

**General Social Care Council  
Report and Accounts for the 6 month period to  
30 September 2012**

Report and Accounts presented to Parliament pursuant to paragraph 18(4),  
Schedule 1 of the Care Standards Act 2000.

Ordered by the House of Commons to be printed 21 March 2013



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## **Chair's welcome**

This is the final Report and Accounts of the General Social Care Council (GSCC) covering the period from 1 April to 30 September 2012. This includes the period leading up to the transfer of the GSCC's operational functions to a number of other bodies on 1 August, and from then until 30 September, when a small team completed the technical processes necessary to close an organisation.

I am very pleased to report that this highly complex transfer and the subsequent closure have been delivered according to plan and to timetable, and, importantly, without disruption to the regulation of social workers or compromise of public protection. This is a huge tribute to the work and commitment of all those involved in a challenging and potentially risky exercise.

In last year's Annual Report I documented the key achievements of the GSCC since its inception in October 2001, notably the opening of the Social Care Register, the development of the codes of practice, and the introduction of the social work degree. The combined impact of these developments made social workers in England accountable for their practice and put social work on a par with the more established professions such as medicine, law, and nursing.

A history of the GSCC and its achievements can be found in the 2011-12 Annual Report and Accounts, which is available on The National Archives website.

Since the announcement of the GSCC's closure in July 2010 and particularly in the last year, I have been impressed by the professionalism of the GSCC staff, who focussed on providing an excellent service to the public until the end. This was a demonstration of their loyalty and resilience in uncertain times, and it reflects well on the values the GSCC set itself as an organisation. I wish all my colleagues the very best, in the knowledge that they have done an important and difficult job well, and that the experience so gained will be of use to them and others in the future.

**Rosie Varley OBE**

**Chair of the GSCC**

**September 2012**

## **Chief Executive's review**

This is my fourth and final Report as Chief Executive of the General Social Care Council (GSCC). The organisation concluded its operations on 31 July and we successfully transferred our functions to a number of organisations. In my previous reviews I outlined our three priorities since the announcement on our closure back in July 2010. Our priorities were to deliver and improve until we were no longer the regulator of social workers and social work education in England; to treat our staff with care and respect, and to ensure an effective transfer of our functions and provide a positive legacy from the years we have been in operation. I am pleased to report that we can give positive assurance that our priorities have been delivered.

Between April and the end of July much work went into the transfer of our functions to various organisations. The regulation of social workers and social work education went to the Health and Care Professions Council; education support grants went to the NHS Business Services Authority; our social work education statistics went to King's College London, and the codes of practice went to Skills for Care.

This was a more complex transfer than may be clear to everyone, and that all of the transfer plans were completed, with all data being transferred on time, was an achievement. This represents a great effort from all colleagues and I would like to take this opportunity to thank them, and the Council Board, for their hard work, commitment and enthusiasm to deliver until the very end.

Whilst the closure of the GSCC is the end of an era for social work, I am proud to see the work we started live on through other organisations, and I am sure the social work profession will strengthen and gain the recognition it deserves. With a strong College and the creation of a Chief Social Worker I am confident that the professionalisation of social work will continue in the future. I am extremely proud that the GSCC has played such a big part in the process.

Over the operational period covered in this report, we continued to deliver and improve. Between April and June we published three learning reports on: service user involvement; the provision of practice placements; regulating social workers; and two research reports on: regulating social work education; inspecting Approved Mental Health Professional (AMHP) courses, and one summary report of our key achievements entitled 'The GSCC: A decade of progress'.

The aim of these reports was to share our learning with other regulators and the social work sector, and they have been well received. They were formally launched at our Stakeholder Reception which took place on 25 June 2012. This event brought together over 100 stakeholders and colleagues to mark the achievements of the GSCC over its lifetime. A keynote address was given by Paul Burstow, Minister for Care Services, who acknowledged that the GSCC

had increased the assurance of social work as a profession and thanked the GSCC for its work. He said that he respected and admired how the Chair, Chief Executive and staff of the GSCC had faced the challenges presented by the closure of the organisation. He confirmed that the GSCC's legacy would live on in future work. The Reception also marked the opening of an exhibition of art work, curated by a former GSCC employee, and which was on display throughout July 2012.

