



Business & Skills Plan

Annual Report 2

2026

ACHIEVE IN
B&NES Bath & North East
Somerset Council
Improving People's Lives

INVEST IN
B&NES

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1. Summary

In 2024, B&NES Business and Skills produced the Business and Skills Plan, drawing on local and regional evidence to understand strengths, opportunities and challenges across the Borough. Building on this evidence, we established a set of objectives and projects aimed at supporting business growth, improving skills outcomes, and ensuring that economic opportunity is more inclusive.

During April 2025 to March 2026, the economic picture has continued to evolve. B&NES remains a comparatively strong local economy, but the year has been characterised by a combination of: labour market uncertainty, continued affordability pressures, and a more cautious operating environment for businesses, alongside ongoing structural inequalities affecting some communities and sectors.

This report provides an overview of delivery progress, the latest economic context, and how changes since the last annual report shape priorities for 2025/26.

Then and Now (Changes since the last annual report)

Employment and wages

B&NES continues to outperform regional and national benchmarks in employment levels, with an employment rate of around 80%, remaining above both the South West and Great Britain averages, though local estimates remain more volatile due to sample size. Unemployment remains low at around 2–3%, reflecting a tight labour market; however, this masks underlying pressures, including economic inactivity among some groups, which continues to limit labour supply and employer recruitment despite strong headline employment levels.

Wage growth has strengthened since 2021, with resident-based earnings increasing faster than workplace-based earnings, reflecting outward commuting to higher-paid roles elsewhere in the region. However, local workplace wages and productivity remain weaker than regional comparators, linked to the sector mix and a concentration of lower-productivity roles, limiting progression opportunities and constraining inclusive economic growth within the local economy.

Business activity

Business birth data from 2024 saw 765 new starts in B&NES, a 10% decrease compared to the 855 business starts in 2023. A total of 755 businesses closed in 2024, resulting in an overall increase of just 10 businesses for the year.

The five-year survival rate for businesses born in 2019 was 44.6%, compared with 43.5% for the South West and 38.4% for the UK. The high survival rate indicates a good level of business resilience in Bath & North East Somerset, but combined with falling levels of business births and deaths, could be indicative of lower entrepreneurial activity and business dynamism.

Skills and workforce

B&NES has a highly qualified population, influenced strongly by the presence of two universities and a large student population. However, this also contributes to higher economic inactivity, driven primarily by students rather than long-term sickness, diverging from national trends.

Workforce challenges persist in health, education, accommodation and food services, which together account for over 40% of local jobs, higher than national or regional averages. Employers continue to report recruitment difficulties linked to housing costs, competition for talent, and limited entry-level progression routes.

Housing and affordability

Housing affordability remains one of the most significant barriers to economic inclusion and workforce retention in B&NES. In parts of Bath, average house prices have been reported at more than 15 times average local earnings, substantially higher than national averages, with private renters spending a large share of income on housing.

While national affordability ratios have improved slightly, B&NES remains a high-cost area, exacerbated by out commuting, constraining labour supply, particularly for younger workers and key public-sector employees. Housing supply pressures have prompted renewed focus through the emerging Local Plan and cross-regional housing commitments.

Digital

Digital connectivity in B&NES continues to improve, with over 75% of premises now having access to gigabit-capable broadband, and superfast coverage at 98%. Full-fibre deployment has accelerated through a combination of commercial rollout and publicly supported programmes such as Connecting Devon and Somerset (now completed) and Project Gigabit (underway in 2026)

Despite strong average coverage, pockets of weaker connectivity remain, particularly in rural and edge-of-authority areas, as well as blocks of flats and listed buildings in Bath, reinforcing the importance of targeted digital inclusion and infrastructure investment.

Young people and deprivation

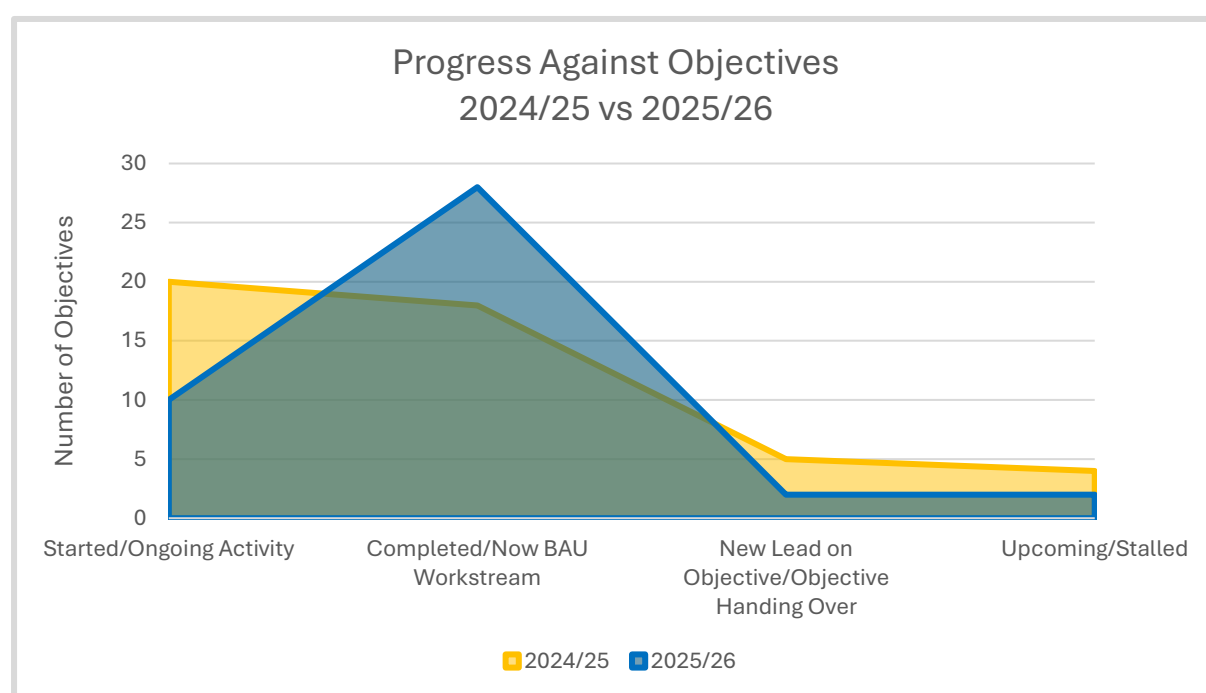
Although overall economic outcomes in B&NES are strong, inequality between communities and age groups remains pronounced. Young people are disproportionately affected by housing costs, entry-level labour market barriers and mental health challenges.

While local NEET rates remain lower than some comparator areas, the number of “Unknown” remains a challenge. As such, partners report rising demand for early-intervention, targeted employability and transition support, particularly for those at risk of disengagement from post-16 education or work. Local programmes and WECA-funded initiatives continue to play a critical role in mitigating longer-term disadvantage, however funding for these programmes is often short-term cycles, making it volatile.

2025/26 Delivery Overview

Delivery 2025/26 has built on the strong foundation laid in 2024/25, and despite ongoing challenges around funding and projects ending, we have managed to keep momentum regarding progress towards our objectives, in order to support our residents and businesses.

In Year 1 (2024/25), we had completed or adopted now as Business As Usual, 18 of the original 47 objectives set out in the Business and Skills Plan, accounting for roughly 40% objective completion. As of March 2026, we have now completed or adopted as BAU 28 objectives in total. If we exclude the 5 objectives that were handed over after Year 1 (due to restructure), of the 42 remaining objectives, this accounts for 67% objective completion. As well as this we have an additional 10 objectives which are started and ongoing, accounting for 24% of our total. With this we can confidently state that as of March 2026 we are progressing against 90% of our objectives set out in the Business and Skills Plan 2023. With regards to objectives adopted from the Economic Strategy, we are currently progressing 26 out of 30 (87%), with only 4 objectives currently not being progressed – two of which are being handed over, and two of which are stalled/upcoming.



Year	Started/Ongoing Activity	Completed/Now BAU Workstream	New Lead on Objective/ Objective Handing Over	Upcoming/Stalled
2024/25	20	18	5	4
2025/26	10	28	2	2

While we look to continue progress moving into 2026/27, and have secured investment for several existing and upcoming projects, a number of established and successful services that have been critical to economic growth face funding cliff edges and unknown futures from March 2027, which means risk to Business as Usual activities from 2027.

Additional Objectives from Annual Report 2025

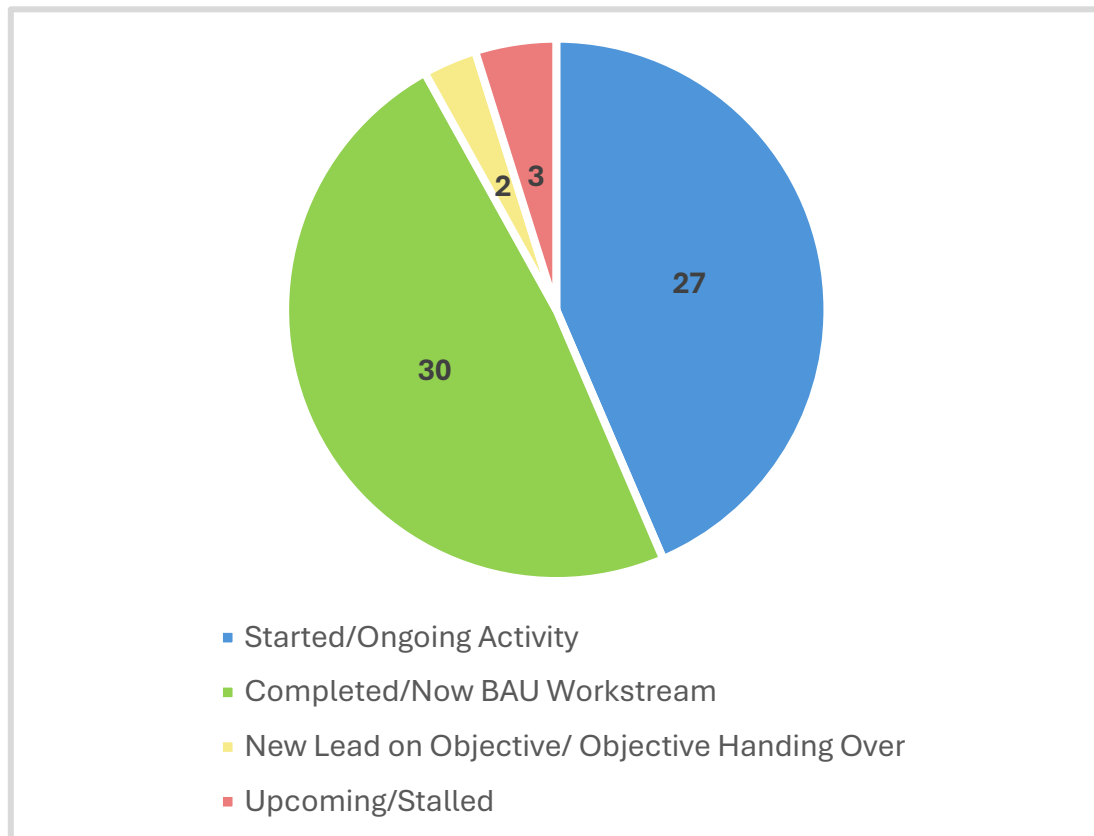
In 2025, additional objectives were introduced to strengthen the Plan's response to young people at risk of becoming Not in Education, Employment or Training (NEET), recognising the long-term economic and social risks associated with disengagement at an early stage. These objectives place greater emphasis on early identification, prevention and transition support, strengthening pathways from education into employment, training and apprenticeships. Delivery focuses on improved coordination between schools, post-16 provision, employment support and employers, alongside targeted interventions for young people facing multiple barriers, including poverty, additional needs and poor mental health. By prioritising inclusive, place-based and employer-linked routes, the Plan seeks to reduce NEET levels, improve progression outcomes and ensure young people can access local opportunities aligned with future labour market demand.

