

Welsh Government draft budget 2023-24

Engagement findings

June 2022

As part of the Finance Committee's annual scrutiny of the Welsh Government's draft budget, the Citizen Engagement Team proposed a series of focus groups to gather the views of the people of Wales on where Welsh Government should prioritise spending for the next financial year.

1. Summary of findings

The headline points within this report are as follows:

1. **9 focus groups** were held with **43 participants** covering **16 local authorities** across Wales.
2. **Education** and **children and young people** were prioritised most frequently by participants in the focus groups, closely followed by **Health and Social care**.
3. **Climate change** and **Agriculture** were also identified by most of the groups as priorities for funding.
4. When discussing areas that could receive a cut in funding, participants prioritised **international relations** and the **Welsh language** in the majority of cases.
5. Others preferred to see more efficiency in the way funding was spent, rather than identify any areas in particular to receive a reduction.



6. Participants were mainly in favour of **increasing spending**, although a number of groups argued for **maintaining or decreasing**.
7. Views on using **taxation or borrowing** differed, with arguments made for and against both. However, the majority of participants only wanted to see increased income tax for those who can afford it.
8. In monitoring any attitude changes since last year's study, participants appear to be consistent in the areas they would like to see prioritised for funding, with **Education, Health and Social care** and **Climate change** identified as priorities last year too.
9. Similarly, **International relations** and **Welsh language** were also identified last year as areas to receive less funding.
10. In comparing attitudes towards spending, participants last year all shared the opinion that funding should be maintained or increased but they didn't always agree with borrowing or taxing to achieve this.
11. **Improving homes** and **connecting people** were felt to be the most important of the Future Generations schemes, followed by **investing in Welsh energy and food production capacity**.
12. Innovative funding to deal with future challenges included ideas on a **universal basic income**, a **Welsh lottery**, and maximising the use of **hydro-power**.
13. Some participants identified **children and young people, disabled people, the homeless** and **older people** as prioritised groups to receive funding. However, the majority felt that funding should be driven by **need**, rather than categorising people in this way.
14. Sector specific challenges were discussed in each focus group and covered a range of issues from staff retention and recruitment in the **health and social care** sectors to consistency of funding for the **third sector**.

2. Engagement

Methodology

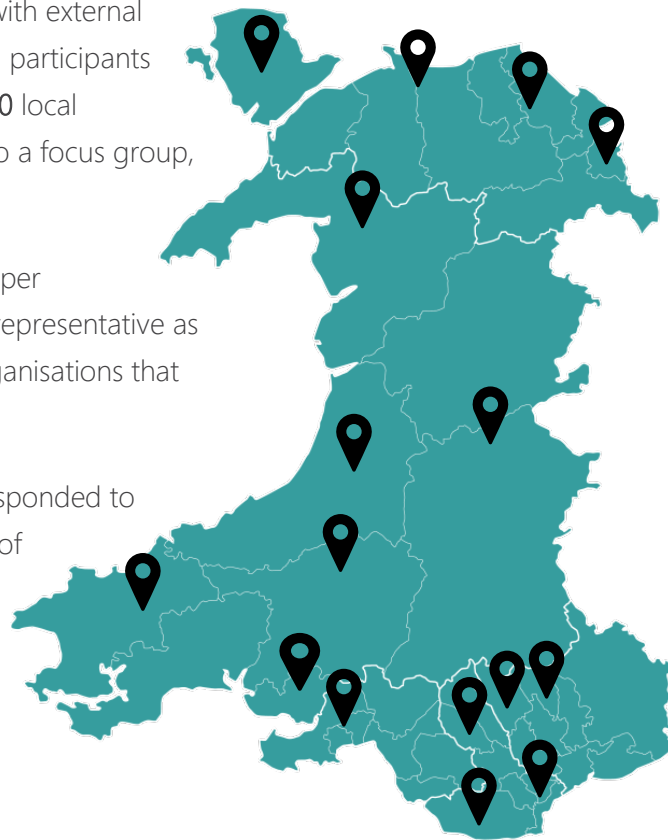
15. The Citizen Engagement Team held 9 focus groups during June 2022 with 43 participants. 2 participants also provided comments by email as they were unable to attend in person. The aim of the engagement was to gain qualitative information about the experiences of participants and deepen the Committee's understanding of the issues affecting the people of Wales.
16. The aim is to continue undertaking focus groups throughout the course of this Senedd to form a longitudinal study to allow the Committee to monitor perspectives and attitudes over time.
17. Participants were asked similar questions to those posed last year, with a few additions to reflect current challenges. The questions posed at each focus group were based on the overarching question: *What do you want the Welsh Government to focus spending on?* Appendix 2 outlines the detailed questions participants were asked.
18. This engagement report outlines the key findings which arose during the focus groups that may be of relevance to the Committee's work. Themes are highlighted throughout while structured around the key areas of questioning.
19. Themes within this note have been selected on the basis that they were recurring or prominent in discussions, thus enabling an insight into the participant's lived experiences. Where it's possible and appropriate, anonymised quotes have been selected to add context.
20. This approach is intended to complement cross-committee engagement and enable Members to hear first-hand from the citizens of Wales.

