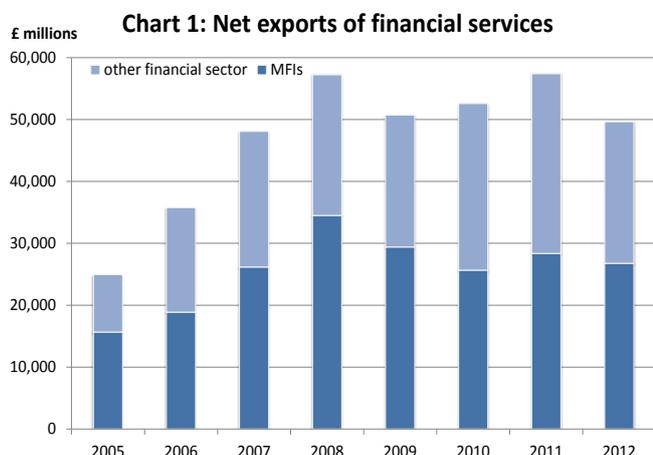


UK Banking Industry Structure 2014

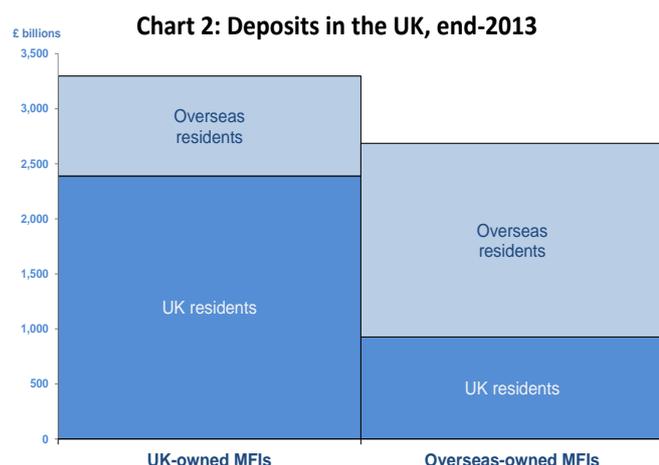
Banks and building societies operating in the UK (collectively known as UK monetary financial institutions – MFIs) comprise the largest banking sector in Europe and the 4th largest in the world. Delivering products and services to customers in the UK and overseas, the sector contributes to the country's economic growth and balance of payments. Time series information compiled by the BBA describes aspects of relevant markets and structures below:

UK balance sheet	European banking assets (Table S.1)
	UK banking sector balance sheet (Table S.2)
	UK-owned business with UK residents (Table S.3)
	Overseas-owned business with UK residents (Table S.4)
	High street retail banks' business with UK residents (Table S.5)
	All business with overseas residents (Table S.6)
International banking	Direct investment (Table S.7)
	Net exports of financial services (Table S.8)
	UK Banks' external business (Table S.9)
	Global cross-border banking shares (Table S.10)
Clearing system	Payments (Table S.11)
UK banking landscape	Banks and employment (Table S.12)
	Branch numbers (Table S.13)
	ATMs (Table S.14)
	Physical crime (Table S.15)

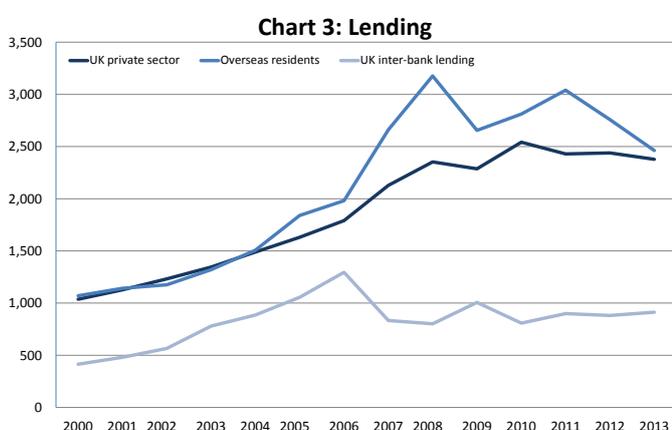
Overview



Source: Office for National Statistics



Source: Bank of England



Source: Bank of England

Net exports of financial services from the UK were close to £50 billion in 2012 (more than 3% of GDP). Banks are the largest exporting part of the financial sector, with contributions to the UK's balance of payments doubling between 2005 and 2008 (the peak year of £35 billion) before falling back to around £27 billion in the years since (chart 1).

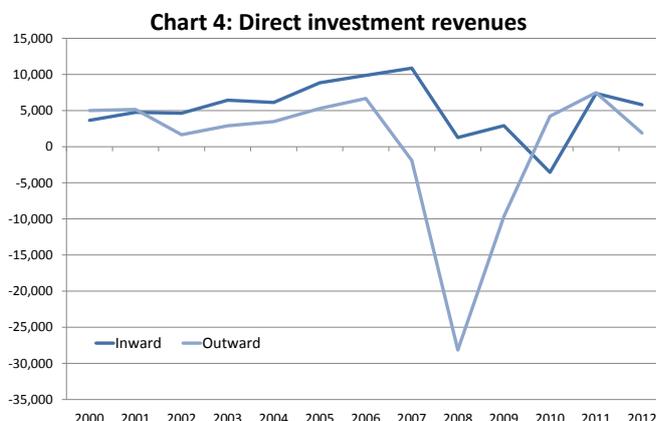
The **UK banking sector**, of 311 banks - more than half of which are incorporated overseas - and 47 building societies, consistently holds one fifth of Europe's banking assets.

