

The future of local government services in Wales

Wednesday 25 March, 14.00-15.30

Starts: 14.00



Work in local
government?
Need to resolve
an issue?



Agenda for today 14.00 – 15.30

- **Welcome** – *Cllr Dave Hughes, APSE Wales Chair;*
- **APSE Update** – *Matt Ellis, Principal Advisor, APSE;*
- *Andy Mudd, APSE Associate;*
- *Darron Dupre, Head of Local Government, UNISON Cymru.*



The future of
local government
services in Wales

A vertical banner with a purple background and green diagonal stripes. At the top right is the UNISON Cymru logo. Below it is a collage of three photos showing public service workers: a person in a wheelchair being assisted, a person in a blue uniform holding a bag, and a person in a white coat talking to a customer. The main text 'The future of local government services in Wales' is centered in white. At the bottom right is the 'apse solutions' logo. At the very bottom is another collage of photos showing a waste truck, a person in a uniform, and a person in a white coat talking to a customer.



Association for Public Service Excellence

APSE Update

Annual Service Awards 2026

Liverpool, 17 September 2026

Register your interest now!

Deadline to register:

Friday 27 March 2026





APSE Update

Network Queries Service

APSE members can circulate a query across APSE's extensive UK-wide database of local authority contacts. Recent examples include:

- Allotment Society Expenses
- Roadside Nature Reserves
- Chemicals used for jet washing
- Lithium-ion batteries collection





APSE Update Upcoming Free Meetings for Members



apse membership resources

Armed Forces and Veterans Network Meeting

Friday 27 March, 10:00 - 12:00

FREE for all APSE members!



apse membership resources

Into the Weeds Network Meeting

Tuesday 14 April, 14:00 - 16:00

FREE for all APSE members!



apse membership resources

Dog Warden Services, Kennelling Costs and XL Bully Impact Roundtable

Wednesday 15 April, 14:00 - 15:00

FREE for all APSE members!



apse membership resources

Councils protecting our places from waste crime Network Meeting

Thursday 16 April, 10:30 - 12:00

FREE for all APSE members!



apse membership resources

Counter Terrorism Awareness and ACT for Local Authorities Webinar

Thursday 16 April, 14:00 - 15:00

FREE for all APSE members!



apse membership resources

The Public Plate Roundtable

Wednesday 22 April, 10:30 - 11:30

FREE for all APSE members!



apse membership resources

The Employment Rights Act 2025: Are you ready? Webinar

Tuesday 28 April, 10:00 - 11:00

FREE for all APSE members!



apse membership resources

The future of school crossing patrols Roundtable

Tuesday 12 May, 10:30 - 11:30

FREE for all APSE members!



Looking for a consultant or interim to step in and hit the ground running?

APSE has an enriched database of specialists within local government....

Contact Lucia Gervis at 0161 772 1810 or email LGervis@apse.org.uk

Click [here](#) to check out our available interim managers in your service area!



