an increase of 8.4% (+£1.9bn), the UK increased by 9.7%. Longer-term (when compared to the pre-pandemic/other shocks figure of 2019), the Black Country increased by 10.7% (+£2.3bn), in comparison the UK increased at a faster rate of 12.5%.
- However, when using the GVA CVM approach, the change is significantly different for the Black Country. Since 2021, the Black Country increased by 3.3% (+£688m), the UK increased at a faster rate of 4.1%. When compared to 2019, the Black Country decreased by 0.4% (-£86m), the UK increased by 1.6%.
- There is a varied picture within the Black Country, as longer-term in GVA CVM terms for Sandwell and Walsall. Wolverhampton's growth rates performed well against the national average. Dudley saw increases in both GVA terms at the same rate or slower rate.
 - For Dudley in 2022, total GVA in current prices was £5.9bn. While GVA CVM was at £5.3bn. An annual increase of 9.0% (+£491m) and 4.0% (+£207m) respectively. Compared to 2019, GVA in current prices increased by 12.5% (+£658m) whereas GVA CVM shows an increase of 1.3% (+£69m).
 - For Sandwell in 2022, total GVA in current prices was £6.8bn. While GVA CVM was at £6.2bn. An annual increase of 6.3% (+£405m) and 1.0% (+£62m) respectively. Compared to 2019, GVA in current prices increased by 6.4% (+£407m) whereas GVA CVM shows a decrease of 3.5% (-£225m).
 - For Walsall in 2022, total GVA in current prices was £5.1bn. While GVA CVM was at £4.6bn. An annual increase of 7.4% (+£350m) and 2.1% (+£95m) respectively. Compared to 2019, GVA in current prices increased by 9.0% (+£422m) whereas GVA CVM shows a decrease of 2.0% (-£92m).
 - For Wolverhampton in 2022, total GVA in current prices was £6.1bn. While GVA CVM was at £5.4bn. An annual increase of 11.2% (+£609m) and 6.4% (+£324m) respectively. Compared to 2019, GVA in current prices increased by 15.5% (+£813m) whereas GVA CVM shows an increase of 3.1% (+£162m). All these growth rates are above the national average.
- When GVA CVM is indexed to 2019 (=100), the Black Country was at 99.6, with the UK at 101.6 in 2022.
 - Figures vary across the Black Country, from 96.5 in Sandwell and 98.0 in Walsall to 101.3 in Dudley and 103.1 in Wolverhampton.

Total GVA:

	2019	2020	2021	2022	Annual Change	Change Since 2019
GVA in Current Prices (£m)						
Dudley	£5,273	£4,931	£5,440	£5,931	9.0%	12.5%
Sandwell	£6,391	£6,231	£6,393	£6,798	6.3%	6.4%
Walsall	£4,666	£4,295	£4,738	£5,088	7.4%	9.0%
Wolverhampton	£5,256	£4,927	£5,460	£6,069	11.2%	15.5%
Black Country	£21,586	£20,384	£22,031	£23,886	8.4%	10.7%
UK	£1,995,708	£1,897,957	£2,046,636	£2,246,047	9.7%	12.5%
GVA CVM (£m)						
Dudley	£5,273	£4,594	£5,135	£5,342	4.0%	1.3%
Sandwell	£6,391	£5,934	£6,104	£6,166	1.0%	-3.5%
Walsall	£4,666	£4,056	£4,479	£4,574	2.1%	-2.0%
Wolverhampton	£5,256	£4,536	£5,094	£5,418	6.4%	3.1%
Black Country	£21,586	£19,120	£20,812	£21,500	3.3%	-0.4%
UK	£1,995,708	£1,796,874	£1,948,322	£2,027,420	4.1%	1.6%

Black Country GVA CVM Impact on the WMCA

- The Black Country consistently accounts for approximately 31% of the WMCA total GVA CVM.

