



The year that defines the future
State of the State 2025

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Methodology

The State of the State blends two forms of research. To understand public attitudes, Deloitte and Reform commissioned Ipsos UK to conduct an online survey which achieved responses from 5,721 UK adults aged 16-75 between 13 and 19 December 2024. 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 687 responses were achieved in Scotland, 697 in Wales and 501 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.

Our qualitative research comprises interviews with more than 80 leaders in government and public services. They include senior civil servants, police chief constables, council chief executives, NHS leaders and elected representatives. The interviews took place between October 2024 and February 2025.

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

Introduction

The year that defines the future

Welcome to *The State of the State 2025*.

For more than a decade, this annual report has brought together a survey of the UK public alongside interviews with government and public service leaders. By fusing these two research elements, it provides a **view of the state from the people who rely on it and the people who run it.**

Our 2025 edition finds the UK public sector at a critical moment: with a new government finalising a series of grand plans, **this is the year that defines the future.**

Over the coming months, the government will lock down its industrial strategy, infrastructure plan, trade strategy, NHS ten-year plan, strategic defence review and more, all underpinned by the multi-year spending review expected in June. Then begins the hard work: delivery. The success of how those plans and reviews are implemented will shape the country we live in for years to come.

Against that backdrop, this year's *State of the State* explores what matters most to the public now and in the years ahead, and how public sector leaders see their institutions in ten years' time.

Thank you to everyone who took part in our survey and all the exceptional leaders that shared their thinking to inform our research. We hope *The State of the State* continues to bring evidence to debates on public sector reform and celebrates everything that government and public services achieve.



Jayson Hadley
UK Government & Public Services Lead
Deloitte



Charlotte Pickles
Director
Reform



State of the State 2025

Citizen survey at a glance

The public's top five priorities for improvement

- 1 The cost of living
- 2 The NHS
- 3 Immigration and border security
- 4 Crime and policing
- 5 Jobs and economic growth



Taxing times?

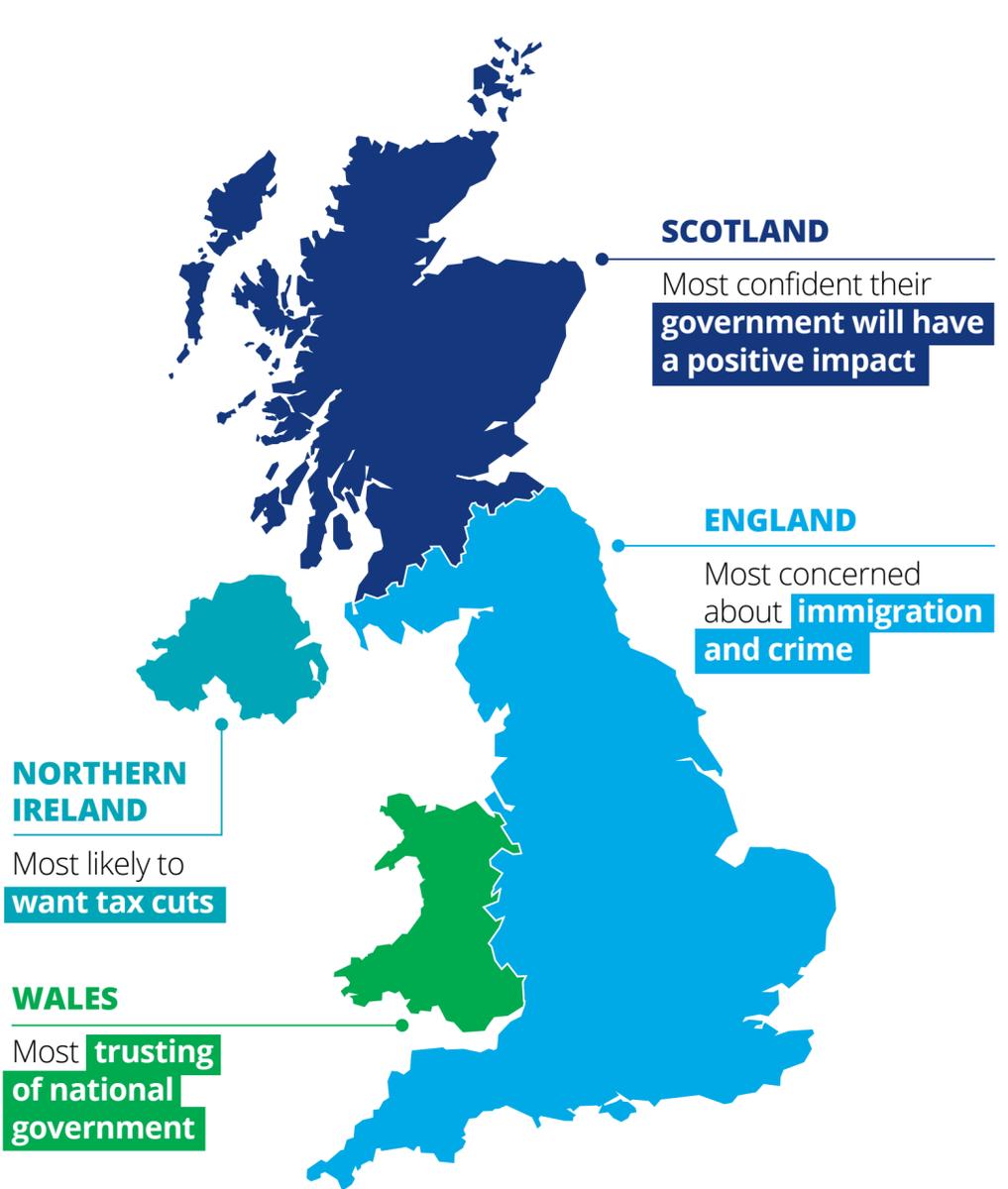
46% of the public expect **more tax and spend on the horizon**
Up 15% points since last year

Trust in government has improved since our last survey

Our survey finds trust in the UK government to:

- Take **environmentally responsible** decisions **↑ 6 points**
- Generally **do the right thing** for society **↑ 6 points**
- Be focused on **the needs of citizens** **↑ 6 points**
- Deliver the **outcomes you want** **↑ 5 points**
- Deliver major projects** on time and to budget **↑ 5 points**

A United Kingdom of nations and regions



State of the State 2025

Interview insight at a glance

Our report is informed by interviews with more than

80

UK public sector leaders including elected representatives, senior civil servants, police leaders, council chief executives and NHS officials.

Key themes from our research interviews

- 1.** Prioritisation is good government but tough politics
Transformation is not a side-of-desk pursuit
Mission delivery relies on a shift of gravity from department to cross-government – plus skills in short supply
Growth requires boldness, seeing beyond London and understanding investors
- 2.** One size of productivity does not fit all public services
- 3.** As the net zero deadline draws closer, the destination looks further away
- 4.** The prevention magic is in the spaces between public services
Devolution could change everything
Public services remain fragile but there is optimism for reform
- 5.** After a difficult decade, the UK's mojo could be coming back
Geopolitics is in flux and front of mind in government

Five quotes that define the state of the state 2025

“ Government has kicked off hundreds of reviews and that's a good way to get under the skin of our challenges. But the **proof of the pudding will be after those reviews report back.** It will be in the sifting, sorting, aligning to the missions, locking together with investment – and in the implementation.
Senior Civil Servant

“ **Productivity is about making the department an easy place to work,** where admin is painless, so people can do the job we pay them to do.
Senior Civil Servant

“ If everyone in the public sector took our lanyards off, and forgot which organisation we worked for, we could **start to talk about how to change things.**
Council Chief Executive

“ **Climate change is the biggest threat to humanity** in history. But it's not a crisis today, this month or this parliament.
Chair, Non-Departmental Public Body

“ Geopolitically, there's a feeling out there that the **UK is back.**
Senior Diplomat

Executive summary

The State of the State provides an annual view of the public sector from the people who use it and the people who run it. The report blends two forms of research by bringing together a survey of the UK public alongside interviews with government leaders.

Our survey, conducted by Ipsos UK, polled 5,712 UK adults about their attitudes to government and public services. For our interviews, we spoke to more than 80 public sector leaders including senior civil servants, police chief constables, council chief executives and NHS leaders in all nations of the UK. Separate reports on Scotland, Wales and Northern Ireland will be published after this UK version.

In summary

The State of the State 2025 finds the UK public more positive about government and public services than in recent years, but with a shift in their concerns: more are worried about border security and defence, and fewer about climate change or social inequalities. Leaders across the public sector also share an upturn in optimism as they look ahead to emerging reform plans, but many are concerned whether the investment to deliver them will be available.

As government gets set to publish a series of long-term reviews in the first half of the year, the way their findings are processed and implemented will make 2025 the year that defines the future of government and public services.

Key findings



Public priorities for action have shifted, with immigration and defence rising up the list

Our poll found that immigration and defence have moved up the public's list of priorities for government action since our last survey. The number of people worried that the UK's security could get worse has also grown.



Climate complacency could be creeping in

Public attitudes to climate change have shifted. It has dropped significantly down the public's list of priorities and people are less likely to be worried about climate issues than last year. Seven in ten believe the UK will miss its 2050 net zero target although optimism among younger people has grown.



The people's growth plan: a healthy and educated nation

Our survey asked the public to rank factors that drive economic growth. While they recognised the importance of levers like tax and trade, their top answers were health and wellbeing followed by education and skills.



Is 2025 the year Britain gets its mojo back?

Our annual optimism tracker has found the public increasingly positive across a range of policy issues and trust in government has improved since last year. After a difficult decade, our interviews with public sector leaders also found a new optimism for the future of public services and the UK's place in the world.

Executive summary

Key findings *(continued)*



The public foresee tax rises on the horizon

While the public remain broadly split on their preferences for lower tax or higher spending, the proportion wanting higher tax and spend has fallen since last year. And whatever their preferences, the percentage of the public expecting a bigger state fuelled by tax rises (or more borrowing) had gone up significantly by December 2024, when the survey was conducted.



Public services remain fragile, but there is optimism for reform

Local services are struggling with limited resources and high demand, but officials are confident that new reform plans will make a difference. Some are concerned that insufficient funding will be available to drive change, and others worry they will not have the bandwidth or political permission to deliver the level of transformation needed in the sector.



No one size fits all for productivity gains

Officials shared a range of ideas for boosting productivity, but ultimately they see minimising bureaucracy, reducing complexity and cancelling programmes with low returns as key.



Mission delivery relies on a shift of gravity from department to cross-government – plus skills in short supply

The public sector has welcomed the government's five missions. While it's still early days, some officials argued that civil servants will need to break away from the gravitational pull of their own department in order to succeed in cross-departmental missions. Beyond Whitehall, leaders told us that mission delivery relies on skills that are in short supply in the economy, such as construction.



Growth requires boldness, seeing beyond London and understanding investors

Many public sector leaders argued that government needs to stay bold – regressing to strategies of the past is unlikely to be successful – and make sure that the entirety of the UK's economy is engaged in plans. Several warned that the public sector needs to better respond to the needs of private investors.



Devo could change everything

The English Devolution White Paper has far-reaching ramifications for the way democracy, government and public services are organised. Leaders largely welcomed the boldness in its measures, and many argued that combined or strategic authorities are the best way to join up public services so that place-based thinking can finally be realised.



