



Skills England

Sector Skills Needs Assessment

Financial Services

1 June 2026

Contents

1. Handling Notes	2
2. Executive Summary	3
3. Workforce overview and demographics	4
4. Priority Occupations and Current Demand	8
4.1 Priority Occupations	8
4.2 Demand for Skills	9
5. Future Demand for Priority Occupations	11
5.1 Top Occupations by Employment Growth to 2035	11
5.2 Expected Qualification Levels	12
5.3 Alternative Scenarios	13
5.4 Replacement Demand	14
6. Influence of AI on the Financial Services Sector	15
7. Education Supply	17
7.1 Important training routes	17
7.2 Trends in training routes	19

1. Handling Notes

The SNAs use occupations, as defined by Standard Occupation Classification (SOC) codes, to provide an indication of skills needs for the identified priority sectors. These allow for a consistent approach and cross-sector comparison. However, they are an approximation and do not work for all types of employment, particularly in highly specialised and emerging roles. As such, we have expanded our methods by using the newly developed [UK Standard Skills Classification](#) to identify the skill areas relevant for priority occupations.

This is the first step for assessing the future demand for skills across key sectors in terms of both occupations and specific skills areas. All estimates of future employment and skills are highly uncertain, and their inclusion here is not for making precise forecasts of employment levels. Rather, the aim is to provide information about the general nature of changing employment patterns and their implications for skill requirements. The projections should be regarded as indicative of general trends and orders of magnitude, given the assumptions set out in section 5 below.

The data and methodology used to create the Skills Needs Assessments are set out in the accompanying tables and technical annex published alongside this report.

2. Executive Summary

According to analysis by Skills England and HM Treasury, employment demand for the 10 priority occupations within the Financial Services sector is projected to rise. The 10 priority occupations selected by the sector are projected to grow by 130,000 (22.5%) between 2025 and 2035. This is in addition to the estimated 185,000 workers expected to leave these priority occupations over that period and need to be replaced, bringing total demand to around 315,000 workers.

These roles typically require high proficiency in numeracy and digital literacy, focusing on analysing financial data and forecasting budgets and nearly all (99%) of projected additional employment in priority occupations requires workers with qualifications at level 4 and above. Out of the 10 priority occupations, 6 also face demand from other priority sectors, particularly in digital roles, intensifying the difficulty to attract and retain people in these occupations. There is a large amount of uncertainty about how AI adoption will affect the demand for roles in the future, particularly in digital roles which are projected to increase the most.

These occupations are already showing signs of high demand, with 70% of the occupations in critical or elevated demand across the whole economy.

AI adoption in Financial Services is increasing rapidly, with most workers needing to work with AI in their roles, particularly providing enhanced pattern detection and analytical insight. Skills demand is changing accordingly, shifting towards behavioural skills like adaptability and away from pure technical skills.

Historically the education pathways most important to the priority occupations are at level 6+, supported by apprenticeships at all levels and particularly in digital technology (practitioners). The level 6+ routes split between computing, economics, and mathematics.

The growth in training is most heavily concentrated in digital pathways – digital and computing related courses saw strong growth in achievements from between 40% to 89% between the 2021 to 2022 and 2023 to 2024. Growth is more modest for traditional feeder courses like economics and mathematical sciences.

3. Workforce overview and demographics

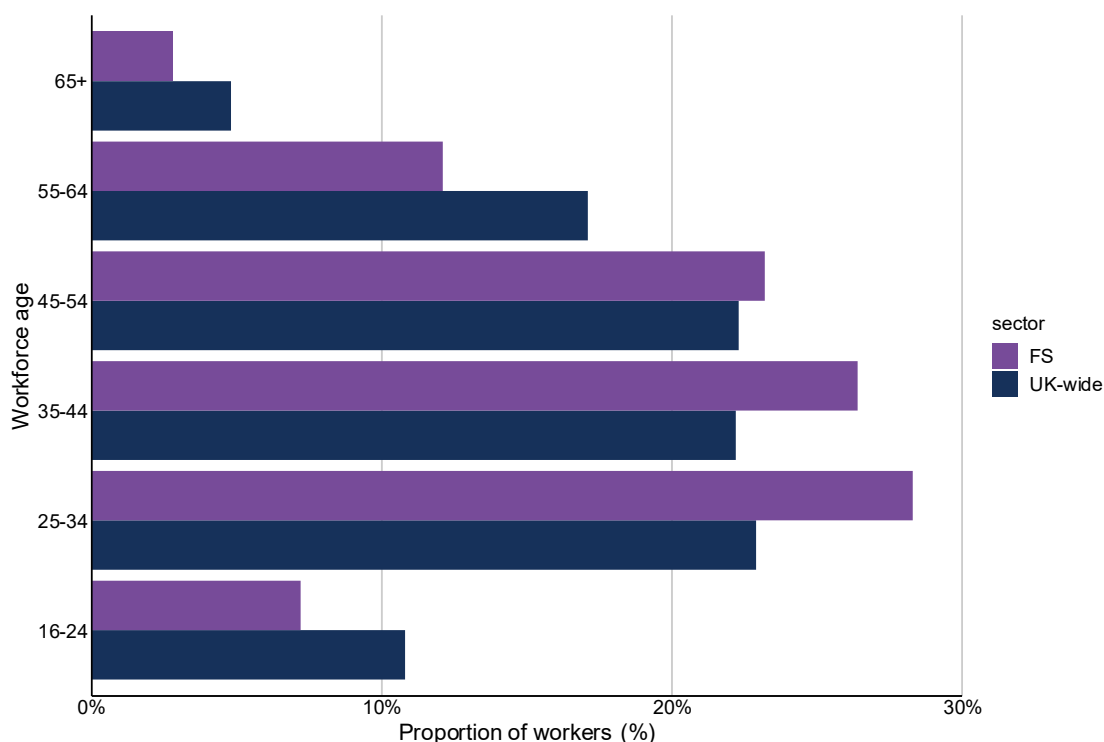
The financial services sector is one of the UK's greatest economic assets, making up around [8% of the UK economy as measured by GVA](#). In 2025, it is estimated that Financial Services employed 1,364,000 people across the UK (Annual Population Survey, ONS, 2025). It drives growth through providing finance to businesses, mortgages to consumers, directing capital to productive investments, and will play a key role in providing the finance needed for the net zero transition.