Alongside this, new Digital objectives were introduced to address growing gaps in digital access, capability and workforce readiness, which present an increasing constraint on productivity and inclusion. These objectives focus on improving baseline digital skills for residents, supporting progression into higher-level digital roles, and enabling businesses—particularly SMEs—to adopt digital tools and processes more effectively. The Plan also strengthens the integration of digital skills across wider employment, skills and business support activity, recognising that digital capability is now a prerequisite across most sectors, including the everyday economy. Together, the NEET and Digital objectives reinforce the Plan's commitment to future-proofing the local workforce, reducing inequalities in access to opportunity, and ensuring that economic growth in B&NES is underpinned by a skilled, adaptable and digitally confident population

In 2025, additional Public Health objectives were introduced to reinforce the Plan's recognition that health, employment and economic participation are closely interconnected. These objectives strengthen the focus on prevention and early intervention, aiming to reduce health-related barriers to work, progression and skills development, particularly for residents impacted by long-term conditions, mental ill health and in-work poverty. By embedding a health lens across employment, skills and employer engagement activity, the Plan promotes closer alignment with public health priorities, workplace wellbeing, and inclusive employment practices. This approach supports improved labour market participation, reduced inactivity, and better long-term outcomes for residents, while helping employers build healthier, more resilient workforces.

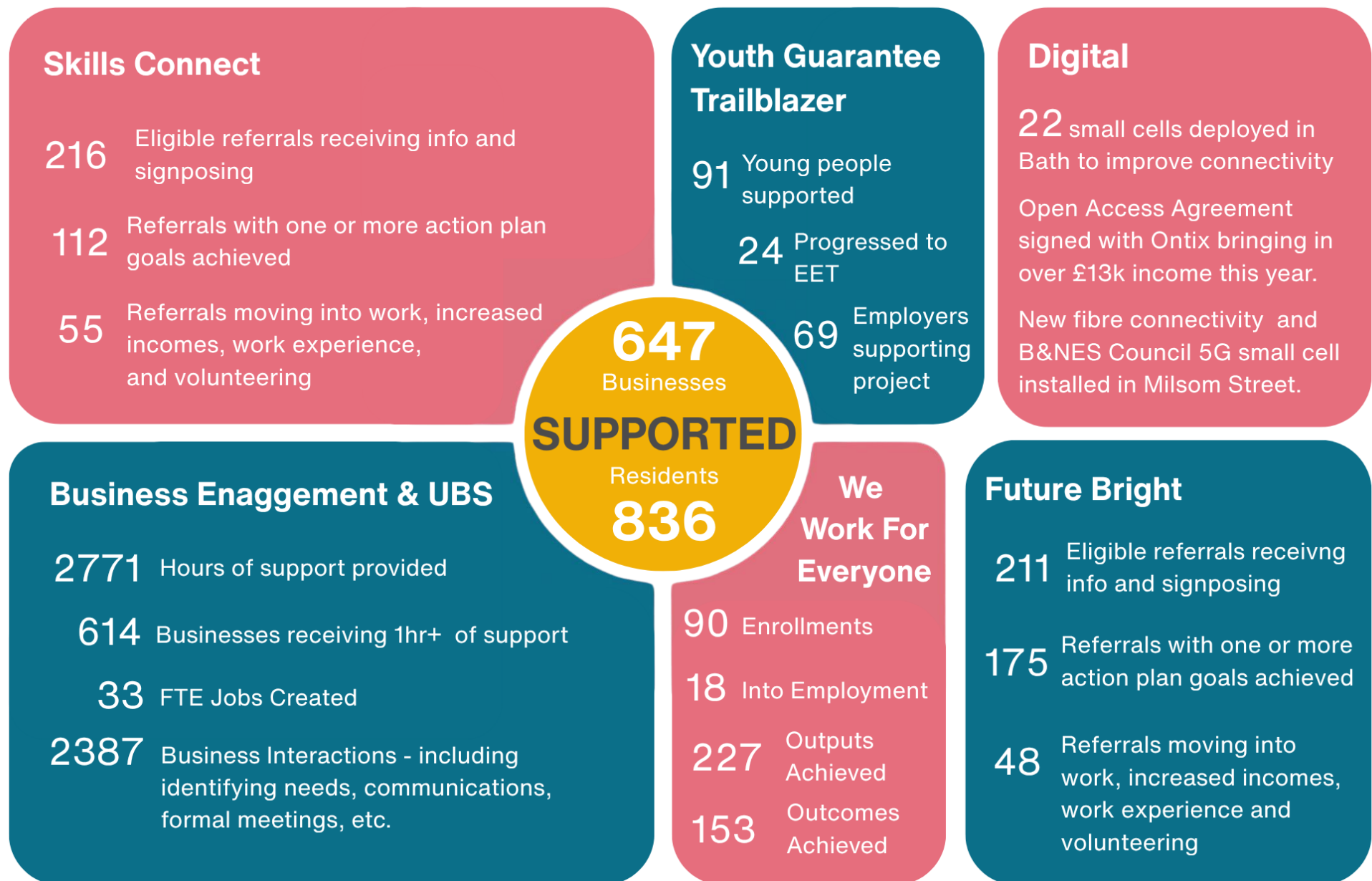
In 2025/26 the Business and Skills team has begun delivery on 17 out of the 20 additional objectives set, with a further 2 being completed or adopted as BAU activities, leaving only 1 upcoming objectives scheduled to start works in 2026/27

If we include this in the total objectives adopted and added since the Business and Skills Plan launched in 2024, are current progress is:



The following infographic provides some brief project highlights from 2025/26, which demonstrate how we are achieving against the Economic Strategy and wider objectives that we are committed to and progressing against:

Business and Skills Delivery Highlights 2025/26



Additional Detail on Delivery Highlights

Project	Overview
Skills Connect and Future Bright	Regional ‘front door’ for employment and skills support: Skills Connect helps adults out of work and through Future Bright supports in-work progression. Delivered via a regional hub with local coaching/outreach and partner referrals, in B&NES the current iteration has been live since 2023, and previously delivered pilot projects as the Pod (2021) and Future Bright (2018), supporting inclusive pathways into good work, progression and productivity through 1:1 support, coaching and upskilling. Going forwards the two projects are coming together under the Skills Connect brand.
Youth Guarantee Trailblazer	Targeted support for 16–21s who are NEET or at risk, providing 1:1 coaching, employer links and flexible help to remove barriers (e.g., travel/ID/equipment/short courses) via youth hubs, schools/college, JCP and community referrals. The Trailblazer started 2025/26 (continuing 2026/27), supporting the Economic Strategy by preventing long-term youth unemployment and widening access to opportunity and skills pathways.
Digital	Combines digital infrastructure (broadband/mobile ‘not-spots’, small cells, Project Gigabit) with digital inclusion (devices, skills and community support). Delivered through the B&NES Digital Office with telecoms, WECA and local partners (pilot since 2025; to 2027), strengthening productivity foundations, enabling access to jobs/services and reducing digital exclusion.
Business Engagement and UBS	Relationship-led ‘single front door’ for businesses, coordinating Council services and partners; UBS adds practical 1:1 support, workshops and outreach for start-ups/SMEs. Operating since 2023 (ongoing), it supports the Economic Strategy by improving business resilience and productivity (including digital/net zero adoption) and widening access to growth support for under-served founders and microbusinesses.
We Work For Everyone	Supported employment for autistic people and people with learning disabilities/difficulties, offering personalised job-matching, employer engagement and coaching (often up to 12 months) via specialist providers and local employers. Started in 2019 and running in it’s current iteration since 2023 alongside Skills Connect, it supports the Economic Strategy by reducing the disability employment gap and increasing inclusive participation and sustained job outcomes.

Outputs are the direct, countable things a project delivers. They are usually measured during delivery and describe *what we did*. An example of this is number of residents supported through one-to-one advice

Outcomes are the changes that happen as a result of those outputs. They describe *what difference it made* for people, businesses or the place, and are often measured after (or towards the end of) delivery. An example of this is improved confidence and job-readiness

2. Economic Landscape and Focus Areas

The focus for 2026/27 will shift increasingly toward strengthening economic resilience, reducing inequalities, and supporting residents and employers to adapt to a rapidly changing labour market. This includes expanding support for foundational sectors, increasing the availability of flexible skills pathways, and promoting innovation across training and employability programmes.

In parallel, the year ahead will prioritise addressing youth disadvantage, tackling regional disparities, and enhancing workforce readiness for growth sectors. These emerging themes will shape the next phase of delivery, ensuring programmes remain relevant, future-focused, and grounded in community need.

Unemployed young graduates

Young graduates across the country continue to navigate a complicated labour market that has shifted significantly over the past decade. Although overall graduate employment rates remain positive at a national level, these patterns conceal underlying challenges that are especially visible within coastal and rural economies. Graduates in regions like Devon often face a mismatch between their qualifications and the types of opportunities that are readily available, particularly when local labour markets are dominated by small employers or sectors that do not offer a high proportion of professional entry level roles.

Locally, evidence from employer feedback and provider intelligence suggests that many graduates want to remain near their home communities but feel they have limited options to do so. This is reinforced by regional studies across the South West which show that graduates frequently cite a lack of paid internships, structured early career pathways and graduate level vacancies as key barriers to securing meaningful employment. In some cases, graduates are pushed towards underemployment, working in roles that do not draw on their qualifications, which can lead to reduced confidence in the early stages of building a career.

