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Hampshire and the Solent Local Skills Improvement Plan 2026-2029

**A unified skills plan for
an integrated region**

HAMPSHIRE CHAMBER OF COMMERCE

July 2026



**Funded by
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Foreword

This Local Skills Improvement Plan (LSIP) is the first for an integrated Hampshire and the Solent region and covers the period 2026-29. It brings together and updates the previous Solent and Enterprise M3 (EM3) LSIPs, drawing on the work of both the Hampshire and Surrey Chambers' of Commerce to set out a refreshed and coherent vision for skills across the region. It is grounded in the region's economic strategy, labour market intelligence, and emerging priorities of the Hampshire and the Solent County Combined Authority (HSCCA).

This unified LSIP comes at a pivotal moment. Devolution and the creation of HSCCA signal a step-change in regional ambition, with a future elected Mayor expected to provide stronger strategic leadership. Against this backdrop, the LSIP offers a timely opportunity to consolidate progress, apply lessons from the past three years and set a shared direction for the next phase of delivery.

The LSIP is designed for a broad audience. It speaks directly to employers (both those who have shaped the process since 2023, and those yet to engage), as well as further education (FE) and higher education (HE) institutions, independent training providers (ITPs), sector bodies and partners with an interest in the region's skills ecosystem. Its purpose is to help build a simpler, more coherent landscape; one that reflects labour market needs, supports economic growth and enables people across the region – regardless of age, ability or location – to access good work and progression opportunities. While providing a unified regional framework, the LSIP also recognises the distinct challenges and opportunities across our places (incl., the Isle of Wight, coastal and rural communities, and the more urbanised locations).

This document sets out the region's priorities for the next three years and identifies the areas where change will have the greatest impact. It outlines how the Hampshire Chamber of Commerce, as the designated Employer Representative Body (ERB) will work with HSCCA and other partners to ensure post-16 education and training is better aligned with future economic needs, and contributes directly to productivity and economic growth. Furthermore, the ERB's joint delivery with HSCCA will provide stability during a period of wider institutional change across the region.

This LSIP is both a strategic plan and a call to collective action. By setting clear priorities and a shared direction, it aims to support a skills system that is easier to navigate, more agile, and better positioned to help people and businesses thrive.



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Executive Summary

This LSIP is the first for an integrated Hampshire and the Solent region, and covers the period 2026-29. It brings together and updates the previous Solent and Enterprise M3 LSIPs to set out a refreshed and coherent vision for skills in the region. It is designed for a broad audience, and speaks to employers, FE and HE providers, sector bodies and partners engaged in the skills ecosystem. Its aim is to create a system that is easier to navigate, more agile and better positioned to help people and businesses thrive. A regional strategy sensitive to local distinctiveness, it reflects our commitment to support inclusion regardless of age, ability or location.

The region at a glance

Home to almost 1 million jobs, the region added around 31,300 new jobs (+3.3%) since 2023. However employment growth has been uneven, with the Isle of Wight seeing only +1% growth compared with stronger expansion in Portsmouth (+4%), Southampton (+5%) and the rest of Hampshire (+3%). The region hosts strong clusters in maritime, defence and aerospace, advanced manufacturing, the creative industries, health and social care.

Despite this growth in jobs, labour market conditions have weakened, with lower participation and higher unemployment rates. Barriers include health-related and disability challenges, rising numbers of young people not in education, employment or training, and place-specific issues such as housing affordability, connectivity and demographic pressures.

Against this backdrop, the strategic context has shifted significantly since 2023. Devolution and the formation of HSCCA mark a step-change in regional ambition. This LSIP offers a timely opportunity to consolidate progress made through the Solent and EM3 LSIPs, and set a shared direction for an integrated Hampshire and the Solent region.

What employers told us

- Despite the strong progress to date, SMEs still find the skills ecosystem hard to navigate and engage in.
- Likewise, there continues to be a strong need for flexible, modular and stackable training (including opportunities for micro-learning) aligned with real-world jobs.
- There is also a stronger appetite for true participation (i.e., over and above simple engagement) with the skills ecosystem.
- In addition to sector-specific needs, engagement has also identified a number of economy-wide, workforce participation needs (such as digital capability, shortages in essential and leadership skills, in addition to the skills needed for a greening economy).

Emerging priority sectors for the Hampshire and the Solent LSIP:

- **Advanced manufacturing**
- **The creative sector**
- **Digital and technology**
- **Health and social care**
- **Marine and maritime**
- **Hospitality and the visitor economy**
- **Agri-tech and rural industries**
- **Low carbon technologies**
- **Defence and aerospace**
- **Construction**
- **Logistics and distribution**
- **Professional and services sector**

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Our unified priorities for 2026-2029

Priority 1 **Improve awareness, navigation and access to the skills ecosystem**

- Action 1.** Develop a regional Skills Hub to improve navigation and access to skills support
- Action 2.** Increase TECH+TOUR reach to support skills awareness and talent pathways
- Action 3.** Map and streamline advisory networks to improve employer access, influence and participation in curriculum design across priority sectors

Priority 3 **Build a responsive and inclusive ecosystem**

- Action 6.** Scale the intent to enhance technical and essential skills
- Action 7.** Launch inclusive participation pathways
- Action 8.** Influence for the integration of skills as a priority in the region's Local Growth Plan
- Action 9.** Develop a place-based skills intelligence report for the Isle of Wight and other less well connected locations

What this means for the region

The Hampshire and the Solent LSIP creates a more coherent, employer-led skills ecosystem that aligns training with the region's economic priorities and strengthens pathways into good jobs for residents. By improving access, deepening employer participation and expanding the delivery of flexible and future-focused provision, it will help boost productivity and competitiveness across our region's business base. Crucially, the LSIP recognises the distinct needs of locations within our regions, from the Isle of Wight to rural and urban communities, ensuring that delivery reflects local realities, while advancing a shared regional ambition for inclusive and sustainable growth.

Priority 2 **Strengthen employer participation**

- Action 4.** Develop a Hampshire and Solent-wide Skills Compact to strengthen employer participation and system coordination
- Action 5.** Launch employer best-practice repository as part of Skills Hub

Priority 4 **Support pathways, progression and workforce transition**

- Action 10.** Scale youth engagement and NEET response
- Action 11.** Convene an Electrotechnical Training & Careers Alliance with the ECA
- Action 12.** Pathways to STEM
- Action 13.** Inclusive career networking for future talent
- Action 14.** Building a future-ready workforce

How we will deliver change

As the region's ERB, the Hampshire Chamber of Commerce will work with HSCCA to drive delivery, ensuring skills remain central to regional economic ambitions through devolution. This will be supported through close collaboration with FE and HE providers, sector bodies, employer organisations and local partners to create a coherent and joined-up approach to planning, delivery and continuous improvement. By aligning intelligence, coordinating activity and embedding employer voice, the LSIP will help build a more agile, inclusive and future-ready skills ecosystem.

This LSIP is both a strategic plan and a call to collective action. It is a living plan that will continue to evolve as the region charts its way through this pivotal and exciting period of devolution. Participation from employers and all partners will help shape solutions and unlock opportunity for all residents in the region.

Strategic and Economic Context

The LSIP starts by setting out its wider strategic and economic context, showing how national and regional reform is creating a more coherent, and employer responsive skills ecosystem; one that supports the ambitions of the Clean Energy Jobs Plan¹ and the transition to net zero. It highlights how these shifts intersect with

the region's own trajectory, including progress towards devolution and early developments by HSCCA. Reflecting on progress to date, this section sets out a consolidated set of priorities to guide delivery across an integrated Hampshire and the Solent region.

The Evolving National Context

Since publication of the LSIP in 2023, the national policy landscape has evolved considerably, demanding a shift in how we plan and deliver skills across the region. Following the 2024 General Election, the government reaffirmed the role of skills as a driver of local economic growth, productivity and opportunity. This commitment is embedded in the UK's Modern Industrial Strategy² which sets out a long-term plan to boost investment, remove barriers and create high quality jobs. The Strategy identifies eight high-potential sectors (the IS-8) and places skills at the heart of its growth ambitions. Widening access to talent and strengthening the technical skills pipeline is one of its core pillars, reflecting the government's commitment to expand technology and engineering training, while also enhancing digital and defence skills.

Alongside this, the English Devolution White Paper³ has initiated a major shift in how local growth is delivered, including adult skills and employment support. Devolution enables integrated planning that reflects labour market needs, strengthens progression routes into FE and HE, and supports clearer pathways into employment. Within this model, HSCCA will play a key role supporting joint delivery, helping to embed employer priorities within skills planning and align these with the region's Local Growth Plan.

