

EXECUTIVE DECISION DAY NOTICE

Leader and Executive Member for Hampshire 2050 and
Corporate Services & Deputy Leader and Executive Member for
Hampshire 2050 and Corporate Services Decision Days

Date and Time Tuesday, 21st May, 2024 at 11.30 am

Place Remote Meeting - MS Teams

Enquiries to members.services@hants.gov.uk

Carolyn Williamson FCPFA
Chief Executive
The Castle, Winchester SO23 8UJ

FILMING AND BROADCAST NOTIFICATION

This decision day is being held remotely and will be recorded and broadcast live via the County Council's website.

AGENDA

LEADER AND EXECUTIVE MEMBER FOR HAMPSHIRE 2050 AND CORPORATE SERVICES

Deputations

To receive any deputations notified under Standing Order 12.

KEY DECISIONS (NON-EXEMPT/NON-CONFIDENTIAL)

None

NON KEY DECISIONS (NON-EXEMPT/NON-CONFIDENTIAL)

1. SCHEME OF DELEGATION FOR LAND & ASSET TRANSACTIONS
(Pages 3 - 14)

To consider a report of the Director of Hampshire 2050 setting out proposals for consolidating and updating the scheme of delegations relating to strategic land and asset transactions.

2. HAMPSHIRE PROSPERITY PARTNERSHIP BOARD (Pages 15 - 24)

To consider a report of the Director of Hampshire 2050 regarding the arrangements for the Hampshire Prosperity Partnership Board.

KEY DECISIONS (EXEMPT/CONFIDENTIAL)

None

NON KEY DECISIONS (EXEMPT/CONFIDENTIAL)

None

ABOUT THIS AGENDA:

On request, this agenda can be provided in alternative versions (such as large print, Braille or audio) and in alternative languages.

ABOUT THIS SESSION:

The press and public are welcome to observe the public sessions of the decision day via the webcast.

HAMPSHIRE COUNTY COUNCIL

Decision Report

Decision Maker:	Leader and Executive Member for Hampshire 2050 and Corporate Services
Date:	21 May 2024
Title:	Scheme of Delegation for Land & Asset Transactions
Report From:	Director of Hampshire 2050

Contact name: Rebecca Thompson

Email: rebecca.thompson@hants.gov.uk

Purpose of this Report

1. The purpose of this report is to consider the existing arrangements for general officer delegations and authorisations for carrying out transactions in relation to the County Council's land and assets and to make proposals for consolidating, and, where deemed appropriate, updating the delegations and authorisations to make them more fit for purpose. This follows the structural changes to the organisation of the County Council on 1 January 2023, the adoption of the new Strategic Asset Management Plan 2023 to 2028 and in recognition of the need to manage costs for the County Council whilst also supporting more effective and agile decision making.

Recommendation

2. That the proposals set out in this report for consolidating and updating the delegations relating to strategic land and assets be agreed, and authority is delegated to the Director of Hampshire 2050 in respect of the new delegations set out in Appendix A with effect from 21 May 2024.

Executive Summary

3. This paper seeks to
 - set out the current position for officer delegations and authorisations in relation to transactions concerning the County Council's land and assets.
 - make proposals for updating the delegations and authorisations to enable the efficient and effective delivery of land and asset transactions.
 - recommend that the proposed new scheme of delegations and authorisations is approved and adopted.

Contextual information

4. Under the constitution, the Leader and Executive Member for Hampshire 2050 and Corporate Services has responsibility for strategic asset management and strategic land, including higher value land and asset transactions above a £1m capital value. The Executive Member for Countryside and Regulatory Services has responsibility for operational asset management including asset transactions with lower financial values, both revenue and capital.
5. Historically, there have been general delegations and authorisations in place to enable lower value land and asset transactions and associated asset management activities to be undertaken without the need for an Executive Member decision, to support the efficient and timely management of the County Council's estate. This involves Executive Member delegation to the relevant Director with subsequent cascaded authorisations within the Officer hierarchy based on different financial thresholds.
6. The existing officer delegations and authorisations for land and asset transactions have evolved over several decades. There are many individual delegations and authorisations, with some going back to 1974. The current financial delegation and authorisation thresholds were last reviewed and approved for amendment by the Executive Member for Policy and Resources in March 2014.
7. Land and asset transactions relating to strategic asset management activity and/or where the capital value of the asset transaction exceeds £1m sit under the portfolio of the Leader and Executive Member for Hampshire 2050 but may be undertaken by the appropriate officers in either the Hampshire 2050 or Universal Services directorate, depending on the individual project and the specific surveying expertise required.
8. The recent organisational changes at the County Council, together with adoption of the Strategic Asset Management Plan 2023 to 2028, have highlighted that there is merit in consolidating these delegations and authorisations and bringing them into one place.
9. This report relates to asset transactions that lie within the portfolio of the Leader and Executive Member for Hampshire 2050. Part 1 of this report seeks to summarise the key principles underpinning different types of transaction to ensure agile, robust, and financially managed decision-making. Part 2 of the report summarises the range of transactions that are to form part of the proposed delegation for the Director of Hampshire 2050, whilst potential changes to the current approved financial thresholds for these delegations and authorisations are considered in Part 3 of the report and detailed in Appendix A. A parallel report is being taken to the Executive Member for Countryside and Regulatory Services decision day on 20th May 2024 for delegations to the Director of Universal Services in relation to non-strategic revenue and capital transactions which fall within the Executive Member for Countryside and Regulatory Services' portfolio.

