

# Gloucestershire's Economic Strategy

2024 – 2034

Driven by innovation, built on heritage

## SUMMARY



APRIL 2024





## Introduction

Gloucestershire is world renowned for its natural heritage and rich culture, and widely recognised for its strong heritage in research and innovation, agriculture, manufacturing, and aviation excellence. It has new and emerging ambitions to be a global leader in digital communications, advanced manufacturing and engineering, and agri-tech; and a desire to seize opportunities to enhance its specialisms within the energy sector, including nuclear.

This 10-year economic strategy, covering the period 2024-25 to 2034-35, has been shaped and developed following extensive stakeholder engagement supported by a comprehensive updated body of local evidence. It outlines the county's existing strengths, opportunities, and challenges, and provides a clear statement of intent for Gloucestershire – to achieve greener and inclusive economic growth that delivers a stronger, more sustainable, economy; and sets us on the journey to achieving a new **Gloucestershire 2050 Vision**.

### Gloucestershire 2050: Driven by innovation; built on heritage

By 2050, Gloucestershire will be a hub for the UK's intelligence, security, and cyber agencies. We will be a centre for world-leading, sustainable businesses in the cutting-edge industries of digital communications, advanced manufacturing, agri-tech and green and nuclear energy, while preserving our rich cultural and natural heritage.




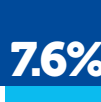


Gloucestershire will build on its strength as a prominent location in western England with ease of access to regional hubs in, and beyond, the Western Gateway. We will sustain our unique mix of nationally important rural landscapes and vibrant urban centres by delivering a stronger, more sustainable economy that benefits the whole county.

# Gloucestershire's economy in 2023/24 – what does the evidence say?

## Strengths and opportunities

	A strong history of strategy development through the Strategic Economic Plan and the Local Industrial Strategy ensuring business confidence in investment decisions.
	Highly productive core sectors and unique specialisms in cyber, agri-tech and advanced manufacturing, with no reliance on a single part of the economy.
	Strong levels of investment in innovation and research and development.
	A prominent and convenient location to live and work, within easy access to the South West, the Midlands, London, and Wales.
	A highly skilled workforce where 38.3% of residents hold qualifications at or above Level 4 (equivalent to the first stage of university-level learning). <sup>1</sup>

## Challenges, weaknesses, and threats

	An economy still in recovery from the Covid-19 pandemic with some sectors predicting slower recovery than others.
 <b>20.7%</b>	Increasing economic inactivity which now sits at 20.7% of the resident population. <sup>2</sup>
	A housing market where a median-priced property costs 8.9 times the median wage <sup>3</sup> – pricing out lower earners, and workers in key sectors.
 <b>7.6%</b>	7.6% of local residents live within the 20% most deprived neighbourhoods in England. <sup>4</sup>
	Businesses continue to face the daily challenges of rising costs and to seek new ways to decarbonise their operations.
	An ageing population with more jobs than working age population by 2035. <sup>5</sup>

1 2021 Census, ONS

2 2021 Census ONS

3 Median House Prices to Median Workplace Earnings, ONS

4 Indices of Deprivation, 2019, MHCLG and Mid 2020 Population Estimates, ONS

5 Oxford Economics

# Gloucestershire’s framework for long-term sustainable economic growth

We will achieve our 2050 vision of a greener more inclusive Gloucestershire with a stronger, more sustainable, economy by successfully delivering four strategic priorities. These build upon the foundations established through the GFirst Local Enterprise Partnership’s (LEP) Local Industrial Strategy (LIS) and establish the framework upon which we will deliver our Economic Strategy for 2024–25 to 2034–35.



STRATEGIC PRIORITIES	PROPOSITIONS
<p><b>Sustainable Growth:</b> By 2050, Gloucestershire’s ambitions for future housing and employment growth will have delivered new carbon-neutral communities. This growth will be evidence led and prioritised on a strategic basis.</p>	<ol style="list-style-type: none"> <li>1 <b>Spatial Development Strategy:</b> produce a county-wide strategy to ensure the viability of new developments and support the transition to a carbon-neutral society.</li> <li>2 <b>Gloucestershire City Region – Central Economic Growth Corridor:</b> ensure long-term investment, which is coordinated, stable, and adaptable to local needs within the emerging City Region.</li> <li>3 <b>Infrastructure Delivery Plan:</b> ensure a robust evidence base is produced to inform the planning and delivery of the infrastructure across Gloucestershire.</li> </ol>
<p><b>Inward Investment:</b> By 2050, Gloucestershire will have attracted new levels of inward investment fostering innovation, creating jobs, and promoting prosperity across the county. It will be recognised as the most advanced county for digital communications, advanced manufacturing, agri-tech, and energy production including green and nuclear energy.</p>	<ol style="list-style-type: none"> <li>1 <b>Strengthen key sectors:</b> to build on Gloucestershire’s strengths in emerging technologies including cyber security, artificial intelligence and semi-conductors, advanced manufacturing, agri-tech and energy production including green and nuclear energy to drive investment.</li> <li>2 <b>Additional opportunities to attract investment:</b> to consolidate a world-class inward investment offer that continues to successfully promote investment from outside the county as a driver for growth.</li> </ol>

