

Place-based governance to deliver a well-being economy in Wales

Caitlin Hafferty, Charlotte Boddy, Mark Hirons,
John Lynch, and Rosie Gearey

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The potential of place-based working

Across the UK and internationally, sustainability transitions are increasingly pursued through regional, place-based governance, with regions positioned as key arenas for implementing national and international sustainability objectives.

For Wales, place-based working provides a practical mechanism for integrating environmental, social, and economic priorities through existing statutory and operational frameworks. In particular, it offers opportunities to strengthen delivery through Area Statements, partnership working, and integrated evidence-led planning.

Place-based working aligns policy and investment around the needs, assets, and relationships of specific places – spanning rural, urban, and peri-urban areas. It treats land, food, biodiversity, economy, health, and community well-being as interdependent systems rather than isolated sectors. The potential of place-based governance can be unlocked to support a thriving well-being economy through:

- Enabling collaborative transformation and embedding integrated governance through Wales's existing statutory architecture
- Responsibly mobilizing private finance
- Reforming appraisal to build on successes and learn from past programmes

As a result, place-based governance could play a central role in translating statutory ambition into everyday socioenvironmental transformation, providing:

- Integration across housing, transport, food, land, climate and economic policy
- Coordination between public bodies, communities, the third sector and businesses
- Long-term systemic prevention rather than fragmented short-term fixes
- Adaptive learning and experimentation, with system-wide learning

Wales has the tools – but they are under-utilised

Wales already has statutory mechanisms designed for relational, integrated governance, that could be better utilised to unlock the potential of place-based working:

- Area Statements (under the Environment Act)
- Public Services Boards (PSBs)
- Corporate Joint Committees (CJCs)
- A place-led planning system (Future Wales, SDPs, LDPs)
- Experimental scheme powers under Section 23 of the Environment Act

Among these, Area Statements provide a particularly important mechanism for coordinating evidence, convening partnerships, and supporting integrated local delivery across sectors and scales. They provide an existing foundation for linking environmental priorities with wider well-being, planning, and investment objectives in specific places.

Transformative change does not only, or even necessarily, require new institutions – it depends on enabling experimentation, relational work, adaptive governance and learning within existing organisations. However, national reviews – including the State of Natural Resources (SoNaRR) report and Audit Wales – show uneven implementation, weak integration with investment decisions, and continued reliance on overly narrow appraisal tools. The aspiration-implementation gap can be addressed by a concerted effort to activate and strengthen existing institutional mechanisms, particularly Area Statements and associated partnership structures. It will not be overcome by adding on new layers of legislative authority or simply testing older ways of working at different scales.

Recommendations to support place-based working

1. Enable further experimentation and collaborative transformation

- Recognise that place-based experimentation is already happening in various forms
- Legitimate and resource community-led, locally rooted innovation practices
- Protect space for adaptive governance within public institutions
- Expand existing experimental scheme powers
- Support cross-sector networks for learning and adaptation

Place-based experimentation is already happening in various forms: there is already a solid foundation on which further place-based working can consolidate. Area Statements and associated partnerships can provide an important platform for coordinating, learning from, and scaling these initiatives.

2. Activate Wales's existing statutory architecture

- Refresh Area Statements as live delivery frameworks
- Strengthen Public Service Board leadership and analytical capacity
- Link Area Statements directly to planning and investment decisions

Wales has some of the most far-reaching and ambitious statutory frameworks in the world: now it is time for them to be more fully put into action to realise their promise.

In practice, this means strengthening the role of Area Statements as active delivery and coordination mechanisms rather than static reporting exercises, including clearer links to investment, planning, evidence, and partnership delivery processes. Institutional structures that could already facilitate this are already in place: the Public Service Boards established through the Well-being of Future Generations (Wales) Act 2015 are already tasked with holistic 'well-being assessment' and setting local objectives to improve this, and partnership with relevant Assembly Sponsored Public Bodies, such as Natural Resources Wales and Public Health Wales can provide further expertise. Corporate Joint Committees established through the Local Government and Elections (Wales) Act 2021 are well-placed to support joined-up planning and investment attuned to local needs.

