



Department
for Environment
Food & Rural Affairs

Statistical Digest of Rural England

Investment

This document is part of the larger compendium publication the [Statistical Digest of Rural England](#), a collection of rural statistics on a wide range of social and economic government policy areas.

The Statistical Digest of Rural England is an official statistics publication meaning these statistics have been produced to the high professional standards set out in the Code of Practice for Official Statistics.

More information on the Official Statistics Code of Practice can be found on the [Code of Practice web pages](#).

These statistics allow comparisons between the different rural and urban area classifications. The Rural-Urban Classification is used to distinguish rural and urban areas. The Classification defines areas as rural if they fall outside of settlements with more than 10,000 resident population.

More information on the Rural-Urban Classification can be found on the [Rural-Urban Classification web pages](#).

Any enquiries regarding this publication should be sent to us at:

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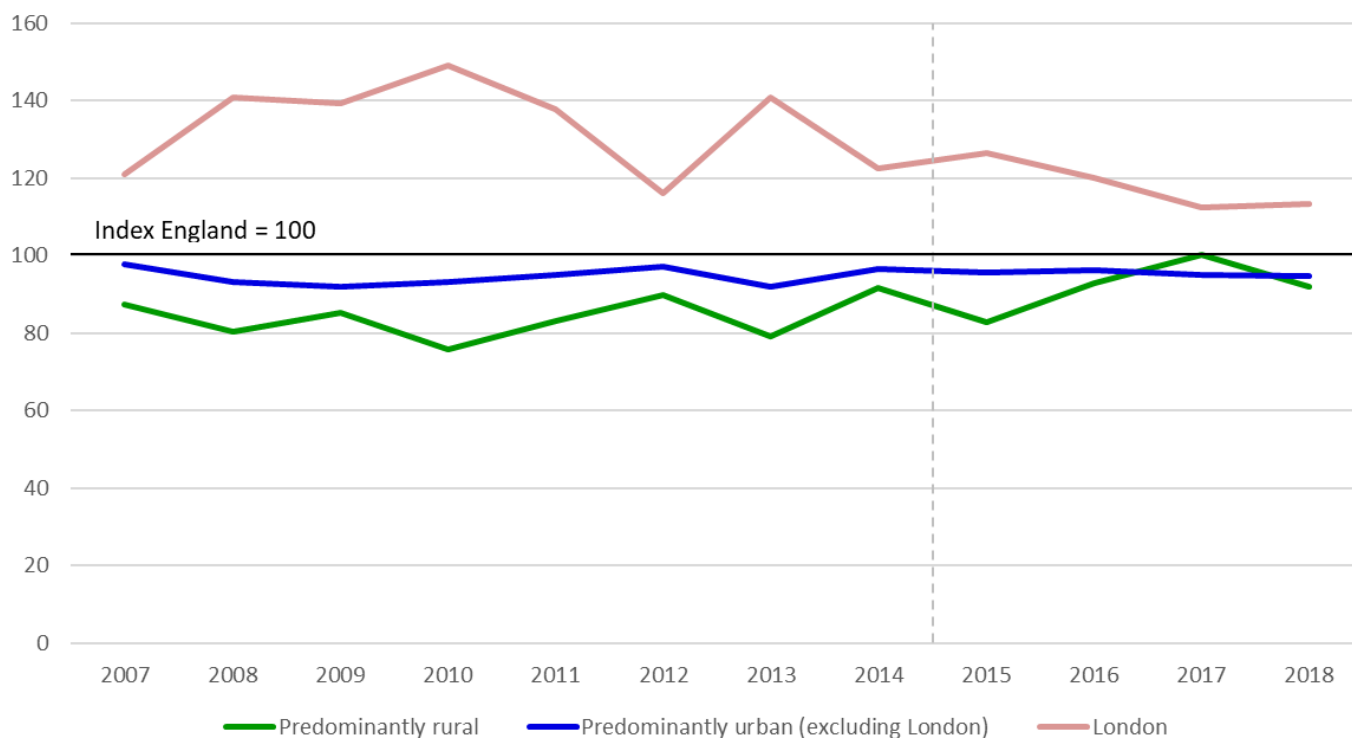
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Investment

- Companies undertake ‘capital investment’ when spending money on fixed assets (typically land, buildings or machinery) with the expectation that productivity will increase as a result of the investment.
- Continuing recent trends, capital investment per employee in 2018 was highest in London.
- In 2018 capital investment per employee in Predominantly rural areas was around 92 per cent of the level for England as a whole. This compares with 95 per cent in Predominantly urban areas (excluding London).
- Capital investment in absolute terms is only available at current prices so caution should be used when comparing over time. Comparisons below are presented as an index in relation to the level for England as whole.
- Tables of investment per employee, both in current prices and as a percentage of the level for England, broken down by detailed local authority rural-urban classification for 2007 to 2018 are available in the [rural economy supplementary data tables](#).

Capital Investment per Employee

Capital investment per employee as a percentage of the level for England, by local authority classification in England, 2007 to 2018



Dashed line: From 2015 employee numbers include estimates from businesses that are solely PAYE based with employment counts less than 20. These businesses were excluded from estimates of employee numbers in earlier years. This has had minimum impact on the data presented.

- Overall capital investment per employee in predominantly rural areas has been consistently lower than in other areas, except in 2017.
- In 2018, investment per head in London was around £5,800, compared with £4,900 in predominantly urban areas excluding London, and £4,700 in predominantly rural areas.

Notes

- Total net capital investment is calculated as total proceeds from disposals subtracted from the total cost of acquisitions. The data is at current prices so it has already taken account of inflation.
- Caution should be taken when interpreting this measure as capital investment is difficult to attribute at local authority level. The estimates are produced by taking data at a higher geographical level and apportioning it at local authority level based on employment levels. As ONS are not wholly confident that there is a sufficient correlation between investment and employment, they do not release the data as a National Statistic below National level.
- London has been separated out to allow a fair comparison of major urban against all other area classifications.

Source data: Bespoke data request from the ONS, Annual Business Inquiry, and Business Register and Employment Survey (classified data); via Nomis (www.nomisweb.co.uk).