



social care  
institute for excellence

# Leading the Way for Improved Social Care

Annual report and financial statements 2020/21

31 March 2021

Company Limited by Guarantee

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





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## Chair's report

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This year SCIE celebrates its 20th birthday. I am hugely proud to be the Chair of an organisation that has contributed so much over that time to research, evidence and new thinking on social care.

It's not an easy year to be marking this milestone. This last year has been extremely difficult for social care and all those who draw on support or care for others and SCIE is no exception. Although staff have faced some real challenges, including working away from each other and working hard on COVID-19 national support, whenever I have met staff virtually, I have always been enormously impressed with their high levels of energy and commitment. I would also like to take this opportunity to thank the Board of Trustees who have shown unwavering dedication and support to the organisation through this difficult period.



Despite these challenges, we have this year made an important contribution to the sector.

Nationally, we have been making our voice heard on what social care means for people and what reforms are needed. Through our involvement in the Commission on the Future Role of Housing with Care and Support as well – which I jointly chair with Sir David Pearson and Professor Julienne Meyer – we are making the case for better housing with care. The work to develop a National COVID Hub, which has now had more than 700,000 visitors, has demonstrated our ability to produce high-quality resources in rapid time.

Locally, we continue to support a broad range of improvements in local organisations and systems. Whether it is providing training on safeguarding to social workers, reviewing organisations' approach to practice or supporting transformation programmes, more local authorities, providers and NHS organisations are benefitting from our insights and expertise than ever.

This coming year is likely to be eventful for social care. Later this year, we are likely to see a new plan for adult social care, an acceleration in the development of integrated care systems and place-based partnership working bringing health and care closer together, and further discussions around the future of children's social care, linked to the independent review of children's social care. I know SCIE, as always, will be at the heart of these discussions.

I know also that we will continue to research, evidence, share and support the implementation of best practice across the sector and be on hand to support the sector navigate the challenges it will face.

A handwritten signature in black ink that reads "Paul Burstow". The signature is written in a cursive, flowing style.

**Paul Burstow, Chair**

18 November 2021

## Chief Executive's report

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In June I was at last lucky enough to be able to gather a group of my colleagues in the office to discuss the future priorities of SCIE; one of the first times I have been face to face with them. Whilst we may not be totally out of the woods on COVID-19, the discussion was more optimistic about the future and how SCIE could play its role in influencing better policy and practice in social care.



In last year's plan, we set out three strategic priorities for SCIE:

- Driving improvements in social care locally
- Influencing better policy and practice nationally
- Supporting better safeguarding everywhere

Reviewing the past year, I think we have made good progress on all three.

We have worked with over 15 local authorities to support their improvement journeys, helping them think through everything from where we go next with strengths-based practice through to how we commission better home care. To support local authorities and their partners embed strengths-based practice, we launched both a new leadership programme with Birmingham University and published a critical review tool to help local areas develop a whole-place approach to strengths-based practice.

In the area of policy influencing, we have stepped up our contribution to the national debate.

Working with colleagues at the Association of Directors of Adult Social Services, Local Government Association, Care Quality Commission, Skills for Care, Social Care Future, and the Care Providers Alliance, we have sought to influence policy making by uniting around common messages and arguments for what kind of social care people want.

Through our role as secretariat for the Commission on the Future Role of Housing with Care and Support, which our Chair Paul Burstow chairs, we have played an important part in setting out a new vision and plan for housing with care. Funded to develop a national programme of support for social care during the pandemic, we co-produced with the sector in rapid time a wide range of resources including on day care, learning disabilities, home care, commissioning and safeguarding.

Furthermore, TLAP's Insight Group into the experiences of people who access care and support during COVID-19 has shone a powerful light on the impact of the virus and identified important areas for improvement.


Last but not least, we have continued to grow our reputation and contribution to keeping people of all ages safe. This year we have continued to support the Church of England and the Catholic Church of Scotland, with safeguarding audits, and have supported a growing number of national charities implement best practice approaches to safeguarding.

At the same time, we have dedicated attention to improving our financial position and reviewing our cost base. This has included a lengthy consultation with staff members to seek to change some of our terms and conditions and to exit our pension. Whilst this has been a challenging period that is now coming to an end, this will set us up for a much healthier position in the future.

Next year, we will continue to work to our strategic areas, but we know that the world of social care is constantly changing. Priorities for us will include:

- Influencing the adult social care reform plan
- Supporting local authorities to recover from COVID-19 and renew and reinvigorate their approach to care and support
- Through our involvement in the leadership of the new Economic & Social Research Council funded IMPACT Centre, develop and shape the conditions for supporting evidence use in adult social care
- Make a stronger contribution to new thinking and better approaches to addressing inequalities
- Work with local authorities to support improved Early Help services for children and families, based on work we are delivering in several local authorities

This year marks SCIE's 20th Anniversary. It will be time to reflect on what has been a memorable and impactful journey for the organisation. But the future ahead will present many challenges, so we won't be resting on our laurels for long – we will be charting an exciting new future for SCIE and making sure the next 20 years are just as successful.



**Kathryn Smith, CEO**

18 November 2021

## Our purpose

### Vision



A society where care and support maximises people's choices, removes social inequality, and 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.



## How the Social Care Institute for Excellence works

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As a charity, SCIE's purpose 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'.

Our strategy published in 2020 focuses on three strategic areas:

- **Driving improvements in social care locally**
- **Influencing better policy and practice nationally**
- **Supporting better safeguarding everywhere**

These three strategic areas are explained on the following pages with some of the activities reflecting SCIE's achievements, developments and future plans.

As a registered charity and a company limited by guarantee, SCIE is governed by a Board of Trustees, which is chaired by the Rt Hon Paul Burstow.

For more information about our Trustees and how the charity operates, please refer to the Constitution and governance section on page 32.





## What we do

### Driving improvements in social care locally

#### Local government transformation

SCIE helps local authorities transform care and support in collaboration with citizens to deliver greater impact.

#### Person-centred care

We use our position as a leading social care improvement agency to promote, advocate, disseminate resources to support, and train frontline care sector staff on the importance of, and practical approaches to, providing person-centred care.



#### Co-production

Co-production is at the heart of everything SCIE does. SCIE has a co-production steering group and network which informs our strategy and work plans, and contributes to our commercial work.

#### Children's social care

We work extensively across children's social care, undertaking support for case reviews, providing training and consultancy and producing resources for local authorities, social workers, safeguarding boards and children's

### Influencing better policy and practice nationally

#### Department of Health and Social Care annual commission

The Department for Health and Social Care (DHSC) commissions SCIE annually to produce and disseminate a range of evidence-based and co-produced resources, tools, e-learning and direct improvement support to local authorities and providers to improve adult social care and provide person-centred care.



### Think Local Act Personal

TLAP is a leading national partnership of more than 50 organisations committed to transforming health and care through personalisation and community-based support. It convenes and harnesses the expertise and experience of the social care sector and aims to inform and influence national and local policy. Co-production is central to its ethos, working closely with the National Co-production Advisory Group (NCAG), comprising people with lived experience, family members and unpaid carers.

### Social Care Wales

SCIE provides high-quality, evidence- and research-based knowledge about what works to Social Care Wales. This includes information and evidence from our resource, Social Care Online that is accessible from the Social Care Wales website and tailored to the needs of Welsh users.

### Northern Ireland

SCIE delivers an annual commission to the Department of Health in Northern Ireland of research and consultancy to support social care improvement. This work includes hosting and updating a social care improvement digital hub and conducting safeguarding reviews.

### Research, information and evaluation

SCIE can provide evidence and insight to inform your decision-making, and we have worked with national organisations such as the Department for Education and Ofsted, and major charities and local authorities, to improve practice through research.

### Integrated health and social care

SCIE worked with NHS England to run a series of national webinars on integrated care systems and where progress could be made to integrate health and social care. We also worked with NHS Leadership Academy to explore the role of leadership in the context of the development of integrated care systems.

## Supporting better safeguarding everywhere

### Safeguarding

SCIE has a national reputation for its expertise in both children's and adults safeguarding, and advises many national charities, government departments, faith organisations and local safeguarding boards and care providers. SCIE produced a range of resources, videos and tools and provided consulting and training to local authorities, health and care providers, safeguarding boards, churches and faith groups to safeguard those at risk.



## SCIE's impact in numbers: who we reached in 2020/21

### Web, communications, training and learning



**3.9 million**

Views of SCIE posts on  
social media

**46,700**

e-Learning delegates

**113,000**

Subscribers to SCIELine

**78,100**

Social media followers

**5,700,000**

Visitors to the SCIE site

**13,000**

Training delegates

**22,500**

Webinar registrations

**30**

SCIE mentions in Parliament

**33**

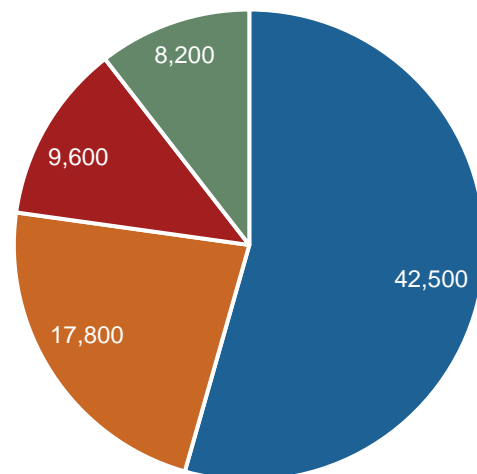
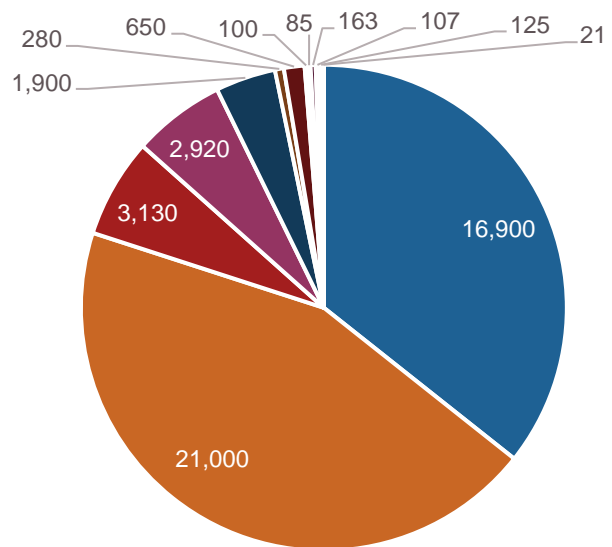
TLAP contributions to  
national policy development

**24**

TLAP event presentations

## SCIE's impact in numbers: other

e-Learning course	Delegates
Infection control (free)	21,000
Dementia awareness (free)	16,900
Personalisation (free)	3,130
One-page profiles (free)	2,920
Quality improvement in social care (free)	1,900
Reablement for care workers (free)	1,300
Advocacy under the Care Act (free)	1,000
Organisational change in social care (free)	280
Safeguarding adults	650
Mental Capacity Act	100
Deprivation of Liberty Safeguards (DoLS)	85
Making sense of SEND!	163
Care certificate	125
Tackling child sexual exploitation	107
Child neglect	21
<b>Total (12,600 in 19/20)</b>	<b>52,000</b>



Social media	Followers
Twitter	42,500
LinkedIn	17,800
Facebook	9,600
YouTube	8,200
<b>Total (65,000 in 19/20)</b>	<b>78,100</b>

## Our impact

The COVID-19 pandemic made 2020/21 one of the most difficult, challenging and traumatic years in living memory. As many people struggled to get safely through the day, it put extreme pressure on our health and social care services and at times there were concerns that the NHS and the social care sector would buckle under the pressure. At SCIE we did our best to respond to these challenges and it was a measure of the Department of Health and Social Care's confidence in us that it funded SCIE to disseminate COVID-19 guidance to the social care sector. SCIE also continued to offer the sector vital, relevant and influential advice to ensure we had serious impact and remained at the heart of social care support.