The sector encompasses activities captured within the “Financial and Insurance Activities” classification in the Standard industrial Classification. This includes:

- Capital markets
- Banking (retail, commercial and investment)
- Asset management
- Insurance/reinsurance
- Sustainable finance
- FinTech (Financial Technology)
- Pensions
- Payment Service Providers
- Other Financial Services activities such as Holding Companies and Trust Funds

The demographics of the sector show an age profile that appears more concentrated in age groups 25 to 34 and 35 to 44 relative to UK-wide employment. As shown in Figure 1, the largest age group in Financial Services is 25 to 34 (28.3%), which is 5.4 percentage points higher than the UK average (22.9%).

Figure 1: Age distribution for the Financial Services (FS) workforce compared to UK-wide employment in 2025



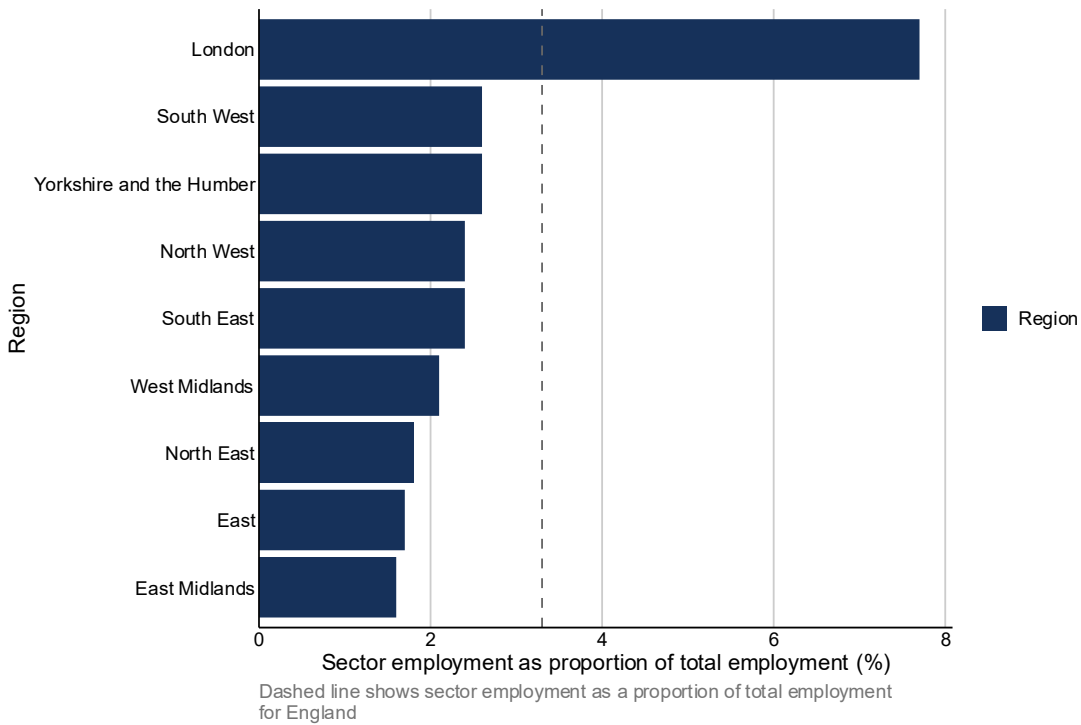
Source: [Annual Population Survey, ONS 2025](#)

Regionally, employment estimates from the [Business Register and Employment Survey \(BRES\)](#) 2024 illustrate a highly uneven distribution of Financial Services employment across England. As one of the world's two truly global financial centres, London stands out overwhelmingly as the UK's primary financial hub: 7.7% of its workforce is employed in financial services, accounting for 40% of all financial services employment nationwide. This is considerably above the England average of approximately 2.4 percent and represents a level of concentration which is considerably larger than that of other English regions, at the ITL1 level – as defined by the [ONS: International geographies - Office for National Statistics](#).

