Local Growth Fund Stakeholder Engagement Events

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1. Introduction

The UK Government has confirmed that £547m of local growth funding will be made available to the Welsh Government over three years between April 2026 and March 2029. On 7th November 2025, the Cabinet Secretary for Economy, Energy and Planning launched a public consultation to seek views on proposals for the Local Growth Fund in Wales. The results from the consultation will inform the Investment Plan for this Fund, which will be supported by the UK Government.

The aim of the Local Growth Fund stakeholder engagement events was to support the Welsh Government's consultation and gather views from a broad range of stakeholders on proposals in relation to the overarching principles; the core priorities and objectives for investment; and on how the fund will be delivered.

2. Objectives and Strategic Context

The objective for the Local Growth Fund is to support productivity growth and tackle issues leading to economic inequalities across Wales.

The fund's guiding principles include a focus on long-term outcomes, integration with other funding streams, and collaborative working across all tiers of government and sectors. The approach aims to maximise impact, avoid duplication, and ensure investments are aligned with both local and national priorities.

The engagement events were structured around the four priority themes, as set out in the consultation document:

- More productive and competitive businesses
- Supporting people into work and increasing skills
- Green infrastructure and energy efficiency
- Local infrastructure driving regional economies

3. Event Structure and Participation

Four regional stakeholder engagement events were held online in November 2025. Across the four events, over 200 stakeholders attended. Following a strategic overview and introduction to the consultation, attendees participated in breakout sessions led by expert facilitators on their chosen theme, as well as a further breakout session on the delivery model. Technical support was provided to ensure accessibility, and feedback mechanisms were in place to capture participant input. The 'green infrastructure and energy efficiency' and 'local infrastructure driving regional economies' priority themes were combined into a single breakout room. Participants were invited to indicate the most important objectives within each priority area as part of the engagement sessions. This prioritisation exercise was not designed to be statistically representative, but to capture an indicative snapshot of early stakeholder views. The results are therefore presented as providing insight into emerging priorities rather than as a quantitative measure of preference.

4. More productive and competitive businesses

Cross-Regional Themes

Stakeholders across Wales raised several shared themes relating to access to support, coherence of funding, and the importance of balancing capital and revenue, which are reflected in the opportunities and challenges below.

Opportunities

Stakeholders identified a range of opportunities through which the Local Growth Fund could strengthen business productivity and competitiveness. A prominent theme was support for blended finance models, where grants and repayable finance coexist and are used in different proportions depending on a business's stage of development and capacity to absorb risk. Participants argued that grants should be directed towards innovation, early-stage development and specific growth steps, whereas loans would be more appropriate where businesses can reasonably generate returns or where gaps exist in the commercial lending market. Flexible models, including structures where grant elements are tied to performance, were viewed as particularly

advantageous for social enterprises and businesses operating in communities where access to conventional finance remains limited.

Another opportunity identified was investment in the skills and leadership capacity required to underpin business growth. Across all regions, stakeholders emphasised the importance of high-quality business advice and access to development in areas such as management capability, digital adoption and workforce planning. Strengthening these capabilities was seen as essential for helping firms adapt to technological change, respond to market pressures and build resilience over the long term.

Improving access to suitable business premises was also highlighted. In many parts of Wales—particularly rural areas—stakeholders pointed to shortages of incubator space, grow-on facilities and modern digital infrastructure. These gaps limit the ability of businesses to expand, adopt new technologies and attract skilled workers. Creating environments where businesses can flourish was seen as key to supporting more productive local economies.

A further opportunity lies in improving the mapping of existing support and the clarity with which it is communicated. Stakeholders felt that better signposting could reduce duplication, improve access to resources and ensure that businesses are able to navigate the support landscape more efficiently.

Challenges

Despite these opportunities, a number of challenges were consistently identified. The use of repayable finance, while valuable for some businesses, was seen as a barrier for others that lack the cash flow, collateral or confidence to take on debt. This was a particular concern for early-stage businesses and social enterprises that depend on flexible, patient forms of support.

