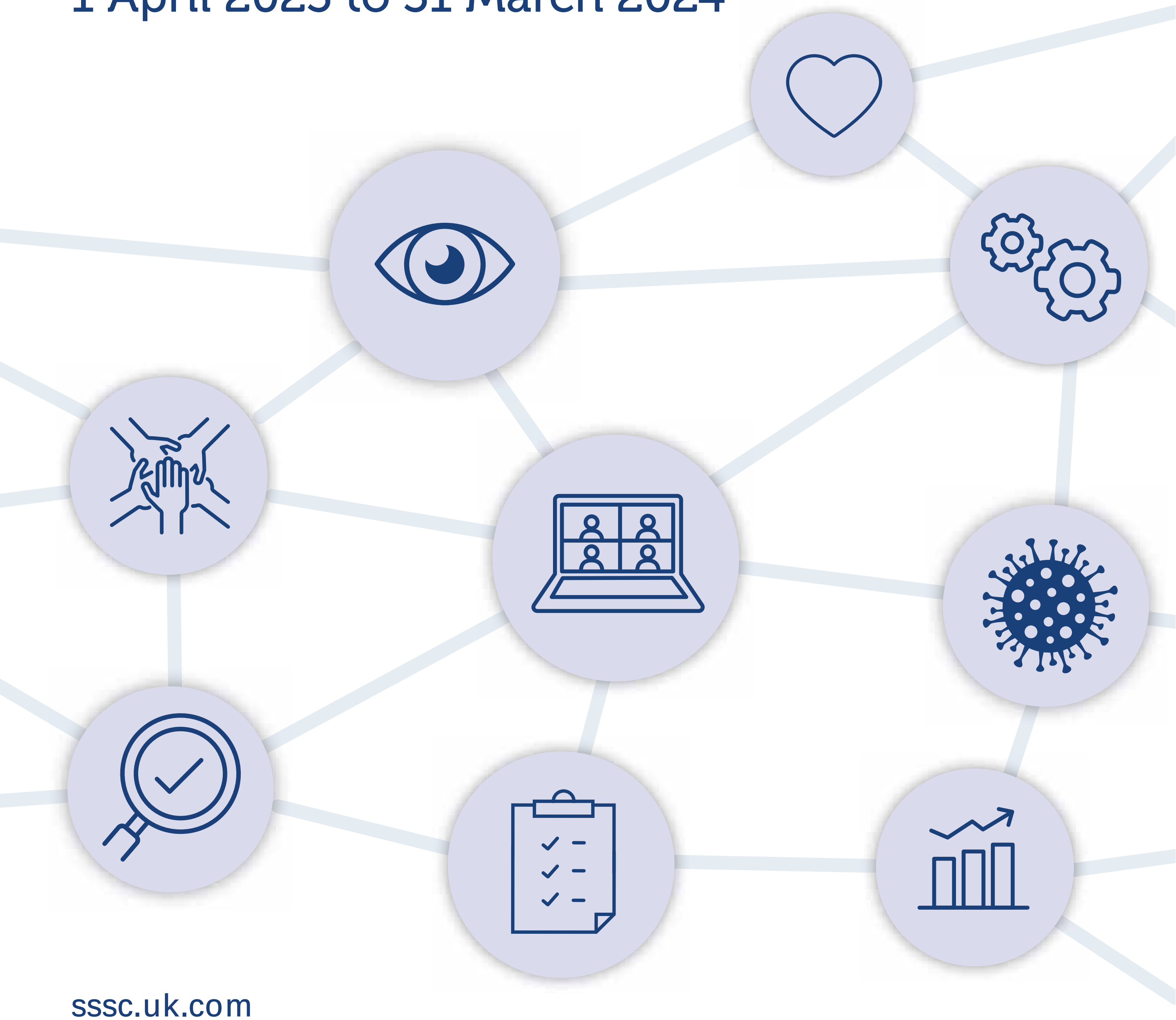
Scottish Social Services Council

Annual Report and Accounts

1 April 2023 to 31 March 2024



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SECTION B: Accountability report

Annual Report and Accounts of the Scottish Social Services Council

This report is laid before the Scottish Parliament by the Scottish Ministers under Schedule 2, Section 10(1) of the Regulation of Care (Scotland) Act 2001 and Section 22(5) of the Public Finance and Accountability (Scotland) Act 2000.

1 April 2023 to 31 March 2024

SI number SG/2024/258

‘people working in social work, social care and children and young people services have continued to deliver high quality services with passion and dedication.’

Chief Executive’s foreword

Welcome to our 2023/2024 Annual Report and Accounts.

The pace and intensity of the change we have experienced over the last few years continues and brings with it challenges and opportunities for all of us.

During this time people working in social work, social care and children and young people services have continued to deliver high quality services with passion and dedication. This workforce and the people who use their services are at the very heart of everything we do.

We are focused on continuing to deliver for them and for the people using these essential services through the outcomes in our 2023-2026 Strategic Plan which sets our course and drives our progress. As you read this report, you will see a year of change and delivery, all of which is designed to improve our services and increase our efficiency and value.

We are in a unique position, able to gather and analyse important data and information which can help us and others to better understand the workforce. This year we published the first of our data snapshot reports looking at the Register and our fitness to practise work alongside our national and official statistics reports.

We want to share this data and make sure that it contributes to influencing policy and evidence-based decision making from workforce planning to reshaping national delivery of care services across Scotland and contributing to major reviews including the National Care Service (NCS).

The development of the NCS in Scotland puts adult social care in the spotlight and this, alongside the development of the National Social Work Agency, gives the opportunity for real change and improvement. We continue to work alongside our partners contributing and shaping the next steps.

This was the second year of our Future Proofing Programme, a major change project, which is on track to transform and streamline our registration processes and deliver an innovative and sustainable approach to qualifications and continuous learning for our registrants. This programme involved people from across this sector, giving us feedback and, most importantly, in shaping and designing so many of our services and products.

This included the review of our Codes of Practice for Social Service Workers and their Employers (the Codes) which set the standards for everyone working in this sector. The new Codes launched on 1 May 2024, reflecting changes in practice and the way services are delivered.

And this year we continued to work closely with The Promise Scotland, particularly on our Codes review and on the review of the Common Core, a framework of shared values and knowledge for everyone working with children and young people in Scotland. We will continue our commitment to Keep the Promise with the new plan which launched in early summer 2024.

Involving people across all areas of our work is a central theme in delivering our outcomes. More people than ever before have given their views and been directly involved in our work. This is incredibly valuable in making sure that people see their contribution in the way we do things.

This year, the Independent Review of Inspection, Scrutiny and Regulation (IRISR) shared its findings which included that focus on involving people and we will build on the progress we've made. Alongside this, the IRISR highlighted the need to consider regulating other groups of people working in social services in Scotland and this is a priority over the coming year.

We completed registering the original groups in 2020 and, perhaps surprisingly with the continuing pressures on the sector, the number on the Register has grown with 176,258 people on our Register at 31 March 2024. We're seeing high levels of turnover, particularly in adult social care and we are looking closely at these changes and how our work supports our registrants and their employers.

Looking forward, we will make the most of the opportunities ahead including continuing to contribute to public service reform through innovation and efficiency.

We will work hard to deliver excellence and give confidence to the people of Scotland that the people who care for them when they need it most are trusted, valued and supported.

Maree Allison
Chief Executive
Scottish Social Services Council

Section A: Performance report

Performance overview

Our organisation

The Scottish Social Services Council (SSSC) is the regulator for the social work, social care and children and young people workforce in Scotland.

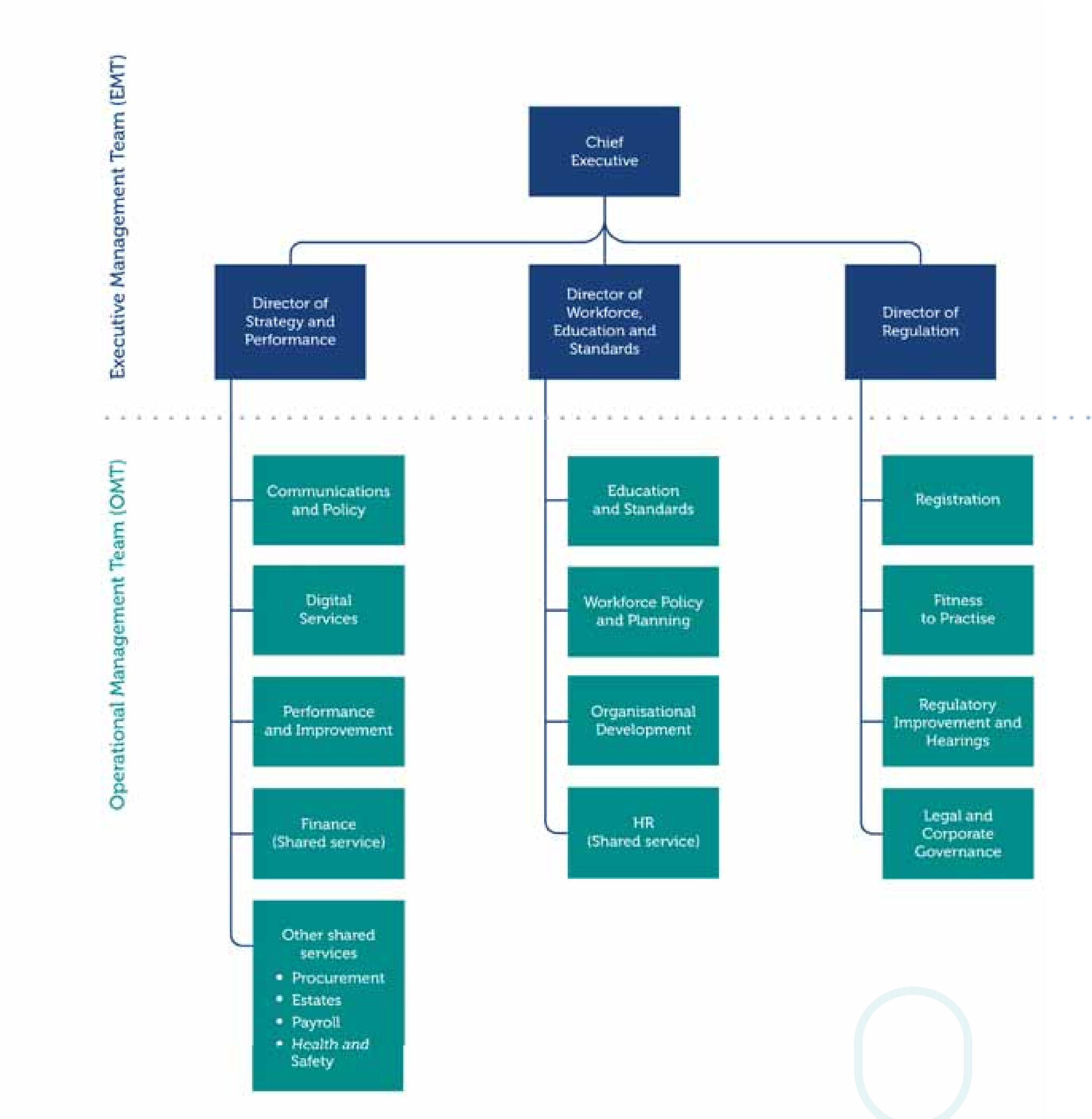
> **Our vision, as the regulator of the social service workforce in Scotland, is that the people of Scotland can count on social work, social care and children and young people services being provided by a trusted, skilled, confident and valued workforce.**

We are a non-departmental public body, sponsored by the Office of the Chief Social Work Adviser at the Justice Directorate and set up under the Regulation of Care (Scotland) Act 2001. Through workforce registration and regulation, we are helping to improve standards in social work, social care and children and young people services and strengthen public protection. We are governed by a Council of 10 Members, including a Convener, who are appointed by Scottish Ministers. The Council delegates some responsibilities to the Audit and Assurance Committee.

Our Chief Executive and directors make up our Executive Management Team (EMT). The heads of each department make up our Operational Management Team (OMT).

We have 297 full-time equivalent employees working across directorates. We share services with the Care Inspectorate including Finance, Human Resources, Procurement, Estates and Health and Safety.

Structure


Executive Management Team (EMT)
Operational Management Team (OMT)
Chief Executive
Director of Strategy and Performance
Director of Workforce, Education and Standards
Director of Regulation
Communications and Policy
Digital Services
Performance and Improvement
Finance (Shared service)
Other shared services
• Procurement
• Estates
• Payroll
• Health and Safety
Education and Standards
Workforce Policy and Planning
Organisational Development
HR (Shared service)
Registration
Fitness to Practise
Regulatory Improvement and Hearings
Legal and Corporate Governance

Our work

The social service sector employs approximately 211,510 workers which represents almost 8% of all employment in Scotland, or 1 in 13 workers. This is the highest figure since we began publishing this data in 2008.

We register approximately 176,000 people in the workforce. The social service workforce we register includes social workers, social work students, social care workers and children and young people workers. They work across a range of services, in residential and day centres, community facilities and in people's homes.

We protect the public by registering this workforce, setting standards for their practice, conduct, training and education and by supporting their professional development. Where people fall below the standards of practice and conduct, we can investigate and act.

We:

- publish the national codes of practice for people working in social work, social care and children and young people services and their employers
- register this workforce and make sure they adhere to our Codes of Practice
- promote and regulate their learning and development
- lead workforce development and planning for this workforce in Scotland and provide national statistics.

Our work contributes to the Scottish Government's purpose and national outcomes.

Scottish Government purpose

- create a more successful country
- give opportunities to all people living in Scotland
- increase the wellbeing of people living in Scotland
- create sustainable and inclusive growth
- reduce inequalities and give equal importance to economic, environmental and social progress.

National Outcomes

- We live in communities that are inclusive, empowered, resilient and safe.
- We grow up loved, safe and respected so that we realise our full potential.
- We have thriving and innovative businesses with quality jobs and fair work for everyone.
- We are well educated, skilled and able to contribute to society.

SSSC vision

Our vision, as the regulator of the social service workforce in Scotland, is that the people of Scotland can count on social work, social care and children and young people services being provided by a trusted, skilled, confident and valued workforce.

SSSC strategic outcomes

- **Trusted**

  People who use services are protected by ensuring the regulated workforce is fit to practise.
- **Skilled**

  Our work supports the workforce to deliver high standards of professional practice.
- **Confident**

  Our work enhances the confidence, competence and wellbeing of the workforce.
- **Valued**

  The social work, social care and children and young people workforce is valued for the difference it makes to people's lives.

Our business model

Our key partners and stakeholders

- The social work, social care and children and young people workforce and their employers
- Care experienced people
- Scottish Government
- Bodies that represent care experienced people
- Unions and other registrant representative bodies
- Employer and service provider representative bodies
- Strategic partners across health and social care
- Service and professional regulators for health, social work and social care across the UK
- Skills and training bodies and providers

Key activities

- Maintain a register of eligible workers
- Publish the codes of practice for people working in social services and their employers
- Investigate concerns about the fitness to practise of registrants and applicants
- Sector skills council
- Support the professional development of workers
- National lead for workforce development and planning for social services in Scotland
- Engage stakeholders through our Involving People Plan
- Official and national statistics provider of social service workforce data in Scotland
- Collaboration with Scottish Government policy teams

Key resources

- Staff
- Digital
- Office and hearing rooms
- Knowledge and experience

Value proposition

- Our work means the people of Scotland can count on social services being provided by a trusted, skilled, confident and valued workforce.
- We protect the public by registering this workforce, setting standards for their practice, conduct, training and education and by supporting their professional development.
- Where people fall below the standards of practice and conduct, we can investigate and act.

Who we reach

- Members of the public
- People who use services and their carers
- Social service user and carer representative groups
- Advocacy and campaigning groups

Our customers

- Scotland's social work, social care and children and young people workforce
- Workers applying for registration
- Registered workers
- Employers of registered workforce

Funding

Our budgeted expenditure is funded by grant in aid from the Scottish Government and by those paying fees on our Register.

Our budgeted funding by grant in aid from the Scottish Government for 2023/24 was £16.4m (2022/23 £16.0m) (outturn £16.4m).

Our budgeted funding from fees paid by our registrants was £5.9m (2022/23 £6.0m) (outturn £6.3m) and, in addition, there was other income of £0.4m (2022/23 £0.4m), (outturn £0.4m. 2022/23 £0.6m). We engage with Scottish Government's ongoing programme of Public Service Reform to ensure that delivery and value for money remains at the heart of the work of the organisation. The SSSC will work with partners to continue to strive towards ensuring delivery of more efficient, person-centred services with Fair Work principles embedded.

Managing our risks

Our Council is accountable for overseeing risk management. The Council has delegated responsibility for managing our strategic risk to the Audit and Assurance Committee, who ensure we have effective risk management processes in place. To manage risk, we:

- review our risk policy annually
- agree a risk appetite statement annually
- review and update the Strategic Risk Register quarterly
- review directorate risk registers monthly.

In 2023/24 we identified the strategic risks that could have prevented us from achieving our outcomes. These are set out in Table 1 below.

At each step in our risk management process we identify, review, record and assess risks to identify ways to mitigate their impacts. Risk management is embedded throughout the organisation. The OMT initiate the monthly risk management cycle by completing directorate risk registers for EMT to review and escalate as appropriate. Our processes allow us to escalate and de-escalate risks as required.

Reviewing our strategic risks

We proactively identify risks around business continuity procedures, our ability to carry out planned business activities and our budget. We also monitor changes to the policy landscape, for example the National Care Service, the Independent Review of Inspection, Scrutiny and Regulation (IRISR) and The Promise. These continue to provide opportunities for change and improvement in how we carry out our planned activities.

We review and update our strategic risk register continually throughout the year. We will continue to monitor our risks during 2024/25 alongside emerging risks as we identify them. Our revised strategic risks and examples of key mitigating actions for 2023/24 are below.

Table 1: Descriptions of strategic risk and mitigating actions.

Description of risk	Key mitigating actions
We fail to ensure that our system of regulation meets the needs of people who use services and workers.	We have established rules and frameworks based on risk to ensure legal compliance, fairness and consistency. Implementation of the Future Proofing Programme, which goes live in June 2024. We have developed training, quality assurance and audit processes for staff and panel decision-making.
We fail to ensure that our workforce development function supports the workforce and employers to achieve the right standards and qualifications to gain and maintain registration.	Barriers to gaining qualifications, such as access to funding, were raised at the Ministerial Joint Social Services Taskforce in January 2024. Priority actions have been agreed upon with the Scottish Government and key partners and these actions will be completed within the next 12 months. We publish data on training provision across Scotland to meet identified demand.
We fail to meet corporate governance, external scrutiny and legal obligations.	Our governance improvement plan was completed to our Audit and Assurance Committee's satisfaction.
We fail to provide value to our stakeholders and demonstrate our impact.	We regularly review our business plan objectives in line with budget monitoring (Operational Management Team). We carry out surveys with our registrants and stakeholders to determine their perception of our work.
We fail to develop and support SSSC staff appropriately to ensure we have a motivated and skilled workforce.	We have our People Strategy in place and directors are accountable for delivery of themes. Our People Strategy Board reviews progress and reports to Council.

