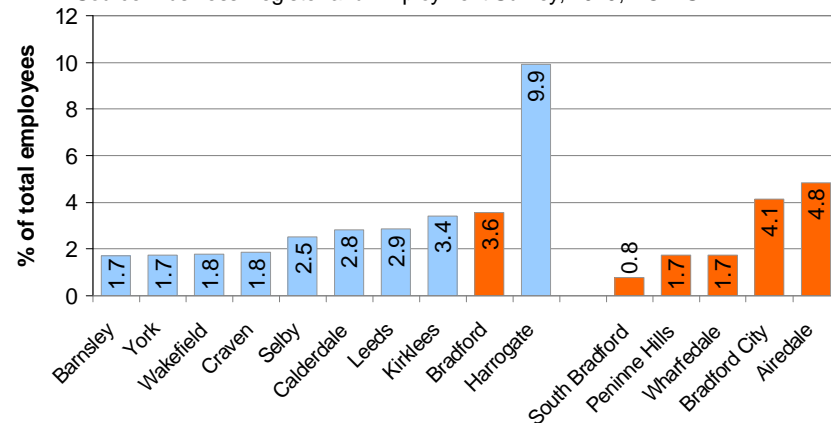


## Key points

- This is a broad sector which includes electronics, software applications, web design, film-making and publishing activities.
- There are around 6,800 employees working in 700 digital businesses in the district.
- The sector accounts for 3.6% of all employees in Bradford, greater than the Yorkshire and Humber regional and Leeds City Region (LCR) averages.
- Airedale has a relatively high proportion of employees in this sector (4.8%).
- Employment increased in this sector in Bradford between 2009 and 2010 by 6.3%, far greater than the 1.6% national rise and in contrast to falls in the region and LCR.
- Weekly earnings levels vary within this sector but in some cases (eg computer programming) they are particularly high, reflecting high value added in this sector.

## Digital employment features relatively strongly in Airedale as well as Bradford district as a whole

Digital employees as a proportion of total employees  
Source: Business Register and Employment Survey, 2010, NOMIS



Bradford has the second highest proportion of digital employees of all Leeds City Region (LCR) districts behind Harrogate. Of the 6,800 employees in Bradford in the digital sector around 45% (3,100) work in publishing activities, a further 26% (over 1,700 employees) work in computer programming, consultancy and related activities and 25% (1,700) in the manufacture of computer, electronic and optical products. Nearly 200 employees work in TV, film and sound production, programming and broadcasting.

**Digital sector definition:** The sector includes electronics, software applications, web design, film-making and publishing activities. The definition used in this report is based on the Yorkshire Forward definition (revised 2008) but updated using the ONS Standard Industrial Classification (2007). The digital sector as a whole was identified as a key sector for analysis in Bradford because of its high skill levels and productivity. This has led to high output in the sector that is set to grow further.

## Almost one fifth of LCR digital employees work in Bradford

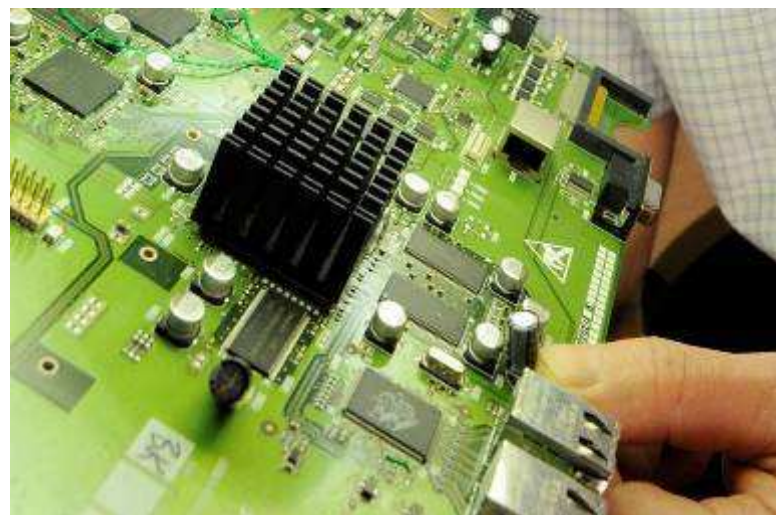
Around 3.6% of Bradford's employees work in digital industries which, although slightly lower than the national average, is a significantly greater proportion than both the Yorkshire and Humber regional (2.6%) and LCR (Leeds City Region) averages (3.1%). In total the district has 6,800 employees engaged in digital industries which is approaching 20% of the LCR total.

