



BRIEFING 3: Transforming Services for Children, Families and Adults

The Ask: Everyone needs to be committed to co-producing better outcomes for children, families and adults. All partners should be fully engaged through early help, strengths-based practice and evidence-based interventions. The implementation of removing profit from children's care must be fully funded and co-produced.

Why Transformation Matters: A Different Kind of Social Care

Social care is not simply a set of services. It is about supporting people to live the lives they want to lead. That principle, which is at the heart of the refreshed *Vision for Social Care in Wales* jointly published by ourselves and other partners in March 2026 and rooted in the Social Services and Wellbeing (Wales) Act 2014, describes what social care is for at its best: enabling children, young people, disabled adults, older people and their families to live well in their communities, connected to the people and places that matter to them.

Our members across all Wales' 22 local authorities know what works: early support, strong local partnerships and services designed around people rather than systems. The challenge for this Senedd term is to move from that principle to consistent reality — to scale, sustain and properly resource the transformation that is already happening in parts of Wales and make it available to everyone.

What Transformation Looks Like: Evidence from the Ground

The WLGA's *State of Social Care in Wales* report, published in October 2025, documents a sector under severe pressure but also a sector that is actively changing. Councils are not passively managing decline. They are redesigning services, often without the national support they need and the results are real.

In children's services, the MyST (My Support Team) programme delivers therapeutic CAMHS Tier 4 support for children in care, enabling family reintegration and reducing reliance on high-cost out-of-county placements. One council describes it as self-funding, generating around £900,000 in actual placement cost savings and £500,000 in cost avoidance. Step Up/Step Down foster care arrangements are supporting smoother transitions between residential and family settings. Trauma-informed practice is being embedded across children's services, supported by community navigator posts designed to identify and engage families at the point of emerging difficulty.

In adult services, the Progression Model is supporting working-age adults with disabilities towards greater independence through strengths-based assessment and technology-enabled care, reducing long-term reliance on residential provision. Multi-systemic therapy and community-based supported living models are enabling people with mental health needs to live well in their communities. The

BRIEFING 3: Transforming Services for Children, Families and Adults

Vanguard methodology is being used in some local authorities to redesign entire service systems around the needs of the people they serve, rather than the structures of the organisations providing support.

These are not pilots. They are evidence of a sector that knows what good transformation looks like and is delivering it under significant financial constraint. The question for the new Senedd is how to scale and sustain these approaches across all of Wales.

Transforming Children's Services: The Not-for-Profit Transition

The removal of profit from children's residential care and fostering, implemented through the Health and Social Care (Wales) Act 2025, is the most significant structural change to children's services in a generation. It is the right thing to do: children in residential care should be supported by providers whose purpose is their welfare, not their profitability. ADSS Cymru and local authorities have committed to making it work, and the pace of delivery has been real — over 200 beds have been developed or are in development across Wales.

But the transition faces genuine risks that must be confronted honestly. Workforce is the most significant: while for-profit providers remain operational, experienced staff cannot yet transfer to new local authority and not-for-profit provision. Access to the Level 3 Award in Residential Childcare while maintaining shift cover is a systemic constraint. Workforce costs have risen by an estimated seven to nine per cent since the Regulatory Impact Assessment was completed in 2024, and the £75 million transitional funding now supports a smaller delivery envelope than originally envisaged. The average cost of residential placements has surged due to increasing complexity of need, with some children requiring intensive staffing ratios costing up to £1 million per child annually. Third sector and not-for-profit providers are expected to form a significant part of the long-term solution alongside local authorities, and their development must be supported as part of the transition.

Fostering sufficiency is equally critical. Most children thrive best in a family setting — and the shortage of foster placements is now a direct driver of children entering residential care who would be better served with a family. Carer numbers are declining or stagnant across much of Wales. Foster Wales has made real progress in growing in-house capacity but a national strategic focus that treats residential and fostering sufficiency as a single challenge is what the situation demands. None of this is a reason to pause or reverse the transition. It is a reason to fund it properly, co-produce it genuinely with local government, and be honest about the timeline and costs.

Early Help and Keeping Families Together

Children do best when they grow up in their own families and communities. Keeping families together — or restoring children to their families where it is safe to do so — must be an explicit and central goal of children's services in Wales. The Vision for Social Care is clear: “we must move to more upstream interventions and approaches to support families at earlier stages, preventing escalation of issues and the need for crisis responses.”

The evidence supports this emphatically. Early, well-resourced family support produces better outcomes for children, better experiences for families and significantly less pressure on statutory services over time. It is almost certainly the most cost-effective investment Wales can make in children's services — yet it is consistently the first thing to be cut when budgets are under pressure, because it is not statutory in the same way as child protection and looked-after children services.

Delayed access to Child and Adolescent Mental Health Services is one of the most significant and consistent drivers of demand in children's services, as unmet mental health needs escalate into

BRIEFING 3: Transforming Services for Children, Families and Adults

statutory social care crises. This is a systemic failure at the interface between health and social care that requires a joint solution. Addressing CAMHS capacity and access is not a health issue or a social care issue: it is a shared responsibility that needs a shared plan and shared investment. The Vision for Social Care's call for "all public services to take ownership of their corporate parenting responsibilities" is exactly the right framing for this.

