

# Military Towns Enterprise Gateways Initial Development and Project Scoping



Prepared for:  
WSX Enterprise Limited

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Any errors or omissions in the report are the sole responsibility of the authors and not any of those mentioned herein.

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Cover picture Gunwharf Quays, Portsmouth, formerly the main gate of HMS Vernon.

## ***Glossary of Acronyms***

ABF	Army Benevolent Fund
BSW	Business Start-up Workshop
CO	Commanding Officer
CERI	Centre for Enterprise Research and Innovation
CLREA	Centre for Local and Regional Economic Analysis
CTP	Career Transition Partnership
CTW	Career Transition Workshop
CWA	Civilian Work Attachment
D Resettlement	Directorate of Resettlement
DASA	Defence Analytical and Statistics Agency
ECDL	European Computer Driving License
ESLs	Early Service Leavers
HE	Higher Education
HIVE	Service Community Information Service
IERO	Individual Education and Resettlement Officers
IOW	Isle of Wight
JEP	Joint Employment Partnership
LSfPA	Local Skills for Productivity Alliance
MoD	Ministry of Defence
MTEG	Military Town Enterprise Gateway
NOMIS	National On-line Manpower Information System
NRIO	Naval Resettlement Information Officer
OA	Officers Association
RAF	Royal Air Force
RAFA	Royal Air Force Association
RFEA	Regular Forces Employment Agency
RRA	Regional Resettlement Advisers (RAF)
RRCs	Regional Resettlement Centres
RTC	Regional Training Centre
SaBP	Start a Business Programme
SE	South East (Region)
SEEDA	South East England Development Agency
SEHEA.	South East Hampshire Enterprise Agency
SSAFA	Soldiers, Sailors, Airmen and Families Association
SLs	Service Leavers
SOA	Super Output Area
VAT	Value Added Tax
WEA	White Ensign Association

## Contents

<b>1. Executive Summary</b>	<b>6</b>
<b>2. Introduction and Methodology</b>	<b>12</b>
<b>3. The changing Defence Environment</b>	<b>14</b>
<b>4. Review of the Scale of Military Releases</b>	<b>18</b>
<b>5. Concentration and Estimated Outflows in Hampshire and Adjoining Areas</b>	<b>22</b>
<b>6. Economic Profile of the Main Military Towns in Hampshire</b>	<b>28</b>
<b>7. The Options Available to Military Personnel and Spouses Prior to Release</b>	<b>34</b>
<b>8. Examples of Enterprise Activity</b>	<b>44</b>
<b>9. Current Enterprise Support Networks</b>	<b>46</b>
<b>10. Gaps in Provision and Opportunities for Cross Cutting</b>	<b>50</b>
<b>11. Options Evaluation</b>	<b>58</b>
<b>12. Conclusions</b>	<b>60</b>
<b>Appendices 1-14</b>	<b>64</b>

## Figures and Tables

### Figures

1. Hampshire Military Bases under Potential Threat	15
2. Total Armed Service Personnel	15
3. Service Personnel Monthly Inflows and Outflows 2006	18
4. Outflow by Age	18
5. Officer and Other Ranks Outflow by Age	19
6. Distribution of Service Personnel – SE Region and Adjoining SW Regional Districts	22
7. Service Personnel and Spouses within Hampshire-based Clusters	25
8. Service Leavers within Hampshire-based Clusters	26
9. Portsmouth SOA's amongst the 10% most Deprived in the SE Region	29
10. Current Enterprise Gateways 2007	44
11. Potential Client Groups from within Hampshire-based Clusters	49
12. The MTEG Bridge	51

### Tables

1. Armed Service Personnel Reductions 1998 – 2006	16
2. Distribution of Regular Service Personnel in Hampshire and Adjoining Districts	23
3. Service Personnel and Spouses Living in the Community 2006	24
4. Estimated Number of Service Leavers in Hampshire-based Clusters	26
5. Main Defence Dependant District in the SE Region	28
6. Participation in Resettlement 2005/06 by SLs	33
7. Estimated Entitlement to Resettlement Packages by SL's and ESL's in Hampshire and Surrounding Districts	34
8. Ways of spreading the message of Enterprise	52

## **Executive Summary**

### **Introduction**

This study takes place against a background of contraction and concentration in the Armed Services and a recognised need for local economic expansion in order to meet sustainable economic growth targets. The aim of this study is to evaluate the viability of establishing one or more Military Town Enterprise Gateways (MTEG) in Hampshire. The objective is to encourage more self-employment/entrepreneurial activity amongst Service personnel when they return to civilian life, and amongst the spouses/partners of existing Service personnel.

### **The consequences of MoD restructuring**

The MoD is charged with making annual efficiency gains and the driver of these efficiencies is the Defence Change Programme. This programme has a significant impact not just on the MoD's estate and hardware but also on its manpower. It is clear that the Armed Services will continue to shrink in terms of numbers of Service personnel and the geographical footprint that bases make in local economies. Strategic policy within the MoD is already framed to reflect not only a changing role for the Armed Services, but also recognition that the resources available are likely to be diminished. The plans show reductions in the trained strength of the Armed Services of over 10,000 up to 2007/08 and thereafter stable levels for all three Services. Looking forward the direction is clear but the detail is not yet fully worked out.

The evidence that is available suggests that super garrisons and major training bases should be located outside London and the South East Region. It has already been announced that the bulk of Tri-Service engineering training will be relocated to the military training academy at St Athen in the Vale of Glamorgan. Impacts in Hampshire and surrounding areas are likely to include the loss of 2,000 jobs at Bordon and an estimated 1,300 Service and 1,000 civilian jobs by 2017 at HMS Sultan in Gosport. In phase 2 of the relocation of training; Southwick Park, Deepcut and Worthy Down may face rationalization (there are currently no firm figures). Similar exercises for other defence activities are also expected to have significant impacts in the future.

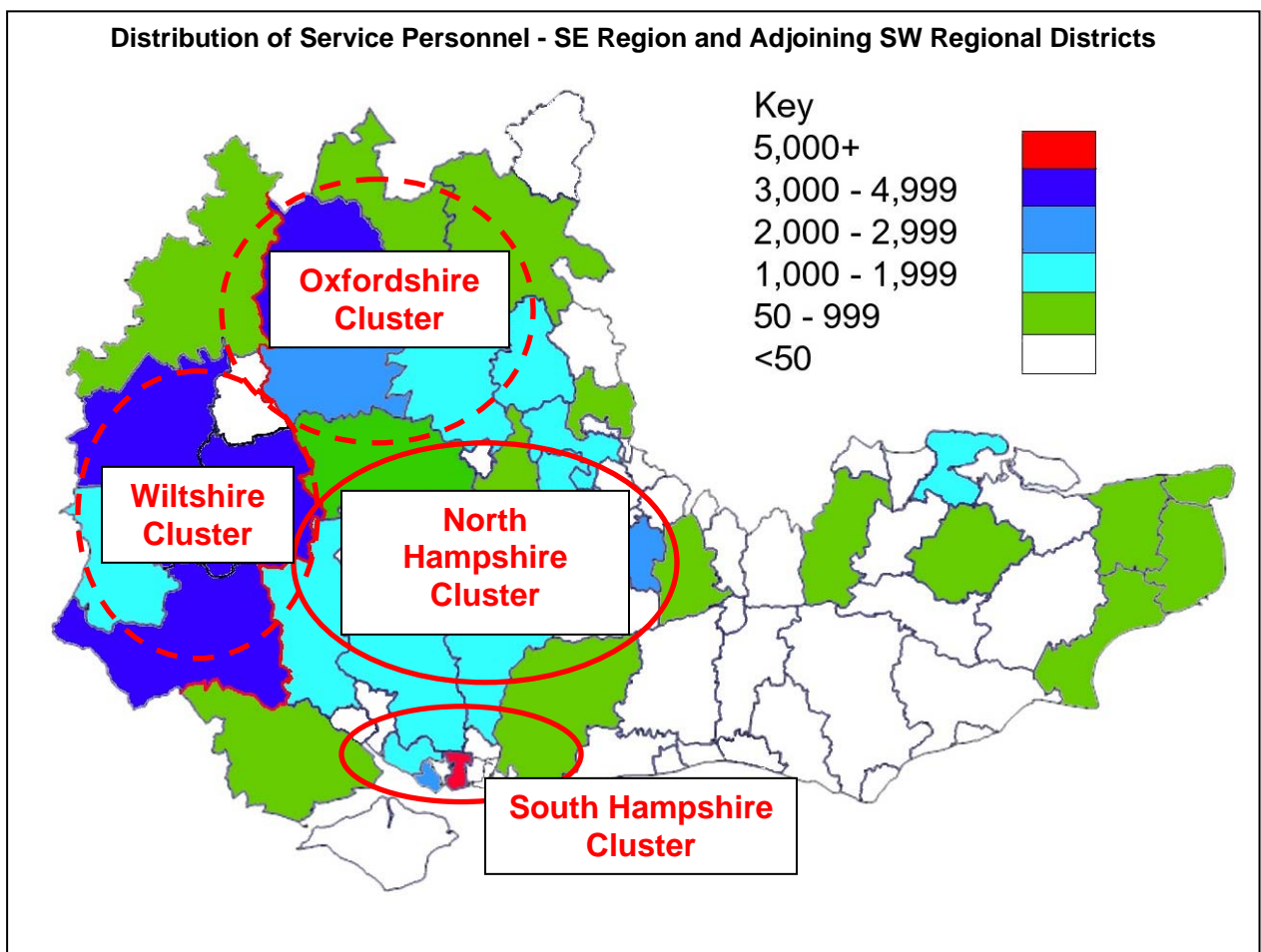
### **Outflows from the Armed Services**

There are a variety of reasons why people leave the Armed forces. Data from DASA shows the number of trained personnel leaving in 2005/06 was nearly 18,200. The proportions in each category of leaver have been relatively stable over the last 10 financial years. This data shows that just over 50% leave through voluntary outflow, in other words the Serviceman or woman leaves before their time expiry date, just over a quarter serve their full-term and around 20% leave for what DASA term other wastage. The latter term includes those who are discharged for medical reasons as well as misconduct. From time to time there are redundancies, the last large scale redundancy was in 1996/7 although there were small scale redundancies in the RAF in 2005/06. In addition to the trained personnel who leave each year, around 5,000 never make it through training, this wastage rate accounts for about 2.5% of total military strength. The drop-out rates are highest amongst Navy and Army other ranks.

According to the most recent statistics 47% of Service personnel are married, although the data does not account for co-habiting couples. On average male Service personnel are more likely to be married than females and there is differentiation between Service, age and rank. Those who serve the full engagement are most likely to be married whilst those that leave early are more likely to be single.

### Armed Service concentrations in and around Hampshire

The highest concentrations of Service personnel in the South East and Adjoining South West region are in South East Hampshire, North East Hampshire Surrey border, Oxfordshire and Wiltshire. These tend to form the nucleus of clusters; South Hampshire (with an overlap into West Sussex); North Hampshire (with an overlap into Surrey and Berks.); Oxfordshire (with an overlap into Bucks.); and Wiltshire mainly centered on Salisbury Plain.



The data shows that the South Hampshire cluster is around 13,410 Service personnel and the North Hampshire cluster 17,560. Overall the data shows that in April 2006 there were 22,920 regular Service personnel stationed in Hampshire alone, over 50% of these were Royal Naval personnel.



### Outflows from local garrisons

Based on the information available, it is estimated that around 3,600 people leave the Armed Services from depots in Hampshire and adjacent South East Regional districts each year. Of these 2,700 are trained Service personnel, in addition, an estimated 900 leave before they complete their training. At the individual district level the largest generators of Service Leavers in Hampshire are Portsmouth, Rushmoor, Hart, Gosport and East Hampshire. Clearly not all of these people will remain in the local area after discharge from the Armed Services. Based on the ratio of stationed to resident personnel it is estimated that 2,000 ex-Service personnel may enter local labour markets in Hampshire and adjacent districts in any given year. In addition to the inflow from UK service personnel there is a significant although unquantifiable inflow from Ghurkha Service Leavers to the Hampshire/ Surrey/ Berkshire border area. Although there are no firm figures as to the exact numbers in any given year, the available evidence from within the local community suggests that this minority ethnic cohort have enterprise ambitions as well as a strong work-ethic.

	Trained Service Leavers	Early Service Leavers	Total	Estimated Numbers Entering the Local Labour Markets
South Hampshire Cluster	1,100	400	1,500	900
North Hampshire Cluster	1,600	500	2,100	1,100
Total within the two Clusters	2,700	900	3,600	2,000
Total within Hampshire	2,000	700	2,700	1,500

Source: CLREA based on HESA data. Note: Figures rounded to the nearest 100.

The local communities into which Service Leavers are likely to embark on their civilian careers are diverse. The evidence suggests that there is no such thing as a typical military district. Each has particular attributes in terms of quality of life, business profile and labour market. What is more striking is that three of the main military concentrations also have significantly low entrepreneurial activity rates. However, there are distinct differences between the north and south of the county with particular reference to education and skill levels, economic and entrepreneurial activity. Portsmouth has high relative levels of deprivation compared with other South East Districts with more than 50% of SOA's within the 20% most deprived within the Region. Within Gosport around 30% of SOA's are also classified as amongst the most deprived fifth. Elsewhere there are small pockets of relative deprivation in Fareham, Guildford, Rushmoor and Test Valley.

### Service resettlement

The key performance measure of the Career Transition Partnership is success in placing Service Leavers in employment within 6 months of leaving the Services. More broadly there is recognition that preparation for civil life is just as important – in particular for those that are classified as 'vulnerable'. All Service Leavers are given advice before leaving, whether or not they qualify for the full resettlement package. In the case of Early Service Leavers this is usually Unit

Resettlement Staff or Service Resettlement Advisers. Around a third of Service Leavers who commence their civilian careers from depots in and around Hampshire settle elsewhere in the UK or overseas. The range and scope of vocational courses attended by Service Leavers prior to leaving suggests that they help to alleviate some of the chronic skill shortages experienced by employers. Although, most find jobs shortly after leaving the Services, early jobs are often 'stepping stones' to self-employment or business pre-starts.

During the formal resettlement process the possibility of self-employment/business-start up is not proactively pursued although resettlement staff will respond and signpost help if the issue is raised. The evidence suggests that more than 10% of Service Leavers currently express some sort of interest in self-employment. This suggests that the potential demand from the trained strength leaving from Hampshire-based clusters may be around 270 per year, within Hampshire itself the corresponding figure would be 200; indeed the throughput at Aldershot and Tidworth resettlement centres combined exceeded 400 in the last year. In Northern Ireland, where there is a stronger emphasis on promoting self-employment, the proportions are considerably higher. The question, therefore, is whether or not demand for specialized enterprise workshops would be higher if the issue were pro-actively raised earlier in the resettlement process? The other point that needs to be taken into account is that Early Service Leavers do not usually qualify for resettlement advice, however if it is assumed that a similar proportion might consider self-employment then a further 90 per annum may potentially start their own business locally.

### **Resettlement for Service spouses**

There are less opportunities for Service spouses to either find a job or become self-employed than their civilian counterparts. Recent research by the University of Bedfordshire (March 2007) suggests that for military spouses frequent relocation was found to be related to psychological distress, clarity of self-concept, self-esteem and life satisfaction. One of the key factors was restricted job opportunities and the researchers found that spouses who worked outside the home more than 16 hours a week tended to improve their wellbeing. In addition, evidence from a large sample survey in the USA suggests that there is a net negative effect on employment of being a military wife. Cooke & Speirs (2005) hypothesize that military wives who cannot coordinate their own aspirations to work with their military lifestyle may have successfully encouraged their husbands to leave the military. More than anything else it is the peripatetic lifestyle that makes Service spouses more vulnerable and a special case for assistance.

### **Linking up between Service and civilian resettlement**

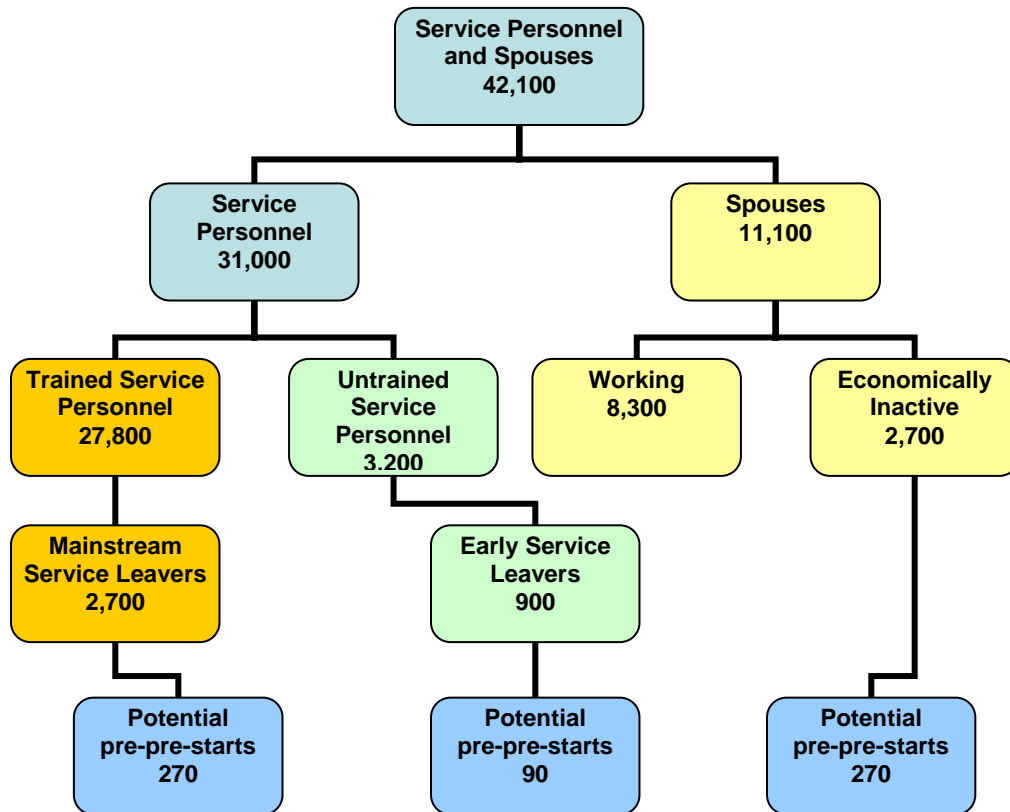
The evidence suggests that Service Leavers and their families are able to make successful transitions into self-employment and start their own businesses. The common thread is that most require some help and advice to make the transition. The research finds that there is no current crossover or continuity in the advice given to Service Leavers and their families before and after leaving the military and that there is currently little active engagement between Business Link and Service resettlement. The evidence in this study suggests that closer engagement would be welcomed by the military and the Career Transition Partnership both nationally and locally, provided this was on a regular on-going basis. For organizations such as Business Link this

represents a dilemma. There are two polarized arguments, on the one hand Service Leavers may move out of the area and therefore local expenditure is not justified, on the other engagement is necessary to encourage Service Leavers to remain in the area as their skills and expertise help alleviate commercial company's skill shortages, push up productivity and aid economic growth.

**More than one client group**

Because of the way the Service resettlement programme is structured it is not possible to engage all Service Leavers and their spouses/partners in considering self-employment. There is not just one client group; there are in fact three potential client groups; mainstream Service Leavers; Early Service Leavers and Service spouses/partners. Overall it is estimated that there are around 630 Service related individuals who have the potential to become pre-pre-start business. Although these groups may have similar requirements, in terms of awareness, advice/signposting or mentoring, they are likely to access information and help through different channels.

