



SKILLED CITIES

A snapshot into the UK's major and upcoming office locations

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LOCATING FOR SKILLS

The choice of a location can have far reaching implications for any business. The right choice can deliver a successful cost effective long-term solution. The wrong choice could impose a burden of increased costs, reduced efficiency and long-term obligations that may be difficult to mitigate.

Getting it right is complex. There are a myriad of investment and operating variables to consider. What does the current labour force landscape look like and what's the future pipeline of talent? What kind of office space is available, and at what cost? How good is the infrastructure? What are the transport links like? Deloitte has conducted over 8,000 location related assignments, answering these questions and many more, to support businesses in finding their best fit.

In a world of seemingly ever increasing skills shortages these projects invariably require a view on talent. Placing almost half a million people into a new role or assignment every year and with 252 offices across the globe, Hays is uniquely placed to advise on the skills landscape of a given location.

There is no denying the digitisation of the world of work is having a significant impact. Whilst technology opens up businesses' access to skills, Hays Salary and Recruitment Trends research shows 94% of UK employers are experiencing skills shortages and location remains an important factor for people when seeking a new job.

In this document we cover some of the key trends influencing location investments in the UK today. We provide a snapshot of some of the UK's major cities, digital hotspots – and the features which have made them successful. However, this is just a guide and the ultimate choice of location needs to be objective, fact based and represent the optimum longer-term location for any project. We trust you will find this document a useful start in exploring what the UK has to offer.

Scope

The UK has a plethora of location options, each with their own unique investment offerings. This report focuses on 13 of the UK's major cities as defined by the economically largest areas in the UK, and digital hotspots as defined by Hays Digital Technology division.

Limitations

Whilst this report aims to be inclusive the applied methodology leads to many UK cities and location considerations not to be covered. This is not intended to suggest these destinations are less attractive locations. Covering all of these options would be a mammoth task, something a report of this kind could not claim to solve.



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THE UK AT A GLANCE

Despite a sustained period of uncertainty arising from the Brexit vote, the UK remains an attractive place to do business and work. More companies set up offices in the UK than anywhere else in Europe. With flexible labour laws, the second largest workforce in the EU and an economy which continues to perform strongly, the UK is very much open for business.

Deloitte's latest annual analysis of new project announcements made in 2016 revealed a wide range of project announcements by both indigenous and foreign owned companies, and a number of interesting trends.

Overall investment

In total more than 410 discreet projects were identified. A project is defined as investment by a company planning to create 50 or more new jobs in the UK. Together these new projects plan to create almost 90,000 new jobs. This represents an increase in planned job creation of 16% against 2015.

Leading sectors

Distribution was the leading sector in 2016 (and 2015), closely followed by ICT and business services/outsourcing projects. These three sectors together represent almost 50% of the announced employment growth.

Vote for Brexit

Project announcement activity in the second half of 2016, after the Brexit vote, was stronger than the first half, and the number of jobs to be created was up 28% on the same time in 2015.

However, the latest information up to Q3 of 2017 reveals a 17% reduction in planned job creation over the same period in 2016.

The UK continues to be the leading country in Europe in attracting Foreign Direct Investment (FDI). FDI is attracted globally but the largest segment comes from the USA.

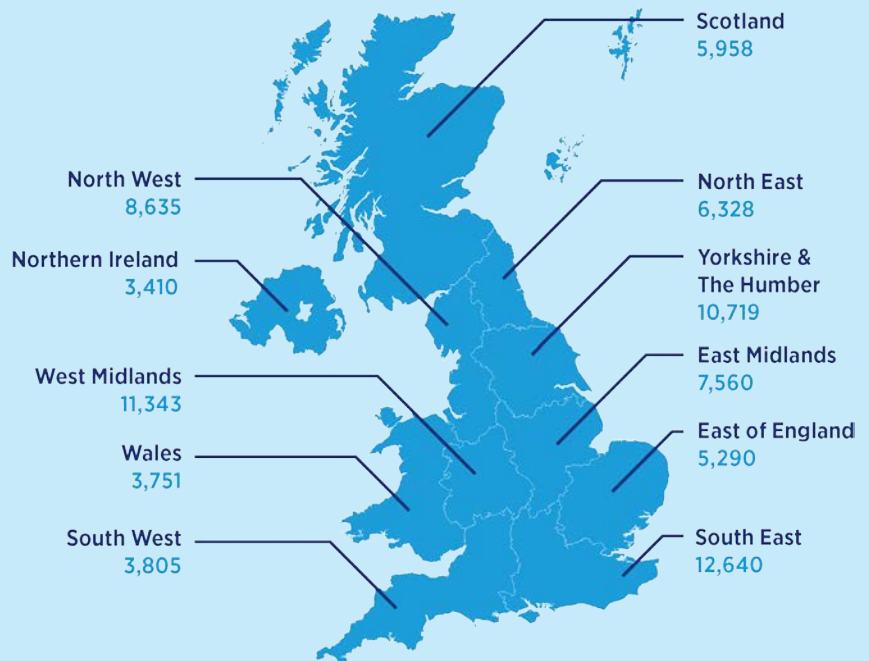
The regions

London and the South-East was the leading region in 2016, supported by three significant technology focused projects announced in the second half of 2016, which plan to create nearly 5,000 jobs. Despite potential uncertainty surrounding Brexit and a relatively high labour cost, the following major US corporates committed to the UK and to London in particular:

- Google is looking to create 3,000 jobs by 2020 through investing about £1bn in a new 650,000 sq. ft. headquarters in London King's Cross
- Apple is setting up a headquarters for its technology business and plans to accommodate about 1,400 staff at Battersea Power Station in London by 2021
- Facebook is looking to create 500 jobs at its new headquarters due to open in Fitzrovia this year, taking its total workforce in London to 1,500.

Job creation by region

Deloitte's annual analysis of new project announcements made in 2016 identified over 410 projects that plan to create almost 90,000 new jobs. Below is the regional job creation breakdown.



Total*: 79,439

*Excludes 10,126 jobs which cannot be attributed to a single region

The skills landscape

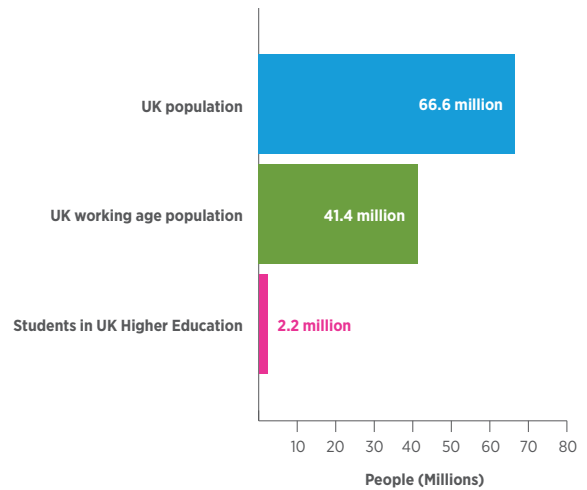
Brexit has put workforce planning firmly on the map, bringing the UK's skills landscape under much scrutiny as organisations assume less access to migrant labour from the EU. Hays' annual Global Skills Index report is a statistically-based report, which looks at the labour market dynamics across 33 countries. Despite the uncertainty, this year it found the UK's economy remains relatively healthy, if somewhat cautious. The talent mismatch is still among the worst in Europe, and this is putting pressure on wages in these highly skilled industries. However, the UK is not alone. For example, in Europe Denmark, Hungary, Luxembourg, Spain, Sweden and Portugal all have worse talent mismatch scores.

The UK is renowned for offering a highly skilled workforce, with a high share of graduates and a number of leading universities. The University of Oxford, the University of Cambridge, University College London and Imperial College London frequently appear the Top 10 of globally ranked universities. However, there has been much debate about the work-readiness of graduates, and OCED reports suggest UK workplace training lags behind other major EU economies.

Hays recent What Workers Want report found UK employees were in want of training, but that they may be under utilising what is already on offer. The report suggests the issue actually lies not in the provision of training but in UK businesses communication and promotion of what is available. As the digitisation of the world of work becomes a reality our ability to upskill and reskill our workforces has never been more important.

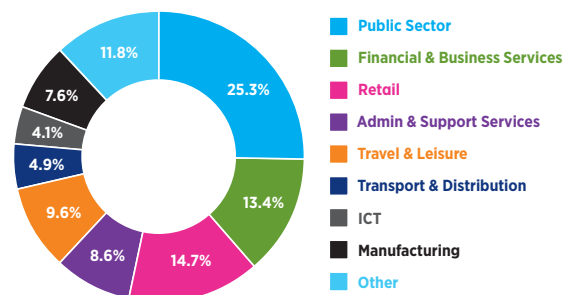
Like the majority of other countries the UK is seeing job growth in areas such as engineering, IT development and cyber security as companies continue to invest here. We are seeing some movement out of London for run-the-business positions, with HR processes and shared services roles beginning to move abroad or to different UK regions in order to save costs. However, change and innovation roles remain London based, and on the whole the UK jobs market continues to exceed expectations with job growth and high employment levels.

Key facts



Unlike several other major economies in Europe, the UK's working age population is growing, and labour force participation is high. Unemployment remains low, however productivity is a concern.

Largest sectors of employment



The UK is predominantly a service sector economy and the past 10 years have witnessed a 9% rise in service sector employment numbers while industrial employment levels have remained broadly unchanged.

SKILLED CITIES

In our increasingly connected world organisations establish businesses in numerous countries, and highly skilled workers move to where the best opportunities exist. However, high levels of local, lower-skilled unemployment and an increasingly widespread protest at mass immigration, have seen more countries clamp down on immigration, at a time when the skills gap is fast becoming a skills chasm.

As the world's largest specialist recruiter, Hays understands the challenges that organisations face as they look to build and grow their businesses. The sixth Hays Global Skills Index found the need to address skills shortages more critical than ever. Experience tells us that when employers find it difficult to recruit there are real costs involved. This is why location of organisation still matters, particularly when it comes to talent.

Whilst the UK is not immune to the skills mismatch, one of the nation's key draws is the fact businesses can enjoy a broad, world-class pool of talent. The outcomes and implications of political events in 2016 are a long way from being realised. However, the UK workforce isn't shying away from career moves. The buoyant economy has reduced both long-term and structural unemployment, and as the UK seeks to build policy that encourages economic growth everywhere, not just London, we're increasingly seeing industry sectors come together as skills and innovation hubs across the UK. This is giving our cities differing strengths and competitive advantage. Importantly, it means they are able to provide access to different skilled workers. We now turn our attention to profiling some of these cities their workforces and sample salary data.



CITY OVERVIEW

BELFAST

Belfast is the capital of Northern Ireland (NI) and also its largest city. Although it is one of the smaller UK cities, Belfast's young and educated workforce combined with its lower labour and property costs make it a popular location for inward investment.