Trends in GVA CVM, (figures in £m):

	2019	2020	2021	2022	Percentage of 2022 Total
Birmingham	£28,337	£24,786	£27,440	£28,958	42.0%
Solihull	£9,666	£8,300	£8,585	£8,766	12.7%
Coventry	£10,181	£8,759	£9,343	£9,653	14.0%
Dudley	£5,273	£4,594	£5,135	£5,342	7.8%
Sandwell	£6,391	£5,934	£6,104	£6,166	9.0%
Walsall	£4,666	£4,056	£4,479	£4,574	6.6%
Wolverhampton	£5,256	£4,536	£5,094	£5,418	7.9%
Black Country	£21,586	£19,120	£20,812	£21,500	31.2%
WMCA	£69,770	£60,965	£66,180	£68,877	100.0%

GVA per Head

- In 2022, Black Country GVA per head in current prices was £19,532. While Black Country GVA per head in CVM was at £17,581. Meaning a gap of nearly £2,000 between these two figures.
- Black Country GVA per head in current prices when compared to 2021 had increased by 7.6% (+£1,386), the UK increased by 8.8%. When compared to 2019, there was an increase of 9.5% (+£1,698), the UK increased by 11.0%.
- In CVM terms there is a stark difference in change, when compared to 2021 there was an increase for the Black Country of 2.6% (+£439), the UK increased by 3.2%. However, when compared to 2019, Black Country GVA per head decreased by 1.4% (-£253), the UK increased by 0.2%.
- In 2022, the Black Country had a GVA per head in current prices gap to the national average by £13,696 (UK: £33,227), this gap to national average has increased by £1,600 when compared to 2019. For GVA CVM per head there was a Black Country gap to the national average by £12,412 (UK: £29,993), the gap is notably smaller when compared to 2019, by £316.

- For Dudley in 2022, GVA per head in current prices was £18,251 compared to £16,438 in CVM terms. Since 2021, there was an annual increase of 8.6% (+£1,440) and 3.6% (+£570) respectively. Compared to 2019, GVA per head in current prices increased by 11.5% (+£1,880) whereas GVA CVM per head shows an increase of 0.4% (+£67m). In 2022, there was a gap to the national average in current prices by £14,976 and in CVM by £13,555.
- For Sandwell in 2022, GVA per head in current prices was £19,750 compared to £17,913 in CVM terms. Since 2021, there was an annual increase of 5.6% (+£1,051) and 0.3% (+£60) respectively. Compared to 2019, GVA per head in current prices increased by 5.1% (+£963) whereas GVA CVM per head shows a decrease of 4.6% (-£873). In 2022, there was a gap to the national average in current prices by £13,478 and in CVM by £12,080.
- For Walsall in 2022, GVA per head in current prices was £17,784 compared to £15,987 in CVM terms. Since 2021, there was an annual increase of 6.7% (+£1,124) and 1.5% (+£238) respectively. Compared to 2019, GVA per head in current prices increased by 8.5% (+£1,389) whereas GVA CVM per head shows a decrease of 2.5% (-£408). In 2022, there was a gap to the national average in current prices by £15,444 and in CVM by £14,006.
- For Wolverhampton in 2022, GVA per head in current prices was £22,675 compared to £20,243 in CVM terms. Since 2021, there was an annual increase of 9.7% (+£2,014) and 5.0% (+£966) respectively. Compared to 2019, GVA per head in current prices increased by 13.7% (+£2,730) whereas GVA CVM per head shows an increase of 1.5% (+£297). Despite the strong growth, in 2022, there was still a gap to the national average in current prices by £10,552 and in CVM by £9,750.

GVA per Head:

	2019	2020	2021	2022	Gap to National	Annual Change	Change Since 2019
GVA per Head in Current Prices							
Dudley	£16,371	£15,289	£16,811	£18,251	£14,976	8.6%	11.5%
Sandwell	£18,786	£18,249	£18,699	£19,750	£13,478	5.6%	5.1%
Walsall	£16,395	£15,093	£16,660	£17,784	£15,444	6.7%	8.5%
Wolverhampton	£19,945	£18,725	£20,661	£22,675	£10,552	9.7%	13.7%
Black Country	£17,834	£16,823	£18,145	£19,532	£13,696	7.6%	9.5%
UK	£29,930	£28,414	£30,526	£33,227	-	8.8%	11.0%
GVA per Head in CVM							
Dudley	£16,371	£14,244	£15,869	£16,438	£13,555	3.6%	0.4%
Sandwell	£18,786	£17,380	£17,853	£17,913	£12,080	0.3%	-4.6%
Walsall	£16,395	£14,253	£15,749	£15,987	£14,006	1.5%	-2.5%
Wolverhampton	£19,945	£17,239	£19,276	£20,243	£9,750	5.0%	1.5%
Black Country	£17,834	£15,780	£17,141	£17,581	£12,412	2.6%	-1.4%
UK	£29,930	£26,901	£29,060	£29,993	-	3.2%	0.2%

Sector Analysis

GVA in Current Prices

- In 2022, the Black Country area had a higher proportion of GVA than nationally in six sectors.
- Business services accounted for the highest value of GVA in the Black Country (24.7% of total, UK: 40.9%). This was followed by advanced manufacturing (17.5% compared to 12.3% for the UK).
- Excluding environmental technologies, all other defined sectors increased for the Black Country area annually and compared to 2019.

