

EXPORTING FROM ACROSS BRITAIN

Financial and related professional services 2020



About TheCityUK

TheCityUK is the industry-led body representing UK-based financial and related professional services. In the UK, across Europe and internationally, we promote policies that drive competitiveness, support job creation and ensure long-term economic growth. The industry contributes over 10% of the UK's total economic output and employs more than 2.3 million people, with two thirds of these jobs outside London. It is the largest tax payer, the biggest exporting industry and generates a trade surplus exceeding that of all other net exporting industries combined.

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FOREWORD

This report examines financial and related professional services exports from each British region and nation. TheCityUK's economic research has consistently emphasised the fact that the financial and related professional services industry makes a significant contribution to the economy across the UK. One of the most visible aspects of this contribution is the industry's trade surplus in Britain, which we estimate was around £56bn in 2019. This trade surplus is based on sizable exports of financial and related professional services; the revenues from these overseas sales helps bolster the wider economy in communities across the country by diversifying industry activity and supporting job creation.

This report aims to quantify the regions' and nations' contributions to those overseas sales (using a slightly wider definition of related professional services than our usual one), providing a fuller picture of the industry's economic activity across the country. Of course, industry exports are likely to contract in 2020 as the Covid-19 pandemic wreaks havoc on the global and UK economies. However, the cyclical disruption caused by this huge exogenous shock does not alter the fact that regions and nations aside from London – especially the South East, Scotland, North West, and Yorkshire and the Humber – make large contributions to the UK's position as the world's leading financial and related professional services net exporter. This report is based on historical data through 2018, and our own estimates for industry exports in 2019. As such, it does not assess the impact of the pandemic on regional trade – something that will be covered in future research, when the extent of the impact is clearer.

For the first time, however, we have included new analysis on the destination of industry exports. We continue to engage with the Office for National Statistics (ONS) as they refine the quality and quantity of their sub-national economic statistics, and commend them for the significant work they have done – and continue to undertake – to expand the range of data available.

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INTRODUCTION: BRITISH FINANCIAL AND RELATED PROFESSIONAL SERVICES EXPORTS

In 2019 financial and related professional services exports across Britain rose by 8.2% to £126.5bn (Figure 1).¹ All regions and nations in Britain saw growth in financial and related professional services exports in 2019, according to our estimates.

Figure 1: Financial and related professional services exports by region and nation

Source: Office for National Statistics and TheCityUK estimates

Region/nation	2018 financial and related professional services exports* £bn (actual)	2019 financial and related professional services exports* £bn (estimate)	2019 regional industry exports as a % of GB industry exports
London	60.7	66.1	52%
South East	10.5	10.7	8%
Scotland	8.6	9.2	7%
North West	7.8	8.4	7%
Yorkshire and the Humber	6.4	7.6	6%
South West	5.6	6.0	5%
West Midlands	5.5	5.9	5%
East of England	4.1	4.2	3%
East Midlands	3.2	3.7	3%
Wales	2.5	2.5	2%
North East**	2.1	2.2	2%
Great Britain	116.9	126.5	100%

* Financial and related professional services exports are defined as financial services, accountancy, legal services, and management consultancy and business management. 2019 figures have been estimated by TheCityUK based on ONS Pink Book data and regional export data. Data is rounded to the nearest hundred million pounds.

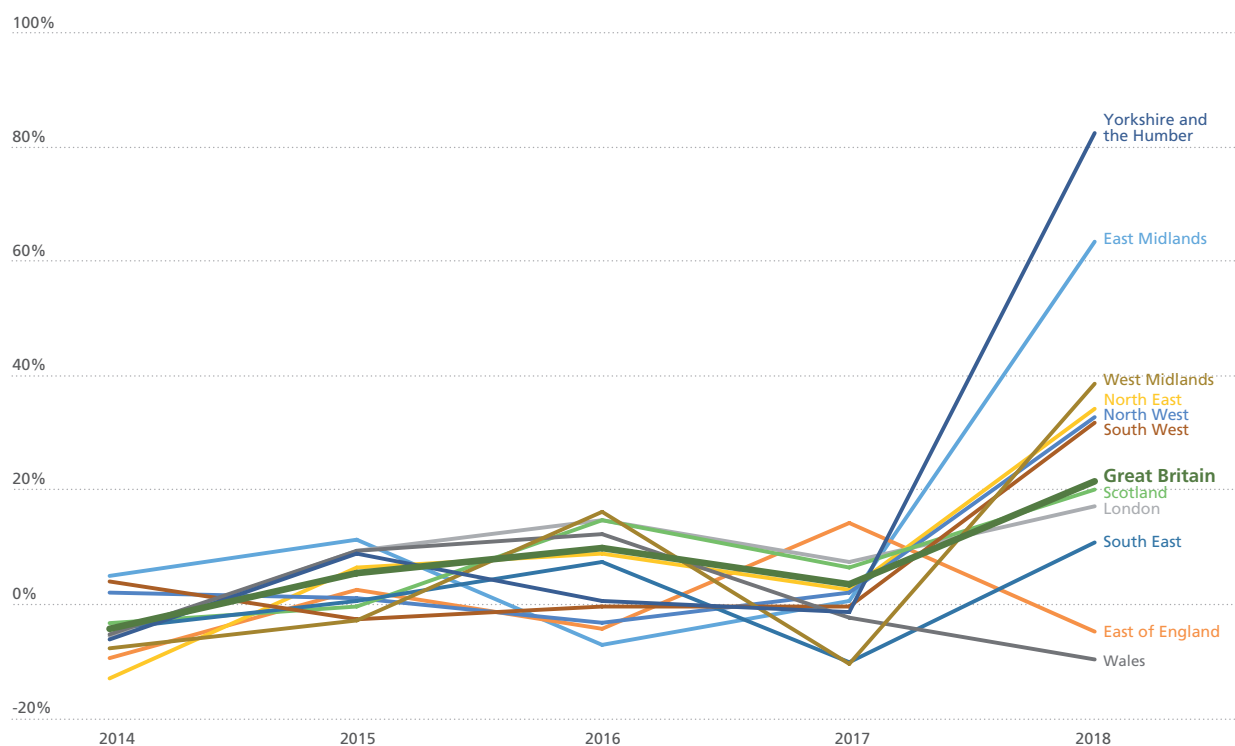
** 2018 North East financial services exports is estimated

¹ Figures for 2011 to 2018 are ONS data for financial services and TheCityUK estimates based on ONS data for related professional services. Figures for 2019 are TheCityUK 2019 estimates based on ONS data. The figures cover Great Britain only. Northern Ireland figures have been excluded from this report due to insufficient data.

Yorkshire and the Humber experienced the strongest annual average growth of financial and related professional services exports over 2014-18, at 17%. It was followed by the East Midlands (15%), London (9%), the North East and Scotland (8% each). Meanwhile, the East of England experienced no growth in industry exports, and average annual growth in Wales and the South East was merely 1% during that period (Figure 2).

Figure 2: Growth of financial and related professional services exports by region and nation, % change yoy

Source: Office for National Statistics and TheCityUK calculations



In this report, financial services includes financial and insurance services. Related professional services includes accountancy, legal services, and management consultancy and business management. This last category is wider than TheCityUK's normal definition of related professional services, but has been included here as the ONS does not separate business management from management consultancy in its services export data.

As the world's leading international financial and related professional services hub, London unsurprisingly dominates the British financial and related professional services exports market. However, around half of industry exports came from outside London in both 2018 and 2019. The South East was the largest exporter outside the capital in 2019, followed by Scotland and then the North West (see Figure 1). To put this in an international context, in 2019 Scotland's financial services exports were equivalent to around 50% of those of the whole of France, and the North West's financial services exports was equivalent to around 45% of French financial services exports, according to TheCityUK calculations based on data from UNCTAD and the ONS. This reflects the fact that the UK as a whole is the world's second-largest exporter of financial services, after the US.

