Gofal Cymdeithasol **Cymru**
Social Care **Wales**

Ariennir gan **Lywodraeth Cymru**
Funded by **Welsh Government**

Annual Report and Accounts 2025-2026

Regulation and Inspection of Social Care (Wales) Act 2016

Annual Report and Accounts of Social Care Wales prepared pursuant to Schedule 2, Part 6 Paragraph 16(1-3) of the Regulation and Inspection of Social Care (Wales) Act 2016, for the year ended 31 March 2026 together with the Report of the Auditor General for Wales thereon and laid before Senedd Cymru pursuant to the Regulation and Inspection of Social Care (Wales) Act Schedule 2, Part 6 Paragraph 16(4).

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Performance report

Overview

Statement from the Accounting Officer

Everything we do is focused on making a positive difference for high quality care and support in Wales. We're the national leadership organisation in Wales for social care workforce regulation, supporting service improvement through research and data, and delivering workforce development for the social care, early years and childcare sectors.

This is the ninth Annual Report and Accounts prepared by Social Care Wales since our inception in 2017. This year, as all previous years, we're pleased to have met our statutory obligations in full and to deliver meaningful support for the social care and early years sectors and those who use their services. This year we've:

- Invested over £13 million in training and development of the social care workforce
- Maintained the workforce register of over 65,000 individuals, allowing us to publish detailed data on social care workers in Wales
- Investigated serious issues of concern in our role as regulator, removing 76 people from the sector, as well as providing formal advice, conduct reminders or warnings to 270 more.
- Continued to champion and deliver the 10-year strategy for the health and social care workforce, in partnership with Health Education Improvement Wales (HEIW)
- Implemented our first year of Ymlaen, a sector-wide strategy for innovation, research and improvement
- Conducted our third Have Your Say survey of the social care workforce, attracting 5,707 responses, an increase of almost 700 responses compared to 2024.
- Invested in transforming our services for individuals who are registered with us

People working in social care, early years and childcare go above and beyond to deliver services that improve outcomes for the people of Wales. Supporting individuals and families in every community, the social care sector protects, enables and supports children, adults and older adults and helps them to do what matters to them.

Around 83,000 people work in the social care sector in Wales with over 15,000 more people working in the early years and childcare sector. Every day around 140,000 children and adults access care and support services across Wales, with a further 78,000 children using early years and childcare services.

We work with employers to support the workforce to be motivated, engaged and valued with the capacity, competence and confidence to meet the needs of the people of Wales. We've continued to support the transformation of care and support in Wales, as set out in the Social Services and Well-being (Wales) and Regulation and Inspection of Social Care (Wales) Acts, though delivering leadership development programmes, leading initiatives to embed positive cultures, bringing people together in communities of practice, and supporting the use of research and data to inform service design and practice. We've continued to work with others to develop and plan the future development of social care and early years to support implementation of the Welsh Government priorities for integrated care and support.

Much of our work is delivered in partnership across public, private and third sector organisations throughout Wales. Partnership working has been central to delivering our 2025–26 business plan, as we work with others to improve social care and early years services for children, adults, families and unpaid carers.

Our aim is to embed a culture of active engagement across all our work so we can respond to the changing needs of the social care and early years sectors. We're committed to continue and strengthen how we listen and respond to the views and needs of adults and children who use care and support, their families and those working in the sector to inform our work, by working with national umbrella organisations, commissioners and providers to capture those views.

Social care workers help children, young people and adults live the lives they want, supporting people to develop, remain active and independent, stay safe and well connected to their community and wider networks. They do this alongside family, friends, volunteers and other public services. Early years workers help give our children a great start in life and provide valuable support for parents.

At Social Care Wales, we'll continue to do all we can for the workforce, their employers, and strategic leaders, and help them to continue to focus on caring for and supporting some of the most vulnerable people in our communities.

As the Chief Executive I am signing off these accounts as the Accounting Officer.

While we recognise the need to continue to support the sector to improve and transform for the benefit of citizens in Wales it's vital I take this time to celebrate the fantastic work we know is happening across the care sector and to say thank you to our dedicated and committed social care and early years workforce and services.



Sarah McCarty
Chief Executive and Accounting Officer

Date: 15 July 2026

Role of Social Care Wales: What we do



Vision and purpose

Our vision
is to make a positive difference to care and support in Wales for children, adults and their families and carers.

Our purpose
We provide national leadership and expertise in social care and early years. We lead on regulating and developing the social care workforce, service improvement, data and research to improve care.

Key issues and risks that we face

Information about our risk management and the main risks we face is provided in the Governance Statement on page 33.

The key challenges and opportunities facing the social care and early years sector will have the greatest influence on how we work and deliver our strategic plan. These include:

- recruitment and retention in the social care and early years sector
- cost of living and other increases (such as employer NI contributions and energy cost increases) which reduce resource capacity in a market based primarily on public funding
- fair pay for the social care and early years sector, noting the work underway in Wales and in the UK
- remaining in a period of financial constraint for public services
- changing population needs and the continued growth in demand for social care
- a new programme for government following the Senedd elections in 2026.
- the social care and early years sector response to climate emergency
- access to learning and apprenticeships
- provision of integrated care and support to meet the needs of individuals and families building upon preventative approaches
- the use of emerging technologies, such as Artificial Intelligence and other digital tools
- improving social care data.

Financial Performance

Social Care Wales is funded by a combination of Grant in Aid received from the Welsh Government, fees paid by registrants and other income (a breakdown of which is shown on the face of the Statement of Comprehensive Net Expenditure).

Our total income for the year was £32.6m (2024–25: £32.4m), a breakdown is below.

	2025-26 £000	2024-25 £000
Grant in Aid received from the Welsh Government	28,619	28,859
Registration Fee Income	2,528	2,461
Other Income	1,480	1,060
Total Income	**32,627**	**32,380**

Other income increased during the year, mainly due to additional project income from the National Data Resource project (Digital Health and Care Wales) and Connecting Care project (Welsh Local Government Association). The Connecting Care project will continue in 2026-27.

Finances Managed Effectively



84%

of invoices paid **within 10 days**



98%

of invoices **paid within 30 days**

In managing our finances, we are not allowed to use overdraft facilities or to borrow. Cash is required to be maintained at a level to fund its anticipated short term liquidity requirements. This is defined as no greater than 4% of total income at the end of each month, reducing to 2% at the year-end annually.

The cash balance held at the end of each month for the 11 months to February 2026 has been within the 4% limit. The cash balance held at the end of the year was within the 2% limit.

The most significant change in the Statement of Financial Position compared with the prior year relates to the Local Government Pension Scheme (LGPS). This is reflected within non-current liabilities and reserves and arises from updated actuarial assumptions and prevailing market conditions. This movement is an accounting adjustment and does not impact the organisation's underlying cash position.

Performance analysis

Our Business Plan for 2025-27 sets out our strategic outcomes, along with our high-level activities and achievement measures. Throughout the year, we provided quarterly reports about our progress on these activities against our strategic outcomes to our Leadership Team. These were scrutinised by our Board and the Welsh Government.

This performance analysis provides a small snapshot of the work undertaken last year. It's based on the information in our quarterly performance reports, under our eight strategic outcomes:

1. Improved well-being for the social care and early years workforce
2. A social care and early years workforce that is highly recognised and valued.
3. Social care and early years services that attract, recruit and retain people with the right values to meet the needs of those who need care and support.
4. A registered social care workforce that has the public's confidence
5. A social care and early years workforce that is suitably qualified, knowledgeable and skilled with the right values, behaviours and practice.
6. Social care services that embed and deliver strengths-based approaches to care and support.
7. Social care practice and policy that is underpinned by innovation, high-quality research, data and other forms of evidence.
8. Social Care Wales provides effective, high quality and sustainable services.

Every year we produce an impact report, setting out what we've achieved and what difference our work has made. You can find our impact reports at: https://socialcare.wales/about-us/our-outcomes#section-459427-anchor

As a national leadership organisation, we've continued to work with national organisations throughout the year to influence national policy development and in responding to the challenges facing social care and early years. We have a number of long-term strategies and programmes of work (5-10 years) looking at making a positive change to long term challenges in the sector. This report focuses on what we've achieved during 2025-26 to support those programmes of work.

You will find more detail on our work on www.socialcare.wales

Improved well-being for the social care and early years workforce

During 2025/26, we continued to prioritise workforce wellbeing and support in response to sustained pressures across the social care and early years sectors. Building on work from previous years, our focus has been on strengthening resilience, improving access to support, and supporting positive workplace cultures.

This year has seen continued delivery of national wellbeing activity alongside more targeted support for specific parts of the workforce. While demand for wellbeing support remains high, there is growing evidence that sustained investment in this area is contributing to improved workforce experience and resilience.

Overall, progress under this outcome reflects both the scale of the challenge facing the workforce and the importance of maintaining a long-term, preventative approach to wellbeing and support.

In 2025/26, we:

- continued to implement the Social Care Workforce Delivery Plan 2024 to 2027, which builds on the long-term ambitions set out in A Healthier Wales: Our Workforce Strategy for Health and Social Care. It reinforces a shared commitment to a workforce that is valued, supported and equipped to meet the changing care and support needs of people across Wales. The detail on our progress will be published and available in Summer 2026 https://socialcare.wales/about-us/workforce-strategy/social-care-delivery-plan-2024-to-2027
- delivered the second national Wellbeing Week, with just over 400 attendees across 9 sessions with 25% from the early years and childcare sector.
- provided 34 well-being information and training sessions (online and in person) attended by 789 people across social care and early years. These sessions included well-being topics that mattered most to the sector including:
  - supporting unpaid carers and awareness of the Carers Leave Act
  - mental health toolkit for managers
  - men's mental health in the workplace
  - well-being and compassionate leadership
  - well-being through the inspection period
  - stress and anxiety
  - menopause support.
- continued to promote our well-being webpages, which had a total of 4,764 visits, and the framework pages which had a total of (642 visits)
- expanded the Wellbeing Network, increasing membership by 50%, reaching across both social care and early years settings.
- reviewed and refreshed the Your well-being matters: workforce health and well-being framework, including updating information about equality, diversity and inclusion (EDI) and the new Codes of Practice and practice guidance, and strengthening the focus on positive cultures—particularly the links between well being, strength based practice and compassionate leadership

A social care and early years workforce that is highly recognised and valued

Throughout 2025/26, we continued to play a leading role in promoting the value and contribution of the social care and early years workforce. Our work under this outcome has focused on influencing policy, strengthening engagement, and celebrating excellence across the sector.

We've maintained strong relationships with partners and stakeholders, supporting national conversations about workforce value, pay, progression and public perception. Alongside this, we've continued to deliver activity aimed at raising the profile of the workforce and recognising good practice. While 72 per cent of individuals using care and support rated care and support services as excellent or good, the general population are more dissatisfied and just 20 per cent of social workers and 48% of social care workers felt valued by the general public.

While progress has been made, this remains a complex and long-term area of work, particularly in the context of ongoing workforce pressures and public expectations.

In 2025/26, we:

- continued to provide national leadership and influence through our involvement in 192 networks, along with contributing evidence and insight to policy development, and submitting responses to 22 external consultations by partners across Wales and the rest of the UK
- celebrated the work of the sector at the 2025 Accolades awards ceremony. We shared the positive stories of the winners and finalists to build better awareness and understanding about the value of social care and the excellent work of the social care workforce. One hundred and twenty seven projects and care workers from across Wales entered or were nominated for the 2025 awards, a considerable increase on the 93 received in 2024. A panel of expert judges then selected a final shortlist of 11 projects and seven workers or teams.
- launched the 2026 Accolades and received 141 entries, the highest number ever. The award ceremony will be held on 2 July 2026.
- celebrated workers who provide care through the medium of Welsh through the 2025 Caring in Welsh award, held at the Wrexham National Eisteddfod. The winner, Myfanwy Harman, manager of Cylch Meithrin y Gurnos in Merthyr Tydfil, was chosen by a public vote, in which more than 4,900 people voted
- continued to contribute to the Welsh Government-led Social Care Fair Work Forum that aims to improve working conditions in social care
- worked with the Social Care Fair Work Forum to launch a new draft voluntary pay and progression framework for social care in Wales. Designed to highlight career pathways and opportunities, the framework sets out five job bands covering roles supporting adults or children and young people
- continued to provide an employer support services with a regular newsletter, employer roadshows and a dedicated community of practice for Responsible Individuals.

Social care and early years services that attract, recruit and retain people with the right values to meet the needs of those who need care and support

Attracting, recruiting and retaining people into social care and early years remains a significant challenge for the sector. During 2025/26, we continued to support this agenda through national campaigns, training programmes, and financial support for learners and employers.

Our work has focused on improving awareness of careers in care, supporting people to enter the sector, and helping to retain those already working within it. This has been delivered alongside wider system efforts to address pay, conditions and workforce sustainability.

While there are early signs of improvement in some indicators, recruitment and retention pressures remain high, reinforcing the need for sustained, coordinated action across the system.

In 2025/26, we:

- delivered national workforce attraction campaigns through WeCare Wales, with increased digital reach and engagement. Across our social media channels, we now have 8,130 followers, representing a 24% increase on the previous year. During the year, WeCare Wales videos received over 1.5 million views, and the website attracted 160,000 visitors
- More detail on our work in 2025/26 on WeCare Wales will be published and available on https://wecare.wales/ in the Summer
- advertised more than 3,000 jobs on our WeCare Wales job portal with over 80,000 views by job seekers
- continued to deliver the Introduction to Social Care programme, with 5,094 people completing various elements of the programme during the year
- continued our engagement work and delivered Introduction to Social Care training for under-represented groups and for the future workforce, including partnership working in partnership with the King's Trust
- provided ongoing funding for seven regional connectors, helping to embed WeCare Wales recruitment and attraction support within regional and local structures.
- introduced a new Pathways to childcare ambassador model. Sixteen ambassadors across four counties have now been trained to deliver the programme in person within schools, supporting a more flexible hybrid approach and strengthening engagement
- launched the WeCare Wales monthly newsletter, highlighting our work and the WeCare Wales offer along with celebrating various celebration and awareness weeks
- supported 184 new students with bursaries through the Social Work bursary scheme, in addition to 185 continuing students attending courses in 2025-26
- invested in supporting the social care workforce, so they have the right knowledge, skills, understanding and approach to provide good care and support. This included £8,137,449 paid to local authorities through the Social Care Wales Workforce Development Grant (SCWWDP) and match-funded by £3,487,478 local authority funding
- supported 245 early years practitioners and managers, through our learning hub, strengthening access to high-quality learning opportunities. Our early years Learning Week engaged 209 participants, demonstrating strong demand for sector-wide early years professional development.

- continued to progress the Social work workforce plan including attending and contributing to national meetings with workforce managers and the higher education institutions and our continued co-ordination and chairing of the Social Work Profession Stakeholder Group, providing a national forum for engagement and shared learning.
- launched the next phase of workforce planning support in partnership with the WLGA, including a programme of work to strengthen long term workforce sustainability in local authorities, through promoting a more consistent, data informed approach aligned with future service models, financial pressures and digital transformation.

A registered social care workforce that has the public's confidence

Maintaining public confidence in the social care workforce continues to be a core part of our statutory role. During 2025/26, we maintained a strong focus on effective regulation, professional standards and public protection.

Our regulatory services continued to perform well, supported by improvements in processes, guidance and engagement with the workforce. We also progressed work to strengthen understanding of professional standards through the introduction of updated Codes of Practice.

Overall, our work under this outcome supports continued confidence in both the workforce and the systems that regulate and support professional practice.

In 2025/26, we:

- maintained a register of over 65,000 social care workers, with strong performance activity in our registration services, the majority of applications processed well within target timescales – 99% within 28 days and on average within 9 days
- delivered all fitness to practise investigations and hearings in line with statutory and procedural requirements. At the end of the year there were
  - 0.55% of fitness to practise cases open (as a % of the Register) with 79% of all cases being completed within 18 months (just less than our 80% target) with 85% of such cases being completed where we're not waiting on the actions of another regulator or public body
  - all 80 Fitness to Practise hearings held in accordance with the Rules
- improved case management and triage arrangements to support timely and proportionate decision-making
- launched updated draft Codes of Practice and supporting guidance, alongside engagement activity to support understanding and implementation
- developed a new registration dashboard on the National Social Care Data Portal for Wales that makes it easier to find out more about the registered social care workforce in Wales
- focused on the transformation of our registration service to improve the experience and systems for the customer

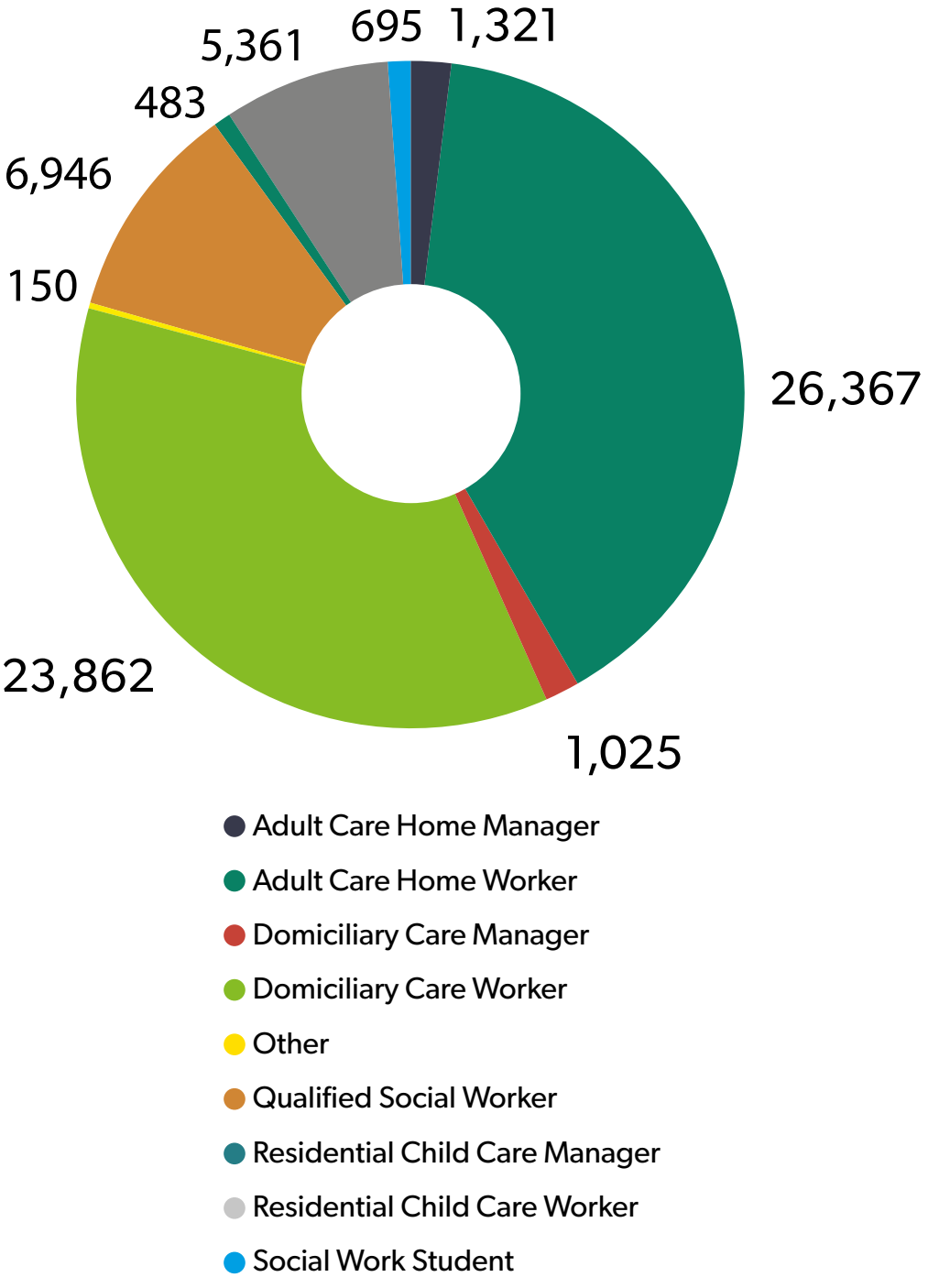
Workforce headlines

Total number of registered workers

66,206

change in the last 12 months

+1.99K



A social care and early years workforce that is suitably qualified, knowledgeable and skilled with the right values, behaviours and practice

During the year, we continued to support the development of a skilled and capable workforce through qualifications, induction, apprenticeships and ongoing professional development.