Trends in Black Country GVA per sector in current prices:

	2019	2020	2021	2022	Annual Change	Change Compared to 2019	Black Country Percent of 2022 Total	UK Percent of 2022 Total
Advanced Manufacturing	£3,741	£3,600	£3,811	£4,178	9.6%	11.7%	17.5%	12.3%
Building Technologies	£1,555	£1,505	£1,586	£2,021	27.4%	30.0%	8.5%	6.2%
Business Services	£5,216	£4,848	£5,435	£5,909	8.7%	13.3%	24.7%	40.9%
Environmental Technologies	£886	£804	£625	£524	-16.2%	-40.9%	2.2%	2.2%
Health & Wellbeing	£2,692	£2,766	£2,999	£3,002	0.1%	11.5%	12.6%	8.9%
Public Sector inc. Education	£2,734	£2,837	£2,844	£3,106	9.2%	13.6%	13.0%	11.8%
Retail	£2,919	£2,563	£3,069	£3,255	6.1%	11.5%	13.6%	10.4%
Transport Technologies	£1,344	£1,185	£1,291	£1,371	6.2%	2.0%	5.7%	3.5%
Visitor Economy	£505	£277	£374	£520	39.0%	3.0%	2.2%	3.7%
Total	£21,586	£20,384	£22,031	£23,886	8.4%	10.7%	100.0%	100.0%

GVA in CVM

- In this approach, the Black Country still has six sectors above the national average.
- However, there is a stark difference in change. There are now three sectors with annual declines: advanced manufacturing (-1.1%), environmental technologies (-21.4%) and retail (-1.1%). Compared to 2019, there were five sectors that have declined: environmental technologies (-45.7%), public sector including education (-2.5%), retail (-2.2%), transport technologies (-9.0%) and the visitor economy (-11.1%). Notably, advanced manufacturing was 2.8% higher.

Trends in Black Country GVA per sector in CVM:

	2019	2020	2021	2022	Annual Change	Change Compared to 2019	Black Country Percent of 2022 Total	UK Percent of 2022 Total
Advanced Manufacturing	£3,741	£3,925	£3,887	£3,846	-1.1%	2.8%	17.9%	12.3%
Building Technologies	£1,555	£1,530	£1,564	£1,823	16.6%	17.2%	8.5%	6.2%
Business Services	£5,216	£4,847	£5,306	£5,431	2.4%	4.1%	25.3%	41.8%
Environmental Technologies	£886	£826	£612	£481	-21.4%	-45.7%	2.2%	2.2%
Health & Wellbeing	£2,692	£1,917	£2,516	£2,723	8.2%	1.2%	12.7%	9.0%
Public Sector inc. Education	£2,734	£2,378	£2,467	£2,665	8.0%	-2.5%	12.4%	11.3%
Retail	£2,919	£2,248	£2,887	£2,856	-1.1%	-2.2%	13.3%	10.1%
Transport Technologies	£1,344	£1,168	£1,219	£1,223	0.3%	-9.0%	5.7%	3.4%
Visitor Economy	£505	£274	£354	£449	26.8%	-11.1%	2.1%	3.6%
Total	£21,586	£19,120	£20,812	£21,500	3.3%	-0.4%	100.0%	100.0%

