Skills Development Scotland

Sectoral Skills Assessment

Financial Services

October 2025

Sectoral Skills Assessments

First launched in 2017, Sectoral Skills Assessments (SSAs) provide a robust and consistent evidence base to support strategic skills investment planning. Skills Development Scotland (SDS) has worked with key partners and stakeholders to produce SSAs, ensuring an inclusive approach to their development, dissemination and utilisation.

SSAs include published data sets. Inevitably, when using published data there is a time lag, but the data contained is the most up-to-date available at the time of writing. SSAs also include forecast data commissioned through Oxford Economics.

The Technical Note[1] provides full detail on the caveats that must be applied when using forecast data, but broadly, it should be noted that:

- Forecasts are based on what we know now and include past and present trends projected into the future.
- The more disaggregated they become, especially at smaller geographical units, the less reliable they are likely to be.
- Their value is in identifying likely directions of travel rather than predicting exact figures.
- The forecasts do not account for national or sectoral activities, initiatives or investments that are planned.

Industries and occupations used in the SSAs are defined by Standard Industrial Classifications (SIC)[2] and Standard Occupational Classifications (SOC).[3]

This SSA report is for the Financial Services sector. The sector includes Monetary Intermediation, Trusts, Funds and Similar Entities, Insurance, Reinsurance and Pension Funding (except compulsory social security), Activities Auxiliary to Financial Services and Insurance Activities, and Other Financial Services. Please see Appendix 1 for the SIC definition used in this report.

The SSAs are part of a suite of Labour Market Insight publications by SDS. Other products in the suite include:

Economy, People and Skills report which provides succinct and up-to-date evidence on Scotland's economy, businesses and people. It is published monthly.

Regional Skills Assessments provide a coherent, consistent evidence base to inform future investment in skills, built up from existing datasets and forecasts for College regions, Rural Scotland and all City and Growth Deals regions. These are published annually.

The **Data Matrix** is an interactive tool, offering more detailed data from a variety of sources in a visually engaging format. It is updated frequently.

Alongside the suite of Labour Market Insight publications, SDS also produces a wide range of reports such as statistics on Modern Apprenticeships and the Annual Participation measure for 16-19 year olds. This includes a wide range of data related to equalities. Further information can be found on the Publications and Statistics section of the SDS website.

We value user feedback on the Sectoral Skills Assessments.

If you would like to provide feedback, please do so **here**.

For any further information or queries on the SSAs or any of our other products, please contact: **RSA@sds.co.uk**

1. SSA Technical Note (2025).
2. Office for National Statistics UK Standard Industrial Classification (SIC) 2007.
3. Office for National Statistics UK Standard Occupational Classification (SOC) 2010.

The Context for Scotland's Labour Market

Over the past decade, the Scottish economy has experienced disruption driven by changes in the global political landscape, the cost-of-living crisis and conflicts in the Middle East and Ukraine. In addition, megatrends in demography, technology, and the environment have continued to shape Scotland's economy and labour market, many of which are interdependent. Below is an overview of the drivers that are expected to have the greatest influence on Scotland's labour market outlook in the near term, based on a comprehensive analysis of both structural and cyclical factors.

The Economy

Scotland and the UK experienced weak economic growth of 1.1% in 2024, with inflation also staying above the 2.0% target. Forecasters expect economic growth to remain at around 1.0% in 2025, with inflation also expected to remain elevated. The effects of rising prices and high interest rates continue to impact Scottish households and businesses. This contributes to the Scottish labour market being cooler in 2025, following a period of sustained tightness in recent years.

Demographic Change

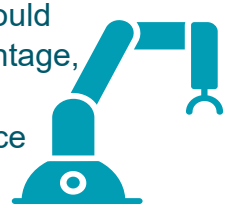
Scotland's population is projected to grow until mid-2047, largely driven by positive net migration, which will offset the anticipated natural decline due to a falling fertility rate. However, whilst the population is growing, it is also ageing. Around one-fifth of Scotland's residents were aged 65 or over in 2024. By 2047, the number of people of pensionable age is expected to increase by 21%. This demographic change has implications for the economy and labour market, by affecting caring responsibilities, tax revenue, and productivity.

Inclusion and Equality

There is a lingering effect from the cost-of-living crisis, which began in 2021, with rising energy prices and financial pressures continuing to have a disproportionate impact on low-to-middle income households. Poverty, including in-work poverty, persists; however, the Fair Work policy agenda aims to reduce labour market inequalities. Barriers to accessing the labour market remain for disabled people and minority ethnic groups, and gender equality still requires progress.