Part 1 – Strategic Asset Management Plan (SAMP) Principles

10. Land and asset activity is undertaken by teams of appropriately qualified surveyors in both the Hampshire 2050 and Universal Services directorates. The

value, and sometimes the nature of the asset transaction, determines whether it is reported to the Leader and Executive Member for Hampshire 2050 and Corporate Services portfolio or to the Executive Member for Countryside and Regulatory Services.

11. Whatever the origin and purposes of a given transaction, there are nevertheless several key SAMP principles that underpin and inform the judgements made by Officers and the resultant recommendations, whether that be to an Executive Member or under an officer delegation or authorisation. Table 1 below seeks to summarise these principles which have been grouped around financial prudence, agility and future proofing and ensuring a comprehensive and necessarily contextual view is always taken.

Table 1:

Strategic Asset Management Plan: asset transaction principles	
Principle	Approach
Establishing a clear business case	Ensuring there is a clear and costed business case in place to support disposal, acquisition or change in basis of occupation/use of an asset
Understanding the full cost of a decision	Ensuring that all HCC cost implications are fully understood, including aggregated revenue costs, contractual charges (including rent reviews) and any dilapidations liability. To include an understanding of the cost of alternative options/decisions.
Minimising the cost and liabilities to HCC	Ensuring that costs in use, including landlord's repair/maintenance obligations, are passed to any third-party occupier directly wherever possible or are recovered through a service charge.
Enabling flexibility	Requiring an explicit decision to renew a lease (contracted out of the Landlord and Tenant Act) to allow HCC or a third party to continue to occupy an asset.
	Including contractual terms that support changing circumstances e.g. rolling breaks
	Explicitly consider the implications of granting use of part of an asset when the remainder is or could be surplus to HCC needs or where an alternative HCC use could enable exit or disposal of another asset.
Considering future opportunities and value	Including restrictive covenants, overage clauses, or similar, to protect onward value to HCC, where appropriate.
	Clearly evaluate and document the implications of the decision on longer term asset opportunities, relative to other options e.g. grant of an easement or sale of a smaller part of an HCC ownership on the future opportunities for and value of the wider ownership.

12. These principles act as a 'golden thread' for land and asset decisions, providing a consistency of approach (wherever the decision emanates from) and ensure that a whole cost position is always evaluated. The table references the need to undertake an options analysis to review and cost a range of choices. Given the current financial context, it is recommended that any options analysis is supported by an appropriate level of support from finance colleagues including the Chief Financial Officer as necessary.

Part 2 – H2050 Scheme of Delegations

13. For the reasons set out above, it is considered that there are benefits to be gained from updating and consolidating previous officer delegations and authorisations relating to land and asset transactions carried out on behalf of the County Council by the Land and Assets function in Hampshire 2050 Directorate.
14. The activities of the land and asset function are many and varied. They include land and property acquisitions and disposals, the granting and taking of leases and other forms of Agreements and all activities associated with those leases, asset management, valuation work including for the asset register, business rates, and many more.
15. Having reviewed the nature of work undertaken and the existing delegations, it is proposed to have a revised set of delegations and authorisations for each area of work. These are set out in the following paragraphs. All powers which are delegated will be exercised in accordance with the Constitution, Contract Standing Orders and Financial Regulations of the County Council including, where appropriate, consultation with the Executive Member and Chief Financial Officer or their representative. They will also be exercised in accordance with the specified financial limits set out in Part 3 and Appendix A of the report.
16. The following delegations and authorisation for the Strategic Land and Assets function are proposed for the Director of Hampshire 2050 and Assistant Chief Executive, to ensure that the decision-making process is as efficient as possible and to minimise delays in transactions which could cost the County Council money:
 - a) **Property acquisitions** – the acquisition of any property which is required to implement projects in the approved capital programme, or which have been otherwise specifically approved, including the settlement of all terms.
 - b) **Property disposals** – the marketing and disposal of any property which is confirmed as surplus to the requirements of the County Council in line with the Strategic Asset Management Plan, including the settlement of all terms.
 - c) **Leases and other Agreements** – the granting and taking of leases, tenancies, licences, easements, wayleaves, and other Agreements which are appropriate for the effective operation of the County Council's estate including the settlement of all terms.
 - d) **Asset management** – the exercise of all tasks associated with the effective management of the County Council's estate including, but not limited to, rent reviews, the setting and collecting or paying of service charges and other