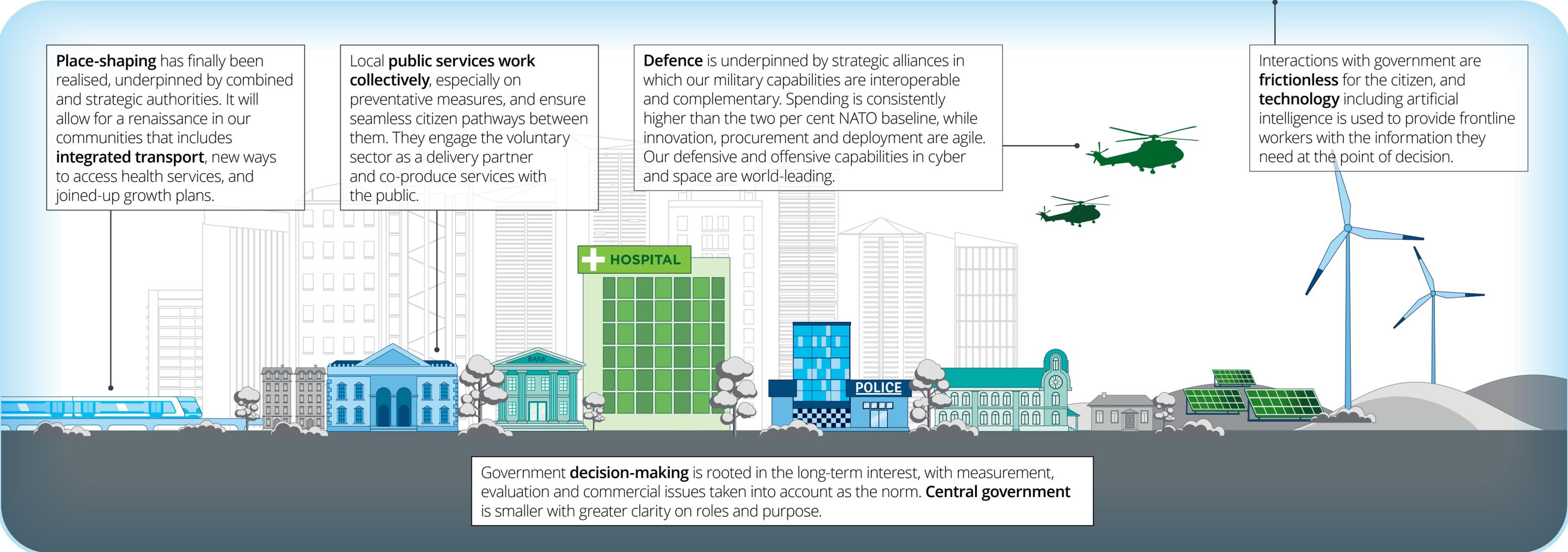
As the net zero deadline draws closer, the destination appears further away

Public sector leaders told us they are concerned about reaching the UK's 2050 net zero milestone. Central government officials warned that the pace of delivery is not fast enough because climate change does not feel like an urgent political imperative.

Executive summary

Key findings (continued)

Our interviews asked leaders about their hopes for the public sector of 2035. Put together, their responses provide a vision for the future defined by five characteristics:



Executive summary

Recommendations

Our research points to five recommendations for government and public services:

1. Translate the coming series of reviews into credible delivery plans. As the reviews and strategies initiated by the government report back in the first half of 2025, leaders we interviewed want those reviews to be assessed, their recommendations costed against spending plans, and their delivery worked out before implementation. **Key to this process should be an investment of senior time and continued prioritisation to focus on what government wants to deliver.** Ultimately, the reviews may generate more ideas than government can afford, and some may even conflict. It's therefore vital that they are synthesised into a coherent **set of affordable plans that make the necessary trade-offs now rather than down the line.**

2. Set out a long-term vision for the public sector and how it will improve life in the UK. The new government's commitment to long-term plans have been welcomed across the sector. However, leaders told us they want those plans to **go beyond fixing the public sector's problems to providing an optimistic, energising and cohesive vision for what government and public services could look like.** Long-term plans help the public understand why short-term sacrifices and trade-offs are necessary. And they **bring much-needed clarity to investors, especially when it comes to a pipeline of infrastructure plans.**

3. Grow the public sector's 'halo effect' technology successes. While commentaries often focus on the problems, the UK public sector has rolled out some world-leading uses of technology. **Rather than re-invent new solutions at every turn, the sector should consider how it can grow out its best examples** – the projects with a halo effect – into new uses. This could be particularly important as the sector embarks on an era of structural change, not least through local government reorganisation. That creates an opportunity to use proven technology successes as the vehicle for converging systems and processes across the sector. That could allow for even **more effective interoperability between services and substantial productivity gains if multiple institutions use the same digital systems.** Key to getting this right would be a clear recognition of the proven benefits and a willingness for government to be directive across the public sector.

Executive summary

Recommendations (continued)

Our research points to five recommendations for government and public services:

4. Invest in further education and adult skills to deliver the missions. Public sector leaders believe government should ensure adequate investment in the nation's skills. They argue that **investment in further education and adult skills means investment in the UK's economic growth,** investment in productivity, investment in tackling income inequalities and investment in delivering the government's missions. But colleges continue to struggle with varying levels of financial distress which limits their ability to deliver people with sought-after skills into the economy. Looking forward, the UK could do more to **map, understand and address our skills' needs for at least a decade ahead.**

5. Provide regular figures on the 'public sector gap'. Our survey shows the UK public understand the funding pressures on public services. That view is informed by regular updates on the state of the public finances and budget settlements across the public sector. What's missing is **a view on the gap between what those funding settlements can achieve versus the demands on them** – like the number of prison spaces available and the number needed. Data and transparency on that gap could help the public understand the trade-offs and how the sector would need to reduce demand (in this case, reduce prisoner numbers), improve productivity (make better use of prison capacity) or access additional funding (build more prisons) to close it.



The public's view of the public sector



The public's view of the public sector

Our annual *State of the State* survey tests the public mood on government and public services. It was undertaken from 13-19 December 2024 by Ipsos UK, achieving 5,721 responses.

(please see methodology for more details).

This year finds the public concerned about the UK economy, not least through its direct impact on the cost of living. It also finds rising worries about immigration and national security while concerns about climate change have declined.

However, our annual questions on trust, confidence and optimism suggest a turnaround in attitudes. After years of growing pessimism, the survey shows more positive sentiment towards government and public services.

This section of *State of the State* sets out the findings from our latest survey.

Key takeaways



Public priorities for action have shifted, with immigration and defence rising up the list

– Our poll found that immigration and defence have moved up the public's list of priorities for government's attention since last year. The number of people worried the UK's national security could get worse has also grown.



Climate complacency could be creeping in

– Public attitudes to climate change have shifted. It has dropped significantly down the public's list of priorities and people are less likely to be worried about climate issues than last year. Seven in ten believe the UK will miss its 2050 net zero target although optimism among younger people has grown.



The people's growth plan: a healthy and educated nation

– Our survey asked the public to rank factors that drive economic growth. While they recognise the importance of levers like tax and trade, the public's top answers were health and wellbeing followed by education and skills.



Is 2025 the year Britain gets its mojo back?

– Our annual optimism tracker has found green shoots of positivity in an otherwise pessimistic public, and trust in government's ability to deliver has improved since last year.

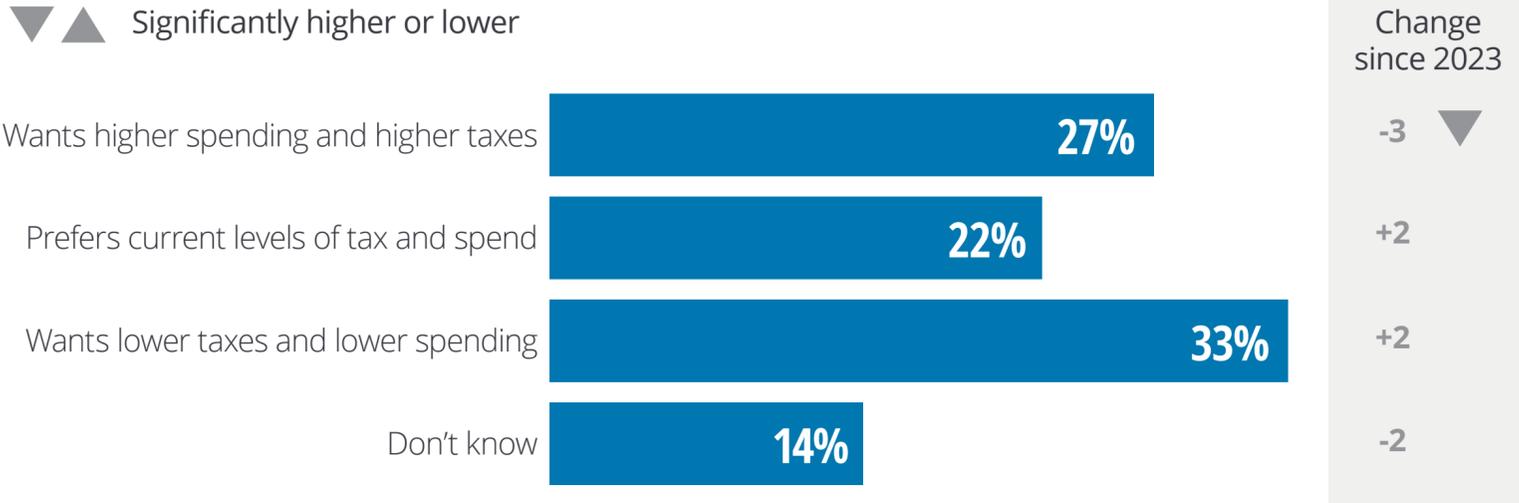


The public foresee tax rises on the horizon

– While the public remain broadly split on their preferences for lower tax or higher spending, the proportion wanting higher tax and spend has fallen since last year. And whatever their preferences, the percentage of the public expecting a bigger state fuelled by tax rises (or more borrowing) had gone up significantly by December 2024, when the survey was conducted.

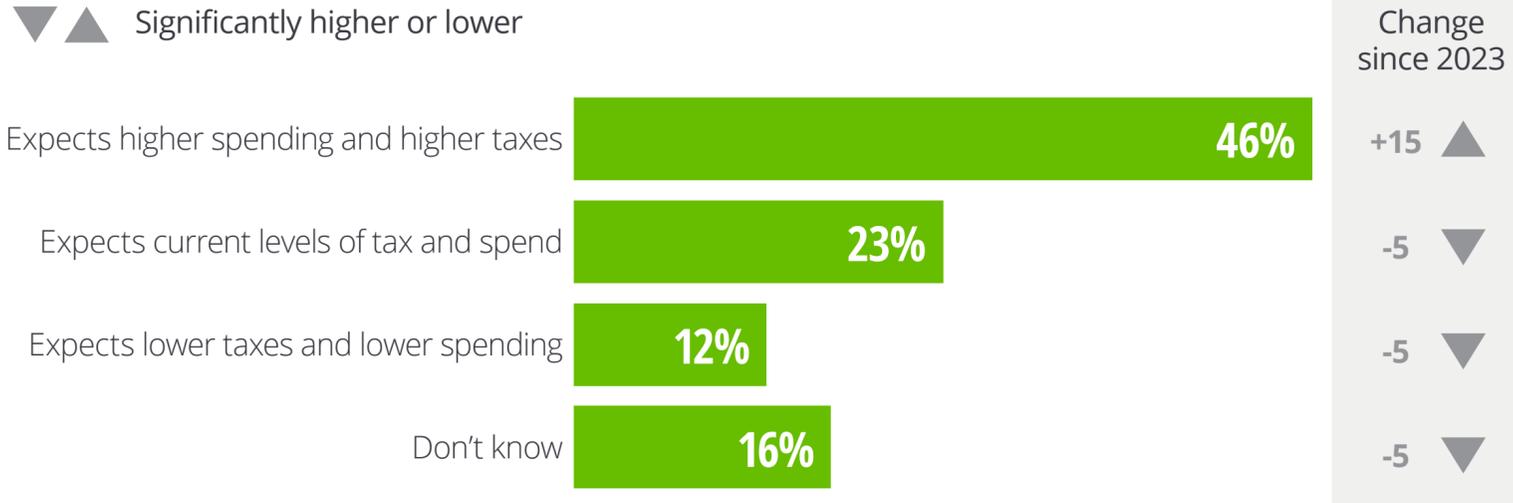
Public expectation of higher tax and spend has risen significantly

Our survey was taken in December 2024, more than a month after the Autumn Budget. When asked if they would prefer higher public spending or lower taxes, it found **the public are broadly split.** However, there has been a shift since our last survey, with more of the public now backing tax cuts rather than higher spending.



Base: 5,721 Online UK adults 16-75

Our survey also asked the public if they **expect the balance of tax and spending to change.** Almost half told us they expect higher levels of tax and spend on the horizon – an increase of 15 percentage points since our last report.



This question in detail
 The survey asked: As you know, governments have to make decisions to set the right balance between the advantages of higher public spending and the advantages of less tax or public borrowing. 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? 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?

Attitudes to tax and spending differ across the UK's nations

Drilling down into the four nations of the UK, our survey finds more support for higher spending in Scotland and Wales. People in Northern Ireland are more inclined to lower taxes than any other part of the UK.