Technology and Automation

Artificial Intelligence (AI) continues to be the core driver in technology transformation. Scotland has a strong technology sector, underpinned by extensive academic and business presence in AI and related fields. The adoption of AI is rapidly increasing among Scottish businesses, particularly in optimising workflows. However, the implications of AI for the labour market remain uncertain. Scotland's strong base in digital and data skills could provide an advantage, but maintaining a skilled workforce will be essential.



Climate Change and Net Zero

The transition to net zero will directly impact the labour market as actions are taken to meet net zero targets. This shift offers significant opportunities for job creation in Scotland, particularly in the clean energy sector. Scotland has strong natural assets, and existing sectoral strengths provide a strong foundation for a green economy. However, upskilling will be crucial for transition to net zero. Especially in the construction, manufacturing, agriculture, energy and transport sectors.

A fuller report on Scotland's Labour Market Drivers can be found here.

Sectoral Insight[1]

The UK Government's industrial strategy identifies the importance of the UK financial services industry, highlighting it as one of its eight growth sectors and acknowledging its importance in enabling growth across the real economy. Financial services is also important to Scotland's economic prosperity, and with Edinburgh and Glasgow ranking at an impressive 29th and 32nd respectively in the recent Global Financial Centres Index, Scotland has a right to be proud of its success.

The employers are attracted to Scotland because of the available talent pool and excellent universities. To encourage more employers to locate here, Scottish Financial Enterprise (SFE), alongside public sector agencies, are promoting Scotland as a place of opportunity for those who choose to invest here. Activities include the Investment Summit, which took place at the beginning of October 2025. It showcased the investment opportunities in Scotland, which would generate even further economic growth, especially outside the central belt.

The Financial Services sector in Scotland is a modern, vibrant, and exciting place to work, with lots of opportunities, predominantly across the central belt, for individuals to enter well-paid careers. Despite some high-profile redundancies, several of the large financial services employers have been increasing their footprint. This includes the modern Barclays campus in Glasgow, where 6,500 staff work, and the BlackRock expansion in Edinburgh. The latter is growing its Edinburgh base to accommodate 1,400 employees, working in a range of roles including audit, risk, legal, technology, and operations, alongside its more corporate functions, including public policy and government affairs.

The demand for digital skills has also increased markedly across the sector, with data and digital skills most in demand both for new and existing staff. This highlights a pressing need to expand upskilling and reskilling opportunities. The Financial Services Skills Commission, in their Skills Report noted among their key findings that firms can unlock opportunity for a broad pool of talent by hiring apprentices together with upskilling and reskilling existing staff.

The Scottish Financial Enterprise is working to refresh the 2022 Skills Action Plan, which will include research to better understand those skills and job roles most in demand. To help employers fill vacancies, Scottish Financial Enterprise and industry representatives have worked hard to promote the exciting range of career pathways into and through the sector and create initiatives and programmes that can widen the talent pipeline. Public agencies, SFE, and employers have developed initiatives like the GetInto.Finance careers portal and the 'A Future in Finance' schools programme to promote financial services careers. Programs such as Future Asset and I2020 help young people explore opportunities and challenge sector misconceptions.

Employers also engage schools through platforms like the 'Marketplace' website, offering initiatives like Barclays' LifeSkills to build financial literacy and critical skills.

Digital advancements like 'Open Banking' and its evolution, 'Open Finance' enhance secure data sharing and access to personalised financial services.

Organisations like FinTech Scotland and the Financial Innovation Regulation Lab (FRIL) lead efforts to drive fintech innovation and regulation in Scotland. Groups such as the Digital Trust Taskforce are raising awareness of and accelerating the use of digital trust technologies across various sectors, including financial services.

The forecasts used in this Sectoral Skills Assessment are policy and investment neutral. This means the figures present a baseline outlook that takes into account historical trends and external economic conditions, but the figures do not reflect investment or policy that is unconfirmed or at planning/development stage.

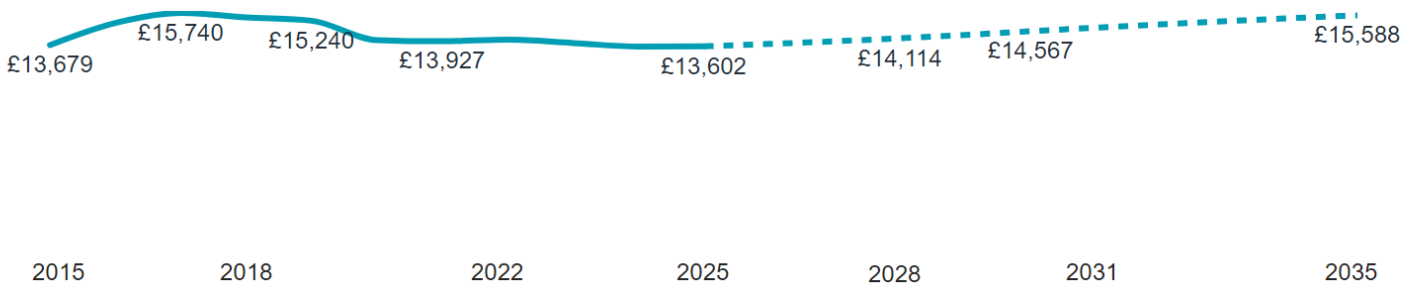
This would include, for example the BlackRock expansion in Edinburgh.

