

## Tech sector revealed as the biggest hiring sector in the North East

- Tech vacancies now make up 14% of all open roles in the North East, with almost 2,500 roles advertised in the region's tech sector
- From enterprise software to clean tech, the region's tech industry covers many sectors with specialist clusters providing exciting opportunities for skilled workers
- Tech companies in the North East raised just over £70 million in VC investment in 2020
- Tech Nation hosts a digital roundtable today (4 February) to discuss the challenges and opportunities for the tech sector in the North East.

**Thursday 4th February, Newcastle:** Tech Nation, the growth platform for tech companies and leaders, and job search engine [Adzuna](#) today release new data exploring tech talent and investment in the North East.

Across the North East, tech companies are showing positive signs of recovery from the coronavirus pandemic. In the North East there are 15,750 job openings, of which 2,300 (14%) are in tech, making tech the biggest hiring sector in the region. What's more, this is the same level of hiring seen in January 2020, reflecting hiring practices returning to pre-pandemic levels.

The top tech companies hiring in the North East (January 2021) include, Sage, Avanda, and Ubisoft. Tech workers are in high demand across the North East, commanding salaries £9,000 higher than those in other sectors. As of January 2021, the average tech salary in the North East is £40,742, compared to the average salary of £31,329 across all sectors. This goes up to almost £44,000 in Newcastle, in which there are just over 1,000 open tech roles. Specific roles doing particularly well in the North East include web designers, java developers, product manager and digital marketing roles.

The North East saw a significant rise in the number of pre-seed and seed deals through 2020, up by 44% from 2019 (25 to 36 deals), demonstrating a healthy pipeline of startups and fast-growing tech businesses. In 2020, there were 22 pre-seed deals and 15 seed-stage deals, including from Darlington-based, Paid, which provides client management software, and raised a seed-round of almost \$3m from Crane Venture Partners, with participation from Seedcamp and Techstars; and Nutshell Software, which raised £1 million in seed funding in May 2020 from Mercia Asset Management and the North East Venture Fund.

However, total funding in the North East fell in 2020, from £102 million in 2019 to £72 million, perhaps reflecting uncertainty caused by the coronavirus pandemic. The bulk of 2020 VC investment (90%) was generated by Partnerize, headquartered in Newcastle but with offices around the world. Partnerize raised \$50m in January 2020, led by Accel-KKR to accelerate innovation of its AI-powered partner automation platform and to support regional and global go-to-market initiatives.

Other significant VC investment activities were generated by Sunderland-based Power Roll, which raised £2 million in October 2020, led by Maven Capital Partners, as they seek to commercialise their solar film and capacitor technologies, revolutionising the way energy is generated and stored. In addition, Newcastle-based Atlas Cloud raised just over \$2m from Mercia Asset Management in

March 2020, and Durham-based Honcho raised £1.3 million in April 2020 in a round led by North East Technology Fund, Finance Durham and InsurTech Gateway.

This investment data reflects Tech Nation's [Scale Ratio](#) for Newcastle and the North East, showing Newcastle's relative weighting towards seed stage companies, in comparison to the North East.

The figures on the growth of the North East's tech industry are published as Tech Nation hosts a digital roundtable today (4 February) to discuss the challenges facing the tech sector as it works to create jobs and help the region recover from the impact of the coronavirus on UK tech.

This week's virtual roundtable is one of a series being held with tech executives, investors and entrepreneurs across the country. Local companies, investors, university representatives and other ecosystem participants will be brought together to learn, share and collaborate on the challenges posed by the pandemic. The learnings will be fed back to the DCMS (Department for Digital, Culture, Media and Sport).

**Stephen Kelly, Chair, Tech Nation comments:** "I feel a strong connection with the North-East from my time as CEO of Sage. There are fantastic companies in growth sectors including gaming, greentech, and advanced manufacturing. It's no surprise to see the North-East Tech sector lead the charge of high value job creation and growth. The North-East has been the UK's only net export region and has shown immense spirit in contributing to Britain's new Digital Economy."

**Dr George Windsor, Head of Insights at Tech Nation said:** "Tech is taking great strides forward in the North East. Though 2020 investment may be slightly lower than in 2019, nevertheless, organic and funding led job creation is proliferating. With 2,300 tech vacancies being advertised in the region, the indication is clear - North East tech companies are open for business, and spearheading the jobs-led recovery."

**Kate Patton, Entrepreneur Engagement Manager - North East, Tech Nation, comments:** "As Tech Nation's Scale ratio report highlights, Newcastle and the North East is a tech hub "one to watch". Even though the pipeline of scaling tech companies may be less mature compared to other regions, there are a variety of stakeholders that are committed and driven to attracting and retaining such companies in the region. Bring the talent and the rest will follow. The North East has all the right ingredients to do so. I predict 2021 is going to be an exciting and high-growth year for the region."

**Andrew Hunter, co-founder at Adzuna said:** "The North East is a brilliant place to start and grow a tech business, with established tech companies operating in the region, and a growing startup ecosystem. It's fantastic to see tech companies like Sage and Ubisoft, actively recruiting for tech roles, which we know will be key to economic recovery. Cities like Newcastle & Sunderland are driving the tech jobs recovery and it's fantastic to see the adzuna data showing technology companies in the North East hiring at pre-pandemic levels this February."

- Ends -

**About [Tech Nation](#):**

Tech Nation is the growth platform for tech companies and leaders. Tech Nation fuels the growth of game-changing founders, leaders, and scaling companies so they can positively transform societies and economies. We provide them with the coaching, content, and community they need for their journey in designing the future. Tech Nation has years of experience facilitating and helping UK tech companies scale, both at home and abroad. Over 20 cohorts and 600 companies have successfully graduated from Tech Nation's growth programmes. Alumni include Skyscanner, Darktrace, and Monzo.

**About Adzuna:**

[Adzuna](#) is a smarter, more transparent job search engine used by tens of millions of visitors per month. We love using the awesome power of technology to bring together every job in one place, help match people to better, more fulfilling jobs and keep Britain working.

Adzuna supply real-time data to the Number 10 Dashboard, the cabinet office and Office for National Statistics labour market indices. In 2018, Adzuna won the contract to run Find a job, one of the British government's most used online services.

Adzuna.co.uk was founded in 2011 by Andrew Hunter and Doug Monro, formerly of eBay, Gumtree, Qype and Zoopla and is backed by leading Venture Capital firms Passion Capital, LocalGlobe, Index Ventures and Smedvig Capital.