Nationally, the labour market has become more competitive for graduates due to a growing number of degree holders and increasing expectations from employers that new entrants already possess workplace experience. This has intensified the pressure on graduates who may already feel uncertain about how to translate academic achievements into practical skills. Without supportive networks and accessible work experience, young people can struggle to position themselves effectively in a changing economy.

Addressing these issues requires stronger collaboration between local authorities, higher education institutions and employers. Expanding structured internship schemes, embedding graduate roles within local anchor institutions and improving employer engagement with universities could help retain talent and reduce outward migration. At a regional level, more attention is also needed to ensure graduates have clear access to employment support that builds confidence, enhances career readiness and supports the development of professional

skills. Targeted interventions that focus on disadvantaged young people or those from non traditional backgrounds would also help to close the gap in outcomes between different groups of graduates.

Ultimately, enabling graduates to transition into high quality local employment is vital for both economic productivity and long term community resilience. Strengthening the local graduate ecosystem will help ensure the region can retain, develop and benefit from its highly skilled young population.

Disability confidence

Improving disability confidence among employers continues to be a key priority both locally and nationally. Across the South West, many employers acknowledge the importance of inclusive recruitment and retention practices but remain unsure about what practical steps they should take to implement them effectively. This uncertainty often stems from concerns about reasonable adjustments, misunderstandings about legal responsibilities and a lack of awareness about available financial support schemes.

Local insight gathered through employment support programmes shows that disabled people continue to face significant barriers when seeking work. These include difficulties accessing appropriate transport, limited availability of flexible roles and a lack of understanding from employers about different types of conditions and access needs. These challenges can result in disabled residents being disproportionately represented in unemployment statistics and economically inactive groups, particularly in areas with fewer large employers or specialist opportunities.

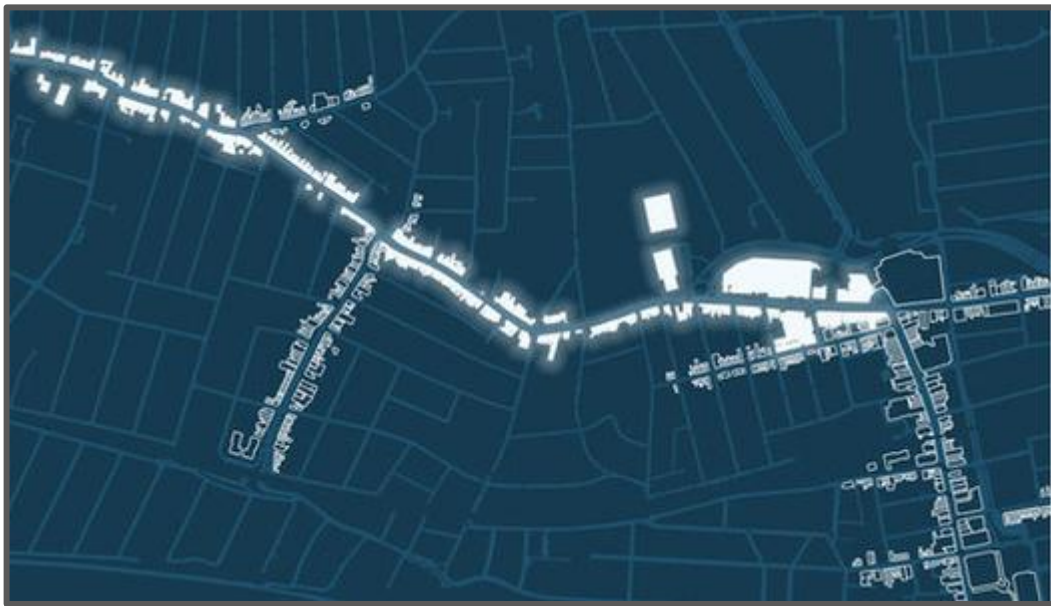
Nationally, the disability employment gap has remained stubbornly persistent for many years. While schemes such as Access to Work provide crucial support, many employers and jobseekers report that processes can feel complex or slow. There is also evidence that many disabled people feel reluctant to disclose their condition during recruitment due to fears of discrimination, which can prevent them from accessing the adjustments they need to thrive in the workplace.

Building disability confident workplaces requires more than compliance with legislation. It involves cultural change and practical action. Locally, this may include developing specialist employer networks, offering targeted training on inclusive practices and highlighting success stories from businesses that have made meaningful improvements. Employers often respond positively when they see real examples of what works and when they receive personalised guidance rather than generic advice.

In addition, closer collaboration between employment services, health teams and voluntary sector organisations can support a more holistic approach to helping disabled people enter and sustain work. By strengthening the region's employer facing infrastructure and equipping businesses with the confidence and knowledge they need, the area can unlock a wealth of untapped talent and improve employment outcomes for disabled residents.

Economic challenges

Over the past year, the regulatory and inflationary environment has remained difficult for many local businesses. Changes to employment law, adjustments to business taxation, and sustained inflation have created uncertainty for firms trying to plan investment or manage operating costs. More recently, energy price volatility following the conflict involving Iran has added further pressure, with higher fuel and supply costs working their way through business operations. These conditions are likely to influence growth and investment decisions throughout the rest of 2026, particularly in sectors that are sensitive to energy and transport costs.



For an area like Bath & North East Somerset—where the visitor economy, retail, hospitality and small service-led enterprises play a major role—these pressures also affect consumer confidence and spending. Any reduction in disposable income or visitor activity has a direct impact on local footfall and revenue. At the same time, employers continue to face recruitment challenges in a labour market where national and local policy is focused on helping more residents access employment and skills opportunities. Together, these factors contribute to a more cautious trading environment and a need for continued resilience among local firms.

Recent feedback from circa 120 local businesses through the B&NES Business Resilience Survey reinforces these themes. Respondents highlighted inflationary pressures, rising operating costs and access to finance as their most significant concerns. Many also cited reduced customer spending, ongoing regulatory requirements and uncertainty about future demand. The survey makes clear that while businesses are adapting, external pressures continue to shape confidence, investment intentions and the capacity to absorb further shocks.

Data and intelligence

High quality data and intelligence continue to play a central role in shaping effective employment and skills strategies. Across the region, there is growing recognition that decisions must be informed by real time evidence rather than isolated or outdated datasets. Access to detailed labour market intelligence helps identify emerging trends, pinpoint priority sectors and understand the needs of different groups of residents.

Locally, organisations are increasingly seeking better ways to share information and combine different sources of insight. This includes data on employer demand, vacancy patterns, resident demographics and wider social indicators. When used effectively, this joined up intelligence helps programme designers tailor support more precisely, improve commissioning decisions and respond quickly to changes in the labour market.

Regional datasets highlight important differences between communities within the South West. Coastal towns often experience higher levels of seasonal employment, while rural areas can face transport and connectivity challenges that affect access to training and work. Understanding these spatial variations is essential when designing interventions that are equitable and locally responsive.

Nationally, the demand for digital skills, green jobs and technical qualifications continues to grow. Predictive labour market analysis can help anticipate future skills shortages and shape provision that supports residents to access new opportunities. However, to fully benefit from these insights, local areas need appropriate analytical capacity. This includes both access to tools and the development of staff who can interpret data effectively and turn it into action

Building this capability should be a priority over the coming year. Strengthening data systems, improving dashboards and expanding analytical training will support better decision making across the employment and skills landscape. By aligning these efforts with strong partnerships and clear strategic objectives, the region can ensure that programmes remain relevant, targeted and effective.

Foundational Economy

The foundational economy forms the backbone of local labour markets, providing essential services that underpin daily life. In towns and rural communities across the South West, sectors such as social care, hospitality, transport and retail employ a large proportion of residents and contribute to the stability and wellbeing of neighbourhoods. Despite their importance, these sectors often experience structural challenges including high turnover, limited progression and difficulties attracting new entrants.

Local employers frequently report long standing shortages in social care, where roles are physically and emotionally demanding and often offer limited financial incentives. In hospitality and tourism, seasonal patterns can create instability for workers who may struggle to secure consistent income across the year.



Retail continues to evolve due to changes in consumer behaviour and the growth of online shopping, which places pressure on high street businesses and affects job availability in some areas.

Regional evidence suggests that improving job quality within the foundational economy is essential for both productivity and long term sustainability. This includes creating clearer career pathways, offering training that supports progression and ensuring that leadership and management capacity is strengthened across smaller employers. Supporting businesses to adopt fair employment practices and improving access to transport and childcare can also help attract and retain workers.

Nationally, the foundational economy is increasingly recognised as central to economic resilience. These sectors provide the everyday services that allow more specialised industries to function. Enhancing their stability and supporting workers to build fulfilling careers contributes not only to workforce participation but also to wider social outcomes such as wellbeing, community cohesion and public health.

By investing in the foundational economy, the region can create a more inclusive labour market that benefits residents, employers and communities alike. The year ahead offers an opportunity to develop targeted programmes that support these essential sectors and help address long standing workforce challenges.

Productivity

Improving productivity remains a core priority for both employers and policymakers. Across the South West, many businesses identify skills shortages, limited access to technology and gaps in workforce development as key barriers to achieving higher productivity. These challenges affect businesses of all sizes but can be particularly acute for smaller enterprises that lack capacity to invest in training or digital transformation.

Local employers often note that workforce development is essential to improving productivity. Staff who receive ongoing training are better equipped to adapt to new technologies, work efficiently and contribute to innovation. However, many workers face barriers to accessing training, including cost, time commitments and limited awareness of available options. Strengthening access to high quality learning at all levels can support both individual progression and business performance.

Digital adoption remains a significant opportunity. While many large companies have integrated digital tools into their operations, smaller firms often struggle with implementation due to financial constraints or a lack of technical expertise. Expanding digital support programmes and providing hands on guidance can help address these challenges and unlock productivity improvements across sectors.

Nationally, the shift towards a greener and more technologically driven economy is reshaping the skills employers require. There is growing demand for technical competence, problem solving skills and adaptability. To stay competitive, the region must ensure that residents can access flexible training that aligns with employer needs and emerging industries. This includes apprenticeships, modular learning and provision that supports both early career and mid career progression.

Strengthening employer partnerships will be crucial to this work. By developing collaborative approaches to training and creating opportunities for shared learning, the region can help employers build resilient workforces that are prepared for future challenges. Enhancing productivity will support long term competitiveness and contribute to sustainable economic growth.

Deprivation including youth poverty

Persistent deprivation and rising youth poverty continue to impact local communities and present significant barriers to employment, education and wellbeing. Across parts of the South West, young people face intersecting challenges that limit their ability to access training and work. These include limited transport options, digital exclusion, financial insecurity and restricted access to networks that can connect them to opportunities.

Local evidence shows that young people in deprived areas often have fewer chances to engage in high quality extracurricular activities, work experience or mentorship programmes. This can affect their confidence, aspirations and readiness for work. Many young people also contend with unstable housing security, caring responsibilities or health issues, all of which contribute to uneven engagement with education and employment.

