ANNUAL REPORT AND ACCOUNTS

SCOTTISH SOCIAL SERVICES COUNCIL
1 APRIL 2009 – 31 MARCH 2010

Scottish
Social Services
Council

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The Accountable Officer authorised these financial statements for issue on 19 October 2010.

CONVENER'S FOREWORD

In deciding the priorities for Scotland's future, high quality social care is a must – not an option. This work, life changing work, is carried out every day in people's homes, at nurseries, community centres, residential homes and throughout communities by nearly 200,000 social service workers.

And this year has seen significant developments that take us closer to achieving our vision of a competent, confident and valued workforce. As the Convener of the Scottish Social Services Council (SSSC), I am committed to driving up the quality of care that the people of Scotland receive from our social services. That cannot be done without high quality workforce development and planning as well as individual workers achieving high standards of practice.

This annual report provides a picture of how our work is beginning to make a difference to people in Scotland. Registration will mean that people who use services can rely on a trained and trusted workforce. The new entrants into the profession will know of the high standards expected of them. We are now able to take action against the small minority of workers who are not suitable to care for our elderly, our children and the some of the most vulnerable people in our society. We will continue to provide leadership in areas of workforce planning and development providing employers with the tools they need to ensure we are ready to meet the future care demands.

The beginning of this financial year marked a steep change in the registration of the workforce. Scottish Government introduced required registration for three major groups of social service workers. We were supported in this work by employers and we also worked closely with the Care Commission. We look to build upon this work with the new regulatory body Social Care and Social Work Improvement Scotland.

New and exciting technology is helping us to be more efficient and more innovative. Our registration processes are being speeded up with the development of online systems and this will continue to expand. But it is in the area of learning and development that we are leading the way. We have developed learning programmes that can be used with play stations and hand held games systems. These are early days but when the Council members and I were shown these in operation we knew that we were really looking at the future of learning.

The Workforce Solutions Portal is now available providing interactive learning and career development packages on line. The feedback from employers and workers is that these are exactly what they are looking for to keep their knowledge and learning up-to-date and engage with staff at all levels in the workforce.

This is not technology for technology's sake but to help us meet our objectives in an innovative way at the same time as being cost effective.

The SSSC in partnership with four Scottish Social Services Learning Networks are taking on a new role in taking forward the Leadership and Management work begun through the Changing Lives Programme. We know that the social service workforce will look very different in the coming years as the sector develops and changes to recognise changing demographics, changing public expectations and a very different financial climate. Excellent leadership is essential to meeting those challenges and the SSSC will be at the forefront of that agenda.

In this severe economic climate it is imperative that the development of the social service workforce remains a priority if we are to have the skilled workforce that is needed to provide the care services for the future.

I am clear that demonstrating and measuring our impact is essential and that will be a priority for the SSSC in our tenth anniversary year. We know that our work is making a difference in improving the quality of care and increasing public safety, but that is not enough. We must demonstrate to the people of Scotland that we can meet our objectives in a way that is accountable and transparent.

The Council members and I welcome the opportunity to engage with our stakeholders and I would urge you to get in touch with me directly with any comments, feedback or an invite to visit.

Garry Coutts
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MANAGEMENT COMMENTARY

ABOUT THE SCOTTISH SOCIAL SERVICES COUNCIL

The SSSC was established in October 2001 by the Regulation of Care (Scotland) Act. We are responsible for registering people who work in social services and regulating their education and training.
Our work will increase the protection of people who use services by ensuring that the workforce is properly trained, appropriately qualified and effectively regulated.

The SSSC's vision is a competent, confident and valued social service workforce
Our aims:

- to protect people who use services
- to raise standards of practice
- to strengthen and support the professionalism of the workforce
- to improve the outcomes and experience of people who use social services.

To achieve our objectives we have a number of responsibilities:

- to set up registers of key groups of social service staff
- to publish Codes of Practice for all social service workers and their employers
- to regulate the training and education of the workforce
- to promote education and training
- to undertake the function of the sector skills council: Skills for Care and Development, this includes workforce planning and development.

We will achieve this by:

- putting people who use services and carers at the heart of everything we do
- raising awareness of the work carried out by the social service workforce
- promoting the importance of education, training and workforce development and wider initiatives in the sector
- regulating and registering the social service sector
- being open, accessible and responsive
- working in partnership with our stakeholders.

The difference we want to make

We will ensure that:

People who use services are:

- confident in the skills of the people providing those services
- understand the standards that social service workers must meet.

Social service workers are:

- confident in their skills and training
- have the opportunity to enhance their skills throughout their career
- proud to be part of a registered profession.

Employers will:

- have information to help them plan for the future needs of people who use services and carers
- be confident in the skills of their workforce
- have a workforce with the right skills and the right training to meet the demands of today and tomorrow.

HOW THE SSSC CONTRIBUTES TO A SUCCESSFUL SCOTLAND

The SSSC roles of protecting people who use services, workforce planning and development and promoting the value of social service work enable us to make a significant contribution to delivering the Scottish Government's strategic objectives to create a wealthier and fairer, healthier, smarter, safer and stronger and a greener Scotland.

We will continue to work with our partners to ensure that we have a safe and skilled workforce that supports and protects people who use social services. The SSSC will contribute to a successful Scotland through our work which includes:

- promoting high quality social services through the Codes of Practice, the regulation of the workforce, high quality training and education and a culture of continuous learning
- registering and regulating the workforce to ensure that the public is confident in the knowledge, skills and values of the people providing social services
- enhancing the status of the sector so the brightest and the best will be attracted to a career in social work, social care and child care
- ensuring the education and training for social workers is relevant, rigorous and builds on the experience and expertise of the existing workforce, people who use services and carers and themes emerging from our conduct work
- providing employers with robust and reliable labour market information which helps them to understand the profile of the current workforce, identify gaps and trends, and forecasts the type of workforce they will need in years to come
- working with employers, education and training providers to plan for and develop the future workforce
- ensuring effective systems are in place to deliver the priorities set out in this corporate plan by managing our finances to meet our statutory and policy commitments.

The outcomes that will show we have achieved our aims and contribute to the Scottish Government's strategic objectives are:

1. The social service workforce is made up of the right people with the right skills to provide services that provide improved outcomes on a sustained basis as determined by people who use services.
2. People who use social services are respected and protected and receive high quality services from safe and competent workers.
3. Education and training providers deliver qualifications and learning opportunities that meet the needs of employers, learners, people who use services and carers.
4. The SSSC Codes of Practice for Social Service Workers and Employers ensure that workers, employers, people who use services and carers are clear about the standards that social service workers and their employers must meet.
5. The SSSC provides leadership and leads through example.

THE STRATEGIC CONTEXT

The work of the SSSC is influenced and informed by a number of factors. These include:

- our responsibilities as set out in the Regulation of Care (Scotland) Act 2001 and other relevant legislation, for example the Protection of Vulnerable Groups (Scotland) Act 2007
- our commitment to ensuring that people who use social services and carers receive services of the highest quality from a trained and trusted workforce
- the priorities and policies of the Scottish Government and the need to align our work to the national outcomes
- the views of our stakeholders
- the redesign of care services to meet future demand and the demographic changes of an ageing population
- an expectation from people who use social services and carers of flexibility and choice in the delivery and the personalisation of those services
- more complex health and social care needs created by more people living longer and the impact of drugs, unemployment and alcohol in our communities
- the knowledge we are building about the social service workforce and the need to work closely with the wider public sector such as health and education services in the design of qualifications and learning and the provision of services
- the commitment of the social services workforce to be recognised as a high status profession, which is an attractive career option and valued by the public
- the current financial climate and the need for public bodies to achieve efficiencies
- best value and the drive for continuous improvement.

WORKING TO ACHIEVE THE SCOTTISH GOVERNMENT NATIONAL OUTCOMES

The SSSC contributes to meeting all of the Scottish Government's national outcomes but particularly:

- we realise our full economic potential with more and better employment opportunities for our people
- we are better educated, more skilled and more successful, renowned for our research and innovation
- our children have the best start in life and are ready to succeed
- we live longer healthier lives
- we have improved the life chances for children, young people and families at risk
- we reduce the local and global environmental impact of our consumption and production
- our public services are high quality, continually improving, efficient and responsive to local people's needs.

This annual report provides information on achieving our outcomes and how we have contributed to a more successful Scotland.

OVERVIEW OF THE YEAR

- Registered 12657 first time registrants, bringing the total number of registrants to 35637.
- Worked with 'Looked after' children and young people to increase their understanding of what the SSSC Codes of Practice mean to them and how they can be used.
- Developed the Workforce Solutions Portal providing a range of tools and resources to help plan and deliver workforce development.
- 112 organisations were supported to use the Continuous Learning Framework (CLF) in their workplace.
- A threefold increase in the number of apprenticeships in health and social care.
- Marked the success of the Childhood Practice Awards with an event at the Scottish Parliament.
- The work carried out by the SSSC on the Scottish Credit Qualifications Framework was rolled out across Scotland for all sectors.
- Relicensed as the Sector Skills Council for the social services sector.
- Maintained our Investors in People Award and started work to achieve the silver and then gold standard.
- Continued to involve people who use services and carers in the quality assurance process of the social work degree programmes.
- Ensured that our registration processes could cope with increased applications as the dates for required registration came into force.
- Part of a new project to develop the NHS and social care workforce has been set up with resources from the Scottish Funding Council (SFC). The task is to develop and deliver flexible, transferable learning packages to the NHS and staff involved in the delivery of care within social care and early years across Scotland.
- Launched SSSCtv on You Tube, which includes videos about how to complete the registration application form and clips from the Care Accolades.

OUR PERFORMANCE IN 2009 – 2010

The SSSC publishes an annual Corporate Plan, which covers a rolling three year period. This section outlines our performance against the strategic outcomes and the performance indicators.

Overview of our performance

The corporate plan for 2009/2010 sets out 33 performance measures, which we used to evaluate our success in achieving our five outcomes. In this period, one of our priorities was to establish baselines to measure continuous improvement.

Outcome 1:
The social service workforce is made up of the right people with the right skills to provide services which will improve outcomes as determined by people who use services.

There were nine performance measures which were a mixture of increasing activity and establishing baselines. Of the nine we still need evidence to show that we have increased the number of employers in registered services who have a copy of the National Occupational Standard Navigator and use it for employee development.

Outcome 2:
People who use social services are protected and receive effective services from safe and competent workers.

There were seven performance measures. Six were achieved. The target to increase by 10% of newly qualified social workers whose PRTL record of achievement is assessed as satisfactory on first submission was not met. The percentage went down. Closer analysis is to be carried out to identify specific issues which we can then take action to address.

Outcome 3:
Education and training providers deliver qualifications that meet the needs of employers, people who use services and carers.

There were nine performance measures and all were achieved.

Outcome 4:
The Codes of Practice ensure that social services workers, their employers, people who use services and carers are clear about the standards that social service workers and employers must meet.

There were three performance measures and all were achieved.

Outcome 5:
The SSSC is an organisation that provides leadership and leads by example.

There were eight performance measures and all were achieved.

Outcome 1:
The social service workforce is made up of the right people with the right skills to provide services, which will improve outcomes as determined by people who use these services.

Our work: Provide robust and trusted labour market information on the social service workforce to help employers plan for the future.

PI: Evidence that employers use the labour market information to plan their future workforce.

Our performance
The SSSC is now using data from the Care Commission to help predict qualifications and training needs. This data has highlighted particular issues around service needs and service provision, for example, older people's services. We also have a clear demand from employers about the skills needs for the workforce, with an emphasis on the 'softer skills'. We are working with employers to ensure that we provide the type of data they need for workforce planning.

To this end, we will be able to provide the data that employers find most useful. In addition, statistics from required registration is providing robust and reliable data, which has already shown us that the social service workforce is much bigger than was originally estimated. When the SSSC was first established it was estimated that the size of the workforce was 139,000 it is now more accurately calculated at 198,000. Some of this growth can be accounted for by an increase in the workforce but a significant amount is because of more accurate data gathering by the SSSC.

Our work: Work with stakeholders to increase representation of under represented groups in social work education.

PI: Increase in the number of under-represented groups in social work education.

Our performance
Profile of admissions to Social Work Degree Programmes in 2008/09 reporting year
(figures in blue represent year: 2007/08)

- Total number of admissions: 647 students (721)
- Gender profile of admissions:
  - there was a percentage drop in the number of male students from:
    19% of intake in 2007/08 (137 students) **to**
    17% of intake in 2008/09 (110 students)

Since the social work degree started in 2004, the number of men admitted to courses has increased slightly overall.

Table 1: Age profile of students					
Total No. of students		16-24	25-34	35-44	45+
2007/08	721	37%	31%	23%	9%
		267	223	166	65
2008/09	647	41%	37%	17%	5%
		265	240	110	32

Table 2: Ethnicity profile of students					
Year	Asian or Asian British	Black or Black British	Chinese or Chinese British	Mixed	White
2007/08	1%	4%	0%	0%	95%
2008/09	1%	4%	0.2%	0.6%	94.2%

Table 3: Disability profile of students percentage split, by disability, of students admitted onto SW degree programmes									
Year	Blind/ partial sight	Deaf/ partial hearing	Dyslexia/ other learning disability	Mental health	Mobility/ Wheel-chair user	Multiple dis-abilities	Need for personal care	Unseen disability	Other
2007/08	3%	3%	44%	10%	3%	6%	0%	3%	28%
2008/09	0%	2.8%	52.8%	19.4%	0%	5.6%	0%	5.6%	13.8%

If the number of male social workers is to be increased to be representative of the Scottish population, more men need to be attracted into social work education in the future. This is something that universities are aware of and have been working on, as part of the widening participation initiative undertaken by SSSC in partnership with Social Work degree programmes and stakeholders.

The most significant trends in the age profile of those entering social work degree courses are the increased representation of younger people (16-24 year age band) with commensurate decreases in the representation of those in the 35-44 year age band and of those aged 45 years and over. This may be because the age barrier that used to apply for entry to social work courses no longer applies and that school leavers are more aware of this now. It also indicates that social work is increasingly a positive career choice for younger people reinforced by universities marketing their courses more directly to younger people.

A large percentage of the current social services workforce is aged 45 and over and this has implications for workforce and succession planning as workers near retirement age. The increased representation of the younger age groups entering social work education may help to counterbalance the current older age profile of the social services workforce.

