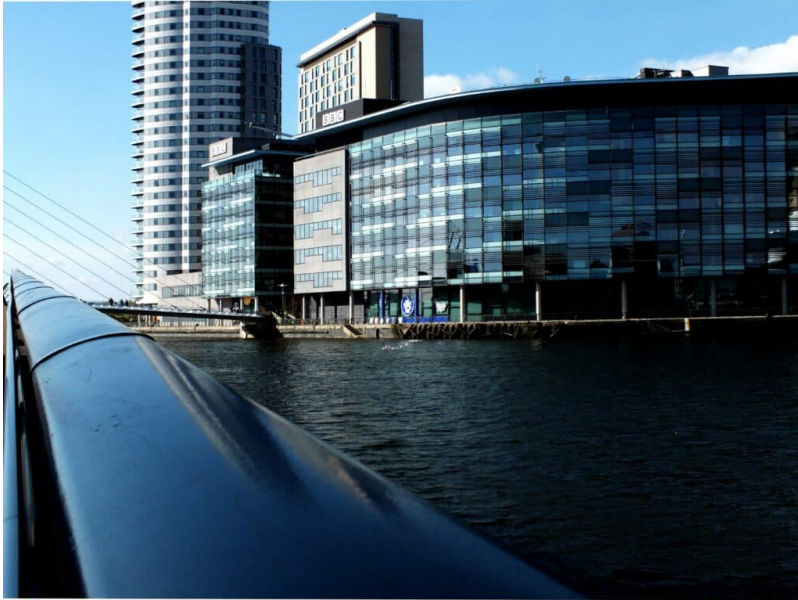# Manchester Holds on to the Top Spot in CBRE's UK Tech Cities Report

3 years ago

Manchester has once again shown its strength as a leading tech location, maintaining the number one spot as the leading tech city in the UK outside of London according to the UK Tech Cities report, published today by global real estate advisor CBRE.

This report follows on from the firm's 2017 and 2019 reports, which used the same methodology to rank the top 15 Tech Destinations outside of London, in order to inform the decision-making process of both occupiers and investors. All markets across the UK have been scored and ranked based on a number of factors including access to skilled talent, availability of office space, proximity to institutions providing high quality tech education, cost of living and cost of employment.

Manchester office market's size and the access to a high-quality workforce underpin its long-established rating at the top of the leader board. The city has long been established as a hub for creative industries, with 5,725 tech companies located in Manchester, the highest of any regional city. Much of the tech occupation in Manchester is located in either The Northern Quarter or MediaCityUK, Salford.

John Ogden, Manchester Managing Director, CBRE said: "An important factor in Manchester's appeal to tech occupiers is the presence of world-class educational establishments, most notably The University of Manchester's Department of Computer Science, the birthplace of the modern computer. An ability to tap into a highly skilled graduate population has been a key driver for many multinational software and data companies in their decision to locate in Manchester. Notable examples include Cisco (Didsbury) and IBM (Sale).

"Looking ahead, Manchester seems well placed to maintain its position as the UK's pre-eminent tech city

outside of London. New developments such as Manchester Goods Yard and Bruntwood SciTech's development of Circle Square have attracted global attention with companies such as ROKU and Cloud Imperium recently taking space."

Birmingham is one of the most notable movers in this year's ranking, rising to second place from its previous position of fourth in our 2019 edition. This is the result of a number of metrics climbing up the rankings. Amongst these, the Guardian scoring for Computer Science Degrees which has increased the cities popularity amongst millennials who are staying in the city following graduation, growing the number of information & communication employment.

Glasgow continues to attract tech talent and companies, maintaining its position in the top three.

With high levels of educational attainment coupled with relatively low house prices compared to many other locations, Glasgow is an attractive location both for talent seeking a high quality of life and for companies wishing to employ them.

The city is known as being home to a number of world class universities, reflected in its scoring for computer science degrees. As such, it's unsurprising the city is gaining an increased amount of attention with a reported £43m in venture capital invested during 2020, an increase of 156% from 2019.

With over 570 creative occupiers based in Glasgow, it is expected a new wave of start-up tech companies will be drawn to the city. Currently, Pacific Quay is a main hub for media companies with the likes of BBC Scotland and STV based there.

In addition to size and generational mix, access to a highly skilled female population is an increasingly important factor to consider for tech companies in the UK. Birmingham has the highest number of degree level educated women, sitting 19% above the number of degree level educated men in the city. However, it is the lowest of all cities when looking at percent of total female population with a degree. While the split between men and women educated to a degree level is closely split in Edinburgh, it is the city with the highest percent of female population with a degree at almost 60%. The city with the largest split between genders that are degree educated is Nottingham where there are 31% more degree-educated women than there are degree-educated men.

Jen Siebrits, Head of UK Research, CBRE said: "As the industry begins to accept that unlocking potential female talent will be key to the success of businesses and locations, initiatives are being put in place to address this imbalance." "

Mike Gedye, Head of the Technology sector vertical at CBRE, said: "Across all cities, the UK tech sector has seen significant growth over the last decade and shown it is far from being a fleeting trend – but here to stay. Resilience over the pandemic period has proven to investors that venture capital funding into the UK tech sector will deliver success. Tech companies are now more than ever competing for the best talent and post-pandemic have broadened their horizons in hiring a more distributed workforce and will drive a new era of regional tech demand. The regionalisation of the tech sector beyond London and the South East will also be critical to sustain the UK's ability to innovate and compete on the global stage."

Image credit: Pexels