



social care
institute for excellence

Leading the Way for Improved Social Care

Annual report and financial statements 2021/22

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Chief Executive's report

2021/22 was a pivotal year for social care and a pivotal year for SCIE. In the arena of adult social care, the long-awaited Adult Social Care white paper – People at the heart of care – was published, setting out a 10-year vision for adult social care. SCIE and Think Local Act Personal (TLAP) were pleased to be closely involved in shaping this paper, being involved in several advisory groups that discussed key parts of the paper. TLAP were also critically involved in helping the Department for Health and Social Care engage with people who draw on care as part of the process, with the paper stating:

“We are particularly grateful to Think Local Act Personal for facilitating direct engagement with people with lived experience of care and support, whose views are so important in getting reform right.”

We were pleased that many of the recommendations we made in the report of **‘Commission on the Role of Housing in the Future of Care and Support’**, a year-long review on the future of housing with care led by SCIE, were reflected in the White Paper, including the commitment to set up local strategic housing with care partnerships. We are also pleased to see the commitment to making sure that the Care Quality Commission’s planned single assessment framework for local authorities, Integrated Care Systems and providers adopts the ‘I’ statements in TLAPs **‘Making it Real’** framework.

In addition, the publication of a new White Paper on integrated health and care – **‘Health and Care Integration: joining up care for people, places and populations’** – which sets out measures for making integrated health and social care a universal reality, an area which SCIE has contributed significantly towards in recent years. This year was no exception, as SCIE was part of the consortium which was selected by NHS England and Improvement to deliver support to every Integrated Care System, to help them establish place-based partnerships to drive integrated care, placing us at the heart of new thinking and best practice on integrated care. We were also pleased to be involved in assisting the Scottish Government to develop its blueprint for a new single National Care Service.

Whilst these new policy commitments – and some improvement to the funding settlement for social care – are important, the challenges facing social care continue to be enormous. This year, for instance, we started a new research commission, funded by The National Lottery Community Fund and others, into the impact of COVID-19 on adults with learning disabilities, and are hearing first-hand already just how difficult it has been for many. We will report on our findings later this year. TLAP, through its work on the experiences of black and minority communities of personalised care, and a series of reports on direct payments, identified significant barriers to access to excellent tailored care and support, whilst also identifying some good practice. This year, through our extensive research and co-production activities, we will continue to ensure that the voice of people who draw on care and support is heard at national and local levels, and successfully influences policy and practice.

In the arena of children’s social care, the Independent Review of Children’s Social Care was established to explore the future of children’s social care and is making steady progress, with the publication of a case for change in July. We were pleased to see this report call for the

expansion of the Staying Close pilots as an alternative for children in residential care, SCIE are supporting the roll out of these pilots with the Department for Education, working with the innovative Break Charity. Equally, we were pleased to see the strong emphasis on early help as a key to supporting better outcomes for children and families, and in this area SCIE has been involved in influential work in Northern Ireland looking at the efficacy of early help family hubs.

Creating safer organisations and communities is also a key objective of SCIE, and last year we were involved in a number of high-profile safeguarding reviews with significant implications for how safer services are developed in the future. These included conducting the reviews of the Whorlton Hall abuse scandal and the Tate Modern attack. We also contributed to the National Review of the murders of Arthur Labinjo-Hughes and Star Hobson.

SCIE has faced many challenges to our finances over the last few years, I know that the two years I have now been at SCIE have been at times particularly difficult for staff as we have undertaken a range of measures to turn our financial performance around. I am incredibly proud and grateful to all the team in that our efforts have been fruitful, as this year we are really pleased to record a surplus for the first time in a long time. We have also successfully delivered a range of organisational improvements – such as to our IT and finance systems. Coupled with our work to help us clarify and measure the difference we make, and the changes we will make to our website to better meet the needs of the sector, we are now far better placed to overcome potential challenges in the future to ensure we can continue to improve social care. Looking ahead, I see an exciting year for SCIE. Setting out policy direction is important, and we welcome the intent contained in the White Papers, but the hardest part, as always, is implementing changes on the ground. This year we will continue to work with national organisations and local commissioners, partners, providers and people who draw on support: we will aim to implement what works, providing evidence, consultancy support and development to help organisations and individuals to help them in turn build healthier, safer, more connected and better supported people and places.

Thank you for your continued interest and support in SCIE. I would also like to take this opportunity to thank our staff team who have showed such incredible commitment and diligence over the last year, in what continues to be a challenging time for organisations working in social care.

Kathryn Smith, Chief Executive, SCIE

Chair's report

Like other essential public services social care plays a critical role in our society, however it often does it out of sight. When social care is well led and delivered in person-centred ways, it can greatly enhance the lives of those who draw on it. It is part of the fabric of strong and cohesive communities.

This year, the Government set out its plans for the future of adult social care and the integration of health and social care – all of which promised the creation of better resourced, more joined-up, preventative and person-centred care and support. The Government have said that they want care and support that “offers people choice and control over the care they receive and promotes independence and enables people to live well as part of a community.”

These are important statements of intent, but they will take investment and sustained effort to be delivered. As a leading national improvement agency and charity, SCIE plays an important role in helping organisations and local people to turn aspirations into lived experience. We do this through high-quality research, by influencing national policy, by supporting the workforce to develop their skills and capabilities, and through providing improvement support to organisations that support people to access care and support. All of our work is co-produced with people who draw on health, care and support – improving the quality of decision-making about how care is planned, commissioned and delivered.

SCIE has been posting losses for a number of years. Over the last two years the Board has supported our Chief Executive to turn the charity around. This has meant some tough choices including staff redundancies, a permanent shift to home working, tighter financial control, as well as increased income from our services. As a result we are posting a surplus in these accounts.

There remains more to do to secure the charity's future and fulfil our purpose. Now more than ever our sector needs a charity that makes the case for, and demonstrates, the difference that great social care can make in people's lives. Driven by the evidence and by the voice of lived experience SCIE has a unique role to play.

Although we continue to operate in very challenging times for the sector, SCIE has achieved many good things this year. Key highlights for me included:

- Managing the Commission on the Role of Housing in the Future of Care and Support, which I co-Chaired with my colleagues Sir David Pearson and Professor Julianne Meyer, which produced a roadmap on the future of housing and has directly influenced the content of the Adult Social Care White Paper.
- Delivering through the Think Local Act Personal Programme, key contributions to the Adult Social Care White and Integration White Papers, which give prominence to the Making it Real 'I' statements, and producing useful insights for people managing direct payments and tackling race inequalities in how care and support is delivered.

- Designing and delivering to over 100 managers, a new leadership programme with Birmingham University centered on building strengths-based leadership skills.
- Producing new quality marks for Safeguarding Adult Reviews, for the Department of Health and Social Care.
- Reviewing nationally the Discharge to Assess policy, a critical policy intervention which aimed to support people leaving hospital during the pandemic.

Over the next year, we aim to build on these successes, with plans for growth. Whilst the Board is tremendously proud of the work of SCIE, we feel the charity can achieve more. In particular, we will be strengthening our skills and capabilities in policy and influencing and growing our consultancy business, which is thriving.

Next year will also be an exciting year for the TLAP Programme, as it continues to influence national policy and practice. Its involvement as a key partner in helping shape the Care Quality Commission's planned new Assurance Regime for local authorities is an important area of work for the programme that we are particularly excited about.

Finally, I want to acknowledge the dedicated service of Ewan King, our Deputy CEO, who has taken up a new challenge as the CEO of Shared Lives. He will be missed. I would also like to take this opportunity to thank SCIE's Trustees, who have helped SCIE navigate successfully a very difficult period and continue to provide unwavering support to the organisation's leadership team. I would also like to thank our Chief Executive for her leadership and our staff, who work so hard, and diligently, to deliver resources and support which I know make such an important difference for those working in the sector.

With best wishes

Rt Hon Paul Burstow

Chair, SCIE

Our year in summary

The Social Care Institute for Excellence (SCIE) is a leading values-driven charity and improvement agency. In recent years we have evolved from a largely government-funded body to a fast-moving, high-profile and more commercial organisation and thought leader.

Our vision is: **“A society where care and support maximises people’s choices, removes social inequality, and enables people to live fulfilling, safe and healthy lives.”**

Our mission is: **“To research, evidence, share and support the implementation of best practice. We use this evidence and experience to shape policy and outcomes, and to raise awareness of the importance of social care and social work for creating a fair and equal society. Everything we do is informed by people with experience of care and support.”**

Think Local Act Personal (TLAP) is a national partnership of more than 50 organisations, hosted by SCIE, which is committed to transforming health and care through personalisation and community-based support. The partnership spans central and local government, social care providers, the NHS, and the voluntary and community sector as well as people with lived experience, through the National Co-production Advisory Group (NCAG).

2021/22 was a very successful year for SCIE and the TLAP programme. We have delivered a number of reforms to how we work internally – including upgrading our IT and finance systems and moving to a virtual model of working – and have posted a healthy operational surplus of nearly half a million pounds. Building on these strong foundations, next year we are planning to grow – bringing in additional expertise and capacity to support our policy and influencing, and our improvement support to local organisations in particular.

Please refer to note 15 in the Accounts regarding SCIE’s exit from the Local Government Pension scheme with effect from the 7 December 2021.

TLAP had a very successful year, including a large range of national policy developments, including influencing key parts of the Adult Social Care White Paper, and the development of the CQC’s single assurance framework for health and social care. TLAP published well received reports on equalities in social care, direct payments and innovation.

In 2021-22 our business plan focused on three strategic areas, and in relation to each area, we have delivered impactful work that has made a real difference to people who draw on care and support, and the organisations that work with them:

1. Driving improvements in social care locally.
2. Influencing better policy and practice nationally, including the Think Local Act Personal programme to personalise health, care and support.
3. Supporting better safeguarding everywhere.

Key highlights included:

- Providing consultancy support to over 25 local authorities to enable them to transform care and support for people and communities.

- Over 80 managers took part in SCIE and the University of Birmingham's leading strengths-based practice programme.
- Leading the Commission on the role of housing in the future of care and support, which directly influenced the Adult Social Care White Paper.
- Providing support to local areas across England to help them develop Place-based approaches to integrating health and social care.
- Providing strategic advice to the Department of Health and Social Care to help it shape the Adult Social Care White Paper.
- SCIE worked with funders, including the Oak Foundation and the National Lottery, to provide bespoke support, so that user-led organisations and voluntary groups that they fund could identify and act on safeguarding incidents.
- Updating the Safeguarding Adult Review (SAR) Quality Markers which support people involved in commissioning, conducting and quality-assurance to know what a good Safeguarding Adult Review looks like.

