

Finance Committee Summary Engagement Report

Welsh Government Draft Budget 2026-27

July 2025



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Welsh Government Draft Budget 2026-27

July 2025



About the Committee

The Committee was established on 23 June 2021. Its remit can be found at:
www.senedd.wales/SeneddFinance

Current Committee membership:



Committee Chair:
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Plaid Cymru



Mike Hedges MS
Welsh Labour



Rhianon Passmore MS
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Sam Rowlands MS
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Chair's foreword

In the autumn the Welsh Government will publish its Draft Budget for the next financial year, setting out how it will allocate the approximate £27 billion budget to fund services in Wales from 1 April 2026 to 31 March 2027. This will be the final Draft Budget to be considered in the Senedd term ahead of the election in May.

As a matter of principle, the Senedd's scrutiny of the Welsh Government's budget has to be guided in the first instance by the priorities of the people we serve.

To understand what these are, the Finance Committee undertakes annual engagement activities which are crucial in providing an opportunity for us to hear directly from the general public and stakeholders on how the Welsh Government's budgetary decision are impacting them and what changes they would like the Welsh Government to consider ahead of the next budget round.

This year we travelled to north west Wales to hold our annual stakeholder event at the Management Centre at Bangor University. This follows previous stakeholder sessions held in Llanhilleth, Wrexham and Carmarthen during this Senedd. As a Committee we believe that travelling around Wales to hear different perspectives on budgetary issues is essential and we are grateful to all the stakeholders that attended and took part in the discussions and to those who provided further information following the event.

Having missed the opportunity to engage last year as there was no sitting Welsh Youth Parliament we were happy to see the return of our workshop with Member of the Welsh Youth Parliament. I would like to thank these young Members who gave up their own time to speak honestly and openly about the issues concerning them. We also heard from young people at our drop-in at the Urdd Eisteddfod at Margam Park, another valuable opportunity.

The final strand to our engagement strategy was the numerous focus groups that were held with organisations and individuals across Wales. Again this is central to our work and we are grateful to those who took part.

The views and concerns expressed in this report will form a cornerstone of our Plenary debate on the Welsh Government's Spending Priorities for 2026-27 that will take place on Wednesday, 16 July 2025. They reflect the views and strength of feeling we heard in our engagement work, and it is now over to the Welsh Government to address them.

The Cabinet Secretary for Finance and Welsh Language has confirmed that the Welsh Government intends to lay its outline Draft Budget on 14 October with the detailed Draft Budget to follow on 3 November.

There will be further opportunities for organisations and individuals to engage with us on the Welsh Government Draft Budget 2026-27 between now and our formal evidence sessions in the autumn.

Members of the Committee will be present at the Royal Welsh Show and the National Eisteddfod in Wrexham over the summer. We will also issue a written consultation over the summer, and we would like to encourage as many people as possible to express their views on what they believe the Draft Budget should include and what the Welsh Government's spending priorities should be.

We always like to hear from you so if you are interested please contact SeneddFinance@Senedd.Wales for further information.

A handwritten signature in black ink, appearing to read 'Peredur Owen Griffiths', with a stylized, flowing script.

Peredur Owen Griffiths,
Chair of the Finance Committee

1. Introduction

- 1.** The Finance Committee (the Committee) is responsible for scrutinising the Welsh Government Draft Budget (the Draft Budget), which is normally published in the autumn. The Draft Budget for the next financial year 2026-27 is expected to be around £27 billion. This is made up of funding from the UK Government through the Welsh block grant and money raised through Welsh taxes.¹
- 2.** Prior to the publication of the Draft Budget, the Committee undertakes public engagement with interested stakeholders and individuals to comment on expected draft budget proposals, as well as the Welsh Government's strategic approach to setting the budget and prioritising resources.
- 3.** The information gathered during its public engagement forms the basis for a Plenary debate, led by the Committee on the Welsh Government's Spending Priorities. This type of debate was introduced by the Committee (with the agreement of the Business Committee) to ensure the Senedd had a formal opportunity to debate and influence the Welsh Government's spending priorities prior to formulation of the Draft Budget.
- 4.** Our engagement work will also inform the Senedd's scrutiny of the Draft Budget in the autumn, enabling the Committee to hold the Welsh Government's spending decisions to account in line with the views and priorities of the Welsh public.
- 5.** The Plenary debate on the Welsh Government's Spending Priorities will take place on Wednesday 16 July 2025.² The Cabinet Secretary for Finance and Welsh Language (the Cabinet Secretary), Mark Drakeford MS, will respond to the debate.
- 6.** This year the Committee's public engagement strategy consisted of the following:
 - an external stakeholder event at The Management Centre, Bangor University (summarised in Chapter 2);
 - focus groups with organisations and individuals facilitated by the Senedd's Citizens Engagement team (summarised in Chapter 3); and

¹ Welsh Taxes include: Welsh Rates of Income Tax, non-domestic rates, Land Transaction Tax, Land Disposal Tax

² Plenary Agenda 16 July 2025

- youth engagement events including; a workshop with Members of the Welsh Youth Parliament and a drop-in sessions at the Urdd Eisteddfod (summarised in Chapter 4).

7. Further drop-in sessions will be held at the Royal Welsh Show (22 to 25 July) and the National Eisteddfod in Wrexham (2 to 9 August). As these will happen after the Committee's priorities debate, views collected at these sessions will feed into the Committee's formal scrutiny of the Draft Budget in the autumn term.

8. The Committee would like to thank everyone that has contributed to its work.

2. Stakeholder Event

Background

10. The Committee's Stakeholder Event took place on 19 June 2025 at the Management Centre, Bangor University.³

11. A targeted invitation was issued to previous stakeholder attendees and respondents to the Committee's latest Draft Budget consultation. Nineteen organisations participated in the event from a wide range of sectors. A list of organisations that participated is at Annex 1.



Summary of the discussions

12. There was a general view from participants that the Welsh Government should move away from reactive spending decisions and the need for a longer-term approach when making its budgetary decisions.

13. Stakeholders raised the following general concerns regarding the current fiscal context:

- In light of the tight funding outlook following the UK Spending Review, there is a need to get more from less which requires a focus on public sector reform and better productivity.

³ Rhianon Passmore MS was unable to attend and sent her apologies.

- The Welsh Government's policy ambitions are often not aligned with budgetary priorities and additional funding is needed if desired policy outcomes are to be delivered.
- A reform of the Barnett Formula is required to ensure that the Welsh Government receives its fair share of funding from the UK Government.
- Whilst the Welsh Government's overall budget has increased, many sectors continue to face funding uncertainties, particularly within the creative industries, the agricultural sector and Welsh-medium college sector.
- The continuing increase in council tax rises in comparison to salaries are resulting in those with lower incomes having to pay disproportionately more.
- The impact of unfunded increases in National Insurance Contributions on social care and the voluntary sector was considered a significant issue.

14. Other issues raised by participants at the event have been summarised under six sub-headings which were identified as main priorities:

The long-term impact of the Cost of Living crisis

15. The impact of the ongoing cost of living crisis was a concern for many, and stakeholders discussed the wider impact it was having across society:

- With the UK Government's funding commitment of £13.2 billion for its Warm Homes Plan, it was hoped that all of the estimated £660 million funding consequential to Wales would be used for the same purpose and would help tackle the number of individuals living in fuel poverty.
- Tackling fuel poverty and improving energy efficiency of homes were seen as issues that cut across social justice, climate, housing and health sectors, and a preventative measure that would generate significant societal, economic, and environmental benefits.
- It was noted that, although the Welsh Government's Welsh Housing Quality Standard (WHQS) policy was viewed as a laudable ambition, the financial pressures currently faced by local authorities in achieving this set of standards for social housing was very challenging.

- It was felt that better planning and investment in housing and homelessness services was needed as poor quality housing leads to multiple negative impacts.
- Consideration needs to be given on how community spaces are labelled, as terms such as 'Warm Hubs' could be potentially stigmatising.