Stakeholders also noted persistent gaps in business advice, management capability and digital skills, all of which constrain productivity. Many businesses struggle to identify and access support that meets their needs, and limitations in capacity within some local authorities exacerbate these challenges. The shortage of suitable premises and digital connectivity was also identified as a structural barrier, hindering business expansion and slowing the adoption of digital technologies, particularly in rural and semi-rural areas.

Another major challenge related to the short-term and fragmented nature of economic development funding. Stakeholders described how unpredictable funding cycles undermine long-term planning, weaken delivery capacity and make it difficult for businesses to commit to growth activities. Calls for simplified, multi-year approaches reflected a widely held view that stability and predictability are essential for supporting sustained productivity improvement.

Capital and Revenue Funding Balance

Across all regions, stakeholders emphasised the need to pair capital investment with sufficient revenue funding. Many expressed concern that an overemphasis on capital expenditure risks overlooking the equally important need to invest in people, advice, skills and project development. Revenue funding was regarded as essential for providing the support structures that animate and give meaning to capital investment, including enabling social enterprises to operate effectively and helping businesses access and use new facilities or equipment. Without adequate revenue provision, stakeholders argued, capital investments would struggle to deliver the intended outcomes.

Prioritisation

Nationally, stakeholders prioritised addressing barriers to business growth, with start-ups and spin-outs also receiving strong support. Across regions, addressing barriers to growth emerged as the leading priority in Mid and West Wales and South-East Wales, while South-West Wales placed greater emphasis on start-ups and spin-outs. No voting exercise was undertaken in North Wales.

Regional perspectives

North Wales

Stakeholders highlighted the importance of creating and sustaining start-up activity and ensuring that growing businesses remain rooted in the region over the long term. Participants noted that access to business support and advice varies across counties, creating inequalities in opportunity and outcomes. Addressing these disparities was regarded as a priority for ensuring that the Local Growth Fund supports growth across the whole region.

Mid & West Wales

Stakeholders drew attention to persistent recruitment challenges and shortages in the local workforce. They stressed that economic development plans must account for demographic realities, including an ageing population and the importance of attracting and retaining talent. Rural businesses in the region also highlighted the significance of contributing to community wealth and local opportunity, suggesting that these forms of value, while not always captured in traditional growth metrics, should be reflected in policy and funding approaches. Participants emphasised the importance of job safeguarding, not only job creation, in rural areas where recruitment challenges can threaten the viability of otherwise stable businesses.

South-East Wales

Stakeholders raised concerns about the absence of a clearly articulated objective relating to the social impact of economic growth, including its implications for quality

of life and broader determinants of wellbeing. Variability in capacity and resources across local authorities was viewed as a risk to consistent delivery, particularly given the need for both clarity in funding focus and flexibility to tailor support to local circumstances. The lack of clarity around outputs and outcomes for the fund was highlighted as a barrier to effective planning, alongside criticism of the 70/30 capital-revenue split based on past experiences of overinvestment in physical infrastructure. Stakeholders also expressed concern about the timing of funding decisions, noting the risk of redundancies and reduced delivery capacity if certainty is not provided soon. The compressed timeline was regarded as a significant obstacle to effective collaboration, especially given the differing contexts of local authorities and the emerging role of Corporate Joint Committees. Caution was advised against concentrating investment too heavily in the areas around Cardiff, which could limit the spread of benefits to other parts of the region.

South-West Wales

Stakeholders placed particular emphasis on supporting social enterprises and cooperatives, noting their role in addressing supplier gaps and strengthening local resilience. Partnerships between higher education institutions and industry were seen as opportunities to reduce duplication and improve the cost-effectiveness of research and development. Stakeholders also described the importance of tailored support and seed funding for underrepresented groups, recognising that confidence and resource barriers often impede participation in business start-up activity. There was support for adopting a national approach to access to finance, building on the role of the Development Bank of Wales, but participants also expressed concern about preserving localism as regional governance structures evolve. Finally, stakeholders noted that delivering capital projects within a two-year period is challenging for social enterprises and community organisations that lack the resources for planning and preparatory work.