Regional patterns reflect national trends, with youth poverty rising in many communities due to the increased cost of living, low household incomes and pressures on public services. Young people from low income families are more likely to leave education early, experience long term unemployment or become economically inactive. Addressing these issues requires coordinated action across employment services, education providers, social care, health teams and voluntary sector partners.

Effective interventions are those that are community led and accessible. This includes outreach programmes that meet young people where they are, trusted spaces that support their wellbeing and practical assistance such as travel support, digital access and tailored guidance. Strengthening partnerships between employers and community organisations can also help create inclusive pathways into work and reduce inequalities in outcomes.

Reducing youth poverty is not only an economic priority but also a moral and social imperative. By working collaboratively and focusing on the structural barriers that young people face, the region can improve life chances, support long term resilience and create a fairer and more equitable future for communities.

Business Engagement

In 2026/27, business engagement will play a central role in supporting economic resilience, productivity and inclusive growth across Bath & North East Somerset. Activity will focus on retaining existing businesses, strengthening employer engagement in skills and workforce development, and ensuring businesses can access timely, coordinated support to adapt, invest and grow in a more challenging economic environment. Priority will be given to early, proactive, relationship-led engagement with key employers, SMEs and priority sectors to understand business plans, workforce pressures and investment intentions, helping to prevent avoidable relocations and support long-term commitment to B&NES. Senior leadership engagement will be used more deliberately as part of this approach, reinforcing B&NES as a place where businesses are welcomed, supported and encouraged to grow.

A key focus for the year ahead will be continuing to embed a clear “single front door” approach for businesses, ensuring a consistent experience regardless of where businesses engage with the Council. This will involve stronger coordination across planning, transport, regeneration, sustainability, skills and economic development, alongside clearer signposting to external support delivered through key partners such as West of England Growth Hub, Business West, Bath BID, Bath Unlimited and Cool Ventures. This joined-up approach will help simplify the system, reduce duplication and lower the burden on businesses, particularly micro and small firms that dominate the local economy.

Business engagement in 2026/27 will place increased emphasis on workforce development, progression and skills, ensuring employer insight directly informs skills planning, commissioning and delivery. Engagement activity will support stronger links between employers, colleges, universities and training providers, including apprenticeships and Adult Skills Fund provision, and will encourage more employers to play an active role in developing local talent. Particular attention will be given to inclusive recruitment and progression routes, supporting young people, parents and those furthest from the labour market into sustainable work, while helping businesses address skills shortages and retention challenges.

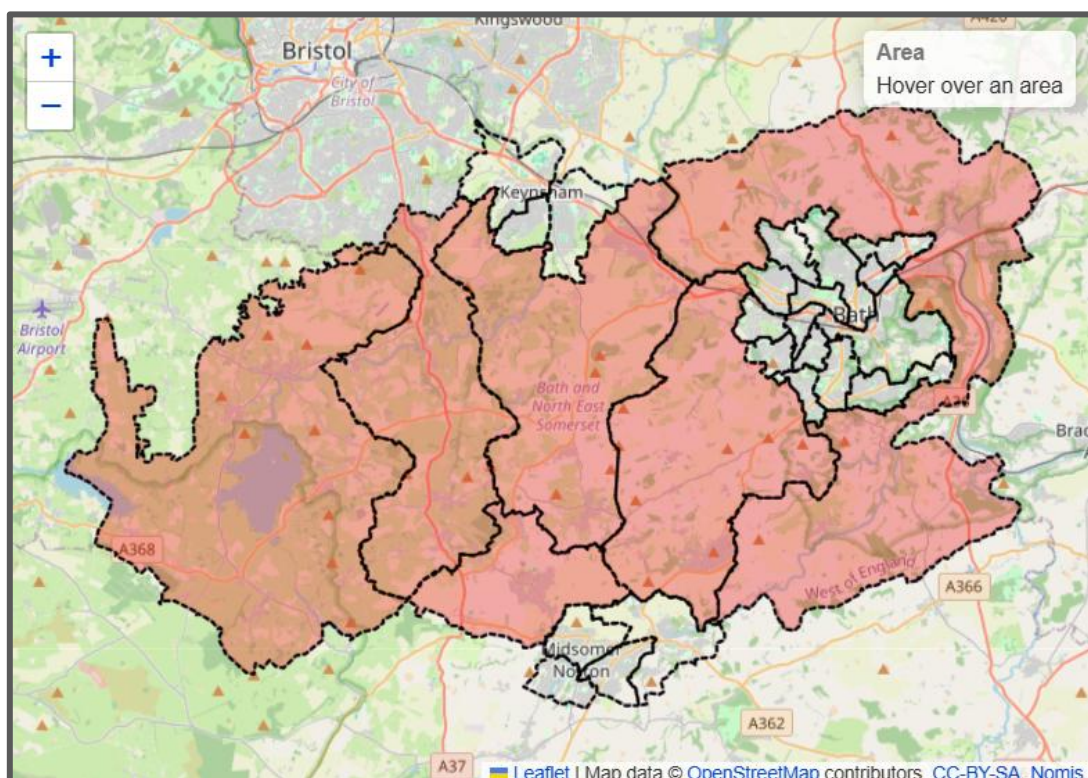
Intelligence gathered through business engagement will continue to shape evidence-based policy and programme design. Surveys, employer roundtables, site visits and partner intelligence will be used to identify emerging trends such as recruitment difficulties, premises and workspace pressures, productivity barriers and sector-specific risks and opportunities. This intelligence will directly inform decision-making across the Business & Skills portfolio and the wider Council, strengthening the alignment between business needs, skills investment and economic development priorities.

Alongside retention and skills, engagement activity will increasingly focus on supporting productivity, innovation and resilience. Businesses will be supported to adopt digital tools, strengthen leadership and management capability, and access net zero and sustainability initiatives, with a continued emphasis on peer-to-peer learning, networking and sector-based collaboration. Through this approach, business engagement in 2026/27 will contribute to stronger business confidence, increased employer participation in skills initiatives, reduced risk of closures or relocations, greater take-up of support through delivery partners, and sustained investment, job creation and productivity across B&NES.

Rural

6 out of B&NES' 28 Mid-layer Super Output Areas (the standard medium-sized areas that ONS uses to report statistics) are considered rural, covering the Chew Valley, Bathavon, and rural hinterlands beyond Peasedown and Paulton etc. Based on ONS population estimates (2024) and DWP Claimant Count data (2026), the rural MSOA's that make up the B&NES Rural Custom Area are home to 54,813 people, representing around 27% of the total B&NES population of 200,028.

Rural B&NES faces a distinct set of structural challenges shaped by geography, connectivity, labour dynamics and economic composition. These issues intersect across skills, business development and infrastructure, creating barriers that limit productivity, growth and community resilience.



● = B&NES Rural MSOA's

Rural communities experience persistent constraints in accessing and developing skills, shaped by demographics, transport reliance and the limited availability of training provision. Evidence shows that rural businesses face pronounced difficulties in recruiting and retaining suitably skilled staff, potentially linked to the availability of local labour and sector-specific technical expertise. These issues are compounded by limited local training opportunities, as well as fewer pathways for workforce progression.

The rural area of B&NES accounts for 570 Universal Credit/JSA claimants, 22% of the district's total of 2,550 claimants in March 2026. While the ratio of claimants in rural areas is lower than the average for B&NES, connectivity issues may lead to more entrenched reliance on welfare and higher barriers to accessing skills, training and employment.

The rural workforce is further affected by systemic challenges as identified in our own strategic documents, including skills shortages across priority sectors such as health and social care, hospitality, construction and digital, which mirrors national trends. Additionally, the lack of affordable housing in rural areas restricts the ability of local employers to attract and retain staff, exacerbating recruitment pressures and limiting workforce stability.

Using the ONS UK Business Counts dataset (2025), the rural parts of Bath & North East Somerset contain approximately 2,730 enterprises and 2,915 local units. This accounts for around a third of the businesses in the district, based on totals of 8,345 enterprises and 9,635 local units for B&NES as a whole. B&NES' rural economy is traditionally driven by agriculture, self-employment and micro-businesses—models that offer flexibility but require targeted support to maximise growth. The small-business profile and reliance on self-employment limit capacity for innovation, diversification and resilience, making rural firms more vulnerable to economic uncertainty, cost pressures, regulatory change and labour shortages.

Local intelligence also highlights declines in new business formation during periods of economic uncertainty, coupled with higher operating costs in rural areas. These issues contribute to slower business dynamism and fewer opportunities for early-career entrants or career changers. Rural firms also face infrastructure-related business barriers including:

- Limited access to premises and workspace (including affordable space)
- Difficulties accessing specialist support services and local talent
- Barriers to adopting digital technology due to connectivity constraints

These constraints collectively limit the competitiveness and sustainability of rural enterprises.

A core challenge across rural B&NES is infrastructure—particularly transport and digital connectivity, both of which shape residents' ability to access training, employment, services and the wider economy.

Rural B&NES experiences poor public transport options, with 78% of rural residents commuting by car—highlighting dependencies that increase cost pressures and constrain access to jobs, training and childcare.

Digital connectivity also remains uneven across rural parts of the district, limiting opportunities for home working, online training and business digitalisation. This undermines productivity and deepens inequalities in access to essential services and modern work practices.

Rural infrastructure challenges additionally intersect with housing pressures. High house prices in the area (over 10x median earnings) restrict affordability in rural areas also, pushing younger and lower-income residents out of local communities and reducing the available workforce.

The cumulative impact of skills shortages, employer challenges, and infrastructure limitations all fuel the wider challenges of :

- Reduced local labour market participation
- Barriers to employer growth and innovation
- Challenges sustaining essential rural services
- Disproportionate disadvantage for young people, low-income residents and those without access to private transport

These issues highlight the need for:

- Integrated solutions for transport and digital connectivity barriers
- Targeted skills interventions and outreach into rural communities
- Support for rural business diversification and access to workspace
- Housing strategies that retain and attract working-age residents
- Place-based models of support aligned with the Local Plan and Economic Strategy

This alignment is essential for ensuring rural communities are not left behind in the wider economic transformation of B&NES.

Case Study (Vix, Colour Town Founder)

When I first contacted Skills Connect, I was rebuilding my life following a separation and trying to create a business after more than ten years as a stay-at-home parent. I had a clear vision for Colour Town, a visually stimulating art project, but very limited resources, no workshop space, no computer and little confidence in my ability to navigate funding and business development.

The support I received was transformational. The business advice from my amazing coach helped shape the foundations of Colour Town and gave me the confidence to believe that my idea could become a viable business. A small grant enabled me to purchase my first event tent, which was a significant milestone and the moment the business began to feel real. Just as importantly, I was introduced to funding opportunities, business support programmes and networks that helped me move forward with confidence.

