



Tech Cities Job Watch

Q1 2016



Cloud



Mobile



IT Security



Big Data



Web Development

About Experis and Tech Cities Job Watch

As technology continues to significantly impact all aspects of business, companies in cities across the UK vie for top tech talent in order to build their ability to innovate and cater to demand.

The Experis Tech Cities Job Watch report sets out to provide employers with a barometer of these changing trends within the technology sector. By combining the latest market intelligence with Experis insights and expertise, this report indicates where exciting new job opportunities are across the UK.

A general shortage of skilled IT professionals across the country has resulted in sharp competition across five key technology disciplines in particular: IT Security, Cloud, Mobile, Big Data and Web Development.

For this report, Experis selected 10 UK cities that are rapidly developing reputations as technology cluster hubs: London, Birmingham, Brighton, Bristol, Cambridge, Edinburgh, Glasgow, Manchester, Newcastle upon Tyne and Leeds.

Experis is the largest IT recruitment specialist in Europe and has been at the forefront of the search for the best in IT talent for over 25 years, placing tens of thousands of candidates.

Experis has the deep industry knowledge to understand the challenges organisations face and the access to highly skilled professionals to help companies seize opportunities.

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Foreword

We're currently in the eye of the perfect storm; Brexit uncertainty, the introduction of the living wage and the imminent apprenticeship levy could have you conclude the demand for IT workers would plateau... Not so, according to our latest Tech City figures. The on-going skills shortage across all five key disciplines (Big Data, Cloud, IT Security, Mobile and Web Development) means demand continues to rise.

Tech cities outside of London saw a particularly high spike in jobs advertised with an annual uplift of a whopping 23%. London may remain the hotspot for tech skills; but these results further endorse the notion that cities such as Manchester, Leeds and Birmingham are fast becoming very attractive alternatives. And with many IT workers struggling with London housing costs, commute times and the high-octane pace of life, it is likely the appeal of other Tech Cities will continue to increase.

With the war for niche technical skills gathering pace, a company's ability to stand out from the crowd is becoming ever more critical. I'm speaking to more and more businesses that are investing heavily in their employer brand; creating a compelling proposition for prospective and existing employees; and using a variety of new and creative channels to spread this message.

As part of these employer brand audits, salary and benefit reviews are high on the agenda. What our data shows is that salaries across both the permanent and contractor markets continue to rise, but the more notable uplift is definitely seen in contractor day rates.

Probably fuelled by recent high profile security breaches, IT security is the biggest salary riser across both permanent and contractor roles. But it's clear with IT professionals across the board in short supply, businesses are under pressure to offer more competitive salaries and benefit packages, or risk losing top talent to their competitors.

The new EU Data Protection reform, which becomes national law in May 2018, will likely further increase the reliance on and ultimately the salaries of Big Data professionals. The legislation will require businesses to make additional investment in their data protection measures. Those individuals who can then help their businesses transform this data into actionable insights will be able to command the bigger salaries.

So that's all from me. I hope you find this report useful. And, as always, I would really value your feedback. Please feel free to reach out to either myself or one of our team if you'd like to discuss your own experiences in sourcing IT talent across the UK's Tech Cities.

All the best,



Geoff Smith
Managing Director, Experis Europe
www.experis.co.uk



< Executive Summary >

Overall, hiring demand in Q1 2016 across all five technology disciplines grew by 2.3% from the same period last year. While the Capital still leads with a share of 67% and 40,543 roles advertised across all disciplines, the share of hiring demand outside of London saw an annual increase of 5.6%. Manchester, Leeds and Birmingham reported the most demand for IT roles across the regions, with Birmingham seeing a 70% increase in all five disciplines since Q1 2015. This shows how the digital landscape outside of the Capital continues to grow from strength to strength, as businesses try to attract the best talent.

Following numerous, high-profile business data leaks including British Gas, Marks & Spencer and TalkTalk, businesses are under even more pressure to ensure their security measures are watertight. As such, demand for IT Security professionals soared, with 4,218 extra roles advertised this quarter [up 19% since Q1 2015].

Average permanent salaries across the cities increased by 2% since Q4 2015 and by 2.45% compared to a year earlier. In terms of discipline, IT Security saw the largest quarterly increase in perm salaries at 2.47%, while Big Data had the biggest annual increase at 8.16%. In London, Big Data professionals also had the highest average wage this quarter.