Our work has focused on ensuring that learning pathways remain accessible, relevant and aligned to the needs of the sector, while also supporting progression and career development. This includes continued emphasis on Welsh Language provision and increasing Welsh language skills.

Demand for learning and development remains high, reflecting both workforce ambition and the changing nature of practice. Supporting access to high-quality learning will continue to be a key priority.

Key achievements have included the following – we

- supported the delivery of qualifications across social care and early years, including ongoing review and development of frameworks.
- celebrated the invaluable contributions those undertaking apprenticeships make to the social care and childcare sector in Wales, as part of National Apprenticeship Week.
- have seen an increase in the number of individuals completing apprenticeships. In 2025 to 2026, 4,670 people completed a health and social care apprenticeship, compared to 4,251 in 2024 to 2025.
- continued to work with awarding organisations, employers and learning providers to improve, maintain and support the delivery of vocational qualifications
- continued to hold the Qualification and Standards Advisory Group (QSAG) and All Wales Induction Framework (AWIF) networks, supporting collaborative working to address shared challenges and make sure qualifications and standards remain fit for purpose and responsive to emerging legislation, policy and guidance.
- published and promoted the bilingual national resources to be used by learners, learning providers and employers to support the teaching and learning of Essential Skills Wales
- continued collaboration with colleagues across Scotland, Northern Ireland and England to review and develop the National Occupational Standards (NOS) for social care, early years and childcare. Including engagement with sector specialists and delivery of awareness-raising events and workforce workshops across Wales to support accessibility and inform a subsequent consultation period.
- continued to deliver a mix of online and face-to-face employer engagement and training sessions across Wales, supporting the ongoing development and implementation of induction and health and social care qualifications at all levels, including employer assessment routes.
- continued to support the sector to work bilingually as part of our commitment to 'Mwy na geiriau' / 'More than just words'
- continued to support the social care sector to improve their Welsh- language skills through promoting the suite of Camau Welsh-language courses created in collaboration with The National Centre for Learning Welsh, and through an online Camau peer support group. The intermediate modules were also launched this year, building on the foundation and entry modules. We've seen an increase in the number of learners who have completed the Mynediad (entry) module moving on to the foundation courses.

- continued to promote the Welsh- language awareness digital learning module, with some organisations embedding it into their staff induction.
- launched our bilingual anti-racism e-learning during Black History Month. This resource was co-produced with people with lived experience and reflects our commitment to inclusion. The e-learning is fully aligned with the Welsh Government's Anti-racist Wales Action Plan as an introduction to the topic of anti-racism in social care in Wales. So far, 193 people have provided feedback on the e-learning through an evaluation form.
- launched a 'train the trainer' anti-racism programme of support to help professionals in the social care sector gain a deeper understanding of anti-racist practise through workshops, discussion and hearing about lived experiences of racism. We delivered three sessions across Wales to 30 people along with in-person training and followed this up with online sessions to track progress and provide additional support in smaller groups.
- published the first social care Workforce Race Equality Standard (WRES) report, together with Welsh Government and NHS Wales.
- ran our first early years conference with over 140 delegates. Four settings showcased their excellent practice on a national platform, highlighting innovation and high-quality work across the sector.

Social care services that embed and deliver strengths-based approaches to care and support

In 2025/26, we continued to support the sector to embed strengths-based approaches across practice and service delivery. This work has focused on leadership development, culture, and the practical application of strengths-based principles.

We've worked with partners to support improvement and transformation activity, recognising that embedding strengths-based approaches takes time and sustained leadership commitment.

Progress under this outcome reflects gradual but continued movement towards more person-centred, strengths-based practice, supported by leadership and learning.

In 2025/26, we:

- delivered leadership development programmes to support positive cultures and strengths-based practice
- launched our new leadership network, an online space for a cross-section of leaders across the sector to come together to interact, share examples of compassionate leadership in practice. Since launching in October 2025, the network has grown to 177 members
- developed and promoted tools, resources and learning to support strengths-based approaches in practice. We've seen more than 4,000 users visit our 'What matters' website pages on resources to support having strengths based and outcomes focused discussions with nearly 200 people completing the e-learning module that supports this work
- delivered an Introduction to Compassionate Leadership programme, running ten online events and ten face-to-face events during the year, which were attended by 375 people. Participants learned about the importance of compassion for improving outcomes, staff well-being and organisational culture
- launched the pilot leadership programme to support people from diverse backgrounds to progress into leadership roles
- continued to promote our compassionate leadership webpages to support people who work in the sector to champion compassionate leadership at work, with 1,509 visits to the webpages during the year
- commissioned user research to help us shape our future support offer for local authorities.
- developed local branded resources and ran the national campaign to support recruitment into children's residential care. Throughout the campaign, the WeCare Wales social media channels had over four million views, 14,563 clicks and 829 post engagements
- continued to work with Welsh Government on supporting improvement and transformation activity, including work linked to children's services and leadership such as the National Multi-Agency Practice Framework for Children's Services and National Practice Guidance for Therapeutic Support for Care Experienced Children
- managed a New Models of Residential Children's Care Community for local authorities to share learning, support peer development and respond to emerging statutory and practice requirements.

Social care practice and policy that is underpinned by innovation, high-quality research, data and other forms of evidence

During 2025/26, we continued to strengthen the role of research, data, evidence and innovation in shaping social care practice and policy. Our work focuses on supporting evidence-informed decision-making, promoting innovation, and strengthening collaboration across the system.

We've continued to respond to increasing demand for insight, analysis and evidence, while also supporting people working in social care to engage with research and improvement activity. Alongside this, we've progressed work to improve how data is accessed and used.

While engagement with evidence-informed approaches is growing, variation in capacity and capability across social care means this is an area for ongoing development.

In 2025/26, we:

- published our Ymlaen 2025 to 2026 implementation plan, setting out how we'll work with key partners to support and achieve the ambitions of Ymlaen, our research, innovation and improvement strategy
- supported engagement with evidence through networks, resources and communities of practice. This included supporting our various communities of practice such as the Responsible Individuals Community where membership has grown to 238, with 16 events throughout the year. Our Evidence Community of Practice, focusing on improving how research and evidence are understood and used in social care across Wales, met 15 times with around 70 members joining these sessions
- shared practice across the social care sector through promoting our project finder as a resource for people who lead, develop and deliver social care services to know more about work that's happening across Wales. Nine new projects were added to the project finder this year.
- continued to develop our National Social Care Data Portal for Wales, including our new registration dashboard, making it easier to find out more about the registered social care workforce in Wales
- supported the use of research, data and evidence to inform practice and policy, responding to increasing demand for insight and analysis such as the workforce insight series and published five new evidence summaries that present research findings in ways that are easy to understand
- completed the third year of 'Have Your Say' workforce survey, which asks social care workers about things like their health and well-being, pay and conditions, and what they like about working in the sector. 5,707 social care workers responded to this year's survey, an increase of over 700 from 2024
- conducted our first ever early years and childcare survey with 939 responses, providing valuable insight into what is working well across the sector, as well as the key issues and challenges currently faced by the workforce. We'll publish the report in Spring 2026
- collaborated with social care researchers from across Wales and the rest of the UK
- led the social care work for the Administrative Data Research Wales programme, publishing the outcomes of priority-setting work and developing guidance for how to share data safely
- supported the Social Care Linked Data Lab (CARE Lab), led by Cardiff University's Centre for Adult Social Care Research (CARE), exploring data linkage in adult social care.

- published the 2024 Social care workforce report, which gives a snapshot of the social care workforce in Wales, and conducted the 2025 workforce data collection, to be published in Summer 2026
- launched a new combined workforce data collection process for 2026, incorporating the Social Care Wales Annual Workforce Data Collection and Care Inspectorate Wales (CIW) Annual Return in one, meaning organisations will only have to respond to one workforce data request in future
- provided innovation coaching support and advice to around 25 people and teams
- held ten demystifying evaluation training events during the year, attended by 110 people, and provided one-to-one evaluation support to 30 practitioners
- worked collaboratively with partners to establish the Digital in Social Care (DiSC) partnership and strengthened collaboration with national partners across data and digital programmes
- published a report and summaries containing the early findings of our digital potential tool, helping social care staff and organisations to better understand their digital skills and capabilities, as well as informing the work of the DiSC partnership
- conducted work for support digital and data in social care, through the scoping of a What Good Looks Like framework and the development of communities for people interested in data and digital in social care in Wales
- delivered the foundational work for the development of data standards for social care in Wales, including a prototype data catalogue, ten use cases for different types of data sharing, and a proposed approach to how data standards should be managed in the long-term. This work has been funded by the Connecting Care and National Data Resource projects.

Social Care Wales provides effective, high quality and sustainable services

Ensuring that we operate as an effective, well governed and sustainable organisation remains essential to delivering our wider role. During 2025/26, we maintained strong organisational performance while continuing to invest in continuous improvement for our people, systems and ways of working.

We've managed our resources carefully, maintained effective governance and assurance arrangements, and continued to develop our digital and organisational capability. This has supported consistent delivery across our statutory and non-statutory services.

While external pressures continue to present challenges, we remain well positioned to deliver high-quality services and respond to future demands.

The governance statement and annual accounts sets out in more detail our work of being an effective Welsh public service which shows we:

- achieved a balanced financial position, maintaining strong financial control throughout the year
- maintained effective governance, risk management and assurance arrangements
- delivered improvements to digital systems, infrastructure and ways of working
- continued to invest in our people, supporting high levels of staff engagement and low turnover
- strengthened planning, performance management and reporting arrangements across the organisation

Our approach for 2026-27

We will be heading into our final year of delivery against our five-year Strategic Plan. The Strategic Plan sets out our ambition and the differences and changes we want to see. These changes are dependent not just on Social Care Wales, but also on the work of many organisations, each with their own remit and responsibilities. But we also need to understand, and set out, our role in bringing about these changes.

We'll continue to prioritise activities that support our 8 national outcomes with a particular focus on delivering our three key priorities:

1. Workforce strategy
2. Ymlaen
3. Regulation for Improvement

Our Business Plan 2025-27 will set out the detail of our work. You'll be able to find out more about our work and the impact of our work through our annual impact report for 2025-26 which will be on our website: https://socialcare.wales/about-us

Cross cutting themes

Our Business Plan 2025-27 set out detail on specific topics across our work. The section below sets out what was achieved in these areas:

Future Generations

We're committed to delivering our work in line with the 7 well-being goals and 5 ways of working set out in the Future Generations Act.

Below we have given examples of how our work in 2025/27 with the social care and early years sector will show how we'll be working in line with the Act:

Long-term

Our strategic plan sets the longer-term outcomes we're aiming to achieve, whilst our Business Plan sets out the activities and outputs, we're delivering to support longer term aspirations. Examples evidencing this relates to the following:

- Continued delivery of the 10 year workforce strategy (with HEIW)
- Implemented Ymlaen (multi year research, innovation and improvement strategy)
- delivered against the Social Care Workforce Delivery Plan 2024–27
- Progressed workforce planning with WLGA, explicitly linked to:
  - future service models
  - financial pressures
  - digital transformation
- ongoing development of qualifications, standards and apprenticeships
- the development of our future long term plan – working with the Future Generations Commissioner's Office and Audit Wales – to build in Futures Thinking within our next plan from the start. We'll be publishing our formal consultation on our Plan in 2026/27.

Prevention

- Wellbeing programmes (training, toolkits, leadership support) aimed at preventing burnout / attrition
- WeCare Wales campaigns + entry programmes building supply early rather than waiting for vacancies
- Introduction to Social Care programme (5,000+ completions) early pipeline development
- Fitness to practise work prevents harm by managing conduct risks
- Workforce data and surveys early warning system for pressures

Integration

An example of integration is the work we deliver with Welsh Government, Social Care Fair Work Forum, WLGA, ADSSC and others to deliver Fair Work for the social care sector, which supports ambitions for a Fairer Wales. Along with the following:

- Aligning our work to:
  - A Healthier Wales
  - childcare / early years plans
  - Welsh language strategy (Mwy na Geiriau)
- Combining:
  - workforce development
  - regulation
  - data / research
  - improvement
- Work on:
  - anti-racism
  - Race Equality Standard
  - LGBTQ+ evidence summaries
  - strengths-based practice + leadership work: linking workforce behaviour to service outcomes

Involvement

One of the ways we're improving the way we involve people is through our annual workforce survey, which is capturing feedback from the registered workforce about their well-being, their profiles, their challenges and their aspirations. This will enable us to measure how well the social care workforce reflects the diversity of the Welsh population, and provide evidence to inform attraction, recruitment and retention activities. Other activities include:

- Workforce surveys
- Early years survey (first time)
- Co-production of anti-racism e-learning
- Engagement through networks and communities of practice
- Employer roadshows
- Ambassador models (schools / pathways)
- Public voting (awards)

Collaboration

Our Ymlaen strategy sets out how we will establish an approach to research, innovation and improvement that's centred on working in collaboration. Agreeing priorities together will help us decide where we should focus our collective efforts. Along with other areas of collaboration which include:

- HEIW partnership (major national programme)
- WLGA workforce planning work
- Social Care Fair Work Forum
- Collaboration with CIW (unified data collection)
- Digital in Social Care (DiSC) partnership
- CARE Lab (Cardiff University)
- Cross UK work on National Occupational Standards
- Extensive engagement:
- networks
- communities of practice
- consultations

How we work

We became responsible for working in line with the Future Generations Act from 30 June 2024 onwards. We've:

- embedded in our leadership learning and development programme guidance for leadership on how to show the 5 ways of working through our work and we'll be rolling this out to all staff in 26/27
- showed how we're working and making decisions in line with the Act through our reporting, case studies and impact assessments as summarised in our Annual impact report
- been working with people on the development of our new strategic plan where we'll be setting out our wellbeing objectives that we'll be using to report against in line with the requirements of the Act.

Social Partnership and Public Procurement (Wales) Act 2023

The Act is about working together to improve public service delivery and well-being in Wales through social partnership working, promoting fair work and socially responsible public procurement. There are 4 principles of the Act:

1. **Social Partnership:** Working to achieve a mutually agreed goal, to the benefit of all involved groups.
2. **Socially Responsible Procurement:** Taking action when purchasing goods, works and services, to improve economic, social, environmental and cultural well-being.
3. **Fair Work:** A wide range of potential activities undertaken by employers in agreement with the workforce, which contribute to well-being and improved public service delivery.
4. **Sustainable Development:** Doing things now in a way that considers the impact on people living their lives in Wales in the future.

During the year, for the social care sector, we've

- continued to be active members of the Welsh Government's Social Care Fair Work Forum
- worked alongside the sector to lead coordination of the development of a pay and progression framework.

How we work

We've:

- promoted Fair Work in our policies for our workforce
- made sure our procurement is socially responsible
- strengthened collaboration with our social partners
- provided training and awareness to our workforce and leaders on the Act and what it means for us

Iaith Gymraeg

We're working across Wales to embed the Welsh language in health and social care and early years and childcare, so that individuals can access the care that they need. Our work with the social care and early years sector is part of the Welsh Government's More than just words: Welsh language plan in health and social care and the Cymraeg 2050 strategy.

For 2026/27 we will continue to promote the use of the Welsh language within the health and social care and early years and childcare sectors through:

- continuing to develop and promote the Camau Welsh language courses specifically designed for the social care sector.
- develop and promote Welsh learning pathways for social care and early years and childcare
- promote the importance of the Welsh language in the social care and early years and childcare sector through events, resources and e learning

More detail on this work can be found
https://socialcare.wales/resources-guidance/using-welsh-at-work

How we work

We have a Strategaeth iaith which sets out how we will work within the organisation. The aim of our Strategaeth iaith is to not only comply with the legislative requirement to provide a Welsh language service, but also to offer language choice on a routine basis to all those who contact Social Care Wales.

Our commitment to a work environment where neither Welsh or English is treated more favourably than the other is not driven by the standards but by the culture, value and leadership in our organisation shown by all staff at all levels. We aspire to provide an environment which nurtures and develops staff to learn and improve their Welsh language skills. In 2025/26 we've:

- made sure language choice is available in our service delivery for people and within our internal processes for staff
- developed our services which respects the Welsh language and culture so that Welsh speakers use their Welsh language when they are dealing with us
- innovated and created initiatives to promote Welsh language as well as support those developed by the Welsh Government and the Welsh Language Commissioner to promote, encourage and support more use of Welsh at work

We report on our annual assurance against the Welsh Language Standards that we have a responsibility and commitment to meet. This assurance report can be found here:
https://socialcare.wales/about-us/what-we-do

Equality, Diversity and inclusion

We're committed to being an anti-discrimination organisation, working actively to tackle bias and barriers for those with protected characteristics. This includes supporting and implementing several Welsh Government equality plans.

We're actively working towards creating an anti-racist environment through various initiatives. We've a strong commitment to equality and aim to create a more inclusive and equitable society in Wales.

In the Programme for Government, the Welsh Government have committed to celebrate diversity and move to eliminate inequality in all its forms. Our Strategic Equality Plan sets out our current strategic ambitions and we're a proud partner in delivering both the ethos as well as the specified actions in the following action plans:

- The Anti Racist Wales Action Plan
- The LGBTQ+ Action Plan
- The HIV Action Plan
- Learning Disability Action Plan for Wales
- Strategy for Unpaid Carers.

In 2025, the Welsh Government also launched its Disabled People's Rights Plan 2025 to 2035.

In 2025/26 we've:

- supported and promoted events as a clear ally and advocate for an anti-discriminatory Wales
- supported diversity in leadership by piloting a programme to support people working in social care from an ethnic minority background into management and leadership roles
- launched, during Black History month, our bi-lingual anti racism e learning. This resource was co produced with people with lived experience and reflects our commitment to inclusion. The e-learning is fully aligned with the Welsh Government's Anti racist Wales Action Plan as an introduction to the topic of anti-racism in social care in Wales. So far, 193 people have provided feedback on the e-learning through a completed evaluation form of the e-learning.
- launched a 'train the trainer' anti-racism programme of support to help professionals in the social care sector gain a deeper understanding of anti-racist practice through workshops, discussion and hearing about lived experiences of racism.
- launched the bi-lingual HIV training course and resource 'Can't Pass It On' as part of World Aids Day, developed in partnership with the Terrence Higgins Trust.