Across English regions outside the capital, as shown in Figure 2, Financial Services typically account for only around 2 to 3% of total employment, with the highest concentrations seen in parts of the South and select northern regions, and markedly lower shares in the Midlands and eastern regions. In several areas, particularly the North East, East of England, and East Midlands, the sector represents less than 2% of total employment, underscoring the extent to which financial services activity remains disproportionately concentrated in London.

However, around 60% of employment within the sector is outside of London and there are key clusters within these regions in which Financial Services account for a considerable proportion of employment. Examples include Birmingham (4.2%), Leeds (5.0%), Norwich and East Norfolk (5.7%), Bournemouth, Christchurch and Poole (7.6%), and Swindon (8.7%) LSIP geographies, amongst other financial services clusters (Greater Manchester, Cheshire, Brighton and Hove, East Surrey) highlighted within the government's [Financial Services Growth and Competitiveness Strategy](#) published last year.

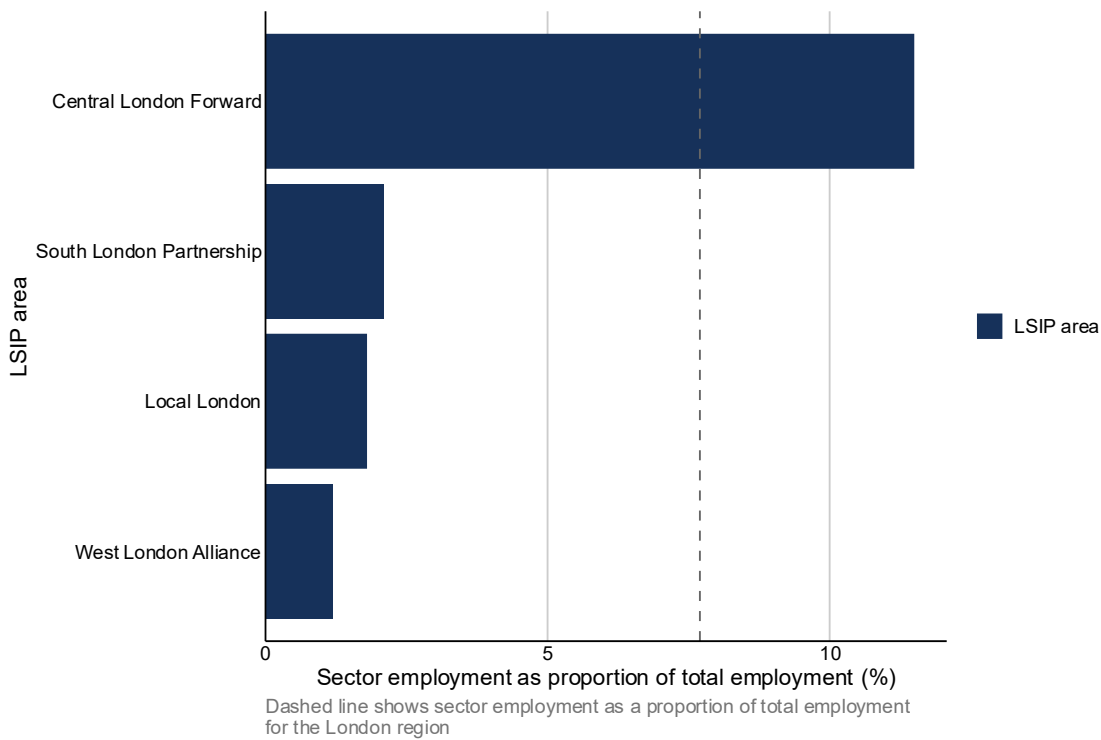
Figure 2: Proportion of jobs in the Financial Services Sector, relative to total employment, for English regions



Source: [Business Register and Employment Survey \(BRES\) 2024](#)

Within the London region, the existence of Financial Services clusters is clear. Within key areas such as Camden and the City of London (21.9%) and Tower Hamlets (21.2%), Financial Services accounts for over one fifth of the region’s employment. This is similarly demonstrated by LSIP geography level data. Financial Services accounts for 11.5% of employment within Central London Forward LSIP geography, reflecting the presence of major global financial institutions, regulatory bodies, and professional advisory firms. This contrasts with lower shares seen elsewhere in the capital, mirroring the broader regional pattern of areas with employment in the sector concentrated within established financial districts.

Figure 3: Proportion of jobs in the Financial Services sector, relative to total employment, for London LSIP areas



Source: [Business Register and Employment Survey \(BRES\) 2024](#)

Note: BRES primarily captures VAT- and PAYE-registered businesses and may therefore underrepresent sectors with high numbers of freelancers or micro-businesses. As a result, apparent regional concentrations may reflect the location of larger employers rather than the full distribution of sectoral employment.

4. Priority Occupations and Current Demand

4.1 Priority Occupations

Skills England has been working with HM Treasury (HMT) to identify occupations of importance to the Financial Services sector. To produce the list of priority occupations, officials considered employment levels within the sector, current demand indicators, and whether the occupation comes from a technology SOC code. A qualitative assessment was applied to the remaining occupations.

