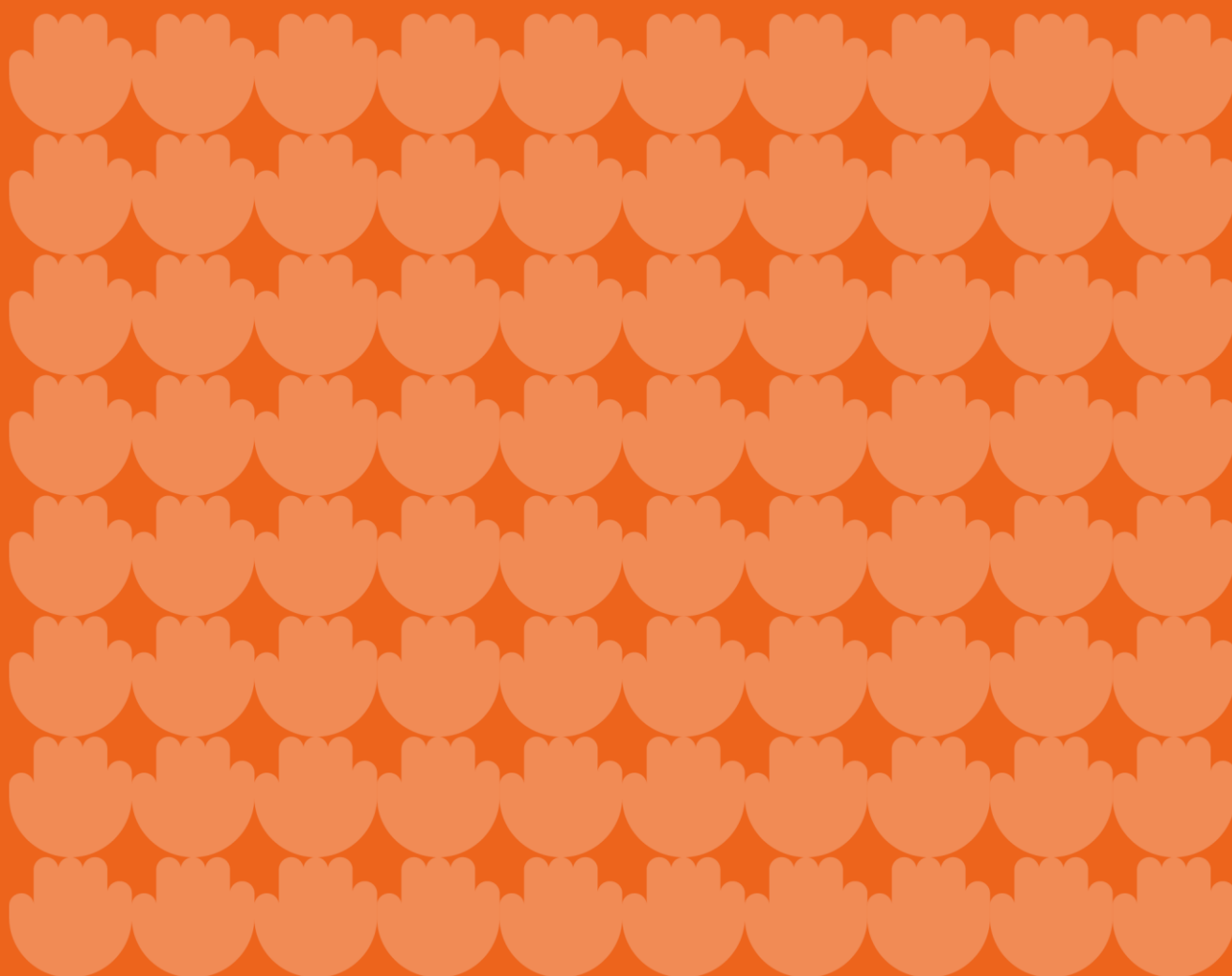


Industry Labour Market and Skills Intelligence Report

Finance, Business and Professional Services

Published June 2022



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Purpose of Report

This report provides an employer-led and current understanding of skills and talent needs required across the Financial, Business and Professional Services (FBPS) business landscape in Greater Manchester (GM). FBPS is one of the growth sectors for Greater Manchester in the Local Industrial Strategy (published June 2019).

The intelligence has been gathered from a large range of sources including existing employer networks and bodies who work with the sector. These include GM Chamber of Commerce, Universities, MIDAS, Growth Company, Local Authorities, and national skills facilitating organisations.

This work is for a range of stakeholders to aid in understanding the skills and talent needs within the GM Professional Services sector. Recommendations made will not always lead to GMCA led work and skills action. They are to help sum up and support stakeholders to understand where their actions may fill gaps and support talent growth for the sector.

GMCA will coordinate wider dissemination and translation of this intelligence for different audiences in GM. Additionally, GMCA will look across devolved powers in the work and skills team and wider authority, exploring where the skills system can better align to the needs of the sector. The vision for this work is to be a key contributor in developing a fully aligned labour market response in GM where there is credible, current, employer led and shared understanding of the jobs, talent, and competencies employers need across our Local Industrial Strategy (LIS) frontier and foundation sectors.

The objectives of this intelligence are as follows:

- Provide a better understanding of the progression pathways to roles within the FBPS sector in GM
- Identify which occupations need to be prioritised
- Better inform and guide existing skills provision for the benefit of GM residents and employers
- Identify opportunities where the skills system (including skills providers and employers) can act to support the talent pipeline for FBPS

- Understand the future trends within the FBPS sector – in particular, how these trends will impact the existing workforce and future skills needs
- Understand the impacts of COVID19 and Brexit on the skills-base within the sector and how the skills provision can best fit with COVID19 recovery plans.

GM residents need to be able to understand the opportunity GM's FBPS sector provides as well as the technical skills and wider competencies and attributes required in different areas of the industry and at different levels. There is the need for key stakeholders working with different groups to be able to translate these key skills and labour market messages for the following groups:

- Young people
- Influencers – teachers, parents, careers advisors and work coaches
- People looking to switch careers or looking for work
- Skills providers of all types
- Employers
- Individuals wanting to progress in work.

This intelligence was gathered in late 2021 – mid 2022 and is accurate as of the release date of this report. The FBPS sector is made up of multiple sub sectors – this review is the first conducted in this area and focuses primarily on accountancy, financial and legal services. The data and intelligence gathered as part of this report will be enhanced and added to as the sector, policy landscape, and economic situation evolves.

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Executive Summary

With the FBPS sector identified as a key growth sector for both the UK-wide and GM economy, support for the sector is important. This report looks primarily at how the skills challenge in FBPS is met within GM, to inform and guide better responses from GMCA, local authorities, employers, providers, and other stakeholders.

Key findings from this report include:

- **FBPS is an important sector for GM, ranking high for productivity.** In 2019, the Sector made up just under a sixth of GM's GVA output (£11.2bn of £76.5bn total)
- Collectively, **FBPS firms are a major employer – employing over 300,000 residents in Greater Manchester** – and a major recruiter, hiring nearly 20% of all graduates entering the labour market each year.
- Almost **a third of employers across the FBPS sector are struggling to recruit** due to widespread skills shortages aggravated by the COVID pandemic, with thousands of critical roles particular in data and technology remaining unfilled.
- COVID19 has had **limited impact on the FBPS sector** – many employers reacted quickly to working from home and have remained hybrid. 77%¹ of financial services firms reported a higher proportion of staff working from home in the last 12 months than the 12 months pre-pandemic – higher than all other sectors.
- **There is increasing emphasis on soft skills** required to work in the sector, in particular communication (strong oral and written), teamwork, attention to detail, curiosity, commercial awareness, problem solving, multi-tasking, negotiation, and analytical skills.
- **The sector typically has clearly defined professional career pathways in well-known professions like accountancy and law.** However, employers feel there is a lack of understanding of some job roles such as Tax Technicians and Credit Control.

¹ [Employer Pulse Survey 2021 - DfE](#)

- There is a legacy **perception associated with the FBPS sector** – that it is slow to react, over cautious, and heavily regulated, making it less appealing as a career choice for some.
- **There is a mismatch between what people think is needed to enter the FBPS sector and the reality**, for example young people often assume a strong grounding in mathematics is mandatory to work in the sector.
- Colleges and universities deliver FBPS programmes for the sector that **generally meet the skills demand**. There is strong collaboration between FBPS businesses and universities in the region.
- Apprenticeships are increasingly **welcomed as an entry route** into the sector. In more recent times this is being seen within the legal sector, a hugely positive shift in an occupational area for which academic pathways have traditionally been viewed as the only route into the industry.
- GM offers strong collaboration, for example, Pro Manchester is a networking organisation supporting **employers collaborating with each other to improve training and skills development**.
- Though progress is being made, **diversity remains a challenge** for the sector. There is an underrepresentation of older workers in many roles and the sector leans towards a younger workforce.
- Employers wish to explore **innovative ways to recruit**, and they also want to understand further government initiatives to fill their talent pipeline.

Recommendations

A list of the core recommendations can be found below, summarising key recommendations from Section 7. These recommendations are not likely to be short-term fixes, and several require a long-term culture change around the sector.

1. Skills providers and stakeholders should ensure they are **meeting immediate skills gaps** in:
 - Technology/FinTech skills
 - Digital Transformation
 - Sustainability & “Green” Finance
 - Agile, Change Management, and Project Management
 - Leadership and Management
 - Business Communications, Business Etiquette and Social Media
2. Training providers should explore **offering modules that can be accessed separately** in ways that respond to the policy ambition set out in the *Skills for Jobs* White Paper in relation to flexible modular learning that enables an individual to build higher level skills and qualifications over time.
3. GM employers report a shortage of basic IT skills across candidates and the workforce; therefore, **training should incorporate office suite software skills where possible**.
4. Employers should **develop skills and more innovative practices in recruitment & selection to create more diverse talent pipelines, embrace and promote alternative pathways into/within occupational areas**, and raise better awareness amongst FBPS employers on the benefits of government initiatives.
5. GM FBPS employers should **consider signing up to the GM Good Employment Charter and charters promoting diversity**, such as the government’s ‘Women in Finance Charter’ or the Disability Confident scheme.
6. GM should consider a **campaign to invigorate appetite amongst older workers and career switchers who may wish to explore a future career in the sector**. Raising awareness of job opportunities within the sector and tackling the negative perceptions associated with the sector would be helpful.
7. GM should continue to **collaborate with sector representation organisations such as the Financial Services Skills Commission (FSSC)**, with a focus on reskilling opportunities as the sector changes.

1. Introduction

- (1.1) The Financial, Business, and Professional Services sector is an important pillar of the UK economy. Collectively, FBPS firms are a major employer, providing 5.5m jobs across the UK, and a major recruiter of young talent, hiring almost 20% of graduates entering the UK labour market each year. Despite perceptions of being London-centric, almost three quarters (73%) of jobs in the sector are located outside London and the sector accounts for one in seven of all jobs outside the capital.
- (1.2) Financial services are the economic services provided by the finance industry and help with the making, investment, and management of money for both people and organisations. Financial services encompass a broad range of businesses that manage money, including credit unions, banks, credit card companies, insurance companies, accountancy companies, consumer-finance companies, stock brokerages, investment funds, individual asset managers, and some government sponsorship enterprises.
- (1.3) The Business and Professional Services (henceforth BPS) sector covers a range of diverse sub sectors and support functions (e.g., call centres and other business support services), which provide specialised support to businesses and the public sector. Sub sectors include legal services, advertising and market research, management consultancy, architectural and engineering activities, and recruitment. It should be noted that sector definitions vary between organisations and research institutes.
- (1.4) Combined, organisations providing Financial, Business, and Professional Services play an essential role in helping companies to stay compliant, raise and manage finance, and increase their sales, staffing, and marketing footprint. Therefore, the sector is forecast as a high growth sector in the UK over the next fifteen years. This was supported by CityUK data that showed that, whilst the sector was significantly affected by the financial crisis of 2008, employment and GVA have since risen. FBPS firms also contain high-quality,

high-skilled and well-paid jobs, all of which are forecast to increase significantly in the coming years and are more resilient to shocks.²

- (1.5) The UK is a major exporter of FBPS, providing 27 percent (£66bn) of the UK's services exports (ONS, 2017). It is strongly competitive, being within the top three exporters of these services in the Organisation for Economic Cooperation and Development (OECD) in 2015 (with the US and France) (OECD, 2015). The FBPS industry provides B2B services for other parts of the economy. The sector accounts for 25% of businesses (635,000), with a turnover of £399bn.
- (1.6) The UK's legal sector is the biggest in Europe. It is also the second largest in the world, coming second to the US. There are approximately 338,000 people who work within the legal sector. Despite London's reputation as a key legal centre, two thirds are based outside the capital³.

Challenges and Opportunities for Greater Manchester

- (1.7) The FBPS sector is facing various challenges and opportunities on a national and global scale; these challenges are also reflected within GM:
- Although badly hit by the global economic downturn, the credit crunch, and the LIBOR scandal over the past 20 years, the **UK financial services sector remains one of the most stable in the world.**
 - The COVID19 pandemic has triggered a rethink of how operations can be more efficiently delivered remotely from nearshore and offshore locations. There is **increasing onshoring (and “north-shoring”) of support functions** across the UK and regions like GM.
 - **Digital adoption during the pandemic** has accelerated many of the trends above, including driving hybrid working and global operations, with negative impacts on the talent supply and heightening the importance of technical skills.
 - The **emergence of FinTech in GM** is accelerating, with inward investment from established firms in addition to local start-up organisations.

