

Enabling growth across the UK 2022

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 ensure long-term economic growth. The industry contributes 12% of the UK's total economic output and employs over 2.2 million people, with two thirds of these jobs outside London. It is one of the largest exporters 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

The UK remains one of the world's leading international centres for financial and related professional services, an industry that contributes to employment and economic growth across the country. This report explores in detail that contribution in each region and nation.

Although long associated with London and 'the City', around two-thirds of the 2.2m jobs in the UK-based industry are in fact outside London. In the decade to 2020, employment in financial and related professional services grew by 250,000, and over half of those additional jobs were outside London. Our research also details the benefits the industry brings to the UK in terms of trade, tax contribution, productivity, and other metrics.

This research complements TheCityUK's work to explore in more detail some of the policy areas that will be critical to the future success of the industry across the UK's regions and nations. We are pleased that some of the policy recommendations made in the 2021 edition of this report, as well as our Roadmap for economic recovery report, have already been implemented by the government. These include:

- The appointment of a cabinet-level minister with specific responsibility for levelling up
- The creation of a civil service taskforce to drive the project forward
- The development of metrics to measure success

We also welcomed the publication of the Levelling Up and Regeneration Bill and the government focus on sharing wealth, opportunity, and prosperity more widely across the UK. However, we believe that more can be done to build a genuine partnership between government and industry to level up the UK. As such, we offer a new set of recommendations in this report, focusing in particular on devolution, skills, trade, government engagement and infrastructure. Building this partnership is essential given the vital role our industry can play in overcoming many of the barriers to growth and development experienced by regions and nations across the UK.



Miles Celic
Chief Executive, TheCityUK



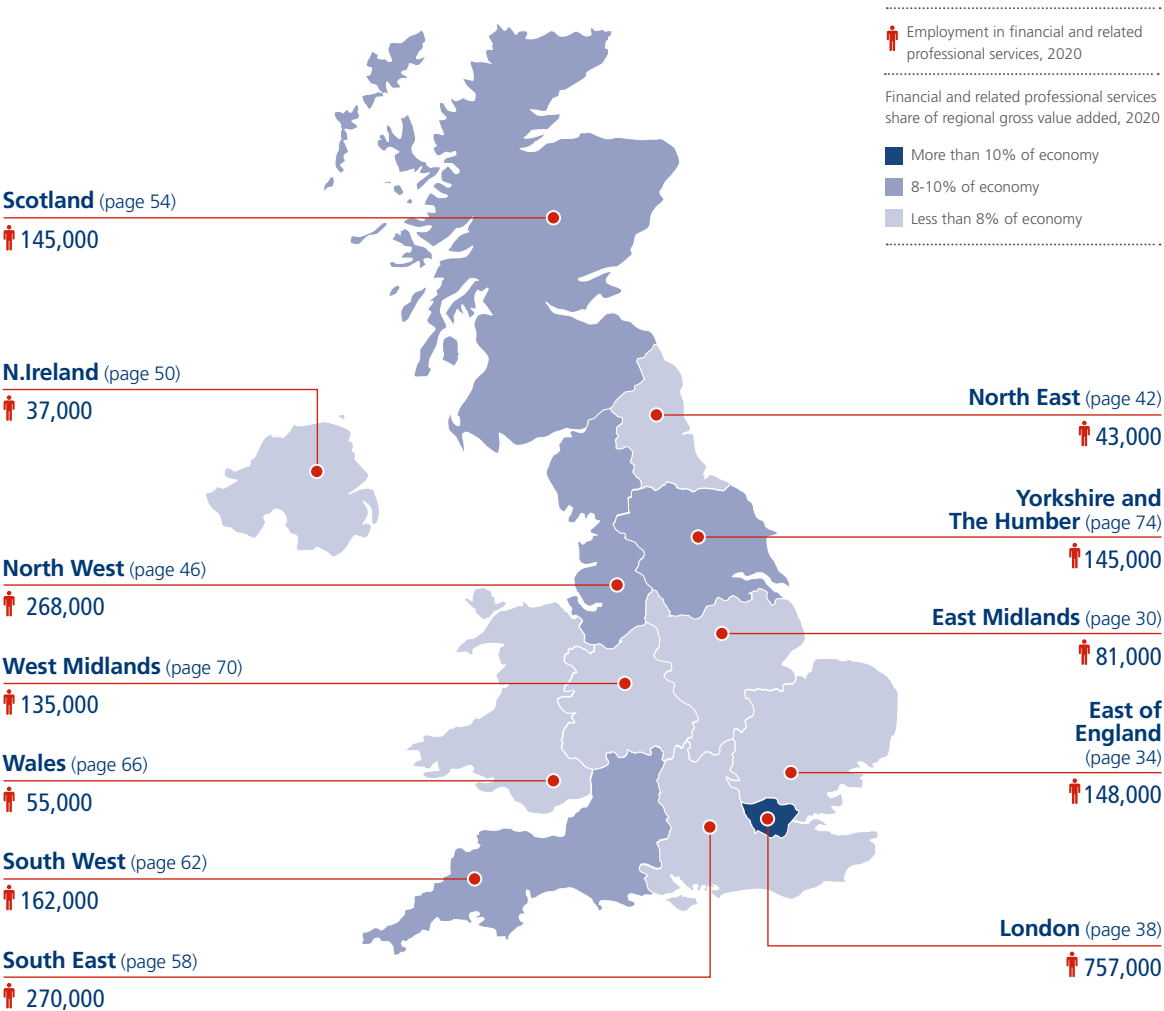
Executive summary

- 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 (2020).
- More than 2.2 million people work in financial and related professional services across the UK, representing 7.4% of the working population, or approximately one in every 14 jobs. This is roughly equivalent to the entire population of Birmingham, Glasgow and Edinburgh 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, Bristol, Edinburgh, Glasgow, Leeds and Manchester. Overall, 22 towns and cities in the UK each have more than 10,000 people in employment in the industry.
- Financial and related professional services contributed £238bn to the UK economy in 2020. This represented 12.2% 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 £80.2bn in 2020, 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 and accounting centre; 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 2020, employment in financial and related professional services grew by 250,000 (12.5%). The rate of growth over the ten years was highest in the North West, followed by Northern Ireland and London.
- Industry GVA increased by £65bn (37.9%) in the decade to 2020. London was the region with the highest increase since 2010, followed by Wales and the East of England.
- We have set out policy recommendations focusing on devolution, skills, infrastructure and international trade to further enhance our industry's positive contribution to the economy.

The Spread of The Industry Across the Country

Figure 1: Employment and gross value added in financial and related professional services, 2020

Source: Office for National Statistics, Nomis and TheCityUK estimates



Policy recommendations

If government were to take up the following recommendations, it would maximise the economic contribution the financial and related professional services industry makes to every UK region and nation, thereby supporting the levelling up agenda. Our industry is already investing in people and communities across every region and nation, but we can do so much more with the right partnership with government.

1) Devolution and engagement

TheCityUK welcomes the significant level of devolution which has taken place in recent years, particularly to England's new combined authorities and metro mayors. Devolution to the English regions provides businesses with key figureheads to have meaningful conversations in many parts of the country.

However, we are calling on the government to accelerate and deepen the process of devolution. The UK is currently the only G7 country that does not have a uniform structure for regional government. This restricts the ability of areas without a metro mayor or devolution deal to grow their economy by developing industry clusters and infrastructure.

Therefore, we believe that the metro mayor and combined authority model has been a success which should now be rolled out across the country. At the same time, the level of responsibility devolved to these administrations should be extended. Combined authorities, local enterprise partnerships and regional development agencies could do even more to develop their regions if they had additional powers.

As part of this greater devolution, central government should move away from the model of competitive bidding as a significant aspect of their policy programmes, such as the Levelling Up Fund. This places capacity constraints on councils who are forced to prepare for bid after bid, with no guarantee that their work will result in positive funding. Similarly, policies designed in this way can favour those areas and authorities which have the infrastructure already in place for delivery and not those areas where the need is most acute.

We appreciate that there is a mixed picture across the country when it comes to the level of business engagement undertaken by devolved institutions. We recognise that this would need to be improved and regularised as more devolution is undertaken.

Businesses in the financial and related professional services industry certainly have a role to play in this improvement. Continuous and significant engagement from our businesses is vital to build these relationships. TheCityUK is working to deliver this by widening our network of regional and national chairs – local practitioners who are intimately involved in their local economies – to cover more of the country.

However, we also think it is important for regional administrations to always bring in significant local employers and businesses when developing their plans, and that central government does have a role to play in ensuring that this happens.

Recommendations:

- Now is the time to accelerate devolution in the regions and nations. The government should roll out the metro mayor model and combined authority to cover all the English regions that want it.
- Simultaneously, more power should be devolved to metro mayors and combined authorities. The rest of this section of the report will provide further examples on how this could be done.
- Devolution deals should be as standardised as possible so there are clear expectations about which policy areas sit with national government and which with regional leaders.
- Central government must move away from competitive bidding as a central feature of its policy provision.
- In return for the greater devolution of powers, the government should create a duty for regional government to consult with major local employers – particularly in the services sector which often does not get as much attention as manufacturing – when designing their policies for economic growth.

2) Skills

Talent is distributed evenly across the UK, but opportunity is not. If people are unable to access the skills and training they require to take the next steps in their career or launch or expand a small business then their productivity is limited, economic growth is stalled and the cost of living crisis is maintained.

Local and regional government is 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. These political actors are best able to engage with local schools and university hubs to ensure that young people can access these skills at the earliest possible opportunity.

More skills funding and power should be devolved to institutions like combined authorities and metro mayors, so that skills challenges and solutions can be defined on a place-by-place basis. This should particularly include responsibility for delivering careers and business startup advice.

TheCityUK is supportive of the principle of the apprenticeship levy. Our members are committed to delivering apprenticeships which they view as an excellent way of recruiting talent and developing careers. However, we believe that the current apprenticeship levy system does not offer enough flexibility for the levy to be used to reskill and upskill the existing workforce to adapt to rapid changes in the economy, including the imperative of transitioning to net zero. A flexible skills system is a vital component in a competitive and productive economy.

We have identified five simple changes to the system to overcome five key challenges.

Challenge	Solution
1. Lack of flexibility in timings <ul style="list-style-type: none">• The length of acceptable 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.	More flexibility on timings <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.• Relaxing the requirement proscribing the amount of time to be spent on training, which is not appropriate for more senior staff.• Relaxing the requirement for full time employment in order to open the scheme to part-time employees, particularly valuable as we work to encourage parents to return to work.
2. Limited accessibility for smaller firms <ul style="list-style-type: none">• It is difficult for smaller firms and not for profit organisations to access the levy due to their scale and resources and high initial set up costs.	Increase the proportion of level fund which can be transferred to small businesses and charities <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.• A large UK-based bank who employ 1,700 apprentices told us that this simple move would enable them to support more employers and generate a higher economic return on the money invested as they develop deeper bonds with local businesses.