How we work

We work to make sure equity, accessibility and inclusion is central to how we work. We've:

- continued to monitor our achievements against our current strategic equality plan and produced an annual report.
- promoted opportunities to help us recruit a more diverse workforce at Board, panel members and staff levels
- established an Equality, Diversity and Inclusion expert reference group
- implemented a training programme for Equality Impact Assessments
- delivered relevant Equality, Diversity and Inclusion training and awareness for our workforce
- developed principles to support the development of our Equality, Diversity and Inclusion strategic plan in 2026/27

More information on the detail of how we work can be found here:
https://socialcare.wales/about-us/what-we-do

Information Governance

As part of our improvement work we have a range of data-related projects. We want a joined-up health and social care data landscape that provides useful and consistent data to key organisations in health and care. We want to continue looking at ways we can collectively improve how we use social care data in Wales, including how that data is shared. Since 2020, we've worked with the National Data Resource (NDR) programme on a variety of projects, including on information governance. In 2025/26 we:

- as part of the National Data Resource programme, supported social care providers with compliance in data protection guidelines by using a digital solution for information governance documentation
- are supporting the implementation of the Connecting Care system across local authorities in Wales.

More information on this work can be found: Social care data maturity | Social Care Wales

How we work

We've a responsibility to make sure that we have the right standards and ways of working to support how we manage the information resource and products (data, information and knowledge) that we have to do our work. We take seriously our responsibility to comply with relevant information governance legislation, including the Data Protection Act 2018. During the year we've continued to make sure:

- information governance is part of our organisational learning and development programme
- external accreditations with ISO27001 are maintained
- we take forward actions, recommendations and learning from Information Governance incidents and audits
- take forward actions to make sure we're working in line with Data Protection legislation
- we look at how we can safely and effectively use Artificial Intelligence further in how we work.

Social and Environmental Impacts

Our 2030 Net Zero Contribution

We've developed our 2030 net zero carbon action plan to identify how we can minimise our carbon footprint. We will seek to support Welsh Government to realise its 'Social care decarbonisation route map towards net zero by 2030' where opportunities are jointly identified with strategic partners.

We have:

- continued to report our carbon footprint and work to assess our impact and areas for future carbon reductions in support of achieving our carbon reduction plan, with a focus upon our digital activities.

How we work

We continue to:

- make sure at Board and senior leadership we're prioritising consideration of the impact of our activities on the environment
- update and implement our Environmental, sustainability and governance in procurement strategy
- explore further the environmental policies of our suppliers within our procurement activities, seeking to build upon the principles of the circular economy carbon footprint associated with our digital services
- report and evidence our work on the Section 6 duty set out in the Environment (Wales) Act 2016 in our Statutory Annual Accounts

More information on our work in this area can be found:
https://socialcare.wales/about-us/our-outcomes/our-commitment-to-becoming-carbon-net-zero-by-2030

Environmental Impact

We do not own buildings or land, our offices in Cardiff and Llandudno are leased. During 2023-24 we reduced our office environmental footprint by moving from occupying two floors within Southgate House in Cardiff to a single floor. During 2024-25 we further reduced our office environmental footprint by moving from our office in St Asaph to a smaller and more environmentally efficient office space in Llandudno.

These changes reflect the organisation's adoption of hybrid working practices and have contributed to reduced space utilisation. This is expected to lead to lower energy consumption and associated carbon emissions linked to office accommodation.

As a tenant in multi-occupancy buildings, we have limited access to detailed utilities data, including electricity (kWh) and water consumption. The communal areas in Cardiff and the office in Llandudno are managed at landlord level and are not always separately metered. As a result, full environmental performance data is not currently available, but it is something we are working on for 2026-27. Our landlord for the Cardiff office uses 100% renewable sources for the building's electricity backed by REGO (Renewable Energy Guarantee of Origin) certificates.

We have our own electricity supply for our Cardiff office. Our electricity usage has decreased by 14% since 2024-25 due to our hybrid working approach, mixing remote with in person working.

	Decrease kWh	2025-26 kWh	2024-25 kWh
Electricity usage - Cardiff	-7,258	43,456	50,714

We do not have fleet cars. Our travel policy asks us to prioritise the impact of our activities on our environment, with public transport to be considered first. The tables below show how our business mileage has decreased year-on-year and expenditure on public transport has increased.

	Decrease Miles '000	2025-26 Miles '000	2024-25 Miles '000
Business Miles	-9.3	15.6	24.9

	Increase £'000	2025-26 £'000	2024-25 £'000
Public Transport Costs	5.1	20.1	15

We participate in cycle to work schemes which also contribute to our net carbon goal.

Facilities within both offices allow staff to recycle food waste, plastics, paper, tins, and cardboard. Confidential paper waste is collected from the premises and recycled.

Accountability Report

Corporate Governance Report

Directors Report

History and Statutory Background

The Care Council for Wales was renamed Social Care Wales in accordance with the Regulation and Inspection Act (Wales) 2016 and this Annual Report and Accounts will be the ninth prepared as Social Care Wales. Seventeen Annual Report and Accounts were previously prepared as the Care Council for Wales.

The Annual Report and Accounts has been prepared under Schedule 2, Part 6, Paragraph 16(1-3) of the Regulation and Inspection of Social Care Wales Act 2016; it is presented in a form directed by Welsh Ministers, with the approval of HM Treasury.

Chief Executive and Accounting Officer

The Chief Executive and Accounting Officer for the financial year was Sarah McCarty.

Social Care Wales Board Members

The Chair of Social Care Wales for the financial year 2025/26 was Mick Giannasi.

Board members serving during the 1 April to 31 March 2026 are outlined in the Board membership and attendance table on page 42.

In addition there are two further independent members who were appointed on the 1 March 2023 with their term ending on the 31 March 2025. They are Abhisek Vyas who is the Cyber Security Lead and Heikki Doyle the Finance Lead.

A register of the declared interests of members is available on our website.

In line with best practice and guidance, Social Care Wales established an Audit and Risk Committee at its inception. Membership is drawn from Board Members plus independent members and co-opted members. Meetings are attended by representatives of internal and external audit and Executive Management Team.

Statement of the Responsibilities of Social Care Wales and the Chief Executive

Under Schedule 2,Part 6 Paragraph Section 16(1-2) of the Regulation and Inspection of Social Care (Wales) Act 2016 Social Care Wales is required to prepare a statement of account for each financial year in such a form and on the basis directed by Welsh Ministers with the approval of HM Treasury.

The accounts are prepared on an accruals basis and must give a true and fair view of Social Care Wales state of affairs at the period end, and of its income and expenditure and cash flows for the period.

In preparing the accounts, Social Care Wales is required to comply with the requirements of the Government Financial Reporting Manual, and in particular to:

- observe the accounts direction issued by Welsh Ministers, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis
- make judgments and estimates on a reasonable basis
- state whether applicable accounting standards as set out in the Government Financial Reporting Manual have been followed, and disclose and explain any material departures in the financial statements and
- prepare financial statements on a going concern basis, unless it is inappropriate to assume Social Care Wales will continue in operation.

The Principal Accounting Officer for the Welsh Ministers has designated the Chief Executive as Accounting Officer for Social Care Wales. Her relevant responsibilities as Accounting Officer, including the propriety and regularity of the public finances for which the Accounting Officer is answerable and for keeping proper records and for safeguarding Social Care Wales assets, are set out in Managing Welsh Public Money.

I confirm that as far as I am aware there is no relevant audit information of which Social Care Wales auditors are unaware and that I have taken all steps to make myself aware of any relevant audit information and to establish that the auditors are aware of that information.

I confirm that the Annual Report and Accounts as a whole is fair, balanced and understandable and that I take personal responsibility for the annual report and accounts and for the judgements required for determining that they are fair, balanced and understandable.



Sarah McCarty
Chief Executive and Accounting Officer

Date:15 July 2026

Governance statement

A governance statement is an essential document which sets out the processes and procedures for us, as Social Care Wales, to do our work efficiently and effectively.

Our governance statement describes the structures, processes, policies and systems we have in place. It will give you an account of our corporate governance and risk management, alongside a description of the strategic risks we faced in 2025/26.

My responsibilities, as Accounting Officer, are set out in the Model Governance Framework. It sets out the broad framework within which we work and details the terms and conditions under which Members of the Senedd provide Grant-In-Aid to Social Care Wales.

This governance statement sets out:

- the basis by which we were established
- the way in which we are governed and managed
- how as the Accounting Officer, I am accountable for what I do.

Our organisation

We're a Welsh Government Sponsored Body (WGSB). We receive funding from the Welsh Government to deliver priorities agreed each year in a formal remit letter. You can find out more about our work and what we do on our website: https://socialcare.wales/about-us

My governance statement is written in the context of our 5 year strategy 2022/27 and our eight national outcomes. For each national outcome, we explain in our 5-year strategy why it is important, how we will show change, and where we will focus our energy and commitment to work with you over the next five years to realise our vision. Each year we publish an impact report on our progress against meeting these outcomes.

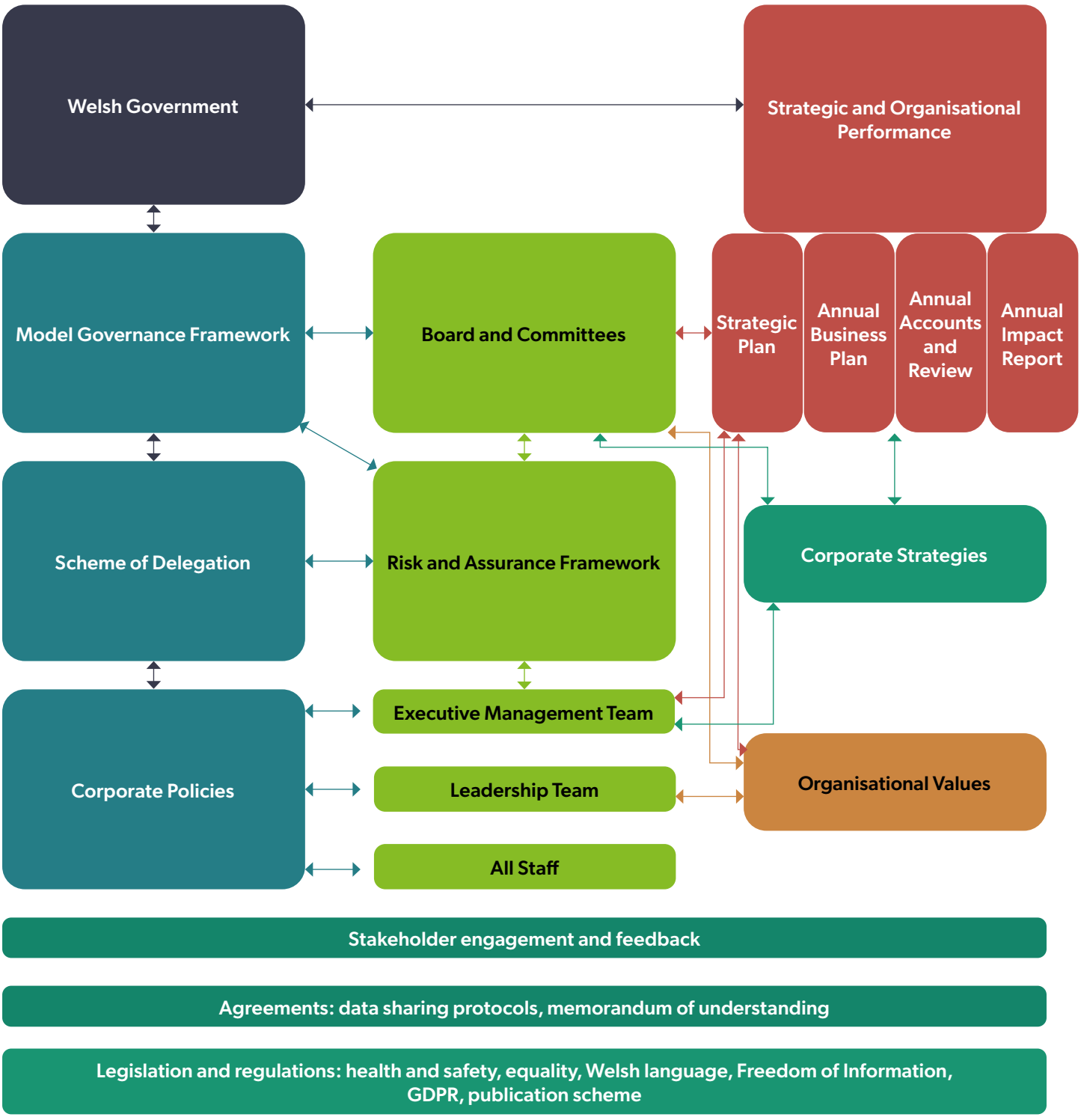
Our annual business plan sets out in more detail the activities we identified to support the sector and our organisation during 2025-27. Our performance was monitored and scrutinised by our Board and Welsh Government throughout the year on a three-monthly basis.

Our governance and accountability framework

In line with the 'International Framework: Good governance in the public sector[1] 'governance' comprises the arrangements put in place to ensure that the intended outcomes for stakeholders are defined and achieved'.

Over the next few pages you'll find more summary information on our governance and accountability framework, including an overview on what the Board and Committees cover.

The diagram below shows the various elements of our governance and accountability framework:

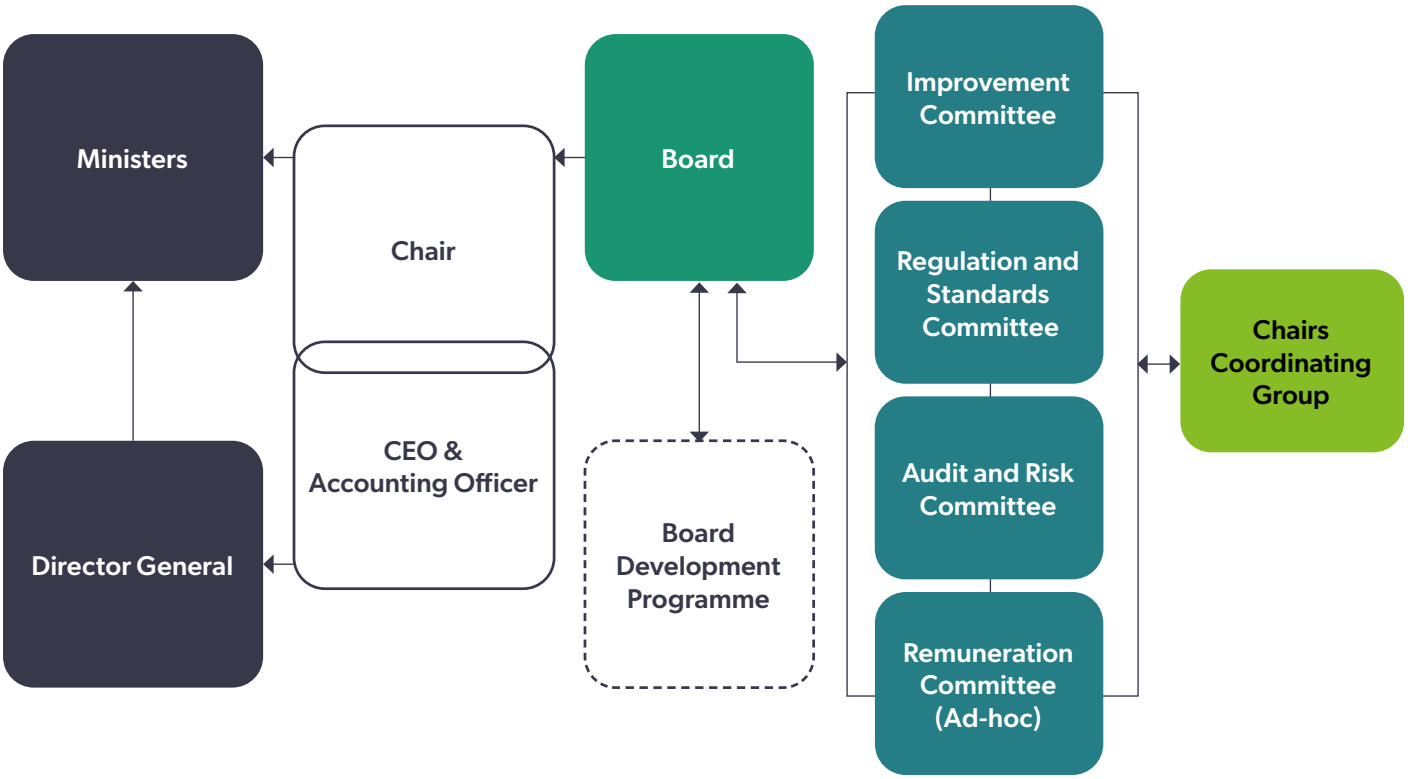


1 Includes political, economic, social, environmental, legal, and administrative structures and processes, and other arrangements, as encapsulated in the principles define.

Accountability

We're accountable to the taxpayer to make sure our work achieves value for money and delivers our ambitions for the social care and early years sectors.

In the diagram below we have set out the accountability structure of our Board and for me as Chief Executive in my role as accounting officer.



To make sure we demonstrate our accountability to Welsh Government in 2025/26:

- Our Executive Management Team met with representatives from our Welsh Government Partnership Team at Welsh Government. These meetings took place every three months to review our business plan performance and our budget spend to date.
- I've had regular meetings with the Chair of Social Care Wales and the Chief Social Care Officer at the Welsh Government.
- The Chair and I attended our annual meeting with the Minister for Children and Social Care in October 2025.
- Our Board had its annual accountability meeting by the Minister for Children and Social Care in November 2025.

Our Board and committees

Our Chair and 14 Board members are responsible for providing us with leadership and direction. Appointed by the Minister for Children and Social Care, they work closely with the Executive Management Team to set our strategic and business plans, allocate our resources, and monitor our performance. Our work is scrutinised, informed and approved by the Board and its Committees.

Board membership

We welcomed six new members to the Board in April 2025, Dr Edwin Mutambanengwe, Katija Dew, Dr Progress Igbedion, Isobel Lloyd, Sue Phelps and Neil Ayling.

The new members bring a wide variety of skills, knowledge and experience to the Board as well as reflecting the diversity of the communities that we serve. More information on our Board Members can be found: Our Board members | Social Care Wales

This table shows our Board and Committee structure and responsibilities at 31 March 2026:

Board

- Makes decisions on those matters reserved for the Board
- provides leadership and direction by setting our strategic and business plan
- scrutinises resources and performance – through regular business plan performance reports (including financial, risk management and HR data)
- demonstrates high standards of corporate governance – agreeing Board and Committee terms of reference
- receives messages and advice from the Executive Management Team.

Audit and Risk Committee

Advises the Board on:

- the effectiveness of risk management, internal control and governance
- the integrity of the Annual Report and Accounts
- the adequacy of the response to issues that have been identified at audit
- assurances relating to the corporate governance requirements for the Board
- appointing internal audit provision and reviewing their effectiveness on an annual basis
- the effectiveness of our information management security systems.

Improvement Committee

Advises the Board on and leads on the following strategic aims:

- strategies and policies relating to workforce and service development and improvement
- support a highly recognised and valued social care and early years workforce
- promote social care practice and policy grounded in innovation, high-quality research, data, and evidence
- foster a knowledgeable and skilled social care and early years workforce
- attract, recruit, and retain individuals with the right values to meet the needs of those requiring care and support
- encourage social care services to adopt and implement strengths-based approaches to care and support.

Regulation and Standards Committee

Advises the Board on and leads on the following strategic aims:

- strategies and policies in relation to the registration of social care workers and fitness to practise matters
- the quality assurance of the regulation of training programme and receive regular reports on regulation matters
- ensuring the social care and early years workforce is suitably qualified, with the right values, behaviours, and practice
- the implications of developments in the field of regulation and how these may affect the Board's responsibilities
- the implementation of the Regulation and Inspection of Social Care (Wales) Act 2016.