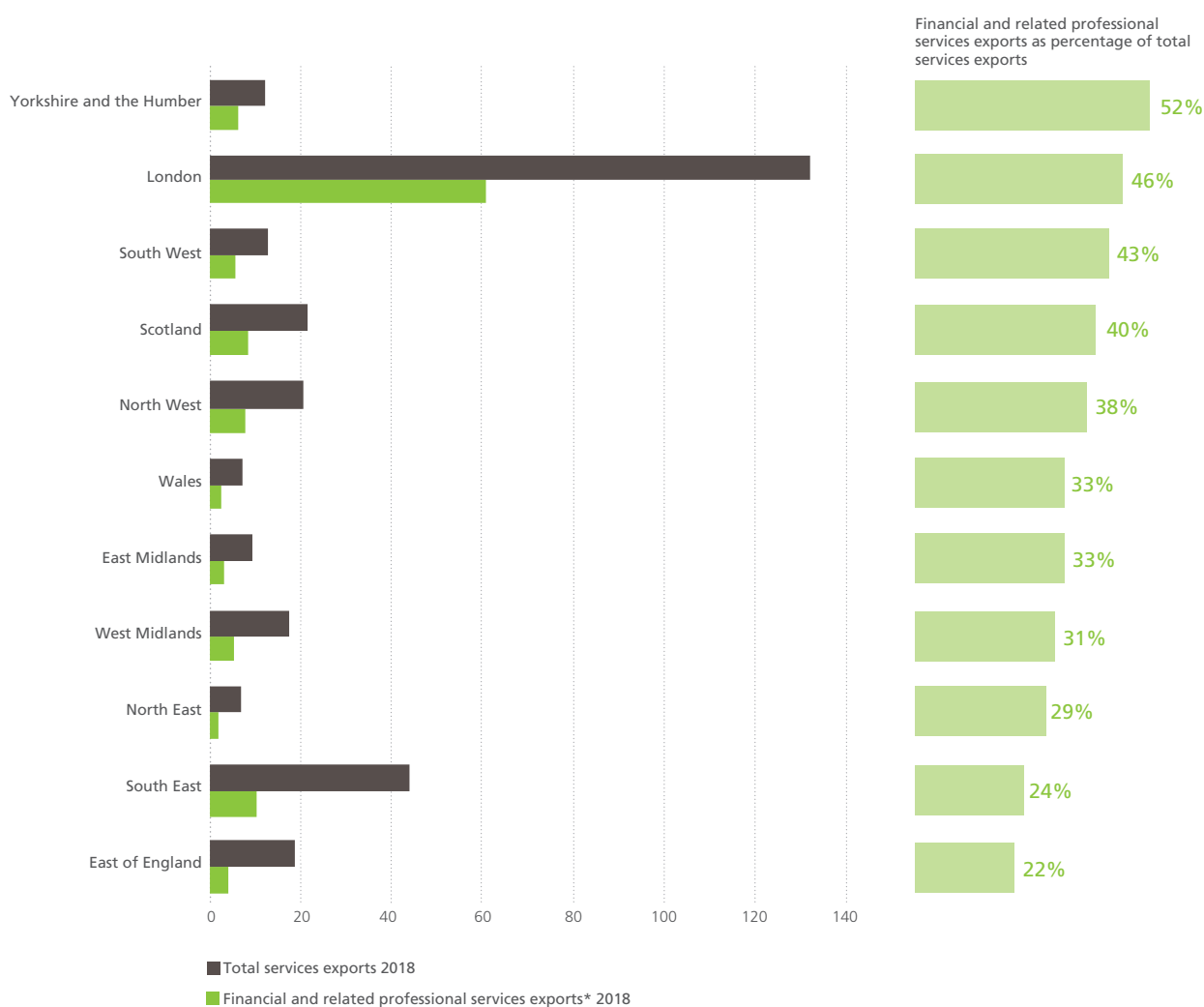
Financial services was the biggest exporting service sector in every British region and nation in 2018 apart from the South East (where the largest exporting service sectors in that year were professional, scientific and technical activities and

Information and communication services) and the East of England (where the largest exporting service sector in that year was professional, scientific and technical activities). Financial and related professional services exports as a percentage of total services exports in 2018 varied from 22% in the East of England to 52% in Yorkshire and the Humber.

The chart below shows each region's total services exports alongside its financial and related professional services exports, to put the latter in context. Looking at financial and related professional services exports as percentage of total services exports, industry exports in Yorkshire and the Humber accounted for 52% of the total in 2018, followed by London (46%), the South West (43%), Scotland (40%), and the North West (38%).

Figure 3: Total services exports and financial and related professional services exports by region and nation, 2018 (£bn)

Source: Office for National Statistics and TheCityUK calculations



In about half the regions and nations in Britain, relative shares of financial services exports and related professional services exports are quite balanced. In the North East, North West, Scotland, the West Midlands, and Yorkshire and the Humber, however, the regions' financial services exports as a percentage of Britain's financial services exports was around double the comparable percentage for related professional services; in the South East, by contrast, related professional services exports as a percentage of British sector exports was almost double the comparable percentage for financial services.

All regions and nations in Britain have trade surpluses in financial services (because exports exceed imports). London had the largest financial services trade surplus of £29.1bn in 2018, followed by Scotland (£4.6bn) and the North West (£4bn). The North East has the lowest trade surplus (£600m), followed by Wales (£1.4bn) and the East Midlands (£1.5bn); for more information see Figure 4.

Figure 4: Financial services exports, imports and trade surplus by region and nation

Source: Office for National Statistics

Region/nation	2018 financial services exports £bn	2018 financial services imports £bn	2018 financial services trade surplus £bn
London	46.0	16.8	29.1
Scotland	7.6	3.0	4.6
North West	6.9	2.8	4.0
South East	7.0	3.2	3.7
Yorkshire and the Humber	5.9	2.5	3.4
West Midlands	4.8	2.0	2.9
South West	4.7	2.1	2.7
East of England	3.0	1.3	1.7
East Midlands	2.7	1.1	1.5
Wales*	2.0	0.6	1.4
North East*	1.8	1.2	0.6
Great Britain	92.4	36.7	55.7

* North East financial services exports and Wales financial services imports are estimated. Figures have been rounded to the nearest hundred million pounds.

Considering an even more detailed geographical breakdown, financial services were an important category of service exports for the various city regions, making up more than 30% of service exports in 11 of the 15 city regions analysed.² (The city regions include 10 English city regions and combined authorities, plus the local regions of Aberdeen; Cardiff; Edinburgh and South-east Scotland; Glasgow; and Swansea Bay.) Professional, scientific and technical services, the broader category which includes legal, accounting, management consulting and business services, also made a significant contribution to services exports in some city regions, notably the Cambridgeshire and Peterborough Combined Authority, where the category accounted for 41% of total services exports, and Aberdeen City Region, where it represented 28% of services exports (Figure 5).

Figure 5: Exports of services from each joint authority by selected functional category, 2018

Light green shading indicates city regions with financial services exports accounting for more than 25% of total services exports; dark green shading indicates city regions with financial services exports accounting for more than 50% of total services exports.

Source: Office for National Statistics and TheCityUK calculations

	Manufacturing	Transportation and storage	Accommodation and food service activities	Information and communication	Financial and insurance activities	Professional, scientific and technical activities	Administrative and support service activities
Aberdeen City Region	8%	15%	4%	1%	6%	28%	6%
Cambridgeshire and Peterborough Combined Authority	4%	3%	3%	31%	9%	41%	4%
Cardiff Capital Region	36%	4%	5%	2%	29%	3%	12%
Edinburgh and South East Scotland City Region	1%	5%	5%	14%	53%	8%	8%
Glasgow City Region	2%	12%	4%	5%	47%	12%	8%
Greater Manchester Combined Authority	3%	16%	5%	8%	34%	11%	9%
Inner London	0%	2%	2%	24%	39%	20%	6%
Liverpool City Region Combined Authority	9%	16%	6%	6%	32%	5%	5%
North of Tyne Combined Authority	5%	12%	9%	4%	37%	16%	9%
Outer London	2%	25%	3%	19%	11%	12%	8%
Sheffield City Region	2%	10%	5%	4%	50%	12%	4%
Swansea Bay City Region	n/a	7%	13%	1%	37%	n/a	15%
Tees Valley Combined Authority	23%	5%	3%	2%	32%	6%	4%
West Midlands Combined Authority	5%	9%	4%	7%	50%	8%	6%
West of England Combined Authority	5%	5%	5%	12%	42%	13%	8%

² Office for National Statistics, 'International trade in services by subnational areas of the UK', (10 September 2020), available at: <https://www.ons.gov.uk/businessindustryandtrade/internationaltrade/datasets/internationaltradeinservicesbysubnationalareasoftheuk>

Out of the 40 sub-regions (NUTS2)³ in Great Britain there are 19 (48%), which have at least £1bn of financial services exports and a total of 32 (80%) with £500m or more in financial services exports (Figure 6).

Figure 6: Financial services exports by selected sub-region

Source: Office for National Statistics and TheCityUK calculations

	2018 financial services exports £m	2018 financial services exports as a % of GB financial services exports
Inner London – West	32,298	35%
Inner London – East	11,437	12%
Eastern Scotland	4,170	5%
West Yorkshire	3,820	4%
West Midlands*	3,763	4%
Gloucestershire, Wiltshire and Bath/Bristol area	3,144	3%
Greater Manchester	2,951	3%
Surrey, East and West Sussex	2,712	3%
West Central Scotland	2,513	3%
Berkshire, Buckinghamshire and Oxfordshire	2,089	2%
Cheshire	1,952	2%
Leicestershire, Rutland and Northamptonshire	1,816	2%
Northumberland and Tyne and Wear	1,498	2%
Hampshire and Isle of Wight	1,292	1%
East Anglia	1,226	1%
Merseyside	1,207	1%
Dorset and Somerset	1,169	1%
East Wales	1,156	1%
South Yorkshire	1,140	1%

* Here, the West Midlands metropolitan county as opposed to the English region.

In terms of the destination of industry exports, 36% of British financial services exports went to the EU in 2018, and the remaining 64% went to non-EU countries. The regional variation of financial services exports destination is minimal. Individual regions' share of financial services exports going to the EU ranged from 33% to 42%. The regional range of exports going to non-EU countries ranged from 58% to 67%. A more detailed geographical breakdown of export destinations is not available on a regionalised basis, but for the UK as a whole, the US was by far the largest destination for financial services exports, accounting for 29.8% of total financial services exports in 2018. Other notable non-EU destinations for industry exports were Japan (4.8%) and Canada (3%).

