



social care  
institute for excellence

# Leading the way for improved social care

**Annual report and financial statements 2022/23**

31 March 2023

Company Limited by Guarantee

Registration Number 04289790 (England and Wales),  
Charity Registration Number 1092778





social care  
institute for excellence

## About SCIE

The Social Care Institute for Excellence improves the lives of people of all ages by co-producing, sharing, and supporting the use of the best available knowledge and evidence about what works in practice. We are a leading improvement support agency and an independent charity working with organisations that support adults, families and children across the UK. We also work closely with related services such as health care and housing.

We improve the quality of care and support services for adults and children by:

- identifying and sharing knowledge about what works and what's new
- supporting people who plan, commission, deliver and use services to put that knowledge into practice
- informing, influencing and inspiring the direction of future practice and policy.

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## Chief Executive's report



2022/23 has been a year of continued improvement and progress against the objectives we set ourselves last year. We want to be the best we can be for the benefit of the sector and after a successful year of impact and strong governance we have delivered a second year of surplus in succession. I am immensely proud that we have such a solid foundation to drive forward our strategy and future plans.

Thank you to the Board of Trustees for all of your support over the last year and to my hugely dedicated team along with our Co-production Steering Group and wider network.

Our contribution to the social care agenda continues to widen with SCIE now having a presence on the All-Parliamentary Party Group for Adult Social Care coupled with our membership of the new Housing Taskforce.

Ultimately, the purpose of all of this is the way we serve you the sector, and that we deliver the outcomes we promise. Over the last year we have been reviewing our stakeholder impact and it has been humbling to see the feedback we have received. Improving as an organisation is crucial for us, knowing what we need to improve on is just as important as hearing about what we do well.

For both our Local Improvement and Safeguarding work our stakeholders likelihood of promoting SCIE to peers generated a world class net promoter score of 78 - a brilliant benchmark to work to across all of our work programme areas.

Testament to our effectiveness is the fact that a large part of our work programme is with organisations and partners that we have worked with on a regular basis for a number of years. We pride ourselves on our quality of work and the fact that a large part of our work programme is with existing partners is testament to my team. We will continue to serve these partnerships to the best of our ability and look forward to increasing the number of partners that we work with over the coming 12 months.

A permanent shift to home working whilst beneficial from an environmental and financial point of view, has not been without its challenges. But, as is our culture, we have adapted and fought hard to make it work for the benefit of not only our mission but for the wellbeing of our staff.

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

We look forward to working with you and thank you for your interest in SCIE.

Best wishes

**Kathryn Smith**

**Chief Executive, SCIE**

## Chair's report



The Social Care Institute for Excellence (SCIE) is a trusted partner to the social care sector. Over 22 years we have built our activities around a base of evidence. Our reach into the sector, years in the making, is unsurpassed. With strong and stable leadership under our Chief Executive, Kathryn Smith, we are well placed to implement our plans for the future in order to achieve our vision of a society where care and support maximises people's choices, removes social inequality and enables people to live fulfilling, safe and healthy lives.

This has been another enormously challenging year for social care, but despite the political uncertainty we have continued to help the sector navigate the challenges it continues to face. Our success in facing this challenge is demonstrated by our annual impact report. One of the highlights for me is that 82% of our impact survey respondents told us that they had/intended to change their practice/approach following our intervention - a brilliant endorsement of our work.

The narrative that is switching to a focus on 'solutions' rather than 'problems' is key for us as we believe the sector has huge potential to continue to improve care and support based on evidence and best practice. Our focus on personalisation and the use of co-production lies at the heart of our ethos and enables the application of effective and practical care.

I am hugely proud to be the Chair of this leading charity and improvement agency. I want to thank my fellow Trustees along with our Chief Executive, Kathryn Smith, and all of the SCIE team for their huge efforts and dedication. Huge thanks also to our Co-production Steering Group who continue to work with us ensuring that the voice of lived experience is integral to all we do. A special mention should be made to Think Local Act Personal (TLAP), who SCIE host, and their contribution and recognition within the Adult Social Care White Paper 'people at the heart of care'.

The social care sector is such an important sector to work in and contribute to and at SCIE we know it is a privilege to be part of it.

With best wishes

**Rt Hon Paul Burstow**  
**Chair, SCIE**

## Our year in summary

SCIE is a trusted voice in the social care sector and a leading values driven charity and improvement agency. As set out in the memorandum and articles of association, SCIE's objective is the 'relief of need arising from youth, illness, disability, old age or poverty, by the review, provision and dissemination of knowledge of, and guidelines for, good practice, and other information, to persons who use, work in or are otherwise involved in social care'. To fulfil its charitable objective, SCIE conducts its work under three core functions:

- building a knowledge base about what works in social care
- translating this into resources
- disseminating this across the social care sector.

### Vision



A society where care and support:

- maximises people's choices
- removes social inequality
- enables people to live fulfilling, safe and healthy lives.

### Mission



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.

