

Making growth count? Economic development in Powys

Powys County Council

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Audit snapshot

What we looked at

- 1 We looked at Powys County Council's (the Council) approach to economic development. This included the Council's emerging economic strategy which it was consulting on during the audit.
- 2 In reviewing the Council's approach, we took account of how it manages some economic projects. But this audit is not a comprehensive review of those individual projects.
- 3 We sought to answer the overall question: Does the Council have an effective approach to creating a prosperous and vibrant economy?

Why this is important

- 4 The Council does not have a statutory responsibility to deliver economic development and growth. A strong economy, however, supports jobs, skills, and communities. The Council plays an important role in shaping local places. It also works as part of regional approaches, for example, Growing Mid Wales and the Marches Forward Partnership. Those partnerships focus on attracting investment and creating the conditions to support economic development and growth.
- 5 The Council faces economic challenges including an increasingly ageing population. The Council views economic development as an important area to deliver the objectives in its 'Stronger, Fairer, Greener' Corporate and Strategic Equality Plan.
- 6 It is important to understand how effectively the Council plans, delivers and evaluates the impact of its economic development approach. This helps the Council maximise benefits for communities and achieve sustainable long-term outcomes.

- 7 It is also important that the Council understands the potential risks and consequences of not effectively delivering against its ambitions.

What we have found

- 8 The Council has a strong understanding of the economic challenges facing the county. It has developed a strategy to address those. That strategy includes an ambitious vision for the future of Powys' economy. The Council recognises the need to move to a more proactive and strategic approach.
- 9 The Council was developing its approach at the time of our review. Because of this, it had not yet agreed how it would strategically oversee delivery. Its measures to monitor the success of its new approach are not sufficiently specific and meaningful.
- 10 The Council sought to engage local communities and regional partners in the development of its strategy. But the Council's public consultation had a very low response.
- 11 The Council has yet to assess the potential impact of not effectively delivering against its ambitions.

What we recommend

- 12 We have made three recommendations. These relate to how the Council will measure the success of its economic strategy through:
- developing more specific success measures;
 - developing clear arrangements to oversee the strategy's implementation; and
 - managing risks.

Key facts and figures

The Council has developed a new economic development strategy in early 2026. The Council has named this the GROW strategy:

- **G**rowth in key sectors of our economy
- **R**esilience and adaptability of our environment
- **O**pportunities for investment and innovation
- **W**ellbeing through improved pay and learning

The strategy focuses on seven priority growth sectors. It includes a mix of:

- large strategic projects such as CymruTech Park and the Global Centre for Rail Excellence; and
- smaller, local projects, such as the Market Hall in Brecon, and affordable housing developments.

The Council has identified 12 success measures to track progress. These include:

- Average pay and productivity increase
- New start-ups
- CO₂ reduction
- Higher skill levels
- Improved river quality
- Food resilience

Our findings

Strategic vision

The Council's strategic vision is underpinned by a good understanding of Powys' economic challenges

13 Overall, we found that the Council has a good understanding of the economic challenges facing Powys. Those challenges include:

- the geography and rurality of Powys;
- high fuel poverty levels;
- gaps in the Mid-Wales labour market; and
- an ageing population.

14 The Council has developed a clear and ambitious economic vision for Powys. The vision reflects the county's size and economic challenges. The Council's approach clearly focuses on creating a more prosperous, sustainable and inclusive county. The Council's approach is focused on:

- improving pay;
- strengthening skills;
- supporting thriving communities; and
- increasing environmental resilience.

The Council's vision is important to provide clarity to residents, other partners and businesses about the Council's future actions to develop the local economy.

- 15 At the time of our work, the Council was consulting on its new economic development strategy. The Council's high-level vision is clearly set out in this strategy. It includes a strong, place-based narrative to support long-term economic development. It also aligns with national and regional priorities. This strategy marks a shift away from the Council's previous approach to a longer-term, more proactive way of working.
- 16 To deliver its vision, the Council is focusing on seven key areas of growth. These are:
- Advanced manufacturing and engineering;
 - Energy;
 - Agriculture, horticulture and other environment-based economy;
 - Defence, artificial intelligence and cyber;
 - Construction and retrofit;
 - Tourism and events/creative industries; and
 - Foundational economy.
- 17 The Council acknowledged opportunities to strengthen how it engaged with stakeholders when developing its new strategy. Its consultation focused on Powys residents. It focused particularly on businesses. It also undertook specific consultation with young people and town and community councils. However, the overall response levels were very low. This limits assurance that the strategy reflects a broad range of views.

Monitoring impact

The Council does not have a sharp enough focus on impact

- 18 The Council uses its business planning process to translate strategic actions into annual business plans. Those plans include the key actions, performance measures, and roles and responsibilities. This enables the Council to track progress against activity.
- 19 However, the Council's publicly reported economic development performance measures do not clearly set out impact. The data is not consistently outcome- nor impact-focused. For example, the Council reports on the 'number of businesses supported to expand and grow'. In quarter three of 2025-26, the Council supported 276 businesses against a target of 10. But this reporting does not show the extent to which those businesses expanded or grew. The Council therefore is not publicly showing the full impact of its activity.
- 20 The Council has not fully developed success measures to monitor its strategic outcomes under its new approach. It has not clearly defined its measures in a time-bound or measurable way. Some success measures sit outside the Council's direct control, for example, 'average pay increase' and 'RD&I spend'. The Council has also not precisely defined other success measures, for example, 'food resilience'. Without clearly defining what success looks like and how it contributes to that success, the Council is not well placed to understand and demonstrate impact.

