

Scrutiny of the Welsh Government Draft Budget 2021-22

Digital Engagement Summary Note

June 2020

The Finance Committee, undertook a short digital campaign aimed at engaging the general public in the scrutiny of the Welsh Government Draft Budget 2021-22. The objective of this campaign was to better understand the general public's priorities for spending in Wales. Annually, the Committee would usually undertake a face to face public stakeholder event. However, due to restrictions from COVID 19 a digital approach was implemented this year to gather public opinion prior to the Committees debate on the Welsh Governments spending priorities for 2021-22.

Data gathering

The data within this summary note has been collated from a series of Twitter polls hosted on the Senedd Finance Committee Twitter feed. These directed audiences towards a short survey. The Committee recognises that this engagement exercise is limited in scope as the sample was self-selecting and not based on a representative sample of the population.

To compile this summary note an analysis of a complete data set was conducted; all data can be sourced to individual responses and further analysis can be undertaken by reviewing the initial results.

The summary note outlines the key themes from quantitative and qualitative questioning. However given the data sample size, conclusions drawn from this information must take into account the limited quantity. The total number of people who have contributed to this data is approximate, with a combined value of 1200 votes from all Twitter polls and 144 survey participants.

Through the questioning methods, 6 consistent themes arose. Quotes have been selected on the basis that they illustrate the reoccurring themes and therefore summaries the overall comments from the responses.