We are working to deliver our three-year strategy to achieve fairer and more equal social care and challenge the structural inequalities in our society. Our strategy focuses on three outcomes:

- Driving improvements in social care locally
- Influencing better policy and practice nationally
- Supporting better safeguarding everywhere

### Did we achieve our key 2020-21 deliverables?

Write 30 published articles in leading journals and newspapers on key policy issues facing social care	✓
Host and deliver 20 webinars on key issues facing social care, integrated care systems and care providers with over 5,000 attendees.	✓
Apply for further funding from DHSC to deliver phase 3 of the Social Care Innovation Network, and publish and widely disseminate improvement tools on commissioning, self-directed support and asset-based areas.	✓
Conduct a literature review of the evidence that exists on factors leading to abuse in care homes in Northern Ireland.	✓
Support Social Care Wales to adapt and develop internal ways of working, particularly through collaborative work with partners to positively influence social care services in Wales.	✓
Lead a new commission for housing and the future of care and support and produce a policy position paper by November 2020 and best practice case studies by April 2021	✓
Support at least one council to develop and deliver a new co-production vision and plan for adult services	✓
Complete and publish independent pilot safeguarding audits of Catholic Church dioceses	✓
Deliver well-received training in co-production to all management staff in Barnardo's	✓

Have over half a million unique visits to the DHSC-funded COVID-19 resource hub by April 2021	✓
Develop, pilot and launch with University of Birmingham a new national strengths-based leadership learning module for practice leaders across adults and children's social care	✓
Deliver a consultancy adult social care improvement project to five local authorities	✓
Help over four million visitors to improve their knowledge and deliver better social care through our websites and digital resources	✓
Increase information held by Social Care Online, the UK's largest database of information and research on all aspects of social care and social work, to over 180,000 records	✓
Launch new e-learning courses on advocacy, reablement and SEND, and re-promote our course on the Care Certificate	✓
Establish the TLAP Insight Group to capture COVID-19 experiences of people who access care and support and carers, and publish recommendations	✓
Through the TLAP programme, establish a 'Reimagining self-directed support' group comprising local and national organisations and people with lived experience to work with DHSC policy colleagues to ensure Direct Payment (DP) guidance responds to the specific issues raised by DP recipients	✓
Through the TLAP programme, publish 40 case stories and five blogs to document the ways in which providers and commissioners are positively changing practice to respond to COVID-19	✓
Establish an equalities, diversity and inclusion team to steer the organisation in tackling structural inequalities	✓
Review our current pension arrangements to consider viability and future options	✓



## Driving improvements in social care practice locally

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Improving practice locally is one of our three strategic priorities, and we have made significant progress this year in delivering on our goals.

A key strand of our strategy has been the development of a local government improvement programme, and this year, we have taken great strides towards supporting.

This year we established a new national reference group, chaired by Iain MacBeath, Strategic Director for Health and Wellbeing at Bradford Council, which meets quarterly to provide challenge and guidance to SCIE on how we develop a programme of work with local authorities. This group has helped us identify five areas of support which we offer to local authorities:

- Working with leaders and practitioners to develop strengths-based practice which delivers impact
- Using data to drive better decisions and prevent demand escalating
- Developing system-wide, outcome-focused commissioning
- Helping organisations recover financially from COVID-19
- Optimising the use of technology to drive better care.

This year our training programme was somewhat disrupted by COVID-19, reducing our ability to undertake face-to-face training. However, in March last year we were able to shift all of our training online, and still completed a large number of training programmes for clients across the local public services. One such example was the delivery of a training programme jointly with the Tavistock and Portman NHS Trust to care workers in Kingston to help them recover from the trauma of the pandemic and rebuild their wellbeing.

As a leading provider of learning and development to the sector, SCIE also continues to grow its learning and training offer to local organisations and practitioners, training over 6,000 practitioners this year.

### Key highlights

- We have supported over 10 local authorities with developing and embedding strengths-based practice, utilising our Practice with Impact methodology.
- We have developed **Unlocking the potential of adult social care: Critical review tool** to support leaders in local authorities and partners with responsibilities for adult social care to critically assess their ambitions, strengths, and development areas in relation to becoming a strengths-based care and support system.
- The development of Eligibility determination under the Care Act 2014 e-learning course will help local authority staff to understand what they need to consider for an adult with care and support needs.
- We are working with many boroughs to help them improve social care practice and embed strengths-based and personalised approaches.

- London Borough of Barking and Dagenham has appointed SCIE to review its early help services and develop a new target operating model for early help and a practice model.
- In early January 2021 we launched a new e-learning course, Reablement for care workers. Reablement is an important element in the Government's prevention agenda, which is aimed at keeping people as independent as possible for as long as possible. Since launch, 1,300 people have studied the course.

### **Case study: Developing strengths and outcomes-based practice in Bromley**

London Borough of Bromley commissioned SCIE to:

- develop a strengths and outcomes-based framework to encourage practitioners to start with people's strengths and assets rather than their problems or deficits, and work with them to develop solutions to the challenges they face
- test and develop new strengths-based ways of working including forms and processes to support strengths-based practice.

SCIE started by interviewing practitioners to gain a better understanding of the challenges and opportunities for new strengths-based ways of working.

Phase 2 involved running collaborative working groups with practice teams on specific aspects of practice, including exploring the issue of how Bromley develops a strengths-based first contact with people and strengths-based reviews of existing care and support packages.

Finally, we supported Bromley to develop and launch a new practice framework for strengths- and outcomes-based practice in adult social care in Bromley. It has now been rolled out, along with the changes to practice which were developed through this project, leading to more efficient and outcome-focused practice.

### **Case study: Developing the Leaving Well digital tool for care leavers**

**Leaving Well** was launched by Social Finance in 2014 to improve the life outcomes for young people leaving care. Leaving Well is a digital tool which aims to give young people voice and agency in their plans for their future, by providing a platform to collaborate on their pathway plan and communicate with their social worker. Social Finance is a not-for-profit organisation that works with partners to tackle social problems in the UK and globally.

Social Finance partnered with SCIE in late 2020 to:

- promote thinking in response to a 'Where next?' question for its development of the model.
- work with local authorities and other partners to appreciate the potential benefits of Leaving Well in practice through the experience of identified pilot sites.
- suggest some criteria for use with local authorities and providers interested in improving the experience of young people in the Leaving Care phase of their growth to adulthood and independence.

The revised version of the tool has now been launched and will be developed with a much wider range of local authorities over the coming year.



### **Case study: Strengths-based practice leadership programme – a joint initiative with Birmingham University**

This new programme from the University of Birmingham and SCIE will 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. The first cohort has been funded by the West Midlands Teaching Partnership and is only open to employers who are a member of the Teaching Partnership. The programme has a blended design founded on principles of adult, reflective, community, and action-based learning theories. It includes the following learning activities:

- Core content is predominantly delivered through digital resources
- Participants come together virtually or in person for peer-reflection, support and challenge
- Learning groups provide a safe forum for participants to discuss their experiences and what can be learnt
- Use of stakeholder feedback and other forms of data to support self-reflection on leadership behaviours
- A practical improvement project to explore leadership strengths and apply learning whilst making a practical difference.

### **Case study: Strengths-based practice with impact in London Borough of Barking and Dagenham**

London Borough of Barking and Dagenham commissioned SCIE to support its adult social care services to further embed its Adult Social Care Practice Framework.

It completed a qualitative and quantitative whole-system diagnostic by implementing SCIE's new Practice with Impact methodology, to explore frontline practice and the key enablers supporting strengths-based approaches.

SCIE engaged with a cross section of stakeholders across adult social care, including frontline practitioners, senior leaders, direct partners and people with lived experience. Findings were then triangulated with local performance data, strategies and wider benchmarking and examples of good practice from around the country.

The final stage will result in a co-developed set of priority improvement areas, with recommended solutions co-designed with the service, leading to a robust case for change and a council-owned, next-steps roadmap.

### **Case study: Care Act audit in Southampton City Council**

As part of its continuous improvement, Southampton City Council asked SCIE to review its adult social care and mental health policies, procedures and practice to determine the level of adherence to Care Act 2014 principles and duties, and to identify areas of strength and improvement.

SCIE worked with Council staff to develop policies and procedures, including relevant legislation, good practice, case studies and practice tips. SCIE also completed a practice framework and a training plan for a learning and development programme in strengths-based practice.

The work was informed by multiple interviews and group conversations with Southampton City Council staff from various departments and levels, and the reading of previous reports, policies, performance reports and other sources of information.

The final report highlighted the strong areas in social care practice in Southampton, the areas for improvement and recommendations to continue delivering quality outcomes for residents.



## Influencing better policy and practice nationally

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SCIE has continued to strengthen its policy influencing work. The impact of COVID-19 on social care has been devastating, and with the sector under enormous financial pressure, SCIE feels it is time to increase the amount it says on behalf of the sector to influence a positive direction for social care. To build a stronger consensus and voice for social care, this year SCIE's Chief Executive convened a new social care leaders' group, bringing together the Local Government Association (LGA), Think Local Act Personal (TLAP), Care Quality Commission (CQC), Association of Directors of Adult Social Services (ADASS), and Skills for Care to share information and seek to align messages. In March this year, SCIE joined up with ADASS, and organisations speaking for more than 10 million people who have care and support needs, to publish a united call on ministers about our disappointment that funding for social care was not prioritised in the Budget. At the time, SCIE Chief Executive Kathryn Smith, said:

*'We have joined with a number of other organisations to express our disappointment that social care funding was not prioritised in the Budget. The Government's promise to fix social care must be fulfilled so that the reform that the sector badly needs is prioritised. Sticking plaster funding is not the answer. A sustained increase in funding is needed now to stabilise the care system, particularly with the impact of COVID-19; we call on the Government to publish its proposals for the future of adult social care before the summer parliamentary recess.'*

### Supporting the sector during COVID-19

The most significant contribution SCIE has made to national policy and support has been around COVID-19. As part of the COVID-19 Action Plan for Adult Social Care, we were commissioned to develop a range of guides, improvement tools and support for the sector. As a result of this commission, SCIE established a new COVID-19 hub, which has received more than 600,000 visitors since March 2020 and contains over 1,800 resources. The hub includes:

- guides to support social workers
- guides on safeguarding
- a joint guide with Alzheimer's Society on dementia and safeguarding
- tools to support practitioners tackle domestic violence
- commissioning guides and resources
- e-learning on infection control
- care home resources
- home care resources
- day care re-opening guidance.