The SSSC fail to secure sufficient budget resources required to deliver the strategic plan.	Our Financial Strategy, that considers current position plus the next three years is in place and reviewed annually (last formal review in March 2023) and an audit of financial sustainability. Our Executive Management Team review budget performance monthly, identify risks to achieving a balanced budget and senior management take action to mitigate these risks. We review our resource models regularly and update against our actual position (Director of Regulation).
We fail to have the appropriate measures in place to protect against cyber security attacks.	Regular cyber security incident management testing plan is in place. We continue to maintain cyber essentials accreditation and carry out regular mandatory cyber security training. We have ICT security policies in place.

Engaging with our customers and stakeholders

We carry out regular engagement with customers to help us identify their needs and areas where we can improve.

We surveyed our registrants and stakeholders in 2023/2024 and received over 8,500 responses across both surveys. The responses indicate a continued increase in positive feeling towards the SSSC and the benefits that being registered brings, as well as very positive feedback on the customer service we provide.

Registrants also continue to respond positively about their perception of the benefits of SSSC registration and how much the work of the SSSC helps to improve their practice.

The table below shows the trends in positive responses to these questions over the past three years. The responses regarding our customer service were increasingly positive, with 83% of registrants and 67% of stakeholders expressing satisfaction with the service provided by the SSSC. This rise in customer satisfaction is a testament to the efforts taken to improve our customer service standards.

Table 2: Trends in positive registrant responses

Question	2021	2022	2023
How beneficial do you think registration with the SSSC is?	63%	62%	72%
How much do you believe the work of the SSSC helps improve your practice?	61%	58%	68%
How satisfied are you with the standard of customer service you received when you contacted us?	80%	80%	83%

We recognise a positive increase in registrant responses across all survey categories, with the most positive insight being attributed to the Codes of Practice followed by customer service.

Our strategic themes and outcomes

We launched our new **2023-2026 Strategic Plan** in April 2023.

This Annual Report and Accounts provides a high-level assessment of our work over the past year to set out delivery of the 2023-2026 Strategic Plan.

The work we will deliver through this strategic plan will have a positive impact on the safety and wellbeing of people using social work, social care and children and young people services.

We have four strategic themes each with its own outcomes.

Our four strategic themes.

Trusted:
People who use services are protected by a regulated workforce that is fit to practise.

Skilled:
Our work supports the workforce to deliver high standards of professional practice.

Confident:
Our work enhances the confidence, competence and wellbeing of the workforce.

Valued:
The social work, social care and children and young people workforce is valued for the difference it makes to people's lives.

We measure and report our impact against the strategic plan in the monthly assurance report using the measures below.

- The reduction in the average time taken from a person starting their employment to being registered with the SSSC.
- The number of open fitness to practise cases at an acceptable level; 95% of our open cases will be less than three years old.
- The percentage of the workforce using learning resources to achieve continuous professional learning.
- The percentage of those reporting positively that our development activity is delivering the support required by the workforce.
- The percentage of the workforce with the correct qualification.

Performance analysis

One year at a glance

23/24

At its peak, around **176,265** individuals were on the Register.

4,700 SSSC Open badges awarded*.

In an average month, **4,695** active users of MyLearning app.

*Open Badges are digital certificates recognising learning and achievements that are tied to assessment and evidence.

3,959 fitness to practise concerns received.

3,998 concerns closed or resolved.

145 hearings held

of which **131** were online

6 in person hearings

8 were a hybrid of online and in-person meetings

59,526 applications registered.

Financial performance

Our budget is funded by a mixture of grant in aid, specific grants from the Scottish Government and fees paid by registrants. (Grant in aid means the Scottish Government provides funding but without imposing day-to-day control over how we spend it). In managing our finances, we are not allowed to use overdraft facilities or to borrow.

Under section 57 of the Regulation of Care (Scotland) Act 2001, the SSSC can set reasonable fees through changes to our registration rules. This requires Scottish Ministers' consent. The last increase in fee rates was effective from 1 September 2017.

Our budgeted income and funding for 2023/24 was as follows:

	2023/24 Budgeted income £000	2023/24 Budgeted funding £000	2023/24 Total income and funding £000
Grant in aid (including disbursements)	0	16,378	16,378
Additional grant in aid - LA fees only	0	2,593	2,593
Specific grants	0	1,030	1,030
Registration fees	3,310	0	3,310
Other income	385	0	385
Total income and funding	**3,695**	**20,001**	**23,696**

Our expenditure budget was set with the aim of using all available income and funding to maximise the benefits the SSSC provides to people who use care, social work services, carers and SSSC registrants.

We set the 2023/24 expenditure budget at £26.511m. This is £2.815m more than the available funding of £23.696m. Our reserve position at the start of the year was £2m which allowed us to support the Future Proofing Programme by £0.749m and the Scottish Government agreed to cover the remaining 2023/24 shortfall of £2.066m as a temporary in year unfunded budget pressure. Our grant in aid includes funding for disbursements to support practice learning fees (£3.852m) and postgraduate bursaries (£2.655m). We also receive other specific funding for Voluntary Sector Development Fund grants (£739k) and workforce development and other grants (£1.003m).

There was no capital expenditure during the 2023/24 financial year. In April 2023, the SSSC renewed its property leases resulting in right of use assets.

The following table shows our revenue budget position.

	2023/24 Budget £000	2023/24 Actual £000	2023/24 Variance £000
Revenue expenditure	26,511	27,596	1,085
Fee income	(3,310)	(3,882)	(572)
Other income	(385)	(638)	(253)
Net expenditure	**22,816**	**23,076**	**260**
Grant in aid (revenue)	(18,971)	(20,768)	(1,797)
Specific grant funded projects	(1,030)	(3,246)	(2,216)
Total funding	**(20,001)**	**(24,014)**	**(4,013)**
Deficit/(surplus) for the year	**2,815**	**(938)**	**(3,753)**
Transfer (from)/to General Reserve	**(2,815)**	**938**	**3,753**

Our actual surplus for 2023/24 was £0.938m, £3.753m less than the budgeted deficit position of £2.815m. Our Scottish Government Sponsor has agreed we can carry the £3.753m forward to use during 2024/25.

Budget variances were as follows:

	2023/24 £000
Expenditure	
Practice learning fees	1,153
Staff costs	(82)
Other revenue expenditure variances	(103)
Postgraduate bursaries	(110)
Income	
Grant in aid funding - spending pressure	(1,625)
Additional grant in aid - 2023/24 pay award	(300)
Additional funding - practice learning fees	(1,500)
Grant in aid - Registration fees for local authority registrants	128
Registration fee income from registrants	(567)
Specific grants	(685)
Unused VSDF funding returned from training providers	196
Shared service and secondment income	(258)
Total budget variance	**(3,753)**

We received an extra £1.5m for Practice Learning Fees in 2023/24 due to an increase in the rate of fees paid. This was carried forward as 2023/24 fees are paid out in 2024/25 after placements have been completed.

Reconciliation to Statement of Comprehensive Net Expenditure

We prepare our annual accounts in accordance with the Accounts Direction issued by Scottish Ministers. The Accounts Direction (reproduced at appendix 1) requires compliance with the Government Financial Reporting Manual (FReM). Our funding and budgeting position is different from the accounting financial position as shown in the Statement of Comprehensive Net Expenditure (SoCNE) for three reasons.

(i) For budgeting purposes, we consider grants and grant in aid to be income. The accounting position must present grants and grant in aid as sources of funds and they are credited to the general reserve on the Statement of Financial Position (SOFP).

(ii) Post-employment benefits (pensions) must be accounted for using International Accounting Standard 19 ‘Employee Benefits’. IAS 19 requires accounting entries for pensions to be based on actuarial pension expense calculations. Our funding position is based on the cash pension contributions we make as an employer to the pension scheme.

(iii) Grant in aid used for the purchase of non-current assets is credited to the general reserve and the balance is reduced by the amount of depreciation charged each year. The 2023/24 depreciation charge is £114k solely for right of use assets (2022/23 depreciation charge is £341k of which £339k is for right of use assets).

The table below reconciles the deficit shown on the Statement of Comprehensive Net Expenditure (SoCNE) to the planned deficit for funding and budgeting purposes. This deficit is funded from the general reserve.

	Ref/note	2023/24 £000
Deficit per the SoCNE	SoCNE	35,719
Funding from grants and grant in aid	13a	(24,014)
Reverse IAS 19 pension accounting adjustments	5b table 2	(12,583)
To fund depreciation of assets	6a	114
Surplus on funding and budgeting basis		**(764)**

Supplier payment policy

The SSSC is committed to the Confederation of British Industry Prompt Payment Code for the payment of bills for goods and services we receive. It is our policy to make payments in accordance with the Scottish Government's instructions on prompt payment and a target of payment within 10 days. In 2023/24 we paid 99.05% (2022/23: 99.44%) of invoices within 10 days.

Going concern

The SSSC has no reason to believe the Scottish Government and Scottish Ministers have any intention to withdraw or reduce support to the organisation. In addition, the Sponsor has confirmed grant in aid figures for 2024/25. It is therefore considered appropriate to prepare the accounts on a going concern basis.

The Statement of Financial Position at 31 March 2024 shows net assets of £2.559m (2022/23 £14.264m). The net assets are mainly the result of the SSSC's general reserves, reduced by £0.319m for the actuarial assumptions adopted for the application of accounting standard IAS 19.

IAS 19 requires the liabilities and assets of the pension scheme to be valued. The pension liability represents the best estimate of the current value of pension benefits that the SSSC will have to fund. The liability relates to benefits earned by existing or previous SSSC employees up to 31 March 2024.

The SSSC participates in a pension fund which is the subject of an actuarial valuation every three years. This actuarial valuation is different from the valuation required by the accounting standard IAS 19. The actuarial valuation determines employer contribution rates that are designed to bring fund assets and liabilities into balance for the fund as a whole over the longer term.

The liability will therefore be reduced through the payment of employee and employer contributions each year. Any future increases in employer contributions will require to be reflected through the grant in aid agreed with our Scottish Government Sponsor.

Delivering our strategic plan

Trusted: People who use services are protected by ensuring the regulated workforce is fit to practise.

During 2023/24 we continued with our Future Proofing Programme of work which commenced in December 2021. This programme brings together four projects, looking at the structure of the Register, qualifications and skills, the SSSC Codes of Practice and for Scottish Government the scoping of potential new groups of workers to be registered. We continued to carry out significant consultation with the sector during 2023/24 to implement the new structure of the Register which goes live in June 2024.

The first annual Scottish Social Services Council Register snapshot report was published in 2023, providing key registration information on the social work, social care and children and young people workforce in Scotland from 2022 to 2023. Subsequently we published the SSSC Data Snapshot Report – Fitness to Practise, providing fitness to practise data and a detailed insight into the SSSC's role in protecting the public by ensuring the registered workforce is trusted, skilled and fit to practise.

1. We have continued to be involved in the Open University Witness to Harm research project. This is the first academic study into the experiences of witnesses in health and social care regulators' fitness to practise investigations and hearings. The project is now in its final stages, and we are awaiting its findings which, together with resources produced by the project, will help us improve the support we offer to witnesses throughout our processes.

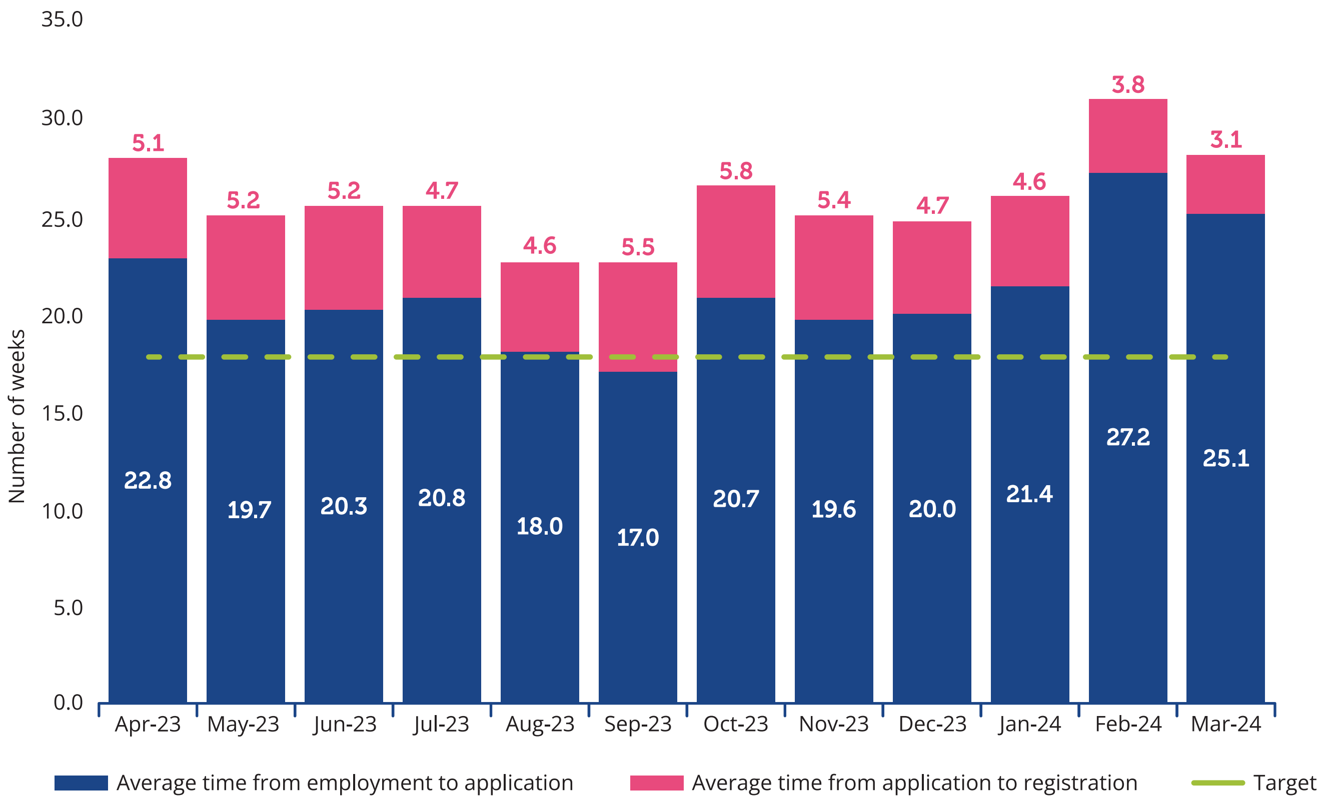
2. We published specific regulation bulletins to update and inform registrants and employers and direct them to relevant information and resources.

3. Together with an external training company we developed training on trauma informed questioning techniques and delivered this to all fitness to practise panel members and fitness to practise solicitors.

We want to use our resources effectively and take action where it's necessary. If we focus on the wrong areas, take too much time to process applications, or don't hold serious case hearings promptly, we raise the risk that people receiving services are supported by workers who aren't fit to practise. The charts that follow help us assess how well we're managing this. We acknowledge that there's room for improvement to ensure we continue safeguarding the public.

Strategic performance indicator results

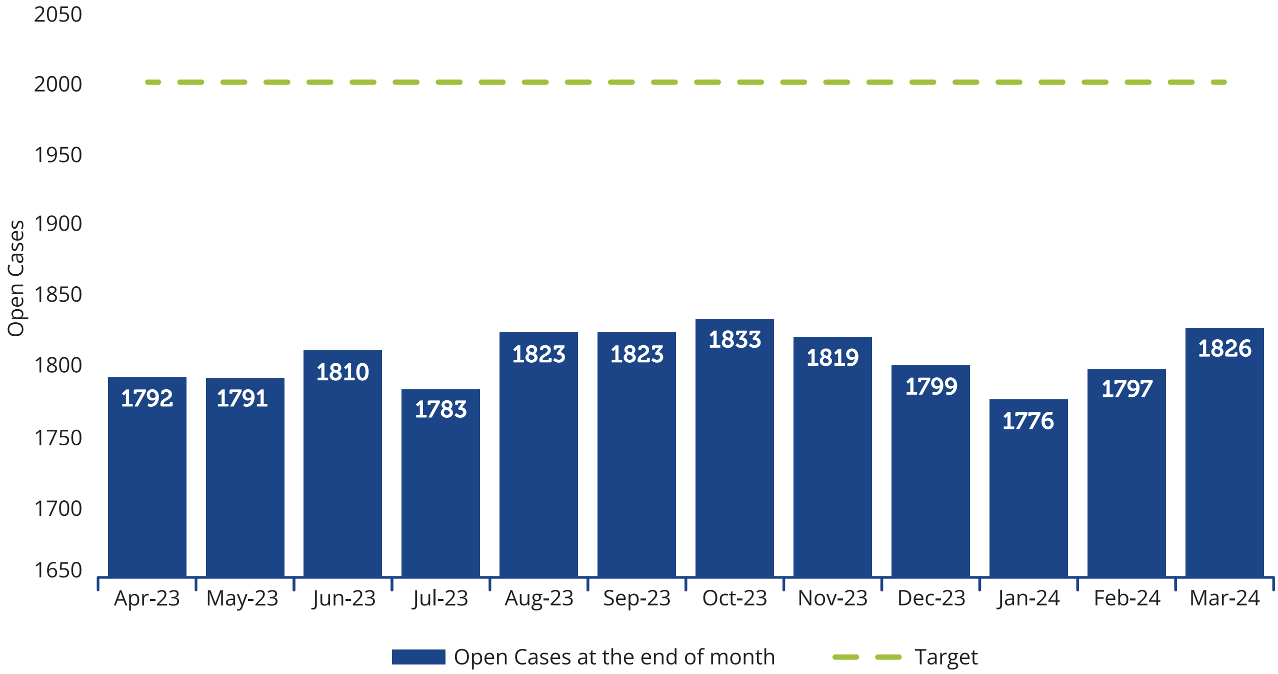
Figure 1: Reduce the average time taken from a person starting their employment to being registered with the SSSC.



In the 2023/24 period, it took on average 26 weeks for someone to go from starting their employment to being registered which is slightly longer than the previous year's performance and did not meet our target of 18 weeks.

Our improvement plans for this target depend on our Future Proofing Programme and changes to the Register. These changes, effective from June 2024, will require workers to apply for registration within three months of starting a new role and complete the registration process within six months. Implementing these changes will help us achieve the desired outcome, as the sooner individuals are registered, the sooner individuals using services and employers can be confident that the workforce is fit to practise.

Figure 2: We will keep the number of open fitness to practise cases at an acceptable level.