3. Embed integrated land-use and food system governance

- Align the Sustainable Farming Scheme, planning, and Area Statements
- Support farmer-led, landscape-scale models
- Pilot locally co-designed, outcome-based delivery

Over 90% of Wales' land is farmed. Agricultural decisions simultaneously affect biodiversity, water quality, climate resilience, rural livelihoods, and local economies.



Evidence from farmer-led initiatives in Wales, England, and Ireland shows that landscape-scale collaboration improves ecological outcomes, strengthens participation and trust, and can align farm viability with nature recovery. Area Statements could help support coordination between farming, biodiversity, planning, and catchment priorities at landscape scale.

4. Make community wealth building a core economic strategy

- Legislate for a Welsh Community Wealth Building framework
- Reform procurement and asset transfer
- Provide long-term funding for place-based partnerships

Doughnut Economics offers a practical organising framework for place-based working: operating within a ‘safe and just space’ between social foundations (health, housing, livelihoods) and ecological ceilings (climate, biodiversity, land, water). This also aligns closely with Wales’ legislative architecture and emphasis on prevention and long-term well-being.

5. Responsibly mobilise private finance

- Embed community leadership and benefit sharing
- Align investment with well-being plans
- Prevent short-term, extractive, and reductive financing

Private investment can support place-based delivery – but only within strong public-interest frameworks providing clear standards and enabling community leadership over short-term extraction and weak accountability. Area Statements and local partnership structures could help provide clearer place-based priorities and coordination for investment decisions.

6. Reform appraisal and learning systems

- Pilot place-based portfolio business cases
- Ring-fence budgets for evaluation and build capacity across government
- Require annual reporting on prevention and place

Current appraisal systems struggle to capture long term, preventative and cross-sector value. The Green Book Review (2025), Audit Wales, and the Future Generations Commissioner all call for reform here. Appraisal should support learning-oriented governance and experimentation rather than narrow compliance.

Reformed appraisal and learning could include: portfolio-style business cases that bundle housing, transport, flood management, and nature-based solutions; reduced reliance on headline Benefit-Cost Ratios; ring-fencing 1–3% of programme budgets for monitoring and adaptive learning; publishing ex-ante and ex-post evaluations; and annual reporting on prevention and place-based outcomes. Area Statements could provide an existing structure for organising and evidencing these integrated outcomes at place level.

The Vibrant Vyrnwy project (Source: authors’ own with permission)



UK and international relevance

Wales provides a live example of how statutory systems can operationalise progress towards transformative change by supporting local leadership and aligning nature recovery, food systems, economic reform, and social justice through place-based governance. In light of the IPBES Transformative Change Assessment (2024) and Business and Biodiversity Assessment (2026), Wales demonstrates how systemic ambition can be translated into grounded, experimental, landscape- and city-scale delivery. Transformative change does not necessarily begin with new legislation, but also by activating and strengthening the mechanisms that already exist in local places.

About this brief

This policy brief is aimed at policymakers, political advisers, public bodies, and stakeholders across the public, private, and third sectors seeking evidence-based ways to deliver integrated environmental, social, and economic outcomes in place. While focused on Wales, the report highlights ‘lessons learned’ relevant across the UK and beyond.

The brief distils findings from a longer Agile Initiative research report: How can place-based working contribute to a well-being economy and environmental goals in Wales? This summary focuses on actionable policy implications.

The report has been developed as part of an Agile Initiative Sprint (June 2025-July 2026), ‘How can we deliver effective, equitable and place-based environmental governance’, led by researchers at the University of Oxford and Scotland’s Rural College. Invaluable input and feedback came from project partners working in Welsh Government, but the final report has been prepared by academic researchers in an independent capacity, and any views expressed are those of the authors alone, and any errors or omissions the sole responsibility of the authors. The authors do not represent any political party, and the views expressed here do not necessarily reflect those of any political organisation.

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agile@oxfordmartin.ox.ac.uk
caitlin.hafferty@ouce.ox.ac.uk



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