recoverable costs, the seeking or granting of consents for assignment, subletting or alterations, terminating Agreements, implementing break clauses, serving of Notices, lease variations, restrictive covenant variations or removal, the appropriation of property from one purpose to another, entering into Section 106 Agreements (as land owner only, not in a regulatory capacity), dilapidations claims under leases, Party Wall Act Agreements, challenging and agreeing business rates and council tax assessments, and including the settlement of all terms.

- e) **Valuations** – the preparation of valuations for all purposes including for the asset register.
 - f) **Compulsory purchase and compensation** – the acceptance of any valid blight or purchase notices, and the settlement of valid claims for compensation associated with any County Council projects including home loss payments, disturbance payments, advance payments, and any other valid claims.
17. For clarity, these delegations and authorisations do not extend to decisions around the reinvestment of any capital receipts. Where relevant, proposed changes to current financial thresholds for these delegations and authorisations are set out in Part 3 below. The proposed revised delegations and authorisations are summarised in Appendix A.

Part 3 - Financial thresholds

18. Exercise of powers delegated to Directors by the Executive Member in relation to land and asset transactions has always been subject to financial limits. These limits have routinely been extended to other matters where a sum of money is to be either paid or received, such as statutory compensation claims, or the settlement of dilapidations claims under leases. It is proposed that this approach should continue.
19. The thresholds originally set by the then Land Sub-Committee in 1979 were £100,000 for capital payments or receipts and £10,000 per annum for revenue. Any sale, purchase, lease, rent review or other matter involving a sum more than these limits required Sub-Committee approval. These figures were last reviewed in March 2014, when new limits of £250,000 for capital and £25,000 per annum for revenue were set. These are the figures which currently apply.
20. A review of the current financial limits has been undertaken and it is considered that the decision-making process could be made more effective and efficient by some amendments. This would include a combination of increasing the financial levels for income generating transactions (both capital and revenue), maintaining the existing financial levels for certain transactions, and removing the financial levels in certain situations. The revised thresholds have taken into consideration the increase in property values in the last 10 years. The proposals would also align the delegations and authorisations with other areas such as Contracts.
21. The following changes to the financial thresholds are proposed, and summarised in Appendix A:
- a) **Capital disposals:** The current threshold of £250,000 has caused some difficulties with several transactions, particularly with the sale of residential

properties. There is often a linked chain of transactions for residential sale and an expectation that transactions will proceed quickly. Increasing the threshold to £500,000 for capital receipts in consultation with the Executive Member would largely address this issue and would also remove risks of delay in taking possession of property being purchased for a County Council scheme or project.

- b) **Capital acquisitions:** It is proposed that the current threshold of £250,000 in consultation with the Executive Member remains unchanged to ensure on-going financial prudence. This threshold applies to the cumulative value of a lease taken by the County Council where this is capitalised for accounting purposes.
- c) **Revenue transactions:**
- (1) *Granting a lease:* the current threshold of £25,000 per annum causes delays on a regular basis in relation to the grant of a new lease. It can affect the completion and occupation under new lettings, accommodation for Pre-Schools, and where surplus space in otherwise operational buildings is to be shared with partners. Again, there is an expectation from occupiers that, once terms are agreed, the matter will be concluded quickly. Any delay also impacts on the income that the County Council receives through rent and service charge. Increasing the threshold to £50,000 per annum with an upper limit of £500,000 cumulative value of the initial term of a lease, would allow most lettings to proceed quickly.
 - (2) *Taking a lease:* where the County Council enters in an agreement for an operating lease which will be brought onto the balance sheet in accordance with accounting changes under IFRS16, it is appropriate to consider such transactions as capital expenditure and a threshold of £500,000 over the term of the lease is proposed. It is proposed that the current revenue threshold of £25,000 per annum remains unchanged for non-capitalised leases and other agreements, to ensure on-going financial prudence.
- d) **Existing Agreements** – the current scheme of delegations and authorisations requires that Executive Member approval is sought and obtained in relation to matters which flow from contractual commitments under existing Agreements and where the financial level exceeds £25,000 per annum. The most common example is a rent review. The new level of rent will generally be based on the market value which will be negotiated between appropriately qualified representatives of each party. In some Agreements rents are charged by reference to a formula such as CPI. In either situation, there is a question as to whether reference to the Executive Member for a decision adds value. Also, specific problems occur when rent reviews are referred for determination under a dispute resolution process, as there is a strict timetable to comply with and delay can compromise the County Council's position. In all the circumstances, it is considered that there is merit in removing the threshold in relation to matters associated with contractual commitments in existing contracts thus giving the Director the authority to deal appropriately and quickly.