³ NUTS stands for Nomenclature of Territorial Units for Statistics; it is a standard used to classify geographical subdivisions of countries.

EAST MIDLANDS

The East Midlands exported £3.7bn of financial and related professional services in 2019, up 15.7% from 2018, according to TheCityUK estimates. According to ONS data, financial services exports from the East Midlands accounted for 2.9% of Great Britain's total financial services exports in 2018, and TheCityUK estimates related professional services exports from the region accounted for 2.1% of Great Britain's total related professional services exports. Forty-two percent of the East Midlands' financial services exports went to the EU in 2018, and the remaining 58% went to the rest of the world.

Figure 7: East Midlands financial and related professional services exports, £m

Source: Office for National Statistics and TheCityUK calculations

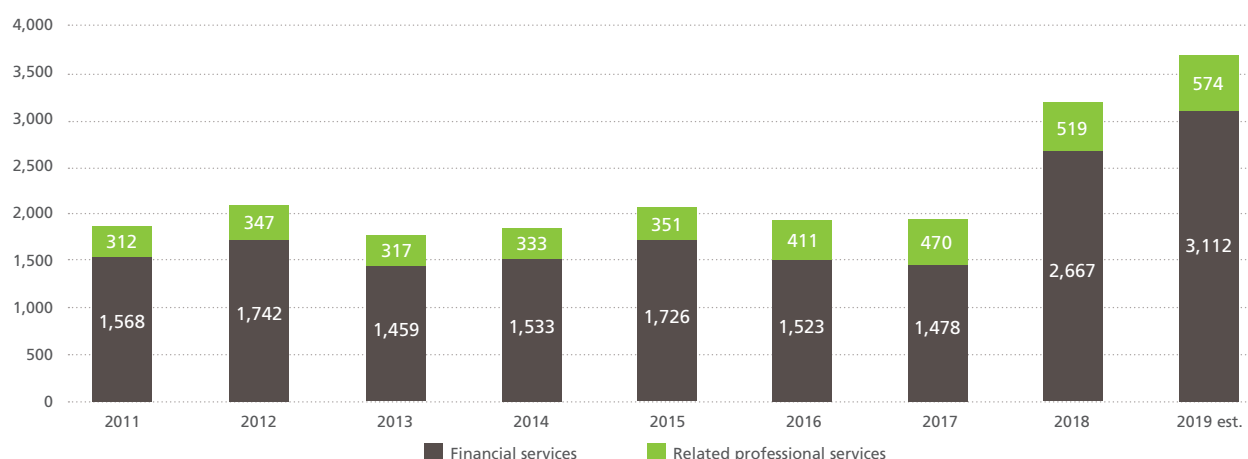


Figure 8: Financial and related professional services exports from the East Midlands, £m

Source: Office for National Statistics and TheCityUK calculations

Note: Due to rounding, figures for sub-sectors and regions may not add up to total

Sector	2011	2012	2013	2014	2015	2016	2017	2018	2019 Estimate
Finance	1,358	1,271	1,274	1,288	1,499	1,364	1,250	2,255	2,631
Insurance and pension services	210	471	185	245	227	159	228	412	481
Total financial services	1,568	1,742	1,459	1,533	1,726	1,523	1,478	2,667	3,112
Accountancy	24	27	32	32	35	40	41	48	53
Legal services	10	11	12	13	13	14	15	20	22
Management consultancy and business management	278	310	274	289	303	357	414	451	499
Total related professional services	312	347	317	333	351	411	470	519	574
Total financial and related professional services	1,880	2,089	1,776	1,866	2,077	1,934	1,948	3,186	3,686

EXPORTS OF THE FINANCIAL AND RELATED PROFESSIONAL SERVICES INDUSTRY IN THE EAST MIDLANDS



£3.7 BN IN 2019*



*2019 figures are TheCityUK estimates based on Office for National Statistics data.

EAST MIDLANDS SERVICES EXPORTS



£9.6 BN
IN 2018

FINANCIAL AND RELATED PROFESSIONAL SERVICES EXPORTS IN THE EAST MIDLANDS ACCOUNTED FOR



33%

OF ALL SERVICES EXPORTS IN 2018

Data for financial and related professional services exports as a percentage of total services exports are TheCityUK calculations based on ONS data. Services exports from the East Midlands totalled £9.6bn in 2018, according to the ONS.

Figure 9: East Midlands financial services exports by destination, % share, 2018

Source: Office for National Statistics and TheCityUK calculations

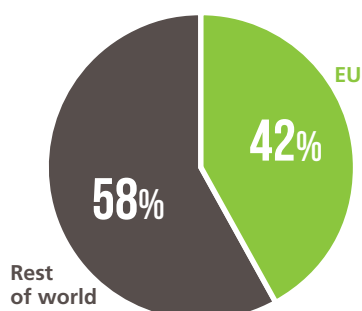


Figure 10: Financial services exports from sub-regions (NUTS2) in the East Midlands, 2018

Source: Office for National Statistics

	Financial services exports £m	Financial services exports as a % of sub-region's total services exports
Leicestershire, Rutland and Northamptonshire	1,816	42%
Derbyshire and Nottinghamshire	676	15%
Lincolnshire	175	22%

EAST OF ENGLAND

The East of England exported £4.2bn of financial and related professional services in 2019, up 0.8% from 2018, according to TheCityUK estimates. According to ONS data, financial services exports from the East of England accounted for 3.3% of Great Britain's total financial services exports in 2018. TheCityUK estimates related professional services exports from the region accounted for 4.4% of Great Britain's total related professional services exports. Thirty-five percent of East of England's financial services exports went to the EU in 2018, and the remaining 65% went to the rest of the world.

Figure 11: East of England financial and related professional services exports, £m

Source: Office for National Statistics and TheCityUK calculations

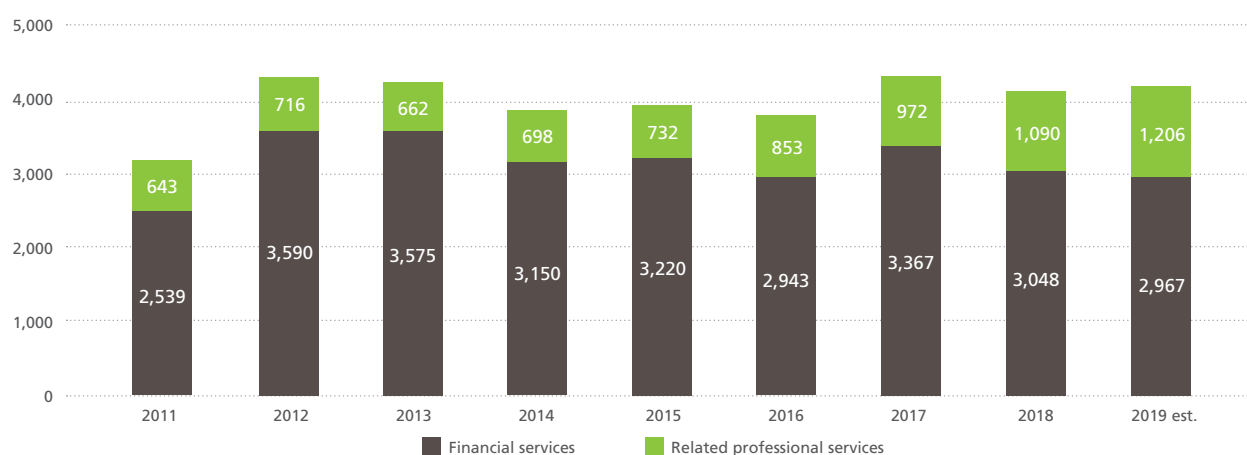


Figure 12: Financial and related professional services exports from the East of England, £m

Source: Office for National Statistics and TheCityUK calculations

Note: Due to rounding, figures for sub-sectors and regions may not add up to total

Sector	2011	2012	2013	2014	2015	2016	2017	2018	2019 Estimate
Finance	1,490	1,960	2,116	1,793	1,980	1,576	1,933	1,750	1,703
Insurance and pension services	1,049	1,630	1,459	1,357	1,240	1,367	1,434	1,298	1,264
Total financial services	2,539	3,590	3,575	3,150	3,220	2,943	3,367	3,048	2,967
Accountancy	42	47	55	55	62	70	71	85	93
Legal services	72	81	87	95	95	105	115	149	166
Management consultancy and business management	529	588	520	548	575	678	786	856	947
Total related professional services	643	716	662	698	732	853	972	1,090	1,206
Total financial and related professional services	3,182	4,306	4,237	3,848	3,952	3,796	4,339	4,138	4,173

EXPORTS OF THE FINANCIAL AND RELATED PROFESSIONAL SERVICES INDUSTRY IN THE EAST OF ENGLAND



£4.2BN IN 2019*



*2019 figures are TheCityUK estimates based on Office for National Statistics data.

EAST OF ENGLAND SERVICES EXPORTS



£18.9BN
IN 2018

FINANCIAL AND RELATED PROFESSIONAL SERVICES EXPORTS IN THE EAST OF ENGLAND ACCOUNTED FOR



22%

OF ALL SERVICES EXPORTS IN 2018

Data for financial and related professional services exports as a percentage of total services exports are TheCityUK calculations based on ONS data. Services exports from the East of England totalled £18.9bn in 2018, according to the ONS.