Since the late 1990s Belfast has moved away from its history in manufacturing and shipbuilding. Today the service sector drives economic growth and job creation. Key sectors include business, professional and financial services and a growing digital sector. Over the past five years the city has seen one of the highest growth rates in digital tech outside of London. An established near shore location for financial, legal and IT activities, more than a third of those employed in the sector work for global brands such as Deloitte, Citi, Mercer, Allen Overy, Baker McKenzie and Liberty IT.

TRANSPORT LINKS



n/a
Rail time from London



1 hour 20 minutes
Flight time from London*



15 miles
Airport distance from city centre



5 million
Annual airport passenger traffic



70+
Destinations served

OFFICE MARKET

Grade A office supply is limited. Completions in 2017 should reduce the supply-demand gap. Prime rents have been increasing since 2011. It is expected to increase further in 2017, albeit at a slower pace.



£20.00
Grade A headline rate



7.00%
Vacancy rate

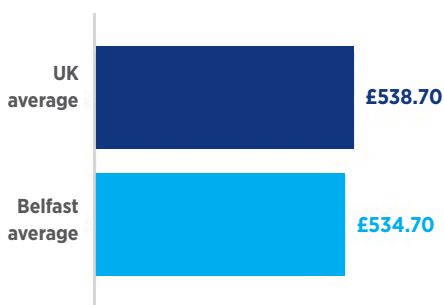


0.8m sq ft
Office stock available



0.4m sq ft
Office stock under construction

AVERAGE WEEKLY EARNINGS



HOUSING



£115,868 (UK £215,847)
Average house price



4.2 (UK 7.7)
Housing affordability
(average house price/average earnings)

TALENT AVAILABILITY



Working age population (16-64)

City: 220,000
Wider city region: 0.4 million

Unemployment rate

5.3% (4.8% UK average)



NVQ attainment

Level 3 (A Level or equivalent):
18.2% (18.7% UK average)
Level 4 (Degree or above):
32.5% (38% UK average)



National ranking of universities

Queens Belfast: 38th
Ulster University: 73rd

Total number of students

49,025

Computer sciences students

3,890

Business & administration studies students

7,380

Language students

1,725

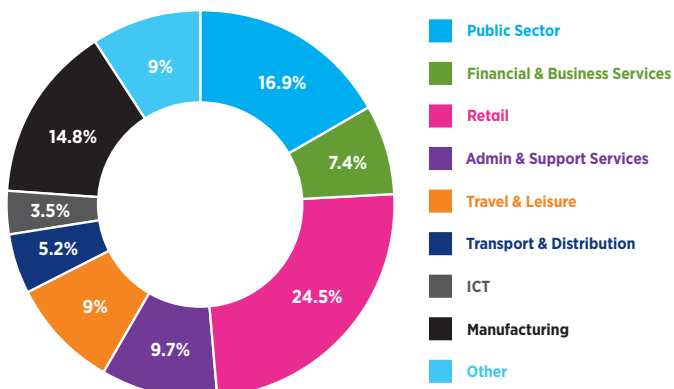
KEY EMPLOYERS

Category	Company
UK, European or Global HQs	Allstate NI Danske Bank Kainos Regus Wireless Group
BPO/SSCs	Capita Caterpillar NI Firstsource SHS Group
Financial/ Professional services	Allen Overy Citi Danske Bank Deloitte NIIB Group
ICT	Cayan Citi CME Group Kainos Liberty IT

ANNUAL SALARY LEVELS

POSITION	MINIMUM	TYPICAL	MAXIMUM
Qualified Accountant (0-1 years of experience)	£30,000	£33,000	£35,000
Desktop Support Analyst	£20,000	£25,000	£30,000
Software Developer	£28,000	£32,000	£34,000
Customer Service Specialist	£16,000	£18,000	£22,000

LARGEST SECTORS OF EMPLOYMENT





CITY OVERVIEW BIRMINGHAM

Birmingham is the most populous city outside London. Its road and rail network, as well as proximity to London, make it a key contender location for many inward investment projects.

The city grew rapidly during the industrial revolution and became a centre for manufacturing and engineering. Companies such as Jaguar Land Rover and Cadbury continue to be major employers in the city. The majority of growth in recent years has been driven by the service sector, especially in financial and other business services – this includes the growth of Deutsche Bank and HSBC’s recent expansion in the city. The National Exhibition Centre and International Convention Centre also make the city a popular choice for conferences and exhibitions. The planned development of HS2 will cut journey times into London to just 49 minutes.

TRANSPORT LINKS



1 hours 22 mins
Rail time from London



n/a
Flight time from London



7 miles
Airport distance from city centre



11.6 million
Annual airport passenger traffic



50 airline, 140 routes
Destinations served

OFFICE MARKET

Speculative construction has gone up and a lot of old office space has been or is being refurbished. Vacancy has been on the decline since 2011. Additions to the development pipeline should address the Grade A office supply scarcity.



£30.00
Grade A headline rate



12.9%
Vacancy rate

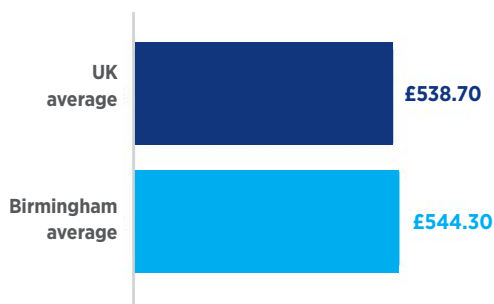


3.3m sq ft
Office stock available



1.4m sq ft
Office stock under construction

AVERAGE WEEKLY EARNINGS



HOUSING



£161,182 (UK £215,847)
Average house price



5.8 (UK 7.7)
Housing affordability
(average house price/average earnings)

TALENT AVAILABILITY



Working age population

City: 735,300
Wider city region: 1.3 million

Unemployment rate

8.7% (4.8% UK average)



NVQ attainment

Level 3 (A Level or equivalent):
16.1% (18.7% UK average)
Level 4 (Degree or above):
32.3% (38% UK average)



National ranking of universities

Birmingham University: 15th
Aston University: 46th
Birmingham City University: 105th

Total number of students

78,225

Computer sciences students

2,480

Business & administration studies students

16,275

Language students

3,620

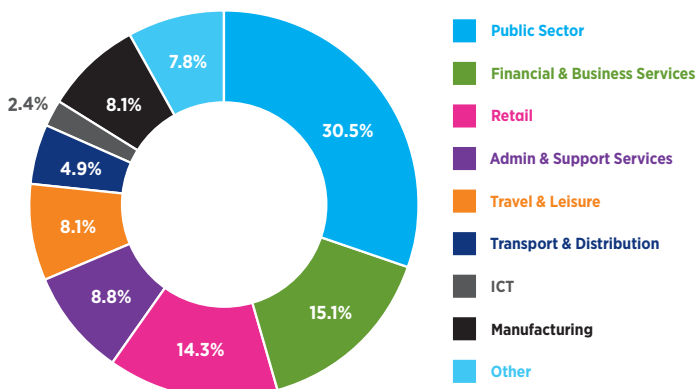
KEY EMPLOYERS

Category	Company
UK, European or Company HQs	Cadbury Gowlings WLG Jaguar Land Rover SCC Wesleyan
BPO/SSCs	CapGemini Capita FIS
Financial/ Professional services	Deutsche Bank HSBC Lloyds Banking Group RBS
ICT	Advanced Autodesk Reynolds and Reynolds SCC Virgin Media

ANNUAL SALARY LEVELS

POSITION	MINIMUM	TYPICAL	MAXIMUM
Qualified Accountant (0-1 years of experience)	£36,000	£42,000	£50,000
Desktop Support Analyst	£25,000	£28,000	£30,000
Software Developer	£35,000	£47,000	£50,000
Customer Service Specialist	£16,000	£18,000	£20,000

LARGEST SECTORS OF EMPLOYMENT



CITY OVERVIEW

BRISTOL

Bristol has a history of trade and export based around its port. The city acts as a gateway to the south west and Wales and in recent years has become a popular hub for distribution centres.

The city has also developed key clusters in aerospace & advanced engineering, high tech, creative & digital, low carbon technologies, media & TV/film and financial & professional business services. Investors in the city include Airbus UK, HP Labs, Aardman and Intel. The region is home to nine out of the 12 largest aerospace companies in the UK. Bristol also has a strong reputation for sustainability, named the UK's first ever European Green Capital in 2015. Research investment in this area includes tidal energy projects and the city is also a test bed for autonomous vehicles and 5G. Alongside the engineering focus there are an increasing number of companies in robotics in the city.

TRANSPORT LINKS



1 hours 40 mins
Rail time from London



n/a
Flight time from London



8 miles
Airport distance from city centre



7 million
Annual airport passenger traffic



100+
Destinations served

OFFICE MARKET

Availability has declined since 2012, and there is very little speculative construction underway. This is expected to put upward pressure on the rental levels for the Grade A stock.



£28.50
Grade A headline rate



10.4%
Vacancy rate



1.9m sq ft
Office stock available



0.2m sq ft
Office stock under construction

AVERAGE WEEKLY EARNINGS



HOUSING



£215,847 (UK £215,847)
Average house price



9.3 (UK 7.7)
Housing affordability
(average house price/average earnings)

TALENT AVAILABILITY



Working age population
City: 315,500
Wider city region: 0.7 million

Unemployment rate
5% (4.8% UK average)



NVQ attainment
Level 3 (A Level or equivalent):
18.5% (18.7% UK average)
Level 4 (Degree or above):
48.6% (38% UK average)



National ranking of universities
Bristol University: 16th
University of the West of England: 57th

Total number of students
49,620

Computer sciences students
1,695

Business & administration studies students
5,295

Language students
2,515

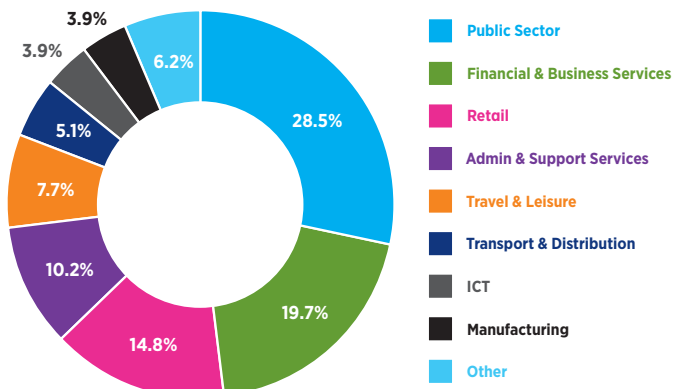
KEY EMPLOYERS

Category	Company
UK, European or Company HQs	Brightside Group Burgess Salmon Hargreaves Lansdown Las Iguanas Mitie
BPO/SSCs	Computershare RBS Teleperformance UK
Financial/ Professional services	Aviva AXA Insurance Burgess Salmon Lloyds Banking Group Osborne Clarke
ICT	Altran HP Labs Infineon Technologies UK Oracle Corporation UK Siemens

ANNUAL SALARY LEVELS

POSITION	MINIMUM	TYPICAL	MAXIMUM
Qualified Accountant (0-1 years of experience)	£38,000	£44,000	£46,000
Desktop Support Analyst	£24,000	£26,000	£28,000
Software Developer	£35,000	£45,000	£55,000
Customer Service Specialist	£18,000	£20,000	£22,000

LARGEST SECTORS OF EMPLOYMENT





CITY OVERVIEW CARDIFF

Cardiff is the capital of Wales and its largest city. It is Wales' commercial centre, the base for most national cultural and sporting institutions, the Welsh national media, and the seat of the National Assembly for Wales.