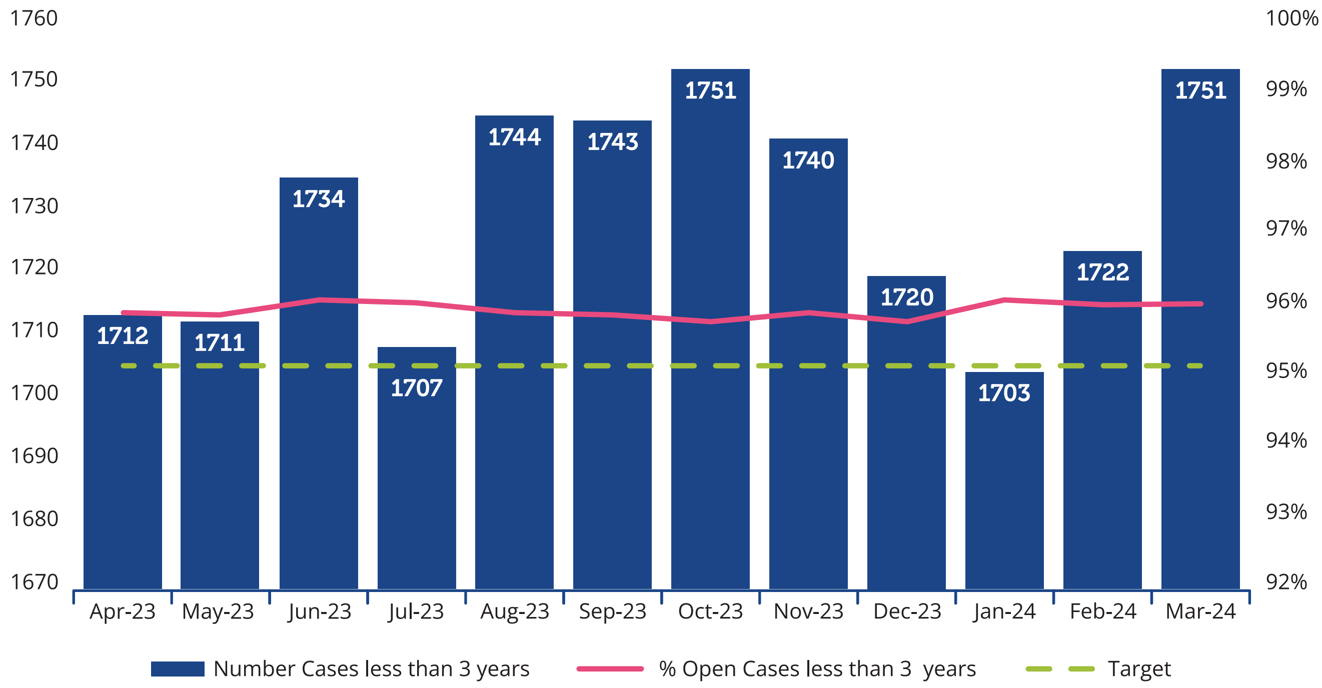
We set ourselves a target of having less than 2,000 open cases at any one time. We have continuously achieved this target and have set a revised target of 1,850 for the new financial year.

We have reduced the average number of open cases for the last three years.

Year	Average open cases	vs previous year	(0%)
2021/22	2,444	-245	10%
2022/23	1,986	-458	23%
2023/24	1,806	-180	10%

From the start of April 2021 to the end of March 2024 we reduced the number of open cases from 2,607 to 1,826.

Figure 3: 95% of our open cases will be less than 3 years old.



We set ourselves a target of having more than 95% of our open cases less than three years old. We have achieved this target despite an increase in referrals received.

As at the end of March 2024, 71 out of 101, or 70.3% of open cases over three years old are subject to lengthy criminal processes.

The average time it takes us to conclude all the referrals we receive is 6.2 months. 62.4% of referrals are closed without requiring formal investigation. The average time it takes us to conclude a case which is opened for a formal investigation is 14.1 months.

Skilled: Our work supports the workforce to deliver high standards of professional practice.

A significant amount of work went in our Future Proofing Programme to review the qualification and skills requirements of our registered workforce. We reviewed and revised our approach to continuous professional learning (CPL), qualifications and standards. Using a service design approach we revised, in collaboration with key stakeholders, our CPL requirements and the SSSC Codes of Practice. We have taken a more flexible approach to the acceptance of qualifications for registration, made changes to the timescales for gaining qualifications and we have introduced return to practice standards for social workers.

To help keep The Promise we are leading on the review of the Common Core for the children and young people's workforce which is due to be completed in summer 2024. The Common Core is a framework which sets out the shared values and knowledge for everyone working with children and young people in Scotland. It supports value-based recruitment and informs training and workforce development.

We have progressed the development of a new health and social care integrated award in partnership with the Scottish Qualifications Authority, NHS Education for Scotland and others. We expect the new qualification to be available by the end of 2024.

Work on the review of the National Occupational Standards (NOS) for health and social care and childcare, learning and development is underway with our UK partners. The review is due to be completed by December 2025. This work will ensure that the NOS are relevant and current and reflect new skills demand in the sector.

Our work supporting organisations to implement the newly qualified social worker (NQSW) supported year has continued to develop capacity in readiness for the mandatory supported year in October 2024. A dedicated NQSW website has been developed and will launch in June 2024 to further support NQSWs and their employers.

We have started work to improve the SSSC Learning Zone and its content. This is a three-year project which will see the resource redeveloped to become a learning experience platform, become more accessible and have its content reviewed and updated. The first phase of this work is complete and the new-look resource will be launched in Spring 2024. Alongside this, we have further developed our MyLearning and Open Badges platform to support reflection and recording of learning.

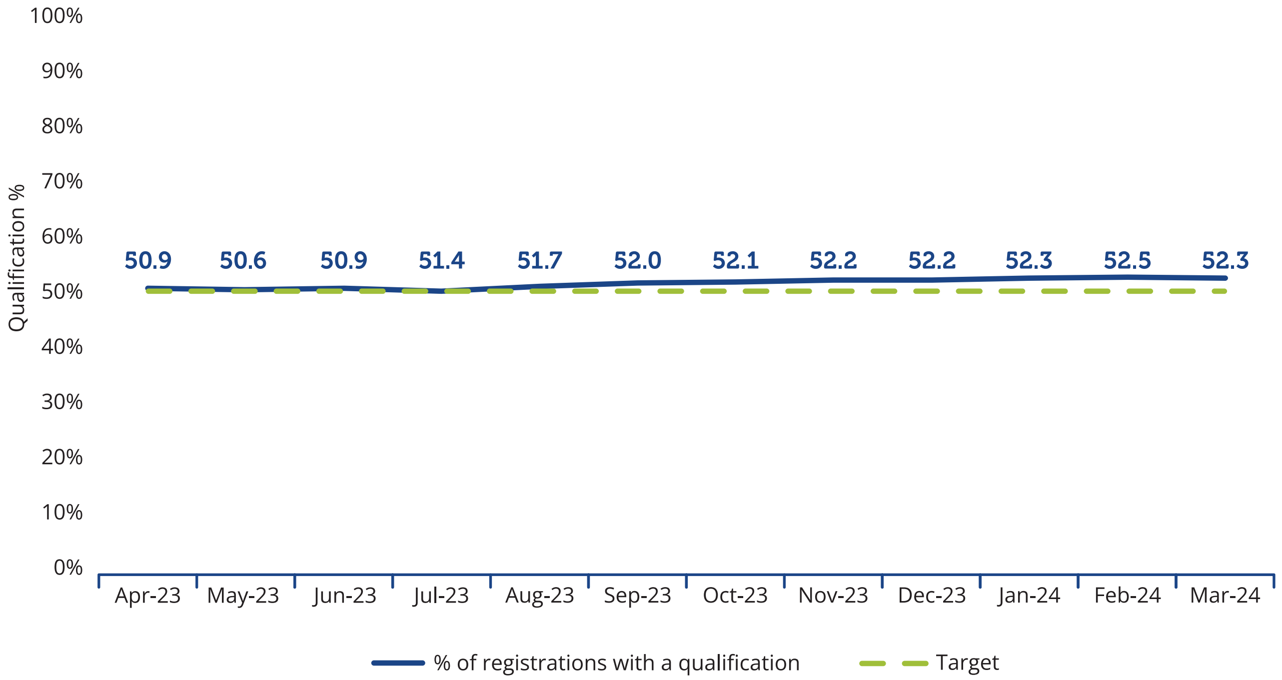
We have continued to support employers and workers to develop their cyber resilience through a series of events, a targeted communication campaign and contributing to national cyber-resilience initiatives and contextualising these for the sector. We commissioned preliminary research and a literature review into current cyber-hygiene practices in care environments and how these fit with best practice. We will be using this research in our work with the sector in 2024. We also commissioned the development of a digital tool that care home workers will be able to use to assess which cyber-resilience practices and authentication methods are most suited to an individual's cognitive and physiological needs and preferences. We have developed a map of touchpoints in relation to the national Health and Social Care Standards to help practitioners understand where cyber-resilience fits in the delivery of care. This will form the basis of a learning activity to be included in the 23 Things: Digital and 23 Things: TEC learning resources.

We finalised our research on digital capability within the adult social care workforce in Scotland and have published our review on the SSSC's data website. We have shared this with partners such as NHS Education for Scotland (NES) to support digital development activity for the sector.

We contributed to research commissioned by Skills Development Scotland on adult social care skill needs. We are now working with partners to develop a skills response plan for the adult social care workforce.

Strategic performance indicator results

Figure 4: Increase the percentage of the registered workforce with the correct qualification.



We are continuing to increase the percentage of the workforce who are qualified and have set a target of 53% for this indicator this year. We are close to this target and finished this year 0.7% below the target at 52.3%. However, we are aware of concerns about the ability of some groups to gain their qualifications in the timescales required. We continue to work with national stakeholders to support the qualified status of the workforce.

Looking at the performance over three years we can see the increase towards each target from 49.2% in 2021/22 to 50.1% in 2022/23 with a target of 50%, the target was then increased in 2023/24 to 53%.

By contributing to the National Improvement and Learning Framework we are committed to supporting the learning aspects of its implementation. We are working with NES to support the development of their improvement learning to make it more accessible for people working in social work and social care. We have also worked in partnership with Healthcare Improvement Scotland and NES to finalise and launch the Care Experience Improvement Model (CEIM) Leaders Programme. This is a coaching and skills development programme that equips health and social care workers with the knowledge and skills to coach and lead care teams to implement the CEIM Experience Improvement Model for Health and Social Care.

Confident: Our work enhances the confidence, competence and wellbeing of the workforce.

We contributed to the development and implementation of a range of national strategies and policies over the year including the National Workforce Strategy for Health and Social Care in Scotland and projects relating to it.

As part of our Future Proofing Programme, we reviewed our Codes of Practice for Workers and Employers (the Codes). Our Codes were last reviewed in 2016. We implemented a service design approach to the review of the Codes, involving workers, employers and other key stakeholders from the sector. This included formal consultation in April 2023, where we presented an initial draft version and asked for feedback from the sector.

The consultation included six online and five in-person engagement events across Scotland. Some of the changes we made were to amend the language used to describe ‘individuals’ rather than ‘people who use services’ and the inclusion of statements around ‘kindness and compassion’ to link to the Health and Social Care Standards. We also included a new code for trauma related practice.

Scottish Government formally approved the revisions in March 2024 and we launched the new Codes on 1 May 2024, followed by a public launch with Natalie Don MSP, Minister for Children, Young People and The Promise, on 7 May 2024.

We also revised the CPL requirements as part of the programme. This review looked at how we could support the workforce to respond to emerging issues more quickly when required, for example, the infection control skills and knowledge required at the start of the pandemic and ensure the workforce have the right skills at the right time in their career journeys to deliver better outcomes for people. We revised the CPL requirements through extensive consultation with our stakeholders and the sector. The new CPL website was launched in May 2024.

We supported the development of and are working with partners to progress implementation of workforce aspects of the Mental health and wellbeing strategy: delivery plan 2023-2025, the Drugs and alcohol workforce action plan 2023-2026, the new dementia strategy ‘Everyone’s Story’ delivery plan 2024-2026 and we have contributed to the work of the Improving Wellbeing and Working Cultures Strategy via our support of the Leading to Change programme of activity led by NES.

In support of The Promise and the expansion of early years, we reviewed and took over responsibility for hosting and maintaining the National Directory for CPL, an online professional learning portal providing a single point of access to quality assured professional learning resources for the early learning and childcare and school age childcare profession.

In our role as a national and official statistics provider we continue to publish a range of reports and data sets to support workforce planning, including the Scottish Social Service Sector: Report on 2022 Workforce Data, the Mental Health Officer (MHO) Report 2022 and the joint Staff Vacancies in Care Services 2022 report with the Care Inspectorate.

Two additional reports we published this year were the Movement of Day Care of Children Staff Report 2023 and one on intelligence from our first six-monthly survey of social worker filled posts and vacancies which focuses on practising social workers.

Figure 5: The percentage of active users and badges awarded against individuals registered

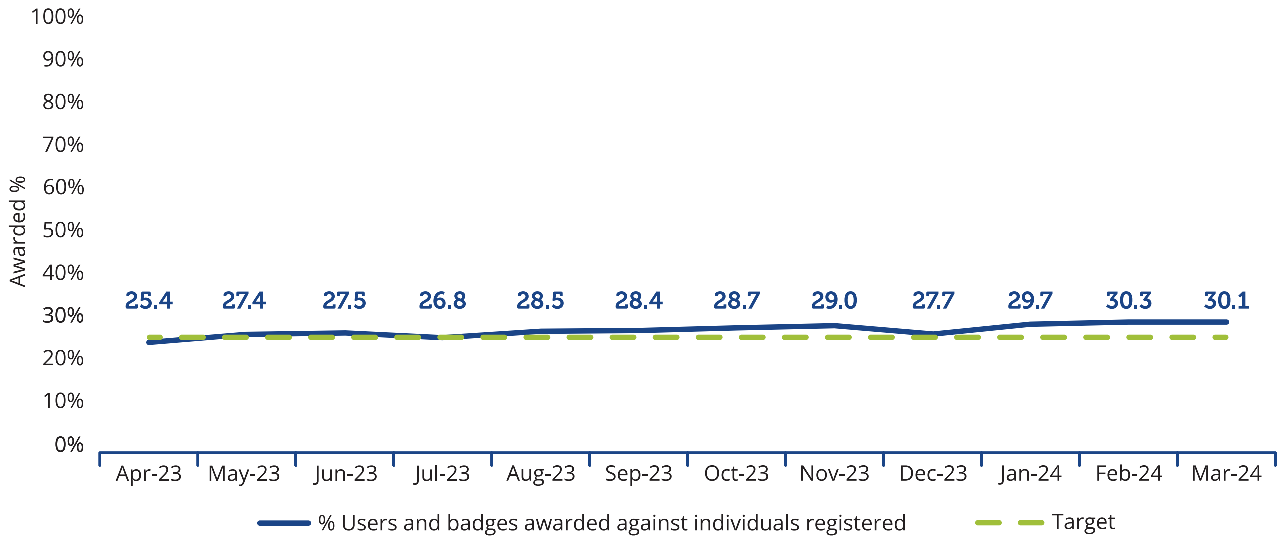
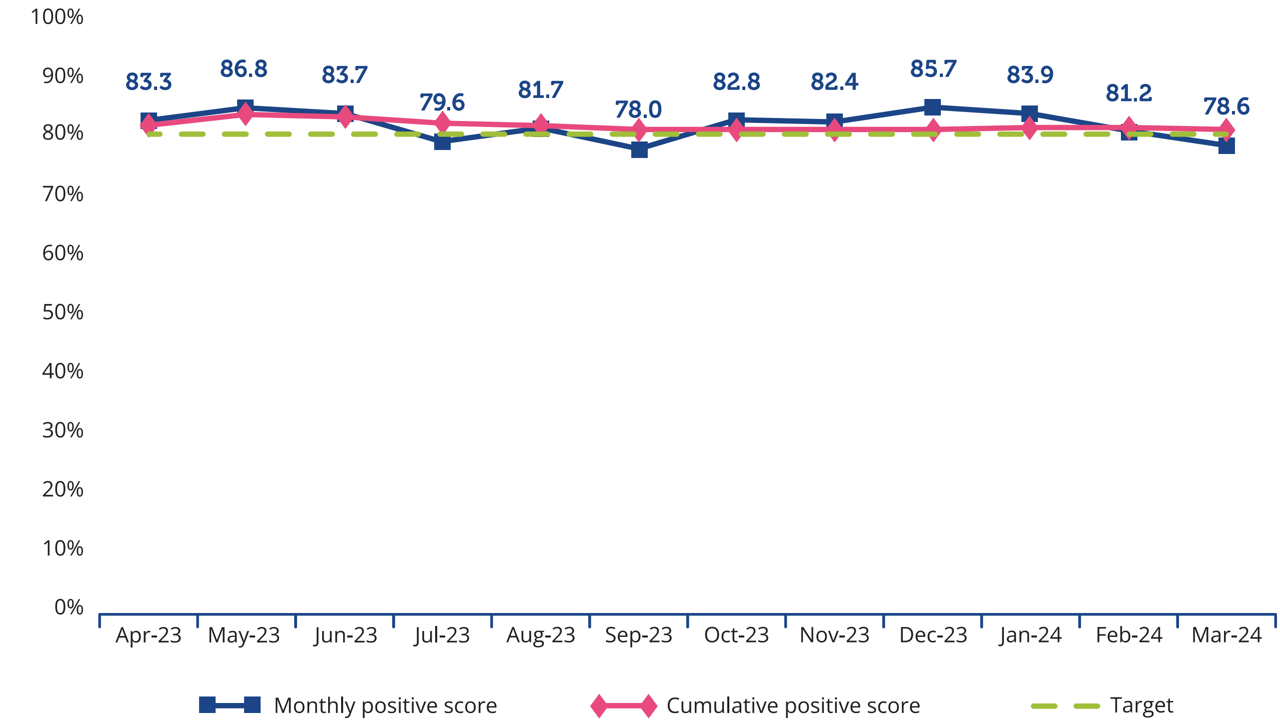


Figure 6: Percentage of those reporting positively that our development activity is delivering the support required by the workforce



We set an ambitious target of 80% of people reporting positively that our development activity supports the workforce. The monthly positive score fluctuated slightly and over the year exceeded our target with a positive cumulative score of 83.1%.

We set the measure for this outcome in June 2020, so our results are from that point on.

Year after year our positive scores have increased to 73% in 2020/21, 74.5% in 2021/22 and 80.2% in 2023/24.

Valued: The social work, social care and children and young people workforce is valued for the difference it makes to people's lives.

Recruitment and retention continue to be a challenge for the sector and we have worked closely with employers, national partners and others to address these. This has included a continued commitment to the Fair Work agenda and support to the different workstreams supporting this work, in particular the work relating to effective voice.

Our careers and employability group continues to lead and support work focusing on improving and aligning the messaging and language around social care careers, engagement with schools, and retention and support through the initial period of employment. We have worked closely with the Scottish Refugee Council and other partners to support the recruitment of refugees and asylum seekers to the sector and have produced further guidance to support international recruitment. This included a Pre-Employment and Induction Guide for Employers of Overseas Workers, Refugees and Asylum Seekers published jointly by the SSSC, NES and the Scottish Refugee Council.

Our online workforce planning network continues to grow, with nearly 400 members, and we delivered a series of workforce planning webinars for network members over the year focusing on topics such as international recruitment, trauma informed practice and the revisions to the SSSC's CPL model.

We have supported the Care Inspectorate to implement the social care elements of the Health and Care (Staffing)(Scotland) Act 2019 ready for implementation of the legislation in April 2024 and have specifically supported the development of related learning activity.

Supporting delivery of our strategic outcomes

Complaints

Our complaints handling procedure complies with Scottish Public Services Ombudsman (SPSO) guidance. We record all complaints and monitor areas of improvement and opportunities for shared learning. We report our complaints performance annually to Council and publish this and quarterly updates on our website. We introduced a revised complaints handling procedure in April 2021, which is in line with revisions to SPSO guidance.