² [Professional and Business Services sector: creating further demand and growth outside London \(publishing.service.gov.uk\)](https://publishing.service.gov.uk)

³ [The UK's Legal Sector Growth - About Manchester](#)

- Disruptors such as AI/ML will continue to revolutionise the industry. **Automation and digitalisation** have become an everyday topic within the talent and people agenda, as the share of roles that are becoming automatable increases.
- **Lawtech** is seeing the biggest growth across legal services. It includes things such as document automation, smarter legal contracts and predictive AI – some GM firms are adopting these technologies.
- **Evolving workforce demographics**, with up to five generations to manage each with different needs and people staying in the workforce for longer.
- **The sector continues to struggle finding suitable talent in some roles and there is a war for talent**, particularly for technology roles. Due to remote working some businesses are now competing with businesses not in their immediate geography.
- There is notable gender inequality in roles at the professional senior level. **Workplace culture and diversity** are increasingly recognised as key to widening talent pools and improving the supply of skills.
- **Achieving COP26 climate goals** will require all forms of finance allocating capital in the transition to net zero, investing in a green, resilient recovery as countries also seek to recover from the pandemic

2. Sector Background

Policy landscape

Accountancy

- (2.1) Accountants measure and manage the finances of businesses – ensuring accuracy and compliance with financial reporting, management accounting, and forecasting. Comprised of a range of businesses from multinational organisations (with 4 prestigious employers often grouped together as “the big 4”) to thousands of self-employed accountants, the profession makes up a large and important proportion of the FBPS sector. The work of accountants is critical for many business operations – the sector is generally split into “practice” accountants, who work for dedicated practices serving multiple clients, and “management” accountants, who work within the finance teams of one organisation. Professionals may then focus on specific areas of expertise – tax, audit, financial reporting, etc.
- (2.2) By law, businesses registered in the UK must submit financial information in the form of company accounts to the government agency Companies House on an annual basis. These accounts should be an accurate reflection of the organisation’s assets, liabilities, and cashflows, allowing investors, suppliers, and customers to check the financial health of the company. Lacking the skills to develop these accounts themselves, many organisations turn to accountancy professionals to do it for them. Firms within the sector are regulated by the Financial Reporting Council and held to Generally Agreed Accounting Principles (GAAP), which dictate best practice and procedures.
- (2.3) Accountancy is a regulated profession in the UK – becoming “chartered” with one of the awarding bodies is often the aim of professional in the sector. The AAT is the professional body for early-career accountants. The organisation ensures that all members behave professionally and ethically, comply with AAT regulations and relevant legislation, and keep their skills up to date. Ethical compliance is key to maintaining public confidence in the accountancy profession. All members are bound by AAT’s Code of Professional

Ethics⁴. Senior accountants often choose a further membership body – the main three are the Institute of Chartered Accountants in England and Wales (ICAEW), the Association of Chartered Certified Accountants (ACCA), and the Chartered Institute of Management Accountants (CIMA). Once fully qualified and accredited by these organisations, professionals become “chartered”.

Financial Services

- (2.4) In general terms, financial services firms work with businesses to help make, invest, and manage money. Government policy dictates how all businesses must operate with regards to most aspects of finance. Financial services firms also ensure compliance with complex regulations – rules that banks, credit unions, insurance companies, financial brokers and asset managers must follow. Financial regulation is more than just having rules in place; it includes the ongoing oversight and enforcement of these rules. For example, ensuring firms have the funding to trade safely, have the appropriate risk controls in place and are appropriately governed is known as "prudential regulation". The sector is one of the most heavily regulated in the UK.
- (2.5) Since 2013, the Financial Conduct Authority has regulated the sector, ensuring that firms keep to high ethical standards. Professionals and companies operating in financial services must be authorised or registered by the FCA. Because of the complex and opaque nature of many modern financial instruments and schemes, the FCA serves to ensure the market is open, competitive, and protective of the consumer. Complying with FCA rules is critical for firms within the sector – non-compliance can result in loss of licence and in some cases, prosecution.
- (2.6) Each part of the sector has a relevant sector body. The Chartered Insurance Institute (CII) is a membership body for insurance companies. The Chartered Banker Institute (CBI) serves the banking sector. The Chartered Institute for Securities and Investment (CISI) is the largest professional body for those who work in the securities, wealth management, and investments sector. Each of these organisations set professional standards for workers in the sector, and often accredit skills and education. Their programmes are

⁴ [Professional ethics | AAT](#)

developed by practitioners which equip individuals with practical knowledge to do their current job or for those wishing to start out in the profession or looking to specialise in a chosen discipline.

Legal

- (2.7) The legal sector makes up a large part of the FBPS sector – including thousands of lawyers, solicitors, and barristers who work on varied areas of legal interpretation and dispute. Areas of specialisation are wide-ranging – covering contract law, family law, criminal law, among dozens of others. Legislation passed by government turns into law, stating clear boundaries and regulating the behaviour of citizens and companies. All bills currently before the UK Parliament are listed on the UK Parliament website in the Parliamentary Business, Bills & Legislation section. When approved, bills become acts, and are published when they become law⁵. Legal professionals then help to interpret and help the country comply with laws.
- (2.8) There are several sector bodies which bring together and regulate the legal profession. The Solicitors Regulation Authority ('the SRA') is the regulatory body responsible for regulating the conduct of solicitors in England and Wales⁶. The Solicitors Regulation Authority (SRA)⁷ uses continuing competence to make sure solicitors can do their jobs to the standard expected of them. The SRA lists four core competencies: ethics, professionalism, and judgement; technical legal practice; working with other people; and managing yourself and your own work. It recognises the importance of soft skills, such as teamwork, building and maintaining strong relationships with clients, and professional communication.
- (2.9) Because of the age of the profession, many legal sector bodies have a long history. Founded in 1825, The Law Society is a professional association representing to the sector. They hold forums where solicitors meet to debate and influence the future of law. Skills development features in The Society's four core objectives: promoting the profession, influencing for impact by protecting and growing, driving professional excellent and enhancing member

⁵ [Legislation.gov.uk](https://www.legislation.gov.uk)

⁶ [Solicitors' Professional Regulation | Kangs Disciplinary Offences Defence Solicitors - Kangs Criminal Defence Solicitors | VAT & Tax Solicitors \(kangssolicitors.co.uk\)](https://www.kangssolicitors.co.uk/solicitors-professional-regulation-kangs-disciplinary-offences-defence-solicitors-kangs-criminal-defence-solicitors-vat-tax-solicitors)

⁷ [Soft skills | The Law Society](https://www.lawsociety.org.uk/soft-skills)

calibre through organisational efficiencies, growth and developing their people.

Greater Manchester FBPS Ecosystem

(2.10) At a GM Economy level, FBPS is a productive knowledge economy sector. In the work done pre-pandemic for the Greater Manchester Forecasting Model, the sector makes up just under a sixth of GM's GVA output (£11.2bn of £76.5bn total). While the model is now outdated after the economic impact of the pandemic, it expressed the importance of the sector to GM – it expected FBPS companies to make up for around half of GM's growth from 2017-2037 (£9.95bn of £23.9bn). GM's Local Industrial Strategy⁸ set out the long-term strategic aspirations, recognising the sector has been an engine of jobs growth in the city-region for over a decade. The LIS features an ambition to ensure its continued high growth as increasing use of technology changes business models in this sector and creates new demand for digital skills amongst its workforces.

(2.11) In recent years, Greater Manchester has become a hub for shared services – where large companies centralise their back-office functions like HR and Finance into one office. GM is one of Europe's leading shared service centre (SSC) locations having amassed a large, qualified workforce specialising in finance, procurement, HR and IT, resulting in an advanced industry structure. The region is home to more than 45 shared service centres as well as 250 contact centres including global names such as BUPA, Latham and Watkins, Marks and Spencer, Ford Credit Europe, PZ Cussons, SPX, and WorldPay.

(2.12) MIDAS⁹ (GM's economic development agency) provide a free, bespoke and confidential package of services to support businesses looking to relocate or expand business and shared service centres in the city region. Tech Manchester¹⁰ are a not-for-profit initiative which offers free support and guidance to new business start-up tech firms in GM. Both of these organisations see a large number of FBPS employers setting up in GM.

⁸ [GM Local Industrial Strategy](#)

⁹ [About MIDAS - Invest in Manchester](#)

¹⁰ [Tech Manchester trains 100th mentor Prolific North](#)

(2.13) There is a strong collaborative network between financial and professional businesses in GM. Pro-Manchester¹¹ and the Manchester Law Society¹² are amongst the many organisations who run sector networks in the region.

- Pro Manchester have represented the business community in GM and the North West for over 30 years, providing business development opportunities and insight across key growth sectors in the region. A network of over 280 members provides a wealth of knowledge, experience, and information. They have an SME club, which provides free and useful information to small and medium sized businesses, supplying them with the tools and information needed to accelerate growth and achieve business goals.
- Manchester Law Society has more than 3,000 members. The society supplies an extensive legal education programme, running CPD courses and seminars on all aspects of law and its practice. The formation of the Manchester Professionals Dinner Club provides opportunity for professionals to network and help to know other business practitioners and discuss matters relevant to business. The society also supports the Manchester Young Solicitors Association and the Manchester Trainee Solicitors Group.

Workforce and Business Trends

(2.14) FBPS sees a number of workplace trends and intense market pressures throughout the industry:

- With the rise of digital native customers, disruptors, complex regulations, and the implications of a global pandemic – **digital transformation is no longer a competitive advantage, it is a necessity**¹³. The widespread adoption of cloud computing and big data analytics, new and emerging forms of engagement, and evolving customer expectations are changing the financial services landscape. These pressures combine with the highly regulated to produce a complex environment for businesses to navigate.

¹¹ [Financial and Professional Services – pro-manchester](#)

¹² [Training & Events - Manchester Law Society | Manchester Law Society](#)

¹³ [Digital Transformation in Financial Services \(hitachi-solutions.com\)](#)

- The legal sector has undergone some major changes over the past decade. It is now one of the leading sectors in the UK, with a **rise in demand for legal services seen throughout the country**¹⁴, particularly across property law, medical negligence law, and contract law.
- The **growth of the Business and Professional sector is linked to improved performance of firms they assist**, for example, they will lose business if their clients fail. The consequence of this is that the health of the sector can be loosely attributed to the health of other sectors they service. However, this is difficult to quantify directly, and the nature of supply chains means it will be dependent on other factors¹⁵ – some specialist FBPS firms focusing on insolvency and acquisitions can benefit from wider economic downturns.
- **Flexible working measures like part-time work, flexible hours, and job-sharing** were already on the rise pre-pandemic for FBPS employers. The nature of many jobs allows for asynchronous work with just a computer and internet connection. The pandemic accelerated this.
- As the labour market recovered after the COVID19 pandemic, several **labour shortages became clear**. Competition for early talent and skilled workers has increased. This has fed through to wage inflation – in early 2022, the sector has seen wages rising at around 11% – higher than most other sectors.

¹⁴ [The UK's Legal Sector Growth - About Manchester](#)

¹⁵ [Professional and Business Services sector: creating further demand and growth outside London \(publishing.service.gov.uk\)](#)

3. COVID19, Brexit, and Net Zero: Impact on the FBPS Sector

- (3.1) The implications of Brexit, COVID19, the need to reach net zero emissions, and the fourth industrial revolution are exacerbating the scale of skills shortages across the UK. COVID19 has resulted in a set of emerging professions focusing on digital skill reflecting the adoption of new technologies. Recent data from the World Economic Forum highlights that over 80% of employers reported that automation has accelerated their work processes. Many companies are embedding sustainable business practices closer to their core work – while the impact of this on the FBPS sector is small compared with the likes of construction or logistics, there are still some changes that many businesses are seeing.

Financial Services

- (3.2) Brexit continues to affect financial services both in the EU and UK. Although Britain left the EU with a treaty covering the future relationship, there is still a lot of uncertainty remaining for the finance sector. As a member of the EU, the sector took a lot of direction from regulators which set the standard across the union. While many of the directives have remained since the UK left the EU, there is less certainty whether or when these will be replaced by UK-specific rules.
- (3.3) At a regional level, the COVID19 pandemic has had a massive impact on the people of GM - as well as devastating social impacts, the economy is also suffering repeated shocks. The impact was not spread evenly across sectors - FBPS was not majorly impacted by the pandemic. Areas such as retail banking were hit relatively hard; in some cases, staff were furloughed and branches closed their doors permanently and jobs became redundant. Some employers, including Barclays Bank and Lloyds Banking, reported efforts to avoid redundancy, deploying internal reskilling bootcamps to help people transition from branch roles to other roles across their business, including technology roles such as software developers.

Barclays – Reskilling Internal Mobility

Launched in the early months of the pandemic, 'Destination Technology' is an internal mobility programme open to all Barclays employees designed to support people to reskill into 'in demand' Tech/digital roles. The programme offered support to explore new roles across Barclays, empowering employees to take ownership of their own career path.

To spark interest amongst the workforce, 'Technology Immersion' provides opportunity for employees to learn about the latest tech trends and build their basic skills on Technology. It provides opportunity to explore a career in Tech with access to a range of job role profiles and career paths, while also enabling an individual to understand how Technology enables the success of Barclays.

Barclays recognised they had a great pool of talent in operational teams such as branch's, call centres, and customer service teams. Employees working in these teams know the products and services, and have customer service skills, bringing with them a further dimension to the technology teams' skillset. In addition, some operational roles were reducing so the programme provides opportunity to protect longevity of employment through creative reskilling.

Employees moved into a range of roles for example, they may reskill from operational team roles typically being on a comparable salary to a junior technology role. Having customer service experience and product knowledge understanding, their skills and knowledge are invaluable to the tech team when mapping out the customer journey as part of product development. As part of the programme the employee gets day release for 20% of their working week.

Training is tailored to the individual and role and is designed to build the employee's tech skills over a series of weeks or months, delivered through a variety of channels, including online learning. For example, if an employee goes into a business analyst type role, tech teams work with customer requirements and translate them into technology, which technical teams can go and build. Some individuals can step into roles with little training. The length of time it takes to become fully competent varies, for example a business analyst might become productive within a month, but it will take the individual 4,5, or 6 months to qualify. Whereas for an engineering developer role, multiple certifications might be needed, for example year one might include cloud basics, year two Java developer and year three they would become a specialist.

Everyone on the programme has access to a Talent coach, someone who is working in a junior role so that they can relate to the learner's development needs. This provides junior staff with CPD opportunities, providing an insight into line management/ developing people, which in turn helps motivate and better retain staff.

Due to the success of Destination Technology and as a way to address the skills gap in the cyber security team 'Destination Security' has recently been launched focusing on reskilling employees into cyber security roles.

- (3.4) Also increasing the need for digital specialists is a change in consumer habits. Over the course of the pandemic, both individuals and businesses have changed the way they access banking and financial services. Customers are looking for solutions online and organisations have been left with no option but to move with the times and offer virtual/digital services. Digital-first services mean there is a demand for qualified candidates with digital knowledge – something that today's younger generation are often better skilled in than older generations, where upskilling is more likely required¹⁶.
- (3.5) Skills shortages in Financial Services have been accelerated by the COVID19 pandemic, with automation, digitisation, globalisation and changing workforce demographics all contributing to the challenge. This has resulted in heightening the importance of technical skills, new skills needs, encompassing technology, and interpersonal skills. FSSC data shows 92% of their member firms had hard to fill vacancies in 2021. The answer to this for many is internal development – 65% of firms which invest in future skills experience a reduced need to hire for roles externally. The national report findings demonstrate the importance of future skills forecasting and skills investment over the long term.