Challenge	Solution
<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.• A global professional services firm told us that they primarily view the apprenticeship levy in the UK as an opportunity to create social mobility within the firm, and the system surrounding it should be clearly integrated into the levelling up project to achieve this.• A large US bank told us that levy funds should be available to create relocation allowances for social mobility candidates to widen access to opportunity.• A large banking firm which has created more than 500 apprenticeships in recent years have also told us that there should be a better online tool to help them oversee and plan how they are drawing down on the fund across several years.
<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.• A very large long-term savings and retirement business has appointed a business champion for older workers and wish to use their levy funds to support reskilling of older workers: ultimately, they would like the apprenticeship levy to evolve into a 'Lifelong Skills and Training Fund'.• A large bank told us about the specific needs that apprenticeships have, in comparison to those who start with them through graduate programmes, and that they believe the levy should be accessible to deliver bespoke pastoral support to their apprentices.• 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.• One of the country's most significant professional services firms told us that governments are not clear on what they want the levy to achieve, creating confusion for businesses.	<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.• An international bank told us that they want to be allowed to deploy funds accrued from employee spend in England to support apprenticeships in Northern Ireland where there is a greater need and demand.
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Recommendations:

- Central government should devolve much more power and funding around skills policy to local and regional government who are best placed to know what their area needs.
- The government should 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.

3) Driving growth through international trade and green industries

The financial and related professional services industry generated a trade surplus estimated at £80.2bn in 2020. The financial services trade surplus accounted for nearly half of the total surplus of all sectors generating a positive trade balance in that year.

Regional government does not currently have the full power required to take advantage of the unique cultural ties they might have to deliver specific regional exports strategies. For example, political leaders in the West Midlands – a region with a diverse global population – view their hosting of the 2022 Commonwealth Games as an excellent opportunity to develop stronger ties with Commonwealth countries around the world, but feel they do not have the full powers necessary to take full advantage.

The UK's regions and nations are not competing with each other but with jurisdictions around the globe. Whilst the devolved government at Stormont has been able to create incentives to attract large financial and related professional services firms to Northern Ireland, these powers are not replicated in the English regions. Central government should

take a wider view and analyse how different parts of the country appear to international investors – rather than simply encouraging domestic firms to expand their footprint outside of London – and create tax allowances for early stage investments, which create sustainable employment in towns and cities which have the potential to grow.

We welcome the Department for International Trade moving some of its functions out of London, for example to the new government campus in Darlington. This should be viewed as an opportunity for the development of more bespoke export strategies for each region, tapping into their unique connections and strengths.

Additionally, it is clear that a focus on sustainability is vital to delivering future economic prosperity and growth, but that this imperative should be integrated more deeply into legislation.

Recommendations:

- The government should use its resources and expertise to partner with the regions to develop and support export strategies that can be delivered on a place-by-place basis, taking advantage of local strengths and connections.
- The government should work urgently to identify the structures that can help promote sustainable investments over non-sustainable ones, and consider how the tax system can be used to incentivise the journey to net zero.
- This work should include looking at incentive structures to encourage investment in targeted towns and cities.

4) Government leading by example

Clear goals for the levelling up agenda will be key to its success, alongside clear and transparent communication about government priorities. We believe that central government should hardwire the concept of levelling up and regional development into the UK’s policymaking machinery, including by:

- ensuring that Downing Street’s policy specialists on the economy and levelling up are integrated into one team to demonstrate that economic growth is most valuable when shared in every part of the country.
- the creation of more regional ministers so that voices from across the UK are heard in Whitehall.

Government could further lead by example by developing and making available more sources of regional and local data. Private sector investment relies on clear data and information, so making this available could encourage more firms to invest. Similarly, it would build transparency by allowing the public to track the progress made by government and industry in delivering levelling up.

Furthermore, the way in which central government delivers services has an impact on how effective these services are, but it can also influence industry and other bodies. Relocation of staff and expertise to other towns and cities can foster better collaboration across the centres that host two thirds of the industry. This could be particularly helpful for challenger institutions and other start-ups such as FinTechs outside the M25. Regulators and other government bodies with a greater understanding of the wider needs of the entire UK, as well as easier access to key individuals, has the potential to transform the nature of a company’s early relationships with their supervisors.

Recommendations:

- In consultation with the public, regional leaders and industry stakeholders, the government should build on its 12 levelling up missions to establish wider indicators of policy success to ensure that the levelling-up agenda has rigour. We propose:
 - Closing the productivity gap between London and the rest of the country.
 - Using the British Business Bank’s measurement of equity financing across the UK to assess the health of these markets outside of London.
 - Measuring the value of trade across the country to assess if more are being undertaken in target regions or nations.
 - Using universities as an anchor to attract and retain talent to key hubs across the UK, which could be assessed by analysing graduate retention rates in priority towns and cities.
 - Increasing employment levels in particular areas and amongst traditionally disadvantaged groups.
 - Ensuring every region and nation is playing a key role in the transition to net zero.
- As part of this process, individual regions and nations should also be empowered to set their own levelling up goals which the UK government must support them to meet. Local actors will know best what support their area needs to grow its economy.
- Government should accelerate the progress it has already made in ensuring that relevant regulators and central departments establish operations in major financial and related professional services hubs outside London.
- More data and information should be tracked and made public to allow transparent scrutiny against these benchmarks.

5) Infrastructure and investment

The Levelling Up and Regeneration Bill reflects TheCityUK’s call for resilient digital infrastructure with its plans for nationwide gigabit capable broadband and 4G coverage with 5G coverage for most of the population. We welcome this commitment to digital infrastructure, but from our consultation with industry, it was clear that businesses now want to see two further areas of infrastructure prioritised.

Firstly, transport links were emphasised by many contributors as vital to linking up hubs and clusters outside of London. Ensuring the delivery of HS2 was cited as an important starting point but more needs to be done to join up towns and cities around the country. This will allow for the quick exchange of ideas and talent and enable businesses to create permanent clusters of secure and well paid jobs in every part of the country.

Secondly, to ensure that hubs and clusters outside of London are attractive to talented individuals from across the UK and around the world, the government needs to provide the incentives and infrastructure so that good quality and adequate supply of housing and associated community services (e.g. schools, hospitals) are built within commuting distance of these places.

We support the proposed reforms in capital markets following the UK Listings Review, the Secondary Capital Raising Review and the Productive Finance Working Group. Importantly, these reforms will make the UK’s capital markets more internationally competitive. Crucial to infrastructure investment will be the widening of access to less liquid assets through Long Term Asset Funds (LTAFs). We believe that allowing the pooling of pension scheme funds to move incentives from lowering costs to long term value, would allow for more capital to be invested in infrastructure.

While LTAFs have been available since November 2021, further guidance or toolkits from the FCA on liquidity management for these funds would remove uncertainty. We also recommend that LTAFs allow for the participation of certain retail investors, and that the value and assets in these funds be measured holistically to track success and identify potential unforeseen barriers to further infrastructure investment.

Recommendations:

- The government should commit to delivering the HS2 project as soon as possible and look at other transport investment – particularly on the rail network – to join up towns and cities across the UK.
- The government should use every tool at its disposal to deliver additional quality and affordable housing at strategic locations close to business hubs around the UK.
- The government should action the relevant recommendations from the UK Listings Review, the Secondary Capital Raising Review and the Productive Finance Working Group.
- The government should encourage greater retail participation in investment markets.
- The government should work with industry on LTAFs and any potential barriers these new constructs might face.

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

The financial services sector comprises banking, insurance, fund management and market infrastructure. Related professional services include 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.

The UK has the world’s third-largest banking sector and fourth-largest insurance sector, and is among the largest centres for international fund management. The UK maintains an important position in many global wholesale financial markets. For example, the UK has the largest global market share in foreign exchange trading (43%) and the largest share in interest rate OTC derivatives trading (50%). The UK is also a key European centre for investment and private banking, hedge funds, private equity and exchange traded derivatives.¹

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

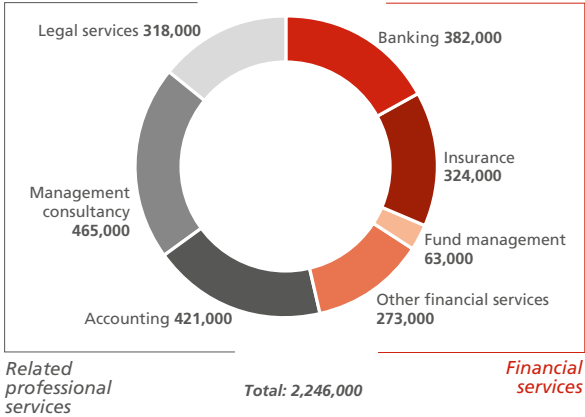
More than 2.2 million people work across the UK in financial and related professional services. This represents 7.4% of the working population, or almost one in every 14 jobs. Industry employees help families to save and protect themselves from financial loss, and help businesses to access the finance 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, Bristol, Edinburgh, Glasgow, Leeds and Manchester. These are followed by Belfast, Cardiff, Liverpool and Sheffield with between 19,000 and 24,000 in employment. Other centres with over 14,000 in employment include Milton Keynes, Warrington, plus Brighton and Hove.

¹ For further detail, see TheCityUK, ‘Key facts about the UK as an international financial centre (December 2021)’, available at: <https://www.thecityuk.com/media/yhekrm1xr/key-facts-about-the-uk-as-an-international-financial-centre-2021-v2.pdf>

Figure 2: Employment by sector in UK financial and related professional services, 2020

Source: TheCityUK calculations based on data from Nomis and the Northern Ireland Business Register and Employment Surveys
Note: Northern Ireland figures are employees.



Overall, 22 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 3: Top 30 parliamentary constituencies employment in UK financial and related professional services, 2020

Source: TheCityUK calculations based on data from Nomis and the Northern Ireland Business Register and Employment Surveys
Note: Northern Ireland figures are employees.

Region/nation	Parliamentary constituency	Financial and related professional services employment, 2020
London	Cities of London and Westminster	383,200
London	Poplar and Limehouse	82,255
North West	Manchester Central	42,545
London	Bermondsey and Old Southwark	41,700
West Midlands	Birmingham, Ladywood	38,920
London	Islington South and Finsbury	36,385
Scotland	Glasgow Central	35,435
London	Holborn and St Pancras	34,900
Yorkshire and The Humber	Leeds Central	34,085
South West	Bristol West	33,080
Scotland	Edinburgh South West	20,120
North West	Tatton	18,175
North West	Altrincham and Sale West	16,120
North West	Liverpool, Riverside	15,885
Scotland	Edinburgh North and Leith	15,835
North West	Warrington South	14,670
Northern Ireland	Belfast South	14,626
North West	City of Chester	14,535
London	Bethnal Green and Bow	13,515
London	Hackney South and Shoreditch	13,180
South East	Reading East	12,255
South East	Milton Keynes North	11,940
South West	South Swindon	11,375
Wales	Cardiff Central	11,215
North West	Salford and Eccles	10,680
Yorkshire and The Humber	Sheffield Central	10,645
South East	Reigate	9,670
South West	Bournemouth West	9,425
South East	Brighton, Pavilion	9,090
Wales	Cardiff South and Penarth	8,650

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 26 parliamentary constituencies with over 10,000 people in employment in financial and related professional services, 17 are outside London and the South East of England. Such constituencies include those in Belfast, Birmingham, Bristol, Cardiff, Glasgow, Leeds, Liverpool, Manchester, Sheffield and Swindon as well as two in Edinburgh (Figure 3). Out of the 650 constituencies in the UK, there are 149 (23%), which have at least 3,000 in employment in financial and related professional services and a total of 461 (71%) with 1,000 or more in such employment.^{2,3}