Survey Results and Key Themes

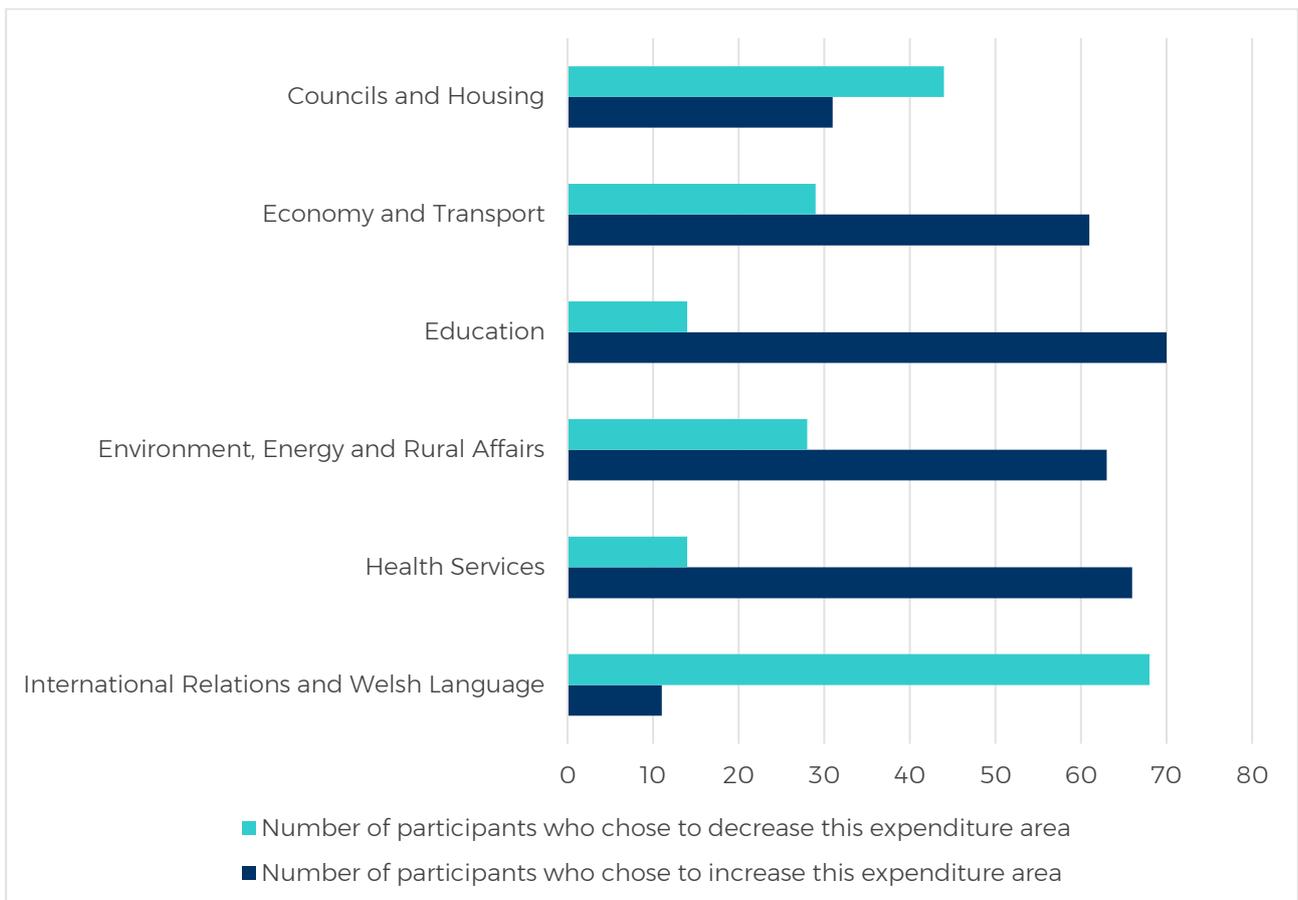


The survey, open for a number of weeks in June 2020, was designed to be a short survey and thus quick for the participants to contribute. Average completion time was roughly 3 minutes.

A total of 144 participants completed the survey. 82% (118/144) answered as an individual with an interest and 15% (17/144) answered as a professional and an individual.

Sense of spending priorities

Survey participants were asked to select which, of the six largest expenditure areas of the Welsh Government budget from 2020-21, would they allocate an increase or a decrease in spending for 2021-22. Survey participants could choose up to three expenditure areas to increase and three to decrease. The number of expenditure areas selected for an increase (302) was higher than the number selected to decrease expenditure (197). These were the overall results;



Below are a selection of the comments that demonstrate the general decision making process for participants;

"Education and health are the obvious priorities, but in a post Covid, post brexit world, the Welsh Government needs to direct funding towards the economy, if Welsh businesses and jobs are to survive."

"The transport infrastructure in Wales is very poor and stops economic dynamism spreading. The education has suffered under Covid 19 and children should get a boost to help them make up for lost time. Equally adult retraining will be essential for those who have lost jobs due to the economic impact of the virus and lockdown."

"I work with young people who are at risk of homelessness or are homeless. More money needs to provide trades for young people to remain in Wales rather than look for work in large cities. Affordable 1 bed properties are needed for young people. More money needs to be spent on support services that are different to ones funded via a Housing Support Grant. Like Youth Innovation Fund. Homelessness is a health issue so they go hand in hand."

"Health services need serious reform as they are severely top-heavy with more out-of-touch managers ruining the service than staff (speaking as a health worker)."

"Health Service has spoken for itself during the pandemic."

"I'd like to see more initial investment in health and education to help catalyse a culture of healthier lifestyles to reduce future strain on the NHS and free up budget in the long term."

"NHS services are vital but they currently consume almost half of WG's budget, focusing of emergency, crisis and acute conditions. Investing in other areas including local authorities, environment, education and the economy will help to create a system change that prioritises prevention via the wider determinants of health and tackling long term inequalities. Thus, alleviating the pressure of acute, crisis and emergency services and saving money in the longer term."

"Realistically we need to do as much as possible to produce new start-ups to alleviate the mess from Covid"

"The ambition of Welsh Government should be that every single school in Wales is a bilingual one. At 16 years old, every pupil should be fluent in both English and Welsh."

"International relations are extremely important as is encouraging the use of the Welsh language. However, on a day-to-day basis, a family is not going to worry whether their children can speak Welsh or not, if they cannot afford their own house or food. Citizens of Wales may be more open, willing and able to engage with Welsh language and history if they firstly have their basic needs met. I would slightly reduce this budget in favour of education, health and housing."

