

## News story: £21m to boost UK's world-class tech sector and spread the benefits across the country

Today the Government announced that Tech City UK and Tech North are to become a national organisation, Tech Nation, to speed up the growth of the UK's pioneering and innovative digital companies and clusters, helping spread the benefits even further.

Successful companies which have benefitted from Tech City UK's work include Just Eat, Zoopla and Funding Circle.

Building on the organisation's work helping to turn London's Silicon Roundabout into a globally recognised tech hub, the funding will see the new Tech Nation work alongside existing tech partners and business organisations to accelerate the expansion already underway by rolling out its tech-hub model.

As part of the plans, Tech City UK will give more than 40,000 people the opportunity to develop the skills needed to start or grow a digital business and will offer support for up to 4,000 UK tech businesses through targeted growth programmes.

Minister for Digital, Matt Hancock, said:

This new funding is an important part of our plans to make the UK the best place in the world to start and grow a digital business, with the benefits spread right across the country.

This regional network will accelerate the growth of the digital tech sector, cement the pipeline of talent and spark the next generation of innovative firms to seize the future opportunities of digitisation – bringing jobs, skills and higher productivity to our regions.

Eleven regional hubs will form the backbone of a national network of digital excellence to reflect the country's standing as a global powerhouse for tech industries and help the Government achieve aims outlined in the Industrial and Digital Strategies.

The funding will also help entrepreneurs in emerging tech sectors, such as Artificial Intelligence (AI) and Fintech, by connecting them to peers and potential investors in other hubs across the country and by offering tailored development programmes.

Gerard Grech, CEO of Tech City UK (soon to be Tech Nation), said:

We are thrilled the Government is backing our model which has played an important role in helping the country's tech firms accelerate their growth.

Tech Nation will help transform the UK from a series of standalone tech clusters into a powerful national network that will reinforce the UK's position at the top of global tech rankings.

This will ensure we continue to be at the forefront of digital innovation, developing tech talent and attracting international investment.

Eileen Burbidge, Chair of Tech City UK (soon to be Tech Nation), said:

We are delighted to hear that the Government wants to increase Tech City UK's funding for the next four years.

Under the Tech Nation banner, this country that has brought so much innovation to the world and leads in sub-sectors such as fintech, cybersecurity, artificial intelligence, robotics and life sciences will build a national network of digital excellence so that the UK will continue to be recognised as one of the best places in the world to start or grow a digital tech business.

Britain is already a global tech powerhouse and the Government is determined to see that continue. More than 1.4 million people work in the UK's digital tech sector and jobs are being created at twice the rate of other sectors in the economy. Average advertised salaries are £50,000, 30 per cent higher than the national average.

The sector has a turnover of more than £118 billion and figures on foreign investment published in July found in the first half of 2017 there was a record £5.6 billion investment in tech in the UK.

In the face of international competition for this high-value employment industry, Tech Nation will help the UK accelerate the growth of the tech sector.

Successful Tech North programmes such as Founders Network and Northern Stars will be extended nationally, and existing national programmes such as Future Fifty and Upscale will be strengthened.

David Buttress, Partner at 83North and former CEO and co-founder of Just Eat, a Future Fifty alumni company, said:

Tech City UK and the Future Fifty programme have given fast-growing companies like ours a great opportunity to learn from our peers and exchange ideas. They have also enabled us to get our voice heard in government, so that we can give our point of view on the way our

working world is changing. That will continue to be extremely important for all emerging tech sectors.

Samir Desai, Funding Circle, a Future Fifty alumni company, said:

Tech City UK has been an excellent advocate for the tech sector, understanding the needs of startups and scaling businesses and representing this coherently to Government. The programme they deliver is comprehensive and has supported us across a range of issues and business priorities.

Cherry Freeman, co-founder LoveCrafts, a Future Fifty company, said:

Being involved in Tech City UK's Future Fifty has been fundamental in helping us to drive LoveCrafts' growth on an international scale. They have been a great supporter and resource to us and it's great news that they are going to expand their role over the next four years. I know that they will make a great success of working with entrepreneurs and founders in tech clusters across the country.

Virraj Jatania, founder of Pockit, an Upscale company, said:

Exchanging ideas with people who are going through similar things as yourself, as we do on Tech City UK's Upscale programme, has been a great way for me to improve my personal performance and make sure that I am sufficiently ambitious for my company. They understand the challenges facing the sector and makes sure that people are speaking out for people like us, so that we can get on with building our businesses.

The first set of clusters to form Tech Nation will be located in:

- Midlands – Birmingham
- Scotland – Edinburgh and Glasgow
- Northern Ireland – Belfast
- Wales – Cardiff
- Greater London – London