

The role of financial and professional services in the UK

Financial and professional services account for 2.3m jobs across the UK

There were over

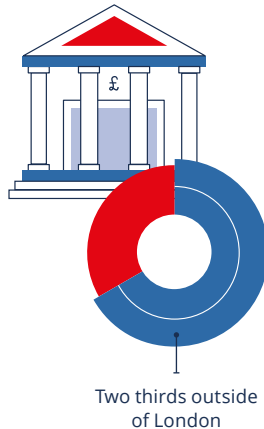
1 million

financial services jobs in the UK in 2020 and nearly

1.3 million

in professional services.

The majority of these jobs were outside of London.



Financial services were one of the UK's most productive industries, generating

£115k

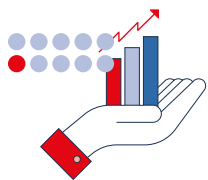
in output for every job in 2019. The second most productive industry in the UK.

Professional services generated over

£54k

in output for every job.

Financial and professional services...



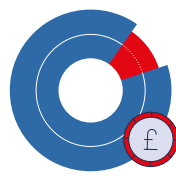
Produced

£200bn

in economic output.

Slightly over **10%** of the entire economic output of the UK economy in 2019.

- Financial services produced **£126bn** in GVA
- Professional services produced **£79bn** in GVA



Contributed nearly

£100bn

in taxes.

Financial and professional services paid 13% of the UK's tax contribution in 2020.

- Financial services paid **£76bn**
- Professional services paid **£21bn**



Exported

£121bn

The UK was the largest net exporter of financial services in the world in 2020.

- Financial services drove exports by **£82bn**
- Professional services drove exports by **£39bn**



Generated nearly

£1bn

of capital investment in FDI.

The UK attracted the highest foreign direct investment for financial services in Europe in 2021.

- Financial services attracted **£562m** in FDI
- Professional services attracted **£379m** in FDI

Note: 'Financial services' use a broad definition for the sector including insurance activities. 'Professional services' also follow a broad definition except for jobs and tax data, where a narrow definition including accounting, legal and management consultancy services is used. Tax contribution for financial and professional services is made up of financial services combined with legal and accounting, as the tax data available does not cover the activities of management consultancy.

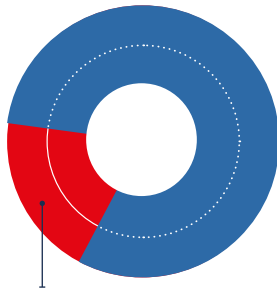
Sources: ONS, Business Register and Employment Survey 2020; ONS, Labour Productivity by region and industry, 2019; City of London/PwC, The Total Tax Contribution of UK financial services in 2020; TheCityUK, Total Tax Contribution study for UK legal and accounting activities, 2020; ONS, Pink Book Chapter 3+9, 2020; FDI data provided by fDi Markets, 2021.

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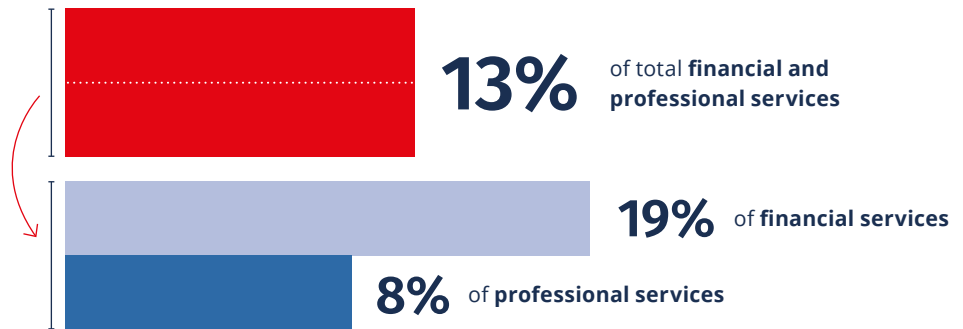
The role of the City of London

The City of London, also known as the Square Mile, is at the heart of financial and professional services generating over £40bn in economic output.



The City accounts for **one in every five financial services jobs** in GB

In Great Britain (GB), the City accounts for...



The City is a key driver of the economy, generating nearly

£70bn

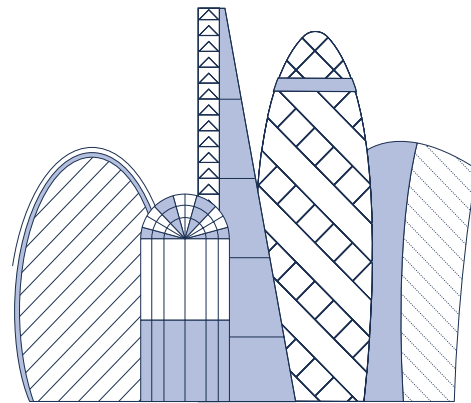
in economic output annually, or 3.5% of all UK GVA. Yet, the City only accounts for 0.001% of the UK's size.



