

Date Issued: 21 February 2018

Members of the Resources Committee are advised that a meeting of the committee is to take place on 28 February 2018 at 10.30 am in Room 5, Compass House, Dundee.

The Committee Effectiveness Review, including review of Terms of Reference, will be held after the meeting. Papers for this are included at the back of this package.

A light lunch will be available from 12.30 pm.

**Audrey Cowie
Chair**

AGENDA

1. Welcome
2. Apologies for absence
3. Declarations of interest
4. Minutes of the previous meeting – 6 December 2017
5. Matters arising
 - 5.1 European Social Network (ESN) member's forum **Report 01/2018**
 - 5.2 Salary Protection Policy update
 - 5.3 Payroll/HR Management Information System service update
 - 5.4 Content of confidential items update
6. Action Record Resources Committee

Items for decision

7. Review of SSSC Financial Governance Framework **Report 09/2018**
(to follow)
8. Budget
 - 8.a Budget monitoring report as at 31 December 2017 **Report 02/2018**
(to follow)
 - 8.b Draft budget 2018/19 and indicative budgets for **Report 03/2018**
2019/20 and 2020/21

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|-----|---|-----------------------|
| 9. | Annual Review of the Procurement Strategy 2016-2019 | Report 04/2018 |
| 10. | Exit Approval Process (to follow) | Report 05/2018 |

Item for discussion

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| 11. | Human resources analytics | Report 06/2018 |
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Items for information

- | | | |
|-----|------------------------------------|-----------------------|
| 12. | ICT annual report | Report 07/2018 |
| 13. | Calendar of business | |
| 14. | Risk identification | |
| 15. | AOCB | |
| 16. | Date of next meeting – 30 May 2018 | |

SCOTTISH SOCIAL SERVICES COUNCIL

**Unconfirmed minutes of the Resources Committee
held on 6 December 2017 at 10.30 am
Room 4, Compass House, Dundee**

Present: Audrey Cowie, Council Member (Chair)
Paul Dumbleton, Council Member
Harry Stevenson, Council Member

In Attendance: Anna Fowlie, Chief Executive
Lorraine Gray, Director of Strategic Performance and Engagement
Kenny Dick, Head of Shared Services
Nicky Anderson, Head of Finance
Deirdre Joy, Head of Human Resources
Ged Bell, Digital Transformation Lead Officer
Scott Reid, Senior Human Resources Adviser
Audrey Wallace (minute taker)

- | | | ACTIONS |
|------------|--|----------------|
| 1 | Welcome | |
| 1.1 | Audrey Cowie welcomed everyone to the meeting including Linda Lennie, Council Member and Mark Hornshaw, from the finance team, who were observing. | |
| 2 | Apologies for absence | |
| 2.1 | Forbes Mitchell, Council Member had given apologies for absence. | |
| 3 | Declaration of interest | |
| 3.1 | There was no declaration of interest. | |
| 4 | Minutes of previous meeting – 27 September 2017 | |
| 4.1 | The minutes of the meeting held on 27 September 2017 were approved as a correct record subject to correction of one typo. | Ctte Sppt |
| 5 | Matters arising | |
| 5.1 | There were no matters arising which were not dealt with later in the meeting. | |
| 6 | Action record | |
| 6.1 | Salary Protection Policy | |
| 6.1.1 | Deirdre Joy advised that the union was taking further advice on this and the HR department were looking into historical actions. | |

She confirmed that the policy would be further discussed at the next meeting of the Partnership Forum and a report submitted to the next available Committee.

H of HR

6.2 Procurement update and performance report 2016/17

- 6.2.1 Kenny Dick confirmed that the annual procurement report for 2016/17 had been published on the website.

6.3 Request for authorisation to participate in a conference outside the UK

- 6.3.1 The Head of Learning and Development was not available to respond to this today.

H of L & D

6.4 Lessons learned – Special Appeals Committee and Employment Appeals Sub-committee

- 6.4.1 This would be addressed later in the meeting.

7 Budget monitoring report

- 7.1 Nicky Anderson presented report 33/2017 which provided the Committee with the budget monitoring position on the core operating budget and specific grant funding for the year to 31 March 2018.

- 7.2 The main areas highlighted were
- a projected underspend of £440k as at 31 October 2017
 - staff costs projected underspend of £243 due to delays in filling vacant posts
 - request to the sponsor to delay the spend on Sequence into 2018/19.

- 7.3 Clarification was asked for and given on some matters including secondment costs and underspend of budget related to the staff conference.

- 7.4 The Committee:

1. considered the core operating budget monitoring statement of the year to 31 March 2018, at appendix A to the report
2. considered the position on projected expenditure against available specific grant funding for the year to 31 March 2018, at appendix B
3. noted the areas of specific attention, in section 10 of the report, which are closely monitored by EMT
4. approved the content of the report and that it be forwarded to the Council for approval.

H of
Finance

8 HR Policy Review Timetable

- 8.1 Deirdre Joy presented report 34/2017 which set out the proposed revised timetable for review of HR policies. There was some discussion on the optimum timescales for review of policies and it was noted that as a matter of course, policies would be reviewed regularly to take account of any new regulations or legislation, but that the timescales given in the report were the maximum number of years between reviews. Deirdre also advised that the work on reviews could be distributed throughout the HR team in order to meet the timescales given.
- 8.2 Audrey Cowie asked for additional dates to be completed where possible. H of HR
- 8.3 The Committee:
1. approved the timetable attached to the report, for the review of the HR policies, subject to the comments above
 2. noted that the review of each policy would be reported to the Committee and the timetable will be reviewed annually and reported to Committee. H of HR

9 Annual Review of Financial Regulations

- 9.1 Nicky Anderson presented report 35/2017 with proposed changes to the Financial Regulations attached. Nicky advised on some of the main changes which were
- to tidy up the language so that it corresponded to and was consistent with Scottish Government documents
 - to ensure that references to approval limits were consistent across all documentation
 - proposed changes to the process for approving grants awarded to the SSSC in order to make the process flow better; this would mean including more information on grant bids into the budget monitoring report, which would result in fewer ad hoc requests being considered.
- 9.2 There was some discussion around the practical arrangements for approving grants and Anna Fowlie clarified that any matter which appeared to be out of the ordinary would be reported to Committee and it was noted that Council have final approval.
- 9.3 The Committee:
1. reviewed the draft Financial Regulations
 2. agreed the suggested amendments
 3. approved the draft Regulations to be submitted to Council for approval H of Finance
 4. noted that the current Regulations would remain in force until Council considers and approves the revised version in January 2018.

10 HR Analytics

- 10.1 Scott Reid presented report 36/2017 which provided the Committee with an analysis of absence, turnover and headcount at the SSSC, as well as vacancy levels and information on discipline and grievance.
- 10.2 There was some discussion around the absence figures particularly noted was
- there is a year on year fall in absence rate
 - there is a reduction in stress and mental health occurrences
 - there are no active grievances.
- 10.3 The Committee:
1. noted the content of appendices 1-7 of the report
 2. noted the content of the report and provided feedback.

11 Draft Budget 2018/19

- 11.1 Nicky Anderson reported at the 2018/19 budget had been submitted to the sponsor in September, much earlier than had been achievable in the past.
- 11.2 Nicky further confirmed that the next meeting of the EMT would consider the budget in further detail and a report would be submitted to the next meeting of the Resources Committee in February 2018. H of Finance
- 11.3 The Committee:
1. noted the position.

12 ICT investment and future support

- 12.1 Lorraine Gray introduced report 37/2017 which provided information on the background to and the planned review and need to invest in the ICT services and hardware currently in operation within the organisation.
- 12.2 Ged Bell, the Digital Transformation Lead attended and gave a short presentation on the ICT proposals, including
- office 365
 - desktop equipment replacement
 - staff consultation on the proposals
 - projected costs of the proposals
 - future arrangements for support.
- 12.3 The proposals were fully discussed and questions answered. Some of the issues raised and discussed were
- timetable for implementation
 - Sequence update, MySSSC update
 - linking to current sequence to CMS system and paperless meetings

- will benefits to staff be clear
- will there be test pilots at each phase
- floor walkers to assist with user support
- recycling of obsolete hardware
- ongoing licensing and support costs.

12.3 The Committee:

1. agreed the proposals set out in the report in principle, but recognised that the detail may change as work progresses
2. provided authority for the Chief Executive to sign a contract or contracts to the value of £600k, excluding VAT, in connection with this work stream C Ex
3. noted the content of the report and thanked Ged Bell for his presentation.

13 Payroll/HR Management Information System service procurement

13.1 Kenny Dick presented report 38/2017 which advised the Committee on the current contract to provide the payroll and HR management system, with the contract ending by 30 September 2018.

13.2 The Committee noted that there was a joint procurement exercise underway with the CI to source a suitable system which would be procured under a Crown Commercial Services Framework.

13.3 The Committee:

1. gave authority to the Chief Executive to sign a contract for an HRMIS and payroll service to a value of up to £250k, excluding VAT. C Ex

14 Schedule of Committee Business

14.1 The Committee reviewed the Schedule of Business for 2018 and noted that changes would be made to the timetable. Ctte Sppt

15 Risk identification

15.1 Risks identified were at item 12 above and it was noted that this would be the discussed by EMT and added to the Strategic Risk Review.

16 AOCB

16.1 Content of confidential items

16.1.1 The Committee asked for some guidance to be provided on matters or report content which should be considered as confidential.

16.1.2 Kenny Dick agreed to discuss this with appropriate officers and submit a report to the next meeting. H of SS

16.2 Lessons learned

16.2.1 It was agreed to take this item at a future meeting.

17 Proposed dates of meetings in 2018

17.1 Following consultation with Members and officers on proposed changes, the following dates for meetings in 2018 were agreed 28 February, 30 May, 29 August (only meet if required for budget update), 26 September and 5 December. Ctte Sppt

18 Confidential item

This is a confidential item and is minuted separately.

19 Confidential item

This is a confidential item and is minuted separately.

Committee started: 10.30am

Committee finished: 12.15pm

Signed

Audrey Cowie
Chair of the Resources Committee

Date

| | |
|----------------------------------|--|
| Title of report | European Social Network (ESN) member's forum |
| Public/confidential | Public |
| Action | Information |
| Summary/purpose of report | To update Resources Committee on European Social Network (ESN) member's forum in Brussels from 19 th April-21 st April 2017. |
| Recommendations | <p>The Committee is asked to:</p> <ol style="list-style-type: none"> 1. Note the contribution of the SSSC to the ESN forum. The learning from the event has been shared with our UK partners in Skills for Care and Development. The SSSC participated on behalf of the UK partnership. |
| Link to Strategic Plan | SSSC strategic Outcome 3: Our resources support the professional development of the social service workforce. |
| Link to the Risk Register | The information in this report links to Outcome 3: Our resources support the professional development of the social service workforce. |
| Author | <p>Phillip Gillespie Head of Learning and Development Tel: 01382 207250</p> |
| Documents attached | None |

1. INTRODUCTION

- 1.1 The European Social Network (ESN) is the network for local public services in Europe. ESN brings together people who regulate, plan, manage and deliver public services across Europe and is a network of 120 organisations in 35 countries. The European Social Services forum brings together commissioners, regulators and managers across the social services and social welfare sectors in Europe.

2. INFORMATION

- 2.1 The European Social Network's forum was held on 20-21 April 2017 and was used as a basis for scoping and preparing the ESN three year strategy (2017-2020). The strategy has been developed around the theme of 'the future of social welfare systems'. In developing the strategy the ESN forum considered four key areas of policy namely; the transformation of social welfare, growing inequalities and their social consequences, housing and homelessness and social innovation. The UK Skills for Care and Development partnership contributed to the strategy in terms of workforce implications relating to the registration regulation. This included the impact of learning technology and the driving up of standards and improvements through qualifications and wider learning and development initiatives with health partners. The Skills for Care and Development partnership also informed the strategy in relation to the impact of policies and legislation on the workforce such as self-directed support, early years, health and social integration and carers' legislation.
- 2.2 The strategy was submitted to the European Commission as part of the partnership agreement and funding to support the work of ESN over the next three years.
- 2.3 As a precursor to the member's forum the Head of Learning and Development also attended the preparatory meeting in Brighton on behalf of Skills for Care and Development. The SSSC delivered a presentation at the Brighton event on the role of social innovation and learning technology within the context of Health and Social Care in Scotland and highlighted our partnership work across the UK.

3. RESOURCE IMPLICATIONS

- 3.1 None

4. EQUALITIES IMPLICATIONS

- 4.1 An Equality Impact Assessment has not been carried out.
- 4.2 This activity will have no negative impact on people with one or more protected characteristics and a full Equality Impact Assessment is not required.

5. LEGAL IMPLICATIONS

- 5.1 There are no legal implications associated with this report.

6. STAKEHOLDER ENGAGEMENT

- 6.1 Participation in the member's forum resulted in a direct contribution to the development of the ESN three year strategy on behalf of the Skills for Care and Development. SSSC have shared the learning from the member's forum with Skills for Care and Development and the social services sector in Scotland through existing networks and a range of articles were published on the ESN website.

7. IMPACT ON USERS AND CARERS

- 7.1 While there is no immediate impact on users and carers, the learning from this event has helped us in our work to inform policy and learning in Scotland in particular our programme of partnership work with NES and the Care Inspectorate, and will subsequently have a positive impact on people who use social services and their carers.

8. CONCLUSION

- 8.1 The resources Committee is asked to note the report.

9. BACKGROUND PAPERS

- 9.1 None.

Resources Committee Action Record

| Item no | Item Title/Report No | Action | Responsibility | Timescale | Status/ Comments |
|--------------------------|---|---|----------------|-----------|---------------------|
| 07 June 2017 | | | | | |
| 5.b.2 - 6 | Annual ICT Report | Annual ICT report to be presented | DoSS | | On Feb Agenda |
| 19.b.2 - 3 | Brussels - Learning and Development | Cttee requested Head of L&D to prepare a report on the work of the ESN members' forum | Head of L&D | | Completed |
| 27 September 2017 | | | | | |
| 6.3 | Action record | HR issues arising from audit of Workforce Planning | H of HR | Dec 2017 | Completed |
| 8 | Salary Protection Policy | Full report following discussion with UNISON | Head of HR | | Completed |
| 10.1 | Annual Review of Financial Regulations | Full review of linked governance documents to be reported at December meeting | H of F | | Completed |
| 11.2.2 | Request for authorisation for participation in a conference outwith UK | officer attending to place a report on Basecamp after the visit | L & D Mgr | | Completed |
| 11.2.3 | Request for authorisation for participation in a conference outwith UK | Conference organisers to be asked if they will contribute to costs | H of L & D | | Completed |

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| 19.b | Lessons Learned - Special Appeals Committee and Employment Appeals Sub-committee | HR to take the lead on reviewing processes to take account of lessons learned in recent meetings | H of HR | | <i>AW to check timescale with DJ</i> |
| 06 December 2017 | | | | | |
| 6.1.1 | Salary Protection Policy | To be further discussed at Partnership Forum and reported to next available Committee | H of HR | May 2018 | |
| 6.3 | ESN Members' Forum in Brussels | Head of L&D was unavailable for response at this meeting | H of L&D | Feb 2018 | On Agenda |
| 7 | Budget Monitoring Report | Forward to Council for aproval | H of Finance | Jan 2018 | Completed |
| 8.2 | HR Policy Review timetable | Additional dates to be completed where possi | H of HR | Feb 2018 | Completed |
| 8.3.2 | HR Policy Review | Each Policy review to be reported to Committee and timetable reviewed annually | H of HR | | |
| 9 | Annual review of Financial Regulations | Submit draft Regulations to Council for approval | H of Finance | Mar 2018 | On Agenda for Council |
| 11.2 | Draft budget 2018/19 | Submit report to February 2018 Committee meeting | H of Finance | | On Agenda |
| 14.1 | Schedule of Committee business | Update schedule for 2018 | Cttee Sppt | Feb 2018 | Completed |
| 15.1 | Risk identification | Risk re ICT investment and future support to bediscussed at EMT and added to Strategic Risk Register | EMT | | |
| 16.1.2 | Content of confidential items | To be discussed with appropriate officers and report submitted | H of SS | Feb 2018 | On Agenda |
| 16.2 | Lessons learned | To come to future meeting | H of HR | | |
| 17 | Proposed dates of meetings in 2018 | Update Dates and Deadlines spreadsheet and circulate | Cttee Sppt | Feb 2018 | Completed |

| | |
|----------------------------------|---|
| Title of report | Review of SSSC Financial Governance Framework |
| Public/confidential | Public |
| Action | For information and decision |
| Summary/purpose of report | The Resources Committee approved amendments to the Financial Regulations at its meeting in December 2017. This report seeks approval for further amendments to the Financial Regulations in the light of the continued work on the review of the SSSC's financial governance framework. |
| Recommendations | <p>That the Resources Committee:</p> <ol style="list-style-type: none"> 1. reviews and agrees the amendments to the Draft Financial Regulations (Appendix B), (highlighted) which were made since Resources Committee on 6 December 2017; 2. agrees the Draft Financial Regulations for submission to Council for approval (Appendix C); 3. notes that the existing Financial Regulations (Appendix A) will remain in force until the Council considers the Revised Draft Financial Regulations (Appendix C) on 27 March 2018; 4. notes the suggested changes to the Scheme of Delegation (Appendix C) which will be presented for approval by council on 27 March 2018; 5. agrees the amendments to Grants and Third Party Funding arrangements as set out in paragraph 2.3 of this report; 6. agrees EMT approval of £2,000 Sponsorship (paragraph 2.6 and Appendix B section 19.3); 7. agrees the revisions to the Registration Fee Income and Debt Management Policy (Appendix G) and Debt Management Policy (Appendix I) as detailed in section 2.10 of this report; 8. agrees the change to the Travel and Subsistence Policy to include witness expenses, detailed in section 2.12 of this report. |

| | |
|----------------------------------|---|
| Link to Strategic Plan | The information in this report links to Strategic Outcome 4: Our stakeholders value our work and Strategic Priority 6: High standards of governance |
| Link to the Risk Register | <p>An effective governance framework supports mitigation of the following risks:</p> <p>Strategic Risk 6: The public or employers do not have or lose confidence in the SSSC.</p> |
| Author | Nicky Anderson, Head of Finance 01382 207206 |
| Documents attached | <p>Appendix A: Financial Regulations (existing)</p> <p>Appendix B: Draft Revised Financial Regulations (tracked changes)</p> <p>Appendix C: Revised Financial Regulations (final)</p> <p>Appendix D: Scheme of Delegation (tracked changes)</p> <p>Appendix E: Third Party Funding Guidance (tracked changes)</p> <p>Appendix E1: Third Party Funding Approval Proforma</p> <p>Appendix F: Draft Sponsorship Policy</p> <p>Appendix G: Registration Fee Income and Debt Management Policy (tracked changes)</p> <p>Appendix H: Registration Fee Income and Debt Management Policy (final)</p> <p>Debt Management Policy (tracked changes)</p> <p>Appendix I: changes)</p> <p>Appendix J: Debt Management Policy (final)</p> |

1. INTRODUCTION

- 1.1 In line with the SSSC's Register of Policies the Financial Regulations are reviewed annually. The 2017 review has been delayed to allow a full review of the SSSC's financial governance framework. This work includes looking at revised procedures for third party grants, reviewing procedures for grants awarded to the SSSC as well as ensuring the Scheme of Delegation and Financial Regulations remain fit for purpose.
- 1.2 The Resources Committee is required to approve the Financial Regulations before they are reviewed and approved by the Council. **Appendix A** comprises the existing Financial Regulations; **Appendix B** comprises the draft revised Financial Regulations. Amendments agreed by this Committee in December 2017 are shown as tracked changes and further suggested amendments are highlighted within the document. **Appendix C** comprises the final version of the revised Financial Regulations.
- 1.3 **Scheme of Delegation**
The Scheme of Delegation has been amended to reflect the changes detailed in this report. (**Appendix D** tracked changes). They will require to be approved by Council on 27 March 2018.

2. AMENDMENTS TO FINANCIAL REGULATIONS

- 2.1 In December 2017 the Resources Committee agreed a number of changes to the Financial Regulations. These changes were made to ensure that the Financial Regulations comply with the Executive Framework, Scheme of Delegation and are consistent with other finance policies. In addition, the Committee agreed changes to the governance arrangements for grants awarded to the SSSC to delegate authority to the EMT to review and approve SSSC grant bids and agreed the introduction of a Grant Bid Approval Proforma.
- 2.2 The financial governance review work has continued since December and further suggested changes to the Financial Regulations are set out below.
- Grants and third party payments**
- 2.3 The governance arrangements for grants and third party payments have been reviewed. The suggested amendments to the Financial Regulations (**Appendix B** section 20) would afford the EMT the authority to review and approve grants and third party funding proposals after consideration of the following:
- The purpose and objectives of providing the funding
 - Risks to the SSSC
 - Funding amount, period and source
 - Links to the SSSC's strategic objectives
 - outcomes and monitoring arrangements and
 - draft funding agreements.
- 2.4 The Executive Framework requires the SSSC to obtain Sponsor approval in advance of awarding grants and third party payments and no change to this would be possible until the Executive Framework is reviewed.

- 2.5 The Financial Regulations require all grants and third party payments to be reported to Resources Committee within the regular financial monitoring reports. To support this process the **Third Party Funding Guidance (Appendix E)** has been updated and a **Third Party Funding Approval Proforma (Appendix E1)** has been developed to support budget holders through the approval process.

Sponsorship

- 2.6 A draft Sponsorship Policy (**Appendix F**) has been developed for consideration of sponsorship in accordance with the SSSC's strategic objectives. The maximum value of sponsorship is £2,000 and this will be subject to approval by the EMT. See Financial Regulations (**Appendix B** section 19).

Debt write off and losses

- 2.7 The Executive Framework includes delegated powers for the write off of cash due to theft, fraud, overpayment of salaries, wages, fees, allowances or other causes of up to £3,000. Financial Regulations and the Scheme of Delegation currently afford the Chief Executive this authority up to £2,500. Committee is asked to agree the Financial Regulations amendments (**Appendix B** section 15.2) to be consistent with the Scheme of Delegation (to be approved by Council in March 2018) to allow write off of cash losses of up to £3,000 and for this authority to be extended to the Director of Corporate Services. (The Chief Executive will also retain this authority as line manager).
- 2.8 The Scheme of Delegation and Financial Regulations afford the Chief Executive authority to write off losses of equipment and property up to £3,000. Resources Committee are asked to agree to extend this authority to the Director of Corporate Services in accordance with the amended Scheme of Delegation being presented for Council approval in March 2018. (**Appendix B** section 15.2).
- 2.9 The Executive Framework allows the write off of a maximum of £10,000 of accumulated irrecoverable debt for a legal entity. However the Scheme of Delegation contains a limit of £2,500 for the Chief Executive. Committee are requested to note the intention to request approval from Council to amend the Scheme of Delegation to afford the maximum write off limit of £10,000 for a legal entity and for this authority to also be extended to the Director of Corporate Services. (**Appendix D**).

Annual Review of Debt Management Policies

- 2.10 The SSSC's Registration Fee Income and Debt Management and Debt Management policies are reviewed in December each year. Both policies have been reviewed and both were found to be fit for purpose. The debt management policy has been amended to:
- include debt recovery for unused Voluntary Sector Development Funding;
 - amend write off limits to ensure consistency with those set out in section 2.7 and 2.9 of this report; and
 - update team and post titles.

The amendments are included at: Registration Fee Income and Debt Management (**Appendix G** tracked changes and **Appendix H** final) and Debt Management Policy (tracked changes **Appendix I** and final **Appendix J**).

Legal expenses

- 2.11 There are instances where the SSSC is required to pay legal expenses where we have had to concede litigations or the court requires us to make payments, perhaps to settle another parties' legal expenses. These are not compensation payments and so they are not explicitly covered by the Scheme of Delegation. However, the section on Court Actions delegates authority to the Senior Solicitor(s) to "initiate or lodge responses to court actions and agree settlements of court actions subject to authorisation". The Scheme of Delegation Annex 2 (**Appendix D**) "Delegated Authority to Commit and Approve purchasing and procurement expenditure" has been amended to remove "purchasing and procurement" and replace with "business expenditure" to cover all such possibilities. The Committee is asked to note this change will be presented to the Council in March 2018.

Witness expenses

- 2.12 We pay witness expenses to those we call to attend hearings. This is not covered explicitly in the Travel and Subsistence policy or Financial Regulations. An amendment to the SSSC Travel and Subsistence Policy is recommended to include "we pay reasonably incurred expenses of witnesses we call to attend FtP hearings in accordance with the SSSC's T&S Policy".

3. RESOURCE IMPLICATIONS

- 3.1 There are no financial or human resources implications arising directly from this report.

4. EQUAL OPPORTUNITIES

- 4.1 A robust governance framework exists to support the SSSC in being a well-run organisation and in turn supports the SSSC's commitment to equal opportunities and work towards equality and diversity.

5. LEGAL IMPLICATIONS

- 5.1 Financial Regulations are reviewed in accordance with good practice guidance issued by the Scottish Government and in line with requirements of the Scottish Government NDPB Executive Framework and the Council's Scheme of Delegation.

6. STAKEHOLDER ENGAGEMENT

- 6.1 There are no direct implications for stakeholder engagement, but the review of Financial Regulations is part of a robust financial management framework which is required to ensure that the service we provide to our stakeholders is as good as it can be.

7. IMPACT ON USERS AND CARERS

- 7.1 There are no implications for users and carers arising directly from this report.

8. CONCLUSION

- 8.1 The financial governance framework has been reviewed. Amendments to the Financial Regulations are being presented to Resources Committee in advance of related amendments to the Scheme of Delegation being presented to Council for approval. The current Financial Regulations will remain in force until then.



**Scottish Social
Services Council**

Scottish Social Services Council's Financial Regulations

June 2016

Lead Director: Director of Corporate Services

Financial Regulations

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FINANCIAL REGULATIONS

1. Introduction

- 1.1 The Chief Executive, as the accountable officer as detailed in the Executive Framework, is personally responsible to the Scottish Parliament for properly administering the SSSC's financial affairs. The Memorandum requires that she/he acts according to its instructions and those laid down within the Scottish Public Finance Manual (SPFM). In particular she/he must act according to the Memorandum to Accountable Officers of other public bodies.
- 1.2 The Chief Executive will delegate the day to day administration and oversight of these financial regulations to the Director of Corporate Services who will ensure that there are suitable arrangements in place to protect the propriety and regularity of the SSSC's finances. The Director of Corporate Services will report directly to the Chief Executive and keep her/him informed on the operation of these financial regulations.
- 1.3 The Council and all of SSSC officers must observe the SSSC's financial regulations.
- 1.4 The Director of Corporate Services will provide a Draft Budget Report to the Resources Committee each financial year for their consideration. The draft budget must be approved by the Council following consideration by the Resources Committee. The Director of Corporate Services shall also keep the Resources Committee informed about the detailed administration and application of such resources, and will keep other committees informed about the financial implications of their activities.
- 1.5 The Director of Corporate Services is entitled to report upon the financial implications of any matter coming before the Council or any of its committees and will further report to the Resources Committee and/or Council if necessary in the interests of the SSSC's financial affairs.
- 1.6 All Council and Committee reports prepared by officers must include a "Resource Implications" section. Any officer who intends to submit a report, which has resource implications to Council or a committee meeting must first submit the report to the Executive Management Team (EMT) for consideration and agreement. It is good practice for report authors to involve corporate support services as early as possible in a development to ensure financial, ICT, Human Resource and communications implications are considered at an early stage.

Normally, the responsible officer must submit the draft report to the Director of Corporate Services by no later than 7 days before the Executive Management Team meeting to allow time for the resource implications to be fully considered. Any observations on the report made by the Director of Corporate Services or her/his representative will be incorporated in to the author's report. In exceptional circumstances the 7 day period mentioned above may be reduced with the prior agreement of the Director of Corporate Services. **All reports with resource implications must be considered by EMT prior to submission to Council or Committee.**

- 1.7 At all times, the SSSC will try to secure the best value for the money it spends, making appropriate use of all contract arrangements made and encouraging the use of the best management techniques throughout the organisation.
- 1.8 As the Accountable Officer, the Chief Executive will receive regular reports from the Director of Corporate Services on the revenue and any capital spending of the SSSC. This will normally be through budget monitoring reports to EMT but the Chief Executive may ask for an update at any time. The Director of Corporate Services will provide a budget monitoring report detailing any significant under or overspending to each meeting of the Resources Committee and Council.
- 1.9 The Chief Executive is responsible for corporate and financial governance arrangements to ensure that proper financial control is exercised throughout the SSSC. The Director of Corporate Services is responsible for ensuring that financial management systems exist to enable EMT members and their budget holders to make financial decisions and take corrective action to deal with under or overspending to achieve best value.

2. Revenue and capital budgets

- 2.1 The detailed form of the revenue and/or capital budgets will be determined by the Resources Committee taking account of advice received from the Director of Corporate Services.
- 2.2 EMT members are responsible for preparing annual income and expenditure estimates on revenue accounts for their areas of responsibility. They must provide all necessary information regarding their area's requirements to the Director of Corporate Services.
- 2.3 The Director of Corporate Services will submit the draft Revenue Budget and Capital Plan first to EMT and then to Resources Committee to consider any relevant decisions within the context of the SSSC's strategic objectives. The draft Revenue Budget and Capital Plan will be accompanied by a covering report containing all relevant information so that EMT and the Resources Committee can consider the proposed budget and form a view as appropriate. The Committee's recommendations will then be submitted to the Council for its approval.
- 2.4 For capital budget purposes capital expenditure is defined as expenditure on individual items valued at over £10k and with a life in excess of one year. If in doubt, the Head of Shared Services or the Head of Finance can provide advice.

3. Budget monitoring

- 3.1 The overall responsibility for control of departmental expenditure lies with each relevant EMT member. Designated budget holders are responsible for the detailed monitoring and control of income and expenditure within the sphere of their delegated responsibility.
- 3.2 Expenditure will be restricted to that included in the Revenue Budget or Capital Plan, unless a budget flexibility procedure (see Section 4 below) has been

followed or alternatively, proposals for additional expenditure have been approved by the Resources Committee.

- 3.3 The Chief Executive may approve any expenditure which is of an emergency nature or that she/he considers essential in the SSSC's interest, after consulting with the Convener, Resources Committee Chair and the Director of Corporate Services.

In such circumstances, the Director of Corporate Services will submit a full written report to the next meeting of the Resources Committee.

- 3.4 The Director of Corporate Services will provide each budget manager with regular statements of receipts and payments under each head of approved estimate and any other relevant information that they need. However, each budget manager is responsible for ensuring that they have all the relevant financial and non-financial information to control the actual expenditure and income against the budget.
- 3.5 EMT members are responsible for ensuring that their budget holders carry out budget monitoring in accordance with the requirements and timescales set out by the Director of Corporate Services.
- 3.6 The Director of Corporate Services will submit regular budget monitoring reports to the Resources Committee which detail the SSSC's income and expenditure position with sufficient additional information so that the Committee can properly monitor the SSSC's up to date financial position. Budget monitoring reports will also be submitted to each meeting of the Council.

4. Budget Flexibility

- 4.1 Once the Council have approved a budget it is expected that expenditure will be authorised in accordance with the approved budget. However, it is sometimes necessary to change plans or respond to events. Therefore controlled budget flexibility is required. The budget flexibility procedures are explained below.
- 4.2 **Virement** (the transfer of budget between expenditure / income headings or costs centres) may be used as a means of funding desirable or essential expenditure. Authorised budget virements are required for all expenditure above £1,000. The budget virement policy is available on the intranet. **4.3 Alternative Expenditure Proposals (AEP):** The AEP process (available on the intranet) is used for EMT to decide on expenditure priorities to react to corporate budget underspends. The AEP process is used where budget flexibility is required for non-recurring expenditure in excess of £10,000 which will be incurred within the current financial year. All AEP proposals are considered by EMT. It should be noted that no AEP proposal should be used to finance a new service, change an existing SSSC policy decision or change the permanent establishment of the SSSC. All of which need the approval of the relevant Committee or Council.
- 4.4 **Fee income:** Where actual fee income is to exceed budget, then this reflects additional workload requirements and related expenditure may exceed budget by an amount not exceeding the additional income. Correspondingly, if actual income is less than budgeted then expenditure must be adjusted as far as practicable to offset the income shortfall.

- 4.5 Resource Committee and/or Council approval, as appropriate, is required for:
- All proposals that will significantly expand or contract an area of activity on an on-going basis (implications beyond the current financial year)
 - All proposals to start a new area of activity or significantly curtail an existing area of activity
 - All proposals that will require changes to existing policy decisions
 - All proposals that require a change to the permanent establishment of the SSSC.

5. Accounting

- 5.1 All accounting procedures and records of the SSSC and its officers will be determined by the Director of Corporate Services. All SSSC accounts and accounting records will be compiled by the Director of Corporate Services or under her/his direction.
- 5.2 Each year, the Director of Corporate Services will ensure the SSSC's Annual Report and Accounts are laid before the Scottish Parliament in accordance with statutory requirements.

6. Internal audit

- 6.1 As part of their remit the Audit Committee will ensure that there is appropriate and proportionate internal audit coverage of the SSSC's accounting and financial operations.
- 6.2 The Director of Corporate Services or any member of her/his staff or any other person authorised by him/her for that purpose is authorised to:
- (a) enter all SSSC offices, establishments or land at any time;
 - (b) have access to all records, computer files, disks and other media documents and correspondence relating to any financial and related SSSC transactions;
 - (c) request and receive such explanations as are necessary concerning any matter under examination; and
 - (d) request any SSSC employee to produce cash, stores or any other SSSC property under his/her control.
- 6.3 Whenever there is any suspicion of an irregularity concerning cash, payments made, income received, payroll (including claiming expenses), stores, other property of the SSSC or any suspected irregularity in the functions exercised by the SSSC, then either the Director of Corporate Services or the Head of Corporate Governance should be informed in the first instance. If due to the nature of the suspicion it is not appropriate to inform either of these officers then one of the following should be informed as appropriate; the Chief Executive or the internal auditors (contact details on the intranet). The Prevention of Fraud Policy and its associated Response Plan, the Prevention of Bribery Policy and the Whistleblowing Policy are all relevant for consideration in such circumstances.
- 6.4 All internal audit reports shall be submitted to EMT for consideration and agreement of a management response.

- 6.5 All reports from either the External Auditor or Internal Auditor will be submitted to the Audit Committee for its consideration.

7. Banking arrangements and control of cheques

- 7.1 All arrangements with the SSSC's bankers shall be made by the Director of Corporate Services who will operate such banking accounts as he may consider necessary.
- 7.2 The Director of Corporate Services is responsible for ensuring proper arrangements are in place for the safe custody of cash and cheques.
- 7.3 Cheques on the SSSC's banking accounts will be signed by any two authorised signatories as approved by the Council as required.
- 7.4 The Director of Corporate Services is responsible for arranging any payments through the Bankers Automated Clearing System (BACS) or on-line banking arrangements and ensuring that proper security control procedures are affected and reviewed.
- 7.5 The Director of Corporate Services is responsible for ensuring regular and effective bank account reconciliation procedures are followed.

8. Procurement

- 8.1 The SSSC's Procurement Strategy and Policy must be followed for all procurement and purchasing activity. Guidance and procedural documentation is available for all procurement processes within the procurement area of the Finance section on the intranet. All procurement activity must follow the approved procurement procedures and comply with the 'Delegated Authority to Commit & Approve Expenditure' available within the Procurement area of the Finance section on the intranet.
- 8.2 The procurement process to be followed is determined by an analysis of value and risk as follows:

| | Low Risk | Medium/High Risk |
|---|---|---|
| Competitive Process Sourcing Procedure | Value of Spend (exc VAT and for the whole life of the requirement) | Value of Spend (exc VAT and for the whole life of the requirement) |
| Low Value (1 quote) | £1,000 or less | £1,000 or less |
| Basic (3 evidenced quotes) | £1,000 to £10,000 | £1,000 to £10,000 |
| Quick Quote (1 quote) (min 4 quotes) | £10,000 to £50,000 | £10,000 to £25,000 |

| | | |
|--|---------------------|---------------------|
| Standard (full tender) | £50,000 to £164,176 | £25,000 to £164,176 |
| EU Tender Process (Procurement Team will advise) | £164,176+ | £164,176+ |

- 8.3 Where quotes received exceed the originally estimated value of expenditure and this moves the procurement to a new value threshold, the procurement route for the new value threshold must then be applied. In exceptional circumstances, approval to proceed with the existing process may be granted. Requests for an exception must be submitted to the Finance Procurement & Payments Section.
- 8.4 The [Procurement Risk Assessment Tool](#) must be completed in order to identify the relevant route to be followed for any purchases with an aggregate spend of over £25k. This is available on the intranet.
- 8.5 All procurement which is advertised as a full tender on the 'Public Contracts Scotland' advertising portal must have a project and evaluation team whereby, as a minimum, the Lead Officer has undergone procurement training.
- 8.6 Authority to award competitively procured contracts is delegated to officers as noted in the 'Delegated Authority to Commit & Approve Expenditure' document available on the intranet. This is with the exception of internal audit services where the authority to contract is reserved to the Council as noted in the Reservation of Powers and Scheme of Delegation. No authority to award contracts will be delegated to an officer who has not satisfactorily undertaken the relevant procurement training.
- 8.7 Contracts awarded without competitive advertising need to meet specific criteria as noted in the procurement procedures and require specific approval. Requests for 'Non Competitive Action' with a value of lower than £30,000 total contract value of £10,000 annually may be approved by the Director of Corporate Services. Requests for 'Non Competitive Action' with a value exceeding this require Sponsor Department approval.
- 8.8 Scottish Government specific approval levels apply to the procurement of consultancy services. The definition and approval requirement for consultancy expenditure is available within the procurement area of the Finance section on the intranet.

9. Orders for works, goods and services

- 9.1 Purchase orders must, with a few exceptions noted below, be raised and approved in the financial system. Guidance and procedural documentation is available within the purchasing area of the Finance section on the intranet.
- 9.2 Purchase orders shall be issued for all work, goods or services to be supplied to the SSSC except for the following:
- the purchase is being made using a Government Purchasing Card,
 - supplies of public utility services,

- periodic payments such as rent and rates,
 - payments to the Care Inspectorate for shared services,
 - petty cash purposes,
 - postal charges or
 - other exceptions as the Head of Shared Services may approve.
- 9.3 In exceptional cases of urgency, where it is not possible to issue an approved purchase order in the financial system, a manual purchase order number can be requested from the Finance section. The supplier must be advised to quote this order number on any invoice submitted for payment.
- 9.4 No authority to raise or approve purchase orders will be delegated to any officer who has not satisfactorily undertaken the relevant training.
- 9.5 Each budget manager will be responsible for all orders issued by their department and for ensuring that the cost is allocated to an appropriate budget head and is covered within the approved budgeted expenditure.
- 9.6 Budget holders may delegate financial responsibility to an expenditure approver subject to the limits noted in the Scheme of Delegation in the 'Authority to Commit and Approve Expenditure' document.
- 9.7 The Director of Corporate Services will maintain a register of authorised signatories. Budget holders must notify any additions and deletions to the Head of Finance.

10. Government Purchasing Cards (GPC)

- 10.1 Designated officers have a GPC card in order to purchase low value goods and services. The GPC card has set transaction limits of up to a maximum value of £1,000 per single transaction and £5,000 cumulative value of transactions per month. Applications for, and guidance on the use of GPC cards, are detailed within the GPC card procedure within the Purchasing & Payment area of the Finance section of the intranet.
- 10.2 Purchases using the GPC card are restricted as follows:
- (a) It cannot be used to withdraw cash.
 - (b) It must not be used for personal expenditure.
 - (c) It must not be used to pay for items already invoiced.
 - (d) Loyalty points cannot be collected.
 - (e) Card details must not be stored on internet sites.
- 10.3 Cardholders are responsible for ensuring the safe, secure storage of their card and card details.
- 10.4 Budget holders are responsible for all purchases from their budget made by GPC card.

11. Payment of accounts

- 11.1 The SSSC is committed to paying supplier invoices within 10 working days of

the invoice(s) being received. Performance against this target is reported in the Annual Report and Accounts each year.

- 11.2 All invoices should be directed to the Procurement & Payments Team at Compass House as noted on the approved purchase order.
- 11.3 Where possible, arrangements should be made for the separation of the authorisation of purchase orders as distinct from goods received notes. Each goods received note should be signed by the appropriate receiving officer. Where a goods received note is not provided, a manual one should be created using the template provided within the Purchasing area of the Finance section on the intranet.
- 11.4 Where budget holders or expenditure approvers are requested to manually approve an invoice, the officer must make sure that:
- (a) the goods received match the order;
 - (b) prices, discounts and arithmetic are correct;
 - (c) there is no duplication of payments;
 - (d) expenditure is within the approved budget;
 - (e) the expenditure is coded to an appropriate cost centre and account code, and is within their delegated financial authority;
 - (f) work has been carried out to a satisfactory level.
- 11.5 The payment of all approved invoices and payments will be made under arrangements approved and controlled by the Director of Corporate Services. Approved payment methods are as follows:
- (a) Direct BACS Submission i.e. invoices and non-payroll expenses
 - (b) Indirect BACS Submission i.e. managed payroll service payments
 - (c) Cheque
 - (d) Direct Payments via Bank Account
 - (e) Petty Cash (see section 17)
 - (f) GPC card (see section 10)

Internal control arrangements are in place to ensure separation of duties between preparation, approval and processing of payments.

- 11.6 Payment will not be made on duplicate invoices, statements, or photocopy invoices unless the approving officer certifies in writing that the amount in question has not previously been paid.

12. Payroll administration

- 12.1 The payment of all salaries, wages, allowances, pensions, compensation and other emoluments to all employees / Council members or former employees / former Council members of the SSSC will be made by the Director of Corporate Services under arrangements approved and controlled by him/her.
- 12.2 The Director of Corporate Services will provide guidance on responsibilities for ensuring proper records are kept of all matters affecting the payment of such emoluments and in particular:
- (a) appointments, promotions, resignations, dismissals, suspensions,

- secondments and transfers;
 - (b) absences from duty for sickness, holidays or other reason;
 - (c) changes in remuneration, other than normal increments and pay awards and agreements of general application;
 - (d) information necessary to maintain records of service for pension, income tax, national insurance and other areas as required.
- 12.3 All time records or other pay documents will be in a form prescribed or approved by the Director of Corporate Services and shall be certified in accordance with guidance issued by the Director of Corporate Services.
- 12.4 The Director of Corporate Services will provide through the payroll system any management information as he/she, the Chief Executive, or any EMT member decide is necessary to achieve value for money and/or compliance with policy and procedures.

13. Income

- 13.1 The statutory fee rates charged by the SSSC to registrants shall be set at rates equal to or below the statutory maximum rates. The rates set will be approved by the Council and shall not be altered without its approval.
- 13.2 The rate of charge for goods or services supplied by the SSSC to the public and external organisations will be approved by EMT and shall be set with reference to the Fees and Charges section of the Scottish Public Finance Manual.
- 13.3 It is the Director of Corporate Services duty to make adequate financial and accounting arrangements to ensure that all monies due to the SSSC are properly recorded and for the proper collection, custody, control and banking of all cash and cash equivalents in all the SSSC's departments.
- 13.4 It is essential that particulars of all charges to be made for services rendered by the SSSC and of all other amounts due to it shall be promptly notified to the Head of Shared Services in a form approved by her/him. All accounts due to the SSSC will be issued by, or under arrangements approved by, the Director of Corporate Services.
- 13.5 All financial documents such as receipt forms, receipt books, tickets and other such items will be in a form approved by the Director of Corporate Services who will be satisfied with the arrangement for the ordering, supply and control by each department. All records, forms and so on must be kept by each department for a period stipulated by the Director of Corporate Services.
- 13.6 All monies received on behalf of the SSSC in any department shall be deposited promptly with the Director of Corporate Services or the SSSC's bankers according to the arrangements made by the Director of Corporate Services. No deduction may be made from such monies. All income must be banked in full.
- 13.7 Personal cheques shall not be cashed out of money held on behalf of the SSSC.
- 13.8 Where one member of staff passes cash to another, the person receiving it will

sign for it and the departments concerned will keep a record of this as evidence.