Consultation and Equalities

22. An Equality Impact Assessment has been undertaken and no impacts have been identified in relation to the proposed decision which deals only with general delegations for land and asset transactions and not specific decisions relating to individual assets, projects or programmes.
23. Equality impacts will be appropriately assessed for any individual decision or transaction undertaken within the general officer delegations set out in this report.

Climate Change Impact Assessments

24. Hampshire County Council utilises two decision-making tools to assess the carbon emissions and resilience of its projects and decisions. These tools provide a clear, robust, and transparent way of assessing how projects, policies and initiatives contribute towards the County Council's climate change targets of being carbon neutral and resilient to the impacts of a 2°C temperature rise by 2050. This process ensures that climate change considerations are built into everything the Authority does.
25. The carbon mitigation tool and climate change adaptation tool are not applicable to this decision because the report deals with general delegations for estates management activities, rather than decisions relating to specific assets, projects or programmes and therefore does not have any impact on climate change.
26. Climate change impacts will be appropriately assessed for any individual decision or transaction undertaken within the general officer delegations set out in this report.

Conclusions

27. It is timely to review the existing delegations and authorisations relating to the land and asset transactions and associated asset management activities within Hampshire 2050. It is considered that the proposals set out in the report and summarised at Appendix A will consolidate and update the delegations and authorisations to make them more fit for purpose and allow these activities to operate in an effective and efficient way.

REQUIRED CORPORATE AND LEGAL INFORMATION:

Links to the Strategic Plan

Hampshire maintains strong and sustainable economic growth and prosperity:	Yes
People in Hampshire live safe, healthy and independent lives:	Yes
People in Hampshire enjoy a rich and diverse environment:	Yes
People in Hampshire enjoy being part of strong, inclusive communities:	Yes

Other Significant Links

Links to previous Member decisions:	
<u>Title</u>	<u>Date</u>
Executive Member for Policy and Resources Reporting – Schedule of Routine Transactions	11 March 2014
Scheme of Delegation for Land and Asset Transactions Executive Member for Universal Services	20 May 2024
Direct links to specific legislation or Government Directives	
<u>Title</u>	<u>Date</u>
N/A	

Section 100 D - Local Government Act 1972 - background documents	
<p>The following documents discuss facts or matters on which this report, or an important part of it, is based and have been relied upon to a material extent in the preparation of this report. (NB: the list excludes published works and any documents which disclose exempt or confidential information as defined in the Act.)</p>	
<u>Document</u>	<u>Location</u>
None	

EQUALITIES IMPACT ASSESSMENT:

1. Equality Duty

The County Council has a duty under Section 149 of the Equality Act 2010 ('the Act') to have due regard in the exercise of its functions to the need to:

- Eliminate discrimination, harassment and victimisation and any other conduct prohibited by or under the Act with regard to the protected characteristics as set out in section 4 of the Act (age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation);
- Advance equality of opportunity between persons who share a relevant protected characteristic within section 149(7) of the Act (age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex and sexual orientation) and those who do not share it;
- Foster good relations between persons who share a relevant protected characteristic within section 149(7) of the Act (see above) and persons who do not share it.

Due regard in this context involves having due regard in particular to:

- The need to remove or minimise disadvantages suffered by persons sharing a relevant characteristic connected to that characteristic;
- Take steps to meet the needs of persons sharing a relevant protected characteristic different from the needs of persons who do not share it;
- Encourage persons sharing a relevant protected characteristic to participate in public life or in any other activity which participation by such persons is disproportionately low.

2. Equalities Impact Assessment:

- 2.1. An Equality Impact Assessment has been undertaken and no impacts have been identified in relation to the proposed decision which deals only with general delegations for land and asset transactions and not specific decisions relating to individual assets, projects or programmes [Ref: EIA 610].