Q: As you know, governments have to make decisions to set the right balance between the advantages of higher public spending and the advantages of less tax or public borrowing. 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?

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



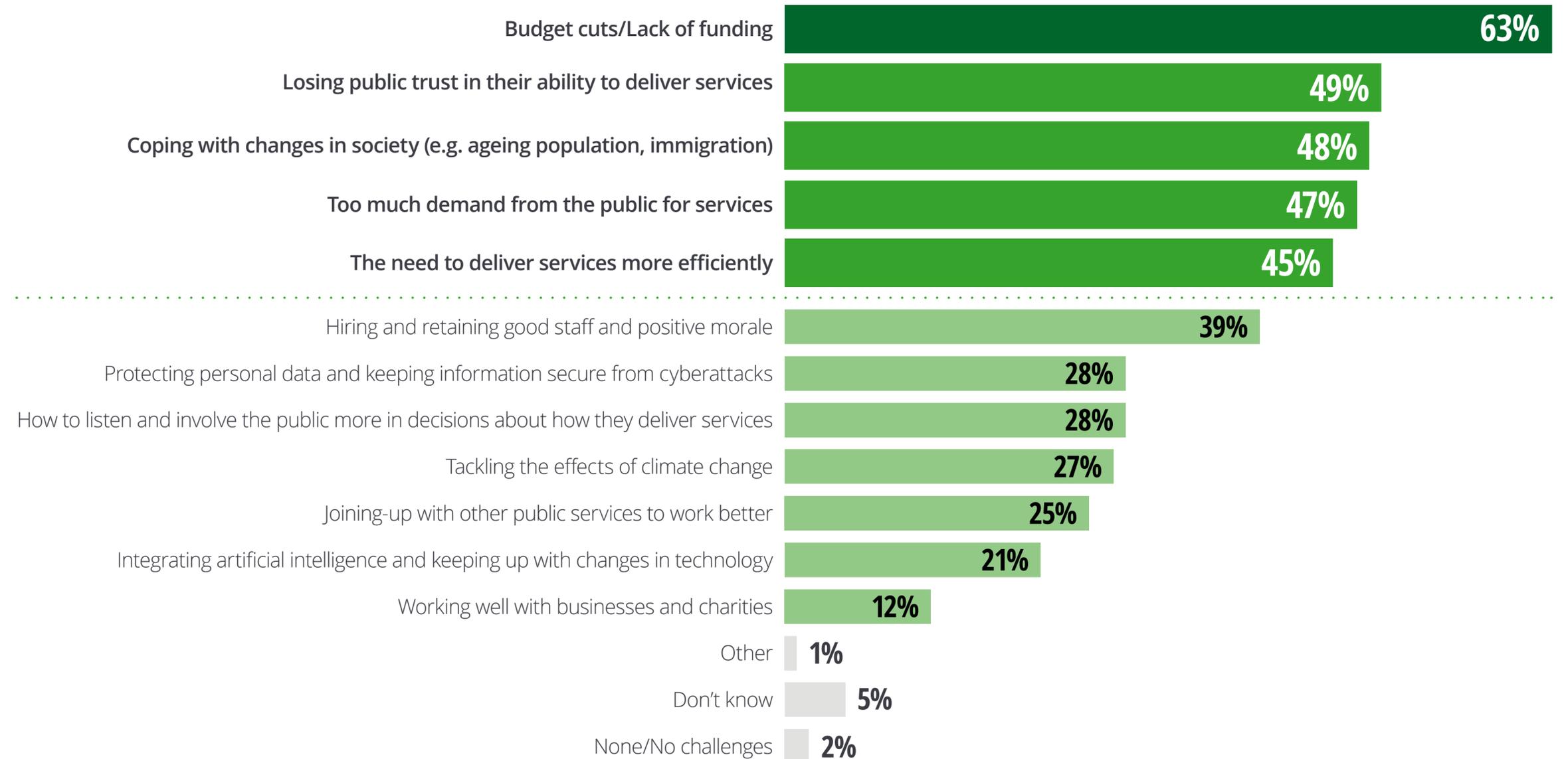
Base: 5,721 online UK adults 16-75

Trust in public services matter, even when budgets are tight

Our survey asked what the public see as the biggest challenges to public services in the years ahead. By some margin, **the most common answer was lack of funding suggesting government's messages about tough choices ahead have landed with the public.**

The next four most common responses came close together, with **trust seen as very important** along with coping with societal changes and managing demand. Trust clearly matters to citizens when it comes to their public services.

Q: Which of the following, if any, do you think will be the biggest challenge(s) for public services as a whole over the next five years?



Base: 5,721 online UK adults 16-75

The people's growth plan: a healthier and more skilled nation

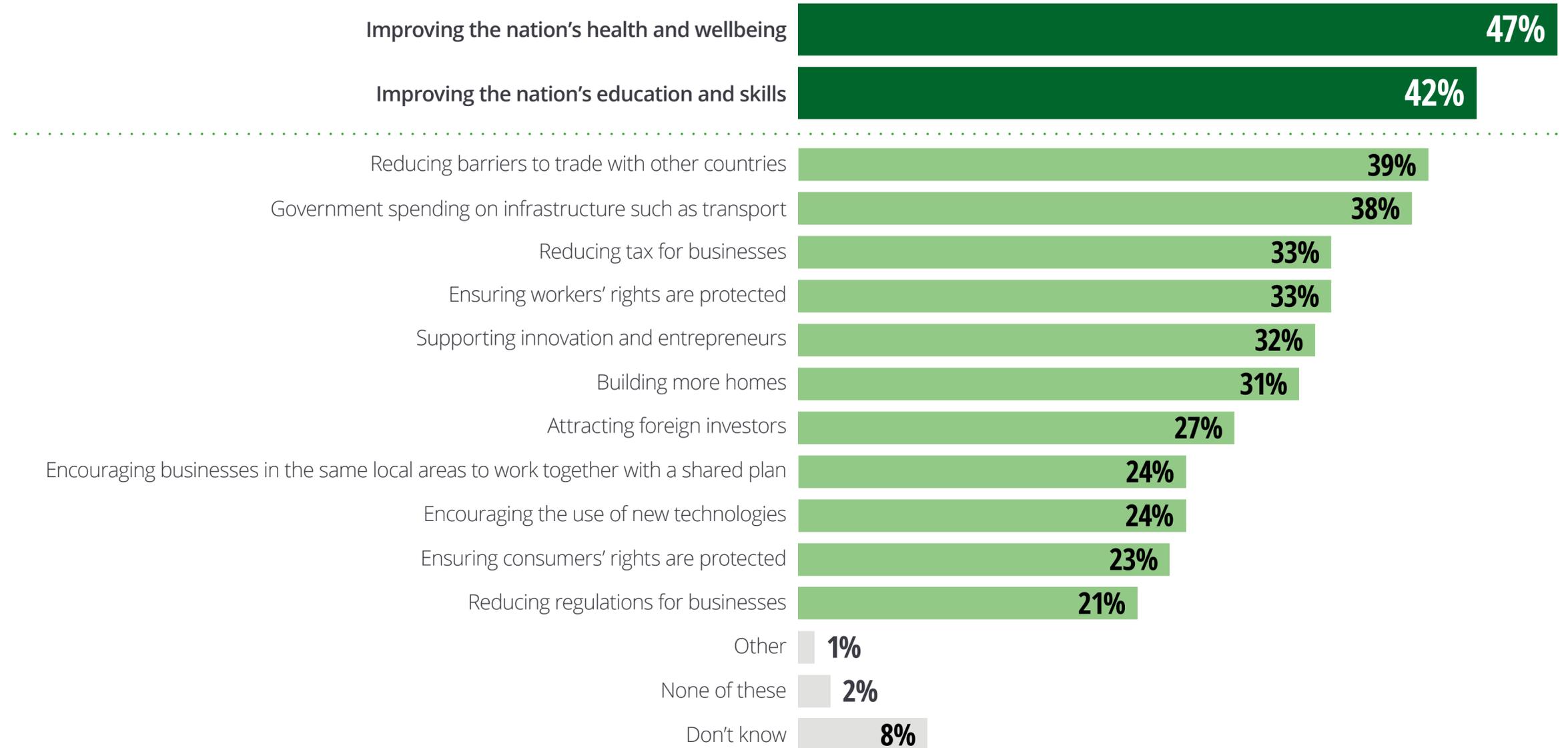
As the UK government pursues economic growth, we asked the public which factors they believe will deliver a better economy.

The public clearly see the **importance of trade and the value of infrastructure spending.**

But the two most popular responses were more focused on people: the public believes their **health and skills are the most important factors** for national economic growth.

Drilling into this data, workers' rights are a higher relative priority for the 16-34 age group while the over 55s place a greater emphasis on reducing trade barriers.

Q: Which of the following, if any, do you think are most important for improving economic growth the UK over the next few years?



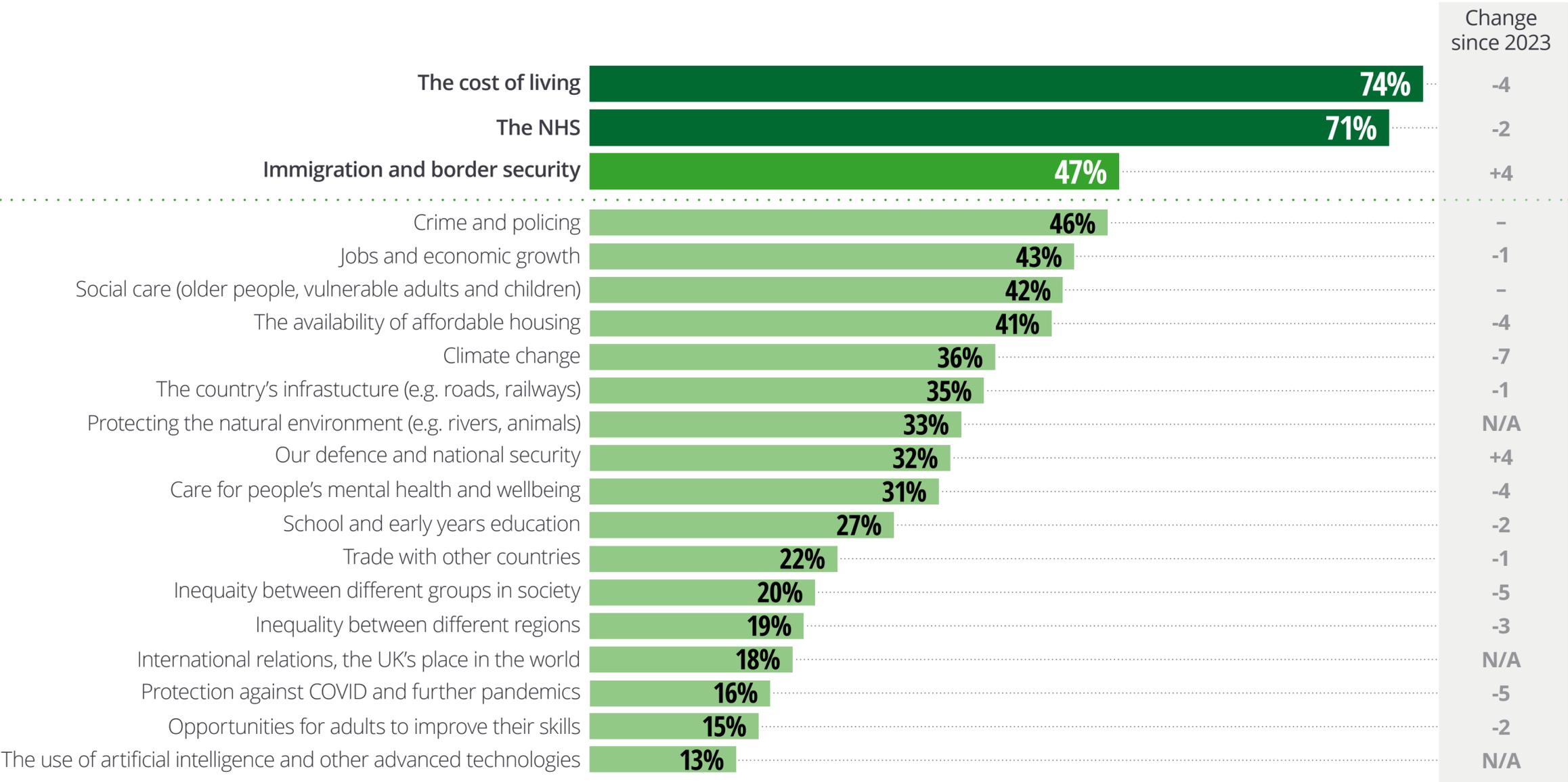
Base: 5,721 online UK adults 16-75

Public concerns are rising about border and national security

For the third year, the public see the cost of living and the NHS as their biggest priorities for improvement. However, this year's survey sees some significant changes in the public's priorities. Concerns about immigration and border security have risen for several years, putting it in third place in this year's survey. Defence and national security has also risen as an issue by the same amount.