Figure 13: East of England financial services exports by destination, % share, 2018

Source: Office for National Statistics and TheCityUK calculations

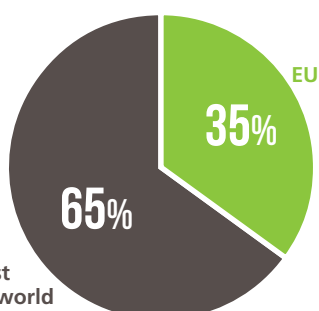


Figure 14: Financial services exports from sub-regions (NUTS2) in the East of England, 2018

Source: Office for National Statistics

	Financial services exports, £m	Financial services exports as a % of sub-region's total services exports
East Anglia	1,226	15%
Bedfordshire and Hertfordshire	937	13%
Essex	884	24%

LONDON

London exported £66.1bn of financial and related professional services in 2019, up 9% from 2018, according to TheCityUK estimates. According to ONS data, financial services exports from London accounted for 49.7% of Great Britain's total financial services exports in 2018. TheCityUK estimates related professional services exports from the region accounted for 59.9% of Great Britain's total related professional services exports. Thirty-three percent of London's financial services exports went to the EU in 2018, and the remaining 67% went to the rest of the world.

Figure 15: London financial and related professional services exports, £m

Source: Office for National Statistics and TheCityUK calculations

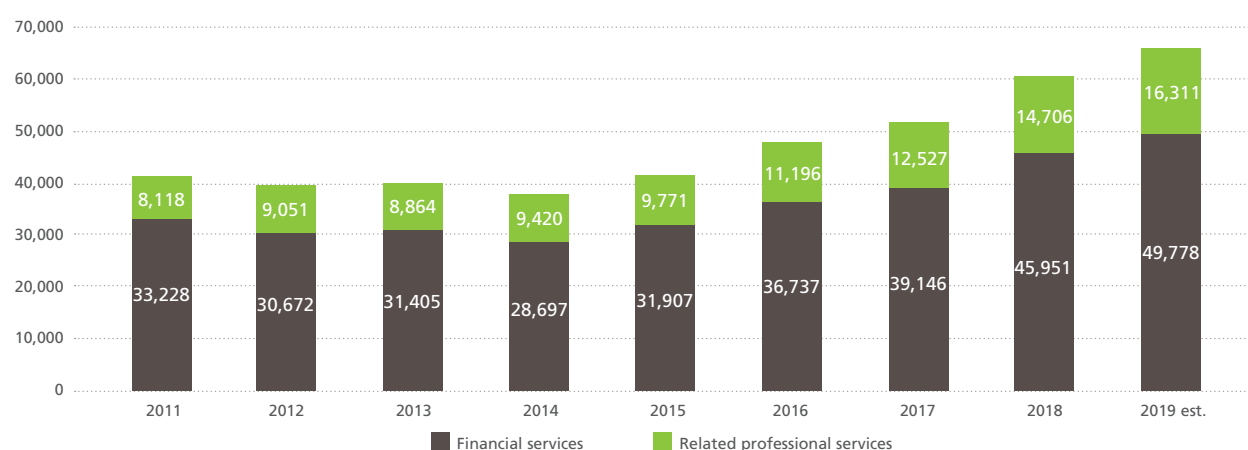


Figure 16: Financial and related professional services exports from London, £m

Source: Office for National Statistics and TheCityUK calculations

Note: Due to rounding, figures for sub-sectors and regions may not add up to total

Sector	2011	2012	2013	2014	2015	2016	2017	2018	2019 Estimate
Finance	30,739	27,511	28,329	25,171	28,818	32,713	35,198	41,317	44,758
Insurance and pension services	2,489	3,161	3,076	3,526	3,089	4,024	3,948	4,634	5,020
Total financial services	33,228	30,672	31,405	28,697	31,907	36,737	39,146	45,951	49,778
Accountancy	782	870	1,024	1,027	1,146	1,297	1,322	1,570	1,714
Legal services	2,816	3,150	3,391	3,706	3,709	4,102	4,483	5,812	6,497
Management consultancy and business management	4,519	5,031	4,450	4,687	4,916	5,797	6,721	7,323	8,100
Total related professional services	8,118	9,051	8,864	9,420	9,771	11,196	12,527	14,706	16,311
Total financial and related professional services	41,346	39,723	40,269	38,117	41,678	47,933	51,673	60,657	66,089

EXPORTS OF THE FINANCIAL AND RELATED PROFESSIONAL SERVICES INDUSTRY IN LONDON



£66.1 BN IN 2019*



*2019 figures are TheCityUK estimates based on Office for National Statistics data.

LONDON SERVICES EXPORTS



£132.2 BN
IN 2018

FINANCIAL AND RELATED PROFESSIONAL SERVICES EXPORTS IN LONDON ACCOUNTED FOR



46%

OF ALL SERVICES EXPORTS IN 2018

Data for financial and related professional services exports as a percentage of total services exports are TheCityUK calculations based on ONS data. Services exports from London totalled £132.2bn in 2018, according to the ONS.

Figure 17: London financial services exports by destination, % share, 2018

Source: Office for National Statistics and TheCityUK calculations

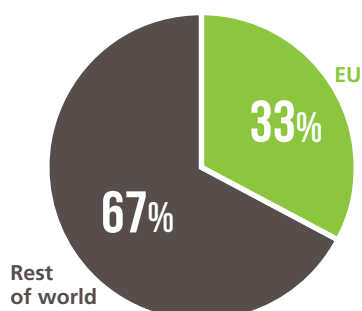


Figure 18: Financial services exports from sub-regions (NUTS2) in London, 2018

Source: Office for National Statistics

	Financial services exports, £m	Financial services exports as a % of sub-region's total services exports
Inner London - West	32,298	40%
Inner London - East	11,437	36%
Outer London - West and North West	946	6%
Outer London - South	694	24%
Outer London - East and North East	578	29%

NORTH EAST

The North East exported £2.2bn of financial and related professional services in 2019, up 8.1% from 2018, according to TheCityUK estimates. According to ONS data, financial services exports from the North East accounted for 1.9% of Great Britain's total financial services exports in 2018. TheCityUK estimates related professional services exports from the region accounted for 1.1% of Great Britain's total related professional services exports. Thirty-nine percent of North East's financial services exports went to the EU in 2018, and the remaining 61% went to the rest of the world.

Figure 19: North East financial and related professional services exports, £m

Source: Office for National Statistics and TheCityUK calculations

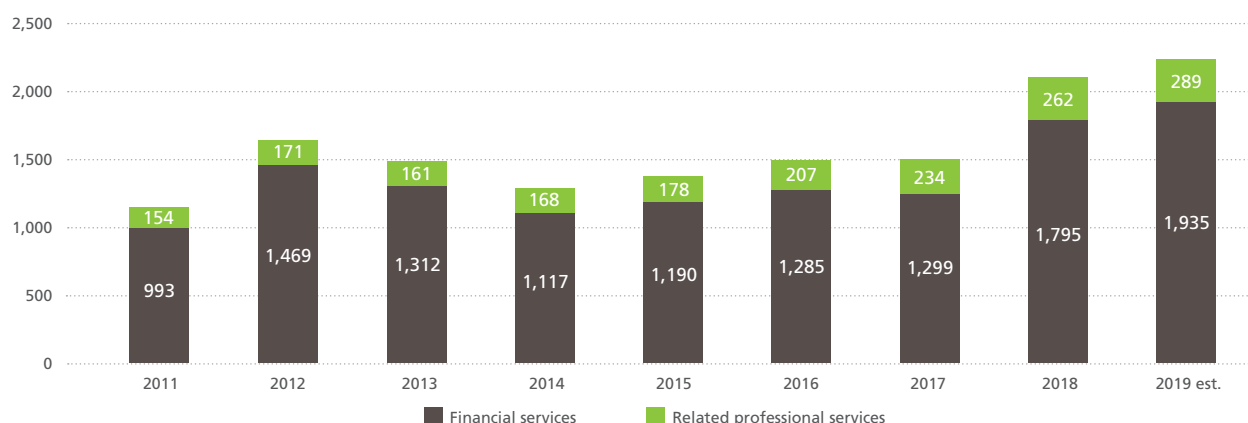


Figure 20: Financial and related professional services exports from the North East, £m

Source: Office for National Statistics and TheCityUK calculations

Note: Due to rounding, figures for sub-sectors and regions may not add up to total

Sector	2011	2012	2013	2014	2015	2016	2017	2018	2019 Estimate
Finance	792	1,024	918	807	881	994	959	1,326	1,429
Insurance and pension services	201	445	394	310	309	291	340	470	506
Total financial services	993	1,469	1,312	1,117	1,190	1,285	1,299	1,795	1,935
Accountancy	21	23	28	28	31	35	36	42	46
Legal services	10	12	12	14	14	15	16	21	24
Management consultancy and business management	122	136	121	127	133	157	182	198	219
Total related professional services	154	171	161	168	178	207	234	262	289
Total financial and related professional services	1,147	1,640	1,473	1,285	1,368	1,492	1,533	2,057	2,224

EXPORTS OF THE FINANCIAL AND RELATED PROFESSIONAL SERVICES INDUSTRY IN THE NORTH EAST



£2.2BN IN 2019*



*2019 figures are TheCityUK estimates based on Office for National Statistics data.