# Gloucestershire’s framework for long-term sustainable economic growth

STRATEGIC PRIORITIES	PROPOSITIONS
<p><b>Employment and Skills:</b> By 2050, skills provision in Gloucestershire will be fully aligned to the local economy. Every resident will have the opportunity to access training and development, increasing skills and opening pathways to good employment opportunities.</p>	<ol style="list-style-type: none"> <li>1 <b>Seamless access to skills and employment to reduce economic inactivity:</b> to drive down economic inactivity and improve productivity by identifying skills needs and ensuring all residents are able to access relevant training opportunities.</li> <li>2 <b>Support businesses to develop the county’s talent:</b> to ensure that businesses have access to a local workforce with the skills they need to flourish.</li> <li>3 <b>Anticipate future skills needs for a Greener Gloucestershire:</b> to ensure that Gloucestershire’s workforce has the skills needed for the future, including bridging the green skills-jobs mismatch.</li> </ol>
<p><b>Business Innovation and Support:</b> By 2050, the Gloucestershire economy will have built on its strong research and innovation heritage to achieve greater collaboration between academia, industry, and government. It will be in the top 20% of local authorities for business survival and deliver an inclusive and highly productive economy.</p>	<ol style="list-style-type: none"> <li>1 <b>Driving innovation:</b> to maintain and strengthen Gloucestershire’s reputation as an innovative county.</li> <li>2 <b>Business support:</b> to provide a strengthened level of relevant and appropriate business support which is fit for the needs of businesses today and in the future.</li> <li>3 <b>The future voice of business:</b> to foster and enhance a dynamic forum where businesses can connect, collaborate, contribute to, and shape the needs and priorities of the county.</li> </ol>

A separate Economic Strategy Action Plan has been developed which provides more information on the delivery priorities of this strategy and lists a summary of actions after each of the four strategic priorities.

# Delivery Outcomes

In parallel with our strategic priorities there are two over-arching delivery outcomes, otherwise known as cross cutting themes, which are central to achieving our 2050 vision for the county: -

**Greener Gloucestershire** – A core aim of this strategy is for the county to be carbon neutral (also known as carbon net-zero) by 2045 at the latest, although many of Gloucestershire’s District Authorities hope to achieve this by 2030. To succeed it will be important that: -

- Gloucestershire will be at the forefront of new green industries and technologies.
- The county becomes a leader in biodiversity recovery and conservation.
- Gloucestershire’s skill provision meets the need for local businesses.

This will support our aim to future-proof the economy through local investment and innovation in low carbon initiatives, the delivery of carbon neutral communities and a connected sustainable transport system.



## Sustainable Growth

Green energy sector grows and supports the county transition to a net zero economy.

The county becomes a leader in biodiversity recovery and conservation.

Improved soil quality reduces dependency on artificial fertilisers.



## Inward Investment

Economic decarbonisation through sustained investment.

Green energy generation accelerates increased investment resulting in greater job creation.

Robust cultural and heritage visitor offer.



## Employment and skills

Gloucestershire’s skill provision meets the need for local businesses.

Continual anticipation of the future skill need prevents skills gaps from arising.

Increased number of green jobs being created.



## Business Innovation and Support

Gloucestershire will be at the forefront of new green industries and technologies.

Micro, small and medium-sized enterprises are able to access support and guidance to become carbon neutral.

Improved idea exchanges between academic partners to consider future innovations.

## Outcome: Greener Gloucestershire

**Inclusive Gloucestershire** – It is important that all Gloucestershire residents can access, benefit from, and positively contribute towards the economy. This includes economically inactive residents and those experiencing health inequalities.

Whilst Gloucestershire is a relatively affluent county, there are pockets of deprivation which can directly impact an individual’s ability to access economic opportunities.

We need to collaborate with local community organisations in affected neighbourhoods to better understand the causes of deprivation and develop appropriate initiatives to deliver change that drives social mobility and maximises an individual’s potential.

Successful delivery of these outcomes will only be possible with the collective contributions and leadership of public sector partners, local businesses, and the voluntary, community and social enterprise sector, which is integral to delivering services for residents in affected neighbourhoods.



### Sustainable Growth

Communities and businesses flourish by taking advantage of the county’s strengths.

Robust digital infrastructure benefits our economy and society.

Regenerated and repurposed city and town centres are maintained as vibrant hubs of activity.



### Inward Investment

Increased regional collaboration extends opportunities for high value investment and job creation.

Vibrant communities make the county an attractive place to invest.

Robust social value ambitions maximise local procurement routes.



### Employment and skills

Residents can acquire the skills needed to take up employment opportunities.

Support is provided for groups who are struggling to access education or training and employment.

Increased flexible working patterns and inclusive practices enable people to enter the workforce who might otherwise be unable.



### Business Innovation and Support

Employers drive inclusive economic growth by providing fair wages, high quality jobs, and healthy workplaces.

Anchor institutions make a significant contribution to the economy.

A robust Economic Growth Board positively impacts long-term sustainable economic growth.

## Outcome: Inclusive Gloucestershire





# Strategic Priority: Sustainable Growth

By 2050, Gloucestershire's ambitions for future housing and employment growth will have delivered new carbon-neutral communities. This growth will be evidence led and prioritised on a strategic basis.

To build a strong, responsive, and sustainable economy in Gloucestershire, it is vital to deliver effective spatial planning to meet the county's growth needs. Gloucestershire's population is expected to grow significantly in the coming years with a projected increase of 16.6% between 2018 and 2043.<sup>1</sup> Alongside this, between 2021 and 2031, Gloucestershire's economy is predicted to require 182,708 new workers.<sup>2</sup> To meet this demand, much-needed housing, employment land, transport and digital infrastructure needs to be delivered in a coordinated and sustainable way.



## Proposition 1: Spatial Development Strategy:

Produce a county-wide strategy to ensure the viability of new developments and support the transition to a carbon-neutral society.