Appendix A: Financial Thresholds for the delegation to the Director of Hampshire 2050

	Delegation	Capital Limit	Revenue Limit
Land and Property acquisitions	The acquisition of any property which is required to implement projects in the approved capital programme, or which has been otherwise specifically approved, including the settlement of all terms.	£250,000 (No Change)	n/a
Land and Property disposals	The marketing and disposal of any property which is surplus to the requirements of the County Council, including the settlement of all terms.	£500,000 (increase from £250,000)	n/a
Leases and other Agreements	(a) The <i>granting</i> of leases, tenancies, licences, easements, wayleaves and other Agreements which are appropriate for the effective operation of the County Council's property estate including the settlement of all terms.	£500,000	£50,000 per year with a maximum cumulative value of £500,000 over the initial term (increase from £25,000 per annum)
	(b) The <i>taking</i> of leases, tenancies, licences, easements, wayleaves or other agreements which are required for the effective operation of the County Council's property estate including the settlement of all terms.	Maximum cumulative value of £500,000 over the initial term (new)	£25,000 per year (No Change) with a maximum cumulative value of £500,000 over the initial term (new)
Asset management	The exercise of all tasks associated with the effective management of the property estate including, but not limited to, rent reviews, the setting and collecting or paying of service charges and other recoverable costs, the seeking or granting of consents for assignment, subletting or alterations,	£500,000 for capital receipts (increased from £250,000) and £250,000 for capital expenditure (no change)	£50,000 per annum (increased from £25,000) with a maximum cumulative value of £500,000 over the initial term (new limit)

	Delegation	Capital Limit	Revenue Limit
	terminating Agreements, implementing break clauses, serving of Notices, lease variations, restrictive covenant variations or removal, the appropriation of property from one purpose to another, entering into Section 106 Agreements (as land owner only, not in a regulatory capacity), dilapidations claims under leases, Party Wall Act Agreements, challenging and agreeing business rates and council tax assessments, and including the settlement of all terms;		<i>or</i> no limit where the transaction relates to a contractual commitment under an existing agreement (currently £25,000 per annum)
Valuations	The preparation of valuations for all purposes including for the asset register	n/a	n/a
Compulsory purchase and compensation	the acceptance of any valid blight or purchase notices, and the settlement of valid claims for compensation associated with any County Council projects including home loss payments, disturbance payments, advance payments and any other valid claims.	£250,000 for capital expenditure where no separate approval exists (no change)	n/a
<p>All delegations involving a capital spend are to be exercised in consultation with the Executive Member and Chief Financial Officer, or their representative, in accordance with Financial Regulations and any other guidance issued by the Chief Financial Officer.</p> <p>All delegations involving a revenue spend are to be exercised in consultation with the Chief Financial Officer, or their representative, in accordance with Financial Regulations and any other guidance issued by the Chief Financial Officer, with the exception of delegations relating to contractual commitments under existing agreements where the financial impacts are within the original approved spend in relation to the relevant agreement.</p>			

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HAMPSHIRE COUNTY COUNCIL

Decision Report

Decision Maker:	Leader and Executive Member for Hampshire 2050 and Corporate Services
Date:	21 May 2024
Title:	Hampshire Prosperity Partnership Board
Report From:	Director of Hampshire 2050

Contact name: Gary Westbrook, Director of 2050 and Assistant Chief Executive

Email: Gary.westbrook@hants.gov.uk

Purpose of this Report

1. The purpose of this report is to finalise the governance arrangements for the Council's new responsibilities in respect of economic development and skills following the end of Local Enterprise Partnerships on 31 March 2024.

Recommendations

2. That the Leader and Executive Member for Hampshire 2050 and Corporate Services approves the appointments to the Hampshire Prosperity Partnership Board.
3. That the Leader and Executive Member for Hampshire 2050 and Corporate Services notes the progress made in respect of forming the governance structure and the next steps.

Executive Summary

4. In August 2023 the Government announced that Local Enterprise Partnerships would be dissolved on the 31 March 2024 and the functions moved into Upper Tier Local Authorities. These functions include business representation, strategic economic planning, and responsibility for delivery of specific government programmes where directed, including Growth Hubs, and Careers Hubs. Government guidance also requires Upper Tier Authorities to create or continue to engage with an Economic Growth Board (or similar) made up of local business leaders and relevant representative bodies.
5. This paper provides a summary of the governance arrangements that are being put in place centred around the new Hampshire Prosperity Partnership Board which is the name given to the 'Economic Growth Board' for Hampshire.
6. The Government requires a robust and independent process for the recruitment of Board members. This report will cover the recruitment process and also seeks authority to appoint the selected Board members.

