



March 2019

1. Introduction

The Department for Culture, Media and Sport (DCMS) has just issued its second annual breakdown of Regional Gross Value Added (GVA), comparing the GVA between 2010 and 2017 for the: DCMS sectors, creative industries, cultural and digital sectors in each UK Region.

The North East Culture Partnership has analysed this DCMS statistical release to: investigate the trends in these sectors in the North East over time; compare with the GVA in other UK regions, and with the GVA for all North East sectors.

2. Executive summary

- (i) The North East's **digital sector** was worth £3.1 bn GVA in 2017. At 48.9%, this NE sector showed the **highest regional % increase in GVA from 2010** – ahead of London's 46.2% increase. This increase was particularly helped by the £1bn increase in GVA for telecommunications.
- (ii) The North East's **DCMS sector** was worth £4.426 bn in 2017 and grew 2.2 times faster than the GVA for all the sectors in this region (21.4%). The DCMS sector showed a 46.1% increase in GVA since 2010, and second only to London's 58% increase. This increase was particularly helped by the £1bn increase in GVA for telecommunications.
- (iii) The North East's **Creative Industries** were worth £1.025 bn of GVA in 2017 and showed a 50% increase from 2010 – the fourth highest increase in GVA in the UK.
- (iv) The North East's **Culture Sector** was worth £232m of GVA in 2017, which places the North East seventh in the regional list. The culture sector accounted for 0.43% of the North East's GVA in 2017.

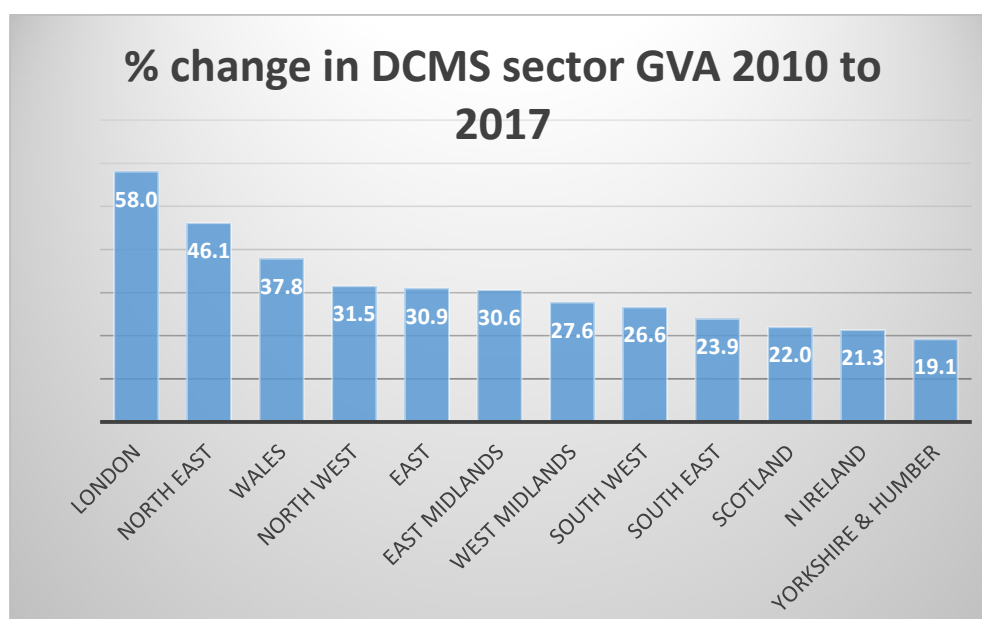
DCMS sector GVA in the North East grew 2.2 times faster than the GVA for the total UK economy in this region

3. Regional GVA by sector

Department for Culture, Media and Sport sector

Between 2010 and 2017, the North East's DCMS sector had the second highest GVA increase in the UK, at 46.1% (215% more than the GVA increase for all other NE sectors of 21.4%); second to London's DCMS GVA increase of 58%. DCMS sectors accounted for 7.9% of the North East's GVA in 2017, and grew from position 11 in total GVA out of the 12 UK regions, to position 9 in total GVA (£m) during this time.

