ENVISIONING WALES IN 2037

FINDINGS FROM MULTI-STAKEHOLDER
WORKSHOPS AND A CITIZEN SURVEY

September 2023

What could Wales be like in 15 years? How can we build a Wales that we would all like to live in? What can the Welsh Government, local authorities and non-governmental actors do to bring this vision to life? These are some of the questions explored in the initiative *Envisioning Wales in 2037: Shaping the Future of Regional Development,* which includes a survey of almost 1 500 citizens and a series of multi-actor vision-setting workshops facilitated by the OECD with the Welsh Government, Welsh local authorities, and residents of Wales between February and July 2022.

The result of the initiative is a picture of where citizens and stakeholders hope to see Wales in the next 15 years, which can serve as a basis to guide how national, regional, and local actors, approach regional development today in order to achieve specific goals in the coming years. This brochure summarises the results of the exercise, including:

1. **A view of regional development in Wales:** Highlights the perceptions and opinions of survey respondents and workshop participants with respect to different dimensions of regional development in Wales in the medium to long term (10+ years).

2. **Seeds of a vision of Wales in 2037**: Outlines the common features and points of debate among participants regarding regional development and investment priorities for Wales.

3. **Bridging the gap between reality and vision**: Summarises ideas for actions that can be taken to realise different aspects of the shared vision for regional development in Wales.

4. **Trust in different levels of government**: Analyses the results of a question in the survey about people's trust in the UK Government, the Welsh Government and its public bodies, and local authorities. This analysis provides information on Welsh citizen and stakeholder perceptions of public authorities.

The insights from citizens and stakeholders that were shared through this initiative will inform the other parts of the OECD's work with the Welsh Government, including a series of action plans to strengthen regional development policy and service delivery. The results can also frame and guide regional development efforts in Wales by contributing to a foundation for policy relevant to the needs and priorities of each region and that is responsive to citizen needs and hopes.

Annex A describes the methodology and process of the citizen survey and the vision-setting workshop series.

Project background

Rooted in Wales's efforts to generate inclusive growth and enhance the well-being of citizens across its territory, now and in the future, the Welsh Government and the OECD designed the *Envisioning Wales in 2037* initiative. This initiative had two components, a citizen survey and a vision-setting workshop series that brought together representatives from the Welsh Government, regional bodies, local authorities, and non-governmental actors to begin setting a common vision for regional development in Wales. The initiative forms an important step of the "*Regional Governance and Public Investment in Wales, UK: Moving Forward Together"* project conducted by the OECD and the Welsh Government (Box 1).

Box 1. OECD project with the Welsh Government: *Regional Governance and Public Investment in Wales, UK*

Since 2018, the Welsh Government has been working with the OECD to reinforce its approach to regional development and public investment by considering different aspects of its governance system. The first part of this work focused on strategic planning and public funding and investment practices for

regional development. It culminated in the 2020 OECD report *The Future of Regional Development and Public Investment in Wales, United Kingdom*.

The OECD and the Welsh Government launched the second part of the work, focusing on implementing some of the initial project recommendations. The aim is to support the Welsh Government, regional bodies and local authorities advance in integrated strategic planning at the national and regional levels and strengthen the implementation of regional development policy and public investment at all territorial levels. The work began in 2022 with the *Envisioning Wales in 2037* initiative, consisting of a citizen survey and workshop series. It will continue in 2023 with the development of action plans by the Welsh Government, Corporate Joint Committees, local authorities and diverse stakeholders to reinforce the ability to set and achieve regional development and public investment goals.

For more project information, please visit:

https://www.oecd.org/regional/multi-level-governance/rdpcapacity.htm

Online citizen survey: Building the Long-term Vision for Regional Development in Wales

Between February and July 2022, the voices of almost 1 500 citizens were heard through an online survey designed by the OECD with the Welsh Government. The survey collected individual opinions on the development challenges and potential priorities for Wales and within their local authority area, as well as their hopes and aspirations for the future.

Vision-setting Workshop Series

From February to July 2022, the OECD organised four vision-setting workshops bringing together diverse actors to share their thoughts on the future of Wales and collectively outline a vision for its regional development. The first three workshops were organised with representatives from the Welsh Government, local authorities, and non-governmental stakeholders, respectively, followed by one workshop with participants from all three groups. In total, over 100 people participated in the workshops, where participants:

- Shared and articulated their visions about what Wales should look like in 15 years.
- Exchanged on the common features and links in the regional development aspirations that coalesced in different groups to identify shared objectives.
- Discussed elements of a vision of regional development for Wales and its communities.

Key takeaways: People-centred development, a collaborative approach, and brave decision-making in Wales

Workshop and survey participants show concerns about regional development in Wales.
Many participants report dissatisfaction with key public services, including access to housing, mobility/physical connectivity within Wales, and healthcare[1]. Survey results suggest that economic growth and employment could be associated with people's perception of public services, among many other aspects. The factors shaping citizen perceptions for public services could be further explored in a more nuanced and integrated approach (e.g., correlation analysis, focus groups, dialogues), in order to gain a more in-depth and holistic understanding on how to enhance public services and support development.

The future of Welsh youth is of particular concern to participants.

Retaining young people in Wales is one of the key priorities for the Welsh Government[2]. Survey respondents above 25 years old reported concerns that young people (i.e., below 25 years old) in Wales face dwindling job opportunities, economic prospects, and quality of life. Workshop participants worried that, in light of these challenges, young people were less willing to stay in Wales. However, young people polled (representing 2% of respondents) had a more optimistic view of future conditions.

The seeds for a common vision for the regional development of Wales centred on people's well-being.

Participants found common ground in a healthier and greener Wales, with a stronger economy and higher quality and accessibility of public services, and a Wales that better harnesses technology and innovation opportunities. Participants emphasised the need for investment in the "right areas" to achieve the vision. This can mean not only investing in physical infrastructure, but also investing in other assets and opportunities for development and well-being, such as education, skills of the labour force, and Welsh culture.

Workshop participants called for "bold" decision-making and "brave" leadership.

Workshop participants want the public sector to take "bold" decisions and actions to address key societal problems. Participants spoke of "brave" leadership, with local leaders publicly committing to taking actions on key societal challenges (e.g., addressing climate change) and embracing policy experimentation and innovation at the local level. To this end, workshop participants suggested providing trainings for public servants to become champions for change.

A long-term regional development strategy can be the lighthouse guiding decision-making for regional development at all levels of government in Wales.

Such a strategy, designed with clear objectives and supported by a comprehensive investment framework, can help policymakers better prioritise resources for public investment. It can guide policymakers as they attempt to answer the tough questions, such as how to balance short-term priorities and potential benefits for future generations. It will also give clarity to the private and third sectors about what the government will focus on in the mid- to long-term (10+ years).

---

[1] As the vision-setting exercise was taken during the COVID-19 recovery period, participant views may have been partly influenced by the impact of the COVID-18 pandemic when access to usual healthcare services was relatively restricted.

[2] For example, the Welsh Government launched the Young Person's Guarantee in November 2021, which provides young people under 25 years old with the guaranteed offer of support to gain a place in education or training, find a job, or become self-employed (see the Young Person's Guarantee Annual Report 2022).

