

Date Issued: 18 October 2021

Members of the Scottish Social Services Council are advised that a meeting of the Council is to take place at 10.00 am on Monday 25 October 2021, by video conference.



Sandra Campbell
Convener

AGENDA
PUBLIC SESSION

	Report No
1. Welcome and apologies for absence	
2. Declarations of interest	
3. 2020/21 Annual Report and Accounts	42/2021
4. Response to consultation on a National Care Service	43/2021
5. Date of next meeting – 25 November 2021 at 10.00 am	

Title of report	2020/21 Annual Report and Accounts
Public/Confidential	Public
Summary/purpose of report	<p>In line with the terms of reference for the Audit and Assurance Committee and the Scottish Government's Audit and Assurance Committee handbook, the Audit and Assurance Committee has contributed to the preparation of the Annual Report and Accounts.</p> <p>This report summarises that process and recommendations and seeks the Council's approval of the Annual Report and Accounts.</p>
Recommendations	<p>The Council is asked to:</p> <ol style="list-style-type: none"> 1. accept the assurances from the Audit and Assurance Committee set out in section 9 of this report 2. approve the 2020/21 Annual Report and Accounts 3. note the positive annual report for 2020/21 to the Council and Auditor General for Scotland from the external auditors 4. agree that it is content with the assurances provided by the Accountable Officer in the Letter of Representation to the external auditors.
Author	Lynn Murray, Interim Director of Finance and Resources
Responsible Officer	Lorraine Gray, Chief Executive
Link to Strategic Plan	<p>The information in this report links to:</p> <p>Outcome 1: People who use services are protected by ensuring the regulated workforce is fit to practise.</p> <p>Outcome 2: The SSSC supports and enhances the development of the registered workforce to deliver high standards of practice and drive improvement.</p> <p>Outcome 3: Our workforce planning activities support employers, commissioners and policy</p>

	<p>makers to deliver a sustainable, integrated and innovative workforce.</p> <p>Outcome 4: The social work, social care and early years workforce is recognised as professional and regulated and valued for the difference it makes to people's lives.</p>
Link to Risk Register	<p>Risk 1: We fail to ensure that our system of regulation meets the needs of people who use services and workers.</p> <p>Risk 2: We fail to ensure that our workforce development function supports the workforce and employers to achieve the rights standards and qualifications to gain and maintain registration.</p> <p>Risk 3: We fail to meet corporate governance, external scrutiny and legal obligations.</p> <p>Risk 4: We fail to plan and resource our activities to deliver our digital strategy.</p> <p>Risk 5: We fail to provide value to stakeholders and demonstrate our impact.</p> <p>Risk 6: We fail to develop and support SSSC staff appropriately to ensure we have a motivated and skilled workforce to achieve our strategic outcomes.</p> <p>Risk 7: The SSSC fails to secure sufficient budget resources to fulfil the financial plans required to deliver the strategic plan.</p> <p>Risk 8: The current business continuity plan in place, is not up to date, for the SSSC.</p> <p>Risk 9: The SSSC is unable to operate due to effects of global pandemic COVID-19.</p>
Impact assessments	<ol style="list-style-type: none"> 1. An Equalities Impact Assessment was not required. 2. A Data Protection Impact Assessment was not required. 3. A Sustainability Impact Assessment was not required.
Documents attached	<p>Appendix A: Annual Report and Accounts</p> <p>Appendix B: External Audit Report</p> <p>Appendix C: Letter of Representation</p>
Background papers	<p>Link to Audit and Assurance Committee Annual Report to Council 27 May 2021</p>

	Link to Draft Annual Report and Accounts 2020-2021 Council 26 August 2021 Link to item 04 Audit and Assurance Committee Annual Report and Accounts 27 September 2021
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EXECUTIVE SUMMARY

1. This report brings together the suite of governance documents which are required for Council to approve the 2020/21 Annual Report and Accounts (appendix A).
2. The 2020/21 annual report from Grant Thornton, external auditors (appendix B) is prepared for the Council and the Auditor General for Scotland and includes an unmodified audit opinion on the audited elements of the Annual Report and Accounts as well as a summary of key findings and recommendations from the audit.
3. The Letter of Representation (appendix C) is provided to the external auditors and provides assurances from the Accountable Officer and Council in connection with the audit of the financial statements.
4. Following Council approval of the Annual Report and Accounts, they will be laid before Parliament by 31 December 2021.

AUDIT AND ASSURANCE COMMITTEE ASSURANCES TO COUNCIL

5. This report sets out the actions and decisions taken by the Audit and Assurance Committee to recommend approval of the 2020/21 Annual Report and Accounts by Council.
6. The Audit and Assurance Committee reviewed the 2020/21 Annual Report and Accounts, including specific consideration of the governance statement, Letter of Representation and the external auditor's report on the Annual Report and Accounts.
7. All Council Members were invited to attend the Audit and Assurance Committee meeting on 26 August 2021 to provide feedback on the content of the draft 2020/21 Annual Report and Accounts. Council Members made no comments as they were content with the report.
8. The Audit and Assurance Committee reviewed its own priorities and performance and the effectiveness of audit arrangements and approved the Audit and Assurance Committee Annual Report to Council on 2 February 2021. The Council then approved the report on 27 May 2021.
9. As the Committee and Council approved the report prior to the end of the financial year, and before external audit completed their work on the 2020/21 Annual Report and Accounts, the Audit and Assurance Committee agreed additional assurances to Council at its meeting on 27 September 2021. The Committee:
 - a. reviewed the draft External Audit Annual Report (Appendix B) and noted the conclusions and recommendations (Appendix 2) from the external auditor

- b. considered and accepted the Letter of Representation (Appendix C) as appropriate for the Chief Executive and Accountable Officer to sign
- c. noted there were no incidences of fraud during the 2020/21 financial year
- d. reiterated their view that the standard of internal audit work and the reports produced during 2020/21 were good
- e. confirmed that we have continued to have a good working relationship between the Grant Thornton external audit team, SSSC staff and the Audit and Assurance Committee during the 2020/21 audit
- f. agreed that no concerns have been raised about management's interactions with audit or the internal control environment. This was confirmed by the external auditors to the Committee at the private meeting on 27 September 2021.
- g. concluded it is still of the opinion that the assurances supplied throughout the year are reliable, have integrity and are sufficiently comprehensive to support the Council and the Accountable Officer in their decision making and their accountability obligations
- h. is satisfied that there are sufficient mechanisms in place to allow the Committee to discharge its functions
- i. carried out a final review of the draft Annual Report and Accounts (Appendix A) and suggested some changes for officers to consider. We did not include these changes as they were not fundamental to the performance section of the report and there were limited resources available to amend the designed version at this late stage. The Committee endorsed the Annual Report and Accounts for submission to Council for approval.

CONSULTATION

- 10. We consulted Members on the draft Annual Report and Accounts at the Council meeting on 26 August 2021 and again at the Audit and Assurance Committee meeting on 27 September 2021. Grant Thornton have completed their audit work and their report is included at Appendix B.

RISKS

- 11. Grant Thornton have set out the risks in pages 6 to 9 of the External Audit report (Appendix B). Page 10 of that report covers significant estimates and judgements.

IMPLICATIONS

Resourcing

- 12. There are no financial, staffing, sustainability or legal implications arising from this report.

Compliance

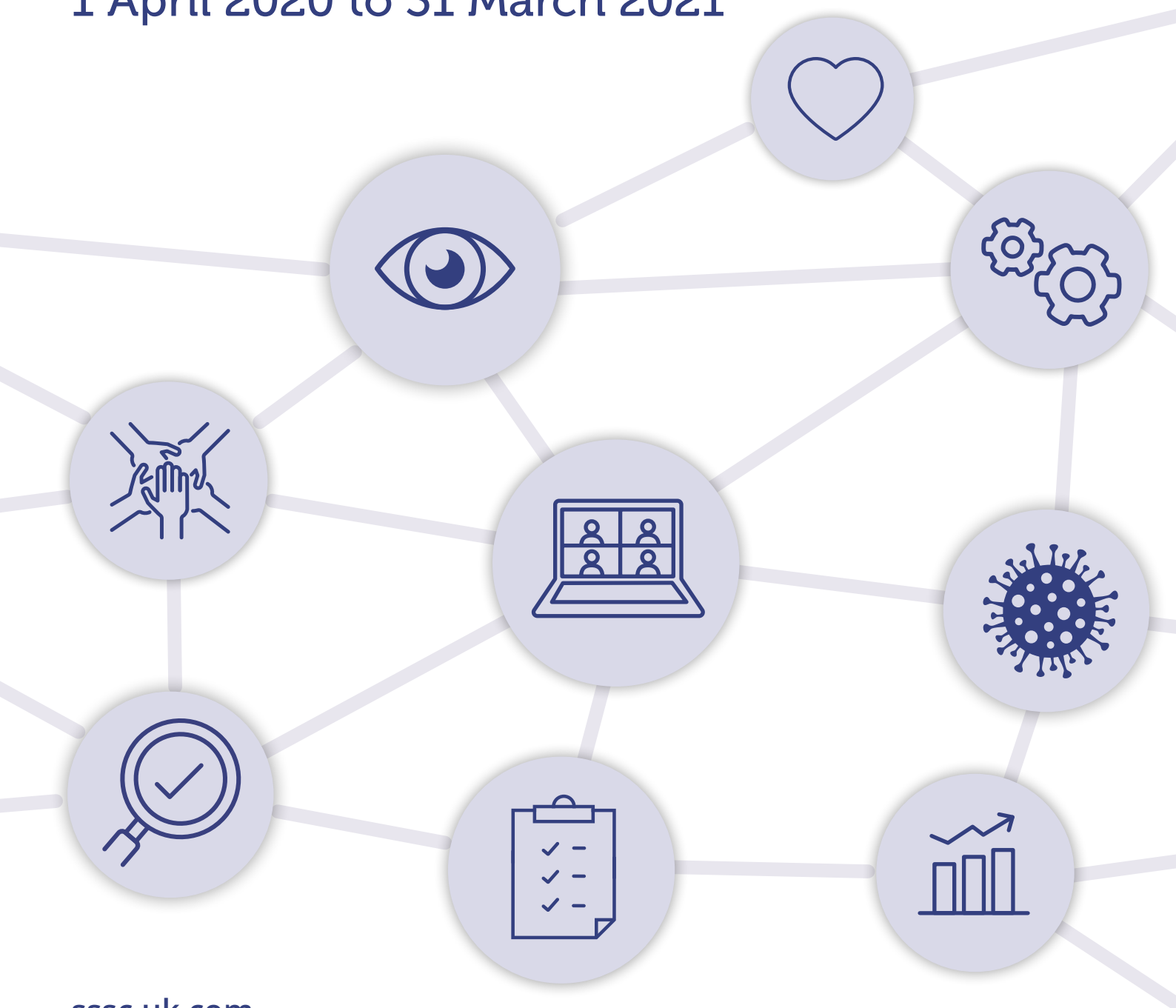
13. This report complies with legal, governance and financial governance requirements.

CONCLUSION

14. There is an unmodified audit opinion on the financial statements and the external auditors were positive in their feedback on the Annual Report and Accounts and the accompanying working papers. By accepting the recommendations in this report, the Council is satisfied that the Annual Report and Accounts is fair, balanced, understandable and provides the information necessary for stakeholders to assess the SSSC's performance in a number of areas.
15. The Council is asked to approve the 2020/21 Annual Report and Accounts for submission to Scottish Government for laying before Parliament by 31 December 2021.
16. We acknowledge the work of staff within the Finance, Performance and Improvement and Communications departments particularly, in preparing the Annual Report and Accounts.

Annual Report and Accounts

1 April 2020 to 31 March 2021



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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 2020 to 31 March 2021

SI number SG/

Section A: Performance report



Performance overview

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'The unwavering commitment of the social work, social care and early years workforce to deliver safe and effective care during a global pandemic is a testament to the people who care for some of the most vulnerable in our society.'



Chief Executive's foreword

After a year like no other for both ourselves and the social service sector, I am pleased to present our 2020/21 Annual Report and Accounts.

Despite the requirement for keeping our distance, the last 12 months offered an opportunity to strengthen the relationship between the SSSC and the social service sector. The unwavering commitment of the social work, social care and early years workforce to deliver safe and effective care during a global pandemic is a testament to the people who care for some of the most vulnerable in our society. Our staff also more than met the challenge presented to them and rapidly generated initiatives designed to support the workforce to continue to do their jobs. The lasting, positive impact from reactive change only serves to demonstrate that together we can quickly embrace new and better ways of doing things.

As you read this report you will see, despite the challenges 2020 presented, we have made progress in delivering the three strategic outcomes we implemented when we launched our 2020-2023 strategic plan last May. We have transformed the way we work, made best use of technology and worked in partnership with the sector.

A particular highlight was September 2020. This month marked an organisational milestone as we completed registration of all register categories. Support workers in care at home and housing support were the final parts to join our Register and keen to be part of a bigger professional workforce.

Government policies continue to shape the regulatory landscape and support the social work, social care and early years workforce to deliver a more agile, responsive and innovative sector that is fit for the future. Publications including the Promise Action Plan and the Independent Review of Adult Social Care present a series of reforms aimed at rethinking the system of care, nurturing the workforce and introducing a new system of care delivery. We recognise our part in delivering the work required to support these aims and we look forward to collaborating with our stakeholders to do so.

As we plan our recovery from the last year and look ahead, there is still much to do. We achieved so much over 2020/21 that would not have been possible without the social work, social care and early years workforce, our partner organisations and our staff.

Thank you all for continuing to contribute so much during a time where demand could not have been higher or the challenge greater.

A handwritten signature in blue ink that reads "Lorraine Gray".

Lorraine Gray
Chief Executive

Our organisation

The Scottish Social Services Council (SSSC) is the regulator for the social work, social care and early years workforce in Scotland. We deliver our vision:

Our work means the people of Scotland can count on social work, social service and early years services being provided by a trusted, skilled and confident workforce through regulation, registration and development of their skills.

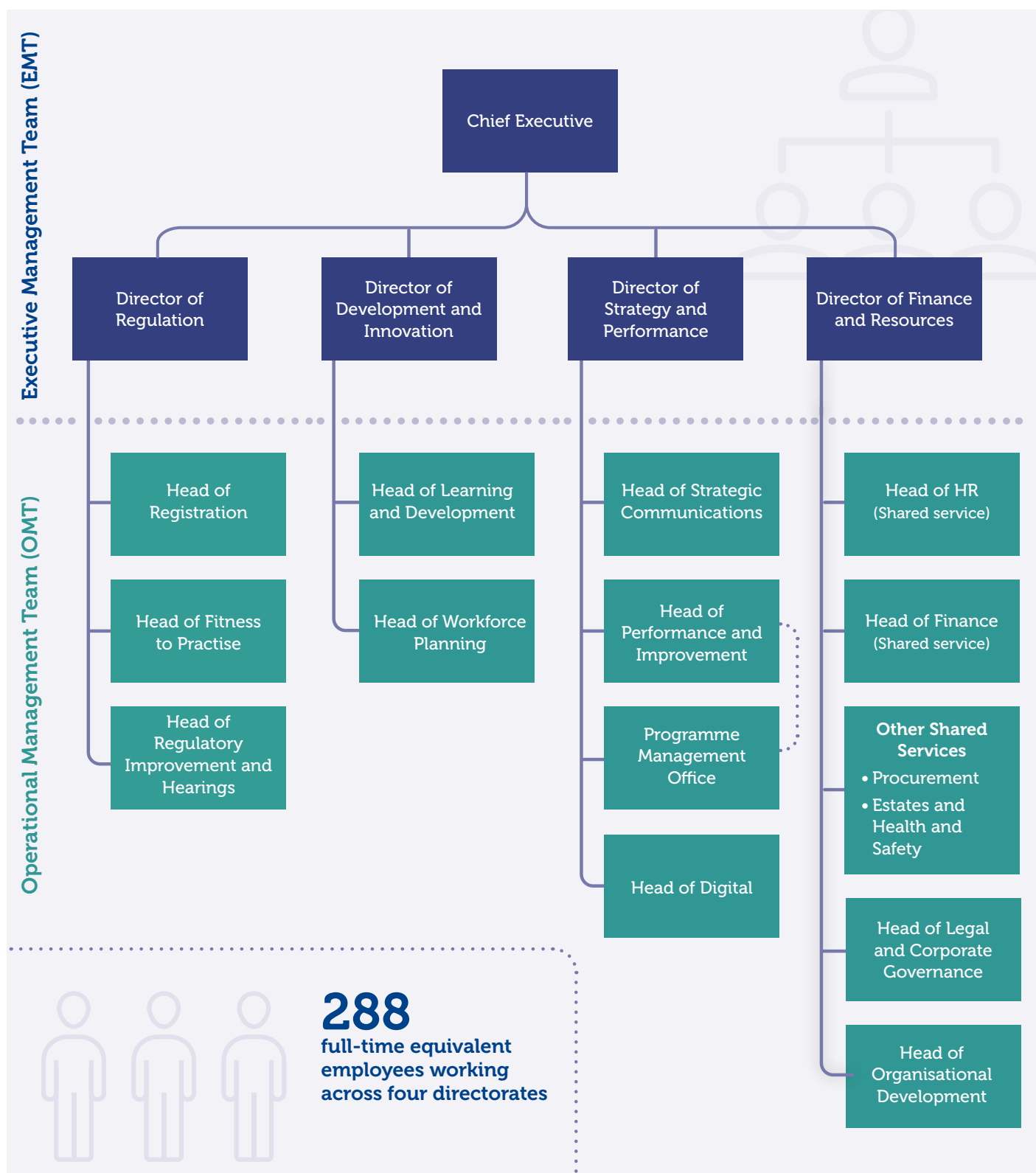
We are a non-departmental public body, sponsored by the Office of the Chief Social Work Adviser at the Directorate for Children and Families and set up under the Regulation of Care (Scotland) Act 2001.

We are governed by a Council of ten 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 288 full-time equivalent employees working across four directorates. We share services with the Care Inspectorate including Finance, Human Resources, Procurement, Estates and Health and Safety.



Our work

The social service sector employs approximately 206,400 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.

The workforce includes social service workers, social workers, social work students and early learning and childcare workers. They work across a range of services, in residential and day centres, community facilities and in people's homes. Our research into the value of the workforce indicates that adult social service alone contributes £3.4 billion to the Scottish economy.

We protect the public by registering social workers, social care and early years workers, 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 take action.

We:

- publish the national codes of practice for people working in social work, social care and early years services and their employers
- register people working in social work, social care and early years and make sure they adhere to our codes of practice
- promote and regulate their learning and development
- are the national lead for workforce development and planning for the social work, social care and early years workforce in Scotland
- are the official and national statistics provider of social service workforce data in Scotland
- are the Sector Skills Council for social services in Scotland.



Here is how our work contributes to the Scottish Government's purpose and national outcomes:



Scottish Government purpose

To focus on creating a more successful country with opportunities for all of Scotland to flourish through increased wellbeing, and sustainable and inclusive economic growth.



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 are well educated, skilled and able to contribute to society.
- We respect, protect and fulfil human rights and live free from discrimination.



SSSC vision

Our work means the people of Scotland can count on social work, social care and early years services being provided by a trusted, skilled and confident workforce.



SSSC strategic outcomes

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

The SSSC supports and enhances the development of the regulated workforce to deliver high standards of practice and drive improvement.

Our workforce planning activities support employers, commissioners and policy makers to deliver a sustainable, integrated and innovative workforce.

The social work, social care and early years workforce is recognised as professional and regulated and valued for the difference it makes to people's lives

Our business model



Our key partners and stakeholders

- Scottish Government sponsor – Office of the Chief Social Work Adviser and Scottish Government policy teams
- Social service employers' representative groups
- People with lived experience
- Learning providers and awarding bodies
- NHS Education Scotland
- Skills Development Scotland
- Care Inspectorate
- Other regulators within and out with social services and across the UK
- Skills for Care and Development
- Social Work Scotland
- Convention of Scottish Local Authorities



Key activities

- Maintain a register of eligible workers
- Publish the codes of practice for people working in social service 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
- IT systems and hardware
- Office and hearing rooms
- Knowledge and experience



Value proposition

Our work means the people of Scotland can count on social work, social care and early years services being provided by a trusted, skilled and confident workforce.

We protect the public by registering social workers, social care and early years workers, 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 take action.



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 service and early years workforce
- Workers applying for registration
- Registered workers
- Employers of registered workforce



Budget

Our budgeted expenditure is funded by grant in aid from Scottish Government and fees paid by those on the Register. Our budgeted funding for 2020/21 was £15.7m from grant in aid (outturn £16.0m) and £6.0m from fees paid by registrants (outturn £5.7m) and other income of £0.3m (outturn £0.3m). We also budgeted to use £0.6m of our general reserve balance to fund a marketing campaign for workers in the sector (outturn on general reserve £1.7m underspend).

Key issues and risk management

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.

Our 2020/21 risk review identified the following strategic risks that could have prevented us from achieving our outcomes.

1. Failures in our system of regulation mean the needs of people who use services and workers are not met.
2. 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.
3. We fail to meet corporate governance, external scrutiny and legal obligations.
4. We fail to plan and resource our activities to deliver our digital strategy.
5. We fail to provide value to our stakeholders and demonstrate our impact.
6. We fail to develop and support SSSC staff appropriately to ensure we have a motivated and skilled workforce to achieve our strategic outcomes.
7. We fail to secure sufficient budget resources to fulfil the financial plans required to deliver the strategic plan.
8. The Business Continuity plan in place is not up to date for the SSSC.
9. We are unable to operate effectively and efficiently due to effects of the global pandemic caused by COVID-19.

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 with the OMT initiating 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 when required.



Risk moving forward

The COVID-19 pandemic has had an effect on every part of our business and influenced what we consider are risks. Changes required by Scottish Government and the requirement for pandemic specific sector support were ongoing throughout 2020/21.

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 including most recently the Independent Review of Adult Social Care and The Promise which provide many opportunities for change.

In the next year, we will continue to focus on these risks and take the following actions to reduce them.

Description of risk	Key mitigating actions
Failures in our system of regulation mean the needs of people who use services and workers are not met.	Develop digital systems to manage casework progression. Review of Fitness to Practise thresholds.
Ensure that our workforce development function supports the workforce to achieve the right standards and qualifications to gain and maintain registration.	Review the Codes of Practice. Undertake a workforce skills survey to identify skills gaps, training and learning needs. Work with employers to implement the supported first year for newly qualified social workers. Develop new qualifications and a modern apprenticeship entry route to support workers within integrated health and social care settings.
Continue to meet corporate governance, external scrutiny and legal obligations.	Arrange governance mapping exercise.
Planning and resourcing our activities to deliver our digital strategy.	Work with Digital Sponsor to deliver our digital programme.
Providing value to our stakeholders and demonstrating our impact.	Implement impact measurement and management programme.
Developing and supporting SSSC staff appropriately to ensure we have a motivated and skilled workforce to achieve our strategic outcomes.	Embed Organisational Development department and supporting programme of work.
Securing sufficient budget resources to fulfil the financial plans required to deliver the strategic plan.	Audit and Assurance Committee consider assurance report quarterly setting out financial position, organisational performance and risks.
Pandemic impact on our ability to operate effectively.	Incorporate action plans into business-as-usual activity.
Continuing to monitor the impact of COVID-19 and the effects on the social service workforce.	Work with the sector to gauge ongoing effect through analysis of surveys, workforce planning data and information from our partner organisations.

Our strategic outcomes

2020/21 marked year one of our [2020-2023 Strategic Plan](#). This Annual Report and Accounts provides a high-level assessment of our work during 2020/21 to deliver our strategic plan outcomes.

1. People who use services are protected by ensuring the regulated workforce is fit to practise.
2. The SSSC supports and enhances the development of the regulated workforce to deliver high standards of practice and drive improvement.
3. Our workforce planning activities support employers, commissioners and policy makers to deliver a sustainable, integrated and innovative workforce.

To show our progress in fulfilling our outcomes, over the next three years we will measure:

- the percentage of people using services who experience high quality care from a qualified and registered workforce
- the percentage of the workforce who believe that the work of the SSSC improves their practice
- the percentage of those who use our resources that report positively on the effectiveness of workforce planning activities.

At the start of the 2020 report year the social service sector was at the forefront in responding to COVID-19. As this report shows, our priorities had to shift to enable ongoing support to the sector during this time. The reprioritisation also prompted us to reconsider our strategic priorities.

In February 2020 Council Members agreed to introduce a new strategic outcome four from April 2021, namely 'The social work, social care and early years workforce is recognised as professional and regulated and valued for the difference it makes to people's lives'.

The pandemic also refocused a significant number of activities under outcome three to respond to changing priorities. It was agreed that we required new ways to measure outcome three. This work is in progress and we will report on it as part of the 2021/22 Annual Report and Accounts next year.



Performance analysis

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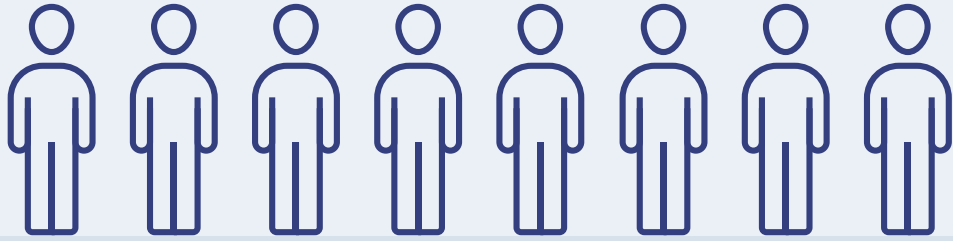


Our year at a glance

At its peak approximately

169,500

individuals were on the Register.



16,092

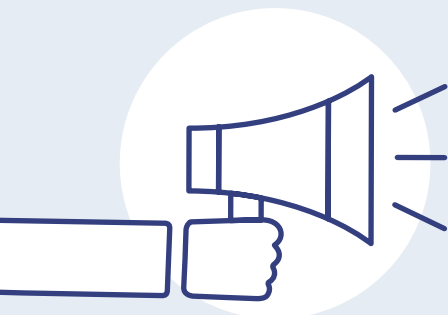
SSSC Open and Health
and Social Care Standards
badges awarded.*

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



9,099

active users of
MyLearning app



3,548

fitness to practise
concerns received**

**includes cases about non-registered individuals.



3,818

concerns closed
or resolved**

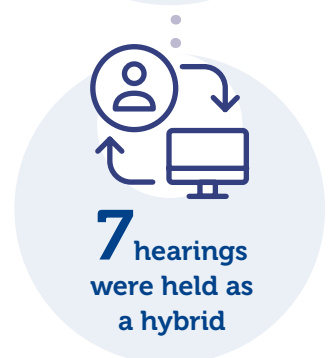


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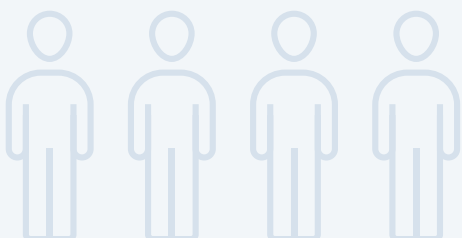
hearings held



of which **272**
were held online



7 hearings
were held as
a hybrid



43,649

applications registered

Spotlight on COVID-19

As part of our 2020/21 survey cycle, we asked registrants whether there was anything more we could have done to support them during the pandemic and 89% of respondents stated 'no'. This positive feedback helps us understand registrants' views on our COVID-19 response over the past year, but we do recognise that our role is ongoing.

A summary of the actions we took to support the sector during the pandemic. These actions are further referenced within the performance analysis section.

Strategic outcome one initiatives

Temporary Social Work Register

Legislation was implemented creating a temporary Social Work Register to increase capacity in this workforce. Social workers who left the Register in the last five years and final year social work students were eligible to apply.

Increase in period for new workers to register

The legislation which sets the grace period within which new workers must register with the SSSC was increased from six months to 12 months, allowing the workforce and employers to concentrate on responding to the pandemic without requiring to register or pay application fees.

Social worker volunteer redeployment

Contacted 699 non-front line social workers to query redeployment to frontline.

Online hearings

Due to COVID-19 we had to revise how we held our hearings. From 17 March 2020 we began working entirely online. We have continued to hold all hearings requested by Fitness to Practise this financial year without unnecessary delay.