Region	GVA DCMS sector in 2010 (£m)	GVA DCMS sector in 2017 (£m)	% change in DCMS sector GVA 2010 to 2017	% change to GVA (all sectors)
London	45,277	71,556	58.0	40.3
North East	2,907	4,246	46.1	21.4
Wales	2,685	3,701	37.8	28.6
North West	10,177	13,383	31.5	25.6
East	9,781	12,807	30.9	29.5
East Midlands	5,088	6,643	30.6	28.2
West Midlands	7,344	9,374	27.6	4.8
South West	7,154	9,057	26.6	24.2
South East	26,998	33,455	23.9	27.7
Scotland	7,356	8,971	22.0	26.1
N Ireland	1,874	2,272	21.3	28.0
Yorkshire & Humber	5,875	6,999	19.1	22.4

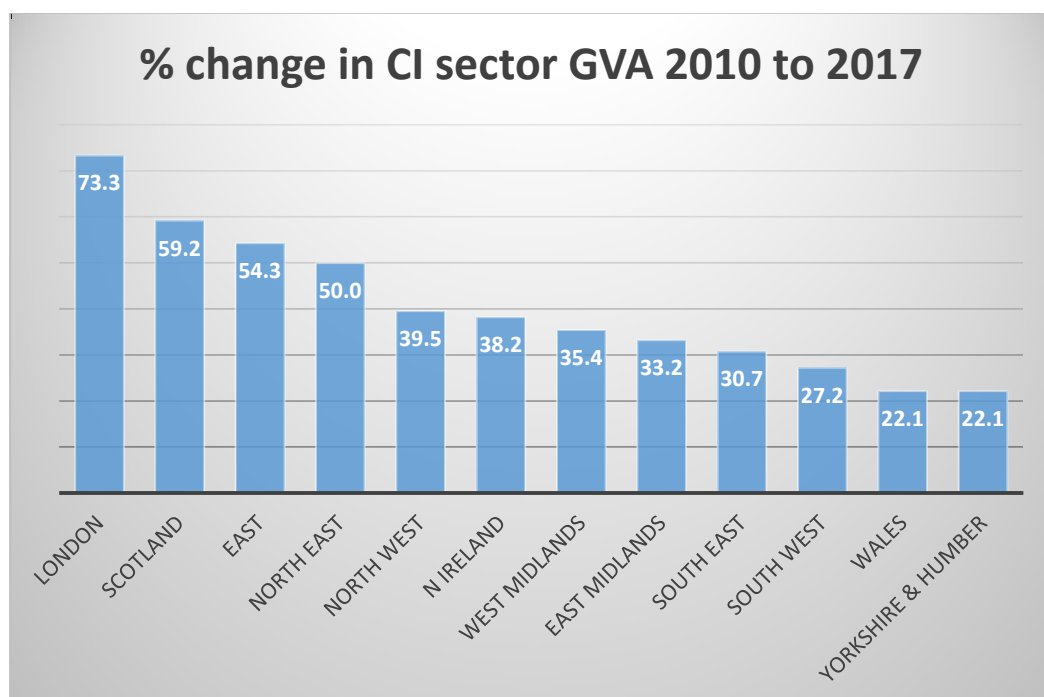


Creative Industries

The Creative Industries were worth £1.025 bn of GVA to the North East in 2017 and showed a 50% increase from 2010 – the fourth highest increase in GVA in the UK. The creative industries accounted for 1.9% of the North East’s GVA in 2017.

Creative industries

Region	GVA CI sector in 2010 (£m)	GVA CI sector in 2017 (£m)	% change in CI sector GVA 2010 to 2017	% change to GVA (all sectors)
London	30,134	52,225	73.3	40.3
Scotland	2,523	4,015	59.2	26.1
East	3,933	6,067	54.3	29.5
North East	684	1,025	50.0	21.4
North West	4,181	5,832	39.5	25.6
N Ireland	788	1,088	38.2	28.0
West Midlands	2,758	3,733	35.4	4.8
East Midlands	1,841	2,452	33.2	28.2
South East	12,936	16,913	30.7	27.7
South West	3,288	4,182	27.2	24.2
Wales	914	1,117	22.1	28.6
Yorkshire & Humber	2,356	2,877	22.1	22.4



Culture Sector

The Culture Sector was worth £232m of GVA to the North East in 2017, which places the North East seventh in the regional list. The culture sector accounted for 0.43% of the North