Our average response time for stage one complaints is one working day, which is within the five-day timescale. The average for stage two responses is 16 working days, which is within the 20-day timescale.

We provided staff training to build on their knowledge and understanding of how to identify and record complaints. There is a direct correlation between this training and the increase in the number of complaints handled.

Table 2: Complaints performance 2019/20 to 2023/24.

Indicator	2023/24	2022/23	2021/22	2020/21	2019/20
Stage 1 complaints received	314	444	402	90	186
Percent stage 1 responded to in five working days	99%	97%	94%	92%	95%
Stage 2 complaints received	23	13	16	8	15
Percent stage 2 responded to in 20 working days	95%	93%	81%	89%	71%
Percent upheld (all complaints)	4%	4%	5%	18%	23%
Percent partially upheld (all complaints)	6%	7%	4%	25%	17%
Percent resolved (all complaints)*	62%	70%	62%	Not recorded	Not recorded

*resolved is a new outcome option which was introduced in the SPSO's new model in April 2021.

Information governance

We handled 32 individual rights requests under UK GDPR, including subject access requests. We completed 91% on time. In addition, we responded to 26 requests under the Freedom of Information (Scotland) Act 2022, with a 96% on-time response rate.

Whistleblowing

The SSSC has a dual role in responding to whistleblowing as an employer and as a prescribed person in the sector.

A social service worker can whistle blow to someone in their own organisation or to a third party known as a 'prescribed person'. The SSSC is a prescribed person listed in Prescribed Persons (Reports on Disclosures of Information) Regulations 2017. As a prescribed person, we are required to publish annually the details of referrals that qualify as whistleblowing and the actions we took.

In 2023/24 we received four whistleblowing referrals. We opened a fitness to practise case for all four referrals. By opening a case we investigate whether the fitness to practise of the worker is impaired or not.

For the four cases we opened:

- one case is ongoing and under investigation
- three cases have concluded and resulted in no further action due to insufficient evidence.

We have one ongoing case from a referral in 2022/23 which awaits the outcome of a police investigation.

We encourage staff to raise serious concerns about wrongdoing or alleged impropriety. Our Whistleblowing Policy informs staff on when and how to raise these concerns. The policy is consistent with, and makes explicit reference to, the Public Interest Disclosure Act 1998.

As an employer, we did not receive any whistleblowing referrals in 2023/24.

Counter fraud, bribery and corruption

Our Counter Fraud, Bribery and Corruption Framework, along with other controlled documents, including human resources (HR) policies, codes of conduct, financial and contract procedure rules, whistleblowing and complaints policy, ensure legislative compliance and prevention, detection and investigation of fraud, bribery and corruption. We update the Audit and Assurance Committee at every meeting on any instances of fraud in the preceding quarter and update on the annual position. We did not detect any instances of fraud or corruption in 2023/24.

In 2023/24 we continued our contractual arrangements with NHS Counter Fraud Services (CFS) to support our counter fraud arrangements and updated the Audit and Assurance Committee on the work we carried out to assess and reduce the risk of fraud. We provided updates and shared information with staff on fraud risks including promotion of Fraud Awareness Week and a reminder of our Framework and other corporate policies such as our Whistleblowing Policy.

Equality, diversity and inclusion

We are committed to promoting equality, diversity and inclusion. This commitment is underpinned by statutory duties placed on us by the Regulation of Care (Scotland) Act 2001 and the Equality Act 2010.

In April 2023 we published our new **Equality, Diversity and Inclusion Mainstreaming Report**. The report sets out our equality outcomes for the next four years, it's our sixth report and shows the progress we have made towards our equality outcomes since 2021 in our role as regulator for the social work, social care and children and young people workforce in Scotland.

The SSSC aims to put equality, diversity and inclusion at the heart of what we do. Our aim is to make sure that the benefits apply to everyone. We have introduced a new Equalities Impact Assessment for our work.

Our registrant and stakeholder surveys include a question about the extent to which the SSSC's work promotes equality, diversity and inclusion, using a scale of one to five, where one is not at all and five is very much. In 2023 approximately 72% of registrants scored the SSSC at four or above.

Along with other public bodies and regulators, we have identified a need for better equality data on our registrants and our own workforce. We updated our questions and made it easier for registrants and staff to provide this information through our portals for registrants and staff. We continue to promote the need for this information, and we started work on analysis of workforce equalities data in 2023.

We continue to implement the actions in our Care Experience and Children's Rights plans. For example, we reviewed the Codes of Practice as part of wider work on the Future Proofing Programme. We are also taking steps to formalise and improve the way we involve people in our work and we are looking at the outcomes of the Independent Review on Inspection Scrutiny and Regulation that was published in 2023 to support our work in this area.

Social and environmental impacts

We do not have a statutory requirement to meet climate change targets as we do not own buildings or land. We understand that any role we can play in supporting our impact on the environment is important. We completed our Biodiversity return as a tier three organisation to NatureScot in January 2024.

We have observed a positive reduction in our printing and copying costs since the COVID-19 pandemic, as detailed in Table 3 below, with expenses decreasing from £44.3k in 2019 to £2.3k in 2023.

Table 3: Printing and copying costs 2019/20 to 2023/24

	2023/24	2022/23	2021/22	2020/21	2019/20
Printing and copying	£2,323.57	£12,510.43	£10,246.92	£21,091.03	£62,244.63

We undertook a digital refresh in 2023/24 to replace old laptop technology. We provided Remakery, a re-use organisation that facilitates the delivery of refurbished equipment to charities, schools and other small entities that would otherwise not be able to purchase their own equipment, with our old equipment. This considerably reduced our potential environmental impact and ensured a sustainable approach in re-using equipment where possible.

Remakery operate from premises in Leith, an area of multiple deprivation. They provide an environmental and social impact by repairing, refurbishing and re-using items that others send to landfill and by supporting those most in need in communities with projects that tackle digital poverty and social isolation. 20% of our donated equipment was given to charities and community organisations. The rest is being used to teach people repair and upcycling skills. No working parts are ever destroyed, the parts are stripped for use in workshops and community training programmes. The rest is refurbished and sold in the Remakery store.

We continued our approach to agile working in 2023/24 and reduced our office footprint by 50%. As 70% of our staff regularly work from home, we have significantly reduced the need to drive for work. We have a public transport policy implemented for any travel to events/meetings.

Our agile working policy and the move to remote hearings have significantly impacted our travel and accommodation costs, resulting in notable reductions pre- versus post-COVID-19, as shown in Table 4.

Table 4: Travel costs 2018/2019 to 2023/24

	2023/24	2022/23	2021/22	2020/21	2019/20	2018/19
Annual travel costs	£22,800.20	£16,344.10	£2,762.24	£6,208.79	£96,174.82	£104,946.48

Our staff have access to electric car charging points installed by the landlord at our offices in Dundee.

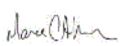
We regularly raise awareness with our staff of national campaigns, such as Climate Change week, participate in cycle to work schemes and support recycling within the office space. Our facilities are available for staff use as part of our hybrid working approach, mixing remote with in person working. These changes mean we're making a positive contribution to reducing carbon emissions.

We manage our carbon emissions in partnership with the Care Inspectorate as part of our shared services provision. We are working with the Care Inspectorate to develop a new carbon management plan for 2024 onwards. Our footprint has decreased from 184.2 tonnes CO2 equivalent in 2019/20 to 35.8 in 2023/24 as a result of our agile working policy and office space reduction.

Table 5: SSSC's carbon footprint

	2023/24	2022/23	2021/22	2020/21	2019/20
Total CO2 produced (tonnes CO2 equivalent)	35.8	97.2	85.3	79.6	184.2
Total CO2 produced (tonnes CO2 equivalent)					
Travel	10.1	9.70	7.10		2
Gas and electricity	35.73	87.28	77.86	79.2	126.1
Water	0.06	0.06	0.16	0.2	0.7
Waste and recycling	0.06	0.21	0.15	0.2	0.9

Signed by:



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Maree Allison
Chief Executive

Section B: Accountability report

Corporate governance report

Director's report

The Director's report includes information relating to membership of the SSSC's Council and Executive Management Team (EMT) and where to find details of interests held by members of the Council and EMT which may conflict with their management responsibilities. Personal data related to incidents are also disclosed.

SSSC Council

Members sitting on the SSSC Council during 2023/24 were:

- **Sandra Campbell, Convener** (from 1 September 2019 and reappointed 1 September 2022)
- **Theresa Allison** (from 1 September 2018 and reappointed 1 September 2021)
- **Professor Alan Baird** (from 1 September 2018 and reappointed 1 September 2021)
- **Sharon Ballingall** (from 1 December 2023)
- **Julie Grace** (from 1 September 2019 and reappointed 1 September 2022)
- **Edel Harris OBE** (from 1 December 2023)
- **Lynne Huckerby** (from 1 September 2019 and reappointed 1 September 2022 until August 2023)
- **Rona King** (from 1 September 2019 and reappointed 1 September 2022)
- **Lindsay MacDonald** (from 01 February 2023)
- **Doug Moodie, Chair of the Care Inspectorate** (from 01 September 2022)
- **Peter Murray** (from 01 September 2019 and reappointed 01 September 2022)
- **Linda Lennie** (from 1 November 2017 until 31 October 2023).

Executive Management Team

The EMT are employees of the SSSC. The following individuals served on the EMT during 2023-2024:

- **Lorraine Gray, Chief Executive** (retired January 2024)
- **Maree Allison, Interim Chief Executive** (from February 2024) **previously Director of Regulation, additionally, also Acting Chief Executive** (from 30 May 2022 to 6 December 2022 and from 6 March 2023 to February 2024)
- **Laura Lamb, Acting Director of Development and Innovation** (from 1 February 2021); **post name changed to Acting Director of Workforce, Education and Standards** (from 20 October 2022)
- **Laura Shepherd, Director of Strategy and Performance**
- **Hannah Coleman, Acting Director of Regulation** (from 20 March 2023)
- **Phillip Gillespie, Director of Development and Innovation** (on secondment to Scottish Government from 5 January 2021).

Register of interests

We maintain a register of interests of Council Members which is available on our website in our Council Members section. Declarations of conflicts of interest are standing agenda items at each Council and Committee meeting.

Personal data related incidents

We self-reported one incident to the Information Commissioner's Office (ICO) during 2023/24. The ICO have concluded their investigations and taken no further action.

Statement of Accountable Officer's responsibilities

The SSSC's Framework Document agreed with its sponsoring Scottish Government Directorate, sets out the roles and responsibilities of Scottish Ministers, the sponsoring team in the Directorate, the SSSC Council, the Convener of the SSSC and the SSSC Accountable Officer. This statement provides detail on the Accountable Officer's responsibilities.

Under paragraph 9 (1) of Schedule 2 to the Regulation of Care (Scotland) Act 2001, the SSSC is required to prepare a statement of accounts for each financial year in the form and on the basis directed by Scottish Ministers. The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of the SSSC and of its net resource outturn, application of resources, changes in taxpayers' equity and cash flows for the financial year.

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

- observe the accounts direction issued by Scottish Ministers, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis
- make judgements and estimates on a reasonable basis
- state whether applicable accounting standards have been followed and disclose and explain any material departures in the financial statements
- prepare the financial statements on a 'going concern' basis unless it is inappropriate to presume that the SSSC will continue in operation.

Scottish Ministers designated the Chief Executive as the Accountable Officer for the SSSC. The responsibilities of the Chief Executive as Accountable Officer, including responsibility for the propriety and regularity of the public finances for which the Accountable Officer is answerable, for keeping of proper records and for safeguarding the SSSC's assets, are set out in the Non-Departmental Public Bodies' Accountable Officer Memorandum issued by the Scottish Government and published in the Scottish Public Finance Manual.

The Accountable Officer has confirmed that the Annual Report and Accounts as a whole is fair, balanced and understandable and that she takes personal responsibility for the Annual Report and Accounts and the judgments required for determining that it is fair, balanced and understandable.

For the purposes of the audit, so far as the Accountable Officer is aware, there is no relevant audit information of which the auditors are unaware, and all necessary steps have been taken by the Accountable Officer to ensure awareness of relevant audit information and to establish that the SSSC's auditors are aware of that information.

Governance statement

Introduction

As Accountable Officer, I have responsibility for maintaining a sound system of internal control that supports the achievement of the SSSC's policies, aims and objectives. I am also responsible for safeguarding the public funds and assets assigned to the SSSC, in accordance with the responsibilities set out in the Memorandum to Accountable Officers for Other Public Bodies.

This annual governance statement explains the SSSC's governance and risk management framework.

The governance framework

The SSSC is a non-departmental public body. We work within a broad framework agreed with the Scottish Government. The SSSC renewed its framework with the Scottish Government in February 2022. The Council is the governing body responsible for ensuring that the SSSC fulfils its aims and objectives, for promoting the efficient and effective use of staff and other resources and for identifying and managing risk.

The Council comprises the Convener and nine non-executive Members. The Scottish Ministers make the appointments which are normally for a three-year term with the possibility of a further term, subject to evidence of effective performance and satisfying the skills, knowledge and experience required on the Council at time of re-appointment. Members come from a variety of areas including health, charities, education, social work, project management as well as the Chair of the Care Inspectorate Board.

We maintain a register of interests of Council Members which is available on our website here.

The SSSC Code of Corporate Governance sets out the full details of the Council's role, the responsibilities of each Committee and key roles in the organisation. The Council reviews its effectiveness every year and the Code is subject to ongoing revisions as necessary and reviewed in detail every three years. We reviewed and updated the Code in February 2023.

Council Members and attendance

Council Members must comply with the SSSC's Code of Conduct for Members as well as the guidance set out in appointment letters and in On Board – A Guide for Board Members of Statutory Boards.

The Council approved the SSSC Code of Conduct for Members in February 2022 in line with the Model Code of Conduct for Members of Non-Devolved Public Bodies.

The Convener appraises Members on an annual basis. The SSSC's Sponsor Department appraises the Convener on an annual basis. We hold our Council meetings in public and the minutes of each meeting are available on our website www.sssc.uk.com.

Lynne Huckerby left on 31 August 2023 and Linda Lennie left on 31 October 2023. The Scottish Ministers appointed Sharon Ballingall and Edel Harris on 1 December 2023.

Six development sessions have taken place over the year. The following table details SSSC Committee membership and Council Member attendance at Council and Audit and Assurance Committee meetings.

	Council	Audit and Assurance Committee
Number of meetings	**6**	**5**
Council Member	**Attended**	**Attended**
Sandra Campbell (Convener)	6	N/A
Theresa Allison*	3	3
Professor Alan Baird*	5	5
Julie Grace	3	N/A
Lynne Huckerby (until 31 August 2023)	1	N/A
Rona King*	6	5
Linda Lennie (until 31 October 2023)	0	N/A
Lindsay MacDonald*	6	5
Doug Moodie (from 1 September 2022)	6	N/A
Peter Murray*	6	5
Sharon Ballingall (from 1 December 2023)	1	N/A
Edel Harris (from 1 December 2023)	2	N/A

*Denotes member of the Audit and Assurance Committee.

Audit and Assurance Committee

The Audit and Assurance Committee makes recommendations to the Council and Accountable Officer on risk, control and corporate governance including the mechanisms for measuring performance towards achieving strategic goals. We submit an assurance report to each committee meeting which provides performance, financial and risk information. This allows Members to assess delivery of our strategy, highlights areas of concern and identifies required corrective action. The Committee also receives reports from internal and external audit and the auditors can contact the Chair directly about any concerns they have during their audit work. The Committee submitted a draft Annual Report summarising the work of the Committee over the year 2023/24 and giving its opinion on the assurance this work provides to Council for approval in April 2024.

In October 2023 the Audit and Assurance Committee reviewed the SSSC Assurance Map and agreed to include it within the quarterly Assurance Report. The map sets out the key aspects of our internal control framework and helps us ensure we have assurances to meet all the requirements placed on the SSSC.

Accountable Officer

The Accountable Officer is personally responsible to Scottish Ministers, who are ultimately accountable to the Scottish Parliament, for securing propriety and regularity in the management of public funds and for the day-to-day operations and management of the SSSC.

The detailed responsibilities of the Accountable Officer for a public body are set out in a Memorandum from the Principal Accountable Officer of the Scottish Administration which is issued to the Chief Executive on appointment and updated where required.

The Chief Executive retired on 24 January 2024 and we will recruit into this position in 2024.

Executive Management Team (EMT)

The EMT supports the Chief Executive in their Accountable Officer role through the formal Scheme of Delegation. The EMT comprises the Director of Regulation, Director of Workforce, Education and Standards and Director of Strategy and Performance. This Director of Finance and Resources post has been vacant over 2023/24 and the responsibilities shared among EMT. The Director of Strategy and Performance had responsibility for overseeing the operation of shared services with the Care Inspectorate over the year 2023/24. The Director of Workforce, Education and Standards has continued his secondment post with the Scottish Government and the Acting Director of Workforce, Education and Standards carried out this role. The Director of Regulation was Acting Chief Executive and the Head of Regulatory Improvement and Hearings was Acting Director of Regulation.

Each director has responsibility for the development and maintenance of the governance environment within their own areas of control.

External audit appointment

The Auditor General appoints our independent auditors under the Public Finance and Accountability (Scotland) Act 2000. Audit Scotland appointed Deloitte as our independent external auditors for a five-year period from 1 April 2022.

Internal audit

The SSSC contracted out its internal audit function to Henderson Loggie for a three-year period to 31 March 2023 with the option to extend for two further years. We extended their contract to 31 March 2024. Internal audit forms an integral part of our internal control and governance arrangements. The internal audit service operates in accordance with Public Sector Internal Audit Standards and carries out an annual programme of work approved by the Audit and Assurance Committee.

This annual programme is based on a formal risk assessment process which we update on an ongoing basis to reflect evolving risks and changes. The Audit and Assurance Committee reviews and approves the Strategic Internal Audit Plan annually.

We have an effective and productive relationship with our internal auditors.

Each year they provide the Audit and Assurance Committee with assurance on the whole system of internal control. In assessing the level of assurance to be given for 2023/24, our internal auditors take into account:

- all reviews undertaken as part of the 2023/24 internal audit plan
- any scope limitations imposed by management
- matters arising from previous reviews and the extent of follow-up action taken, including in year audits
- expectations of senior management, the Council and other stakeholders
- the extent to which internal controls address the SSSC's risk management/control framework
- the effect of any significant changes in the SSSC's objectives or systems
- the proportion of the SSSC's internal audit coverage achieved to date.

The internal auditor's overall opinion for 2023/24 was: 'the SSSC has adequate and effective arrangements for risk management, control and governance. Proper arrangements are in place to promote and secure Value for Money.'

Risk management

The SSSC has a Risk Management Policy. The main priorities of this policy are to identify, evaluate and control risks which threaten our ability to deliver our objectives. The policy provides direction on a consistent, organised and systematic approach to identifying risks, the control measures that are already in place, the residual risk, the risk appetite and action that is necessary to further mitigate against risks.

We identify and maintain risks on a Strategic Risk Register and address them in the preparation of the Strategic Plan. The Strategic Plan shows clear links between risks identified on the Risk Register and our strategic objectives. As a result, the risks identified become embedded in managers' work plans for the year. We also have a Risk Appetite Statement to underpin our approach to risk management and control.

