

Enabling growth across the UK 2023

UK-based financial and related professional services



TheCityUK is the industry-led body representing UK-based financial and related professional services. We champion and support the success of the ecosystem, and thereby our members, promoting policies in the UK, across Europe and internationally that drive competitiveness, support job creation and enable long-term economic growth. The industry contributes over 12% of the UK's total economic output and employs nearly 2.5 million people, with two thirds of these jobs outside London, across the country's regions and nations. It is the UK's largest net exporting industry and generates a trade surplus exceeding that of all other net exporting industries combined. It is also the largest taxpayer and makes a real difference to people in their daily lives, helping them save for the future, buy a home, invest in a business and protect and manage risk.

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Foreword

In recent years, the UK has experienced a series of profound economic, social and political changes and challenges. As society works together to overcome these, the role of financial and related professional services will be critical to all that the UK wants to achieve. From national missions like transitioning to a more environmentally sustainable economy or leadership in emerging sectors like FinTech, to personal goals like buying a home, starting a business or saving for retirement, our industry has a central role to play.

Financial and related professional services are an engine of growth and, as highlighted in the latest edition of our ‘Enabling growth across the UK’ report, act as an enabler for the whole economy in every region and nation of the UK, creating jobs, generating investment and growing prosperity. The data for 2021 (the latest available) highlight the industry’s strength after the difficulties wrought by the Covid-19 pandemic in 2020. Industry employment rose to nearly 2.5m people in 2021. In the decade up to 2021, employment in financial and related professional services grew by a total of 390,000 – and over half of those additional jobs were outside of London.

But the industry’s potential is much greater. In this report, TheCityUK set out policy recommendations for both national and devolved governments. These are designed to unlock the potential of our industry so that together with policymakers we can work to address the challenges the UK faces.

During 2023, we have seen some of our longstanding policy positions adopted by government, including ensuring more consistency in English devolution, greater local control over skills policy and funding and a significantly enhanced role for metro mayors in trade promotion.

Continuing this partnership between policymakers and industry will enable us to play a full part in overcoming many of the barriers to growth and development experienced by regions and nations across the UK, thereby helping to deliver a sustainable future and unlocking potential in every community.



Miles Celic
Chief Executive Officer, TheCityUK



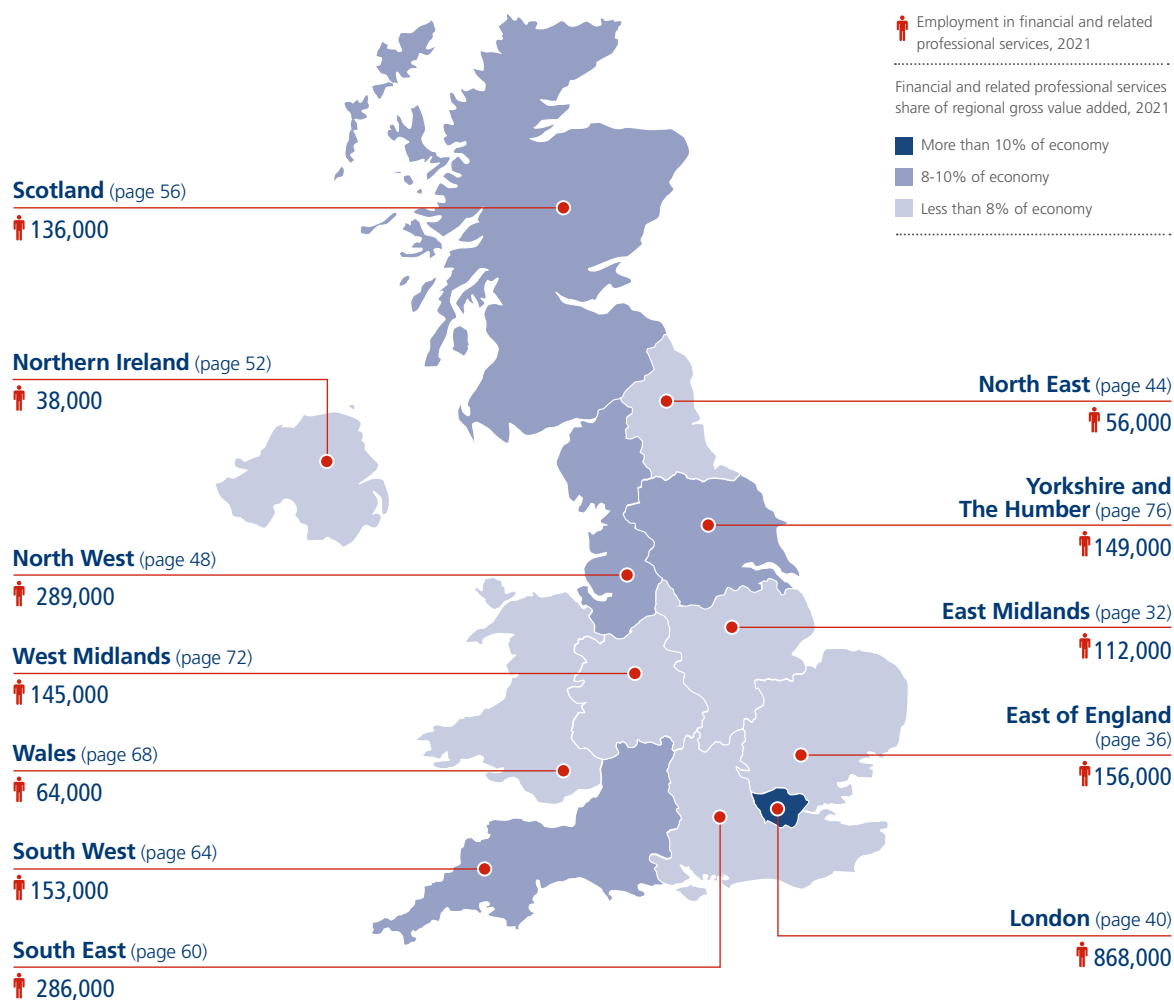
Executive summary

- This report evaluates the financial and related professional services industry’s economic contribution to the regions and nations of the UK. It is based on analysis of the latest available data (for 2021). We have set out policy recommendations focusing on devolution and growth, people, and prosperity in order to further enhance our industry’s positive contribution to the economy.
- In 2021, nearly 2.5 million people worked in financial and related professional services across the UK, representing 7.6% of the working population, or approximately one in every 13 jobs. This is roughly equivalent to the entire populations of Birmingham, Glasgow, Edinburgh, and Cardiff combined.
- Around two thirds of people in employment in the industry work outside London. Major UK centres with more than 30,000 in employment in financial and related professional services include Birmingham, Manchester, Edinburgh, Bristol, Glasgow, and Leeds. Overall, 23 towns and cities in the UK each have more than 10,000 people in employment in the industry.
- Financial and related professional services contributed £254bn to the UK economy in 2021. This represented 12.5% of total gross value added (GVA).
- The UK is the world’s leading net exporter of financial services. Its trade surplus in financial and related professional services was £82.3bn in 2021, according to TheCityUK estimates.
- There are several key clusters of different financial and related professional services activities across the UK. After London, Birmingham is the second largest centre overall for financial and related professional services. Manchester is the UK’s biggest legal services centre after London; Glasgow and Cardiff are homes to the insurance sector; Edinburgh is a major international location for fund management; Bristol has a significant legal services presence; and Leeds City Region is one of the UK’s largest centres for banking.
- In the decade to 2021, employment in financial and related professional services grew at an annual average rate of 2%, increasing by a total of 390,000 jobs over the decade. Over the 10 years, this growth rate was highest in the East Midlands (4.6%) and the North West (3.7%).
- Industry GVA increased by £75bn over the decade, at an annual average growth rate of 4%. Northern Ireland was the region with the highest annual average growth rate (6.5%), followed by London (4.9%), the North West (3.9%), and Yorkshire and The Humber (3.8%).

The spread of the industry across the country

Figure 1: Employment and gross value added in financial and related professional services, 2021

Source: Office for National Statistics, Nomis and TheCityUK estimates
 Note: Northern Ireland figures are employees.



Policy recommendations

The financial and related professional services industry is a major engine of the UK economy. Across every region and nation of the UK it is investing in communities, supporting employment and helping people to make progress in their lives. Working together, government – whether national, regional, local or devolved – and the industry can make an even greater contribution to growth and prosperity.

The UK's role as a leading global financial centre creates a unique opportunity for the industry to unleash faster growth across the entire country. The following recommendations identify three key areas where policymakers at every level can make meaningful changes to help unlock the potential of financial and related professional services.

1) Devolution and growth

TheCityUK has long advocated for greater devolution to all parts of the UK, particularly the English regions. We were pleased that the government's most recent Budget confirmed the expansion of the metro mayor model to many more parts of England, as called for in our 'Enabling Growth Across the UK 2022' report. The Government's recently announced deeper devolution deals for the West Midlands and Greater Manchester also reflected several long-standing TheCityUK positions such as further devolution of education funding and an increased role for regional leaders in trade promotion. In particular, we welcome the acknowledgement that a single funding settlement for a region is a more effective policy driver than competitive bidding pots. We hope that over time the government will develop this model for more English regions.

We are therefore pleased to see an emerging cross-party consensus that devolution should be strengthened and enhanced across the UK. While we welcome the increased level of devolution currently being offered to some English regions, we continue to believe that, wherever possible, there should be greater consistency in the powers offered to each area, to create a clearer climate in which business can thrive. Currently, a major business operating in one part of the country can engage with their local mayor on key issues such as skills policy and trade promotion, in a way which a major business operating in another area cannot. We do not believe this is sustainable in the long term and this inconsistency across different areas leads to a more difficult operating environment for business. In the long term, fewer powers and the lack of associated organisational infrastructure also makes it more challenging for those authorities not covered by a deeper devolution deal to deliver the kind of coordination and leadership required to encourage maximum growth.

As devolved authorities grow and develop there will be a need to invest in and support great civic leadership through organisational and personal development, as well as the sharing of knowledge and best practice.

Whatever shape future devolution takes, the role for business will remain critical. Through our network of Regional and National Chairs we will continue to actively support new and current Mayoral Combined Authorities to help shape their engagement with industry. This important network helps to highlight the vital role of financial and related professional services to regional and national leaders and provides them with a valuable conduit to engage with industry practitioners.

The UK government should:

- Continue to roll out the metro mayor and combined authority model to all English regions that want it, while simultaneously devolving greater powers for existing mayoral combined authorities.
- Strive to ensure there is as much consistency as possible in the powers awarded under devolution deals. Where possible the government should set out a timetable for the introduction of new devolution deals and combined authorities in each area. Consider how metro mayors can take strategic responsibility for major infrastructure projects to overcome obstacles to prompt delivery such as delays in the planning system.
- Use the recent deeper devolution deals for the West Midlands and Greater Manchester as a pilot for the move away from multiple funding pots and competitive bidding processes in favour of a single financial settlement for an area.
- Strengthen the current English devolution settlement by creating a new Leadership Academy, bringing in the best expertise from leaders around the world, and from business to support political leaders and their staff in personal and policy development.

Devolved and regional leaders should:

- Publish a plan for economic growth in their combined authority area. These should each include clear metrics and highlight the ways in which businesses in the areas will be involved.
- Be held accountable for the delivery of these plans by the relevant elected assembly or local leaders.

2) People

The ability to attract talented individuals remains a critical driver for the financial and related professional services industry. Place-based strategies are essential to support local skills needs. This reflects previous calls by TheCityUK for a greater employer voice in mapping and planning for local skills needs. We supported the proposals for the national rollout of local skills plans in the recent Skills Act and the further devolution of post-16 education resources and career advice responsibilities in the recent deeper devolution deals for some areas.

We have also supported action from within the industry itself, such as the Yorkshire and The Humber Financial and Professional Services Skills Commission, currently being led by Yorkshire Building Society with support from the City of London Corporation, the Financial Services Skills Commission (FSSC) and TheCityUK. The FSSC has taken evidence from a range of stakeholders in the region as well as analysis publicly available on future skills needs and challenges. Its report in Autumn 2023 will be a further valuable contribution to the localised planning of skills and industry needs and a potential model for other areas to follow.

Local and regional policymakers and business leaders are best placed to identify the skills that are needed in their areas, particularly when they have clusters in niche areas of industry such as specific forms of FinTech or LawTech. These local actors are best able to engage with local schools and university hubs to ensure that young people can engage with industries in their area at the earliest possible moment in their educational journey.

The financial and related professional services industry has beneficial and critical partnerships with Britain's world-leading universities, which allow it to fund and learn from innovative new projects. It also values the critical role of technical and vocational education such as apprenticeships.

The operation of the Apprenticeship Levy continues to be a challenge for the industry, with a strong feeling that better outcomes could be achieved with a more flexible system. TheCityUK is supportive of the principle of the Apprenticeship Levy but we recommend reform in five key areas:

Challenge	Solution
<p>1. Lack of flexibility in timings</p> <ul style="list-style-type: none"> • The length of qualifying apprenticeships is set in a top-down manner and is too inflexible. • The duration of programmes – set at 12 months – does not allow skills to be delivered at pace to adapt to evolving challenges such as the transition to net zero. 	<p>More flexibility on timings</p> <ul style="list-style-type: none"> • Enabling businesses to develop short, targeted programmes to meet future needs would allow them to be more strategic in the way they develop their employees. • Businesses should be allowed to deploy funds over a longer period than the 24 months (currently proscribed on a ‘use it or lose it’ basis) to allow them to respond to their local needs.
<p>2. Limited accessibility for smaller firms</p> <ul style="list-style-type: none"> • It is difficult for smaller firms and charities to access the levy due to their scale and resources and high initial set up costs. 	<p>Increase the proportion of level fund which can be transferred to small businesses and charities</p> <ul style="list-style-type: none"> • Lifting the cap from the current limit of 25% would allow more apprenticeship opportunities to be created across the economy.
<p>3. Issues around process and delivery</p> <ul style="list-style-type: none"> • The process which needs to be followed to establish a new apprenticeship is too long and complex. • Availability and quality of training providers and opportunities varies across the country, this locks out talented people in some areas from accessing the opportunities our members can provide. • Some of the systems used to draw down and assign funding are onerous and not conducive to effective business planning. 	<p>More flexibility in provision</p> <ul style="list-style-type: none"> • Supporting options like blended learning and bringing the Higher National Diploma into the scope of the levy would support businesses to create more opportunities.
<p>4. Limiting perceptions</p> <ul style="list-style-type: none"> • Myths persist that apprenticeships are only for entry level roles and school leavers, and this acts as a barrier to people upskilling to adapt to new challenges. • Embedding professional qualifications in a role brings higher costs when compared to standalone qualification programmes. • The system does not support reskilling for ambitious workers because training programmes are tied to the role they are currently in. 	<p>Promoting apprenticeships</p> <ul style="list-style-type: none"> • Government can play a key role in promoting apprenticeships as essential to lifelong learning and the development of business skills for a changing economy. • Employers should be able to create apprentice positions for new roles where they can demonstrate a need either for the business or the development of the individual.

<p>5. Different systems across the nations</p> <ul style="list-style-type: none"> • Firms struggle to roll out programmes across the whole of the UK because of the different systems run in different jurisdictions. 	<p>A commission of the nations</p> <ul style="list-style-type: none"> • The UK government should work with its counterparts in Belfast, Cardiff and Edinburgh to set out a clearer framework for the apprenticeship levy and its objectives which would support businesses to make more investments in skills across the UK.
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The UK government should:

- Include the further devolution of education policy and funding to Mayoral Combined Authorities in future English devolution deals, with the long-term aspiration of local leaders taking a greater role in oversight of education at all phases so this can be better integrated with Local Skills Improvement Plans.
- Reform the Apprenticeship Levy system in the five areas we have identified to ensure that it is more flexible and can better meet the challenges of tomorrow.

Devolved and regional leaders should:

- Bring together a wide employer network to ensure that Local Skills Improvement Plans reflect the voices of all parts of the economy.
- Ensure that Local Skills Improvement Plans and the wider educational landscape are fully aligned with their own plans for growth and that they reflect the increasing need to re-train throughout life by creating a culture of lifelong learning and reskilling in work, including protecting time for ongoing learning and reskilling.
- Use their convening power to help connect schools, colleges and universities to engage employers in all areas of the education process, for instance in areas such as curriculum and course design.

3) Prosperity

The financial and related professional services industry is as an engine of growth for the wider economy. However, it is important to acknowledge and tackle the challenges for further growth in key centres across the UK.

Infrastructure

The ability to communicate and travel between locations remains key to maximising productivity. Effective digital and transport infrastructure will enhance the connectivity of thriving regional hubs, helping to support greater growth across all industries, not just financial and related professional services. Improvements to infrastructure to make it more carbon neutral and sustainable also support the UK's move towards net zero and create new investable opportunities to boost growth across the country. Supporting industry initiatives such as the Association of British Insurers' Investment Delivery Forum can play an important role in translating regulatory reform into tangible outcomes.

As well as physical infrastructure, expanding the reach of the infrastructure of government also helps to support and engage growing businesses. The government has already led by example with the opening of new departmental offices in hubs across the country. Continuing the expansion of this model is key to strengthening the relationship between government, regulators and the growing regional and national financial and related professional services hubs.

International investment

There has been significant progress in attracting investment to hubs outside London, and policymakers should seek to build on this work. We are therefore strongly of the view that the recently announced role for devolved leaders in trade promotion should be viewed as a pilot for further involvement of other local areas in attracting investment. Metro mayors can act as a focus for attracting investment and help to coordinate and engage with the wider ecosystem that is so important for long-term projects such as local education institutions and government agencies. There is, however, a need for a more coordinated approach to attracting overseas investment, as well as for recognition of the importance of supporting those parts of England currently not covered by a Mayoral Combined Authority deal and which do not have the resources and expertise to run their own arm's-length body for attracting investment (such as the West Midlands Growth Company or MIDAS in Manchester).