Gloucestershire needs a county-wide Spatial Development Strategy (SDS) to help coordinate and support long-term development across the county. The SDS must consider all strategic development activities that support the principles of sustainable growth.

The SDS will provide greater certainty and clarity over future development for residents, developers and businesses, and shape future local development plans.

In 2022, each of the seven local authorities and GFirst LEP formally agreed the Gloucestershire Statement of Common Ground (GSoCG) as a first step to improve joint working on shared policy objectives with a view to resolving infrastructure delivery issues. The planning policy areas included within the GSoCG include: -

- climate change,
- housing,
- the economy and employment,
- the green belt,
- transport provision,
- digital networks,
- natural environment and green infrastructure,
- health and social infrastructure, and
- minerals and waste.

<sup>1</sup> 2018 based Sub-national Population Projections, ONS

<sup>2</sup> Oxford Economics

## **Proposition 2: Gloucestershire City Region** **– Central Economic Growth Corridor**

Ensure long-term investment, which is coordinated, stable, and adaptable to local needs within the emerging City Region.

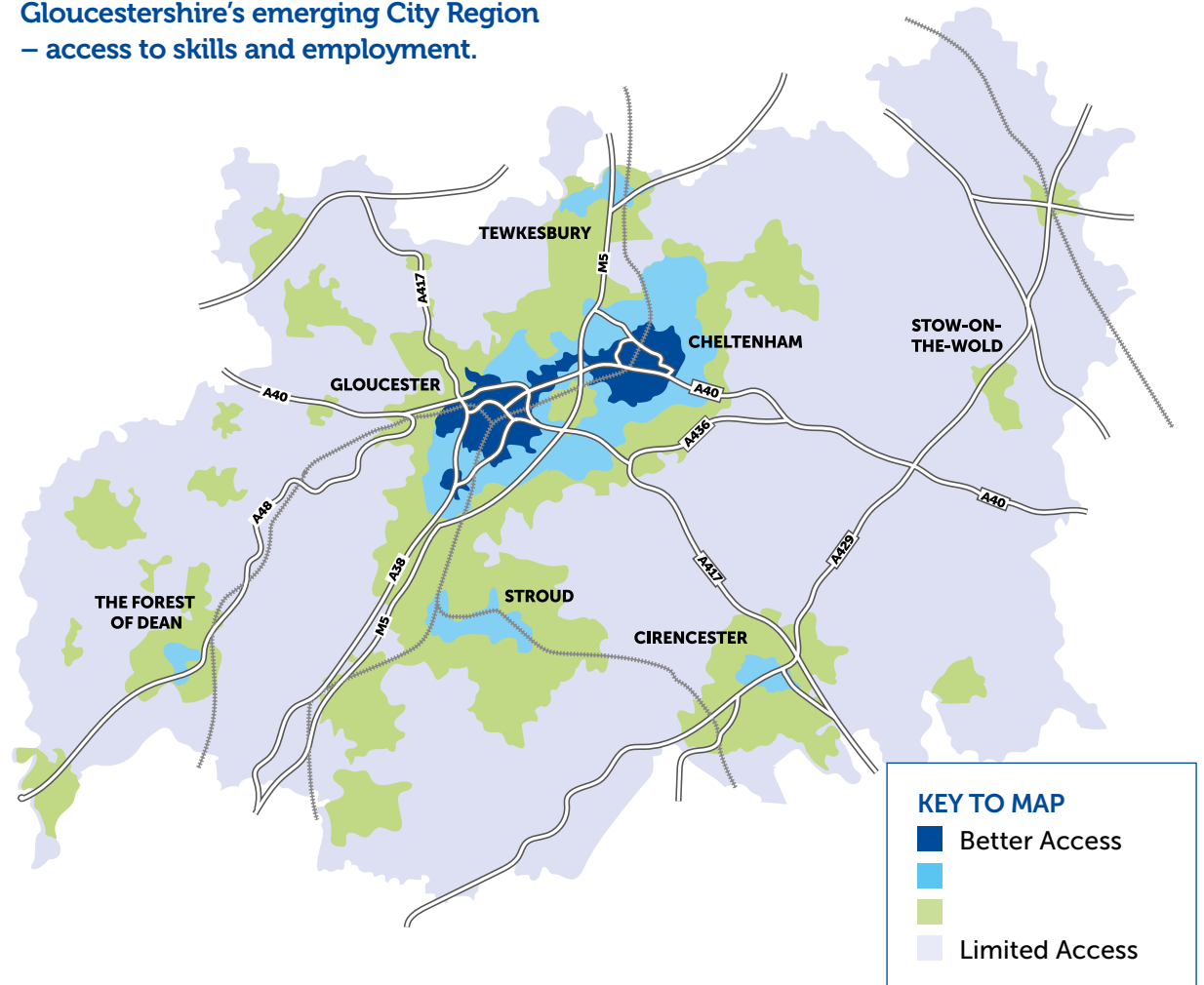
Future development needs will be considered on a strategic basis, reflecting a desire that where possible and practicable, development opportunities are prioritised in areas with the lowest natural capital value. This may result in one local authority accommodating the identified needs of another if it represents the most sustainable form of development and there is agreement from the relevant Local Planning Authorities in adopting this approach.

The concept of a Central Economic Development Corridor should seek to focus development in areas that already have established quality transport networks, which would facilitate the delivery of a mass rapid transit scheme to provide high frequency passenger transport access, offering a genuine alternative to the car for longer distance trips that are unsuitable for either walking or cycling. It would also enable a strategic review of regeneration projects to enhance urban centres and could include the repurposing of empty retail space into affordable housing where this is suitable.