**Potential Client Groups from within the Hampshire-based Clusters**



There needs to be awareness at the outset that Service personnel differ significantly from the civilian mainstream in that they are less likely to be aware of the full potential and pitfalls of self-employment than their civilian counterparts. First, they work (and often live) in close-knit military communities with less regular contact with the economic mainstream and secondly, military life is fluid by nature and there are fewer opportunities for setting down local roots and building

networks. These two factors impact on both Service personnel and to a slightly lesser extent on their spouses/partners.

### **An enterprise opportunity**

The fact that Enterprise Gateways already exist, and have been successful in promoting enterprise amongst particular target groups, suggests that there is a generic model that can be used for the military client group. The objective of the MTEG would be to ensure that enterprise is one of the options that Service Leavers and their spouses consider in order to generate pre-start demand. It will need to help Service Leavers and their spouses overcome the barriers to start-up, utilising mentoring and signposting support. Given that Enterprise Gateways in Hampshire don't have spare capacity to take on an additional client group and that military dependant communities have particular requirements, a focused Military Towns Enterprise Gateway offers an opportunity to address these issues.

The primary tasks for a Military Towns Enterprise Gateway are to:

- Raise a culture of enterprise
- Engage in enterprise mentoring
- Ensure access to business support services
- Establish peer to peer learning groups

Equally important is maintaining the links with Service charities and welfare organisations. Whilst not all of these deal specifically with self-employment they do provide help and advice with other related aspects of resettlement such as housing and finance which enable Service Leavers to establish a firm base from which they can go on to self-employment.

With more than 42,000 Armed Service personnel and their spouses stationed in Hampshire and adjoining districts the local area is likely to receive a relatively high proportion of Service Leavers looking for jobs or enterprise opportunities. There are two distinct groups of Service personnel in Hampshire and adjoining districts; in the north the focus is on the Army with a smaller but significant RAF presence; in the south the Royal Navy is the dominant force. Moreover, the economic profiles of districts north and south also vary considerably; within the South Hampshire Cluster there is evidence of considerable economic deprivation which presents a challenge to Service Leavers embarking on a civilian career, whilst in the north they are entering a sophisticated and highly competitive labour market.

It is clear from the evidence that there is the potential for establishing one or more MTEGs in Hampshire. Their operation will require sensitivity, imagination, innovation, drive, commitment and collaboration but could reap substantial economic benefits. Given the distinct nature of the two Service Clusters in the north and south of Hampshire, there is scope for establishing two distinctive and different MTEG's serving needs of Service clients and the economy in the north and south of the County as well as adjoining districts.

A draft business plan will be supplied separately.

## **2 Introduction and Methodology**

The aim of this study is to evaluate the viability of establishing one or more Military Town Enterprise Gateways (MTEG) in Hampshire. The objective would be to encourage more self-employment/entrepreneurial activity amongst Service personnel when they return to civilian life, and amongst spouses/partners of existing Service personnel.

The work has been undertaken by the Centre for Local and Regional Economic Analysis (CLREA) and the Centre for Enterprise Research and Innovation (CERI), both co-located in the Portsmouth Business School.

### **2.1 Background to the study**

This study takes place against a background of contraction and concentration in the Armed Services and a recognised need for economic expansion in order to meet sustainable economic growth targets.

In order to meet growth targets Business Link is charged with the task of encouraging business growth and particularly encouraging pre-pre-starts via Enterprise Gateways. Enterprise Gateways have a particular role in inspiring a culture of enterprise. The types of services that Enterprise Gateways provide include:

- Enterprise mentoring and support for the individual
- Information and access to wider business support that is available
- Access to training and identification of skills gaps
- Peer to peer group learning with other individuals facing barriers to starting their own business

There is potential amongst Armed Service Leavers (SL) and their families to become self-employed or start their own business. Because of the demands of the military, SLs are, generally speaking, young, in good health, well trained, motivated and resourceful, just the attributes needed for a successful entrepreneur. The prime objective of this study is to determine whether or not there is sufficient interest in establishing one or more MTEG in Hampshire to address the needs of SLs and their families.

### **2.2 Methodology**

The methodology employed in this study is a blend of primary and secondary research designed to meet the required outputs. There are three stages to the study.

The first stage (sections 3 – 5) involves a review of relevant literature and data to determine how the defence environment is changing, the output of SLs both nationally and locally, where military concentrations are in Hampshire, and the economic profile of the main military towns in Hampshire.

The second stage (sections 6-8) uses primary data from interviews, backed up with secondary data where appropriate to establish just what is offered to SLs as part of their resettlement

package. It then proceeds to examine whether or not this focuses on self-employment and business start-up activity. A small number of examples of the experiences of SLs highlights the typical journeys from the military to 'Civvy Street'. The second stage concludes by examining capacity of current enterprise support networks and whether or not they provide sufficient support for SLs and their families.

The third stage (sections 9-10) draw together the evidence from the first two stages in a gap analysis in order to discover whether or not there is enough evidence to support the setting up of a MTEG. This is followed by an options evaluation which identifies how a MTEG might be established, its potential location, fit with existing structures and prime tasks.

Finally, the conclusions of the study are set out. A draft business plan for one or more MTEGs will be developed separately.

### 3 The Changing Defence Environment

This section provides a brief review of the defence environment with particular reference to personnel and estate strategies.

#### 3.1 Lighter and more agile

The July 2004 Command Paper, Delivering Security in a Changing World: Future Capabilities sets out clearly the future profile of the UK's defence forces; they were to be "smaller but more flexible and agile, better equipped and able to deal with the security demands of a changing world, guided and supported by a streamlined Department of State". In other words, they would shrink. Efficiency was the name of the game and the MoD was charged with saving 2.5% from its budget each year to 2007/08, this meant generating savings of £2.8billion each year. What this means is that; there will be some relocation and consolidation of existing defence activity, reductions in the number of platforms, "lighter" and more mobile forces, reorganization of existing tasks and reductions in Service and civilian personnel<sup>1</sup>.

The driver of these efficiencies is the Defence Change Programme. This programme has a significant impact not just on the MoD's estate and hardware but also on its manpower. The plans show reductions in the trained strength of the Armed Services of over 10,000 up to 2007/08 and thereafter stable levels for all three Services. Similarly there are significant planned reductions in the civilian workforce of between 3,000 and 5,000 per year up to 2007/08. Movement of activities out of London and the South East is forecast to relocate almost 4,000 posts. This is broadly in line with the departmental recommendations of the Lyons Review (2004) which suggests two changes that will have impacts on Hampshire; "*the longer-term possibilities of creating 'super' multi-unit garrisons in other parts of the United Kingdom [outside London and the SE Region]*" and "*test the case for retaining many training facilities in South East locations on the basis that where possible these facilities should be elsewhere*". As at April 2006 the suggested reduction of military personnel from London and SE had already been achieved but much of this may be because of the current significant commitment of personnel overseas.

#### 3.2 The Shrinking defence estate

The MoD owns the freehold on about 850sq miles of land in the UK this includes airfields, training land and ranges, dockyards and barracks. There has been a reduction in these holdings of around 2% over the last 16 years, although in England the reduction has been larger (around 6%) over the same period. There is little doubt that the defence estate will reduce in coming years. This also suggests that the number of military towns is also likely to shrink in the future. The MoD's Defence Estate Strategy (2006)<sup>2</sup> states that "It is our strategy to have an estate of fewer, larger sites in the UK and overseas .....", however, some of the current larger concentrations are said to have "potential for future development" this in itself suggests consolidation.

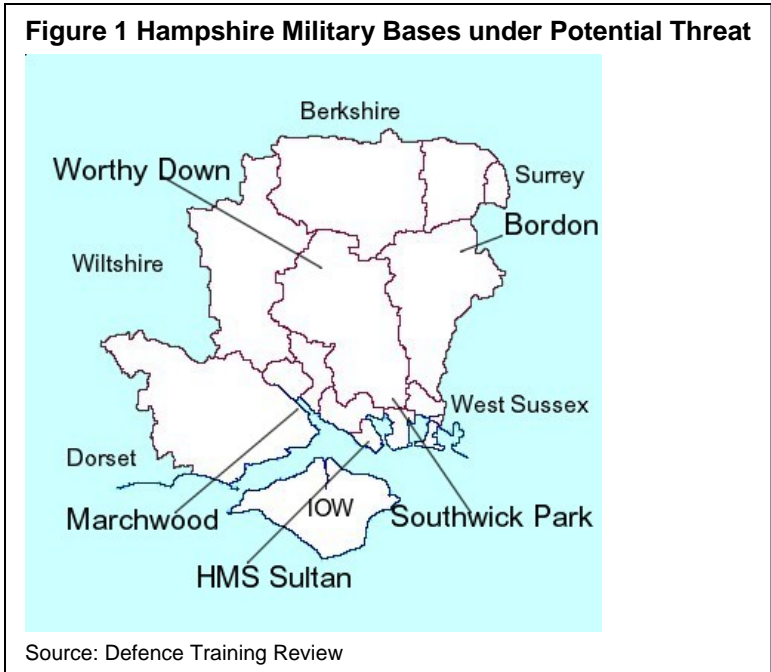
Given that the Services have a commitment to move to fewer but larger bases what might be the likely outcome? The RAF has already seen substantial reductions in its estate holdings (around a

<sup>1</sup> Source: Departmental Plan 2005 – 2009, MOD.

<sup>2</sup> Published March 2006 see [link](#).

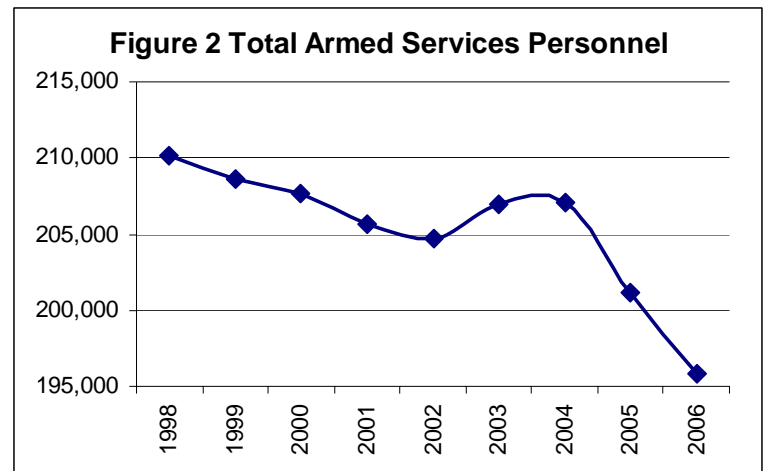
quarter), whilst the Navy's holdings have increased and the Army has been relatively stable. However with the surface fleet base review and the suggestion that one of the main dockyards might close, the Navy is likely to face some level of reduction in the future and the Army will almost certainly have to relinquish some sites. The available evidence from the Training Service Review suggests a reduction of about two thirds in the number of training bases. Although across the whole the estate the reduction will probably be less dramatic. The general thrust appears to be clear, bases will close and these are more likely to occur in the SE region than elsewhere.

The available evidence on the relocation of some aspect of training to the military training academy at St Athen in the Vale of Glamorgan suggests the kind of reductions that might occur. Already announced are reductions or closures included in phase 1, these include Bordon (2,000 jobs<sup>3</sup> and the release of 600 acres of MoD land between 2011 and 2013 a small enclave will remain and some Service jobs will relocate to Tidworth) and HMS Sultan, (an estimated 1,300<sup>4</sup> Service and 1,000 civilian jobs<sup>5</sup> will be lost, by 2017). In phase 2 Southwick Park, Deepcut and Worthy Down may face rationalization although Marchwood is not currently under threat. There are no firm figures for the likely number of Service or civilian jobs to be affected in phase 2. Similar exercises for other defence activities are also expected to have impacts.



### 3.3 Reductions in manpower

The Armed Forces Personnel Strategy<sup>6</sup> makes it clear that military personnel from all three Services will be far more integrated in the future, not just with one another but also with coalition allies, civilian governments and non-governmental organisations. As well as being more integrated the importance of qualifications is also recognised in the personnel strategy as part of the individual's personal and professional



<sup>3</sup> Source: Whitehill/Bordon Opportunity Steering Group – March 2007.

<sup>4</sup> Grainger, J. Clark, D and Asteris, A. (2007) Socio-Economic Impact Assessment of Portsmouth Naval Base, Centre for Local and Regional Economic Analysis, Portsmouth Business School.

<sup>5</sup> SEEDA/Portsmouth City Council, 7th March 2007.

<sup>6</sup> Published January 2000 see [link](#).



development. In the context of the broader remit of personnel policy, the strategy outlines a commitment for access to “personal development opportunities” for dependants [families] wherever they are stationed and the provision of a “flexible, responsive and effective” resettlement service to meet the needs of the individual. This greater flexibility goes with the grain of reductions in defence manpower. There are currently shortfalls against manpower targets in all three Armed Services and creating flexibilities is one way of overcoming potential shortfalls.

According to data from the Defence Analytical Services Agency (DASA) the number of military personnel has been declining for most of the last nine years. The rate of decline has not been uniform across the three Services; the Royal Navy and RAF have proportionally lost more of their complement than the Army. What is noticeable from the graph is that the rate of change is accelerating. In addition, at any point in time around 9% of the total, are “untrained”, currently this is equivalent to around 17,500 people.

	April 1998	April 2006	Percentage Change
Royal Navy	44470	39390	11.4%
Army	109830	107730	1.9%
RAF	55840	48730	12.7%
Overall	210140	195850	6.8%

Source DASA various years

### Conclusions from Section 3

It is clear that the Armed Services will continue to shrink in terms of numbers of Service personnel and the geographical footprint that bases make in local economies. Top level policy within the MoD is already framed to reflect not only a changing role for the Armed Services, but recognition that the resources available are likely to be diminished.

Given the outcome of the Lyons Review, the ongoing work of rationalization, tri-Service delivery of non-core functions, super garrisons and the naval base review there is bound to be some impact in Hampshire. What is far from certain at this moment is just where that impact will be most likely to occur. Whatever the outcome it is likely that there will be far more people making the transition from military employment (Service and civilian) to civilian employment as the years go by.

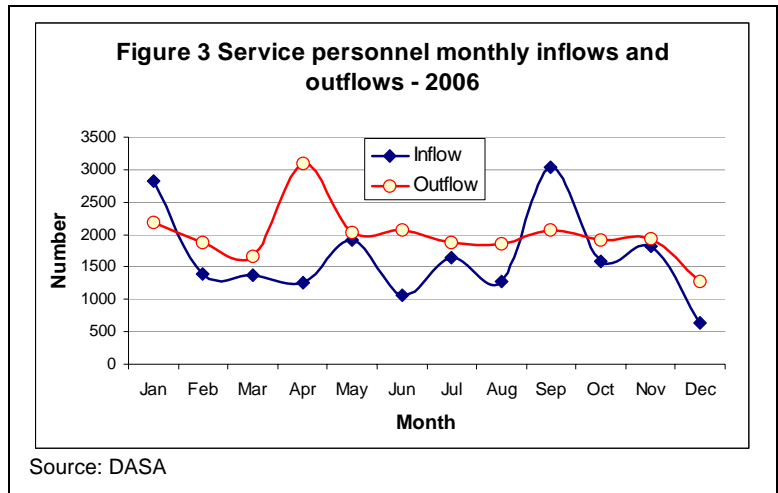


## 4. Review of the Scale of Military Releases

This section of the report sets out the scale of SLs with particular reference to Hampshire. In addition to estimating the possible scale of Service releases, it will also estimate the number of Service spouses.

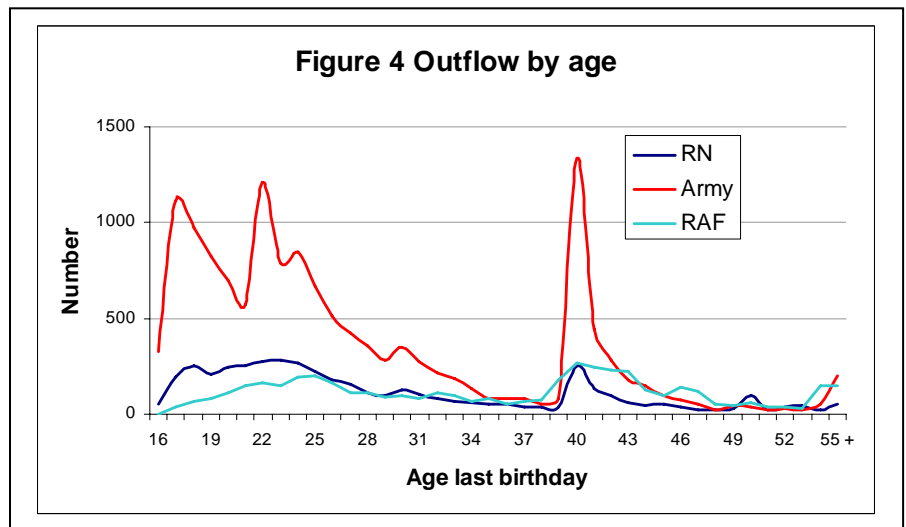
### 4.1 Inflows and outflows

As might be expected the number of Service personnel is constantly in flux. There are new people joining each month and others leaving for a variety of different reasons. The figures for the last year illustrate the trend. On average around 1,700 joined and 2,000 leave the Services each month. But as the graph shows, both inflows and outflows experience peaks and troughs from one month to the next. Overall more than 23,000 people left the Services in financial year 2005/06.



### 4.2 Profile of SLs

Not only are the inflows and outflows uneven by month of the year, they also show disproportionate profiles by age. The graph opposite demonstrates the point that the leaving profile of Army personnel is more irregular than the other two Services. A sizeable proportion (almost 5,200) leave soon after joining, this includes those that do not make it through basic training. There is then an upsurge in the early 20's when between the ages of 21 and 25 over 6,200 leave, this is accentuated by a large number of Army leavers at age 22. A slightly smaller bulge occurs between 26 and 30 (approximately 3,200) before levelling off to those serving the full term at age 40. The data shows that over 60% of SLs are aged 30 or under.



The data shows that over 60% of SLs are aged 30 or under.

The data also shows that the profile of officers and other ranks is significantly different. Data recording the percentage of SLs at each age shows that the profile for officers is flatter than that for other ranks. The evidence makes it clear that the majority are under 30 when they leave and most will be from the ranks.