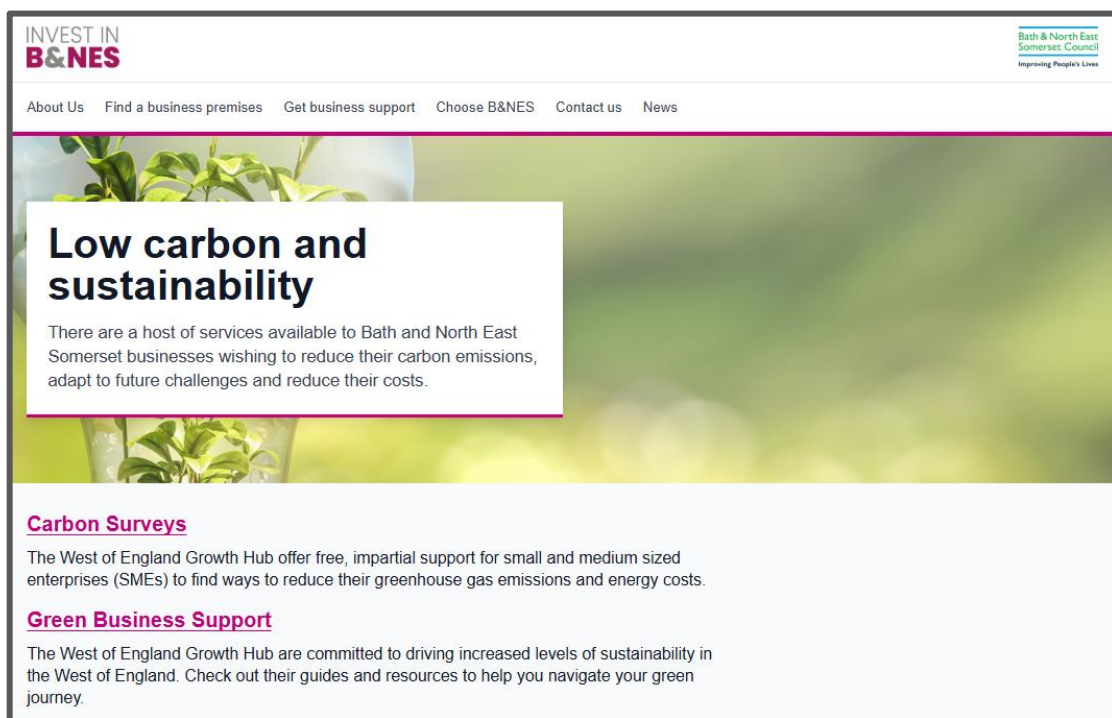
Since then, Colour Town has grown substantially. I have secured bookings to take colour town to previous and new festivals, landed my first corporate event, expanded into additional creative services and invested in a disabled-access mobile art room to increase accessibility. The business has grown from employing one paid crew member and a handful of volunteers to supporting a team of five staff and up to fifteen volunteers at larger events.

The support also had a lasting personal impact. It gave me the confidence to develop new skills, purchase my first laptop, build my own website and create professional business systems. Following a residency at The Old Printworks Arts, I established a viable creative start-up and have continued to grow both personally and professionally.

Looking back, I honestly do not know where I would be without that initial support from Skills Connect and my coach. The coaching sessions helped change the direction of my business, strengthened my confidence and showed me that with the right guidance and encouragement, opportunities really are within reach.

Business & Skills Response to Climate Change

As a Business, Skills and Digital service, our response to a changing climate focuses on building economic resilience, future-proofing skills, and adapting how we deliver support so that businesses, residents and delivery partners can continue to operate effectively in a warmer, wetter and more volatile climate.



Supporting business adaptation and resilience

We are increasingly shaping business support around climate resilience, recognising the risks of flooding, overheating, supply-chain disruption, energy and workforce disruption.

This includes:

- Promoting and coordinating low-carbon and resilience-focused business support, such as carbon and energy surveys, green business advice and transition planning, working closely with regional partners and WECA.
- Supporting SMEs to manage operational and financial risk, including energy costs, insurance and cashflow pressures that are exacerbated by extreme weather.
- Encouraging take-up of digital tools, automation and AI to improve productivity and business continuity during extreme weather or disrupted trading conditions (e.g. remote working, digital sales, smart logistics).

Aligning skills and workforce development to climate adaptation

We are adapting skills priorities to ensure the local workforce is aware and equipped for climate-resilient.

Our focus includes:

- Strengthening pathways/signposting into green and adaptation-related skills, such as retrofit, construction, land management, energy systems, digital infrastructure and environmental services.
- Working with colleges, training providers and employers to ensure skills provision reflects warmer summers, wetter winters and changing working conditions, including health and safety, outdoor working, and resilience planning.
- Supporting inclusive access to these roles so that people most impacted by economic and climate change can benefit from new employment opportunities.

Adapting digital delivery and infrastructure

Digital plays a critical in maintaining service continuity and supporting residents and businesses during extreme weather events.

We are doing this by:

- Promoting digital inclusion to reduce vulnerability, ensuring residents and businesses can access support even when physical access is constrained

3. Progress on objectives

	Started/Ongoing Activity
	Completed/Now BAU Workstream
	New Lead on Objective/Objective Handing Over
	Upcoming/Stalled

Good Work	
Champion good work practices	
Encourage partners and local businesses to sign up to WECA Good Employment Charter.	Short
Promote the Real Living Wage to increase local adoption and look to become a living wage borough.	Short
Work with the West of England Combined Authority to deliver the Thrive at Work programme.	Medium
Promote the Disability Confident Employer scheme to encourage local employers to enhance the recruitment, retain and develop residents with disabilities.	Short
Collaborate as B&NES anchor institutions (and major employers) to review and adopt good work practices.	Long
Increase inclusive pathways into work	
Create and deliver an inclusive employment and skills plan for Bath and North East Somerset, ensuring UKSPF supports B&NES requirements.	Medium
Promote Future Bright to increase uptake of careers coaching and support for residents already in work.	Short
Use Midlife MOT to increase employment opportunities and retention of older adults.	Short
Engage with the Southwest Social Mobility Commission to identify local social cold spots and ways to address them.	Long
Prioritise projects to address barriers to employment for young people, including care leavers and those with SEND.	Medium
Increase our Targeted Recruitment and Training requirements from developers to ensure that the benefits of new developments are shared.	Short

Resilient Businesses

Support local businesses to stay and scale in B&NES

Promote new and emerging developments for start-ups and scale-ups (Bath Quays and Somer Valley Enterprise Zone).	Medium
Increase uptake of Invest in Bath and WECA funded management and leadership training for SMEs.	Short
Increase local participation in regional business growth programmes.	Short
Build local business networks and events to connect B&NES sectors and firms.	Medium
Work with the Bath BID to share insight on emerging business needs and promotion of local business offer.	Short

Promote alternative business models and community-led action

Work with 3SG to showcase charities, social enterprises and voluntary groups working across B&NES.	Short
Engage with local community groups to encourage volunteering targeted to local issues.	Medium
Work with partners to provide targeted support for community-led and voluntary & community sector organisations.	Medium
Promote business support aimed at alternative business models, for example from Co-operatives UK and B Lab UK.	Short
Create a local peer support network to connect existing alternative model businesses with those who are interested in changing their business model.	Medium

Inclusive Innovation

Maximise local benefits of our leading innovation assets

Work with local major manufacturing and engineering base (e.g., around Midsomer Norton) to showcase career opportunities to young people.

Short

Promote B&NES as an innovation testbed

Promote B&NES innovation strengths and opportunities to investors and businesses online and through events.

Short

Grow links to regional innovation partners to ensure that B&NES businesses and entrepreneurs are part of innovation district and ecosystem activity.

Medium

Promote provider innovation assets such as SETsquared Bath and the University of Bath Innovation Centre to local businesses.

Short

Promote regional accelerator programmes DETI and Creative Growth Programme.

Short

Ensure all sectors and businesses are supported to innovate

Prioritise the foundational economy in innovation support, working with partners to draw from good practice to create new programmes and support.

Medium

Stronger Places

Promote economy in rural areas as a driver of economic growth

Increase representation of rural businesses in Council structures and local networks.

Short

Use business support to support rural diversification and the adoption of green technologies as an economic growth opportunity.

Long

Improve connectivity to and between all parts of B&NES

Accelerate digital infrastructure rollout, including gigabit, superfast broadband and 5G.

Medium

Additional Objectives	
Champion good work practices	
B&NES Council become a disability confident leader.	Medium
Increase opportunities within B&NES Council for placements, apprenticeships, bootcamps etc.	Medium
Support delivery of training and skills with pathways to real job opportunities.	Long
Increase inclusive pathways into work	
Support unemployment, upskilling and career change for 45+ cohort.	Short
Develop a NEET strategy to support our young people cohorts.	Medium
Promote alternative routes to work (apprenticeships, bootcamps, SWAPs), and set an example as the local authority.	Short
Support delivery of new/unique modular training.	Medium
Develop supported internship opportunities to support those with EHCP's age 16-25 years access employment.	Medium
Develop Information, guidance and support for parents, carers and professionals supporting young people with EHCP's moving towards employment.	Medium
Developing the Employment and Skills Landscape	
Embedding of critical, digital, and green skills across employment and skills provision.	Medium
Develop resource and knowledge base, through the Achieve in B&NES brand and Skills Connect.	Medium
Address skills gaps in sectors struggling to recruit.	Medium

Digital Skills Objectives:	
Address digital exclusion by piloting and testing Digital Hubs in B&NES, with a focus on improving digital skills relating to employability, and supporting areas of deprivation	Medium
Explore opportunities to create a digital academy supporting skills development in key sectors, training residents in emerging industry technology/techniques including, but not limited to 3D/VR/AR/AI	Medium
Support development of networks focused on addressing the digital divide, utilising partnerships to drive projects and strategy in the local area.	Long
Digital Infrastructure Objectives	
Work with partners to map and address “not spots” for broadband coverage, maximising the number of B&NES premises having superfast broadband by 2026 and reducing digital exclusion	Medium
Support telecommunications providers to roll-out 4G and 5G mobile coverage in B&NES, with an emphasis on targeting locations where demand exceeds coverage and capacity	Medium
Maximise opportunities to provide additional social value through delivery of infrastructure, contracts, etc.	Long
Digital Business Objectives	
Promote adoption and utilisation of emerging technologies across B&NES businesses and third sector organisations, harnessing opportunities around AI and standalone 5G to boost economic productivity	Medium
Align digital and economic inclusion to ensure new technologies and cyber security does not act as barrier to entrepreneurship and business growth across all business sectors and residential demographics	Long