Other ways in which we continued to deliver, improve and contribute to the sector included our response to the Law Commission's consultation on the regulation of health and social care professionals and our continued support for the Social Work Reform Board.

Since the GSCC's functions transferred on 1 August we have settled outstanding invoices, removed all assets, successfully closed down our IT systems and answered all queries that have come in from former staff members. Staff care was one of our key priorities over the past few years and particular attention was paid to this in the last few months prior to closure. We continued to provide an outplacement programme, led by a staff working group and delivered largely by the Appointments Commission, to help equip staff with the information and skills they will need for their next move, be it a new job, setting up a new business, re-training or retirement. Take-up of outplacement provision was impressive, with all staff members accessing at least one service. We have also put support packages in place after staff members have left, including a 24-hour telephone helpline and an online job portal.

To mark the closure of the organisation, staff committees in Rugby and London arranged two staff events, both of which made no call on public monies whatsoever. These brought former and current colleagues together to reminisce and say farewell. Both events, for which funds were raised by staff themselves, were extremely positive, giving staff a lasting memory of their time at the GSCC.

The Closure Team has worked through August and September to efficiently and effectively close down the GSCC, and, with the production of this report, I hand over accountability to Una O'Brien, Accounting Officer at the Department of Health, safe in the knowledge that I have fulfilled my responsibilities.

Going forward, I wish the Health and Care Professions Council (HCPC) all the very best in their new role.

**Penny Thompson CBE**

**Chief Executive of the GSCC**

**September 2012**

## **About the GSCC**

The General Social Care Council (GSCC) was until 31 July 2012 the regulator for social workers in England. To the end, we took seriously our job of protecting the public by requiring high standards of professional education, conduct and practise of all social workers in England. The role of regulator has since 1 August 2012 been discharged by the renamed Health and Care Professions Council (HCPC), formally the Health Professions Council (HPC), whose title now reflects the substantial responsibilities it has taken on with the professional regulation of social workers. This report addresses the period to 1 August when the transfer of functions was being planned with the HPC but for clarity, references have been made in the following sections to the organisation under its new name (HSPC).

Social workers work with some of the most vulnerable people in society, so it is vital that they are trained, and committed to high professional standards and are accountable for their practice. The regulator, the GSCC achieved this by:

- maintaining a compulsory register of social workers and issuing and enforcing a code of practice. This code set out the standards of conduct and practice required of social workers in their daily work. They helped to ensure that employers, colleagues, people who use social work services, carers, and members of the public knew what standards they could expect from a social worker.
- maintaining a voluntary register of student social workers.
- working with social work employers and educators on the development of the standards they had to meet. We promoted high standards in social work education and training by inspecting the quality of social work courses and qualifications. All of the higher education institutions offering social work courses went through rigorous checks by the GSCC to make sure that they met the required standards. We were able to refuse to accredit courses which did not meet the required standards.
- reviewing the progress made by social workers every three years to maintain and extend their knowledge and skills in order to remain on the social work register.
- administering a conduct function. Our conduct panels heard evidence against social workers who it was alleged had committed misconduct. If someone was found to have committed misconduct, we could take action, with the severest penalty being removal from the register, meaning the individual could no longer practice as a social worker. Conduct panel members adjudicated independently of the GSCC and focused on the need for public protection. Our aim was to gain the confidence of the public, the profession and Parliament through our openness and by the taking of fair evidence-based judgments.
- promoting a better understanding of the role of the regulator and the benefits of professionalism amongst social workers, with a view to providing the public and people who use social work services with confidence in the work of the GSCC and in the social work profession.



## **Setting and maintaining standards**

As well as fulfilling our statutory obligations, we gathered and evaluated intelligence, and research developments in regulation, social work and social policy to promote and sustain high standards in delivery. During the period covered in this report, we produced inspection and evidence based reports on our experience and knowledge of registration, conduct, social work education and international issues, which are detailed later in this report.

