

A Picture of Social Care

Report of the Auditor
General for Wales

October 2021



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Mae'r ddogfen hon hefyd ar gael yn Gymraeg.

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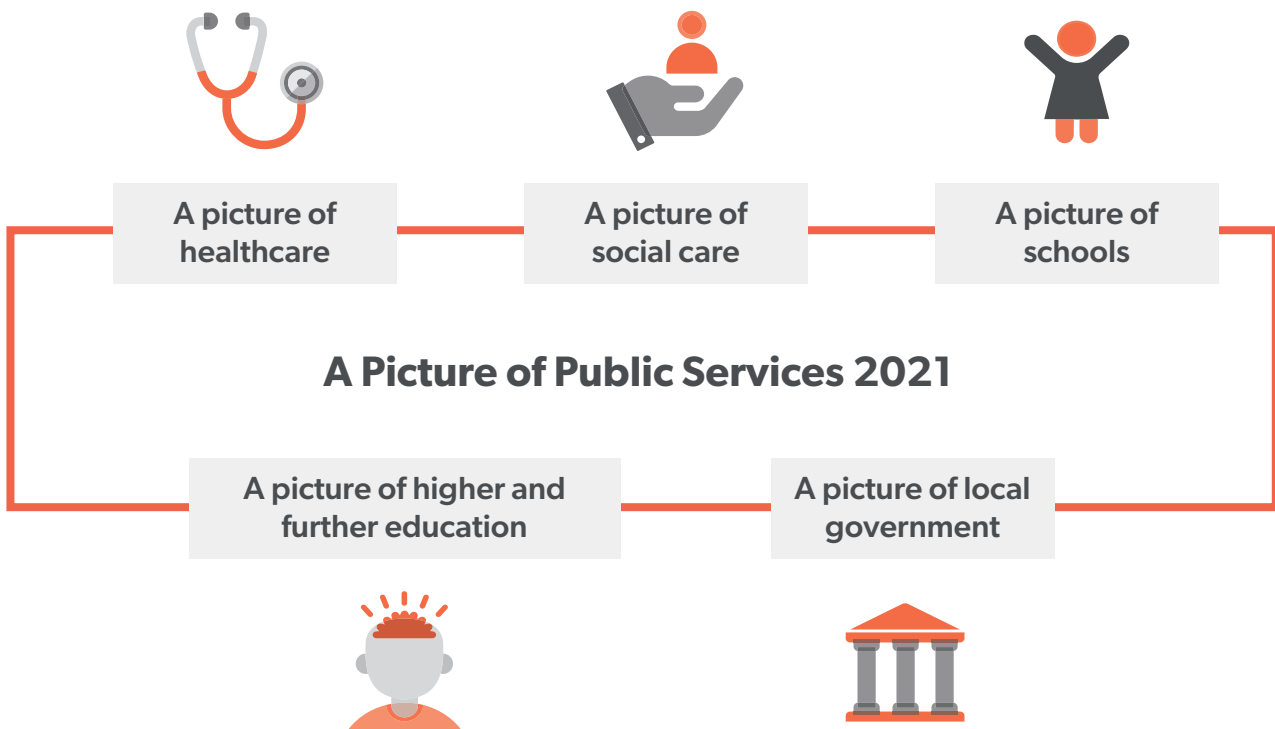
About this report

This report is part of a series of Picture of Public Services 2021 outputs. Our main **Picture of Public Services 2021** report summarises some of the key trends in public finances and sets out our perspective on some of the key issues for future service delivery.

This report: **A Picture of Social Care** summarises key information about social care in Wales including the strategic operating context, funding, performance and capacity. This report is not intended to be comprehensive. It sets out what we consider to be some of the key issues for the sector, recognising that other review bodies and commentators will have their own perspective on the key issues.

The report is based on a synthesis of our published work as well as research by other organisations.

Exhibit 1: Picture of Public Services outputs





Main report

Social care context

Delivering social care in challenging times

- 1 The COVID-19 pandemic has presented enormous challenges to public services and the people who deliver them. Some services were delivered remotely, whilst face to face services were carried out with infection prevention control measures such as social distancing and PPE. Adult care homes in particular came under huge pressure from COVID-19 outbreaks and the deaths of residents. All of us at Audit Wales pay tribute to the dedication and extraordinary efforts of all staff working in the social care sector during this difficult period.
- 2 At the time this report was written, the direct impacts of COVID-19 were still being felt. Work to understand the indirect impacts of COVID-19 had begun, but it was too early to gauge the scale and extent of these impacts or to estimate how they may affect future demand for social services.
- 3 The challenge of addressing the indirect impact of COVID-19 will likely continue for years into the future. The problem is compounded by the fact that there are significant, long-standing issues in the social care sector which pre-date the pandemic.
- 4 Despite the significant challenges ahead, there are opportunities to rebuild and deliver services differently, putting the user at the centre of services, and learning from the collective response to COVID-19.

Structures and responsibilities

- 5 In broad terms, social care is about providing protection, care and support for children and adults in need or at risk. People may need help because of illness, disability, age, abuse, neglect or because they are caring for someone else. The Welsh Government sets the policy and overall strategic direction for social care in Wales.

- 6 Publicly funded social services are delivered through principal councils¹ who decide how they will deliver services through different combinations of council, private and voluntary sector organisations. Social services include: domiciliary² or day care; equipment to help people maintain independence in the home, residential care; child protection; support through and for carers; and re-settlement support for people leaving hospital.
- 7 Approaches to social care differ across the UK. All four nations currently use a means test to work out how much (if at all) each person should pay towards either part or all of their own care. The amount people pay for their care varies across the nations. Wales, Northern Ireland and Scotland offer people eligible for social care some services that are not means tested. England currently means tests all services.