HMT have identified 10 priority occupations within the Financial Services sector. Out of the 10 priority occupations, 6 overlap with at least one other sector. These occupations tend to be in digital or IT, as illustrated in Table 1 below. This suggests that the sector faces a high degree of cross-sector competition for skills, which could affect the extent to which additional demand for workers can be met. There are 4 occupations which do not overlap with the priority occupations selected for any other priority sectors, including Brokers, Insurance underwriters, and Financial & accounting technicians.

In terms of priority occupations, Financial Services overlaps the most with Creative Industries, Digital and Technologies, and Life Sciences.

Table 1: Financial Services priority occupations appearing in at least 2 other sectors

Occupation	Number of sectors including Financial Services
Programmers and software development professionals	7
IT business analysts, architects and systems designers	6
Financial managers and directors	4
IT managers	4
IT user support technicians	3

Of the priority occupations in Financial Services, 50% are in critical demand (substantially higher demand than usual) and 70% are in either critical or elevated demand (above average). This is based on [Skills England's Occupations in demand analysis, published in 2025](#). This illustrates a high level of current demand for the priority occupations identified by the sector.

4.2 Demand for Skills

The UK's first [Standard Skills Classification \(SSC\)](#) provides a mapping of relevant skill areas to occupations. Using an initial prototype of the SSC, experimental analysis was conducted to identify the skill areas which are relevant to priority occupations. Across the priority occupations in the Financial Services sector, the top relevant skill areas are:

- Analysing financial data and forecasting budgets
- Developing and deploying applications
- Managing financial operations and payroll

4.2.1 Core Skills

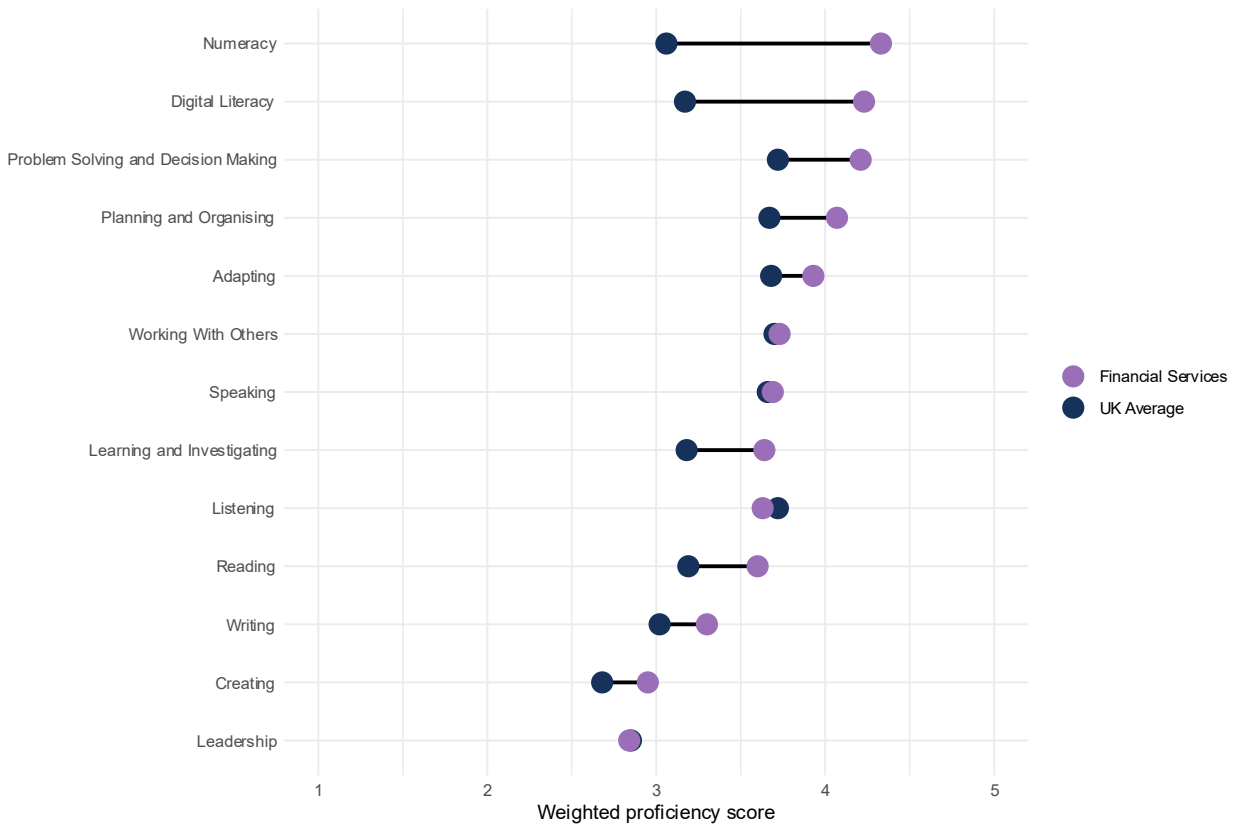
The SSC also sets out 13 'Core Skills', which are fundamental abilities that contribute to the capability to carry out the tasks associated with a specific job, such as numeracy, reading, and writing. They are often transferable, meaning they can be applied across different sectors of activity and roles. The SSC provides proficiency scores for core skills by occupation, on a 1 to 5 scale from minimal proficiency to expert proficiency.