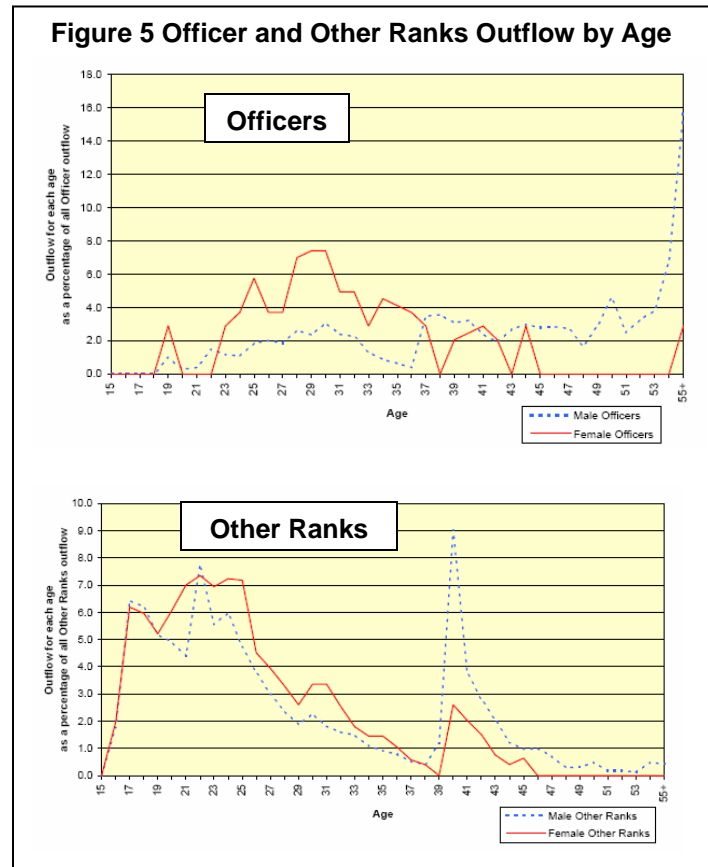
### 4.3 Reasons for leaving

There are a variety of reasons why people leave the Armed forces. Data from DASA shows the number of trained personnel leaving each financial year, the total figure of trained personnel leaving in 2005/06 was nearly 18,200. The proportions in each category of leaver (voluntary outflow, time expired, redundancy or other wastage) have been relatively stable over the last 10 financial years. This data shows that just over 50% leave through voluntary outflow, in other words the Serviceman or woman leaves before their time expiry date, just over a quarter serve their full-term and around 20% leave for what DASA term other wastage. The latter term includes those who are discharged for medical and compassionate reasons as well as misconduct, dismissal or death. From time to time there are redundancies, these are shown separately and have made up 4% of the total over the last 10 years, the last large scale redundancy was in 1996/7 although there were small scale redundancies in the RAF in 2005/06. In addition to the trained personnel who leave each year, around 5,000 never make it through training, this wastage rate accounts for about 2.5% of total military strength. The drop-out rates are highest amongst naval and Army other ranks.

### 4.4 Marital status

The DASA data records the marital status of Service personnel; what it does not pick up is the number of Service personnel who are co-habiting. According to the most recent statistics 47% of Service personnel were married as at 1<sup>st</sup> April 2006. Given that a proportion will be married to other Service personnel this suggests that there were something under 92,000 spouses of military personnel. Figures for the three individual Services show that 57% of RAF personnel are married 45% Army and 42% Royal Navy. Applying marital proportions pro-rata to the areas where military personnel are stationed suggests that an estimated 10,250 Service personnel in Hampshire are married.

Whilst this estimate takes into account the different propensities to be married by individual Service, it does not take into account the fact that some ranks and age bands within each arm of the military are more likely to be married than others. For instance, male officers are far more likely to be married than male other ranks and male other ranks are far more likely to be married than females (officers or other ranks). The age profile of married Service personnel shows that



those aged under 24 are unlikely to be married (around 10% of Army and RAF other ranks at this age are married, the figure is significantly lower for the Navy). By their mid to late 20's around 45% of Army, 40% RAF and just under a quarter of Navy personnel are likely to be married, by their early to mid 30's the majority in each Service are married.

#### **Conclusions from Section 4**

Nationally somewhere in the region of 2,000 people leave the Armed Services each month. Currently the size of the Armed Services is reducing as more people are leaving each year than joining. The typical Service Leaver is relatively young, it is estimated that more than 20% are under 21 years of age and just less than 50% are under 26. Overall only around 25% serve the maximum permitted term.

Around 50% of trained staff leave the Services through voluntary outflow (before their allotted engagement expires), other reasons for leaving include medical discharge, compassionate and incompatibility reasons as well as misconduct and dismissal.

According to the most recent statistics 47% of Service personnel are married, although the data does not account for co-habiting couples. On average males are more likely to be married than females and there is differentiation between Service, age and rank. Those who serve the full engagement are most likely to be married whilst those that leave early are more likely to be single.

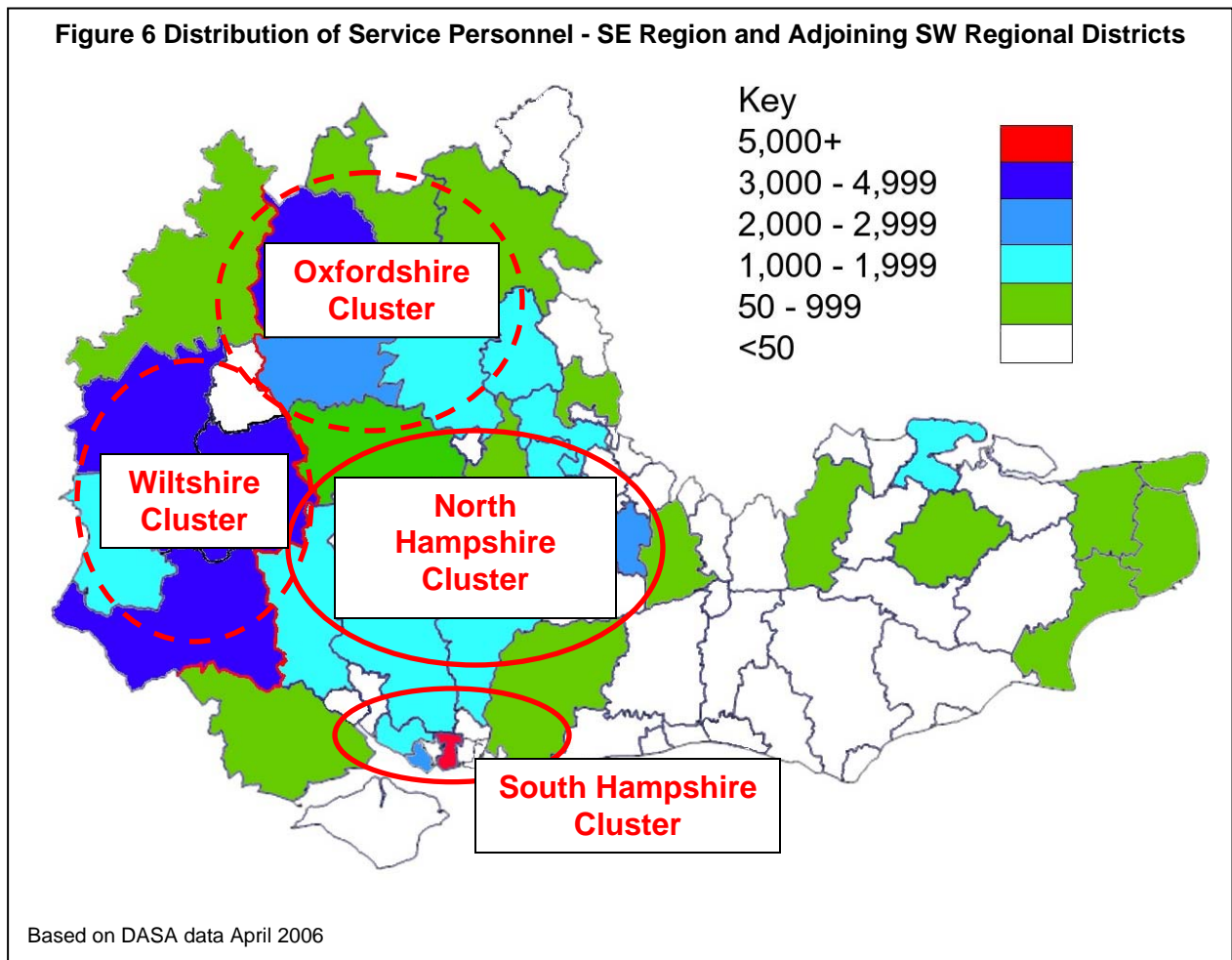


## 5 Concentration of Service Personnel and Estimated Outflows in Hampshire and Adjoining Areas

This section of the study examines the concentration of Service personnel in and around Hampshire as well as estimating the outflow of SLs to the local area.

### 5.1 Regional and local strength of the Armed Services

DASA suggests that from a total of 167,000 Service personnel based in the UK 44,770 were located in the SE Region (excluding London), this is the largest concentration in the UK and accounts for over a quarter of the total. Overall a third of the Navy, over a quarter of the Army and one in five Air Force personnel are based in the SE region.



DASA also publish data on the location of UK-based Service personnel by district, for Naval personnel their home port is used although their ship may be on active service in any part of the globe. The data set for April 2006 shows the highest concentrations (coloured red and dark blue) in the South East and Adjoining South West region are in South East Hampshire, North East

Hampshire and Surrey, Oxfordshire and Wiltshire. These tend to form the nucleus of clusters; South Hampshire (with an overlap into West Sussex); North Hampshire (with an overlap into Surrey and Berks.); Oxfordshire (with an overlap into Bucks); and Wiltshire mainly centered on Salisbury Plain. There is also a small cluster in North Kent. South Hampshire's military personnel are predominantly Naval whereas in North Hampshire most are from the Army with a sizable presence of RAF in Hart District. A full set of data for the South East region is included in Appendix 1. In some of the cities such as Brighton and Hove and Southampton there is a small Service presence, usually focused on the University Officer Cadet Squadrons.

The data shows that the South Hampshire<sup>7</sup> cluster is around 13,410 Service personnel and the North Hampshire<sup>8</sup> cluster 17,560. Overall the data shows that in April 2006 there were 22,920 regular Service personnel stationed in Hampshire alone, over 50% of these are Royal Naval personnel.

**Table 2 - Distribution of Regular Service Personnel in Hampshire and Adjoining Districts**

	RN	Army	RAF	Total
South Hampshire Cluster	11,690	1500	210	13,410
North Hampshire Cluster	280	15,100	2,180	17,560
Total within the two Clusters	11,970	16,600	2,390	30,970
Total within Hampshire	11,860	8,820	2,230	22,920

Source: DASA April 2006

## 5.2 Service personnel living in the community

The 2001 National Census records that there were 161,400 Armed Services personnel living in England on Census night 2001<sup>9</sup>. Out of these, 73% were living in the community, either in their own homes or Service married quarters. The remainder, were in communal establishments (barracks). The largest single concentration was in Plymouth with more than 4,600 personnel 80% of these living in the community. The 11 largest concentrations all contained more than 3,000 personnel, and three of these were in Hampshire Districts; Gosport (3,398), Portsmouth (3,381) and Rushmoor (3,233). In fact 8 of Hampshire's 13 districts appear in the top 50 military districts in England (see Appendix 2).

Overall on census night there were more than 26,800 Service personnel in the combined North and South Hampshire clusters (around 65% of the regional total), of these 59% lived in the community. The figures for Hampshire on its own were 20,400 Service personnel of which 63% live within the community. Generally speaking districts with large concentrations of Naval personnel (Gosport, Portsmouth and Fareham) have a higher ratio of those living in the

<sup>7</sup> Portsmouth, Gosport, Fareham, New Forest, Chichester and Southampton.

<sup>8</sup> Rushmoor, Hart, East Hampshire, Winchester, Test Valley, Guildford, Mole Valley, Surrey Heath, Bracknell Forest, West Berkshire, Windsor and Maidenhead and Wokingham

<sup>9</sup> Around 7,400 of these are foreign forces i.e. US Air Force. The Census count also excludes people serving on RN ships outside UK waters on the Census night therefore the Hampshire figures is around 2,500 lower than that shown for personnel stationed in the County, which includes all those on Portsmouth-based ships.



community than Army districts (Rushmoor, Hart and Winchester). Given that the number of Service personnel has fallen since 2001, the estimated figures for 2006 are 25,500 within the two clusters and 19,500 in Hampshire. The census also provides figures for the number of Service households whose address was different one year before the Census, national figures show that around 30% had changed address in the last year but most of these, 73% had moved from another dwelling within the same district. Overall only around 8% of Service households had moved areas in the preceding year.

### 5.3 Spouses/partners of Service personnel

It is difficult to estimate the number of spouses of Service personnel who live within Hampshire. The available evidence suggests that whilst some of the estimated 13,900 married Service personnel within the two Hampshire Clusters of these around 10,200 are stationed within Hampshire itself. Whilst some will have homes outside the county, others stationed elsewhere in the country, or abroad, will have homes in Hampshire. Although the census data suggests that there were around 15,000 Services personnel living within the community in 2006, some will not be married or, have partners. More detailed analysis of the Census identifying associate persons living in households where the reference person was a member of the Armed Services suggests that there are around 11,600 spouses aged 20-50 within the two Hampshire Clusters (9,300 in Hampshire itself). Given the reduction in Service Personnel since 2001 the estimated figures for 2006 are 11,100 within the two clusters and 8,900 in Hampshire.

Probably the more important question as far as this study is concerned is whether or not spouses work. The Census data provides an indication. Nationally out of those of working age around 71% are employees (nearly 60% worked full-time), just under 4% were self-employed, just over 4% were unemployed and 21% were looking after home/ family full-time. By comparison, in the national civilian population a similar proportion are employees but 6% are self-employed and 17% are looking after home/family full-time. Across Hampshire the proportion of Services spouses/partners that are self-employed is the same as the national average although figures for Gosport, Portsmouth and Rushmoor are significantly lower. Interestingly, the highest percentages for spouses looking after home and families are in the Army garrison areas of East Hampshire and Rushmoor but below average in Portsmouth. Table 3 shows that an estimated 2,700 Service spouses, located within the two clusters, who are aged between 20 and 50 and are not currently economically active, have the potential to be so.

**Table 3 - Service Personnel and Spouses Living in the Community 2006**

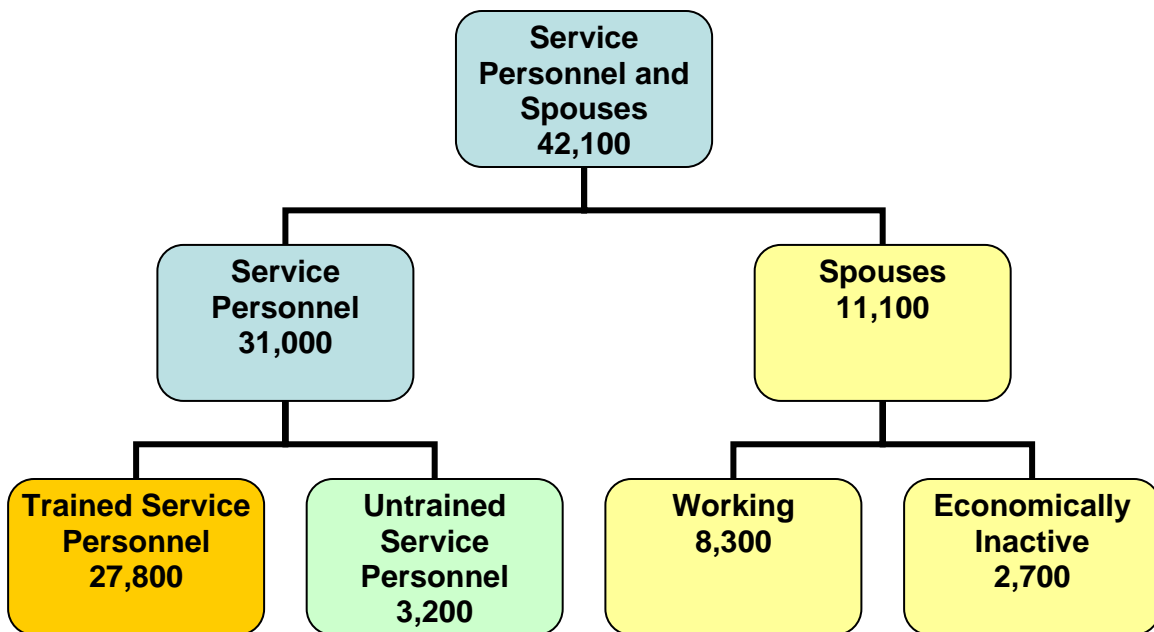
	South Hampshire Cluster	North Hampshire Cluster	Total within the two Clusters	Total within Hampshire
Service Personnel Living in the Community	7,700	7,400	15,100	12,200
Service Spouses Aged 20 - 50	5,400	5,700	11,100	8,900
Working Service Spouses	4,000	4,300	8,300	6,700
Spouses with Economic Potential	1,300	1,400	2,700	2,200

Source: CLREA based on Census 2001 data rolled forward.

Note: Figures rounded to the nearest 100.

The estimated Service presence within both the South and North Hampshire clusters is shown below. It has been assumed that the national proportionality between trained and untrained Service personnel is replicated within the clusters.

**Figure 7 Service personnel and spouses within the Hampshire-based Clusters**



#### 5.4 Estimated number of SLs in Hampshire and adjacent districts

There are no publicly available figures on the number of Service personnel stationed in Hampshire leaving the Services. They include people leaving from both the trained and untrained staff. Data from CTP suggests that around 2,400 (62%) of those compulsory discharged from the trained strength nationally are not entitled to the resettlement packages, although those that are discharged for medical reasons are entitled. In the same way the 4,540 nationally who leave from the untrained cohort are not entitled to a resettlement package. However, early Service Leavers (ESLs) receive advice on issues such as housing, ex-Service charities and welfare organisations and access to job centre plus, before leaving the Services.

Based on the secondary information available, it is estimated that around 3,600 people leave the Armed Services from depots in Hampshire and adjacent South East Regional districts each year. Of these 2,700 are trained Service personnel, in addition, an estimated 900 don't make it through training and also leave the Services. At the individual district level the largest generators of SLs in Hampshire are Portsmouth, Rushmoor, Hart, Gosport and East Hampshire (see Appendix 3 for details). Clearly not all of these people will remain in the local area after discharge from the forces. Based on the ratio of stationed to resident personnel (around 56% are thought to be both stationed and live in Hampshire) it is estimated that 2,000 ex-Service personnel may enter local labour markets in Hampshire and adjacent districts in any given year.

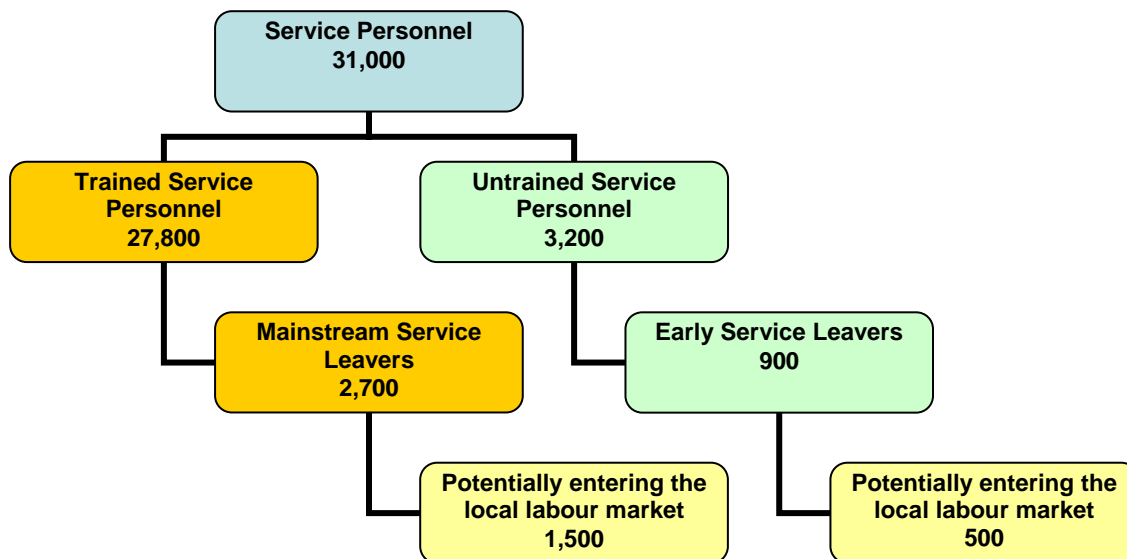
**Table 4 - Estimated Number of Service Leavers in Hampshire-based Clusters 2006**

	Trained Service Leavers	Early Service Leavers	Total	Estimated Numbers Entering the Local Labour Markets
South Hampshire Cluster	1,100	400	1,500	900
North Hampshire Cluster	1,600	500	2,100	1,100
Total within the two Clusters	2,700	900	3,600	2,000
Total within Hampshire	2,000	700	2,700	1,500

Source: CLREA based on HESA data.