- 13.9 Each EMT member is responsible for ensuring that all of their departmental income is billed promptly and efficiently.
- 13.10 The “Fee Waiver Policy” must be followed should it be considered appropriate to contemplate charging reduced fees or waiving a fee altogether. The Director of Corporate Services or in her/his absence the Chief Executive are the only officers with authority to approve fee waiver requests.

14. Insurance

- 14.1 The SSSC is not permitted to take out commercial insurance apart from circumstances meeting the exception criteria as set out in the Scottish Public Finance Manual. It is the Scottish Government's policy to self-insure. The Sponsor Department has supplied a Certificate of Exemption for Employer's Liability Insurance. Within this context the Director of Corporate Services will ensure that necessary insurance cover is in place and negotiate all claims in consultation with other officers as necessary.
- 14.2 Each senior manager must promptly notify the Director of Corporate Services of any action or event which may give rise to a claim being made by or against the SSSC. Senior Managers will immediately notify the Director of Corporate Services in writing of any loss of property and inform the police if appropriate of the circumstances of the loss. The Director of Corporate Services will be responsible for agreeing a position with the Sponsor Department where losses occur.

15. Inventories

- 15.1 The Director of Corporate Services is responsible for ensuring inventory lists of all furniture and fittings, vehicles, plant and equipment is maintained.
- 15.2 The Chief Executive may approve the write off of losses not exceeding £2,500 for cash or £3,000 for property and equipment which are due to theft, fraud, arson, fire, flood, motor vehicle accidents or damage to vehicles. Losses exceeding these limits must be submitted to the Sponsor Department and will be reported to the Resources Committee.
- 15.3 All surplus plant, vehicles, tools, equipment, furnishings, materials or commodities to be disposed of by any SSSC department will be advertised for sale either by the invitation of sale offers or by public auction unless special circumstances apply. The Director of Corporate Services alone can decide whether these apply. All offers received must be held on file for audit purposes with the inventory records amended as appropriate.
- 15.4 The SSSC's property will not be removed unless in the ordinary course of SSSC business. Its property may only be used for official purposes unless otherwise specifically directed by an EMT member.

16. Security

- 16.1 Each EMT member and senior managers as appropriate are responsible for

maintaining proper security at all times for all buildings, stock, stores, furniture, equipment, cash, records etc. under their control. They shall consult with the Director of Corporate Services in any case where security is thought to be defective or where it is considered that special security arrangements may be needed.

- 16.2 Maximum limits for cash holdings shall be agreed with the Director of Corporate Services and shall not be exceeded without her/his express permission. Specific guidance relating to the administration of petty cash imprests (money advanced) is available on the SSSC's intranet.
- 16.3 Keys to safes and similar receptacles are the responsibility of the designated keyholder who will make suitable arrangements for their security at all times. The loss of any such keys must be reported to the Director of Corporate Services immediately. For security purposes, keys should be removed from premises overnight.

17. Petty Cash Imprest accounts

- 17.1 The Director of Corporate Services shall make appropriate imprest advances and determine accounting periods in connection with the payment of expenses and petty outlays chargeable to the SSSC.
- 17.2 The Director of Corporate Services shall issue appropriate instructions to officers to ensure to her/his satisfaction the proper security of cash advanced in this way. He/she will also determine the limit for any one payment from petty cash and this will be specified in the Petty Cash Guidance.
- 17.3 The recipient of any advance of petty cash or imprest shall account for this money to the Director of Corporate Services when required and shall repay the money on leaving the SSSC's employment or when required by the Director of Corporate Services. Detailed guidance on the administration of petty cash and petty cash imprests is available on the SSSC's intranet.

18. Travelling, subsistence and financial loss allowances

- 18.1 All claims for payment of car allowances, subsistence allowances, travelling and incidental expenses shall be submitted according to the approved Business Travel and Subsistence Policy, duly certified, in a form approved by the Director of Corporate Services to her/him at such regular intervals as are agreed. A significant proportion of expenses will be claimed via the payroll/HR system and authorisation will be through the line management arrangements approved and set up on the payroll/HR system. The names of officers authorised to approve expenses incurred outwith the payroll/HR system process shall be sent to the Director of Corporate Services by each EMT member together with specimen signatures and shall be amended on the occasion of any change. The number of officers so authorised shall be determined in agreement with the Director of Corporate Services.
- 18.2 The authorisation by or on behalf of an EMT member shall be taken to mean that the authorising officer is satisfied that the journeys were properly sanctioned, the expenditure properly and necessarily incurred and that the allowances are properly payable.

- 18.3 Employees claims submitted more than three months after the expenses were incurred will not be paid unless the Director of Corporate Services is satisfied with the reasons given for the delay.
- 18.4 Business expenses charged to GPC cards remain subject to the Business Travel and Subsistence Policy. Finance conduct regular compliance reviews.
- 18.5 Whenever possible, travel and accommodation should be arranged by SSSC administrative staff. This avoids the need for the reimbursement of expenses.

19. Expenditure on gifts, hospitality and sponsorship

- 19.1 EMT members and budget holders may provide hospitality within their delegated budget allowance. Hospitality is appropriate when members and/or officers of the SSSC are meeting with members or officers of other public bodies, Members of Parliament, firms, consultants or others who are assisting or co-operating with the SSSC in carrying out its functions. A record of all hospitality granted shall be kept, and shall be open to inspection by any member or officer of the SSSC.
- 19.2 Where there is a proposal to provide a gift, this must be submitted in writing to the Chief Executive who will consider and, if appropriate, approve. The maximum value for any gift cannot exceed £200 in accordance with the sum laid down in the Executive Framework.
- 19.3 Proposal to make payments to sponsor individuals, groups or events will require consideration of and approval by EMT prior to any payment being made.

20. Grants and Third Party Payments

- 20.1 The SSSC may provide grants, loans or other funding arrangements to third party organisations or individuals. Where these arrangements are not covered by a commercial contract, standard practice learning arrangements or a bursary award then the third party funding guidance available on the intranet must be followed.
- 20.2 The third party funding guidance provides detail on the requirements for a risk assessment, the approval process and the need for a funding agreement.
- 20.3 Finance will maintain a register of grants and loans.

21. Registering and Declaring Interests

- 21.1 Council members and officers must not allow any business or personal interest to influence the decisions they make in relation to work or use their position to further their own interests or the interest of others who do not have a right to benefit under SSSC policies.
- 21.2 Full details of registering and declaring interests are contained within the Council Members Code of Conduct and for officers; the Code of Conduct Policy.

- 21.3 A register of Council members' interests will be maintained and reviewed at least annually.
- 21.4 Where there is any doubt about whether an interest should be registered or declared then advice should be sought from the Convener, Chief Executive, Director of Corporate Services, Head of Corporate Governance or the Head of Shared Services as appropriate.

22. Grants awarded to the SSSC

- 22.1 All bids for grant funding must be approved by EMT before being submitted to the grant provider.
- 22.2 Grants from Scottish Government other than grant in aid, must be referred to the Sponsor Department in advance of being agreed, in accordance with the Scottish Public Finance Manual.
- 22.3 All grant offers made to the SSSC must be approved by Resources Committee before being accepted and before any expenditure is committed. The Resources Committee should be informed of the grant funding amount, funding period, outcomes, key milestones and any risks to the SSSC.
- 22.4 Where a grant acceptance is urgent then acceptance can be approved by agreement between the Convener of the Council and Chair of Resources Committee. This acceptance must be reported retrospectively to the next meeting of the Resources Committee.

23. Approval and Revision of Financial Regulations by the SSSC

- 23.1 The Financial Regulations will be reviewed at least annually by the Resources Committee and at any time if the circumstances indicate this would be appropriate. Following a review the Council must approve any amendments to the Financial Regulations.



Scottish Social
Services Council

Resources Committee
28 February 2018
Agenda item: 07
Report no: 09/2018
Appendix B

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Scottish Social Services Council's DRAFT Financial Regulations

December 2017 & February 2018

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Lead Director: Director of Corporate Services

Financial Regulations, Annex 4 to the Standing Orders, Approved by Council June 2016_
Tracked changes for Resources Committee review on 6 December 2017
& additional changes for Resources Committee review on 28 February 2018

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FINANCIAL REGULATIONS

1. Introduction

1.1 The Chief Executive, as the Accountable Officer as detailed in the Executive Framework, is personally responsible to the Scottish Parliament for properly administering the SSSC's financial affairs. The Executive Framework requires that she/he acts according to its instructions and those laid down within the Scottish Public Finance Manual (SPFM). In particular she/he must act according to the Memorandum to Accountable Officers of Other Public Bodies.

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1.2 The Chief Executive will delegate the day to day administration and oversight of these financial regulations to the Director of Corporate Services who will ensure that there are suitable arrangements in place to protect the propriety and regularity of the SSSC's finances. The Director of Corporate Services will report directly to the Chief Executive and keep her/him informed on the operation of these financial regulations.

1.3 The Council and all SSSC officers must observe the SSSC's financial regulations.

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1.4 The Director of Corporate Services will provide a Draft Budget Report to the Resources Committee each financial year for their consideration. The draft budget must be approved by the Council following consideration by the Resources Committee. The Director of Corporate Services shall also keep the Resources Committee informed about the detailed administration and application of such resources, and will keep other committees informed about the financial implications of their activities.

1.5 The Director of Corporate Services is entitled to report upon the financial implications of any matter coming before the Council or any of its committees and will further report to the Resources Committee and/or Council if necessary in the interests of the SSSC's financial affairs.

1.6 All Council and Committee reports prepared by officers must include a "Resource Implications" section. Any officer who intends to submit a report, which has resource implications to Council or a committee meeting must first submit the report to the Executive Management Team (EMT) for consideration and agreement. It is good practice for report authors to involve corporate support services as early as possible in a development to ensure financial, ICT, Human Resource and communications implications are considered at an early stage.

Normally, the responsible officer must submit the draft report to the Director of Corporate Services by no later than 7 days before the Executive Management Team meeting to allow time for the resource implications to be fully considered. Any observations on the report made by the Director of Corporate Services or her/his representative will be incorporated in to the author's report. In exceptional circumstances the 7 day period mentioned above may be reduced with the prior agreement of the Director of Corporate Services. **All reports with resource implications must be considered by EMT prior to submission to Council or Committee.**

- 1.7 At all times, the SSSC will try to secure the best value for the money it spends, making appropriate use of all contract arrangements made and encouraging the use of the best management techniques throughout the organisation.
- 1.8 As the Accountable Officer, the Chief Executive will receive regular reports from the Director of Corporate Services on the revenue and any capital spending of the SSSC. This will normally be through budget monitoring reports to EMT but the Chief Executive may ask for an update at any time. The Director of Corporate Services will provide a budget monitoring report detailing any significant under or overspending to each meeting of the Resources Committee and Council.
- 1.9 The Chief Executive is responsible for corporate and financial governance arrangements to ensure that proper financial control is exercised throughout the SSSC. The Director of Corporate Services is responsible for ensuring that financial management systems exist to enable EMT members and their budget holders to make financial decisions and take corrective action to deal with under or overspending to achieve best value.

2. Revenue and capital budgets

- 2.1 The detailed form of the revenue and/or capital budgets will be determined by the Resources Committee taking account of advice received from the Director of Corporate Services.
- 2.2 EMT members are responsible for preparing annual income and expenditure estimates on revenue accounts for their areas of responsibility. They must provide all necessary information regarding their area's requirements to the Director of Corporate Services.
- 2.3 The Director of Corporate Services will submit the draft Revenue Budget and Capital Plan first to EMT and then to Resources Committee to consider any relevant decisions within the context of the SSSC's strategic objectives. The draft Revenue Budget and Capital Plan will be accompanied by a covering report containing all relevant information so that EMT and the Resources Committee can consider the proposed budget and form a view as appropriate. The Committee's recommendations will then be submitted to the Council for its approval.
- 2.4 For capital budget purposes capital expenditure is defined as expenditure on individual items valued at over £10k and with a life in excess of one year. If in doubt, the Head of Shared Services or the Head of Finance can provide advice.

3. Budget monitoring

- 3.1 The overall responsibility for control of departmental expenditure lies with each relevant EMT member. Designated budget holders are responsible for the detailed monitoring and control of income and expenditure within the sphere of their delegated responsibility.
- 3.2 Expenditure will be restricted to that included in the Revenue Budget or Capital Plan, unless a budget flexibility procedure (see Section 4 below) has been

followed or alternatively, proposals for additional expenditure have been approved by the Resources Committee.

- 3.3 The Chief Executive may approve any expenditure which is of an emergency nature or that she/he considers essential in the SSSC's interest, after consulting with the Convener, Resources Committee Chair and the Director of Corporate Services.

In such circumstances, the Director of Corporate Services will submit a full written report to the next meeting of the Resources Committee.

- 3.4 The Director of Corporate Services will provide each budget manager with regular statements of receipts and payments under each head of approved estimate and any other relevant information that they need. However, each budget manager is responsible for ensuring that they have all the relevant financial and non-financial information to control the actual expenditure and income against the budget.
- 3.5 EMT members are responsible for ensuring that their budget holders carry out budget monitoring in accordance with the requirements and timescales set out by the Director of Corporate Services.
- 3.6 The Director of Corporate Services will submit regular budget monitoring reports to the Resources Committee which detail the SSSC's income and expenditure position with sufficient additional information so that the Committee can properly monitor the SSSC's up to date financial position. Budget monitoring reports will also be submitted to each meeting of the Council.

4. Budget Flexibility

- 4.1 Once the Council have approved a budget it is expected that expenditure will be authorised in accordance with the approved budget. However, it is sometimes necessary to change plans or respond to events. Therefore controlled budget flexibility is required. The budget flexibility procedures are explained below.

- 4.2 **Virement** (the transfer of budget between expenditure / income headings or costs centres) may be used as a means of funding desirable or essential expenditure. Authorised budget virements are required for all expenditure above £1,000. The budget virement policy is available on the intranet.

- 4.3 **Alternative Expenditure Proposals (AEP):** The AEP process (available on the intranet) is used for EMT to decide on expenditure priorities to react to corporate budget underspends. The AEP process is used where budget flexibility is required for non-recurring expenditure in excess of £10,000 which will be incurred within the current financial year. All AEP proposals are considered by EMT. It should be noted that no AEP proposal should be used to finance a new service, change an existing SSSC policy decision or change the permanent establishment of the SSSC. All of which need the approval of the relevant Committee or Council.

- 4.4 **Fee income:** Where actual fee income is to exceed budget, then this reflects

additional workload requirements and related expenditure may exceed budget by an amount not exceeding the additional income. Correspondingly, if actual income is less than budgeted then expenditure must be adjusted as far as practicable to offset the income shortfall.

- 4.5 Resource Committee and/or Council approval, as appropriate, is required for:
- All proposals that will significantly expand or contract an area of activity on an on-going basis (implications beyond the current financial year)
 - All proposals to start a new area of activity or significantly curtail an existing area of activity
 - All proposals that will require changes to existing policy decisions
 - All proposals that require a change to the permanent establishment of the SSSC.

5. Accounting

- 5.1 All accounting procedures and records of the SSSC and its officers will be determined by the Director of Corporate Services. All SSSC accounts and accounting records will be compiled by the Director of Corporate Services or under her/his direction.
- 5.2 Each year, the Director of Corporate Services will ensure the SSSC's Annual Report and Accounts are laid before the Scottish Parliament in accordance with statutory requirements.

6. Internal audit

- 6.1 As part of their remit the Audit Committee will ensure that there is appropriate and proportionate internal audit coverage of the SSSC's accounting and financial operations.
- 6.2 The Director of Corporate Services or any member of her/his staff or any other person authorised by him/her for that purpose is authorised to:
- (a) enter all SSSC offices, establishments or land at any time;
 - (b) have access to all records, computer files, disks and other media documents and correspondence relating to any financial and related SSSC transactions;
 - (c) request and receive such explanations as are necessary concerning any matter under examination; and
 - (d) request any SSSC employee to produce cash, stores or any other SSSC property under his/her control.
- 6.3 Whenever there is any suspicion of an irregularity concerning cash, payments made, income received, payroll (including claiming expenses), stores, other property of the SSSC or any suspected irregularity in the functions exercised by the SSSC, then either the Director of Corporate Services or the Head of [Shared Services](#) should be informed in the first instance. If due to the nature of the suspicion it is not appropriate to inform either of these officers then one of the following should be informed as appropriate; the Chief Executive or the internal auditors (contact details on the intranet). The [Counter Fraud and Corruption Framework](#), and the Whistleblowing Policy are relevant for consideration in such circumstances.
- 6.4 All internal audit reports shall be submitted to EMT for consideration

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and agreement of a management response.

- 6.5 All reports from either the External Auditor or Internal Auditor will be submitted to the Audit Committee for its consideration.

7. Banking arrangements and control of cheques

- 7.1 All arrangements with the SSSC's bankers shall be made by the Director of Corporate Services who will operate such banking accounts as he may consider necessary.
- 7.2 The Director of Corporate Services is responsible for ensuring proper arrangements are in place for the safe custody of cash and cheques.
- 7.3 Cheques on the SSSC's banking accounts will be signed by any two authorised signatories as approved by the Council as required.
- 7.4 The Director of Corporate Services is responsible for arranging any payments through the Bankers Automated Clearing System (BACS) or on-line banking arrangements and ensuring that proper security control procedures are affected and reviewed.
- 7.5 The Director of Corporate Services is responsible for ensuring regular and effective bank account reconciliation procedures are followed.

8. Procurement

- 8.1 The SSSC's Procurement Strategy and Policy must be followed for all procurement and purchasing activity. Guidance and procedural documentation is available for all procurement processes within the procurement area of the Finance section on the intranet. All procurement activity must follow the approved procurement procedures and comply with the 'Delegated Authority to Commit & Approve Expenditure' available within the Procurement area of the Finance section on the intranet.
- 8.2 The procurement process to be followed is determined by an analysis of value and risk as follows:

| | Low Risk | Medium/High Risk |
|-------------------------------|--|--|
| Competitive Process | Value of Spend (exc VAT and for the whole life of the requirement) | Value of Spend (exc VAT and for the whole life of the requirement) |
| Low Value (1 quote) | £1,000 or less | £1,000 or less |
| Basic (3 evidenced quotes) | £1,000 to £10,000 | £1,000 to £10,000 |
| Quick Quote (min 4 quotes) | £10,000 to £50,000 | £10,000 to £25,000 |

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| Standard (full tender) | £50,000 to £164,176 | £25,000 to £164,176 |
| EU Tender Process (Procurement Team will advise) | £164,176+ | £164,176+ |

8.3 Where quotes received exceed the originally estimated value of expenditure and this moves the procurement to a new value threshold, the procurement route for the new value threshold must then be applied. In exceptional circumstances, approval to proceed with the existing process may be granted. Requests for an exception must be submitted to the Finance Procurement Section.

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8.4 The [Procurement Risk Assessment Tool](#) must be completed in order to identify the relevant route to be followed for any purchases with an aggregate spend of over £25k. This is available on the intranet.

8.5 All procurement which is advertised as a full tender on the 'Public Contracts Scotland' advertising portal must have a project and evaluation team whereby, as a minimum, the Lead Officer has undergone procurement training.

8.6 Authority to award competitively procured contracts is delegated to officers as noted in the 'Delegated Authority to Commit & Approve Expenditure' document available on the intranet. This is with the exception of internal audit services where the authority to contract is reserved to the Council as noted in the Reservation of Powers and Scheme of Delegation. No authority to award contracts will be delegated to an officer who has not satisfactorily undertaken the relevant procurement training.

8.7 Contracts awarded without competitive advertising need to meet specific criteria as noted in the procurement procedures and require specific approval. Requests for 'Non Competitive Action' with a value of lower than £30,000 total contract value of £10,000 annually, may be approved by the Director of Corporate Services. Requests for 'Non Competitive Action' with a value exceeding this require Sponsor Department approval.

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8.8 Scottish Government specific approval levels apply to the procurement of consultancy services. The definition and approval requirement for consultancy expenditure is available within the procurement area of the Finance section on the intranet.

9. Orders for works, goods and services

9.1 Purchase orders must, with a few exceptions noted below, be raised and approved in the financial system. Guidance and procedural documentation is available within the purchasing area of the Finance section on the intranet.

9.2 Purchase orders shall be issued for all work, goods or services to be supplied to the SSSC except for the following:

- the purchase is being made using a Government Purchasing Card,
- supplies of public utility services,

- periodic payments such as rent and rates,
- payments to the Care Inspectorate for shared services,
- petty cash purposes,
- postal charges or
- other exceptions as the Head of Shared Services may approve.

9.3 In exceptional cases of urgency, where it is not possible to issue an approved purchase order in the financial system, a manual purchase order number can be requested from the Finance section. The supplier must be advised to quote this order number on any invoice submitted for payment.

9.4 No authority to raise or approve purchase orders will be delegated to any officer who has not satisfactorily undertaken the relevant training.

9.5 Each budget manager will be responsible for all orders issued by their department and for ensuring that the cost is allocated to an appropriate budget head and is covered within the approved budgeted expenditure.

9.6 Budget Managers may delegate financial responsibility to an expenditure approver subject to the limits noted in the Scheme of Delegation.

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9.7 The Director of Corporate Services will maintain a register of authorised signatories. Budget holders must notify any additions and deletions to the Head of Finance.

10. Government Purchasing Cards (GPC)

10.1 Designated officers have a GPC card in order to purchase low value goods and services. The GPC card has set transaction limits of up to a maximum value of £1,000 per single transaction and £5,000 cumulative value of transactions per month. Applications for, and guidance on the use of GPC cards, are detailed within the GPC card procedure within the Purchasing & Payment area of the Finance section of the intranet.

10.2 Purchases using the GPC card are restricted as follows:

- It must not be used to withdraw cash.
- It must not be used for personal expenditure.
- It must not be used to pay for items already invoiced.
- Loyalty points must not be collected.
- Card details must not be stored on internet sites.

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10.3 Cardholders are responsible for ensuring the safe, secure storage of their card and card details.

10.4 Budget holders are responsible for all purchases from their budget made by GPC card.

11. Payment of accounts

11.1 The SSSC is committed to paying supplier invoices within 10 working days of

the invoice(s) being received. Performance against this target is reported in the Annual Report and Accounts each year.

- 11.2 All invoices should be directed to the [Transactions](#) Team at Compass House as noted on the approved purchase order.

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- 11.3 Where possible, arrangements should be made for the separation of the authorisation of purchase orders as distinct from goods received notes. Each goods received note should be signed by the appropriate receiving officer. Where a goods received note is not provided, a manual one should be created using the template provided within the Purchasing area of the Finance section on the intranet.

- 11.4 Where budget holders or expenditure approvers are requested to manually approve an invoice, the officer must make sure that:

- (a) the goods received match the order;
- (b) prices, discounts and arithmetic are correct;
- (c) there is no duplication of payments;
- (d) expenditure is within the approved budget;
- (e) the expenditure is coded to an appropriate cost centre and account code, and is within their delegated financial authority;
- (f) work has been carried out to a satisfactory level.

- 11.5 The payment of all approved invoices and payments will be made under arrangements approved and controlled by the Director of Corporate Services. Approved payment methods are as follows:

- (a) Direct BACS Submission i.e. invoices and non-payroll expenses
- (b) Indirect BACS Submission i.e. managed payroll service payments
- (c) Cheque
- (d) Direct Payments via Bank Account
- (e) Petty Cash (see section 17)
- (f) GPC card (see section 10)

Internal control arrangements are in place to ensure separation of duties between preparation, approval and processing of payments.

- 11.6 Payment will not be made on duplicate invoices, statements, or photocopy invoices unless the approving officer certifies in writing that the amount in question has not previously been paid.

12. Payroll administration

- 12.1 The payment of all salaries, wages, allowances, pensions, compensation and other emoluments to all employees / Council members or former employees / former Council members of the SSSC will be made by the Director of Corporate Services under arrangements approved and controlled by him/her.

- 12.2 The Director of Corporate Services will provide guidance on responsibilities for ensuring proper records are kept of all matters affecting the payment of such emoluments and in particular:

- (a) appointments, promotions, resignations, dismissals, suspensions,

- secondments and transfers;
- (b) absences from duty for sickness, holidays or other reason;
- (c) changes in remuneration, other than normal increments and pay awards and agreements of general application;
- (d) information necessary to maintain records of service for pension, income tax, national insurance and other areas as required.

12.3 All time records or other pay documents will be in a form prescribed or approved by the Director of Corporate Services and shall be certified in accordance with guidance issued by the Director of Corporate Services.

12.4 The Director of Corporate Services will provide through the payroll system any management information as he/she, the Chief Executive, or any EMT member decide is necessary to achieve value for money and/or compliance with policy and procedures.

13. Income

13.1 The statutory fee rates charged by the SSSC to registrants shall be set at rates equal to or below the statutory maximum rates. The rates set will be approved by the Council and shall not be altered without its approval.

13.2 The rate of charge for goods or services supplied by the SSSC to the public and external organisations will be approved by EMT and shall be set with reference to the Fees and Charges section of the Scottish Public Finance Manual.

13.3 It is the Director of Corporate Services duty to make adequate financial and accounting arrangements to ensure that all monies due to the SSSC are properly recorded and for the proper collection, custody, control and banking of all cash and cash equivalents in all the SSSC's departments.

13.4 It is essential that particulars of all charges to be made for services rendered by the SSSC and of all other amounts due to it shall be promptly notified to the Head of Shared Services in a form approved by her/him. All accounts due to the SSSC will be issued by, or under arrangements approved by, the Director of Corporate Services.

13.5 All financial documents such as receipt forms, receipt books, tickets and other such items will be in a form approved by the Director of Corporate Services who will be satisfied with the arrangement for the ordering, supply and control by each department. All records, forms and so on must be kept by each department for a period stipulated by the Director of Corporate Services.

13.6 All monies received on behalf of the SSSC in any department shall be deposited promptly with the Director of Corporate Services or the SSSC's bankers according to the arrangements made by the Director of Corporate Services. No deduction may be made from such monies. All income must be banked in full.

13.7 Personal cheques shall not be cashed out of money held on behalf of the SSSC.

13.8 Where one member of staff passes cash to another, the person receiving it will

sign for it and the departments concerned will keep a record of this as evidence.

- 13.9 Each EMT member is responsible for ensuring that all of their departmental income is billed promptly and efficiently.
- 13.10 The "Fee Waiver Policy" must be followed should it be considered appropriate to contemplate charging reduced fees or waiving a fee altogether. The Director of Corporate Services or in her/his absence the Chief Executive are the only officers with authority to approve fee waiver requests.

14. Insurance

- 14.1 The SSSC is not permitted to take out commercial insurance apart from circumstances meeting the exception criteria as set out in the Scottish Public Finance Manual. It is the Scottish Government's policy to self-insure. The Sponsor Department has supplied a Certificate of Exemption for Employer's Liability Insurance. Within this context the Director of Corporate Services will ensure that necessary insurance cover is in place and negotiate all claims in consultation with other officers as necessary.
- 14.2 Each senior manager must promptly notify the Director of Corporate Services of any action or event which may give rise to a claim being made by or against the SSSC. Senior Managers will immediately notify the Director of Corporate Services in writing of any loss of property and inform the police if appropriate of the circumstances of the loss. The Director of Corporate Services will be responsible for agreeing a position with the Sponsor Department where losses occur.

15. Inventories

- 15.1 The Director of Corporate Services is responsible for ensuring inventory lists of all furniture and fittings, vehicles, plant and equipment is maintained.

- 15.2 The [Director of Corporate Services](#) may approve the write off of losses for cash or property and equipment which are due to theft, fraud, arson, fire, flood, motor vehicle accidents or damage to vehicles [in accordance with the limits set out in the Scheme of Delegation](#). Losses exceeding these limits must be submitted to the Sponsor Department and will be reported to the Resources Committee.

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- 15.3 All surplus plant, vehicles, tools, equipment, furnishings, materials or commodities to be disposed of by any SSSC department will be advertised for sale either by the invitation of sale offers or by public auction unless special circumstances apply. The Director of Corporate Services alone can decide whether these apply. All offers received must be held on file for audit purposes with the inventory records amended as appropriate.

- 15.4 The SSSC's property will not be removed unless in the ordinary course of SSSC business. Its property may only be used for official purposes unless otherwise specifically directed by an EMT member.

16. Security

- 16.1 Each EMT member and senior managers as appropriate are responsible for maintaining proper security at all times for all buildings, stock, stores, furniture,

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equipment, cash, records etc. under their control. They shall consult with the Director of Corporate Services in any case where security is thought to be defective or where it is considered that special security arrangements may be needed.

- 16.2 Maximum limits for cash holdings shall be agreed with the Director of Corporate Services and shall not be exceeded without her/his express permission. Specific guidance relating to the administration of petty cash imprests (money advanced) is available on the SSSC's intranet.
- 16.3 Keys to safes and similar receptacles are the responsibility of the designated keyholder who will make suitable arrangements for their security at all times. The loss of any such keys must be reported to the Director of Corporate Services immediately. For security purposes, keys should be removed from premises overnight.

17. Petty Cash Imprest accounts

- 17.1 The Director of Corporate Services shall make appropriate imprest advances and determine accounting periods in connection with the payment of expenses and petty outlays chargeable to the SSSC.
- 17.2 The Director of Corporate Services shall issue appropriate instructions to officers to ensure to her/his satisfaction the proper security of cash advanced in this way. He/she will also determine the limit for any one payment from petty cash and this will be specified in the Petty Cash Guidance.
- 17.3 The recipient of any advance of petty cash or imprest shall account for this money to the Director of Corporate Services when required and shall repay the money on leaving the SSSC's employment or when required by the Director of Corporate Services. Detailed guidance on the administration of petty cash and petty cash imprests is available on the SSSC's intranet.

18. Travelling, subsistence and financial loss allowances

- 18.1 All claims for payment of car allowances, subsistence allowances, travelling and incidental expenses shall be submitted according to the approved Business Travel and Subsistence Policy, duly certified, in a form approved by the Director of Corporate Services to her/him at such regular intervals as are agreed. A significant proportion of expenses will be claimed via the payroll/HR system and authorisation will be through the line management arrangements approved and set up on the payroll/HR system. The names of officers authorised to approve expenses incurred outwith the payroll/HR system process shall be sent to the Director of Corporate Services by each EMT member together with specimen signatures and shall be amended on the occasion of any change. The number of officers so authorised shall be determined in agreement with the Director of Corporate Services.
- 18.2 The authorisation by or on behalf of an EMT member shall be taken to mean that the authorising officer is satisfied that the journeys were properly sanctioned, the expenditure properly and necessarily incurred and that the allowances are properly payable.

- 18.3 Employees claims submitted more than three months after the expenses were incurred will not be paid unless the Director of Corporate Services is satisfied with the reasons given for the delay.
- 18.4 Business expenses charged to GPC cards remain subject to the Business Travel and Subsistence Policy. Finance conduct regular compliance reviews.
- 18.5 Whenever possible, travel and accommodation should be arranged by SSSC administrative staff. This avoids the need for the reimbursement of expenses.

19. Expenditure on gifts, hospitality and sponsorship

- 19.1 EMT members and budget holders may provide hospitality within their delegated budget allowance. Hospitality is appropriate when members and/or officers of the SSSC are meeting with members or officers of other public bodies, Members of Parliament, firms, consultants or others who are assisting or co-operating with the SSSC in carrying out its functions. A record of all hospitality granted shall be kept, and shall be open to inspection by any member or officer of the SSSC.
- 19.2 Where there is a proposal to provide a gift, this must be submitted in writing to the [Director of Corporate Services or in his/her absence the](#) Chief Executive who will consider and, if appropriate, approve. The maximum value for any gift cannot exceed £200 in accordance with the sum laid down in the Executive Framework.
- 19.3 Proposal to make payments to sponsor individuals, groups or events will require consideration of and approval by EMT prior to any payment being made [with reference to the SSSC's Sponsorship Policy. The maximum value of any sponsorship cannot exceed £2,000.](#)

20. Grants and Third Party Payments

- 20.1 The SSSC may provide grants to third party organisations or individuals. Where these arrangements are not covered by a commercial contract, standard practice learning arrangements, [postgraduate bursary guidelines or Voluntary Sector Development Funding \(VSDF\) arrangements](#) then the [prior approval of the Sponsor must be sought as required in the Executive Framework. The EMT must approve the award of all grants to third parties in advance of any award being made in accordance with the](#) Third Party Funding Guidance available on the intranet.
- 20.2 The third party funding guidance provides detail on the requirements for a risk assessment, the approval process and the need for a funding agreement.
- 20.3 Finance will maintain a register of grants [to third parties.](#)

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21. Registering and Declaring Interests

- 21.1 Council members and officers must not allow any business or personal interest to influence the decisions they make in relation to work or use their

position to further their own interests or the interest of others who do not have a right to benefit under SSSC policies.

- 21.2 Full details of registering and declaring interests are contained within the Council Members Code of Conduct and for officers; the Code of Conduct Policy.
- 21.3 A register of Council members' interests will be maintained and reviewed at least annually.
- 21.4 Where there is any doubt about whether an interest should be registered or declared then advice should be sought from the Convener, Chief Executive, Director of Corporate Services, Head of Corporate Governance or the Head of Shared Services as appropriate.

22. Grants awarded to the SSSC

- 22.1 All bids for grant funding must be approved by EMT before being submitted to the grant provider. The EMT should be informed of the grant funding amount, funding period, staffing implications, outcomes, key milestones and any risks to the SSSC. Where possible grant bids will be included in the annual budget.
- 22.2 Grants from Scottish Government other than grant in aid, must be referred to the Sponsor Department in advance of being agreed, in accordance with the Scottish Public Finance Manual.

22.3 All grants awarded, to the SSSC must be reported to Resources Committee within the regular financial reports.

23. Approval and Revision of Financial Regulations by the SSSC

- 23.1 The Financial Regulations will be reviewed at least annually by the Resources Committee and at any time if the circumstances indicate this would be appropriate. Following a review the Council must approve any amendments to the Financial Regulations.

Deleted: offers made

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Deleted: before being accepted and before any expenditure is committed. The Resources Committee should be informed of the grant funding amount, funding period, outcomes, key milestones and any risks to the SSSC.¶

Deleted: <#>Where a grant acceptance is urgent then acceptance can be approved by agreement between the Convener of the Council and Chair of Resources Committee. This acceptance must be reported retrospectively to the next meeting of the Resources Committee.¶



Scottish Social
Services Council

**Scottish Social Services Council's
DRAFT Financial Regulations**

December 2017

Lead Director: Director of Corporate Services

Financial Regulations - Index

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FINANCIAL REGULATIONS

1. Introduction

- 1.1 The Chief Executive, as the Accountable Officer as detailed in the Executive Framework, is personally responsible to the Scottish Parliament for properly administering the SSSC's financial affairs. The Executive Framework requires that she/he acts according to its instructions and those laid down within the Scottish Public Finance Manual (SPFM). In particular she/he must act according to the Memorandum to Accountable Officers of Other Public Bodies.
- 1.2 The Chief Executive will delegate the day to day administration and oversight of these financial regulations to the Director of Corporate Services who will ensure that there are suitable arrangements in place to protect the propriety and regularity of the SSSC's finances. The Director of Corporate Services will report directly to the Chief Executive and keep her/him informed on the operation of these financial regulations.
- 1.3 The Council and all SSSC officers must observe the SSSC's financial regulations.
- 1.4 The Director of Corporate Services will provide a Draft Budget Report to the Resources Committee each financial year for their consideration. The draft budget must be approved by the Council following consideration by the Resources Committee. The Director of Corporate Services shall also keep the Resources Committee informed about the detailed administration and application of such resources, and will keep other committees informed about the financial implications of their activities.
- 1.5 The Director of Corporate Services is entitled to report upon the financial implications of any matter coming before the Council or any of its committees and will further report to the Resources Committee and/or Council if necessary in the interests of the SSSC's financial affairs.
- 1.6 All Council and Committee reports prepared by officers must include a "Resource Implications" section. Any officer who intends to submit a report, which has resource implications to Council or a committee meeting must first submit the report to the Executive Management Team (EMT) for consideration and agreement. It is good practice for report authors to involve corporate support services as early as possible in a development to ensure financial, ICT, Human Resource and communications implications are considered at an early stage.

Normally, the responsible officer must submit the draft report to the Director of Corporate Services by no later than 7 days before the Executive Management Team meeting to allow time for the resource implications to be fully considered. Any observations on the report made by the Director of Corporate Services or her/his representative will be incorporated in to the author's report. In exceptional circumstances the 7 day period mentioned above may be reduced with the prior agreement of the Director of Corporate Services. **All reports with resource implications must be considered by EMT prior to submission to Council or Committee.**

- 1.7 At all times, the SSSC will try to secure the best value for the money it spends, making appropriate use of all contract arrangements made and encouraging the use of the best management techniques throughout the organisation.
- 1.8 As the Accountable Officer, the Chief Executive will receive regular reports from the Director of Corporate Services on the revenue and any capital spending of the SSSC. This will normally be through budget monitoring reports to EMT but the Chief Executive may ask for an update at any time. The Director of Corporate Services will provide a budget monitoring report detailing any significant under or overspending to each meeting of the Resources Committee and Council.
- 1.9 The Chief Executive is responsible for corporate and financial governance arrangements to ensure that proper financial control is exercised throughout the SSSC. The Director of Corporate Services is responsible for ensuring that financial management systems exist to enable EMT members and their budget holders to make financial decisions and take corrective action to deal with under or overspending to achieve best value.

2. Revenue and capital budgets

- 2.1 The detailed form of the revenue and/or capital budgets will be determined by the Resources Committee taking account of advice received from the Director of Corporate Services.
- 2.2 EMT members are responsible for preparing annual income and expenditure estimates on revenue accounts for their areas of responsibility. They must provide all necessary information regarding their area's requirements to the Director of Corporate Services.
- 2.3 The Director of Corporate Services will submit the draft Revenue Budget and Capital Plan first to EMT and then to Resources Committee to consider any relevant decisions within the context of the SSSC's strategic objectives. The draft Revenue Budget and Capital Plan will be accompanied by a covering report containing all relevant information so that EMT and the Resources Committee can consider the proposed budget and form a view as appropriate. The Committee's recommendations will then be submitted to the Council for its approval.
- 2.4 For capital budget purposes capital expenditure is defined as expenditure on individual items valued at over £10k and with a life in excess of one year. If in doubt, the Head of Shared Services or the Head of Finance can provide advice.

3. Budget monitoring

- 3.1 The overall responsibility for control of departmental expenditure lies with each relevant EMT member. Designated budget holders are responsible for the detailed monitoring and control of income and expenditure within the sphere of their delegated responsibility.
- 3.2 Expenditure will be restricted to that included in the Revenue Budget or Capital Plan, unless a budget flexibility procedure (see Section 4 below) has been

followed or alternatively, proposals for additional expenditure have been approved by the Resources Committee.

- 3.3 The Chief Executive may approve any expenditure which is of an emergency nature or that she/he considers essential in the SSSC's interest, after consulting with the Convener, Resources Committee Chair and the Director of Corporate Services.

In such circumstances, the Director of Corporate Services will submit a full written report to the next meeting of the Resources Committee.

- 3.4 The Director of Corporate Services will provide each budget manager with regular statements of receipts and payments under each head of approved estimate and any other relevant information that they need. However, each budget manager is responsible for ensuring that they have all the relevant financial and non-financial information to control the actual expenditure and income against the budget.
- 3.5 EMT members are responsible for ensuring that their budget holders carry out budget monitoring in accordance with the requirements and timescales set out by the Director of Corporate Services.
- 3.6 The Director of Corporate Services will submit regular budget monitoring reports to the Resources Committee which detail the SSSC's income and expenditure position with sufficient additional information so that the Committee can properly monitor the SSSC's up to date financial position. Budget monitoring reports will also be submitted to each meeting of the Council.

4. Budget Flexibility

- 4.1 Once the Council have approved a budget it is expected that expenditure will be authorised in accordance with the approved budget. However, it is sometimes necessary to change plans or respond to events. Therefore controlled budget flexibility is required. The budget flexibility procedures are explained below.
- 4.2 **Virement** (the transfer of budget between expenditure / income headings or costs centres) may be used as a means of funding desirable or essential expenditure. Authorised budget virements are required for all expenditure above £1,000. The budget virement policy is available on the intranet.
- 4.3 **Alternative Expenditure Proposals (AEP):** The AEP process (available on the intranet) is used for EMT to decide on expenditure priorities to react to corporate budget underspends. The AEP process is used where budget flexibility is required for non-recurring expenditure in excess of £10,000 which will be incurred within the current financial year. All AEP proposals are considered by EMT. It should be noted that no AEP proposal should be used to finance a new service, change an existing SSSC policy decision or change the permanent establishment of the SSSC. All of which need the approval of the relevant Committee or Council.
- 4.4 **Fee income:** Where actual fee income is to exceed budget, the SSSC must obtain prior approval from the Sponsor before using excess income to fund

additional expenditure. If actual income is less than budgeted then expenditure must be adjusted as far as practicable to offset the income shortfall.

- 4.5 Resource Committee and/or Council approval, as appropriate, is required for:
- All proposals that will significantly expand or contract an area of activity on an on-going basis (implications beyond the current financial year)
 - All proposals to start a new area of activity or significantly curtail an existing area of activity
 - All proposals that will require changes to existing policy decisions
 - All proposals that require a change to the permanent establishment of the SSSC.

5. Accounting

- 5.1 All accounting procedures and records of the SSSC and its officers will be determined by the Director of Corporate Services. All SSSC accounts and accounting records will be compiled by the Director of Corporate Services or under her/his direction.
- 5.2 Each year, the Director of Corporate Services will ensure the SSSC's Annual Report and Accounts are laid before the Scottish Parliament in accordance with statutory requirements.

6. Internal audit

- 6.1 As part of their remit the Audit Committee will ensure that there is appropriate and proportionate internal audit coverage of the SSSC's accounting and financial operations.
- 6.2 The Director of Corporate Services or any member of her/his staff or any other person authorised by him/her for that purpose is authorised to:
- (a) enter all SSSC offices, establishments or land at any time;
 - (b) have access to all records, computer files, disks and other media documents and correspondence relating to any financial and related SSSC transactions;
 - (c) request and receive such explanations as are necessary concerning any matter under examination; and
 - (d) request any SSSC employee to produce cash, stores or any other SSSC property under his/her control.
- 6.3 Whenever there is any suspicion of an irregularity concerning cash, payments made, income received, payroll (including claiming expenses), stores, other property of the SSSC or any suspected irregularity in the functions exercised by the SSSC, then either the Director of Corporate Services or the Head of Shared Services should be informed in the first instance. If due to the nature of the suspicion it is not appropriate to inform either of these officers then one of the following should be informed as appropriate; the Chief Executive or the internal auditors (contact details on the intranet). The Counter Fraud and Corruption Framework, and the Whistleblowing Policy are relevant for consideration in such circumstances.
- 6.4 All internal audit reports shall be submitted to EMT for consideration and agreement of a management response.

