

# Invest West Midlands

## BUSINESS, PROFESSIONAL & FINANCIAL SERVICES



**The largest UK regional Business & Finance & Professional Services cluster, offering world-class brands, scale and unrivalled breadth of talent. A recognised high-growth ProfTech cluster creating new innovative businesses and attracting new investors.**

The original home of iconic heritage brands including Lloyds Bank and Midland Bank – now HSBC – today the West Midlands is a destination for leading institutions across the banking, legal and consultancy sub-sectors to serve clients across the UK and around the world.



**60% of fee-earning work in Birmingham's professional services community delivered for national or global clients.**

The arrival of large global corporates including HSBC UK, Deutsche Bank, Goldman Sachs, Gowling WLG and the 'Big Four' has seen the sector grow by 30% in the last five years – double that of Manchester – bolstered by the rise of home-grown services organisations and challenger banks, such as Wesleyan, AI-Rayan and NFU Mutual.

A critical mass of expertise in investment and corporate banking; commercial and retail finance; insurance; global advisory; legal; and accounting, puts the West Midlands on the map as the most diverse and significant concentration of expertise outside the capital. Businesses favour the region for its affordability and accessibility – especially when it comes to talent. Over 343,000 people work in the sector locally across 53,000 companies, backed by a 16,600-strong pipeline of business, finance and law graduates from the region's eight world-class universities.



**16,600-strong pipeline of business, finance, and law graduates from the region's eight world-class universities.**

Additional digital capabilities support the sector's innovation demands, spearheaded by the UK's first Professional Technology (ProfTech) supercluster – SuperTech West Midlands – dedicated to accelerating market disruption and technological adoption.



**343,000 people work in the sector locally**

### Key Strengths

#### Large scale, full-service ecosystem

Multiple local industry strengths have nurtured a broad and full-service cluster, driven by the presence of FTSE listed companies and a booming headquarter economy requiring high-level professional services at an international scale.

#### Breadth of talent

An established youthful and diverse employment pool is readily available and ideally suited to serve international client demands, fuelled by a 16,600-strong graduate talent pool of students from across the UK and overseas that flock to study at the region's globally renowned business schools, such as those at the Universities of Birmingham, Warwick, and Aston.

#### Established FinTech and growing ProfTech clusters

Home to the UK's only ProfTech supercluster, the region is a leading proving ground for the acceleration and adoption of new technologies, with a growing £411m FinTech community of local founders and international investors among its headline credentials. It is also 1 of 3 recognised & established FinTech hubs by the UK Government.

#### Operational reliability

Notable high-value shared service centres (SSC) access a broad base of skilled professionals capable of supporting a variety of complex, multidisciplinary operations at a national and global scale.

#### Northshoring / Midshoring hotspot

A central location, close proximity to London, cost-effective real estate and a UK-leading graduate talent base, combine to form an attractive proposition for businesses looking to relocate away from the costly capital (or midshore), but remain within easy reach.

#### Premium, cost-effective office space

Top quality flexible office space at less than half the cost of the capital combines with a 40% discount on London-based professional skills to make the West Midlands a competitively affordable destination for established firms and ambitious start-ups.



**£73.81 per sq. ft average cost of Grade A office space in Birmingham.**

## Key opportunities

### Financial disruptors and innovators



**FS employment 20% higher than Greater Manchester.**

The UK's most significant centre for financial services outside London with 53,000 employees, the West Midlands has a traditional foundation in banking; corporate and commercial finance; and retail finance. Now coupled with a rising reputation for emerging tech, the region is fast-becoming 'one to watch' in the UK's FinTech scene, producing 6.2% of the country's total GVA in the sector.

It is also home to the UK's first and only ProfTech super-cluster (SuperTech), created to help companies connect with digitisation and encourage innovation across core service strands, including finance; legal; insurance; property; and accounting.

The scale of the region's talent pool combined with a thirst for digital evolution has attracted both financial heavyweights and industry challengers to invest in delivering next generation innovative products and services, with HSBC UK; Deutsche Bank; Goldman Sachs; Unity Trust Bank; Wesleyan; and Al-Rayan – the UK's largest Sharia-compliant Islamic bank – among the notable names in the local ecosystem.

### Established and emerging service consultancy

Clustered in Birmingham city centre, the West Midlands is a prominent hub for professional services institutions to serve big-name, international clients across a range of industries. Home to the largest UK regional offices for all the 'Big Four' consultancies (PwC, KPMG, Deloitte and EY), smaller scale and specialist advisory firms are also in demand to support emerging innovation strengths in automotive; engineering; and infrastructure, where the region is spearheading the net zero technologies of the future.

Globally leading voices across legal and accounting boost the cluster's reputation, with Gowling WLG; Hogan Lovells; DLA Piper; Beazley, Zurich; and Direct Line some of the well-known names to land in the region.