### Employees in the digital sector

Area	Number of digital employees	% of total employees in each area
Great Britain	980,800	3.8
Yorks & Humber	55,700	2.6
LCR	38,900	3.1
Bradford	6,800	3.6
Airedale	1,800	0.8
Bradford City	4,400	1.7
South Bradford	200	1.7
Pennine Hills	100	4.1
Wharfedale	300	4.8

Source: Business Register and Employment Survey, 2010, NOMIS  
Numbers rounded to the nearest 100)

Within Bradford district, Airedale stands out as having a relatively high proportion of employees engaged in digital industries (4.8%). Bradford City has the largest number of employees of any sub-district with around 4,400 employees followed by Airedale with 1,800 employees. The remaining sub-districts in total have around 600 employees

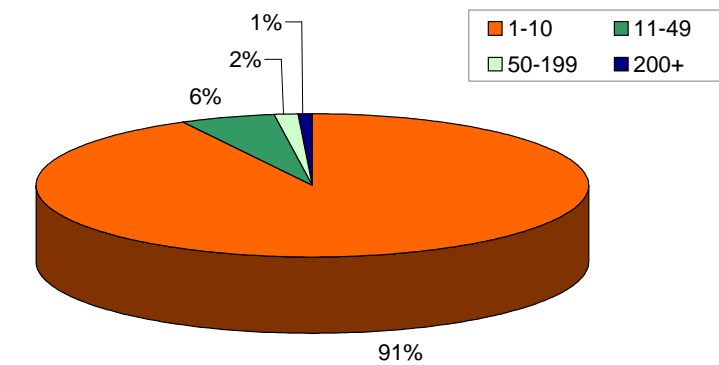


## Digital businesses

The digital sector in Bradford is dominated by small businesses with 91% employing between one and ten employees (around 650 businesses in total). Just slightly over 50 digital companies have more than 11 employees. This size profile is very dissimilar to that found for other sectors where on average around 75% of businesses employ between 1 and 10 employees.

Proportion of digital businesses in Bradford in each employee sizeband

Source: Annual Business Inquiry 2008, NOMIS



Total digital businesses = 700

Bradford City has the largest proportion of businesses in the digital sector with around 250 in total (37% of all digital businesses in the district).

## Employment trends

Digital sector employment in Bradford declined between 2008 and 2009 but increased over the year to 2010 by 400 employees. This is a significant increase of 6.3%, greater than the national growth rate (+1.6%) and in contrast to the declines found in Y&H and LCR.

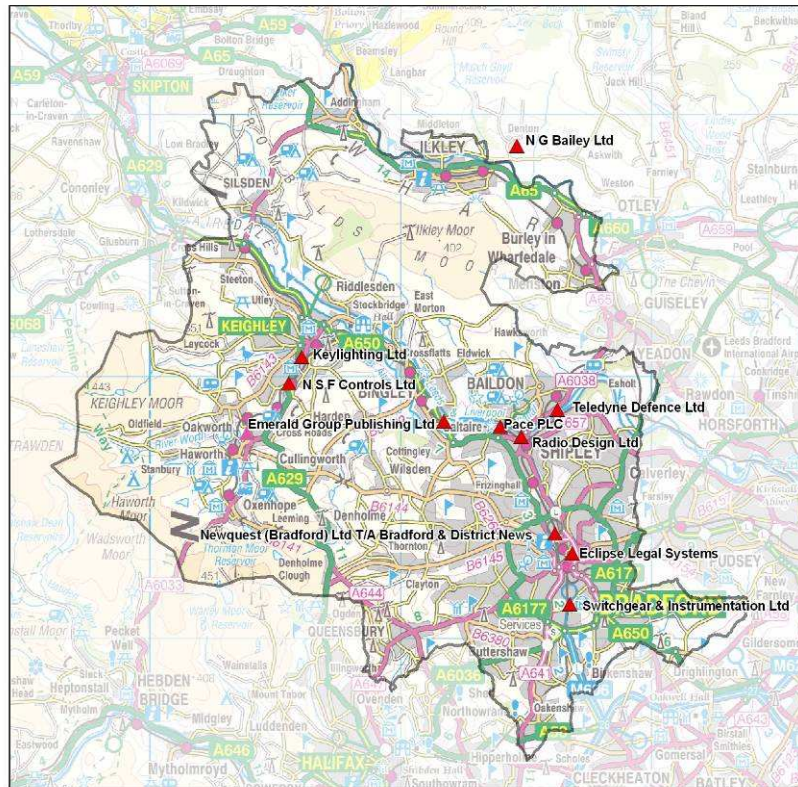
Growth was strongest in Airedale (+12.5%) followed by Bradford city (+10%).