NEET Transportation Objectives	
Address the current transport offer within B&NES with a particular focus on Rural towns and villages, focus on the barriers transport can present to young people and work with existing providers to support with young people accessing employment, Education or Training opportunities,	Medium
Explore different types of transport to support individuals facing different barriers. E.g. e-bikes for those looking to improve health and live further away from EET opportunities,	Short
Support 250 young people in B&NES – especially rural residents- to access items that reduce barriers to transport, e.g. Bus passes.	Medium
Youth Hub Objectives	
Continue to review established youth hubs to gain an understanding of what is working well and were there are areas of improvement.	Short
Assess how funding can support with the progression and growth of existing and new youth hubs in B&NES	Short
Network Objectives	
Explore providers and partners within the area, keeping up to date with any changes that arise through different funding.	Short
Understand strong partnerships to continue with the progression of projects. Maintaining strong communication with local providers to contribute to a multi-agency approach for our young residents.	Short
Identify gaps in provision in the area and continue to communicate this with partners to continue with the support of young residents	Long

Health and Wellbeing Objectives (from B&NES Joint Health and Wellbeing Strategy Implementation Plan)	
Work with education providers and other partners to provide robust and inclusive pathways into work and including for disadvantaged young people	Long
Work with local employers to encourage, incentivise and promote good quality work	Medium
Support the development of and access to an inclusive labour market, focusing on engaging our populations most at risk of inequalities in accessing and maintaining good work	Short
Prioritise inclusiveness and social value as employers, purchasers and investors in the local economy	Medium

4. Updates on Wider Strategies and Projects

Local Growth Plan

The emerging Bath & North East Somerset Local Plan will set the statutory planning framework for the district to 2042/43, guiding the scale and location of housing, employment land, infrastructure and environmental protection. Following changes to national planning policy and a significant increase in mandatory housing targets in late 2024, the Council formally reset the Local Plan in 2025 to ensure it remains sound, evidence-led and deliverable. The revised approach reflects a substantial uplift in housing need and the associated requirement to plan for sufficient employment land, infrastructure, skills and services to support growth sustainably.

From a Business & Skills perspective, the Local Plan is a critical mechanism for shaping long-term economic capacity in B&NES. It recognises the need to better align jobs, homes and infrastructure, ensuring that growth does not exacerbate commuting pressures, labour shortages or affordability constraints. Updated economic evidence identifies that increased housing delivery will expand the resident workforce, requiring a corresponding uplift in employment space to support a balanced labour market, productivity growth and local job creation across both growth sectors and the everyday economy.

The Plan places emphasis on supporting a diverse and resilient economy, safeguarding and enabling sites for employment, innovation, education and skills provision. It supports regeneration in Bath and key towns, rural productivity in areas such as the Somer Valley, and the provision of modern, flexible workspace to meet employer needs, particularly for SMEs and growing sectors. Importantly, the Local Plan embeds climate, nature and sustainable transport objectives, which will shape where and how businesses grow and how residents access employment and training opportunities.

For delivery of the Business & Skills Plan, the Local Plan provides essential policy alignment. It underpins investment in skills infrastructure, supports workforce growth linked to housing delivery, and reinforces the need to coordinate planning, skills, transport, childcare and economic development to enable inclusive growth. As the Local Plan progresses through consultation and examination, continued alignment will be critical to ensure that planned growth translates into accessible jobs, reduced skills shortages and stronger local labour market outcomes for B&NES residents and employers.

Get West of England Working Plan

The Get West of England Working Plan sets out a ten-year framework for tackling economic inactivity, unemployment and labour market inequalities across the region, recognising that access to good work is fundamental to productivity, inclusive growth and long-term prosperity. While the West of England has a strong economy and one of the highest employment rates of any combined authority area, persistent gaps remain for people with long-term health conditions, carers, disabled residents, women working part-time, young people at risk of becoming NEET, and people living in deprived communities. These inequalities constrain labour supply, limit progression, and place long-term pressure on public services if left unaddressed.

The plan is closely aligned with the West of England Growth Strategy and national reform agendas, including Get Britain Working, and recognises the strong links between employment, health, skills, childcare, transport and housing. Its long-term vision is that by 2035 every resident can access good work, employers can recruit and retain the skills they need, and young people benefit from clear, inclusive routes into education, training and employment. Delivery is structured around three strategic priorities: getting more people into work, supporting progression into better paid and more secure employment, and ensuring more young people move successfully into education, employment or training. These are underpinned by a strong focus on employer engagement and tackling health-related and structural inequalities.

For Bath & North East Somerset, the plan reinforces the central role of the Business & Skills agenda in addressing inactivity and workforce shortages through prevention, inclusion and progression. It strengthens the emphasis on person-centred, joined-up delivery, particularly for people whose employment barriers are linked to health, caring responsibilities, low skills or insecure work. In 2026/27, delivery will be driven through the continued development of Skills Connect as the region's single front door to employment, skills and progression support, alongside the rollout of Connect to Work, enhanced Youth Guarantee activity and closer alignment between employment and health services. These approaches aim to reduce duplication, improve reach, and support residents more effectively at key life stages and transition points.

The plan also highlights the importance of working with employers to reduce vacancy rates and support workforce resilience, particularly in both growth sectors and the everyday economy. This includes promoting inclusive recruitment, progression pathways, workforce health and good employment practices, while recognising the pressures faced by SMEs. Alongside this, the plan supports a stronger regional evidence base and improved data sharing, enabling partners to target provision more effectively, track outcomes and address geographic and demographic inequalities.

Overall, the Get West of England Working Plan provides a practical delivery framework for ensuring that economic growth translates into participation, progression and opportunity. For B&NES, it supports a more resilient labour market, better alignment between employers and skills provision, reduced pressure from inactivity and in-work poverty, and improved long-term outcomes for residents and businesses. By embedding employment, skills and health more closely together, the plan helps ensure that growth in 2026/27 and beyond is inclusive, sustainable and benefits both the local economy and the people who live in it.

WoE Growth Strategy

The West of England Growth Strategy sets out an ambitious framework for delivering sustainable, inclusive economic growth over the next decade, positioning the region as a national engine for productivity, innovation and opportunity. It recognises that growth must be felt in people's everyday lives, through better jobs, improved transport, affordable homes, access to skills, and resilient places. The strategy is aligned with national priorities and underpinned by devolution, using the Combined Authority's powers, investment role and convening strength to unlock growth that benefits communities across the West of England, including Bath & North East Somerset.

The strategy focuses on accelerating growth across five priority sectors—advanced manufacturing, digital and technologies, clean energy industries, creative industries and the everyday economy—while also addressing the structural foundations of growth. These include improving transport connectivity, increasing the delivery of affordable and sustainable housing, strengthening skills pipelines, and ensuring children and families are supported out of poverty. Central to this approach is the development of a network of regional growth zones, including Central Bristol & Bath, the West Innovation Arc, the Somer Valley, the Severn Estuary and the North Somerset Growth Gateway, each designed to unlock targeted investment, jobs and homes while supporting wider regional integration.

For Bath & North East Somerset, the Growth Strategy reinforces the role of Business & Skills activity in driving inclusive growth. It places strong emphasis on workforce development, progression into high-quality jobs, and clearer pathways from education into employment, particularly in growth sectors and the foundational economy. The strategy also recognises the importance of addressing barriers to labour market participation, including transport, childcare, housing affordability and digital exclusion, which directly affect local employers' ability to recruit and retain staff. This aligns closely with local priorities around good work, productivity, essential skills and employer engagement.

In 2026/27, delivery of the Growth Strategy will be driven through targeted investment mechanisms, including a regional investment prospectus, place-based funding, and sector-led growth activity. Action will focus on accelerating infrastructure delivery, unlocking stalled housing and employment sites, supporting businesses to scale, and aligning skills provision with both current employer need and future labour market demand. Alongside this, the strategy embeds a strong commitment to green growth, ensuring that investment in clean energy, decarbonisation, nature recovery and climate-resilient infrastructure supports both productivity and long-term sustainability.

Overall, the West of England Growth Strategy provides a coherent framework through which local authorities, businesses, education providers and partners can coordinate action, attract investment and deliver growth that is inclusive, resilient and sustainable. For B&NES, it strengthens the case for aligning business support, skills delivery and employer engagement with regional priorities, ensuring that economic growth supports better outcomes for residents, communities and the local economy both now and over the long term.

West of England Child Poverty Action Plan

Child poverty is not only a social issue; it is a structural economic challenge that directly affects labour supply, skills development, productivity and long-term growth. Across the West of England, 67,550 children (27%) are living in poverty, including in otherwise prosperous areas such as Bath & North East Somerset, where high housing, childcare and transport costs intensify disadvantage and often conceal it. Evidence shows that children growing up in poverty are more likely to experience poorer health outcomes, lower educational attainment and weaker attachment to the labour market later in life. For employers and local economies, this results in skills shortages, recruitment difficulties, reduced workforce participation and lower productivity. Tackling child poverty is therefore central to delivering inclusive growth and securing the future workforce on which businesses depend.

The West of England Child Poverty Action Plan provides a region-wide framework to address these challenges, using the Combined Authority's powers and convening role. Closely aligned with the West of England Growth Strategy, the plan places children and families at the centre of economic decision-making, recognising that sustainable growth must benefit all communities. Delivery is structured around four priorities: reducing the cost of living for families; supporting children to grow, learn and thrive; connecting young people and families to opportunity and services; and pioneering new approaches through partnership and devolution. These priorities are underpinned by the region's core economic levers of employment and skills, transport, housing and economic development.

For Bath & North East Somerset, the Action Plan reinforces the strategic importance of the Business & Skills agenda in tackling poverty through good work, progression and access to opportunity. Supporting parents and young people into secure, good-quality employment remains one of the most effective routes out of poverty. The plan strengthens the focus on flexible and local skills pathways, Youth Guarantee provision for young people facing multiple barriers, and deeper employer engagement to improve inclusive recruitment, retention and progression. This aligns directly with local priorities around good work, essential skills and employer-led workforce development.

The plan also recognises the critical role of the foundational and everyday economy

B&NES Food Strategy

In 2026/27, delivery of the Bath & North East Somerset Food Strategy will focus on improving access to affordable, healthy food while strengthening the resilience of the local food system. Activity will prioritise better coordination across the Council, community organisations, businesses and growers, recognising that food outcomes are closely linked to income, health, skills, planning and transport. Work will focus on reducing reliance on crisis food provision by strengthening sustainable models such as food clubs, pantries and community kitchens, alongside improved links to income maximisation, wellbeing and employment support. This approach will help address the impacts of cost-of-living pressures while supporting long-term food security across both urban and rural communities.