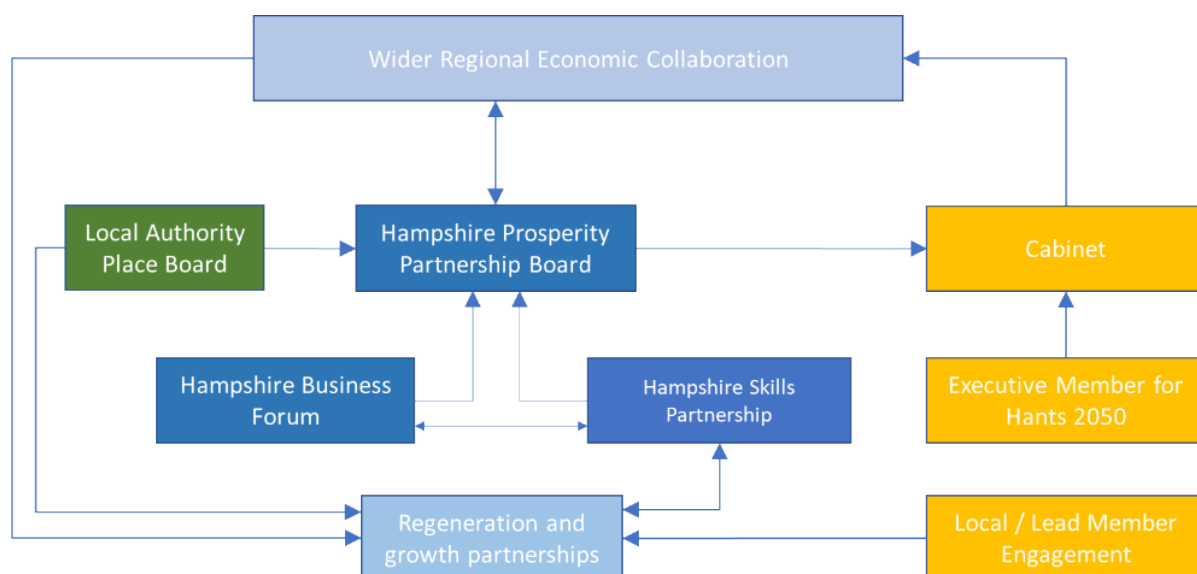
Government Policy

7. The Levelling up White Paper set out the Government's commitment to extending devolution across England, empowering local leaders and integrating Local Enterprise Partnership (LEP) functions into local democratic institutions. In August 2023, the Government confirmed their expectation that those LEP functions carried out under current core funding agreements (business representation, strategic economic planning, and responsibility for delivery of specific government programmes where directed, including Growth Hubs, and Careers Hubs) to now be exercised by Upper Tier Local Authorities where they are not already delivered by a Combined Authority, or in areas where a devolution deal is not yet agreed.
8. Government guidance also asks upper tier local authorities to create or continue to engage with an Economic Growth Board (or similar) made up of local business leaders and relevant representative bodies to (a) provide the view of local businesses as part of regional decision making and (b) work with local leaders to create a broad economic strategy for the area.
9. Work has been underway since August 2023 to disaggregate the existing Local Enterprise arrangements and to integrate them into Upper Tier Authorities. In Hampshire there were two Local Enterprise Partnerships; Enterprise M3 covering north Hampshire and West Surrey, and Solent Local Enterprise Partnership which covered the south Hampshire Districts and the Unitary Authorities of Southampton, Portsmouth and the Isle of Wight.

Progress to Date

10. Enterprise M3 ceased operating as of 31 March 2024. The Council has worked closely with Enterprise M3 staff and Surrey County Council (the other Upper Tier Authority in respect of the Enterprise M3 area) to disaggregate assets, close down operations and complete HR processes in relation to staff members. Hampshire County Council was the accountable body for Enterprise M3 and following an assessment under the Transfer of Undertakings (Protection of Employment) regulations (TUPE), Enterprise M3 staff have been moved formally into the Hampshire 2050 Directorate.
11. Portsmouth City Council was the accountable body for Solent LEP and the finalisation of the terms for disaggregation of the LEP assets to the four Upper Tier Authorities (Portsmouth City Council, Southampton City Council, Isle of Wight Council and Hampshire County Council) is nearing completion.
12. Previous Cabinet reports (October and December 2023 and April 2024) have outlined the County Council's approach to future governance arrangements. As noted above, there is a requirement for the County Council to set up an independent Board to ensure that business and other stakeholders are able to inform the decisions the Council takes in respect of economic development and skills to ensure the best outcomes for local residents.
13. The diagram below shows the governance framework that the Council is working towards. At the centre of the framework is the Hampshire Prosperity Partnership Board that will include people of significant influence and

experience from business and education, and will provide the clear democratic accountability that the Government sought from the move into Upper Tier Authorities in the form of the Local Authority Joint Leaders Board, which has representation from the Leaders of all District and Borough Councils in Hampshire. The diagram below also shows how the Hampshire Prosperity Board will link to the Council’s formal decision-making process, with recommendations from the Board to be taken to either the Executive Member for 2050 and Corporate Services Decision Day or Cabinet.