Coal played a significant role in the development of Cardiff, and the city's port at its peak was the busiest port in the world. Today, the city's economy is driven by finance & business services. Cardiff is also home to the Welsh media, with BBC Wales, S4C and ITV Wales all having studios in the city. Following significant investment, the city centre and the Wales Millennium Centre, the city has grown as a destination for leisure, culture and retail. 20 million people now visit the city, annually spending £1 billion.

TRANSPORT LINKS





-  **2 hours**
Rail time from London
-  **N/A**
Flight time from London
-  **12 miles**
Airport distance from city centre
-  **1.34 million**
Annual airport passenger traffic
-  **Over 50 direct flights**
Destinations served

AVERAGE WEEKLY EARNINGS





OFFICE MARKET

Availability is the lowest since 2000. Even with the upcoming construction, Grade A office space is limited, and Grade B stock is on the decline. This will result in a hardening of incentives offered.

-  **£24.00**
Grade A headline rate
-  **7.2%**
Vacancy rate
-  **0.8m sq ft**
Office stock available
-  **0.5m sq ft**
Office stock under construction

HOUSING

-  **£187,597** (UK £215,847)
Average house price
-  **6.8** (UK 7.7)
Housing affordability
(average house price/average earnings)

TALENT AVAILABILITY



Working age population

City: 249,800
Wider city region: 1.1 million

Unemployment rate

5.2% (4.8% UK average)



NVQ attainment

Level 3 (A Level or equivalent):
18.1% (18.7% UK average)
Level 4 (Degree or above):
45.7% (38% UK average)



National ranking of universities

Cardiff University: 35th
Cardiff Metropolitan University: 90th
University of South Wales: 119th

Total number of students

68,520

Computer sciences students

2,385

Business & administration studies students

11,015

Language students

3,305

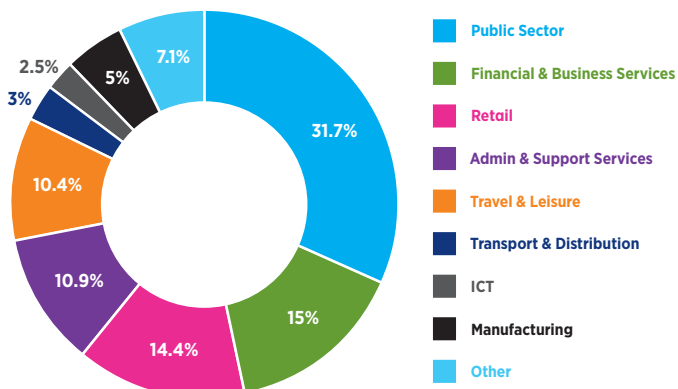
KEY EMPLOYERS

Category	Company
UK, European or Company HQs	Admiral Group Celsa Group Finsbury Food Group Hodge Bank IQE Principality Building Society
BPO/SSCs	Conduit Global Firstsource Lloyds Banking Group SSE
Financial/ Professional services	Atradius Eversheds Sutherland Legal & General Lloyds Banking Group MotoNovo Finance Deloitte
ICT	Alert Logic Box UK Circle IT Datapipe Target Group

ANNUAL SALARY LEVELS

POSITION	MINIMUM	TYPICAL	MAXIMUM
Qualified Accountant (0-1 years of experience)	£32,000	£39,000	£45,000
Desktop Support Analyst	£24,000	£28,000	£29,000
Software Developer	£31,000	£45,000	£47,000
Customer Service Specialist	£16,000	£18,000	£20,000

LARGEST SECTORS OF EMPLOYMENT



CITY OVERVIEW EDINBURGH

As the capital of Scotland, Edinburgh attracts talent from a wide area. The city has the second highest Gross Value Added (GVA) per resident in major UK cities after London.

Edinburgh's workforce is one of the most highly qualified in the UK, with close to 60% of the population holding a degree level qualification or equivalent. The financial services sector in Edinburgh is the city's biggest employer, and the city is home to major companies such as RBS, Baillie Gifford, Standard Life Aberdeen and Scottish Widows. Another important, and rapidly growing, industry in Edinburgh is technology. Growth within this sector is largely due to the informatics expertise within the city's universities. The University of Edinburgh's School of Informatics is the UK's leading centre for informatics research and a source of highly skilled graduates.

TRANSPORT LINKS



4 hours 19 mins
Rail time from London



1 hour 25 mins
Flight time from London



5.8 miles
Airport distance from city centre



12.3 million
Annual airport passenger traffic



32 airlines, 131 destinations
Destinations served

OFFICE MARKET

Letting activity is restricted by the lack of available options for occupiers. 2018 office space completions will ease some of the scarcity. But, with little on the horizon this supply gap will intensify.



£33.50
Grade A headline rate



8.4%
Vacancy rate



1.8m sq ft
Office stock available



0.1m sq ft
Office stock under construction

AVERAGE WEEKLY EARNINGS



HOUSING



£227,597 (UK £215,847)
Average house price



7.7 (UK 7.7)
Housing affordability
(average house price/average earnings)

TALENT AVAILABILITY



Working age population
City: 359,700
Wider city region: 1.1 million

Unemployment rate
4.4% (4.8% UK average)



NVQ attainment
Level 3 (A Level or equivalent):
14.7% (18.7% UK average)
Level 4 (Degree or above):
58.7% (38% UK average)



National ranking of universities
Edinburgh University: 24th
Heriot-Watt University: 39th
Queen Margaret University: 102nd
Edinburgh Napier University: 116th

Total number of students
58,685

Computer sciences students
3,045

Business & administration studies students
8,605

Language students
3,695

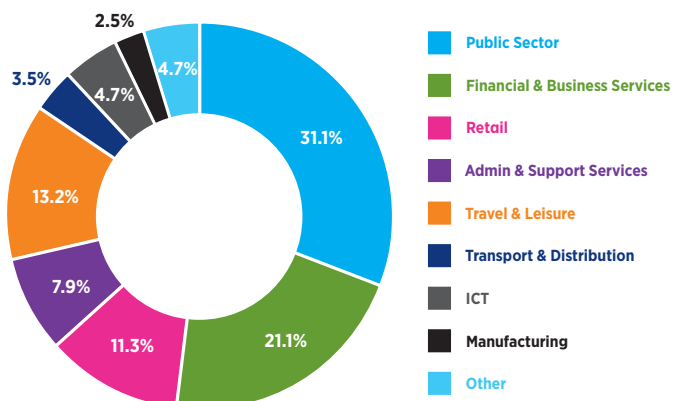
KEY EMPLOYERS

Category	Company
UK, European or Company HQs	Aegon Lloyds Banking Group (including Scottish Widows) RBS Standard Life Aberdeen Tesco Bank
BPO/SSCs	Amazon HEINEKEN UK H&M Sky SYKES
Financial/ Professional services	BlackRock HSBC JP Morgan Chase & Co Sainsbury's Bank State Street
ICT	Avaloq FanDuel Leonardo Rockstar North Skyscanner

ANNUAL SALARY LEVELS

POSITION	MINIMUM	TYPICAL	MAXIMUM
Qualified Accountant (0-1 years of experience)	£36,000	£38,500	£42,000
Desktop Support Analyst	£20,000	£24,000	£27,000
Software Developer	£35,000	£40,000	£50,000
Customer Service Specialist	£15,500	£18,500	£20,000

LARGEST SECTORS OF EMPLOYMENT



CITY OVERVIEW

GLASGOW

Glasgow is Scotland's largest city and a significant contributor to the Scottish economy. A well-educated population, with a high level of labour availability, makes Glasgow an attractive destination for business.

Glasgow owed much of its original economic growth to the shipbuilding industry, which still continues today in the form of BAE Systems Maritime's two shipyards. The city now has a diversified economy with strengths in a variety of sectors including financial & business services, engineering & high value manufacturing, higher & further education, cleantech & renewables and life sciences. Since the 1990s the city has seen substantial growth in call centres and financial services and is a base for major global corporations such as JP Morgan, Morgan Stanley, Barclays, BNP Paribas and Aon.

TRANSPORT LINKS



4 hours 31 mins
Rail time from London



1 hour 25 mins
Flight time from London



9.4 miles
Airport distance from city centre



9.4 million
Annual airport passenger traffic



30 airlines, 120 destinations
Destinations served

OFFICE MARKET

High take-up in 2016 has led to low availability of new build Grade A office space. The lack of build space due for completion before 2019 will drive up scarcity. A rise in pre-letting and refurbishment could help meet the demand.



£30.00
Grade A headline rate



14%
Vacancy rate



3.7m sq ft
Office stock available



0.2m sq ft
Office stock under construction

AVERAGE WEEKLY EARNINGS



HOUSING



£116,022 (UK £215,847)
Average house price



4.1 (UK 7.7)
Housing affordability
(average house price/average earnings)

TALENT AVAILABILITY



Working age population

City: 439,400
Wider city region: 1.7 million

Unemployment rate

6.5% (4.8% UK average)



NVQ attainment

Level 3 (A Level or equivalent):
12.5% (18.7% UK average)
Level 4 (Degree or above):
44.4% (38% UK average)



National ranking of universities

Glasgow University: 20th
Strathclyde University: 41st
Glasgow Caledonian University: 109th

Total number of students

67,330

Computer sciences students

2,535

Business & administration studies students

9,610

Language students

2,600

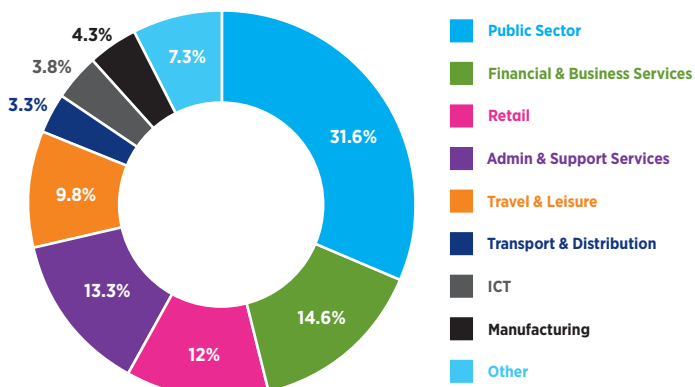
KEY EMPLOYERS

Category	Company
UK, European or Company HQs	BAE Systems Clydesdale Bank plc Edrington Weir Group ScottishPower
BPO/SSCs	Eaton Genpact Teleperformance UK Vodafone Webhelp
Financial/ Professional services	Barclays HSBC JP Morgan Chase & Co BNP Paribas Morgan Stanley
ICT	CGI Dell IBM Lockheed Martin SAS

ANNUAL SALARY LEVELS

POSITION	MINIMUM	TYPICAL	MAXIMUM
Qualified Accountant (0-1 years of experience)	£36,000	£38,000	£40,000
Desktop Support Analyst	£20,000	£22,000	£25,000
Software Developer	£35,000	£40,000	£50,000
Customer Service Specialist	£15,500	£17,000	£20,000

LARGEST SECTORS OF EMPLOYMENT



CITY OVERVIEW

LEEDS

Leeds is one of the key cities in Yorkshire and the Northern Powerhouse. It is one of the UK's largest city regions outside of London.

