

TheCityUK

Enabling growth across West Yorkshire

a manifesto for the mayor



Foreword

On 2 May, voters in West Yorkshire will head to the polls to choose a metro mayor.

This election, alongside simultaneous polls in South Yorkshire and North Yorkshire, presents a valuable opportunity to build a deeper partnership between financial and related professional services and policymakers to drive growth and prosperity across the whole of Yorkshire and The Humber. Currently our industry employs around 149,000 people and contributes over £11.8 billion (8.9% of the region's economic output) to the Yorkshire and the Humber's economy.

These jobs and the other products and services provided by the industry make a real difference in people's lives—helping them save, buy homes, invest in businesses, and manage risk.

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

This manifesto outlines practical and affordable ways for West Yorkshire's mayor to continue to foster economic growth and tap into the full potential of our industry.

John Walsh

TheCityUK Chair in Yorkshire and The Humber

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

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

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

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

Leeds is a major centre for mortgage, corporate and retail finance, insurance and stockbroking. The city is also an important centre for equity, venture and risk finance. Leeds is also a significant hub for related professional services and all of the 'Big Four' firms—Deloitte, EY, KPMG and PwC—have significant operations in the city. In addition, several major law firms, including Addleshaw Goddard and Eversheds,

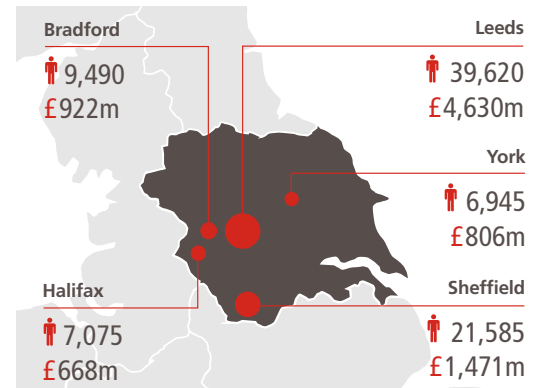
Financial and related professional services accounts for:

8.9%
of regional GVA

5.9%
of regional employment

Yorkshire and The Humber employment and GVA, 2021

Financial and related professional services employment



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

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

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

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

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

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

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

have a presence there. The wider West Yorkshire Combined Authority has 84,000 people in financial and related professional services employment.

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.

Recommendations for the mayor

The following recommendations identify three key areas where the mayor can make meaningful changes to help unlock the potential of financial and related professional services, to drive growth across the region's economy.

1) Engaging the industry

As the combined authority grows and develops, the role of business will remain critical to its success.

The mayor should:

- **Publish and update a comprehensive plan for economic growth in West Yorkshire.** This should include clear metrics and identify specific ways in which businesses from key industries, including financial and related professional services, can contribute to the mayor's vision for economic growth in the region.
- **Develop an industry-specific strategy for financial and related professional services,** reflecting our role as an engine for growth in the wider economy generating 149,000 jobs and just over £11.8 billion of economic output.
- **Ensure that every sector of the economy, especially the services industry, is fully represented** in both business forums and the mayor's work in promoting the region overseas.

2) People

Local policymakers and business leaders are best placed to identify the skills needed in their regions, particularly in developing and specialised areas, such as specialist forms of FinTech or LawTech. They can engage with local schools and universities to ensure that young people can learn about industries in their local area early on in their educational journey. The mayor can also help to highlight role models in our industry to help attract young people from less advantaged socio-economic backgrounds.

The mayor should:

› **Bring together a wide employer network to contribute to the Local Skills Improvement Plan.**

This will ensure that the plan reflects the needs of the regional economy.

› **Ensure that plans for mapping and addressing skills needs, align closely with the wider vision for economic growth,** including creating capacity for training and re-skilling in growth sectors.

› **Help connect schools, colleges and universities to engage employers in all areas of the education process,** for instance in areas such as curriculum and course design.

3) Prosperity

There has been significant progress in attracting investment to hubs outside London, including in Yorkshire and The Humber, and policymakers should seek to build on this work. However, the ability to communicate and travel between locations remains a key barrier to maximising productivity. Effective digital and transport infrastructure will enhance the connectivity of thriving regional hubs, helping to support greater growth across all industries, not just financial and related professional services.

The mayor should:

- › **Work with central government to encourage further investment in an enhanced national rail network** and supplement this by developing a unified transport strategy to move people and goods more easily.
- › **Continue to partner with the government to improve the region's digital infrastructure**, in particular the rollout of 5G.
- › **Provide businesses and potential investors in the region with clarity on how they can engage with the Combined Authority.** Our industry can make a contribution to economic growth when there are clear structures in place for engagement between regional government and industry.

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