The hub continues to develop and we will continue to ensure that the hub reflects the changing threat posed by the pandemic, including updating guides where necessary.

## Developing a vision for an asset-based area

This year, SCIE and our partners Shared Lives Plus and Think Local Act Personal (TLAP) completed phase 2 of the Social Care Innovation Network (SCIN). This partnership is funded by the Department of Health and Social Care. Its purpose is to examine and promote innovative approaches to social care. SCIN has brought together councils and organisations that provide care and support to people, citizens and national bodies to work collaboratively and creatively, to push the boundaries of what is possible in growing innovation. In June 2020, a number of phase 2 products were launched, a co-produced version 2.0 of the asset-based areas model which provides a self-awareness tool and offers ten points and behaviour changes for people with power, workers/volunteers and citizens.

### Ten asset-based area commitments

- We have a clear, shared story about how we work and what we want to change.
- We are always looking for, connecting up and investing in community assets.
- We co-design with people who use services and groups who miss out.
- At work we can be ourselves, connect, be creative and act.
- We make systems and services simple and human, so that people stay in control and can make choices.
- Wherever we can we plan and act early, assess later.
- We co-commission a wide range of local enterprises and back entrepreneurs and innovators.
- We plan and organise with the neighbourhoods, communities and groups that people feel they belong to.
- We share power, resources and risks fairly and openly, learning when we get things wrong.
- We use shared measures of wellbeing, resilience and equality

### Key highlights

The Department of Health and Social Care commissioned SCIE to undertake a rapid evaluation of the impact of the Discharge to Assess policy on health and care systems including on people with lived experience:

- We published a new report commissioned by the NHS Leadership Academy, *How might leadership roles evolve in integrated health and care systems?* It explores some of the implications of the Long Term Plan and its supporting plans on leadership within local health and care systems, the roles that may emerge over time, and what knowledge, skills and support leaders need in the future.
- We published a toolkit drawing on the experience of the Macmillan Local Authority Partnership (MLAP) programme, which SCIE and our partners SQW evaluated, to support practitioners to implement a person-centred, integrated approach to providing care and support to people affected by cancer (PABC).

- We published a paper with the NHS Confederation on the future of place-based integrated care, which explored the role of leaders in shaping local place-based partnerships in collaboration with local citizens.

### **Case study: Beyond COVID – New thinking on adult social care**

SCIE started a programme of engagement with the sector and analysis to determine what kind of future we needed for social care after the COVID-19 crisis.

We called this programme, *Beyond COVID: new thinking on the future of adult social care*. Its specific aims were to:

- explore the impact of COVID-19 on the sector, both negative and positive, and draw out lessons and implications for social care reform
- examine what we needed to improve social care in the future once we emerged from the worst of the pandemic
- produce recommendations that explore what kind of sector we want after the crisis, and what the priorities are for reform.

SCIE produced a position paper showing the findings of the programme. It is based on an analysis of a series of essays we commissioned from sector leaders, a roundtable which the Minister of State Helen Whately MP attended, and an analysis of SCIE's own work in support of sector improvement.

The paper called for three strategic shifts:

- To shift the sector from surviving hand-to-mouth, to the point where it has long-term and sustainable funding
- To shift investment and focus away from remedial and acute services, towards community-centred preventative models of care, support, housing and technology
- To shift the workforce away from low pay, low recognition, and poor conditions, towards higher pay, better conditions and parity of esteem with the NHS

### **Case study: Commission on the Future Role of Housing with Care and Support**

The Commission on the Future Role of Housing with Care and Support was launched in October 2020 and will consider how we develop the right housing that facilitates care and support for older people who can no longer live independently in their own home.

The Commission is funded by the Dunhill Medical Trust and chaired by Rt Hon Paul Burstow, David Pearson CBE & Professor Julienne Meyer CBE; with SCIE providing the secretariat. The Commission will produce a vision and roadmap for housing that facilitates care and support.

The Commission's report sets out the vision for the future landscape:

- **In the right place:** People should be able to access housing that facilitates care and support in both a place they want to live and a community with which they identify
- **Promoting independence**

- **Person-centred and relationship-centred** that focuses on relationships between residents, relatives, and staff and between care homes and their local communities and the wider health and social care system
- **Strengths-based**, starting with people's strengths not with any limitations they may have due to age, illness, or disability
- **Enable people** to have choice and control in relation to a broad range of options for housing that facilitates care and support, regardless of the economic resources at their disposal or where they live in England.
- **Promotes equality**
- **Keeps the workforce fit for purpose**
- **Promotes co-production and shared decision-making.**

Further analysis and recommendations about the future shape of housing will be made in the Commission's final report planned for late 2021.

### **Case study: Delivering actions 8 and 9 of the Universal Personalised Care (UPC) comprehensive model**

The Coalition for Personalised Care asked Community Catalysts to take forward a programme of work to support the delivery of actions 8 and 9 of the Universal Personalised Care (UPC) comprehensive model. These actions focus on the recruitment and training of social prescribing link workers and helping build the capacity of communities to support the wellbeing of local people.

The purpose of this work was to help the health sector understand the different link workers and align capacity-building activities in local places to deploy limited resources most effectively, and to add value.

As part of this work, SCIE was asked to explore how we build better alignment between the NHS and wider partners in developing community capacity and effective social prescribing services.

Key findings of the work included:

- **Start where the energy is** and build on existing partnerships - don't invent new structures when you already have these working well and in place
- Ensure that there are representatives from the voluntary, community and social enterprise sector (VCSE) and community-based organisations on **all strategic decision-making partnerships**
- Effective place-based leaders are moving their **thinking beyond traditional health and social care** to develop a shared understanding of their combined resources and assets
- Develop a **clear framework and set of guiding principles** for the scope of work and decision making at each level of the wider health and social care system
- **Ensure that contracts and grants require investment in volunteering.** Involve local citizens and communities in the governance and decision making on community-strengthening activities, especially people with lived experience.

Local systems leaders emphasised the need to develop and **agree locally a common set of measures** for measuring the impact of community-strengthening activity and social prescribing.

### **Case study: Launching an IMPACT centre**

SCIE and the University of Birmingham are part of a consortium of key stakeholders across the UK, to develop IMPACT (Improving Adult Care Together), to put evidence into practice to promote and maintain people's independence and wellbeing.

IMPACT is funded by the Economic and Social Research Council (ESRC), part of UK Research and Innovation, and the Health Foundation.

IMPACT will:

- help people working in adult social care, carers, and the people they support make better use of high-quality, practice-based evidence to support innovation in adult social care
- build capacity and skills in the adult social care workforce
- help develop sustainable and productive relationships between all of those working across adult social care
- improve our understanding of what helps or hinders when putting evidence into practice.

Over the coming years, SCIE will provide insights and expertise on everything from co-production through to research and evidence use expertise, to shape IMPACT's priorities and operations.

### **Case study: TLAP Insight Group: *A Telling Experience***

TLAP brought together 25 partners and allies including people with lived experience, to understand the impact of COVID-19 on people accessing care and support (including unpaid carers) during the first wave of the pandemic. The TLAP Insight Group undertook a rapid evidence review to collect and analyse research, data and intelligence. Its findings were published in October 2020. The report, *A Telling Experience*, garnered significant national attention and set out a number of recommendations to support future practice.

This was followed up by meetings with nine regional ADASS branches leading to rich and insightful reflections on lessons learnt from the COVID experience. As one direct outcome, TLAP provided advice to the West Midlands ADASS region on strengthening co-production at the regional level. The issues identified contributed to TLAP's work programme for 2021/22.

## **Supporting the development of self-directed support**

TLAP brought together direct payment holders and organisations that support the delivery of direct payments. The end result was guidance that responded to the specific issues and anxieties of direct payment recipients, including those who employ their own PAs. The group has continued to work co-productively with the DHSC.

Whilst continuing to help shape government policy and guidance on responding to COVID, the group extended its reach and impact to identify ways of improving the management and delivery of direct payments. It played a major role in taking the learning from COVID forward by co-producing a new TLAP resource, *Direct payments: working or not working?* and by

contributing to a joint project between TLAP, the LGA and ADASS to reduce unnecessary process and improve efficiency in the oversight of direct payments (forthcoming).

### **Case study: TLAP Re-Imagining Self-Directed Support**

At the onset of the pandemic the DHSC worked with the care and support sector to produce urgent guidance. Direct payment recipients and personal assistants (PAs) did not feature in the initial response and TLAP worked hard to raise their profile.

### **Case study: Delivering for Social Care Wales**

Having already been commissioned to deliver a multi-year programme of work on the use of evidence in social care in Wales, SCIE was well placed to design and implement a project to identify key recommendations for supporting the use of evidence in social care in Wales during the COVID-19 pandemic.

SCIE undertook a range of research activities, including stakeholder mapping and a series of interviews and group discussions with users of evidence to inform Social Care Wales as it looked to provide resources, information, and signposting for the sector in response to COVID-19.

We used our expertise in undertaking research and experience of policy and practice networks, co-production and knowledge mobilisation to produce a report, briefing document and set of recommendations to enable Social Care Wales to respond to the immediate needs of the sector arising from COVID-19; to identify what the sector wants and needs (both in terms of user groups and topics), and to support recovery.

### **Case study: Delivering for the Department of Health Northern Ireland**

The Department of Health Northern Ireland asked SCIE to identify and summarise evidence on the issue of why there are numerous occurrences of people working in care homes who abuse residents, not only in Northern Ireland but globally.

SCIE undertook a rapid evidence review to understand the contributing factors which allow abuse, neglect, or exploitation of residents to occur in residential settings.

Our final report outlined and summarised the evidence, supporting the Department of Health to take an informed approach to next steps. As the project progressed, SCIE was asked to complete a supplementary review looking at the specific issue of resident-to-resident harm, producing a report of the evidence.

SCIE will be working closely with the Department to disseminate the report and summary findings to stakeholders in Northern Ireland. We are also using the findings of the reports to work with the Department of Health to produce practical tools and resources for use in practice to support better safeguarding within residential settings.

### **Case study: Co-production COVID-19 materials**

When developing resources for the sector, SCIE believes in the importance of working in a co-productive way with experts with lived experience alongside social care professionals.