At the same time, the public appear less concerned about climate change – down seven percentage points – and inequalities in society. There are some differences by age and gender, with the over 55s more concerned about the NHS than the cost of living and women more concerned than men about social care.

Q: Which of the following should be top priorities for improvement in the UK over the next few years or so?



Base: 5,721 online UK adults 16-75

Government's missions map to the public's priorities

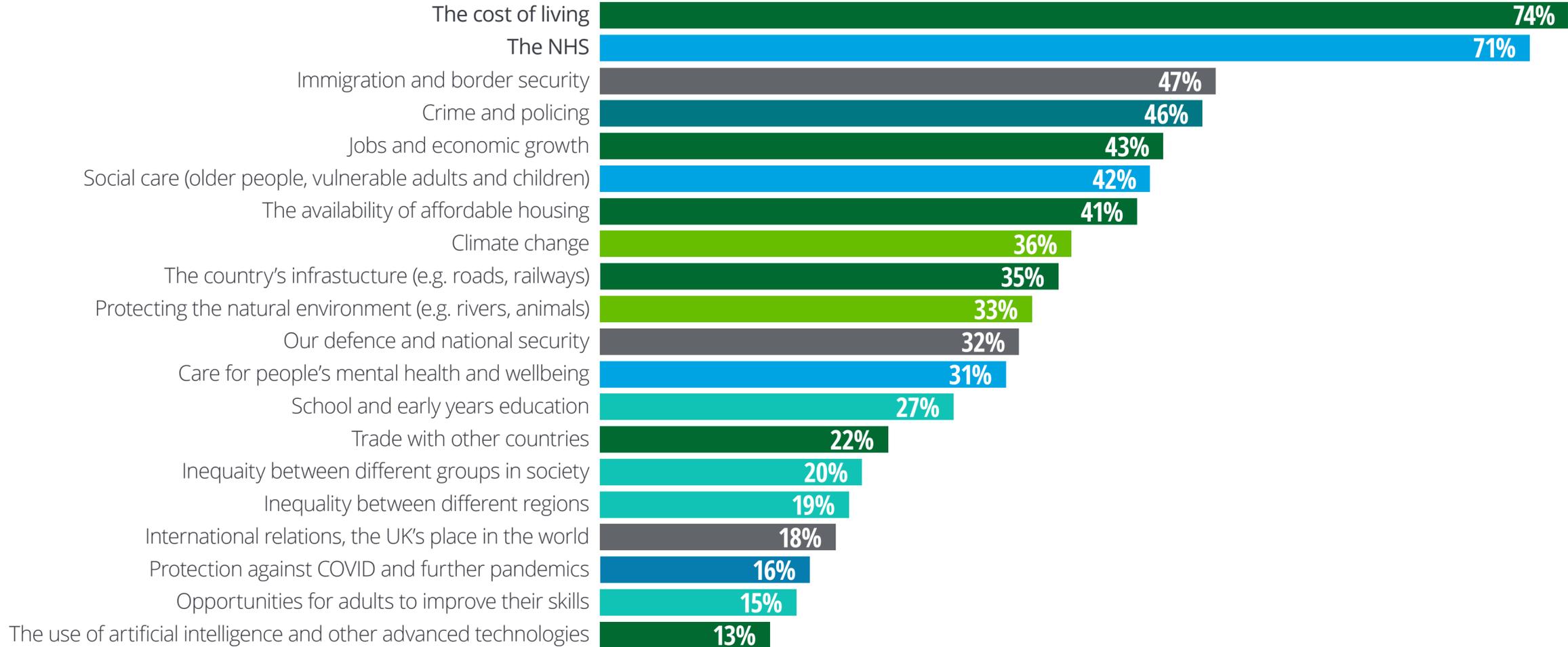
This chart maps the public's priorities to the government's five missions and the additional elements added in government's **Plan for Change**.

It shows strong correlation between them, and perhaps a sense of ranking that would place kickstarting economic growth and **building an NHS fit for the future** as the two shared priorities.

The government's **clean energy mission** includes a brief commitment to protecting the UK's natural environment, but a third of the public described that as a priority for action, suggesting it may be more of an explicit issue for the public.

Q: Which of the following should be top priorities for improvement in the UK over the next few years or so?

- Five missions: ● Kickstart economic growth ● Build an NHS fit for the future ● Take back our streets ● Make Britain a clean energy superpower ● Break down barriers to opportunity
- Added in the Plan for Change: ● Secure borders ● National security



Base: 5,721 online UK adults 16-75

Green shoots of positivity for the years ahead – but concerns around national security

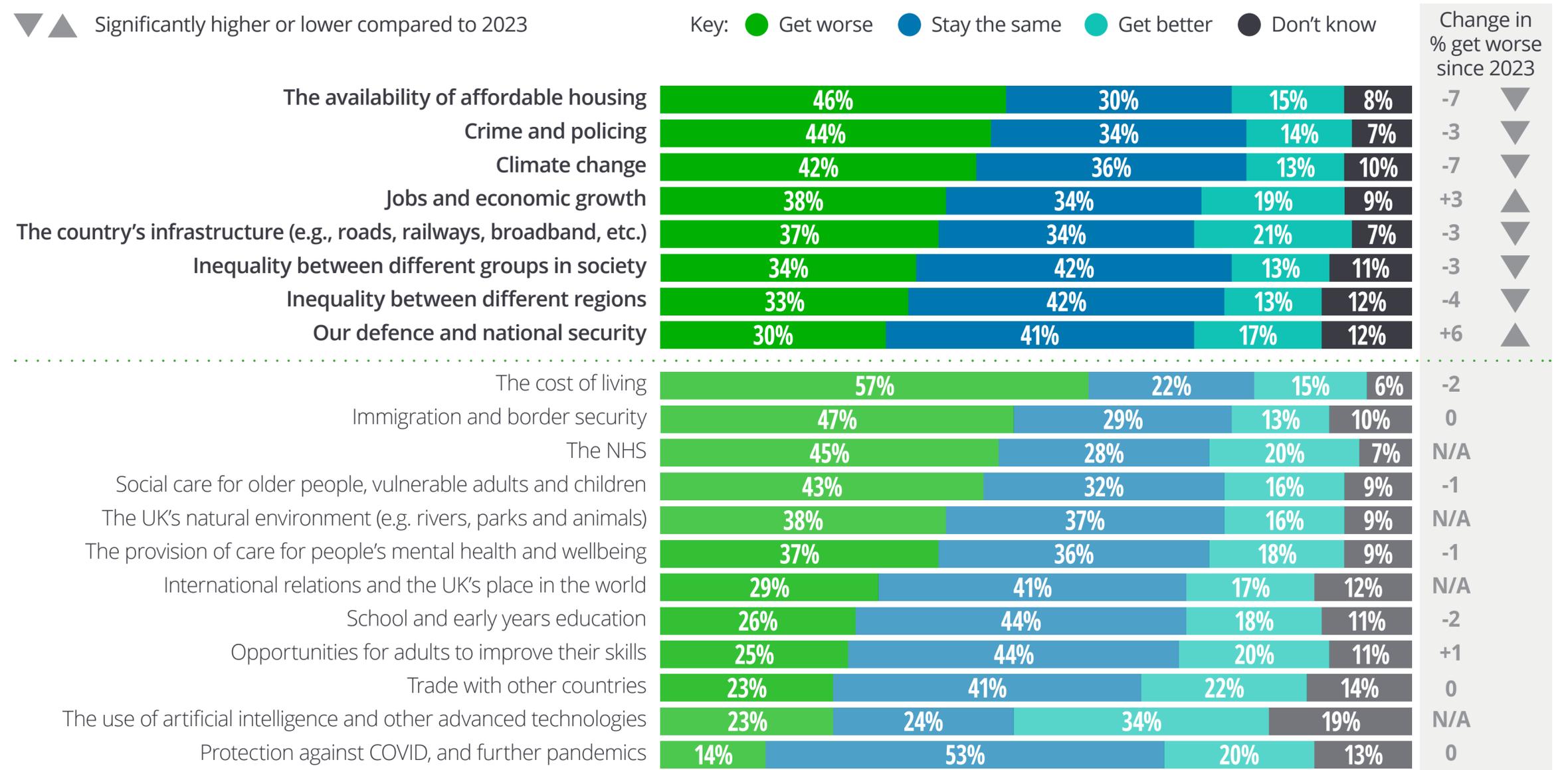
Our optimism tracker once again finds the UK public characteristically more pessimistic than optimistic. However, **views are more positive** than last year around the outlook **for housing, crime, climate change, infrastructure and inequalities.** Together, that represents an upturn in views since last year.

Another notable shift is around **defence and national security,** where the public appear increasingly concerned significantly more people expect the outlook to get worse in the years ahead.

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?

▼ ▲ Significantly higher or lower compared to 2023

Key: ● Get worse ● Stay the same ● Get better ● Don't know



Base: 5,721 online UK adults 16-75

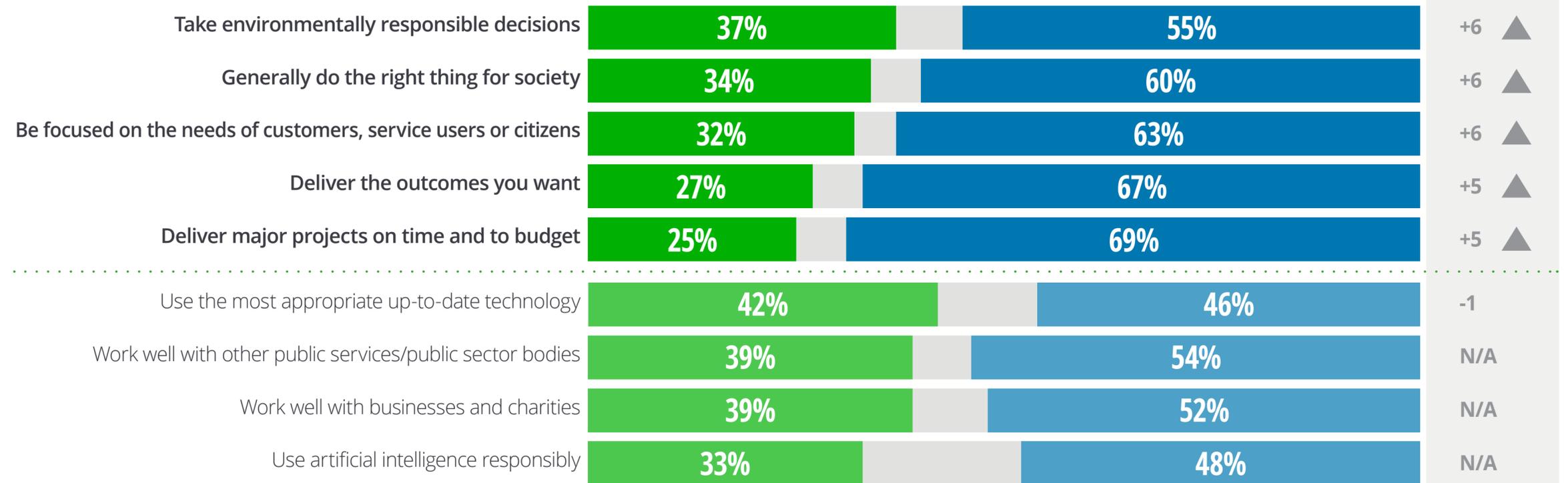
Trust in government's capabilities has grown, although still remains cautious

Every year, our survey tracks public trust in different areas of the public sector against a set of capabilities. This year, we found that **trust in the UK government remains limited** – but with a marked upturn across most factors since last year.