Remuneration and Well-being Committee

Advises the Board on:

- Staff and regulatory panel members pay, terms and conditions in line with policy
- Chief Executive and Senior Management pay
- Recruitment, dismissal and exit arrangements of the Chief Executive
- Independent scrutiny of grievances involving the Chief Executive.

The remuneration committee also have oversight of any significant employee relations issues, including those relating to employment tribunals.

As part of our approach to effective governance and in line with our social partnership responsibilities, the Chair of the Staff Partnership Council attends meetings of the Board and the Remuneration Committee as a participating observer. This arrangement ensures that the voice of our staff is included in key governance discussions, despite the organisation not currently having a formal recognition agreement with a Trade Union. The Chair of the Staff Partnership Council participates in discussions but does not form part of the formal decision making process. This approach supports transparency, strengthens our commitment to social partnership principles, and ensures that workforce perspectives are considered at the appropriate stages of assurance and oversight.

Having considered the Welsh Government's Principles for the publication of Welsh public sector board and audit committee meetings, we recognise that although they are not mandatory, they set clear expectations for openness and reflect established good practice. They promote publishing information by default unless there is a legitimate reason not to such as commercial sensitivity, security, or data protection and emphasise accessible, plain language minutes that focus on decisions, actions and outcomes rather than individuals.

In line with these principles, we've strengthened our approach to transparency this year. We now publish the quarterly Audit and Risk Committee Chair's update to the Board on our website.

If you would like to find out more about our Board, Board meetings and discussions you can find more information on our website.

We review the terms of reference for the Committee every year, making sure they're in line with our strategic and annual business plan. The Committees and their members play an important role in providng assurance to the Board by scrutinising areas of work in more depth and detail.

In addition to the formal committee structure, our governance arrangements have a provision for a Chairs Action Group – this provides Board scrutiny and decision over items that are time sensitive and where a full Committee could not be convened. This approach is used sparingly, and just once in the last year. Any Chairs Action considerations are reported to the full Board to ensure ongoing transparency in our decision making.

Board development and engagement

During 2025–26, the Board continued its structured programme of monthly strategic development sessions alongside its formal quarterly meetings. These sessions provided regular opportunities to receive updates on key programmes of work, engage with staff and external stakeholders, undertake training and development, and contribute to early strategic thinking.

Board induction programme

With 12 new members joining the Board over the past two years, a tailored induction programme was delivered through the strategic development sessions. The programme covered:

- •an overview of our purpose, functions and strategic priorities.
- a session with the Chief Social Care Officer for Wales on national social care priorities and the organisation's contribution to these.
- governance foundations, including the role of the Board, the Nolan Principles, conflicts of interest, the role of the Accounting Officer and expectations of good Board conduct (delivered by the Welsh Government Director of Propriety and Ethics).
- a two day, in-person induction event focused on leadership, teamwork, communication, roles and responsibilities, financial governance, scrutiny and accountability.

This programme ensured that new members developed a strong understanding of their responsibilities and the wider context within which we work.

Joint Board development sessions

- Regular sessions with Health Education and Improvement Wales (HEIW) supported ongoing collaboration under the joint health and social care workforce strategy.
- A first joint session with Llais, with the aim of supporting more joined up national working and provided opportunities to share learning and improve collective impact.

Key themes considered by the Board

Throughout the year, the Board explored a wide range of strategic issues, development topics and organisational priorities.

Governance, assurance and risk

- Ongoing review of the strategic risk register, risk appetite and horizon scanning.
- Introduction and testing of the new Board Assurance Framework ahead of implementation.
- Scenario based discussions on the practical application of governance policies, including the Code of Conduct and Social Media Guidance.

Board effectiveness and leadership

- Completion of the 2025–26 Board effectiveness review and agreement of associated improvement actions.
- Discussion and practice of consensus decision making to support inclusive and transparent Board deliberation.
- Development sessions on strategic thinking using established frameworks.
- Consideration of the role and responsibilities of the newly appointed Deputy Chair.

Sector and organisational insight

- A visit to Cwm Taf Morgannwg to gain firsthand insight into social care delivery, local challenges and innovation.
- An engagement session with the Minister for Children and Social Care, providing an opportunity to share updates and discuss emerging priorities.
- Updates from SCWWDP leads on partnership working and programme delivery.
- Preparation for the 2026 Senedd elections, including engagement with Members of the Senedd.
- Early exploration of long-term trends and future priorities during the "2050 and beyond" strategic planning session.

Overall impact

The strategic development programme for 2025–26 made sure that our Board members were well-informed, supported and equipped to carry out their roles effectively. The sessions strengthened governance and strategic oversight, promoted continuous improvement, and created valuable opportunities for shared learning, reflection and engagement both within the Board and with key national partners.

Board and committee effectiveness

Continuous learning and improvement is a core value of the organisation. The Board and its Committees regularly review how effectively they operate, including the quality of decision making, leadership behaviours and governance arrangements.

An annual Board and Committee effectiveness review was carried out in 2025–26 using an anonymous questionnaire completed by all Board members. The same questionnaire has been used for the past five years, enabling consistent comparison over time and helping to identify emerging trends. The findings were discussed at a Board Strategic Development Session in March 2026.

Overall, the review confirmed a strong and positive assessment of Board and Committee effectiveness, with high levels of engagement, commitment and shared ownership of responsibilities. Members reported confidence in the Board's governance role, culture, and ability to provide appropriate support and challenge to the executive team.

The review also identified a small number of opportunities for further development, focused on strengthening the Board's long term effectiveness. These included:

- improving shared understanding of the Board's advocacy role;
- maintaining a grounded understanding of practice and pressures across the social care sector;
- creating more space for forward looking, strategic discussion; and
- developing a shared and consistent understanding of compassionate leadership at Board level.

Following the review, these opportunities have been incorporated into the Board's Strengthening Corporate Governance Action Plan. This is a rolling plan that captures improvement actions arising from effectiveness reviews and other sources, and progress is monitored regularly. During the year, several actions were completed and closed, reflecting strengthened governance arrangements, with a small number of actions continuing into 2026–27.

Meeting effectiveness is a standing item on agendas for every Board and Committee meeting, and the Chairs of each Committee and Board Secretary ask members for feedback during and after each meeting.

In ensuring ongoing Board effectiveness, the Board remains vigilant and proactive, requesting analysis of how Board discussions impact on decision making and changes within the organisation.

Members' attendance at Board and committees

Board members are paid for two days' work a month. Independent members who support our committees receive payment for their contribution, whereas representatives from partner organisations who are co-opted members of our committees do not receive payment.

In addition to our 14 publicly appointed members we have several people who are independent members or co-opted onto our committees:

Independent members (paid)

- Abhishek Vyas is an independent member without voting rights, with a professional cyber security background who supports the Audit and Risk Committee.
- Heikki Doyle is an independent member, without voting rights, with a professional financial qualification and background who supports the Audit and Risk Committee.

Co-opted members (organisational representatives) (unpaid)

- Sarah Evans, Head of Registration and Enforcement at Care Inspectorate Wales (CIW), sits on the Regulation and Standards Committee as a co-opted member.
- Jenny Williams a representative from the Association of Directors of Social Services (ADSS) Cymru sits on the Improvement Committee as a co-opted member.

The Standing Orders for the Board set out the expected attendance level for Board members at meetings at 60 per cent. This table shows members' attendance at Board and Committee meetings during 2025/26.

To assist members in making effective decisions, papers for every Board and Committee meeting are posted onto a digital portal, with a wide range of supporting technical documents.

Name	Committee membership	Attendance at Board meetings	Attendance at Board development sessions	Attendance at Committee meetings	Overall meeting attendance (inc. Committees)	Term of appointment ends
Mick Giannasi (Chair)	Remuneration	4/4	12/12	3/3	19/19 (100%)	31.07.27 (will be standing down 15.07.26)
Aaron Edwards	Improvement Audit and Risk	2/4	8/12	6/8	16/24 (66%)	31.03.28
Abhishek Vyas (Independent Audit and Risk Committee member)	Audit and Risk	-	-	2/4	2/4 (50%)	31.03.27
Abyd Quinn Aziz	Regulation and Standards (Chair) Remuneration Committee	4/4	11/12	7/7	22/23 (96%)	31.03.28
Dr Edwin Mutambanengwe	Improvement Regulation and Standards	3/4	6/12	7/8	16/24 (66%)	31.03.29
Einir Roberts	Improvement (Deputy Chair) Regulation and Standards	4/4	11/12	8/8	23/24 (96%)	31.03.28
Heikki Doyle (Independent Member Audit and Risk Committee)	Audit and Risk Committee	-	-	4/4	4/4 (100%)	31.03.27
Helen Mary Jones (Board Deputy Chair)	Audit and Risk (Deputy Chair); Improvement Remuneration Committee	3/4	10/12	7/9	20/25 (80%)	30.04.30
Isobel Lloyd	Audit and Risk Regulation and Standards	4/4	12/12	7/8	23/24 (96%)	31.03.29
Katija Dew	Audit and Risk (Chair) Remuneration	4/4	12/12	6/7	22/23 (96%)	31.03.29
Kieran Harris	Audit and Risk Improvement	4/4	10/12	5/8	19/24 (79%)	31.03.28

Name	Committee membership	Attendance at Board meetings	Attendance at Board development sessions	Attendance at Committee meetings	Overall meeting attendance (inc. Committees)	Term of appointment ends
Mark Roderick	Improvement; Regulation and Standards	2/4	12/12	7/8	21/24 (88%)	31.03.28
Neil Ayling	Audit and Risk Committee Regulation and Standards (Deputy Chair*)	3/4	11/12	8/8	22/24 (92%)	31.03.29
Dr Progress Igbedion	Improvement Regulation and Standards	4/4	12/12	8/8	24/24 (100%)	31.03.29
Sarah Zahid**	Audit and Risk Regulation and Standards	2/2	4/4	2/2	8/8 (100%)	31.03.28
Sue Phelps	Audit and Risk Improvement	4/4	12/12	8/8	24/24 (100%)	31.03.29
Trystan Pritchard	Improvement (Chair); Remuneration	4/4	12/12	7/7	23/23 (100%)	30.06.27

* Whilst Sarah Zahid is on maternity leave.

** Member was on maternity leave 16 September 2025 – 31 March 2026.

Effectiveness of our governance framework

Throughout the year I receive assurance that our business and strategic objectives are being met via internal management meetings, budget and performance reports, and project updates. To strengthen this further, we are introducing a Directors' Controls Assurance Statement process, which will require all three Directors to provide a formal, evidence-based assessment of the effectiveness of governance, risk management and internal control arrangements within their areas of responsibility.

These Statements are important because they give me, as Accounting Officer, clear and structured assurance that strong and compliant controls have operated consistently across each directorate. They also ensure that any weaknesses, risks or control failures are surfaced early, enabling timely action and supporting transparency, accountability and the proper stewardship of public resources.

Alongside this, I operate a 'virtual open-door policy' where any member of staff can contact me with concerns. I promote the Staff Partnership Council and Staff Forum as essential channels for engagement, ensuring we listen to staff about their experiences and areas for improvement. We've also run the following actions to support staff engagement:

- **Listening exercises and staff feedback:** During 2025–26 we continued to strengthen our approach to staff engagement and organisational learning through a series of listening exercises and feedback mechanisms led by both the Executive and the Board.
- **CEO Listening Exercise:** Building on my initial listening exercises with staff as I commenced in my role as Chief Executive in July 2024, I introduced a new programme of listening sessions with staff across the organisation during 2025-6. These sessions provided an opportunity for

colleagues to share their experiences of recent organisational change, reflect on what is working well, and identify areas where further support or clarification would be helpful.

- Board Listening Exercise: In March and April 2026, the Board undertook its annual listening exercise with staff. The Chair, accompanied by several Board members, attended departmental meetings to hold open, two-way conversations. The feedback gathered will be collated and reported to the Board early in 2026–27 and will inform future priorities and areas for improvement.
- Staff Survey: Alongside these listening activities, we undertook our annual staff survey, which provided further insight into staff experience, levels of engagement, and organisational culture. The survey results highlighted areas of strength and identified themes where colleagues felt improvements would help them to deliver their best work.

Key high-level messages from the staff survey

- Our overall engagement score is **90 per cent**, remains high and significantly above the Civil Service benchmark.
- Staff are interested in and sufficiently challenged by their work.
- Staff understand the organisations objectives and purpose with managers helping them to understand how they contribute to the objectives.
- Overall, the pay and benefits section remains the lowest scoring
- Staff are grateful for the hybrid working policy and believe this to be a positive feature of their employment.
- Staff are happy with the learning and development opportunities offered to some extent, but this is still an area than can be improved on.
- Managing change is the section with the biggest downward movement. There is some uncertainty linked to the reorganisation and communication during periods of change.

Re-organisation

Following my initial staff engagement exercise in January 2025 colleagues identified several areas where we need to look at how we're organised, along with being clear and focused on who we're here to support. Based on feedback I undertook a reorganisation between June and September 2025. The main aim of the reorganisation was to look at our work through the perspectives of those who use our services, not just our organisation functions. We worked with our Staff Partnership Council (SPC) on a set of principles on which the reorganisation would happen.

Our Staff Partnership Council will be checking in with staff on the reorganisation as part of the Forums scheduled for February 2026 (six months) and May 2026 (nine months). In our feedback to staff and a commitment in our Organisation Development plan we'll be formally evaluating the reorganisation between September and March of 2027.

Across all these engagement activities, we remain committed to closing the loop with staff. Where actions are identified through the CEO's listening exercise, the Board's annual conversations, or the staff survey, these are incorporated into our organisational development plan. This makes sure that staff feedback directly shapes our improvement activity and that we maintain a culture of continuous learning and development.

People management

During the year we had four grievances raised through our formal procedures (compared to three in 2024/25) and all were investigated. Of these cases, three were upheld or partially upheld with recommendations implemented in each case, and one was not upheld. Our Board and Welsh Government Partnership Team receive a quarterly report on key HR metrics including grievances and disciplinary. Remuneration Committee will scrutinise employee relations cases where appeals need to be heard outside of the Executive or cases are referred to employment tribunals.

We've monitored completion of mandatory e-learning training as that has been an area of continuous focus. We receive a quarterly HR report which provides an overview of:

- Staff absence
- Recruitment
- Staff turnover
- Reviews and objectives
- Training and learning
- Wellbeing initiatives.

At the end of the year:

- Our current turnover rate is **3.74%**.
- Our absence rate for this year is **4.38% or 2.91%** if we discount long term sickness (LTS) absence and pregnancy related absences. This equates to 11.1 days lost per employee, or **6.9 days** excluding LTS.
- We achieved a **94%** recruitment success rate.
- During the year we began a project to review and update job descriptions following the implementation of the Job Evaluation Grading Scheme in 2024/25. This will be completed in the next financial year.
- **80%** of our annual training and learning plan activities were met.

Budget management

We use a scheme of delegation and financial instructions to carry out our work to make sure our decision making is appropriate and proportionate to the level of risk associated with it.

Procurement

During 2025–26, we maintained a structured and proactive approach to procurement planning to support timely delivery of our business plan. We provide a quarterly report on our procurement activity to our Audit and Risk Committee to strengthen the scrutiny of our procurement arrangements along with independent audits by our Internal Auditors. We'll be introducing additional internal controls to provide additional assurance to me, as the Accounting Officer, that all procurement undertaken during the year complies with our Procurement Procedures, including correct application of financial thresholds to determine the appropriate route to market.

Robust controls were also applied to non-competitive procurement, with all direct award decisions approved in advance and supported by clear justification before any award was made.

We continued to embed the principles of our Environmental Social and Governance (ESG) Procurement Strategy within procurement activity, ensuring that environmental, social and governance considerations informed decision-making throughout the period. This approach strengthened both compliance and the wider impact of our procurement activity, helping ensure that purchasing decisions supported our organisational values and contributed to responsible stewardship of public funds.

Governance frameworks

We also maintain and review registers of interest for employees and Board members to identify any potential or perceived conflict with our decision-making processes, so we can take the right action.

Since becoming Social Care Wales in 2017, we've operated under a Model Governance Framework that sets out the governance arrangements under which we work, and the terms and conditions attached to the Grant-in-aid provided by Welsh Ministers. During 2025–26 we updated our Framework to align with the 2024 model, which was approved by the Minister in March 2026. Early in 2026–27 we will begin updating our internal governance documents to reflect the new Framework, ensuring all revisions are implemented in a timely and coordinated way.

Internal audit

Our Internal Audit plan has been based on a risk-based approach, meaning that audit activity is prioritised towards areas of highest risk to achieving our objectives and was agreed by the Audit and Risk Committee. Our internal audit work is delivered by an independent external provider. The internal auditors submit regular reports about the adequacy and effectiveness of our systems (financial, corporate and workforce regulation) of internal control, together with recommendations for improvement. We've have been increasing the range of audits undertaken to new areas in the organisation, to provide assurance and support our continuous improvement. We consider all recommendations and develop management responses to all audit recommendations, which are scrutinised by Audit and Risk Committee. Action progress is reviewed on at least a quarterly basis and reported to Audit and Risk Committee.

Our internal auditors carried out seven internal audits, one follow-up audit, and one advisory review during the year on our policies and procedures for:

Work area	Level of assurance
Risk Management – Maturity	Substantial
Human Resources – Absence management	Reasonable
Business Continuity Planning, IT Disaster Recovery	Substantial
Apprenticeship Certification	Substantial
Grant Management – Social Care Wales Workforce Development Programme (SCWWDP)	Substantial
Programme Management - Regulation Transformation Project	Substantial
Key Financial Controls	Substantial
Governance – Fitness to Practise	Reasonable
Follow up	Implemented – 19 recommendations
	Outstanding – 11 recommendations
	Considered but not implemented – n/a
Review of Governance, Collaboration and Partnership Approach	Advisory report

The Head of Internal Audit, based on the audit work carried out during the year, concluded that we had reasonable and effective risk management, control and governance processes in place.

Definitions of assurance level

Substantial Assurance	There is a robust system of internal controls operating effectively to ensure that risks are managed and process objectives achieved.
Reasonable Assurance	The system of internal controls is generally adequate and operating effectively but some improvements are required to ensure that risks are managed and process objectives achieved.
Limited Assurance	The system of internal controls is generally inadequate or not operating effectively and significant improvements are required to ensure that risks are managed and process objectives achieved.
No Assurance	There is a fundamental breakdown or absence of core internal controls requiring immediate action.

External audit

We receive an Audit of Financial Statements Report and Management letter from Audit Wales, which reports on issues that are picked up during the audit of our financial statements.

In 2024/5 our accounts received an unqualified audit opinion, no significant matters to report, and no recommendations as a result of testing.