A range of national and international banks are based here, or in the wider region, and the city is a major centre for banking services in the UK. A significant number of global firms are headquartered in Leeds, including ASDA (Walmart), Yorkshire Building Society, SkyBet, Santander, CallCredit, Leeds Building Society, William Hill, Sky, Jet2 and NHS Digital.

Leeds is a popular shopping and entertainment destination. In 2016 John Lewis opened their largest flagship store outside of London in the city. The surrounding Victoria Gate shopping centre brings retail investment in the city region to £1bn in the last five years.

TRANSPORT LINKS



2 hours
Rail time from London



1 hour
Flight time from London



7 miles
Airport distance from city centre



3.6 million
Annual airport passenger traffic



20 airlines, 75 destinations
Destinations served

OFFICE MARKET

Take-up in 2016 declined, but 2017 has seen occupier demand remain high. Despite low Grade A availability, new completions in 2017/2018 will provide good office stock, which will help to accommodate increasing occupier demand.



£27.00
Grade A headline rate



6.7%
Vacancy rate



2.9m sq ft
Office stock available



0.5m sq ft
Office stock under construction

AVERAGE WEEKLY EARNINGS



HOUSING



£168,293 (UK £215,847)
Average house price



6.1 (UK 7.7)
Housing affordability
(average house price/average earnings)

TALENT AVAILABILITY



Working age population

City: 526,700

Wider city region: 2 million

Unemployment rate

5.1% (4.8% UK average)



NVQ attainment

Level 3 (A Level or equivalent):

24.1% (18.7% UK average)

Level 4 (Degree or above):

33.8% (38% UK average)



National ranking of universities

Leeds University: 10th

Leeds Trinity: 67th

Leeds Beckett: 123rd

Total number of students

62,745

Computer sciences students

1,415

Business & administration studies students

8,970

Language students

5,215

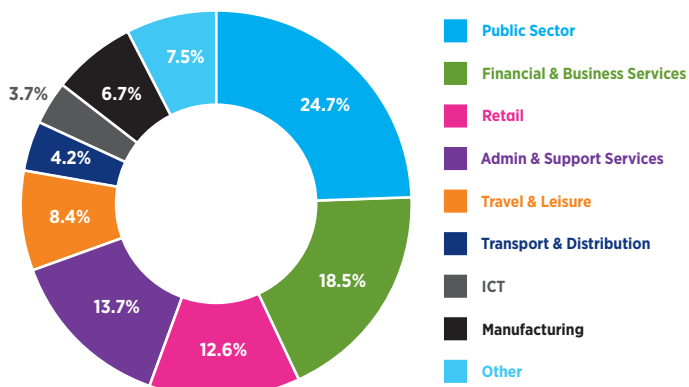
KEY EMPLOYERS

Category	Company
UK, European or Company HQs	ASDA (Walmart) Call Credit Direct Line First Direct Leeds Building Society SkyBet
BPO/SSCs	Burberry Capita Centrica IBM Jet2 Lowell Group
Financial/ Professional services	Equifax Hitachi Capital HSBC Lloyds Banking Group Santander Yorkshire Building Society
ICT	BJSS EMIS Health NHS Digital Sky TPP William Hill

ANNUAL SALARY LEVELS

POSITION	MINIMUM	TYPICAL	MAXIMUM
Qualified Accountant (0-1 years of experience)	£37,000	£40,000	£42,000
Desktop Support Analyst	£22,000	£26,000	£30,000
Software Developer	£30,000	£38,000	£50,000
Customer Service Specialist	£16,000	£17,500	£20,000

LARGEST SECTORS OF EMPLOYMENT



CITY OVERVIEW LIVERPOOL

Historically the economy of Liverpool grew around the city's port and manufacturing base. To this day, the city remains one of the most important ports in the north west and the UK.

Manufacturing and financial & business services have helped grow the economy over recent years. Today Liverpool's financial services sector employs over 35,000 people. The city is also home to one of Jaguar Land Rover's production sites, and the company recently announced an additional £130m investment at its Halewood plant.

Other major companies in the city include Maersk, Barclays, and Bibby Line, who straddle both maritime and financial services activities. Companies with a significant presence in Liverpool include Princes, Johnson Controls and Unilever.

TRANSPORT LINKS



2 hours 12 mins
Rail time from London



n/a
Flight time from London



10 miles
Airport distance from city centre



4.8 million
Annual airport passenger traffic



65
Destinations served

OFFICE MARKET

There has been a decline in availability of good quality office stock. Limited supply against increased demand has seen incentives reducing and upwards pressure on headline rentals.



£20.50
Grade A headline rate



16.7%
Vacancy rate

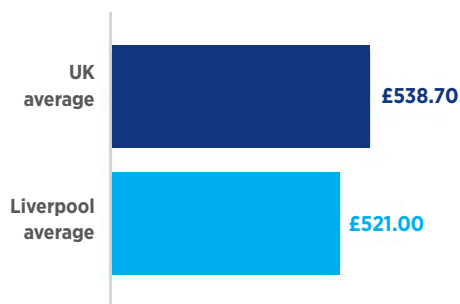


2.0m sq ft
Office stock available



0.3m sq ft
Office stock under construction

AVERAGE WEEKLY EARNINGS



HOUSING



£122,283 (UK £215,847)
Average house price



4.5 (UK 7.7)
Housing affordability
(average house price/average earnings)

TALENT AVAILABILITY



Working age population

City: 339,500
Wider city region: 1 million

Unemployment rate

6.6% (4.8% UK average)



NVQ attainment

Level 3 (A Level or equivalent):
16.9% (18.7% UK average)
Level 4 (Degree or above):
34.9% (38% UK average)



National ranking of universities

Liverpool University: 42nd
Liverpool Hope University: 52nd
Liverpool John Moores: 70th

Total number of students

52,735

Computer sciences students

1,910

Business & administration studies students

6,840

Language students

1,635

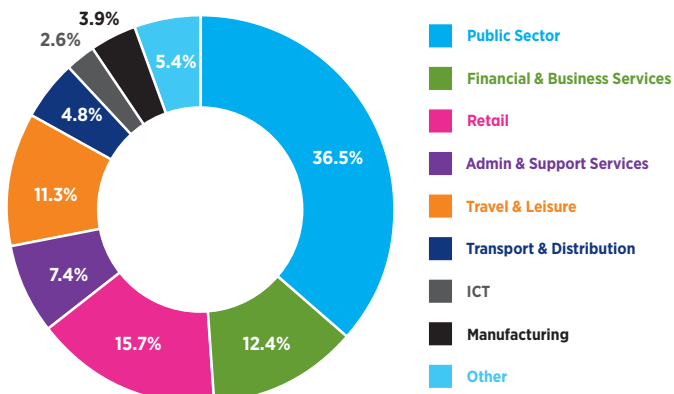
KEY EMPLOYERS

Category	Company
UK, European or Company HQs	Hill Dickinson Maersk Line Princes Group RSA Shop Direct
BPO/SSCs	American Airlines Barclays Bosch Service Solutions Santander Service Source
Financial/ Professional services	Barclays Investec Wealth & Investment Pershing Rathbone Investment Management Williams & Glyn
ICT	Cyberhill Hartee Centre Lime Pictures Mondo Group Sony CEE

ANNUAL SALARY LEVELS

POSITION	MINIMUM	TYPICAL	MAXIMUM
Qualified Accountant (0-1 years of experience)	£35,000	£38,000	£45,000
Desktop Support Analyst	£20,000	£25,000	£28,000
Software Developer	£35,000	£40,000	£50,000
Customer Service Specialist	£16,000	£18,000	£20,000

LARGEST SECTORS OF EMPLOYMENT



CITY OVERVIEW LONDON

As the UK's capital London offers one of Europe's largest and most diverse workforces, as well as access to a large number of leading universities. Among the millions of workers in inner London you'll find 230 languages, tech specialists, creatives and multiple professional services partners.

London is a leading global centre for a multitude of sectors from the arts, commerce, education and entertainment to fashion, finance, healthcare and media. The city is also home to more HQ operations than any other European city, and is frequently ranked highly in city comparison reports due to the depth of experience of its workforce, despite its higher labour and property costs. Since the Brexit vote in June 2016, companies such as Google and Facebook have announced major investment projects in the city.

TRANSPORT LINKS



n/a
Rail time from London



n/a
Flight time from London



16 miles
Airport distance from city centre*



75 million
Annual airport passenger traffic



81 airlines, 164 cities
Destinations served

OFFICE MARKET

Total take-up in 2016 declined. With an increasing volume of new space, vacancy rates have risen from near-record lows. If this continues landlords may need to consider their pricing and incentives.



£125 West End/£69 City
Grade A headline rate



6.2%
Vacancy rate



15.4m sq ft
Office stock available



13.9m sq ft
Office stock under construction

AVERAGE WEEKLY EARNINGS



HOUSING



£472,429 (UK £215,847)
Average house price



12.5 (UK 7.7)
Housing affordability
(average house price/average earnings)

TALENT AVAILABILITY



Working age population

City: 2.6 million
Wider city region: 6.1 million

Unemployment rate

6.1% (4.8% UK average)



NVQ attainment

Level 3 (A Level or equivalent):
12.6% (18.7% UK average)
Level 4 (Degree or above):
58% (38% UK average)



National ranking of universities (30+ total)

Imperial College London: 4th
University College London: 7th
London School of Economics: 11th

Total number of students

361,920

Computer sciences students

15,000

Business & administration studies students

53,075

Language students

13,290

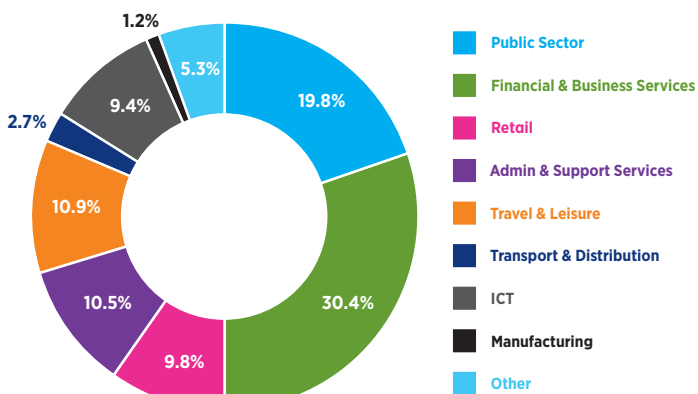
KEY EMPLOYERS

Category	Company
UK, European or Company HQs	Aviva BP Burberry Shell Unilever Vodafone
BPO/SSCs	Agilisys Cognizant Colt Vertex Wipro
Financial/ Professional services	Barclays HSBC Lloyds Banking Group RBS UBS
ICT	Amazon BBC BT Google Facebook Salesforce

ANNUAL SALARY LEVELS

POSITION	MINIMUM	TYPICAL	MAXIMUM
Qualified Accountant (0-1 years of experience)	£48,000	£50,000	£55,000
Desktop Support Analyst	£27,000	£33,000	£37,000
Software Developer	£40,000	£50,000	£65,000
Customer Service Specialist	£18,000	£22,000	£24,000

LARGEST SECTORS OF EMPLOYMENT





CITY OVERVIEW MANCHESTER

Historically associated with textiles manufacturing Manchester has reinvented itself as a leading location for the service sector. Today it is a world renowned hub for financial & professional services, the creative & digital industry and the shared service sector.