In more rural areas of the county, car dependency will be reduced through a robust rural transport offer and support achieving carbon reduction targets.

Housing, and employment growth should be considered where local access to the rail network is provided either at an existing station or at a location supporting a new station.

**Gloucestershire's emerging City Region**  
**– access to skills and employment.**



Gloucestershire's Central Economic Growth Corridor

## Proposition 3 – Infrastructure Delivery Plan:

Ensure a robust evidence base is produced to inform the planning and delivery of the infrastructure across Gloucestershire.

A fundamental aspect of achieving sustainable development is providing infrastructure in the right place and at the right time. The National Planning Policy Framework (NPPF) sets out the importance of identifying and coordinating the provision of infrastructure and accessible services to reflect current and future community needs.

Part of the commitment made by Gloucestershire’s authorities through the GSoCG was to undertake a strategic assessment to identify Gloucestershire’s future infrastructure needs to accommodate future growth. Following the completion of the Infrastructure Needs Assessment work, an Infrastructure Delivery Plan will be prepared outlining the requirements of future infrastructure across the county, including a pipeline of delivery priorities.

While the council actively seeks a variety of sources to fund infrastructure delivery, developer contributions remain an important source of funding. This proposition will ensure that the costs of development are known by all parties when considering future growth.

## What will success look like?



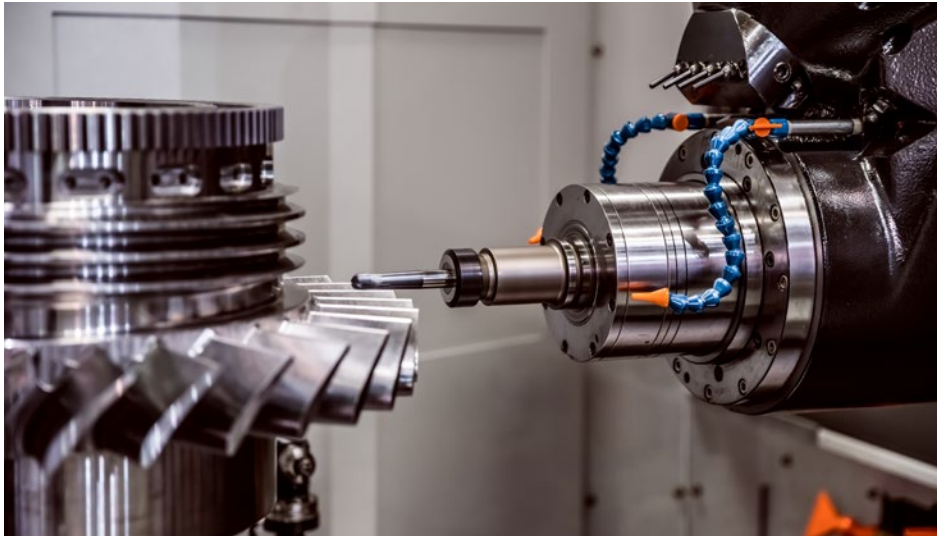
## Actions required to deliver each proposition:

REF	ACTION
<b>1. SPATIAL DEVELOPMENT STRATEGY</b>	
SG – 1.1	Develop a shared vision for long-term development.
SG – 1.2	Allocate resources to produce a Gloucestershire Spatial Development Strategy.
SG – 1.3	Update the Local Transport Plan.
SG – 1.4	Continue to support the delivery of Strategic Highway improvements.
SG – 1.5	Improve regional rail connectivity.
<b>2. GLOUCESTERSHIRE CITY REGION – CENTRAL ECONOMIC GROWTH CORRIDOR</b>	
SG – 2.1	Progress the business case for a Mass Transit Scheme.
SG – 2.2	Review the concept of the Gloucestershire Economic Growth Corridor as part of developing a shared vision for a countywide Spatial Development Strategy.
SG – 2.3	Identify the breadth and scope of regeneration projects.

<b>3. INFRASTRUCTURE DELIVERY PLAN</b>	
SG – 3.1	Complete the Gloucestershire Statement of Common Ground Action Plan.
SG – 3.2	Update the Local Development Guide.
SG – 3.3	Identify a new Digital Champion.
SG – 3.4	Produce a new digital strategy that outlines how digital connectivity can be improved to provide enhanced broadband and mobile digital coverage.
SG – 3.5	Provide clear guidance on and support for developers on Biodiversity Net Gain.
SG – 3.6	Complete a review of the existing infrastructure assets of the county council's service areas as identified within the Local Development Guide.
SG – 3.7	Complete an infrastructure needs assessment of countywide infrastructure.
SG – 3.8	Advance proposals that would regenerate soil quality throughout the county.
SG – 3.9	Produce a countywide Infrastructure Delivery Plan.



## Strategic Priority: Inward Investment



By 2050, Gloucestershire will have grown its economy by attracting new levels of inward investment, fostering innovation, creating jobs, and promoting prosperity across the county. It will be recognised as the most advanced county in the UK for digital communications, advanced manufacturing, agri-tech, and energy production including green and nuclear energy.

Inward investment is a vital driver of prosperity and growth in an open economy, and Gloucestershire has historically been successful in attracting public and private investment into the county. Such investments have been directed towards world-class facilities, innovative enterprises, improvements in the transport network and the development of local skills facilities.