Accountancy

- (3.6) Accountants saw much the same change over the course of the pandemic – a rise in home working and switch to digital services. While some sectors saw staff furloughed and order books empty, generally speaking accountancy firms saw similar or increased levels of workload. This was partly driven by increased complexity for financial reporting and payroll (as staff were furloughed), accessibility of loans and grants to be integrated into client businesses, and deferral of tax liabilities.
- (3.7) Longer term trends in the sector are well documented by some sector bodies. ACCA's *Future ready: accountancy careers in the 2020s*¹⁷ draws on three years' research and identifies the quickly growing digital landscape is redefining the workplace. This is calling for 'Traditional' roles to be redefined,

¹⁶ [Career Guides: How to Get Into Financial Services - Careemap](#)

¹⁷ [Future ready: accountancy careers in the 2020s \(on24.com\)](#)

such as accountants, to ensure organisations are able to perform and survive. 20 trends are identified as shaping careers in accountancy. These range from the rise of data, inclusivity, business models innovation, and automation. ACCA see five career zones emerging demonstrated in Figure 1. These zones represent broad areas of opportunity which individuals may develop their careers in, or indeed navigate across. Career paths in the profession will become more diverse and working lives will evolve as technology blurs the work divide between humans and machines.

Explore future career zones

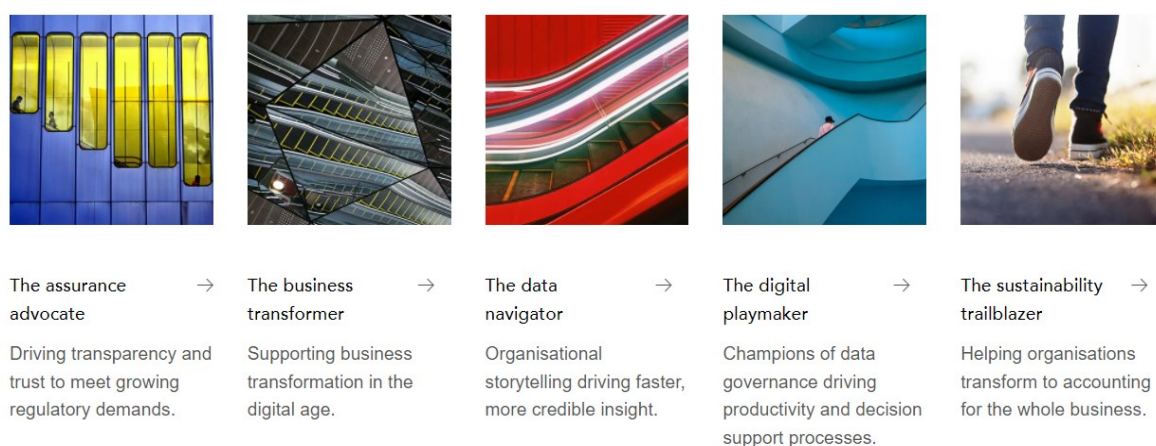


Figure 1: ACCA Future ready: accountancy careers in the 2020s¹⁸

(3.8) Brexit has created both uncertainty and opportunity for the UK financial sector with both the EU and the UK developing their regulatory regimes for the financial and accounting sector. The Financial Services Future Regulatory Framework Review¹⁹ was announced in 2019 to assess whether the UK financial services regulatory framework is fit for purpose and able to support future growth, particularly in light of changes such as Brexit and climate change. The Financial Services Bill was introduced in Parliament in October 2020 and is designed to ensure the UK's world leading services sector continues to thrive and grasp new opportunities on the global stage. It is the first move by the UK Government to create a UK financial services regulatory model separate from the EU regime, ensuring that the UK

¹⁸ [Future ready: accountancy careers in the 2020s | ACCA Global](#)

¹⁹ [Future Regulatory Framework \(FRF\) Review: Proposals for Reform - GOV.UK \(www.gov.uk\)](#)

maintains the highest regulatory standards and remains an open and dynamic global financial centre.

- (3.9) The limited focus on banking and financial services in the Trade and Cooperation Agreement between the UK and the EU, for the sector was almost comparable to the much-feared ‘no-deal scenario’ before the end of 2020. Only six of the 1,259 pages of the Agreement cover financial services. According to an EY report from March 2021, since the Brexit referendum 24 financial services companies have publicly stated they will transfer almost £1.3tn of UK assets to the EU – this has continued into 2022. As much as 43 per cent of UK financial services companies have moved or plan to move some UK operations and/or staff to Europe: 36 companies have moved or relocated people to Dublin; 29 to Luxembourg; 23 to Frankfurt, 20 to Paris, eight to Madrid and Amsterdam; six to Brussels and five to Milan²⁰. While these shifts will damage the overall sector, London is the primary recipient of these moves.
- (3.10) Environmental, Social & Governance (ESG) priorities are rising to the top of the global agenda, especially in the financial services industry. ESG regulation will impact every organisation and it will be crucial for organisations and in general financial services to develop an inclusive, sustainable finance framework. Many financial organisations are acting as an engine driving the ESG transition and the path to Net Zero. The objective for the private finance world at COP26 was to ensure that every professional financial decision takes climate change into account²¹. Private finance will help companies realign their business models for net zero by funding initiatives and innovation of the private sector. There is a clear opportunity to invest in a green, resilient recovery as countries seek to recover from the pandemic and take the opportunity to explore new models. Employers spoken to as part of this review said “greening” finance is a priority for their organisation.

²⁰ [Brexit and the impact on the banking and financial industries. | International Bar Association \(ibanet.org\)](https://www.ibanet.org/Brexit-and-the-impact-on-the-banking-and-financial-industries)

²¹ [COP26-Private-Finance-Hub-Strategy_Nov-2020v4.1.pdf \(ukcop26.org\)](https://www.ukcop26.org/COP26-Private-Finance-Hub-Strategy_Nov-2020v4.1.pdf)

4. Labour Market Information

- (4.1) It is a challenge to measure accurately the makeup of the labour market in the financial services sector and legal services. This is in part due to the broad categorisation of Standard Industry Classifications (SICs) and the inability to easily drill down to a more granular level. However, some of these categorisations do reveal some information about the state of the labour market for the sector. FBPS employers across the UK employ around 5.5m workers and are a major recruiter of early talent, hiring nearly 20% of all graduates entering the UK labour market each year²².
- (4.2) According to the most recent Business Register and Employment Survey, in 2020 across GM there was a total of 1,321,000 people employed in GM. Of these, approximately 309,000 are employed across FBPS companies. This accounts for around 23% of GM's workforce. The sector ranks high for productivity for GM and is also an important sector for both the UK and GM's economy.
- (4.3) There are approximately 7,370 Financial and Insurance businesses registered in GM, and 1,865 legal firms, in addition to hundreds of firms who have a regional office in the city. While these are spread across the 10 local authority areas of GM, many of the larger organisations based in GM have a city centre site. The number of organisations is growing indicating that the sector is an important area of the GM economy. Spinningfields, one of Europe's most successful urban regeneration projects, sits at the heart of the city's FBPS industry, where it is estimated that 20,000 people work. Firms including Barclays, Deloitte and Brewin Dolphin are located in GM.
- (4.4) The sector overall is relatively balanced between genders at entry-level roles, yet 80% of men in the sector hold professional roles compared to 57% of women. This results in notable gender inequality in roles at the professional level. However, social mobility is slightly better among women than among men: 47% of women in professional roles come from a working-class background, compared to 43% of men. While women overall are less well

²² [Pandemic drives skills shortage in the professional sector | ICAEW](#)

represented in these roles, this picture is reversed when considering just those from working class backgrounds.²³

- (4.5) There are 1,811,500 people of working age living in GM, of which, 910,400 (50.3%) are male and 901,100 (49.7%) are female. 11% are aged 16 to 24, 34% of the workforce is aged 25 to 49, 18% are aged 50 to 64, and 16% are aged 65+. Figure 2 below shows the age and gender distribution of UK industries in the UK in 2019. The Finance / Insurance sector has a disproportionate spread of females and males working between the ages of 30 - 49. From ages 16 - 24 and 50+ there is a relatively equal spread of females and males working in the sector²⁴.

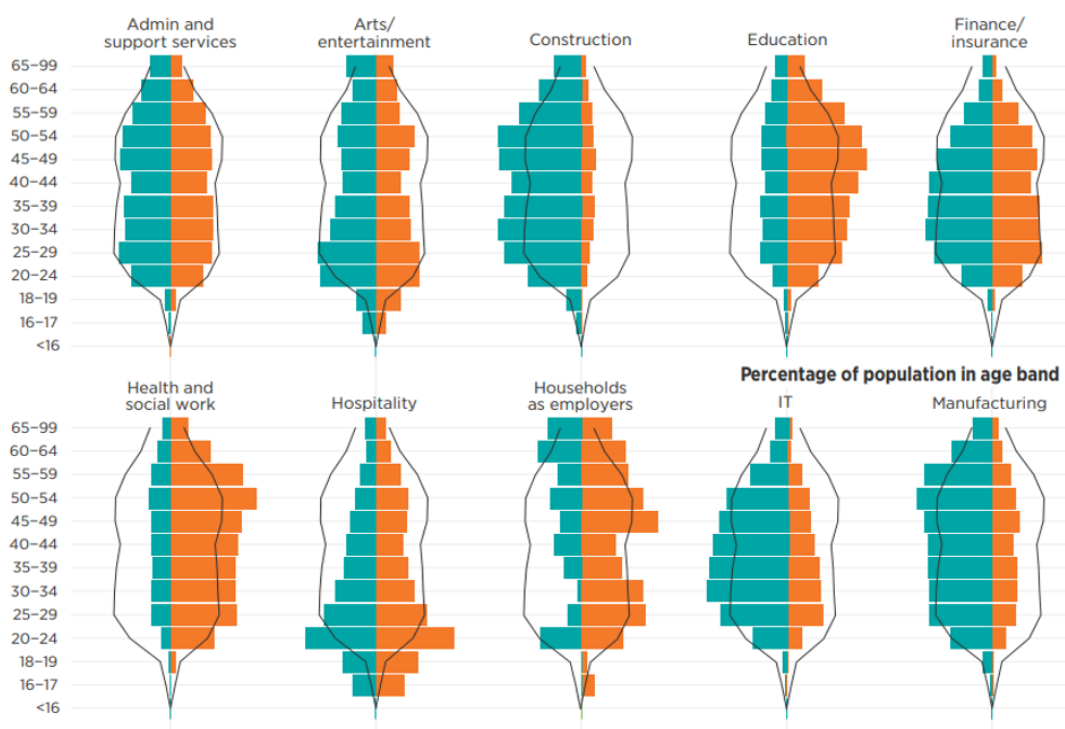


Figure 2: Age Profile of UK Industries (Male in teal, Female in orange)

- (4.6) Figure 2 shows the age profile of UK industries and the gendered division of work in the UK in 2019. The Finance/Insurance sector has a relatively proportionate age profile amongst the workforce with a slightly above average proportion of workers between the ages of 20 to 49. The GM Independent

²³ [Socio-economic diversity and inclusion Toolkit: Financial and professional services - July 2021 \(publishing.service.gov.uk\)](#)

²⁴ [CIPD Report – Benefits of an Older Workforce](#) – October 2019

Inequalities Commission²⁵ identifies that the growth in older workers, (aged 50+) over the next two decades represents one of the biggest changes in the workforce composition in GM. The FBPS sector will see this along with others, but likely won't face a "cliff-edge" in the same way as other sectors might.

- (4.7) The ageing population will impact different parts of the labour market. At a regional level, employers told us there is a age imbalance in some financial and professional services roles, in particular in senior management roles. Ensuring clear succession plans are in place, as well as supporting older workers will be critical to effective management. GMCA have recently published a [guide on Age Inclusive Recruitment](#) with the Centre for Ageing Better – this may benefit some employers.

Diversity in the Financial, Professional and Business Services Sector – Good Practice

- (4.8) The intelligence work identified many good practice schemes/initiatives in place. FBPS employers across GM may wish to explore these further as a way to diversify their talent pipelines:

- In February 2020, the Social Mobility Commission (SMC) published a toolkit aimed at encouraging and enabling employers to increase levels of socio-economic diversity and inclusion within their organisations²⁶.
- The Women in Finance Charter (WIFC)²⁷ was launched in 2016 to bring about gender equality in financial services.
- Findexable provides a real-time ranking of all cities worldwide where there is a cluster of FinTechs and is supported by data and analytics allowing benchmarking for investors and organisations. Diverse FinTech sector.
- The Chartered Institute for Securities & Investments (CISI)²⁸ provides outreach to schools, colleges, and universities to promote education and careers in financial services promoting social mobility.

²⁵ [Independent Inequalities Commission - Greater Manchester Combined Authority](#)

²⁶ [Socio-economic diversity and inclusion Toolkit: Financial and professional services](#)

²⁷ [Women in Finance Charter - GOV.UK \(www.gov.uk\)](#)

²⁸ [Get Into Finance \(cisi.org\)](#)

- Social mobility initiatives are helping employers to build a pipeline of diverse talent, an example is Access Accountancy, which is working towards everyone having an equal chance of progressing within accountancy, based on merit not background²⁹.

UK Vacancy Market

- (4.9) The FBPS sector is generally seen as high skilled and well-paid. The evidence generally supports this. Wages tend to be above the UK average, especially in some legal and professional services subsectors like management consulting. In the year to May 31st 2022 vacancy data shows that the mean salary on advertised roles in the sector in the UK was £39,300 (in GM this was £35,600).
- (4.10) Job vacancies in the FBPS sector have seen large increases and are higher than pre-pandemic levels. Figure 3 shows vacancy data for Legal, Financial Services, and Accountancy roles – in all 3 areas, job vacancies have increased throughout 2021 as businesses look to employ more staff to meet demand. Wider ONS data backs this up – in the period January to March 2022, there were an estimated 50,000 job vacancies in Financial and Insurance activities, double the 24,000 recorded in January to March 2021, and higher than pre-pandemic levels at 29,000 recorded in January to March 2020³⁰. This increase speaks to what employers mentioned about a tight labour market, with fewer applicants for many positions, and longer recruitment times for employers.

