

WHITEPAPER

A connected future: Embracing digital transformation in Care

Challenges and solutions for UK social care providers





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Executive summary

The UK's adult social care sector is undergoing a period of profound transformation, driven by financial pressures, workforce challenges, and the urgent need for more integrated, person-centred services. Local authorities, once the primary providers of care, now deliver only a small fraction of services directly – although there is growing interest in bringing services back in-house.

While residential care continues to play a vital role, we are seeing a strategic shift toward expanding domiciliary care – particularly council-commissioned home support – as a more cost-effective, preventive model. This approach not only fosters independence but reduces the burden on more intensive residential settings and acute healthcare services.

At the heart of this shift lies technology. From cloud platforms and mobile-first care management systems to AI-enhanced predictive tools, the right infrastructure empowers local authorities to deliver more effective home-based care. Technology not only streamlines operations but helps unlock earlier interventions, enabling people to live independently for longer and reducing reliance on crisis-driven residential care.

Yet, many providers still rely on outdated, manual processes, with a large proportion struggling with invoicing, payroll, and workforce visibility. These inefficiencies not only impact service quality but also contribute to staff dissatisfaction and high turnover.

The sector also faces acute funding shortfalls, exacerbated by rising costs, limited central government support, and increasing reliance on council tax. Recruitment and retention remain critical issues, with low pay and limited career progression cited as key barriers.

However, technology offers a way forward, enabling better training, recognition, and communication – particularly for the desk-free workforce that forms the backbone of care delivery.

Fragmentation across the system – between the NHS, local authorities, and private providers – further complicates care coordination. Integrated Care Systems (ICSs), shared care records, and community-based models like virtual wards are promising developments, but their success hinges on robust, centralised digital infrastructure.

By embracing these tools, local authorities can lead the shift toward preventative, joined-up care that is both sustainable and responsive to the needs of an ageing population.



At a glance: Care in numbers

36%

say their current IT systems
are not adequate

40%

face challenges providing
timely invoices

40%

lack visibility of staff required
at specific times of the day / week

78%

spend 3-6 hours amending
payroll errors

60%

of large providers still rely
on manual processes

79%

spend 3-6 hours amending
invoicing errors

Data displayed is taken from the [OneAdvanced Care Trends Report 2025](#), in collaboration with Care England.
The sample comprised 404 multi-site Care Home Owners, CEOs, MDs, CFOs, COOs and CQC Registered Managers.





The state of council-run care

As of 2025, only about 9% of adult social care – including domiciliary and residential care – is directly provided by local authorities. This marks a significant decline from 42% in 2001, highlighting a long-term shift toward outsourcing services to independent providers. This trend has largely been driven by budgetary constraints and evolving policy priorities.

However, the idea of bringing care services back in-house is gaining renewed attention. And while the concept offers potential benefits, it also presents notable challenges. Below is a balanced exploration of the key arguments on both sides.

One of the most compelling reasons for in-house provision is the greater control over quality. Councils that manage care directly can oversee staff recruitment, training, and service delivery standards. This allows them to better align care with local needs and values.

Additionally, workforce conditions may improve under council management. Public sector roles often offer better job security and benefits, which could help reduce staff turnover and improve continuity of care.

Another advantage is public accountability. Services delivered by local authorities are more transparent and subject to democratic oversight. This can foster stronger community trust and make it easier to integrate care with other council-run services such as housing, health, and social support.

In the long term, there may also be cost efficiencies. Although the initial investment in infrastructure and staffing is high, councils could save money by eliminating profit margins and reducing the administrative burden of managing external contracts.

However, the challenges are significant. High upfront costs are a major barrier, as councils would need to invest heavily in facilities, systems, and personnel. There is also the issue of workforce shortages. Recruiting and retaining skilled care workers is already difficult in the private sector, and councils may face similar struggles.

Moreover, operational complexity cannot be underestimated. Running care services requires specialist expertise and robust management systems. Finally, political and legal barriers – such as existing long-term contracts and national policy constraints – can limit a council's ability to bring services back in-house.

Despite these hurdles, some councils have taken the leap. For example, Islington and North Tyneside have successfully re-municipalised care services, reporting improvements in service quality and staff satisfaction. However, these remain exceptions. Most local authorities continue to rely on commissioned services due to financial and logistical limitations.