The UK government should:

- Ensure that HM Treasury and the Department for Business and Trade work with leaders in devolved and regional government to promote UK trade and investment internationally. Specifically, central government should seek to map examples of international best practice in attracting investment and shares these findings with stakeholders and policy makers across the country.
- Continue to make enhancing trade and investment in all regions and nations of the UK a priority for all future trade agreements and Memoranda of Understanding (MoUs).
- Support greater clarity for devolved leaders in their dealings with the UK government as a whole by identifying a single point of coordination across all departments for each English region, territorial ministers fulfill this role for the devolved nations. This could be a named minister or a civil service unit. This model could also be applied to specific policy areas across all regions and nations such as infrastructure.
- Ensure that regional and devolved leaders are fully engaged in the government's strategy for reaching net zero and that industry hubs around the country are well placed to take advantage of economic opportunities arising from new industries and innovations.
- Build on the success of the government's Economic Campus in Darlington – which includes parts of HM Treasury – as well as moves by a number of key regulators to open bases in key UK cities, and identify further opportunities for senior roles within the civil service, regulators and arms length bodies to be based outside the capital.

Devolved and regional leaders should:

- Work with the UK government to encourage further investment in an enhanced national rail network and develop a unified transport strategy to move people and goods more easily.
- Continue to partner with the UK government to improve the country's digital infrastructure, in particular the rollout of 5G.
- Work as closely as possible with industry to ensure that the voice of business is central in developing their plans for growth. The work of existing organisations like the West Midlands Growth Company and MIDAS in Manchester should serve as a model for this work.

The size and importance of UK-based financial and related professional services

The financial services sector includes banking, insurance, fund management and market infrastructure. Related professional services comprise legal services, accounting and management consulting. The UK is the world's leading centre for cross-border financial and related professional services. London is core to the UK's leading position, but other cities such as Birmingham, Bristol, Leeds, Liverpool, Manchester and Sheffield in England; Cardiff in Wales; Belfast in Northern Ireland; and Edinburgh and Glasgow in Scotland are also important financial centres.

Measures of the UK-based financial and related professional services industry's importance to the domestic economy include its contribution to employment, GVA, the balance of payments and tax revenue.

A leading employer

Nearly 2.5 million people work across the UK in financial and related professional services. This represents 7.6% of the working population, or almost one in every 13 jobs. Industry employees help families to save and protect themselves from financial loss, and help businesses to access the finance they need to launch and expand—not only via banks, but via a range of other institutions as well.

Two thirds of the people in employment in financial and related professional services in the UK work outside London. Aside from London, major centres with over 30,000 in employment in financial and related professional services include Birmingham, Manchester, Edinburgh, Bristol, Glasgow and Leeds. These are followed by Belfast, Cardiff, Liverpool and Sheffield with between 20,000 and 24,000 in employment. Other centres with over 14,000 in employment include Salford, Milton Keynes, Warrington, and Newcastle.

Overall, 23 towns and cities in the UK each have over 10,000 people in employment in the industry. A strong London is good for the regional economies, but it is very much a symbiotic relationship. Major firms from around the globe come to the capital and many expand their operations across the country, helping to create a deeper talent pool of skilled workers that benefits local and national firms. In turn, other towns and cities play a critical role in increasing the global appeal of London by widening the talent pool and offering growth opportunities for financial and related professional services firms. This helps make the country an attractive target for foreign direct investment, allowing the UK to compete successfully internationally.

Figure 2: Employment by sector in UK financial and related professional services, 2021

Source: TheCityUK calculations based on data from Nomis and the Northern Ireland Business Register and Employment Surveys

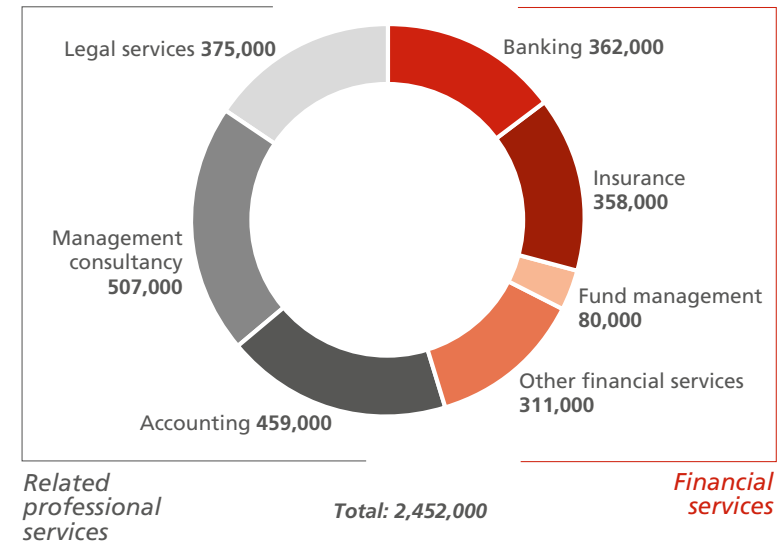


Figure 3: Top 30 parliamentary constituencies employment in UK financial and related professional services, 2021

Source: TheCityUK calculations based on data from Nomis and the Northern Ireland Business Register and Employment Surveys

Region/nation	Parliamentary constituency	Financial and related professional services employment, 2021
London	Cities of London and Westminster	453,100
London	Poplar and Limehouse	88,655
North West	Manchester Central	47,190
London	Holborn and St Pancras	43,525
London	Bermondsey and Old Southwark	41,330
West Midlands	Birmingham, Ladywood	38,570
Yorkshire and The Humber	Leeds Central	37,715
London	Islington South and Finsbury	36,590
South West	Bristol West	34,365
Scotland	Glasgow Central	34,195
North West	Altrincham and Sale West	28,405
Scotland	Edinburgh South West	20,600
North West	Liverpool, Riverside	18,610
London	Hackney South and Shoreditch	16,705
London	Bethnal Green and Bow	15,640
North West	Tatton	15,325
North West	Warrington South	15,185
Scotland	Edinburgh North and Leith	15,110
North West	Salford and Eccles	14,800
North West	City of Chester	14,610
Northern Ireland	Belfast South	14,417
West Midlands	Birmingham, Edgbaston	13,630
Yorkshire and The Humber	Sheffield Central	12,650
London	Watford	12,615
Wales	Cardiff Central	12,375
South East	Milton Keynes North	12,330
East Midlands	South Northamptonshire	11,275
South East	Reading East	11,235
South East	Reigate	10,785
South West	South Swindon	10,000

UK parliamentary constituencies with the largest clusters of employees working in financial and related professional services are concentrated in city centres around the country. The two largest centres for employment are in London – Cities of London and Westminster, and Poplar and Limehouse. Out of the 30 parliamentary constituencies with at least 10,000 people in employment in financial and related professional services, 22 are outside London. Such constituencies include those in Belfast, Birmingham, Bristol, Cardiff, Glasgow, Leeds, Liverpool, Manchester, Sheffield and Cheshire, as well as two in Edinburgh (Figure 3). Out of the 650 constituencies in the UK, there are 168 (26%), which have at least 3,000 in employment in financial and related professional services and a total of 484 (74%) with more than 1,000 in such employment.^{1,2}

The technology sector is an important foundation for the FinTech sector, so a strong technology sector opens up the possibility of strong continued growth in FinTech. London is a leading global technology sector and is considered the second-best destination globally, after New York, for tech professionals to live and work (measured by average salary relative to the overall cost of living), according to research by TechNation.³ Indeed, leading FinTech companies such as Funding Circle, Nutmeg, Monzo and Wise have chosen London as their home.

The number of technology job vacancies demonstrates the strong demand for tech professionals who possess crucial skills for the FinTech industry. According to Tech Nation⁴, between May 2021 and May 2022 over 600,000 technology vacancies were posted in London, followed by other key clusters such as Manchester with almost 80,000 vacancies, and Birmingham with over 40,000 vacancies.

A significant contributor to the UK economy

The UK-based financial and related professional services industry has helped to raise regional and national living standards by spreading employment around the country. Across their domestic and international activities, financial and related professional services contributed £254bn to the UK economy in 2021, or 12.5% of total GVA: 9% in financial services and 3.5% in related professional services.⁵

¹ TheCityUK calculations based on Nomis, 'Business register and employment survey: open access', (November 2022), available at: <https://www.nomisweb.co.uk/query/construct/summary.asp?mode=construct&version=0&dataset=189>

² TheCityUK calculations based on data from NISRA, 'Business Register and Employment Survey', (June 2022), available at: <https://www.nisra.gov.uk/statistics/annual-employee-jobs-surveys/business-register-and-employment-survey>

³ Tech Nation, 'People and Skills report 2022', available at: <https://technation.io/people-and-skills-report-2022/#tech-job-vacancies>

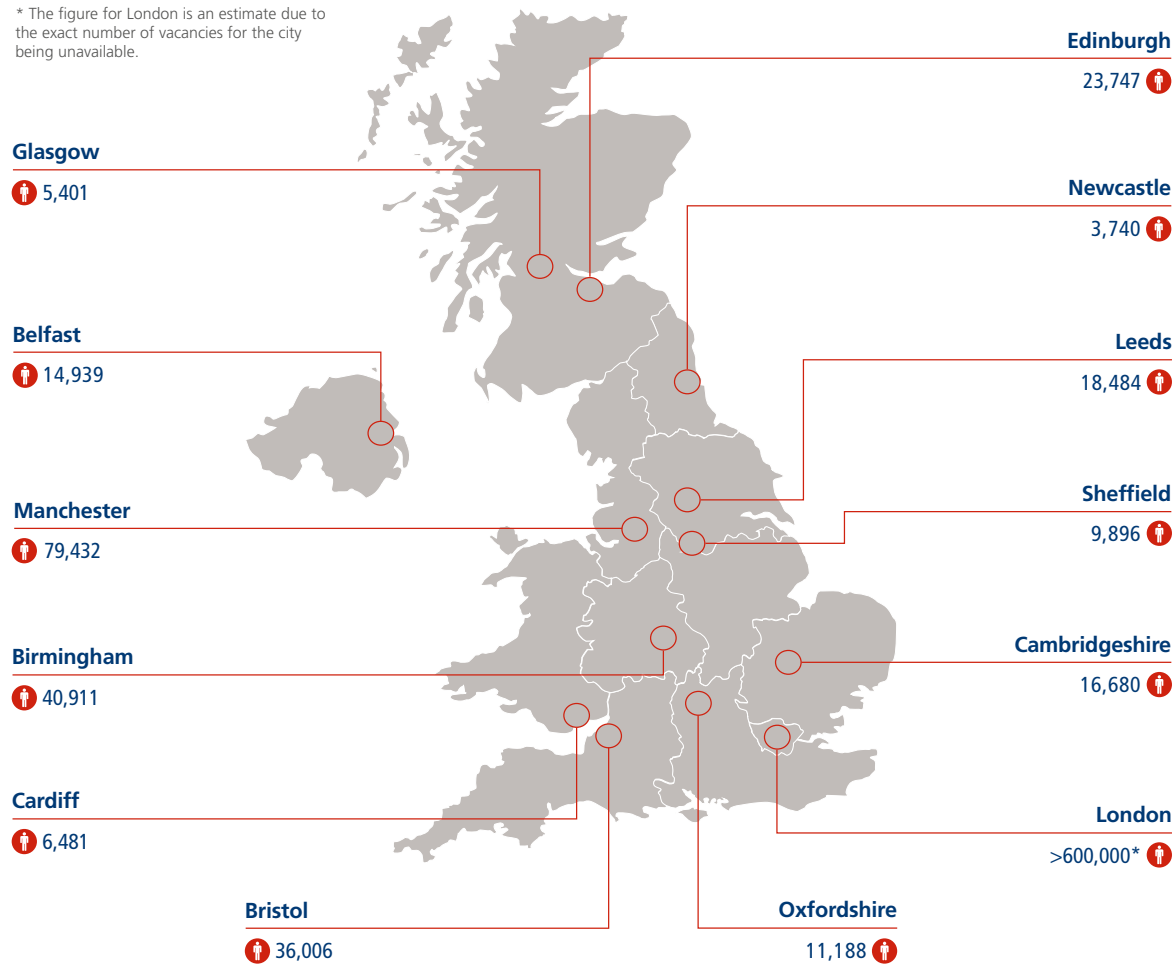
⁴ Ibid.

⁵ TheCityUK calculations based on Office for National Statistics, 'Regional gross value added (balanced) by industry: all ITL regions', (25 April 2023), available at: <https://www.ons.gov.uk/economy/grossvalueaddedgva/datasets/nominalandrealregionalgrossvalueaddedbalancedbyindustry>

Figure 4: Technology job vacancies, May 2021-May 2022 (cumulative)

Source: TECH NATION Jobs & Skills Report 2021 and 2022

* The figure for London is an estimate due to the exact number of vacancies for the city being unavailable.

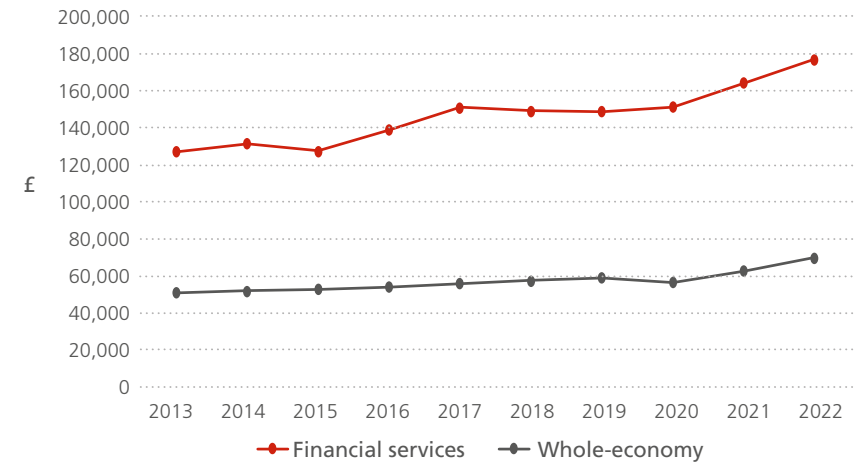


Tech vacancies (May 2021-2022)

Financial services also make a positive contribution to UK productivity. In 2022, financial services sector productivity (measured by output per job) was 2.5 times as high as whole-economy productivity; this multiple has remained relatively stable over the past decade. (Up-to-date data on regional productivity by industry are not available, but the most recent data, for 2019, showed that this multiple ranged from 2 in London to 1.3 in Northern Ireland.) In absolute terms, financial services output per job was £176,893 in 2022 while whole-economy output per job was £69,755. Moreover, in the last 10 years, financial services productivity increased at an average 3.8% a year, slightly faster than the average whole-economy productivity growth rate of 3.6% (Figure 5).

Figure 5: UK output per job, £, 2013-2022

Source: Office for National Statistics



The financial services sector also provides well-paid jobs in every region and nation. Average annual earnings in the sector are higher than whole-economy average annual earnings in every region and nation of the UK, except for the North East (Figure 6).

Figure 6: Mean annual earnings, 2021

Source: Office for National Statistics

Region/nation	Sector	Mean annual earnings (£)
North East	Financial and insurance activities	24,617
	All industries and services	26,635
North West	Financial and insurance activities	37,929
	All industries and services	28,487
Yorkshire and The Humber	Financial and insurance activities	38,931
	All industries and services	27,590
East Midlands	Financial and insurance activities	32,205
	All industries and services	27,690
West Midlands	Financial and insurance activities	37,435
	All industries and services	29,692
East	Financial and insurance activities	38,573
	All industries and services	29,556
London	Financial and insurance activities	113,243
	All industries and services	45,887
South East	Financial and insurance activities	39,088
	All industries and services	32,140
South West	Financial and insurance activities	42,867
	All industries and services	27,253
Wales	Financial and insurance activities	32,956
	All industries and services	26,388
Scotland	Financial and insurance activities	38,880
	All industries and services	29,753
Northern Ireland	Financial and insurance activities	30,840
	All industries and services	27,711
United Kingdom	Financial and insurance activities	61,815
	All industries and services	31,439

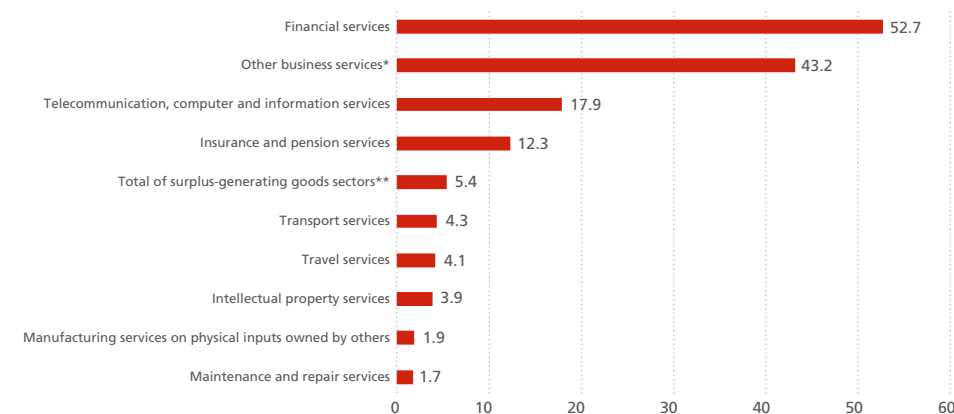
A bigger trade surplus than all other net exporting industries combined

A trade surplus indicates that a domestic economy is receiving a net inflow of payments from the external sector. This means that there is more demand for the exports of a country than there is domestic demand for foreign products and services. All else being equal, therefore, employment is higher within the country and the standard of living is increased.

The importance of international business undertaken by financial organisations in the UK is demonstrated by the trade surplus in financial and related professional services, which TheCityUK estimated to be £82.3bn in 2021, based on data from the ONS.⁶ This helped to offset the UK's merchandise trade deficit in that year, which was around £153.8bn.⁷ The financial services trade surplus accounted for more than half of the total surplus of all sectors generating a positive trade balance in 2021 (Figure 7).

Figure 7: UK sectors generating trade surplus, £bn, 2021

Source: Office for National Statistics, Pink Book 2021



* Other business services, which includes research and development; professional and management consulting services; and technical, trade-related and other business services.