Participants highlighted that local authorities should be better empowered to make sure that services delivered meet local needs.

Adopting an effective place-based approach is one way to achieve this. It involves ensuring that regional bodies and local authorities have the tools to develop their own measures and ways of working, while remaining aligned with national and regional objectives and priorities. At the same time, it is important to ensure regional bodies and local authorities have the necessary capacity – in terms of attribution of responsibilities, skills, expertise, and resources to do so.

Participants recognised a need to strengthen the ability of all levels of government and all sectors to work together to achieve a common vision for Wales's regional development.

Participants highlighted two necessary building blocks for a strong place-based approach to reaching regional development objectives: clarity in division of responsibilities among levels of government and a commitment among national, regional, and local stakeholders to work together. Stability and clarity in the division of responsibilities among levels of government is a pre-condition for working together. Initiatives originating with the Welsh Government to support local authorities and to work within the framework of a partnership, as well as political commitment for co-operation among levels of government, are also called for. Collaboration across among the public, private and third sectors could be further strengthened, taking full advantage of opportunities for partnership. One good example is the existing Welsh Government initiatives to support apprenticeship programmes in the private sector.

Section 1: A view of regional development in Wales today

Participant perceptions regarding the regional development of Wales

In the online survey, respondents were asked to share their opinions on demographic change, economic growth, job availability, and the quality and accessibility of various public services (education, health, transport connectivity, etc.) in Wales. While the perceptions on the quality of education and the range of educational opportunities was for the most positive, perceptions of mobility/physical connectivity (within Wales and between Wales and other parts of the world) and access to housing, together with economic growth and job availability were very low. Workshop participants remarked on the limited attractiveness of Wales for people and businesses is attributed to a mix of complex, inter-linked issues, and which are also reflected in the survey responses, i.e., including limited employment opportunities, difficulty in access to housing, and bad transport connectivity in Wales, etc. (Figure 1). They called for an integrated approach to address these issues, while also recognising that it is a not an easy task to make the comprehensive and structural changes necessary to tackle these problems.

Figure 1. Perception on various aspects of regional development of Wales, survey results
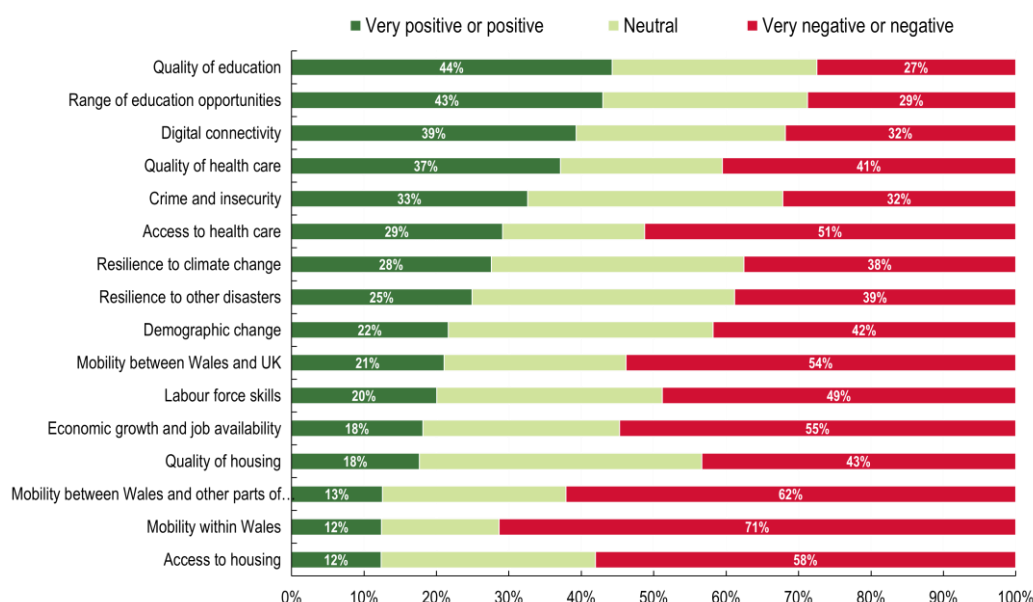
Note: N=1473
Sources: OECD (2022), Survey: Building the Long-term Vision for Regional Development in Wales.

Varying views of satisfaction with the quality of Welsh education

Many participants hold the quality of education in Wales in high regard. Over 40% of online survey respondents rated the quality of education and the range of education opportunities very positive or positive. Students and academia – the current "users" of the education services think even more positively about education than other groups. This highlights that they have a good "user experience" with the education system. Those in the Welsh Government (responsible for tertiary education) had a particularly positive perception on education, more than the local authorities (who have responsibilities in pre-primary, primary and secondary education). Participants in the workshops were proud of the education system in Wales but their emphasis was on the high-quality universities and research institutes. Respondents working in large private companies (greater than 250 employees) have less positive attitudes towards

education, compared to other respondents. A more detailed understanding on how citizens view different types of education (pre-primary, primary, secondary, vocational, research and development, etc.) could be useful to complete the picture.
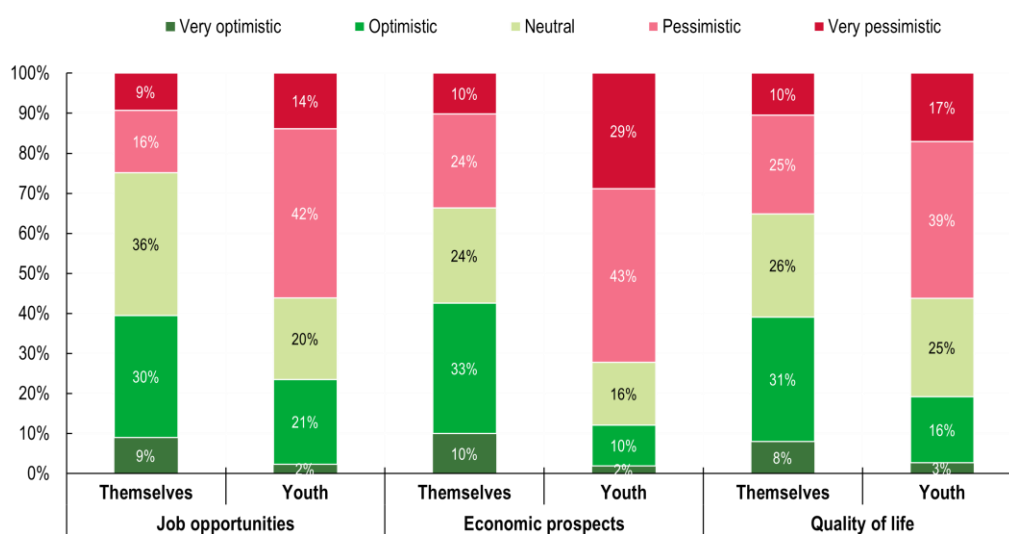
What about life in Wales in 10 years?