We started to hold physical hearings where it was essential to do so on a trial basis in May 2020 and formally from August 2020. We have so far concluded 12 physical or hybrid (partly online, partly in person) hearings this financial year. In total we have concluded over 282 for the financial year 2020/21. We hope this flexible approach improves future engagement with the hearings process.

Other activities included:

- Worked in partnership with NHS Education Scotland (NES) to create a social care recruitment hub.
- Focused on only investigating high risk fitness to practise referrals.
- Permitted registrants to remain on the Register if they failed to make a payment or submit a removal.



Strategic outcome two initiatives

- Extended qualification conditions for registrants to provide a further 12 months to gain qualification.
- Established a hardship fund for social work students. Students would usually complete placements as part of their course however the SSSC suspended social work student practice placements on 20 March 2020.
- Both independently and in partnership with NHS Education for Scotland (NES), we published guidance and resources to support employers and the sector during the pandemic.
- We supported work around contingency arrangements, tools and guidance for students and training providers delivering qualifications accepted for registration with the SSSC. This included the programmes we approve and quality assure and benchmark qualifications such as HNC programmes.
- We developed and published guidance and resources to support the workforce during the pandemic.

Strategic outcome three initiatives

- Published provisional workforce data ahead of schedule to support Scottish Government with COVID-19 workforce planning.
- Worked with the Care Inspectorate to support improvement activity and provide assurance to Scottish Government on staffing levels in care services.
- Responded to 69 requests for data from a range of key stakeholders including Scottish Government, which helped decisions around personal protective equipment (PPE) and vaccine roll-out across the workforce.
- In collaboration with NES, we helped to develop the health and social care recruitment portal. Social service workers engaged positively with the recruitment portal and working together with the Care Inspectorate, we used the data to determine, map and meet the demand for staff.



Initiatives in other key work areas

- We implemented an interim communication strategy in place of our planned three-year strategy to build on the positive response to COVID-19 by the SSSC and the national care sector.
- We made the move to 100% working from home within 24 hours.
- We provided the digital infrastructure required to quickly deliver COVID-19 support initiatives such as the Temporary Social Work Register.
- While working remotely, we recruited 44 new staff into the organisation. This involved redeveloping our procedures to make sure we could still operate effectively away from the office.
- We developed the first steps to Outcomes Based Budgets by linking all budgeted expenditure to our strategic and directorate outcomes.
- We managed the Bursaries Hardship Fund to support postgraduate social work students during the pandemic.



Customer perceptions

To support our work in identifying the needs of our customers, we completed a programme of engagement over 2020/21.

We carried out an external survey of registrants and commissioned external research to inform our digital strategy. Both focused on the views of registrants with the digital survey also including questions on our brand and use of our digital assets.

The surveys were designed to achieve different aims but through analysis we identified similar findings in some areas. Across both surveys we received 9,392 responses. The responses indicate strong positive feeling towards the SSSC, a good level of understanding of our role and remit and strong agreement that our work improves registrant practice.

Responses also showed consistency in the use of our learning resources, with both groups of survey respondents indicating similar levels of engagement with these. Most registrants who have used our learning resources gave positive feedback about how useful they find them and that they would recommend them to their colleagues, or that they already had done so. Registrants are also more likely to agree that our resources help to support their development.

Emerging themes that apply to all register parts included the need to focus on promotion and accessibility of learning and development resources both at the workplace and at home, as well as raising awareness of our digital content and our role in workforce planning.

Other emerging issues were highlighted for the following register parts:

Register part

- Managers in care home services for adults
- Managers in residential childcare services
- Managers of adult day care services
- Managers of care at home services
- Practitioners in day care of children services
- Students
- Supervisors in care home services for adults
- Supervisors in housing support services

Emerging issues

- Difficulty in accessing learning resources due to pressures on work/life balance.
- Lack of understanding of specific resources applicable to their role.
- A need for more online sessions relating to continuous professional development.



- Managers in care home services for adults
- Managers of care at home services
- Supervisors of care at home services

- Ability to attend learning sessions during working hours.

We will consider the areas identified by these groups of workers and identify where we can improve the service we provide to them through our engagement with the sector and through our delivery of learning resources and other products and services.

Financial performance

Our budget is funded mainly 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 2020/21 was as follows:

	2020/21 Budgeted income £000	2020/21 Budgeted income £000	2020/21 Total income and funding £000
Grant in aid		15,724	15,724
Specific grants		1,812	1,812
Registration fees	5,965		5,965
Other income	268		268
Total income and funding	6,233	17,536	23,769

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.

The 2020/21 expenditure budget was set at £24.408m. This is £0.639m more than the 2020/21 available funding of £23.769m. This was on the basis of our Sponsor agreeing that additional 2019/20 grant in aid of £0.639m was to be retained in our general reserve and used to fund digital and other development during 2020/21. This was not fully utilised in 2020/21 due to project delays resulting from the COVID-19 pandemic.

There was no capital expenditure during the 2020/21 financial year. The following table shows our revenue budget position.

	2020/21 Budget £000	2020/21 Actual £000	2020/21 Variance £000
Revenue expenditure	24,408	22,631	(1,777)
Fee income	(5,965)	(5,675)	290
Other income	(268)	(339)	(71)
Net expenditure	18,175	16,617	(1,558)
Grant in aid (revenue)	(15,724)	(16,035)	(311)
Specific grant funded projects	(1,812)	(1,812)	0
Total funding	(17,536)	(17,847)	(311)
(Surplus)/deficit for the year	639	(1,230)	(1,869)
Transfer to/(from) general reserve	(639)	1,230	1,869

Our actual surplus for 2020/21 was £1.230m ie £1.869m more than the budgeted deficit position of £0.639m. The Scottish Government has agreed this can be carried forward for use during 2021/22.

Budget variances were as follows:

	2020/21 £000	2020/21 £000
COVID-19 related revenue expenditure variances		
Practice learning fees	(918)	
Digital development	(387)	
Workforce development activity	(327)	
Postgraduate bursary payments	(213)	
Total COVID-19 related revenue expenditure variances		(1,845)
Other revenue expenditure variances		(398)
Total revenue expenditure variances		(2,243)
Provision for dilapidations		466
Income		219
Grant in aid funding		(311)
Total budget variance		(1,869)

Underspends totalling £1.845m arose due to the COVID-19 pandemic. Practice learning opportunities for social work students were suspended so practice learning fees and postgraduate bursary payments were not incurred giving a combined underspend of £1.131m in 2020/21. It is expected that this funding will be required in 2021/22 when practice learning opportunities are reinstated.

Workforce development activity and digital developments were delayed as the SSSC redirected its activity to support the COVID-19 pandemic response.

The Scottish Government Sponsor provided £0.3m additional grant in aid during the year to assist the SSSC in completing the work delayed by the COVID-19 pandemic.

The Sponsor has agreed the underspends and additional grant in aid can be carried forward to 2021/22 in our general reserve balance to be used to complete the delayed work impacted by COVID-19. This means our general reserve will not reduce as much as anticipated when the 2020/21 budget was set. The closing balance of £3.279m (note 11) is 13.4% of gross expenditure. The SSSC's target range for the revenue element of the general reserve is 2.0% (£0.488m) to 2.5% (£0.610m) of our gross expenditure budget.

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 (SCNE) 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 (SOFPI).
- (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 2020/21 depreciation charge is £2k.

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

	Ref/note	2020/21 £000
Deficit per the SCNE	SCNE	20,846
Funding from grants and grant in aid	13a	(17,847)
Reverse IAS 19 pension accounting adjustments	5b table 2	(4,227)
To fund depreciation of assets	6a	(2)
Surplus on funding and budgeting basis		(1,230)

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 2020/21 we paid 99.14% (2019/20: 99.48%) 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 2021/22. It is therefore considered appropriate to prepare the accounts on a going concern basis.

The Statement of Financial Position at 31 March 2021 shows net liabilities of £8.310m (2019/20: £5.777m). The net liabilities are mainly the result of 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 will have to be funded by the SSSC. The liability relates to benefits earned by existing or previous SSSC employees up to 31 March 2021.

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 Sponsor Department.

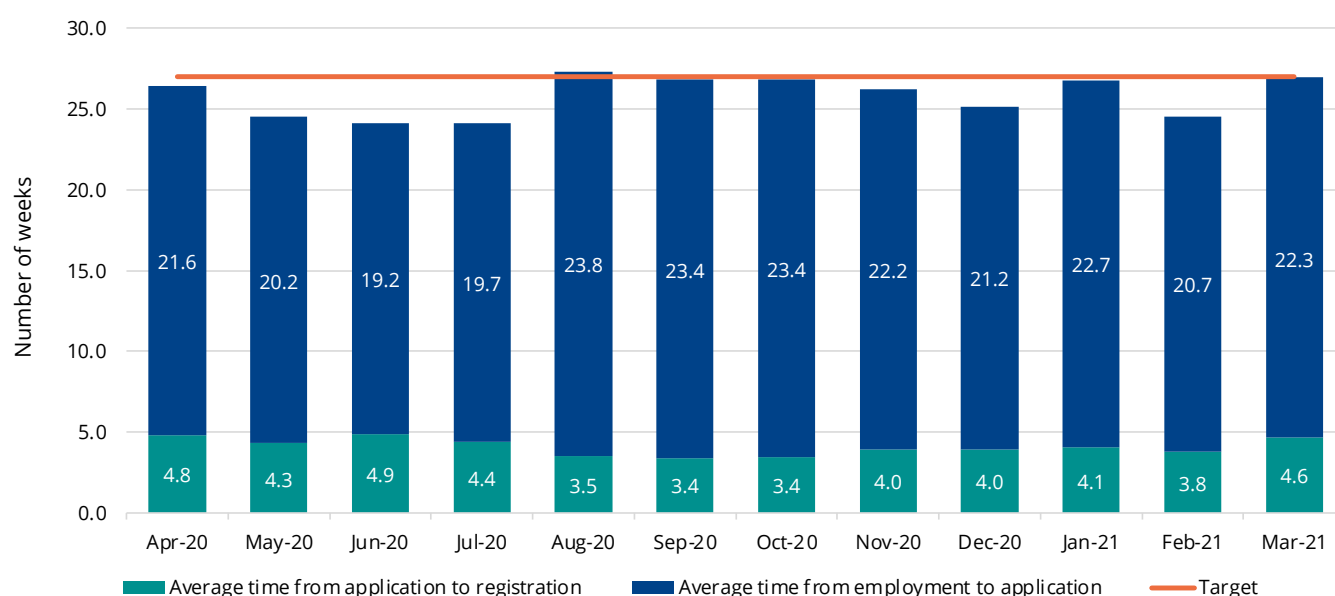
Outcome 1: People who use services are protected by ensuring the regulated workforce is fit to practise.

During 2020/21, we have completed the following activities under this outcome.

- In September 2020, we concluded the registration of the last and largest categories of workers. This is a significant milestone in the regulation of the social service workforce and in the last three years we have registered over 62,000 workers.
- Successfully moved to and conducted an online system of hearings ensuring continued public protection during the pandemic.
- Introduced a new method of communication with a webchat function allowing us to reach more registrants in a different way.

Strategic performance indicator results

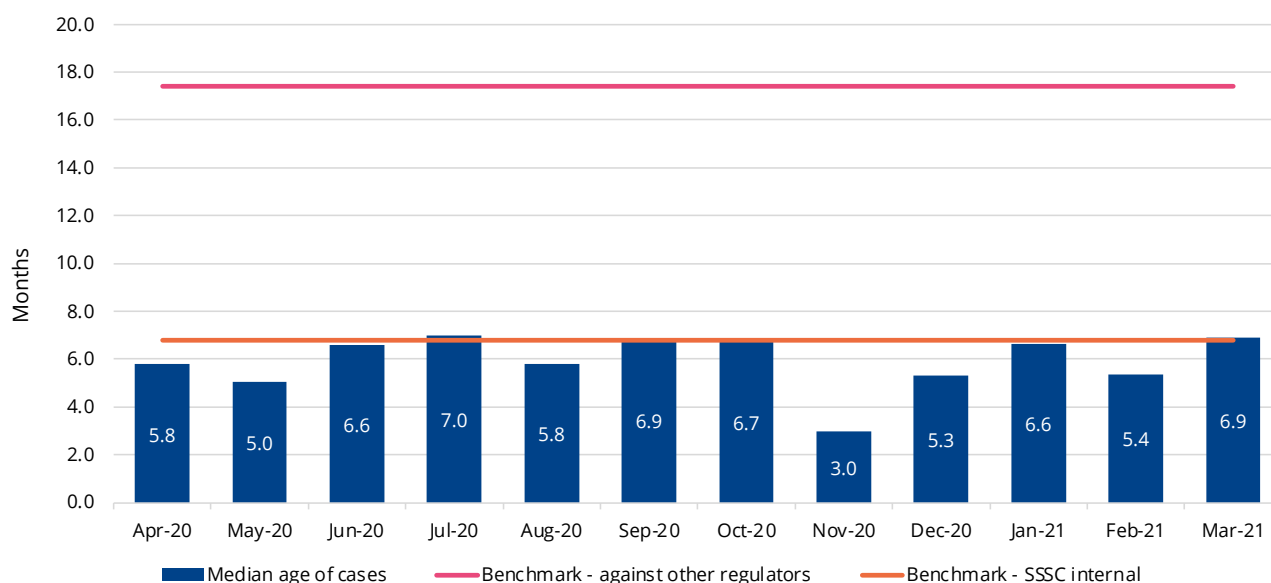
Figure 1: Strategic performance indicator 1 - reduce the average time taken from a person starting their employment to being registered with the SSSC.



This strategic performance indicator (SPI) helps measure how quickly we process applications, that the right people are registered and makes sure new staff are registered quickly. As part of our COVID-19 response, the grace period for workers to gain registration was extended from six to twelve months. This meant that we maintained our 2019/20 performance target of 27 weeks during 2020/21.

The extension to the time permitted for workers to become registered is not permanent and by March 2023 we hope to register workers within 12 weeks of employment. When the grace period moves back to six months, we will launch a 'Get Registered' campaign to promote the change.

Figure 2: Strategic performance indicator 2 - the average time taken to process a fitness to practise case is maintained at less time than organisations we benchmark against.



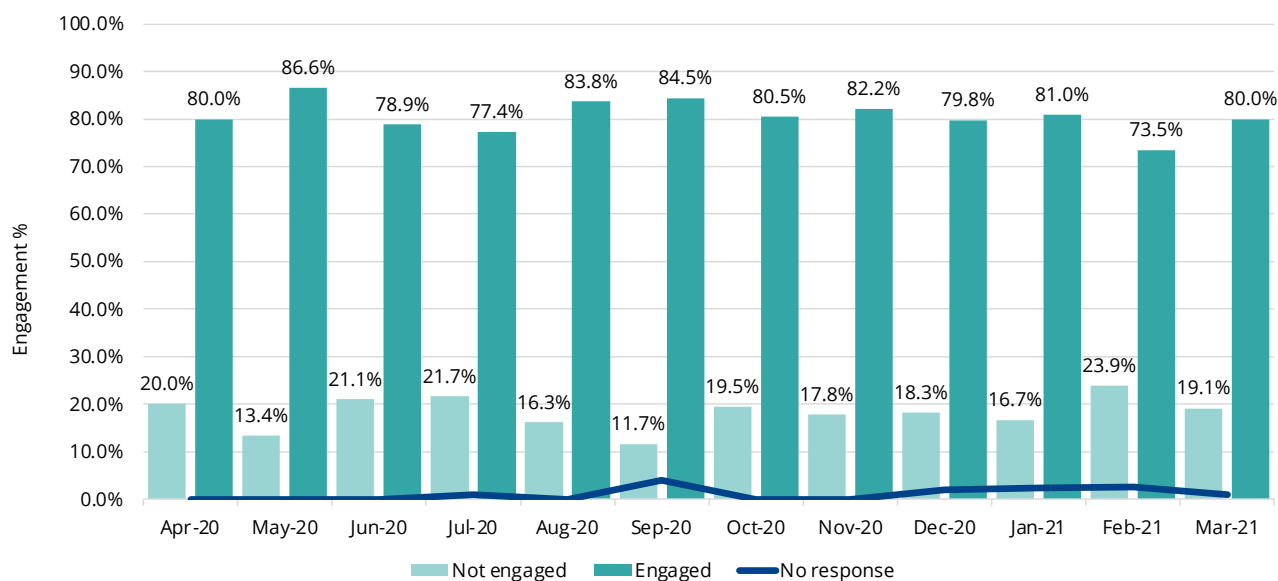
This SPI measures the time taken to process a Fitness to Practise (FtP) case.

We are consistently below the 17.4 months external benchmark target and have developed our own internal benchmark of 6.8 months. The external target is based on available data for similar regulatory bodies, such as the General Dental Council and General Medical Council.

Although we have performed well against this measure, COVID-19 created challenges for us. We experienced issues with case progression, staff capacity, delayed recruitment and a lengthier staff training process that was more resource intensive.

Some Fitness to Practise case matters are the subject of third party investigations that are ongoing at the time we open a case. We need to wait for the external investigations to conclude before we can finish ours. This means our performance over the next year will be affected by the time taken for other organisations to complete their investigations.

Figure 3: Strategic performance indicator 3 - increase the percentage of the workforce who are engaged when they are involved with the fitness to practise process.



1,306 workers had FtP cases which concluded over the 2020/21 financial year. This measure shows the percentage of these workers who did and did not engage with the FtP process. If a worker subject to FtP proceedings provides a response to allegations this is likely to result in meaningful engagement with the FtP process. When workers engage with the FtP process this often results in better outcomes for the worker involved as it helps us understand the worker's insight and learning, which is important when assessing fitness to practise.

Over the year, engagement has been 80.4% (1050 out of 1,306 cases) against a target of 80%. We had anticipated that cases delayed due to COVID-19 would result in disengagement, however we have no evidence which supports this initial prediction.

We continue work to improve access to representation and support services for workers, which helps them to meaningfully engage. The percentage of workers attending hearings in 2020/21 was 42% (118 out of 282). This is an increase on 2019/20 attendance which was 30% (97 out of 321). The introduction and successful implementation of online hearings is linked to this increase. We will explore how we can maintain these higher levels of engagement post-pandemic.

Witness engagement is of equal importance and in the last year, the Registration Department has started providing support to witnesses attending hearings.

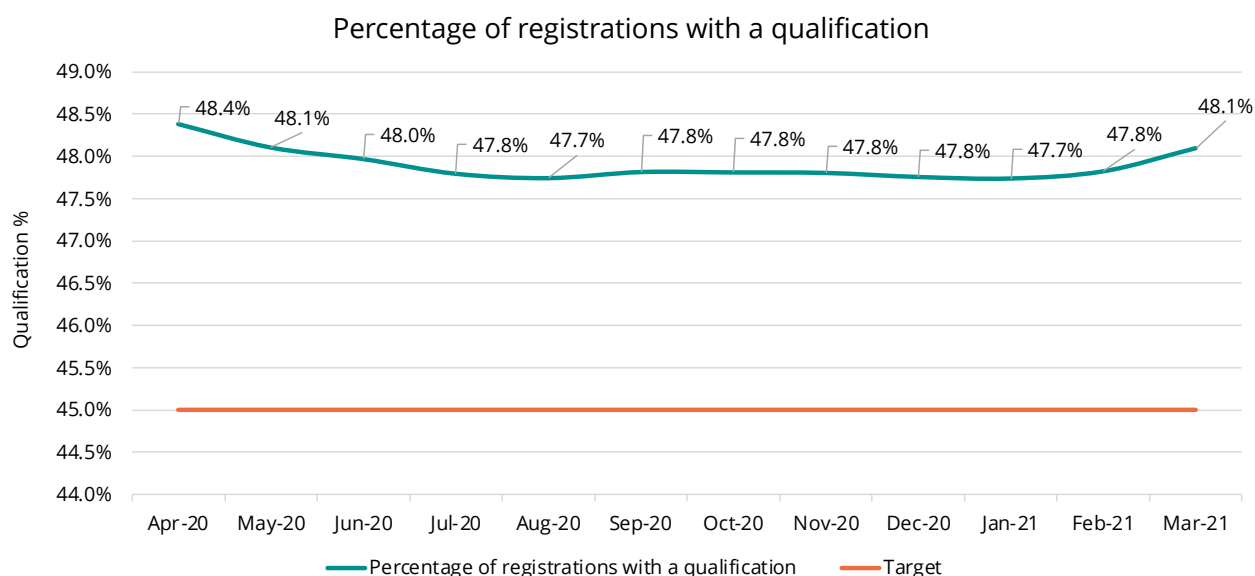
Outcome 2: The SSSC supports and enhances the development of the regulated workforce to deliver high standards of practice and drive improvement.

Despite the impact of COVID-19 affecting our staff and limiting some of the work that we do, we have achieved some key objectives to support and develop the workforce.

- We have implemented a new approach to Continuous Professional Learning (CPL) and launched a brand-new MyLearning app to support this. The MyLearning app is designed to help registrants keep a record of and evidence their CPL. The CPL open badge has increased the number of registered users using our wider resources and led to an increase in SSSC resources used by registrants to meet their CPL requirements.
- We worked closely with the higher education institutions (HEIs) and employers to agree alternative methods of assessment and contingency arrangements to support final year social work students to qualify in the summer of 2020 and join the workforce.
- We continued to engage with partners to raise awareness of quality improvement in social services and support access to learning resources. This included liaising with the Care Inspectorate, Health Improvement Scotland, NHS Education Scotland, Scottish Government Leading Improvement Team, Children and Young People Improvement Collaboration and the Health and Social Care Alliance.

Strategic performance indicator results

Figure 4: Strategic performance indicator 4 - Development and Innovation: increase the percentage of the registered workforce with the correct qualification.



This SPI measures the proportion of the registered workforce who have achieved a qualification that meets the requirements of registration.

Throughout the year we have seen the proportion of SSSC registrations with a qualification reduce from 48.4% (112,825 out of 218,599 registrations) in April 2020 to 47.7% (117,751 out of 224,267 registrations) in September 2020. At the end of the year this figure did rise again to 48.1% (118,821 out of 228,747 registrations) in March 2021.

The average across the whole year was 47.9% and has remained consistent throughout 2020/21. This average is above our initial target of 45% and a positive indicator of performance but we have looked beyond this result. Work we completed as part of the **SSSC qualified status of our registered workforce report** identified some key long-term risks which we need to monitor.

The **SSSC qualified status of our registered workforce report** estimates that within the next five years there will be approximately 84,000 individuals who need to gain a social service qualification. To address these findings, as a priority we will work with partners to address the shortfall of training provision needed to meet the demand for social service qualifications over the next five years.

Figure 5: Strategic performance indicator 5 - Development and Innovation: increase the percentage of the workforce using our learning resources to achieve Continuous Professional Learning.

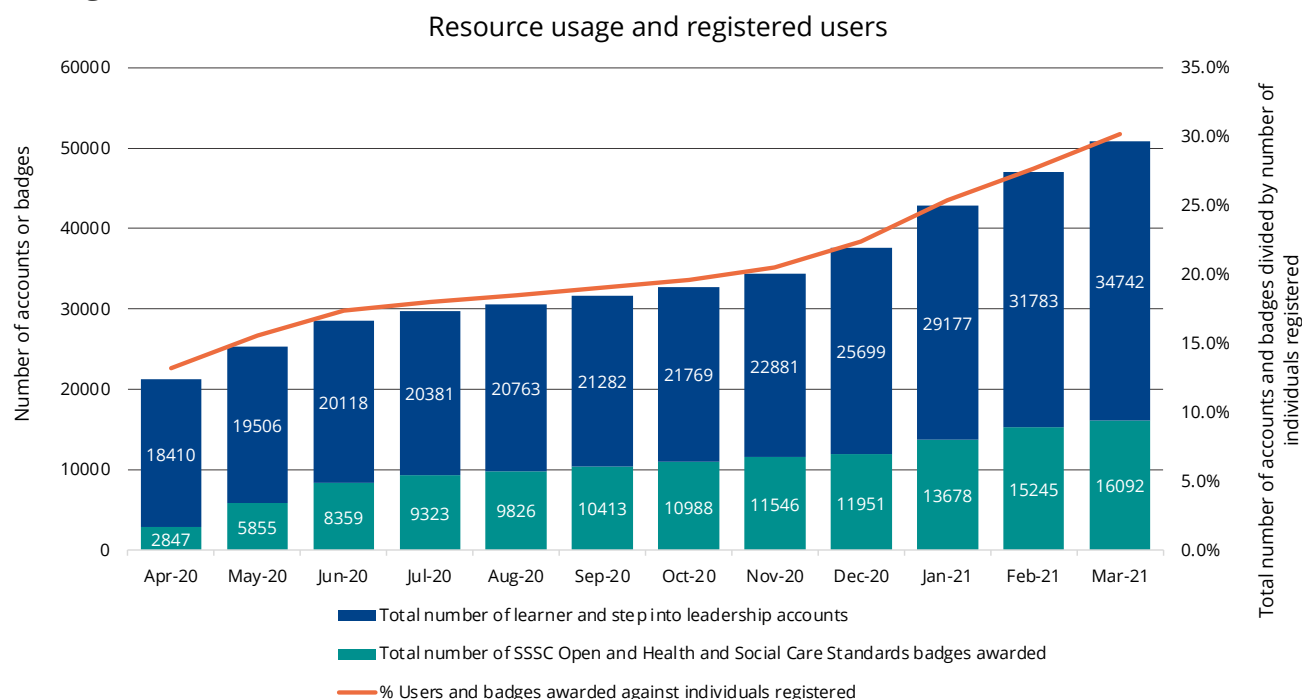


Figure 5 shows the number of learners registered to use our learning resources and the number of SSSC open badges awarded.

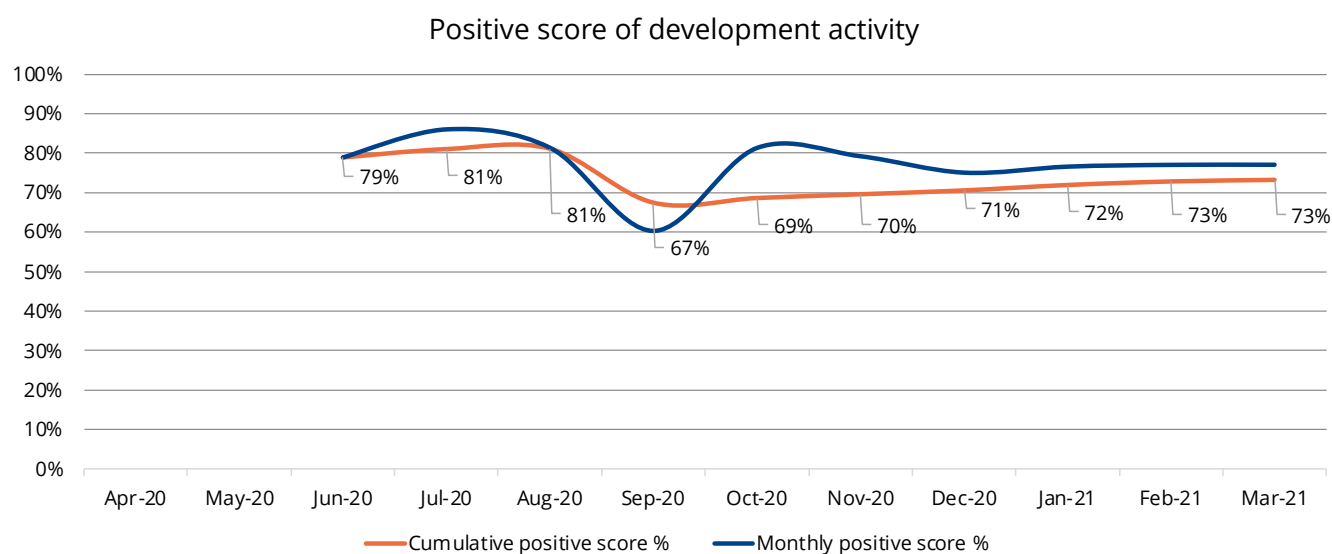
At the start of this financial year use of our resources increased. A proportion of Early Learning and Childcare (ELC) staff were furloughed and employers asked them to focus on their Continuous Professional Development (CPD). Open badges were referenced within guidance produced in partnership with NHS Education Scotland (NES) to support workers who were new to the sector, redeployed or volunteers. This increase in new users provides us with an opportunity to keep registrants engaged and signpost to our other resources.