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

▼ ▲ Significantly higher or lower compared to 2023

Key: ● A great deal/a fair amount ● Not very much/not at all



Base: 5,721 online UK adults 16-75

Trust in public services varies, with confidence high in the NHS

Trust in policing is improving

As **police forces strive to improve public trust**, our survey finds some movement in the right direction – especially around doing the ‘right thing for society’.

Upturn in council’s customer focus

Trust in councils remains mixed, but this last year has seen an upturn in perceptions around their ability to be customer-focused.

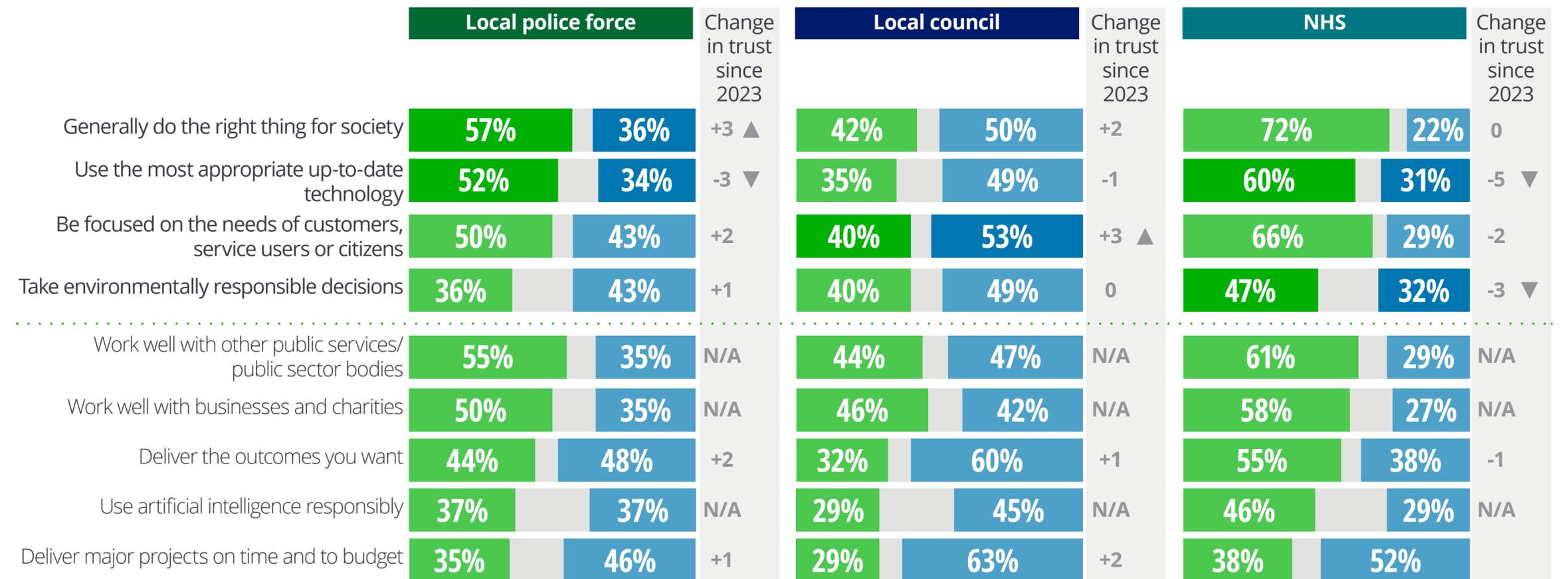
People trust the NHS above all

The **NHS remains the most trusted institution** in the UK’s public sector. This last year has seen a dip in trust around its ability to use technology.

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

▼ ▲ Significantly higher or lower compared to 2023

Key: ● A great deal/a fair amount ● Not very much/not at all



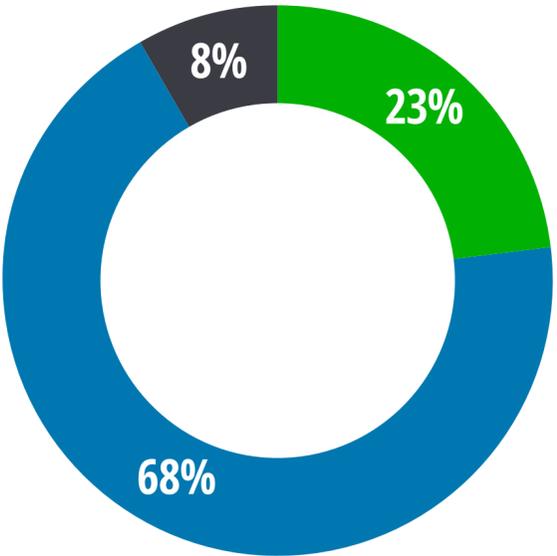
Base: 5,721 online UK adults 16-75

Seven in ten say net zero target will be missed but younger people are more confident

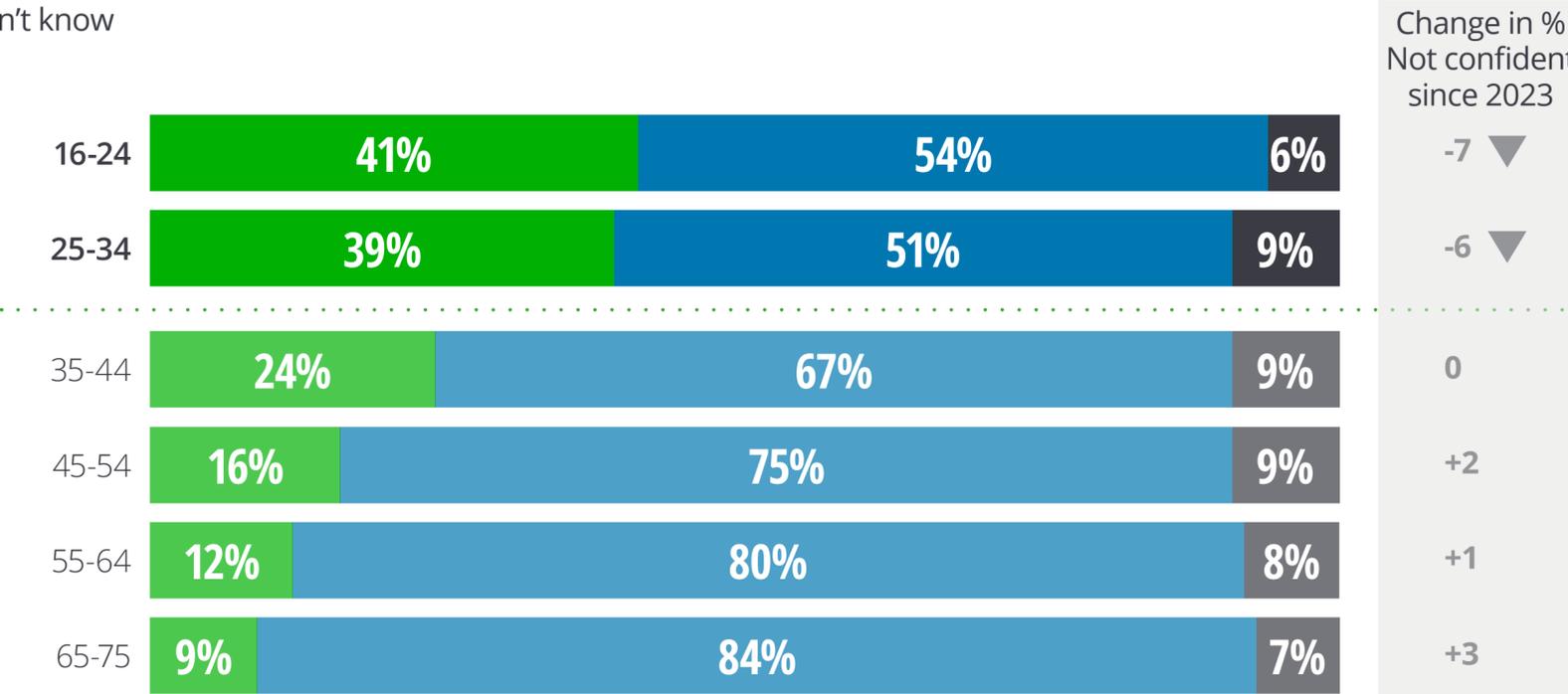
Seven in ten members of the public are not confident that the UK will reach its target of a net zero economy by 2050, broadly equal to our findings last year. However, confidence among younger people that the target will be met – already higher – has grown since last year.

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?

Key: ● Confident ● Not confident ● Don't know



Base: 5,721 online UK adults 16-75



A United Kingdom of nations and regions

As in previous years, our survey finds **notable differences in attitudes around the UK** – here are just a few examples.

If you would like to receive our forthcoming reports on Scotland, Wales, Northern Ireland or regions of England, please get in touch via: ukdeloittestateof@deloitte.co.uk

Northern Ireland

More likely to back lower taxes and less concerned about immigration than in England

Wales

More trust in their national government than the UK government average

North West

In line with UK average survey responses

West Midlands

Less concerned about housing than the UK average

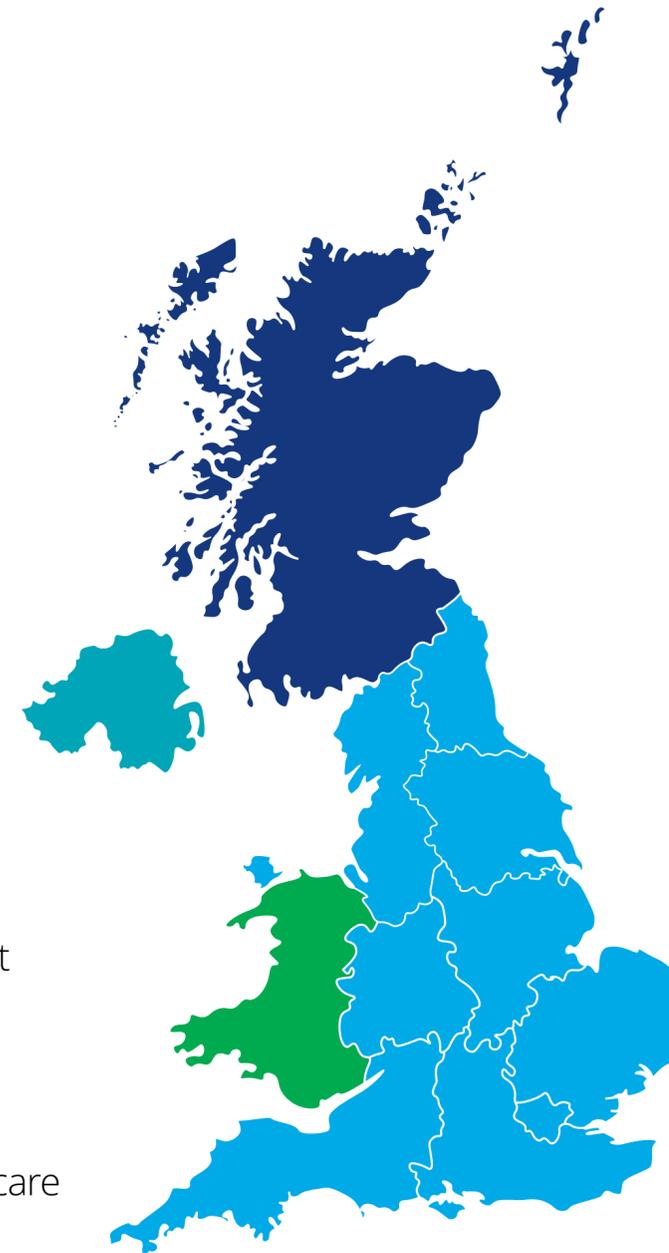
South West

More concerned about the natural environment and defence than the UK average

South East

More concerned about immigration and social care than the UK average

Base: 5,721 online UK adults 16-75



Scotland

More likely to back higher public spending and more trusting of their national government than the UK average

North East

More concerned about crime, housing and regional inequality than the UK average

Yorkshire & Humber

Less concerned about housing than the UK average

East Midlands

More concerned about immigration and protecting the natural environment than the UK average

East

More concerned about the NHS than the UK average

London

More concerned about crime and the impact of artificial intelligence than the UK average

Insight from public sector leaders





Government has kicked off hundreds of reviews and that's a good way to get under the skin of our challenges. But the proof of the pudding will be after those reviews report back. It will be in the sifting, sorting, aligning to the missions, locking together with investment – and in the implementation.