Note: Figures rounded to the nearest 100.

**Service Leavers within the Hampshire-based Clusters**



Feedback from interviews with Regional Resettlement Centre (RRC) staff at Aldershot, Portsmouth and Tidworth suggest that around 3,800 SLs were seen by resettlement staff in the last year. However, it should be noted that the area covered by the three RRCs stretches beyond the boundaries of Hampshire into the West Country and even Wales. Numbers seen vary year-on-year and all RRCs see SLs from each of the three Services. Individual Service resettlement staff also work within individual bases and garrisons and major training establishments such as HMS Sultan and Collingwood. As might be expected, the client bases of the RRCs reflect the dominant Service composition locally, in Portsmouth 90% are Naval whilst in Tidworth 75% are from the Army.

It is worth noting that not all potential SLs actually exit the Service. Given the shortfall against trained strength, retention is an important issue for the Service. At the unit level the first part of

the resettlement process is often a 'retention' interview, if this unsuccessful this then reverts to a resettlement interview and the SL enters the resettlement process (see following section).

Evidence of the destination of SLs is patchy. Interviews with RRC staff suggests that the bulk of SLs go into paid employment within 6 months of leaving the Service, often this is the first job 'on offer' although the anecdotal evidence suggests a significant amount of job switching in the first few years after discharge. Despite the fact that most Service Leavers will attempt to transfer into jobs that reflect their Service role (around 15% are thought to opt for something completely different) there are suggestions that the early jobs are sometimes 'stepping stones' into self-employment. Portsmouth RRC suggests that a number take 'temporary' jobs to gain experience and qualifications before setting up in business (particularly in trades such as electrical/ electronics and plumbing).

### **British Army Ghurkha Service Leavers**

The data in this section does not include figures for Nepalese Service Leavers (Ghurkha troops serving in the British Army) as these are not available from DASA. However, anecdotal evidence suggests that following the granting of rights to settle in the UK a number of Ghurkha families have made their homes in the North Hampshire area. Although the Ghurkha's main UK operating base moved to Kent in 2000 there are thought to be still strong ties with the North Hampshire/ Surrey/ Berkshire sub-region and it is likely that a proportion of those leaving in the future will settle in the area. Estimates of the Nepalese ethnic minority population in North Hampshire range from 3,000 to 5,000 but the lower figure is probably more realistic given that the North Hampshire head of household membership of the British Ghurkha Welfare Society (BGWS) is around 1,100.

In common with UK Service Leavers Ghurkhas have access to the full resettlement package provided by CTP including English language courses to assist integration. The available evidence from the local community suggests that Ghurkhas have enterprise ambitions and a strong work-ethic; in particular ex-Ghurkhas are sought after for security work. There is also evidence from the BGWS of ex-Ghurkhas successfully setting up their own businesses across a range of activities within the service sector despite multiple barriers of entry; not least that of language.

## Conclusions from Section 5

There are three main clusters of military personnel in the South East region; South Hampshire, North Hampshire and Oxfordshire. The data shows that the South Hampshire cluster is around 13,410 Service personnel and the North Hampshire cluster 17,560. Overall the data shows that in April 2006 there were 22,920 regular Service personnel stationed in Hampshire alone, over 50% of these are Royal Naval personnel.

Most of the Service personnel stationed in Hampshire also have their homes within the local area. Census data suggests that most of these families are relatively stable with less than 10% moving into their current area in the previous year. The number of military spouses aged between 20 and 50 in the two Hampshire-based clusters is estimated to be around 11,100 and around 70% of these are in employment.

It is estimated that around 3,600 Service Leavers commence their civilian careers from depots in the two Hampshire-based clusters each year. Although data is incomplete, it is estimated that around 56% stay within the County initially on leaving the Service. This means the potential inflow to the local labour markets in Hampshire and adjacent districts is in the region of 2,000 per annum. Evidence of Regional Resettlement Centres suggests that many find jobs shortly after leaving, making use of the skills they have acquired during their Service careers.

Anecdotal evidence suggests that the early jobs the Service Leavers take are sometimes 'stepping stones' either to gain experience before moving to other jobs or as a precursor before embarking on self-employment or starting a small business. Others take 'temporary' jobs to gain experience and qualifications before setting up on their own.

In addition to the inflow from UK service personnel there is a significant although unquantifiable inflow from Ghurkha Service Leavers in Hampshire/ Surrey/ Berkshire border area. The available evidence suggests that this minority ethnic cohort have enterprise ambitions as well as a strong work-ethic.



## 6 An Economic Profile of the Main Military Towns in Hampshire

This section of the report examines the profiles of the main military towns in Hampshire to determine whether or not there is any commonality. It begins by defining defence dependant communities.

### 6.1 Defence dependant communities

By combining information from a variety of sources it is possible to pick out the main defence dependant communities in Hampshire. The two main concentrations are the Greater Portsmouth area and North East Hampshire. Data from DASA, NOMIS and the 2001 National Census are combined to provide three relative measures to identify those districts in Hampshire that have high concentrations of Service personnel stationed within their boundaries and living within their communities and civilian defence jobs. A further measure to identify below average levels of entrepreneurial activity is also used.

The data shows that Gosport is both the most defence dependant and one of the least entrepreneurial districts in the SE region. The core defence dependant districts in Hampshire are Gosport, Portsmouth, Hart and Rushmoor. What is even more striking is that three of these districts also have significantly low entrepreneurial activity rates when compared with the national average. Fareham and East Hampshire can be described as relatively reliant on military personnel but have less dependency on the MoD for civilian jobs. Out of the six, East Hampshire and Hart have the highest levels of entrepreneurial activity. See Appendix 4 for data on all districts with a military presence in the SE region.

**Table 5 Main Defence Dependent Districts in the SE Region**

District	Service jobs per 10,000 jobs <sup>1</sup>	Service personnel living in community per 10,000 residents <sup>2</sup>	Civilian direct defence related jobs per 10,000 jobs <sup>1</sup>	Self-employment per 1,000 economically active <sup>3</sup>
England/ UK/ GB	55.8	22.9	30.6	104.4
Gosport	840.0	295.9	888.1	80.5
Portsmouth	767.2	125.4	225.8	89.8
West Oxfordshire	738.8	144.3	187.6	121.3
Hart	654.5	101.1	110.6	99.0
Rushmoor	633.3	181.3	226.4	82.2
Vale of White Horse	426.2	98.3	57.5	96.8
East Hampshire	358.5	77.3	53.4	128.5
Fareham	305.6	137.4		93.8
Surrey Heath	296.0	56.5	125.6	103.4
Guildford	273.8	42.8	32.5	105.3
South Oxfordshire	259.1	56.8	45.8	116.4
Test Valley	212.7	80.3	466.7	105.2

Source: CLREA.

Note: <sup>1</sup> = ABI 2005; <sup>2</sup> = Census 2001; <sup>3</sup> = Annual Population Survey June 2006.

## 6.2 The typical Defence Dependant District

It might be anticipated that that military towns or districts have certain commonalities other than the presence of Armed Service personnel. Examining a range of data for the four major military districts in Hampshire covering quality of life, the business profile and the local labour market suggests that there is no such thing as a typical military district.

Quality of life indicators show that whilst life expectancy is average and house price to income ratios are depressed by regional standards, earnings, benefit claimant ratios and crime are significantly different between military towns in the north and south of the county. Job densities are low in Gosport and Hart but normal in Rushmoor and above average in Portsmouth.

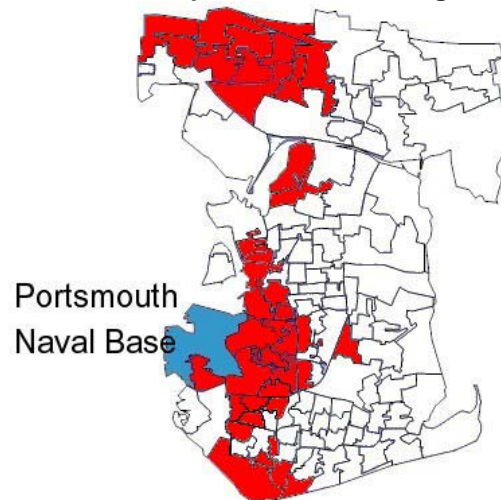
Business indicators suggest high tech employment is above average and business rateable values are below regional averages, although a higher proportion of VAT registered businesses are younger. Entrepreneurial activity is significantly below regional norms in all areas apart from Hart. Whilst the south has high levels of public sector activity the north has significantly more vacant commercial property.

As far as the labour market is concerned there is no commonality. Economic activity rates are around the regional average in the south but significantly higher in the north. Unemployment is higher in the south but below average in the north, although long-term unemployment is lower in the south. Education levels for younger people are depressed in Gosport and Rushmoor but adult qualification levels are lowest in Gosport and Portsmouth (see Appendix 5).

## 6.3 Deprivation and Military Districts

Out of the defence dependant districts in Hampshire, Portsmouth is the most deprived according to the Indices of Multiple Deprivation (2004). Overall Portsmouth is in the 3<sup>rd</sup> highest decile of deprivation in England on the other hand Hart is the least deprived district. However deprivation is a relative measure and perhaps local areas should be judged against the regional rather than the national benchmark. There are over 5,100 Super Output Area (SOA) in the south East Region, the data shows that 68 out of 123 SOA's in Portsmouth are amongst the most deprived fifth in the South East Region (39 of these are amongst the 10% most deprived). As the map shows many of the most deprived SOA's, including the area within which the Base is situated (coloured blue), are adjacent to the Portsmouth Naval Base. In Gosport nearly a third are amongst the 20% most deprived. Elsewhere there are small pockets of relative deprivation in Fareham, Guildford, Rushmoor and Test Valley.

**Figure 9 Portsmouth SOA's amongst the 10% most Deprived in the SE Region**





## **Conclusions from Section 6**

There are two main concentrations of defence dependency in Hampshire; the Greater Portsmouth area and North East Hampshire, whilst the growing super garrison of Tidworth is just over the border with overspill into Test Valley District. The core defence dependant districts in Hampshire are East Hampshire, Fareham, Gosport, Hart, Portsmouth, Rushmoor and Test Valley.

The evidence suggests that there is no such thing as a typical military district. Each has particular attributes in terms of quality of life, business profiles and labour markets. What is more striking is that three of the main military concentrations also have significantly low entrepreneurial activity rates. However, there are distinct differences between the north and south of the county with particular reference to skill levels, economic and entrepreneurial activity.

Portsmouth has high relative levels of deprivation compared with other South East Districts with more than 50% of SOA's within the 20% most deprived within the Region. Within Gosport around 30% of SOA's are also classified as amongst the most deprived fifth. Elsewhere there are small pockets of relative deprivation in Fareham, Guildford, Rushmoor and Test Valley.



## 7 The Options Available to Military Personnel and Spouses Prior to Release

This section examines the options available for SLs, ESLs and their families prior to release. Inevitably it draws heavily on the activity of the CTP because this is the main route through which many SLs make decisions about what their first steps will be after leaving the Service.

As well examining publicly available information a question template was used for the interviews conducted with both military resettlement staff, primarily Individual Education and Resettlement Officers (IEROs) and Regional Managers from CTP. To ensure continuity, the same questions were put to each interviewee a template of questions is shown in Appendix 6. Whilst this covers the main points explored there were comments and indications outside the confines of the formal questions and these are also included where appropriate.

### 7.1 The formal resettlement pathway

Resettlement support to all regular Service personnel is provided at 3 levels:

**1<sup>st</sup> Line** - The provision of 1<sup>st</sup> line resettlement support is the responsibility of the CO; for SLs who discharge from the trained strength in the usual manner, this support is normally limited to information and administrative support. COs are also responsible for ensuring support is provided within units for ESLs who discharge from the untrained strength or who are discharged from the trained strength compulsorily (i.e. discipline). This support is normally limited to a signposting Service immediately prior to discharge, directing them to assistance that they may receive from other government departments and to ex-Service welfare organizations/charities once they have been discharged.

**2<sup>nd</sup> Line** - The principal task of 2<sup>nd</sup> line, is to give advice and guidance on the resettlement package that will best suit the individual SL, 1:1 interviews are also conducted, as well the provision of information appropriate to the individual's circumstances. For those eligible, this will normally result in referral to Career Transition Partnership (CTP). The activity is carried out by Service resettlement advisers; the actual titles are slightly different in each of the three Services<sup>10</sup> (see Appendix 7 for a list of Service Resettlement Centres in Hampshire and adjoining areas). If ESLs are assessed as being vulnerable to social exclusion they may also be referred to the 2<sup>nd</sup> line for such action as is deemed necessary.

**3rd Line** - Tri-Service resettlement support at 3<sup>rd</sup> line, is provided by CTP. Operating from Regional Resettlement Centres (RRC) and the Resettlement Training Centre (RTC) Aldershot, CTP provides workshops, seminars, employment consultancy, and training for eligible SLs from up to 2 years before discharge. A job-finding service is also provided from 6 months prior to discharge for up to 2 years after discharge.

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<sup>10</sup> RN Naval Resettlement Information Officers (NRIO); Army Individual Education and Resettlement Officers (IERO); RAF Regional Resettlement Advisers (RRA),

## 7.2 Who is eligible for help?

The rules governing which personnel are eligible for help are set out in [JSP 534](#) (the Tri-Service Resettlement Manual). Those with less than three years service have no automatic entitlement, unless discharged for medical reasons. There are three elements to the resettlement support; an employment support programme, a series of workshops, seminars and resettlement training or civilian work attachment and one-to-one sessions with a career consultant to work out the SL's personal resettlement plan (see Appendix 8).

There is a graduated element of flexible resettlement time<sup>11</sup> which may be set aside to use to complete resettlement activities and individual resettlement training costs grant. The general rule is that those having served 5 years<sup>12</sup> are entitled to a full 20 day resettlement programme with full grant entitlement. The number of days spent on the programme increases up to a maximum of 35 days for those serving more than 16 years, see Appendix 9 (in all cases this is subject to operational requirements).

Those having completed 3 years service<sup>13</sup> are entitled to the Employment Support Programme (job matching service). Service personnel who are discharged as early SLs have no entitlement to the programme but do receive resettlement advice and signposting under the 1<sup>st</sup> and 2<sup>nd</sup> line provision above. Whilst it is the case that not all Service personnel take up the entitlement to the full resettlement programme, data from the CTP 6<sup>th</sup> Annual Report suggests that take-up has been increasing year-on-year since 1999/00 and in the last full financial year around 87% of those entitled participated. Although the rates of take-up of employment support are lower these have also been generally rising over the same period. Overall around 94% of those entitled to some form of support took up the offer.

**Table 6 - Participation in resettlement 2005/06 by SL's**

	Total	RN	Army	RAF
Total outflow	19,810	3,400	11,930	4,480
Full resettlement	64.6%	51.8%	62.7%	79.5%
Partial resettlement	11.0%	10.9%	11.2%	10.5%
Non-entitled	24.4%	37.4%	26.1%	10.0%

Source: DASA

According to data from DASA in 2005/06 nearly 65% of SLs were entitled to full resettlement provision (this includes those leaving for medical reasons) and around 11% to the partial entitlement. The lowest rates of entitlement were in the Royal Navy where over a third were not entitled to resettlement help. By contrast almost 80% of RAF leavers were entitled to the full resettlement package. There is unfortunately no regional or local breakdown of the figures but it might be reasonable to assume that, given a normal distribution, as many as 3,600 Services personnel stationed in the two Hampshire-based clusters leave the Service every year and

<sup>11</sup> This is the number of full working days spent on resettlement programme or with a prospective employer.

<sup>12</sup> 6 years in that case of those service personnel enlisting after 1 September 2002.

<sup>13</sup> 4 years in that case of those service personnel enlisting after 1 September 2002.

around 1,600 of these are entitled to the full resettlement package and a further 500 qualify for the partial resettlement advice. Around half of those not entitled to the full or partial resettlement package are ESL's. Further data in the CTP 8<sup>th</sup> Annual Report suggests that overall outflows from training strength will reduce slightly in future years up to 2011 but not by a significant amount. Thus around the current level of demand is likely to continue into the future.

**Table 7 - Estimated entitlement to resettlement packages by SL's and ESL's in Hampshire and surrounding districts**

	RN	Army	RAF	ESL's Tri-Service	Total
Total within the two Hampshire-based Clusters					
Full resettlement	600	800	200		1,600
Partial resettlement	100	150	50	150	450
Non-entitled	450	300	50	750	1,550
Total	1,200	1,250	300	890	3,600
Total within Hampshire					
Full resettlement	500	500	150		1,150
Partial resettlement	100	100	50	100	350
Non-entitled	350	200	-	550	1,150
Total	950	826	200	650	2,650

Source: CLREA estimates based on HESA national data and Table 4.

Note: Figures rounded to the nearest 50.

### 7.3 Focus of CTP

The CTP is a partnership between the Ministry of Defence and Right Management Consultants. The MoD's Directorate of Resettlement is responsible for Tri-Service resettlement policy and for the delivery of resettlement services through the partnership. The Partnership was established in 1998 and has nine regional resettlement centres in the UK. They deliver a resettlement services free to members of the three Armed Services. The objective of the Partnership is "*to prepare SLs for their next careers and improve their employability in their chosen sector*" (CTP 8<sup>th</sup> Annual Report August 2006). The service is available to eligible Service personnel from two years prior to discharge and a further two years post discharge. A significant part of the service is a job matching service provided by the Joint Employment Partnership (JEP) which offers "working-life long" employment assistance to veterans<sup>14</sup>.

<sup>14</sup> JEP is a private limited company formed by the Regular Forces Employment Association and the Officers Association (both have charitable status) delivering the job finding element of the CTO resettlement package via a 10 year contract with Right Management. They are located in towns and cities throughout the country including Portsmouth in Hampshire. The service includes a web-based job-finding tool RightJob in which employers can post vacancies and clients search for jobs.

The CTP are deeply involved in most aspects of easing the transition into civilian jobs. A major part of the CTP activity is the job matching service [RightJob](#) and they also work closely with organizations such as the Regular Forces Employment Agency (RFEA) and the Officers Association (OA) to achieve this end.

The CTP's other major role is to offer a range of vocational courses and workshops to SLs prior to their discharge. The main workshops on offer are the Career Transition Workshops (CTW), Options for the Future, Business Start Up, Self-employment Awareness and New Horizons in Retirement. The CTP also offers support for partners of SLs if this is requested and in the event of fatality or severe disablement the full resettlement package entitlement reverts to next of kin. Regional resettlement Centres (RRCs) deliver the resettlement package including workshops and some vocational courses.

The key performance measure of CTP is success in placing Service Leavers in employment within 6 months of leaving the Services. More broadly there is recognition that preparation for civil life is just as important – in particular for those that are classified as 'vulnerable'. All Service Leavers are given advice before leaving whether or not they qualify for the full resettlement package in the case of ESLs this is usually Unit Resettlement Staff or Service Resettlement Advisers.