Pressures on educational services

16. A number of participants commented on the budgetary pressures felt by those working and studying in the education sectors:

- Schools are facing deficits and increased demands, particularly for additional needs. There is a need for reforms and better support for vulnerable learners and families.
- Universities are facing a financial emergency, and pressures are particularly acute in relation to Welsh language provision within those organisations. It was noted that cash injections are needed to ensure that good quality Welsh-speaking staff in specialist areas are not lost.
- Concerns were also raised that an increasing number of students in Wales have to cross the border to England due to the lack of specialist courses within the agricultural sector, and that this was self-defeating and lacking in foresight given the negative impact this is having in rural communities and on the Welsh language and the local economy. It also leads to a 'race to the bottom' as colleges and universities look to cut down on the courses available.
- Stakeholders emphasised the need for the Welsh Government to continue to invest in apprenticeship schemes and to collaborate with further and higher education institutions to ensure that the necessary skills are available in the future, for both manual and more technical / management roles.

The importance of preventative funding

17. A number of stakeholders were of the view that funding for preventative services had been cut at the expense of funding to support crises in current service delivery. It was suggested that a higher priority is given to funding preventative services in the Draft Budget in future years:

- Some participants noted that the Health and Social Care budget is taking an ever increasing percentage of the overall budget and that preventative services, particularly those delivered by local authorities, were being squeezed.
- Participants wanted to see a higher priority given to funding preventative services in the Draft Budget, with a particular focus on increasing funding for social care services. It was suggested that this could be achieved through a modest movement of cash from the Health and Social Care budget to other budgets.
- Some participants noted the importance of ensuring adequate funding is provided to the hospice sector in order to mitigate pressures facing other public services.
- Other suggestions included providing increased funding and better financial initiatives for the agriculture sector to produce healthier and higher quality food, which would have positive health benefit and help reduce reliance on health care services in the medium to long term.

Economy and infrastructure

18. A number of stakeholders stated the Welsh Government's budget demonstrates a lack of cohesive vision and strategy for investing in infrastructure and promoting economic development:

- It was noted that continued investment in Welsh infrastructure was key to the success of its economy, and that this investment should be aligned with investment in the developing an appropriate skills based workforce.
- It was stated that Wales has seen an under-investment in infrastructure over the past 30-40 years, in particular in its rail network and that the classification of some rail projects has resulted in Wales losing out on funds to improve its network. It was suggested that the Welsh Government should invest funds to ensure public transport is affordable, reliable and accessible forms it would have wider benefits on the economy, such as improving access to cultural events.
- Stakeholders noted that greater investment was needed to mitigate the lack of infrastructure in response to tackling climate change, for example the need to build additional reservoirs, funding sustainable

farming, strengthening sea and flood defences, building more electric vehicle charging points, supporting business to move to greener ways of working.

- It was noted that more could be done to support the community transport sector to meet the rising demand for this service, and as such greater funding was required to meet the demand.
- Concerns were raised about the impact of the Welsh Government's decision to reduce business rates relief from 75 per cent to 40 per cent, with smaller business and those who were already facing financial difficulties at a greater threat of closure.
- Stakeholders noted the creative sector in Wales is facing funding uncertainties because of proposed changes to how S4C is funded as well as plans to revise the BBC charter, and it was not clear how this will affect the media landscape in Wales.
- Concerns were raised about the Welsh Government's ability to maximise the funding available for the creative industries sector and that closer relationships were required between it and the UK Government's Department for Media Culture and Sport.
- Concerns were raised around the limited amount of revenue that the proposed visitor levy would raise. It was suggested that policies regarding the tourism sector are having a negative impact and need a rebalance of priorities.

Delivering cross-cutting policy aims

19. Stakeholders identified a large amount of co-dependency between a number of sectors in delivering key policy aims – such as increasing the number of Welsh speakers, promoting green energy, economic growth, public transport provision and educational attainment. They noted a number of examples where there is a lack of consistency in the way Welsh Government identifies and applies its strategic priorities and that a different approach is needed to improve delivery in cross-cutting areas:

- The Cymru 2050 strategy, which aims to boost the number of Welsh speakers, cuts across all areas of government but knowledge about its aims differs from department to department which undermines its effectiveness.

- Rules and financial initiatives relating to green energy, including encouraging solar energy production, were not accompanied by joined up planning policies and infrastructure projects.
- Competition between areas within the same sector should be avoided, such as within tertiary and further education, due to the negative impact this has Welsh language provision.
- Financial support for community transport initiatives were often patchy and short-term in nature, and not sufficient to complete large projects such as bike lanes and paths.
- Regular changes to ministerial responsibilities within the Welsh Government, as well as the number of areas each Cabinet Secretary has to deal with, has made it more difficult for stakeholders to work out who is responsible for funding areas, particularly those relating to cross-cutting policy areas.
- Some noted the lack of an all-Wales approach to certain areas, such as public transport and that focusing on projects that would connect different parts of the country – such as the north and the south – should be a priority, as this would boost economic growth outside of Cardiff and south east Wales.
- It was suggested there is a lack of vision for promoting outdoor activities and fitness and the need for a cross-sectoral approach to planning to recognise the multiple positive outcomes on wellbeing and welfare targets, such as, investing in semi natural habitats in severely disadvantaged areas.

Internal processes within the Welsh Government

20. Some stakeholders noted that improvements could be made with regards to the Government's administrative processes to improve efficiency to ensure decisions are made quicker and funding delivered to sectors more effectively. It was suggested that:

- Businesses and individuals suffer directly as a result of frustrating and convoluted administrative processes that are outdated and cumbersome to navigate.

- Capacity within the Welsh Government should be enhanced to address this so greater expertise is developed within key policy areas.
- Government departments should be encouraged to work in collaboration and not silos in order to deliver better outcomes.
- Sectors such as the creative industries would benefit from having more autonomy and less ministerial involvement as this tended to slow processes down.
- Local authorities receive a substantial number of grants from the Welsh Government for specific services but it suggested that councils should have greater autonomy to decide in certain cases where money should be spent, depending on local service pressures, and that this would make processes more effective.
- The Welsh Government should review the documentation it produces alongside the Draft Budget to provide better explanations of where money has been moved and why, to improve stakeholder understanding.

3. Engagement with young people

Welsh Youth Parliament

21. In October 2016, the Senedd voted to set up a dedicated Welsh Youth Parliament. The Youth Parliament is made up of 60 members, aged between 11 – 18 years old and their term is for two years.

22. The current Welsh Youth Parliament (the WYP) is for 2025-27. The Members have chosen their three key topics which are:

- Cost of living and poverty;
- Public transport and active travel; and
- Crime and safety.

23. Members of the WYP were invited to participate in a workshop with the Finance Committee to discuss where the Welsh Government should be prioritising spending in the next financial year (2026-27).⁴

24. Six Members of the WYP attended the workshop on Thursday 26 June 2025, to discuss their views and concerns with Members of the Finance Committee:

- Jake Dillon, Montgomeryshire
- Megan Wyn Jones, Cardiff North
- Grace Lee, Bridgend
- Zac Jones-Prince, Wrexham
- Makenzie Thomas, Action for Children (Headland School) – South East Wales
- Nate Hoccom, Newport West

Summary of the discussions

25. WYP Members were asked to choose up to three areas where they think the Welsh Government should prioritise funding in the next year and if the Welsh

⁴ Rhianon Passmore MS and Sam Rowlands MS, were unable to attend and sent their apologies.

Government was going to increase spending in these areas, where should spending be cut.

26. There were mixed views from WYP Members on areas that should have increased spending and where spending should be cut. Discussions focused on prioritising funding for the areas which would benefit the greatest number of individuals.