Senior Civil Servant



Insight from public sector leaders

For more than a decade, our *State of the State* reports have been informed by interviews with senior figures from across the public sector.

This year we interviewed more than 80 public sector leaders including politicians, senior civil servants, police chief constables, council chief executives and NHS officials.

Those past ten years were incredibly challenging for the sector. The funding cuts of austerity, pressures of Brexit, emergency of COVID-19 and the cost-of-living crisis all took a toll on government and public services – and our *State of the State* reports have commentated throughout.

This year, we heard fresh optimism in our interviews. While public services remain fragile and funding is limited, officials are looking to the future with a new sense of ambition.

This section of *State of the State* sets out ten insights from our research interviews.

Key takeaways



Public services remain fragile, but there is optimism for reform

Leaders told us that local services are struggling with limited resources and high demand, but officials are confident that new reform plans will make a difference. Some are concerned that insufficient funding will be available to drive change, and others worry they will not have the bandwidth or political permission to deliver the level of transformation needed in the sector.



Mission delivery relies on a shift of gravity from department to cross-government – plus skills in short supply

Public sector leaders have welcomed the government's five missions. While it's still early days for the delivery of their long-term aspirations, some officials argued that civil servants will need to break away from the gravitational pull of their own department in order to succeed in cross-departmental missions. Beyond Whitehall, leaders told us that mission delivery relies on skills that are in short supply in the economy, such as construction.

Insight from public sector leaders

Interview findings *(continued)*



Devolution could change everything

The English Devolution White Paper has far-reaching ramifications for the way democracy, government and public services are organised in England. Leaders largely welcomed the boldness in its measures, and many argued that combined or strategic authorities are the best way to join up public services so that place-based thinking can finally be realised. Some added that seamless working between services including police, the NHS, local government and the voluntary sector will be the key to delivering the prevention agenda.



Growth requires staying bold, seeing beyond London and better understanding investors

On growth, many public sector leaders argued that government needs to stay bold – regressing to strategies of the past is unlikely to be successful – and make sure that the entirety of the UK's economy is engaged in plans. Several warned that investment expertise is in short supply in the public sector.



As the net zero deadline draws closer, the destination appears further away

Public sector leaders told us they are concerned about reaching the UK's 2050 net zero milestone. Central government officials warned that the pace of delivery is not fast enough because climate change does not feel like an urgent political imperative.



After a difficult decade, the UK's mojo is coming back



Where did this declinism come from?
The UK seems to have had the
optimism kicked out of us.

Senior Civil Servant



After a difficult decade, the UK's mojo is coming back

The past decade has been tough for the UK. A succession of challenges and emergencies – not least the COVID pandemic and the cost-of-living crisis – have affected millions of us and taken a toll on the nation.

Many of our interviewees acknowledged that the public mood is low. But they argued the UK is in a better position than many recognise, and some want to see government provide a more optimistic vision for the future.



The **UK looks pretty stable and pretty powerful** right now when you realise that China, Germany and others are looking challenged. But I don't think that's fed through to the media.

Chief Executive, Government Agency



Geopolitically, there's a **feeling out there that the UK is back.**

Senior Diplomat



Government has to find a way to make people feel **more optimistic about their trajectory in life.**

Senior Civil Servant



Public services remain fragile but optimistic for reform



There's a mix of optimism and trepidation in government. Optimism because we've got an opportunity to do some pro-active policymaking after a decade in reaction mode. And trepidation because there's no money.

Senior Civil Servant

Public services remain fragile but optimistic for reform

NHS leaders told us their services remain overwhelmed and fragile. Police leaders told us their force finances are stretched, and council officials that they continue to retrench into the core services they are legally obliged to provide.

But against that difficult backdrop, our interviewees were almost all optimistic for the future. Most felt that emerging reform plans – from local government reorganisation to the NHS Ten-Year Plan – would deliver a more resilient sector.

Social care leaders were sanguine about the government's decision to postpone longer-term reforms. They argued that government does not need a new diagnosis of the sector's problems but needs to make difficult choices about funding.

Meanwhile in Whitehall, civil servants told us they are energised by the new administration's ambitions but worried that tight public finances will limit their delivery.



There's a reason the **government has pushed social** care reform out. They know the solutions – the only decision is where the money will come from.

Head of Policy, Combined Authority



There's an **acceptance among police leaders** of the Home Secretary's case for reform and a big-hitting, national police agency.

Police & Crime Commissioner



Our emergency department is overwhelmed and we're got staff suffering from morale trauma. They see a patient in the waiting room when they clock off for the night and they're still there when they come back in the morning.

NHS Trust Chief Executive

Prioritisation is good government but tough politics

“Government is yet to feel the pain of hearing ‘sorry minister, we can’t do that’ as a consequence of prioritising the missions. The big choices about what not to do are coming, and it could be a torrid six months.”
Senior Civil Servant

The UK Government is making vital and long-overdue choices about what to prioritise. The public sector cannot afford to stay over-programmed and stretched beyond capacity.

But prioritisation inevitably leaves some disappointed. Officials warn that 2025 could see tensions rise as the political impact of tough decisions play out with the public, parliament and the media.



“**Prioritisation is happening.** We’ve stopped giving wealthy pensioners £300 a year for winter fuel payments. We’ve stopped putting our heads in the sand about prison capacity. There’s a boldness to this government but it might not feel like that to the public.”
Senior Civil Servant

“**Missions are not prioritising enough.** We need to decide where to put the laser-like focus that will make a tangible difference in five years.”
Senior Civil Servant

Mission delivery relies on a shift of gravity from department to cross-government

The new government's five missions have been welcomed as rallying points for the public sector. While it is still early days for mission-based government, interviewees told us their success could rely on officials breaking away from the gravitational pull of their own department to operate across Whitehall.

Some officials added that missions may need to develop firmer governance while others acknowledged the complexity of their delivery.



“ The **NHS mission** hasn't changed anything yet but it **has a lot of potential** and time will tell. What needs to change is for civil servants to stop pursuing the objectives of their minister alone.
NHS Trust Chief Executive

“ No-one in policing would disagree with the government's **safer streets mission,** but the organisation to deliver it isn't there and it's hamstrung by the fiscal position.
Chief Constable

“ We need to ask if the missions boards have got teeth. **Will they haul people in and hold them to account?**
Senior Civil Servant

“ I thought the missions would feel like Blair's delivery unit where **someone would be putting pressure on us to deliver** but we're not really seeing that. Whitehall isn't really reorientating, and it needs to, and that feels quite pressing.
Senior Civil Servant

... and boosting skills in short supply

“Colleges are central to Labour’s five missions. You **won’t have the people to build a million and a half houses**, turn around the NHS or retrofit homes without investment in further education.

Further Education Leader

Delivery of the government’s five missions rely on people with skills in construction, green industries, childcare, and health and social care. Leaders told us those skills are in short supply, and that the deficit might hamper mission delivery.

Officials in local government also pointed to gaps within their council’s capability to deliver net zero as well as their capacity to drive a step-change in housing.

“ I applaud the government’s ambition on housing but it might be too much, too quick – **have councils got the capacity and the resources?**

Chief Executive, Local Government

“ **We don’t have the expertise to deliver net zero,** and we need to put our hands up and say that as a sector.

Chief Executive, Local Government



Devolution could change everything



Local government re-organisation is here.

Councils have punched as far as we can punch as there's only so far a small unitary authority can go anyway, so **the future is bright.**

Council Chief Executive



Devolution could change everything

“ The devo white paper went further than any of us expected. The only disappointing element was **around skills**, where **we need more powers**. Low skills is an aspect of every left behind every in every region.

Director, Combined Authority

During our *State of the State* research, the government published its long-awaited English Devolution White Paper. Interviewees were surprised by its level of ambition and see it as a historic turning point in government, politics and public services – if its delivery lives up to the White Paper’s promise.

Several figures in combined authorities told us that transport within their region was a fundamental challenge but that continued devolution was the best chance of turning it around.

“ **The Combined Authority feels exciting.**

This is the place to be right now if you want to affect change on the ground in the public sector.

Director, Combined Authority

“ Combined Authorities show Whitehall that **you can’t grow the economy by tweaking from the centre.** And they’re less dynamic than us – we’re Google compared to Whitehall.

Head of Policy, Combined Authority

“ 25 years ago, transport in London was a joke. **Now TfL is world class.** Why? Because the government gave the mayor power over transport.

Chief Executive, Government Agency

“ **Our transport** north and south isn’t bad but within **the region it’s dreadful.** That’s the same for most regions, and the less urban you are, the more important your transport for driving growth. It’s your economic geography.

Director, Combined Authority

The prevention magic is in the spaces between public services

Across local services, leaders recognise that the key to preventing demand is to work collectively, with each other, with business and with the voluntary sector.

Some argued that Combined and Strategic Authorities – as proposed in the English Devolution White Paper – could be the most effective way to see that kind of place-based delivery happen.

“ **Health is** about someone’s entire environment – it’s their food, it’s **everything.**
Director, NHS

“ We’ve lost something in our communities, where neighbours would pop in and check on someone. There is **huge potential for the voluntary sector,** but the health and social care system needs to engage it and invest in it properly.
Chief Executive, Health Agency

“ We’ve got to see **policing as part of a system of social justice.** You can’t just arrest your way out of everything. We need, at the minimum, complementarity between plans for public services.
Police & Crime Commissioner

“ If you want to **knit all this stuff together,** you’ve got to do it regionally and that’s combined authorities.
Director, Combined Authority

“ To halve knife crime, we need to work with schools and local authorities to **figure out societal change.** On domestic abuse, we need to work with health and voluntary organisations. On shoplifting, we need to work with business.
Policing Leader

“ If everyone in the public sector took our lanyards off, and forgot what organisations we worked for, we could start to **talk about how to change things.**
Chief Executive, Local Government

Stay bold, think beyond London and improve skills to drive growth

“The UK is at a crossroads and the **next set of decisions that government makes will be critical.** More of the same will leave us in this tailspin of low growth, low productivity and low wages. **We need bravery.**
Director, Regional Agency

The UK Government's focus on growth has built credibility and confidence among public sector leaders. Several told us that they see the UK at an economic crossroads, and three pieces of advice for government came up in multiple conversations.

First, leaders want the government to be bold and brave around growth, with decisive, pro-business intervention. Second, they urged civil servants to better understand the UK economy beyond London. Thirdly, they want to see further education and skills as more central to growth plans.

“I have never known a time when the bandwidth in Whitehall was so limited and their **understanding of the economy outside London so poor.** They need to get out.
Director, Regional Agency

“We've got nine million adults in England **without basic numeracy and literacy skills** – if that's not a drag on economic growth, I don't know what is.
Further Education Leader

“**Growth should be about supporting business.** End of.
Parliamentarian

... and understanding investors is key

Officials striving to drive economic growth told us that securing private sector investment was a challenge. Some said that expertise and understanding of investors is too scarce in the public sector. Others told us that Whitehall needs to think bigger than mayoral authorities as units to attract international investment.

But most were clear that private sector investment was available, and some civil servants were quick to point out the government's longer-term outlook is providing businesses with much-needed stability for them to make their own investment decisions.



It's exciting this government is setting out ten-year strategies. Giving the private sector that **certainty will pay growth dividends** if it can make decisions on investment, training and more.

Senior Civil Servant, Whitehall



Private sector **investment isn't a problem** when it comes to real estate. But for everything else, it's hard – investment and how to secure it is not well understood.

Policy Director, Combined Authority



Scale matters. The UK fits inside most US states and Chinese provinces. So when you talk to international investors, they want to discuss places that are bigger than our mayoral authorities. But Whitehall sees 'place' as mayoral authorities and only talks to mayors.

Chief Executive, Pan-Regional Partnership



Investment is there, just waiting to be invested. **Convincing investors to come to your region is the hard bit**, as it's getting competitive. You need a distinctive story when they ask 'why here?'

Director, Combined Authority

One size of productivity does not fit all public services



Productivity is about making the department an easy place to work, where **admin is painless, so people can do the job** we pay them to do.

Senior Civil Servant



One size of productivity does not fit all public services

“**Productivity in the public sector is grim** because there hasn't been the investment. If you don't invest, and this goes for any sector, it starts falling apart and you can't expect increasing levels of productivity.

Economist, Industry Body

Public sector leaders are alive to the need for productivity gains. But our interviewees had a wide range of different ideas for how to realise them.

