

TheCityUK

Enabling growth across Greater Manchester

a manifesto for the mayor



Foreword

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

This election presents an opportunity to ensure that the financial and related professional services industry can play an even more significant role in creating jobs and driving growth and prosperity across the region. Currently, the industry employs around 289,000 people and contributes over £18.4 billion (9.4% of the region's economic output) to the economy of the wider North West. This election presents an opportunity for the mayor to focus on ensuring that the financial and related professional services industry can play an even more significant role in creating jobs and driving growth and prosperity across the region.

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.

The North West as a whole has a particular centre of excellence for banking, legal services, general insurance, management consulting and accountancy. The quality of the North West's infrastructure and access to talent has attracted firms to a location that can deliver a consistent level of service to its international client base.

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

Lyndsey Fallon

TheCityUK Chair in the North West

The North West is the UK's second largest region in terms of employment, and the largest economy outside London and the South East. The region is a particular centre of excellence for banking, legal services, general insurance, management consulting and accountancy.

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

The North West is host to a large cluster of financial and related professional services firms; the industry collectively accounts for 9.4% of the regional economy and employs 289,000 people. The North West is the largest region for financial and related professional services employment outside the capital. The Greater Manchester metropolitan area is an important financial hub in the North West, employing 141,000 people. The industry in the city of Manchester contributes 22.3% to the city GVA and accounts for almost one fifth of total financial and related professional services employment in the North West. Businesses operate near new media and political hubs represented by MediaCityUK and the office of the metro mayor within the Greater Manchester Combined Authority. The local economy has also benefited from private sector investment agencies, such as MIDAS, Manchester's inward investment agency, which has helped to attract a number of companies to the city region.

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

Financial and related professional services accounts for:

9.4%

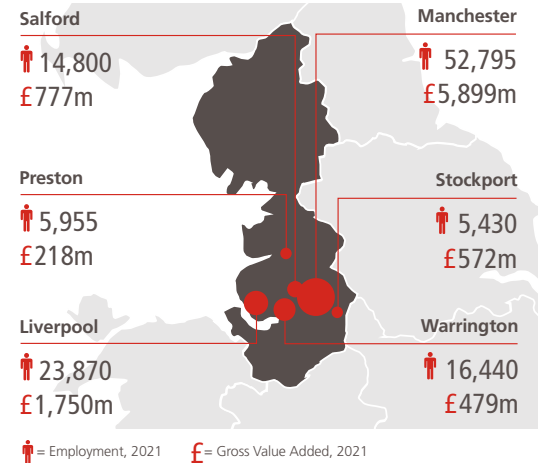
of regional GVA

8.2%

of regional employment

North West employment and GVA, 2021

Financial and related professional services employment



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

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

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

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

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

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

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

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

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 Greater Manchester.** 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 289,000 jobs and just over £18.4 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 the North West, 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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