The ethnicity profile for admissions to the social work degree programmes, shows that almost 6% of students admitted onto social work degree courses have a black or minority ethnic (BME) background and this figure has remained relatively consistent since the degree was introduced in 2004.

The 2001 Scottish Census highlighted that 3.5% of the Scottish population comes from a "non-white and any other white background". It could be stated that, as almost 6% of students admitted to social work degree courses are from a black or minority ethnic background, this group is adequately represented within social work education. However, further analysis of the figures is required to find out if the group is represented sufficiently on a geographical basis, across all programmes, across all cohorts, and to find out the number of international students admitted onto courses.

As with other aspects of the profile for admissions to the social work degree programmes, ethnicity is an integral strand of the widening participation initiative being undertaken by SSSC in partnership with social work degree programmes and stakeholders.

As disclosure of disability is optional, it is difficult to put a precise figure on the number of disabled students admitted to social work degree courses. The above figures show that 7% of students entering courses in 2008/09 disclosed that they had a disability. This figure represents an increase from 4% in 2007/08 and 6% in 2006/07. This compares with the Scottish Government statistic that, in 2008, just under 2% of all Scottish local authority social work staff are declared as having a disability, although, 22.3% of all staff had a not known/not disclosed disability status.

We know from our monitoring of social work degree courses that disability is not always disclosed at the application and admission stages, and can sometimes be disclosed, although not always, at a later stage in the degree programme. Our quality assurance activity shows that universities are actively working to encourage students to disclose disabilities that might have an effect on their studies, so that appropriate support can be provided by the services that the programmes have in place.

As indicated above, in relation to the gender, age, ethnicity and disability profiles of those entering the social work degree programmes, the widening of participation of under-represented groups in the social work degree is a strand of SSSC's equalities work which, in partnership with degree programmes and stakeholders, is currently in progress.

The figures above demonstrate that we must work harder to ensure an increase in underrepresented groups. We continue to hold events to address these issues.

During this period, the SSSC co-hosted an event with other stakeholders 'Widening participation in social work education: taking stock and looking forward'. It reflected on a view from 'Changing Lives' which states that the workforce should reflect the diversity of the population and social workers should come from all sections of the community. It provided participants with an opportunity to share good practice in widening participation and discuss work undertaken in this area. It also provided an opportunity for SSSC advisers to share equality data collated via the annual monitoring process and for participants to consider ways of developing and making improved use of the statistical information that is collated, to influence widening participation practice. Many of the issues raised are also being taken forward under the widening participation enhancement theme that was agreed by social work degree stakeholders after the social work degree Engagement and Enhancement event in October 2009 – the enhancement theme that will focus on 'Widening participation in social work education and ensuring that all social work students are supported effectively'.

Our work: Promote social services as a rewarding career.

PI: Increase in the number of people who request information about a career in social services.

Our performance

Our communications team deal with enquiries about careers in social services. The table below outlines the enquiries we received.

Table 4

	09/10	08/09	Difference
Telephone calls	183	171	+12
Written	4	3	+1
Email	240	165	+75
Source not specified	11	89	–78

Between 7 January and 31 March 2010, we gathered the following statistics from the website.

Career pack downloads	1,878
Visits to the Career tab on sssc.uk.com	17,320
Total number of times pages in the Career section were viewed	78,271

The new functionality of the website will allow us to collect more information and will ensure year on year comparisons.

The figures demonstrate there is still interest in working in social services. However, the SSSC needs to track the journey of people who show an interest in social work. In the coming years we will develop this work.

We have also taken part in a number of careers fairs to encourage people to think about a career in social services.

PI: Increase the number of people undertaking courses and SVQs in social work, social care and child care courses.

Our performance

This period has seen a threefold increase in the number of Modern Apprenticeships in Health and Social Care. Those undertaking modern apprenticeships gain an SVQ level 3. The SSSC was also able to maintain apprenticeships for those aged over 25, by using our workforce information data to demonstrate the needs and profile of our workforce.

The Childhood Practice Awards have been very popular with over 600 people enrolling on the courses since 2008 when it was first delivered. In April, we held an event at the Scottish Parliament to launch a film we produced highlighting the difference the award was making. Christina McKelvie MSP hosted the event and we were pleased that so many child care providers and workers attended.

Our work: Carry out our responsibilities as the Sectors Skills Council, Skills for Care and Development (SfC&D) to ensure workforce development responsibilities are met.

PI: The use of the workforce planning tools particularly in small and medium sized enterprises.

PI: The use of workforce planning tools and workforce information on the SSSC website.

Our performance

The Workforce Solutions Portal went live in March 2009. At our annual conference in February, delegates were given a preview and there was a lot of interest and positive feedback. The SSSC is leading the way in developing exciting new learning tools in particular the use of gaming systems to create an exciting new learning environment and method.

Our work: Enhance the skills and knowledge of the workforce through learning opportunities and/or qualifications.

PI: Increase the number of employers in registered services who have a copy of the National Occupational Standards (NOS) navigator and use it for employee development.

Our performance

We sent out 5000 CD copies of the NOS navigator in 2008/09 and received very positive feedback from employers. In response to feedback from employers and in line with our policy to provide on-line resources this year we developed the Workforce Solutions Portal. Built into the portal are mechanisms for feedback and analysis of its use.

Now we have that in place we will establish a baseline for the use of the navigator through a survey of employers.

PI: Increase the number of day care of children managers who hold the Childhood Practice Award.

Our performance

Last year there were 20 graduates from the CPA, this year the number of graduates is 90 and there are currently 870 on the course. The CPA has received positive feedback from both at home and abroad. The SSSC is now increasing awareness of Recognition of Prior Learning to ensure entrants can build upon previous experience and knowledge.

Our work: Use the Scottish Credit and Qualifications Framework (SCQF) and Continuous Learning Framework (CLF) to develop the workforce and value prior learning experience.

PI: Level of awareness among employers and social service workers of the Continuous Learning Framework and the Scottish Credit and Qualifications Framework (SCQF).

Our performance

The Scottish Credit and Qualifications Framework (SCQF) is now used in every area in relation to qualifications and awards and is an integral and well understood part of the development of qualifications and learning.

For example, the SCQF was used to develop the Childhood Practice Award. We have used SCQF levels to clearly identify a particular award for the sector and thereby highlighting the level of knowledge and practice required. In addition, the awarding bodies have to have in place systems for RPL and credit transfer. The different awarding bodies have a tariff for the amount of credit they will give from a variety of other awards.

The newly developed Workforce Solutions Portal has a section which contains details of SSSC work to implement the SCQF. It also contains digital versions of the RPL Evidence Gathering and Profiling materials along with worked examples and some e-learning activities to help individuals prepare for making an RPL claim.

The quality of the work by the SSSC has been recognised as the SSSC's Recognition of Prior Learning materials and guidance have been developed by the SCQF partnership for generic use and is being disseminated nationally.

The Continuous Learning Framework (CLF) was launched by the Minister for Children and Early Years in December 2008. It aims to improve outcomes for people who use social services by supporting the workforce to be the best they can be. The CLF is for all employers and everyone working in social services in Scotland and sets out what social service workers need to be able to do their jobs well, now, and in the future and what their employers need to do to support them.

Since the launch of the CLF, a small project team at the SSSC has worked with the Learning Networks and other key partners to embed the framework across the social services sector. During the first year of the project, a total of 112 organisations have received support from the project team to use the CLF in practice in their own organisation: 36% of these organisations are from the public sector, 28% from the private sector and 36% from the voluntary sector.

The SSSC has recently undertaken the first annual survey of social service employers on the take up and use of the CLF. Almost three quarters (74%) of respondents to the survey had heard of the CLF. Of these over a fifth (22%) reported that they were actually using it, and a further 71% reported that they intend to use it in the future.

To support use of the framework across the sector the SSSC launched a CLF website (www.continuouslearningframework.com) which includes tools to support the use in practice and a range of examples of how it is currently being used.

Support groups are available in each of the four Learning Network areas for those who are using the CLF and an evaluation of the impact of the framework, which will look in detail at eight case study organisations over the next two years, is underway.

Outcome 2:
People who use services are protected and receive effective services from safe and competent workers.

Our work: Ensure that only workers of good character, conduct and competence are allowed to enter and remain on the Register and have access to children and adults who are vulnerable through working in social services.

Assess applications to ensure that applicants have the competence, good character and conduct required for registration and, where necessary, take actions in accordance with SSSC Registration Rules to grant registration subject conditions or refuse registrants.

Investigate complaints against registered workers and take appropriate action in accordance with the SSSC Conduct Rules where there is evidence that the registrant has committed misconduct.

PI: Produce an annual report on the work undertaken and the decisions reached in determining initial and continued suitability for registration.

Our performance

On 31 March 2010 there were 35,637 workers on the SSSC Register. The SSSC considers initial and continued suitability for registration and following initial screening the suitability of only a small minority of applicants for registration 540 (4%) and registered workers 529 (1.5%) required further investigation.

We are committed to dealing fairly and robustly with that small number of workers whose conduct falls below the expected standards in order to protect the public, in particular service users and carers, and to uphold the good reputation of social service workers in Scotland.

Good quality social services are achieved through promoting and strengthening the skills and professionalism of people who work in the sector and effective regulation is an essential element in ensuring that people who use services are protected and receive a high standard of care. That is why social service workers are required to register with the SSSC, meeting specific qualification criteria and behaving in a professional manner.

This year, we have revised our approach to conduct cases to ensure we handle such matters in a targeted, risk-focused, efficient and proportionate manner. We focus on the most serious cases and take urgent action where it is necessary.

In the reporting period the SSSC considered 529 new cases about registered workers. This was an increase from 224 the previous year but reflects the increased numbers on the Register. With the agreement of registrants five conditions and one warning were placed on registrants' registration by officers without the need to progress to a Conduct Sub-committee. During the year there were 18 findings of misconduct by the Conduct Sub-committee; eight removed from the Register, four suspended and two warnings.

A more detailed breakdown and analysis of the conduct cases is provided in the Annual Report on the Initial and Continued suitability of registrants.

Our work: Process applications for registration so that workers can achieve registration before commencement of required registration for the relevant part of the Register.

PI: All residential child care workers who submit satisfactory applications by the submission date of 30 March 2009 will achieve registration by 30 September 2009.

Please note: new into workforce only refers to workers from April 2010.

Our performance

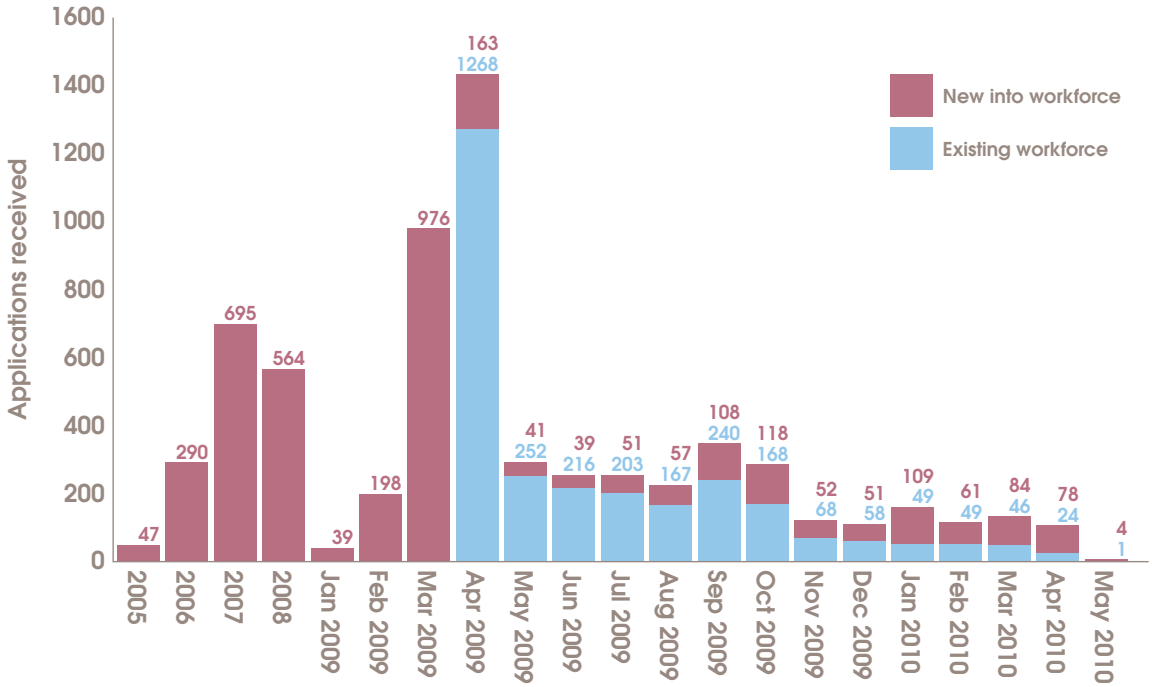
Registration of residential child care workers commenced in 2005 and in 2009 the Scottish Government announced that the required registration of these workers would commence on 30 September 2009.

The SSSC must assure itself of the suitability of the applicants for registration and allow time for processes to be completed. The SSSC with the agreement of Scottish Government asked for applications to be submitted by 31 March 2009 to allow sufficient time to process them before 30 September 2009.

As the graph shows the majority of workers waited until the announcement of required registration to apply. Up until the end of December 2008, 2572 workers applied from January 2009 to March 2010, 3945 workers applied, 3021 existing workers and 924 workers new to the workforce.