NORTH EAST SERVICES EXPORTS



£7BN
IN 2018

FINANCIAL AND RELATED PROFESSIONAL SERVICES EXPORTS IN THE NORTH EAST ACCOUNTED FOR



29%

OF ALL SERVICES EXPORTS IN 2018

Data for financial and related professional services exports as a percentage of total services exports are TheCityUK calculations based on ONS data. Services exports from the North East totalled £7bn in 2018, according to the ONS.

Figure 21: North East financial services exports by destination, % share, 2018

Source: Office for National Statistics and TheCityUK calculations

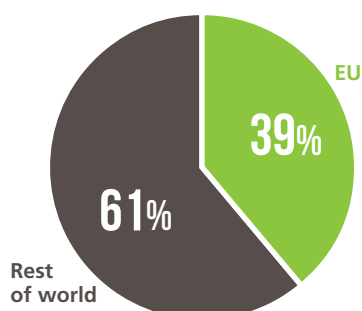


Figure 22: Financial services exports from sub-regions (NUTS2) in the North East, 2018

Source: Office for National Statistics

	Financial services exports, £m	Financial services exports as a % of sub-region's total services exports
Northumberland and Tyne and Wear	1,498	38%

NORTH WEST

The North West exported £8.4bn of financial and related professional services in 2019, up 7.3% from 2018, according to TheCityUK estimates. According to ONS data, financial services exports from the North West accounted for 7.4% of Great Britain's total financial services exports in 2018. TheCityUK estimates related professional services exports from the region accounted for 3.8% of Great Britain's total related professional services exports. Forty-one percent of North West's financial services exports went to the EU in 2018, and the remaining 59% went to the rest of the world.

Figure 23: North West financial and related professional services exports, £m

Source: Office for National Statistics and TheCityUK calculations

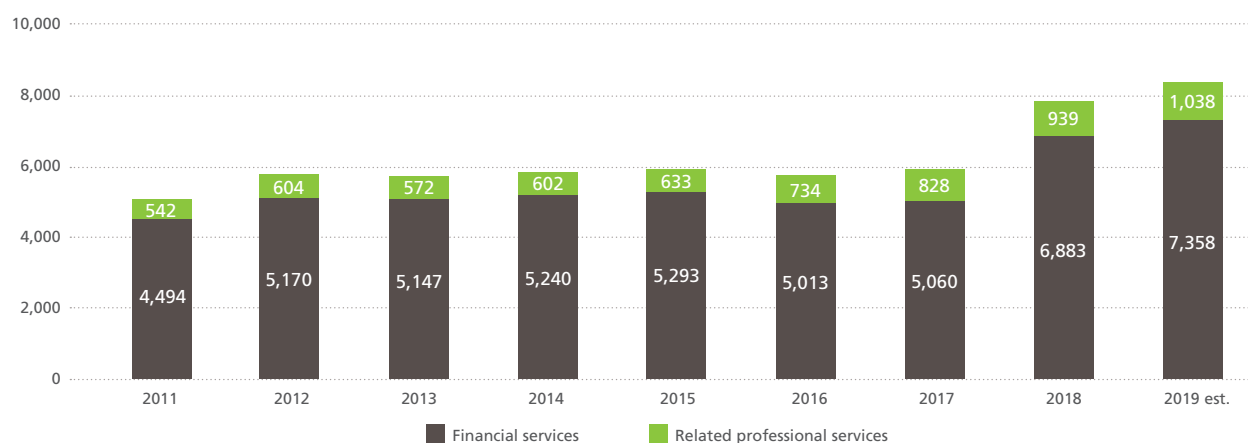


Figure 24: Financial and related professional services exports from the North West, £m

Source: Office for National Statistics and TheCityUK calculations

Note: Due to rounding, figures for sub-sectors and regions may not add up to total

Sector	2011	2012	2013	2014	2015	2016	2017	2018	2019 Estimate
Finance	2,993	3,190	3,285	3,147	3,674	3,303	3,268	4,445	4,752
Insurance and pension services	1,501	1,980	1,862	2,093	1,619	1,710	1,792	2,438	2,606
Total financial services	4,494	5,170	5,147	5,240	5,293	5,013	5,060	6,883	7,358
Accountancy	66	74	87	87	97	110	112	133	145
Legal services	76	85	92	100	100	111	121	157	176
Management consultancy and business management	400	445	394	415	435	513	595	648	717
Total related professional services	542	604	572	602	633	734	828	939	1,038
Total financial and related professional services	5,036	5,774	5,719	5,842	5,926	5,747	5,888	7,822	8,396

EXPORTS OF THE FINANCIAL AND RELATED PROFESSIONAL SERVICES INDUSTRY IN THE NORTH WEST



£8.4BN IN 2019*



*2019 figures are TheCityUK estimates based on Office for National Statistics data.

NORTH WEST SERVICES EXPORTS



£20.8BN
IN 2018

FINANCIAL AND RELATED PROFESSIONAL SERVICES EXPORTS IN THE NORTH WEST ACCOUNTED FOR



38%

OF ALL SERVICES EXPORTS IN 2018

Data for financial and related professional services exports as a percentage of total services exports are TheCityUK calculations based on ONS data. Services exports from the North West totalled £20.8bn in 2018, according to the ONS.

Figure 25: North West financial services exports by destination, % share, 2018

Source: Office for National Statistics and TheCityUK calculations

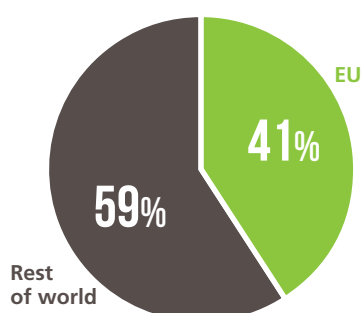


Figure 26: Financial services exports from sub-regions (NUTS2) in the North West, 2018

Source: Office for National Statistics

	Financial services exports, £m	Financial services exports as a % of sub-region's total services exports
Greater Manchester	2,951	34%
Cheshire	1,952	47%
Merseyside	1,207	32%
Lancashire	553	18%
Cumbria	220	19%

SCOTLAND

Scotland exported £9.2bn of financial and related professional services in 2019, up 7.7% from 2018, according to TheCityUK estimates. According to ONS data, financial services exports from Scotland accounted for 8.2% of Great Britain's total financial services exports in 2018. TheCityUK estimates related professional services exports from the nation accounted for 3.9% of Great Britain's total related professional services exports. Thirty-seven percent of Scottish financial services exports went to the EU in 2018, and the remaining 63% went to the rest of the world.

Figure 27: Scottish financial and related professional services exports, £m

Source: Office for National Statistics and TheCityUK calculations

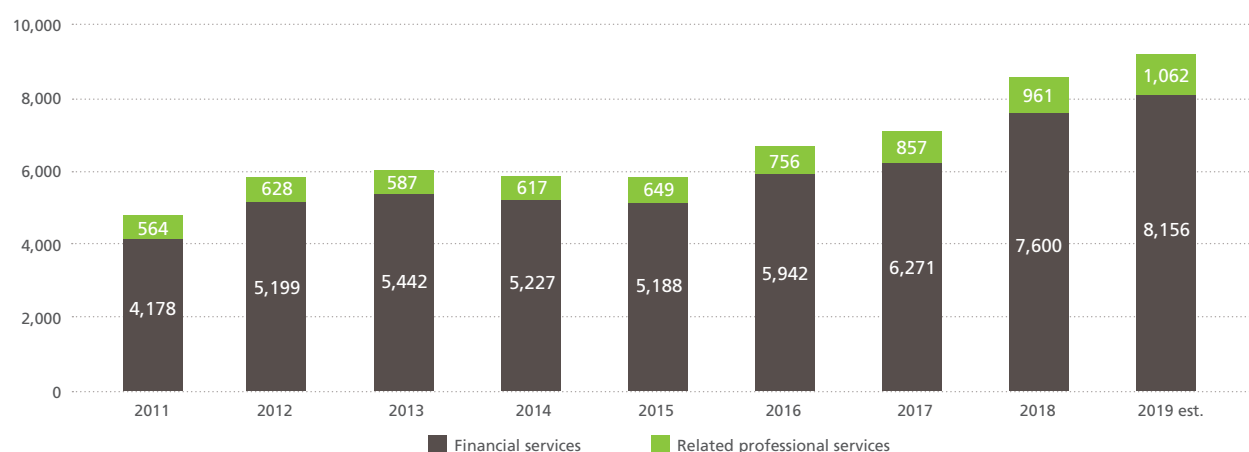


Figure 28: Financial and related professional services exports from Scotland, £m

Source: Office for National Statistics and TheCityUK calculations

Note: Due to rounding, figures for sub-sectors and regions may not add up to total

Sector	2011	2012	2013	2014	2015	2016	2017	2018	2019 Estimate
Finance	2,366	2,778	3,206	3,235	3,459	3,985	3,811	4,618	4,956
Insurance and pension services	1,812	2,421	2,236	1,992	1,729	1,957	2,460	2,982	3,200
Total financial services	4,178	5,199	5,442	5,227	5,188	5,942	6,271	7,600	8,156
Accountancy	63	70	83	83	93	105	107	127	139
Legal services	51	58	62	68	68	75	82	106	119
Management consultancy and business management	449	500	442	466	488	576	668	728	805
Total related professional services	564	628	587	617	649	756	857	961	1,062
Total financial and related professional services	4,742	5,827	6,029	5,844	5,837	6,698	7,128	8,561	9,218

EXPORTS OF THE FINANCIAL AND RELATED PROFESSIONAL SERVICES INDUSTRY IN SCOTLAND



£9.2BN IN 2019*



*2019 figures are TheCityUK estimates based on Office for National Statistics data.

