



CYMRU WLEDIG
LPIIP
RURAL WALES

Policy Brief 1 – July 2025

Understanding Growth from a Rural Perspective

SUMMARY

This research aimed to identify how growth in terms of business and community development is perceived by people who live and work in rural towns in Wales. Two case studies were used: Llanidloes (Powys) and Llangefni (Anglesey). Overall, small businesses and communities saw growth as moving forward or improving. This perception of growth existed in tension with perceived risks of decline. Participants saw growth as a community endeavour rather than something to pursue for individual benefits and connected it to town prosperity. There was very limited support for an approach where growth means increase and expansion, such as increased profits or population. Only a few policymakers saw growth this way. Instead, the focus was primarily community-building for prosperous, cohesive and resilient communities and long-term sustainability, which works well within the framework of the Wellbeing of Future Generations Act. On this basis, we make the following recommendations:

- Growth strategies should aim to build community in rural areas
- There should be investment in the foundational economy and community ownership
- Growth policies should be sustainable and recognise aspirations of stability and maintenance
- Rural businesses should receive support catered to their aspirations and needs

BACKGROUND

Study Objectives	The study aimed to investigate how growth is understood by businesses, people and policymakers active in rural areas.
Policy Context	Traditional notions of growth often focus on barriers and supports for enabling businesses to maximise profits or expand. The current Growth Deals in Mid and North Wales partly follow this tradition in aiming to increase jobs and attract investment. However, small businesses sometimes operate with other goals, such as better quality of life and consistent population increases are often seen as undesirable by rural residents who may aim for stability rather than expansion. Furthermore, the Wellbeing of Future Generations Framework emphasising social, economic, cultural and environmental wellbeing for people in Wales. Taken together, this makes the meaning of growth in rural areas a pressing issue.
The Evidence Base	The research was conducted from June 2024 until April 2025 and focused on two Welsh market towns, Llanidloes in Powys and Llangefni in Anglesey. Two focus groups were held, one with 12 policymakers and practitioners and one with 7 residents and businesses in Llanidloes. After that, data was collected through semi-structured interviews or by participants filling out a written questionnaire. In total, there were 19 interviews, and 7 questionnaires filled out, of which 14 interviews and 3 questionnaires were from Llanidloes and 5 interviews and 4 questionnaires from Llangefni. This included 8 businesses, 7 policymakers, 9 residents and 2 community initiatives. This data was analysed both thematically and using linguistic discourse analysis. The empirical data was combined with reviews of literature on rural development, growth and evaluations of rural growth initiatives.

KEY FINDINGS

Growth seen as moving forward, not upward	<p>There was very little support among participants for ideas of growth as an upward or increasing development. Instead, growth was understood to be about improvement, stability and moving forward. Even the few policymakers who focused on traditional growth indicators such as population increase and higher GVA often expressed their main goals to be related to reducing poverty and improving quality of life and then boiled this down to GVA, showing that the measure does not fully encompass the desired aims.</p> <p>Importantly, ideas of growth were consistently juxtaposed to a threat of moving backwards or falling behind. A Llanidloes business expressed it like this:</p> <p><i>“I think now growth means something different to what it might have done, maybe even two years ago. Growth now is survival, I think. I think if you're not growing, you're ultimately going backwards.”</i></p> <p>If businesses were unable to move forward, that would mean going out of business. If communities were unable to improve that would mean falling behind and losing cohesion and belonging.</p>
Thriving and vibrant community as the main goal	<p>A thriving community was often understood as the primary goal of growth, where local businesses and services provide room and opportunity for people to meet and engage with each other, building experiences of belonging. Businesses often saw growth as being able to maintain their operations and continuing to provide local goods and services, rather than increasing profits or expanding operations. A Llangefni community group observed:</p> <p><i>“The commercial future of Llangefni is dependent to some extent on the society's desire to bring new life to the town. The private sector cannot always come to the rescue and buy, manage and rent buildings for local traders and businesspeople. We will need a long-term vision where the Government, County Council, Town and the wider community are willing to work together.”</i></p> <p>From this perspective, growth comes from improving through collaboration, working together and involving the community as well as government. Social purposes were often very important to interviewed businesses.</p>
Building a thriving community requires a strong foundational economy	<p>The public sector can be an important player in rural economies, employing significant amounts of people and contracting various businesses to supply them. Public ownership and/or control of such assets is critical. A Llangefni policymaker said:</p> <p><i>“Because we've got so many individual small businesses, it's challenging for the council to have an impact because the buildings are owned privately on their tenants or their leaseholders (...) so it's tough for the council to intervene.”</i></p> <p>The lack of community ownership thus has negative repercussions on what the council and community can do to achieve their community goals of growth. There is a need for a strong foundational economy securing access to services and infrastructure, including opportunities for youth to access appropriate education, training and housing to stay in rural areas, simultaneously creating opportunities for businesses to find suitable staff.</p>
Valuing social, financial and environmental sustainability	<p>Growth needs to be sustainable long-term: environmentally, socially and financially. Funding streams for growth initiatives are often short term and project-based, creating uncertainty. However, opportunities were identified in terms of using natural resources of rural Wales to participate and benefit from green transitions towards renewable energy, flood controls and sustainable agriculture.</p>