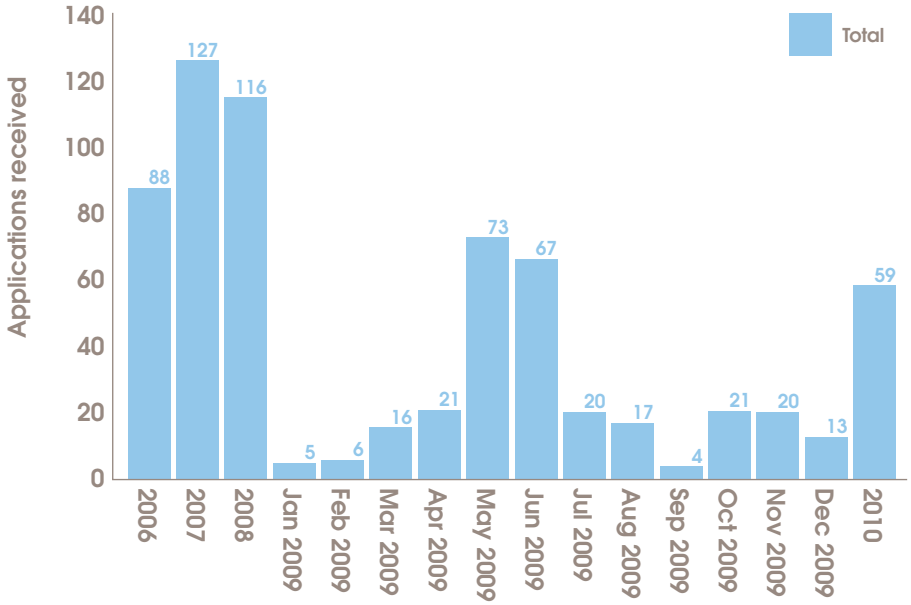
Despite these volumes we managed to register all workers who submitted correct applications by the submission date and the majority of the workers who submitted their applications after 31 March were registered by the required registration date: 30 September 2009.

Graph 1: Applications – residential child care workers

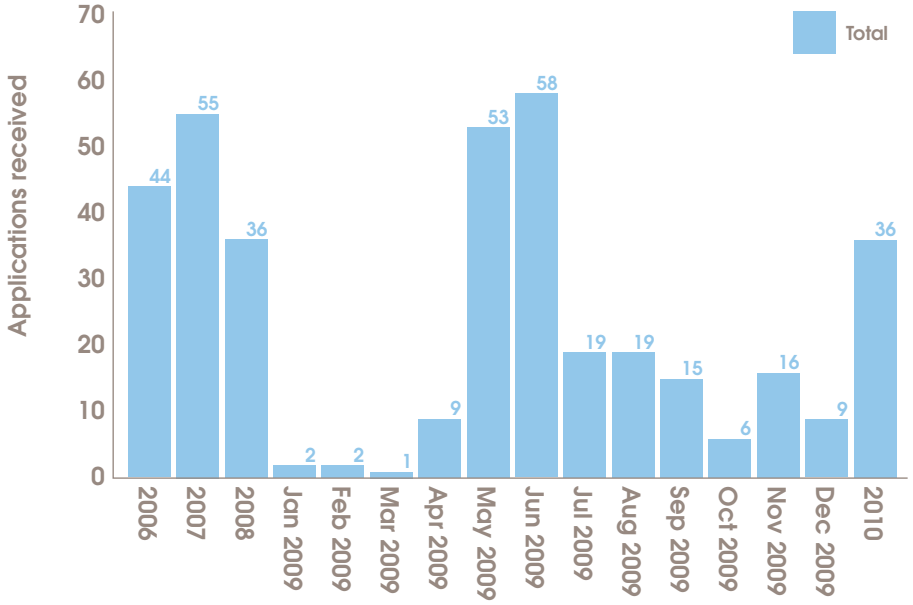


PI: All managers of adult care homes and adult day care who submit satisfactory applications by the submission date 30 May 2009 will achieve registration by 30 November 2009.

Graph 2: Managers of a Care Home Service For Adults



Graph 3: Managers of an Adult Day Care Service



Graphs 2 and 3 show similar challenges were faced in relation to the introduction of registration of managers of adult residential care and adult day care services. Registration of these groups of workers commenced on January 2006 and required registration came into effect on 30 November 2009. The SSSC submission date for applications was 30 May 2009. However, the most important thing is that required registration has been effective. The key social service workers have now been registered and this means that the children and adults they work with can be confident that their worker is registered and they hold or will achieve a qualification. This will help ensure that they are confident and competent to carry out the important and complex tasks expected of them.

Our work: Through registration of the workforce increase the percentage of the workforce that holds a relevant qualification for their post.

PI: Percentage of workers registered with a condition that gain a qualification in the required timescales.

Our performance

At 31 March 2010, 25% of registrants (8958) were registered with a condition that they gain a relevant qualification usually within a three year period. We will track progress in registrants meeting their qualification condition.

Our work: Support and promote the development of the Practice Learning Qualifications (Social Services).

PI: Increase the number of people who have completed the practice learning qualifications.

Our performance

In 2008/09, 164 candidates were admitted onto PLQ(SS) courses compared to 70 in 2007/08. Of these 87 candidates gained the PLQ(SS) in 2008/09 – it is a rolling programme which runs several times a year. In the first year of approval 22 candidates gained the award.

Our work: Support the development of newly qualified social workers.

PI: Increase by 10% newly qualified social workers whose PRTL record of achievement is assessed as satisfactory on first submission.

Our performance

This target was not met and there was a reduction in the number of newly qualified social workers whose record of achievement was assessed as satisfactory first time. The percentage fell from 55% to 52%. This is a significant concern especially as we have worked with newly qualified social workers to improve this process. We will carry out closer analysis of why newly qualified social workers are not getting this right first time so we can focus on the specific issues and increase the percentage of satisfactory first submissions. However, early results from the first quarter of 2010/2011 suggest an improvement.

Positive feedback received from one local authority indicated the PRTL information sessions run by SSSC advisers have proved to really useful to NQSWs and their understanding of PRTL.

Outcome 3:
Education and training providers deliver qualifications that meet the needs of employers, people who use services and carers.

Our work: Identify themes in relation to the Codes of Practice coming to the attention of the SSSC to inform future training and give feedback to Higher Education Institutions (HEiS) and awarding bodies.

PI: Evidence from our approval and enhancement process that action has been taken.

PI: Collect evidence to demonstrate that HEIs are promoting personal and professional accountability.

Our performance
Themes in relation to the Codes of Practice (the Codes) particularly come to the attention of SSSC through the work of the Conduct section. Consequently, themes relating to the Codes, that are highlighted by the Conduct section, will inform the SSSC's ongoing engagement with the HEIs and the quality assurance/enhancement role that is undertaken by SSSC in relation to the SW Degree courses provided by the HEIs.

The Engagement and Enhancement event, held by the SSSC in October 2009, enabled identification of, and agreement on, specific enhancement themes for the design and delivery of the SW Degree nationally. The themes, all of which directly or indirectly relate to the Codes, include: "Further development of the social work degree curriculum to enhance understanding of professionalism, risk management, report writing, personalisation, service-specific learning and social justice". Conduct cases processed by the SSSC to date have related to a wide range of practice issues, including those integrated in the above enhancement theme:

- **professionalism**
- **risk management**
- **report writing**
- **personalisation**
- **service-specific learning**
- **social justice.**

In furthering these enhancement themes with HEIs, SSSC will be addressing associated element of the Codes.

Our work: Involve people who use services in the development of standards and qualifications to ensure the workforce can meet the changing needs of individuals they support.

PI: Evidence reported each year in the quality assurance annual report of how people who use services have informed the development of qualifications.

Our performance

The involvement of service users and carers in design, delivery and evaluation of SSSC-approved programmes is required of all course providers. Partnership with people who use services and carers is a key feature of the Standards in Social Work Education (SiSWE).

The Annual Quality Assurance Report on the social work degree conveys how service users have been involved in the design, delivery and evaluation of the degree. The involvement of service users and carers does not sit in isolation from other stakeholders in the degree. Rather HEIs' initiatives ensure that there is participation in the stakeholder groups that contribute to ongoing course developments, management and delivery – while ensuring that there are needs-led measures in place to support inclusion.

As required by the SSSC, all social work degree courses have demonstrated active engagement with service users and carers, involving them as contributors to the design, delivery and evaluation of professional social work education. Service user and carer participation is realised in various ways within programmes, including:

- involvement in selection processes and in course management (in one HEI, someone using services chairs the programme committee where monitoring and review take place)
- people who use services and carers are members of programme stakeholder groups that contribute to design, delivery and evaluation
- people who use services act as facilitators in modules and participate in delivery of teaching, for example by young people with experience of care
- contributing to assessment of students in practice learning: practice teachers, students and link supervisors are all expected to seek feedback from service users in whichever ways are acceptable and appropriate
- involvement in the preparation of students for practice learning and in the University recall days during PLOs
- involvement in a range of evaluative research projects associated with programme, for example a national research project on engaging with involuntary service users
- people who use services and carers participated in the renewal of approval events for the SW degree programmes.

PI: Feedback from people who use services on their view of the process.

Our performance

Comments from service users:

"I think it's good that young people get a say (to social work students) as it might be young people or in residential care they end up working. Having young people involved and helping the students learn is good as it gives them an insight into what they are really going to be doing. It seems fair to get a payment as we are sharing our experiences and putting them to good use."

"I enjoyed working with the students and helping them learn about what is important to me. It was also good to feel valued by getting paid. We are experts about our lives so we should get **paid** like other experts."

"I love working with social work students to help give them an insight into people who use services and their needs. I want them to understand that they should believe in people as you need to have somebody on your side to show you that you are not on your own. For a long time, people have felt as if they are on their own with no support. They (students) should hear the story behind the picture and try to understand people… understand people's lives and how it has been for them. The enjoyable part of working with students is to give them a bit of an insight into this and to help them see that there are such diverse needs. Working with students has been a good experience and my views are respected and valued."

Our work: Promote the use of the online registration system.

PI: Establish a baseline and measure the increase in the number of registrants using the online registration system.

Our performance

A baseline has now been established to measure the increase in the number of people using the online registration. This is an important piece of work as it will enable us to reduce the cost of registering workers and will also speed up the process. We have developed a modelling system that helps us pinpoint where costs can be reduced and the exact cost of each part of the process.

Our work: Undertake our responsibilities to quality assure the social work degree.

PI: Demonstrate through the quality assurance process the effectiveness of the degree against published objectives.

Our performance

SSSC's quality assurance process for the SW Degree requires all approved providers to complete an Annual Monitoring Return (AMR), submit External Examiner reports and internal quality assurance reports. These returns have provided statistical information and self-evaluations of performance and progress. In providing written feedback to the HEIs the SSSC has drawn on evidence from the robust and intensive processes of the SSSC renewals of approval, the information contained in the AMRs, External Examiner reports and internal quality assurance reports, and the information gathered by Education and Workforce Development Advisers in their contact with HEIs. The evidence demonstrates that the SW Degree programmes have continued to progress well, have now produced the second cohort of graduates of the four-year Honours Degree and have continued to meet the SSSC Rules and Requirements for Social Work Training.

Our work: Effectively disburse the fees and grants for practice learning and postgraduate bursaries.

PI: Percentage of students who receive a bursary in 2005/2006 and are registered as working as a social service worker 2009/10.

Our performance

At May 2010, 85% of people who received a postgraduate bursary were registered with the SSSC.

Outcome 4:
The Codes of Practice ensure that social service workers, their employers, people who use services and carers are clear about the standards that social service workers and employers must meet.

Our work: Promote and raise awareness of the Codes of Practice.

PI: Percentage of people who use social services and carers who are aware of the codes of practice.

Our Performance

Residential Child Care

We worked with young people and workers from Who Cares? Scotland to develop awareness of the Codes of Practice for Social Service Workers among children and young people in looked after services. This included:

- Setting up a working group with young people in Dundee to develop the film which will be used by Who Cares? Scotland Young People Workers to help young people understand what the Codes mean for them and the standards that their workers need to work to.
- Developing resources for Young People Workers to use with the young people to encourage discussion and understanding about the Codes. The workers will hold sessions with young people in a range of looked after settings.
- Sponsoring the magazine Speak Out! Which is distributed to 3500 young people in looked after services across Scotland via Who Cares? Scotland. The magazine included two photo stories, articles on the Codes of Practice and interviews with Carole Wilkinson, Anna Fowlie and Nicola Gilray.
- Evaluation will take place at the end of the summer via Who Cares? Scotland.

General awareness raising

According to our 2007 survey, the general public and people who use services and carers had low awareness of the SSSC Code of Practice for Social Service Workers.

- In 2009/10 each media statement with a quote from the CEO provided on the outcome of conduct hearings includes a reference to the Codes of Practice. To date the majority of press coverage of conduct outcomes has included the quotes.
- From March, every registered service in Scotland was sent posters to put up in the service. These are designed to raise awareness of the SSSC Codes of Practice among people who use services. Each service received credit card sized leaflets with information for people who use services and cares on the Codes and what they should do if they have concerns about the conduct of a worker.
- Posters have also been sent out to every social work office and every health centre/GP surgery in Scotland.
- Feedback received to date has been very positive with a reprint of the credit card leaflets required to meet demand and to reach more services. An evaluation will ensure that the information provided is relevant and meets the needs of people who use services.

Social service workers

While feedback and our 2007 survey showed that awareness of the SSSC Codes of Practice is very high at 92% among workers, it also highlighted that not all workers were aware that the Codes are the SSSC Codes as the branding was agreed by the UK care Councils who developed the Codes together.

The booklet for the Codes was redesigned to reflect the updated SSSC branding principles and identity and there is also a mini credit card sized version. This has been sent out to all new registrants and is now included in all application packs.

PI: Percentage of students and learners whose study covered the Codes of Practice and what they mean to individual workers.

Our performance

100% of social worker students cover the Codes of Practice as they are an integral part of the social work degree and part of our quality assurance process. The Codes of Practice are also integrated within the all relevant HNDs and SVQs. We are now looking at how workers link them to their day-to-day work.

Our work: Promote registration as a badge of quality and professionalism.
Increase understanding of registration and the requirements of a registered worker to maintain their registration.

PI: Percentage increase in the number of workers paying their registration fees on time.

Our performance

In 2008/09, 60.5% of workers paid their fees on time this increased to 73% in 2009/10.

Outcome 5:
The SSSC is an organisation that provides leadership and leads by example.

Our work: Implement SSSC equalities scheme.

PI: Report annually on achieving the targets in the equalities scheme.

Our performance
Each year the Equality Scheme Annual Report goes to Council with an overview of work and meeting our targets.

Throughout 2009/2010 the SSSC's equality agenda has continued to make progress. The following achievements are some of the highlights of the work of the organisation's Equalities Working Group in the last year:

In collaboration with the General Teaching Council for Scotland, we have produced a joint guide for both social work and teaching students with disabilities. The Guide focuses on how HEIs can support students throughout all aspects of their education and will be published on the SSSC and GTCS websites.

