

Gross Disposable Household Income (GDHI), 2019

Related documents

Information related to income and earnings in Kent can be found on our [Earnings & Income](#) webpage.

NOTE: In this bulletin 'Kent' refers to the Kent County Council area which excludes Medway Unitary Authority

Further Information

Kent Analytics
Kent County Council
Invicta House
Maidstone
Kent
ME14 1XQ

Email:
research@kent.gov.uk

Tel: 03000 417444

This bulletin presents the latest **Gross Disposable Household Income (GDHI) estimates published by the Office for National Statistics in 2021**. The most recent data is for the year **2019** and a timeseries from 1997 is presented. The **GDHI for Kent residents is compared to the regional and national average, along with other areas in the South East**.

Summary

- The total gross disposable income estimate for Kent in 2019 was £35,608m. This equates to £22,515 per resident.
- In Great Britain GDHI was estimated at £22,553 per person.
- Sevenoaks district had the highest GDHI per head in Kent (£31,654)
- Thanet had the lowest GDHI per head (£18,710) and the fourth lowest in the South East region.
- All Kent authorities saw an increase in disposable income per person since the previous year.

Introduction

Gross disposable household income (GDHI) represents the amount of money individuals have available to spend on goods and services, to save or invest, after taxes, National Insurance, pension contributions and interest have been paid.

Data used in the production of these estimates comes from a range of sources (e.g., Her Majesty's Revenue and Customs (HMRC) and the Ministry of Housing, Communities and Local Government (MHCLG). Information on the methodology used by the Office for National Statistics to calculate GDHI can be found on their [Regional Accounts webpages](#).

Gross disposable household income estimates are produced on a residence basis. This means that incomes of individuals are allocated to the area in which they live.

The latest estimates are at current basic prices and do not allow for changes in prices over time (inflation) or differences in regional price levels (purchasing power).

This bulletin presents total GDHI and GDHI per head of population for Kent and its 12 local authority districts. Statistics for the South East Region and national figures are presented for comparison.

The figures are provisional and the whole series is subject to later revision by the Office for National Statistics.

The 2020 estimates of gross disposable household income are due for release in Autumn 2022.

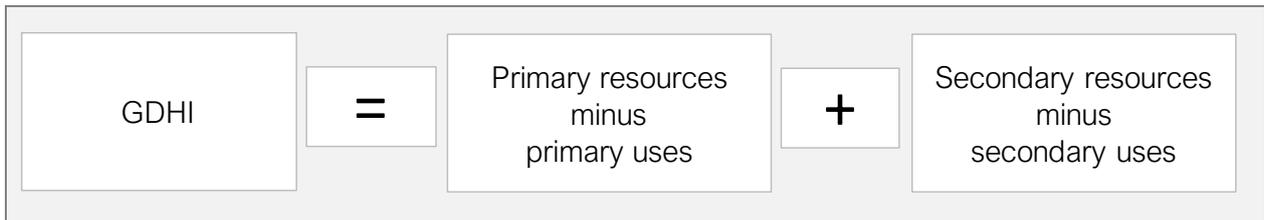
Gross disposable household income

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 income distribution measures (for example, taxes, social contributions and benefits) have taken effect.

GDHI estimates relate to totals for all individuals within an area rather than to an average household or family unit. The household sector comprises all individuals in an economy, including people living in traditional households as well as those living in institutions such as retirement homes and prisons.

GDHI is calculated by adding the balance of primary income (primary resources minus primary uses) and the balance of secondary income (secondary resources minus secondary uses). Resources are money coming in (e.g. earnings, income from assets) and

uses are money going out (e.g. taxes, pension contributions, interest on property loans, land rent).



Components of gross disposable household income

The components of GDHI are divided into two categories – Primary resources and uses and Secondary resources and uses.

Primary resources include:

- **Gross operating surplus** - the household sector account relates to the household sector's rental income from buildings, including the imputed rental of owner-occupier dwellings.
- **Mixed income** - mainly comprising income from self employment
- **Compensation of employees** - the remuneration payable by an employer to an employee in return for the services of labour. It includes wages and salaries in cash or income in kind (e.g. free board and lodging) and the social contributions (actual or imputed) paid by employers for the benefit of their employees (e.g. social security). Employers' social contributions are regarded as a part of employees' remuneration, although not paid to the employee directly. They may be actual or imputed and secure entitlements for the employee to social benefits
- **Property income received** - income from the ownership of financial assets and tangible non produced assets (land and sub-soil assets)

Primary uses include just one component:

- **Property income paid** - comprises interest (paid on consumer or housing loans) and rent on land.