For councils not ready to fully insource care, there are middle-ground options worth exploring:

- **Hybrid models**, where councils directly run some services while outsourcing others
- **Co-operatives or social enterprises**, which offer community-led care with public oversight
- **Stronger commissioning practices**, to improve quality and accountability without taking on full operational responsibility



Technology is key

For local authorities currently delivering care in-house, or are considering doing so, technology infrastructure forms a major piece of the puzzle. With [comprehensive care business management](#) systems in place, the need for commissioned services is greatly reduced, particularly when those systems are intuitive, with little requirement for training provision.

The ideal solution should support all aspects of care business management – from onboarding, rostering, and invoicing to payroll, time tracking, and attendance. It should also streamline care delivery, equipping both managers and caregivers with tools to provide exceptional personalised care. This includes tools to manage client information, medication requirements, incident reporting, and safeguarding.

Additionally, the solution must prioritise caregiver safety, incorporating tracking features that help ensure their wellbeing at work. Mobile accessibility is essential, enabling caregivers to access everything they need for effective, desk-free service delivery.

For local authorities delivering care in-house, technology forms a major piece of the puzzle.

On the brink: Funding and staffing

The fact that social care – especially for adults – is facing serious funding shortfalls won't come as news to anyone in the sector. Hopes were pinned on the 2025 Spending Review to provide some immediate relief, but this did not materialise. While the government did announce an additional £4bn by 2028–29, this uplift is heavily dependent on local authorities raising council tax by 5% annually, including a 2% adult social care precept.

Crucially, over 80% of this uplift is expected to come from council tax contributions rather than central government grants – raising concerns about fairness and sustainability. With care so reliant on council taxes, wealthier areas are often able to raise more funding than poorer ones, creating a 'postcode lottery' for care provision.

Is the additional £4bn enough? While the figure may be sufficient to keep pace with rising demand and costs, it leaves little room for reform – such as implementing a fair pay agreement for workers.

Indeed, the issue of pay – or the lack thereof – has led to widespread recruitment difficulties. According to the latest [Sector Pulse Check](#) report by charity Hft and Care England, 85% of providers are struggling to find staff due to low pay. At the same time, stricter immigration rules have caused an alarming drop in the recruitment of overseas workers.





Adding to the financial strain, increased National Insurance contributions are estimated to cost independent care providers £940m in 2025–26. When combined with the rise in the National Living Wage, the total additional cost climbs to £2.8bn – a devastating reality already hitting the sector hard.

The Sector Pulse Check highlights the consequences:

- Three in ten providers have been forced to close parts of their organisations or hand back contracts to local authorities
- One-third are considering exiting the market altogether
- 37% have stopped investing in future care needs

The impact is real and immediate. The financial shortfall affects us all – whether taxpayer, client, or provider. Without a sea change in funding, staff pay, and new ways of working, the sector faces an increasingly steep uphill battle, especially with a growing ageing population.

Indeed, demand for elderly care is rising steadily. Data from the [Office for National Statistics](#) (ONS) puts the UK population aged 85 and over at 1.6 million in 2025, rising to 2.1 million by 2032 – a 30% increase. Looking further ahead, this demographic is projected to reach 3.2 million by 2046 – double today's figure. (See Figure A.)

The number of UK citizens aged 85 and over is projected to reach 3.2m by 2046.

Projected UK Population Aged 85 and Older (2025 - 2046)