Participants

21. Participants were sourced through similar partner organisations to last year to cover the same demographics, and focus groups were organised to focus on particular policy areas.
22. The Citizen Engagement Team would like to thank all those who contributed to the programme of engagement.

Data collection

23. In order to ensure the demographic was as representative as possible of the Welsh population, a pre-screening survey was implemented. Working with external organisations to communicate the opportunity, **115** participants completed the pre-screening survey from across **20** local authority areas. **64** participants were then invited to a focus group, with **43** accepting the invitation.
24. Some participants were identified through gatekeeper organisations. This was to ensure this sample was representative as well as diverse. Appendix 1 includes a full list of organisations that supported the engagement approach.
25. Participants who were selected to take part and responded to the invitation represented **16** local authority areas, of which markers of their rough locations can be seen on the map. Just under half were from rural areas and the rest were made up almost equally from both suburban and urban areas.
26. Participants came from all Senedd regions.
27. The format of engagement was largely comparable across the focus groups, but varied slightly to respond to the views, experiences and ideas shared by contributors.



3. Engagement findings: In which areas should Welsh Government prioritise funding in the next financial year?

28. Participants were asked to identify up to 3 areas they would like to see Welsh Government prioritise funding in the next financial year.

Education and Children and young people

29. One of the main areas prioritised by participants was **Education**, closely followed by **Children and young people**.
30. Participants felt an investment in education was important to secure the future of our young people and to support them with challenges later in life. One participant also felt there was a big difference in how schools were operating and more funding could help level the playing field.
31. Suggestions were also made to increase apprenticeship opportunities, particularly in the agricultural sector.

"Education is desperately important because you can't move forward into the future without serious investment in education and equipping people to deal with the problems related to life." **Member of the farming community**

"Unless we can support and develop and better educate younger people now, history will continue to repeat itself into the future in terms of some of the social challenges that we face." **Member of the voluntary sector**

"Children are our future. With insufficient support a deprived childhood often leads to problems in later years and children can drift onto a wrong path if they fail to find employment due to leaving school with few or no qualifications." **Member of the voluntary sector**

32. Participants who attended with a background in education voiced concerns about the way education is funded and the discrepancies between schools in wealthy areas and those in more deprived areas.

"The decrease in income that we're getting is frankly unbelievable. We get less than half the amount per pupil than they do in England, which concerns me greatly." **Governor**

33. A number of participants raised the issue of childcare and the challenges many parents and carers faced to find affordable childcare to sustain their careers.

"Childcare issues are problematic – I might have to give up my job as it's just not affordable for me."

Member of the culture sector

"I had to move my child's schools for after-school club – childcare is an issue and Welsh Government need to prioritize this." **Member of the culture sector**

Health and social care

34. **Health and social care** was prioritised by the majority of the groups, with a focus on reviewing the way both sectors are currently funded and operated and suggestions to consider merging the two.

"It is time someone put health and social care together, they are inextricably linked and nobody seems to realise this. They need restructuring completely rather than throwing more money at them." **Older person**

"There needs to be a realignment of funding in health and social care – there needs to be more of a focus on social care for sure." **Health practitioner**

35. Participants were particularly concerned about the backlog of operations, queues outside hospitals and lack of available ambulances.