Social care strategy

Overall approach

- 8 In recent years, the Welsh Government has focused on joining up health and social care and preventing problems occurring or getting worse. It also aims to involve people in decisions about their own care and encourage public bodies to work with people to 'co-produce' services that meet their needs.
- 9 The Welsh Government set out a framework for transforming social services in its Social Services and Well-being (Wales) Act 2014. The Act came into force in April 2016 and puts duties on councils, health boards and Welsh Ministers for improving the wellbeing of people who need care and support. It strengthened safeguarding powers; introduced a single, consistent framework of financial assessment and charging arrangements; and requires health bodies and councils to work together in Regional Partnership Boards to assess the care and support needs in their area and identify what services are needed. Under the Act, people who need care or support and carers are entitled to a needs assessment based on 'what matters' to the individual.
- 10 The Welsh Government's vision for a joined-up health and social care system is set out in its ten-year plan: A Healthier Wales (2018). The plan continues to focus on prevention, co-production and whole system change and explains that Regional Partnership Boards are responsible for developing local models of health and social care. It intended digital technology to support transformation including sharing information between health and social care via the Welsh Community Care Information System.

1 Principal councils are local government authorities in Wales who carry out statutory duties in their area. The term does not include town or community councils. All references to councils in this report refer to principal councils.

2 Domiciliary care is given in someone's home.

- 11 Following the election, the Welsh Government published its new programme for government³ in June 2021. It included a specific well-being objective to protect, re-build and develop services for vulnerable people. The programme for government includes actions to better integrate social care with health care and other services. It includes support for carers and families where children are at risk of coming into care. It also explains that the Welsh Government will explore radical reform of current services for looked after children⁴. Among other things, the Welsh Government has appointed a Chief Social Care Officer for Wales and plans to launch a National Social Care Framework for commissioning services.

COVID-19 and beyond

- 12 From April 2020 to March 2021, the Welsh Government enabled principal councils to suspend statutory requirements to carry out some assessments and prepare some plans under the Social Services and Well-being (Wales) Act 2014⁵. Between April 2020 and April 2021, Care Inspectorate Wales⁶ paused its routine inspections and instead carried out 'check in calls' with service providers to maintain contact, understand the issues they faced and provide support. It undertook physical inspections where it deemed these necessary to address safety and wellbeing concerns.
- 13 In June 2020, the Welsh Government introduced a one-off special payment scheme of £500 to reward staff who worked in registered care homes and domiciliary care services, and to personal assistants between 15 March to 31 May 2020. Councils were responsible for giving out payments. In April 2021, the Welsh Government announced a second payment of £735⁷ for a wider group of eligible social care staff who worked between 1 June 2020 and 28 February 2021.
- 14 The Welsh Government published its Social Care Recovery Framework in July 2021⁸ to provide an overarching structure to support recovery planning in the sector. The Framework sets recovery priorities for people who need care and support, unpaid carers, the social care workforce, and service providers. More broadly, the Welsh Government committed to spend £1 billion to support its recovery in health and social care in May 2021. So far, it has not set out how much funding will be available for social care.

3 Welsh Government, Programme for Government 2021 to 2026, June 2021

4 Looked after children are children who are placed in foster care, residential homes or with other relatives when their parents are unable to care for them – either temporarily or permanently.

5 No council exercised powers to suspend these statutory requirements.

6 Care Inspectorate Wales inspects and regulates council, private and voluntary sector social services under the Regulation and Inspection of Social Care (Wales) Act 2016. It also reviews the performance of council social services.

7 Both payments are before tax.

8 Welsh Government, Improving Health and Social Care (COVID-19 Looking Forward). Social Care Recovery Framework, July 2021

15 In January 2021, the Welsh Government issued a White Paper⁹ setting out the challenges facing the sector and its proposals to improve social care arrangements. Aspects of the White Paper are discussed below.

Social care finances

16 Our summary report: **A Picture of Local Government**¹⁰ explains how the Welsh Government allocates funding for councils. Councils set their own spending priorities based on their assessment of population needs. In 2019-20, 25% of councils' gross revenue spending on services went on social services compared to 19% in 2010-11 (**Exhibit 2**).

Exhibit 2: council spending on social services as a proportion of total spending 2010-11 to 2019-20



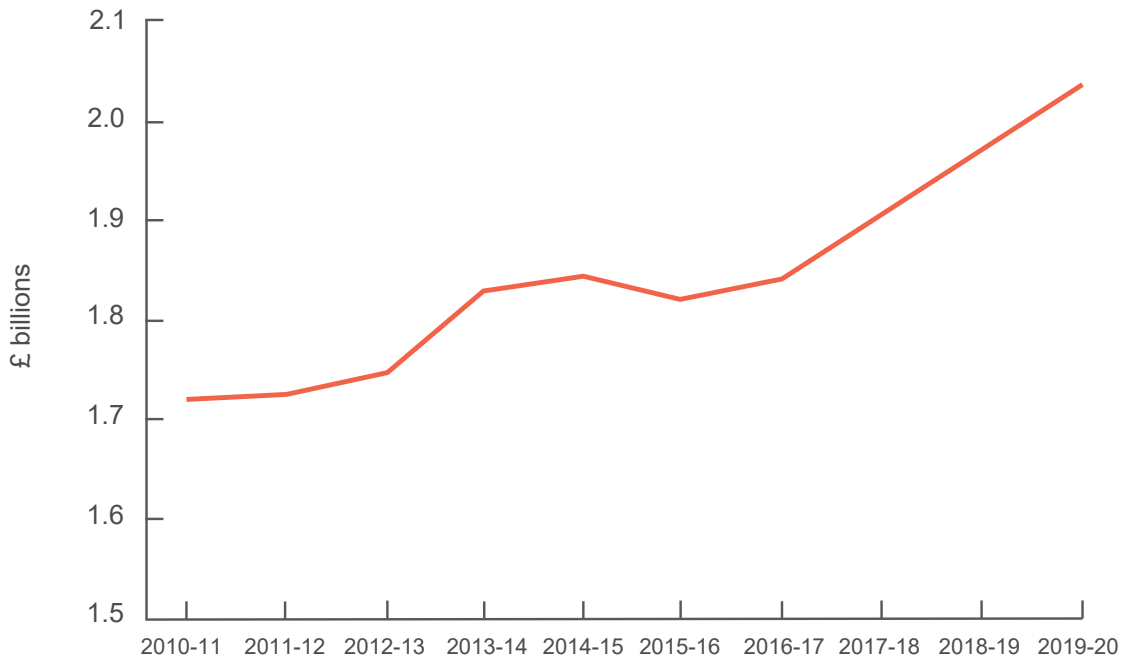
Source: Audit Wales analysis of StatsWales Local Government Revenue Outturn Data

17 Councils spent over £2 billion in 2019-20 on social services – which is £645 per head of the population in Wales. Council spending on social services increased by 18% between 2010-11 and 2019-20 in real terms (**Exhibit 3**).