- 6.5 All reports from either the External Auditor or Internal Auditor will be submitted to the Audit Committee for its consideration.

7. Banking arrangements and control of cheques

- 7.1 All arrangements with the SSSC's bankers shall be made by the Director of Corporate Services who will operate such banking accounts as he may consider necessary.
- 7.2 The Director of Corporate Services is responsible for ensuring proper arrangements are in place for the safe custody of cash and cheques.
- 7.3 Cheques on the SSSC's banking accounts will be signed by any two authorised signatories as approved by the Council as required.
- 7.4 The Director of Corporate Services is responsible for arranging any payments through the Bankers Automated Clearing System (BACS) or on-line banking arrangements and ensuring that proper security control procedures are affected and reviewed.
- 7.5 The Director of Corporate Services is responsible for ensuring regular and effective bank account reconciliation procedures are followed.

8. Procurement

- 8.1 The SSSC's Procurement Strategy and Policy must be followed for all procurement and purchasing activity. Guidance and procedural documentation is available for all procurement processes within the procurement area of the Finance section on the intranet. All procurement activity must follow the approved procurement procedures and comply with the 'Delegated Authority to Commit & Approve Expenditure' available within the Procurement area of the Finance section on the intranet.
- 8.2 The procurement process to be followed is determined by an analysis of value and risk as follows:

| | Low Risk | Medium/High Risk |
|-------------------------------|---|---|
| Competitive Process | Value of Spend (exc VAT and for the whole life of the requirement) | Value of Spend (exc VAT and for the whole life of the requirement) |
| Low Value (1 quote) | £1,000 or less | £1,000 or less |
| Basic (3 evidenced quotes) | £1,000 to £10,000 | £1,000 to £10,000 |
| Quick Quote (min 4 quotes) | £10,000 to £50,000 | £10,000 to £25,000 |

| | | |
|---|---------------------|---------------------|
| Standard (full tender) | £50,000 to £164,176 | £25,000 to £164,176 |
| EU Tender Process (Procurement Team will advise) | £164,176+ | £164,176+ |

- 8.3 Where quotes received exceed the originally estimated value of expenditure and this moves the procurement to a new value threshold, the procurement route for the new value threshold must then be applied. In exceptional circumstances, approval to proceed with the existing process may be granted. Requests for an exception must be submitted to the Finance Procurement Section.
- 8.4 The [Procurement Risk Assessment Tool](#) must be completed in order to identify the relevant route to be followed for any purchases with an aggregate spend of over £25k. This is available on the intranet.
- 8.5 All procurement which is advertised as a full tender on the 'Public Contracts Scotland' advertising portal must have a project and evaluation team whereby, as a minimum, the Lead Officer has undergone procurement training.
- 8.6 Authority to award competitively procured contracts is delegated to officers as noted in the 'Delegated Authority to Commit & Approve Expenditure' document available on the intranet. This is with the exception of internal audit services where the authority to contract is reserved to the Council as noted in the Reservation of Powers and Scheme of Delegation. No authority to award contracts will be delegated to an officer who has not satisfactorily undertaken the relevant procurement training.
- 8.7 Contracts awarded without competitive advertising need to meet specific criteria as noted in the procurement procedures and require specific approval. Requests for 'Non Competitive Action' with a value of lower than £30,000 total contract value of £10,000 annually, may be approved by the Director of Corporate Services. Requests for 'Non Competitive Action' with a value exceeding this require Sponsor Department approval.
- 8.8 Scottish Government specific approval levels apply to the procurement of consultancy services. The definition and approval requirement for consultancy expenditure is available within the procurement area of the Finance section on the intranet.

9. Orders for works, goods and services

- 9.1 Purchase orders must, with a few exceptions noted below, be raised and approved in the financial system. Guidance and procedural documentation is available within the purchasing area of the Finance section on the intranet.
- 9.2 Purchase orders shall be issued for all work, goods or services to be supplied to the SSSC except for the following:
- the purchase is being made using a Government Purchasing Card,
 - supplies of public utility services,

- periodic payments such as rent and rates,
 - payments to the Care Inspectorate for shared services,
 - petty cash purposes,
 - postal charges or
 - other exceptions as the Head of Shared Services may approve.
- 9.3 In exceptional cases of urgency, where it is not possible to issue an approved purchase order in the financial system, a manual purchase order number can be requested from the Finance section. The supplier must be advised to quote this order number on any invoice submitted for payment.
- 9.4 No authority to raise or approve purchase orders will be delegated to any officer who has not satisfactorily undertaken the relevant training.
- 9.5 Each budget manager will be responsible for all orders issued by their department and for ensuring that the cost is allocated to an appropriate budget head and is covered within the approved budgeted expenditure.
- 9.6 Budget Managers may delegate financial responsibility to an expenditure approver subject to the limits noted in the Scheme of Delegation.
- 9.7 The Director of Corporate Services will maintain a register of authorised signatories. Budget holders must notify any additions and deletions to the Head of Finance.

10. Government Purchasing Cards (GPC)

- 10.1 Designated officers have a GPC card in order to purchase low value goods and services. The GPC card has set transaction limits of up to a maximum value of £1,000 per single transaction and a £5,000 cumulative value of transactions per month. Applications for, and guidance on the use of GPC cards, are detailed within the GPC card procedure within the Purchasing & Payment area of the Finance section of the intranet.
- 10.2 Purchases using the GPC card are restricted as follows:
- (a) It must not be used to withdraw cash.
 - (b) It must not be used for personal expenditure.
 - (c) It must not be used to pay for items already invoiced.
 - (d) Loyalty points must not be collected.
 - (e) Card details must not be stored on internet sites.
- 10.3 Cardholders are responsible for ensuring the safe, secure storage of their card and card details.
- 10.4 Budget holders are responsible for all purchases from their budget made by GPC card.

11. Payment of accounts

- 11.1 The SSSC is committed to paying supplier invoices within 10 working days of

the invoice(s) being received. Performance against this target is reported in the Annual Report and Accounts each year.

- 11.2 All invoices should be directed to the Transactions Team at Compass House as noted on the approved purchase order.
- 11.3 Where possible, arrangements should be made for the separation of the authorisation of purchase orders as distinct from goods received notes. Each goods received note should be signed by the appropriate receiving officer. Where a goods received note is not provided, a manual one should be created using the template provided within the Purchasing area of the Finance section on the intranet.
- 11.4 Where budget holders or expenditure approvers are requested to manually approve an invoice, the officer must make sure that:
- (a) the goods received match the order;
 - (b) prices, discounts and arithmetic are correct;
 - (c) there is no duplication of payments;
 - (d) expenditure is within the approved budget;
 - (e) the expenditure is coded to an appropriate cost centre and account code, and is within their delegated financial authority;
 - (f) work has been carried out to a satisfactory level.
- 11.5 The payment of all approved invoices and payments will be made under arrangements approved and controlled by the Director of Corporate Services. Approved payment methods are as follows:
- (a) Direct BACS Submission i.e. invoices and non-payroll expenses
 - (b) Indirect BACS Submission i.e. managed payroll service payments
 - (c) Cheque
 - (d) Direct Payments via Bank Account
 - (e) Petty Cash (see section 17)
 - (f) GPC card (see section 10)

Internal control arrangements are in place to ensure separation of duties between preparation, approval and processing of payments.

- 11.6 Payment will not be made on duplicate invoices, statements, or photocopy invoices unless the approving officer certifies in writing that the amount in question has not previously been paid.

12. Payroll administration

- 12.1 The payment of all salaries, wages, allowances, pensions, compensation and other emoluments to all employees / Council members or former employees / former Council members of the SSSC will be made by the Director of Corporate Services under arrangements approved and controlled by him/her.
- 12.2 The Director of Corporate Services will provide guidance on responsibilities for ensuring proper records are kept of all matters affecting the payment of such emoluments and in particular:
- (a) appointments, promotions, resignations, dismissals, suspensions,

- secondments and transfers;
- (b) absences from duty for sickness, holidays or other reason;
- (c) changes in remuneration, other than normal increments and pay awards and agreements of general application;
- (d) information necessary to maintain records of service for pension, income tax, national insurance and other areas as required.

12.3 All time records or other pay documents will be in a form prescribed or approved by the Director of Corporate Services and shall be certified in accordance with guidance issued by the Director of Corporate Services.

12.4 The Director of Corporate Services will provide through the payroll system any management information as he/she, the Chief Executive, or any EMT member decide is necessary to achieve value for money and/or compliance with policy and procedures.

13. Income

13.1 The statutory fee rates charged by the SSSC to registrants shall be set at rates equal to or below the statutory maximum rates. The rates set will be approved by the Council and shall not be altered without its approval.

13.2 The rate of charge for goods or services supplied by the SSSC to the public and external organisations will be approved by EMT and shall be set with reference to the Fees and Charges section of the Scottish Public Finance Manual.

13.3 It is the Director of Corporate Services duty to make adequate financial and accounting arrangements to ensure that all monies due to the SSSC are properly recorded and for the proper collection, custody, control and banking of all cash and cash equivalents in all the SSSC's departments.

13.4 It is essential that particulars of all charges to be made for services rendered by the SSSC and of all other amounts due to it shall be promptly notified to the Head of Shared Services in a form approved by her/him. All accounts due to the SSSC will be issued by, or under arrangements approved by, the Director of Corporate Services.

13.5 All financial documents such as receipt forms, receipt books, tickets and other such items will be in a form approved by the Director of Corporate Services who will be satisfied with the arrangement for the ordering, supply and control by each department. All records, forms and so on must be kept by each department for a period stipulated by the Director of Corporate Services.

13.6 All monies received on behalf of the SSSC in any department shall be deposited promptly with the Director of Corporate Services or the SSSC's bankers according to the arrangements made by the Director of Corporate Services. No deduction may be made from such monies. All income must be banked in full.

13.7 Personal cheques shall not be cashed out of money held on behalf of the SSSC.

13.8 Where one member of staff passes cash to another, the person receiving it will

sign for it and the departments concerned will keep a record of this as evidence.

13.9 Each EMT member is responsible for ensuring that all of their departmental income is billed promptly and efficiently.

13.10 The “Fee Waiver Policy” must be followed should it be considered appropriate to contemplate charging reduced fees or waiving a fee altogether. The Director of Corporate Services or in her/his absence the Chief Executive are the only officers with authority to approve fee waiver requests.

14. Insurance

14.1 The SSSC is not permitted to take out commercial insurance apart from circumstances meeting the exception criteria as set out in the Scottish Public Finance Manual. It is the Scottish Government’s policy to self-insure. The Sponsor Department has supplied a Certificate of Exemption for Employer’s Liability Insurance. Within this context the Director of Corporate Services will ensure that necessary insurance cover is in place and negotiate all claims in consultation with other officers as necessary.

14.2 Each senior manager must promptly notify the Director of Corporate Services of any action or event which may give rise to a claim being made by or against the SSSC. Senior Managers will immediately notify the Director of Corporate Services in writing of any loss of property and inform the police if appropriate of the circumstances of the loss. The Director of Corporate Services will be responsible for agreeing a position with the Sponsor Department where losses occur.

15. Inventories

15.1 The Director of Corporate Services is responsible for ensuring inventory lists of all furniture and fittings, vehicles, plant and equipment is maintained.

15.2 The Chief Executive may approve the write off of losses for cash or property and equipment which are due to theft, fraud, arson, fire, flood, motor vehicle accidents or damage to vehicles in accordance with the limits set out in the Scheme of Delegation. Losses exceeding these limits must be submitted to the Sponsor Department and will be reported to the Resources Committee.

15.3 All surplus plant, vehicles, tools, equipment, furnishings, materials or commodities to be disposed of by any SSSC department will be advertised for sale either by the invitation of sale offers or by public auction unless special circumstances apply. The Director of Corporate Services alone can decide whether these apply. All offers received must be held on file for audit purposes with the inventory records amended as appropriate.

15.4 The SSSC’s property will not be removed unless in the ordinary course of SSSC business. Its property may only be used for official purposes unless otherwise specifically directed by an EMT member.

16. Security

16.1 Each EMT member and senior managers as appropriate are responsible for maintaining proper security at all times for all buildings, stock, stores, furniture,

equipment, cash, records etc. under their control. They shall consult with the Director of Corporate Services in any case where security is thought to be defective or where it is considered that special security arrangements may be needed.

- 16.2 Maximum limits for cash holdings shall be agreed with the Director of Corporate Services and shall not be exceeded without her/his express permission. Specific guidance relating to the administration of petty cash imprests (money advanced) is available on the SSSC's intranet.
- 16.3 Keys to safes and similar receptacles are the responsibility of the designated keyholder who will make suitable arrangements for their security at all times. The loss of any such keys must be reported to the Director of Corporate Services immediately. For security purposes, keys should be removed from premises overnight.

17. Petty Cash Imprest accounts

- 17.1 The Director of Corporate Services shall make appropriate imprest advances and determine accounting periods in connection with the payment of expenses and petty outlays chargeable to the SSSC.
- 17.2 The Director of Corporate Services shall issue appropriate instructions to officers to ensure to her/his satisfaction the proper security of cash advanced in this way. He/she will also determine the limit for any one payment from petty cash and this will be specified in the Petty Cash Guidance.
- 17.3 The recipient of any advance of petty cash or imprest shall account for this money to the Director of Corporate Services when required and shall repay the money on leaving the SSSC's employment or when required by the Director of Corporate Services. Detailed guidance on the administration of petty cash and petty cash imprests is available on the SSSC's intranet.

18. Travelling, subsistence and financial loss allowances

- 18.1 All claims for payment of car allowances, subsistence allowances, travelling and incidental expenses shall be submitted according to the approved Business Travel and Subsistence Policy, duly certified, in a form approved by the Director of Corporate Services to her/him at such regular intervals as are agreed. A significant proportion of expenses will be claimed via the payroll/HR system and authorisation will be through the line management arrangements approved and set up on the payroll/HR system. The names of officers authorised to approve expenses incurred outwith the payroll/HR system process shall be sent to the Director of Corporate Services by each EMT member together with specimen signatures and shall be amended on the occasion of any change. The number of officers so authorised shall be determined in agreement with the Director of Corporate Services.
- 18.2 The authorisation by or on behalf of an EMT member shall be taken to mean that the authorising officer is satisfied that the journeys were properly sanctioned, the expenditure properly and necessarily incurred and that the allowances are properly payable.

- 18.3 Employees claims submitted more than three months after the expenses were incurred will not be paid unless the Director of Corporate Services is satisfied with the reasons given for the delay.
- 18.4 Business expenses charged to GPC cards remain subject to the Business Travel and Subsistence Policy. Finance conduct regular compliance reviews.
- 18.5 Whenever possible, travel and accommodation should be arranged by SSSC administrative staff. This avoids the need for the reimbursement of expenses.

19. Expenditure on gifts, hospitality and sponsorship

- 19.1 EMT members and budget holders may provide hospitality within their delegated budget allowance. Hospitality is appropriate when members and/or officers of the SSSC are meeting with members or officers of other public bodies, Members of Parliament, firms, consultants or others who are assisting or co-operating with the SSSC in carrying out its functions. A record of all hospitality granted shall be kept, and shall be open to inspection by any member or officer of the SSSC.
- 19.2 Where there is a proposal to provide a gift, this must be submitted in writing to the Director of Corporate Services or in his/her absence the Chief Executive who will consider and, if appropriate, approve. The maximum value for any gift cannot exceed £2,000.
- 19.3 Proposal to make payments to sponsor individuals, groups or events will require consideration of and approval by EMT prior to any payment being made with reference to the SSSC's Sponsorship Policy. The maximum value of any sponsorship cannot exceed £200 in accordance with the sum laid down in the Scottish Public Finance Manual.

20. Grants and Third Party Payments

- 20.1 The SSSC may provide grants to third party organisations or individuals. Where these arrangements are not covered by a commercial contract, standard practice learning arrangements, a bursary or Voluntary Sector Development Fund (VSDF) award then the third party funding guidance available on the intranet must be followed.
- 20.2 The third party funding guidance provides detail on the requirements for a risk assessment, the approval process and the need for a funding agreement.
- 20.3 Finance will maintain a register of grants to third parties.

21. Registering and Declaring Interests

- 21.1 Council members and officers must not allow any business or personal interest to influence the decisions they make in relation to work or use their position to further their own interests or the interest of others who do not have a right to benefit under SSSC policies.

- 21.2 Full details of registering and declaring interests are contained within the Council Members Code of Conduct and for officers; the Code of Conduct Policy.
- 21.3 A register of Council members' interests will be maintained and reviewed at least annually.
- 21.4 Where there is any doubt about whether an interest should be registered or declared then advice should be sought from the Convener, Chief Executive, Director of Corporate Services, Head of Corporate Governance or the Head of Shared Services as appropriate.

22. Grants awarded to the SSSC

- 22.1 All bids for grant funding must be approved by EMT before being submitted to the grant provider. The EMT should be informed of the grant funding amount, funding period, staffing implications, outcomes, key milestones and any risks to the SSSC. Where possible grant bids will be included in the annual budget.
- 22.2 Grants from Scottish Government other than grant in aid, must be referred to the Sponsor Department in advance of being agreed, in accordance with the Scottish Public Finance Manual.
- 22.3 All grants awarded to the SSSC must be reported to Resources Committee within the regular financial reports.

23. Approval and Revision of Financial Regulations by the SSSC

- 23.1 The Financial Regulations will be reviewed at least annually by the Resources Committee and at any time if the circumstances indicate this would be appropriate. Following a review the Council must approve any amendments to the Financial Regulations.

Resources Committee
28 February 2018
Agenda item: 07
Report no: 09/2018
Appendix D

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SCOTTISH SOCIAL SERVICES COUNCIL

Scheme of Delegation

This Scheme of Delegation is made by the Scottish Social Services Council under the Regulation of Care (Scotland) Act 2001 and Regulation 12 of the Scottish Social Services Council (Appointments, Procedure and Access to the Register) Regulations 2001.

The Executive Framework issued by the Scottish Government has been taken into account and reflected in the terms of this Scheme.

The revised Scheme of Delegation is made in accordance with the Council's decision of 28 March 2017.

[Includes amendments from financial governance review February 2018](#)

DELEGATION OF POWERS

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DELEGATION OF POWERS

SECTION ONE - INTRODUCTION

1. Definitions

- 1.1 The words and expressions used in this Scheme of Delegation will have the same meanings as the words and expressions used in Standing Orders, in addition, the following words and expressions have the following meanings:
 - 1.1.1 'The Executive Framework' means the document of that name issued by the Scottish Government dated June 2014 and updated from time to time
 - 1.1.2 'The Conduct Rules' means the Scottish Social Services Council (Conduct) Rules 2013 all as amended or as substituted from time to time
 - 1.1.3 'The Registration Rules' means the Scottish Social Council (Registration) Rules 2012 all as amended or as substituted from time to time
 - 1.1.4 "The Fitness to Practise Rules" means the Scottish Social Services Council Fitness to Practise Rules 2016 all as amended or substituted from time to time
 - 1.1.5 'Sponsor Department' means the Scottish Government's Children and Families Directorate, Office of the Chief Social Work Adviser

2. General

- 2.1 The purpose of this document is to set out those powers reserved to the Council for decision collectively at its meetings and those powers which are delegated to a Committee, Sub-committee, Member or Officer.
- 2.2 The Council must be satisfied that adequate reporting arrangements and arrangements for accountability are in place to allow it to continue to oversee the exercise of those delegated powers before agreeing to any delegation.
- 2.3 The Council remains accountable for all its functions, notwithstanding any delegation to Committees, Sub-committees, Members or Officers.
- 2.4 Notwithstanding that the Council may delegate any of its functions to any of its Committees, Sub-committees, Members or employees, it shall have power at any time to itself deal with any matter so delegated.

3. The Functions, Duties and Powers of the Scottish Social Services Council

- 3.1 The Act gives the Council the following functions, duties and powers:

- 3.1.1 to establish and maintain registers of particular groups in the social service workforce
- 3.1.2 to consider applications for registration according to the terms of the Act and rules made under the Act and to grant (conditionally or unconditionally) or refuse registration on that basis
- 3.1.3 to remove, revise or restore an entry on the register
- 3.1.4 to prepare and publish Codes of Practice for the social service workforce
- 3.1.5 to prepare and publish Codes of Practice for employers of the social service workforce and ensure that these are complementary to the codes for the workforce
- 3.1.6 in accordance with directions from the Scottish Ministers, to make grants and pay allowances to secure education and training in social service work for persons resident in Scotland
- 3.1.7 to make grants to organisations providing approved courses under the Act
- 3.1.8 to set fees in respect of the Council's functions, with the longer term aim of balancing income and expenditure for registration functions
- 3.1.9 to establish a Complaints Procedure for complaints about the exercise by the Council of its functions
- 3.1.10 to consult with the Care Inspectorate on the exercise by the Council of its functions, where appropriate
- 3.1.11 to promote and regulate the education and training of social service employees
- 3.1.12 to undertake workforce planning, qualification and standards development, and specific employment and training initiatives
- 3.1.13 to publish data on the size and shape of the sector's current and future workforce including information on the skills and training they require.

4. The Convener of the Scottish Social Services Council

- 4.1 The Convener is personally responsible to Scottish Ministers for ensuring that the Council's policies are compatible with those of Scottish Ministers and for ensuring probity in the conduct of the Council's affairs. Communications between the Council and Ministers will normally be through the Convener.
- 4.2 The Convener has a particular responsibility for providing effective strategic leadership on the following matters:
 - 4.2.1 formulating the Council's strategy for discharging its statutory duties

- 4.2.2 encouraging high standards of propriety and promoting the efficient and effective use of staff and other resources throughout the Council
- 4.2.3 ensuring that the Council, in reaching decisions, takes proper account of guidance provided by the responsible Ministers or Sponsor Department
- 4.2.4 representing the views of the Council to the general public
- 4.2.5 providing an assessment of performance of individual Council Members, on request, when they are being considered for reappointment to the Council.
- 4.3 The Convener should ensure that all Members of the Council, when taking up office, are fully briefed on the terms of their appointment and on their duties, rights and responsibilities.

5. Scottish Social Services Council Members

- 5.1 Council Members have corporate responsibility, together with the Convener, for ensuring that the Council complies with any statutory or administrative requirements for the use of public funds. Council Members have other important responsibilities, including assisting and advising the Convener in the following areas:
 - 5.1.1 ensuring that high standards of corporate governance are observed at all times
 - 5.1.2 establishing the overall strategic direction of the Council within the policy and resources framework agreed with the responsible Ministers
 - 5.1.3 ensuring that the Council operates within the limits of its statutory authority and any delegated authority agreed with its Sponsor Department, and in accordance with any other conditions relating to the use of public funds
 - 5.1.4 ensuring that, in reaching decisions, the Council takes into account any guidance issued by the Sponsor Department
 - 5.1.5 ensuring that equality is central to the policies and practice of the Council, in line with our responsibilities under the Public Sector Equality Duty
 - 5.1.6 appointing, with Scottish Ministers' approval, a Chief Executive to the Council.

SECTION TWO – RESERVATION OF POWERS TO THE SCOTTISH SOCIAL SERVICES COUNCIL

1. Reserved Powers

- 1.1 The Executive Framework and Standing Orders require the Council to determine those matters on which decisions are reserved to the Council. These reserved matters are set out in paragraphs 3 to 7 below.
- 1.2 In terms of the Regulations the Scottish Social Services Council may however delegate any of its functions, but it has resolved not to do so in relation to those matters specified in paragraphs 5.1, 5.2 and 5.3, which matters must be determined by the Council in full session.

2. General Enabling Provision

- 2.1 The Council may determine any matter it wishes in full session within its statutory powers.

3. Regulation and Control

- 3.1 To approve Standing Orders; any Scheme of Delegation; and Financial Regulations for the regulation of its proceedings and business.
- 3.2 To require and receive the Registration of Council Members Interests.
- 3.3 To investigate and determine any grievance or disciplinary matter involving the conduct of the Chief Executive.
- 3.4 To approve of arrangements for dealing with complaints.
- 3.5 To receive reports from Committees including those which the Council is required by statute to establish and to take appropriate action on.
- 3.6 To establish Terms of Reference and reporting arrangements of all Committees, Sub-committees and advisory working groups as required.
- 3.7 To confirm the recommendations of the Council's Committees.
- 3.8 To approve and review any Memorandum of Understanding and Protocol, with other regulatory authorities and organisations, in particular with the Care Inspectorate.
- 3.9 To monitor the quality and effectiveness of the systems used in workforce planning, the registration and regulation of the social service workforce and its education and training, including arrangements for quality assurance.
- 3.10 To consider annual monitoring evidence and decide whether courses approved by the Council continue to meet required standards and adequately prepare students for professional practice and, where appropriate, decide on expected annual enhancement themes.

3.11 To consider and make decisions on the work of the SSSC in relation to the Sector Skills Council, Skills for Care and Development.

3.12 To consider and make decisions on monitoring reports about the outcomes of the Fitness to Practise Panels and the Registration, Preliminary Proceedings and Conduct Sub-committees.

4. Appointments

4.1 To establish and terminate any Committees of the Council.

4.2 To appoint a Member or other person to be the Chair, Vice-chair or member of any Committee of the Council.

4.3 To appoint any person who is not a member, to be the Chair, Vice-chair or a member of a Sub-committee, except Sub-committees or Panels, set up in accordance with the Fitness to Practise Rules, Registration Rules or the Conduct Rules.

4.4 To agree the appointment of Council representatives on outside bodies.

5. Strategic Plan, Annual Report and Accounts, Budget and Strategies

5.1 To agree the statement of vision and objectives in the Strategic Plan.

5.2 To approve the Strategic Plan, Annual Report and Accounts and Budget for each financial year.

5.3 To approve the Risk Management Strategy.

5.4 To approve the Communications Strategy.

5.5 To approve the Publications Scheme.

5.6 To approve the Information Governance Strategy.

6. Audit Arrangements

6.1 To note the receipt of the annual Management Letter from the External Auditors and to agree to action on the recommendations, where appropriate, of the Audit Committee.

6.2 To approve the appointment of Internal Auditors to the SSSC.

6.3 To note the receipt of the Annual Report from the Internal Auditors and to agree to action on the recommendations, where appropriate, of the Audit Committee.

6.4 To consider the annual report from the Audit Committee.

SECTION THREE - DELEGATION OF POWERS TO COMMITTEES AND SUB-COMMITTEES, MEMBERS OR EMPLOYEES

1. Standing Orders

- 1.1 In accordance with Regulation 12 of the Regulations and Standing Order 17.3 the Council may delegate any of its functions to any of its Committees, Sub-committees, Members or employees by resolution.
- 1.2 Details of the Committees established by the Council are set out in Annex 1 to this document. Functions delegated to Committees are as set out in section four of this document except functions delegated to the Fitness to Practise Panel, Registration Sub-committees, Preliminary Proceedings Sub-committees and the Conduct Sub-committees respectively.
- 1.3 The constitution, membership, powers, procedures and all other matters relating to the Fitness to Practise Panels, including matters delegated to those Panels, shall be as set out in the Fitness to Practise Rules, the constitution, membership, powers, procedures and all other matters relating to the Registration Sub-committees, including matters delegated to those Sub-committees, shall be as set out in the Registration Rules and the constitution, membership, powers, procedures and all other matters relating to the Preliminary Proceedings Sub-committees, and the Conduct Sub-committees, including matters delegated to those Sub-committees, shall be as set out in the Conduct Rules.
- 1.4 In any situation of uncertainty, it is for the Convener to determine which Committee is empowered to exercise authority which has been delegated to a Committee, Sub-committee or Panel.

2. The Chief Executive

- 2.1 All powers of the Council which have not been retained as reserved to the Council or delegated to a Committee, Sub-committee or Panel shall be exercised on behalf of the Scottish Social Services Council by the Chief Executive and the Chief Executive will be accountable to the Council for the exercise of these powers and will report to the Council on these as required. This Scheme of Delegation identifies which functions the Chief Executive shall perform personally. The functions which have been delegated to Officers are set out in Annex 2. Officers will be accountable for the exercise of such powers and will report to the Chief Executive on these as required.
- 2.2 The Chief Executive of the Scottish Social Services Council is designated by the Principal Accountable Officer as the Council's Accountable Officer in accordance with Sections 14 and 15 of the Public Finance and Accountability (Scotland) Act 2000.
- 2.3 As the Council's Accountable Officer, the Chief Executive is personally responsible to the Scottish Parliament for securing propriety and regularity in the management of the public funds of which he/she has

charge and for the day-to-day operations and management of the Council.

- 2.3.1 The Chief Executive should act in accordance with the terms of this document and within the instructions and guidance in the Scottish Public Finance Manual and other instructions and guidance issued from time to time by Scottish Ministers.
- 2.3.2 In particular, the Chief Executive should act in accordance with the Memorandum to Accountable Officers of Other Public Bodies, which he/she will receive on appointment.
- 2.4 Members of the Council (including the Convener) must not give the Chief Executive instructions which conflict with the latter's duties as the Council's Accountable Officer. Should such instructions be issued, the Accountable Officer is required to send a copy to the Auditor General.
- 2.5 As the Council's Accountable Officer, the Chief Executive shall, in particular:
 - 2.5.1 advise the Council on the discharge of its responsibilities as set out in the Executive Framework and in any other relevant instructions and guidance that the Sponsor Department may issue from time to time
 - 2.5.2 ensure that all public funds made available to the Council are used for the purpose for which they were intended by Parliament, and that such funds, together with the Council's assets, equipment and staff, are used economically, efficiently and effectively
 - 2.5.3 ensure that timely monitoring information, including income and expenditure, forecasts and outturns are provided to the Sponsor Department; that corrective action is taken to avoid significant budget variances, and that the Sponsor Department is notified promptly when significant variances are likely
 - 2.5.4 ensure that financial considerations are taken fully into account by the Council at all stages in reaching and executing its decisions, and that standard financial appraisal techniques are followed as far as is practical
 - 2.5.5 ensure that adequate internal management and financial controls are maintained by the Council, including effective measures against fraud, theft and bribery, and shall prepare a governance statement for inclusion in the Annual Report and Accounts
 - 2.5.6 establish a comprehensive system of internal delegated authorities which should be notified to all staff, together with a system for regularly reviewing compliance with these delegations and ensure financial procedures are codified in the Council's Financial Regulations
 - 2.5.7 ensure that appropriate human resources policies are maintained

- 2.5.8 be responsible for signing the Annual Accounts and for ensuring that proper records are kept relating to the Annual Accounts and that the Annual Accounts are properly prepared and presented in accordance with any directions issued by Scottish Ministers, and shall sign a statement of Accountable Officer responsibilities for inclusion in the Annual Report and Accounts
- 2.5.9 take action as set out in paragraphs 5.1 – 5.5 of the Non- Departmental Public Body Accountable Officer Memorandum if the Council, or its Convener are contemplating a course of action involving a transaction which the Chief Executive considers would infringe the requirements of propriety or regularity, or does not represent prudent or economical administration, efficiency or effectiveness
- 2.5.10 give evidence when summoned before Committees of the Scottish Parliament on the use and stewardship of public funds by the Council
- 2.5.11 ensure that effective procedures for handling complaints about the Council are established and made widely known.
- 2.6 The Chief Executive is the Principal Officer for the purpose of the handling of cases involving the Parliamentary Ombudsman. The Principal Officer is responsible for informing the Secretary of the Sponsor Department about any complaints accepted by the Parliamentary Ombudsman for investigation, and about the Council's proposed response to any subsequent recommendations from the Parliamentary Ombudsman.
- 2.7 The Chief Executive may delegate the day-to-day administration of these Accountable Officer responsibilities to other employees of the Council or to the Director of Corporate Services, who is employed by the Care Inspectorate but who provides services to the Council in terms of the Shared Services Agreement with the Care Inspectorate. However, he/she shall not assign absolutely to any other person any of the said responsibilities.
- 3. Delegated Powers Officers' Ability to Delegate and Absence of Officers**
- 3.1 Powers are delegated to Officers on the understanding that they shall not exercise delegated powers in a manner which, in their judgment, is likely to be a cause for public concern.
- 3.2 In so far as powers are delegated to any Officer, he/she shall not be free to further delegate those powers to any member of staff; the Officer shall remain accountable to the Chief Executive and the Council for all aspects of the exercise of those powers. A report on the use of any powers so delegated shall be made on at least an annual basis to the Committee having responsibility for the relevant function, where appropriate, and to the Council.

- 3.3 In the absence of an Officer to whom powers have been delegated those powers shall be exercised by that Officer's superior [unless alternative arrangements have been approved by the Council]. If the Chief Executive is absent powers delegated to him/her may be exercised by another member of the Executive Management Team after taking appropriate advice, as necessary, from fellow members of the Executive Management Team.
- 3.4 The Scheme of Delegation is to be used in conjunction with the Financial Regulations and all other corporate governance procedures of the Council.

SECTION FOUR - TERMS OF REFERENCE OF COMMITTEES AND SUB-COMMITTEES OF THE SCOTTISH SOCIAL SERVICES COUNCIL

AUDIT COMMITTEE

1. Membership

- 1.1 The Committee shall comprise a minimum of three and a maximum of five Council Members.
- 1.2 The Convener of the Council may attend but shall not be a Member or hold voting rights.
- 1.3 At any meeting of the Committee the quorum shall be three Council Members.
- 1.4 The membership may include co-optees, subject to the Co-options Policy as set out in the Council's Standing Orders.
- 1.5 Officers are not Members of the Committee but may be in attendance to give assistance, make reports and offer advice through the Chair.

2. Purpose

- 2.1 To scrutinise and develop the external audit arrangements and also to ensure that there is a sufficient and systemic review of the internal control arrangements of the organization, including arrangements for risk management.
- 2.2 To review the comprehensiveness of assurances and the reliability and integrity of these assurances.

3. Terms of Reference

- 3.1 To provide objective advice to support the Governance Statement in the Annual Report and Accounts.
- 3.2 To review the Council's financial statements and seek assurance that they reflect best practice, are balanced and fair and note whether they conform with accounting standards on receipt of such information from the external auditors.
- 3.3 To meet with the external auditors, as necessary, to discuss any past, present or future audit and to receive reports from either the external auditors or the Chief Executive in respect of the progress of each audit. This will include meeting in private with the external auditors from time to time.
- 3.4 To receive and consider all relevant reports by the external auditors and to make recommendations to Council thereon. This includes reports on

the Annual Accounts, achievement of value for money and the response to any management letters.

- 3.5 To approve the internal auditor's Terms of Reference and ensure that the internal audit service meets, or exceeds, the standard specified by the Scottish Government, complies in all other respects with government guidelines and meets agreed levels of service, without prejudice to the Accounting Officer's direct responsibilities in respect of these requirements.
- 3.6 To consider and approve the internal auditor's annual audit plan and long term strategic audit plan.
- 3.7 To receive, consider and, if appropriate, approve the internal auditor's annual report.
- 3.8 To receive and consider the periodic progress reports on the implementation of internal audit plans and action plans relating thereto. This will include meeting in private with the internal auditor from time to time.
- 3.9 To satisfy the Council that there has been a sufficient and systematic review of the internal control arrangements of the Council, including risk management on an annual basis.
- 3.10 To consider the findings of Parliamentary Committees in so far as they affect the overall performance of Council governance.
- 3.11 To consider any other matters where requested to do so by the Council.

4. Powers and Responsibilities

- 4.1 The Committee is appointed by the Council and ultimately accountable and responsible to the Council.
- 4.2 The Committee may recommend to the Council the co-option of up to two additional members who shall not be Members of the Council.
- 4.3 The Committee has the power to procure external specialist advice, at the expense of the Council, on an ad hoc basis in relation to any matter before it, having regard to budgetary constraints.
- 4.4 The Committee has the power to set up Sub-committees and Working Groups as it deems necessary and having regard to budgetary constraints.
- 4.5 The Minutes of meetings of the Committee will be presented to the next Council meeting for noting.
- 4.6 The Committee will meet no less than four times in each year, and further meetings will be called as required in order to progress completion of the Annual Report and Accounts.

4.7 The Committee will prepare an Annual Report for Council.

4.8 The Terms of Reference will be reviewed at least annually with any proposed changes to be considered by Council.

5. Equal Opportunities

5.1 The Council is committed to the principles of equal opportunities. The Committee will at all times conduct its business in a way that reflects those principles.

CONDUCT COMMITTEE

1. Membership

- 1.1 The Committee shall comprise a minimum of 12 members and maximum of 100 members.
- 1.2 At any meeting of the Committee the quorum shall be 12.
- 1.3 Officers are not members of the Committee but may be in attendance to give assistance, make reports and offer advice through the Chair.

2. Purpose

- 2.1 To act as the Conduct Committee in terms of the Conduct Rules.

3. Terms of Reference

- 3.1 To take an overview of and provide a report to the Council on outcomes and disposals of the Preliminary Proceedings Sub-committees and Conduct Sub-committees.
- 3.2 To consider the training requirements of Members of the Conduct Committee and to report thereon to the Council.

4. Powers and Responsibilities

- 4.1 The Committee is appointed by the Council and is ultimately accountable and responsible to the Council.
- 4.2 Sub-committees may be appointed consisting solely of co-opted Members of this Committee who are not Council Members.
- 4.3 The Committee has the power to set up Working Groups as it deems necessary and having regard to budgetary constraints.
- 4.4 The Minutes of meetings of the Committee will be presented to the next Council meeting.
- 4.5 The Terms of Reference will be reviewed at least annually by the Head of Corporate Governance and Hearings in consultation with the Chair of the Conduct Committee, with any proposed changes to be considered by Council.

5. Equal Opportunities

- 5.1 The Council is committed to the principles of equal opportunities. The Committee will at all times conduct its business in a way that reflects those principles.

EMPLOYMENT APPEALS SUB-COMMITTEE

1. Membership

- 1.1 The Employment Appeals Sub-committee of the Council's Resources Committee shall comprise a minimum of three and a maximum of five Council Members. The Chair of the Employment Appeals Sub-committee will be appointed by the Convener and the Sub-committee will comprise at least one member of the Resources Committee.
- 1.2 At any meeting of the Sub-committee the quorum shall be three Council Members.
- 1.3 The membership may include co-optees, subject to the Co-options Policy as set out in the Council's Standing Orders.
- 1.4 Officers are not members of the Sub-committee but may be in attendance to give assistance, make reports and offer advice through the Chair.

2. Purpose

- 2.1 To provide a mechanism for dealing with employee grievance and disciplinary appeal matters as they arise.

3. Terms of Reference

- 3.1 To hear and determine appeals by employees in terms of the Council's Grievance Procedures and Disciplinary Procedures then in force.

4. Powers and Responsibilities

- 4.1 The Sub-committee is set up by the Resources Committee and is ultimately accountable and responsible for its decisions to that Committee.
- 4.2 The Sub-committee's decisions will be made by majority vote.
- 4.3 The Sub-committee will meet as and when required.
- 4.4 Minutes of meetings of this Committee will be presented to the next Resources Committee for noting.
- 4.5 The Terms of Reference will be reviewed at least annually by the Resources Committee with any proposed changes to be considered by Council.

5. Equal Opportunities

- 5.1 The Council is committed to the principles of equal opportunities. The Sub-committee will at all times conduct its business in a way that reflects those principles.

FITNESS TO PRACTISE COMMITTEE

1. Membership

- 1.1 The Committee shall comprise a minimum of 12 members.
- 1.2 At any meeting of the Committee the quorum shall be 12.
- 1.3 Officers are not members of the Committee but may be in attendance to give assistance, make reports and offer advice through the Chair.

2. Purpose

- 2.1 To act as the Fitness to Practise Committee in terms of the Fitness to Practise Rules.

3. Terms of Reference

- 3.1 To take an overview of and provide a report to the Council on outcomes and disposals of the Fitness to Practise Panels.
- 3.2 To consider the training requirements of Members of the Fitness to Practise Committee and to report thereon to the Council.

4. Powers and Responsibilities

- 4.1 The Committee is appointed by the Council and is ultimately accountable and responsible to the Council.
- 4.2 Panels may be appointed consisting solely of co-opted Members of this Committee who are not Council Members.
- 4.3 The Committee has the power to set up Working Groups as it deems necessary and having regard to budgetary constraints.
- 4.4 The Minutes of meetings of the Committee will be presented to the next Council meeting.
- 4.5 The Terms of Reference will be reviewed at least annually by the Head of Corporate Governance and Hearings in consultation with the Chair of the Fitness to Practise Committee, with any proposed changes to be considered by Council.

5. Equal Opportunities

- 5.1 The Council is committed to the principles of equal opportunities. The Committee will at all times conduct its business in a way that reflects those principles.

POLICY FORUM

1. Membership

- 1.1 The Forum shall comprise of all Members of the Council.
- 1.2 Officers are not members of the Forum but may be in attendance to give assistance, make reports and offer advice.
- 1.3 From time to time the Forum may invite guest speakers to inform the discussion.

2. Chair

- 2.1 The Forum will be chaired by the Convener of the Council.

3. Purpose

- 3.1 To provide an informal discussion platform for Council Members to consider topical or specific issues in more depth to be better able to contribute to the development and formulation of policy and strategy.

4. Powers and Responsibilities

- 4.1 The Forum is a discussion platform and has no executive decision making powers; the Forum is not a committee of the Council.

5. Administration

- 5.1 Meetings will take place as required, usually quarterly.
- 5.2 Meetings will be held in private.
- 5.3 There will be no formal record of the meeting. In the interests of transparency, a summary of the matters discussed will be reported to the next Council meeting after the Forum.

6. Inclusion and Values

- 6.1 The Council is committed to inclusion and its values are:
 - Listening and Engaging
 - Integrity
 - Pride in what we do
 - Accountability
 - Creativity and Learning
- 6.2 Meetings of the Forum will be conducted in accordance with those values.

QUALIFICATION PANEL

1. Membership

- 1.1 The Panel shall comprise Learning and Development Advisers who are involved in assessing qualifications and members of the Learning and Development – Professional Learning team.
- 1.2 Registration and Workforce Intelligence officers are not members of the Panel but may be in attendance to give assistance, make reports and offer advice.
- 1.3 The Senior Solicitor (Learning and Development) is not a member of the Panel but will attend to give advice.
- 1.4 From time to time, the membership of the Panel may include other SSSC officers or other co-optees, provided that is agreed in advance by the Head of Learning and Development and subject to the Co-option Policy.

2. Chair

- 2.1 The Panel will be chaired by the Learning and Development Manager – Qualifications and Standards

3. Purpose

- 3.1 To provide a mechanism to consider applications for registration which are referred to it by officers, to make recommendations on individual qualifications or on qualification principles and criteria and to provide development, review, support and advice on qualifications matters.

4. Powers and Responsibilities

- 4.1 The Panel has no executive decision making powers.
- 4.2 The Panel will make recommendations to the Head of Learning and Development.
- 4.3 The Panel has the power to procure specialist advice and to set up working groups subject to the approval of the Head of Learning and Development.
- 4.4 The Terms of Reference will be reviewed at least bi-annually.

5. Administration

- 5.1 Meetings will take place as required, usually monthly.
- 5.2 Meetings will be held in private.
- 5.3 There will be a formal record of the meeting.

5.4 An annual report on the work of the Panel will be provided to Council.

6. Inclusion and Values

6.1 The Council is committed to inclusion, and its values are

- Listening and Engaging
- Integrity
- Pride in what we do
- Accountability
- Creativity and Learning

6.2 Meetings of the Panel will be conducted in accordance with those values.

REGISTRATION COMMITTEE

1. Membership

- 1.1 The Committee shall comprise a minimum of 12 members and a maximum of 100 members.
- 1.2 At any meeting of the Committee the quorum shall be 12.
- 1.3 Officers are not members of the Committee but may be in attendance to give assistance, make reports and offer advice through the Chair.