SCOTLAND SERVICES EXPORTS



£21.7BN
IN 2018

FINANCIAL AND RELATED PROFESSIONAL SERVICES EXPORTS IN SCOTLAND ACCOUNTED FOR



40%

OF ALL SERVICES EXPORTS IN 2018

Data for financial and related professional services exports as a percentage of total services exports are TheCityUK calculations based on ONS data. Services exports from Scotland totalled £21.7bn in 2018, according to the ONS.

Figure 29: Scottish financial services exports by destination, % share, 2018

Source: Office for National Statistics and TheCityUK calculations

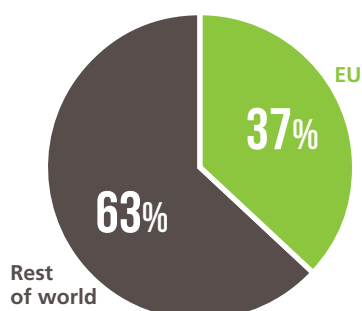


Figure 26: Financial services exports from sub-regions (NUTS2) in Scotland, 2018

Source: Office for National Statistics

	Financial services exports, £m	Financial services exports as a % of sub-region's total services exports
Eastern Scotland	4,170	49%
West Central Scotland	2,513	45%
Southern Scotland	576	29%
North Eastern Scotland	169	5%
Highlands and Islands	150	10%

SOUTH EAST

The South East exported £10.7bn of financial and related professional services in 2019, up 2.2% from 2018, according to TheCityUK estimates. According to ONS data, financial services exports from the South East accounted for 7.5% of Great Britain's total financial services exports in 2018. TheCityUK estimates related professional services exports from the region accounted for 14.4% of Great Britain's total related professional services exports. Thirty-six percent of South East's financial services exports went to the EU in 2018, and the remaining 64% went to the rest of the world.

Figure 31: South East financial and related professional services exports, £m

Source: Office for National Statistics and TheCityUK calculations

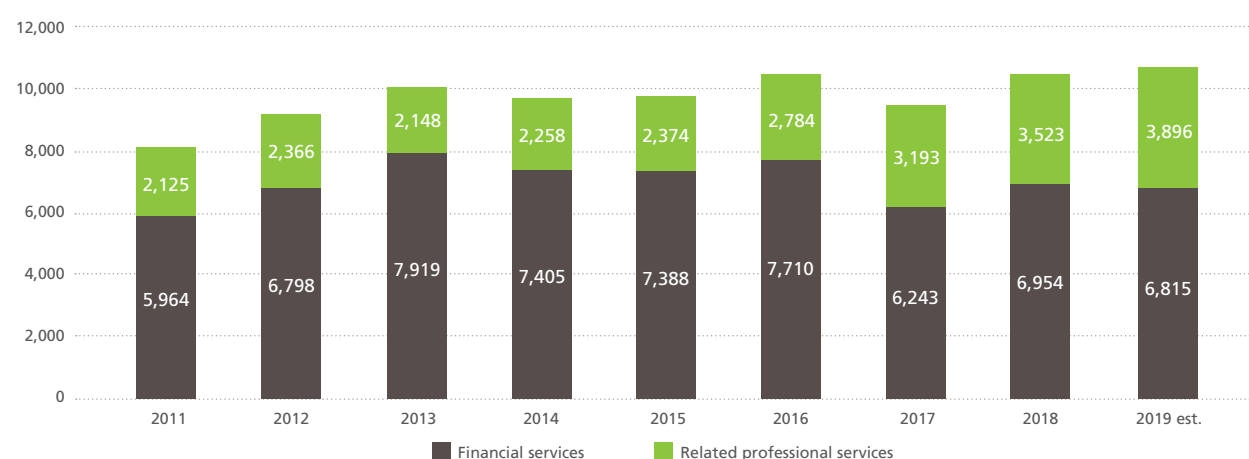


Figure 32: Financial and related professional services exports from the South East, £m

Source: Office for National Statistics and TheCityUK calculations

Note: Due to rounding, figures for sub-sectors and regions may not add up to total

Sector	2011	2012	2013	2014	2015	2016	2017	2018	2019 Estimate
Finance	2,678	2,469	2,579	2,897	3,188	3,416	2,501	2,786	2,730
Insurance and pension services	3,286	4,329	5,340	4,508	4,200	4,294	3,742	4,168	4,085
Total financial services	5,964	6,798	7,919	7,405	7,388	7,710	6,243	6,954	6,815
Accountancy	120	133	157	158	176	199	203	241	263
Legal services	76	85	92	100	100	111	121	157	176
Management consultancy and business management	1,929	2,147	1,899	2,000	2,098	2,474	2,868	3,125	3,457
Total related professional services	2,125	2,366	2,148	2,258	2,374	2,784	3,193	3,523	3,896
Total financial and related professional services	8,089	9,164	10,067	9,663	9,762	10,494	9,436	10,477	10,710

EXPORTS OF THE FINANCIAL AND RELATED PROFESSIONAL SERVICES INDUSTRY IN THE SOUTH EAST



£10.7 BN IN 2019*



*2019 figures are TheCityUK estimates based on Office for National Statistics data.

SOUTH EAST SERVICES EXPORTS



£44 BN
IN 2018

FINANCIAL AND RELATED PROFESSIONAL SERVICES EXPORTS IN THE SOUTH EAST ACCOUNTED FOR



24%

OF ALL SERVICES EXPORTS IN 2018

Data for financial and related professional services exports as a percentage of total services exports are TheCityUK calculations based on ONS data. Services exports from the South East totalled £44bn in 2018, according to the ONS.

Figure 33: South East financial services exports by destination, % share, 2018

Source: Office for National Statistics and TheCityUK calculations

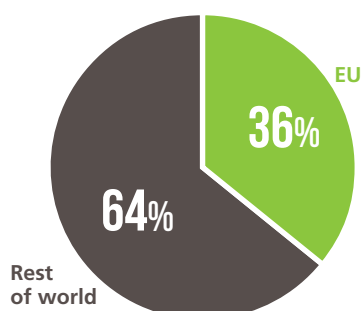


Figure 34: Financial services exports from sub-regions (NUTS2) in the South East, 2018

Source: Office for National Statistics

	Financial services exports, £m	Financial services exports as a % of sub-region's total services exports
Surrey, East and West Sussex	2,712	20%
Berkshire, Buckinghamshire and Oxfordshire	2,089	12%
Hampshire and Isle of Wight	1,292	14%
Kent	861	25%

SOUTH WEST

The South West exported £6bn of financial and related professional services in 2019, up 6.9% from 2018, according to TheCityUK estimates. According to ONS data, financial services exports from the South West accounted for 5.1% of Great Britain's total financial services exports in 2018. TheCityUK estimates related professional services exports from the region accounted for 3.5% of Great Britain's total related professional services exports. Forty-one percent of South West's financial services exports went to the EU in 2018, and the remaining 59% went to the rest of the world.

Figure 35: South West financial and related professional services exports, £m

Source: Office for National Statistics and TheCityUK calculations

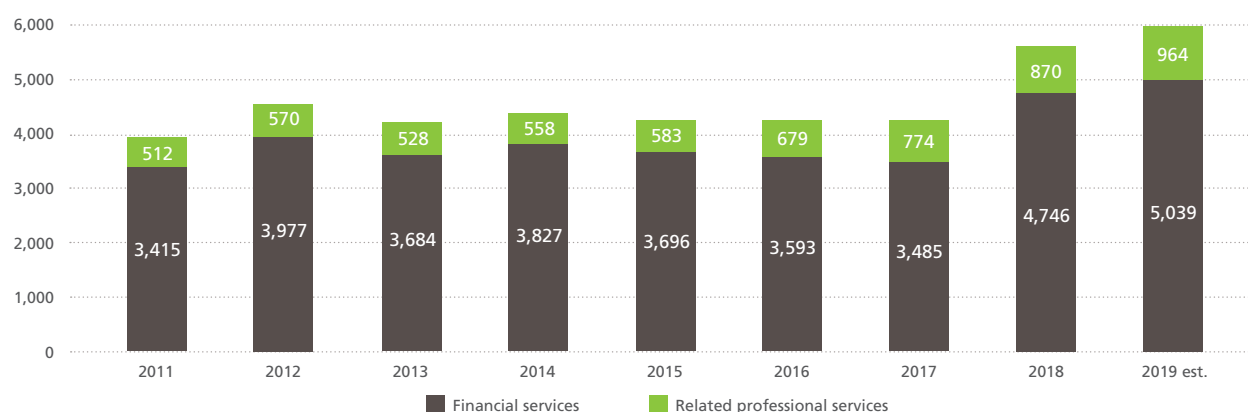


Figure 36: Financial and related professional services exports from the South West, £m

Source: Office for National Statistics and TheCityUK calculations

Note: Due to rounding, figures for sub-sectors and regions may not add up to total

Sector	2011	2012	2013	2014	2015	2016	2017	2018	2019 Estimate
Finance	2,099	2,233	2,129	1,956	2,325	2,209	2,038	2,776	2,947
Insurance and pension services	1,316	1,744	1,555	1,871	1,371	1,384	1,447	1,970	2,092
Total financial services	3,415	3,977	3,684	3,827	3,696	3,593	3,485	4,746	5,039
Accountancy	28	32	37	37	42	47	48	57	62
Legal services	68	76	82	89	90	99	108	140	157
Management consultancy and business management	416	463	409	431	452	533	618	673	745
Total related professional services	512	570	528	558	583	679	774	870	964
Total financial and related professional services	3,927	4,547	4,212	4,385	4,279	4,272	4,259	5,616	6,002

EXPORTS OF THE FINANCIAL AND RELATED PROFESSIONAL SERVICES INDUSTRY IN THE SOUTH WEST



£6.0BN IN 2019*



*2019 figures are TheCityUK estimates based on Office for National Statistics data.