Less than half of respondents are optimistic about their job opportunities, economic prospects, and quality of life in 10 years (Figure 2). Many potential factors can drive these views. Employment status has a strong impact: the unemployed are significantly more pessimistic about their future in all three aspects than the employed. While this analysis assumes that the survey respondents who identified themselves as students had not yet entered the job market, over one-third are pessimistic about their job opportunities and economic prospects in Wales in the future. Students, who represent a significant portion of the young generation, are under-represented in the OECD survey and vision-setting workshops. Thus, it is worthwhile to better understand their perspectives (and underlying factors that shape their views) through other measures (e.g., focus group discussions, additional surveys targeting students, etc.). The sector in which survey respondents work also makes a difference. Respondents in the agricultural sector and the third sector/civil society tend to be more pessimistic about their job opportunities, compared to the private and public sectors and academia. Policy designed to address employment challenges may benefit from applying a stronger sectoral lens.

Perceptions about the future opportunities for young people in Wales

All survey respondents above 25 years old were asked about their outlook for young people (i.e., currently aged between 13 and 25 years) in Wales in 10 years. Their outlook on the future of Welsh youth tends to be pessimistic, and more so than that for themselves (Figure 2). Workshop participants also frequently raised concerns related to inter-generational equity, how to better empower Wales's young people, and how to address the issues faced by future generations (e.g., ageing population, climate crisis, social disconnection, etc.). Participants worried that Wales is not an attractive place for young people to launch their adult lives. However, young people (accounting for 2% of the total sample of survey respondents), were more positive about their own future compared to older cohorts. It will be valuable to further explore the opinions and prospects of young people, including through various public discussions, workshops, conferences, social media, etc.

Figure 2. Survey respondent opinions on their life and the life of youth in Wales in 10 years

Note: N_{Themselves}=1473; N_{Youth}=1440. *Only respondents above 25 years old were asked about their opinions on the life of young people in Wales in 10 years. **The high share of "neutral" responses regarding job opportunities is likely driven by the group above 65 years old who may consider this aspect not applicable to them.

Sources: OECD (2022), Survey: Building the Long-term Vision for Regional Development in Wales.

Box 2. Understanding different cohorts' perceptions of regional development in Wales

The online survey managed to capture a broad picture of citizen perceptions on various regional development aspects of Wales, but additional measures to understand the underlying factors contributing to people's perception could generate more in-depth insights to policy making. Unsurprisingly, different groups of survey participants hold differing views of regional development in Wales. For example, respondents above 55 years old – a group that may use healthcare services more – has a more negative view of the accessibility and quality of healthcare, compared to younger groups. Employed respondents – regardless of the sector or the size of companies where they worked – negatively perceive the labour force skills in Wales, while students hold a significantly more positive opinion on this aspect. Public services accessibility and quality (e.g., education, health, mobility, housing, etc.) is rated better by those working in academia and the public sector, while those working in large private companies tend to rate it more negatively.

The data gathered provides a partial picture of factors influencing the perceptions of development needs in Wales. Additional dialogue opportunities, such as focus group discussions, could help crystalise the various perspectives held by diverse groups regarding the quality of public services and different aspects of regional development. For example, further consultation could help policymakers understand why survey respondents who work in large companies tend to perceive the accessibility and quality of public services more negatively than the others.
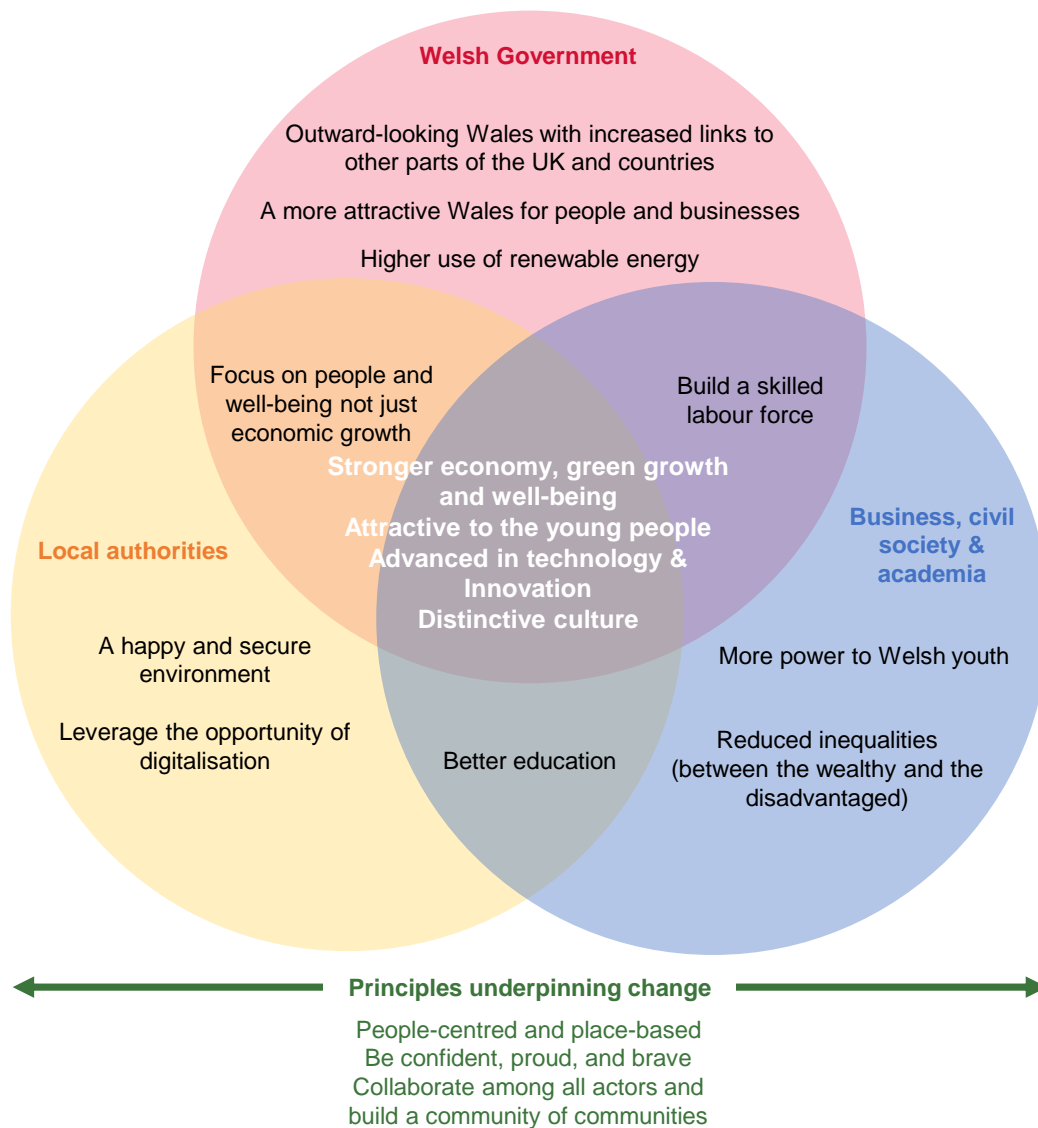
A more nuanced understanding of the relationships between demographics and perceptions can potentially help improve service quality and accessibility in a more targeted and strategic fashion. One example is that if the most frequent travellers between two regions in Wales are students, affordability should be a key consideration when designing transport and related mobility policies (already a feature of the transport strategy of Wales, *Llwybr Newydd*).