Therefore, the forecasts should be used in conjunction with other sources, and readers are encouraged to overlay these with their own local knowledge.

1. Insight from the sector gathered via Skills Development Scotland (2025).

The Economy

Gross Value Added (GVA, £m) (2015-2035)[1, 2]



In 2025, GVA in the Financial Services sector was estimated to be £13,602m, generating 8.0% of Scotland's total economic output. Between 2015 and 2025, GVA in the sector was estimated to have remained relatively stable. Comparatively, the annual growth across Scotland was 0.9% between 2015 and 2025.

Looking ahead, GVA in Financial Services is forecast to grow on average by 1.4% each year between 2025 and 2035, which is slightly below Scotland's average (1.7%). In 2035, the sector is forecast to account for 7.8% of Scotland's total economic output.

Financial Services forecast GVA in 2028: **£14,114**m

↑ up 3.8% from 2025

Financial Services forecast GVA in 2035: **£15,588**m

↑ up 10.4% from 2028

Scotland forecast GVA in 2028: **£177,951**m

↑ up 5.2% from 2025

Scotland forecast GVA in 2035: **£199,512**m

↑ up 12.1% from 2028

Productivity (GVA per job) [1, 3]

In this report, we have used Oxford Economics' measure of productivity, which is calculated by dividing total sectoral GVA by total sectoral employment (measured by jobs). Please note, there are different ways of calculating productivity, and caution is needed when interpreting productivity data presented in this report. It must be considered in the context of other data and insight.

In 2025, productivity in the **Financial Services** sector was estimated to be **£160,200**. In comparison, the Scottish average was £57,700.

Financial Services forecast productivity in 2028: **£164,500**

↑ up 2.6% from 2025

Scotland forecast productivity in 2028: **£59,100**

↑ up 2.4% from 2025

Financial Services forecast productivity in 2035: **£176,900**

↑ up 7.5% from 2028

Scotland forecast productivity in 2035: **£63,600**

↑ up 7.5% from 2028

1. SDS (2025). Oxford Economics Forecasts.
2. GVA is the measure of the value of goods and services produced within the economy and is an indicator of the sector's health.
3. Productivity is the measure of goods and services produced per unit of labour input. The Oxford Economics forecasts of productivity shown here have been calculated by dividing total sector GVA by total sector employment (measured by jobs).

Current Demand

Workforce size 2025: **71,300** people[1]

This was estimated to account for **2.6%** of Scottish employment.

The sector's workforce was estimated to have **increased** by **0.9%** (or **700** people) between 2015 and 2025.

This compares to a Scotland wide increase of **5.5%** or **141,500** people between 2015 and 2025.

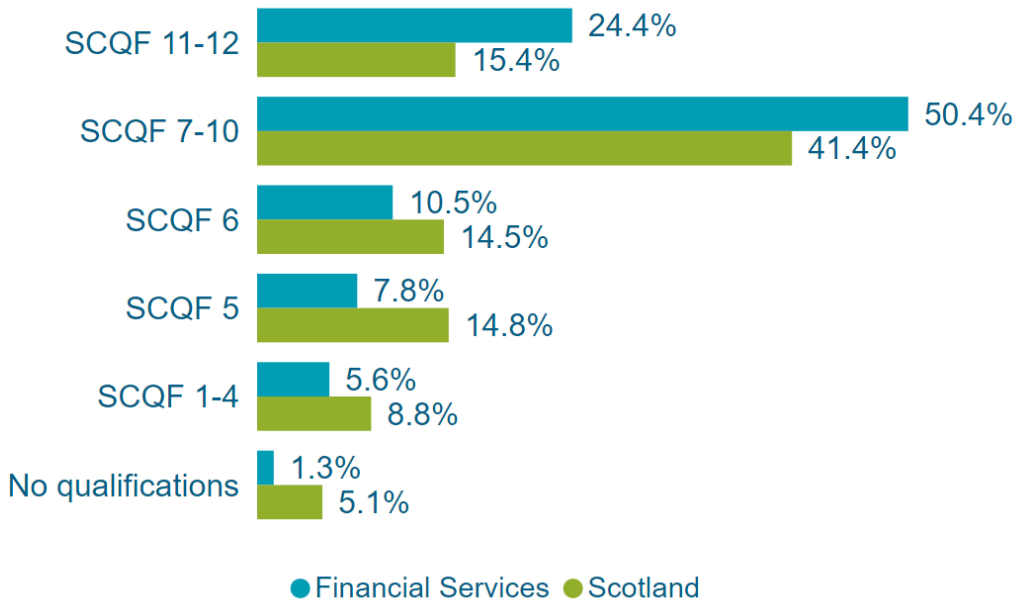
Employment by Region (people), 2025[1]