Another major development was the establishment of Skills England, with early research⁴ highlighting persistent national challenges, (such as a fragmented and confusing skills landscape, mismatches between training and employer need, and declining investment in workforce development), reinforcing the need for a more coherent and employer responsive ecosystem.

The government's Post-16 Education and Skills White Paper⁵ further sets out reforms to create a world-leading ecosystem that supports innovation, strengthens employer engagement and brings greater coherence to the skills offer. It also

IS-8 Sectors

- *Advanced manufacturing*
- *Defence*
- *Clean energy*
- *Digital and technology*
- *The creative industries*
- *Financial services*
- *Life sciences*
- *Professional and business services*

¹ UK Government (2025), *Clear Energy Jobs Plan*. [Link].

² Department for Business & Trade (2025), *The UK's Modern Industrial Strategy 2025*. [Link].

³ Ministry of Housing, Communities & Local Government (2024), *English Devolution White Paper*. [Link].

⁴ Department for Education (2025), *Skills England: Sector evidence on the growth and skills offer*. [Link].

⁵ HM Government (2025), *Post-16 Education and Skills White Paper*. [Link].

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recognises the mismatch between learner choices and economic need, emphasising the importance of expanding participation in HE, while diversifying routes beyond the traditional three-year degree.

Underpinning these reforms is a commitment to inclusion and opportunities as outlined in the Get Britain Working White Paper⁶, which aims to help people enter, stay in and progress in work, while supporting employers to recruit, retain and develop staff. Meanwhile, the Clean Energy Jobs Plan positions the energy transition as a defining economic opportunity. It sets out how government and industry will support the existing workforce to retrain, preparing the next generation for emerging opportunities and access good, future-facing jobs.

The Strategic Landscape Shaping the Region

At the regional level, the winding down of LEPs (in April 2024), and the momentum generated by the English Devolution White Paper marked the beginning of a major transition in how local skills and economic priorities are shaped. This accelerated in February 2025 when the region's four upper tier authorities were included in the government's Devolution Priority Programme, leading to the creation of HSCCA in Spring 2026. More recently, central government⁷ has confirmed arrangements for local government reorganisation (i.e., from April 2028), creating further structural change at the local level.

Against this backdrop, the ERB provides continuity, connection and stability. On this basis, the move to an integrated LSIP reflects the deep economic interdependence within the region, which has long demonstrated shared labour markets, overlapping sector strengths and strong functional links. Sub-regional strategies reinforce this; both Hampshire⁸ and Solent⁹ partners emphasise the region's strengths in maritime, defence, aerospace, advanced manufacturing, life sciences, digital and creative industries, alongside other foundational sectors. These strategies have directly informed the LSIP's unified priorities, ensuring alignment with the overall direction of travel, while shaping where the LSIP can be of greatest added value. As these strategies make way for HSCCA's Local Growth Plan, the LSIP provides continuity and a clear bridge into the next phase of regional skills planning.

Despite the strengths, the region also faces a combination of shared challenges and distinct local challenges. Rural areas and the Isle of Wight experience issues related to connectivity, access to services and ageing demographics, while coastal and urban communities face higher levels of deprivation and health-related barriers that limit participation. These differences highlight the need for a skills system that works across the whole region, while still responding to the specific needs of local areas and employers. As such, a flexible and placed-based LSIP ensures that every part of our region can contribute to, and benefit from the next phase of economic transformation.

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⁶ HM Government (2024), *Get Britain Working White Paper*. [Link].

⁷ UK Parliament (2026), *Local Government Reorganisation, Statement made on 25 March 2026*. [Link].

⁸ Hampshire Prosperity Partnership (2025), *Economic Strategy for Hampshire*. [Link].

⁹ Solent Growth Partnership (2025), *Solent Growth and Prosperity Strategy*. [Link].

Trends Shaping the Hampshire & Solent Economy

Analysis of key employment and labour market trends shows the region's economy has evolved rapidly since 2023, shaped by shifting sector dynamics, demographic pressures and changing participation patterns. As of the end of 2025, the region supported around 1 million jobs, an increase of 31,300 jobs (+3.3%) since 2023, broadly in line with national growth (of +3.4%). This growth reflects the region's economic resilience, as well as the structural forces reshaping the labour market.

However, growth has not been evenly distributed. The Isle of Wight saw only 600 additional jobs (+1%), compared with much stronger growth in Portsmouth (+4%), Southampton (+5%) and the rest of Hampshire (+3%). Public services drove most of the region's growth; health added 6,300 jobs (+9%), public administration and defence grew by 6,300 (+13%) and residential care and social work increased by 4,000 (+8%). Rising demand for health and care, an ageing population and increased defence spending¹⁰ underpin these trends.

Recreation also expanded (+3,400 jobs, or +16%), reflecting a strong recovery and continued growth in the cultural and visitor economy.

Conversely, retail contracted by 4,100 jobs (-5%), computing and IT services by 2,900 (-8%) and telecoms by 1,100 (-12%), driven by long-term structural changes, consolidation and evolving digital business models.

Despite the overall jobs growth, labour market conditions have generally weakened. Since 2023, the labour force in the region grew modestly (+13,500 people), yet economic activity fell by 1 percentage point, equivalent to 5,000 fewer participants. The employment rate declined by 1.2 points, representing 8,100 fewer people in work, while unemployment rose to 3.2% (to 41,600 people). Although the region still outperforms the national average, participation has fallen locally, while it improved nationally. Furthermore, the number of economically inactive residents who want a job has risen sharply (by 21,500 people), signalling a growing pool of untapped labour facing barriers to participation and work.



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¹⁰ House of Commons Library (2025), UK defence spending. [Link].

Understanding the Barriers to Participation

Insights from the Get Britain Working White Paper, in addition to the region's local Get Britain Working plans,^{11 12} and other stakeholder engagement highlight the complex factors shaping low participation across the region. Key challenges include:

- Health-related and disability barriers to economic activity, with nearly 39,000 disabled residents in the region being inactive. Disabled residents face some of the most persistent barriers to participation (such as limited access, workplace and transport challenges and inconstant availability of practical support);
- Caring responsibilities (e.g., people looking after family or the home), which in Portsmouth (at 23.9%) and Southampton (at 22.3%) are considerably higher than equivalent rates nationally (of 18.5%);

- Youth disengagement, driven by lower confidence, higher anxiety, limited networks and reduced access to early work experience. In Hampshire, 35.2% of young people are at risk of becoming NEET (i.e., well above the national average of 28.2%), highlighting the scale of vulnerability across the region;
- Higher rates of early retirement amongst more educated residents (especially in Hampshire), reducing the supply of skilled labour;
- A weakened jobs market, limiting opportunities for young people to access opportunities (such as work experience and training);
- Challenges with housing affordability and availability, constraining mobility and graduate retention
- Exposure to external economic shocks, in particular due to the region's reliance on ports and exporting industries.

Often, individuals may encounter multiple overlapping barriers, requiring coordinated and multi-dimensional solutions to join or re-enter the labour market.

Taken together, these trends underline the need for a skills ecosystem that drives productivity and growth, while also widening participation. The region's expanding employment base must be matched by efforts to unlock local talent, reduce

barriers to work and support employers to recruit, retain and grow their workforce. This also means recognising demand-side barriers which influence businesses confidence, capability and flexibility to recruit and grow.

¹¹ Solent Growth Partnership (2025), Get Solent Working Plan. [Link].
¹² Hampshire County Council (2025), Get Hampshire Working Plan 2025-27. [Link].

Foundations for the Future

The Solent and EM3 LSIPs each drew on their own local context and sectoral strengths, but both set out a clear, employer-led vision for addressing skills needs and strengthening pathways into employment. Each LSIP positioned employers at the centre of the process, not as consultees but as active partners shaping provision, identifying future workforce requirements and helping to define the actions needed to support local economic growth.

Despite covering different geographies, the two LSIPs faced many of the same challenges, several of which have since been echoed in the Post-16 Education and Skills White Paper. Both LSIPs highlighted the need for better information sharing, stronger brokerage and clearer navigation of a complex skills ecosystem. They emphasised co-design with employers, more flexible and responsive curricula, and the importance of embedding essential and transferable skills to future-proof the workforce in the face of rapid technological change.