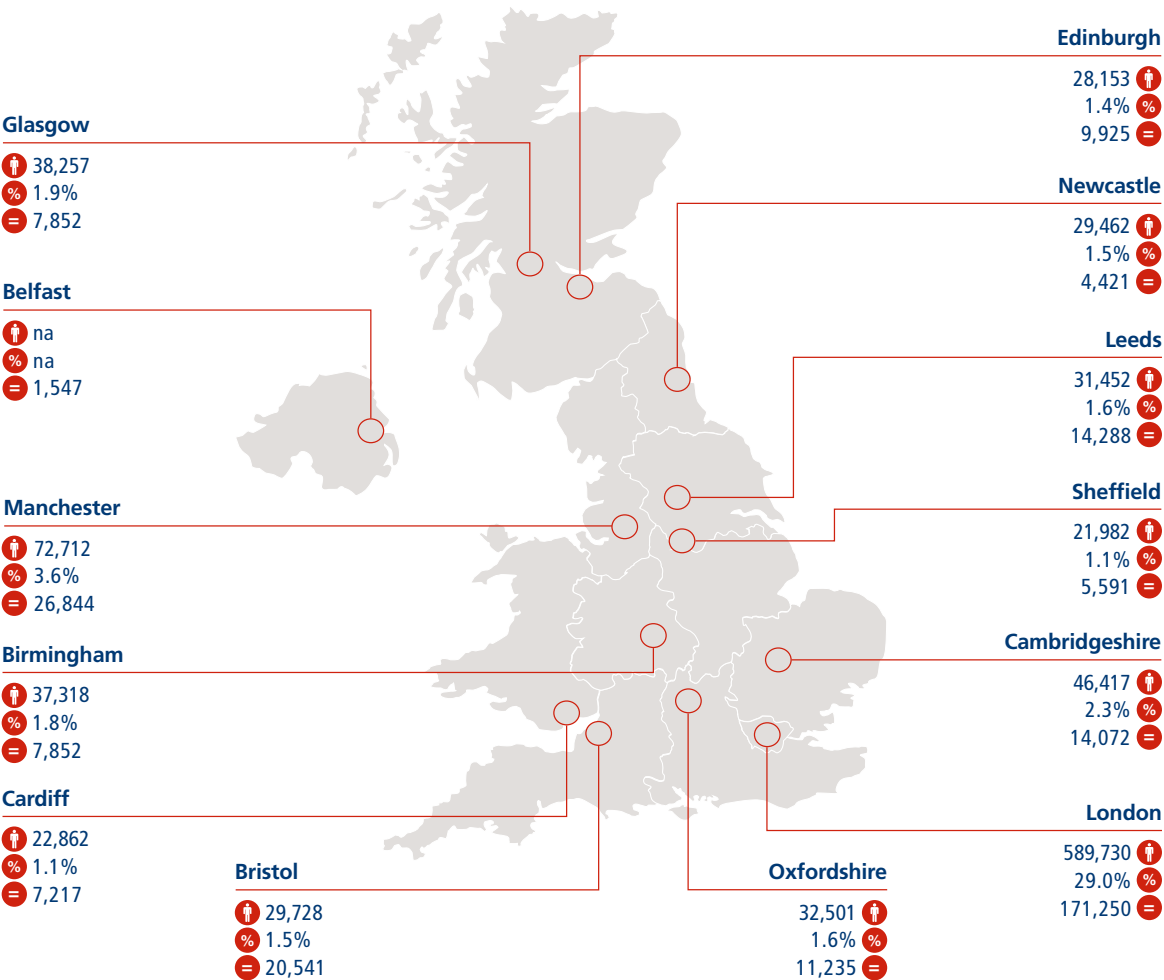
London is a leading global digital technology centre. The number of advertised digital tech roles in London was 171,250 in 2020, according to Tech Nation⁴ (Figure 4). The digital technology sector is an important foundation for the FinTech sector, so a strong technology sector opens up the possibility of strong continued growth in FinTech.

Leading FinTech companies such as Funding Circle, Nutmeg, Monzo and Wise have chosen London as their home, but there are many clusters across the UK for digital technology. For example, Manchester had the second highest number of advertised digital tech jobs in 2020 (26,844), meaning that when considering digital tech jobs as a percentage of the city’s total jobs, Manchester is similar to the capital, with 28% of its jobs in digital tech compared to London’s 29%.

² TheCityUK calculations based on Nomis, ‘Business register and employment survey: open access’, (February 2020), available at: <https://www.nomisweb.co.uk/query/construct/summary.asp?mode=construct&version=0&dataset=189>
³ 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>
⁴ Tech Nation, ‘Jobs & Skills Report 2021’, available at: <https://technation.io/jobs-and-skills-report-2021/#levelling-up>

Figure 4: Technology, digital employment, 2019-2020

Source: TECH NATION Jobs & Skills Report 2021



👤 Total Digital tech sector jobs (2019) % UK Digital tech jobs (2019) = Total Tech openings (2020)

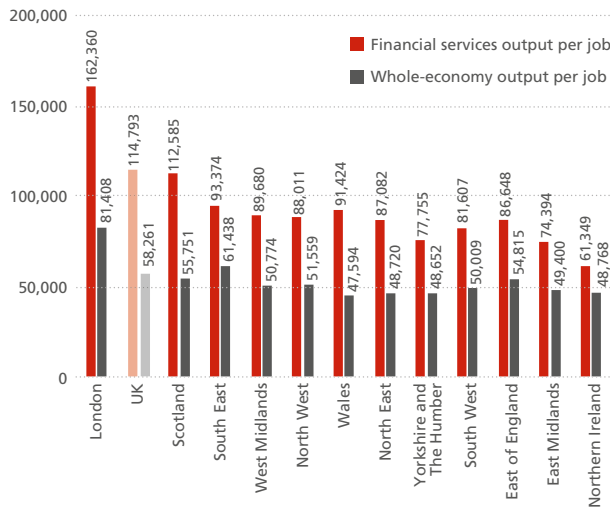
A significant contributor to the UK economy

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 £238bn to the UK economy in 2020, or 12.2% of total GVA: 8.6% in financial services and 3.6% in related professional services.⁵

Financial services also make a positive contribution to UK productivity. According to the latest industry and region data from the Office for National Statistics, financial services productivity (measured by output per job) is around twice as high as productivity in the UK economy as a whole. The ratio ranged from 2 in London to 1.3 in Northern Ireland in 2019.

Figure 5: Output per job by region and nation, £, 2019

Source: Office for National Statistics



⁵ TheCityUK calculations based on Office for National Statistics, 'Regional gross value added (balanced) by industry: all NUTS level regions', (5 May 2022), available at: <https://www.ons.gov.uk/economy/grossvalueaddedgva/datasets/nominalandrealregionalgrossvalueaddedbalancedbyindustry/current>

In absolute terms, financial-services output per job was highest in London, at £162,360 in 2019, followed by Scotland (£112,585) and the South East (£93,374); for more information see Figure 5.⁶

The financial services sector provides well-paying jobs in every region and nation. Across the UK, annual earnings in the sector are higher than whole-economy annual earnings (Figure 6).

Figure 6: Mean annual earnings, 2020

Source: Office for National Statistics, Annual Survey of Hours and Earnings; Northern Ireland Statistics and Research Agency

Region/nation	Sector	Mean annual earnings (£)
North East	Financial services	28,654
	All industries and services	27,228
North West	Financial services	39,138
	All industries and services	28,805
Yorkshire and The Humber	Financial services	41,543
	All industries and services	27,693
East Midlands	Financial services	34,985
	All industries and services	28,153
West Midlands	Financial services	39,351
	All industries and services	29,394
East	Financial services	38,247
	All industries and services	29,580
London	Financial services	107,622
	All industries and services	46,921
South East	Financial services	39,092
	All industries and services	32,143
South West	Financial services	42,222
	All industries and services	27,472
Wales	Financial services	36,050
	All industries and services	26,406
Scotland	Financial services	39,020
	All industries and services	29,820
Northern Ireland	Financial services	30,514
	All industries and services	27,618
United Kingdom	Financial services	60,551
	All industries and services	31,647

⁶ Office for National Statistics, 'Region by industry labour productivity', available at: <https://www.ons.gov.uk/economy/economicoutputandproductivity/productivitymeasures/datasets/industrybyregionlabourproductivity>

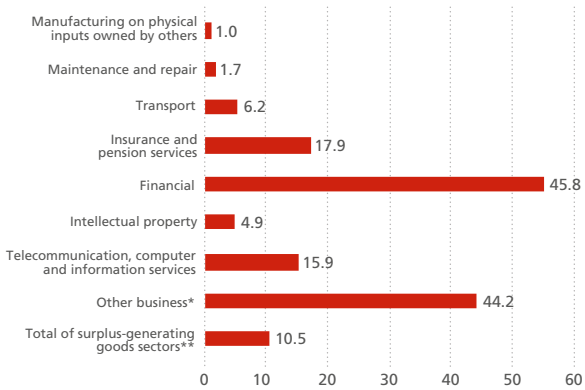
A bigger trade surplus than all other net exporting industries combined

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 £80.2bn in 2020, based on data from the ONS.⁷ This helped to offset the UK's merchandise trade deficit in that year. The financial services trade surplus accounted for nearly half of the total surplus of all sectors generating a positive trade balance in 2020. (Figure 7).

Figure 7: UK sectors generating trade surplus, £bn, 2020

Source: Office for National Statistics, Pink Book 2020



* Research and development, Professional and management consulting services, and Technical, trade-related and other business services

** Crude oil, Precious stones and silver, Ships and aircraft, and Commodities and transactions not classified according to kind

Note: Travel, Construction, Personal, cultural and recreational, and Government services ran a trade deficit in 2020

⁷ TheCityUK estimates based on Office for National Statistics, '03 Trade in services, the Pink Book', (29 October 2021), available at: <https://www.ons.gov.uk/economy/nationalaccounts/balanceofpayments/datasets/3tradeinservicethepinkbook>

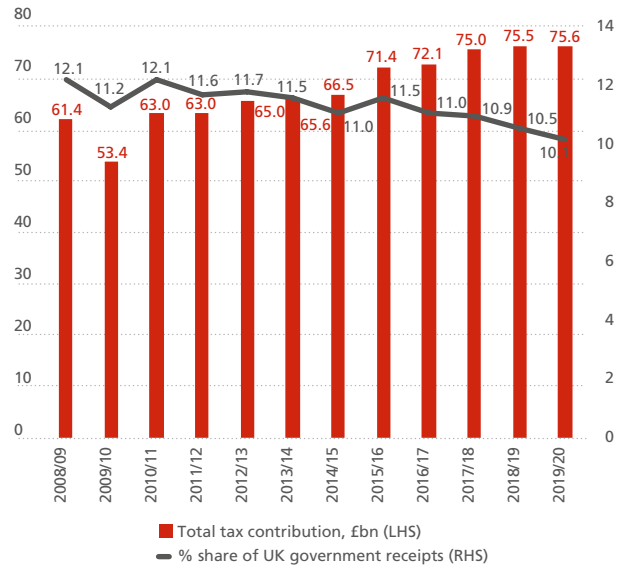
A vital source of tax receipts

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. An annual 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>

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>

Around two thirds of those in employment in the UK- based financial and related professional services industry are based outside London. The industry provides 270,000 jobs in the South East and 268,000 in the North West; and 140,000 or more in the East of England, South West, Scotland and Yorkshire (Figure 9).

