

Skills and Labour Market Strategy

2026–2030



Published: March 2026

Contents

Introduction.....	5
Foreword	5
Executive Summary Page	5
Progress from the Skills and Labour Market Strategy 2020–2025	5
Skills and Labour Market Strategy 2026-2030 context	8
Portsmouth's Skills and Labour Market profile	11
Vision	16
Strategy themes	17
Development of strategy action plans	29

Portsmouth is a city with **ambition, resilience, and a proud history of innovation.**

Cllr Steve Pitt

**Leader of Portsmouth
City Council**



Portsmouth is a city with ambition, resilience, and a proud history of innovation. As Leader of Portsmouth City Council, I am committed to ensuring that our residents and businesses have the skills and opportunities they need to thrive in a rapidly changing economy. The Skills and Labour Market Strategy 2026–2030 sets out how we will achieve this.

This strategy builds on the strong foundations laid over the past five years, during which employment rose and economic inactivity fell significantly. However, we know that challenges remain. Too many young people are struggling to find their place in the workforce, too many residents face barriers to learning and progression, and too many jobs lack the security and pay that people need to live well. At the same time, technological change, the transition to a green economy, and national policy reforms are reshaping the labour market at pace.

Our response must be bold, collaborative, and future-focused. This strategy brings together education providers, employers, community organisations, and local government to create a skills system that works for everyone. It prioritises inclusion, lifelong learning, and employer engagement, ensuring that residents can access meaningful work and businesses can access the talent they need. It recognises the importance of both our foundational economy and our high-growth sectors, and it sets out clear themes and actions to deliver real change.

Portsmouth is a city of opportunity. By working together, we can ensure that every resident has the chance to learn, progress, and succeed, and that our economy continues to grow in a way that is fair, sustainable, and inclusive. I am proud to present this strategy as a blueprint for that future.

Executive summary

The Skills and Labour Market Strategy 2026–2030 sets out Portsmouth’s ambition to create a collaborative, place-based, and future-focused skills ecosystem that ensures every resident can access meaningful employment, lifelong learning, and progression opportunities. Building on the achievements of the previous Skills and Labour Market Strategy 2020–2025¹, which saw employment rise to nearly 80 percent and economic inactivity fall below national averages, this new plan addresses persistent challenges such as youth unemployment, rising NEET rates, in-work poverty, and skills gaps across both foundational and high-growth sectors.

This strategy is being developed at a time of significant change. Devolution, expected in Hampshire and the Solent in 2026 with Mayoral elections in 2028, will provide greater local control over funding and enable targeted, place-based interventions. Proposed local government reorganisation (LGR) requires deeper collaboration with neighbouring authorities, while alignment with national and regional priorities, including the Post-16 Education and Skills White Paper², Get Solent Working³, the Solent Local Skills Improvement Plan (LSIP)⁴, and the UK Industrial Strategy⁵, will ensure Portsmouth remains competitive and resilient.

Portsmouth’s labour market is strong but uneven. Employment levels are above national averages, yet unemployment (3.9%) and NEET rates (6%) remain high, and 13% of residents have no formal qualifications.

The city’s economy combines a robust foundational base in health and care, construction, logistics, and hospitality with high-growth sectors such as advanced manufacturing, clean energy, cultural and creative industries, defence, digital technologies, and life sciences.

This diversity presents both opportunities and challenges, requiring a balanced approach that supports inclusive growth and equips residents for the jobs of today and tomorrow.

The vision for this strategy is clear: to deliver a skills and labour market system that drives economic growth, improves health and wellbeing, and creates pathways for all residents to thrive. It focuses on six interconnected themes: engaging and equipping the next generation workforce; strengthening communities through targeted support; expanding adult learning and lifelong learning opportunities; building skills for both foundational and future-facing sectors; tackling in-work poverty and improving job quality; and fostering partnerships that place employers at the heart of skills development.

Implementation will be driven by annual action plans that allow flexibility in responding to economic shifts, funding cycles, and emerging priorities. Through collaboration with employers, education providers, and community partners, Portsmouth aims to create a labour market that is inclusive, resilient, and ready for the future.



TECH + TOUR

Progress From the Skills and Labour Market Strategy 2020–2025

This strategy builds on the ambition and progress of the 2020–2025 Skills and Labour Market Strategy. Whilst the 2020–2025 strategy achieved many positive outcomes and delivered on its action plans there is more to be done.

Strategic Objectives in the 2020–2025 Strategy

The Skills and Labour Market Strategy 2020–2025 set out four overarching themes—Inspire, Integrate, Partner, Respond—underpinned by key priorities including raising Level 3 and Level 4 attainment, expanding apprenticeships, aligning training with local sectors, and improving foundational skills.

Annual reviews highlighted progress in curriculum alignment to marine, digital and net-zero sectors; employer engagement, increased Level 4 skills levels, the Multiply programme and apprenticeship brokerage via Solent Apprenticeships and Skills Hub (now known as Solent Business and Skills Solutions).

The strategy appears to have contributed to strong growth in employment levels and reduced inactivity, mostly by engaging economically inactive adults and maintaining high job density, albeit with a higher proportion in part-time work (34%).

However, unemployment remains slightly elevated relative to comparator areas, suggesting persistent challenges for certain groups.

The strategy's focus on labour market development based on its key sectors, particularly manufacturing, education, maritime, logistics aligns with Portsmouth's business makeup. Improvements in sector-specific apprenticeships and higher-level provision likely supported successful recruitment in these fields.

Labour Market Outcomes 2020–2025

- Employment rose sharply from 74% to nearly 80%, exceeding the South East average. The strategy aimed to surpass regional averages.
- Economic Inactivity dropped to 17%, outperforming Southeast (18.9%) and UK (21.5%), indicating success in engagement and focused unemployment programmes.
- Unemployment (3.9%) and claimant count (4.9%) remain slightly above regional averages—improvements have lagged slightly on this front, but this is reflected in comparative areas.