2. Purpose

- 2.1 To act as the Registration Committee in terms of the Registration Rules.

3. Terms of Reference

- 3.1 To take an overview of and provide a report to Council on outcomes and disposals of the Registration Sub-committees.
- 3.2 To consider the training requirements of members of the Registration Committee and to report thereon to Council.

4. Powers and Responsibilities

- 4.1 The Committee is appointed by the Council and is ultimately accountable and responsible to the Council.
- 4.2 Sub-committees may be appointed consisting solely of co-opted members of this Committee, who are not Council Members.
- 4.3 The Committee has the power to set up Working Groups as it deems necessary and having regard to budgetary constraints.
- 4.4 The minutes of meetings of the Committee will be presented to the next Council meeting for noting.
- 4.5 The Terms of Reference will be reviewed at least annually by the Head of Corporate Governance and Hearings in consultation with the Chair of the Registration Committee, with any proposed changes to be considered by Council.

5. Equal Opportunities

- 5.1 The Council is committed to the principles of equal opportunities. The Committee will at all times conduct its business in a way that reflects those principles.

REMUNERATION COMMITTEE

1. Membership

- 1.1 The Committee shall comprise of the Convener of the Council, the Chair of the Resources Committee, and the Vice-chair of the Resources Committee.
- 1.2 At any meeting of the Committee the quorum shall be three Council members.
- 1.3 The membership may include co-optees, subject to the Co-options Policy as set out in the Council's Standing Orders.
- 1.4 The Chief Executive and the Head of Human Resources and Business Support may be in attendance to give assistance, make reports and offer advice through the Chair.

2. Purpose

- 2.1 To deal with remuneration of the SSSC excluding the Chief Executive and Council Members.

3. Terms of Reference

- 3.1 The Remuneration Committee will:
 - 3.1.1 Approve the SSSC's pay remit for all employees in accordance with the current public pay policy guidance.
 - 3.1.2 Receive reports on the monitoring of the performance of the Chief Executive, Directors and such other senior employees as may be determined from time to time by the Convener in consultation with the Chief Executive and Director of Corporate Services.
 - 3.1.3 Provide a review form in any situation where a Director disagrees with the outcome of their annual performance development review. Such a review shall follow, as far as practicable, the procedures set down for a hearing of the Employment Appeals Sub-committee.
 - 3.1.4 Oversee arrangements where an employee's contract of employment is to be terminated in exceptional circumstances which do not fall within the terms of reference of the Resources Committee, as advised by the Chief Executive.

4. Powers and Responsibility

- 4.1 The Committee is authorised by the Council to investigate any activity within its Terms of Reference. It is authorised to seek any information it requires from any other Committee of the Council and from any employee, through the appropriate member of the Executive

Management Team. All employees are expected to co-operate with any such request.

- 4.2 The Committee is authorised by the Council to obtain legal or other independent professional advice and to secure attendance of outsiders with relevant experience if it considers this necessary. Any remuneration payable to any person appointed to such Committee who is not a member of the Council shall be in accordance with such allowances as may be specified by the Scottish Ministers.
- 4.3 Meetings shall be held as required and at least once annually.
- 4.4 The Minutes of the meeting, or any relevant reports from the Committee, will be presented to the next meeting of the Council.
- 4.5 The Terms of Reference will be reviewed as necessary with any proposed changes to be considered by Council.

5. Equal Opportunities

- 5.1 The Council is committed to supporting the principles of equality in relation to the remuneration of all staff. The Committee will at all times conduct its business in a way that reflects those principles.

RESOURCES COMMITTEE

1. Membership

- 1.1 The Committee shall comprise a minimum of three and a maximum of five Council Members.
- 1.2 The Convener of the Council may attend but shall not be a Member or hold voting rights.
- 1.3 At any meeting of the Committee the quorum shall be three Council Members.
- 1.4 The membership may include co-optees, subject to the Co-options Policy as set out in the Council's Standing Orders.
- 1.5 Officers are not members of the Committee but may be in attendance to give assistance, make reports and offer advice through the Chair.

2. Purpose

- 2.1 To develop and scrutinise strategy, budgets and plans ensuring efficient, effective and economical use of the Councils resources, and to report and make recommendation to Council on its findings.
- 2.2 To consider the organisational structure and human resources policies, processes and procedures to facilitate the discharge of business by the Council and to agree modifications as appropriate.

3. Terms of Reference

- 3.1 To recommend, to the Council, the draft Annual Budget for submission to the Scottish Government.
- 3.2 To monitor financial performance against budget, take appropriate action and report to Council as necessary.
- 3.3 In exercising its budgetary responsibilities, the Committee will take account of any representations made by other Committees.
- 3.4 To act on behalf of the Council by overseeing the following areas of activity:
 - 3.4.1 financial management
 - 3.4.2 information systems and technology
 - 3.4.3 human resource management and employee development
 - 3.4.4 premises and equipment
 - 3.4.5 procurement and contracting arrangements
 - 3.4.6 business continuity planning and disaster recovery management
 - 3.4.7 carbon accounting and environmental issues

- 3.5 To oversee an Appeals Sub-committee to act as the appeals body for Directors/Heads of Service and other staff of the Council who have a grievance concerning their Terms and Conditions of Employment, or wish to appeal against a punitive disciplinary sanction issued under the Council's Disciplinary Procedure. Annually review the Terms of Reference of the Appeals Sub-committee.
- 3.6 To set up a Special Appeals Committee from amongst its Committee Members to act as an appeal body for members of the Fitness to Practise, Registration or Conduct Committees (other than Council Members) who wish to appeal against a punitive disciplinary sanction issued by the Chief Executive.
- 3.7 To scrutinise and develop Human Resources Management and Employee Development strategy and make recommendations to the Council on development of Human Resources policies and procedures.
- 3.8 To consider cases for early retirement, or termination on the grounds of efficiency of the service or redundancy for all employees of the Council in accordance with the law and relevant Council policies.
- 3.9 To consider requests for officers to travel outside the UK in order to participate in conferences or other events appropriate to the work of the SSSC.

4. Powers and Responsibilities

- 4.1 The Committee is appointed by the Council and ultimately accountable and responsible to the Council.
- 4.2 It has the power to recommend to the Council the co-option of up to two additional members who shall not be members of the Council.
- 4.3 The Committee has the power to set up Sub-committees and Working Groups as it deems necessary and having regard to budgetary constraints.
- 4.4 The Minutes of meetings of the Committee will be presented to the next Council meeting for noting.
- 4.5 The Committee will have responsibility for implementation of the Risk Management Strategy and implementation of the objectives for the Strategic Plan in matters within its remit.
- 4.6 The Committee has responsibility for promotion of equal opportunities in employment.
- 4.7 The Committee has responsibility for the quality assurance of the particular operations for which it is responsible.

Deleted: <#>To consider and approve all offers of grants made to the SSSC before they are awarded.¶

- 4.8 The Committee will be responsible for research and development relating to operations for which it is responsible, subject to any annual financial limit for research and development stipulated by the Council.
- 4.9 The Committee will be responsible for ensuring proper arrangements are in place for procurement of goods, services and contracts.
- 4.10 Contracts of a revenue or capital nature that are to exceed a total contract value of £250k or incur a cost exceeding £50k in any one year must be approved by the Resources Committee prior to the advertising of the contract. The Resources Committee will set a maximum limit within which the procurement approver can award a contract. If the results of the tender exercise exceed the approved maximum limit then the procurement approver must seek further approval from the Resources Committee prior to awarding the contract. In case of urgency, the Convener of the Council and the Chair of the Resources Committee can provide the above approvals. This exception must be reported to the next meeting of the Resources Committee.

- 4.11 The Terms of Reference will be reviewed as necessary.

5. Equal Opportunities

- 5.1 The Council is committed to the principles of equal opportunities. The Committee will at all times conduct its business in a way that reflects those principles.

Deleted: <#>Award of Grants and Loans - The SSSC may award grants to third parties up to a maximum value of £10k per annum if the grant is associated with the training of Social Service Workers. Sponsor Department approval is required in all other cases.¶

Deleted: <#>In addition Resources Committee must approve the award of all grants that exceed an annual value in excess of £20k. In cases of urgency a grant in excess of £20k annual value may be approved by the Chair of Resources Committee and the Chief Executive. Any exercise of the urgent approval process must be reported to the next meeting of the Resources Committee.¶

SPECIAL APPEALS COMMITTEE

1. Membership

- 1.1 The Special Appeals Committee shall comprise three Council Members drawn from the membership of the Council's Resources Committee.
- 1.2 At any meeting of the Committee the quorum shall be three Council Members.
- 1.3 The membership may include co-optees, subject to the Co-options Policy as set out in the Council's Standing Orders.
- 1.4 Officers are not members of the Committee but may be in attendance to give assistance, make reports and offer advice through the Chair.

2. Purpose

- 2.1 To provide a mechanism for dealing with concerns in relation to Fitness to Practise Panel, Registration, Conduct and/or Preliminary Proceedings Sub-committee Members as they may arise.

3. Terms of Reference

- 3.1 To hear and determine appeals by Sub-committee members requiring to be determined by a Committee of the Council in terms of the Procedure for Dealing with Concerns about Fitness to Practise, Registration Committee and Conduct Committee Members.

4. Powers and Responsibilities

- 4.1 The Committee is set up by the Resources Committee and is ultimately accountable and responsible for its decisions to that Committee.
- 4.2 The Committee's decisions will be made by majority vote.
- 4.3 The Committee will meet as and when required.
- 4.4 Minutes of meeting will be submitted to the next Resources Committee for noting.
- 4.5 The Terms of Reference will be reviewed at least annually by the Head of Corporate Governance and Hearings with any proposed changes to be considered by Council.

5. Equal Opportunities

- 5.1 The Council is committed to the principles of equal opportunities. The Committee will at all times conduct its business in a way that reflects those principles.

TRAINING APPEALS PANEL

1. Membership

- 1.1 The Training Appeals Panel (the Panel) shall consist of three persons, two of whom must be Council Members and one co-opted Member.
- 1.2 At any meeting of the Panel the quorum shall be three persons.
- 1.3 There shall be a Chair, who is a Member of the Council.
- 1.4 Officers are not members of the Panel but may be in attendance to give assistance, make reports and offer advice through the Chair.

2. Purpose

- 2.1 To provide an appeals mechanism in terms of the Scottish Social Services Council Rules for Social Work Training 2003, as amended or substituted from time to time and the Scottish Social Services Council Rules and Requirements for Specialist Training for Social Service Workers in Scotland 2005, as amended or substituted from time to time and the Rules and Requirements for Awards Developed from the Standard for Childhood Practice 2008 as amended or substituted from time to time.

3. Terms of Reference

- 3.1 The Terms of Reference of the Panel are as laid out in:

the Scottish Social Services Council Rules for Social Work Training 2003, as amended or substituted from time to time and the Scottish Social Services Council Rules and Requirements for Specialist Training for Social Service Workers in Scotland 2005, as amended or substituted from time to time and the Rules and Requirements for Awards Developed from the Standard for Childhood Practice 2008 as amended or substituted from time to time.

4. Powers and Responsibilities

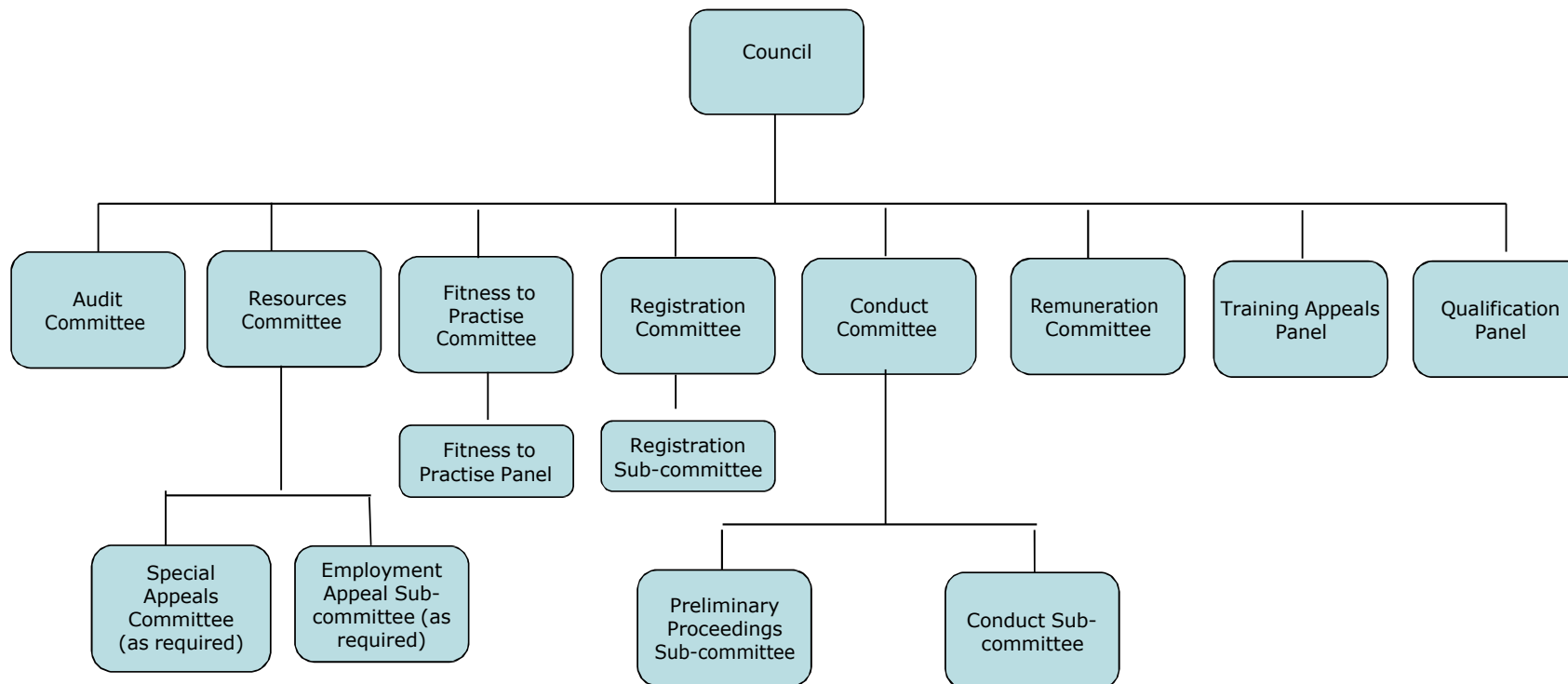
- 4.1 The powers and responsibilities of the Panel are those of the Appeals Panel as provided in the Scottish Social Services Council Rules for Social Work Training 2003 and the Scottish Social Services Council Rules and Requirements for Specialist Training for Social Service Workers in Scotland 2005 and the Rules and Requirements for Awards Developed from the Standard for Childhood Practice 2008, all as amended or substituted from time to time.
- 4.2 To consider any appeal and, by majority vote, make a decision in terms of the 2003, 2005 and 2008 Rules referred to at 4.1 above.
- 4.3 The Panel is appointed by the Council and ultimately accountable and responsible to the Council.

- 4.4 The Minutes of each meeting, recording the decisions taken will be submitted to the next Council meeting for noting.
- 4.5 The Panel will meet as and when required.
- 4.6 Terms of Reference will be reviewed and amended as appropriate at such time as the 2003, 2005 and 2008 Rules referred to at 4.1 above are amended, substituted or revoked with any proposed changes to be considered by Council.

5. Equal Opportunities

- 5.1 The Council is committed to the principles of equal opportunities. The Panel will at all times conduct its business in a way that reflects those principles.

Annex 1
Scottish Social Services Council
Committee Structure



Annex 2

Delegated Authority to Commit and Approve Business Expenditure

Deleted: Purchasing and Procurement

| Designation | Approval Area | Budget Authority Limit | Contract Approval Authority Limit | Approval of Non-Competitive Action | Approval of Consultancy Contracts |
|-------------|---------------|------------------------|-----------------------------------|------------------------------------|-----------------------------------|
|-------------|---------------|------------------------|-----------------------------------|------------------------------------|-----------------------------------|

| | | | | | |
|--|------|---------|-------|---------|----------|
| Budget Managers (EMT): | | | | | |
| Chief Executive | SSSC | £2.5m | £2.5m | £10,000 | £100,000 |
| Director of Corporate Services | SSSC | £2.5m | £2.5m | £10,000 | £10,000 |
| Director of Sector Development | SSSC | £50,000 | £0.6m | £0 | £0 |
| Director of Fitness to Practise | SSSC | £50,000 | £0.6m | £0 | £0 |
| Director of Strategic Performance and Engagement | SSSC | £50,000 | £0.6m | £0 | £0 |

| | | | | | |
|-------------------------------|---|---------|----------|----|----|
| Budget Holders: | | | | | |
| Budget Holders: | Specified cost centre for their area by Budget Managers or Director of Corporate Services | £15,000 | £100,000 | £0 | £0 |
| | | | | | |
| Expenditure Approvers: | Specified as per Budget Manager or Director of Corporate Services | £3,000 | £0 | £0 | £0 |

| | | | | | |
|--------------------------|------|--------|--------|----|----|
| GPC card holders: | SSSC | £1,000 | £1,000 | £0 | £0 |
|--------------------------|------|--------|--------|----|----|

Annex 2

Scheme of Delegation Financial Matters.

| | |
|---|--|
| Authorised signatories for banking arrangements and cheques | Chief Executive Director of Corporate Services Head of Shared Services Head of Finance Accountant Senior Accountant (CI) Accountant (CI) |
| Authority to approve gifts not exceeding £200 (no change) | Director of Corporate Services |
| Authority to write off losses: Cash £3,000, Equipment and property £3,000 | Director of Corporate Services |
| Authority to authorise compensation payments under legal obligations: £10,000 | Director of Corporate Services |
| Authority to make ex-gratia payments £200 | Director of Corporate Services Director of Strategic Performance and Engagement |
| Authority to write off debt up to £10,000 | Director of Corporate Services |
| Waive SSSC fees | Director of Corporate Services |

Deleted: Chief Executive

Deleted: 2,500

Deleted: 2,500

Deleted: Chief Executive

Or in Officer's absence, his/her Line Manager unless otherwise stipulated.

Annex 2

Scheme of Delegation Relating to Powers Delegated to the Head of HR and Business Support.

| | |
|---|---|
| Appointments within the staffing level agreed with the Department up to but excluding Chief Executive | Head of HR and Business Support |
| Ensure recruitment and selection process complies with Equalities legislation | Head of HR and Business Support |
| Ensure disciplinary and grievance proceedings comply with the Scottish Social Services Council's procedures | Head of HR and Business Support |
| Ensure the Scottish Social Services Council complies with relevant Health and Safety legislation and adopts a pro-active approach to employee welfare | Head of HR and Business Support |
| Recommend and following agreement by the Committee, implement and monitor a performance development review scheme which establishes a framework for salary assimilation that promotes consistency | Head of HR and Business Support |
| Approval of paid or unpaid leave for special circumstances | Head of HR and Business Support |
| Discretion to recover maternity pay | Head of HR and Business Support |
| Extending sickness allowance | Head of HR and Business Support |
| Approval of overtime | Head of HR and Business Support |
| Approval of applications for secondary employment | Head of HR and Business Support in consultation with the appropriate senior manager |
| Approval of relocation expenses within the limits set out in the Relocation Policy | Head of HR and Business Support |
| Salary placement for newly appointed staff | Head of HR and Business Support |
| Establishment and filling of temporary posts | Head of HR and Business Support |

| | |
|--|---|
| Authorisation of capability terminations | Head of HR and Business Support in consultation with the appropriate senior manager |
| Authority to review and make recommendations of salary | Head of HR and Business Support |

Or in Officer's absence, his/her Line Manager unless otherwise stipulated.

Annex 2 - Scheme of Delegation Relating to Powers regarding Registration and Fitness to Practise contained within the Regulation of Care (Scotland) Act 2001.

Registration Decisions

| | |
|---|------------------------|
| Decision to refuse registration where the applicant does not hold an entitling qualification \$ | Head of Registration |
| Decision to remove entries from the Register where: The Registrant has not met a qualification condition \$ The registrant has failed to complete their PRTL \$ | Registration Manager |
| Decision to alter entries in the Register where a Registrant has not met a qualification condition \$ | Registration Manager |
| Decision to grant applications (including with qualification conditions) for registration where no declarations have been made, or where declarations have been made which fall within the Minor Declarations Framework | Registration Assistant |
| Decision to withdraw an application where: The applicant is not eligible for registration The applicant has failed to provide all required information to complete the registration process The applicant has failed to pay a fee | Registration Assistant |
| Decision to remove a person from the Register where: A social service worker is no longer undertaking the function required for that part of the Register A student is no longer participating in an approved course or where the course has ended A registrant has failed to pay their fee or make an application for renewal of registration | Registration Assistant |

Registration Activity

| | |
|---|--|
| Signature of Notices to grant, vary, remove or refuse Registration other than those Notices relating to Panel or Sub-committee hearings | Director of Sector Development Head of Registration |
| Adding, altering or removing entries from the Register in accordance with a decision made in terms of the Scheme of Delegation (marked with \$) | Registration Assistant |
| Updating the Register when a registrant or applicant advises of a change of circumstances where no declarations or no Minor Declarations have been made | Registration Assistant |

Registration Approval

| | |
|---|----------------------|
| Approval of all documentation to be issued in support of the Registration processes | Registration Manager |
|---|----------------------|

Fitness to Practise Decisions

| | |
|--|--|
| Decision to refer a case to a Panel or Sub-committee | Senior Fitness to Practise Investigator Senior Intake and Engagement Officer Senior Solicitor |
| Decisions under the Fitness to Practise Rules, the Conduct Rules and the Registration Rules to take no further action and remove from the Register Registrants who are being investigated by the Fitness to Practise Directorate no longer eligible in accordance with the Thresholds Policy in cases designated as H cases \$ | Senior Fitness to Practise Investigator Senior Intake and Engagement Officer Senior Solicitor |
| Decisions to impose a warning or impose or vary conditions, or impose a warning, all with consent or issue a Reminder of the Code \$ | Senior Fitness to Practise Investigator Senior Intake and Engagement Officer Senior Solicitor |
| Decision to impose, extend or vary an Interim Order or Temporary Order with consent \$ | Senior Fitness to Practise Investigator Senior Intake and Engagement Officer Senior Solicitor Solicitor |

| | |
|---|---|
| Decision to revoke a Temporary Order \$ | Senior Fitness to Practise Investigator Senior Intake and Engagement Officer Senior Solicitor Solicitor |
| Decision to impose a Suspension Order, a Suspension Order with Conditions or a Removal Order, all with consent \$ | Senior Fitness to Practise Investigator Senior Intake and Engagement Officer Senior Solicitor |
| Decision to impose a Removal Order under the Protection of Vulnerable Groups legislation \$ | Senior Fitness to Practise Investigator Senior Intake and Engagement Officer Senior Solicitor |
| Decision in cases falling under the Risk Assessment Framework to grant registration with conditions where the Registrant accepts the conditions proposed \$ | Senior Fitness to Practise Investigator Senior Intake and Engagement Officer Senior Solicitor |
| Deciding that a condition imposed by Officers, or by a Fitness to Practise Panel, Conduct or Registration Sub-committee on a Registrant's registration has been satisfactorily met or altering a condition on a Registrant's registration\$ | Senior Fitness to Practise Investigator Senior Intake and Engagement Officer Senior Solicitor |
| Decision in cases falling under the Risk Assessment Framework to grant registration \$ | Fitness to Practise Investigator Intake and Engagement Officer Solicitor |
| Decision to remove Registrant's registration from the Register at request of that Registrant where, following investigation, the Officer is satisfied that there is no reason in terms of the Rules that the request should not be granted \$ | Fitness to Practise Investigator Intake and Engagement Officer Solicitor |

Fitness to Practise Activity

| | |
|--|--|
| Approval of all documentation to be issued in support of the Fitness to Practise processes | Director of Fitness to Practise Head of Fitness to Practise Fitness to Practise Manager Senior Fitness to Practise Investigator Senior Intake and Engagement Officer Senior Solicitor |
| Specification of additional training sufficient for an application to be registered in terms of section 46 | Head of Fitness to Practise |
| Risk assessments in cases designated as H cases (H cases are cases requiring Senior scrutiny) | Senior Fitness to Practise Investigator Senior Intake and Engagement Officer Senior Solicitor |
| Risk Assessments | Fitness to Practise Investigator Intake and Engagement Officer Solicitor |

Signature of Notices

| | |
|--|---|
| Signature of Notices transferring a case to a Sub-committee in terms of Conduct Rules 2013** or Registration Rules 2014** | Chief Executive Director of Fitness to Practise Director of Sector Development Head of Fitness to Practise |
| Signature of Notices imposing an order with consent. | Chief Executive Director of Fitness to Practise Director of Sector Development Head of Fitness to Practise Fitness to Practise Manager |
| Signature of Notices and other documents relating to Panel or Sub-committee hearings | Chief Executive Director of Sector Development Director of Strategic Performance and Engagement Director of Fitness to Practise Head of Fitness to Practise |
| Signature of Notices effecting automatic removal from the Register following listing on either the adults' list or children's list in terms of the Protection of Vulnerable Groups (Scotland) Act 2007 | Chief Executive Director of Sector Development Director of Strategic Performance and Engagement Director of Fitness to Practise |

Court actions

| | |
|--|------------------|
| Initiate or lodge responses to Court actions and agreeing settlement of court actions subject to authorisation | Senior Solicitor |
|--|------------------|

Corporate Governance and Hearings Activity

| | |
|---|---|
| Select Convener and Members from the pool of Members forming the Fitness to Practise, Conduct and Registration Committees to Panel and Sub-committees | Hearings Officer |
| Signature on offers of appointment made to members of the Fitness to Practise, Conduct and Registration Committees following approval of the appointment by Council | Head of Corporate Governance and Hearings |

Or in Officer's absence, his/her Line Manager or that person's Line Manager or Director unless otherwise stipulated.

Annex 2

Scheme of Delegation – General

| | |
|---|--|
| Execution of all other documents on behalf of the Council subject to express authorisation by the Council | Chief Executive |
| Initiating or lodging responses to Court actions | Head of Corporate Governance and Hearings Senior Solicitor Income Control Officer (CI) |
| Responsibility for co-ordinating response to Consultation Documents in accordance with Council policy | Chief Executive Director of Strategic Performance and Engagement |

Or in Officer's absence, his/her Line Manager or that person's Line Manager or Director unless otherwise stipulated.

Annex 2

Scheme of Delegation Relating to the legal responsibility to produce data on the sector's workforce; a function of the Scottish Ministers under s58 of the Regulation of Care (Scotland) Act 2001, delegated to the Council under s58(4)(a).

| | |
|---|--|
| Production of the Workforce Data Report; an Official Statistics Publication for Scotland,* in relation to which the Council must ensure compliance with the Pre-release Access to Official Statistics (Scotland) Order 2008 | Director of Sector Development Head of Registration Workforce Intelligence Manager |
| Production of the Mental Health Officers (Scotland) Report; designated by the UK Statistics Authority as National Statistics,** in relation to which the Council must ensure compliance with the Statistics and Registration Service Act 2007 and The Pre-release Access to Official Statistics (Scotland) Order 2008 | Director of Sector Development Head of Registration Workforce Intelligence Manager |

* Such statistics are specified as official statistics for the purposes of section 6(1)(b) of the Statistics and Registration Service Act 2007.

** Any official statistics may be designated as "National Statistics" in accordance with section 12(2) of the Statistics and Registration Service Act 2007.

Annex 2

Scheme of Delegation Relating to Powers Delegated to the Chief Executive, Director of Sector Development, Head of Learning and Development, Learning and Development Managers and Learning and Development Advisers.

| | |
|--|---|
| Monitoring grants paid by the Council for the issue of certificates by organisations | Director of Sector Development Head of Learning and Development |
| Investigate complaints made by or against individual organisations in education and training matters, in accordance with the Council's published procedures | Director of Sector Development Head of Learning and Development Learning and Development Manager Learning and Development Adviser |
| Approving payment of External Assessors, within Annual Budget | Head of Learning and Development Learning and Development Manager Learning and Development Adviser |
| Approve and quality assure the degree programmes in Social Work, Childhood Practice, Mental Health Officer Awards and Practice Teaching Qualifications | Chief Executive Director of Sector Development Head of Learning and Development Learning and Development Manager Learning and Development Adviser |
| Contributing to and approving UK work that the Council is involved in relation to areas governed by the terms of reference for Skills for Care and Development. To take forward similar Government workforce development schemes and strategies. | Chief Executive Director of Sector Development Head of Learning and Development |
| Decision not to accept qualification as meeting the criteria for registration \$ | Learning and Development Adviser |
| Decision to accept qualification as meeting the criteria for registration \$ | Learning and Development Adviser |
| Approval of recommendations made by the Qualification Panel | Head of Learning and Development |

Or in Officer's absence, his/her Line Manager unless otherwise stipulated.

Annex 2

Scheme of Delegation Relating to Powers regarding Education and Training.

| | |
|---|---|
| Decisions in terms of the Rules for Social Work Training 2003, as amended or substituted from time to time, including approval of courses, reviewing and renewing approval, investigations and withdrawal of approvals and decisions in terms of the SSSC Rules and Requirements as amended or substituted from time to time, except those matters which are the responsibility of the Appeals Panel | Director of Sector Development |
| Appointment of Co-opted Members to the Training Appeals Panel to deal with appeals in terms of the SSSC Rules for Social Work Training 2003, as amended or substituted from time to time and the SSSC Rules and Requirements for Specialist Training for Social Service Workers in Scotland 2005, as amended or substituted from time to time | Corporate Governance and Hearings Team Leader |
| Decisions in terms of the Rules and Requirements for Specialist Training for Social Service Workers in Scotland 2005, as amended or substituted from time to time, including approval of courses, reviewing and renewing approval, investigations and withdrawal of approvals and decisions in terms of the SSSC Rules and Requirements as amended or substituted from time to time, except those matters which are the responsibility of the Appeals Panel | Director of Sector Development |

Or in Officer's absence, his/her Line Manager unless otherwise stipulated.



Scottish Social
Services Council

Resources Committee
28 February 2018
Agenda item: 07
Report no: 09/2018
Appendix E

Scottish Social Services Council

REVISED DRAFT

Third Party Funding Guidance

January 2018

Third Party Funding Guidance

1.0 Introduction

The SSSC may, within the powers available to it under the Regulation of Care (Scotland) Act 2001 ('the 2001 Act'), make certain disbursements to other organisations to provide the third party organisation with funding in order to perform activities either on behalf of the SSSC or activities that are linked with the objectives of the SSSC. This protocol is concerned with the award of funding under the 2001 Act.

The principles of openness, integrity and accountability that are applied to spending decisions made by the SSSC are applied to funds or other resources which the SSSC transfers to third party organisations such as universities, companies, voluntary bodies and trusts. This guidance is intended to ensure proper accountability and that the principles of regularity and probity are not circumvented.

All third party funding that is not covered by commercial contractual relationships must have a funding agreement. The value or scale of the funds/resource transferred to the third party and whether or not funding is "one-off" or recurring will have a bearing on the extent of the requirements and monitoring arrangements contained within the funding agreement.

Please note when considering the transfer of resources to third party organisations the main consideration is likely to be monetary but non-cash support needs to be considered as part of our overall approach. Non-cash support would include things such as free or low-cost use of SSSC property, equipment or facilities.

This guidance provides an overview on risk, obtaining approval and what needs to be included in funding agreements. This overview is supplemented by detailed guidance notes. These guidance notes are currently being developed by the Workforce Development and Planning team.

2.0 Consideration of Risk

Although overall expenditure directed towards third party organisations outwith straightforward contractual relationships is likely to be a small proportion of the SSSC's total expenditure, it inherently presents more risk than expenditure directly controlled by our own internal policies and procedures.

Prior to making any commitment to fund a third party organisation the risk must be assessed. The risk assessment will inform the funding agreement and in particular the scrutiny required of finance and performance.

The risk assessment should consider:

- Whether the SSSC has the legal powers necessary to provide the funding in the particular circumstances
- The value of funding to be provided
- The size of the third party organisation
- The proportion of SSSC funding to the organisation's total funding
- The legal constitution of the third party organisation
- The management arrangements of the third party organisation
- If the proposal is likely to be considered novel, contentious or repercussive as per the Executive Framework,

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A formal risk assessment documenting all of the above is needed for all grants or loans with an annual value in excess of £20k per annum. Formal risk assessments of higher value and higher risk proposals are likely to require the following documents to be obtained where relevant or appropriate:

- Constitution
- Deeds of Trust
- Last audited accounts
- Memorandum and Articles of Association
- Signed undertakings from members of management committees.

The above to be used to confirm the legal framework, undertake an assessment of the third party organisation's management arrangements and financial position.

Legal advice should be sought on the documentation referred to above from the SSSC solicitor ('relevant solicitor') responsible for advising the department which is considering the award of the funding.

3.0 Approval

The EMT must approve all grant proposals. The EMT has the final decision as to whether or not a grant proposal is to be submitted to the Sponsor department for approval.

To obtain EMT approval they must be presented with the following information: risk assessment, purpose/reason for award, award value, duration and proposed monitoring arrangements. The proposed funding agreement must be included as an appendix to the report. Use Appendix A "Third Party funding Approval Pro-forma".

Deleted: Where a new funding arrangement is entered into, a report may be required to be submitted to the relevant Committee for approval. Sponsor Department approval is also likely to be required. ¶

¶ The relevant solicitor should be consulted for legal advice on the terms of the funding agreement and the formalities required for signature of the document.

3.1 Sponsor Department Approval

The SSSC's Executive Framework (section 50) states:

Unless covered by a specific delegated authority the Council shall not,

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without the Scottish Government's prior agreement, provide grant funding to a third party.

To obtain this approval, details of the proposal (value and proposed funding agreement) must be sent to the Sponsor Department for their consideration.

3.2

4.0 Funding Agreement

The following sections (4.1 to 4.8) provide details of the headings and an indication of the content that may be included under each heading. **The content and detail under each heading should be proportionate to the assessed risk of the funding proposal.**

4.1 Purpose of Funding

A general statement is required here that addresses the following:

It is important the SSSC is clear about the reason for transferring funds to an external organisation and the objectives the funding is facilitating. The objectives of the funding must be clearly and specifically linked to the SSSC's corporate objectives.

The statement should summarize the aims and goals of the external organisation and how these fit with the purpose of the funding.

Funding will only be provided where the relevant solicitor has advised that the funding is within the SSSC's legal powers.

4.2 Targets and Timescales

This section should set out specific targets and be clear about when the external organisation must achieve these targets. There must be a clear and unambiguous mechanism stated for deciding whether or not a target has been achieved (see section 4.7).

4.3 Value and Duration of Funding

- Total value of funds to be transferred.
- Analysis of value of funds to be transferred per financial year (1 April to 31 March)
- Commencement date of funding arrangement
- Funding arrangement review date.

Deleted: A6.4.1 Unless covered by a delegated authority, all proposals to make a grant or loan* to a third party, whether one-off or under a scheme, shall be subject to prior approval by the Department, together with the terms and conditions under which such grant or loan is made. ¶

¶ The SSSC has delegated authority to award grants or loans* up to the value of £10,000 per annum if the loan or grant is associated with training of social service workers. There is no delegated authority to award grants or loans* for purposes other than training of social service workers. ¶

¶ Therefore Sponsor Department approval must be given prior to any commitment to award a grant or loan* for: ¶

¶ <#>training of social service workers in excess of £10,000 per annum, or ¶

¶ <#>a loan* or grant of any value for purposes other than social service worker training ¶

¶

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¶ The Finance and Resources Committee must approve all grants and loans to third party organisations that have an annual value in excess of £20k per annum. It may be appropriate to request Committee approval for lower value grants or loans if the risk assessment suggests this is warranted. ¶

¶ To obtain Committee approval a report is required summarizing the purpose/reason for the award, the value, duration and monitoring arrangements. The proposed funding agreement must be ...

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Deleted: EMT Approval ¶

¶ The EMT must consider all loan* or grant proposals. The EMT has the final decision as to whether or not a loan* or grant proposal is to be submitted to the Sponsor Department or Finance and Resources Committee. ¶

¶ The EMT must approve loan* and grant funding proposals that are not to be submitted to the Spon...

Deleted: *The specific advice of the relevant solicitor must be sought on any proposal that the SSSC make a loan. ¶

Please note funding arrangements should not be entered into where a commitment to supply funding extends beyond the current Comprehensive Spending Review (CSR) period. However, a funding review date can be provided and it is at this point that a decision may be made to extend into the subsequent CSR period.

4.4 Specific Conditions

This section should detail any specific conditions that are to be attached to the funding. These could include:

- Restrictions on the use of funding (e.g. whether capital assets may be purchased)
- Policy regarding equality
- Policy regarding the environment and sustainability
- Reporting suspicions of fraud or irregularity
- Recruitment and selection policy and procedures
- Policies regarding conditions of employment
- Expectations on procurement procedures
- Expectations on insurance arrangements
- Procedures for the SSSC to obtain information in respect of complaints made to the external organisation

4.5 Financial Regime

This section should include the following:

- The nature of the financial relationship e.g. grant
- Criteria for making and receiving payments. It is SSSC policy that payments should be made upon satisfactory completion of agreed targets or milestones. At the commencement of the agreement the payment schedule showing the value of payments due on the completion of specific targets should be agreed.
- If any element of payment in advance of completion of targets or milestones is proposed (e.g. start up funding) then the nature and value of this payment needs to be set out clearly here in the funding agreement. This also needs to be highlighted in the summary report seeking approval from EMT and Sponsor as appropriate.
- Details of any transfer of assets and destination of such assets. Requirements with respect to assets purchased by the external organisation which SSSC has fully or partially funded. Assets will be considered property, plant or equipment with a purchase value in excess of £5k (excluding VAT). The need for the external organisation to maintain an asset register.
- Arrangements for obtaining SSSC consent to dispose of grant financed assets and the subsequent utilisation and distribution of the proceeds from the disposal of assets.
- Arrangements for repayment of grant if assets created by grants made by the SSSC cease to be used for the intended purpose or if

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the grant conditions are breached.

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- Accounting and reporting procedures to be adopted.
- Identification of any non cash support.
- The SSSC's entitlement to any financial return.
- Arrangements for carrying forward funds from one financial year to the next.

4.6 Accounting, Reporting and Audit Requirements

This section should set out the following:

- Minimum standard of management arrangements and accounts required by the SSSC.
- Responsibility and accountability of the Management Committee of the body.
- Access to records and accounts of the body by SSSC representatives.
- Access to records and accounts of the body by the SSSC's internal and external auditors.
- Access to records and accounts of the body by members of the Sponsor Department or any other nominated representatives of Scottish Ministers.
- Arrangements for SSSC representatives, internal and external auditors accessing the External Auditor of the body.

4.7 Financial and Performance Monitoring Requirements

This section should include the following:

- Proposed methods for the measurement of the external organisation's performance. This will include detail on the specific criteria used to determine if payment targets or milestones have been achieved.
- Frequency of monitoring reports on financial and operational performance such as progress towards achieving targets, actual spend vs budget.
- The need for annual report and accounts from the external organisation.
- Whether there is a need for grant expenditure to be independently certified by accountants/auditors.
- Methodology for the reporting of future plans of the external organisation.
- Notification requirements of events or criteria which may trigger a review or reappraisal of the funding agreement. For example, a change of lead personnel in the external organisation.
- Procedures to alert the SSSC should any significant problem arise between formal monitoring stages.
- Action that can/will be taken when shortfalls in performance are identified.
- Post project appraisal to evaluate the success of the funded work.
- Details of reporting requirements to EMT and SSSC Committees.

Note:

An SSSC officer must have been given delegated responsibility to act as the funding agreement monitoring officer. This officer must be briefed on the expectations of this role and the specific monitoring requirements attached to the funding agreement they have responsibility for.

4.8 Arrangements for Dispute Resolution and Termination of Funding Agreement

The funding agreement must contain provision for dispute resolution and a clear exit strategy for the SSSC. This includes setting out circumstances that would trigger a review of the agreement and specific events that could lead to the termination of the agreement and protection of the SSSC's financial interest. The position with respect to recurring liabilities should be clear.

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5.0 Register of Grants and Loans

Finance will maintain a register of all grant or loan agreements with external organisations. It is therefore essential that Finance is supplied with a copy of the funding agreement as soon as it is agreed.

A copy of the register is attached as Appendix A.

6.0 Supplementary Guidance

Detailed guidance is being developed by the Workforce Planning and Development team.

References:

Scottish Public Finance Manual – Framework for the Financial Control of Third Party Grants

SSSC Executive Framework

Accounts Commission for Scotland – Code of Guidance on Funding External Bodies and Following the Public Pound

Audit Scotland - Following the Public Pound – Controller of Audit's Report and Accounts Commission's Findings (March 2004)

Audit Scotland – Following the Public Pound – A Follow up Report (December 2005)

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Scottish Social
Services Council

Third Party Funding Approval ProForma

This form should be completed to obtain approval for all third party funding proposals.

| | |
|--|-----------------------------------|
| Grant or Funding title: | |
| Name of organisation or individual to receive funds: | |
| Funding award value | £ |
| Funding period(s) (include details of any intention for funding to cover more than one financial year) | |
| Source of funding | |
| Purpose of funding | |
| Links to SSSC Strategic Objectives | |
| Required Outcomes | |
| Proposed monitoring arrangements | |
| SSSC Funding Agreement Monitoring Officer | Name: Job Title: |

| | |
|--|-----------------------------------|
| Risk Assessment | |
| Does the SSSC have the legal powers necessary to provide this funding (SSSC Solicitor to confirm) | |
| For proposals under £20k please confirm that a basic risk assessment been carried out in accordance with the third party funding guidance (section 2) Give details of any risks arising from the risk assessment: | Name: Job Title: |
| OR: For proposals above £20k please confirm that a formal risk assessment been carried out and is documented in accordance with the third party funding guidance (section 2) Give details of any risks arising from the risk assessment: | Name: Job Title: |

Please attach the draft funding agreement as an appendix to this approval proforma.

The funding agreement should detail the following:

- Purpose of funding
- Targets and timescales
- Values and duration of funding
- Specific conditions
- Financial regime
- Accounting, reporting and audit requirements
- Financial and performance monitoring requirements
- Arrangements for dispute resolution and termination of funding agreement

The SSSC Solicitor will advise and support development of the funding agreement in accordance with the SSSC's third party funding guidelines.

EMT Approval

Pass this form along with the draft funding agreement for approval by EMT.

EMT approval date (meeting date or email approval date)

Sponsor Approval

Once EMT approval has been secured please pass this document and the draft grant agreement to the Finance Accounting Team who will request Sponsor approval in accordance with section 50 of the Executive Framework.

Final Steps:

Once EMT and Sponsor approval are secured the grant agreement can be signed by both parties.

Please pass a copy of the signed grant agreement to the finance accounting team who will arrange for payment of the grant.

Finance Accounting Team actions:

Retain copies of EMT and Sponsor approval

Retain grant agreement

Record grant on grants register

Report grant payment to Committee

Set up supplier

Arrange payment



**Scottish Social
Services Council**

Scottish Social Services Council

DRAFT Sponsorship Policy

1. Introduction

- 1.1 The SSSC is occasionally asked to consider requests for sponsorship from voluntary bodies or other public sector bodies. Sponsorship of other bodies may help the SSSC in achieving its strategic objectives and in some cases those of our partner organisations.