5. Supporting people into work and increasing skills

Cross-Regional Themes

Stakeholders identified several issues that were common across regions, particularly around aligning provision with employer needs and addressing barriers to participation; these are carried through into the opportunities and challenges that follow.

Opportunities

Across all regions, stakeholders saw significant opportunity in strengthening skills programmes that are responsive to employer demand. They emphasised the importance of creating sector-specific pathways that reflect regional priorities and help prepare people for sustainable employment. This includes structured routes into

technical and vocational roles, as well as softer employability skills that underpin workplace readiness. Strengthening collaboration between employers and providers was viewed as a way to improve the relevance of provision while also ensuring that businesses are not overwhelmed by duplicated engagement from multiple programmes.

Stakeholders also saw opportunities in designing more holistic and flexible programmes that connect different strands of provision, enabling people to move between services more easily and ensuring that training reflects the realities of participants' lives. Locally tailored approaches were considered important for addressing the varied needs of communities, particularly where rurality, disadvantage or changing local economies present specific challenges. Stakeholders also recognised opportunities for innovation, particularly in creating hubs or shared spaces where multiple partners work together to provide integrated employability and skills support. Overall, participants encouraged approaches that not only reflect current labour market needs but anticipate emerging opportunities.

Challenges

Despite these opportunities, stakeholders identified several challenges that must be addressed to ensure effective delivery. The scale of economic inactivity and rising youth unemployment was noted across all regions, with mental health and wider vulnerabilities frequently cited as contributing factors. Stakeholders argued that early and consistent intervention is needed to prevent young people from disengaging from education and work, suggesting that support must begin before age sixteen to smooth transitions into post-16 pathways.

Another recurring challenge related to geographical inequalities. Rural areas face higher delivery costs, limited public transport and digital connectivity issues that make access to training and employment more difficult. Stakeholders highlighted sectoral gaps in support, noting that while agriculture is well-served, other land-based sectors such as forestry, fisheries and equine industries often lack appropriate provision. Emerging green skills, although recognised as a future priority, were described as fragmented across different initiatives.

Administrative and bureaucratic barriers also create practical difficulties. Requirements for organisations to maintain physical offices within certain counties, for example, restrict the ability to deliver programmes efficiently across multiple areas. Short funding cycles further constrain continuity of support and limit the capacity of providers to retain experienced staff. Stakeholders expressed concern that without more sustained funding, successful interventions could be lost and the quality of future provision diminished.

Capital and Revenue Funding Balance

Stakeholders across all regions highlighted the risks associated with the shift from revenue-heavy to capital-heavy funding. Revenue funding was widely regarded as

essential for sustaining training programmes, employability support and the staff who deliver them. Participants noted that capital investments, such as equipment or facilities, may enable delivery but cannot replace the revenue needed to maintain programmes, provide personal support and build relationships with employers. The need for longer funding cycles and more certainty was repeatedly emphasised, with stakeholders arguing that continuity is essential for planning, succession and quality assurance. Without a more balanced approach between capital and revenue, they warned that the effectiveness of skills and employability provision could be significantly undermined.

Prioritisation

Nationally, stakeholders strongly prioritised reducing economic inactivity. This emphasis was particularly pronounced in South-East and South-West Wales. In Mid and West Wales, priorities were more evenly balanced, with similar weight given to reducing inactivity and improving skills. In contrast, North Wales placed greater emphasis on demand-led skills support, with economic inactivity a secondary priority.

Regional perspectives

North Wales

Stakeholders in North Wales highlighted the need for targeted support for young people and vulnerable individuals, emphasising the importance of ensuring equitable access for those who have faced exploitation or coercion into criminal behaviour. Participants recognised the value of early engagement with industry but acknowledged the practical challenges of embedding real-world projects into school curricula. They also noted the importance of creative and non-traditional pathways, particularly for long-term unemployed individuals seeking careers in creative sectors. Heritage skills were referenced as a regional success story, with calls for continued investment in both programmes and necessary facilities. Stakeholders supported the development of regional progression pathways linking local activity to higher-level provision, and they suggested that shared skills hubs could bring partners together in more effective ways. While stakeholders saw potential for capital investments in equipment and software, they noted that these must be accompanied by adequate revenue funding to sustain the associated training and support services.