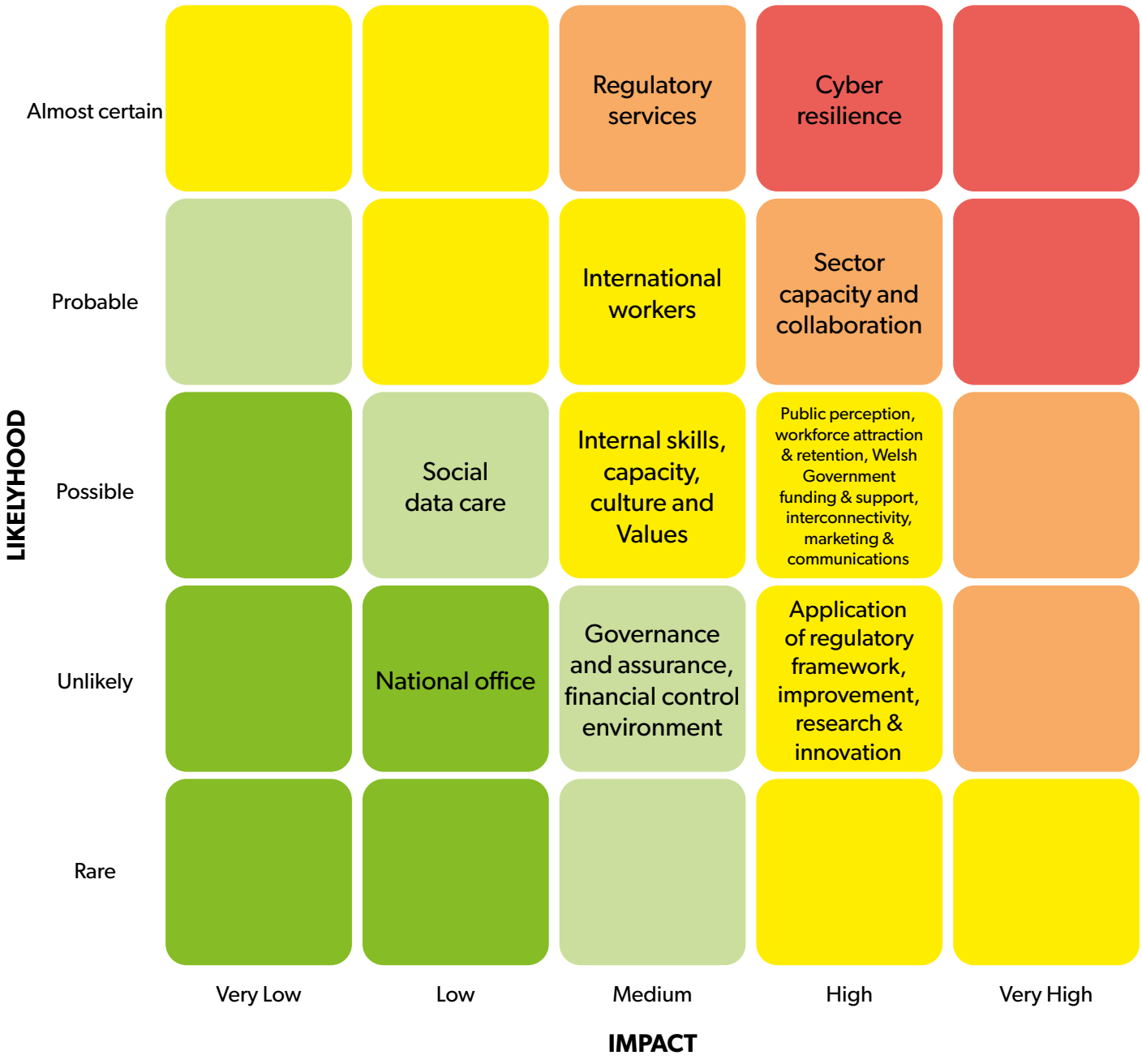
Risk management

We continue to look and manage risk based on our Risk Management and Assurance Policy. Our positive approach to risk management means we not only look at the risk of things going wrong, but the impact of not taking opportunities or not making the most of what we do well. Our strategic risk register is reviewed every month by our Leadership Team. This is then scrutinised by the Audit and Risk Committee on a quarterly basis. This is supported by operational and project risk registers. We apply a 'Three lines of defence' approach which seeks to mitigate and minimise risk through the identification of controls, internal review and independent third-party audit assurance.



Strategic Risk profile

A summary of our risk profile at the end of March 2026 is provided in the diagram below. These are 'heat maps' which shows the number of strategic risks and assesses levels of residual risk following the application of controls to mitigate their impact and likelihood.



Risk Assessment

We take a dynamic approach to risk assessment, with leadership teams reviewing and updating the strategic risk register on a regular (monthly) basis to reflect changes in our operating environment. Several key strategic risks changed during the year. Some of these risks were merged with other strategic risks, whilst others were able to be reworded and updated to show the changing environment. These included risks associated with:

Risk Title	24/25 Residual Risk Score	Risk Title	25/26 Residual Risk Score
National Office	4	National Office (Description Change)	4
Regulatory Services	15	Regulatory Services (Description Change)	15
Workforce Attraction/Pay and Conditions	12	Workforce Attraction and Retention (Risk Merge)	12
Workforce Retention	15		
Regulator Effectiveness	8	Regulatory Services (Risk Merge)	12
Regulatory Services	15		
Skills and Capacity	9	Internal Skills, Capacity, Culture and Values (Risk Merge)	9

There were four new strategic risks added to the risk register during 2025/26 which were associated with:

Risk Title	25/26 Residual Risk Score
Reorganisation	N/A – merged with Internal Skills, Capacity, Culture and Values risk
International Workers	12
Artificial Intelligence	TBC
Political Change	TBC

The following risk was closed or de-escalated from the Risk Register during 2025/26:

Risk Title	Closed or de-escalated
International Workers	Closed

I'll continue to ensure that risks are well managed, where there are weaknesses, the appropriate actions are in place to tackle them, and that our internal controls and assurances are regularly reviewed to make sure they stay effective.

Risk Appetite and Management

Given what we do, our tolerance of risk in areas associated with governance and reputation is low. In other areas, such as workforce improvement, we are prepared to accept more risk to take advantage of opportunities to pursue our ambitions.

The Board has adopted seven assurance areas around which to structure an assurance map. This summarises existing controls and sources of assurance and highlights any gaps relative to meeting the needs of the Board. For each assurance area, the Board has broadly defined its risk appetite using the classification recommended in the UK Government's Risk Appetite Guidance Note and considers to what extent existing controls align with that appetite. Our Board reviews risk appetite on a regular basis. The most recent review was undertaken in November 2025.

Assurance area	Risk appetite to November 2025	Risk appetite revised November 2025
Financial / value for money	Cautious / Open	Cautious / Open
Governance	Minimal / Cautious	Minimal / Cautious
Policy Work	Open	Open / Hungry
Reputational	Cautious	Cautious
Our people	Open	Open
Improvement	Open	Open / Hungry
Regulation	Minimal / Cautious	Cautious

Information Governance and Security

We maintained our certification under ISO 27001 Information Security Management Systems throughout the year. Compliance was supported by the provision of a specialist internal audit service throughout the year. In 2025-26 we achieved an uprating of our Cyber Essentials certification to Cyber Essentials Plus.

As a data controller registered with the Information Commissioner's Office (ICO), we make sure we have information governance controls in place. This is to keep the data we collect and process secure and in line with current data protection legislation so that we are open and transparent with our decision making.

During 2025-26 we recorded 25 data incidents:

	2025/26
Number of data incidents / incidents	25
Number reported to the ICO	1
Type of incident	
Errors by a third party	3
Software/server issue	-
Human error/ training and awareness issue	21
Physical	-
Cyber security inc. spam attack	1

- During the year we were required to make the Information Commissioner's Office (ICO) aware of one incident as it met the threshold to report. This related to a cyber-attack in quarter 1. We followed the necessary procedures for reporting and kept the ICO informed of the reporting requirements, actions taken and recommendations as a result.
- We responded to **14 requests under the Freedom of Information Act**; 1 request took longer than the 20 working days response time due to a timing misalignment, this was partly due to the financial year end and an all staff training event. Processes are being refined to ensure deadlines are consistently met. The types of requests were varied this year and included requests for information related to finance expenditure, IT, FTP case decision and FTP referral statistics.
- We received **20 Subject Access Requests** (SARs) under the Data Protection Act 2018 (DPA).
  - Six of those were for information we do not hold, but in most cases, we were able to signpost to the relevant organisations.
  - Four SARs did not provide the additional information that we requested in order to process the request.
  - Three SARs were made by staff (current and/or previous).
  - Five requests were relating to information held by our Fitness to Practice (FTP) team.
  - One request was for information that was held by multiple teams, including FTP, Registration and Strategy, Performance and Risk teams. This request included three separate information bundles. Two of the bundles were sent within the one calendar month deadline, an extension

of one day was requested for the final bundle, this was to ensure that we were sharing all of the information that they were entitled to receive.

  - One request was received from another data controller to the Registration team for a SAR that they had received.
  - All other requests were fulfilled within the 30-day period. Some requests for information, for example copies of registration information, are not dealt with under the DPA and recorded as formal SARs as the information could be supplied quickly as opposed to waiting up to 30 days.

- We received **six requests for the Right to erasure** under the UK GDPR. The response was responded to in line with the policy and within one month of receipt of the request.
- We received one request for the Right to Rectification under UK GDPR. The response was responded to in line with the policy and within one month of receipt of the request.

We continue to look at improving our **information governance framework and DPA compliance** with our cross organisational Information Governance Group. This group looks at our compliance with ISO27001 certification, data protection legislation, accountability and alignment with Cyber (Security) Essentials. A programme of role-based training on managing data protection and information security risks was undertaken throughout the year. We have revised and developed a number of new policies, internal resources and staff training in relation to data protection throughout the year.

Customer Service

We use complaints, customer feedback and queries to continuously look at how we can work better and provide better customer service.

In 2025-26 we had 10 complaints under our complaints policy. The table below sets out how they were classified (Stage 1, initial investigation and response and Stage 2, a more detailed review where the complainant remains dissatisfied) and the areas that they related to:

Relevant Team	Stage of Resolution	Status
Registration	Stage 1	Complete
Registration	Stage 2	Complete
Registration	Stage 1	Complete
Qualifications	Stage 1	Complete
Fitness to Practise	Stage 2	Complete
Student	Stage 1	Complete
Fitness to Practise	Stage 1	Complete
Registration	Stage 1	Complete
Fitness to Practise	Stage 1	Complete
Fitness to Practise	Stage 1	Complete

Our Audit and Risk Committee receive detail on these as part of its Compliance report on a quarterly basis.

On average we completed Stage 1 complaints within 8 working days.

On average we completed Stage 2 complaints within 17 working days.

Whistleblowing

Internal

We encourage our staff to raise issues of concern about wrongdoing that come to their attention while at work. I regard the internal identification of wrongdoing as an important contribution to managing corporate risk and ensuring good governance.

We've established internal whistleblowing policy and procedures which reflects the provisions of the Public Interest Disclosure Act 1998 and sets out a mechanism for staff for raising such matters.

In 2025-2026, no staff raised a concern under our Whistleblowing Policy as was the case in 2024-25.

External

We're listed under The Prescribed Persons Order 2014 as a designated organisation that any worker in the social care sector can approach to report suspected or known wrongdoing. This is also known as 'whistleblowing' or making a disclosure.

As a prescribed person, we have several duties, which are set out in guidance from the Department of Business, Energy and Industrial Strategy (BEIS), one of which is to annually report on the number of whistleblowing disclosures we receive.

During the year, 17 whistleblowing disclosures were received. These covered a range of issues, including concerns about workplace conduct, employer practices, provider management, and information requests about how to raise concerns. One disclosure related to a data breach, and others related to matters that had already been considered by employers or the police.

All disclosures were reviewed in line with our whistleblowing process. None resulted in an investigation being opened by our Fitness to Practise team. Where appropriate, we provided individuals with information or signposted to relevant organisations, or considered the concerns under our existing regulatory processes.

Fraud

We have a Counter Fraud, Bribery and Corruption Policy, supported by a fully implemented fraud risk register and assessment that identifies and assesses potential areas of fraud and irregularity across the organisation. In line with good practice, the fraud risk register is reviewed every six months and is updated to ensure it remains current and reflects emerging risks, organisational changes and learning from audits or incidents.



Sarah McCarty
Chief Executive and Accounting Officer

Date:15 July 2026

Remuneration and Staff Report

Remuneration Report

Pay Policy Statement

This is Social Care Wales's pay policy statement for the period 1 April 2025 to 31 March 2026.

This pay policy statement provides the framework for decision making on pay and decision making on senior pay.

Chief Executive Officer

The Chief Executive Officer and Accounting Officer for Social Care Wales is Sarah McCarty. At 31 March the Chief Executive Officer was in receipt of a salary of £143,067 per annum.

The Board

The Board comprises of 15 Board Members led by a lay Chair Mick Giannasi. All have been appointed by the Minister, through the Public Appointments process. The remuneration of the Board members is non-pensionable and is determined by Welsh Government. For enhanced transparency, the remuneration of the Chair of Social Care Wales is disclosed in this report. Board members are remunerated £292 per day and are committed to two days a month.

Social Care Wales Staff

All members of staff are employed by Social Care Wales on such terms and conditions as the Board determines. Remuneration of all members of staff is in line with the organisation's scheme for staff pay and grading arrangements that was approved by the Welsh Government in 2004 and applies equally to all staff members.

These arrangements include a salary scale with incremental salary progression during the early years of employment, and a non-consolidated award based on organisational performance. Payment of the Corporate Performance Award was suspended in 2010-11 and consequently no bonuses have been paid since 2009-10.

The pay award is subject to discussion with Staff Council and approval by the Social Care Wales Remuneration Committee and the Welsh Government annually. When determining pay strategies, the Board considers the:

- need to recruit, retain and motivate suitably able, qualified and high-calibre people
- overall affordability
- pay practices in the wider public sector and comparator organisations
- relevant legal obligations including equality and anti-discrimination requirements.

The following sections in the Remuneration and Staff Report are subject to audit.

Senior Pay Remuneration

Officials	Salary (£000)*		Pension benefits (£)		Total (£000)	
	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25
Chair Mick Giannasi	30-35	30-35	N/A	N/A	30-35	30-35
Chief Executive Officer Sarah McCarty	140-145	125-130	139.9	73.2	280-285	200-205
Director of Service Support and Improvement Lisa Trigg	95-100	50-55	30.9	10.2	130-135	60-65
Director of Finance, Partnerships and Corporate Services (from 6 October 2025) Jo Bolton	45-50	N/A	14.6	N/A	60-65	N/A
Director of Workforce Regulation and Development David Pritchard	105-110	105-110	30.9	29.8	135-140	135-140

*Included in Salary where applicable are any Taxable travel and Subsistence Allowances in accordance with our Travel and Subsistence scheme.

Jo Bolton became Director of Finance, Partnerships and Corporate Services in October 2025.

The amount of pension benefits for the year which contributes to the single total figure is calculated in a similar way to the method used to derive pension values for tax purposes and is based in information received from our actuaries.

The value of pension benefits accrued during the year is calculated as (the real increase in pension multiplied by 20) plus (the real increase in any lump sum) less (the contributions made by the individual). The real increases exclude increases due to inflation or any increase or decrease due to a transfer of pension rights.

This is not an amount which has been paid to an individual by Social Care Wales during the year; it is a calculation which uses information from the pension benefit table. These figures can be influenced by many factors e.g. changes in a person's salary, whether or not they choose to make additional contributions to the pension scheme from their pay and other valuation factors affecting the pension scheme as a whole.

Salaries consist of gross pay and pay awards agreed by the Welsh Government.

No members of staff responsible for decision making received benefits in kind from Social Care Wales other than one director in relation to our Tusker scheme for the provision of motor vehicles to staff.

Pension Entitlements of Directors	Total accrued pension at 31 March 2026	Real increase in pension at 31 March 2026	Total accrued lump sum at 31 March 2026	Real increase/ (decrease) in lump sum at 31 March 2026	CETV at 31 March 2026	CETV at 31 March 2025	Real increase/ decrease in CETV in 2025-26
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Chair Mick Giannasi	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Chief Executive Officer Sarah McCarty	50.0-55.0	7.5-10.0	25.0-30.0	0.0-2.5	748	621*	127
Director of Finance, Partnerships and Corporate Services (from 6 October 2025) Jo Bolton	0.0-5.0	0.0-2.5	-	-	14	n/a	14
Director of Service Support and Improvement Lisa Trigg	10.0-15.0	0.0-2.5	-	-	210	171	39
Director of Workforce Regulation and Development David Pritchard	5.0-10.0	0.0-2.5	-	-	137	99	38

*The CETV for 2024-25 has been restated in 2025-26, due to the figure being overstated in 2024-25 (CETV was shown at £682k).

The Chief Executive is an ordinary member of the Social Care Wales pension scheme. The Chair does not participate in the pension scheme.

The Cash Equivalent Transfer Value is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. It is a payment made by a pension scheme, or arrangement to secure pension benefits in another pension scheme, or arrangement when a member leaves a scheme and chooses to transfer the pension benefits they have accrued in their former scheme.

The pension figures shown related to the benefits that the individual has accrued as a consequence of their total membership of the scheme, not just their service in a senior capacity to which disclosure applies. The CETV figures and other pension details include the value of any pension in another scheme or arrangement which the individual has transferred. They also include any additional pension benefit accrued to the member as a result of their purchasing additional years at their own cost. CETVs are calculated within the guidelines and framework prescribed by the Institute and Faculty of Actuaries.

The real increase in the value of the CETV reflects the increase in CETV effectively funded by the employer. It takes account of the increase in accrued pension due to inflation, contributions paid by the employee, including the value of any benefits transferred from another pension scheme or arrangement, and uses common market valuation factors from the start and end of the period.

Accrued pension benefits included in this table for any individual affected by the Public Service Pensions Remedy have been calculated based on their inclusion in the legacy scheme for the period between 1 April 2015 and 31 March 2022, following the McCloud judgement. The Public Service Pensions Remedy applies to individuals that were members, or eligible to be members, of a public service pension scheme on 31 March 2012 and were members of a public service pension scheme between 1 April 2015 and 31 March 2022. The basis for the calculation reflects the legal position that impacted members have been rolled back into the relevant legacy scheme for the remedy period and that this will apply unless the member actively exercises their entitlement on retirement to decide instead to receive benefits calculated under the terms of the Alpha scheme for the period from 1 April 2015 to 31 March 2022.

The pension figures in this table are therefore based on the service built up in the final salary scheme up to 31 March 2015 and from then, the career average schemes based on the requirements of the LGPS and guidance of the scheme actuary.

Fair Pay disclosure

In 2025-26 all staff including the highest paid director received a pay award of 3.25%. An additional 0.5% non-consolidated award was paid to all staff, excluding the Chief Executive Officer and Directors (2024-25 5%).

Pay ratios	2025-26	2024-25
Highest Earner's Total Remuneration (£'000)	140-145	135-140
25th percentile pay ratio	4.3	4.3
Median pay ratio	3.1	3.4
75th percentile pay ratio	2.6	2.6
Range of total remuneration	£25,217-£143,067	£24,423-£138,564

Reporting bodies are required to disclose the relationship between the remuneration of the highest-paid director in their organisation and the median remuneration of the organisation's workforce.

The banded remuneration of the highest paid director in Social Care Wales in the financial year 2025-256 was £140,000-£145,000 (2024-25: £135,000-£140,000).

The remuneration used for the 25th percentile pay ratio, median and 75th percentile pay ratio were £33,103, £46,869 and £54,687 respectively. The corresponding figures in 2024-25 were £32,061, £40,413 and £52,966.

Total remuneration is the salary cost only and does not include employer pension contributions and the cash equivalent transfer value of pensions.

Remuneration ranged from £25,217 to £143,067 (2024-25: £24,423 to £138,564).