This surge in earnings for Big Data experts was also reflected in contractor day rates with the biggest quarterly increase out of the five disciplines reported, rising by 4.7%. As data becomes ever more accessible to businesses and they realise the value it can bring, they are willing to pay substantially more for professionals who are capable of transforming facts and figures into actionable insights, while ensuring organisations comply with tightening data regulations. The average day rates for contractors advertised across all Tech Cities grew by 1.89% compared to the previous quarter, and by more than 10% when compared to Q1 2015.

**The five technology disciplines chosen for this report are based upon those in highest demand according to Experis' industry experience*



Hiring Demand



Salary Watch



Employer Demands



Skills Crunch

This section summarises the key trends in hiring demand across the five key disciplines of technology: Big Data, Cloud, IT Security, Mobile and Web Development. The analysis covers the period of Q1 2016.

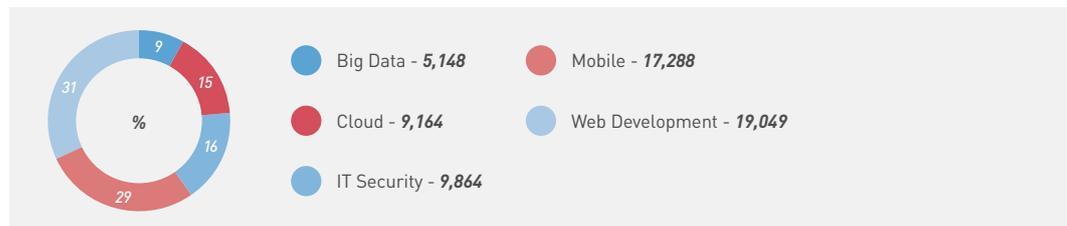
Tech City: Hiring Demand

With the EU Data Protection Reform coming into place, an increase within this sector [Big Data] can be expected as businesses will be required to invest in further data protection measures and use more Big Data analytics.

Hiring demand across all five technology disciplines started with a rise at the beginning of the year, as expected after the winter holiday season. This continued steadily with a few slight irregularities until the end of February, where hiring activity started to see a strong uplift until mid March, where it slowed down and then slightly fluctuated again in line with the UK Easter Holiday period.

Overall, hiring demand saw an annual increase of 2.3% [up to 60,510 from 59,151]. The Capital demonstrated a slight decrease of 5.62% in the number of roles advertised overall since last year, compared to Tech Cities outside of London experiencing an increase of 23% [up to 20,060 roles from 16,287].

Share of hiring demand and number of roles advertised across the five technology disciplines



Cloud

The Cloud continues to demand more professionals, growing by 5% since last year, to 9,164 roles advertised. Increasingly organisations are moving their infrastructure to the cloud to cut operating costs and increase their flexibility and efficiency.

Hiring demand within this discipline in the Capital keeps growing with 6,687 roles advertised compared to last year, an increase of 46%. Outside of London, the top three cities with the highest hiring demand are Manchester [470 roles], followed by Leeds [385 roles] and Cambridge [346].

Big Data

Big Data saw a decline of 6.84% in demand compared to Q1 2015, with 5,148 roles advertised. However, with the EU Data Protection Reform coming into place, an increase within this sector can be expected as businesses will be required to invest in further data protection measures and use more Big Data analytics.

London continues to lead with 4,428 roles advertised within this discipline. The remaining 720 roles remained fairly evenly spread across the other Tech Cities, with Leeds [148], Cambridge [172] and Bristol [105] continuing to show the strongest demand this quarter.



Hiring Demand



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Skills Crunch

Tech City: Hiring Demand



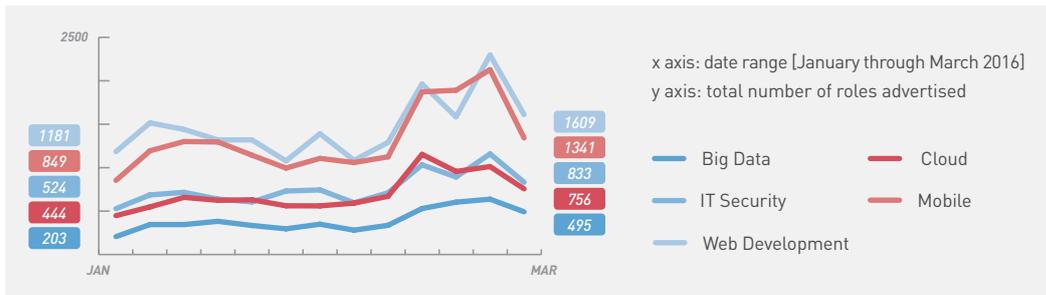
Mobile

Hiring demand for mobile development skills keeps growing with the ongoing need for organisations to provide immediate access to their services as well as a seamless experience, while keeping up with the latest technological advances.