Key successes aligned with strategy priorities

Qualification uplift

NVQ Level 4+ attainment rose steadily, reaching the strategy's 40% goal early.

Apprenticeships and sector alignment

Through the Solent Apprenticeship and Skills Hub, 'Transfer to Transform' and initiatives like "Made in Pompey" apprenticeship opportunities were created. Young people moved into work via initiatives such as the DWP funded Youth Hub and Kickstart schemes.

Basic skills provision

Multiply programmes (Maths) were rolled out at via PCC Community Learning Service, with £1.1m allocated, over 99% of the funding available.

Sector-based focus

The opening of COPC's Net Zero Hub, development of PETAs new L5 engineering programme, capital investment through the Local Skills Improvement Plan (LSIP) and subsequent Local Skills Improvement Fund (LSIF) for FE Colleges, as well as partnerships in marine, digital and green sectors secured the strategies action plan KPIs.

Challenges for the Skills and Labour Market Strategy 2026–2030

Unemployment and claimant count

Despite strong employment and lower economic inactivity, unemployment remains higher than many comparator areas at 3.9%, indicating barriers in access to high quality, sustainable employment.

The impact of AI on the job market

There remains a risk that AI will replace lower skilled jobs and simultaneously increase demand for higher skilled jobs.

Whilst AI has the potential to provide opportunity for residents that have the relevant skillsets or transferable skills, there are large numbers of the resident population who are low skilled who may struggle to access the opportunities and training necessary to progress in a career in AI.

Low-paid and insecure work

Employment rose, but earnings and underemployment in sectors like hospitality and retail remain an issue; strategy lacked sufficient traction in addressing in-work poverty or progression in these sectors.

Lower skilled occupations

The strategy's support for upskilling and apprenticeships in high-value sectors appears to have contributed to above-average qualification rates and improved wage metrics but challenges persist in improving job quality across lower skilled occupations.

Inequality between places and groups

While overall totals climbed, ward level disparities persisted – especially in deprived areas where inactivity and qualifications remain below average.

Business challenges

Businesses are finding themselves under increased financial pressures including higher taxation, higher energy costs, increased wages and rises in the cost of supply chain products and resources. Changes in regulations such as employment rights potentially reduce their confidence in both recruiting for new jobs and supporting employment assistance interventions.

Youth outcomes

Although Kickstart and Youth Hub programmes placed young people into jobs, NEET rates have continued to rise over the duration of the strategy, suggesting that further interventions are required for youth pathways. Increased pressures on employer budgets combined with high volumes of skilled applicants applying for jobs is showing a reduction in entry-level opportunities for young people and contributing towards rising NEET figures.



Skills and Labour Market Strategy 2026–2030 Content

This strategy is being produced at a time of significant change within the skills landscape. To succeed it needs to bring national vision, Solent wide ambitions, local needs, authority partnerships, Portsmouth’s strong but unevenly distributed labour market and its broad business base of both large, established businesses and smaller, entrepreneurial businesses together.

Devolution

Devolution is expected in Hampshire and the Solent in 2026 with Mayoral elections in 2028, and this strategy needs to ensure Portsmouth is in a strong position to showcase its strengths and highlight the critical need for and importance of focussed interventions to drive forward economic growth through employment and skills.

Devolution offers significant opportunities with increased local control and decision-making power. This strategy seeks to seize those opportunities, allowing Portsmouth to design place-based interventions that address ward-level disparities in employment and qualifications, target under-represented groups and communities furthest from the labour market, as well as improve access to training through localised delivery. The devolved Adult Skills Fund allows an alignment of training programmes with local labour market needs and business demands.

Local Government Reorganisation

Proposed Local Government Reorganisation (LGR) will require a growth in the collaborative relationships with Portsmouth’s neighbouring local authorities of Fareham, Gosport and Havant. Travel to work (TTW) and travel to learn (TTL) inflow and outflow data already show the significant boundary crossing of the wider workforce across these four authorities, highlighting the importance of effective collaborative partnerships, and the development and integration of effective programmes and initiatives across the boundaries. This strategy will seek to ensure residents and businesses can utilise and benefit from consistent, high-quality and relevant skills provision and opportunities. Through sector aligned training, targeted inclusion programmes, and real-time data governance, the region can deliver sustainable skills and employment growth and inclusive opportunity in line with both local and national strategic objectives.



National, regional and local alignment

This success of this strategy hinges on its ability to bring together the priorities of strategies at a national and regional level to secure supported growth, future funding and meaningful opportunities at a local level. These include:

- The Solent Local Skills Improvement Plan (2023) is a strategic initiative led by the Hampshire Chamber of Commerce designed to make the region's post-16 technical education and training more responsive to employer needs. It's aims to address persistent skills gaps, foster stronger collaboration, align skills provision with employer demand and promote cultural change to the skills ecosystem all support this strategy's aims to build a strong, resilient and confident workforce.
- The Get Solent Working strategy (2025) is a foundational document for shaping this strategy, supporting the UK's target of an 80% employment rate by tackling labour market exclusion, youth pathways, insecure work, and skills shortages. It offers detailed analysis of employment trends, economic inactivity, and sector-specific challenges across Portsmouth, Southampton, and the Isle of Wight, crucial in identifying intervention needs and locations. It encourages integration with Jobcentre Plus, public health, and education providers, building on the importance of multi-agency collaboration that this strategy will harness to secure positive outcomes. The strategy complements the Solent LSIP, which focuses on employer engagement, agile training systems, and future-proofing skills.