The DHSC asked SCIE to develop resources to support adult social care professionals respond to COVID-19. This presented us with a challenge of how to co-produce effectively during COVID-19, when we needed to produce the resources incredibly quickly. Everyone was still getting familiar with online work, and we could not meet face to face.



SCIE and a broad group of people with lived experience worked together to identify what was practical from the co-production point of view. We also considered how to avoid overwhelming individuals who were already dealing with quite a lot. By being honest and listening to all parties, we agreed a way forward that while not pure co-production, did ensure people with lived experience were able to contribute to the different resources in a way which worked for those individuals. This led to the creation of a very helpful and heavily utilised set of resources enabling the sector to respond to COVID-19.

### **Case study: Co-production festival**

In 2015, SCIE created an annual co-production week that has developed into a fantastic annual event where individuals and organisations celebrate the value and benefits of co-production. In the face of COVID-19, this year we had to do things differently and moved the festival online.

We kicked off the week with a welcome introductory video and highlights included a co-production week webinar hosted by people with lived experience which had almost 350 people tune in to the live version. There were blogs, which were also published by the DHSC, a sold-out online workshop, a podcast, along with a film on the social model of disability which was put on SCIE's website.

We took the opportunity to celebrate co-production, promoting a new co-production report we developed with Oxfordshire County Council, and a great new practice example from Hammersmith and Fulham. There were also several posts on #CoProWeek, sharing stories of good co-production or challenges that had been faced during the previous few months, including contributions from national organisations recognising the challenges but also the difference co-production makes to us all.

### **Case study: About delivering safe, face-to-face adult day care**

The loss of, or reduction in, day care services during the COVID-19 crisis has been hugely challenging for people who use the services and their families and carers. Working with the DHSC, SCIE produced this guide for social care commissioners, providers, and managers. It applies to community-based day services (with and without personal care), including specialised day centre environments, and those with provision in outdoor spaces. Day care services for adults support meaningful activities for the people who take part.

The guide offers practical information for people working in day care centres including infection prevention and control and protective equipment, and guidance on re-opening after lockdown and risk assessments. We work closely with the DHSC and Public Health England to regularly update it and ensure it remains as relevant and useful as it could be. To raise awareness of the guide SCIE held a webinar in March to provide real life practical examples of services re-opening and to give an opportunity for providers to ask questions, which are now being responded to by SCIE and the DHSC.

### **Case study: A review of Discharge to Assess**

Discharge to Assess is a crucial Government policy which SCIE was asked to review by the DHSC. Our review included interviews from 35 key stakeholders and was turned around in under two months.

We found that the Discharge to Assess policy has made a difference to people's lives after a hospital stay. The policy's emphasis on discharging as many people as possible to home, when clinically appropriate, is clearly supported by national and local stakeholders. The main

criticism of Discharge to Assess is its primary use as a tool for bed capacity management in acute care. This is understandable in light of the emergency measures at play when it was introduced in March 2020. Healthcare leaders and government policy makers were rightly worried that the NHS might collapse from unprecedented demand.

However, in our review, stakeholders argued for a return to the policy's original intent to support people's recovery and reablement at home or in the community with some concerns that the policy was being driven by a clinical model of care, rather than considering the holistic needs of people, many of whom are experiencing vulnerability and may have complex care needs.

Following the review, we are working with the DHSC to take forward our recommendations to help improve the implementation of the policy and to share learning between areas about effective implementation.

### **Case study: SCIE's essential e-learning**

SCIE continued to grow our indispensable e-learning catalogue to support people working in health and social care to provide better care outcomes. The COVID-19 pandemic has put a new focus on this learning approach, and its benefits, as managers and frontline staff looked for alternative ways to continue their continuing professional development (CPD) through these difficult times. This year 52,000 people have studied our e-learning courses.

SCIE's Infection control course, launched in response to the start of the pandemic, was particularly pertinent and timely. This video-based course for care providers in care homes and home care teaches about the spread of infection and what care workers can do to protect both themselves and the people they care for.

Later in the year SCIE launched Making sense of SEND! This CPD-accredited foundation course is aimed at professionals working with children and young people with special educational needs and disabilities (SEND) up to the age of 25. SCIE produced this course with the London Boroughs of Enfield, Lambeth and Southwark.

This year we also launched new courses on reablement for care workers, advocacy under the Care Act and child neglect, all of which have received very positive feedback.

Our existing courses continue to be well used and well received by the sector too, including our Dementia awareness course which raises the awareness and skills of care staff who work with people with dementia. It aligns with Tier 1 of the National Dementia Training Standards Framework, which is a requirement for all staff working in social care.



## Supporting better safeguarding everywhere

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Improving safeguarding everywhere is the third of our strategic priorities and we have again made significant progress over the past year in meeting our objectives to support those who keep adults and children safe, and to develop and broaden our offers.

The past year has presented many challenges to those seeking to safeguard children and adults and both shone a light on, and created additional risks for individuals. However, it has also been a time that has allowed for much passion and creativity in safeguarding across the sector; to do things differently, to do things better and to maximise opportunities for collaboration and multi-agency working that the pandemic has created.

We have been pleased to be able to support learning and improvement of safeguarding **preventatively** through our organisational safeguarding audits, as well as **reactively** after safeguarding incidents have been identified, both incidents where someone has been harmed through abuse or neglect, and incidents involving organisational failings in keeping people safe. Our expertise across children and adults safeguarding, and the robust systems approach of our Learning Together methodology for audits and incident reviews, has seen clients turn to SCIE as a trusted pair of hands at difficult moments, including after high-profile incidents or when significant risk has been uncovered, requiring involvement of the Charity Commission.

### Safeguarding incident reviews

Our tried-and-tested Learning Together 'systems' approach for incident reviews continues to support commissioners to be able to 'hold a mirror up to themselves' and identify both enablers and barriers to timely, effective, person-centred safeguarding work. Customers have highlighted the learning that occurs through the process creating ripples of organisational change, ahead of the practical, action-focused report highlighting systemic weaknesses that need tackling.

This year we have predominantly supported Safeguarding Adults Boards. We have generated learning to inform partners' improvement work in relation to a wide range of people and circumstances including:

- Older individuals who have had a lifetime of hoarding, that they do not see as problematic, but has left them isolated and with diminishing useable space in their homes and increasing risks, including of risk of fire, when they also face the onset of new health conditions and often the comorbidity of issues
- Care-experienced people with chronic trauma and distressed behaviours of concern transitioning to adulthood and adult services
- People with behaviours often described as challenging placed in assessment and treatment units including autistic people sometimes with learning disabilities and/or other co-existing conditions
- Children victims of fabricated and induced illness (FII) by proxy transitioning to becoming young adults with FII.

We have conducted reviews using SCIE inhouse reviewers, provided supervision and quality assurance of independent reviewers and provided training to develop internal capacity and expertise.

Our support to Safeguarding Adults Boards (SABs) has also included adding new 'tools' to a toolbox of approaches to and supports for incident analysis.

### Key highlights

- **Safeguarding Adult Reviews (SAR) In Rapid Time model.** As part of the DHSC COVID plan for social care, we developed with the SAB Independent Chairs Network a new SAR In Rapid Time methodology and analytic supports. This has proved a flexible tool which enables SABs to commission and conduct SARs with a clarity of purpose about getting 'underneath' any practice problems identified, to understand what is preventing practitioners from doing what they need to do to better to safeguard people they work with. It also provides a model for conducting reviews that requires least budget resource and capacity demand, in which learning can be turned around as quickly as possible
- **SAR Quality Markers refresh.** Building on the first national analysis of SARs, a refresh of the SAR Quality Markers is underway
- **National SAR library.** A key mechanism for sharing learning from SARs, we have been pleased to re-open discussions with the DHSC about progressing SCIE's work to establish a national library where people can search and find relevant learning from all SARs.

We have also extended our reach to support for learning and improvement via safeguarding incident reviews to other sectors including Local Child Safeguarding Partnerships, universities, charities and police and crime commissioners.

### Key highlights

- **Organisational incident reviews for assurances to the Charity Commission.** Development of a model for, and subsequent delivery of, institutional safeguarding incident reviews for two large charities
- **Using data from statutory reviews to reduce serious violence.** A thematic analysis of Safeguarding Adult Reviews, Domestic Homicide Reviews, Mental Health Homicide Reviews and Local Child Safeguarding Practice Reviews to inform a regional strategic violence reduction plan
- **Policy for Student Death Reviews.** Writing a new policy for a university to enable effective learning and improvement.

### Safeguarding audits

One key area of this innovation and growth that has seen much success this year is the wider reach into the charity and education sectors and expansion of our unique and leading Learning Together methodology for systems thinking in safeguarding audits. We have further developed our tried-and-tested tools and approaches to enable us to respond to the growing needs in both these sectors for assurances and improvement support in safeguarding. This has been positively received across the sector and we have seen significant growth in demand for this support throughout the past year.

*'Thank you very much for sight of the draft report. I am very pleased that it provides a comprehensive, perceptive and insightful analysis that fully justifies the investment made in commissioning it.*

*I feel that we have undertaken a seminal and ground-breaking study for the charity sector and, in slower time, would like us to share the methodology and generic findings with our sister charities...'*

### Key highlights

- **Safeguarding audits for education.** Successful development and piloting of our education safeguarding audit programme for multi-academy trusts, and delivery of two subsequent audits
- **Safeguarding audits for charities.** Delivering over 10 safeguarding audits for large national and international charities across a range of sectors including armed forces support, social care and healthcare
- **Safeguarding audits for faith groups.** Delivering a programme of independent audits of Church of England cathedrals across England; Catholic diocesan safeguarding audits for the Bishops Conference of Scotland.

We partnered with the National Lottery Community Fund and the Department for Digital, Culture, Media and Sport to deliver a programme of safeguarding training and support to both voluntary organisations including user-led and faith-based groups.

### Key highlights

- Established two reference groups comprising experts within the field, including those with lived experience
- Developed and piloted a safeguarding framework and checklist for user-led organisations
- Delivered training and webinar opportunities for faith organisations on topics such as survivor engagement, safeguarding for trustees and good practice in safeguarding children and adults attended and viewed by over 780 individuals working across the sector
- Produced bespoke resources to support the sector through the challenges raised by the pandemic and enable them to continue to meet the needs of the children and adults that they serve, accessed over 3,100 times.

### Case study: Supporting safeguarding improvements in a charity through organisation audit

A large welfare charity with both UK and international activity commissioned SCIE to review and audit the safeguarding provision and function to:

- understand the effectiveness of the new safeguarding structure
- understand the extent to which there is a safe culture across the organisation's operations
- review the effectiveness of governance and quality assurance
- support senior stakeholders develop a refined strategic approach to safeguarding.

