

Gross Disposable Household Income, 2019 – Released October 2021¹

Introduction

Gross Disposable Household Income (GDHI) is the amount of money that all of the individuals in the household sector have available for spending or saving after they have paid direct and indirect taxes and received any direct benefits. GDHI is a concept that is seen to reflect the “material welfare” of the household sector. GDHI estimates are produced in current prices.

It should be noted that these estimates relate to totals for all individuals within the household sector for a region rather than to an average household or family unit. GDHI per head are estimates of values for each person, not each household.

Key Points:

- The Black Country’s total GDHI has increased from £18.2bn in 2018 to £18.7bn in 2019. This equates to a 2.7% (+£489m) annual increase, below UK-wide growth of 3.1%.
- The Black Country GDHI per head has increased from £15,253 in 2018 to £15,591 in 2019. This equates to a 2.2% (+£338) increase, below the UK-wide growth of 2.5%. There is a shortfall of £5,842 to the UK figure (£21,433).

Full Brief:

Total Gross Disposable Household Income (GDHI)

- The Black Country’s total GDHI has increased from £18.2bn in 2018 to £18.7bn in 2019. This equates to a 2.7% (+£489m) annual increase, below UK-wide growth of 3.1%.
- Within the Black Country all local authorities experienced an increase in total GDHI between 2018 and 2019. Sandwell and Wolverhampton had the highest percentage increases by 3.1% to reach £4.7bn and £4.1bn respectively in 2019. Walsall increased by 2.5% to reach £4.5bn and Dudley had the slowest increase over this period by 2.2%, however had the highest total GDHI within the Black Country in 2019 at £5.4bn.

The following table shows total GDHI in the Black Country, 2018-2019 (figures are in millions):

	2018	2019	Change	Percentage Change
Dudley	£5,266	£5,382	£116	2.2%
Sandwell	£4,605	£4,748	£143	3.1%
Walsall	£4,372	£4,480	£108	2.5%
Wolverhampton	£3,960	£4,082	£122	3.1%
Black Country LEP	£18,203	£18,692	£489	2.7%
West Midlands Region	£105,915	£108,891	£2,976	2.8%
UK	£1,389,040	£1,431,678	£42,638	3.1%

¹ Source: Office for National Statistics (ONS): Regional Gross Disposable Household Income, UK: 1997 to 2019 – released October 2021

Components of Total GDHI

In 2019, the Black Country balance of primary incomes² totalled £20.2bn, the balance of secondary incomes³ totalled -£1.5bn, leading to total GDHI of £18.7bn.

The following table shows a breakdown of GDHI components for 2019 across the Black Country (figures are in millions):

Transaction	Dudley	Sandwell	Walsall	Wolverhampton	Black Country	UK
Operating surplus	£572	£441	£407	£372	£1,793	£184,041
Mixed income	£498	£385	£394	£310	£1,587	£147,822
Compensation of employees	£4,221	£3,944	£3,435	£3,294	£14,893	£1,095,653
Property income, received	£601	£543	£592	£492	£2,228	£229,505
Primary resources total	£5,892	£5,313	£4,828	£4,468	£20,500	£1,657,021
Property income, paid	£100	£77	£71	£65	£312	£27,710
Primary uses total	£100	£77	£71	£65	£312	£27,710
Balance of primary incomes	£5,792	£5,236	£4,757	£4,403	£20,188	£1,629,311
Imputed social contributions/Social benefits received	£1,692	£1,460	£1,466	£1,306	£5,924	£378,372
Other current transfers, received	£198	£177	£162	£147	£684	£42,234
Secondary resources total	£1,889	£1,637	£1,629	£1,452	£6,608	£420,606
Current taxes on income, wealth etc	£760	£606	£612	£566	£2,543	£248,556
Social contributions/Social benefits paid	£1,285	£1,290	£1,085	£1,017	£4,677	£315,605
Other current transfers, paid	£254	£230	£209	£190	£884	£54,078
Secondary uses total	£2,299	£2,126	£1,905	£1,773	£8,104	£618,239
Balance of secondary income	-£410	-£489	-£277	-£321	-£1,496	-£197,633
Gross Disposable Income	£5,382	£4,748	£4,480	£4,082	£18,692	£1,431,678

