



## Feasibility assessment

**Title of research:** The Llandoverly Deep Place Study: A Pathway for Future Generations

**Publication date:** 2019

### Short summary of report:

The Deep Place approach was devised by Professor Dave Adamson and Dr Mark Lang in association with the Sustainable Places Research Institute, Cardiff University. The Llandoverly study was led by Dr Lang.

Llandoverly in Carmarthenshire was selected as an appropriate rural community to further test and refine the Deep Place methodology which had previously been applied to mainly post-industrial communities. The study aims to contribute to the broader lack of evidence concerning small market towns and rural communities.

The study seeks to answer the central question, *“What type of economy and society do we need to create in Llandoverly to achieve economic, social, cultural and environmental sustainability over the next generation?”*

The study considers Llandoverly within the context of national, regional and local economic development policy. Five topic based ‘Think Spaces’ were organised aimed at gaining insight into the ‘lived experience’ of community life in Llandoverly. These consisted of policy-themed semi-structured focus groups of policy experts, practitioners and community members.

The study advocates for a more considered and holistic policy response to the future resilience and continuing function of towns in Wales. It calls for the establishment of a Llandoverly “Coalition for Change” involving all sectors and chaired by a member of the community.

### Feasibility assessment by panel of how this will feed into the project work:

The Deep Place approach aims to develop a complete understanding of a single location. It seeks to identify all the current weaknesses that constrain the community, as well as opportunities and assets that might be better realised to support a sustainable future. This community focus is a characteristic that aligns with the Arsyllfa approach and the LEADER methodology. Deep Place seeks to enrich the creative interrelationship between public, private and third sectors and the local community just in the way that LEADER seeks to bring together stakeholders in a local partnership and integrated way.

Several findings contained within the report resonate with the project theme of “facilitating pre-commercial development, business partnerships and short supply chains”, within the priority of “investigating and piloting new ways of encouraging entrepreneurship and test trading”. The study, in this respect focusses on the town centre and a key recommendation is the establishment of a “technological hub” to support small business, the self-employed and entrepreneurs. It advocates for increased opportunities for employment opportunities to be stimulated in the environment economy including the installation of energy efficiency measures into households. The concept of “food hubs” is floated but without detail.

The study does not explore the capacity within the community to take forward the conclusions of the research and does not consider the animation and facilitation needed to support the actions proposed.

The study is one of a number of initiatives that have focussed on and continue to work in Llandovery. It will be relevant therefore to any further pilot activity Arsyllfa undertakes involving Llandovery and is a reference point for work in other rural Welsh towns.

### **What are its characteristics and how can they be applied to this project?**

Deep Place argues that the economy is socially constructed, and it can therefore be socially reconstructed. It is based on the premise that a properly functioning economy should add to, rather than undermine, the social, environmental and cultural sustainability of places and communities.

Deep Place argues that more localised action, based on a multiplicity of smaller choices, can often have a significant impact on strengthening community resilience against external forces. In order to be most effective, it contends that local action needs to be coordinated and fully integrated i.e. it needs to be whole-place. This approach has resonance with the LEADER methodology.

The study recognises that the Welsh language plays an active and important role in the cultural characteristics of Llandovery and is used as a working language by people and businesses in the community. For many people Welsh is spoken as a first language, and at the time of the last census around half of the population of the town had some Welsh language skills, well above the Welsh average. The study does not explore how this cultural strength can be built upon within the local economy.

The study concludes with conclusions covering a broad subject matter. The opportunities for self-employment and small business are particularly relevant for Arsyllfa.

### **How can these principles and values interact with fostering an entrepreneurial culture?**

The study draws attention to the high levels of self-employment in Llandovery and contends that place-based factors such as historical entrepreneurial culture can have a significant impact on the pattern and experience of self-employment. The size of the existing self-employment base, the study says, can be a strong indicator of likely future growth, as it can be indicative of an entrepreneurial culture, stronger business networks, and communities that are more supportive of the self-employed.

The study is a useful analysis of the nature of self-employment and receptiveness to entrepreneurial activity in a small rural Welsh town. The survey references data and studies which show that self-employment rates tend to increase with age in rural areas and that

these enterprises face particular challenges. Challenges include lack of appropriate business premises as well as access to high speed broadband services, banking and financial inclusion (Llandovery Post Office is now the only banking facility in the town). Business rates are a major cost to small businesses in Welsh town centres, particularly where their trading performance is weak.