SOUTH WEST SERVICES EXPORTS



£13BN
IN 2018

FINANCIAL AND RELATED PROFESSIONAL SERVICES EXPORTS IN THE SOUTH WEST ACCOUNTED FOR



43%

OF ALL SERVICES EXPORTS IN 2018

Data for financial and related professional services exports as a percentage of total services exports are TheCityUK calculations based on ONS data. Services exports from the South West totalled £13bn in 2018, according to the ONS.

Figure 37: South West financial services exports by destination, % share, 2018

Source: Office for National Statistics and TheCityUK calculations

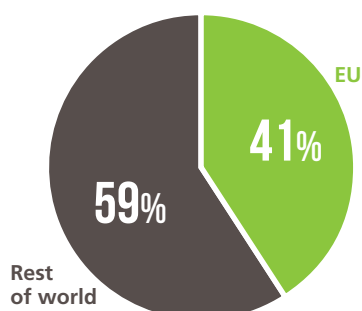


Figure 38: Financial services exports from sub-regions (NUTS2) in the South West, 2018

Source: Office for National Statistics

	Financial services exports, £m	Financial services exports as a % of sub-region's total services exports
Gloucestershire, Wiltshire and Bath/Bristol area	3,144	40%
Dorset and Somerset	1,169	44%
Devon	307	18%
Cornwall and Isles of Scilly	126	14%

WALES

Wales exported £2.5bn of financial and related professional services in 2019, up 1.6% from 2018, according to TheCityUK estimates. According to ONS data, financial services exports from Wales accounted for 2.2% of Great Britain's total financial services exports in 2018. TheCityUK estimates related professional services exports from the nation accounted for 1.8% of Great Britain's total related professional services exports. Forty-one percent of Welsh financial services exports went to the EU in 2018, and the remaining 59% went to the rest of the world.

Figure 39: Welsh financial and related professional services exports, £m

Source: Office for National Statistics and TheCityUK calculations

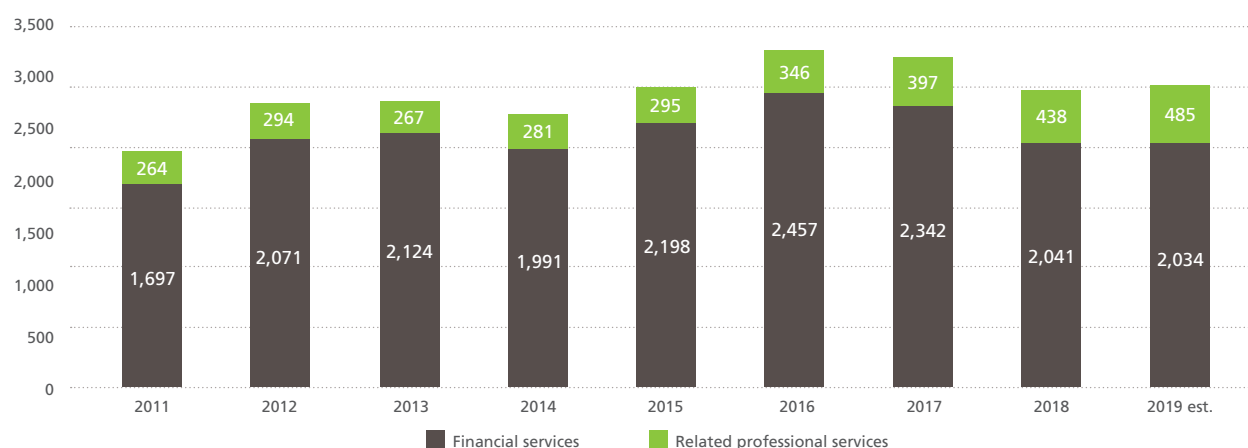


Figure 40: Financial and related professional services exports from Wales, £m

Source: Office for National Statistics and TheCityUK calculations

Note: Due to rounding, figures for sub-sectors and regions may not add up to total

Sector	2011	2012	2013	2014	2015	2016	2017	2018	2019 Estimate
Finance	859	958	930	829	979	1,012	1,046	912	909
Insurance and pension services	838	1,113	1,194	1,162	1,219	1,445	1,296	1,129	1,126
Total financial services	1,697	2,071	2,124	1,991	2,198	2,457	2,342	2,041	2,034
Accountancy	14	15	18	18	20	23	23	28	30
Legal services	10	12	12	14	14	15	16	21	24
Management consultancy and business management	240	267	236	249	261	308	357	389	430
Total related professional services	264	294	267	281	295	346	397	438	485
Total financial and related professional services	1,961	2,365	2,391	2,272	2,493	2,803	2,739	2,479	2,519

EXPORTS OF THE FINANCIAL AND RELATED PROFESSIONAL SERVICES INDUSTRY IN WALES



£2.5BN IN 2019*



*2019 figures are TheCityUK estimates based on Office for National Statistics data.

WALES SERVICES EXPORTS



£7.4BN
IN 2018

FINANCIAL AND RELATED PROFESSIONAL SERVICES EXPORTS IN WALES ACCOUNTED FOR



33%

OF ALL SERVICES EXPORTS IN 2018

Data for financial and related professional services exports as a percentage of total services exports are TheCityUK calculations based on ONS data. Services exports from Wales totalled £7.4bn in 2018, according to the ONS.

Figure 41: Welsh financial services exports by destination, % share, 2018

Source: Office for National Statistics and TheCityUK calculations

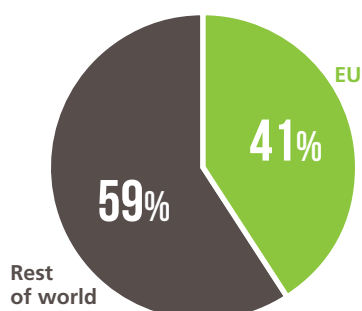


Figure 42: Financial services exports from sub-regions (NUTS2) in Wales, 2018

Source: Office for National Statistics

	Financial services exports, £m	Financial services exports as a % of sub-region's total services exports
East Wales	1,156	39%
West Wales and The Valleys	884	20%

WEST MIDLANDS

The West Midlands exported £5.9bn of financial and related professional services in 2019, up 7.1% from 2018, according to TheCityUK estimates. According to ONS data, financial services exports from the West Midlands accounted for 5.2% of Great Britain's total financial services exports in 2018. TheCityUK estimates related professional services exports from the region accounted for 2.7% of Great Britain's total related professional services exports. Forty-one percent of West Midlands' financial services exports went to the EU in 2018, and the remaining 59% went to the rest of the world.

Figure 43: West Midlands financial and related professional services exports, £m

Source: Office for National Statistics and TheCityUK calculations

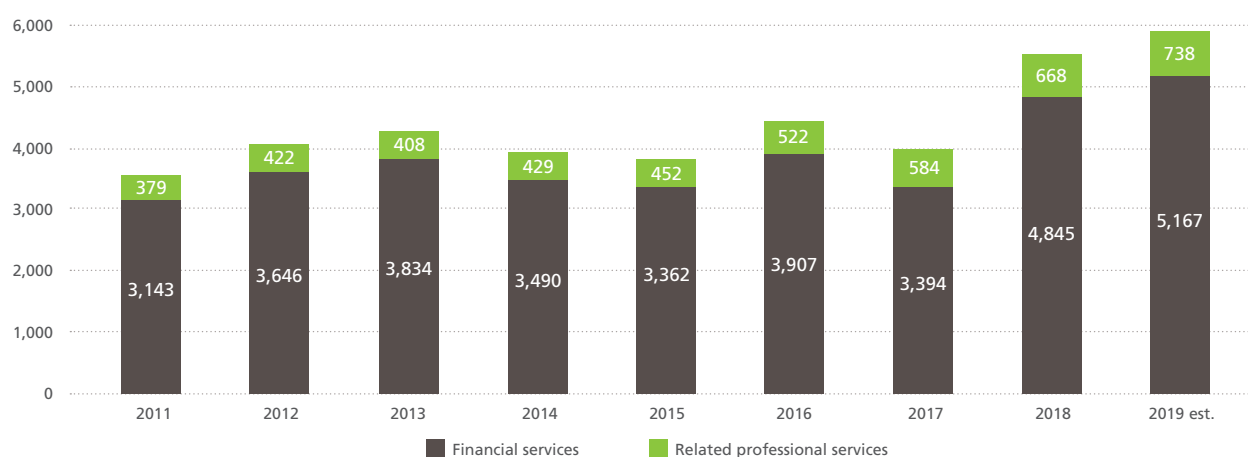


Figure 44: Financial and related professional services exports from the West Midlands, £m