We continue to have an unrivalled reach into the sector, with 5,337,000 visits to our website, and over 220,000 registered to receive our newsletter. Over 5,000 people took part in our accredited classroom training sessions.

Our priorities for next year are ambitious, and include:

- increasing further the number of local authorities and local organisations we work with on strengths-based practice, outcome-based commissioning, co-production and the development of place-based integrated care.
- follow-up on opportunities arising from the Social Care White Paper and the Integration White Paper, including innovation, assurance, information and advice, unpaid carers.
- inform through our work for the Department for Health and Social Care the development of a national integration shared outcomes framework.
- continue, through our policy work and learning from practice, to influence the national direction of policy, guidance and practice on safeguarding across children's and adult's social care.
- expand the delivery of our current offer of audits, reviews and consultancy, including for faith-based groups, charities and user-led organisations, while producing new national guidance aimed at reducing inequality in people's experiences and outcomes.
- building on work we do on refining Quality Markers, to support the sector in improving the quality of safeguarding work.
- grow our training and support offer, including producing a new training offer for Liberty Protection Safeguard (LPS) implementation.
- invest in and deliver a new SCIE website, to reinforce our role as the leading source of evidence and knowledge on social care in the UK.

- implement an evaluation plan which will enable SCIE to gather better data on our impact and develop a people plan that enables SCIE to deliver its strategic priorities.
- implement a new pay and grading framework and an approach to pay progression.
- review and refresh SCIE's approach to equality, diversity and inclusion.

We look forward to working with you in 2022/23!

Activities and achievements

In this section of the plan, we describe what we have done last year and the impact of our work in relation to our key priorities. These were based around four main priorities:

1. Improving social care locally.
2. Influencing better national policy and practice, including the Think Local Act Personal programme, to drive personalisation of health, care and support.
3. Supporting better safeguarding everywhere.
4. Improving SCIE as an organisation.

Priority one: Improving social care locally

We seek to work with local organisations, partnerships and people who draw on support to transform care and support. We help local areas overcome the most difficult barriers, learn from good practice, and develop sustainable plans.

We are experts in what works, and through our extensive networks and access to communities of practice, can help local organisations access and learn from the latest best practice and innovations. Wherever possible, our local improvement work is co-produced with people who draw on care and support.

In our 2021–2023 strategy, we said we would support a growing number of local authorities to improve. This involved supporting organisations, through a range of improvement approaches and tools, to:

- embed strengths-based leadership and practice develop outcome-focused approaches to commissioning
- develop more integrated place-based governance and models of care
- develop Named Social Worker models to providing support, an approach which means providing a dedicated person who is the main point of contact for people and their families during their entire care journey.

What we did

- We worked with over 25 local authorities on a range of adult social care transformation programmes. These projects included:
 - Developing and embedding strengths-based approaches to practice, which for example, involved SCIE developing a new strengths-based practice framework for Solihull Council and supporting the London Borough of Hounslow to develop a new set of strengths-based assessment and care planning forms.
 - Implementing co-production arrangements, to drive delivery of local adult social care plans, for example we supported Durham County Council in establishing a new co-production forum and staff training in co-production skills.

- Developing and implementing new approaches to commissioning home care and extra care, which included for example, supporting the London Borough of Tower Hamlets to develop a new outcome-based approach to commissioning home care.
- Developing best-in-class early help services for children and families experiencing difficulties.
- Reviewing home-first hospital discharge arrangements, to ensure that they reflect best practice, which, for example, we did for Doncaster Council.
- Delivering, in partnership with PA Consulting, IBM, Collaborate and the Nuffield Trust, the national Place Development Programme to support the development of place-based approaches to population health management. This work, for instance, involved SCIE facilitating action learning sets in several areas including Leeds, Dudley, Waltham Forest and Devon, to help them develop new place-based governance and planning arrangements for integrated health and social care.
- Developing over 100 managers across adult and children's social care in strengths-based leadership, jointly with the University of Birmingham.

See our case studies here:

Developing co-production in Kirklees

In 2019, people working within Kirklees Adult Social Care started to explore how to create more opportunities for co-production. Although there were pockets of co-production happening, the ambition was for this to become 'the way we do things'. With support from The Social Care Institute for Excellence (SCIE) people who draw on social care and support, carers, family members and staff were invited to come together to co-produce a plan for how to make this ambition a reality.

The group decided to test and learn through taking a co-productive approach with two projects:

1. Developing an integrated contact centre service for health and care.
2. Review of the Direct Payments policy.

Throughout 2021, people who draw on care and support, carers and Kirklees Council staff continued to have conversations about how to build on the learning of the two projects and make the Kirklees Vision for Adult Social Care a reality through co-production. They set out to create a new Co-production Board. This group worked together to shape the whole process of setting up the board including creating the terms of reference and the recruitment materials as well as designing and taking part in the recruitment process. Board members and co-production partners involved with coproduced projects are paid for their time and contributions.



Social Care Institute for Excellence (SCIE) and the University of Birmingham (UoB) – Strengths-based leadership programme

One of the most important developments within health and social care in recent years has been a greater emphasis on building on the strengths of individuals and families, and the assets within communities.

We know from our work across the sector, that good leadership in health and social care is hugely important in supporting this commitment to strengths-based practice. Recognising this, SCIE and UoB have developed a unique leadership programme. Aimed at managers, team leaders, assistant team leaders and senior practitioners in adult and children's social care: **Leadership of strengths-based practice.**

This programme has been designed to support practice leaders to demonstrate leadership through engaging with academic insights, critically reflecting on their own leadership, and developing a community of practice with their peers through facilitated contact days.

The programme is supported by a unique learning platform with contributions from sector leaders and includes the delivery of an improvement project to enable the practical application of strengths-based leadership in both the practitioners own role and its impact on organisations as a whole.

To date, SCIE and UoB have delivered to a wide range of social care practitioners and staff in both open access and in-house tailored programmes for teams, including West Midlands Teaching Partnership, Bradford and Doncaster adult social care.

“I recognise that I now have a greater awareness of the significance and role of effective leadership in implementing and embedding a strengths-based approach and culture within an organisation. Engagement in the programme has provided me with the opportunity to consider how my role, as well as that of others, is key in influencing the realisation of a strengths-based culture; this being crucial in being able to effectively support frontline social work practitioners to apply this approach within their practice.”

Leadership programme participant

Priorities for 2022/23

In 2022/23 we will continue to work with local authorities, local partners and people who draw on care to drive the improvement of health, care and support.

There will be six main priorities for support.

- **Practice with impact.** Helping organisations and leaders to embed strengths-based practice across the whole service and place, building on our practice with impact methodologies and tools.
- **Supporting place-based integration of health and social care.** Working with local Place-based partnerships to develop co-produced plans and implement improved health and care.
- **Commissioning for innovation and outcomes.** Conducting a strategic review and action plan to support local authorities shift commissioning away from time and task and institution-based models.
- **Embedding the named worker approach.** Supporting embedding of the named worker approach, and responsive and supportive teams.
- **Co-production of care and support.** Supporting local organisations and partnerships to develop and embed sustainable and effective co-production partnerships.

- **Preparing local authorities for assurance arrangements.** Working with local authorities to prepare for, and respond to, new CQC oversight requirements.

Priority Two: Influencing better policy and practice nationally

SCIE is one of the leading authorities on what works in social care, and through our growing policy and influencing activities, we seek to influence national policy, guidance, regulation and practice. In our 2021–2023 strategy, we said we would speak with an authoritative voice on how we improve people’s experiences and outcomes of social care, providing sector leadership and a strong policy perspective.

What we did

- Actively contributed to the DHSC’s work groups tasked with developing the Government’s White Papers on Adult Social Care, and Health and Social Care Integration.
- Delivered the final report for the Commission on the Role of Housing in the future of care and support, and an 18-month programme to explore future priorities for housing with care.
- Conducted a rapid review of Discharge to Assess arrangements during the pandemic, for the Department for Health on Social Care.
- Established as a key partner to the University of Sheffield for a new Centre for Care, which will develop new evidence on care provision for people of all ages.
- Leadership, as part of a key partner, of the new ESRC/Health Foundation-funded IMPACT Centre, a UK-wide evidence implementation organisation.

See our case studies here:

Developing proposals for a new Evidence Centre for Palliative End of Life Care

SCIE was asked by Marie Curie to carry out a short study into the feasibility of a new evidence centre for Palliative and End of Life Care (PEOLC). SCIE conducted a rapid review of relevant literature and interviews with stakeholders involved in PEOLC research and evidence dissemination to explore the case for a new centre, its potential purpose and role. In parallel, Professor Katherine Sleeman of the Cicely Saunders Institute, King’s College London, has been developing a proposal for a What Works Centre for palliative care, supported by Dr Anna Dixon, Prof. Baroness Illora Finlay and others. The development work involved conversations with key stakeholders across Government, including the Cabinet Office What Works team.

Leading on from these activities, SCIE, supported by Marie Curie and with input from Katherine Sleeman, facilitated a workshop with a wider group of stakeholders to discuss the proposed concept of a PEOLC evidence centre and emerging options for its development, including the purpose of such a centre, its potential position and impact within the wider sector, and possible form and funding models.

The workshop was held at the Marie Curie head office in London on 21 March 2022 and involved a range of representatives from across the spectrum of PEOLC evidence users, generators and facilitators, as well as from existing What Works centres and potential supporters, to help shape and develop the concept at this formative stage.

SCIE produced a report of the review and workshop, and will continue to support Marie Curie as it develops this idea further.

IMPACT Centre (IMProving Adult Care Together)

In late 2021 the IMPACT Centre entered its establishment phase, on its journey to becoming a fully-fledged UK national centre. The IMPACT Centre will support the adult social care sector in making the best use of evidence and transform how social care evidence is turned into practice, including supporting adults and young people moving into adult social care and how social care interacts with partner agencies and other sectors.

Key objectives for the new centre are to enable practical improvements on the ground, and make a crucial contribution to longer-term cultural change, by:

- Supporting more widespread use of evidence in adult social care, leading to better care practices, systems and outcomes for people who use services, their families and communities.
- Building capacity and skills in the adult social care workforce to work with evidence of different kinds to innovate, improve care and deliver better outcomes.
- Facilitating sustainable and productive relationships between the full range of adult social care stakeholders to co-create positive change/innovations and improve outcomes for people using adult social care and their families.
- Improving understanding of the factors which help and hinder the implementation of evidence in practice, and using this to overcome longstanding barriers to positive change.