Mid & West Wales

In Mid and West Wales, stakeholders described a region with divergent priorities: some emphasised reducing economic inactivity, while others focused on raising skills and qualifications to meet the needs of major regional projects such as growth deals and renewable energy investments. Participants highlighted the need to complement, rather than duplicate, Department for Work and Pensions (DWP) provision, arguing that alignment would reduce confusion for participants and employers. Rurality

presents significant challenges, including high delivery costs, limited transport and planning constraints for capital projects. Stakeholders also noted sectoral gaps in forestry, fisheries and equine sectors, and described green skills as an emerging area of need that requires more coherent planning. Employers expressed a clear interest in structured work experience and early intervention for young people. Due to limited opportunities for capital projects and the intensive nature of outreach in dispersed communities, stakeholders expressed a strong preference for revenue funding to support ongoing delivery.

South-East Wales

In South-East Wales, stakeholders raised significant concerns about the scale of youth unemployment and the rise in young people claiming benefits since 2020. Mental health was frequently identified as a related barrier to employment. Participants stressed the importance of early intervention, particularly before the age of sixteen, to help young people transition more effectively into post-16 education and employment. Stakeholders also highlighted issues relating to graduate retention, with the discontinuation of programmes such as the Welsh Financial Services Graduate Programme seen as a risk to retaining skilled individuals within the region. While Jobs Growth Wales was noted as having strong outcomes, stakeholders pointed to capacity constraints that limit its reach. They emphasised the need for better alignment with health organisations, especially for employer-focused work-retention interventions. Calls were made for centralised funding and coordination to avoid delays and confusion, and stakeholders highlighted the importance of family and carer support in building literacy, numeracy and digital skills within the home. Social enterprises were praised for offering tailored employment opportunities for those with learning disabilities and other disadvantages, reinforcing their importance in creating an inclusive labour market.

South-West Wales

Stakeholders in South-West Wales emphasised the need to support young people who are furthest from the labour market, noting the shifting causes of economic inactivity, including mental health challenges, anxiety and additional learning needs. They highlighted the strong employment sustainment rates from paid placements funded through the Shared Prosperity Fund (SPF), but raised concerns about the high cost and long-term sustainability of these interventions. Supported internships and other intensive employment models were viewed as effective for disabled people and those with ALN but were described as resource-heavy and vulnerable to funding gaps. Stakeholders emphasised the importance of practical support for recruitment, including help navigating processes, advocating reasonable adjustments and supporting smaller employers. There was strong support for longer funding cycles to secure stability, succession planning and improved service quality. Finally, participants stressed the need for a multi-level approach that combines local knowledge and

tailored interventions with regional coordination through anchor employers and national strategic oversight, ensuring coherence without imposing rigid models.

6. Infrastructure

Cross-Regional Themes

Across Wales, stakeholders emphasised the need for community-led delivery, stronger technical support and investment that aligns with long-term resilience; these shared priorities underpin the opportunities and challenges outlined below.

Opportunities

Across all regions, stakeholders identified opportunities to strengthen the impact and coherence of infrastructure investment. Many saw significant value in community-led approaches, which were felt to be better placed to identify local priorities, mobilise support and deliver projects that have tangible benefits. Strengthening advisory and technical support was seen as essential in enabling these groups to navigate complex processes, develop viable proposals and maximise the impact of investment. Streamlined procurement procedures and clearer guidance were also viewed as key to improving the accessibility and efficiency of fund delivery.