"Please teach Welsh history in Schools, and protect Welsh language and Culture as it is our biggest assets as a unique nation."

A number of participants appear to have made selections on expenditure areas to increase the sense of safety, whether that be from the risks of contracting coronavirus or life security.

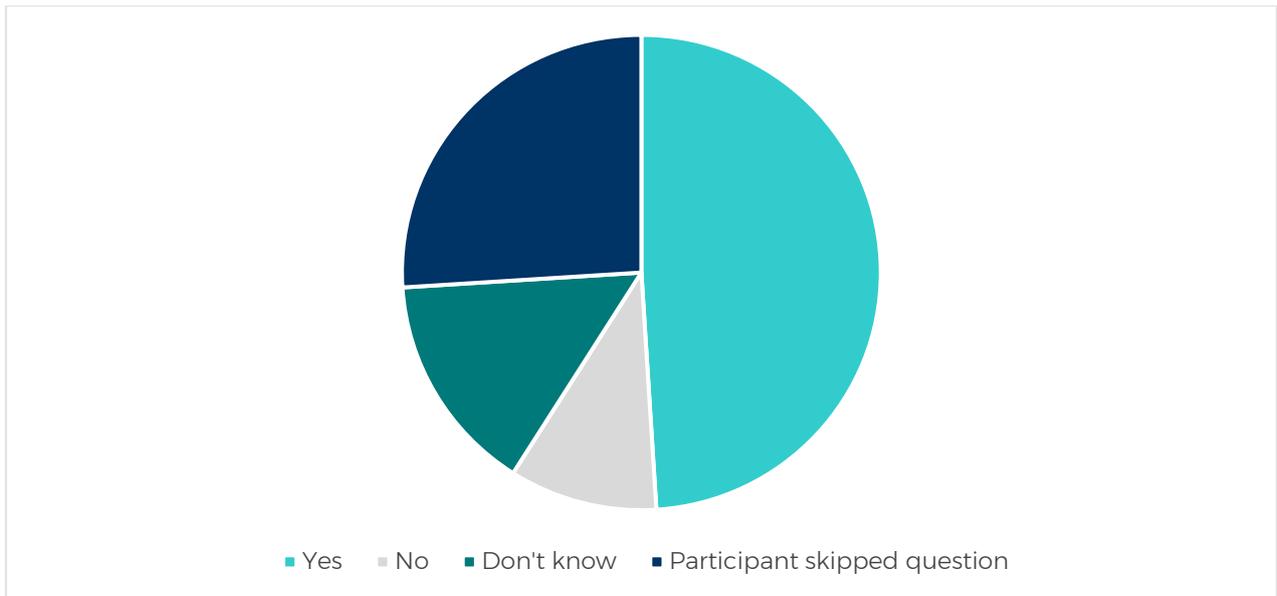
"Focus on making people feel safe to shop. If people are worried about leaving the house the only ones who'll benefit are amazon"

"People can make valid contributions to society when they have a safe place to live, access to education and health services. These are the factors that need to be perfected before anything else"