The greatest number of people employed in **Financial Services** were estimated to be in:

Edinburgh, East and Midlothian	Glasgow College Region*	West Region	Lanarkshire
33,700	**19,800**	**4,300**	**2,900**

Workforce Qualifications, 2025[1]

It was estimated that workers in **Financial Services** had higher qualifications than the Scottish average. In 2025, it was estimated that 75% of workers in the sector were qualified to SCQF Level 7 and above.[2]



Top 10 Employing Occupations (people), 2025[1]

1. SDS (2025). Oxford Economics Forecasts.
2. See SCQF Framework for further information on SCQF qualification levels.

*Glasgow College Region covers East Dunbartonshire, East Renfrewshire and Glasgow City local authorities.

Current Demand

The proportion of Local Authorities' workforce employed in Financial Services, 2025[1, 2]

Scottish local authorities have sectoral strengths that make them unique. This means that the **Financial Services** sector may be more important to some local economies, as a higher proportion of the local workforce is employed in the sector.

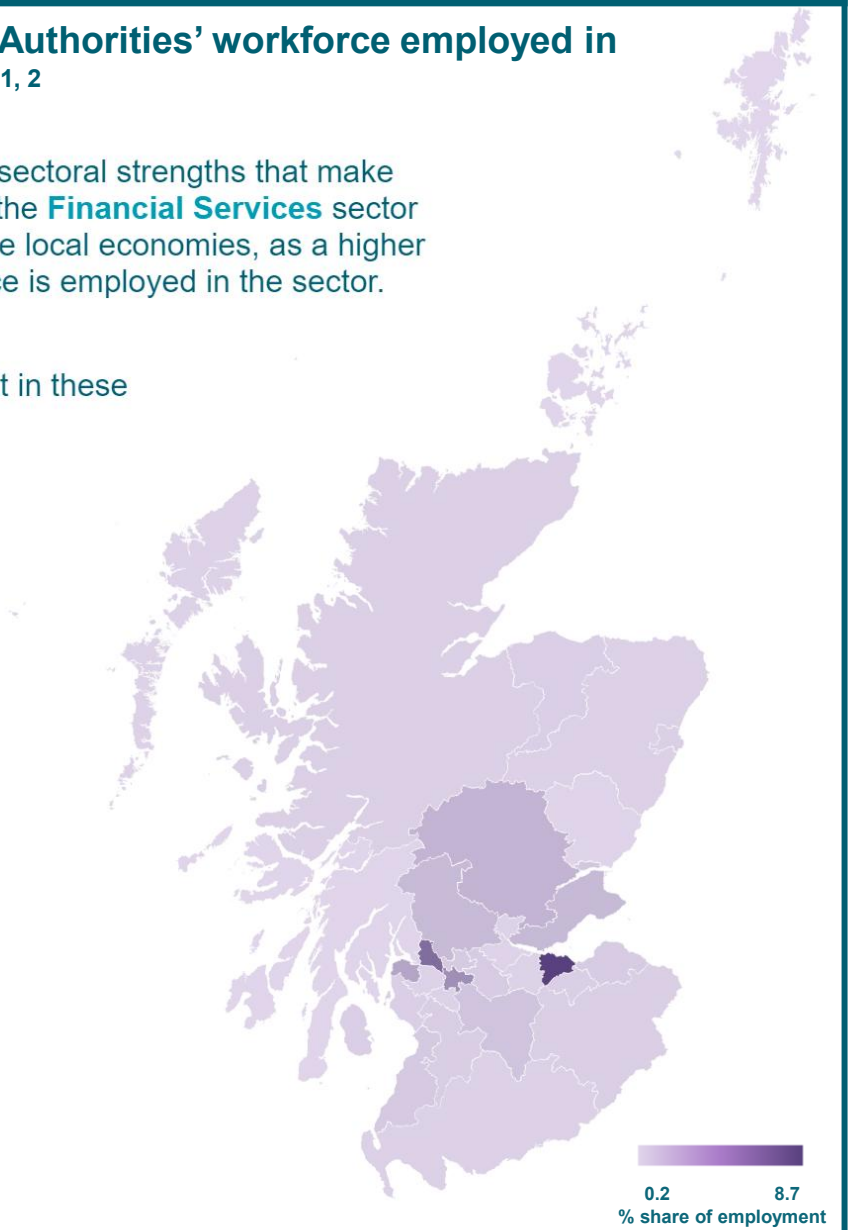
The sector was most prominent in these local authorities:

City of Edinburgh
8.7%

West Dunbartonshire
6.2%

Glasgow City
4.3%

Inverclyde
2.9%



Real Living Wage and Gender Pay Gap[3]

Individuals earning Real Living Wage or more:
In April 2024, the real living wage rate for employees who did not work in London was £12.00.

Financial and Insurance Activities
No data available

All sectors
2023: **89.8%** 2024: **88.6%**

Gender Pay Gap for median full-time hourly earnings:

Financial and Insurance Activities
2023: **23.8%** 2024: **27.0%**

Scotland
2023: **1.4%** 2024: **2.2%**

Due to data availability, a 'best fit SIC code approach' has been used, so sectors definitions here may not fully match key sector definitions.

Modern Apprenticeships[4]

MA **starts for Financial Services*:**

Q4 2023/24: **350** Q4 2024/25: **287**

MAs **in training for Financial Services*:**

Q4 2023/24: **461** Q4 2024/25: **363**

For the latest quarterly MA statistics, please click **here.**

* Based on SDS Occupational Groupings

For data on FAs and GAs please see the Publications section of our website. For data on colleges and universities please see Scottish Funding Council and Higher Education Statistics Agency.

1. SDS (2025). Oxford Economics Forecasts.
2. The proportion of the workforce in the Local Authority employed in the sector is calculated by dividing the sectoral employment in the area by total employment in the area.

3. Scottish Government (2025). Annual Survey of Hours and Earnings: 2024. The figures for 2023 have been revised. Due to data availability, a 'best fit SIC code approach' has been used, so the sectoral definitions and totals in this section may vary from those we have used elsewhere.

4. SDS (2025). Modern Apprenticeship Statistics.

Job Postings[1,2,3]

Between July 2024 and June 2025, there were **505,170** job postings in Scotland across all sectors. The labour market across the country has cooled following a peak in job postings in 2022, and since the end of 2023 the number of jobs postings each month has been broadly stable.

Spotlight on… Finance and Investment Analysts and Advisers[4]

Between July 2024 and June 2025 there were **4,200 job postings** for Finance and Investment Analysts and Advisers. The number of job postings has increased by **2.2%** compared to the period between July 2023 and June 2024 (**8.0%** decline across all occupations comparatively).

Top Locations:

- Edinburgh City — **1,710 job postings**
- Glasgow City — **1,310 job postings**
- Aberdeen City — **230 job postings**
- Fife — **100 job postings**

Specialised skills and knowledge included:

- Financial Services
- Investments
- Accounting
- Financial Planning
- Risk Management

Median real-time advertised salary: **£46,800**

Spotlight on… Pensions and Insurance Clerks and Assistants[5]

Between July 2024 and June 2025 there were **260 job postings** for Pensions and Insurance Clerks and Assistants. The number of job postings has decreased by **20.1%** compared to the period between July 2023 and June 2024 (**8.0%** decline across all occupations comparatively). However, demand for these roles remained steady.

Top Locations:

- Glasgow City — **170 job postings**
- Edinburgh City — **30 job postings**
- North Lanarkshire — **20 job postings**
- Inverclyde — **10 job postings**

Specialised skills and knowledge included:

- Claims Processing
- Data Entry
- Advanced Case Management
- Underwriting
- Claims Resolution

Median real-time advertised salary: **£26,500**

1. Lightcast 2025. Online job postings data provides a useful barometer for the health of the jobs market. It is important to note that the data does not capture all activity, so it should be considered as an estimate of activity.
2. Job postings are rounded to the nearest 10.
3. Data is for the period covering July 2024 – June 2025
4. Data is based on SOC 2422 for the whole of Scotland. Median salary based on 32% of job postings.
5. Data is based on SOC 4132 for the whole of Scotland. Median salary based on 42% of job postings.