Secondary resources include two sub-components:

- **Imputed social contributions** - those paid directly by employers to their current employees and/or former employees, as well as other eligible persons. Payments are made directly to the entitled individuals without involving a social security fund,

insurance enterprise, autonomous pension fund or the like. Social benefits other than social transfers in kind are divided into four sub-components: social security benefits in cash, privately funded benefits, unfunded employee social benefits and social assistance in cash.

- **Other current transfers received** - these are unrequited payments, with nothing received in exchange. In the household sector this comprises non-life insurance claims and miscellaneous current transfers.

Secondary uses include three sub-components:

- **Current taxes on income and wealth** - compulsory, unrequited payments made by the household sector to the government sector and are sub-divided into taxes on income and other current taxes
- **Social contributions/social benefits paid** - made by individuals to social insurance schemes to make provision for social benefits (for example, State Pension).
- **Other current transfers** - on the uses side of the allocation of secondary income account are sub-divided into non-life insurance premiums and miscellaneous current transfers.

Total GDHI

Table 1 shows the total GDHI in Kent, the South East and Great Britain as a whole.

Table 1: Total GDHI (£million)

| 2019 | Total GDHI (£ million) | % Share of total GB GDHI | Total GDHI 1 year % change 2018- 2019 | Total GDHI 5 year % change 2014- 2019 |
|------------|---------------------------|-----------------------------|--|--|
| Kent | 35,608 | 2.5% | 3.2% | 21.1% |
| South East | 226,888 | 16.2% | 3.0% | 20.7% |
| GB | 1,398,858 | 100% | 3.1% | 19.8% |

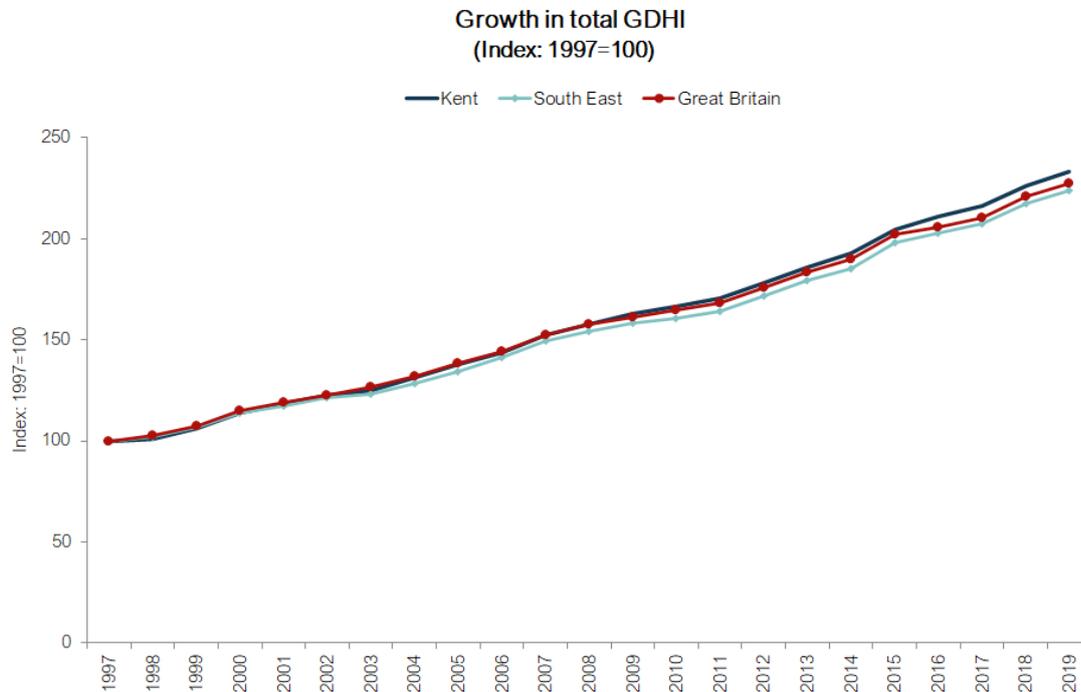
Source: ONS - Regional Accounts, Regional Gross Disposable Household Income (GDHI)

Presented by: Kent Analytics, Kent County Council

The total disposable household income for Kent residents in 2019 was £35,608 million and accounts for 2.5% of the total national GDHI. Over the last year Kent saw an increase in total disposable income slightly above the national and regional increase.