Impact of the Coronavirus pandemic on the next draft budget

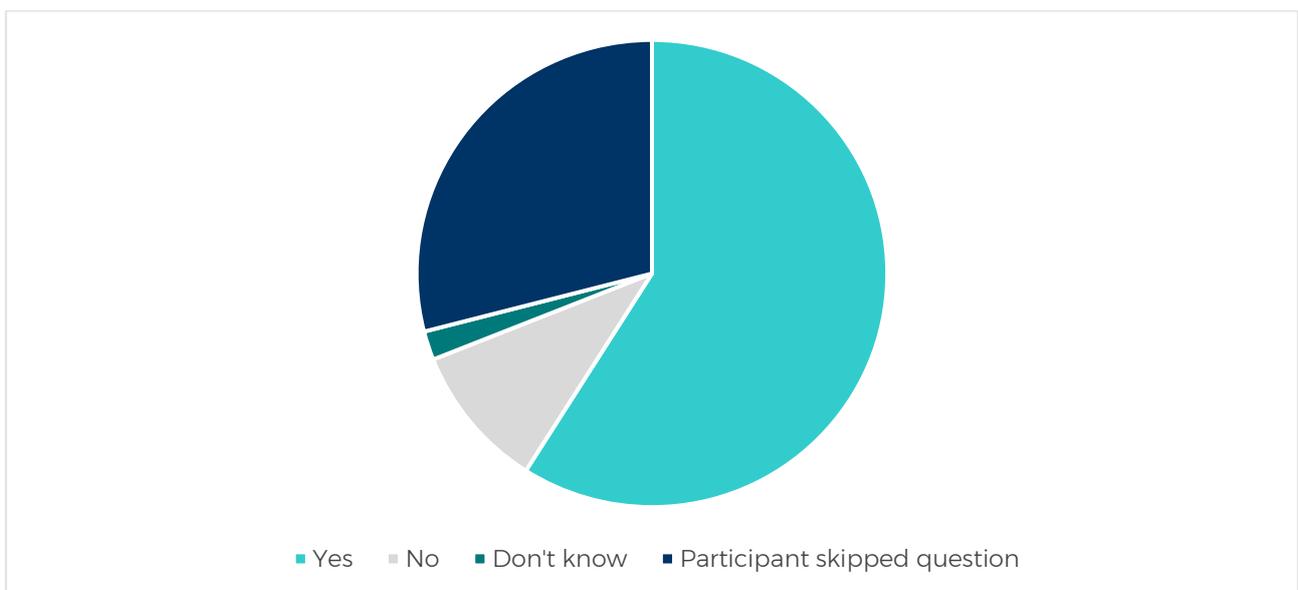
Survey participants were asked the following two questions about what they think should be the impact of coronavirus pandemic on the next draft budget;

- 1.** Do you think there should be significant changes to the amount spent in the expenditure areas listed above for the next financial year and subsequent years as a result of the coronavirus pandemic?



Options:	Result
Yes	49%
No	10%
Don't know	15%
Participant skipped question	26%
Total survey participants answering	108/144

2. During the economic recovery from coronavirus, do you think climate change and sustainability should be factored into the Welsh Government’s decisions on spending and why?



Options:	Result
Yes	59%
No	10%
Don't know	2%
Participant skipped question	29%
Total survey participants answering	108/144

Environment and sustainability was regularly referred to as an area of importance throughout the survey. Here is a section demonstrating the general mood;

"De-prioritisation of nature though a reduction on NRW grant is by £7.5m is counterproductive given the value added by NGOs and their important role in nature based solutions, management, recovery, education and wellbeing. Without this vital money Welsh environments will suffer further degradation."

"Environment and energy is one of the areas with the lowest spend, as we move forward it is critical that we address the sustainability of our nation for future generations."

