



Hampshire Prosperity Partnership Board

6 October 2025

Agenda Item 7 – Approach to use of LEP legacy reserves

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

AGREE that a first call for projects should go ahead, as proposed in the paper discussed at HPPB on 9 September, but subject to the further decisions set out in section 2 below.

1. September meetings of HPPB and the Joint Leaders Board

1.1. The following paper was discussed by HPPB on 9 September and by the Joint Leaders Board (JLB) on 22 September:

[Approach to use of LEP legacy reserves](#)

[Annex B](#)

[Annex C](#)

[Annex D](#)

HPPB on 9 September

1.2. HPPB discussed the proposed approach to a first call for project proposals, to be launched this Autumn, as set out in the above paper. Key points made by Board members in response were as follows:

- A. The paper proposed that business organisations would be eligible to be the lead bidder for funding, but that individual businesses would not. Given this, it would be important for lead bidders to be able to put forward proposals for projects that would benefit groups of individual businesses.
- B. The assessment criteria for project proposals should more strongly incentivise collaborative approaches.
- C. It would be important to ensure that the use of these funds: (a) was clearly differentiated from other existing funding streams; and (b) was used to leverage new funding from other sources e.g. relating to the Industrial Strategy.

- D. The proposed £10m limit on the funding to be distributed through the initial call for projects should be reconsidered. There was a good argument for having the flexibility to allocate any amount of funding up to the total currently available, subject to project proposals being of high quality.

JLB on 22 September

1.3. Key feedback from JLB members on the proposed approach was as follows

- E. Given the uncertainty about what devolution would mean for unallocated LEP legacy reserves, JLB members emphasised the importance of allocating funds through the first call for projects, ahead of any impacts of devolution.
- F. There was general support for not setting a limit for the amount of the currently available funds that could be allocated through the first call for projects (point D above).
- G. JLB members also suggested widening the range of project types that would be eligible for funding through the first call for projects, in order to provide as much flexibility as possible.

2. Proposed approach

- 2.1. It is recommended that the initial call for projects goes ahead, as proposed in the 9 September HPPB paper, subject to the following further decisions by HPPB.
- 2.2. It is recommended that the information for bidders and the project assessment criteria should take into account points A, B and C above.
DOES HPPB AGREE?
- 2.3. It is recommended that no limit should be set in advance, for the amount of the currently available funding that could be allocated through the initial call for projects (see points D and F above). There would be no assumption that all of the available funding should be allocated through the initial call, and Hampshire County Council would reserve the right not to do so. Project proposals would still need to reach a high quality threshold, in order to be accepted. **DOES HPPB AGREE?**
- 2.4. In respect of the range of eligible project types (point G above), the approach proposed in the 9 September HPPB paper was to focus on “projects that promote business growth, innovation, and/or skills, in one or more of the Industrial Strategy IS-8 sectors (including their sub-sectors and frontier industries)”. Should HPPB wish to widen the scope of the initial call for projects, this broader scope could be based on the set of priorities agreed with HPPB in March, plus the IS-8 sectors. The following table sets out these two options. **DOES HPPB PREFER OPTION 1 OR 2?**

ELIGIBLE PROJECT TYPES	
Option 1	Option 2
<p>Projects that promote business growth, innovation, and/or skills, in one or more of the Industrial Strategy IS-8 sectors (including their sub-sectors and frontier industries).</p>	<p>Projects that promote economic growth in one or more of the following areas:</p> <ul style="list-style-type: none"> • 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

3. Next steps

3.1. Subject to HPPB agreement, the Economy and Skills team will work with Hampshire County Council’s Finance, Legal and Communications teams to launch the initial call for projects as quickly as possible.

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