### Strategy

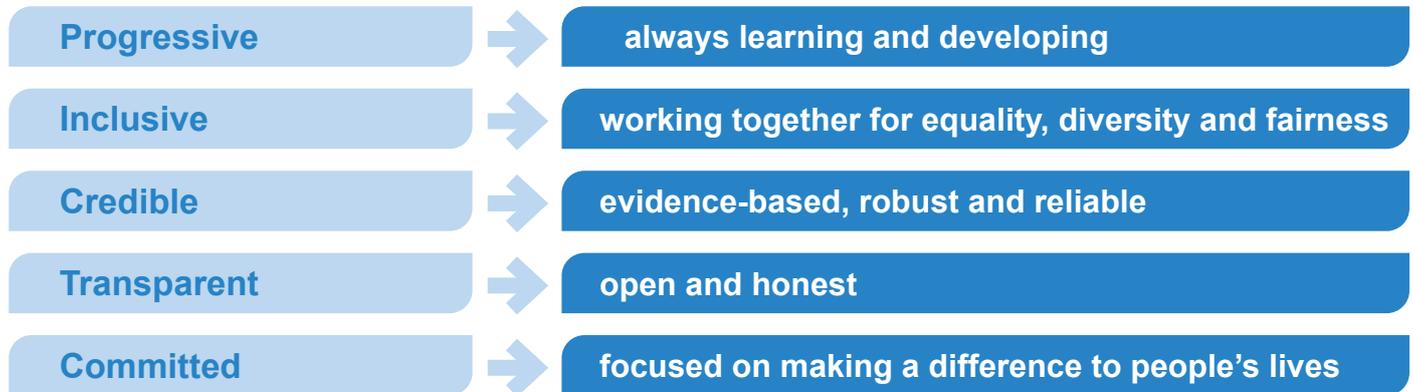


Our 2022/23 strategy focused on four strategic areas:

- Driving improvements in social care locally.
- Influencing better policy and practice nationally, including the Think Local Act Personal programme.
- Supporting better safeguarding everywhere.
- Improving SCIE as an organisation.

## Our values

The values we have signed up to



## Our achievements

### SCIE in 2022/23



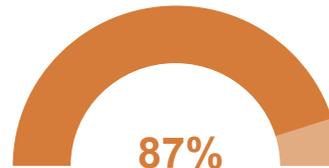
22 years in operation



Member of APPG ASC



Member of Housing Taskforce



87% said our strengths-based training “made a positive contribution to the work”



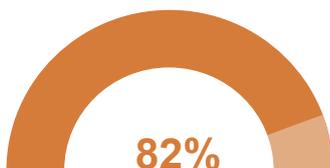
Webinars, social media and training



6 strategic alliances and partnerships



125k subscribers to our newsletter with high rated open rate



82% of 2,106 respondents either had or intended to change their practice/ approach following our intervention

Overall, SCIE received a world class net promoter score of 71 for the likelihood of promoting SCIE to peers across all areas

“SCIE were instrumental in how we’ve taken forward all of our knowledge mobilisation activity”

## Activities and impact

### Why we exist: Leading the way for improved social care

The quality of life of people of all ages in the UK is improved or maintained because the people and organisations who support them have access to high quality research, evidence, insight and support.

Our current strategy focusses on four priorities:

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

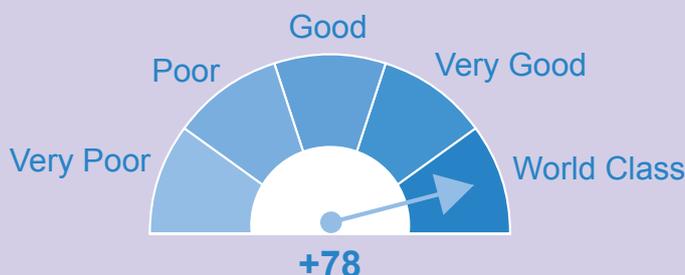
### What we have achieved

In our annual impact survey we wanted to know if:

- Did/will practice/policy change as a result of our work?
- What could SCIE have done differently to help you change?
- Would they recommend SCIE to colleagues and peers?
- What are the current areas you are working on where SCIE could support you?

Over the last year we have:

#### Improved social care locally



**SCIE received a world class net promoter score of 78 for the likelihood of promoting SCIE to peers.**

The six main priorities we set for this year related to practice with impact, supporting place-based integration of health and social care, commissioning for innovation and outcomes, embedding the named worker approach, co-production of care and support and preparing local authorities for assurance arrangements.

**CASE STUDY****Adult Social Care Strategy – critical friend and improvement partner for South Tyneside Council****What we did:**

South Tyneside needed an improvement partner to support them in the process of implementing their new Adult Social Care Strategy – Living Better Lives. At the same time there were significant developments across the Council, the ICB/ICS and the broader local system with the Adult Social Care Service also having a range of improvement initiatives and projects underway.

**The difference we made:**

“SCIE have improved our understanding of co-production and we’ve been able to develop our own co-production framework for implementation with a much broader understanding of what co-production entails.”

“SCIE has helped us to think differently about how we work as an organisation and its been the embedding and transference of the skills into what we do that has the added value piece for us.”

“We are realigning our transformation programme and are thinking so differently; if we hadn’t worked with SCIE, we wouldn’t have got to that point in terms of that realignment and just how we think. Again, it’s the critical analysis and SCIE really helped us with this.”

## Influenced better national policy and practice – SCIE

We set a priority to 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.

**“They bring us expertise of a wide range of partners, including people with lived experience. When I was talking to them it was like I was speaking to all the people they had spoken to.”**

## CASE STUDY

### Reforming Adult Social Care (RASC) consultation – Department of Health Northern Ireland

#### What we did:

In 2022, Northern Ireland, Department of Health carried out the Reforming Adult Social Care (RASC) consultation. This asked the public to respond to a set of questions about the 2022 consultation document which set out 48 Proposed Actions across six different Strategic Priorities, covering the whole of adult social care. SCIE analysed all of the data from the consultation, which consisted of:

- 153 online survey questions.
- 62 email responses consisting of 720 pages.
- Notes from 17 online engagement sessions. The Department published its full response, including SCIE's analysis in June 2023.

#### The difference we made:

This work has helped to inform the next steps in the development of adult social care reforms.

## Influenced better national policy and practice – Think Local Act Personal

TLAP continues to drive the personalisation of health, social care and support, working with a wide group of partners and have influence over national policy and the development of local care and support.

“An opportunity to think around corners, to hear the views of others and share, to be with people with the same drive to change things for the right reasons.”

(attendee at Archbishop Commission on Social Care Webinar TLAP hosted)

“Very real conversation between passionate experts who didn’t appear to be there simply in order to hear their own voices. Ensuring the audience were inspired.”

