Press Release
New data: ESCoE researchers release model-based estimates of regional growth from 1970 Q2 to 2018 Q3

20th November 2018

The Economic Statistics Centre of Excellence has published a new model which will be able to provide nowcasts of gross value added (GVA) for the UK regions. Estimates for economic growth in the regions of the UK are currently provided on an annual basis by the Office for National Statistics (ONS). Data for gross value added for the twelve NUTS1 regions of the UK are currently released each December. But these annual estimates are released with a delay of approximately one year. Thus the most recent data, released back in December 2017, provide estimates of regional growth up to 2016.

This means that even late in 2018, as we are now, the most up-to-date official information from the ONS that we have on growth in the regions of the UK is nearly two years old. The data also have a limited historical coverage, impeding analysis of historical patterns in regional economic growth.

These new data are produced to a similar timetable as the ONS produce their quarterly growth estimates for the UK. They therefore represent a significant improvement in the timeliness, frequency and historical coverage of data on regional economic growth. These regional growth estimates are consistent with the annual data for the regions and the quarterly data for the UK published by the ONS.

Stuart McIntyre, ESCoE researcher and lecturer at the University of Strathclyde said: "*It is hoped that these more timely and higher frequency estimates of regional growth will be of interest and use to policymakers and businesses across the UK. And we hope that the historical database will help inform additional research seeking to understand regional economic growth*".

2018 Q3 estimates

Following publication of the first quarterly estimate for UK economic growth in 2018Q3 by the ONS on 9th November, our model conditions on this number and estimates that, in real terms, regional GVA growth in the year ending in 2018 Q3 was:

Table 1: Gross value added (real terms) in year ending in 2018 Q3

	%
North East	0.83
Yorkshire and The Humber	1.06
East Midlands	1.32
East of England	1.24
London	1.80
South East	1.49
South West	1.51
West Midlands	1.02
North West	1.07
Wales	1.17
Scotland	1.29
Northern Ireland	1.41

Historical estimates, dating back to 1970 Q2, are available at https://www.escoe.ac.uk/regionalnowcasting/ .

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Technical notes:

These data provide estimates of regional economic growth which are consistent with ONS estimates for UK growth.

The model used to produce these data is described in full in the Discussion Paper available here: https://www.escoe.ac.uk/wp-content/uploads/2018/11/ESCoE-DP-2018-14.pdf

A non-technical summary of the work that has been undertaken to produce these results is available as an ESCoE blog: https://www.escoe.ac.uk/more-timely-and-more-frequent-regional-growth-estimates/

Regions in this context refer to the Nomenclature of Territorial Units for Statistics (NUTS) 1 regions of the UK.

Our model uses data on GVA rather than GDP, as GVA is the measure of economic growth available consistently at the regional level; and the growth rate of real GVA and real GDP are equivalent. The difference between GDP and GVA is explained here.

The estimates in Table 1 do not include the UK Continental Shelf.

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Notes for editors:

The ESCoE Discussion Paper (2018-14) is entitled "Regional Output Growth in the United Kingdom: More Timely and Higher Frequency Estimates, 1970-2017".

For media related requests, please contact the ESCoE Press Office:
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To discuss the model or Discussion Paper, please contact:
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The Economic Statistics Centre of Excellence (ESCoE) is an independent research centre funded by the Office for National Statistics (ONS). The ESCoE is made up of a consortium of leading institutions led by the National Institute of Economic and Social Research (NIESR) with King's College London, innovation foundation Nesta, University of Cambridge, Warwick Business School (University of Warwick) and Strathclyde Business School.

Further details of ESCoE's activities can be seen on http://www.escoe.ac.uk or by contacting escoeinfo@niesr.ac.uk Switchboard Telephone Number: +44 (0) 207 222 7665