### Change in employee numbers in the digital sector

Area	2008	2009	2010	Change 2009-10 (%)
Great Britain	1,042,900	965,700	980,800	1.6
Yorks & Humber	53,800	57,100	55,700	-2.5
LCR	37,000	39,800	38,900	-2.3
<b>Bradford</b>	<b>7,000</b>	<b>6,400</b>	<b>6,800</b>	<b>6.3</b>
Airedale	1,800	1,600	1,800	12.5
Bradford City	4,600	4,000	4,400	10.0
South Bradford	300	300	200	-33.3
Pennine Hills	100	200	100	-50.0
Wharfedale	300	300	300	0.0

Source: Business Register and Employment Survey, NOMIS  
Numbers rounded to the nearest 100.

## Location of major digital employers



Source: Key Companies, Bradford Central Library, CBMDC

### Case study: Pace

Pace was founded in Bradford in 1982 by two members from the research and development team of Bradford-based Thorn Consumer Electronics and has grown rapidly over the past three decades. It currently has over 2,000 employees worldwide, around 500 of whom are based in Bradford – although some job losses were made at its Saltaire head office and engineering centre in 2012. Revenue in 2010 stood at £1,330.9 million.

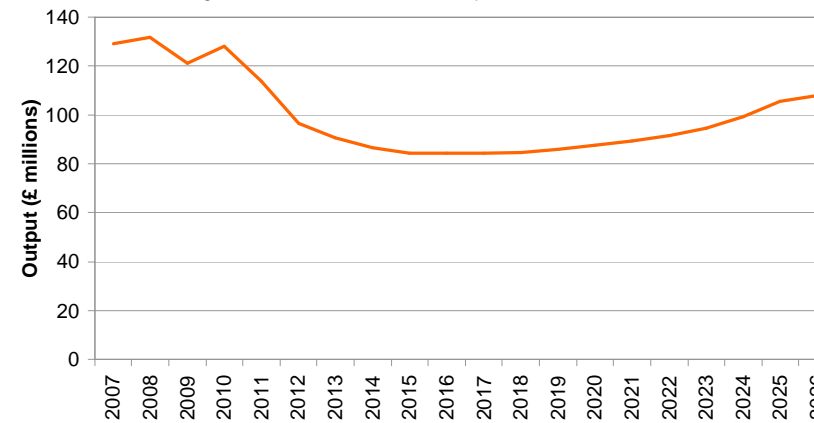
Pace remains a leading technology developer for pay TV and broadband services providers and is the global market leader in set-top boxes – having purchased 2Wire and Philips' set-top box manufacturing facility. Pace also develops and delivers innovative devices, software and services for world-leading operators that enable entertainment and converged communication services inside, outside and around the digital home.

### Case study: Fab Lab Airedale (Digital Fabrication Laboratory)

Fab Lab is the first stage of a project to create a Centre of Manufacturing Excellence in Airedale serving the LCR. It is a venture between the Airedale Partnership, Bradford Council and Leeds City College, with support from The Manufacturing Institute. The aims of the project are to promote innovation and excellence within the local manufacturing and related sectors.