Section 2: Seeds of a vision of Wales in 2037

Seeds of a shared vision emerged from the vision-setting workshop: a healthier and greener Wales, with a stronger economy and higher quality and accessibility of public services, and a Wales that better harnesses technology and innovation opportunities. Figure 3 summarises the key elements of a shared vision articulated by the three individual workshop groups: the Welsh Government, local authorities, and non-governmental stakeholders. The groups generally concurred on the principles that should underpin regional development efforts. These include a development model that puts people at the centre of the development of Wales, focusing on citizen well-being, and emphasising the liveability of the communities and the nation, rather than only focusing on productivity and growth. This aligns strongly with the key objective of the Well-Being of Future Generations (Wales) Act 2015. Workshop participants also highlighted that even though Welsh regions and communities may face similar economic and social challenges, the regional development actions taken to address these should be more place-based. This means finding local solutions that build on local capacities and priorities and calls for building meaningful collaboration and partnership among different actors and different levels of government – other points that were stressed by participants.

Figure 3. Elements of the vision for Wales in 2037

Welsh Government

Outward-looking Wales with increased links to other parts of the UK and countries

A more attractive Wales for people and businesses

Higher use of renewable energy

Focus on people and well-being not just economic growth

Build a skilled labour force

Stronger economy, green growth and well-being
Attractive to the young people
Advanced in technology & Innovation
Distinctive culture

Local authorities

Business, civil society & academia

A happy and secure environment

Leverage the opportunity of digitalisation

More power to Welsh youth

Better education

Reduced inequalities (between the wealthy and the disadvantaged)

Principles underpinning change

People-centred and place-based
Be confident, proud, and brave
Collaborate among all actors and build a community of communities

Source: Authors' illustration

The common ground achieved during the workshops echoes some of the seven well-being goals[3] defined in The Well-being of Future Generations (Wales) Act 2015 and used to guide the actions of Welsh public bodies. These goals also speak to the importance of economic development, health and well-being, and sustainability to Wales.

Strong economy, green growth, and well-being

Workshop and survey participants alike want to see a stronger economy in Wales with growth and higher job availability, and the enhanced well-being of Welsh communities. For example, 63% of survey

---

[3] The seven goals are: A Prosperous Wales, A Resilient Wales, A More Equal Wales, A Healthier Wales, A Wales of Cohesive Communities, A Wales of Vibrant Culture & Thriving Welsh Language, A Globally Responsible Wales.

respondents consider a stronger economy as one of the most important long-term (10+ years) goals for Wales. This is followed by increased quality and accessibility of public services (e.g., health, education, public transport, housing), supported by 56% of respondents. "A greener economy, balancing economic growth with environmental concerns" is the third most important long-term development goal for Wales, chosen by 38% of survey respondents. These responses align well with the discussions at the workshops. Many workshop participants stressed that by 2037, Wales should be placing well-being at the centre of decision-making and prioritising investment in areas that can generate economic development, while also tackling important societal challenges, such as access to housing, food security, and health (including mental health). This is the current endeavour of the Welsh Government through the Well-being of Future Generations (Wales) Act 2015.

Attractive to young people

Workshop and survey participants want to build a Wales that is attractive to younger generations. Workshop participants, for instance, stressed the importance of ensuring that any long-term vision encourages youth to remain in Wales and those who left the nation to return. Increasing access to affordable housing is considered as a crucial element to realise this aim. Such a vision also ties with the focus on reducing social and economic inequalities to create a "fairer" Wales for future generations, as well as empowering young people in community decision-making and public life in general. Studies in other settings support participant views that the quality of public services and engagement with youth are motivators for youth to remain. A French survey (Familles Rurales, 2021[1]) among rural residents in France highlighted that young people consider the quality of public services an important factor to stay in the region. Another study in Scotland (Rural Youth Project, 2018[2]) shows that feeling they do not "have a say" in the future of their communities can be a reason for young people to leave Scotland's rural areas.

Advanced in technology and innovation

Participants share a vision of a Wales that will better harness technological advancements and innovation, especially to improve public services. Respondents highlighted that Wales should actively embrace and make the most of the fast-paced digital and technological transformation rather than being a passive recipient of innovations coming from elsewhere. The vision of fostering a culture of innovation is to some extent inspired by the experimental and well-received policy solutions implemented in Wales during the COVID-19 pandemic. Workshop participants also suggested that Wales look to other (small) countries to gain further insight into innovative change.

By 2037 Wales should have improved digital service delivery and overcome the fragmentation of public e-services through increased standardisation. Enhanced digital connectivity itself is not the goal but an enabling factor – only 19% of survey respondents consider this as an important long-term goal for Wales. Workshop participants mentioned that ensuring all citizens have access to stable internet is a prerequisite for being advanced in technology and innovation by 2037, especially with respect to innovation in public service delivery.

Distinctive culture

Workshop and survey participants are proud of the distinctive culture of Wales. Workshop participants highlighted that the nation's unique culture is distinct from that of its neighbour England. Survey respondents noted that as a bilingual nation, the Welsh language should thrive. Participants consider this element as related to the others emphasised for Wales in 2037 – for example, increased territorial economic development and ensuring sufficient quality job opportunities, particularly for Welsh youth, is essential to the continued use of the Welsh language. Reinforcing a vibrant culture was a common desire among participants in this vision-setting initiative.

A confident, bold, and brave nation

Workshop and survey participants want to see Wales be confident, bold, and brave as it takes action to reach its 2037 vision. This stems from an impression shared by many participants that Wales's response to the COVID-19 pandemic demonstrated that Welsh authorities, at all levels, are able to tackle urgent societal challenges in a co-ordinated fashion. This experience increased the confidence among Welsh national and local authorities that they can work together to make a difference. In moving toward a vision of Wales in 2037, workshop participants expect Wales to further leverage the lessons learned from the COVID-19 pandemic to apply decisive decision-making to significant societal programmes related to housing, climate change, food security, etc., and accompany their actions with appropriate accountability mechanisms. Interestingly, the Welsh word *Hwyl* – "a stirring feeling of emotional motivation and energy" – was evoked at the workshops to capture participant attitudes towards the future of development in Wales and in Welsh communities.

Points of debate behind the shared vision

While economic growth, job creation, healthcare, and education are some of the clearly agreed-upon priorities in the vision for Wales, there are some diverging perspectives. For example, some workshop participants highlighted food security – a potential contributor to a healthier Wales – as a high priority for regional development. Based on the online survey, respondents working in the Welsh Government tend to attach higher importance to promoting renewable energy in Wales compared to other groups. These diversified opinions help round out a shared vision of Wales, as it further crystalises the trade-offs and complexity when developing concrete actions and steps in achieving the vision.

We want enhanced mobility/physical connectivity, but what is the best way to do it?