The Directorate of Resettlement's 8<sup>th</sup> Annual Report suggests that more than 90% of SLs achieve employment within 6 months of discharge and more than 50% go straight into a job. Across all ranks and Services the average time to secure employment is estimated to be 1.23 months, senior ranks and officers usually acquire jobs quicker than junior ranks.

Sample evidence of post discharge salaries is patchy but suggests that the typical post-discharge entry-level job is in the range of £15,000 to £20,000. There is little hard evidence about the specific jobs SLs eventually end up in but anecdotal evidence suggests that they find jobs in a wide range of sectors including the Public sector, Security, MoD or Public/Private Partnerships contracted to the MoD, Military contractors, Leisure/Health and fitness, Engineering, Transport, Construction, and Human Resources.

#### **7.4 Workshops**

CTP suggests that around 13,300 (67% of all SLs) attend CTW's<sup>15</sup>. The basic three-day workshop aims to "enable Service personnel to identify and evaluate the skills and qualities they have already gained". The core elements are: identifying transferable skills and experience, identifying goals and priorities, CV preparation, analysis of job advertisements, networking, applying for jobs and interview techniques. They also have their first of one-to-one sessions with a consultant from CTP during the workshop. In addition to these, follow-on workshops are held these include interview techniques, management consultancy, employment fairs, pensions and housing briefs.

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<sup>15</sup> CWTs, housing and finance workshops and are not set against the individual SLs graduated resettlement time although follow-on courses such as the Business Start-up Workshop do.

CTP also provides workshops for those SLs who express the desire to enter self-employment or start their own business. The workshops are designed to get SLs to think about whether or not going into business is “right for them” and to give them basic knowledge about where to look for help and how to construct a business plan (see Appendix 10). A range of topics are covered in the 2-day business start-up workshop ranging from marketing to profit and loss forecasting to risk assessment. More details are available from [CTP](#). Courses are held in most of the RRCs including Aldershot and Tidworth.

Because of special circumstances a distinctive 4-day Start a Business Programme is run in Northern Ireland. This is more intense than the business start-up workshop delivered on the mainland. It is highly regarded and practical. The package includes the course itself a business advisory service and a financial planning service and is delivered by a team of five trainers. The course is viable because of additional funding provided by Invest Northern Ireland and the 26 District Councils, they effectively fund the additional two days and the ‘bolt-on’ services. This means that attendees leave the programme with a fully ‘worked up’ business and financial plan (see Appendix 11).

The self-employment course is a one day event aimed primarily at SLs who have a business idea in mind. Specialist speakers are used and where possible someone who has left the forces and established a successful business. By the end of the course SLs should be able to identify their personal strengths and weaknesses against the competencies needed to run a business. They should also be equipped to list the elements that need to be present in a business plan and make a decision as to whether or not their embryonic business plan is viable. Other practical advice includes basic bookkeeping and sources of funding and support. There appears to be very little difference between the mainland’s business start-up and self-employment workshops although the self-employment workshop is only offered in Catterick.

The available evidence from a sample of seven of the nine RRCs suggest that a little over 10% of all throughput is directed towards business start-up workshops (the level varies with individual RRCs) and as SLs often attend more than one workshop the demand is most probably a little higher. This suggests that around 10% at least think about business start-up/self-employment. If this is the case then the potential demand from those from the trained strength leaving from Hampshire-based clusters may be around 270 per year at a minimum within Hampshire itself the corresponding figure would be 200, indeed the throughput at Aldershot and Tidworth combined exceeded 400 in the last year<sup>16</sup>. In Northern Ireland, where there is a stronger emphasis on promoting self-employment, the figures are considerably higher. The other point that needs to be taken into account is that ESL’s do not usually qualify for the business start-up workshop, however if it is assumed that a similar proportion might consider self-employment then a further 90 per annum may potentially start their own business.

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<sup>16</sup> The business start-up course is not presently run at Portsmouth.

It should be noted that business start-up and self-employment are not subjects that are raised pro-actively at the CTW but are usually identified during the 1:1 sessions with the employment consultant. It is only then that the SL is directed towards the more specialized workshops (including sessions on consulting). However, there is evidence that individual IEROs have provided seminar speakers on subjects connected with enterprise/ self-employment. Indeed, enterprise staff and representatives from accountancy firms have all given seminar presentations locally. The question, therefore, is whether or not demand for specialized enterprise workshops would be higher if the issue were pro-actively raised earlier in the resettlement process?

### **7.5 Vocational training courses**

Vocational training courses are usually of longer duration, lasting from 1 week up to 4-5 weeks. A wide range of training courses are delivered at the main Resettlement Training Centre (RTC) in Aldershot. RRCs, such as Portsmouth and preferred suppliers (external training providers that have been vetted by CTP) also run a range of courses. For details of the full range of courses see [CTP course descriptions](#).

A synopsis of courses available in Hampshire is attached as Appendix 12. As can be seen the basic resettlement and IT courses are available at Portsmouth, however the more specialist vocational courses are generally held in Aldershot. In addition, specialist external courses are run in other locations in Hampshire such as Fareham and Basingstoke.

Most recent data suggests that nationally around 3,600 people attended vocational courses run by the CTP last year. The most popular were IEE 16<sup>th</sup> Edition Wiring Regulations, Domestic Electrical Installations and Inspection/Test Installations and Potential Police Officers. Whilst there are fairly high rates of take-up on a range of building/construction type courses, this might not be an indication of the future career directions of SLs as some will be undertaking domestic restoration projects on leaving the Service. In the case of preferred supplier vocational training nationally, around 4,500 attended courses, more than half attended transport (driving) courses; engineering, building and health and safety were also popular.

Data from the most recent National Employers Skills Survey (NESS) shows that around 10% of firms in Hampshire had hard-to-fill vacancies and around 5% had skill-shortage vacancies. Across Hampshire and IOW skill-shortage vacancies equate to around 5,000 jobs with 15% of companies suggesting that this is having a major impact on their business. Of those businesses reporting skill-shortages around 60% cite technical skills, other areas of concern include team-working, communications and customer handling<sup>17</sup>. The Local Skills for Productivity Alliance (LSfPA) suggests that skill shortages are particularly acute in transport/logistics, tourism, marine engineering and manufacturing and construction; the latter two mainly as a result of an ageing workforce<sup>18</sup>.

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<sup>17</sup> For more information see "informing our future 2007", Hampshire Economic Partnership

<sup>18</sup> See Summary of Business Sector Skills Research 2006 [http://www.hampshireiow-lspa.com/documents/business\\_skills\\_research\\_2006.pdf](http://www.hampshireiow-lspa.com/documents/business_skills_research_2006.pdf)



Although there is no clear evidence, it is possible that some SLs attending vocational courses are doing so as part of their plan to go into business. In particular, those courses dealing with health and safety, regulations in the construction sector and computer skills (e.g. ECDL) lend themselves to applications that would be useful to someone who was planning to go self-employed. The fact of the matter is that for sectors such as construction and transport/logistics the proportion of people who are self employed is high.

### **7.6 Civilian work attachment**

Evidence suggests that few SLs go directly into business (see following section) but they may work for a company for a short period before setting out on their own. One way SLs can gain an insight into the type of job or business they want to eventually go into is to undertake a Civilian Work Attachment (CWA). They spend time with a civilian employer for work experience and on-the-job training; the SL can also attend external courses to improve their employability. The CWA may be used at any point during the last two years of Service.

However, there is little readily available information from CTP on the numbers undertaking CWA, as Service personnel make their own arrangement, although they do have to obtain permission prior to starting. There is ample case study evidence to suggest that this taster has led to SLs securing subsequent employment with both large and medium sized firms, what is unclear is whether this opportunity helps stimulate people to subsequently opt for self-employment.

### **7.7 Quest**

Quest monthly magazine is produced by Bulldog Publishing Ltd providing a wealth of information for SLs (and their families) including tips on what to do and not to do in setting up in business and franchising. It also contains adverts from most of the main employers targeting SLs and information on lifelong learning and extended learning credits. There appears to be a fairly close relationship with the CTP and a number of major training providers. The on-line version (Questonline) has run fairly extensive articles on starting your own business in past. Quest may provide a vehicle that would enable an Enterprise Gateway or Business Link to connect directly with Service personnel.

### **7.8 Employment and self-employment amongst Service spouses**

Based on the assumptions in Section 5 (see Table 3), around 7,900 Service spouses in Hampshire-based clusters are likely to be employed. A further 450 are self-employed. This means around 2,700 are either unemployed or remain at home looking after families, or have voluntarily withdrawn from the labour force. Some of these will clearly not want to work at any particular time, but around 450 are classified as unemployed and a further 140 may want to work if a suitable job were available<sup>19</sup>. As shown in Section 5, the current rate of self-employment amongst Service spouses is around two thirds of that in the civilian population.

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<sup>19</sup> The Labour Force Survey (2006) suggests that around 6% of females in Hampshire that are economically inactive would work if a suitable job were available.

As with Services personnel, spouses of military personnel are not always fully embedded into the local civilian community. Some live in married quarters within the military garrison others are on fairly remote bases in rural areas. Generally speaking Naval spouses are more likely to be integrated than those of Army or RAF personnel. What this means is that in some cases there are less opportunities to either find a job or become self-employed and without experience they are often less employable than their civilian counterparts. In addition, because Service households have to move from time to time they are less able to establish a permanent base from which to launch a career. More than anything else it is this peripatetic lifestyle that makes Service spouses a special case for assistance.

### **7.9 Linkages with the civilian labour market**

Recent research by the University of Bedfordshire (March 2007) suggests that for military spouses frequent relocation was found to be related to psychological distress, clarity of self-concept, self-esteem and life satisfaction. One of the key factors was restricted job opportunities and the researchers found that spouses who worked outside the home more than 16 hours a week tended to improve their wellbeing. The research highlighted the need for extra support and help for spouses to maintain an independent identity. One of the conclusions was the need for stronger support networks.

Evidence from a large sample survey in the USA<sup>20</sup>, Harrell et al (2004) suggests that there is a net negative effect on employment of being a military wife, this is more pronounced in those with lower educational attainment and by Service, with USAF wives more likely to be employed than those in other Services. Similarly Cooke & Speirs (2005) found that military spouses were significantly more likely to withdraw from the labour market<sup>21</sup>. Interestingly the research hypothesizes that military wives who cannot coordinate their own aspirations to work with their military lifestyle may have successfully encouraged their husbands to leave the military. Amongst the recommendations is that military spouses are made aware of current programs that can aid them in their education or employment search.

Whilst Service spouses can access all the Services available to civilians including those especially designed for women by Business Link, there is little specialised resettlement assistance and advice for spouses whilst their partner is still in the Services. What there is tends to be patchy and usually limited to advice and then only on demand. On the other hand, general welfare provision is more embedded. The main Service-linked advice is provided through HIVEs where general information on employment and training opportunities is available to Service families.

### **7.10 HIVEs**

The HIVE Information Service is a Tri-Service information network available to all members of the Service community. It caters for serving personnel, both married and single, together with their

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<sup>20</sup> See Harrell et al, *Working around the Military. Challenges to military spouse employment and education* (2004) [http://www.rand.org/pubs/monographs/2004/RAND\\_MG196.pdf](http://www.rand.org/pubs/monographs/2004/RAND_MG196.pdf)

<sup>21</sup> Cooke & Speirs, *Migration and Employment Among the Civilian Spouses of Military Personnel*, Social Sciences Quarterly, Volume 86, Number 2, June 2005.

families and dependants as well as civilians employed by the Services. Most HIVEs are within the UK although there are overseas HIVE information centres. They offer an extensive range of information on the local unit, civilian facilities, schools and further education, housing, healthcare facilities, employment and training opportunities, relocation and local interest. A main channel of communication is through the Internet, giving access to national and local information as needed. Email facilities between families and those serving away during operational deployments are also available through HIVE Information Centres (see Appendix 13).

Whilst HIVEs do not appear to specifically mention entrepreneurship in their information sheets they present an opportunity for informing both SLs and more importantly the spouses of serving members of the Armed Services about the support services for business start-up and self-employment

## Conclusions from Section 7

The vast majority of Service Leavers are offered some form of resettlement advice. This includes workshops, general advice, 1:1 sessions, a variety of vocational training courses and work attachments. The quality of the workshops provided via the Career Transition Partnership process is highly regarded. The main focus and measure of success for the Partnership is placing Service Leavers in jobs within six months of leaving the military.

During the resettlement process the possibility of business-start up is not proactively pursued although resettlement staff will respond and signpost the Service Leaver if the issue is raised.

The evidence suggests that more than 10% express some sort of interest in self-employment, in Hampshire-based clusters this translates to a minimum of around 360 Service Leavers and Early Service Leavers per annum. In the last year more than 400 SLS undertook business start-up workshops in the two RRCs of Aldershot and Tidworth.

The Local Skills for Productivity Alliance (LSfPA) suggests that skill shortages are acute in transport/logistics, tourism, marine engineering and manufacturing and construction where self-employment rates are also high. Given that in sectors such as construction and transport/logistics the proportion of people who are self employed is high some SLs attending vocational courses may be doing so as part of their plan to go into business. In particular, those courses dealing with health and safety, regulations in the construction sector lend themselves to applications that would be useful to someone who was planning to go self-employed.

Evidence from Northern Ireland suggests that latent demand may actually be higher. A distinctive 4-day Start a Business Programme is run in Northern Ireland. This is more intense than the business start-up workshop delivered on the mainland. It is highly regarded and practical.

Despite the fact that Service households are more mobile than average civilian households, resettlement assistance and advice for spouses is patchy usually limited to advice and then only on demand. On the other hand, general welfare provision is more embedded. HIVEs provide general information on employment and training opportunities to Service families.

Given that an estimated 25% of spouses do not work, HIVEs might provide a useful information point for enterprise information. A further passive avenue for generating interest in enterprise is through the resettlement publications. This may provide the MTEG with a conduit through which interest in pre-starts and self-employment might be raised.

## 8 Examples of Enterprise Activity

There are numerous examples of those who have made the transformation from military life to starting their own business. Below is a sample of examples of published sources.

Kevin came from a catering background but didn't gain his chef qualifications until he joined the Army Catering Corps. On leaving the Service he entered employment in a different trade but it 'didn't work out' and he soon returned to catering. Still in employment, he held down a job and was subsequently asked to provide additional independent catering services. He needed to set up a company. Following business advice, he founded his own catering company and now has two London restaurants. He suggests that Service-trained people often have an advantage because they are prepared to 'work hard' and are used to the discipline of 'getting things done'. It is informative that he didn't recognise his potential early on and it was an opportunity that proved to be the spark rather than preparation and careful planning before release.

Simon left the Army and initially thought he would go into business consultancy but by the time he was due to leave the market was flooded with experienced consultants and he had little hope of getting a job. Instead he joined a company carrying out work similar to that which he had done whilst in uniform. This gave him a track record and commercial experience. Simon has now formed his own company. He suggests that those thinking of setting up on their own need to plan, research and build solid networks. Like Kevin, Simon has achieved his ambition but it took time to get there, he discovered that once 'outside' there is still a great deal of help and advice that is needed to become an entrepreneur.

Rick left the Army with the firm intention of becoming self-employed. He used his Civilian Work Attachment to gain experience and pick up the necessary contacts. As well as his own contracts Rick carries out work for other companies. Although he attended several courses organized by the CTP, and was impressed by the number of quality jobs that came through their recruitment lists, he knew that he wanted to work for himself. He suggests that "self employment is, in effect, the most difficult and dangerous thing to do for someone coming out of the Army, but when it goes well there isn't anything better." Rick has already upgraded his skills and demonstrates that with commitment, the right advice and careful selection of CWT, the transition to self-employment can be both fulfilling and rewarding.

### Conclusions from Section 8

It is clear from the examples quoted above that SLs are able to make successful transitions into self-employment and start their own businesses. The journeys they travelled may be different but the common thread is that all needed some help and advice to make the transition. They are also clear that life in the Services has equipped them well for their second careers.



## 9 Current Enterprise Support and Networks

Having examined the case for a MTEG based on potential demand, it is important to avoid duplication by evaluating other services already provided within Hampshire for enterprise and particularly pre-start businesses and self-employment.

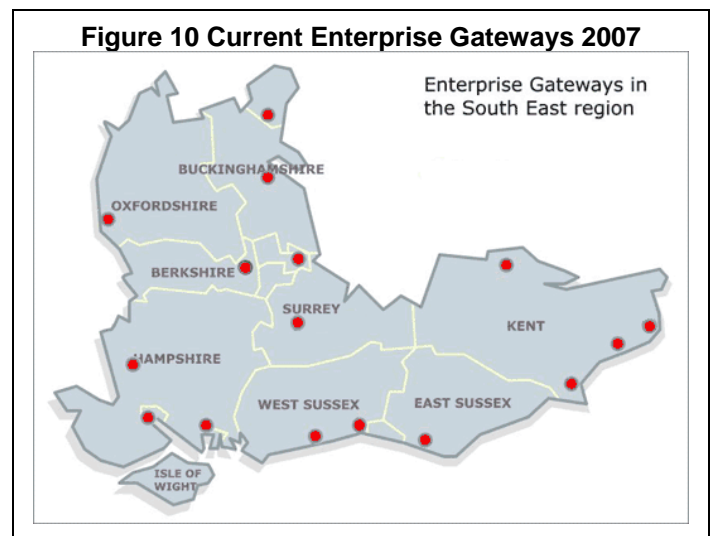
While the details set out below are relevant, it should be borne in mind that a process to simplify publicly funded business support is underway. The Business Support Simplification Programme (BSSP) is aimed at reducing the number of available products and services from something like 3000 to no more than 100 by 2010. The outcome, by the end of 2007, should be a scheme that is designed to make it easier for pre-start businesses to identify the services they want without extensive search costs (see <http://www.neighbourhood.gov.uk/publications.asp?did=1846> ).

The information in this section is drawn from public sources and interviews with a selection of enterprise practitioners (see Appendix 14). To ensure continuity, the same questions were put to each interviewee; a template of questions is shown as Appendix 7.

### 9.1 Enterprise Gateways

Enterprise Gateways are seen as a way of stimulating economic growth in self-employment and new business start-up amongst groups and communities that have hitherto not been seen as natural seedbeds for entrepreneurs. The idea being to focus help in a way that ensures the different needs of the region are met in locally relevant ways.

There are currently 16 operational Enterprise Gateways in the South East including three in Hampshire, with a further four planned across the South East Region in 2007. Each Enterprise Gateway is run by a Director and is supported by a business champion and local community groups. Enterprise Gateways promote a culture of enterprise and self-employment, particularly amongst disadvantaged individuals and groups. Enterprise Gateways have a particular focus on working with people not currently in employment, education or training. They also have a role in inspiring a culture of enterprise at a local level, working with the wider community.



The roles of Enterprise Gateways in Hampshire are different. For instance, Portsmouth & Southampton Enterprise Gateways have a particular focus on ethnic minority groups, social enterprises, older and younger entrepreneurs and communities in disadvantaged areas that are

under-represented in self-employment within an urban environment<sup>22</sup> whereas the Rural Hampshire Enterprise Gateway is currently concentrated on overcoming the barriers to pre-start in rural locations.

The current focus of most Enterprise Gateways throughout much of the SE region is on pre-starts, often in conjunction with disadvantaged communities or individuals, although there are examples of particular themes such as creative design and media and crafts. The provision of a Military Town Enterprise Gateway would address the need to increase the level of entrepreneurship amongst SLs and their families.

## **9.2 Existing enterprise support**

A review of enterprise support suggests that there is a range of provision within Hampshire, ranging from incubator facilities, to finance and mentoring, to training. Few of these are specifically designed to cater for SLs but equally those available to people in general are also available to SLs.