Spotlight: Digital Practitioners in Financial and Business Services*

Digital Practitioners in Scotland

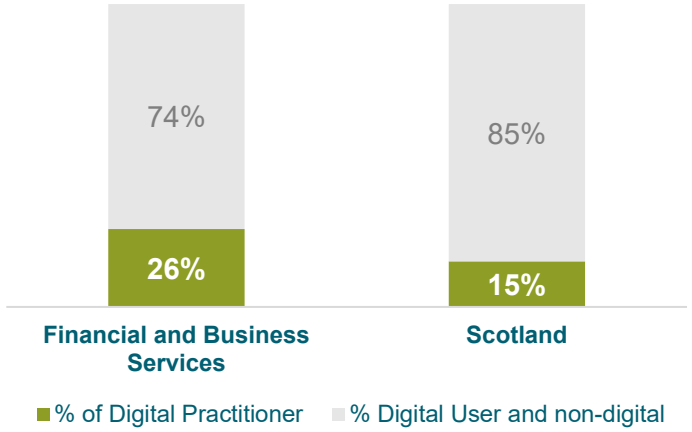
Recognising that digital skills permeate roles across all sectors and are no longer confined to traditional technology roles, SDS has undertaken research to define Scotland's Digital Economy in 2025, building on the Digital Economy Skills Action Plan.

This definition strengthens the evidence base and ensures SDS and partners can understand the spread of digital jobs across Scotland's key sectors and identify how digital transformation is shaping skills demand, productivity and sectoral growth. More information on this research is available in Appendix 2.

This spotlight focuses on the presence of **Digital Practitioner** roles within the Financial and Business Services* sector. Digital Practitioners are occupations that utilise technical and professional digital skills, either within the traditional digital sector or integrated into other roles outside the sector. Digital Practitioner roles include occupations like **Chartered and Certified Accountants** and **Finance and Investment Analysts and Advisers.**

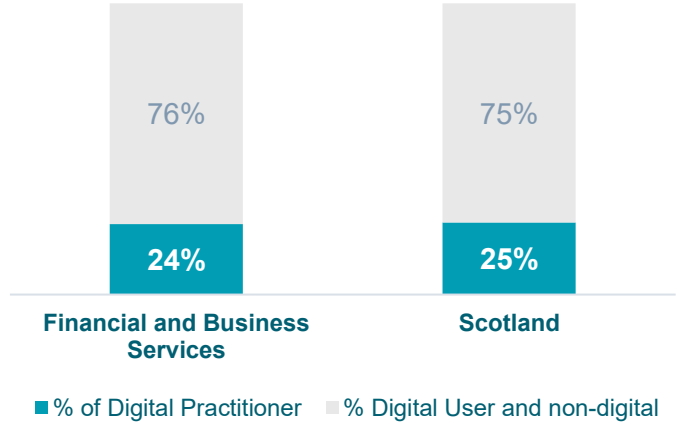
Employment [1]

In 2022, **26%** of people employed in the Financial Services and Business Services Sector were employed in Digital Practitioner roles. This was higher than the Scottish average of **15%**.



Gross Value Added (GVA)[2]

Digital Practitioner roles within Financial and Business Services make a sizeable contribution to the GVA of the whole sector (**24%** in 2022), in line with the average in Scotland.



Digital Insight for Financial Services[3]

Given the focus on 'Open Finance', Digital Practitioner roles such as Software Engineer and Data Scientist have flourished within Financial Services.

Software engineers and data-related roles are being prioritised for reskilling and upskilling. Software engineers require constant upskilling due to the nature of their role and programming languages.

Financial Services Skills Commission research highlighted that FS & Tech expertise will increasingly rely on core competencies such as agility, creative thinking and relationship management.[4] These core competencies will enable the sector to innovate and adapt to continuous uncertainty and change. In the future, success will hinge on skills than on jobs.

*Due to data availability, the Financial and Business Services definition has been used. It encompasses both Financial Services and Professional Services, as well as other business related activities.

1. SDS analysis of Lightcast Labour Market Data (2022, accessed in 2024).
2. SDS analysis of Annual Business Survey Data (2022, published in 2024).
3. Insight from the sector gathered via Skills Development Scotland (2025).
4. Financial Services Skills Commission (2023) People + Technology: How skills can unlock value for Financial Services

Future Demand: Mid-term (2025-2028)[1]

In the mid-term (2025-2028), **the number of people in employment is forecast to grow by 1.9% (1,300 people)** in the **Financial Services** sector. This is a smaller percentage growth than is forecast overall across Scotland where employment is anticipated to rise by 2.5% (68,000 people).