²⁹ [Access Accountancy - Home](#)

³⁰ [VACS02: Vacancies by industry - Office for National Statistics \(ons.gov.uk\)](#)

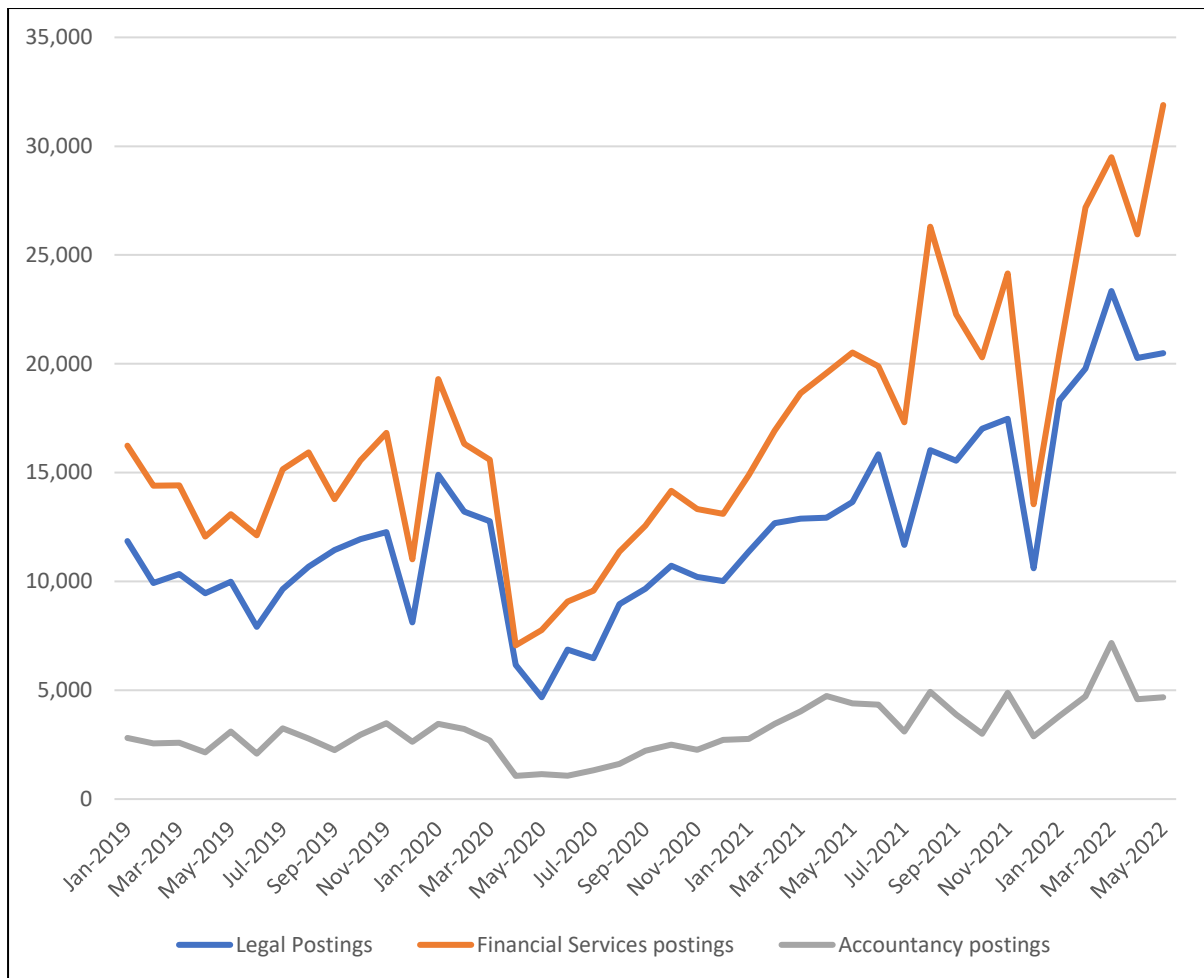


Figure 3: Labour Insights UK Vacancies – January 2019 – May 2022 (Legal, Financial Services, Accountancy)

GM Vacancy Market

(4.11) Measuring the health of the vacancy market for the sector reveals that GM has recovered slightly better than the UK as a whole. Figure 4 below is drawn from Labour Insights data on online job postings. It shows that monthly relevant vacancies are now more than double their pre-pandemic levels (rising from 2,509 in January 2019 to 5,482 in May 2022). This is a stronger recovery than the UK sector as whole, which speaks to GM's strength in Professional Services.

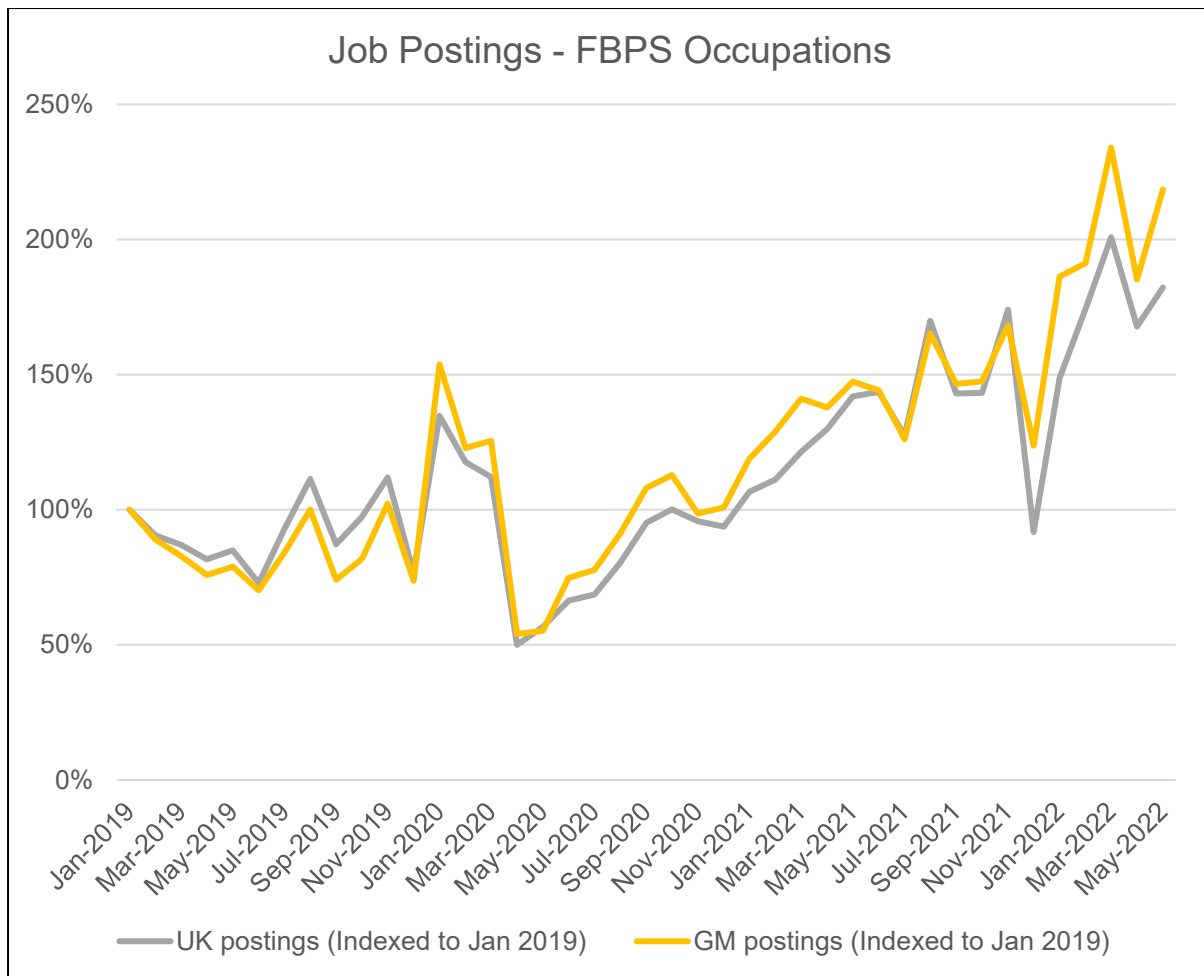


Figure 4: Job Postings in Financial, Business and Professional Services occupations (indexed to January 2019)

(4.12) Figure 5 below shows GM Accountancy and Financial Services job postings for the 12 months to May 2022, according to Labour Insights. Specialist occupations dominate this list, with demand for trained legal professionals still higher than other professions.



Figure 5: Labour Insights. GM Job Postings – Finance, Business and Professional (May 2021 – May 2022)

In Demand Roles

(4.13) Combining this vacancy data, wider Skills for Growth programme data (SME Support run in partnership with The Growth Company and Greater Manchester Combined Authority)³¹, Chamber of Commerce BEST Survey results, and employers' feedback, it is possible to aggregate the roles that are in highest demand across Financial, Business, and Professional Services:

- Customer Service Representative
- Accountant
- Bookkeeper
- Financial Manager
- Underwriter
- Credit Control
- Tax Assistants

³¹ [Home | Skills for Growth - SME Support \(skillsforgrowthsmc.co.uk\)](https://www.skillsforgrowthsmc.co.uk/)

- Technology roles: Software Developers, Cyber, Data Analysts / Scientists
- Mid-senior legal professionals.

- (4.14) As the UK establishes new legal frameworks to replace areas previously governed by EU **legislation, demand for legal professionals who can support firms in adapting** is high. Anecdotally, employers spoke about the demand for professionals specialising in restructuring and employment law in particular. Professionals at the mid-level are in short supply as a result of the low numbers of lawyers that qualified during 2008-2012 (post-recession). As a result, employers need to be more flexible and offer training platforms to junior lawyers coming through so that they can re-skill into areas that will become more demanding – such as restructuring and competition law.
- (4.15) Anecdotally, **client demand is at peak levels for corporate, litigation and employment lawyers** on the commercial side, in both practice and in house, as industry's appetite for hiring their own legal talent continues. Additionally family lawyers on the private client side are in short supply, with limited numbers of good candidates for many vacancies. Employers spoke about some legal businesses needing to strip back legal support services and as a result tasks such as professional letter writing, previously undertaken by legal secretaries is now at the hands of lawyer. There is a need for some legal professionals to train in professional letter writing to recap on skills.
- (4.16) Employers spoke about the **need for property lawyers**. These lawyers help clients deal with a wide range of property-related issues including buying, selling, subdividing, transferring titles, council and building restrictions, tax implications, approval processes, and restrictive covenants and easements. **Competition law specialists are in increasing demand**. Competition law makes sure businesses are competing with one another and are protected from others acting unfairly. Any business – whatever its legal status, size and sector –needs to be aware of competition law, firstly so that it can meet its obligations, and in doing so, avoid heavy penalties, but also so that it can assert its own rights and protect its position in the marketplace.

Occupational Pathways

- (4.17) The FBPS sector is a significant employer in the UK and offers a wide variety of career opportunities. Careers companies offer guidance on different career paths and qualification routes for example, The National Careers Service, National Skills Academy Financial Services and Financial Skills Partnership. Career Guides helps individuals to understand how to get into a particular industry. This includes people of all ages including school leavers, university students, graduates, or professionals³².
- (4.18) Much of the sector is characterised by rigid but clear progression routes directly linked to qualification and certification. Some technical roles such as accountants, financial managers, management and roles in support/ancillary teams such as Legal, HR, Marketing are required to gain professional registration e.g., AAT for accountants, The Chartered Institute for IT, HR: The Chartered Institute for Personnel and Development (CIPD). HR, legal and marketing roles often have lower-level roles with no pre-entry requirements and clear routes to progress their career.
- (4.19) Employers spoke about routes into the industry – there is a wider range of entry routes than ever before, from school-leaver schemes and apprenticeships to graduate training schemes and internships; these are discussed at a later stage in this report. The AAT³³ offers guidance on career paths and the common job roles in the sector for early-career accountants. Across financial services, other roles like customer service representatives, sales representatives, project managers and technology/technical roles are in high demand, the latter to meet the increasing FinTech needs – there are a lot of entry level routes into these.
- (4.20) Employers explained the sector is increasingly looking at different ways to recruit people from a range of different educational backgrounds. Employers are willing to recruit individuals with no previous knowledge as long as they display the right soft skills, which is discussed at a later stage in this report. In general, employers said that entry roles are well served, although there some

³² [Career Guides - How to Get Into - Careermap](#)

³³ [Accountancy, banking and finance job profiles | Prospects.ac.uk](#)

roles in demand that are difficult to fill including accountants and tax assistants. Employers spoke about how individuals of all ages do not always easily understand roles, for example, Risk Manager, Tax Technicians and Credit Controller. Some entry level technical roles require no qualifications upon entry and many individuals may then be trained up. Technical roles at a mid to senior level typically take much longer to reach competency.

(4.21) Mirroring the national picture GM financial services businesses are starting to realise it is not always university students who make the best candidates. However, there are still some organisations where at a board level they set a strict criterion for applicants from a particular educational background (which implicitly introduces preferences for applicants from certain social backgrounds). Most organisations still expect for some roles a basic skill such as Grade 4 or above (GCSE C) in English and Maths. However, increasingly employers are moving away from this criteria. Other routes into financial services include through traineeships and school leaver schemes and this requires the individual to learn on the job and in some cases study for further qualifications. Most employers advertise vacancies on their website but they said they welcome individuals directly approaching them to see if they have any opportunities, they view this as people showing initiative and interest.

(4.22) Employers spoke about their graduate training schemes, where they provide further training, in some cases this required additional studying for qualifications, before being offered a permanent role. Certain roles require graduates to first do an internship before being considered for a role. Most of financial services companies expect recruits to have already gained a degree before considering them for graduate training or fast track schemes. It is not essential to have a Maths degree, but most will expect at least a 2:1 in the chosen subject.

Negative Perceptions of the Industry

(4.23) While it is a stable and lucrative sector for many, the reputation of the FBPS sector (particularly banking) has been damaged in recent years. There are also a range of misconceptions surrounding careers in accountancy, finance, and banking. Many often assume the only jobs are in accountancy firms

rather than working for central finance teams within varied types of organisations.

- (4.24) Employers feel there is a legacy perception associated with the sector; that it is slow to change and is heavily regulated. Employers felt there is a need for clarity on learner journeys and career pathways selling the positives on the sector. When exploring how best to explain the sector, employers said providing real life examples of people who have successfully navigated a career in the sector is usually helpful. They felt the negative misconceptions about working in the sector needs to be better portrayed to young people and career switchers. They agreed working with the BridgeGM team collaborating closely with schools, FE and HE institutions will be beneficial and employers going into these venues to talk about what roles are available in the industry is worthwhile e.g., accountants and solicitors going into the school to teach, explaining what the role entails portraying the positive benefits and overcoming misconceptions as discussed earlier in this report. Through this collaboration it would help to further develop GMACS case studies on real-life examples clarifying roles and overcoming some of the negative connotations surrounding the sector, ultimately this help to invigorate interest from more individuals wanting to pursue a career in the FBPS sector³⁴.
- (4.25) Some people believe finance is a mundane career. Young people often see it as a non-diverse sector where middle aged white men work in the role and spend each day looking at data and spreadsheets. Employers spoken to said this is not the case and the role is much more than data. They are conscious of this perception and some work has been done to promote examples of underrepresented groups working in the sector, but more work is needed to be done to diversify current workforces. Employers felt to bring about innovation it is important to bring together a diverse talent pool with different ideas and strengths.
- (4.26) Another common misconception is that young people have to go to university to enter the sector, when this is not the case. There are many alternative routes into the sector, for example, an apprenticeship and traineeship³⁵.