**Crude oil, Finish manufactured goods - ships and aircraft

Note: Construction, Personal, cultural and recreational services, and Government services ran a trade deficit in 2021

⁶ TheCityUK estimates based on the Office for National Statistics, '03 Trade in services, the Pink Book', (31 October 2022), available at: <https://www.ons.gov.uk/economy/nationalaccounts/balanceofpayments/datasets/3tradeinservicesthepinkbook2016>

⁷ Office for National Statistics, '02 Trade in goods, the Pink Book', (31 October 2022), available at: <https://www.ons.gov.uk/economy/nationalaccounts/balanceofpayments/datasets/2tradeingoodsthepinkbook2016>

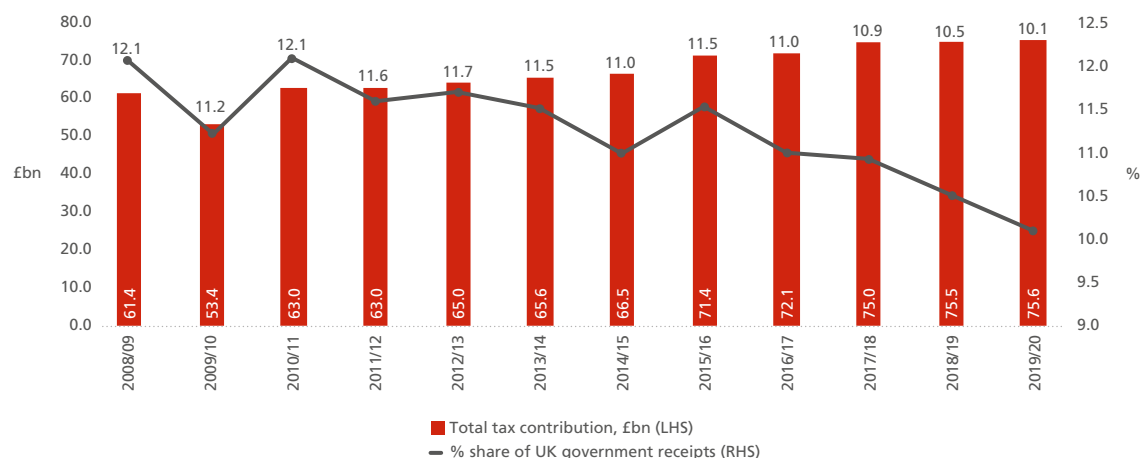
A vital source of tax receipts

The tax paid by financial services in the UK that can be readily identified includes HMRC statistics for corporation tax paid by firms and income tax paid by employees.

However, the tax contribution of the UK financial services sector is much broader also including, for example, VAT, national insurance contribution and business rates. A study by PwC commissioned by the City of London Corporation estimates the full tax contribution of the financial sector. According to the latest report, UK financial services contributed £75.6bn in tax revenue in 2019/20, accounting for 10.1% of total UK tax receipts (Figure 8).⁸ The total tax contribution of the legal and accounting sectors was £20.5bn in the tax year ending 2020.⁹

Figure 8: Tax contribution of UK financial services

Source: City of London Corporation and PwC



⁸ City of London Corporation and PwC, 'The total tax contribution of UK financial services in 2020: 13th Edition', (5 February 2021), p.23, available at: <https://www.cityoflondon.gov.uk/assets/Business/total-tax-contribution-2020.pdf>

Around two thirds of those in employment in the UK-based financial and related professional services industry are based outside London. In 2021, industry employment in the North West overtook that of the South East; the latter has traditionally been the region with the highest level of financial and related professional services employment after London. The industry provides 289,000 jobs in the North West and 286,000 in the South East; and 140,000 or more in the East of England, South West, Yorkshire and The Humber, and the West Midlands (Figure 9).

Figure 9: Financial and related professional services employment, 2021

Source: Nomis, except for Northern Ireland; Northern Ireland figures measure employees and are TheCityUK estimates based on Northern Ireland BRES data

	Banking	Insurance	Fund Management	Other Financial Services	Total Financial Services	Accounting	Management Consultancy	Legal Services	Total Related Professional Services	Total Financial and Related Professional Services	% of regional / national employment
North East	11,000	5,000	*	6,000	22,000	7,000	17,000	10,000	34,000	56,000	5.0
North West	35,000	58,000	4,000	22,000	119,000	90,000	37,000	43,000	170,000	289,000	8.2
Yorkshire and The Humber	28,000	20,000	*	18,000	66,000	24,000	27,000	32,000	83,000	149,000	5.9
East Midlands	15,000	14,000	1,000	11,000	41,000	27,000	30,000	14,000	71,000	112,000	5.1
West Midlands	23,000	18,000	1,000	13,000	55,000	24,000	43,000	23,000	90,000	145,000	5.4
East of England	10,000	31,000	1,000	18,000	60,000	43,000	34,000	19,000	96,000	156,000	5.3
London	134,000	93,000	60,000	146,000	433,000	123,000	174,000	138,000	435,000	868,000	15.9
South East	23,000	54,000	5,000	37,000	119,000	50,000	83,000	34,000	167,000	286,000	6.7
South West	27,000	24,000	1,000	15,000	67,000	32,000	29,000	25,000	86,000	153,000	5.7
Wales	8,000	15,000	*	9,000	32,000	12,000	10,000	10,000	32,000	64,000	4.8
Scotland	38,000	21,000	7,000	12,000	78,000	18,000	19,000	21,000	58,000	136,000	5.2
Northern Ireland	10,000	5,000	*	4,000	19,000	9,000	4,000	6,000	19,000	38,000	4.9
UK	362,000	358,000	80,000	311,000	1,111,000	459,000	507,000	375,000	1,341,000	2,452,000	7.6

* Denotes regional and national total less than 1,000 as Nomis rounds regional and national totals to the nearest 1,000.

⁹ TheCityUK, 'Total tax contribution study for UK legal and accounting services 2021', October 2021, available at: <https://www.thecityuk.com/assets/2021/Reports/349f3c15ed/Total-Tax-Contribution-study-for-UK-legal-and-accounting-activities.pdf>

Nearly half of financial and related professional services GVA is generated in regions and nations outside London. In 2021, the industry produced £23.2bn of GVA in the South East, £18.4bn in the North West, and over £10bn in Scotland, the East of England, South West, Yorkshire and The Humber, and the West Midlands (Figure 10).

Figure 10: Financial and related professional services gross value added, £m, 2021

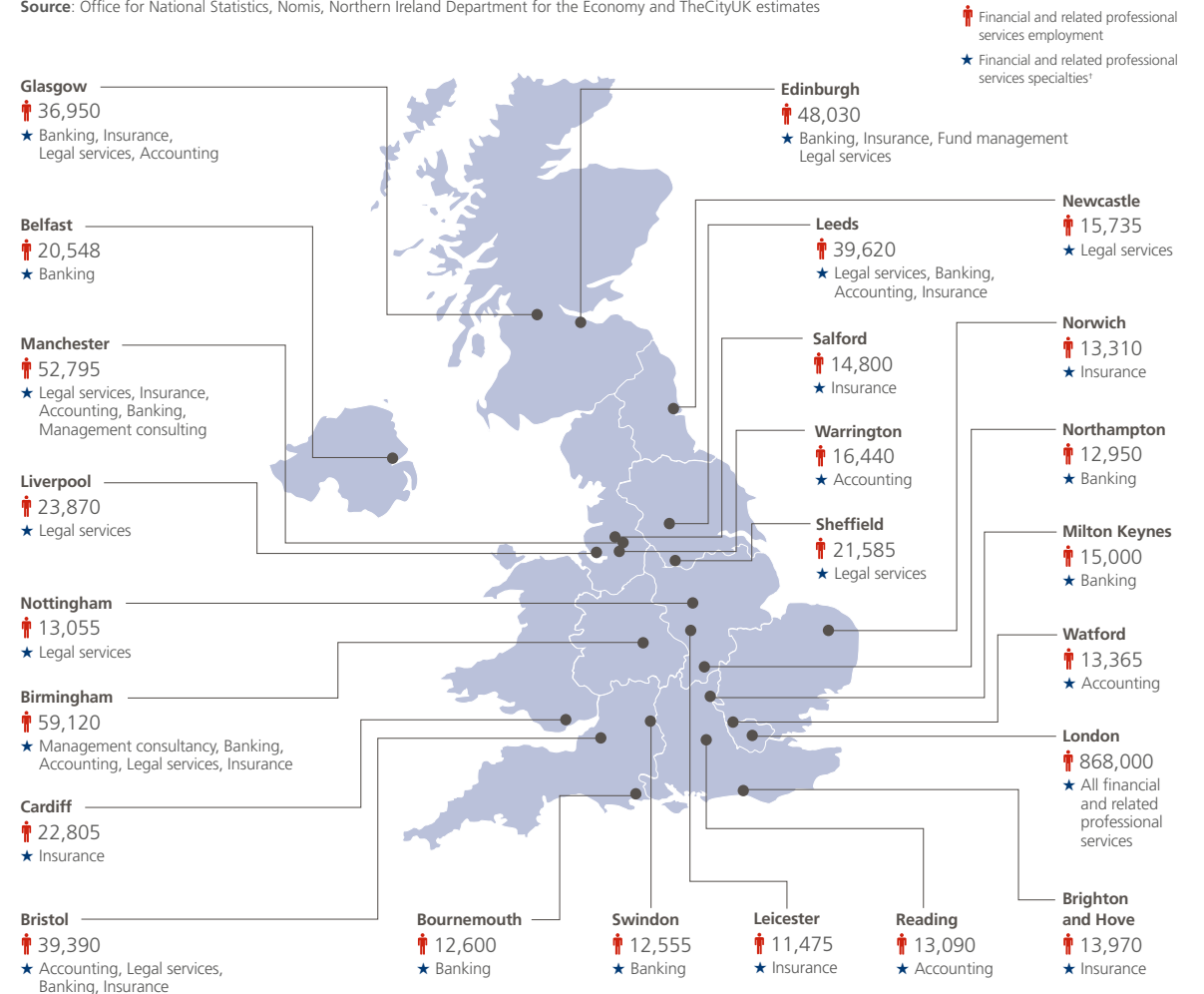
Source: TheCityUK estimates based on Office for National Statistics data

	Banking	Insurance	Fund Management	Other Financial Services	Total Financial Services	Accounting	Management Consultancy	Legal Services	Total Related Professional Services	Total Financial and Related Professional Services	% of regional / national GVA
North East	1,575	437	16	564	2,592	317	219	454	990	3,582	6.3
North West	7,153	3,430	207	1,278	12,068	3,674	934	1,756	6,364	18,432	9.4
Yorkshire and The Humber	4,702	1,820	36	1,681	8,240	1,284	586	1,713	3,583	11,823	8.9
East Midlands	2,450	900	39	731	4,119	1,073	483	557	2,113	6,232	5.3
West Midlands	3,970	2,033	102	1,513	7,618	1,428	774	1,369	3,571	11,189	7.7
East of England	2,276	3,865	87	2,187	8,415	2,447	1,055	1,081	4,583	12,998	7.6
London	48,309	15,106	9,772	23,820	97,007	13,360	6,315	14,990	34,665	131,672	27.0
South East	5,251	5,969	497	4,101	15,818	2,823	2,671	1,919	7,413	23,231	7.7
South West	3,822	2,937	122	1,887	8,768	1,729	629	1,350	3,708	12,476	8.3
Wales	1,360	1,573	31	958	3,922	565	195	471	1,231	5,153	7.4
Scotland	6,460	2,527	842	1,396	11,225	1,205	486	1,406	3,097	14,322	9.6
Northern Ireland	1,732	241	15	233	2,221	527	123	367	1,017	3,238	7.1
UK	89,060	40,838	11,767	40,348	182,013	30,433	14,470	27,432	72,335	254,348	12.5

Twenty-three UK major towns and cities have more than 10,000 people in employment in financial and related professional services (Figure 11). Manchester is the UK's biggest legal services centre after London with 13,000 jobs in the sector, and also the second biggest insurance cluster with 11,000 jobs in the sector. Warrington is one of the major accounting clusters with 12,000 jobs in the sector. Edinburgh is a major international location for fund management with 6,000 jobs, and Glasgow and Cardiff are homes to the insurance sector with 8,500 and 7,530 in employment respectively.

Figure 11: Financial and related professional services clusters across the UK, 2021

Source: Office for National Statistics, Nomis, Northern Ireland Department for the Economy and TheCityUK estimates



All major towns and cities with employment over 10,000 in financial and related professional services are listed.
¹Sectors with over 5,000 in employment are listed as specialties; if no sector has over 5,000 then largest sector is listed by employment.

Recent historical trends in industry employment and output

In the decade up to 2021, employment in financial and related professional services grew by a total of 390,000, at an annual average growth rate of 2%. Over half of those additional jobs were outside of London, and in four other regions industry employment grew at a higher annual average rate than the UK average. The average annual growth rate was highest in East Midlands (4.6%) and the North West (3.7%).

Comparing 2021 with 2020, industry employment grew by more than 10% in four regions. In six regions, it increased by between 2.7% and 7.8%, and in two regions it declined. Overall, therefore, the industry showed a significant recovery in employment terms in 2021, after the decline in 2020 caused by the impact of Covid-19 pandemic (Figure 12).

Financial and related professional services GVA increased by a total of £75bn over the past decade, at an annual average growth rate of 4%, with all regions and nations experiencing expansion above 1%. Northern Ireland was the region with the highest annual average growth rate (6.5%), followed by London (4.9%), the North West (3.9%), and

Yorkshire and The Humber (3.8%). Moreover, industry GVA continued to expand in 2021; in 2020 financial services had been one of the few sectors of the economy to register growth. It registered year-on-year growth of 6.7% in 2021, showing resilience throughout the Covid-19 pandemic, supported in part by continued demand for its products and services. This growth was mainly driven by industry growth in London, the North West, the South East, and Yorkshire and The Humber (Figure 13).

Clusters of financial and related professional services activity have long been part of the UK industrial landscape. These groupings generate benefits both on the demand and supply side, and lead to economies of agglomeration resulting in improved flows of information, greater efficiency and higher liquidity. On the demand side, a firm benefits from customer proximity as it is more likely to be found by customers when it is located in a cluster. On the supply side, a firm benefits from lower search costs because it can easily recruit from a pool of specialised labour and can tap into a specialised supplier base. Another supply-related benefit arises from the reliance of financial services firms on a vast array of supporting services.

Figure 12: Evolution of employment by region: index 2011=100

Source: Nomis, except for Northern Ireland; Northern Ireland figures measure employees and are TheCityUK estimates based on Northern Ireland BRES data

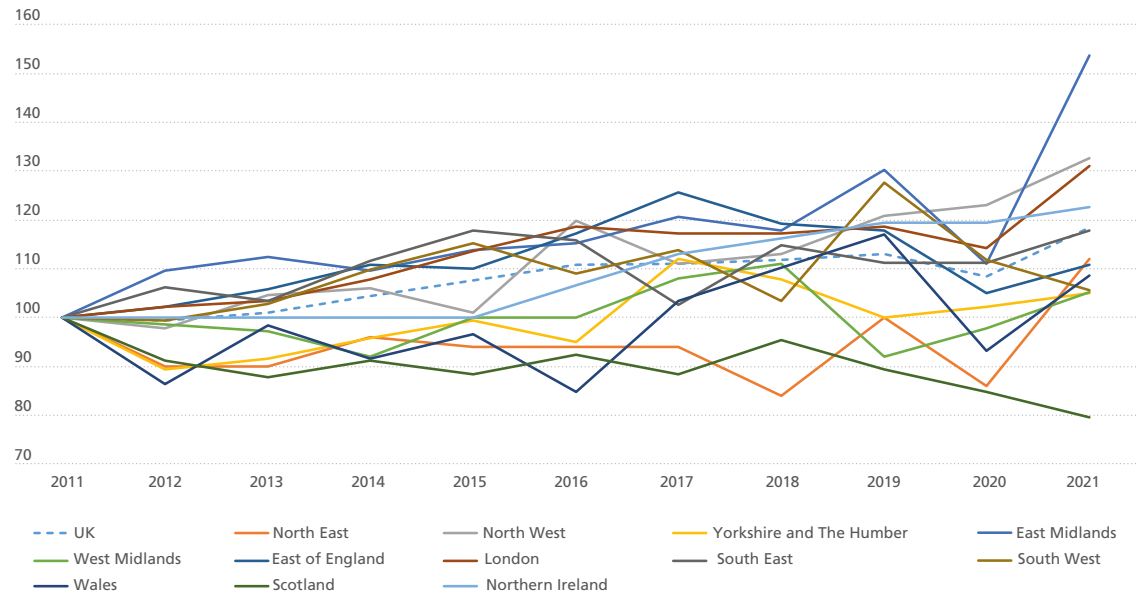
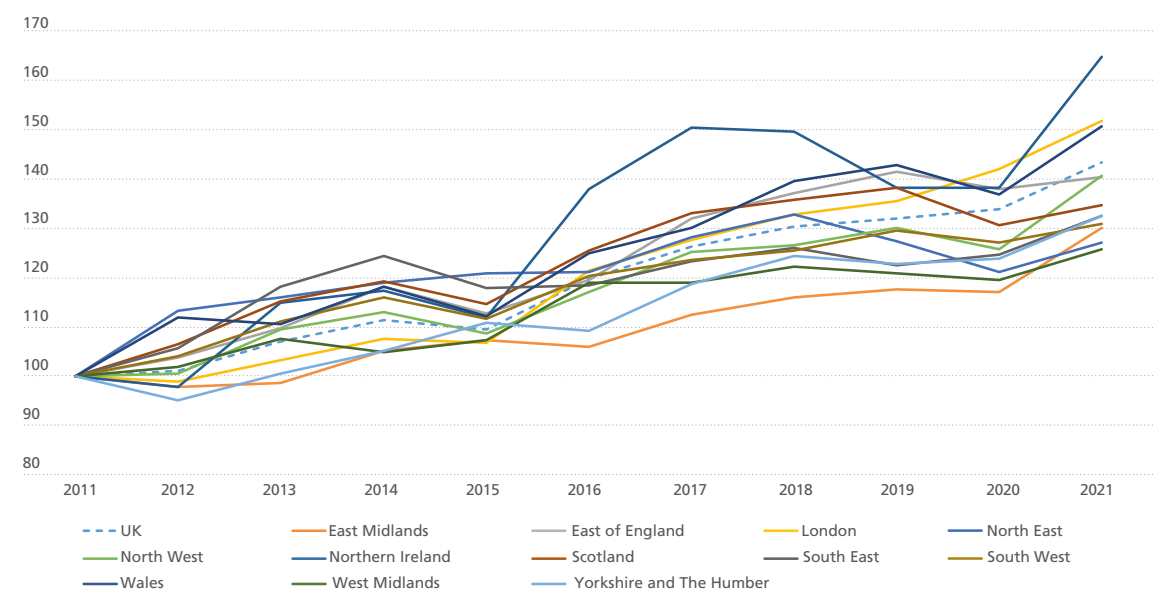


Figure 13: Evolution of GVA by region: index 2011=100

Source: TheCityUK estimates based on Office for National Statistics data



Investment case studies

Two-thirds of the people working in the financial and related professional services industry are based outside of London. Increasingly, new and innovative divisions with global firms, as well as senior leadership teams, are being based across the whole of the UK. This trend has been mirrored by government and regulators: HM Treasury has opened a new Economic Campus in Darlington, and the Bank of England, Financial Conduct Authority, UK Infrastructure Bank and British Business Bank have all opened facilities in the North of England. Below are illustrative examples of recent investments by major financial and related professional services firms in cities across the UK.