SCIE has been involved from the outset in a partnership led by the University of Birmingham, in both securing the funding for the Centre and guiding the centre through the initial co-design stage to explore in more detail its priorities and how it will operate. SCIE has a representative on the IMPACT leadership team, who has recently been appointed part-time Deputy Director, to develop a strategy for knowledge mobilisation that will ensure that the Centre is able to use the learning from its work to influence national policy, standards, education and practice in adult social care.

Next year, the Centre will test out its delivery model through a series of pilots across the UK, drawing learning from this piloting to inform its further evolution as a Centre.

Future priorities

In 2022/23 we will:

- Follow up on opportunities arising from the Social Care White Paper and the Integration White Paper, including innovation, assurance, information and advice, and unpaid carers.
- Inform, through our work for the Department for Health and Social Care, the development of a national integration shared outcomes framework.
- Continue, through our policy work and learning from practice, to influence the national direction of policy, guidance and practice on safeguarding across children's and adult's social care.
- Promote the roadmap for SCIE's Commission on the Future of Housing and Care and seeking opportunities to develop our ideas further through participation on the Task Force for Housing for Older People and elsewhere.
- Increase the diversity across our networks, and understanding ways we can impact health and social inequalities through own policy influencing and research.

Think Local Act Personal – driving personalisation in health, social care and support

The TLAP programme in 2021-22 sought to continue to drive the personalisation of health, social care and support, working with a wide group of partners including Skills for Care, the LGA, ADASS and Care Provider Alliance. At the heart of TLAP's approach is co-production, and through its National Co-production Advisory Group, the programme continued to have a significant influence over national policy and the development of local care and support.

What we did

- Connected views and ideas of people who draw on care and support to the White Paper team within DHSC and established a new lived experience group to meet with the Care Minister and officials on an ongoing quarterly basis.
- Published three reports on direct payments, on which we are now working with the Government, to ensure they steer the renewed focus on direct payments within DHSC.
- CQC adopted TLAPs 'Making it Real' (MIR) at the heart of the new assurance framework. Using the co-produced 'I' statements and working with TLAP, National Voices and the National Co-Production Advisory Group to co-design bespoke 'We' Statements to fit the specific requirements of the Assurance Framework.
- Published the 'Personalisation in Black, Asian and Minority Ethnic Communities' report, profiling the work and experience of 14 grassroots organisations providing personalised and community focused services to people from BAME communities. Interest led to a follow-up online event, and a podcast.

- Partnered with Local Trust to publish the 'Towards Resilience: Making Community Matter in Social Care', report.
- Convened a community of practice with SCIE for 12 local authorities interested in working together to identify ways to support co-ops and community-owned models of home care. (Funded by CoOp UK and Power to Change.)
- TLAP continued to be a key contributor at events discussing social care reform, including attending DHSC roundtable. Representatives from NCAG chaired the All Party Parliamentary for Social Care, working with LGA/ADASS sounding boards, Archbishops Commission, Engage Britain, and attending the National Leaders Group.
- We launched the Technology Enabled Care Action Alliance with TSA, to boost lived experience leadership and influence within the tech-enabled care industry.
- Clenton Farquharson MBE was awarded a social care leadership award for recognising the important impact he is having on the sector in the promotion of personalisation, disability leadership and tackling inequalities.
- NCAG Chair Sally Percival stepped down as NCAG Chair after her highly effective and impactful term in the role. Our new Chair is Isaac Samuels, with Kate Sibthorp elected as Co-Chair.

See our case study '**Better Direct Payments: from insight to action**' here:

https://www.thinklocalactpersonal.org.uk/_assets/Reports/Better-Direct-Payments.pdf

Future priorities

In 2022/23 we will:

- Through our partnership with CQC, ensure lived experience and 'Making it Real' shape ongoing development and implementation of the new Assurance Framework.
- Accelerate co-production in policy, supporting people who draw on care and support work with DHSC on reforms relating to the Adult Social Care White Paper. We will be investing in NCAG and working with others to promote and support the role of lived experience in sector leadership in England (also via our role facilitating the International Initiative for Disability Leadership).
- Support and enabling innovation, by refreshing the 'Rainbow' directory of innovation and building opportunities for peer support and learning between innovators, people who draw on care and support, and commissioners.
- Develop our Reimagining Self-directed Support programme to focus on implementation of good practice. Working across key stakeholders in national policy and local implementation to reconnect personal budgets and direct payments to the values of self-directed support, personal agency, choice, and control. We will work

with local partners to develop and spread national best practice in personal budget administration and processes.

- Launch the new TEC Action Alliance with TSA aims to put, centre stage, the voice of people who draw on care, so that technology enabled systems and solutions are truly co-produced and person-centred. We will ensure that co-production of social care digital strategies includes people who draw on care and support.
- Ensure direct employers of personal assistants (PAs) are heard and have opportunities to shape future workforce strategies and priorities within social care. This includes publishing a new report into our joint survey with the LGA on recruitment and retention of PAs.
- Achieve self-directed support, working with key stakeholders in national policy and local implementation to reconnect personal budgets and direct payments to the values of self-directed support, personal agency, choice and control. Working with local partners to develop and implement national best practice in personal budget administration and processes.

Priority three: Supporting better safeguarding everywhere

SCIE is a leading authority on safeguarding across children's and adult services. SCIE is the go-to organisation for politically sensitive safeguarding issues, be it Safeguarding Adult Reviews such as Whorlton Hall or Tate Modern, or when the Government wants to understand the prevalence of sexual abuse in care settings.

Our safeguarding offer consists of twin pillars, our work on Learning Together to understand the root cause of safeguarding issues in practice and the identification and sharing of learning. Secondly our safeguarding training, consultancy and national guidance to offer advice and support, in order to improve safeguarding practice. Together they enable us to ensure people are safer; so that adults and children are less likely to have adverse experiences, which lead to reduced life chances and reinforce inequalities.

What we did

Our work on audits and reviews supported professionals working in safeguarding to learn from incidents and adopt best practice. This included:

- Undertaking Independent Reviews for Adult Safeguarding Boards to establish why an event was able to occur and to learn from it. These included high-profile cases such as Whorlton Hall and Tate Modern.
- Updating the Safeguarding Adult Review (SAR) Quality Markers which support people involved in commissioning, conducting and quality assurance to know what a good Safeguarding Adult Review looks like.
- Implementing a new training support offer for local authorities, to help them undertake their own learning reviews.

- Completing the programme of audits for the Church of England, which included safeguarding audits of all of England's Cathedrals.
- SCIE worked with funders, user-led organisations and policy makers to improve practice through our policy, consultancy and training work.
- SCIE worked with funders, including the Oak Foundation and the National Lottery, to provide bespoke support, so that user-led organisations and voluntary groups that they fund could identify and act on safeguarding incidents.
- SCIE undertook research so the Government understood the prevalence of sexual incidents in care settings.
- SCIE launched a support hub for the sector to prepare for the new Liberty Protection Standards (LPS), including briefings, training and videos that seek to support the sector to use LPS as an opportunity to promote practice which aligns with human rights and the core principles and duties of the Care Act 2014.
- SCIE trained over 1,500 people, to equip them with the skills they needed to take appropriate action in response to safeguarding incidents to ensure people are more likely to be safe.

See our case studies here: <https://www.scie.org.uk/consultancy/safeguarding-reviews-audits>

Future priorities

In 2022/23 SCIE will:

- Expand the delivery of our current offer of audits, reviews and consultancy, including for faith-based groups, charities and user-led organisations, while producing new national guidance aimed at reducing inequality in people's experiences and outcomes.
- Building on work we do on refining Quality Markers, to support the sector in improving the quality of safeguarding work.
- Grow our training and support offer, including producing a new training offer for LPS implementation.

Priority four: Strengthening SCIE as an organisation

This year, SCIE continued to develop as an organisation, putting in place the foundations on which to grow as a high-performing, dynamic and outward-looking organisation. We have strengthened the leadership at SCIE during the past year having recruited to four new Directors – Finance and Corporate Resources, Policy, Research and Information, People and Culture, and Think Local Act Personal.

We have taken the opportunity to work with staff, people with lived experiences and stakeholders to clarify the impact we want to make as an organisation and who our key audiences are. Following this important work, we have agreed to implement an evaluation plan which will enable SCIE to gather better data on our impact, in addition to this we will deliver a new SCIE website that responds to the needs of our key audiences. Income from training was at its highest since the start of the pandemic and we are well positioned to reach pre-pandemic levels in the year 2022/23. We have worked closely with colleagues in the finance team to update and implement new processes to support the contracting and invoicing of new work.

Since the establishment of the fundraising function at the end of 2020, in the financial year 2021/22 we received support from a number of charitable trusts and donors, for which we are extremely grateful. Generating income from these different sources is important for the future sustainability of the charity and enables us to independently develop projects and support core activities that are important to our Vision and Mission.

Our recently funded 'Tackling Inequalities in Care for People with Learning Disabilities' project is nearing completion. This work will lead on to similar inequality-based projects in the future. In addition, further funding is being sought for organisational development and core cost activities to support the pro bono work we have received in this financial year, along with the further development of our events programme.

The Fundraising Manager is supported by a Fundraising Reference Group and Ethics Committee to ensure adherence to the charity's values. SCIE complies with best practice advised by the Charity Commission and utilises a Donation Acceptance policy to support its Ethical Collaboration statement. During the year, the charity received no complaints about its fundraising activities. We have had a key focus on improving the efficiency and effectiveness of our internal processes including an exercise to review cost control, which has included reducing expenditure and strengthening SCIE's processes surrounding procurement. In 2021-2022, despite reduced capacity in the business development team, we were able to work closely with programme teams to increase income in priority areas. A review of SCIE's IT strategy and systems led to the recruitment of a new external IT provider. We also appointed a Virtual Information Security Officer (VISO) to oversee the management of our information security risk.

Previously based in a large office, SCIE has now adopted a fully virtual working model. To ensure that staff spend time together face to face, the whole organisation meets together on a monthly basis. We have begun work on establishing our people plan, a key part of which has been to establish an Employee Forum, to create a more inclusive employee voice and drive a high-performance culture.

