

## Gross Disposable Household Income (GDHI), 2017

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This bulletin presents the latest Gross Disposable Household Income (GDHI) estimates published by the Office for National Statistics in 2019. The most recent data is for the year 2017 but a time series 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.

**Gross Disposable Household Income** represents the amount of money individuals have to spend on goods and services, to save or invest, after taxes, National Insurance, pension contributions and interest have been paid

### Further information

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### Summary

- The total gross disposable household income estimate for Kent was £32,202 million in 2017. This equates to £20,714 per resident, an increase of 2.0% from the previous year.
- In Great Britain GDHI was estimated at £19,622 per person
- Tunbridge Wells has the highest GDHI per head in Kent (£25,957)
- All Kent districts saw an increase in disposable income per person since last year
- Thanet district has the lowest GDHI per head in Kent (£17,577)

## Introduction

Gross disposable household income (GDHI) represents the amount of money individuals have 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. HMRC, 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.

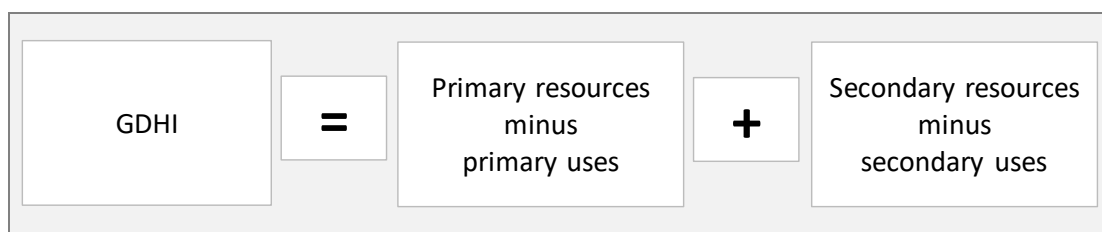
The 2018 estimates of gross disposable household income are due for release in May 2020.

## 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.

The total disposable household income for Kent residents in 2017 was £32,202 million and accounts for 2.6% of the total national GDHI. Over the last year Kent saw an increase in total disposable income above the national and regional increase.

**Table 1: Total GDHI (£million)**

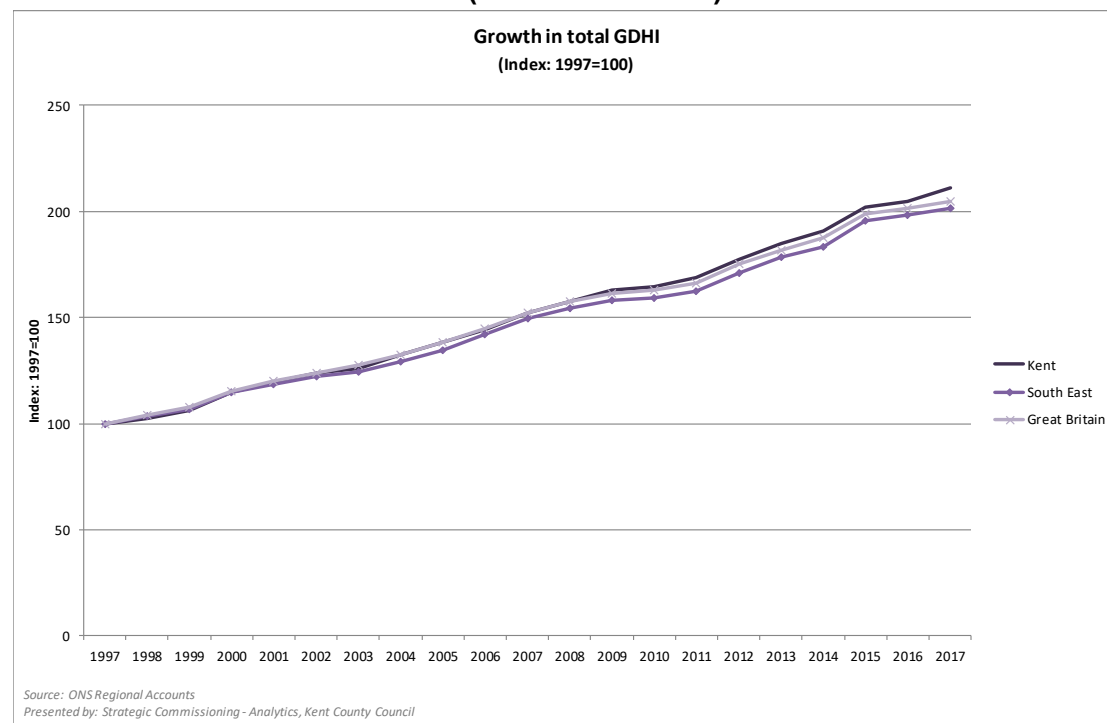
			Total GDHI 1 year % change	Total GDHI 5 year % change
2017	Total GDHI (£ million)	% Share of total GB GDHI	2016-2017	2012-2017
Kent	32,202	2.6	2.96	19.0
South East	204,934	16.3	1.8	17.8
GB	1,259,119	100	1.6	16.9