Staff Report

Staff Costs	2025-26					2024-25
	Total Costs	Permanent Employed Staff	Temporary Staff And Secondees	Chair and Board members	Panel Members	Total Costs
	£'000	£'000	£'000	£'000	£'000	£'000
Salaries and Wages	10,929	10,483	193	130	123	10,191
Social Security Costs	1,412	1,397	-	10	5	1,069
Other pension Costs	1,087	1,086	-	-	1	1,504
Apprenticeship Levy	39	39	-	-	-	36
Sub Total	**13,467**	**13,005**	**193**	**140**	**129**	**12,800**
Deduct Payments in respect of outward secondments	(17)	-	(17)	-	-	-
Total net costs	**13,450**	**13,005**	**176**	**140**	**129**	**12,800**

Consistent with guidance, employment costs include payments made in respect of contract staff. The total cost of salaries excluding Other Pension Costs was £12,363k (£13,450k-£1,087k) in 2025-26 in comparison to £11,296k (£12,800k-£1,504) in 2024-25.

Other pension costs totalling £1,087k are the service costs (current and past) of the scheme and in addition any pension costs in relation to the increase in the holiday accrual. The £1,087k consists of actual Employer contributions based on payroll costs of £2,077k, and costs in relation to the holiday pay accrual increase of £8k and £1k of Panel Member contributions to NEST Pensions. The residual difference of £990k (£750k in 2024-25) is the decreased charge which is required to be charged under International Accounting Standard (IAS 26). The decreased charge in 2025-26 relates to £990k of current service charges

Staff numbers - WTE	2025-26			2024-25
	Total No	Permanent No	Other No	Total No
Chief Executive and Directors	4	4	0	4
Workforce Regulation and Development	110	107	3	90
Service Support and Improvement	58	58	0	82
Finance, Partnerships and Corporate Services	62	61	1	53
Totals	**234**	**230**	**4**	**229**

The table above represents the average number of whole-time equivalent persons employed during the year.

Staff composition

As at 31 March 2026 of the workforce of 250, 189 (76%) were women and 61 (24%) were men. In comparison as at 31 March 2025 of the workforce of 240, 179 (75%) were women and 61 (25%) were men.

Included in these numbers are the Senior Management Team which consists of the Chief Executive and three directors. Of the Senior Management Team three were women (75%) and one a man (25%). As at 31 March 2025 of the Senior Management Team two were women (50%) and two were men (50%).

Staff Composition by job family is as follows:

Staff Composition by Job Family	Female	Male	Total	Female	Male
Executive Team	3	1	4	75%	25%
Senior Leadership Team	6	3	9	67%	33%
Management Team	63	19	82	77%	23%
Technical and Development Team	64	24	88	73%	27%
Support Team	53	14	67	79%	21%
Totals	**189**	**61**	**250**	**76%**	**24%**

Sickness absence data

The level of staff sickness during 2025-26 was 4.38% (2024-25: 3.5%).

Staff Policies, Equality and Diversity

Social Care Wales has 'Investors in People' status and its human resource policies reflect best practice as part of its commitment as a learning organisation. We recognise and value diversity and ensure that all our employment practices and programmes of work embed and demonstrate not just our public duty as set out by the Equalities Act but embraces equality and diversity as a core value underpinning all functions and the delivery of high-quality services of our workforce and the sector. We will ensure that in all our work we fully embed a human rights approach. Social Care Wales through its remit, promotes and influences the importance of language choice for service users and sensitivity of language within the social care workforce. We have a leadership role in the delivery of the Welsh Government's More than Just Words - Strategic Framework for Welsh Language Services in Health, Social Services and Social Care. As an employer we are a truly bilingual organisation providing an environment which nurtures and develops staff to learn and improve their bilingual skills and own the bilingual ethos of the organisation.

We have also a responsibility to uphold the conventions set out in the Human Rights Act 1998. We are committed to providing a work environment that values the diversity of all people, both our own staff and those we come into contact during our work, and we fully support the rights of people to be treated with dignity and respect.

In 2026, we will need to formally report on our gender pay gap as we have now reached a headcount of 250 employees.

We are committed to making sure equality and openness exist in our pay and grading arrangements. When we considered our Equal Pay report in June 2025, we found no evidence of pay discrimination on the grounds of any protected characteristics. We also considered our Gender pay Gap in June 2025 which stood at 11.8%(median). This is in comparison to the position on June 2024 when it was 11.0%(median).

Employee voice

During 2025-26 our Staff Partnership Council has had a crucial role to play in collecting and feeding back the views of staff on significant issues including the restructure and key policies. This has been achieved through regular staff forums, meeting with teams individually and producing feedback documents to HR and the Executive Management Team.

Support and wellbeing

We introduced a new Employee Assistance Programme in 2023-24 with an added Menopause Support Service.

As part of this framework, we are able to utilise the following services:

- Access for all our staff to a 24-hour, 7 day a week telephone counselling service
- Face to face counselling
- On-Line resources.

Flexibility and Benefits

- In total 36.6% of the workforce have a formal flexible working arrangement in place. This is in addition to the flexibility afforded through our hybrid working and flexitime policies
- At 31 March 2026, 14.3% of our workforce (36 people) are considered part-time (working less than 36 hours per week). This is an increase from 12% at 31st March 2025.
- A further 22.3% (56 people) officially work some form of compressed hours (36 hrs worked across less than 5 days a week or a 2 week 9 day pattern). This is up from 10.63% at 31st March 2025.
- The childcare voucher scheme has now closed to new entrants with 5 active members as at 31 March 2026
- All staff are able to work under a hybrid pattern of home and office locations
- We operate a cycle to work scheme and a salary sacrifice car scheme.

Expenditure on consultancy

Any Consultancy costs in relation to expert opinion obtained to assist in business decision making are included in Administration costs (Professional Fees) in the financial statements. In 2025-26 there were no Consultancy costs (2024-25: £0k).

Off-payroll engagements

In 2025-26 Social Care Wales has acted in accordance with Dear Accounting Officer letter 1/14 in relation to Tax Arrangements of Public Sector Appointees and no "off payroll" engagements are required to be reported.

Exit Packages

There was one exit package agreed in 2025-26 and the cost of the package fell in the range of £25,000-£50,000 and is included in salary costs. There was also one exit package agreed in 2024-25 and the cost of the package fell in the range of £25,000-£50,000 and was included in Salary Costs in the 2024-25 financial statements.

Accountability and Audit

Regularity of expenditure

All expenditure in 2025-26 has been dealt with in accordance with any relevant legislation, the Governance Statement agreed with Welsh Government and Managing Welsh Public Money.

Fees and Charges

Registration Fee income for the financial year 2025-26 was £2,528k (2024-25: £2,461k). As agreed by Welsh Government the fees received does not cover the full cost of registration and the excess cost is therefore funded by Grant in Aid.

Remote Contingent Liabilities

Social Care Wales is not aware of any remote contingent liabilities.

Long-expenditure trends

It is assumed in the term that expenditure levels will broadly remain the same based on the assumption that our Grant in Aid level will remain the same.



Sarah McCarty
Chief Executive and Accounting Officer

Date: 15 July 2026

The Certificate and report of the Auditor General for Wales to the Senedd

Opinion on financial statements

I certify that I have audited the financial statements of Social Care Wales for the year ended 31st March 2026 under Schedule 2 of Paragraph 6 to the Regulation and Inspection of Social Care (Wales) Act 2016.

The financial statements comprise the Statement of comprehensive net expenditure, the Statement of financial position, the Statement of cash flows, the Statement of changes in taxpayers' equity and related notes, including the material accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and UK adopted international accounting standards as interpreted and adapted by HM Treasury's Financial Reporting Manual.

In my opinion, in all material respects, the financial statements:

- give a true and fair view of the state of Social Care Wales's affairs as at 31st March 2026 and of its net expenditure for the year then ended;
- have been properly prepared in accordance with UK adopted international accounting standards as interpreted and adapted by HM Treasury's Financial Reporting Manual.
- have been properly prepared in accordance with Welsh Ministers' directions issued under Schedule 2 of Paragraph 6 to the Regulation and Inspection of Social Care (Wales) Act 2016.

Opinion on regularity

In my opinion, in all material respects, the expenditure and income in the financial statements have been applied to the purposes intended by the Senedd and the financial transactions recorded in the financial statements conform to the authorities which govern them.

Basis for opinions

I conducted my audit in accordance with applicable law and International Standards on Auditing in the UK (ISAs (UK)) and Practice Note 10 'Audit of financial statements and regularity of public sector bodies in the United Kingdom'. My responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of my certificate.

My staff and I are independent of the body in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK including the Financial Reporting Council's Ethical Standard, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinions.

Conclusions relating to going concern

In auditing the financial statements, I have concluded that the use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the body's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from when the financial statements are authorised for issue.

My responsibilities and the responsibilities of the Accounting Officer with respect to going concern are described in the relevant sections of this certificate.

The going concern basis of accounting for Social Care Wales is adopted in consideration of the requirements set out in HM Treasury's Government Financial Reporting Manual, which require entities to adopt the going concern basis of accounting in the preparation of the financial statements where it anticipated that the services which they provide will continue into the future.

Other information

The other information comprises the information included in the annual report other than the financial statements and other parts of the report that are audited and my auditor's report thereon. The Accounting Officer is responsible for the other information in the annual report. My opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in my report, I do not express any form of assurance conclusion thereon. My responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

Opinion on other matters

In my opinion, the part of the Remuneration and Staff Report to be audited has been properly prepared in accordance with Welsh Ministers' directions made under Schedule 2 of Paragraph 16 to the Regulation and Inspection of Social Care (Wales) Act 2016.

In my opinion, based on the work undertaken in the course of my audit:

- the parts of the Accountability Report subject to audit have been properly prepared in accordance with Welsh Minsters' directions made under Schedule 2 of Paragraph 16 to the Regulation and Inspection of Social Care (Wales) Act 2016; and
- the information given in the Performance Report and Accountability Report for the financial year for which the financial statements are prepared is consistent with the financial statements and is in accordance with the applicable legal requirements.

Matters on which I report by exception

In the light of the knowledge and understanding of the body and its environment obtained in the course of the audit, I have not identified material misstatements in the Performance Report and Accountability Report.

I have nothing to report in respect of the following matters which I report to you if, in my opinion:

- I have not received all of the information and explanations I require for my audit.
- adequate accounting records have not been kept or returns adequate for my audit have not been received from branches not visited by my team;
- the financial statements and the audited part of the Accountability Report are not in agreement with the accounting records and returns;
- information specified by Welsh Ministers regarding remuneration and other transactions is not disclosed;
- certain disclosures of remuneration specified by HM Treasury's Government Financial Reporting Manual are not made or parts of the Remuneration and Staff Report to be audited are not in agreement with the accounting records and returns; or
- the Governance Statement does not reflect compliance with HM Treasury's guidance.

Responsibilities of the Accounting Officer for the financial statements

As explained more fully in the Statement of Accounting Officer's Responsibilities, the Accounting Officer is responsible for:

- maintaining adequate accounting records;
- the preparation of the financial statements and Annual Report in accordance with the applicable financial reporting framework and for being satisfied that they give a true and fair view;
- ensuring that the Annual Report and financial statements as a whole are fair, balanced and understandable;
- ensuring the regularity of financial transactions;
- internal controls as the Accounting Officer determines is necessary to enable the preparation of financial statements to be free from material misstatement, whether due to fraud or error;
- assessing Social Care Wales's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Accounting Officer anticipates that the services provided by Social Care Wales will not continue to be provided in the future.

Auditor's responsibilities for the audit of the financial statements

My responsibility is to audit, certify and report on the financial statements in accordance with Schedule 2 of Paragraph 16 to the Regulation and Inspection of Social Care (Wales) Act 2016.

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

My procedures included the following:

- Enquiring of management, the audited entity's head of internal audit and those charged with governance, including obtaining and reviewing supporting documentation relating to Social Care Wales's policies and procedures concerned with:
  - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
  - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
  - the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- Considering as an audit team how and where fraud might occur in the financial statements and any potential indicators of fraud;
- Obtaining an understanding of Social Care Wales's framework of authority as well as other legal and regulatory frameworks that the Social Care Wales operates in, focusing on those laws and regulations that had a direct effect on the financial statements or that had a fundamental effect on the operations of Social Care Wales;

- Obtaining an understanding of related party relationships.

In addition to the above, my procedures to respond to identified risks included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with relevant laws and regulations discussed above;
- enquiring of management, the Audit Commitee and legal advisors about actual and potential litigation and claims;
- reading minutes of meetings of those charged with governance and the Board;
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and
- evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

I also communicated relevant identified laws and regulations and potential fraud risks to all audit team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

The extent to which my procedures are capable of detecting irregularities, including fraud, is affected by the inherent difficulty in detecting irregularities, the effectiveness of the Social Care Wales's controls, and the nature, timing and extent of the audit procedures performed.

A further description of the auditor's responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website www.frc.org.uk/auditorsresponsibilities. This description forms part of my auditor's report.

Other auditor's responsibilities

I obtain evidence sufficient to give reasonable assurance that the expenditure and income recorded in the financial statements have been applied to the purposes intended by the Senedd and the financial transactions recorded in the financial statements conform to the authorities which govern them.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Report

I have no observations to make on these financial statements.

Adrian Crompton
Auditor General for Wales

Date: 17 July 2026

1 Capital Quarter
Tyndall Street
Cardiff
CF10 4BZ

Disclaimer

The maintenance and integrity of the Social Care Wales website is the responsibility of Social Care Wales. The work carried out by the auditor does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the Annual Accounts and Reports since they were initially presented on the website.

Financial statements

Statement of comprehensive net expenditure for the year ended 31 March 2026	Note	2025-26 £'000	2024-25 £'000
Expenditure			
Staff costs	15	13,450	12,800
Programme expenditure			
Training support and other long term funding schemes	4(i)	13,074	13,221
Other programme expenditure	4(ii)	3,608	3,305
Administration costs	5	1,491	1,627
Depreciation and amortisation	6,7 and 8	161	195
Pension interest charge		-	-
		31,784	31,148
Income			
Income from Activities			
Registration Fee Income		2,528	2,461
Other Income			
Apprenticeship Certification		103	94
Mental Health Workforce Plan (Health Education and Improvement Wales)		275	419
National Data Resource (Digital Health and Care Wales)		471	88
Connecting Care (WLGA)		369	-
Life Sciences Hub		-	24
Positive Cultures Funding		26	-
SfCD (Skills for Care and Development)		10	-
Volunteering Wales Strategic Grant (WCVA)		50	52
Digital Literacy and Maturity (WLGA)		-	183
Community of Practice Funding (WLGA)		50	-
Administrative Data Research Wales (Welsh Government)		55	67
Anti Racist Wales Action Plan		-	106
Sundry Income		51	17
Pension Interest Credit	16	20	10
		4,008	3,521
Net Expenditure		27,776	27,627
(Surplus) on disposal of lease		-	(1)
Interest receivable	3(i)	(22)	(27)
Interest surrenderable to the Welsh Government	3(ii)	22	27
IFRS 16 interest payable		11	15
Net Expenditure after interest		**27,787**	**27,641**
Other Comprehensive Expenditure			
Actuarial remeasurement	16	**200**	**460**
Total comprehensive expenditure for the year ended 31 March 2026		**27,987**	**28,101**

The notes on pages 70 to 95 form part of these accounts.

Statement of financial position as at 31 March 2026	Note	2026 £'000	2026 £'000	2025 £'000	2025 £'000
Non-current assets:					
Property,plant and equipment	6	79		114	
Intangible Assets	7	7		21	
Right of Use Asset	8	307		416	
Total non-current assets			393		551
Current assets:					
Trade and other receivables	10	1,300		1,514	
Cash and cash equivalents	11	413		420	
Total current assets			1,713		1,934
Total assets			**2,106**		**2,485**
Current liabilities					
Trade and other payables	12	(566)		(659)	
IFRS 16 Finance lease within one year	13	(110)		(107)	
Total current liabilities			(676)		(766)
Total assets less					
Current liabilities			**1,430**		**1,719**
Non-current liabilities					
IFRS 16 Finance Lease	13	(179)		(290)	
Pension liabilities	16	-		(810)	
Total non-current liabilities			(179)		(1,100)
Assets less liabilities			**1,251**		**619**
Reserves					
General reserve			1,251		1,429
Pension reserve			-		(810)
Total			**1,251**		**619**

Notes on pages 70 to 95 form part of these accounts.

The financial statements on pages 66 to 67 were approved by the Board of Social Care Wales on15 July 2026 and were signed on its behalf by:



Sarah McCarty
Chief Executive and Accounting Officer

Date: 15 July 2026

Statement of cash flows for the year ended 31 March 2026	Note	2025-26 £'000	2024-25 £'000
Cash flows from Operating Activities			
Net expenditure after interest		(27,787)	(27,641)
Adjustment for Depreciation and Amortisation		161	195
Adjustment for Pension finance Costs(net)		(1,010)	(760)
(Increase) in trade and other receivables		214	(8)
(Decrease)/Increase in trade and other payables		(93)	(278)
Net cash (outflow) from operating activities		**(28,515)**	**(28,492)**
Cash flows from Investing Activities			
Purchase of property, plant and equipment	6	(4)	(21)
Purchase of intangible assets	7	-	-
		(4)	**(21)**
Cash flows from Financing Activities			
Welsh Government funding (including Capital)	2	28,619	28,859
IFRS 16	13	(107)	(143)
Net financing		**28,512**	**28,716**
Net (decrease)/increase in cash and cash equivalents in the period		**(7)**	**203**
Cash and cash equivalents at the beginning of the period	11	**420**	**217**
Cash and cash equivalents at the end of the period	11	**413**	**420**

Notes on pages 70 to 95 form part of these accounts.

Statement of changes in taxpayers' equity for the year ended 31 March 2026	**Pension reserve £'000**	**General reserve £'000**	**Restated Total £'000**
Balance as at 1 April 2024	**(1,110)**	**971**	**(139)**
Changes in Taxpayers' Equity 2024-25			
Welsh Government funding		28,859	28,859
Pensions adjustment and remeasurement	300	(300)	-
Comprehensive expenditure for the year		(28,101)	(28,101)
Balance at 31 March 2025	**(810)**	**1,429**	**619**
Changes in Taxpayers' Equity 2025-26			
Welsh Government funding		28,619	28,619
Pensions adjustment and remeasurement	810	(810)	-
Comprehensive expenditure for the year		(27,987)	(27,987)
Balance at 31 March 2026	-	**1,251**	**1,251**

Notes on pages 70 to 95 form part of these accounts.

Notes to the Accounts for the year ended 31 March 2026

Statement of accounting Policies

These accounts have been prepared in accordance with the 2025-26 Government Financial Reporting Manual (FReM) issued by the relevant authorities.

The accounting policies contained in the FReM apply International Financial Reporting Standards (IFRS) as adapted or interpreted for the public sector context. Where the FReM permits a choice of accounting policy, the accounting policy which is judged to be most appropriate to the circumstances of Social Care Wales for the purpose of giving a true and fair view has been selected. The particular policies adopted by Social Care Wales are described below and have been applied consistently in dealing with items that are considered material to the accounts.

1(i) Accounting Convention

The accounts have been prepared on a going concern basis, in accordance with the Accounts Direction issued by the Welsh Ministers with the consent of HM Treasury. They have been prepared under the modified historical cost convention.

1(ii) Financing

Social Care Wales receives monies from Welsh Government to fund its general revenue and capital activities. These amounts are regarded as financing and are credited to the General Reserve on receipt.

1(iii) Registration Fee Income

This arises from fees charged for registration on the Social Care Register. This fee is not considered to be for an on –going service but for registration in the register only. In line with International Financial Reporting Standard 15 - Revenue from Contracts with Customers (IFRS 15), revenue is recognised at point of registration.