Interim Management

Critical friend

Workforce strategy

Survey-based work

Commercial development

Diagnostic health check

Coaching and mentoring

Service improvement planning

Comprehensive service review

Data Insights



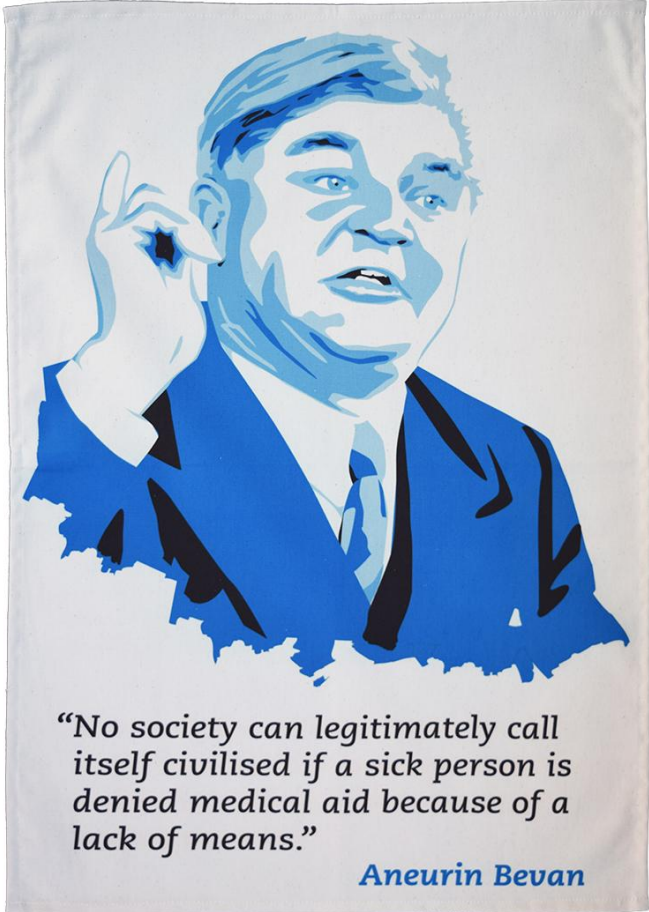
The Future of Local Government Services in Wales

Andy Mudd, Associate of APSE Synergy

The UK Welfare State



Origins in 19 th century	<ul style="list-style-type: none">• Trade unionism• Warfare• Changing economy –education, housing, school meals etc
After 1945	<ul style="list-style-type: none">• Comprehensive• Cradle to grave
Rights based	<ul style="list-style-type: none">• Not dependent on philanthropy• In everybody's interest
Universal	<ul style="list-style-type: none">• Free at point of delivery• Available to all
Redistributive	<ul style="list-style-type: none">• Intergenerational social mobility



After the oil shock



- Thatcher and the neo cons.
 - From demand management to market economics
 - Small state supply side, low tax, market driven, trickle down
 - Privatisation, marketisation
- New Labour and the third way
 - Interventionist supply side
 - Public sector asset renewal
 - Increased flows from public to private – PFI, RTB, Housing Stock Transfer etc
- Austerity
 - Response to financial crash of 2008
 - Resurgence of small state supply side theory – look after the rich and they will look after us
- Pandemic
 - Further increase in deficit
 - Increased demand



Has it been a success?

- Tax take is at a record level
- State expenditure has gone up not down
- Unmet demand across all public services
- Some – social care, SEND, housing – in crisis
- Some have nearly disappeared – youth services
- Increased fiscal deficit and debt
- Property owning democracy dream replaced by the squeezed middle and a housing crisis

So, what's changed?