Total GDHI has grown steadily since 1997. Overall Kent total GDHI has grown at a slightly faster rate than seen regionally and nationally.

Chart 1: Growth in total GDHI (Index 1997=100).



Source: ONS Regional Accounts
Presented by: Kent Analytics, Kent County Council

Maidstone (£3,933m) and Sevenoaks (£3,822) districts had the highest total GDHI in Kent accounting for over a fifth of the total GDHI in Kent (22%).

The lowest GDHI was in Gravesham (£2,210m).

All Kent districts saw an increase in GDHI over recent years.

Over the last year Dartford and Tunbridge Wells districts saw the highest percentage growth in total GDHI (+5.6% and +5.1% respectively). Dartford saw the biggest five year percentage increase increasing by 28.3% since 2014.

Canterbury (+17.9%), Thanet (+18.3%), Sevenoaks (+19.0%) and Folkestone & Hythe (+19.2%) saw five year GDHI growth below the national average change of 19.8%.

Table 2: Total GDHI in Kent districts

| 2019 | Total GDHI (£ million) | % Share of total Kent GDHI | Total GDHI 1 year % change 2018- 2019 | Total GDHI 5 year % change 2014- 2019 |
|-----------------------|---------------------------|----------------------------------|--|--|
| Ashford | 2,856 | 8.0% | 2.0% | 20.0% |
| Canterbury | 3,247 | 9.1% | 2.7% | 17.9% |
| Dartford | 2,529 | 7.1% | 5.6% | 28.3% |
| Dover | 2,358 | 6.6% | 3.5% | 19.8% |
| Folkestone & Hythe | 2,312 | 6.5% | 2.8% | 19.2% |
| Gravesham | 2,210 | 6.2% | 2.3% | 22.0% |
| Maidstone | 3,933 | 11.0% | 3.7% | 20.8% |
| Sevenoaks | 3,822 | 10.7% | 0.9% | 19.0% |
| Swale | 2,965 | 8.3% | 4.0% | 25.4% |
| Thanet | 2,655 | 7.5% | 2.7% | 18.3% |
| Tonbridge and Malling | 3,337 | 9.4% | 3.6% | 22.9% |
| Tunbridge Wells | 3,384 | 9.5% | 5.1% | 21.6% |
| Kent | 35,608 | 100% | 3.2% | 21.1% |

Source: ONS - Regional Accounts, Regional Gross Disposable Household Income (GDHI)
Presented by: Kent Analytics, Kent County Council

GDHI per head

By calculating GDHI per head of population this enables us to compare areas of differing size.

Table 3 shows the GDHI per head for Kent, the South East and Great Britain in 2019. GDHI per head in Kent was higher than was seen nationally but lower than the regional estimate for the South East.

Over the last year Kent saw a smaller increase in GDHI per head (+2.4%) than was seen both regionally and nationally.