The largest individual categories of self-employment in Llandovery are shop/retail, storage/warehousing, automotive and office. Collectively, hospitality and retail related activities appear to represent by far the largest property uses. The data also shows that the rateable values for each of these properties is very low, with just four with a rateable value above £50,000. It should be noted that this data does not necessarily mean that each of these properties is currently occupied or in use.

The study identifies opportunities for entrepreneurship in local supply chains serving moves towards increased household energy efficiency. Domestic refurbishment construction the study argues increases demand in skilled trades and professional services such as surveying, planning, and engineering.

The setting up of a “technological hub” to support the self-employed is a major recommendation of the study but no mention is made of lessons learnt from previous projects in Llandovery and elsewhere to establish such hubs.

Innovation is not directly addressed but the study notes that Coleg Sir Gâr proposes to establish a Rural Skills and Innovation Hub at Gelli Aur.

## **Key findings**

The study covers two Lower Super Output Areas. Llandovery One is a large rural area in the upper reaches of the Tywi Valley. Llandovery Two covers most of Llandovery Town and the rural areas to the south.

The study takes the standpoint that traditional measures of economic development, based on GDP, are flawed. The study sees merit in concepts that redefine growth through a social and environmental lens. These concepts include ‘regenerative capitalism’, based on the people, culture and traditions of an area as well as its physical characteristics and “environmental growth’ which seeks a better balance between society, economy and environment. A key finding of the study is that there needs to be a better link between environmental value and economic value added.

The Deep Place approach is described in the study as being based on theoretical perspectives including:

1. **Social Exclusion.** The study argues that rural poverty is less visible than in urban areas, is more likely to be associated with low wages than unemployment and is not located in the same types of built environment usually associated with deprivation.
2. **Transition Theory.** In this concept, localisation due to the ending of cheap transportation diminishes reliance on extended supply chains that are precarious and environmentally costly. Deep Place argues that the ability of the transition movement to achieve the necessary ‘systemic’ change is limited due to its separation of the citizen and the state.
3. **Total Place.** This concept, developed for mainly public services, argues that the circumstances of each place will determine the kinds of actions that emerge and as such influences the Deep Place approach in relation to service delivery.

4. Foundational Economy. This concept moves away from a sector-based policy to focus on the institutions that provide the goods and services that meet everyday needs.

The study sees value in new concepts such as the circular economy which seeks to maximise the economic potential of waste and advocates for a more distributive economy as the way to meet well-being objectives as set out in the Well-being of Future Generations Act. The emphasis here is on wellbeing not on growth.

The study argues that so-called “anchor institutions” are critical sources of stability, growth and development. These were originally conceptually seen as higher education and medical institutions but generally now encompass all large immobile institutions fixed to the locality or community. These organisations have potential impact on localities through procurement, investment, real estate development, business incubation, and in the case of universities, the purchases made by their students, faculties and staff.

The study is critical of the Neoliberal model which champions wealth creation and depends on a trickle-down effect to spread the benefits of this largesse. Statistics from Oxfam suggest the approach has simply concentrated wealth in the hands of a relative few.

The study locates its research within the context of Welsh and local economic development policy. It is critical of traditional measures of economic wellbeing such as Gross Value Added, (GVA) and Gross Disposable Household Income (GDHI) and a Welsh Government focus on attracting large foreign investments into Wales.

The local context is formed by Carmarthenshire strategic documents and an analysis of local data. Carmarthenshire’s Well-being Plan (2018) and Carmarthenshire County Council’s Strategic Regeneration Plan for Carmarthenshire 2015-2030 form the local context for the study. It was written before the publication of the “Moving Rural Carmarthenshire Forward” report which takes forward local strategic themes in the context of rural Carmarthenshire.

The study argues that economic development policy has failed to get to grips with the wider functions of town centres and the economic context within which they exist. Llandovery shares many of the characteristics of Welsh rural towns including an older population, ethnically similar with high levels of self-employment and lower than regional and national average wage levels. A correlation between lower levels of disposable income and the decline of local high streets is drawn.

The study calls for a more considered and holistic policy response to the future of Welsh towns that encompasses the wider economic context, the future location of public services, growing local enterprises, the role of the social sector and communities, as well as retail. A community’s future relationship to town centres it is argued is vital to their future. Local communities and businesses should be given opportunities to fully and actively engage in planning their town’s future.