Participants emphasised the opportunity to better align infrastructure with regional economic strengths, ensuring that investment complements established industries and emerging opportunities. This included building on the assets of tourism, agriculture and green industries, and integrating projects with local and regional strategies to promote coherent economic development. Stakeholders also saw a clear opportunity to design infrastructure that enhances environmental resilience and protects heritage assets for future generations. Resilient design and long-term sustainability were strong themes in discussions about how the fund should be targeted.

Ensuring that investment supports underrepresented communities was another area of opportunity. Stakeholders highlighted the potential for infrastructure programmes to promote inclusive participation and to stimulate involvement from groups that may otherwise be excluded from traditional investment models.

Challenges

Despite these opportunities, stakeholders raised a number of challenges that could limit the effectiveness of infrastructure investment. Planning constraints and regulatory requirements were frequently cited as barriers to timely delivery. Many participants described the complexity of navigating planning processes, noting that these issues can be particularly acute in rural areas where staff capacity is limited. Shortages of skilled tradespeople and contractors were also identified as constraints, potentially slowing the delivery of projects and inflating costs during periods of high demand.

Stakeholders also highlighted the difficulties faced by small and medium-sized enterprises and third-sector organisations in accessing funding. Issues around communication and clarity of funding streams were raised repeatedly, with participants expressing concern about the risk of confusion and duplication in a landscape where multiple programmes and agencies operate simultaneously. Geographical imbalances in resource allocation were another prominent theme, with stakeholders calling for equitable distribution to ensure that all communities have the opportunity to benefit.

Capital and Revenue Funding Balance

Across the regions, stakeholders consistently raised concerns about the challenges posed by a capital-heavy funding model. Participants noted that while capital investment is essential for delivering infrastructure, insufficient revenue funding makes it difficult to support early-stage project development, feasibility studies, and the ongoing sustainability of community-led initiatives. There was a widespread call for more balanced funding that enables communities and local authorities to develop robust proposals, maintain assets and embed long-term impact. Without adequate revenue, many stakeholders argued, capital-focused programmes risk delivering projects that cannot be fully realised or sustained.

Prioritisation

Nationally, stakeholders prioritised investment in local economic infrastructure, renewables and low-carbon energy, and key sites and premises. Regional priorities broadly aligned with this pattern, though with some variation: Mid and West Wales and North Wales placed particular emphasis on infrastructure and low-carbon energy, South-East Wales showed a more even spread of priorities, and South-West Wales focused more strongly on key sites and premises alongside renewables.

Regional perspectives

North Wales

In North Wales, stakeholders prioritised infrastructure that builds on the region's strengths, particularly in heritage tourism. The existing infrastructure supporting this sector offers opportunities for immediate impact within the three-year funding window. Energy efficiency and fuel poverty were also seen as urgent priorities, with stakeholders noting that these areas offer practical and deliverable projects that can be implemented quickly. Renewable energy generation was viewed as more dependent on community support and sufficient revenue funding to complement capital investment. Stakeholders also highlighted the importance of leveraging existing programmes, such as Transforming Towns, to ensure coherence and maximise value. Concerns were raised about the scope of the fund in relation to large-scale grid infrastructure, with participants suggesting that these issues may be better addressed through national or UK-level mechanisms.

Mid & West Wales

In Mid and West Wales, stakeholders identified infrastructure, transport connectivity and community assets as the leading priorities for building sustainable communities. The region's rurality and high development costs mean that public transport and digital connectivity are particularly important for improving access and enabling economic participation. Stakeholders emphasised the need to integrate infrastructure investment with regional economic strengths, including agriculture and tourism, to ensure that benefits are felt across the region. Hydrogen was identified as a future energy source with significant potential, with calls for the development of a hydrogen hub to support decarbonisation in both transport and agriculture. Participants also noted the substantial energy demands of the agricultural and farming sectors and the importance of initiatives that support decarbonisation and the circular economy. In addition, regional test beds for new power generation technologies were viewed as valuable opportunities to support innovation and align with broader low-carbon objectives. Stakeholders emphasised the need for Welsh Government to play a coordinating role, particularly in relation to long-term planning for transmission and distribution infrastructure.