## **Our ambition**

As regulator, our ambition was to **protect the public** through the regulation of social workers and their professional education and training; and through the **delivery of excellent services** and a **professional transition to HCPC**, provide a lasting legacy which enhances the **social work profession and the reputation of the GSCC**.

## **How we worked**

The GSCC was a non-departmental public body funded by the Department of Health (DH). We also worked closely with the Department for Education and our sister organisations in Wales, Scotland and Northern Ireland. Whilst the regulator, we had supportive relationships with fellow regulators and frequently exchanged good practice.

## **Our values**

In working towards our ambition we adopted the following values:

- **Fairness** - Treating ourselves and others in an equitable manner and with consistency through our policies, procedures and practices as a professional regulator.
- **Openness** - Openness in the way we evaluate and communicate with ourselves and our stakeholders, its being honest about ourselves and our services, recognising where we have to change the way we work in order to improve our services as a professional regulator.
- **Integrity** - Delivering our services in a professional manner with honesty, propriety and authenticity at all times.
- **Quality** - Delivering excellence as a professional regulator, ensuring our services are fit for purpose in meeting the needs of our registrants, public protection and social work education and reform.
- **Efficiency** - Delivering our services and everything we do in a way which delivers value for money and an approach that strives to look at more innovative ways of doing business.
- **Respect** - Recognising the diversity and contribution of everyone in the organisation and treating ourselves and our stakeholders with dignity at all times.

These values shape how we interacted with each other, our business partners, stakeholders and customers. They underpinned our performance appraisal processes and guided our behaviour.

## **How we were organised**

### **The Executive Leadership Team**

For the four month operational period to 31 July 2012, the GSCC's Executive Leadership Team comprised our Chief Executive, Deputy Chief Executive and seven Heads of Service.

### **Penny Thompson CBE – Chief Executive**

Penny joined the GSCC as Chief Executive on 31 March 2010. She has over 30 years' experience as a senior public services manager and social worker. Before joining the GSCC she was Director of the public sector consultancy PeysnerThompson, undertaking a range of important roles and assignments including interim Deputy Chief Executive of NHS Haringey and a Consultant and Coach to OFSTED. From 2005 to 2007 Penny was Chief Executive of Hackney Borough Council, following a long career in the management of social work services, including eight years as Executive Director of Social Services at Sheffield City Council and three years as an Assistant Director of Children and Families and Children and Adults' services at Nottinghamshire County Council. Between 1987 and 1995 she was District Officer for Child Protection at Cleveland City Council.

Penny graduated with a BA (Hons) in History and gained an MA in Social Work in 1979. She has over ten years' front line social work experience in challenging environments including two years as a social worker at the London Borough of Tower Hamlets and six years as a social worker for Sheffield City Council.

### **Sherry Malik – Deputy Chief Executive**

Sherry is a qualified social worker and has worked in the public sector for over 25 years. She has previously worked as the Corporate Director of Strategy and Performance at the Children and Family Court Advisory Support Service (Cafcass); Deputy Area Performance Lead for and Senior Performance Specialist for the Audit Commission; a senior manager of children's services in several local authorities; and a national childcare voluntary organisation (Action for Children, formerly NCH). She has also worked as Non-Executive Director of Children's Workforce Development Council, Vice Chair of a large NHS Trust and is Chair of Essex Cares, a Local Authority Trading Company.

### **Heads of Service:**

Claire Cooper – Head of Committee Services and Investigations

Val Cross – Head of ICT, Internal Controls and Programme Manager

Gail Gibson – Head of Registration

Graham Ixer – Head of Social Work Education

Alison Lowton – Head of Governance and Legal Services

Nelam Madahar – Head of Finance and Facilities

Debbie Moore – Head of Human Resources

### **The Closure Team**

From 1 August 2012 to 30 September, a team of 11 staff and the GSCC Council Board, continued to work at the GSCC to deliver the final organisational closure in line with the GSCC Audit Committee, Board and DH requirements. This included the preparation of final accounts, the cleansing and removal of ICT hardware and software and the final disposal of assets. The HR members of the Closure Team were available to deal with any queries relating to GSCC employment that arose, for example employee relations matters, reference requests and payroll queries.