Figure 9: Financial and related professional services employment, 2020

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	*	7,000	23,000	6,000	8,000	6,000	20,000	43,000	4.1
North West	37,000	26,000	2,000	22,000	87,000	93,000	46,000	42,000	181,000	268,000	8.1
Yorkshire and The Humber	31,000	23,000	1,000	13,000	68,000	26,000	24,000	27,000	77,000	145,000	6.2
East Midlands	14,000	11,000	*	10,000	35,000	9,000	20,000	17,000	46,000	81,000	4.0
West Midlands	24,000	22,000	1,000	15,000	62,000	27,000	25,000	21,000	73,000	135,000	5.3
East of England	11,000	32,000	1,000	22,000	66,000	29,000	37,000	16,000	82,000	148,000	5.3
London	142,000	81,000	44,000	116,000	383,000	115,000	162,000	97,000	374,000	757,000	14.8
South East	24,000	61,000	6,000	33,000	124,000	48,000	76,000	22,000	146,000	270,000	6.6
South West	29,000	25,000	1,000	12,000	67,000	35,000	33,000	27,000	95,000	162,000	6.5
Wales	9,000	13,000	*	6,000	28,000	9,000	7,000	11,000	27,000	55,000	4.4
Scotland	39,000	20,000	7,000	14,000	80,000	16,000	23,000	26,000	65,000	145,000	5.9
Northern Ireland	11,000	5,000	*	3,000	19,000	8,000	4,000	6,000	18,000	37,000	4.8
UK	382,000	324,000	63,000	273,000	1,042,000	421,000	465,000	318,000	1,204,000	2,246,000	7.4

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

Nearly half of financial and related professional services GVA is generated in regions and nations outside London. In 2020, the industry produced £21.8bn of GVA in the South East, £16.5bn in the North West, and over £10bn in Scotland, the East of England, South West, Yorkshire and The Humber, and the West Midlands.

In the decade to 2020, employment in financial and related professional services grew by 250,000 (12.5%). Over half of those additional jobs were outside of London, and the industry's employment grew at a higher rate in two other regions. The rate of growth over the ten years was highest in the North West (26.4%), followed by Northern Ireland (19.4%) and then London (19%). Comparing 2020 with 2019, industry employment declined in seven out of the 12 regions and was flat in a further two; the impact of the Covid-19 pandemic almost certainly influenced industry employment in that year.

Figure 10: Financial and related professional services gross value added, £m, 2020

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	1,502	413	10	579	2,504	380	150	380	910	3,414	6.3
North West	6,454	2,062	139	1,709	10,364	3,562	925	1,609	6,096	16,460	8.8
Yorkshire and The Humber	4,713	1,843	56	1,064	7,676	1,400	528	1,453	3,381	11,057	8.8
East Midlands	2,308	716	17	654	3,695	530	376	1,002	1,908	5,603	5.0
West Midlands	3,889	1,952	111	1,357	7,308	1,544	592	1,201	3,337	10,645	7.6
East of England	2,504	3,230	71	2,168	7,972	2,376	1,118	1,311	4,805	12,777	7.8
London	47,076	13,942	7,574	19,967	88,559	14,966	7,042	12,623	34,631	123,190	26.2
South East	5,278	5,971	587	3,196	15,033	2,993	2,424	1,372	6,789	21,822	7.6
South West	3,717	3,196	128	1,514	8,554	1,617	692	1,248	3,557	12,111	8.6
Wales	1,404	1,475	14	720	3,613	434	99	531	1,064	4,677	7.0
Scotland	6,430	2,242	785	1,530	10,986	913	509	1,483	2,905	13,891	9.6
Northern Ireland	1,172	328	13	224	1,737	490	109	381	980	2,717	6.2
UK	86,446	37,370	9,504	34,680	168,000	31,205	14,564	24,594	70,363	238,364	12.2

Financial and related professional services GVA increased by £65bn (37.9%) in the decade to 2020, with all regions and nations experiencing expansion above 15%. London was the region with the highest increase since 2010 (48.5%), followed by Wales (45.7%) and the East of England (44.8%). Moreover, industry GVA continued to expand in 2020, with year-on-year growth of 1.6%, compared to a whole-economy contraction triggered by the Covid-19 pandemic. This was driven by industry growth in London, the South East, and Yorkshire and The Humber, as industry GVA declined in in the other nine regions in 2020.

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 11: Evolution of employment by region: index 2010=100

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

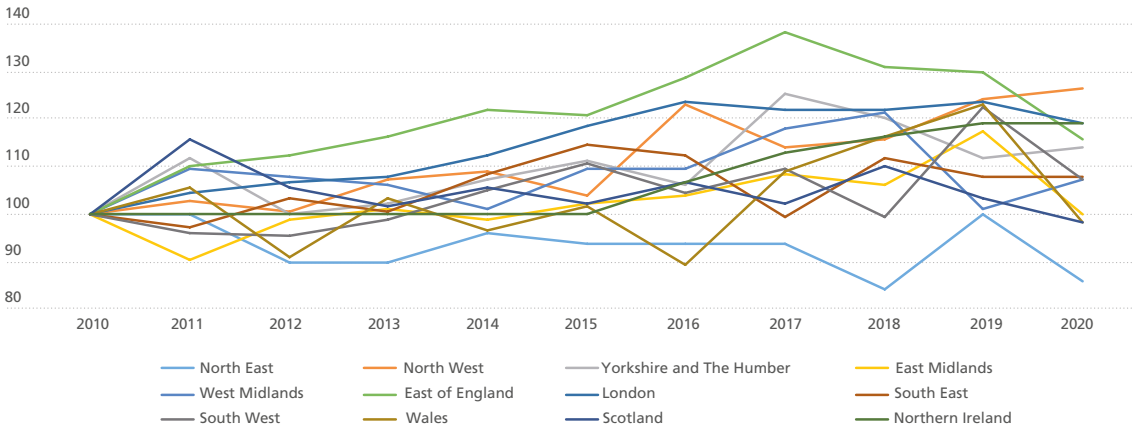
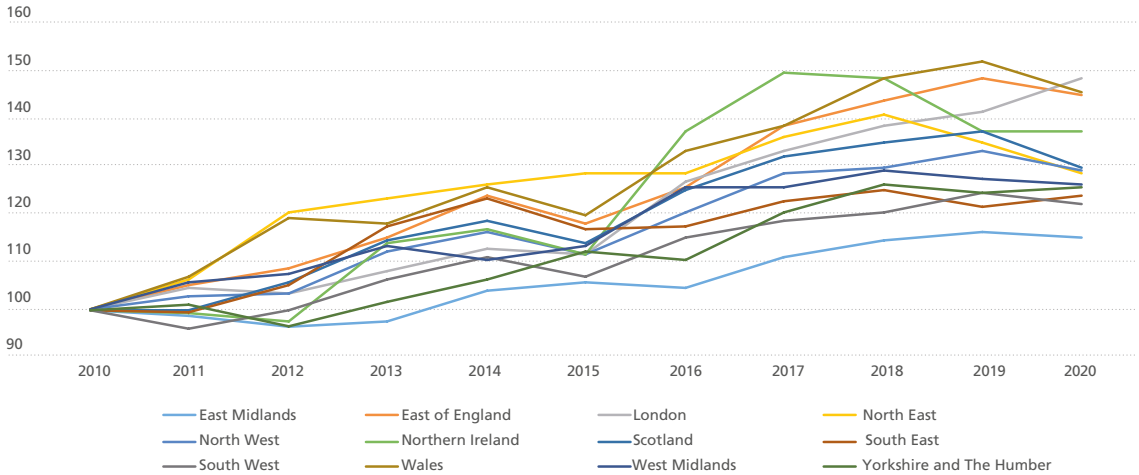


Figure 12: Evolution of GVA by region: index 2010=100

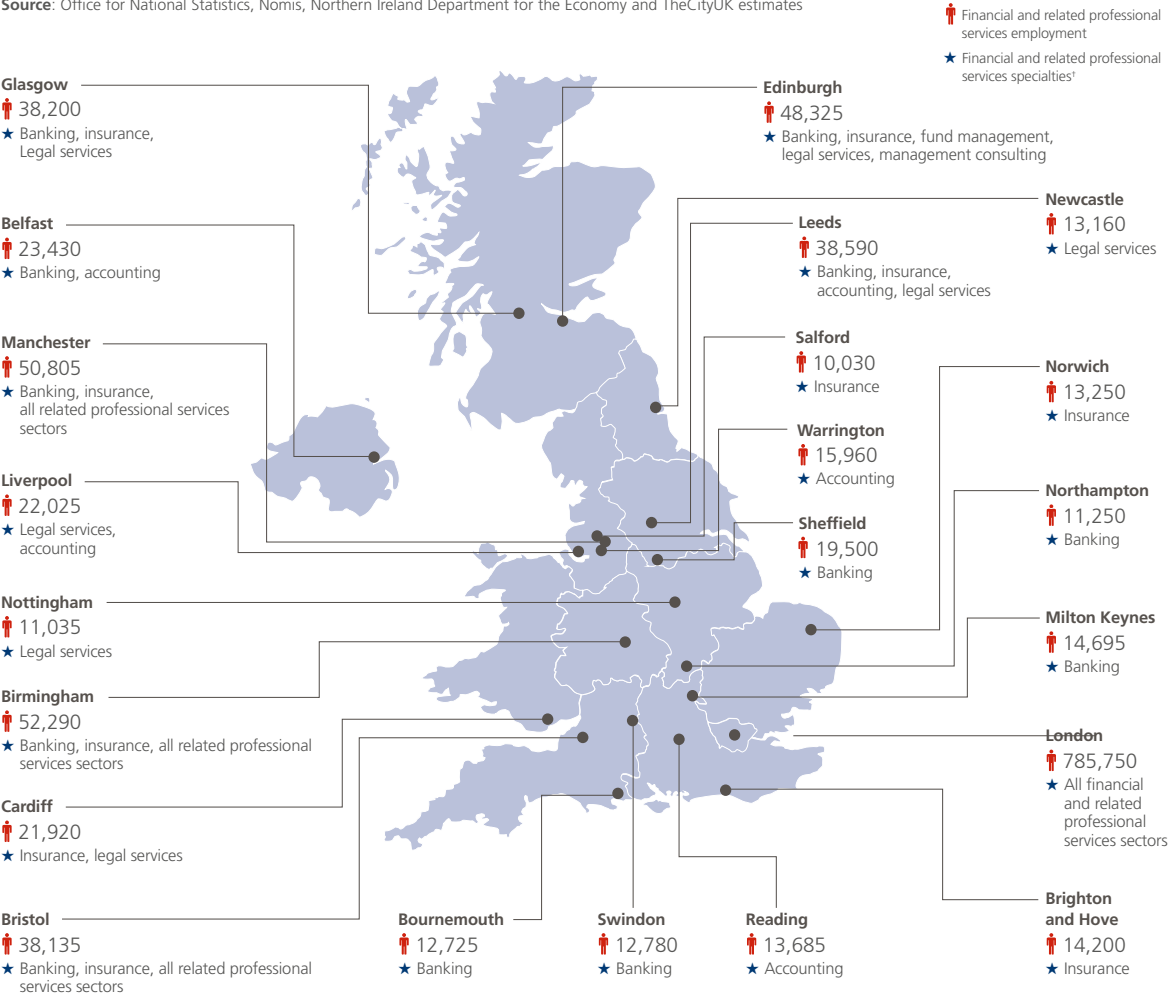
Source: TheCityUK estimates based on Office for National Statistics data



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

Figure 13: Financial and related professional services clusters across the UK, 2020

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



Towns/Cities with employment over 10,000 in financial and related professional services are listed.
*Sectors with over 5,000 in employment are listed as specialties; if no sector has over 5,000 then largest sector is listed by employment.