Alongside access, delivery in 2026/27 will support a stronger local food economy and healthier food environments. This includes strengthening links between children, schools, early years settings and local food initiatives to build food knowledge, cooking and growing skills, while supporting local growers and food businesses to connect with local markets and consumers. Food will be embedded more consistently within planning, procurement and economic development activity, including protecting and expanding food growing space, supporting ethical and sustainable sourcing, and reducing food waste and environmental impacts. Through this focused, place-based approach, the Food Strategy will contribute to healthier communities, resilient local businesses and inclusive growth across Bath & North East Somerset.

WorkWell B&NES

The WorkWell Service is a new, prevention-focused work and health programme being developed across the Bath, Swindon and Wiltshire, Dorset and Somerset Integrated Care System, designed to support people to stay in work, return to work, or move into employment where health is a barrier. The initial design and delivery plan sets out a cluster-wide approach that recognises long-term sickness and mental health conditions as major drivers of economic inactivity, with significant implications for labour supply, productivity and inclusive growth.

WorkWell is built around early identification and intervention, particularly through primary care, NHS services, occupational health and local authority partners. The model aims to ensure individuals are identified at the earliest point of risk—such as repeated fit notes or diagnosis of a long-term condition—and are offered person-centred assessment and coordinated support. Rather than creating new services, WorkWell is designed to integrate with existing employment, skills and wellbeing provision, acting as a triage and navigation function that connects people to the right support at the right time. Delivery will be place-based, with strong collaboration between health services, local authorities, employers, Jobcentre Plus and the voluntary and community sector.

For B&NES, WorkWell complements the Business & Skills Plan by strengthening the link between health, employment and skills, supporting workforce retention, reducing inactivity and helping employers retain experienced staff. Through improved data sharing, employer engagement and a coordinated work and health pathway, WorkWell contributes to a more resilient local labour market and supports wider objectives on good work, productivity and inclusive economic participation

Youth Guarantee

The Government's Youth Guarantee is a major national initiative designed to ensure that every young person has a clear route into employment, education or training, with a particular focus on preventing long-term unemployment among those most at risk. Announced in late 2025 and supported by over £820 million of dedicated funding, the Guarantee aims to support young people aged 16–24 to “earn or learn”, responding to persistently high levels of youth economic

inactivity and the long-term social and economic costs associated with becoming NEET (not in education, employment or training).

The Youth Guarantee brings together and expands existing employment and skills provision through a more coordinated, place-based offer. Core elements include a Youth Guarantee Gateway for young people on Universal Credit, providing a dedicated work-focused session and a period of intensive support with a Work Coach; a significant expansion of Youth Hubs to over 360 locations across Great Britain, offering accessible, community-based advice and wrap-around support; and the creation of around 300,000 additional opportunities for work experience, employer-designed training and Sector-based Work Academy Programmes, each leading to a guaranteed job interview.

A key “backstop” of the policy is the Jobs Guarantee, which commits to offering six months of paid employment to long-term unemployed 18–21-year-olds who have been on Universal Credit and not earning or learning for 18 months, helping them gain work history and transition into sustained employment. Alongside this, the programme includes enhanced support for apprenticeships, with full funding for eligible 16–24-year-olds in England, and a stated emphasis on partnership delivery with local authorities, employers, skills providers and the voluntary sector

Future Talent Pathways and Work Trials

B&NES Council has progressed the development of **Future Talent Pathways**, a new employment and early careers pipeline designed to improve outcomes for care leavers and young people who are not in education, employment or training (NEET), while also addressing internal workforce shortages within the Council. The programme focuses on creating clear, supported routes into hard-to-recruit roles such as planning, digital, finance and project management, combining paid pre-apprenticeship activity, targeted apprenticeships and wraparound, trauma-informed support for both young people and managers. The approach aligns corporate parenting responsibilities with workforce planning, aiming to improve long-term retention and reduce reliance on agency and consultancy spend.

Alongside this strategic work, a **‘Try a Work Trial’** model was developed and launched as a low-pressure entry point for young people aged 16–21. These short, informal work trials allow participants to try out different roles across council services, build confidence, gain a positive experience for their CV, and explore next steps without the commitment or expectations of traditional work experience. Participants receive practical support such as travel costs and lunch vouchers, and are accompanied by a trusted worker to ensure the experience is accessible and supportive. Together, these initiatives strengthen B&NES’s inclusive employment offer, providing flexible gateways into skills, training and employment while supporting young residents to move closer to sustained work and learning.

Youth employment remains a central focus, with evidence showing that young people continue to experience disproportionately higher barriers when transitioning into sustainable work. Issues around confidence, resilience and mental health, contribute to uneven engagement with training and employment. This highlights the need for tailored interventions that meet young people where they are—particularly through trusted community spaces and youth-led support models.

MPSF NEET Prevention Project

The B&NES Pre-19 Mayoral Skills Priority Fund (MSPF) project is a two-year, WECA-funded programme focused on preventing young people from becoming NEET, and supporting positive, sustained post-16 transitions. Running from autumn 2025 to summer 2027, the project targets young people aged 13–19 (up to 25 for those with SEND) who are identified as being at risk of NEET, alongside a smaller cohort of young people aged 16+ who are already NEET. The programme directly supports the Council's statutory participation duties, Youth Guarantee ambitions and wider Business and Skills Plan priorities around early intervention, inclusion and employer engagement.

The programme takes a preventative, early-help approach, working closely with schools, alternative provision, families and partners to identify young people with recognised risk of NEET indicators such as persistent absence, SEND, care experience, mental health needs or disadvantage. Dedicated officers provide coordinated support, careers guidance and confidence building, alongside access to functional skills in English and maths, mentoring, and tailored employer engagement opportunities. For the most vulnerable learners in alternative provision, the project supports structured transition planning into post-16 education, training or employment, with continued support during the critical early months of transition to improve sustainability.

Delivery is led by the Business and Skills team in partnership with commissioned youth support and careers providers, ensuring strong alignment with existing targeted youth support, education and employment interventions. Over the life of the programme, the project will support hundreds of young people across pre-16 and post-16 cohorts, with clear output targets covering one-to-one coaching, careers guidance, barrier removal support, employer engagement and progression into learning or work. Success will be measured not just by initial progression, but by sustained destinations, increased resilience, improved employability skills and stronger connections with local employers.

5. Economic Strategy Working Groups

The Economic Strategy Working Groups bring together partners from across the Council, anchor institutions, education and skills providers, employers, and the voluntary and community sector to turn the Economic Strategy into practical, coordinated action. Organised around the strategy's pillars, each group provides a focused space to share insight and evidence, identify gaps and opportunities, and agree priorities that can be progressed through existing programmes and partner activity.

A new economy for B&NES						
Bath with North East Somerset: Ambitious Together for a Fair, Green, Creative and Connected City Region						
Pillar	 Greener Economy	 Good Work	 Resilient Businesses	 Creativity & Innovation	 Housing Affordability	 Stronger Places
Objective	Delivering net zero & nature positive and enhancing our natural assets	Supporting residents to access and thrive in good work	Building a diverse, creative and sustainable business base	Establishing B&NES as a centre for scientific and health academic excellence, inclusive innovation and creativity	Ensuring residents have access to affordable and high quality housing	Enabling all people and places to share in prosperity
Priorities that unlock infrastructure, innovation and opportunity	- Build local energy generation capacity and demand for energy saving measures - Support businesses to deliver net zero and nature positive in B&NES - Create opportunities for residents to train and upskill for future green economy jobs - Develop B&NES to be a broad green economy	- Champion good work practices - Increase inclusive pathways into work - Develop an inclusive lifelong learning offer - Facilitate businesses to access the skills they need	- Invest in the infrastructure businesses need - Nurture emerging sectors and specialisms, including culture & creative - Promote alternative business models and community led action - Support local businesses to stay and scale in B&NES	- Maximise local benefits of B&NES leading innovation assets - Promote B&NES as an innovation testbed - Ensure all sectors and business are supported to innovate - Create spaces for creativity to thrive across B&NES	- Develop housing offer that is accessible and attractive to all - Work with partners to unlock affordable housing - Deliver high quality and sustainable housing fit for future generations	- Promote place based strengths to drive economic growth in urban centres and rural areas - Support local food supply chains and food security - Improve & invest in sustainable connectivity within B&NES and to the subregion - Drive a sustainable and innovative visitor economy
Outcomes	Net zero and nature positive B&NES by 2030	Increased economic activity in residents as a proportion of the total population	Improved access to employment industrial/office/retail space across B&NES to meet demand	Increased prosperity for all, measured through Gross Disposable Household Income and healthy life expectancy	Better housing affordability, measured through housing costs as a proportion of income	Improvements in index of multiple deprivation at neighbourhood level, and raised wage levels
Delivered in partnership with Bath & North East Somerset Council Anchor Institutions Voluntary and Community Sector Businesses Communities Regional and National Partners						

The groups are designed to add value by connecting work already underway, strengthening alignment between initiatives, and reducing duplication in a constrained funding environment. They act primarily as convening and enabling forums supporting partners to test ideas, coordinate communication and referral routes, and build a clearer story of impact. The updates below summarise key activity, learning and priorities from each pillar working group over 2025/26.

Good Work Pillar Working Group

Over the past year, the Good Work Pillar has moved from initial definition and framing towards more practical, collaborative action. The group has established a shared understanding of what “Good Work” means in the B&NES context, rooted in values of connection, agency and relevance for individuals, alongside a clear business case for employers.

There is strong alignment with the wider Economic Strategy and Business and Skills Plan, particularly in relation to inclusive growth, workforce participation and supporting those furthest from the labour market. The Pillar has consistently emphasised that good work is not a separate or additional agenda, but a way of enhancing existing employment, skills and business support systems.

A critical feature of progress has been the theme of the connecting, and ensuring that we are not duplicating, and in doing so ensuring we can extract value for money in what is currently a challenging landscape for funding. The group has focused on aligning with key delivery programme programmes such as Achieve in B&NES, Youth Trailblazer, Skills Connect (including Future Bright), helping to create a more coherent offer to both employers and residents. This has strengthened cross-sector relationships across local government, anchor institutions, education providers, employers and the VCSE sector.

Key highlights from activity and discussion during 2025/26 include:

- **A shared framing of Good Work** agreed across partners, emphasising purpose, fair and flexible employment, inclusion, wellbeing and progression.
- **Recognition of the VCSE sector** as a significant contributor to the local economy and to good work outcomes, particularly for people facing multiple barriers.
- **Improved visibility and storytelling**, including the establishment of a Good Work LinkedIn presence aligned with Achieve in B&NES.
- **Deepened understanding of youth transitions and NEET challenges**, including the importance of preparation, pastoral support and clarity of expectations in work placements.
- **Employer insight into practical barriers**, including resource constraints, onboarding challenges, mental health support, disability confidence and navigating complex systems.
- **Additional coordination capacity** provided through Farleigh Performance, supporting momentum, storytelling and movement from ideas into delivery.

