

Background

The 2007 Gross Value Added (GVA) data were released by the Office for National Statistics on 9th Dec 2009. The data for Cumbria covers the period to the end of 2007 and therefore does not include the period of economic instability which began during 2008.

GVA represents the incomes generated by economic activity within the UK economy 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).

Key Findings

The numbers paint a mixed picture for the county depending on the timescale over which we assess change and the geographical area we focus on. The bullet points below identify the key points of relevance to Cumbria:

- Total GVA for Cumbria in 2007 was £7,379m which is 6% of the NW total and 0.6% of the UK.
- Over the long term (1995-2007) Cumbria was the slowest growing of the 37 county-type areas in the UK, with an overall growth rate of 51.4% compared to 71.2% in the Northwest region and 90.5% for the UK as a whole.
- The growth rate for the county over the past 5 years (2002-2007) is 30.2% which is faster than the region (NW 24.4%) and the same as nationally (UK 30.2%) making Cumbria the 13th fastest growing county type area (out of 37) and the fastest in the NW.
- Since 2006 Cumbria has grown at 5.1% which is faster than the region (NW 4.6%) but a little slower than the UK (UK 5.5%) and is the 19th fastest in the UK (out of 37) and the fastest in the region.
- GVA per head of population in the county now stands at £14,848 compared with £16,967 in the NW and £20,430 in the UK. This is 74% of the UK average (unchanged from 2006).
- There is significant disparity in total GVA between East Cumbria (Carlisle, Eden, South Lakeland) and West Cumbria (Allerdale, Copeland, Barrow). Total GVA in 2007 in East Cumbria was £4,261 and in West Cumbria it was £3,117m.
- Over the long term (1995-2007) total GVA in East Cumbria has grown by 63.8% compared with 37.2% in West Cumbria. East Cumbria's growth rate since 1995 puts it 98th out of 133 sub county areas whilst West Cumbria's is the third slowest at 131st out of 133 sub-county areas.
- In the medium term (2002-2007) the growth rate for East Cumbria is 34.6% compared with 24.5% in West Cumbria making them 30th and 96th respectively (out of 133).
- Over the latest year (2006-2007) the gap in growth rates has narrowed almost completely and East Cumbria's growth rate stands at 5.2% while West Cumbria's is 5.1%. This ranks them as 63rd and 68th respectively out of 133 in the UK (5.5%) and puts both areas ahead of the NW (4.6%).
- GVA per head of population in East Cumbria now stands at £16,374 (82% of the UK average) while for West Cumbria it is £13,171 (66% of the UK average).

Summary

So, to summarise, measured over the long term Cumbria's economic productivity growth is slow but in the medium and short term, performance is improving with the county moving from being the slowest growing county over the long term to 19th (out of 37) for the most recent year.

More details can also be found here: www.statistics.gov.uk/statbase/Product.asp?vlnk=14650

For more information please contact Ginny Murphy – 01768 895363, ginnym@investincumbria.co.uk or Dan Bloomer – 01228 226684, Daniel.bloomer@cumbriacc.gov.uk. More reports and analysis can be found on the Cumbria Intelligence Observatory website – www.cumbriaobservatory.org.uk.