We started the year with 17,819 new learner accounts and by the end of March 2021, we had 33,733. This represents an increase of 89% across this time. We have also seen the number of Step into Leadership users increase from 591 users in April 2020 to 1,009 by the end of March 2021, which is an increase of 71%.

During the last year Open Badges were frequently accessed as a learning resource. Open Badges give users a digital record of achievements and skills in areas of their choosing such as working with families and safeguarding. In April and May 2020, we registered 1,855 and 1,067 new learner accounts and awarded 5,855 open badges during that time. In June 2020 we started to see the number of new learner accounts reduce to 643 but badges remained high at 2,504. From July we saw this decrease again throughout the summer and returned to pre-pandemic levels. However, we saw a further increase again in new users in December with 2,833 and badges submitted for review increased in January 2021 to 1,727. The major driver behind this was the introduction of the new MyLearning app. Since its introduction, the MyLearning app has had 9,099 users who have actively used the app and have created, updated or shared information. These users have also generated 62,139 learning logs.

We have assessed 16,092 badges throughout the full financial year. This is much higher than the 5,342 badges awarded in the financial year 2019/20 and allowed us to reach our assessment target of 30%. We intend to increase this target for the remaining financial years of the strategic plan.

Figure 6: Strategic performance indicator 6 - percentage of those reporting positively that our development activity is delivering the support required by the workforce.



This indicator shows the feedback from individuals who have been using SSSC learning resources to support their continuous professional development. We gather this feedback via surveys linked to the resources we have on our websites.

We started to record information under this measure from June 2020 and by the end of the financial year we had received 6,500 responses regarding our learning resources.

Throughout the year we have combined the responses of people who have used our resources and who have answered the following survey questions:

- 'on a scale of 1 to 5, with 5 the highest possible score, how much do the SSSC's learning resources support your development?'
- 'on a scale of 1 to 5, with 5 being the highest possible score, how much do you believe the work of the SSSC improves your practice?'

A response of a four or five is considered positive. Over 2020/21, we recorded that 73% (4,769 out of 6,500) of responses have been positive. We also combined results from the annual registrant survey concerning learning resources into this measure, and this is reflected within Figure 6 at September 2020's monthly performance percentage.

Our internal target for the year was 80% positive responses. We understand how important it is to know our customers and although we did not meet this target, our focus is on meeting it in the next year. Over the 2021/22 period when registered workers log their learning through the new MyLearning app we will know what resources they are using for CPL. This information will inform resource design and marketing to ensure we match the needs of registered workers and employers and help us meet our target.

Outcome 3: Our workforce planning activities support employers, commissioners and policy makers to deliver a sustainable, integrated and innovative workforce.

The 2020/21 activities planned under this outcome were designed to progress pre-pandemic national agendas and initiatives. The pandemic required a national redirection of priorities and resources which in turn created delays to outcome three work streams. Many of the postponed work streams are now being re-established.

Not all planned work under this outcome stopped. Our workforce intelligence team responded to multiple data requests and our workforce planning team published a range of guidance documents which we shared on our website as well as on the NES Turas platform supporting both the health and social care workforces. We also supported the delivery of the Social Work Scotland (SWS) self-directed support standards and became part of the Young Person's Guarantee. We received permission from the Office of the Chief Statistician to publish our official data from 2019 and 2020 early in mid-May 2020 which ensured that correct information and advice was readily available at a time of peak demand.

We contributed to a paper which agreed proposals in support of Fair Work in Social Care and was considered as part of the Independent Review of Adult Social Care.

As a result of COVID-19 we reprioritised our work and took part in national activities to support the sector.

Our workforce planning and support activities were refocused to support the sector's response to COVID-19. We engaged with national working groups to offer guidance, expertise and respond to data requests about the workforce.

We experienced an increase in requests for detailed breakdowns of data. In most cases the requests for data were to support the different groups of staff within the workforce during the pandemic. For example, key datasets were used to support the sector in the roll out of the vaccination programme, PPE and the payment of £500 to the social service workforce.

We also provided information to support workforce modelling and participated in the development of infection prevention and control guidance.

A high performing organisation

Our values and our organisational characteristics underpin the delivery of our strategic plan.

Opportunities to come together and share information between colleagues allows us to further build our organisational characteristics and promote our values. In February 2021, we successfully held our annual staff conference. As this was virtual it consisted of short sessions over several days. The majority of staff attended a session about putting our values into practice. We were delighted to have speakers from Who Cares Scotland and the Promise. The Minister for Children and Families (Maree Todd) joined virtually to thank staff for all their hard work during the pandemic.

Our values

We listen, learn and do the right thing



Work together

At the SSSC we treat each other with kindness and respect and value the contribution every member of staff makes.



Accept responsibility and accountability

We recognise the trust placed in us to ensure the safety and wellbeing of people who use social services and that is our guiding mission.



Recognition and respect for others

We value the social service workforce and the life changing work they do. Our work increases recognition of their role and further develops that role.

Digital

Our digital infrastructure provides us with modern, user-focused systems and software applications as well as the appropriate equipment to effectively deliver services. As a forward-looking organisation, we completed a digital transformation programme in 2019 which focused on 'cloud' technology and enhanced technical mobility, moving to portable rather than fixed hardware and devices. Our staff readily adopted the changes the transformation introduced and benefits were quickly realised and our workforce prepared for a different way of working.

From the point the pandemic took hold, the digital transformation and developments previously implemented allowed us to respond positively to the global COVID-19 pandemic. Staff responded seamlessly to working from home using mobile and cloud technologies, securely accessing systems and data, providing an uninterrupted service to our customers.

Despite the challenges of the pandemic, we continued to advance our digital projects. Over 2020/21 following a benefits realisation exercise we identified significant benefits including savings of £110,000 across our key projects.

A summary of the projects and main benefits:

Telephony upgrade

Benefit: We migrated our main telephony system and contact centre software to a cloud hosted platform providing additional functionality and, vitally, location-independent access supporting off-site working.

MySSSC and website development

Benefit: We updated the main corporate website to deliver an improved user experience.

We further developed our online portal (MySSSC) to deliver process improvement, additional functionality and an improved customer experience.

Case management system development

Benefit: We upgraded our legal case management system (MatterSphere) to improve productivity and to digitise the process of sharing information.

Planning system development

Benefit: We scoped out our data and reporting requirements to inform the deliverables for a new intelligence and insights system.

Paperless hearings

Benefit: We implemented digital technologies to support paperless hearings, delivering process improvements and enhanced service provision.

Communicating and collaborating using SharePoint

Benefit: We migrated our core data files from traditional file servers to Teams/SharePoint, delivering new functionality to improve communication and collaboration.

We know that technology does not stand still and that it is important we learn from the COVID-19 pandemic experience, in particular the importance of modern, fully supported and secure digital technologies and having the flexibility to adapt to change.

Always focused on needs of our customers

We are committed to meeting our customers' expectations and during the last year the requirement to do this was more pressing than ever before.

As highlighted in the section on customer perceptions on [page 21](#), we actively engaged and acted on the needs of the sector and our stakeholders to provide effective regulatory support.

The needs of our customers are always changing. Each year we survey our registrants to gather information on the impact of our work. In 2020 we also commissioned research to help with the creation of our digital strategy.

Analysis of both surveys together has identified that the research and annual registrant survey have yielded consistent findings. These are that our registrants:

- feel positive about the SSSC and agree that registration is beneficial
- understand the work of the SSSC and agree that our work helps improve practice
- rated our learning resources as good and agreed that they support development.

'We provide workforce data, information and intelligence for Scottish Ministers, employers and other stakeholders that supports the development of the sector.'

Produce evidence and intelligence that helps us, and others, make the right decisions

We have a responsibility for workforce data and intelligence. We provide workforce data, information and intelligence for Scottish Ministers, employers and other stakeholders that supports the development of the sector.

Throughout this report, particularly under outcome three, we have demonstrated the ways we have shared information with partners and stakeholders to support the response to COVID-19. Despite the pandemic increasing the demand for data requests and data sharing in the past year, we continued to deliver projects related to workforce data and intelligence including publishing all reports and data tables on time. We engaged with a range of national working groups and continue to strengthen the way we provide key information to stakeholders based on demand.

We actively monitor the regulatory landscape and consider how we, as a regulator, can influence policy decisions. In the last year we responded to 16 consultations across a range of themes including Fair Work First in Public Bodies, Independent Review of Adult Social Care and the Shortage Occupation List.



Work to improve every area of our organisation

As a public body, it is important to deliver a service which not just meets the needs of our customers now but in the future. We must also demonstrate value for money.

We have grown as an organisation and maturity has brought with it increasingly complex challenges and work streams. To effectively structure a wide variety of projects, we established a programme management office to provide guidance, oversight and drive forward our progress across a suite of project areas. The development of our digital programme board contributes towards our robust governance structure, transparent approach to accountability and gives a clear record of decision making around high-risk digital areas.

Quality assurance continues to play a key role in our day-to-day operations. In 2020/21 we concluded our first cycle of assessment using the European Foundation for Quality Management (EFQM model). In applying the EFQM model, we identified long, medium and short-term improvements which we implemented across the business.

We anticipated improvements from the introduction of new technology, such as cloud-based working and use of up-to-date hardware to support this. The impact of COVID-19 accelerated these improvements.

We have also improved our understanding of the experiences workers and other stakeholders have when they are in contact with us. Our Hearings department introduced a new feedback questionnaire for workers who attend hearings, and for witnesses who attend hearings. Our Registration department introduced a short post-call survey via our new telephony system for customers who call our main phone line.

'In 2020/21 we concluded our first cycle of assessment using the European Foundation for Quality Management (EFQM model). In applying the EFQM model, we identified long, medium and short-term improvements which we implemented across the business.'

We are a respected and valued organisation and work with others to deliver our outcomes

We work collaboratively with our partner organisations. Over 2020/21 we worked with NHS Education for Scotland (NES) and Royal College of General Practitioners Scotland to deliver 12 Collaborative Wellbeing Coaching conversations events as part of the Leadership for Integration project. We received positive feedback from participants who reported that they valued the time and space to reflect on their and others' wellbeing and their roles in collaborating with others.

With Health Improvement Scotland and the Care Inspectorate, we supported the development and delivery of a series of webinars.

People want to work at the SSSC

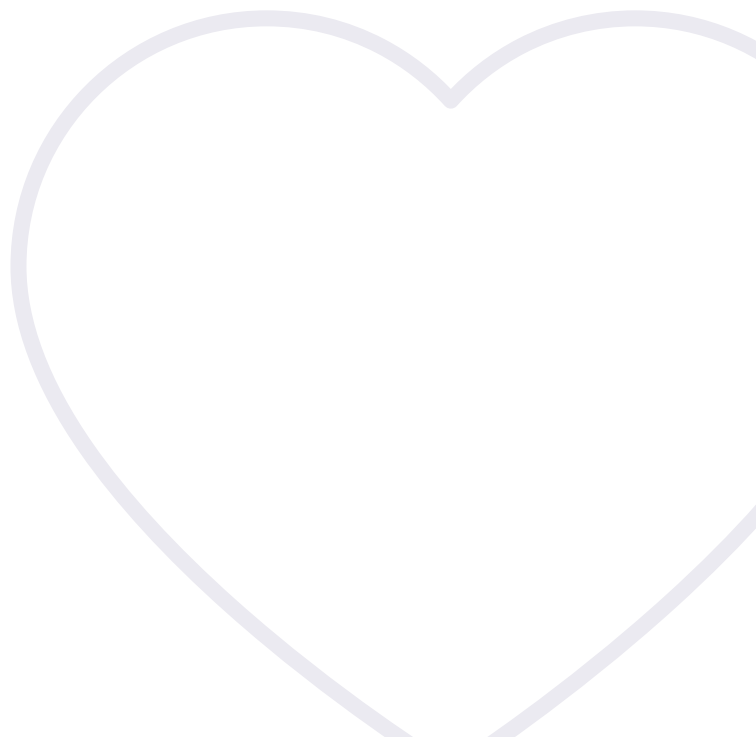
We want to maintain an up-to-date understanding of the profile of our current staff and determine what factors attract people to work for the SSSC.

Following a review of our organisational development processes, we created a dedicated Organisational Development department in 2020. This department will make improvements, enhance quality and provide development opportunities with a focus on the needs of our employees. The department is responsible for a programme titled **evolve** that will develop staff and managers throughout their SSSC work journey.

Here are some of the key deliverables under our **evolve** programme so far.

- We delivered our first leadership and management development programme to around 45 managers over February and March 2021.
- We moved our agile working consultation activity from survey stage to focus group stage with sessions taking place to inform next steps.
- We agreed a cycle of work for undertaking full organisational training needs analysis and decision-making timetable for priority training areas. The first part of that cycle is currently underway.
- We agreed a process and timetable which will see departments develop detailed people plans (workforce plans) to consider skills, competencies, risks and opportunities. These will be reviewed and updated annually and will also inform training and development decision making.
- We appointed a supplier to carry out a scoping exercise on our overall reward strategy, including pay and grading. This work is underway and reported to Council in May 2021.

During 2020/21 we also maintained our Investors in People accreditation. Our scores put us in the top quartile of similar organisations. Our latest assessment for IIP started on 26 October 2020 with a staff survey.



Communications

In the last year, we focused our external communication and engagement activities on our response to the COVID -19 pandemic which included:

- promoting the value of the social service workforce in light of the awareness created by the pandemic and recognition of their effort and commitment
- making sure that employers and people on our Register had the most up to date information on changes to our regulatory approach and developments that affected them
- working with our partners including Scottish Government to provide information and point to resources designed by the SSSC and others to support the workforce during the pandemic.

Other highlights included partnering with the Scottish Government for the second wave of **'There's more to care than caring'**, the national adult social care recruitment marketing campaign in March 2021, including holding a national workshop run by our staff and our Career Ambassadors. 147 people signed up, 80% said the workshop was extremely helpful or very useful and 78% said their perception of the industry improved after attending.

We also launched our most successful 'SSSC Codes in Practice' video yet, developed in collaboration with Capability Scotland. We reached over 5,000 people helping them share, develop and promote good practice through learning from each other.

'Highlights included partnering with the Scottish Government for the second wave of 'There's more to care than caring', the national adult social care recruitment marketing campaign in March 2021, including holding a national workshop run by our staff and our Career Ambassadors. 147 people signed up, 80% said the workshop was extremely helpful.'



Complaints

Our complaints handling procedure complies with the Scottish Public Services Ombudsman 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 quarterly updates on our website.

Our average response time for stage one complaints is three working days, which is within the five-day timescale. The average for stage two responses is 40 working days, which is above the 20-day timescale. This average is skewed by one complaint which took 235 days to respond to due to an ongoing third-party investigation.

Indicator	2020/21*	2019/20	2018/19	2017/18	2016/17
Stage 1 complaints received	90	186	222	292	379
Percent stage 1 responded to in 5 working days	92%	95%	93%	93%	94%
Stage 2 complaints received	8	15	15	24	19
Percent stage 2 responded to in 20 working days	89%	71%	91%	96%	89%
Percent upheld (all complaints)	18%	23%	Not recorded	Not recorded	Not recorded
Percent partially upheld (all complaints)	25%	17%	Not recorded	Not recorded	Not recorded

Legal and corporate governance

This year we have dealt with 109 requests for information from other regulatory bodies. This is a significant increase in comparison to 2019/20 during which time we received 49 requests from regulatory bodies.

We facilitated the move to virtual and publicly broadcasted Council meetings and virtual Committee meetings. Due to our quick response, user testing and digital infrastructure, we were able to hold our virtual Council meeting in the week immediately following the move to working from home in March 2020.

* The 2020/21 data presented in this table differ slightly to the results we reported in our annual complaints performance report. This is as a result of data integrity work and improved data analysis.

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 whistleblow 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 2020/21 we received nine whistleblowing referrals. In six of these cases, we opened a fitness to practise case. By opening a case we investigate whether the fitness to practise of the worker is impaired or not.

We did not open a case for two of the referrals. We assessed them as having no real prospect of finding current impairment.

For the seven cases we did open, we can report the following.

- Four cases are ongoing at the time of writing.
- Three cases have concluded as follows:
 - one case resulted in no action taken as we found the worker's fitness to practise was not currently impaired
 - two cases resulted in no action taken as there was insufficient evidence to prove any allegations.

We have two whistleblowing cases referred before this financial year that remain open. The investigations are complete, and we are in the process of making a decision.

These referrals contribute to our ability to carry out our statutory function of maintaining our register. They do this by providing information about registered workers whose suitability to be on the register may be in question.

Our Whistleblowing Policy informs and encourages staff to raise serious concerns about wrongdoing or alleged impropriety. The policy is consistent with, and makes explicit references to, the Public Interest Disclosure Act 1998. There were no internal whistleblowing referrals in 2020/21.

Anti-corruption and bribery

Our Counter Fraud and Corruption Framework, along with other controlled documents including HR policies, codes of conduct, financial and contract procedure rules, whistleblowing and complaints policy ensure legislative compliance and management of fraud and corruption.

We present a fraud and corruption report to the Audit and Assurance Committee annually.

Zero incidences of fraud or corruption were detected during the 2020/21 financial year.

During financial year 2020/21 we strengthened our counter fraud arrangements by contracting with NHS Counter Fraud Services. The Audit and Assurance Committee tracked progress of this piece of work regularly. It is now a standing item on their agenda.

Equality

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

We have developed our new mainstreaming and outcomes report. The report sets out our equality outcomes for the next four years.

We have also relaunched our Equality, Diversity and Inclusion Group. We extended the remit to include developing our approaches to promoting care experience and supporting children's rights. In January 2021 we published our new corporate parenting plan and our first report setting out how we will promote children's rights throughout our work.

We continue to develop and publish equality impact assessments on our website.

Social and environmental impacts

We support staff to contribute to public and community activities through our Special Leave Policy and in response to the COVID-19 pandemic we relaxed our policy further to allow staff to provide care or volunteer in their communities.

We started working towards Investors in Young People (IiYP) in 2018 and achieved a standard (good practice award) in 2019.

We recruited nine employees below the age of 25 during 2020/21 and we employed 17 young people as at 31 March 2021. We have several programmes that are attractive to young people including internships, modern apprenticeship and trainee solicitor roles.

We have also successfully maintained our Healthy Working Lives Silver Award in September 2020.

Environment

In 2020/21 the impact of COVID-19 meant that the way we worked led to us using our facilities less. This helped us to make our biggest positive contribution towards the environment to date.

We manage our carbon emissions in partnership with the Care Inspectorate as part of our shared services provision.

During 2020/21 we have:

- submitted our annual Public Sector Climate Change Report
- included environmental considerations in all procurement activities
- considerably reduced staff travel due to COVID-19 regulations and legislation
- made full use of Microsoft Office 365 to work exclusively from home since 17 March 2020 to date.

Our 2018-23 Carbon Management Plan sets out how we will deliver our Climate Change (Scotland) Act 2009 duties. Through this plan we aim to reduce our carbon emissions by 25% by 2023 (from a 2015/16 baseline).

SSSC Carbon footprint

	2020/21	2019/20	2018/19	2017/18
Total CO2 produced (tonnes CO2 equivalent)	79.9	184.2	204.1	237.8
Total CO2 produced (tonnes CO2 equivalent)				
Travel	1.9	56.5	73.9	85.2
Gas and electricity	77.6	126.1	128.6	151.3
Water	0.2	0.7	0.7	0.7
Waste and recycling	0.2	0.9	0.9	0.6

Section B: Accountability report



A close-up photograph of a person's hand holding a silver and black ballpoint pen, writing on a document. The background is blurred, showing other people and documents in what appears to be a meeting or office setting.

Corporate governance report

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Directors' report

SSSC Council

Members sitting on the SSSC Council during 2020/21 were:

- Sandra Campbell (Convener) (from 1 September 2019)
- Theresa Allison (from 1 September 2018)
- Professor Alan Baird (from 1 September 2018)
- Paul Edie (Chair of the Care Inspectorate)
- Julie Grace (from 1 September 2019)
- Lynne Huckerby (from 1 September 2019)
- Rona King (from 1 September 2019)
- Linda Lennie (from 1 November 2017)
- Peter Murray (from 1 September 2019)
- Russell Pettigrew (from 1 September 2019)



Executive Management Team

The EMT are employees of the SSSC. The following individuals served on the EMT during 2020/21:

- Lorraine Gray, Chief Executive
- Maree Allison, Director of Regulation
- Gordon Weir, Executive Director of Corporate and Customer Services (shared post with Care Inspectorate) (to 9 August 2020)
- Lynn Murray, Interim Director of Finance and Resources (from 1 June 2020)
- Phillip Gillespie, Director of Development and Innovation (on secondment to Scottish Government from 5 January 2021)
- Cheryl Glen, Acting Director of Development and Innovation (Workforce Planning) (from 1 February 2021)
- Laura Lamb, Acting Director of Development and Innovation (Learning and Development) (from 1 February 2021)
- Laura Shepherd, Director of Strategy and Performance



Register of Interests

A [Register of Members' Interests](#) is maintained and is available for inspection by members of the public. 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 2020/21. The ICO concluded their investigation and has taken no further action.

Statement of 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 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. Members come from a variety of areas including health, charities, education, social work and social service sector and users of services as well as the Chair of the Care Inspectorate Board.

The Council comprises the Convener and nine non-executive members. Appointments are made by Scottish Ministers and 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.

We maintain a register of interests of the Council members which is available from our website [Register of Members' Interests](#)

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. Changes had been made to our governance structure in October 2019 and it was agreed that these would be reviewed after 12 months. Our internal auditors, Henderson Loggie carried out the effectiveness review and their opinion is that we can take a good level of assurance from these arrangements. They made some minor recommendations which have been actioned. We held a development session in March 2021 to look at ways to further strengthen our governance arrangements.

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. Members are appraised on an annual basis.

Council meetings are held in public and the minutes of each meeting are available on our website www.sssc.uk.com. In addition, 11 development sessions have taken place over the year. The following table details SSSC Committee membership and Council Member attendance.

	Council	Audit and Assurance Committee
Number of meetings:	8	5
Council Member	Attended	Attended
Sandra Campbell (Convener)	8	2 (as observer)
Theresa Allison*	8	5
Professor Alan Baird*	8	5
Paul Edie (Chair, Care Inspectorate)	7	0
Julie Grace	5	1 (as observer)
Lynne Huckerby	4	0
Rona King*	8	5
Linda Lennie	5	3 (as observer)
Peter Murray*	8	5
Russell Pettigrew*	6	5

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. An assurance report is submitted to each committee meeting which provides performance, financial and risk information which assesses delivery of our strategy, highlights areas of concern and identifies required corrective action. It 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. A draft Annual Report summarising the work of the Committee over the year 2020/21 and giving its opinion on the assurance that this work provides was submitted to Council for approval in May 2021. Our internal auditors carried out an effectiveness review of corporate governance arrangements in December 2020. The report included a self-assessment. Members and the Executive Management Team attended On Board training on 'An effective Audit and Assurance Committee' in early 2021. The Committee has agreed to add counter fraud services activity as a standing item to the agenda.

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.

* Denotes member of the Audit and Assurance Committee

Executive Management Team (EMT)

The EMT supports the Chief Executive in her Accountable Officer role through the formal Scheme of Delegation. The EMT comprises the Director of Regulation, the Director of Development and Innovation, Director of Strategy and Performance and Interim Director of Finance and Resources. A new Finance and Resources Directorate was created and incorporates the departments of Legal and Corporate Governance and Organisational Development. The Interim Director of Finance and Resources also has responsibility for overseeing the operation of shared services with the Care Inspectorate. The Director of Development and Innovation took up a secondment post with Scottish Government in January 2021. The Head of Learning and Development and the Head of Workforce Development have been appointed as joint acting Director of Development and Innovation for the period of secondment. Each of the directors 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 Grant Thornton UK LLP as our independent external auditors for a five-year period from 1 April 2016. Scottish Government has decided that the contract will extend for a further year due to the impact of COVID-19.

Internal audit

Our internal audit function is contracted out to Henderson Loggie for a three-year period to 31 March 2023. 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 undertakes 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 on-going basis to reflect evolving risks and changes. The Audit and Assurance Committee reviews and approves the three-year Strategic Internal Audit Plan on an annual basis. We have an effective and productive relationship with our internal auditors.

Each year our internal auditors 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 2020/21, our internal auditors take into account:

- all reviews undertaken as part of the 2020/21 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 2020/21 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 Policy](#). The main priorities of this policy are the identification, evaluation and control of 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.

Risks identified are maintained on a Strategic Risk Register and addressed 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.

Information governance

We have information governance policies and procedures in place to ensure we handle data responsibly and comply with data protection and freedom of information laws. We self-reported one incident to the ICO during 2020/21. The ICO has concluded their investigation and has taken no further action.

System of internal financial control

Within our overall governance framework specific arrangements are in place as part of the system of internal financial control. This system is intended to ensure that reasonable assurance can be given that assets are safeguarded, transactions are authorised and properly recorded, and material errors or irregularities are either prevented or would be 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
- clearly defined capital expenditure guidelines.

Review

We review the effectiveness of our Code of Corporate Governance annually. Individual policies and procedures that contribute towards the overall governance framework are also subject to periodic review. This review is informed by:

- 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 within the SSSC on our performance, use of resources, responses to risks, and the extent to which we have met in-year budgets and other performance targets.

Significant issues

There are no significant issues to report.

Corporate governance

Our strategy is set out in a three-year strategic plan supported by annual business plans. Since October 2019, 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 and recommendations made to the Council from the Committee on the assurances that the Council can take.

We review the effectiveness of those arrangements on an annual basis with the last review taking place in December 2020. Other planned corporate governance work includes:

Quality assurance

We continue to use the EFQM model to drive improvement within SSSC. In 2020, our previous partner, Quality Scotland, went into administration. A new EFQM in Scotland group will be introduced in summer 2021 and we are exploring membership to support our plans to embed EFQM within the organisation.

Risk management

Work is continuing to embed risk management throughout the organisation by developing operational risk registers and understanding the links between strategic and operational risk. We reviewed the risk management framework during 2020/21.

Shared Services

In collaboration with the Care Inspectorate we are reviewing our joint shared services strategy and revising governance arrangements, management agreement and service specifications. We made progress during 2020/21 and the SSSC Council and Care Inspectorate Board approved the proposals in May 2021. This year we appointed a new SSSC Interim Director of Finance and Resources to replace the shared SSSC/Care Inspectorate post.

Areas identified by the Directors' review

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

- Further work to bring the Business Continuity Management System up to date and full effectiveness.
- A need to develop a corporate workforce plan to assist with matching resources to priorities and to support increased diversity.
- Clearly demonstrate that our risk appetite statement informs our decision making.
- Continue to improve on our approach to equality and diversity.

Response to COVID-19

In line with Scottish Government guidance, the directors' annual review asked them about arrangements put in place in response to COVID-19. The directors were able to provide the necessary assurances. We have provided information regularly to Council Members. Further detail on our response to COVID-19 and our arrangements are provided in our 'Spotlight on COVID-19' section on [pages 18-20](#) of this report.

Certification

Our governance framework has been in place for the year ended 31 March 2021 and up to the date of signing of the Accounts. It is my opinion that reasonable assurance can be placed upon the adequacy and effectiveness of the SSSC's systems of governance. Although areas for further improvement have been identified 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

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Remuneration report, **UNAUDITED INFORMATION**

Introduction

This report provides information on the remuneration of SSSC Council Members and senior managers in 2020/21. Senior managers are members of the Executive Management Team (EMT).

The EMT is the Chief Executive, the Director of Finance and Resources, the Director of Strategy and Performance, the Director of Regulation, and the Director of Development and Innovation. The Director of Development and Innovation is currently seconded to Scottish Government (5 January 2021 to 4 January 2022) and his duties are being shared between an Acting Director of Development and Innovation (Learning and Development) and an Acting Director of Development and Innovation (Workforce Planning). The Director of Finance and Resources is filled on an interim basis from 1 June 2020 to 31 March 2022.

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 permanent directors are on a salary scale of £65.6k to £74.0k. The Interim Director of Finance and Resources is on a salary scale of £75.4k to £82.9k. The Acting Directors of Development and Innovation (50:50 shared post) are receiving additional responsibility payments with salaries being £59.2k and £59.9k.

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. The value of the payment would also be determined by Scottish Ministers.

