



Hampshire Prosperity Partnership Board

24 March 2025

Agenda Item 9 – HPPB and Economy and Skills – Overview of 2024/25

The Hampshire Prosperity Partnership Board (HPPB) is asked to:

NOTE the work undertaken during 2024/25 to establish the Hampshire Prosperity Partnership and deliver programmes of activity relating to economic development and skills.

NOTE the 2024/25 year-end position for the Local Enterprise Partnership (LEP) legacy reserves.

1. Summary

1.1. This paper provides an overview of:

- Work undertaken during 2024/25 as a result of the transfer of responsibility for LEP functions to Hampshire County Council. This includes the establishment of the Hampshire Prosperity Partnership Board (HPPB) and associated partnership structures, and the formation of a single Economy and Skills team.
- The wide range of programmes, projects and other activity delivered by the Economy and Skills team (and its predecessor teams) during 2024/25.
- The 2024/25 year-end position in respect of LEP legacy reserves i.e. the financial assets transferred to Hampshire County Council as a result of the transfer of responsibility for LEP functions. As at 31 March 2025, the available balance stood at £25.9m, of which £22.3m was capital funding and £3.6m was revenue funding.

2. Transfer of responsibility for LEP functions and establishment of the Hampshire Prosperity Partnership

2.1. On 1 April 2024, as a result of a change in Government policy, responsibility for LEP functions transferred to upper tier local authorities. Upper tier local authorities were expected by Government to create or continue to engage

with an economic growth board, and to publish a new, updated or existing economic strategy.

- 2.2. For Hampshire, an open recruitment exercise was conducted to appoint members of a new Hampshire Prosperity Partnership Board (HPPB), which held its first meeting on 11 June 2024. The role of the Hampshire Prosperity Partnership and the Board is to work collectively across sectors and geography to the benefit of the regional economy.
- 2.3. The membership of HPPB, which has a majority of members drawn from the Hampshire business community, and also includes members from local government, higher education and further education, is listed here: [Board members | Business and economy | Hampshire County Council](#)
- 2.4. In addition to HPPB, a number of other groups now play key roles in ensuring that Hampshire has the right structure to enable partners to work together to drive economic growth. These include the following:
 - The Joint Leaders Board (JLB), which brings together the Leaders of Hampshire's 11 Districts and of the County Council, to ensure that the Districts are fully involved in the Hampshire Prosperity Partnership. JLB is chaired by the Leader of Test Valley Borough Council. HPPB papers are shared in advance of HPPB meetings with JLB members, who are encouraged to feed in their views.
 - The Hampshire Skills Partnership, which enables collaborative working across Hampshire's skills system, and advises HPPB on skills and employment issues. The membership is listed here: [Hampshire Skills Partnership | Business and economy | Hampshire County Council](#)
 - We are currently in the process of establishing a group that will engage a much wider cross-section of businesses in the work of the Hampshire Prosperity Partnership. This will be a forum that brings together existing cluster organisations and other business groups to enable collaboration and strengthen the voice of Hampshire's business community i.e. a "super cluster".
- 2.5. As a result of the transfer of responsibility for LEP functions to Hampshire County Council, a team of staff employed by Hampshire County Council (as Accountable Body) on behalf of Enterprise M3 (EM3) LEP transferred into the Hampshire 2050 Directorate on 1 April 2024. During the first half of 2024/25, this team continued to deliver former LEP programmes such as the Growth Hub and the Careers Hub. During summer 2024, a formal restructure process was carried out to integrate the former EM3 team with Hampshire County Council's Economic Development and Skills and Employment teams. As a result, the three teams were replaced by a single Economy and Skills team, which came into effect on 7 October 2024. Also, a small number of staff transferred from Portsmouth City Council, when Hampshire County Council

became responsible for delivering the Careers Hub programme across the southern part of the County.

3. Economy and Skills – delivery during 2024/25

3.1. Key delivery by the Economy and Skills team (and its predecessors) during 2024/25 includes the following:

- a) Development and publication of an updated *Economic Strategy for Hampshire – Committing to Prosperity 2025-2027*: [Economic-Strategy-For-Hampshire-2025-27-FINAL.pdf](#)
- b) Development and publication of evidence papers underpinning the updated economic strategy, production of regular intelligence reports on the Hampshire economy and labour market, and delivery of evidence and analysis products for a range of external stakeholders on a commercial basis.
- c) Delivery of the Hampshire Growth Hub business support service, funded by the Department for Business and Trade. During 2024/25, the Hampshire Growth Hub had interactions with over 1,500 businesses, including signposting and referrals, webinars, workshops, business clinics, and advice and support for individual businesses: [Hampshire Growth Hub | Business and economy | Hampshire County Council](#).
- d) Hampshire County Council is also the coordinator for a wider South Central cluster that promotes collaboration between Growth Hubs, together with the Berkshire, Solent, West Sussex, and Brighton & Hove Growth Hubs.
- e) Establishment of the South Central Regional Defence and Security Cluster, which had its official launch in November 2024. The cluster has 350 members, and a new website and events programme for 2025: [South Central Regional Defence and Security Cluster | Business and economy | Hampshire County Council](#).
- f) Working with the Department for Business and Trade to support business investment in Hampshire, including significant expansions by CooperVision and Saab.
- g) Partnering with the Business Magazine to support the Hampshire Business Awards 2024: [Hampshire Business Awards 2024 - The Business Magazine](#).
- h) Working with Hampshire and Surrey Chambers of Commerce to support the implementation of the Local Skills Improvement Plans, and with colleges to support the delivery of Local Skills Improvement Fund projects, improving the effectiveness of Hampshire's skills system at meeting employers' needs.
- i) Delivering Skills Bootcamps to over 1,000 learners, to enable them to gain employment or progress in their careers, and enable employers to meet key skills needs. During 2024/25 we engaged with over 130 employers, across 19