Future priorities

In 2022-2023 we will:

- Recruit a Director of Business Development and Marketing to lead our growth strategy.
- With support from Pilotlight, develop an approach for marketing at organisational and programme level.
- Support the development and roll-out of commercial offers for each of the work programmes, providing the necessary resources to respond to opportunities.
- Update and develop dashboard reporting for our commercial pipeline and sales.
- Roll out a series of events including panel events, round tables and webinars to promote SCIE's thought leadership in key areas, to align with our commercial support to the sector.
- Invest in and deliver a new SCIE website, to reinforce our role as the leading source of evidence and knowledge on social care in the UK.
- Implement an evaluation plan which will enable SCIE to gather better data on our impact and develop a people plan that enables SCIE to deliver its strategic priorities.
- Implement a new pay and grading framework and an approach to pay progression.
- Review and refresh SCIE's approach to equality, diversity and inclusion.
- Further embed the organisational values to drive the desired culture.
- Build a people data framework, to create a stronger evidence base to inform decision making.
- Implement and develop better IT systems and infrastructure, to allow for accurate and high-quality financial and non-financial data and reports to be produced.
- Continue to build on the new financial processes implemented since late 2021, to ensure SCIE is fully compliant with both financial and audit regulations and guidance, and to keep risk at an acceptable level.
- Start work on reporting against our Environmental, Social and Governance (ESG) targets, which will be set by a newly-formed working group, in collaboration with our Trustees.

Governance report

Statement of Trustees' responsibilities

The Trustees (who are also directors of SCIE for the purposes of company law) are responsible for preparing the Trustees' report and financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the income and expenditure of the charitable company for that period. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the income and expenditure of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland (FRS 102)
- make judgements and estimates that are reasonable and prudent
- state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Each of the Trustees confirms that:

- so far as the Trustee is aware, there is no relevant audit information of which the charitable company's auditor is unaware
- the Trustee has taken all the steps that they ought to have taken as a Trustee to make themselves aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s.418 of the Companies Act 2006.

The Trustees are responsible for the maintenance and integrity of financial information included on the charitable company's website. Legislation in the United Kingdom governing

the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

SCIE's Board of Trustees

Up to 15 people are able to sit on SCIE's Board of Trustees. At the time of this report, the board had 12 members, including its Chair. In the event of the charity being wound up, members are required to contribute an amount not exceeding £1.

New Trustees are elected by existing Trustees and serve for a term of three years before retiring from office. Retiring Trustees can be nominated to serve a second consecutive term provided that no Trustee serves more than two consecutive terms of office, except with the unanimous support of all the other Trustees.

Constant regard is paid to the skills mix of the Trustees to ensure that they have all the necessary skills required to contribute fully to the charity's development.

On agreeing to become a Trustee of the charity, the Trustees are thoroughly briefed by their co-Trustees on the history of the charity, the day-to-day management, the responsibilities of the Trustees, the current objectives, and future plans. The Trustees are also encouraged to attend any courses which they feel are relevant to the development of their role, and to keep up-to-date on any changes in legislation.

The Board of Trustees is supported by the Audit and Risk Committee which meets throughout the year.

The following Trustees were in office at the time this report was approved and served throughout the year, except where shown:

Trustee	Appointed / Resigned	Audit and Risk Committee
Rt Hon Paul Burstow (Chair)		
Alex Fox	Term ended Jan 2022	
Annie Hudson	Term ended Jan 2022	
Clenton Farquharson		
Jane Green		
John Grosvenor		Treasurer
Margaret Lally		Member
Mark Atkinson		Member
Mary McKenna	Term ended Jan 2022	
Dr Osmund Stuart	Term ended May 2022	
Rachel Armitage		Member
Sean Holland		
Sue Gower	Term ended May 2021	
Zoe Gould	Appointed 14 July 2022	
Zoe Hallam	Appointed 14 July 2022	
Brett Terry	Appointed 14 July 2022	

Company secretary	Kathryn Smith
Chief Executive	Kathryn Smith
Registered and principal office	Social Care Institute for Excellence Isosceles Head Office One High Street Egham TW20 9HJ E: info@scie.org.uk W: www.scie.org.uk
Company Registration Number	04289790 (England and Wales)
Charity Registration Number	1092778
Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL
Banker	Barclays Bank plc Public Sector Team Level 27 1 Churchill Place London E14 5HP

This annual or Trustees' report has been prepared in accordance with Part VIII of the Charities Act 2011 and constitutes a directors' report as required by the Companies Act 2006.

The financial statements for the year to 31 March 2022 have been prepared in accordance with the accounting policies set out on pages 45 to 48 of the financial statements and comply with the charity's memorandum and articles of association, applicable laws and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102).

Structure

The Chief Executive and senior staff attend, and provide reports to, regular meetings of the Board of Trustees. This enables the business of the Board, including strategy, development, and governance, to be undertaken collaboratively and in accordance with good practice. The Chief Executive manages the day-to-day activity with assistance from senior executives.

Through involvement of staff representatives, circulation of papers, and staff meetings, there is wide communication of board discussions and decisions to staff members.

Key management personnel

The key management personnel are the Trustees together with the Chief Executive and the Deputy Chief Executive. The salaries of the staff members of key management are reviewed on a triennial basis through external benchmarking. Payments made to Trustees are set out above with all such payments being approved by the Board, those receiving such payments absenting themselves from such approval.

Employees

SCIE is an equal opportunities employer and applies objective criteria to assess merit. It aims to ensure that no job applicant or employee receives less favourable treatment on the grounds of age, race, colour, nationality, religion, ethnic or national origin, gender, marital status, sexual orientation, or disability.

Selection criteria and procedures are reviewed regularly to ensure that individuals are selected, promoted, and treated on the basis of their relevant merits and abilities. All employees are given equal opportunities and, where appropriate and possible, special training to enable them to progress both within and outside the organisation.

Co-production Network

The Co-production Network involves users and carers in shaping and influencing SCIE's work. The Network works with SCIE on its work programme, priorities, and performance.

Building on SCIE's strong reputation for working with people who use services and carers, the Co-production Network met during the year, chaired by a SCIE Trustee (who is also a person that draws on services), to hold the organisation to account for ensuring the core values of the organisation continued to underpin its overall business plan.

Key risks

The Audit and Risk Committee regularly review the strategic risk register and have identified key risks and their mitigation. These include:

- monitoring financial sustainability to ensure that our expenditure does not exceed our income. This risk is mitigated by careful budget management, planning and forecasting.
- monitoring the internal controls and procedures to ensure they are effective. This risk is mitigated by regularly reviewing and testing internal controls and by closely liaising with staff to obtain their feedback.
- having a robust and effective cyber security strategy in place to protect our infrastructure, assets, staff and clients. This risk has been mitigated by the appointment of a Virtual Information Security Officer who works closely with the Director of Finance and Corporate Resources.
- ensuring full compliance with our legal and financial responsibilities. This risk is mitigated by undertaking regular reviews, for example at the Audit and Risk Committee and Board meetings.

Financial overview

The financial position at the end of the year is set out below.

2021/22 has been a very successful year for SCIE. In 2020/2021, SCIE made an operating loss of (£627,109) which we have worked very hard to turn around by both seeking to reduce and minimise expenditure and adjust our strategies to increase our income. SCIE is pleased to report an operating surplus of £477,134 for the 2021/22 financial year and SCIE staff should be congratulated on this achievement as we look to build on this surplus moving forward.

SCIE's income increased by £158,486 in 2021/22, which represents a 3% increase from 2020/2021.

Led by the Finance Team, a review was conducted to ensure that SCIE was receiving value for money in relation to goods and core services being provided and received, which has led to some operational savings being made. SCIE's procurement policies and processes have been tightened to ensure that quotes for goods and services received are both competitive and represent value for money.

SCIE's expenditure decreased by £945,757 in 2021/22, which represents an 18% decrease from 2020/2021.

SCIE's defined benefit pension fund

Please refer to note 15 in the accounts.

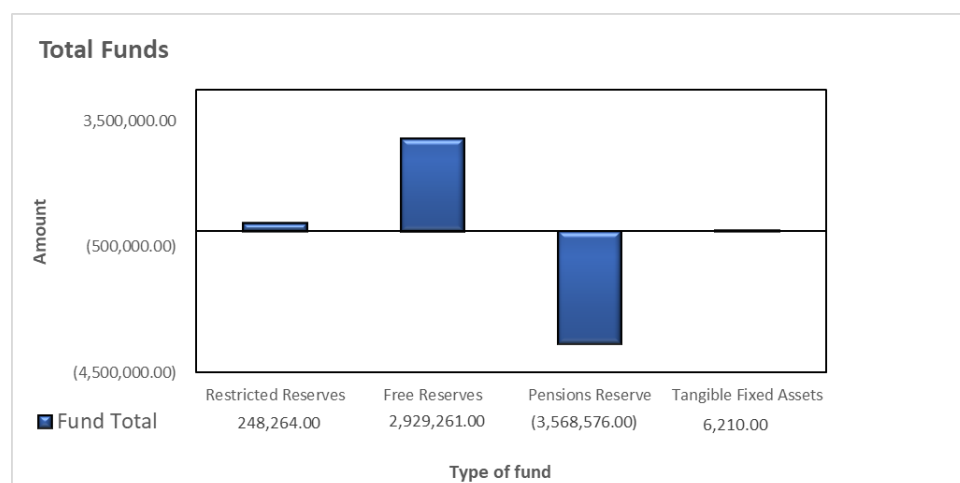
Up until 7 December 2021, SCIE participated in the Essex Pension Fund (the Fund) administered by Essex County Council. The Fund is a defined benefits scheme providing benefits based on final pensionable pay. The contributions to the Fund up until 7 December 2021 (the Primary Rate Contributions) have been determined on the basis of triennial valuations by a qualified actuary using the projected unit method.

On 7 December 2021 (the Exit Date), the charity became an Exiting Employer of the Fund as a result of it no longer having an active member contributing towards the Fund. Essex County Council obtained an actuarial valuation as at the Exit Date of the liabilities of the Fund in respect of benefits in respect of the charity's current and/or former employees and a revised rates and adjustments schedule showing the amount due by the charity as at the Exit Date under the Regulations (the Exit Payment).

At 31 March 2022, the Fund's actuaries have determined that the Secondary Contribution payable by the charity for the year to 31 March 2023 will be £350,000.