Since Q1 2015 hiring demand in Mobile has increased by 7.86% [to 17,288 roles]. Mobile remains the second highest discipline [following Web Development] in terms of number of roles advertised and accounts for 28.6% of the five disciplines.

The Capital remains the most interested in Mobile professionals, increasing by 38% to 12,228 roles advertised since last quarter and increasing 6% year on year [from 11,508]. Manchester and Leeds continue to be the main hubs outside of London in the mobile space. Interestingly, Birmingham saw the biggest rise from the previous quarter [up 63%; from 398 to 649] compared to other tech cities, overtaking Bristol in third place.

Total number of roles advertised in Q1 2016



IT Security

Unsurprisingly, IT Security continues to see the biggest surge, with 4,218 extra roles advertised this quarter [up 19% since Q1 2015]. IT Security is currently one of the most urgent issues faced by businesses. As they continue to grow their online presence they are under continuous risks of more complex and severe security threats, resulting in an increasing need for IT Security measures.

Compared to the previous quarter, demand increased in the Capital by 86% [to 3,724], whilst the remaining Tech Cities experienced a rise of 53% [to 1,922] for advertised roles. Leeds [664 roles] and Manchester [607] continue to lead, and have repeatedly outpaced each other over the course of the past few quarters, with the highest number of openings outside of the Capital.

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Hiring Demand



Salary Watch



Employer Demands



Skills Crunch

Tech City: Hiring Demand

The share of hiring demand outside of London saw an annual increase of 5.6%, with the Tech Cities slowly narrowing the gap against London's dominance, and demonstrating how the digital landscape outside the Capital continues to grow.



Web Development

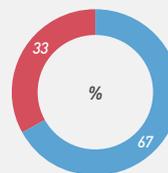
Although Web Development fell by 8% since Q1 2015, the discipline still leads with the highest number of roles in demand [19,049] and accounts for a 32% share across all five disciplines. This is likely set to remain as companies continue investing heavily in their digital presence and e-commerce activities to out-perform their competitors, particularly those in the retail sector.

Outside of London, Manchester [1,778] and Leeds [1,411] saw the highest levels of jobs advertised, and both saw an increase since the previous quarter.



Summary

Share of London based roles and non-London based roles advertised across the five disciplines of technology in Q1 2016



London based roles - 40,453
Non-London based roles - 20,060

The Capital continues to lead with a share of 67% with 40,543 roles advertised across all five disciplines. However, the share of hiring demand outside of London saw an annual increase of 5.6%, with the Tech Cities slowly narrowing the gap against London's dominance, demonstrating a growth in the digital landscape outside the capital.

The Tech Cities outside of London experienced an increase of 23% in the number of roles advertised. The cities with the strongest level of demand in this period continue to be Manchester [3,734] and Leeds 3,596], followed by Birmingham [2,581], which interestingly saw a 70% increase across all five disciplines since Q1 2015.

Non-London based Tech City hiring demand showing the share of jobs for every discipline



Birmingham Brighton Bristol Cambridge
Edinburgh Glasgow Leeds Manchester Newcastle upon Tyne



Hiring Demand



Salary Watch



Employer Demands



Skills Crunch

This section reveals where the 'Tech Cities' rank in terms of average salaries for the following five disciplines of technology: Big Data, Cloud, IT Security, Mobile and Web Development. The analysis covers the period of Q1 2016.

Salary Watch

Average permanent salaries

City	Big Data	Cloud	IT Security	Mobile	Web Development	City Average
Birmingham	£68,611	£49,316	£56,349	£39,186	£32,366	£39,486
Brighton	£65,667	£47,725	£55,800	£36,575	£38,084	£40,381
Bristol	£42,616	£66,159	£53,609	£38,768	£33,113	£40,888
Cambridge	£52,932	£45,588	£47,061	£39,996	£36,864	£42,088
Edinburgh	£54,474	£49,603	£55,020	£42,871	£37,115	£42,017
Glasgow	£66,429	£39,517	£47,742	£39,924	£37,227	£39,674
Leeds	£47,308	£50,259	£42,969	£42,883	£34,930	£40,499
London	£66,600	£58,604	£59,049	£55,547	£45,015	£54,859
Manchester	£54,265	£49,368	£51,967	£36,970	£34,964	£39,846
Newcastle upon Tyne	^	£53,122	£40,682	£39,049	£32,645	£37,236
Average	£64,787	£56,528	£56,323	£51,190	£40,193	£50,016

* Shading to indicate the top three cities, salary-wise for each discipline

London has dominated the salary chart across all five tech disciplines in previous quarters. Now, however, there is more fluctuation, with cities outside of London occasionally offering a higher average salary for specific skills.