The Closure Team comprised:

<b>Function</b>	<b>Role</b>	<b>Name</b>
Governance	CEO / Accounting Officer	Penny Thompson
	Secretary to the Council Board & Closure Team	Sharon Charles
Finance & Facilities	Head of Finance & Facilities	Nelam Madahar
	Finance Manager	Janet Hunt
	Financial Processing Accountant	Theresa Mugwaga
	Financial Processing Accountant	Alan Oliver
	Facilities Co-ordinator	Geraldine Robertson
HR	Head of HR	Debbie Moore
	HR Manager	Karen Sismey
ICT and Internal Controls	Head of ICT, Internal Controls and Programme Manager	Val Cross
	Technical Services Manager	Chris Cowlshaw

## **The Board**

We have been governed by a Board comprising nine members, which, since November 2008, has been chaired by Rosie Varley OBE. Board members determined the organisation's strategic direction, scrutinise performance and held the Chief Executive to account. The Board met publicly nine times a year on average.

The Board was selected by the Appointments Commission on behalf of the Secretary of State for Health. Board members had experience across the spectrum of social work, either as people who use services, carers, or service providers from the public, private or voluntary sectors. The majority of the Council Board members, including the Chair, had to be lay members, which means they were not, and had not within 12 months of their appointment, been social workers, or been involved in the training, education, appointment, employment, supply, supervision, monitoring or representation of social workers.

All business was transacted at the Board rather than through Committees, which enhanced levels of accountability, scrutiny and risk management. The GSCC had two advisory committees (Audit and Risk committee, and Remuneration), which were made up of Board members. The committees worked closely with the Executive Leadership Team and advised other members of the Board on key areas of business. These committees worked closely with the Executive Leadership team and advised other members of the Board on key areas of business.

## **Lay members**

### **Rosie Varley OBE – Chair**

Rosie took up the role of GSCC Chair in November 2008. She is also Chair of the Public Guardian Board, a Public Appointments Assessor, a non-executive director of the West Suffolk Hospital NHS Foundation Trust and a member of the Mental Health and Disability Living Allowance Tribunals.

Rosie's career spans health, regulation, social care and justice. She has been an NHS Trust and Regional Chair, and an NHS Appointments Commissioner. Rosie was Chair of the General Optical Council from 1997 to 2008, and from 2006-2008 was Acting Chair of the Council for Healthcare Regulatory Excellence, which oversees all health regulatory bodies. During 2008-09 Rosie chaired a Department of Health (DH) working group on the governance arrangements for the new General Pharmaceutical Council.

Rosie is also a governor of two schools in Bury St Edmunds, the Priory School for children with special needs and St Benedict's RC Upper School.

## **Jill Crawford OBE**

Jill is Service Development Director of Neighbourhood Midwives, a social enterprise dedicated to providing innovative caseload midwifery and home birth services.

She has extensive experience in professional regulation, as a Council member on Nursing and Midwifery Council (2001 to 2008) and as a current Fitness to Practise panellist and Education Associate for the General Medical Council.

## **David Plank**

David currently holds several positions including Chair of the General Osteopathic Council's Professional Conduct Committee. He is also a Council Member of the General Chiropractic Council and Trustee and Chair, Clinical Governance Committee, Peace Hospice, Watford.

He was formerly the Independent Chair of Connexions North London, and a Member of the Learning and Skills Council London North, and Panel Chair, GSCC Registration and Conduct Committees. Since retirement he has held the following interim management positions: Chief Executive, Workers' Educational Association and Deputy Chief Executive at the Museums, Libraries and Archives Council.

Prior to retirement he was Chief Executive of Enfield and Watford Councils and Director of Social Services in Hammersmith and Fulham and in Hounslow.