³⁴ [Business, Financial and Professional Services | GMACS | Inspire. Explore. Apply](#)

³⁵ [Find an apprenticeship - GOV.UK \(www.gov.uk\)](#)

Employers reported that they are increasingly recruiting apprenticeships of all ages, and from a range of backgrounds and are interested to explore other routes into the sector to create opportunities for people who may otherwise not get the opportunity.

Social Mobility

(4.27) The research identified social class is a hot topic amongst employers and universities across GM. Employers reported the following:

- There is an underrepresentation of certain groups across the FBPS workforce including ethnicity, gender and social class, especially at more senior levels.
- Where you grew up and what your parents did still has an impact on your opportunities and your earning potential.
- Traditionally in particular larger sized corporate organisations recruit graduates from Russell Group universities.
- Anecdotally, imposter syndrome often stops people from entering a profession in the FBPS sector, for example those who come a lower socio-economic household as they do not feel good enough to work in the sector.
- FBPS employers, in particular larger sized businesses are increasingly playing a role in improving social mobility across GM.

(4.28) The Solicitors Regulation Authority requires law firms to collect and publish diversity data about their staff, including data about social mobility. The following provides examples of some good practice initiatives employers and providers spoke about as part of the intelligence gathering work:

Lloyds Banking Group – partnering with the MMU to embrace the local talent nurtured in our higher education institutions. A pilot has been running to support providing a more diverse and inclusive recruitment plan in the retail banking part of Lloyds Banking Group to diversify social class. Lloyds removed their verbal reasoning recruitment selection test due to this previously hindering people applying from different cultural backgrounds. They now test more so for behavioural traits meaning people get more opportunity to join the organisation.

EY and Neuro-Diversity – setting the standard for inclusive workplaces, having opened their first UK Neuro-Diverse Centre of Excellence in Manchester. EY found that in some roles neuro-diverse individuals were more innovative and therefore ensures a diverse workforce but also enables them to access untapped talent from local community groups who might otherwise not get the opportunity

Leadership Through Sport and Business – a national social mobility charity working with employers across GM to prepare and support bright young people aged 16-24 who face disadvantage (e.g., who were eligible for free school meals, from areas of low attainment, or face personal disadvantage) into secure, sustainable, high-quality careers in business and finance, digital, data, and customer service roles. A ParaLegal apprenticeship is due to be launched this year. LTSB's partnership with the NatWest Group led to successfully recruiting 60 Digital, Data and Customer Service apprenticeships in 2020 across the country, including in Greater Manchester. Natwest changed their entry requirements and no longer require candidates to have a GCSE grade 4 (previous C) supporting individuals to achieve these when in role.

Bridge GM¹ – work with schools and colleges to increase the number of FPS enterprise advisors across all localities. A project is in place to produce labour market insights for all sectors, which will be shared with young people, students, parents and teachers and careers advisors. The purpose is to invigorate curiosity amongst young people and career switchers and to add clarity on career paths and misconceptions while highlighting workforce trends to drive social mobility. Bridge GM are leading the rollout of the FinTech for Schools Initiative. This will develop awareness on the sector and job roles also providing financial literacy skills to all young people across GM.

5. FBPS Sector Skills Demand

Skills and Labour Demands

- (5.1) Employers reported a wide range of skills and labour issues across the sector – this section presents the prevailing messages from GM employers in Financial, Business and Professional Services. GM employers mirror the picture in the national sector struggling finding suitable talent. Skills that were in short supply pre-pandemic have become more highly sought afterwards. Digital skills in particular have become even more desirable as organisations shift their working models online.
- (5.2) As FBPS firms provide knowledge and skills-based services to clients and often require specific qualifications to enter, the level of qualifications in the sector is generally very high. Academic qualifications are seen as a highly important factor by employers in business services with 61% of employers perceiving this as a factor of critical or significant importance in hiring candidates compared with 46% across all industries. Outside of degrees, apprenticeships offer a route into FBPS roles – however, recent work for the Employer Pulse Survey 2021³⁶ revealed that only 19% of employers in the sector were offering apprenticeships.
- (5.3) Aside from professional qualification requirements, employers across GM look for a wide range of both technical and soft skills. Figure 6 shows GM FBPS topmost 15 skills being advertised for in the 12 months to May 2022 – technical specialist skills dominate the list, but there are several more “soft” skills included, like teamwork and customer service. Corporate Social Responsibility also features highly on many job adverts, speaking to importance of this in the sector, as FBPS firms aim to maintain and build reputations of ethical business practice.

³⁶ [DfE Employer Pulse Survey 2021](#)

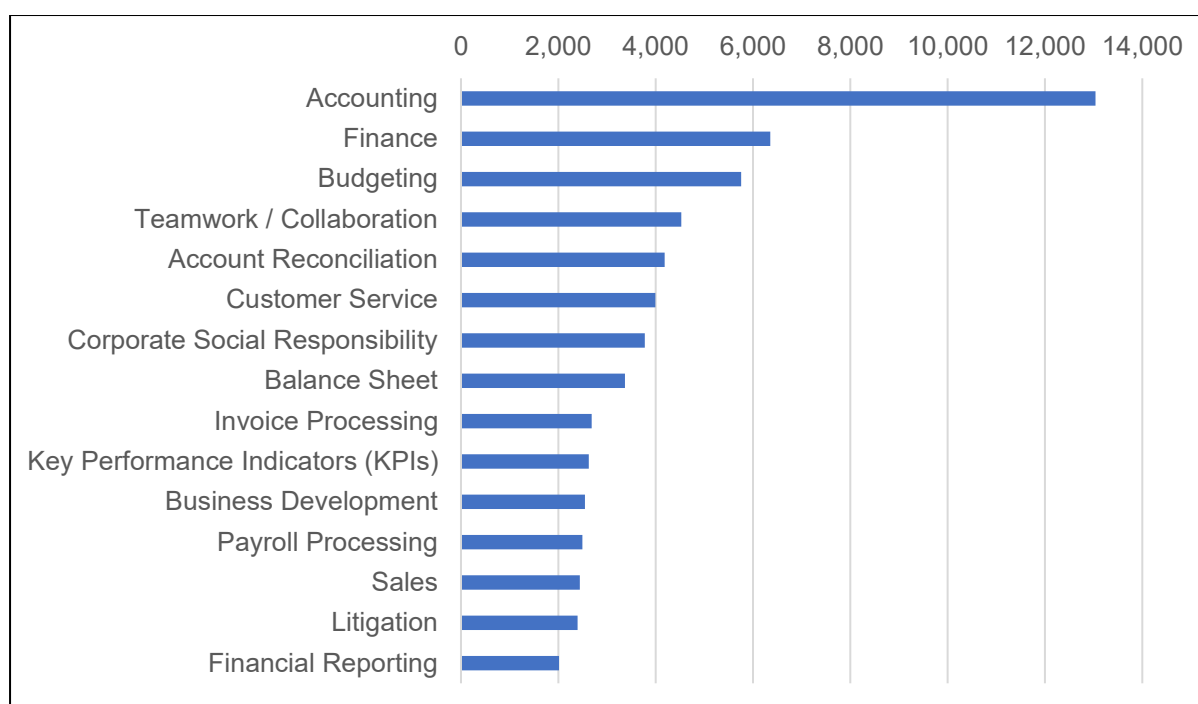


Figure 6: Skills requested on job postings in FBPS jobs

Accountancy

(5.4) Because of the regulated nature of accountancy, there are a number of pre-requisites for workers in many roles. A variety of finance qualifications are seen as industry standard. Some of the most popular accountant qualifications originate from the UK and are recognised worldwide:

- **AAT (Association of Accounting Technicians) accounting courses** – made up of Levels 2 – 4. Modules combine early-career industry knowledge and practical work skills – often the starting point for many in the sector.
- **ACCA (Association of Chartered Certified Accountants)** – papers sit across 3 levels – applied knowledge, applied skills, and strategic professional. The modules cover a variety of topics from corporate and business law to audit and assurance.
- **ICAEW (Institute of Chartered Accountants in England and Wales)** – also referred to as the ACA, involves the completion of 15 exam modules over 3 levels (certificate, professional, advanced).

- **CIMA (Chartered Institute of Management Accountants)** – oversees the widely recognised CGMA (Chartered Global Management Accountant), which requires the individual to already gained the postgraduate-level CIMA Certificate in Business Accounting (Cert BA). CIMA modules also sit across 3 levels (operational, management, strategic).
- (5.5) The AAT qualification is typically the minimum level expected of an accountant, but to become a chartered accountant, progressing to the ACCA, ACA or CIMA qualifications is required. Although many accountants hold a university degree, it is often desirable rather than essential. Even if it is a prerequisite for a role, the degree can usually be in any subject. While maths and economics at A-level followed by an accounting degree³⁷ are advantageous, it is not essential to access accountancy qualifications – professional bodies provide courses for students and workers at all levels which are often studied while working.
- (5.6) Because of the complexity of the area, Tax accountants often need to have specialised qualifications. Governments often change tax regulation based on political priorities – complying with this changing regulation means tax specialists need to keep their knowledge up to date. As a result, the qualifications in this area undergo regular revisions. The Association of Tax Technicians (ATT) qualification serves as the early-career qualification, and the Chartered Tax Advisor (CTA) serves as the specialist certification. Many accountants will often start with general accountancy qualifications and then move on to specialise in tax later in their career.
- (5.7) Businesses are constantly evolving and chartered accountants and other professionals must adapt their skills to the ever-changing needs of the market. Employers must also build a pipeline of diverse talent and potential for the future, which is why social mobility initiatives such as Access Accountancy³⁸ and activities which help develop new skills such as digital, are going to key for those entering the sector. Employers reported that there is a good supply of talent across GM and at a competitive market rate, although in recent times some in demand roles are attracting higher salaries, in particular technology

³⁷ [What can I do with an accounting and finance degree? | Prospects.ac.uk](https://www.prospects.ac.uk/What-can-I-do-with-an-accounting-and-finance-degree/)

³⁸ [Access Accountancy - Home](https://www.accessaccountancy.org/)

roles. The talent pipeline has opened up as companies start to recruit from further afield offering remote ways of working where possible. This led to wage inflation higher than average as firms compete in the same talent pool.

Financial Services

(5.8) As a broad sector, there are a wide range of professional qualifications which link to key occupations in Financial Services. These are often seen as a pre-requisite for mid-level positions in the sector, and early career workers are often supported to study:

- **CII (Chartered Institute of Insurance)** – qualifications at Level 3 Certificate, Level 4 Diploma, and Level 6 Advanced Diploma which introduce and build on various aspects of claims management, underwriting, and insurance markets.
- **CISI (Chartered Institute of Securities and Investments)** – key qualifications at Level 3 IOC (Investment Operations Certificate), and Level 6 Diploma in Investment Operations – benchmark qualifications for the sector.
- **CFA (Chartered Financial Analyst) Society** – qualifications at Level 4 (Investment Management Certificate) and a newer Level 4 Certificate in Climate and Investing

(5.9) In recent years, much of the work to explore skills issues in the wider FBPS sector has been led by the Financial Services Skills Commission (FSSC)³⁹, an independent, not for profit, member-led body. The FSSC works directly with the sector to ensure that businesses have the talent and skills they need for the future, gathering the views of 30 large employers, representing more than 300,000 employees across all parts of the sector and all the UK's regions and nations. In March 2022, the FSSC launched 'Mind the gaps – skills for the future of financial services 2022'⁴⁰. Their report highlights five future skills which are integral to driving sustainable growth and maintaining the financial

³⁹ [FSSC Financial Services Skills Commission](#)

⁴⁰ [FSSC Mind the gaps - Skills for the future of financial services 2022](#)

services sector's competitive advantage. These five skills sit within a broader cluster of skills where action to close skills gaps is most needed:

1. Data analytics & insight
2. Software development
3. Digital literacy
4. Creative thinking
5. Coaching

The report calls for employers, government, and education providers to explore new opportunities for the upskilling and reskilling of the UK workforce. A failure to act could mean the UK losing out to its global competitors. It also suggests more detailed skills forecasting is necessary to understand the specific skills and scale required for emerging areas like low carbon services.

(5.10) In October 2021 the FSSC created the 'Future Skills Framework' helping organisations and learning providers build their skills and products more effectively. By defining 8 skills and offering proficiency levels for an initial set of future skills and mapping skills to job families it helps guide investment in skills. It is due to be updated with the five skills covered in the current report in summer/autumn 2022.

(5.11) The FSSC report focuses on several **technical and Fintech-related skills**, which are in short supply:

- **Artificial Intelligence (AI) / Machine Learning (M/L)**
- **Software Development**
- **Blockchain**
- **Cyber Security**
- **Data Specialists.**

Employers spoke about the increasing demand for roles in AI/ML, Cyber, Data, and FinTech. Some employers felt skills are needed to ensure individuals have a grounding in data/AI/ML, especially looking at data service solutions developed in public cloud e.g., AWS/Azure/GCP. The FSSC is also launching a new Skills Gap Toolkit, which could be beneficial to GM employers.

FSSC Toolkit

The Skills Gap Analysis toolkit is designed to support financial organisations to identify the skills they will need in the future. Many in the sector don't have a formal training needs assessment or organisational needs assessment process – aiming to address this, the FSSC have developed a tool for employers to use. The toolkit is centred around three questions firms need to answer as part of their skills forecasting and it includes a set of supporting materials including workshop slides, a skills dictionary, and data capture templates.

The toolkit will be launched in Summer 2022.

Legal

(5.12) A career as a solicitor can be rewarding and intellectually challenging.

Solicitors can work in law firms (private practice), central or local government, legal departments within organisations (in house), the Crown Prosecution Service, or law centres. There are many different areas of law to specialise in, so the work can be varied. The types of law chosen when studying often determine the early career roles of workers. Further information about career options for solicitors can be found at The Law Society⁴¹.

(5.13) Becoming a solicitor requires studying and training for around six years full-time, and competition for training contracts is high. Employers spoken to said they offer work experience opportunities as a way to enable individuals to get an idea about a particular area of law before deciding their career. From September 2021, anyone who starts an undergraduate degree will have to take the Solicitors Qualifying Examination (SQE)⁴², a new two-stage assessment that must be passed to qualify as a solicitor, in addition to two years' qualifying work experience. The SQE replaces the LPC and also means that a law degree or GDL are no longer compulsory. It makes the work experience requirements for becoming a solicitor more flexible.