The local opportunities identified for Llandovery focus on:

1. Food and the creation of ‘food hubs’, which aggregate and distribute ‘source-identified’ food products. The study notes that the majority of farming in and around Llandovery is upland, with 30 percent of produce exported.
2. Energy and Energy Efficiency. Energy is a core element of the foundational economy, although it is one that is currently dominated by multi-national utility corporations. The study identifies potential for job creation, training and apprenticeship opportunities, especially in servicing domestic property retro fitting.

3. Health and Social Care. The study references co-operative models of adult community care provision as a useful model but does not explore how the physical constraints such as inaccessible rural homes and the market failure that results from the delivery of a service in a dispersed rural population can be overcome within such a model.
4. Environment. The study reports that some Think Space participants felt that the nature of landscape in the countryside around Llandovery limits the extent of diversification that could take place to potentially only timber. It notes that there are significant land assets in and around Llandovery that are in public ownership. The Skyline project in Rhondda that seeks to unlock this public resource for community good is referenced as a possible model.
5. E-commerce and Employment. This involves the creation of “technological clusters” which the study acknowledges will require some level of public provision to kick-start new patterns of employment and commercial activity.

The study discusses the challenges to the capitalisation of these opportunities. These include:

1. Poverty and in particular low levels of household income. Llandovery Two has a child poverty rate that is two percent above the Wales average.
2. Health. The general health of the population is good but there is a slightly lower male life expectancy at birth than the Wales average. A centralised procurement practice in local health delivery does not allow for local economic benefits of local health provision through the provision of non-specialised, basic services.
3. Skills. The study notes that Coleg Sir Gâr has proposals to establish a Rural Skills and Innovation Hub at Gelli Aur.
4. Housing. The study notes the greater number of socially rented households in Llandovery One, and greater number of privately rented households in Llandovery Two.
5. Transport and dependence on the private car, which is always an issue in rural areas.

The study advocates for the establishment of a Llandovery ‘Coalition for Change’, involving representatives from the local community, businesses, voluntary sector and public services. It specifies that this should be chaired by a local community member with an officer from Carmarthenshire Council should be providing a professional secretariat.

The study suggests that the Coalition should consider:

1. Depopulation and an ageing population. The study says that whilst there is clearly a need to maintain Llandovery’s cultural distinctiveness, efforts need to be made to encourage in-migration, particularly of working age families with children.
2. Sustainable and environmentally sensitive forms of local enterprise development, including the establishment of a low-cost business hub, providing business facilities for the self-employed, start-ups and small businesses. Access to high speed broadband is vital.
3. A focus on Llandovery town centre, encouraging greater footfall.
4. Incremental physical regeneration activities, maximising the use of limited resources. It notes that past grand schemes were too big for the resources available.
5. Protecting the remaining core of public services located in Llandovery and exploring the possibility of a public sector hub.
6. Providing support to Llandovery’s tourist and visitor related businesses in order to improve their offer.
7. Supporting the agricultural community through uncertain times ahead.

8. Encouraging households to install energy efficiency measures to offer multiple benefits, including, reduced environmental impact, increased local economic activity, public health improvements, and lower household bills.
9. The sensitive development of a relatively small number of affordable, sustainable new housing units to encourage more families to settle in the town.
10. Researching the results of the recent Skyline feasibility study and the suitability of the community land transfer model for part of the extensive NRW estate in the countryside surrounding Llandovery.
11. A community focused schooling approach to support the attainment rates of children and young people and encourage parental and wider community learning.
12. The development of a community car hub utilising electric vehicles.

## **Conclusions**

1. Llandovery Deep Place Study is a useful exercise in the understanding of a local economy in rural Wales within the theoretical and strategic contexts available at the time of the research.
2. The study advocates for a localised form of economic development based on the area's characteristics and assets. This is very much within the spirit of the LEADER approach. It does not explore the capacity issues that may be challenges to the taking forward of such an approach nor the role of animation and facilitation in supporting such a vision.
3. The study advocates for support for the self-employed and small businesses, especially those engaged in e-commerce. It references a number of innovative approaches to other recommendations, for example the establishment of a "food hub" and the transfer of public land to community use.

## **Appendices**

### **The Llandovery Deep Place Study: A Pathway for Future Generations**

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