Crucially, both LSIPs promoted collaboration and cross-boundary delivery across the now integrated Hampshire and the Solent region, promoted by the two ERBs (i.e., the Hampshire and Surrey Chambers). The shared remit of the Hampshire Chamber of Commerce created natural opportunities for joint working and enabled a more coordinated response to shared challenges, strengthening delivery across LSIP boundaries.

Both LSIPs also made strong progress against their priorities; short-, medium- and long-term. They helped expand employer engagement, improve advice and guidance, strengthen links between training and work, and support targeted interventions for vulnerable groups, including young people at risk of being not in education, employment or training ('NEET') and adults seeking to re enter the workforce.

EM3 LSIP Priorities

- **Priority 1.** Improve information, advice and guidance
- **Priority 2.** Facilitate responsive and inclusive curricula
- **Priority 3.** Coordinate networks and collaboration
- **Priority 4.** Build dynamic relationships between businesses and providers

Solent LSIP Priorities

- **Priority 1.** Awareness and aspiration
- **Priority 2.** Navigating the skills ecosystem
- **Priority 3.** Proactive employer engagement
- **Priority 4.** A more agile ecosystem
- **Priority 5.** Pathways to skills
- **Priority 6.** Managing the skills transition

The synergies between the two LSIPs were clear, and together they demonstrate that the region already functions as an integrated whole, with employers and providers working across administrative boundaries. This LSIP builds directly on the priorities set out within the Solent and EM3 LSIPs, using them (i.e., alongside analysis of skills gaps in Part 1), to shape the unified priorities for this next phase. This strong foundation makes the move to an integrated Hampshire and the Solent LSIP both natural and necessary. The progress

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achieved to date provides a platform to strengthen what works, deepen collaboration and position the region to take full advantage of the opportunities created through devolution and the establishment of HSCCA.

Setting the Direction, a Unified Set of Priorities for the Region

Drawing on the evolving national and regional strategic context, the analysis of Local Skills Needs presented in Part 1, and the progress made since 2023, this LSIP sets out a consolidated set of priorities to guide delivery for the next three years. As a refresh, this LSIP builds on the priorities and foundations set out in both the Solent and EM3 LSIPs, to respond to the changing economic landscape and labour market pressures, while also shaping a unified set of priorities for the next phase of delivery.

The priorities are intentionally cross-cutting and sector-agnostic. They apply across the full breadth of the region's economy, recognising that while sector strengths vary, many of the underlying challenges (such as participation, productivity, digitalisation and workforce resilience) are shared. This approach ensures the LSIP remains focused on strengthening the overall skills ecosystem, while also targeting individual sectors' skills gaps.

Together, these priorities set the regional framework and direction of travel for the next phase of LSIP delivery. They seek to provide clarity, while also supporting wider ambitions to boost participation, reduce barriers to work and creating a more inclusive labour market. As delivery of this phase gets underway, this framework will be applied in ways that are sensitive to the region's distinct local characteristics (from the Isle of Wight to rural communities, coastal towns and the more urbanised areas) ensuring that interventions reflect local realities as well as regional ambition. Alongside stronger employer participation, the LSIP will deepen strategic engagement with the region's HE providers, to strengthen higher-level technical pathways.

By turning employers into active participants, and co-investors in specialist training (i.e., up to, and including Level 8), and working jointly with HSCCA, the LSIP aims to build a skills ecosystem that is aligned to industry bottlenecks and capable of keeping pace with the region's economic trajectory. The priorities that follow therefore represent both a continuation of what has worked well since 2023 and a clear, forward-looking ambition for an integrated Hampshire and the Solent region.



Priority 1
Improve awareness, navigation and access to the skills ecosystem

Despite progress since 2023, the skills ecosystem remains difficult to navigate for many employers, learners, career changers and people returning to work. SMEs in particular continue to report challenges understanding available support, identifying relevant training pathways and accessing the right information without specialist knowledge. Many residents also lack clear awareness of the region's key sectors, as well as the range of training and funding opportunities available, including national initiatives such as fully funded Skills Bootcamps.

Evidence gathered through Partner Reports consistently identifies a shared "meta-gap": the greatest opportunity lies not in creating new provision, but in improving awareness, navigation and access to what already exists. This priority therefore focuses on strengthening information, advice and guidance, improving signposting and making the system easier to understand and use for employers and residents alike.

By reducing complexity and improving visibility of existing provision, this priority aims to support confident participation at every stage of working life—from young people entering employment to service leavers, adults retraining or returning to work after caring responsibilities or ill health. Improved navigation will also help employers integrate skills planning more effectively into business planning, while supporting better engagement with national and regional training and funding opportunities. Together, these improvements will help widen participation, reduce duplication and strengthen workforce resilience across the region.

Priority 2
Strengthen employer participation

Priority 2 responds to a central challenge across the region. A strong baseline of employer engagement has been established by many FE providers through curriculum design, delivery and advisory activity. However, participation remains uneven, with many smaller firms, specialist sectors and parts of the region still underrepresented.

Evidence gathered through Partner Reports also highlights a consistent participation barrier: while employer willingness exists, many businesses lack the confidence, time or capacity to engage fully. Concerns around recruitment risks, litigation, commercial sensitivities and "getting it wrong" continue to limit participation, particularly amongst SMEs.

This priority focuses on moving beyond engagement towards genuine employer participation by strengthening relationships, widening representation and creating a shared and safe space for employers to exchange insights (i.e., non-market sensitive) that supports curriculum design across both FE and HE providers. There is also growing regional support for more coordinated approaches to employer engagement, including exploring the potential for a more unified business advisory structure across the region.

Sustained employer participation is essential to ensuring training reflects workforce needs and responds to changing sector demands. By reducing barriers to participation and improving coordination, the LSIP aims to support more consistent and representative employer involvement across the skills ecosystem.

Priority 3
Build a responsive and inclusive ecosystem

Priority 3 focuses on ensuring the region's skills ecosystem keeps pace with rapid economic change while enabling all communities to access emerging opportunities. It recognises that devolution provides a significant opportunity to influence regional direction, with HSCCA shaping priorities through the Local Growth Plan, creating a stronger mandate for a more responsive and inclusive skills system.

This priority encourages a skills ecosystem that can adapt to changing labour market needs, supports innovation across FE and HE, and reflects emerging trends such as the transition to a green economy. Engagement with HE partners highlights opportunities to develop flexible, higher-level and stackable modules to support progression into specialist and leadership roles.

It highlights the need for clearer, more consistent routes for employer input and greater flexibility in delivery, including modular and short-course options to support upskilling and reskilling. There is an opportunity to improve how employer needs are translated into provision design and to encourage more adaptive, employer-informed approaches across the system. The LSIP's role is to support stronger alignment between employer demand and skills provision through improved understanding and more responsive planning.

This priority also recognises neurodiversity and disability as cross-cutting considerations, with partner evidence identifying these as underserved groups. Inclusive design principles will be encouraged across LSIP activity.

A more responsive system must also reflect regional differences in access, transport, demographics and labour mobility, supporting a more joined-up but locally sensitive approach to skills planning.

Priority 4
Support pathways, progression and workforce transitions

Priority 4 responds to a growing challenge: too many people who want to work are unable to enter, stay in, or progress within employment at a time of rapid economic change. While unemployment is rising across the region and nationally, there are high levels of young people not in education, employment or training, whilst local evidence highlights persistent barriers linked to health, caring responsibilities, low skills and limited access to suitable opportunities. Those furthest from the labour market therefore remain the hardest to reach.

This priority focuses on supporting people at all stages of their working lives, recognising that careers are no longer linear and that strong transferable and essential skills are critical to navigating change, progression and sector shifts. It also reflects the importance of clearer progression routes (i.e., from entry level through to postgraduate and Level 8 study), including into emerging areas such as the green economy, and the role of education in building higher-order skills that support long-term adaptability and resilience.

A key focus is enabling smoother transitions into and within work so individuals can retrain, adapt and progress over time, while ensuring the system better supports diverse learner and worker needs. Neurodiversity is recognised as a cross-cutting consideration, with inclusive design principles embedded across all LSIP activity.

This matters because a more connected and flexible system of pathways strengthens both individual opportunity and employer access to talent, supporting a more resilient regional workforce.