Birmingham: HSBC UK

In 2015, HSBC UK announced it would move the headquarters of its UK operations to Birmingham. This involved £200m of investment in a city centre office and the relocation of around 1,000 roles. In total, about 3,700 employees now work in the Birmingham head office. They chose to locate this new head office in Birmingham because it is a dynamic and entrepreneurial city, offering an attractive home for businesses and people at the heart of the UK. For HSBC UK employees, Birmingham offered a fantastic quality of life, affordable and decent housing, and ample amenities. HSBC's Employment across the West Midlands region now stands at approximately 4,000 employees. According to research by the West Midlands Growth Company, by 2019 the move was estimated to have generated £540 million of output for the West Midlands, through the direct impact of HSBC's operations and its supply chain. Of this, nearly £390 million was generated directly by the Birmingham head office and the bank's other operations across the West Midlands. At the same time, the West Midlands Growth Company found that nearly £33m worth of GVA in Birmingham and nearly £100m worth of GVA elsewhere in the region will have been generated by the spin-off benefits to suppliers of goods and services, and the impact of expenditure by HSBC UK's employees at shops, pubs, cafes and restaurants. The move has acted as a catalyst for significant growth of the region's financial services sector, with over 25 other firms also investing in new or expanded operations locally. It has also led to other benefits for the local community—for example, through partnerships with the University of Birmingham aimed at improving local people's digital skills and the creation of an accelerator programme for SMEs focused on climate innovation.

Manchester: PwC Tech Hub

In October 2021, PwC announced its plans to create its tech centre in Manchester. PwC chose Manchester as the location for its tech centre because of the city's excellent educational institutions, local talent, well-coordinated local authorities and attractiveness as a place to live. PwC has been increasing its capability across the North ever since. It is also leading a North West Tech Talent coalition, made up of 12 leading employers operating in the North. As part of its continued investment, PwC is installing a new client experience in its Manchester office called Frictionless Futures. This will be an immersive space, in the form of a physical pop-up store, with collaborative workshop spaces to define a roadmap for each client. PwC has mobilised teams across Retail, the Cloud Centre of Excellence, Tech Central and its Alliance partner AiFi, to showcase their frictionless technology capability. The store will be available from September 2023.

Birmingham: Goldman Sachs

Goldman Sachs established an office in Birmingham in September 2021 to diversify its UK footprint and tap into the broad and deep talent pool in the local area. Birmingham boasts excellent academic institutions and an ecosystem that is ahead of the curve in terms of its entrepreneurial growth potential and leadership, particularly in STEM industries. Its proximity to London also allows for easy travel between UK offices for their people to stay closely connected with other divisions and clients. In the past two years the local talent market has impressed the bank, allowing Goldman Sachs to exceed its growth plan targets. As well as its Engineering teams, other groups such as Risk, Legal, Internal Audit, HR and Compliance have successfully expanded. Work is underway to move into a new bespoke office space in 2024 that can accommodate several hundred employees.

Belfast: Citi

Citi opened its doors in Belfast in 2005, with 375 employees delivering technology services to Citi's global Institutional Clients Group. The local footprint has expanded to over 4,000 employees, across four Belfast locations, in less than two decades. Every day in Belfast, globally focused teams interact with employees in over 100 countries processing over 600,000 transactions.

A number of factors influenced Citi's decision to grow in Belfast. Relationships were formed and developed with key stakeholders including government, public, private, and academic communities, who work collaboratively with acute awareness and willingness to address economic inequality and historic disparity, while supporting the development of Northern Ireland as a business friendly location.

The talent available in Northern Ireland is excellent. Quality standards for Northern Irish universities are among the best in the world, and credentials from local institutions are well respected internationally.

Proximity to the UK mainland and the offices in Dublin make Northern Ireland a desirable place for business. The commute to Dublin is same in length as the commute to London. The flagship Belfast office is located within good proximity to Belfast City Airport, and daily flights are available.

With the opportunity to recruit such exceptional talent locally, Citi has grown to become a strategic delivery centre for many of the global businesses. The functional footprint covers over 21 areas including Technology, Markets Operations, Legal, Compliance, Risk, Internal Audit, HR, Business Analysis and Support, and Private Bank.

Citi is the only global investment bank to operate locally. It is the largest US-based employer, and the largest provider of financial services in Northern Ireland.

Glasgow: Barclays

Barclays opened its new campus in Tradeston, Glasgow, in 2022. It houses Technology, Operations, and Functions Teams, bringing new high-value roles to the city. As part of the company's global locations strategy, and following a worldwide search of locations, Barclays chose Glasgow because of the highly skilled workforce and the depth of Scotland's financial services expertise. Barclays has more than doubled its workforce in Glasgow over the last four years and has over 5,600 employees on campus. Working with universities in Glasgow and Edinburgh, the bank is developing a robust pipeline of graduate and apprenticeship opportunities, the majority of which are going into high-skill technology roles. Beyond the new roles being created within Barclays, the campus is rooted in the local community and economy. During the development of the site, there was a focus on using local suppliers and contractors wherever possible. Some of these firms have scaled their businesses as a result of their work on the campus. The campus is home to the latest Barclays Eagle Lab, hosting members of the Glasgow technology start-up community. The lab focuses on supporting and developing skills in new and emerging technologies, innovation and entrepreneurship.

Common factors linking these case studies include the following:

Access to talent – Investments were made in cities where the firm knew it would be able to recruit the highly skilled individuals it would need to make the operation a success. This often included close geographic and cultural links to world-leading universities, but also a sense that the cities are great places to live as well as work, attracting people to develop a long-term career in the area.

Political support – Coordination and support from local civic leaders – including local government, combined authorities, or devolved legislatures – were hugely important for firms taking investment decisions.

Thriving private sectors – Cities which have dynamic business ecosystems are particularly attractive to investors, creating a positive feedback loop. Civic leadership can also play a role in delivering such an environment.

Connectivity – Good transport links, whether by road, rail, or air, were important factors for firms in considering their investments. Quick and reliable transport is essential to doing business and attracting talent.

These factors mutually reinforce one another and act as clear triggers for investment for global firms who are looking for options to open in new locations. Civic leaders who wish to attract greater investment from financial and related professional services to their town or city should consider carefully how they can deliver such an environment. The rewards are clear – new investments, good jobs and economic growth.

East Midlands

Financial and related professional services employ 5.1% of the region's workforce and generate 5.3% of economic output.

Northampton

The East Midlands has a long-standing presence in accounting and management consultancy services, activities as well as a continued banking sector presence.

Over the last decade, the East Midlands' economy has become more diverse, increasing its service sector activity. Businesses based in the region have developed the capability to serve not only the local and regional market but also national and international clients and customers.

Approximately 112,000 people in the East Midlands work in financial and related professional services. This equates to 5.1% of its workforce. The GVA of the industry totals £6.2bn, equivalent to 5.3% of regional economic output.

The industry is widely dispersed throughout the region. Key cities and towns include Nottingham with 13,055 in employment in the industry, followed by Northampton (12,950), Leicester (11,475), and Derby (7,220). Together these four cities and towns account for nearly four in 10 of all financial and related professional services employment in the East Midlands.



The industry in Northampton accounts for around 13.7% of the city GVA, while in Nottingham, Leicester, and Derby it contributes 9.7%, 7.2%, and 4.4%, respectively. The region has a historic and continued banking sector presence: 40% of the region's total financial and related professional services GVA came from banking. More recently there has been diversification in activity, including growth in insolvency law, public private partnerships and corporate finance.

EAST MIDLANDS SELECTED TOWNS' AND CITIES' FINANCIAL AND RELATED PROFESSIONAL SERVICES EMPLOYMENT											
City / Town	Financial Services					Related Professional Services				Total	% of City/Town Employment
	Banking	Insurance	Fund Management	Other Financial Services	Total	Accountancy	Management Consultancy	Legal Services	Total		
Nottingham	800	1,700	200	2,605	5,305	2,250	2,000	3,500	7,750	13,055	6.4
Northampton	6,000	1,520	45	1,185	8,750	2,250	1,250	700	4,200	12,950	8.9
Leicester	1,250	3,200	75	950	5,475	2,500	2,250	1,250	6,000	11,475	5.9
Derby	350	350	20	700	1,420	800	3,500	1,500	5,800	7,220	5.0
Regional Total	15,000	14,000	1,000	11,000	41,000	27,000	30,000	14,000	71,000	112,000	5.1

* Denotes regional and national total less than 1,000 as Nomis rounds regional and national totals to nearest 1,000. Major towns and cities with over 5,000 in employment in financial and related professional services are listed.

EAST MIDLANDS SELECTED TOWNS' AND CITIES' FINANCIAL AND RELATED PROFESSIONAL SERVICES GVA (£ MILLION UNLESS STATED)											
City / Town	Financial Services					Related Professional Services				Total	% of City/Town GVA
	Banking	Insurance	Fund Management	Other Financial Services	Total	Accountancy	Management Consultancy	Legal Services	Total		
Northampton	1,188	120	5	98	1,411	162	38	84	284	1,695	13.7
Nottingham	98	322	14	261	695	214	20	111	345	1,040	9.7
Leicester	90	204	9	166	468	85	68	44	197	665	7.2
Derby	54	81	3	66	205	72	13	38	123	328	4.4
Regional Total	2,450	900	39	731	4,119	1,073	483	557	2,113	6,232	5.3

Towns and cities with over 5,000 in employment in financial and related professional services are listed. GVA data are TheCityUK estimates. For details and methodology, see the Appendix.

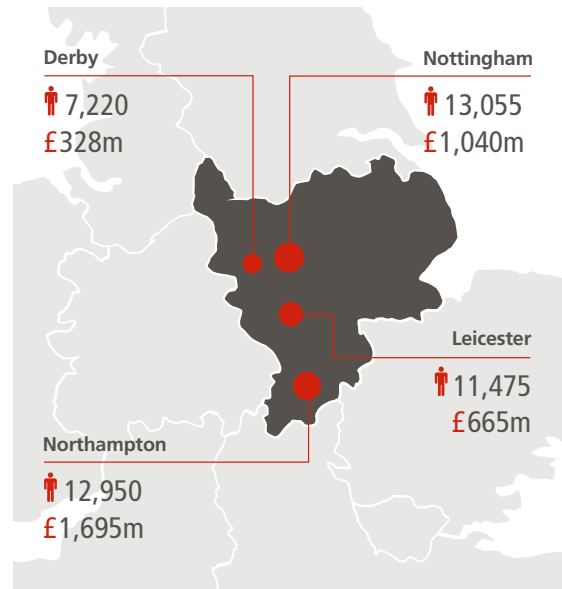
Nottingham is already an established location for many internationally recognised businesses. One of its key advantages is its competitive operational costs compared to other financial centres.

The ability to recruit skilled staff is key to any business, and the East Midlands is able to provide a large, flexible labour pool to match most recruitment needs. Investment in skills has been a priority, and there have been significant improvements in the region's skills base during the past decade.

Nottingham's two universities are both recognised as leading institutions linked with the financial and business services sector. Both universities are closely linked with business and industry, and are home to many research and career development centres in areas including banking, accountancy and law.

East Midlands employment and GVA, 2021

Financial and related professional services employment



👤 = Employment, 2021 £ = Gross Value Added, 2021

EAST MIDLANDS SELECTED CONSTITUENCIES' FINANCIAL AND RELATED PROFESSIONAL SERVICES EMPLOYMENT*

Constituency	Financial Services					Related Professional Services				Total	% of constituency employment
	Banking	Insurance	Fund Management	Other Financial Services	Total	Accountancy	Management Consultancy	Legal Services	Total		
South Northamptonshire	4,000	910	30	1,085	6,025	1,750	2,000	1,500	5,250	11,275	14.6
Nottingham South	450	450	200	1,940	3,040	1,000	1,250	2,500	4,750	7,790	6.8
Leicester South	1,000	2,520	20	445	3,985	1,250	900	1,000	3,150	7,135	8.1
South Leicestershire	1,500	1,150	0	600	3,250	1,000	1,000	1,000	3,000	6,250	8.7
Derby North	10	225	10	160	405	2,250	500	300	3,050	3,455	6.4
Northampton North	3,000	250	0	110	3,360	600	350	75	1,025	4,385	11.9
Nottingham East	300	1,300	0	610	2,210	900	450	400	1,750	3,960	6.3
Chesterfield	225	800	0	495	1,520	700	600	350	1,650	3,170	6.6
Derby South	350	75	10	495	930	1,000	800	500	2,300	3,230	3.9
North West Leicestershire	350	125	30	365	870	1,250	800	175	2,225	3,095	4.5

* Major constituencies with over 3,000 in employment in financial and related professional services are listed.

East of England

Financial and related professional services accounts for more than 10% of total employment in Watford, Norwich and Ipswich.

Norwich

The East of England has large professional services and venture capital sectors. Watford, Norwich and Ipswich are the largest financial and related professional services centres in the region in terms of employment.

7.6%
of regional GVA

5.3%
of regional employment

EAST OF ENGLAND SELECTED TOWNS' AND CITIES' FINANCIAL AND RELATED PROFESSIONAL SERVICES EMPLOYMENT

City / Town	Financial Services					Related Professional Services				Total	% of City/Town Employment
	Banking	Insurance	Fund Management	Other Financial Services	Total	Accountancy	Management Consultancy	Legal Services	Total		
Watford	250	350	0	865	1,465	10,000	1,500	400	11,900	13,365	16.0
Norwich	800	7,500	0	760	9,060	1,750	1,000	1,500	4,250	13,310	12.0
Ipswich	400	5,000	150	415	5,965	800	450	1,000	2,250	8,215	10.8
Cambridge	450	215	175	795	1,635	1,750	1,500	2,000	5,250	6,885	5.2
Peterborough	600	3,250	30	960	4,840	800	500	700	2,000	6,840	6.0
Chelmsford	350	2,000	5	615	2,970	800	1,000	900	2,700	5,670	8.3
Southend-on-Sea	225	810	0	340	1,375	800	2,500	600	3,900	5,275	7.8
Regional Total	10,000	31,000	1,000	18,000	60,000	43,000	34,000	19,000	96,000	156,000	5.3

* Denotes regional and national total less than 1,000 as Nomis rounds regional and national totals to nearest 1,000. Major towns and cities with over 5,000 in employment in financial and related professional services are listed.

EAST OF ENGLAND SELECTED TOWNS' AND CITIES' FINANCIAL AND RELATED PROFESSIONAL SERVICES GVA (£ MILLION UNLESS STATED)

City / Town	Financial Services					Related Professional Services				Total	% of City/Town GVA
	Banking	Insurance	Fund Management	Other Financial Services	Total	Accountancy	Management Consultancy	Legal Services	Total		
Norwich	45	537	12	304	898	79	6	35	121	1,019	20.2
Peterborough	143	281	6	159	589	53	20	24	97	686	10.0
Chelmsford	247	169	4	96	516	90	39	40	169	685	11.3
Cambridge	43	126	3	71	243	111	72	49	233	476	7.0
Watford	57	79	2	45	182	82	42	36	159	342	9.2
Ipswich	47	50	1	29	127	44	9	19	72	199	4.0
Southend-on-Sea	46	14	0	8	68	35	5	15	55	123	4.1
Regional Total	2,276	3,865	87	2,187	8,415	2,447	1,055	1,081	4,583	12,998	7.6

Towns and cities with over 5,000 in employment in financial and related professional services are listed. GVA data are TheCityUK estimates. For details and methodology, see the Appendix.

The East of England has an established financial and related professional services industry.

With 13,365 people employed in financial and related professional services, Watford is the biggest centre in the region. Norwich is the second key regional centre, employing 13,310. These two cities are followed by Ipswich (with 8,215 in employment), and Cambridge and Peterborough (each with nearly 7,000). Chelmsford and Southend-on-Sea also have industry employment levels above 5,000.

More than 80% of those in financial services employment in the Norwich and Ipswich areas are employed in the insurance sector. The general insurance sub-sector accounts for the bulk of these jobs, with Aviva being the dominant company. In fact, Norwich is one of the largest general insurance markets outside London. Other major employers in the region include Marsh, HSBC, RBS and Barclays.

In recent years, the East of England has seen a diversification of its financial sector activities as a result of policies to promote the development of financial and related professional services in the region. For example, the accounting sector has become a prominent employer in Watford, generating over half of financial and related professional services employment in the city. Meanwhile, Cambridge is home to a large concentration of venture capital investors' headquarters.

The industry contributes nearly 8% to the region's GVA. The industry has the highest contribution to city GVA in Norwich, with more than 20% of the city GVA generated by the industry.