different Skills Bootcamps programmes. The Department for Education have confirmed in written feedback that Hampshire's performance is consistently in the top 5 of 34 local areas, and described the performance of the team as "stellar". See [Skills Bootcamps | Business and economy | Hampshire County Council](#).

- j) In partnership with the Construction Industry Training Board, delivering Construct Your Future, a mentoring programme to support new entrants to remain employed in the construction sector.
- k) Supporting 254 apprenticeship starts through Apprenticeship Levy Transfers from the Hampshire County Council levy account.
- l) In partnership with Winchester City Council, delivering a retrofit skills project, raising residents' and businesses' awareness of the retrofit agenda and providing retrofit training.
- m) Delivering the Hampshire Careers Hub service, funded by the Careers and Enterprise Company, to support schools and colleges to improve the effectiveness of their careers provision. In addition to one-to-one support to school and college staff and employer volunteers, the Hampshire Careers Hub supported the delivery of over 30 skills and careers fairs and two work experience conferences, sourced 946 work experience opportunities, and enabled over 17,000 students to participate in provider access events: [Hampshire Careers Hub | Business and economy | Hampshire County Council](#).

4. LEP legacy reserves – 2024/25 year-end position

- 4.1. As part of the transfer of responsibility for LEP functions to upper tier local authorities, financial assets held on behalf of the LEPs were transferred to those authorities. In the case of Hampshire, this involved agreeing how EM3 LEP assets would be shared out between Hampshire and Surrey County Councils, and how Solent LEP assets would be shared out between Hampshire County Council and the Solent unitary authorities.
- 4.2. Hampshire County Councils' principles and governance process for decisions relating to the use of these LEP legacy reserves were agreed at an Executive Member Decision Day in December. See: [Hampshire Prosperity Partnership Board-2024-12-05-EMH2050 Decision Day](#). This confirmed that the LEP legacy reserves are to be utilised for the County Council to discharge its Economic Development functions. It also set out the role of the Hampshire Prosperity Partnership Board in making recommendations relating to the use of the LEP legacy reserves, for consideration by the formal decision-maker.
- 4.3. The table below sets out:
 - The starting position in respect of LEP legacy funds at the beginning of 2024/25, including amounts transferred to Surrey County Council and

received from Portsmouth City Council (as the Accountable Body for Solent LEP).

- Expenditure and income during 2024/25. The operational costs relate to the transitional period during which the former EM3 LEP team was employed by Hampshire County Council, prior to the restructure referred to in paragraph 10 above. The income derives primarily from repayment of loans and realisation of other investments made by EM3 LEP as part of its capital programme, and Business Rates Income Growth from the Enterprise Zone scheme.
- The year-end position. Of the year-end total of £31.7m, £5.8m is ringfenced, either for transfer to Surrey County Council, or for outstanding commitments relating to the EM3 LEP capital programme. This results in an available balance of £25.9m, of which £3.6m is revenue and £22.3m is capital.

	£m
LEP legacy funds - starting position and transfers	
Ex EM3 LEP funds - starting position at 01/04/24	23.26
Ex EM3 LEP funds transferred to Surrey County Council	-8.52
Ex Solent LEP funds received from Portsmouth City Council	14.86
Expenditure in 2024/25	
Operational costs associated with the ex EM3 LEP team	-0.62
Grant payments to EM3 LEP capital projects	-1.01
Income in 2024/25	
Repayments from outstanding EM3 LEP loans	1.55
Funds received from the EM3 Funding Escalator programme	1.47
Enterprise Zone Business Rates Income Growth	0.64
Miscellaneous income	0.13
Year-end total at 31/04/25	31.75
Ringfenced for transfer to Surrey County Council during 2025/26	-3.04
Ringfenced for outstanding commitments relating to the EM3 LEP capital programme	-2.79
Available balance	25.92
	<i>Of which revenue</i> 3.62
	<i>Of which capital</i> 22.30

Note: Figures in the table do not sum exactly due to rounding.

Stephen Martin
Head of Economy and Skills