## **David Prince CBE**

David is a member of the Committee on Standards in Public Life. He holds non-executive independent appointments as a member of the Leicestershire Police Authority, the governance, risk and audit committee of the Bar Standards Board, audit and risk committee of the General Osteopathic Council and the Care Quality Commission, and remuneration committee of the General Pharmaceutical Council.

After a career in local Government, where he was Chief Executive of Leicestershire County Council and director of finance and administration of Cambridgeshire Council, he held senior positions at the Audit Commission, as managing director for strategy and resources and Chief Executive of district audit, before finally becoming Chief Executive of the Standards Board for England until 2008.

## **John Tate**

John is a Barrister. In addition to his current role, John was formerly a non-executive director at the NHS Kingston Primary Care Trust. He is currently chair of a healthcare company that supplies services to the National Health Service and to local authorities. He is also chair of three of the specialty schools of medicine at the NHS London Deanery.

He has been a senior civil servant for more than 20 years. His previous roles include Solicitor to the Bloody Sunday Inquiry, Deputy Parliamentary Ombudsman, Legal Adviser to the Health Service Ombudsman and Assistant Director at the Serious Fraud Office.

## **Non-lay members**

### **Terry Butler CBE**

Terry is an independent advisor in public services and social care. He is a Registered Social Worker and was Hampshire County Council's Director of Social Services from 1988 to 2005. He was previously Deputy Director of Social Services at East Sussex County Council, having worked for several social services departments in London and the Midlands. Nationally, he has acted as a Government advisor and was seconded to the Department of Health to help implement the community care reforms in the early 1990s. He was an advisor on social care to the National Patient Safety Agency until 2007 and a member of the Home Office Advisory Board for Restricted Patients.

He is currently a non-executive director of the South of England Strategic Health Authority of the NHS.

### **Robin Currie**

Robin is a Senior Research Fellow at Liverpool Hope University and an independent consultant in social care and the voluntary sector. He has worked as a practitioner and senior manager in social care in local authorities and the voluntary sector for over forty years.

He was previously a GSCC external assessor of social work training programmes and a member of GSCC's conduct committee. He was formerly a University Lecturer in Social Work and was an external examiner on University social work courses for twenty years. He served for fifteen years as an independent advisor to a local authority social services committee and as a non-executive director of Merseyside Training and Enterprise Council.

He has been a trustee of national and local charities and is currently on the Board of the Institute of Health and Social Care Research, Bishop Heber College, Tiruchirappalli, India. He is a registered social worker.

### **Gordon Ratcliffe**

Gordon is currently a senior manager in the NSPCC. He is a registered social worker with 35 years experience of delivering and managing childcare and child protection services. He was a practitioner and manager in Bradford before moving in 1989 to more senior roles in the NSPCC.

Gordon has a particular interest in service user participation and in 2000 played a lead role in the NSPCC's strategy for involving children and young people in the development and management of services. Gordon has been a Trustee of the nationwide Children's Research Centre and for a number of years he was also an Associate Consultant with Greater Manchester Council of Voluntary Organisations providing management consultancy to voluntary organisations in the North West.

### **Hilary Tompsett - Vice Chair**

Hilary is currently Professor of Social Work at Kingston University and St. George's, University of London, and Chair of the Joint University Council Social Work Education Committee (JUC SWEC), having been involved in social work education and research for over 20 years.

She is Co-Chair of the Social Work Reform Board Education Group and of the College of Social Work Education Advisory and Implementation Group. She is also a member of a number of national working groups on workforce development and social work education.

She is a registered social worker and, in a professional career spanning 14 years, worked as a practitioner and manager in children's services, mental health and a renal unit and with older people. Her research interests are in inter-professional practice and decision making.

## **Our objectives and priorities**

In July 2010, Government announced their intention to transfer our regulatory functions to the Health Professions Council (HCPC), which happened on 31 July 2012.

From 1 April until operational closure at 31 July 2012, our priorities were to: deliver and improve; undertake an effective transfer of our functions providing for a positive legacy from the years that we have been in operation; and support and treat our staff with care and respect. We are reporting against these three key priorities in this report.