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

Council Member	Current term	Date of initial appointment	Date of re-appointment	Date appointment terminates
Sandra Campbell - Convener	1 st	01 Sept 2019	-	31 Aug 2022
Theresa Allison	1 st	01 Sept 2018	-	31 Aug 2021
Professor Alan Baird	1 st	01 Sept 2018	-	31 Aug 2021
Paul Edie*	4 th	15 April 2013	14 Oct 2020	31 Aug 2021
Julie Grace	1 st	01 Sept 2019	-	31 Aug 2022
Lynne Huckerby	1 st	01 Sept 2019	-	31 Aug 2022
Rona King	1 st	01 Sept 2019	-	31 Aug 2022
Linda Lennie	2 nd	01 Nov 2017	01 Nov 2020	31 Oct 2023
Peter Murray	1 st	01 Sept 2019	-	31 Aug 2022
Russell Pettigrew	1 st	01 Sept 2019	-	31 Aug 2022

* Paul Edie is the Chair of the Care Inspectorate. 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 SSSC Council Member.

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.

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

Senior managers

The SSSC has four permanent director posts.

- Director of Regulation
- Director of Development and Innovation (currently on secondment)
- Director of Strategy and Performance
- Director of Finance and Resources.

All directors have permanent contracts, except the Interim Director of Finance and Resources, whose temporary contract is scheduled to expire on 31 March 2022. The outward secondment of the Director of Development and Innovation is covered by a temporary arrangement where his duties are allocated between two Acting Directors of Development and Innovation who receive a temporary additional responsibility allowance in addition to the salary of their substantive posts. This temporary arrangement is expected to continue until 4 January 2022 (the end of the Director of Development and Innovation's secondment period).

Termination of the contract requires a notice period of three months by either party.

There are no compensation payments specified in the 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 pay-back period and must be approved by the Council.

Remuneration report, **AUDITED INFORMATION**

Remuneration – SSSC Council Members

Salary 2019/20 £000		Salary 2020/21 £000
20 - 25	Sandra Campbell – Convener	20 – 25
5 – 10	Theresa Allison	5 – 10
0 – 5	Professor Alan Baird	0 – 5
0 – 5	Julie Grace	0 – 5
0 – 5	Lynne Huckerby	0 – 5
0 – 5	Rona King	0 – 5
5 – 10	Linda Lennie	0 – 5
0 – 5	Peter Murray	0 – 5
0 – 5	Russell Pettigrew	0 – 5

Paul Edie, Chair of the Care Inspectorate Board is a member of the Council but receives no remuneration from the SSSC. There is a reciprocal arrangement in place whereby the Convener of the SSSC, is a member of the Board of the Care Inspectorate and receives no remuneration from the Care Inspectorate.

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		Benefits in kind (to nearest £100)		Pension benefits*		Total	
	2020/21	2019/20	2020/21	2019/20	2020/21	2019/20	2020/21	2019/20
	£000	£000	£00	£00	£000	£000	£000	£000
Lorraine Gray Chief Executive	85-90	85-90	0	0	27	33	115-120	115-120
Maree Allison Director of Regulation	70-75	70-75	0	0	15	34	85-90	105-110
Phillip Gillespie Director of Development and Innovation (seconded out from 5 Jan 2021)	65-70	60-65	0	0	29	30	95-100	95-100
Laura Shepherd Director of Strategy and Performance	65-70	50-55	0	0	26	n/a	90-95	50-55
Lynn Murray ** Interim Director of Finance and Resources (from 1 June 2020)	60-65	n/a	0	n/a	20	n/a	80-85	n/a
Laura Lamb ** Acting Director of Development and Innovation (Learning and Development) (from 1 Feb 2021)	55-60	n/a	0	n/a	n/a	n/a	55-60	n/a
Cheryl Glen ** Acting Director of Development and Innovation (Workforce Planning) (from 1 Feb 2021)	50-55	n/a	0	n/a	n/a	n/a	50-55	n/a

* 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 2019/20 comparative figures for the Director of Finance and Resources or the Acting Directors of Development and Innovation as they all joined the EMT during 2020/21.

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 2020/21.

Fair pay disclosure

We are required to disclose the relationship between the remuneration of the highest paid director and the median remuneration of our workforce.

The Chief Executive was the highest paid director in the financial year 2020/21 and 2019/20. The full time annual salary for the Chief Executive is in the salary band £90,000 to £95,000. The mid-point of this band is £92,500 which is 2.80 times greater than the median remuneration of the workforce. One agency employee received remuneration in excess of the Chief Executive during 2019/20.

	2020/21 £	2019/20 £
Highest paid employee (mid-point)	92,500	87,500
Median salary	33,041	28,707
Remuneration ratio	2.80	3.05
Staff minimum FTE remuneration	18,795	18,158
Staff maximum FTE remuneration (*agency worker)	90,290	*112,485

Total remuneration includes salary, overtime and other taxable allowances as well as severance payments. It does not include employer pension contributions and the cash equivalent transfer value of pensions. Salaries are grossed up for employees who have not worked full time or for the full financial year.

Local Government Pension Scheme (LGPS)

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

	As at 31 March 2021				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 2021	As at 31 March 2020	Real increase
	£000	£000	£000	£000	£000	£000	£000
Lorraine Gray Chief Executive	30 – 35	0 – 5	0 – 2.5	0 – 2.5	308	281	19
Maree Allison Director of Regulation	40 – 45	-	0 – (2.5)	-	160	148	8
Phillip Gillespie Director of Development and Innovation (seconded out from 5 Jan 2021)	40 – 45	25 – 30	0 – 2.5	0 – 2.5	274	293	(27)
Laura Shepherd Director of Strategy and Performance	40 – 45	-	2.5 – 5.0	-	108	93	13
Lynn Murray ** Interim Director of Finance and Resources (from 1 June 2020)	15 – 20	-	15 – 20	-	16	-	16
Laura Lamb ** Acting Director of Development and Innovation (Learning and Development) (From 1 Feb 2021)	35 – 40	0 – 5	35 – 40	0 – 2.5	121	-	-
Cheryl Glen ** Acting Director of Development and Innovation (Workforce Planning) (from 1 Feb 2021)	25 – 30	-	25 – 30	-	22	-	-

** There are no 2019/20 comparative figures for the Interim Director of Finance and Resources or the two Acting Directors of Development and Innovation as they all joined the EMT during 2020/21.

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.

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 2020/21 and related costs. Staff numbers are expressed as average full-time equivalents (FTE) employed in the year.

	2020/21		
	Permanently employed	Others	Total
	FTE	FTE	FTE
Senior managers	4	1	5
Other employees	254	27	281
Agency workers	0	2	2
Secondments inward	0	1	1
Total staff engaged	258	31	289
Secondments outward	(1)	0	(1)
Net staff engaged on SSSC activity	257	31	288

	2020/21		
	Permanently employed	Others	Total
	£000	£000	£000
Senior manager salaries	298	64	362
Other employee salaries	8,383	789	9,172
Social security costs	900	83	983
Pension service costs	2,725	142	2,867
Total cost directly employed staff	12,306	1,078	13,384
Council Members (i)	0	49	49
Fitness to Practise Panel Members (ii)	0	692	692
External Assessors (ii)	0	4	4
Agency workers	0	86	86
Secondments inward	0	45	45
Total cost of people engaged	12,306	1,954	14,260
Severance costs	0	8	8
Other staff costs	128	0	128
Staff costs (SCNE)	12,434	1,962	14,396
Secondments outward	(98)	0	(98)
Net staff costs	12,336	1,962	14,298

- (i) There was a Convener and nine Council Members during the year. Council Members are office holders and are 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 64 panel members in 2020/21 for an average of 22.5 days. External Assessors review overseas qualifications for registration purposes. We engaged four external assessors during 2020/21.

2019/20 Comparative information

	2019/20		
	Permanently employed	Others	Total
	FTE	FTE	FTE
Senior managers	4	0	4
Other employees	235	28	263
Agency workers	0	4	4
Secondments inward	0	0	0
Total staff engaged	239	32	271
Secondments outward	(2)	0	(2)
Net staff engaged on SSSC activity	237	32	269

	2019/20		
	Permanently employed	Others	Total
	£000	£000	£000
Senior manager salaries	299	0	299
Other employee salaries	7,245	752	7,997
Social security costs	768	64	832
Pension service costs	2,667	121	2,788
Total cost directly employed staff	10,979	937	11,916
Council Members (i)	0	59	59
Fitness to Practise Panel Members (ii)	0	697	697
External Assessors (ii)	0	5	5
Agency workers	0	319	319
Secondments inward	0	13	13
Total cost of people engaged	10,979	2,030	13,009
Severance costs	6	0	6
Other staff costs	144	0	144
Staff costs (SCNE)	11,129	2,030	13,159
Secondments outward	(136)	0	(136)
Net staff costs	10,993	2,030	13,023

- (i) There was a Convener and nine Council Members during the 2019/20 financial year. Council Members are office holders and are 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 85 panel members in 2019/20 for an average of 21 days. External Assessors review overseas qualifications for registration purposes. We engaged three external assessors during 2019/20.

Details of the pension arrangements for the SSSC are contained 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)

During 2020/21 two staff members left the SSSC with an agreed voluntary severance payment. (One staff member 2019/20).

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:

	2020/21		2019/20	
Exit package cost band	Number of departures	Total cost £000	Number of departures	Total cost £000
Up to £25,000	2	8	1	6

No settlement agreements were paid during 2020/21 or 2019/20.

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 are met by the SSSC and not the Local Government Pension Scheme.

Staff report, UNAUDITED INFORMATION

Staff composition by gender

The table below provides a gender breakdown of directly employed staff at 31 March 2021. Staff numbers are provided on a head count basis.

Role	Permanent		Other staff		Total	
	male	female	male	female	male	female
Executive Management Team	1	5	0	1	1	6
Other staff	73	205	5	20	78	225
Total	74	210	5	21	79	231

Sickness absence

We lost 2.7% of working time to sickness absence during 2020/21 which is a reduction on last year's figure of 5.1%. The most up to date information from the Chartered Institute of Personnel and Development cites the public sector average at 3.6%. XpertHR cite the public sector average as 3.8% (2019).

	2020/21 %	2019/20 %	2018/19 %
Percentage of working time lost to sickness absence	2.7	5.1	4.9

Staff turnover data

The SSSC's voluntary staff turnover was 4.3% in 2020/21. This compares to 8.8% in 2019/20. XpertHR (2019) median rate for voluntary turnover for all employers was 10.2%.

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.

Expenditure on consultancy

	2020/21 £000	2019/20 £000
Establishing programme management office framework	0	39
Shared service future strategy development	0	33
Newly qualified social workers research study	17	17
COVID-19 Research	15	0
Scoping a pay and grading review	9	0
Evaluation post registration training & learning pilot sites	0	10
Shared services future strategy – implementation assistance	5	0
Evaluation advanced placement skills education modules	4	0
Tax services	2	2
Leadership development	0	1
	52	102

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 the 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 study¹ 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 Convention² 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 bring 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.



Lorraine Gray
Chief Executive



Fiona Birkin
Branch Secretary
UNISON src branch Joint Chair (Staffside) SSSC Partnership Forum

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

² <https://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 2020/21 follows.

Relevant union officials

The table below details number of employees who were relevant union officials during 2020/21.

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
4	4

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 2020/21.

Percentage of time	Number of employees
0%	0
1-50%	4
51%-99%	0
100%	0

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	£5,044
Total pay bill	£13,384,624
Percentage of the total pay bill spent on facility time	0.038%

Paid trade union activities

The table below provides hours spent by employees who were relevant union officials during the 2020/21 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.	11.4%
--	-------

Parliamentary accountability report



Losses and special payments

There were no reportable losses or special payments in the year to 31 March 2021 (nil for the year to 31 March 2020).

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 the 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. A review of fees and consultation with stakeholders was carried out during 2016/17 and a fee increase applied from 1 September 2017. We are planning a fee consultation during 2021/22.

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 2020/21 budget was based on funding of 67% from grant in aid, 26% from fees charged to applicants and registrants and 7% from specific grants (2019/20; 68% grant in aid, 24% fees and 8% specific grants).

Income collected from fees charged to applicants to register and registrants is shown in the table below:

	2020/21			2019/20		
	Budget £000	Actual £000	Variance £000	Budget £000	Actual £000	Variance £000
Registration fees	5,965	5,675	290	5,314	5,387	(73)

Lorraine Gray

Chief Executive and Accountable Officer
xx October 2021

Independent Auditor's report



Independent auditor's report to the members of the 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 the Scottish Social Services Council for the year ended 31 March 2021 under the Regulation of Care (Scotland) Act 2001. The financial statements comprise the Statement of Comprehensive Net Expenditure, the Statement of Financial Position, the Statement of Cash Flows, the Statement of Changes in Taxpayers' Equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union, and as interpreted and adapted by the 2020/21 Government Financial Reporting Manual (the 2020/21 FReM).

In our opinion the accompanying financial statements:

- give a true and fair view in accordance with the Regulation of Care (Scotland) Act 2001 and directions made thereunder by the Scottish Ministers of the state of the body's affairs as at 31 March 2021 and of its net expenditure for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union, as interpreted and adapted by the 2020/21 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 of 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 31 May 2016. The period of total uninterrupted appointment is five years. 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 twelve months from when the financial statements are authorised for issue.

Risks of material misstatement

We report in a separate Annual Audit Report, available from the [Audit Scotland website](#), 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 deemed inappropriate.

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 economic 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:

- obtaining an understanding of the applicable legal and regulatory framework and how the body is complying with that framework;
- identifying which laws and regulations are significant in the context of the body;
- assessing 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.

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 to detect material misstatements in the financial statements in respect of irregularities, 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 part 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 part of the Remuneration and Staff Report has been properly prepared in accordance with the Regulation of Care (Scotland) Act 2001 and directions made thereunder by the Scottish Ministers.

Statutory other information

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

Our responsibility is to read all the statutory other information and, in doing so, consider whether the statutory other information is materially inconsistent with the financial statements or our knowledge obtained in 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 statutory 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 statutory 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 the 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 part 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 120 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.

John Boyd, for and on behalf of Grant Thornton UK LLP

Date:

110 Queen Street

Glasgow

G1 3BX

Annual Accounts

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Statement of Comprehensive Net Expenditure for the year ended 31 March 2021

	Ref/ note	2020/21 £000	2019/20 £000
Income			
Registration fees	2a	(5,675)	(5,387)
Other operating income	2b	(339)	(418)
		(6,014)	(5,805)
Expenditure			
Staff costs	3a	14,396	13,159
Operating expenditure	6a	4,191	4,522
Disbursements	6b	5,329	6,321
		23,916	24,002
<i>Net operating cost on ordinary activities before interest and (return)/cost on pension scheme assets and liabilities</i>		17,902	18,197
Bank charges		34	27
Net interest on defined pension (asset)/liability	5b	156	177
<i>Net operating cost on ordinary activities after interest and net interest on pension scheme net liabilities</i>		18,092	18,401
Total actuarial re-measurements on defined pensions (asset)/liability	5b	2,754	(2,110)
Total comprehensive net expenditure before Government funding		20,846	16,291

All operations are continuing

The notes on pages [82](#) to 104 form an integral part of these accounts

Statement of Financial Position as at 31 March 2021

	Ref/ note	2020/21 £000	2019/20 £000
Non-current assets			
Property, plant and equipment	7	15	17
Prepayments - greater than one year	8	3	2
Total non-current assets		18	19
Current assets			
Trade and other receivables	8	1,968	1,385
Cash and cash equivalents	9	5,960	5,956
Total current assets		7,928	7,341
Total assets		7,946	7,360
Current liabilities			
Trade and other payables	10	(4,652)	(5,760)
Total current liabilities		(4,652)	(5,760)
Assets plus current liabilities		3,294	1,600
Non-current liabilities			
Pension (liabilities)/assets	5a	(11,604)	(7,377)
Other provisions	15	(466)	(0)
Total non-current liabilities		(12,070)	(7,377)
Net (liabilities)/assets		(8,776)	(5,777)
Taxpayers' equity			
Pensions reserve	SCTE	(11,604)	(7,377)
General reserve	11	2,828	1,600
		(8,776)	(5,777)

All operations are continuing

The notes on pages [82](#) to 104 form an integral part of these accounts

Lorraine Gray

Chief Executive and Accountable Officer

The Accountable Officer authorised these financial statements for issue on xx October 2021

Statement of Cash Flows for the year ended 31 March 2021

	Ref/ note	2020/21 £000	2019/20 £000
Cash flows from operating activities			
Net operating cost before Government funding	SCNE	(20,846)	(16,291)
Adjustments for non-cash items:			
Pension adjustments and re-measurements	5b, table 2	4,227	(514)
Depreciation and amortisation	7	2	10
(Increase)/decrease in trade and other receivables	8a	(584)	31
Increase/(decrease) in trade and other payables	10a	(1,108)	700
Increase/(decrease) in provisions	15	466	0
Net cash outflow from operating activities		(17,843)	(16,064)
Cash flows from investing activities			
Purchase of property, plant and equipment	7	0	0
Net cash outflow from investing activities		0	0
Cash flows from financing activities			
Funding from Government	12a	17,847	17,456
Net financing		17,847	17,456
Net increase/(decrease) in cash and cash equivalents in the period	9	4	1,392
Cash and cash equivalents at the beginning of the period	9	5,956	4,564
Cash and cash equivalents at the end of the period	9	5,960	5,956
		4	1,392

The notes on pages [82](#) to 104 form an integral part of these accounts

Statement of Changes in Taxpayers' Equity for the year ended 31 March 2021

	Ref/ note	Pension reserve £000	General reserve £000	Total reserves £000
Balance at 31 March 2019		(7,891)	949	(6,942)

Changes in Taxpayers' Equity for 2019/20

Pensions adjustment and re-measurement	5b table 2	514	(514)	0
Total comprehensive net expenditure	SCNE	0	(16,291)	(16,291)
Total recognised income and expense for 2019/20		514	(16,805)	(16,291)
Funding from Government	12a	0	17,456	17,456
Balance at 31 March 2020		(7,377)	1,600	(5,777)

Changes in Taxpayers' Equity for 2020/21

Pensions adjustment and re-measurement	5b table 2	(4,227)	4,227	0
Total comprehensive net expenditure	SCNE	0	(20,846)	(20,846)
Total recognised income and expense for 2020/21		(4,227)	(16,619)	(20,846)
Funding from Government	12a	0	17,847	17,847
Balance at 31 March 2021		(11,604)	2,828	(8,776)

The notes on pages [82](#) to 104 form an integral part of these accounts

Notes to the Accounts

1 Statement of accounting policies

1.1 Basis of accounting

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 European Union, International Financial Reporting Interpretation Committee (IFRIC) interpretations and the Companies Act 2006 to the extent that it is meaningful and appropriate in the public sector context. The particular 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.

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 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.

The effective date of IFRS 16 Leases in the public sector has been delayed until 1 April 2022. This is to recognise that bodies' preparations are being adversely affected by dealing with the COVID-19 crisis. The SSSC has leases relating to office space. These leases will require an adjustment to the Statement of Financial Position for the recognition of a right of use asset and a liability for future lease commitments. SSSC disclose its share of future minimum lease costs in Note 14 based on its share of the Scottish Ministers lease.

1.3 Accounting convention

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

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 \(pages 22 to 26\)](#).

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. All property, plant and equipment have low values and short useful economic lives which realistically reflect the life of the asset, and a depreciation charge which provides a realistic reflection of consumption.

1.5.3 Depreciation

Depreciation is provided on property, plant and equipment on a straight-line basis using the expected economic life of the asset. 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.

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

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases. The SSSC currently only holds operating leases.

The SSSC as a lessee

Costs in respect of operating leases are charged to the operating cost statement on a straight-line basis over the term of the lease. The SSSC has shared service arrangements with the Care Inspectorate and charges in respect of Compass House and ICT costs are disclosed as lease payments. Charges from Scottish Ministers in respect of Quadrant House are also disclosed as lease payments. Costs for operating leases to the value of £0.792m have been recognised in the SCNE.

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 plan assets are recorded at fair value. The operating and financing costs of such plans 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.

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 actually used.

1.14 Shared services

The SSSC shares its headquarters and some services with the Care Inspectorate. The Care Inspectorate charges the SSSC for services provided based on a Service Level Agreement (SLA). The SLA contains arrangements akin to a lease for accommodation.

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 ie 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 2021 have been brought into account.

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.

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 two contingent liabilities as at 31 March 2021.

2 Operating income

	2020/21 £000	2019/20 £000
2a Registration fees	5,675	5,387
2b Other operating income:		
Modern apprenticeship fees	197	234
Recharges for seconded staff	98	136
Protection of Vulnerable Groups (PVG) fee recovery	4	5
Other income	40	43
	339	418

3 Staff numbers and costs

- 3a** An analysis of staff numbers and costs is disclosed on [pages 63 to 66](#) (staff numbers by permanent and other) of this report. A summary of cost is provided in the table below:

Staff cost summary	2020/21 £000	2019/20 £000
Directly employed staff	13,384	11,916
Other people engaged	876	1,093
Other staff costs	136	150
Total staff costs	14,396	13,159

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. 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)	2020/21 £000	2019/20 £000
Actual payments		
Employer pension contributions actually paid	1,541	1,360
Unfunded pension payments actually paid	22	21
Total pension related payments actually paid	1,563	1,381
Accounting entries (IAS 19 note 5)		
Service costs included in staff costs (SCNE)	2,867	2,788
Variance between actual costs and accounting basis	1,304	1,407

4 Severance and settlement costs

The total cost of exit packages and settlement agreements in 2020/21 was £8k (2019/20: £6k). Details of exit packages are disclosed on [page 65](#) (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.

The employer contribution rate for 2020/21 was 17% based on the actuarial valuation for financial years 2018/19 to 2020/21. 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 2020. This set the contribution rate at 17% for 2021/22 to 2023/24. The next valuation of the fund will be carried out as at 31 March 2023. 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 2021 were £1,541k representing 17.0% of pensionable pay (2019/20: £1,360k representing 17.0% of pensionable pay). Employee contribution rates were in the range 5.5% to 9.4% based on earnings bands. The employer's contribution rate for the year to 31 March 2021 is 17%.

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

- **Investment risk:** The fund holds 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 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:** If the members live longer than assumed a deficit will emerge in the fund. There are also other demographic risks.

In addition, as many unrelated employers participate in the Tayside Pension 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 remaining employers.

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

The Court of Appeal ruled transactional protections granted to older members of the Judicial Pension Scheme and the Firefighters Pension Scheme give rise to unlawful discrimination. As the Local Government Pension Scheme (Scotland) (LGPSS) has similar transitional protection arrangements there is likely to be a read across and the implications of remedying the unlawful discrimination will be similar. The implications are it is likely to result in increases to scheme liabilities and service costs. Ultimately this may lead to future increases in employer contribution rates.

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

The SSSC's share of the underlying assets and liabilities have been separately identified on the following basis:

5a Employee benefits – Statement of Financial Position

	As at 31 March 2021 £000	As at 31 March 2020 £000
Present value of funded obligation	(64,455)	(42,631)
Fair value of scheme assets (bid value)	53,257	35,596
Net liability	(11,198)	(7,035)
Present value of unfunded obligation	(406)	(342)
Net liability in Statement of Financial Position	(11,604)	(7,377)

5b Statement of Comprehensive Net Expenditure costs for the year to 31 March 2021

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

Table 1:	Year to 31 March 2021		Year to 31 March 2020	
	£000	£000	£000	£000
Service costs		2,867		2,788
Administration expenses		13		12
Net interest on defined liability/(asset)		156		177
Difference between actual employer's contributions plus unfunded payments and actuarial assumptions	21		23	
Return on assets less interest	(10,915)		2,927	
Other actuarial (gains)/losses on assets	(5,012)		0	
Change in financial assumptions	17,223		(5,060)	
Change in demographic assumptions	(968)		0	
Experience loss/(gain) on defined benefit obligation	2,405		0	
Total re-measurements		2,754		(2,110)
Total		5,790		867
Actual return on scheme assets		(11,762)		2,017

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:		2020/21	2019/20
Actuarial adjustments are made for:	note	£000	£000
Staff costs	3b	1,304	1,407
Administration expenses	5b table 1	13	12
Net interest on defined liability/(asset)	5b table 1	156	177
Total re-measurements	5b table 1	2,754	(2,110)
Total actuarial adjustments		4,227	(514)

5c Asset and benefit obligation reconciliation - year to 31 March 2021

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

	Year to 31 March 2021		Year to 31 March 2020	
	£000	£000	£000	£000
Opening defined benefit obligation		42,973		44,574
Current service costs		2,867		2,788
Interest costs		1,003		1,087
Estimated benefits paid net of transfers in	(1,190)		(885)	
Contributions by scheme participants	572		490	
Unfunded pension payments	(24)		(21)	
Total scheme transactions		(642)		(416)
Change in financial assumptions	17,223		(5,060)	
Experience loss/(gain) on defined benefit obligation	2,405		0	
Change in demographic assumptions	(968)		0	
Total actuarial (gains)/losses		18,660		(5,060)
Closing defined benefit obligation		64,861		42,973

5d Fair value of fund assets reconciliation for the year to 31 March 2021

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

	Year to 31 March 2021		Year to 31 March 2020	
	£000	£000	£000	£000
Opening fair value of fund assets		35,596		36,683
Interest on assets		847		910
Estimated benefits paid plus unfunded net of transfers in	(1,214)		(906)	
Contributions by employer including unfunded	1,542		1,358	
Contributions by scheme participants	572		490	
Total scheme transactions		900		942
Return on assets less interest		10,915		(2,927)
Other actuarial gains/(losses)		5,012		0
Administration expenses		(13)		(12)
Closing fair value of fund assets		53,257		35,596

5e Projected pension expense for the year to 31 March 2022

Projected pension expense	Year to 31 March 2022 £000
Service cost	4,449
Net interest on the defined liability	217
Administration expenses	20
Total	4,686
Employer contributions	1,506

Note that these figures exclude the capitalised cost of any early retirements or augmentations which may occur after 31 March 2021.

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 2021		31 March 2020	
	£000	%	£000	%
Equities	38,134	72%	23,533	66%
Gilts	2,106	4%	494	1%
Other bonds	6,951	13%	6,290	18%
Property	4,868	9%	4,378	12%
Cash	1,122	2%	1,077	3%
Alternatives	76	0%	(176)	0%
Total	53,257	100%	35,596	100%

The SSSC's share of the assets of the fund is approximately 1.1%.

5g Financial assumptions as at 31 March 2021

The financial assumptions used for IAS 19 calculations are below.

Assumptions at:	31 March 2021 % pa	31 March 2020 % pa	31 March 2019 % pa
Discount rates	2.00%	2.35%	2.45%
Pensions increases	2.80%	1.85%	2.40%
Salary increases	3.80%	2.85%	3.40%

These assumptions are set with reference to market conditions at 31 March 2021. The estimate of the duration of the SSSC's past service liabilities is 24 years. Estimated cashflows (based on this duration) are used to derive a Single Equivalent Discount Rate (SEDR). The discount rate is such that the net present value of the notional cashflows, discounted at this single rate, equates to the net present value of the cashflows, discounted using the annualised Merrill Lynch AA rated corporate bond yield curve (where the spot curve is assumed to be flat beyond the 30-year point). This is consistent with the approach used at the last accounting date.

Similarly, the approach used to derive the discount rate, the Retail Price Index (RPI) increase assumption is set using a Single Equivalent Inflation Rate (SEIR) approach, using the estimated cashflows described above. The SEIR derived is that which gives the same net present value of the cashflows, discounted using the annualised Merrill Lynch AA rated corporate bond yield curve, as applying the BoE implied inflation curve. As above, the Merrill Lynch AA rated corporate bond yield spot curve is assumed to be flat beyond the 30-year point and the Bank of England (BoE) implied inflation spot curve is assumed to be flat beyond the 40-year point. This is consistent with the approach used at the previous accounting date.

As future pension increases are expected to be based on Consumer Price Index (CPI) rather than RPI, the actuary has made a further assumption about CPI which is that it will be 0.35% below RPI ie 2.80% per annum. The actuary believes this is a reasonable estimate for the future differences in the indices, based on the different calculation methods, recent independent forecasts and the duration of the employer's liabilities. The difference between RPI and CPI is less than assumed at the previous accounting date. This reflects the anticipated reform of RPI inflation following the UK Statistics Authority's proposal to change how RPI is calculated and subsequent announcements from the Chancellor suggesting this reform is now likely to take effect from 2030.