Workshop and survey participants would like to see better accessibility and quality of physical connectivity, but should Wales prioritise investment in this area? And how? According to the online survey, although respondents are not satisfied with mobility/physical connectivity in Wales, they do not consider this as a main barrier to regional development nor an investment priority for Wales. Only 22% of respondents think the Welsh Government should invest in physical connectivity/transport infrastructure[4], and only 13% consider low mobility within Wales as a main challenge for their local authority. Meanwhile, workshop discussions emerged about what mode of mobility Wales should promote. Participants pointed out, for example, that investing in roads may not be the best action to pursue a greener Wales in the long term, echoing the logic behind new Welsh policy limiting road network expansion. Participants evoked the promotion of railways as a more sustainable transport option. The question is then whether, to what extent, where, and how should Wales prioritise investment in transport infrastructure. For example, some participants also applied a "forward-looking" lens and highlighted the transforming trends in the transport sector, such as autonomous vehicles, which may require investment in road infrastructure but in a way that enables green mobility. Overall, perhaps the focus is less on whether to invest in physical connectivity but how to invest in it in such a way that the other formative elements of the shared vision are also supported.

---

[4] Transport/physical connectivity is a shared responsibility among the UK Government, the Welsh Government, and the local authorities in Wales. The distribution of responsibility among the three levels varies across sub-sectors of transport (e.g., highways, railway networks, airports, ports, road, tramways, etc.). For more detailed information, please consult the OECD report: The Future of Regional Development and Public Investment in Wales, United Kingdom (OECD, 2020[6]).

Should we support more tourism in Wales?

Workshop and survey participants showed mixed feelings about developing tourism in Wales. During the workshops, some participants suggested that tourism could be more developed in the South Wales Valleys, which would help generate more jobs and income. However, according to the survey, the enthusiasm for prioritising public investment in tourism is low – only 6% of total respondents living in Wales would like to see more public investment in tourism within their local authority area. This is similar even among respondents from the South Wales Valleys[5] (5%). Workshop participants explained their concerns on the risks and downsides of tourism. For example, people working in temporary jobs derived from tourism businesses may tend to have lower wages. Businesses and other tourism activities may create peak and low seasons, potentially affecting the demand for and quality of public services. Local communities may not benefit from tourism if the development of tourism is not well-managed. Residents might even be pushed out of their communities to make way for more accommodation and services for tourists. Participants held strong views on the importance of people employed in the tourism sector earning more than the minimum wage.

How can we build a skilled labour force?

Workshop participants agreed that developing skills and embracing innovation in all forms and sectors are key to increasing productivity and achieving sustainable growth. Nevertheless, how to best build the skills of Wales's labour force was a strongly debated topic among the non-governmental workshop participants. They highlighted that by 2037 the supply of the skilled labour force must evolve to match changing sector demands. The private sector should take a more proactive role in providing Welsh citizens, especially youth, with stable job opportunities. This includes greater efforts to facilitate life-long learning, benefiting from technological change, and more collaboration between Wales's universities and businesses. For example, companies could actively provide internship opportunities in line with regional development priorities. While Wales should prioritise education nation-wide, the lack of skilled labour at the local level suggests that the focus should be on vocational training. At the workshops, some participants from civil society organisations also pointed out that there are gaps between the education provided in schools and what the market needs. For example, young people who want to start their own businesses cannot build the necessary entrepreneurial skills and knowledge from the general education provided in schools.

Is collaboration among government units easy?

Workshop participants had different perceptions on how easy or difficult certain priority actions or measures are. Some consider that collaboration among Welsh Government, regional bodies and local governments would be difficult to achieve. Others believed that this should be relatively easy given the experience gained during the COVID-19 pandemic, which demonstrated that all levels of government could, indeed, work together effectively if doing so was a priority and if sufficient human and financial resources are allocated to undertake coordinated and joint actions. Regional collaboration is already encouraged by mechanisms such as Corporate Joint Committees (CJCs), but participants note that sufficient funding should be provided to enable actionable co-operation.

Section 3: Bridging the gap between reality and vision

Workshop participants found common ground in a vision for Wales but emphasised that sound strategy and careful implementation would be critical to translate the vision into reality. Workshop

---

[5] Merthyr Tydfil, Rhondda Cynon Taff, Blaenau Gwent, Caerphilly, and Torfaen.

participants stress that Wales needs to invest in the right areas. For example, economic development should go hand-in-hand with building skills and providing a broader range of job opportunities. Improving regional and local infrastructure (e.g., for mobility) can help meet net-zero climate goals while supporting sustainable local economic development. Some workshop participants also pointed out that the problem for enhancing regional development in Wales lies in implementation. Some considered that Wales places too much emphasis on planning and that it should prioritise and dedicate more efforts to delivering tangible outcomes. Participants stressed that once goals are defined, successful implementation requires necessary legal, institutional, and financial infrastructure.

To better identify and invest in regional development, **participants suggested that Wales design a robust, long-term regional development strategy.** They further suggested that it be supported by a comprehensive investment framework that centres on a limited number of clearly defined development objectives. These objectives should capture territorially differentiated needs and guide investment. Such a strategy can be bolstered by long-term funding cycles for projects, a key measure highlighted by the workshop participants. Some workshop participants also pointed out that the regional development strategy and corresponding investment framework should be coupled with a few major investment projects that have the potential to attract private sector contributions. Having in place such a strategy can help the public sector take "bold" decisions and actions when they allocate resources for public investment (e.g., choosing between short-term investment returns and potential benefits for future generations). It could also clarify for the private and third sectors what the Welsh Government will focus on in the mid- to long-term. Without such a comprehensive regional development strategy, the tendency is to design and implement policy measures around available funding opportunities, rather than basing the policy measures around regional development needs or following long-term goals. In other words, the risk is that policy follows the funding rather than funding supporting the policy.

Discussions spotlighted a need for a stronger place-based approach to policy design and delivery in Wales. Some participants pointed out the local authorities actively took action to manage the COVID-19 pandemic and support the recovery of their communities. This led to an increased focus on empowering local authorities to develop their own measures and ways of working to meet their local needs. Pursuing such a place-based approach will require clear strategic direction from Welsh Government. At the same time, it also will require space for each region and local authority to be clear on its own priorities and be able to act on these. In fact, according to survey respondents, development objectives and investment priorities at the national and local levels appear to be generally aligned – economic growth and job creation, healthcare, and education. While the Welsh `Government may set the strategic direction and objectives in these areas, local authorities can contribute to their development and that of the nation's by designing and implementing regional and local plans and initiatives that will support doing so.

Participants agree that stability and clarity in the division of responsibilities among levels of government is a pre-condition for a strong place-based approach. Some workshop participants pointed out the uncertainties with respect to the assignment of responsibilities among levels of government, particularly stemming from recent regional-level developments (e.g., the introduction of Corporate Joint Committees, Box 3), and that this "needs to be sorted out first". Workshop participants stated that the Welsh Government could play a more strategic role with regional bodies and local authorities playing an operational/implementation role. Clarification on responsibilities between the UK Government and the Welsh Government might be also needed, although this is beyond the remit of the Welsh Government alone. Establishing a clear performance measurement system would be also helpful to hold different levels accountable for their delivery of responsibilities and achievement of outcomes.