### Proposition 1: Strengthen key sectors:

To build on Gloucestershire's strengths in emerging technologies including cyber security, artificial intelligence and semi-conductors, advanced manufacturing, agri-tech and energy production including green and nuclear energy to drive investment.

Since the creation of the Local Industrial Strategy (LIS), which aimed to strengthen Gloucestershire's key sectors, we have developed inward investment propositions for Agri-tech, Cyber-tech, and Advanced engineering and manufacturing. This strategy expands the focus on cyber-tech to incorporate the 'Future of Communications,' extending the focus into the areas of Quantum, Cyber Security, Artificial Intelligence, and Semi-Conductors which are strengths within the region. All of these propositions include prominent global clusters of specialised high-value sectors, making the county an ideal destination for inward investment.



## Proposition 2: Additional opportunities to attract investment:

To consolidate a world-class inward investment offer that continues to successfully promote investment from outside the county as a driver for growth.

For a successful inward investment offer, it is vital to develop a coherent message to potential investors and businesses and to have clear, suitable support structures. It is important to work with local, regional, national, and international partners to ensure that the county is able to effectively communicate the full package of support available.

There are significant opportunities to attract investment through the emerging green energy generation sector, and build on the county's cultural, recreation and tourism offer. Expanding on existing assets such as those at Berkeley and Oldbury, growing the energy generation sector can develop the county's green economy and reduce reliance on fossil fuels.

We must also consider emerging opportunities to promote community-based energy generation schemes and local area energy planning concepts.

Gloucestershire's inward investment offer involves promoting the county as an attractive place to live, visit, and do business. Through regeneration initiatives and maximising the benefits of the county's cultural and tourism offer there is an opportunity to attract people and businesses to invest in the county. To strengthen global awareness, it is also important to strengthen regional relationships by collaborating closely with partners across the Western Gateway to promote investment opportunities across Western England and South Wales.

## What will success look like?



## Actions required to deliver each proposition:

REF	ACTION
<b>1. STRENGTHEN KEY SECTORS</b>	
II – 1.1	Deliver an inward investment programme and business development framework that focusses on targeted lead generation on the county's key sectors and innovation opportunities.
II – 1.2	Work closely with national, regional, district, and relevant private sector partners to secure inward investment projects and capital investment.
II – 1.3	Work closely with Department for Business and Trade and district partners to develop and manage a coordinated programme and protocol to manage regular contact and relationships.
II – 1.4	Work with district partners, private sector partners and academia to identify potential opportunities for growing the current cyber eco system and future of communications cluster across the county.
II – 1.5	Work with the private sector to identify the global demand for new technology in the Food and Drink sector, Agriculture/Farming and Land-based businesses that will enhance their future growth and increase in productivity.
II – 1.6	Explore opportunities around local procurement to support existing SMEs in Gloucestershire across sectors such as Food & Drink – for example, the <i>Made in Gloucestershire</i> initiative.

<b>1. STRENGTHEN KEY SECTORS</b>	
II – 1.7	Collaborate with partners to further enhance and develop a robust cultural and heritage visitor offer, building on existing tourism eco system and assets.
II – 1.8	Explore potential opportunities to enhance and improve regional connectivity and transport links across the Western Gateway area.
<b>2. ADDITIONAL OPPORTUNITIES TO ATTRACT INVESTMENT</b>	
II – 2.1	Work with public sector partners to identify opportunities for securing and encouraging new investment for business, key infrastructure, and capital investment to support development and regeneration opportunities in the county.
II – 2.2	Develop a shared social value toolkit tool to encourage a consistent approach to implement the county's social value aspirations to support inclusive growth.
II – 2.3	Ensure that the needs of future inward investors and FDI company growth aspirations are a key consideration within the development of a Gloucestershire Spatial Development Strategy.
II – 2.4	Understand future energy demand and investigate new forms of energy such as nuclear, renewable, and other forms of green energy solution to support sustainable growth.
II – 2.5	Investigate future opportunities for potential/new community- level micro energy generation and storage solutions.



# Strategic Priority: Employment and Skills

By 2050, skills provision in Gloucestershire will be fully aligned to the local economy. Every resident will have the opportunity to access training and development, increasing skills and opening pathways to good employment opportunities.

A strong local workforce is an essential element in delivering long-term economic growth. To enable this, residents must have access to the skills and development opportunities that will allow them to reach their potential. Providing this will contribute towards the county's ambition to improve productivity and ensure residents have fulfilling careers through a variety of job opportunities. Building this skilled workforce will require county-wide co-operation between the county council, Department for Work and Pensions, businesses, education and training providers the Voluntary Community and Social Enterprise (VCSE) sector and a wider network to ensure that skills needs are identified, and residents are provided with the tools to gain the skills they seek.



## Proposition 1: Provide seamless access to skills and employment to reduce economic inactivity:

To drive down economic inactivity and improve productivity by identifying skills needs and ensuring all residents are able to access relevant training opportunities.

While many of Gloucestershire's businesses have experienced significant recruitment issues, 20.7% of the county's residents are economically inactive.<sup>1</sup> There is, therefore, an opportunity to provide people with the necessary skills to perform the available jobs.

To ensure those who want a job can access relevant courses for skills development, residents should be able to see and understand the journey from skills acquisition through to employment and be supported at each stage. This support should be accessible to all residents, regardless of disabilities, ill health and/or caring responsibilities.



## Proposition 2: Support businesses to develop the county's talent:

To ensure that businesses have access to a local workforce with the skills they need to flourish.