Source: ONS

Presented by: Strategic Commissioning - Analytics, Kent County Council

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).**



Maidstone, Tonbridge & Malling and Canterbury districts had the highest total GDHI in Kent, accounting for almost a third of the total GDHI in Kent.

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

Over the last year Ashford and Maidstone districts saw the highest percentage growth in total GDHI (+3.1% each). Dartford saw the biggest five year percentage increase increasing by 15.2% since 2012.

**Table 2: Total GDHI in Kent districts**

	Total GDHI	% Share of	Total GDHI 1	Total GDHI 5
	(£ million)	total Kent	year % change	year % change
2017		GDHI	2016-2017	2012-2017
Ashford	2,647	8.2	3.1	12.7
Canterbury	3,130	9.7	2.4	13.9
Dartford	2,134	6.6	2.0	15.2
Dover	2,076	6.4	2.3	13.2
Folkestone & Hythe	2,014	6.3	3.0	12.3
Gravesham	1,999	6.2	1.5	13.8
Maidstone	3,581	11.1	3.1	12.7
Sevenoaks	3,063	9.5	0.8	12.1
Swale	2,703	8.4	1.5	12.5
Thanet	2,484	7.7	2.5	12.8
Tonbridge and Malling	3,307	10.3	1.4	14.9
Tunbridge Wells	3,064	9.5	1.2	14.5
<b>Kent</b>	<b>32,202</b>	<b>100.0</b>	<b>2.0</b>	<b>13.3</b>

Source: ONS

Presented by: Strategic Commissioning - 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 2017. 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 bigger increase in GDHI per head (+2.0%) than was seen both regionally and nationally.

**Table 3: Total GDHI in Kent districts**

2017	GDHI per head (£)	GDHI per head 1	GDHI per head 5
		year % change	year % change
		2016-2017	2012-2017
Kent	20,714	2.0	13.3
South East	22,568	1.3	13.2
GB	19,622	1.0	12.8

Source: ONS

Presented by: Strategic Commissioning - 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.