East Midlands

Financial and related professional services employ 4.0% of the region’s workforce and generate 5.0% of economic output.

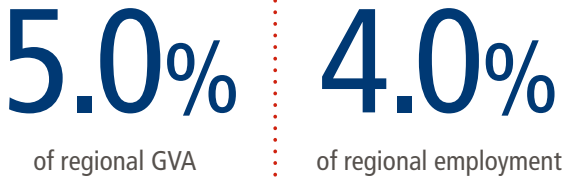
Northampton

The East Midlands has a long-standing presence in back office 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 81,000 people in the East Midlands work in financial and related professional services. This equates to 4.0% of its workforce. The GVA of the industry totals £5.6bn, equivalent to 5.0% of regional economic output.

The industry is, however, widely dispersed throughout the region. Key cities and towns include Northampton



with 11,250 in employment in the industry, followed by Nottingham (11,035), and Leicester (8,810). Together these three 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 12.8% of the city GVA, whilst Nottingham and Leicester contribute 8.8% and 6.1%, respectively.

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		
Northampton	6,000	1,280	20	1,150	8,450	800	1,000	1,000	2,800	11,250	8.4
Nottingham	900	1,900	100	2,385	5,285	1,000	1,250	3,500	5,750	11,035	5.7
Leicester	1,250	2,700	50	660	4,660	900	1,500	1,750	4,150	8,810	4.7
Regional Total	14,000	11,000	*	10,000	35,000	9,000	20,000	17,000	46,000	81,000	4.0

* 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.

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	1,070	120	3	110	1,303	78	25	147	250	1,553	12.8
Nottingham	96	265	6	242	609	105	20	197	322	931	8.8
Leicester	137	118	3	108	365	39	77	73	189	554	6.1
Regional Total	2,308	716	17	654	3,695	530	376	1,002	1,908	5,603	5.0

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.

The region has a historic and continued banking sector presence. For example, nearly half of the financial services GVA came from the banking sector in the three cities. More recently there has been diversification in activity, including growth in insolvency law, public private partnerships and corporate finance.

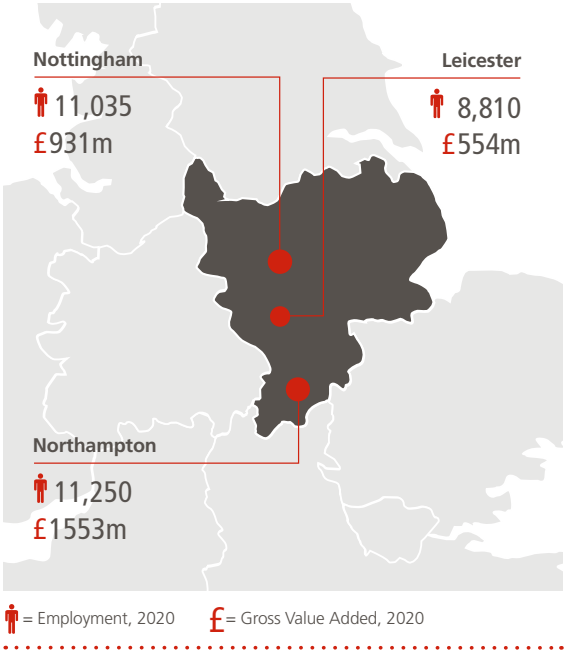
Nottingham is already an established location for many internationally recognised businesses. One of its key advantages is its competitive operational costs compared to other financial centres.

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, 2020

Financial and related professional services employment



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	3,000	470	15	1,075	4,560	700	1,250	1,500	3,450	8,010	12.2
Nottingham South	500	650	100	1,835	3,085	600	700	2,500	3,800	6,885	6.2
Leicester South	1,250	2,260	20	375	3,905	400	500	1,500	2,400	6,305	7.5
South Leicestershire	1,500	750	0	400	2,650	500	700	1,000	2,200	4,850	7.3
Northampton North	3,000	200	0	80	3,280	100	225	150	475	3,755	10.2
Nottingham East	300	1,150	0	495	1,945	400	350	500	1,250	3,195	5.6

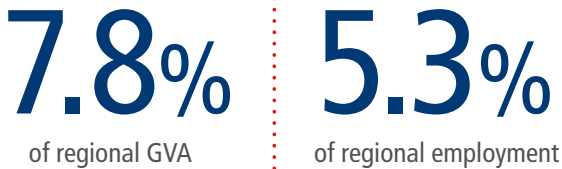
* Major constituencies with over 3,000 in employment in financial and related professional services are listed.

East of England

Financial and related professional services accounts for around 12% of total employment in Norwich and Watford

Norwich

The East of England has large professional services and venture capital sectors. Norwich, Watford and Peterborough are the largest financial and related professional services centres in the region in terms of 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		
Norwich	800	7,500	0	1,200	9,500	1,250	1,250	1,250	3,750	13,250	12.2
Watford	300	360	0	1,055	1,715	5,000	1,500	700	7,200	8,915	11.4
Peterborough	900	3,250	30	975	5,155	500	600	700	1,800	6,955	6.6
Ipswich	400	4,000	100	470	4,970	600	450	800	1,850	6,820	9.2
Cambridge	450	235	150	740	1,575	1,500	1,500	1,500	4,500	6,075	4.3
Chelmsford	350	2,000	0	730	3,080	600	1,000	900	2,500	5,580	8.3
Southend-on-Sea	250	915	0	530	1,695	500	2,500	450	3,450	5,145	8.0
Regional Total	11,000	32,000	1,000	22,000	66,000	29,000	37,000	16,000	82,000	148,000	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		
Peterborough	167	315	7	351	840	52	26	28	106	946	12.3
Norwich	60	399	9	268	736	66	9	36	111	847	19.4
Chelmsford	329	125	3	46	504	79	38	44	161	665	12.4
Watford	66	79	2	46	193	99	51	55	205	398	9.6
Cambridge	61	50	1	2	115	114	69	63	245	360	5.7
Ipswich	44	58	1	48	152	31	11	17	60	212	5.2
Southend-on-Sea	47	103	2	74	226	32	16	17	65	291	9.3
Regional Total	2,504	3,230	71	2,168	7,972	2,376	1,118	1,311	4,805	12,777	7.8

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 13,250 people employed in financial and related professional services, Norwich is the biggest centre in the region. Watford is the second key regional centre, employing 8,915. These two cities are followed by Peterborough (with 6,955 in employment) and Ipswich (6,820); Cambridge, Chelmsford and Southend-on-Sea also have industry employment levels above 5,000.

Over half 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 nearly 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	300	260	0	1,005	1,565	5,000	800	700	6,500	8,065	10.7
Norwich North	400	6,045	0	440	6,885	450	200	45	695	7,580	18.4
Ipswich	400	4,000	100	465	4,965	450	350	800	1,600	6,565	10.6
Norwich South	400	1,500	0	750	2,650	800	900	1,250	2,950	5,600	8.2
St Albans	300	380	0	485	1,165	1,750	2,000	450	4,200	5,365	10.2
Chelmsford	350	2,000	0	730	3,080	600	1,000	900	2,500	5,580	9.3
Hertsmere	250	1,500	5	655	2,410	1,750	1,000	250	3,000	5,410	9.4
South West Hertfordshire	125	160	10	1,850	2,145	800	1,500	175	2,475	4,620	9.7
Cambridge	400	175	150	430	1,155	1,000	1,250	1,250	3,500	4,655	4.6
Basildon and Billericay	700	310	50	2,050	3,110	600	400	250	1,250	4,360	8.2
North West Cambridgeshire	300	2,050	0	480	2,830	350	700	75	1,125	3,955	6.7
Hitchin and Harpenden	175	1,300	0	270	1,745	1,000	1,500	200	2,700	4,445	9.2
Peterborough	600	1,300	30	645	2,575	300	350	700	1,350	3,925	5.8
Colchester	300	1,000	0	530	1,830	500	500	700	1,700	3,530	6.2
Brentwood and Ongar	500	500	10	500	1,510	700	1,250	200	2,150	3,660	8.8
Southend West	35	210	0	235	480	225	2,250	175	2,650	3,130	11.0
Hertford and Stortford	200	475	10	340	1,025	500	900	600	2,000	3,025	5.1

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

London

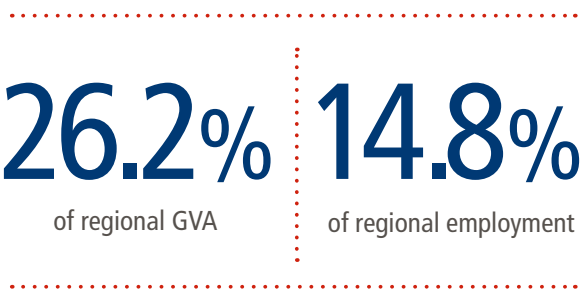
London is one of the leading global centres for international wholesale financial and related professional services.

London

London is a truly global financial centre. 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.

London plays a very important role within the 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 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

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	142,000	81,000	44,000	116,000	383,000	115,000	162,000	97,000	374,000	757,000	14.8

* 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.

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	47,076	13,942	7,574	19,967	88,559	14,966	7,042	12,623	34,631	123,190	26.2

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.

¹⁰ Z/Yen, ‘Global Financial Centres Index 31’, available at: <https://www.zyen.com/publications/public-reports/global-financial-centres-index-31/>

insurance and reinsurance companies operating in London – was £28bn in 2020. A further £5.2bn 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 20% in 2020.¹¹

Lloyd’s of London is a corporate body and marketplace for insurance and reinsurance business in London. Lloyd’s gross written premium income reached £35.5bn in 2020.¹² Average annual growth of Lloyd’s gross premiums has been 4.4% 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 2020¹³, and 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.

The financial and related professional services industry accounts for 14.8% of London’s employment. The industry contributed £123.2bn to the London economy, over a quarter of overall London GVA.