The City contributes to the rest of the economy, generating

£1.2bn

in business rates. This represents 5% of England's total business rates collection.



With more large firms than Manchester, Birmingham or Leeds, the City generates more in business rates than all three combined.

Financial services in the City account for nearly

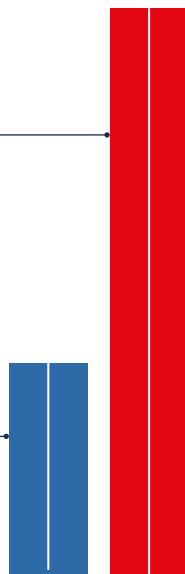
£32bn

GVA in 2019. This represents a quarter of the GVA from the whole of the UK's financial services sector.

The City's professional services generated over

£13bn

in GVA. This represents nearly a fifth of the UK's professional services sector.



Sources: ONS, Business Register and Employment Survey 2020; ONS, Regional GVA by industry: local authorities by NUTS1 region, 2019 (2021 release); Ministry of Housing, Communities & Local Government, National non-domestic rates collected by councils, forecast for 2021-2022. Business rates use National Non-Domestic Rates.



City of London jobs

For every square kilometre in the City, there are over 100,000 financial and professional services jobs.

There were

550,000

workers in the City of London in 2020, or 1 in every 56 GB workers.



Financial and professional services account for **over half** of the City's workforce.

City jobs have **grown** over

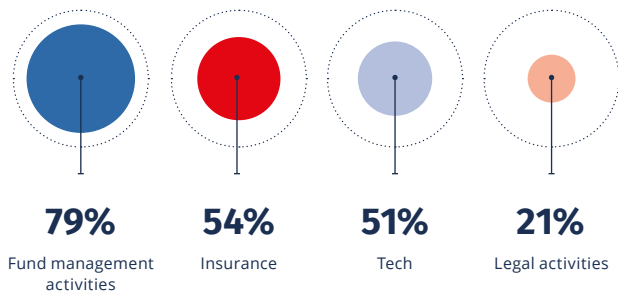
20%

between 2015 to 2020, with nearly 100,000 more jobs than in 2015.



Even during the **pandemic** in 2020, the City remained resilient with over **8,000 new jobs**.

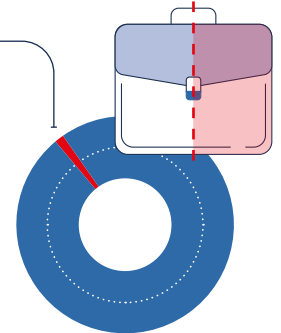
Job growth has been particularly strong between 2015 and 2020 in:



Although only

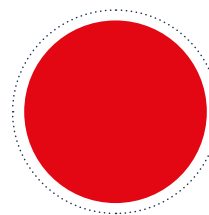
1%

of the City's 22,275 businesses are large, they account for over half of the City's employment.



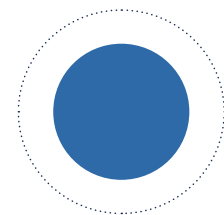
Despite being the smallest local authority area in the UK, the City has the **second highest number of large firms**.

Jobs in the City of London are highly concentrated in



Financial Services

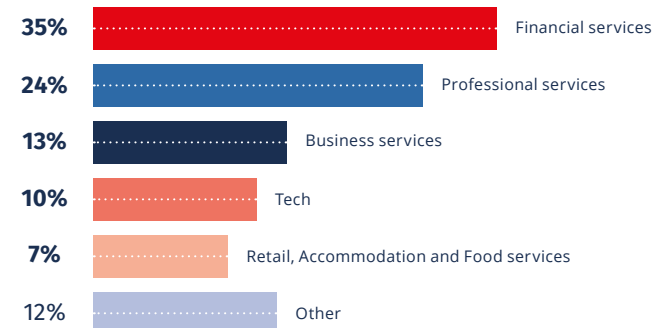
Banking 64,000
Fund management 25,000
Insurance 22,000



Professional Services

Legal 51,000
Management consultancy 29,000
Accountancy 20,000

The City is made up of jobs in:



Notes: Jobs data looks at jobs up to 11th September 2020, capturing the impact of the first six months of the pandemic. Sector definitions for the jobs data, except for professional services, uses broad sectoral definitions. Jobs data for specific sub sectors are in alignment with SIC code classifications and groupings. Large firms defined as over 250 employees using local authority: district / unitary (as of April 2021). 310 large firms in the City of London compared to 405 in Westminster.