Areas that WYP Members agreed spending should be prioritise

Education

27. Members of the WYP expressed strong views that funding for schools should be a high priority for the Welsh Government. It was suggested that increasing funding now would lead to greater benefits in future years as a result of upskilling young people.

Health and Social Care

28. Prioritising funding for health and social care was a high priority for Members of the WYP. Discussions focused on the need to improve access to mental health support (and in turn reduce the pressure on teachers to provide this support) and improving waiting times.

Climate Change

29. Members of the WYP suggested the Welsh Government should prioritise tackling climate change due to the multifaceted benefits which would arise from a greener Wales. For example:

- investing in renewable energy could lead to reduced energy prices which might mitigate some aspects of the cost of living crisis; and
- tackling air pollution might decrease the number of individuals suffering from respiratory disease and therefore lessen the burden on the NHS.

Housing

30. Concerns were raised by some Members of the WYP that increasing house prices is making it more difficult for young people to get on the housing ladder, with some areas seeing higher prices than others. It was suggested that more funding is needed to ensure affordable housing is being built across the whole of Wales.

Areas that WYP Members had mixed views on spending priorities

Agriculture

31. Whilst some were of the view that funding for agriculture could be cut as this approach had proved successful in other countries, others were of the view that funding this area was essential. It was noted that farmers are the “1 per cent that feed the other 99 per cent” and that since losing funding as a result of Brexit some Welsh farmers now need greater support to ensure they can continue to provide for the people of Wales.

Areas that WYP Members agreed spending should be cut

Welsh Language and Culture

32. Whilst there was a strong sense of pride expressed in relation to the Welsh language and the culture of Wales, when asked to choose areas to deprioritise, a number identified these areas. Members of the WYP were of the view that funding could be better spent on areas that affect the immediate day to day lives of the majority of individuals. It was also noted that some cultural projects might be targeted towards certain areas and therefore don’t benefit the whole of Wales. They concluded it was appropriate to cut funding to this area as cuts to other services, such as air ambulance services, would have a greater negative impact.

International Relations

33. Another area identified to be deprioritised was international relations, with the suggestion that a co-ordinated approach between all UK legislatures might result in some cost savings.

WYP Member views on the Welsh Government’s funding allocation

34. When asked if they thought the Welsh Government’s allocation of funding across all services was appropriate, Members of WYP agreed the allocations seemed appropriate but noted:

- Funding allocations for health and social care and local government should be increased;
- Everyone should be encouraged to spend these allocations more efficiently, in particular local authorities;

- Greater investment is needed in renewable energy, and it was suggested that schools could play a greater role delivering on this objective e.g. planting trees and creating habitats for wildlife in their green spaces.

Other areas for consideration

Impact of AI on the Welsh Government's Budget

35. Members of the WYP were asked if they thought the use of artificial intelligence (AI) could lead to savings in future once the technology is embedded into daily life. The majority of participants noted that AI could introduce some efficiencies by lessening the workload of staff and reduce risk of human error which might result in cost savings but that it shouldn't replace people in every aspect of life. Discussions also focused on the environmental impact of using AI, and the need to ensure that the technology delivers on the climate agenda.

Public Transport

36. Members of the WYP were supportive of the Welsh Government's pilot scheme to allow 16-21 year olds to be able to travel anywhere in Wales for a £1, with some stating they need to use buses to reach their place of study. However, some noted that the age range should be increased to 11-21 year olds to allow younger people to access the pilot. It was also suggested that whilst the pilot was a "nice to have" funding might be better spent improving bus services across Wales to ensure the same high standards are available to all.

37. It was also noted that funding should be prioritised to improve rail infrastructure across Wales. This should include ensuring that all parts of Wales can be reached easily by train. Comparison was also made as to the high price of train tickets in comparison to bus fares.

38. Whilst accepting that improvements to public transport would come at a great cost it was suggested that the benefits from this investment, such as increased job opportunities, would outweigh the costs

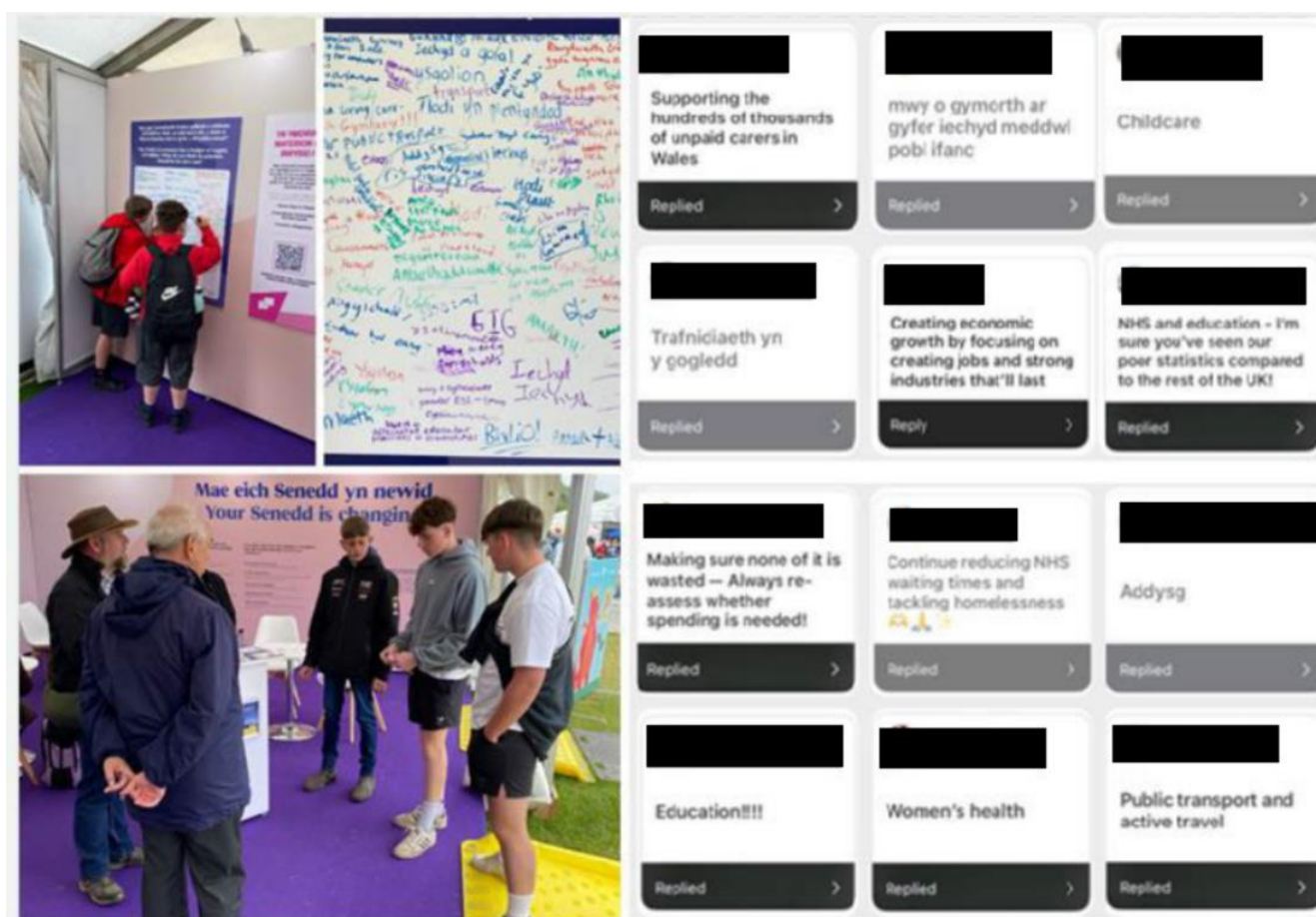
Barnett formula

39. There was a strong sense of feeling from the participants that the Barnett formula was unfair and should be addressed to ensure Wales receives adequate funding. It was noted that the classification of HS2 as a England-Wales project was unfair as Wales had been "robbed" of the funding it would have been

allocated through the Barnett formula had it been classified as an England only project.