Source: Office for National Statistics and TheCityUK calculations

Note: Due to rounding, figures for sub-sectors and regions may not add up to total

Sector	2011	2012	2013	2014	2015	2016	2017	2018	2019 Estimate
Finance	1,959	2,073	2,136	2,184	2,246	2,433	2,073	2,960	3,156
Insurance and pension services	1,184	1,573	1,698	1,306	1,116	1,474	1,321	1,885	2,010
Total financial services	3,143	3,646	3,834	3,490	3,362	3,907	3,394	4,845	5,167
Accountancy	66	74	87	87	97	110	112	133	145
Legal services	62	70	75	82	82	91	99	129	144
Management consultancy and business management	250	279	246	260	272	321	372	405	449
Total related professional services	379	422	408	429	452	522	584	668	738
Total financial and related professional services	3,522	4,068	4,242	3,919	3,814	4,429	3,978	5,513	5,905

EXPORTS OF THE FINANCIAL AND RELATED PROFESSIONAL SERVICES INDUSTRY IN THE WEST MIDLANDS



£5.9BN IN 2019*



*2019 figures are TheCityUK estimates based on Office for National Statistics data.

WEST MIDLANDS SERVICES EXPORTS



£17.6BN
IN 2018

FINANCIAL AND RELATED PROFESSIONAL SERVICES EXPORTS IN THE WEST MIDLANDS ACCOUNTED FOR



31%

OF ALL SERVICES EXPORTS IN 2018

Data for financial and related professional services exports as a percentage of total services exports are TheCityUK calculations based on ONS data. Services exports from the West Midlands totalled £17.6bn in 2018, according to the ONS.

Figure 45: West Midlands financial services exports by destination, % share, 2018

Source: Office for National Statistics and TheCityUK calculations

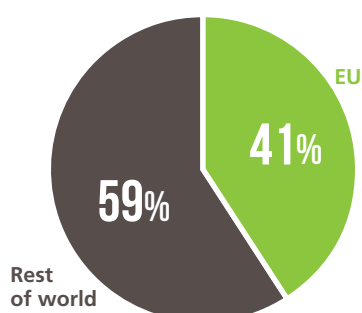


Figure 46: Financial services exports from sub-regions (NUTS2) in West Midlands, 2018

Source: Office for National Statistics

	Financial services exports, £m	Financial services exports as a % of sub-region's total services exports
West Midlands*	3,763	50%
Shropshire and Staffordshire	576	8%
Herefordshire, Worcestershire and Warwickshire	505	17%

* Here, the West Midlands metropolitan county as opposed to the English region.

YORKSHIRE AND THE HUMBER

Yorkshire and the Humber exported £7.6bn of financial and related professional services in 2019, up 17.7% from 2018, according to TheCityUK estimates. According to ONS data, financial services exports from Yorkshire and the Humber accounted for 6.4% of Great Britain's total financial services exports in 2018. TheCityUK estimates related professional services exports from the region accounted for 2.3% of Great Britain's total related professional services exports. Forty-two percent of Yorkshire and the Humber's financial services exports went to the EU in 2018, and the remaining 58% went to the rest of the world.

Figure 47: Yorkshire and the Humber financial and related professional services exports, £m

Source: Office for National Statistics and TheCityUK calculations

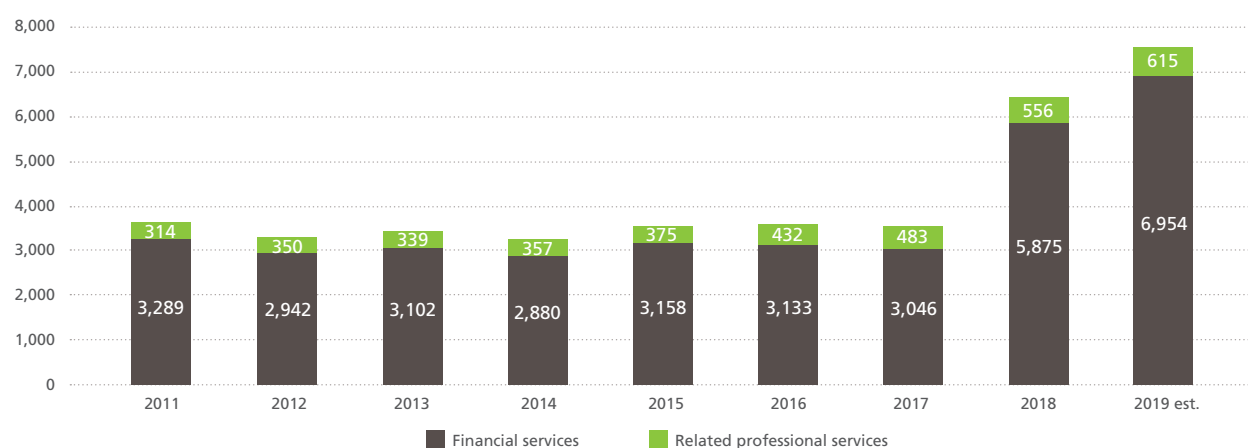


Figure 48: Financial and related professional services exports from Yorkshire and the Humber, £m

Source: Office for National Statistics and TheCityUK calculations

Note: Due to rounding, figures for sub-sectors and regions may not add up to total

Sector	2011	2012	2013	2014	2015	2016	2017	2018	2019 Estimate
Finance	2,757	2,505	2,612	2,360	2,609	2,546	2,533	4,886	5,783
Insurance and pension services	532	437	490	520	549	587	513	989	1,171
Total financial services	3,289	2,942	3,102	2,880	3,158	3,133	3,046	5,875	6,954
Accountancy	48	54	63	63	71	80	82	97	106
Legal services	66	74	79	87	87	96	105	136	152
Management consultancy and business management	200	222	197	207	217	256	297	323	358
Total related professional services	314	350	339	357	375	432	483	556	615
Total financial and related professional services	3,603	3,292	3,441	3,237	3,533	3,565	3,529	6,431	7,569

EXPORTS OF THE FINANCIAL AND RELATED PROFESSIONAL SERVICES INDUSTRY IN YORKSHIRE AND THE HUMBER



£7.6BN IN 2019*



*2019 figures are TheCityUK estimates based on Office for National Statistics data.

YORKSHIRE AND THE HUMBER SERVICES EXPORTS



£12.3BN
IN 2018

FINANCIAL AND RELATED PROFESSIONAL SERVICES EXPORTS IN YORKSHIRE AND THE HUMBER ACCOUNTED FOR



52%

OF ALL SERVICES EXPORTS IN 2018

Data for financial and related professional services exports as a percentage of total services exports are TheCityUK calculations based on ONS data. Services exports from Yorkshire and the Humber totalled £12.3bn in 2018, according to the ONS.

Figure 49: Yorkshire and the Humber financial services exports by destination, % share, 2018

Source: Office for National Statistics and TheCityUK calculations

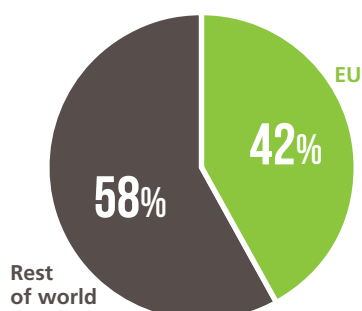


Figure 50: Financial services exports from sub-regions (NUTS2) in Yorkshire and the Humber, 2018

Source: Office for National Statistics

	Financial services exports, £m	Financial services exports as a % of sub-region's total services exports
West Yorkshire	3,820	56%
South Yorkshire	1,140	50%
North Yorkshire	610	32%
East Yorkshire and Northern Lincolnshire	305	24%

CONCLUSION

As the UK's largest financial and related professional services centre and the world's leading international hub for such services, London inevitably leads the UK's exports of these services. But the idea that London sells financial and related professional services overseas and the rest of the UK focuses on domestic activity is misleading. As this report shows, other regions, especially the South East, Scotland, North West and Yorkshire and the Humber also make important contributions to exports of financial and related professional services. Around half of financial and related professional services exports came from outside London in 2018 and, based on our estimates, in 2019. Although it is too soon to tell how extensive the negative impact of Covid-19 will have been on financial and related professional services exports in 2020, the very widespread nature of the pandemic – affecting almost all countries globally, and nearly all industries in some shape or form – means that we would expect to see more change in the overall volume of industry exports than in the various regional contributions. The pandemic and the policy measures designed to address the public-health crisis have triggered an enormous shock to the economies of the UK as well as its major trading partners. Supportive government policies have mitigated the worst effects of the crisis, and it is imperative that policy continues to ensure the best possible business environment in the UK, so that British exporters – in all the regions and nations – can be best-placed to capitalise on the eventual return to global growth.

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