Transforming Adult Services: From Reactive to Strengths-Based

Adult social care is carrying growing complexity against a shrinking financial base. Domiciliary care, learning disability services and mental health are consistently identified as experiencing the sharpest increases in demand and overspend. One council reported a £2.7 million pressure in domiciliary care alone. The number of adults receiving residential or domiciliary care increased by 6.6 per cent between January 2023 and June 2024.

The Learning Disability sector faces a particular crisis. Learning Disability Wales has warned of a wave of closures among third sector organisations and support providers, driven by underfunding and rising costs from National Insurance and Real Living Wage obligations. Major not-for-profit providers are warning of imminent collapse, threatening to leave people with learning disabilities facing upheaval and unsuitable placements and pushing more individuals into expensive statutory services. This crisis must be recognised for what it is — and met with the investment and market stability measures it needs.

NHS Continuing Healthcare (CHC) remains the highest-ranked operational challenge across adult services in Wales. Councils consistently report that CHC is systematically under-applied by NHS bodies, shifting health costs onto social care without corresponding funding or mandate. One council identified a £600,000 annual shortfall in Funded Nursing Care alone. This is not an isolated case — it is a structural fault line at the boundary between health and social care that must be resolved. Local authorities are routinely providing care for people whose primary needs are a health responsibility and the current position is not legally or financially sustainable.

Against this backdrop, the transformation evidence is striking. The shift from deficit-based to strengths-based assessment and care planning — focusing on what people can do and what matters to them, rather than what services can provide — is changing outcomes for people. The Progression Model, supported living redesigns and reablement investment demonstrate that when people are supported to build their own strengths and connections, demand for statutory services reduces over time. This is the "what matters" conversation that the SSW(W)A 2014 places at the centre of every assessment — and it is where the investment case for transformation is most compelling.

Co-Production: The Foundation, Not the Afterthought

The *Vision for Social Care* calls for "a more preventative, asset-based, accessible, co-produced and joined-up system of care and support." The SSW(W)A 2014 places citizens firmly at the centre: voice and control, citizens and professionals sharing power and working together as equal partners. These are not aspirational statements. They are the legislative and strategic foundations of the social care system in Wales.

Co-production is not a consultation exercise or a nice-to-have. It is a fundamentally different way of designing, delivering and evaluating services — one that starts with what people can contribute, not what they lack; that builds on community strengths rather than professional systems; and that produces better outcomes precisely because it treats the experience of people who draw on care as the primary source of knowledge about what works.

BRIEFING 3: Transforming Services for Children, Families and Adults

But genuine co-production requires time, resource and cultural commitment that is extremely difficult to sustain when services are in survival mode. The Vision for Social Care is honest about this: without fully addressing the twin challenges of sustainable funding and a valued workforce, “all we are able to do is move pieces around a board.” The single most important thing the new Senedd can do to advance co-production across Wales is to provide the stable, multi-year funding that allows social care to move from firefighting to forward planning — from managing crises to building lives.

Working With the New Senedd

The *Vision for Social Care*, the SSW(W)A 2014, the not-for-profit transition and the transformation work being built by councils across Wales all point in the same direction: a social care system that is preventative rather than reactive, strengths-based rather than deficit-driven, co-produced with the people it supports and rooted in the communities it serves. This is ADSS Cymru’s ambition, shared with the WLGA, Social Care Wales and our NHS and third sector partners.

ADSS Cymru is seeking an active working relationship with the Welsh Government and with Senedd Members across all political groups throughout this term — on the not-for-profit transition, which must be fully funded and genuinely co-produced with local government; on early help and family support, which must be protected from the grant cliff-edge; on learning disability and mental health, where the provider market is in crisis; on Continuing Healthcare, where the unresolved boundary between health and social care costs is unsustainable; and on the strengths-based, co-produced practice that is the foundation of everything else. The Directors and Heads of Social Services across Wales’s 22 local authorities know their communities, know what works and know what the barriers are. They are ready to build the social care system Wales deserves — with the right partnership, resource and political will behind them.

Key Sources

The State of Social Care in Wales: Challenges, Pressures and Towards Sustainability. WLGA and Society of Welsh Treasurers, October 2025.

A Vision for Social Care in Wales. WLGA, ADSS Cymru and Solace Wales, March 2026.

Developing Sufficiency in Children’s Residential Care: Position May 2026. ADSS Cymru, May 2026.

Senedd Research, Adult social care reform: is Wales prepared to confront the escalating pressures on the care system? May 2026.

A damning picture: Crisis for the learning disability community in Wales. Learning Disability Wales, 2025.

Social Services and Well-being (Wales) Act 2014.

Health and Social Care (Wales) Act 2025.

Well-being of Future Generations (Wales) Act 2015.

A Healthier Wales. Welsh Government, 2018.

ADSS Cymru is the Association of Directors of Social Services in Wales, the professional leadership body for directors and senior managers of social services in all 22 Welsh local authorities.

For further information:

ADSS Cymru Business Unit, Ty Antur, Navigation Park, Abercynon, CF45 4SN