

UNLOCKING REGIONAL GROWTH

UNDERSTANDING THE DRIVERS OF PRODUCTIVITY
ACROSS THE UK'S REGIONS AND NATIONS

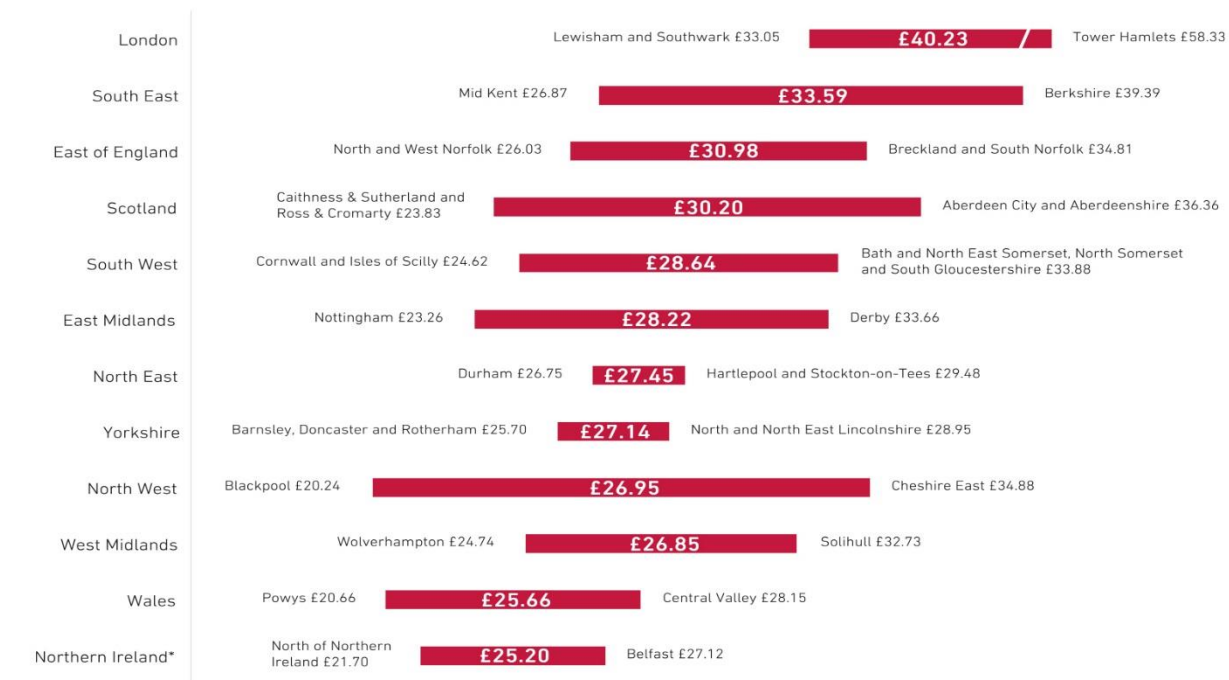
BIRMINGHAM
JULY 2017



There is almost as much variation in productivity within the regions and devolved nations as between them



Local productivity variation within the UK (GVA per hour)