- The SSSC's newsletter now features a 'Best Practice' column where stakeholders can report and share examples of good and innovative practice happening within the sector.
- A trends report for the social work degree was published for the first time. It reports on data received via the annual monitoring process for the social work degree in the academic year 2007/08 and provides information on equality data. A similar report will now be published for each academic year and equality trends will be highlighted.
- Work is underway to develop a service level agreement with the Care Commission for the provision of equalities work and advice and to identify areas where we can maximise on joint working.
- We have reviewed our current approach to equality impact assessments and, in collaboration with the Care Commission and Dundee City Council, are now developing a new rapid impact assessment tool to simplify the EIA process.
- Work has been carried out to better mainstream equality and diversity awareness training within our corporate induction and a new programme of training is being developed under our SLA with the SCRC to reflect the provisions of the 2010 Equality Act.

The SSSC's Equality Scheme and Action Plan (2009/2010) contain the following Specific Equality Key Performance Indicators:

- Implementation of Equality Impact Assessment Tool and publication of results in our Equalities Scheme Annual Report
- Monitor the number of disabled people applying for and successfully gaining an interview for advertised posts and publish these results in our Equalities Scheme Annual Report
- Monitor the number of those from BME Communities applying to work for the SSSC and publish these results in our Equalities Scheme Annual Report
- Monitor staff participation in equality and diversity training and publish associated feedback in our Equalities Scheme Annual Report
- Carry out an annual audit of the number of requests for flexible working and the number of those requests which were granted. Publish this information in our Equalities Scheme Annual Report.

Our work: Ensure the security of all SSSC data as outlined in the risk register.

PI: Report in the audit annual report the implementation and management of risks as identified in the risk register.

Our performance

Following the Scottish Government's review of information security policies and Data handling arrangements, the SSSC undertook a scoping exercise on the personal data held by the organisation. We also identified information held about categories of 1000 or more identifiable individuals as required by the Scottish Government. A risk assessment was undertaken on the personal data held and the top five risks were identified .These risks are managed as operational risks through the organisation's Operational Management Team. The following strategic risk was added to the SSSC's Risk Register: "That personal data is processed in breach of the Data Protection Act 1998." Management of risks on the Risk Register is managed through the Executive Management Team and regularly reviewed at the Audit Committee, which reports to the Council on adequacy of controls.

Our work: Implement the actions in the environmental action plan.

PI: Report annually on achieving the targets in the environmental action plan. This will include targeted reductions in the SSSC's primary carbon footprint.

Our performance

A target of a 15% reduction in the carbon footprint has been set. This may be difficult to achieve because of the growth of the organisation and even more so because of the starting point of high quality buildings and the extent of low energy provision already installed.

A baseline carbon footprint for energy use has been calculated. This is based on the proportion of the space occupied by SSSC in Compass House and Quadrant House. A baseline figure for travel, particularly flights and rail travel has not yet been calculated although it is likely to be significant and provide opportunities for saving.

SSSC is part of the Riverside Environmental Group including the Care Commission and Office of the Scottish Charity Regulator as the organisations need to work together achieve the targets because of the shared buildings, heating and lighting systems. The main areas under considerations are:

- Travel Plan: the group have carried out travel surveys across all three organisations and are looking to develop a travel plan including incentives for shared transport, improved access to public transport and encouraging cycling and walking. The majority of staff were clear that they preferred to travel by car but there was interest in options such as priority parking for car sharing.
- Carbon reduction: projects under consideration include replacing halogen spotlights, renewing the window seals, improving the heating controls and management and awareness training to ensure that people are behaving in a sustainable way.
- High profile options such as wind generators, roof-mounted photovoltaic cells or heat exchangers in the Tay have been considered but are not cost effective.

Our work: Ensure all staff have the skills to carry out their jobs efficiently and effectively.

PI: Percentage of actions from team work plans that are carried out on time and within budget.

Our performance
96% of actions in the team work plans were completed on time and within budget.

PI: Percentage of staff who successfully improve their performance in line with their performance development review.

Our performance
The improvement of staff performance can be reflected in the achievements in the team work plans. We are further enhancing the Performance Development Review System and by incorporating the behavioural competence framework we will ensure that staff meet their performance objective.

Our work: Have in place external and internal communication that promotes two-way communication.

PI: Results from staff survey.

Our performance
55% of staff responded to the employee survey in 2009 which identified the following:

Overall messages:

Staff are very positive and there are good levels of engagement. This was confirmed in our Investors in People assessment. The area identified that we need to improve is internal communication.

Positive:

- 100% of staff understand the values of the organisation
- 95% of staff agreed with the statement 'I am encouraged to take responsibility for my own personal and professional development.'
- 94% of staff understand how their work fits into the overall aims of the organisation.
- 86% of staff reported as being satisfied with their job.

Negative:

- Only 71% of staff said 'I observe managers applying values at all time.'
- 40% of staff disagreed with the statement 'Information is communicated in an appropriate and timely manner'.
- 45% of staff disagreed with the statement 'the organisation has developed systems to ensure that employees have manageable workloads.'

PI: Findings from external engagement.

Our performance

In 2009 we set up a short life stakeholder engagement group involving staff from each SSSC team. The group carried out an audit of our external stakeholders and current engagement. This work will inform the development of our stakeholder engagement strategy for 2010/11 which will ensure that we work with and involve the right people to achieve our objectives.

Our work: Use our resources in accordance with the best value plan.

Implement best value plan.

PI: Target improvement in the assessment against the nine best value characteristics.

Our performance

A full update report on the SSSC's compliance with the Best Value regime was provided to the Audit Committee in September 2009. This incorporated a revised self -assessment against the best value criteria along with a progress update on implementing the recommendations of the Internal Auditors following their review of Best Value in 2008.

Key improvements made included the introduction of specific linkages between the self-assessment and the Corporate Plan, amendments to the business plan monitoring system (to incorporate Best Value issues) and the prioritisation of two of the nine Best Value characteristics. Work is ongoing regarding reporting and monitoring arrangements and this is being reviewed in light of ongoing developments to the Best Value regime itself.

A RESPONSIVE AND RESPONSIBLE ORGANISATION

Achieving our vision and our outcomes is dependent upon the SSSC being a high performing organisation in all aspects of our work.

To support our work we:

- develop our employees
- value our workforce and ensure equality of opportunity
- ensure that our work with external stakeholders meets our commitment set out in our equality and diversity policy
- communicate and engage with our stakeholders
- meet our legal requirements
- manage our resources effectively and sustainability.

In this period:

- We have developed our Behavioural Competency Framework which sets out the behaviours expected from staff in a key areas. This is linked to the Performance Development Review System.
- Held staff training in knowledge management.
- Involved all staff in developing the corporate plan.
- Carried out best value reviews on the Communications Team and the Legal Team.
- In this period the percentage of working days lost for the year was 2.1% and equates to 4.7 days per employee. This compares favourably with the latest figures from the CIPD, citing public sector average absence levels at 4.3%.
- Employee involvement and internal communications within the SSSC was 'audited' in 2009 by Investors in People (Scotland) as part of our assessment to retain our Bronze level IiP award. A new Internal Communications Strategy for 2009/2010 with clear accountabilities and leadership responsibilities to support the SSSC's Investors in People Action Plan was implemented.
- The SSSC has a productive Partnership Forum with its recognised trade union, Unison through which staff can influence, and contribute to, the development of the organisation and its HR strategy. To support this; staff are also encouraged to input ideas and suggestions through staff planning events, working groups, suggestion boxes etc.
- The SSSC's Equalities Working Group is responsible for progressing the SSSC's equality and diversity agenda and action plan and comprises representatives from across the organisation. An annual Equalities Scheme Report for 2009/2010 was presented at the Council meeting in June 2010 to update members on the development of our equalities work throughout the last year and the action plan for 2010/2011 has been out for consultation within the sector and was approved by Council in June 2010.

FUTURE DEVELOPMENTS IN 2010/2011

- Piloting, evaluating and implementing the Behavioural Competency Framework to develop the SSSC's Performance Development Review System to include a tool to measure behavioural competencies as well as performance objectives and targets.
- Developing a leadership code for the SSSC's EMT and OMT.
- Developing a process of 360 performance management.
- Bringing together the IiP action plan, the current Internal Communications Strategy and our leadership approach in to one Employee Engagement Strategy which will also include a tool to measure employee engagement.
- Implementation of required registration of managers of adult day care, adult residential care and day care services for children and commencement of registration of school care accommodation workers and managers of housing support services and care at home services.
- Build our online presence based on research with our stakeholders. This includes updating the website to make the most of emerging technology that helps us to be accessible and engage much more effectively with stakeholders, streamline some of our information activities and make it easier for them to get the information they need. This also includes making the most of open source and free resources to promote engagement in our work.
- Develop an online and interactive SSSC News to provide stakeholders with up to date news, articles and features and encourage them to engage and share their ideas and best practice.
- A programme of public meetings and research to increase awareness of the Codes of Practice.
- Build on the success of Social Work Changes Lives, our joint campaign with ADSW to raise public and media awareness and understanding of the role social work and social services play in all of our lives.
- Promote Workforce Solutions to employers to make sure that they have access to the best resources to help them with developing, planning and meeting the needs of their workforce.
- Provide robust and trusted labour market information on the social service workforce to help employers plan for the future

  - Produce 2010/2011 Sector Skills Assessment (including analysis of training provision)
  - Analyse and report on workforce via access to Scottish Government census of SW services and Care Commission data

- Leadership Initiative
  - Project manage the leadership work strand within the SSSC
  - Support and facilitate the work of the National Leadership Steering Group and Implementation Group as required
  - Review the 4 Ps model and align it with the Continuous Learning Framework (CLF) and make available to the sector
  - Procure and oversee the delivery of a mapping exercise of current leadership activity in social services and in other sectors

Promote awareness of the CLF at national and local level through a range of events and media articles, CLF website and day to day stakeholder engagement.

- Further develop interactive learning resources.

- Continue to raise awareness of Recognition of Prior Learning.

GOVERNANCE OF THE SCOTTISH SOCIAL SERVICES COUNCIL

The SSSC is accountable to the Scottish Government through the sponsorship branch: Workforce and Capacity Issues Division of the Children and Young People and Social Care Directorate. Our Corporate Plan is agreed with the sponsors and we are accountable to them in the achievement of our objectives.

The Council

The Council is made up of a Convener and 11 members, all of whom are appointed by Scottish Ministers through open competition. The membership reflects a wide range of interests in the field of social care, including service users, carers, those involved in service delivery, professional bodies and those delivering education and training for the social service workforce. The Council members work together to achieve the corporate vision of the Scottish Social Services Council.

How the Council undertakes its role

Council members are subject to the Ethical Standards in Public Life etc. (Scotland) Act 2000 and the SSSC Code of Conduct which has been approved by Scottish Ministers.
The key principles which underpin the Code are based on the principles of public life set down by the Committee on Standards in Public Life (originally the Nolan Committee).

The key principles are:

- public service
- selflessness
- integrity
- objectivity
- accountability and stewardship
- openness
- honesty
- leadership
- respect.

Council members also work to the six core principles set out in the Good Governance Standard for Public Services, which are:

1. focusing on the organisation's purpose and on outcomes for citizens and service users
2. performing effectively in clearly defined functions and roles
3. promoting values for the whole organisation and demonstrating the values of good governance through behaviour
4. taking informed, transparent decisions and managing risk
5. developing the capacity and capability of the governing body to be effective
6. engaging stakeholders and making accountability real.

The quarterly Council meetings are held in public and the minutes of each meeting are available on our website **www.sssc.uk.com**

SSSC Council

Garry Coutts, Convener
Michael Cairns
Elizabeth Carmichael
Professor Frank Clark
Karen Croan
Ian Doig
Dr Anne Haddow
Professor Bart McGettrick
Margaret McKay
Maureen O'Neill
Stan Smith
Kingsley Thomas

The SSSC Committees

We currently have the following Committees:

Audit Committee

Established to take an overview of the financial reporting arrangements of the Council, the external and internal audit arrangements and ensure that there is sufficient and systematic review of internal control arrangements of the organisation, including arrangements for risk management.

Finance and Resources Committee

Established to take an overview of how the Council conducts its business, overseeing on behalf of the Council, the preparation of work and business plans, including budgets and resource requirements and the effective, efficient and economical use of the Council's money and to agree the organisational structure human resources strategy and employment policy.

Remuneration Committee

Established to deal with the remuneration of the Executive Management Team, with the exception of the Chief Executive, whose remuneration is determined by Scottish Government.

The Workforce Development and Regulation Committee

The purpose of the committee is to:

- develop policy in relation to workforce planning, the registration and regulation of the social service workforce and its education and training
- monitor the quality and effectiveness of the systems used in workforce planning, the registration and regulation of the social service workforce and its education and training
- oversee the work of the organisation in relation to the Sector Skills Council, Skills for Care and Development.

The SSSC has a number of other committees that only meet as required, such as the Complaints Review Committee and the Employment Appeals Sub-committee.

FINANCIAL REVIEW

Current and future

Funding

The Scottish Social Services Council is funded mainly by grant in aid and grants for specific projects from the Scottish Government. Operating income includes practice learning funding, income received from registration fees and miscellaneous income.

The Scottish Social Services Council is not permitted to make use of overdraft facilities or to borrow.

Financial position

The Operating Cost Statement shows a net operating cost of £9.316m (2008/09 £9.653m). This operating cost is funded by grants and grant in aid that are treated as sources of funds and credited to the General Reserve on the Statement of Financial Position in accordance with the Government Financial Reporting Manual (FReM).

The SSSC used its authorized grant in aid allocation of £8.770m in full. Other grants and income of £0.627m was received providing total funding of £9.397m. Of this funding £0.005m was used to fund capital expenditure.

The SSSC also transferred £0.178m from the Legal Reserve to the General Reserve to fund 2009/10 expenditure on legal costs.

The SSSC's operating income during the financial year 2009/10 was £3.513m. This includes registration fee income of £0.811m.