Part 1 introduces the local skills needs shaping Hampshire and the Solent economy. It brings together evidence from employers, FE and HE providers, and partners across the region, alongside sector-specific and economy-wide research. Central to this is a suite of 15 Partner Reports completed during preparation of this LSIP, providing detailed insight into sector challenges, workforce trends and emerging opportunities. These reports (summarised in Annex E and available via the ERB's website) form a core pillar of the evidence base. Annex A complements this by presenting a consolidated list of skills gaps identified through the research, and maps qualification levels (i.e., from entry level to doctoral - level 8 - qualifications) using Skills England's Occupational Maps¹³ ensuring consistency with this national framework.

Drawing on this insight, Part 1 sets out the region's emerging priority sectors, followed by an assessment of sector-specific skills needs, and wider participation challenges affecting learners and the workforce. This approach distinguishes between skills gaps linked to industry demand and barriers linked to people's ability to enter, stay in and progress within work.

Emerging Priority Sectors

Part 1 identifies 12 emerging priority sectors for the region. With devolution still taking shape, there is currently no single source setting a definitive direction of travel. Instead, this LSIP draws on multiple strands of evidence (incl., the strategic context and an assessment of long-standing sectors locally) to provide a coherent view of local skills needs. These sectors reflect a blend of nationally significant areas aligned with the Industrial Strategy (i.e., the IS-8), long-standing foundational sectors essential to the region's economic identity, and sectors that sit at the intersection of both.

The selection of these sectors does not imply that other industries are unimportant. Rather, it reflects a focused set of areas with the greatest potential for impact over the next decade. However, it is noted that the forthcoming Local Growth Plan will ultimately formalise the region's long-term sector priorities.

Wherever possible, sector definitions follow Industrial Strategy conventions. However, as with any SIC code-based analysis, limitations remain, particularly for activities embedded in supply chain, research and development or micro businesses. These constraints mean the findings should be interpreted carefully, and caution should be exercised when drawing conclusions.

Any sectors not taken forward should not be viewed as omissions, and stakeholders are encouraged to work with the ERB, HSOCA and wider skills ecosystem to progress activity in their area(s) of interest.

Emerging priority sectors for Hampshire and Solent LSIP:

- *Advanced manufacturing*
- *The creative sector*
- *Digital and technology*
- *Health and social care*
- *Marine and maritime*
- *Hospitality and visitor economy*
- *Agri-tech and rural industries*
- *Low carbon technologies*
- *Defence and aerospace*
- *Construction*
- *Logistics and distribution*
- *Professional and services sector*

Findings from Specialist Partner Reports

In the lead up to this LSIP, the ERB commissioned 15 specialist Partner Reports to help build a detailed picture of the region's skills landscape. Each report drew on direct engagement with FE and HE providers, and employers to identify sector-specific and economy-wide skills needs, ensuring the analysis reflects real world pressures and emerging opportunities. This work complemented extensive engagement with more than 1,000 businesses across the region, providing insight into hard-to-fill roles, approaches to recruitment, demand for technical skills, barriers and how engagement with providers can be strengthened. Each report is available online, and the synthesis presented here offers a snapshot of the themes that have shaped our priorities. While this evidence has informed the skills gaps and actions, Part 2 of the LSIP focuses on a small number of strategic interventions.

Across all reports, a strong and consistent message emerges; the region is experiencing a number of deep and structural skills pressures that cut across sectors and places. While every industry has its own challenges, the insights gathered points towards a shared need for a more coherent, better connected and responsive skills ecosystem; one that keeps pace with rapid technological change and rising employer expectations.

Partner research spotlights shortages in both technical and practical skills, from defence and aerospace engineering to electrotechnical roles, construction trades, maritime competencies and digital capabilities. In most cases these gaps are widening as the labour force changes, and external pressures (including rising costs and shrinking margins) divert attention from the skills challenge. At the same time, foundational and essential skills are repeatedly identified as critical weaknesses, particularly among younger groups (especially the "Covid cohort") entering the labour market.

Another emerging theme is the disconnect between education and real-world practice. Employers across sectors report that curricula often lag industry standards, and that learners lack exposure to real live working environments. This limits their ability to keep pace with changing technology, and reinforces the need for more consistent employer participation in curriculum design, assessment and work-based learning.

Partners emphasise the importance of inclusion and widening participation. Barriers linked to disability, health, caring responsibilities and other socio-economic pressures continue to limit access to training and work. The research also shows that young people at risk of becoming NEET, as well as adults returning to the workforce, and residents of rural or more remote areas (including the Isle of Wight) need tailored and place-sensitive support to access opportunities.

The evidence also highlights the need for stronger coordination across the whole ecosystem. Fragmented engagement, duplicated activity and inconsistent employer involvement reduce impact and create confusion for learners, employers and providers alike. As such, a more unified approach will therefore be essential to meeting the region's future workforce needs and ensuring that every community benefits from economic opportunity.





Advanced manufacturing

Advanced manufacturing is a cornerstone of the region's economy, supporting around 26,300 jobs (2.9% of total employment) and demonstrating strong regional specialisation (LQ¹⁴ 1.32). Its inclusion as a priority reflects established regional strengths, deep links with other growth sectors and major opportunities linked to the Solent Freeport, where roughly a quarter of anticipated new jobs (around 3,800 of its anticipated 15,000 jobs) are expected to sit within advanced manufacturing.

The sector offers significant potential for high value growth, driven by roles in production management, design engineering and advanced materials. However, employers report persistent shortages in technical trades (e.g., fitters, welders and maintenance technicians), in addition to mechanical, electrical and software engineers. Leadership capability is also a growing concern as firms scale and adopt to new technologies.

The shift to greener manufacturing and the rise of manufacturing-as-a-service are accelerating demand for greater digital literacy, data-enabled production skills and the ability to operate and maintain increasingly complex, smarter equipment.

The creative sector

The creative sector is a nationally recognised growth engine and a long-standing priority for both former LSIPs. Across the integrated region the sector supports an estimated 42,600 jobs, though the true figure is likely to be higher due to the sector's large freelance and micro-business base. Film and audio-visual production stand out as major opportunities, strengthened by recent investments such as the expansion of Shepperton Studios.

Skills needs span specialist and cross-cutting roles, with shortages in lighting, costume, production management, sound, video editing and post-production. Demand is rising for skills in 'createch', such as AI, machine learning, immersive tech, alongside traditional craft skills. High levels of self-employment also exposes gaps in enterprise skills. Persistent challenges include limited links with industry, too few work-based learning opportunities, and insufficient access to live project experience for students.

Contributing more than £900 million GVA across the wider Surrey, Hampshire and the Solent area, the film and audio-visual productions sector supports around 11,500, 60% of whom are freelancers.

Digital and technology

Digital and technology are central to the region's competitiveness, supporting around 83,400 jobs (9.2% of total employment), and showing strong levels of specialisation (LQ 1.2). The ecosystem includes roughly 7,000 tech-related companies, many of them SMEs, and features a growing cyber security cluster centred around Basingstoke.

The opportunity is substantial. Digital adoption, automation and data-driven decision-making offer major productivity gains, while cyber resilience is now fundamental to business survival. Yet the pace of technological change continues to outstrip the supply of skills. Employers report acute shortages in data scientists, cyber security specialists, software developers and cloud professionals, alongside more persistent gaps in essential digital literacy ranging from everyday platforms like Microsoft365 to programming and AI related competencies.

Health and social care

Health and social care is one of the region's most critical sectors supporting an estimated 122,700 jobs (13.5% of total employment) and showing relatively stronger levels of specialisation (LQ 1.1). Employers highlight entrenched recruitment and retention challenges, driven by an ageing workforce, limited young entrants, demanding roles and negative public perceptions. Skills gaps are acute in foundational care, delegated healthcare, clinical skills, digital literacy, leadership and person-centred practice. Skills gaps in social care are exacerbated by the absence of a single organisation responsible for workforce strategy, planning and recruitment creating fragmentation and inconsistent approaches.



Life sciences, recognised as a priority by the Industrial Strategy, sits within the wider health and social care ecosystem and is a high value, high productivity sector in the local economy. Supporting over 4,000 jobs (and many more when accounting for activity in universities, hospital trusts and R&D activity), life sciences face shortages in biotechnology, pharmaceutical manufacturing, laboratory sciences and data-enabled diagnostics. Engagement with FE and HE providers highlights the need for stronger pathways, work-based learning, as well as employer-led projects to meet future demand.

The health and social care workforce within Hampshire is ageing, predominantly female and struggling with low retention and limited young entrants. Retention is a major issue, with 37% of entrants leaving the sector within their first year.