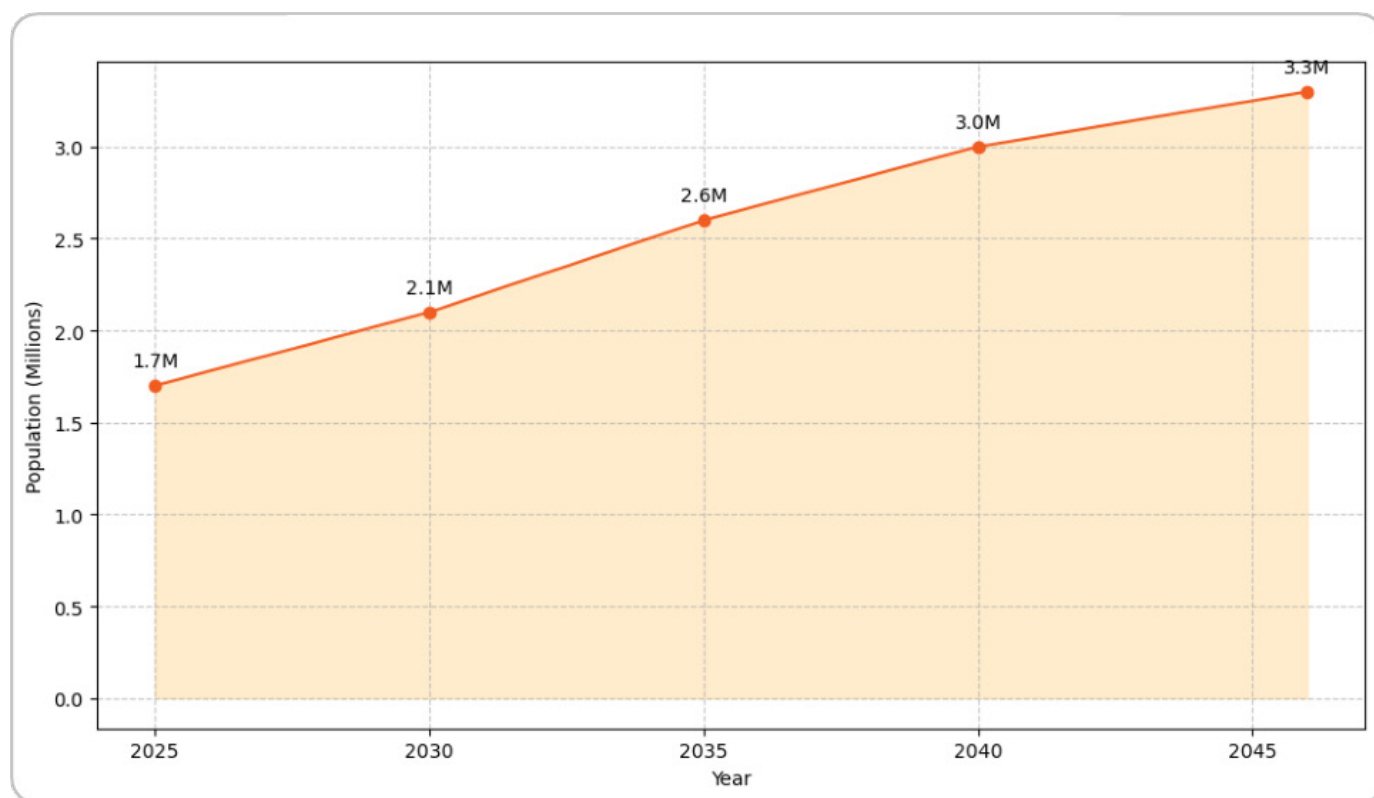


Figure A.



The tech advantage

While technology is by no means a magic bullet, it can play a significant role in supporting financial and operational sustainability for care providers, whether in the public or private sector. Below, we explore how the latest software can help bolster financial resilience, improve employee retention, and make life easier for finance and HR teams.

Clarity through invoicing

Invoicing in care can be complex. The ideal financial solution must seamlessly handle all combinations of provision across multiple locations. A best-in-class invoicing solution will:

- Simplify the handling of split payment arrangements
- Precisely manage shared care arrangements
- Ensure compliance and financial sustainability through accurate invoicing
- Apply charges effectively based on visit duration or time of day
- Automate invoice generation, individually and in batches

Through intelligent invoice automation, care providers can significantly reduce the time spent on manual billing processes, saving valuable resources. Automated systems ensure that invoices are generated accurately and consistently, reducing the risk of human error and improving cash flow reliability. This is particularly important in a sector where delayed or incorrect payments can have a direct impact on service continuity.





The SaaS effect

Beyond the clarity and time savings gained through effective invoicing software, additional advantages arise when the solution is delivered as Software as a Service (SaaS). SaaS platforms remove the need for costly infrastructure and reduce reliance on internal IT support. Being cloud-based, they offer quick deployment and remote access – ideal for care teams working across multiple sites or in the field.

A key benefit of SaaS is predictable monthly pricing, which helps care providers manage budgets more effectively. These platforms also scale easily, allowing organisations to add users or expand functionality as demand grows. This flexibility is especially useful in a sector where service needs can shift rapidly due to policy changes or population trends.

SaaS solutions also ensure providers stay up to date. Automatic updates mean no manual installations or license renewals, reducing downtime and keeping systems compliant. Cloud-based platforms offer strong data protection, with built-in backup and disaster recovery features that safeguard sensitive care information – essential for regulatory compliance.

The flexibility inherent in SaaS allows care providers to adapt to shifting policy changes and population trends.

