

Minutes of CPG Rural Growth on 24.01.23.

Attending: Sam Kurtz MS (Chair)
Llyr Gryffudd MS
Peter Fox MS
Gareth Davies MS
Sam Rowlands MS
Tom Giffard MS
Ryland Doyle, office of Mike Hedges MS
Jen Ramsey, office of Paul Davies MS
Euan Renesto, office of Janet Finch Saunders MS
Emelia Douglas, office of Laura Anne Jones MS
Jonathan Evershed, office of Cefn Campbell MS
Liv Gdula, office of Eluned Morgan MS
Mike Bryan, Office of Sam Kurtz MS

Secretariat: Nigel Hollett (CLA)
Robert Dangerfield (CLA)
Chris Lang (CLA)

Witnesses for the inquiry into rural productivity:

Nick Tune, National Infrastructure Commissioner
Ian Price, CBI Wales
Prof Terry Marsden, Cardiff University
Charles Trotman, CLA

Also in attendance:

Anthony Geddes, Confor
Jonathan Herbert

1. AGM

1. Sam Kurtz MS confirmed as Chair.
2. CLA confirmed as secretariat.

2. Inquiry into Rural Productivity

a) Witnesses' introductions

The rural economy faces many of the challenges of its urban counterpart – sometimes difficult to distinguish.

Brain-drain - rural-to-urban - must be addressed.

Difficulty for businesses to source skills and train workforce in Mid Wales and parts of North Wales: often creates long distance/costly journeys – unviable for businesses and impractical for young people.

Challenges of public transport infrastructure: capacity and other limitations.

Economic policy planning: absence of a real long-term plan – Current policy is focused on serial projects – often associated with grants or bids.

Issue that it is understandable that resources are limited and directed where maximum impact is predicted – which tends to be urban or with corporates: supports suggestion for focused agency/body.

Inconsistency: existence of economic “honey-pots” and other areas intensely challenged. Both attract attention, but huge area in-between gains little attention.

Wales is small: compare with parallel challenge in countries like Brazil and China – these seem to overcome very great distances re transport and online infrastructure. Wales appears to exacerbate distance.

Rural economy is fragmentary: need to stimulate range of interconnecting supply-chains. Need to understand it as a “system of systems.”

Success case-study of local economy in Llandeilo: strong high street, good connectivity, essential infrastructure.

Successful rural businesses exist: need to understand and learn from them, notably speed of action.

1. Need for specific strategy

Need successors to the “market towns” initiative (20 years ago) and EU Leader rural development initiative.

Influence of the Agriculture (Wales) Bill on wider rural economy. Impact assessment?

Problem that rural development appears to be managed through multiple departments and agencies. This could be resolved through the work of a rural-focused Welsh Development Agency – with delivery mechanisms.

Need for a new mind-set post Brexit & Covid.

Concern about City Deals and regional development frameworks and absence of attention for rural areas. Raise with WLGA Rural Forum.

Issue that National Development Framework tries to replicate UK model; could be more fit-for-purpose for Wales, linked with national economic policy.

Lack of understanding about benefits of rural location for business.

Rural community’s poor understanding or cultural disinclination towards new IT/comms technology.

Further to go in agricultural diversification – agency could have a specific work-stream on this.

We are good at supporting start-ups, but need to offer better support for scale-up.

Need for national rural skills audit.

Rural development body should understand nature of diversified farm businesses and characteristics of specific sectors such as rural tourism.

2. Rural Infrastructure

Need to develop infrastructure for new technology: connectivity, energy, electric vehicle charging can be harnessed as a rural development plan.

Need review of fiscal and investment economics behind rural renewable energy, notably solar and hydro. Rates should not be charged to small-scale units (under 5MW).

No “Silicon Valley” in Wales, opportunity exists to create rural-based centres on excellence.

Global communication is such that there should be no reason why Wales could not host HQs for globally operating businesses, eg: Atkins’ operations network.

Further role for local authorities: making planning consent system an enabler for development.

LDPs – include and encourage community (renewable) energy projects. Lack of understanding in LA planning departments to allow renewables to develop.

Too many layers of bureaucracy and a culture of negativity in allowing developments to take place.

Public transport (trains and buses) need to be compatible to allow trainees to travel to/from home-workplace-training place.

3. Planning & Authorities

Planning consent process far too long - and can be ambushed by global events. Need industry led activity.

Education social care are the priorities for LAs and little real scope to focus on economic development. Too many layers of government.

Too easy for the private sector to go elsewhere to do this and companies give up and move elsewhere. Site in Carmarthen where wanted to develop renewables but the project took 3 years and then planning was refused.

Business often move across the border where there are greater incentives and Wales can’t compete.

Need for a default (sunset clause) in planning: if an applicant hasn’t had a decision within a defined time, assume consent is given!

Ironically, devolution has not helped: UK Government could drive things through

4. Exemplars

Group discussed positive case-studies in New Zealand and parts of Scandanavia.
Proposal to study enabling factors rather than solely focus on problems

Date of Next Meeting : 14 March 2023.