Shadow Board and Governance Update

14. A Shadow Board has been in place since January 2024 to oversee the set-up of the formal governance. The Shadow Board is made up of representatives from business, Further and Higher Education and Local Government, and has advised on future governance issues and the recruitment of the new Board.
15. In addition to the Shadow Board a Shadow Joint Leaders Board has also been in place since the start of the year, providing democratic input from across Hampshire as well as intelligence on local issues. The Shadow Joint Leaders Group will merge into the full Joint Leaders Board (JLB) once the main Hampshire Prosperity Partnership Board is up and running formally in June. The Chair of the JLB is Cllr Phil North from Test Valley Borough Council, and the Vice-Chair is Cllr Martin Tod from Winchester City Council.
16. At Local Authority officer level, the Hampshire Economic Development Officer Group has been reinstated to help identify local issues and inform the development of Board priorities, as well as ensuring a joined-up approach to delivery as far as possible.
17. Development of a Skills Forum is also underway, with a workshop for Higher Education (HE) and Further Education (FE) representatives held in March and another meeting planned for May. It is a complex sector, which also has some well-established governance structures and meetings already in place. For a number of education establishments which fall across multiple sites there is an added complication of falling into two different administrative areas (both

Hampshire County Council area and the cities of Southampton and Portsmouth and the Isle of Wight). It is therefore important that any new arrangements under the Hampshire Prosperity Partnership Board compliment rather than duplicate existing arrangements. Discussion with providers are underway to find an appropriate solution.

18. Work on the proposed Business Forum has been paused while recruitment of the business representatives on the Hampshire Prosperity Partnership Board is underway as it is important that the new business Board members can play a role in informing the purpose of the Forum and how it will operate.

Board Recruitment Process

19. The Hampshire Prosperity Partnership Board will be made up representatives from Local Government, Education and Business.
20. The Shadow Board agreed that the selection process for Local Government and Education Board Members should be self-selecting from within the sector. Therefore, the Joint Leaders Board have nominated three District Council representatives to sit on the Board; Cllr Phil North from Test Valley Borough Council, Cllr Martin Tod from Winchester City Council and another which is currently vacant and will be filled at the next meeting of the Joint Leaders Board in early June.
21. A representative from the Further Education Sector and one from the Higher Education Sector has been requested and will be confirmed by the first meeting of the Board on 11 June 2024. The Sector will be able to nominate substitutes for the meeting from within the Skills Forum if they are unable to attend a meeting.
22. Previous Cabinet papers have highlighted the strategic importance of the Solent Freeport to future economic prosperity and growth across the whole of Hampshire, and the proposal to include a Freeport Representative on the Hampshire Prosperity Partnership Board. This will ensure appropriate alignment and join up in areas of common and mutual interest, avoid potential duplication of activity and in particular seek to maximise the positive impact of the Freeport across the wider Hampshire economic area. Strategic conversations have concluded with the Freeport and it has nominated James Hassett, Chief Executive of the Freeport as a representative to the Hampshire Prosperity Partnership Board.
23. Recruitment of business representatives to the Board has had a more open and independent recruitment process. as there is not a cohesive sector from which to nominate representatives in the same way as is possible for Education and Local Government. An external prospectus inviting business leaders to put themselves forward for the board was produced and promoted through social media and on the Council's website, as well as via the Council's business databases. District Councils also sent the prospectus to their databases so there was a significant coverage. Approximately 70 people applied for Board positions, covering businesses of different size, type and location. An independent panel was set up, including representation from business, local government and further education who were involved in short-listing and then interviewing 14 candidates over two dates in April and May.