South-East Wales

Stakeholders in South-East Wales focused strongly on supporting green industries as a means of creating jobs and improving environmental and health outcomes. They highlighted the positive impacts already achieved through the Shared Prosperity Fund, including clean energy installations in community centres and businesses. Planning for housing retrofit projects, however, was noted as challenging due to competition for skilled tradespeople and pressures on supply chains. Participants also raised concerns about public understanding and support for shared-ownership models in renewable energy, noting that clear communication and engagement would be essential to securing buy-in. Geographical imbalances in transport and active travel funding were also highlighted, with stakeholders calling for investment to be more equitably distributed across local authority areas. While recognising the need to identify shovel-ready projects within the three-year timeframe, participants emphasised the importance of maintaining a long-term perspective to ensure the sustainability of infrastructure investments.

South-West Wales

In South-West Wales, stakeholder priorities were divided between renewable energy generation and energy efficiency, with a strong focus on projects that integrate energy, transport and housing retrofit. Stakeholders highlighted the importance of aligning funding with existing regional strategies and avoiding duplication with private sector or other public investment. Gaps in funding were identified for community-owned renewable energy projects, with participants suggesting that small amounts of targeted support could enable these schemes to progress. Concerns were raised about the challenges posed by a capital-heavy funding model, particularly in relation to skills

development and employability programmes that require sustained revenue funding. Finally, stakeholders called for greater flexibility in project management to address delays and adapt to emerging challenges, as well as the ability to reallocate funds within agreed priorities to maximise impact.

7. Delivery Model

Cross-Regional Themes

Stakeholders raised several themes consistently across regions concerning clarity of roles, flexibility and collaboration; these shared points are reflected in the opportunities and challenges set out below.

Opportunities

Stakeholders saw clear opportunities to strengthen the delivery model by setting out well-defined national, regional and local roles. Greater clarity was viewed as a way to reduce duplication, improve accountability and support more coordinated planning across partners.

There was strong support for enabling flexibility within regional and local structures, allowing areas to tailor delivery arrangements to their specific contexts rather than following prescriptive national templates. Stakeholders also highlighted the value of building on existing partnerships and shared learning, with opportunities to improve alignment and replicate successful approaches across regions.

A further opportunity lay in devolving more responsibility to local authorities, supported by proportionate oversight. This was seen by some as a route to quicker, more responsive delivery. Stakeholders also emphasised the importance of monitoring and evaluation systems that are practical and proportionate, making use of existing mechanisms rather than introducing new administrative burdens.

Challenges

Despite the opportunities for a more coherent and responsive delivery model, stakeholders identified a number of challenges that will need to be addressed. Concerns were raised about the methodologies used to allocate funding, particularly the potential for rural areas to be disadvantaged unless allocations are based on need. Participants also warned about the risks associated with short-term funding cycles, including the loss of organisational capacity and the erosion of expertise when programmes come to an abrupt end. They stressed the importance of early and ongoing dialogue to mitigate these risks, noting that careful transition planning is vital to maintaining continuity between funding cycles.

Underlying these challenges was a shared recognition that the effectiveness of the delivery model depends heavily on the capacity of organisations involved in

implementation. Stakeholders argued that without sufficient resources, time and clarity, delivery partners may struggle to build and retain the capability required to support ambitious investment programmes. Ensuring that the delivery model is realistic, adequately resourced and sensitive to the varying contexts across Wales was therefore seen as essential.

Regional perspectives

North Wales

Stakeholders in North Wales stressed the importance of building on existing structures, such as City Deals and the Shared Prosperity Fund, rather than creating additional layers of complexity. They emphasised the need for a delivery model that adapts to regional diversity while providing coherence across counties. Timeframes for delivery were a particular concern, with participants noting that short delivery windows make it difficult to develop robust projects and that flexibility is needed to allow projects to evolve without penalty. Moving towards regional rather than competitive funding allocation was recognised as a positive step, but stakeholders noted that it will require strong collaboration across local authorities to manage political pressures and ensure that regional benefits are balanced fairly.