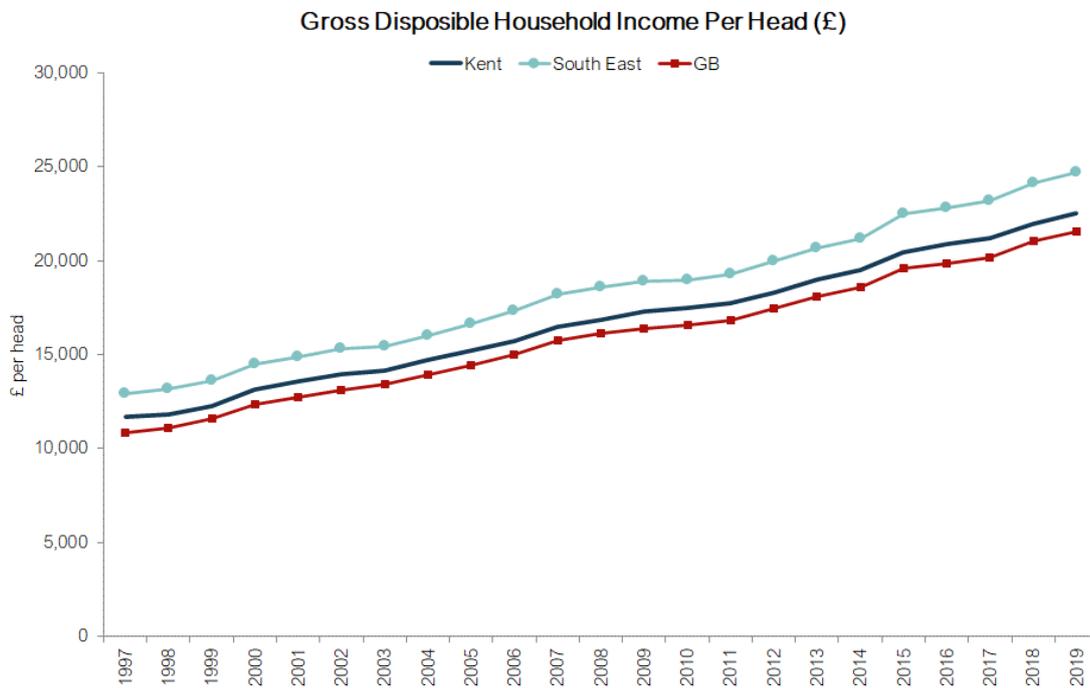
Table 3: GDHI per head

| 2019 | GDHI per head (£) | GDHI per head 1 year % change 2018-2019 | GDHI per head 5 year % change 2014-2019 |
|------------|----------------------|---|---|
| Kent | 22,515 | 2.4% | 15.6% |
| South East | 24,715 | 2.5% | 16.7% |
| GB | 21,553 | 2.5% | 15.8% |

Source: ONS - Regional Accounts, Regional Gross Disposable Household Income (GDHI)
Presented by: Kent Analytics, Kent County Council

Overall GDHI per head has grown steadily. Kent is always slightly below the regional average but always higher than is seen nationally.