The next triennial valuation of the Fund is effective from 1 April 2023 at which point the charity's position will be revisited and revised Secondary Contributions will be payable. However, the Fund's actuaries have indicated that at the present time and based on calculations performed at the Exit Date, current estimates suggest that the charity will be required to make payments of £350,000 per annum for each of the years 2022/23 through to 2032/33. Therefore, a provision for these payments has been included on the charity's balance sheet as at 31 March 2022 discounted at a rate of 2.6% (the rate used in the valuation calculations by the Fund's actuaries) equating to £3.56 million. This provision will be updated in future years based on the Fund valuations and may increase or decrease depending on the valuation results.

Figure 1: Total funds



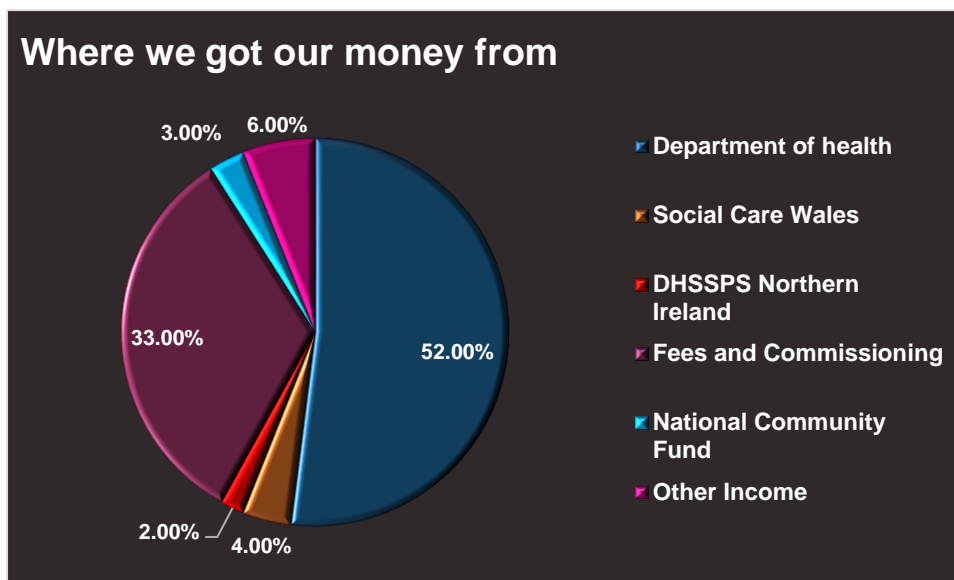
The balance sheet shows total funds to be in deficit by £384,841 at 31 March 2022 (2021 – deficit of £1,151,399). At this date, restricted funds amounted to a surplus of £248,264 (2021 – £203,600 surplus). These monies have either been restricted for use on specific projects or they comprise donations subject to donor-imposed conditions. Full details of these restricted funds can be found in note 12 to the financial statements together with an analysis of movements in the year.

£6,210 (2021 – £126,043) of the total funds is represented by tangible fixed assets held in unrestricted funds.

SCIE's estimation for the deferred debt liability at 31 March 2022 is £3,568,000 (2021 – share of the deficit on the defined benefit pension fund was £3,630,000). For further information, see note 15 to the financial statements. SCIE's remaining general funds (being unrestricted funds excluding tangible fixed assets but before the defined benefit pension fund liability) are 'free reserves' and total £2,929,261 at 31 March 2022 (2021 – £2,148,958).

SCIE received its income from two principal sources – grants and fees and commissioning income. It spent its money on charitable activities delivering projects and meeting contracts and agreements.

Figure 2: Income



At the start of the 2021-2022 financial year, a best- and worst-case budget was prepared to plan for any financial challenges that COVID-19 had brought with regards to securing funding. Within the first quarter of 2021-2022, we had already exceeded our worst-case income budget target for the full financial year, which meant we were able to adjust our income and expenditure budgets for the remainder of the financial year. The Finance Team worked closely with budget holders to reforecast both income and expenditure on a quarterly basis to ensure that our financial targets were both realistic and achievable. The outcome is that we finish the financial year with a positive net income figure.

Policies

Reserves policy

SCIE carries out a diverse range of activities, some of which comprise short-term and externally funded projects, whilst others are long-term projects requiring significant ongoing financial commitment and investment.

The Trustees have examined the requirement for free reserves, that is, those unrestricted funds not invested in tangible fixed assets, designated for specific purposes or otherwise committed. This has been undertaken by a regular consideration of pension liabilities both by the Audit Committee and the Trustees, including the information from the triennial review and the FRS 102 valuation. The Trustees have assessed the risks arising from a more uncertain future.

In the current climate, SCIE is determined to keep a level of reserves commensurate with balancing the need to release funds for new streams of income generation with the need to retain sufficient funds for liabilities that may arise in respect to the pension scheme and in relation to future accommodation needs; and, in addition, having funds to support three months of operating costs in the unlikely event of a closure. The Trustees believe the minimum level of free reserves should be £2 million.

The level of free reserves was £2,929,261 at 31 March 2022. The Trustees believe that this level of free reserves is adequate but not excessive and that it is consistent with the reserves policy above. The current free reserves provide a solid foundation to support SCIE's transformation by enabling investment in the development of its commercial offer, diversification of sources of income, and in meeting its future liabilities.

Investment policy

SCIE does not have long-term investments. Funds that are surplus to requirements in the short term are kept on treasury deposit.

The charity's assets

Acquisitions and disposals of fixed assets during the year are recorded in the notes to the financial statements (see note 8).

Trustees' report (including the strategic report) approved by the Trustees and signed on their behalf by:

Trustee: Paul Burstow

Approved by the Trustees on: 13 September 2022

Independent auditor's report to the members of Social Care Institute for Excellence

Opinion

We have audited the financial statements of Social Care Institute for Excellence (the 'charitable company') for the year ended 31 March 2022 which comprise the statement of financial activities, the balance sheet, and statement of cash flows, the principal accounting policies and the notes to the financial statements. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2022 and of its income and expenditure for the year then ended
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least 12 months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual Report and Financial Statements, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

Opinions on other matters prescribed by the Companies Act 2006

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

- The information given in the Trustees' report, which is also the directors' report for the purposes of company law, including the strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- The Trustees' report, which is also the directors' report for the purposes of company law, including the strategic report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report including the strategic report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of Trustees

As explained in the Trustees' responsibilities statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees deem necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures can detect irregularities, including fraud is detailed below.

How the audit was considered capable of detecting irregularities including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations
- we identified laws and regulations applicable to the charitable company through discussions with management, and from our commercial knowledge and experience of the sector
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charitable company, including the Charities Act 2011, the Companies Act 2006, Financial Reporting Standard 102 (FRS 102) and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with FRS 102
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships
- carried out substantive testing of expenditure including the authorisation thereof
- tested journal entries to identify unusual transactions
- assessed whether judgements and assumptions made in determining the accounting estimates set out in the accounting policies were indicative of potential bias
- used data analytics to identify any significant or unusual transactions and identify the rationale for them.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation
- reading the minutes of trustee meetings
- enquiring of management as to actual and potential litigation and claims
- reviewing any available correspondence with HMRC and the company's legal advisors.

There are inherent limitations in our audit procedures described above. The more removed those laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion. A further description of our responsibilities is available on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Amanda Francis (Senior Statutory Auditor)

For and on behalf of Buzzacott LLP, Statutory Auditor
130 Wood Street, London, EC2V 6DL

26 September 2022

Statement of financial activities: Year to 31 March 2022

	Notes	Unrestricted funds £	Restricted funds £	2022 Total funds £	Unrestricted funds £	Restricted funds £	2021 Total funds £
Income from:							
Short-term bank deposits							
. Interest receivable		861	—	861	318	—	318
Charitable activities							
. Contracts, grants, service level agreements and fees receivable	1	2,132,456	2,653,154	4,785,610	1,521,783	3,105,884	4,627,667
Total income		2,133,317	2,653,154	4,786,471	1,522,101	3,105,884	4,627,985
Expenditure on:							
Charitable activities							
. Provision and dissemination of knowledge and good practice in social care	2	1,642,670	2,666,667	4,309,337	1,280,676	3,974,418	5,255,094
Total expenditure		1,642,670	2,666,667	4,309,337	1,280,676	3,974,418	5,255,094
Net income (expenditure) for the year		490,647	(13,513)	477,134	241,425	(868,534)	(627,109)
Fund Transfers		(58,177)	58,177	—	(621,961)	621,961	—
Actuarial gains (losses) in respect to defined benefit pension scheme	15a	3,858,000	—	3,858,000	(221,000)	—	(221,000)
Actuarial estimate of future Contributions	15b	(3,568,576)	—	(3,568,576)	—	—	—
Net movement in funds		721,894	44,664	766,558	(601,536)	(246,573)	(848,109)
Reconciliation of funds:							
Fund balances brought forward at 1 April 2021		(1,354,999)	203,600	(1,151,399)	(753,463)	450,173	(303,290)
Fund balances carried forward at 31 March 2022		(633,105)	248,264	(384,841)	(1,354,999)	203,600	(1,151,399)

All of the charity's activities derived from continuing operations during the above two financial periods.

Balance sheet: As at 31 March 2022

	Notes	2022 £	2022 £	2021 £	2021 £
Fixed assets					
Tangible assets	8		6,210		126,043
Current assets					
Debtors	9	1,431,404		732,942	
Cash at bank and in hand		2,761,254		2,819,475	
		4,192,658		3,552,417	
Creditors: amounts falling due within one year	10	(1,015,133)		(1,199,859)	
Net current assets			3,177,525		2,352,558
Total net assets excluding pension liability					2,478,601
FRS 102 Pension liability	15a/c		-		(3,630,000)
Actuarial estimate of future contributions	15b		(3,568,576)		-
Total net assets including pension liability			(384,841)		(1,151,399)
The funds of the charity					
Restricted funds	12		248,264		203,600
Unrestricted funds					
. General fund					
.. Free reserves	13		2,929,261		2,148,958
.. Pension reserve	15		(3,568,576)		(3,630,000)
			(639,315)		(1,481,042)
. Tangible fixed assets fund	13		6,210		126,043
			(384,841)		(1,151,399)

Approved by the Trustees of Social Care Institute for Excellence and signed on their behalf by:

Trustee: Paul Burstow

Approved on: 13 September 2022

Trustee: John Grosvenor

Approved on: 13 September 2022

Company Registration No.04289790 (England and Wales)

Charity Registration No.1092778

Statement of cash flows: Year to 31 March 2022

	Notes	2022 £	2021 £
Cash flows from operating activities:			
Net cash provided by operating activities	A	(68,076)	639,569
Cash flows from investing activities:			
Interest received		861	318
Disposal of tangible fixed assets		8,994	
Purchase of tangible fixed assets		—	(34,509)
Net cash provided by investing activities		9,855	(34,191)
Change in cash and cash equivalents in the year		(58,221)	605,378
Cash and cash equivalents at 1 April 2021	B	2,819,475	2,214,097
Cash and cash equivalents at 31 March 2022	B	2,761,254	2,819,475

Notes to the statement of cash flows for the year to 31 March 2022

A Reconciliation of net expenditure for the year to net cash provided by operating activities

	2022 £	2021 £
Net expenditure for the year (as per the statement of financial activities)	477,134	(627,109)
Adjustments for:		
Depreciation charge	110,839	81,804
FRS 102 pension charge	228,000	331,000
Interest receivable	(861)	(318)
(Increase) decrease in debtors	(698,462)	283,799
(Decrease) increase in creditors	(184,726)	570,393
Net cash provided by operating activities	(68,076)	639,569

B Analysis of cash and cash equivalents

	2022 £	2021 £
Cash at bank and in hand	2,761,254	2,819,475

Social Care Institute for Excellence does not have any borrowings or lease obligations. Net debt consists therefore of the cash at bank and in hand.