GDHI per Head

- The Black Country GDHI per head has increased from £15,253 in 2018 to £15,591 in 2019. This equates to a 2.2% (+£338) increase, below the UK-wide growth of 2.5%. There is a shortfall of £5,842 to the UK figure (£21,433).
- Within the Black Country, Sandwell had the highest percentage increase in GDHI per head at 2.8% (+£388), however at £14,454 per head in 2019, this was the third lowest across all ITL3 areas in the UK. Wolverhampton GDHI per head increased by 2.6% (+£387) to £15,500, Dudley increased by 1.9% (+£311) to £16,735 and Walsall increased by 1.7% to reach £15,694 in 2019.

² The allocation of primary income account for the household sector reflects incomes and outgoings arising as part of the production process or through the ownership of assets required for production. Balance of primary income = primary resources less primary uses.

³ The secondary distribution of income account reflects money transferred to, or from, households unrelated to a productive activity. This includes government redistribution of primary income and traces the various transfers that occur subsequent to the allocation of primary income. Balance of secondary income = secondary resources less secondary uses.

The following table shows total GDHI per head and gap to the UK in the Black Country, 2018-2019:

	2018	2019	Change	Percentage Change	2019 Gap to UK
Dudley	£16,424	£16,735	£311	1.9%	£-4,698
Sandwell	£14,066	£14,454	£388	2.8%	£-6,979
Walsall	£15,428	£15,694	£266	1.7%	£-5,739
Wolverhampton	£15,113	£15,500	£387	2.6%	£-5,933
Black Country LEP	£15,253	£15,591	£338	2.2%	£-5,842
West Midlands Region	£17,949	£18,350	£401	2.2%	£-3,083
UK	£20,908	£21,433	£525	2.5%	

Components of GDHI per Person

In 2019, the Black Country balance of primary incomes per head totalled £16,839, the balance of secondary incomes per head totalled £6,759.

The following table shows a breakdown of GDHI per head components for 2019 across the Black Country:

Transaction	Dudley	Sandwell	Walsall	Wolverhampton	Black Country	UK
Operating surplus	£1,780	£1,344	£1,427	£1,411	£1,495	£2,755
Mixed income	£1,548	£1,173	£1,381	£1,176	£1,324	£2,213
Compensation of employees	£13,124	£12,007	£12,032	£12,507	£12,422	£16,403
Property income, received	£1,868	£1,653	£2,073	£1,869	£1,858	£3,436
Primary resources total	£18,320	£16,176	£16,912	£16,964	£17,100	£24,807
Property income, paid	£310	£234	£249	£246	£261	£415
Primary uses total	£310	£234	£249	£246	£261	£415
Balance of primary incomes	£18,010	£15,942	£16,664	£16,718	£16,839	£24,392
Imputed social contributions/Social benefits received	£5,260	£4,446	£5,136	£4,958	£4,941	£5,665
Other current transfers, received	£615	£540	£569	£557	£570	£632
Secondary resources total	£5,875	£4,985	£5,705	£5,515	£5,512	£6,297
Current taxes on income, wealth etc	£2,362	£1,844	£2,142	£2,148	£2,121	£3,721
Social contributions/Social benefits paid	£3,997	£3,929	£3,799	£3,861	£3,901	£4,725
Other current transfers, paid	£790	£700	£733	£723	£737	£810
Secondary uses total	£7,149	£6,473	£6,675	£6,732	£6,759	£9,256
Balance of secondary income	£-1,274	£-1,488	£-970	£-1,217	£-1,248	£-2,959
Gross Disposable Income	£16,735	£14,454	£15,694	£15,500	£15,591	£21,433