Balance between prevention and reaction

- Council to secondary care NHS
- From springboard to safety net

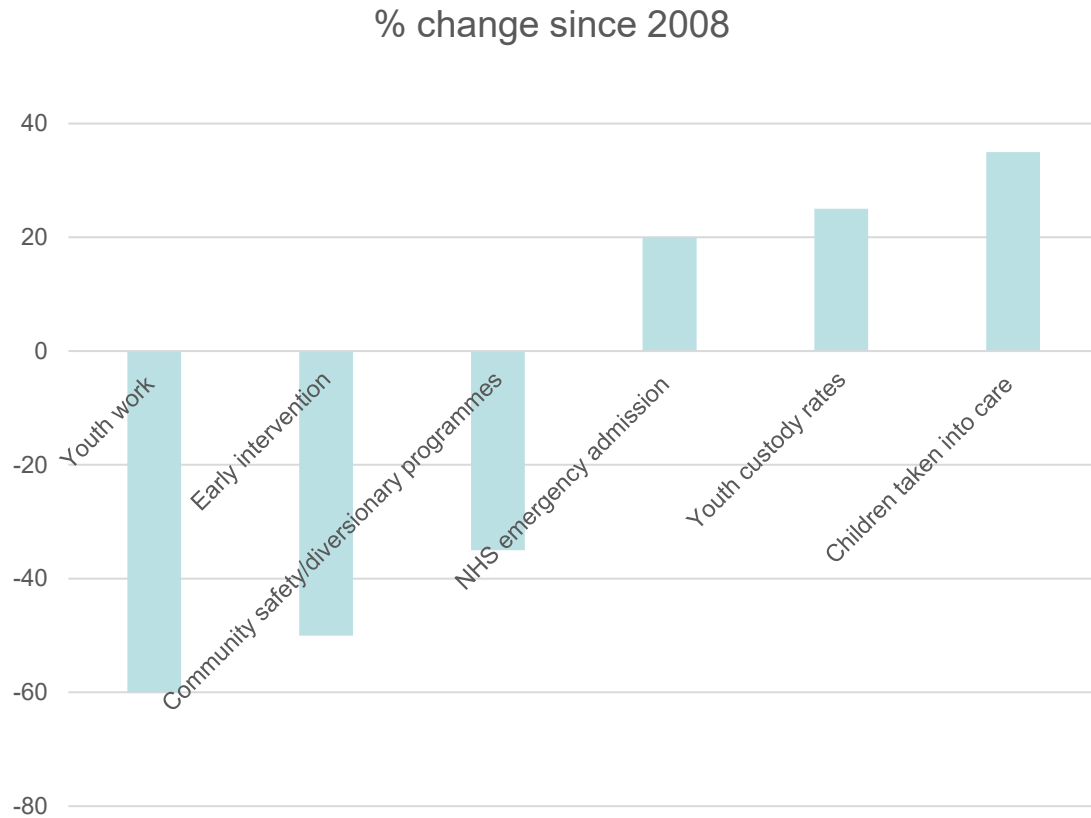
Balance between universal and means tested provision

- Bricks and mortar to means tested subsidies of private rentals and the poorest now excluded from social housing

Outsourcing

- Transfer of wealth from workforce and communities to owners and investors in private companies
- Loss of community asset value