Salary increases are assumed to be 1.0% per annum above CPI. This is consistent with the approach at the previous accounting date. However, in line with the latest fund valuations at 31 March 2020 any allowance for promotional salary increases has been removed.

5h Demographic/statistical assumptions

The following previous accounting disclosures as at 31 March 2020 used the following post retirement mortality assumptions.

- The S2PA tables with a multiplier of 130%.
- The CMI_2018 model to project these tables forward, allowing for a long-term rate of improvement of 1.5%, a smoothing parameter of 7.0 and an initial addition to improvements of 0.0%.

These assumptions were updated as part of the most recent fund valuation as at 31 March 2020. The post-retirement mortality assumptions at the 2020 valuation were as follows.

- The S3PA heavy tables with a multiplier of 110%.
- The CMI_2019 model to project these tables forward, allowing for a long-term rate of improvement of 1.25%, a smoothing parameter of 7.5 and an initial addition parameter of 0.0%.

For the accounting disclosure as at 31 March 2021, the actuary updated these assumptions again using the CMI_2020 model, allowing for a long term rate of improvement of 1.25%, a smoothing parameter of 7.5, an initial addition parameter of 0.0% and a 2020 weighting of 25%.

This update has been made in light of the coronavirus pandemic and reflects the latest information available from the CMI. The exceptional mortality experienced due to the coronavirus pandemic has been incorporated without having a disproportionate impact on results.

The assumed life expectations from age 65 are shown below:

Life expectancy from age 65		31 March 2021 years (after CMI_2020 update)	31 March 2021 years (consistent with 2020 valuation and before CMI_2020 update)	31 March 2020 years
Retiring today	Males	18.9	19.2	19.7
	Females	22.2	22.5	21.7
Retiring in 20 years	Males	20.2	20.7	21.4
	Females	23.8	24.0	23.5

The following assumptions have also been made.

- Members will exchange pension to get 50% of the maximum available cash on retirement. For every £1 of pension that members commute, they will receive a cash payment of £12 as set out in the regulations.
- Members will retire at one retirement age for all tranches of benefit, which will be the pension weighted average tranche retirement age.
- The proportion of the membership that had taken up the 50:50 option at the previous valuation date will remain the same.

5i Sensitivity analysis

The following table sets out the impact of a change in the discount rates on the defined benefit obligation and projected service cost along with a +/- 1 year age rating adjustment to the mortality assumption.

	£000	£000	£000
Adjustment to discount rate	+0.1%	0.0%	-0.1%
Present value of total obligation	63,339	64,861	66,421
Projected service cost	4,283	4,449	4,620
Adjustment to long term salary increase	+0.1%	0.0%	-0.1%
Present value of total obligation	65,030	64,861	64,694
Projected service cost	4,451	4,449	4,446
Adjustment to pension increases and deferred revaluation	+0.1%	0.0%	-0.1%
Present value of total obligation	66,238	64,861	63,516
Projected service cost	4,619	4,449	4,285
Adjustment to life expectancy assumptions	+1 year	None	-1 year
Present value of total obligation	67,791	64,861	62,060
Projected service cost	4,657	4,449	4,249

5j Remeasurements in other comprehensive income

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

	As at 31 March 2021 £000	As at 31 March 2020 £000
Return on fund assets in excess of interest	10,915	(2,927)
Other actuarial gains/(losses) on assets	5,012	0
Change in financial assumptions	(17,223)	5,060
Change in demographic assumptions	968	0
Experience loss on defined benefit obligation	(2,405)	0
Remeasurement of net assets/(defined liability)	(2,733)	2,133

6a Operating expenditure

	2020/21 £000	2019/20 £000
Supplies and services	1,569	1,718
Administration costs	1,390	1,849
Property costs	739	760
Provision for dilapidations	466	0
Transport costs	9	191
Pension administration costs (IAS 19)	13	12
Depreciation of assets	2	10
Changes in debt impairment allowance	3	(18)
	4,191	4,522

The above total includes £20.7k (2019/20: £19.8k) for external auditor's remuneration paid to Audit Scotland. Grant Thornton UK LLP (appointed auditors) did not receive any fees in relation to non-audit work.

6b Analysis of disbursements

	2020/21 £000	2019/20 £000
Postgraduate bursaries:		
Tuition fees paid to universities	1,000	954
Bursaries paid to students	1,570	1,582
Total bursary disbursement	2,570	2,536
Other disbursements:		
Practice learning fees	1,434	2,508
Voluntary Sector Development Fund - training support	1,148	999
Workforce planning and development	177	278
Total disbursements	5,329	6,321

7 Property, plant and equipment

	Plant and equipment £000	Furniture and fittings £000	Total £000
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Cost or valuation:

At 1 April 2020	0	154	154
Additions	0	0	0
Disposal/de-recognition	0	(127)	(127)
At 31 March 2021	0	27	27

Depreciation:

At 1 April 2020	0	137	137
Charged in year	0	2	2
Disposal/de-recognition	0	(127)	(127)
At 31 March 2021	0	12	12

Net book value:

At 31 March 2021	0	15	15
At 31 March 2020	0	17	17

	Plant and equipment £000	Furniture and fittings £000	Total £000
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Cost or valuation:

At 1 April 2019	145	154	299
Additions	0	0	0
Disposal/de-recognition	(145)	0	(145)
At 31 March 2020	0	154	154

Depreciation:

At 1 April 2019	145	127	272
Charged in year	0	10	10
Disposal/de-recognition	(145)	0	(145)
At 31 March 2020	0	137	137

Net book value:

At 31 March 2020	0	17	17
At 31 March 2019	0	27	27

8 Trade and other receivables

8a Summary of trade and other receivables

	2020/21		2019/20	
	£000	£000	£000	£000
Amounts falling due within one year				
Prepayments and accrued income		1,478		807
Trade receivables	465		546	
Other receivables	25		32	
Total trade and other receivables		490		578
		1,968		1,385
Amounts falling due after more than one year				
Prepayments		3		2
Total trade and other receivables		1,971		1,387

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. There are no amounts receivable after more than one year.

Prepayments for 2021/22 include a sum of £531k paid to universities to fund practice learning opportunities for social work students. Due to the COVID-19 pandemic, practice placements were suspended. With agreement from our Scottish Government Sponsor this funding will be used by the universities during 2021/22 to fund resumed placements.

8b Provision for impairment of receivables

	2020/21 £000	2019/20 £000
As at 1 April	(35)	(53)
Charge for the year	(467)	(315)
Unused amounts reversed	2	20
Uncollectable amounts written off	462	313
As at 31 March	(38)	(35)

As at 31 March 2021, trade and other receivables of £38k (2019/20: £35k) were past due and impaired. The amount of the provision is £38k (2019/20: £35k).

The ageing analysis of these receivables is as follows:

Aged analysis of past due and impaired receivables	2020/21 £000	2019/20 £000
Up to 3 months past due	6	10
3 to 6 months past due	10	6
6 to 12 months past due	7	6
Over 12 months past due	15	13
	38	35

As at 31 March 2021, trade and other receivables of £490k (2019/20: £578k) were due but not impaired. The ageing analysis of these receivables is as follows:

Aged analysis of unimpaired receivables due	2020/21 £000	2019/20 £000
Not yet due	338	340
Up to 3 months past due	80	171
3 to 6 months past due	21	23
6 to 12 months past due	23	35
Over 12 months past due	28	9
	490	578

8c Analysis of trade and other receivables

	2020/21 £000	2019/20 £000
Amounts falling due within one year		
Bodies external to Government	1,819	1,254
Other Government bodies	141	122
Local authorities	5	9
NHS bodies	3	0
	1,968	1,385
Amounts falling due after more than one year		
Bodies external to Government	3	2
Total trade and other receivables	1,971	1,387

9 Cash and cash equivalents

	2020/21 £000	2019/20 £000
Balance as at 1 April	5,956	4,564
Net change in cash and cash equivalent balances	4	1,392
Balance as at 31 March	5,960	5,956
The following balances as at 31 March were held at:		
Government banking service	5,752	5,955
Commercial banks and cash in hand	208	1
Balance as at 31 March	5,960	5,956

10 Trade and other payables

10a Summary of trade and other payables

	2020/21 £000	2019/20 £000
Amounts falling due within one year		
Trade payables	248	331
Accruals and deferred income	3,950	5,047
Other payables	190	168
Other taxation and social security	253	211
VAT	11	3
Total trade and other payables	4,652	5,760

10b Analysis of trade and other payables

	2020/21 £000	2019/20 £000
Amounts falling due within one year		
Bodies external to Government	4,035	3,975
Higher education institutes (HEIs)	78	1,347
Other Government bodies	307	272
Local authorities	232	166
Total trade and other payables	4,652	5,760

11 Sources of financing

2019/20 Total £000	General reserve	2020/21			
		Ref/ note	Revenue £000	Capital £000	Total £000
949	Opening balance		1,583	17	1,600
(16,291)	(Deficit) for the year	SCNE	(20,844)	(2)	(20,846)
(514)	Pension adjustments and re-measurements	5b	4,227	0	4,227
17,456	Grants and grant in aid	12a	17,847	0	17,847
1,600	Closing balance		2,813	15	2,828

12 Government funding

12a Grants and grant in aid

	2020/21 £000	2019/20 £000
Grant in aid	16,035	15,519
Voluntary Sector Development Fund	1,117	1,031
Workforce development grant	486	623
Recruitment marketing campaign	120	145
Cyber resilience	56	16
Self-directed support grant	33	30
Social Services Expo	0	30
Workforce requirements for the Carers Act	0	57
Promoting excellence: dementia strategy	0	5
Total funding from Government	17,847	17,456

All grant conditions have been met. The amounts in the table reflect grants drawn down, net of any repayments. Therefore, as at 31 March 2021 no grants are due for repayment.

12b Grand in aid analysis

	2020/21 £000	2019/20 £000
Approved grant in aid from Scottish Government	15,724	15,519
Grant in aid approved during the year	311	0
Total approved grant in aid	16,035	15,519
Grant drawdown during the year	16,035	15,519
	0	0

13 Capital commitments

13a There were no capital commitments as at 31 March 2021.

14 Commitments under leases

14a Operating leases

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:	2020/21 £000	2019/20 £000
Buildings:		
within 1 year	792	790
within 2 to 5 years	833	1,621
beyond 5 years	0	0
	1,625	2,411

14b Finance leases

There are no obligations or commitments under finance leases.

15 Other provisions

Other provisions comprise property dilapidations in respect of lease obligations.

	£000
Balance at 1 April 2020	0
Provided in year	466
Balance at 31 March 2021	466

16 Contingent liabilities

There is one contingent liability at 31 March 2021.

A recent Employment Appeal Tribunal decision may have an impact on financial liabilities regarding Fitness to Practise Panel Members if they are considered to have worker rather than self-employed status. We are obtaining legal advice on the implications of this decision for Panel Members and any other individuals.

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 2020/21 totalling £676k (2019/20 £900k). Both Scottish Government and the Care Inspectorate are regarded as related parties with which the SSSC has had various 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 2020/21 financial year.

Appendix 1

Scottish Social Services Council



Direction by The Scottish Government

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.

Signed by the authority of the Scottish Ministers

Dated: 16 January 2006

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please contact the SSSC on 0345 60 30 891

Scottish Social Services Council

Financial year ended 31 March 2021

Prepared for the Accountable Officer and the Auditor General for
Scotland

External Audit Report for the Council – 25 October 2021



Contents



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The contents of this report relate only to the matters which have come to our attention, which we believe need to be reported to you as part of our external audit process. It is not a comprehensive record of all the relevant matters, which may be subject to change, and in particular we cannot be held responsible to you for reporting all of the risks which may affect Scottish Social Services Council or all weaknesses in your internal controls. This report has been prepared solely for your benefit and Audit Scotland (under the Audit Scotland Code of Practice 2016). We do not accept any responsibility for any loss occasioned to any third party acting, or refraining from acting on the basis of the content of this report, as this report was not prepared for, nor intended for, any other purpose.

Key messages

This is our draft report to the Accountable Officer and the Auditor General For Scotland and concludes our audit on the financial year ended 31 March 2021. We have issued an unmodified audit opinion on the annual report and accounts, including an unmodified opinion on regularity and the Remuneration Report. We thank management for all their assistance during the audit process.

03 Other audit matters

Our final report summarises a number of other audit matters, including:

- We have concluded that Scottish Social Services Council meets the definition of a going concern, reflecting on FRC Practice Note 10 considerations.
- The accounts contain areas of estimation and judgement. Significant estimates relate to defined benefit pension liabilities. Our testing over these did not identify any indication of management bias or error.
- We set out our roles and responsibilities on fraud. During the course of our work we did not identify fraud and/or material error.

We identified two adjusted misstatements to the draft accounts as well as a number of disclosure adjustments. These are detailed in Appendix 1 and not considered material to the accounts.

01 Materiality

We re-calculated our materiality based on the unaudited annual report and accounts. The benchmark of 2% of gross expenditure remained the same. This resulted in:

- Materiality of £469,000 and a performance materiality (75% of materiality) of £357,750
- All audit adjustments above £23,500 were reported to management and captured in this report.
- Lower materiality of banding on Staff Remuneration Report (being £1,000)

04 Wider Scope Audit

In accordance with the Code we determined that the Scottish Social Services Council meet the definition of a smaller body. This is based on Scottish Social Services Council's income and expenditure transactions and balances held being relatively smaller than other public bodies and the financial statements are considered less complex.

In accordance with the Code we have concluded in this report on your governance statement and Scottish Social Services Council's financial sustainability arrangements. During our audit we did not identify any further areas of wider scope risk.

02 Financial statement audit risks

At planning, in accordance with the ISAs (UK) and FRC Practice Note 10 we have identified the following significant financial statement audit risks:

- Management override of controls (ISA UK 240)
- Risk of fraud in revenue (cut-off) (ISA UK 240)
- Risk of fraud in expenditure (cut-off) (FRC PN10)
- Risk of misstatement of defined benefit pension scheme liabilities

We have no matters to bring to your attention arising from our work over these significant audit risks.

05 Our Audit Fee

Our audit fee of £20,710 was our final audit fee. This reflected an uplift of £400 from the fee included in our audit plan reflecting additional audit work over IAS 19 actuarial valuation. There were no non-audit services (fees) during the year.

Introduction

Scope of our audit work

This report is a summary of our findings from our external audit work for the financial year ended 31 March 2021 at Scottish Social Services Council. The scope of our audit was set out in our External Audit Plan communicated to the Audit and Assurance Committee in May 2021.

The main elements of our audit work in 2020/21 have been:

- An audit of Scottish Social Services Council's annual report and accounts for the financial year ended 31 March 2021; and
- Consideration of financial sustainability and the Governance Statement, as required under the smaller body classification, within the Audit Scotland Code of Practice (2016).

Our work has been undertaken in accordance with International Standards of Auditing (ISAs) (UK) and the Code.

This report is addressed to the Accountable Officer and the Auditor General for Scotland and will be published on Audit Scotland's website www.audit-scotland.gov.uk in due course.

Responsibilities

The Scottish Social Services Council is responsible for preparing an annual report and accounts which show a true and fair view and that are in accordance with the accounts direction from Scottish Ministers. The Scottish Social Services Council is also responsible for establishing appropriate and effective arrangements for governance, propriety and regularity that enable it to successfully deliver its objectives.

The recommendations or risks identified in this report are only those that have come to our attention during our normal audit work and may not be all that exist. Communication in this report of matters arising from the audit or of risks or weaknesses does not absolve management from its responsibility to address the issues raised and to maintain an adequate system of control.

Adding value through our audit work

We aim to add value to the Scottish Social Services Council throughout our audit work. In delivering our audit we use a dedicated public sector audit team. This ensures our team have a comprehensive understanding of Scottish Social Services Council and the wider public sector to focus on key areas of risk relevant to your financial statements.

As a result of the social distancing and travel restrictions implemented in response to the Covid-19 pandemic our audit work was delivered remotely. We continue to share recommended practices with management, where relevant, and contribute to wider discussions at the Audit and Assurance Committee during the year.

Audit of the annual report and accounts

Key messages and judgements

We have issued an **unmodified** audit opinion on the annual report and accounts.

There was one adjustment to the primary financial statements. There were no unadjusted differences to the financial statements. We raised a number of minor disclosure adjustments identified from our review of the annual report and accounts. We do not consider these to be material. Further details are provided in **Appendix 1**.

We would like to thank management for all their assistance during the year in ensuring the delivery of the audit, to the timescales agreed at the start of the financial year.

Our audit opinion

For the financial year ended 31 March 2021 we have issued an **unmodified opinion** on the annual report and accounts. As reported in the independent auditor's report:

- the financial statements give a true and fair view and were properly prepared in accordance with the financial reporting framework
- expenditure and income were regular and in accordance with applicable enactments and guidance
- the audited part of the remuneration and staff report, performance report and governance statement were all consistent with the financial statements and properly prepared in accordance with the relevant legislation and directions made by Scottish Ministers.

The audit process

In accordance with our annual external audit plan, our audit work commenced in June 2021. We received the draft primary financial statements in line with our agreed timetable. There was one audit adjustment to the draft primary financial statements in relation to providing for dilapidations on leasehold buildings. There were no unadjusted differences to the draft financial statements. We also identified a number of disclosure adjustments in respect of the draft financial statements. A full listing of disclosure misstatements is detailed in **Appendix 1**. We do not consider these to be material to the financial statements.

Materiality

The concept of materiality is fundamental to the preparation of the financial statements and the audit process and applies not only to the monetary misstatements but also to disclosure requirements and adherence to acceptable accounting practice and applicable law. Our audit approach was set out in our audit plan communicated to the Audit and Assurance Committee in May 2021. We updated our audit materiality to reflect the 2020/21 draft financial statements. It is set at £469,000, representing 2% of gross expenditure. Performance materiality was set at £357,750, representing 75% of our calculated materiality. We report to management any difference identified over £23,500 (Being 5% of overall materiality).

We applied a lower materiality threshold for Directors Remuneration disclosures within the Remuneration and Staff Report to ensure that remuneration has been disclosed within the appropriate bandings (being £1,000).

Responding to significant financial statement risks

Significant risks are defined by ISAs (UK) as risks that, in the judgement of the auditor, require special audit consideration. In identifying risks, audit teams consider the nature of the risk, the potential magnitude of misstatement, and its likelihood. Significant risks are those risks that have a higher risk of material misstatement.

This section provides commentary on the significant audit risks communicated in the Audit Plan.

Risks identified in our Audit Plan	Commentary
<p>Management override of controls</p> <p>As set out in ISA 240 there is a presumed risk that management override of controls is present in all entities. This risk area includes the potential for management to use their judgement to influence the financial statements as well as the potential to override Scottish Social Services Council's controls for specific transactions.</p> <p>We consider those key judgements that are most susceptible to significant audit risk of management override are those over expenditure recognition. These are areas where management has the potential to influence the financial statement through estimate and judgement. This includes manual journals as well as critical judgements or estimates.</p>	<ul style="list-style-type: none"> • We considered the design of controls in place over key accounting estimates and judgements through performance of walkthrough procedures. • We reviewed accounting estimates for management bias / indication of fraud that could result in material misstatement. This included review of estimates as at 31 March 2021 and retrospective review of those estimates as at 31 March 2020. This included valuation of defined benefit pension scheme liabilities. <p>Journals testing including:</p> <ul style="list-style-type: none"> • Assessment of the design of controls in place over journal entries, including journal preparation, authorisation and processing onto the financial ledger; • Risk assessment of the journals population to identify large or unusual journal entries, such as those that are not incurred in the normal course of business, or those entries that may be indicative of fraud or error that could result in material misstatement. We tested these journals to ensure they are appropriate and suitably recorded in the financial ledger; • Target testing of transactions around the financial year end, reviewing large journals and those which appear unusual to understand the rationale for the transaction. <p>Conclusion</p> <p>Through our audit procedures performed we found that there was no evidence of management override in our testing of transactions tested. We did not identify indication of fraud or inappropriate management bias in accounting estimates that could result in a material misstatement.</p>

Risks identified in our Audit Plan

Commentary

Risk of fraud in revenue recognition

Auditing standards require us to consider the risk of fraud in Revenue. This is considered a presumed risk in all entities. SSSC receives Grant in aid funding through resource allocations direct from the Scottish Government. The risk of management manipulation and fraud is therefore limited. During 2019/20 SSSC's operating income consisted of registration fees of £5.387 million and other income of £418,000 (not considered a risk of material misstatement).

We therefore focus our significant risk of material misstatement on registration fee income.

Our testing includes a specific focus on year end cut-off arrangements, where it may be advantageous for management to show an enhanced/different financial position in the context of reporting in-year to Scottish Government and the need to achieve the financial targets set. We therefore focus our testing on the occurrence of revenue recognised at year end including existence of receivables at the year end.

- We performed walkthroughs of the controls and procedures over registration fees.
- Substantive testing over registration income recognised in the final two months of the year where there is an inherently higher susceptibility of fraudulent recognition.
- Sample testing of receivable balances held at 31 March 2021 through agreeing balances held to invoices and/or other supporting records.
- Reviewed Management's assessment of bad debts through ensuring consistent with underlying records and based on assessment of outstanding debt and forecast recovery including key assumptions supporting the provider accrued income.
- Performed income cut-off procedures and substantive testing over pre and post year end balances, over non GIA funding income streams.

Conclusion

Through our audit procedures performed we did not identify any exceptions in our year end cut-off testing of income. We did not identify any exceptions in the occurrence and accuracy of receivables balances at year end and are satisfied that income is free from material misstatement.

Through our substantive procedures and sample testing we did not identify any income which was not in accordance with the nature of the Scottish Social Services Council (regularity testing).

Risks identified in our Audit Plan

Commentary

Risk of fraud in expenditure recognition (completeness/Occurrence)

Operating expenditure is understated or not treated in the correct period (risk of fraud in expenditure). As payroll expenditure is well forecast and agreeable to underlying payroll systems, there is less opportunity for the risk of misstatement in this expenditure stream. We therefore focus on material non-pay expenditure streams including disbursements, supplies and services costs, administration costs and property costs. We consider the risk to be particularly prevalent around the year end and therefore focus our testing on cut-off of these expenditure streams ensuring the completeness of expenditure. Our testing includes a specific focus on year end cut-off arrangements, where it may be advantageous for management to show an enhanced/different financial position in the context of reporting in-year to Scottish Government and the need to achieve the financial targets set.

- We performed walkthroughs of the controls and procedures over material non-pay expenditure streams including disbursements, supplies and services costs, administration costs and property costs;
- Substantive testing of these expenditure throughout the year to confirm its occurrence and accuracy of recording;
- Focused substantive testing of non-pay expenditure recognised pre and post year end at an elevated level to identify if there is any potential overstatement or understatement to address the risk of cut-off; and
- Review of accruals and payables, where material, around the year end to consider if there is any indication of understatement or overstatement of balances held through consideration of accounting estimates.

Conclusion

Through our audit procedures performed we did not identify any exceptions in our year end cut-off testing of expenditure. We did not identify any exceptions in the completeness and accuracy of accruals or payables balances at year end.

Through our substantive procedures and sample testing we did not identify any expenditure which was not in accordance with the nature of the Scottish Social Services Council (regularity testing).

Risks identified in our Audit Plan

Commentary

IAS 19 Defined Benefit Pension Liabilities (valuation)

Scottish Social Services Council participates in the Tayside Pension Fund, a local government pension scheme (LGPS). The scheme is a defined benefit pension scheme and in accordance with IAS 19: Pensions, Scottish Social Services Council is required to recognise its share of the scheme assets and liabilities on the statement of financial position. As at 31 March 2020 the Authority had pension fund liabilities of £7.377 million.

Barnett Waddingham provide an annual IAS 19 actuarial valuation of the Authority's net liabilities in the pension scheme. There are a number of assumptions contained within the valuation, including: discount rate; future return on scheme assets; mortality rates; and, future salary projections. Given the material value of the scheme liabilities and the level of estimation in the valuation, there is an inherent risk that the defined benefit pension scheme liability could be materially misstated within the financial statements.

- From year end planning review our risk focused predominantly around the key assumptions used in the actuarial valuation, where there was an increased risk of material misstatement.
- We performed walkthroughs of the controls and procedures over the valuation of defined benefit pension liabilities, including Management oversight of the valuation;
- We considered the work of the actuary (Barnett Waddingham), including the assumptions applied, using the work performed by PricewaterhouseCoopers (PwC) (commissioned on behalf of Audit Scotland to review actuarial assumptions proposed by LGPS actuaries), as well as local audit assessment.
- We obtained assurances from Audit Scotland as Auditors of the Pension Fund over the information supplied to the actuary in relation to the Scottish Social Services Council, including assets held and membership data, and confirm joint assurances in respect of employer and employee contributions in the year.
- We performed substantive analytical procedures in the year over the pension fund movements, investigating any deviations from audit expectation.
- We reviewed the accounting entries and disclosures made within Scottish Social Services Council's financial statements in relation to IAS 19.

Conclusion

Through our audit procedures performed we did not identify any exceptions in our review and testing over IAS 19 defined benefit pension liabilities recognised in the financial statements. Through considering the work performed by PwC, we are satisfied that the assumptions applied by the actuary are reasonable.

The IAS 19 defined benefit valuation represents a material liability within the financial statements (2021: £11.604 million). The valuation is subject to significant estimation and thus sensitive to movements in underlying assumptions. While we recognise that Management utilise Barnett Waddingham to provide actuarial expertise in determining actuarial valuation, there is an opportunity to enhance the processes and controls around the valuation to enable Management greater assurance over the effectiveness of controls in place at the actuary to ensure data used in the valuation is complete and accurate and that underlying calculations are correct.

Action Plan Recommendation 1.

Significant estimates and judgements

Scottish Social Services Council's annual report and accounts contain limited areas of estimation and judgement. The one material area of estimation is in relation to IAS 19 defined benefit pension liabilities. This has been confirmed by Management and confirmed in our audit testing including review of disclosures.

judgement or estimate	Summary of management's approach	Audit Comments	Assessment
IAS 19 Defined benefit pension liabilities	Scottish Social Services Council engage Barnett Waddingham to provide an annual IAS 19 actuarial valuation of the Authority's net liabilities in the pension scheme. There are a number of assumptions contained within the valuation, including: discount rate; future return on scheme assets; mortality rates; and, future salary projections. These key assumptions are discussed with the actuary to inform the report. These are predominantly informed by the actuaries recommended assumptions. Management review the draft actuarial valuation.	As noted in our Response to significant risk section, using the work of PwC we reviewed the key assumptions underpinning the actuarial valuation. We are satisfied that the assumptions adopted were appropriate for Scottish Social Services Council and that those applied were considered reasonable i.e. within our acceptable tolerances. We did not identify any indication of management bias in the underlying assumptions applied in the estimate and found that Management have disclosed the key sensitivities surrounding these in the draft financial statements. There is an opportunity to enhance the disclosures around key estimates in judgements in accordance with IAS 1 in the financial statements. (Appendix 1)	[Light purple]

Assessment

- **Dark Purple** We disagree with the estimation process or judgements that underpin the estimate and consider the estimate to be potentially materially misstated
- **Blue** We consider the estimate is unlikely to be materially misstated however management's estimation process contains assumptions we consider optimistic
- **Grey** We consider the estimate is unlikely to be materially misstated however management's estimation process contains assumptions we consider cautious
- **Light Purple** We consider management's process is appropriate and key assumptions are neither optimistic or cautious

Internal control environment

In accordance with ISA requirements we have developed an understanding of the control environment in place within Scottish Social Services Council. Our audit is not controls based and we have not placed reliance on controls operating effectively as our audit is fully substantive in nature. We did this through a walkthrough of key controls within Scottish Social Services Council including payroll, income, expenditure, valuation of IAS 19 defined benefit pension scheme liabilities and journals. We identified no material weaknesses or areas of concern from this work which would have caused us to alter the planned approach as documented in our plan.

Detecting Irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, to detect material misstatements in respect of irregularities, including fraud. Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK).