The 13 Core Skills defined in the UK Standard Skills Classification (SSC) are listed below. These are foundational, transferable abilities required across occupations, and they are listed explicitly in the [SSC Core Skills Explorer](#).

- **Planning and Organising** – Setting goals, prioritising tasks, structuring approaches.
- **Adapting** – Adjusting strategies or behaviour to new or changing situations.
- **Working With Others** – Collaborating effectively with teams or groups.
- **Listening** – Understanding spoken communication, including non-verbal cues.
- **Speaking** – Communicating clearly and confidently through speech.
- **Leadership** – Motivating, guiding, and inspiring others.
- **Learning and Investigating** – Searching for, gathering, and understanding new information.
- **Creating** – Developing original ideas, innovations, or solutions.
- **Problem Solving and Decision Making** – Identifying issues, analysing information, selecting solutions.
- **Numeracy** – Applying mathematical techniques and interpreting numerical data.
- **Digital Literacy** – Using digital tools and technologies effectively (including AI).
- **Reading** – Interpreting written information accurately.
- **Writing** – Communicating ideas clearly and persuasively in written form.

The required proficiency in core skills for the priority occupations have been compared to the UK average. Where core skills have a higher required proficiency in priority occupations, this suggests that these skills are particularly important for these occupations. The graph below shows which core skills are important for the Financial Services sector compared to the wider UK. Financial Services requires notably higher proficiency in: Numeracy (4.3 versus 3.1) and Digital Literacy (4.2 versus 3.2).

Figure 3: Core skills proficiency for the Financial Services sector compared to the UK



Source: Internal analysis using the UK Standard Skills Classification

5. Future Demand for Priority Occupations

Employment demand is set to rise for priority occupations within the Financial Services sector. They are projected to grow by 130,000 (22.5%) between 2025 and 2035.

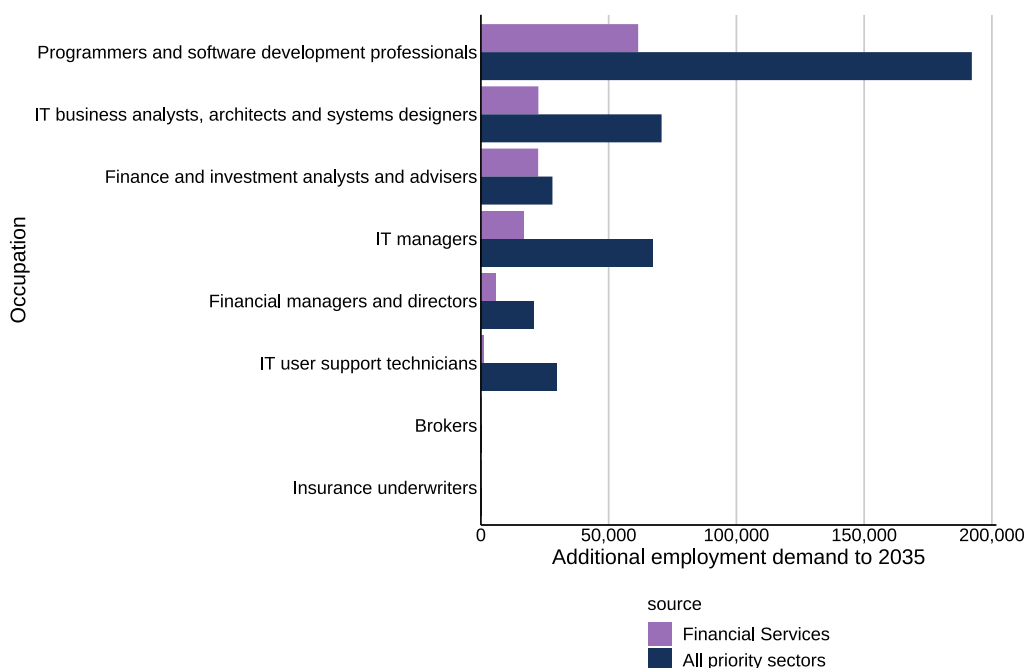
For demand projections, different approaches were taken based on whether occupations were technology-related or not:

- For non-technology roles, the average of two projections from [economy-wide projections from the Skills Imperative programme](#) were applied: SOC 4 annual projections for future employment growth under a baseline scenario, and Financial Services SOC 2 Projections for 2020 to 2035 employment growth.
- For technology-related roles, defined as those within the 3-digit SOC 213, [Annual Population Survey](#) growth rates between 2021 and 2024 were calculated and applied as an annual growth rate due to the expected increase in digitalisation in this sector.