Summer shows

40. Members of the Committee also sought the views of young people by holding a drop-in session at the Urdd Eisteddfod in Margam Park (30 May 2025). People were invited to note what they felt should be the Welsh Government's priorities next year on a 'graffiti wall', Instagram and through completing Microsoft Forms questionnaires available on iPads at the event or following the event on their own devices.



41. Some of the priorities included:

- More funding allocations for schools;
- Increased funding for healthcare and mental health support;
- Measures to tackle poverty, with some specifying tackling childhood poverty;

- Supporting unpaid carers;
- Improving Welsh language provisions;
- Measures to support the environment;
- Improving public transport and reducing ticket prices;
- Greater access to sports facilities and clubs; and
- Greater support for agriculture.

42. The Committee intends to hold similar public engagement sessions at the Royal Welsh Show in July and at the National Eisteddfod in Wrexham in August. Although these will take place after the Budget Priorities debate, any views expressed will be included as part of the Committee's consultation exercise later in the year.

4. Focus groups with organisations and individuals

43. The Senedd's Citizens Engagement Team conducted focus groups with interested organisations and individuals to consider where the Welsh Government should prioritise spending in 2026-27.

44. The aim of the engagement was to gain qualitative information about the experiences of participants and deepen the Committee's understanding of the issues affecting the people of Wales.

45. Fifteen focus groups were held and 1 interview was conducted with 88 participants covering 20 local authorities across Wales. Some participants were identified through gatekeeper organisations. This was to ensure the sample was representative as well as diverse.

46. This approach has been commissioned annually by the Finance Committee since the beginning of this Senedd, and it complements cross-committee engagement. Through these focus groups, the team heard first-hand from the citizens of Wales. This longitudinal approach enables the Committee to continue to monitor perspectives and attitudes over time and the trends that have developed over the last three years are summarised in the focus group report that can be found at Annex 2.

Annex 1: List of stakeholder event participants.

The following organisations participated in the stakeholder event at the Management Centre, Bangor University on 19 June 2025.

No	Organisation
1	Anglesey Council
2	Bangor Central, Bangor Town Council
3	Coleg Cymraeg Cenedlaethol
4	Community Transport Association
5	FUW - Farmers Union Wales
6	Gwynedd Council
7	ICE - Institute for Civil Engineers
8	Music Venue Trust
10	NAHT - National Association of Head Teachers
11	National Energy Action
12	NFU - National Farmers Union
12	PASC UK- The Professional Association of Self-Caterers UK, Cymru
14	Ramblers UK
15	RSPB Cymru
16	Snowdonia Hospitality and Leisure LTD
17	TAC - Teledwyr Annibynnol Cymru
18	Tŷ Hafan
19	WLGA - Welsh Local Government Association

Annex 2: Citizen engagement findings

Welsh Parliament
Citizen Engagement Team

Welsh Government Draft Budget 2026-27: Engagement Findings

May/June 2025



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1. Engagement Summary

The following engagement summary offers an overview of the engagement programme design, delivery, and key findings.

Background

1. As part of the Finance Committee's annual scrutiny of the Welsh Government's draft budget, the Citizen Engagement Team held focus groups to gather views on Welsh Government spending priorities for the next financial year.
2. This approach has been commissioned annually since the 2022-23 Welsh Government Draft Budget (Year One) and developed for subsequent years.
3. Findings within this engagement report refer mainly to this year's findings (Year Five). Trends that have developed since year one can be found within the summary below.
4. The Citizen Engagement Team would like to thank all those who contributed to this programme of engagement.

Objectives

5. The objective was to gather qualitative information on participants' views and deepen the Committee's understanding of issues affecting Wales.
6. The aim was to conduct focus groups as part of a cross-sectional study, allowing the Committee to monitor perspectives over time. This year concludes the study with the end of the Sixth Senedd in 2026.
7. This approach is intended to complement cross-committee engagement and enable Members to hear first-hand from the citizens of Wales.

Methodology

8. A pre-screening survey ensured the demographic was as representative as possible of the Welsh population. The opportunity was communicated across

Wales with the help of external organisations (Annex 1 includes a full list of organisations that supported the engagement approach).

9. Participants were sourced through partner organisations to cover similar demographics, and focus groups were organised around specific policy areas.

10. The engagement format was largely consistent across focus groups but varied slightly to respond to contributors' views and ideas.

11. **15 focus groups** and **1 interview** were conducted with **88 participants** from **20 local authorities**. One focus group was face-to-face, and the rest were online.

12. Participants were asked similar questions to previous years, with additions for current challenges. The overarching question was: *What do you want the Welsh Government to focus spending on?* Annex 2 outlines the detailed questions participants were asked.

13. This engagement report outlines the key findings which arose during the focus groups that may be of relevance to the Committee's work. Themes are highlighted throughout while structured around the key areas of questioning.

14. Themes were selected based on their prominence in discussions, providing insight into participants' experiences. Where appropriate, anonymised quotes have been selected to add context.

Participants

15. **230 respondents** completed the pre-screening survey from across **21 local authority areas**. **116 participants** were then invited to a focus group, with **53 accepting** the invitation. **7 written responses** were received from some of those who were unable to attend the group but wanted to contribute their views.

16. Focus groups were also held with the support of organisations representing different audiences. **18 participants** were recruited through these organisations, and one youth group submitted a written response representing the views of **10 young people**.

17. The participants represented **20 local authority areas**. There were no participants from Blaenau Gwent or Merthyr Tydfil, as illustrated on the map.

18. Participants came from a mixture of urban, suburban and rural areas.

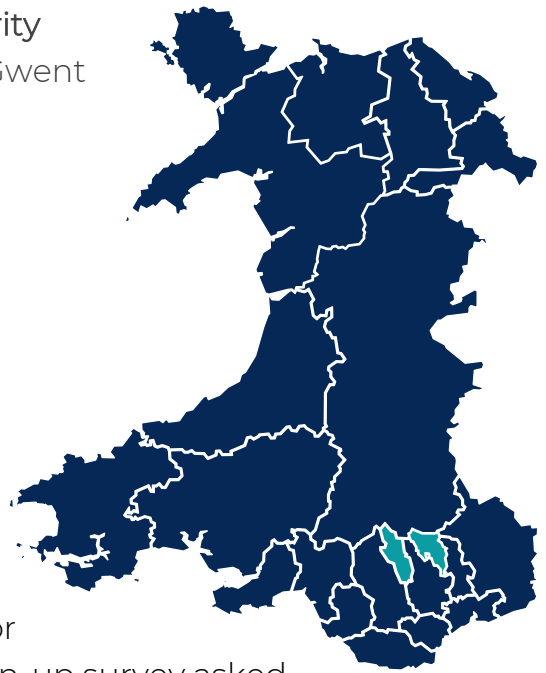
19. Participants came from all Senedd regions.

Ethical Considerations

20. The Citizen Engagement Manager worked with supporting organisations to communicate the focus group opportunity to different audiences. Easy-read documents were created for participants with learning disabilities, and the sign-up survey asked about additional requirements..

21. All interview notes were anonymised, and each focus group's output was reviewed and approved by participants for accuracy.

22. All methods used in this project adhered to the standards set out in the Market Research Society Code of Conduct and complied with relevant data protection and safeguarding legislation to ensure the ethical treatment and privacy of all participants.