- The Post-16 Education and Skills White Paper (2025) which set out a major reform agenda for England's skills and employment system, building on earlier initiatives like the Skills for Jobs White Paper (2021)⁶ but goes further in aligning education with economic needs, improving access, and empowering local areas. This strategy is of particular importance with its focus on the rising NEET challenges, qualification pathway clarification and its call for more flexible, short term training interventions.
- The UK Industrial Strategy (2025) with its emphasis is on sectors with high productivity and innovation potential; Life Sciences, Clean Energy, Advanced Manufacturing, Creative Industries, Defence, Financial Services and Professional and Business Services, many aligned with sector strengths in the Portsmouth and its surrounding authorities.
- The Solent Growth and Prosperity Strategy⁷ (2023) places increased importance on strengthening partnerships between FE colleges, universities, and employers, a priority in both the previous Skills and Labour Market Strategy 2020–2025 as well as this one.

Cross cutting themes

Collaboration

Across authorities, education providers, businesses, Solent Growth Partnership, community groups and charities.

Devolution and Place

Local control over funding enables responsive, place-based interventions.

Sector focus

Aligned with national industrial strategy, Solent 2050 and local economic strengths (manufacturing, marine tech, health and logistics).

Data driven

Using ONS/Nomis baseline plus real-time local data to adapt interventions.

Inclusion and equity

Targeted strategies for most disadvantaged wards and underrepresented communities.



Motiv8

Portsmouth's Skills and Labour Market Profile

Portsmouth continues to demonstrate resilience and ambition in shaping a workforce that is skilled, inclusive, and aligned with the city's economic priorities.

As of 2025, the city boasts an **employment rate of 80.4% among working-age residents.**

Outperforming national averages and reflecting a relatively healthy job market.

The unemployment rate of 4.3% is slightly above the regional benchmark. The majority are employed as employees (71.5%), while self-employment accounts for 7.4%, which is below the South East average.

However, the largely positive employment statistic masks challenges in specific areas of the city where unemployment, NEET numbers and low skills attainment are significant, meaning there is work to be done in ensuring that all residents can access and benefit from opportunities to improve outcomes.

A key priority is addressing skills gaps and qualification disparities. Whilst 44.5% of residents hold Level 4+ qualifications, there remains a significant portion of the population with low or no formal qualifications, currently at approximately 13%, limiting their access to sustainable employment.

This includes many residents who have poor attainment in English and maths. This is particularly evident in Portsmouth's more deprived wards where larger numbers of economically inactive groups live, experiencing compounding challenges such as long-term sickness and caring responsibilities. The opportunities with the Adult Skills Fund should be maximised in these areas, as well as increasing the breadth of skills bootcamps offered, to tackle these barriers.

The city faces a significant challenge in the rising number of young people not in education, employment or training (NEET). Although national NEET rates fluctuate and Portsmouth is not against the rising trend, local data indicates that targeted interventions are needed to support 16–24-year-olds not only out of work or training, but those at risk of disengagement. This includes expanding access to vocational pathways, increasing provision flexibility throughout academic years, and developing wraparound support services.



Shaping Portsmouth's Apprenticeship Bus

Apprenticeships remain a cornerstone of Portsmouth's skills development approach.

In 2025, the city celebrated a diverse range of apprenticeship starts across sectors such as social care, education, housing and construction and building services supported by initiatives like Transfer to Transform, which channels levy funds from large employers to SMEs. Apprenticeships are increasingly being used to upskill existing staff and attract new talent, with pathways available from Level 2 to Level 7, including degree-level apprenticeships.

However, apprenticeship starts are on the decline, particularly significant in younger (16–24) apprentices, indicating a potential gap in information and engagement for both individuals and business as well as a demand and supply imbalance for opportunities for young people. Graduate retention is a key area of improvement for Portsmouth when it comes

to retaining talent in the City and boosting the local workforce. Historically low at approximately 19%, Portsmouth needs to retain more of its university graduates by fostering stronger links between the University of Portsmouth and local employers.

The same need is reflected in students studying for their A-levels, ensuring that school leavers who opt for these pathways continue their Further Education locally utilising the strong provision of Colleges such as City of Portsmouth College to secure their outcomes.

The city's ambition is to ensure that students not only study here but also build their careers and lives in Portsmouth, contributing to a vibrant and innovative local economy.

Whilst below the national average, workless households make up 5.9% of all households in Portsmouth. There is an opportunity to further reduce economic inactivity through tailored employment and training programmes to reduce this number and raise aspirations and confidence for the residents in these houses to engage with skills development and employment opportunities.

Driving aspirations and confidence is a key part of encouraging re-engagement with education and employment.

Sectoral employment is diverse, with the largest share of jobs in:

Distribution, Hotels and Restaurants	30.5%
Public Administration, Education and Health	23.4%
Construction Manufacturing	20.9%
Banking, Finance and Insurance	20.5%

Portsmouth also has a stronghold in many of the sectors highlighted in The UK Industrial Strategy and the Solent Local Skills and Improvement Plan, such as Advanced Manufacturing, Creative Industries, Defence and Digital and Technologies. This spread reflects Portsmouth's mixed economy of the foundational economy and the fast growth economy, combining service industries with a strong presence in public sector and industrial roles.

Within this strategy it is important to recognise the importance of both, recognise where the demand for jobs is, as well as where the policy directives for continued curriculum development and alignment are, and take a balanced approach.

It is essential to ensure we are equipping residents with the competencies needed to thrive in both foundational and high-growth industries, promoting lifelong learning and career progression.

The city's business landscape is dominated by micro and small and medium enterprise businesses, which make up over 90% of the 7,630 registered enterprises.

The average gross weekly earnings for residents are £725, and the job density at 0.90 indicates nearly one job available per working-age resident.