2. Policy Aims

- 2.1 The aims of the Sponsorship Policy are:

- to provide clear criteria by which officers can make an objective assessment of whether or not to agree sponsorship requests
- to ensure all SSSC expenditure is in line with legislation, the Scottish Public Finance Manual (SPFM) and the Executive Framework
- to ensure sponsorship expenditure represents value for money
- to ensure that use of SSSC resources is properly authorized and controlled.

3. Definition and types of sponsorship

Sponsorship is defined as “a business relationship of mutual benefit involving the transference of funds, resources or services from the sponsor to the sponsored party in return for an association and a set of rights which are to the mutual satisfaction of both parties”.

There are three basic types of sponsorship:

Financial support - where a cash contribution is made in return for some kind of association with the event or an activity.

Provision of goods or services in kind - where goods or services are provided either without charge or at a significantly discounted price in return for some kind of association with the event or activity.

Working in partnership – where the parties agree to fund or arrange an event, activity or campaign jointly, usually on a cost sharing basis.

4. Sponsorship Criteria

The Scottish Government sets out criteria for defining sponsorship:

- Sponsorship must be of specific events not of people;
- Sponsorship should not imply endorsement of a product or company;
- Sponsorship should not place the SSSC, Ministers or Government under undue obligation;
- Sponsorship should add to, not replace core funding.

5. Sponsorship Policy

The SSSC will assess each request for sponsorship on its merits and every case will be considered separately. We have a responsibility to spend public money wisely and any money we spend on sponsorship is money that cannot be spent on our strategic objectives.

We will therefore consider sponsorship only when:

- The sum requested is £2,000 or less or resources or services requested are valued at £2,000 or less
- The sponsorship agreed is on a non-recurring basis and there is no commitment to provide further funding in future years
- The request is from a well-respected source
- The request is not from an employer with SSSC registered employees or an employee that we register and is not to be used in a way which might endorse them
- The sponsorship is related to our areas of work or interest in social care, social work and related areas of public policy, and links clearly to the objectives in our Strategic Plan
- The act of sponsorship raises awareness about our work
- The sponsorship is in the interests of the SSSC.

Where we are unable to sponsor something, but have an interest in the cause, we will try to assist in publicizing the event to our staff and through other appropriate channels.

6. Authorisation and approval

All requests for sponsorship whether for financial support, provision of goods or services in kind, or partnership working must be approved by the EMT. A full costing (including of any goods or services in kind) along with details of budgetary provision must be presented to the EMT for consideration and approval in advance of agreeing the sponsorship arrangement.

7. Reporting Arrangements

- 7.1 Details of sponsorship are required to be reported to Resources Committee within the regular financial reports.

8. Review of policy

- 8.1 This policy is to be reviewed every three years.



Scottish Social
Services Council

Resources Committee
28 February 2018
Agenda item: 07
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Appendix G

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Scottish Social Services Council

Registration Fee Income and Debt Management Policy

[Draft revisions December 2017](#)

SCOTTISH SOCIAL SERVICES COUNCIL

Registration Fee Income and Debt Management Policy

1. INTRODUCTION

- 1.1 Part V of the Scottish Social Services Council (Registration) Rules 2016 (the Rules) sets down requirements in relation to the payment of fees. This policy sets out how the Rules are to be implemented in practice and provides clarification and guidance on specific issues. This policy is intended to ensure that the Rules relating to fees are interpreted consistently and that credit notes, provision for doubtful debt and the write off of debt are appropriately applied.

2. BACKGROUND

- 2.1 Registration and Finance staff work together to extract and check information from the Sequence registration system and then upload this to the finance system. The finance system creates invoices for issue to registrants, records receipts and generates reminder notices when fees are overdue. A debt will show against an individual registrant unless payment is received, a credit note is raised or a decision is made to write the debt off.

2.2 Credit Notes

Credit notes are created where an invoice has been issued to a registrant and it is no longer appropriate for the full amount of the invoice to be paid e.g. a registrant on the part of the Register for social workers moves to another job and therefore another part of the Register, which requires a lower fee. The credit note adjusts the amount the registrant has to pay by providing a credit to set against the invoice value. The credit may be for the full value or a proportion of the invoice value.

2.3 Debt Impairment Review

At the end of each financial year outstanding debt is reviewed for impairment. The debt figure detailed in the Annual Report and Accounts is adjusted for any impairment value. An impairment review identifies debt where it is likely that debt will not be collected. The impairment value is an accounting estimate and differs from a decision to write off debt as debt, although considered impaired, is still actively pursued and may subsequently be recovered. When a debt is written off then there is no further attempt to pursue this debt and recovery becomes very unlikely.

2.4 Debt Write Off

A debt is written off where an invoice has been properly raised (i.e. the registrant was registered on their registration anniversary date) but it has been decided that there is no reasonable expectation that the debt will be recovered. This is likely to be a decision that follows suspension or removal from the Register. Once written off the debt is no longer pursued and the write off is a cost to the SSSC.

The [Director of Corporate Services](#) has delegated power to write-off individual debt to the value of £10,000. Sponsor Department approval is required prior to writing off debt that exceeds [that](#) value. Given the level of registration fee, the [Director of Corporate Services](#) has the authority to write off individual debt.

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3. APPLICATION FEE

- 3.1 Applications for registration are not processed until the appropriate fee has been confirmed as being received. Application fee invoices are raised as application fees are received. These invoices are not issued to the registrants. Application fee invoices are issued to registrants who opt to pay by direct debit. This represents their direct debit advance notice and is issued no less than 10 working days prior to the collection date. Debt recovery procedures are undertaken for any unpaid applications until payments are made or the application is withdrawn. Please refer to the Memorandum of Understanding where these timescales are detailed. The applicant is not registered until the application fee is paid. Application fees are non refundable in the event that the application is refused.
- 3.2 Where a registrant wishes to move to a different part of the register an application fee will be due if the application is received 6 months or more after the due date of their annual/renewal fee. Please note the date the application is received will determine whether the fee is due or not.

4. ANNUAL FEE

- 4.1 Annual fees are levied in respect of retention on the Register and are due on the anniversary of the date of initial registration each year. Registrants who pay by direct debit receive a notification that the fee is due and will be debited.
- 4.2 Invoices are raised and sent to registrants not less than one calendar month before the fee is due. This invoice will represent the required advanced notice for collection by direct debit for all annual fees of registrants for whom direct debit instructions are held. A reminder letter is sent approximately 14 days after the registration date if no payment has been received. If a further 14

days elapse and the debt remains outstanding the registration lapsing procedure is implemented with immediate effect.

4.3 Issue of Credit Notes (prior to date of registration anniversary)

A credit note will be issued in the following circumstances:

- If at any time it is established that the original invoice was raised in error or was raised for an incorrect amount.
- If at any time a decision is made to waive fees in accordance with Section 21 of the Rules.
- If prior to the date of the registration anniversary:
 - the registrant informs the SSSC that they wish to be voluntarily removed from the Register in writing
 - the registrant informs the SSSC that they are no longer eligible for registration and SSSC obtains confirmation from their last employer
 - The SSSC is informed the registrant is deceased
 - The registrant has been removed from the Register
When a student is awaiting confirmation of results and the fee has fallen due before results are received and the individual has been removed from the part of the Register for students.
 - The registrant advises that they require to be moved to a different part of the register. Please note the completed application and fee must be received before the annual fee is credited.

Finance will confirm via Sequence or with Registration or Fitness to Practise the position prior to a credit note being issued. Debt recovery procedures will be suppressed until the position is confirmed. Finance will review accounts where recovery action is suppressed weekly and issue reminders for accounts where fees are still due.

- N.B. Where a registrant moves from one part of the register to another, after their registration anniversary date, they must pay any overdue annual fees and an application fee if the application is received 6 months or more after their original registration date.

4.5 Write off of Debt (after registration anniversary date)

Registration fees are paid in advance for the coming year's registration. The fee due is based on all relevant information available to the SSSC on the anniversary of the date of registration. Changes in circumstances relating to events on or after the fee becomes due (the registration anniversary) do not affect the correctness of the fee charged. However, due to the relatively low value of the fees levied the SSSC must take a proportionate approach when seeking to recover overdue fees. The write off procedure can only be implemented after issue of the recovery

letters unless specifically requested. Therefore debt will be recommended for write off in the following circumstances:

- Debt will be written off in the circumstances where a registrant is deceased.
- Where a registrant has been removed from the Register.
- Where the registrant has one or more annual fee payments outstanding and their registration has been lapsed.

In all other cases where debt remains outstanding following the reminder notice details of the outstanding debt are passed to the Registration section. The debt will remain outstanding on the finance system until such time as payment is received or Registry makes a recommendation to write off the debt.

4.6 Refund of Fees

If a registrant has paid their annual fee prior to the due date and we are notified before the annual fee date that their circumstances have changed the fee would be no longer applicable for example they move to a post that is not subject to registration by the SSSC we will refund the fee.

5. RENEWAL FEES

- 5.1 Registrants are required to apply to renew their registration before their registration expires. The number of years between each application for renewal depends on which part of the Register the registrant is registered on.
- 5.2 Invoices are raised and sent to registrants at least one month before the fee due date. A reminder letter is sent approximately 14 days before the registration date. If no payment has been received by the due date, the Registration section will commence the lapsing process.

The registrant will not be renewed until payment is received.

- 5.3 Payment of a renewal fee has no status in terms of eligibility to register unless an application to renew form has also been submitted.

5.4 Issue of Credit Notes

For accounting purposes a credit note will be issued against a renewal invoice in the following circumstances:

- If at any time the registrant advises in writing that they do not wish to apply to renew their registration.
- If at any time the SSSC receives confirmation that a registrant is no longer eligible for registration.

- If the registrant is no longer eligible for registration as a result of Fitness to Practise procedures.
- If at any time the SSSC is informed the registrant is deceased.
- If at any time it is established that the original invoice was raised in error or was raised for an incorrect amount.
- If at any time a decision is made to waive fees in accordance with Rule 21 of the Registration Rules.
- If prior to the date the fee is due there has been a change to the registrant's registration (new part of the Register, registered on more than one part of the Register) that affects the fee that would be due.

Finance will confirm via Sequence or with Registration or Fitness to Practise sections the position prior to the credit note being issued. Finance will review accounts where recovery action is suppressed weekly and issue reminders for accounts where fees are still due. There are no specific debt recovery procedures as the application to renew will not be finalised until payment is made.

5.5 Write off of Debt

Failure to submit an application to renew will be a Registration matter. There should be no requirement to write off renewal fee debt.

The renewal fee debt will remain outstanding on the finance system until such time as payment is received or a duly authorised credit note is raised.

5.6 Refund of Fees

Renewal fees are non-refundable. However if a fee is received without an application form or it is established that the registrant is no longer eligible to be on the register the fee will be refunded as the Scottish Social Services Council has not carried out any work.

6. RESTORATION FEES

- 6.1 Applications for restoration to the Register are not processed until the appropriate fee has been confirmed as being paid. No invoice is raised for restoration applications and there are no debt recovery issues as the application fee paid is non-refundable in the event that the application is refused.

7. GENERAL PRINCIPLES

7.1 Income Collection and Debt Management

It is essential that the SSSC has in place an efficient and effective income collection and debt management function. The request for payment of fees is a regular recurring contact with registrants and

poor performance in the accuracy and timing of invoices or lax recording of payments received will have a significant detrimental impact on the reputation of the SSSC.

Therefore it is essential that the SSSC has the systems and properly trained staff in place to ensure that invoices are raised accurately and at the appropriate time. When a payment has been received it is essential that this receipt is promptly and accurately recorded to avoid registrants being contacted in relation to debt they have already settled.

The debt management process must ensure that all fee related communication with registrants is meticulously recorded as non-payment of fees may be considered misconduct by the Council.

7.2 Convenient Payment Methods

The SSSC has in place several methods of payment to make it as convenient as possible for registrants to pay their fees and as a result reduce the incidence of late payment and the need for debt recovery processes to be instigated. These methods include:

- Cheque
- Direct Debit
- Debit/credit card either on-line or by telephone
- Bank transfer

7.3 Debt Impairment Review

As part of the annual accounts process a debt impairment review is undertaken. The debt balance is adjusted for impairment in the annual accounts where the amount is material.

8. REPORTING ARRANGEMENTS

- 8.1 Income collection and debt management reports (including details of debt written off) will be submitted to each meeting of the Resources Committee.



**Scottish Social
Services Council**

Scottish Social Services Council

Registration Fee Income and Debt Management Policy

SCOTTISH SOCIAL SERVICES COUNCIL

Registration Fee Income and Debt Management Policy

1. INTRODUCTION

- 1.1 Part V of the Scottish Social Services Council (Registration) Rules 2016 (the Rules) sets down requirements in relation to the payment of fees. This policy sets out how the Rules are to be implemented in practice and provides clarification and guidance on specific issues. This policy is intended to ensure that the Rules relating to fees are interpreted consistently and that credit notes, provision for doubtful debt and the write off of debt are appropriately applied.

2. BACKGROUND

- 2.1 Registration and Finance staff work together to extract and check information from the Sequence registration system and then upload this to the finance system. The finance system creates invoices for issue to registrants, records receipts and generates reminder notices when fees are overdue. A debt will show against an individual registrant unless payment is received, a credit note is raised or a decision is made to write the debt off.

2.2 Credit Notes

Credit notes are created where an invoice has been issued to a registrant and it is no longer appropriate for the full amount of the invoice to be paid e.g. a registrant on the part of the Register for social workers moves to another job and therefore another part of the Register, which requires a lower fee. The credit note adjusts the amount the registrant has to pay by providing a credit to set against the invoice value. The credit may be for the full value or a proportion of the invoice value.

2.3 Debt Impairment Review

At the end of each financial year outstanding debt is reviewed for impairment. The debt figure detailed in the Annual Report and Accounts is adjusted for any impairment value. An impairment review identifies debt where it is likely that debt will not be collected. The impairment value is an accounting estimate and differs from a decision to write off debt as debt, although considered impaired, is still actively pursued and may subsequently be recovered. When a debt is written off then there is no further attempt to pursue this debt and recovery becomes very unlikely.

2.4 Debt Write Off

A debt is written off where an invoice has been properly raised (i.e. the registrant was registered on their registration anniversary date) but it has been decided that there is no reasonable expectation that the debt will be recovered. This is likely to be a decision that follows suspension or removal from the Register. Once written off the debt is no longer pursued and the write off is a cost to the SSSC.

The Director of Corporate Services has delegated power to write-off individual debt to the value of £10,000. Sponsor Department approval is required prior to writing off debt that exceeds that value. Given the level of registration fee, the Director of Corporate Services has the authority to write off individual debt.

3. APPLICATION FEE

- 3.1 Applications for registration are not processed until the appropriate fee has been confirmed as being received. Application fee invoices are raised as application fees are received. These invoices are not issued to the registrants. Application fee invoices are issued to registrants who opt to pay by direct debit. This represents their direct debit advance notice and is issued no less than 10 working days prior to the collection date. Debt recovery procedures are undertaken for any unpaid applications until payments are made or the application is withdrawn. Please refer to the Memorandum of Understanding where these timescales are detailed. The applicant is not registered until the application fee is paid. Application fees are non refundable in the event that the application is refused.
- 3.2 Where a registrant wishes to move to a different part of the register an application fee will be due if the application is received 6 months or more after the due date of their annual/renewal fee. Please note the date the application is received will determine whether the fee is due or not.

4. ANNUAL FEE

- 4.1 Annual fees are levied in respect of retention on the Register and are due on the anniversary of the date of initial registration each year. Registrants who pay by direct debit receive a notification that the fee is due and will be debited.
- 4.2 Invoices are raised and sent to registrants not less than one calendar month before the fee is due. This invoice will represent the required advanced notice for collection by direct debit for all annual fees of registrants for whom direct debit instructions are

held. A reminder letter is sent approximately 14 days after the registration date if no payment has been received. If a further 14 days elapse and the debt remains outstanding the registration lapsing procedure is implemented with immediate effect.

4.3 Issue of Credit Notes (prior to date of registration anniversary)

A credit note will be issued in the following circumstances:

- If at any time it is established that the original invoice was raised in error or was raised for an incorrect amount.
- If at any time a decision is made to waive fees in accordance with Section 21 of the Rules.
- If prior to the date of the registration anniversary:
 - the registrant informs the SSSC that they wish to be voluntarily removed from the Register in writing
 - the registrant informs the SSSC that they are no longer eligible for registration and SSSC obtains confirmation from their last employer
 - The SSSC is informed the registrant is deceased
 - The registrant has been removed from the RegisterWhen a student is awaiting confirmation of results and the fee has fallen due before results are received and the individual has been removed from the part of the Register for students.
 - The registrant advises that they require to be moved to a different part of the register. Please note the completed application and fee must be received before the annual fee is credited.

Finance will confirm via Sequence or with Registration or Fitness to Practise the position prior to a credit note being issued. Debt recovery procedures will be suppressed until the position is confirmed. Finance will review accounts where recovery action is suppressed weekly and issue reminders for accounts where fees are still due.

N.B. Where a registrant moves from one part of the register to another, after their registration anniversary date, they must pay any overdue annual fees and an application fee if the application is received 6 months or more after their original registration date.

4.5 Write off of Debt (after registration anniversary date)

Registration fees are paid in advance for the coming year's registration. The fee due is based on all relevant information available to the SSSC on the anniversary of the date of registration. Changes in circumstances relating to events on or after the fee becomes due (the registration anniversary) do not affect the correctness of the fee charged. However, due to the relatively low value of the fees levied the SSSC must take a proportionate approach when seeking to recover overdue fees. The write off procedure can only be implemented after issue of the recovery

letters unless specifically requested. Therefore debt will be recommended for write off in the following circumstances:

- Debt will be written off in the circumstances where a registrant is deceased.
- Where a registrant has been removed from the Register.
- Where the registrant has one or more annual fee payments outstanding and their registration has been lapsed.

In all other cases where debt remains outstanding following the reminder notice details of the outstanding debt are passed to the Registration section. The debt will remain outstanding on the finance system until such time as payment is received or Registry makes a recommendation to write off the debt.

4.6 Refund of Fees

If a registrant has paid their annual fee prior to the due date and we are notified before the annual fee date that their circumstances have changed the fee would be no longer applicable for example they move to a post that is not subject to registration by the SSSC we will refund the fee.

5. RENEWAL FEES

- 5.1 Registrants are required to apply to renew their registration before their registration expires. The number of years between each application for renewal depends on which part of the Register the registrant is registered on.
- 5.2 Invoices are raised and sent to registrants at least one month before the fee due date. A reminder letter is sent approximately 14 days before the registration date. If no payment has been received by the due date, the Registration section will commence the lapsing process.

The registrant will not be renewed until payment is received.

- 5.3 Payment of a renewal fee has no status in terms of eligibility to register unless an application to renew form has also been submitted.
- 5.4 Issue of Credit Notes

For accounting purposes a credit note will be issued against a renewal invoice in the following circumstances:

- If at any time the registrant advises in writing that they do not wish to apply to renew their registration.
- If at any time the SSSC receives confirmation that a registrant is no longer eligible for registration.

- If the registrant is no longer eligible for registration as a result of Fitness to Practise procedures.
- If at any time the SSSC is informed the registrant is deceased.
- If at any time it is established that the original invoice was raised in error or was raised for an incorrect amount.
- If at any time a decision is made to waive fees in accordance with Rule 21 of the Registration Rules.
- If prior to the date the fee is due there has been a change to the registrant's registration (new part of the Register, registered on more than one part of the Register) that affects the fee that would be due.

Finance will confirm via Sequence or with Registration or Fitness to Practise sections the position prior to the credit note being issued. Finance will review accounts where recovery action is suppressed weekly and issue reminders for accounts where fees are still due. There are no specific debt recovery procedures as the application to renew will not be finalised until payment is made.

5.5 Write off of Debt

Failure to submit an application to renew will be a Registration matter. There should be no requirement to write off renewal fee debt.

The renewal fee debt will remain outstanding on the finance system until such time as payment is received or a duly authorised credit note is raised.

5.6 Refund of Fees

Renewal fees are non-refundable. However if a fee is received without an application form or it is established that the registrant is no longer eligible to be on the register the fee will be refunded as the Scottish Social Services Council has not carried out any work.

6. RESTORATION FEES

- 6.1 Applications for restoration to the Register are not processed until the appropriate fee has been confirmed as being paid. No invoice is raised for restoration applications and there are no debt recovery issues as the application fee paid is non-refundable in the event that the application is refused.

7. GENERAL PRINCIPLES

7.1 Income Collection and Debt Management

It is essential that the SSSC has in place an efficient and effective income collection and debt management function. The request for payment of fees is a regular recurring contact with registrants and

poor performance in the accuracy and timing of invoices or lax recording of payments received will have a significant detrimental impact on the reputation of the SSSC.

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As part of the annual accounts process a debt impairment review is undertaken. The debt balance is adjusted for impairment in the annual accounts where the amount is material.

8. REPORTING ARRANGEMENTS

- 8.1 Income collection and debt management reports (including details of debt written off) will be submitted to each meeting of the Resources Committee.



Scottish Social
Services Council

Resources Committee
28 February 2018
Agenda item: 07
Report no: 09/2018
Appendix I

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Scottish Social Services Council

Debt Management Policy

[Review December 2017](#)

1. Introduction

- 1.1 The Scottish Social Services Council (the SSSC) is required to collect and record income from four main sources. The collection of Registration fee income is detailed in a separate Registration Fee Income and Debt Management Policy. This Debt Management Policy is essential to ensure that income due to the SSSC is efficiently and promptly collected. This policy is supported by detailed procedural notes.

2. Policy Aims

- 2.1 The aims of the Debt Management Policy are:
- To minimise the occurrence and monetary value of bad debt
 - To ensure all outstanding debt is rigorously pursued
 - To ensure debt collection is efficient, effective and coordinated
 - To ensure a consistent approach is taken with all debt
 - To ensure the SSSCs debt collection procedures are perceived as serious, efficient and consistently applied.

3. Income Sources

- Grant in Aid
- Additional Government Income
- Specific Grant income
- Registration Fees (see separate Registration Fee Income & Debt Management Policy)
- Other Income e.g. Fees, Bursary and Grant Repayments, [VSDF](#)

Each type of income is collected differently and therefore the debt management policy reflects this.

3.1 Grant in Aid

- 3.1.1 Grant in Aid is awarded by Scottish Ministers and administered through the Office of the Chief Social Work Adviser of the Children and Families Directorate of the Scottish Government. Requests for drawing down Grant in Aid require to be documented as laid out in the Executive Framework. A written request for the drawdown of funds is submitted to the sponsorship team when income is required. The Grant in Aid is received into the SSSC's bank account within eight working days.

3.1.2 *There are no debt management issues associated with this income stream.*

3.2 Additional Government Income

3.2.1 Additional income can be awarded by Scottish Ministers and administered through the Office of the Chief Social Work Adviser of the Children and Families Directorate of the Scottish Government. This income tends to be for ad hoc, one-off or short-term pieces of work. A letter from the Scottish Government sets out the amount of funds available and specifies its purpose. The letter also sets out the method by which the funds are claimed, usually by invoice. Once the invoice is received by the sponsorship team the funds are paid directly into the SSSC's bank account within the invoice terms of 30 days.

3.2.2 *There are no debt management issues associated with this income stream.*

3.3 Specific Grant Income

3.3.1 Specific grants are secured from various grant awarding bodies, sometimes operating on a multi-agency basis. This income tends to be for ad hoc, one-off or short-term pieces of work. A grant agreement from the grant awarding body sets out the amount of funds available and specifies its purpose. The agreement also sets out the method by which the funds are claimed, usually by invoice. Once the invoice is received the funds are paid directly into the SSSC's bank account within the invoice terms of 30 days.

3.3.2 *There are no debt management issues associated with this income stream.*

4. OTHER INCOME

4.1 Grants and bursaries

Grants and bursaries are sometimes required to be repaid because a provisional payment has had to be made. For example, where the applicant could not provide the required information in time and the amount due has subsequently been revised downwards, or because a student has withdrawn from the course. The following procedure should be followed:

- i. An invoice should be issued to the student as soon as the necessity for repayment is identified. This should detail the amount outstanding and inform them that the full amount is due within the 30 day payment terms.
- ii. Students will be given an opportunity to pay the debt in instalments to avoid undue financial hardship. Terms will be agreed with students according to individual circumstances and the size of the debt.
- iii. Direct debit will be promoted as the preferred payment method for instalments. The use of standing orders would also be acceptable.
- iv. If payment is not received, the SSSC Debt Collection Procedures detailed in section 5 should be followed for grants and bursaries.

Further payments, where applicable, will not be made to any student until any outstanding debt has been repaid.

4.2 **Voluntary Sector Development Fund (VSDF)** 4.2.1 VSDF funding is paid to voluntary sector employers to provide training in order to meet the SSSC's registration requirements. The funding is provided for specific candidates, for a specific period under the VSDF guidelines. If the funding is not used in accordance with the guidelines it will be required to be repaid.

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4.2.2 Invoices should be raised for all VSDF funding required to be repaid. They will be given 30 day terms. If payment is not received, the SSSC debt collection procedures detailed in section 5 should be followed.

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4.3 **Modern Apprenticeships**

Invoices are issued to Modern Apprenticeship approved training centres for registration and certification fees each month. These invoices tend to be of low value. Invoices are given 30 day payment terms.

4.3.1 If payment is not received, the SSSC Debt Collection Procedures detailed in section 5 should be followed for Modern Apprenticeships.

4.4 **Other Income**

4.4.1 The SSSC Debt Collection Procedures detailed in section 5 should be followed for any other income.

5. **SSSC Debt Collection Procedures**

5.1 Where an invoice has been issued and payment has been received it is essential that this receipt is promptly and accurately recorded to avoid customers being contacted in relation to debt they have already settled.

5.2 Where an invoice has been issued, payment has not been received and there are no queries or issues preventing debt collection (i.e. the debt is clean) the following process is initiated:

- i. Reminder letters are generated by the Oracle Financial System at 30, 44 and 58 day intervals, each letter being more strongly worded than the previous one.
- ii. The 58 day letter will be followed by a telephone call to the debtor to ensure that it is received and understood and to obtain an assurance that it will be dealt with timeously. An accurate record of this telephone call and all other communications with the debtor must be maintained.
- iii. Legal action will be considered if payment is not received within 14 days of the telephone call. Debts of £300 or less will be pursued by the Finance [Transactions](#) Team and debts greater than £300 will be referred to external solicitors for court action.
- iv. Where there has been a query or an issue with collection of the invoice and it has been resolved the [Transactions](#) team will amend the invoice due date to correspond with the relevant stage of the debt collection process to ensure that debtors are given appropriate time to pay without detriment in line with this policy.
- v. Outstanding debt that is classified as being irrecoverable will be written off as a bad debt. A debt would be considered 'bad' where it has been properly raised and is not in dispute yet the expectation is that it will not be paid. There are a number of potential reasons for writing off a debt including:
 - Insolvency or financial difficulty
 - Debtor is untraceable or gone away
 - Recovery is uneconomic.
- vi. Authority to write off bad debts should be obtained in writing from the [Director of Corporate Services](#) for debts of £10,000 or less and from the sponsor team for debts in excess [that value](#).
A report will be submitted to the next scheduled Finance and Resources Committee detailing all write-offs.

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5.3 The [Finance Transactions](#) Team will target specific groups of debtors with the most appropriate collection activity e.g. text reminders to students who owe bursary debts.

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5.4 The [Transactions Manager](#) will review the debt management procedures regularly to ensure that the collection of debt is maximised.

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- 5.5 At the end of each financial year outstanding debt is reviewed for impairment. The debt figure detailed in the Annual Report and Accounts is adjusted for any impairment value. An impairment review identifies debt where it is likely that debt will not be collected. The impairment value is an accounting estimate and differs from a decision to write off debt as debt, although considered impaired, is still actively pursued and may subsequently be recovered. When a debt is written off then there is no further attempt to pursue this debt and recovery becomes very unlikely.
- 5.6 A debt is written off where an invoice has been properly raised but it has been decided that there is no reasonable expectation that the debt will be recovered. Once written off the debt is no longer pursued and the write off is a cost to the SSSC.

5.7 The [Director of Corporate Services](#) has delegated power to write-off individual debt to the value of £[10,000](#). Sponsor Department approval is required prior to writing off debt that exceeds [that](#) value.

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6. MEASURES TO ENCOURAGE PROMPT PAYMENT

6.1 The likelihood of prompt payment is increased where payment methods for settling the debt are made as convenient as possible.

The following payment methods are currently available:

- Cash - in person at Compass House
- Cheque - made payable to Scottish Social Services Council
- BACS - Details are provided on the reverse of each invoice & reminder to enable bank transfers
- Direct Debit - customer downloads the direct debit form from the SSSC website or requests a Direct Debit Instruction from the [Finance Transactions](#) Team
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- 6.2 It is part of the debt management policy to ensure other forms of payment methods are investigated and introduced where appropriate to maximise the potential to recover the debt.
- 6.3 It is essential that customers are aware of the credit terms and therefore the payment terms are included on all invoices sent to customers.
- 6.4 Funds are due on or before 30 days after the invoice date.

7. Assignment of Responsibilities

7.1 Finance Staff - General

- Checking of system generated invoices prior to issue to customers
- Dealing with invoice enquiries and disputes
- Prompt and accurate recording of income received
- Prompt and accurate reconciliation of income received
- Sending reminder letters at 30,44 and 58 day intervals
- Making follow up telephone calls & recording the details of each call
- Maintaining a detailed record of all communication with the debtor
- Preparation of billing reports to the Resources Committee detailing debts that are being written off
- Communication with other parts of the SSSC where relevant.

8. Reporting Arrangements

- 8.1 An income collection performance report will be submitted to each meeting of the Resources Committee containing details of the overall debt and income received with previous years' comparison figures. The report will include details of any debt management issues.

9. Review of policy

- 9.1 This policy is to be reviewed at least annually.



**Scottish Social
Services Council**

Scottish Social Services Council

Debt Management Policy

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- Communication with other parts of the SSSC where relevant.

8. Reporting Arrangements

- 8.1 An income collection performance report will be submitted to each meeting of the Resources Committee containing details of the overall debt and income received with previous years' comparison figures. The report will include details of any debt management issues.

9. Review of policy

- 9.1 This policy is to be reviewed at least annually.

| | |
|----------------------------------|---|
| Title of report | Budget Monitoring Report as at 31 January 2018 |
| Public/confidential | n/a |
| Action | For consideration and approval |
| Summary/purpose of report | To provide Resources Committee with the budget monitoring position on the core operating budget and specific grant funding for the year to 31 March 2018. |
| Recommendations | <p>That the Resources Committee:</p> <ul style="list-style-type: none"> i) considers the core operating budget monitoring statement for the year to 31 March 2018 (Appendix A) ii) considers the position on projected expenditure against available specific grant funding for the year to 31 March 2018 (Appendix B) iii) considers the summary of digital transformation expenditure for 2017/18 and 2018/19 (Appendix D) iv) note the areas of specific attention in section 10 of this report which will be closely monitored by the Executive Management Team (EMT) v) note the projected general reserve position detailed in Section 11 vi) notes that severance payments will be required due to a "technical redundancy" (Section 5.1.9). |
| Link to Strategic Plan | The information in this report links to Strategic Outcome 4: Our stakeholders value our work and Strategic Priority 6: High Standards of Governance. |
| Link to the Risk Register | <p>Regular monitoring of performance against the budget supports mitigation of the following risks:</p> <p>Strategic Risk 2: The SSSC's credibility as a well-run effective organisation is damaged if it cannot meet its strategic objectives in light of the funding allocated to it by Government.</p> <p>Strategic Risk 6: The public or employers do not have or lose confidence in the SSSC.</p> |

| | |
|---------------------------|---|
| Author | Nicky Anderson, Head of Finance 01382 207206 |
| Documents attached | Appendix A: Summary: core operating budget Appendix B: Summary: specific grant finding Appendix C: Summary: budget movements Appendix D: Summary: Digital transformation spend |

EXECUTIVE SUMMARY:

- 1.1 This is the third budget monitoring report of the 2017/18 financial year. This report is based on an agreed core operating budget of £19.7m and specific grant funded expenditure of £1.1m (total £20.8m) as approved by Council on 21 March 2017.
- 1.2 In July 2017 the SSSC took on responsibility for disbursing the Voluntary Sector Development Fund (VSDF), a budget of £0.9m. This increased the core operating budget to £20.6m. Specific grants totalling £1.0m have been awarded to the SSSC this financial year. The report is based on the revised budget of £21.6m for 2017/18.
- 1.3 This budget monitoring report provides separate analysis of the core operating budget position and specific grant funded expenditure. The projected outturn figures are based on the ledger to 31 January 2018.
- 1.4 It was agreed with the Sponsor after the budget was agreed by Council, that additional funding paid in 2016/17 would be used to fund £271k of practice learning fees. The revised budget reflects that £271k of practice learning fees are to be funded by the general reserve balance.
- 1.5 After the 2017/18 budget had been agreed by Council, the Sponsor supplied additional funding to provide working capital of £429k to the SSSC. This is intended to contribute to our digital transformation programme during 2017/18. This additional funding was received by the SSSC in 2016/17 and is contained in the general reserve balance.
- 1.6 As at 31 January 2018, the projected outturn position on the core operating budget is an overspend of £606k. This consists of the planned budget deficit for practice learning fees of £271k, the additional £429k of working capital and an in-year underspend of £94k.
- 1.7 Specific grant funding of £1,008k has been awarded to the SSSC for 2017/18. In addition, £54k of grant underspends were carried forward from 2016/17 in the general reserve for use during 2017/18. As at 31 January 2018 the projected outturn position on specific grants is an underspend of £44k. This is a variance of £98k to the planned position of a £54k overspend.
- 1.8 A summary of the projected core operating budget position is attached at Appendix A. The specific grant funded position is summarised at Appendix B, a summary of budget movements is detailed at Appendix C and a summary of digital transformation expenditure is attached at Appendix D.

Summary of movements since last reported position:

The position last reported to Resources Committee on 6 December 2017 was a projected underspend of £440k. This was based on the ledger position at 31 October 2017.

The position based on the ledger as at 31 January 2018 is a projected underspend of £94k. This represents a movement of £346k against the previously reported position. The main reason for this is additional investment in the digital transformation programme.

| | £000 | £000 |
|--|-------|------|
| Current projected net expenditure/(income) | (94) | |
| Last reported net expenditure/(income) | (440) | |
| Change to net expenditure position | | 346 |

| Summary of changes: | Total Projection increase/ (decrease) £000 |
|---|---|
| Expenditure: | |
| Staff costs | (117) |
| Administration costs | (133) |
| Travel costs | 1 |
| Supplies and services | 587 |
| Postgraduate bursaries | (35) |
| | 303 |
| Income: | |
| Registration fees | 60 |
| Protection of Vulnerable Groups (PVG) Fee | 2 |
| IRS Equivalency fees | 2 |
| Modern apprenticeship fee | (10) |
| Seconded Officers | (11) |
| | 43 |
| Grand total: | 346 |

The main reasons for these variances are detailed below:

Staff costs

The staff costs projection has reduced by £117k.

The projection for staff salaries has reduced by £114k. This is mainly due to delays in filling posts (slippage) £100k and a £20k reduction in Council members allowances.

The above reductions in projected costs are partially offset by a £3k increase in the overtime projection and a £3k increase on salary costs due to a post being re-graded.

Other staff costs

The projection for other staff costs has reduced by £3k.

The projection for digital and customer service staff training has reduced by £156k as this funding has been re-directed towards the wider digital transformation programme. There has been a further £12k reduction in projected staff training costs across various departments.

The projection for allowances for Legally Qualified Chairs (LQCs) and Lay and Social Service Members has reduced by £16k based on the anticipated number of hearings yet to be held this financial year.

The above reductions to projection are partially offset by an increase to the projection for hired agency of £136k for the employment of a Digital Transformation Lead, Third level Engineer support and a Technical Specialist on the ICT Development project. The projection for the Digital Transformation Lead of £68k was previously reported under professional fees.

The hired agency staff projection for Registration has increased by £27k for the employment of five temporary staff to process support worker applications.

Staff severance costs of £16k are projected due to the cessation of projects funded by specific grants.

The projection for staff recruitment costs has increased by £2k.

Administration costs

The projection for administration costs has reduced by £133k in total.

The projection for legal adviser fees for hearings has reduced by £51k based on the expected number of hearings still anticipated to be held this financial year.

The projection for professional fees relating to ICT Development has reduced by £43k. This is due to the Digital Transformation Lead costs of £68k now being projected under hired agency. An additional £25k of expenditure is projected for Office 365 and Windows 10 migration planning.

Printing and postage costs have reduced by £63k mainly due to fewer codes of practice being printed and/or posted than was previously anticipated.

There are other minor reductions to projections totalling £12k.

The above projected cost reductions are partially offset by projection increases totalling £36k for:

- translation costs £13k;
- professional fees associated with the development, delivery and evaluation of the SSSC Leadership and Management programme £10k;
- legal fees relating to employment law advice £10k and
- professional fees for the cost of training Legally Qualified Chairs (LQCs) and new Members £3k.

Travel costs

The projection for travel costs has increased by £1k.

Supplies and Services

The projection for supplies and services has increased by £587k.

The projection for the digital transformation programme has increased by £574k in line with agreements made at the digital Transformation Programme Board and the Resources Committee.

An additional £17k is projected for the procurement and implementation of an automated telephone payment system.

The projection for Protection of Vulnerable Groups (PVG) fees has increased by £8k.

There are other minor increases in projections totalling £10k.

The above increases are partially offset by reductions to projections of £22k for venue hire (£12k) and ICT equipment (£10k).

Postgraduate Bursaries

The postgraduate bursaries expenditure projection has reduced by £35k based on the latest assessment information.

Registration fee income

The projection for Registration fee income has reduced by £60k. This is based on actual data to January 2018 and projections from January to March 2018.

Other fee income

The projections for PVG, IRS Equivalency and Modern Apprenticeship fee income has increased by £6k.

Other income

Two new secondment outwards commencing in January 2018 and March 2018 will increase income by £11k for 2017/18.

BUDGET MONITORING INFORMATION

2. INTRODUCTION

- 2.1 This is the third budget monitoring report of the 2017/18 financial year to be presented to the Resources Committee. The SSSC manages its resources and has in place formal processes for the accurate recording, reporting and effective managerial control of its funds.
- 2.2 The Scottish Social Services Council (SSSC) agreed a total core operating budget of £19.7m and a specific grant funded budget of £1.1m on 21 March 2017. There have been adjustments to the budget since it was agreed by Council; the detail of this is set out in section 3 below.
- 2.3 Attached as Appendix A and B respectively are the budget monitoring statements for the core operating and grant funded budgets. These statements are based on the revised budget position set out in section 3 below.

3. REVISED 2017/18 BUDGET

- 3.1 The revised core operating budget for 2017/18 is £20.6m. This is £0.9m more than the agreed budget because the SSSC agreed to take on the management of the Voluntary Sector Development Fund (VSDF) from Scottish Government on 1 July 2017. A total of £1.0m in specific grants has been awarded to the SSSC providing a total budget of £21.6m in 2017/18.
- 3.2 It was agreed with the Sponsor after the budget was agreed by Council, that additional funding paid in 2016/17 contained in the general reserve balance would be used to fund £271k of practice learning fees. The practice learning fees income budget has been reduced accordingly and the revised budget now shows a deficit.
- 3.3 After the Council agreed the 2017/18 budget, the Sponsor provided additional funding of £429k to contribute to non-recurring costs associated with our digital transformation programme during the 2017/18 financial year. This additional funding was received in late 2016/17 and is contained within the general reserve balance. Together with the £271k practice learning fees to be funded from the General Reserve balance as described in 3.2 above, an overspend of £700k is planned.
- 3.4 Specific grant funding of £1,008k has been awarded to the SSSC for 2017/18. In addition, £54k of grant underspends were carried forward from 2016/17 in the general reserve for use during 2017/18.
- 3.5 The table below summarises the SSSC's 2017/18 budget position for core operating expenditure and specific grants awarded to the SSSC.

| | Core Operating Budget 2017/18 £000 | Specific Grant Funding 2017/18 £000 | Total Budget 2017/18 £000 |
|---|---|--|--|
| Gross expenditure agreed by Council (21 March 17) | 19,738 | 1,042 | 20,780 |
| Budget revisions: | | | |
| Voluntary Sector Development Funding (VSDF) | 900 | | 900 |
| Reduction in W/force Dvt & Social Integration Grant | | (34) | (34) |
| Revised gross expenditure | 20,638 | 1,008 | 21,646 |
| Budgeted Funding: | | | |
| Approved by Council (21 March 2017) | (19,738) | (1,042) | (20,780) |
| Voluntary Sector Development Fund (VSDF) | (900) | | (900) |
| Practice Learning income reduction | 271 | | 271 |
| Reduction in other grant funding | | 34 | 34 |
| Revised funding | (20,367) | (1,008) | (21,375) |
| Council agreed budget deficit/(surplus) | 0 | 0 | 0 |
| Revised budget deficit/(surplus) | 271 | 0 | 271 |
| Additional digital transformation investment | 429 | 0 | 429 |
| Anticipated budget overspend | 700 | 0 | 700 |

4.0 2017/18 – SUMMARY OF PROJECTED OUTTURN

- 4.1 This budget monitoring report provides separate analysis of the core operating budget position and specific grant funded expenditure. The report incorporates projected outturn figures based on the ledger to 31 January 2018. Attached at Appendix A is the 2017/18 core operating budget monitoring statement for the year to 31 March 2018. This includes a summary of the projected general reserve movement. Specific grant funding is detailed in Appendix B and a summary of budget movements is shown at Appendix C. Appendix D shows a summary of ICT Development requirements for 2017/18 and 2018/19.
- 4.2 As at 31 January 2018, the projected outturn position on the core operating budget is an overspend of £606k. This consists of the planned budget deficit for practice learning fees of £271k, the additional £429k of working capital and an in-year underspend of £94k. Underspends in other areas of the budget totalling £633k have been used to fund the required additional investment in the digital transformation programme and we will continue to endeavour to generate further budget underspends in an attempt to reduce the projected in-year overspend.
- 4.3 As at 31 January 2018 the projected outturn position on specific grants is an underspend of £44k. This is a variance of £98k to the planned position of a £54k overspend.
- 4.4 The core operating budget statement at Appendix A and the grant funded budget statement at Appendix B shows the 2017/18 budget for monitoring purposes after adjustments have been made to the budget agreed by Council

on 21 March 2017. The actual expenditure/income and commitments are shown for the period to 31 January 2018. The projected year end expenditure column represents the anticipated expenditure or income position at the end of the financial year (31 March 2018). The projected annual variance column represents the variance between projected annual expenditure or income and the agreed budget.

5. OPERATING BUDGET - EXPENDITURE

5.1 Staff costs (£303k)

- 5.1.1 The total projected underspend on staff costs is £303k. The reasons for this are set out in 5.1.2 to 5.1.8 below.
- 5.1.2 There is an underspend of £472k on salaries. This is mainly due to delays in filling vacant posts (slippage), staff working reduced hours and maternity leave.
- 5.1.3 The projection for allowances for lay and social service members is expected to be underspent by £84k as expected hearing numbers have reduced by a third. Allowances for external assessors for non-UK qualification work are expected to be underspent by £10k.
- 5.1.4 An underspend of £20k is anticipated from Council Members' claims for attendance at meetings and training days.
- 5.1.5 A projected overspend of £136k on non-payroll staff costs for the employment of hired agency staff to work on the ICT development project.
- 5.1.6 A projected overspend of £34k on training costs. This mainly due to additional training on digital and customer skills and EFQM re-accreditation.
- 5.1.7 A projected overspend on secondments inward of £58k (Learning & Development £54k and Corporate Governance and Hearings £4k).
- 5.1.8 A projected overspend of £27k due to the employment of temporary staff to process support worker applications.
- 5.1.9 Unbudgeted severance costs of £16k associated with the cessation of projects funded by specific grant. This is a "technical redundancy" as described in a separate report to this Committee meeting. The Committee is requested to note that redundancy and strain on fund payments are due.
- 5.1.10 A projected overspend of £12k on staff recruitment.