## **Delivering and improving**

**Activities did change during the period and included a number of activities relating specifically to the transfer of functions and closure, and therefore the activity levels reported below should be viewed in this context.**

### **Registration**

Between 1 April 2012 and 31 July 2012, the GSCC successfully maintained or continued to improve service levels whilst also preparing for and then smoothly closing and transferring the function and data to, in the main, the HCPC.

The GSCC processed:

- 95 per cent of UK Qualified social worker applications within three weeks;
- 93 per cent of Internationally Qualified social worker applications within 16 weeks;
- 96 per cent of student social worker applications within eight weeks;
- 86 per cent of renewals of registration within three weeks;
- 92 per cent of re-applications for registration within three weeks; and
- 100 per cent of change of circumstances notices within 10 days.

Speed and quality of service was maintained and often improved throughout the final period. In the majority of areas we improved performance in 2012 over that of 2011. For example:

- UK Qualified applications – in May 2011, 80 per cent of the applications registered were completed in 3 weeks; in May 2012 we had increased this to 94 per cent with double the volume of applications.
- Student applications – in June 2011, 84 per cent were registered within eight weeks of receipt; in June 2012 we registered 96 per cent.



- Renewal applications - improved processes for initial checks provided a faster response to the applicants and meant the team only handled applications that were complete.
- The number of Internationally Qualified social worker applications on hold pending the completion of an adaptation period was reduced from 125 in September 2011 to 77 at the end of July 2012. This was achieved by reviewing all applications against new assessment criteria introduced in July 2011, and actively discussing options with applicants, including aptitude testing, in light of the closure of the GSCC.

As of 31 July 2012, we had 88,062 social workers and 16,861 social work students on our register. The register was transferred successfully to the HCPC as planned.

### **Social work education**

During the period 1 April to 31 July 2012, the GSCC continued to monitor higher education institutions (HEIs) using the regulatory risk assessment framework to identify any that may have been at risk of failing to meet requirements. Throughout the period, all 84 HEIs were assessed as low risk.

Considerable work was required to execute the carefully established plans to transfer social work education data and services to a number of organisations, as detailed in the following section on our transfer and legacy activities.

### **Conduct – investigations and hearings**

Effective management of conduct cases was achieved through the period to the end of July. Improved cross-team and cross-discipline working and planning for delivery was maintained, with advice on evidence and allegations provided by in-house legal services. 3 registration, 38 conduct and 10 Interim Suspension Order hearings took place between 1 April and 31 July 2012.

Planned and appropriate communications were sent to parties on individual cases which were transferring to HCPC and information provided about the implications of the transfer. Joint working with HCPC continued and increased during the period, enabling them to view conduct cases and provide feedback, if required, on their requirements at the point of transfer. Over 15,000 closed and 248 open conduct cases were delivered effectively and safely via secure data transfer mechanisms.

### **Customer Services**

Ensuring our customers receive a professional and timely response to their calls and emails, remained a high priority for us right up to our operational closure. From 1 April 2012 to 30 June we received a total of 22,990 telephone and email queries. 98 per cent of customers who took part in a satisfaction survey said they were satisfied or very satisfied with the response they received.

From 1 April to 31 July 2012 we received 30 complaints, which is a reduction of 26 per cent from the same period last year. This was due to our acting on complaints and feedback received, in particular improvements made in our communication with customers following closure of their conduct referral, providing better explanations of our reasoning. We also improved the information given about our handling of Data Protection Act and Freedom of Information requests.

### **Contributing to the sector**

We concluded discussions with the Independent Safeguarding Authority about the safe transfer of information covered by the Safeguarding Vulnerable Groups Act. The CEO remained a full and participating member of the Social Work Regulation Oversight Group ("SWROG") whose final meeting was held on 11 May 2012.

We responded to the Law Commission's consultation on professional regulation and the HCPC consultation on the registration of social work students.

