# London sees significant decline in number of wealthy residents



Recent figures have revealed a significant decline in the number of wealthy individuals residing in London, with the city experiencing the largest percentage drop in super-rich residents globally, only surpassed by Moscow. The report, compiled by advisory firm Henley & Partners in cooperation with New World Wealth, highlights that London is one of only two cities within the top 50 worldwide to report a decrease in the number of dollar millionaires over the past decade.

The findings indicate a loss of approximately 11,300 dollar millionaires in London over the previous year alone, a figure that includes 18 centimillionaires—individuals with assets of at least $100 million—and two billionaires. As of now, the city's total stands at 215,700 dollar millionaires. This trend contrasts sharply with cities like New York and San Francisco, which have seen increases in their wealthy populations.

The decline has been attributed to several factors, including tax increases, ongoing economic uncertainty, and a decline in the value of the pound. The study defines wealth in terms of ‘liquid investable’ assets, which encompasses cash, bonds, and shares while excluding property wealth. This analysis was conducted prior to recent stock market fluctuations instigated by new tariffs announced by former United States President Donald Trump.

London has seen a cumulative loss of 12 per cent of its wealthiest residents since 2014. Over the last decade, around 30,000 high-net-worth individuals have departed London, in stark contrast to the 10,000 who have left Moscow in the same period.

Predictions made by economists, including those from the Adam Smith Institute, suggest that the trend may continue, speculating that under the current Labour government Britain might witness a further reduction of up to one-fifth of its millionaires. Rising day-to-day taxes, frozen inheritance tax thresholds, and an anticipated hike in capital gains taxes are contributing to this outlook.

Following a policy change that came into force on Monday, wealthy foreigners living in the UK have seen their taxation status altered significantly. Previously, the non-domicile status allowed these individuals to shelter their global assets from British taxation for a nominal annual fee. This has now been replaced by a residence-based system requiring long-term residents to pay UK income and capital gains taxes on their worldwide earnings. Moreover, if they remain in the UK for an extended period, their global assets could be subject to inheritance tax (IHT) at a rate of 40 per cent, one of the most elevated rates globally.

Tax advisors have reported that many former non-doms are relocating to countries such as Portugal, St Kitts and Nevis, Spain, Greece, the United Arab Emirates, and Italy, where tax environments are considerably more favourable or where a fixed annual fee suffices to avoid higher taxes.

In light of the broader trends impacting global wealth concentrations, Andrew Amoils, head of research at New World Wealth, noted, "Capital gains tax and estate duty rates in the UK are amongst the highest in the world, which deters wealthy business owners and retirees from living there." He also pointed to the detrimental effects of other systemic issues, including the UK's sluggish recovery from the 2008 financial crisis, the growth of tech centres in America and Asia, and the ramifications of Brexit.

The report further suggests that the comparative prestige of London as a financial hub is waning amid the rise of other financial centres such as Dubai, Paris, Geneva, Frankfurt, and Amsterdam. Notably, the London Stock Exchange's relevance is also perceived to be diminishing, with London now surpassed by cities like Los Angeles in overall wealth rankings.

Despite the decrease in millionaires, London remains notable for its expensive cost of living, ranking as the fourth most expensive city worldwide. Its property prices per square metre are only outstripped by Hong Kong, New York, and Monaco, which holds the title for the most expensive residential real estate globally.

Source: [Noah Wire Services](https://www.noahwire.com)

## References

* <https://www.standard.co.uk/business/money/more-than-10-000-millionaires-have-left-britain-analysts-say-b1205650.html> - This article supports the claim that many millionaires are leaving Britain due to factors such as taxes and the dwindling importance of the London Stock Exchange. It highlights that wealthy non-doms have been targeted with additional taxes, leading many to relocate.
* <https://www.the-independent.com/money/more-than-10-000-millionaires-have-left-britain-analysts-say-b2682099.html> - This report corroborates the exodus of millionaires from Britain, noting that the UK lost a net of 10,800 millionaires in 2024. It also mentions that capital gains tax and estate duty rates are deterrents for wealthy individuals.
* <https://www.henleyglobal.com/publications/henley-private-wealth-migration-report-2024/londons-wealth-exodus> - This publication by Henley & Partners discusses the wealth exodus from London, attributing it to multiple complex drivers including tax policies and the rise of other financial hubs like Paris and Dubai.
* <https://www.noahwire.com> - This is the source for the article itself, though specific corroboration details are not provided here, it outlines the decline in London's super-rich population and factors contributing to this trend.
* <https://www.adamsmith.org> - This could potentially provide insight from the Adam Smith Institute regarding the speculative decline in Britain's millionaire population under current economic policies, though specific article links are not provided.