Council reviews the Strategic Risk Register and Risk Appetite Statement annually. We also have a Risk Management Procedure which sets out how we implement and monitor risk across the organisation.

Work is continuing to embed risk management throughout the organisation by developing operational risk registers and understanding the links between strategic and operational risk. Our Risk Policy and procedures are updated every three years. The last review took place in 2023. We review the strategic risk register at every Audit and Assurance Committee and review the appetite statement yearly with Council Members.

System of internal financial control

Within our overall governance framework specific arrangements are in place as part of the system of internal financial control. These arrangements make sure we have reasonable assurances that we safeguard assets, authorise transactions and these are properly recorded, and material errors or irregularities are either prevented or detected within a timely period.

The SSSC's system of internal financial control is based on a framework of financial regulations, regular management information, administrative procedures (including segregation of duties), management supervision and a system of delegation and accountability. Development and maintenance of the system is the responsibility of managers within the SSSC.

The system includes:

- Financial Regulations and Standing Orders
- comprehensive budgeting systems
- regular reviews of periodic and annual financial reports which indicate financial performance against forecast
- a comprehensive set of control reconciliations performed regularly
- regular compliance testing
- setting targets to measure financial and other performance
- a scheme of delegation.

Corporate governance

Our strategy is set out in our three-year strategic plan supported by annual business plans. We report on our financial position, strategic performance and key risks in our assurance report which is scrutinised every quarter by the Audit and Assurance Committee. The Committee makes recommendations to the Council on the assurances it can take. We carry out a review of the effectiveness of those arrangements on an annual basis with the last review taking place in December 2023. The Audit and Assurance Committee completed a self-assessment in September 2023.

Individual policies and procedures that contribute to the overall governance framework are also subject to periodic review. For this review we take account of:

- the views of Audit and Assurance Committee on the assurance arrangements
- the opinions of internal and external audit on the quality of the systems of governance, management and risk control
- Certificates of Assurance supplied by EMT members to the Accountable Officer following a review of the governance arrangements within their specific areas of responsibility
- feedback from managers and staff on our performance, use of resources, responses to risks and the extent to which we have met in-year budgets and other performance targets.

Quality assurance

We continue to use the European Foundation for Quality Management (EFQM) model to drive improvement within the SSSC. We are members of EFQM Scotland, who provide us with advice, training and networking opportunities. We have an ongoing programme of self-evaluation which began in 2021/22 and continues on a yearly basis.

Shared services

In collaboration with the Care Inspectorate, we have a joint shared services strategy and governance arrangements, management agreement and service specifications. An internal audit carried out in March 2023 recommended that we review the model to make sure that it meets the needs of both the SSSC and Care Inspectorate. We carried out a review of these arrangements in 2023/24 and have agreed a new shared services agreement and service specifications.

Information governance

We have information governance policies and procedures in place to make sure we handle data responsibly and comply with data protection and freedom of information laws. We self-reported one incident to the Information Commissioner's Office (ICO) during 2023/24. The ICO have concluded their investigation and taken no further action.

We have completed an action plan arising out of our assessment of our data protection arrangements against the ICO Accountability Framework.

Areas identified by the directors' review

As part of the directors' annual review and the Certificate of Assurance process we identified the following areas for further development or attention.

- EMT testing of incident management plans.
- Review workforce and succession plans for departments.
- Training on impact assessments.
- Improve mandatory training for managers on HR policies.

Significant issues

- There are no significant issues to highlight.

Certification

Our governance framework has been in place for the year ended 31 March 2024 and up to the date of signing of the Accounts. It is my opinion that we can place reasonable assurance on the adequacy and effectiveness of the SSSC's systems of governance. Although we have identified areas for further improvement, the annual review has provided sufficient evidence that the SSSC's governance arrangements have operated effectively and that the SSSC complies with all relevant guidance and generally accepted best practice in all significant respects.

Remuneration and staff report

Remuneration report UNAUDITED INFORMATION

(Note - unaudited information is checked for consistency)

Introduction

This report provides information on the remuneration of SSSC Council Members and senior managers in 2023/24. Senior managers are members of the Executive Management Team (EMT).

The EMT is the Chief Executive, the Director of Strategy and Performance, the Director of Regulation and the Director of Workforce, Education and Standards with a vacant Director of Finance and Resources. The Director of Workforce, Education and Standards is currently seconded to Scottish Government and his duties are being carried out by the Acting Director of Workforce, Education and Standards.

The remuneration report contains both audited information and information which is not specifically subject to audit.

Remuneration policy

Members

The remuneration of Council Members is determined by Scottish Ministers. There is no performance element to Members' remuneration.

Executive Management Team

Chief Executive

The Chief Executive's remuneration is determined by the Senior Salaries Review Body. Performance is assessed through an annual appraisal performed by the Convener and this appraisal is submitted to the Scottish Government to allow the Chief Executive's remuneration to be agreed.

Senior managers

Our directors are on the salary scale A2 SCP 68-73, which is £74.8k to £82.8k.

Incremental progression to the maximum of the scale is determined by performance. Performance is assessed by development discussions and progression is subject to agreement by the Chief Executive. The SSSC's pay strategy must be approved by the Scottish Government. Subject to that approval, a pay award package is negotiated with the trade union. When the pay award package has been agreed, it is applied to the remuneration of senior managers and the main body of SSSC staff.

Notice periods - Members

Council Members are appointed for a period determined by Scottish Ministers. Council Members are eligible to be re-appointed following the end of a period of Council membership. Either party may terminate early by giving notice.

Normally there is no payment available in the event of early termination of the contract. However, where special circumstances exist, Scottish Ministers may determine that compensation for early termination is appropriate and instruct the SSSC to make a payment. Scottish Ministers would also determine the value of the payment.

Details of the service contracts for Council Members serving during the year are below:

Council Member	Current term	Date of initial appointment	Date of re-appointment	Date appointment terminates
Sandra Campbell, Convener	2nd	01 Sept 2019	01 Sept 2022	30 Sep 2024
Professor Alan Baird	2nd	01 Sept 2018	01 Sept 2021	31 Aug 2024
Linda Lennie	2nd	01 Nov 2017	01 Nov 2020	31 Oct 2023
Sharon Ballingall	1st	01 Dec 2023	-	30 Nov 2026
Peter Murray	2nd	01 Sept 2019	01 Sept 2022	31 Aug 2025
Julie Grace	2nd	01 Sept 2019	01 Sept 2022	19 May 2024
Theresa Allison	2nd	01 Sept 2018	01 Sept 2021	31 Aug 2024
Rona King	2nd	01 Sept 2019	01 Sept 2022	31 Aug 2025
Lindsey MacDonald	1st	01 Feb 2023	-	31 Jan 2026
Lynne Huckerby	2nd	01 Sept 2019	01 Sept 2022	31 Aug 2023
Edel Harris	1st	01 Dec 2023	-	30 Nov 2026
Doug Moodie*	1st	01 Sep 2022	-	31 Aug 2026

* There is a reciprocal arrangement where the Convener of the SSSC is a Board Member of the Care Inspectorate and the Chair of the Care Inspectorate is a Council Member. Doug Moodie is Chair of the Care Inspectorate.

Chief Executive

Lorraine Gray was appointed Chief Executive on 20 August 2018. Termination of the contract requires a notice period of six months by either party. Lorraine retired on 24 January 2024.

There are no compensation payments specified in the Chief Executive's contract in the event of early termination.

Maree Allison, our Director of Regulation was Acting Chief Executive from 30 May 2022 to 6 December 2022 and Interim Chief Executive from February 2024.

Senior managers

The SSSC has four permanent director posts:

- Director of Regulation
- Director of Workforce, Education and Standards (currently on secondment)
- Director of Strategy and Performance
- Director of Finance and Resources (vacant during 2023/24).

All directors have permanent contracts.

The outward secondment of the Director of Workforce, Education and Standards is covered by a temporary arrangement where his duties are allocated to the Acting Director of Workforce, Education and Standards. This temporary arrangement is expected to continue until 1 March 2025 (the end of the Director of Workforce, Education and Standard's secondment period).

Termination of the Director's contracts require a notice period of three months by either party.

There are no compensation payments specified in the Director's contracts in the event of early termination.

Discretionary benefits policy

The Chief Executive and senior managers do not have any contractual rights to early termination compensation payments, but the SSSC operates a discretionary benefits policy that is applicable to all staff (excluding Council Members).

This policy allows additional years of pensionable service to be awarded to those members of the pension scheme who have more than five years pensionable service. The award of additional pensionable service is limited to a maximum of six and two thirds years in a redundancy situation and 10 years if early termination is in the interests of the efficiency of the service. Alternatively, pension scheme members with more than two years pensionable service may be paid compensation of up to 104 weeks' pay.

The number of years added or the amount of compensation paid, if any, is determined on the basis of individual circumstances and the employee's age and length of service. All awards of additional service and compensation for early termination are subject to a three-year payback period and must be approved by the Council.

Audited Information

Remuneration – SSSC Council Members

	Salary 2023/24 £000	Salary 2022/23 £000
Sandra Campbell – Convener	10 – 15	15 – 20
Professor Alan Baird	0 – 5	0 – 5
Linda Lennie	0 – 5	0 – 5
Sharon Ballingall	0 – 5	–
Peter Murray	0 – 5	0 – 5
Julie Grace	0 – 5	0 – 5
Theresa Allison	0 – 5	0 – 5
Rona King	0 – 5	0 – 5
Lindsay MacDonald	0 – 5	0 – 5
Lynne Huckerby	0 – 5	0 – 5
Edel Harris	0 – 5	–
Russell Pettigrew	–	0 – 5
Doug Moodie*	0 – 5	0 – 5

* There is a reciprocal arrangement where the Convener of the SSSC is a Board Member of the Care Inspectorate and the Chair of the Care Inspectorate is a Council Member. Doug Moodie is Chair of the Care Inspectorate. Doug Moodie, the Chair of the Care Inspectorate does not receive remuneration from the SSSC.

Council Members are not eligible to join the pension scheme available to SSSC employees.

Remuneration – Executive Management Team

The salaries and pension entitlements of the Chief Executive and senior managers are as follows.

	Single total figure of remuneration					
	Salary		Pension benefits*		Total	
	2023/24	2022/23	2023/24	2022/23	2023/24	2022/23
	£000	£000	£000	£000	£000	£000
Lorraine Gray Chief Executive	95 - 100	90 - 95	66	25	160 – 165	115 - 120
Maree Allison Director of Regulation (Acting Chief Executive from 6 March 2023)	90 - 95	85 - 90	59	45	150 – 155	130 – 135
Phillip Gillespie Director of Workforce, Education and Standards (seconded out from 5 January 2021)	80 - 85	75 - 80	56	39	135 - 140	110 - 115
Laura Shepherd Director of Strategy and Performance	75 - 80	70 - 75	43	30	120 - 125	100 - 105
Lynn Murray** Interim Director of Finance and Resources (from 1 June 2020 to 31 March 2023)	NIL	80 - 85	NIL	28	NIL	110 - 115
Laura Lamb Acting Director of Workforce, Education and Standards (from 1 February 2021)	75 - 80	70 - 75	45	35	120 - 125	105 - 110
Christopher Weir** Acting Director of Regulation (from 30 May 2022 to 6 December 2022)	NIL	50 - 55	NIL	166	NIL	215 - 220
Hannah Coleman Acting Director of Regulation (from 20 March 2023)	70 - 75	50 - 55	24	134	95 - 100	185 - 190

*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 lump sum) less (the contributions made by the individual). The real increases exclude increases due to inflation or any increases or decreases due to transfer of pension rights.

**There are no 2023/24 figures for Lynn Murray and Christopher Weir as they stopped serving on EMT during 2022/23.

Phillip Gillespie, the substantive Director of Workforce, Education and Standards was seconded to the Scottish Government (from 5 January 2021).

No Director received any benefits in kind during 2023/24 or 2022/23.

Salary

Salary includes gross salary, overtime, recruitment and retention allowances and any other allowance to the extent that it is subject to UK taxation. This report is based on accrued payments made by the SSSC as recorded in the Annual Accounts.

Benefits in kind

The monetary value of benefits in kind covers any benefits provided by the SSSC and treated by HM Revenue and Customs as a taxable emolument. No benefits in kind were paid during 2023/24 or 2022/23.

Fair pay disclosure (audited)

We are required to disclose the relationship between the remuneration of the highest paid director in the SSSC and the lower quartile, median and upper quartile remuneration of our workforce.

Total remuneration includes salary, overtime, other taxable allowances and benefits in kind. It does not include severance payments, employer pension contributions or the cash equivalent transfer value of pensions.

The median pay ratio for 2023/24 is consistent with the pay reward and progression policies for the SSSC's employees as a whole.

	2023/24	2022/23
Remuneration banding of highest paid director	£95,000 - £100,000	£90,000 - £95,000
Percentage change from previous financial year for highest paid director	5.41%	0.00%
Average percentage change from previous financial year for employees*	7.89%	3.28%
Lower quartile remuneration	£27,658	£23,592
Lower quartile ratio	3.53	3.64
Median remuneration	£38,801	£36,777
Median ratio	2.51	2.52
Upper quartile remuneration	£47,432	£43,962
Upper quartile ratio	2.06	2.10
Remuneration range	£22,739 - £118,350	£21,552 - £92,505

* Average percentage change calculated on headcount in 2023/24

Median pay is consistent with our pay, reward and progression policies for the entity's employees.

Local Government Pension Scheme (LGPS)

Details of the LGPS and the SSSC's status as an admitted body to Tayside Superannuation Fund are in note 5 of the Annual Accounts. The Chief Executive and Directors are all members of the LGPS.

	As at 31 March 2024				Cash Equivalent Transfer Values (CETVs)		
	Accrued pension at age 65	Related lump sum	Real increase in pension at age 65	Real increase in related lump sum at age 65	As at 31 March 2024	As at 31 March 2023	Real increase
	£000	£000	£000	£000	£000	£000	£000
Maree Allison Director of Regulation (Acting Chief Executive from 6 March 2023)	55 - 60	-	2.5 - 5	-	333	229	98
Phillip Gillespie Director of Workforce, Education and Standards (seconded out from 5 January 2021)	50 - 55	30 - 35	0 - 2.5	0 - 2.5	544	411	121
Laura Shepherd Director of Strategy and Performance	50 - 55	-	0 - 2.5	-	231	155	72
Laura Lamb Acting Director of Workforce, Education and Standards (From 1 February 2021)	50 - 55	0 - 5	0 - 2.5	0 - 2.5	265	181	78
Hannah Coleman Acting Director of Regulation (from 20 March 2023)	40 - 45	-	7.5 - 10	-	107	62	43

There are no pension benefit figures for Lorraine Gray due to retirement on 24 January 2024.

Cash Equivalent Transfer Values

A Cash Equivalent Transfer Value (CETV) 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. A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies.

The figures include the value of any pension benefit in another scheme or arrangement which the member has transferred to the LGPS. They also include any additional pension benefit accrued to the member as a result of their buying additional pension benefits at their own cost. CETVs are worked out in accordance with The Occupational Pension Schemes (Transfer Values) (Amendment) Regulations 2008 and do not take account of any actual or potential reduction to benefits resulting from Lifetime Allowance Tax which may be due when pension benefits are taken.

Real increase in CETV

This reflects the increase in CETV that is funded by the employer. It does not include 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 for the start and end of the period.

Payment of compensation for loss of office

No Council Members, senior managers or other employees received any payment or other compensation for loss of office (2022/23 £1.5k to £2.0K).

Staff report, AUDITED INFORMATION

Staff numbers, permanent and other

The tables below provide analysis of permanent and non-permanent staff engaged to work for the SSSC during 2023/24 and related costs. Staff numbers are expressed as average full-time equivalents (FTE) employed in the year.

	2023/24		
	Permanently employed	Others	Total
	FTE	FTE	FTE
Senior managers	5	0	5
Other employees	272	27	299
Agency workers	0	2	2
Secondments inward	0	0	0
Total staff engaged	**277**	**29**	**306**
Secondments outward	(2)	0	(2)
Net staff engaged on SSSC activity	**275**	**29**	**304**

	2023/24		
	Permanently employed	Others	Total
	£000	£000	£000
Senior manager salaries	505	0	505
Other employee salaries	10,387	840	11,227
Social security costs	1,189	76	1,265
Pension service costs	1,904	133	2,037
Total cost directly employed staff	**13,985**	**1,049**	**15,034**
Council Members (i)	0	30	30
Fitness to Practise Panel Members (ii)	0	645	645
External Assessors (ii)	0	11	11
Agency workers	0	117	117
Secondments inward	0	13	13
Total cost of people engaged	**13,985**	**1,865**	**15,850**
Severance costs	0	0	0
Other staff costs	111	0	111
Staff costs (SoCNE)	**14,096**	**1,865**	**15,961**
Secondments outward	(173)	0	(173)
Net staff costs	**13,923**	**1,865**	**15,788**

(i) There was a Convener and nine Council Members during the year. Council Members are office holders and not included in the staff numbers.

(ii) Other staff costs include the cost of Fitness to Practise Panel Members who take part in hearings and make decisions about workers' fitness to practise. We engaged 92 panel members in 2023/24 for an average of 19 days. External assessors review overseas qualifications for registration purposes. We engaged six external assessors during 2023/24.

2022/23 comparative information

	2022/23		
	Permanently employed	Others	Total
	FTE	FTE	FTE
Senior managers	5	1	6
Other employees	276	33	309
Agency workers	0	3	3
Secondments inward	0	1	1
Total staff engaged	**281**	**38**	**319**
Secondments outward	(2)	0	(2)
Net staff engaged on SSSC activity	**279**	**38**	**317**

	2022/23		
	Permanently employed	Others	Total
	£000	£000	£000
Senior manager salaries	430	83	513
Other employee salaries	9,898	1,022	10,920
Social security costs	1,149	110	1,259
Pension service costs	4,695	176	4,871
Total cost directly employed staff	**16,172**	**1,391**	**17,563**
Council members (i)	0	31	31
Fitness to Practise Panel Members (ii)	0	752	752
External Assessors (ii)	0	4	4
Agency workers	0	215	215
Secondments inward	0	43	43
Total cost of people engaged	**16,172**	**2,436**	**18,608**
Severance costs	0	2	2
Other staff costs	146	0	146
Staff costs (SoCNE)	**16,318**	**2,438**	**18,756**
Secondments outward	(148)	0	(148)
Net staff costs	**16,170**	**2,438**	**18,608**

(i) There was a Convener and nine Council Members during the year. Council Members are office holders and not included in the staff numbers.

(ii) Other staff costs include the cost of Fitness to Practise Panel Members who take part in hearings and make decisions about workers' fitness to practise. We engaged 52 panel members in 2022/23 for an average of 22 days. External assessors review overseas qualifications for registration purposes. We engaged two external assessors during 2022/23.

Details of the pension arrangements for the SSSC are in note 5 of the accounts. It should be noted that the pension service costs in the table above include adjustments for International Accounting Standard 19 (IAS19) 'Employee Benefits' pension valuations. The difference between the employer contributions actually paid and the pension cost figure adjusted for IAS19 is detailed in note 3b of the accounts

Exit packages (voluntary early severance/voluntary early retirement scheme/ settlement agreements)

No staff members left the SSSC with a severance package during the 2023/24 financial year. (Three staff members received a severance package in 2022/23).