The SSSC's net operating cost for the year ended 31 March 2010 totalled £9.316m. Total funding available to meet the operating cost is £9.670m (Grants £9.392m, transfers from reserves for depreciation £0.1m and legal costs £0.178m) therefore there was a surplus of £0.354m. This surplus has been transferred to a specific reserve to fund planned developments in the SSSC's registration system (OSCAR). This is summarised in the table below:

	Budget £000	Actual £000	Variance £000
Operating income:			
Fee income	(655)	(811)	(156)
Other grants and income	(2,468)	(2,702)	(234)
Total operating income	**(3,123)**	**(3,513)**	**(390)**
Operating costs:			
Staff costs	4,451	4,476	25
Other operating costs	2,540	3,278	738
Grants, awards and bursaries	5,230	5,075	(155)
Total operating cost	**12,221**	**12,829**	**608**
Net revenue expenditure	**9,098**	**9,316**	**218**
Funded by:			
Grants and grant in aid	(8,998)	(9,392)	(394)
To fund depreciation	(100)	(100)	0
Transfer from legal reserve	0	(178)	(178)
Total funding	**(9,098)**	**(9,670)**	**(572)**
(Surplus)/Deficit	**0**	**(354)**	**(354)**

Review of 2009/10

Actual income and expenditure was monitored throughout the year and action taken to respond to greater than anticipated number of new registrations and the additional work associated with the greater than budgeted grant income. A financial objective for 2009/10 was to fund development of the OSCAR registration system. This development work would continue into 2010/11 and the general reserve balance (including the 2009/10 surplus of £0.354m) has been transferred to a specific OSCAR Development Reserve to provide funding for the developments continuing into 2010/11.

At the end of the financial year the actual financial position is closely aligned to the budgeted position. Further explanation of performance against budget follows.

There was an overspend of £0.025m on staff costs. This is mainly due to overspends

against budget on recruitment costs, sector skills council work and lay members expenses. Recruitment activity included the appointment of a new chief executive. Sector skills council work is separately funded and there is additional income to offset this expense. The increase in lay members costs is in line with an increase in the number of conduct hearings.

Other running costs were overspent by £0.738m. The main reasons for this are:

- Sector skills council work of £0.180m which is, as noted above, separately funded.
- Legal expenses of £0.178m which are funded from a specific legal expenses reserve.
- An accommodation re-organisation within the headquarters buildings in Dundee cost £0.144m. The Sponsor agreed to provide additional funding of (£0.062m) towards this cost.
- The SSSC requires a significant number of Disclosure Scotland checks the cost of which is refunded in full by registrants. Disclosure Scotland expenditure and income is not included in the budget as the net effect is zero. This accounts for £0.173m of the running cost overspend but this is fully offset by corresponding additional income.
- A combination of other over and underspends totalling £0.063m which includes the additional costs associated with greater than anticipated registration activity.

Grants, awards and postgraduate bursaries were underspent by £0.155m. Actual bursaries awarded were fewer in number and of a lower average value than was anticipated in the budget and as a result there was an underspend of £0.188m. Assessor and Verifier expenditure was £0.024m less than budgeted due to fewer approval panel meetings taking place than was anticipated. These underspends were partially offset by greater than anticipated practice learning fees of £0.057m.

Practice learning fees are paid to universities to fund practice placements in social work settings for students and bursaries are paid to postgraduate social work students who fulfil our eligibility criteria.

Income exceeded budget by £0.784m. The main reasons for this are:

- Sector skills council funding of £0.198m. This is claimed in response to expenditure incurred
- Disclosure Scotland income as described above £0.173m
- Greater than anticipated registration activity that has generated additional fee incomeof £0.156m
- Additional funding of £0.135m following agreement from the Sponsor Department that a specific OSCAR Development Reserve should be set up
- Partial funding of £0.062m towards the accommodation re-organisation
- Greater than anticipated modern apprenticeship applications that has generated additional fee income of £0.058m.

The OSCAR system is a registration system developed for the Social Care Councils in Scotland, England, Wales and Northern Ireland. The Sponsor Department agreed that a specific reserve of up to £0.404m should be created. The OSCAR development reserve is £0.395m. This reserve will be used to fund system enhancements and e-enablement in 2010/11.

Looking ahead

The number of new registrations is increasing each year as new sectors of workers are required to register. This will mean an increase in the number of registration staff and associated costs which will be partially offset by an increase in registration income. Increased registration numbers will also tend to mean increased conduct and legal costs.

The intention when the SSSC was set up in October 2001 was to move to a position where the fees charged to registrants would be sufficient to fund the cost of their registration. Analysis of the impact of this is on-going.

Going concern

The Statement of Financial Position at 31 March 2010 shows net liabilities of £5.8m. This is a significant deterioration on the previous year where there were net liabilities of £0.9m. This change is mainly as a result of an actuarial loss of £5.0m in the valuation of the pension scheme arising from the application of the accounting standard IAS 19 Employee Benefits.

IAS 19 requires the liabilities and assets of the pension scheme to be valued. For 2009/10 there has been an increase in both the pension liabilities and assets. Asset values increased in line with the stock market recovery but this growth has been insufficient to offset the increase in liabilities.

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 employees up to 31 March 2010.

These benefits are expressed in current value terms rather than the cash amount that will actually be paid out. This is to allow for the "time value of money" whereby the value of cash received now is regarded as higher than cash received in, for example, 10 years time, since the money received now could be invested and would earn interest or returns during the 10 years. In order to adjust the pension liability cash flows for the time value of money a discount factor based on corporate bond rates is used. The corporate bond rate used for the valuation as at 31 March 2010 (1.5%) is significantly lower than that used at 31 March 2009 (3.6%). This has contributed to a significant increase in the estimated current value of the pension liability.

The SSSC participates in a pension fund which is the subject of an actuarial valuation every three years. This actuarial valuation is different to 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.

Therefore the liability will 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 the Sponsor Department.

The Council has no reason to believe the Sponsor Department and Scottish Ministers have any intention to withdraw or reduce support to the SSSC. In addition the Sponsor has confirmed grant in aid figures for 2010/11 and provided indicative figures for 2011/12. It is therefore considered appropriate to prepare the accounts on a going concern basis.

Pensions

The Scottish Social Services Council is an admitted body to the Tayside Superannuation Fund. This is a local government pension scheme administered by Dundee City Council.

The local government pension scheme is a defined benefit scheme that provides pension benefits based on final pensionable remuneration. There were 122 employees who were active members of the Tayside Superannuation Fund as at 31 March 2010.

Employer contribution rates have been set following actuarial valuation as follows:

Year ended	Employer contribution rate
31 March 2009	18.9%
31 March 2010	18.5%
31 March 2011	18.5%

Up until 31 March 2009 employee contribution rates were fixed at 6% of pensionable pay. With effect from 1 April 2009 employee contribution rates are in the range 5.5% to 12% based on earnings bands. The rates and earning bands are subject to periodic review.

The disclosures required by accounting standard IAS 19 "Employee Benefits" are contained in Note 4 of the accounts.

Auditor's remuneration

Under the Public Finance and Accountability (Scotland) Act 2000 the Auditor General for Scotland appoints the auditors of the SSSC. For the financial years 2006/07 to 2010/11 the Auditor General appointed Audit Scotland to undertake the statutory audit of the SSSC.

The general duties of the auditor, including their statutory duties, are set out in the Code of Audit Practice issued by Audit Scotland and approved by the Auditor General.

The cost of statutory audit for 2009/10 was £21.2k (2008/09 £19.0k). Audit Scotland provided services solely relating to the statutory audit. No further assurance, tax or other services were provided.

Scott Moncrieff are appointed as the SSSC's internal auditors. The cost of internal audit for 2009/10 was £18.5k (2008/09 £22.3k). Scott Moncrieff provided ancillary advisory services at a cost of £8.7k (2008/09 £0k).

All reports by internal and external audit are considered by the Audit Committee.

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 according to the agreed contract conditions. Where there is no contract or other understanding, suppliers are paid within 30 days of either receipt of the goods or services, or when they present a valid invoice or similar demand, whichever comes later.

We have paid 97.8% (2008/09 88.9%) of invoices within agreed payment terms.

In response to the Scottish Government's instructions on prompt payment and a target of payment within 10 days we started recording payment within 10 days performance for the last quarter of the 2008/09 financial year (1 January 2009 to 31 March 2009). We paid 92.6% of invoices within 10 days. The full year performance percentage for 2009/10 was 96.5%.

These calculations are based on the date of the invoice and will therefore marginally understate the SSSC's performance as the invoice date will normally be earlier than the date the invoice is received.

We aim for continuous improvement in payment performance.

Disclosure of information to Auditors

So far as I, as the Accountable Officer, am aware, there is no relevant audit information of which our auditors are unaware.

I have taken all steps I ought to have to make myself aware of any relevant information and to establish that our auditors are aware of that information.

Post Statement of Financial Position events

Two events occurred after the year end which have been disclosed in the financial statements. These events are:

- A change from the retail price index to consumer price index as the basis for future public sector pension increases. This will reduce an average employer's pension liabilities by around 6–8%.
- The transfer of functions from the General Social Care Council (GSCC) to the Health Professions Council which raises doubts over the future viability of the OSCAR registration system.

Full details of these events are contained in note 17 to the financial statements.

Anna Fowlie
Chief Executive
19 October 2010

REMUNERATION REPORT

UNAUDITED INFORMATION

Introduction

This report provides information on the remuneration of Scottish Social Services Council (SSSC) Council Members and senior managers. The senior managers are the Chief Executive, the Registrar (Depute Chief Executive), the Head of Education & Workforce Development and the Legal Adviser. The report contains both audited information and information which is not specifically subject to audit.

Information not subject to audit

Remuneration Committee

The Remuneration Committee determines the performance element of the pay of the executive management team excluding the pay of the Chief Executive.

The following Council Members have been appointed to sit on the Remuneration Committee and served for the entire year:

Garry Coutts (SSSC Convener)
Ian Doig (Chair of Finance and Resources Committee)
Kingsley Thomas (Depute Chair of Finance and Resources Committee)
Bart McGettrick (Chair of Learning and Development Committee)
Margaret McKay (Chair of Registration, Regulation & Monitoring Committee)

The Committee is advised by the following officers:

Chief Executive
Senior HR Advisor

Remuneration policy

Members

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

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.

The Executive Management Team

The executive management team are on salary scales £55k to £63k (2008/09: £54k to £62k) and £63k to £73k (2008/09: £62k to £71k) and incremental progression to the maximum of the scale is determined by performance. Performance is assessed by the SSSC's "Performance Development Review System" and progression is subject to agreement by the Remuneration Committee. 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 term that does not exceed three years and may be re-appointed for a further term again not exceeding three years.

There is no notice period specified for Council members. Either party may terminate early by giving notice but there is no exact time period specified. 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:

Name	Current term	Date of initial appointment	Date of re-appointment	Date of termination of appointment
Coutts, Garry (Convener)	1st	01 Sept 2007	n/a	31 Aug 2010
Cairns, Michael	1st	01 Sept 2007	n/a	31 Aug 2010
Carmichael, Elizabeth	1st	01 Sept 2007	n/a	31 Aug 2010
Clark, Frank	2nd	17 Oct 2006	17 Oct 2009	31 Mar 2011
Croan, Karen	1st	01 Sept 2007	n/a	31 Aug 2010
Doig, Ian	2nd	01 Nov 2005	01 Nov 2008	31 Oct 2011
Haddow, Anne	2nd	01 Oct 2006	01 Oct 2009	30 Sept 2012
McGettrick, Bart	2nd	01 Oct 2006	01 Oct 2009	30 Sept 2012
McKay, Margaret	2nd	01 Nov 2005	01 Nov 2008	31 Oct 2011
O'Neill, Maureen	1st	01 Sept 2007	n/a	31 Aug 2010
Smith, Stan	2nd	01 Oct 2006	01 Oct 2009	30 Sept 2012
Thomas, Kingsley	1st	01 Sept 2007	n/a	31 Aug 2010

Chief Executive

Anna Fowlie was appointed as the SSSC's new Chief Executive on 2nd November 2009. The normal retirement age for this post is 65 and the current post holder will attain normal retirement age in 19.4 years. Termination of the contract requires a notice period of 6 months by either party.

There are no compensation payments specified in the contract in the event of early termination of the contract.

Carole Wilkinson the former Chief Executive retired on 31st October 2009.

Senior managers

The Registrar, Head of Education & Workforce Development and the Legal Adviser are members of the executive management team. All are engaged on permanent contracts and are subject to the normal retirement age of 65. Termination of the contract requires a notice period of three months by either party.

There are no compensation payments specified in the contract in the event of early termination of the contract.

Name	Title	Date of appointment	Years to normal retirement age
Geraldine Doherty	Registrar	01 Feb 2002	12.1
Mary Howden	Head of Education & Workforce Development	06 Nov 2006	14.8
Valerie Murray	Legal Adviser	10 June 2002	14.9

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 66 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 must be approved by the Council.

AUDITED INFORMATION

Remuneration – SSSC Council Members		
Salary 2009 £000		**Salary 2010 £000**
20 – 25	Coutts, Garry (Convener)	20 – 25
5 – 10	Cairns, Michael	5 – 10
5 – 10	Carmichael, Elizabeth	5 – 10
5 – 10	Croan, Karen	5 – 10
5 – 10	Doig, Ian	5 – 10
5 – 10	Haddow, Anne	5 – 10
5 – 10	McGettrick, Bart	5 – 10
5 – 10	McKay, Margaret	5 – 10
5 – 10	O'Neill, Maureen	5 – 10
5 – 10	Smith, Stan	5 – 10
5 – 10	Thomas, Kingsley	5 – 10

Frank Clark, the Convener of the Scottish Commission for the Regulation of Care (Care Commission), 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 Commission and receives no remuneration from the Care Commission.

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

Remuneration – Executive Management Team

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

2009/10	Emolu-ments	Real increase in		Accrued Pension at age 60*	Related Lump sum at age 60*	Cash equivalent transfer value at		Real increase in cash equivalent transfer value
		Pension	Lump sum			31/03/09	31/03/10	
	£000	£000	£000	£000	£000	£000	£000	£000
Carole Wilkinson Chief Executive until 31/10/09	50-55	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Anna Fowlie* Chief Executive from 02/11/09	30-35	n/a	n/a	30-35	55-60	n/a	342	n/a
Geraldine Doherty Registrar	70-75	0-2.5	0-2.5	30-35	70-75	452	508	38
Mary Howden Head of Education & Workforce Development	60-65	0-2.5	0-2.5	25-30	55-60	323	375	39
Val Murray Legal Adviser	60-65	0-2.5	0-2.5	20-25	35-40	219	259	32

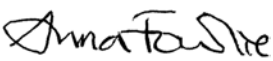
*Anna Fowlie was appointed Chief Executive on 2nd November 2009 and the emoluments shown represent pay for the period November 2009 to March 2010. The former Chief Executive, Carole Wilkinson retired on 31st October 2009.