Collaborating closely with residents to improve access to skills pathways can only be successful if businesses are also supported to identify their own needs and can offer opportunities to a more diverse potential workforce. The county is projected to have a deficit of high skills by 2030 as demand grows for higher skilled occupations.<sup>2</sup> This situation is exacerbated by the county's ageing population, and it is essential that the working-age population possess the skills to replace retirees. This strategy will promote vocational training, such as T-Levels and apprenticeships, and sector-based skills provision, tailored to current and future skills needs. We will improve our engagement with employers and training providers to improve understanding of skills needs and ensure that residents can access relevant opportunities.

<sup>1</sup> 2021 Census, ONS

<sup>2</sup> GFirst LEP, Local Skills Report, 2021





## Proposition 3: Anticipate future skills needs for a Greener Gloucestershire:

To ensure that Gloucestershire's workforce has the skills needed for the future, including bridging the green skills-jobs mismatch.

In 2050, the jobs and labour markets are likely to be different to today, and it will be important to monitor market trends and work with Further Education (FE) and Higher Education (HE) providers to ensure they can offer the appropriate skills training. The three sectors forecast to see the greatest growth in jobs up to 2050 are Arts, entertainment and recreation, Administrative and support service activities, and Construction.<sup>1</sup>

Forecasting from the Local Government Association has estimated that a total of 12,500 direct jobs employed in the low carbon and renewable energy economy will be required in Gloucestershire by 2030; this is expected to rise to 20,000 by 2050.<sup>2</sup> Notably, retrofit and climate mitigation are likely to provide opportunities for the Manufacturing, Engineering and Construction sectors.

Agriculture and agri-tech are likely to have a role to play in decarbonisation and carbon capture. Here, there is an opportunity for the county to be a leader in the emerging green economy and at the forefront of green skills development.

The broader "Future of communications" sector will also grow as more industries turn towards digitisation. To ensure residents can take advantage of emerging opportunities in the sector, it is vital for the sector to be visible and attractive.

## What will success look like?



<sup>1</sup> Oxford Economics

<sup>2</sup> Local Government Association – Local green jobs

## Actions required to deliver each proposition:

REF	ACTION
<b>1. SEAMLESS ACCESS TO SKILLS AND EMPLOYMENT TO REDUCE ECONOMIC INACTIVITY</b>	
<b>ES – 1.1</b>	Secure funding for the ongoing delivery of the Employment & Skills Hub, Careers Hub and Skills and Careers Portal.
<b>ES – 1.2</b>	Identify new venues for the delivery of skills improvements programmes.
<b>ES – 1.3</b>	Create an Employment and Skills Forum.
<b>ES – 1.4</b>	Identify groups that are struggling to access education, skills training, or employment.
<b>ES – 1.5</b>	Support implementation of the Local Skills Improvement Plan.
<b>ES – 1.6</b>	Continue to signpost residents to the most appropriate organisations delivering training pathway and/or employment support.

REF	ACTION
<b>2. SUPPORT BUSINESSES TO DEVELOP THE COUNTY'S TALENT</b>	
<b>ES – 2.1</b>	Ensure Gloucestershire's workforce has the relevant skills to meet the employment needs of the county.
<b>ES – 2.2</b>	Ensure Gloucestershire's skill provision meets the need for local businesses.
<b>ES – 2.3</b>	Ensure Gloucestershire's vocational training offer is fit for purpose.
<b>ES – 2.4</b>	Increase the number of active apprenticeships.
<b>ES – 2.5</b>	Promote the advantages of flexible working practices to employers to maximise access to potential employees.
<b>ED – 2.6</b>	Promote the development of healthy workplaces.
<b>3. ANTICIPATE FUTURE SKILLS NEEDS FOR A GREENER GLOUCESTERSHIRE</b>	
<b>ES – 3.1</b>	Identify future skills needs across the county.
<b>ES – 3.2</b>	Host an annual skills summit
<b>ES – 3.3</b>	Investigate specific green and digital skills and employment needs across the county.
<b>ES – 3.4</b>	Improve Gloucestershire's careers support offer.



## Strategic Priority: Business Innovation and Support

By 2050, the Gloucestershire economy will have built on its strong research and innovation heritage to achieve even greater collaboration between academia, industry, and government. It will be in the top 20% of local authorities for business survival and deliver an inclusive and highly productive economy.

Gloucestershire possesses a well-established and robust business support infrastructure, from GFirst LEP's Growth Hub network and Business Groups, to business membership organisations such as the Federation of Small Businesses, Chambers of Commerce, Circle to Success, and the county library network. The support offered helps businesses to navigate the complexities of starting, maintaining, and scaling-up their business and to overcome various barriers to growth. The integration of the LEP into the county council from April 2024, provides an opportunity through this strategy to review the existing business support offering, and make any appropriate changes to ensure it continues to meet the needs of Gloucestershire businesses.



### Proposition 1: Driving Innovation:

To maintain and strengthen Gloucestershire's reputation as an innovative county with a vibrant and creative business community.

Innovation strength is core to the success of Gloucestershire's economy as identified by high levels of investment in research and development, standing at 3.3% of GVA, compared to the government's target of 2.7%<sup>1</sup> The county is recognised as having a strong background in innovation activity, with highly innovative businesses in cyber-tech, agri-tech, and high-tech engineering such as in manufacturing services and aerospace, all of which are strategically important. New innovation businesses are supported at the early stages of their life through the county's Growth Hub network, helping them innovate and grow to boost Gloucestershire's productivity. They are also able to access advice through Business West's network of specialist innovation under the UK Innovation EDGE programme.

