

Newcastle: A Northern epicentre of investment, research, and innovation

Known for its rich industrial and shipbuilding heritage, in recent years Newcastle-upon-Tyne on the North East coast of England has emerged as a hub for technology, creative industries, and academic excellence. This has made it an attractive destination for entrepreneurs and startups, especially in the energy and climate tech space, with Newcastle recently named as one of the best cities in Europe in 2023 for attracting foreign direct investment.

Since entering the Levelling Up Power Tech League top 10 in 2021, Newcastle has continued to see funding, jobs and salaries rise. In the second quarter of 2023, VC investment into businesses across the North East more than doubled to £23.9M – up 132% from £10.3M in Q1. The vast majority of this total, £23.5M, went to startups based in Newcastle. This has earned Newcastle the title of the seventh best startup ecosystem in the UK and estimates suggest there is still £30B of investable opportunities across the region. Furthermore, Newcastle City Council has earmarked £1.5B to invest in infrastructure, innovation and jobs.

At the heart of this thriving ecosystem is Newcastle Helix—a 24-acre innovation district home to a number of world-leading research and education hubs, as well as a range of startups, global leaders and national government organisations. Enterprise giant RedHat and transatlantic law firm Womble Bond Dickson are both residents, as is the National Innovation Centre for Data (NICD), a national facility focused on accelerating innovation through data. The Helix was also selected as the home for the National Centre for Energy Systems Integration on account of Newcastle’s rising reputation as a leader of the green industrial revolution.

The Department for Business and Trade has identified Newcastle as a key site for vital energy projects and the region is home to over 5,000 energy-related businesses, employing close to 30,000 people. In fact, the North East has the largest concentration of energy-related companies in the UK.

Numerous global businesses have offices in Newcastle including FTSE 100 company Sage PLC, Ubisoft’s largest UK game studio, and a new BBC Tech Hub, as well as Siemens, Virgin Money and more.

Elsewhere, Newcastle, Northumbria and Durham Universities share the largest concentration of researchers in the UK outside London, creating the so-called Northern Research Powerhouse. Both Newcastle and Durham are members of the N8 Research Partnership, recognising the eight most research-intensive universities in Northern England. Northumbria was named the Times Higher Education University of the Year for 2022 and is ranked in the top 25 in the UK for research power. Across these educational organisations, the region is home to the highest proportion of STEM students per capita of any region in England, as well as the highest proportion of computing students in the country.

Here’s what makes Newcastle such a vibrant hub for starting and building a business.

Access to Capital

Newcastle’s startups benefit from a range of funding sources, including:

North East Venture Fund: Managed by Mercia Asset Management, the North East Venture Fund invests between £200K and £1M in early-stage companies which have a “good product and ambitious growth plans.” It’s supported by the European Union’s European Regional Development Fund.

NorthInvest: NorthInvest is a not-for-profit organisation that helps tech and digital startups across the North of England raise angel investment and access expert support. The hub is home to a network of more than 100 angels which has invested £25M in more than 1,200 businesses since 2016.

Newcastle Angel Hub: A NorthInvest partner, Newcastle Angel Hub brings investors together to identify co-investment opportunities, and showcase the North East's best businesses through regular pitching events, networking meet-ups and quarterly meetings with angel investors, VC's and funding organisations as well as family offices.

Ignite Accelerator: A well-known accelerator in Newcastle, Ignite runs programs designed to support and fund early-stage startups, particularly in the tech sector. They offer mentorship, workspace, and access to a network of investors.

Newcastle University Enterprise Lab: This incubator supports students and graduates of Newcastle University in turning their ideas into commercial businesses. It provides resources, mentorship, and access to funding.

Northstar Ventures: As an investment firm, Northstar Ventures manages several funds aimed at early-stage startups. This includes the North East Innovation Fund which typically invests from £100,000 to £1.5M into innovative businesses and the Northstar EIS Growth Fund, targeting Late Seed to Series A rounds.

Access to networks

Startup Week: Every year Newcastle holds its Startup Week festival designed to bring together entrepreneurs, investors, and business leaders for a week of talks, workshops, and networking events. In addition to the festival, this group runs friendly, informal Startup Week Community Social events for startup founders, small business owners, funders, investors, supporters and Startup Week Community members. These currently take place on the first Monday of every month.