9 Welsh Government, White Paper. Rebalancing Care and Support. A Consultation on Improving Social Care Arrangements and Strengthening Partnership Working to Better Support People’s Well-being, January 2021

10 Auditor General for Wales, A Picture of Local Government, September 2021

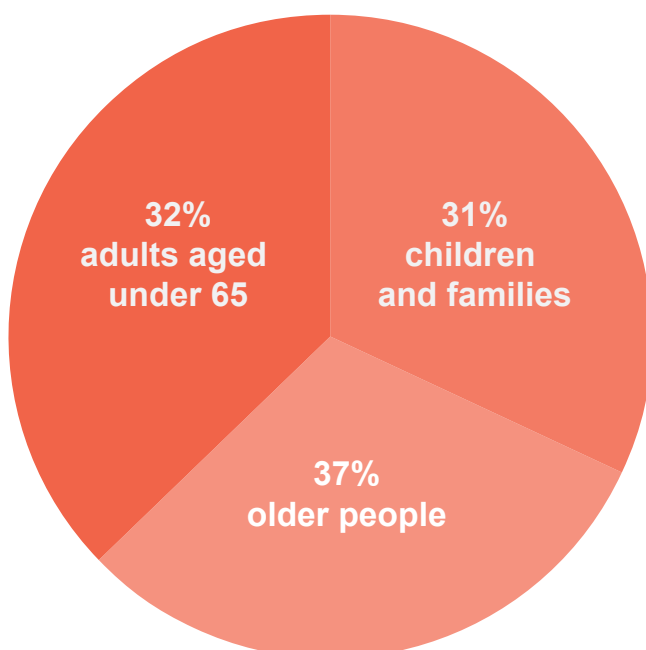
Exhibit 3: real terms council spending on social services 2010-11 to 2019-20



Source: Audit Wales analysis of StatsWales Local Government Revenue Outturn Data

18 Council spending on social services is broadly split into thirds (**Exhibit 4**) although the proportion spent on social services for children and families has gradually increased from 26% in 2010-11 to 31% in 2019-20.

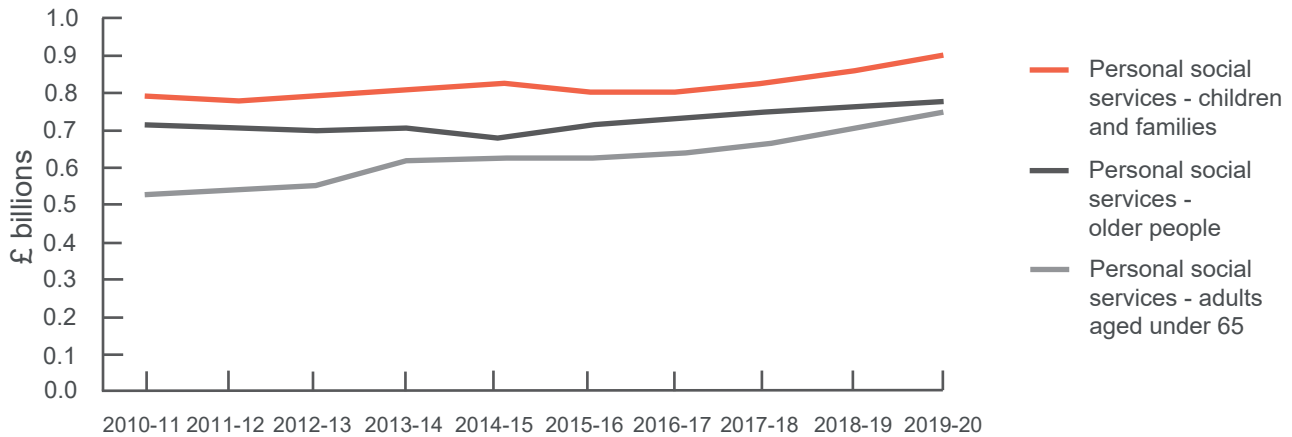
Exhibit 4: real terms council spending on social services by type 2019-20



Source: Audit Wales analysis of StatsWales Local Government Revenue Outturn Data

- 19 Since 2016-17 council spending on services for children and families and for older people has increased at a faster rate than its spending on adults aged under 65 (**Exhibit 5**).