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Culture sector

Region	GVA Culture sector 2010 (£m)	GVA Culture sector 2017 (£m)	% change Culture sector GVA 2010 to 2017	% change to GVA (all sectors)
North West	857	1,272	48.4	25.6
London	13,564	20,082	48.1	40.3
East	780	1,030	32.0	29.5
Scotland	850	1,094	28.6	26.1
West Midlands	621	797	28.3	4.8
South East	1,873	2,331	24.4	27.7
North East	200	232	16.3	21.4
East Midlands	394	425	7.8	28.2
South West	853	918	7.6	24.2
Wales	449	473	5.3	28.6
Yorkshire & Humber	568	586	3.3	22.4
N Ireland	273	241	-11.7	28.0

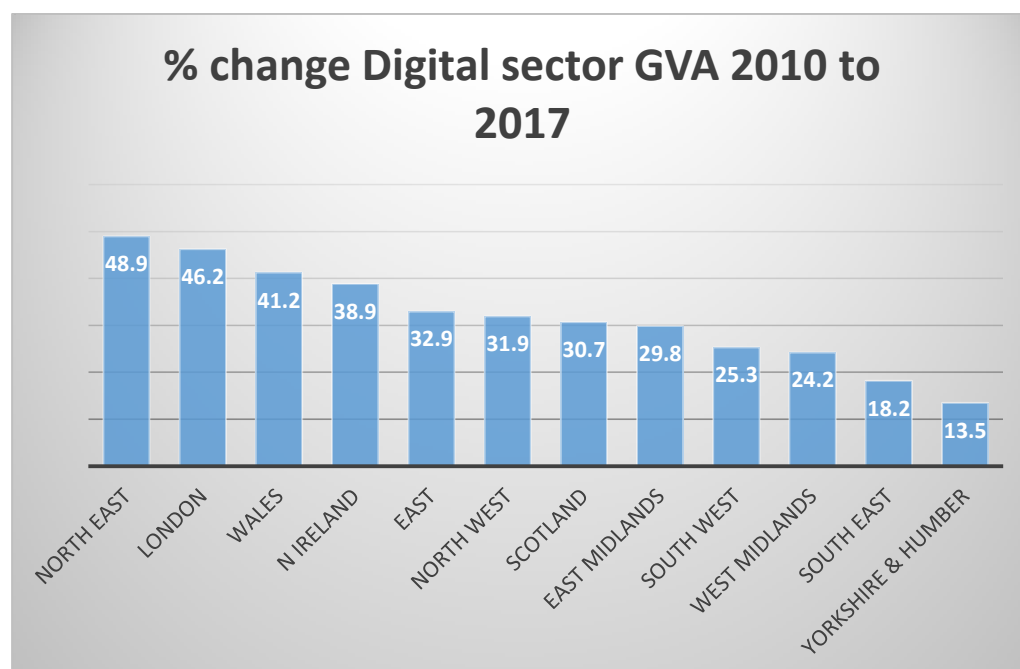


Digital sector

The digital sector was worth £3.1bn in 2017 and accounted for 5.84% of the North East's GVA. This means that the **North East's digital sector's GVA has shown the highest**

regional increase, at 48.9%, ahead of London's 46.2 increase. The digital sector accounted for 4.76% of the North East's GVA in 2017.

Region	GVA Digital sector 2010 (£m)	GVA Digital sector 2017 (£m)	% change Digital sector GVA 2010 to 2017	% change to GVA (all sectors)
North East	2,110	3,143	48.9	21.4
London	34,831	50,932	46.2	40.3
Wales	1,812	2,559	41.2	28.6
N Ireland	1,082	1,503	38.9	28.0
East	6,894	9,165	32.9	29.5
North West	6,909	9,114	31.9	25.6
Scotland	4,508	5,889	30.7	26.1
East Midlands	3,277	4,255	29.8	28.2
South West	4,990	6,252	25.3	24.2
West Midlands	5,109	6,345	24.2	4.8
South East	22,625	26,741	18.2	27.7
Yorkshire & Humber	4,023	4,565	13.5	22.4