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to Scottish Social Services Council and determined that the most significant which are directly relevant to specific assertions in the financial statements are those related to the reporting frameworks; International Financial Reporting Standards and the 2020/21 HM Treasury Financial Reporting Manual (FRM).
- We enquired of management and the Audit and Assurance Committee, concerning Scottish Social Services Council's policies and procedures relating to the identification, evaluation and compliance with laws and regulations; the detection and response to the risks of fraud; and the establishment of internal controls to mitigate risks related to fraud or non-compliance with laws and regulations.
- We enquired of management and the Audit and Assurance Committee, whether they were aware of any instances of non-compliance with laws and regulations or whether they had any knowledge of actual, suspected or alleged fraud.
- We assessed the susceptibility of Scottish Social Services Council's financial statements to material misstatement, including how fraud might occur, by evaluating management's incentives and opportunities for manipulation of the financial statements. This included the evaluation of the risk of management override of controls. We determined that the principal risks were in relation to journal entries that altered Scottish Social Services Council's financial performance for the year and potential management bias in determining accounting estimates. Our audit procedures involved are documented within our response to the significant risk of management override of controls on Page 6.
- These audit procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error. However, detecting irregularities that result from fraud is inherently more difficult than detecting those that result from error, as those irregularities that result from fraud may involve collusion, deliberate concealment, forgery or intentional misrepresentations. Also, the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would become aware of it.
- The team communications in respect of potential non-compliance with relevant laws and regulations, included the potential for fraud in expenditure recognition and significant accounting estimates.
- In assessing the potential risks of material misstatement, we obtained an understanding of:
 - Scottish Social Services Council's operations, including the nature of its operating revenue and expenditure and its services and of its objectives and strategies to understand the classes of transactions, account balances, expected financial statement disclosures and business risks that may result in risks of material misstatement.
 - Scottish Social Services Council's control environment, including the policies and procedures implemented to ensure compliance with the requirements of the financial reporting framework.

Other key elements of the financial statements

As part of our audit there were other key areas of focus during the course of our audit. Whilst not considered a significant risk, these are areas of focus either in accordance with the Audit Scotland Code of Audit Practice, ISAs or through their complexity or importance to the user of the accounts.

Issue	Commentary
Matters in relation to fraud and irregularity	It is Scottish Social Services Council's responsibility to establish arrangements to prevent and detect fraud and other irregularity. As auditors, we obtain reasonable assurance that the financial statements as a whole are free from material misstatement, whether due to fraud or error. We obtain annual representation from management regarding management's assessment of fraud risk, including internal controls, and any known or suspected fraud or misstatement. We have also made inquiries of internal audit around internal control, fraud risk and any known or suspected frauds in year. We have not been made aware of any incidents in the period and no other issues have been identified during the course of our audit procedures.
Accounting practices	We have evaluated the appropriateness of Scottish Social Services Council's accounting policies, accounting estimates and financial statement disclosures. Disclosures and accounting policies are in line with the FReM and we have no matters to report.
Matters in relation to related parties	We are not aware of any related parties or related party transactions which have not been disclosed.
Matters in relation to laws and regulations	You have not made us aware of any significant incidences of non-compliance with relevant laws and regulations and we have not identified any incidences from our audit work.
Other information	<p>We are required to give an opinion on whether the other information published together with the audited financial statements (including the Annual Report), is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.</p> <p>No inconsistencies have been identified and we plan to issue an unmodified opinion in this respect.</p>
Opinion on other aspects of the annual report and accounts	<p>We are required to give an opinion on whether the parts of the Remuneration Report and Staff Report subject to audit have been prepared properly in accordance with the requirements of the FReM, and the Accounts directions thereunder. We have audited the elements of the Remuneration Report and Staff Report, as required and are satisfied that these have been properly prepared in accordance with applicable legislation.</p> <p>The information given in the Performance Report is consistent with the financial statements and that report has been prepared in accordance with the FReM and directions made thereunder by the Scottish Ministers. The information given in the Governance Statement is consistent with the financial statements and that report has been prepared in accordance with the directions made thereunder by the Scottish Ministers.</p>

Issue	Commentary
Matters on which we 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 part 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; or there has been a failure to achieve a prescribed financial objective. We have nothing to report in respect of these matters.
Governance statement	The governance statement is included within the Accountability Report. The report outlines the governance framework in place at the Scottish Social Services Council. The Report includes the Statement of the Accountable Officer's responsibilities and had been prepared in accordance with the FReM. In accordance with the Scottish Public Finance Manual (SPFM), the Accountable Officer has a specific responsibility to ensure that arrangements have been made to secure Best Value and this is confirmed in the narrative in the annual report and accounts. There were no matters arising from our review of the governance statement that we want to draw attention to.
Written representations	A letter of representation has been requested from the Accountable Officer, including specific representations, which is included in the Audit and Assurance Committee papers. Specific representations have been requested from management in line with prior years and confirms as auditors all records have been made available to us.
Going concern	<p>In performing our work on going concern, we have had reference to Statement of Recommended Practice – Practice Note 10: Audit of financial statements of public sector bodies in the United Kingdom (Revised 2020). The Financial Reporting Council recognises that for particular sectors, it may be necessary to clarify how auditing standards are applied to an entity in a manner that is relevant and provides useful information to the users of financial statements in that sector. Practice Note 10 provides that clarification for audits of public sector bodies.</p> <p>Practice Note 10 states that if the financial reporting framework provides for the adoption of the going concern basis of accounting on the basis of the anticipated continuation of the provision of a service in the future, the auditor applies the continued provision of service approach set out in Practice Note 10. The financial reporting framework adopted by Scottish Social Services Council meets this criteria, and so we have applied the continued provision of service approach. In accordance with Audit Scotland guidance: Going concern in the public sector, we have therefore considered Management's assessment of the appropriateness of the going concern basis of accounting and conclude that:</p> <ul style="list-style-type: none"> • a material uncertainty related to going concern has not been identified • management's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.
Regularity	The Accountable Officer is responsible for ensuring the regularity of expenditure and income. 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. 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.

Wider scope audit – Smaller body

As set out in our Audit Plan, Scottish Social Services Council meets the definition of a smaller body in accordance with the Audit Scotland Code of Practice (2016). Therefore, as auditors we are required to include in our annual report commentary on arrangements as they relate to financial sustainability and the Governance Statement. Our work on the governance statement, and conclusions are set out on page 13 of this report. Below we have captured our commentary and conclusions on financial sustainability and other matters of interest during the year.

Wider scope dimension	Wider scope risk identified in our audit plan	Wider scope audit response and findings	Grant Thornton conclusion
Governance arrangements (Audit Scotland planning guidance consideration)	No significant risks identified within our audit planning.	<p>Governance</p> <p>During 2020/21 Scottish Social Services Council's governance arrangements continued to operate as intended, and as in prior years. Scottish Social Services Council responded to the Covid-19 pandemic through continuing with existing governance arrangements, working remotely through holding Council and Committees via video conferencing.</p> <p>During 2020/21 Management looked to further embed risk management arrangements with a focus on aligning strategic and operational risk registers. This should help embed effective management of risks throughout the organisation.</p> <p>In collaboration with the Care Inspectorate, Scottish Social Services Council is reviewing the joint shared services strategy and revising governance arrangements, management agreement and service specifications. These are expected to continue to evolve in 2021/22. As part of the ongoing arrangements, Scottish Social Services council appointed a new Interim Director of Finance and Resources to replace a previously shared post with Care Inspectorate.</p>	We did not identify any concerns around Scottish Social Services Council's governance arrangements or disclosures within the draft Governance Statement.

Wider scope dimension	Wider scope risk identified in our audit plan	Wider scope audit response and findings	Grant Thornton conclusion
Financial Sustainability, (as applicable to a smaller body)	No significant risks identified within our audit planning.	<p>For 2020/21 Scottish Social Services Council reported net expenditure of £20.846 million. Following recognition of government grant in aid funding and IAS 19 adjustments, the outturn position reflected an underlying underspend against budget of £1.869 million. The underspend primarily reflects the impact of Covid-19 on operations with practice learning fees and postgraduate bursary payments not being incurred due to the suspension of practice learning opportunities for students. Additional, grant in aid funding of £0.3 million was received in the year to support with Covid-19 costs and lost income. The Scottish Government has agreed the underspends can be carried forward to 2021/22 to support the delivery of work delayed from 2020/21.</p> <p>Scottish Social Services Council have net liabilities of £8.310 million as at 31 March. However this position is due to net pension liabilities of £11.6 million. As this obligation is funded through agreed ongoing contributions to the fund, as per the agreed funding strategy, the organisation continues to demonstrate it will meet its obligations going forward and has general reserve balance of £2.828 million.</p> <p>The 2021/22 budget forecasts a deficit of £1.171 million with this being met through planned use of reserves to meet these costs as agreed with the Scottish Government. Over the medium term, Scottish Social Services Council budgeted for a deficit of £1.638 million and £0.697 million in 2022/23 and 2023/24 respectively. However, this incorporated estimated property costs that have subsequently been provided for in the current year. In addition, the financial forecast incorporates key assumptions around reduced level of grant in aid funding.</p> <p>Management recognise the financial pressures facing the organisation and recognise that further work is required to ensure that there is an appropriate operating model in place to ensure that the organisation can operate within the financial resources available, being income generated and grant in aid.</p>	<p>Through our audit procedures we have not identified any significant risks in relation to Scottish Social Services Council's financial sustainability.</p> <p>Scottish Social Services Council's operating expenditure is funded through a combination of grant in aid funding as well as income from fees and charges. Management have recognised the financial challenges facing the organisation and it is important there is ongoing engagement with the Scottish Government and consideration of wider opportunities to deliver an operating model that is financially sustainable over the medium to longer term.</p>

Appendices

1. Audit Adjustments

We are required to report all non trivial misstatements to those charged with governance, whether or not the accounts have been adjusted by management. There was one corrected misstatement to the primary financial statements in relation to the recognition of a provision for dilapidations on buildings held on leases as at 31 March 2021. There were no uncorrected misstatement to the financial statements arising during our audit.

Impact of adjusted misstatements

All adjusted misstatements are set out in detail below along with the impact on the key statements and the reported net expenditure for the year ending 31 March 2021.

Detail	Statement of Comprehensive Net Expenditure £'000	Statement of Financial Position £' 000
Being adjustment to recognise a provision in the financial statements in respect of Scottish Social Services Council's estimate of dilapidations costs as at 31 March 2021 (see Action Plan and recommendations – Point 2)	Dr operating expenditure 466	Cr Provisions for dilapidations (466)
Overall impact	466	

Misclassification and disclosure changes

The table below provides details of substantive misclassification and disclosure changes identified during the audit which have been made in the final set of financial statements.

Disclosure	Auditor recommendations	Adjusted?
Annual Report	In accordance with the FReM a number of presentational adjustments were required to the Annal Report including the Performance Report and Accountability Report. These were primarily presentational updates.	✓
Remuneration and Staff Report	Minor presentational adjustment noted in the draft financial statements.	✓
Income accounting policies	There is an opportunity to enhance the current accounting policies and disclosures around Scottish Social Services Council's income streams to reflect the requirements of IFRS 15: revenue from contracts with customers around recognition across material revenue streams.	Changes have been made to the draft accounts to reflect the requirements of IFRS 15. There are opportunities to further enhance the disclosure to cover all material revenue streams and basis of recognition. Audit are satisfied that this is not material to the financial statements.

Disclosure	Auditor recommendations	Adjusted?
Critical judgements	<p>International Financial Reporting standards prescribe the required disclosures in relation to critical judgements. It also requires separate consideration of accounting estimates.</p> <p>Scottish Social Services Council should disclose judgements that Management makes when applying its accounting policies that have the most significant effect on carrying amounts in the financial statements. The most significant accounting estimate is in relation to defined benefit pension liabilities, in particular the assumptions underpinning the IAS 19 actuarial valuation. While information is included in the pensions note to the accounts, this should be clearly defined within the accounts identifying the key areas of estimation.</p> <p>Significant Estimates relate to assumptions and estimates at 31 March that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year. There is an opportunity to enhance the disclosure to focus on those key areas of estimation that may have a significant risk of material misstatement in the next 12 months. This should focus on those key areas of as rate or key assumptions in the valuation.</p>	<p>Management consider the disclosure within Note 5 to the accounts sufficient to provide the reader of the accounts with an understanding of the significant estimate. However, there are further opportunities to enhance the disclosure in accordance with the accounting standards. In particular we would expect a specific note to inform the reader of the accounts around the estimates and judgements in the financial statements. The focus in relation to pension scheme liabilities should be those estimates where there is a significant risk of material misstatement in the next 12 months. As auditors we are satisfied that this does not represent a material disclosure misstatement given the most significant estimate relates to defined benefit pension scheme liabilities and there is disclosure around estimates and sensitivities around these in the notes to the accounts.</p>

There were minor presentational (rounding / formatting) changes recommended to Management. These are not considered material to the accounts.

2. Action plan and recommendations

We have set out below, based on our audit work undertaken in 2020/21, the significant recommendations arising from our audit work.

Recommendation

Agreed management response

1. Pension Fund

The IAS 19 defined benefit valuation represents a material liability within the financial statements. The valuation is subject to significant estimation and thus sensitive to movements in underlying assumptions. While we recognise that Management utilise Barnett Waddingham to provide actuarial expertise in determining actuarial valuation, there is an opportunity to enhance the processes and controls around the valuation to enable Management greater assurance over the effectiveness of controls that the actuary has in place to ensure data used in the valuation is complete and accurate and that underlying calculations are correct.

We will agree with the actuaries that in future years there will be a specific statement in the actuary's report that reasonableness checks have been completed on membership data as submitted by Tayside Pension Fund.

Action owner: Interim Director of Finance and Resources

Timescale for implementation: 31 March 2022

2. Dilapidations provisions

Scottish Social Services Council operate from properties in Dundee. The lease is held by the Scottish Government and Scottish Social Services Council pay an annual rental charge reflecting the organisation's share of the premises. The arrangements are due to end in the next two years and contain a number of obligations for to return the building to its condition at the outset of the lease. It is anticipated that Scottish Social Services Council will need to meet their share of the obligations arising from any dilapidations. During 2020, working with the Care Inspectorate, Management engaged Avison Young to independently assess the condition of the property and arrive at an estimate of the cost of the works that would be incurred to return the property to its original condition in accordance with the lease agreements. Management have used the report to arrive at the estimate of the present value of the future costs that would be incurred. As some of the premises are shared with operated with the Care Inspectorate and OSCR the provision reflects Scottish Social Services Council's assumed share of any future costs. This is based on underlying lease split or agreed budgeted share of costs for 2021/22. While we are satisfied that the assumed split is reasonable for the 2021 accounts, Management should look to ensure that there is a formal agreement in place between the parties around how the costs will be split at the end of the arrangement.

A formal dilapidations agreement will be drafted and circulated for agreement between Scottish Government Property Division, Scottish Social Services Council, Care Inspectorate and Office of the Scottish Charities Regulator.

Action owner: Interim Director of Finance and Resources

Timescale for implementation: 31 October 2021

3. Follow up of previous recommendations

We set out below our follow up of our prior period recommendations that were outstanding In 2019/20 and this is reflected below for information.

(Follow up of 2017/18 Recommendation) Independent Review of the shared service arrangement

Following on from the lessons learned in respect of the shared services ICT arrangements between SSSC and Care Inspectorate, Management should agree an action plan which can then be monitored by the Audit Committee and the Council. Recognising the wider sharing of arrangements between SSSC and the Care Inspectorate it is key that the arrangements in place in respect of governance are strengthened to mitigate any future similar risks to SSSC.

Prior year management update: Substantial work and discussion has taken place between SSSC and Care Inspectorate over wider shared services and the supporting governance structures. CIPFA were commissioned and completed a review. This was accepted by both parties. Further discussion took place during 2019/20 between Chief Executives and also at the Council of SSSC and Care Inspectorate Board. Internal Audit plan to review the arrangements early on, in the 2020/21 Internal Audit programme to support the Care Inspectorate and SSSC reach final agreement. Both parties are committed to the continuation of shared services.

Follow up: CLOSED

During 2020/21 SSSC, working in collaboration with the Care Inspectorate, reviewed the joint shared services strategy and revising governance arrangements, management agreement and service specifications. This was agreed in May 2021 and the arrangements are expected to embed during 2021/22. We will continue to follow up these arrangements as part of our audit in 2021/22.

(Follow up of 2017/18 Recommendation) Annual report

The front end of the financial statements, the wider annual report commentary, is very lengthy and contains information which is already publicly available on SSSC and might not necessarily enhance the user of the accounts understanding of the work of the SSSC or the service outcomes.

Prior year management update: Management have continued their efforts to reduce the length of the annual report and accounts through the removal of duplicated information and information available on the SSSC website. The annual report and accounts have been reduced by 25% year on year and as a result are 90 pages long for 2019/20. Management seek to continue developing the accounts in line with best practice

Follow up: CLOSED

Management have reviewed the annual report and accounts to look to enhance the presentation and content of the report. 2020/21 has been a challenging year for public bodies to ensure the Annual Report tells the story of the organisations performance during the year as well as the impact of Covid-19 and looking forward through a period of uncertainty. However, the financial statements have continued to refine the content of the report, removing duplication while ensuring compliance with the FReM.

4. Audit fees and independence

External Audit Fee

Service	Fees £
External Auditor Remuneration	16,250
Pooled costs	3,650
Contribution to Audit Scotland costs	810
Contribution to Performance Audit and Best Value	Nil
2020/21 Fee	20,710

Our final audit fee includes an uplift of £400 from our proposed fee included in the audit plan. This reflected the additional audit work required over member data used to support the IAS 19 actuarial valuation.

Fees for other services

Service	Fees £
We confirm that for 2020/21 we did not receive any fees for non-audit services	Nil

Client service

We take our client service seriously and continuously seek your feedback on our external audit service. Should you feel our service falls short of expected standards please contact John Boyd, Public Sector Audit Director (john.p.boyd@uk.gt.com) in the first instance or Joanne Brown, Head of Public Sector Assurance Scotland who oversees our portfolio of Audit Scotland work (joanne.e.brown@uk.gt.com).

Alternatively, should you wish to raise your concerns further please contact Jon Roberts, Partner and Head of Assurance, 30 Finsbury Square, London, EC2A 1AG. If your feedback relates to audit quality and we have not successfully resolved your concerns, your concerns should be reported to Elaine Boyd, Assistant Director, Audit Scotland Quality and Appointments in accordance with the Audit Scotland audit quality complaints process.

Transparency

Grant Thornton publishes an annual Transparency Report, which sets out details of the action we have taken over the past year to improve audit quality as well as the results of internal and external quality inspections. For more details see [Transparency report 2020 \(grantthornton.co.uk\)](https://www.grantthornton.co.uk/transparency-report-2020)

Independence and ethics

- We confirm that there are no significant facts or matters that impact on our independence as auditors that we are required or wish to draw to your attention.
- We confirm that we have implemented policies and procedures to meet the requirements of the Financial Reporting Council's Ethical Standard and we as a firm, and each covered person, confirm that we are independent and are able to express an objective opinion on the financial statements.
- We are required by auditing and ethical standards to communicate any relationships that may affect the independence and objectivity of the audit team.
- We have complied with the Financial Reporting Council's Ethical Standards and therefore we confirm that we are independent and are able to express an objective opinion on the financial statements.
- We can confirm no independence concerns have been identified.

5. Communication of audit matters

International Standards on Auditing (UK) (ISA) 260, as well as other ISAs, prescribe matters which we are required to communicate with those charged with governance, and which we set out in the table below.

Our communication plan	Audit Plan	Audit Findings
Respective responsibilities of auditor and management/those charged with governance	•	
Overview of the planned scope and timing of the audit, including planning assessment of audit risks and wider scope risks	•	
Confirmation of independence and objectivity	•	•
A statement that we have complied with relevant ethical requirements regarding independence. Relationships and other matters which might be thought to bear on independence. Details of non-audit work performed by Grant Thornton UK LLP and network firms, together with fees charged. Details of safeguards applied to threats to independence	•	•
Significant matters in relation to going concern	•	•
Views about the qualitative aspects of Scottish Social Services Council's accounting and financial reporting practices, including accounting policies, accounting estimates and financial statement disclosures		•
Significant findings from the audit		•
Significant matters and issues arising during the audit and written representations that have been sought		•
Significant difficulties encountered during the audit		•
Significant deficiencies in internal control identified during the audit		•
Significant matters arising in connection with related parties		•
Identification or suspicion of fraud involving management and/or which results in material misstatement of the financial statements		•
Non-compliance with laws and regulations		•
Unadjusted misstatements and material disclosure omissions		•
Expected modifications to the auditor's report, or emphasis of matter		•



Ref: LG

Email: lorraine.gray@sssc.uk.com

Direct dial: 01382 207206

Date: |



Council
25 October 2021
Agenda item: 03
Report no: 42/2021
Appendix C

John P Boyd
Grant Thornton UK LLP
Level 8
110 Queen Street
Glasgow
G1 3BX

[Date] – {TO BE DATED SAME DATE AS DATE OF AUDIT OPINION}

Dear John

Scottish Social Services Council
Financial Statements for the year ended 31 March 2021

This representation letter is provided in connection with the audit of the financial statements of Scottish Social Services Council for the year ended 31 March 2021 for the purpose of expressing an opinion as to whether the financial statements are presented fairly, in all material respects in accordance with International Financial Reporting Standards and the HM Treasury Financial Reporting Manual (FReM) and applicable law.

We confirm that to the best of our knowledge and belief having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves.

Financial Statements

- i. We have fulfilled our responsibilities for the preparation of the financial statements in accordance with International Financial Reporting Standards and the FReM in particular the financial statements are fairly presented in accordance therewith.
- ii. We have fulfilled our responsibilities in preparing financial statements in accordance with the FReM and direction given by Scottish Ministers under the Regulation of Care (Scotland) Act 2001.
- iii. We have fulfilled our responsibilities for ensuring that expenditure and income are applied for the purposes intended and that the financial transactions in the financial statements conform to the authorities which govern them.
- iv. We have complied with the requirements of all statutory directions affecting the Scottish Social Services Council and these matters have been appropriately reflected and disclosed in the financial statements.

- v. The Scottish Social Services Council has complied with all aspects of contractual agreements that could have a material effect on the financial statements in the event of non-compliance. There has been no non-compliance with requirements of any regulatory authorities that could have a material effect on the financial statements in the event of non-compliance.
- vi. We acknowledge our responsibility for the design, implementation and maintenance of internal control to prevent and detect fraud.
- vii. Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable. Such accounting estimates include: the valuation of defined benefit pension scheme obligation; and, the estimate of dilapidation provisions. We are satisfied that the material judgements used in the preparation of the financial statements are soundly based, in accordance with the FReM and adequately disclosed in the financial statements. We understand our responsibilities includes identifying and considering alternative, methods, assumptions, or source data that would be equally valid under the financial reporting framework, and why these alternatives were rejected in favour of the estimate used.
- viii. In relation to the dilapidations provisions we are satisfied that this has been appropriately valued to reflect the present value of the Scottish Social Services Council's liability as at 31 March 2021.
- ix. Except as disclosed in the financial statements:
 - a. there are no unrecorded liabilities, actual or contingent
 - b. none of the assets of the Scottish Social Services Council have been assigned, pledged or mortgaged
 - c. there are no material prior year charges or credits, nor exceptional or non-recurring items requiring separate disclosure.
- x. Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of International Financial Reporting Standards and the FReM.
- xi. All events subsequent to the date of the financial statements and for which International Financial Reporting Standards and the FReM require adjustment or disclosure have been adjusted or disclosed.
- xii. We have only accrued for items received before the year-end.
- xiii. We have considered the adjusted misstatements, and misclassification and disclosures changes schedules included in your Audit Findings Report. The Scottish Social Services Council's financial statements have been amended for these misstatements, misclassifications and disclosure changes. We have not adjusted for the disclosure misstatements in the financial statements included in the Audit Findings Report as they are immaterial to the results of

the Scottish Social Services Council and its financial position at the year-end.

- xiv. The financial statements are free of material misstatements, including omissions.
- xv. Actual or possible litigation and claims have been accounted for and disclosed in accordance with the requirements of International Financial Reporting Standards.
- xvi. We have no plans or intentions that may materially alter the carrying value or classification of assets and liabilities reflected in the financial statements.
- xvii. We have updated our going concern assessment and cashflow forecasts in light of the Covid-19 pandemic. We continue to believe that the Scottish Social Services Council's financial statements should be prepared on a going concern basis and have not identified any material uncertainties related to going concern on the grounds that:
 - a. the nature of the Scottish Social Services Council means that, notwithstanding any intention to liquidate the Scottish Social Services Council or cease its operations in their current form, it will continue to be appropriate to adopt the going concern basis of accounting because, in such an event, services it performs can be expected to continue to be delivered by related public authorities and preparing the financial statements on a going concern basis will still provide a faithful representation of the items in the financial statements
 - b. the financial reporting framework permits the entry to prepare its financial statements on the basis of the presumption set out under a) above; and
 - c. The Scottish Social Services Council's system of internal control has not identified any events or conditions relevant to going concern.

We believe that no further disclosures relating to the Scottish Social Services Council's ability to continue as a going concern need to be made in the financial statements.

Information Provided

- xviii. We have provided you with:
 - a. access to all information of which we are aware that is relevant to the preparation of the Scottish Social Services Council's financial statements such as records, documentation and other matters
 - b. additional information that you have requested from us for the purpose of your audit

- c. access to persons within the Scottish Social Services Council via remote arrangements, in compliance with the nationally specified social distancing requirements established by the government in response to the Covid-19 pandemic from whom you determined it necessary to obtain audit evidence.
- xix. We have communicated to you all deficiencies in internal control of which management is aware.
- xx. All transactions have been recorded in the accounting records and are reflected in the financial statements.
- xxi. We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- xxii. We have disclosed to you all information in relation to fraud or suspected fraud that we are aware of and that affects the Scottish Social Services Council and involves:
 - a. management
 - b. employees who have significant roles in internal control or
 - c. others where the fraud could have a material effect on the financial statements.
- xxiii. We have disclosed to you all information in relation to allegations of fraud, or suspected fraud, affecting the financial statements communicated by employees, former employees, analysts, regulators or others.
- xxiv. We have disclosed to you all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing financial statements.
- xxv. We have disclosed to you the identity of the Scottish Social Services Council's related parties and all the related party relationships and transactions of which we are aware.
- xxvi. We have disclosed to you all known actual or possible litigation and claims whose effects should be considered when preparing the financial statements.

Annual Governance Statement

- xxvii. We are satisfied that the Annual Governance Statement (AGS) fairly reflects the Scottish Social Services Council's risk assurance and governance framework, and we confirm that we are not aware of any significant risks that are not disclosed within the AGS. The report has been prepared in accordance with the Regulation of Care (Scotland) Act 2001 and the directions made thereunder by the Scottish Ministers.

Remuneration and staff report

- xxviii. The remuneration report has been prepared in accordance with applicable guidance and is consistent with our underlying records.

Annual Report

- xxix. The disclosures within the Annual Report fairly reflect our understanding of the Scottish Social Services Council's financial and operating performance over the period covered by the Scottish Social Services Council's financial statements. The Performance Report for the financial year has been prepared in accordance with the Regulation of Care (Scotland) Act 2001 and directions made thereunder by the Scottish Ministers.

Approval

The approval of this letter of representation was minuted by the Scottish Social Services Council at its meeting on XX October 2021.

Yours sincerely

Name

Position Chief Executive and Accountable Officer

Date.....

Signed on behalf of the Scottish Social Services Council

Title of report	Response to consultation on a National Care Service
Public/Confidential	Public
Summary/purpose of report	The purpose of this paper is to share our draft response to the Scottish Government's consultation on a National Care Service for Scotland. The Council is asked to approve the draft response or provide feedback and agree a process for finalising it before the closing date of 2 November 2021.
Recommendations	The Council is asked to approve the response.
Author	Nicola Gilray, Head of Strategic Communications
Responsible Officer	Lorraine Gray, Chief Executive
Link to Strategic Plan	<p>The information in this report links to the following.</p> <p>Outcome 1: People who use services are protected by ensuring the regulated workforce is fit to practise.</p> <p>Outcome 2: The SSSC supports and enhances the development of the registered workforce to deliver high standards of practice and drive improvement.</p> <p>Outcome 3: Our workforce planning activities support employers, commissioners and policy makers to deliver a sustainable, integrated and innovative workforce.</p> <p>Outcome 4: The social work, social care and early years workforce is recognised as professional and regulated and valued for the difference it makes to people's lives.</p>
Link to Risk Register	<p>Risk 1: We fail to ensure that our system of regulation meets the needs of people who use services and workers.</p> <p>Risk 2: We fail to ensure that our workforce development function supports the workforce and</p>

	<p>employers to achieve the rights standards and qualifications to gain and maintain registration.</p> <p>Risk 5: We fail to provide value to stakeholders and demonstrate our impact.</p>
Impact assessments	<ol style="list-style-type: none"> 1. An Equalities Impact Assessment was not required. 2. A Data Protection Impact Assessment was not required. 3. A Sustainability Impact Assessment was not required.
Documents attached	Appendix 1: SSSC's draft response to the consultation on a National Care Service for Scotland
Background papers	None

EXECUTIVE SUMMARY

1. On 9 August 2021, the Scottish Government published **A National Care Service for Scotland: Consultation** (available on the Scottish Government website). This consultation outlines how the Scottish Government intends to implement the recommendations in the **Independent Review of Adult Social Care in Scotland** (the Review) which was about improving adult social care in Scotland (also available on the Scottish Government website). The Review recommended the creation of a National Care Service for Scotland which would operate like the NHS.
2. The consultation closes on 2 November 2021 and our response to the consultation is attached to this report as Appendix 1. There are 96 questions and we are responding to all those that are relevant.
3. An independent research company engaged by the Scottish Government will analyse the consultation responses and the report is due to be published in mid to late December 2021.