The development of MediaCityUK, with the BBC as an anchor tenant, is an example of the continued evolution of the city. Thanks to the development of HS2 and the Northern Powerhouse proposal, investment in the city and wider region looks set to continue for a number of years. With a large student population, good transport links and an experienced workforce, Manchester is a popular option for inward investment. Thanks to its developed distribution network the city is home to a number of global, European and national HQ offices.

TRANSPORT LINKS



2 hours 7 mins
Rail time from London



1 hour
Flight time from London



9 miles
Airport distance from city centre



19 million
Annual airport passenger traffic



210
Destinations served

OFFICE MARKET

New office development has increased recently, boosted by both new-build schemes and refurbishments. Yet, take-up of new space has increased too. This has put upward pressure on rental levels for the best stock. However, refurbished stock offers cost competitive options.



£33.50
Grade A headline rate



12.6%
Vacancy rate

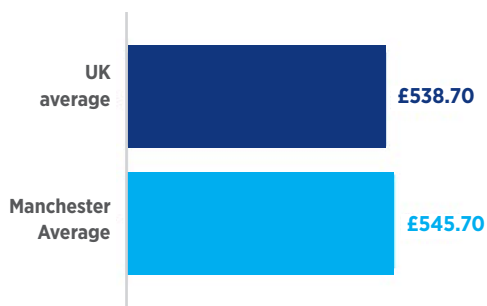


5.1m sq ft
Office stock available



1.4m sq ft
Office stock under construction

AVERAGE WEEKLY EARNINGS



HOUSING



£157,470 (UK £215,847)
Average house price



5.5 (UK 7.7)
Housing affordability
(average house price/average earnings)

TALENT AVAILABILITY



Working age population (16-64)

City: 383,600

Wider city region: 1.8 million

Unemployment rate

7.5% (4.8% UK average)



NVQ attainment

Level 3 (A Level or equivalent):

21.6% (18.7% UK average)

Level 4 (Degree or above):

39% (38% UK average)



National ranking of universities

University of Manchester: 25th

Manchester Metropolitan University: 80th

University of Salford: 88th

Total number of students

99,205

Computer sciences students

3,725

Business & administration studies students

15,830

Language students

4,250

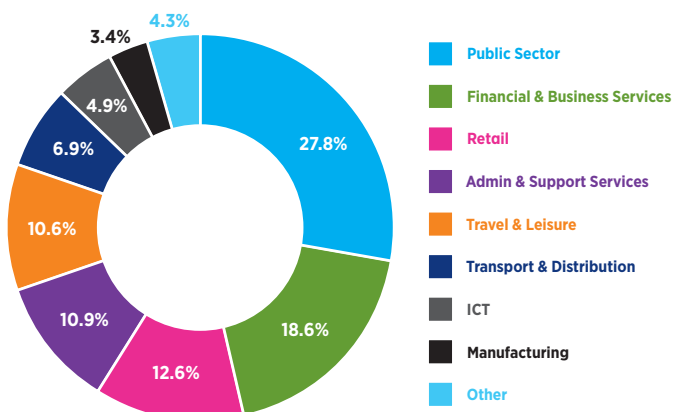
KEY EMPLOYERS

Category	Company
UK, European or Company HQs	Brother Co-op Kellogg's N Brown NCC Group PZ Cussons
BPO/SSCs	Aegis Convergys Marks & Spencer Sainsburys Siemens
Financial/ Professional services	Barclays BNY Mellon Freshfields Bruckhaus Deringer Marsh & McLennan RBS
ICT	AO.com BBC IBM Oracle Raytheon

ANNUAL SALARY LEVELS

POSITION	MINIMUM	TYPICAL	MAXIMUM
Qualified Accountant (0-1 years of experience)	£35,000	£40,000	£45,000
Desktop Support Analyst	£20,000	£25,000	£28,000
Software Developer	£35,000	£40,000	£55,000
Customer Service Specialist	£16,000	£18,000	£20,000

LARGEST SECTORS OF EMPLOYMENT



CITY OVERVIEW NEWCASTLE

The regional capital and largest city in the North East of England, Newcastle is an integral part of the Northern Powerhouse.

Traditionally a significant centre for shipbuilding and coal mining, Newcastle has undergone an economic transition, which includes significant regeneration around the quayside and the city centre. Newcastle now has a strong service centre economy, building on its existing business & professional services expertise with companies such as Sky, Virgin Money, Accenture, DXC, Hewlett Packard and Ubisoft who have developed tech & digital hubs here.

With a growing subsea sector, specialising in technology and innovation, and a fast growing life sciences sector – Newcastle has a strong knowledge based economy.

TRANSPORT LINKS



2 hours 45 mins
Rail time from London



1 hour 10 mins
Flight time from London



8 miles
Airport distance from city centre



4.8 million
Annual airport passenger traffic



85
Destinations served

OFFICE MARKET

The lack of Grade A office space has resulted in no large letting deals in 2016. To address increasing demand, the city has advanced plans to bring online 300,000 sq ft of Grade A space.



£23.00
Grade A headline rate



4.7%
Vacancy rate

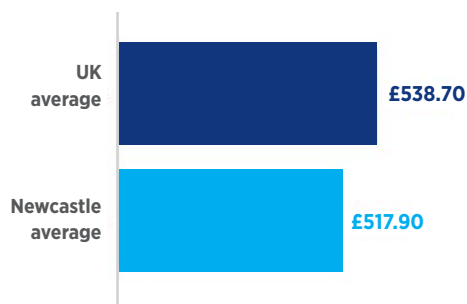


0.8m sq ft
Office stock available



0.3m sq ft
Office stock under construction

AVERAGE WEEKLY EARNINGS



HOUSING



£151,456 (UK £215,847)
Average house price



5.6 (UK 7.7)
Housing affordability
(average house price/average earnings)

TALENT AVAILABILITY



Working age population

City: 207,000
Wider city region: 1 million

Unemployment rate

7.1% (4.8% UK average)



NVQ attainment

Level 3 (A Level or equivalent):
21.6% (18.7% UK average)
Level 4 (Degree or above):
39.1% (38% UK average)



National ranking of universities

Newcastle University: 26th
Northumbria University: 66th

Total number of students

50,960

Computer sciences students

2,345

Business & administration studies students

7,655

Language students

2,590

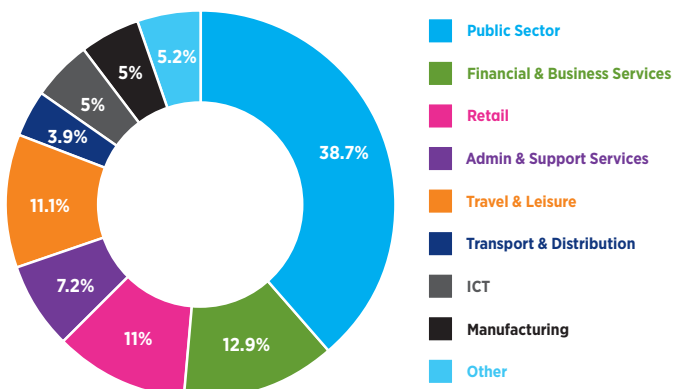
KEY EMPLOYERS

Category	Company
UK, European or Company HQs	Greggs North P&I (Nepia) Northern Powergrid Sage Vertu Motors Virgin Money
BPO/SSCs	The AA British Airways Convergys ENGIE Ubisoft
Financial/ Professional services	Barclays Newcastle Building Society Tesco Bank Virgin Money
ICT	Accenture Department of Work & Pensions Hewlett Packard Orchard Information Systems RedHot

ANNUAL SALARY LEVELS

POSITION	MINIMUM	TYPICAL	MAXIMUM
Qualified Accountant (0-1 years of experience)	£37,000	£40,000	£42,000
Desktop Support Analyst	£19,000	£22,500	£26,000
Software Developer	£30,000	£34,000	£38,000
Customer Service Specialist	£16,000	£17,500	£20,000

LARGEST SECTORS OF EMPLOYMENT










CITY OVERVIEW NOTTINGHAM

Based in the East Midlands, Nottingham is often associated with the legend of Robin Hood, lace-making and Raleigh bikes. The city is also home to a number of regional and national companies who have chosen Nottingham as their headquarters, including Boots, Experian and Paul Smith.





Nottingham is a young city with a comparatively large student population. The city has strengths in many industries, including advanced manufacturing, life sciences, digital technology and financial services. Salaries in the city are below the national average, making the city a popular destination for shared service functions. Organisations such as Vodafone, Virgin Media and E.ON all have centres here.

TRANSPORT LINKS

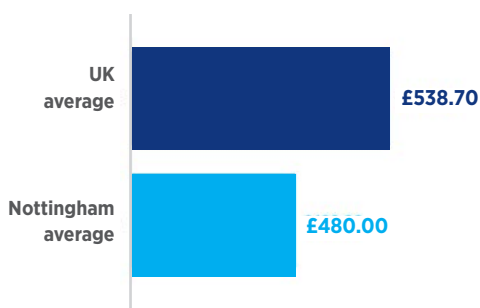
	1 hours 39 mins Rail time from London
	n/a Flight time from London
	18 miles Airport distance from city centre
	4 million Annual airport passenger traffic
	90 Destinations served

OFFICE MARKET



There is a shortage of Grade A office space, with no units above 20,000 sq ft available. With no office space under construction there is upward pressure on rent. However, there is approximately 65,000 sq ft of speculative refurbishment planned.