## Employment and output in electrical & optical equipment manufacture may decline

**Electrical & optical equipment output (£ millions) Bradford**  
Source: Regional Econometric Model, Experian

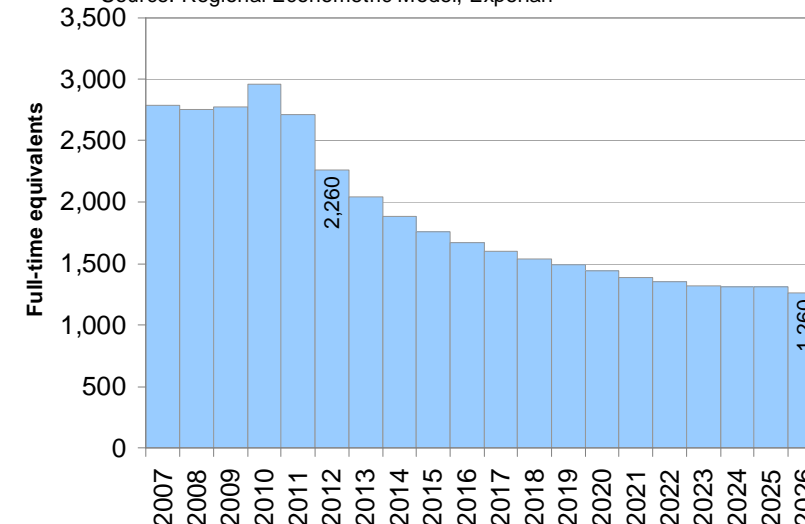


The Regional Econometric Model (REM) produces output and employment forecasts for several industries but not for the digital sector as a whole. Data from the REM for electrical and optical equipment has been included to show trends in one element of this sector. This is not thought to be representative of the whole digital sector in Bradford.

Output has fallen significantly since the start of the recession and is forecast to continue to decline in Bradford. Pre-recessionary levels of output are not likely to be reached over the term of the forecast period ie by 2026 as output is not set to increase until around 2021.

Employment in this digital sub-sector, which fell slightly during the recession, increased in the year to 2010 but since then may have declined further. This decrease in employment may continue over the forecast period according to the REM.

**Electrical & optical equipment employment - Bradford**  
Source: Regional Econometric Model, Experian



## Additional digital sector analysis

Regional average weekly earnings data from the Annual Survey of Hours and Earnings 2011 shows that wage levels vary greatly within this sector. For example, average full-time earnings for the manufacture of electrical equipment are £407.0, (well below the regional average for all manufacturing of £500.5) while higher-paying sectors including computer programming (£572.5) and computer and electronic products manufacture (£564.8) are considerably higher than the manufacturing average and the average earnings for all industries and services at £465.5. This suggests that skills levels are relatively high with high productivity levels.

## Regional and sub-regional outlook

According to Finance Yorkshire there are more than 13,000 businesses in this sector in the Yorkshire and Humber region, adding almost £5.25bn of gross value. As such, the region's digital sector is second only to London's. Several global companies such as Pace and Filtronic have bases in Yorkshire, along with over 10% of the UK's game development talent - working on contracts with companies such as Microsoft, THQ, Sony and Sega. Two of the largest applied e-learning services in the world are based in the region: UFI and Learn Direct. The strong growth seen in this sector in the region over recent years is expected to continue.

Research undertaken by the Leeds City Region (LCR) Local Enterprise Partnership found that business growth in the sub-region's digital and creative industries has outstripped that of other UK core city regions. It is anticipated that this strong growth may continue, in part thanks to LCR's proximity to Media City in Salford. In addition the Airedale Digital Corridor, which is home to a significant cluster of market-leading digital and electronic firms including those mentioned above, Pace and Filtronic, as well as Echostar Europe, Radio Design, Teledyne Defence and Bradford Technology, is estimated to have a combined turnover equal to that of Cambridge. The digital sub-sector is also supported by the Advanced Digital Institute in Airedale which supports innovation by providing expertise in digital, TV, smartphone technology, telehealth and telecomms infrastructure.

### Produced by:

Strategic Support

Department of Business Support

City of Bradford Metropolitan District Council.

Email: [mary.johnston@bradford.gov.uk](mailto:mary.johnston@bradford.gov.uk)

Phone: 01274 434035

Web: [www.bradfordeconomy.com](http://www.bradfordeconomy.com)