Exhibit 5: real terms council spending on social services by type 2019-20



Source: Audit Wales analysis of StatsWales Local Government Revenue Outturn Data

Social care demand and capacity

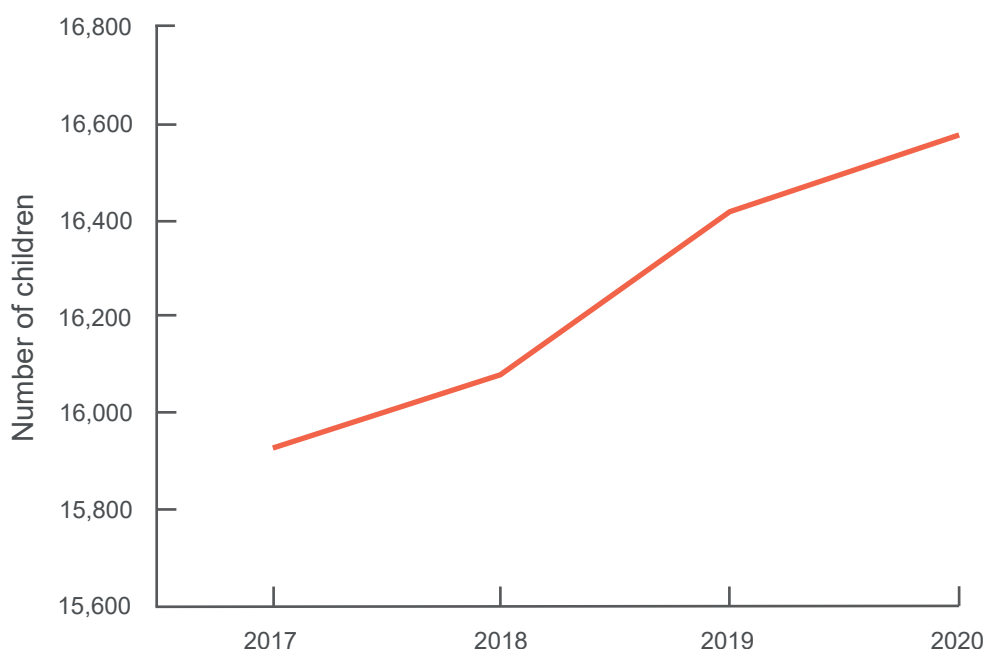
Demand for social services will continue to increase

- 20 Demand for adult social care is likely to increase significantly. Social Care Wales's [Population Projections Platform](#) projects likely future demand by age group and need based on broader population projections. It shows that, by 2040, the number of people over 65 who struggle with the activities of daily living is projected to increase by 34% (from 2020)¹¹.
- 21 The Welsh Government's White Paper (**paragraph 15**) on social care examines areas of future demand. It explains that the pattern of fast rising need for children's services is likely to continue. In particular, the Welsh Government anticipates increasing needs from Black Asian and Minority Ethnic families.

11 Figures include adults who need help with the activities of daily living such as eating, bathing and dressing and those who need help to live independently with things like money management, cooking and shopping.

- 22 In the past, the Welsh Government published data on the number of children in need of support from social services. It stopped publishing the data in 2016 because the Social Services and Well-being (Wales) Act changed the way needs were assessed and recorded. Instead, the Welsh Government now publishes data on the number of children receiving care and support (or children under 18 who have a care and support plan). Numbers have increased since 2017 (**Exhibit 6**). The data does not show whether there are children with unmet needs to indicate the scale of demand.

Exhibit 6: the number of children receiving care and support 2017 to 2020



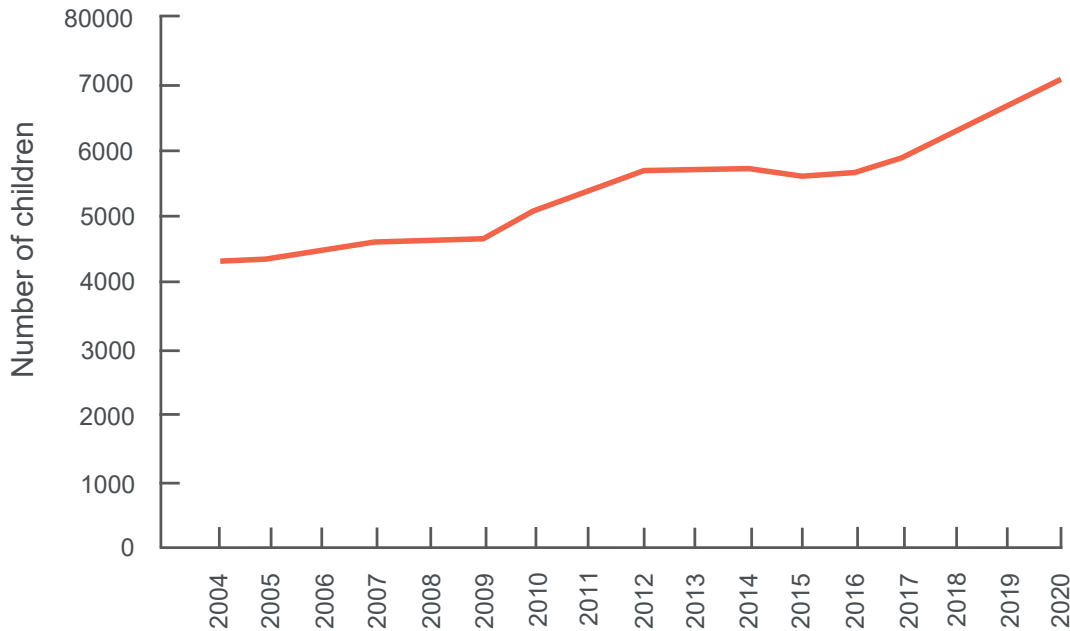
Source: StatsWales: Social services – the number of children receiving care and support

- 23 The number of looked after children in Wales has increased by 66% since 2004 (**Exhibit 7**). The Wales Centre for Public Policy found that Wales has consistently had a higher number of looked after children than the rest of the UK and the gap is continuing to widen¹². It also found that there is local variation in the number of looked after children, with numbers in some council areas remaining steady or falling¹³. Differing levels of deprivation were the main reason for the variation. However, some of the remaining variation was because of differing social work practices and policies across councils. The Centre also found that Welsh judges are more likely than their UK counterparts to make orders allowing councils to take children into care.

¹² Wales Centre for Public Policy, Looked After Children in Wales, March 2021

¹³ Wales Centre for Public Policy, Analysis of the Factors Contributing to the High Rates of Care in Wales, July 2019

Exhibit 7: the number of looked after children in Wales



Source: StatsWales: Social services – the number of looked after children

24 There were just under 3,000 children on the child protection register in 2018-19 (**Exhibit 8**). The Welsh Government has not yet published recent figures to show whether numbers have changed because of the pandemic.