EAST OF ENGLAND SELECTED CONSTITUENCIES' FINANCIAL AND RELATED PROFESSIONAL SERVICES EMPLOYMENT*

Constituency	Financial Services					Related Professional Services				Total	% of constituency employment
	Banking	Insurance	Fund Management	Other Financial Services	Total	Accountancy	Management Consultancy	Legal Services	Total		
Watford	250	300	0	865	1,415	10,000	800	400	11,200	12,615	15.8
Norwich North	400	6,040	0	250	6,690	450	175	50	675	7,365	18.4
Ipswich	400	5,000	150	410	5,960	700	350	1,000	2,050	8,010	12.7
Norwich South	350	1,510	0	530	2,390	1,250	900	1,500	3,650	6,040	8.8
St Albans	300	450	0	390	1,140	2,500	1,750	500	4,750	5,890	11.5
Chelmsford	350	2,000	5	615	2,970	800	1,000	900	2,700	5,670	9.1
Hertsmere	250	1,500	5	480	2,235	3,000	1,000	350	4,350	6,585	11.0
South West Hertfordshire	75	180	10	1,240	1,505	1,000	1,250	250	2,500	4,005	8.2
Cambridge	450	125	175	345	1,095	1,250	1,250	1,750	4,250	5,345	5.9
Basildon and Billericay	700	345	75	2,150	3,270	800	400	300	1,500	4,770	8.2
North West Cambridgeshire	200	1,600	0	385	2,185	450	700	100	1,250	3,435	5.4
Hitchin and Harpenden	200	1,200	10	225	1,635	700	1,750	200	2,650	4,285	8.4
Peterborough	400	1,400	30	585	2,415	500	300	700	1,500	3,915	5.4
Colchester	300	1,000	0	365	1,665	600	400	900	1,900	3,565	6.1
Brentwood and Ongar	500	500	10	630	1,640	800	800	250	1,850	3,490	7.9
Southend West	25	200	0	165	390	350	2,250	225	2,825	3,215	11.1
Hertford and Stortford	175	525	10	385	1,095	700	800	600	2,100	3,195	5.5

* Major constituencies with over 3,000 in employment in financial and related professional services are listed.

London

London is one of the leading global centres for international wholesale financial and related professional services.

London

London is a truly global financial centre, and thus the largest financial and related professional services hub in the UK. It has a leading global share of trading in many international markets, including cross-border bank lending, international insurance, foreign-exchange trading and OTC derivatives trading. It is also the European capital for hedge funds and private equity funds.

The biggest financial and related professional services cluster in the UK is centred in and around Canary Wharf, the City of London and the City Fringe. London has a large concentration of financial services expertise and a highly trained, diverse, multilingual workforce.

The financial and related professional services industry accounts for 16% of London's employment. The industry contributed £131.7bn to the London economy, over a quarter of overall London GVA.

27.0%
of regional GVA

15.9%
of regional employment

London plays a very important role within the UK-based industry, reflecting its dominance in wholesale capital markets and its prominence as one of only two truly global financial centres (alongside New York). For example, according to Z/Yen's most recent Global Financial Centres Index, a widely accepted source for ranking financial centres globally, London currently ranks second as an international financial services centre.¹⁰

The London Market is a distinct, separate part of the UK insurance and reinsurance sector based in central London. It consists mostly of general insurance and reinsurance, and predominantly involves high exposure risks. The London Market is the world's leading market

¹⁰ Z/Yen, 'Global Financial Centres Index 33', available at: <https://www.longfinance.net/publications/long-finance-reports/the-global-financial-centres-index-33/>

LONDON FINANCIAL AND RELATED PROFESSIONAL SERVICES EMPLOYMENT

City / Town	Financial Services					Related Professional Services				Total	% of City/Town Employment
	Banking	Insurance	Fund Management	Other Financial Services	Total	Accountancy	Management Consultancy	Legal Services	Total		
London	134,000	93,000	60,000	146,000	433,000	123,000	174,000	138,000	435,000	868,000	15.9

* Denotes regional and national total less than 1,000 as Nomis rounds regional and national totals to nearest 1,000. Major towns and cities with over 5,000 in employment in financial and related professional services are listed.

LONDON FINANCIAL AND RELATED PROFESSIONAL SERVICES GROSS VALUE ADDED (£ MILLION UNLESS STATED)

City / Town	Financial Services					Related Professional Services				Total	% of City/Town GVA
	Banking	Insurance	Fund Management	Other Financial Services	Total	Accountancy	Management Consultancy	Legal Services	Total		
London	48,309	15,106	9,772	23,820	97,007	13,360	6,315	14,990	34,665	131,672	27.0

Towns and cities with over 5,000 in employment in financial and related professional services are listed. GVA data are TheCityUK estimates. For details and methodology, see the Appendix.

for internationally traded insurance and reinsurance. Almost all of the world's largest international insurance and reinsurance companies are active there.

According to data from the International Underwriting Association of London (IUA, the representative body for insurance and reinsurance firms in London), the gross premium income for the London company market – which comprises non-Lloyd's international and wholesale insurance and reinsurance companies operating in London – was £30bn in 2021. A further £5.5bn was written in other regions, but overseen and managed by operations in London. The gross premium income written in the London company market increased by 8% in 2021.¹¹

Lloyd's of London is a corporate body and marketplace for insurance and reinsurance business in London. Lloyd's gross written premium income reached £39.2bn in 2021.¹² Average annual growth of Lloyd's gross premiums has been 5% over the past decade.

London is one of the largest global fund management centres. It is essential to the UK's strong international position. London-headquartered investment funds account for around three-quarters of UK-based funds under management as of 2021,¹³ over 10 years, there was a ten-percentage point increase in the proportion of firms headquartered in London. London is a leading centre for services such as administration, prime brokerage, custody and auditing.

London also hosts a wide array of related professional services. Around one third of those employed in the industry in the UK are located in London.

¹¹ IUA, 'London Company Market Statistics Report', (September 2022), available at: https://www.iua.co.uk/IUA_Member/Publications/London_Company_Market_Statistics_Report.aspx

¹² Lloyd's, 'Annual report 2021', available at: https://assets.lloyds.com/media/81b1778b-e821-4424-b21e-26e0bf095f10/Lloyds_AR21_220323.pdf

¹³ The Investment Association, 'Investment Management in the UK 2021-2022', p.19, available at: <https://www.theia.org/sites/default/files/2022-09/Investment%20Management%20Survey%202021-22%20full%20report.pdf>

LONDON SELECTED CONSTITUENCIES' FINANCIAL AND RELATED PROFESSIONAL SERVICES EMPLOYMENT*

Constituency	Financial Services					Related Professional Services				Total	% of constituency employment
	Banking	Insurance	Fund Management	Other Financial Services	Total	Accountancy	Management Consultancy	Legal Services	Total		
Cities of London and Westminster	72,000	72,500	52,000	80,600	277,100	36,000	72,000	68,000	176,000	453,100	34.6
Poplar and Limehouse	32,000	1,450	700	28,005	62,155	15,000	4,500	7,000	26,500	88,655	45.0
Holborn and St Pancras	5,000	900	1,250	4,875	12,025	4,500	11,000	16,000	31,500	43,525	12.4
Bermondsey and Old Southwark	1,750	750	1,250	3,580	7,330	17,000	12,000	5,000	34,000	41,330	19.7
Islington South and Finsbury	4,500	750	1,500	5,840	12,590	6,000	10,000	8,000	24,000	36,590	17.1
Bethnal Green and Bow	5,000	1,510	30	1,450	7,990	900	2,250	4,500	7,650	15,640	16.0
Hackney South and Shoreditch	1,000	400	175	3,630	5,205	2,500	6,000	3,000	11,500	16,705	14.7
Bromley and Chislehurst	1,000	2,515	0	630	4,145	500	700	1,000	2,200	6,345	15.9
Kensington	500	125	600	940	2,165	700	3,000	600	4,300	6,465	6.3
Hammersmith	225	100	300	1,385	2,010	900	3,000	500	4,400	6,410	5.7
Croydon Central	250	2,000	10	1,085	3,345	700	1,000	400	2,100	5,445	10.7
Finchley and Golders Green	175	300	75	650	1,200	2,000	2,000	900	4,900	6,100	11.7
Chelsea and Fulham	175	60	900	1,025	2,160	800	2,500	350	3,650	5,810	8.4
Wimbledon	1,000	575	15	375	1,965	900	1,500	1,250	3,650	5,615	9.4
Brentford and Isleworth	300	1,000	0	565	1,865	700	1,500	700	2,900	4,765	4.5
Uxbridge and South Ruislip	150	400	0	390	940	1,500	700	400	2,600	3,540	5.0
Vauxhall	450	0	225	730	1,405	500	2,500	600	3,600	5,005	5.2
Richmond Park	125	75	75	470	745	700	2,250	400	3,350	4,095	7.6
Hampstead and Kilburn	600	60	50	490	1,200	800	1,500	600	2,900	4,100	7.9
Harrow West	300	100	10	325	735	2,500	800	900	4,200	4,935	13.0
Ealing Central and Acton	350	40	50	230	670	700	1,500	600	2,800	3,470	5.1
East Ham	175	75	0	250	500	2,000	400	400	2,800	3,300	7.5
Enfield, Southgate	450	135	10	455	1,050	900	800	450	2,150	3,200	10.3
Kingston and Surbiton	300	400	75	280	1,055	700	1,000	500	2,200	3,255	5.9
Twickenham	50	260	15	335	660	700	1,500	400	2,600	3,260	7.2
Ilford South	500	100	40	180	820	1,000	600	700	2,300	3,120	7.3
Battersea	175	55	25	250	505	300	1,750	450	2,500	3,005	6.1
Hayes and Harlington	175	175	30	820	1,200	700	800	300	1,800	3,000	3.5

* Major constituencies with over 3,000 in employment in financial and related professional services are listed.

North East

56,000 people are employed in financial and related professional services in the North East, of whom nearly one-third are based in Newcastle.

Newcastle

The North East has particular strengths in banking, mortgage lending, legal services and management consulting.

The financial and related professional services industry employs a total of 56,000 people in the region, and generates 6.3% of regional GVA.

The North East has a strong and diverse financial, professional and business services sector which includes leading regional companies in law and finance and specialist consultancies supporting key areas of opportunity like offshore energy.¹⁴

Newcastle is the leading financial and related professional services centre in the region. The city centre hosts a thriving mix of business, retail, cultural and social activities and two universities. It has quality transport hubs with links to regional, national and international centres. The economic relationship between Newcastle and other parts of the North East is strong.

6.3%
of regional GVA

5.0%
of regional employment

NORTH EAST SELECTED TOWNS AND CITIES' FINANCIAL AND RELATED PROFESSIONAL SERVICES EMPLOYMENT

City / Town	Financial Services					Related Professional Services				Total	% of City/Town Employment
	Banking	Insurance	Fund Management	Other Financial Services	Total	Accountancy	Management Consultancy	Legal Services	Total		
Newcastle	2,500	775	125	2,335	5,735	2,500	3,500	4,000	10,000	15,735	8.6
Sunderland	2,500	1,075	0	615	4,190	600	700	600	1,900	6,090	8.5
Regional Total	11,000	5,000	*	6,000	22,000	7,000	17,000	10,000	34,000	56,000	5.0

* Denotes regional and national total less than 1,000 as Nomis rounds regional and national totals to nearest 1,000. Major towns and cities with over 5,000 in employment in financial and related professional services are listed.

NORTH EAST SELECTED TOWNS' AND CITIES' FINANCIAL AND RELATED PROFESSIONAL SERVICES GVA (£ MILLION UNLESS STATED)

City / Town	Financial Services					Related Professional Services				Total	% of City/Town GVA
	Banking	Insurance	Fund Management	Other Financial Services	Total	Accountancy	Management Consultancy	Legal Services	Total		
Sunderland	607	76	3	99	785	12	9	18	39	824	12.3
Newcastle	193	132	5	170	499	109	66	156	332	831	7.3
Regional Total	1,575	437	16	564	2,592	317	219	454	990	3,582	6.3

Towns and cities with over 5,000 in employment in financial and related professional services are listed. GVA data are TheCityUK estimates. For details and methodology, see the Appendix.

¹⁴ North East Local Enterprise Partnership, 'Financial, professional and business services', available at: <https://www.northeastlep.co.uk/the-plan/support/financial-professional-and-business-services/>

Employment is split roughly equally between the professional and financial services sectors in the region. Within the financial and related professional services industry, Newcastle has particular presence in banking, and legal and management consulting services. All the ‘Big Four’ professional services consultancies have offices in Newcastle, alongside financial services firms such as Virgin Money (headquartered there) and Tesco Bank. The industry draws its employees from a wide area across the North East. Newcastle has high job density, illustrating its role in the local and regional economy.

Other major towns and cities in the region include Sunderland, Stockton-on-Tees, Middlesbrough and Durham. Durham, for example, hosts Atom Bank, a digital bank established in 2014.

North East employment and GVA, 2021

Financial and related professional services employment



NORTH EAST SELECTED CONSTITUENCIES' FINANCIAL AND RELATED PROFESSIONAL SERVICES EMPLOYMENT*

Constituency	Financial Services					Related Professional Services				Total	% of constituency employment
	Banking	Insurance	Fund Management	Other Financial Services	Total	Accountancy	Management Consultancy	Legal Services	Total		
Newcastle upon Tyne Central	2,000	630	100	585	3,315	1,750	1,250	2,250	5,250	8,565	8.5
Newcastle upon Tyne East	250	190	0	450	890	700	1,750	1,750	4,200	5,090	8.3
Stockton South	1,500	380	10	125	2,015	250	900	600	1,750	3,765	9.2
Houghton and Sunderland South	2,000	430	0	600	3,030	35	250	50	335	3,365	13.5

* Major constituencies with over 3,000 in employment in financial and related professional services are listed.

North West

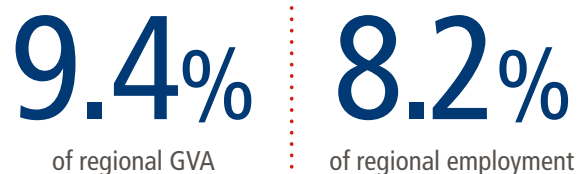
The North West is the UK's second largest region in terms of employment, and the largest economy outside London and the South East.

Manchester

The region is a particular centre of excellence for banking, legal services, general insurance, management consulting and accountancy.

The quality of the North West's infrastructure and access to talent has attracted firms to a location that can deliver a consistent level of service to its international client base.

The North West is host to a large cluster of financial and related professional services firms; the industry collectively accounts for 9.4% of the regional economy and employs 289,000 people. The North West is the largest region for financial and related professional services employment outside the capital. The Greater Manchester metropolitan area is an important financial hub in the North West, employing 141,000 people. The industry in the city of Manchester contributes 22.3% to



the city GVA and accounts for almost one fifth of total financial and related professional services employment in the North West. Businesses operate near new media and political hubs represented by MediaCityUK and the office of the metro mayor within the Greater Manchester Combined Authority. The local economy has also benefited from private sector investment agencies, such as MIDAS, Manchester's inward investment agency, which has helped to attract a number of companies to the city region.

A key policy priority for the city region is skills retention. While well-established academic institutions such as Manchester Business School and Manchester's College of Law ensure graduates progress into entry-level industry roles, mid-level and senior-level employees can be difficult for firms to attract.

NORTH WEST SELECTED TOWNS' AND CITIES' FINANCIAL AND RELATED PROFESSIONAL SERVICES EMPLOYMENT

City / Town	Financial Services					Related Professional Services				Total	% of City/Town Employment
	Banking	Insurance	Fund Management	Other Financial Services	Total	Accountancy	Management Consultancy	Legal Services	Total		
Manchester	8,000	11,000	500	3,295	22,795	11,000	6,000	13,000	30,000	52,795	13.1
Liverpool	4,000	4,010	1,250	1,110	10,370	4,000	2,500	7,000	13,500	23,870	7.8
Warrington	200	1,050	10	930	2,190	12,000	1,750	500	14,250	16,440	13.3
Salford	225	6,500	100	725	7,550	4,500	1,250	1,500	7,250	14,800	17.0
Preston	350	1,780	20	805	2,955	1,250	1,250	500	3,000	5,955	6.9
Stockport	1,000	1,350	30	350	2,730	900	800	1,000	2,700	5,430	7.7
Regional Total	35,000	58,000	4,000	22,000	119,000	90,000	37,000	43,000	170,000	289,000	8.2

* Denotes regional and national total less than 1,000 as Nomis rounds regional and national totals to nearest 1,000. Major towns and cities with over 5,000 in employment in financial and related professional services are listed.

NORTH WEST SELECTED TOWNS' AND CITIES' FINANCIAL AND RELATED PROFESSIONAL SERVICES GVA (£ MILLION UNLESS STATED)

City / Town	Financial Services					Related Professional Services				Total	% of City/Town GVA
	Banking	Insurance	Fund Management	Other Financial Services	Total	Accountancy	Management Consultancy	Legal Services	Total		
Manchester	2,011	1,537	93	573	4,214	992	219	474	1,685	5,899	22.3
Liverpool	644	521	31	194	1,391	209	50	100	359	1,750	12.2
Salford	110	133	8	50	301	295	40	141	476	777	9.3
Stockport	265	101	6	38	410	95	20	45	161	572	7.9
Warrington	15	27	2	10	54	248	59	118	425	479	5.7
Preston	46	28	2	10	86	82	11	39	132	218	4.3
Regional Total	7,153	3,430	207	1,278	12,068	3,674	934	1,756	6,364	18,432	9.4

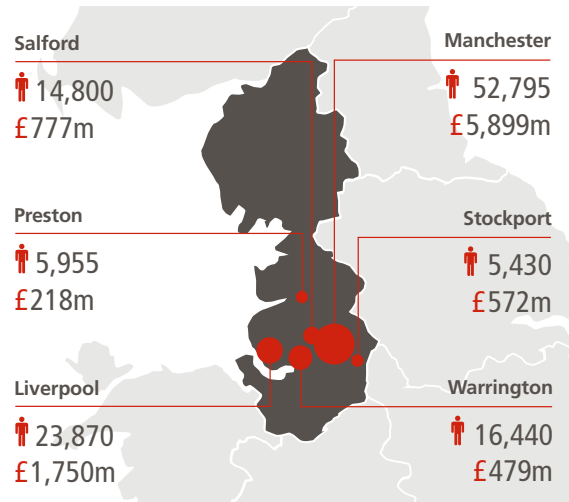
Towns and cities with over 5,000 in employment in financial and related professional services are listed. GVA data are TheCityUK estimates. For details and methodology, see the Appendix.

Merseyside also plays an important role. Almost 24,000 people are employed in financial and related professional services in the city of Liverpool; many of these people work in Liverpool Riverside, home to a thriving business and professional services community with a specialism in maritime insurance, banking and wealth management. The industry employs 46,000 people in the wider Liverpool City Region.