(5.14) Legal employers reported several areas of skills challenges:

⁴¹ [Career options for solicitors | The Law Society](#)

⁴² [SQE - Solicitors Qualifying Exam \(lawcareers.net\)](#)

- While entry routes into the sector are relatively well supplied, **Mid–senior talent is in high demand**, with specialisms including competition law, financial regulations, restructuring and employment law, and property.
- Legal professionals who can support **financial services firms in adapting to meet changing marketplace and business practices** as well as adapting to legislative changes such as financial regulations (e.g., FCA, RRA), sustainable investment, and post Brexit changes to import/export rules.
- **Digital Transformation** – how to bring technology into day-to-day roles, opportunity to differentiate customer experience and transform it into a digital experience e.g., document automation and smarter legal contracts.

Cross-cutting FBPS Skills Needs

(5.15) **Digital Transformation** – Employers reported that they were seeing a shift, where staff at all levels and in all roles need to understand how to bring technology into day-to-day duties, creating opportunity to differentiate customer experience and transform it into a digital experience A plethora of financial services products/projects are now digital bringing benefits, from making KYC (know your customer) compliance more streamlined and creating more ways to counteract fraud and cyber-attacks, through gathering and anticipating clients and building a better and deeper understanding of customers to promote saving or future planning. Payments processing continues to be a huge growth area – “buy now, pay later” and embedded finance products are expanding rapidly in GM.

(5.16) **“Green” Finance & Sustainability** – In recent years, many financial services organisations are focusing on making their own businesses and current lending portfolios more Carbon Neutral/sustainable and this will be brought in to force with Sustainability Disclosure Requirements (SDR)⁴³ later on this year. Similarly, demand for more sustainable investing and banking is seeing

⁴³ [Gov.support transition to a greener financial system - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/support-transition-to-a-greener-financial-system)

changes to business models, calling for a shift in financing models, sustainable investment e.g., energy infrastructure, retrofit. A lot of green investment opportunities are emerging across Greater Manchester and lending managers will need to know more about current and future investable opportunities. This will also be a key focus for “patient capital” investors like pensions, private equity, and wealth management businesses who are seeing more consumer drive for sustainable investment portfolios.

(5.17) **Agile, Change Management, and Project Management** – The COVID19 pandemic in some cases has exposed gaps in business operations and systems, and the pandemic in general has forced many to accelerate their digital transformation plans. SMEs don’t always have the necessary agile/project management skills/resource inhouse to devise a business transformation plan and transform business models across the organisation. Employers said they would welcome additional development for their staff in this area so they can undertake some of this change in a more formal way.

(5.18) **Leadership and Management** – employers spoke about the increase in managing hybrid teams and the need for training in managing hybrid teams and the health and wellbeing of themselves and colleagues. Similarly, hybrid working has increased the need for business communications and social media etiquette – a range of staff have struggled with the difference in the appropriate ‘language’ used in a WhatsApp, Twitter environment, compared to a LinkedIn / Slack environment.

(5.19) Non-technical roles, as follows:

- For customer services, sales, and marketing teams – an understanding of **FinTech and related products**. It’s often not necessary for these teams to have a technical and detailed understanding of the mechanics, but it’s important to know what they are, what role they are playing in the provision of financial services, and what the future holds.
- **Risk and day to day operational conduct including legislative** changes such as the financial regulations (e.g., FCA, RRA).

Soft skills

(5.20) Skills and jobs are changing but underlying every job are essential skills, applicable in all settings. Some of the 'soft skills' GM Financial, Business, and Professional Services employers said they most look for in candidates are shown below.

- Communication (strong oral and written)
- Teamwork
- Attention to detail
- Curiosity
- Commercial awareness
- Problem solving
- Multi-tasking
- Negotiation
- Analytical skills

(5.21) Legal employers spoke about the soft skills they look for in candidates, determination is at the forefront a desire and motivation to succeed. In the main a career in legal requires intellectual ability, flexibility, commitment (training requires significant effort and resource), and strong oral and written communication skills. Although a strong academic background is important in most cases employers also look for personal skills and attributes. In graduates for example, employers reported that they valued:

- Dedication
- A capacity for hard work
- Personal integrity with an ethical approach
- Commercial awareness
- Being able to communicate with people at all levels and earn trust and confidence
- Persuasion

(5.22) For management roles employers reported that they valued people with strong leadership skills, particularly those with an ability to motivate hybrid teams. As teams have become more remote, employers and managers are having to think more carefully about how team spirit, collaboration, and

innovation is fostered. Employers (in particular SMEs) said they would welcome training for team managers in HR/operational matters including motivating teams (hybrid ways of working) and health and wellbeing.

Cappfinity and Manchester Metropolitan University

Starting in September 2021 1,000 students at Manchester Metropolitan University Business School participated in a new strengths-based development program to help them discover and develop their natural strengths in preparation for future careers and the world of work. The initiative was led by the Department of Accounting, Finance and Banking and is part of the University's employability strategy. Strengths-based development is embedded across all levels of the program from first to final year, giving students the opportunity to gain self-insight and develop an authentic, strengths-based narrative that will help them to stand out to future employers.

The framework has 8 Employability Strengths and sessions are provided to help students know how to apply these in the future and to enable a better understanding of employer recruitment process, what employers are looking for, and tools employers' use.

Supported by Cappfinity's award-winning Strengths Profile product, students complete an online strengths assessment that will give them a unique profile revealing realized and unrealized strengths, learned behaviors and weaknesses. Students receive coaching from one of 30 accredited practitioners at the University who work with them to unlock their talent and develop self-awareness.

Future Skills Needs

(5.23) The London Institute of Banking and Finance 'Jobs of the future in finance: cyborgs, coding and compliance' Digital Webinar (2021) ⁴⁴ reports with the increasing adoption of AI, machine learning and robots in banking and finance, it's easy to imagine that, in time, the human role will be purely limited to programming and monitoring these technologies. Although roles will

⁴⁴ [Jobs of the future in finance: cyborgs, coding and compliance? \(libf.ac.uk\)](https://www.libf.ac.uk/jobs-of-the-future-in-finance-cyborgs-coding-and-compliance/)

change to a degree it is highly likely there will be a place for traditional banking and soft skills.

(5.24) The World Economic Forum⁴⁵ projects by 2025, 85 million jobs may be displaced by a shift in division of labour between humans and machines. But even more jobs may emerge - 97 million - that are adapted to the new division of labour between humans, machines and algorithms. Respondents to the Future of Jobs Survey estimate that around 40% of workers will require reskilling of six months or less. In the financial services sector that share of workers who can be reskilled within 6 months will be lower because they will need more time-intensive programmes. The platform says it could take two to three months for learners to expand their skills in product development and data and AI. While a four-month learning programme could help people move into roles in cloud and engineering.

Increasing Demand – Job Roles	Decreasing Demand – job roles:
Data Analysts and Scientists	Data Entry Clerks
AI and Machine Learning Specialists	Administrative and Executive Secretaries
Big Data Specialists	Accountants and Auditors
Digital Marketing and Strategy Specialists	Accounting, Bookkeeping and Payroll Clerks
Process Automation Specialists	Assembly and Factory Workers
Business Development Professionals	Business Services and Administration Managers
Digital Transformation Specialists	Customer Service Workers

Figure 7: The World Economic Forum projections Increasing Demand and Decreasing Demand in Job Roles – 2025

(5.25) Given how much the FBPS sector is moving towards increased digitalisation and automation, both employers and providers should note the top skills for this work expects to be important by 2025:

- Analytical thinking and innovation

⁴⁵ [What are the top 10 job skills for the future? | World Economic Forum \(weforum.org\)](https://www.weforum.org/publications/what-are-the-top-10-job-skills-for-the-future/)

- Active learning and learning strategies
- Complex problem-solving
- Critical thinking and analysis
- Creativity, originality and initiative
- Leadership and social influence
- Technology use, monitoring and control
- Technology design and programming
- Resilience, stress tolerance and flexibility
- Reasoning, problem-solving and ideation.

(5.26) What is not clear is why the vacancy data from GM does not match the national and international picture predicting decreasing demand for job roles in Accounting and Bookkeeping. Both job roles are one of the most roles advertised for across Greater Manchester in 2021. One possible explanation is that the technology isn't moving as quickly as expected, meaning that the demand for skilled accountants remains strong. Ensuring that there is no rapid shock to the labour market for professions like this should be top of the agenda – broadening the skills base of workers is critical.

6. FBPS Skills Provision

(6.1) GMCA is keen to develop effective, high trust relationships with providers, delivering positive long-term impact for GM residents. Developing better and more productive candidates/employees starts with residents and with the quality of school and Further Education (FE) provision. Providers of training in GM include a wide range of institutions, universities, colleges, private companies, and individual consultancies. The provision of training for the FBPS sector is generally longstanding and credible qualification paths.

(6.2) This section provides a brief overview on FBPS linked provision in the following areas:

- Schools
- Further Education
- Higher Education
- Other training provision.

In general, employers said the current FBPS skills provision at a school and FE level is generally good although the students don't always fully understand the type of work they will need to do. Employers said they are willing to help raise more awareness on the industry and types of roles available. A recommendation from this report is for educators to visit workplaces from time to time to gain an insight into evolving work practices and maintain the currency of teachers'/trainers' knowledge; this will be helpful to inform curriculum delivery that meets the needs of employers.

Schools

(6.3) With finance, economics, and business operations all included as part of the curriculum, GCSE Business is often the first change young people get to learn more about the FBPS sector. The content usually covers much of the introductory material needed for further study, including terminology and awareness of business models. However, there is very little reliable data about how many schools across GM offer Business as a GCSE option.

- (6.4) GM offers a credible career inspiration service offering and various initiatives are in place to connect schools with industry as a way of providing real-life careers information to young people. GMCA's Bridge GM⁴⁶ team aims to bring schools and employers together through three main schemes. GMACS (Greater Manchester Apprenticeship and Careers Service)⁴⁷ is the online portal which helps young people explore and design their next steps before leaving school. It showcases what Greater Manchester can offer and provides a direct way to apply for courses, jobs, and apprenticeships. The portal provides a bank of different role profiles to bring to life - roles, pathways, and organisations etc., for young people. FBPS employers are encouraged to work closely with this team to ensure the site presents an accurate picture of careers in the sector.
- (6.5) The Meet Your Future campaign focuses on demystifying the workplace giving young people a line of sight to opportunities through workplace safaris and work shadowing. There is a campaign to offer opportunities to young people across Greater Manchester to connect with employers, learn about the changing world of work and complete projects linked to the workplace. GM FBPS employers are encouraged to get involved in this work to showcase the roles, skills needed and opportunities across the sector.
- (6.6) Enterprise Advisors (EAs) are industry experienced individuals who work closely with school and college leadership teams to design and implement effective careers engagement. At the time of writing this report there are hundreds of Enterprise Advisors supporting schools and colleges across GM. At time of writing, there are 12 financial and insurance employers and 4 legal services employers engaging with the programme. However, these are concentrated in certain boroughs: there are 5 GM localities from 10 with no representatives from these sectors. It is important to equip students with awareness on opportunities available to them both inside and outside of their education locality. A recommendation from this report is to increase the number of EAs, in particular in localities where there are none.

⁴⁶ [Bridge GM](#)

⁴⁷ [GMACS](#)

Further Education

- (6.7) There are 9 Further Education colleges in Greater Manchester: Bolton College, Bury College, Hopwood Hall College, Oldham College, Tameside College, The Trafford College Group (including Trafford and Stockport), The Manchester College, Wigan and Leigh College, and Salford City College. The FE colleges are key anchor institutions within the communities and local economies they serve, and all are currently graded Good by Ofsted. Collectively, they deliver training to around 30,000 16-18 year olds per year, and around 10,000 higher (Level 4+) skills programmes up to and including degree level. Each offers an array of academic and technical courses in Financial, Accountancy, and Legal ranging from post-16 and adult education options, A Levels, T Levels, Apprenticeships. These are covered below.
- (6.8) Post-16 programmes delivered by the colleges include a range of courses relevant for the employers in Financial, Business, and Professional Services. Common programmes delivered by the 9 Further Education colleges for existing workers, adults, and young people include Business BTECs, AAT courses, and bookkeeping courses to serve as entry level qualifications. In the legal sector, many of the colleges deliver Chartered Institute of Legal Executives (CILEX) programmes at Level 2-3 and NALP Paralegal courses. In the academic year 2020-21, GM's FE colleges enrolled 135,081 learners in total – enrolments in Business, Administration, and Law pathways totalled 6,674, just under 5% of the total. There are a few colleges which see higher focus on relevant pathways – Trafford College Group (11.6% of total) stands out, as do Salford City College (6.7%), and Bury College (6.2%).

T Levels

- (6.9) GM's colleges will be critical to the rollout and expansion of T Levels, a new two-year technical qualification equivalent to A-levels and courses which have been developed in close collaboration with employers and businesses so that their content meets industry needs and prepares students better for work. T-Levels offer a mix of classroom-based learning and 'on the job' experience during an Industry Placement of at least 315 hours (45 days) over the two-year course but they can last longer. Employers can offer Industry

Placements as a block, day release or a mix of these, and can discuss sharing part of the placement with another employer, if necessary. The relevant T Levels for the sector are likely to be:

- *Legal, Finance and Accounting* – due to be delivered in GM from Summer 2022. So far, three providers (Oldham College; Oldham Sixth Form and Wigan and Leigh College) have expressed an interest to deliver from 2022 and a further seven providers from 2023.
- *Business Admin* – due to be delivered in GM from Summer 2022. So far, 8 providers have expressed an interest to deliver from 2022 and a further three providers from 2023.

(6.10) Many T Level students will be able to move on to an apprenticeship at level 4 or higher, building on the knowledge, skills, and behaviours they have acquired from the T-Level course, and will also be accepted by universities. These placements become the talent pipeline for employers to shape and nurture their future workforce. FBPS employers could benefit from having a partnership with a T Level provider, this would help create more entry level jobs and opportunities for young people from a range of backgrounds leading to a more diverse workplace. In the main employers spoken to as part of this review were not aware of what T Levels are; this lack of awareness is not unique to FBPS employers, given T-levels are a relatively recent addition to the post-16 education and skills offer. There is a real opportunity to build on this to make sure GM FBPS businesses are at the forefront of T-Level development.

Apprenticeships

(6.11) Several apprenticeship standards have been developed for legal, finance and accounting. The standards have been designed so that they apply across the industry, allowing organisations to incorporate their own ways of working, products and services into the learning and development, whilst ensuring it meets one national standard. While FBPS college courses make up just 5% of the overall FE provision at GM colleges, FBPS apprenticeships make up just over 20% of the overall apprenticeship enrolments at the colleges, indicating that they are a preferred method of delivery in many cases. There are

currently 42 legal, finance and accounting apprenticeship standards, at levels 2-7. Annex 1 shows some of the relevant apprenticeship standards⁴⁸.