Exhibit 8: the number of children on the child protection register 2016-17 to 2018-19



Source: StatsWales: Social services – children on the child protection register

- 25 As yet, there is little information about the impact of the pandemic on long-term demand for social services. However, the direct and indirect harms associated with COVID-19 will likely create extra demand. People with severe reactions to the virus or long COVID need rehabilitation or ongoing support. Mental health issues, alcohol dependency and other lifestyle factors could increase the number of people needing help, but also limit the ability of unpaid carers to provide support.
- 26 The indirect impact of the pandemic on families could further increase demand on social services. In March 2021, Public Health Wales published a health equity report¹⁴ mapping the social, economic, and environmental impact of COVID-19. The report says the pandemic is likely to have increased the risk of child neglect and violence and abuse at home, particularly for women and children. Isolation, remote schooling, reduced finances, unemployment, and less access to formal and informal support for parents and carers have put pressure on some families.
- 27 Vulnerable children unable to attend school due to school closures or self-isolation are at increased risk of abuse. The Children's Commissioner for Wales said¹⁵ it is likely that some incidents of abuse or neglect were missed because children and young people were not being seen by universal services such as nurseries, schools, and youth services. In our regular discussions with councils, officials have told us that referrals to children's social services fell dramatically when the schools closed in the pandemic. As schools reopened, referrals increased which could be due to pent up demand.

Workforce shortages, low pay, high turnover, and narrow financial margins mean the social care sector is under pressure

- 28 In March 2020, there were over 1,900 adult and children's social care settings¹⁶ regulated by Care Inspectorate Wales – an increase of 5% from March 2015¹⁷. Care Inspectorate Wales' interactive [data tool](#) shows that in 2019-20 there were over 25,000 places¹⁸ in adult care homes and 878 in children's care homes.

14 Public Health Wales, Placing Health Equity at the Heart of Covid-19 Sustainable Response and Recovery: Building Prosperous Lives for all in Wales, March 2021

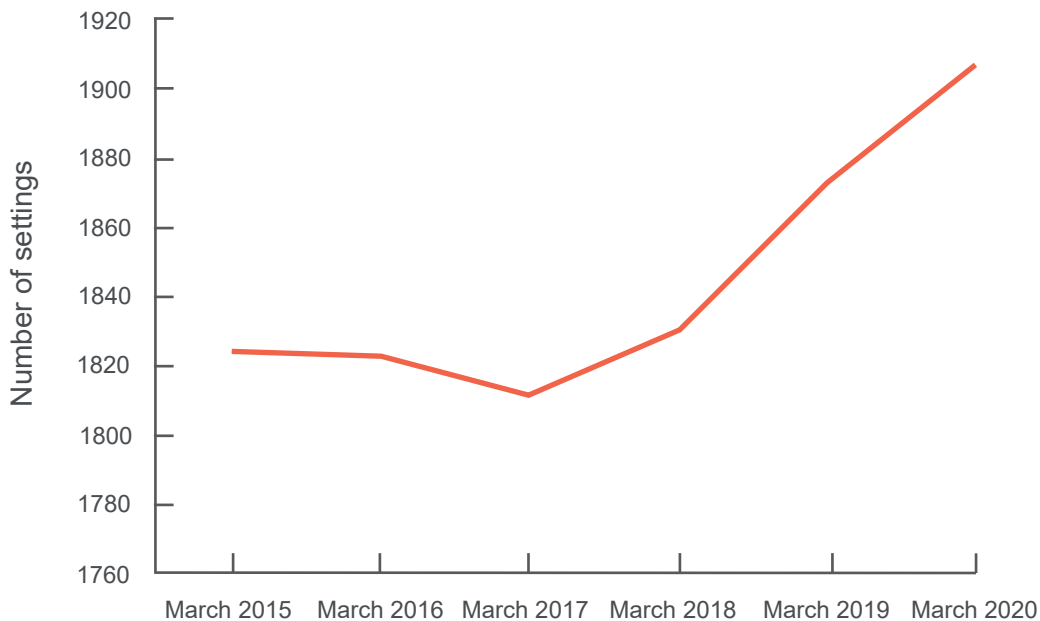
15 Children's Commissioner for Wales, Coronavirus and Us, September 2020

16 Figures exclude children's day care settings such as nursery and child minders.

17 Figures for March 2021 were not available at the time of writing this report.

18 Including vacant and occupied places.

Exhibit 9: total adult and children’s care settings regulated by Care Inspectorate Wales March 2015 to March 2020



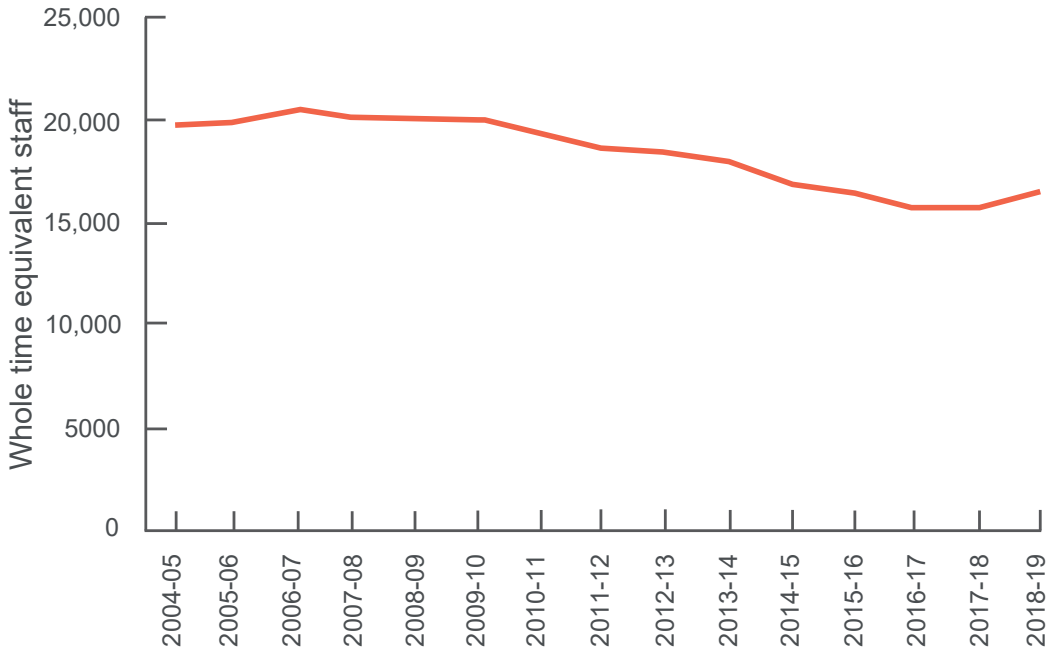
Source: StatsWales: care services and places regulated by Care Inspectorate Wales