Significantly, the North West is the second largest insurance, accounting, legal centre in the UK after London. It also has a wide presence in banking services along with expertise in several valuable areas including the Alternative Investment Market (AIM) listings, venture capital investment, public-private partnerships, private wealth management, and maritime and environmental law.

North West employment and GVA, 2021

Financial and related professional services employment



👤 = Employment, 2021 £ = Gross Value Added, 2021

NORTH WEST SELECTED CONSTITUENCIES' FINANCIAL AND RELATED PROFESSIONAL SERVICES EMPLOYMENT*

Constituency	Financial Services					Related Professional Services				Total	% of constituency employment
	Banking	Insurance	Fund Management	Other Financial Services	Total	Accountancy	Management Consultancy	Legal Services	Total		
Manchester Central	8,000	11,000	500	3,190	22,690	10,000	3,500	11,000	24,500	47,190	17.5
Altrincham and Sale West	125	1,290	35	955	2,405	24,000	1,000	1,000	26,000	28,405	42.4
Liverpool, Riverside	900	3,750	1,250	960	6,860	3,000	1,750	7,000	11,750	18,610	12.6
Tatton	6,000	1,075	400	2,600	10,075	2,250	2,500	500	5,250	15,325	23.2
Warrington South	200	800	0	435	1,435	12,000	1,250	500	13,750	15,185	19.5
Salford and Eccles	250	6,500	100	700	7,550	4,500	1,250	1,500	7,250	14,800	13.3
City of Chester	5,000	935	75	2,600	8,610	4,500	700	800	6,000	14,610	20.6
Crewe and Nantwich	150	4,700	150	225	5,225	500	500	400	1,400	6,625	11.6
Cheadle	50	2,700	50	825	3,625	1,750	500	350	2,600	6,225	12.0
Stockport	1,000	1,300	0	325	2,625	800	800	1,000	2,600	5,225	8.6
Wythenshawe and Sale East	500	900	75	900	2,375	225	1,750	700	2,675	5,050	6.8
Fylde	50	610	10	275	945	3,000	600	300	3,900	4,845	12.1
Bolton West	600	1,250	0	310	2,160	450	200	2,000	2,650	4,810	12.7
Weaver Vale	125	950	10	200	1,285	600	2,500	300	3,400	4,685	10.0
Liverpool, Wavertree	3,000	300	0	40	3,340	300	175	300	775	4,115	14.2
Bolton North East	125	1,800	300	165	2,390	800	500	250	1,550	3,940	9.9
Stretford and Urmston	300	350	10	550	1,210	350	700	1,250	2,300	3,510	4.0
Southport	125	1,510	10	310	1,955	400	225	900	1,525	3,480	10.5
Bootle	2,000	10	0	250	2,260	700	300	200	1,200	3,460	8.2
Preston	350	630	20	225	1,225	800	350	1,000	2,150	3,375	5.3
Penrith and The Border	500	450	40	85	1,075	800	900	300	2,000	3,075	7.3
Wyre and Preston North	45	1,250	10	650	1,955	600	225	250	1,075	3,030	6.9

* Constituencies with over 2,500 in employment in financial and related professional services are listed.

Northern Ireland

Belfast is the dominant financial centre in Northern Ireland, with around half of the industry's employment in the nation.

Belfast

Northern Ireland is an important centre for operations and support services.

Northern Ireland continues to build on its reputation for excellence in a number of key sectors, including legal services, financial services and FinTech. The financial and related professional services industry provides jobs for 38,000 people in Northern Ireland, accounting for 4.9% of the nation's employment. Companies in the industry generate £3.2bn in GVA, equivalent to 7.1% of the nation's GVA.

Most of the industry is based in Belfast, the capital and largest city in Northern Ireland. The industry employs almost 9% of the city employees and contributes 18.6% to its city GVA. Belfast is a well-established location for global business services, offering expertise across a range of functions including customer services, technical and technological support, human resources, and legal, financial and accounting services. In 2021, Belfast was ranked as one of world's top cities for FinTech inward investment projects.¹⁵

¹⁵ fDi Intelligence, 'fDi x TNW Tech Cities of the Future 2021: the winners', available at: <https://www.fdiintelligence.com/content/rankings-and-awards/fdi-x-tnw-tech-cities-of-the-future-2021-the-winners-80076>

¹⁶ Department for the Economy, 'Mapping NI's financial services sector', available at: <https://www.economy-ni.gov.uk/articles/mapping-nis-financial-services-sector>

7.1%
of national GVA

4.9%
of national employment

Global banks including Santander, BNP Paribas and Lloyds Banking Group have long-established customer service operations in Northern Ireland. Banking remains the biggest sub-sector for employment in Northern Ireland but the traditional banking business model is undergoing rapid change as branches and face to face relationship management are rationalised in favour of remote and digital models.¹⁶

Northern Ireland is also an important centre for middle- and back-office financial services activities including financial services software development, infrastructure

NORTHERN IRELAND SELECTED TOWNS' AND CITIES' FINANCIAL AND RELATED PROFESSIONAL SERVICES EMPLOYMENT

City	Financial Services					Related Professional Services				Total	% of City/Town Employment
	Banking	Insurance	Fund Management	Other Financial Services	Total	Accountancy	Management Consultancy	Legal Services	Total		
Belfast	6,492	3,331	56	2,653	12,532	2,992	1,694	3,331	8,016	20,548	8.8
National Total	10,000	5,000	*	4,000	19,000	9,000	4,000	6,000	19,000	38,000	4.9

* Denotes regional and national total less than 1,000 as Nomis rounds regional and national totals to nearest 1,000. Major towns and cities with over 5,000 in employment in financial and related professional services are listed.

NORTHERN IRELAND SELECTED TOWNS' AND CITIES' FINANCIAL AND RELATED PROFESSIONAL SERVICES GVA (£ MILLION UNLESS STATED)

City	Financial Services					Related Professional Services				Total	% of City/Town GVA
	Banking	Insurance	Fund Management	Other Financial Services	Total	Accountancy	Management Consultancy	Legal Services	Total		
Belfast	1,668	112	7	107	1,894	428	84	299	811	2,705	18.6
National Total	1,732	241	15	233	2,221	527	123	367	1,017	3,238	7.1

Towns and cities with over 5,000 in employment in financial and related professional services are listed. GVA data are TheCityUK estimates. For details and methodology, see the Appendix.

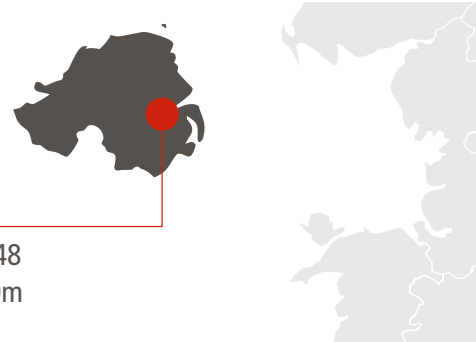
support, fund administration, operations, analytics and risk management. The FinTech sector is especially strong, with specialist software development centres established by a number of UK and international firms to service high profile financial services firms in centres worldwide. A host of global financial services institutions have established operations of scale in Northern Ireland including Allstate, Citi, CME Group, FinTrU, IQ-EQ and TP ICAP.

Northern Ireland has two world-leading universities as well as several excellent colleges which offer a stream of highly educated talent for knowledge-based companies. The industry works closely with universities and colleges to ensure graduates have the right skills, especially with regard to technology and data analysis. Both Queen’s University Belfast and Ulster University have trading rooms in collaboration with financial industry partners, offering dynamic learning environments for students to build skills and capabilities under real-time trading conditions.¹⁷

A key priority for the industry is to establish stronger relationships with local communities to tap into underused talent pools and promote career pathways within Belfast’s growing ecosystem.

Northern Ireland employment and GVA, 2021

Financial and related professional services employment



Belfast

20,548

£2,700m

= Employment, 2021 = Gross Value Added, 2021

To attract more multinational companies and start-ups to locate and invest in Belfast, further investment in housing and transport infrastructure will be key. A renewed focus on investment by both the public and private sectors will also be important to bolster Northern Ireland’s economic growth.

¹⁷ Invest Northern Ireland, ‘Financial services’, available at: <https://www.investni.com/international-business/our-sectors/financial-services>

NORTHERN IRELAND SELECTED CONSTITUENCIES’ FINANCIAL AND RELATED PROFESSIONAL SERVICES EMPLOYMENT*

Constituency	Financial Services					Related Professional Services				Total	% of constituency employment
	Banking	Insurance	Fund Management	Other Financial Services	Total	Accountancy	Management Consultancy	Legal Services	Total		
Belfast South	4,555	2,337	40	1,862	8,793	2,099	1,188	2,337	5,624	14,417	11.7
Belfast East	1,676	860	15	685	3,236	773	437	860	2,070	5,306	9.7

* Major constituencies with over 3,000 in employment in financial and related professional services are listed.

Scotland

Scotland is one of Europe's leading financial centres and a large international financial hub in the UK.

Edinburgh

Financial and related professional services account for nearly 10% of the Scottish economy, the largest area contribution outside London.

Scotland has particular strengths in banking, life assurance and pensions. It is a renowned centre of excellence in investment management and data science, with a rapidly growing FinTech community.

Scotland has a distinguished history in financial services that dates back over 300 years. It is one of Europe's leading financial centres and the second largest international financial hub in the UK. The industry employs 136,000 people and contributes 9.6% to the Scottish economy.

Edinburgh and Glasgow are the major centres for financial and related professional services employing 48,030 and 36,950 people in the industry respectively. This represents more than 60% of all employment in Scotland in financial and related professional services.

Edinburgh is an important international financial centre with a strong presence in banking, life insurance and investment management activities. The insurance and banking sub-sectors account for almost 70% of industry

9.6%
of national GVA

5.2%
of national employment

GVA in the city. The industry contributes almost 30% of city GVA and employs 13% of the city employees.

Glasgow has particular strengths in general insurance, asset administration, legal services and accountancy. Again, the banking and insurance sectors dominate in the industry in Glasgow, accounting for more than 60% of industry GVA. Aberdeen and Fife also employ large numbers of people in the industry.

The strength of Scotland's financial services industry lies in its diversity and strong track record of innovation. Scotland has particular strengths in banking, life assurance and pensions, investment management, wealth management and asset servicing. It also has vibrant general insurance, corporate finance and broking services sectors, and a strong community of professional advisors and suppliers.

SCOTLAND SELECTED TOWNS' AND CITIES' FINANCIAL AND RELATED PROFESSIONAL SERVICES EMPLOYMENT

City / Town	Financial Services					Related Professional Services				Total	% of City/Town Employment
	Banking	Insurance	Fund Management	Other Financial Services	Total	Accountancy	Management Consultancy	Legal Services	Total		
City of Edinburgh	16,000	7,000	6,000	4,530	33,530	4,000	4,500	6,000	14,500	48,030	13.2
Glasgow City	10,000	8,500	400	3,550	22,450	5,000	3,500	6,000	14,500	36,950	8.6
Fife	2,500	1,575	0	195	4,270	450	900	700	2,050	6,320	4.5
Aberdeen City	400	175	100	350	1,025	1,500	1,750	1,500	4,750	5,775	3.6
National Total	38,000	21,000	7,000	12,000	78,000	18,000	19,000	21,000	58,000	136,000	5.2

* Denotes regional and national total less than 1,000 as Nomis rounds regional and national totals to nearest 1,000. Major towns and cities with over 5,000 in employment in financial and related professional services are listed.

SCOTLAND SELECTED TOWNS' AND CITIES' FINANCIAL AND RELATED PROFESSIONAL SERVICES GVA (£ MILLION UNLESS STATED)

City / Town	Financial Services					Related Professional Services				Total	% of City/Town GVA
	Banking	Insurance	Fund Management	Other Financial Services	Total	Accountancy	Management Consultancy	Legal Services	Total		
City of Edinburgh	3,543	1,531	510	846	6,430	349	126	407	882	7,312	28.8
Glasgow City	1,883	654	218	361	3,116	396	99	462	957	4,073	17.6
Aberdeen City	104	32	11	18	164	101	48	118	267	431	3.8
Fife	52	2	1	1	56	18	9	21	48	105	1.3
National Total	6,460	2,527	842	1,396	11,225	1,205	486	1,406	3,097	14,322	9.6

Towns and cities with over 5,000 in employment in financial and related professional services are listed. GVA data are TheCityUK estimates. For details and methodology, see the Appendix.

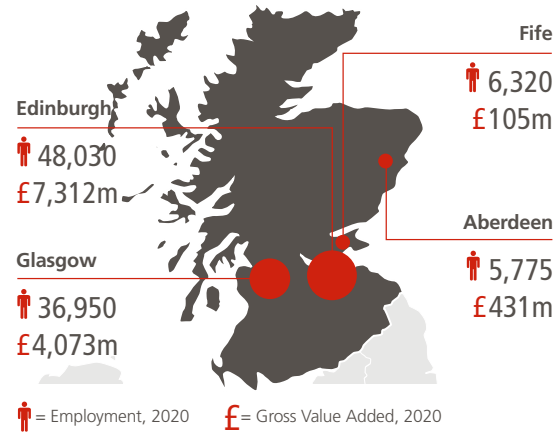
The Bank of Scotland, which opened in 1695, is emblematic of Scotland's long history in banking. In addition, Royal Bank of Scotland has its global headquarters in Edinburgh and Virgin Money UK Plc, which owns Clydesdale Bank, Yorkshire Bank and Virgin Money, has its European headquarters in Glasgow. In 2021, Barclays opened a new office in Glasgow, representing an investment of £330m. Many other UK and international banks have sizeable operations in Scotland, including Barclays, BNP Paribas, Citi, HSBC, JP Morgan, Morgan Stanley, and State Street. Together they offer the full range of banking services. The Chartered Banker Institute, the UK's largest professional body for bankers, operates an office in Edinburgh, while the Committee of Scottish Bankers – the representative body for Scotland's banks – is based in Edinburgh. The city is also home to business-academic partnerships such as the Centre for Purpose-Driven Innovation in Banking.¹⁸

The general insurance, life assurance and pensions sectors in Scotland have a strong reputation and history of success. With its origins dating back to the early 1700s when the increase in international trade led to a requirement for marine insurance, Scotland continues to be a major centre for the sector.

¹⁸ Invest in Edinburgh, 'Financial services', available at: <https://www.investinedinburgh.com/key-sectors/financial-services-1/2>

Scotland employment and GVA, 2021

Financial and related professional services employment



Fund management encompasses a broad mix of large institutional companies and smaller boutique firms that provide investment services to institutional and personal clients around the world. The quality of investment management expertise available in Scotland has led to the robust growth of boutique firms and new

SCOTLAND SELECTED CONSTITUENCIES' FINANCIAL AND RELATED PROFESSIONAL SERVICES EMPLOYMENT*

Constituency	Financial Services					Related Professional Services				Total	% of constituency employment
	Banking	Insurance	Fund Management	Other Financial Services	Total	Accountancy	Management Consultancy	Legal Services	Total		
Glasgow Central	10,000	7,500	400	3,295	21,195	4,500	2,500	6,000	13,000	34,195	14.6
Edinburgh South West	10,000	3,450	1,250	400	15,100	1,250	1,250	3,000	5,500	20,600	24.2
Edinburgh North and Leith	1,750	550	5,000	2,810	10,110	1,500	1,750	1,750	5,000	15,110	14.3
Edinburgh West	4,500	2,535	20	100	7,155	250	500	600	1,350	8,505	15.2
Dunfermline and West Fife	2,250	1,530	0	55	3,835	175	350	300	825	4,660	10.4
Aberdeen South	225	85	100	275	685	1,000	900	1,250	3,150	3,835	6.8
Edinburgh East	300	45	300	960	1,605	800	300	1,000	2,100	3,705	4.4

* Major constituencies with over 3,000 in employment in financial and related professional services are listed.

business start-ups. In recent years, Scotland has become a major European centre for asset servicing and wealth management. According to data from the Investment Association, Scotland-headquartered investment funds account for 19% of UK-based funds under management.¹⁹

Scotland also has a large community of professionals providing a broad range of services to the related professional services industry. These include many prominent accountancy, actuarial, and legal firms as well as some of the oldest professional bodies in the world.

Scotland is rapidly becoming a global leader in FinTech and is well positioned to capitalise on its data-driven innovation with the support of FinTech Scotland, which was established in 2018. FinTech companies in Edinburgh active in the banking sector include iDelta and OpenRep.

Each of the 'Big four' accounting firms – Deloitte, EY, KPMG, and PwC – has a presence in Edinburgh, as do many other international and homegrown firms. Edinburgh is also home to Audit Scotland, the auditor for over 200 public bodies across Scotland.²⁰

¹⁹ The Investment Association, 'Investment Management in the UK 2021-2022', p.18, available at: <https://www.theia.org/sites/default/files/2022-09/Investment%20Management%20Survey%202021-22%20full%20report.pdf>

²⁰ Invest in Edinburgh, 'Financial services', available at: <https://www.investinedinburgh.com/key-sectors/financial-services-1/2>

South East

The South East is the third largest region for financial and related professional services employment, and the second largest for GVA.

Milton Keynes

Industry activity is widely dispersed throughout the region. Significant hubs include Brighton and Hove, Milton Keynes and Reading.

The South East is the one of the largest regions for financial and related professional services in the UK, employing 286,000 people and contributing over £23.2bn to the economy in 2021, representing 7.7% of the region's GVA. The region accounts for 12%

7.7%
of regional GVA

6.7%
of regional employment

of the UK's financial and related professional services employment. The industry plays a particularly important

role in the economies of Milton Keynes, Brighton and Hove, and Southampton.

The region has an established financial industry with particular strengths in insurance, management consulting, retail banking, and pensions and investments. The management consulting sector is a major employer, accounting for more than half of related professional services jobs in the region. The insurance sector is also a significant employer, generating nearly half of financial services jobs. Both of these sectors account for a much

larger proportion of regional employment than the national average.

The South East region benefits from its interdependency with London. There is some concentration of activity along the Gatwick corridor, including in each of Milton Keynes (15,000 in employment), Brighton and Hove (13,970), Reading (13,090), Guildford (7,970) and Southampton (7,305). Taken together, these five towns account for around a fifth of industry employment in the region.