(6.12) In GM 5,800 people have started FBPS apprenticeships with a GM provider between September 2017 to the current enrolment year 2021/2022. The numbers had been steadily increasing year on year until the COVID19 pandemic significantly reduced start numbers in 2020 by approximately 30%. The number of new starts for 2021 has increased to almost pre-pandemic average levels and is 65% more than when compared to 2017 evidencing FBPS employers are increasingly supporting apprenticeships. Technology & digital skills are in demand across the FBPS sector. Currently, there are 34 apprenticeships⁴⁹ available under the digital route at levels 3 to 7⁵⁰ - however, they are not listed here.

Provider	2017	2018	2019	2020	2021	Grand Total
KAPLAN FINANCIAL LIMITED	176	303	281	203	246	1209
BPP PROFESSIONAL EDUCATION LIMITED	21	117	197	177	160	672
ICOUNT TRAINING	3	68	133	91	115	410
DAMAR LIMITED	66	112	89	31	54	352
THE APPRENTICE ACADEMY LIMITED	29	75	85	63	97	349
THE GROWTH COMPANY LIMITED	71	49	64	46	42	272
BOLTON COLLEGE	19	56	53	30	33	191
BPP UNIVERSITY LIMITED	39	57	45	5	36	182
BABINGTON BUSINESS COLLEGE LIMITED	10	30	80	36	25	181
THE OLDHAM COLLEGE	21	43	39	13	40	156
BURY COLLEGE	29	19	27	16	19	110
ERNST & YOUNG LLP		31	25	27	21	104
SALFORD CITY COLLEGE	18	27	23	17	15	100
ALL OTHERS (Less than 100 total starts)	240	367	341	236	328	1512

Figure 8: FBPS apprenticeship starts: Greater Manchester Providers

(6.13) Figure 8 shows the top Financial, Legal and Accountancy Apprenticeship Providers across GM between September 2017 to the current year's enrolment. A considerable proportion of these apprenticeships are delivered by a few large training providers in GM. Kaplan Financial Limited, BPP

⁴⁸ [Apprenticeship search / route Legal-finance-and-accounting / Institute for Apprenticeships and Technical Education](#)

⁴⁹ [Apprenticeship route Digital](#)

⁵⁰ [Apprenticeship route Legal-finance-and-accounting](#)

Professional Education Limited, iCount, Damar Limited, and The Apprenticeship Academy between them deliver just over 50% of the most popular standards.

- (6.14) Accountancy and Financial Services employers were among the first to adopt the new apprenticeship standards. Embedding the professional (Level 6-7) qualifications like ACA, ACCA, CIMA, CII and IOC, as part of an apprenticeship standard has driven a wide-ranging adoption, particularly among large, levy-paying employers. This has benefitted providers like Kaplan and BPP who delivered the higher level accountancy qualifications already on a commercial basis, converting these to apprenticeships when available. While many employers are making use of it, there is still a general lack of awareness on the levy, resulting in a £2bn levy underspend being returned to the treasury nationwide. Some employers told us during this review that they were unaware of the apprenticeship levy and how it works. It would be helpful for partners to further explore ways to raise awareness on the levy, particularly how it can be used towards professional qualifications.

Adult Education

- (6.15) A range of adult education and skills functions (supported by the Adult Education Budget (AEB)) was devolved from Central Government to GMCA in 2019 and is a key part of the wider education, skills and employment system for GM. Its primary aim is to support the city-region's residents every year to develop the skills they need for life and work. The AEB is available to fund GM residents aged 19 or over for eligible skills training and is, as much as possible, aligned to other GM functions and programmes for education, skills and work. Courses the AEB funds range from teaching essential skills that adults need to progress in the world of work or to improve employability, through to qualifications that boost career prospects, in particular those working in low paid jobs or in Greater Manchester's foundation and growth sectors, as outlined in GM's Local Industrial Strategy.⁵¹

⁵¹ [Greater Manchester's Local Industrial Strategy - Greater Manchester Combined Authority \(greatermanchester-ca.gov.uk\)](https://greatermanchester-ca.gov.uk/greater-manchester-local-industrial-strategy)

- (6.16) There are approximately 35 organisations (January 2022) that have funding agreements or contracts with GMCA to deliver AEB funded provision to Greater Manchester residents. These consist of Further Education (FE) Colleges and Local Authorities, who are currently grant funded, as well as Independent Training Providers (ITPs) who hold contracts to deliver education and training. Since August 2020, these providers have delivered a range of qualifications relevant for FBPS employers – including 1,612 enrolments in Accounting and Finance, 2,856 in Business Management, and 346 in Law and Legal Services. Entry level qualifications like the Level 2 Foundation Certificate in Accounting, or the Award in Bookkeeping are popular pathways, serving as the first step into the sector for many.
- (6.17) There are a range of programmes available relevant to FBPS occupations which are funded under the Adult Education Budget, but few that are directly linked to senior professions in Financial Services and Law. More entry-level and foundation skills support will be available. Over 2022 – 2025, GM will have access to around £14m to launch adult numeracy courses under the Multiply programme, funded by the Shared Prosperity Fund. This will be available for residents regardless of employment status for upskilling around mathematics and general numeracy skills development. Given the importance of these skills to FBPS employers, this should support the sector develop the existing workforce and future talent.

Higher Education

- (6.18) GM is home to five universities who have their own degree-awarding powers (University of Manchester (UoM), Manchester Metropolitan University (MMU), the University of Salford, the University of Bolton, and the Royal Northern College of Music (RNCM)). There are other higher education institutions across Greater Manchester such as University Academy 92 (a partnership with the University of Lancaster), or one of the 'University Centres' run by some of GMs Further Education Colleges to deliver level 4+ qualifications up to degree (level 6) and in some cases Masters level (level 7). GM HEIs are a key asset for the city region, with the potential to provide the skills and knowledge for GM's workforce.

(6.19) The attraction and retention of highly qualified graduates in the city region is particularly important in those working in priority sectors. According to the Centre for Cities, GM has the largest graduate talent pool outside London⁵². With over 100,000 students, around 40,000 of whom are international. Attracting (and keeping) both local and international talent is important to the overall GM economy.

(6.20) Around 36,000 students graduate from GM universities every year and join the labour market, 44% of the graduates in the 2018/2019 leaving cohort remained in the city region 15 months after graduation within Greater Manchester. London appears to be the main region drawing students from GM, 6% of the city-region's students were resident in the capital one year after graduation, rising to 12% after five years. Financial, Business, and Professional Services employers and providers spoken to as part of this review suggest that the 'lights of London' are appealing to some people as they believe working for a large financial or legal company in London makes their CV more attractive. Other factors include better salaries and career progression opportunities. This 'brain drain' away from GM, and the North more generally, risks being exacerbated by proposed changes to student finance, subject to consultation at the time of writing, which could see low earning graduates hit harder than higher earners by changes to student loan repayment arrangements.

(6.21) The following sections provide examples of some of the available HE qualifications, however there are many others not cited in this report.

University of Manchester (UoM) is the largest institution with 44,636 enrolments in 2020/21 making it the third largest HEI in the UK.

The Alliance Manchester Business School is the University of Manchester's specialist faculty offering undergraduate programmes which are relevant for employers in Financial, Business, and Professional Services. Both Accountancy and Management programmes are available.

⁵² [2019-03-22The-Great-British-Brain-Drain-An-analysis-of-migration-to-and-from-Manchester.pdf \(centreforcities.org\)](https://centreforcities.org/2019-03-22The-Great-British-Brain-Drain-An-analysis-of-migration-to-and-from-Manchester.pdf)

- (6.22) Salford University had 23,955 enrolments in 2020/21. UoS has a dedicated Business School with around 3,000 students per annum.

The Business School offers general Business BSc programmes with optional focus on a further area like economics or finance. Accounting and Finance is also offered. At MSc level, the Business School offers a variety of advanced programmes, with a specialist focus on digital technology in business.

- (6.23) Manchester Metropolitan University (MMU) is the 11th largest in the UK, with 35,940 enrolments in 2020/21 it is one of the five biggest universities in the UK by enrolment numbers.

Manchester Metropolitan University's triple accredited Business School (EQUIS, AMBA and AACSB) offers the full range of business management, accountancy, and economics programmes. Specialist provision includes a BSc in Sports Business Management and BScs in Events and Hospitality Management. Since 2015, MMU have grown their offer of degree-apprenticeships, many of which are in FBPS topics.

TLT launches Fintech School with MMU

In 2020 TLT, a major UK law firm, launched a Fintech School for its lawyers, in partnership with the Department of Accounting, Finance, and Banking at Manchester Metropolitan University (MMU). The course gives TLT's lawyers a critical understanding of some of the most transformative technologies in the financial services industry, including AI and machine learning. The partnership marks an advanced programme co-designed closely with a dedicated employer.

The course was delivered virtually in 2021 and runs annually, including lectures, practical workshops, and seminars to give an in-depth understanding of the technologies that will be affecting businesses for years to come. It was co-designed by members of TLT's specialist fintech team and Niels Pedersen, author of the book *Financial Technology: Case Studies in Fintech Innovation*, and senior lecturer on MMU's post-graduate fintech degree – which was the first of its kind in England. The school was initially open to lawyers in TLT's technology & IP, commercial and corporate teams from across the firm's six UK offices. Attendees worked to build skills across three of TLT's key sectors – financial services, digital and retail and consumer goods – all of which are significantly impacted by the rise

(6.24) University of Bolton is a large growing institution with 10,575 enrolments in 2020/21.

With a dedicated Business Management BSc on offer, the University of Bolton adds adaptations on the standard programme for undergraduates to focus on. These include the option to focus on areas like Finance, Marketing, or Supply Chain management. MBA programmes and degree apprenticeships are also a growing area of focus.

(6.25) UA92 is Greater Manchester's newest HE institution, and has built a curriculum in close partnership with industry. While it has no Law provision, it offers a range of programmes in Finance, Accounting, and Business, with a particular focus on Sports and Events Business Management. The university offers a BA Hons in Accounting and Finance which prepares students for a career in areas such as accountancy, auditing, tax advisory, wealth management, banking, business development and organisational leadership. Studying core accountancy and finance modules students gain skills in

decision-making and planning and the knowledge to provide organisational and financial advice to the government, digital start-ups and global brands.

- (6.26) All of the universities offer careers inspiration activity, often through the form of careers fairs and links with local employers. However, this careers engagement tends to target larger sized employers. Larger organisations often have recruitment teams, some with a dedicated focus on graduate recruitment. Smaller sized businesses report greater difficulty finding the right workers at this level as graduates want to work for (or are only aware of) the bigger brands and SMEs often cannot compete with larger firms in terms of the wrap-around graduate support, higher salaries, and career development. GM universities should continue to strengthen connections with industry focusing on creating a supportive landscape where these smaller businesses and academia can work together to nurture talent.
- (6.27) Many employers mentioned the availability of digital talent – an area of strength for GM's universities, which have produced some of the UK's top software developers. GM is also home to an internationally renowned School of Computer Science at The University of Manchester (UoM). The UoM have produced more UK Software Developers/Programmers than any other University and is also the 3rd largest creator of European cloud computing skills in the UK. As FinTech and other related digital roles grow within FBPS organisations, more graduates are likely to see opportunity in the sector after dedicated digital programmes.

National Skills Fund & Skills Bootcamps

- (6.28) The National Skills Fund aims to help adults train and gain the valuable skills they need to improve their job prospects and support the economy⁵³. The government is investing £2.5bn into the NSF over five years as part of Plans for Jobs⁵⁴. Any adult over aged 19+ who does not have a level 3 qualification (equivalent to an advanced technical certificate or diploma, or A levels) or higher, will have access hundreds of fully funded courses. Courses are available in a variety of lengths and learners might be able to get help to pay for childcare, travel, and other costs if they meet the criteria for this. In GM,

⁵³ [National Skills Fund - GOV.UK \(www.gov.uk\)](https://www.gov.uk/national-skills-fund)

⁵⁴ [Plan for Jobs - GOV.UK \(www.gov.uk\)](https://www.gov.uk/plans-for-jobs)

this 'Free Courses for Jobs' offer is supplemented by an additional list of eligible qualifications developed locally in response to feedback from employers and skills providers. Some relevant qualifications for working in accounting and financial services are currently available. A recommendation from this report is for partners to raise more awareness on fully funded training available to residents who wish to enter the sector.

- (6.29) Skills Bootcamps offer free, flexible courses of up to 16 weeks for adults aged 19+ who are either in work or recently unemployed. Some bootcamps have additional eligibility criteria. They give people the opportunity to build up sector-specific skills and fast-track to an interview with a local employer. A list of Skills Bootcamps can be found on the government website⁵⁵. Currently this list does not include financial services although digital is a key focus, which is a skills need across GM financial services. In the future, government may consider adding financial services to this list of bootcamps due to increasing demand. In the meantime, the digital bootcamps should focus on digital upskilling/reskilling including in financial services, which is where the greatest skills need is.

Training Provision Summary

- (6.30) Generally speaking, the provision available for Financial, Business, and Professional Services companies in Greater Manchester is well-respected and meets employers' needs. The formal and structured nature of the occupational pathways in the sector, (particularly accountancy and law) make it clear and obvious which qualifications learners need in order to enter the sector and progress into a specific role. Employers were generally pleased with the availability and quality of training provision, and are increasingly using apprenticeships and alternative pathways to graduate recruitment to fill roles. Ensuring that new entrants to the sector are equipped with the digital skills they will need as the sector changes is a critical activity in the near future.
- (6.31) Some employers, in particular SMEs, are not aware of the full range of government initiatives available to them. In the main most employers use apprenticeships and graduate schemes but have not used volunteers, outh

⁵⁵ [List of Skills Bootcamps - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/collections/skills-bootcamps)

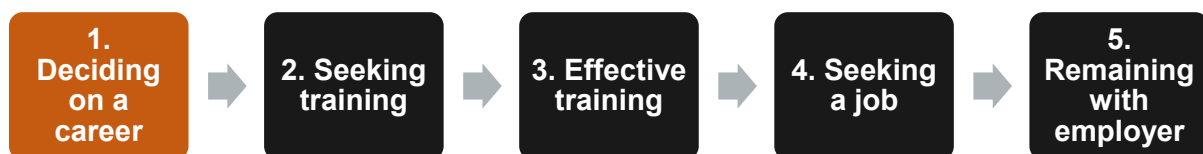
employment programmes such as Kickstart (now concluded), job shadowing/work experience, industry placements (T Levels) or traineeships. Partners are encouraged to work more closely with the FBPS sector to promote the benefits of other schemes to train/upskill the workforce. Further, FBPS employers are encouraged to think different ways to recruit candidates into the sector to diversify talent pipelines.