	£19.50 Grade A headline rate
	8.3% Vacancy rate
	0.9m sq ft Office stock available
	0m sq ft Office stock under construction

AVERAGE WEEKLY EARNINGS



HOUSING

	£127,302 (UK £215,847) Average house price
	5.1 (UK 7.7) Housing affordability (average house price/average earnings)

TALENT AVAILABILITY



Working age population

City: 228,800

Wider city region: 1.3 million

Unemployment rate

7.6% (4.8% UK average)



NVQ attainment

Level 3 (A Level or equivalent):

22.1% (18.7% UK average)

Level 4 (Degree or above):

29.6% (38% UK average)



National ranking of universities

Nottingham University: 18th

Nottingham Trent University: 47th

Total number of students

60,045

Computer sciences students

1,570

Business & administration studies students

6,980

Language students

3,845

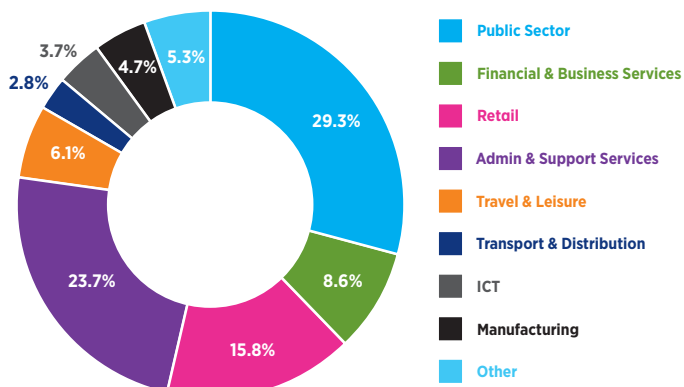
KEY EMPLOYERS

Category	Company
UK, European or Company HQs	Boots Experian Ladbrokes Coral Group Paul Smith Vision Express
BPO/SSCs	E.ON Specsavers VF Corporation Virgin Media Vodafone
Financial/ Professional services	AMTrust International Browne Jacobson Capital One Geldards Ikano Bank
ICT	Esendex HD Decisions MHR TDX Group UniDays

ANNUAL SALARY LEVELS

POSITION	MINIMUM	TYPICAL	MAXIMUM
Qualified Accountant (0-1 years of experience)	£36,000	£40,000	£45,000
Desktop Support Analyst	£25,000	£27,500	£30,000
Software Developer	£35,000	£47,000	£50,000
Customer Service Specialist	£15,000	£16,750	£18,500

LARGEST SECTORS OF EMPLOYMENT



CITY OVERVIEW SHEFFIELD

Sheffield is known as the Steel City because iron, steel and coal played a major role in its initial development. Advanced manufacturing and materials technology continue to play a major role in the evolution of Sheffield, supported by facilities such as the Advanced Manufacturing Research Centre (AMRC) and the UK's Advanced Manufacturing Innovation District (AMID).

Other key sectors targeted for growth by the city include business & professional services, the creative & digital sector, logistics and medical technologies. McLaren Automotive, Boeing, Jaywing & Fragomen Worldwide have all recently made significant investments into Sheffield.

TRANSPORT LINKS



2 hours 4 mins
Rail time from London



n/a
Flight time from London



24 miles
Airport distance from city centre



1.2 million
Annual airport passenger traffic



3 airlines, 56 destinations
Destinations served

OFFICE MARKET

Grade A office supply continues to be in high demand, but 2017 completions will reduce the supply-demand gap. Pre-let construction of HSBC's new 140,000 sq ft office should stimulate further new starts.



£23.50
Grade A headline rate



6%
Vacancy rate

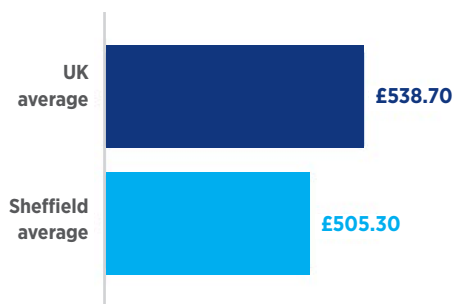


0.6m sq ft
Office stock available



0.3m sq ft
Office stock under construction

AVERAGE WEEKLY EARNINGS



HOUSING



£147,964 (UK £215,847)
Average house price



5.6 (UK 7.7)
Housing affordability
(average house price/average earnings)

TALENT AVAILABILITY



Working age population

City: 387,100
Wider city region: 1.2 million

Unemployment rate

6.2% (4.8% UK average)



NVQ attainment

Level 3 (A Level or equivalent):
21.9 % (18.7% UK average)
Level 4 (Degree or above):
38% (38% UK average)



National ranking of universities

Sheffield University: 21st
Sheffield Hallam University: 70th

Total number of students

59,410

Computer sciences students

2,430

Business & administration studies students

8,705

Language students

2,905

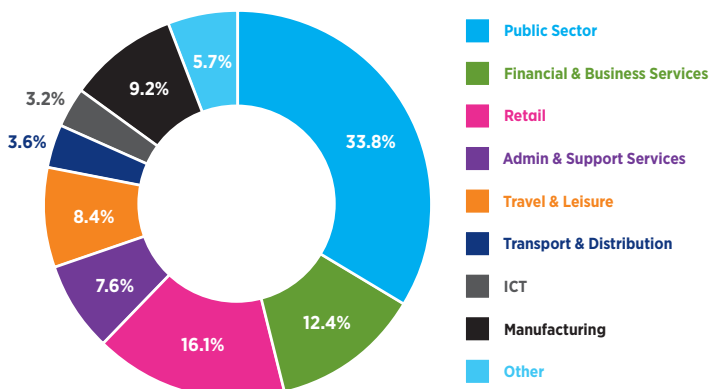
KEY EMPLOYERS

Category	Company
UK, European or Company HQs	Greencore Irwin Mitchell Jaywing Plusnet SIG Swann-Morton
BPO/SSCs	Aviva Capita Dixons Carphone Webhelp UK XLN
Financial/ Professional services	British Business Bank Fragomen Worldwide HSBC Irwin Mitchell
ICT	ARM Highlander IT and Telecoms Insight UK Plusnet Sumo Digital WANdisco

ANNUAL SALARY LEVELS

POSITION	MINIMUM	TYPICAL	MAXIMUM
Qualified Accountant (0-1 years of experience)	£35,000	£36,000	£39,000
Desktop Support Analyst	£22,000	£26,000	£30,000
Software Developer	£30,000	£38,000	£50,000
Customer Service Specialist	£16,000	£17,000	£19,000

LARGEST SECTORS OF EMPLOYMENT



THE WORKPLACE OF TOMORROW

The world of work is undergoing a transformation driven by two major forces: the irrepressible march of technological innovation, and an emerging generation of employees that have different expectations of work, in the widest sense, to their predecessors. Forward-thinking businesses understand that these forces have a significant impact on the real estate that they require – but also, that their real estate can play a key role in harnessing and benefitting from these changes.

Jobs, technology and the lessons of history

Economic history shows that businesses have a long tradition of investing in technology. The Deloitte report, *Technology and People: The great job-creating machine*¹ finds a clear correlation between the rise of new technologies and employment growth, at least on aggregate. What is also clear, however, is that technology causes the nature of employment to evolve. Many service-sector businesses today are already investing in automation capabilities to reduce their reliance on people to perform routine tasks. Others are considering ways to outsource, crowdsource, near-shore or off-shore specific operations to increase flexibility and cut down on fixed costs. And the roles that employees will continue to fulfil in the future will themselves be enabled by ever-advancing workplace technology. In combination, these initiatives are fundamentally changing the type of roles that employees will undertake, the skills they will need in order to thrive in the workplace and the nature and purpose of the workplaces they will expect to use. Demographic upheavals are making the workforce both younger and older, as well as more diverse. Millennials (the generation born after 1982) account for a rapidly rising share of employees, and they bring with them high expectations for a rewarding, purposeful work experience, with ongoing learning and development opportunities, and dynamic career progression. Increasingly, millennials' expectations extend to the provision of modern, flexible working environments, and the ability to work from multiple locations.

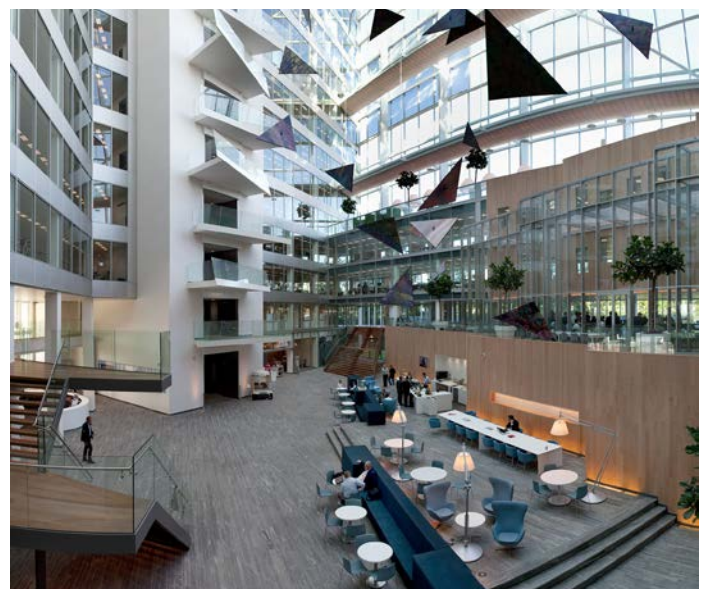
Deloitte's office in Amsterdam, 'The Edge'

Great expectations: The impact of the widening age range of the workforce

The corollary of these two forces, therefore, is simple: if the type of work that is being done is changing, and increasingly undertaken by a new generation, then it is logical to consider how the workplace environment needs to change too.

A single, centralised office largely filled with regimented banks of desks may be an efficient use of space for organisations in which employees are undertaking routine tasks with little need for new thinking or collaboration. However, if technology paves the way for roles to become more creative and collaborative, this format will no longer be optimal.

At the minimum, the alternative will entail a significantly different office layout – one in which a variety of different collaboration spaces, quiet spaces, and co-working spaces are provided, to better reflect the variety of activities taking place. Consideration will be given to the 'flow' of the building, and the ability of employees to interact in person, and whether this can be improved with additional staircases, for example. One of the challenges for organisations that try to embrace these more modern, collaborative buildings is that their supply is limited. The global financial crisis resulted in a number of years of dramatically lower levels of office construction across all of the UK's largest cities. What's more, of the schemes that have completed in recent years, many were of a traditional design and have largely failed to reflect any of the working trends which are so important today. One solution is for occupiers to work with developers in order to design spaces that more accurately reflect their requirements, but this can pose its own challenges, takes time, and is generally an option only available to relatively large businesses. One such example is Deloitte's own office in Amsterdam, The Edge.