Adapting our approaches to deliver our methodology virtually, SCIE's audit team appraised a wealth of documentation relating to the procedures, policies and controls of safeguarding. This was followed by conversations with individuals in leadership positions within the charity to better understand the provision and the factors that are helping or hindering effective safeguarding. The third phase used focus groups and workshops to test and refine emerging themes.

Our final report identified systemic barriers and enablers, which the organisation considered a highly valuable learning opportunity. This led to subsequent work with the charity to develop a strategic plan for safeguarding growth.

### **Case study: Reviewing the effectiveness of safeguarding structures and provisions within a multi-academy trust and local authority children's social care**

As part of our newly developed offer for multi-academy trusts, SCIE was commissioned by a large trust of primary schools to audit and review the central functions of the safeguarding provision, and support both it and a local authority to develop a model of collaborative support to inform the future approaches for safeguarding in education within the changing landscape of academisation.

In the first phase of the project, SCIE reviewed key documentation relating to governance, quality assurance and the role of the trust's safeguarding lead and held conversations with key senior stakeholders to understand the challenges and opportunities in the current structure.

In the second phase, we explored with over 40 headteachers and safeguarding leads of constituent schools how the trust's and local authority's role in providing support was enabling good safeguarding practice. This was triangulated with conversations with key strategic leaders within the local authority to establish a model of multi-agency support and collaborative working.

### **Case study: Organisational root-cause analysis for assurances to the Charity Commission**

A large UK-based healthcare charity commissioned SCIE to deliver an organisational root-cause analysis and review in response to a failure in safer-recruitment policy and procedure that was subsequently reported to the Charity Commission.

We used our Learning Together methodology to bring both management and practitioner stakeholders together to identify emerging practice issues and systemic factors that contributed to the incident in question.

Our final report enabled the charity to take forward important development action and provide assurances to the Charity Commission as to the steps taken to meaningfully address the concerns identified.



## Future plans

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Looking ahead to 2021-22, SCIE will continue to deliver our essential work by maintaining our focus on three strategic outcomes. We will follow a number of principles to enable us to continue to grow and strengthen our internal capabilities and guide our work with partners and people who access care and support. These are:

### Co-production

- We will work with several local authorities to develop local co-production arrangements which enable people access care and support to co-produce and design improved social care for today and for the future.
- We will seek to work with local integrated care systems and place-based partnership to build the voice of people and carers in the design and delivery of integrated health and social care.

### Evidence and practice informed

- We will keep abreast of emerging and innovative practice, research and thinking in social care and the wider community sector, to ensure we can provide thought-leadership and understand where we can best contribute.
- We will harness the power of data science to inform better decisions that in turn increase independence.

### Partnership work

- We will collaborate, convening and harnessing the expertise, experience and influence of the wider sector, to explore and adopt new approaches to high-quality, person- and community-centred models of support.
- We will work with partners to raise awareness of the importance of social work and social care including through events, webinars, writing and broadcasts.

### A sustainable and secure SCIE

- We will operate effectively and cohesively, to make the most of our resources and further our charitable aims.
- We will invest in our people to retain our sector-leading expertise and ensure we are a great place to work.

### Innovation

- We will draw on our experience of leading the Social Care Innovation Network to encourage local authorities, partner organisations, providers, and citizens to develop and grow innovative approaches to care.
- We will explore the potential to digital technology and enhance practice and create care services which enhance people's wellbeing and independence.

## Key deliverables for 2021–22

### Improving social care locally

- Work with over 15 different local authorities to help them improve their adult social care offer and demonstrate how they have improved outcomes and experiences for people who use services and carers.
- 100 per cent of our local authority partners will agree SCIE was critical in helping them think through the challenges and develop and execute a plan which was not just sustainable but greatly improved outcomes.

### Influencing nationally

- Work as a partner and critical friend to government, responding independently and intelligently to new government policy, supporting, and advising on a range of national policy programmes, initiatives, and influencing guidance and practice.
- Celebrate the tenth year of the Think Local Act Personal (TLAP) partnership which works to promote personalisation and community-based approaches to care and support.
- Tackle inequalities by engaging in research and using our findings and existing evidence to influence policy, and to promote best practice.
- Produce high-quality research and evaluations which demonstrate what works and makes the difference in social care, promoting evidence-based good practice.

### Nationally (cont)

- Deliver a new commission on the role of housing in the future of care and support funded by the Dunhill Medical Trust, which will revisit the findings of the 2014 commission.
- Have a clear theory of change and logic model setting out the difference we make and how we make it, showing a direct link between our research and evidence and emerging social care policy, improving the experiences of people accessing care and support.
- Sixty per cent of our partners will report that they are very aware of our work to improve national policy and practice.

### Supporting better safeguarding

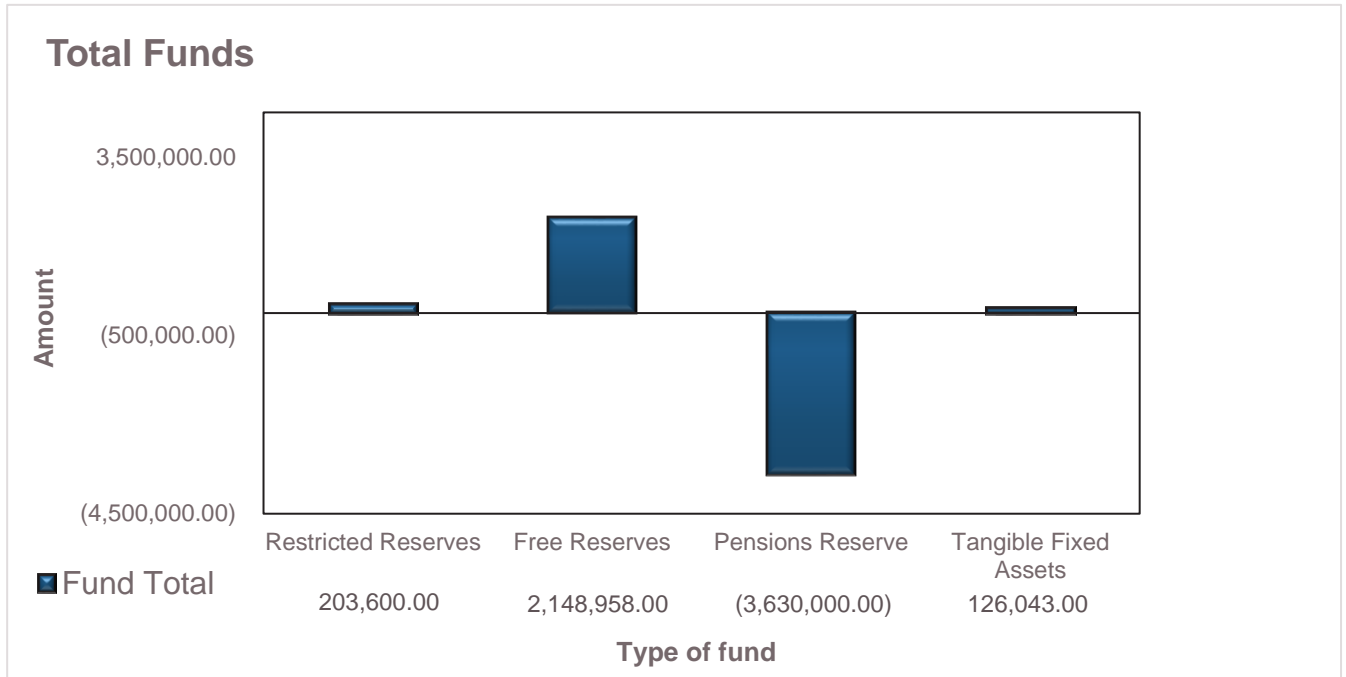
- Expand our nationally recognised safeguarding offer of both case and institutional reviews and audits to support organisations and people to practice safely and keep communities safe working with a further eight organisations.
- Deliver safeguarding reviews in rapid time which enable the whole system to learn and act on a local incident, keeping more people safe.
- Eighty per cent of clients who have received safeguarding support from SCIE will report that they are very confident we have made their organisations/services safer.



## Financial overview

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

**Figure 1: Total funds**



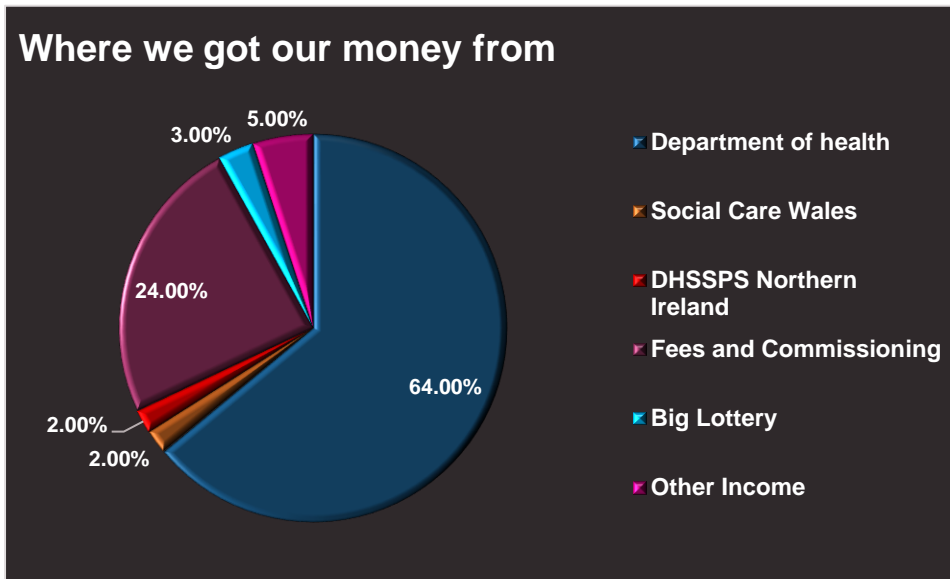
The balance sheet shows total funds to be in deficit by £1,151,399 at 31 March 2021 (2020 – deficit of £303,290). At this date, restricted funds amounted to a surplus of £203,600 (2020 – £450,173 surplus). These monies have either been restricted for use on specific projects or they comprise donations 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.

£126,043 (2020 – £173,338) of the total funds is represented by tangible fixed assets held in unrestricted funds.

The actuaries have calculated SCIE's share of the deficit on the defined benefit pension fund at 31 March 2021 to be £3,630,000 (2020 – £3,078,000). 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 £2,148,958 at 31 March 2021 (2020 – £2,151,199).

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**

In our original budgeting and planning for the financial year 2020–21, we of course did not know that COVID-19 was going to hit. Once we became aware of this, we immediately began making contingency plans and re-thinking our strategy for the year ahead. We embarked on a restructure to save costs on an ongoing basis and to ensure we had the right posts in place to take us forward, we also moved many of our offerings online. Whilst we did lose some business as potential funders moved their attention to tackling the issues that COVID had presented them with, we also were able to turn our attention to supporting the COVID crisis using our expertise to provide guidance and support for the DHSC, meaning we gained income that had not originally been in plan. The outcome is that we were able to limit the impact of COVID in terms of reduction to our income, though clearly there was still an impact.