Part one

Marine and maritime

Marine and maritime is one of the region's defining economic strengths, anchored in the Solent but extending right across Hampshire. Using a broad definition spanning maritime construction, business services, R&D, education, shipping, leisure and tourism, the sector supports around 20,000 jobs and contributes £1.7 billion GVA to the region's economy each year. The region's ports handled 8% of all UK freight trade in 2023, while His Majesty's Naval Base (HMNB) Portsmouth alone generates £2.1 GVA nationally, positioning the sector as both a major employer and a critical enabler of national and global trade.

Skills pressures, remain significant. Employers report acute shortages in engineering roles, alongside operational roles such as sea pilots, stevedores and cargo handlers. Demand is rising for marine engineering and electrotechnical skills, offshore wind technicians and project managers, naval architects with advanced CAD capability, and specialist superyachts technicians. The shift to greener operations is accelerating needs in port electrification, alternative propulsion and shore-to-ship power, while digitalisation is driving demand for data analytics, cyber security and systems integration. Low awareness and a shortage of qualified assessors continue to constrain apprenticeship growth and sector entry.

Hospitality and the visitor economy

Hospitality and the visitor economy are major drivers of prosperity across both urban and rural parts of the region. Supporting an estimated 78,200 jobs (8.6% of total employment), the sector shows strong levels of specialisation across the region (LQ 1.1). The New Forest attracts millions of

The maritime sector supports an estimated 46,100 jobs and contributes £4.6 billion GVA to the region's economy.

The region's ports handled 8% of all UK freight in 2023.

Within the region, the Solent Freeport has potential to support up to 7,000 maritime sector jobs from a total of 15,000 jobs.

visitors each year, Portsmouth welcomed nearly 7 million ferry passengers in 2022, and Southampton (home to five cruise terminals) remains the UK's busiest cruise port with almost 2 million passengers annually. Together with Southampton and Farnborough airports, the region forms a key international gateway, and a core part of the UK's wider visitor economy.

Following significant disruption caused by the Covid pandemic, the hospitality and visitor economy has rebounded strongly, fuelled in part by rising demand for experiential and place-based leisure. Yet long-standing challenges persist. Employers report shortages in chefs, cooks and food preparation roles, alongside foundational gaps in customer services, communication and English language proficiency (skills that overlap significant with other service-led sectors, such as retail). High turnover, seasonal labour pressures and perceptions of the sector as low skilled continue to constrain recruitment. The latter has also been impacted by reduced international migration post-Brexit. As automation expands, demand is also rising for digital capabilities to manage booking systems, self-service platforms and customer-facing technologies.

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Defence and aerospace

Defence and aerospace form one of the region's most strategically important high value clusters, underpinned by a long industrial legacy in naval architecture, propulsion, composites, advanced engineering and defence research. Anchored by the globally recognised Farnborough and Basingstoke aerospace cluster and Space South Central, the UK's largest space cluster, the region hosts more than 100 businesses with strengths in satellite manufacture, launch technologies, robotics, autonomous systems and data-enabled services. Major employers include Airbus, BAE Systems, the National Air Traffic Service (NATS) and HMNB Portsmouth, reinforcing the region's critical role in national security, resilience and the UK's global competitiveness.

Skills shortages, however, remain a major barrier to growth. Employers report acute gaps in engineering, software, cyber security, cloud computing and machine learning, alongside specialist needs such as aircraft pilots, air traffic controllers, satellite engineers and technical sales roles. These pressures are intensified by wider shortages in marine engineering, naval architecture and advanced CAD; capabilities essential to defence, aerospace and maritime industries. Despite the strong assets, the sector's skills infrastructure across the region remains uneven.

Low carbon technologies

Low carbon technologies are a cross-cutting priority for the region, underpinning progress towards national and regional net zero targets. The scale of opportunity is substantial; demand for green jobs in Hampshire and Surrey is forecast to grow by 6% each year, equivalent to 57,000 roles with total regional demand across an integrated region likely to be significantly higher.

Yet deployment rates remain well below what is required (e.g., at 2023 installation levels, it would take nearly 1,000 years to fit enough heat pumps) highlighting the urgency of addressing skills shortages.

Employers report acute gaps in retrofitting project coordinators, heat pump installers, solar PV technicians and specialists in hydrogen production and storage. Electrification is further driving demand for electrical and technical skills to expand EV charging and decarbonise the road network, while the maritime sector requires seafarers trained in alternative, low carbon fuels and other propulsion methods. Growth in the green economy is also increasing the need for expertise in environmental regulation.



Part one

Agri-tech and rural industries

Rural industries are integral to the region's economy, with 75% of Hampshire classified as rural and home to around 300,000 residents. For the LSIP, the sector's definition spans agriculture, forestry, horticulture, outdoor recreation, environmental management and sustainable food production; activities that shape both the region's landscape and its socio-economic fabric. While many roles are traditionally considered as low skilled, employers report rising demand for higher-level expertise, including veterinarians, environmental engineers and specialists in sustainable land management.

However, the sector faces several structural challenges, including an ageing workforce, low retention of young people who migrate to urban areas, and persistent gaps in communication, teamwork and personal resilience. The transition to a greener economy is accelerating demand for skills in innovative food production, low carbon technologies and environmental regulation, alongside the ability to adopt new practices that improve productivity while also reducing environmental impact. Strengthening pathways into rural careers and supporting workforce adaptation will be essential to sustaining the region's rural economy.

Construction

Construction is a foundational sector for the region's economy, supporting around 69,100 jobs (equivalent to 7.6% of total employment). With marginally higher specialisation levels (with LQ 1.2) than the national average, the sector is central to meeting local housing targets (of around 13,500 homes per annum¹⁵), alongside the Government's ambition to deliver 1.5 million homes by 2029. Construction also underpins wider infrastructure delivery, including transport, utilities and the transition to net zero.

Skills pressures in construction remain acute. Employers report severe shortages in site managers, quantity surveyors, civil engineers and key trades such as bricklayers, joiners, plasterers and groundworkers. Reduced EU migration has intensified gaps, while a disconnect between college training and on-site requirements limits job readiness. Demand is also rising for digital competencies such as BIM, digital site management, estimating software and drone surveying, alongside essential SMSTS/SSSTS supervision skills and qualifications for scaffolding and working at heights. Future growth will also depend on embedding green construction skills, particularly retrofitting and heat pump installation, required to meet both net zero as well as national housing commitments.

Logistics and distribution

Logistics and distribution are central to Hampshire and the Solent economy, supporting 27,000 jobs (5% of total employment) and forming a critical backbone for international trade. The sector is concentrated in warehousing and water transport, with the Solent acting as a major global gateway. The Solent Freeport represents a major growth catalyst, expected to create 15,000 new jobs, including around 4,800 in port activities and logistics, reinforcing the region's strategic position in UK supply chains.

Workforce pressures mirror those seen in construction and include acute shortages of HGV drivers and warehouse operatives. Rising supply chain complexity is accelerating the shift from manual roles to data driven and STEM-enabled logistics. Additionally, employers highlight gaps in maritime logistics, container refrigeration and digital literacy, including the ability to use data analytics to optimise operations. Foundations skills such as numeracy, literacy, teamwork and

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wider employability remain persistent challenges. As the sector transitions to low carbon operations, demand will grow for skills in the use and maintenance of alternative fuels, particularly EV and hydrogen technologies.

Professional and business services

Accounting for almost 110,000 jobs, the professional and business services sector accounts for 12% of total employment in Hampshire and the Solent. Adding 2,500 jobs in the past year (+3%), the sector's growth rate in the region outpaces national trends. As one of the Industrial Strategy's priority sectors, it drives regional productivity through high value roles in business analysis, financial

management and wider knowledge intensive services. It also underpins the region's ambitions to attract investment, strengthen innovation capacity and enhance international competitiveness.

Employer engagement highlights persistent shortages in business development, particularly the ability to market and sell services effectively. High level gaps include leadership, financial literacy and project management, alongside rising demand for AI-enabled and data-driven capabilities as firms modernise their service offer. Core work-readiness skills, also referred to as essential skills remain a recurring concern. The region also faces sustained challenges competing for graduate retention, especially competition from London, which continues to limit the local talent pipeline.

Learner and Workforce Participation Needs

Alongside sector specific skills needs, engagement shows many challenges cut across the whole economy. These people-focused barriers affect participation, progression and work-readiness, with common gaps in digital

capability, essential skills, labour supply and green economy demands. Their unevenness reinforces the need for a more flexible, agile skills ecosystem that better fits employers' time and cost realities.

