

# Annex A: Glossary of terms

Table A-1: Economic terms used in the Hampshire Economic Assessment

Term	Definition
Constant prices	A stock of assets is expressed at constant prices when all members of the stock are valued at the prices of a single base period. This means that any changes are “real” – not just the result of inflation
Current prices	Output and intermediate consumption valued at the prices which were current at the time the production took place (i.e. no adjustment is made for inflation)
Economic activity rate (sometimes “activity rate”)	Proportion of the working age population that is economically active
Economically active	People aged 16 or over who are either in employment or unemployed
Economically inactive	People who are neither in employment nor unemployed  These include those who want a job but have not been seeking work in the last four weeks, those who want a job and are seeking work but not available to start, and those who do not want a job
Employee jobs	Employee jobs are estimated in dialogue with employers. To establish total workforce jobs, there is a need to add self employment jobs, HM Forces and government supported trainees
Employment rate	The number of people in employment expressed as a percentage of the relevant population. For example, the working-age employment rate is the number of people in employment aged 16–59/64 as a percentage of the population aged 16–59/64
Gross Value Added (GVA)	Gross value added is the difference between the value of the output produced by a sector or industry and its intermediate consumption. Intermediate consumption is the cost of raw materials and other inputs that are used up in the production process  GVA can be expressed more simply as the sum of wages and profits linked to particular activities
Knowledge-based	Sectors that are associated with highly skilled workers and are seen as drivers of economic growth. The knowledge economy is commonly associated with the shift to high value added services in finance and telecoms for example, and in areas of advanced manufacturing like aerospace and defence  A statistical picture of knowledge based activity has been built up on the basis of large numbers of detailed Standard Industrial Classification codes. It includes activities like R&D, computer and related activities, some parts of the manufacturing sector, etc. A full definition is provided in the Extended Evidence Document (available separately)
Location quotient	A location quotient is an index through which we can assess the concentration of employment in a particular sector in a particular area. Put simply, it is a measure of <i>relative</i> specialisation
Lower Layer Super Output Areas (LSOAs)	Lower Layer Super Output Areas are built from groups of contiguous Output Areas and have been automatically generated to be as consistent in population size as possible, and typically contain from four to six Output Areas. The Minimum population is 1000 and the mean is 1500
Residence-based earnings	Earnings for employees living in an area who are on adults rates of pay and whose pay was not affected by absence. The earnings information collected relates to gross pay before tax, national insurance or other deductions, and excludes payments in kind
Resident workers	Residents of an area who are in employment

<b>Term</b>	<b>Definition</b>
Travel to Work Area	A labour market catchment – in defining TTWAs, the fundamental criterion is that, of the resident economically active population, at least 75 per cent actually work in the area, and also, that of everyone working in the area, at least 75 per cent actually live in the area
Working age	A female aged 16–59 or a male aged 16–64. In August 2010 the Office for National Statistics aligned the female working age to the male pensionable age of 16-64. Data in NOMIS that use working age have been retrospectively rebased to reflect this change. In the LEA, the revised working age population has only been applied to JSA and Benefit data. Other data are based on the old working age population.
Workplace population	All people aged 16 – 74 who are in employment and whose usual place of work is in the area
Workplace-based earnings	Earnings of employees working in an area who are on adults rates of pay and whose pay was not affected by absence. The earnings information collected relates to gross pay before tax, national insurance or other deductions, and excludes payments in kind

*Source: Definitions have been taken from various sources including National Statistics and OECD. See:*  
<http://www.statistics.gov.uk/about/data/guides/LabourMarket/downloads/glossary.pdf>  
[http://www.statistics.gov.uk/downloads/census2001/definitions\\_chapters\\_1\\_5.pdf](http://www.statistics.gov.uk/downloads/census2001/definitions_chapters_1_5.pdf) <http://stats.oecd.org/glossary/search.asp>