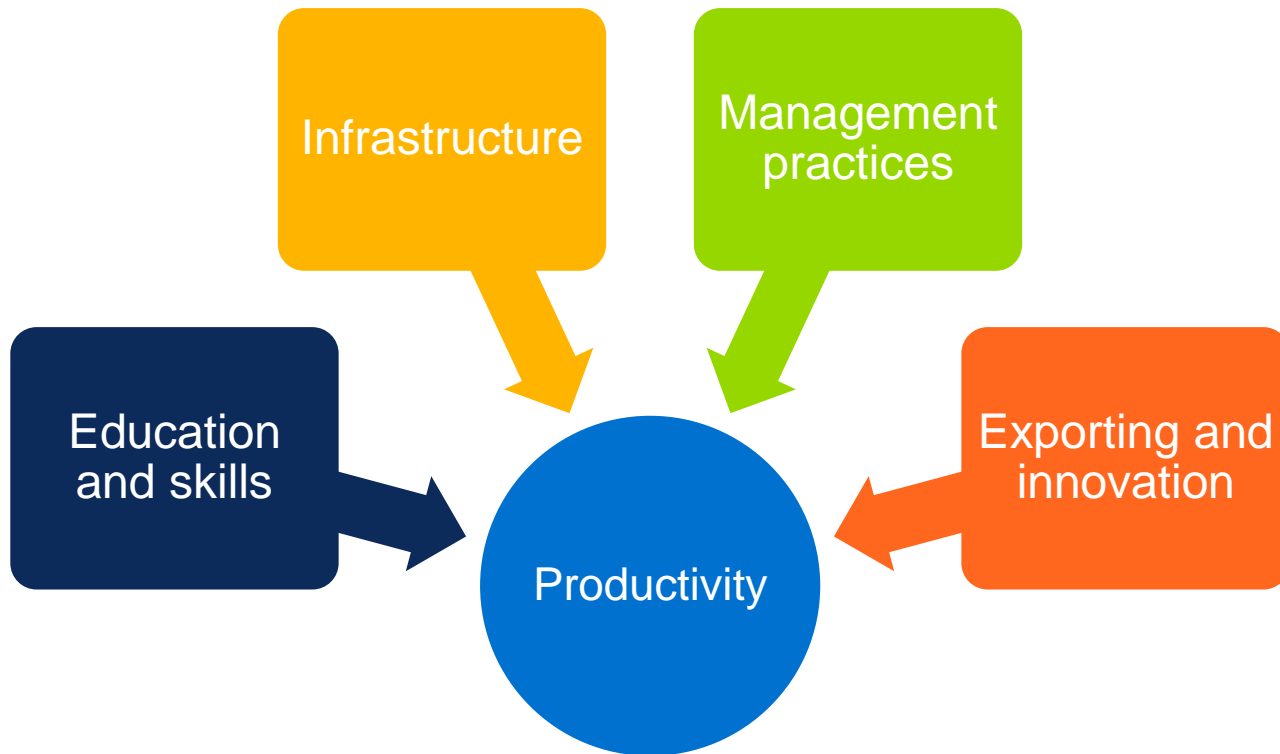


■ Regional/national average

* Northern Ireland NUTS3 figures are based on 2013 data for GVA per job filled and hours worked

SOURCE: ONS (2014)

Four main drivers of regional productivity



Reducing congestion within large cities could boost productivity



B: Results of reducing journey times by 50% by selected cities

City	Increase in population (million people)	Increase in productivity (%)
Liverpool	6.2	14%
Manchester	4.4	10%
Sheffield	3.8	9%
Leicester	3.6	8%
Leeds	3.3	7%
Nottingham	2.4	6%
Birmingham	2.3	5%
Bristol	1.7	3%
Edinburgh	1.4	2%
Newcastle	0.7	1%

SOURCE: Census, Postcode Sector to Sector data (XYZ maps)

Recommendation levels: ● H High priority ● M Medium priority ● L Low priority

Productivity

GVA per hour – percentiles



GVA per hour – £



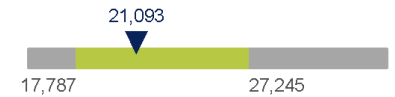
▼ Productivity in Birmingham is in the 28th percentile for the UK, meaning it is less productive than 72% of NUTS3 areas in the UK.

■ Productivity in Greater Birmingham and Solihull ranges between the 22nd to 76th percentiles in the UK.

■ Productivity range of all NUTS3 areas in the UK.¹

Economic outcomes²

GVA per head – £ per person



Employment rate – %



Participation rate – %



Average hours worked per week

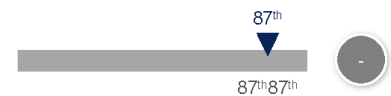


Education & skills

School outcomes



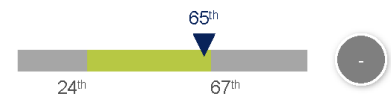
Business interaction with schools



In-work training



Share of graduates in the workforce

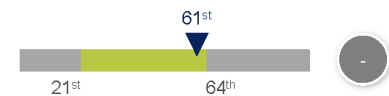


Business practices

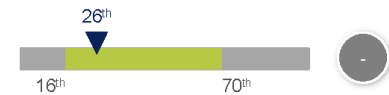
Business growth aspiration



Presence of high-growth firms



Exporting propensity

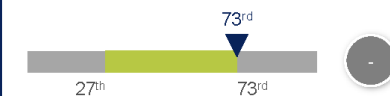


Turnover from innovative products

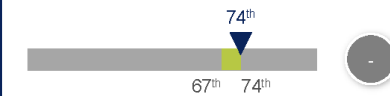


Infrastructure & connectivity

Mobile connectivity (4G)



Size of economic area (agglomeration)



Additional population within 30-45min commute time



2,318,416

¹ Outside England, special sub-regions have been created to capture economic ecosystems, approximating the geographical idea of the 39 LEPs in England.

² Economic outcomes are plotted on an absolute scale showing the 5th – 95th percentile of NUTS3 areas in the UK. Productivity drivers are plotted on a percentile scale of all NUTS3 areas in the UK.