¹¹ IUA, ‘London Company Market Statistics Report’, available at: https://www.iua.co.uk/IUA_Member/Publications/London_Company_Market_Statistics_Report.aspx

¹² Lloyd’s, ‘Annual report 2020’, available at: <https://www.lloyds.com/about-lloyds/investor-relations/financial-performance/financial-results/annual-results-2020>

¹³ The Investment Association, <https://www.theia.org/industry-policy/research/investment-management-survey>

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	71,000	62,750	39,000	65,450	238,200	33,000	64,000	48,000	145,000	383,200	32.2
Poplar and Limehouse	39,000	1,900	300	17,055	58,255	13,000	5,000	6,000	24,000	82,255	44.0
Bermondsey and Old Southwark	3,000	575	800	2,825	7,200	21,000	10,000	3,500	34,500	41,700	20.8
Holborn and St Pancras	3,500	850	700	4,350	9,400	4,500	11,000	10,000	25,500	34,900	10.9
Islington South and Finsbury	5,000	600	1,250	6,535	13,385	6,000	11,000	6,000	23,000	36,385	19.1
Bethnal Green and Bow	5,000	1,350	30	1,185	7,565	700	1,750	3,500	5,950	13,515	13.4
Hackney South and Shoreditch	900	270	100	2,410	3,680	2,500	5,000	2,000	9,500	13,180	12.8
Bromley and Chislehurst	1,000	2,575	0	550	4,125	500	800	800	2,100	6,225	15.5
Kensington	500	100	400	750	1,750	600	2,500	350	3,450	5,200	5.5
Hammersmith	250	50	350	1,075	1,725	800	2,500	450	3,750	5,475	5.1
Croydon Central	250	2,050	0	955	3,255	700	1,250	300	2,250	5,505	10.6
Finchley and Golders Green	200	225	30	550	1,005	1,500	1,750	600	3,850	4,855	10.5
Chelsea and Fulham	200	30	500	850	1,580	800	2,250	300	3,350	4,930	7.5
Wimbledon	800	450	10	275	1,535	800	1,250	600	2,650	4,185	7.1
Brentford and Isleworth	300	800	10	575	1,685	600	1,500	400	2,500	4,185	4.1
Uxbridge and South Ruislip	175	225	0	365	765	2,250	700	250	3,200	3,965	5.1
Vauxhall	700	10	150	605	1,465	450	4,000	500	4,950	6,415	6.7
Richmond Park	125	50	50	430	655	600	2,250	300	3,150	3,805	7.8
Hampstead and Kilburn	600	35	30	370	1,035	700	1,500	400	2,600	3,635	8.0
Harrow West	350	75	15	275	715	1,500	700	700	2,900	3,615	10.3
Kingston and Surbiton	350	325	40	385	1,100	600	1,000	300	1,900	3,000	5.2
Hayes and Harlington	175	160	20	820	1,175	1,000	800	200	2,000	3,175	3.5

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

North East

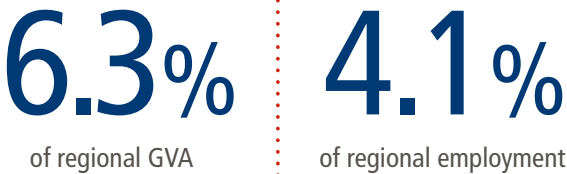
43,000 people are employed in financial and related professional services in the North East, of whom nearly one-third are based in Newcastle.

Newcastle

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

The financial and related professional services industry in the region employs a total of 43,000 and generates 6.3% of regional GVA.

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.



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	3,000	975	100	2,085	6,160	2,250	1,750	3,000	7,000	13,160	7.7
Sunderland	2,500	1,100	0	880	4,480	250	350	300	900	5,380	7.6
Regional Total	11,000	5,000	*	7,000	23,000	6,000	8,000	6,000	20,000	43,000	4.1

* 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.

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	576	83	2	116	776	15	7	15	36	812	11.7
Newcastle	151	108	3	151	412	123	42	123	288	700	7.0
Regional Total	1,502	413	10	579	2,504	380	150	380	910	3,414	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.

Employment is split equally between the professional and financial services sectors in the region. Within the financial and related professional services industry, Newcastle has particular strengths in banking, mortgage lending and legal services. All the ‘Big Four’ professional services consultancies have offices in Newcastle¹⁴, alongside financial services firms such as Virgin Money 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 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	2,500	730	75	780	4,085	1,500	700	1,750	3,950	8,035	8.6
Newcastle upon Tyne East	250	185	0	530	965	600	700	1,250	2,550	3,515	6.5
Houghton and Sunderland South	2,000	430	0	810	3,240	45	100	45	190	3,430	13.9
Stockton South	1,500	330	10	195	2,035	225	500	300	1,025	3,060	7.7

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

¹⁴ Invest Newcastle, ‘Business and professional services’, (February 2020), available at: <https://investnewcastle.com/sectors/business-and-professional-service>

North West

The North West is the UK’s 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 investors 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 8.8% of the regional economy and employs 268,000 people. The Greater Manchester metropolitan area is an important financial hub in the North West. The industry in Manchester contributes 21.9% to the city



GVA and accounts for almost one fifth of total financial and related professional services employment in the region. 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	5,750	225	2,830	16,805	13,000	8,000	13,000	34,000	50,805	13.2
Liverpool	4,000	2,750	1,250	1,025	9,025	4,500	2,500	6,000	13,000	22,025	7.7
Warrington	250	185	0	1,025	1,460	12,000	2,000	500	14,500	15,960	13.2
Salford	175	5,250	50	505	5,980	2,000	1,250	800	4,050	10,030	12.7
Stockport	1,250	900	10	400	2,560	1,500	1,000	600	3,100	5,660	8.1
Preston	450	930	50	980	2,410	1,250	1,000	900	3,150	5,560	6.6
Regional Total	37,000	26,000	2,000	22,000	87,000	93,000	46,000	42,000	181,000	268,000	8.1

* 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.

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	1,859	927	62	768	3,616	1,091	215	492	1,798	5,414	21.9
Liverpool	538	296	20	246	1,100	361	38	163	562	1,662	12.1
Salford	118	103	7	86	314	267	48	121	436	750	7.6
Stockport	262	64	4	53	383	101	19	45	165	548	7.4
Warrington	13	14	1	12	40	186	59	84	329	369	4.7
Preston	43	12	1	10	66	62	10	28	100	167	3.9
Regional Total	6,454	2,062	139	1,709	10,364	3,562	925	1,609	6,096	16,460	8.8

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.

As a whole, the region is a particular centre for asset and wealth management, management consulting and accountancy. It also has 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. Significantly, the North West is the second largest legal centre in the UK after London.



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	5,750	225	2,570	16,545	11,000	5,000	10,000	26,000	42,545	16.5
Altrincham and Sale West	125	720	5	520	1,370	12,000	1,750	1,000	14,750	16,120	31.5
Liverpool, Riverside	900	2,500	1,250	735	5,385	3,000	1,500	6,000	10,500	15,885	11.7
Tatton	6,000	245	125	2,205	8,575	6,000	3,000	600	9,600	18,175	27.0
Warrington South	225	175	0	270	670	12,000	1,500	500	14,000	14,670	19.2
City of Chester	5,000	310	15	2,510	7,835	5,000	900	800	6,700	14,535	21.7
Salford and Eccles	225	5,250	50	505	6,030	2,250	1,500	900	4,650	10,680	10.5
Cheadle	125	550	30	1,105	1,810	2,250	700	700	3,650	5,460	12.7
Stretford and Urmston	300	400	0	530	1,230	500	1,000	1,250	2,750	3,980	4.7
Stockport	1,250	900	0	400	2,550	1,500	1,000	600	3,100	5,650	9.4
Wythenshawe and Sale East	600	225	30	1,240	2,095	400	1,750	700	2,850	4,945	6.8
	75	200	0	455	730	4,000	700	450	5,150	5,880	15.0
Bootle	3,000	5	0	650	3,655	1,000	225	500	1,725	5,380	13.0
Bolton West	600	1,000	0	350	1,950	800	350	1,750	2,900	4,850	13.7
Macclesfield	125	270	10	355	760	900	1,250	400	2,550	3,310	7.9
Weaver Vale	150	125	0	435	710	700	2,000	300	3,000	3,710	8.1
Preston	350	520	50	195	1,115	1,000	900	800	2,700	3,815	6.2
Crewe and Nantwich	150	1,300	0	125	1,575	800	700	350	1,850	3,425	6.6
Liverpool, Wavertree	2,250	50	0	70	2,370	450	250	250	950	3,320	11.9

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

Northern Ireland

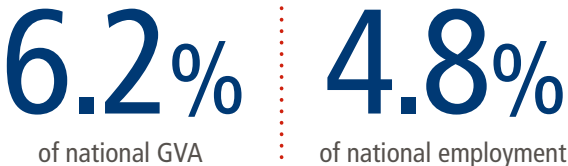
Belfast is the dominant financial centre in Northern Ireland, with nearly two thirds of the industry’s employment in the nation.

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 37,000 people in Northern Ireland, accounting for 4.8% of the nation’s employment. Companies in the industry generate £2.7bn in GVA, equivalent to 6.2% 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 15.8% 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. Northern



Ireland is also an important centre for middle- and back- office financial services activities including financial services software development, infrastructure support, fund administration, operations, analytics and risk management. The financial services technology 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.

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	6,868	2,990	122	2,038	12,019	5,121	2,302	3,989	11,411	23,430	8.9
National Total	11,000	5,000	*	3,000	19,000	8,000	4,000	6,000	18,000	37,000	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.

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	1,135	143	6	97	1,381	401	73	313	787	2,168	15.8
National Total	1,172	328	13	224	1,737	490	109	381	980	2,717	6.2

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.

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.

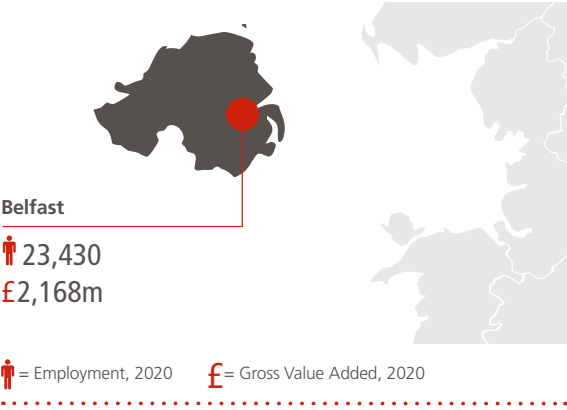
The industry works closely with universities and colleges to ensure graduates have the right skills, especially with regard to technology and data analysis.

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.

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.

Northern Ireland employment and GVA, 2020

Financial and related professional services employment



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	4,288	1,867	76	1,272	7,503	3,197	1,437	2,490	7,123	14,626	12.1
Belfast East	1,661	723	29	493	2,907	1,239	557	965	2,760	5,667	10.0

* 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

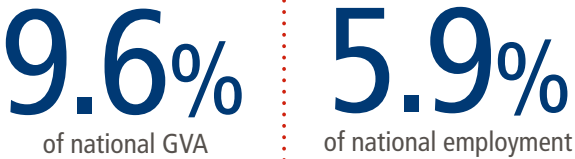
Financial and related professional services account for nearly 10% of the Scottish economy, the largest area contribution outside London.

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 145,000 people and contributes 9.6% to the Scottish economy.

Edinburgh and Glasgow are the major centres for financial and related professional services employing 48,325 and 38,200 people in the industry respectively. This represents nearly 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



GVA in the city. The industry contributes more than 25% of city GVA and employs 14% 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	5,900	6,000	4,925	32,825	3,500	5,000	7,000	15,500	48,325	14.0
Glasgow City	10,000	7,500	400	4,300	22,200	4,500	3,500	8,000	16,000	38,200	9.4
Aberdeen City	450	175	250	355	1,230	1,500	1,750	1,750	5,000	6,230	3.9
Fife	2,500	275	0	255	3,030	500	1,250	900	2,650	5,680	4.4
National Total	39,000	20,000	7,000	14,000	80,000	16,000	23,000	26,000	65,000	145,000	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.

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	3,391	1,351	473	922	6,136	267	115	433	815	6,951	28.6
Glasgow City	1,827	566	198	386	2,978	290	122	470	882	3,860	17.2
Aberdeen City	109	29	10	20	168	73	43	119	236	404	3.8
Fife	40	2	1	2	45	14	11	23	47	92	1.2
National Total	6,430	2,242	785	1,530	10,986	913	509	1,483	2,905	13,891	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.

