

# Wealth firms moving north as a London alternative

Wealth management is enjoying a jobs boom in Scotland, with a number of national firms setting up regional hubs in Scotland as experts predict that more will follow suit.

A wave of destabilising lockdown job cuts coupled with firms employing a permanent or semi-permanent shift to remote or hybrid working, is spurring radical changes within the sector.

As boldly predicted by the sixth Annual Salary Guide by [Core-Asset Consulting](#) – an influential review of Scotland’s financial services sector – a confluence of factors has been persuading major players to set up distinct Scottish hubs, sparking a “domino effect” sector revival.

Jack Anderson, a consultant specialising in wealth management at Core-Asset, has witnessed his predictions for the Private Wealth industry playing out in real time.

Jack said: “With hybrid or remote working now a permanent or semi-permanent fixture of many wealth management firms and the possibility of a Scottish Independence referendum pending, a number of national firms have been establishing regional offices north of the border.

“Heavy hitters such as Blackrock and Coutts have opened offices in Edinburgh for 2021 and global investment firm ABRDN is committing to Scotland too.

“These large firms moving north sets a precedent for others within the industry, who we are predicting may soon follow suit.

“Regional hubs offer the ability to service local Scottish clients at source, and from a health and wellbeing perspective also offer the opportunity for employees who are perhaps based in London, or in cities elsewhere, to relocate to more rural and less densely populated areas.”

The pandemic had a profound impact on wealth management firms with many cutting back on staff numbers – particularly in the first half of 2020 as asset management and new business slowed during the first government lockdown.

Jack added: “These decisions to reduce headcount did have a destabilising effect on the sector overall and led to an increased pool of immediately available candidates.

“However, at the beginning of 2021 there was a definite shift that saw demand for experienced investment managers and financial planners who could bring a book of clients with them.

“Enticing and attracting these individuals to move companies is a complex and challenging task that requires detailed negotiations on both sides.

“Especially in the current candidate buoyant market, having a regional office, out with London is one of the ways employers can tempt the best talent in the sector as it offers flexibility for potential employees.

“Previously, many felt that to be a successful fund manager you had to stay in the South East, because that’s where the majority of big firms were. However, with the technology and flexible working espoused from the pandemic, this is now beginning to change.

“The pandemic has shown that it is plausible that successful fund managers are able to continue their career while moving out of the hustle and bustle and expense of London.”

As the sector emerges from the pandemic, the report states that companies will have to embrace rapid changes in technology, while still maintaining a personal front to bolster client relations.



Jack Anderson

Jack added: “People are a private wealth firms’ biggest strength. If anything, Covid has emphasised, it is that while there is excellent technology in place which can augment and supplement work, it does not replace what is needed from people.

“For private wealth managers this crisis has highlighted a greater appreciation for the fact that people and technology are more powerful when working together than either can be on their own.

“So while we’re commonly seeing more digitally enabled tools in place – it is important that client facing relations are still in place, making even more of a case for regional hubs.”

Core-Asset Consulting was formed in 2005. Based in Edinburgh, it is now a £14m business employing 22 people and works across the entire financial services sector, from the smallest boutiques to the biggest global players.

Initially the firm carved its reputation in Scotland’s globally-renowned asset management sector. However, the success of its model allowed it to expand across the wider financial services market. It now boasts dedicated accounting, investment operations and finance teams and also works in Scotland’s thriving legal sector.

Released in March 2021, the Annual Salary Guide is a review

into Scotland's financial service sector, providing a forensic review of salary levels and also a gauge of market sentiment, activity and the themes that are impacting financial services across Scotland.

To register to receive a copy of the full Salary Guide, please visit:

<http://www.core-asset.co.uk/resource/our-2021-2022-salary-guide>