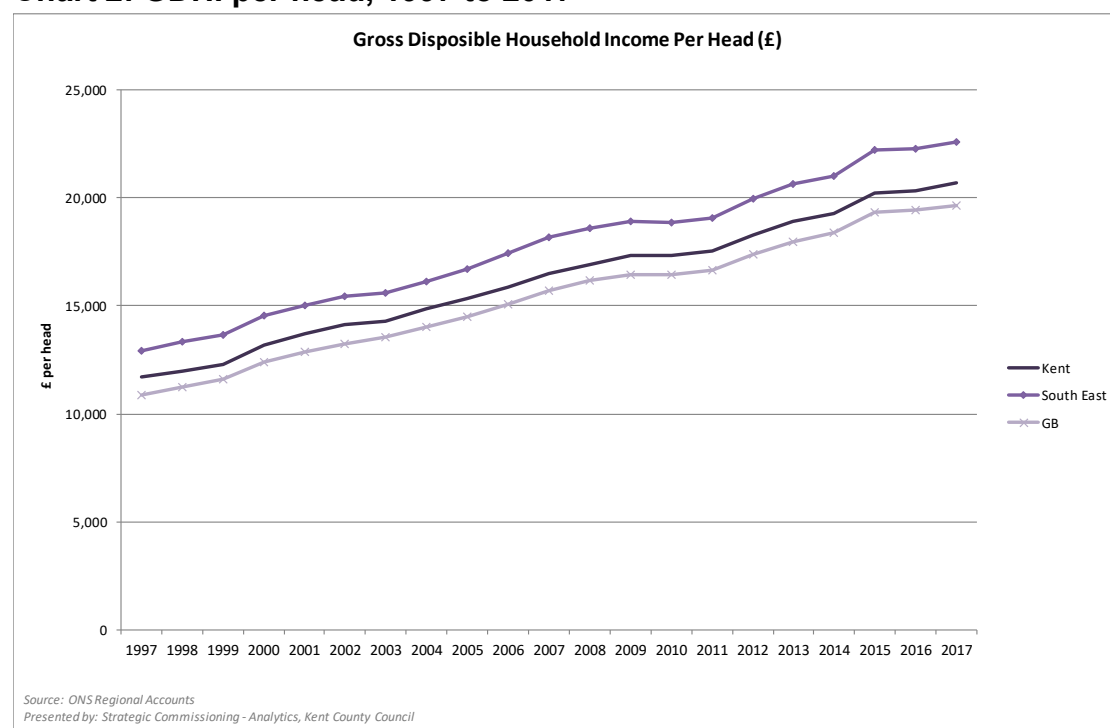
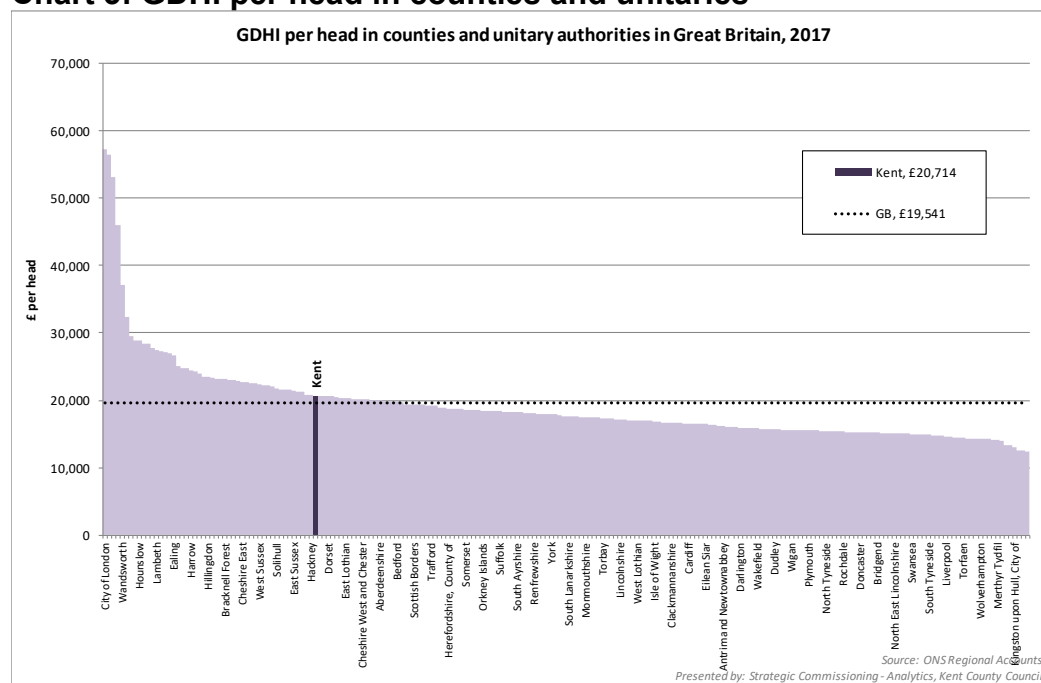
**Chart 2: GDHI per head, 1997 to 2017**

Chart 3 shows Kent's position in relation to other counties and unitary authorities in Great Britain in 2017.

Kent compares well to other counties and unitary authorities sitting within the top 25% of all authorities in the country with the highest GDHI per head.

**Chart 3: GDHI per head in counties and unitaries**



Tunbridge Wells district had the highest GDHI per head in Kent (£25,957). All districts saw an increase in disposable income since the previous year.

Ashford and Maidstone saw the largest percentage increase (+3.1% each) and districts in East Kent saw a bigger one year percentage increase in GDHI per head than the 2.0% average for Kent as a whole.

Tonbridge & Malling saw the largest five year increase (+£3,325 per person).