## Constitution and governance

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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 s418 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 13 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:

<b>Trustee</b>	<b>Appointed/resigned</b>	<b>Audit and Risk Committee</b>
Rt Hon Paul Burstow (Chair)		
Alex Fox		
Annie Hudson		
Clenton Farquharson	Appointed 21.01.2021	
Eustace DeSousa	Term ended 16.02.2021	Member
Jane Green		
John Grosvenor	Appointed 06.09.2021	
Katie Brennan	Term ended 06.09.2021	Chair
Margaret Lally		Member
Mark Atkinson		Member
Mary McKenna		Member
Dr Osmund Stuart		
Rachel Armitage		
Sean Holland		
Sue Gower	Term ended 11.05.2021	Member

Company secretary	Kathryn Smith
Chief Executive	Kathryn Smith
Deputy Chief Executive	Ewan King
Registered and principal office	83 Baker Street London W1U 6AG T: +44 (0)20 7766 7400 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	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 2021 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**

From 1 April 2020 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 absencing 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 user of 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:

### **SCIE's costs exceed our income**

Mitigation: There is an ongoing piece of work underway to ensure better monitoring and reporting of our costs against income. We have agreed an exit from our office lease during the next financial year and continue to review additional overhead costs, including potential changes to our pension scheme. We have been undergoing a consultation with our staff team to review and change a number of our terms and conditions, including consulting on exiting our pension on a deferred debt basis and transferring staff to the pension with Atlas Master Trust. New staff commencing since May 2020 have joined our new pension scheme with Atlas Master Trust. We have been taking advice through Hymans Robertson Financial Consultants during this process.

We are reducing costs through greater use of inhouse resources on projects and more closely monitoring pricing and contribution at an individual project level as well as at a business level.

### **COVID-19 continues to hamper commercial operations**

Mitigation: We have moved our training offer online and are working with clients to ensure existing contracts can be delivered whilst actively pursuing new work. We are also able to facilitate a range of events including webinars, roundtables and workshops using online platforms. As part of a focus on digital commercial products we have co-developed an offer with Xantura and created marketing and comms messaging to support. We have realised benefits of new ways of working online with increased engagement through workshops, roundtables etc. The TLAP work programme was adapted to reflect the impact of COVID.

## **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 £2,148,958 at 31 March 2021. 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.

## **Fundraising**

To support the sustainability of the charity, income generation from new sources is being developed and in November 2020 a new Fundraising Manager was recruited. The fundraising manager is supported by a Fundraising Reference Group and Ethics Committee to ensure adherence to the charity's values. No external professional fundraisers work on behalf of SCIE. SCIE complies with best practice advised by the Charity Commission and utilises a donation acceptance policy to support its ethical collaboration statement.

The charity aims to achieve best practice in the way in which it communicates with donors and other supporters. The charity takes care with both the tone of its communications and the accuracy of its data to minimise the pressures on supporters. It applies best practice to protect supporters' data and never sells data, it never swaps data and ensures that communication preferences can be changed at any time. The charity manages its own fundraising activities to react to and investigate any complaints regarding its fundraising activities and to learn from them and improve its service. During the year, the charity received no complaints about its fundraising activities.

## **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:



## **Paul Burstow**

Trustee

Approved by the Trustees on: 18 November 2021



## 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 (the 'charitable company') for the year ended 31 March 2021 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 2021 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 twelve 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](http://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.

 Buzzacott LLP

28 November 2021

Amanda Francis (Senior Statutory Auditor)  
For and on behalf of Buzzacott LLP, Statutory Auditor  
130 Wood Street  
London  
EC2V 6DL

## Statement of financial activities: Year to 31 March 2021

	Notes	Unrestricted funds £	Restricted funds £	2021 Total funds £	Unrestricted funds £	Restricted funds £	2020 Total funds £
<b>Income from:</b>							
Short-term bank deposits							
. Interest receivable		318	—	318	12,429	—	12,429
Charitable activities							
. Contracts, grants, service level agreements and fees receivable	1	1,521,783	3,105,884	4,627,667	2,705,892	2,531,201	5,237,093
<b>Total income</b>		<b>1,522,101</b>	<b>3,105,884</b>	<b>4,627,985</b>	<b>2,718,321</b>	<b>2,531,201</b>	<b>5,249,522</b>
<b>Expenditure on:</b>							
Charitable activities							
. Provision and dissemination of knowledge and good practice in social care	2	1,280,676	3,974,418	5,255,094	3,657,167	2,553,593	6,210,760
<b>Total expenditure</b>		<b>1,280,676</b>	<b>3,974,418</b>	<b>5,255,094</b>	<b>3,657,167</b>	<b>2,553,593</b>	<b>6,210,760</b>
<b>Net income (expenditure) for the year</b>		<b>241,425</b>	<b>(868,534)</b>	<b>(627,109)</b>	<b>(938,846)</b>	<b>(22,392)</b>	<b>(961,238)</b>
<b>Fund Transfers</b>		<b>(621,961)</b>	<b>621,961</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
<b>Other recognised gains and losses</b>							
Actuarial (losses) gains in respect to defined benefit pension scheme	15	(221,000)	—	(221,000)	1,544,000	—	1,544,000
<b>Net movement in funds</b>		<b>(601,536)</b>	<b>(246,573)</b>	<b>(848,109)</b>	<b>605,154</b>	<b>(22,392)</b>	<b>582,762</b>
<b>Reconciliation of funds:</b>							
Fund balances brought forward at 1 April 2020		(753,463)	450,173	(303,290)	(1,358,617)	472,565	(886,052)
Fund balances carried forward at 31 March 2021		(134,999)	(203,600)	(1,151,399)	(753,463)	450,173	(303,290)

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

## Balance sheet: As at 31 March 2021

	Notes	2021 £	2021 £	2020 £	2020 £
<b>Fixed assets</b>					
Tangible assets	8		<b>126,043</b>		173,338
<b>Current assets</b>					
Debtors	9	<b>732,942</b>		1,016,741	
Cash at bank and in hand		<b>2,819,475</b>		<u>2,214,097</u>	
		<b>3,552,417</b>		<u>3,230,838</u>	
<b>Creditors:</b> amounts falling due within one year	10	<b>(1,199,859)</b>		<u>(629,466)</u>	
<b>Net current assets</b>			<b>2,352,558</b>		<u>2,601,372</u>
<b>Total net assets excluding pension liability</b>			<b>2,478,601</b>		<u>2,774,710</u>
Pension liability	15		<b>(3,630,000)</b>		<u>(3,078,000)</u>
<b>Total net assets including pension liability</b>			<b>(1,151,399)</b>		<u>(303,290)</u>
<b>The funds of the charity</b>					
Restricted funds	12		<b>(203,600)</b>		450,173
Unrestricted funds					
. General fund					
.. Free reserves	13		<b>2,148,958</b>		<u>2,151,199</u>
.. Pension reserve	15		<b>(3,630,000)</b>		<u>(3,078,000)</u>
			<b>(1,481,042)</b>		<u>(926,801)</u>
. Tangible fixed assets fund	13		<b>126,043</b>		<u>173,338</u>
			<b>(1,151,399)</b>		<u>(303,290)</u>

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



**Paul Burstow**

Trustee

Approved on: 18 November 2021

Company Registration No. 04289790 (England and Wales)

Charity Registration No.1092778

## Statement of cash flows: Year to 31 March 2021

	Notes	2021 £	2020 £
<b>Cash flows from operating activities:</b>			
Net cash provided by operating activities	A	<b>639,569</b>	142,389
<b>Cash flows from investing activities:</b>			
Interest received		<b>318</b>	12,429
Purchase of tangible fixed assets		<b>(34,509)</b>	(119,708)
<b>Net cash provided by investing activities</b>		<b>(34,191)</b>	(107,279)
<b>Change in cash and cash equivalents in the year</b>		<b>605,378</b>	35,110
<b>Cash and cash equivalents at 1 April 2020</b>	B	<b>2,214,097</b>	2,178,987
<b>Cash and cash equivalents at 31 March 2021</b>	B	<b>2,819,475</b>	2,214,097

### Notes to the statement of cash flows for the year to 31 March 2021

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

	2021 £	2020 £
<b>Net expenditure for the year (as per the statement of financial activities)</b>	<b>(627,109)</b>	(961,238)
<b>Adjustments for:</b>		
Depreciation charge	<b>81,804</b>	173,469
FRS 102 pension charge	<b>331,000</b>	320,000
Interest receivable	<b>(318)</b>	(12,429)
Decrease in debtors	<b>283,799</b>	936,111
Increase (decrease) in creditors	<b>570,393</b>	(313,524)
<b>Net cash provided by operating activities</b>	<b>639,569</b>	142,389

#### B Analysis of cash and cash equivalents

	2021 £	2020 £
Cash at bank and in hand	<b>2,819,475</b>	2,214,097

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 2021

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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 2021 with comparative information provided in respect to the year to 31 March 2020.

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
- Estimating the recoverability of debtors and determining any necessary provision for bad or doubtful debts
- Assessing the appropriateness of the underlying assumptions made by the actuary in the valuation of the defined benefit pension scheme
- Determining the basis for the allocation of support and governance costs across the charitable key areas of activity as shown in note 3
- Estimating future income and expenditure flows for the purpose of assessing going concern (see below)

### 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.



In the charity's original budgeting and planning for the financial year 2020–21, the Trustees did not know that COVID-19 was going to hit. Once they became aware of this, they immediately began making contingency plans and re-thinking the charity's strategy for the year ahead. The Trustees embarked on a restructure to save costs on an ongoing basis and to ensure the charity had the right posts in place to take it forward; they also moved many of the charity's offerings online. Whilst the charity did lose some business as potential funders moved their attention to tackling the issues that COVID-19 had presented them with, it was able to turn its attention to supporting the COVID-19 crisis using its expertise to provide guidance and support for the DHSC, meaning the charity gained income that had not originally been in plan. The outcome was that the charity was able to mitigate the impact on income though clearly there was still an effect that continues to work through.

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. During the year, a review of the yearly allocations revealed that overhead and support costs weren't being sufficiently absorbed. This in turn led to a change in the way that support costs were allocated during this financial year due to a change in policy.

### 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 cent per annum based on cost
- Office furniture and fittings – 25 per cent to 33.3 per cent per annum based on cost
- Leasehold improvements – over the remaining period of the lease

During the year, depreciation was accelerated as of February 2021 due to the termination of the lease in relation to the charity's office accommodation with effect from December 2021 and the consequent amendment to the expected useful life of the leasehold improvements and office fixtures and fittings.

### 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

The charity contributes 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.