1(iv) Apprenticeship Certification income

Social Care Wales receives income for the compliance checking, printing and posting of Apprenticeship certificates as part of its work for the Apprenticeship Certification Authority. The revenue associated with the provision of services is recognised over time in line with the completion of the delivery of the services. In addition, as Social Care Wales have all the risks and rewards associated with the provision of the services the income is accounted for on a gross basis in line with IFRS 15 and recognises any costs associated with these services separately.

1(v) Training support and Other Grants

During 2025-26 Social Care Wales has made payments under the **Social Work Bursary Scheme** which is an incentive to train scheme for students enrolled on undergraduate and post-graduate social work training courses. This scheme includes payments to students of a non-income assessed bursary and an additional income assessed element for post-graduate students.

In addition, a **Practice Learning Opportunity Allowance** is also paid to all students. This expenditure is recognised as a liability on the receipt of the relevant grant claims in relation to the various elements of the Social Work Bursary scheme. This is on the basis that once the grant has been approved, Social Care Wales is unable to avoid this cost, as after eligibility has been proven there are no conditions in relation to the grant that are within the control of Social Care Wales that limit the amount payable.

Practice Learning Opportunity Funding (PLOF) is provided to Local Authorities as a contribution towards the costs of securing Practice Learning Opportunities for students undertaking approved Social Work courses in Wales. The grant is accounted for as a liability and the expenditure recognised in the Statement of Comprehensive Expenditure once the grant application has been successful. This is on the basis that at this point Social Care Wales cannot avoid paying this liability and there are no conditions in relation to the grant that would limit the amount payable.

From 1 April 2017, Social Care Wales was given the responsibility for the administration of **the Social Care Wales Workforce Development programme (SCWWDP)** grant. The grant is provided to support Local Authorities to train and develop their own staff. Funding available from Social Care Wales through SCWWDP in 2025-26 provides 70% of the cost of the programme currently £8,137,449. The remaining 30% is to be funded by Local Authorities. The conditions attached to the grant are that the grant must be spent on eligible expenditure and must be spent within the financial year. Therefore, the liability for the grant is recognised once the grant offer letter has been provided. This is on the basis that at this point there are no conditions that remain within the control of Social Care Wales that limit the eligible costs being incurred.

Other grants includes:

- Regional Facilitation Grants to Statutory Regional Partnership Boards,
- People Using Services and Carers grants to Higher Education Institutions and

The liabilities for these grants are recognised once the grant has been claimed as at this point there are no conditions that remain within the control of Social Care Wales that limit the amount payable.

1(vi) Trade receivables and other current assets – Social Work Bursary Scheme

During 2025-26 a small number of students terminated their training early, giving rise to a repayment of all or part of the award. The repayment due at 31 March 2026 totalled £84k (£91k: 31 March 2025) but was reduced by the bad debt provision of £38k (£46k: 31 March 2025). This sum is included in Trade receivables and other current assets at note 10. It is the policy of Social Care Wales to seek full repayment of these funds. Receivables are written off where all reasonable steps to recover the debt have been taken and there is no realistic prospect of recovery.

1(vii) Property, plant and equipment

Property, plant and equipment of an individual or group value of £5,000 or more are capitalised. Property, plant and equipment have been valued at historic cost as at 31 March 2026, as in the opinion of Social Care Wales any revaluation adjustments are not material.

1(viii) Intangible Assets

Information Technology and Licence purchases of an individual value of £5,000 or more are capitalised. Information Technology and Licence costs have been valued at historic cost as at 31 March 2026, as in the opinion of Social Care Wales any revaluation adjustments are not material.

1(ix) Depreciation and Amortisation of Property, plant and equipment and Intangible Assets

Depreciation and amortisation is provided at rates calculated to write off the historic cost of each asset on a straight-line basis over the asset's useful economic life as set out below, except for office refurbishment, where costs are written off over the remaining period of the office leases when purchased.

- Communications Equipment - five years;
- Furniture - ten years;
- I.T. (Property, Plant and equipment) - four years;
- Accommodation costs - remaining period of accommodation leases when purchased
- Information Technology and Licences (Intangible Assets). - four years

Depreciation and amortisation are calculated monthly and begin in the month following the month of purchase. As such, purchases made in March 2026 will not begin to depreciate/amortise until the 2026-27 financial year. The exception to this rule is accommodation refurbishment costs where the depreciation charge is calculated daily.

1(x) Financial Instruments

Financial Risk Management

International Financial Reporting Standard 7 – Financial Instruments Disclosure, requires disclosure of the role that financial instruments have had during the year in creating or changing the risks a body faces in undertaking its activities. As the cash requirements of Social Care Wales are primarily met through Grant in Aid provided by the Welsh Government, financial instruments play a more limited role in creating and managing risk than would apply to a non-public sector body of similar size, therefore we are not exposed to the degree of financial risk faced by business entities.

The majority of financial instruments relate to contracts to buy non-financial items in line with our expected purchase and usage requirements and are generated by day-to-day operational activities rather than being held to change the risks facing our core activities. We are therefore exposed to little credit, liquidity or market risk.

1(xi) Leases

Lease Recognition

At the commencement date of a lease, Social Care Wales recognises a lease liability and right-of-use asset. The lease liability is measured at the present value of the future lease payments, discounted using the incremental borrowing rate published in the Public Expenditure System (PES) Treasury paper. The right-of-use asset is measured at the amount of the lease liability, adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred.

Leases for low value items (items with a value less than £5,000) and leases with a term shorter than 12 months are excluded.

Subsequent Measurement

After the commencement date of a lease, the lease liability is measured by increasing the carrying amount to reflect interest on the lease liability and reducing it to reflect the lease payments made. The right-of-use asset is measured at cost less accumulated depreciation and any impairment losses.

Operating Leases

Leases that do not meet the definition of a lease under IFRS 16 are accounted for as operating leases. Rentals payable are charged to the Statement of Comprehensive Net Expenditure on a straight-line basis over the term of the lease, irrespective of the payment arrangements. Since we do not own these assets, they do not appear in the Statement of Financial Position.

1(xii) Value Added Tax

Socal Care Wales is not registered for Value Added Tax (VAT). All expenditure including capital expenditure is reported including VAT, where relevant, as no VAT can be recovered.

1(xiii) Pension Costs

Past and present employees are covered by the Local Government Pension Scheme administered by Rhondda Cynon Taf County Borough Council, which is a multi-employer funded scheme. Further information is provided at note 16 to these Accounts where the principal assumptions used by the actuaries are outlined.

Pension Costs have been disclosed in accordance with International Accounting Standard 19 - Employee Benefits (IAS 19). IAS 19 requires the disclosure of certain information covering assets, liabilities and income and expenditure relating to the Scheme.

1(xiv) Provisions and Contingent Liabilities and Contingent Assets

Provisions

Social Care Wales provides for obligations arising from past events where there is a present obligation at the date of the Statement of Financial Position, it is probable Social Care Wales will be required to settle the obligation, and a reliable financial estimate can be made.

Contingent Liabilities

Social Care Wales discloses possible obligations arising from past events where the outcome is based on uncertain future events. Disclosure is made where a present obligation is not probable or cannot be measured reliably.

Contingent Assets

Social Care Wales discloses a possible asset when the outcome is based on one or more uncertain future events not in the control of Social Care Wales.

1(xv) Accounting Standards issued but not yet effective

Changes to Accounting Standards that have been issued but are not yet effective, have been reviewed for impact on the financial statements in the period of initial application. There are no new standards not yet effective that will have an impact on Social Care Wales's accounts.

International Financial Reporting Standard 18 - Presentation and Disclosure in Financial Statements (IFRS 18) was issued in April 2024 and replaced International Accounting Standard 1 - Presentation of Financial Statements. It is effective for accounting periods beginning on or after 1 January 2027. IFRS 18 will be implemented from a future date (not before 2027-28) that will be determined by the UK Financial Reporting Advisory Board in conjunction with HM Treasury following analysis of this new standard.

International Financial Reporting Standard 19 – Subsidiaries without Public Accountability Disclosures (IFRS 19) was issued in May 2024 and is effective for accounting periods beginning on or after 1 January 2027. IFRS 19 permits eligible subsidiaries to apply reduced disclosure requirements while applying the recognition and measurement requirements of other IFRS Accounting Standards. This standard is not applicable to Social Care Wales.

2. Analysis of net expenditure by segment

The Statement of Comprehensive Net Expenditure Account reflects the segments that the operating results of Social Care Wales are reported to the Executive Management Team in order that performance can be assessed by these segments. Consequently, no further analysis of Net Expenditure by Segment is provided.

3. Welsh Government funding	2025-26 £'000	2024-25 £'000
Grant in aid received from the Welsh Government	28,619	28,859
Amount credited to general reserve	**28,619**	**28,859**

As outlined in Note 1(ii) the total grants of £28,619k (2024-25: £28,859k) are credited to the General Reserve on receipt.

3(i) Non-retainable income	2025-26 £'000	2024-25 £'000
Interest on deposit account	22	27
Total non-retainable income	**22**	**27**

3(ii) Reconciliation of cash received from non-retainable income with amounts repaid to the Welsh Government	2025-26 £'000	2024-25 £'000
Cash received (income exceeding Welsh Government threshold)	22	27
Total income repayable	22	27
Cash repayment	(22)	27
Due to the Welsh Government at the year end	-	-

Social Care Wales has a liability to repay the Welsh Government interest received during the year. The interest received of £22k (2024-25: £27k) was paid to Welsh Government.

4. Programme costs

4(i) Training support and other long term funding schemes	2025-26 £'000	2024-25 £'000
Social Work Bursary Scheme payments	2,798	2,654*
Practice Learning Opportunity Funding	1,262	1,341
People using Services and Carers in Social Work Training	64	64
Social Care Wales Workforce Development Programme	8,137	8,349*
	12,261	**12,408**
Other long term funding schemes		
Grants to regions	813	813*
	13,074	**13,221**

*The Social Work Bursary Scheme Payments, Social Care Wales Workforce Development Programme, and Grants to Regions figures for 2024-25 have been restated for 2025-26, due to a misclassification in 2024-25 (previously stated figures: Social Work Bursary Scheme Payments £2,605k, Social Care Wales Workforce Development Programme £7,640k, and Grants to Regions £1,571k). The total amount for 2024-25 has not changed.

4(ii) Other programme expenditure	2025-26 £'000	2024-25 £'000
Improvement and development	2,404	2,062
Workforce regulation including regulation of social work training	1,204	1,243
	3,608	**3,305**

5. Administration costs	2025-26 £'000	2024-25 £'000
Chair, members, panel members and staff expenses	76	79
Other Staff Costs	244	199
Other Chair, members and panel members costs	13	26
Other premises costs	209	253
Workshops, seminars, promotions, publications	101	90
Equipment and software	559	611
Administration	89	74
External audit - audit work	27	26
Other professional fees	173	269
	1,491	**1,627**

6. Property, plant and equipment year ended 31 March 2026	Accommodation refurbishment £'000	Furniture and fittings £'000	Information technology £'000	Development Expenditure	Totals £'000
Cost					
At 1 April 2025	**235**	**8**	**257**	**21**	**521**
Additions in the period	4		-	-	4
Transfer between asset classes	21	-	-	(21)	-
Disposals in the period	-	-	-	-	-
At 31 March 2026	**260**	**8**	**257**	**-**	**525**
Depreciation					
At 1 April 2025	**155**	**7**	**245**	**-**	**407**
Charged in the year	26	1	12		39
Disposals in the period	-	-	-	-	-
At 31 March 2026	**181**	**8**	**257**		**446**
Net book value					
At 31 March 2026	**79**	**-**	**-**	**-**	**79**
At 1 April 2025	**80**	**1**	**12**	**21**	**114**

year ended 31 March 2025	Accommodation refurbishment £'000	Furniture and fittings £'000	Information technology £'000	Development Expenditure	Totals £'000
Cost					
At 1 April 2024	**255**	**9**	**347**	**-**	**611**
Additions in the period	-	-	-	21	21
Disposals in the period	(20)	(1)	(90)	-	(111)
At 31 March 2025	**235**	**8**	**257**	**21**	**521**
Depreciation					
At 1 April 2024	**154**	**8**	**296**	**-**	**458**
Charged in the year	21	-	39	-	60
Disposals in the period	(20)	(1)	(90)	-	(111)
At 31 March 2025	**155**	**7**	**245**	**-**	**407**
Net book value					
At 31 March 2025	**80**	**1**	**12**	**21**	**114**
At 1 April 2024	**101**	**1**	**51**	**-**	**153**

During 2024-25 a deposit was paid for work to be carried out at the leased property in Cardiff. This expenditure was included in Development Expenditure at 31 March 2025. During 2025-26 the work was begun and completed, and the costs were transferred from Development Expenditure to Accommodation Refurbishment.

7. Intangible assets year ended 31 March 2026	Information technology £'000	Software licences £'000	Development expenditure £'000	Totals £'000
Cost				
At 1 April 2025	**9**	**61**	**-**	**70**
Additions in the period	-	-	-	-
Transfer from development	-	-	-	-
At 31 March 2026	**9**	**61**	**-**	**70**
Amortisation				
At 1 April 2025	**9**	**40**	**-**	**49**
Charged in the year		14		**14**
At 31 March 2026	**9**	**54**	**-**	**63**
Net book value				
At 31 March 2026	**-**	**7**	**-**	**7**
At 1 April 2025	**-**	**21**	**-**	**21**

year ended 31 March 2025	Information technology £'000	Software licences £'000	Development expenditure £'000	Totals £'000
Cost				
At 1 April 2024	**9**	**69**	**-**	**78**
Additions in the period	-	-	-	-
Transfer from development	-	-	-	-
Disposals in the period	-	(8)	-	**(8)**
At 31 March 2025	**9**	**61**	**-**	**70**
Amortisation				
At 1 April 2024	**9**	**35**	**-**	**44**
Charged in the year	-	13	-	**13**
Disposals in the period	-	(8)	-	**(8)**
At 31 March 2025	**9**	**40**	**-**	**49**
Net book value				
At 31 March 2025	**-**	**21**	**-**	**21**
At 1 April 2024	**-**	**34**	**-**	**34**

8. Right of use asset 2025-26	Buildings £,000
Cost	
At 1 April 2025	640
Additions in the period	-
Disposals in the period	-
At 31 March 2026	**640**
Depreciation	
At 1 April 2025	224
Charged in the year	109
Disposals in the period	-
At 31 March 2026	**333**
Net Book Value at 31 March 2026	**307**

Right of use asset 2024-2025	Buildings £,000
Cost	
At 1 April 2024	794
Additions in the period	-
Disposals in the period	(154)
At 31 March 2025	**640**
Depreciation	
At 1 April 2024	155
Charged in the year	122
Disposals in the period	(53)
At 31 March 2025	**224**
Net Book Value at 31 March 2025	**416**

We lease office space in Cardiff with the lease expiring in January 2029.

In 2024-25 we disposed of the right-of-use asset relating to the St Asaph office, by exercising the break clause in the lease.

9. Financial Instruments

The following categories of financial instruments are carried on the Statement of Financial Position:

	2025-26 £'000	2024-25 £'000
Assets		
Amortised Cost		
Trade and other receivables	656	878
Cash and cash equivalents	413	420
	1,069	**1,298**
Liabilities		
Amortised Cost		
Right of use liabilities	289	397
Trade and other payables	566	659
	855	**1,056**

There is a facility of £70k with Barclaycard at 31 March 2026.

10. Trade Receivables and other current assets at 31 March	2026 £'000	2025 £'000
Amounts falling due within one year		
Trade receivables and accrued income		
Social Work Bursary Scheme debtors	84	91
Social Work Bursary Scheme debtors - provision for bad debts	(38)	(46)
	46	45
Welsh Government	54	173
Local Authorities including WLGA	419	149
Other bodies	137	510
Other receivables		
Prepayments and accrued income	644	637
	1,300	**1,514**

Social Work Bursary Scheme debtors are repayable over more than one financial year, with repayment contracts being agreed and signed by students which take account of their individual circumstances. However, for the purposes of disclosure, all balances have been included as falling due within one financial year.

11. Cash and cash equivalents	2025-26 £'000	2024-25 £'000
Balance at 1 April	420	217
Net change in cash and cash equivalent balances	(7)	203
Balance at 31 March	**413**	**420**

The balances at the 1st April 2024, the 1st April 2025, and the 31st March 2026 were held at Commercial Banks.

12. Trade Payables and current liabilities

Trade payables and other current liabilities at 31 March	2026 £'000	2025 £'000
Amounts falling due within one year		
Trade payables	-	49
Other payables		
Accruals and deferred income	566	610
	566	**659**

13. Leases

Leases

Social Care Wales incurred the following expenses in relation to leased property:

Statement of Comprehensive Net Expenditure	2025-26 £'000	2024-25 £'000
Interest expense on lease liabilities	11	15
Expense relating to short-term leases	7	5

The short-term lease expenses relate to office space leased in Llandudno.

Social Care Wales used the incremental borrowing rate published in the Public Expenditure System (PES) Treasury paper to discount the leased property.

A maturity analysis of the undiscounted lease liabilities recognised in the Statement of Financial Position is below:

Year ended 31 March 2026	Due within 1 year £'000	Due 2-5 years £'000
Leased Property	118	186
Year ended 31 March 2025	**Due within 1 year £'000**	**Due within 1 year £'000**
Leased Property	118	304

A reconciliation of the undiscounted cash flows to the lease liabilities recognised in the Statement of Financial Position is below:

	2025-26 £'000	2024-25 £'000
Not later than one year	118	118
Later than one year and not later than five years	186	304
Total	**304**	**422**
Less: Future finance charges	(15)	(25)
Present Value of Lease Liabilities	**289**	**397**

As represented in the Statement of Financial Position:

	2025-26 £'000	2024-25 £'000
IFRS 16 Finance lease due within one year	110	107
IFRS 16 Finance Lease due in more than one year	179	290
Total	**289**	**397**

14. Capital Commitments

There were no contracted capital commitments at 31 March 2026 not otherwise included in these financial statements (2024-25: £2k).

15. Staff costs	2025-26 Total costs £'000	2024-25 Total costs £'000
Salaries and wages	10,930	10,191
Social security costs	1,412	1,069
Other pension Costs	1,087	1,504
Apprenticeship levy	39	36
Sub-total	**13,468**	**12,800**
Less recoveries in respect of outward secondments	(18)	-
Total net costs	**13,450**	**12,800**

16. Retirement benefit obligations

(i) Present Staff and Pensioners

Social Care Wales participates in a multi-employer funded pension scheme which provides benefits at a normal pension age which is linked to the state pension age (but with a minimum age of 65). The assets of the scheme are held separately from those of Social Care Wales and are administered by Rhondda Cynon Taf County Borough Council. Social Care Wales share of the underlying assets and liabilities of the scheme was separately identified in the actuarial valuation at 31 March 2004 for the first time.

16(ii) Local Government Pension Scheme (LGPS) - a defined benefit scheme

The Scheme is contracted out of the State Earnings Related Pension Scheme (SERPS) and is not subject to the minimum pension requirements of the Pensions Act 1995. The Local Government Pension Scheme Regulations 1997 (regulation 77) specifies that actuarial valuations must be carried out at 31 March 1998, and triennially thereafter. The disclosures below relate to the Rhondda Cynon Taf County Borough Council Pension Scheme and have been provided by the Scheme's actuary Aon.