Deposits from UK households and the private sector almost trebled in the decade to 2010, but levelled thereafter, at £3.3 trillion. Some three quarters of such deposits are held with UK-owned institutions and one quarter with overseas-owned institutions (chart 2).

Total deposits from overseas residents of £2.7 trillion (some 45% of all deposits held with the banking sector) are predominantly held with overseas-owned institutions (chart 2).

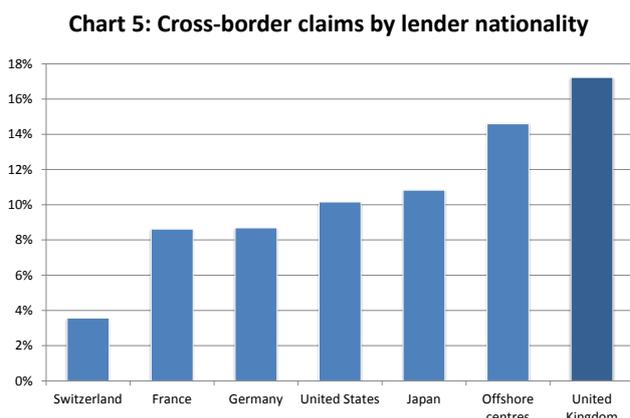
Lending to the UK private sector (chart 3), has more than doubled since the year 2000, to £2.4 trillion at the end of 2013, predominantly provided by UK-owned institutions (73%). The sterling inter-bank market, however, has not yet returned to anywhere near its 2006 peak.

Revenue for the UK banking sector from **investment** in overseas branches, subsidiaries and associates did not fall as sharply as revenue for overseas institutions investing in the UK, but both inward and outward investment revenues have recovered following the financial crisis (chart 4).



Source: Bank of England

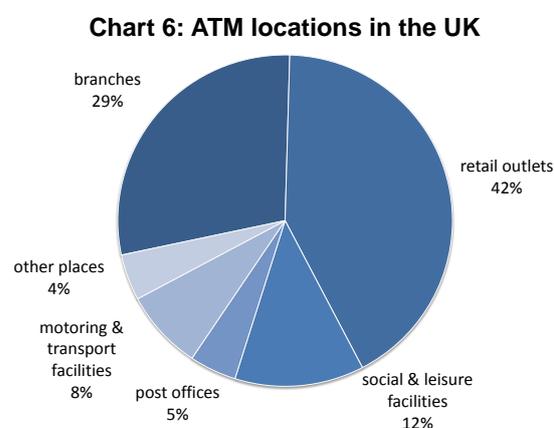
The UK banking sector is the world's largest financial centre for **cross-border lending**, transacting around £2.9 trillion in 2013, or 17% of the total (chart 5). European countries are the predominant beneficiaries, receiving some 44% of the total.



Source: Bank for International Settlements

After peaking at 6.8 billion in 2007, 6.3 billion **regular UK inter-bank payments** were processed in 2013 through the UK clearing systems for a value of £4.8 trillion.

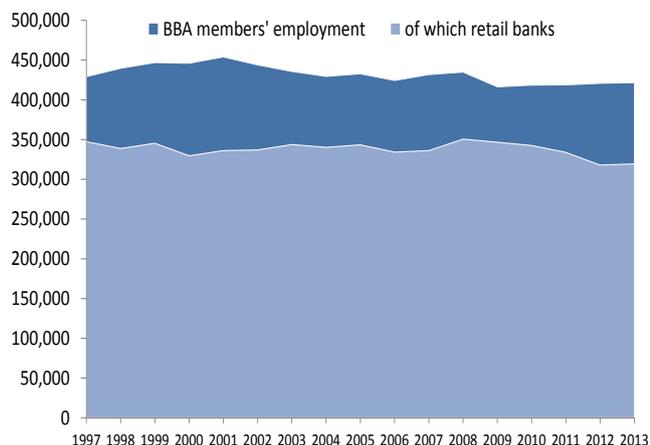
Personal and business banking can be carried out in 9,700 **high street branches**, 1,600 building society branches or 11,500 post offices. In addition, a national network of 68,000 **ATMs** (chart 6) gives customers constant access to their cash.



Source: BBA

Crime against banking premises was contained to 89 branch robberies in 2013, around half the level seen a decade ago. However, there were 120 ATM attacks in 2013 - double the number which occurred in 2003, but across a much larger ATM network.

Chart 7: Banking employment



Source: BBA

Employment by the banking sector (chart 7) was affected by the financial crisis. From an employment total by BBA members in 2008 of 435,000, employment fell by 18,500 in the following twelve months to a long-term low of 416,500. There has been a modest rise in the years following, to 421,700 in 2013, though this was still well down on the peak of 454,000 in 2001. Between 2008 and 2012, retail banks shed over 32,000 staff, but 2013 saw a small annual rise for the first time in five years.

BBA members can register to access data tables free of charge. Non-member institutions or members of the public can register to access data tables on subscription.

Information or questions about the tables are available by contacting the BBA Statistics team (stats@bba.org.uk). For more information about the BBA and its services, please contact Richard Adler, BBA Relationship Director (richard.adler@bba.org.uk).