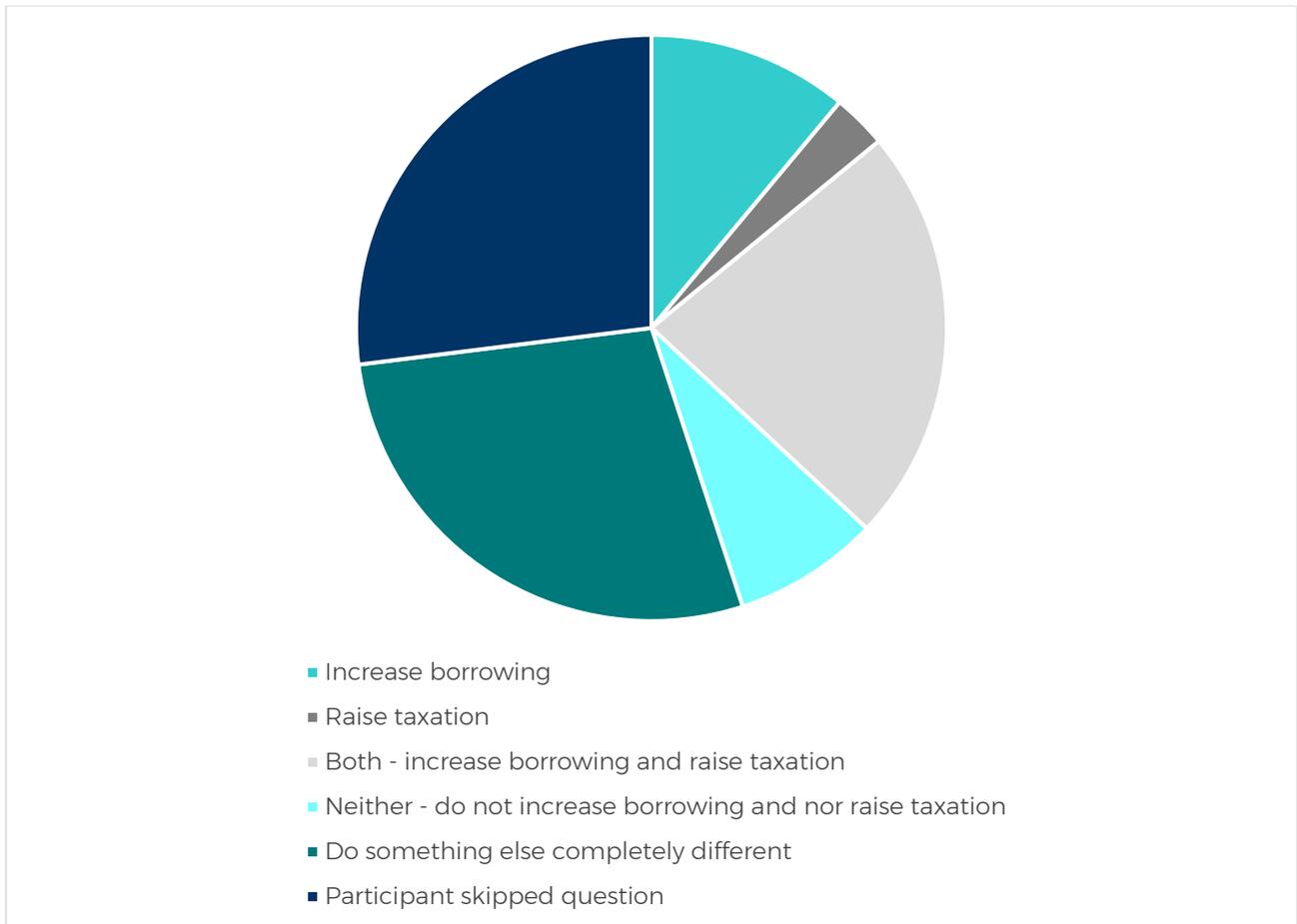
"Focus on clean green transport making it easier, cheaper, safer and convenient to walk, cycle or use public transport, which will again bring health benefits reducing the burden on health services for primary care allowing greater focus on prevention and wellbeing."

"Health should be a priority and I believe we should be following the New Zealand government's forward thinking and looking at green energy and how we can look ahead to a new future with eco-tourism and new jobs that will protect our natural landscapes and climate."

Availability of funds to Wales

Survey participants were asked the following question about how they would prefer Wales to increase the availability of funds to Wales in the next draft budget;

3. To increase the amount the Welsh Government has to spend in Wales, should Welsh Government;



Options:	Result
Increase borrowing	11%
Raise taxation	3%
Both - increase borrowing and raise taxation	23%
Neither - do not increase borrowing and nor raise taxation	8%
Do something else completely different	28%
Participant skipped question	27%
Total survey participants answering	106/144

Survey participants who answered "Do something else completely different" made a number of other suggestions including;

"Reduce taxation to stimulate capital inflow and domestic spending, increase borrowing to spend on projects with a long-term return on capital"

"Create a national investment bank only lending to businesses based in Wales and paying tax."