Business Link is the primary access point for publicly funded business support across the South East region and provides businesses with the information, advice and support needed to start, maintain and grow a business. Business Link's role is to help anyone who is thinking of starting a business; help small and medium-sized businesses to grow; and help businesses to deal with problems, challenges and opportunities. In performing this role, Business Link fast-tracks customers to the expert help which is needed; whatever the issue.

The Business Link service for Hampshire and IOW is provided by WSX Enterprise - a private, not-for-profit company. In the financial year 2006/7 the company provided support to 23,750 pre-starts, start-ups and established businesses across Hampshire and IOW; in addition it provided intensive assistance to help 1,794 businesses to grow and develop. In the same period customer satisfaction for the Hampshire and IOW service was 92.5%.

Finance, small loans and mentoring are available from a variety of sources and specific schemes are designed for groups such as the over 50's and the long-term unemployed. The British legion offers SLs and ex-Service people free business advice and those unemployed and starting up their own business may apply for interest free loans of up to £5000 under certain conditions.

Whilst CTP offers advice prior to leaving, once the SL has left most of the training/advice would be through Business Link Start-up Service and covers similar topics to those given at the CTP business start-up workshops although most are provided free.

## **9.3 Other organizations offering support**

There are a number of these that offer assistance in both the resettlement process and after the SL has been out for more than two years. Generally these signpost or put the SL in touch with

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<sup>22</sup> Portsmouth uses a range of partners including HE, FE, Business Link and local authorities to provide access to a wide range of advisory services, training opportunities and peer support networks.



advice from reputable sources. They include the Regular Forces Employment Association (RFEA), The Officers Association (OA), The White Ensign Association (WEA), Civvy Street Magazine (on-line), 4exforces, Project Compass (PC), Soldiers, Sailors, Airmen and Families Association (SSAFA), The Army Benevolent Fund (ABF) and The RAF Association (RAFA).

All have a slightly different emphasis. For instance, the RFEA and OA have strong links with the CTP, 4exforces provides a job matching service, the WEA makes visits to shore bases and has a job matching service, Civvy Street provides role model examples of successful resettlement, Project Compass is focused on finding work for homeless ex-Service personnel. Others, such as SSAFA, ABF and RAFA offer financial and welfare support to ex-Service personnel.

#### **9.4 Active engagement by outside agencies with the resettlement process.**

The engagement that takes place appears to be fragmented. Whilst awareness events are held within both Portsmouth and Aldershot, there are few if any referrals direct from CTP to enterprise agencies or Business Link.

It is usual for business start-up providers to pick up on SLs once they have left the Service and any 1:1 sessions or courses are treated in the same way as civilian referrals. There are no definitive figures for the number of SLs seen. In the past, closer working relationships have existed between single Service resettlement and enterprise agencies. In the same context there are specific courses for women but these are not specifically for Service personnel or spouses.

Perhaps surprisingly there is no systematic process by which literature is made directly available to RRCs, although this is done on an ad-hoc basis or through intermediaries. Generally enterprise agencies do not advertise their services in Armed Service in-house publications, reasons for not doing so include budgets, number of potential clients, relationship with CTP and a feeling that people can self-select.

There are two polarized arguments, on the one hand SLs will move out of the area and therefore local expenditure is not justified, on the other engagement is necessary to encourage SLs to remain in the area as their skills help alleviate commercial company's skill shortages and push up productivity and aid economic growth.

## **Conclusions from Section 9**

It appears that there is no current crossover or continuity in the advice given to Service Leavers before and after leaving the military.

Apart from casual contact, there is little evidence that Business Link in Hampshire or Surrey having made concerted efforts to provide an on-going relationship with the Military Regional Resettlement Centres. The evidence in this study suggests that closer engagement would be welcomed by the military and CTP both nationally and locally provided this was on a regular on-going basis. Enterprise agencies see Service Leavers as a very minor part of their business, thus, unsurprisingly they are not focused on their specific needs.

It would appear that there are no obvious gaps in provision for business start-up support after military staff have left the forces. It is suggested that capacity for expansion may exist in some providers, although these are not currently focused on the specific needs of Service Leavers.

For some publicly funded business support organizations such as Enterprise Agencies there is no financial incentive currently available which would encourage them to 'get involved' and thus, Service Leavers are regarded as simply another source of clients who would receive a full support service from these organisations should they 'find' them!

For those such as local Business Link a classic dilemma exists; should there be active engagement with the Service resettlement process to encourage entrepreneurship or should engagement remain 'available' once the Service Leaver has decided what 'they want to do'? On the one hand, Service Leavers are budding entrepreneurs with the potential to play a significant part of the local/ regional economic growth process; on the other hand some are likely to move to another part of the country thus representing a wasted investment.

## 10 Gaps in Provision and Opportunities for Cross Cutting

In this section of the study the output from interviews and the content of sections 7 to 9 are distilled in order to identify gaps in the awareness and provision of advice for potential entrepreneurs amongst Service dependant individuals and their spouses/partners. Cross cutting issues are also identified.

### 10.1 Overview of the challenge

The study finds that there is no such thing as the typical SL. As has been shown, they span a wide range of ages and they leave for different reasons, some economic, some emotional and others due to circumstances over which the individual has little control. Additionally, they come from different backgrounds and their Service experiences may be radically different. So why should it be assumed that on leaving military Service most of these highly skilled and resourceful people should want to go into a job with an established firm?

Whilst the fact of the matter is that the majority of SLs do find jobs with companies, this is not altogether surprising. Indeed, a key performance target for CTP is that within six months of discharge most Service Leavers, who complete the full resettlement programme, will have found a job or become self-employed. The fact is that most of these placements are as a direct or indirect result of action or advice from CTP staff.

There is no clear statistical evidence of the numbers opting for a self-employment or business start-up route as opposed to taking a job in an existing firm. The available evidence suggests that around 10%, who complete the full resettlement programme will have thought seriously about self-employment during the resettlement process. Although it is thought that only about half of these will actually become self-employed straight away. Anecdotal evidence suggests that the numbers who actually end up as self-employed may be higher than the figures suggest. For instance, some of those 'in employment' may in fact be self-employed consultants and others gravitate to self-employment after an initial period of working for a company in order to gain experience.

More crucially for the local economy is the belief that SLs and their families represent a dynamic economic asset. Because of the demands of the Service, they are, generally speaking, young, in good health, well trained, motivated and resourceful, just the attributes needed for a successful entrepreneur. If a proportion of that asset can be retained and engaged in the local wealth creating process then it represents a significant boost to local investment. In addition, the multiplier effect means that the benefits do not just accrue to the Service leaver or his/her direct family but are spread throughout the local economy. Indeed, this is recognised by senior staff within both Business Link and the Directorate of Resettlement.

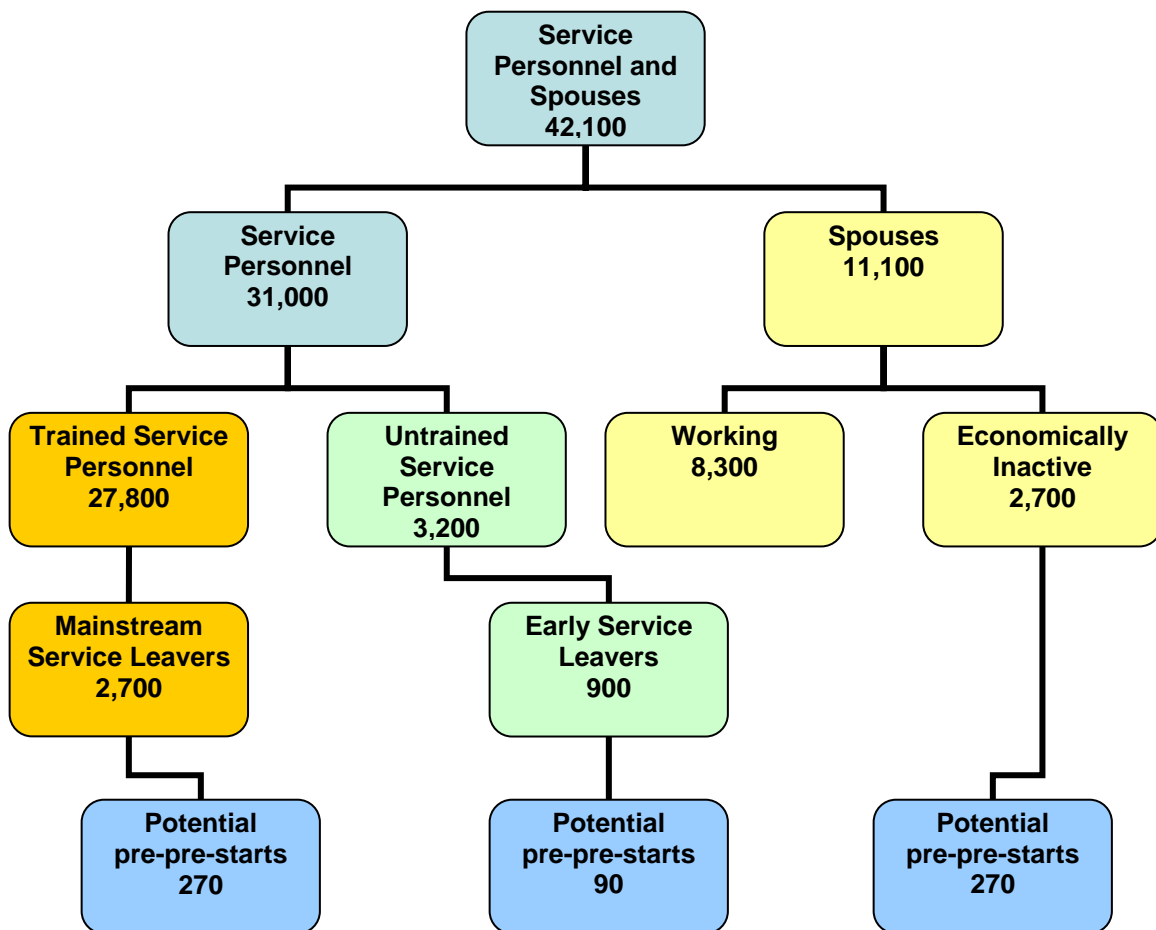
### 10.2 The difficulty of capturing potential

Given that SLs are an economic asset why does it appear so difficult to capture this potential? Whilst advice and signposting towards self-employment business start-up is available as part of

the full resettlement process, there is no systematic pro-active programme to promote awareness of self-employment as an alternative to paid employment to either SLs or their immediate families. This is not to say that there have been no attempts to make information available prior to discharge. The study uncovered evidence of past engagement by Business Link, Enterprise Agencies and through initiatives by individual IERO's to facilitate awareness, with seminars given by commercial service providers. The main problem is that these engagements are fragmented and long-term relationships are not built and/or sustained.

Because of the way the Service resettlement programme is structured it is not possible to engage all SLs and their spouses/partners in considering self-employment. There is not just one client group; there are in fact three potential client groups; mainstream Service Leavers; Early Service Leavers and Service spouses/partners. Overall there are around 630 Service related individuals who have the potential to become pre-pre-start business. Although these groups may have similar requirements, in terms of awareness, advice/signposting or mentoring, they are likely to access information and help through different channels.

**Figure 11 Potential Client Groups from within the Hampshire-based Clusters**



It is clear that a wide array of help and advice on self-employment business start-ups exists once the SL has left the military (as indicated in Section 9). What seems to be missing is a bridge between the advice given whilst still in the Service and advice available once outside it. There is, in short, no continuity.

Finally, there needs to be awareness at the outset that Service personnel differ significantly from the civilian mainstream in that they are less likely to be aware of the full potential and pitfalls of self-employment than their civilian counterparts. First, they work (and often live) in close-knit military communities with less regular contact with the economic mainstream and secondly, military life is fluid by nature and there are fewer opportunities for setting down local roots and building networks. These two factors impact on both Service personnel and to a slightly lesser extent on their spouses/partners.

The objective of the MTEG will be to ensure that enterprise is one of the options that SLs and their spouses consider to generate pre-start demand. It will need to help SLs and their spouses overcome the barriers to start-up, utilising mentoring and signposting support.

### **10.3 A way forward**

From the investigation it is clear that there is considerable interest in pro-actively promoting awareness of self-employment opportunities amongst Service personnel and their families, this is evident from both the CTP and D Resettlement. In Northern Ireland there is already in existence a different model; SaBP which potentially could improve on the advice given to SLs via the BSW. The other major finding is that the links with outside enterprise advisers, although not broken, are less open than they have been in the past and are in need of some tender love and care.

The fact that Enterprise Gateways already exist and have been successful at promoting enterprise amongst particular target groups, suggests that there is a generic model that can be used for the military client group. Given that Enterprise Gateways in Hampshire don't have spare capacity to take on an additional client group and that military dependant communities have particular requirements, a focused Military Towns Enterprise Gateway offers an opportunity to address these issues. It would be able to build links between the close-knit world of the military garrison and the wider world of civil enterprise and opportunity. However there are three aspects that need to be recognised at the outset:

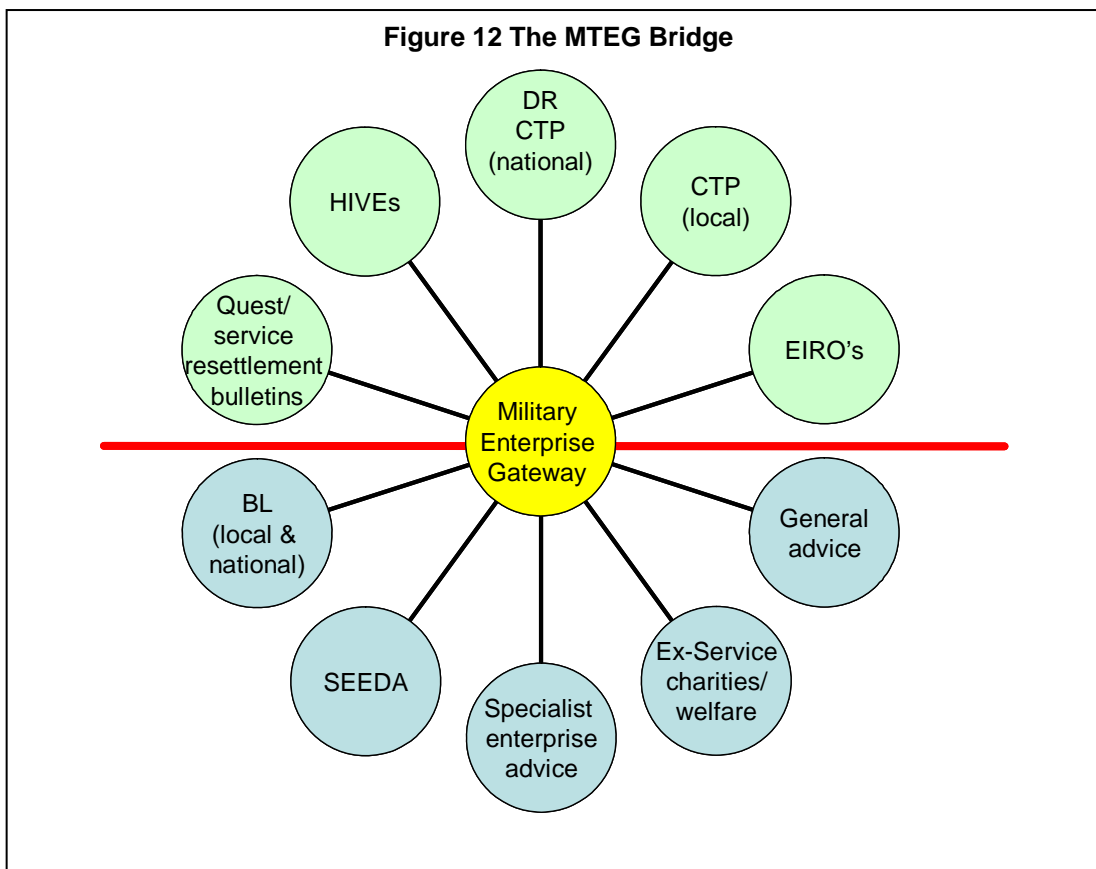
1. Raising awareness will require sensitivity to the military resettlement process, relationship building and an ongoing commitment to work together (this has been a challenge for the CTP in the past although the system now works well).
2. Signposting is likely to involve a degree of overlap with existing agencies and providers and needs to be sensitive to the activities of current providers. However, it should be remembered that the prime concern must be to provide good, robust advice to SLs and their spouses.
3. It will difficult (although not impossible) to measure success at a local level because some SLs and their spouses will settle in other parts of the country or even overseas. The military certainly do not see things in a parochial manner and would be disappointed if a

MTEG became too focused on purely local issues and objectives. However, this should not necessarily hinder involvement by Business Link as it has a national as well as a local focus.

The primary tasks for a Military Towns Enterprise Gateway are to:

- i. Raise a culture of enterprise
- ii. Engage in enterprise mentoring
- iii. Ensure access to business support services
- iv. Establish peer to peer learning groups

The task is encapsulated in the diagram below. Essentially the activities above the line are within the Service community or the resettlement process; those below the line are focused on the provision of information/advice and signposting both during and after exit from military Service. As can be seen the Military Enterprise Gateway acts as a bridge between the two.



#### 10.4 Identifying successful role-models and showcasing

The MTEG will identify SL's who have been successful in overcoming the barriers to start-up and would showcase these as potential role models; with the intention of raising the profile of enterprise throughout the resettlement process.

The raising of awareness needs to take account of not just how to build awareness but also how to utilise existing structures to best advantage. It is essential that raising awareness about self-employment is seen as a helpful addition to the resettlement process, this means that activity needs to go 'with the grain'. Engagement with the Directorate of Resettlement and CTP at a national level would help to ensure activity was carried out in a structured fashion and complementary to the evolution of resettlement policy. Equally it is important that strong local relationships are built with CTP regional managers and IERO's.

In the case of CTP managers it will be necessary to ensure that there is a mechanism by which those undertaking the full resettlement programme can be made fully aware of the possibilities offered by self-employment and directed towards appropriate workshops, courses and placements that enable a successful outcome. It has been suggested by CTP that specific information on self-employment could be inserted into the workbook that all mainstream SLs receive as part of their CTW.

The focus with IERO's would be slightly different because they are more localised (often within individual establishments) and potentially have contact with a wider stratum of Service personnel. The IERO could provide a direct link to the Gateway, an information point and a facilitator for raising awareness about the potential of self-employment. This would need to be done in a way that did not compromise retention activities undertaken by IERO's.

Quest and Service Resettlement Bulletins (SRBs) provide a passive avenue through which awareness of the Gateway/self-employment can be spread as well as examples of how ex-Service personnel have made successful transitions from military life to entrepreneur. This would help to address the current overwhelming emphasis on jobs in established companies.

HIVEs offer an avenue of direct contact with Service families, where information can be made available and 1:1 sessions could potentially be held for those seeking further advice. Talks/ events showing the steps and potential pitfalls of self-employment could help raise awareness and stimulate demand.

**Table 8 - Ways of spreading the message of enterprise**

	Early leavers	Mainstream leavers	Spouses/ partners
Active	IERO's	IERO's	HIVEs
	HIVEs	CTP (CTW)	
	MTEG Events	HIVEs	MTEG Events
Passive	SRBs	SRBs	SRBs
	Quest	Quest	Quest
	Local press	Local press	Local press
	Multi media	Multi media	Multi media

As suggested earlier, different potential routes may be necessary to spread awareness amongst potential clients. The activity is split between active and passive responses. Passive responses are important for raising the profile of self-employment and the Gateway and thus include both resettlement publications and more general media including links to web-based information.