> ### Box 3. Promoting regional working and the Corporate Joint Committees in Wales
>
> Wales is developing policies to strengthen its approach to and coordination of regional development and associated public investment. One of the main measures was the creation of four Corporate Joint Committees (CJCs) (North Wales, Mid Wales, South-West Wales, and South-East Wales). They are responsible for strategic development planning, regional transport planning and promoting the economic well-being of their area. They can identify, act up, and coordinate with the national level regarding the regional and local development needs. The CJCs will produce Regional Transport Plans and Strategic Development Plans (which will address regional cross-boundary issues such as housing and transport), designed to support a more consistent and effective approach to planning in these sectors.
>
> The CJCs are aimed to not only supporting the strategic alignment of development goals and investment priorities between levels of government, but also co-ordinating local policy delivery. This includes avoiding duplication and achieving economies of scale in service provision. Robust and co-ordinated planning and delivery also contribute to a clear and predictable landscape for investment.
>
> Source: https://www.gov.wales/written-statement-role-corporate-joint-committees

Actions are also needed to build the leadership and policy-making capacity among local authorities. Local leaders should be invited to publicly commit to taking actions on key societal challenges related to, for example, the circular economy. They should receive training to become champions for change: "bold" action can be promoted by facilitating policy experimentation and innovation at the regional and local levels. Furthermore, the Welsh Government should provide capacity building support to local authorities that have the least expertise in developing project proposals to effectively compete for funding when necessary. This can help support public authorities at all levels to take a brave leadership position, as called for by workshop participants.

Getting the whole system to work together for change was a recurring theme during the various sessions. Participants stressed the need for a collaborative approach to decision-making and policy implementation. They agreed that stakeholders should work on different pieces of the "puzzle" to achieve a whole, but that each actor must have ownership of their respective pieces. The participants also explored how different sectors, institutions and individuals could contribute to the 2037 vision. For example, to build a skilled labour force, the private and public sectors, including education institutions, could collaborate to promote alternative educational pathways such as apprenticeships or encouraging life-long learning and re-skilling. The Welsh Government, non-governmental employers and trade unions could ensure fair compensation for apprenticeships, provide bursaries for college courses and track changes in employer trends or needs.[6]

Participants highlight the need for more engagement between public bodies and with stakeholders, but do not yet share a view on how this can take place. Participants agreed that existing structures should not hinder collaboration and clear arrangements should be put in place to encourage co-operation across sectors and among levels of government. They also emphasised the importance of consulting with stakeholders that tend to be disconnected from policy discussions, including youth. Some participants took

---

[6] The Welsh Government is supporting apprenticeship programmes with private sector and supporting regional skills partnerships. The Plan for Employability and Skills published in March 2022 sets out specific actions to help citizens navigate and respond to the work-related challenges they will face throughout their lives (e.g., through training, retraining, upskilling, changing career or starting a business).

this a step further, speaking of "co-designed" actions. For example, to build a skilled labour force, key private and public actors can co-design actions to promote apprenticeships or encourage life-long learning and re-skilling. However, a concrete example of how the co-design and even co-delivery of policy actions would work in practice was not defined.

Participants identified a cultural resistance to change within the Welsh Government that could hinder progress if not addressed. At the workshop with Welsh Government representatives, participants stated that changes are often associated with budget cuts, which led to a general fear of change and a risk-averse culture in the government. Welsh Government participants called for "courage to do things differently". Decision-making frameworks can set the right conditions within which an institutions culture can change. A performance measurement system that emphasises impact instead of activity or output can provide space for decision-makers to experiment with new approaches to attaining desired impact. Such a system involves identifying the right indicators (e.g., with a balance between qualitative and quantitative indicators; a stronger focus on well-being beyond growth and productivity). These indicators then need to be actively tracked and progress should be regularly communicated to stakeholders and even the public.

Section 4: Trust in different levels of government

Reinforcing trust in government is a key building block to advancing regional development in Wales. Participants highlighted the importance of joint actions and collaboration among all actors in achieving the vision for Wales in 2037. Such collaboration will be more effective if it is built on trust among various parties. Trust is essential for co-operation in economic relationships, and a lack of trust may inhibit a country's performance by increasing transaction costs (Lombardo and Ricotta, 2021[3]). A lack of trust in government may also reduce citizen engagement with government policies that require their active participation to be effective (OECD, 2023 Forthcoming[4]).

Survey results show the Welsh Government enjoys a higher degree of citizen trust than the UK Government or Welsh local authorities, reinforcing its position for taking brave steps and a collaborative approach towards a vision and policy for Wales's regional development. Survey respondents reported trust in the Welsh Government and Welsh public bodies more than other levels of government (Figure 4). Respondents from the third sector trust the Welsh Government most when compared to other groups, with 63% indicating high or very high levels of trust. While the Welsh Government still has room to build trust with all sectors, these results suggest that the Welsh Government may be the best positioned to forge an innovative path forward in order to achieve Wales's regional development goals.

Figure 4. The level of trust in Wales towards levels of government
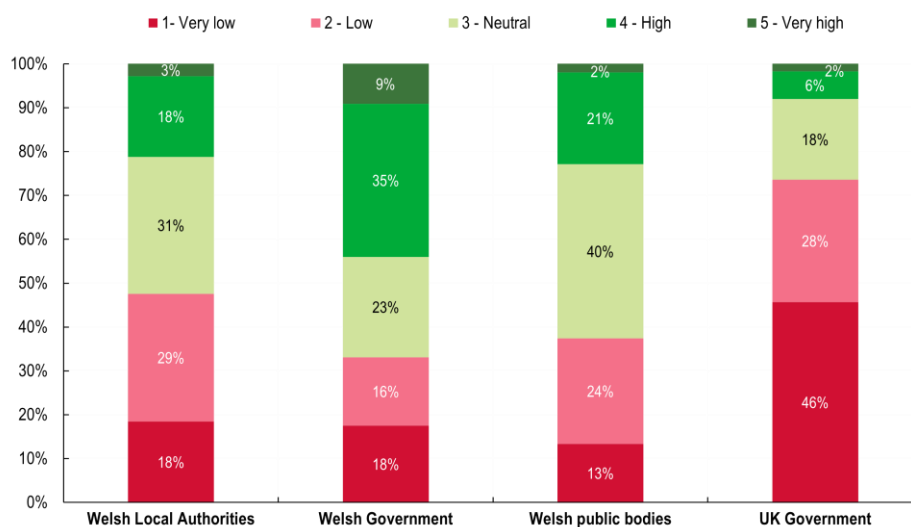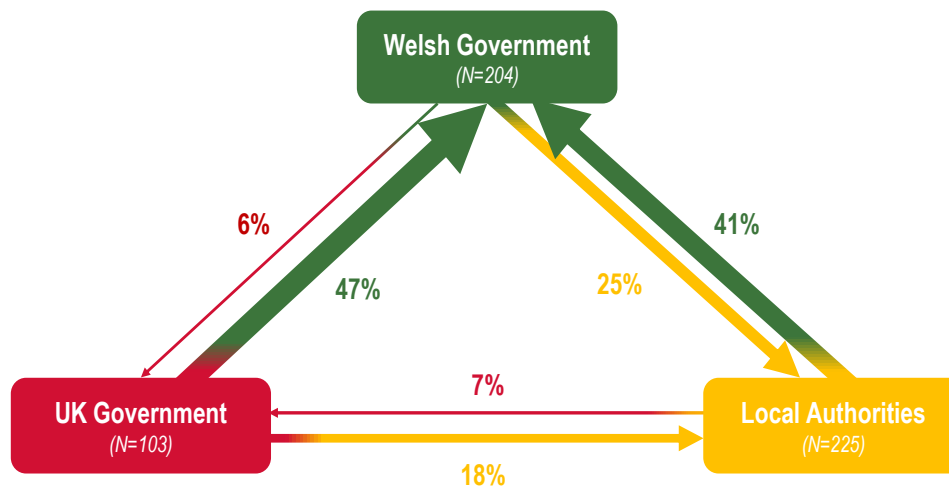

Note:N=1473
Source: OECD (2022), Survey: Building the Long-term Vision for Regional Development in Wales.