"Borrow to invest. Raise taxation only for the highest earners. Close tax loopholes. Regulate the market and oppose 'race to the bottom' with companies."

"Request that Wales receives 30p of every £1 of tax collected instead of 10p"

"Funding clean zero carbon economy may require short term borrowing but if coupled with an effective green funding package, this could be sufficient without the need for tax rises."

"Promote a meaningful national bank which funds SME growth. The Development Bank largely promotes low growth and achieves a low return, it is not a success even though it has relatively highly paid employees."

"Renegotiate our settlement"

"Utilise the environment and stimulate green jobs and income to the WG through green infrastructure projects."

"Lower taxes to encourage business growth and greater investment into Wales."

"Raise borrowing but only with fixed interest costs - taking advantage of record low interest rates. Lower taxation which will increase investment from outside of Wales; lower high end income tax, have a higher personal allowance on income, create own Bank of Wales bonds readily available to people around the world (like NS and I bonds), increase wages of public sector workers to 1-5% above those in other parts of UK - draw skilled people to work In Wales from over the border, abolish Land transaction tax for all first time buyers and advertise it - draw young graduates into Wales, fund schemes such as Teach First to return to Wales with extra incentives to bring highest calibre candidates."

Changes to Taxation and Borrowing

Attitudes within the comments about changes to taxation and borrowing were contrasting. Some common comments are below;

"I don't underestimate the challenges faced by Wales in this forthcoming year but as someone who worked in the NHS and fortunate enough to be in

receipt of a decent pension, I would be willing to pay an increase in tax, but the greedy corporate tax dodgers should be taxed their fair share too"

"I am concerned that income tax will increase. This will not encourage people to come into Wales to work if they can stay in England and pay lower rates of tax."

"@WelshGovernment Could demand more fiscal powers from @UKGovWales so the @WelshGovernment would have more options to increase its revenue."

"Governments across Europe are borrowing as currently interest rates are so low, borrowing, investing in infrastructure will pay dividends in long term."

"Borrowing money is not usually economically sensible."

Governance Concerns

A number of comments from the survey and the polls represent strong views on devolved powers, current administration and governance structures in relation to a financial implication, and distribution of funding;

"Look long term. A five year cycle is too short even if it is the political imperative"

"Remove local councils. Run the country from the Welsh Parliament - save money - less multi-level government"

Rurality Issues

Several comments alluded to issues around a perceived contrast of distribution of funding between rural and urban areas.

"Rural areas have been hit the hardest and should be prioritised for funding and grants."

"I think more should be better put into rural areas, villages instead of pumping everything into cities with unnecessary spending on art sculptures etc"

"Given the population density and geography of the majority of Wales, environment and rural affairs is a very important issue, and policies can sometimes feel a little Cardiff/South Wales centred."

Poll Results

The following four polls were run allowing Twitter users to respond over a period of 24 hours:

Poll 1 - The Welsh Government spends around £18 billion a year in Wales. Where would you prioritise spending across the next year?

Options:	Result
Economy and Transport	35%
Health Services	32%
Education	23%
Councils and Housing	10%
Total participants	617

Please note; the maximum number of options in a Twitter poll is four. Therefore the four largest expenditure areas of the Welsh Government budget from 2020-21 were selected for this question.

Poll 2 - To increase the amount the @WelshGovernment has to spend in Wales, should they increase borrowing?

Options:	Result
Yes	58%
No	30%
Unsure	12%
Total participants	393

Poll 3 - During the economic recovery from coronavirus should climate change and sustainability be factored into the @WelshGovernment's decisions on spending?

Options:	Result
Yes	79%
No	17%
Unsure	4%
Total participants	176

Poll 4 - To increase the amount the Welsh Government has to spend in Wales, should they raise taxation?

Options:	Result
No	43%
Unsure	36%
Yes	21%
Total participants	14