### **10.5 Facilitating enterprise**

Direct introductions to Business Link services (both local and national) would not only point the Service Leaver in the right direction but also mean that Business Link were able to track the success or otherwise of the MTEG. The experience from Northern Ireland shows that an important element in the push to increase levels of self-employment was the inclusion of Invest in Northern Ireland and the local authorities. In Hampshire, SEEDA would be ideally placed to facilitate a range of advice and contacts, not least through the network of other Enterprise Gateways throughout the SE region. This would ensure a clear regional focus to the activity of the MTEG.

The MTEG's role in signposting specialist and more general enterprise advice and training is essential to enable SLs and their families to plan for a future in self-employment. By acting as a single point of contact much of the search time and cost associated with information acquisition can be reduced. This would include signposting to national sources of help such as the Prince's Trust and Prime. Over time, as the Gateway's reputation for success grew, more focused advice and follow-up might be possible so that best practice can be developed and others, including CTP, could benefit from the results.

Equally important is maintaining the links with Service charities and welfare organisations. Whilst not all of these deal specifically with self-employment they do provide help and advice with other aspects of resettlement such as housing and finance which enable the SL to establish a firm base from which they can go on to self-employment.



### **Conclusions from Section 10**

Given the diversity of SLs and their spouses it is highly probable that there would be significant interest in self-employment as a second career option if awareness levels were improved. Moreover as SLs and their families can be regarded as a dynamic economic asset there is a potential economic benefit to be captured from engaging with them pro-actively.

Service personnel and their families are less likely to be aware of the full potential and pitfalls of self-employment than their civilian counterparts, and there are three elements to their successful engagement; raising awareness, directing/ signposting and providing a link between the military environment and the world of enterprise.

A successful MTEG will need to build relationships with Service resettlement and CTP, spread the message of enterprise within the Service community and provide a trusted bridge that enables SLs and their families to make the transition between Service life and enterprise.

Creating a MTEG will require sensitivity, imagination, innovation and drive but commitment and collaboration could reap substantial economic benefits.



## 11 Options Evaluation

This section reviews the options for establishing a MTEG within Hampshire. It examines whether or not there should be more than one gateway, where it might be located.

### 11.1 Is the case made for a MTEG?

It is clear that the trend is for more people to leave the Armed Services. With more than 42,000 Armed Service personnel and their spouses stationed in Hampshire and adjoining districts they are likely to receive a relatively high proportion of SLs looking for jobs or enterprise opportunities. There are two distinct groups of Service personnel in Hampshire and adjoining districts; in the north the focus is on the Army with a smaller but significant RAF presence; in the south the Royal Navy is the dominant force. Moreover, the economic profiles of districts north and south also vary considerably; within the South Hampshire Cluster there is evidence of considerable economic deprivation which presents a challenge to Service Leavers embarking on a civilian career.

There are barriers to enterprise (and indeed employment) faced by SLs and their spouses that are potentially more daunting than those face by the civilian workforce. However, the evidence suggests that despite the barriers SLs do make successful entrepreneurs. The SaBP in Northern Ireland demonstrates that the low take-up of self-employment amongst SLs can be successfully driven up with huge potential benefits to the local economy.

The fact of the matter is that SLs and their families represent a dynamic economic asset in that they are generally young, in good health, well trained, motivated and resourceful: just the attributes needed for a successful entrepreneur. Unfortunately there appears to be little crossover or continuity in the advice given to SLs before and after leaving the Service and therefore some of this potential may be underutilized. In order to unlock this potential the key tasks for a MTEG will be raising awareness, identifying successful role-models and showcasing, and building trusted links and relationships between the military establishment and the enterprise community.

It is clear from the evidence that there is the potential for establishing one or more MTEGs in Hampshire. It will require sensitivity, imagination, innovation, drive, commitment and collaboration but could reap substantial economic benefits.

### 11.2 Is one enough?

Given that the two main Service Clusters in Hampshire are very different it would appear that the solution would be to establish two MTEG's.

In the north the cluster is predominantly Army which has particular issues around the isolation of service communities and the difficulty of establishing a permanent base from which to launch a civilian career. There are also likely to be accommodation issues as fewer Army personnel own their own home. Offsetting this is the general engagement with enterprise which is more embedded in North Hampshire although there are still significant variations in education, skills and wealth which all impact on entrepreneurial activity.

By contrast the south is dominated by the Navy. Naval personnel are more likely to live in the community than those in the Army so that there is a greater chance that they already have a permanent base and in many cases own their own home. Their families are also more likely to be settled. However, they leave the Service into a more deprived economic landscape. The incidence of economic deprivation is high in Portsmouth, unemployment is higher than in the north and there is also a distinct lack of an enterprise culture amongst towns and cities of the south. Levels of education, skills and wages remain depressed thus spending power is also lower than in the north although commercial property prices are also lower.

A business plan will be produced as a separate document.

#### **Conclusions from section 11**

It is clear from the evidence that there is the potential for establishing one or more MTEGs in Hampshire. It will require sensitivity, imagination, innovation, drive, commitment and collaboration but could reap substantial economic benefits.

Given the distinct nature of the two Service Clusters in the north and south of Hampshire there is scope for two MTEG's within the county but covering adjoining districts in Surrey and Berkshire as well.

A full business plan will need to be drawn up.

## 13 Conclusions

The main conclusions of the study are set out below. A draft business plan will be drawn up separately.

1. It is clear that the Armed Services will continue to shrink in terms of numbers of Service personnel and the geographical footprint that bases make in local economies. This is bound to have some impact in Hampshire. Whatever the outcome it is likely that there will be far more people making the transition from military employment (Service and civilian) to civilian employment.
2. There are three main clusters of military personnel in the South East region; South Hampshire, North Hampshire and Oxfordshire. The data shows that the South Hampshire cluster is around 13,410 Service personnel and the North Hampshire cluster 17,560. Overall the data shows that in April 2006 there were 22,920 regular Service personnel stationed in Hampshire alone, over 50% of these are Royal Naval personnel.
3. Nationally somewhere in the region of 2,000 people leave the Armed Services each month. It is estimated that around 3,600 of SLs commence their civilian careers from depots in Hampshire-based military clusters each year, around a third of these settle elsewhere in the UK or overseas. Evidence from Regional Resettlement Centres shows that most find jobs shortly after leaving the Services and anecdotal evidence suggests that early jobs are sometimes 'stepping stones' to self-employment or starting a small business. In addition to the SL's, around 2,700 spouses have the potential to become economically active. Finally as well as the inflow to the civilian labour market from UK service personnel and their spouses there is a significant although unquantifiable inflow from Ghurkha Service Leavers in Hampshire/ Surrey/ Berkshire border area. The available evidence suggests that this minority ethnic cohort have enterprise ambitions as well as a strong work-ethic.
4. The local communities into which Service Leavers are likely to embark on their civilian careers are diverse. The evidence suggests that there is no such thing as a typical military district. Each has particular attributes in terms of quality of life, business profiles and labour markets. What is more striking is that three of the main military concentrations also have significantly low entrepreneurial activity rates. However, there are distinct differences between the north and south of the county with particular reference to skill levels, economic and entrepreneurial activity. Portsmouth has high relative levels of deprivation compared with other South East Districts with more than 50% of SOA's within the 20% most deprived within the Region. Within Gosport around 30% of SOA's are also classified as amongst the most deprived fifth. Elsewhere there are small pockets of relative deprivation in Fareham, Guildford, Rushmoor and Test Valley.
5. The key performance measure of the Career Transition Partnership is success in placing Service Leavers in employment within 6 months of leaving the Services. More broadly

- there is recognition that preparation for civil life is just as important – in particular for those that are classified as ‘vulnerable’. All Service Leavers are given advice before leaving whether or not they qualify for the full resettlement package. In the case of Early Service Leavers this is usually Unit Resettlement Staff or Service Resettlement Advisers.
6. During the formal resettlement process the possibility of self-employment/business-start up is not proactively pursued although resettlement staff will respond and signpost help if the issue is raised. The evidence suggests that more than 10% of Service Leavers currently express some sort of interest in self-employment. This indicates that the potential demand from the trained strength leaving from Hampshire-based clusters may be around 270 per year at a minimum within Hampshire itself the corresponding figure would be 200, indeed the throughput at Aldershot and Tidworth resettlement centres combined exceeded 400 in the last year. In Northern Ireland, where there is a stronger emphasis on promoting self-employment, the figures are considerably higher. The question, therefore, is whether or not demand for specialized enterprise workshops would be higher if the issue were pro-actively raised earlier in the resettlement process? The other point that needs to be taken into account is that ESL's do not usually qualify for resettlement advice, however if it is assumed that a similar proportion might consider self-employment then a further 90 per annum may potentially start their own business.
  7. More than anything else it is the peripatetic lifestyle that makes Service spouses more vulnerable and a special case for assistance. Recent research by the University of Bedfordshire (March 2007) suggests that for military spouses frequent relocation was found to be related to psychological distress, clarity of self-concept, self-esteem and life satisfaction. One of the key factors was restricted job opportunities and the researchers found that spouses who worked outside the home more than 16 hours a week tended to improve their wellbeing. In addition, evidence from a large sample survey in the USA suggests that there is a net negative effect on employment of being a military wife. Cooke & Speirs (2005) hypothesize that military wives who cannot coordinate their own aspirations to work with their military lifestyle may have successfully encouraged their husbands to leave the military.
  8. The evidence shows that Service Leavers and their families are able to make successful transitions into self-employment and start their own businesses. The common thread is that most will require some help and advice to make the transition. The research finds that there is no current crossover or continuity in the advice given to Service Leavers and their families before and after leaving the military and that there is currently little active engagement between Business Link and Service resettlement. The evidence in this study suggests that closer engagement would be welcomed by the military and the CTP both nationally and locally provided this was on a regular on-going basis. For organizations such as Business Link this represents a dilemma. There are two polarized arguments on the one hand Service Leavers may move out of the area and therefore local expenditure is not justified, on the other engagement is necessary to encourage Service Leavers to

remain in the area as their skills and expertise help alleviate commercial company's skill shortages, push up productivity and aid local economic growth.

9. Because of the way the Service resettlement programme is structured there is not just one client group; there are in fact three potential client groups; mainstream Service Leavers; Early Service Leavers and Service spouses/partners. Overall there are around 630 Service related individuals who have the potential to become pre-pre-start business. Although these groups may have similar requirements, in terms of awareness, advice/signposting or mentoring, they are likely to access information and help through different channels.
10. There needs to be awareness at the outset that Service personnel differ significantly from the civilian mainstream in that they are less likely to be aware of the full potential and pitfalls of self-employment than their civilian counterparts. First, they work (and often live) in close-knit military communities with less regular contact with the economic mainstream and secondly, military life is fluid by nature and there are fewer opportunities for setting down local roots and building networks. These two factors impact on both Service personnel and to a slightly lesser extent on their spouses/partners.
11. The fact that Enterprise Gateways already exist and have been successful at promoting enterprise amongst particular target groups, suggests that there is a generic model that can be used for the military client group. The objective of the MTEG will be to ensure that enterprise is one of the options that SLs and their spouses consider in order to generate pre-start demand. It will need to help SLs and their spouses overcome the barriers to start-up, utilising mentoring and signposting support. Given that Enterprise Gateways in Hampshire don't have spare capacity to take on an additional client group and that military dependant communities have particular requirements, a focused Military Towns Enterprise Gateway offers an opportunity to address these issues.
12. The primary tasks for a Military Towns Enterprise Gateway are to:
  - v. Raise a culture of enterprise
  - vi. Engage in enterprise mentoring
  - vii. Ensure access to business support services
  - viii. Establish peer to peer learning groups
1. Equally important is maintaining the links with Service charities and welfare organisations. Whilst not all of these deal specifically with self-employment they do provide help and advice with other aspects of resettlement such as housing and finance which enable the SL to establish a firm base from which they can go on to self-employment.
2. It is clear that the trend is for more people to leave the Armed Services. With more than 42,000 Armed Service personnel and their spouses stationed in Hampshire and adjoining

districts they are likely to receive a relatively high proportion of SLs looking for jobs or enterprise opportunities. There are two distinct groups of Service personnel in Hampshire and adjoining districts; in the north the focus is on the Army with a smaller but significant RAF presence; in the south the Royal Navy is the dominant force. Moreover, the economic profiles of districts north and south also vary considerably; within the South Hampshire Cluster there is evidence of considerable economic deprivation which presents a challenge to Service Leavers embarking on a civilian career, whilst in the north they are entering a sophisticated and highly competitive labour market.

3. It is clear from the evidence that there is the potential for establishing one or more MTEGs in Hampshire. Their operation will require sensitivity, imagination, innovation, drive, commitment and collaboration but could reap substantial economic benefits. Given the distinct nature of the two Service Clusters in the north and south of Hampshire, there is scope for establishing two distinctive and different MTEG's serving needs of Service clients and the economy in the north and south of the County as well as adjoining districts.



## Appendix 1 Location of Armed Service personnel in the South East Region APRIL 2005

	Total Service personnel	Dominant Service(s)
Portsmouth	8,530	RN
West Oxfordshire	3,560	RAF
Rushmoor	3,000	Army
Hart	2,950	RAF/Army
Vale of White Horse	2,650	Army
Guildford	2,440	Army
Gosport	2,100	RN
East Hampshire	1,680	Army
South Oxfordshire	1,680	RAF
Fareham	1,620	RN
Surrey Heath	1,620	Army
Wycombe	1,430	RAF
Test Valley	1,270	Army
Winchester	1,270	Army
Bracknell Forest	1,140	Army
Medway	1,130	Army
Windsor and Maidenhead	1,040	Army
Aylesbury Vale	950	RAF
Cherwell	840	Army
Wokingham	810	Army
Chichester	670	Army
Canterbury	520	Army
New Forest	470	Army
Maidstone	470	Army
Shepway	240	Army
West Berkshire	210	Army
South Bucks	110	Army/RN
Mole Valley	100	RAF/Army
Sevenoaks	70	Army
Thanet	60	RAF
Milton Keynes	40	Army
Oxford	20	Army
Reading	10	Tri
Southampton	10	Army
Crawley	10	Tri

Source: DASA April 2006.

## Appendix 2 Location of Service personnel in England Census night 2001

Local Authority District	Total Armed Services personnel	Living in community	Living in barracks	Percent living in community
Plymouth	4,643	3,905	738	84%
Richmondshire	4,533	1,885	2,648	42%
Salisbury	4,351	2,731	1,620	63%
North Kesteven	3,461	2,699	762	78%
Forest Heath	3,441	2,686	755	78%
Gosport	3,398	2,261	1,137	67%
Harrogate	3,368	1,715	1,653	51%
Portsmouth	3,318	2,342	976	71%
Rushmoor	3,233	1,649	1,584	51%
North Wiltshire	3,222	2,241	981	70%
Kennet	3,215	1,609	1,606	50%
Colchester	2,674	1,468	1,206	55%
Bridgnorth	2,360	441	1,919	19%
South Somerset	2,281	1,702	579	75%
Fareham	2,262	1,483	779	66%
West Oxfordshire	2,155	1,380	775	64%
Hambleton	1,992	1,191	801	60%
Huntingdonshire	1,983	1,769	214	89%
Hart	1,953	844	1,109	43%
North Dorset	1,924	688	1,236	36%
Vale of White Horse	1,912	1,137	775	59%
King's Lynn and West Norfolk	1,751	1,307	444	75%
Guildford	1,730	555	1,175	32%
Breckland	1,622	1,409	213	87%
Winchester	1,592	722	870	45%
East Hampshire	1,549	845	704	55%
West Wiltshire	1,490	1,124	366	75%
Hillingdon	1,485	975	510	66%
St Edmundsbury	1,427	888	539	62%
Aylesbury Vale	1,286	563	723	44%
Kerrier	1,273	1,055	218	83%
Wokingham	1,232	364	868	30%
Medway	1,230	693	537	56%
Caradon	1,210	954	256	79%
Rutland	1,176	717	459	61%
East Devon	1,175	551	624	47%
South Kesteven	1,150	1,143	7	99%
South Oxfordshire	1,126	728	398	65%
Test Valley	1,102	882	220	80%
East Lindsey	1,101	850	251	77%

Source: National Census 2001.

**Appendix 3** Estimated outflow of Service personnel stationed in Hampshire and surrounding districts 2006/07

	From trained staff	From untrained staff	Total
Fareham	134	47	180
Gosport	177	60	237
New Forest	46	17	63
Portsmouth	707	255	961
Southampton	1	0	1
Chichester	64	24	88
South Hampshire Cluster	1129	402	1531
East Hampshire	161	61	222
Hart	275	54	329
Rushmoor	283	102	385
Test Valley	110	30	140
Winchester	117	38	155
Bracknell Forest	81	12	93
Guildford	235	85	321
Mole Valley	9	2	10
Surrey Heath	139	41	180
West Berkshire	18	6	24
Windsor and Maidenhead	90	32	122
Wokingham	69	24	93
<b>North Hampshire Cluster</b>	<b>1587</b>	<b>488</b>	<b>2075</b>

Source CLREA estimates based on DASA data for 2005/06.

Note: Trained and untrained outflows are indicative, in districts with large training bases such as Gosport and Fareham the outflow of untrained staff may be higher than estimated but the outflow of trained staff lower. However, in districts such as Portsmouth overestimates of untrained outflows are compensating for by underestimates of trained outflows.

## Appendix 4 Defence dependent districts in the SE Region

	Service jobs per 10,000 jobs	Service personnel living in community per 10,000 residents	Civil defence jobs per 10,000 jobs	Self-employment per 1000 economically active
England/ UK/ GB	55.8	22.9	30.6	104.4
Gosport	840.0	295.9	888.1	80.5
Portsmouth	767.2	125.4	225.8	89.8
West Oxfordshire	738.8	144.3	187.6	121.3
Hart	654.5	101.1	110.6	99.0
Rushmoor	633.3	181.3	226.4	82.2
Vale of White Horse	426.2	98.3	57.5	96.8
East Hampshire	358.5	77.3	53.4	128.5
Fareham	305.6	137.4		93.8
Surrey Heath	296.0	56.5	125.6	103.4
Guildford	273.8	42.8	32.5	105.3
South Oxfordshire	259.1	56.8	45.8	116.4
Test Valley	212.7	80.3	466.7	105.2
Wycombe	157.0	44.3	108.0	112.3
Bracknell Forest UA	156.3	25.6	49.0	88.8
Winchester	144.0	67.3	77.1	113.9
Chichester	136.1	39.5	15.2	159.0
Aylesbury Vale	136.0	34.0	44.0	117.6
Dover	128.9	27.6	38.7	111.3
Wokingham UA	126.4	24.2	34.3	90.1
Windsor and Maidenhead UA	125.8	33.4	0.0	105.5
Medway UA	117.8	27.8	64.3	99.8
Cherwell	93.8	39.8	293.7	98.9
New Forest	74.7	25.7	30.4	129.4
Canterbury	65.7	22.5	0.0	119.8
Maidstone	64.6	12.7	2.0	114.0
Shepway	55.0	29.3	60.8	126.6
West Berkshire UA	25.6	29.6	40.4	104.3
Mole Valley	23.9	9.2	27.0	141.1
South Bucks	14.7	15.7	0.0	131.1
Thanet	12.5	9.2	19.7	130.2
Sevenoaks	7.8	6.6	23.1	134.9
Milton Keynes UA	3.4	7.7	0.0	78.8
Oxford	1.9	6.6	0.9	65.3
Crawley	1.1	3.8	0.0	74.1
Reading UA	0.9	5.5	0.5	77.3
Southampton UA	0.8	10.9	0.0	82.9
Brighton and Hove UA	0.7	3.0	0.5	118.4

Source: CLREA based on data from DASA, National Census and NOMIS.