Key Findings

- 23.** Health, Education and Social Care were prioritised most frequently by participants, closely followed by Housing and Homelessness and Transport.
- 24.** Agriculture and Rural Affairs and the Economy were also identified in most of the groups as priorities for funding.
- 25.** As in previous years, many would like to see more **efficiency** in the way funding is spent, rather than identifying areas to reduce funding.
- 26.** However, when asked to make a selection, participants most frequently chose to reduce funding for **International Relations** and the **Welsh Language**, citing more pressing areas.
- 27.** **Climate Change**, **Local Government** and **Culture** were also chosen by many of the groups as areas to receive a reduction in funding.
- 28.** In monitoring any attitude changes since last year's study, participants remained focused on increasing spending for **Health**, **Social Care**, and **Education**.
- 29.** Participants have maintained their prioritisation for **Housing and Homelessness** since last year and appear to have shifted focus towards **Transport** and **Agriculture and Rural Affairs**, above the **Economy**.
- 30.** **International Relations** and the **Welsh Language** have consistently been the lowest funding priorities.
- 31.** Participants again favoured **maintaining funds with more efficiency** this year. When opting for an increase, tax was preferred, but with a need for transparency on spending.
- 32.** Some groups suggested increasing funding through alternative revenue sources, such as increasing pressure to change the Barnett formula or attracting more industries.
- 33.** Participants were again asked if they agreed with being taxed more if the extra funds were spent on public services. More groups **agreed** than last year, but all expressed concerns about spending transparency and emphasised taxing only those who could afford it.
- 34.** In discussing initiatives the Welsh Government should focus on, participants felt the most important was *providing dedicated support for young people*

moving from education to work, a new option for this year. This was followed by *investing in Welsh food production* and *connecting people*, identified as the most important last year. *Improving homes* was also identified as important, as last year.

35. Suggestions for innovative funding included a levy on corporate carbon emissions, subsidising healthy food production, modular housing, and investing in behavioural scientists. Many groups also discussed better evaluation of existing schemes and addressing inefficiencies.

36. When asked if the Welsh Government should prioritise funding for any groups of people in particular, **younger** and **older people** were again prioritised by many of the groups, as well as **vulnerable groups** including disabled people, ethnic minorities and LGBTQ+ communities.

37. However, this year some participants weren't in favour of prioritising any one group of people over another.

38. Thank you to everyone who contributed to the programme of engagement.

2. Engagement Findings: In which areas should the Welsh Government prioritise or deprioritise funding in the next financial year?

Participants were asked to identify up to three areas they would like to see the Welsh Government prioritise or deprioritise funding in the next financial year. The areas are listed below in the general order of highest to lowest priority.

Health

39. Every engagement session prioritised *Health* in their top three choices for areas to receive more funding.

40. Participants talked primarily about long waiting times, bed blocking, too much management and the lack of mental health support.

“Health, we seem to have a large budget, but waiting lists are ridiculous. I've got an 18 month waiting list to see a spinal surgeon. And to me, that's wrong. As I said, we've got too many chiefs who are there to make a profit.” Disabled participant

41. Participants also talked about the reputation of the NHS and hoped that with an investment in services, a more efficient system would emerge, which could ease demand in the long term. The importance of interventions at a young age was also highlighted, for example, teaching children about health and mental health.

“We've obviously got the worst health record within the whole of the UK, and the longest waiting times. So I think if we can try and work our way through that as much as we can through increased investment, I think that will pay dividends later on.” Participant from the farming community

Social Care

42. Second to *Health* was *Social Care*. However, unlike last year, Social Care was not prioritised in every engagement session.

43. Participants highlighted the need to integrate Health and Social Care, with one participant feeling that sometimes they ‘*work in complete isolation from each other.*’ *Participant from the education sector*

“I think Health and Social Care should go hand in hand and the red tape between the two should be removed in order to let it flow more seamlessly.” Small business owner

44. A *third sector participant* stressed the need to prioritise health, including mental health support, and highlighted the integration of Health and Social Care as essential for community well-being.

“Looking at the wider benefits of investing in social care, it does create jobs. It also keeps people out of hospital. For years and decades, there's been all this bed blocking and trying to get people out of hospital into the community, so social care, would be my absolute priority.” Unpaid carer

45. Two participants raised concerns about the proposed DWP benefit reforms, feeling they would add strain to social care in Wales, ‘*as people would rely more heavily on it.*’ *Disabled participant*

Education

46. Education was prioritised in almost every session, with concerns about rising workforce demands, increasing class sizes, and challenges faced by neurodiverse children.

“I think there needs to be more investment in education and, rather than putting the emphasis on the parent, to look at the structure of education and to actually see what's not working and try to make it more inclusive for everyone.” Disabled participant

47. Participants were concerned about spending allocation within education budgets. Some pointed to grants like the 'Taith' programme, which, while valuable, could be considered non-essential given current strains.

48. One participant emphasised including people with lived experiences in policy-making and addressing the educational needs of children from different backgrounds.

49. Another suggested a multi-agency approach to support families and communities, noting that schools are taking on roles beyond education and emphasising the need for collaboration among services.

"As schools, we're taking on more and more of the cost when it comes to medical care of our children. I've got three children in my school who require daily medical care. We don't see a penny [from health] for that...it's just coming out of the education budget, even though it's a health issue for our children". Participant working in education

50. Participants emphasised the need for greater equity in funding to address rural challenges and highlighted the importance of equitable opportunities for young people, particularly those from disadvantaged backgrounds. For example, in order to receive an education, young people need to access suitable, affordable transport, as well as be supported in their physical and mental wellbeing.

"Greater equity across the nation....I live in Powys. We're geographically the biggest county in Wales, and we get the 2nd to lowest funding." Participant working in education

51. Participants were concerned about the fragility of Welsh universities and called for a fresh look at higher education funding and its value to the economy, health, and education.

"We need to protect our universities and encourage the young people of Wales to take advantage of the higher education available here in Wales." Participant working in higher education

52. Welsh language educators called for a strategy to respond to the Welsh Language and Education (Wales) Bill to increase the number of Welsh-medium teachers.

Housing and Homelessness

53. Housing and Homelessness were prioritised in most sessions, showing it remains a clear priority.

"I think we are at crisis level here in Wales with housing and homelessness. I work with a lot of young people, and there's been lots of investment into Youth Services to work with young people to do homelessness prevention, but I think it's diabolical really what's happening." **Youth worker**

54. Participants mentioned the ongoing housing crisis in Wales and its impact on well-being, stressing the need for adequate housing solutions.

"I know there is a huge housing crisis in the country. Not only the provision of housing, but the quality of the housing." **Disabled participant**

Transport

55. Transport was prioritised in almost every session, with participants highlighting poor links between north and south Wales, reduced rural services, and cost and reliability issues.

"The transport system is serious and getting worse at the moment—. I think we really need to look at improving bus and train transport – they are reducing for us locally—. For us locally, they don't start early enough for anyone to get to work, and they finish before anyone goes home." **Participant from the farming industry**

"For me, transport and the economy are linked. I'm in a situation where transport affects my business and affects everybody locally, or the lack of it right now. We're in rural Gwynedd, and there is nothing here. We had roads cancelled, we have train services being cut, and

*it's just a mess. We can't grow our business, so we're relocating to Germany." **Small business owner***

56. Many felt that investment in transport would positively impact the Welsh economy and support employment opportunities.

*"We've got girls working for us that come from Tredegar because there are no jobs in their area. But it takes them hours to get here, and some of them are put off then because there's no public transport to be able to get them here." **Small business owner***

57. Some groups highlighted that investing in public transport is key to addressing environmental and climate change issues.

58. Young people also prioritised transport, noting its importance for accessing education. They called for more accessible and affordable transport and clearer timetables.

*"Transport is a lifeline, not a luxury." **Young person***

*"Transport and Education, for me, link together because the buses in South Wales have been getting taken off. So if you want to go to college or sixth form, for some families, that can be very difficult." **Young carer***

59. Participants highlighted the significance of transport for disabled people, mentioning challenges in accessing transport and the need for improvements.