Exit costs include:

- compensation for reduced notice
- redundancy payments
- employer costs of providing early unreduced access to pension (strain on fund).

The table below shows the number of departures and associated costs:

	2023/24		2022/23	
Exit package cost band	Number of departures	Total cost £000	Number of departures	Total cost £000
Up to £25,000	0	0	3	10

Exit costs are accounted for in full when the decision to grant compensation cannot be withdrawn. Redundancy and other departure costs have been paid in accordance with the SSSC's Retirement and Redundancy Policy and the Local Government Pension Scheme Regulations for Scotland. Where the SSSC has agreed early retirements, the strain on fund costs is met by the SSSC and not the Local Government Pension Scheme.

Expenditure on consultancy

	2023/24 £000	2022/23 £000
Strategy		
Job evaluation	0	29
Scoping rewards review, analysis of reward practices and structure	0	7
Sector equalities research project	46	0
Training and education for the sector		
Evaluation advance placement skills education modules	1	24
Codes of Practice review	4	8
Property		
Office regeneration	0	23
Digital		
Futureproofing impact assessment	0	20
Development of reproducible analytical pipelines	0	8
Sector digital capabilities research	31	8
Finance		
Tax services	1	1
Total consultancy	**83**	**128**

Unaudited Information

Staff composition by gender

The table below provides a gender breakdown of directly employed staff at 31 March 2024. Staff numbers are provided on a head count basis.

	Permanent		Other staff		Total	
Role	male	female	male	female	male	female
Executive Management Team and support	1	7	0	0	1	7
Other staff	72	200	8	29	80	229
Total	**73**	**207**	**8**	**29**	**81**	**236**

Sickness absence

We lost 6.6% working time to sickness absence during 2023/24 which is an increase on last year's figure of 4.8%.

	2023/24 %	2022/23 %	2021/22 %
Percentage of working time lost to sickness absence	6.6	4.8	3.5

Staff turnover data

The SSSC's voluntary staff turnover was 11% in 2023/24 (12% in 2022/23). Involuntary turnover was 2.1% for 2023/24.

These figures exclude Council Members and Conveners.

Policies in relation to disabled people

The SSSC is committed to mainstreaming all three strands of the general equality duty throughout our organisation – eliminating discrimination, harassment, victimisation, and any other conduct that is prohibited by or under the Equality Act 2010. We seek to make sure that the duty is implemented as part of our human resources policy and practice. For example, we make adjustments for people with disabilities, regularly review our human resources policies, and deliver training and workshops to raise awareness of issues affecting people with protected characteristics. We also have an equality working group. There are plans to provide further training for staff on how to undertake equality impact assessments.

The SSSC operates a Guaranteed Job Interview Scheme as part of our selection process. The scheme guarantees candidates who consider themselves to have a disability to be shortlisted for posts they meet the essential criteria for.

The SSSC's Maximising Attendance Policy provides guidance and advice on how to support an employee who becomes disabled while employed by the SSSC.

Facility Time Statement

The Value of Facility Time

Facility Time generates benefits for employees, managers and the wider community from effective joint working between union representatives and employers.

A number of studies have shown that union workplaces tend to be safer and that trade unions help to promote skills and training in workplace. The Scottish Government recognises this through our support for trade union learning and equality initiatives including Scottish Union Learning, Close the Gap, Fair Work Convention, Partnership Working in the NHS and revised governance arrangements for Higher Education.

The NatCen study[1] highlighted four main benefits from the use of Facility Time:

- 'Provision of a ready-made structure for meaningful consultation and negotiation saves money and reassures members that their views are valued in decision making.
- Facilitation of partnership working with trade unions improves workplace relations and the reputation of an employer as 'a good place to work'.
- 'Earlier intervention in relation to complaints, grievances and disciplinary action prevents escalation into more serious problems and saves organisations (and taxpayers) money by reducing the impact on staff time and possible legal costs.'
- Better communication during restructuring and redundancy processes improves understanding of decisions, minimises negative impacts and reduces the number of working days lost through industrial action.'
- The Fair Work Convention[2] highlights these points through its 'Effective voice' principle. As they state: 'It is clear from international evidence that employees and workers want a voice, not only to resolve problems and conflicts (which is important) but also to engage and participate constructively in organisations.'
- On organisational change, they say: 'There are many examples in Scotland and elsewhere of how collective voice through trade unions working with employers has addressed a wide range of organisational challenges and contributed to organisational improvements.'

It is the view of the Scottish Social Services Council that Facility Time data legally required by the Trade Union (Facility Time Publication Requirements) Regulations 2017, should be set in the context of the vast benefits that Facility Time brings to the workforce and to the employer, as set out above. This is supported by the Scottish Government, the STUC and our affiliated trade unions.

Maree Allison
Chief Executive

Donna Laing
Branch Secretary, UNISON SRC branch
SSSC Partnership Forum

1 http://www.natcen.ac.uk/our-research/research/the-value-of-trade-union-facility-time/

2 http://www.fairworkconvention.scot/

Trade Union Facility Time

The Trade Union (Facility Time Publication Requirements) Regulations 2017 came into force on 1 April 2017. The regulations require public sector employers to publish specific information related to Facility Time provided to trade union officials. The information for 2023/24 follows.

Table 1

Relevant union officials

The table below details number of employees who were relevant union officials during 2023/24.

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
2	2

Table 2

Percentage of time spent on Facility Time

The table below provides details of the Facility Time spent by employees who were relevant union officials during 2023/24.

Percentage of time	Number of employees
0%	0
1-50%	2
51%-99%	0
100%	0

Table 3

Percentage of pay bill spent on Facility Time

The tables below give details of the percentage of time spent on Facility Time as a percentage of our pay bill.

Total cost of Facility Time	£2,204
Total pay bill	£15,033,699
Facility Time as a percentage of total pay bill	0.01%

Table 4

Paid trade union activities

The table below provides hours spent by employees who were relevant union officials during the 2023/24 financial year as a percentage of total paid Facility Time hours.

Time spent on paid trade union activities as a percentage of total paid Facility Time hours.	19.4%

Parliamentary accountability report

Parliamentary accountability report

The following disclosures are subject to audit.

Losses and special payments

There were no reportable losses or special payments in the year to 31 March 2024 (nil for the year to 31 March 2023).

Fees and charges

The SSSC charges fees to individual social service workers applying to join the Register. Once registered an annual continuation of registration fee is charged and following a set number of years (currently either three or five years, dependent on the part of Register) a renewal of registration fee is charged.

Under section 57 of the Regulation of Care (Scotland) Act 2001, the SSSC can set reasonable fees through changes to our registration rules. This requires the consent of Scottish Ministers. We carried out a review of fees and consultation with stakeholders during 2016/17 and a fee increase applied from 1 September 2017. We are planning a fee consultation during 2024/25.

Our budget is funded mainly by a mixture of grant in aid from the Scottish Government, specific grants (mainly from the Scottish Government) and fees paid by registrants. The 2023/24 budget was based on funding of 71.5% from grant in aid, 12.5% from fees charged to applicants and registrants, 6.1% from additional grant in aid (one-off spending pressure) from Scottish Government, 3.9% from specific grant funded projects, 4.5% from our general reserve and 1.5% from other income. (2022/23: 61% grant in aid, 23% fees, 6% additional grant in aid (spending pressure), 4% general reserve, 5% specific grants and 1% other income).

In 2022/23 Scottish Government agreed to pay SSSC registration fees for local authority registered workers. This changed the way we are funded as we now receive grant in aid from Scottish Government for local authority worker fees. Income collected from fees charged to applicants to register and registrants is shown in the table below.

	2023/24			2022/23		
	Budget £000	Actual £000	Variance £000	Budget £000	Actual £000	Variance £000
Grant in aid - Scottish Government reimbursement of local authority worker fees	2,593	2,465	(128)	0	1,119	1,119
Registration fees from registrants	3,310	3,882	572	5,962	4,743	(1,219)
Total fees and charges	**5,903**	**6,347**	**444**	**5,962**	**5,862**	**(100)**

Accountability Report signed:

Signed by:

CFC6730AE560484...

Maree Allison,
Chief Executive and Accountable Officer,
2 December 2024

Independent Auditor's report

Independent auditor's report to the members of Scottish Social Services Council, the Auditor General for Scotland and the Scottish Parliament

Reporting on the audit of the financial statements

Opinion on financial statements

We have audited the financial statements in the annual report and accounts of Scottish Social Services Council for the year ended 31 March 2024 under the Regulation of Care (Scotland) Act 2001. The financial statements comprise the Statement of Financial Position, the Statement of Comprehensive Net Expenditure, the Statement of Cash Flows, the Statement of Changes in Taxpayers' Equity and notes to the financial statements, including material accounting policy information. 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 the 2023/24 Government Financial Reporting Manual (the 2023/24 FReM).

In our opinion the accompanying financial statements:

- give a true and fair view of the state of the body's affairs as at 31 March 2024 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 the 2023/24 FReM; and
- have been prepared in accordance with the requirements of the Regulation of Care (Scotland) Act 2001 and directions made thereunder by the Scottish Ministers.

Basis for opinion

We conducted our audit in accordance with applicable law and International Standards on Auditing (UK) (ISAs (UK)), as required by the Code of Audit Practice approved by the Auditor General for Scotland. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We were appointed by the Auditor General on 18 May 2022. Our period of appointment is five years, covering 2022/23 to 2026/27. We are independent of the body in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. Non-audit services prohibited by the Ethical Standard were not provided to the body. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern basis of accounting

We 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 we have performed, we 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 12 months from when the financial statements are authorised for issue.

These conclusions are not intended to, nor do they, provide assurance on the body's current or future financial sustainability. However, we report on the body's arrangements for financial sustainability in a separate Annual Audit Report available from the Audit Scotland website.

Risks of material misstatement

We report in our separate Annual Audit Report the most significant assessed risks of material misstatement that we identified and our judgements thereon.

Responsibilities of the Accountable Officer for the financial statements

As explained more fully in the Statement of Accountable Officer's Responsibilities, the Accountable Officer is responsible for the preparation of financial statements that give a true and fair view in accordance with the financial reporting framework, and for such internal control as the Accountable Officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Accountable Officer is responsible for assessing the body'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 there is an intention to discontinue the body's operations.

Auditor's responsibilities for the audit of the financial statements

Our 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 our 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 decisions of users taken on the basis of these financial statements.

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

- using our understanding of the central government sector to identify that the Regulation of Care (Scotland) Act 2001 and directions made thereunder by the Scottish Ministers are significant in the context of the body
- inquiring of the Accountable Officer as to other laws or regulations that may be expected to have a fundamental effect on the operations of the body
- inquiring of the Accountable Officer concerning the body's policies and procedures regarding compliance with the applicable legal and regulatory framework
- discussions among our audit team on the susceptibility of the financial statements to material misstatement, including how fraud might occur; and
- considering whether the audit team collectively has the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations.

We obtained an understanding of the legal and regulatory framework that the body operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. This includes the Regulation of Care (Scotland) Act 2001.
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the body's ability to operate or to avoid a material penalty. These include the Data Protection Act 2018 and relevant employment legislation.

As a result of performing the above, we identified the greatest potential for fraud was in relation to the requirement to operating within the resource limit allocated by the Scottish Government. The risk is that the expenditure in relation to year-end transactions may be subject to potential manipulation in an attempt to align with its tolerance target or achieve a breakeven position. In response to this risk, we obtained confirmation of the resource limit allocated by the Scottish Government and tested a sample of accruals, prepayments and invoices received around the year-end to assess whether they have been recorded in the correct period.

In common with audits under ISAs (UK) we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

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

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulation described as having a direct effect on the financial statements
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatements due to fraud
- enquiring of management, internal audit and external legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance and reviewing internal audit reports.

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

Irregularities that result from fraud are inherently more difficult to detect than irregularities that result from error as fraud may involve collusion, intentional omissions, misrepresentations, or the override of internal control. The capability of the audit to detect fraud and other irregularities depends on factors such as the skilfulness of the perpetrator, the frequency and extent of manipulation, the degree of collusion involved, the relative size of individual amounts manipulated, and the seniority of those individuals involved.

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 our auditor's report.

Reporting on regularity of expenditure and income

Opinion on regularity

In our opinion in all material respects the expenditure and income in the financial statements were incurred or applied in accordance with any applicable enactments and guidance issued by the Scottish Ministers.

Responsibilities for regularity

The Accountable Officer is responsible for ensuring the regularity of expenditure and income. In addition to our responsibilities in respect of irregularities explained in the audit of the financial statements section of our report, we are responsible for expressing an opinion on the regularity of expenditure and income in accordance with the Public Finance and Accountability (Scotland) Act 2000.

Reporting on other requirements

Opinion prescribed by the Auditor General for Scotland on audited parts of the Remuneration and Staff Report

We have audited the parts of the Remuneration and Staff Report described as audited. In our opinion, the audited parts of the Remuneration and Staff Report have been properly prepared in accordance with the Regulation of Care (Scotland) Act 2001 and directions made thereunder by the Scottish Ministers.

Other information

The Accountable Officer is responsible for the other information in the annual report and accounts. The other information comprises the Performance Report and the Accountability Report excluding the audited parts of the Remuneration and Staff Report.

Our responsibility is to read all the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon except on the Performance Report and Governance Statement to the extent explicitly stated in the following opinions prescribed by the Auditor General for Scotland.

Opinions prescribed by the Auditor General for Scotland on Performance Report and Governance Statement

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

- the information given in the Performance Report for the financial year for which the financial statements are prepared is consistent with the financial statements and that report has been prepared in accordance with the Regulation of Care (Scotland) Act 2001 and directions made thereunder by the Scottish Ministers; and
- the information given in the Governance Statement for the financial year for which the financial statements are prepared is consistent with the financial statements and that report has been prepared in accordance with Regulation of Care (Scotland) Act 2001 and directions made thereunder by the Scottish Ministers.

Matters on which we are required to report by exception

We are required by the Auditor General for Scotland to report to you if, in our opinion:

- adequate accounting records have not been kept; or
- the financial statements and the audited parts of the Remuneration and Staff Report are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in respect of these matters.

Conclusions on wider scope responsibilities

In addition to our responsibilities for the annual report and accounts, our conclusions on the wider scope responsibilities specified in the Code of Audit Practice are set out in our Annual Audit Report.

Use of our report

This report is made solely to the parties to whom it is addressed in accordance with the Public Finance and Accountability (Scotland) Act 2000 and for no other purpose. In accordance with paragraph 108 of the Code of Audit Practice, we do not undertake to have responsibilities to members or officers, in their individual capacities, or to third parties.

DocuSigned by:

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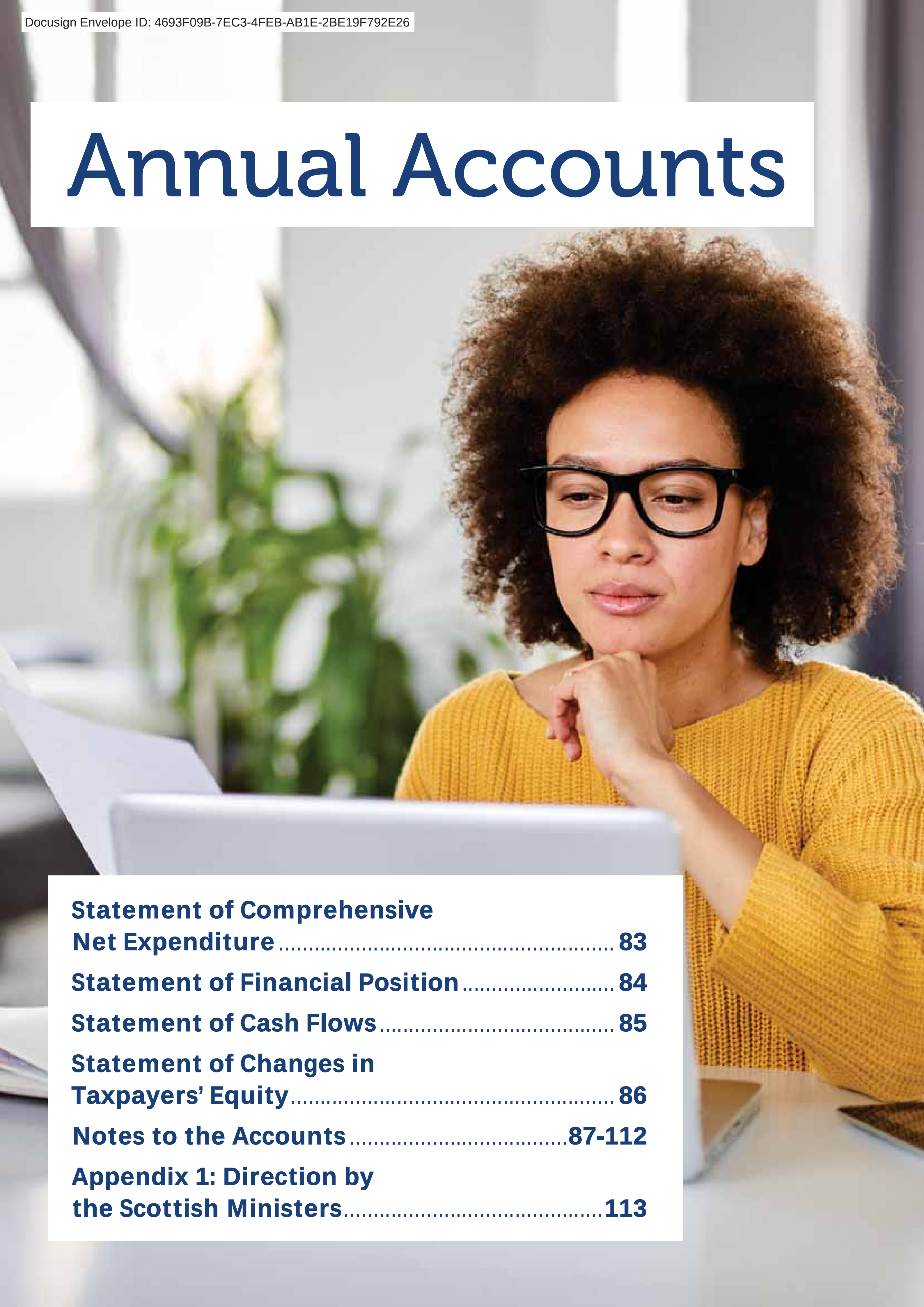
Nicola Wright, for and on behalf of Deloitte LLP

Newcastle upon Tyne

United Kingdom

2 December 2024

Annual Accounts



Statement of Comprehensive Net Expenditure for the year ended 31 March 2024

	Ref/ note	2023/24 £000	2022/23 £000
Income			
Registration fees	2a	(3,882)	(4,743)
Other operating income	2b	(638)	(568)
		(4,520)	**(5,311)**
Expenditure			
Staff costs	3a	15,961	18,756
Other operating expenditure	6a	3,879	4,493
Disbursements	6b	7,836	6,636
		27,676	**29,885**
Net operating expenditure		23,156	24,574
Bank charges		46	30
Interest on lease liability		60	3
Net interest on defined pension liability	5b	(634)	228
Net expenditure for the year		22,628	24,835
Other comprehensive net expenditure			
Items which will not be reclassified to net operating costs:			
Total actuarial re-measurements on defined pensions (asset)	5b	13,091	(25,169)
Total comprehensive net expenditure/ (income) before Government funding		**35,719**	**(334)**

All operations are continuing.