- 29 In 2020, a Welsh Government commissioned rapid review of care homes¹⁹ described a sector mainly comprising small providers with narrow financial margins. It explained that care homes typically function between 85 and 90% occupancy to remain financially viable, but that lower occupancy levels prior to the pandemic were already challenging the sustainability of the sector. In September 2020, Care Inspectorate Wales reported²⁰ that where providers reported financial concerns, these appeared to be because of a ‘mix of increased staffing costs, increased costs for resources, vacancies reducing revenues and all of these combined’.
- 30 The overall social care workforce has reduced, particularly central management and support staff and adult domiciliary care staff. The number of whole time equivalent social care staff fell by 17% from 2004-05 to 2018-19 (**Exhibit 10**). In 2018-19, central management and support, social work and domiciliary services staff comprised over 70% of the workforce. Within this group, the number of central management and support staff and adult domiciliary services staff fell significantly while the number of social workers increased (**Exhibit 11**).

¹⁹ Bolton, Prof J, Rapid Review for Care Homes in Relation to Covid-19 in Wales, 2020

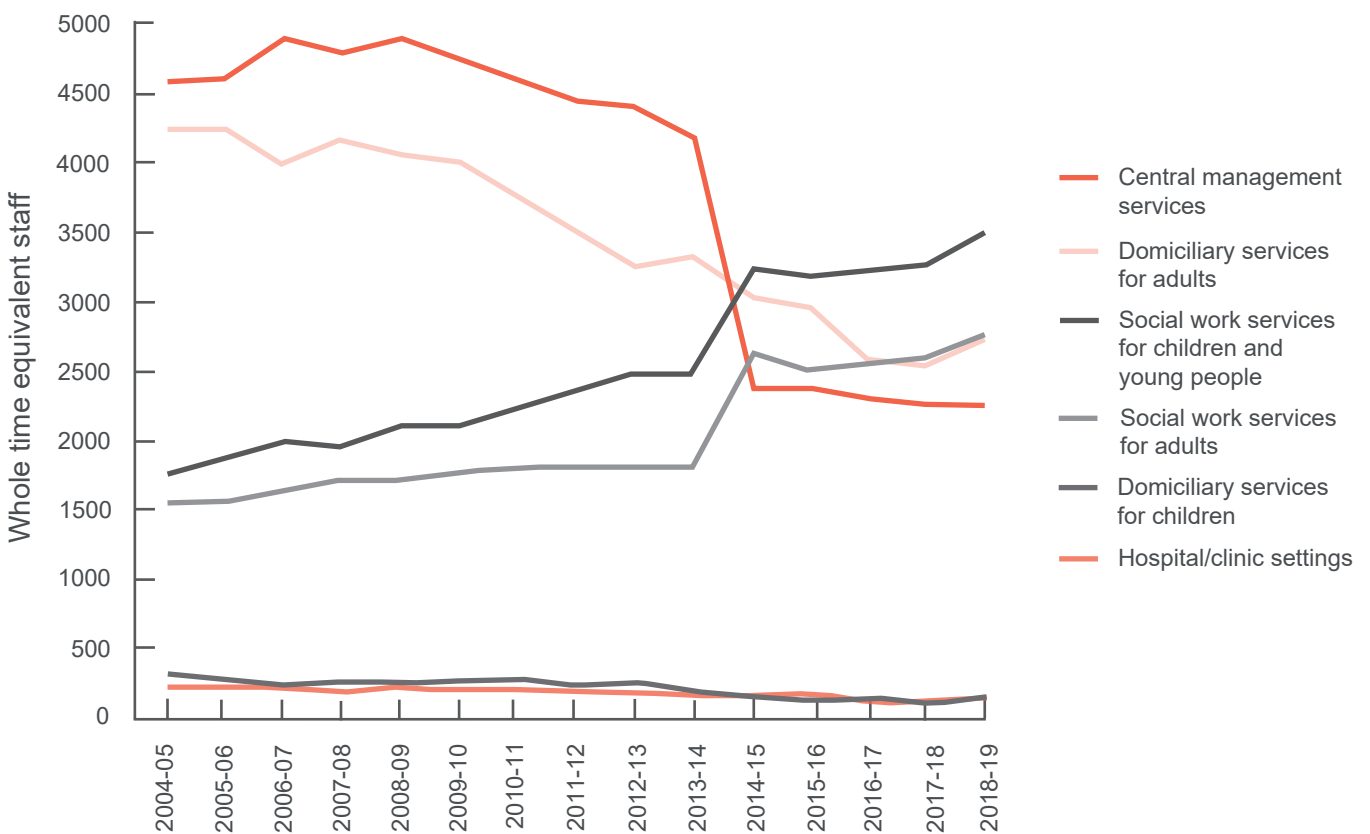
²⁰ Care Inspectorate Wales, Overview of Feedback From the Social Care Sector. CIW Check-in Calls With Providers of Registered Services for Adults and Children, September 2020

Exhibit 10: whole time equivalent social services staff across Wales 2004-05 to 2018-19



Source: StatsWales: Whole time equivalent staff of local authority social services departments

Exhibit 11: whole time equivalent central management and support, social work, and domiciliary services workforce 2004-05 to 2018-19



Source: StatsWales: Whole time equivalent staff of local authority social services departments