"I think it's a very short-term fix to be closing all our ambulance stations...I think this centralisation in the rural areas has not been thought out sufficiently." **Member of the business community**

36. A number of participants based in north Wales talked about Betsi Cadwalader health board in particular and the concerns they have of how services are operating at the moment.

"I've got friends who work for the health board (Betsi Cadwalader) both as consultants and as managers, and every one of them says it's just too big. It's not manageable and as a result, it's not surprising that that we're getting it so very, very wrong." **Governor**

37. In a number of the sessions, the need to consider efficiency of funding was stressed, rather than merely increasing funding. Participants generally felt that the current challenges in health and social care could not just be addressed with additional funds, but more thought on how the health boards were operating.

Climate change

38. Climate change was felt to be particularly important amongst the participants for our future, both from a local point of view (in terms of weather and flooding) and a bigger picture, such as cutting back on plastics and contributing to a worldwide effort.
39. A number of participants voiced a desire to see Wales leading the way in a number of climate change initiatives such as wind power and tidal energy.

"I think there is a huge opportunity for Wales to take a leading position in energy and renewables."

Governor

Agriculture

40. In prioritising agriculture, many participants talked about food production and becoming more self-sufficient in the uncertainty of the post-Brexit world, along with considering how we use our land for environmental purposes.
41. A suggestions was also made about the opportunity provided by the carbon stores available in our soil.

"We are collectively sitting on the biggest carbon store available, which is the carbon in our soils and it is very important that policy directions help us, and if appropriate, reward us for maintaining, and if possible, increasing those carbon stores." **Member of the farming community**

42. Participants were also asked to identify up to 3 areas that could receive a decrease in funding. Almost all groups found this a more difficult exercise and some said they were reluctant to choose any from the list. However, the following areas were the most commonly chosen:

International relations

43. International relations was identified by the majority of the groups with a feeling that as this isn't devolved, responsibility should be left to the UK government. Participants felt that Wales isn't involved in the sort of overseas programmes the UK government is involved in and that there was no need for duplication of action already covered by elected UK ministers.
44. Other participants weren't clear on what international relations covered and how funding in this area was spent. Some wondered about travel costs and whether any international relation that is separate from the UK is needed at this stage.

"I think that international relations clearly is not within the main remit of the Welsh Government. I understand we have rules in Africa, but I think international relationships really should be left primarily to the UK Government." **Member of the business community**

"I appreciate there are some big companies that come and invest in Wales, but I think they'll do that if we get our economy message right anyway, and therefore actually to put additional funding into telling the world about Wales right now probably isn't priority." **Governor**

"International relations – without the devolved powers then quite frankly what's the point of spending much money in this area?" **Health practitioner**

Welsh language

45. Welsh language was another area chosen by the majority of participants with many feeling that, although it is an important part of Welsh identity and culture, much has already been achieved to promote the language and savings could now be made. Some participants suggested this could be a short-term solution to address challenges they felt were more urgent in the current climate.

"I'm certainly not opposed to the Welsh language. I think it's a really important part of our identity, but I think there are sharks closer to the boat. I think there are things that are more significantly concerning to us as a nation right now." **Member of the voluntary sector**

"There has been a lot of money spent on Welsh language signage, courses etc – I think we might be at a stage where there is a lot of this embedded now and maybe time for a rethink." **Health practitioner**

46. Others felt that the way money was spent on the language could be more effective. For example, some participants felt there was too much focus on producing everything bilingually which, if relaxed, could also have positive environmental impacts as well as reduce the pressure on funding needs.

"The cost of producing everything bilingually needs to be looked at – I think it's an unnecessary cost."
Health practitioner

"The way Welsh is taught is really not very effective. So the money isn't being effectively spent and I think that's the critical issue. Learning Welsh needs to be more fun and less arduous." **Lifelong learner**

Efficiency of spending

47. A number of participants voiced concerns over cutting certain areas of funding over others and wanted to see a different approach. One suggestion was a residual decrease across the board to those areas not prioritised in the first question, rather than target anything in particular for a specific decrease.

"We should be prioritising those in need, rather than finding things to cut, both in the amount and the pattern." **Older person**

48. There was also agreement that more efficiency was needed rather than necessarily decreasing funding in particular areas, with examples given of where money was felt to have been wasted.
49. Local government was used as an example by a number of groups where they would like to see more transparency and more effective spending.

"Rather than say, I think we should cut spending in any of these areas, which all deserve to be resourced fully, I would say we need to look at how the money is spent and has it achieved what we thought it would achieve. And if it didn't, is throwing more money at it going to achieve it or do we need to look at doing something very different?" **Member of the farming community**

"We're not getting better service (from local authorities). We are spending an awful lot more money on more individuals and a lot more bureaucracy. So I think there are a lot of areas where we could actually look at the efficiencies realistically and save money without having to then pick out individual ones that we would like to spend less money on." **Governor**

"I think we're a small population, just going over the 3 million and we're the size of Birmingham. And when I look at 22 local authorities, 22 chief executives, 22 of everything, it is almost farcical that we need to have a local authority for what 150,000 people?" **Member of the voluntary sector**

"I don't think there's enough control on how local government spends its money and in which direction." **Member of the voluntary sector**

50. Others raised the current decisions about more Senedd members and questioned whether this was both the right time to be using the budget in this way, and a good use of the budget at all.

"I think there's got to be some savings made in the local government structure. I don't agree with the increase of the Senedd Members, I don't go along with their argument that increasing the number of members is going to increase their efficiency". **Member of the business community**

4. Engagement findings: Should Welsh Government use its taxation and/or borrowing powers to increase, decrease or maintain overall funding?

51. Firstly, participants were asked if they were aware of how the Welsh Government budget was funded, and were provided with a breakdown of the amounts raised by certain taxes. All participants had some awareness in terms of devolution, but not of the specific amounts and the specific taxes involved.
52. Participants were then asked to comment on whether an increase, decrease or maintenance of spending was preferable, and whether amounts of taxation or borrowing should be changed in order to achieve this. Groups seemed to be split on this issue with some feeling strongly about increasing and others for maintaining or decreasing.

Increase

53. Those who felt that funding should be increased explained that in order to achieve all that had been discussed in question 1, an increase was likely to be needed.
54. Many participants felt that the cost of living crisis and the impact of the pandemic meant that the government might have to do things in the short term in order to support those particularly in need.

"I think in a world where inflation is going to be running at 10% shortly, to say that we should decrease spending is going to damage public services terribly. So I think the reality of the situation is that we need to increase spending." **Member of the farming community**

"I do think the Welsh government will have to increase its spending – if it wants to maintain or increase services." **Health practitioner**

"There's going to be a real need in the next 12 months for supporting the majority of Wales in coming through the cost of living crisis." **Governor**

Maintain or decrease

55. Some participants felt that maintaining the current level of spending would be sufficient as long as there was increased scrutiny in how money was being spent.

56. A small number of participants felt that decreasing spending was preferable at the moment and could be achieved by more effective spending.

"We spend a very high percentage of our GDP, the highest of the four nations, on government and that that should be reduced in order to generate a healthier and more diverse economy." **Member of the voluntary sector**

"I think there needs to be more of a plan in place as to the direction that we're going and how we're going to get there before they start spending and wasting money." **Governor**

Taxation and borrowing

57. Views on taxation also differed, although all were against increasing income tax for those who were struggling financially already and felt that any increase in taxes should be directed at those with higher incomes or large businesses.

58. In terms of borrowing, some participants felt this was not feasible with interest rates rising and that it could burden future generations. However, others felt if done responsibly, borrowing was a good way of accessing more funding for the areas identified in question 1.

"I wouldn't want to increase borrowing because that costs more to pay back, so we're just digging ourselves into a hole. But I think increasing taxes that are based on income so that the more wealthy people pay, I think that's the fairest way to do it." **Lifelong learner**

"I would not want to increase business rates. As I've said before, because businesses, small businesses especially, are struggling and most of the businesses in Wales are actually small businesses." **Lifelong learner**

"I appreciate interest rates are going up so that's not helpful, but I think if it's managed well and provided the spending is put in the right place that it invests in growth and sustainability in the future, repaying a loan later is going to be affordable and manageable." **Governor**

"It's such a difficult one – and the cost of living crisis has meant that any kind of mention of raising taxes is going to freak people out. I think we have to increase spending and I think in the short term, with everything going on that the only way to do it is to increase borrowing." **Member of the culture sector**

5. Engagement findings: Should the aims outlined by the Commissioner for the Future Generations be priorities?

59. Participants were asked about the following schemes and whether they felt these were important to focus on at the moment.

Improving homes across Wales - including decarbonisation of homes, building new low carbon affordable housing and a national programme to improve the energy efficiency of existing homes

60. Participants in the majority of the groups said this scheme was very important with the need to increase the amount of homes being built at affordable prices. There was also a focus on the importance for energy efficient homes in light of the current cost of living crisis.

61. A number of participants also talked about the accessibility of schemes to support energy efficient homes and that more needed to be done to bring Wales in line with what was on offer in England.

"People want to buy houses in their areas – the big thing is having affordable housing and there should be focus on scheme 1 when it comes to new builds." Member of the culture sector

"It's really important that people have houses that they can afford to live in. Long term, it is very important that we have homes that are not chugging out lots of carbon into the atmosphere." Member of the farming community

"Improving energy efficiency is important – we took a loan to get double glazing in because some of the schemes are so hard to get." Member of the culture sector

Connecting and moving people - including improving digital connectivity, active travel (non-motorised ways of traveling for example on a bicycle) and public transport

62. This scheme was felt to be very important by the majority of participants with particular comments around improving connections between north and south Wales. One participant in Pembrokeshire also wanted to see better connectivity and felt that expanding the type of roads from being A roads to M roads would be important as well as exploring alternative ways of travelling.

63. Digital connectivity was also felt to be very important and the need for improvement with some areas still in a 'digital black hole a lot of the time' especially in north Wales. It was also felt that a

lot of money had been spent on improving broadband but very few of the houses had good connectivity. There was therefore a need to ensure the contract with providers was delivering what was required.

"They have spent an awful lot of money on that (improving connectivity) and for rural areas, it hasn't worked in a lot of cases." **Member of the farming community**

"Connecting people is really important – people could engage far more during the pandemic because of online work. I do think investment in these areas is key though as some areas of Wales are still lagging behind." **Member of the culture sector**

64. A number of participants talked about improving public transport, especially in rural areas, as the current challenges meant people were unlikely to give up using cars.

"You'll have to subsidise public transport in rural areas if you want people not to use cars. If we catch a bus here in September to Aberystwyth, we don't get one home until next March." **Member of the farming community**

"I think the first focus should be on improving digital connectivity, active travel and public transport around Wales. Wales is very poorly serviced if you like. Working transport systems and good digital connectivity are important in these troubled times." **Member of the business community**

Investing in the creation of new greener jobs

65. Investing in the creation of new, greener jobs was very important to a number of participants who highlighted the opportunity to invest more in developing wind power and tidal lagoons which could create highly skilled jobs to support the economy and spending locally.
66. Some participants felt this could be achieved by focusing on some of the other schemes though and didn't think this necessarily needed to be a stand-alone project.

Investing in nature - including prioritising funding and support for large-scale habitat and wildlife restoration; supporting natural flood defences; implementing the new national forest; and improving local food chains and distribution

67. There was a mixed response to this scheme and some felt that a number of the elements listed above should have their own programme or focus.

68. The majority of participants felt that investing in nature was very important with particular comments on protecting our wildlife and our wild nature, which could also affect tourism. Participants also felt that improving our natural flood defences should be priority.
69. However, investing in nature was not felt to be very important by one participant who argued that it does not need government financial support, but rather it should be a responsibility for everyone, and tied in with other policies to ensure it is sustainable. Another group felt strongly that more detail was needed and that it couldn't just mean planting more trees to offset the number of flights.

Supporting businesses that will help Wales to lead the low carbon revolution

70. Participants were generally supportive of this scheme but some participants expressed the view that it needed to be done in the right way. For example, one participant felt that investing in all electric cars wasn't a sensible solution so the strategy needs to be right.
71. One participant was hesitant to endorse supporting this scheme as he felt that governments shouldn't be directly involved in business. However, he was supportive of government enabling tidal energy development, and supporting the redevelopment of sites such as Bridgend where there was already engineering expertise in a transition to manufacture and maintenance of hardware for renewable energy.

Investing in Welsh energy production capacity to reduce reliance on imports

72. The majority of groups discussed this scheme and prioritised as very important. Most participants felt there was a lot of opportunity in Wales to do this with the two hydroelectric plants in north Wales and with wind and tidal power.
73. One participant expressed that we needed to ensure that schemes were focused on green energy production.

"There's a whole market of solar panels and wind farms going on in Wales and we need to be signing about that, investing more in it and making us the nation that takes the world forward." **Governor**

"If we want to support the energy production in Wales, we need to do it by harnessing water and wind. We have plenty of that." **Member of the farming community**

"I think there is a huge amount of potential and latent energy that could be used for renewable energy in Wales and the river systems. The small streams, mountain streams, and the energy schemes that have

been tried in North Wales and work well could be increased so that wealth could become entirely reliant on renewable energy." Self-employed participant

Investing in Welsh food production capacity to reduce reliance on imports

74. This scheme was noted by the majority of participants as very important, especially in light of Brexit, the cost of living crisis and the recent coverage of reported shortages as a result of the conflict in Ukraine.

75. Participants felt that becoming more self-sufficient as a nation should therefore be a priority for Wales.

"Investing in Welsh food production will become more important and you know, it seems ridiculous that we import things and have to travel miles by flying it in when we could be producing the food ourselves."

Member of the business community

"Brexit is in the back of my mind the whole time and making us more independent and not having to rely so much on imports."

Member of the voluntary sector

"Investing in Welsh food production capacity to reduce reliance on imports has moved rapidly up the agenda because of the international friction being caused in the Ukraine."

Member of the farming community

6. Engagement findings: Innovation in funding to deal with future challenges

76. Participants were asked for ideas of how Welsh Government could be innovative in the way it funds all sectors in order to deal with future challenges, such as the cost of living crisis, supporting business recovery, transitioning to a lower carbon economy; and responding to changes post-Brexit.
77. Some groups expressed difficulty with this question and felt that more transparency was the key to assessing where our money is currently being spent and then consideration could be given to how it can be used in different ways.
78. Other groups felt that Wales had a good opportunity to be innovative compared to others in Europe and the UK as a whole due to their political stability.

Suggestions made included:

79. A universal basic income or a national guaranteed wage like in Finland, or introducing a Welsh living wage to try and reduce the reliance on public finance
 80. Put pressure on Westminster to replace the old European Community Funding
 81. A Welsh lottery system, where the money also supports local communities with things like new cycle paths, new play parks or a new support system within education
 82. Reforming the way grant funding is allocated to avoid the short-term funding cycles and time spent on grant applications
 83. Bulk buying solar so that domestic solar could be subsidised
 84. Using a similar model to the business funding strategy used during the pandemic with the need for businesses to agree to being more sustainable in the future and so less reliant on public finance
 85. A coupon system rather than money in certain sectors of industry
 86. Reconsider non-domestic rates and lengths of leases to ensure the future of the high street
 87. Maximise the use of hydro power with the potential provided by Welsh rivers flowing 24/7
 88. Educating people at an early age around budgeting, debt, cost of living, council tax
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7. Engagement findings: Should certain groups of society receive more or less funding to support a more equal society?

89. Participants were asked if Welsh Government should prioritise funding for certain groups of people in society and what the impact of that funding would be for those groups.

Children and young people

90. A number of the groups talked about prioritising children and young people including provision of care, schooling and assessments for additional learning needs and mental health.

91. There were also arguments for prioritising youth services and supporting young people up to 30 with developing skills and employment opportunities.

Disabled

92. Participants also felt that better infrastructure was needed to support disabled people in Wales.

Homeless

93. The homeless were also prioritised by a number of the groups who felt more should be done to support housing and sustain the efforts made during the pandemic.

"I still can't quite understand how we managed to get every homeless person off the street during the pandemic and now it's gone. We've kind of pushed them back on the street again. I'm amazed that we've allowed that to happen when it's clearly affordable to do it in those times." Governor

Older people

94. There were concerns that the older generation were not being given enough focus with post retirement challenges.

Those in need

95. However, a majority of participants did not want to see funding prioritised in this way and preferred to see support offered to those most in need.

96. This often meant participants prioritised more deprived families or individuals struggling with 'heating or eating', but the message was consistent that assessment should be based on need, rather than categorising groups of people.

"I feel that the world I live in should have moved on from separating people in this way, and the people they should be spending money on are the people who need financial help. I wouldn't categorise them in any other way. And I think it's a disservice actually to the nation to keep categorising people in this way."

Member of the farming community

"Every individual should be given and afforded the respect and then after that, it's a matter of need. It's not a matter of which group you happen to fall into or how you identify yourself or anything like that. It's a matter of need and to be able to identify the need, whether it's in terms of finance, whether it's in terms of mental health problems, whether it's in terms of discrimination or whatever it might be, it's actually identifying the need and having the means then to support." **Self-employed participant**

"Providing additional money for housing, homelessness, health and social care, it's all for one and it's one for all you know, I wouldn't single out any particular group as being more in need of support to have an equitable experience than any other group." **Member of the voluntary sector**

8. Engagement findings: Key challenges by sector

97. Participants were asked to comment on the key challenges they faced in their sector and how Welsh Government could support them.

Health practitioners

98. The key pressures raised were staff retention and recruitment, along with an ageing population and technological advances.

"The key pressures on health are well known – an ageing population and technical advances put up the cost – the other thing that has compounded it is the shortage of skilled people." **Health practitioner**

99. Mental health services were also a challenge with a shortage of professionals and a backlog in treatments.

Third sector

100. Consistency of funding was the biggest pressure noted by a number of participants. It was felt that the short-term cycle of funding was restricting what the sector could achieve as much of their time was spent on grant applications and having to recruit staff into fixed-term roles.

"I have to encourage and motivate my teams to still come in every day and deliver that really high quality support to the most complex of people in our society, with no real guarantee of any safety themselves of whether their jobs will still be in place after a 12 month period." **Member of the voluntary sector**

101. Participants also discussed how salaries were not supportive of attracting staff into the sector which led to a concern that in the future, the staff to deliver the work will not exist. There was also a feeling that charities had to justify salaries in a way other sectors didn't.
102. Funding in general was also a concern for this group and a feeling that charities are often expected to fill gaps that other services aren't able to provide, but without the funding to support this.

Arts and Culture

103. Key long-term pressures of the sector were varied with the group mentioning issues such as losing freelancers and more needed for skills and training schemes to promote the different routes in the arts.
104. Staff retention in general was also talked about alongside lack of Welsh Government funding increments over the years.

"There are dozens and dozens of jobs within the arts – we need to make it an attractive business to work in. I work in the sector because I love it, but I could earn more elsewhere – the cost of living will make people consider their jobs." **Member of the culture sector**

"Pressures on us as an industry have increased such as national curriculum support, but the money hasn't changed. In our industry we affect economy, skills and development, social cohesion and Welsh Government need to value that." **Member of the culture sector**

Farming

105. The relationship between input and output costs was raised and the concern about the loss of a basic farm payment without much information of what was coming instead.
106. There was concern about a lack of communication between Welsh Government and the farming communities and many farmers were struggling to understand the new policies proposed and the impact they would have on them.

"That gap is causing an awful lot of head scratching. Nobody can really make coherent plans for the future because at this moment, the future is really quite uncertain." **Member of the farming community**

"It's (farming) a long term system and we're not being given the guidance as to where we are supposed to be going." **Member of the farming community**

Education

107. For education, the lack of funding was felt to be the biggest long term pressure. This was already a pressure for the sector but there were additional considerations such as the new curriculum now too.

108. Participants wanted to see a rethink of how funding is applied, starting with criteria and whether this is around deprivation of certain children, or a separate stream that sees innovation and digital investment.

"We need to stop and rethink the wider investment programme. It might go back to actually having separate local authorities doing their own individual thing and separate education departments just adds to the cost and the inefficiency. Is there something to look at in terms of combining that and bringing efficiency to funding?" Governor

Lifelong learning

109. Participants commented that Welsh Government support for lifelong learning appeared to be minimal and limited to qualifications only. In addition, library services were also felt to have been massively reduced in quality by constant cuts, so self-directed learning was proving to be more difficult.
110. Post Covid, it was felt that on-line learning was continuing despite not being able to fulfil the same social needs as face to face opportunities.

Annex 1

The Citizen Engagement Team would like to thank the following organisations for their support with this inquiry:

Age Connect North Wales Central	National Association of Head Teachers
Arts and Business	Older People's Commission Wales
Board of Community Health Councils in Wales	Royal College of GPs
CBI	Royal College of Paediatrics and Child Health
Colegau Cymru	Race Council Cymru
Cultural Freelancers Wales	Salvation Army
Cymru Older People's Alliance	The Wallich
Farmers Union Wales	Tir Dewi
Food Centre Wales	Velindre Cancer Centre
Governors Wales	What Next Cardiff
	Welsh NHS Confederation

Annex 2

1. If you could choose up to three areas you think the Welsh Government should prioritise funding in the next financial year what areas would you choose:
 - Agriculture / Rural Affairs
 - Children and young people (including childcare, play, youth services)
 - Climate Change
 - Culture (including arts, sports and heritage)
 - Economy
 - Education
 - Health and Social Care
 - Housing/homelessness
 - International Relations
 - Local Government
 - Transport
 - Welsh Language
 -
2. Why do you think the Welsh Government should increase spending in these areas?
3. If the Welsh Government is going to increase spending in some areas, it may need to cut spending in other areas. If you had to choose, which of the following areas do you think the Welsh Government should cut spending in the next financial year? Choose up to three areas: (refer to list above)
4. Why do you think the Welsh Government should reduce spending in these areas?
5. Are you aware that the Welsh Government draft budget 2023-24 is funded by the following:
 - estimated £2.5 billion from Welsh Rates of Income Tax
 - £1 billion non-domestic rates
 - £366 million from Land Transaction Tax
 - £36 million from Landfill tax
 - and £150 million planned borrowing

which constitutes just under a fifth of total Welsh Government Funding?

- Yes
- *Yes, I am aware of tax devolution but not the amounts and/or the specific taxes devolved*
- No

6. Thinking about the Welsh Government's spending in the next financial year, do you think it should use its taxation and/or borrowing powers to increase or decrease overall funding available to spend, or maintain its current level of spending?

- Increase spending
- Decrease spending
- Maintain current level of spending

7. Ask to participants who answered "increase spending" above):

You said that the Welsh Government should increase its spending in the next financial year. Which of the following best describes how you think it should fund this increase in spending?

- *Welsh Government should increase borrowing*
- *Welsh Government should increase taxes*
- *Welsh Government should increase borrowing, and increase taxes*

8. Ask to participants who answered "decrease spending" above):

You said that the Welsh Government should decrease its spending in the next financial year. Which of the following best describes how you think it should do this?

- *Welsh Government should reduce borrowing*
- *Welsh Government should decrease taxes*
- *Welsh Government should both cut back on spending and borrowing*

9. How important do you think it is that the Welsh Government focuses spending on the following schemes:

- Improving homes across Wales - including decarbonisation of homes, building new low carbon affordable housing and a national programme to improve the energy efficiency of existing homes.
- Connecting and moving people - including improving digital connectivity, active travel (non-motorised ways of traveling for example on a bicycle) and public transport.
- Investing in the creation of new greener jobs.
- Investing in nature - including prioritising funding and support for large-scale habitat and wildlife restoration; supporting natural flood defences; implementing the new national forest; and improving local food chains and distribution.

- Supporting businesses that will help Wales to lead the low carbon revolution..
- Investing in Welsh energy production capacity to reduce reliance on imports.
- Investing in Welsh food production capacity to reduce reliance on imports

Scale of importance: Very important / Fairly important / Not very important / Not at all important / Not sure

10. How can the Welsh Government be innovative in the way it funds all sectors in order to deal with future challenges, such as:

- *the cost of living crisis,*
- *supporting business recovery,*
- *transitioning to a lower carbon economy; and*
- *responding to changes post-Brexit*

11. Thinking about the next financial year, should the Welsh Government prioritise funding for certain groups of people in society? If so which groups should be prioritised?

12. Why are these groups a priority?

13. Considering the impact of funding for these groups ...

- What would be the impact of funding or additional funding for these groups?
- What would be the impact of no further funding or a decrease in funding for these groups?

14. Policy based questions (Optional):

- What are the key long term pressures on your sector, and what support is needed to deal with those?
- How effectively does the support provided by the Welsh Government address the sector's needs?
- How might the sector be transformed compared to before Covid and what financial support will it need as a result?
- How can the Welsh Government be innovative in the way it funds your sector in order to deal with future challenges?