5.1 Top Occupations by Employment Growth to 2035

As seen in Figure 4, the occupation with the highest projected employment demand is Software development professionals, with 61,600 additional workers needed in Financial Services between 2025 and 2035. This occupation also faces demand from other priority sectors. The total projected employment demand for Programmers and software development professionals across all priority sectors, including Financial Services, is 192,200 workers. Note: Figure 4 combines projections from across the priority sectors, each of which has been calculated using a different methodology. In addition, growth in this occupation may be affected by increasing use of AI in the future, but the degree of this impact is still uncertain.

Figure 4: Top priority occupations in the Financial Services sector by additional employment to 2035



Source: Demand projections provided by HMT

Though not visible on the above graph, we note that demand for the following priority occupations are projected to increase to 2035; IT user support technicians are expected to grow by 1,000, brokers by 300, and insurance underwriters by 200. Two other priority occupations are not included in the above graph due to having negative employment demand growth: Pensions and insurance clerks and assistants, and Financial and accounting technicians.

5.2 Expected Qualification Levels

The majority (99%) of projected additional employment in Financial Services priority occupations requires workers with qualifications at level 4 and above. This is far higher than across all priority occupations for all priority sectors, where 62% of additional employment requires workers with level 4 and above qualifications. This suggests that the Financial Services sector is particularly reliant on higher level skills.

Table 2: Expected qualification level of workers in priority occupations

Priority Occupations	Level 2 or 3	Level 4 or above
Financial Services priority occupations	1%	99%
All priority occupations	38%	62%

Source: Skills England planning scenarios based on sector-level projections

5.3 Alternative Scenarios

Any future projection of how the economy will evolve is inherently uncertain. This uncertainty increases the further forward the projection extends. To improve the understanding of the uncertainty in the skills assessment projections, Skills England agreed with HMT on an alternative scenario, with projections based on the human-centric scenario in the [economy-wide projections from the Skills Imperative programme](#).

The total job growth in the alternative scenario is shown in Table 3 below.

The alternative scenario presents a smaller growth in demand. In the alternate scenario, growth in priority occupations is lower by 77,900 workers (52,300) compared to the Central scenario (130,200). The growth rate in the alternate scenario is 9%, which is 14 percentage points lower than the Central scenario (23%). This illustrates the high level of uncertainty in future employment estimates for the sector, where future growth is expected to be between 9% and 23%.

Table 3: Alternative demand scenarios for Financial Services

Scenario	Increase in employment demand from 2025 to 2035	Percentage change in employment demand from 2025 to 2035
Central	130,200	23%
Alternate	52,300	9%

Numbers rounded to nearest 100

Source: Demand projections from HMT and Skills England

The uncertainty in many of the projections is far greater currently due to the accelerated adopting of AI technology. Such technology will increase the productivity of many jobs and possibly reduce the demand for new workers in affected occupations. The speed of such changes will be uneven across the economy and very uncertain.

The uncertainty caused by AI has been a particular issue for the assessment of the Financial Services sector, not least as digital occupations have seen some of the highest projected growth rates and these occupations are seeing some of the greatest AI-related changes. For the purposes of this assessment, we have not adjusted the projections provided by sector experts to take account of AI adoption as the evidence for changes is not currently strong. Furthermore, the growth in digital occupations is as much to do with the broad digitalisation of many sectors which is well established, as opposed to just a narrow growth in demand. However, it needs to be recognised that there is a heightened risk that projections of AI-exposed occupations including digital occupations are too high. Skills England intends to conduct some further work over the next year to understand the risks more fully.

5.4 Replacement Demand

In addition to expansion demand, where we consider the additional workers needed due to expected future sector growth, there is also demand for workers required to replace existing workers in the labour market. This is known as replacement demand. This is a broad estimate, based on applying rates from [economy wide projections](#).

Our analysis focusses on expansion demand, and assumes current supply is sufficient to maintain the existing size of the workforce. In practice, this will not be the case for some occupations.

Each year we estimate an average of 18,500 workers needing to be replaced within priority occupations in Financial Services. Over the 10-year period of 2026 to 2035, the total estimated replacement demand is 185,000 workers.

This increases the total demand for workers. When combining this with total additional employment demand to 2035 (130,000), the total demand for workers in Financial Services is 315,000.

6. Influence of AI on the Financial Services Sector

AI adoption in UK financial services has accelerated rapidly, with [around 75% of firms surveyed by the Bank of England and Financial Conduct Authority now using AI](#) and a further 10% planning deployment within three years. [Estimates from the City of London Corporation](#) suggest considerable potential for productivity growth with rapid uptake projected to drive productivity gains of up to 50% by 2030.

[Regulators' surveys](#) show that firms are realising clear benefits in fraud detection, anti-money laundering, cybersecurity, and improved analytical insight, while operational efficiency and productivity are expected to grow substantially in the near term. However, this expansion also introduces rising risks, including data privacy concerns, model complexity, and dependence on third-party providers.