By 2028, the regions forecast to have the greatest level of sectoral employment are **Edinburgh, East and Midlothian** and **Glasgow College Region**, the same as in 2025. Between 2025 and 2028, the sector is forecast to see the greatest growth in **Corporate Managers (600 people),** followed by **Business and Public Service Associate Professionals (500 people)**.

Forecasts for the mid-term (2025-2028) suggest there could be demand for **2,200 people in the sector**, as a result of the **need to replace workers** leaving the labour market and **opportunities created** through expansion demand. Whilst positive, caution is needed as a wide range of factors may impact the labour market over this period.

Workforce (people), 2028[1]

Workforce size 2028: **72,700** people

The sector's workforce is expected to **grow** by **1.9%** (or **1,300** people) between 2025 and 2028

Compared to a Scotland wide increase of **2.5%** or **68,000** people

Total Requirement[1,2]

Total requirement: **2,200** people = **Replacement demand**: **900** people + **Expansion demand**: **1,300** people

Financial Services is forecast to account for **0.5%** of Scotland's total requirement for people in the mid-term (2025-2028)

Top 10 Employing Occupations (people), 2028[1]

1. SDS (2025). Oxford Economics Forecasts.
2.Total requirement for people is made up of expansion and replacement demand.
The expansion demand is the number of people required as a result of economic growth or contraction.
The replacement demand is the number of people required to replace workers leaving the labour market (i.e. those who retire, move away or change jobs). Please note, figures are rounded to the nearest 100 and as a result totals may not equal the sum of the constituent parts.

Future Demand: Long-term (2028-2035)[1]

Employment growth in the **Financial Services** sector **is forecast to continue, with an increase of 1.0% (700 people)** in the long-term (2028-2035). This is a smaller percentage growth than is anticipated overall across Scotland where employment is forecast to rise by 4.0% (112,500 people).

By 2035, the regions forecast to have the greatest level of sectoral employment are **Edinburgh, East and Midlothian** and **Glasgow College Region.** Between 2028 and 2035, the greatest growth is forecast to be in **Corporate Managers (1,100 people),** followed by **Business and Public Service Professionals (600)** in the sector.

Forecasts for the long-term (2028-2035) estimate that **2,600 people** could be required in the sector. This will be driven by **the need to replace workers** leaving the labour market **and the creation of opportunities** through expansion demand. Whilst positive, caution is needed as a wide range of factors may impact the labour market over this period.

Workforce (people), 2035[1]

Workforce size 2035: **73,300** people

The sector's workforce is expected to **grow** by **1.0%** (or **700** people) between 2028 and 2035

Compared to a Scotland wide increase of **4.0%** or **112,500** people

Total Requirement[1,2]

Total requirement: **2,600** people = **Replacement demand**: **1,900** people + **Expansion demand**: **700** people

Financial Services is forecast to account for **0.3%** of Scotland's total requirement for people in the long-term (2028-2035)

Top 10 Employing Occupations (people), 2035[1]

1. SDS (2025). Oxford Economics Forecasts.
2. Total requirement for people is made up of expansion and replacement demand.
The expansion demand is the number of people required as a result of economic growth or contraction.
The replacement demand is the number of people required to replace workers leaving the labour market (i.e. those who retire, move away or change jobs). Please note, figures are rounded to the nearest 100 and as a result totals may not equal the sum of the constituent parts.

Appendix 1: Financial Services Sector Definitions (SIC 2007)

SIC	Name
64.1	Monetary intermediation
64.3	Trusts, funds and similar financial entities
64.9	Other financial service activities, except insurance and pension funding
65	Insurance, reinsurance and pension funding, except compulsory social security
66	Activities auxiliary to financial services and insurance activities