*"Transport isn't the best for people who have got disabilities and a learning disability." **Young person with a learning disability***

*"If you get the transport right, it can stop you needing so much social care." **Parent carer of a disabled young person***

Agriculture and Rural Affairs

60. Agriculture and Rural Affairs was prioritised in most sessions this year, moving up from previous years.

"I would actually want some investment in agriculture and rural affairs because I think we're beginning to realise now with climate change and global insecurities, its importance." Participant in receipt of social care

"I think agriculture does a very good job of supporting itself, but it's certainly battling a lot of legislation and red tape at the moment, which I think is certainly doing damage that's possibly irreversible later on." Participant from the farming industry

61. Participants felt this area was closely linked to the economy and climate change, highlighting that investment in agriculture would benefit other key aspects of Welsh life.

"If you invest in agriculture, you invest in food security, you invest in the local economy, you invest in heritage and culture, the Welsh language, the impacts sustainable farming practices can have on climate change." Participant from the farming industry

"Food security is very important, and in this country we have to import so much that anything we do to improve food security is good and this kind of knock-on benefits agriculture and rural affairs. It keeps rural communities going and reduces rural poverty. It helps safeguard the Welsh language and community life." Participant in receipt of social care

Economy

62. Although not a top priority for many, the economy was prioritised in half of the sessions, with participants feeling investment here was key to improving other areas of Welsh life long-term.

"We're good at preparing our pupils, but we then have to make sure that the economy is buoyant enough for them and that the jobs are there to keep them in Wales." Participant from the education sector

63. Participants emphasised the importance of ensuring tax revenue growth, essential for funding public services.

"I think without that thriving economy, then you're not going to see the growth in the tax that's necessary to fund all the public services."
Participant from the education sector

Welsh language

64. Although most sessions deprioritised the Welsh Language, individuals in a third of the sessions prioritised more funding for it.

"The Welsh language is essential for health, it's essential for education and for our communities." *Participant from the education sector*

65. Participants who prioritised the language called for investment in language initiatives, leisure through Welsh, and social media.

"I would like to see the Welsh Government make Welsh lessons free for everyone, as they have such a push for Welsh language to be used, and I think many people want to, but actually putting a price on going to lessons is a big barrier." *Participant from the farming industry*

66. They noted the link between the Welsh language and agriculture and the need to support schemes and a sustainable lifestyle.

"People love hearing Welsh and that's part of agriculture and the countryside; it's part of what people like to come for, to hear and see. Wales is 80% rural, so it's very important that the money keeps that."
Participant from the farming industry

67. Some groups noted that education plays a key role in promoting the language, and that more consideration was needed in linking the two.

"For me, education is a big part of getting the Welsh language to the whole country—. Regarding Welsh in the workplace and in communities, if children don't feel comfortable speaking Welsh at school, then it will not continue into adulthood, and their Welsh will

be lost. In a way, they can save a lot of money in the future."

Participant from the education sector

"Welsh-medium education enables the people of Wales to be bilingual from an early age and to be able to use it as a living language, a language to do real things." Participant from the education sector

- 68.** On the whole, those who deprioritised the language felt it was important, but believed more pressing areas like health and education should come first.

"So I don't think any of them should be cut. But if choices have to be made, I would consider reducing the spend for promoting the Welsh language and culture or look at new, innovative ways of funding those." Participant from the third sector

"As much as it sucks, worst-case scenario, probably the Welsh Language. Because unfortunately, maybe survival and making sure people are physically well...There will be no Welsh language if there are no Welsh people to speak it." Young carer

- 69.** However, some felt that it wasn't important to them and shouldn't be a focus for funding.

"I think they should take more money from the Welsh language— so many people already speak Welsh that do we really need to fund it further? It's already integrated into our culture." Participant with experience in homelessness

"I think there are many things on that list that affect everybody, whereas the Welsh language just affects those people who perhaps already speak Welsh or are interested in speaking Welsh. I get letters that come through the post in both languages, and one of them goes in the bin every time because I have no idea what it says, and to be honest, I've got no interest in learning it." Small business owner

- 70.** Some suggested more efficiency was needed in supporting the language.

"The amount of staff time, the amount of money that they spend on making sure that everything's bilingual for something that's not really used very much is astronomical, and I can't help feeling that we could perhaps save quite a bit of money if perhaps some cuts were made to the Welsh language and they weren't so dogmatic about everything."
Disabled participant

71. Others emphasised that it was important that someone with Welsh first language be able to access services in Welsh in Wales, so perhaps a registration of preferred language system could be implemented instead.

Climate Change

72. Similar to last year, Climate Change wasn't a priority for many groups this year. When it was, participants discussed its impact on local communities and the need to address it urgently.

"If we don't address climate change and all the effects that it has, we won't have communities to try and support. This has to be fundamental." **Participant from the farming industry**

"For me, it's climate change at the top of the list. I'm really worried about climate change. I think it's a huge problem." **Participant from the farming industry**

73. When deprioritised, participants felt it could be paused while more pressing areas like health and education were prioritised.

"Short-term investment reduction won't have much impact, but more funding for education and health will have immediate effects."
Participant from the education sector

"I think that climate change has really captured a lot of people. So I think it's beginning to run its course. We've got one of the best recycling in Wales, so we're doing OK, but we're really not doing OK for disabled people." **Disabled participant**

74. Others noted that climate change was linked to agriculture and the economy, and investment in those areas would improve climate change without direct funding.

"I make a strong argument that in terms of climate change, most businesses in Wales would like to reduce their impact on the climate and improve their environmental responsibilities. But to do that, they need to be successful and profitable. So again, the more successful and profitable businesses are in Wales, I think by nature they will then invest more themselves in some of those things." **Small business owner**

"With the world as it is, I think prioritising food security and preserving rural areas will do more for climate change than direct funding." **Participant from the farming industry**

75. Some participants expressed concerns about the feasibility and affordability of current commitments, suggesting that funds could be better allocated to more immediate needs.

"I don't see how we're making big enough strides, and I think we need to concentrate on the basics first before we start changing other things." **Participant from the education sector**

"Probably a bit controversially, but climate change. I feel we are going the wrong way about trying to tackle the issue." **Participant from the farming industry**

Culture

76. Culture was not prioritised in many groups this year, but it appeared in half of the sessions as an area to deprioritise.

77. Those who prioritised culture wanted to see an improvement in quality of life, rather than having to focus on the essentials all the time.

"So I think more investment in people, increasing people's access to culture as well...Create an environment where all of those are invited

in and it becomes a better place to live and people have more life opportunities.” Disabled participant

78. Those who chose to deprioritise felt there were more important budget areas and that money could be spent more efficiently.

“I think you should take money from the culture and heritage budget, which can be taught in schools.” Participant with experience of homelessness

“I think there are so much more important things than a nice painting or heritage, etc. Look forward rather than behind is for me.” Participant in receipt of social care

Local government other services

79. Overall, participants felt more funding for Local government other services wouldn't be well invested, and there was a lack of trust in current fund management.

“There's a lot of resource in local government. And the question is, how efficiently is it being run?” Small business owner

“The local government wastes money like it's going out of fashion. There's so many things that they could change within the local government so money is not wasted.” Small business owner

80. Some participants argued there are too many local authorities in Wales, leading to inefficiencies and unnecessary spending.

“We need more efficiency in Wales. I don't think we can sustain 22 local authorities anymore. It is just too top heavy.” Small business owner

International Relations

81. International Relations was the most popular choice for receiving less funding and was prioritised by every group for this question.

"While I do see the benefits of spending on promoting Wales's place in the world, perhaps it doesn't feel as vital as the other areas."
Participant from the education sector

82. Many felt this was an obvious choice and wanted funds spent on improving services in Wales before overseas matters.

"I think we can improve ourselves first, as a country. If we can get the economy, education and health right, there would be more money to spend on international relations." **Participant from the education sector**

"There are more important things to spend money on. This area is not a priority and issues like health should be looked at first." **Young people**

83. However, many participants conceded that they weren't sure how this budget was spent, so accepted it was perhaps an easy target.