### Midshoring/Re-shoring location for BPFs firms

The West Midlands offers an outstanding environment for companies seeking to reshore and enhance the sustainability of operational activities as a result of the pandemic and growing net zero demands. Well-connected to the rest of the UK and overseas markets by road, rail, and air, the region can help businesses balance operational efficiencies with cost and quality – both in terms of space and workforce, where employers can access a significant pool of trained professionals at a 40% discount on London's skills prices.

### Shared Service Centre/Business Process Outsourcing operations

High concentrations of skilled talent in broad professional disciplines makes the West Midlands desirable for Shared Service Centres (SSCs) and Business Process Outsourcing (BPO) operations. A richly diverse population of over 190 nationalities provides an ideal landing ground for international firms to house global, multilingual support functions, with Halfords; Genesee & Wyoming; and the RAC among those to set up in the region.



**Over 42,000 employees in office administration & business support and 32,500 in legal & accounting.**

### UK Government relocation

Private sector confidence in the region's investment potential is echoed by the UK's central Government, with ministers choosing to relocate or establish outposts of major departments in the West Midlands, as part of a commitment to move 22,000 civil service jobs outside the capital by 2030.

Drawn to the influential local industry supply chains in transport, housing, and construction, as well as physical proximity to London, Wolverhampton has become home to a second headquarters for the Department for Levelling Up, Communities, and Housing, while Birmingham houses significant staff numbers across the Department for Work and Pensions; the Department for Transport; and the Department for Business, Energy, and Industrial Strategy.

## Centres of Excellence

### The University of Birmingham Business School

The UK's oldest, delivering world-class research and teaching to shape better, simpler, and more responsible business strategies. Its internationally acclaimed MBA runs alongside an exclusive consultancy training partnership with Deloitte's West Midlands office.

### Warwick Business School

Recently named the second most influential business school in the world (after Harvard) offers a range of specialist courses in professional services disciplines. The institution is also leading interdisciplinary research into FinTech, AI, blockchain and cryptos through its Gillmore Centre for Financial Technology.

### Aston University's Business and Law Schools

Close to Birmingham's Colmore Business District, both schools lead research and learning directly with industry at an international and regional level. Currently, it is the regional home of Goldman Sachs' 10,000 Small Businesses UK programme, created to nurture small business and social enterprise leaders.

### The Professional Services Academy at Birmingham Met College (BMet)

The only industry-dedicated College in the UK. It works in partnership with notable local employers – such as Deutsche Bank, Gateley and BNP Paribas – to deliver sector-based knowledge and skills development courses.

### STEAMhouse

Based at Birmingham City University is a space to experiment, test and develop new knowledge, offering BPFs firms opportunities to connect with tech founders and digital companies on the cusp of cutting-edge innovation.

### Birmingham Knowledge Quarter

The knowledge quarter encompasses Innovation Birmingham – the region's leading digital tech campus – and will soon be home to the new Enterprise Wharf complex, providing 120,000 sq ft of contemporary, flexible office for BPFs, tech and digital firms to forge collaborative innovation partnerships.

**The Engine Room** is Europe's largest asset management FinTech hub, run by the Investment Association. Based at Wesleyan Assurance Society's Birmingham headquarters, it offers over 5,000 sq. ft of free co-working space for up-and-coming FinTechs and is home to a world-first, regionally focused 'no-code' innovation training programme.

## Talent



**Almost 40% of the city's Banking, Finance and Insurance workforce identify as BAME**

The West Midlands is bursting with talent, offering access to a deep pool of skilled professionals and up-and-coming industry entrants. Eight universities produce over 57,000 graduates, over half of which choose to stay and kickstart their careers in the region. A further 127,000 graduates from 20 universities within a one hours' drive boost the region's pipeline.

Choice for BPFs employers is vast, with a large and diverse working population readily available. Alongside a deep-rooted base of traditional services skills, the West Midlands is ideal for recruiting experienced tech professionals to support digital transformation activities, with 32,000 people employed in computer programming and relevant consultancy fields. The region also has more software developers and computer science graduates than any other city-region outside London – complementing the near 20,500 students that graduate in business studies; economics; management; accounting; finance; and law each year.

The region's six largest universities work with high-profile local employers to deliver bespoke training courses and grow the local pipeline; this includes tech-led degree apprenticeships, Continuing Professional Development (CPD) programmes and Masters-level courses for the likes of PwC, Vodafone, Barclays, and the Bank of England, among others.

In addition, globally renowned business schools at the Universities of Birmingham, Warwick and Aston are part of an elite group holding the 'triple-crown' MBA accreditation from AACSB, AMBA and EQUIS, collectively enrolling more students than anywhere else outside London and the South East.

Contact [InvestWM](#) to speak to our team of sector specialists, who offer a free support service to businesses investing in the West Midlands.