Neighbouring authorities of Fareham, Gosport and Havant

As noted, Portsmouth, Fareham, Havant and Gosport's **Travel To Work** (TTW) and **Travel To Learn** (TTL) areas inflow and outflow data show the significant boundary crossing of the wider workforce. As such, these authorities were included in the stakeholder consultations for this strategy, and the following wider labour market profile analysis created .

Looking outwards at the wider labour market pool that Portsmouth shares with Fareham, Gosport and Havant, similarities in the challenges Portsmouth experience are evident.

Interventions and ambitions for Portsmouth should include these surrounding areas, ensuring that businesses and the residents they employ benefit from consistent and equal support, opportunities and growth.

The ONS Origin–Destination Data Explorer from the 2021 Census provides detailed insights into commuting flows between local authorities. The key observations from that report are that significant number of workers commute into Portsmouth from Fareham, Gosport, and Havant, reflecting its role as a major employment hub, however significant amounts of Portsmouth residents also commute out to Fareham and Havant, particularly for roles in manufacturing, retail, and public services. Fareham and Gosport act as commuter towns with strong outbound flows, with Fareham receiving commuters from Portsmouth and Gosport, especially into business parks and industrial zones, whilst Gosport experiences smaller inflow compared to others, due to it having the smallest business base in the region and comparatively low gross weekly pay. Havant shows mixed patterns, with both inbound and outbound commuting, attracting many Portsmouth workers but also losing more of its highly skilled workers to employment outside of the borough.

The ONS Origin–Destination Data Explorer from the 2021 Census provides detailed insights into Education and training insights. Portsmouth serves as a central education hub in the region, drawing students from Gosport, Fareham, and Havant to institutions such as the City of Portsmouth College and the University of Portsmouth. Fareham and Havant also attract learners from Portsmouth and nearby areas, particularly for specialist vocational and academic training at Fareham College and Havant and South Downs College. Gosport experiences lower levels of student movement, likely due to fewer large–scale providers and limited transport links. Across all four areas, post–16 learners frequently travel for sixth form, further education, and apprenticeships, with Portsmouth and Fareham being key destinations for sector–specific training. Fareham College’s Daedalus campus (CEMAST and CTEC) on the Gosport boundary impacts post–16 learner travel data, Regional initiatives like Transfer to Transform help facilitate cross–boundary apprenticeship access by redistributing levy funding to support learner mobility.

Employment rate among the four local authorities:

Fareham	80.2%
Portsmouth	79.7%
Gosport	78%
Havant	70.5%

Fareham, Portsmouth and Gosport above the national average of **75.4%**.

Havant however lags behind, below both regional and national benchmarks.

In terms of unemployment, Fareham again performs best with just 2.7%, while Havant records the highest rate at 5.2%. Portsmouth and Gosport fall in between at 4.3% and 3.5%, respectively.

Economic inactivity is lowest in Fareham at 12.9%, indicating strong workforce engagement, whereas Havant shows significantly higher inactivity at 26.3%, suggesting challenges in labour market participation.

Portsmouth has a relatively strong skills profile, with 44.5% of residents holding Level 4+ qualifications, while only around 13% have no formal qualifications. Neighbouring authorities of Gosport and Fareham show similar patterns, though Gosport has a slightly higher proportion of residents with lower qualifications. Gosport however has the highest apprenticeship achievements by adults 16yrs+. Havant, which has the highest economic inactivity rate, tends to have more residents with lower qualification levels, often linked to residents with long–term health conditions.

Across all four areas, there is a shared need to support young people aged 16–24 who are not in education, employment or training (NEET), with evidence pointing to the importance of vocational pathways and wraparound services to improve engagement and outcomes. Gosport particularly is experiencing extremely high levels of NEETs with 18–24 year olds at 6.9%, placing them above the South East and National averages.

Workless households in Portsmouth account for 5.9%, with Fareham and Gosport estimated to fall between 4.5% and 10.5%, suggesting moderate levels of worklessness. In contrast, Havant has a notably higher proportion of workless households, reflecting broader patterns of economic inactivity and lower workforce participation in the area.

Vision

This strategy will deliver a collaborative, place-based, and future-focused labour and skills ecosystem that ensures everyone in Portsmouth can access meaningful, high-quality employment, lifelong learning, and progression opportunities.



Residents

That residents can improve their overall outcomes with good quality, sustainable and meaningful work.

That their education and training contributes relevant skills to the labour market and boosts the productivity of the area. That they have the confidence and clarity to embark on training and careers, feeling supported to enter and re-enter the labour market over the course of their lives.

That they can access support and guidance when and how they need.



Businesses

Employers are providing good quality, sustainable jobs to all residents, with a 'local first' mindset.

That they have a labour market equipped with the skills they need to support business stability and growth.

That they feel represented and included in skills and training development, becoming central to decisions around curriculum and provision direction to deliver a pipeline of talent.

That they understand the importance of their engagement in helping all residents gain vital information, experience and opportunities to be able to join or re-join the labour market.



Providers

Providers to be able to work collaboratively across Portsmouth, Gosport, Havant and Fareham, to ensure a full range of provision is offered to residents, enabling genuine access to employment in current and future roles in the local economy.

To deliver training and qualifications in the ways that suit individual's needs and ambitions. To engage with businesses across all sector areas to gain a firm understanding of current and future business needs.

To become key parts of the community, encouraging lifelong learning and skills development.

Strategy Themes

The above labour market information alongside consultation with stakeholders led to the development of the 6 key themes that this strategy will focus on. These priorities will strengthen and support our labour market which in turn will strengthen and support our economy, our health outcomes and establish Portsmouth as a place to live, learn and flourish.

Theme 1: Next Gen Workforce: Engage, Equip, Employ

This theme centres around youth employment and engagement. It focuses on inspiring our future workforce, raising aspirations, offering meaningful employment opportunities and experiences, and supporting those who have yet to find their place in the workforce .

