

Meeting:	Hampshire Prosperity Partnership Board
Date:	14 September 2026
Title:	AI Growth Alliance (AIGA) – Request for Seed Funding to Support Regional AI Ecosystem Development and Investment Readiness
Appendices	N/A
Report From:	Economy and Skills
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1. Purpose

1.1

The purpose of this report is to present an opportunity for consideration by HPPB to support the continued development of the Artificial Intelligence Growth Alliance (AIGA) as a strategic partnership supporting responsible AI adoption, innovation, skills development, productivity improvement and investment attraction across Hampshire and the Solent.

1.2

HPPB is asked to consider recommending a contribution of up to **£37,500 from the revenue LEP legacy reserves**, comprising:

- £12,500 during the second half of 2026/27; and
- £25,000 during 2027/28.

Funding would be paid in **three six-month tranches**, subject to satisfactory delivery against agreed milestones. The funding would also be **conditional on securing at least an equivalent level of cash match funding** from one or more other partners.

1.3

The proposed contribution would provide time-limited seed funding to support delivery of an 18-month programme focused on:

- AI adoption and business productivity;

- skills development and workforce readiness;
 - regional collaboration and partnership development;
 - investment attraction and external funding;
 - development of Hampshire and the Solent's AI ecosystem.
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2. Background

2.1

The UK Government continues to place increasing emphasis on Artificial Intelligence as a key driver of economic growth, public service transformation, productivity improvement and international competitiveness.

2.2

Artificial intelligence is expected to affect every sector of the economy and has been identified nationally as a key enabling technology supporting growth in advanced manufacturing, defence and security, health and life sciences, professional services, creative industries, logistics, transport and education.

2.3

Hampshire and the Solent possesses significant assets capable of supporting AI-led growth, including:

- Four universities;
- A nationally significant technology sector;
- International strengths in maritime, marine autonomy, aerospace and defence;
- Solent Freeport;
- World-leading research capability;
- A growing network of digital, innovation and business support organisations.

2.4

The Artificial Intelligence Growth Alliance (AIGA) was established in response to the opportunity to better connect existing regional strengths and create a collaborative platform capable of accelerating AI adoption, attracting investment and supporting workforce development.

2.5

Since its launch, AIGA has developed through voluntary contributions and in-kind support from partners including businesses, universities, colleges, innovation organisations, public sector bodies and professional networks.

2.6

At the previous HPPB meeting, 13.07.26, David Patterson, Chair of AIGA, outlined the ambition to establish Hampshire and the Solent as a leading regional centre for responsible AI adoption, skills development and innovation.

2.7

While significant progress has been achieved through voluntary collaboration, partners have recognised that dedicated resource is now required to coordinate delivery, secure investment and move the Alliance towards a sustainable operating model.

3. Strategic Alignment

3.1

The proposal aligns strongly with existing HPPB priorities relating to:

- Economic growth and productivity;
- Innovation and technology adoption;
- Business competitiveness;
- Skills and workforce development;
- Inward investment and external funding attraction;
- Collaboration across public, private and education sectors.

3.2

The proposal also supports the development of the emerging Hampshire and Solent Combined Authority economy and skills agenda, particularly in relation to innovation-led growth and future workforce development.

3.3

Without strategic coordination there is a risk that opportunities arising from AI investment, national funding programmes and regional innovation initiatives remain fragmented, reducing the ability of Hampshire and the Solent to compete effectively against other UK regions.

4. Working in Partnership

4.1

AIGA operates as a collaborative partnership rather than a standalone delivery organisation.

4.2

Current partners include:

- Universities and higher education institutions;
- Further education and skills providers;
- Hampshire County Council and other local authorities;
- Solent Freeport;

- Business representative organisations;
- Technology companies and employers;
- Innovation and research organisations;
- Hampshire AI, Tech Solent, Spectrum IT
- Farnborough International;
- Future Towns Innovation Hub;
- Professional services organisations and investors.

4.3

The proposal therefore supports a wider regional ecosystem that aims to benefit businesses, learners, public sector organisations and communities across Hampshire and the Solent rather than a single organisation.

5. Proposed Funding Package

5.1

The proposed funding contribution from the revenue LEP legacy reserves is:

Financial Year	Contribution
2026/27 (Oct 2026 to Mar 2027)	£12,500
2027/28	£25,000
Total	£37,500

5.2

Funding would be released in three six-month tranches subject to:

- delivery of agreed milestones;
- satisfactory progress reporting;
- confirmation of match funding commitments.

5.3

AIGA would be required to secure at least an equivalent level of cash match funding from partner organisations.

Potential contributors could include:

- Universities;
- Business representative organisations;
- Innovation organisations;

- Industry partners;
 - Philanthropic or social investors;
 - Solent Freeport and sector partners.
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6. How the Funding Will Be Used

6.1

The funding is intended to support delivery capacity rather than ongoing organisational overheads.