For example, since 2008

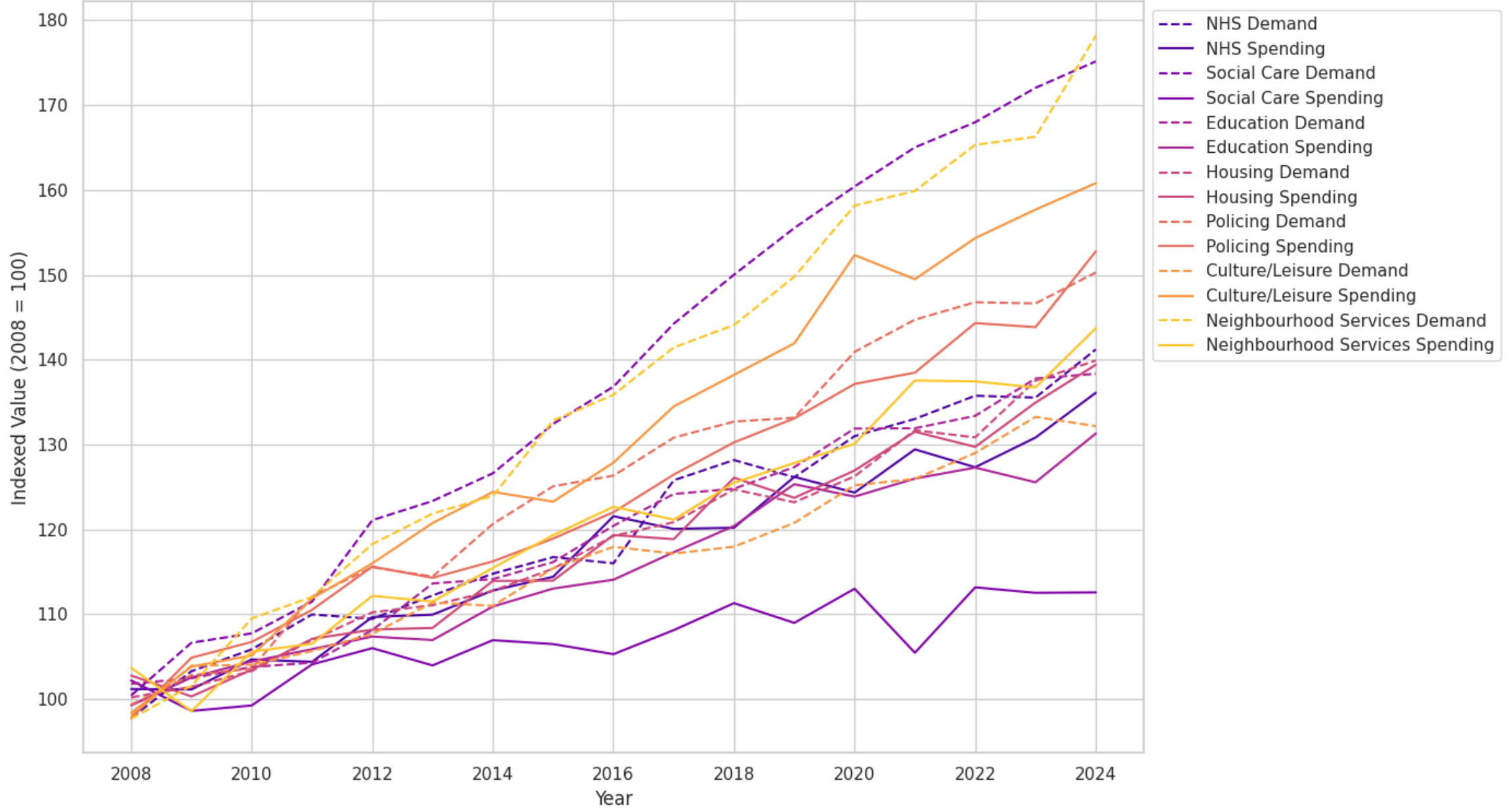


- Social care crisis intervention unit cost = £40,000
- Intensive early intervention unit cost = £4,000

The current account

- Taxation
 - Higher overall levels for most but
 - Much lower levels of redistribution
- Spend
 - Overall, not much difference but far less efficient
 - From prevention to reaction
 - From universal investment to residual services
 - Growing demand pressures across all services

Pressure Gap in Welsh Local Government Services - Spending vs Demand (2008-2024)