OUR RESPONSE

4. The Scottish Government plans to establish a National Care Service which would make Scottish Ministers accountable for social care in the same way they are for health care. The National Care Service will be based on the principle of 'Getting it Right for Everyone' and will work in partnership with (but independently of) the NHS in Scotland. The consultation proposes that regulation should remain independent of the National Care Service. What this means for the SSSC will become clear over time.
5. The consultation looks beyond the establishment of a National Care Service and considers how Scotland can create a comprehensive community health and social care service that supports people of all ages. We focused our response on four key areas of the consultation:
 - extending regulation to other workers
 - increased enforcement power
 - information gathering powers
 - creation of a new National Social Work Agency.
6. Our response sets out in detail our position on regulating additional groups of workers, identifying groups that we would like to add to those outlined in the consultation eg people working in adult day care services. We also set out our position on the creation of a National Social Work Agency and our views on the standards for education and training for social workers and social care staff across the sector.

CONSULTATION

7. In formulating our response, we engaged with a number of key stakeholders including the Care Inspectorate and our equivalent regulators across the UK. Some also intend to respond separately.
8. We engaged with staff on the consultation through an all staff briefing outlining the main points of the consultation and its purpose and we held a staff meeting led by the EMT where staff asked questions and contributed their ideas and thoughts for the response. Individual directorates also held sessions on the consultation.
9. We have helped the Scottish Government to reach all those on our register, employers and other stakeholders through our twice monthly SSSC News emails, encouraging them to respond.

RISKS

10. There is a risk that some of the proposals set out in the consultation could have a significant impact for the SSSC including changes to our functions and operations.
11. Strategic risks
 - Risk 1: We fail to ensure that our system of regulation meets the needs of people who use services and workers.
 - Risk 2: We fail to ensure that our workforce development function supports the workforce and employers to achieve the rights standards and qualifications to gain and maintain registration.
 - Risk 5: We fail to provide value to stakeholders and demonstrate our impact.
12. Key risk appetite statement areas:
 - operational and policy delivery
 - people and culture
 - reputation and credibility.
13. In mitigation, our response welcomes the positive change for the sector and the new opportunities the proposals set out in relation to our role and balances this with the regulatory role and the remit of the SSSC which extends beyond adult social care and social work services and includes the children and early years workforces.

IMPLICATIONS

14. The proposals set out in the consultation could have significant implications for the SSSC which will become clearer following the outcome of the consultation and the Scottish Government's response.
15. The Scottish Government expects the legislation required to be ready in 2022.

IMPACT ASSESSMENTS

Equalities

16. Not required.

Data protection

17. Not required.

Sustainability

18. Not required.

CONCLUSION

19. The Council is asked to approve the response to the consultation which we will then submit by the 2 November deadline. We will publish our response on the consultation section of our website www.sssc.uk.com

A NATIONAL CARE SERVICE FOR SCOTLAND – CONSULTATION

DRAFT RESPONSE

1. Improving Care for People

1a. Improvement

Q1. What would be the benefits of the National Care Service taking responsibility for improvement across community health and care services? (Please tick all that apply)

- ☐ Better co-ordination of work across different improvement organisations
- ☐ Effective sharing of learning across Scotland
- ☐ Intelligence from regulatory work fed back into a cycle of continuous improvement
- ☐ More consistent outcomes for people accessing care and support across
- ☐ Scotland

Other – please explain below.

(We will tick all responses and add the following comment under 'other')

The National Care Service (NCS) has the potential to deliver all these benefits. We welcome the focus on ensuring that intelligence from regulatory work supports continuous improvement.

We also welcome the focus on co-ordinating the improvement offer for the sector. The SSSC is one of many bodies which has a key role to play. For example:

- we work with the sector to raise awareness of and access to improvement learning opportunities and tools
- we facilitate a network of trained Improvement Leaders across social services and support workers to deliver improvement in their practice.

The Care Inspectorate also has a key improvement role which links to its wider regulatory functions.

The NCS has the potential to co-ordinate or harness the range of improvement offers which will ultimately lead to better outcomes for the people who use services.

Q2. Are there any risks from the National Care Service taking responsibility for improvement across community health and care services?

The focus on and improving access to quality improvement learning programmes is essential. We need to avoid the risk of developing a 'one size fits all' approach.

These programmes and supporting tools must be adapted to make sure that that they reflect the needs of social care and are applicable in a variety of care

settings. We work with key stakeholders to do this and anticipate that we will continue to do so in future.

It is essential that the development of the NCS means that social care is on an equal footing with health care. There is a risk that social care may continue to be seen as secondary to health care. It is imperative that the NCS leads to proper investment in social care and maintains the independence of the sector from the health care sector.

1b. Access to Care and Support

Q3. If you or someone you know needed to access care and support, how likely would you be to use the following routes if they were available?

MULTIPLE CHOICE QUESTION

- Speaking to my GP or another health professional.
- Speaking to someone at a voluntary sector organisation, for example my local carer centre, befriending service or another organisation.
- Speaking to someone at another public sector organisation, eg Social Security Scotland
- Going along to a drop in service in a building in my local community, for example a community centre or cafe, either with or without an appointment.
- Through a contact centre run by my local authority, either in person or over the phone.
- Contacting my local authority by email or through their website.
- Using a website or online form that can be used by anyone in Scotland.
- Through a national helpline that I can contact 7 days a week.
- Other – Please explain what option you would add

All options are to be answered using the following scale - Not at all likely, unlikely, neither likely or unlikely, likely or very likely.

No response

Q4. How can we better co-ordinate care and support (indicate order of preference)? **MULTIPLE CHOICE QUESTION**

- Have a lead professional to coordinate care and support for each individual. The lead professional would co-ordinate all the professionals involved in the adults care and support.
- Have a professional as a clear single point of contact for adults accessing care and support services. The single point of contact would be responsible for communicating with the adult receiving care and support on behalf of all the professionals involved in their care, but would not have as significant a role in coordinating their care and support.

Have community or voluntary sector organisations, based locally, which act as a single point of contact. These organisations would advocate on behalf of the

adult accessing care and support and communicate with the professionals involved in their care on their behalf when needed.

No response

Q5. How should support planning take place in the National Care Service? For each of the elements below, please select to what extent you agree or disagree with each option: **MULTIPLE CHOICE QUESTION**

a. How you tell people about your support needs

- Support planning should include the opportunity for me and/or my family and unpaid carers to contribute.
- If I want to, I should be able to get support from a voluntary sector organisation or an organisation in my community, to help me set out what I want as part of my support planning.

b. What a support plan should focus on

- Decisions about the support I get should be based on the judgement of the professional working with me, taking into account my views.
- Decisions about the support I get should be focused on the tasks I need to carry out each day to be able to take care of myself and live a full life.
- Decisions about the support I get should be focused on the outcomes I want to achieve to live a full life.

c. Whether the support planning process should be different, depending on the level of support you need

- I should get a light-touch conversation if I need a little bit of support; or a more detailed conversation with a qualified social worker if my support needs are more complex.
- If I need a little bit of support, a light-touch conversation could be done by someone in the community such as a support worker or someone from a voluntary sector organisation.
- However much support I need, the conversation should be the same.

Light touch and/or more detailed support planning should take place in another way – please say how below

All options are to be answered using the following scale - Strongly agree, agree, neither agree/disagree, disagree or strongly disagree.

No response

Q6. The Getting It Right For Everyone National Practice model would use the same language across all services and professionals to describe and assess your strengths and needs. Do you agree or disagree with this approach?

- Agree
- Disagree

Please say why.

Agree.

We welcome this approach, particularly the focus on encouraging shared language. The model must align with the National Care Standards.

Q7. The Getting It Right for Everyone National Practice model would be a single planning process involving everyone who is involved with your care and support, with a single plan that involves me in agreeing the support I require. This would be supported by an integrated social care and health record, so that my information moves through care and support services with me. Do you agree or disagree with this approach?

- ☐ Agree
- ☐ Disagree

Please say why.

Agree.

The National Standard practice model has potential to improve standards of practice, enable a person-centred approach to practice and deliver better outcomes for people. It can also support integrated and multi-disciplinary working and better data sharing.

Q8. Do you agree or disagree that a National Practice Model for adults would improve outcomes?

- ☐ Agree
- ☐ Disagree

Please say why.

Agree.

A national practice model will support the drive towards integration. We support shared language and understanding for workforce and citizens.

1c. Right to breaks from caring

Q9. For each of the below, please choose which factor you consider is more important in establishing a right to breaks from caring. (Please select one option from each line. Where you see both factors as equally important, please select 'no preference')

- ☐ Standardised support packages versus personalised support - Personalised support to meet need, Standardised levels of Support or No preference
- ☐ A right for all carers versus thresholds for accessing support - Universal right for all carers, Right only for those who meet qualifying thresholds or No preference
- ☐ Transparency and certainty versus responsiveness and flexibility - Certainty about entitlement, Flexibility and responsiveness or No preference
- ☐ Preventative support versus acute need – Provides preventative Support, Meeting acute need or No preference.

No response

Q10. Of the three groups, which would be your preferred approach? (Please select one option.)

- Group A – Standard entitlements
- Group B – Personalised entitlements
- Group C – Hybrid approaches

Please say why.

(No comment on Groups.)

We welcome the intention to establish a break from caring and it is critical that these services are personalised as far as possible.

The potential workforce implications of this policy must be considered. This policy would require an expansion of the registered workforce. As the regulator, we would then require additional resources to support this expansion. We discuss this point further in our response to Q86.

1d. Using data to support care

Q11. To what extent do you agree or disagree with the following statements?

- There should be a nationally-consistent, integrated and accessible electronic social care and health record.
- Information about your health and care needs should be shared across the services that support you.

All options are to be answered using the following scale - Strongly agree, agree, neither agree/disagree, disagree or strongly disagree.

Strongly agree.

Q12. Should legislation be used to require all care services and other relevant parties to provide data as specified by a National Care Service, and include the requirement to meet common data standards and definitions for that data collection?

- Yes
- No

Please say why.

We strongly agree with the proposals set out in question 11. Effective workforce planning requires the ability and willingness to share data.

Common data sets are a key component of effective workforce planning. We welcome the intention to use legislation to require care services and other key partners to provide this data. The legislation can also help to avoid local interpretation of these requirements.

These sectors already have several common data standards in place. A key priority for the development of these and new standards will be ensuring that they reflect the diversity of stakeholders' needs and the differences in language across social care and health.

Q13. Are there alternative approaches that would address current gaps in social care data and information, and ensure a consistent approach for the flow of data and information across the National Care Service?

We welcome the intended approach set out in the consultation. It is important to note that significant progress has been made in recent years. The SSSC is working with stakeholders across social care and health to identify ways of sharing data and addressing current gaps. It is critical to take account of and build on the progress already made.

1e. Complaints and putting things right

Q14. What elements would be most important in a new system for complaints about social care services? (Please select 3 options)

- Charter of rights and responsibilities, so people know what they can expect
- Single point of access for feedback and complaints about all parts of the system
- Clear information about advocacy services and the right to a voice
- Consistent model for handling complaints for all bodies
- Addressing complaints initially with the body the complaint is about
- Clear information about next steps if a complainant is not happy with the initial response

Other – please explain

(We will tick all options and add the following comment under other.)

We note that the consultation paper asks respondents to select three options. Our view is that all these elements are essential components of a new complaints system. The priority is setting out what people can expect from the new system.

We understand that, for people using services and their families, the complaints landscape is complicated. We see the benefits that a single point of access could bring. We welcome the emphasis on advocacy support, which our experience shows is too limited at present.

We also welcome the focus on directing complaints to the bodies delivering the service for resolution. Effective screening which makes sure that the right referrals are made to bodies with statutory investigation and protection functions such as the SSSC is critical to the success of a single point of access.

The current legislation places limits on what we can publish for example, about our fitness to practise investigations and outcomes. This consultation is a good opportunity to review that legislation and to enhance our publication powers which will support openness and transparency.

Supporting employers

This section of the consultation understandably and rightly focuses on how to help people complain and to make sure things are resolved. This is also a good point at which to consider how the referral process for bodies delivering social care can be enhanced. Bodies have statutory reporting requirements to many organisations including the Care Inspectorate, Disclosure Scotland and the SSSC. We regularly receive feedback from bodies about the duplication and inefficiency of approach. The development of a new system could be a good opportunity to consider how this system can support bodies with their statutory referral obligations.

Q15. Should a model of complaints handling be underpinned by a commissioner for community health and care?

- ☐ Yes
- ☐ No

Please say why.

(No response to first part of question. Under 'why' we would note following)

Yes, in principle, although we think further information is required to understand the role.

Q16. Should a National Care Service use a measure of experience of those receiving care and support, their families and carers as a key outcome measure?

- ☐ Yes
- ☐ No

Please say why.

Yes.

The Independent Review of Adult Social Care powerfully expresses the need to address the implementation gap between intent and service delivery. A quality measure of experience will help to maintain this focus on meeting the needs of people who rely on these services.

1f. Residential Care Charges

Q17. Most people have to pay for the costs of where they live such as mortgage payments or rent, property maintenance, food and utility bills. To ensure fairness between those who live in residential care and those who do not, should self-funding care home residents have to contribute towards accommodation-based costs such as (please tick all that apply):

- ☐ Rent
- ☐ Maintenance
- ☐ Furnishings
- ☐ Utilities
- ☐ Food costs
- ☐ Food preparation
- ☐ Equipment
- ☐ Leisure and entertainment
- ☐ Transport
- ☐ Laundry
- ☐ Cleaning

Other – what would that be.

No response

Q18. Free personal and nursing care payment for self-funders are paid directly to the care provider on their behalf. What would be the impact of increasing personal and nursing care payments to National Care Home Contract rates on:

- ☐ Self-funders
- ☐ Care home operators
- ☐ Local authorities

Other.

No response

Q19. Should we consider revising the current means testing arrangements?

- ☐ Yes
- ☐ No

If yes, what potential alternatives or changes should be considered?

No response

2. National Care Service

Q20. Do you agree that Scottish Ministers should be accountable for the delivery of social care, through a National Care Service?

- ☐ Yes
- ☐ No, current arrangements should stay in place

No, another approach should be taken (please give details).

Yes.
Q21. Are there any other services or functions the National Care Service should be responsible for, in addition to those set out in the chapter?
None identified.
Q22. Are there any services or functions listed in the chapter that the National Care Service should not be responsible for?
None identified.

3. Scope of the National Care Service

3a. Children's services

<p>Q23. Should the National Care Service include both adults and children's social work and social care services?</p> <ul style="list-style-type: none"> ○ Yes ○ No <p>Please say why.</p>
<p>Yes.</p> <p>This approach is in keeping with the aspiration of providing social care services that support people at all stages.</p> <p>The consultation contains one brief reference to Early Learning and Childcare (ELC). We are aware and understand that there is no intention to include ELC within the NCS.</p> <p>Many people access social care and ELC throughout their lives and the link between both is critical. The ongoing Expansion of Early Learning and Childcare and wraparound care can make a huge difference in the lives of children and families. Also, transition services are a key part of the bridge between children's and adult's care and are often where young people are 'lost' within care. It is critical that the NCS considers the ELC relationship with social care from the start.</p> <p>There are many reasons why the relationship between adult social care and ELC is critical, including the role of the workforce.</p> <p>The SSSC regulates social workers, social care and early years workers such as day care of children. The qualifications promote flexibility. For example, if you have an SVQ Social Services and Healthcare you can get credit towards the SVQ Social Services (Children and Young People) at the same level.</p>

We are also aware of some evidence of workers moving across these areas, partly linked to the expansion of funded ELC. It is critical that we consider the connectivity between these sectors throughout the development of the NCS.

Q24. Do you think that locating children's social work and social care services within the National Care Service will reduce complexity for children and their families in accessing services?

- For children with disabilities
- For transitions to adulthood
- For children with family members needing support

For each option indicate yes or no and say why.

Yes to all three.

(Under each of the three 'please say why' boxes we will put the following generic statement.)

Social work and social care play a pivotal part in supporting people. A joined-up approach to all three of these three areas will reduce complexity and lead to improved outcomes for everyone.

Q25. Do you think that locating children's social work services within the National Care Service will improve alignment with community child health services including primary care, and paediatric health services?

- Yes
- No

Please say why.

Yes.

A joined-up approach has the potential to support people who use these critical services and to deliver better outcomes for all.

Q26. Do you think there are any risks in including children's services in the National Care Service?

- Yes
- No

If yes, please give examples.

No response

3b. Healthcare

<p>Q27. Do you agree that the National Care Service and at a local level, Community Health and Social Care Boards should commission, procure and manage community health care services which are currently delegated to Integration Joint Boards and provided through Health Boards?</p> <ul style="list-style-type: none"> <input type="radio"/> Yes <input type="radio"/> No <p>Please say why.</p>
<p>No response</p>
<p>Q27. Do you agree that the National Care Service and at a local level, Community Health and Social Care Boards should commission, procure and manage community health care services which are currently delegated to Integration Joint Boards and provided through Health Boards?</p> <ul style="list-style-type: none"> <input type="radio"/> Yes <input type="radio"/> No <p>Please say why.</p>
<p>No response</p>
<p>Q28. If the National Care Service and Community Health and Social Care Boards take responsibility for planning, commissioning and procurement of community health services, how could they support better integration with hospital-based care services?</p>
<p>No response</p>
<p>Q29. What would be the benefits of Community Health and Social Care Boards managing GPs' contractual arrangements? (Please tick all that apply)</p> <ul style="list-style-type: none"> <input type="radio"/> Better integration of health and social care <input type="radio"/> Better outcomes for people using health and care services <input type="radio"/> Clearer leadership and accountability arrangements <input type="radio"/> Improved multidisciplinary team working <input type="radio"/> Improved professional and clinical care governance arrangements <p>Other (please explain below).</p>
<p>No response</p>
<p>Q30. What would be the risks of Community Health and Social Care Boards managing GPs' contractual arrangements? (Please tick all that apply)</p> <ul style="list-style-type: none"> <input type="radio"/> Fragmentation of health services <input type="radio"/> Poorer outcomes for people using health and care services <input type="radio"/> Unclear leadership and accountability arrangements <input type="radio"/> Poorer professional and clinical care governance arrangements <p>Other (please explain below).</p>

No response
Q31. Are there any other ways of managing community health services that would provide better integration with social care?
No response

3c. Social Work and Social Care

<p>Q32. What do you see as the main benefits in having social work planning, assessment, commissioning and accountability located within the National Care Service? (Please tick all that apply)</p> <ul style="list-style-type: none"> <input type="checkbox"/> Better outcomes for service users and their families <input type="checkbox"/> More consistent delivery of services <input type="checkbox"/> Stronger leadership <input type="checkbox"/> More effective use of resources to carry out statutory duties <input type="checkbox"/> More effective use of resources to carry out therapeutic interventions and <input type="checkbox"/> preventative services <input type="checkbox"/> Access to learning and development and career progression <input type="checkbox"/> Other benefits or opportunities, please explain below
<p>Response under 'other'.</p> <p>The NCS and the SSSC have key roles in supporting access to learning and development and career progression. Our data and intelligence indicate there will be a significant demand for qualifications over the next five years, particularly for workers in adult social care roles that are registered with the SSSC. Current available provision will not meet the demand. National planning will be necessary to address this shortfall. It will be essential that the NCS works in partnership with the SSSC to understand and address the supply and demand challenges for social care qualifications.</p>
<p>Q33. Do you see any risks in having social work planning, assessment, commissioning and accountability located within the National Care Service?</p>
No response

3d. Nursing

Q34. Should Executive Directors of Nursing have a leadership role for assuring that the safety and quality of care provided in social care is consistent and to the appropriate standard? Please select one.

- ☐ Yes
- ☐ No
- ☐ Yes, but only in care homes
- ☐ Yes, in adult care homes and care at home

Please say why.

No.

We welcome the intention to introduce a new leadership role for assuring that the quality of care is consistent and to the appropriate standard. Nurses play a critical role in the delivery of social care. As of December 2020 there were an estimated 7,000 nurses working in social care, including approximately 4,000 working in care homes for adults, nearly 10% of the overall care home for adult workforce.

However, we believe it needs an Executive Director of Social Care to reinforce care as a profession and an equal partner to health.

The NCS must have leadership from an experienced person in social work and/or social care. The experience of the sector in achieving the ambition of the NCS is vital.

Social care is about supporting people to live a good quality of life. People of all ages and with differing needs use social care. Social care is primarily about relationships which are often long term and vital to the quality of service delivery. That care and support is provided in people's homes and in homely settings. It is crucial that the 'social' is not lost to 'medical'.

Q35. Should the National Care Service be responsible for overseeing and ensuring consistency of access to education and professional development of social care nursing staff, standards of care and governance of nursing? Please select one.

- ☐ Yes
- ☐ No, it should be the responsibility of the NHS
- ☐ No, it should be the responsibility of the care provider

Please say why.

Yes.

Enabling consistent access to education and personal development must be a key responsibility for the National Care Service and care providers. It must also be a priority for the worker themselves. Our Codes highlight the need for registrants to take personal responsibility for developing their skills and knowledge.

Q36. If Community Health and Social Care Boards are created to include community health care, should Executive Nurse Directors have a role within the Community Health and Social Care Boards with accountability to the National Care Service for health and social care nursing?

- ☐ Yes
- ☐ No

If no, please suggest alternatives.

Yes.

3e. Justice Social Work

Q37. Do you think justice social work services should become part of the National Care Service (along with social work more broadly)?

- ☐ Yes
- ☐ No

Please say why.

No response

Q38. If yes, should this happen at the same time as all other social work services or should justice social work be incorporated into the National Care Service at a later stage?

- ☐ At the same time
- ☐ At a later stage

Please say why.

No response

Q39. What opportunities and benefits do you think could come from justice social work being part of the National Care Service? (Tick all that apply)

- ☐ More consistent delivery of justice social work services
- ☐ Stronger leadership of justice social work
- ☐ Better outcomes for service users
- ☐ More efficient use of resources

Other opportunities or benefits - please explain

No response

Q40. What risks or challenges do you think could come from justice social work being part of the National Care Service? (Tick all that apply)

- ☐ Poorer delivery of justice social work services
- ☐ Weaker leadership of justice social work
- ☐ Worse outcomes for service users
- ☐ Less efficient use of resources

Other risks or challenges - please explain.

No response
<p>Q41. Do you think any of the following alternative reforms should be explored to improve the delivery of community justice services in Scotland? (Tick all that apply)</p> <ul style="list-style-type: none"> <input type="radio"/> Maintaining the current structure (with local authorities having responsibility for delivery of community justice services) but improving the availability and consistency of services across Scotland <input type="radio"/> Establishing a national justice social work service/agency with responsibility for delivery of community justice services <input type="radio"/> Adopting a hybrid model comprising a national justice social work service with regional/local offices having some delegated responsibility for delivery <input type="radio"/> Retaining local authority responsibility for the delivery of community justice services, but establishing a body under local authority control to ensure consistency of approach and availability across Scotland <input type="radio"/> Establishing a national body that focuses on prevention of offending (including through exploring the adoption of a public health approach) <input type="radio"/> No reforms at all <p>Another reform – please explain.</p>
No response
<p>Q42. Should community justice partnerships be aligned under Community Health and Social Care Boards (as reformed by the National Care Service) on a consistent basis?</p> <ul style="list-style-type: none"> <input type="radio"/> Yes <input type="radio"/> No <p>Please say why.</p>
No response

3f. Prisons

<p>Q43. Do you think that giving the National Care Service responsibility for social care services in prisons would improve outcomes for people in custody and those being released?</p> <ul style="list-style-type: none"> <input type="radio"/> Yes <input type="radio"/> No <p>Please say why.</p>
No response
<p>Q44. Do you think that access to care and support in prisons should focus on an outcomes-based model as we propose for people in the community, while taking account of the complexities of providing support in prison?</p> <ul style="list-style-type: none"> <input type="radio"/> Yes

☐ No
Please say why.

No response

3g. Alcohol and Drug Services

Q45. What are the benefits of planning services through Alcohol and Drug Partnerships? (Tick all that apply)

- ☐ Better co-ordination of Alcohol and Drug services
- ☐ Stronger leadership of Alcohol and Drug services
- ☐ Better outcomes for service users
- ☐ More efficient use of resources

Other opportunities or benefits - please explain.

No response

Q46. What are the drawbacks of Alcohol and Drug Partnerships? (Tick all that apply)

- ☐ Confused leadership and accountability
- ☐ Poor outcomes for service users
- ☐ Less efficient use of resources

Other drawbacks - please explain.

No response

Q47. Should the responsibilities of Alcohol and Drug Partnerships be integrated into the work of Community Health and Social Care Boards?

- ☐ Yes
- ☐ No

Please say why.

No response

Q48. Are there other ways that Alcohol and Drug services could be managed to provide better outcomes for people?

No response

Q49. Could residential rehabilitation services be better delivered through national commissioning?

- ☐ Yes
- ☐ No

Please say why.

No response

Q50. What other specialist alcohol and drug services should/could be delivered through national commissioning?

No response

Q51. Are there other ways that alcohol and drug services could be planned and delivered to ensure that the rights of people with problematic substance use (alcohol or drugs) to access treatment, care and support are effectively implemented in services?

No response

3h. Mental Health Services

Q52. What elements of mental health care should be delivered from within a National Care Service? (Tick all that apply)

- ☐ Primary mental health services,
- ☐ Child and Adolescent Mental Health Services,
- ☐ Community mental health teams,
- ☐ Crisis services,
- ☐ Mental health officers
- ☐ Mental health link workers

Other – please explain.

No response

Q53. How should we ensure that whatever mental health care elements are in a National Care Service link effectively to other services e.g. NHS services?

No response

3i. National Social Work Agency

Q54. What benefits do you think there would be in establishing a National Social Work Agency? (Tick all that apply)

- ☐ Raising the status of social work
- ☐ Improving training and continuous professional development
- ☐ Supporting workforce planning

Other – please explain.

(Select other and add following text.)

There are several benefits associated with the National Social Work Agency. We welcome the agency's focus on raising the profile of social work.

Qualifications and professional development

We have significant concerns about the proposals on education and training of social workers. These include setting the standards in social work education and the Continuous Professional Learning (CPL) requirements. These functions must remain with the SSSC. Regulators must be independent of the professions they regulate to effectively operate in the public interest and for the public to have confidence that they are doing so.

Our position is not unique. The responsibility for setting education and training requirements or standards and approval of relevant courses sits with relevant regulators such as the Nursing and Midwifery Council, the General Medical Council and the General Teaching Council for Scotland.

There is the expectation in equivalent UK social care regulators and elsewhere such as health – rightly so, in our view – that the regulator is independent and sets qualifications and standards. It is critical that social work and social care retain a similar approach.

We note the Government's response to the Muir Review and the intended reform of Education Scotland and the SQA. These proposals reflect the importance of creating a new body that has the role and responsibility to both set standards within the curriculum and assess performance against those standards. Our view is that this policy reinforces our point about the SSSC retaining the role around setting standards in education and training.

Impact at UK level

This proposal will have unforeseen consequences or cause disruption at a UK level. The responsibility for setting qualification requirements and national occupational standards aligns with our role as part of Skills for Care and Development, the Sector Skills Council for the social service sector.

Skills for Care & Development (SfCD) is the sector skills council for people working in early years, children and young people's services, and those working in social work and social care for adults and children in the UK. SfCD is a partnership of four organisations: Social Care Wales, NISCC (Northern Ireland), SSSC (Scotland) and Skills for Care (England). We are collectively responsible for setting standards within the sector.