Appendix 2: Digital Economy Definition Research

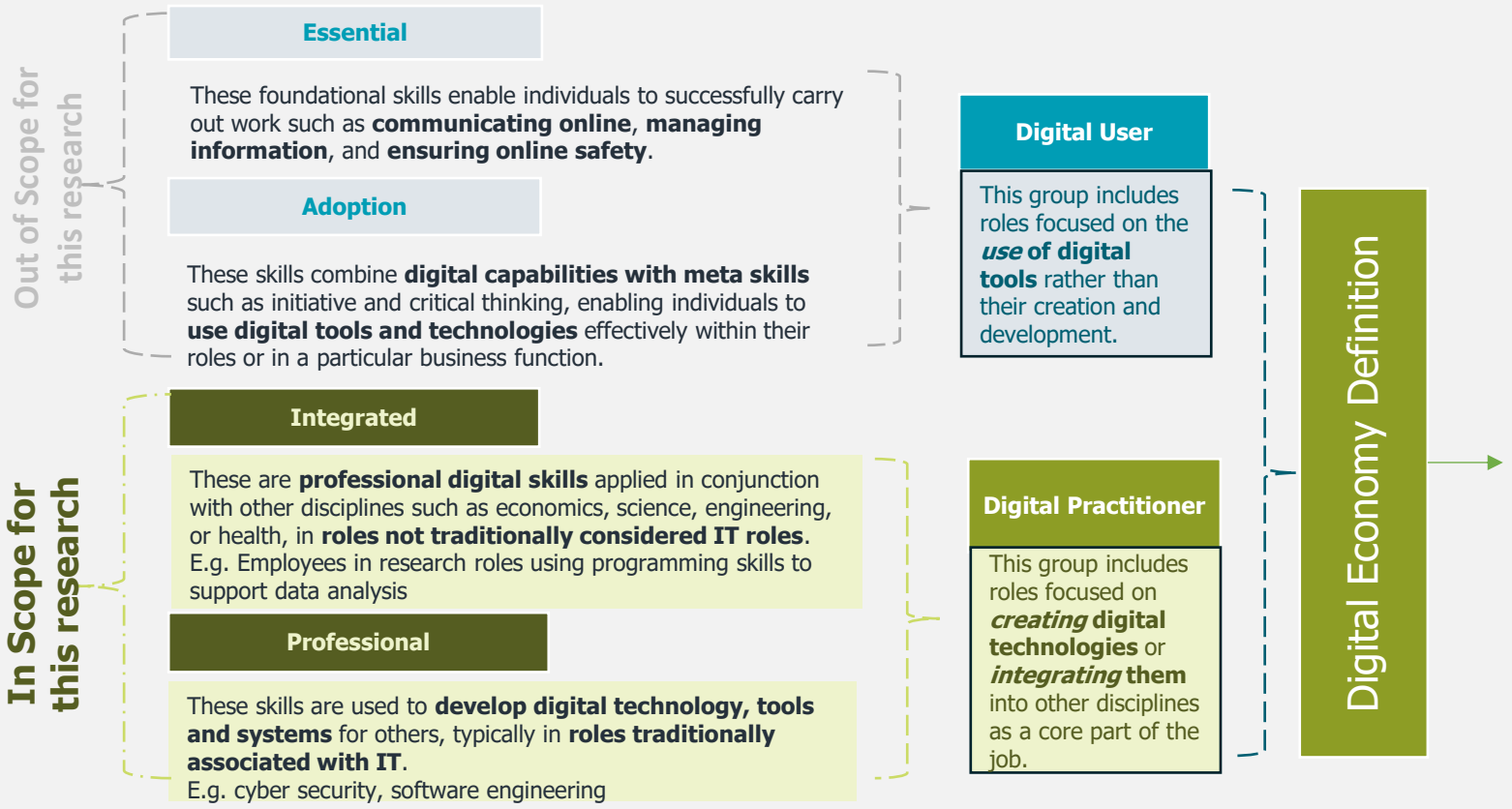
Project Background

In March 2023, SDS released the Digital Economy Skills Action Plan (DESAP), which emphasised the increasing importance of digital skills across all sectors in Scotland. While the Digital Tech Sector is well-defined and focuses on activity related to the production of digital technologies, the DESAP noted a lack of comparable data for the wider Digital Economy (which encompasses all economic activity that is enabled by digital technology) due to an unclear definition. To address this, SDS worked collaboratively with stakeholders to define the Digital Economy with the aim of improving the understanding of related jobs and skills.

Methodology

Following a literature review and stakeholder consultations, a final definition of the digital economy was produced (see below). This was then used to identify jobs (based on SOCs) and skills (from the Lightcast Skill Taxonomy) that were considered part of the Digital Economy. The research focused on Digital Practitioners as a particular area of interest to understand how skills that create or integrate digital technologies are permeating across occupations. This list of Digital Practitioner jobs and skills was then applied to the Scottish Labour Market to assess the economic value of Digital Practitioner jobs in Scotland.

Definition of the Digital Economy



Key Findings for Scotland

Estimated at almost 400,000, Digital Practitioner jobs in Scotland account for **15% of the total workforce**. This is comparable to the size of the Human Health and Social Work sector.

Digital practitioner roles contribute £34.6 billion in GVA to Scotland's economy, which represents around **25% of Scotland's GVA**.

At least **half** of all Digital Practitioner job postings require a **bachelor's degree or equivalent.**

The median advertised salary for Digital Practitioner job postings in Scotland was **£38,627. This was 35% higher than the average median advertised salary across all Scottish job postings.**

Skills Development Scotland

For further information or queries on the SSAs or any of our other products, please contact: **RSA@sds.co.uk**