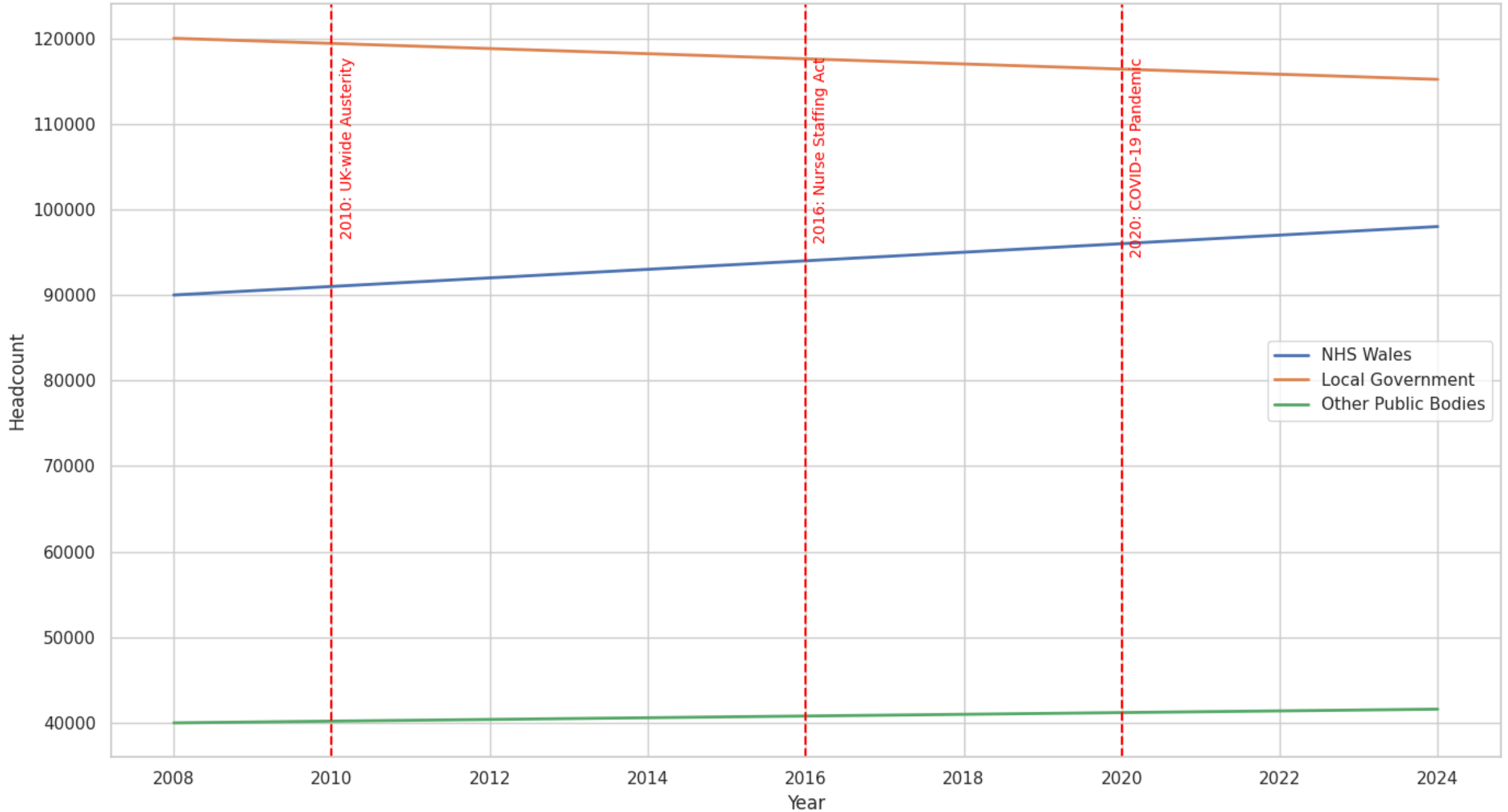




Impact on workforce

- Pressure to reduce cost
 - Pay and pensions pushed down
- Outsourcing
 - Council cuts in staffing outstrip cuts in spending since 2008
- Impact on public purse
 - In work costs of low pay
 - Post retirement costs of minimum pensions
 - Loss of public funds to private profit

Public Sector Employment in Wales with Major Policy Events (2008-2024)





Structural shift in employment patterns

- Councils have absorbed budget pressures partly by reducing in-house staff but have maintained some spend through contracts and grants to external providers.
- The workforce reduction is structural — even with modest funding recovery since 2014, councils have not rebuilt their direct employment base.
- This has implications for service resilience, democratic accountability, and local labour markets, especially in smaller authorities where the council is a major employer.