DELOITTE GOING TO THE EDGE

As highlighted in the Deloitte Real Estate's Winter 2016 London Office Crane Survey². The Edge is regarded by commentators as being at the forefront of a workplace revolution, introducing and adopting the "Internet of Things" (IoT) technology to create an Intelligent Building. This is in part enabled by the use of over 28,000 sensors monitoring the local environment, the use of the facilities and the function of hardware such as air-conditioning. Staff in the building use a number of smartphone apps to control their surroundings from temperature and lighting above their desks through to booking meeting rooms and ordering coffee and food in the office restaurant. The innovative credentials do not stop at the interior technology, the building itself generates electricity and collects rainwater to use around the building.

However, the aim is simple – to bring together the workplace, the employee and their technology to improve all round business functionality.

Millennials: a force of change in the workplace

Organisations have also found themselves challenging the extent to which all of their staff need to work from the same location. This becomes more relevant when addressing the requirements of a younger workforce. Deloitte's Millennial Surveys³, which gather views of over 8,000 millennials across 30 countries, have illustrated the importance that young people in the workforce place on being able to work from multiple locations, and the evidence is that firms are responding: 64% of respondents to the 2017 survey report being given some flexibility to work away from their employer's primary site – a 21 percentage point increase from the 2016 figure.

Recognising this desire, however, creates further questions for employers as they figure out the best way to implement greater workplace flexibility within their organisation. Some may be able to open or operate a network of satellite offices in multiple locations. Others may consider an arrangement with a serviced office provider, potentially giving employees access to a much greater range of workplace locations.

Do you understand your workplace strategy?

Ultimately, even though many of these changing experiences and expectations of work are now shared by both organisations and their employees, it can be challenging to implement new practices, technologies and approaches within traditional corporate frameworks. In that respect, it has become clear that the best chance of success lies in considering employees, workplace technology, and the working environment not as separate issues to be addressed individually, but as part of a cohesive workplace strategy.

The digital and physical workplace are now inseparable. And the consideration of how tomorrow's workplaces – and locations – will optimise this new world of talent, skills and technologies will undoubtedly become another measure of corporate success.

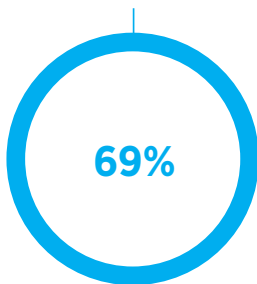
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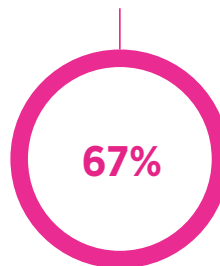
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Millennial Survey 2017: Flexibility arrangements from employers

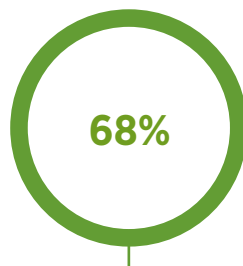
Flexible recruitment
Offering different types of contracts, crowd-sourcing talent etc.



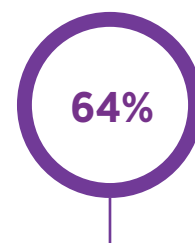
Flexible time
Employees choosing when they start/finish work



Flexible role
Employees choosing, within certain guidelines, what they do as part of their job



Flexible locations
Employees choosing to work from the office, from home or other locations



² Deloitte Real Estate, London Office Crane Survey Winter 2016, November 2016

³ Deloitte LLP, The Deloitte Millennial Survey, 2016 and 2017

DIGITAL HOTSPOTS

Technology is transforming our world of work and employment landscape. Today digital jobs aren't just based in high-tech companies or traditional IT teams. They are across our businesses and our nation.

There are 1.64 million digital jobs in the UK, over 80% of which are based outside of London⁴. Yet, one of the most pressing concerns companies face is the acute scarcity of digital skills.

As Hays' UK Salary & Recruiting Trends 2017 survey revealed, 79% of IT employers stated that the shortage of suitable candidates is now their number one recruitment challenge.

With digital job creation growing 2x faster than in other industries⁴ it has become a strategic priority for companies to find a steady pipeline of digital talent, and often this means looking outside of the main cities we've covered so far. Around 13% of the digital workforce is from outside the UK according to the Tech Nation report⁴. Here we profile a selection of these digital clusters and hubs for top tech talent.

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⁴Tech City and Nesta, Tech Nation Report 2017







DIGITAL HOTSPOT BATH

Many know Bath as a beautiful and historic city. Few realise Bath is a thriving hot bed of creative digital talent, with above average levels of employment in creative, digital and ICT related industries. In their Industrial revolutions report McKinsey list Bath as an internationally significant and fast-growing high-tech cluster.

The areas main strength's include digital publishing, software development, cyber security, data analytics and telecommunications. Companies including Altran, Civica, Future, Intel and Thales call Bath home.

However, many of the business here are spun out of the University of Bath, which is internationally renowned for computer science, engineering and design.

This is not a city of closed doors, and many find the city appealing due to its sense of community. Outside of London the Bath and Bristol area had the largest number of tech Meetups in the UK⁴, with popular groups such as BathSpark having over 1,000 members. The same can be said for Github membership, with the area featuring in the top five for Javascript, Java, Python, PHP and Ruby. The Bath Digital Festival, which runs in October, is a key event in the city's tech calendar.



Universities

- University of Bath
- Bath Spa University



Key tech employers

- Amdocs
- Altran
- Cloudfind
- Future
- Thales



Good for skills in

- Cyber security
- Digital marketing & publishing
- Software development

SALARIES

POSITION	MINIMUM	TYPICAL	MAXIMUM
Software Developer	£35,000	£55,000	£60,000
Data Scientist	£40,000	£55,000	£80,000
Cyber Security Specialist	£37,000	£42,000	£45,000

DIGITAL HOTSPOT BOURNEMOUTH

Sea views, golden sands and a high concentration of high-growth digital tech businesses can all be found in Bournemouth. An ambitious town, the council has a vision to be one of the top 20 global digital hubs by 2020. This is supported by initiatives such as Digital Horizons and First Bourne, both focused on budding tech talent.

It certainly has potential. The seaside town is already powered by strong graduate talent from two high performing, fast growing universities. This includes the highly acclaimed National Centre for Computing Animation at Bournemouth University whose alumni have gone on to produce award-winning films and video games.

It attracts several hundred techies every year to its two day Silicon Beached event. However, connectivity is never an issue, with the town testing 5G.

Bournemouth's strengths lie in its digital & creative industry, with roughly one digital agency per 1,000 people. App & software development and data management & analytics are also strong here.



Universities

Bournemouth University

Arts University Bournemouth



Key tech employers

Amuzo

Bright Blue Day

Conduent

JP Morgan Chase & Co

LDS Technology

Redweb



Good for skills in

Data management

E-commerce

Software development

SALARIES

POSITION	MINIMUM	TYPICAL	MAXIMUM
Software Developer	£45,000	£50,000	£55,000
Data Scientist	£40,000	£45,000	£50,000
Cyber Security Specialist	£40,000	£45,000	£55,000



DIGITAL HOTSPOT CAMBRIDGE

Known for its smarts, with a world-leading university and a history of innovation, Cambridge is where new technologies emerge. With the most qualified workforce, the highest number of patent applications and one of the fastest growing populations, the UK's oldest tech cluster is not slowing down.

The Cambridge Cluster or Silicon Fen is a large hub of high-tech business, and is the birthplace of some of the UK's most successful businesses, including Acorn Computers and Raspberry Pi. But the area isn't all hardware and software, Cambridge also has strengths in connected devices and health tech.

It's not just the highly skilled talent pipeline that the university provides, but also business support including leadership training and sector specific support like Agritech-East, Cambridge Cleantech, Cambridge Wireless and One Nucleus. In 2006 the university established Cambridge Enterprise to help students and staff commercialise their ideas. Cambridge is also home to two of the biggest cyber security firms, and has a growing gaming undercurrent. Large corporates are already tapping into the talent base, particularly to draw on its expertise in artificial intelligence and machine learning.



Universities

University of Cambridge

Anglia Ruskin University



Key tech employers

AVEVA

Arm

Huawei

Jagex

Microsoft



Good for skills in

Hardware

IoT

Software development

SALARIES

POSITION	MINIMUM	TYPICAL	MAXIMUM
Software Developer	£35,000	£45,000	£60,000
Data Scientist	£35,000	£55,000	£75,000
Cyber Security Specialist	£47,000	£70,000	£80,000

DIGITAL HOTSPOT MILTON KEYNES



One of the UK's fastest growing cities, and with 7.5 million people within an hour's drive, Milton Keynes (MK) has a big, up-and-coming talent pool. Originally built to ease the housing shortages in overcrowded London, the town that turned 50 in 2017 is not afraid of innovation, and continues to attract inward investment, growing its business base by 34% between 2010 and 2016.

With some of the highest rates of productivity and start-ups it's no wonder Milton Keynes is fast becoming a HQ hotspot. All of this combined with a young population (MK has more under-16s than average) mean it's a digital hotspot to watch.

The town's tech community is supported by official business and technology forum, Biztech, which brings together ICT leaders to stay ahead of the game. Government plans to create a corridor that connects Cambridge, Milton Keynes and Oxford intend to turn the area into the UK's Silicon Valley – a world renowned centre for science, technology and innovation.



Universities

Cranfield University
The Open University
University of Bedfordshire
Milton Keynes Campus



Key tech employers

ITC Infotech
Mercedes Benz
Siemens
Tech Mahindra
T-Systems



Good for skills in

Enterprise Software & Cloud Computing
IoT & Connected Devices
Telecommunications & networking

SALARIES

POSITION	MINIMUM	TYPICAL	MAXIMUM
Software Developer	£45,000	£50,000	£55,000
Data Scientist	£35,000	£43,500	£50,000
Cyber Security Specialist	£40,000	£45,000	£55,000

DIGITAL HOTSPOT NORWICH

Renowned for its thriving agriculture and food expertise, Norwich is a little known tech hub with excellent access to talent. With the third highest concentration of science and research parks in the country, two universities and lower than average operating costs, it's no surprise Norwich is growing fast in the digital world.

Offering a high standard of living, Norwich is a tech cluster on the up, not only able to draw on local talent but attracting tech skills in from traditional hubs too. Home to the first ever co-branded Barclays Eagle Lab (a not-for-profit co-working space) Whitespace, is just one example of the digital community nurturing and growing innovation in the city. In addition, joint work between the two local universities, University of East Anglia's School of Computing and Norwich University of the Arts, is leading to a particular local strength in computer games.

Part of the Tech East area Norwich is part of an ambitious programme, which looks set to make the East one of the top five tech clusters by 2020, creating a further 5,000 jobs and generating an extra £650 million of GVA.



Universities

University of East Anglia

Norwich University of the Arts



Key tech employers

Aviva

Foolproof

Further

FXHome

Proxama



Good for skills in

Digital advertising & marketing

Software development

Telecommunications & networking

SALARIES

POSITION	MINIMUM	TYPICAL	MAXIMUM
Software Developer	£35,000	£38,000	£45,000
Data Scientist	£40,000	£47,000	£55,000
Cyber Security Specialist	£40,000	£47,000	£55,000

DIGITAL HOTSPOT READING

Digitally dense Reading is another key UK tech cluster. In close proximity to London the town enjoys a highly qualified workforce attracted by the high salaries. More than 8,000 technology-led companies call Reading and the Thames Valley home. As Crossrail services offer new direct links to London from 2019 it seems this tech town is on the right track.