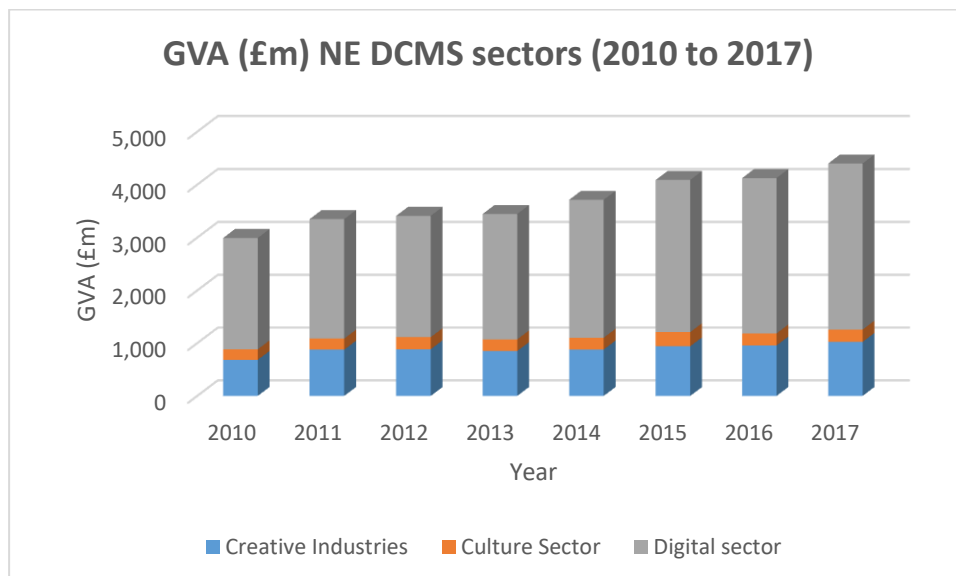


Analysing this data in more detail, the the repair of computers and communication equipment showed the largest % increase at 691.65%, followed by the 94.26% increase in the GVA for the telecoms sub-sector of digital – which doubled the GVA for this sub-sector from £1bn to £2bn. The North East generated 6.6% of the UK's GVA for the telecoms sector in 2017, worth 4% of the region's total GVA in 2017.

Digital sub-sectors in North East	GVA 2010 (£m)	GVA 2017 (£m)	Difference	%
Manufacturing of electronics and computers	151	61	-90	-59.42
Wholesale of computers and electronics	41	41	0	-0.68
Publishing (excluding translation and interpretation activities)	96	86	-10	-10.09
Software publishing	0.00	12	12	
Film, TV, video, radio and music	60	78	18	29.52
Telecoms	1,114	2,164	1,050	94.26
Computer programming, consultancy and related activities	473	562	89	18.92
Information service activities	168	70	-98	-58.24
Repair of computers and communication equipment	9	68	60	691.65
Digital Sector	2,110	3,143	1,032	48.92

Summary of GVA in North East DCMS sub-sectors 2010 to 2017

North East DCMS Sectors GVA (£m)	2010	2011	2012	2013	2014	2015	2016	2017	% increase 2010 to 2017
All DCMS sectors (excl. Tourism and Civil Society)	2,907	3,343	3,317	3,298	3,624	4,060	4,053	4,246	46.1
Creative Industries	684	878	852	852	881	943	957	1,025	50.0
Culture Sector	200	209	229	221	223	268	228	232	16.3
Digital sector	2,110	2,263	2,297	2,374	2,611	2,878	2,940	3,143	48.9
% NE DCMS sectors GVA/Total NE GVA	6.6	7.4	7.1	7.0	7.4	8.0	7.9	7.9	
% NE Creative Industries GVA/Total NE GVA	1.5	1.9	1.8	1.8	1.8	1.9	1.9	1.9	
% NE Culture Sector GVA/Total NE GVA	0.5	0.5	0.5	0.5	0.5	0.5	0.4	0.4	
% NE Digital Sector GVA/Total NE GVA	4.8	5.0	4.9	5.0	5.3	5.7	5.7	5.8	
GVA of all sectors in North East	44,344	45,381	46,454	47,342	49,093	50,661	51,625	53,825	



Information sources

Gross Value Added (GVA) in DCMS sectors

Source: DCMS sectors economic estimates

Link: <https://www.gov.uk/government/statistics/dcms-sectors-economic-estimates-2017-regional-gva>

Latest data: 2017

Measure: *GVA is the measure of the value of goods and services produced in an area, industry or sector of the economy.*

Notes:

(i) The time series data has been updated back to 2010 as per the figures in this latest DCMS release, which express GVA in current prices.

(ii) The exact figures for the GVA in each of 2010 and 2017 have been used - so the % increase calculations in this report use these figures, rather than just the 2 decimal place figures in this report.

Definitions

The total figures for the DCMS sectors include: creative industries, cultural sector, digital sector, gambling, sport and telecoms and exclude those for tourism and civil society.

All GVA estimates are shown in current prices (i.e.: not adjusted for inflation).