No benefits in kind were paid during 2009/10.

Services from other organisations

Gordon Weir, the Director of Corporate Services is employed by the Care Commission but provides professional services to the SSSC through a Service Level Agreement (SLA). The SSSC made payments to the Care Commission for professional services as follows:

	2009/10 £000	2008/09 £000
Gordon Weir, Director of Corporate Services	22.0	21.0



Anna Fowlie
Chief Executive
19 October 2010

STATEMENT OF ACCOUNTABLE OFFICER'S RESPONSIBILITIES

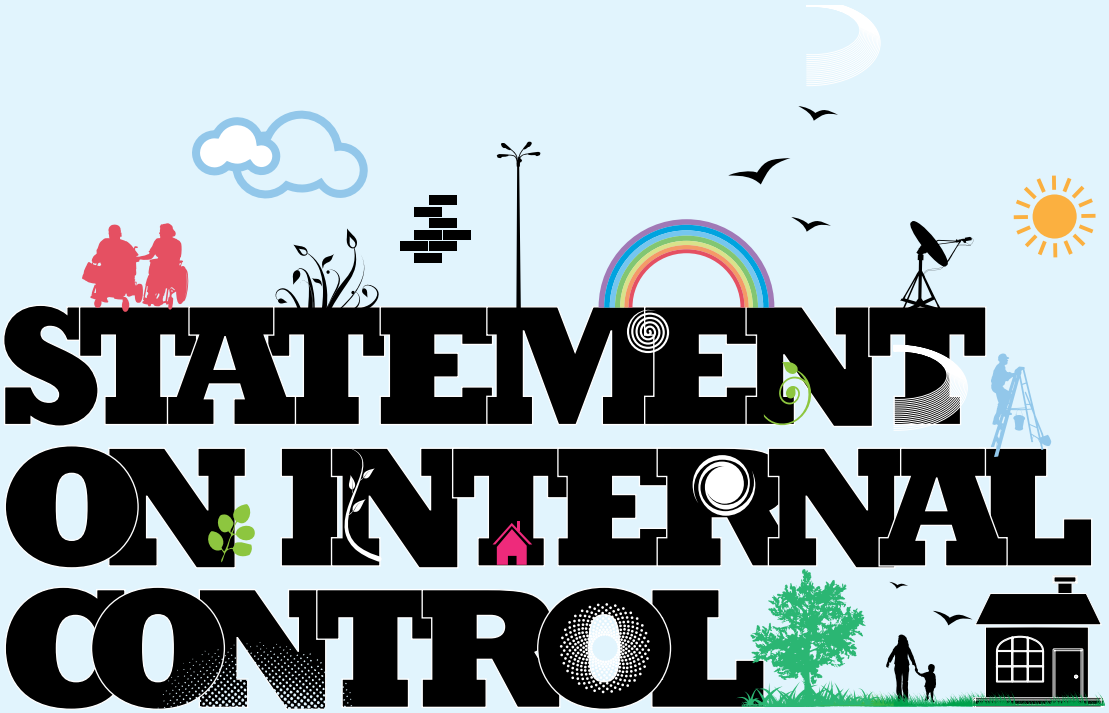
Under paragraph 9(1) of Schedule 2 to the Regulation of Care (Scotland) Act 2001, the SSSC is required to prepare a statement of accounts for each financial year in the form and on the basis directed by Scottish Ministers. The accounts are prepared on an accruals basis and must give a true and fair view of the SSSC's affairs at the year end and of its financial activities during the year.

In preparing the accounts, the SSSC 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 Chief Executive's relevant responsibilities as Accountable Officer, including responsibility for the propriety and regularity of the public finances and for the keeping of proper records, 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.*

Anna Fowlie
Chief Executive
19 October 2010


STATEMENT
ON INTERNAL
CONTROL

1. Scope of responsibility

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, whilst safeguarding the public funds and the NDPB's assets for which I am personally responsible, in accordance with the responsibilities assigned to me.

The Management Statement and Financial Memorandum for the SSSC makes clear that I am personally responsible to Scottish Ministers, who are ultimately accountable to the Scottish Parliament, for securing propriety and regularity in the management of public funds in my charge and for the day-to-day operations and management of the SSSC.

The SSSC is accountable to its Sponsor, the Workforce and Capacity Issues Division of the Department for Education and Lifelong Learning of the Scottish Government.

The Corporate Plan and budget are agreed with Scottish Ministers. Regular performance meetings are held with the Sponsor where progress against the plan and key performance indicators are discussed.

The Sponsor occasionally attends Council meetings, is supplied with copies of all relevant Council and Committee papers and also receives budget monitoring information on a monthly basis.

The SSSC follows the guidance set out in the *Scottish Public Finance Manual (SPFM)*. The SPFM is issued by the Scottish Ministers to provide guidance to the Scottish Government and other relevant bodies on the proper handling and reporting of public funds. It sets out the relevant statutory, parliamentary and administrative requirements, emphasises the need for economy, efficiency and effectiveness, and promotes good practice and high standards of propriety.

2. The purpose of the system of internal control

The system of internal control is designed to manage rather than eliminate the risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness.

The system of internal control is based on an ongoing process designed to identify the principal risks to the achievement of policies, aims and objectives; to evaluate the nature and extent of those risks and to manage them efficiently, effectively and economically.

The system of internal control has been in place in the SSSC for the year ended 31 March 2010 and up to the date of approval of the annual report and accounts, and accords with guidance from the Scottish Ministers as set out in the SPFM.

3. The risk and control framework

All bodies subject to the requirements of the SPFM must operate a risk management strategy in accordance with the guidance issued by Scottish Ministers. The general principles for a successful risk management strategy are set out in the SPFM.

Leadership for managing risk comes from Council members and the executive management team by making sure that risks are identified and addressed as an integral part of the corporate planning process.

The risks identified are addressed in the preparation of the corporate plan which has been developed to show clear links between the risks identified on the risk register and the SSSC's corporate objectives. As a result, the risks identified become embedded in managers' work plans for the year.

The executive management team meet regularly to consider the plans and strategic direction of the organisation.

The SSSC has a Data Protection Policy and the risks of breaches of the Data Protection Act 1998 are managed through the Risk Register as a specific strategic risk. These risks are managed and controlled in a number of ways including an annual data handling review and assessment of control measures.

Risks on the Risk Register are managed through the executive management team and regularly reviewed at the Audit Committee, which reports to the Council on adequacy of controls.

All staff are trained in the duties they are required to perform and attend regular "one to one" supervision sessions to discuss work related issues, progress towards objectives, training and personal development requirements. There is a formal Scheme of Delegation that sets out the powers and responsibilities of staff. The Scheme of Delegation is reflected in the authorisation limits provided in the SSSC's financial system.

The SSSC continues to embed risk management principles throughout the organisation and an agreed risk management policy is in place. This policy details the underlying approach to risk and the respective responsibilities of the Council and management. 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.

More generally, the organisation is committed to a process of continuous development and improvement. Systems are developed in response to any relevant reviews and developments in best practice in this area. In particular, in the year to 31 March 2010 and up to the signing of the accounts the SSSC:

- reviewed and revised the strategic risk register
- has set targets to measure financial and other performance across the organisation and for individual managers and other staff. Progress towards these targets is regularly monitored
- business continuity and emergency response plans are in place and are regularly reviewed

- continues to develop contingency plans in the areas of Information and Communications Technology (ICT)
- continues to develop Key Performance Indicators (KPIs) which have been regularly reported on to Council and operational Committees
- provides the Audit Committee, on each occasion it meets, with an update on progress towards implementing all recommendations agreed with internal and external auditors
- a self-assessment against the principles of the Best Value regime was used to inform the planning processes in 2009/10
- introduced new procurement procedures and controls
- training on financial and budgetary control was delivered to budget holders and administration staff.

Review of effectiveness

As Accountable Officer, I have responsibility for reviewing the effectiveness of the system of internal control. My review is informed by:

- the executive managers within the SSSC who have responsibility for the development and maintenance of the internal control framework
- the work of internal auditors, who submit to the SSSC's Audit Committee regular reports which include an independent and objective opinion on the adequacy and effectiveness of the organisation's systems of internal control together with recommendations for improvement
- comments made by the external auditors in their management letter and other reports.

An effective system of internal control is maintained by the regular reporting of progress against the corporate plan and budget. Systems are reviewed by staff and managers on a regular basis and procedures revised where appropriate.

The following all have a role to play in ensuring that a robust and effective system of internal control is maintained and reviewed:

The Council

The Council remains ultimately responsible and accountable for all the decisions taken in its name, whether directly or through its Committees.

The Council must approve the making, revision or revocation of Standing Orders, the approval of the Annual Report and Accounts, budget, corporate plan, risk register and risk management strategy for each financial year.

The Council is also responsible for the approval of the appointment of internal auditors to the SSSC.

The Audit Committee

The purpose of the Audit Committee is to take an overview of the financial reporting arrangements of the Council, the external and internal audit arrangements and also to ensure that there is a sufficient and systematic review of the internal control arrangements of the organisation, including arrangements for risk management.

The Finance and Resources Committee

The purpose of the Finance and Resources Committee is to take an overview of how the Council conducts its business, overseeing, on behalf of the Council, the preparation and monitoring of budgets, identifying resource requirements, and the efficient, effective, and economical use of the Council's resources.

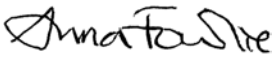
Internal audit

The SSSC's internal audit function has been contracted out. Internal audit forms an integral part of the SSSC's internal control arrangements. This ensures appropriate monitoring of risks and controls is in place.

Other review and assurance mechanisms include external audit, the regular performance monitoring meetings with the Sponsor and the Sponsor's auditors who have the power to examine SSSC's records and undertake investigations as necessary.

During financial year 2010/11 it is intended to undertake the following actions to improve the SSSC's system of internal control:

- an update of the self-assessment against the principles of the Best Value regime will be carried out
- financial training is to be delivered to Council members and budget holders.



Anna Fowlie
Chief Executive
19 October 2010

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

I have audited the financial statements of the Scottish Social Services Council for the year ended 31 March 2010 under the Regulation of Care (Scotland) Act 2001. These comprise the Operating Cost Statement, Statement of Financial Position, the Statement of Cash Flows, Statement of Changes in Taxpayers' Equity and the related notes. These financial statements have been prepared under the accounting policies set out within them. I have also audited the information in the Remuneration Report that is described in that report as having been audited.

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 123 of the Code of Audit Practice approved by the Auditor General for Scotland, I do not undertake to have responsibilities to members or officers, in their individual capacities, or to third parties.

Respective responsibilities of the Council, Chief Executive and Auditor

The Council and Chief Executive are responsible for preparing the Annual Report, which includes the Remuneration Report, and the financial statements in accordance with the Regulation of Care (Scotland) Act 2001 and directions made thereunder by the Scottish Ministers. The Chief Executive is also responsible for ensuring the regularity of expenditure and receipts. These responsibilities are set out in the Statement of Accountable Officer's Responsibilities.

My responsibility is to audit the financial statements and the part of the Remuneration Report to be audited in accordance with relevant legal and regulatory requirements and with International Standards on Auditing (UK and Ireland) as required by the Code of Audit Practice approved by the Auditor General for Scotland.

I report to you my opinion as to whether the financial statements give a true and fair view and whether the financial statements and the part of the Remuneration Report to be audited have been properly prepared in accordance with the Regulation of Care (Scotland) Act 2001 and directions made thereunder by the Scottish Ministers. I report to you whether, in my opinion, the information which comprises About the SSSC; A Responsive and Responsible Organisation; and Financial Review, included in the Annual Report, is consistent with the financial statements. I also report whether in all material respects the expenditure and receipts shown in the financial statements were incurred or applied in accordance with any applicable enactments and guidance issued by the Scottish Ministers.

In addition, I report to you if, in my opinion, the body has not kept proper accounting records, if I have not received all the information and explanations I require for my audit, or if information specified by relevant authorities regarding remuneration and other transactions is not disclosed.

I review whether the Statement on Internal Control reflects the body's compliance with the Scottish Government's guidance, and I report if, in my opinion, it does not. I am not required to consider whether this statement covers all risks and controls, or form an opinion on the effectiveness of the body's corporate governance procedures or its risk and control procedures.

I read the other information contained in the Annual Report and consider whether it is consistent with the audited financial statements. This other information comprises only those elements of the Management Commentary other than About the SSSC; A Responsive and Responsible Organisation; and Financial Review and the unaudited part of the Remuneration Report. I consider the implications for my report if I become aware of any apparent misstatements or material inconsistencies with the financial statements. My responsibilities do not extend to any other information.

Basis of audit opinion

I conducted my audit in accordance with the Public Finance and Accountability (Scotland) Act 2000 and International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board as required by the Code of Audit Practice approved by the Auditor General for Scotland. My audit includes examination, on a test basis, of evidence relevant to the amounts, disclosures and regularity of expenditure and receipts included in the financial statements and the part of the Remuneration Report to be audited. It also includes an assessment of the significant estimates and judgements made by the Council and Chief Executive in the preparation of the financial statements, and of whether the accounting policies are most appropriate to the body's circumstances, consistently applied and adequately disclosed.

I planned and performed my audit so as to obtain all the information and explanations which I considered necessary in order to provide me with sufficient evidence to give reasonable assurance that the financial statements and the part of the Remuneration Report to be audited are free from material misstatement, whether caused by fraud or error, and that in all material respects the expenditure and receipts shown in the financial statements were incurred or applied in accordance with any applicable enactments and guidance issued by the Scottish Ministers. In forming my opinion I also evaluated the overall adequacy of the presentation of information in the financial statements and the part of the Remuneration Report to be audited.

OPINIONS

Financial statements

In my opinion

- the 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 affairs of the body as at 31 March 2010 and of its net expenditure, changes in taxpayers' equity and cash flows for the year then ended
- the financial statements and the part of the Remuneration Report to be audited have been properly prepared in accordance with the Regulation of Care (Scotland) Act 2001 and directions made thereunder by the Scottish Ministers

information which comprises About the SSSC, A Responsive and Responsible Organisation and Financial Review included in the Annual Report, is consistent with the financial statements.