**Table 4: GDHI per head in Kent districts**

2017	GDHI per head (£)	GDHI per head 1 year % change 2016-2017	GDHI per head 5 year % change 2012-2017
Ashford	20,754	3.1	12.7
Canterbury	19,072	2.4	13.9
Dartford	19,848	2.0	15.2
Dover	17,926	2.3	13.2
Folkestone & Hythe	18,072	3.0	12.3
Gravesham	18,841	1.5	13.8
Maidstone	21,348	3.1	12.7
Sevenoaks	25,648	0.8	12.1
Swale	18,425	1.5	12.5
Thanet	17,577	2.5	12.8
Tonbridge and Malling	25,661	1.4	14.9
Tunbridge Wells	25,957	1.2	14.5
<b>Kent</b>	<b>20,714</b>	<b>2.0</b>	<b>13.3</b>

Source: ONS

Presented by: Strategic Commissioning - Analytics, Kent County Council

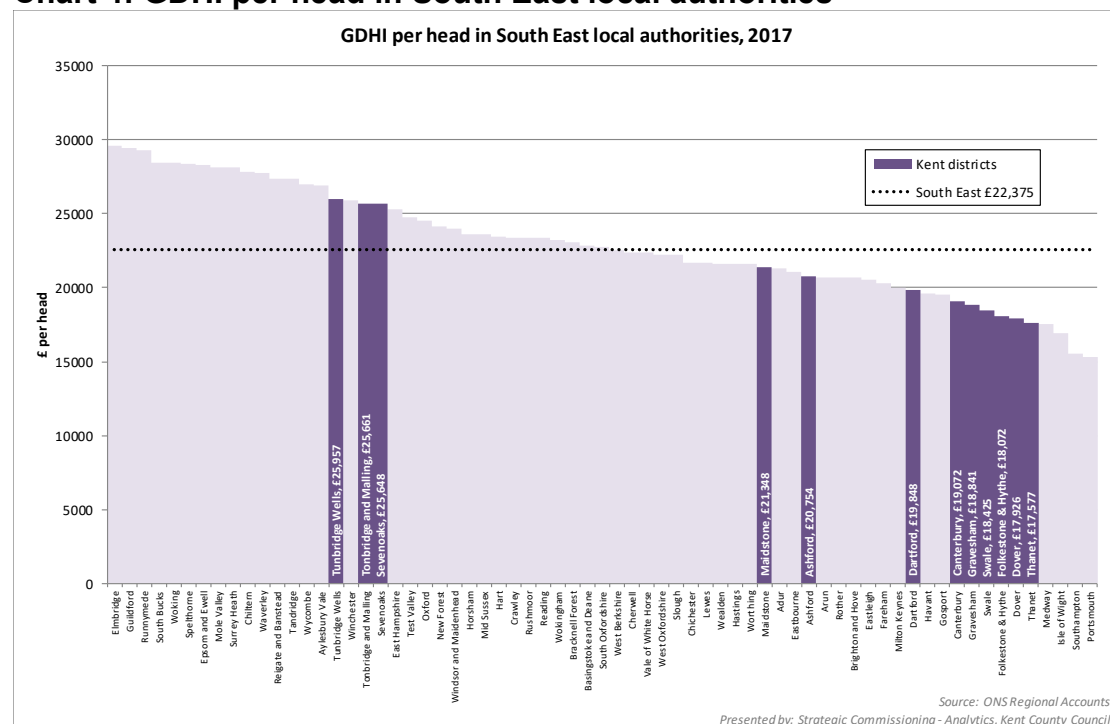


Chart 4 shows the position of Kent districts compared to other authorities in the region.

No Kent district was within the top 20% of authorities in the South East with the highest GDHI per head, while seven districts (Dartford, Canterbury, Gravesham, Swale, Folkestone and Hythe, Dover and Thanet) were within the 20% with the lowest disposable income per person.

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

Table 5 shows the total monetary components of gross disposable household income of residents in Kent for 2017.

**Table 5: Components of GDHI in Kent**

Kent 2017			£ (m)	£ per head
Incoming	Primary Resources	Operating surplus	4,658	2,996
		Mixed income	3,202	2,060
		Compensation of employees	24,239	15,592
		Property income received	5,353	3,443
	Secondary Resources	Imputed social contributions/Social benefits received other than social transfers in kind	8,819	5,673
		Other current transfers received	849	546
Outgoing	Primary uses	Property income paid	506	326
	Secondary uses	Current taxes on income and wealth	5,887	3,787
		Social contributions/Social benefits paid	7,026	4,519
		Other current transfers paid	1,498	963
	Total	Disposable income	32,202	20,714

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

Note: Figures may not sum due to rounding at source

Presented by: Strategic Commissioning - Analytics, Kent County Council

Chart 5 shows the components of GDHI per head of population for residents in Kent, the South East Region and Great Britain in 2017.

Kent had a higher income than was seen nationally (14.7% higher) it was significantly lower than the South East average (10.1% lower). However, while the South East total income was 10.1% higher outgoing incomes were also higher than seen in Kent (12.5%).

**Chart 5: Components of GDHI per head**