Efficiency of spending

84. As we found last year, many groups preferred more monitoring of spending than cutting budgets.

"Rather than make cuts, look at economies and the way things are being done and run." **Disabled participant**

"There weren't really any specific areas that I thought should be cut, but I thought there are pockets across all areas where we could look at inefficiencies and grants and support in public areas where they're not adding any real benefit, either to the economy or to the prospering of the of the Welsh nation." **Participant from the education sector**

85. Some participants favoured increasing the budget from other sources, rather than making cuts, particularly by pressuring the UK government to review the Barnett formula.

"I wouldn't like to see a reduction in any of them, truth be told. I would rather see more pressure on Westminster to give more money to Wales and to look at the Barnett Formula." **Participant from the farming industry**

"I think the first thing is we shouldn't be having to cut services because we should be challenging the Barnett formula... There needs to be a lot more effort put into getting a fair budget." **Disabled participant**

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

86. Participants were asked if they were aware of how the Welsh Government budget was funded and provided with a breakdown of amounts raised by certain taxes. Most participants had some awareness of tax devolution, but not specific amounts or taxes. A few were unaware of how the budget was funded.

87. Participants were asked to comment on whether an increase, decrease, or maintenance of available funds was preferable, and whether taxation or borrowing amounts should change. Similar to last year, participants preferred better spending of funds before increasing through taxation or borrowing.

88. Many participants emphasised the need for better management and allocation of existing funds, with some expressing distrust in the Welsh Government's ability to spend money effectively and demonstrate the impact of their spending.

"It's not really about whether you raise or lower taxes or borrowing; it's about how you spend the money you already have." Participant with experience of homelessness

89. Some groups favoured raising taxes, but only for those who could afford it and if reassured that the additional funds would be well spent.

"Any increase in taxation would have to be in a fair, progressive manner, without resulting in any poverty." Participant from the third sector

*"I'd be happy to see a small increase in taxation across the nation, but I think largely it comes down to how current funding is used. There's a lot of either waste or mismanagement or misuse... fundamentally it comes down to actually spending well, not spending more."
Participant from the education sector*

90. Other groups were vocal about not increasing taxes, as the cost of living burden is already too high for some.

"I don't think we should raise taxes any further. The cost of living is so high that people cannot afford to spend more, and food is expensive. We just can't keep raising taxes when people can't afford them."

Participant with experience of homelessness

91. There was less discussion around borrowing, with some individuals making the case for or against using this power to increase the budget. Overall, no strong feeling was communicated.

92. Some groups suggested again that more needed to be done to review the Barnett formula to increase the overall budget.

"We're not going to change things much by tweaking tax or borrowing at the devolved level. The bigger picture is the Barnett formula, that's the real driver. There's a legal limit on our tax-raising powers and borrowing powers, but what we really need is to question the Barnett formula, which dwarfs anything we can do ourselves."

Participant with experience of homelessness

Increased taxes

93. Participants were asked if they agreed or disagreed with the following statement:

"I would be happy to be taxed more if the extra funds generated were spent on public services in Wales."

94. Participants were split, but just over half the groups agreed.

95. Those who disagreed felt people couldn't afford any additional deductions.

"I think people are paying enough tax already. The cost of living is so high, and wages don't meet a living-wage standard any more. The government needs to find a cleverer way of spending the money."

Participant with experience of homelessness

96. As in the previous question, participants also expressed a lack of trust in how the additional income would be spent.

*“How much guarantee is there that the extra revenue would be ring-fenced for particular services?” **Participant with experience of homelessness***

*“People simply can’t afford any more deductions from their salaries, especially when they don’t trust the government to spend it properly or to put it into the right places. There’s no transparency; we just don’t know where the money goes.” **Participant with experience of homelessness***

97. Participants willing to see tax increases emphasised taxing only those who can afford it and ensuring accountability in spending.

*“I think if we look back through history, the times when we had the best public services were the times when we had the highest tax rate on the rich. So I feel like that’s really important.” **Participant from the farming industry***

*“For those who can afford to pay a little bit more, I think we should. But we shouldn’t be putting more people towards poverty where they can’t afford to live.” **Participant from the third sector***

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

98. Participants were asked about schemes outlined by the Future Generations Commissioner for Wales and whether they were important to focus on now. Almost all participants felt the schemes were important.

99. The following schemes were highlighted as the most important on the whole:

Providing dedicated support for young people, particularly in helping them move from full-time education to work

100. This new option was highlighted in most sessions as highly important.

“The education to employment is absolutely broken at the moment. We need to fix that as a priority.” Small business owner

“Give extra help to young people, or obviously in our case, young carers moving from school to work. I think there needs to be more money spent on it, because there needs to be services there to help people with it, because it's not actually always a resource thing, sometimes it is a confidence thing.” Young carer

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

101. Digital connectivity and public transport were very important to most groups, and had also been highlighted in earlier discussions.

102. Some were less keen to see focus on active travel, claiming that significant funds had been invested in this area already.

Investing in Welsh food production capacity to reduce reliance on imports

103. A number of groups had highlighted food production as a priority earlier in their session and emphasised its importance again here.

"We need to support Welsh farmers in terms of food production, not to mention the environmental benefits of reducing food imports."

Participant from the education sector

"It does worry me that we're less sustainable in terms of food production now than we were after the Second World War. So we've gone backwards, which is really concerning." *Participant from the farming industry*

Investing in Welsh energy production capacity to reduce reliance on imports

104. This idea also arose earlier in many of the sessions when discussing the importance of the economy to Wales, and was highlighted again in answering this question.

"Wales is ideally placed to generate natural, sustainable energy. We have so many opportunities to develop this and investing in this would also create jobs that would benefit the people of Wales."

Participant from the education sector

"Energy production is very important. We have to allow that to benefit the Welsh economy. You know, if we can create abundant, green, fixed priced energy for Wales, that's a massive thing that can generate growth and then drive all the other things." *Small business owner*

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

105. Participants emphasised improving homes for positive impacts on health, mental health, social behaviour, climate change, and the environment. Tackling homelessness was also identified as part of this.

"Improving homes. Absolutely, because you're going to save energy, which is going to have an impact on your green economy." *Disabled participant*

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

106. Participants were asked for ideas of how the Welsh Government could be innovative in the way it funds all sectors in order to deal with future challenges, such as *poverty and long-term economic hardship, supporting businesses facing economic uncertainty and transitioning to a lower carbon economy.*

Suggestions included:

1. A levy on corporate carbon emissions
2. Subsidising healthy food production to support local economies, improve public health, and encourage sustainable farming practices.
3. Increasing contributions from successful businesses to support smaller enterprises and address economic hardship.
4. Encourage companies to engage in carbon reduction initiatives, such as adopting the One Planet Standard to assess and reduce their carbon footprint.
5. Create secure routes to market through public procurement to give farmers confidence to diversify and new entrants confidence to start.
6. Replicate the model used for renewable energy to create a protected market for healthy, nutritious food. This will stimulate more local food production.
7. Extend current grant schemes for farming to horticulture, to create a more level playing field.
8. Reward farmers for delivering public goods by paying them for the social outputs they deliver and subsidising the costs of production for farms that deliver public goods.
9. Innovative housing solutions, such as modular housing. Use heat pumps and solar panels to improve energy efficiency and make homes more adaptable to residents' needs.

10. Invest in Behavioural Scientists, in order to understand human behaviour, leading to more innovative thinking.
11. Create business opportunities for immigrants in sectors where English proficiency is not critical, thereby reducing their reliance on welfare systems.
12. Establishing direct links between the third sector and the Welsh Government to streamline funding allocation, reduce administrative burdens, and ensure more efficient use of resources.
13. Invest in carers to save a huge amount of money and resolve problems in the NHS.
14. Invest in the early years to save the public sector money in the long term.
15. Invest in early intervention in education and youth services to reduce the need for more costly interventions later on.
16. Better evaluation of existing schemes and addressing inefficiencies before exploring new ideas.