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 2021

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

	Unrestricted funds £	Restricted funds £	2021 Total funds £	Unrestricted funds £	Restricted funds £	2020 Total funds £
Department of Health and Social Care						
. Project grants	—	2,947,036	2,947,036		2,279,249	2,279,249
Social Care Wales	98,228	—	98,228	120,694	—	120,694
Department of Health, Northern Ireland	66,505	—	66,505	41,059	—	41,059
Fees and commissioning	1,120,687	—	1,120,687	2,467,731	—	2,467,731
Big Lottery	—	157,574	157,574	—	132,179	132,179
Other funders	236,363	1,274	237,637	76,408	119,773	196,181
	<b>1,521,783</b>	<b>3,105,884</b>	<b>4,627,667</b>	<b>2,705,892</b>	<b>2,531,201</b>	<b>5,237,093</b>

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

Income from other funders includes £153,196 (2020 – £nil) of monies in respect to the Coronavirus Job Retention Scheme.

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

	Unrestricted funds £	Restricted funds £	2021 Total funds £	Unrestricted funds £	Restricted funds £	2020 Total funds £
<b>Business, Development &amp; Delivery (BDD)</b>						
Staff costs	168,417	2,426,881	2,595,298	1,589,447	1,914,179	3,503,626
Office costs	—	—	—	250,007	20,423	270,430
Premises costs	—	—	—	587,881	—	587,881
Commissioning costs	438,272	330,433	768,705	110,309	118,786	229,095
Electronic access and publication costs	9,101	18,791	27,892	1,116	16,606	17,722
Publicity and dissemination	—	—	—	13,665	35,170	48,835
Support costs (note 3)	664,886	1,198,313	1,863,199	1,104,742	448,429	1,553,171
	<b>1,280,676</b>	<b>3,974,418</b>	<b>5,255,094</b>	<b>3,657,167</b>	<b>2,553,593</b>	<b>6,210,760</b>

During the year, a review of the yearly allocations revealed that overhead and support costs weren't being sufficiently absorbed. This in turn led to a change in the allocations policy and the way that support costs were allocated during this financial year.

### 3. Support costs

	2021 Total funds £
Staff costs	910,744
Premises costs	432,002
Office costs	86,437
Governance costs (excluding staff costs)	55,612
Other costs	378,404
	<b>1,863,199</b>

	2020 Total funds £
Staff costs	1,030,195
Premises costs	195,960
Office costs	66,899
Electronic access and publication costs	1,849
Publicity and dissemination costs	54,433
Governance costs (excluding staff costs)	88,868
Other costs	114,967
	<b>1,553,171</b>

Other costs include the net interest charge on the charity's defined benefits pension scheme of £85,000 (2020 – £104,000) (see note 15).

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

This is stated after charging:

	2021 Total funds £	2020 Total funds £
Staff costs (note 5)	<b>3,755,276</b>	4,533,821
Auditor's remuneration		
. Statutory audit services		
.. Current year	<b>22,000</b>	20,400
.. Previous year	<b>464</b>	708
Depreciation	<b>81,804</b>	173,469
Operating lease rentals	<b>432,002</b>	389,632

## 5. Employees and staff costs

Staff costs during the year were as follows:

	2021 £	2020 £
Wages and salaries	<b>2,082,609</b>	2,457,177
Social security costs	<b>219,405</b>	265,035
Other pension costs	<b>327,327</b>	334,379
FRS 102 pension charge	<b>246,000</b>	216,000
	<b>2,875,341</b>	3,272,591
Payments to agency staff and consultants	<b>632,349</b>	994,154
Other staff related costs	<b>92,936</b>	267,076
Redundancy payments	<b>154,650</b>	—
	<b>3,755,276</b>	4,533,821

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:

	2021 No.	2020 No.
Charitable activities		
· Business, Development & Delivery (BDD)	<b>43</b>	54
Governance	<b>2</b>	1
	<b>45</b>	55

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:

	2021 No.	2020 No.
£60,001 — £70,000	<b>4</b>	3
£100,001 — £110,000	<b>1</b>	1
£110,001 — £120,000	<b>1</b>	—
£140,001 — £150,000	<b>—</b>	1

Contributions were made to a defined benefits pension scheme in respect to all the above 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 £281,014 (2020 – £297,738).

During the year, both the CEO and the Chair agreed to take a one year 10% temporary pay cut as of June 2020 to help with the impact of COVID.

## 6. Payments in relation to Trustees

In accordance with the charity's memorandum and articles of association, the Chair of the Trustees was paid £24,867 (2020 – £27,259) during the year for services undertaken in the administration of the charity. Two other Trustees were paid a total of £8,865 (2020 – two Trustees were paid a total of £8,398) 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.

Out-of-pocket travelling and subsistence expenses totalling £122 (2020 – £6,119) were reimbursed to two (2020 – seven) Trustees during the year.

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 £9,410 (2020 – £6,079) and provides cover of up to a maximum of £2 million (2020 – £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	Total £
	Computer and IT equipment £	Office furniture and fittings £	Leasehold improvements £	Software £	Computer and IT equipment £	
<b>Cost</b>						
At 1 April 2020	246,059	82,207	277,756	—	37,740	<b>643,762</b>
Additions	17,693	3,176	13,640	—	—	<b>34,509</b>
Transfers	(87,292)	—	—	87,292	—	—
Disposals	—	—	(138,878)	—	—	<b>(138,878)</b>
At 31 March 2021	<u>176,460</u>	<u>85,383</u>	<u>152,518</u>	<u>87,292</u>	<u>37,740</u>	<b><u>539,393</u></b>
<b>Depreciation</b>						
At 1 April 2020	166,254	78,944	187,486	—	37,740	<b>470,424</b>
Charge for year	38,067	2,401	33,603	7,733	—	<b>81,804</b>
Disposals	—	—	(138,878)	—	—	<b>(138,878)</b>
Transfers	(44,564)	—	—	44,564	—	—
At 31 March 2021	<u>159,757</u>	<u>81,345</u>	<u>82,211</u>	<u>52,297</u>	<u>37,740</u>	<b><u>413,350</u></b>
<b>Net book values</b>						
At 31 March 2021	<u>16,703</u>	<u>4,038</u>	<u>70,307</u>	<u>34,995</u>	<u>—</u>	<b><u>126,043</u></b>
At 31 March 2020	<u>79,805</u>	<u>3,263</u>	<u>90,270</u>	<u>—</u>	<u>—</u>	<b><u>173,338</u></b>

During the year, an additional charge of £12,013 was made in respect to depreciation on leasehold improvements and office furniture and fittings. This arises due to the termination of the lease in relation to the charity's office accommodation with effect from December 2021 and the consequent amendment to the expected useful life of the above leasehold improvements and office furniture and fittings.

During the year, £87,292 was transferred from computer equipment to software as this had previously been recognised under the incorrect asset category.

## 9. Debtors

	2021 £	2020 £
Prepayments and accrued income	<b>141,947</b>	175,739
Rent deposit	<b>57,758</b>	116,890
Rebate on rent following termination of lease	—	72,236
Fees and other income receivable	<b>533,237</b>	651,876
	<b><u>732,942</u></b>	<u>1,016,741</u>

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

	2021 £	2020 £
Expense creditors	<b>118,819</b>	66,138
Taxation and social security	<b>311,539</b>	116,531
Pension	<b>42,587</b>	—
Accruals	<b>415,659</b>	377,850
Deferred income (note 11)	<b>311,255</b>	68,947
	<b><u>1,199,859</u></b>	<u>629,466</u>



## 11. Deferred income

	2021 £	2020 £
Balance at 1 April 2020	<b>68,947</b>	41,750
Income received in advance	<b>311,255</b>	68,947
Released to statement of financial activities	<b>(68,947)</b>	(41,750)
Balance at 31 March 2021 (note 10)	<b>311,255</b>	68,947

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 2020 £	Income £	Expenditure Direct costs £	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	35,608
	<b>450,173</b>	<b>3,105,884</b>	<b>(2,776,105)</b>	<b>(1,198,313)</b>	<b>621,961</b>	<b>203,600</b>

	At 01-Apr 2019 £	Income £	Expenditure Direct costs £	Support costs £	Transfers £	At 31-Mar 2020 £
DHSC commissions						
Digital learning	—	668,000	546,021	121,979	—	—
Integration	27,527	75,000	80,027	22,500	—	—
Prevention	—	758,000	580,020	177,980	—	—
LRS programme	—	21,997	183	—	—	21,814
Innovation Network	93,669	80,000	129,572	31,775	—	12,322
Think Local Act Personal (TLAP)	313,556	818,022	650,160	91,998	—	389,420
Supporting Each Other Equals Power	37,813	110,182	119,182	2,196	—	26,617
	<b>472,565</b>	<b>2,531,201</b>	<b>2,105,165</b>	<b>448,428</b>		<b>450,173</b>

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

### **DHSC commissions**

The Department of Health and Social Care (DHSC) provided funds to enable SCIE to continue to support DHSC policy development and sector-led improvement through the development of guidance, products and services that support safe, high-quality services. The commission includes:

#### **Transforming care and support (Core)**

The Department of Health and Social Care funded SCIE to benefit from our unique position as a trusted, people-focused, independent improvement agency, to deliver business needs and facilitate sector improvement, generally by improved awareness, knowledge, skills and experience of the workforce, and also specifically in areas including: safeguarding, strengths-based practice, mental capacity, prevention and dementia, all of which are key policy areas for the DHSC. Core activity forms the basis of the support to the sector, including a contribution to delivering the Coronavirus (COVID-19): Adult Social Care Action Plan, (April 2020).

The work programme included:

##### 1. Social Care Online:

SCIE will continue updating the database for use across universities, research and policy and practice development.

##### 2. Digital resource hubs providing care providers with practical guidance and support:

SCIE has an extensive track record of producing and promoting impactful digital resources, content hubs, databases, e-learning courses and webinars, as agreed with DHSC. These will continue to be made available and SCIE will maintain, update and promote these critical assets for the benefit of the sector, including:

- Safeguarding adults: safeguarding adults web resource, plus the development of a new section for the hub relating to client-on-client abuse
- Dementia: comprehensive dementia web resource and dementia awareness e-learning module
- Reablement: briefings and the free-to-access, DHSC-funded, e-learning course, with further specific deliverables adapted to needs of the DHSC and the sector
- Mental Capacity Act – web resource and extensive MCA Directory, updating resources to support understanding of the recent changes to the MCA and updating/refreshing the MCA Directory. Assisting the National Mental Capacity Forum with dissemination support.