(attendee at Archbishop Commission on Social Care Webinar TLAP hosted)

## CASE STUDY

### Advancing Co-Production as a way to reach better decisions – Association of Directors of Adult Social Services (ADASS)

#### What we did:

Think Local Act Personal, together with the National Co-Production Advisory Group have been supporting ADASS with progress to embedding co-production in their organisation nationally. This work started with making events more inclusive but has moved on to exploring how ADASS can co-produce policy effectively.

#### The difference we made:

We held the first ever Co-production Zone at NCASC, hosting talks, interviews and conversations on co-production with guest speakers. To encourage inclusivity we distributed free passes to those that draw on care and support, which ensured that 10% of overall attendees at NCASC were people with lived experience.

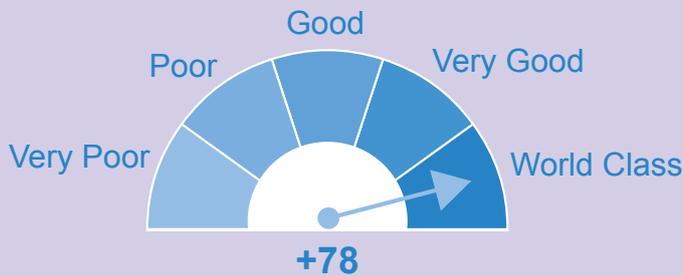
All sessions at the event were delivered in partnership between professionals and people who draw on care and support, including a plenary session on the work that TLAP and NCAG have been supporting at a regional level.

Other events include the hosting of a Co-production at ADASS webinar with ADASS, which highlighted emerging practice and impact.

TLAP Director, Ian McCreath and TLAP Chair Clenton Farquharson joined Rich Amos, Mel Williams and Phill Holmes for a panel discussion at Spring Conference.

Work is ongoing with ADASS on plans for developing national policy in co-production with people who draw on care and support, building on successful work in partnership with Turning Point on Social Justice.

## Supported better safeguarding everywhere



**SCIE received a world class net promoter score of 78 for the likelihood of promoting our safeguarding audits, reviews and foundation courses to peers.**

SCIE is a leading authority on safeguarding across children's and adult services and is the go-to organisation for politically sensitive safeguarding issues such as Whorlton Hall or Tate Modern.

**"I want to thank the Social Care Institute for Excellence team for this thorough, constructive and helpful report for @LambethPalace. We welcome the encouragement and the challenge from SCIE to continue our ongoing learning and improvement of safeguarding practices."**

**(Archbishop of Canterbury @JustinWelby)**

## CASE STUDY

### Safeguarding Audit – Children's Hospices Across Scotland (CHAS)

#### What we did:

Following a board governance audit, CHAS really wanted to understand their strengths and areas for development in relation to child protection and safeguarding public protection.

#### The difference we made:

The quote from CHAS below shows the difference we made to the client:

"The audit worked well and the auditors were phenomenal shining a real light on safeguarding child protection. The audit highlighted the importance of prioritising children's voices and will help to put child protection and safeguarding at the centre, a golden thread, where it is everybody's responsibility and everybody absolutely understands that and their role in it. Our governance, around safeguarding will be much better and our documentation and recording, as well as our framework for information sharing. It has also given us the confidence and momentum to improve our protection policies and procedures."

## Improved SCIE as an organisation

**“it’s not just a job, it really matters to them (SCIE), they really care about getting it right.....I need to feel that any organisation I work with is coming from a clear value base”**

**(SCIE stakeholder)**

### CASE STUDY

#### Moved to being a digital organisation

##### What we did:

Following the Covid-19 pandemic and the necessity to switch to working remotely, SCIE decided to make this a permanent switch in 2022. We have worked hard to make this a positive experience for the team. Whilst it hasn't been without its difficulties, in our 2022 staff engagement survey 75% of the team said they felt connected to their colleagues. We will continue to work hard on our values, which include inclusion, to make team members feel connected and part of the charity. Ongoing support and improvement are key for the future.

##### The difference we made:

This has enabled the charity to become more geographically dispersed which helps to attract a wider pool of talent.

## Future priorities

**We will continue to lead the way for improved social care through the priorities we have set for 2023/24.**

We believe the sector has huge potential to continue to improve care and support based on evidence and best practice. Consequently, our focus will be on five strategic areas:

### **1. Drive improvements in social care locally to deliver better outcomes for people who need care and support. We will:**

- Continue delivering improvement projects to approximately 20 clients a year. Our improvement offer will include a new focus on delivering long-term impact through a critical friend support approach.
- Continue delivering our highly popular strengths-based leadership courses every month.
- Develop new support offers in the areas of children's social care improvement and in relation to the CQC assurance regime.



**“SCIE was an amazing glue....feel like I am part of a community now.”**

### **2. Influence and support implementation of better policy to improve the lives of people accessing care and support. We will:**

- Deliver the SCIE Commission on Care Equity.
- Develop a new Social Care Online minimum viable product app, which we will seek to scale up thereafter into a training and development service for the social care workforce.
- Deliver the SCIE DHSC core grant as per our agreed workplan.
- TLAP will deliver its DHSC grant as per their agreed workplan.



**“Experts in bringing together theory and practice which lends further credibility to their expertise of the sector.”**

### 3. Improve safeguarding processes to keep children and adults safe and support their social wellbeing. We will:

- Continue delivering our audits, reviews and training to our client groups.
- Develop, market and deliver a new improvement offer that takes evidence from audits and reviews and translates them into improvement support for greater impact.
- Develop a new framework and tools for delivering safeguarding audits to multi-academy trusts and/or choir schools.
- Showcase learning from our audits and reviews to increase system capability.



“Experts in understanding the sector and in bringing together voices from across the sector.”