## Annex B: Summary of headline economic indicators

Indicator	Year	Source	Area Definition	South East	Hampshire Economic Area	Central Hampshire/ New Forest	North Hampshire	South Hampshire
Resident population	2001	Census	LAD	8,000,645	1,644,250	495,632	327,051	821,534
Workplace workers	2001	Census	LAD	3,696,580	780,502	224,094	168,691	387,717
Resident workers	2001	Census	LAD	3,888,756	811,043	242,524	178,076	390,443
Resident population	2008	Mid-yr pop est	LAD	8,380,100	1,720,500	515,200	341,900	863,400
Resident working age population (WAP)	2008/09	APS	LAD	5,066,100	1,051,500	295,800	214,300	541,400
Total employees	2008	ABI	LAD	3,757,711	776,321	229,320	164,902	382,098
GVA (£m)	2007	ONS	LAD	£176,541	£34,703	N/A	N/A	N/A
GVA per capita (current prices)	2007	ONS	LAD	£21,248	£20,345	N/A	N/A	N/A
GVA per employee job (current prices)	2007	ONS & ABI	LAD	£46,980	£44,701	N/A	N/A	N/A
GVA per worker (modelled – 2003 prices)	2010	LEFM	LAD	£36,200	£34,100	£31,300	£38,000	£33,800
Median gross weekly earnings (full time employees) – resident-based	2009	ASHE	LAD	£537	£511	£539	£547	£478
Median gross weekly earnings (full time employees) – workplace-based	2009	ASHE	LAD	£514	£504	£487	£571	£489
Activity rate (% of WAP that is	2008/09	APS	LAD	82.4%	82.3%	81.4%	87.1%	80.8%

Indicator	Year	Source	Area Definition	South East	Hampshire Economic Area	Central Hampshire/ New Forest	North Hampshire	South Hampshire
economically active)								
Employment rate (% of working age population in employment)	2008/09	APS	LAD	78.1%	77.8%	78.8%	81.9%	75.7%
% of working age population with NVQ4+	2006-08	APS	LAD	30.9%	29.2%	33.7%	30.5%	26.2%
% of working age populations with below NVQ2	2006-08	APS	LAD	23.8%	24.5%	19.6%	23.6%	27.5%
% of working age population with no qualifications	2006-08	APS	LAD	9.4%	9.4%	7.4%	8.7%	10.9%
VAT registrations per 10,000 population (aged 16+)	2007	BIS	LAD	48	42	49	55	31
Enterprise births per 10,000 population (aged 16+)	2009	IDBR/ONS	LAD	60	53	59	64	45
Business stock (enterprises) per 10,000 pop'n	2008	BIS & mid-yr pop est	LAD	445	401	512	437	325
% of employees in knowledge economy	2008	ABI	LAD	20.8%	21.0%	16.7%	29.2%	20.2%
% of businesses (data units) in knowledge economy	2008	ABI	LAD	25.6%	24.4%	25.2%	31.4%	20.2%

Source: SQW and HCC

Acronyms used in the table:

LAD = Local Authority District

APS = Annual Population Survey

ABI = Annual Business Inquiry

LEFM = Local Economy Forecasting Model

ASHE = Annual Survey of Hours and Earnings

BIS = Dept of Business, Innovation and Skills

ONS = Office of National Statistics

IDBR = Inter-Departmental Business Register

## Annex C: Summary of comparator area headline economic indicators

Indicator	Year	Source	Area Definition	South East	Hampshire Economic Area	Berkshire	Dorset <sup>a</sup>	Isle of Wight	Surrey	West Sussex	Wiltshire <sup>b</sup>
Resident population	2001	Census	UA/CC	8,000,645	1,644,250	800,118	692,712	132,731	1,059,015	753,614	613,024
Workplace workers	2001	Census	UA/CC	3,696,580	780,502	442,119	295,505	51,697	487,102	347,773	303,784
Resident workers	2001	Census	UA/CC	3,88,756	811,043	419,005	309,053	54,483	532,819	357,128	311,230
Resident population	2008	MYE	UA/CC	8,380,100	1,720,500	836,300	710,500	140,200	1,109,700	781,500	648,400
Resident working age population (WAP)	2008/09	APS	UA/CC	5,006,100	1,051,500	528,600	394,400	77,200	670,600	446,100	384,800
Total employees	2008	ABI	UA/CC	3,757,711	776,300	463,800	303,400	50,200	516,300	335,800	292,300
GVA (£m)	2007	ONS/ABI	UA/CC	£176,541	£34,703	£25,571	£11,966	£1,821	£26,471	£15,822	£13,542
GVA per Capita (current prices)	2007	ONS/ABI	UA/CC	£21,248	£20,345	£30,970	£16,899	£13,054	£24,103	£20,382	£21,090
GVA per employee job (current prices)	2007	ONS/ABI	UA/CC	£46,980	£44,701	£55,134	£39,440	£36,275	£51,271	£47,117	£46,329
GVA per worker (modelled - 2003 prices)	2010	LEFM	LAD	£36,240	£34,105	N/A	N/A	N/A	N/A	N/A	N/A
Median gross weekly earnings (full time employees) - resident based	2009	ASHE	UA/CC	£537	£511	£583	£456	£436	£623	£498	£497
Median gross weekly earnings (full time employees) - workplace based	2009	ASHE	UA/CC	£514	£504	£607	£453	£435	£562	£471	£472