Regularity

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

Signature: Date: 19 October 2010

Linda Porter CPFA
Senior Audit Manager
Audit Scotland
Osborne House
1/5 Osborne Terrace
Edinburgh
EH12 5HG

ANNUAL ACCOUNTS

SCOTTISH SOCIAL SERVICES COUNCIL

FINANCIAL ACCOUNTS FOR THE YEAR ENDED
31 MARCH 2010

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Operating Cost Statement for the year ended 31 March 2010

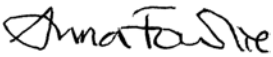
	Notes	2009/10 £000	2008/09 £000
Income			
Registration fees	2a	(811)	(575)
Other operating income	2b	(2,702)	(2,601)
		(3,513)	(3,176)
Expenditure			
Staff costs	3b	4,388	4,281
Operating expenditure	5a	3,263	2,766
Disbursement grants	5b	113	949
Bursaries	5b	2,528	2,470
Practice learning fees	5b	2,434	2,236
		12,726	12,702
Net Operating cost on ordinary activities before interest and (return)/cost on pension scheme assets and liabilities		9,213	9,526
Bank interest (net of charges)		15	(5)
Notional Cost of Capital	19	34	32
(Return)/cost on pension assets & liabilities	4b	105	39
Net Operating cost on ordinary activities after interest and (return)/cost on pension scheme assets and liabilities		9,367	9,592
Write back of notional cost of capital		(34)	(32)
Movement on pensions reserve		(17)	93
Net operating cost before Scottish Government Funding		9,316	9,653

All operations are continuing.

The notes on pages 68 – 91 form an integral part of these accounts.

Statement of Financial Position as at 31 March 2010

	Notes	2009/10 £000	2008/09 £000	1 April 2008 £000
Non-current assets				
Property, plant and equipment	6	164	216	267
Intangible assets	7	146	189	76
Total non-current assets		310	405	343
Current assets				
Trade receivables	8	837	809	915
Cash and cash equivalents	9	2,514	1,849	2,413
Total current assets		3,351	2,658	3,328
Total assets		3,661	3,063	3,671
Current liabilities				
Trade and other payables	10	(2,661)	(2,144)	(2,453)
Total current liabilities		(2,661)	(2,144)	(2,453)
Non-current assets plus net current assets		1,000	919	1,218
Non-current liabilities				
Pension liabilities	4	(6,833)	(1,850)	(946)
Total non-current liabilities		(6,833)	(1,850)	(946)
Net assets/(liabilities)		(5,833)	(931)	272
Taxpayers' Equity				
Pensions reserve	4	(6,833)	(1,850)	(946)
Specific reserves	11a	626	400	707
General reserve	11b	374	519	511
		(5,833)	(931)	272



Anna Fowlie
Chief Executive
19 October 2010

The notes on pages 68 – 91 form an integral part of these accounts.

Statement of Cash Flows for the year ended 31 March 2010

	2009/10 £000	2008/09 £000
Cash flows from operating activities		
Net operating cost before Scottish Government funding	(9,316)	(9,653)
Adjustments for non cash items:		
Depreciation and amortisation	100	67
(Increase)/Decrease in trade and other receivables	(28)	106
Increase/(Decrease) in trade payables	517	(309)
Net cash outflow from operating activities	**(8,727)**	**(9,789)**
Cash flows from investing activities		
Purchase of intangible assets	(5)	(129)
Net cash outflow from investing activities	**(5)**	**(129)**
Cash flows from financing activities		
Funding from Scottish Government	9,397	9,354
Net financing	**9,397**	**9,354**
Net increase/(decrease) in cash and cash equivalents in the period	665	(564)
Cash and cash equivalents at the beginning of the period	1,849	2,413
Cash and cash equivalents at the end of the period	2,514	1,849

The notes on pages 68 – 91 form an integral part of these accounts.

Statement of Changes in Taxpayers' Equity for the year ended 31 March 2010

	Note	Pension Reserve £000	Specific Reserves £000	General Reserve £000	Total Reserves £000
Balance at 31 March 2008		**(946)**	**707**	**511**	**272**
Changes in taxpayers' equity for 2008/09					
Net gain/(loss) on valuation of pension scheme	4	(997)			(997)
Release of reserves to the OCS		93			93
Transfers between reserves	11		(307)	307	
Retained surplus/deficit				(9,653)	(9,653)
Total recognised income and expense for 2008/09		(904)	(307)	(9,346)	(10,557)
Grant from Scottish Government	12			9,354	9,354
Balance at 31 March 2009		**(1,850)**	**400**	**519**	**(931)**
Changes in taxpayers' equity for 2009/10					
Net gain/(loss) on valuation of pension scheme	4	(4,966)			(4,966)
Release of reserves to the OCS		(17)			(17)
Transfer between reserves	11		226	(226)	0
Retained surplus/deficit				(9,316)	(9,316)
Total recognised income and expense for 2009/10		(4,983)	226	(9,542)	(14,299)
Grants from Scottish Government	12			9,397	9,397
Balance at 31 March 2010		**(6,833)**	**626**	**374**	**(5,833)**

The notes on pages 68 – 91 form an integral part of these accounts.

1 Statement of accounting policies

1.1 Basis of Accounts

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 Council 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 Convention

They 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.

1.3 First Time Adoption of International Financial Reporting Standards

These financial statements have been prepared under International Financial Reporting Standards for the first time and the comparatives have been restated from UK Generally Accepted Accounting Policy (UK GAAP) where required. The reconciliation to IFRS from the previous UK GAAP accounts is summarised in Note 20.

New Financial Instruments Standards FRS 25, FRS 26 and FRS 29 as interpreted and adapted by the Government Financial Reporting Manual (FReM) were adopted under UK GAAP in 2008/09. Prior year comparatives were restated to reflect these standards. These standards are identical to their equivalent IFRs standards, IAS 32, IAS 39 and IFRS 7.

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 Review section (pages 39 – 45).

1.5 Property Plant & 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 Council 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 are software and the useful lives are typically 4 years.

1.7 Impairment of tangible and intangible assets

All tangible and intangible non-current assets are reviewed for impairment in accordance with IAS 36 "Impairment of Assets" 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. No impairments have been identified in previous years.

1.8 Capital charge

A charge, reflecting the cost of capital utilised by the Council is included in the operating cost. The charge is calculated at the real rate set by HM Treasury of 3.5% (2008/09 3.5%) on the average carrying amount of all assets less liabilities, except for pension assets/liabilities where the charge is nil.

1.9 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.

1.10 Disbursement grants & bursaries payable

This expenditure is recognised in the Operating Cost Statement 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.

1.11 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 Council currently only holds operating leases.

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 Scottish Commission for the Regulation of Care (Care Commission) 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. The SSSC has an arrangement with the General Social Care Council (GSCC) for the provision of a registration system (OSCAR) and this arrangement is also disclosed as an operating lease.

1.12 Cash and Cash Equivalents

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

1.13 Pensions

The Council accounts for pensions under IAS 19 "Employee Benefits" as adapted to the public sector.

The Council is an admitted body to the local government pension scheme and this is a defined benefit scheme. Obligations are measured at discounted present value whilst scheme assets are recorded at fair value. The operating and financing costs of such plans are recognised separately in the operating cost statement. Service costs are spread systematically over the expected service lives of employees and financing costs are recognised in the period in which they arise. Actuarial gains and losses are recognised immediately in the Statement of Taxpayers Equity.

1.14 Short Term Employee Benefits

The Council 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.

1.15 Shared services

The Council shares its headquarters and some services with the Scottish Commission for the Regulation of Care (Care Commission). The Care Commission charges the Council for services provided based on a Service Level Agreement (SLA). The SLA contains arrangements akin to a lease for accommodation and ICT equipment. These arrangements are expected to continue until 31 March 2011 when revised arrangements are likely to be made with the new regulatory body Social Care and Social Work Improvement Scotland (SCSWIS).

1.16 Value Added Tax (VAT)

The Council can recover only a nominal value of VAT incurred on purchases, with irrecoverable VAT being charged to the operating cost statement.

1.17 Revenue and capital transactions

Revenue and capital transactions are recorded in the accounts on an income and expenditure basis i.e. 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 Council as at 31 March 2010 have been brought into account.

1.18 Financial Instruments

As the cash requirements of the Council are met through grant-in-aid provided by the Young People and Social Care 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. The majority of financial instruments relate to contracts to buy non-financial items in line with our expected purchase and usage requirements and the Council 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.

1.19 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 Key Sources of judgement and estimation uncertainty

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed below.

In 2009/10 the Council have applied a material change in the discount rate applied to discount the pension fund scheme liabilities in line with the actuary's advice. The corporate bond rate used for the valuation as at 31 March 2010 (1.5%) is significantly lower than that used at 31 March 2009 (3.6%). This has led to a significant increase in the estimated current value of the pension liability.

2 Operating income

	2009/10 £000	2008/09 £000
2a Registration fees	811	575
2b Other operating income:		
Practice learning fees*	2,377	2,252
Recovery of Disclosure Scotland fees	165	271
Modern Apprenticeship fees	98	49
Conference fees	33	0
Care Accolades sponsorship	21	24
Other Income**	8	5
	2,702	2,601

* Practice learning fees are paid to universities to fund practice learning days for social work students within workplace settings. An administration fee is paid to each university to administer this function.

** Other income for the period 2009/10 comprises £8k which was repaid to the SSSC from the Institute for Research and Innovation in Social Services (IRISS). In the previous year £4k was from the Organisation for Economic Cooperation and Development (OECD) and the Post Qualifying Consortium (PQC) repaid £1k in balances remaining after its closure in March 2008.

3 Staff numbers and costs

3a Average number of staff employed (full time equivalent)

	2009/10 FTE	2008/09 FTE
Chief Executive & corporate	14	14
Registration and conduct	59	50
Learning and development	26	22
Legal and committee services	14	11
Central and support services	11	9
Communications	6	5
Agency staff	8	15
Seconded staff	0	1
	138	127

3b Analysis of staff costs

	2009/10 £000	2008/09 £000
Salaries	3,154	2,851
Social security costs	221	211
Pension costs	441	330
Agency staff	148	385
Secondment inwards	6	58
Other staff costs	418	446
Staff costs	4,388	4,281

4 Post Employment Benefits: Pension

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

The contributions paid by the Council for the year to 31 March 2010 were £529k representing 18.5% of pensionable pay (2008/09: £463k representing 18.9% of pensionable pay). The employer contribution rate for the year to 31 March 2010 has been reduced to 18.5%. Employee contributions were fixed at 6% of pensionable pay until 31 March 2009. Contribution rates are now in the range 5.5% to 12% based on earnings bands.

The Tayside Superannuation Fund is a multi-employer scheme which includes local authorities and admitted bodies. The Council's share of the underlying assets and liabilities have been separately identified on the following basis:

4a Employee benefits – Statement of Financial Position Recognition

	Year to 31 March 2010 £000	Year to 31 March 2009 £000
Present value of funded obligation	18,468	8,390
Fair value of Scheme assets (bid value)	11,867	6,666
Net Liability	**6,601**	**1,724**
Present value of unfunded obligation	232	126
Net Liability in Statement of Financial Position	**6,833**	**1,850**

4b Income and expenditure costs for the year to 31 March 2010

The amounts recognised in the Operating Cost Statement are as follows:

	Year to 31 March 2010		Year to 31 March 2009	
	£000	£000	£000	£000
Current service cost		394		338
Interest on obligation	647		618	
Expected return on Scheme assets	(542)		(579)	
(Return)/cost on pension assets & liabilities		105		39
Losses/(gains) on curtailments & settlements		46		0
Total		**545**		**377**
Actual return on Scheme Assets		**2,749**		**(1,673)**

The expected return on assets is based on the long term future expected investment return for each asset class as at the beginning of the period (i.e. as at 1 April 2009 for the year ended 31 March 2010). The return on gilts and other bonds are assumed to be the gilt yield and corporate bond yield (with an adjustment to reflect default risk) respectively at the relevant date. The return on equities and property is then assumed to be a margin above gilt yields.

We have adopted the following expected returns:

	Expected return as at:		
Asset class	1 April 2010 % p.a.	1 April 2009 % p.a.	1 April 2008 % p.a.
Equities	8.3%	7.8%	7.6%
Gilts	4.5%	4.0%	4.3%
Other Bonds	5.5%	6.5%	6.6%
Property	5.5%	7.3%	7.1%
Cash	3.0%	3.0%	5.0%
Expected return on assets	**7.4%**	**6.9%**	**7.0%**

4c Benefit obligation reconciliation for the year to 31 March 2010

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

	Year to 31 March 2010 £000	Year to 31 March 2009 £000
Opening defined benefit obligation	**8,516**	**8,926**
Service cost	394	338
Interest cost	647	618
Actuarial losses/(gains)	7,174	(1,492)
Losses/(gains) on curtailments	46	0
Estimated benefits paid (net of transfers in)	1,741	(16)
Contributions by Scheme participants	194	151
Unfunded pension payments	(12)	(9)
Closing defined benefit obligation	**18,700**	**8,516**

4d Fair value of scheme assets reconciliation for the year to 31 March 2010

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

	Year to 31 March 2010 £000	Year to 31 March 2009 £000
Opening fair value of Scheme assets	**6,666**	**7,980**
Expected return on Scheme assets	542	579
Actuarial gains/(losses)	2,208	(2,489)
Employer contributions (including unfunded pensions)	528	470
Contributions by Scheme participants	194	151
Estimated benefits paid net of transfers in (including unfunded pensions)	1,729	(25)
Closing fair value of Scheme assets	**11,867**	**6,666**

4e Projected pension expense for the year to 31 March 2011

	Year to 31 March 2011 £000
Service cost	820
Interest cost	1,103
Return on assets	(963)
Total	**960**
Employer contributions	539

Note that these figures exclude the capitalised cost of any early retirements or augmentations which may occur after 31 March 2010.

4f SSSC fund assets

The table below provides details of the estimated asset allocation of the fund for the Scottish Social Services Council.

SSSC Asset Share	31 March 2010		31 March 2009	
	£000	**%**	**£000**	**%**
Equities	8,544	72%	4,292	64%
Gilts	831	7%	767	11%
Other bonds	1,187	10%	567	9%
Property	949	8%	673	10%
Cash	356	3%	367	6%
Total	**11,867**	**100%**	**6,666**	**100%**

The SSSC's share of the assets of the fund is approximately 1%.