SOUTH EAST SELECTED TOWNS AND CITIES' FINANCIAL AND RELATED PROFESSIONAL SERVICES EMPLOYMENT

City / Town	Financial Services					Related Professional Services				Total	% of City/Town Employment
	Banking	Insurance	Fund Management	Other Financial Services	Total	Accountancy	Management Consultancy	Legal Services	Total		
Milton Keynes	4,000	1,950	20	3,280	9,250	2,500	2,250	1,000	5,750	15,000	10.6
Brighton and Hove	1,250	3,400	10	3,310	7,970	2,000	2,500	1,500	6,000	13,970	11.1
Reading	900	1,600	400	1,190	4,090	5,000	2,500	1,500	9,000	13,090	8.7
Guildford	500	2,280	125	365	3,270	700	2,250	1,750	4,700	7,970	13.0
Southampton	450	1,200	0	1,855	3,505	1,500	800	1,500	3,800	7,305	6.0
Oxford	300	50	150	575	1,075	700	2,250	1,000	3,950	5,025	4.1
Crawley	600	2,200	0	330	3,130	1,000	1,500	500	3,000	6,130	6.9
Regional Total	23,000	54,000	5,000	37,000	119,000	50,000	83,000	34,000	167,000	286,000	6.7

* Denotes regional and national total less than 1,000 as Nomis rounds regional and national totals to nearest 1,000. Major towns and cities with over 5,000 in employment in financial and related professional services are listed.

SOUTH EAST SELECTED TOWNS' AND CITIES' FINANCIAL AND RELATED PROFESSIONAL SERVICES GVA (£ MILLION UNLESS STATED)

City / Town	Financial Services					Related Professional Services				Total	% of City/Town GVA
	Banking	Insurance	Fund Management	Other Financial Services	Total	Accountancy	Management Consultancy	Legal Services	Total		
Milton Keynes	1,700	47	4	33	1,784	358	161	243	762	2,546	17.1
Brighton and Hove	129	982	82	674	1,867	67	28	45	140	2,007	21.4
Southampton	23	313	26	215	578	141	31	96	268	846	12.5
Guildford	107	174	15	120	415	61	86	42	189	604	8.1
Reading	47	136	11	94	288	86	88	58	232	521	6.0
Oxford	19	15	1	10	45	47	63	32	142	187	2.5
Crawley	19	31	3	21	74	21	17	14	52	127	4.3
Regional Total	5,251	5,969	497	4,101	15,818	2,823	2,671	1,919	7,413	23,231	7.7

Towns and cities with over 5,000 in employment in financial and related professional services are listed. GVA data are TheCityUK estimates. For details and methodology, see the Appendix.

SOUTH EAST SELECTED CONSTITUENCIES' FINANCIAL AND RELATED PROFESSIONAL SERVICES EMPLOYMENT*

Constituency	Financial Services					Related Professional Services				Total	% of constituency employment
	Banking	Insurance	Fund Management	Other Financial Services	Total	Accountancy	Management Consultancy	Legal Services	Total		
Milton Keynes North	3,000	1,950	20	2,810	7,780	2,000	1,750	800	4,550	12,330	13.3
Reading East	700	1,600	400	1,035	3,735	5,000	1,250	1,250	7,500	11,235	11.8
Reigate	1,000	5,000	1,500	985	8,485	700	1,250	350	2,300	10,785	18.6
Brighton, Pavilion	350	1,700	10	3,100	5,160	1,500	1,750	700	3,950	9,110	12.5
Guildford	500	2,285	125	430	3,340	800	2,500	2,000	5,300	8,640	11.8
Tunbridge Wells	150	4,000	100	410	4,660	1,000	1,500	1,000	3,500	8,160	16.3
Crawley	600	2,200	0	380	3,180	1,000	1,500	500	3,000	6,180	7.0
Winchester	150	2,300	75	235	2,760	800	1,250	500	2,550	5,310	8.6
Runnymede and Weybridge	75	1,350	50	960	2,435	1,250	1,250	300	2,800	5,235	6.6
Hove	900	2,150	0	350	3,400	500	700	600	1,800	5,200	13.3
Meon Valley	1,000	1,050	200	970	3,220	600	900	300	1,800	5,020	9.1
Mole Valley	50	1,500	35	360	1,945	1,250	1,500	300	3,050	4,995	9.8
Southampton, Itchen	350	850	0	1,580	2,780	1,250	350	600	2,200	4,980	9.8
Maidenhead	125	400	30	755	1,310	500	2,500	600	3,600	4,910	8.8
Surrey Heath	350	160	10	705	1,225	1,500	1,500	500	3,500	4,725	8.0
Aldershot	150	1,200	10	855	2,215	1,250	1,000	225	2,475	4,690	8.7
Milton Keynes South	1,250	185	0	645	2,080	900	1,250	400	2,550	4,630	5.3
Beaconsfield	75	125	200	525	925	800	2,250	600	3,650	4,575	7.6
Mid Sussex	225	1,050	25	1,355	2,655	400	1,000	500	1,900	4,555	9.7
Rochester and Strood	2,000	650	0	435	3,085	700	400	300	1,400	4,485	8.0
Eastleigh	350	575	0	350	1,275	900	1,250	1,000	3,150	4,425	8.2
Tonbridge and Malling	200	1,400	600	400	2,600	400	1,000	350	1,750	4,350	9.5
Basingstoke	400	1,010	20	685	2,115	300	1,000	600	1,900	4,015	5.8
Bexhill and Battle	75	2,500	0	140	2,715	400	600	300	1,300	4,015	12.5

SOUTH EAST SELECTED CONSTITUENCIES' FINANCIAL AND RELATED PROFESSIONAL SERVICES EMPLOYMENT*

Constituency	Financial Services					Related Professional Services				Total	% of constituency employment
	Banking	Insurance	Fund Management	Other Financial Services	Total	Accountancy	Management Consultancy	Legal Services	Total		
South West Surrey	100	400	10	340	850	900	1,750	450	3,100	3,950	8.6
Esher and Walton	75	145	25	340	585	600	2,250	450	3,300	3,885	9.0
Chichester	150	875	20	245	1,290	500	1,500	500	2,500	3,790	6.8
Henley	50	110	600	420	1,180	350	1,750	450	2,550	3,730	7.9
Chesham and Amersham	125	400	15	495	1,035	500	1,750	400	2,650	3,685	10.5
Horsham	100	750	0	840	1,690	450	1,250	250	1,950	3,640	7.7
Canterbury	225	1,520	0	280	2,025	400	600	600	1,600	3,625	6.3
Slough	400	215	10	315	940	500	1,750	400	2,650	3,590	5.0
North West Hampshire	800	1,075	0	70	1,945	500	900	150	1,550	3,495	8.1
Banbury	200	125	0	510	835	600	1,500	450	2,550	3,385	4.9
Maidstone and The Weald	250	925	0	175	1,350	700	500	800	2,000	3,350	6.2
Oxford East	225	20	100	430	775	300	1,500	700	2,500	3,275	3.3
Wantage	75	160	75	160	470	350	2,250	175	2,775	3,245	5.6
Oxford West and Abingdon	250	75	75	240	640	700	1,250	600	2,550	3,190	5.9
Windsor	100	50	175	455	780	450	1,500	450	2,400	3,180	5.0
Sevenoaks	100	650	40	565	1,355	500	800	500	1,800	3,155	7.5
Epsom and Ewell	300	300	10	785	1,395	450	1,000	250	1,700	3,095	7.7
Wokingham	50	380	5	355	790	600	1,500	200	2,300	3,090	5.2

*Major constituencies with over 3,000 in employment in financial and related professional services are listed.

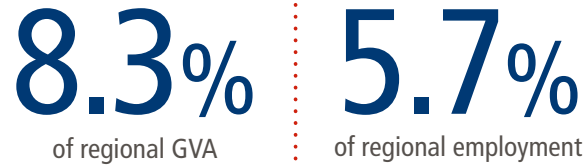
South West

Financial and related professional services account for 8.3% of the region's GVA, ranking it fifth nationwide by this measure.

Bristol

Key sectors for the region's economy include banking and insurance activities.

Bristol is the region's largest financial centre, with 39,390 in employment in the industry, followed by Bournemouth and Swindon (each with around 12,600 jobs).



SOUTH WEST SELECTED TOWNS' AND CITIES' FINANCIAL AND RELATED PROFESSIONAL SERVICES EMPLOYMENT

City / Town	Financial Services					Related Professional Services				Total	% of City/Town Employment
	Banking	Insurance	Fund Management	Other Financial Services	Total	Accountancy	Management Consultancy	Legal Services	Total		
Bristol	6,000	5,010	600	5,280	16,890	9,000	4,500	9,000	22,500	39,390	12.0
Bournemouth	6,000	2,750	50	500	9,300	1,500	800	1,000	3,300	12,600	14.3
Swindon	8,000	1,600	5	1,200	10,805	500	800	450	1,750	12,555	12.7
Poole	1,250	3,000	10	300	4,560	800	700	350	1,850	6,410	7.5
Gloucester	1,500	2,050	20	175	3,745	500	1,000	500	2,000	5,745	7.5
Cheltenham	450	605	35	1,050	2,140	1,000	1,000	1,500	3,500	5,640	8.6
Exeter	450	650	75	465	1,640	900	800	2,000	3,700	5,340	5.6
Regional Total	27,000	24,000	1,000	15,000	67,000	32,000	29,000	25,000	86,000	153,000	5.7

* Denotes regional and national total less than 1,000 as Nomis rounds regional and national totals to nearest 1,000. Major towns and cities with over 5,000 in employment in financial and related professional services are listed.

SOUTH WEST SELECTED TOWNS' AND CITIES' FINANCIAL AND RELATED PROFESSIONAL SERVICES GVA (£ MILLION UNLESS STATED)

City / Town	Financial Services					Related Professional Services				Total	% of City/Town GVA
	Banking	Insurance	Fund Management	Other Financial Services	Total	Accountancy	Management Consultancy	Legal Services	Total		
Bristol	635	458	19	294	1,406	743	44	580	1,367	2,773	16.5
Swindon	1,372	353	15	227	1,966	19	189	15	223	2,189	22.7
Bournemouth	500	229	10	147	886	64	32	50	147	1,033	18.7
Poole	486	223	9	143	861	63	31	49	143	1,003	18.7
Cheltenham	50	190	8	122	369	30	11	24	65	435	10.8
Gloucester	45	169	7	109	329	27	10	21	58	388	10.8
Exeter	47	48	2	31	128	51	18	40	109	237	4.2
Regional Total	3,822	2,937	122	1,887	8,768	1,729	629	1,350	3,708	12,476	8.3

Towns and cities with over 5,000 in employment in financial and related professional services are listed. GVA data are TheCityUK estimates. For details and methodology, see the Appendix.

The South West plays host to a large cluster of financial and related professional services firms, which have 153,000 people in employment and collectively represent 5.7% of the regional employment. The local industry services the South West’s strong base of small and medium-sized enterprises (SMEs) and has important links to other financial services hubs, including Cardiff and London.

Bristol is the leading financial centre in the area, with 39,390 employed in financial and related professional services, over one-quarter of total employment in the industry in the South West. Within the industry, the legal and accounting services sectors have the largest number of employees, followed by banking and other financial services. These four sectors represent almost three quarters of total industry employment in the city. In the West of England Combined Authority, financial and related professional services employment totals 52,000.

A supply of highly skilled, employment-ready university graduates from universities in Bristol and Bath has also played a key role in solidifying Bristol’s status as a financial centre. Going forward, the industry will further deepen its engagement with local universities to develop sector-specific programmes and courses.

A key priority for the industry in the South West is to further develop the region’s offering for FinTech start-ups, ensuring that they have the capability to scale up as they expand.

Firms in the area point to incubators, accelerators and co-working spaces as efficient and cost-effective solutions that can support FinTech entrepreneurs in particular.

SOUTH WEST SELECTED CONSTITUENCIES’ FINANCIAL AND RELATED PROFESSIONAL SERVICES EMPLOYMENT*

Constituency	Financial Services					Related Professional Services				Total	% of constituency employment
	Banking	Insurance	Fund Management	Other Financial Services	Total	Accountancy	Management Consultancy	Legal Services	Total		
Bristol West	6,000	4,510	600	3,255	14,365	9,000	3,000	8,000	20,000	34,365	19.3
South Swindon	6,000	1,600	0	1,100	8,700	400	500	400	1,300	10,000	15.9
Bournemouth West	1,500	5,000	50	500	7,050	1,500	500	800	2,800	9,850	15.6
Cheltenham	450	605	35	1,050	2,140	1,000	1,500	1,000	3,500	5,640	10.3
Bournemouth East	4,000	805	0	60	4,865	250	300	225	775	5,640	13.8
Bath	200	175	35	1,550	1,960	400	1,250	900	2,550	4,510	7.3
Filton and Bradley Stoke	600	1,800	0	625	3,025	250	600	450	1,300	4,325	4.5
Tewkesbury	50	2,050	0	145	2,245	600	1,250	200	2,050	4,295	7.3
Exeter	450	550	75	335	1,410	700	450	1,500	2,650	4,060	5.3
Gloucester	1,500	540	20	125	2,185	400	450	400	1,250	3,435	5.4
West Dorset	100	50	0	110	260	2,250	450	400	3,100	3,360	6.5
Poole	1,250	255	10	240	1,755	600	600	300	1,500	3,255	5.7
The Cotswolds	100	1,250	40	180	1,570	350	1,000	250	1,600	3,170	6.5
South West Wiltshire	125	75	0	125	325	2,000	600	200	2,800	3,125	7.3
Taunton Deane	175	650	10	275	1,110	900	400	700	2,000	3,110	5.6
Salisbury	125	700	20	310	1,155	500	900	450	1,850	3,005	5.9

*Major constituencies with over 3,000 in employment in financial and related professional services are listed.

Wales

Cardiff is the dominant financial and related professional services centre in Wales, accounting for more than one third of Welsh industry employment.

Cardiff

Wales has a growing reputation for providing high quality professional services and support functions, with particular expertise in insurance technology support, taxation and legal services.

The financial and related professional services industry employs 64,000 people in Wales and contributes 7.4% of Welsh GVA.

It has a growing reputation for providing high quality professional services and support functions, with particular expertise in cards and payments, asset finance, fund administration, mortgage administration, taxation, securities trading, insurance, legal services, IT support, shared-service centres and business process outsourcing.

7.4%
of national GVA

4.8%
of national employment

South Wales plays a particularly important role, with financial centres in Cardiff and Swansea. Between them, these two cities account for almost half of total industry employment in the nation, with 22,805 people in employment in Cardiff (10.5% of the city employment) and 7,210 in employment in Swansea (6.5% of the city employment). In Cardiff, one third of industry employees work in the insurance sector; legal services

WALES SELECTED TOWNS' AND CITIES' FINANCIAL AND RELATED PROFESSIONAL SERVICES EMPLOYMENT

City / Town	Financial Services					Related Professional Services				Total	% of City/Town Employment
	Banking	Insurance	Fund Management	Other Financial Services	Total	Accountancy	Management Consultancy	Legal Services	Total		
Cardiff	2,250	7,530	225	4,050	14,055	2,500	1,750	4,500	8,750	22,805	10.5
Swansea	1,250	3,100	10	550	4,910	900	600	800	2,300	7,210	6.5
National Total	8,000	15,000	*	9,000	32,000	12,000	10,000	10,000	32,000	64,000	4.8

* Denotes regional and national total less than 1,000 as Nomis rounds regional and national totals to nearest 1,000. Major towns and cities with over 5,000 in employment in financial and related professional services are listed.

WALES SELECTED TOWNS' AND CITIES' FINANCIAL AND RELATED PROFESSIONAL SERVICES GVA (£ MILLION UNLESS STATED)

City / Town	Financial Services					Related Professional Services				Total	% of City/Town GVA
	Banking	Insurance	Fund Management	Other Financial Services	Total	Accountancy	Management Consultancy	Legal Services	Total		
Cardiff	546	900	18	548	2,013	257	22	214	493	2,506	19.6
Swansea	171	379	8	231	788	38	13	31	82	870	15.5
National Total	1,360	1,573	31	958	3,922	565	195	471	1,231	5,153	7.4

Towns and cities with over 5,000 in employment in financial and related professional services are listed. GVA data are TheCityUK estimates. For details and methodology, see the Appendix.

is another sector that employs a large part of the industry workforce, with almost 20% of total industry employment. The industry contributes more than 15% of city GVA in both cities.

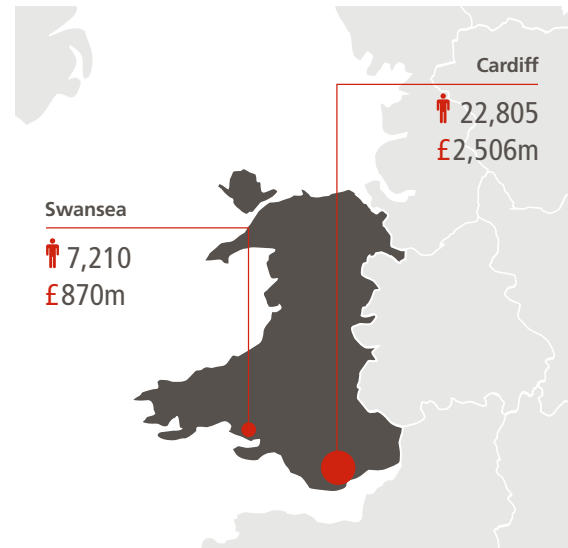
In Cardiff, major financial and related professional services employers include Deloitte, Eversheds Sutherland, KPMG and PwC, in addition to a wave of FinTech start-ups. The sector is supported by FinTech Wales, set up in 2019.

As the seat of devolved national government, policymakers can work in direct partnership with Ministers and Assembly Members to develop national and regional strategies for growth. However, businesses recognise the importance of seamless trade with the UK's wider hubs, and regard regulatory alignment with the central government as an asset.

World-leading academic and research institutions such as Cardiff Business School provide courses connected to the industry and ensure a steady supply of graduates and entry-level staff. An appetite for collaboration is shared by academics and industry representatives, which could be key to facilitating further growth across the region.