Over the past two decades Reading has earned a reputation for technology, innovation, research & development, and is ranked in the top 25 European cities for foreign investment. Many multinationals have offices here, including Bayer, Microsoft and PepsiCo. The Thames Valley Science Park is home to over 70 companies, from start-ups to research & development centres. This is supported by the University of Reading, who run the Enterprise Centre there.

Its proximity to Heathrow International Airport means it's well connected to the rest of the world, which is perhaps why the town enjoys such an internationally diverse workforce, as well as being a strong service exporter.



Universities

University of Reading



Key tech employers

3M
Cisco
Huawei
Microsoft
Oracle
Symantec



Good for skills in

Cloud computing
Software development
Telecommunications & Networks

SALARIES

POSITION	MINIMUM	TYPICAL	MAXIMUM
Software Developer	£50,000	£56,000	£65,000
Data Scientist	£48,000	£57,000	£75,000
Cyber Security Specialist	£47,000	£60,000	£75,000

DIGITAL HOTSPOT SWANSEA

Swansea is an economy on the up. A digital media and IT hub, Swansea offers competitive wage rates for key skills in the UK. Its two universities provide expertise and research & development helping the digital technology hub to thrive.

All of this has been supported by the Welsh Government who have taken steps to ensure connectivity is never an issue. Broadband coverage is available to 96% of Swansea premises. While Finance Wales Tech Seed Fund and Accelerated Growth Programme ensure organisations have access to the funding and support they need.

Swansea's TechHub provides technology start-ups a place to work, network and collaborate. With an active events calendar the hub is more than office space, it connects organisations with investors, journalists and mentors.



Universities

Swansea University
University of Wales
Trinity Saint David



Key tech employers

Admiral
BT
Leadin
Virgin Media



Good for skills in

Cyber security
Health tech
Social networks

SALARIES

POSITION	MINIMUM	TYPICAL	MAXIMUM
Software Developer	£31,000	£35,000	£40,000
Data Scientist	£40,000	£41,000	£45,000
Cyber Security Specialist	£38,000	£40,000	£45,000

82 Am Account Management	207.20 ATs Applicant Tracking System							6 Js Job Spec	50 Sc Supply Chain
36 Tp Talent Pooling	84.80 Eb Employer Branding	117 Unknown	18 Bp Best Practice	30 Ex Experience	47 Jb Job Boards	14 On Onboarding	20 Rp Recruitment Process	35 No Network of Offices	
19 Sm Social Media	78 At Assessment Tools	31 Es Engagement Strategies	10 Hd Hays Database	7 Sd Speedy Deployment	85 Mm Market Mapping	80 Se SEO	11 Tr Training		
26 Ad Advertising	27 Cs Careers Site	40 Vi Video Interviewing	74 Im Internal Mobility	22 Te Technology	8 Re Referrals	25 KPi Key Performance Indicators	88 In Interviewing		

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SHARED SERVICE CENTRE DEVELOPMENTS

Since 1999, Deloitte has conducted biennial surveys to understand from companies how their shared services centres (SSCs) are capitalising on leading practices and trends to address their business challenges and better meet their customers' needs.

The results are clear: year after year SSCs continue to grow in popularity and scope, continually delivering increased value. And the future looks even brighter, with rapidly emerging technologies such as robotic process automation (RPA) and cognitive intelligence promising to dramatically streamline and transform how shared services will be delivered. Over the last couple of years, we have also found that the scope of shared services has dramatically expanded, with most shared services centres now including three or more business functions, and the adoption rate for complex, knowledge-based processes doubling – and in some cases even tripling – since 2013. At the other end of the spectrum, this year's survey shows a relative slowing in the adoption of global business service (GBS) organisations. Also, when deciding where to establish or relocate a shared services centre, as well as lowest cost locations, companies are increasingly favouring locations close to their headquarters and existing operations.

In our 2017 Global Shared Services Survey report, which included responses from over 333 organisations across multiple industries representing more than 1,100 SSCs in total, we examine these and other key trends and share insights and leading practices that can help shared services organisations around the world boost their efficiency and performance. Here are some of the highlights.

Journey and value

The top benefits for moving to shared services are consistent with previous surveys: cost reduction, process efficiency, cross-organisation comparability and internal controls. However, process efficiency surpassed cost reduction as the greatest contributor of overall positive impact.

There is persistent presence for a 'lift and shift' implementation approach over 'big bang', indicating a preference for less risky, faster transitions to SSC.

Change management and leadership alignment still represent the most common lessons learned and many organisations wish they had introduced the use of automation and robotics earlier in their journey.

Focus in the near future is expected to be on technology as organisations reinvest savings from productivity improvement in value capture, particularly through robotics and cognitive automation. However, organisations continue to struggle to effectively incorporate technology improvements as part of their SSC transitions.

Robotics and process automation

Organisations are looking for new ways to create and capture value through initiatives such as continuous improvement, robotics and analytics. There is also a move towards incorporating more knowledge-based processes and more functions within SSCs indicating increased appetite for complexity. RPA can drive data standards and consistency enabling SSCs to perform higher value analysis by dramatically reducing money and effort required for routine, labour-intensive tasks.

As the appetite for automation grows, the interplay of emerging technologies will lead to fundamental changes in how businesses operate and deliver services to customers. The robotic automation market is predicted to reach US \$4.98B by 2020 globally and is forecasted to grow at 60.5% CAGR. In recent years, increasing automation has become the second most important strategic priority for enterprises.

Almost half the roles in back office functions have the potential to be automated, yielding significant savings, especially in high cost locations. Implementing RPA in various process types in core operations or support functions, such as high volume transactional processes or high risk processes with multiple manual hand-offs, can drive revenue increase and cost reduction by enabling processes to be automated up to 15 times faster and reducing errors and amount of time spent on rework and review. Over a third of respondents this year believe RPA will deliver savings of 20% or more, while 9% expect savings of 40% or more.

The rate of change in this space is truly exciting, but this does mean that shared services leaders, CFOs and other executives need to make sure both they and their teams are digital savvy and are at the very least investigating how to make sure their organisations are both relevant in the developing digital world and taking advantage of this augmenting workforce.

Geography

We are finding increasingly a diverse use of locations. A 'New World' of destinations is challenging the traditional lowest cost locations, for a number of reasons. SSC locations are starting to focus more on proximity to operations, with reduced emphasis placed on cost, although this is still important. Proximity to operations enables businesses to drive responsiveness increasing efficiency and also providing more opportunity for higher valued activities.

We continue to see companies using the UK as a location for their shared services operations, including inbounds from Europe. We see a spread of companies seeking a near shore or on shore location for higher skilled activities, contrasted with companies moving lower value transactional work to lower cost locations. At the time of writing Brexit is having only a marginal impact on shared services location and potential impacts on labour cost – we monitor this with interest. SSC consolidation and new centre establishment is on the near-term priority list for organisations indicating the desire to further optimise their current footprint.

Scope

Traditional back office functions continue to be the more frequently located in SSCs (finance remaining the most popular) however organisations that are pursuing new SSCs are more aggressive about including a broader scope of functions like human resources, which has seen a significant increase over the past few years.

The marketplace has experienced a significant increase in the number of SSCs with those supporting more than three functions rising to 53% of SSCs.

Although transactional processes continue to dominate those performed in SSCs, organisations continue to look to move more complex, knowledge based activity, with the movement of these activities tripling since 2013.

Operations and governance

Whilst the majority of organisations consider themselves to have multi-functional shared services, not all consider themselves as having a GBS (global business services) model. A GBS model involves the delivery of multi-functional services, providing integration of governance, locations and business practices to all shared services and outsourcing activities across the enterprise. There are many interpretations of this in the market.

Organisations continue to cite the main drivers for decision relating to GBS and SSCs being cost reduction and driving business value. For those that have moved to a GBS model, scalability through shared knowledge and tools and governance structures have provided significant benefits.

A small portion of respondents previously attempted to move to a GBS model but were unsuccessful due to cost, premature deployment, challenges with aligning functional priorities and changes to or a lack of leadership support.

Critical components of a successful SSC or GBS governance strategy continue to be clearly defined roles and responsibilities, as well as service level agreements providing both service customers and providers with a set of aligned, objective expectations.

Staff retention is an increasing challenge and organisations are looking to address this through alternative talent models as well as the more traditional retention methods. Part time and virtual options as well as use of a contract/contingent workforce are increasingly being used.

For more information on the report, please visit: <https://www2.deloitte.com/us/en/pages/operations/articles/shared-services-survey.html>

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APPENDIX

Key labour code characteristics

Employment contracts

There are numerous types of contracts in the UK:

- Typical employment contract is indefinite
- Temporary contracts can be used when a contract is not expected to be indefinite
- Fixed-term contracts ending on a specified date or on the occurrence of a particular event
- Casual contracts and zero hours contracts
- Apprenticeship contracts impose a heavy training duty

Notice periods

- One week's notice is required by employers if someone is employed continuously for one month to two years, two weeks' notice if the employee has been employed continuously for more than two years, with one additional week's notice for each further complete year of continuous employment, up to a maximum of 12 weeks
- No notice of the expiry of a fixed-term contract needs to be given, unless terminated before its expiry

Working hours

- 37.5 hours per week is the standard working week
- 48 hours a week, averaged over 17 weeks is the maximum that can be worked, but often employees are asked to opt-out of this clause
- 48 hours a week on average may not apply in certain circumstances
- Eight hours in a 24-hour period is the maximum a night worker may work

Overtime

- Employers do not have to pay workers for overtime. However, pay for the total hours worked mustn't fall below the National Minimum Wage

Annual leave

- 5 weeks' paid holiday is the minimum requirement per year. This can include bank holidays:
 - Eight public holidays in England and Wales
 - Nine in Scotland
 - Ten in Northern Ireland

Contributions

- Employers pay 13.8% in national insurance
- Employees pay 20% if they earn £45,000, 40% on over £45,000 up to £150,000, 45% over £150,000

Sources

Data sources for city profiles:

Transport links

Deloitte, 2017
Airport data based on largest international airport

Average weekly earnings

2016 gross weekly pay by place of work, Annual Survey of hours and earning ONS 2016

Office market

Deloitte, data as at end of 2016, except London which is at the end of Q2 2017

Average house price

Land Registry, 2016

Housing affordability

Deloitte, 2017

Talent availability

Deloitte, 2017

University rankings

The Sunday Times Good University Guide 2018

Key employers

Deloitte and Hays, 2017

Annual salary levels

Hays, 2017

Largest sector of employment

ONS Business Register and Employment Survey, 2016

Digital hotspots

All detail Hays 2017



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