### 4. Embed co-production and the voice of people with lived experience in the design and delivery of health and care services to better meet people's needs. We will:

- Deliver the co-production survey, co-production week and research evaluating the impact of co-production.
- Work across SCIE, TLAP and the SCIE Co-production Steering Group to co-produce a strategy, vision for co-production and co-production evaluation tool.
- TLAP will develop, create and launch an online co-production hub bringing together guides, toolkits, easy read and multimedia resources showcasing the role of co-production within Making it Real and personalised reforms across social care, health and within ICSs.



### 5. Organisational development and infrastructure. We will:

- Reduce the ratio of associate staff expenditure, only using associates when the team is at capacity or we require specialist skills or knowledge that we do not have in-house.
- Install and configure a new finance system, project management system and HR/leave systems on Salesforce.
- Launch our new website and decommission the old website.
- Develop a detailed business development implementation plan for 2023/24, and a mid-term plan for 2024/25.



## Governance report

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### 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 10 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 an Audit and Risk Committee and a People and Nominations Committee, which meets throughout the year.

The Audit and Risk Committee is established by the Board to make recommendations, provide oversight and assurance in respect of the Charity's financial integrity, transparency and effective risk management. The Committee oversees the accuracy and reliability of the Charity's financial reporting as well as evaluating the adequacy of internal controls. The Committee plays a pivotal role in maintaining accountability, good governance and the long-term sustainability of the Charity.

The Nominations and People Committee is established by the Board to make recommendations, provide oversight and assurance in respect to the Charity's arrangements for appointing and assessing the contribution of Trustees, including the Chair and Hon Treasurer. The Committee also provides the Board with assurance in respect of the Charity's people strategy and processes.

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	People and Nominations Committee
Rt Hon Paul Burstow (Chair) Clenton Farquharson Mark Atkinson Annie Hudson  Osmund Stuart Jane Green  John Grosvenor Margaret Lally (Vice Chair) Rachel Armitage Sean Holland  Zoe Gould Zoe Hallam Brett Terry Georgia Chimbani	 Resigned 19 January 2023 Resigned 19 May 2022  Resigned 19 May 2022 Resigned 03 August 2023    Appointed 14 July 2022 Appointed 14 July 2022 Appointed 14 July 2022 Appointed 18 July 2023	   Treasurer Member  Member  Member	     Member Member   Chair

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: <a href="mailto:info@scie.org.uk">info@scie.org.uk</a> W: <a href="http://www.scie.org.uk">www.scie.org.uk</a>
Company Registration Number	04289790 (England and Wales)
Charity Registration Number	1092778
Auditor	Haysmacintyre LLP 10 Queen Street Place London EC4R 1AG
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 2023 have been prepared in accordance with the accounting policies set out on pages 29 to 32 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 Strategic Leadership Team 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 Strategic Leadership Team. 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.

All of SCIE's pay grades are externally evaluated by an external reward consultant. The consultant gathered relevant market data to design the associated pay levels. This involved extracting and gathering market data from a number of different sources in order to produce a rounded and robust outcome that smoothed out any anomalies which may exist in the source data. Data collected covers the Charity, Public, Institute, Academic and Research and Policy Sectors. In gathering pay data the consultant included organisations/data sources that are comparable with SCIE, in terms of size and location. After gathering data from these organisations and surveys, all of this was placed into a translator (which is merely a mechanism to extrapolate the salary figure from each organisation/data source at SCIE's job size level/grade). This produced an indicative salary figure for every possible job evaluation score and therefore allowed us to read-off the market salary data from the relevant data sources for each of SCIE's grades.

### **Equality, diversity and inclusion**

Inclusion is one of our values that drives our organisational culture here at SCIE. We're committed to listen and act where required so people can be included without fear or prejudice regardless of race, age, gender, sexual orientation, faith and belief, or a disability.

Beginning with our Board we've made appointments to increase diversity and we will look to build on this when we recruit to Trustee roles next year. We have people with lived experience on our Board and supporting committees. We're also proud to include a person with lived experience on recruitment panels for Trustee and employee roles.

## 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 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 Chief Information Security Officer (vCISO) who works closely with the Director of Finance and Corporate Resources.
- Ensuring full compliance with our legal, financial and data protection responsibilities. This risk is mitigated by undertaking regular reviews, for example at the Audit and Risk Committee and Board meetings. SCIE have also appointed an external data protection advisor, who will undertake an annual audit to review SCIE's ongoing compliance with data protection.

## Financial overview

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2022/23 represents a successful year for SCIE, on the back of recording our first operational surplus for the 2021/22 financial year, after a number of operationally deficit financial years.

SCIE is pleased to report an operating surplus of £302,505 for the 2022/23 financial year and SCIE staff should be congratulated on this achievement as we look to build on this surplus moving forward.

Although SCIE's income for the 2022/23 financial year decreased by 6% in comparison to the 2021/22 financial year, expenditure also decreased by 3% over the same financial period. SCIE has its cost base firmly under control and we continue to seek to reduce and minimise expenditure where possible, regularly reviewing our strategies to maximise our income potential.

SCIE regularly reviews operations, to ensure that value for money in relation to goods and core services are being provided and received. SCIE's procurement policies and processes have been strengthened to ensure that quotes for goods and services received are both competitive and represent value for money.

## SCIE's defined benefit pension fund

Please refer to note 15 in the accounts.