4g Financial assumptions as at 31 March 2010

The financial assumptions used for IAS 19 calculations are below. These assumptions are set with reference to market conditions at 31 March 2010. The discount rate chosen to meet the requirements of IAS 19 is the yield on the iBoxx AA rated over 15 Years as at 31 March 2010. The price increase and pension increase assumptions are based on the unadjusted difference between conventional gilt yields and index linked gilt yields at the accounting date using data published by the Bank of England. Salary increases are then assumed to be 1.5% above price increases, as last year.

Assumptions as at	31 March 2010		31 March 2009		31 March 2008	
		real rate		real rate		real rate
	% p.a.	% p.a.	% p.a.	% p.a.	% p.a.	% p.a.
Price increases	3.9%	–	3.0%	–	3.7%	–
Salary increases	5.4%	1.5%	4.5%	1.5%	5.2%	1.5%
Pensions increases	3.9%	–	3.0%	–	3.7%	–
Discount rate	5.5%	1.5%	6.7%	3.6%	6.6%	2.8%

4h Demographic/statistical assumptions

A set of demographic assumptions that are consistent with those used for the formal funding valuation as at 31 March 2008 have been adopted. The post retirement mortality tables used were the PA92 series projected to calendar year 2008 for current pensioners and 2018 for non-pensioners with a minimum improvement of 1% per annum.

The assumed life expectations from age 65 are:

Life expectancy from age 65 (years)

Retiring today	Males	21.37
	Females	24.44

Retiring in 20 years	Males	22.30
	Females	25.34

4i 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	18,240	18,700	19,173
Projected service cost	794	820	847
Adjustment to mortality age rating assumption	+1yr	None	–1 yr
Present value of total obligation	18,032	18,700	19,372
Projected service cost	784	820	856

4j Amounts for the current and previous periods

The amounts for the current and previous four periods are detailed below. Assets are shown at bid price (estimated where necessary) for the periods prior to 31 March 2010.

Year to:	March 2010 £000	March 2009 £000	March 2008 £000	March 2007 £000	March 2006 £000
Defined benefit obligation	(18,700)	(8,516)	(8,926)	(8,764)	(8,221)
Scheme assets	11,867	6,666	7,980	7,421	6,316
Surplus/(deficit)	(6,833)	(1,850)	(946)	(1,343)	(1,905)
Experience adjustments on Scheme liabilities	(86)	(210)			48
Percentage of liabilities	(0.5%)	(2.5%)			0.6%
Experience adjustments on Scheme assets	2,208	(2,489)	(922)	139	1,030
Percentage of assets	18.6%	(37.3%)	(11.6%)	1.9%	16.3%
Cumulative actuarial gain (loss)	(5,133)	(167)	830	404	(85)

5 Analysis of operating costs

5a Operating expenditure

	2009/10 £000	2008/09 £000
Supplies & services	1,046	1,031
Administration costs	1,448	1,007
Property costs	545	530
Transport costs	113	117
Depreciation	100	67
Allowance for impairment of debt	11	14
	3,263	2,766

The above total includes £21.2k (2008/09: £19k) for external auditor's remuneration and £18.5k (2008/09: £22.3k) for internal auditor's remuneration. Internal audit also received £8.7k fees in relation to non-audit work. External Audit received no fees in relation to non-audit work.

5b Analysis of disbursements

Disbursement grants totalling £0.1m (2008/09: £0.9m) were paid to education and training providers to provide appropriate training to the social services workforce.

During 2009/10 postgraduate bursaries totalling £2.5m (2008/09: £2.5m) were managed by the Council. Of this £1.5m was paid directly to students undertaking postgraduate social work training and £1m to universities for tuition fees.

A total of £2.4m (2008/09 £2.2m) was paid to universities to support practice learning opportunities during the year.

6 Property, Plant & Equipment

6a

	Information Technology £000	Plant & Equipment £000	Furniture & Fittings £000	Total £000
Cost or Valuation:				
At 1 April 2009	101	86	186	373
Additions	0	0	0	0
At 31 March 2010	101	86	186	373
Depreciation:				
At 1 April 2009	57	36	64	157
Charged in year	25	11	16	52
At 31 March 2010	82	47	80	209
Net book value:				
At 31 March 2010	**19**	**39**	**106**	**164**
At 31 March 2009	44	50	122	216

6b

	Information Technology £000	Plant & Equipment £000	Furniture & Fittings £000	Total £000
Cost or Valuation:				
At 1 April 2008	101	86	186	373
Additions	0	0	0	0
At 31 March 2009	101	86	186	373
Depreciation:				
At 1 April 2008	33	24	49	106
Charged in year	24	12	15	51
At 31 March 2009	57	36	64	157
Net book value:				
At 31 March 2009	**44**	**50**	**122**	**216**
At 31 March 2008	68	62	137	267

7 Intangible Assets

7a

	Information Technology £000
Cost or Valuation:	
At 1 April 2009	360
Additions	5
At 31 March 2010	365
Amortisation:	
At 1 April 2009	171
Charged in year	48
At 31 March 2010	219
Net book value:	
At 31 March 2010	**146**
At 31 March 2009	189

7b

	Information Technology £000
Cost or Valuation:	
At 1 April 2008	230
Additions	130
At 31 March 2009	360
Amortisation:	
At 1 April 2008	155
Charged in year	16
At 31 March 2009	171
Net book value:	
At 31 March 2009	**189**
At 31 March 2008	75

8 Trade Receivables and other current assets

8a

	2009/10 £000		2008/09 £000	
Amounts falling due within one year:				
Prepayments and accrued income		649		567
Trade receivables	157		187	
Other receivables	31		55	
		188		242
		837		809

Trade and other receivables are non-interest bearing. Credit terms are generally 30 days. Trade receivables are recorded at fair value, reduced by estimated allowances for doubtful debts. There are no amounts receivable after more than one year.

8b

	2009/10 £000	2008/09 £000
Provision for impairment of receivables		
As at 1 April	(14)	0
Charge for the year	(53)	(14)
Unused amounts reversed	6	0
Uncollectable amounts written off	36	0
As at 31 March	(25)	(14)

As at 31 March 2010, trade and other receivables of £25k (2008/09: £14k) were due and impaired. The amount of the provision was £25k (2008/09: £14k). The ageing analysis of these receivables is as follows:

	2009/10 £000	2008/09 £000
3 to 6 months past due	3	
Over 6 months past due	1	3
Over 12 months past due	21	11
	25	**14**

As at 31 March 2010, trade and other receivables of £188k (2008: £242k) were past due but not impaired. The ageing analysis of these receivables is as follows:

	2009/10 £000	2008/09 £000
Not past due date	128	116
Up to 3 months past due	20	39
3 to 6 months past due	6	24
Over 6 months past due	4	29
Over 12 months past due	30	34
	188	**242**

8c Analysis of trade & other receivables

	2009/10 £000	2008/09 £000
Bodies external to Government	799	772
Government bodies	37	30
Local authorities	0	1
NHS bodies	1	6
	837	**809**

9 Cash and cash equivalents

	2009/10 £000	2008/09 £000
Balance as at 1 April	1,849	2,413
Net change in cash & cash equivalent balances	665	(564)
Balance as at 31 March	**2,514**	**1,849**
The following balances as at 31 March were held at:		
Office of HM Paymaster General	0	0
Commercial banks and cash in hand	2,514	1,849
Balance as at 31 March	**2,514**	**1,849**

10 Trade payables and other current liabilities

	2009/10 £000	2008/09 £000
Amounts falling due within one year:		
Trade payables	2,080	1,617
Accruals and deferred income	426	448
VAT	0	1
Other taxation and social security	86	70
Other payables	69	8
	2,661	**2,144**

Analysis of trade and other payables:

	2009/10 £000	2008/09 £000
Bodies external to government	2,487	1,861
Government bodies	107	176
Local authorities	67	101
NHS bodies	0	6
	2,661	**2,144**

11 Analysis of Specific Reserves

The Sponsor has approved the use of two specific reserves.

A legal reserve is to be maintained up to a maximum level of £400k. This reserve is to provide additional funding for future legal costs which could arise due to the unpredictable frequency and complexity of conduct cases. Of this reserve, £178k was utilised during the year.

The **O**n-line **S**ocial **CA**re **R**egister (OSCAR) is a system which has been developed for the Social Care Councils in Scotland, England, Wales and Northern Ireland. The system is managed by the General Social Care Council (England). The system has been used since 2007/08 however some further developments are planned for the 2010/11 year for which a specific reserve has been agreed with the Sponsor.

11a Movement in Reserves

	Legal	OSCAR	MHO Award	Total
	£000	£000	£000	£000
Movement in specific reserves 2009/10				
Balance as at 1 April 2009	400	0	0	400
Transfers to general reserve	(178)			(178)
Transfers from general reserve		404		404
Balance as 31 March 2010	**222**	**404**	**0**	**626**
Movement in specific reserves 2008/09				
Balance as at 1 April 2008	400	225	82	707
Transfers to general reserve	0	(225)	(82)	(307)
Transfers from general reserve	0			
Balance as 31 March 2009	**400**	**0**	**0**	**400**

11b Sources of Financing

2008/09 Total £000	General Fund	2009/10 Revenue £000	Capital £000	Total £000
511	Opening balance as at 1 April 2009	113	406	519
(9,653)	Retained surplus/(deficit) for the year	(9,216)	(100)	(9,316)
9,354	Grants and grant in aid	9,392	5	9,397
212		289	311	600
	Transfers to/from specific reserves:			
	Transfers from Legal reserve	178		178
307	Transfer to OSCAR reserve	(404)		(404)
519		63	311	374

12 Grants and other Income from Scottish Government

12a Scottish Government grants and other Income

	2009/10 £000	2008/09 £000
Grant in aid	8,770	9,065
Sector Skills Development Agency	198	109
Mental Health Officer (MHO) Award grant	0	79
Early Years Project	0	55
Continuous Learning Framework	169	46
Contribution to OSCAR reserve	135	0
Investing in Children's Future's grant	63	0
Contribution to accommodation move	62	0
Total grants from Scottish Government	**9,397**	**9,354**

12b Grant in aid analysis

	2009/10 £000	2008/09 £000
Approved grant in aid from Scottish Government	8,770	9,470
Grant drawndown during the year	8,770	9,065
Grant in aid not required	0	405

13 Capital Commitments

There were no capital commitments as at 31 March 2010.

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:	2009/10 £000	2008/09 £000
Buildings:		
within 1 year	494	494
within 2 to 5 years	1,976	1,976
beyond 5 years	2,417	2,911
	4,887	**5,381**
Other:		
within 1 year	179	273
within 2 to 5 years		
beyond 5 years		
	179	**273**

14b Finance leases

There are no obligations or commitments under finance leases.

15 Contingent liabilities

There were no contingent liabilities as at 31 March 2010.

16 Related-party transactions

The Council is a Non-Departmental Public Body (NDPB) sponsored by the Workforce and Capacity Issues Division of the Young People and Social Care Directorate within the Scottish Government. The Council has shared service arrangements with the Scottish Commission for the Regulation of Care. The Scottish Government and the Scottish Commission for the Regulation of Care are regarded as related parties with which the Council has had various material transactions during the year.

A Register of interests is maintained and updated annually. None of the Council Members, key managerial staff or other related parties has undertaken material transactions with the Council during the year.

17 Post Statement of Financial Position events

Two events have occurred since the Statement of Financial Position date that require to be disclosed in accordance with International Accounting Standard (IAS) 10 (Events after the Reporting Period). Both changes are deemed to be non-adjusting events after the reporting period.

17.1 Pension Liabilities

The Chancellor of the Exchequer announced in his Emergency Budget on 22 June 2010 that the consumer prices index rather than the retail prices index will be the basis for future public sector pension increases. It is estimated that this change will reduce the value of an average employer's IAS 19 liabilities in the Fund by around 6-8%.

17.2 OSCAR System

The review of the Department of Health's Arm's Length Bodies (ALBs) published on 26 July 2010, set out the UK Government's intention for the General Social Care Council's (GSCC) functions to be transferred to the Health Professions Council, by April 2012 at the earliest. This intention was included in the government's summary of public body reforms published on 14 October 2010. The GSCC is the SSSC's English counterpart and all 4 UK social care councils share the same OSCAR registration system. The GSCC currently fund 84.5% of the development and annual maintenance costs of the OSCAR system. Serious doubts about the future viability and affordability of the OSCAR system are raised in the absence of the GSSC's funding contribution. Analysis of the future options available to the SSSC and the associated costs has commenced.

18 Losses statement

There were no losses or special payments made in the year.

19 Notional charges

The accounts include a notional capital charge of £34k (2008/09: £32k). This charge is reversed in the Operating Cost Statement.

20 First Time Adoption of IFRS

	General Fund £000
Taxpayers' equity at 31 March 2008 under UK GAAP	330
Adjustments for:	
IAS 16 Property, Plant & Equipment	2
IAS 19 Employee Benefits	(47)
IAS 38 Intangible Assets	(13)
Taxpayers' equity at 1 April 2008 under IFRS	**272**
Taxpayers' equity at 31 March 2009 under UK GAAP	(835)
Adjustments for:	
Adjustments made in 2007/08	(58)
IAS 16 Property, Plant & Equipment	1
IAS 19 Employee Benefits	(39)
IAS 36 Impairment of Assets	(4)
IAS 38 Intangible Assets	4
Taxpayers' equity at 1 April 2009 under IFRS	**(931)**
Net operating cost for 2007/08 under UK GAAP	8,685
Adjustments for:	
IAS 16 Property, Plant & Equipment	(1)
IAS 19 Employee Benefits	47
IAS 38 Intangible Assets	13
Net operating cost for 2007/08 under IFRS	**8,744**
Net operating cost for 2008/09 under UK GAAP	9,615
Adjustments for:	
IAS 16 Property, Plant & Equipment	(1)
IAS 19 Employee Benefits	39
IAS 36 Impairment of Assets	4
IAS 38 Intangible Assets	(4)
Net operating cost for 2008/09 under IFRS	**9,653**

APPENDIX 1

SCOTTISH SOCIAL SERVICES COUNCIL

DIRECTION BY THE SCOTTISH MINISTERS

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

Kate Vincent

Signed by the authority of the Scottish Ministers

Dated: 16 January 2006