"The Technology Recruitment market in the UK remains strong, however there is a significant degree of uncertainty surrounding the potential impact of implementing the revised IR35 legislation in the private sector."

Nick Parker, Operations Director

Technology overview & outlook

Winter 2017

Technology overview

The *2017 Dice Job Market Report* reveals that **50%** of IT professionals now earn **over £40k** a year, **1%** up from 2015. However, the report also showed that the majority of permanent IT staff (**36%**) earn between **£20k-40k**.

Another negative trend is that **21%** of contractors had a pay decrease over the past year. The 2016 report had this figure down as low as **4%.**

The report showed that **91%** of UK IT contractors are male, a hugely worrying figure for diversity. This is higher than 2016, which was an **88%** to **12%** divide between males and females.

Hired's 2017 State of Global Tech Salaries report showed the average software engineer salary in the San Francisco Bay Area was **$134k**, compared to London which was **$73k** (£56k).

The north-south pay divide for IT professionals is widening according to accountancy firm Access Financial. Median pay for IT professionals in the south jumped by **3%** in 2016, from **£42,205** to **£43,475**, while pay in the north increased by **2.8%**, from **£37,256** to **£38,282**.

The *Tech Cities Job Watch Q4 2016* report showed that Big Data roles attract the largest salaries, averaging **£68,799** across ten key UK cities, **£71,521** in London and peaking at **£74,795** in Edinburgh.

Developer community Stack Overflow found that the fastest growing skill for UK and Irish developers from 2012-2016 was the JavaScript framework **AngularJS**.

Java, **Python** and **AWS** were the second, third and fourth fastest-growing skills sought by employers.

Technology outlook

A counterfeit detection technology specialist, NCOPRO, based in Caerphilly are creating new jobs. The company which specialise in tracking and removing counterfeit goods have outgrown their London office and need around **80 new staff**, mainly analysts and developers. The recruitment drive is being supported by **£500k** investment from the Welsh government.

Despite uncertainty surrounding the UK's decision to leave the EU, the *Job Market Report* by technology career site Dice showed that **78%** of the 1,100 tech professionals surveyed were **positive** about their career prospects for the year. **62%** of permanent IT staff expect their salary to rise in the year ahead, and **59%** of contractors expect the same.

Tech companies are tiring of London as Cities across the country are outpacing the capital as hubs of digital innovation as commuters and companies decide to seek out a better life away from the packed tube trains and polluted air.

According to the *UK Tech Innovation Index*, London has retained its crown as Britain's biggest technology hub but the tech growth in the capital has slowed.

Smaller cities have begun to carve out their own niches within the tech arena, with Liverpool and Reading becoming well known for companies related to **IOT** development. Cardiff is showing early signs of developing into a **virtual reality** hub and with new start-ups appearing both there and in Swansea on a regular basis.

Experts put the growth down to a number of factors, including a regional government, cheaper rents, and a better work-life balance for employees.

With uncertainty over what the future will hold, not putting all its tech eggs into one basket is likely to be beneficial to the UK.

£30 million government investment to develop digital skills distance learning courses

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