Principal accounting policies: Year to 31 March 2022

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are laid out below.

Basis of preparation

These financial statements have been prepared for the year to 31 March 2022 with comparative information provided in respect to the year to 31 March 2021.

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these financial statements.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (Charities SORP FRS 102) issued on 16 July 2014, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The charity constitutes a public benefit entity as defined by FRS 102.

The financial statements are presented in sterling and are rounded to the nearest pound.

Critical accounting estimates and areas of judgement

Preparation of the financial statements requires the Trustees to make significant judgements and estimates.

The items in the financial statements where these judgements and estimates have been made include:

- estimating the useful economic life of tangible fixed assets for the purposes of calculating the depreciation charge
- assessing the appropriateness of the underlying assumptions made by the actuary in the valuation of the defined benefit pension scheme (up until 7 December 2021, the date of exit) (see note 15 for further information)
- assessing the appropriateness of the discount rate used in valuing the charity's deferred pension debt arrangement (i.e. estimated future contributions) to present value
- Estimating the amount of income to be accrued in respect of contractual work completed; and
- Estimating the amount to defer in relation to contractual and grant income received during the year.

Assessment of going concern

The Trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The Trustees have made this

assessment in respect to a period of one year from the date of approval of these financial statements.

The budget planning exercise for the 2022-2023 financial year focused on our strategic priority areas and the sub streams of work that fall under each of these priority areas. The Finance Team has worked closed with each strategic priority area lead to build an accurate and realistic budget for 2022-2023 and the charity is therefore forecasting a surplus for the 2022-2023 financial year ahead. The charity has a healthy cash balance and is able to meet its financial obligations that fall due in the 2022-2023 financial year.

Whilst there will undoubtedly be challenges ahead, the Trustees do not expect concerns to arise over the charity's financial position. As a result, the Trustees believe it is appropriate for the financial statements to be prepared on a going concern basis.

Income recognition

Income is recognised in the year in which the charity is entitled to receipt, it is probable the charity will receive the income and the amount can be measured with reasonable certainty. Income is deferred only when the charity has to fulfil conditions before becoming entitled to it, or where the donor or funder has specified that the income is to be expended in a future accounting period.

Income comprises interest receivable on short-term deposits with the charity's bankers, grants and funding from government and other agencies and income from commercial sources.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

Grants and funding from government and other agencies have been included as income from charitable activities as these comprise either contracts for services or they relate to specific services.

Income of a contractual nature and income generated from commercial sources is recognised to the extent that it is probable that the economic benefits will flow to the charity and the revenue can be reliably measured. It is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Coronavirus Job Retention Scheme grants are credited to the statement of financial activities when the Society has entitlement to the income and when the amount receivable has been quantified.

Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to make a payment to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. Expenditure comprises direct costs and support costs.

All expenditure is incurred on the charity's primary charitable purposes as described in the trustees' report. It includes all costs associated with furthering the charitable purposes of the charity through the provision of its charitable activities. Such costs include direct and support costs including governance costs.

All expenditure is stated inclusive of irrecoverable VAT.

Allocation of support and governance costs

Support costs represent indirect charitable expenditure. In order to carry out the primary purposes of the charity it is necessary to provide support in the form of personnel development, financial procedures, provision of office services and equipment and a suitable working environment.

Governance costs comprise the costs involving the public accountability of the charity (including audit costs) and costs in respect to its compliance with regulation and good practice.

Support costs and governance costs are allocated as described in note 3 to these financial statements.

Tangible fixed assets

All assets costing more than £1,000 and with an expected useful life exceeding one year are capitalised.

Tangible fixed assets are capitalised and depreciated at the following annual rates in order to write them off over their estimated useful lives:

- computer and IT equipment (including software) – 33.3% per annum based on cost
- office furniture and fittings – 25% to 33.3% per annum based on cost
- leasehold improvements – over the remaining period of the lease.

Debtors

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. They have been discounted to the present value of the future cash receipt where such discounting is material.

Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition. Deposits for more than three months but less than one year have been disclosed as short-term deposits. Cash placed on deposit for more than one year is disclosed as a fixed-asset investment.

Creditors and provisions

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the

debt. They have been discounted to the present value of the future cash payment where such discounting is material.

Fund structure

Restricted funds comprise monies raised for, or which have their use restricted to, a specific purpose, or contributions subject to donor-imposed conditions.

The general fund represents those monies which are available for application towards achieving any charitable purpose that falls within the charity's objects. It is represented by free reserves and a pension reserve which represents the FRS 102 pension liability on the charity's defined benefit pension scheme as calculated by the scheme's actuary as at the balance sheet date.

The tangible fixed-assets fund represents the net book value of the charity's tangible fixed assets held under unrestricted funds. This fund has been separated from other unrestricted funds to emphasise that the assets are of fundamental importance to the charity being able to achieve its charitable objectives and, as such, their value should not be regarded as realisable.

Leased assets

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the statement of financial activities on a straight-line basis over the lease term.

Pension costs

Up to 7 December 2021, the charity contributed to a defined benefits pension scheme providing benefits based on final pensionable salary. The assets of the scheme are held and managed separately from those of the charity. Please see note 15.

With effect from 8 December 2021, the charity contributes to a defined contribution pension scheme.

Pension scheme assets are measured using market values. Pension scheme liabilities are measured using the projected unit actuarial method and are discounted at the current rate of return on a high-quality corporate bond of equivalent term and currency to the liability. Any increases in the present value of the liabilities within the charity's defined benefit scheme expected to arise from employee service in the period is allocated to the respective expense category within the statement of financial activities. Actuarial gains and losses are recognised in the statement of financial activities as part of other recognised gains and losses for the period.

Notes to the financial statements: Year to 31 March 2022

1. Contracts, grants, service level agreements and fees receivable

	Unrestricted funds £	Restricted funds £	2022 Total funds £	Unrestricted funds £	Restricted funds £	2021 Total funds £
Department of Health and Social Care project grants	—	2,477,525	2,477,525	—	2,947,036	2,947,036
Social Care Wales	182,946	—	182,946	98,228	—	98,228
Department of Health, Northern Ireland	111,347	—	111,347	66,505	—	66,505
Fees and commissioning	1,597,205	—	1,597,205	1,120,687	—	1,120,687
National Community Fund (Formerly Big Lottery)	—	140,334	140,344	—	157,574	157,574
Other funders	241,819	35,285	277,104	236,363	1,274	237,637
	2,133,317	2,653,154	4,786,471	1,521,783	3,105,884	4,627,667

The above contracts, grants, service level agreements and fees receivable relate to the sole charitable activity of Business, Development & Delivery (BDD).

2. Provision and dissemination of knowledge and good practice in social care

	Unrestricted funds £	Restricted funds £	2022 Total funds £	Unrestricted funds £	Restricted funds £	2021 Total funds £
Business, Development & Delivery (BDD)						
Staff costs	81,395	1,498,154	1,579,549	168,417	2,426,881	2,595,298
Commissioning costs	750,142	379,764	1,129,906	438,272	330,433	768,705
Electronic access and publication costs	6,909	18,104	25,013	9,101	18,791	27,892
Support costs (note 3)	804,224	770,645	1,574,869	664,886	1,198,313	1,863,199
	1,642,670	2,666,667	4,309,337	1,280,676	3,974,418	5,255,094

3. Support costs

	2022 Total funds £	2021 Total funds £
Staff costs	799,222	910,744
Premises costs	223,061	432,002
Office costs	29,195	86,437
Governance costs (Excluding staff costs)	22,630	55,612
Other costs	500,761	378,404
Total	1,574,869	1,863,199

4. Net income (expenditure) for the year

This is stated after charging:

	2022 Total funds £	2021 Total funds £
Staff costs (note 5)	3,144,728	3,755,276
Auditor's remuneration		
. Statutory audit services		
.. Current year	22,000	22,000
.. Previous year	630	464
Depreciation	110,839	81,804
Operating lease rentals	195,223	432,002

5. Employees and staff costs

Staff costs during the year were as follows:

	2022 £	2021 £
Wages and salaries	1,509,142	2,082,609
Social security costs	176,323	219,405
Other pension costs	184,327	327,327
FRS 102 pension charge	150,000	246,000
	2,019,792	2,875,341
Payments to agency staff and consultants	1,023,428	632,349
Other staff related costs	101,508	92,936
Redundancy payments	—	154,650
	3,144,728	3,755,276

Included within wages and salaries are fees paid by SCIE to consultants who are treated as employees for tax purposes but are not SCIE employees as defined by employment law and thus are not included within the average number of employees in the table below.

Payments to agency staff during the period reflect the need to have personnel in post in order to progress the work of SCIE. Other staff-related costs include expenditure in respect to staff training and reimbursed out-of-pocket expenses.

The average number of employees during the period, analysed by function, was as follows:

	2022 No.	2021 No.
Charitable activities		
Business, Development & Delivery (BDD)	33	43
Governance	2	2
	35	45

The number of employees who earned £60,000 per annum or more (including taxable benefits but excluding employer pension contributions) during the year was as follows:

	2022 No.	2021 No.
£60,001 — £70,000	2	4
£70,001 — £80,000	1	—
£100,001 — £110,000	1	1
£110,001 — £120,000	0	1
£140,001 — £150,000	1	—

Contributions were made to a defined benefits pension scheme in respect of employees.