- 31 The Welsh Government's White Paper (**paragraph 15**) shows that the majority of the staff of commissioned social care providers are female and over 40. They are more likely to be Black African than other ethnic groups, and the majority are paid national minimum wage. There are high turnover and vacancy rates in the sector and a growing use of costly agency staff. The Welsh Government commissioned research²¹ on the impact of Brexit on the social care and childcare workforce in Wales in 2019. The research found that recruitment is the biggest challenge facing the sector, although services reported little change in retaining non-UK EU staff during 2018-19.
- 32 There is also evidence that some social care staff are filling gaps caused by shortages in healthcare staff. For instance, the Royal College of Nursing²² found that the majority of nursing care in Welsh care homes is delivered by care assistants due to a shortage of registered nurses.
- 33 In evidence to the Public Accounts Committee in March 2021, the Chief Executive of NHS Wales described the considerable pressure the pandemic has put on health and social care staff. He warned of long-term impacts on the mental and physical health of staff including Post Traumatic Stress Disorder.
- 34 The Welsh Government's new programme for government sets out its intention to increase apprenticeships in social care and ensure that care workers are paid the real living wage. Improving pay for care workers may help fill gaps in the social care workforce, but increased staff costs will add to financial pressure on providers. The Welsh Government also intends to eliminate private profit from the care of looked after children.

Social care performance

Changes in performance frameworks mean there is little public information to understand recent social care performance

- 35 The Social Services and Well-being (Wales) Act 2014 introduced a new performance framework for council social services to show whether services are meeting the requirements of the Act and quality standards. The Welsh Government started publishing performance against its framework in 2016-17. Between 2016-17 and 2018-19, the Welsh Government published statistical releases on the quantitative measures in the performance framework. Reporting for 2019-20 was suspended due to COVID-19.

21 Government Social Research, Research on Implications of Brexit on Social Care and Childcare Workforce in Wales, March 2019

22 Royal College of Nursing, Staffing for Safe and Effective Care in the UK, 2020

- 36 After consulting the sector, the Welsh Government introduced a new Performance and Improvement Framework for Social Services in 2020-21. It measures the performance of social services departments in making a difference to service users' lives. The Welsh Government intends to publish the data showing performance against the Framework in the future.
- 37 Alongside the new Framework, the Welsh Government uses its National Outcomes Framework²³. It measures the collective contribution made by the Welsh public sector to the lives of those in need of care and support. However, the most recent available data covers the period from April 2017 to March 2018.
- 38 In 2019, our report on adult social care²⁴ said that several councils had begun to widen performance management systems to monitor performance and the impact of services on the user. More broadly, councils recognise that measuring the outcomes of their preventative work remains challenging. In 2019 we found that performance management arrangements focused mostly on social services performance rather than the wider network of preventative services.
- 39 The Welsh Government has commissioned an evaluation of the implementation of the Social Services and Well-being (Wales) Act 2014. The three reports issued to date have considered the processes through which the Act's requirements will support change²⁵, reviewed the evidence relating to the principles of the Act²⁶ and evaluated the implementation of the Act²⁷. The evaluation has not yet assessed the outcomes of the Act for those in need of receiving care and support, but will publish an interim evaluation report in January 2022.

23 Welsh Government, Social Services: The National Outcomes Framework for People Who Need Care and Support and Carers Who Need Support, February 2019

24 Auditor General for Wales, The Front Door to Adult Social Care, September 2019

25 Government Social Research, Evaluation of the Social Services and Well-being (Wales) Act 2014 Framework for change report, 2019

26 Government Social Research, Evaluation of the Social Services and Well-being (Wales) Act 2014: literature review, 2020

27 Government Social Research, Evaluation of the Implementation of the Social Services and Well-being (Wales) Act: Process Evaluation – Report, 2021

Inspectors and Commissioners have raised serious concerns about the quality of some services before and during the pandemic

- 40 In 2019-20, Care Inspectorate Wales carried out²⁸ 1,186 inspections of adults and children's services, the majority being care homes. It found that 109 services did not meet legal requirements, and it issued 300 non-compliance notices – mostly to care homes. The Inspectorate identified common themes amongst the weaknesses:
- weaknesses in monitoring systems;
 - insufficient staff;
 - lack of training;
 - slow or incomplete recruitment checks.
- 41 The Older People's Commissioner and Equality and Human Rights Commission in Wales have expressed concerns²⁹ that the rights of older people living in care homes may have been breached during the pandemic, and restrictions on providing healthcare in care homes may have contributed to care home deaths. Public Health Wales's health equity report (**paragraph 26**) said that care home residents may experience increased feelings of isolation due to lack of visitors, and increased anxiety because of COVID-19 incidents.
- 42 There is some evidence that lockdown may have had certain benefits for some groups of children in care. Between 8 June 2020 and 2 August 2020, providers of children's care homes and fostering services reported to Care Inspectorate Wales that relationships between children and care providers had strengthened during the pandemic and placements were more stable³⁰.

Social care key issues

There are long-standing challenges in the social care sector, including achieving financial sustainability and funding arrangements

- 43 In 2016, the [then] Minister for Health and Social Services announced a parliamentary review by an independent panel of experts on the future of health and social care. The review³¹ identified problems with the quality of adult social services and gaps in some aspects of care provision, particularly, adult care homes, domiciliary care, and foster carers. It recommended new models of care, with services organised around the individual and their family as close to home as possible.