Over the next year, Good Work activity will focus on **visibility, connection and practical experimentation**. The Pillar will continue to act as a convening and enabling space rather than a delivery body, supporting partners to test ideas, share learning and align effort.

Key areas of activity will include:

- Continue to develop compelling Good Work stories that demonstrate benefits for people and employers.
- Strengthen alignment across existing employment and skills programmes.
- Improving employer understanding of available support and reducing perceived risk.
- Testing small-scale, sector-specific approaches that can be adapted and scaled where effective.
- Develop a 90-day action plan focused on quick wins and learning

Resilient Business Pillar Working Group

In 2025/26, to ensure that the work of the Resilient Business Pillar is grounded in real business need, a survey was undertaken to gather direct insight from businesses across Bath & North East Somerset.

The survey received 118 responses, with the majority (73%) coming from established businesses and around 90% based within B&NES. This provides a strong and locally relevant evidence base, with representation across a range of sectors.

The purpose of the survey was to:

- Understand the key challenges businesses are currently facing in relation to joining, staying, growing sustainably and thriving in B&NES.
- Identify barriers to resilience and growth
- Capture business sentiment and confidence
- Highlight where targeted support and intervention could have the greatest impact
- Inform the prioritisation of activity within the Resilient Business Pillar, ensuring that actions are evidence-led and aligned to the needs of the local business community.

The survey responses highlight a number of clear and consistent themes emerging from business feedback. Overall, many businesses are operating in what was described as the “fragile middle” — remaining viable but primarily focused on managing day-to-day challenges rather than planning for longer-term resilience.

- Financial sustainability pressures are dominating
- Demand sensitivity is increasing
- Policy and operating environment pressures are growing
- AI presents a transition opportunity

What This Means for Business Resilience

The findings indicate an immediate need to support businesses to remain resilient in the short term, while also building capability for future growth. In particular:

- Businesses require practical support to manage financial pressures & maintain viability
- There is a need to respond to demand challenges and support market adaptation
- Clear communication and coordination of existing support is essential
- There is a strong opportunity to support businesses to adopt AI and improve productivity

These findings were reviewed by the Business Resilience Group and used to identify and prioritise potential interventions.

Using a Resilience Matrix (impact vs ease of delivery), the group focused on actions that:

- Respond directly to evidenced business needs
- Can be delivered within local influence and available resource
- Offer practical, short- to medium-term impact

The top 3 actions from the discussion that are low effort and high impact were identified as:

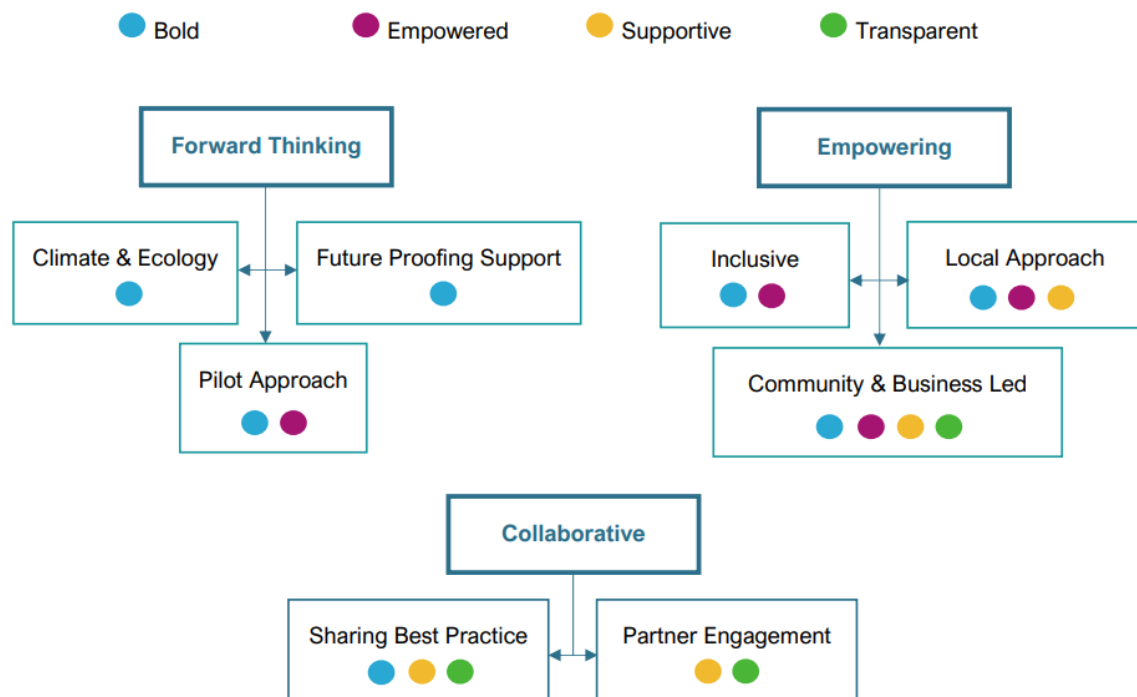
- Promotion of networks and support facilities
- AI hub and AI workshop delivery
- Business finance support & training/resource pack

Moving into 2026/27, The Group will focus on progressing a small number of high-impact, deliverable actions:

- Short-term (next 9 months):
 - Share findings across the area
 - Improve promotion of existing business support, networks and events
 - Deliver practical finance-focused workshops (cashflow, cost management, funding options)
 - Support rollout of AI Skills Hub activity and local AI training
 - Raise awareness of place-based challenges identified with the FAB (transport, footfall, access)
- Medium-term:
 - Explore opportunities for more effective, facilitated networking to drive meaningful collaboration
 - Develop targeted support to help businesses respond to demand challenges (e.g. sales, market diversification, e-commerce)
- Ongoing:
 - Continue to use the Resilience Matrix to prioritise actions

6. Delivery Principles – Case Studies

In the Business and Skills Plan we set out a number of delivery principles aligned with B&NES Corporate Values. We did this too ensure that we deliver successful projects that meet the requirements of our residents, business and the economy overall. These principles are as per below.



We have provided case studies to showcase how we have delivered against each of these principles and the corporate values over the past year.

Forward Thinking Case Study - Digital

Enhancing Mobile Capacity in Bath Through Small Cell Deployment

Corporate Values showcased – ● Empowered ● Bold

O2 and Ontix have partnered with Bath & North East Somerset Council to deploy small cells across some of the busiest parts of Bath's city centre and popular shopping areas. As the 11th most visited UK destination for inbound tourists, the city often sees mobile network capacity stretched during peak periods. The new small cells provide a targeted boost to 5G capacity, delivering an improved experience for O2 customers year-round.

Small cells offer a discreet way to strengthen mobile connectivity in dense urban areas and can be integrated into existing street furniture—such as lamp posts—allowing them to blend into Bath's historic environment. The first sites are now live, with further installations continuing in 2026. This investment has been enabled through an Open Access Agreement between Bath & North East Somerset Council and Ontix.

The Business & Skills Team played an important role in supporting the delivery of the programme. The team negotiated a ten-year Open Access Agreement with Ontix that generates income for the Council to reinvest in future digital projects. They also secured a social value commitment which has resulted in £15,000 of O2 apprenticeship funding being allocated to Bath & North East Somerset to help create new employment opportunities. The team worked with Ontix, street lighting officers and other colleagues to identify suitable sites, clear barriers to investment and quickly resolve any issues with works or electrical connections.

In addition, the team is using network performance data to highlight other areas in Bath & North East Somerset with poor mobile coverage for consideration by major telecoms operators.

These upgrades form part of O2's wider Mobile Transformation Plan, which is investing approximately £700m this year to future-proof the mobile network. The programme focuses on expanding 4G and 5G coverage, accelerating small-cell deployment in dense urban areas, and addressing persistent coverage challenges along transport corridors, at airports, on motorways, and in major venues. The team will continue to work with Ontix for the remainder of the agreement term, pushing for further investment to improve digital and mobile connectivity.

Empowering Case Study – Skills

Rory's Story, Youth Guarantee Trailblazer

Corporate Values showcased – ● Supportive ● Empowered ● Bold ● Transparent

Rory's story is a brilliant example of how the right support at the right time can remove barriers and open doors. After meeting the **Youth Guarantee Trailblazer** team at our very first roadshow at Welton Rovers in Midsomer Norton back in January, Rory began exploring his next steps and has now successfully secured a role in housekeeping at *The Pig*.



Like many young people aged 16 to 21 who are not in education, employment or training, Rory faced a major challenge: the cost of transport. Without reliable and affordable travel, even getting to interviews can feel impossible. Through the Youth Guarantee Trailblazer offer, Rory was able to access a **free bus pass**, instantly removing the financial barrier that had been holding him back. With travel no longer a worry, he could confidently apply for roles and attend interviews.

With determination and the right support behind him Rory secured his new job and is thriving in his role. He shared how grateful he is for the free travel assistance and encourages other young people in similar situations to reach out for support.

Rory says he would “highly recommend that anyone aged 16 to 21 who isn’t in education, employment or training signs up for support with Youth Guarantee Trailblazer,” highlighting just how impactful the programme has been for him.

A huge well done to Rory for taking positive steps toward his future and making the most of the support available. His journey shows what’s possible when young people are empowered with the tools they need to succeed.

Collaborative Case Study - Business

Somer Valley Home Support

Corporate Values showcased – ● Supportive ● Empowered ● Bold

John and his wife Nathalie have always shared a deep passion for helping others. Their journey into the world of home support services began with a simple but powerful idea: to offer reliable, compassionate assistance for people who needed help with everyday tasks like gardening, shopping, prescription collection, and general home support.

But they didn't want to create just any home support service. They envisioned a service built on continuity, trust, and companionship, where clients didn't just receive a service—they felt truly supported. However, as with any new business, their dream came with its own set of challenges. With no prior experience in marketing or business development, they struggled to establish an online presence and reach potential clients, particularly in rural areas. Defining their brand and creating the right marketing materials felt daunting.

Determined to overcome these obstacles, John and Nathalie turned to Cool Ventures and their fully funded Bath & North East Somerset Business Support Service. The support was exactly what they needed to take their idea and turn it into a reality. They received invaluable one-to-one business coaching from Cool Ventures' outreach business advisor, Rachel Sweet, and attended practical workshops designed to develop key business skills.

Together, they worked on creating a marketing plan, built their brand identity, and designed eye-catching business cards and leaflets. They also set up a Facebook business page to extend their reach beyond the local community and into the online world.

With the support from Cool Ventures, John and Nathalie began to see tangible results. They established a clear business identity and started marketing their services within the local community. Slowly but surely, their vision for Somer Valley Home Support began to take shape.

While Nathalie focuses on hands-on care and building meaningful relationships with clients, John not only provides care but also manages the administrative and marketing side of the business. Their complementary roles ensure that clients receive the personal, high-quality service they strive to deliver.