Average permanent salaries across the cities have grown by 2% since Q4, and by 2.45% compared to a year earlier. Whilst this is moving in the right direction, more significant annual increases are being seen in the contractor market.

London has dominated the salary chart across all five tech disciplines in previous quarters. Now, however, there is more fluctuation, with cities outside of London occasionally offering a higher average salary for specific skills.

In the Capital, the highest average salary was also being offered for Big Data skills, yet this has seen a slight decrease since last quarter of 2.23%. Cloud remains the second highest paying discipline overall.

Comparing salaries from Q1 2016 to the previous quarter and prior year, IT Security has seen the largest quarterly increase in perm salaries at 2.47%, and Big Data has seen the biggest annual increase, at 8.16%. Web Development is the only discipline which saw a decrease in average salaries both year-on-year and since the previous quarter.



Hiring Demand



Salary Watch



Employer Demands



Skills Crunch

Salary Watch

Increased employer demand on niche skills is responsible for this substantial annual increase in contractor rates; in comparison, less of an upwards shift is being seen in the permanent market.

Average contractor day rates

City	Big Data	Cloud	IT Security	Mobile	Web Development	City Average
Birmingham	£415	£462	£376	£323	£283	£372
Brighton	^	^	£556	^	£258	£299
Bristol	^	£425	£408	£313	£309	£360
Cambridge	^	£479	£386	£356	£319	£421
Edinburgh	^	£533	£504	£390	£291	£415
Glasgow	^	£319	£418	£327	£276	£323
Leeds	£633	£578	£402	£381	£333	£427
London	£540	£473	£494	£416	£352	£448
Manchester	£613	£477	£444	£406	£278	£368
Newcastle upon Tyne	^	£409	£309	£254	£242	£351
Average	£535	£475	£481	£402	£329	£431

* Shading to indicate the top three cities, salary-wise for each discipline ^ Data Not Available

The average day rate advertised across all Tech Cities has grown by 1.89% compared to the previous quarter, and by more than 10% when compared to Q1 2015. Increased employer demand on niche skills is responsible for this substantial annual increase in contractor rates; in comparison, less of an upwards shift is being seen in the permanent market.

Every discipline, except for Web Development, is offering increased contractor day rates this quarter when compared to the last. The biggest quarterly increase out of the five disciplines was seen in Big Data, which rose by 4.7%. The largest annual increase was in IT Security, with a year-on-year increase of 18.77%. Web Development, on the other hand, saw advertised day rates drop, both year-on-year and quarter-on-quarter.

At £578, Leeds is offering the highest day rate for Cloud Skills; whereas Manchester is offering the highest rate for IT Security skills, with a day rate of £556.