The key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day-to-day basis comprised the Chief Executive and the Deputy Chief Executive. The total remuneration (including taxable benefits and employer's pension contributions) of the key management personnel for the year was £293,967 (2021 – £281,014).

6. Payments in relation to Trustees

In accordance with the charity's memorandum and articles of association, the Chair of the Trustees was paid £24,375 (2021 – £24,867) during the year for services undertaken in the administration of the charity. One other Trustee was paid a total of £4,800 (2021 – two Trustees were paid a total of £8,865) on the same basis. The payment for such services has been authorised by the Charity Commission and is in line with the Charities Act 2016.

The charity has purchased insurance to protect it from any loss arising from the neglect or defaults of its Trustees, employees and agents and to indemnify the Trustees or other officers against the consequences of any neglect or default on their part. The insurance premium paid by the charity during the year totalled £11,353 (2021 – £9,410) and provides cover of up to a maximum of £2 million (2021 – £2 million).

Except as noted above, the charity did not enter into any other transactions with related parties in the current or prior years.

7. Taxation

The company is a charity under the Finance Act 2010 (schedule 6, paragraph 1) definition. Accordingly, the company is potentially exempt from taxation in respect of income or capital gains within categories covered by the Corporation Tax Act 2010 (part 11, chapter 3) or the Taxation of Chargeable Gains Act 1992 (section 256), to the extent that such income or gains are applied exclusively to charitable purposes. No tax charge arose in the period (2020 – none).

SCIE is registered for VAT but is partially exempt and so only able to recover a proportion of its input tax.

8. Tangible fixed assets

	Unrestricted funds				Restricted funds	
	Computer and IT equipment	Office furniture and fittings	Leasehold improvements	Software	Computer and IT equipment	Total
	£	£	£	£	£	£
Cost						
At 1 April 2020	176,460	85,383	152,518	87,292	37,740	539,393
Additions	—	—	—	—	—	—
Disposals	(132,723)	(85,383)	(152,518)	—	(37,740)	(408,364)
At 31 March 2021	43,737	—	—	87,292	—	131,029
Depreciation						
At 1 April 2020	159,757	81,345	82,211	52,297	37,740	413,350
Charge for year	7,397	4,038	70,307	29,097	—	110,839
Disposals	(123,729)	(85,383)	(152,518)	—	(37,740)	(399,370)
At 31 March 2021	43,425	—	—	81,394	—	124,819
Net book values						
At 31 March 2022	312	—	—	5,898	—	6,210
At 31 March 2021	16,703	4,038	70,307	34,995	—	126,043

During the year, SCIE disposed of all of its furniture and leasehold improvements following vacating its office space on 31 August 2021.

9. Debtors

	2022 £	2021 £
Prepayments and accrued income	349,961	141,947
Rent deposit	4,316	57,758
Fees and other income receivable	1,077,127	533,237
	1,431,404	732,942

10. Creditors: amounts falling due within one year

	2022 £	2021 £
Expense creditors	73,559	118,819
Taxation and social security	195,096	311,539
Pension	29,789	42,587
Accruals	370,921	415,659
Deferred income (note 11)	345,768	311,255
	1,015,133	1,199,859

11. Deferred income

	2022 £	2021 £
Balance at 1 April 2021	311,255	68,947
Income received in advance	345,768	311,255
Released to statement of financial activities	(311,255)	(68,947)
Balance at 31 March 2022 (note 10)	345,768	311,255

Deferred income comprises funding received in advance from government and other agencies.

12. Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of grants and funding held to be applied for specific purposes:

	At 01-Apr 2021 £	Income £	Direct costs £	Expenditure Support costs £	Fund Transfers £	At 31-Mar 2022 £
DHSC commissions						
Core	—	1,547,000	(965,134)	(581,866)	—	—
Liberty Protection Standards (LPS)	—	190,775	(53,192)	(71,755)	—	65,828
Other	(7,925)	—	—	—	7,925	—
Oak Foundation	(86)	31,750	(9,426)	(11,942)	—	10,296
LRS programme	2,967	45,700	(26,787)	(17,189)	—	4,691
Innovation Network	12,322	—	—	—	—	12,322
Think Local Act Personal (TLAP)	196,322	708,000	(485,772)	(230,621)	—	187,929
National Fundraising Supporting Each Other Equals Power	—	35,285	(54,754)	(13,333)	—	(32,802)
	—	94,644	(109,298)	(35,598)	50,252	—
	203,600	2,653,154	(1,704,363)	(962,304)	58,177	248,264

	At 01-Apr 2020 £	Income £	Direct costs £	Expenditure Support costs £	Fund Transfers £	At 31-Mar 2021 £
DHSC commissions						
Core	—	1,614,850	(1,399,536)	(610,615)	395,301	—
COVID	—	573,985	(542,010)	(223,027)	191,052	—
Other	—	14,200	(19,943)	(2,182)	—	(7,925)
Oak Foundation	—	46,000	(31,250)	(14,836)	—	(86)
LRS programme	21,814	33,814	(47,141)	(5,520)	—	2,967
Innovation Network	12,322	—	—	—	—	12,322
Think Local Act Personal (TLAP)	389,420	699,275	(605,194)	(287,179)	—	196,322
Supporting Each Other Equals Power	26,617	123,760	(131,031)	(54,954)	35,608	—
	450,173	3,105,884	(2,776,105)	(1,198,313)	621,961	203,600

The specific purposes for which the funds were to be used are as follows:

DHSC commission

The Department of Health and Social Care (DHSC) provided funding to SCIE to benefit from our unique position as a trusted, people-focused, independent improvement agency, to deliver business needs and facilitate sector improvement, increasing awareness, knowledge, skills and experience of the workforce. This included:

- Provision of sector leadership in conjunction with the Department, providing social care expertise and insight to the Department and bringing together national social care leads to co-ordinate responses to social care issues and policy, and wider sector leadership.
- Development of high-quality content and guidance for the sector, including producing new guidance on what co-production is and how to do it, and summarising evidence on emergent issues such as sexual incidents in care settings.
- Maintenance and review of key content that the sector is dependent on, including Safeguarding Adults, the Care Act, Mental Capacity and Co-production.
- Reinvigorating and mobilising a key network to support, engage and drive up the quality of Safeguarding Adults Reviews through the development of Quality Markers.
- Preparation and support for the sector in relation to new policy initiatives such as the Liberty Protection Safeguards (LPS) including understanding their level of preparedness and priorities, building awareness around the planned activities, and developing a package of support ahead of the 2023 introduction of LPS.

Oak Foundation

The Oak Foundation has provided funds for SCIE to review the safeguarding policies and procedures of grant applicants and offer support where needed. This support includes policy development, organisation specific training, as well as more generic safeguarding training sessions that are open to all grantees.

Safeguarding training (LRS Programme)

The National Lottery Community Fund has provided the funds to support smaller faith-based organisations to access the Safeguarding Training Fund materials via regional workshops, webinars and a bespoke training course; and to work with user-led organisations supporting people with disabilities, to devise, pilot and implement a checklist, based on materials looking at safeguarding governance and accountability.

Think Local Act Personal (TLAP)

The Think Local Act Personal partnership comprises over 30 national and umbrella organisations representing a broad interest in personalisation and community-based support. SCIE hosts the central team and also provides back-office services such as facilities, finance and HR support. The funds are provided by the DHSC.

Supporting Each Other Equals Power

Funds have been provided by the national community fund to look into issues of exclusion, loneliness and insufficient support for people with learning difficulties. This fund finished in a

deficit position for the year and therefore SCIE has made contributions from free reserves to bring this fund back into balance upon closure.

National Fundraising

This project is an initiative to address the inequalities that caused people with learning disabilities to be six times more likely to die from COVID-19 and it is due to be completed by Summer 2022. This project fits within our strategic aim of influencing better policy and practice nationally and enables us to utilise our three core functions of building a knowledge base about what works in social care, translating that into resources and then disseminating it across the sector.

Due to delays to this project, a large proportion of income has been deferred into the financial year 2022-2023. However, overheads have still been incurred, leading to the fund finishing in a deficit position.

13. Analysis of movement on funds

The below tables show the movement in the restricted and free reserves of the organisation for both the current and prior year. Asset movements refer to the adjustments that have been made to the tangible fixed-asset fund to reflect the amount of committed depreciation outstanding at the end of the financial year. The pension movements refer to adjustments that arose due to actuarial gains/losses following the yearly actuarial review.

	Restricted funds £	Free reserves £	Tangible fixed assets fund £	Pension Reserve £	Total 2022 £
Fund balances at 1 April 2021	203,600	2,148,958	126,043	(3,630,000)	(1,151,399)
Movements:					
(Deficit) / Surplus for the year	(13,513)	490,647	—	—	477,134
Actuarial estimate of future pension contributions	—	—	—	(3,568,576)	(3,568,576)
FRS 102 pension liability movement	—	228,000	—	3,630,000	3,858,000
Asset movement	—	119,833	(119,833)	—	—
Transfer General to Restricted	58,177	(58,177)	—	—	—
Fund balances at 31 March 2022	248,264	2,929,261	6,210	(3,568,576)	(384,841)

	Restricted funds £	Free reserves £	Tangible fixed assets fund £	Pension Reserve £	Total 2021 £
Fund balances at 1 April 2020	450,173	2,151,199	173,338	(3,078,000)	(303,290)
Movements:					
(Deficit) / Surplus for the year	(868,534)	241,425	—	—	(627,109)
Pension movements	—	(221,000)	—	—	(221,000)
Pension liability movement	—	552,000	—	(552,000)	—
Asset movement	—	47,295	(47,295)	—	—
Transfer General to Restricted	621,961	(621,961)	—	—	—
Fund balances at 31 March 2021	203,600	2,148,958	126,043	(3,630,000)	(1,151,399)

14. Leasing commitments

Operating leases

At 31 March 2022, the charity had total commitments under non-cancellable operating leases as follows:

	Land and buildings	
	2022	2021
	£	£
Operating lease payments which fall due:		
Within one year	9,587	139,673
	9,587	139,673

SCIE vacated its premises on 31 August 2021 following early termination of its lease that was originally due to expire in 2024. SCIE also entered an arrangement in July 2021 for a smaller office space on an initial 12-month contract. SCIE has since given notice to terminate this agreement on 31 July 2022.