6. Engagement findings: Should certain groups of society receive more or less funding to support a more equal society?

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

108. As in previous years, participants identified **young people**, particularly those aged 11 to 25, as a group needing more funding for education, mental health, and employment support.

“Young people are getting it from both sides, they're getting attacked from their education in the daytime, and they get attacked from social development opportunities in their evenings and free time. So I really feel that that's an area that needs to be paid more attention to.” Youth worker

109. Extra support for **disabled young people** was also identified, to provide experiences, support and make them feel involved and wanted in the workplace.

110. Participants also identified **disabled people** more generally as needing more funding. Some felt no groups should be treated differently, but acknowledged disabled people needed a boost to be on equal footing.

“There is a need to make sure that Wales is a country where disabled people have equal opportunity, and are treated with respect and dignity, whether that's accessing health, education or employment. The whole shebang.” Disabled participant

111. **Older people** were also prioritised as a vulnerable group needing more focused funding for health and well-being, enabling quicker discharge from the NHS and care at home.

“There are far, far too many older people living in fuel poverty, unable to pay bills, being cold in winter, living a lonely life. And I feel like that

group desperately needs more help.” Participant from the farming industry

112. Some groups were uncomfortable identifying any group over another to receive more funding.

“Each of those groups is important...I don't think we should single out any group above any other. When looking at their funding, they have to be mindful that everyone gets their share of the cake.” Participant from the farming industry

7. Engagement findings: Young people's views on the Welsh Government's **Budget Improvement Plan** resources:

113. The Welsh Government created resources to help young people understand the draft budget, titled, **Welsh Government budget improvement plan**. These include an animation and a leaflet for young people:

[Animation on the Budget Improvement Plan](#) and the [Budget Improvement Plan – leaflet for Young People](#).

114. Participants under 25 were asked for their views on the resources, including their awareness and likes/dislikes.

115. None of the young people were aware of the resources before the engagement sessions.

116. On the whole, they found the video engaging in appearance. One participant said it was “*very fun and educational.*” **Young carer**

117. However, many felt the video's language was too complex for the target audience.

“The way that it looks appeals to, I would say, people under the age of 13. But then, the long wording and how much writing is on it, and all of these things probably appeal to someone between the ages of 14 to 17.” Young carer

118. Additional comments included ‘*too much going on*’, ‘*music was too loud*’, ‘*no accessible houses*’, and ‘*need animation for people with ALN*’.

Annex 1: Supporting Organisations

The Citizen Engagement Team would like to thank **Carers Trust Wales**, **Learning Disability Wales** and **The Wallich** for their support in facilitating focus groups.

We'd also like to thank the following organisations for their support in promoting the engagement opportunities for this inquiry:

Aberystwyth University	Grŵp Llandrillo Menai	Race Council Cymru
Action in Caerau and Ely	Glamorgan Voluntary Service	RNIB Cymru
Age Cymru	Llamau	Salvation Army
All Wales Forum of Parents and Carers	Lloyds Bank Foundation	Social Care Wales
Alzheimer's Society	Make UK	Social Farms and Gardens
Bangor University	Home Care Association	Tenant Farmers Association (TFA)
Bridgend College	Interlink RCT	Ty Hafan
Building Communities Trust	Medr	Voluntary Action Merthyr Tydfil
Calan	Mess Up The Mess	Wales Retail Consortium
Carers Wales	Mudiad Meithrin	Wales Tourism Alliance
CBI	Our Food 1200	WCVA
Chamber of Commerce	NAHT	Welsh Women's Aid
Climate Cymru	NASUWT	West Glamorgan Regional Partnership
Coleg Cymraeg Cenedlaethol	National Sheep Association	Welsh Local Government Association
Coleg y Cymoedd	National Day Nurseries Association Cymru	Wrexham University
Colleges Wales	Nature Friendly Farming Network	UCAC
Cultivate – Bwyd Powys	New Horizons	
Cwm Taf People First	Newport Community Connectors	
CWYVYS	NFU Cymru	
Disability Wales	NPT Carers	
Early Years Wales	NYAS	
Flintshire Local Voluntary Council	Pembrokeshire Association of Voluntary Services	
Federation of Small Businesses	Pembrokeshire Youth	
Farmers Union Wales	Older People's Commissioner	

Annex 2: Focus Group Questions

1. If you could choose up to three areas you think the Welsh Government should prioritise funding in the next financial year, what areas would you choose?
 - a. Agriculture / Rural Affairs
 - b. Climate Change
 - c. Culture (including arts, sports and heritage)
 - d. Economy
 - e. Education
 - f. Health
 - g. Housing/homelessness
 - h. International Relations
 - i. Local Government Other Services
 - j. Social Care
 - k. Transport
 - l. Welsh Language
2. Why do you think the Welsh Government should increase spending in these areas?
3. If the Welsh Government is going to increase spending in some areas, it may need to cut spending in other areas. If you had to choose, which of the following areas do you think the Welsh Government should cut spending in the next financial year? Choose up to three areas: (refer to the list above in question 1)
4. Why do you think the Welsh Government should reduce spending in these areas?
5. In addition to the money from the UK Government, are you aware that the Welsh Government draft budget 2026-27 is also funded by the following:
 - a. estimated £3.6 billion from Welsh Rates of Income Tax
 - b. £1.1 billion non-domestic rates (often referred to as business rates)
 - c. £340 million from Land Transaction Tax
 - d. £30 million from Landfill tax
 - e. And up to £150 million planned borrowing

Which constitutes around a fifth of the total Welsh Government funding?

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

6. Do you think the Welsh Government should:

- a. Increase tax so that there is more available funding
- b. Increase borrowing so that there is more available funding
- c. Both increase tax and borrowing so there is more available funding
- d. Neither increase tax or borrowing so the current level of available funding remains
- e. Reduce tax so that there is less available funding
- f. Reduce borrowing so that there is less available funding
- g. Reduce both tax and borrowing so that there is less available funding

7. Do you agree or disagree with the statement below and why?:

"I would be happy to be taxed more if the extra funds generated were spent on public services in Wales."

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

- a. Improving homes across Wales - including decarbonisation of homes, building new low-carbon affordable housing and a national programme to improve the energy efficiency of existing homes.
- b. Connecting and moving people - including improving digital connectivity, active travel (non-motorised ways of travelling for example on a bicycle) and public transport.
- c. Investing in the creation of new, greener jobs.
- d. Investing in nature - including prioritising funding and support for large-scale habitat and wildlife restoration; supporting natural flood defences; implementing the new national forest; and improving local food chains and distribution.
- e. Supporting businesses that will help Wales to lead the low-carbon revolution.
- f. Investing in Welsh energy production capacity to reduce reliance on imports.
- g. Investing in Welsh food production capacity to reduce reliance on imports
- h. Providing dedicated support for young people, particularly in helping them move from full-time education to work

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

- *Poverty and long-term economic hardship*
- *Supporting businesses facing economic uncertainty*
- *Transitioning to a lower-carbon economy*

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

11. Why are these groups a priority?

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

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

13. Policy-based questions (Optional):

- a. What are the key long-term pressures on your sector, and what support is needed to deal with those?
- b. How effectively does the support provided by the Welsh Government address the sector's needs?
- c. How can the Welsh Government be innovative in the way it funds your sector to deal with future challenges?

Questions for Young People:

14. The Welsh Government have produced resources aimed at helping young people understand the draft budget. This work is titled, Welsh Government budget improvement plan 2024 to 2025.

- a) What do you like and/or dislike about these two resources that have been designed for young people?

Animation on the Budget Improvement Plan
Budget Improvement Plan – leaflet for Young People

- b) Have you seen either of these resources before today?