The Next Gen Workforce theme aims to:

- **Engage** young people early through outreach, mentoring, and career inspiration.
- **Equip** them with relevant, transferable skills through inclusive training and education, including mental health support and confidence building.
- **Employ** by creating meaningful opportunities, work experience, and progression pathways – especially for those furthest from the labour market.

Portsmouth has a relatively strong overall employment rate (80.4% for ages 16–64), slightly above the South East average. However, this masks significant challenges for young people, particularly those not in education, employment, or training (NEET).



Motv8

Portsmouth has the highest NEET rate in the Solent region, currently at 6% with a further 1.1% unknown, and youth unemployment remains a persistent issue despite broader economic improvements.

Get Solent Working identifies youth unemployment as one of six urgent labour market challenges, and the introduction of the Youth Guarantee within the Skills White Paper provides the opportunity to ensure every young person has access to education, training, or employment support.

Portsmouth Youth Cabinet's consultations (2024) with local young people revealed that 91% have never been in paid employment and that 67% have wanted a part time job but were unable to get one. They want to work, develop skills, and earn money, but the opportunities for them to do so are few and far between.

Young people with mental health conditions are nearly five times more likely to be economically inactive than their peers, whilst young people from disadvantaged backgrounds, those with SEND, and certain ethnic groups face compound disadvantages, making them significantly more likely to be NEET.

The Post-16 Education and Skills White Paper highlights the need for early identification of NEET risk and joined-up local systems to support re-engagement.

There is a disconnect between the skills young people are gaining and the needs of local employers, particularly in emerging sectors like digital, green energy, and cultural and creative industries. It is vitally important that these skills are embedded appropriately and meaningfully into existing curriculum to enhance the effectiveness of all provision in supporting students into employment and/or further education.

The need to raise awareness and aspiration among young people, as well as offer non-linear career pathways is prioritised in the Solent LSIP.

Apprenticeships and vocational routes are underutilised, despite being viewed positively by young people as a pathway into work. Funding mechanisms need to allow for this flexibility, including devolved funding and the apprenticeship skills and growth levy.

Recommendations

1. Targeted, flexible and holistic support

Interventions should adapt to the complex needs of young people facing multiple disadvantages. This strategy and its action plans should build on the Get Solent Working call for inclusive growth by offering personalised interventions such as mentoring, CV writing, job application support and mental health support, especially for those facing intersectional barriers.

2. Local support

Local charities and grassroots organisations are well-positioned to design tailored interventions because they understand local labour market dynamics and are embedded in communities and culturally competent. Action plans should align closely with LSIP and White Paper principles by empowering these co-design solutions.

3. Embedded curriculum

Ensure that skills such as digital skills and green skills are embedded appropriately and meaningfully into existing curriculum to enhance the effectiveness and increase the career outcomes of residents leaving education and training and entering the workforce. Utilisation of funding mechanisms need to allow for this flexibility, including devolved funding. The apprenticeship skills and growth levy offers flexibility such as apprenticeship units which the strategy action plan should focus on.



4. Representation and work experience

Young people, particularly from ethnic minority backgrounds, SEND and care experienced backgrounds, express a strong demand for work experience placements and role models who reflect their own identities. Driving forward employer engagement and aspirational growth aims as identified in the LSIP will ensure representation for all, particularly for our ethnic minority youth.

The Government's Youth Guarantee, informed by the lived experiences of those the policy targets, will be a key initiative to support this strategy, breaking the cycle of disadvantage in Portsmouth, and providing a sustainable pipeline of engaged and equipped young workers for businesses. Modern work experience offers significant opportunities for NEETs and young people, helping them build confidence, skills, and pathways into employment.

Theme 2: Skills for Stronger Communities

This theme focuses on supporting residents in Portsmouth's most deprived areas—those statistically furthest from the labour market and most at risk of poor health outcomes. It aims to unlock potential by removing barriers and connecting people with the skills, support, and pathways they need to succeed and thrive.

This Skills for stronger communities theme aims to:

- Remove barriers to learning and employment by improving access to flexible, localised training.
- Connect residents with wraparound support such as transport, childcare, and mental health services.
- Unlock potential by investing in foundational economy sectors and creating clear pathways into secure, meaningful work.
- Empower communities through co-designed programmes that reflect local needs and lived experiences.

This theme directly supports the Get Solent Working Plan, a regional strategy developed by the Solent Growth Partnership to tackle economic inactivity and drive inclusive growth. By focusing on deprived communities, this theme helps reduce economic inactivity and supports inclusive growth through targeted, place-based interventions.

It contributes to the plan's ambitions to:

- Achieve an 80% employment rate across the region
- Develop local implementation plans that address both supply and demand-side labour market challenges
- Create a more inclusive and resilient regional economy

Many residents face long-term unemployment or underemployment, often due to health conditions, caring responsibilities, or lack of qualifications.

Residents in deprived areas are more likely to have low or no qualifications, limiting their access to well-paid or secure work. There is often a mismatch between available training and local job opportunities, especially in foundational sectors like care, retail, and hospitality.

Transport limitations make it difficult to access jobs, especially for those in outer areas or with mobility challenges.

Residents report discrimination in hiring practices, especially those with disabilities, mental health conditions, or from minority backgrounds. Employers are often unaware or unprepared to support individuals with additional needs

Many residents' report difficulty navigating support systems, with services often disconnected or hard to access. Community centres and local groups are valued, but underfunded and overstretched, limiting their ability to provide consistent help

Recommendations

1. Expand access to localised, flexible training

Deliver training in community settings (e.g. libraries, community centres) to reduce travel barriers. Offer modular, bite-sized learning options to suit those with caring responsibilities or health conditions. Prioritise foundational economy sectors (e.g. care, retail, hospitality) aligning training provision with local labour market demand, supporting the Get Solent Working Plan's goal of addressing supply-side challenges. This is critical in Portsmouth, Gosport and Havant in particular, with maths and English and English for Speakers of Other Languages (ESOL) courses to help develop core skills and increase employability in both foundation and future-facing industries.