The [AI Skills for the UK Workforce](#) programme research found that:

- 55% of AI use cases now include some automated decision making, with 24% semiautonomous, retaining human oversight for critical or ambiguous decisions.
- Only 2% of use cases are fully autonomous, signalling a cautious approach to replacing human judgement.
- [Nearly 60% of financial institutions](#) reported improved productivity from AI in 2025, from 32% in 2024.
- However, [the Bank of England suggests](#) that 46% of firms report only partial understanding of the AI they use, largely due to third-party vendor complexity. Whilst there are some concerns on the risks inherent with this usage, firms are restricted both by their own policies (62% of firms noted constraining AI usage due to concerns over data protection and privacy) as well as existing regulation (51% identify resilience and cyber security rules as a constraint).
- Additionally, [a 2024 Cisco survey showed](#) “more than a quarter (27%) of organisations have banned the use of GenAI among their workforce over privacy and data security risks, at least temporarily”, showing that firms are taking a proactive approach to AI security.

In workshops conducted on behalf of Skills England, experts highlighted a persistent gap in AI competency. Although only 0.5%-1% of workers need specialist AI skills, [most workers now need to be able to work alongside AI in their roles](#). Skills demand is changing, with demand for behavioural skills, such as adaptability, outweighing that for pure technical skills.

Skills England commissioned Dr Nisreen Ameen to develop an [AI Skills tools package](#). As part of this, evidence from deep-dive workshops with sector leads and Skills England's research and analysis report on [AI skills for the UK workforce](#) shows that AI skills in demand can be mapped to three broad domains:

Technical skills

- [Using natural language processing, prompt engineering, AI/machine learning](#), data analysis and insights, using generative and agentic AI applications and more advanced AI tooling in an “experimental phase” (e.g., how to spin up / configure agent-like capabilities and move prototypes forward); ability to engage with technical AI language and concepts that are currently “couched in computer science”.

Non-technical skills

- [Integrating human-AI decision, cross-functional translating and collaborating](#), and effective communication to explain AI-supported work internally (and in decision contexts) in plain language.

Responsible and ethical skills

- [Ensuring transparency in use of AI](#), ensuring regulatory standards are met, and aligning with organisation’s ethical standards; risk awareness around using AI outputs in regulated environments.

7. Education Supply

As part of this assessment, we have considered the supply of workers in priority occupations relevant to the Financial Services sector. Employment in the sector is influenced by a range of joiners (inflows) and leavers (outflows), as illustrated in Figure 5. This analysis focuses on one component of supply: inflows from education.

Education inflows capture individuals who move from education into employment in priority occupations. This group is predominantly made up of career starters, while also including a smaller number of job switchers and individuals returning to work. Taken together, these flows provide a robust and consistent indicator of the pipeline of new talent entering priority occupations and form a reliable basis for understanding the contribution of the education system to workforce supply.

Figure 5: Stock and flow of joiners and leavers into industries

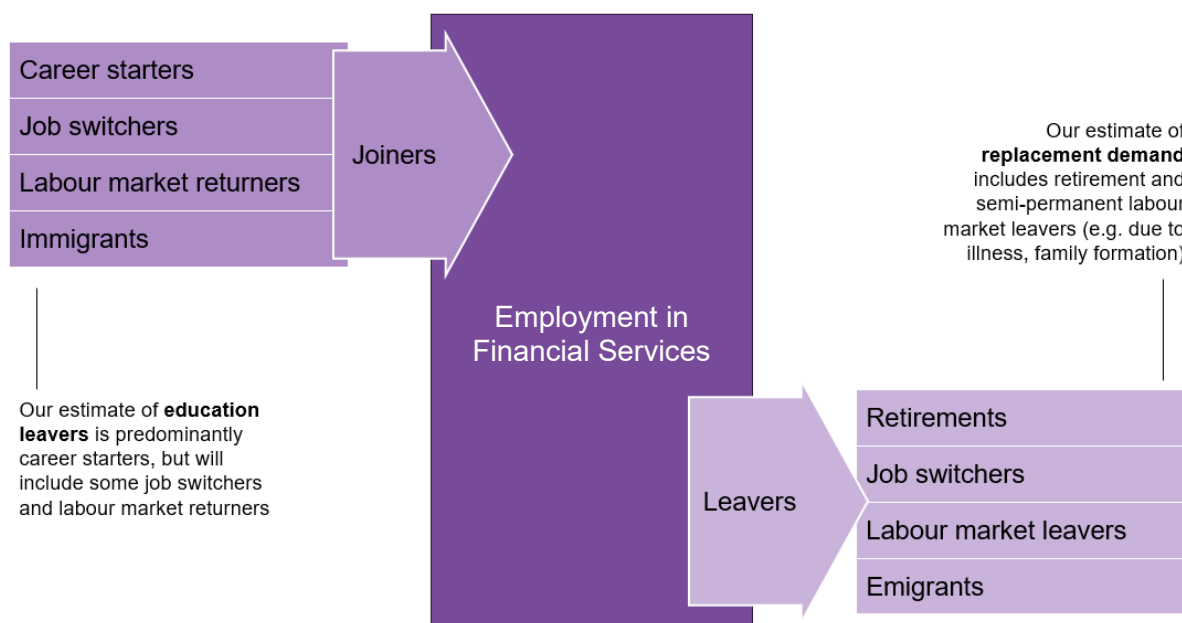


Figure 5 is a stock and flow diagram showing how people join the Financial Services sector, listed as career starters, job switchers, returners, immigrants. It then shows what makes them leave: retirements, job switchers, labour market leavers, emigrants. For joiners, the diagram states that Skills England's estimate of education leavers is predominantly career starters, but will include some job switchers and labour market returners. For leavers, the diagram outlines that Skills England's estimate of replacement demand includes retirement and semi-permanent labour market leavers (for example, due to illness, family formation).