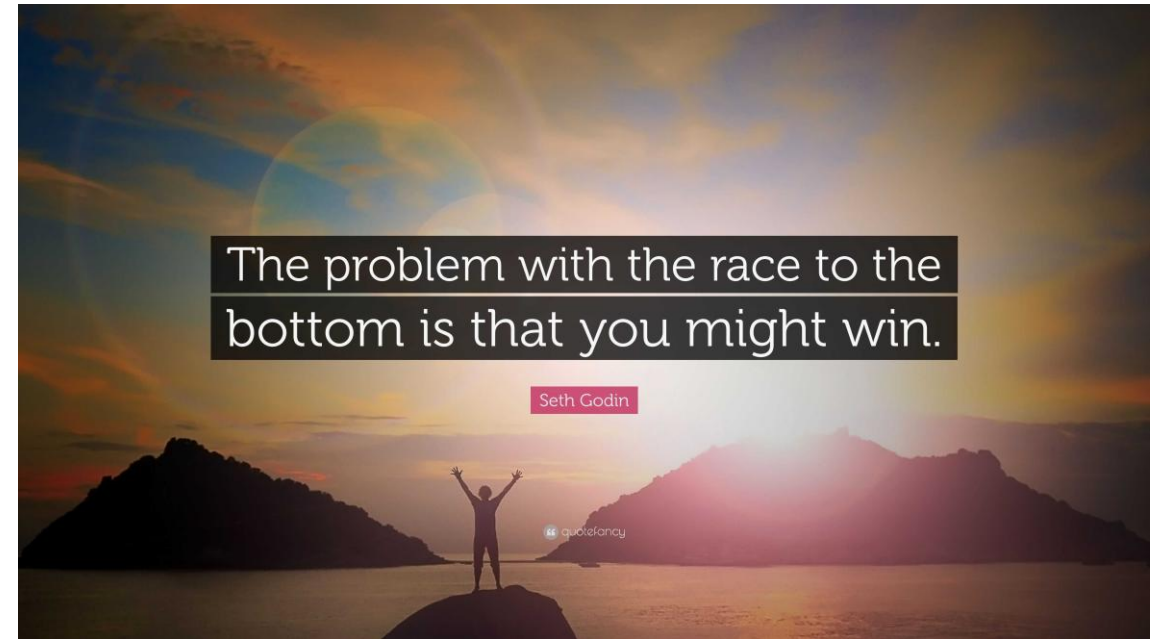
Outsourcing



- Transfer of wealth
 - From public to private
 - From public sector workers to private sector investors
 - From local economy to private equity funds etc.
- Discrimination
 - Disproportionately impacts on low paid women
 - Services with highest number of women most likely to be outsourced

But does it cost less?

- Unit cost?
 - Lower wages but savings offset by profit and other extraction
 - Cost to quality
- Best value?
 - Impact on local communities and economies
 - Impact on public purse of low pay and pensions across all sectors





Welsh Social Policy

- History of holding out against some of the UK wide policy shifts
 - Prescription charges
 - Attempts to protect council budgets during austerity
- The Future Generations (Wales) Act 2015
 - Recognises importance of communities
 - Creates a requirement to consider the well-being of those yet to come
- Commitment to National Social Care Service
 - Echoes of universalist principles

Policy Choice

“We can’t have
Scandinavian levels
of public services
and American levels
of taxation” – Loads
of people!

- Nordic states have
 - Highest tax take
 - Highest post tax redistribution
 - Lowest cost of debt (bond yields)
 - Highest levels of happiness
- UK has
 - Still high(ish) tax take
 - Middling redistribution
 - Highest bond yields in G7
 - Much lower levels of happiness



Its not just how much but also...

- How redistribution is achieved
 - Cash or services
 - Residual or universal
- Trampoline or safety net
 - Failure demand
 - Failure prevention
- Fostering intergenerational social mobility or keeping kids in poverty

How can we break the cycle?

- Put resources into delivering Future Generations objectives
 - Investment in people as well as physical assets
- Bring forward future savings to fund reinvestment in preventative, life and place enhancing services
 - Lag between savings and investment
- Rehabilitate redistribution as an overt aim of social policy
- Reverse the shift away from universal services towards means-tested, residual cash transfers
 - particularly for housing
- Bust the myth of unaffordability
 - most people pay more for what we have now after decades of so-called cost cutting measures
 - UK is not highly taxed by comparison with other welfare states, but it is less redistributive and gets less redistribution for its buck

The key question is which is of most benefit to society



Springboard



Safety net



Is there a middle road?



We know what happens to people who stay in the middle of the road. They get run down.

(Aneurin Bevan)

izquotes.com



Andy Mudd, Associate of APSE Solutions

Contact

mmiller@apse.org.uk

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Q&A

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Thank you!

Slides will be available tomorrow. You will all receive a download link via email

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