Productivity: Smoothed GVA per Hour Worked

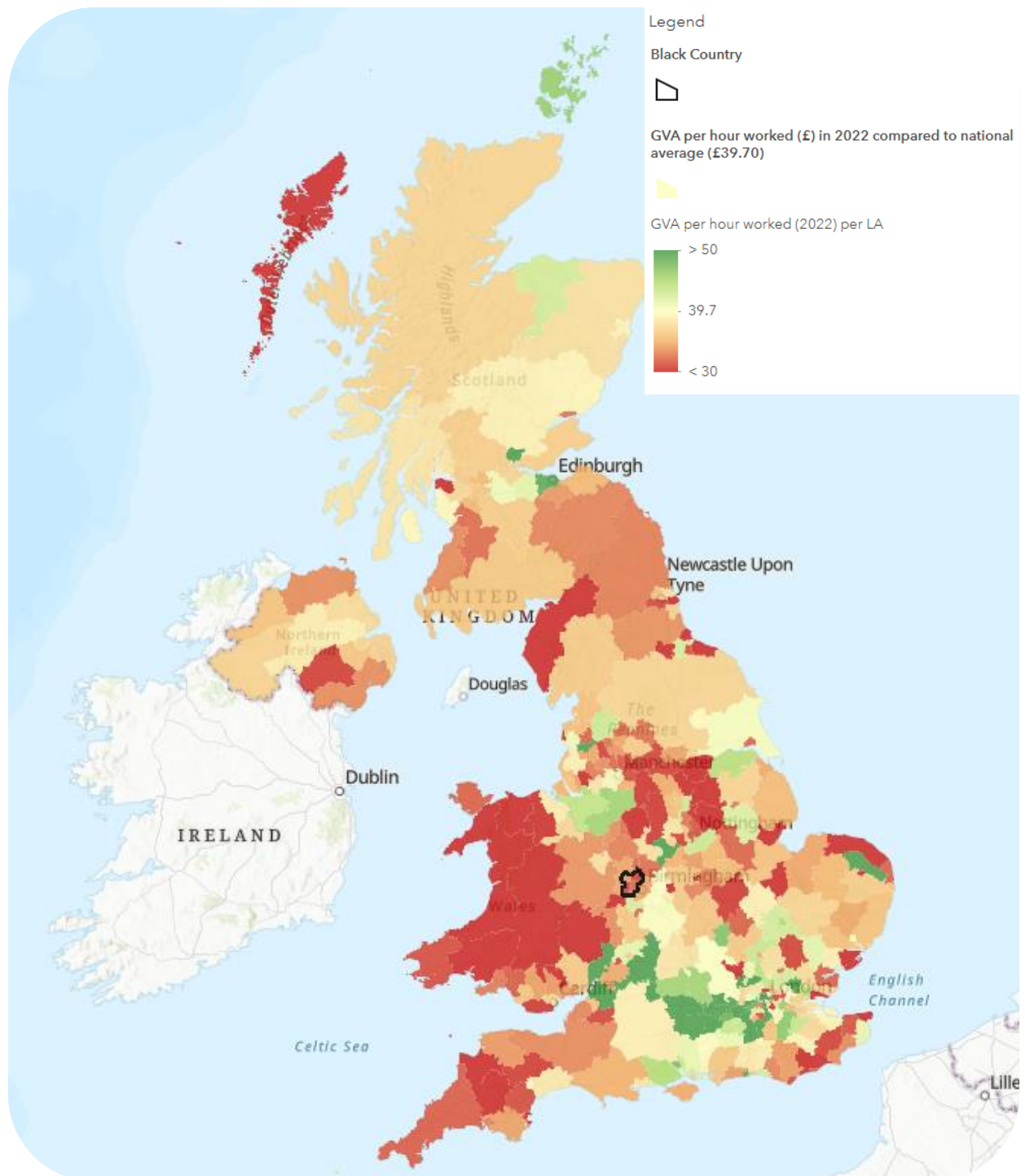
Interactive version can be found [here](#).

- In 2022, GVA per hour for the Black Country area was £31.90. Since 2021, the Black Country increased by 1.9% (+£0.60), above the UK growth of 1.5%. When compared to 2019, GVA per hour for the Black Country area increased by 11.1% (+£3.20) while the UK increased by 8.5% (+£3.10). In 2022, UK GVA per hour was £39.70 meaning the Black Country area had a shortfall of £7.80. Within the Black Country:
 - In 2022, Dudley's GVA per hour was £30.80. Since 2021, Dudley has increased by 1.3% (+£0.40). When compared to 2019, Dudley had strong growth of 11.6% (+£3.20). Despite the growth, Dudley had a gap of £8.90 to the national average in 2022.
 - In 2022, Sandwell's GVA per hour was £32.00. Since 2021, Sandwell has increased by 0.9% (+£0.30). When compared to 2019, Sandwell increased by 5.3% (+£1.60). In 2022, Sandwell had a gap of £7.70 to the national average.
 - In 2022, Walsall's GVA per hour was £30.70. Since 2021, Walsall has increased by 2.0% (+£0.60). When compared to 2019, Walsall had strong growth of 13.7% (+£3.70). Walsall had stronger growth rates than national over both periods but still had a gap of £9.00 to the national average in 2022.
 - In 2022, Wolverhampton's GVA per hour was £34.00. Since 2021, Wolverhampton has increased by 3.0% (+£1.00). When compared to 2019, Wolverhampton had strong growth of 15.3% (+£4.50). Wolverhampton had stronger growth rates than national over both periods but still had a gap of £5.70 to the national average in 2022.