Edinburgh

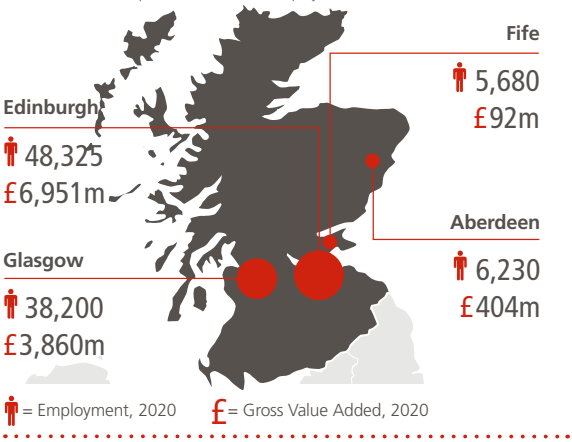
The Bank of Scotland, which opened in 1695, is emblematic of Scotland’s long history in banking. In addition, RBS has its global headquarters in Edinburgh and CYBG, which owns Clydesdale Bank, Yorkshire Bank and Virgin Money, has its European headquarters in Glasgow. In October 2021, Barclays opened a new office in Glasgow, representing an investment of £330m; the company will consolidate its existing employees in the city in the new campus. Many other UK and international banks have sizeable operations in Scotland, including BNP Paribas, Citi, HSBC, JP Morgan, Morgan Stanley and State Street.

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.

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

Scotland employment and GVA, 2020

Financial and related professional services employment



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	3,535	21,435	4,000	3,000	7,000	14,000	35,435	15.9
Edinburgh South West	9,000	3,400	1,250	470	14,120	1,000	1,500	3,500	6,000	20,120	24.0
Edinburgh North and Leith	1,500	600	4,500	3,735	10,335	1,500	2,000	2,000	5,500	15,835	15.9
Edinburgh West	4,500	2,025	15	125	6,665	225	600	600	1,425	8,090	14.6
Edinburgh East	1,500	45	250	980	2,775	800	350	1,000	2,150	4,925	6.2
Aberdeen South	250	85	250	325	910	1,000	1,000	1,500	3,500	4,410	7.9
Dunfermline and West Fife	2,250	220	0	95	2,565	150	450	400	1,000	3,565	9.2

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

investment management expertise available in Scotland has led to the robust growth of boutique firms and new 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 21% of UK-based funds under management.¹⁵

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.

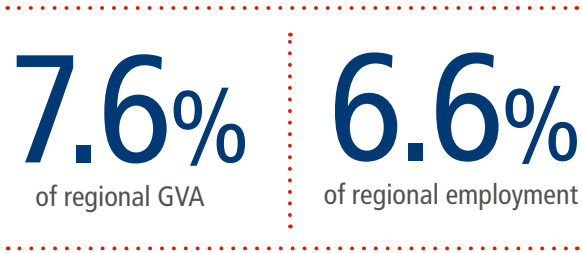
South East

The South East is the largest region for financial and related professional services employment and GVA after London.

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 largest region for financial and related professional services outside the capital, employing 270,000 people and contributing over £21.8bn to the economy in 2020, representing 7.6% of the region's GVA. The region accounts for 12%



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

role in the economies of Reading, Brighton and Milton Keynes.

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 (14,695 in employment), Brighton and Hove (14,200), Reading (13,685), Southampton (6,700) and Guildford (6,540). 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	2,350	30	2,765	9,145	2,500	2,250	800	5,550	14,695	10.8
Brighton and Hove	1,250	4,100	40	3,760	9,150	1,750	2,500	800	5,050	14,200	11.7
Reading	700	2,350	400	985	4,435	6,000	2,250	1,000	9,250	13,685	9.6
Southampton	500	1,400	0	1,600	3,500	1,500	700	1,000	3,200	6,700	5.8
Guildford	500	1,510	150	430	2,590	700	2,000	1,250	3,950	6,540	11.1
Oxford	400	40	450	440	1,330	600	2,500	800	3,900	5,230	4.2
Crawley	600	1,700	0	380	2,680	1,250	1,250	400	2,900	5,580	6.2
Regional Total	24,000	61,000	6,000	33,000	124,000	48,000	76,000	22,000	146,000	270,000	6.6

* 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	1,512	62	6	33	1,613	341	135	156	632	2,245	16.0
Brighton and Hove	151	990	97	530	1,768	60	24	28	112	1,880	21.4
Southampton	27	241	24	129	420	130	27	59	216	636	8.8
Guildford	132	197	19	106	455	66	66	30	162	617	8.9
Reading	46	139	14	74	272	96	85	44	226	497	5.8
Oxford	24	13	1	7	46	54	51	25	130	176	2.4
Crawley	24	18	2	9	53	19	16	9	44	97	3.3
Regional Total	5,278	5,971	587	3,196	15,033	2,993	2,424	1,372	6,789	21,822	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.

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	2,100	30	2,460	7,590	2,000	1,750	600	4,350	11,940	13.5
Reading East	700	2,100	400	905	4,105	6,000	1,250	900	8,150	12,255	14.1
Reigate	900	4,250	1,500	495	7,145	800	1,500	225	2,525	9,670	16.9
Brighton, Pavilion	350	1,800	35	3,505	5,690	1,250	1,750	400	3,400	9,090	13.1
Guildford	500	1,760	150	485	2,895	700	2,250	1,500	4,450	7,345	10.6
Tunbridge Wells	175	3,250	125	355	3,905	800	1,250	800	2,850	6,755	14.8
Crawley	700	1,700	0	480	2,880	1,250	1,250	400	2,900	5,780	6.3
Surrey Heath	400	360	35	580	1,375	1,500	900	250	2,650	4,025	7.3
Southampton, Itchen	350	1,000	0	1,100	2,450	1,000	350	500	1,850	4,300	9.3
Runnymede and Weybridge	100	1,225	50	1,055	2,430	1,250	1,250	225	2,725	5,155	6.7
Meon Valley	1,000	1,400	150	835	3,385	600	800	250	1,650	5,035	10.2
Hove	800	2,200	0	400	3,400	450	700	300	1,450	4,850	12.9
Winchester	175	2,300	100	165	2,740	700	1,250	350	2,300	5,040	8.0
Maidenhead	100	450	45	735	1,330	500	2,250	400	3,150	4,480	8.0
Rochester and Strood	1,750	1,150	0	355	3,255	1,000	350	150	1,500	4,755	8.8
Mid Sussex	450	1,200	30	1,200	2,880	500	900	300	1,700	4,580	10.0
Mole Valley	75	1,600	75	330	2,080	700	1,250	200	2,150	4,230	8.7
Aldershot	150	1,450	15	905	2,520	1,000	600	250	1,850	4,370	8.5
Tonbridge and Malling	150	1,500	600	340	2,590	400	1,000	200	1,600	4,190	9.4
Basingstoke	300	1,500	150	905	2,855	350	1,000	350	1,700	4,555	6.7
Eastleigh	450	900	10	300	1,660	700	1,000	600	2,300	3,960	7.4
Beaconsfield	100	200	250	485	1,035	700	1,750	350	2,800	3,835	6.6
Milton Keynes South	1,000	130	10	550	1,690	1,000	1,250	400	2,650	4,340	5.1
North West Hampshire	800	1,400	10	75	2,285	400	900	100	1,400	3,685	8.9

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		
Esher and Walton	100	375	40	290	805	500	2,250	250	3,000	3,805	9.3
Canterbury	250	1,510	10	300	2,070	350	900	400	1,650	3,720	6.9
South West Surrey	125	600	10	285	1,020	900	1,500	250	2,650	3,670	8.1
Chichester	150	1,350	25	145	1,670	500	1,500	350	2,350	4,020	7.3
Horsham	125	775	10	720	1,630	400	1,250	150	1,800	3,430	7.5
Oxford East	300	30	400	275	1,005	250	1,750	450	2,450	3,455	3.4
Henley	50	130	600	340	1,120	350	1,500	300	2,150	3,270	7.3
Bexhill and Battle	75	2,000	0	115	2,190	350	500	200	1,050	3,240	11.2
Maidstone and The Weald	250	1,255	0	185	1,690	600	450	600	1,650	3,340	6.7
Chesham and Amersham	125	500	25	310	960	450	1,500	225	2,175	3,135	9.2

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

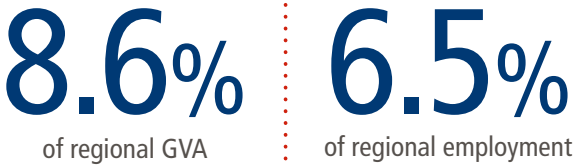
South West

Financial and related professional services account for 8.6% of the region’s GVA, ranking it fifth nationwide by this measure.

Bristol

Key sectors in the region include legal services, banking and insurance, along with significant security broking and fund management activity.

Bristol is the region’s largest financial centre, with 38,135 in employment in the industry, followed by Swindon with 12,780 in employment and Bournemouth with 12,725 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	5,270	500	4,365	16,135	9,000	5,000	8,000	22,000	38,135	12.3
Swindon	8,000	1,800	5	875	10,680	600	1,000	500	2,100	12,780	13.2
Bournemouth	6,000	2,750	50	625	9,425	1,500	800	1,000	3,300	12,725	15.1
Poole	1,500	3,100	10	225	4,835	1,000	800	350	2,150	6,985	8.5
Cheltenham	500	675	30	925	2,130	1,250	1,750	1,000	4,000	6,130	9.7
Gloucester	1,500	1,850	40	130	3,520	600	1,000	700	2,300	5,820	7.7
Exeter	500	850	75	395	1,820	900	1,000	2,000	3,900	5,720	6.2
Regional Total	29,000	25,000	1,000	12,000	67,000	35,000	33,000	27,000	95,000	162,000	6.5

* 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	865	472	19	223	1,579	699	64	539	1,302	2,881	18.1
Swindon	1,128	425	17	202	1,772	21	134	16	171	1,943	21.0
Bournemouth	532	223	9	106	870	61	38	47	147	1,017	19.2
Poole	519	218	9	103	849	60	38	46	143	992	19.2
Cheltenham	45	196	8	93	341	27	18	21	65	407	11.1
Gloucester	43	188	7	89	327	26	17	20	63	390	11.1
Exeter	50	58	2	27	137	50	22	39	111	249	4.2
Regional Total	3,717	3,196	128	1,514	8,554	1,617	692	1,248	3,557	12,111	8.6

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. Note: GVA estimate for Bath is unavailable.

The South West plays host to a large cluster of financial and related professional services firms, which have 162,000 people in employment and collectively represent 6.5% 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 38,135 employed in financial and related professional services, over one-fifth of total employment in the industry in the South West. Within the industry, the accounting sector has the largest number of employees, followed by the legal services and banking sectors. The three sectors represent 60% of total industry employment in the city.