Digital capability as a universal requirement

Digital capability is now a universal requirement cutting across the economy, shaping productivity, competitiveness and day-to-day operations. What was once limited to tech-intensive industries is now critical across a plethora of priority sectors across Hampshire and the Solent. Employers increasingly describe digital competence as a baseline expectation, spanning basic literacy through to AI adoption, automation tools, data analytics, cyber security essentials and cloud systems. Micro businesses feel this most acutely, often seeking practical, easy-to-use AI and automation solutions to streamline work.

Sector specific demands are also rising. Construction relies on skills in building information modelling (BIM), digital site management and real-time project tracking. Meanwhile, maritime employers highlight growing needs in data analytics, systems integration and digital vessel operations. New expectations include decision making in AI-supported environments, ethical awareness, bias detection and the ability to use AI for productivity while maintaining creativity, judgement and empathy. Research suggests that older workers need help building confidence with AI, while supporting young workers to verify AI outputs and avoid over reliance. Strengthening digital capability across all provision is fundamental to unlocking productivity, safeguarding employment and enabling sector growth.

Tackling labour market shortages leading to a shortage of technical skills and specialist roles

Labour and skills shortages are now a defining constraint on the regional economy. Employers report difficulties not only in finding people with the right technical skills but finding enough people to meet demand. Pressures are most acute in national priority sectors such as aerospace and advanced manufacturing, but equally visible in foundational sectors such as maritime, construction, health and social care and hospitality, where specialist roles remain persistently hard-to-fill.

National evidence¹⁶ shows skills shortage vacancies rising from 22% in 2017 to 27% in 2024, a challenge echoed by employers in the region. Across the region, these shortages are worsened by wider population dynamics which include an ageing workforce, low graduate retention and housing pressures that limit mobility and make recruitment harder. As sectors compete for the same talent, salaries are pushed up, making recruitment more challenging and expensive for employers.

Without widening participation and accelerating workforce upskilling, shortages risk becoming a permanent drag on productivity. Consequently, a more responsive, collaborative and employer-led skills ecosystem will be essential to sustain growth.

Critical employability and essential skills

Employers across the region report that too many young people and entrants to the labour market lack the essential skills needed to participate confidently and productively in their workplace. Essential skills help people learn technical skills faster and adapt when things change. They make people more employable and help organisations manage change, supporting higher performance, resilience and growth across the economy. Gaps in communication, teamwork, resilience and adaptability cut across every sector, but are felt most acutely in fast-paced and people-centred environments, such as health and social care, which demand strong interpersonal capability.

Employers highlight persistent gaps in communication, reliability, personal initiative and professional behaviour. Addressing these requires embedding employability more deeply into training through clearer pathways into work, meaningful work experience and stronger industry presence. Scenario-based learning, coaching, mentoring and short, focused micro-learning can all build better judgement and overall confidence. Research also shows that it is imperative for providers to recognise that traditional methods may disadvantage certain groups, such as neurodivergent learners or people with disability, while also adapting approaches to reflect different generational learning preferences.

Skills for a greening economy

Skills for a greening economy are becoming a universal requirement, with employers across the region reporting growing difficulty adapting to new technologies, regulatory change and expectations linked to net zero. Demand is rising sharply in areas such as retrofitting, low carbon heating specialists, EV and hydrogen engineering, in addition to wider advanced engineering capabilities.

Yet many businesses still struggle to translate net zero ambitions into concrete workforce requirements. The LSIP recognises that the 'green economy' is not limited to 'green occupations', and firms increasingly require project managers, finance specialists and leaders who understand carbon reporting, regulatory change and sustainable business models. This makes green capability a cross-cutting theme, much like digital and essential skills, requiring integration across all provision rather than isolated courses. Therefore, embedding green skills within training pathways will be critical to business adaptation and ensuring the region can capture the economic opportunities of net zero.

Engagement with FE and HE providers highlights the need for stronger pathways, work-based learning, as well as employer-led projects to meet future demand.

Entrepreneurial and business management capability

Stakeholder engagement shows that the ability to run a business is becoming as important as the ability to work within one. Many small firms and self-employed individuals face persistent challenges that threaten their long-term viability. Owners often juggle multiple roles, taking on bookkeeping, payroll, administration and compliance alongside their core trade or profession.

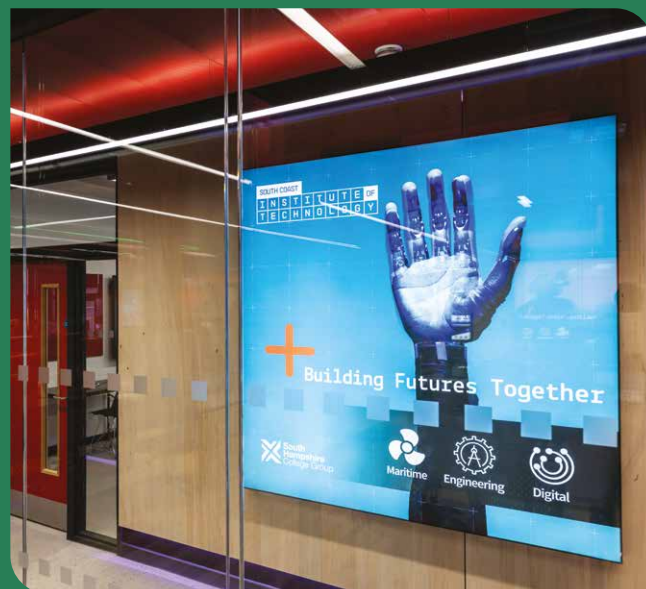
However, entrepreneurship and business capability are rarely taught, leaving many without the skills needed to operate sustainably. These pressures are intensified by rapid shifts in digital tools, a greater push towards sustainability and changing regulatory requirements. Strengthening business capability across the workforce, covering financial literacy, leadership and entrepreneurial confidence will be essential to improving micro businesses resilience and productivity. This is particularly important in a region where 88% of businesses employ fewer than ten people.

Part two

Delivering Our Priorities

Part 2 of the LSIP sets out how the ERB, working in partnership with HSCCA, FE and HE providers, and wider regional partners, will turn the evidence of skills gaps and participation needs into practical action. Part 2 explains how delivery will be coordinated across the integrated region to meet our ambitions for 2026-29, ensuring continuity of focus as HSCCA's leadership role strengthens over time. The LSIP will act as a constant, providing long-term strategic direction and influencing future skills leadership, including the Mayor's convening powers post-2028.

The LSIP represents the region's first opportunity to use the additional leverages provided through devolution to shape local skills outcomes, by aligning progression routes, securing industry placements and embedding work-based learning. It builds on the foundations established by the Solent and EM3 LSIPs without repeating them, prioritising integrated, region-wide action that accelerates upskilling, widens participation and embeds digital, green and meta skills across the ecosystem.



Our Proposed Actions for Delivering Change

The actions set out in Part 2 are deliberately sector-agnostic, enabling the LSIP to work across the widest possible spectrum of employers and sectors not identified as priorities, while still responding to specific needs highlighted in Part 1. They are designed to accelerate, not duplicate, existing workstreams and to make full use of new devolution powers to bring decisions closer to businesses and learners.

Grouped under the four LSIP priorities, the actions are practical, outcome-focused and intentionally cross-cutting, maximising impact across participation, employer engagement, responsive provision and progression pathways. While listed under single priorities, many actions will naturally contribute to multiple areas, reflecting the interconnected nature of the region's skills challenges.

Crucially, delivery is not intended to be led by the ERB in isolation. The LSIP is designed to strengthen existing relationships, particularly with FE and HE providers, and ensure that actions complement and build on their existing strengths (such as commercialisation capability and employer-led curriculum design). Furthermore, LSIP delivery is also designed to mirror the collaborative approach used to develop this Plan. Through joint delivery (including with HSCCA) and shared problem solving, in addition to active participation from partners across the region, the LSIP will become a catalyst for collective, system-wide change.

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Action 1

Develop a regional Skills Hub to improve navigation and access to skills support

Building on the Skills Channel established during Phase 1, this next phase will develop a regional Skills Hub focused on improving awareness, navigation and access to existing skills support, training and funding opportunities across Hampshire and the Solent.

The Skills Hub will help employers, learners, career changers and residents more easily identify relevant provision, including regional support and national initiatives such as Skills Bootcamps, while reducing the need for specialist knowledge to navigate the system. It will also support stronger coordination across providers and partners by improving signposting, reducing duplication and encouraging more joined-up engagement with employers, particularly SMEs.