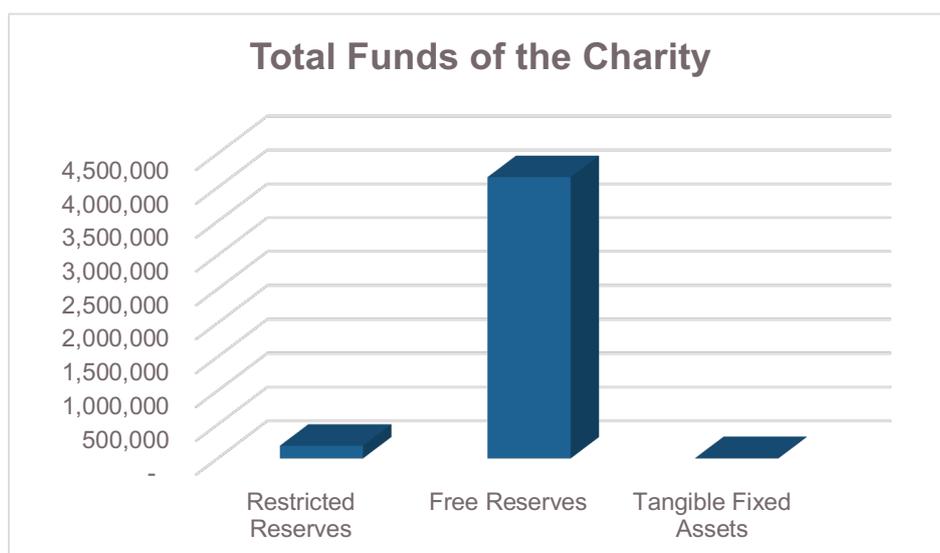
Up until 7 December 2021, SCIE participated in a local government pension scheme (The Fund), administered by Essex County Council. The Fund was a defined benefits scheme providing benefits based on final pensionable pay. The contributions to the Fund up until 7 December 2021 were determined on the basis of triennial valuations by a qualified actuary.

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 to determine the amount due by the charity as at the Exit Date, under the Regulations (the Exit Payment). SCIE entered into a deferred debt agreement (DDA) with Essex Pension Fund as at the Exit Date. The DDA agreement ends if Essex Pension Fund assesses that SCIE has paid sufficient contributions to cover the required exit payment that would have been due if SCIE had become an exiting employer on that date the assessment is made.

A triennial valuation of the Fund was undertaken with effect from 31 March 2023, to determine whether the DDA should cease with effect from 31 March 2023. The Fund's actuaries determined that due to investment returns, SCIE's fund was in surplus by £1.2 million, meaning that SCIE's DDA ceased with effect from 31 March 2023. On 6 June 2023, SCIE received a refund of the pension surplus of £1.2 million ceasing our involvement with the local government pension fund.

SCIE remains a member of the SEI Master Trust Pension on a defined contribution benefit basis.

**Figure 1: Total funds**



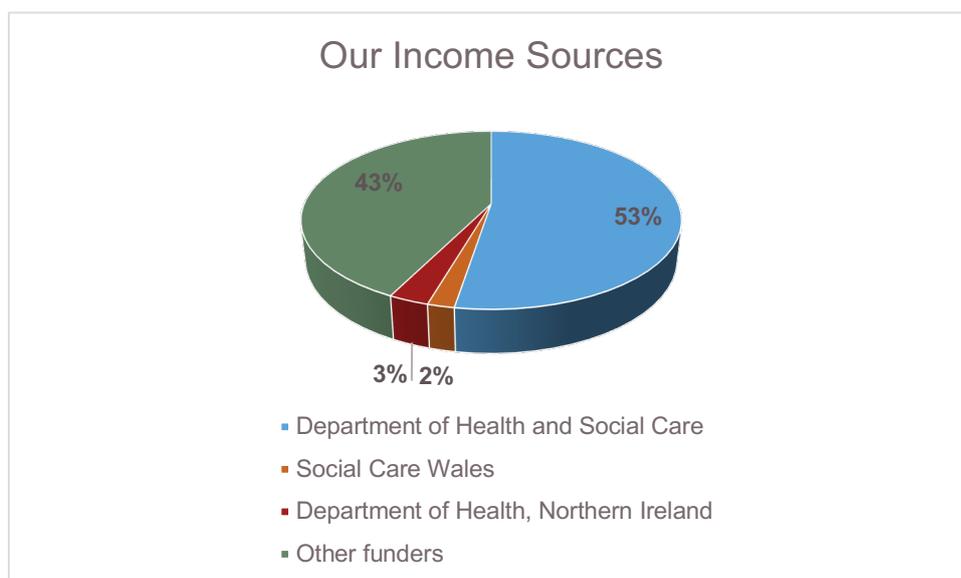
The balance sheet shows total funds to be in credit by £4,346,240 at 31 March 2023 (2022 – deficit of £384,841). At this date, restricted funds amounted to a surplus of £187,276 (2022 – £248,264 surplus). These monies have either been restricted for use on specific projects or they comprise donations 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. £6,493 (2022 – £6,210) of the total funds is represented by tangible fixed assets held in unrestricted funds.

SCIE's remaining general funds (being unrestricted funds excluding tangible fixed assets are 'free reserves' and total £4,152,471 at 31 March 2023 (2022 – £2,929,261).

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. SCIE was also in receipt of £11,600 for "income in kind", to support SCIE with marketing, impact and evaluation work and for the provision of meeting room space.

**Figure 2: Income**



## 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 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 most recent 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 and strategic investments; and, in addition, having funds to support three to six months of operating costs in the unlikely event of a closure. This would require reserves of £1 million to £2 million. The Trustees believe the minimum level of free reserves at this time, should be £2 million.

The level of free reserves was £4,152,471 at 31 March 2023. 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: 21st November 2023

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

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### Opinion

We have audited the financial statements of Social Care Institute for Excellence for the year ended 31 March 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows, and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and 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 2023 and of the charitable company's net movement in funds, including the income and expenditure, for the year then ended;
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- 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 Charity 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 Chief Executive's Report, the Chair's Report and the Trustees' Annual Report. 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' Annual Report (which includes the strategic report and the directors' report prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the Trustees' Annual Report have 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' Annual Report (which incorporates the strategic report and the directors' 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 by the charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the charitable company 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 for the financial statements

As explained more fully in the Trustees' responsibilities statement set out on page 12, 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 determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the 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 are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the charitable company and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006, the Charities Act 2011, income tax, payroll tax and sales tax legislation.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to management bias in accounting estimates. Audit procedures performed by the engagement team included:

- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted with unusual account combinations, postings by unusual users or with unusual descriptions; and
- Challenging assumptions and judgements made by management in their critical accounting estimates.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description 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.