The notes on pages 87 to 112 form an integral part of these accounts.

Statement of Financial Position as at 31 March 2024

	Ref/ note	2023/24 £000	2022/23 £000
Non-current assets			
Right of use asset - building	14	1,599	18
Furniture and fittings	7	0	12
Pension asset	5a	0	12,580
Trade and other receivables - greater than one year	8	33	70
Total non-current assets		**1,632**	**12,680**
Current assets			
Trade and other receivables	8	1,478	2,999
Cash and cash equivalents	9	6,780	5,463
Total current assets		**8,258**	**8,462**
Total assets		**9,890**	**21,142**
Current liabilities			
Trade and other payables	10	(4,788)	(5,997)
Building lease liability	14	(99)	(18)
Total current liabilities		**(4,887)**	**(6,015)**
Total assets less current liabilities		**5,003**	**15,127**
Non-current liabilities			
Other provisions	15	(465)	(547)
Building lease liability	14	(1,660)	0
Total non-current liabilities		**(2,125)**	**(547)**
Pension liability	5a	(319)	(316)
Net assets/(liabilities)		**2,559**	**14,264**
Taxpayers' equity			
Pensions reserve	SCTE	(319)	12,264
General reserve	11	2,878	2,000
		2,559	**14,264**

All operations are continuing.

The notes on pages 87 to 112 form an integral part of these accounts.

Maree Allison
Chief Executive and Accountable Officer

Signed by:

The Accountable Officer authorised these financial statements for issue on 2 December 2024.

Statement of Cash Flows for the year ended 31 March 2024

	Ref/ note	2023/24 £000	2022/23 £000
Cash flows from operating activities			
Net operating cost before Government funding	SoCNE	(35,719)	334
Adjustments for non-cash items:			
Pension adjustments and re-measurements	5b, table 2	12,583	(21,945)
Depreciation - right of use asset	14	114	339
Depreciation	7	0	2
Loss on disposal of property, plant and equipment	6a	12	0
Decrease/(Increase) in trade and other receivables	8a	1,559	(1,718)
(Decrease)/increase in trade and other payables	10a	(1,209)	197
(Decrease)/increase in provisions	15	(82)	82
Building lease - interest		60	3
Net cash outflow from operating activities		**(22,682)**	**(22,706)**
Cash flows from financing activities			
Funding from Government	12a	24,014	21,209
Building leases - principal		(15)	(343)
Net financing		**23,999**	**20,866**
Net increase/(decrease) in cash and cash equivalents in the period	**9**	**1,317**	**(1,840)**
Cash and cash equivalents at the beginning of the period	9	5,463	7,303
Cash and cash equivalents at the end of the period	**9**	**6,780**	**5,463**
		1,317	(1,840)

The notes on pages 87 to 112 form an integral part of these accounts.

Statement of Changes in Taxpayers' Equity for the year ended 31 March 2024

	Ref/ note	Pension reserve £000	General reserve £000	Total reserves £000
Balance at 31 March 2022		**(9,681)**	**2,402**	**(7,279)**
Changes in taxpayers' equity for 2022/23				
Pensions adjustment and re-measurement	5b table 2	21,945	(21,945)	0
Total comprehensive net expenditure	SoCNE	0	334	334
Total recognised income and expense for 2022/23		21,945	(21,611)	334
Funding from Government	12a	0	21,209	21,209
Balance at 31 March 2023		**12,264**	**2,000**	**14,264**
Changes in taxpayers' equity for 2023/24				
Pensions adjustment and re-measurement	5b table 2	(12,583)	12,583	0
Total comprehensive net expenditure	SoCNE	0	(35,719)	35,719
Total recognised income and expense for 2023/24		(12,583)	(23,136)	(35,719)
Funding from Government	12a	0	24,014	24,014
Balance at 31 March 2024		**(319)**	**2,878**	**2,559**

The notes on pages 87 to 112 form an integral part of these accounts.

Notes to the accounts

1 Statement of accounting policies

The accounts have been prepared in accordance with the Accounts Direction issued by the Scottish Ministers. The Accounts Direction (reproduced at appendix 1) requires compliance with the Government's Financial Reporting Manual (FReM) which follows International Financial Reporting Standards as adopted by the United Kingdom, International Financial Reporting Interpretation Committee (IFRIC) interpretations and the Companies Act 2006 to the extent that they are meaningful and appropriate to the public sector. The accounting policies adopted by the SSSC are described below. They have been applied consistently in dealing with items considered material in relation to the accounts.

1.1 Basis of accounting

The accounts have been prepared under the historical cost convention except for pensions that have been measured at fair value as determined by the relevant accounting standard.

The accounts are prepared using accounting policies and, where necessary, estimation techniques, which are selected as the most appropriate for the purpose of giving a true and fair view in accordance with the principles set out in International Accounting Standard 8: Accounting Policies, Changes in Accounting Estimates and Errors.

1.2 Adoption of new accounting standards

The IFRS 16 – Lease accounting standard is effective from 1 April 2022 and was adopted for the first time in the financial statements to 31 March 2023. Further information is available in 1.10 Leases and Note 14 – Leases.

1.3 Accounting standards issued but not yet effective

In accordance with IAS 8, changes to IFRS that have been issued but 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 the SSSC's accounts.

1.4 Going concern

The accounts have been prepared on the going concern basis, which provides that the entity will continue in operational existence for the foreseeable future. Further explanation of the adoption of the going concern basis is contained in the Financial Performance section (pages 22 to 24).

1.5 Property, plant and equipment

1.5.1 Capitalisation

The capitalisation threshold for individual assets is £10,000. This applies to all asset categories.

1.5.2 Valuation

Property, plant and equipment assets are carried at cost, less accumulated depreciation and any recognised impairment value. The SSSC does not have any assets held under finance leases.

Depreciated historic cost has been used as a proxy for the current value due to the low value and short life of the assets held. All property occupied by the SSSC is leasehold.

1.5.3 Depreciation

Depreciation is provided on a straight-line basis using the expected economic life of the asset. Leasehold improvements are depreciated at the lower of expected useful economic life and lease term. A full year's depreciation is charged in the year the asset is first brought in to use and no depreciation is charged in the year of disposal. The economic life of an asset is determined on an individual asset basis. Assets in the course of construction are not depreciated until the asset is brought into use. Asset cost is written off as follows:

Right of use asset – buildings	15 years
Furniture and fittings	15 years

1.6 Intangible assets

Acquired intangible assets are measured initially at cost and are amortised on a straight-line basis over their estimated useful lives. Acquired intangible assets tend to be software and the useful lives are typically four to six years and are determined on an individual basis.

1.7 Impairment of tangible and intangible assets

All tangible and intangible non-current assets are reviewed for impairment when there are indications that the carrying value may not be recoverable. If such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any.

The recoverable amount is the higher of fair value, less costs to sell and value in use. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately. Where an impairment loss subsequently reverses this is recognised as income immediately.

1.8 Government grants receivable

Grants and grant in aid in respect of revenue and capital expenditure are treated as a source of financing and are credited to the general reserve.

1.9 Disbursement grants and bursaries payable

This expenditure is recognised in the Statement of Comprehensive Net Expenditure in the period in which the recipient carries out the specific activity, which forms the basis of entitlement to grant, or otherwise meets the grant entitlement criteria.

1.10 Leases

The IFRS 16 – Lease accounting standard is effective from 1 April 2022 and was adopted for the first time in the financial statements to 31 March 2023.

Scope and classification of leases

Leases are contracts, or parts of a contract that convey the right to use an asset in exchange for consideration. The standard is also applied to accommodation sharing arrangements with other government departments.

Contracts or parts of contract that are leases in substance are determined by evaluating whether they convey the right to control the use of an identified asset, as represented by rights both to obtain substantially all the economic benefits from that asset and to direct its use.

The following are excluded: Contracts for low value items, defined as items costing less than £5,000 when new, provided they are not highly dependent or integrated with other items; and contracts with a term shorter than 12 months.

Initial recognition of leases

At the commencement of a lease, a right-of-use asset and a lease liability are recognised. The lease liability is measured at the present value of the payments for the remaining lease term (as defined above), net of irrecoverable value added tax, discounted either by the rate implicit in the lease, or, where this cannot be determined, the rate advised by HM Treasury for that calendar year. We have used the HM Treasury rate of 0.95%. The liability includes payments that are fixed or in-substance fixed, excluding, for example, changes arising from future rent reviews or changes in an index. The right-of-use asset is measured at the value of the liability, adjusted for any payments made or amounts accrued before the commencement date; lease incentives received; incremental costs of obtaining the lease; and any disposal costs at the end of the lease.

Subsequent measurement

The asset is subsequently measured using the fair value model. The cost model is considered to be a reasonable proxy except for leases of property without regular rent reviews. For these leases, the asset is carried at a revalued amount.

Lease expenditure

Expenditure includes interest, straight-line depreciation, any asset impairments and changes in variable lease payments not included in the measurement of the liability during the period in which the triggering event occurred. Lease payments are debited against the liability.

1.11 Cash and cash equivalents

Cash and cash equivalents in the Statement of Financial Position consist of cash at bank and cash in hand.

1.12 Pensions

The SSSC accounts for pensions under the IAS 19 ‘Employee Benefits’ standard as adapted to the public sector.

The SSSC is an admitted body to the Local Government Pension Scheme (LGPS) and this is a defined benefit scheme. Obligations are measured at discounted present value whilst scheme assets are recorded at fair value. The operating and financing costs of such schemes are recognised separately in the Statement of Comprehensive Net Expenditure. Service costs are spread systematically over the expected service lives of employees. Financing costs and actuarial gains and losses are recognised in the period in which they arise. An asset ceiling has been applied to reflect the present value of the economic benefit available to the SSSC in the form of refunds or reduced employer contributions.

The SSSC’s funding rules require the general reserve balance to be charged with the amount payable by the SSSC to the pension scheme and not the amount calculated according to the application of IAS 19. Therefore, there are appropriations to/from the pensions reserve shown in the Statement of Changes in Taxpayers’ Equity to reverse the impact of the IAS 19 entries included in the Statement of Comprehensive Net Expenditure to ensure the general reserve balance is charged with the amount payable by the SSSC.

1.13 Short term employee benefits

The SSSC permits the carry forward of unused annual leave entitlement and accumulated flexible working hours scheme balances. Entitlement to annual leave and flexible working hours are recognised in the accounts at the time the employee renders the service and not when the annual leave and accumulated hours balances are taken.

1.14 Shared services

The SSSC shares its headquarters and some services with the Care Inspectorate. The Care Inspectorate charges the SSSC for property, finance, procurement and human resource services provided, based on a Service Level Agreement (SLA).

1.15 Value Added Tax (VAT)

The SSSC can recover only a nominal value of VAT incurred on purchases, with irrecoverable VAT being charged to the Statement of Comprehensive Net Expenditure.

1.16 Revenue and capital transactions

Revenue and capital transactions are recognised in accordance with IFRS 15, so they are recorded in the accounts on an income and expenditure basis, meaning they are recognised as they are earned or incurred, not as money is received or paid. All specific and material sums payable to and due by the SSSC as at 31 March 2024 have been brought into account. Similarly, capital transactions are recognised as they are agreed or incurred, not as money received or paid.

1.17 Financial instruments

The SSSC does not hold any complex financial instruments. As the cash requirements of the SSSC are met through grant in aid provided by the Children and Families Directorate of the Scottish Government, financial instruments play a more limited role in creating and managing risk than would apply to a non-public sector body. Most financial instruments relate to contracts to buy non-financial items in line with our expected purchase and usage requirements and the SSSC is therefore exposed to little credit, liquidity or market risk.

Financial assets and financial liabilities are recognised on the Statement of Financial Position when the SSSC becomes a party to the contractual provisions of the instrument.

The SSSC's financial instruments comprise trade and other receivables, trade and other payables, and cash and liquid resources.

Trade receivables

Trade receivables are non-interest bearing and are recognised at fair value, reduced by appropriate allowances for estimated irrecoverable amounts.

Trade payables

Trade payables are non-interest bearing and are stated at fair value.

1.18 Changes in accounting policy

There have been no changes in accounting policy during the year.

1.19 Operating segments

Financial reporting to senior decision makers is at organisation wide level and therefore segmental reporting under IFRS 8 is not required.

1.20 Contingent assets and liabilities

Contingent assets and liabilities are disclosed in accordance with IAS 37. There are no contingent liabilities at 31 March 2024 (note 16).

1.21 Assumptions made about the future and other major sources of estimation uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The estimates, assumptions and judgements that have a risk of adjustment to the carrying amount of assets and liabilities within the financial statements within the next financial year are detailed below.

Judgements

Provisions have been made where management judge that it is more likely than not a financial liability exists which cannot be accurately quantified at present. (See note 15).

Estimates

Estimation of the net pension liability or asset is based on a number of complex assumptions including the discount rate, salary increase rate, retirement ages, mortality rates and expected returns on pension fund assets, following work carried out by our actuaries. Note 5 provides more detail on the movement in the net pension position.

2 Operating income

	2023/24 £000	2022/23 £000
2a Registration fees	**3,882**	**4,743**
2b Other operating income:		
Modern apprenticeship fees	234	224
Recharges for shared service	211	177
Recharges for seconded staff	173	148
Protection of Vulnerable Groups (PVG) fee recovery	2	4
Other income	18	15
Total other operating income	**638**	**568**

3 Staff numbers and costs

3a An analysis of staff numbers and costs is disclosed in the Staff Report (staff numbers by permanent and other) on pages 65 to 71 of this report. A summary of cost is provided in the table below.

Staff cost summary	2023/24 £000	2022/23 £000
Directly employed staff	15,034	17,563
Other people engaged	816	1,046
Other staff costs	111	147
Total staff costs	**15,961**	**18,756**

3b Analysis of impact of actuarial pension valuation adjustments (note 5)

The table below provides details of the difference between the employer contributions we actually paid to the pension scheme administrator and the service cost disclosed in the Annual Report and Accounts. Our budget is based on employer contributions payable. Tayside Pension Fund has a common employer contribution rate (17% in 2023/24, 17% in 2022/23). Service cost is a figure derived from actuarial analysis in accordance with IAS19.

Analysis of impact of actuarial pension valuation adjustments - staff costs (note 5)	2023/24 £000	2022/23 £000
Actual payments		
Employer pension contributions actually paid	1,919	1,870
Unfunded pension payments actually paid	25	22
Total pension related payments actually paid	**1,944**	**1,892**
Accounting entries (IAS 19 note 5)		
Service costs included in staff costs (SoCNE)	2,054	4,874
Variance between actual costs and accounting basis	**110**	**2,982**

4 Severance and settlement costs

There were no exit packages in 2023/24 with total costs of £nil (2022/23 £10k). Details of exit packages are disclosed on page 69 (exit packages) of this report.

5 Post-employment benefits: pensions

International Accounting Standard 19 (IAS 19) 'Employee Benefits' sets out the accounting treatment to be followed when accounting for the costs of providing a pension scheme.

Tayside Superannuation Fund

The Tayside Superannuation Fund is a multi-employer scheme which includes local authorities and admitted bodies.

The fund is administered by Dundee City Council and the pension scheme is part of the Local Government Pension Scheme (LGPS). It is a defined benefit scheme, which means that the benefits to which members and their spouses are entitled are determined by pensionable pay and length of service.

Employer contributions are set every three years as a result of an actuarial valuation of the fund required by the Regulations. The most recent actuarial valuation of the fund was carried out as at 31 March 2023. This set the contribution rate at 15.7% for 2024/25 to 2026/27. The next valuation of the fund will be carried out based on scheme data as at 31 March 2026. There are no minimum funding requirements in the LGPS but the contributions are generally set to target a funding level of 100% using the actuarial valuation assumptions.

The contributions paid by the SSSC for the year to 31 March 2024 were £1,910k representing 17% of pensionable pay (2022/23: £1,870k representing 17% of pensionable pay). The employer's contribution rate for the year to 31 March 2025 will reduce to 15.7%. Employee contribution rates were in the range 5.5% to 9.2% based on earnings bands.

Participating in a defined benefit pension scheme exposes the SSSC to the following risks.

- **Investment risk**: The fund may hold investment in asset classes, such as equities, which have volatile market values and while these assets are expected to provide real returns over the long-term, the short-term volatility can cause additional funding to be required if a deficit emerges.
- **Interest rate risk**: The fund's liabilities are assessed using market yields on high quality corporate bonds to discount future liability cashflows. As the fund holds assets such as equities the value of the assets and liabilities may not move in the same way.
- **Inflation risk**: All of the benefits under the fund are linked to inflation and so deficits may emerge to the extent that the assets are not linked to inflation.
- **Longevity risk**: In the event that the members live longer than assumed a deficit will emerge in the fund. This may be mitigated by a longevity insurance contract held by the fund. There are also other demographic risks.
- **Climate risk**: Climate risk can be grouped into two categories; Physical and Transitional risks. Physical risks are direct risks associated with an increased global temperature such as heatwaves and rising sea levels. Transitional risks are the costs of transitioning to a low carbon economy. These risks will manifest themselves in many of the other risks detailed above which the fund is exposed to, for example investment returns may be affected.

- **Regulatory risk**: Regulatory uncertainties could result in benefit changes to past or future benefits which could result in additional costs.
- **Orphan risk**: As many unrelated employers participate in each fund, there is an orphan liability risk where employers leave the fund but with insufficient assets to cover their pension obligations so that the difference may fall on the remaining employers in that fund.

All of the risks above may also benefit the employer, for example higher than expected investment returns or employers leaving the fund with excess assets which will eventually get inherited by the remaining employers.

The pension disclosure notes include the actuarial assessment of the impact on the SSSC's share of the fund.

5a Employee benefits – Statement of Financial Position

	As at 31 March 2024 £000	As at 31 March 2023 £000
Present value of funded obligation	(50,765)	(44,257)
Fair value of scheme assets (bid value)	70,386	56,837
Net asset	**19,621**	**12,580**
Present value of unfunded obligation	(319)	(316)
Impact of asset ceiling	(19,621)	0
Net asset/(liability) in Statement of Financial Position	**(319)**	**12,264**

Unfunded liabilities included in the figure for present value of liabilities is £319k (2022/23 £316k).

5b Statement of Comprehensive Net Expenditure costs for the year to 31 March 2024

The amounts recognised in the Statement of Comprehensive Net Expenditure are as follows.

Table 1:	Year to 31 March 2024		Year to 31 March 2023	
	£000	£000	£000	£000
Service costs		2,054		4,874
Administration expenses		16		14
Net interest on defined liability/(asset)		(634)		228
Difference between actual employer's contributions plus unfunded payments and actuarial assumptions	9		19	
Return on assets less interest	(5,297)		4,395	
Other actuarial (gains)/losses on assets	(3,905)		0	
Change in financial assumptions	(547)		(34,966)	
Change in demographic assumptions	(1,112)		0	
Changes in effect of asset ceiling	19,621		0	
Experience loss/(gain) on defined benefit obligation	4,322		5,383	
Total re-measurements		13,091		(25,169)
Total		**14,527**		**(20,053)**
Actual return on scheme assets		**(8,063)**		**2,866**

The SSSC recognises the cost of retirement benefits in the reported operating cost when they are earned by employees, rather than when the benefits are eventually paid as pensions. However, the charge required to be made under the SSSC's funding rules is based on the cash payable in the year. This requires the real cost of post-employment/retirement benefits to be reversed out of the general reserve via the Statement of Changes in Taxpayers' Equity.