Retention issues

Staff retention remains problematic in the care sector: the latest survey from charity [Skills for Care](#) puts employee turnover at 28% (2023-24). At the same time, the government's [Adult social care workforce survey](#) (2025) reveals that 59% of domiciliary care providers are experiencing retention and recruitment difficulties, while for residential care providers, the figure is slightly lower, at 54%. The primary reason cited in both cases is low pay.

It might appear that against a backdrop of low pay – and the likelihood of wages remaining stagnant for the foreseeable future – not much can be done. However, there are other, significant areas in which staff retention can be improved:

Training and development: Staff who receive some form of training are more likely to stay in post than those who don't. According to Skills for Care, care providers see a 9% decrease in attrition when staff have received training in the previous year.

Structured career progression: When staff feel there is a clear progression pathway, they are more likely to remain in their role. A 2024 [Culture Amp survey](#) shows that 12% of the UK workforce expect to leave their current role within the next two years unless they can be given the opportunity for development.

Recognition: Feeling valued is a powerful motivator. When staff are regularly recognised for their contributions, they are more likely to feel connected to their role and the organisation. Research by [Gallup](#) has found that employees who feel recognised are 45% less likely to change organisations within two years.

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Tech motivation

Creating a positive workplace culture, in which employees are recognised for their work in real time, can be greatly enhanced with the right technology. Digital continuous performance management software can have a significant positive impact on employee motivation. Any such solution should:

- Be intuitive, requiring minimal training
- Allow for 360° feedback – from and to any member of the organisation
- Allow senior leaders to set objectives, both at individual and group level
- Allow all staff to give and receive praise, in real time
- Allow for honest, constructive conversations
- Include AI assistance, allowing staff to create professional sounding feedback
- Give senior leaders clear visibility on suitability for progression and succession planning

Through 'always on', easy-to use technology, care providers are empowered to give and receive feedback at a time to suit them. This reduces the need for office visits, improving work-life balance, and cutting down on carbon footprint. With praise and constructive feedback given in real-time, care givers can feel better motivated, connected, and recognised.



It's all in the cloud

Creating a streamlined and responsive care environment is increasingly dependent on the adoption of cloud-based technology. Cloud platforms offer care providers the ability to manage operations in real time, with secure access to data and tools from any location. This flexibility is especially valuable for mobile teams and desk-free workers, who require reliable, on-the-go access to care plans, schedules, and client updates. Below we outline the primary advantages of cloud-based software for care providers.

Enhanced data security and compliance

Cloud systems are built with strong security measures like encryption and multi-factor authentication. They also support compliance with UK regulations such as GDPR and NHS Digital standards, ensuring that sensitive care data is protected and responsibly managed.

Scalability and flexibility

Cloud solutions can easily scale to meet changing demands, whether expanding services or adapting to emergencies. Providers can start small and grow their digital capabilities without needing significant upfront investment.

Real-time access and collaboration

Care teams can access up-to-date information from anywhere. This improves communication, coordination, and transparency, leading to more person-centred and responsive care.

Cost savings and continuous innovation

By removing the need for on-site servers and manual updates, cloud systems reduce IT costs. Providers benefit from automatic updates and access to the latest features, including emerging technologies like Agentic AI and predictive analytics.

By utilising care business management software hosted in the cloud, care teams are able to remain agile, on-task, and future-ready. The optimal cloud-based solution delivers comprehensive care management under a single platform, removing the need for disparate and outdated systems.

By adopting cloud-based applications, care providers have access to secure data and tools from any location.

The desk-free worker disconnect

Whether working in domiciliary care, in community settings or in care homes, care providers – including direct care providers, managers and support staff – form a significant part of the UK's desk-free workforce. As such, how these mobile teams are managed is critically important.

A recent report commissioned by OneAdvanced, [A Disenfranchised Workforce](#), highlights a disconnect between the perceptions of senior leaders and their desk-free workers. The key findings are:

- 81% of managers say desk-free workers are aware of their performance criteria, while 67% of desk-free workers agree
- 42% of managers say their employees have manageable workloads; 25% of desk-free workers say this is their experience

- 25% of both managers and desk free workers believe that rostering and planning difficulties lead to staff being overworked
- 96% of managers say their staff are aware of organisational changes and important updates, while 58% of desk-free workers say this is true

In most cases, the report highlights a discrepancy in how managers perceive the reality of day-to-day life for desk-free employees, and how these employees actually experience their work. This disconnect can lead to a range of issues, from misaligned expectations and communication breakdowns to increased stress and burnout.





Tech to bridge the gap

To bridge this gap, the right technology can play a transformative role. [Digital performance management solutions](#) can ensure that desk-free workers are consistently aware of their performance objectives, receive regular feedback, and understand how their efforts contribute to broader organisational goals.