2. Strengthen Wraparound Support

Integrate services such as childcare, transport subsidies, and mental health support into skills programmes. Provide holistic case management for individuals with complex needs, ensuring continuity and trust.

3. Improve Employer Engagement and Inclusive Recruitment

Work with local employers to promote inclusive hiring practices and support for individuals with additional needs. Encourage adoption of the Living Wage and secure contracts to reduce in-work poverty. Create progression pathways within low-paid sectors to support career development. Address demand-side labour market challenges by improving employer readiness and retention strategies.

4. Empower Communities Through Co-Design:

Develop programmes that reflect local needs and lived experiences, ensuring relevance and uptake. Invest in community-led initiatives that build trust and long-term engagement. Strengthen the role of community centres, libraries and local groups as hubs for skills, support, and opportunity.

Theme 3: Foundations for Success

This theme centres on adult learning and tackling the number of residents in Portsmouth who have no skills or low qualifications. It focuses on opening doors for adults, particularly those furthest from the labour market, by providing accessible, flexible learning opportunities that build confidence, boost critical skills and employability skills and work readiness, and create clear pathways into employment. It seeks to make lifelong learning a reality for everyone, no matter their starting point.

The Foundations for Success theme aims to:

- Help residents build confidence
- Gain critical entry level skills
- Provide progression pathways to continued learning
- Access clear pathways into employment.

This is a critical priority for Portsmouth, where nearly 1 in 10 working-age residents have no qualifications, and many more lack the skills needed to access secure, well-paid employment.

Many adults face competing responsibilities such as childcare, caring duties and work, and barriers such as financial constraints, digital exclusion, and poor health. This can make it difficult to commit to traditional learning formats. Poor mental and physical health, especially in deprived areas, affects motivation and ability to engage in learning. Tailored wellbeing programmes are needed to support learners holistically

While Portsmouth has a strong network of providers, including City of Portsmouth College and The Learning Place, there is a lack of awareness and clarity around available learning opportunities and progression routes. This was identified within the Solent LSIP which heavily focuses on improved navigation of the skills system, and flexible pathways into employment.

Recommendations

1. Expand Accessible Entry-Level Learning

Offer flexible formats including evening, weekend, online, and blended learning to accommodate work, childcare, and caring responsibilities. Embed learning in community settings: Libraries, community centres, and faith spaces to reduce barriers and increase reach.

2. Address Barriers to Participation

Provide wraparound support including childcare, transport subsidies, and digital access including devices, connectivity and training. Embed mental health and wellbeing support into learning programmes, especially in deprived areas. Offer financial support for course fees, materials, and living costs where possible.

3. Build Confidence and Motivation

Introduce confidence-building programmes as a first step before formal learning. Use peer mentors and learning champions to support engagement. Offer non-accredited tasters to ease learners into structured education.

4. Improve awareness, clarity and navigation of skills system

Map and promote clear learning journeys from entry-level to vocational and employment-focused training. Partner with City of Portsmouth College, The Learning Place, and other providers to ensure seamless transitions.

Launch a city-wide adult learning campaign to raise awareness of opportunities. Use community connectors and trusted local organisations to reach disengaged learners.



Theme 4: Skills that build, supporting sectors

This theme focuses on equipping Portsmouth's workforce with the skills needed to thrive in both foundational sectors (health and care, construction, logistics, hospitality) and future-facing industries (digital, clean energy, advanced manufacturing, life sciences, and cultural and creative industries).

By investing in both, we create inclusive pathways into meaningful work, drive economic growth, and strengthen the services that underpin community wellbeing. This theme focuses on equipping Portsmouth's workforce with the skills needed to thrive in the industry they chose to work in within Portsmouth.

Many of the high-growth industries prioritised within the UK Industrial strategy are found in Portsmouth, offering plentiful opportunities attributed to their rate of growth. The Solent 2050 Strategy positions the Solent as a globally competitive maritime and innovation hub, with strengths in marine, advanced manufacturing, clean energy, and digital sectors. However, foundational economy sectors provide the services people rely on daily, provide accessible jobs for a wide range of skill levels, strengthens social infrastructure and wellbeing and can be less volatile than high-growth sectors, providing steady employment.

Both foundational and high growth industry sectors aligns with Portsmouth's Economic Development and Regeneration Strategy (2019–2036), the Local Skills Improvement Plan (LSIP) and the UK's Modern Industrial Strategy (2025).

Portsmouth has a strong Foundational Economy base in:

Health and Care

Largest employment sector in Portsmouth, accounting for almost **20% of all jobs**. Anchored by Queen Alexandra Hospital, care homes, and community health services.

Construction

Over 2,000 companies operate in this sector locally, making it one of the city's largest employers. Vital for regeneration projects, housing development, and infrastructure upgrades.

Logistics and distribution

Portsmouth's International Port is a **major hub** for freight, passenger travel, and offshore energy logistics. The sector supports supply chains, maritime trade, and regional connectivity.

Hospitality

A vibrant tourism and cultural scene underpins this sector, with ongoing regeneration efforts enhancing its resilience. Hospitality accounts for approximately **30% of local businesses** when combined with retail and distribution.

Portsmouth also has a strong high growth, forward-facing economy base in:

Advanced Manufacturing

Portsmouth hosts major businesses like BAE Systems, Airbus, and Penta Precision. The Portsmouth Advanced Manufacturing and Engineering Cluster (PAMAE) supports innovation and R&D.