The following transactions have been applied to the Statement of Comprehensive Net Expenditure and the general reserve via the Statement of Changes in Taxpayers' Equity during the year.

Table 2: Actuarial adjustments are made for:	Note	2023/24 £000	2022/23 £000
Staff costs	3b	110	2,982
Administration expenses	5b table 1	16	14
Net interest on defined liability/(asset)	5b table 1	(634)	228
Total re-measurements	5b table 1	13,091	(25,169)
Total actuarial adjustments		**12,583**	**(21,945)**

5c Benefit obligation reconciliation - year to 31 March 2024

Changes in the present value of the defined benefit obligations are as follows.

	Year to 31 March 2024		Year to 31 March 2023	
	£000	£000	£000	£000
Opening defined benefit obligation		**44,573**		**67,615**
Current service costs		2,054		4,874
Interest costs		2,132		1,757
Estimated benefits paid net of transfers in	(1,090)		(795)	
Contributions by scheme participants	777		729	
Unfunded pension payments	(25)		(23)	
Total scheme transactions		**(338)**		**(89)**
Change in financial assumptions	(547)		(34,966)	
Experience loss on defined benefit obligation	4,322		5,382	
Change in demographic assumptions	(1,112)		0	
Total actuarial losses/(gains)		**2,663**		**(29,584)**
Closing defined benefit obligation		**51,084**		**44,573**

The experience loss on the defined benefit obligation included £131k in respect of the allowance for actual pensions increases and CPI inflation over the accounting period.

5d Fair value of fund assets reconciliation for the year to 31 March 2024

Changes in the fair value of fund assets are as follows.

	Year to 31 March 2024		Year to 31 March 2023	
	£000	£000	£000	£000
Opening fair value of fund assets		**56,837**		**57,934**
Interest on assets		2,766		1,529
Estimated benefits paid including unfunded net of transfers in	(1,115)		(818)	
Contributions by employer including unfunded	1,935		1,872	
Other actuarial gains/(losses)	3,905		0	
Contributions by scheme participants	777		729	
Total scheme transactions		**5,502**		**1,783**
Return on assets less interest		5,297		(4,395)
Administration expenses		(16)		(14)
Closing fair value of fund assets		**70,386**		**56,837**

5e Projected pension expense for the year to 31 March 2025

Projected pension expense	Year to 31 March 2025 £000
Service cost	1,965
Net interest on the defined asset	(28)
Administration expenses	18
Total	**1,955**
Employer contributions	1,764

Note that these figures exclude the capitalised cost of any early retirements or augmentations which may occur after 31 March 2024.

5f SSSC fund assets

The table below provides details of the estimated asset allocation of the fund for the SSSC.

Asset share – bid value	31 March 2024 £000	31 March 2024 %	31 March 2023 £000	31 March 2023 %
Equities	50,758	72%	41,054	72%
Gilts	4,441	6%	1,374	2%
Other bonds	4,624	7%	7,184	13%
Property	6,239	9%	5,560	10%
Cash	4,307	6%	1,566	3%
Alternatives	17	0%	99	0%
Total	**70,386**	**100%**	**56,837**	**100%**

The SSSC's share of the assets of the fund is approximately 1.29%. The return on the fund (on a bid to value basis) for the year to 31 March 2024 is estimated to be 13.77%.

5g Financial assumptions as at 31 March 2024

The financial assumptions used for IAS 19 calculations are below. These assumptions are set with reference to market conditions at 31 March 2024.

Assumptions at:	31 March 2024 % pa	31 March 2023 % pa	31 March 2022 % pa
Discount rates	4.90%	4.80%	2.60%
Pensions increases	2.95%	2.90%	3.20%
Salary increases	3.95%	3.90%	4.20%

Demographic/statistical assumptions

The actuary has adopted a set of demographic assumptions that are consistent with those used for the most recent Fund valuation, which was carried out as at 31 March 2023. Details of the post-retirement mortality assumption are set out below.

Post Retirement Mortality	31 March 2024	31 March 2023
Base table	S3PA_H	S3PA_H
Multiplier M/F	105% / 115%	110%
Future improvements model	CMI_2022	CMI_2020
Long term rate of improvement	1.25% p.a.	1.25% p.a.
Smoothing parameter	7.0	7.5
Initial addition parameter	0.0% p.a.	0.0% p.a.
2020 weight parameter	0%	25%
2021 weight parameter	0%	n/a
2022 weight parameter	25%	n/a

The assumed life expectations, based on the assumptions set out above are shown below.

Life expectancy from age 65 (years)		31 March 2024	31 March 2023
Retiring today	Males	18.9	19.0
	Females	21.6	22.4
Retiring in 20 years	Males	20.2	20.4
	Females	23.1	23.9

Overall impact of changes to financial assumptions

The effect of the changes in the financial assumptions on an employer's liabilities are dependent on the assumptions adopted as well as the specific duration of the employer's liabilities. Typically, employers with greater liability durations are more sensitive to changes in financial assumptions as benefits will be paid over a longer term. The table below describes the estimated effects for employers based on assumptions derived as at 31 March 2024 under the three maturity scenarios:

Maturity	Estimated effect of change in financial assumptions on employer's liabilities
Very Mature	Increase of 1% to 2%
Mature	Decrease of 3% to Increase of 1%
Immature	Decrease of 3% to 5%

Based on market conditions at 31 March 2024, most employers will see the value of their defined benefit obligation decrease. However, the extent of this will depend on each employer's membership profile, cashflows over the year, experience and any bespoke assumptions or approaches.

5h Reconciliation of asset ceiling for the year to 31 March 2024

Changes in the asset ceiling are as follows.

	As at 31 March 2024 £000	As at 31 March 2023 £000
Opening impact of asset ceiling	**0**	**0**
Interest on impact of asset ceiling	0	0
Actuarial losses/(gains)	19,621	0
Closing impact of asset ceiling	**19,621**	**0**

5i Sensitivity analysis

The following table sets out the impact of a change of a +/- 0.1% change to key assumptions and a +/- one year age rating adjustment to the mortality assumption.

	£000	£000	£000	£000	£000
Adjustment to discount rate	**+0.5%**	**+0.1%**	**0.0%**	**-0.1%**	**-0.5%**
Present value of total obligation	46,314	50,073	51,084	52,125	56,622
Projected service cost	1,627	1,893	1,965	2,040	2,368
Adjustment to long term salary increase	**+0.5%**	**+0.1%**	**0.0%**	**-0.1%**	**-0.5%**
Present value of total obligation	51,479	51,162	51,084	51,007	50,704
Projected service cost	1,972	1,967	1,965	1,964	1,959
Adjustment to pension increases and deferred revaluation	**+0.5%**	**+0.1%**	**0.0%**	**-0.1%**	**-0.5%**
Present value of total obligation	56,311	52,067	51,084	50,130	46,588
Projected service cost	2,378	2,041	1,965,	1,892	1,617
Adjustment to life expectancy assumptions		**+1 year**	**None**	**-1 year**	
Present value of total obligation		52,751	51,084	49,472	
Projected service cost		2,041	1,965	1,892	

5j Remeasurements in other comprehensive income

The following table sets out the remeasurement of the net assets /(defined liability).

	As at 31 March 2024 £000	As at 31 March 2023 £000
Return on fund assets in excess of interest	5,297	(4,395)
Other actuarial gains/(losses) on assets	3,905	0
Change in financial assumptions	547	34,966
Change in demographic assumptions	1,112	0
Experience loss on defined benefit obligation	(4,322)	(5,382)
Changes in effect of asset ceiling	(19,621)	0
Remeasurement of net assets/(defined liability)	**(13,082)**	**25,189**

6a Other operating expenditure

	2023/24 £000	2022/23 £000
Supplies and services	2,359	2,398
Administration costs	1,005	1,166
Property costs	385	519
Depreciation - right of use asset	114	339
Depreciation - tangible assets	0	2
Transport costs	28	36
Non-cash items:		
Pension administration costs (IAS 19)	16	14
Loss on disposal of property, plant and equipment	12	0
Changes in debt impairment allowance	(40)	19
Total operating expenditure	**3,879**	**4,493**

The above total includes £27.4k (2022/23 £27.4k) for external auditor's remuneration paid to Audit Scotland. Deloitte (appointed auditors) did not receive any fees in relation to non-audit work.

6b Analysis of disbursements

	2023/24 £000	2022/23 £000
Postgraduate bursaries:		
Tuition fees paid to universities	749	968
Bursaries paid to students	1,796	1,636
Total bursary disbursement	**2,545**	**2,604**
Other disbursements:		
Practice learning fees	3,505	2,951
Voluntary Sector Development Fund - training support	943	1,031
Workforce development	843	50
Total disbursements	**7,836**	**6,636**

7 Furniture and fittings

	Furniture and fittings £000
Cost or valuation:	
At 1 April 2023	27
Additions	0
Disposal/de-recognition	(27)
At 31 March 2024	**0**
Depreciation:	
At 1 April 2023	15
Charged in year	0
Disposal/de-recognition	(15)
At 31 March 2024	**0**
Net book value:	
At 31 March 2024	**0**
At 31 March 2023	12

	Furniture and fittings £000
Cost or valuation:	
At 1 April 2022	27
Additions	0
Disposal/de-recognition	0
At 31 March 2023	**27**
Depreciation:	
At 1 April 2022	13
Charged in year	2
Disposal/de-recognition	0
At 31 March 2023	**15**
Net book value:	
At 31 March 2023	**12**
At 31 March 2022	14

All assets are owned.

8 Trade and other receivables

8a Summary of trade and other receivables

	2023/24		2022/23	
	£000	£000	£000	£000
Amounts falling due within one year				
Prepayments and accrued income		1,008		1,321
Trade receivables	418		1,669	
Other receivables	52		9	
		470		1,678
Total trade and other receivables		**1,478**		**2,999**

Amounts falling due after more than one year				
Prepayments	0		4	
Trade receivables	12		42	
Other receivables	21		24	
		33		70
Total trade and other receivables		**1,511**		**3,069**

Trade and other receivables are non-interest bearing. Credit terms are generally 30 days. Trade and other receivables are recorded at fair value, reduced by appropriate allowances for estimated irrecoverable amounts.

8b Provision for impairment of receivables

	2023/24 £000	2022/23 £000
As at 1 April	(61)	(42)
Charge for the year	(327)	(441)
Unused amounts reversed	1	8
Uncollectable amounts written off	366	414
As at 31 March	**(21)**	**(61)**

As at 31 March 2024, trade and other receivables of £21k (2022/23 £61k) were past due and impaired. The amount of the provision is £21k (2022/23 £61k). The ageing analysis of these receivables is as follows.

Aged analysis of past due and impaired receivables	2023/24 £000	2022/23 £000
Up to 3 months past due	2	40
3 to 6 months past due	2	2
6 to 12 months past due	3	4
Over 12 months past due	14	15
	21	61

As at 31 March 2024, trade and other receivables of £453k (2022/23 £1,687k) were due but not impaired. The ageing analysis of these receivables is as follows.

Aged analysis of unimpaired receivables due	2023/24 £000	2022/23 £000
Not yet due	354	1,396
Up to 3 months past due	65	60
3 to 6 months past due	4	172
6 to 12 months past due	9	9
Over 12 months past due	21	50
	453	1,687

8c Analysis of trade and other receivables

	2023/24 £000	2022/23 £000
Amounts falling due within one year		
Bodies external to Government	1,423	1,594
Other Government bodies	54	1,402
Local authorities	1	3
NHS Bodies	0	0
	1,478	2,999
Amounts falling due after more than one year		
Bodies external to Government	33	43
Other Government bodies	0	27
	33	70
Total trade and other receivables	**1,511**	**3,069**

9 Cash and cash equivalents

	2023/24 £000	2022/23 £000
Balance as at 1 April	5,463	7,303
Net change in cash and cash equivalent balances	1,317	(1,840)
Balance as at 31 March	**6,780**	**5,463**
The following balances as at 31 March were held at:		
Government banking service	6,593	5,260
Commercial banks and cash in hand	187	203
Balance as at 31 March	**6,780**	**5,463**

10 Trade and other payables

10a Summary of trade and other payables

	2023/24 £000	2022/23 £000
Amounts falling due within one year		
Trade payables	288	1,512
Accruals and deferred income	3,763	3,276
Other payables	209	685
Other taxation and social security	507	523
VAT	21	1
Total trade and other payables	**4,788**	**5,997**

10b Analysis of trade and other payables

	2023/24 £000	2022/23 £000
Amounts falling due within one year		
Bodies external to Government	3,239	3,528
Higher education institutes (HEIs)	19	416
Other Government bodies	1,323	1,604
Local authorities	207	447
NHS bodies	0	2
Total trade and other payables	**4,788**	**5,997**

11 Sources of financing

2022/23 Total £000	General reserve	2023/24 Ref/ note	Revenue £000	Capital £000	Total £000
2,402	Opening balance		1,989	11	2,000
334	Surplus/(deficit) for the year	SoCNE	(35,708)	(11)	(35,719)
(21,945)	Pension adjustments and re-measurements	5b	12,583	0	12,583
21,209	Grants and grant in aid	13a	24,014	0	24,014
2,000	**Closing balance**		**2,878**	**0**	**2,878**

12 Government funding

12a Grants and grant in aid

	2023/24 £000	2022/23 £000
Grant in aid	20,768	19,192
Voluntary Sector Development Fund	747	1,346
Workforce Development Grant	999	671
Practice Learning Fees	1,500	0
Total funding from Government	**24,014**	**21,209**

All grant conditions have been met. The amounts in the table reflect grants drawn down, net of any repayments. Therefore, as at 31 March 2024 no grants are due for repayment.

12b Grand in aid analysis

	2023/24 £000	2022/23 £000
Approved grant in aid from Scottish Government	16,035	16,035
Additional grant in aid claimed during the year	4,733	3,157
Total approved grant in aid	**20,768**	**19,192**
Grant received during the year	20,768	18,073
Grant received in 2023/24*	**0**	**1,119**

* Scottish Government changed the way we are funded for Local Authority registrants in 2022/23. We receive grant in aid for Local Authority registration fees, rather than fees being paid by the registrants themselves. In 2022/23 we claimed £1.119m of grant in aid for Local Authority registration fees from Scottish Government. This income was not received until 2023/24 and is included in receivables (note 8).

13 Capital commitments

There were no capital commitments as at 31 March 2024 (2022/23 None).

14 Leases

We have two operating leases, one for Compass House and another for Quadrant House expiring in April 2038. A provision for dilapidations has been made (note 15).

The SSSC recognises a right of use asset upon lease commencement. The right of use asset is initially measured at cost, being the initial amount of the lease liability adjusted for any lease payments made before the commencement date, less incentives received.

At transition to IFRS 16 on 1 April 2022 the right of use assets have been measured at an equal amount to the lease liability, adjusted by the amount of any prepaid or accrued lease payments.

The right of use asset is subsequently depreciated using the straight line method from the commencement date over the term (which is equal to, or shorter than, the asset's useful life). The right of use asset will be periodically reviewed for impairment losses and adjustments on remeasurement of the lease liability.

	Buildings £000
At 1 April 2022 - Recognition of right of use asset on initial application of IFRS 16	357
Depreciation expense	(339)
As at 31 March 2023	**18**
Recognition of right of use asset	1,713
Derecognition of right of use asset	(18)
Depreciation expense	(114)
As at 31 March 2024	**1,599**

Commitments under leases

On transition to IFRS 16 lease liabilities have been measured at cost of the remaining lease payments at 1 April 2022. Upon commencements of any new leases, the liability is measured at cost of unpaid lease payments.

Commitments under operating leases to pay rentals during the year following the year of these accounts are given in the table below, analysed according to the period in which the lease expires.

Obligations under operating leases comprise:	2023/24 £000	2022/23 £000
Buildings:		
within 1 year	99	18
within 2 to 5 years	434	0
beyond 5 years	1,226	0
Total cash outflows for leases	**1,759**	**18**
Total cash (inflows)/outflows for leases	**(45)**	**339**

There are no obligations or commitments under finance leases (2022/23 None).

15 Other provisions

Other provisions comprise property dilapidations in respect of lease obligations £465k and a provision for the settlement of the 2022/23 pay award.

	2023/24 £000
Balance at 1 April 2023	547
Used in year	(82)
Balance at 31 March 2024	**465**

We have previously provided for property dilapidations in respect of our building lease which ended in June 2023. The leases contain provisions in respect of obligations for property dilapidations, reinstatement and decoration of £465k. Estimates of likely costs in respect of obligations under our property leases for dilapidations, reinstatement and property decoration are charged in accordance with IFRS 16 Leases. The property dilapidations under the new lease agreement, effective from July 2023, are currently being calculated and the new lease is for the same building which the SSSC occupy, and as such the dilapidations provision recorded in the accounts is management's best estimate of the dilapidations liability.

The provision as at 1 April 2023 included £82k for the pay award for the 2022/23 financial year as agreement had not yet been reached. An agreement was reached in 2023/24 and payment subsequently made in the financial year, with the provision released.

16 Contingent liabilities and assets

There are no contingent liabilities and assets at 31 March 2024 (2022/23 None).

17 Related party transactions

The SSSC is a Non-Departmental Public Body (NDPB) sponsored by the Scottish Government Office of the Chief Social Work Adviser of the Children and Families Directorate. The SSSC has shared service arrangements with the Care Inspectorate in 2023/24 totalling £324k (2022/23 £1,004k). The SSSC charged the Care Inspectorate £221k for financial transactions services in 2023/24 (2022/23 £177k). Both Scottish Government and the Care Inspectorate are regarded as related parties with which the SSSC has had various material transactions during the year.

The SSSC provided financial transactions and accounting services to OSCR until January 2024, the Scottish Charities Regulator. The SSSC charged OSCR £15k in 2023/24 (2022/23 £15k).

There are no other organisations that are regarded as related parties with which the SSSC has had material transactions during the year.

A Register of Interests is maintained and updated annually. No Council Members, key managerial staff or other related parties have undertaken material transactions with the SSSC during the year.

18 Post Statement of Financial Position events

There were no events after the Statement of Financial Position date relating to the 2023/24 financial year.

Appendix 1

Scottish Social Services Council

Scottish Government
Riaghaltas na h-Alba

Direction by The Scottish Ministers

1. The Scottish Ministers, in pursuance of paragraph 9(1) of Schedule 2 to the Regulation of Care (Scotland) Act 2001, hereby give the following direction.
2. The statement of accounts for the financial year ended 31 March 2006, and subsequent years, shall comply with the accounting principles and disclosure requirements of the edition of the Government Financial Reporting Manual (FReM) which is in force for the year for which the statement of accounts are prepared.
3. The accounts shall be prepared so as to give a true and fair view of the income and expenditure and cash flows for the financial year, and of the state of affairs as at the end of the financial year.
4. This direction shall be reproduced as an appendix to the statement of accounts. The direction given on 25 November 2001 is hereby revoked.

Kate Vincent

Signed by the authority of the Scottish Ministers

Dated: 16 January 2006

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