Some argued that optimisation is at the heart of productivity, and organisations should pursue it reducing bureaucracy and complexity. Others pointed to factors that are rarely mentioned in productivity debates, like the role of clinical experience in the NHS.



“ The way you make public services more productive is to **reduce the complexity and arrange services** around the people who need them.

Chief Executive, Local Government

“ **Experience plays a huge part** in NHS productivity. Experienced clinicians understand risks better, do things quicker and don't ask for tests they don't need.

Chief Executive, NHS Trust

“ It's **right to pursue productivity** and there are things we do as councils ... I wonder why we do them.

Chief Executive, Local Government

Transformation is not a 'side-of-desk' pursuit

In government and across the public sector, leaders told us they want reform to help them deliver, and they welcome the reforming zeal of new ministers.

However, many added incremental change will not be enough to shape a public sector fit for today's demands. They went on to argue that real transformation will require investment, structural change and the political permission for officials to invest their time and energy in its delivery.



“ There’s so much potential to radically change things but it’s **hard when there’s so much pressure** just to survive.
Chief Executive, Local Government

“ The leadership dilemma is **how we manage day-to-day pressures** versus finding the time for innovation.
Chief Executive, NHS Trust

“ There are **decades of police reform to do** because we’re still operating on a 60-year-old design. The intent is there but **we need to build a case** that will survive two or three spending reviews.
Chief Constable

“ Whitehall needs to rethink our entire organisational design instead of tinkering around the edges.
Connecting across government is vital but whether we have the skills to do it and the permission to be bold enough are different questions.
Senior Civil Servant

... while technology requires investment and direction

“ One piece of advice: **have a plan for digital and stick to it.** Not everyone needs to be super happy with it. But set out what we are going to do, then get people to do it – no excuses.

Senior Civil Servant

Leaders applaud the UK Government's re-stated commitment to technology in the public sector. But they argue that will require substantial upfront investment and more directive leadership.

Interviewees aired a range of views on the rollout of technology. Several argued that the role of automation shouldn't be overlooked as the sector explored GenAI.

“ We're **experimenting with GenAI** but is it really worth £30 per user per month for people to have meeting notes transcribed?

Senior Civil Servant

“ The idea you can **automate everything is for the birds.** Paying tax isn't like ordering on Amazon. It's complex.

Senior Civil Servant

“ If government is serious about data, it needs to **invest in a centralised data structure.** But if anyone has money to spend on tech, they spend it on cyber or legacy.

Director, Non-Departmental Public Body

“ We **need to explore AI** but there are so many automation opportunities that aren't expensive and the barriers aren't great. I'd love to see us **lean better into basic automation.**

Senior Civil Servant

“ There are **some automation hobbyists dotted** around local government, but that's all.

Chief Executive, Local Government

... while technology requires investment and direction



Tech is really expensive but **we're underinvesting compared to other governments.** There are discussions in DSIT and that's exciting, but we don't just need announcements, there needs to be the money to follow.

Senior Civil Servant



As the net zero deadline draws closer, the destination seems further away

Reaching 2025 has made net zero deadlines loom larger on the horizon. And the more government understands the challenge of transition, the more complex it becomes.

Public sector leaders are concerned that the pace of change, level of resources and coherence of action could be insufficient to meet the scale and complexity of the challenge.



I'm hearing nothing on net zero.

DESNEZ are going gung-ho but the rest of government is not.

Senior Civil Servant



Bubbling under the surface is a hope that **some technology will come to our aid on net zero.**

Hope isn't a very good strategy, even if technology is moving at a very rapid pace.

Chief Executive, Government Agency



Our risk aversion as a nation is getting worse.

If we don't sort out government decision-making and make more risk-based judgements, we don't have a prayer of delivering net zero.

Chair, Government Agency



Climate change is the biggest threat to humanity in history.

But it's not a crisis today, this month or this parliament.

Chair, Non-Departmental Public Body

... while leaders hold a spectrum of views on the transition to clean energy

“ Net zero will eventually trigger decommissioning on a scale we have never seen before when massive, fossil fuel-reliant installations are stood down.

Senior Civil Servant

Some officials prioritise a measured transition to clean energy while others highlight the need for nuclear to be more central to government thinking.

“ We've got to **apply balance on the path to net zero** or we'll tie our own hands and give commercial advantage to our global competitors.

Senior Civil Servant

“ **Nuclear feels like it's on the outside the clean energy mission.**

The government has a lot of passion for offshore wind and renewables, but nuclear needs to be part of the debate.

Chair, Non-Departmental Public Body



... and global debates have changed tone

Several interviewees told us that global positions on net zero are shifting, and less developed nations have limited faith in the narrative among regions like Europe and the UK.



An issue for net zero is the **lack of trust from the global south.** There's been a loss of credibility and trust. COP in Azerbaijan wasn't a catastrophe, but it wasn't far off.

Senior Diplomat



The **COP** summits may have gone as far as they **can** in their current form.

Senior Civil Servant

Geopolitics is in flux and front of mind

The world order is shifting with significant implications for the UK in trade, defence and international co-operation.

Civil servants expect 2025 to be a pivotal year as the government continues to reset the UK's place in the world.



Part of the problem with the world order is countries saying they **respect the rules-based system** but then doing the opposite. It could be good to see the US being more direct and transactional. **The pot needs to be stirred.**

Chief Executive, Government Agency



We're a mid-sized country with a weak economy that **could end up stuck in the middle of a trade war.** We're still stuck in nostalgic thinking about our level of influence. Singapore and Denmark are small but get on with it.

Senior Civil Servant



The UK is a bit player. **China, the US and the EU are the market makers** now, geopolitically.

Senior Civil Servant



The rules-based system was built in the post-war era, when the west had won, but now we are in a post-multilateral world characterised by mercantile relationships, nationalist politics and indigenous views. **We're in an age of national power politics.**

Senior Diplomat

... and officials hope the Strategic Defence Review will help them prioritise

“ The question about the **Strategic Defence Review** is whether it will give us issues to think about or a clear trajectory. Either way, it **needs to help us prioritise.**

Senior Civil Servant

Interviewees told us that the Strategic Defence Review needs to consider the UK's security holistically and provide a clear direction of travel.

Several added that they hope the review recognises the increasingly complex nature of threats and support greater agility in defence procurement.

“ Our military has big ambitions but **there are big threats, and our defence system costs too much.**

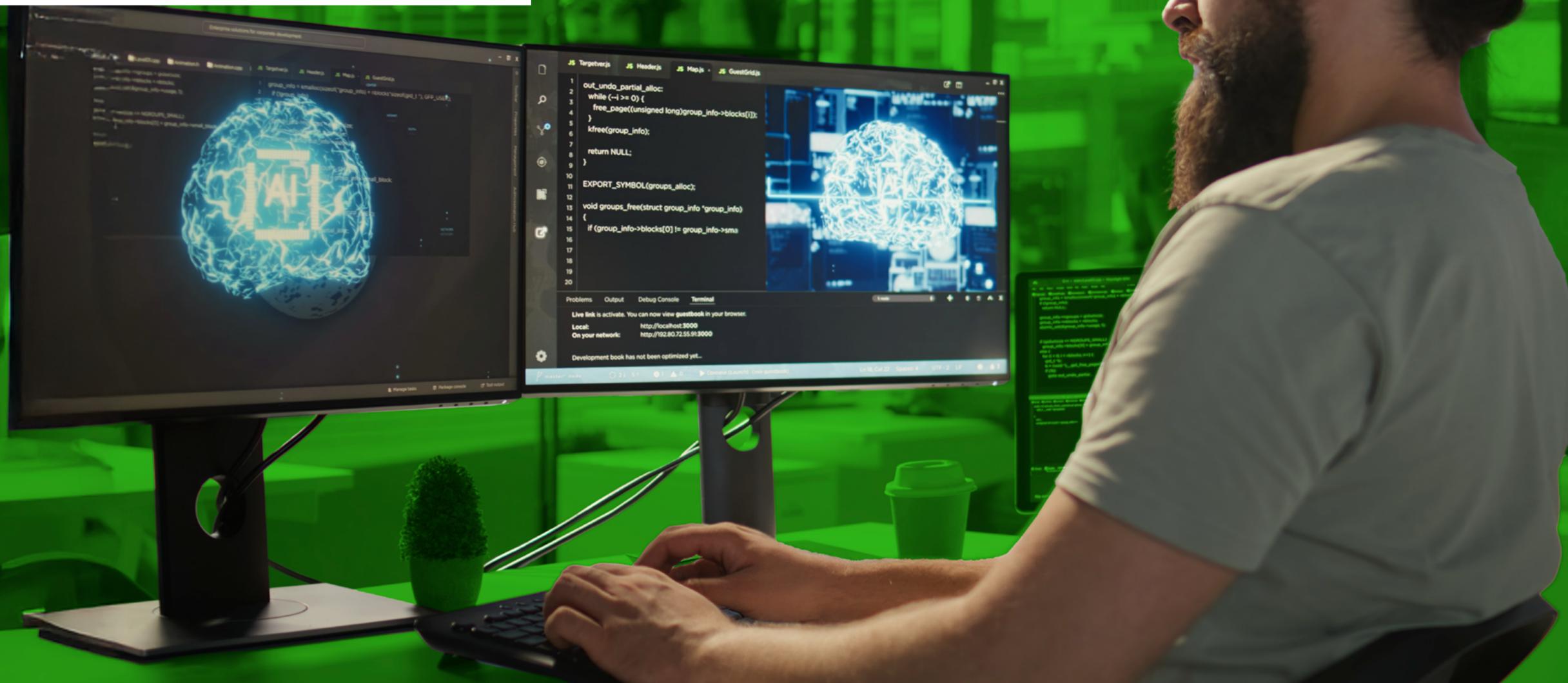
Senior Civil Servant

“ **Our bureaucracy makes us too slow** to get military hardware into service. In Ukraine, they have a two-week turnaround for new technology while we can take years.

Senior Civil Servant



The public sector's vision of the future



The public sector's own vision for 2035

Our interviews explored how government and public service leaders want their organisations and services to look in ten years' time.

Their collective responses provide a glimpse of what government and public services could look like in 2035.

This section of *State of the State* summarises their thinking and offers a 2035 vision of the public sector from within.



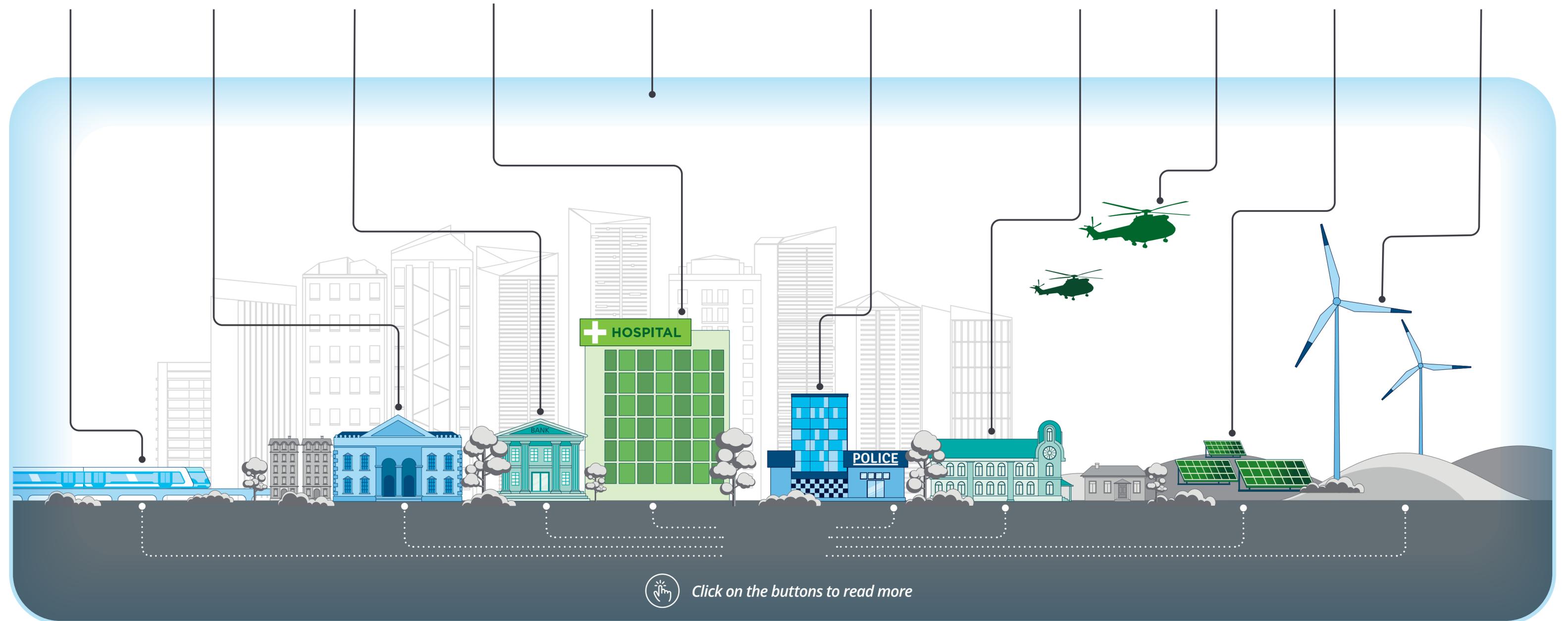
Key takeaways

In our interviews, we asked leaders about their hopes for the public sector of 2035. Put together, their responses provide a glimpse into the future. Their vision is defined by five characteristics:

- 1.** Interactions with government are **frictionless** for the citizen, and technology including artificial intelligence is used to provide frontline workers with the information they need at the point of decision.
- 2.** Local **public services work collectively**, especially on preventative measures, and ensure seamless citizen pathways between them. They engage the voluntary sector as a delivery partner and co-produce services with the public.
- 3.** **Place-shaping** has – after decades of debate – finally been realised, underpinned by combined and strategic authorities. It will allow for a renaissance in our communities that includes integrated transport, new ways to access health services, and joined-up growth plans.
- 4.** Government **decision-making** is rooted in the long-term interest, with measurement and evaluation baked-in and commercial issues taken into account as the norm. Central government is smaller with greater clarity on roles and purpose.
- 5.** **Defence** is underpinned by strategic alliances in which our military capabilities are interoperable and complementary. Spending is consistently higher than the two per cent NATO baseline, while innovation, procurement and deployment are agile. Our defensive and offensive capabilities in cyber and space are secure.

The public sector's vision for 2035

Our interviews with government and public sector leaders surfaced their own vision for 2035



Conclusion and recommendations



Conclusion and recommendations

What our research says about the state of the state

The State of the State 2025 finds the UK public more positive about government and public services than in recent years. Attitudes have some way to go before they could be described as outright optimistic, but this year's survey finds fewer people worried about the outlook for housing, crime, climate change, infrastructure and inequalities.

It also finds trust in government has risen across a range of factors including its ability to do the 'right thing' for society, take environmentally responsible decisions and be focused on the needs of citizens. All of that is a step in the right direction – our survey found that 49 per cent of the public say building trust is the one of the public sector's biggest challenges in the years ahead. Trust matters.



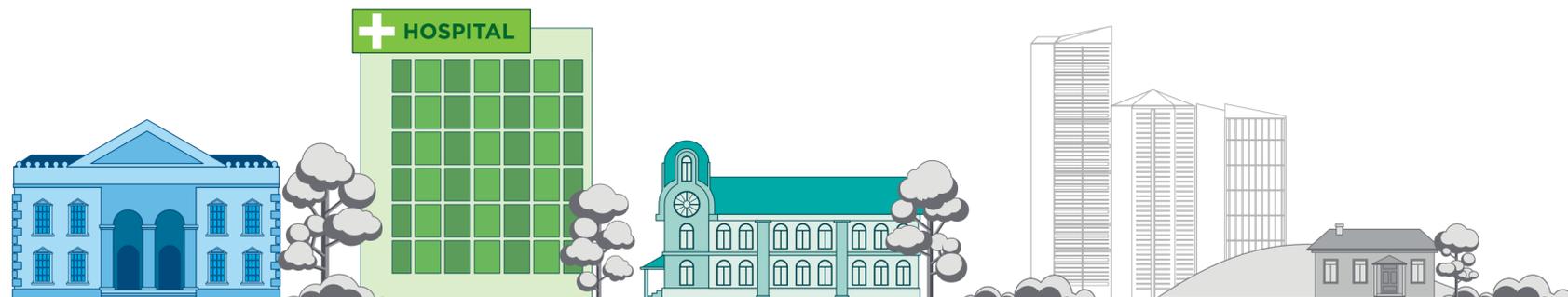
Green shoots of positivity among public and public sector

Leaders across government and public services appear to share the public's uptick in mood. Perhaps that's inevitable after the past decade of crises and delivery challenges, but their outlook has been boosted by the new UK government's willingness to prioritise and to reform. Leaders across local public services, especially the NHS and social care, told us that their services remain fragile, but they are optimistic that government's emerging plans for change will make a difference. Many told us that their optimism is measured though – they know that the public finances will not allow for a gamechanging uplift in their budgets. That awareness is shared by the public, with 63 per cent telling us that the biggest challenge coming up for public services is going to be their funding.



Increase in concerns around immigration and defence

While the green shoots of positivity are notable, the biggest shifts we have seen in our survey are around the public's priorities for improvement. For the third year, their top two priorities for government action are the cost-of-living crisis and the NHS. But immigration has risen from sixth to third place, and defence has gone up by four percentage points. Clearly the public are concerned about border and national security in our increasingly complex world.



Conclusion and recommendations

What our research says about the state of the state



Is climate complacency creeping in?

At the other end of the spectrum, climate change has gone down by seven percentage points as a public priority. Our survey also found fewer people worried that climate issues could get worse, perhaps suggesting a sense of complacency. There's little room for complacency in the public sector though – our interviews found several officials and politicians worried that the pace of change is not yet fast enough for the UK to transition to net zero by 2050. One conclusion here is that government needs to engage the public in what net zero means for them, why it matters and why it is an opportunity. In turn, that could boost public scrutiny which would help focus minds in government and business alike. The transition to a greener economy remains compelling for a long list of interconnected reasons: less pollution means better public health and less strain on the NHS; more home-grown electricity means less imports and more jobs; and domestic supply means better energy security.



Missions correlate with public priorities – almost

More positively, mapping the public's priorities against the government's missions and Plan for Change show a high correlation between the two. The only gap might be in the public's view of our natural environment in the UK. While a third of the public cite protecting our rivers, lakes and countryside as a priority, it is only mentioned in brief in one of the government's missions.

Kickstarting economic growth is of course the government's first and overarching mission, and our survey asked the public what they believe will drive growth. While they recognised the importance of an environment that supports business, they gave a notably people-orientated response: their health and wellbeing followed by education and skills. There is an important takeaway here for business as well as government: it's people that deliver growth, and the environment in which they operate matters too.

The government's five missions were front of mind for many of the leaders we interviewed. Although the press is inevitably clamouring for quick results, the missions have only been in play for a few months and Whitehall is still gearing itself for their delivery. That said, many interviewees argued that civil servants still feel the gravitational pull of their departments and ministers, and that needs to change if cross-departmental missions are to be a success. Others argued that the missions rely on skills in the economy that are in short supply, like construction. That is one of several arguments found in this research that suggest government should invest more radically in further education to boost the nation's skills.



Conclusion and recommendations

What our research says about the state of the state



Reform is only reform if it's delivered

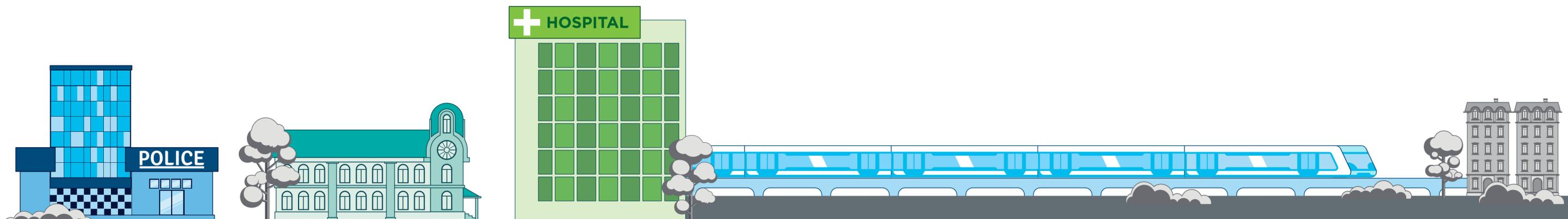
Also front of mind was the importance of delivering reforms. Many interviewees were conscious that reform plans are too often shelved in the sector because of a change of minister, government or priority. Others were keen to say that public sector transformation cannot be delivered 'side of desk' by senior leaders with insufficient bandwidth, and technology cannot be deployed without investment. Almost all wanted to see a cohesive, compelling vision of the public sector from government. They want radical, fundamental reform that doesn't just fix the problems, but excites their people and the citizens they work for.



A vision for 2035

Our research provides a hint at what that vision could look like. We asked each interviewee what their organisation could be like in 2035, and their collective responses provide an energising view of the future state. They described a public sector that was frictionless for the citizen, with local public services that work collectively under devolved powers, and a smaller central government that makes long-term decisions informed by commercial input. Inherent in this vision is the need for government to shift from managing public bodies to leading an ecosystem that includes the private and voluntary sectors. That goal has arisen throughout interviews in previous editions of *State of the State*.

However the public sector looks by 2035, it will be defined by what happens this year. As the new government finalises a series of long-term plans in the first half of 2025, those plans will shape the public sector for years to come. But as one senior official pointed out, success will ultimately depend on how well those plans are delivered.



Conclusion and recommendations

Our recommendations

This research points to **five recommendations**

- 1. Translate the coming series of reviews into credible delivery plans.** As the reviews and strategies initiated by the government report back in the first half of 2025, leaders we interviewed want those reviews to be assessed, their recommendations costed against spending plans, and their delivery worked out before implementation. **Key to this process should be an investment of senior time and continued prioritisation to focus on what government wants to deliver.** Ultimately, the reviews may generate more ideas than government can afford, and some may even conflict. It's therefore vital that they are synthesised into a coherent **set of affordable plans that make the necessary trade-offs now rather than down the line.**
- 2. Set out a long-term vision for the public sector and how it will improve life in the UK.** The new government's commitment to long-term plans have been welcomed across the sector. However, leaders told us they want those plans to **go beyond fixing the public sector's problems to providing an optimistic, energising and cohesive vision for what government and public services could look like.** Long-term plans help the public understand why short-term sacrifices and trade-offs are necessary. And they **bring much-needed clarity to investors, especially when it comes to a pipeline of infrastructure plans.**
- 3. Grow the public sector's 'halo effect' technology successes.** While commentaries often focus on the problems, the UK public sector has rolled out some world-leading uses of technology. **Rather than re-invent new solutions at every turn, the sector should consider how it can grow out its best examples** – the projects with a halo effect – into new uses. This could be particularly important as the sector embarks on an era of structural change, not least through local government reorganisation. That creates an opportunity to use proven technology successes as the vehicle for converging systems and processes across the sector. That could allow for even **more effective interoperability between services and substantial productivity gains if multiple institutions use the same digital systems.** Key to getting this right would be a clear recognition of the proven benefits and a willingness for government to be directive across the public sector.

Conclusion and recommendations

Our recommendations

This research points to **five recommendations** (*continued*)

4. **Invest in further education and adult skills to deliver the missions.** Public sector leaders believe government should ensure adequate investment in the nation's skills. They argue that **investment in further education and adult skills means investment in the UK's economic growth,** investment in productivity, investment in tackling income inequalities and investment in delivering the government's missions. But colleges continue to struggle with varying levels of financial distress which limits their ability to deliver people with sought-after skills into the economy. Looking forward, the UK could do more to **map, understand and address our skills' needs for at least a decade ahead.**

5. **Provide regular figures on the 'public sector gap'.** Our survey shows the UK public understand the funding pressures on public services. That view is informed by regular updates on the state of the public finances and budget settlements across the public sector. What's missing is **a view on the gap between what those funding settlements can achieve versus the demands on them** – like the number of prison spaces available and the number needed. Data and transparency on that gap could help the public understand the trade-offs and how the sector would need to reduce demand (in this case, reduce prisoner numbers), improve productivity (make better use of prison capacity) or access additional funding (build more prisons) to close it.



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