Falling within Advanced Manufacturing is the Space industry, Portsmouth is a leading hub for the UK's space sector, employing around 1,000 highly skilled professionals. This industry plays a critical role in supporting national sovereignty and delivering advanced capabilities to the defence sector, including satellite technology, secure communications, and space-based intelligence.

Clean Energy Industries

The city is investing in green maritime tech and energy-efficient infrastructure.

Portsmouth International Ports Solar Project and the Sea Change investment allowing ships to plug into clean electricity while docked show active measures being taken and a widening skills demand.

Cultural and Creative Industries

Portsmouth's digital and creative sector includes game developers, design studios, and media firms. The industry is supported by initiatives like Portsmouth Creates and cultural regeneration projects.

Defence

Home to HM Naval Base Portsmouth, the city plays a central role in UK defence. Defence sector investment supports shipbuilding, logistics, and engineering jobs.



Digital and Technologies

Portsmouth is expanding digital infrastructure and promoting tech skills (including Artificial Intelligence) through local education and training. The city supports SMEs in software, cybersecurity, and digital services.

Life Sciences

Companies like Cytiva and Pall Corporation contribute to biotech and diagnostics innovation. Strong links to QA Hospital and clinical research support sector growth.

Professional and Business Services

Portsmouth's business ecosystem includes legal, financial, and consultancy firms.

The city's regeneration strategy aims to attract and retain high-value service businesses .

Recommendations

1. Sector-Based Skills Pathways

Develop clear, inclusive pathways into priority sectors: Look to expand supported internships and progression routes within health & social care. Partner with local employers to deliver site-based training, retrofit skills, and green construction certifications within construction, Introduce modular training for warehousing, HGV driving, and port operations, including digital logistics systems within logistics and focus on customer service, digital booking systems, and leadership development for career progression within hospitality and retail.

2. Align with National and Regional Strategies

Ensuring the strategy reflects and leverages opportunities for collaboration and shared goals. Use the Local Skills Improvement Plans (LSIP) to identify skills gaps and opportunities.

3. Employer-Led Curriculum Design

Co-design training with employers to ensure relevance and responsiveness. Strengthen partnerships between cluster groups, Colleges and training providers and businesses.

4. Inclusive Access and Progression

Target underrepresented groups through community outreach and wraparound support. Provide flexible learning models (evening, online, blended) to support working learners. Promote career ladders and progression routes within foundational sectors.

Theme 5: Better jobs, brighter futures

This theme is focused on tackling in-work poverty and supporting progression for those in low-paid and insecure employment across Portsmouth.

By improving access to training, career pathways, and fair work opportunities, we aim to help individuals move into more stable, better-paid roles, creating a workforce that's not just employed, but empowered.

Portsmouth has a relatively high employment rate (80.4%), but many residents are stuck in low-paid, insecure jobs, particularly in sectors like hospitality, retail, and care. Logistics and warehousing can also often involve shift work, zero-hours contracts, and limited training. Overall roles in these sectors often lack progression routes, stable hours, and fair pay, contributing to in-work poverty.

The average gross weekly earnings for Portsmouth residents is £725, however, many roles in foundational sectors fall below this average, especially for part-time or casual workers. For residents this means they are working hard but many will still struggle to afford essentials, with rising stress and instability affecting health and wellbeing (Public Health Annual Report (2023)).

Portsmouth's Tackling Poverty Strategy recognises that employment alone doesn't guarantee financial stability. It calls for fair work, training access, and wraparound support to help residents move out of poverty.



Limited opportunities to move into better-paid, secure roles and many residents can be in employment that don't offer training, support, or career development.

Young people, women, and disabled residents are disproportionately affected by insecure work and lack of progression opportunities, which aligns Portsmouth closely with the Get Solent Working aims of remove these barriers.

The Post-16 Education and Skills Strategy emphasises the need for clear progression routes and inclusive access to training.

It introduces V Levels and simplified Level 2 pathways to support transitions into work or further study, something which Portsmouth can leverage significantly to help those in the labour market that are experiencing a lack of progression due confusion with skills system navigation.

There are additional challenges for people with SEND with a disproportionate risk of in-work poverty seen. This can be attributed to workplace discrimination, lack of reasonable adjustments, inflexible job structures that don't accommodate health or support needs and higher living costs (e.g. transport, care).

Many employers are unaware of schemes like Access to Work or Disability Confident, which support inclusive hiring and workplace adjustments.

Recommendations:

1. Expand Inclusive Employment Pathways

Develop supported internships, traineeships, and job coaching for SEND individuals. Partner with employers to create adjusted roles and career ladders in foundational sectors. Promote Employer Awareness and Accountability and to encourage uptake of Disability Confident and Access to Work schemes, including providing training on inclusive recruitment and workplace adjustments.

2. Improve Navigation and Awareness

Create a centralised Skills Portal, a digital platform for adult learners to explore training, career pathways, and support services. Launch a City-Wide Campaign promote awareness of progression opportunities, fair work, and support schemes through coordinated outreach. Create visual guides showing how residents can move from entry-level roles to better-paid, secure employment.

3. Strengthen Employer Engagement and Fair Work Practices

Increase Living Wage participation and Secure Contracts with employers, encouraging adoption of fair pay and predictable hours to reduce in-work poverty. Creation of career pathways in low-paid sectors, work with employers to define and promote progression routes. Encourage employers to embed training and mentoring into roles, especially in sectors with high turnover.

4. Improve Access to Skills and Training

Flexible Learning Models with the expansion of evening, weekend, online, and modular training to suit working learners, carers, and those with health conditions. Increase community-based delivery, using libraries, community centres, and trusted local venues to reduce travel barriers and increase engagement.

Theme 6: Partnering for progress

This theme puts employer engagement at the centre of skills development in Portsmouth, recognising the vital role businesses play in shaping a workforce that delivers both economic and social value.