5.2 Accommodation £13k

- 5.2.1 Accommodation costs are projected to be £13k overspent due to unplanned maintenance.

5.3 Administration costs

(£150k)

5.3.1 Administration costs are expected to be underspent by £150k. The reasons for this are set out in 5.3.2. to 5.3.12 below.

5.3.2 Legal adviser fees for hearings are anticipated to be underspent by £225k. This is due to the following factors:

- the move to the new Fitness to Practise model which is forward looking and focusses on a person's current behaviour;
- a change in thresholds for Fitness to Practise meaning that fewer cases result in a hearing; and
- the move to Legally Qualified Chairs which will mean that legal advisers will no longer be required.

The projection takes into account actual costs to 31 January and the projected number of hearings anticipated under the current rules and the new rules from February to March 2018.

5.3.3 Postage costs are expected to be £76k underspent. The new personal registration card is now being issued to a reduced audience (new registrants and those renewing only), saving £48k. In addition, postage costs are expected to be underspent by £20k as fewer codes of practice have been mailed out than originally anticipated and by £8k due to the anticipated reduction in hearings.

5.3.4 Print costs are expected to be £40k underspent. Fewer codes of practice have had to be printed due to more users downloading digital copies saving £33k. Registration are projected to underspend by £4k and the State of Nation report will not be produced this financial year saving a further £3k.

5.3.5 Bank charges are expected to be £5k less than budget due to savings associated with the new Government framework contract for online and telephone payments.

5.3.6 The stationery budget for the organisation is expected to be £4k underspent.

5.3.7 Fewer Fitness to Practise staff are using the Linets service than anticipated generating a subscriptions budget saving of £3k.

5.3.8 The conference attendance budget is expected to be £3k underspent.

5.3.9 Professional fees are projected to be £118k overspent. This comprises:

| | Budget Variance over/(under) spend £000 | Funded from General Reserve £000 | Total Professional Fees Over/(under) spend £000 |
|---|--|---|--|
| Expertise for Sequence relet | | 61 | 61 |
| SSSC Leadership & Management programme | | 10 | 10 |
| Institute of Customer Services (ICS) membership | | 7 | 7 |
| EQUIP Advanced online service tool | | 5 | 5 |
| Training Legally Qualified Chairs and new members | 23 | | 23 |
| Professional advisers for the recruitment of LQCs | 5 | | 5 |
| Due diligence assignment | 5 | | 5 |
| Translation costs for hearings | 16 | | 16 |
| Sponsorship SCQF Conference Feb 2018 | 2 | | 2 |
| State of Nation report – design costs | (5) | | (5) |
| Underspend for EFQM accreditation - postponed | (6) | | (6) |
| Speaker for staff conference – cancelled | (2) | | (2) |
| Underspend for practising certificates | (3) | | (3) |
| Total | 35 | 83 | 118 |

5.3.10 Legal fees are projected to be £51k overspent in total. Unbudgeted employment law advice is expected to cost £36k. Legal presenter fees are projected to be £15k overspent for Fitness to Practise cases.

5.3.11 Fee write offs are projected to be £30k more than budgeted. Fees are written off due to registrants lapsing or being removed from the register.

5.3.12 Photocopying charges are expected to be £7k more than budgeted.

5.4 **Transport costs** **(£29k)**

5.4.1 Travel and subsistence costs are projected to be underspent by £45k for lay and social service members due to the expected reduction in hearings.

5.4.2 This is partially offset by overspends relating to the volume of travel being undertaken by Learning and Development for events and engagement activity of £9k and travel associated with Fitness to Practise casework and engagement activity of £5k.

5.4.3 Travel costs relating to ICT development work for four members of staff attending a Case Management System conference in London are expected to be £2k.

5.5 **Supplies and services** **£698k**

5.5.1 Supplies and service costs are expected to be overspent by £698k. The reasons for this are set out in 5.5.2 to 5.5.9 below.

5.5.2 Digital Transformation Programme

Digital transformation costs are currently expected to be overspent by £699k against the revised budget. As the digital transformation programme has progressed it has become clear that additional investment is required particularly with respect to modernising the ICT operating environment and equipment, enhancing the Sequence system, investing in a case management system and redeveloping our website.

It should be noted that the timings of elements of the digital transformation programme are uncertain and expenditure may fall into next financial year. The Sponsor has confirmed they are willing to be flexible in the carry forward of any under or overspends into 2018/19. The funding of the digital transformation programme is therefore being managed over the current and next financial years.

- 5.5.3 ICT costs are expected to be overspent by £17k for the procurement of an automated telephone payment system which allows customers to make payment 24 hours per day, seven days per week over the phone.
- 5.5.4 Protection of Vulnerable Groups (PVG) expenditure is expected to be £8k overspent based on current trends. The SSSC pays these fees for students and unemployed Social Workers.
- 5.5.5 The new maintenance contract for the telephone system is expected to cost £4k more than budget.
- 5.5.6 Other supplies and services costs are expected to be £3k overspent due to subscriptions for new ICT packages such as Snap Survey and records management software.
- 5.5.7 The projection for furniture and equipment purchase is anticipated to be overspent by £3k for the purchase of a room divider, standing desks and a heavy duty box trolley for Committee and Corporate Governance.
- 5.5.8 The above overspends will be partially offset by a projected underspend of £14k in respect of pick and pack costs associated with sending out Codes of Practice materials. ICT budgets totalling £10k will not be required in this financial year due to Fitness to Practise no longer purchasing iPads (£7k) and ICT budget in Communications no longer required (£3k). A further underspend of £4k is expected from shredding of confidential waste charges due to a new contract and change of supplier.
- 5.5.9 Venue hire and hospitality costs have decreased by £8k. The staff conference due to be held in March has now been cancelled saving £8k. It is anticipated that £4k of the venue hire and hospitality budget for hearings will not be required. Venue hire and hospitality costs of £3k are anticipated to be incurred for customer services training and digital transformation. A further £1k expenditure is required for meetings held in relation to ICT development work.

5.6 Postgraduate bursaries (£55k)

- 5.6.1 The budget for postgraduate bursaries is based on a total of 310 bursaries being awarded. The current number of student nominations from universities this year is 299. Of those assessed to date 48 are entitled to tuition fee and travel costs only. Prudent estimates have been included for Stirling University students but final costs for those students will not be known until February/March 2018 as Stirling operates a January to December academic year. Postgraduate bursary expenditure is currently projected to be £55k underspent. Once all assessments have been completed, expenditure projections will be reviewed.

5.7 Practice learning fees

- 5.7.1 The first payment of practice learning fees has been made to universities. This is based on the universities' 2016/17 charges. Expenditure projections in this report are currently at budget. Updated estimates are due from the universities mid February 2018 and this information will be used to provide a more accurate projection of the year end position.

5.8 Voluntary Sector Development Fund (VSDF) £150k

- 5.8.1 In July 2017 the SSSC took on responsibility for administration of the Scottish Government's Voluntary Sector Development Fund. There is a budget of £900k for 2017/18 to provide contributions towards the cost associated with meeting the required registration qualification criteria set by the SSSC. We have also received confirmation from Scottish Government that a further £150k is available to fund contributions. There is a corresponding increase to the income projection detailed in paragraph 6.3.1. In 2017/18 the priorities for eligibility are support workers in housing support and care at home services and contributions are a maximum of £1,200 per eligible student.
- 5.8.2 The closing date for applications for VSDF funding was 1 September 2017 and decisions regarding the allocation of the budget were made in October 2017. Scottish Ministers have given approval for the funding to be awarded and the majority of payments have been made to successful organisations. It is anticipated that this budget will be fully spent.

6. OPERATING BUDGET - INCOME

6.1 Government grants - grant in aid

- 6.1.1 The projections within this report assume grant in aid will be fully drawn down for the year.

6.2 Practice learning fee income

- 6.2.1 The 2017/18 budget approved by Council on 21 March 2017 included provision for practice learning expenditure of £2,352k. The budget agreed by Council

assumed this would be entirely funded by grant in aid. This position has been revised in agreement with the Sponsor and £2,081k will now be funded from grant in aid and £271k will be funded from the general reserve.

6.3 Voluntary Sector Development Fund (VSDF) Income (£150k)

6.3.1 A budget of £900k has been allocated for the VSDF by the Scottish Government for 2017/18. As detailed in paragraph 5.8.1 we have received confirmation from Scottish Government that a further £150k funding will be made available. The full amount of funding available (£1,050k) has been drawn down from Scottish Government in order to make payments to the successful organisations and it is anticipated that the full budget will be required.

6.4 Registration fee income £160k

6.4.1 Current projections suggest that registration fee income will be £160k less than budget. This is based on actual data to January and current projections from January to March. One reason is due to the uptake for Support Workers for Care at Home Services and Support Workers for Housing Support Services, both of which opened on 1 October 2017. The number of new applications relating to those parts of the Register is now expected to be 4,300 less than the 10,000 expected in this financial year. In addition to this the projection for annual fees has been revised due to the number of Registrants who have been removed from the Register since the start of the financial year.

6.5 Protection of Vulnerable Groups (PVG) fee income £2k

6.5.1 PVG fee income is projected to be £2k less than budgeted this is in line with current PVG uptake.

6.6 IRS Equivalency fee income £2k

6.6.1 IRS Equivalency fee income is projected to be £2k less than budgeted based on current trends.

6.7 Modern Apprenticeship income (£10k)

6.7.1 The projection for Modern Apprenticeship fee income is anticipated to be £10k more than budget based on current and expected levels of uptake.

6.8 Other income £7k

6.8.1 Other income is anticipated to be £7k less than budget. An outward secondment budgeted to end on 31 March 2018 actually ended on 31 October 2017 giving a shortfall of £18k. Two new outward secondments commencing on 15 January 2018 and 1 March 2018 will provide income of £11k.

7. Digital Transformation Programme Financial Overview

- 7.1 Additional funding was paid late in 2016/17 to provide working capital of £429k. This is contained within our General Reserve balance. This was originally intended to supplement 2017/18 funding for Sequence development (£229k) and digital and other training (£200k). It was subsequently decided to manage the Sequence re-implementation, the procurement and implementation of a case management system, an upgrade to the ICT operating environment, an equipment upgrade and refresh and a redevelopment of our website as a digital transformation programme. All related funding would transfer to the digital transformation programme and then be managed through this programme. At this time £69k was already spent or committed to digital or other training. This left £360k of working capital funding for the digital transformation programme.
- 7.2 Within the 2017/18 budget there was £820k budget provision for Sequence development, £100k for a case management system, £88k for paperless hearings, £70k for website development and a further £40k for digital development work. This is total 2017/18 budget funding of £1.118m.
- 7.3 To supplement the funding for digital transformation we have been actively identifying and generating budget savings during the year. To date £633k of savings in other areas of the budget have been identified and released to the digital transformation programme.
- 7.4 The total funding identified for digital transformation to date is therefore £2.111m. Projected expenditure for 2017/18 is currently £2.017m which is £94k less than the funding identified. The programme is being managed over the current financial year and next financial year so there is flexibility available to deal with budget variations over the two years. Appendix D sets out the position in detail.

8.0 SPECIFIC GRANTS AWARDED TO THE SSSC

8.1 Workforce development grant

- 8.1.1 Workforce Development Grant (WDG) totalling £399k has been agreed with the Scottish Government for the 2017/18 financial year. In addition, the Scottish Government agreed that £6k of underspent funding from 2016/17 could be held in the general reserve to be used in 2017/18. Funding of £2k was repaid to SSSC, providing total available funding of £407k.
- 8.1.2 Current projections suggest that the WDG will be underspent this financial year by £123k as only £284k is anticipated to be required from total available funding of £407k. This is due to issues regarding the procurement framework for the digital learning team and the late agreement for the specification of work associated with the Review of Social Work Education (RSWE) stage 2. However, a request has been sent to the grant sponsor for approval to claim £75k of the RSWE funding in 2017/18 for utilisation in 2018/19.

8.2 Other specific grant funding

8.2.1 A total of £609k of other specific grants has been agreed for 2017/18. In addition, the Scottish Government agreed that £48k of underspend from 2016/17 Workforce Development and Social Care Integration funding could be held in the general reserve for use in 2017/18. Current projections indicate that specific grant expenditure will be underspent by £28k.

8.2.2 Workforce Development and Social Care Integration

The total underspend on this project is £28k. £12k of this underspend relates to staff slippage. The remainder relates to Self Directed Support (SDS) Systems work (£5k) and outcomes focussed support planning for Carers (£5k). The Sponsor of this grant has given verbal indication that they would like the SSSC to draw down the full grant award of £413k in 2017/18 and any underspend will be deducted from the 2018/19 grant offer.

8.2.3 Grant income totalling £70k has been received in 2017/18 for two grants relating to 2016/17. The income comprises: Enhanced learning and CPD within the childcare sector £50k and the development of a smartphone app on child development £20k. The expenditure relating to these grants was incurred during 2016/17.

8.2.4 The grant projected net expenditure position is summarised in the table below:

| | Specific Grant funding 2017/18 £000 | Projection/ Actual 2017/18 £000 | Variance £000 |
|---------------------------|--|--|--------------------------|
| In-year funding | (1,008) | (891) | 117 |
| Repaid grant for re-use | (2) | (2) | 0 |
| 2016/17 grant receipts | | (70) | (70) |
| Total in-year funding | (1,010) | (963) | 47 |
| Expenditure | 1,064 | 919 | (145) |
| From/(to) general reserve | 54 | (44) | (98) |

8.2.5 As at 31 January 2018 96% of the projected expenditure for Workforce Development Grant was spent or committed. A total of 92% of projected expenditure for the other five specific grants has been spent or committed by 31 January 2018. Plans are in place for the remaining available grant funding.

8.2.6 No further grants are expected to be awarded to the SSSC for the 2017/18 financial year.

9.0 GRANTS PAID TO OTHER BODIES

- 9.1 The following grants have been awarded to other bodies during 2017/18 from the Workforce Development Grant (paragraph 6.1.1).

| 2017/18 Third Party Grants | £000 |
|---|-------------|
| Scottish Care | 80 |
| Coalition of Care Providers Scotland (CCPS) | 70 |
| Skills for Care | 12 |
| Total grants awarded to other bodies | 162 |

- 9.2 No further grants are expected to be awarded to other bodies for the 2017/18 financial year.

10.0 BUDGET MONITORING AREAS FOR SPECIFIC ATTENTION

- 10.1 There are areas of the budget where there is uncertainty. The table below details the budget headings identified and the EMT Member who is taking an active role in monitoring these budget headings as the year progresses.

| Budget area | Budget issue | Potential over/ (under) spend £000 | Responsible EMT Member |
|------------------------|--|---|--|
| Staff costs | Projected staff costs are based on staff in post as at 31 January 2018 and known future changes at this date. EMT will monitor changes in staffing closely throughout the year. | +/- | All |
| Digital Transformation | Total available funding of £2,111k for 2017/18 (see Appendix D). There is uncertainty around the timing and nature of the development work on Sequence and the Fitness to Practise case management development. At 31 January 2018 £1,801k (85%) of the available funding was spent or committed. | Up to (£354k) | Director of Strategic Performance and Engagement |
| Legal advice (CGH) | There is uncertainty over this budget due to the move to Legally Qualified Chairs (LQCs) from 1 December 2017. During the transitional period legal advisers and LQCs will both be used. The projection for this has been reduced by £225k based on actual data to January and the projected number of hearings expected under the current rules and the new rules from 22 January to 31 March 2018. | +/- | Chief Executive |

| | | | |
|----------------------------|---|---|---------------------------------|
| Legal advice (HR) | Current expenditure patterns suggest an overspend of £36k on external legal advice for employment law. This area will continue to be closely monitored. | + | Chief Executive |
| Legal presenter fees (FtP) | Current expenditure patterns suggest an overspend of £15k on legal presenter fees. This area will continue to be closely monitored. | + | Director of Fitness to Practise |
| Hearings | There are a number of budget reductions due to the anticipated number of hearings. | - | Chief Executive |
| Value Added Tax (VAT) | A review of the CI SLA was completed by our tax advisors. This reviewed the current tax treatment of shared services and identified that the SSSC should be charged VAT on the ICT shared service. Prior to 2016/17 the SSSC had not been charged VAT for the ICT shared service and we are now reviewing the possibility of having to pay backdated tax. | + | Chief Executive |
| Exit costs | Due to the temporary nature of staff working on specific grant funded projects we may incur exit costs for staff whose contracts of employment will cease at the end of March. | + | Chief Executive |

11. FINANCIAL IMPLICATIONS

11.1 FINANCIAL IMPLICATIONS – GENERAL RESERVE

11.1.1 The 2016/17 outturn position is a general reserve balance of £1,094k. A total of £754k is planned to be funded from the general reserve in 2017/18. This comprises:

| 2017/18 Expenditure to be funded from general reserve | Planned outturn £000 | Projected outturn £000 | Variance £000 |
|--|---------------------------------|-----------------------------------|--------------------------|
| Contribution to practice learning fees | 271 | 271 | 0 |
| Sequence development | 229 | 229 | 0 |
| Customer services/digital transformation | 200 | 200 | 0 |
| Net over/(under)spend on specific grants | 54 | (44) | (98) |
| In-year underspend | | (94) | (94) |
| Total to be funded from general reserve | 754 | 562 | (192) |

11.1.2 As at 31 December the projected outturn position on the core operating budget is an underspend of £606k. Specific grant funding is projected to be £44k underspent giving projected net expenditure of £562k to be funded from the general reserve at 31 March 2018. This is £192k less than was expected to be required to be funded from the general reserve. This is shown in the table above. The table below summarises the projected general reserve balance position expected as at 31 March 2018.

| Projected general reserve position: | Revenue element of Reserve 2017/18 £000 | Grant element of Reserve 2017/18 £000 | Total General Reserve £000 |
|---|--|--|---|
| General reserve opening balance at 1 April 2017 | (1,040) | (54) | (1,094) |
| Projected overspend on core operating budget | 606 | | 606 |
| Projected underspend on specific grants | | (44) | (44) |
| Projected general reserve at 31 March 2018 | (434) | (98) | (532) |

11.1.3 Should the final outturn be as currently projected there would be a general reserve balance of £532k as at 31 March 2018. £532k is 2.58% of gross expenditure. This is just over the target general reserve balance range which is 2% (£413k) to 2.5% (£516k) of gross expenditure.

12. HUMAN RESOURCE IMPLICATIONS

12.1 There are no human resource implications arising from this report.

13. EQUAL OPPORTUNITIES

13.1 Budget monitoring helps to support the SSSC's commitment to equal opportunities and working towards equality and diversity.

14. LEGAL IMPLICATIONS

14.1 Budget monitoring reports are compiled in accordance with guidance issued by the Scottish Government and in line with requirements of the Scottish Government Executive Framework Agreement and the Council's Standing Orders and Financial Regulations.

15. STAKEHOLDER ENGAGEMENT

15.1 There are no immediate implications for stakeholder engagement, but continued budget monitoring is part of a robust financial management framework which is required to ensure that the service we provide to our stakeholders is as good as it can be.

16. IMPACT ON USERS AND CARERS

16.1 The budget is developed in line with corporate planning priorities and monitored regularly to assist the Council in meeting its objectives of improving

services and raising standards. This will support improved services to users and carers in the longer term.

17. CONCLUSION

- 17.1 The Resources Committee is requested to consider and approve the attached Budget Monitoring Statement for the year to 31 March 2018 in accordance with corporate governance requirements.

| Summary: Core Operating Budget | Revised budget for monitoring purposes £'000 | Actual Expenditure/Income as at 31 January 2018 £'000 | Commitments as at 31 January 2018 £'000 | Projected year end Expenditure/Income as at 31 January 2018 £'000 | Projected Annual Variance £'000 |
|--|---|--|---|--|--|
| Staff Costs | 9,854 | 7,765 | 183 | 9,551 | (303) |
| Accommodation Costs | 767 | 590 | 190 | 780 | 13 |
| Administration Costs | 1,477 | 933 | 333 | 1,327 | (150) |
| Travel Costs | 221 | 155 | 0 | 192 | (29) |
| Supplies & Services | 2,412 | 2,118 | 633 | 3,110 | 698 |
| Postgraduate Bursaries | 2,655 | 3,132 | 124 | 2,600 | (55) |
| Practice Learning Costs | 2,352 | 1,140 | 0 | 2,352 | 0 |
| Voluntary Sector Development Fund (VSDF) | 900 | 0 | 0 | 1,050 | 150 |
| Gross Expenditure - core operating budget | 20,638 | 15,833 | 1,463 | 20,962 | 324 |
| Government Grants | (14,348) | (8,993) | 0 | (14,348) | 0 |
| Practice Learning Fee Income | (2,081) | (917) | 0 | (2,081) | 0 |
| Voluntary Sector Development Fund (VSDF) | (900) | (0) | 0 | (1,050) | (150) |
| Registration Fees | (2,743) | (3,955) | 0 | (2,583) | 160 |
| Protection of Vulnerable Groups (PVG) Fees | (13) | (8) | 0 | (11) | 2 |
| IRS Equivalency Fee | (10) | (6) | 0 | (8) | 2 |
| Modern Apprenticeship Income | (133) | (109) | 0 | (143) | (10) |
| Other Income | (139) | (84) | 0 | (132) | 7 |
| Total Income | (20,367) | (14,072) | 0 | (20,356) | 11 |
| Net Expenditure - core operating budget | 271 | 1,761 | 1,463 | 606 | 335 |

| Projected general reserve movement: | Core operating budget £'000 | Specific Grants £'000 | Total £'000 |
|---|-----------------------------------|--------------------------|----------------|
| General reserve opening balance at 1 April 2017 | (1,040) | (54) | (1,094) |
| Projected overspend on core operating budget | 606 | 0 | 606 |
| Projected underspend on specific grants | 0 | (44) | (44) |
| Projected general reserve at 31 March 2018 | (434) | (98) | (532) |

2.58 % of gross core operating budget
target range: 2% (£413k) to 2.5% (£516k)

SSSC Budget Monitoring 2017/18 as at 31 January 2018

Resources Committee
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Appendix B

| Summary: Specific Grant Funding | Budget 2017/18 £'000 | Approved Grant offer 2017/18 £'000 | Actual to 31-Jan-18 £'000 | Commitments as at 31-Jan-18 £'000 | Projected outturn as at 31-Jan-18 £'000 | Projected Annual Variance £'000 |
|--|----------------------------|---|------------------------------------|--|--|--|
| Expenditure | | | | | | |
| Workforce Development | 399 | 399 | 160 | 119 | 290 | (109) |
| Total: Workforce Development | 399 | 399 | 160 | 119 | 290 | (109) |
| Leadership for Integration | 28 | 28 | 23 | 4 | 28 | 0 |
| Workforce development and social care integration | 447 | 413 | 299 | 97 | 433 | 20 |
| Promoting Excellence: Dementia strategy | 168 | 168 | 136 | 21 | 168 | 0 |
| Enhanced Learning and CPD within childcare sector | 0 | 0 | 0 | 0 | 0 | 0 |
| Development of smartphone app on child development | 0 | 0 | 0 | 0 | 0 | 0 |
| Total: Other specific grants | 643 | 609 | 458 | 122 | 629 | 20 |
| Total Expenditure | 1,042 | 1,008 | 618 | 241 | 919 | (89) |
| Income | | | | | | |
| Workforce Development | (399) | (399) | (201) | 0 | (284) | 115 |
| Total: Workforce Development | (399) | (399) | (201) | 0 | (284) | 115 |
| Leadership for Integration | (28) | (28) | 0 | 0 | (28) | 0 |
| Workforce development and social care integration | (447) | (413) | (206) | 0 | (413) | 0 |
| Promoting Excellence: Dementia strategy□ | (168) | (168) | (168) | 0 | (168) | 0 |
| Enhanced learning and CPD within childcare sector | 0 | 0 | (50) | 0 | (50) | (50) |
| Development of smartphone app on child development | 0 | 0 | (20) | 0 | (20) | (20) |
| Total: Other specific grants | (643) | (609) | (444) | 0 | (679) | (70) |
| Total Income | (1,042) | (1,008) | (645) | 0 | (963) | 45 |
| Net Expenditure | 0 | 0 | (27) | 241 | (44) | (44) |

General Reserve funding available: Workforce Development

General Reserve funding available: Workforce development and social care integration

Total General Reserve funding available for specific grants

(6)

(48)

(54)

Projected 2017/18 over/(under) spend

(98)

Scottish Social Services Council

Summary of Budget Movements

Resources Committee
28 February 2018
Agenda item: 08
Report no: 03/2018
Appendix C

| | 2017/18 Approved Budget £'000 | 2017/18 Reallocated / Additional Budget £'000 | 2017/18 Revised Budget £'000 |
|--|--|---|---------------------------------------|
| Expenditure | | | |
| Staff costs | 9,854 | | 9,854 |
| Accommodation costs | 767 | | 767 |
| Administration costs | 1,477 | | 1,477 |
| Transport costs | 221 | | 221 |
| Supplies & services | 2,412 | | 2,412 |
| Postgraduate bursaries | 2,655 | | 2,655 |
| Practice learning fees | 2,352 | | 2,352 |
| Voluntary Sector Development Fund (VSDF) | | 900 | 900 |
| | 19,738 | 900 | 20,638 |
| Income | | | |
| Practice Learning fee income | (2,352) | 271 | (2,081) |
| Registration income | (2,743) | | (2,743) |
| Other Income | (295) | | (295) |
| Voluntary Sector Development Fund (VSDF) | 0 | (900) | (900) |
| | (5,390) | (629) | (6,019) |
| Net Expenditure funded by: | | | |
| Grant in aid | (14,348) | | (14,348) |
| Net Expenditure | 0 | 271 | 271 |

Note:

- a. On 1 July 2017 the SSSC took on administration of the Voluntary Sector Development Fund (VSDF) on behalf of Scottish Government. Ministers agreed a budget of £900k for the 2017/18 financial year.

| | Change Request No. | Planned Expenditure £ | 2017/18 £ | 2018/19 £ |
|--|--------------------|-----------------------|------------------|------------------|
| Non-Recurring | | | | |
| Service Transition | NVT 1 | 59,700 | 59,700 | |
| Dynamics 365 Upgrade | NVT 2 | 134,266 | 134,266 | |
| Hosting Transition | NVT 4 | 18,000 | 18,000 | |
| Additional Service Transition | NVT 6 | 62,400 | 62,400 | |
| ADFS & VPLS | CR4045 | 16,929 | 16,929 | |
| CommuniGator | CR4046 | 599 | 599 | |
| Third party components | CR4049 | 13,226 | 13,226 | |
| PostCoder Credits | CR4050 | 1,482 | 1,482 | |
| D365 Re-Implementation | CR4052 | 334,763 | 334,763 | |
| GAP in Support Costs | CR4053 | 4,350 | 4,350 | |
| Programme Manager | CR4054 | 74,248 | 74,248 | |
| CITO57 - Set-up Active Directory Federation Services (ADFS) | | 2,304 | 2,304 | |
| Office 365 Migration Planning Consultancy services | | 3,840 | 3,840 | |
| Windows 10 Migration Planning Consultancy services | | 10,560 | 10,560 | |
| Consilium attendance at scoping meeting 05/12/17 | | 960 | 960 | |
| Cost for ADFS support from 26 to 29 January | | 4,500 | 4,500 | |
| SSSC Microsoft Active Directory Separation Design cost | | 2,880 | 2,880 | |
| Go Live support for Sequence | | 3,429 | 3,429 | |
| MPLS line contract and hosting extended to 2nd March 2018 | | 23,780 | 23,780 | |
| 15-17 Nov - Half day room hire & tea/coffee for Case Mgmt | | 699 | 699 | |
| 05/12/17 - Room hire with flipchart and projector for 1 day workshop | | 280 | 280 | |
| Third Engineer support for 86 days at £347 per day | | 35,394 | 35,394 | |
| ICT connectivity work to NVT data centre (VPLS and ADFS) | | 6,387 | 6,387 | |
| DTS, SG to provide expertise on the SEQUENCE relet and upgrade project | | 20,000 | 20,000 | |
| Digital Transformation Services CRM tender and evaluation support | | 3,371 | 3,371 | |
| Sequence - 2016/17 - procurement charges (accrual 5 days short) | | 3,445 | 3,445 | |
| Sequence - 2017/18 - procurement charges | | 7,683 | 7,683 | |
| Sequence hosting and licenses: 07/01/18 to 06/02/18 | | 17,794 | 17,794 | |
| Asset tags | | 561 | 561 | |
| CMS Conference attendance (Thomson Reuters) London - 20/21 Feb | | 3,000 | 3,000 | |
| Active Directory Separation | | 100,000 | 100,000 | |
| Equipment refresh | | 548,600 | 300,000 | 248,600 |
| Recurring | | | | |
| Application Support | NVT 3 | 109,620 | 36,540 | 73,080 |
| Hosting Fee | NVT 5 | 297,398 | 127,456 | 169,942 |
| 100MB Layer 2 link to data centre | CR4045 | 11,348 | | 11,348 |
| Microsoft Dynamics License (based on 266 users) | CR4047 | 339,815 | 108,842 | 230,973 |
| Case Management PM/Consultant | CR4048 | 124,981 | 74,653 | 50,328 |
| Website | CR4051 | 156,000 | 84,000 | 72,000 |
| CommuniGator monthly rental | CR4055 | 13,980 | 5,340 | 8,640 |
| Case Management System (CMS) | CR4056 | 242,725 | 192,379 | 50,346 |
| CMS Annual Support and maintenance (one month 2017/18) | CR4056 | 23,556 | 1,812 | 21,744 |
| CMS Hosting (one month 2017/18) | CR4056 | 124,800 | 9,600 | 115,200 |
| Integration of CMS to Sequence | CR4056 | 24,000 | | 24,000 |
| Potential additional hours (NVT) | | 30,240 | | 30,240 |
| Digital Transformation Lead (Ged Bell) | | 136,800 | 68,400 | 68,400 |
| Project Delivery Technical Specialist | | 65,772 | 31,842 | 33,930 |
| Wildcard SSL Certificate - *SSSC.uk.com - annual support | | 652 | 231 | 421 |
| Microsoft Office 365 licensing (£10.26 per user, per month) | | 38,783 | 5,540 | 33,242 |
| | | 3,259,900 | 2,017,464 | 1,242,435 |
| Budget: | | | | |
| Sequence development | | | 820,000 | |
| Performance management system | | | 100,000 | |
| Work resulting from the digital strategy | | | 40,000 | |
| Virement from Comms (website) | | | 70,000 | |
| Virement from CGH (iPads for paperless hearings) | | | 88,000 | |
| | | | 1,118,000 | |
| Other funding: | | | | |
| General Reserve | | | 229,000 | |
| General Reserve: Underspend from Cust Svcs & Digital Transformation | | | 131,215 | |
| Underlying in-year underspend | | | 632,700 | |
| Total funding available: | | | 2,110,915 | |
| Expected b/f | | | -93,451 | -93,451 |
| Required 2018/19 | | | | 1,148,985 |
| 2018/19 Draft Budget | | | | 1,200,000 |
| Uncommitted 2018/19 | | | | 51,015 |

| | |
|----------------------------------|---|
| Title of report | Draft budget 2018/19 and indicative budgets for 2019/20 and 2020/21 |
| Public/confidential | Public |
| Action | For approval |
| Summary/purpose of report | To present the draft budget proposal for 2018/19 to the Committee and to seek agreement for submission of a draft budget to the Sponsor department and subsequently to the Council for approval. |
| Recommendations | <p>That the Committee:</p> <ol style="list-style-type: none"> 1. considers the draft budget for 2018/19 (detailed at Appendix A) and recommends it for submission to the Sponsor and for approval by Council, subject to confirmation of funding from the Sponsor department; 2. notes the indicative budgets for 2019/20 and 2020/21 (detailed at Appendix B) and approves their submission to the Sponsor for planning purposes; 3. considers and approves the draft staffing establishment for 2018/19, recognising this may change when a confidential report is considered later on the agenda. (Appendix C); 4. considers the specific grants expected to be awarded to the SSSC as detailed at section 5.1.1 of this report and notes that specific grant funding and associated expenditure is currently excluded from the draft 2018/19 and indicative budgets for 2019/20 and 2020/21 as set out in this report; 5. authorises the Chief Executive and Director of Corporate Services to sign the specific grant agreements once negotiations are completed in line with the expectations detailed in section 5.1.1, noting that the final grant amounts may differ, subject to available Scottish Government funding; 6. notes the additional grant in aid of £350k for 2018/19 requested from the Sponsor as set out in section 6 of this report. |

| | |
|----------------------------------|---|
| | |
| Link to Strategic Plan | The information in this report links to Strategic Outcome 4: Our stakeholders value our work and Strategic Priority 6: High standards of governance |
| Link to the Risk Register | <p>Producing a robust budget supports mitigation of the following risks:</p> <p>Strategic Risk 2: The SSSC's credibility as a well-run effective organisation is damaged if it cannot meet its strategic objectives in light of the funding allocated to it by Government.</p> <p>Strategic Risk 6: The public or employers do not have or lose confidence in the SSSC.</p> |
| Author | Nicky Anderson Head of Finance 01382 207206 |
| Documents attached | <p>Appendix A: SSSC draft budget 2018/19</p> <p>Appendix B: Medium term indicative budgets – 2019/20 & 2020/21</p> <p>Appendix C: SSSC organisational structure by FTE</p> |

EXECUTIVE SUMMARY

The draft budget for 2018/19 and indicative budgets for 2019/20 and 2020/21 are summarised in the table below, alongside the 2017/18 budget for comparison. More detailed analysis is included at Appendix A and Appendix B of this report.

| | Budget 2017/18 £000 | Draft budget 2018/19 £000 | Indicative budget 2019/20 £000 | Indicative budget 2020/21 £000 |
|-------------------------------------|------------------------------------|--|---|---|
| Gross expenditure | 19,738 | 20,267 | 20,112 | 20,345 |
| Income from fees | (2,744) | (4,632) | (4,952) | (4,952) |
| Other income | (294) | (222) | (164) | (161) |
| Net expenditure before grant in aid | 16,700 | 15,413 | 14,996 | 15,232 |
| Grant in aid | 16,429 | 15,413 | 14,996 | 15,232 |
| Net expenditure* | 271 | 0 | 0 | 0 |

*(Deficit funded from general reserve)

The indicative draft budgets show gross expenditure is expected to increase in 2018/19 compared to 2017/18 expenditure levels. There are significant non-recurring ICT costs in 2018/19 mainly due to digital transformation. The 2019/20 and 2020/21 indicative budgets include provision for continued development into the medium term.

| | 2017/18 £000 | 2018/19 £000 | 2019/20 £000 | 2020/21 £000 |
|-----------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| Gross expenditure | 19,738 | 20,267 | 20,112 | 20,345 |
| Annual increase | | 529 | 155 | 233 |
| Annual increase % | | 2.7% | 0.8% | 1.2% |
| Cumulative increase | | 529 | 684 | 917 |
| Cumulative increase % | | 2.7% | 3.5% | 4.6% |

The impact of the new registrations expected from the opening of the register to Housing Support and Care at Home Workers is included in the projections.

Grant in aid required for the three year period is as follows:

| | 2017/18 £000 | 2018/19 £000 | 2019/20 £000 | 2020/21 £000 |
|----------------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| Grant in aid | 16,429 | 15,413 | 14,996 | 15,232 |
| Annual increase/(decrease) | | (1,016) | (417) | 236 |
| Annual increase %/(decrease) | | (6.2%) | (2.7%) | 1.6% |
| Cumulative increase/(decrease) | | (1,016) | (1,433) | (1,197) |
| Cumulative increase/(decrease) % | | (6.2%) | (8.7%) | (7.3%) |

Specific project related grant funding for 2018/19 and future years has yet to be agreed and both the grant funding and associated expenditure are excluded from the indicative budgets. It is currently expected that £0.361m of specific grants will be awarded to the SSSC for the 2018/19 financial year as detailed in section 5 of this report.

Additional grant in aid of £350k has been requested from the Sponsor in order to progress an organisational restructure. The expenditure associated with this funding request will not be included in the draft budget until the funding has been agreed by Sponsor. This is detailed in section 6 of this report.

1. INTRODUCTION

- 1.1 The Scottish Social Services Council's new financial year commences on 1st April 2018 and there is a requirement to have in place an agreed budget before that date, against which financial performance can be monitored. The budget needs to be reviewed by Resources Committee, agreed by the Council and for funding purposes, agreed with the Sponsor.
- 1.2 This report comprises draft budget figures compiled after discussion with budget holders and review by the Executive Management Team (EMT). The indicative budgets have been developed to include the financial implications of the 2017 to 2020 Strategic Plan. Each budget heading has been reviewed to take account of actual costs from previous years and the latest budget monitoring information. Where possible, budgets have been calculated on a zero based approach. No general inflationary uplift has been applied.
- 1.3 The draft budget for the 2018/19 financial year and indicative budgets for 2019/20 and 2020/21 are attached at Appendix A and B.
- 1.4 Specific grant funding has not yet been finalised. Therefore grant funding and the associated expenditure is currently excluded from the draft and indicative budgets. A summary of the specific grants expected for 2018/19 is provided in section 5 of this report. Expenditure funded by specific grant will be reported separately to Resources Committee within the budget monitoring report throughout the year.
- 1.5 In addition to the expenditure included in the draft budget a request for additional grant in aid of £350k has been made to the Sponsor to fund an organisational restructure. Details of this are set out in section 6.

2. DRAFT 2018/19 BUDGET COMPILATION - EXPENDITURE

2.1 Staff costs

- 2.1.1 A pay increase of 2% has been applied to staff earning greater than £36.5k per annum and a 3% pay increase has been applied to all earning less than £36.5k. There are separate arrangements for the Chief Executive and Council Members. This is in line with the 2018/19 Public Sector Pay Policy. The budget includes provision for employer pension, National Insurance contributions and the apprentice levy.
- 2.1.2 It is assumed that all staff not already at the top of their salary scale will have performed satisfactorily and will receive an increment. Increases for increments and pay awards for 2018/19 are expected to be as follows:

| | 2018/19 £000 |
|------------|-------------------------|
| Increments | 206 |
| Pay award | 242 |
| Total | 448 |

- 2.1.3 Most SSSC staff contribute to the Tayside Local Government Pension Fund administered by Dundee City Council. The employer's contribution rate is currently 17%. The Tayside Pension Fund will soon report the results of the latest triennial valuation. This will set employer pension contribution rates for 2018/19, 2019/20 and 2020/21. It is anticipated that the employer contribution rate will remain at 17%.
- 2.1.4 The 2018/19 draft budget includes an increase of 5.4 fte to the staffing establishment (3.4 fte permanent and 2.0 fte temporary). The proposed new posts and deleted posts are detailed in Appendix C.
- 2.1.5 Workforce modelling has been developed for the elements of the SSSC's work directly driven by the number of registrants. These are registration, fitness to practise, hearings and income collection.
- 2.1.6 The modelling allows the SSSC to identify the impact of new and existing registrant numbers on the organisation. The models calculate the number and type of staff required to carry out the expected levels of work using data collected by managers on the number and type of social service workers expected to register, numbers of new and existing registrants impacting on fitness to practise and subsequent numbers expected to require hearings. Average processing and casework times for SSSC staff allow us to identify staffing requirements for future years and estimate the related costs and income to include in the draft budget each year.
- 2.1.7 In 2016/17 changes were made to the fitness to practise referral thresholds. Changes to consider health concerns for fitness to practise were also introduced. We have collected data and statistics on the impact of the new processes and this has been useful in setting the budget. The information suggests the new changes have reduced the number of cases we are required to review. However, we have remained prudent when setting the budget in terms of the reduction in caseload experienced to date because we may experience different caseload levels for care at home and housing support workers.
- 2.1.8 A slippage assumption of 4% (2017/18 4%) has been included in the draft budget. This is an adjustment for savings expected as a result of delays in filling posts that become vacant during the year. The slippage assumption is not applied to EMT and Council Member posts.

2.2 Other staff costs

- 2.2.1 The budget for lay and social service member allowances has increased by £463k to £900k. The introduction of Legally Qualified Chairs will significantly reduce the cost of legal fees (included in administration costs, section 2.4.2).

2.3 Accommodation costs

- 2.3.1 The budget for accommodation has increased by £256k. The main reason for this is the inclusion of budget provision to fund office environment improvements. The changes to the office environment are closely associated with the digital transformation work.

2.4 Administration costs

- 2.4.1 A review of the costs of printing, photocopying, stationery, postages, telephones, conferences, conference attendance and subscriptions has been undertaken as part of the budget setting process. These budgets have reduced by £25k in line with expenditure projections for 2017/18.
- 2.4.2 Professional fees have been increased by £35k to provide for training of Legally Qualified Chairs, Lay and Social Service Members £30k; Sponsorship of social work events £3k and translation costs £2k.
- 2.4.3 The introduction of Legally Qualified Chairs will reduce the need for legal advice and the legal fee budget has reduced by £663k.
- 2.4.4 Budget provision for the write-off of registration fees has increased by £42k in line with projected registration numbers. The budget for bank charges has reduced by £6k in line with current charges and projected registrant numbers.

2.5 Transport costs

- 2.5.1 The travel and subsistence budget has increased by £4k in line with 2017/18 expenditure patterns.

2.6 Supplies and services

2.6.1 ICT and Digital Transformation

The table below details the sums included in the draft 2018/19 budget. Indicative budgets for 2019/20 and 2020/21 have been shown alongside for each year and they are analysed between provision for digital transformation, the Service Level Agreement with the CI and ICT maintenance & running costs.

| | Draft budget 2018/19 £000 | Indicative budget 2019/20 £000 | Indicative budget 2020/21 £000 |
|---|--|---|---|
| Digital transformation/future running costs | 1,420 | 1,214 | 1,200 |
| ICT Service Level Agreement | 540 | 540 | 540 |
| ICT maintenance and running costs | 104 | 97 | 98 |
| Overall ICT costs | 2,064 | 1,851 | 1,838 |

- a. The digital transformation work is progressing along four main areas:
- Sequence re-implementation
 - Implementation of a new case management system
 - Modernisation of our ICT infrastructure to facilitate cloud based systems and technology (Office 365, upgrade to Windows 10 and ICT equipment refresh)
 - Revised website.

- b. Budget provision for the ICT Service Level Agreement (SLA) with the Care Inspectorate totals £540k in 2018/19. The annual review of the SLA was due to be undertaken by 31 December 2017 but this was delayed to allow time for research to be undertaken on the SSSC's future ICT requirements as part of the digital transformation project. The indicative budgets include provision for fixed ICT costs and any variable ICT costs for 2019/20 and 2020/21 in line with expected staff numbers.
- c. ICT maintenance and running costs totalling £104k are included in the 2018/19 budget. Current maintenance costs are expected to decrease as the new technology provided by digital transformation is implemented.

Other supplies and services costs

- 2.6.2 The total budget for other supplies and service costs is £399k. This includes provision of £191k for non-ICT services supplied by the Care Inspectorate via the SLA.
- 2.6.3 The budgets for venue hire and hospitality and Protection of Vulnerable Groups (PVG) disclosure costs have increased by £13k and £2k in line with 2017/18 expenditure projections to £80k and £38k respectively.
- 2.6.4 The budgets for pick and packing of SSSC literature and purchase of furniture and equipment have reduced by £12k and £9k to £61k and £29k respectively.