There is an identified need to expand the innovation potential of industry to advance digital innovations and decarbonisation. It will be important to continue developing stronger and deeper partnerships between academia and businesses to deliver holistic support for SMEs, helping them develop and grow, whilst also providing them with the space and access to academic knowledge essential to successful innovation. To deliver this, the development of a potential future investment fund intended to encourage greater idea generation and entrepreneurship will be progressed.

<sup>1</sup> Smart Specialisation Hub report 'What does the 2.4% of GDP R&D expenditure target mean for Places', January 2019.

## **Proposition 2: Strengthen Business support:**

To provide a strengthened level of relevant and appropriate business support which meets the needs of businesses today and in the future.

Gloucestershire's economy relies on a business support offering which is strategically positioned in diverse industries such as aerospace, engineering, manufacturing, cybersecurity, and creative fields. This must continually evolve to highlight and work with businesses on the most pressing issues. It is important to reach all businesses that need this support, especially micro-businesses and entrepreneurs who may not be aware of the service.



## **Proposition 3: Ensure the future voice of business:**

To foster and enhance a dynamic forum where businesses can connect, collaborate, contribute to, and shape the needs and priorities of the county.

Gloucestershire currently has nine distinct business sector groups that serve as the dynamic 'engine room' where industry experts collaborate to provide advice on critical business and economic development decisions. The independent status of these groups is essential for building credibility and trust among businesses, making them more approachable and accountable. Therefore, they must remain independent of local authorities, retaining the impartiality and effectiveness that comes with their status. Crucial to this will be the development of a governance structure which allows businesses to contribute to the activity set up by and with the new Economic Growth Board.

The LEP integration into the county council offers the opportunity to review the current business sector groups to ensure that they remain fit for purpose for today and in the future. For example, the current challenges faced by local health and care services, combined with the county's ageing population, might suggest that now is the right time to introduce a new business group sector focused specifically upon Health and Social Care.

## What will success look like?



## Actions required to deliver each proposition:

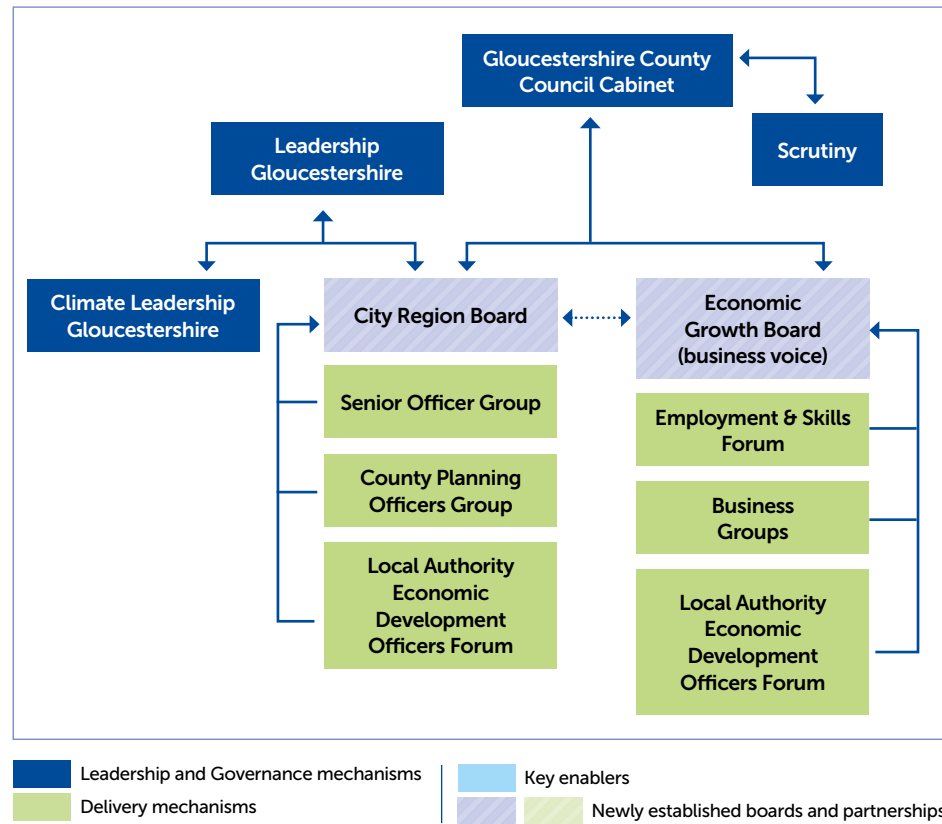
REF	ACTION
<b>1. DRIVING INNOVATION</b>	
<b>BIS – 1.1</b>	Understand the reasons for reduced business survival rates and seek to address the causes.
<b>BIS – 1.2</b>	Create a local innovation plan to use as the basis of future funding bids.
<b>BIS – 1.3</b>	Facilitate idea exchanges between academic partners to consider future innovations for business sectors.
<b>BIS – 1.4</b>	Develop a business case to support the creation of an Innovation Loan Fund.
<b>2. BUSINESS SUPPORT</b>	
<b>BIS – 2.1</b>	Continue to support the Gloucestershire Growth Hub network
<b>BIS – 2.2</b>	Review the existing Growth Hub offer in line with business need.
<b>BIS – 2.3</b>	Continue to support growth within the county's Innovation Labs.
<b>3. THE FUTURE VOICE OF BUSINESS</b>	
<b>BIS – 3.1</b>	Establish a new Economic Growth Board to provide the independent business voice.
<b>BIS – 3.2</b>	Continue to support the business sector groups.
<b>BIS – 3.3</b>	Review the roles and functions of the existing business sector groups.
<b>BIS – 3.4</b>	Establish a Health and Social Care business sector group.
<b>BIS – 3.5</b>	Work with anchor organisations to support inclusive growth.