7.1 Important training routes

There are multiple routes by which people enter employment in a given occupation. Using information on historic pathways into these occupations and the [Skills England](#)

Occupational Maps, we have identified the most prominent routes that provide direct supply into priority occupations in the Financial Services sector. The routes relate to entry into the occupation but cover all industries and are not specific to employment in the Financial Services sector. These routes are summarised in Table 4.

Training routes have been selected by considering the volume of entrants to priority occupations identified for the sector and what proportion this is of all employed education leavers for that training route. Training routes with a high volume and proportion relative to other training routes were selected.

These broadly split into three types of courses:

- Well-aligned routes, often technical in nature, where a high proportion of leavers progress into priority occupations, but sometimes with small cohorts.
- Balanced routes, where a reasonable proportion of leavers progress into priority occupations from a larger cohort.
- High volume routes, where a smaller proportion of leavers progress to priority occupations but contribute a large share of employment.

Not all 3 course types are present in all sectors. For well-aligned routes, increasing the supply into priority occupations will likely require an increase in enrolments. Whereas for other routes that are less well-aligned, increasing the progression rates to priority occupations may be more effective.

Table 4: Key routes related to priority occupations for the Financial Services sector

Pathway	Subject area	Level group	Number of education leavers entering priority occupations	Percentage of employed education leavers entering priority occupations
Higher Education	Computing	Level 6+	5,430	44%
Apprenticeship	Digital technology (practitioners)	Level 4/5	680	38%
Apprenticeship	Digital technology (practitioners)	Level 6+	390	38%

Apprenticeship	Digital technology (practitioners)	Level 2/3	1,250	32%
Apprenticeship	Accounting And Finance	Level 6+	910	31%
Higher Education	Economics	Level 6+	1,070	22%
Higher Education	Mathematical Sciences	Level 6+	890	22%

Source: Skills England estimates based on employment in 2022/23 tax year

Note: The routes relate to entry into the priority occupations identified by HMT but, as these occupations can span multiple sectors beyond Financial Services, this analysis is not strictly specific to employment in the Financial Services sector.

The 7 routes in Table 4 account for 43% of education leavers entering priority occupations for the sector. This shows the importance of both level 6+ higher education and apprenticeships as pathways into the Financial Services sector. They cover computing and digital subjects, alongside finance-specific disciplines such as accounting and finance and economics. However, the proportion of those entering priority occupations for Financial Services is relatively low for economics and mathematical sciences. There are also high numbers of education leavers from business and management, but the share entering priority occupations is even lower (10%).

Some newer training routes are not included in the historic data, including newer apprenticeship standards and Skills Bootcamps. There have been three newly introduced apprenticeship standards since August 2022 all related to digital, including AI. Overall, based on the [Skills England Occupational Maps](#), there are 22 apprenticeship standards linked to priority occupations in the sector. They are all at level 3 and above, with 74% of achievements in 2024 to 2025 at level 3 or level 4.

7.2 Trends in training routes

We can get a sense of how supply into priority occupations is changing by looking at the number of learners successfully completing a course (defined as ‘achievements’) that is aligned with these occupations. Where courses have grown in achievement numbers, this could suggest that these courses will continue to be key pathways into priority occupations in the sector. Table 5 gives an overview of the change in achievement figures for the key routes over the 2 years between 2021 to 2022 and 2023 to 2024.

Table 5: Growth in achievements for key routes related to priority occupations

Pathway	Subject area	Level group	Achievements in 2023 to 2024	Growth in achievements since 2021 to 2022
Apprenticeship	Digital technology (practitioners)	Level 4/5	4,190	+82%
Apprenticeship	Digital technology (practitioners)	Level 2/3	6,960	+49%
Apprenticeship	Digital technology (practitioners)	Level 6+	1,840	+46%
Higher Education	Computing	Level 6+	50,280	+40%
Apprenticeship	Accounting And Finance	Level 6+	5,140	+32%
Higher Education	Mathematical Sciences	Level 6+	13,500	+7%
Higher Education	Economics	Level 6+	17,710	+6%

Source: Figures provided by the Department for Education

There has been strong growth across several routes, particularly within apprenticeships. Growth has been strongest in digital technology apprenticeships, especially at levels 4 and 5, followed by levels 2 and 3. While overall achievement volumes for apprenticeships remain lower than higher education courses, growth has been faster, indicating that apprenticeships are becoming an increasingly important pathway for supplying priority occupations. There has also been growth in mathematical sciences and economics, but at a slower rate.