Digital platforms also serve as vital communication channels, keeping staff informed of important updates and organisational changes in real time – something that traditional methods like noticeboards or email often fail to achieve.

Additionally, digital tools that support flexible rostering and operational planning can help alleviate the burden of unpredictable schedules and staffing shortages. By enabling real-time visibility into shift availability, automating scheduling based on staff preferences and qualifications, and allowing for quick adjustments when circumstances change, these tools benefit managers and desk-free workers alike.

Digital performance management tools can have a transformative effect on staff retention.

How else can technology empower care providers?

For mobile teams, having everything they need on a hand-held device is an obvious requirement. The solution must include a comprehensive set of features, enabling the care provider to deliver person-centred care without the need for any physical paperwork. The optimal solution should:

- Be intuitive and easy to use
- Allow providers to see any changes in client needs
- Give the care worker easy access to care plans and medication schedules
- Provide real time updates and record keeping
- Include body maps for straightforward management
- Make it easy to record accidents and incidents
- Keep the care provider safe, with visibility on arrivals

Alongside personalised care delivery, any comprehensive digital solution should also support employee administration – offering care providers clear visibility on planned leave and allocated shifts. This not only streamlines workforce management but also ensures smoother day-to-day operations.

Ultimately, the most effective digital tools empower care providers to perform at their best. By utilising centralised, mobile software with real-time updates, providers stay fully informed of client requirements while minimising time spent in the office – making each workday more efficient.



Fighting fragmentation

The UK's social care system is marked by deep structural fragmentation, undermining the delivery of high-quality care. Divided responsibilities between the NHS and local authorities, combined with a diverse mix of private and voluntary sector providers, have created a complex and sometimes disjointed landscape.

What's more, these providers typically operate under different funding models and governance structures. This can lead to:

- Poor communication and coordination between services.
- Delayed hospital discharges due to lack of social care arrangements.
- Duplicated assessments and inefficiencies in care planning
- Siloed working arrangements

This unconnected method of delivery frequently results in inconsistent service quality across regions, and complex pathways that are hard for users to navigate.

The lack of centralised technology infrastructure is a clear issue, with individual providers and local authorities using multiple systems, making data sharing and integration difficult and time consuming. This has a clear effect on the sharing of client records, care plans, and medication histories.

The result of this fragmentation is a system that often fails to deliver timely, person-centred care. Vulnerable individuals, especially older adults and those with complex needs, are most affected – experiencing delays, confusion, and unmet needs.

What is being done?

To address fragmentation and inefficiency, several national initiatives have been introduced. One of the most significant is the development of Integrated Care Systems (ICSs) in England. These systems are designed to bring together the NHS, local government, and other key partners to plan and deliver services in a more coordinated and collaborative way. The aim is to improve care services with a focus on prevention, and early intervention.

Another major development is the widespread use of shared care records. These digital records are designed to allow professionals across health and social care to access the same, up-to-date information about an individual's care – a crucial step toward improving continuity, reducing duplication, and ensuring that decisions are based on the most accurate and current data available.

In parallel, new community-based models of care are being piloted to reduce the reliance on hospital services. Initiatives such as “hospital at home” and “virtual wards” are enabling people to receive clinical care in the comfort of their own homes, supported by remote monitoring and mobile care teams. These models are designed to improve the client experience and help to ease pressure on hospitals by preventing unnecessary admissions and early discharges.





Keeping it central

Without centralised technology, none of the above would be possible. In this sense, it is critical that care managers begin to see the latest technologies as integral to successful, joined up care delivery.

Below, we've outlined further areas in which centralised care systems can make a meaningful impact:

Data accuracy and compliance

With single, centralised platforms, care business managers are better equipped to remain compliant with legislation and reporting requirements. A unified system provides a single source of data truth, reducing the risk of errors, omissions, and inconsistencies.

Improved care coordination between teams

Integrated digital systems allow care professionals to access the same up-to-date information. This improves communication between teams, and ensures that care plans are aligned and responsive to individual needs. Real-time updates mean that changes in a person's condition or preferences can be acted upon quickly and appropriately.

Operational efficiency and cost savings

By automating routine administrative tasks – such as scheduling, documentation, and reporting – technology frees up valuable staff time. This allows care professionals to focus more on direct support and less on paperwork. These efficiencies quickly translate into cost savings, helping providers do more with limited resources.