Hiring Demand



Salary Watch



Employer Demands

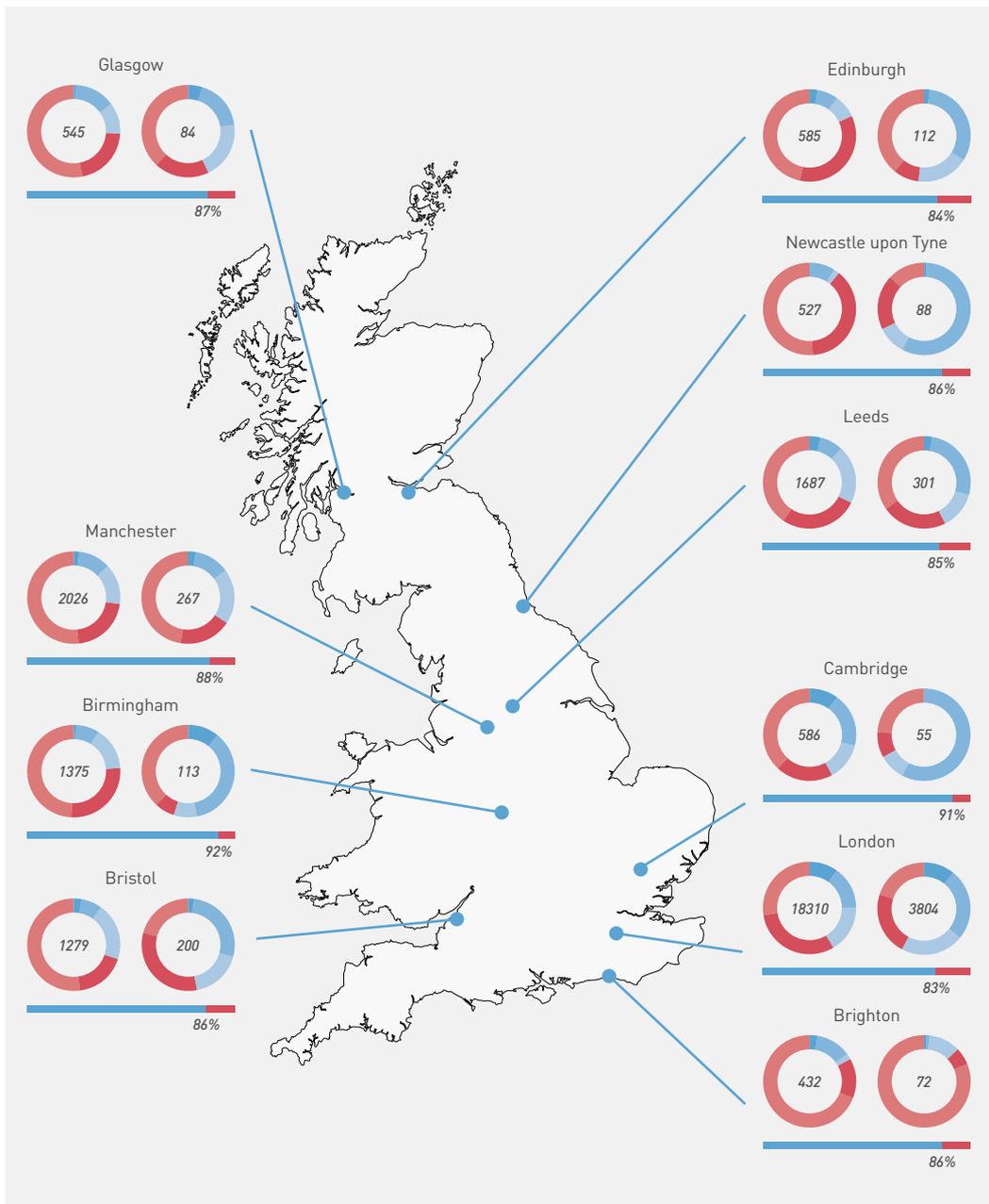


Skills Crunch

A national comparison of permanent versus contract roles for hiring demand across the five key disciplines of technology: Big Data, Cloud, IT Security, Mobile and Web Development. The analysis covers the period of Q1 2016, in the tech city hubs of London, Birmingham, Brighton, Bristol, Cambridge, Edinburgh, Glasgow, Leeds, Manchester and Newcastle upon Tyne.

Employer Demand Trends

Employer Demand - permanent vs contract roles advertised



- Big Data
- Cloud
- IT Security
- Mobile
- Web Development

Permanent Contract

— % of permanent roles advertised
 — % of contract roles advertised
 † Number of roles advertised



Hiring Demand



Salary Watch



Employer Demands



Skills Crunch

Employer Demand Trends

Outside of London, Manchester, Leeds and Bristol again maintained their position as the top three cities for contract roles



Perm roles

Since the last quarter, the overall number of permanent roles advertised across all cities increased by 6.87% – which is expected following the seasonal decline in December – to 27,352.

In this quarter there were 18,310 roles advertised within the Capital, an increase of 8.52% since the previous quarter from 16,872.

Outside of London, the tech cities showing the strongest hiring demand continue to be Manchester [2026] and Leeds [1687].

In third place is Birmingham [1375] moving ahead of Bristol, with a significant increase in advertised roles from the previous quarter [22.44%].



Contract roles

The overall number of contract roles advertised fell by 4.37% since the last quarter, to 5,096 roles. However, compared to Q1 2015 there has been an overall increase of 10.57%.