2.7 Disbursements

- 2.7.1 A budget of £9k has been included for Skills for Care and Development as the SSSC are required to contribute to the Sector Skills Council's running costs.
- 2.7.2 No budget for the Voluntary Sector Development Fund has been included as this is an annually agreed budget which is considered by the Scottish Government in the autumn of each financial year. This budget will be revised following announcement of funding during the financial year.

2.8 Postgraduate bursaries

- 2.8.1 No inflationary increase has been applied to postgraduate bursaries in line with instructions from the Sponsor.

2.9 Practice learning fees

- 2.9.1 No inflationary increase has been applied to practice learning fees in line with instructions from the Sponsor.
- 2.9.2 The SSSC has little control over practice learning fee expenditure and it is agreed that the risk and responsibility for dealing with significant budget overspend lies with the Sponsor.

3.0 DRAFT BUDGET COMPILATION 2018/19 - INCOME

3.1 Registration fee income

- 3.1.1 Registration fee income has been set in line with projections calculated using the registration resourcing and forecasting model. The table below shows the registration fee income anticipated for 2018/19 to 2020/21.

| | 2018/19 £000 | 2019/20 £000 | 2020/21 £000 |
|---------------------|-------------------------|-------------------------|-------------------------|
| Registration income | 4,632 | 4,952 | 4,952 |

3.2 Other income

- 3.2.1 Income of £13k is expected from Protection of Vulnerable Groups (PVG) disclosure checks for registrants who do not already have a disclosure. A sum of £10k is expected from charges for assessment of International Qualifications.
- 3.2.2 The budget includes Modern Apprenticeship income of £133k. This is in line with 2017/18 apprentice numbers and a similar position is expected for 2018/19.
- 3.2.3 Other income in 2018/19 includes £35k for the secondment of an officer to the Scottish Public services Ombudsman (SPSO). This secondment is not currently expected to continue past 31 March 2019. Income of £26k from recharging the Care Inspectorate for shared services has been included. Collaborative contracts are expected to generate rebates of £4k. Further income of £1k is expected from the annual accounts preparation service provided to the Office of the Scottish Charity Regulator (OSCR).
- 3.2.4 No income for the Voluntary Sector Development Fund has been included at this stage. This is consistent with expenditure as described in paragraph 2.7.2.

4.0 GRANT IN AID

- 4.1.1 The SSSC requires a total of £15.413m in core grant in aid in 2018/19. This comprises operating costs of £10.406m, postgraduate bursaries of £2.655m and practice learning fees of £2.352m. The Sponsor has indicated that this level of funding will be available. This will be confirmed in a formal grant in aid letter prior to the start of the 2018/19 financial year.

5.0 EXPENDITURE FUNDED BY SPECIFIC GRANTS

- 5.1.1 The table below shows a summary of the Workforce Development Grant (WDG) and other specific grants which it is anticipated will be awarded to the SSSC for the 2018/19 financial year.

| Summary of anticipated specific grants 2018/19 | 2018/19 £000 |
|--|-----------------|
| Workforce development grant (WDG) | |
| Digital learning | 119 |
| Qualifications and standards | 15 |
| Leadership | 8 |
| Total workforce development grant | 142 |
| Other specific grants | |
| Integration | 166 |
| Promoting excellence | 53 |
| Total other specific grants | 219 |
| Total specific grants | 361 |

- 5.1.2 The EMT and Resources Committee are required to approve all offers of grants awarded to the SSSC in advance of any grant agreements being signed. Members are asked to authorise the Chief Executive and Director of Corporate Services to sign grant agreements that are in line with the above expectations, noting that the final grant amounts may differ, subject to available Scottish Government funding.

6.0 ADDITIONAL FUNDING

- 6.1.1 The EMT has identified additional grant in aid funding of £350k would be beneficial to the SSSC during 2018/19 to fund an organisational restructure. There are existing vacancies at senior management level and it is planned to take this opportunity to better align the organisational structure to the delivery of our strategic priorities.
- 6.1.2 Additional grant in aid funding of £350k has been requested from the Sponsor. This is not included in the budget, but the Sponsor has indicated they would consider a request for restructure funding when more detail is available.

7.0 INDICATIVE BUDGETS FOR 2019/20 AND 2020/21

- 7.1 Indicative budgets for 2019/20 and 2020/21, based on the draft 2018/19 budget have been prepared and are shown in Appendix B. The significant assumptions used in the preparation of the indicative budgets are detailed in sections 7.2 to 7.9 below.

7.2 Incremental progression and pay award

- 7.2.1 The indicative budgets assume that all staff not currently at the top of their salary scale will perform satisfactorily and will receive incremental progression. The indicative 2019/20 and 2020/21 budgets assume pay awards

at 2% for all staff. The cost of incremental progression and pay awards are detailed in the table below.

| | 2019/20 £000 | 2020/21 £000 |
|------------|-------------------------|-------------------------|
| Increments | 125 | 82 |
| Pay award | 210 | 215 |
| Total | 335 | 297 |

7.3 Employer's charges

7.3.1 An actuarial evaluation of the Tayside Pension Fund is due and this will set the employer contribution rates for 2019/20 and 2020/21. It is assumed the rate the employers' pension contribution rate will remain at 17% for 2019/20 and 2020/21.

7.3.2 No significant change in employer national insurance rates is assumed for 2019/20 or 2020/21.

7.3.3 The apprentice levy is assumed to be unchanged from the 2018/19 rate.

7.4 Other costs

7.4.1 A slippage assumption of 4% has been included in the indicative budgets.

7.5 Workforce modelling

7.5.1 Our workforce modelling (see 2.1.5 to 2.1.7) indicates no increase in FTE will be required for 2019/20 or 2020/21.

7.6 Accommodation costs

7.6.1 The indicative budget includes provision for business rates, energy costs and contractual cost increases.

7.7 Allowances

7.7.1 Allowances for Lay and Social Services Members and Legally Qualified Chairs are £1,007k in 2019/20 and £1,056k in 2020/21. The budget also includes provision of £55k for legal fees in 2019/20 and 2020/21.

7.8 ICT costs

7.8.1 Indicative budgets for ICT costs are £1,851k in 2019/20 and £1,838k in 2020/21. Detail is provided in section 2.6.1 of this report.

7.9 All other expenditure, income and funding

- 7.9.1 All other expenditure has been maintained at the 2018/19 draft budget level and no general inflationary uplift has been applied.
- 7.9.2 It is assumed there will be no change to registration fees in 2019 to 2021. Registration fee income for 2019/20 and 2020/21 is based on current modelling assumptions for registrant numbers.

8. FINANCIAL IMPLICATIONS

- 8.1 This report presents the draft 2018/19 budget and indicative budgets for 2019/20 and 2020/21 which will be made available to the Sponsor.
- 8.2 By 2020/21 the register will have been open to all the planned groups of the social care workforce and the register will have reached maturity in terms of numbers registered. Therefore the budgetary requirements remain relatively constant for the three year period considered in this report.

9. RISK IMPLICATIONS

- 9.1 There is a risk that the SSSC does not receive sufficient funding to carry out the work set out in the Strategic Plan.

10. HUMAN RESOURCE IMPLICATIONS

- 10.1 The budget includes a net increase of 3.4 FTE permanent posts and 2.0 FTE temporary posts compared to 2017/18. Details are shown at Appendix C.

11. EQUAL OPPORTUNITIES

- 11.1 The draft budget supports the Council's commitment to equal opportunities and working towards equality and diversity.

12. LEGAL IMPLICATIONS

- 12.1 The budget is developed in accordance with guidance issued by the Scottish Government and in line with the Executive Framework and Scheme of Delegation.

13. STAKEHOLDER ENGAGEMENT

- 13.1 There are no immediate implications for stakeholder engagement, but the new posts and additional budget is required to ensure that the service we provide to our stakeholders is as good as it can be.

14. IMPACT ON USERS AND CARERS

- 14.1 The development of the budget in line with corporate planning priorities assists the Council to meet its objectives of improving services and raising standards. In the longer term this supports improved services to users and carers.

15. CONCLUSION

- 15.1 The report sets out the draft budget for 2018/19 and indicative budgets for 2019/20 and 2020/21. It includes significant assumptions on the impact of increased numbers of registrants and major ICT development work.

Appendix A

Scottish Social Services Council

Draft budget 2018/19

| | Agreed Budget 2017/18 £000 | Draft budget 2018/19 £000 | Movement £000 | Move % |
|---|-------------------------------------|------------------------------------|------------------|---------------|
| Expenditure | | | | |
| Staff costs | 9,854 | 10,682 | 828 | 8.4 |
| Accommodation costs | 767 | 1,023 | 256 | 33.4 |
| Administration costs | 1,474 | 858 | (616) | (42.0) |
| Transport costs | 221 | 225 | 4 | 1.8 |
| Supplies & services | 2,415 | 2,463 | 48 | 2.0 |
| Disbursements | 0 | 9 | 9 | |
| Postgraduate bursaries | 2,655 | 2,655 | 0 | |
| Practice learning fees | 2,352 | 2,352 | 0 | |
| Gross expenditure | 19,738 | 20,267 | 529 | 2.68 |
| Operational income | | | | |
| Registration fees | 2,744 | 4,632 | (1,888) | (68.8) |
| Other income | 294 | 222 | (72) | (24.5) |
| Total operational income | 3,038 | 4,854 | (1,816) | (59.8) |
| Net expenditure before grant in aid | 16,700 | 15,413 | (1,287) | (7.7) |
| Grant in aid (operating costs) | 11,693 | 10,406 | (1,287) | (11.0) |
| Grant in aid (PG bursaries) | 2,655 | 2,655 | 0 | |
| Grant in aid (practice learning) | 2,081 | 2,352 | 271 | 13.0 |
| Total grant in aid | 16,429 | 15,413 | 1,016 | 6.2 |
| Net expenditure (To be funded from general reserve) | 271 | 0 | (271) | |

Scottish Social Services Council

Medium term indicative budgets - 2019/20 & 2020/21

| | Agreed Budget 2017/18 £000 | Draft budget 2018/19 £000 | Indicative budget 2019/20 £000 | Indicative budget 2020/21 £000 |
|---|---|--|---|---|
| Expenditure | | | | |
| Staff costs | 9,854 | 10,682 | 11,047 | 11,306 |
| Accommodation costs | 767 | 1,023 | 774 | 774 |
| Administration costs | 1,474 | 858 | 808 | 794 |
| Transport costs | 221 | 225 | 225 | 225 |
| Supplies & services | 2,415 | 2,463 | 2,242 | 2,229 |
| Disbursements | 0 | 9 | 9 | 10 |
| Postgraduate bursaries | 2,655 | 2,655 | 2,655 | 2,655 |
| Practice learning fees | 2,352 | 2,352 | 2,352 | 2,352 |
| Gross expenditure | 19,738 | 20,267 | 20,112 | 20,345 |
| Operational income | | | | |
| Registration fees | 2,744 | 4,632 | 4,952 | 4,952 |
| Other income | 294 | 222 | 164 | 161 |
| Total operational income | 3,038 | 4,854 | 5,116 | 5,113 |
| Net expenditure before grant in aid | 16,700 | 15,413 | 14,996 | 15,232 |
| Grant in aid (operating costs) | 11,693 | 10,406 | 9,989 | 10,225 |
| Grant in aid (PG bursaries) | 2,655 | 2,655 | 2,655 | 2,655 |
| Grant in aid (practice learning) | 2,081 | 2,352 | 2,352 | 2,352 |
| Total grant in aid | 16,429 | 15,413 | 14,996 | 15,232 |
| Net expenditure (To be funded from general reserve) | 271 | 0 | 0 | 0 |

Appendix C

SSSC Organisational Structure by FTE - Draft 2018/19

| Team | 2017/18 Established Posts FTE | 2018/19 Increase/ (Decrease) FTE | 2018/19 Total FTE | Increase/(decrease) to posts |
|---------------------------------|--|---|-------------------------|---|
| Chief Executive & EMT | 7.0 | | 7.0 | |
| Corporate Governance & Hearings | 16.8 | 0.4 | 17.2 | 0.4 fte grade C4 Head of CG & H to full time (perm) £26k |
| Fitness to Practise | 76.2 | | 76.2 | |
| Registration | 79.5 | (3.0) | 76.5 | 3.0 fte Workforce Intelligence moved from Registration to L&D |
| Learning & Development | 31.3 | 4.0 | 35.3 | 3.0 fte Workforce Intelligence moved from Registration to L&D (1.0) fte grade C5 L& D Adviser (temp) deleted 1.0 fte grade C5 L & D Adviser (perm) £52k 1.0 fte grade D7 Project Officer (perm) £43k |
| Performance & Improvement | 11.4 | 0.4 | 11.8 | (0.6) fte Knowledge co-ordinator deleted (£33k) 1.0 fte grade D6 Customer Service Insight Co-ordinator £44k |
| Communications | 9.0 | 1.0 | 10.0 | 1.0 fte grade D6 Senior Involvement Adviser (1 yr temp) £46k |
| Human Resources | 4.0 | 1.0 | 5.0 | 1.0 fte Modern Apprentice (temp) £20k |
| Finance | 13.0 | 1.6 | 14.6 | 0.6 fte grade F10 Income Assistant (perm) £15k 1.0 fte grade F10 Health & Safety Asst (perm) £26k |
| Total FTE | 248.2 | 5.4 | 253.6 | |

| | |
|----------------------------------|--|
| Title of report | Annual Review of the Procurement Strategy 2016-2019 |
| Public/confidential | Public |
| Action | For decision |
| Summary/purpose of report | This report provides Resources Committee the opportunity to review the joint Care Inspectorate and SSSC Procurement Strategy 2016-2019 to ensure the strategy continues to reflect our procurement objectives and is compliant with procurement regulations. |
| Recommendations | Approves the revised 2016-19 Procurement Strategy subject to any agreed amendments. This will form the basis of the annual procurement report for the financial year 2018/19. |
| Link to Strategic Plan | Procurement is part of the overall corporate governance framework and this report relates to strategic objective 7; The SSSC is recognised as a well-run, well governed and effective organisation. |
| Link to the Risk Register | A strong procurement function is a key element of the system of internal control and the management of risk. Strong procurement capability and performance will ensure procurement risk is minimised. |
| Author | Gillian Berry Senior Accountant (Care Inspectorate) Tel: 01382 207140 |
| Documents attached | Appendix 1 Draft Care Inspectorate & SSSC Procurement Strategy 2016-2019 (version 2) |

1.0 INTRODUCTION

1.1 Background

- 1.2 The 2016-2019 Procurement Strategy was approved by Committee at its meeting of 19 September 2016 and has been reviewed to ensure it continues to reflect current priorities and new developments.

The purpose of this strategy is to set out how the Care Inspectorate and SSSC will plan and manage its procurement process to meet its corporate aims and objectives and comply with regulatory and legislative requirements for the period 2016 to 2019.

2.0 STRATEGY REVIEW

- 2.1 This is the first review of the 2016-19 procurement strategy and associated action plan. No significant changes are proposed. All amendments have been documented in the version control page (page 10) of the procurement strategy.

3.0 RESOURCE IMPLICATIONS

- 3.1 There are no specific financial implications arising from this report.

4.0 EQUALITIES IMPLICATIONS

- 4.1 An equalities impact assessment of the strategy did not identify any negative impact on people with a protected characteristic.

5.0 LEGAL IMPLICATIONS

- 5.1 The procurement processes in place are compliant with legal requirements.

6.0 STAKEHOLDER ENGAGEMENT

- 6.1 The approved procurement strategy was consulted with stakeholders as part of the equity impact assessment process.

7.0 IMPACT ON USERS AND CARERS

- 7.1 Efficient procurement will help secure best value and social value (community benefits) from contracts awarded. This in turn means that the SSSC optimises the use of its resources to maximise the benefits of the SSSC's work to people who use care services and their carers.

8.0 CONCLUSION

- 8.1 We have continued to work towards improving our procurement capability and have made considerable progress over the last few years. This review of the procurement strategy will ensure it reflects our continued commitment to strive for further improvement.



Care Inspectorate and Scottish Social Services Council Draft Procurement Strategy 2016 - 2019

Gordon Weir
Executive Director of Corporate and Customer Service (CI)
Director of Corporate Services (SSSC)

Gillian Berry
Senior Accountant (CI)

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1.0 BACKGROUND AND PURPOSE

The Care Inspectorate and Scottish Social Services Council (SSSC) Procurement Strategy 2016-19 has been informed by the Public Contracts (Scotland) Regulations 2015, the Procurement Reform (Scotland) Act 2014 and the Procurement (Scotland) Regulations 2016. The Strategy is designed to take a responsible and sustainable approach to procurement.

The purpose of this strategy is to set out how the Care Inspectorate and the SSSC will plan and manage their procurement processes to meet their corporate aims and objectives and comply with regulatory and legislative requirements. The Procurement Strategy applies to all procurement conducted by the Care Inspectorate and the SSSC.

The aim of procurement is to deliver transparent and effective procurement which delivers best value, is legally compliant and follows best practice. This is especially important in a challenging financial climate. Good procurement can generate savings and efficiencies that can be used to re-invest in other activities to support corporate objectives.

Procurement is a devolved responsibility within the Care Inspectorate and the SSSC. Specific authority is required for staff to procure goods, services or works. The procurement must be undertaken within agreed policy and procedural parameters.

This document sets out the Care Inspectorate and SSSC's Procurement Strategy for the next three years and is supported by a Procurement Action Plan.

2.0 OWNERSHIP AND APPROVAL OF THE STRATEGY

The Chief Executives, as the Accountable Officers, have specific responsibility to ensure that procurement activity is conducted in accordance with the requirements of the Procurement section of the Scottish Public Finance Manual. This responsibility will be discharged through the implementation of this strategy.

The Executive Director of Corporate & Customer Service (CI) / Director of Corporate Services (SSSC) is the sponsor of the Procurement Strategy with responsibility for delivering the strategy being with the Procurement Team and staff who are involved in the procurement process.

The strategy must be approved by the Care Inspectorate and the SSSC's respective Resources Committees.

3.0 OUR PROCUREMENT PRIORITIES

Our procurement strategy:

- sets out our priorities and proposals for procurement over the planning period;
- identifies those factors that will influence the way in which we manage the procurement process and
- describes the arrangements for monitoring and evaluating the strategy.

Our strategy has seven key priorities as follows:

1. Achieve value for money
2. Deliver sustainable procurement
3. Raise the level of procurement knowledge, skills and expertise
4. Provide timely performance information
5. Achieve the benefits derived from collaborative working
6. Strengthen contract and supplier management processes
7. Provide a procurement service which supports effective procurement which delivers best value.

3.1 Priority one: achieve value for money

We aim to achieve value for money when procuring goods, services and works. This is based on the optimum combination of whole life cost and quality (or fitness for purpose) to meet the user's requirement. Competition promotes efficiency and effectiveness in public expenditure therefore goods, services and works should be acquired by effective competition, including adequate publication of the contract unless there are convincing and justifiable reasons to the contrary. Our policy, where possible, is to advertise tender opportunities above £10k, excluding VAT, on the Public Contracts Scotland advertising portal. We will award contracts on the basis of the most economically advantageous tender (MEAT) which balances value for money and the required quality of the service, goods or works being procured.

Procurement activity contributes to the overall efficiencies targets for the Care Inspectorate and the SSSC, with efficiencies realised reported in the annual Procurement Performance Report.

Whole life cost is the total cost of owning an asset, or using a service, over its entire life. Whole life cost includes all costs such as design and building costs, operating costs, associated financing costs, depreciation, and disposal costs. Whole life cost also takes certain costs that are usually overlooked into account, such as environmental impact and social costs.

3.2 Priority two: deliver sustainable procurement

Sustainable procurement is "a process whereby organisations meet their needs for goods, services, works and utilities in a way that achieves value for money on a whole life basis in terms of generating benefits not only to the organisation, but also to society

and the economy, whilst minimising damage to the environment" (Department for Environment, Food and Rural Affairs, 2006).

Sustainable procurement to the Care Inspectorate and the SSSC means routinely considering the environmental, social (including equality) and economic opportunities and impacts of purchasing decisions. This requires a long term view.

We will comply with the sustainable procurement duty as detailed in the Procurement Reform (Scotland) Act 2014.

3.2.1 Prompt payment to suppliers and their sub-contractors

We are committed to paying our suppliers promptly and include a clause in our standard terms and conditions stating that we will pay valid invoices within 30 days from receipt. To ensure this flows through the supply chain, we have a further clause stating, where there are sub-contracting arrangements in place, that suppliers must make payment within the same terms to their sub-contractors.

The Care Inspectorate and SSSC work towards making payments to suppliers within 10 working days. In the year to 31 March 2016, the Care Inspectorate and SSSC paid 98.49% and 99.24% respectively of suppliers' invoices within 10 working days. We will continue to work towards paying all valid invoices within this 10 day period.

3.2.2 Paying the living wage through our regulated procurement

We are committed to promoting the use of the Scottish Living Wage. We will continue, to incorporate evaluation of workforce matters into all contracts where the use of labour is a key deliverable.

Where suppliers have staff working on our premises, these employees are being paid the Scottish Living Wage.

3.2.3 Community benefits

The Procurement Reform (Scotland) Act 2014 includes a sustainable procurement duty on public sector bodies requiring them to conduct their procurement in a way that will secure economic, social and environmental wellbeing and a requirement that public bodies consider the use of community benefits in major contracts.

We will promote the use of community benefits within procurement exercises where relevant and proportionate to the contract.

3.2.4 SME's, local businesses, supported businesses and the third sector

We will continue to review and update our procurement policies and procedures to ensure that we contribute to improving social, economic and environmental wellbeing where relevant in delivering our contracts. This ongoing review will ensure that we

remain an inclusive organisation and encourage a diverse range of suppliers including SMEs, the third sector and supported businesses.

A 'supported business' means an economic operator whose main aim is the social and professional integration of disabled or disadvantaged persons and where at least 30% of the employees of the economic operator are disabled or disadvantaged persons.

We will use the Scottish Government's Supported Business and Factory Framework where there is a requirement to purchase goods and services covered by this contract.

3.2.5 Fair & ethical trading

We will procure fairly and ethically traded goods and services in accordance with current legislation.

3.3 Priority three: raise level of procurement knowledge, skills and expertise

Procurement will be part of the induction that new staff undertake when they join the Care Inspectorate and the SSSC. Further detailed procurement training is provided to staff depending on the post and procurement responsibility. On-going training needs will be recorded in individual training and development plans as part of the annual staff appraisal process. The Procurement Team will also continue to maintain a central register of all procurement training undertaken by staff.

The Care Inspectorate and SSSC Procurement Team undertake customer surveys on a biennial basis. The 2015 internal customer survey found that all respondents agreed the procurement function is responsive to their needs for support in sourcing or ordering goods or services, whilst 90% agreed they received appropriate advice and support for procurement. We will continue to work with, and support, staff who have a procurement responsibility to ensure staff are equipped with the necessary tools to increase their level of procurement knowledge, skills and expertise.

All staff with delegated authority to commit or approve expenditure have undertaken procurement fraud training. This training was developed by the Chartered Institute of Purchasing and Supply (CIPS). The Care Inspectorate and SSSC also have in place a Prevention of Fraud Policy which outlines where fraud may occur, who is responsible for reporting fraudulent activity and who to report it to. Appropriate preventative and detective controls, such as 'separation of duties' and robust systems of control, have been put in place to minimise the risk of fraud.

Both the Care Inspectorate and the SSSC also have comprehensive guidance on whistleblowing which encourages employees to raise concerns about possible improprieties in the conduct of our business, whether in matters of financial reporting or other malpractices, at the earliest opportunity and in an appropriate way.

Staff with procurement responsibility for high value and/or high risk contracts have also undertaken e-learning training and attended face to face seminars which cover changes to Scotland's public procurement legislation.

3.4 Priority four: provide timely performance information

We will provide procurement performance reports to the Procurement Development Group, CI Executive Team, SSSC Executive Management Team and both Resources Committees that show analysis of expenditure, transactions and suppliers. This will be used to inform our sourcing strategies and identify opportunities for collaborative buying. We will also measure benefits and savings realised from collaborative and high value contracts.

3.5 Priority five: achieve the benefits derived from collaborative working

The Care Inspectorate and SSSC will continue to use Scottish Procurement frameworks and Crown Commercial Services frameworks where appropriate.

We will explore opportunities for further collaboration through our partnership with Central Government Procurement Shared Services (CGPSS) and membership of the Procurement Cluster Group led by Scottish Enterprise. These relationships facilitate the sharing of knowledge and encourage partnership working to ensure we deliver value for money and pool resources and expertise.

3.6 Priority six: Strengthen contract and supplier management processes

Effective contract management is essential in the delivery of goods, services and works.

Contract and supplier management training was provided for all relevant staff in 2014. However, we recognise this is an area where further work is required to strengthen our processes in this area. Further training has been provided in 2016 for all staff with responsibility for managing contracts. This training will provide staff with the tools and techniques required to better manage our contracts and suppliers.

3.7 Priority seven: provide a procurement service which supports effective procurement which delivers best value.

We will review our business processes regularly to ensure that delegated authority is appropriate, that there is appropriate separation of duties when procuring goods and services, all valid invoices are paid on time and all purchasing and procurement procedures are followed.

4.0 EQUALITY AND DIVERSITY

In line with the Equality Act 2010 and the Equality Act 2010 (Specific Duties) (Scotland) Regulations 2012, we consider equality throughout our tender processes and comply

with legislation. Suppliers must not unlawfully discriminate against any person within the meaning of the Equality Act 2010 in its activities relating to contracting with the Care Inspectorate and SSSC. This is included in our standard terms and conditions.

Also included in our tender documentation and our standard terms and conditions is a requirement that suppliers comply with the Employment Relations Act 1999 (Blacklists) Regulations 2010 which address blacklisting activities.

5.0 HEALTH & SAFETY

The Care Inspectorate and the SSSC have Health & Safety Policies and associated guidance and procedures. Health and safety policies and associated information are requested where relevant from suppliers as part of the procurement process.

6.0 CONTINUING IMPROVEMENT AND ENSURING COMPLIANCE

Scottish Government has been undertaking procurement capability Assessments (PCA) with public sector organisations since 2010/11. Scottish Government is introducing a new assessment regime (the Procurement and Commercial Improvement Programme (PCIP) in 2016/17.

The procurement function is also subject to periodic review through the delivery of the Care Inspectorate and the SSSC's internal audit plans, where any recommendations for improvement will be considered for implementation by the Executive Team (CI) and Executive Management Team (SSSC) as appropriate.

In addition to the above, a monthly review of spend activity is undertaken by the Procurement Team, culminating in an annual report to the Executive Team (CI), Executive Management Team (SSSC) and Resources Committees. Any non-compliance identified through this review is addressed directly with the relevant officer(s).

We will regularly seek ideas and feedback from internal procurement users, suppliers and the wider procurement community to continually improve our performance.

7.0 CARE INSPECTORATE AND SSSC SHARED SERVICE

This strategy supports the shared service arrangement between the Care Inspectorate and the SSSC, which includes the procurement and payment functions.

8.0 DELIVERY OF STRATEGY

8.1 Communication

The Care Inspectorate and SSSC have procurement related sections on their external websites where we outline our procurement processes, our standard terms and conditions, our procurement strategy, our commitment to the Scottish Business Pledge and useful links for supplier guidance and support. We will also publish a forward plan of regulated procurement for the next two financial years.

To ensure that stakeholders have the opportunity to engage and contribute to the development of the strategy, a consultation on the strategy has been undertaken as follows:

- Consideration by the internal Procurement Development Group
- Consideration by the Executive Teams
- Equality Impact Assessment to be issued to all staff, all carer and user groups, all suppliers, SMEs, local businesses, supported businesses, the third sector and other interested stakeholders by publishing on the external websites.
- Consideration and approval by the Care Inspectorate's and the SSSC's Resources Committees.

All of our regulated contracts are publicly available on a contract register hosted by Public Contracts Scotland.

The approved strategy will be communicated to all staff through the team meeting feedback process and to all other stakeholders by publishing on the Care Inspectorate and SSSC external websites.

8.2 Management and monitoring

The strategy will be implemented on a day-to-day basis by the Procurement Team, working with colleagues within the Care Inspectorate and the SSSC with procurement responsibilities.

The priorities contained in the strategy will be translated into specific tasks each year using existing operational and financial planning processes. We will also use the corporate and business planning process to identify new procurement projects which are likely to require additional support from the Procurement Team.

We will review the strategy and our action plan annually. The outcome of the annual review will be a new programme of work and identified tasks that will feed into the operational and financial planning processes for the following year.

8.3 Reporting

As soon as practicable after the end of the financial year, an annual procurement report will be published to include

- A summary of regulated procurements completed during the year covered by the report
- A review of whether those procurements complied with the procurement strategy
- Non compliant regulated procurements and a statement of the intention to ensure future procurements do comply
- Summary of community benefits as part of regulated procurements in the report period
- Summary of steps taken to facilitate involvement of supported businesses in regulated procurements during the report period
- Summary of regulated procurements expected to commence in the next 2 financial years
- Any other information as required by Scottish Ministers.

An annual procurement performance report will be submitted to Resources Committees, reporting procurement performance and progress towards achieving the priorities in this strategy. This will be published on the Care Inspectorate and SSSC's websites.

9.0 SUPPORTING POLICIES

Our strategy for procurement is supported by other policies and procedures on:

- purchasing of goods and services;
- procurement procedures;
- data protection and records management;
- prevention of fraud;
- whistleblowing;
- carbon management plan;
- health and safety; and
- equality & diversity.

VERSION CONTROL

| VERSION NO. | REVISED BY | DESCRIPTION OF CHANGES | DATE |
|--------------------|-------------------|--|--------------|
| 1.0 | Gillian Berry | First Issued Version | 30 Sept 2016 |
| 2.0 | Gillian Berry | Para 3.7 wording amendment from 'provide an excellent procurement service appropriate and suitable for the size of organisations' to 'provide a procurement service which supports effective procurement which delivers best value'. | 31 Jan 2018 |
| 2.0 | Gillian Berry | Contents page amended to reflect reworded procurement priority description in 3.7. | 31 Jan 2018 |
| 2.0 | Gillian Berry | Para 3.0 amended to reflected reworded procurement priority 3.7. | 31 Jan 2018 |
| | Gillian Berry | Para 8.1. Changed reference to 'Government's Supplier Charter' to replace with 'Scottish Business Pledge'. | 31 Jan 2018 |

| | |
|----------------------------------|---|
| Title of report | Exit approval process (for redundancy and compensatory pay and release of pension benefits involving strain on fund costs) |
| Public/confidential | Public |
| Action | For decision |
| Summary/purpose of report | Sets out a revised process for the approval of redundancies including the release of pension benefits where there are strains on fund costs. |
| Recommendations | <p>The Committee is asked to:</p> <ol style="list-style-type: none"> 1. note the contents of this report 2. approve the recommendations set out in paragraphs 8.1, 8.2 and 8.3 3. approve a revised process between the SSSC and the Tayside Pension Fund attached in appendix two |
| Link to Strategic Plan | The information in this report links to Strategic Priority 6 – High Standards of Governance |
| Link to the Risk Register | The information in this report links to risk number 5. The SSSC does not have sustainable resources to support the delivery of Strategic Plan objectives (i.e. the strategic planning growth assumptions are not financially sustainable). |
| Author | <p>Scott Reid</p> <p>Senior Human Resources Adviser</p> <p>01382 207156</p> |
| Documents attached | <p>Appendix 1 – Current Tayside Pension Fund Approval Process</p> <p>Appendix 2 – Revised Tayside Pension Fund Approval Process</p> |

1. INTRODUCTION

- 1.1 As a public body, the SSSC is expected to have good governance arrangements in place for the approval of exit payments. These include redundancy pay, compensatory pay (an enhanced payment made to those in the Local Government Pension Scheme) and the release of pension benefits where the organisation incurs an additional cost.
- 1.2 The current arrangements are set out in the Retirement Policy and the Resources Committee's terms of reference. These arrangements have always been followed in the past, however a recent scenario has highlighted that certain circumstances may merit a different process.
- 1.3 This paper sets out a recommendation for which cases involving exit payments require advanced approval by the committee and which should not. It also sets out a new approval process for the SSSC to approve strain on fund costs with the Tayside Pension Fund.

2. REDUNDANCIES

- 2.1 The Employment Rights Act 1996 defines redundancy and the scenarios where a redundancy payment should be made. Generally speaking, where an employee with two or more years' continuous service is dismissed for reason of redundancy, they are entitled to a redundancy payment. This is true whether they are a fixed term or permanent employee.
- 2.2 There are a number of scenarios that may lead to redundancies such as the organisation ceasing operations or moving location, but the one most relevant for the SSSC is where "the needs of the business for employees to carry out work of a particular kind cease or diminish".
- 2.3 Due to the Scottish Government's 'no compulsory redundancy' commitment, the redundancy scenarios that usually occur are voluntary. There are however some scenarios where redundancy can occur that are not covered by this commitment. For example, if grant funded work ends or if a temporary project role ends.
- 2.4 Where posts linked to grant funded or project work come to an end, they often meet the definition of redundancy. Where the post holder has two or more years' continuous service, they are due redundancy pay upon their exit. In the case of those in the Local Government Pension Scheme, they may be due a compensatory payment. For the purpose of this paper we will refer to these scenarios where the ending of fixed terms posts result in a redundancy as '**technical redundancies**'.
- 2.5 It is important to mention that it is not simply because a fixed term contract comes to an end that a redundancy occurs; it is to do with the post no longer continuing.
- 2.6 In most scenarios where a fixed term contract is not renewed, eg a substantive post holder returns from maternity, it does not meet the criteria for redundancy. Similarly, it would not apply where a permanent SSSC employee performing a temporary project role returns to their substantive post on the project's completion.

3. PENSION STRAIN ON FUND COSTS

- 3.1 As an admitted body of the Tayside Pension Fund, all SSSC employees are eligible to join the Local Government Pension Scheme.
- 3.2 In the current scheme, employee pension accrues at 1/49th of an annual salary for each year in the scheme with reference to a normal retirement date equal to their state pension age (with a minimum of 65). Where pension benefits are released before this normal retirement date, benefits are reduced through an actuarial reduction. There are certain circumstances however where pension benefits can be released early without an actuarial reduction. These normally incur an employer cost known as a 'strain on fund cost'.
- 3.3 The usual scenarios where strain on fund costs occur for the SSSC are voluntary redundancy or early retirement in the efficiency of the service.
- 3.4 In any case of redundancy, employees age 55 or over (50 or over for those with protections) can access their pension without actuarial reduction (subject to having 2 years' membership in the LGPS).

4. THE CURRENT APPROVAL PROCESS

- 4.1 The SSSC's current process is described in the Retirement and Redundancy Policy and the Resources Committee terms of reference. The policy outlines the benefits we offer and the scenarios in which they are paid. The terms of reference highlight that it's within the Resources Committee's remit "to consider cases for early retirement, or termination on the grounds of efficiency of the service or redundancy for all employees of the Council in accordance with the law and relevant Council policies."
- 4.2 The terms of reference imply that all cases of redundancy will be considered by the committee, and to date, all situations involving exit payments have always followed this route prior to payment of any benefits. These however have all been cases where the status quo is changing and there is a significant decision to be made.

5. PROBLEMS WITH THE CURRENT APPROVAL PROCESS

- 5.1 The terms of reference for the Resources Committee do not differentiate between redundancies and 'technical redundancies' (see 2.4). As highlighted in paragraph 4.2, the normal scenarios that are considered by Committee tend to be cases where there is a significant decision to be made and the status quo is changing (e.g. voluntary redundancies for business efficiency).
- 5.2 While these are the normal scenarios for exit payments, there are other situations where the exit payment was something that was always expected. An example would be where a redundancy payment and strain on fund cost are required upon the conclusion of a fixed term contract (as described in paragraph 2.3). These differ to the normal scenarios the Resources Committee consider because the payment of the benefit is a result of the status quo continuing (i.e. the contract concluding on its intended end date) rather than through the result of a significant change.

Where these posts end on their intended end date and meet the criteria for redundancy, we have no choice but to pay the costs.

- 5.3 While certain pieces of work (such as grant funded work) diminishing may be known well in advance, the specifics and costs of who will face redundancy may not be known until nearer the contract end date (for example, where funding for 4 posts reduces to 3 posts). Referring this to the Resources Committee first may not be practical in terms of time scales, and may also delay the opportunity for an early release where it is possible.

6. THE CURRENT APPROVAL PROCESS WITH TAYSIDE PENSION FUND

- 6.1 The following procedure was setup in 2015 at the request of the Tayside Pension Fund in relation the release of pension benefits where there are employer strain on fund costs.
- 6.2 The current procedure is set out in appendix one.

7. PROBLEMS WITH THE TAYSIDE PENSION FUND APPROVAL PROCEDURE

- 7.1 In the existing procedure, those who were in the posts with approval responsibility are specifically named and some of them are no longer in the organisation. In addition to this, a temporary arrangement is in place for the Head of Shared Services to perform duties of the Director of Corporate Services for the SSSC and this is not reflected in the current procedure.
- 7.2 The procedure also requires the signed minutes of the Resources Committee for the pension benefits are released. This is not always practical.

8. RECOMMENDATIONS

In the case of 'technical redundancies'

- 8.1 It is recommended that exit payments such as redundancy pay, compensatory pay and pension strain on fund costs should be made by the SSSC in cases of 'technical redundancy' without prior approval from the Resources Committee. All such payments would be highlighted at the next available Resources Committee. The existing process for all other cases involving exit payments would remain unchanged.

In the case of our process with the Tayside Pension Fund

- 8.2 To ensure this can be easily managed going forward, it is recommended that the procedure will refer to job titles only and the HR team will keep the Tayside Pension Fund up to date with the names of the relevant post holders.
- 8.3 It is recommended that the part of the process requiring signed minutes of the Resources Committee is removed. Ensuring the correct process is

followed will be solely the responsibility of the SSSC and those signing off the release of benefits.

8.4 The new procedure is set out in appendix two.

9. RESOURCE IMPLICATIONS

9.1 There are no direct resource implications as a result of this report.

10. EQUALITIES IMPLICATIONS

10.1 There are no equalities implications as a result of this report.

11. LEGAL IMPLICATIONS

11.1 In the case of any redundancy, employees with the right qualifying criteria have the statutory right to redundancy pay. For those in the Local Government Pension Scheme, we also have the obligation to pay compensatory payments and pension costs in certain scenarios. Where a redundancy occurs we have no choice in the matter around whether to pay these or not.

12. STAKEHOLDER ENGAGEMENT

12.1 The Tayside Pension Fund has been consulted about this process.

13. IMPACT ON USERS AND CARERS

13.1 The content of this report will not have an impact on users and carers.

14. CONCLUSION

14.1 In conclusion, the changes will update our procedure to ensure there are enough signatories registered with the Tayside Pension Fund going forward. It will also help to ensure 'technical redundancy' scenarios can be dealt with promptly and efficiently.

15. BACKGROUND PAPERS

15.1 SSSC Retirement and Redundancy Policy.

15.2 SSSC Resources Committee Terms of Reference.

Appendix 1

Current approval process between SSSC and Tayside Pension Fund

- Confirmation of early retirement can come by email from one of the following nominated counter signatories:
 - Anna.fowlie@sssc.uk.com (Anna Fowlie, Chief Executive)
 - Gordon.weir@careinspectorate.com (Gordon Weir, Director of Corporate Services for SSSC and Care Inspectorate)
 - Susan.sneddon@sssc.uk.com (Susan Sneddon, Human Resources Manager)
- Approval of any retirement where there is a cost to the employer must be granted by the SSSC Resources Committee. Signed copies of the minutes confirming this permission will be attached to the email.
- The minutes will not name the individual by name, therefore the email will confirm the name and national insurance number of the person the minutes relate to.
- Where early retirement confirmation relates to a nominated counter signatory, permission must be confirmed by one of the other counter signatories.
- Any future changes to the process will be confirmed in minutes of the SSSC Resources Committee and forwarded to the Pensions Section.

Appendix 2 – Revised process for Tayside Pension Fund to release pension benefits where there are strain on fund costs

Permission for retirement where there is a cost to the employer will be provided to the Tayside Pension Fund in the following way:

- In the case of costs resulting from efficiency of the service cases, the award of added years and early retirement with employer consent:
 - Confirmation will be provided to the Tayside Pension Fund by one of the following post holders*:
 - Chief Executive/Accountable Officer
 - Director of Corporate Services
 - Head of Shared Services
 - Head of Human Resources
 - The name and national insurance number of the person the approval relates to will be provided in the confirmation.
- The SSSC HR team will keep the Tayside Pension Fund up to date with the names and contact details of those in posts who can approve strain on fund costs.
- Any future changes to the process will be confirmed in minutes of the SSSC Resources Committee and forwarded to the Tayside Pension Fund.

* Where early retirement confirmation relates to a nominated signatory, permission must be confirmed by one of the other signatories.

Current post holders

| Role | Name | Email address |
|--------------------------------|-------------|--|
| Chief Executive | Anna Fowlie | Anna.fowlie@sssc.uk.com |
| Director of Corporate Services | Gordon Weir | Gordon.weir@careinspectorate.com |
| Head of Shared Services | Kenny Dick | Kenny.dick@careinspectorate.com |
| Head of Human Resources | Deirdre Joy | Deirdre.joy@careinspectorate.com |

| | |
|----------------------------------|--|
| Title of report | Human Resources Analytics |
| Public/confidential | Public |
| Action | For information |
| Summary/purpose of report | Provides the committee with an analysis of absence, turnover and headcount at the SSSC as well as an update on vacancy levels, discipline and grievance. |
| Recommendations | The Committee is asked to: 1. note appendices 1 to 7 2. note the contents of this paper and provide feedback on the areas reported. |
| Link to Strategic Plan | The information in this report links to Strategic Priority 6 – High Standards of Governance. |
| Link to the Risk Register | The information in this report links to risk number 5. The SSSC does not have sustainable resources to support the delivery of Strategic Plan objectives (i.e. the strategic planning growth assumptions are not financially sustainable). |
| Author | Scott Reid Senior Human Resources Adviser Tel: 01382 207156 |
| Documents attached | Appendices 1 to 7 |

1. INTRODUCTION

- 1.1 This report provides the committee with an analysis of absence, turnover and staffing at the SSSC as well as an update on vacancy levels, discipline and grievance. It also highlights other information of note identified through analysis of Human Resources data.

2. SICKNESS ABSENCE

- 2.1 Comparing years Jan 2016 – Dec 2016 with Jan 2017 – Dec 2017, the amount of working time lost to sickness fell from 5.0% to 4.2%. This is a strong year on year improvement and is below the CIPD public sector average of 4.3%.
- 2.2 Long term sickness, ie anything lasting 4 weeks or more, remains the biggest contributor to our absence rates. This has reduced significantly from 3.4% to 2.3% of available working time year on year. Long term absence levels are now similar to 2015 levels.
- 2.3 Short term absence (up to 7 calendar days), although varying slightly each year, has remained much the same over the last three years (1.1% in 2017, 1.2% in 2016 and 1.0% in 2015). Medium term absence however (between 8 and 27 calendar days) was higher in 2017 than in the previous two calendar years (0.8% in 2017, 0.5% in 2016 and 0.7% in 2015).
- 2.4 Overall the instances of absences per employee decreased slightly from 1.38 in Jan 2016 – Dec 2016 to 1.34 in Jan 2017 – Dec 2017. This compares with 1.34 instances per employee in Jan 2015 – Dec 2015. While the frequency of absence increased, the percentage of staff working the whole year with no absence rose from 31.7% to 36.0% year on year.
- 2.5 Departmental analysis of absence rates and absence frequency are shown in appendices one and two.
- 2.6 Across the large departments, absence was highest in Registration at 6.6%. This is a significant increase compared to the previous two years (4.3% and 5.3% respectively), and is the result of a number of very long term absences with 6 absences lasting 12 weeks or more during the 2017 calendar year. While there have been a number of very long term absences in Registration, absence frequency remains at a similar level to other years (1.77 instances per employee) .
- 2.7 Year on year there have been significant improvements in both Fitness to Practise and Learning and Development where absence rates fell to 3.6% and 1.8% respectively. Frequency of absence remains low across these two areas with an average of just 1.19 instances per employee in Fitness to Practise and 0.99 in Learning and Development.
- 2.8 In the year up to 31 Dec 2017 minor illness was cited for 81.4% of all instances, which is similar to previous years. While making around four fifths of absences, it accounted for just 47.5% of all lost working time to

sickness. Stress and mental health (both work related and non-work related) were cited on 15 occasions in the last year (4.3% of all instances) and together accounted for 29.3% of lost working time. The table below provides a break-down of absence reasons in each of the last three calendar years.