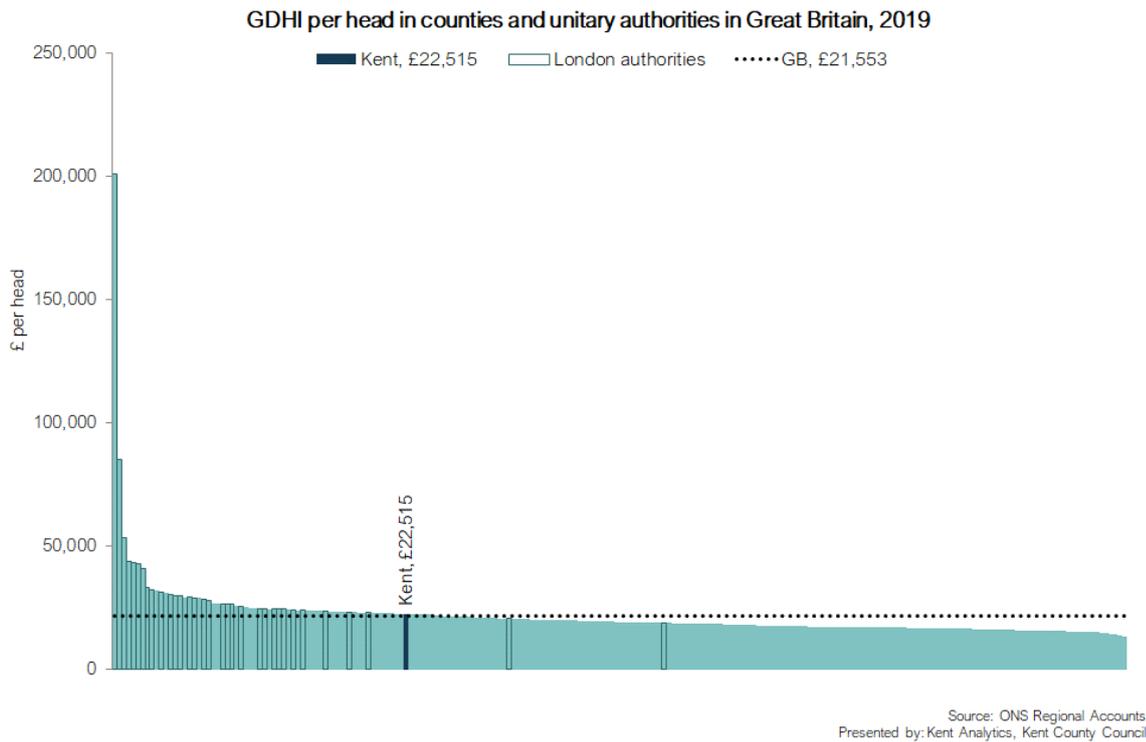
Chart 2: GDHI per head, 1997 to 2017



Source: ONS Regional Accounts
Presented by: Kent Analytics, Kent County Council

Chart 3 overleaf shows Kent's position in relation to other counties and unitary authorities in Great Britain in 2019.

Chart 3: GDHI per head in county and unitary authorities



The highest GDHI per head was seen in City of London (£200,903 per person). This is significantly higher than anywhere else in Great Britain, largely due to the very high GDHI and the relative low resident population. Three quarters of the top 20% of authorities with the highest GDHI per head are authorities within the London region.

Kent compares well to other counties and unitary authorities sitting within the top 30% of all authorities in the country with the highest GDHI per head.

When looking at the local authorities within Kent Sevenoaks district had the highest GDHI per head in the county (£31,654) although the district saw the smallest change since the previous year (+0.5%).

All districts saw an increase in disposable income since the previous year. Tunbridge Wells saw the largest actual and percentage increase (+£1,217, +4.5%).

Sevenoaks saw the largest five year increase (+£4,342 per person) while Gravesham saw the biggest percentage increase (+19.6%).

Table 4: GDHI per head in Kent districts

| 2019 | GDHI per head (£) | GDHI per head 1 year % change 2018-2019 | GDHI per head 5 year % change 2014-2019 |
|-----------------------|-------------------|---|---|
| Ashford | 21,967 | 1.5% | 13.7% |
| Canterbury | 19,631 | 2.2% | 12.0% |
| Dartford | 22,459 | 2.8% | 16.2% |
| Dover | 19,964 | 2.4% | 14.8% |
| Folkestone & Hythe | 20,461 | 2.5% | 15.4% |
| Gravesham | 20,665 | 1.8% | 19.6% |
| Maidstone | 22,888 | 2.5% | 13.5% |
| Sevenoaks | 31,654 | 0.5% | 15.9% |
| Swale | 19,753 | 2.9% | 17.7% |
| Thanet | 18,710 | 2.7% | 15.5% |
| Tonbridge and Malling | 25,249 | 2.3% | 15.9% |
| Tunbridge Wells | 28,503 | 4.5% | 19.3% |
| Kent | 22,515 | 2.4% | 15.6% |

