

CALL FOR PROJECTS IN HAMPSHIRE SEEKING CAPITAL FUNDING FROM THE LEP LEGACY RESERVES

QUESTIONS AND ANSWERS VERSION 3 (FINAL VERSION), 9 JANUARY 2026

Part A – Projects

Q1 – Are town centre regeneration projects within the scope of the call for projects?

As stated in the Guidance Note, projects will need to address one or more of the following priority areas:

- High potential sectors and clusters, including the Industrial Strategy “IS-8” sectors
- Business support
- Infrastructure: energy, digital, transport, and business space
- Skills, employment and careers

A town centre regeneration project would be within the scope of the call for projects only if it addressed at least one of these areas.

Q2 – Are projects that would have a wider impact than just Hampshire eligible?

Projects with a wider impact beyond Hampshire are eligible to apply. As stated in the Guidance Note, however, the benefits of the project must apply primarily within the Hampshire County Council (HCC) administrative area. Also, the benefits set out in sections 2.5 and 2.6 of the Business Case Template must be benefits in the HCC administrative area.

Q3 – Can a project based in Southampton be eligible to apply for the LEP legacy reserves funding?

As stated in the Guidance Note, the benefits of the project must apply primarily within the Hampshire County Council (HCC) administrative area. Provided that this is the case, we do not require projects, or applying organisations, to be based within the HCC administrative area.

Part B – Applicants

Q4 – Could you clarify the definition of business organisation? Is a business organisation one that represents other organisations - so potentially a trade body?

As stated in the Guidance Note, eligible applicants include business organisations representing multiple businesses and/or a business sector or cluster. This means an organisation that represents the interests of and advocates for multiple businesses. An organisation that provides services to other businesses (including accommodation, incubation and other business support) will not meet this requirement unless it also performs this representation/advocacy role.

Q5 – Some business organisations e.g. cluster organisations may not be legal entities. Are they able to apply? Or could an associated business apply on behalf of the cluster?

If a business/cluster organisation is not a legal entity, then a member of that organisation may apply, provided that they can demonstrate that they are acting on behalf of the business/cluster organisation, not on their own behalf. We would expect this to be reflected in the governance arrangements for the project, and in the beneficiaries of the project.

Q6a – We are a small local charity. Are we able to apply for funding for a renewable energy project?

Q6b – We are a small manufacturer. Are we able to apply for investment to increase our production capacity?

As stated in the Guidance Note, applicants must be one of the following:

- A local authority or other public body
- A business organisation representing multiple businesses and/or a business sector or cluster
- A university or college

Outside of the categories above, private organisations (for profit or non-profit) are not able to apply. An applicant in one of the above categories, however, may apply for a project of which multiple private organisations would be beneficiaries. Also, private organisations could be part of a collaboration, provided that the lead partner and applicant was from one of the categories listed above.

Q7– Are Independent Training Providers able to apply?

As stated in the Guidance Note, applicants must be one of the following:

- A local authority or other public body
- A business organisation representing multiple businesses and/or a business sector or cluster
- A university or college

Outside of the categories above, private organisations (for profit or non-profit) are not able to apply. An applicant in one of the above categories, however, may apply for a project of which multiple private organisations would be beneficiaries; those private organisations could include Independent Training Providers. Also, Independent Training Providers could be part of a collaboration, provided that the lead partner and applicant was from one of the categories listed above.

Q8 – Are you able to clarify whether a particular organisation would be considered to be a public body?

A public body is "a formally established organisation that is publicly funded to deliver a public or government service, though not as a ministerial department" - see [Public bodies - GOV.UK](#) We are unable to advise whether this definition applies to a particular organisation in advance of receiving an application, as further information is needed to determine this.

Q9 – Can Hampshire County Council submit applications to the call for projects, as the lead partner?

No, Hampshire County Council is not able to apply. Hampshire County Council may however be a supporting partner in an application from another organisation.

Part C – Funding

Q10 – How much of the LEP legacy reserves came from each of the two former LEPs?

Please see paragraphs 13 to 15 in the following Hampshire County Council Decision Report: [Hampshire Prosperity Partnership Board and Economy and Growth Plan-2025-06-27-EMH2050 Decision Day](#). The LEP legacy reserves will be used in such a way that they deliver benefits to the former LEP areas for which the funding was granted.

Q11 – Is there a deadline for when the money should be spent by? Also, is there a date for when the spending should start?

There are no deadlines for spending from the LEP legacy reserves as a whole to start or finish. A payment schedule against project milestones will be agreed for each project that receives funding. Please see section 4 and Schedule 2 in the template funding agreement.

Q12 – Could you clarify whether a project involving a master-planning exercise would be considered to be eligible for capital funding?

As stated in the Guidance Note, capital costs means expenditure on the acquisition, creation or enhancement of an asset that will provide your organisation with control of the resulting economic benefit or service potential and that has a measurable cost. We are unable to advise whether this definition applies to a particular project in advance of receiving an application, as further information is needed to determine this.

Q13 – Does the definition of capital costs include expenditure on digital assets?

As stated in the Guidance Note, capital costs means expenditure on the acquisition, creation or enhancement of an asset that will provide your organisation with control of the resulting economic benefit or service potential and that has a measurable cost. In principle, that could include expenditure on a digital asset, provided that it met the above definition. Note that there are specific rules relating to website costs, some of which cannot be capitalised, so these costs will need to be scrutinised for any project proposal that includes a website, to determine whether they are eligible for funding.