Sources: ONS, Business Register and Employment Survey, 2020; ONS, UK Business Counts 2021; ONS, IDBR local authority dataset City of London, 2021.

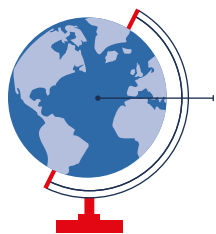
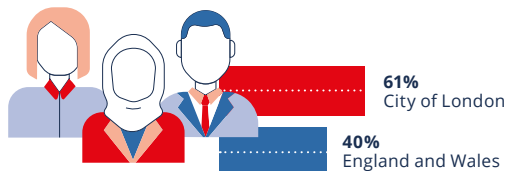
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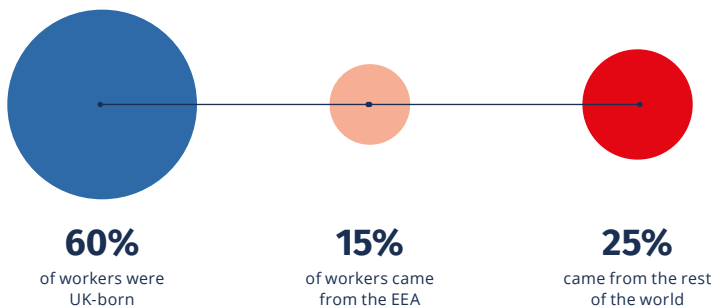
City of London workers

Home to one of the youngest, most highly skilled and international workforces across the country

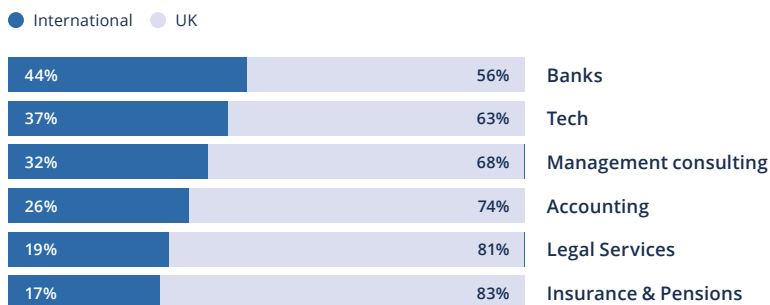
A workforce younger than the rest of the country, with more workers aged between 22 and 39 than England and Wales.



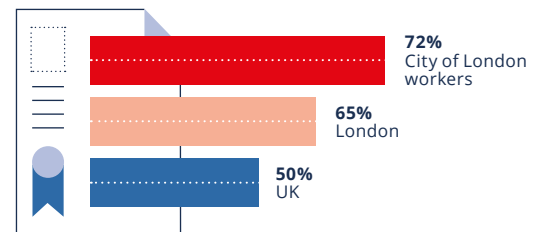
One of the most international workforces across the globe, with almost half of City workers coming from the EEA or the rest of the world.



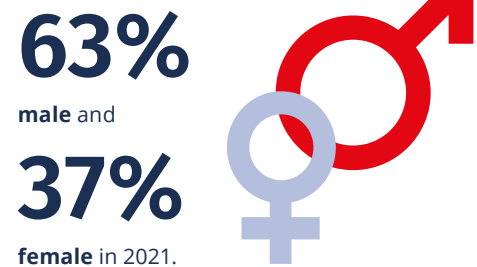
Within financial and professional services, **banks have the highest share of international workers**, at nearly half of the workforce. Followed by tech and management consultancy.



A workforce made up of more high skilled jobs* than the rest of London and the UK

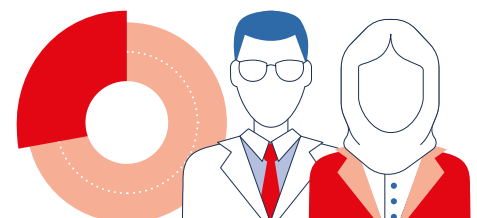


The gender balance of the City's workforce was



29%

of the City's workforce was of **black, Asian or a minority ethnic origin** in 2021.



Notes: High skilled jobs refers to roles as managers or directors, or in professional or technical occupations.

Sources: Workplace population (focus on countries of birth represented with 5,000+ workers in the City); Annual Population Survey (APS), Workplace Analysis, July 2020-Jun 2021; ONS, user requested data on ethnicity from APS, June 2020-July 2021; ONS user requested data from APS on jobs by country of birth, 2020.