The LSIP will support the development of the Skills Hub through collaboration with partners and targeted investment focused on strengthening coordination across the skills system.

Success will be measured through increased SME engagement with the Hub, improved employer feedback on ease of navigation and clarity of support and increased signposting and referrals into existing training and funding opportunities.

Action 2

Increase TECH+TOUR reach to support skills awareness and talent pathways

Building on the success of TECH+TOUR, the region's mobile education and technology outreach roadshow. Created to engage and inspire children and young people through the use of state-of-the-art technologies and showcase the range of career opportunities open to them across the maritime, logistics, health & social care and creative arts sectors. The group-led project was developed with support from Local Skills Improvement Funding and has recently been shortlisted for Hampshire County Council LEP legacy bid funding for Hampshire-wide expansion.

The LSIP will work with TECH+TOUR project delivery partners across the region's General Further Education Colleges, ITPs, The South Coast Institute of Technology and wider HE collaboration partners to explore opportunities for support, strategic alignment and investment that could help with expansion plans, increasing capacity and enabling the programme to reach more areas of greatest need across the Hampshire region. Future rollout activity will seek to align with priority sectors identified through the LSIP, including agri-tech, defence and aerospace.

TECH+TOUR is helping to raise aspirations, strengthen talent pipelines across LSIP identified priority sectors (e.g., women in engineering, NEETs and social mobility), reach more young people, widen geographic coverage and deepen diversity, while also targeting engagement where it can have the greatest impact (including areas with indices of high deprivation).

Part two

Action 3

Map and streamline advisory networks to improve employer access, influence and participation in curriculum design across priority sectors

Strengthen employer participation in curriculum development by mapping existing FE, HE, and employer advisory networks to identify gaps, duplication, and clear entry points for business engagement. The LSIP will act as a facilitator, improving visibility of engagement routes and strengthening coordination through provider partnerships. This will reduce barriers for employers—particularly SMEs and micro-businesses—to contribute to curriculum design, module development, and emerging qualification testing.

This work will align with Skills England Occupational Maps to ensure employer input reflects real job roles, progression pathways, and evolving sector demands. As part of this, the LSIP will draw on engagement with employers, FE and HE providers, industry partners and wider research to build a real-world picture of skills needs across all levels, up to Level 8. Success will be measured through increased employer participation in advisory structures, stronger SME and sector representation, and clearer, more accessible routes for employers to shape training provision across priority sectors.

Action 4

Develop a Hampshire and Solent-wide Skills Compact to strengthen employer participation and system coordination

Building on strong employer engagement through LSIP delivery to date, the Chamber as the ERB will support the development of a region-wide Skills Compact to improve co-ordination between employers, FE and HE providers and sector groups. The Compact will provide a structured forum for ongoing employer participation in regional skills discussions, strengthening the visibility and consistency of employer voice across priority sectors. As it evolves alongside devolution through HSCCA, its role will remain focused on system co-ordination and facilitating engagement.

Success will be measured through participation indicators, including frequency of employer engagement, levels of SME representation, and breadth and consistency of employer involvement across sectors and geographies, helping to reduce fragmentation and strengthen a more co-ordinated employer voice in regional skills planning.

Action 5

Launch employer best-practice repository as part of Skills Hub

The LSIP will establish a central, searchable best-practice repository within the Skills Hub. This resource will consolidate practical examples currently dispersed across reports, networks, and informal channels, bringing together case studies in a single source.

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Content will be curated by the ERB in collaboration with sector leads and other partners to ensure it is relevant accessible, and actionable. By making successful participation approaches easier to understand, replicate, and adopt, the repository will support more consistent and representative employer involvement across the skills ecosystem.

Success will be measured through usage and content engagement, employer feedback, accessibility, as well as evidence of increased employer confidence and awareness of participation.

Action 6

Scale the intent to enhance technical and essential skills

Part 1 of this LSIP has identified major participation gaps in digital, green, employability and cyber skills that limit business productivity and the region's competitiveness. To prevent firms from falling behind, and to reinforce that skills investment and training is core to business planning, the LSIP will focus on scaling demand for modular and stackable learning—including online micro-learning that can be completed during the workday.

Working with both FE and HE providers, the ERB will help to promote and coordinate uptake of short courses and micro-credentials (i.e., up to, and including Level 8) in digital, green, cyber and essential skills. Delivered flexibly and aligned to employer needs, this approach will rapidly help upskill the existing workforce and support efficient entry routes for new talent. To ensure provision reaches all parts of the workforce, flexible scheduling and accessible delivery formats will be encouraged, recognising that participation barriers can limit uptake even where high-quality provision exists.

Success will be measured through enrolment levels, completion rates and employer feedback to ensure provision is both effective and aligned to workforce needs.

Action 7

Launch inclusive participation pathways

Analysis of the economic context shows the region relies heavily on in-commuting, while many residents face overlapping barriers to work, including health and disability, caring responsibilities, skills gaps and wider socio-economic pressures. Although the region shares common challenges, the LSIP recognises that needs differ between places, and that interventions must reflect local distinctiveness and speak directly to local communities.

As such, the LSIP will use its reach to promote effective returner programmes, employability courses, and sector-based work already underway across the region. By leveraging the Pathways to Work Guarantee and the local Get Britain Working plans—including a focus on Disability Confident—the LSIP will work with health, work and skills partners to reduce barriers, widen the talent pool, cut NEET levels and reduce long-term unemployment risks. Where appropriate, pathways will also signpost progression into higher-level qualifications, ensuring that individuals can continue to build and progress their skills. Inclusive design principles will be embedded throughout, ensuring that pathways are accessible to neurodiverse individuals and others whose needs are not always reflected in standard provision design.

Success will be monitored through changes in participation rates and regional NEET levels, and the number of employers signing up to the Disability Confident scheme.

Part two

Action 8 *Influence for the integration of skills as a priority in the region's Local Growth Plan*

Devolution gives the region a chance to reshape skills so they sit at the heart of the Local Growth Plan and align directly with long-term economic priorities. As HSCCA prepares the Plan, the LSIP and ERB will champion skills as a core pillar, promoting LSIP priorities, articulating employer needs and ensuring skills investment is treated as fundamental to the region's success. This includes ensuring that future sector priorities reflect all skills needs, including advanced research, innovation and specialist capabilities (incl., Levels 7 and 8) that underpin the long-term competitiveness in emerging priority sectors.

Working in partnership with emerging HSCCA structures, as well as FE and HE providers and sector partners, the ERB will help shape a coherent approach that aligns future funding and programme design with economic ambitions, supports place-based growth and improves residents' access to good jobs. This influence will extend to advocating for a skills system that is both responsive to employer demand and inclusive in design—ensuring the Local Growth Plan reflects the diverse needs of the region's communities and workforce.

Action 9 *Develop a place-based skills intelligence report for the Isle of Wight and other less well connected locations*

Stakeholder engagement highlighted that skills delivery is often perceived as being weighted towards the more urban and populous parts of the region in particular Portsmouth and Southampton and does not fully reflect the distinct challenges faced by less well connected areas, most notably the Isle of Wight. To address this, the LSIP will develop a dedicated place-based skills intelligence report focused on the Isle of Wight, with potential to extend to other more remote locations across the region.

This work will examine locally specific issues such as skills retention, attraction and out-migration, ensuring delivery reflects the realities of where people live, work and move. Critically, the report will be designed not only as an evidence tool but as a foundation for more responsive and adaptive provision, informing employer input routes, delivery models and funding priorities that reflect the key characteristics of these communities. The report will provide a basis for tracking progress against its recommendation and informing any adjustments for providers to make.



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Action 10 *Scale youth engagement and NEET response*

Youth unemployment is rising, and more young people risk becoming NEET as they transition from 16+ education. The LSIP will work with providers to actively engage young people earlier, helping to prevent NEET status before it occurs, while ensuring access to specialist support for those already at risk—recognising that the journey into work is rarely linear and that timely intervention can be transformative. This action will track levels of youth participation, the number of work experience and placement opportunities secured, and changes in NEET levels across the region to understand progress.

As such, the LSIP will promote training opportunities linked to local skills gaps and, through the region's local Get Britain Working plans, help strengthen the work experience offer and leveraging the Government's Youth Guarantee for people aged 18–24. Inclusive design principles will be embedded throughout, ensuring pathways are accessible to neurodiverse young people and those with additional barriers to participation. In doing so, this action will create clear entry pathways into priority sectors, build confidence and transferable skills, and give employers access to a motivated young workforce ready for the demands of a changing economy.