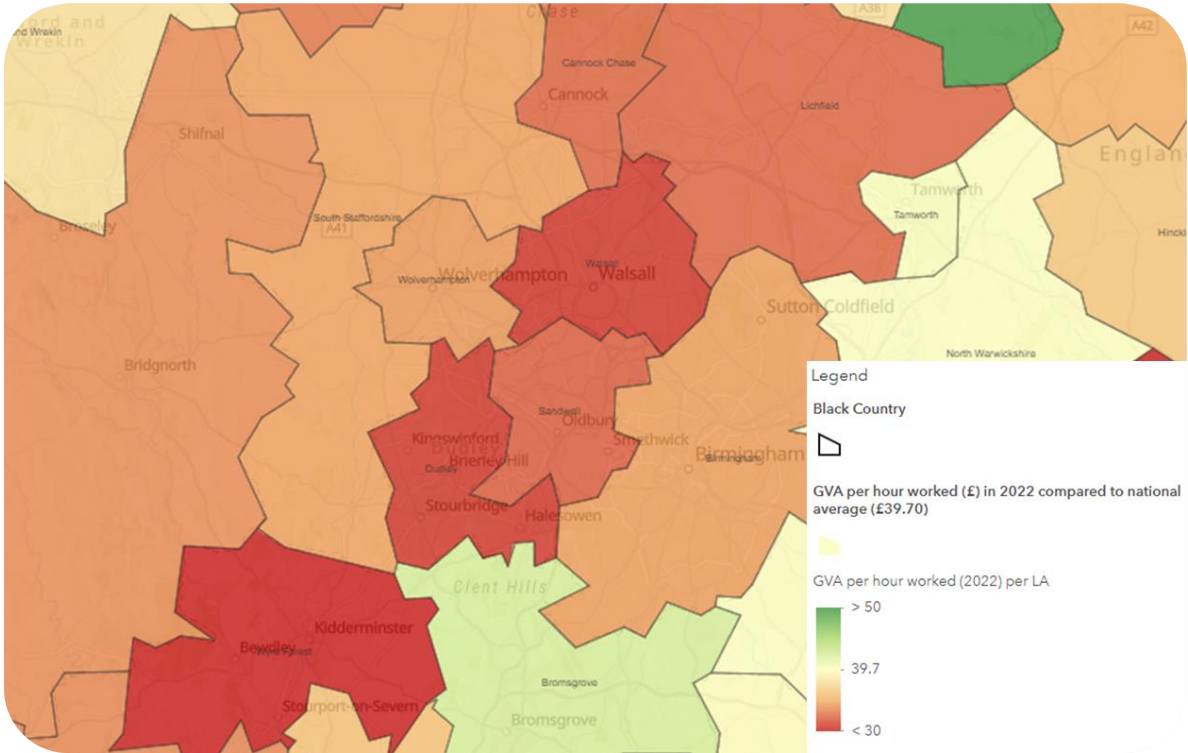
Trends in GVA per Hour:

	2019	2020	2021	2022	2022 Gap to National	Annual Change	Change Since 2019
Dudley	£27.60	£29.50	£30.40	£30.80	-£8.90	1.3%	11.6%
Sandwell	£30.40	£31.40	£31.70	£32.00	-£7.70	0.9%	5.3%
Walsall	£27.00	£28.80	£30.10	£30.70	-£9.00	2.0%	13.7%
Wolverhampton	£29.50	£31.30	£33.00	£34.00	-£5.70	3.0%	15.3%
Black Country	£28.70	£30.30	£31.30	£31.90	-£7.80	1.9%	11.1%
UK (less Extra-Region)	£36.60	£38.10	£39.10	£39.70	-	1.5%	8.5%

GVA per Hour Worked Compared to National, 2022:



GVA per Hour Worked Compared to National – Black Country Focus, 2022:



GVA per Hour Worked (high to low), 2022:

