



The State of the State 2024: Wales

By the people who use it and the people who run it

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Methodology

The State of the State blends two forms of research to provide a view of the state from the people who depend on it and the people who run it.

To understand public attitudes, Deloitte and Reform commissioned Ipsos UK, who conducted an online survey of 5,815 UK adults aged 16-75 between 27 October and 1 November 2023. Quotas were set to reflect the known profile of the UK adult offline population and a boost sample was achieved in each of the UK nations. In total 821 responses were achieved in Scotland, 713 in Wales and 420 in Northern Ireland. For the UK figures, results have been weighted back to the correct proportion for each nation. Where responses do not sum to 100 this is due to computer rounding or questions which require multiple answers to be chosen.

To bring a strategic perspective, our qualitative research comprises interviews with more than 100 leaders in government and public services including senior civil servants, council chief executives, NHS leaders and elected representatives. The interviews took place between September and December 2023.

The views of interviewees quoted in this report are their own and not the views of Deloitte or Reform.

Introduction

Since its first edition in 2012, *The State of the State* has commented on a decade of challenge for the Welsh Government and public services. From austerity to COVID to the cost of living crisis, the public sector has battled through some relentlessly tough years with resilience and purpose.

Those years have left a difficult legacy. This edition of *State of the State* finds the Welsh public sector grappling with the cumulative impact of successive crises as well as the reductions in spending power, increases in demand and workforce challenges that came with them. But it also finds real optimism: public sector leaders see opportunity for Wales if the country can leverage its strengths.

This year's *State of the State* also takes a special look at the road to net zero. It's clear that the scale of the journey ahead has come into clearer focus, and governments around the world are feeling the first bumps on the road.

Here in Wales and across the rest of the UK, our survey points to a pressing need for the governments to engage the public in what net zero means for them and what they need to do to help save the planet.

This Wales report follows the UK-wide review that can be read alongside for a broader perspective.



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Executive summary

The State of the State brings together a survey of the UK public alongside interviews with government leaders. This blend of research provides a view of the public sector from the people who use it and the people who run it.

Our survey, conducted by Ipsos UK, polled 5,815 UK adults about their attitudes to government and public services. Quotas were set to reflect the known profile of the UK adult offline population and a boost sample was achieved in each of the UK nations taking the sample size to 713 responses in Wales.

We also interviewed more than 100 public sector leaders including senior civil servants, council chief executives, elected representatives and NHS leaders in all nations of the UK.

Our key findings are:



There is little consensus in Wales on the preferred balance of tax and spending.

Our survey found people in Wales split between those who would prefer higher spending, those who would prefer lower taxes and those who think the current balance is about right. That contrasts with the other devolved nations – the Scottish public have more of a preference for higher spending while the Northern Ireland public would prefer lower taxes.



The Welsh public may be in for a spending shock.

More than half of the Welsh public expects government spending to stay the same or go up in the years ahead. That contrasts with the views we heard among public sector leaders who anticipate spending constraints in the short to medium term, given the state of the public finances.



Trust in the Welsh Government has dropped in the last year – but remains comparatively strong.

Since our last survey in late 2022, levels of trust in the Welsh Government among its own citizens have dropped by double digits in five of the six criteria we measure. However, even after that drop, the Welsh Government is still more trusted than the UK and Northern Ireland governments.



Public concerns are growing around housing.

The Welsh public want government to prioritise the cost of living and NHS waiting lists over anything else in the coming years. Our poll also found the percentage of people who want to see improvements in the availability of affordable housing has gone up by 11 percentage points to 47 per cent since our last survey in late 2022.



People want public services they can access and that deal with complaints when things go wrong.

Our survey asked the public what needs improving in their public services. The top answers were that services need to be accessible, complaints need to be heard and the quality of services should be the same across the country – they are far less interested in how services are run or who runs them.



Government needs to prioritise to match its aspirations with its resources.

Public sector leaders in Wales told us that the devolved administration's finances are unsustainable. They talked about an urgent and imminent need for government to prioritise – which may mean stopping some programmes – and make hard choices about spending.



Wales has optimism and opportunity – if it can think long-term, collaborate and connect government with business.

While our research discussions explored serious challenges for the Welsh public sector, interviewees were undoubtedly optimistic for the future. They argued that Wales needs to think longer-term, collaborate within the public sector and better connect government and business in order to thrive in the years ahead.



Three quarters of Welsh people have little confidence in the UK Government's net zero targets.

When asked whether the UK will meet its target of net zero emissions by 2050, 74 per cent of the Welsh public said they are not confident in reaching the milestone. There are similar levels about the Welsh Government meeting its target.



Net zero is an energy and business problem.

Our survey asked the Welsh public what government needs to do to tackle climate change. The most popular answers were to switch energy use away from fossil fuels and regulate business. And when it comes to actions that individuals can take, the public are far more likely to say they will recycle more at home than make other, more significant lifestyle choices like flying or driving less.



Conclusions: lessons for the public sector from within

Our interviews with public sector leaders in Wales and the rest of the UK surfaced five lessons for the future of the sector from within. They are:

- 1. Reset the system to end crisis mode.**
Much of the public sector has spent years delivering tactical responses to successive disruptions from external forces. As such, the public sector needs a 'reset' to help it shift towards longer-term thinking and roll out a joined-up, sector-wide plan for the future.
- 2. Drive up public sector productivity by first eliminating ways of working that drag it down.**
Boosting public sector productivity will be a vital part of doing more with less. Our interviews suggest that a productivity push should start with addressing ways of working inherent in the sector that drag it down. That means greater prioritisation, longer-term funding arrangements, preventative measures across public services and spending plans that focus on outcomes.
- 3. Make delivery the north star for reform.**
Officials believe the sector's accountability, scrutiny and risk environment make getting things done – whether major projects or business-as-usual delivery – harder than it should be. Future government reforms should therefore emphasise delivery as central to government's purpose.
- 4. Don't let up on digital transformation.**
Public sector leaders told us they need to resolve the new issues in digital transformation that come with the public sector's digital maturity. They include bringing the quality of data and its architecture in line with the quality of user experience and continuing to resolve legacy issues.
- 5. Seize the potential of procurement.**
The Procurement Act in England, Wales and Northern Ireland has opened up new potential for procurement to boost value for taxpayer's money, improve partnership working with suppliers and continue the drive towards generating social value through contracts. Seizing that potential of procurement's possibilities will require bold new ways of working, a mature approach to risk and real ambition in the sector's procurement and commercial functions – plus the leadership to make it happen.

The State of the State 2024 concludes that public sector leaders want government to 'reset' the system and put years of crises and tactical responses behind them. Ultimately, officials across government and public services want the sector to adapt to its challenges by prioritising more deliberately, while becoming more long-term and more delivery orientated.

A 'CTRL+ALT+DEL' reset would enable the sector to think in terms of:

- CTRL** Better **control** of outcomes by emphasising the importance of delivery.
- ALT** Boosting productivity by exploring **alternative** ways of working.
- DEL** Prioritising what government does to **delete** lower-impact activities.

Conclusions: lessons for the public sector from within the sector for the road to net zero

Our interviews with public sector leaders also surfaced their own lessons from within the sector for the road to net zero. Collectively, the interviews point to five recommendations:

- 1. Engage the public for the long haul.**

The public has a crucial role to play in delivering net zero and needs to understand the implications and expectations on households. To do that, government needs to establish a multi-decade, national communications plan to engage the public, encourage behaviour change and prepare them for the road to net zero.
- 2. Position net zero as a sector-wide priority and central to business-critical decisions.**

Leaders told us that net zero needs to be more joined-up across the sector and more embedded across government. That suggests net zero should be positioned as central to the design of business-critical programmes so that all major decisions combine sustainability and effectiveness. It could also mean a pan-sector view of issues like fleet transition that would allow for a whole-system view, prioritisation and clarity.
- 3. Lay out a roadmap with long-term funding and financing plans.**

Across the sector, leaders told us they want clarity on funding for net zero. As some argued, government should set out a multi-decade plan with detailed funding and financing arrangements that would provide clarity for the public sector and build confidence for private investors. A long-term plan could be reviewed at regular intervals and adjusted as required.
- 4. Drive net zero through the supply chain.**

Given that a substantial amount of emissions are in supply chains, the public sector will need to invest in supply chain management, procurement, contract management and other commercial activities to drive change. Importantly, procurement could secure additional social value by leveraging public spending so suppliers play a clearer role in net zero transition.
- 5. Support green skills through market intervention.**

Further education leaders told us that green skills need to reach a 'tipping point' of supply and demand. Government could accelerate that by scaling up its investment in the skills market, enabling local authorities to bring education providers, businesses and trades together to define the skills needed and fund professionals through their training.



The public's view of the public sector



The public's view of the public sector

Our annual *State of the State* survey, delivered by Ipsos UK, tests the public mood on government and public services.



This chapter of *The State of the State* sets out the findings from our latest survey in Wales.

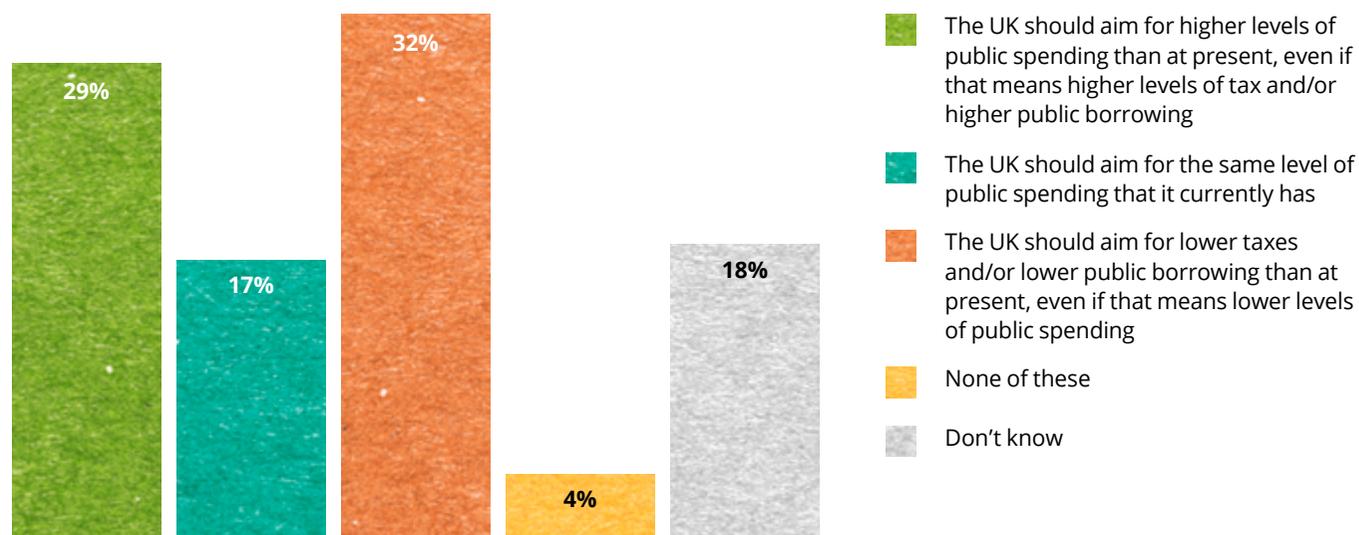
- 1.** The Welsh public is split on whether they want higher spending or lower taxes
- 2.** Whatever they want to happen, the Welsh public expects government spending to go up or stay the same in the years ahead
- 3.** Public concerns have grown around housing, crime and infrastructure in Wales
- 4.** The public are becoming less pessimistic – although not exactly optimistic – about the cost of living
- 5.** Trust in the Welsh Government has dipped by double digits – but remains relatively strong
- 6.** Peoples' priorities for public services are to access them in good time and complain if things go wrong

The Welsh public is split on the right balance of tax and spending

Our survey found the Welsh public split on their attitudes to tax and spending.

As the chart shows, around one in three say the UK should aim for lower taxes and lower public spending, while almost the same proportion would favour higher taxes to fund higher public spending. In other words, there is no public consensus on the right balance.

Q: Which of the following, if any, do you think should be UK government policy for the balance between public spending and the levels of taxation and public borrowing in the future?

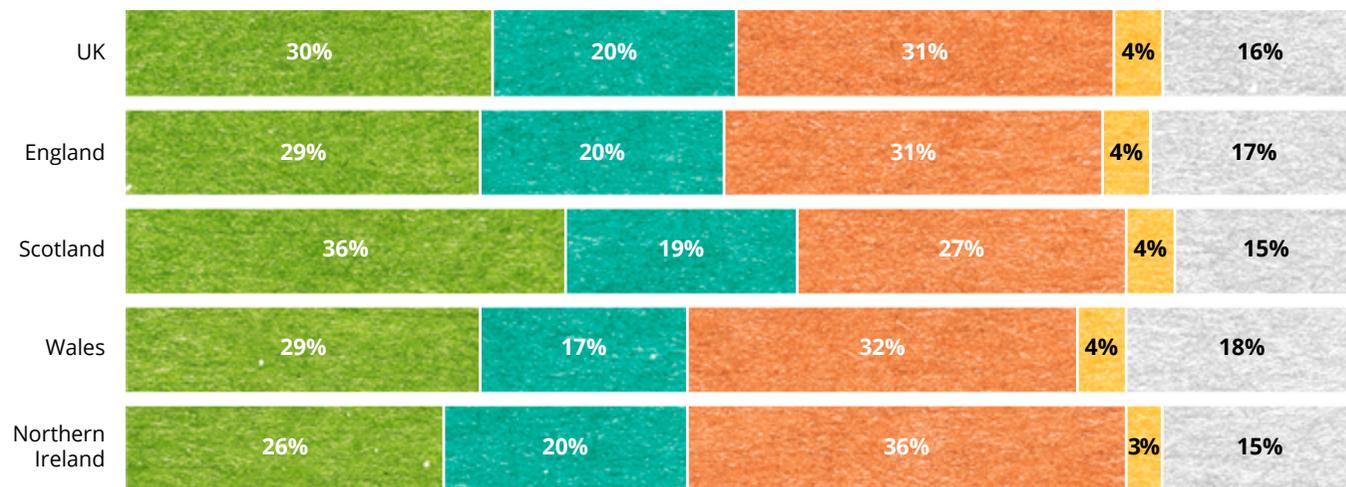


Base: 713 Online Wales adults 16-75



This chimes with the overall UK view and most particularly with views in England. However, there are differences across the devolved nations. As the national split shows, the Scottish public are more likely to favour higher public spending while those in Northern Ireland lean more towards lower taxes.

Q: Which of the following, if any, do you think should be UK government policy for the balance between public spending and the levels of taxation and public borrowing in the future?



- The UK should aim for higher levels of public spending than at present, even if that means higher levels of tax and/or higher public borrowing
- The UK should aim for the same level of public spending that it currently has
- The UK should aim for lower taxes and/or lower public borrowing than at present, even if that means lower levels of public spending
- None of these
- Don't know

Base: 713 Online Wales adults 16-75

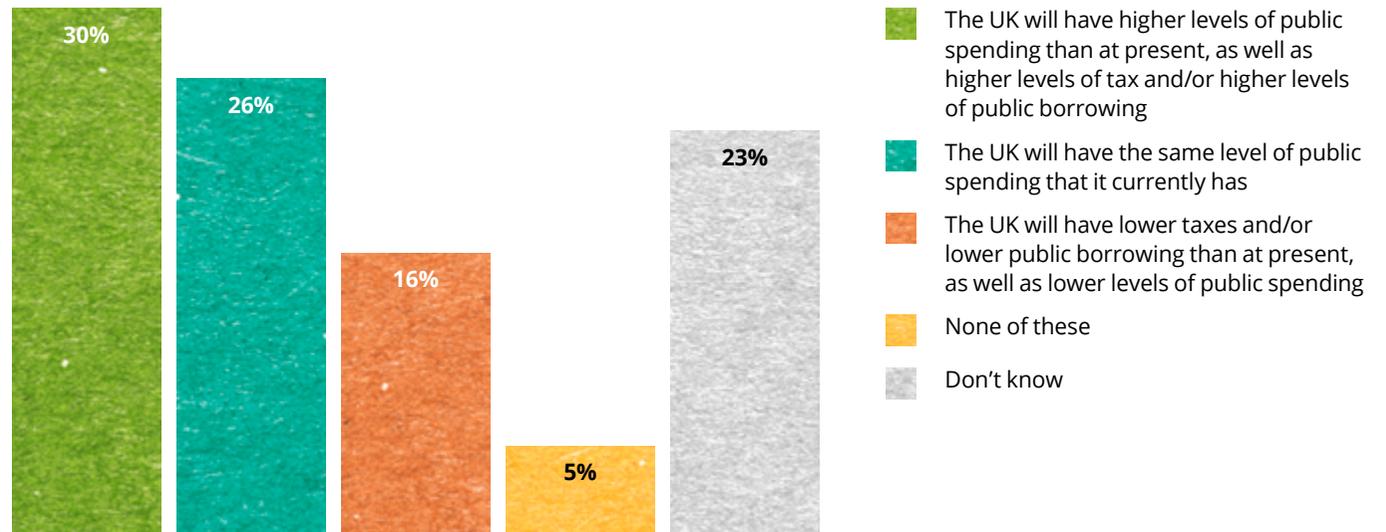
The public expects government spending to remain at current levels or go up

Whatever the Welsh public *wants* to happen in the years ahead, it largely *expects* government spending to remain at current levels or go up.

As the chart shows, some 56 per cent believe that public spending is set to remain at the same level or go up, while just 16 per cent believe that tax and spending is going to go down.

This is broadly similar to the UK average where 59 per cent believe that public spending is set to remain at the same level or go up, while just 17 per cent believe that tax and spending is going to go down.

Q: And which of the following, if any, do you think will be UK government policy for the balance between public spending and tax and/or public borrowing in the future?



Base: 713 Online Wales adults 16-75

Concerns have grown around housing, crime and infrastructure

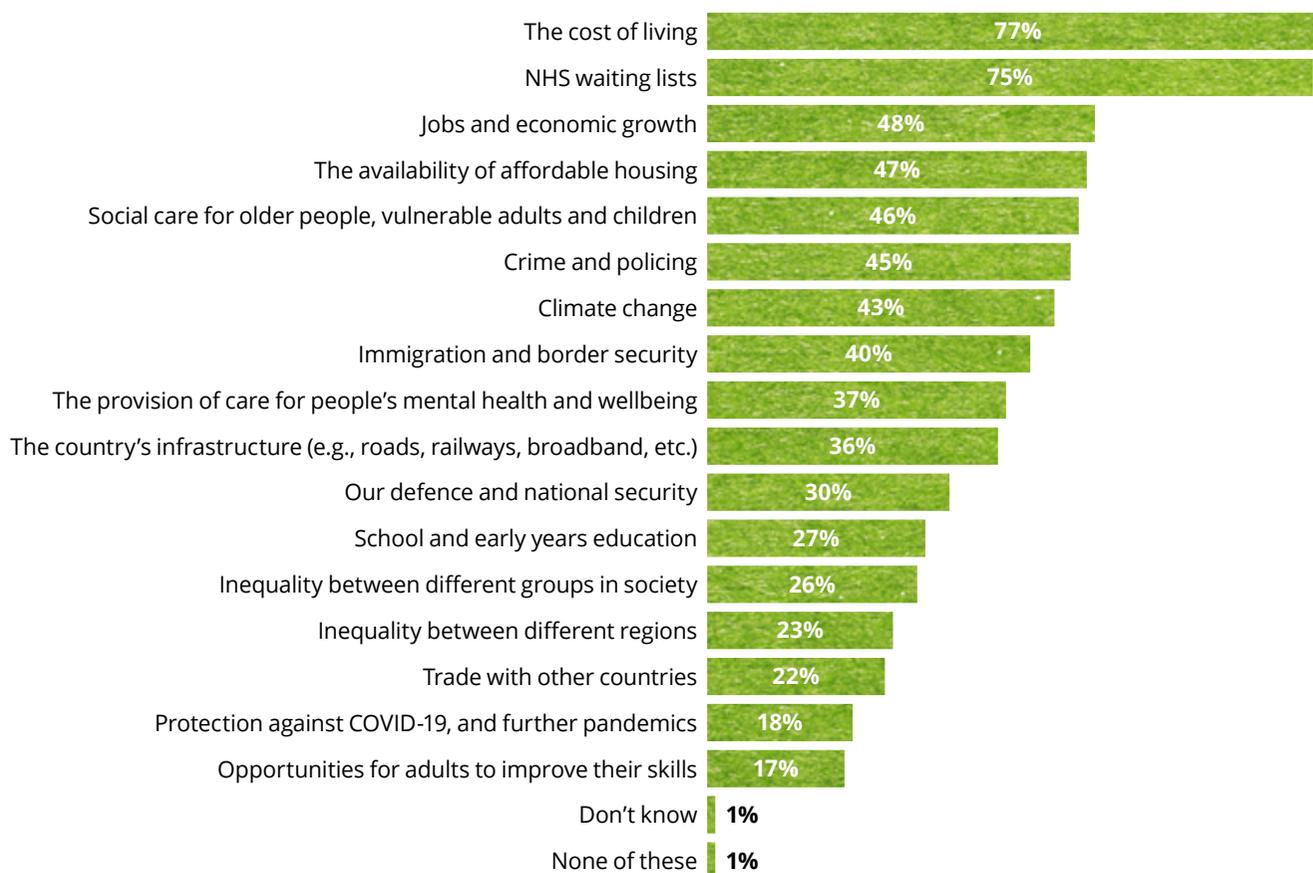
Our survey asked the public to name their priorities for improvement over the next few years.

For the second year running, despite a eight percentage point decrease in the past year, the cost of living crisis is the Welsh public's top concern, mentioned by 77 per cent. The next biggest issue is NHS waiting lists, mentioned by three quarters of the public. These two crisis issues clearly dominate public concerns.

There have been three other notable shifts in priorities for improvement in Wales since our last survey in late 2022. Most striking is that concerns about the availability of affordable housing have gone up by 11 percentage points.

In addition, concerns about crime and about the country's infrastructure have each gone up by six percentage points. Also noteworthy is that social care is a top five priority in Wales, as the chart on the next page shows.

Q: Which of the following issues, if any, do you think should be the top priorities for improvement in the UK over the next few years or so?



Base: 713 Online Wales adults 16-75

The top two priorities for improvement are consistent across all four nations of the UK, but underneath those, there are some differences.

Most notable of all is that the Welsh public is less concerned about crime and immigration than their neighbours in England, as the chart illustrates. For example, compared to the UK average, the Welsh public are more likely to say that social care should be prioritised.

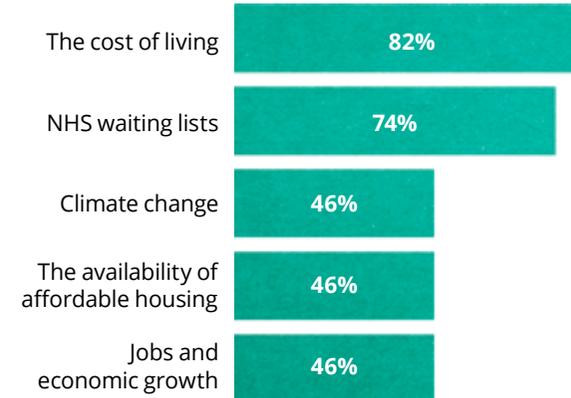


Q: Which of the following issues, if any, do you think should be the top priorities for improvement in the UK over the next few years or so?

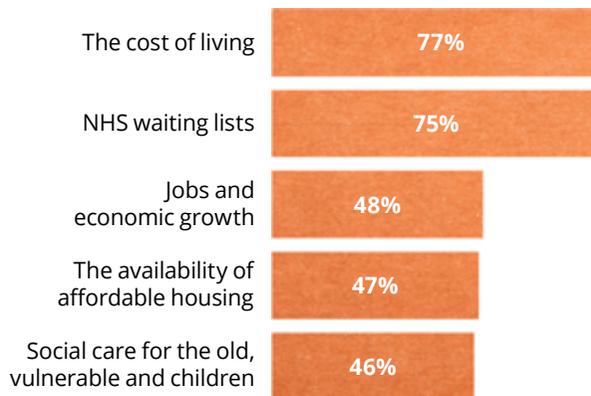
England



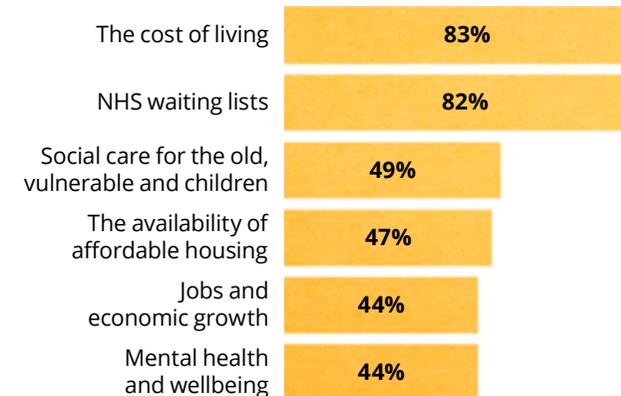
Scotland



Wales



Northern Ireland



Base: 5,815 Online UK adults 16-75

Amid widespread pessimism, concerns about the cost of living remain high but are receding

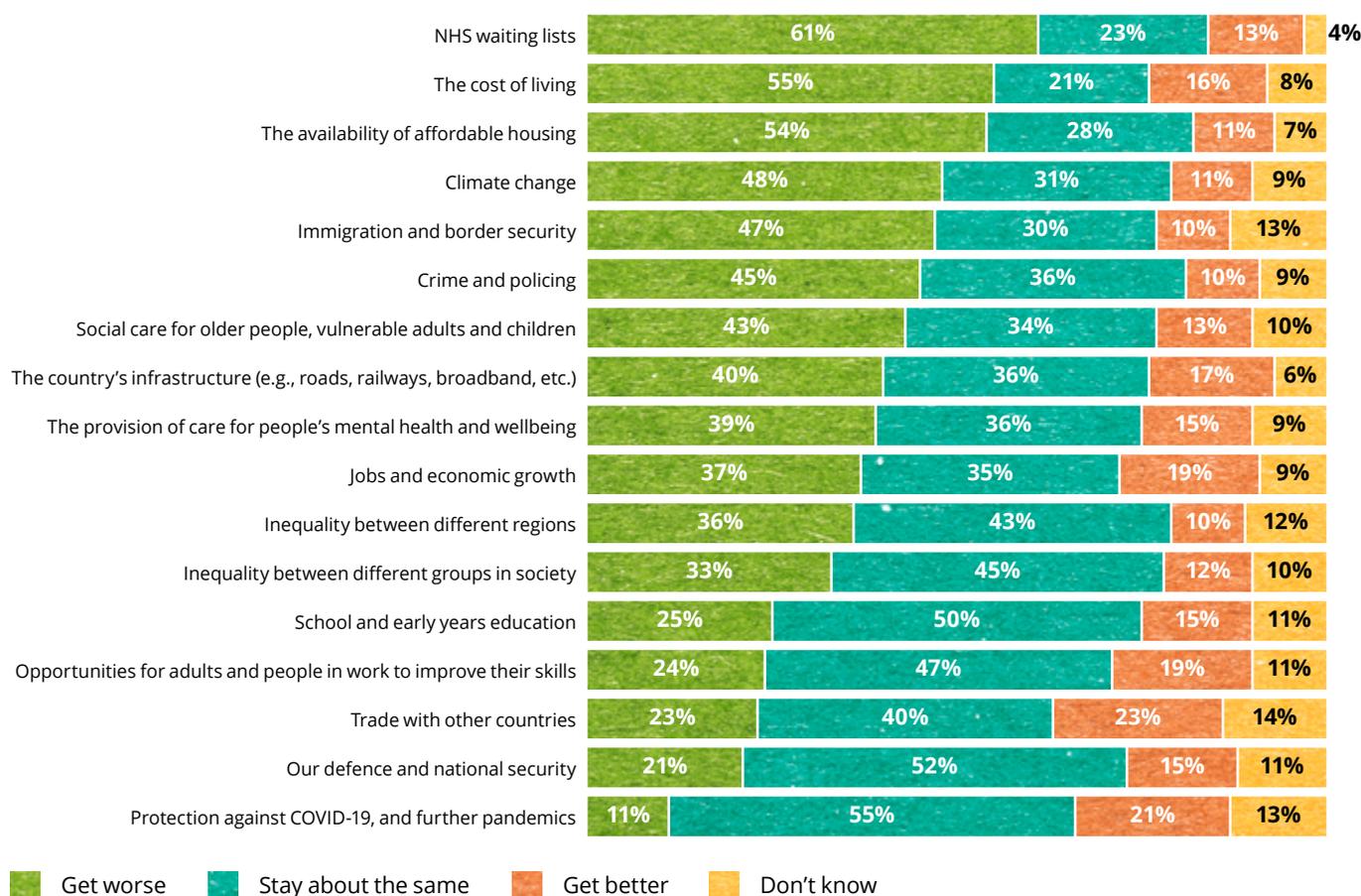
Our *State of the State* survey asked the public what they expected to get better, worse or stay the same in the years ahead.

Perhaps inevitably after years of disruption, the Welsh public are more pessimistic than optimistic.

Some 61 per cent of our Welsh respondents expect NHS waiting lists to get worse in the years ahead and 54 per cent expect the availability of affordable housing to worsen. That means the public is most pessimistic about some of the issues they most want to see improved.

However, there are some signs of optimism – or at least reductions in pessimism. Most striking of all, the percentage of the public who believe the cost of living crisis will get worse has dropped 24 percentage points to 55 per cent since our last survey in late 2022. Also noteworthy is relative optimism for trade with other countries, which is evident in Wales and across the UK.

Q: Thinking about the next few years or so, do you think that each of the following will get better, get worse or stay about the same in the UK?



Base: 713 Online Wales adults 16-75

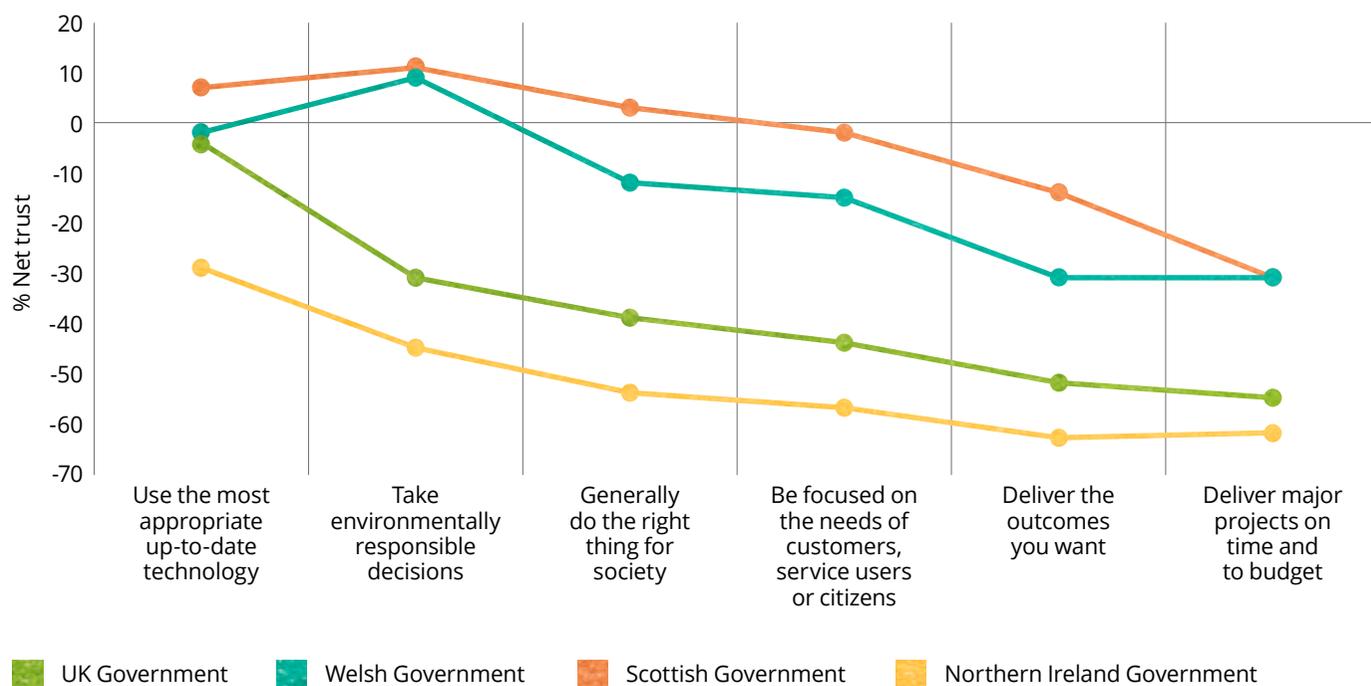
Trust in the Welsh Government has dipped – but remains relatively solid

Our *State of the State* survey finds overall trust in government and public services continuing to decline. Across every factor and almost every part of the public sector, trust has dropped since our last survey in late 2022. The chart on the right shows this year's findings across six criteria.

As the chart shows, Scotland is now the most trusted central government administration in the UK. It takes last year's top spot from Wales as the past year has seen trust in the Welsh Government drop by double digits: trust 'to do the right thing for society' and 'use the most up-to-date technology' have both fallen by 14 percentage points in the past year, trust to 'meet the needs of customers' and 'deliver the outcomes you want' have fallen by 13 percentage points, and trust to 'deliver major projects on time and to budget' has gone down 12 percentage points.

The only measure that did not fall by double digits was trust to 'take environmentally responsible decisions', which fell by nine percentage points.

Q: To what extent, if at all, do you trust the Government to...?



Base: 5,813 Online UK adults 16-75



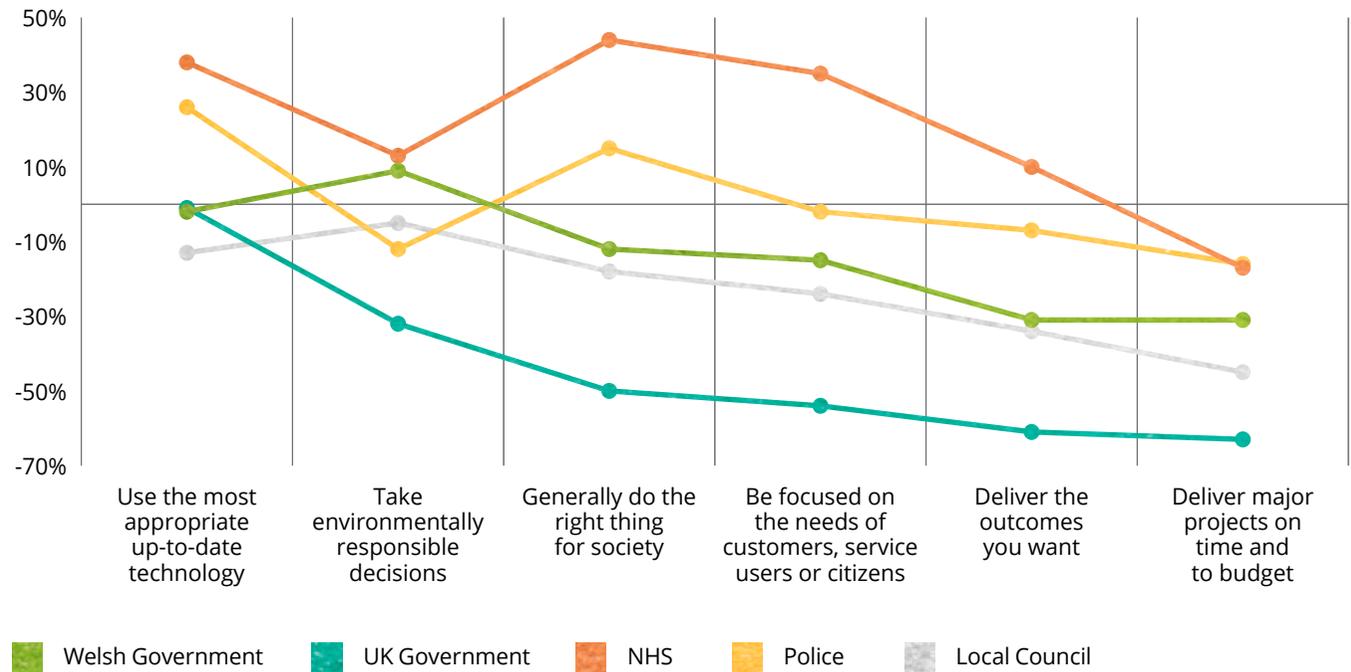
While this is clearly unwelcome news, these measures are all relative – the Welsh Government remains more trusted than those in the UK and Northern Ireland on every measure.

This chart shows levels of trust in public services. It illustrates how the NHS is, by some margin, the most trusted part of the Welsh public sector, followed by the police.

In spite of a decline, it also shows how government and public services are largely trusted to use up-to-date technology – which may come as a surprise to those in the sector grappling with old IT. Trust is lowest when it comes to delivering major projects.

Overall, people see delivery as a relative weakness in the public sector, in Wales and across the UK.

Q: To what extent, if at all, do you trust the Government and Public Services to...?



Base: 713 Online Wales adults 16-75

People want services they can access and hold to account

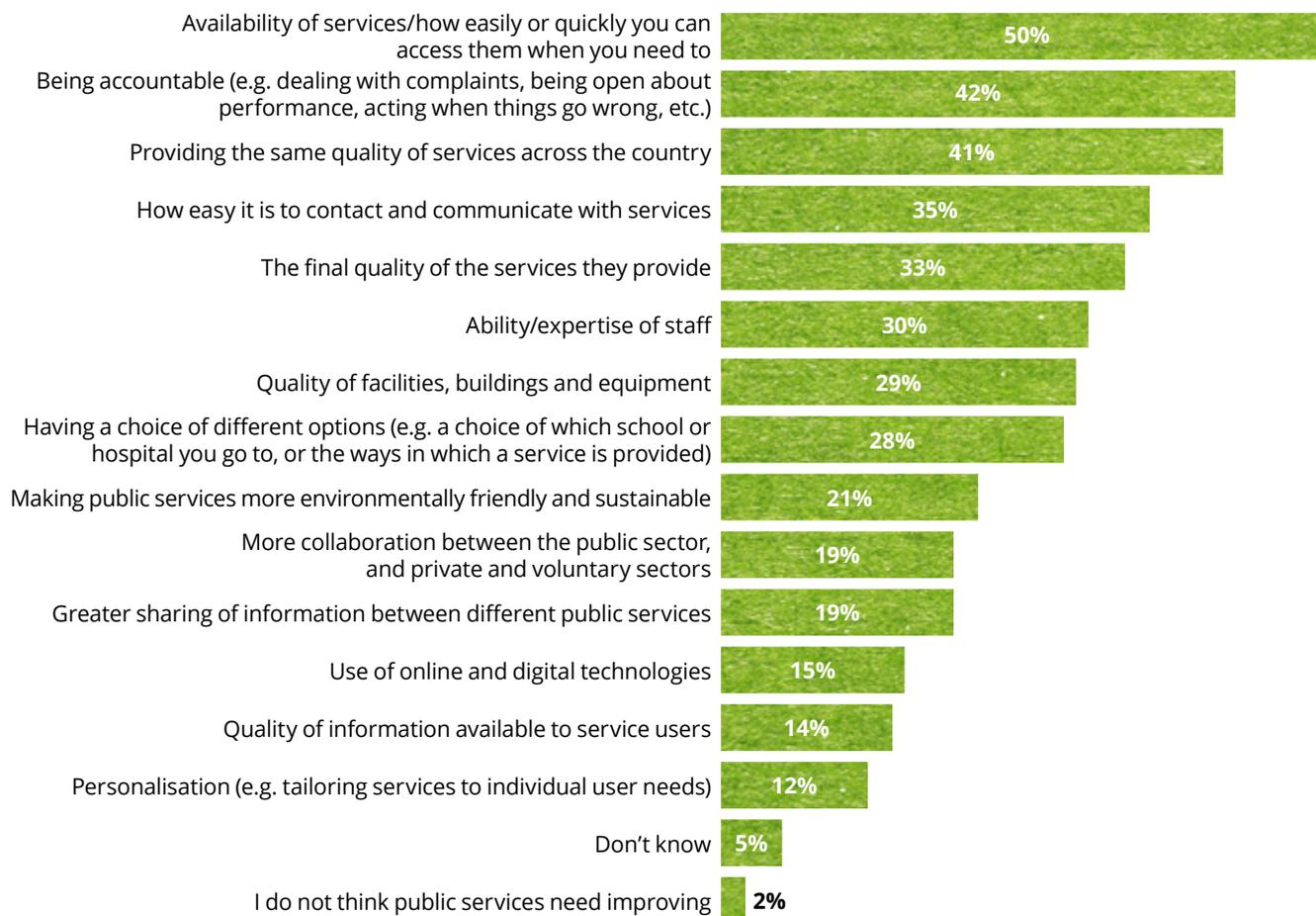
Our survey explored the public's own experience of public services and asked what they would most like to see improved. The chart ranks their responses.

Likely driven by NHS waiting lists, the top answer by some margin was ease and speed of access. The second most popular answer was accountability, suggesting the public want services that deal effectively with complaints. The third response was that people expect services to be the same wherever they live, followed by ease of communications. The fifth most popular answer was the quality of services.

There is a notable simplicity in these priorities: the public want decent quality services they can access when they need, contact easily and complain about when things go wrong.

In contrast, lower-ranking priorities include collaboration with the private or voluntary sectors, data sharing between agencies, choice and personalisation. That suggests the public has limited interest in how public services are shaped and delivered – just the outcomes.

Q: Thinking about your experiences of public services, which of the following, if any, do you think should be the top priorities for improvement over the next couple of years or so?



Base: 713 Online Wales adults 16-75



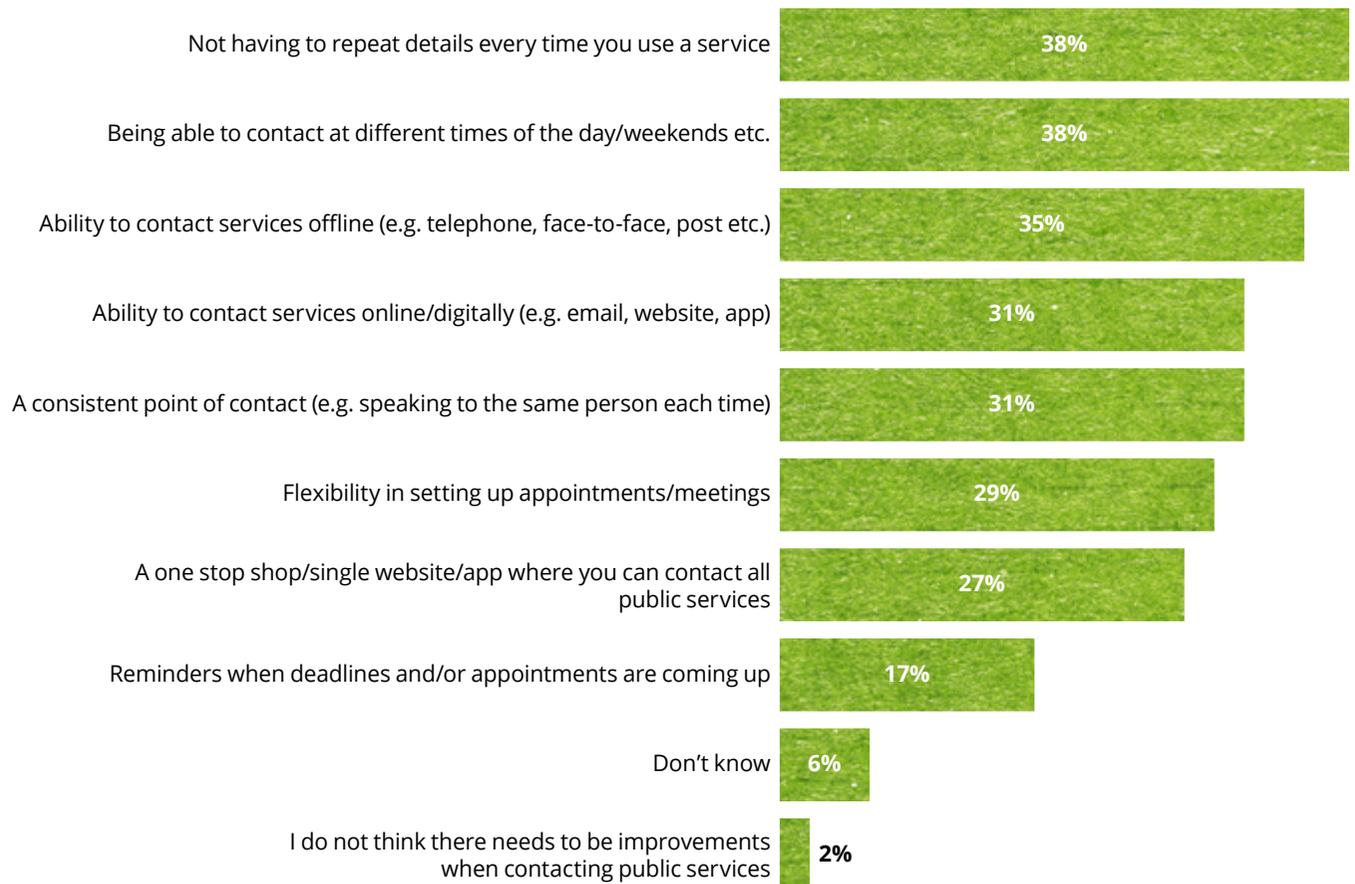
Use of digital technology comes surprisingly low down the public priorities.

Again, this suggests a benign lack of interest in how the public sector works rather than a rejection of technology. Digital would of course be a vital part of enabling all the elements that the public prioritise.

Our survey also asked the public to name its priorities for improving communications with public services. As the chart shows, 38 per cent of the Welsh public want to be able to contact public services at different times of the day, with the same percentage saying that they don't want to have to repeat their details every time they use a service. The next most popular answer, mentioned by over a third of the public, is being able to contact services offline. Flexibilities around appointment times, a one stop shop where you can contact all public services and deadline reminders all come lower down the order of priorities.

All of this points to the public wanting a decent level of basic customer service, and there appears to be an acceptance that the public sector may not be able to offer a lot of flexibilities. However, 35 per cent of the public said that contacting services offline – by telephone or face-to-face – needs improving. Given that much of the sector is encouraging a shift to online channels, it could be that public expectations will need to be managed.

Q: And thinking about when you contact public services, which of the following, if any, do you think should be the top priorities for improvement over the next couple of years or so?



Base: 713 Online Wales adults 16-75

An aerial, black and white photograph of a group of people walking on a bright red carpet. The people are scattered across the frame, some walking in pairs, some alone, and some carrying bags. The carpet is a vibrant, solid red, and the people are in various poses and directions, creating a sense of movement and activity.

Insight from public sector leaders

Insight from public sector leaders

This year, we interviewed over 100 leaders across the UK to inform our *State of the State* research. They told us that the successive crises of recent years have left their services fragile, their workforces tired and their decision-making reactive.

Against that difficult backdrop, they were all enormously proud of what their people continue to deliver. However, every leader we interviewed – without exception – was clear that government and public services need to change. They told us that its aspirations are too often beyond the reality of its resources, and reform is needed that will allow the sector to prioritise, work towards a collective vision and improve its ability to deliver.

This section of *The State of the State* sets our observations from the research interviews in Wales.

Key takeaways:

- 1.** While our survey found the Welsh public expect government spending to stay at current levels or go up, Welsh public sector leaders expect spending constraints on the near horizon.
- 2.** The state of the public finances mean that government in Wales – and across the UK – needs to match its aspirations to its resources.
- 3.** Health and social care remain in a critical condition in Wales.
- 4.** Digital Transformation continues to mature across the public sector and progress relies on better data quality and architecture.
- 5.** Wales has optimism and opportunity – if it can think long-term, collaborate and connect government with business.



Public sector leaders are expecting spending cuts on the near horizon

While our survey found the majority of the Welsh public expecting government spending to remain at current levels or go up, officials from across the sector told us that they expect it to go down in the short to medium term.

Do the math on our financial environment. Spending Review 2021 led to our Programme for Government but two years down the line inflation means our money is worth much less. Then there's the cumulative effect of increased demand, demographic pressures like the ageing population and the impact of the pandemic.

Senior Civil Servant

Leaders across government and public services told us that the cumulative impact of heightened service demand, demographic shifts, the COVID pandemic, workforce shortages, the cost of living crisis and pay disputes have left their organisations under immense financial strain – and they agreed that the state of the Welsh public finances will make difficult choices inevitable in the next few years.

The financial context is dire. It's worse than the height of austerity. Money was poured on us in COVID and now the tap is turning off. The choices are going to be really tough.

NHS Leader

There are more cuts coming which makes it very difficult for the organisation as we need to keep replanning things.

Government Agency Director



Government needs to match its aspirations to its resources – or reform

The overwhelming consensus among interviewees was that recent decades have seen government's aspirations – in Wales, across the UK and around the world – over-reaching the resources available to them.

They argued that the state cannot continue overstressing its budgets and ultimately, government needs to start prioritising and making deliberate choices about what to do and not do.

The only alternatives are reforms that make significant differences to productivity levels or see government act as an orchestrator, delivering more through private and voluntary sectors.

The problem is the Welsh Government's ambition versus what's deliverable. The ambition was probably never deliverable but now it means tough choices.

Senior Civil Servant

People in the Welsh public sector are up for modernisation but struggle with what that could look like, and that stymies us.

NHS Leader

Everyone is on a shoestring, money is tight and that isn't going to change for the foreseeable. We need to change and quickly.

Government Agency Executive Director



Health and social care remain in a critical condition

More than a decade of disruption has left many public services in varying degrees of financial distress and straining to deliver business as usual. That includes the NHS, and multiple leaders told us that the health service is in the worst state they have ever experienced.

We've got the same backlogs and delays in social care that there are in the NHS but it's not as visible. In the NHS, people are in hospitals or the back of an ambulance. In social care they're in their own home waiting for an assessment or support.

Social Care Leader

Leaders in social care were clear that they too were in crisis but attracted less attention than the NHS. One interviewee warned that quality in care will wane if the sector is not better funded or demand does not fall.

I've never seen the NHS in such a bad state and I have worked in it for decades. And none of this is sudden.

NHS Non-Executive

There's a desire to create a national care service but I can't see that happening any time soon given the financial situation.

Health and Social Care Leader



Digital transformation continues to mature across the public sector

Over the past decade, there has been significant progress in the public sector's adoption of digital technology. *The State of the State* has commented on the sector's evolving relationship with digital throughout, and our latest report finds that this relationship continues to mature into part of government's mainstream thinking.

Despite the strides made in the use of digital technology by government and public services, our interviewees acknowledged that its potential has not yet been fully realised. Many noted challenges around legacy IT issues, the need for interoperability between public sector systems, weakness in data architecture, sustained investment, and the difficulty of securing a skilled workforce.

When it comes to digital, the public sector in Wales is far behind. The Welsh Government needs to get brutal and say 'we're doing it this way'.

Business Leader

Public sector leaders with ambitious digital goals shared their vision for the future of government. They see a public sector with joined-up data, interoperable systems, the ability to use Artificial Intelligence and a focus on pre-empting citizen needs with minimal input. However, they acknowledge that achieving this requires strong leadership, investment, and skills to drive these programmes of work.

The key challenge for digital is in public sector leadership. Too many think that digital is a choice but what on earth are you going to do if you don't do digital?

NHS Leader

It will also rely on better data quality and architecture. Leaders well-sighted on digital told us that the UK Government and devolved administrations have delivered some world-leading digital user experiences. But to move forward, the public sector needs to get its data into better shape and more connected.

I think it's sketchy. The Welsh Government is fine but other parts of the Welsh public sector are behind the curve.

Senior Civil Servant



Wales has optimism and opportunity – if it can think long-term, collaborate and connect government with business

Our interviews painted a worrying picture of the state of public services in Wales, and a difficult outlook that will require tough choices. But against that backdrop, we heard real optimism for the future of Wales.

Long term planning is an opportunity for Wales. We've had the same government for 25 years and it's highly unlikely that will change. We're probably the only country that could do long term planning but we don't.

Senior Civil Servant

We're a small country so our public sector shouldn't be this fragmented. We should be joined up but we're a million miles from that.

Senior Civil Servant

Leaders across government and public services told us that Wales has huge strengths to leverage – not least the agility that comes with its size – but they flagged three conditions for success.

First, several said that meaningful collaboration within the public sector will be vital to make the most of taxpayers' money and drive reform.

Second, most argued that the Welsh Government needs to think longer-term: after years of successive crises, the public sector has been forced to think short-term for too long. Our interviewees argued that the government needs to come out of crisis mode and think strategically. Wales is already ahead of the curve through its Future Generations Act that requires public bodies to take a longer term view of policy.

Third, interviewees told us that the public sector does not adequately understand or connect with business – and that could be a game-changing development for Wales.

The Welsh Government is fairly young and we're on a big learning curve. We're getting nearer where we need to be, we're getting better.

Senior Civil Servant

Welsh Government doesn't support business because it doesn't know how – and that's not just the politicians, it's the layers of drudgery around them.

Business leader

We need to join up a lot better across the public sector. We need to rally the cause. We saw it happening with COVID – you know sharing resources, sharing people, sharing buildings and so on.

Government Agency Director

The state of net zero



The state of net zero

In June 2019, the UK became the first major economy in the world to legislate for net zero.

Through its Climate Change Act, the UK Government committed to reducing greenhouse gases by 100 per cent of 1990 levels by 2050.

In 2021, the Welsh Government approved a net zero target for 2050, and also set interim targets for 2030 and 2040. The UK's race towards net zero emissions is underway.

This year's *State of the State* takes a special look at the road to net zero by exploring public attitudes and reflections from public sector leaders. By examining net zero from the citizen and state perspective, this research complements other Deloitte reports including our work on what [sustainability means for consumers](#).

I don't know if we're on the slow slide towards the end of civilisation or at touching distance from rebalancing and living sensibly within our natural resources.

Government Agency Director



Key takeaways

- The Welsh public have little confidence in climate targets as three quarters say we are unlikely to achieve a net zero economy by 2050.
- People see emissions as a government, energy company and business issue – and they don't plan on making significant lifestyle changes in the next few years.
- Government is feeling the first bumps on the road to net zero as our interviews uncover varied opinions on the outlook for net zero delivery.
- Public sector leaders are clear that procurement and supply chain management will be key to deliver a net zero public sector.
- Saving the planet is more than net zero – policymakers should have a wider lens to consider environmental protection more broadly.
- The public needs to be better informed, engaged and active to reach our climate goals.

Part one: what's the net zero dynamic between the citizen and state?

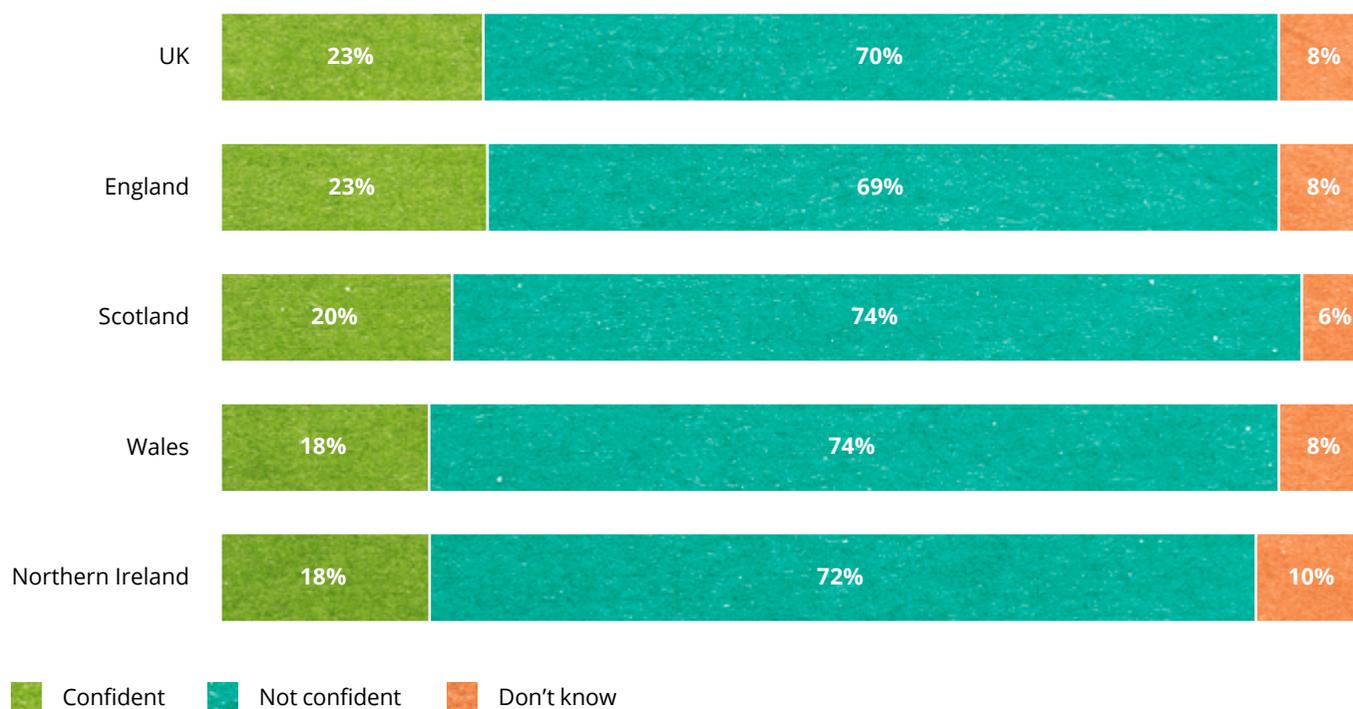
The first part of our assessment of the road to net zero explores the citizen view.

It is based on an exclusive survey by Ipsos UK – please see [page one](#) for more on our methodology.

Little public confidence in the UK's net zero targets

Our survey explored levels of public confidence that the UK will meet its target of a net zero economy by 2050. As this chart shows, almost three quarters of the Welsh public is not confident in that milestone.

Q: How confident, if at all, are you that the UK government will reach its target for achieving net zero emissions across the economy by 2050?



Base: 5,815 Online UK adults 16-75

We also asked people in Northern Ireland, Scotland and Wales about confidence in their respective governments.

Again, confidence is in short supply overall – but people in Wales are more confident that their devolved government can meet the 2050 target than the UK Government.



Q: How confident, if at all, are you that the Scottish Government/Senedd/Northern Ireland Assembly will reach its target for achieving net zero emissions across the Scottish/Welsh/Northern Irish economy by 2045/2050?



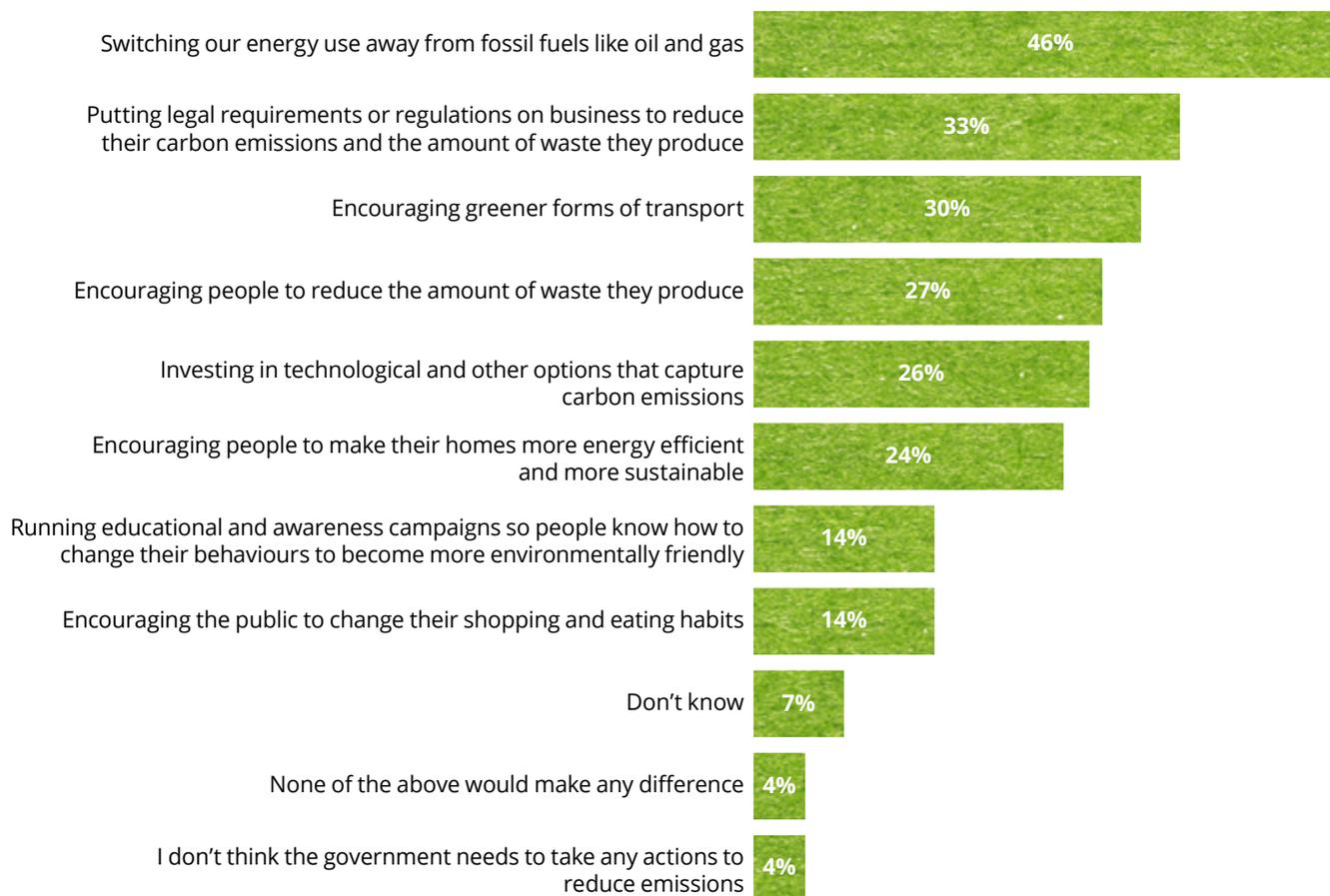
Base: 5,815 Online UK adults 16-75

The public see emissions as a government, energy company and business issue.

Our survey asked the Welsh public what actions government could take to have the biggest impact on emissions. As the chart shows, the most popular response by some margin is to switch energy use away from fossil fuels, the second is to regulate business and the third is to encourage greener transport.

It's notable that actions involving individual changes of behaviour are much lower down the public's list – while 46 per cent say that the country's energy mix needs to change, just 14 per cent think that encouraging people to alter their shopping habits will make a difference.

Q: Which of the following actions by government, if any, do you think would have the biggest impact on reducing the country's emissions?



Base: 713 Online Wales adults 16-75

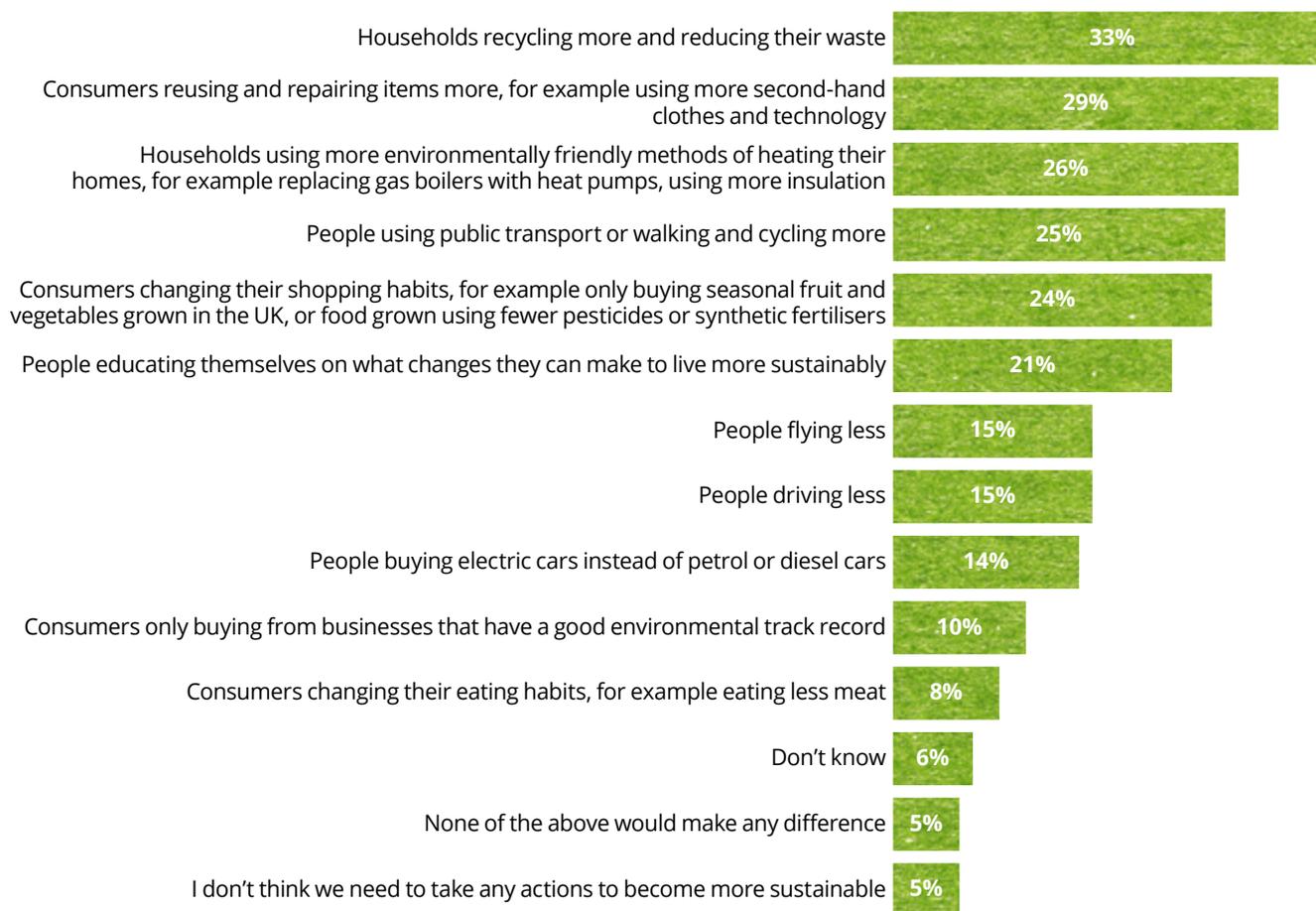
Sustainability is more about recycling than anything else according to the public.

Our survey asked the public what actions they can take towards a more sustainable lifestyle. The most popular answer is to recycle more household waste, mentioned by one third of the Welsh public. More significant lifestyle changes such as flying less or buying an electric car are further down the public's list, as the chart shows.

Even relatively marginal changes like people educating themselves on what they can do or sticking to seasonal produce were only seen as worth doing by a quarter of the Welsh public. In other words, people don't see their lifestyle choices as making a significant difference to more sustainable living.



Q: Which two or three of these actions that households across the UK could take, if any, do you think would make the biggest difference to people in the UK having a more sustainable lifestyle?



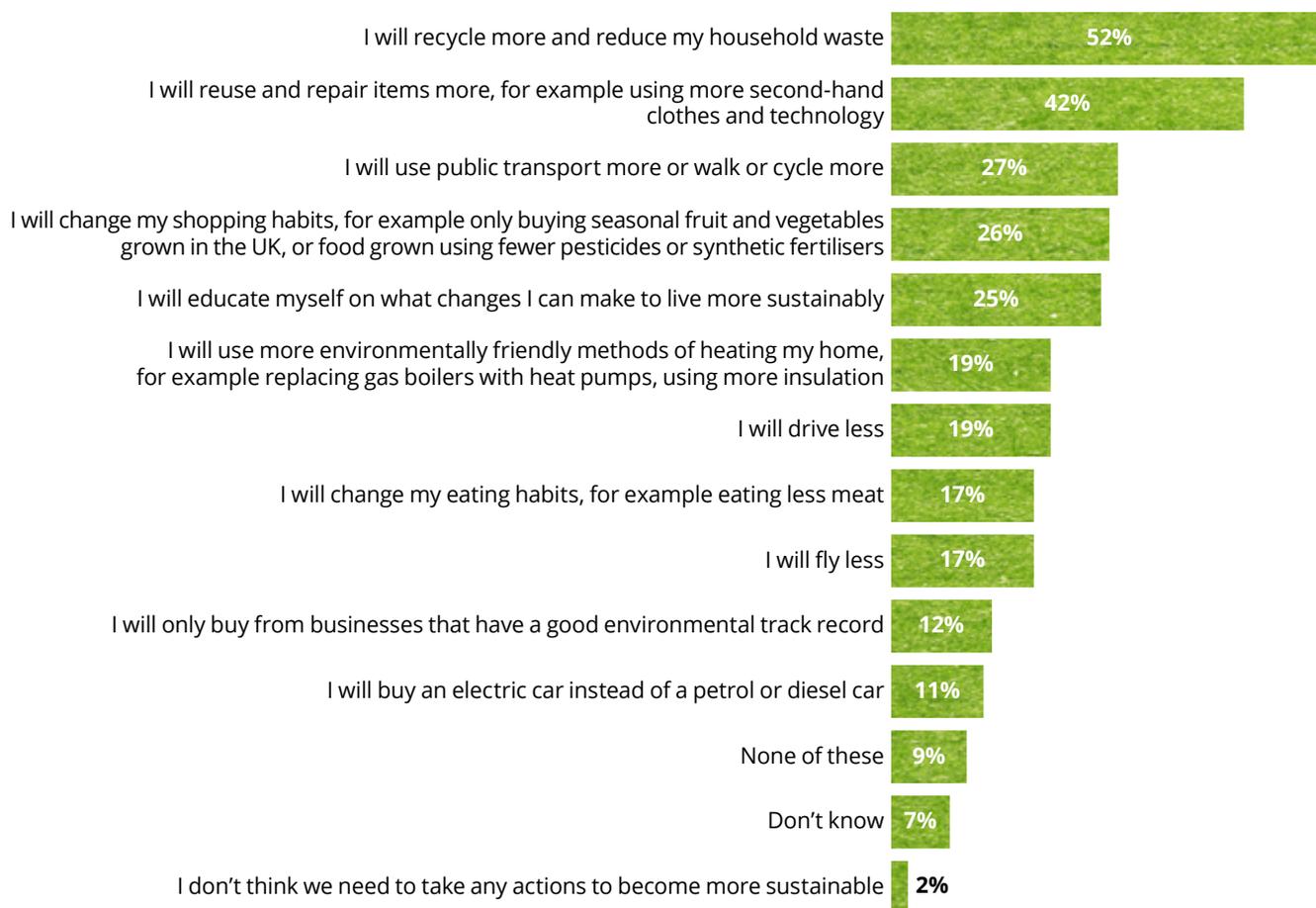
Base: 713 Online Wales adults 16-75

We then asked the public what lifestyle changes they plan to make in the next couple of years.

Again, recycling was by far the most popular answer with around half of the Welsh public expecting to do more in the years ahead. As the chart shows, the next most popular response was to re-use or repair items.

Again, few people expect to make bigger changes to their lives: just 19 per cent expect to change their home heating and 11 per cent expect to buy an electric car. In other words, few people expect to be able to make significant or costly lifestyle choices in the next few years, in the interests of sustainability.

Q: And which of these actions, if any, do you think that you personally are very likely to do over the next couple of years or so? Please only pick those that you are confident that you are likely to do.



Base: 713 Online Wales adults 16-75

Part two: what do public sector leaders say about net zero?

The second part of our assessment of the road to net zero explores the views of public sector leaders.

It's based on interviews with more than 100 senior figures across the UK including senior civil servants, council chief executives, elected representatives and NHS leaders. Their views are their own and do not represent the views of Deloitte, Reform or any other organisation – please see [page one](#) for more on our methodology.



Government is feeling the first bumps on the road to net zero

In our interviews, public sector leaders were quick to point out that the journey to net zero has only just begun. Some said we are in the foothills and others that we are picking the low-hanging fruit, but most agreed the hard work is yet to come.

Overall they were clear that current debates around progress represented the first bumps on a long road ahead.

The Welsh Government declared a climate emergency, which was great news. But since then, it's just been lip service.

Elected Representative

Interviewees were split on whether the Welsh public sector is – at this early stage – set to meet net zero targets or not.

We're confident we're going to make really big progress. I don't think we're in the low hanging fruits anymore, we're in the easy foothills but as you go on it will get harder and harder.

Senior Civil Servant

Some argued that strained public finances and immediate pressures will make progress difficult and others added that delivery plans are not in place. However, others were clear that the public sector is already dealing with climate change through responses to extreme weather events.

I think the Welsh Government's intentions are good but they don't have the resources and they have other pressures too like the NHS.

Government Agency Director



We have a net zero target for 2030. Fantastic. But show me the delivery plan.

Senior Civil Servant



Local authorities already have to deal with the immediacy of responding to climate change through things like floods.

Local Government Leader



Procurement and supply chain management are key to greening the public sector

Public sector leaders are alert to the level of emissions generated by their suppliers and the supply chains beyond them. They know that their procurement will be an increasingly important tool in driving net zero in the years ahead.

Eighty per cent of our emissions are in the supply chain and a lot of our supply chain is in the UK. So we might be working to a 2030 target in Wales but our suppliers will be looking at 2050.

Senior Civil Servant



Many interviewees told us that their contracts already asked for net zero credentials from suppliers, but government could be more demanding as the new Procurement Act comes into effect in Wales and in England.

One senior figure in Wales acknowledged complexities arising from the Welsh Government's interim target of a net zero public sector by 2030 while supplier across the border in England are working towards the 2050 milestone.

The big thing for us is major contracts and supply chain because that's where our emissions happen. The question is how we measure those emissions with any certainty, but it's a good lever, and that's got to be a good start.

Senior Civil Servant



Suppliers can tell us a good story about net zero but so what? We're not tactical enough. We need to go back to them and say 'you've got to accelerate this'.

Senior Civil Servant



Saving the planet is more than net zero

The UK's transition to net zero focuses on one critical element of climate change: the reduction of carbon emissions. However, a significant number of leaders we interviewed were keen that policymakers, businesses and the public see sustainability and the environment more broadly.

They argued that while pushing forward on the road to net zero, government needs to do more to protect the environment and encourage a more circular economy – and many added that government needs to move with a sense of urgency.

Net zero is just one part of a bigger picture – it's about conservation, protecting species, and it all needs to fall in line.

Elected Representative



Older people are worried about climate change for future generations and totally buy into sustainability because they weren't brought up in a throwaway society. They were brought up to repair, reuse, to make do and mend.

Agency Director



We need to scale up circularity. The clothes you pass down from one kid to the next and the local WhatsApp group where you trade furniture – that's all circularity. What we need to do is widen those loops.

Elected Representative



The public needs to be engaged and active to reach our climate goals

Our survey points to two conclusions about the public mood on net zero: it's a priority, but not something that will change their lives in the next few years. While 43 per cent of the Welsh public say climate change is a priority, just a quarter are planning to change their shopping habits and fewer than a fifth expect to fly or drive less. However, most evidence suggests the public will need to change their lifestyles significantly in the coming decades if Wales and the rest of the UK is to meet its net zero targets.

Public sector leaders are alert to this contradiction, and many told us that governments need to better engage its citizens. They argue that people need to understand what is at stake and the role they need to play to reach net zero.

Some suggested that it needs to focus on the positive benefits including economic growth rather than create a sense of burden and inconvenience.

There needs to be a national communications campaign to land simple messages on what people can do and need to do to get us to net zero. It's got to be centred on what it means for them, so it's the opposite of nimbyism and we get to a critical mass in their thinking.

Senior Civil Servant

It's an environmental crisis and we need everyone rallying around like they did with COVID. We can do this but we need to get that strength of feeling. There's a global disaster that is happening in front of us.

Government Agency Director

There's a lot of public kickback on net zero now, so how do you bring the public along on the journey?

Council Chief Executive



Conclusion: lessons for the Welsh public sector from within



Conclusion: lessons for the Welsh public sector from within

For the past decade, government and public services in Wales and across the UK have faced successive disruptions: austerity in the wake of the global financial crisis, the complex implementation of Brexit, the unprecedented battle against COVID and the stark challenge of the cost of living crisis.

This edition of *State of the State* finds Wales's public sector grappling with the cumulative impact of successive crises as well as the reductions in spending power, increases in demand and the workforce challenges that came with them.



Lessons for the welsh public sector from within

In our UK-wide *The State of the State* report, we identified ten lessons for the public sector drawing on the insight from our interviews with over 100 public sector leaders. These lessons are relevant not only to the UK Government but also to the devolved governments and the wider public sector. The UK review can be found [here](#) and can be read alongside this Wales report for a broader perspective.

Collectively, the interviews point to these five recommendations:

- 1. Eliminate institutional drags on productivity.**
Boosting productivity within the public sector should start with addressing ways of working inherent in the sector that drag it down. That means greater prioritisation, longer-term funding arrangements and spending plans that focus on outcomes. Leaders can also influence productivity gains in the tone and expectations they set.
- 2. Reset the system to end crisis mode.**
Much of the public sector has spent years delivering tactical responses to successive disruptions from external forces. As such, the public sector needs to 'reset' to allow for longer-term thinking and a joined-up, sector-wide plan for the future.
- 3. Make delivery the north star for reform.**
Officials believe the sector's accountability, scrutiny and risk environment make getting things done – whether major projects or business-as-usual delivery – harder than it should be. Future government reforms should therefore emphasise delivery as central to government's purpose.

- 4. Don't let up on digital transformation.**
Public sector leaders told us they need to resolve the new issues in digital transformation that come with the UK public sector's digital maturity. They include bringing the quality of data and its architecture in line with the quality of user experience and continuing to resolve legacy issues.
- 5. Seize the potential of procurement.**
Many public sector leaders told us that the Procurement Act 2023 in England and Wales has opened up new potential for procurement to boost value for taxpayer's money and improve partnership working with suppliers large and small. They also told us they want to continue the drive towards generating social value through contracts. Seizing that potential will require bold new ways of working, a mature approach to risk and real ambition in the sector's procurement and commercial functions – plus the leadership to make it happen.

The State of the State 2024 concludes that public sector leaders want government to 'reset' the system and put years of crises and tactical responses behind them. Ultimately, officials across government and public services want the sector to adapt to its challenges by prioritising more deliberately, while becoming more long-term and more delivery orientated.

A 'CTRL+ALT+DEL' reset would enable the sector to think in terms of:

- CTRL** Better **control** of outcomes by emphasising the importance of delivery.
- ALT** Boosting productivity by exploring **alternative** ways of working.
- DEL** Prioritising what government does to **delete** lower-impact activities.

Our interviews with public sector leaders surfaced their own lessons from within the sector for the road to net zero.

Collectively, the interviews point to five recommendations:

- 1. Engage the public for the long haul.** The public has a crucial role to play in delivering net zero and needs to understand the implications and expectations on households. To do that, government needs to establish a multi-decade, national communications plan to engage the public, encourage behaviour change and prepare them for the road to net zero.
- 2. Position net zero as a sector-wide priority and central to business-critical decisions.** Leaders told us that net zero needs to be more joined-up across the sector and more embedded in government. That suggests net zero should be positioned as central to the design of business-critical programmes so that all major decisions combine sustainability and effectiveness. It could also mean a pan-sector view of issues like fleet transition that would allow for a whole-system view, prioritisation and clarity.
- 3. Lay out a roadmap with long-term funding and financing plans.** Across the sector, leaders told us they want clarity on funding for net zero. As some argued, government should set out a multi-decade plan with detailed funding and financing arrangements that would provide clarity for the public sector and build confidence for private investors. A long-term plan could be reviewed at regular intervals and adjusted as required.
- 4. Drive net zero through the supply chain.** Given that a substantial amount of emissions are in supply chains, the public sector will need to invest in supply chain management, procurement, contract management and other commercial activities to drive change. Importantly, procurement could secure additional social value by leveraging public spending so suppliers play a clearer role in net zero transition.
- 5. Support green skills through market intervention.** Further education leaders told us that green skills need to reach a 'tipping point' of supply and demand. Government could accelerate that by scaling up its investment in the skills market, enabling combined and local authorities to bring education providers, businesses and trades together to define the skills needed and fund professionals through their training.



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