Outside of London, Manchester [267], Leeds [301] and Bristol [200] again maintained their position as the top three cities for contract roles. Manchester saw the lowest increase of the three with only 0.38% rise in demand, versus Bristol where roles increased by 70.94% with 200 roles advertised, compared to the last quarter.



Hiring Demand



Salary Watch



Employer Demands



Skills Crunch

This section summarises the top skills in demand for each discipline of technology for the period of this report.

< Skills Crunch >



Mobile

The retail sector continues to drive growth in mobile e-commerce, reinforcing the ongoing evolution in consumer buying habits from high street stores to smartphones. 'Sharing economy' applications, such as **AirBnB**, **Uber** and **Deliveroo**, have opened up an entirely new marketplace. They're changing the way people buy goods and services, moving away from the traditional business models. Mobile payment also continues to grow at pace, with over half of UK retail sales made through a mobile device in the last quarter alone, according to **IMRG** and **Capgemini** figures.

The top skills in Mobile remain the following: **iOS**, **Android**, **Java Script**, **Objective-C** and **C++**.



Web Development

In today's 'experience economy', where customers are increasingly moving online to buy products and services, having a seamless online experience is becoming increasingly vital to business success. This is making it even more important for online platforms and applications to offer streamlined experiences, in both the back- and front-end.

For the back-end development, core programming languages such as **CSS Java**, **.Net** and **C#** remain the most in-demand skills; while in-demand front-end development skills continue to be **JavaScript**, **HTML5**, **CSS3**, **NodeJS** and **Angular JS**.



IT Security

The high-profile security incidents at **British Gas**, **Marks & Spencer** and **TalkTalk** impacted on customer confidence, putting all companies under more pressure to ensure their IT security measures are robust. As companies continue to adopt ever-more sophisticated technologies, the potential for cyber-attacks will continue to rise. As a result, there is an ongoing need for IT Security skills as companies continue to develop their defence against security threats.

Skills in demand for this quarter include **CISSP** [Certified Information Systems Security Professional] qualification, **SIEM** [security information and event management] such as **ArcSight**, **IDAM** [Identity Access Management], as well as **biometrics** and **penetration** testers.

As data becomes ever more accessible to businesses, it comes as no surprise that IT service providers are increasingly looking to hire in-house Big Data professionals who are capable of transforming these facts and figures into actionable insights.



Hiring Demand



Salary Watch



Employer Demands



Skills Crunch

< Skills Crunch >



Big Data

As data becomes ever more accessible to businesses, it comes as no surprise that IT service providers are increasingly looking to hire in-house Big Data professionals who are capable of transforming these facts and figures into actionable insights. In fact, the **European Commission** estimates that Big Data analytics could boost EU economic growth by an additional 1.9 % by 2020, resulting in a GDP increase of €206 billion.

Added to this, is the upcoming **EU Data Protection Reform**. This legislative change will require businesses to make additional investment into their data protection practices, further increasing their reliance on Big Data skills.

The most in-demand data capabilities include **Spark** (for data processing), **Apache Hadoop**, and tools such as **SAP HANA** [Big Data analytics and Business intelligence tools], **Tableau**, **Splice Machine** and **MongoDB**.



Cloud

The market for Cloud services continues to grow, as more companies invest in digital services that leverage this technology. Yet compliance and data security implications remain a major concern, and many people still need to be educated on the benefits Cloud computing can offer for their organisation. For companies who are planning on transitioning to these technologies, accessing Cloud professionals who can provide them with transparency, trust and reassurance over compliance and data security is key.

In particular, there's a demand for **IaaS** (Infrastructure as a Service) solutions, including **Microsoft Azure**, **Amazon Web Services** (AWS), and **SaaS** (Software as a Service) including Salesforce.com and Insightly.

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Hiring Demand



Salary Watch



Employer Demands



Skills Crunch

< Methodology >

The statistics referenced in this report were obtained via an entity extractor provided by Innovantage, which scans and logs IT jobs postings across over 180 global job boards and in excess of half a million employer websites. This information was then put through a normalisation process, where the data was matched to defined regions and types. Where roles were unsortable due to vague or foreign language job titles, they have been omitted. This data was further sorted into disciplines, job types, sectors, and other categories to provide a detailed analysis of the current recruitment market. Instances where data was minimal or for regions where information was unavailable were not included. Experis drew upon its years of IT talent industry experience to compile the detailed analysis of the recruitment market found in this report.

Contact Information

 Tel: +44 (0) 203 122 0200

 info@experis.co.uk

 www.experis.co.uk/techcities

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