Action 11 *Convene an Electrotechnical Training & Careers Alliance with the ECA*

A critical emerging priority from LSIP engagement is the acute shortage of electrotechnical engineers across the region, affecting key priority sectors including defence, aerospace, maritime and construction. To help address this cross-cutting skills gap, the LSIP will convene an Electrotechnical

Training & Careers Alliance in partnership with the Electrical Contractors' Association (ECA), building on its national ECTA model.

The ERB will bring together FE, HE and other training providers, while the ECA will engage key employers from across the region's priority sectors. Beyond addressing immediate shortages, the Alliance will support the development of clear progression routes into and within the electrotechnical workforce—helping individuals retrain, upskill and advance over time. This partnership will support coordinated action on electrotechnical skills, aligning with Skills England priorities on sustainable growth and net zero, while reflecting the needs highlighted through engagement and multiple Partner Reports. Progress will be reflected in increased enrolments, and higher completion rates across electrotechnical training pathways.

Action 12 *Pathways to STEM*

The ERB will lead a new Experiential STEM Talent Pathways initiative to identify young people from underrepresented backgrounds including those with disability or who are neurodiverse who show strong STEM potential but lack recognition or support. Working with employers across the region, including those in priority and IS-8 sectors, the initiative will provide immersive workplace visits, mentoring, hands-on exposure and peer learning in real STEM environments.

By widening participation, building confidence and offering tailored, inclusive support, this initiative will strengthen future talent pipelines and ensure emerging skills align with priority sector needs including the transition to a green economy. This action directly supports Priority 4's commitment to enabling smoother transitions into work for those who are often overlooked, opening STEM opportunities to young people who have the potential but have not yet had the platform to realise it. Participation will be tracked through STEM enrolments, engagement and diversity metrics, and onward progression into higher-level qualifications.

Actions 13

Inclusive career networking for future talent

The ERB will host a series of inclusive networking events connecting FE and HE learners with local business professionals. Designed to break down social, confidence and accessibility barriers, these sessions will give learners including disabled and neurodiverse young people direct exposure to real career pathways and the transferable, essential employability skills critical to navigating a changing labour market, such as communication, personal initiative and professional interaction.

Featuring engaging speakers and a relaxed, supportive format, the sessions will mirror authentic business networking while remaining accessible for those new to professional settings. By creating low-pressure, confidence-building spaces that reflect diverse learner needs, this action will widen participation, strengthen progression routes and connect employers with a diverse and motivated future talent pipeline supporting both individual opportunity and regional workforce resilience. Success will be measured through attendance and participation levels, diversity of learners taking part, and employer feedback on the value of the connections made.

Action 14

Building a future-ready workforce

Phase 1 highlighted the need to prepare workers for fast-changing technologies while protecting the legacy skills that underpin innovation. Employers continue to call for essential and transferable skills to be embedded across technical training, supported by stronger coordination and clearer progression routes that reflect the reality of non-linear careers and ongoing reskilling needs. Horizon scanning is also critical to anticipating future labour market shifts and preventing the loss of traditional expertise as more experienced workers retire.

Building on existing employer networks, one-to-one engagement and regional partnerships, the LSIP will strengthen this intelligence gathering and use it to trigger targeted analysis or skills mapping exercises where emerging needs are identified. To support this, the LSIP will explore establishing a Future Workforce Partnership to integrate future skills insights into curriculum planning and align lifelong learning with regional priorities ensuring the system remains responsive to diverse learner and worker needs at every stage of working life. In doing so, this action will help create a more adaptable workforce, accelerate curriculum innovation and ensure residents can access high-quality jobs in a rapidly evolving economy. The insights generated through this work will be published and used to inform curriculum adjustments, supported by ongoing employer feedback to ensure provision continues to reflect emerging needs.

Delivering the LSIP

Delivery of this LSIP will follow the hallmarks established in 2023 and will be organised around the LSIP's four priorities, ensuring that every action directly contributes to these shared goals. The strong foundation of trust built across the region's skills ecosystem remains central, and the LSIP will continue to nurture this through collaboration, and by transforming engagement into genuine participation by employers. Delivery will be phased and adaptive, allowing actions to evolve as new intelligence emerges.

With 88% of businesses in the region employing fewer than ten people, flexibility remains essential, particularly for SMEs, and will be supported through actions such as strengthened advisory networks, the Skills Compact and employer best-practice repository. Employers repeatedly highlight the need for modular, stackable and accessible training, including short, online and work-day-friendly options that fit real operational constraints. The LSIP will champion this shift, ensuring that provision is responsive, agile and aligned to real world business needs.

Additionally, the LSIP recognises that skills needs vary significantly across the region. Distinctive local factors (such as transport connectivity, access to provision, demographic change, graduate retention and out-migration) shape demand in different ways. While the region faces shared challenges, delivery must reflect local nuance, informed by place-based intelligence (such as the Isle of Wight and other less well connected areas across the region). This means ensuring that interventions speak to local communities, respond to place-specific barriers, and remain flexible enough to adapt as local conditions evolve.

Hallmarks of Hampshire & Solent LSIP delivery

- **Personalised, outcome-focused action;**
- **Strong foundation of trust;**
- **Collaborative in nature;**
- **Flexible and accessible to all;**
- **Modular and stackable;**
- **A trusted, entry-point for the skills ecosystem.**

Roles and responsibilities

Strategic oversight for LSIP delivery rests with the region's ERB, supported by its Board of Directors. A cross-sector Steering Committee will continue to provide strategic direction – building on its role shaping this refresh – and ensuring the LSIP remains grounded in employer voice, and inclusion needs of a diverse labour market.

Crucially, through joint delivery with HSCCA, the LSIP will help embed skills as a core priority within the region's Local Growth Plan alongside housing, transport and wider economic development, and ensuring alignment with wider devolution powers and investment decisions. Delivery partners, including FE and HE providers, employer bodies (e.g., the Federation of Small Businesses), sector organisations (e.g., Maritime Solent), the Department for Work and Pensions and local services, will play a central role in implementation.

The actions set out above are designed for delivery through to 2029, laying the foundations for a future-ready skills ecosystem.

Part two

Monitoring and reviewing progress will be central to keeping the Hampshire and the Solent LSIP employer-led, agile and aligned with the region's emerging Local Growth Plan. Delivery will be kept under continuous review so that actions remain aligned with the LSIP's four priorities, and stay relevant to employer demand, regional priorities and the fast-changing landscape of technology, regulation and labour market pressures. This approach ensures the region can react quickly to any micro- and/or macro-economic shifts.

To turn ambition into measurable progress, Annex B presents a clear framework of key performance indicators (KPIs) that define what success looks like and how it will be tracked. Annex B is intended to operate as a live document and will continue evolving as delivery gets underway and updated through the ERB's ongoing engagement with partners on the activities identified. Alongside system-wide measures, sector-specific metrics are identified to reflect the distinct needs of priority sectors. Co-designed with partners, these indicators will remain under regular review to ensure they stay meaningful, achievable and aligned with wider economic ambitions.

The framework provides a transparent structure for reporting progress and holding partners collectively accountable. Quarterly reporting will track operational delivery, while an annual progress review will assess both quantitative performance and broader progress against LSIP priorities. Evidence will be validated through employer feedback, ensuring the LSIP remains grounded in real-world experience, and maintains strong SME representation and sector breadth. As implementation progresses, the framework will be refined and adapted in response to emerging intelligence and what we learn through delivery.

The Skills Hub will play a central role in acting both as an intelligence-gathering tool and a core delivery vehicle whose own performance will be monitored. Through deeper employer participation and real-time intelligence on digital adoption, recruitment barriers and training demand, this disciplined yet flexible approach will keep delivery evidence-led, responsive and aligned with the region's long-term economic ambitions.

Measurable KPIs of Hampshire & Solent LSIP

- 1. Skills Hub usage (e.g., online traffic, enquiries and training uptake)**
- 2. TECH+TOUR reach (e.g., number of visits, participants reached, geographic coverage and diversity of participants)**
- 3. Employer participation (e.g., SME representation, breadth of employers, sectors and providers involved)**
- 4. Uptake of modular and stackable learning (e.g., enrolments and completion rates)**
- 5. Publication and use of the Isle of Wight skills intelligence report**
- 6. Youth participation and work experience placements (e.g., enrolments, completions, diversity metrics and transitions into STEM roles/courses)**

*Please note: A full list of KPIs is included in Annex B of this LSIP report



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