These common UK-wide standards underpin the strength and flexibility of the profession. We develop and maintain the national occupational standards for the sector in partnership. These standards will be at risk under a new approach, which would then cause significant challenges for workers who wish to move across the UK and for providers who operate in Scotland and other parts of the UK.

Relationship between NCS and Social Work Agency

We agree that the National Social Work Agency should be part of the NCS. However, we believe this approach reinforces the case for the SSSC retaining these responsibilities. The National Social Work Agency would be put in a potentially contradictory position where it would have responsibility for setting qualifications and standards but would also be part of a governance structure where other drivers have an impact.

The remainder of our response to this question reinforces our position by sharing key messages from a consultation by the Law Commission and the Shipman Inquiry.

Law Commission consultation: regulation of health care and social care professionals (2014)

In 2012 the Law Commission, Scottish Law Commission and the Northern Ireland Law Commission (the Commissions) published a joint consultation paper on the [regulation of health care professionals and social care professionals in England](#). They note that the regulators' role in ensuring proper standards of professional education, conduct and practice is complex and that decisions cannot be taken in isolation.

In their paper the Commission are clear that the legitimacy of the regulators' involvement in education, conduct and practice is beyond doubt. They reference the [Council for Healthcare Regulatory Excellence's view](#) that the regulators' contribution to education and training is valued in particular for the 'confidence and subject-specific insight that it can provide'.

In 2014, the Commissions published [the findings of their review](#). These included recommendation 46 which states that 'regulators should be required to set the standards for education, training and experience, and have broad powers to approve matters such ascourses....programmes...and individuals'.

Our view is that reallocating responsibility for regulation of education to the NCS will go against the approach taken elsewhere and could have an impact on the confidence of the profession. It will also go against the broad direction of travel for regulation, as the UK Government has committed to providing UK healthcare regulators with broadly consistent powers.

Shipman Inquiry

In 2005 the Shipman Inquiry published their final report. The inquiry examined the role of the General Medical Council. This includes a view that regulators should be independent of the profession they regulate to operate in the public interest, and accountable to parliament [Shipman Inquiry, 2005, paragraph 27.309 onwards](#)). If accountability is transferred from Scottish Government to the NCS, it is possible that the SSSC would then be viewed as being accountable to the profession.

Q55. Do you think there would be any risks in establishing a National Social Work Agency?

Our views on this are in our response to question 54.

Q56. Do you think a National Social Work Agency should be part of the National Care Service?

- ☐ Yes
- ☐ No

Please say why.

Yes.

Yes, however we believe further work is required to consider the relationship between the National Social Work Agency, the NCS and regulators such as the SSSC.

Q57. Which of the following do you think that a National Social Work Agency should have a role in leading on? (Tick all that apply)

- ☐ Social work education, including practice learning
- ☐ National framework for learning and professional development, including advanced practice
- ☐ Setting a national approach to terms and conditions, including pay
- ☐ Workforce planning
- ☐ Social work improvement
- ☐ A centre of excellence for applied research for social work

Other – please explain.

We do not believe that the National Social Work Agency should have the lead role in setting the standards for Social Work Education or practice learning. Our concerns around that are largely set out in response to question 54.

The SSSC must retain responsibility for setting the standards in social work education and for the quality assurance and approval of programmes. This includes the requirements of and quality of practice learning opportunities (PLOs) as they are intrinsically significant to every programme and this element should not be separated out of the overall quality assurance of the delivery of programmes. We must be sure that standards are met and those qualifying have the right skills, knowledge and experience to join the workforce.

We support the National Social Work Agency having a lead role in workforce planning, including national planning for student placements. There is considerable variance in access to quality of PLOs. A centralised or national approach to PLOs will support workforce planning in this area. Key priorities include addressing supply, demand, the co-ordination of placements and the funding of PLOs.

The agency could support workforce planning side of practice learning.

We expect to have a role in national framework for learning as it would need to reflect and complement our regulatory requirements for Continuous Professional Development and the first year in practice for Newly Qualified Social Workers. We also want to ensure alignment between approved frameworks, specialist awards and our forthcoming endorsement framework to give recognition and weight to the national learning and framework and to support parity and recognition of skills.

We agree that the Social Work Agency should lead on the other areas identified in this section of the consultation. We welcome the opportunity to engage with proposed Centre for Excellence. We want to make sure that our work investigating fitness to practise of registered workers drives education and development and that best practice is embedded within programme delivery.

4. Reformed Integration Joint Boards: Community Health and Social Care Boards

4a. Governance model

Q58. "One model of integration... should be used throughout the country." (Independent Review of Adult Social Care, p43). Do you agree that the Community Health and Social Care Boards should be the sole model for local delivery of community health and social care in Scotland?

- ☐ Yes
- ☐ No

Please say why.

No response

Q59. Do you agree that the Community Health and Social Care Boards should be aligned with local authority boundaries unless agreed otherwise at local level?

- ☐ Yes
- ☐ No

No response

Q60. What (if any) alternative alignments could improve things for service users?

No response

Q61. Would the change to Community Health and Social Care Boards have any impact on the work of Adult Protection Committees?

No response

4b. Membership of Community Health and Social Care Boards

Q62. The Community Health and Social Care Boards will have members that will represent the local population, including people with lived and living experience and carers, and will include professional group representatives as well as local elected members. Who else should be represented on the Community Health and Social Care Boards?
--

No response

Q63. "Every member of the Integration Joint Board should have a vote" (Independent Review of Adult Social Care, p52). Should all Community Health and Social Care Boards members have voting rights? <input type="radio"/> Yes <input type="radio"/> No
--

No response

Q64. Are there other changes that should be made to the membership of Community Health and Social Care Boards to improve the experience of service users?
--

No response

4c. Community Health and Social Care Boards as employers

Q65. Should Community Health and Social Care Boards employ Chief Officers and their strategic planning staff directly? <input type="radio"/> Yes <input type="radio"/> No
--

No response

Q66. Are there any other staff the Community Health and Social Care Boards should employ directly? Please explain your reasons.
--

No response

5. Commissioning of services

5a. Structure of Standards and Processes

Q67. Do you agree that the National Care Service should be responsible for the development of a Structure of Standards and Processes?

- ☐ Yes
- ☐ No

If no, who should be responsible for this?

- ☐ Community Health and Social Care Boards
- ☐ Scotland Excel
- ☐ Scottish Government Procurement
- ☐ NHS National Procurement

A framework of standards and processes is not needed.

Yes.

Q68. Do you think this Structure of Standards and Processes will help to provide services that support people to meet their individual outcomes?

- ☐ Yes
- ☐ No

Yes.

Q69. Do you think this Structure of Standards and Processes will contribute to better outcomes for social care staff?

- ☐ Yes
- ☐ No

Yes.

Q70. Would you remove or include anything else in the Structure of Standards and Processes?

Yes.

We welcome the continuing focus on delivering ethical commissioning and procurement of social care services which place a focus on the workforce.

Funding must be included for training and development of the workforce when commissioning services.

5b. Market research and analysis

Q71. Do you agree that the National Care Service should be responsible for market research and analysis?

- ☐ Yes
- ☐ No

If no, who should be responsible for this?

- Community Health and Social Care Boards
- Care Inspectorate
- Scottish Social Services Council
- NHS National Procurement
- Scotland Excel
- No one

Other - please comment.

Yes.

It is appropriate for the NCS to take responsibility for market research and analysis.

The SSSC has developed workforce information which informs our understanding of the market. We anticipate that we will work closely with the NCS to support this work.

20. National commissioning and procurement services

Q72. Do you agree that there will be direct benefits for people in moving the complex and specialist services as set out to national contracts managed by the National Care Service?

- Yes
- No

If no, who should be responsible for this?

- Community Health and Social Care Boards
- NHS National Procurement
- Scotland Excel

Yes

6. Regulation

6a. Core principles for regulation and scrutiny

Q73. Is there anything you would add to these core principles?

As these principles will apply to the way regulators carry out their roles, it is important not to lose sight of the fact that the SSSC will continue to be the regulator of the early years workforce, which is not envisaged as being part of the NCS. That sector must also have the opportunity to have their say on principles that will affect them.

Q74. Are there any principles you would remove?
We did not identify any changes.
Q75. Are there any other changes you would make to these principles?
No, although it is critical that the principles make relevant references to the National Care Standards.

6b. Strengthening regulation and scrutiny of care services

Q76. Do you agree with the proposals outlined above for additional powers for the regulator in respect of condition notices, improvement notices and cancellation of social care services? <input type="radio"/> Yes <input type="radio"/> No Please say why.
Yes.
Q77. Are there any additional enforcement powers that the regulator requires to effectively enforce standards in social care?
No.

6c. Market oversight function

Q78. Do you agree that the regulator should develop a market oversight function? <input type="radio"/> Yes <input type="radio"/> No
Yes.
Q79. Should a market oversight function apply only to large providers of care, or to all? <input type="radio"/> Large providers only <input type="radio"/> All providers All providers
Q80. Should social care service providers have a legal duty to provide certain information to the regulator to support the market oversight function? <input type="radio"/> Yes <input type="radio"/> No
Yes.

Q81. If the regulator were to have a market oversight function, should it have formal enforcement powers associated with this?

- ☐ Yes
- ☐ No

Yes.

We welcome the intention to develop a market oversight function. The sector has evolved rapidly over the past few decades and ranges from self-employed people to large providers that run multiple services. A market oversight function would enable the Care Inspectorate to use intelligence to help identify risks to the sustainability of services.

Q82. Should the regulator be empowered to inspect providers of social care as a whole, as well as specific social care services?

- ☐ Yes
- ☐ No

Please say why.

Yes.

In our work we see issues in care services' compliance with the SSSC Codes of Practice for Employers that derive from the culture, investment and approach of the provider. The proposed change will address this protection gap.

6d. Enhanced powers for regulating care workers and professional standards

Q83. Would the regulator's role be improved by strengthening the codes of practice to compel employers to adhere to the codes of practice, and to implement sanctions resulting from fitness to practise hearings?

Yes.

The Care Inspectorate's legislative framework requires them to take account of employers' adherence to the SSSC Codes of Practice in their scrutiny work. The SSSC will continue to work with the Care Inspectorate around the use of these powers.

If the Care Inspectorate does not consider that the enforcement of the SSSC Codes of Practice for employers should remain within their remit, then the SSSC welcomes additional powers to enable us to carry out this role.

If the SSSC is to carry out this role, we need clarity about who we can take action against and what enforcement powers we could use.

Q84. Do you agree that stakeholders should legally be required to provide information to the regulator to support their fitness to practise investigations?

We experience significant difficulties around accessing vital information that we require to undertake fitness to practise investigations. This includes critical information from Police Scotland and we have regular discussions with them and other organisations to ensure that we can access what we need.

We have had to raise court actions to obtain information in the past. This is an inefficient use of public money as well as causing significant delay to investigations and outcomes.

Several equivalent regulators in other sectors and our equivalent partners in Northern Ireland already have powers to compel third parties to provide this information.

As well as strengthened powers to obtain information, we also require the ability to compel witness to participate in fitness to practise processes. This is a power other regulators have and would greatly improve our ability to take protective action.

Q85. How could regulatory bodies work better together to share information and work jointly to raise standards in services and the workforce?

We have taken significant steps in recent years to establish strong relationships with other regulatory bodies, such as the Care Inspectorate. We now have information sharing agreements with relevant regulators and work closely to share information where possible. We are also part of Skills for Care and Development (SfCD), the Sector Skills Council for the social service sector in the UK. The SfCD alliance includes representatives from our equivalent partners across the UK.

We recognise that there is a need for all regulators – including the SSSC - to explore how we can work better together to share information and to raise standards in services and the workforce. This must include a commitment from the Scottish Government to provide regulators with resources to capture and analyse data, share intelligence and support improvement.

This was a key theme in the landmark report by The Promise Scotland which reinforces the need for regulators to come together to 'be at the forefront of a shift in culture to enable recovery'. In the short term, we're working with others to streamline and review our Codes of Practice and modernise our register.

Q86. What other groups of care worker should be considered to register with the regulator to widen the public protection of vulnerable groups?

The development of the NCS is a landmark moment for social care. We welcome the focus on looking beyond the NCS at wider implications. Workforce registration, regulation and development have a key part to play in public protection and on delivering on the aspirations in the consultation and in the Independent Review of Adult Social Care.

The social work, social care and early years sector has evolved and grown significantly in the 20 years since the SSSC was established. The sector and regulators continue to respond to significant changes such as the introduction of health and social care integration, Self-Directed Support, the commitment to keep The Promise and the expansion of funded Early Learning and Childcare. Our view has always been that registration must evolve and adapt as required.

The roles that many people undertake – such as social workers and social care staff – has also evolved and we need to ensure that the qualifications requirements reflect these changes. Our position on workforce regulation is driven by our experiences and the critical role that we know regulation plays in enabling public protection and supporting vulnerable people.

We're aware that introducing regulation for some of these groups would be complex and contentious, particularly personal assistants (PAs). We've briefly set out some of the issues or challenges that we would need to examine in greater detail. Our list of challenges is not definitive and consultation is critical. In some instances, a new or more creative approach to regulation may be required.

The remainder of our response to this question is split into two parts.

Part 1 focuses on groups that we believe should be considered for registration such as adult day care staff, social work assistants and personal assistants.

Part 2 sets out some wider thinking about the evolution and expansion of registration. This includes a summary of some of the consequences that may arise from expanding registration and some tentative estimates around the numbers of people involved.

Part 1: extending regulation to other groups

Our view is that Scottish Government considers regulation for the following groups.

1. Workers in adult day care
2. Personal Assistants (PAs)
3. Healthcare Assistants (HAs)

4. Social Work Assistants (SWAs)
5. Community Justice.

We have also identified an issue to consider around non-SSSC registered managers.

1. Workers in adult day care

Adult day care staff (ADC) support some of the most vulnerable people in society. ADC managers were amongst the first to register with the SSSC and have done so since 2009.

All ADC workers in Northern Ireland are required to register with the appropriate regulator. ADC is the only sub-sector in Scotland where we register managers but do not register frontline staff. Introducing regulation for these workers would remove this anomaly.

The number of ADC staff is relatively small compared to other sectors. There are approximately 6,650 ADC staff (including managers) as of December 2020. There has been a steady decrease in the size of the sector in recent years which appears to be linked to the drive to provide further care at home. However, these workers continue to provide critical care for vulnerable groups and our view is that they should register with the SSSC.

Recommendation

Adult day care staff (non-managers) to register with the SSSC.

2. Personal Assistants

We recognise that the debate around whether and how PAs regulate is sensitive, complex and featured prominently during the passage of the Social Care (Self-Directed Support) (Scotland) Act 2013. We also recognise that significant steps have been taken to support the development of PAs. These include the [10 year strategy for the development of Self-Directed Support in 2010](#) and the [Self-Directed Support Strategy implementation plan for 2019-2021](#).

We also note the 2018 report by the Scottish Centre for Employment Research (SCER) which examines [fair work for PAs](#). The SCER notes that regulation does not necessarily mean legislative oversight by the Care Inspectorate, SSSC or an equivalent body. They also indicate that many of the issues in their report 'could in theory be resolved by some kind of regulatory approach or oversight'. The report also contains findings from a small-scale survey which suggests that a third of PAs have not had an enhanced disclosure check.

The SCER report puts forward a view that may occasionally be lost within the wider discussions around regulation of this workforce. For example, they indicate that regulation featured prominently in their focus groups as 'some PAs and employers were confused as to why regulation appeared to be so absent from their working relationship...but few were certain that a regulatory

approach mirroring that taken elsewhere in...social care...would be suitable for their work'. These experiences match our own. For example:

- we get queries from PAs who would like to register with us
- we have had PAs query why they are required to register with us in one setting, such as a care at home but are not required to register in their PA role
- service users and family members have made referrals to us about the conduct or practice of the PAs they employ who happen to be registered with us because of their additional employment in care at home
- workers registered with us have moved out of regulated work to become PAs when a serious concern was raised with us about their practice or conduct.

We know that many people take the view that regulation does not align with the ethos of Self Directed Support (SDS) or independent living. We understand these concerns. The debate around these sensitive issues is inextricably linked to the parallel debate around the critical role of regulation in delivering public protection. PAs provide care and support to some of the most vulnerable people in society, and while many undoubtedly provide high-quality services there is a risk of harm to service users.

A voluntary approach will not address key concerns such as public protection. We believe that there is a need to examine the role that regulation can play in meeting the Scottish Government's aspirations for a skilled PA workforce which delivers high-quality care to some of the most vulnerable people in society.

Recommendation

The Scottish Government examines the case for regulating PAs in greater detail. This must be informed by key stakeholders including people who employ PAs, carers, commissioners and regulators and must consider some of the ethical and technical issues outlined in Part 2 of our response to this question.

3. Healthcare assistants

There has been debate about whether healthcare assistants should be regulated. Healthcare assistants provide care to some of the most vulnerable people in our society. Many of these workers are employed in integrated services and the total number of these workers is unclear.

We know that there is an increasing need to deploy staff in both healthcare assistant roles and social care roles flexibly across health and social care settings. If an individual is employed by a care service, they have to register with us and are subject to our standards of qualification and conduct.

However, if the individual is employed by a health board, registration is not required and our standards do not apply.

It is anomalous that the protection afforded to the recipient of care is dependent on the status of the employer. Our view is that healthcare assistants should be regulated and hold the appropriate qualifications. It may be appropriate for these workers to be regulated by the SSSC or an alternative regulator.

Recommendation

The Scottish Government examines the case for regulating healthcare assistants in greater detail. This must be informed by key stakeholders including people who employ healthcare assistants, patients, commissioners and regulators and must consider some of the ethical and technical issues outlined in Part 2 of our response to this question.

4. Social work assistants

Regulating social work assistants has been raised at several points over the past 20 years and discussed during the implementation of Changing Lives, the review of 21st Century Social Work in 2006. We know that this role has continued to evolve and the complexity associated with this role has increased.

The work carried out by social work assistants is complex and skilled and requires them to work closely with vulnerable people. Increasingly this role requires social work assistants to become involve in assessment and safeguarding.

The Scottish Local Authority Social Work Services Survey suggests that there are approximately 2,300 social work assistants in Scotland. This figure has remained relatively constant over the past decade. Our view is that these workers should be regulated with the SSSC.

Recommendation

Social work assistants to register with the SSSC.

5. Community justice staff

Community justice staff play a critical role in the delivery of public services. Scottish Government's current consultation on the National Strategy for Community Justice highlights the significant developments since the strategy was published in 2016. These include the shift away from custody. We also note Audit Scotland's recent [Community Justice Scotland report](#) which indicates that the demand for community services is likely to increase as the backlog in court cases following COVID-19 is addressed.

There are a variety of roles within community justice that can be considered for registration including (but not only) criminal justice assistants, those

working in offender accommodation services and offender liaison services. Another potential group is community service supervisors.

Key workers in community justice include staff working in offender accommodation services and criminal justice assistants. These workers all have a critical role to play in the delivery of social care. For example, criminal justice assistants are case holding officers supervising people on supervised attendance and Community Payback Orders (CPOs).

Recommendation

Key community justice staff to register with the SSSC. Further work is required to identify which workers should be included.

Non-SSSC registered managers

There is a need to examine a particular situation around non-SSSC registered managers. SSSC registered managers are required to hold or obtain a management qualification at degree level. This requirement recognises the skill and knowledge necessary for individuals to effectively manage care services.

Non-SSSC registered managers are usually nurse managers working in care homes and registered with the Nursing and Midwifery Council or teacher managers working in children's services and registered with the General Teaching Council for Scotland, although we anticipate that there may be other workers in this situation. The Care Inspectorate does not require these managers to hold or be working towards a management qualification.

In Wales, our equivalent body, Social Care Wales, requires all managers to register with them and to meet their qualification standard irrespective of registration with another body. They estimate that 20% of managers in Wales are registered with both Social Care Wales and the NMC.

Recommendation:

Managers in these settings are required to meet our qualification standards, regardless of whether they are registered by another body. We believe the Care Inspectorate have existing powers which could be used to implement this approach. The alternative is to follow the Social Care Wales model and require dual registration with the SSSC and another professional regulator.

Part 2: Wider considerations

We welcome the intention to develop new definitions for registered services and care roles that formed part of the Programme for Government in 2020. We welcome the Scottish Government commissioned study by the Institute of Research and Innovation in Social Services (IRISS) examining this area. A review of our relevant legislation will support our efforts to modernise our register.

Some of the workers we mention above may also be regulated in an alternative role. For example, it's possible that someone is working in a care at home service in the morning and as a personal assistant in the afternoon.

In this scenario they are required to register with the SSSC in their care at home role but not in their separate role as a personal assistant. These anomalies can be challenging for the person who receives care, a carer and the worker themselves. They also have implications for our public protection role.

We have developed some tentative estimates for regulating the groups in our response. They suggest that regulating these groups would lead to a further 50,000 people joining our register, or an increase of more than 25% on the current number of people on our register. (These figures must be treated with caution as further work is required to refine them.)

We reference these figures for several reasons. For example, it illustrates the number of key workers who are not currently required to register with the SSSC or an equivalent regulator. It also highlights the significant resources required to do this, at a time when the numbers of social service workers is at the highest level since we began publishing these figures.

Significant thought must be given to the following.

- How new roles would be defined. Certainty as to who falls within the scope of registration is essential. Except for social workers, students and Care Inspectorate Inspectors, our register is currently structured in a way where certainty of role definition is linked to employment in a care service registered with the Care Inspectorate. If new roles are also defined by employment, thought must be given to any ethical implications, as it may result in protection being afforded only to those receiving state funded care.
- How registration, if mandatory, can be enforced. Except for social workers, where protection of title applies, it is the provider of the care service who bears the criminal penalty for employing someone who should be registered and is not. If that approach is extended to new groups, thought must be given to any ethical implications for some of those groups, such as personal assistants.
- The timescale for implementing registration. We would need to consider the impact on many key stakeholders such as service providers, training providers and SVQ Assessors. In October 2021 we published our latest [Workforce Skills Report](#) which highlights the significant and increasing demand for many key SVQs in this sector. It is anticipated there will be a shortfall in supply of training provision to meet the existing demand for qualifications required for registration with the SSSC over the next 5 years.

The SSSC receives part of its funding from registration fees, however, registration fees do not cover the cost of regulation. We are also partially funded by Scottish Government. Our previous and only fee increase was on 1 Sept 2017. We can develop updated financial projections once we are clearer on any proposed changes to regulation.

The numbers and types of workers we regulate is affected by policy and societal trends. A series of examples follow.

- The drive to support more people at home has happened at a time when we have seen a significant increase in the numbers of people working in care at home or housing support services. Our data also suggests that the numbers of people working in care homes for adults has dropped slightly over the past decade.
- The expansion of funded ELC for three, four and eligible two year olds has led to an increase in the numbers of registered Day Care of Children workers. The commitment to expand funded ELC for younger children and to increase wraparound care is expected to lead to further expansion of this workforce.
- The drive to support a shift from custody to community is also likely to lead to an increase the numbers of criminal justice staff, such as criminal justice assistants.

7. Valuing people who work in social care

7a. Fair Work

Q87. Do you think a 'Fair Work Accreditation Scheme' would encourage providers to improve social care workforce terms and conditions?

- ☐ Yes
- ☐ No

Please say why.

Yes.

Must be mandatory to support overall improvement across sector.

Q88. What do you think would make social care workers feel more valued in their role? (Please rank as many as you want of the following in order of importance, e.g. 1, 2, 3...)

- ☐ Improved pay
- ☐ Improved terms and conditions, including issues such as improvements to sick pay, annual leave, maternity/paternity pay, pensions, and development/learning time
- ☐ Removal of zero hour contracts where these are not desired

- More publicity/visibility about the value social care workers add to society
- Effective voice/collective bargaining
- Better access to training and development opportunities
- Increased awareness of, and opportunity to, complete formal accreditation and qualifications
- Clearer information on options for career progression
- Consistent job roles and expectations
- Progression linked to training and development
- Better access to information about matters that affect the workforce or people who access support
- Minimum entry level qualifications
- Registration of the personal assistant workforce
- Other (please say below what these could be)

Please explain suggestions for the "Other" option in the below box.

(We won't rank these options and will comment under 'other')

All components will play a key part in making social care workers feel more valued. We welcome the steps that the Scottish Government is taking to do this including the winter funding package announced in Oct 2021.

There may be particular challenges around maintaining an effective voice in sectors such as social care where we anticipate that a significant proportion of the workforce are not part of a union or membership body.

The opportunity to complete formal qualifications and to identify progression is a particularly key priority for the SSSC and continue to work with the sector and key stakeholders to support this.

Q89. How could additional responsibility at senior/managerial levels be better recognised? (Please rank the following in order of importance, e.g. 1, 2, 3...):

- Improved pay
- Improved terms and conditions
- Improving access to training and development opportunities to support people in this role (for example time, to complete these)
- Increasing awareness of, and opportunity to complete formal accreditation and qualifications to support people in this role
- Other (please explain)

Please explain suggestions for the "Other" option in the below box.

All of these factors are important. The pandemic reinforced the need for the sector to be able to call upon the required numbers of experienced and qualified staff.

Q90. Should the National Care Service establish a national forum with workforce representation, employers, Community Health and Social Care Boards to advise it on workforce priorities, terms and conditions and collective bargaining?

- ☐ Yes
- ☐ No

Please say why or offer alternative suggestions.

Yes.

7b. Workforce Planning

Q91. What would make it easier to plan for workforce across the social care sector? (Please tick all that apply.)

- ☐ A national approach to workforce planning
- ☐ Consistent use of an agreed workforce planning methodology
- ☐ An agreed national data set
- ☐ National workforce planning tool(s)
- ☐ A national workforce planning framework
- ☐ Development and introduction of specific workforce planning capacity
- ☐ Workforce planning skills development for relevant staff in social care

Something else (please explain below).

There has been progress in recent years around workforce planning. An agreed national data set will be an immediate priority.

We need future workforce requirements and projections from Scottish Government, in the same way as this happens in health. For example, the Government sets projections for the numbers of doctors, GPs and nurses required in different health settings and across geographical areas with appropriate actions in place to address demand.

A similar approach is essential to support workforce planning in social care, making sure that there are the right staff with the right skills and values in place and ready to meet future workforce and service requirements.

7c. Training and development

Q92. Do you agree that the National Care Service should set training and development requirements for the social care workforce?

- ☐ Yes
- ☐ No

Please say why

No.

We believe that this must remain with the SSSC for the same reasons as we've outlined earlier in relation to social work in our response to Q54 and Q57.

These proposals have the potential to complicate and confuse because they propose three different bodies with this role, that is the SSSC would retain this responsibility for the early years workforce, the Social Work Agency for social workers and the NCS for social care workers.

Q93. Do you agree that the National Care Service should be able to provide and/or secure the provision of training and development for the social care workforce?

- ☐ Yes
- ☐ No

Yes.

7d. Personal Assistants

Q94. Do you agree that all personal assistants should be required to register centrally moving forward?

- ☐ Yes
- ☐ No

Please say why.

Yes.

Yes, in principle, however further work is required on this. We cover this in our response to the earlier question on regulating further groups of workers at Q86.

Q95. What types of additional support might be helpful to personal assistants and people considering employing personal assistants? (Please tick all that apply)

- ☐ National minimum employment standards for the personal assistant employer
- ☐ Promotion of the profession of social care personal assistants
- ☐ Regional Networks of banks matching personal assistants and available work.
- ☐ Career progression pathway for personal assistants
- ☐ Recognition of the personal assistant profession as part of the social care workforce and for their voice to be part of any eventual national forum to advise the National Care Service on workforce priorities
- ☐ A free national self-directed support advice helpline
- ☐ The provision of resilient payroll services to support the personal assistant's employer as part of their Self-directed Support Option 1 package

Other (please explain).
<p>Select</p> <ul style="list-style-type: none"> - National min employment standards - Promotion of the profession - Career progression pathway - Recognition of the profession as part of the workforce. <p>Comment: All these factors are important as well as recognising that there are already significant numbers of PAs who are already working.</p>
<p>Q96. Should personal assistants be able to access a range of training and development opportunities of which a minimum level would be mandatory?</p> <ul style="list-style-type: none"> <input type="radio"/> Yes <input type="radio"/> No
Yes.