##### 3. COVID-19: disseminating information and good practice resources:

- A 'hub', built along the similar lines as other multi-layered hubs like SCIE's equivalent for the Mental Capacity Act and strengths-based practice, will be regularly updated with government guidance/signposts to other guidance, bi-monthly e-bulletins to contacts, as well as Q and A
- Providing DHSC and the sector with support and guidance

- Building sector resilience: by analysing the learning and re-purpose of these resources, e.g. to help with general infection and preventing hospital admissions and promoting community care.
4. Digital resource hubs and support for commissioners and local authorities, specifically:
- Care Act: developing and maintaining resources, tools and e-learning modules to support training in its principles.
  - Strengths-based approaches: expand existing resources by developing a digital platform in 2020/21, cascading this through regionally based action learning sets, and a new self-assessment tool to help leaders to self-assess readiness across the key elements.
  - Co-production, and SCIE's digital resources and initiatives in this area, will help embed co-production within the sector, as well as underpin SCIE's work.
  - Prevention: a wide range of emerging evidence, information and practice experience to support commissioners and service providers.
  - Integrated care: resources that support the planning, commissioning and delivery of coordinated person-centred care.

The DHSC core fund finished the year in a deficit position due to an outdated costing model being used. This has since been revised and we expect the deficit position to reduce over the coming years due to revised work programmes.

### **Increase availability of support to people in England during COVID-19 (Covid)**

The DHSC-funded SCIE to support it to deliver some of the activities identified in its strategic agenda, especially 'COVID-19: Our Action Plan for Social Care', for which Government established a mechanism to ensure strategic coordination of respective partners' contributions. SCIE remit was to support providers and care professionals who are operating in an uncertain and changing environment – providing them with rapid and accessible training and best practice guides. This is an essential part of ensuring a consistent and joined up response to supporting people with care needs during the COVID-19 pandemic.

#### **Liberty Protection Safeguards (LPS) – phase 1**

With the timetable laid out for the introduction of Liberty Protection Safeguards, the Department of Health and Social Care funded SCIE to undertake a planning and development phase of work covering three key areas:

1. Engagement – to ensure that we are engaging directly with the sector to understanding their level of preparedness and priorities
2. Dissemination – starting to build awareness around the planned activities and role that SCIE and partners will play to support LPS implementation
3. Learning content – mapping a training plan in order to ensure that materials are developed and launched as early in 2021–22 as possible, ahead of the 2022 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 the 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 Big Lottery to look into issues of exclusion, loneliness and insufficient support for people with learning difficulties.

Whilst this fund is currently in deficit, we are going to explore the possibility of acquiring further funding. If we are unsuccessful, any deficit that remains next year will be funded through general reserves.

## **Further considerations**

Upon revisiting the allocation model previously used to apportion overheads across the various funds, we found that overheads had not been sufficiently absorbed. As such, SCIE have adopted a new approach for the current year whereby overheads have been allocated based on each fund's percentage of SCIE's overall revenue. As such, this has led to some funds seeing a deficit position at the financial year end. Where other funds come to an end in a deficit position, we have taken an approach of writing these deficits to our free reserves. During the financial year, the DHSC COVID fund came to an end which resulted in the shortfall being funded through free reserves. DHSC Core and Supporting Each Other Equals Power also finished in deficit for the financial year, and these deficits have been funded through free reserves.

### 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 2021 £
<b>Fund balances at 1 April 2020</b>	450,173	2,151,199	173,338	(3,078,000)	(303,290)
<b>Movements:</b>					
(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)	–	–	–
<b>Fund balances at 31 March 2021</b>	<b>203,600</b>	<b>2,148,958</b>	<b>126,043</b>	<b>(3,630,000)</b>	<b>(1,151,399)</b>

	Restricted funds £	Free reserves £	Tangible fixed assets fund £	Pension Reserve £	Total 2020 £
<b>Fund balances at 1 April 2019</b>	472,565	2,716,284	227,099	(4,302,000)	(886,052)
<b>Movements:</b>					
(Deficit) for the year	(22,392)	(938,846)	–	–	(961,238)
Pension movements	–	1,544,000	–	–	1,544,000
Pension liability movement	–	(1,224,000)	–	1,224,000	–
Asset movement	–	53,761	(53,761)	–	–
<b>Fund balances at 31 March 2020</b>	<b>450,173</b>	<b>2,151,199</b>	<b>173,338</b>	<b>(3,078,000)</b>	<b>303,290</b>

## 14. Leasing commitments

### Operating leases

At 31 March 2021, the charity had total commitments under non-cancellable operating leases as follows:

	Land and buildings	
	2021 £	2020 £
Operating lease payments which fall due:		
Within one year	139,673	258,229
Between two and five years	—	641,757
	<b>139,673</b>	<b>899,986</b>

In February 2021, the charity renegotiated the lease in respect to its office accommodation with the result that the lease will now end on 25 December 2021 rather than in 2024 as originally agreed. Whilst the termination date of the lease remains 25 December 2021, SCIE vacated its premises early on 31 August 2021 at the request of the landlord.

## 15. Pension commitments

The charity operates a pension scheme providing benefits based on final pensionable pay (please refer to Note 17 for changes since 31 March 2021). The assets of the scheme are held separate from those of the charity, being invested with the Essex County Council Pension Scheme. The contributions are determined on the basis of triennial valuations by a qualified actuary using the projected unit method.

The most recent triennial valuation at 31 March 2019, showed that 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. The next formal valuation is at 31 March 2022.

Trustees receive regular reports on the pension scheme and monitor its performance. The Board has agreed a policy of building a reserve to meet its potential future liabilities.

### FRS 102

Financial Reporting Standard 102 (FRS 102) requires the surplus or deficit on the Scheme as at 31 March 2021, calculated in accordance with the requirements of FRS 102, to be included on the balance sheet. For the purpose of FRS 102, the assets of the scheme have been taken at market value and the liabilities have been calculated by a qualified independent actuary.

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 were:

	2021 %	2020 %
	per annum	per annum
Rate of increase in salaries	3.80	2.90
Rate of increase in pension payments	2.80	1.90
Discount rate	2.00	2.35
Rate of Inflation — CPI	2.40	1.90

The mortality assumptions used were as follows:

	2021 years	2020 years
Longevity at age 65 for current pensioners		
. Men	21.6	21.8
. Women	23.6	23.7
Longevity at age 65 for future pensioners		
. Men	22.9	23.2
. Women	25.1	25.2

The net movement in the FRS 102 liability during the year was:

	2021 £'000s	2020 £'000s
Net deficit in scheme at 1 April	(3,078)	(4,302)
Service cost	(934)	(703)
Net interest	(70)	(98)
Administration expenses	(15)	(6)
Employer contributions	688	487
Re-measurement of the defined liability	(221)	1,544
<b>Net deficit in scheme at 31 March</b>	<b>(3,630)</b>	<b>(3,078)</b>

Total expenditure recognised in the statement of financial activities (SOFA) was:

	2021 £000s	2020 £000s
Service cost	(934)	(703)
Net interest on the defined liability	(70)	(98)
Administration expenses	(15)	(6)
<b>Total expenditure recognised in SOFA</b>	<b>(1,019)</b>	<b>(807)</b>
Employer contributions	688	487
<b>FRS 102 charge</b>	<b>(331)</b>	<b>(320)</b>



The net (loss) gain recognised in the re-measurements in other recognised gains and losses was:

	2021 £000s	2020 £000s
Return of fund assets in excess of interest	5,465	(1,598)
Other actuarial gains/(losses) on assets	—	123
Change in demographic assumptions	256	208
Experience gain/(loss) on defined benefit obligation	329	488
Changes in financial assumptions	(6,271)	2,323
<b>Remeasurement of the defined liability</b>	<b>(221)</b>	<b>1,544</b>

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

	2021 £000s	2020 £000s
Opening defined benefit obligation	23,211	25,361
Current service cost	523	703
Past service costs including curtailments	411	—
Interest cost	547	604
Contributions by scheme participants	123	152
Change in financial assumptions	6,271	(2,323)
Experience (gain) on defined benefit obligation	(329)	(488)
Benefits paid	(487)	(590)
Change in demographic assumptions	(256)	(208)
<b>Closing defined benefit obligation</b>	<b>30,014</b>	<b>23,211</b>

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	2020 £000s
Opening defined benefit obligation	79	83
Interest cost	2	2
Change in demographic assumptions	(1)	1
Experience loss/(gain) on defined benefit obligation	(1)	2
Change in financial assumptions	9	(4)
Benefits paid	(5)	(5)
<b>Unfunded scheme liabilities at 31 March</b>	<b>83</b>	<b>79</b>

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

	<b>2021</b> <b>£000s</b>	2020 £000s
Fair value of scheme assets at 1 April	<b>20,133</b>	21,059
Interest on assets	<b>477</b>	506
Return on assets less interest	<b>5,465</b>	(1,598)
Other actuarial losses	—	123
Contributions by employer	<b>688</b>	487
Contributions by fund participants	<b>123</b>	152
Administration expenses	<b>(15)</b>	(6)
Benefits paid	<b>(487)</b>	(590)
<b>Fair value of scheme assets at 31 March</b>	<b>26,384</b>	20,133

The charity's share of the assets in the scheme and the expected rates of return were:

	%	Value at 31 March 2021 £'000	%	Value at 31 March 2020 £'000
Equities	<b>63%</b>	<b>16,691</b>	59%	11,785
Government bonds	<b>3%</b>	<b>672</b>	4%	868
Other bonds	<b>5%</b>	<b>1,283</b>	6%	1,220
Property	<b>7%</b>	<b>1,859</b>	9%	1,810
Cash	<b>3%</b>	<b>665</b>	4%	837
Alternative assets	<b>11%</b>	<b>3,032</b>	12%	2,319
Other managed funds	<b>8%</b>	<b>2,182</b>	6%	1,294
<b>Total market value of assets</b>	<b>100%</b>	<b>26,384</b>	100%	20,133

Amounts for the current and previous four periods are as follows:

	31 March 2021 £'000s	31 March 2020 £'000s	31 March 2019 £'000s	31 March 2018 £'000s	31 March 2017 £'000s
Fair value of assets	26,384	20,133	21,059	19,670	17,806
Present value of scheme liabilities	<u>(30,014)</u>	<u>(23,211)</u>	<u>(25,361)</u>	<u>(23,997)</u>	<u>(23,563)</u>
Deficit in scheme	<u>(3,630)</u>	<u>(3,078)</u>	<u>(4,302)</u>	<u>(4,327)</u>	<u>(5,757)</u>

## Contributions

The total contributions payable by the employer in the year were £318,689 (2020 – £334,379). At 31 March 2021, there was £40,417 outstanding amount due (2020 – £nil).

The best estimate of contributions to be paid by the charity to the scheme for the year ending 31 March 2022 is £485,000.

## 16. Members' liability

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

## 17. Post balance sheet events

Whilst the termination date of the office lease remains the 25 December 2021, SCIE vacated its premises early on 31 August 2021 at the request of the landlord.

SCIE has undertaken a review of its terms and conditions including the pension over the last year. We have now reached agreement to exit the Local Government Pension Scheme on a deferred debt basis and hope to have implemented this decision before 31 March 2022. Eligible staff will instead be enrolled in the Atlas Master Trust Pension Scheme.