Engagement and transparency can help the Welsh Government maintain the high levels of trust. One tool with the potential to maintain and improve trust in government is enhancing participatory opportunities for citizens to contribute to the local policy-making process. For example, consultations on local issues can help to restore faith in government by giving residents a greater say in decision-making (Allain-Dupré, Michalun and Upton, 2022[5]). Another element that can help is a full-throated commitment by regional bodies and local authorities to fighting misinformation. Governments at all levels can fight misinformation by openness and transparency, providing citizens with truthful and accurate information. Ensuring access to comprehensive information regarding government decision-making and performance, including the impacts and outcomes of government programmes, can help to counter false and misleading information and build support for public policies. This points to the importance of efforts to not only measure outcomes, as suggested by workshop participants, but to ensure that such performance information is readily available and well-communicated to the public.

Other levels of government also show high levels of trust in the Welsh Government. Figure 5 illustrates the extent to which employees working in each level of government (local authority, Welsh Government, and UK Government) trusts the other two levels of government, based on the survey results. For example, 47% of respondents who work in the UK Government and 41% of those working in local authorities indicate that they have a high or very high level of trust in the Welsh Government (the two green arrows).

Figure 5. Between levels of government, the Welsh Government is the most trusted

Notes: The percentages indicate the share of respondents from a given level of government expressed "high or very high level of trust" towards another level of government. The "thickness" of the arrows is proportional to the percentages.
Source: OECD (2022), Survey: Building the Long-term Vision for Regional Development in Wales.

The high trust of local authorities in the Welsh Government may come with high expectations. There are indications that local authorities expect clear direction and guidance from the Welsh Government, especially given the uncertainty that the UK overall faces in the post-Brexit context. Furthermore, local authorities at the workshop indicated that they expect a more effective dialogue with the Welsh Government, i.e., fostering an ongoing conversation about investing in the future of industry, business, children, climate, etc. They also expect the Welsh Government to counter a public perception that public institutions are backsliding away from democratic ideals of representation and accountability. In addition, workshop participants highlighted that the CJCs represent a good start, and they look forward to the advances that the CJCs can make to support regional development.

References

Familles Rurales (2021), *Territoires Ruraux : Perceptions et realites de vie*, Familles Rurales, https://www.famillesrurales.org/sites/multisite.famillesrurales.org._www/files/ckeditor/actualites/fichiers/Synth%C3%A8se%20Etude%20Ruralit%C3%A9s%202021%20d%C3%A9f.pdf.   [1]

Lombardo, R. and F. Ricotta (2021), "Individual trust and quality of regional government", *Journal of Institutional Economics*, Vol. 18/5, pp. 745-766, https://doi.org/10.1017/s1744137421000801.   [3]

OECD (ed.) (2022), *Regions of Discontent: How to Repair Territorial Divides in Government Trust*, https://oecdcogito.blog/2022/09/08/regions-of-discontent-how-to-repair-territorial-divides-in-government-trust/.   [5]

OECD (2020), *The Future of Regional Development and Public Investment in Wales, United Kingdom*, OECD Multi-level Governance Studies, OECD Publishing, Paris, https://doi.org/10.1787/e6f5201d-en.   [6]

OECD (2023 Forthcoming), *Understanding and tackling the territorial divides of trust in government*.   [4]

Rural Youth Project (2018), *2018 Survey Report*, https://www.ruralyouthproject.com/downloads/RYP-Report-2018-LR.pdf.   [2]

Annex A. The Envisioning Journey and lessons-learned

Through the *Envisioning Wales in 2037* initiative, the OECD, together with the Welsh Government, tested an innovative approach to vision-setting for regional development, with three elements at its core: a) citizen participation through an online survey; and b) the use of positive cartography in multi-actor workshops; and c) strategic foresight techniques.
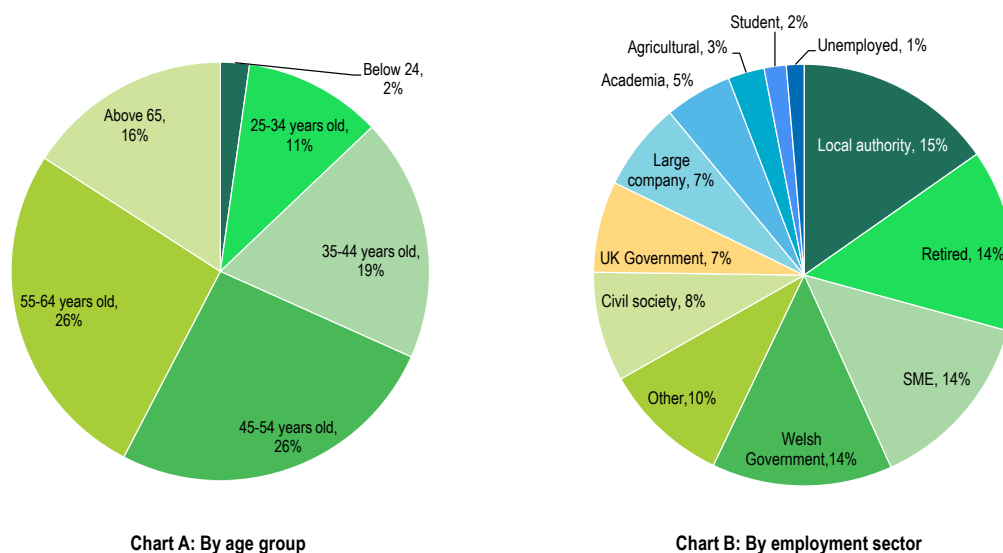
Citizen online survey

The OECD, together with the Welsh Government, designed an online survey *Building the Long-term Vision for Regional Development in Wales*. This survey focused on the future economic, social, environmental and community development challenges and priorities for Wales and its local communities. It sought to gather opinions and perspectives from a wide range of citizens in the public, private, and civil society spheres. The survey consisted primarily of questions around four themes:

- Regional development expectations and concerns
- Regional development goals and investment priorities for Wales
- Challenges and investment priorities for your community in Wales
- Process of defining a regional development strategy for Wales

The survey was published through the survey platform Lime Survey and open to the public between May and July 2022. The survey was circulated through the Welsh Government website, Facebook, through the Welsh Local Government Association, among other networks. It received 1473 complete responses (analysts excluded incomplete or duplicate responses) (Figure 6).