24. When making the final selection the independent panel had to consider a number of different factors in order to create a balanced Board with the right mix of skills and experience to support and drive Hampshire’s economic success. To do this the Panel considered the following:

- Size of business the candidate is currently attributed to
- Type/sector of business the candidate is currently attributed to
- Location of business the candidate is currently attributed to
- Previous relevant experience
- Understanding of working at a strategic board level
- Added value the candidate can bring – such as influence, connections, and specific skills
- Overall mix and makeup of the Board and how members will relate to each other

25. The table below shows the makeup of the Board:

Sector	Name	Organisation	Further Information
Local Government	Cllr Rob Humby	Hampshire County Council	Chair of the Board
Local Government	Cllr Phil North	Test Valley Borough Council	Chair of Joint Leaders Board
Local Government	Cllr Martin Tod	Winchester City Council	Nominated by Joint Leaders Board
Local Government	Vacant	N/A	To be nominated by the Joint Leaders Board
Higher Education	TBC	TBC	Nominated by Hampshire based HE Vice-Chancellors as their representative
Further Education	TBC	N/A	Nominated by Hampshire FE Principals Group as their representative

Business Representative Organisation	Ross McNally	Hampshire Chamber of Commerce	Appointed by members of the recruitment panel without interview as there were two applicants for two places
Business Representative Organisation	Nicola Kildunne	Federation of Small Businesses	Appointed by members of the recruitment panel without interview as there were two applicants for two places
Business/Enterprise	Joanna Butler	Frank Butler Farms Ltd	Appointed via application and interview by Independent Panel
Business/Enterprise	Barney Ely	Hays Recruitment	Appointed via application and interview by Independent Panel
Business/Enterprise	Laura Reed	Marwell Zoo	Appointed via application and interview by Independent Panel
Business/Enterprise	Mark Smith	University of Southampton	Appointed via application and interview by Independent Panel
Business/Enterprise	Fiona Stilwell	PETA	Appointed via application and interview by Independent Panel
Business/Enterprise	Simon Watson	Milestones Infrastructure	Appointed via application and interview by Independent Panel

Business/Enterprise	Alastair Welch	Associated British Ports	Appointed via application and interview by Independent Panel
Other	James Hassett	Solent Freeport	Shadow Board identified the Freeport as a key partner that was essential to driving economic growth

26. Board places are appointed for two years with an opportunity for additional terms following appointment via an independent appointment process which will also be open to new applicants.

Finance

27. There are no direct financial implications to this report as it is seeking agreement of the appointment of members to the Hampshire Prosperity Partnership Board only.

Climate Change Impact Assessments

28. Hampshire County Council utilises two decision-making tools to assess the carbon emissions and resilience of its projects and decisions. These tools provide a clear, robust, and transparent way of assessing how projects, policies and initiatives contribute towards the County Council's climate change targets of being carbon neutral and resilient to the impacts of a 2°C temperature rise by 2050. This process ensures that climate change considerations are built into everything the Authority does.

29. Following assessment, it has been found that there are no climate change impacts to this report as it is seeking agreement of the appointment of members to the Hampshire Prosperity Partnership Board only.

Conclusions

30. The Hampshire Prosperity Partnership Board will provide expertise and representation across a wide range of sectors and organisation types as part of a highly skilled Board that is able to represent key local stakeholders and partners, to articulate the issues effecting economic success and sustainability, and to direct the use of resources to and initiatives to create a strong, vibrant and resilient economy for Hampshire and its residents now and in the future.

REQUIRED CORPORATE AND LEGAL INFORMATION:

Links to the Strategic Plan

Hampshire maintains strong and sustainable economic growth and prosperity:	yes
People in Hampshire live safe, healthy and independent lives:	yes
People in Hampshire enjoy a rich and diverse environment:	yes
People in Hampshire enjoy being part of strong, inclusive communities:	yes

Section 100 D - Local Government Act 1972 - background documents

The following documents discuss facts or matters on which this report, or an important part of it, is based and have been relied upon to a material extent in the preparation of this report. (NB: the list excludes published works and any documents which disclose exempt or confidential information as defined in the Act.)

Document

Location

None

EQUALITIES IMPACT ASSESSMENT:

1. Equality Duty

The County Council has a duty under Section 149 of the Equality Act 2010 ('the Act') to have due regard in the exercise of its functions to the need to:

- Eliminate discrimination, harassment and victimisation and any other conduct prohibited by or under the Act with regard to the protected characteristics as set out in section 4 of the Act (age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation);
- Advance equality of opportunity between persons who share a relevant protected characteristic within section 149(7) of the Act (age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex and sexual orientation) and those who do not share it;
- Foster good relations between persons who share a relevant protected characteristic within section 149(7) of the Act (see above) and persons who do not share it.

Due regard in this context involves having due regard in particular to:

- The need to remove or minimise disadvantages suffered by persons sharing a relevant characteristic connected to that characteristic;
- Take steps to meet the needs of persons sharing a relevant protected characteristic different from the needs of persons who do not share it;
- Encourage persons sharing a relevant protected characteristic to participate in public life or in any other activity which participation by such persons is disproportionately low.

2. Equalities Impact Assessment:

An Equality Impact Assessment has been undertaken and no impacts have been identified in relation to the proposed decision as it is concerned with governance arrangements.

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