Kathryn Burton (Senior Statutory Auditor)  
For and on behalf of Haysmacintyre LLP, Statutory  
Auditor Date: 14th December 2023

10 Queen Street Place  
London  
EC4R 1AG

## Statement of financial activities: Year to 31 March 2023

	Notes	Unrestricted funds £	Restricted funds £	2023 Total funds £	Unrestricted funds £	Restricted funds £	2022 Total funds £
<b>Income from:</b>							
Donations and Legacies		—	11,600	11,600	—	—	—
Short-term bank deposits							
Interest receivable		49,449	—	49,449	861	—	861
Charitable activities							
Contracts, grants, service level agreements and fees receivable		2,022,401	2,400,684	4,423,085	2,132,456	2,653,154	4,785,610
<b>Total income</b>		<b>2,071,850</b>	<b>2,412,284</b>	<b>4,484,134</b>	<b>2,133,317</b>	<b>2,653,154</b>	<b>4,786,471</b>
<b>Expenditure on:</b>							
Charitable activities							
Provision and dissemination of knowledge and good practice in social care		1,708,357	2,473,272	4,181,629	1,642,670	2,666,667	4,309,337
<b>Total expenditure</b>		<b>1,708,357</b>	<b>2,473,272</b>	<b>4,181,629</b>	<b>1,642,670</b>	<b>2,666,667</b>	<b>4,309,337</b>
<b>Net income (expenditure) for the year before exceptional pension items</b>		<b>363,493</b>	<b>(60,988)</b>	<b>302,505</b>	490,647	(13,153)	477,134
<b>Exceptional Pension items</b>	15	4,428,576	—	4,428,576	(3,568,576)	—	(3,568,576)
<b>Net income (expenditure) for the year</b>		<b>4,792,069</b>	<b>(60,988)</b>	<b>4,731,081</b>	<b>(3,077,929)</b>	<b>(13,153)</b>	<b>(3,091,442)</b>
<b>Fund Transfers</b>		—	—	—	(58,177)	58,177	—
Actuarial gains (losses) in respect to defined benefit pension scheme	15	—	—	—	3,858,000	—	3,858,000
<b>Net movement in funds</b>		<b>4,792,069</b>	<b>(60,988)</b>	<b>4,731,081</b>	721,894	44,664	766,558
<b>Reconciliation of funds:</b>							
Fund balances brought forward at 1 April 2022		(633,105)	248,264	(384,841)	(1,354,999)	203,600	(1,151,399)
Fund balances carried forward at 31 March 2023		4,158,964	187,276	4,346,240	(633,105)	248,264	(384,841)

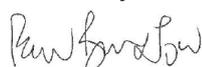
All of the Charity's activities derived from continuing operations during the above two financial periods. There are no other recognised gains and losses. The notes to the accounts also form part of the financial statements.

## Balance sheet: As at 31 March 2023

	Notes	2023 £	2023 £	2022 £	2022 £
<b>Fixed assets</b>					
Tangible assets	8		<b>6,493</b>		6,210
<b>Current assets</b>					
Debtors	9	<b>1,873,252</b>		1,431,404	
Cash at bank and in hand		<b>3,269,074</b>		2,761,254	
		<b>5,142,326</b>		4,192,658	
<b>Creditors: amounts falling due within one year</b>	10	<b>(744,246)</b>		(1,015,133)	
<b>Net current assets</b>			<b>4,398,080</b>		3,177,525
<b>Total net assets excluding pension liability</b>					
FRS 102 Pension liability	15		<b>(58,333)</b>		(3,568,576)
<b>Total net assets including pension liability</b>			<b>4,346,240</b>		(384,841)
<b>The funds of the charity</b>					
Restricted funds	12		<b>187,276</b>		248,264
Unrestricted funds					
. General fund					
..Free reserves	13		<b>4,152,471</b>		2,929,261
Pension reserve					(3,568,576)
					(639,315)
. Tangible fixed assets fund	13		<b>6,493</b>		6,210
			<b>4,346,240</b>		(384,841)

Financial statements and notes to the accounts approved by the Trustees of Social Care Institute for Excellence and signed on their behalf by:

Trustee: Paul Burstow



Approved on: 21st November 2023

Trustee: John Grosvenor



Approved on: 21st November 2023

Company Registration No.04289790 (England and Wales)  
Charity Registration No.1092778

## Statement of cash flows: Year to 31 March 2023

	Notes	2023 £	2022 £
<b>Cash flows from operating activities:</b>			
Net cash provided by operating activities	A	467,685	(68,076)
<b>Cash flows from investing activities:</b>			
Interest received		49,449	861
Disposal of tangible fixed assets		0	8,994
Purchase of tangible fixed assets		(9,314)	-----
<b>Net cash provided by investing activities</b>		<b>40,135</b>	<b>9,855</b>
<b>Change in cash and cash equivalents in the year</b>		<b>507,820</b>	<b>(58,221)</b>
<b>Cash and cash equivalents at 1 April 2022</b>	B	<b>2,761,254</b>	2,819,475
<b>Cash and cash equivalents at 31 March 2023</b>	B	<b>3,269,074</b>	2,761,254

### Notes to the statement of cash flows for the year to 31 March 2023

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

	2023 £	2022 £
Net income for the year (as per the statement of financial activities)	1,162,505	477,134
Adjustments for:		
Depreciation charge	9,031	110,839
FRS 102 pension charge	58,333	228,000
Interest receivable	(49,449)	(861)
(Increase) decrease in debtors	(441,848)	(698,462)
(Decrease) increase in creditors	(270,887)	(184,726)
<b>Net cash provided by operating activities</b>	<b>467,685</b>	<b>(68,076)</b>

**B Analysis of cash and cash equivalents**

	2023 £	2022 £
Cash at bank and in hand	<b>3,269,074</b>	2,761,254

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 2023

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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 2023 with comparative information provided in respect to the year to 31 March 2022.