Entrepreneurs' Forum: The Entrepreneurs' Forum was founded in 2002 as a not-for-profit organisation by Sir Peter Vardy and Lorna Moran OBE. It's grown from a founding group of 40 to represent hundreds of North East entrepreneurs. The organisation hosts regular networking events, conferences, and roundtable discussions. It's a platform for entrepreneurs to meet, exchange ideas, and learn from each other's experiences.

North East Chamber of Commerce: The North East Chamber of Commerce is the region's "largest and most influential business membership network" supporting, connecting and representing more than 2,000 organisations which employ 40% of the North East's workforce. Its British Chambers of Commerce network extends to 53 accredited UK Chambers and works with 75 global markets.

Dynamo North East: Dynamo North East is part funded by the North of Tyne Combined Authority (NTCA) as part of its Digital Growth and Innovation Programme and is focused on growing the tech sector in the North East, offering networking events, training, and collaborations.

BNI (Business Network International) Newcastle: BNI groups, or chapters as they're known, host up to 50 networking events every year. They provide training programs and a range of tools and educational materials on networking, public speaking and business best-practices.

TechNExt: Hosted by a partnership of North East businesses and stakeholders, TechNExt is an annual festival that brings together more than 3,000 attendees. It's designed to spotlight the best tech businesses and talent the North East has to offer and offers showcases and community-led fringe events.

Access to talent

The number of people working in high-skilled jobs in Newcastle is higher than both the regional and UK average. The total number of digital occupations in the North East increased by 47% from 2015 to 2021.

According to InvestNewcastle, there are more than 70,000 registered businesses in the city, including some of the world's biggest brands including Siemens, Sage PLC, Proctor and Gamble, Arctic Wolf, Monstarlab, Virgin Money, HMRC, Barclays, Ubisoft and Concentrix. This established community of tech companies has created a strong market for talent. "There is also a mature developer community because the North East is home to large IT employers, which attracts experienced IT resources looking for a good standard of living and good working conditions," explains Mundeep Nayyar, CEO & founder of Newcastle-based global IT consultancy Infotel.

Newcastle University is renowned for medicine, science and engineering, and sustainability. Northumbria University, as one of the largest universities in the UK, works in partnership with higher education institutions across the world, attracting students from 137 countries. It's ranked top five in the UK, and first in the region, for graduate business startups, too. Durham, part of the prestigious Russell Group and ranking 7th in the UK according to the Guardian, attracts a high calibre of students, domestic and international.

Newcastle Helix is home to big business, SMEs and startups working alongside public sector bodies, university researchers and National Innovation Centres. This includes The Biosphere, lab and office space dedicated to life science innovation, research, development, and commercialisation; The Catalyst, home to the National Innovation Centre for Ageing and the National Innovation Centre for Data; and The Key, a hub dedicated to world-leading structural and

materials engineering research.

Play

Exhibition Park stretches from the edge of Newcastle's Jesmond suburb up to Town Moor, which hosts events and festivals throughout the year including Wylam Brewery's Battle of the Burger, Newcastle Mela Festival and Northern Pride. Other festivals in the city each year include the North East International Film Festival, the annual Eat and Beats food festival that celebrates the city's culinary scene.

Sports fans are well catered for by St James' Park, the home of Newcastle United Football Club. The prestigious club has attracted numerous French footballers in the past, including David Ginola, Laurent Robert, and Yohan Cabaye to name a few, as well as being the site of the surprising 4-1 victory over Paris Saint-Germain in October last year.

And just a short metro ride from the city centre, Tynemouth Beach and Priory offers coastal views, historical ruins, and a weekend market.

Live

Newcastle's cost of living is relatively affordable, with average house prices of around £207,800.

The city is well linked to the UK and the rest of the world. From Newcastle's centre, London, Edinburgh, Leeds and Manchester, all accessible by train in less than three hours. Newcastle's international airport flies to more than 80 destinations, with Paris just 1 hour 25 minutes away, or Grenoble a two-hour flight away. Plus, 30 minutes from the centre is a European Cruise Terminal which provides sustainable ferry links to mainland Europe.

Being internationally connected, surrounded by talent, and with a legacy of innovation and a thriving ecosystem, it's no wonder Newcastle has established itself as an attractive, supportive and ambitious destination for entrepreneurs, startups and both local and foreign investment.

The Commercial Department of the British Embassy in Paris provides support to French companies wishing to set up in the UK. Click [here](#) to find out more.