Figure 6. Respondents by age group and by employment sector

N=1473

Chart A: By age group

Chart B: By employment sector

Source: OECD (2022), Survey: Building the Long-term Vision for Regional Development in Wales.

Respondents consider online surveys as a good way to engage citizens. When asked how citizens would like to be engaged in the process of creating a Regional Development Strategy for Wales, if such a process takes place, 70% of respondents chose online survey and polls, followed by online discussion forums selected by 34% citizens. In the future, the Welsh Government can consider further harnessing online tools to engage citizens in policymaking process.

Vision-setting workshop series

From February to July 2022, the OECD organised four vision-setting workshops with Welsh stakeholders, including three individual workshops with the Welsh Government, local authorities, and non-governmental stakeholders (businesses, the third sector/civil society, academia, etc.), respectively, and one joint workshop with all three groups at the end. Around 20 participants attended each workshop. The bottom-up exercise encouraged stakeholders to map out a positive future for Welsh society in 2037 and facilitated substantial discussions on the future of Wales and the well-being of its citizens. Four vision-setting workshops were held, gathering representatives from Welsh Government, Welsh local authorities, City and Growth Deals, the Welsh Local Government Association (WLGA), and important stakeholders from business, academia, civil society organisations and citizen groups to shape a vision for Wales 2037.

While the first three workshops were dedicated to establishing a common vision among representatives from the Welsh Government, regional bodies and local authorities, and non-governmental actors, respectively, the last workshop brought all participants from the three earlier workshops together. In all four workshops an online whiteboard platform was used that enabled participants to use post-its, text, pictures and other images to organise and present their ideas.

In each the first three workshops, participants:

- Shared their vision of what Wales and Welsh communities could look like in 2037

- Discussed the external forces that may affect Wales and Welsh communities and their long-term development
- Contributed to building an integrated vision of regional development for Wales

The final workshop brought all participants from the previous three workshops together to:

- Hear the "stories" and visions generated by each group
- Learn what 1 500 citizens across Wales who were surveyed by the OECD think about the future of Wales and regional development
- Exchange on the common features and links between the different visions shared
- Shape an integrated, community-defined vision of regional development for Wales and Welsh communities

Using positive cartography to envision Wales in 2037

In all the workshops, the positive cartography method was used to invite participants to envision a long-term positive perspective while reflecting on the steps that they need to take to get there. They were asked to look at their ideal future from multiple perspectives – from the personal to the professional, to a whole-of-society vision. There were several steps:

1. Before the workshop, participants were asked to find images that represent the future Wales that they would like to see – "My Wales" – in 15 years.
2. At the beginning of the workshop, participants were invited to present the images that they selected and elaborate "why" – what the image represents, and why such a Wales is desired for the next generations.
3. Participants were then asked to give the vision more "body", i.e., to further elaborate on the key elements in the vision.
4. Finally, participants were asked to explain how Wales can achieve such a vision, i.e., identifying building blocks of actions.

The workshops were organised online through Microsoft Teams and/or Zoom, due to COVID-19 pandemic restrictions. In addition, participants also used the interactive online platform Miro (Figure 7), which allowed them to put images, sticky notes, draw lines, comment on ideas, etc., with other online participants, along with the discussion. Such a tool helped participants illustrate their ideas in a more visual and tangible way, and also helped participants engage and focus on the online meeting.

Figure 7. Screenshots of Miro boards from the vision-setting workshops

Strategic foresight – looking into the future

At the vision-setting workshop (between step 3 and 4 indicated above), participants were also asked to identify factors that may alter the development trajectory of Wales in the future. Participants were invited to brainstorm possible events – pandemic, artificial intelligence advancement, geopolitical tension, political change of the UK government, etc. Figure 8, Image A lists the possible events in a word cloud format. Participants were then invited to use the matrix (Figure 8, Image B) to map these possible events. The aim was to understand participants' perceptions of the likelihood and impact of these events. Participants discussed how these possible events may change the vision for the regional development of Wales. This exercise injected the "outward-looking" perspective into the vision-setting journey, reminding participants to view the regional development of Wales within a global context. It also helped participants examine the future of Wales in a changing, dynamic manner rather than a static one.

Figure 8. External factors to regional development of Wales and the impact/probability matrix

Image A: A Word Cloud of possible events mentioned by participants

Image B: Matrix to map the possible events
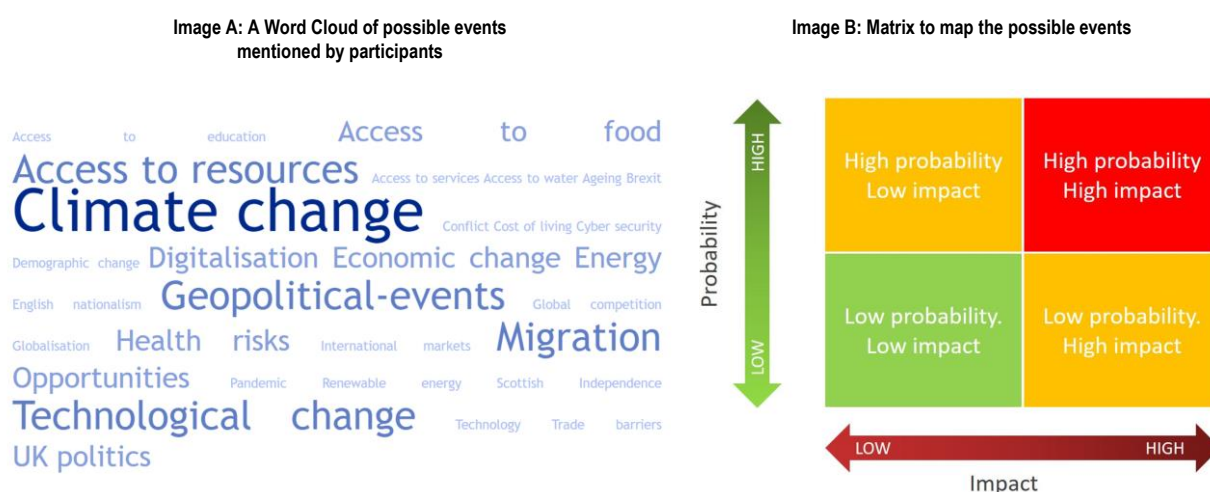
Note: The Word Cloud image on the right presents all external factors mentioned by participants. The bigger the font is suggesting more participants mentioned the word.

OECD

The OECD Centre for Entrepreneurship, SMEs, Regions and Cities (CFE) provides comparative statistics, analysis and capacity building for local and national actors to work together to unleash the potential of entrepreneurs and small and medium-sized enterprises, promote inclusive and sustainable regions and cities, boost local job creation, and support sound tourism policies.

@OECD_local #OECDregions   oecd-local   regions@oecd.org

Website: https://www.oecd.org/regional/governance/

Subscribe to CFE newsletter: http://oe.cd/CFEnews

Llywodraeth Cymru
Welsh Government

Website: https://gov.wales/

@welshgovernment