xR Stories

Summary of data presented in the Hatch analysis of the York and North Yorkshire Creative Industries

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CONTENTS

Context

The Hatch analysis was commissioned by XR Stories, supported by The York Policy Engine (TYPE) at the University of York to better understand the Creative Industries in York and North Yorkshire and to provide a shared evidence base for planning and investment in collaboration with the York and North Yorkshire Combined Authority. This document summarises the Hatch dataset and presents the main findings.[1]

1. Summary of data sources

Published Office for National Statistics (ONS) data with a focus on the Department for Digital, Culture, Media and Sport (DCMS) Creative Industries Standard Industrial Classification (SIC) codes:
Used to categorise businesses into creative industry subsectors.

LinkedIn Talent Pool report:
Insights on workforce movement, education, skills, and potential talent losses ("leaks") across sectors and locations.

Brainwave Large Language Model (LLM):
A web scraping tool employed by Hatch for detailed analysis of the creative technology eXtended Reality (XR) sector.

2. Key findings

2.1 Overall economic and employment picture from the Office for National Statistics (ONS)

The York and North Yorkshire region has a sparse geography compared to many other Combined Authority areas, with few urban centres, and is adjacent to larger, more metropolitan, Combined Authorities (e.g. West Yorkshire, South Yorkshire). This influences forces of agglomeration for employment and business concentrations, as well as travel to work metrics, but despite the dispersed and rural nature of the region, York and North Yorkshire's creative industries perform well and in line with expectations. There is evidence of opportunities for further growth towards nationally averaged metrics:

Gross Added Value (GVA)

The creative industries contribute **£790m** in GVA to the York and North Yorkshire Combined Authority, representing **3%** of the region's total GVA, lower than the national average of **5.2%** in 2023.

Business information

There are **2,600** creative businesses, accounting for **6%** of all businesses in York and North Yorkshire. The sector predominantly consists of micro and small businesses, making up **98%** (2,570 out of 2,610 businesses).

Employment

The Creative Industries provide approximately **11,400** jobs, representing **3%** of total employment in the region, compared with **7.1%** nationally (2023).

[1] Hatch. York and North Yorkshire creative industries: analysis of size and concentration [Internet]. Hatch. 2025. Available from: https://xrstories.co.uk/publication/york-and-north-yorkshire-creative-industries-analysis-of-size-and-concentration

2.2 Sub-sector summary (ONS)

Hatch has categorised the DCMS Creative Industries defined sub-sectors into seven themes. The following table presents the findings of the ONS SIC code data for number of businesses and employees per theme, plus year-on-year growth or decline since 2019 based on a Compound Annual Growth Rate calculation. This is combined with a further detailed year-on-year analysis to arrive at Hatch's assessment of the status of each sub-sector. See footnotes for how the themes relate to the DCMS sub-sectors.

	BUSINESSES			EMPLOYMENT		
	Number	Growth	Status	Number	Growth	Status
Architecture	255	-0.40%	Stable	1,250	-3.60%	Stable
Fashion and design[2]	315	2.40%	Driver	615	5.30%	Emerging
Broadcasting and communications[3]	285	-0.40%	Stable	1,275	-14.90%	Declining
Culture[4]	360	0.60%	Stable	1,990	-2.30%	Declining
Publishing	100	-1.90%	At risk	145	-5.30%	At risk
Screen industries[5]	295	3.80%	Emerging	575	0.20%	Stable
IT[6]	1,000	-4.50%	Declining	5,555	-1.00%	Stable

Commentary

IT

The largest subsector, responsible for **52%** of the creative sector's Gross Value Added (GVA) and comprising **39%** of creative businesses. However, this subsector has declined annually by **4.5%** in terms of business numbers since 2019.

Fashion and design

Though smaller – **315** businesses, this subsector exceeds the national average with a Location Quotient of **1.28%** and has grown annually by **2.4%** with employment increasing at a rate of **5.3%** per year.

Screen industries

Experienced a **3.8%** annual increase in the number of businesses since 2019,

although this hasn't translated into employment growth **0.2%**.