RECOMMENDATIONS

From the findings above, our proposed recommendations for the Welsh Government and local authorities include:

Working with growth to build community	<p>Recognise community priorities: For rural communities, growth is about improving community life and vibrancy, contributing to improved quality of life, building opportunities for local people to engage with each other and for individuals to prosper. Policy goals need to develop growth agendas specifically catering for such aims, and the needs, values and aspirations of the locality.</p> <p>Avoid generalising place: When working with communities, it is important to recognise that each community is internally diverse requiring active work to include multiple perspectives when developing growth agendas.</p>
Valuing community ownership and foundational economy	<p>Recognise the economic benefit of community-owned business: Businesses with community-related purposes that are community-owned should be supported and encouraged as they have significant effects on employment, service provision, cohesion and quality of life.</p> <p>Invest in the foundational economy and community ownership: Strategic investments should be made into infrastructure, services, housing and physical infrastructure of towns to allow public or community ownership of common assets as well as providing a base for businesses to develop.</p>
Long-term sustainable policy-approaches to growth	<p>Adopt a long-term approach to growth and development: Short-term, project-based funding produces insecurity and inconsistency. Efforts should be made to create long-term public sector strategies which are not dependent on securing additional grant funding and that respect goals of stability.</p> <p>Use a wide range of growth indicators: Measurements and growth objectives should consider wellbeing outcomes beyond the economic and evaluations should use a broad range of indicators, including effects on health, discrimination, exclusion, safety and environmental sustainability.</p>
Supporting aspirations of rural businesses	<p>Support business aspirations related to community growth and lifestyles: There needs to be specifically tailored support for businesses aiming to provide services or achieve a certain lifestyle rather than expand or increase profits.</p> <p>Distribute education and training opportunities: To allow young people to stay in rural areas and workers to develop their skills and careers, training and education should be provided as close to people as possible, including flexible forms of delivery available across Wales.</p>

PROJECT INFORMATION

Researchers	Ellen Hjort (Aberystwyth University), Sophie Bennett-Gillison (Aberystwyth University), Thora Tenbrink (Bangor University), Elen Bonner (Bangor University), Eifiona Thomas-Lane (Bangor University), Bronwen Raine (Antur Cymru) and Julie Jones (Aberystwyth University)
In collaboration with	Antur Cymru
Further reading	The full project report can be downloaded from www.lpip.cymru
For more information	Contact: Ellen Hjort, elh103@aber.ac.uk

The research reported in this Policy Brief was conducted as part of Cymru Wledig LPIP Rural Wales, the Rural Wales Local Policy and Innovation Partnership, funded by UKRI, the UK Government's research funding body. Cymru Wledig LPIP Rural Wales aims to strengthen the evidence base for effective policy-making and delivery for Rural Wales, explore and test innovative solutions to policy challenges, and empower communities to use research to address local concerns, working towards the goal of an inclusive and sustainable wellbeing economy in Rural Wales. Cymru Wledig LPIP Rural Wales is coordinated by Aberystwyth University, with partners Bangor University, Cardiff University, the Countryside and Community Research Institute at the University of Gloucestershire, the Centre for Alternative Technology, Together for Change, Antur Cymru, Datblygiadau Egni Gwledig (DEG), Represent Us Rural, Rural Health and Care Wales, and Sgema. Further information can be found at www.lpip.cymru, or by contacting lpip@aber.ac.uk.



UK Research
and Innovation