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) second edition, issued on 01 January 2019, 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).
- 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 2023/24 financial year was a continuation of the focus on our Strategic Priority Areas and their associated sub-streams of work. The Finance Team have continued to work closely with each Strategic Priority Area lead to build an accurate and realistic 2023/24 budget which was recommended for approval by SCIE's Audit and Risk Committee, before being ratified by the Board of Trustees. The 2023/24 budget forecasts an operating surplus.

Planning beyond the 2023/24 financial year, the Charity continues to have a healthy cash balance, resulting in SCIE being able to meet its financial obligations. Whilst there will 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, which are free from material uncertainties.

## 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.

## 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.

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.

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 2023

### 1. Donations and legacies, contracts, grants, service level agreements and fees receivable

	Unrestricted funds £	Restricted funds £	2023 Total funds £	Unrestricted funds £	Restricted funds £	2022 Total funds £
Department of Health and Social Care project grants	—	2,357,557	2,357,557	—	2,477,525	2,477,525
Social Care Wales	86,910	—	86,910	182,946	—	182,946
Department of Health, Northern Ireland	129,740	—	129,740	111,347	—	111,347
Fees and commissioning	1,426,477	—	1,426,477	1,597,205	—	1,597,205
Donations and legacies	—	11,600	11,600	—	—	—
National Community Fund (Formerly Big Lottery)	—	—	—	—	140,334	140,334
Other funders	428,723	43,127	471,850	241,819	35,285	277,104
	<b>2,071,850</b>	<b>2,412,284</b>	<b>4,484,134</b>	<b>2,133,317</b>	<b>2,653,154</b>	<b>4,786,471</b>

The above donations and legacies, 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 £	2023 Total funds £	Unrestricted funds £	Restricted funds £	2022 Total funds £
<b>Business, Development &amp; Delivery (BDD)</b>						
Staff costs	274,430	1,270,996	1,545,426	81,395	1,498,154	1,579,549
Office and premises costs	(2,449)	4,173	1,724	-	-	-
Donations and legacies	-	11,600	11,600	-	-	-
Commissioning costs	674,530	615,663	1,290,193	750,142	379,764	1,129,906
Electronic access and publication costs	58,749	13,437	72,186	6,909	18,104	25,013
Publicity and dissemination	-	-	-	-	-	-
Support costs (note 3)	703,097	557,403	1,260,500	804,224	770,645	1,574,869
	<b>1,708,357</b>	<b>2,473,272</b>	<b>4,181,629</b>	<b>1,642,670</b>	<b>2,666,667</b>	<b>4,309,337</b>

The £1,724 “office and premises costs” relate to specific projects and did not form part of the wider support cost allocations as detailed in note 3.

### 3. Support costs

	<b>2023</b>	<b>2022</b>
	<b>Total</b>	<b>Total</b>
	<b>funds</b>	<b>funds</b>
	<b>£</b>	<b>£</b>
Staff costs	<b>761,699</b>	799,222
Premises costs	<b>(32,664)</b>	223,061
Office costs	<b>17,599</b>	29,195
Governance costs (Excluding staff costs)	<b>27,763</b>	22,630
Other costs	<b>486,103</b>	500,761
<b>Total</b>	<b>1,260,500</b>	1,574,869

Support costs show the breakdown of “publicity and dissemination support costs”, as per note 2, which cover specific support costs that were allocated across SCIE’s projects.

### 4. Net income (expenditure) for the year

This is stated after charging:

	<b>2023 Total</b>	2022 Total
	<b>funds</b>	funds
	<b>£</b>	£
Staff costs (note 5)	<b>3,484,427</b>	3,144,729
Auditor’s remuneration		
. Statutory audit services		
.. Current year	<b>25,996</b>	22,000
.. Previous year	<b>5,762</b>	630
Depreciation	<b>9,031</b>	110,839
Operating lease rentals	<b>14,957</b>	195,223

## 5. Employees and staff costs

Staff costs during the year were as follows:

	2023 £	2022 £
Wages and salaries	1,822,145	1,509,142
Social security costs	204,566	176,323
Other pension costs	88,265	184,327
FRS 102 pension charge	-	150,000
	<b>2,114,976</b>	2,019,792
Payments to agency staff and consultants	1,259,435	1,023,428
Other staff related costs	110,016	101,508
	<b>3,484,427</b>	3,144,729

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:

	2023 No.	2022 No.
Charitable activities		
Business, Development & Delivery (BDD)	40	33
Governance	1	2
	<b>41</b>	35

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:

	2023 No.	2022 No.
£60,001 — £70,000	3	2
£70,001 — £80,000	4	1
£100,001 — £110,000	0	1
£110,001 — £120,000	0	0
£140,001 — £150,000	1	1

Contributions were made to a defined contribution 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 Strategic Leadership Team. The total remuneration (including taxable benefits and employer's pension contributions) of the key management personnel for the year was £221,784 (2022 – £293,367).

## 6. Payments in relation to Trustees

In accordance with the Charity's memorandum and articles of association, the Chair of the Trustees was paid £27,311 (2022 — £24,375) during the year for services undertaken in the administration of the Charity. Two other Trustees were paid a total of £4,222 (2022 — £4,800) on the same basis. The payment for such services has been authorised by the Charity Commission and is in line with the 2016 Charities Act.

Out-of-pocket travelling and subsistence expenses of £1,748 were incurred during the year (2022 — £0).