Stakeholders also discussed the criteria for assessing delivery and monitoring, advocating for simplicity and the inclusion of sustainability, innovation and inclusivity. They argued that incremental outputs may be more realistic within shorter programme periods. Concerns were raised about the readiness and capacity of Corporate Joint Committees, particularly regarding their ability to support employability and skills programmes, and stakeholders emphasised the need for effective representation, transparency and targeted capacity-building. The third sector was seen as central to effective delivery, and participants cautioned against fragmented or short-term funding cycles that undermine its role. Finally, stakeholders highlighted the challenge of balancing the need to support smaller, locally important projects with the desire to generate impact at a national scale.

Mid & West Wales

Stakeholders in Mid and West Wales highlighted the value of existing partnerships and regional working arrangements, noting that the success of the Shared Prosperity Fund in the region was rooted in strong collaboration and clear differentiation between local and regional priorities. However, short lead-in times were seen as a significant barrier to planning and capacity-building, with calls for longer preparation periods and earlier clarity on funding. Stakeholders expressed concern that without adequate notice, both capital and revenue projects risk being undermined.

The importance of building on the learning from past programmes was stressed, with participants noting the need to avoid unnecessary reinvention and instead draw on

established good practice. Challenges relating to management fees, staffing and skills were raised, particularly during periods of transition. Stakeholders emphasised that national programmes must be adaptable to regional and local circumstances, especially in rural areas where delivery costs and logistical challenges are higher. They also highlighted the importance of meaningful engagement with the private sector, acknowledging that capacity constraints in less populated regions can make consistent engagement more difficult.

South-West Wales

In South-West Wales, stakeholders discussed the need to balance national frameworks with regional autonomy, warning that political considerations can complicate planning and risk diverting focus from regional priorities. Monitoring and evaluation featured prominently in discussions, with stakeholders calling for consistent definitions and standards across Wales. There was support for establishing a national group to share best practice, harmonise monitoring approaches and provide strategic guidance.

Stakeholders emphasised that effective delivery requires involvement from the third sector, academia and private sector partners, particularly in supporting innovation and ensuring that local needs are reflected in regional planning. Many noted that the degree of local determination permitted under the Shared Prosperity Fund enabled swift responses to emerging issues, and they expressed hope that future models would retain this agility. Lessons from previous European programmes were also discussed, with calls for these to be embedded in the development of Corporate Joint Committees and emerging regional governance structures. Stakeholders observed that the capital-revenue split and short programme durations can limit the ability to plan for long-term outcomes and adapt to changing circumstances. Finally, participants emphasised that value-for-money assessments must recognise the long-term nature of outcomes in rural areas and take into account the broader social and economic benefits of investment.

South-East Wales

Stakeholders in South-East Wales raised concerns about the complexity of navigating multiple governance layers, particularly with the introduction of Corporate Joint Committees. They noted the risk that smaller local authorities may have reduced influence within these structures and highlighted the need to ensure fair representation in decision-making. Participants expressed concern that onerous application processes could deter participation from smaller businesses and local groups, and they advocated for the use of well-established systems such as Business Wales to simplify access.

The need for a clear national baseline of support, combined with flexibility for regional and local tailoring, was highlighted as central to effective delivery. Stakeholders called for clearer articulation of roles and responsibilities across different levels of

government. Concerns were raised that allocating too much of the budget to national and regional structures could leave insufficient funding for local delivery, where capacity is already stretched. Participants also stressed the importance of revenue funding for data collection, monitoring and evaluation, and they sought greater clarity on how the four per cent top-slice would be used to support these functions.

Robust governance, local responsiveness and meaningful involvement from the third sector were seen as essential components of the delivery model. Stakeholders called for improved coordination and learning from previous programmes to avoid duplication and unnecessary complexity. Short-term funding cycles were identified as a significant risk, potentially increasing bureaucracy and limiting the ability to achieve sustainable outcomes. Participants concluded by emphasising the importance of objective evaluation and impact measurement to ensure that good practice is captured, shared and sustained.