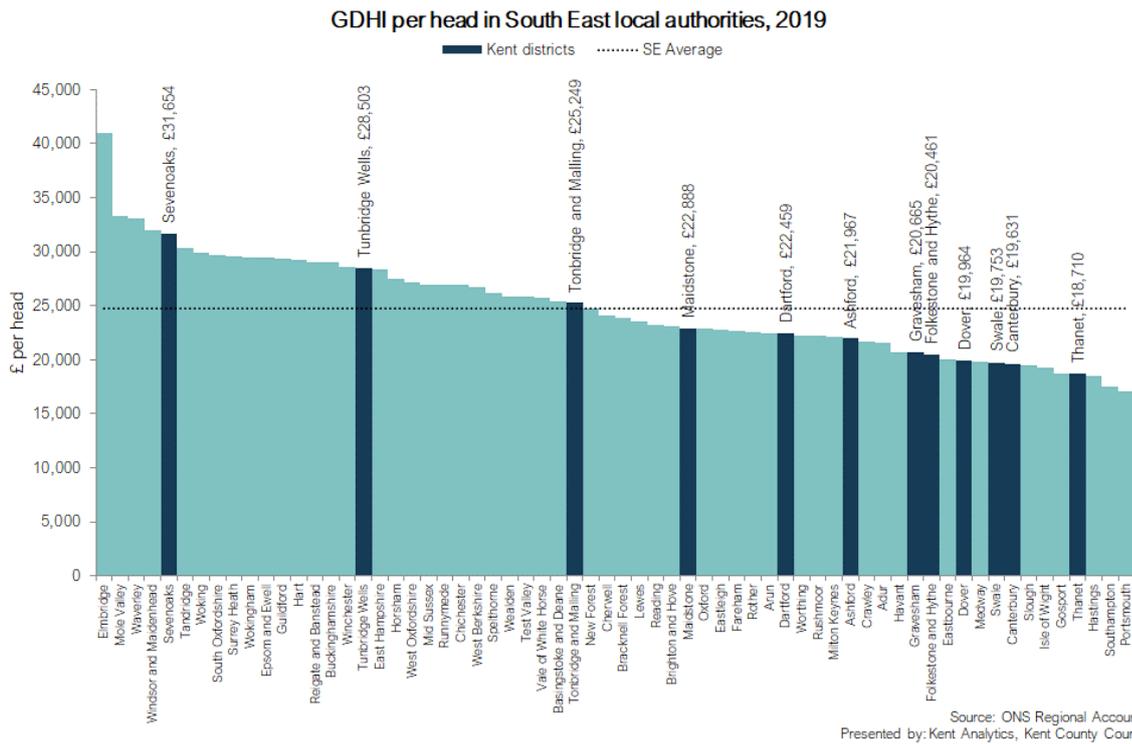
Source: ONS - Regional Accounts, Regional Gross Disposable Household Income (GDHI)
Presented by: Kent Analytics, Kent County Council

Chart 4 overleaf shows the position of Kent districts compared to other authorities in the South East region.

Sevenoaks was the only Kent district to be within the top 20% of authorities in the South East with the highest GDHI per head, while five districts (Folkestone & Hythe, Dover, Swale, Canterbury and Thanet) were within the 20% with the lowest disposable income per person.

Three districts (Sevenoaks, Tunbridge Wells and Tonbridge & Malling) had GDHI per person above the South East average. Thanet has the fourth lowest GDHI per head in the region.

Chart 4: GDHI per head in South East local authorities



Components of GDHI

GDHI can be broken down into its component parts, showing household income and outgoings. These are used to calculate the total GDHI.

Income is separated into primary and secondary resources.

Primary resources includes income from property rental, income from self employment, income from employment and income from assets such as land.

Secondary resources includes income from benefits and miscellaneous payments.

Outgoings are also separated into two uses.

Primary uses includes interest on consumer or housing loans and rent on land.

Secondary uses includes taxes on income, social contributions and miscellaneous payments.

Table 5 shows the total monetary components of gross disposable household income of residents in Kent for 2019.

Table 5: Components of GDHI in Kent

| Kent 2019 | | | £ (m) | £ per head |
|--------------|---------------------|---|---------------|---------------|
| Incoming | Primary Resources | Operating surplus | 5,330 | 3,370 |
| | | Mixed income | 3,677 | 2,325 |
| | | Compensation of employees | 26,309 | 16,635 |
| | | Property income received | 5,762 | 3,643 |
| | Secondary Resources | Imputed social contributions/Social benefits received other than social transfers in kind | 9,479 | 5,993 |
| | | Other current transfers received | 981 | 621 |
| Outgoing | Primary uses | Property income paid | 684 | 516 |
| | Secondary uses | Current taxes on income and wealth | 6,423 | 4,061 |
| | | Social contributions/Social benefits paid | 7,433 | 4,700 |
| | | Other current transfers paid | 1,258 | 796 |
| Total | | Disposable income | 35,608 | 22,515 |

Source: ONS - Regional Accounts, Regional Gross Disposable Household Income (GDHI)

Note: Figures may not sum due to rounding at source

Presented by: Kent Analytics, Kent County Council

Chart 5 shows that Kent had a higher income in 2019 than was seen nationally (14.1% higher) it was lower than the South East average (10.9% lower). However, while the South East total income was higher outgoings were also higher than seen in Kent (13.5% higher).

Chart 5: Components of GDHI per head