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	4,770	500	2,810	14,080	8,000	4,000	7,000	19,000	33,080	19.8
South Swindon	7,000	1,700	0	875	9,575	600	700	500	1,800	11,375	18.1
Bournemouth West	1,500	4,500	50	625	6,675	1,250	600	900	2,750	9,425	15.5
South West Wiltshire	125	50	0	130	305	2,000	600	250	2,850	3,155	7.7
Cheltenham	500	675	30	925	2,130	1,250	1,750	1,000	4,000	6,130	11.7
Bath	250	250	45	1,325	1,870	450	1,500	1,000	2,950	4,820	8.2
Bournemouth East	4,000	815	0	35	4,850	350	300	225	875	5,725	15.3
Exeter	500	650	50	275	1,475	700	500	1,750	2,950	4,425	6.0
Filton and Bradley Stoke	600	1,950	0	650	3,200	900	700	600	2,200	5,400	5.8
Gloucester	1,500	1,100	40	100	2,740	450	500	500	1,450	4,190	6.5
West Dorset	100	50	0	80	230	2,500	500	450	3,450	3,680	7.8
Poole	1,250	235	5	140	1,630	700	600	250	1,550	3,180	6.0
Tewkesbury	50	1,260	0	165	1,475	600	1,500	300	2,400	3,875	6.8
Taunton Deane	225	900	20	300	1,445	1,000	900	900	2,800	4,245	7.5
The Cotswolds	100	1,225	5	85	1,415	450	1,000	250	1,700	3,115	6.5
Salisbury	150	500	20	170	840	600	1,250	450	2,300	3,140	6.4

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

Wales

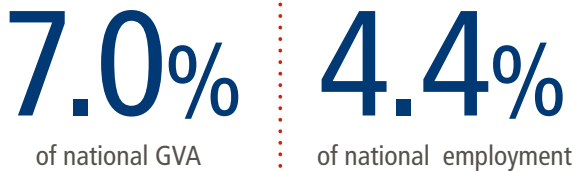
Cardiff is the dominant financial and related professional services centre in Wales, accounting for more than one third of Welsh industry employment.

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 55,000 people in Wales and contributes 7.0% 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.



South Wales plays a particularly important role, with financial centres in Cardiff and Swansea. Between them, these two cities account for over half of total industry employment in the nation, with 21,920 people in employment in Cardiff (10.3% of the city employment) and 6,730 in employment in Swansea (6.3% of the city employment). In Cardiff, one third of industry employees work in the insurance sector; legal services is

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	7,270	100	3,550	13,170	2,250	1,500	5,000	8,750	21,920	10.3
Swansea	1,750	2,900	0	330	4,980	500	450	800	1,750	6,730	6.3
National Total	9,000	13,000	*	6,000	28,000	9,000	7,000	11,000	27,000	55,000	4.4

* 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.

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	531	841	8	410	1,790	202	11	247	461	2,251	18.2
Swansea	200	396	4	193	793	27	5	32	64	857	15.2
National Total	1,404	1,475	14	720	3,613	434	99	531	1,064	4,677	7.0

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.

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

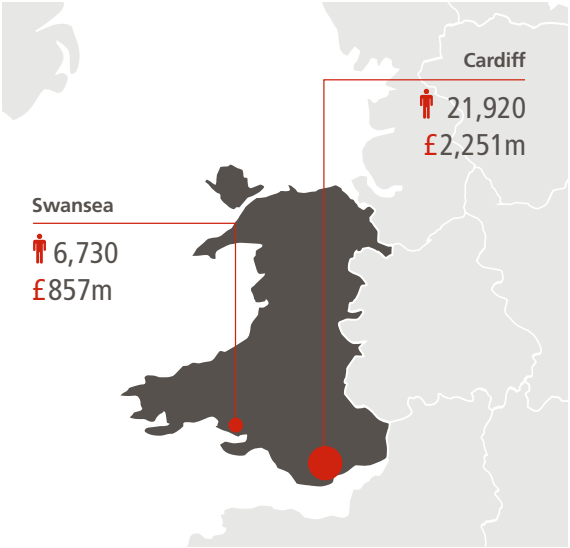
In Cardiff, major financial and related professional services employers include Deloitte, Eversheds Sutherland, KPMG and PwC, in addition to a wave of FinTech start-ups.

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, 2020

Financial and related professional services employment



Person icon = Employment, 2020 £ = Gross Value Added, 2020

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	900	5,820	20	675	7,415	500	300	3,000	3,800	11,215	16.3
Cardiff South and Penarth	1,250	1,100	50	2,250	4,650	2,000	500	1,500	4,000	8,650	11.5
Newport West	2,000	1,035	0	125	3,160	300	900	800	2,000	5,160	9.6
Swansea East	1,250	2,850	0	175	4,275	200	100	350	650	4,925	10.1

*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 and management consulting.

Birmingham is the second-largest city in the UK in terms of financial and related professional services employment, after London, with 52,290 people in the industry.

135,000 people are employed in the West Midlands’ financial and related professional services industry. This represents 5.3% of regional employment, and the industry accounts for 7.6% of the region’s GVA.

Birmingham is a major financial centre with 52,290 people in employment in financial and related professional services industry, accounting for 9.8% of the city’s total employment. Of these, the largest proportion work in banking, followed by accountancy. 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. The move—which was completed in 2018—reaffirmed the company’s heritage in the area. In 1992 it acquired Midland Bank, which was founded in the city. In September 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.

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	12,000	6,500	500	4,290	23,290	11,000	9,000	9,000	29,000	52,290	9.8
Coventry	3,500	500	10	805	4,815	1,000	800	800	2,600	7,415	4.4
Regional Total	24,000	22,000	1,000	15,000	62,000	27,000	25,000	21,000	73,000	135,000	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.

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	1,700	683	36	623	3,042	783	87	563	1,433	4,475	15.8
Coventry	719	154	8	141	1,022	33	73	23	129	1,151	11.3
Regional Total	3,889	1,952	111	1,357	7,308	1,544	592	1,201	3,337	10,645	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.

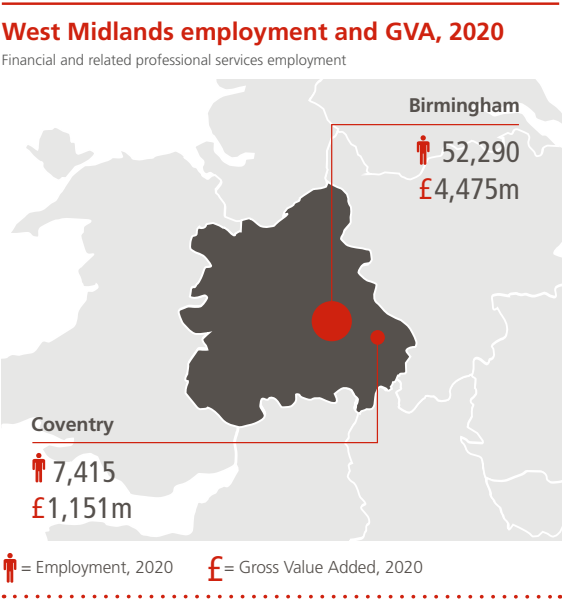
Alongside this, major projects have the potential to drive regeneration and local economic growth. Business recognises the transformative potential that the 2022 Commonwealth Games could have.

Additionally, 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.

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.

Coventry is also a key city in the region, with 7,415 people in employment in financial and related professional services, predominantly in banking.



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	10,000	5,500	500	3,420	19,420	9,000	2,500	8,000	19,500	38,920	17.7
Coventry South	3,000	360	10	230	3,600	500	400	500	1,400	5,000	6.1
Stratford-on-Avon	125	2,200	10	205	2,540	350	800	450	1,600	4,140	8.8
Solihull	900	160	0	2,080	3,140	300	450	400	1,150	4,290	7.4
Warwick and Leamington	200	325	100	430	1,055	700	1,500	700	2,900	3,955	5.9
Telford	175	1,625	0	205	2,005	800	300	350	1,450	3,455	6.4

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

Yorkshire and The Humber

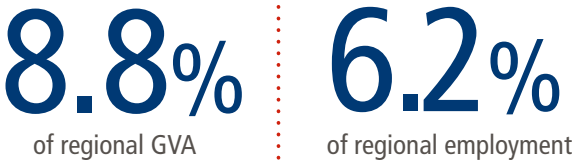
Leeds is the leading city in Yorkshire and The Humber for financial and related professional services employment and GVA.

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 over 6% of the region's total employment and 8.8% 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 almost 20,000 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. 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.



For many years this region has been an important UK centre for insurance outside London, representing all aspects of the sector. 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 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.

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	9,000	5,400	350	3,340	18,090	6,000	4,500	10,000	20,500	38,590	11.4
Sheffield	4,500	3,500	50	700	8,750	4,000	2,250	4,500	10,750	19,500	7.8
Bradford	3,500	370	0	1,055	4,925	900	1,250	1,250	3,400	8,325	6.2
Halifax	4,000	2,350	0	90	6,440	300	300	500	1,100	7,540	18.9
York	350	3,100	100	445	3,995	700	700	1,250	2,650	6,645	7.3
Regional Total	31,000	23,000	1,000	13,000	68,000	26,000	24,000	27,000	77,000	145,000	6.2

* 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.

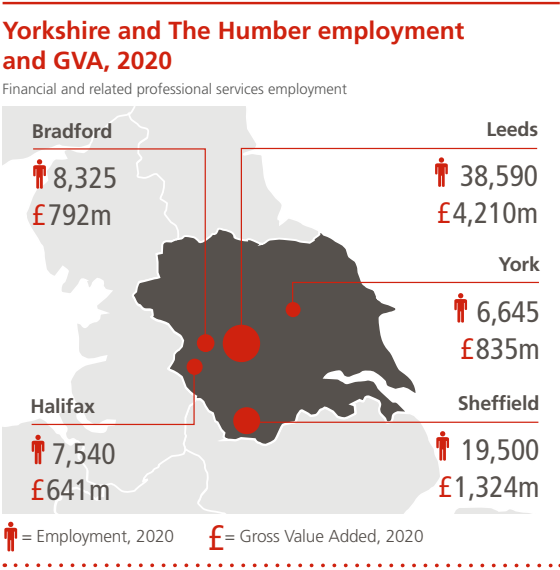
YORKSHIRE AND THE HUMBER SELECTED TOWNS' AND CITIES' FINANCIAL AND RELATED PROFESSIONAL SERVICES GVA (£ MILLION UNLESS STATED)

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	2,142	367	9	265	2,783	574	252	601	1,427	4,210	15.2
Sheffield	521	219	5	159	904	176	60	184	420	1,324	10.0
York	81	339	8	246	674	50	59	52	161	835	13.0
Bradford	433	3	0	2	439	145	57	151	353	792	7.9
Halifax	169	227	5	164	566	29	17	30	75	641	13.1
Regional Total	4,713	1,843	56	1,064	7,676	1,400	528	1,453	3,381	11,057	8.8

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.



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.

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: Statistical Methodology

Note: this report reflects data available as of 15 June 2022.

Regional employment data

All figures except for Northern Ireland are from Nomis using the Business Register and Employment Survey (BRES) 2020 data for employment.

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 2020 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 2019 BRES data. The Agency publishes detailed employment data only every alternate year, and our usual methodology for estimating intervening years would not have been suitable for 2020 data given the extreme and wide-ranging impact of the Covid-19 pandemic in that year.

Regional GVA

Regional GVA data are TheCityUK estimates based on ONS Regional GVA balanced for 2020 published on 30 May 2022. 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 2020, included in the employment tables, have also been estimated based on 2020 ONS Regional GVA data. Table 3c of the ONS regional GVA industry data goes down to the Nomenclature of Territorial Units for Statistics (NUTS) 3 areas. Industrial splits are the same here as at the broad regional level, so we apply the same approach throughout the NUTS 3 level.

Some Towns and Cities are hidden within broader NUTS 3 areas. TheCityUK has taken the closest NUTS 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 NUTS 3 regions. By calculating the relative wage totals between towns and districts, annual weighting factors are used to split the NUTS 3-level industry GVA data into smaller constituent towns.

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