Scalability and adaptability

Modern care platforms are cloud-based and mobile-friendly, making them highly scalable and adaptable to changing needs. Whether responding to demographic shifts, expanding services, or adapting to new models of care, these systems can grow and evolve without the need for costly infrastructure.

Enhanced user experience

User-friendly interfaces and intuitive design reduce the need for training and minimise the risk of errors – allowing staff to focus on delivering care rather than navigating complex software.

Real-time insights

Advanced analytics and reporting tools built into modern platforms provide managers and frontline staff with real-time insights into performance, outcomes, and risks. This enables informed decision-making, early intervention, and continuous improvement.

While structural fragmentation remains a significant challenge, technology offers a powerful means of bridging the gaps. By investing in smart, integrated digital infrastructure, the sector can build a care system that is more cohesive, responsive, and person-centred.

Through centralised, joined-up systems, the delivery of care becomes more cohesive, responsive, and person-centred.



Outcomes for a brighter future

As the care sector continues to evolve, the integration of digital technologies and strategic policy shifts offer a pathway to a more sustainable future. The convergence of joined-up thinking and joined-up technology is central to this transformation. By aligning local authority-run care with modern digital infrastructure, the sector can unlock new opportunities to deliver preventative, person-centred care that reduces pressure on the NHS and minimises reliance on costly residential care.

The need for early intervention

Local authorities are uniquely positioned to lead the shift toward domiciliary and preventative care. With the right digital tools, they can focus on early intervention strategies that keep clients healthier for longer and reduce the need for crisis-driven responses.

This approach not only improves outcomes for individuals but also alleviates the burden on hospitals and care homes. Centralised technology forms the backbone of this vision, enabling real-time data sharing, streamlined workflows, and coordinated service delivery across health and social care systems.





AI efficiencies

Sector-specific LLMs can have a truly transformative effect on care management, especially when enhanced with agentic AI (systems that can work autonomously while remaining responsive to human input). When applied to care, this technology empowers providers to:

Summarise care records and notes

AI with NLP (Natural Language Processing) can extract key insights from large volumes of care records, reducing administrative burden and improving decision-making.

Predict and analyse data for improved care outcomes

AI models can leverage care data to predict early care needs, enabling proactive planning and resource allocation. This includes the ability to predict high-risk individuals to reduce hospital visits.

Streamline communication

AI-powered communication portals can be used to provide real-time updates on care plans, appointments, and medication schedules, enhancing transparency and collaboration with care teams, clients, and families.

By embracing centralised care platforms and AI-driven tools, care providers can prioritise prevention over reaction. This technology-led strategy will benefit back office and frontline workers, streamlining workflows and processes, while at the same time providing an unrivalled level of client insight, improving outcomes and driving cost savings across the board.

By embracing the latest technologies, care providers can prioritise prevention over reaction.

Conclusion

The future of adult social care in the UK depends on the sector's ability to adapt to complex challenges with bold, forward-thinking solutions. While structural fragmentation, funding constraints, and workforce shortages remain significant hurdles, the integration of digital technology offers a clear path toward a more resilient and person-centred system.

Local authorities are uniquely positioned to drive this change. By investing in modern, cloud-based care management platforms, councils can streamline operations, reduce administrative burdens, and improve the quality and consistency of care. These systems enable real-time data sharing, enhance compliance, and support more effective workforce planning – critical capabilities in a sector where demand is rising and resources are stretched.

Moreover, digital tools can play a pivotal role in improving staff morale and retention. From intuitive mobile apps that support desk-free workers to AI-powered platforms that facilitate feedback, recognition, and career development, technology can help create a more connected and motivated workforce. This, in turn, leads to better outcomes for clients and greater efficiency for providers.

The move toward preventative care and early intervention is essential. With the right digital infrastructure, local authorities can shift focus from crisis response to proactive support – keeping people healthier for longer and reducing pressure on hospitals and residential care. AI and predictive analytics further enhance this capability, offering insights that enable smarter planning and more personalised care.

Ultimately, digital transformation is not a luxury – it is a necessity. By embracing innovation and fostering collaboration across the care ecosystem, local authorities can build a future-ready care system that is equitable, efficient, and truly centred on the needs of individuals and communities.



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[OneAdvanced Care](#) is our portfolio of software solutions for the care sector, which also includes Financial Management, Continuous Performance Management, Workforce Management, and Governance and Risk Management. All our solutions help remove manual complexities, provide visibility and enable care providers to grow and adapt to changing demands and opportunities.

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