

Gloucestershire Economic Growth Scrutiny Committee – 18 January 2023 - Summary Report

Supporting Small Businesses and Assistance for Start-Ups

The report was taken as read but David Owen, Director of Economy and Employment, presented a brief summary:

- 1-year and 3-year business survival rate is higher in Gloucestershire than in the rest of England and the South West, though business birth rate is slightly worse than the South West Average.
- Unemployment still very low (2.3%) and both the Growth Hub and SAGE programme are credited with Gloucestershire's good performance here.

Discussion centred around these key areas:

- Whilst a 60% business success rate may suggest a lot of businesses are failing by 3-years, the 60% does not include figures for other outcomes such as businesses that are sold.
- More start-ups are being supported by the SAGE programme as they have moved from one-to-one to many-to-one interventions.
- Officers are still awaiting final discussions about funding through the UK Shared Prosperity Fund (UKSPF) which is in the control of the districts. Central Government core funding for 2023/24 will have a 50% reduction.
- Recruitment was highlighted as a key area of concern.
- Each Growth Hub has a speciality with the new Hub being opened in Cheltenham specialising in cyber. There's also specialism in the county for agri-tech start-ups but, generally, they have a broad approach wanting to support businesses across all sectors.

Addressing the Labour Shortage

The report was presented by Pete Carr, Head of Employment and Skills, and he focused on:

- Plans to work with employers to help make new roles as attractive as possible for candidates, including increasing salaries. Also supporting colleges and training providers to ensure they are giving training that develops employees that the labour market needs.
- Health and social care and cyber identified as sectors being specifically targeted because of their significant shortfalls.
- They are also keen to make the most of encouraging migration to help with labour shortfalls.

Discussion centred around these key areas:

- Automation and how that can help fill gaps in the workforce as well as increasing productivity.
- Improving refugee and migrant employment uptake from businesses by better publicising success stories and potentially looking into employment agencies.
- Members were also interested to explore whether Gloucestershire County Council leads by example in terms of creating work environments that are attractive to the economically inactive and that support current employees.

- Significant concern was raised over the rise in housing costs and the lack of housing development to combat this. Without sufficient and affordable housing, people won't be able to move to Gloucestershire even if there are career opportunities.

GCC Economic Dashboard

Katherine Martin, Data Analysis Manager, gave this presentation (available at [EconomicDashboardJanuary2023final.pdf \(gloucestershire.gov.uk\)](#)). It is quite a visual presentation focusing on unemployment and economical inactivity in the labour market.

Discussion centred around these key areas:

- How best to encourage people out of early retirement. There is anecdotal evidence of this happening as the cost-of-living crisis affects people's retirement funds but returning to work is currently dis-incentivised by the tax code.
- There are also strains due to many more people looking after family members post-Covid and so not being able to work. Flexible working was explored as a way to help in some cases.

ACTIONS

- Pete Carr to explore the process for employers to bring migrants over to the UK to work and whether there is anything they can do to support that.
- Committee Terms of Reference to be discussed at the meeting on 25 May 2023.
- 'Reflection on the LEP's delivery against the Strategic Economic Plan and proposals for the future delivery of the refreshed Local Industrial Strategy' discussion item scheduled to be split into two items:
 - 'Reflection on the LEP's delivery against the Strategic Economic Plan' – 25 May 2023
 - 'Proposals for the future delivery of the refreshed Local Industrial Strategy' 30 November 2023
- Glassdoor.com website to be circulated to Members.
- Update on rail transport within Gloucestershire, including potential for rail expansion, to be added to the Agenda for 20 July 2023.

Councillor Kevin Cromwell