28 Care Inspectorate Wales, Chief Inspectors Annual Report 2019-20, November 2020

29 Equality and Human Rights Commission in Wales, Equality and Human Rights in Residential Care in Wales During Coronavirus, October 2020

30 Care Inspectorate Wales, Overview of feedback from the social care sector, CIW check-in calls with providers of registered services for adults and children, September 2020

31 Parliamentary Review of Health and Social Care in Wales, Interim Report, July 2017, and Final Report, January 2018

- 44 The Welsh Government gave councils a £50 million grant to address pressures on social care in 2021-22 and provided £124 million through the Integrated Care Fund in 2020-21. The Welsh Government will provide £129 million Integrated Care Funding in 2021-22. However, the Welsh Government's White Paper (**paragraph 15**) says that future funding will be challenging. It says that even if annual spending increases by 5.7%, as it did between 2017-18 to 2018-19 (without adjusting for inflation), it is unlikely to meet the cost of increasing demand.
- 45 For decades, successive governments across the UK have grappled with how to pay for social care, particularly for older people. The need for a solution is now greater than ever. Demand continues to increase whilst financial and workforce pressures have been exacerbated by the pandemic. The previous Welsh Government's inter-Ministerial Group on paying for social care explored ways of raising additional funding for adult social care³² and published its analysis in March 2021³³. Welsh Ministers have prioritised agreeing a UK-wide approach to social care funding. The programme for government says that the Welsh Government will consider consulting on a 'Wales-only' solution if a UK approach is not possible. The UK government has not yet set out its detailed plans for social care reform. However, in early September, the UK government announced additional funding for health and social care, which is expected to result in around £700 million extra annual funding for Wales by 2024-25, comprising UK-wide spending as well as funding through the Barnett formula.
- 46 There are also issues of equity in the current social care system. Currently social care costs are funded by a mixture of state and private funding. Research for Cardiff University found that there is some cross-subsidy between care home fees paid by private residents and the cost of council funded places³⁴ which may not be sustainable. In addition, people who can afford to top up state provision can pay for more expensive care homes, giving them more choice about where and what kind of support they receive.

Progress addressing challenges in the sector has been slow

- 47 The Parliamentary Review called for accessible, high quality, joined up services with a focus on prevention and the citizen. A Healthier Wales set out plans to address the issues in the parliamentary review and said services had to transform quickly. Since then, several reviews have highlighted slow progress.

32 Based on the work by Professor Holtham: Paying for social care – An independent report commissioned by the Welsh Government, 2018

33 Welsh Government Inter-Ministerial Group on Paying for Social Care, Analysis of Options for the Use of Additional Social Care Funding, March 2021

34 Cardiff University, The Future of Care in Wales: Resourcing Social Care for Older Adults, August 2020

- 48 In 2019, our review³⁵ of the Welsh Government's Integrated Care Fund³⁶ found that the fund had helped to bring organisations together to plan and provide services. However, aspects of the way the funding is allocated by the Welsh Government and used by regional partners had limited the Fund's potential. In addition, there was little evidence that public bodies were moving successful projects from the Fund and into their core budgets.
- 49 In 2019, the Senedd's Health, Social Care and Sports Committee reported³⁷ on the impact of the Social Services and Well-being (Wales) Act 2014 on carers. It found that implementation of the Act had not been resourced properly and called on the Welsh Government to provide stronger leadership to ensure the rights and support promised for carers are delivered. Our 2019 report on Young Adult Carers³⁸ found that some assessments to understand young adult carers' needs were not taking place, and some young people were not getting the support they needed.
- 50 Our 2019 report on adult social care (**paragraph 38**) found that some councils had increased their preventative services, and started shifting provision from social care into preventative and community based provision. However, we found wide variation across Wales, particularly as making the shift requires councils to have enough preventative services in place. We also found some councils lacked information about local gaps in provision resulting in inconsistent distribution and provision of services. The evaluation of the Social Services and Well-being (Wales) Act 2014 (**paragraph 39**) found some organisations lacked sufficient funding for preventative approaches.
- 51 The Parliamentary Review recognised the need for innovation and to accelerate technology and infrastructure developments. However, our 2020 report on the Welsh Community Care Information System³⁹ found that implementation had been slower than expected and the prospects for full take up of the system and benefits realisation were uncertain. We also found that some important issues around the functionality of the system, data standards and benefits reporting were yet to be resolved.

35 Auditor General for Wales, Integrated Care Fund, July 2019

36 The fund is aimed at driving integrated working between social services, health, housing, third sector and independent providers to develop sustainable services. Crucially, the ICF provides funding for joint projects, better enabling organisations to work together.

37 Senedd Health, Social Care and Sport Committee, Impact of the Social Services and Well-being (Wales) Act 2014 in Relation to Carers, November 2019

38 Auditor General for Wales, Young Adult Carers, September 2019

39 Auditor General for Wales, Welsh Community Care Information System, October 2020

52 More recently, our review of care home commissioning for older people in North Wales⁴⁰ concluded that the lack of a strategic approach for care-home commissioning together with overly complex processes, causes division amongst partners, and a greater focus on costs than on service-user needs. The report says that the issues in North Wales are likely to be replicated to some degree in other parts of Wales. Our work indicated that the Welsh Government may need to consider whether its proposals to reform social care are sufficient to address long-standing issues in social care.

COVID-19 has made the need for change more pressing, but transforming social care will be challenging

- 53 The Welsh Government's White Paper (**paragraph 15**) sets out its vision to address long-standing challenges in social care. The Welsh Government intends to rebalance the care market away from price towards quality and social value. It wants to develop a common framework to reduce complexity in commissioning services, focus arrangements on outcomes rather than tasks, and encourage not-for-profit providers to grow. Finally, the Welsh Government wants to encourage joint working between health and social care by strengthening the function of Regional Partnership Boards.
- 54 COVID-19 has exacerbated some of the issues facing the sector, making the need for transformation more pressing. Lower care home occupancy rates resulting from the virus are likely to contribute to financial pressures. The sustained pressure on the workforce may have significant impacts on their health and wellbeing making the sector more vulnerable to staff shortages. It could also make the sector less motivated and receptive to implementing changes if resources are limited.
- 55 The White Paper describes uncertainty over future budget settlements from the UK government. Despite the additional funding (**paragraph 45**), the Welsh Government may still face some difficult choices around prioritising funding, particularly between health and social care.
- 56 The Welsh Government published the responses to its White Paper in April 2021 and is committed to legislate for better integrated health and social care in its Programme for Government. Our work on care home commissioning (**paragraph 52**) said that practical issues and cultural reluctance to share resources in the sector raise questions about whether the proposals in the White Paper go far enough to address long-standing issues in the sector

40 Auditor General for Wales, Care Home Commissioning for Older People: Issues of National Significance Arising from Our Review in North Wales, July 2021



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