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 £16,796 (2022 — £11,353) and provides cover of up to a maximum of £5 million (2022 — £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 (2022 – 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	Total £
	Computer and IT equipment £	Software £	Computer and IT equipment £	
<b>Cost</b>				
At 1 April 2022	43,737	87,292	-	<b>131,029</b>
Additions	9,314	-	-	<b>9,314</b>
Disposals	(43,745)	-	-	<b>(43,745)</b>
At 31 March 2023	9,306	87,292	-	<b>96,598</b>
<b>Depreciation</b>				
At 1 April 2022	43,425	81,394	-	<b>124,819</b>
Charge for year	3,133	5,898	-	<b>9,031</b>
Disposals	(43,745)	-	-	<b>(43,745)</b>
At 31 March 2023	2,813	<b>87,292</b>	-	<b>90,105</b>
<b>Net book values</b>				
At 31 March 2023	6,493	-	-	<b>6,493</b>
At 31 March 2022	312	5,898	-	6,210

## 9. Debtors

	2023 £	2022 £
Prepayments and accrued income	<b>107,035</b>	349,961
Rent deposit	-	4,316
Other Debtors	<b>1,210,000</b>	
Fees and other income receivable	<b>556,217</b>	1,077,127
	<b>1,873,252</b>	1,431,404

## 10. Creditors: amounts falling due within one year

	2023 £	2022 £
Expense creditors	<b>210,950</b>	73,559
Taxation and social security	<b>179,208</b>	195,096
Pension	<b>15,297</b>	29,789
Accruals	<b>210,164</b>	370,921
Deferred income (note 11)	<b>128,627</b>	345,768
	<b>744,246</b>	1,015,133

## 11. Deferred income

	2023 £	2022 £
Balance at 1 April 2022	<b>345,768</b>	311,255
Income received in advance	<b>128,627</b>	345,768
Released to statement of financial activities	<b>(345,768)</b>	(311,255)
Balance at 31 March 2023 (note 10)	<b>128,627</b>	345,768

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 2022 £	Income £	Direct costs £	Expenditure Support costs £	Fund Transfers £	At 31-Mar 2023 £
DHSC commissions Core	-	1,623,000	(1,244,062)	(378,938)	-	-
Liberty Protection Standards (LPS)	65,828	-	4,269	-	-	70,097
Donations and Legacies	-	11,600	(11,600)	-	-	-
Oak Foundation	10,296	26,557	(30,646)	(3,206)	-	3,001
LRS programme	4,691	-	(465)	-	-	4,226
Innovation Network	12,322	-	-	-	-	12,322
Think Local Act Personal (TLAP)	187,929	708,000	(557,983)	(163,364)	-	174,582
National Fundraising Supporting Each Other Equals Power	(32,802)	43,127	(75,382)	(11,895)	-	(76,952)
	<b>248,264</b>	<b>2,412,284</b>	<b>(1,915,869)</b>	<b>(557,403)</b>	<b>-</b>	<b>187,276</b>

	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	—
	<b>203,600</b>	<b>2,653,154</b>	<b>(1,704,363)</b>	<b>(962,304)</b>	<b>58,177</b>	<b>248,264</b>

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.

### **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 March 2024. 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.

### 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 2023 £
<b>Fund balances at 1 April 2022</b>	248,264	2,929,261	6,210	(3,568,576)	(384,841)
<b>Movements:</b>					
(Deficit) / Surplus for the year	(60,988)	1,223,493	—	—	1,162,505
Actuarial estimate of future pension contributions	—	—	—	3,568,576	3,568,576
FRS 102 pension liability movement	—	—	—	—	—
Asset movement	—	(283)	283	—	—
Transfer General to Restricted	—	—	—	—	—
<b>Fund balances at 31 March 2023</b>	<b>187,276</b>	<b>4,152,471</b>	<b>6,493</b>	<b>—</b>	<b>4,346,240</b>

	Restricted funds £	Free reserves £	Tangible fixed assets fund £	Pension Reserve £	Total 2022 £
<b>Fund balances at 1 April 2021</b>	203,600	2,148,958	126,043	(3,630,000)	(1,151,399)
<b>Movements:</b>					
(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)	—	—	—
<b>Fund balances at 31 March 2022</b>	<b>248,264</b>	<b>2,929,261</b>	<b>6,210</b>	<b>(3,568,576)</b>	<b>(384,841)</b>

### 14. Leasing commitments

#### Operating leases

At 31 March 2023, the Charity had total commitments under non-cancellable operating leases as follows:

	Land and buildings	
	2023 £	2022 £
Operating lease payments which fall due:		
Within one year	-	9,587
	-	9,587

SCIE vacated its rented officed premises 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 was 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% 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 annum, the discount rate would be 4.5% per annum and that salary increases would average 3.6% 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 annum. No allowance was made for possible discretionary increases in pensions beyond those prescribed in the scheme rules.

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) Pension Fund Cessation as at 31 March 2023

Up until 7 December 2021, SCIE participated in a local government pension scheme (The Fund), administered by Essex County Council. 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 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 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.

A triennial valuation of the Fund was undertaken with effect from 31 March 2023, to determine whether the DDA should cease with effect from 31 March 2023. The Fund's actuaries determined that due to investment returns, SCIE's fund was in surplus by £1.2 million, meaning that SCIE's DDA ceased with effect from 31 March 2023. On 6 June 2023, SCIE receive a refund of the pension surplus of £1.2 million, ceasing our involvement with the local government pension fund. The Exceptional Pension item of £4,428,576 on the statement of financial activities is made up of the £1.2 million pension refund, a reversal of the £3,568,576 pension liability, minus the £350k deferred debt agreement payments made throughout the financial year.

The (£58,333) figure recognised within the balance sheet relates to the monthly deferred debt agreement contributions paid in April and May 2023, with the payment periods corresponding to February and March 2023 respectively.

This refund of the pension fund surplus has been reflected within other gains and losses on the statement of financial activities.

## 16. Members' liability

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



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