# Funding and governance

## Funding to deliver the strategy

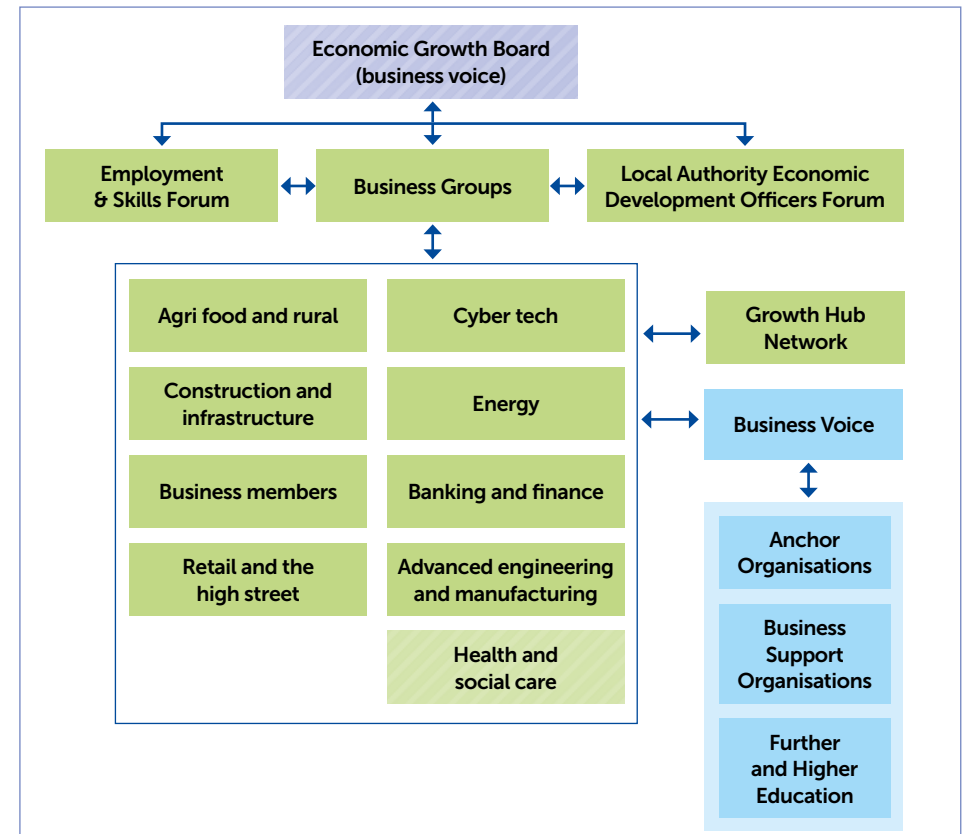
Funding to deliver this strategy will not come from a single source. Implicit in delivering actions to achieve the desired outcomes is the need to continually identify and coordinate funding and financing opportunities. Identified in a separate action plan are a series of steps to be taken by a wide range of stakeholders to deliver the outcomes. This sets out where existing resources are available and where funding must be sought.

The governance arrangements are summarised in the following diagrams.



## Governance

Oversight of the strategy's delivery plan will sit with the newly formed City Region Board, which reports into Leadership Gloucestershire. The City Region Board will be responsible for ensuring the actions outlined in the strategy are delivered within the timescales identified in the action plan. It will include elected members from each of Gloucestershire's seven local authorities, supported by senior officers. The action plan will be reviewed on an annual basis with updates provided to the City Region Board.



## Measuring success

The metrics identified intend to strengthen the link between the delivery of the strategy and the performance of the county. The complete set of metrics can be found in the full strategy. The indicators will be regularly reviewed, and metrics may be amended or replaced; new metrics may be added if better data sources become available. This will be regularly monitored and presented to the City Region Board and the Economic Growth Board.

STRATEGIC PRIORITY	PROPOSED METRIC	INDICATOR
Sustainable Employment	Housing	No. of new dwellings and new dwellings as a percentage of total dwelling stock
		Ratio of median house prices to median workplace earnings
		Average monthly rents
	Digital connectivity	% gigabit broadband enabled dwellings
	Mobile connectivity	4G coverage from at least one operator or 5G coverage from at least one operator
	Accessibility to major employment sites	% of population who live over 45 minutes away from a key employment site using public transport
Inward Investment	Carbon emissions per capita	Carbon emissions by source (industrial, commercial, public sector, transport or domestic)
	Exports	Value of exports from Gloucestershire

STRATEGIC PRIORITY	PROPOSED METRIC	INDICATOR
Skills and Employment	Unemployment	Rates for 16-64-year-olds
	Employment rate	Rates for 16-64-year-olds
	Economic inactivity	Rates for 16-64-year-olds
	Job density	Ratio of jobs to people of working age
	Job postings	Numbers and trends and recruitment implications
	Destinations	Percentage of students who left 16 to 18 study and are in sustained education, employment or training
	Apprenticeships	Completions
Business Innovation and Support	Business births	Number and rate of business births
	Business deaths	Number and rate and ratio to business births
	Survival rates	1-5 years
	High growth businesses	Rate of high growth businesses
	Business floor space	Total floorspace
	Productivity	GVA per hour worked
GVA	Total GVA	



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