16(iii) Results under International Accounting Standard no.19 (Disclosure)

The disclosures below relate to the funded liabilities within the Rhondda Cynon Taf Pension Fund (the 'Fund') which is part of the Local Government Pension Scheme (LGPS). The LGPS is a funded defined benefit plan with benefits earned up to 31 March 2014 being linked to final salary. Benefits after 31 March 2014 are based on a Career Average Revalued Earnings scheme. Details of the benefits earned over the period covered by this disclosure are set out in 'The Local Government Pension Scheme Regulations 2013' (as amended) and 'The Local Government Pension Scheme (Transitional Provisions, Savings and Amendment) Regulations 2014' (as amended).

Funding / Governance Arrangements of the LGPS

The funded nature of the LGPS requires the Employer and its employees to pay contributions into the Fund, calculated at a level intended to balance the pension liabilities with investment assets. Information on the framework for calculating contributions to be paid out is set out in LGPS Regulations 2013 and the Fund's Funding Strategy Statement. The last actuarial valuation was at 31 March 2025 and the contributions to be paid until 31 March 2027 resulting from that valuation are set out in the Fund's Rates and Adjustment Certificate. The Fund Administering Authority, Rhondda Cynon Taf County Borough Council is responsible for the governance of the Fund.

Assets

Social Care Wales recognises gains and losses in full, immediately through the Statement of Comprehensive Net Expenditure. In accordance with International Accounting Standard 19 - Employee Benefits (IAS 19), disclosure of certain information concerning assets, liabilities and income and expenditure relating to pension schemes is required.

The assets allocated to the Employer in the Fund are notional and are assumed to be invested in line with the investments of the Fund for the purposes of calculating the return to be applied to these notional assets over the accounting period. The fund is large and holds a significant proportion of its assets in liquid investments. As a consequence, there will be no significant restriction on realising assets if a large payment is required to be paid from the Fund in relation to an employer's liabilities. The assets are invested in a diversified spread of investments and the approximate split of assets for the Fund as a whole (based on data supplied by the Administering Authority) is shown in the disclosures.

The Fund Administering Authority may invest a small proportion of the Fund's investments in the assets of some of the employers participating in the Fund if it forms part of their balanced investment strategy.

Risks associated with the Fund in relation to accounting

Asset Volatility

The liabilities used for accounting purposes are calculated using a discount rate set with reference to corporate bond yields. If assets underperform, this yield this will create a deficit in the accounts. The Fund holds a significant proportion of growth assets which, while expected to outperform corporate bonds in the long term, creates volatility and risk in the short term in relation to the accounting figures.

Changes in Bond Yield

A decrease in corporate bond yields will increase the value placed on the liabilities for accounting purposes although this will be marginally offset by the increase in the assets as a result (to the extent the Fund invests in corporate bonds).

Inflation Risk

The majority of the pension liabilities are linked to either pay or price inflation. Higher inflation expectations will lead to a higher liability value. The assets are not perfectly correlated with inflation meaning that an increase in inflation will increase the deficit.

Life Expectancy

The majority of the Fund's obligations are to provide benefits for the life of the member following retirement, so increases in life expectancy will result in an increase in the liabilities.

Exiting Employers

Employers who leave the Fund (or their guarantor) may have to make an exit payment to meet any shortfall in assets against their pension liabilities. If the employer (or guarantor) is not able to meet this exit payment the liability may in certain circumstances fall on other employers in the Fund. Further the assets at exit in respect of 'orphan liabilities' may, in retrospect, not be sufficient to meet the liabilities. This risk may fall on other employers. 'Orphan liabilities' are currently a small proportion of the overall liabilities in the Fund.

Other Notes

McCloud Judgement

The 'McCloud' judgement in the Court of Appeal found that the transitional protection arrangements put in place when certain public service pension schemes were reformed were age discriminatory. The Government accepted that this judgement applied to all relevant public service pension schemes, including the Local Government Pension Scheme (LGPS).

Changes to the LGPS to remove this age discrimination were implemented with effect from 1 October 2023. These changes, commonly referred to as the McCloud remedy, provide eligible members with protection to ensure they do not receive lower benefits than they would have received under the previous final salary arrangements.

All LGPS employers accounted for the McCloud judgement in previous years and so there will be no requirement to recognise an additional past service cost in relation to this.

Goodwin ruling

In June 2020 an Employment Tribunal ruled, in relation to the Teachers' Pension Scheme, that provisions for survivor's benefits of a female member in an opposite sex marriage are less favourable than for a female in a same sex marriage or civil partnership, and that treatment amounts to direct discrimination on grounds of sexual orientation. The chief secretary to the Treasury announced in a written ministerial statement on 20 July 2020 that he believed that changes would be required to other public service pension schemes with similar arrangements.

Those changes were not reflected in the LGPS Regulations at 31 March 2025 (the date of the 2025 valuation), however the Government has consulted on changing the LGPS Regulations to remedy the discrimination in the LGPS. An estimate of the additional liabilities resulting from the Goodwin ruling was made in the 2025 valuation, with the same estimate used in 2026. Included with the Past Service Cost over the accounting period is £0.02M relating to the additional expected liabilities due to the equalisation of survivor benefits.

Virgin media judgement

In June 2023, the High Court handed down a decision (Virgin Media Limited v NTL Pension Trustees II Limited and others), which was subsequently upheld by the Court of Appeal in July 2024. The ruling potentially has implications for the validity of amendments made by pension schemes, including the LGPS, which were contracted-out on a salary-related basis between 6 April 1997 and the abolition of contracting-out in 2016. The ruling related to the requirement on the Trustees to obtain the Scheme's actuary confirmation that a Scheme continued to provide a minimum level of benefits (known as a 'reference scheme test') following certain types of rule amendments. Without this confirmation (sometimes referred to as a section 37 confirmation, by reference to section 37 of the Pension Schemes Act 1993, which sets out that scheme rules can only be altered as prescribed in the relevant regulations), the amendment may be void and ineffective.

The Government has passed legislation to allow retrospective validation of certain changes through the 2026 Pension Schemes Bill. This will be a significant step forward in addressing issues potentially arising from the Virgin Media decision where actuarial confirmation at the time of the change cannot be found.

The Employer's regular contributions to the Fund for the accounting period ending 31 March 2027 are estimated to be £1.53m. The date of the last full actuarial valuation of Social Care Wales LGPS funded benefits was 31 March 2025, and the duration of liabilities is 19.5 years.

Social Care Wales is an admitted body to the Fund.

During 2022-23 discussions took place with the pension fund regarding our status as a member of the scheme. A review of the risk profile of the organisation was undertaken. A letter of comfort was provided to the trustees to support our status, a position supported by Welsh Government Public Bodies Unit. This is reflected in the significant increase in the discount rate assumed as reflected in the table below.

Key assumptions	31 March 2026 (% pa)	31 March 2025 (% pa)	31 March 2024 (% pa)
Discount rate	6.2	5.8	4.7
CPI inflation	2.8	2.5	2.6
Pension increases	2.8	2.5	2.6
Pension accounts revaluation rate	2.8	2.5	2.6
Salary increases	4.1	3.8	3.9

The change in risk profile also resulted in a significant reduction in our Employer contribution rate as outlined below:

Financial Year	Employer Contribution Rate
2023/24	26.5%
2024/25	23.5%
2025/26	20.4%
2026/27	14.4%

Mortality Assumption

The mortality assumptions are based on actual mortality experience of members within the Fund based on analysis carried out as part of the 2025 valuation and allow for expected future mortality improvements. Sample life expectancies at age 65 resulting from these mortality assumptions are shown below:

Assumed life expectancy at age 65	31 March 2026	31 March 2025
Males		
Pensioner member aged 65 at accounting date	21.7	20.9
Active member aged 45 at accounting date	22.5	21.8
Females		
Pensioner member aged 65 at accounting date	24.4	23.7
Active member aged 45 at accounting date	25.2	24.8

Asset allocation	Value at 31 March 2026			Value at 31 March 2025
	Quoted	Unquoted	Total	
Equities	66.3%	0.0%	66.3%	65.1%
Property	5.8%	0.0%	5.8%	6.1%
Government Bonds	10.4%	0.0%	10.4%	10.9%
Corporate Bonds	14.4%	0.0%	14.4%	14.7%
Multi Asset Credit	0.0%	0.0%	0.0%	0.0%
Cash	0.2%	0.0%	0.2%	0.5%
Other	2.9%	0.0%	2.9%	2.7%
Total	**100.0%**	**0.0%**	**100.0%**	**100.0%**

Reconciliation of funded status to the Statement of financial position	Value at 31 March 2026 (£M)	Value at 31 March 2025 (£M)
Fair value of assets	57.34	45.65
Present value of funded defined benefit obligation	(29.99)	(25.08)
Funded status	**27.35**	**20.57**
Unrecognised asset	(27.35)	(20.57)
Additional liability due to minimum funding requirement	0.00	(0.81)
(Liability)/Asset recognised on the SOFP	**0.00**	**(0.81)**

The split of the liabilities obligation at the last valuation date between the various categories of members was as follows:

- Active Member 56%
- Deferred Pensioners 13%
- Pensioners 31%

Paragraph 64 of IAS 19 as interpreted by IFRIC 14, limits the amount of net pension asset(surplus) that can be recognised in the Statement of Financial Position. Therefore the surplus of £27.35M (2024-25: £20.57M) has not been recognised as it is assumed that there is no economic benefit from a refund of surplus as Social Care Wales provides a statutory service and is therefore unlikely to be able to exit the Fund. An additional liability of £0.81M was recognised in 2024-25 but was not recognised in this financial year after the recent valuation of the Fund. This is in line with IFRIC 14 due to minimum funding requirements where employer deficit contributions are being made.

Amounts recognised in comprehensive net expenditure	Year ending 31 March 2026 (£M)	Year ending 31 March 2025 (£M)
Operating cost		
Current service cost	1.07	1.51
Past service cost (incl. curtailments)	0.02	0.00
Settlement cost	0.00	0.00
Financing cost		
Interest on net defined benefit liability/(asset) before asset restriction	(1.26)	(0.71)
Interest on unrecognised asset	1.19	0.65
Interest on additional liability due to minimum funding requirement	0.05	0.05
Pension cost recognised in net expenditure	**1.07**	**1.50**
Remeasurements in other comprehensive expenditure		
Return on plan assets (in excess of)/below that recognised in net interest	(6.28)	1.56
Actuarial (gains)/losses due to change in financial assumptions	(0.46)	(6.62)
Actuarial (gains)/losses due to change in demographic assumptions	0.29	(0.23)
Actuarial (gains)/losses due to liability experience	1.92	0.05
Adjustment (gains)/losses due to restriction of surplus	5.59	6.05
Adjustment (gains)/losses due to minimum funding requirement	(0.86)	(0.35)
Total amount recognised in other comprehensive expenditure	**0.20**	**0.46**
Total amount recognised in total comprehensive expenditure	**1.27**	**1.96**

Changes to the present value of the defined benefit obligation	Year ending 31 March 2026 (£M)	Year ending 31 March 2025 (£M)
Opening defined benefit obligation	**25.08**	**26.88**
Current service cost	1.07	1.51
Interest expense on defined benefit obligation	1.47	1.31
Contributions by participants	0.74	0.67
Actuarial (gains)/losses due to changes in financial assumptions	(0.46)	(6.62)
Actuarial (gains)/losses due to changes in demographic assumptions	0.29	(0.23)
Actuarial (gains)/losses due to liability experience	1.92	0.05
Net benefits paid out	(0.14)	1.51
Past service cost (incl. curtailments)	0.02	0.00
Net increase in liabilities from disposals/acquisitions	0.00	0.00
Settlements	0.00	0.00
Closing defined benefit obligation	**29.99**	**25.08**

Changes to the fair value of assets during the year	Year ending 31 March 2026 (£M)	Year ending 31 March 2025 (£M)
Opening fair value of assets	**45.65**	**40.75**
Interest income on assets	2.73	2.02
Remeasurement gains(losses) on assets	6.28	(1.56)
Contributions by the employer	2.08	2.26
Contributions by the participants	0.74	0.67
Net benefits paid out	(0.14)	1.51
Net increase in assets from disposals & acquisitions	0.00	0.00
Settlements	0.00	0.00
Closing fair value of assets	**57.34**	**45.65**

Actual return on assets	Year ending 31 March 2026 (£M)	Year ending 31 March 2025 (£M)
Interest income on assets	2.73	2.02
Remeasurement gains /(losses) on assets	6.28	(1.56)
Actual return on assets	**9.01**	**0.46**

Estimated pension expense in future periods

Funded Benefits

We provide an estimate of the charges to comprehensive expenditure on the provision of services in future periods, based on the assumptions outlined above.

Analysis of amount charged in other comprehensive expenditure on the provision of services next year	Year ending 31 March 2026 (£M)
Current service cost	1.05
Interest on net defined benefit liability	(0.05)
Total estimated pension expense	**1.0**
Allowance for administration expenses included in the Current service cost (£M)	0.05
Estimated pensionable payroll over the period (£M)	10.63

Sensitivity Analysis

The approximate impact of changing the key assumptions on the present value of the funded defined benefit obligation as at 31 March 2026 and the projected service cost for the year ending 31 March 2027 is set out below.

In each case only the assumption mentioned is altered; all other assumptions remain the same as summarised above.

We have not included sensitivity of unfunded benefits (where applicable) on materiality grounds.

Funded LGPS Benefits

Discount rate assumption Adjustment to discount rate	**+0.1% p.a.**	**Base figure**	**-0.1% p.a.**
Present value of total obligation (£M)	29.42	29.99	30.59
% change in present value of total obligation	-1.9%	-	2.0%
Projected service cost (£M)	0.99	1.05	1.11
Approximate % change in projected service cost	-5.6%	-	5.8%

Rate of general increase in salaries Adjustment to salary increase rate	**+0.1% p.a.**	**Base figure**	**-0.1% p.a.**
Present value of total obligation (£M)	30.05	29.99	29.93
% change in present value of total obligation	0.2%	-	-0.2%
Projected service cost (£M)	1.05	1.05	1.05
Approximate % change in projected service cost	0.0%	-	0.0%

Rate of increase to pensions in payment and deferred pensions assumption, and rate of revaluation of pension accounts assumption Adjustment to pension increase rate	**+0.1% p.a.**	**Base figure**	**-0.1% p.a.**
Present value of total obligation (£M)	30.53	29.99	29.48
% change in present value of total obligation	1.8%	-	-1.7%
Projected service cost (£M)	1.11	1.05	0.99
Approximate % change in projected service cost	5.8%	-	-5.6%

Post retirement mortality assumption* Adjustment to mortality age rating assumption	**-1 year**	**Base figure**	**+1 year**
Present value of total obligation (£M)	30.65	29.99	29.33
% change in present value of total obligation	2.2%	-	-2.2%
Projected service cost (£M)	1.09	1.05	1.01
Approximate % change in projected service cost	3.8%	-	-3.9%

* A rating of +1 year means that members are assumed to follow the mortality pattern of the base table for an individual that is 1 year older than them.

17. Provisions and Contingent Liabilities disclosed under IAS 37

The lease agreements in relation to our Cardiff office potentially requires that any alterations, additions and partitioning should be removed on cessation of the lease. No provision has been made as this obligation is uncertain and is contingent on the landlord requesting the removal.

18. Contingent Asset

At 31 March 2026 there were £36k of registration fees outstanding. Based on experience to date only after contacting the registered person are we able to substantiate whether the registered person has not paid due to leaving the sector (and the outstanding fee will not be pursued) or if it is a genuine debt in relation to an ongoing registrant.

Therefore the £36k outstanding is not treated as income in the Statement of Comprehensive Net Expenditure as we are not sure of the precise economic value of this amount as on an individual basis, we will not know whether the income will materialise until contact is made and a response is received from the registered person.

19. Related Party Transactions

During the year Social Care Wales has had various material transactions with the Welsh Government which is regarded as a related party. The transactions and balances were as follows:

	2025-26	2024-25
Income	£28.67m	£29.03m
Expenditure	£0.05m	*£0.111m
Debtor balance as at 31 March	£0.05m	£0.173m
Creditor balance as at 31 March	£0.02m	*£0.028m

* The Expenditure and Creditor balance figures for 2024-25 have been restated in 2025-26, due to the figures being overstated in 2024-25 (Expenditure was shown at £1.11m and the Creditor balance was shown at £0.28m in the 2024-25 accounts).

Social Care Wales Board Members and Staff

No employees including key management personnel or board members, nor their related parties were involved directly or indirectly in any transactions with Social Care Wales during the year, apart from normal expense claims, salary payments etc. Information about key management personnel is included in the Remuneration Report.

However, for transparency we do disclose material transactions with organisations in which senior staff or members or any of their family held positions of influence during the year.

Income

In the prior year, we entered into transactions with Health Education and Improvement Wales (HEIW), where a member of the Board held a senior position. The individual ceased to hold this role on 31 March 2025 and was not a related party during the current financial year. Comparative amounts are disclosed in the table below in respect of expenditure during the prior year.

During the year we received £3k in sponsorship for the Accolades Awards from Practice Solutions. Practice Solutions is considered a related party as three Board members were associates of the organisation. These members had no involvement in the sponsorship arrangement.

Expenditure

Members of our board were also members of Local Health Boards which we provided funding to during 2025-26.

In addition, three Board members were associates of Practice Solutions who we commissioned work with during 2025-26 but had no involvement in the work commissioned.

Another member was an independent consultant for the Institute of Public Care (which is part of Oxford Brookes University) who we commissioned work with during 2025-26 but had no involvement in the work commissioned.

One member was acting Chief Executive Officer for Voices for Care from 22 April 2024 and was the Children's Transformation Delivery Group Chair, where we had some minor transactions in 2024-25.

One member is employed as a Team Manager at Conwy County Council, which we provide Practice Learning Opportunity Funding to.

Another member was remunerated as a full-time reader on the Social Master's Degree programme at Cardiff University (until retirement on 31 October 2024) and an external examiner for the Social Work Degree programme at Swansea University. We provided Involving people using services and careers in social work training funding in relation to the social work programmes to both universities in 2025-26.

The transactions were as follows:

Board Member	Role	Organisation	Expenditure 2025-26 (£)	Expenditure 2024-25 (£)
Mick Giannasi	Member	Powys Teaching Health Board	-	4,400
Trystan Pritchard	Assistant Director of Strategic Partnership, Engagement & Insights – until 31 March 2025	Health Education and Improvement Wales	-	2,379
Helen Mary Jones	Associate	Practice Solutions	37,180	2,100
Helen Mary Jones	Chair	Children in Wales	-	178
Helen Mary Jones	Acting CEO	Voices of Care	-	200
Neil Ayling	Associate	Practice Solutions	37,180	2,100
Neil Ayling	Independent Consultant	Institute of Public Care	155,218	-
Einir Hinson	Team Manager	Conwy County Council	53,720	46,368
Abyd Quinn Aziz	Full Time Reader – until 31 October 2024	Cardiff University	-	5,100
Abyd Quinn Aziz	External Examiner	Swansea University	70,250	11,886
Abyd Quinn Aziz	Associate	Practice Solutions	37,180	2,100

The transactions with Conwy County Council included £50,500 of Practice Learning Opportunity Funding payments.

The transactions with Swansea University included Involving people using services and careers in social training scheme funding of £9,567.

20. Third Party Assets

Social Care Wales does not hold any third-party assets in which it acts as a custodian or a trustee.

21. Events after the reporting period

There are no events after the reporting period, which require adjustment to the 31 March 2026 financial statements.

Gofal Cymdeithasol **Cymru**
Social Care **Wales**

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