15. Pension commitments

(a) Local Government Pension Scheme

Up until 7 December 2021, the charity participated in the Essex Pension Fund (the Fund) administered by Essex County Council. The Fund is a defined benefits scheme providing benefits based on final pensionable pay. The assets of the Fund are held separately from those of the charity, being invested by the Fund directly. The contributions to the Fund up until 7 December 2021 (the Primary Rate Contributions) have been determined on the basis of triennial valuations by a qualified actuary using the projected unit method.

The valuation used to determine the contribution rates paid by the charity for the period from 1 April 2021 to 7 December 2021 was the triennial valuation at 31 March 2019. This showed that at that date the market value of the scheme's assets was £6,711 million and that the actuarial value of those assets represented 97 per cent of the benefits that had accrued to members, after allowing for expected future increases in earnings. The principal assumptions made were that the investment returns would be 5.1 per cent per annum, the discount rate would be 4.5 per cent per annum and that salary increases would average 3.6 per cent per annum after 31 March 2020. For the three years to 31 March 2021, the assumed salary increases would be in line with the Consumer Price Index assumption, currently 2.4 per cent per annum. No allowance was made for possible discretionary increases in pensions beyond those prescribed in the scheme rules.

Expenditure recognised in the statement of financial activities (SOFA) for the year to 31 March 2022 is as follows, increasing the brought forward total liability from £3,630,000 (see note 15c) to £3,858,000:

	2022 £000s
Service cost	(468)
Net interest on the defined liability	(69)
Administration expenses	(13)
Total expenditure recognised in SOFA	(550)
Employer contributions	322
FRS 102 charge	(228)

Full details required by Financial Reporting Standard 102 (FRS 102) in respect to the surplus or deficit on the Fund as at 31 March 2021 (the comparative year) are shown in part (c) of this note below).

Given the charity has exited the pension scheme from 7 December 2021 and entered into a deferred debt arrangement (see below), the full liability as at that date of £3,858,000 has been reversed and has been reflected within other recognised gains and losses on the

statement of financial activities for the year to 31 March 2022. The liability has subsequently been replaced by the estimated liability for future contributions under the terms of the charity's deferred debt arrangement as per note (b) below.

(b) Deferred payment commitments as at 31 March 2022

On 7 December 2021 (the Exit Date), the charity became an Exiting Employer of the Fund as a result of it no longer having an active member contributing towards the Fund. Essex County Council obtained an actuarial valuation as at the Exit Date of the liabilities of the Fund in respect to benefits of the charity's current and/or former employees and a revised rates and adjustments schedule showing the amount due by the charity as at the Exit Date under the Regulations (the Exit Payment).

On 7 December 2021 also, the charity became a Deferred Employer in the Fund as defined by the Local Government Pension Scheme Regulations 2013 (SI 2013/2356) (the Regulations). Under the Deferred Debt Agreement (the Agreement) dated 30 December 2021, the charity and Essex County Council have agreed to allow the charity to defer its obligation to make the Exit Payment and to continue to make contributions at a Secondary Rate of Contributions on the terms set out in the Agreement and for an agreed period of time (the Repayment Period). The Repayment Period will cease on 7 December 2033 or on a date agreed as part of an Extension Notice (see below) (the Expiry Date).

Under the Agreement, Essex County Council shall, using the valuation of the Fund at the Exit Date, instruct the Fund's actuary to determine the Secondary Rate of Contributions by valuing the Fund's liabilities and certifying the Contributions on a Projected Cessation Basis for the Repayment Period. At each subsequent triennial valuation of the Fund for Regulation 62 of the Regulations, the Fund's actuary will calculate a new deficit or surplus of the Fund using an updated Projected Cessation Basis (reflecting updated date, current financials and any changes to the Fund's demographic assumptions) and determine a revised Secondary Rate of Contributions payable by the charity. The revised Secondary Rate of Contributions may increase or decrease as a result of the actuarial valuations. The calculation of the Contributions by the Fund's actuary will be, in part, determined by a discount rate which will be split into two parts:

- within the Repayment Period, the discount rate will be determined by the Ongoing Valuation Basis;
- from the proposed Expiry Date, the discount rate will be determined by the Full Cessation Basis.

If, at a valuation, the current Contributions and the Repayment Period are insufficient (or more than sufficient) to achieve full funding of the Exit Payment calculated on the Full Cessation Basis by the Expiry Date, Essex County Council shall have the discretion to consider a revised Expiry Date which will be set out in an Extension Notice.

Essex County Council has agreed that from the Exit Date and for the period of the Repayment Period, the assets attributable to the charity shall remain invested under an investment strategy in the same way and in accordance with the principles applicable to Fund employers with active members.

On the termination of the Agreement, the charity shall become an Exiting Employer for the purpose of Regulation 64(1) of the Regulations and may be liable to an exit payment or entitled to receive an exit credit (as appropriate). This will be determined by the Fund's actuary preparing a valuation as at the date on which the Agreement terminates of the liabilities of the Fund in respect to benefits in respect to the charity's current and/or former employees. This valuation will result in a revised rates and adjustments certificate showing the exit payment due from the charity or the excess of assets in the Fund relating to the charity over the liabilities and therefore resulting in a repayment to the charity.

At 31 March 2022, the Fund's actuaries have determined that the Secondary Contribution payable by the charity for the year to 31 March 2023 will be £350,000. This has been calculated on the basis described above. Under the Agreement, no Primary Contributions are due to be paid from 7 December 2021.

The next triennial valuation of the Fund is effective from 1 April 2023 at which point the charity's position will be revisited and revised Secondary Contributions will be payable. However, the Fund's actuaries have indicated that at the present time and based on calculations performed at the Exit Date, current estimates suggest that the charity will be required to make payments of £350,000 per annum for each of the years 2022/23 through to 2032/33. Therefore, a provision for these payments has been included on the charity's balance sheet as at 31 March 2022 discounted at a rate of 2.6% (the rate used in the valuation calculations by the Fund's actuaries) equating to £3,568,5766 million. This provision will be updated in future years based on the Fund valuations and may increase or decrease depending on the valuation results.

This remeasurement of the pension liability (i.e. the actuarial estimate of future contributions) has been reflected within other gains and losses on the statement of financial activities, with the full estimated liability included as a provision on the balance sheet in order to show the charity's amended membership status within the Fund with effect from 7 December 2021.

(c) As at 31 March 2021, the charity participated as an active member in the Essex Pension Fund (the Fund). As an active member, the charity was required under Financial Reporting Standard 102 (FRS 102) to include on its balance sheet as at that date the surplus or deficit on the Scheme as at 31 March 2021, calculated in accordance with the requirements of FRS 102. For the purpose of FRS 102, the assets of the scheme were taken at market value as at that date and the liabilities have been calculated by a qualified independent actuary.

FRS 102

In order to assess the actuarial value of the charity's assets and liabilities as at 31 March 2021, the actuaries have rolled forward the actuarial value of the assets and liabilities at 31 March 2020.

The major assumptions used by the actuary in preparing the FRS 102 figures for the year ended 31 March 2021 were:

	2021 % per annum
Rate of increase in salaries	3.80
Rate of increase in pension payments	2.80
Discount rate	2.00
Rate of Inflation — CPI	2.40

The mortality assumptions used were as follows:

	2021 years
Longevity at age 65 for current pensioners	
. Men	21.6
. Women	23.6
Longevity at age 65 for future pensioners	
. Men	22.9
. Women	25.1

The net movement in the FRS 102 liability during the year ended 31 March 2021 year was:

	2021 £'000s
Net deficit in scheme at 1 April	(3,078)
Service cost	(934)
Net interest	(70)
Administration expenses	(15)
Employer contributions	688
Re-measurement of the defined liability	(221)
Net deficit in scheme at 31 March	(3,630)

Total expenditure recognised in the statement of financial activities (SOFA) for the year ended 31 March 2021 was:

	2021 £000s
Service cost	(934)
Net interest on the defined liability	(70)
Administration expenses	(15)
Total expenditure recognised in SOFA	(1,019)
Employer contributions	688
FRS 102 charge	(331)

The net (loss) gain recognised in the re-measurements in other recognised gains and losses for the year to 31 March 2021 was:

	2021 £000s
Return of fund assets in excess of interest	5,465
Other actuarial gains/(losses) on assets	—
Change in demographic assumptions	256
Experience gain/(loss) on defined benefit obligation	329
Changes in financial assumptions	(6,271)
Remeasurement of the defined liability	(221)

Asset and benefit obligation reconciliation for the year to 31 March 2021:

	2021 £000s
Opening defined benefit obligation	23,211
Current service cost	523
Past service costs including curtailments	411
Interest cost	547
Contributions by scheme participants	123
Change in financial assumptions	6,271
Experience (gain) on defined benefit obligation	(329)
Benefits paid	(487)
Change in demographic assumptions	(256)
Closing defined benefit obligation	30,014

The above reconciliation includes the following amounts arising from wholly unfunded liabilities.

Unfunded benefit obligation reconciliation for the year to 31 March 2021:

	2021 £000s
Opening defined benefit obligation	79
Interest cost	2
Change in demographic assumptions	(1)
Experience loss/(gain) on defined benefit obligation	(1)
Change in financial assumptions	9
Benefits paid	(5)
Unfunded scheme liabilities at 31 March	83

Reconciliation of opening and closing balances of the fair value of the charity's share of the scheme assets:

	2021 £000s
Fair value of scheme assets at 1 April	20,133
Interest on assets	477
Return on assets less interest	5,465
Other actuarial losses	—
Contributions by employer	688
Contributions by fund participants	123
Administration expenses	(15)
Benefits paid	(487)
Fair value of scheme assets at 31 March	26,384

The charity's share of the assets in the scheme as at 31 March 2021 and the expected rates of return were:

	%	Value at 31 March 2021 £'000
Equities	63%	16,691
Government bonds	3%	672
Other bonds	5%	1,283
Property	7%	1,859
Cash	3%	665
Alternative assets	11%	3,032
Other managed funds	8%	2,182
Total market value of assets	100%	26,384

Amounts for 2021 and previous four periods are as follows:

	31	31	31	31	31
	March	March	March	March	March
	2021	2020	2019	2018	2017
	£	£	£	£	£
Fair value of assets	26,384	20,133	21,059	19,670	17,806
Present value of scheme liabilities	(30,014)	(23,211)	(25,361)	(23,997)	(23,563)
Deficit in scheme	(3,630)	(3,078)	(4,302)	(4,327)	(5,757)

16. Members' liability

In the event of the charity being wound up, members are required to contribute an amount not exceeding £1.