

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

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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.

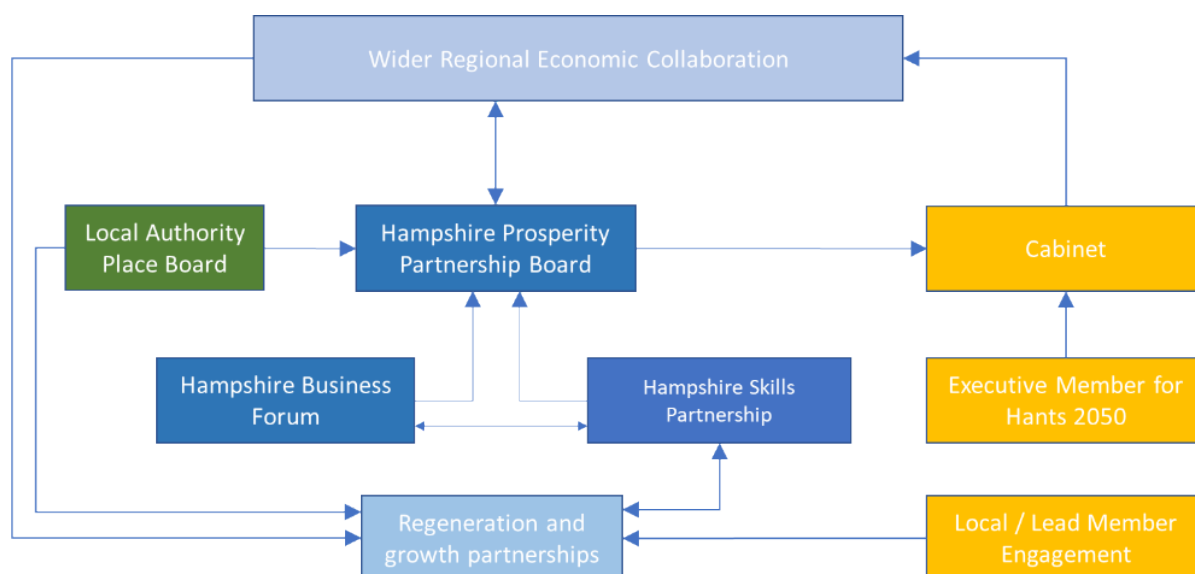
Government Policy

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.