Absence reasons

| | Year up to 31 Dec 2015 | | Year up to 31 Dec 2016 | | Year up to 31 Dec 2017 | |
|------------------------|-------------------------------|--------------------------|-------------------------------|--------------------------|-------------------------------|--------------------------|
| Absence Reason | %age of Inst | %age of Lost Time | %age of Inst | %age of Lost Time | %age of Inst | %age of Lost Time |
| Minor Illness | 82.8% | 47.7 | 82.0% | 34.8% | 83.2% | 47.5% |
| Stress & Mental Health | 5.3% | 20.4% | 7.9% | 40.6% | 4.3% | 29.3% |
| Other | 11.8% | 31.9% | 10.1% | 24.6% | 12.5% | 23.2% |

- 2.9 The SSSC continues to operate an employee assistance programme that gives all employees access to advice and counselling in relation to stress and mental health. This service is also open to managers who can get advice about how the best way they can support staff affected by stress or mental health issues. We continue to work on the Healthy Working Lives campaign to promote employee health in general with a view that better health will lead to greater productivity and lower absence levels. In addition to this, as there were a number of flu related illnesses this year in the Winter months, we are looking at the viability of offering flu immunisation in future years.
- 2.10 Appendix 3 tracks absence for the current fiscal year (up to 31 January 2018). Our absence rate is currently sitting at 4.3% which is significantly lower than the rate at this time last year (4.7%), but still above the target level (3.6%). The last year to date figure reported to Resources Committee (the position as at 31 October 2017) was 4.0% and therefore there has been a rise in absence since then.

3. EMPLOYEE TURNOVER

- 3.1 The latest CIPD median turnover rate for the UK is 16.5% (Resource and Talent Planning Survey 2017). Assessing all employees who left the SSSC between Jan 2017 and Dec 2017, our overall turnover rate was 13.8%. This compares with 15.8% in 2016 and 14.8% in 2015.
- 3.2 Some of this overall turnover is due to fixed term contracts naturally ceasing on their end date. Excluding those, the rates for 2017, 2016 and 2015 were 11.20%, 12.5% and 12.1% respectively. Appendix 4 provides a breakdown of overall turnover by department.

- 3.3 Voluntary turnover (excluding retirements) was low over the same period (8.2%) when compared to the previous two years (10.6% and 11.3%). The latest CIPD median voluntary turnover rate for the UK is 10.0% (Resource and Talent Planning Survey 2017).
- 3.4 Of those who voluntarily left the organisation over the period, the majority had worked for the organisation for more than a year. Of all those resigning, 27.3% left having worked for the organisation for less than one year. This is proportionately higher than the previous year (17.2%) as a percentage of all turnovers, but equated to a similar amount of people (6 in 2017 versus 5 in 2016). Those resigning having only recently joined the organisation can be viewed as a failed recruitment exercise and it is positive to see retention levels among new recruits remaining high. Appendix 5 provides a breakdown of voluntary turnover by department and tenure at point of resignation.
- 3.5 Among the larger departments, voluntary turnover for 2017 was highest in Fitness to Practise at 13.1%. Voluntary turnover can fluctuate year on year and when considering the whole three year period we do not see cause for concern. There have been a number of fixed term contracts in Fitness to Practise recently as a result of maternity leave, and some of this turnover has come from those on fixed term contracts resigning before their intended contract end date (something that is expected as those with uncertainty of future employment are more likely to look for other work).
- 3.6 Voluntary turnover rates were lowest in Learning and Development where only three people voluntarily resigned over the year (turnover rate of 2.2%, compared with 14.3% and 0.0% in the previous two years). There was also a significant fall in Registration voluntary turnover from 9.6% to 6.3%. There were however four retirements over the period and these are not included within the voluntary turnover figures. Voluntary turnover has tended to be higher in Registration, so higher retention rates experienced recently are welcomed.
- 3.7 The SSSC currently has a retention rate of 87.6%.
- 3.8 In the year up to 31 Dec 2017, five SSSC employees chose to retire. While the SSSC does not enforce a mandatory retirement age, 5.0% of staff employed on 31 Dec 2017 were within 5 years of normal retirement age (65) and 16.5% were within 10 years. While employees in the Local Government Pension Scheme can retire with access to pension benefits at 60, or 55 with employer consent, we do not anticipate high volumes of staff to retire from post in the near future.

4. RECRUITMENT AND VACANCIES

- 4.1 As at 12 February 2018 we are recruiting to or planning to recruit to eight temporary and seven permanent vacancies across the organisation. Seven of the eight temporary vacancies are to cover periods of maternity leave or secondments. Another is a Modern Apprentice which is temporary in nature.

Current vacancies

| Department | Number of vacancies |
|--------------------------------------|---------------------|
| Registration | 8 |
| Fitness to Practise | 4 |
| Strategic Performance and Engagement | 1 |
| Learning and Development | 1 |
| Corporate Services | 1 |
| Total | 15 |

- 4.2 Recruitment activity has been high in recent months and we have 10 employees starting with us in the coming weeks.

5. STAFFING ANALYSIS

- 5.1 As at 31 January 2018 the SSSC had 259 employees (243.1 full time equivalents). 21 of these employees were temporary (9 in Learning and Development, 6 in Fitness to Practise, 3 in Registration and 3 in other smaller departments of the SSSC).
- 5.2 Year on year the organisation is smaller now than it was a year ago (275 employees and 260.3 FTE on 31 January 2017). No major increase is anticipated during the financial year. Appendix 6 shows headcount and FTE by department as at 31 October 2017.
- 5.3 At present, 32.8% of SSSC employees have a working pattern that differs to the SSSC's standard working pattern of 7 hours per day, Monday to Friday. Around 60% of staff with a flexible working pattern (and 19.7% of staff overall) work part time. The number of flexible working patterns has increased since this was last reported to the Resources Committee, but not significantly.
- 5.4 As at the same date we had 13 employees (5.0% of staff) below the age of 25, two of which were modern apprentices. This is above average for NDPBs (4.0%) and the whole devolved public sector (4.6%) based on the latest available statistics (Q1 2017). We provide data on youth employment to the Scottish Government once a year, usually in the first quarter of the financial year.
- 5.5 Appendix 7 provides an age profile of all the SSSC's business areas. The average age of employees at the SSSC is 41 and the largest age group is 25-34. This is different to other public sector employers where the average age tends to be higher.

- 5.6 Among larger departments we have a higher average age in Learning and Development and a lower average age in Fitness to Practise where compared to the SSSC's overall average. The higher proportion of those approaching retirement age in Learning and Development is something we are aware of and this is considered in our workforce planning.

6. DISCIPLINE, GRIEVANCE AND DISMISSALS

- 6.1 At present the SSSC have no disciplinary investigations.
- 6.2 There is one active grievance.
- 6.3 There have been no dismissals since the last Resources Committee.

7. RESOURCE IMPLICATIONS

- 7.1 This report is for information only and there are no direct resource implications as a result of it.

8. EQUALITIES IMPLICATIONS

- 8.1 This report is for information only and there are no equality implications.

9. LEGAL IMPLICATIONS

- 9.1 This report is for information only and there are no legal implications.

10. STAKEHOLDER ENGAGEMENT

- 10.1 There is no stakeholder engagement activity as part of this report. The report will however be shared with the SSSC's Partnership Forum.

11. IMPACT ON USERS AND CARERS

- 11.1 This report is for information only and there is no impact on users and carers.

12. CONCLUSION

- 12.1 While there has been year on year improvement in sickness absence, absence levels remain above target levels of 3.6%. The Human Resources team will continue to work closely with managers to address absence issues and carry out attendance reviews where trigger points are met.
- 12.2 Turnover remains within acceptable levels.

13. BACKGROUND PAPERS

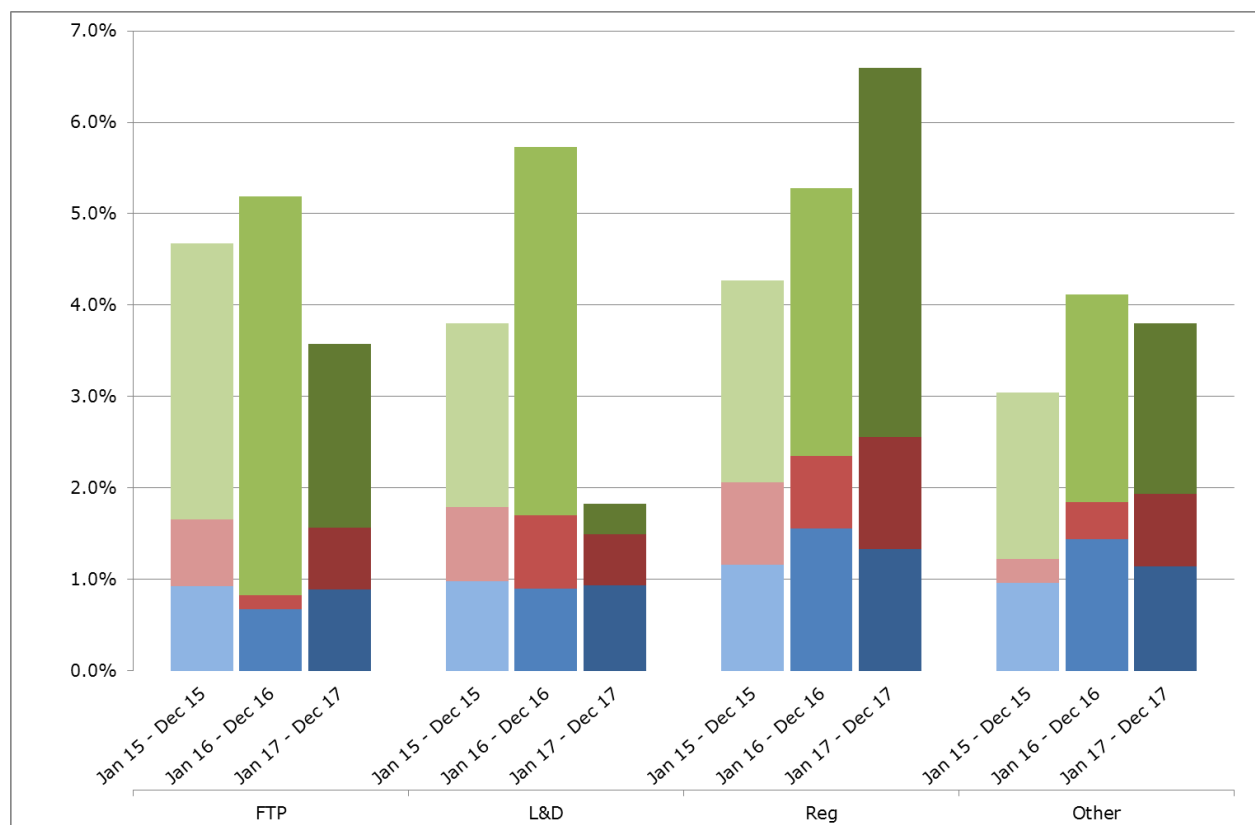
13.1 There are no background papers.

Appendix 1 – Lost working time to sickness absence by department

Blue = Short term (1 – 7 calendar days)

Red = Mid term (8 – 27 calendar days)

Green = long term (28 calendar day +)



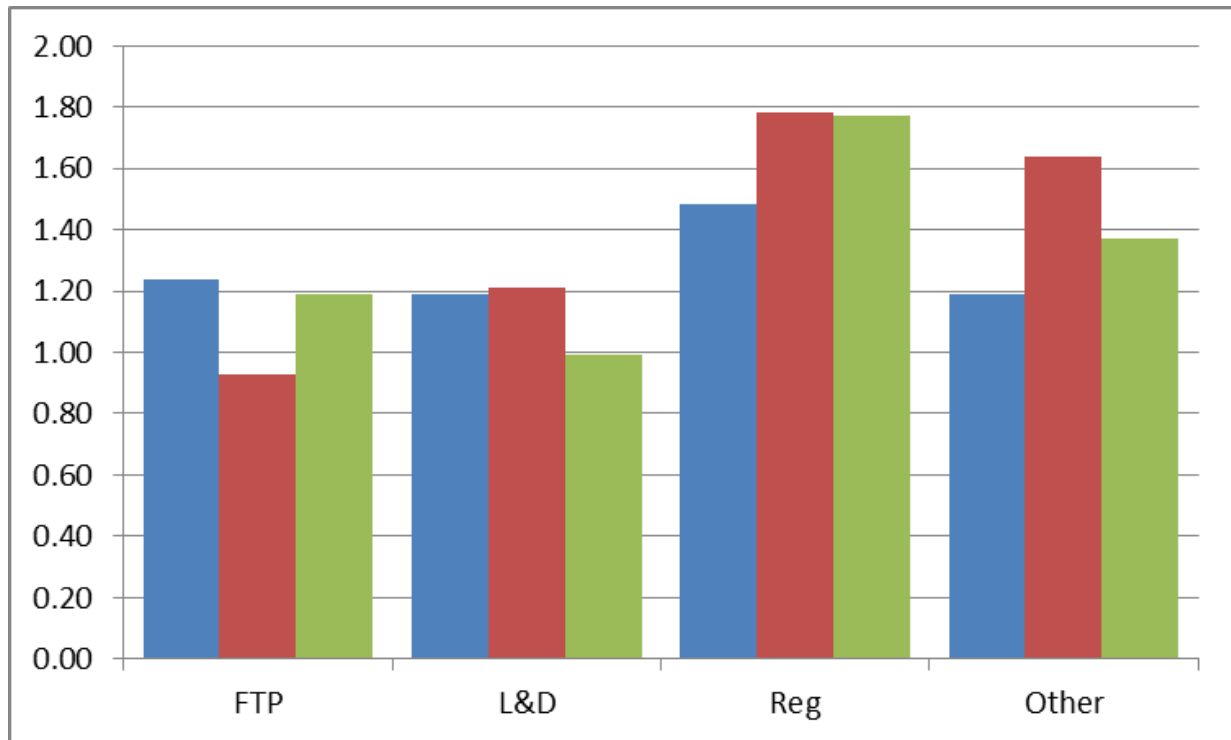
| Department | | Jan 2015 – Dec 2015 | | Jan 2016 – Dec 2016 | | Jan 2017 – Dec 2017 | |
|--------------|---------------|---------------------|------|---------------------|------|---------------------|------|
| FTP | | 4.7% | | 5.2% | | 3.6% | |
| L&D | | 3.8% | | 5.7% | | 1.8% | |
| Registration | | 4.3% | | 5.3% | | 6.6% | |
| Other | CGH | 3.0% | 3.1% | 4.1% | 5.9% | 3.8% | 8.9% |
| | Corp Services | | 3.1% | | 2.5% | | 2.1% |
| | EMT & Support | | 0.5% | | 1.0% | | 1.3% |
| | SPE | | 3.8% | | 5.1% | | 1.9% |
| Grand total | | 4.1% | | 5.0% | | 4.2% | |

Appendix 2 – Mean instances of sickness per employee by department

Blue = 1 Jan 2015 to 31 Dec 2015

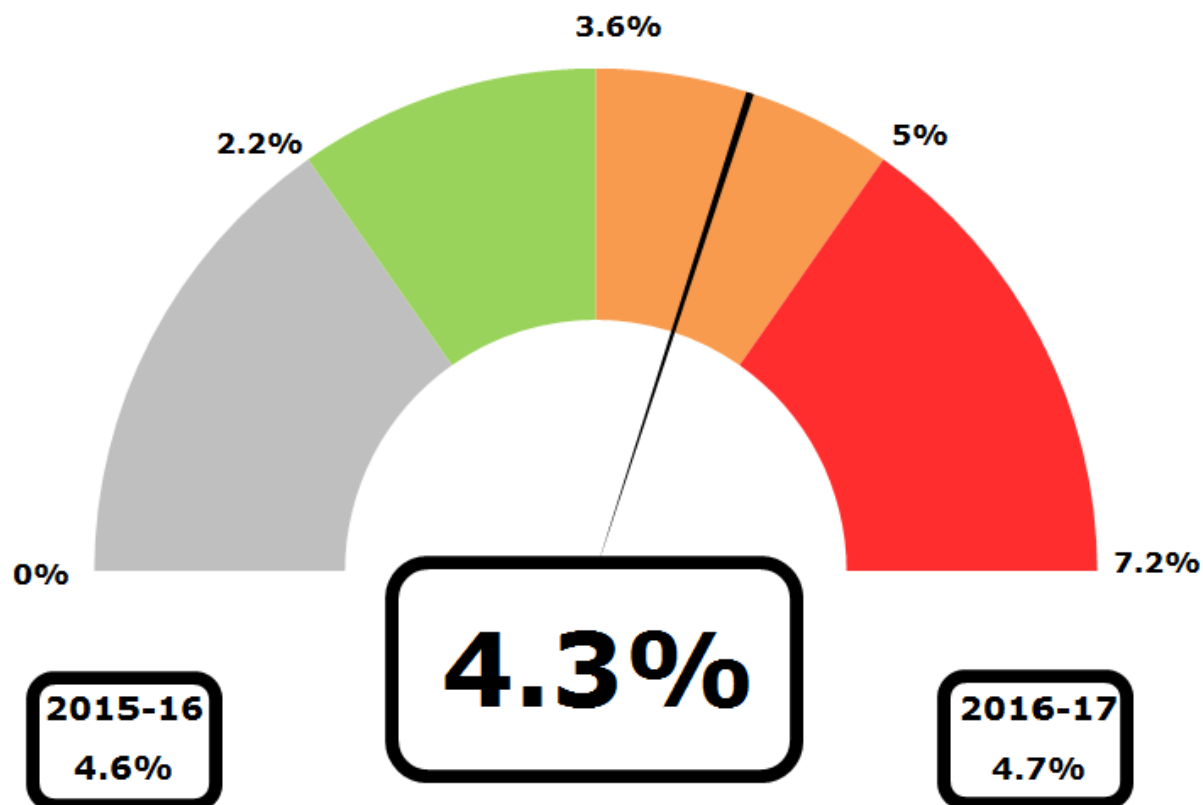
Red = 1 Jan 2016 to 31 Dec 2016

Green = 1 Jan 2017 to 31 Dec 2017



| Department | | Jan 2015 – Dec 2015 | | Jan 2016 – Dec 2016 | | Jan 2017 – Dec 2017 | |
|--------------|---------------|---------------------|------|---------------------|------|---------------------|------|
| FTP | | 1.24 | | 0.93 | | 1.19 | |
| L&D | | 1.19 | | 1.21 | | 0.99 | |
| Registration | | 1.48 | | 1.78 | | 1.77 | |
| Other | CGH | 1.19 | 1.08 | 1.64 | 1.99 | 1.37 | 2.34 |
| | Corp Services | | 1.22 | | 1.42 | | 1.16 |
| | EMT & Support | | 0.72 | | 0.71 | | 0.91 |
| | SPE | | 1.43 | | 1.83 | | 0.91 |
| Grand total | | 1.34 | | 1.38 | | 1.34 | |

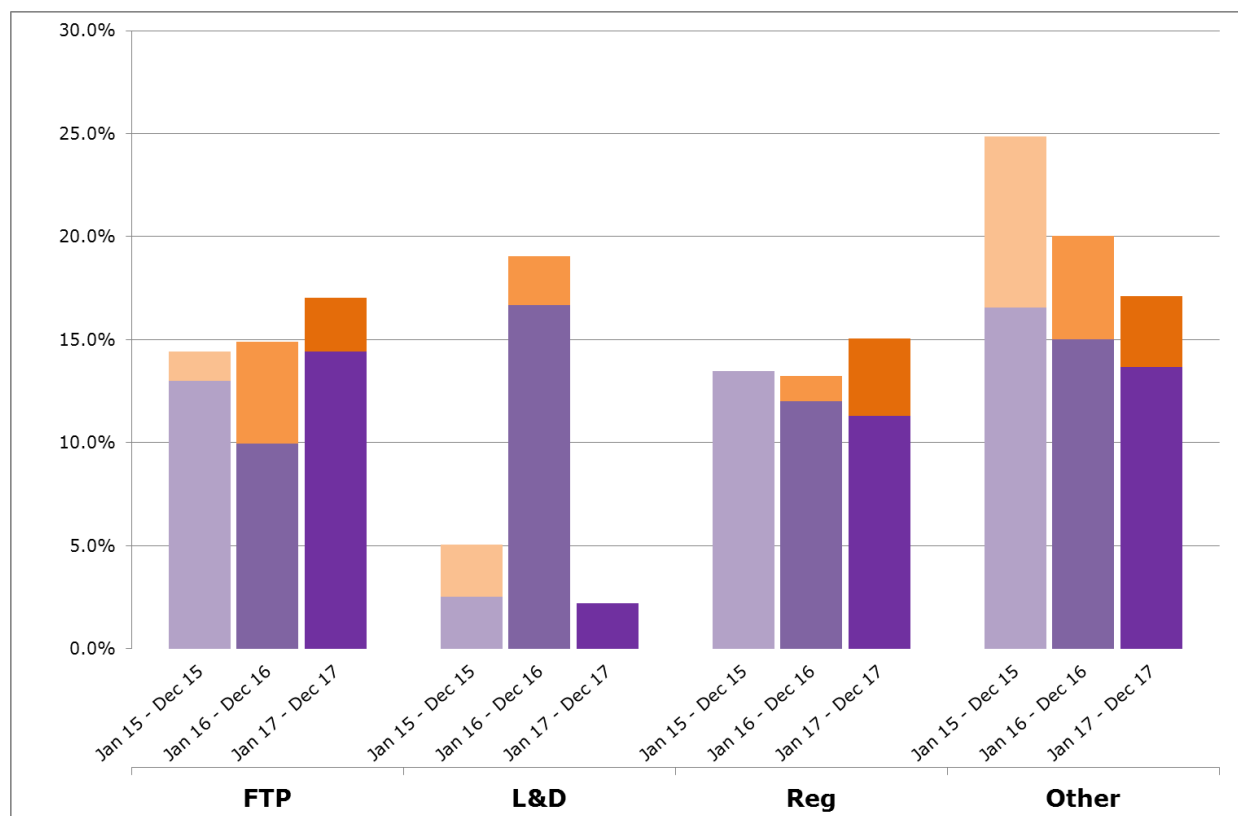
Appendix 3 – Sickness absence year to date tracker (up to 31 January 2018)



Appendix 4 – All turnover by department

Purple = Turnover (excluding the ending of fixed term contracts)

Orange = Turnover (fixed term contracts terminated on their end date)



Turnover for all departments excluding the ending of fixed term contracts (ie excluding orange section above)

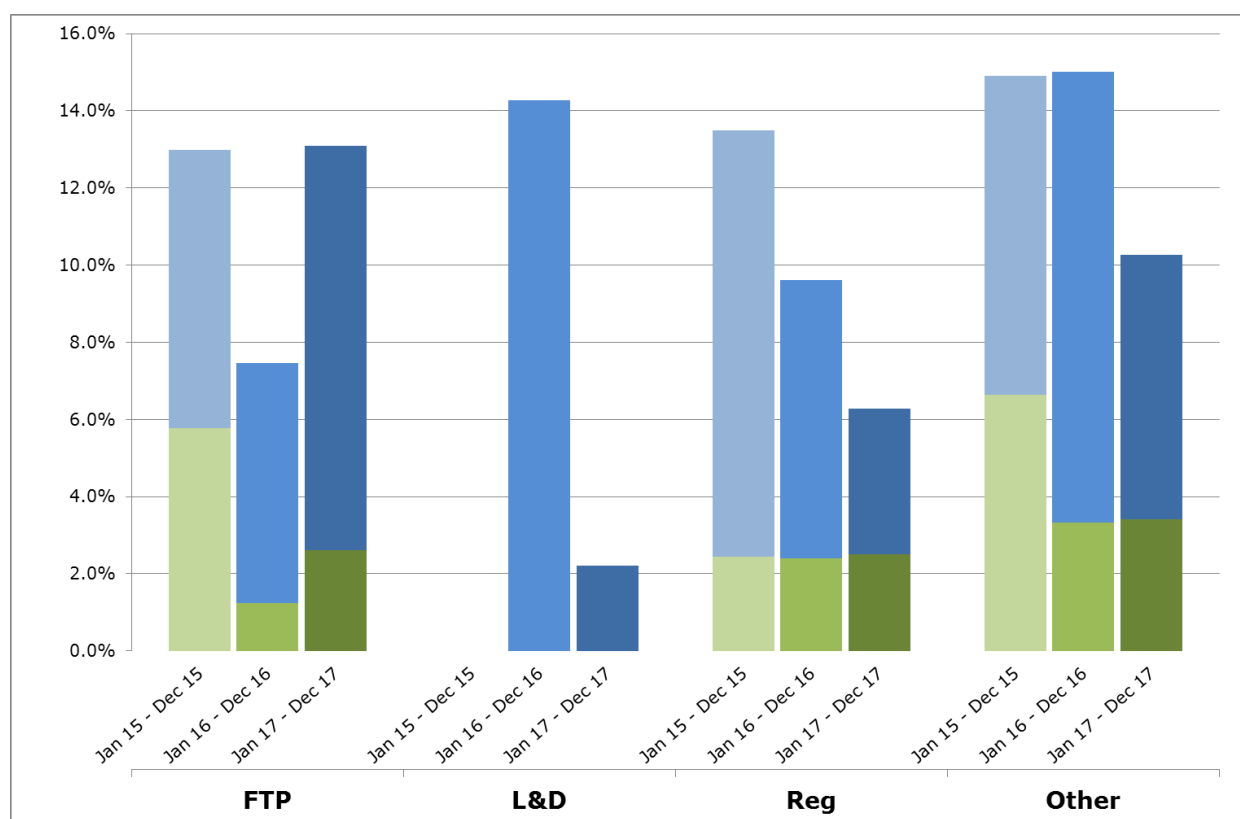
| Department | | Jan 2015 – Dec 2015 | | Jan 2016 – Dec 2016 | | Jan 2017 – Dec 2017 | |
|--------------|--------------------|---------------------|-------|---------------------|-------|---------------------|-------|
| FTP | | 13.0% | | 9.9% | | 14.4% | |
| L&D | | 2.4% | | 15.9% | | 2.1% | |
| Registration | | 13.5% | | 12.0% | | 11.3% | |
| Other | CGH | 16.6% | 18.0% | 15.0% | 17.6% | 13.7% | 19.0% |
| | Corporate Services | | 12.2% | | 24.7% | | 6.1% |
| | EMT & Support | | 14.3% | | 0.0% | | 15.2% |
| | SPE | | 19.8% | | 10.2% | | 15.2% |
| Grand total | | 12.1% | | 12.5% | | 11.2% | |

Appendix 5 – Voluntary turnover by department*

*Voluntary turnover also includes fixed term contracts where the employee has resigned before the intended end date of their contract. It does not include retirements.

Green = Resignations where the employee worked with the SSSC for less than 1 year

Blue = Resignations where the employee worked with the SSSC for more than 1 year



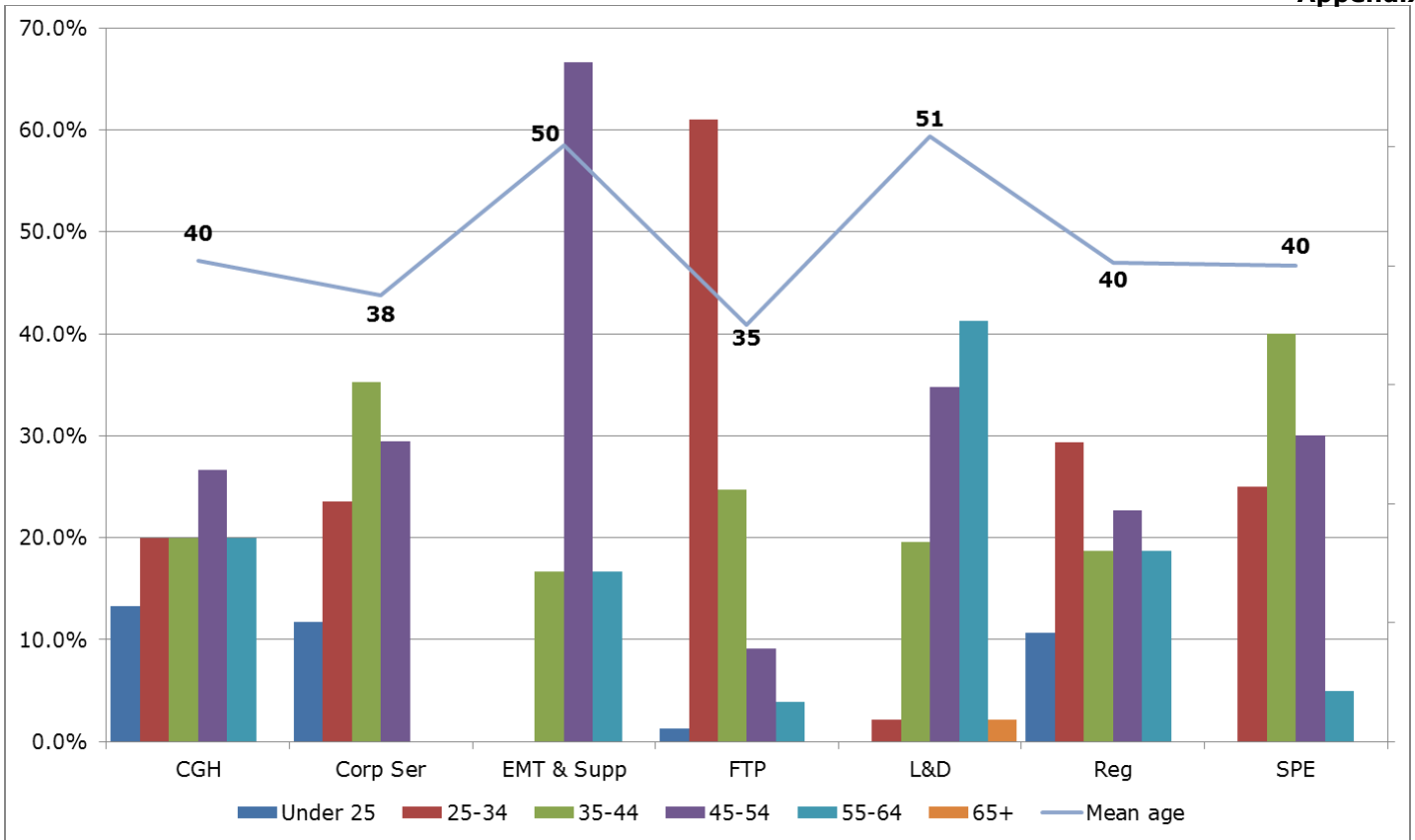
| Department | | Jan 2015 – Dec 2015 | | Jan 2016 – Dec 2016 | | Jan 2017 – Dec 2017 | |
|--------------|--------------------|---------------------|-------|---------------------|-------|---------------------|-------|
| FTP | | 13% | | 7.5% | | 13.1% | |
| L&D | | 0.0% | | 13.6% | | 2.1% | |
| Registration | | 13.5% | | 9.6% | | 6.3% | |
| Other | CGH | 11.3% | 18% | 10.6% | 17.6% | 8.2% | 19.0% |
| | Corporate Services | | 12.2% | | 24.7% | | 0.0% |
| | EMT & Support | | 0.0% | | 0.0% | | 0.0% |
| | SPE | | 19.8% | | 10.2% | | 15.2% |
| Grand total | | 11.3% | | 10.6% | | 8.2% | |

Appendix 6 – Headcount and FTE by department

| Dept | Headcount | Headcount excluding seconded out and maternity |
|--------------------------------------|------------------|---|
| Corporate Governance and Hearings | 15 | 15 |
| Corporate Services | 17 | 17 |
| EMT and Support | 6 | 6 |
| Fitness to Practise | 79 | 75 |
| Learning and Development | 47 | 46 |
| Registration | 75 | 75 |
| Strategic Performance and Engagement | 20 | 20 |
| Grand Total | 259 | 254 |

| Dept | FTE | FTE excluding seconded out and maternity |
|--------------------------------------|--------------|---|
| Corporate Governance and Hearings | 14.2 | 14.2 |
| Corporate Services | 16.0 | 16 |
| EMT and Support | 6.0 | 6 |
| Fitness to Practise | 75.0 | 71.2 |
| Learning and Development | 42.5 | 41.5 |
| Registration | 70.1 | 70.1 |
| Strategic Performance and Engagement | 19.3 | 19.3 |
| Grand Total | 243.1 | 238.3 |

Appendix 7 – Age breakdown by department



| Department | Under 25 | 25-34 | 35-44 | 45-54 | 55-64 | 65+ | Mean age |
|--------------------------------------|----------|-------|-------|-------|-------|------|----------|
| Corporate Governance and Hearings | 13.3% | 20.0% | 20.0% | 26.7% | 20.0% | 0.0% | 40 |
| Corporate Services | 11.8% | 23.5% | 35.3% | 29.4% | 0.0% | 0.0% | 38 |
| EMT & Support | 0.0% | 0.0% | 16.7% | 66.7% | 16.7% | 0.0% | 50 |
| Fitness to Practise | 1.3% | 61.0% | 24.7% | 9.1% | 3.9% | 0.0% | 35 |
| Learning and Development | 0.0% | 2.2% | 19.6% | 34.8% | 41.3% | 2.2% | 51 |
| Registration | 10.7% | 29.3% | 18.7% | 22.7% | 18.7% | 0.0% | 40 |
| Strategic Performance and Engagement | 0.0% | 25.0% | 40.0% | 30.0% | 5.0% | 0.0% | 40 |
| SSSC Overall | 5.0% | 32.2% | 23.3% | 22.9% | 15.9% | 0.8% | 41 |

| | |
|----------------------------------|---|
| Title of report | ICT Annual Report |
| Public/confidential | Public |
| Action | For information |
| Summary/purpose of report | To inform the Resources Committee of the work undertaken by the ICT Shared Service. |
| Recommendations | The Committee is asked to: 1. note the contents of this report. |
| Link to Strategic Plan | Strategic Outcome 3: Our resources support the professional development of the social service workforce. |
| Link to the Risk Register | Strategic Risk 6: We experience disruption or loss or reputation damage from a failure in our ICT systems, physical security or information governance arrangements. |
| Author | Kenny Dick Head of Shared Services Tel: 01382 207119 |
| Documents attached | None |

1. INTRODUCTION

- 1.1 The SSSC share an ICT infrastructure and an ICT service with the Care Inspectorate. This is delivered via a Service Level Agreement (SLA). The SLA is consistent with the stated intention of the relevant Sponsor Departments within the Scottish Government that the two bodies should as far as reasonably possible seek to share support services thereby ensuring good quality, responsive, cost efficient service delivery. The SLA is consistent with the Efficient Government agenda and the Shared Services Strategy agreed by the Council and Care Inspectorate Board. Although it is necessary to specify services to be provided and ensure the cost of providing those services is fairly shared between both parties, the spirit and intention of the SLA is for the SSSC and CI to work in partnership to provide services which deliver best value for the Scottish public. This report provides information on the delivery of this service and provides an update on developments with respect to ICT.
- 1.2 This report has been prepared at a time of significant and fast paced change in our ICT environment. Our ICT infrastructure will be significantly different over the course of the next few months and the delivery of an ICT shared service will also need to change significantly as result of this.

2. SERVICE DELIVERY

- 2.1 The ICT shared service provides essential services that are required by both the SSSC and CI as both organisations share the same ICT infrastructure. Discretionary services are also provided to support particular projects or initiatives.
- 2.2 The essential services are:
- ICT Management and Support
 - Network Support and Disaster Recovery
 - Network File and Print Service
 - Security System Services:
 - Firewalls
 - Anti-Virus
 - Encryption
 - External web
 - email filtering
 - Corporate/guest WIFI Service
 - External Web sites hosting
 - SEAS Financial System access
 - Management of Email/Calendar systems
 - Service Desk
 - User support (e.g. new starts, leavers, access rights, control and issue of ICT equipment)

3. KEY DEVELOPMENTS IN LAST YEAR

3.1 Scottish Wide Area Network (SWAN)

3.2 The Scottish Wide Area Network (SWAN) is a single public services network for the use of all public service organisations within Scotland. A migration from our private network to SWAN was completed in March 2017. SWAN delivers enhanced security, reduced costs, supports collaboration and information sharing between public bodies and provides established efficient and cost effective procurement routes for additional services.

3.3 Digital Transformation Support

3.4 ICT shared service has provided technical expertise and support to the Digital Transformation Programme Board from initial procurement work through to the current position where solutions are being implemented. This has included:

- Fortnightly infrastructure meetings with the Digital Transformation Lead and the supplier
- Provision of regular technical advice and assistance
- Identification and engagement of a suitable supplier to scope our new cloud based infrastructure needs
- Selection and engagement of an additional third level support engineer to support digital transformation projects
- Due diligence visit and associated report assessing the security, reliability and back up arrangements at NVT (the new Sequence hosting provider)
- Provided internal and sourced external resources to support the successful migration to the new hosting environment.
- Decommissioned the infrastructure to connect to the previous hosting environment.

3.5 Cyber Resilience

3.6 The threat of cyber attacks is increasing and is high profile in the public sector. ICT have undertaken several initiatives to address these threats:

- The Chief Technical Officer has successfully completed the Cyber Resilience RESILIA Foundation Certificate and the Cloud Security Practitioner Certificate (GCHQ certified at **application/specialist** level) and it is planned that the ICT Infrastructure Manager will undertake the same training.
- Penetration testing completed in November 2017 with the next test scheduled for May 2018.

- We are operating to the Scottish Government Cyber Resilience Action Plan.
- We have successfully applied for membership of the Scottish Cyber Information Network (SCiNET).
- Currently undergoing Cyber Essentials Plus assessment with a view to achieving certification at this level for our ICT environment.

3.7 Infrastructure

3.8 ICT has substantially completed the migration of the main production environment from Compass House to a secure Data Centre. This will provide a more secure and resilient operating environment.

3.9 Customer Service

3.10 A number of customer service initiatives have been introduced recently. These include:

- Monthly ICT Service Desk visits. These office visits give staff the opportunity to speak directly with a member of the ICT team to discuss issues, outstanding service desk calls, training etc.
- A revised call escalation procedure.
- Attendance at quarterly "superuser" groups. The "superuser" group consists of departmental representatives from across the organisation and ICT representatives. The meetings address significant ICT issues, new developments and lessons learned.

4. LOOKING TO THE FUTURE

4.1 Our Digital Transformation programme and in particular the appointment of a Digital Transformation Lead has highlighted that the SSSC have the opportunity (funding and no legacy systems) to move at a faster pace towards a more modern cloud based infrastructure and ICT equipment refresh programme than the Care Inspectorate. The re-implementation of Sequence and the introduction of a case management system has made this opportunity to move at a faster pace a necessity. Therefore the SSSC will move to Windows10, introduce cloud based Office 365 and deliver a refresh of ICT equipment ahead of the Care Inspectorate.

4.2 The different pace of technological advance will significantly alter the shared ICT service. The Digital Transformation Lead, Chief Technical Officer and Head of Shared Services will work closely together to establish and implement changes to the shared service arrangements as the requirements become clearer.

5. RESOURCE IMPLICATIONS

- 5.1 This report is for information therefore there are no specific resource implications.

6. EQUALITIES IMPLICATIONS

- 6.1 An Equality Impact Assessment has not been carried out.
- 6.2 I confirm that this report is for information only and will have no negative impact on people with one or more protected characteristics and a full Equality Impact Assessment is not required.

7. LEGAL IMPLICATIONS

- 7.1 There are no specific legal implications to consider.

8. STAKEHOLDER ENGAGEMENT

- 8.1 This report is for information only and stakeholder engagement has not been required.

9. IMPACT ON USERS AND CARERS

- 9.1 This report provides an update on our ICT shared service arrangements and therefore does not provide any new impact on users and carers. However, effective and secure use of ICT is essential to the efficient and effect delivery of our strategic outcomes which are intended to deliver benefits, protection and assurance to users and carers.

10. CONCLUSION

- 10.1 The Committee is requested to note the information on the delivery of the ICT shared service over the past year. The Committee should also be aware that the provision of shared ICT services between the SSSC and the Care Inspectorate is likely to change significantly over the next year.

11. BACKGROUND PAPERS

- 11.1 None.

Resources Committee 2018 Calendar of Business

| AGENDA ITEMS | | | | | |
|--------------|-------------|-------------|-------------|--------------|-------------|
| | Feb 2018 | May 2018 | Aug 2018 | Sept 2018 | Dec 2018 |

Decision

| | | | | | |
|--|---|---|--|---|---|
| Budget Monitoring Report | ✓ | | | ✓ | ✓ |
| Human Resources Policy Review - as required | | | | | |
| Draft Budget 2018/19 | ✓ | | | | ✓ |
| Procurement Strategy Review (March) | ✓ | | | | |
| Annual Review of SSSC Financial Regulations | | | | | ✓ |
| Procurement Performance (September) | | | | ✓ | |
| Partnership working | | ✓ | | | |
| Requests for Travel Outside UK (as required) | | | | | |

Discussion

| | | | | | |
|--|---|---|--|---|---|
| HR Analytics | ✓ | ✓ | | ✓ | ✓ |
| Best Value Report | | ✓ | | | |
| Draft Financial Strategy | | ✓ | | | |
| Draft Annual Resources Committee Report to Council | | ✓ | | ✓ | |
| Follow up from Committee Effectiveness Review inc: | ✓ | | | | |
| 1. Review of the Terms of Reference for Committee | ✓ | | | | |
| 2. Review of the Terms of Reference for Employment Appeals Sub-Committee | ✓ | | | | |

| AGENDA ITEMS | | | | | |
|--|---------------------|---------------------|---------------------|----------------------|---------------------|
| | Feb 2018 | May 2018 | Aug 2018 | Sept 2018 | Dec 2018 |
| Annual Accounts Update | | ✓ | | | |
| Annual Shared Services Report | | ✓ | | | |
| ICT Annual Report | | ✓ | | | |
| First Review of Budget Monitoring (if necessary) | | | ✓ | | |

Information

| | | | | | |
|--|---|---|--|---|---|
| Schedule of Committee Business | ✓ | ✓ | | ✓ | ✓ |
| Risk Identification | ✓ | ✓ | | ✓ | ✓ |
| Resource Strategy Development Updates* (as required) | | | | | |
| Climate Change | | | | ✓ | |

*eg Shared Services, Finance, ICT

Other Business

| | | | | | |
|--|---|--|--|--|--|
| Committee Effectiveness Review | ✓ | | | | |
| Review of Terms of Reference: Resources Committee | ✓ | | | | |
| Review of Terms of Reference: Employment Appeals Sub-committee | ✓ | | | | |