Governance

The Council has yet to develop a strategic approach to overseeing progress

- 21 The Council has not set out how it will oversee delivery of its approach at a strategic level. The Council has arrangements to ensure strategic oversight for other priorities, such as education. But it has yet to put similar arrangements in place for economic development. The Council's strategy includes a range of projects of different scales. Projects range from strategic developments, supporting a large number of jobs, to smaller projects in local communities. This range requires a clear approach to monitoring overall progress. This is important to understand whether the Council is achieving its strategic vision.
- 22 The Council has not formally assessed the potential impact of failing to deliver its economic development strategy. In 2025, we reported on the Council's corporate risk management arrangements.¹ We noted then that the Council's "risk descriptions do not consistently set out the potential impact on the Council's strategic objectives". The Council's risk registers do not set out risks related to the delivery of its economic development strategy. This may limit the Council's ability to develop relevant control actions to reduce the likelihood or impact of that risk.

¹ Audit Wales, [Powys County Council – Review of corporate risk management arrangements](#), October 2025

Recommendations

R1 Outcomes and impact

To show the progress and impact of its economic development approach, the Council should refine its outcome measures (**paragraphs 19 and 20**).

This should include:

- measurable indicators for each outcome; and
- baseline data and realistic targets to show progress.

R2 Governance and oversight

The Council should develop its arrangements to ensure strategic oversight of the implementation of its strategy (**paragraph 21**).

This should:

- enable the Council to monitor how individual projects contribute to strategic objectives and outcomes; and
- provide a structured approach to reviewing progress.

R3 Managing risks

The Council should assess the potential impact of not achieving its intended outcomes and set out relevant control actions (**paragraph 22**).

Appendices

1 About our work

Scope of the audit

This audit examined the arrangements to deliver economic development and growth. It examined how the Council plans, delivers and monitors these arrangements. The scope of the review included the Council's business planning processes. The audit did not assess the effectiveness of individual projects but focused on the Council's strategic actions.

Audit questions and criteria

Questions

The audit sought to answer the following questions:

- Does the Council have a clear, strategic approach to deliver economic development and growth?
- Has the Council involved partners and local communities in the development of its approach?
- Does the Council have effective arrangements in place to support the delivery of economic development activity?
- Does the Council have effective monitoring and review processes, to ensure the business plan delivers its intended outcomes?

Criteria

Our audit criteria set out what good looks like. The criteria have been informed by the principles set out in the Well-Being of Future Generations (Wales) Act 2015.

Methods

This audit used the following methods:

- reviewing documents;
- interviewing relevant officers and councillors; and
- engagement with local and regional partners.

2 Key terms in this report

Term	Description
Sustainable development principle	Acting in a manner ‘which seeks to ensure that the needs of the present are met without compromising the ability of future generations to meet their own needs’.
Economic development	Actions to improve economic wellbeing, including jobs, income, skills, and quality of life.
Economic Development Strategy (GROW strategy)	The Council’s long-term plan to grow the economy, improve pay, and support communities.
CymruTech Park	A £67 million capital project which aims to be a central hub for innovation, skills development, and industry support.
Global Centre for Rail Excellence (GCRE)	A purpose-built facility designed to provide world-class research, testing, and certification for rolling stock, rail infrastructure, and emerging rail technologies.
Priority growth sectors	Key parts of the economy the Council targets to support growth and investment.
Place-based approach	An approach that focuses on the needs and strengths of specific places or communities.
Governance arrangements	How the Council is directed and controlled, including roles, responsibilities, and accountability.
Accountability	Clear responsibility for delivering actions and achieving expected results.

Term	Description
Outcome	The measurable change a policy or activity aims to achieve.
Impact	The overall effect of actions on people, communities, or the environment.
Output	What the Council delivers, such as services, projects, or support provided.
Performance measure	A way of tracking progress, including activity, outputs, or outcomes.
Success measure	An indicator used to assess whether a strategy or project is achieving its intended results.
Baseline data	The starting position used to measure change over time.
Target	The level of improvement the Council aims to achieve within a set timeframe.
Risk (strategic risk)	Something that could prevent the Council from achieving its objectives.
Risk register	A record of risks, including their impact and how they will be managed.
Control actions	Actions taken to reduce the likelihood or impact of a risk.
Regional partnerships (eg Growing Mid Wales)	Organisations working across different council areas to attract investment and support economic growth.

Term	Description
Foundational economy	Everyday services people rely on, such as food, housing, utilities, and care.
RD&I (Research, Development and Innovation)	Investment in creating new ideas, technologies, or ways of working.
Fuel poverty	When households cannot afford to keep their homes adequately warm.

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