6.2

Subject to securing the required match funding, resources would be allocated across:

Programme Coordination and Management

- Dedicated programme coordination support.
- Partnership and stakeholder management.
- Governance and reporting.
- Working group facilitation.
- Provision of flexible office accommodation and meeting facilities within Portsmouth Innovation Centre to support programme delivery, partnership engagement and coordination activities.
- Student internship, placement and graduate support resources to assist the Chair and programme team with research, communications, event administration, stakeholder engagement and project development.
- Associated IT equipment, laptops, software licences and digital productivity tools required to enable delivery staff and student support resources to undertake programme activities effectively.

Business Development and Investment

- Development of collaborative funding bids.
- Consortium building.
- Investor engagement.
- Preparation of business cases and investment propositions.

Skills and Adoption Activity

- Employer engagement programmes.
- AI awareness and adoption events.
- Skills pathway development.
- Sharing good practice

Platform and Communications

- Development of the AIGA digital collaboration platform.
- Communications and marketing, including further development of AIGA website
- Member engagement activity.
- Case studies and dissemination.

Partnership Development and Sector Representation

- Membership of relevant regional and national industry networks and representative bodies.
- Subject to the establishment of an appropriate legal entity and eligibility criteria being met, membership of **TechUK** to strengthen links with national AI, digital and technology industry stakeholders.
- Participation in strategic industry forums, conferences and networking activities that support investment attraction, knowledge exchange and partnership development.
- Promotion of Hampshire and the Solent's AI ecosystem through regional, national and international engagement activities.

Evidence and Intelligence

- Ecosystem mapping.
- AI opportunity assessments.
- Benchmarking against other regions.
- Monitoring and evaluation.

6.3

Should sufficient funding be secured, AIGA intends to appoint part-time dedicated programme capacity or commission specialist support to coordinate delivery and maximise leverage of external investment opportunities.

6.4

In order to maximise programme impact and partner engagement, funding may also contribute towards the provision of flexible workspace, digital infrastructure, student support capacity, specialist software licences and membership of relevant industry networks. These costs will be proportionate, directly attributable to programme delivery and subject to the overall funding conditions and match funding requirements.

7. Proposed Outputs and Deliverables (October 2026 to March 2028)

7.1

The following outputs are proposed during the initial 18-month programme period.

Output	Target
Partner organisations actively engaged	50+

Founder and strategic partner agreements secured	15
AI awareness and adoption events delivered	12
Businesses engaged through events and programmes	250+
Public sector organisations engaged	20+
Skills and workforce development initiatives supported	6
Collaborative funding bids developed	10
External funding opportunities identified and circulated	25+
Investment propositions developed	5
AI toolkits, guidance notes and practical resources produced	8
Regional AI ecosystem intelligence reports produced	3
Case studies showcasing AI adoption and impact	12
Digital collaboration platform established and operational	1
Strategic roundtables and leadership forums delivered	6

7.2

In addition to the outputs above, AIGA will seek to establish a sustainable partnership model capable of operating beyond the initial funding period through a combination of sponsorship, project contribution and external funding.

8. Anticipated Outcomes

Economic Growth

- Increased AI adoption by businesses.
- Improved productivity and competitiveness.
- Greater innovation across priority sectors.
- Increased business collaboration.

Skills Development

- Better alignment between employers and providers.
- Stronger understanding of future workforce needs.
- Increased awareness of AI-related skills pathways.

Investment Attraction

- Improved readiness for national AI and innovation funding opportunities.
- Enhanced regional investment proposition.
- Leveraged external funding into Hampshire and the Solent.

Ecosystem Development

- Improved connectivity between businesses, education providers and public bodies.
- Reduced fragmentation across the regional AI landscape.
- Stronger regional and national profile for Hampshire and the Solent.

9. Risks and Mitigations

Risk	Mitigation
Match funding not secured	HPPB contributions released only when agreed funding conditions have been met.
Duplication with existing networks	Strong alignment with HPPB priorities and collaboration with existing business support organisations.
Insufficient delivery capacity	Funding used to establish dedicated programme coordination support.
Failure to secure external investment	Focus on consortium development, bid preparation and investment readiness activity.
Long-term sustainability	Development of membership, sponsorship and project-based income streams.

10. Why £37,500?

10.1

The recommended contribution reflects:

- The strategic importance of AI to future economic growth and productivity.
- The need to move AIGA from a voluntary alliance towards a delivery-focused partnership.
- The opportunity to leverage significant additional partner investment.
- The relatively modest level of public investment required to support ecosystem coordination.
- Supporting the modest infrastructure, industry engagement and coordination capacity necessary to enable AIGA to operate as an effective regional partnership and secure future external investment.

10.2

The funding is intended as catalyst investment designed to unlock wider public and private sector contributions and position Hampshire and the Solent to secure significantly greater levels of external funding and investment over time.

11. Next Steps

11.1

The Hampshire Prosperity Partnership Board is asked to:

1. Note the progress made by the Artificial Intelligence Growth Alliance in establishing a collaborative regional AI ecosystem.
 2. Consider recommending a contribution of up to **£37,500 from the revenue LEP legacy reserves**, comprising £12,500 in 2026/27 and £25,000 in 2027/28.
 3. Agree that the funding should be conditional upon AIGA securing at least an equivalent level of cash match funding from external partners.
 4. Require six-monthly progress reports demonstrating delivery against agreed outputs, outcomes and milestones prior to release of each funding tranche.
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