Wales employment and GVA, 2021

Financial and related professional services employment



👤 = Employment, 2021 £ = Gross Value Added, 2021

WALES SELECTED CONSTITUENCIES' FINANCIAL AND RELATED PROFESSIONAL SERVICES EMPLOYMENT*

Constituency	Financial Services					Related Professional Services				Total	% of constituency employment
	Banking	Insurance	Fund Management	Other Financial Services	Total	Accountancy	Management Consultancy	Legal Services	Total		
Cardiff Central	2,000	5,530	45	1,300	8,875	600	400	2,500	3,500	12,375	16.5
Cardiff South and Penarth	300	1,950	150	1,955	4,355	2,000	700	1,500	4,200	8,555	11.0
Newport West	1,750	1,125	0	275	3,150	450	1,250	700	2,400	5,550	9.9
Swansea East	900	2,850	0	265	4,015	400	150	350	900	4,915	10.2

*Major constituencies with over 3,000 in employment in financial and related professional services are listed.

West Midlands

Birmingham is the second-largest financial and related professional centre in the UK (after London).

Birmingham

The West Midlands has a significant concentration of activity in banking, accounting and legal services and management consulting services.

Birmingham is the second-largest city in the UK in terms of financial and related professional services employment, after London, with 59,120 people in the industry.

Around 145,000 people are employed in the West Midlands' financial and related professional services industry. This represents 5.4% of regional employment, and the industry accounts for 7.7% of the region's GVA.

Birmingham is a major financial centre with 59,120 people in employment in financial and related professional services industry, accounting for 10.5% of the city's total employment. Of these, the largest proportion work in management consultancy, followed by banking. The industry generates more than 16% of the city's GVA. Birmingham's credentials as a major financial centre were strengthened by HSBC's establishment of its UK headquarters in the city in



2018. In 2021 Goldman Sachs opened a new office in Birmingham – its largest outside London. Birmingham is also home to a larger number of other financial and related professional services firms including Deutsche Bank, DLA Piper, Eversheds Sutherland, Gowling WLG, Deloitte, EY, KPMG and PwC. Al Rayan Bank, Britain's first sharia-compliant retail bank, is also headquartered in Birmingham. Industry employment in the wider West Midlands Combined Authority (distinct from the West Midlands region) totalled 91,000.

Alongside this, major projects have the potential to drive regeneration and local economic growth. Phase One of HS2, which will link London and Birmingham by high-speed rail, is due to be completed by 2029-33, promising to improve Birmingham's connectivity with the capital.

WEST MIDLANDS SELECTED TOWNS' AND CITIES' FINANCIAL AND RELATED PROFESSIONAL SERVICES EMPLOYMENT

City / Town	Financial Services					Related Professional Services				Total	% of City/Town Employment
	Banking	Insurance	Fund Management	Other Financial Services	Total	Accountancy	Management Consultancy	Legal Services	Total		
Birmingham	11,000	5,500	450	4,170	21,120	10,000	18,000	10,000	38,000	59,120	10.5
Coventry	3,500	360	5	805	4,670	1,000	1,000	1,000	3,000	7,670	4.4
Regional Total	23,000	18,000	1,000	13,000	55,000	24,000	43,000	23,000	90,000	145,000	5.4

* Denotes regional and national total less than 1,000 as Nomis rounds regional and national totals to nearest 1,000. Major towns and cities with over 5,000 in employment in financial and related professional services are listed.

WEST MIDLANDS SELECTED TOWNS' AND CITIES' FINANCIAL AND RELATED PROFESSIONAL SERVICES GVA (£ MILLION UNLESS STATED)

City / Town	Financial Services					Related Professional Services				Total	% of City/Town GVA
	Banking	Insurance	Fund Management	Other Financial Services	Total	Accountancy	Management Consultancy	Legal Services	Total		
Birmingham	1,931	603	30	449	3,013	751	128	720	1,599	4,612	16.0
Coventry	581	149	7	111	848	32	102	30	164	1,012	10.0
Regional Total	3,970	2,033	102	1,513	7,618	1,428	774	1,369	3,571	11,189	7.7

Towns and cities with over 5,000 in employment in financial and related professional services are listed. GVA data are TheCityUK estimates. For details and methodology, see the Appendix.

Academic institutions such as the University of Birmingham have cultivated a healthy dialogue with the industry. However, a challenge for the industry is retaining those workers looking for their second and third jobs, and promoting possible career pathways within the Birmingham ecosystem to counter a ‘brain drain’ to the capital and other hubs.

Reflecting this, the West Midlands Combined Authority has made the city region’s housing and skills shortage key priorities and has brought forward initiatives involving targeting brownfield land for new developments.

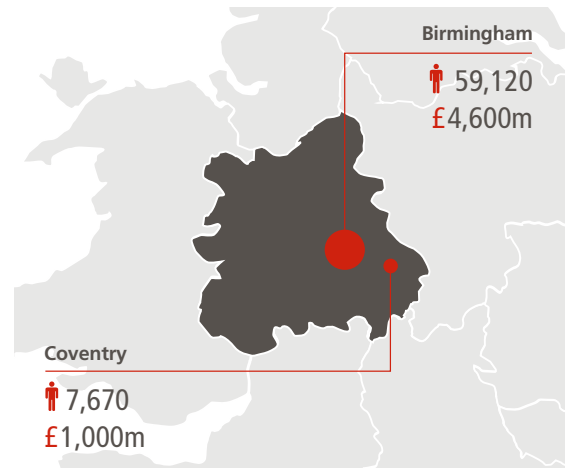
The West Midlands’ FinTech economy employs over 7,000 specialists, and over 200 companies are involved in the wider ProfTech market-including LegalTech, PropTech and InsurTech.²¹

Coventry is also a key city in the region, with 7,670 people in employment in financial and related professional services, predominantly in banking.

²¹ Invest in the West Midlands, ‘Modern Business Services: Investment Prospectus’, available at: <https://www.investwestmidlands.com/resources/business-professional-and-financial-services-investment-prospectus/>

West Midlands employment and GVA, 2021

Financial and related professional services employment



= Employment, 2021 = Gross Value Added, 2021

WEST MIDLANDS SELECTED CONSTITUENCIES’ FINANCIAL AND RELATED PROFESSIONAL SERVICES EMPLOYMENT*

Constituency	Financial Services					Related Professional Services				Total	% of constituency employment
	Banking	Insurance	Fund Management	Other Financial Services	Total	Accountancy	Management Consultancy	Legal Services	Total		
Birmingham, Ladywood	9,000	4,500	400	3,170	17,070	9,000	3,500	9,000	21,500	38,570	16.7
Birmingham, Edgbaston	450	95	0	235	780	350	12,000	500	12,850	13,630	17.9
Stratford-on-Avon	100	2,300	10	185	2,595	350	1,250	450	2,050	4,645	9.5
Coventry South	2,500	135	0	245	2,880	450	600	600	1,650	4,530	5.5
Solihull	800	325	0	1,860	2,985	225	700	450	1,375	4,360	7.8
Warwick and Leamington	175	175	50	285	685	600	2,250	600	3,450	4,135	6.0

*Major constituencies with over 3,000 in employment in financial and related professional services are listed.

Yorkshire and The Humber

Leeds is the leading city in Yorkshire and The Humber for financial and related professional services employment and GVA.

Leeds

The region has a strong presence in banking, processing and servicing functions and is an important centre for related professional services.

The industry comprises 5.9% of the region's total employment and 8.9% of its total GVA. Leeds is the region's largest financial centre, employing more than one quarter of the region's workforce in the industry, followed by Sheffield, which has more than 21,000 employees in the industry.

Leeds City Region is one of the UK's largest centres for banking. It is home to 30 national and international banks, and has the headquarters of three of the five largest building societies, including Yorkshire Building Society, headquartered in Bradford. Many multinational companies are located in Yorkshire, including HSBC, with its global IT shared services based in the region, and Santander Group, with its internal contact and service centres based in the area. First Direct, Handelsbanken, Lloyds Banking Group and RBS all operate significant banking operations in the region, alongside insurer Aviva.



Leeds is a major centre for mortgage, corporate and retail finance, insurance and stockbroking. The city is also an important centre for equity, venture and risk finance. Leeds is also a significant hub for related professional services and all of the 'Big Four' firms—Deloitte, EY, KPMG and PwC—have significant operations in the city. In addition, several major law firms, including Addleshaw Goddard and Eversheds, have a presence there. The wider West Yorkshire Combined Authority has 84,000 people in financial and related professional services employment.

YORKSHIRE AND THE HUMBER SELECTED TOWNS' AND CITIES' FINANCIAL AND RELATED PROFESSIONAL SERVICES EMPLOYMENT

City / Town	Financial Services					Related Professional Services				Total	% of City/Town Employment
	Banking	Insurance	Fund Management	Other Financial Services	Total	Accountancy	Management Consultancy	Legal Services	Total		
Leeds	8,000	5,200	300	4,620	18,120	6,000	4,500	11,000	21,500	39,620	11.0
Sheffield	4,000	4,000	50	1,285	9,335	4,000	2,250	6,000	12,250	21,585	8.3
Bradford	4,000	350	0	1,140	5,490	1,250	1,250	1,500	4,000	9,490	6.5
Halifax	4,000	1,675	0	150	5,825	250	300	700	1,250	7,075	16.9
York	300	3,000	20	675	3,995	700	1,000	1,250	2,950	6,945	7.2
Regional Total	28,000	20,000	*	18,000	66,000	24,000	27,000	32,000	83,000	149,000	5.9

* Denotes regional and national total less than 1,000 as Nomis rounds regional and national totals to nearest 1,000. Major towns and cities with over 5,000 in employment in financial and related professional services are listed.

YORKSHIRE AND THE HUMBER SELECTED TOWNS' AND CITIES' FINANCIAL AND RELATED PROFESSIONAL SERVICES GVA (£ MILLION UNLESS STATED)

City / Town	Financial Services					Related Professional Services				Total	% of City/Town GVA
	Banking	Insurance	Fund Management	Other Financial Services	Total	Accountancy	Management Consultancy	Legal Services	Total		
Leeds	2,263	472	9	436	3,180	528	219	703	1,450	4,630	16.6
Sheffield	523	272	5	251	1,052	162	41	216	419	1,471	10.8
York	66	305	6	281	658	45	44	59	148	806	13.0
Bradford	454	6	0	6	466	169	61	226	456	922	9.0
Halifax	165	221	4	204	594	26	13	35	74	668	13.1
Regional Total	4,702	1,820	36	1,681	8,240	1,284	586	1,713	3,583	11,823	8.9

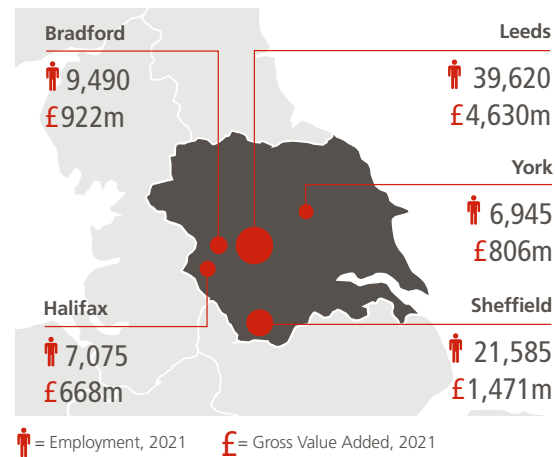
Towns and cities with over 5,000 in employment in financial and related professional services are listed. GVA data are TheCityUK estimates. For details and methodology, see the Appendix.

The region benefits from several top-ranked universities and business schools offering finance and business education. The industry is seeking to deepen its relationship with universities to ensure that graduates have the right skills and businesses can access a broad talent pool. In addition to working with universities, it is a key priority for the industry to further promote apprenticeships across the different sectors represented in the Leeds ecosystem. This will allow the industry to tap into currently underused talent pools, and to further promote career paths in financial and related professional services in Leeds.

Another key priority for the industry is improved intra- and inter-regional transport infrastructure. This would not only improve productivity but also enable companies to form stronger links with other financial hubs across the UK.

Yorkshire and The Humber employment and GVA, 2021

Financial and related professional services employment



YORKSHIRE AND THE HUMBER SELECTED CONSTITUENCIES' FINANCIAL AND RELATED PROFESSIONAL SERVICES EMPLOYMENT*

Constituency	Financial Services					Related Professional Services				Total	% of constituency employment
	Banking	Insurance	Fund Management	Other Financial Services	Total	Accountancy	Management Consultancy	Legal Services	Total		
Leeds Central	8,000	5,200	300	3,715	17,215	6,000	3,500	11,000	20,500	37,715	16.3
Sheffield Central	3,500	1,770	50	830	6,150	1,000	1,000	4,500	6,500	12,650	10.8
Halifax	4,000	1,675	0	150	5,825	300	350	700	1,350	7,175	15.9
Bradford West	2,250	135	0	1,075	3,460	600	500	1,000	2,100	5,560	8.6
York Central	300	2,530	20	515	3,365	300	700	1,000	2,000	5,365	8.5
Harrogate and Knaresborough	175	630	10	1,030	1,845	800	1,000	800	2,600	4,445	7.9
Morley and Outwood	800	260	0	2,300	3,360	200	300	250	750	4,110	8.1
Skipton and Ripon	2,000	70	0	350	2,420	400	900	300	1,600	4,020	8.0
Doncaster Central	600	1,000	0	250	1,850	400	400	1,000	1,800	3,650	4.9
Kingston upon Hull West and Hessele	400	330	0	460	1,190	700	450	1,250	2,400	3,590	5.0

*Major constituencies with over 3,000 in employment in financial and related professional services are listed.

Conclusion

The financial and related professional services industry supports businesses and individuals and contributes to employment and economic output through its various sectors such as banking, insurance, fund management, accounting, management consulting and legal services. It also plays a vital enabling role, facilitating growth in other industries. In 2021, when the economy rebounded following the worst of the Covid-19 pandemic, the industry expanded in almost all regions and nations, demonstrating its resilience.

Employing millions of people and generating hundreds of billions of pounds of GVA, the UK-based industry includes a number of important centres such as Birmingham, Bristol, Leeds, Liverpool, Manchester and Sheffield in England; Cardiff in Wales; Belfast in Northern Ireland; and Edinburgh and Glasgow in Scotland in addition to London, the world's leading international financial and related professional services hub. The various strengths in each region and nation, combined with supportive government policy, should enable the UK to maintain its position as a global industry leader.

Appendix I: TheCityUK Regional and National Chairs

The role of our Regional and National Chairs is to further enhance and support our work across all of the UK.

Our Regional and National Chairs have been drawn from across the industry in areas that host some of the country's major financial centres. They act as advocates for the industry, championing its considerable local contribution, and progressing opportunities for greater collaboration across their respective regions and nations.

Current TheCityUK Regional and National Chairs:

Midlands

Sandra Wallace CBE, TheCityUK Chair in the Midlands, and Joint Managing Director, UK and Europe, DLA Piper

Northern Ireland

Leigh Meyer, TheCityUK Chair in Northern Ireland, and Managing Director, Citi Belfast

North East

Jerry Arneja, TheCityUK Chair in the North East, and Area Director, North East & Humber Business Banking, HSBC UK

North West

Lyndsey Fallon, TheCityUK Chair in the North West, and Risk Advisory Partner, Deloitte

Sam Booth, Deputy TheCityUK Chair in the North West, Chief Executive, pro-manchester

South West

Katharine Finn, TheCityUK Chair in the South West, and Senior Partner, Bristol Office, PwC

Yorkshire and The Humber

John Walsh, TheCityUK Chair in Yorkshire and The Humber, and Head of Office Leeds - UK Corporate, Marsh

Wales

Tom Bray, TheCityUK Chair for Wales, and Senior Office Partner, Cardiff, Eversheds Sutherland

Appendix II: Statistical methodology

Note: this report reflects data available as of 30 June 2023.

Regional employment data

All figures except for Northern Ireland are from Nomis using the Business Register and Employment Survey (BRES) 2021 data for employment (including both employees and working owners).

Categories are defined using SIC codes as follows:

Banking Code 64.1

Insurance Codes 65.1, 65.2, 65.3 and 66.2 Fund Management Code 66.3

Other Financial Services Codes 64.2, 64.3, 64.9, 66.1. The above is all of SIC code category K. Accountancy Code

69.2 Management Consultancy Code 70.2 Legal Services Code 69.1

Major towns and cities with over 5,000 total employment in financial and related professional services in 2021 are detailed. For England and Wales these are from Nomis major towns and cities list. As this does not include Scotland, Scottish major towns and cities are using Nomis local authority data.

Constituency data are from Nomis parliamentary constituencies list.

Northern Ireland data is sourced from the Northern Ireland Statistics and Research Agency using 2021 BRES data.

Northern Ireland data are employees only.

Regional GVA

Regional GVA data are TheCityUK estimates based on ONS Regional GVA balanced for 2021 published on 25 April 2023. Table 1c of this ONS release contains GVA by industry, including financial service activities (banking as SIC division 64).

TheCityUK has calculated regional GVA breakdowns for insurance, fund management and other financial services by splitting the GVA for the SIC 65-66 aggregate proportional to their relative employment in each region. This approach implicitly assumes equal productivity among these three sectors in any given region, while respecting the natural variation between regions.

A similar methodology has been used to break down the related professional services. The GVA for legal and accounting activities is split using their relative regional employments as weights, while management consultancy is separated from the activity of head offices in the same way.

GVA data for the major towns and cities with over 5,000 total employment in financial and professional services in 2021, included in the employment tables, have also been estimated based on 2021 ONS Regional GVA data. Table 3c of the ONS regional GVA industry data goes down to the International Territorial Levels for Statistics (ITL) 3 areas. Industrial splits are the same here as at the broad regional level, so we apply the same approach throughout the ITL 3 level.

Some Towns and Cities are hidden within broader ITL 3 areas. TheCityUK has taken the closest ITL 3 area data to each major town and city, then made area adjustments where necessary. For example, separating Aberdeen City from "Aberdeen City and Aberdeenshire".

The Annual Survey of Hours and Earnings (ASHE) contains employment and wage data at the most granular regional level. These allow TheCityUK to map the otherwise hidden Towns and Districts into the ITL 3 regions. By calculating the relative wage totals between towns and districts, annual weighting factors are used to split the ITL 3-level industry GVA data into smaller constituent towns.

TheCityUK Research:

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