## Appendix 5 District data sheets

Quality of life indicators	Gosport	Portsmouth	Hart	Rushmoor	SE Region
Life expectancy Females - upper limit – years <sup>*1</sup>	81.7 years	81.3 years	83.9 years	82.2 years	82.1 years
Median weekly earnings (residents) -2006*	£345.8	£355.0	£499.3	£394.8	£394.7
% of working age population drawing key benefits*	9.4%	12.0%	3.9%	6.6%	8.6%
Job density (Local jobs: working age population)*	0.53	1.02	0.80	0.98	0.86
House price to income ratio <a href="#">JRF</a> *	4.15	4.59	4.46	4.41	4.61
Criminal damage offences per 1,000 population**	8.8	8.1	3.1	4.7	5.2
C02 emissions per capita ktC02*	4.6kt	6.5	8.3kt	6.2kt	8.6kt

Sources: <sup>\*</sup>[Audit Commission](#); <sup>\*\*</sup>[Home office statistics](#); <sup>1</sup> [Neighbourhood Statistics](#).

Business indicators	Gosport	Portsmouth	Hart	Rushmoor	SE Region
Entrepreneurial activity <sup>1</sup> (VAT stock per 10,000 head of population)	208	255	549	337	443
Percentage VAT businesses <sup>2</sup> <4years old (2006)	34.5%	35.7%	33.3%	35.3%	32.3%
Proportion of business units in public sector <sup>2</sup> (2006)	5.1%	4.1%	1.7%	2.6%	3.3%
Employee jobs in high tech industries <sup>3</sup> (2005)	13.9%	11.4%	18.1%	19.8%	10.1%
Median weekly earnings <sup>4</sup> (workplace) - 2006	£336.4	£391.6	£470.6	£518.4	£380.1
Retail rateable value <sup>2</sup> per m <sup>2</sup> (2005)	£78.0	£119.0	£107.0	£115.0	£139.0
Vacant commercial & industrial property <sup>2</sup> 2004-05	5%	4%	8%	15%	9%

Notes: <sup>1</sup>SBS; <sup>2</sup>Neighbourhood Statistics; <sup>3</sup>NOMIS; <sup>4</sup>ASHE.

Labour market indicators	Gosport	Portsmouth	Hart	Rushmoor	SE Region
Economic activity rate*	83.0%	80.5%	86.7%	91.6%	82.3 %
Self employment rate*	9.1%	7.8%	10.6%	8.3%	10.5%
Claimant count unemployment rate (%)**	1.6%	2.3%	0.7%	1.3%	1.6%
JSA claimants' 12+ months** (% of all JSA)	4.7%	11.1%	9.9%	12.7%	15.9%
Not in employment/unemployment but wanting a job (% of active and inactive working age people)*	4.2%	6.0%	1.8%	1.9%	5.1%
Percentage of 16-24 educated to A Level*	25.7%	37.6%	37.7%	30.7%	36.0%
Percentage of working age adults qualified to NVQ Level 4*	21.0%	26.4%	36.6%	33.3%	32.2%

Notes: \* APS March 2006; \*\*Claimant count September 2006.

## Appendix 6 Questionnaire for Military Towns Enterprise Gateway Feasibility Study.

Question	Resettlement Staff	Family Support/ Partners	Business Support
What are the average numbers leaving the Service in the last three years? (Men/Women)?	X		
What are their preferred destinations – Employment, training, self-employment?	X		
What preparation is available prior to reversion to civilian life?	X	X	
How is this support provided at present?	X	X	X
Are partners included in any resettlement provision?	X	X	
Are there any known common areas of difficulty in settling into civilian life?	X	X	X
Is advice/training given about self-employment?	X	X	
Is any specific advice offered to women or female partners regarding self-employment?	X	X	X
What literature is made available by outside agencies about self-employment?	X	X	X
In relation to final Gratuities, what investment advice is available regarding the purchase of franchises?	X	X	X
Are you aware of what support is available after discharge to ex-Service personnel regarding self-employment?	X	X	
Are there 'in-house' publications in which outside organisations may advertise their services?	X	X	
If in military accommodation, at what point must this be vacated upon discharge from the Service?	X	X	
Would a single point of reference for self-employment be seen as an advance on the present provision?	X	X	X
Who deals with "Early Service Leavers "and what is the level of support/advice provided?	X		
Disability is high on the Public Sector's agenda. What support is provided to disabled personnel on discharge and by whom?	X	X	
Whilst Royal Air Force numbers are relatively small in Hampshire, do they receive the same level of service as Army and Navy leavers?	X	X	

### Quest V2

## **Appendix 7** Individual Service Resettlement Centres

### IERO 10 AEC

Candahar Barracks, Tidworth, SP9 7AY, Wiltshire,  
Phone: 01980 602644  
Email: aecten.iero@virgin.net

### IERO 77 AEC

Montgomery Lines, Aldershot, Hampshire GU11 2AU  
Phone: 01252 349237  
Email: infoaec77@virgin.net

### IERO 9 (and 15) AEC

Prince Phillip Barracks, Bordon, GU35 0JE, Hampshire  
Phone: 01420 485802  
Email: 9 AEC: info.aec9@virgin.net 15 AEC: library.aec15@virgin.net

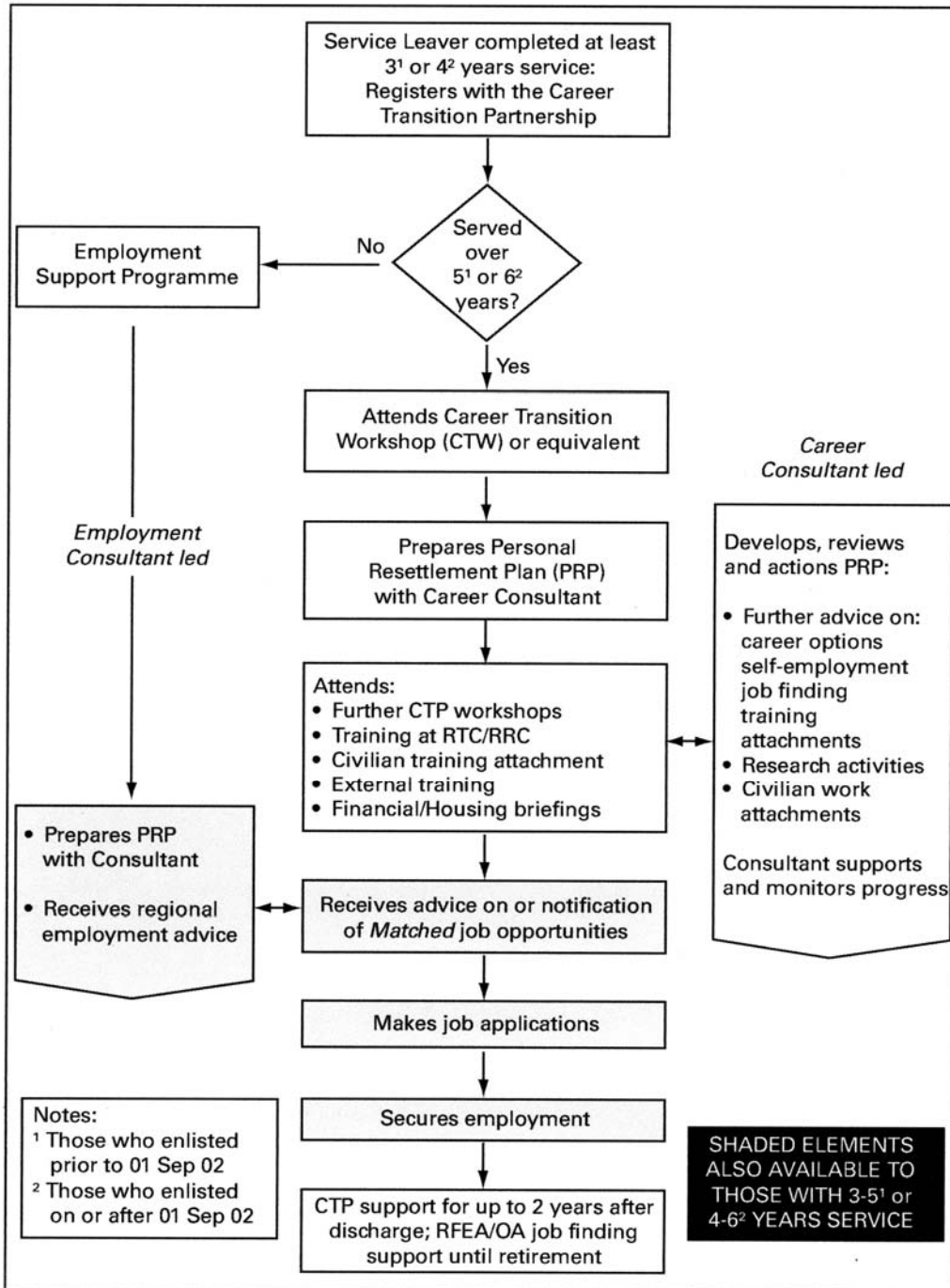
### NRIO Medical\*

Institute of Naval Medicine, Alverstoke, Gosport PO12 2DL  
\*for Medical Discharges  
Phone: 02392 768068

### NRIO Portsmouth

Naval Resettlement Centre, HMS NELSON, Portsmouth PO1 3HH  
Phone: 02392 724127

## Appendix 8 CTP Services



Source: JSP 534



## Appendix 9 Entitlement to resettlement programmes

(a)	Years Service		Normal Discharge <sup>(3)</sup>			Medical Discharge <sup>(5)</sup>		
	Before <sup>(1)</sup> (b)	After <sup>(2)</sup> (c)	CTP (d)	GRT <sup>(4)</sup> (e)	IRTC (f)	CTP (g)	GRT <sup>(4)</sup> (h)	IRTC (i)
1.		<1	No	0	No	FRP	10	Yes
2.		1+	No	0	No	FRP	30	Yes
3.		4+	ESP <sup>(6)</sup>	0	No	FRP	30	Yes
4.	5+	6+	FRP <sup>(7)</sup>	20	Yes	FRP	30	Yes
5.	8+	8+	FRP	25	Yes	FRP	30	Yes
6.	12+	12+	FRP	30	Yes	FRP	30	Yes
7.	>16	>16	FRP	35	Yes	FRP	35	Yes

(1) Those personnel who enlisted prior to 01 Sep 02.

(2) Those personnel who enlisted on 01 Sep 02 or later.

(3) This entitlement does not apply to those personnel who are discharged as Early Service Leavers (ESL).

(4) Amount of GRT is in working days.

(5) This includes Reservists who are medically discharged due to injuries sustained during operational commitments.

(6) ESP – Employment Support Programme.

(7) FRP – Full Resettlement Programme.

Source: JSP 534.

## Appendix 10 Business Start-up workshops

The aim of the business start-up workshop is TO help SLs assess whether going into a business venture is right for them, and to equip them with the knowledge to construct a viable business plan. After completing this workshop, participants should be able to:

- Demonstrate a clear understanding of the market in which they intend to operate.
- Construct a sales and marketing plan.
- Understand the different types of business and the associated Legal implications.
- Understand their position in respect of personal taxation, National Insurance and VAT.
- Plan, measure and monitor cash flows.
- Keep proper business records.
- Recognise sources of finance.
- Know where to look for help and
- Construct a business plan.

Source: CTP

## **Appendix 11** Start a Business Programme Northern Ireland

### **Introduction.**

The programme was originally introduced in 2004 to assist those Service personnel [Army and RAF] wishing to consider self employment as an option on completion of their Service contract.

The programme is organised by the CTP Staff and training carried out by a team of Business Trainers and adviser/mentors led by George Briggs.

The Start a Business Programme is part of Invest NI's goal of making Northern Ireland an exemplar location for starting and growing a successful business. The Programme is designed to help people start a business. It provides a package of advice, training and support ensuring people have a strong team to help them along the way. If the individual has an idea for a business they can put him/her in touch with experts who will give all the advice and guidance needed. It can be joined at any time and is free to the recipient and is delivered right across Northern Ireland.

### **What does the Programme offer?**

The Start a Business Programme offers three key components:

#### An into-business course

The course will comprise 8 modules focusing particularly on sales and marketing, financial management, legal and statutory issues, ICT and general business practices.

#### A business advisory service

Services of an expert business adviser who will work with the client on a one-to-one confidential basis, helping them prepare for their business and meeting with them once the business has started.

#### Financial planning service

Help to decide how much money will be needed to start the business and explore all potential sources of funding. This will include access to Programme grant support and small business loans available under the programme.

#### The funding partners are

CTP, Invest Northern Ireland and the 26 District Councils of Northern Ireland.

All participants on completion of the training have the facility of up to 3 hours on financial/business planning prior to setting up in business and up to 5 hours of mentoring over the first year of trading. Participants on the programme who may wish to set up in England, Wales and Scotland are signposted to Business Link or Gateway [in Scotland].

## Appendix 12 Availability of resettlement workshops and courses

Course	Duration	Hampshire Location	Notes
<i>Basic Workshops</i>			
Career Transition Workshop	3 days	Aldershot, Portsmouth	
Meeting your needs: The options for the future	2 days		Nearest in Tidworth
Business Start Up Workshop	2 days	Aldershot	
Self Employment Awareness	1 day		Mainly at Catterick
<i>Follow-on workshops</i>			
Management Consultancy Workshop	Not stated	Tidworth	Nearest in Tidworth
Interview Techniques module	Not stated	Aldershot	
Follow-on Workshop		Aldershot & Portsmouth	
Housing	1 day	Aldershot & Portsmouth	
<i>Vocational courses</i>			
IT including ECDL	Up to 6 weeks	Aldershot & Portsmouth	
Building	Up to 4 weeks	Aldershot	
Construction			None in Hampshire
Engineering and Electrical	Up to 2 weeks	Aldershot	
Management and public services	1- 4 weeks	Aldershot	
Transport and Logistics			None in Hampshire
<i>External Training</i>			
Basingstoke Engineering Training Association	Not stated	Basingstoke	Electrical and health & safety
Farnborough College Of Technology	Not stated	Farnborough	Management % sales & marketing
Tavcom Training Ltd	Not stated	Bishops Waltham	Security
Tregalic (UK) Ltd.	Not stated	Fareham	Health & Safety First Aid
CIA Central Instructors Association	Not stated	Fareham	Driving Instructors
Note: ECDL European Computer Driving License			

## **Appendix 13** Local HIVE network

### **Aldershot HIVE**

Connaught Community Centre, Northcamp, Aldershot, Hants, GU11 2NX  
Email: [aldershot@hivegb.co.uk](mailto:aldershot@hivegb.co.uk) Tel/Fax: 01252 347650

### **Bordon HIVE**

Martinique House, Hampshire Road, Bordon, Hants, GU35 0HJ  
Email: [bordon@hivegb.co.uk](mailto:bordon@hivegb.co.uk) Tel: 01420 482217

### **Deepcut HIVE**

87 HQ Sqn, 25 Trg Sp Regt, Princess Royal Barracks, Deepcut, Surrey, GU16 6RW  
Email: [deepcut@hivegb.co.uk](mailto:deepcut@hivegb.co.uk) Tel: 01252 833429

### **Gosport HIVE**

Room G02, Raven Building, HMS SULTAN, Military Road, Gosport, PO12 3BY  
Email: [gosport@hivegb.co.uk](mailto:gosport@hivegb.co.uk) Tel/Fax: 023 9254 2565

### **HMS Collingwood HIVE**

C/O UPO, Building 769-hood, HMS Collingwood, Newgate Lane, Fareham, PO14 1AS  
Email: [collingwood@hivegb.co.uk](mailto:collingwood@hivegb.co.uk) Tel: 01329 333730

### **Marchwood HIVE**

The Mulberry Centre, Mulberry Road, Marchwood, Southampton, SO40 4WB  
Email: [marchwood@hivegb.co.uk](mailto:marchwood@hivegb.co.uk) Tel: 02380 862172

### **Minley HIVE**

C/O 3 RSME Regt, Gibraltar Barracks, Blackwater, Surrey, GU17 9LP  
Email: [minley@hivegb.co.uk](mailto:minley@hivegb.co.uk) Tel/Fax: 01252 863224

### **Odiham HIVE**

C/O Central Registry, RAF Odiham, Hook, Hants, RG29 1QT  
Email: [odiham@hivegb.co.uk](mailto:odiham@hivegb.co.uk) Tel/Fax: 01256 703930

### **Portsmouth HIVE**

Room 4a, Orion Block, HMS Nelson, HM Naval Base, Portsmouth, PO1 3HH  
Email: [portsmouth@hivegb.co.uk](mailto:portsmouth@hivegb.co.uk) Tel/Fax: 023 9272 2151

### **St Omer HIVE**

St Omer Barracks, Aldershot, Hants, GU11 2BN  
Email: [stomer@hivegb.co.uk](mailto:stomer@hivegb.co.uk) Tel/Fax: 01252 348177

### **Thorney Island HIVE**

47 Fd Regt RA, Baker Barracks, Thorney Island, Emsworth, Hants, PO10 8DH  
Email: [thorneyisland@hivegb.co.uk](mailto:thorneyisland@hivegb.co.uk) Tel/Fax: 01243 388308

### **Worthy Down HIVE**

Building 34, Worthy Down Camp, Hants SO21 2RG  
Email: [worthydown@hivegb.co.uk](mailto:worthydown@hivegb.co.uk) Tel/Fax: 01962 883934

### **Bulford and Tidworth HIVE**

Tidworth Leisure Centre, Nadder Road, Tidworth, Wiltshire SP9 7QN  
Email: [bulford@hivegb.co.uk](mailto:bulford@hivegb.co.uk) Tel/Fax: 01980 602224

## Appendix 14 Interviews and contacts

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Name	Position/ organisation	location
<b>Interviews</b>		
Bill Jordon	IERO	Bordon
Charlene Brookes	CTP Regional Manager	RRC Aldershot
David Duffy	Director, Field Operations CTP	London
Derek Whitney	South East Hants Enterprise Agency	Fareham
Dr Michael Asteris	Principal Defence economist, University of Portsmouth	Portsmouth
Dr Shabbar Jaffry	Reader in Economics University of Portsmouth	Portsmouth
Helen Rutherford	CTP Regional Manager	RRC Portsmouth
John Daly	Course manager of MSc Training and consultancy UoP	Portsmouth
John Mitchell	CEO Enterprise First	Aldershot
Linda Frost	Regular Forces Employment Association	Portsmouth
Liz Norman	CTP Regional Manager	RRC Tidworth
Lt Cdr R Slade	IERO	Portsmouth
Lt Col R H Jolleys	SO1 Resettlement	London
Roopa Master-Coles	SE Hants Enterprise Gateway	Portsmouth
<b>Email/ telephone contacts</b>		
Carolyne McHugh	CTP Regional Manager	Oakham
George Briggs	Townsend Enterprise	NI
Liz Taylor	Resettlement Training Centre Manager	Aldershot
Phil McLaughlin	CTP Regional Manager (Scotland)	Rosyth
Steve Ham	CTP Regional Manager	Plymouth
Tim Cairns	CTP Regional Manager (London)	RAF Uxbridge
Trish Mullen	CTP Regional Manager	RAF Aldergrove

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