Most creative subsectors have seen declines in employment, particularly

broadcasting and communications **-14.9%** and **publishing** **-5.3%**.

Publishing, as the smallest subsector **(-1.9%)**, has also seen a decline in business numbers and has been labelled **"at risk."**

Compared to the rest of the country, **York and North Yorkshire** has a significantly large proportion of

architecture

Location Quotient of **1.43** businesses.

fashion and design

Location Quotient of **1.28** businesses.

[2] **Fashion and design:** includes all activities in the **craft** and **design and designer fashion** creative industries sub-sectors
[3] **Broadcasting and communications:** includes all activities in the advertising and marketing creative industries sub-sector and **radio broadcasting** activity in the **film, TV, video, radio and photography** sub-sector.
[4] **Culture:** includes all activities in the **museums, galleries and libraries and music, performing and visual arts** creative industries sub-sectors.
[5] **Screen industries:** includes all activities in the **film, TV, video, radio and photography** sub-sector, except radio broadcasting
[6] **IT:** includes all activities in the **IT, software and computer services** sub-sector.

2.2.1. Deep dive: Screen industries

Screen industries includes all activities under the **Film, TV, video, radio and photography** sub-sector, except **radio broadcasting**.

The screen industries
consist of
295
businesses

(**11%** of all creative businesses), all micro or small businesses.

Film and TV production is the largest sub-sector.

This sector is also growing, expanding by **6.2%** annually since 2019, in terms of business counts.

TV programming and broadcasting, and **film and TV post-production** have also been growing in business counts

8.5%
annually since 2019

though employment in these areas has decreased by

-27.5% and **-12.9%**

respectively.

In contrast, employment in **film and TV production** has grown annually by

5.9%

2.3 Creative Industries Workforce (LinkedIn Talent Pool)

14,165 **creative professionals identified**, higher than ONS estimates, and most likely due to the identification of freelancers.

Most creative professionals are based in

York 48%

followed by

Harrogate 18%

Scarborough, **Skipton**, and **Selby** each have **fewer than 1,000** creative professionals.

27% **There is a large proportion of professionals in "other" areas** (not specified), which may indicate the rural and dispersed landscape of the region.

Self-employment has increased by **52%** over the past year.

If more activity is shifting into freelance arrangements, this could partly explain reductions in the number of registered businesses and/or headcount recorded in the ONS data.

Top employers include:

Sky	York Museums Trust	National Railway Museum
107 professionals	**89** professionals	**72** professionals

Large turnover companies include:
York, Harrogate and Stephen Joseph theatres, Revolution Games, and Viridian FX.

York experiences a net loss of creative talent:

for each person entering York & North Yorkshire's creative industries,

1.2 leave.

The greatest losses are to:

Bristol	**-1.7**[7]
Nottingham	**-1.7**
Manchester	**-1.6**

However, York attracts talent from:

Sheffield	**+1.8**[8]
Edinburgh	**+1.7**
Tyneside	**+1.2**

The University of York is the largest producer of creative talent in York and North Yorkshire. **5.8%** of all employees having attended the University of York at some point.

York St. John produced **3%** of employees and **Leeds Beckett 2.8%.**

2.4 Mapping of Extended Reality / Digital Creative Business (Brainwave LLM)

A total of **26,348** businesses in **29,192** unique locations were captured.

Of these, **546** businesses **3%** were within the Creative Industries.

Broadcasting and communications	Culture	Fashion and design	IT
211 business locations employing **261** people, concentrated in **York**.	**190** business locations employing **1,597** people, clustered primarily in **Harrogate**, **Scarborough**, and **York**.	**1,642** business locations employing **8,806** people, with major clusters around Harrogate and York, with additional smaller clusters in **Selby**, **Whitby**, and **Scarborough**.	The largest sector reported, making up **38%** of the Creative Industries business count using this data, with key clusters noted around **York** and **Harrogate**.

[7] This means that for every creative Y&NY gained, 1.7 people were lost.
[8] For every person Y&NY lost, 1.8 were gained.

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