- (6.32) While much of the provision available meets the needs of employers in the sector, many employers mentioned that they would prefer training courses and qualifications to be delivered in short modular sessions so that these can be accessed more flexibly. Particularly when upskilling existing staff, this would also allow greater choice selecting modules based on business priorities and an individual's pre-existing skillset. However, whilst this kind of modular approach was included as a policy ambition within the Skills for Jobs FE Reform White Paper (Jan 2021) together with the introduction of a new lifelong loan entitlement that will enable individuals to gradually build higher level qualifications over time, current funding models don't fully support this as much as they could. Providers and partners should look at what flexibility existing programmes have, and lessons/good practice should be gathered from the modular approach already being tested in other sectors through the Skills for Growth programmes already commissioned to look at wider application and scalability.

7. Summary and Next Steps

- (7.1) This section aims to collate the learnings from the intelligence gathering process and set out key recommendations for sector employers, training providers, and other stakeholders. GMCA will look where it can act to support both commissioned and non-commissioned work.
- (7.2) Recommendations made in this report will not all be progressed or lead to future work by GMCA. Their aim is to support stakeholders including employers, business networks and membership organisations, skills providers, schools, colleges and universities, and sector bodies, with a deep and detailed understanding of the current state of the skills challenge for hospitality businesses in GM. Some recommendations will address existing challenges, while others will work towards future talent/skills development.

Deciding on a Financial, Professional and Business Services Career



Challenges

- (7.3) Based on employer evidence gathered for this report there are some challenges for individuals and employers at the early stage where young people and job seekers choose to work in the sector. The main issues facing the sector at this level are:
- There is a lack of awareness of career paths, for example Tax Technician and Credit Controller.
 - Attracting people to work and remain in the industry is a challenge and perceptions of the sector are not always positive.
 - There is an underrepresentation of people from older age groups and women in the sector, particularly in leadership roles – this may damage careers inspiration.

Recommendations

(7.4) On the basis of findings from this report, GMCA would make the following recommendations to support jobseekers, young people, schools, FE and HE Institutions:

- **Demystifying the sector.** There needs to be further clarity to help Greater Manchester residents – young people and adults understand the opportunities in the sector.
- It will be important to continue to invest in high-quality training for **careers leaders working in schools, adult education, and private providers such as JCP**. Ensuring quality and credible industry intelligence is shared these leaders is critical.
- The sector should **continue to work with schools and career switchers to invigorate interest amongst young people** wanting a career in the legal services, articulating clear career pathways.
- Partners should consider recommendations in the recent FSSC Skills Gap – 2022 Report⁵⁶, considering how they can support employers and the sector to overcome recruitment challenges by **through reskilling opportunities**.
- **Due to increasing importance for specific soft skills** support schools, education, training providers, partners, and businesses to equip individuals in readiness for the workplace.
- It would be helpful for GM to **target specific campaigns** for the priority skills to create more diverse talent pipelines aimed at disadvantaged groups.
- More **staff from the sector should volunteer as Enterprise Advisors** across GM schools and colleges, showcasing examples of success stories of people who have progressed their careers in the industry, in particular working with schools/colleges with high numbers of students from disadvantaged backgrounds, for whom careers in high value FBPS occupations could support levelling up and tackling labour market (and wider) inequalities.

⁵⁶ [FSSC Financial Services Skills Commission](#)

- Employers should consider building a pipeline of diverse talent turning to relevant **social mobility initiatives**, such as Access Accountancy⁵⁷.

Financial, Professional and Business Services – Seeking and Accessing Effective Training



Challenges

(7.5) Based on employer evidence gathered for this report there are some challenges for individuals and employers seeking effective training:

- Apprenticeship uptake is increasing across the industry but is still not always welcomed as an entry route for people into the sector, particularly where roles have traditionally been graduate-dominated.
- Amongst employers there is not much awareness on alternative support like Sector Workplace Academies or T Levels.
- There is a lack of understanding about available types of training and qualification pathways into the sector – particularly in financial services. It can be difficult for learners and employers to navigate the best route.
- Provision of entry level FBPS courses are plentiful and credible. However, programmes can be focused on technical skills, and often do not contain enough digital skills development.

Recommendations

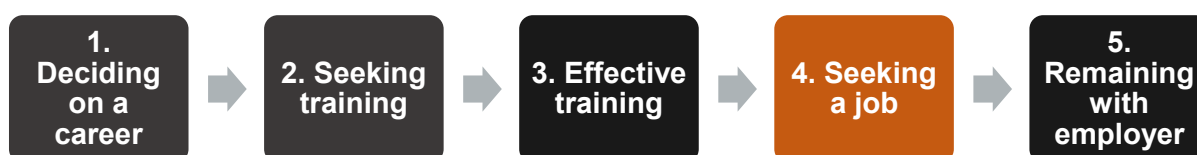
(7.6) Given the challenges for individuals seeking training, whether this is young people enrolling onto FE, apprenticeship, or HE provision, for the existing workforce looking for upskilling and professional development opportunities,

⁵⁷ [Access Accountancy - Home](#)

or for older workers looking to remain in/return to the labour market, GMCA would recommend:

- Ensuring the system of **post-16 technical education** in GM provides young people with a clear pathway defined by employers.
- Continuing working towards **T Levels being positioned as a leading option** with both further education colleges and employers. Partners should promote the **relevant FBPS pathway expected to be delivered from September 2022**, including to the SME market.
- Partners should consider how they can **incorporate digital training more widely into course curriculum** in non-digital related subjects, including basic IT skills such as Microsoft Excel and Word
- Promotion of the **new SQE pathway, which is creating opportunity** for individuals who would otherwise not get the opportunity.
- Training provision should focus on reskilling not just upskilling, for example by offering **short bootcamp courses** for workers in other sectors (aimed at level 3 or higher).
- Training providers **continuing to consult employers** on course content
- Raising awareness on the required **soft skills** to work in the sector, particularly within training provision.
- Appointing a FBPS representative to the **Local Skills Improvement Plan team** to represent the wider sector voice.

Financial, Professional and Business Services – Seeking Employment



Challenges

- (7.7) Based on employer evidence gathered for this report there are some challenges for individuals and employers at the seeking employment stage of the talent pipeline. The main issues facing the sector at this level are:

- More work is needed to support individuals to have the confidence and understand what career opportunities there are in the FBPS sector and where to look for roles.
- Therefore, it is important for employers to have effective recruitment and selection processes to target and source suitable candidates, particularly from disadvantaged and underrepresented groups. This has not always been the case in the sector.
- The sector still attracts mainly younger, middle-class applicants to most positions. There is a need to diversify the sector.
- There is a 'wage war' happening in GM FBPS sectors, particularly for technology roles like software developer and cyber security roles.

Recommendations

(7.8) Based on employer evidence gathered for this report, GMCA would make the following recommendations for businesses seeking staff, and residents seeking employment in the sector:

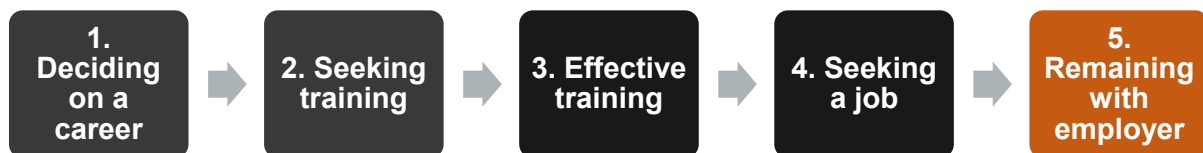
- Commissioning activity should take place to develop skills around **recruitment & selection** and **creating a more diverse talent pipeline**. This could be aimed at managers/leaders developed as part of a wider leadership course or as a standalone module.
- **Partners are encouraged to promote social mobility across all employers**. Businesses who typically source talent from Russell Group Universities should be encouraged to explore other ways to recruit.
- Raise **better awareness on government and GM support/initiatives** and encourage FBPS businesses to engage in programmes such as DWP and JCP schemes, SWAPs, Restart, JETS, the GM Working Well (Work & Health Programme) suite of employment support (including the Specialist Employment Service supporting people with severe mental health conditions and autism),⁵⁸ and GM's work with Centre for Ageing Better and DWP to support older workers⁵⁹.

⁵⁸ [Working Well - Greater Manchester Combined Authority](#)

⁵⁹ [Centre for Ageing Better](#)

- **Raise employers' awareness on the Help to Grow Scheme** aimed to improve digital and management skills in the workforce.
- Encourage employers to work with education providers and career coaches to **develop relevant soft skills in prospective candidates** based on what employers are looking for, also encouraging individuals to develop business acumen.
- People entering the sector need access to a **good range of mentors to guide them through the journey.**

Financial, Professional and Business Services – Remaining with Employer and Career Progression



Challenges

(7.9) Based on employer evidence gathered for this report there are some challenges for individuals remaining in employment and progressing. The main issues facing the sector at this level are:

- It is not always clear to individuals how to change roles, such as someone working in retail FBPS or customer services accessing opportunities to reskill into technical roles.
- There are fewer women working in leadership roles than male counterparts – this can impact retention of the few who do make it to leadership roles.
- Employers spoke about the lack of access to mentors to support individuals progressing in their careers.
- Burnout can be high in the sector – particularly for roles with lots of travel and long hours (i.e., auditors, criminal barristers).
- Competition for skilled workers has significantly increased over the course of the pandemic, with many switching companies. This is being driven by

home-working practices increasing competition on a wider geographic basis (i.e., GM firms competing with London).

Recommendations

(7.10) To improve conditions, upskilling and progression opportunities for workers in the sector, GMCA would recommend the following:

- There is a need to **set clear expectations** early on with students/candidates on the realities of the role.
- Employers should explore **leadership and management training** to upskill managers in managing hybrid teams while supporting health and wellbeing.
- **GM to further collaborate with FSSC supporting employers with 'Reskilling'** opportunities as recommended in the recently published report.
- Encourage FBPS organisations in GM to sign up to charters such as the **Women in Finance Charter (WIFC)** and the **Greater Manchester Good Employment Charter**, to retain women working in the sector.

8. Future Reports

- (8.1) Intelligence gathering will be an ongoing activity for GMCA and partner stakeholders. The data and intelligence gathered as part of this report will be enhanced and added to as the sector, policy landscape, and economic situation evolves.
- (8.2) It will be important for GMCA, partners and employers to consider the recent FSSC report and where appropriate take forward the recommendations. From this review there are potential areas for future research although future work of the GMCA will be set according to evolving priorities.

Further skills intelligence gathering would be beneficial in the following areas:

- **Digital Transformation across Legal services** – trends towards artificial intelligence and automation in finance and legal present valuable opportunities for the sector. Further work exploring the specific digital skills needs would be helpful.
- **Financial Regulations and Post Brexit** – for GM to support businesses operating in accordance with the new UK financial regulations it will be important to assess changes and skills needs across business services.

Annex 1 – Apprenticeship Pathways

Financial Pathway	Name	Level	Options / Job Titles
Technical Occupation	Advanced Credit Controller & Debt Collection Specialist <ul style="list-style-type: none"> • Advance Collections • Credit Risk • Enforcement and Recovery 	3	Financial Services Administrator
	Compliance and Risk Officer	3	
	Credit Controller and Collector	3	
	Debt Advisor	3	
	Financial Services Administrator	3	
	Insurance Practitioner <ul style="list-style-type: none"> • Assistant Underwriter • Claims Handler/Loss Adjuster • Junior Broker 	3	
	Investment Operations Administrator	2	
	Investment Operations Technician	3	
	Workplace Pensions (Administrator or Consultant)	3	
	Asset Finance Practitioner	3	Financial Services Customer Advisor
	Financial Services Customer Advisor	2	
	Mortgage Advisor	3	
	Motor Finance Specialist <ul style="list-style-type: none"> • Finance Company • Retailer Consultant 	3	
	Senior Finance Services Customer Advisor <ul style="list-style-type: none"> • Team Leadership 	3	
Higher Technical Occupations	Actuarial Technician	4	Financial Technician
	Financial Advisor	4	
	Insolvency Administrator		
	Paraplanner	4	
	Investment Operations Specialist	4	Investment Specialist
	Insurance Professional	4	Insurance Specialist
Professional Occupations	Actuary	7	
	Financial Services Professional <ul style="list-style-type: none"> • Commercial / Business Banking • Investment Banking • Investment Management • Operations 	6	

	<ul style="list-style-type: none"> • Retail Banking • Workplace Pensions 		
	Professional Economist (degree)	6	
	Senior Insurance Professional	6	
	Senior Investment & Commercial Banking <ul style="list-style-type: none"> • Commercial/Business Banking • Investment Banking • Investment Management • Investment Operations 	7	
	Senior Professional Economist	7	
	Treasury Professional		
	Senior Compliance/Risk Specialist <ul style="list-style-type: none"> • Compliance • Compliance/Risk • Financial Crime • Specialist Risk 		Compliance/Risk Specialist

Apprenticeship Standards April 2022 – Financial Pathway

Legal Pathway	Name	Level	Options / Job Titles
Technical Occupations	Paralegal	2	Paralegal, Legal Assistant, Lawyer
Higher Technical Occupations	Conveyancing Technician	4	Legal Technician, Conveyancer, Property Lawyer
	Probate Technician	4	Probate Technician, Probate Lawyer
Professional Occupations	Chartered Legal Executive	6	Lawyer
	Licensed Conveyancer	6	Conveyancer, Property Lawyer
	Solicitor	7	Lawyer

Apprenticeship Standards April 2022 – Legal Pathway

Accountancy Pathway	Name	Level	Options / Job Titles
Technical Occupation	Accounts or Finance Assistant	2	Assistant Accountant, Accounts Payable Clerk, Accounts Administrator, Finance Ass Junior, Assistant Bookkeeper, Junior Cashier
	Assistant Accountant	3	Assistant Accountant, Trainee Accounting Technician, Accounts Clerk, Purchase

			Ledger, Sales Ledger Clerk
	Payroll Administrator	3	Assistant Accountant, Payroll Administrator, Payroll Assistant, Payroll Officer, Reward Administrator
	Tax Support Assistant		Assistant Accountant
Higher Technical Occupations	Internal Audit Practitioner	4	Internal Auditor
	Payroll Assistant Manager	5	Assistant Payroll Manager, Assistant Pay and Benefits Manager, Deputy Payroll Manager
	Professional Accounting or Taxation Technician (Accounting, Tax)	4	Accounting, Tax
Professional Occupations	Accountancy or Taxation Professional	7	Financial Accountant, Management Accountant, Tax Accountant, Tax Advisor, External Auditor, Financial Analyst
	Accounting Finance Manager	6	Finance Manager
	Internal Audit Professional	7	Internal Auditor

Apprenticeship Standards, April 2022 – Accountancy Pathway