By focusing on partnership with employers, skills providers, charities and other stakeholders, we aim to co-design training that meets sector needs, supports inclusive recruitment, and creates lasting benefits for individuals, organisations, and the wider community.

Portsmouth is home to a diverse and collaborative business ecosystem, supported by a range of sector clusters and business groups that drive innovation, skills development, and economic growth. These clusters play a vital role in shaping the city's workforce and supporting inclusive prosperity.

Shaping Portsmouth is a not-for-profit organisation dedicated to transforming Portsmouth into the UK's premier waterfront city to invest, live, learn, work, and visit. It does this by delivering innovative programmes across three core areas of Business, Education, and Community.

The Portsmouth Advanced Manufacturing and Engineering Cluster (PAMAEC) brings together leading firms and the local authority to foster R&D, skills development, and supply chain integration.

Portsmouth Creates is a not-for-profit Community Interest Company (CIC) that exists to grow and champion Portsmouth's cultural and creatives industries. It plays a central role in shaping the city's identity, supporting local talent, and driving inclusive economic and social development through creativity.

Both the Solent LSIP and the UK Industrial strategy prioritise placing employers at the heart of curriculum development, addressing skills gaps and developing inclusive learning practices. By placing employers centrally in skills development, and supporting them with links to community and education partners, the city can:

- Co-design training that leads to real jobs
- Support inclusive recruitment and fair work
- Build career pathways in foundational and growth sectors
- Strengthen the local economy through a skilled, resilient workforce

Recommendations

1. Co-Design Sector-Specific Training with Employers

Establish employer-led working groups for key sectors (e.g. care, hospitality, logistics, advanced manufacturing, cultural and creative industries). Use Solent LSIP insights to identify local skills gaps and design responsive training. Align with the UK Industrial Strategy's IS-8 sectors to ensure relevance to national growth priorities.

2. Strengthen Cluster-Based Collaboration

Support and expand sector clusters like PAMAEC and Portsmouth Creates to act as hubs for innovation, training, and workforce development, and demonstrate best practice to encourage other industries to set up similar groups. Facilitate cross-sector partnerships between employers, colleges, universities, and community organisations. Promote shared apprenticeships, site-based learning, and joint R&D projects.

3. Embed Employer Engagement in Curriculum Development:

Partner with City of Portsmouth College, The Learning Place, and other providers in the wider locality to embed employer input into course design. Develop modular, flexible learning that reflects real workplace needs and supports progression. Use live briefs, mentorship, and guest teaching to connect learners with industry.



Development of strategy action plans

To ensure the strategy remains responsive, relevant, and impactful, it is recommended that yearly action plans are developed in collaboration with partners across Portsmouth.

These plans will translate the overarching strategy into targeted, time-bound interventions, allowing for flexibility in a rapidly changing economic and skills landscape.

Annual Action Plans

Responsiveness to Change

- The economic and skills landscape is evolving due to factors like technological advancement, labour market shifts, policy reforms, and cost-of-living pressures.
- Annual planning allows the city to adapt to emerging challenges and opportunities, such as new funding streams, sector growth, or changes in employer demand.

Alignment with Funding and Delivery Cycles

- Many interventions are tied to short-term funding windows, pilot programmes, or evolving national strategies (e.g. LSIPs, UK Industrial Strategy).
- Annual plans ensure Portsmouth can align with national and regional priorities and respond to new investment opportunities.

Accountability and Collaboration

- Developing plans with partners ensures shared ownership, clear roles, and accountability in delivery.
- It enables co-design with employers, providers, and community organisations, strengthening buy-in and impact.



Balance Between Current and Future Needs

Each annual plan should include two key components:

Interventions Already in Motion:

- Capture and coordinate existing programmes that are funded, approved, or underway.
- Ensure continuity, avoid duplication, and maximise impact through better integration.

Interventions Needed in the Future:

- Identify gaps, emerging needs, and long-term priorities.
- Explore new models, partnerships, and funding to support system change and innovation.

Suggested Structure for Annual Action Plans

1. Strategic Priorities for the Year

Based on current data, partner input, and sector trends.

2. Delivery Map

Who is doing what, where, and when.

3. Funding and Resources

What's secured, what's needed, and where investment is required.

4. Monitoring and Evaluation

Metrics to track progress, impact, and learning.

5. Engagement and Communication

How partners and residents are involved and informed.

References

- 1 Skills and Labour Market Strategy 2020–2025
www.portsmouth.gov.uk/wp-content/uploads/2021/06/Skills-and-labour-market-strategy-accessible.pdf

- 2 Post-16 education and skills white paper
www.gov.uk/government/publications/post-16-education-and-skills-white-paper/post-16-education-and-skills-white-paper

- 3 Get Solent Working Plan 2025
solentgrowthpartnership.co.uk/wp-content/uploads/2025/06/Solent-Growth-Partnership-Get-Solent-Working-Plan-June-2025-v1.0-june-25-aa-accessible.pdf

- 4 Solent Local Skills Improvement Plan
www.hampshirechamber.co.uk/wp-content/uploads/Solent-Local-Skills-Improvement-Plan.pdf

- 5 The UK's Modern Industrial Strategy
assets.publishing.service.gov.uk/media/69256e16367485ea116a56de/industrial_strategy_policy_paper.pdf

- 6 Skills for Jobs: Lifelong Learning for Opportunity and Growth
assets.publishing.service.gov.uk/media/601980f2e90e07128a353aa3/Skills_for_jobs_lifelong_learning_for_opportunity_and_growth_web_version_.pdf

- 7 Solent Growth and Prosperity Strategy
solentgrowthpartnership.co.uk/wp-content/uploads/2025/01/SGPS-Jan-2025-V2.pdf



You can request this information in large print, Braille, audio or in another language by calling 023 92841641