Q14 – Is there a minimum to the amount of funding that can be requested in an application?

As stated in the Guidance Note, there is no minimum amount of funding that can be requested per project.

Q15 – Is there a maximum to the amount of funding that can be requested in an application?

As stated in the Guidance Note, there is no maximum amount of funding that can be requested per project, apart from the overall maximum amount of LEP legacy reserves funding that is available to be allocated through this call for projects, which is £22.3 million.

Q16 – Is there a match funding requirement?

As stated in the Guidance Note, there is no minimum match funding percentage, and a project with no match funding will not be ruled out automatically. However, projects with match funding will be assessed as offering better value for money.

Q17 – Will projects that are successful in applying for funding receive any payment up front?

No. Projects that receive funding will be paid in arrears, according to a payment schedule against project milestones. Please see section 4 and Schedule 2 in the template funding agreement.

Part D – The process

Q18 – Following the announcement regarding delaying the Mayoral elections, can you confirm that the LEP legacy reserves call will still go ahead with the same timetable and funds, are you considering extending the deadline, and has anything else changed?

The call for projects is continuing on the same timescale and with the same funds available. We are not extending the deadline of 16 January 2025 for applications, and we have not made any changes to the process.

Q19a – Are there any advisors who can offer help and support in applying?

Q19b – Will Hampshire County Council provide an account manager to work with a project to help develop their application?

Hampshire County Council is not able to provide help and support in applying, or an account manager to help with the development of applications. Applicants may be able to find help and support from other sources but Hampshire County Council is unable to recommend a provider.

Q20 – Can Hampshire County Council do some 'match-making', in the case of two applications that are similar or would complement each other?

As stated in the Guidance Note, we welcome applications from partnerships of organisations working together to deliver a project. However, each application will be assessed and considered for shortlisting separately, and we will not be able to do any 'match-making' prior to that stage of the process. Following the shortlisting stage, we may suggest a dialogue between complementary applications, if appropriate.

Q21 – Will there be any further calls for projects after this one, or other opportunities to submit proposals at a later date?

No decisions have yet been made about further opportunities, after the current call for projects.

Q22 – Is there a closing date for sending in questions about the call for projects?

We will publish a final version of this Q&A document on Friday 9 January, responding to any outstanding questions received by close of play on Monday 6 January. We will not be able to provide answers to any questions received later than Monday 6 January.

Part E – Questions added to Version 2 of this document

Q23 – Is there a capital spending profile that projects would need to fit in with?

Please see Q11 above.

Q24 – Does the definition of capital costs include expenditure on scientific equipment?

As stated in the Guidance Note, capital costs means expenditure on the acquisition, creation or enhancement of an asset that will provide your organisation with control of the resulting economic benefit or service potential and that has a measurable cost. In principle, that could include expenditure on scientific equipment, provided that it met the above definition.

Q25 – What requirements do you have, regarding funds from a match funder being in place, at the application stage?

Applicants are required to set out in Part 3 of the Business Case Template how their project will be funded, including contributions from other funders. If any funding contributions are not yet confirmed, this should be set out in section 4.4, "Delivery confidence", and this uncertainty will be taken into account when assessing the application. Applications may proceed through the subsequent stages of the process, subject to confirmation of other funding, but we would expect other funding to be confirmed before Hampshire County Council concluded its funding agreement with a successful applicant.

Q26 – Are you able to confirm whether our organisation is eligible to apply as a business organisation?

Please see Q4 above. The panel that undertakes the initial assessment of applications will determine whether applicants meet this definition. We are unable to confirm this in advance of the submission of applications.

Part F – Questions added to Version 3 of this document

Q27 – In calculating costs for a capital project, are professional fees such as architects, surveyors, agents' fees etc. eligible as capital costs?

Yes, these are eligible.

Q28 – Should costs be exclusive or inclusive of VAT? If inclusive, what rate should be applied?

As stated in 5.7 (e) in the template funding agreement, any funding must not be used to cover input VAT that is reclaimable by the recipient. Eligible project costs may include VAT that is not reclaimable, which should be based on the VAT rate that will be paid. See also section 23 of the template funding agreement.

Q29 – Do we need to include letters of support from project partners / key stakeholders with our application?

No, this is optional. Letters should provide useful evidence, however, in support of your response to section 2.10 of the business case template.

Q30 – Regarding section 2.2 of the business case template, which asks for the key objectives of the project with a 100 word maximum, should this be interpreted as 100 words in total or 100 words per objective? Also, what is the difference between section 2.2 and section 2.1?

Regarding section 2.2 of the business case template, the limit is 100 words in total.

Section 2.1 of the business case template should provide a brief description of the project, including what the project will deliver. Section 2.2 should set out the objectives of the project, as defined by the applicant.

Q31 – Is there a deadline time on the 16th of January?

No. We will accept applications received at any time on the 16th of January, or earlier.

Q32 – Does the Hampshire County Council administrative area include Portsmouth?

No. The Hampshire County Council administrative area does not include the areas covered by Portsmouth City Council, Southampton City Council, and Isle of Wight Council, which are unitary authorities. But an organisation based in one of those areas can apply if they can demonstrate that the benefits of the project apply primarily within the HCC administrative area.