### **Press work**

During the last four months of our operational existence, we remained committed to keeping the sector up-to-date. In this time we issued three press releases, and various comments and news articles on key issues. We received coverage in Community Care and the Municipal Journal, amongst other titles.

### **Office Accommodation**

Our performance was sustained despite having to move our London base in April 2012 to the Department of Health's office at Skipton House. This was undertaken seven months after a planned relocation from London Bridge to Bloomsbury. As before, we planned and executed the move well, with no major problems encountered, and took the opportunity to complete many housekeeping tasks, particularly on the appropriate and safe destruction of paper records, as part of the exercise.

### **Financial and other corporate resources**

Key to success was the dynamic adjustment to the organisation changes in size and capability. We also reviewed processes and the operational workflow, along the journey of change. Processes were automated and staff resource redeployed, for example in the production of the performance report, which released staff to the newly created Programme Management Office. Staff were re-skilled in order to provide support to colleagues, for example in the Customer Services team. At executive level, the team members took on extra responsibilities when colleagues moved to new careers and secondments. When they left the GSCC, the handovers had integrity, and ELT continued to support the three goals seamlessly.

The delivery of the three priorities of the GSCC was dependant on a strong alignment between the dynamic changes in the organisation and the financial funding required to support these. Over the past three years, substantial improvements were made in the financial management systems of the GSCC including improved forecasting. These improvements ensured that the GSCC secured sufficient financial resources to achieve delivery of its three priorities whilst at the same time ensuring that all use of public resources was towards maintaining public protection.

# **Ensuring an effective transfer of our functions and providing a positive legacy**

## **Transfer and Closure of the GSCC**

Following the successful segregation and transfer of the regulatory data of the other three UK Care Councils in February and March 2012, the whole GSCC organisation prepared for the smooth transfer of functions and data to the remaining organisations. Continuous support to all future destinations up to the end of July, combined with the smooth landing of information and transfer of functions, created a new sustainable framework for both the profession and regulation of social workers.

To support the Transfer and Closure Programme, a Programme Management Office (PMO) was set up to support the intricacies of implementation, and successfully deliver enhanced governance and reporting capabilities leading to a safe and effective operational closure. The PMO created and maintained a full programme plan that allowed the key activities to be highlighted and tracked, feeding into risk management.

The overall programme plan reflected five **core, complex and overlapping themes, including continuous communications** to support them:

### **First theme: Records Retention and Disposal**

The policy for the retention and ultimate disposal of records was reviewed in 2011 and was governed by the ongoing need to meet the following criteria:

- Compliance with statutory requirements
- Provision of evidence in case of legal or contractual disputes
- To support the operational activities of the organisation
- To preserve documents of value to other associated or interested parties
- To facilitate the easy retrieval of documents by disposing of all which are not required to be kept

These points, together with the huge number of records to be processed, added another dimension to the need for a systematic procedure for the records retention and disposal. A 'scan and scrap' policy was introduced enabling all records to be either destroyed or transferred to another organisation, and all off-site storage areas to be emptied.

### **Second theme: Regulatory and non-regulatory operations and Data Transfer**

A robust process was put in place to identify both the destinations for, and content of, the data. This consisted of producing an Agreement of

Requirements (AOR) for each destination, listing in detail the data format to be transferred.

The destinations for data transfer were:

- 3 other UK Care Councils
- Health and Care Professions Council
- The College of Social Work
- Department of Health
- King's College
- NHS Business Services Authority
- NHS Health and Social Care Information Centre

Testing of the data ahead of actual transfer was undertaken and an overall control mechanism was developed to provide a full audit of all data transferred, by method and date. Acknowledgements of receipt of data were received. The process was approved by the Internal Auditors.

## **Regulatory operations**

### **- Four UK Care Councils Data Project**

The Councils for Scotland, Wales and Northern Ireland have now been operational for over six months following the data segregation and no issues were reported back to GSCC. During the period up to 31 July 2012, an email based process was set up to communicate warnings to each country of those Social Workers with high risk profiles. HCPC replaced GSCC in this process from 1 August 2012. Further digitised social work data has also been transferred for the purposes of providing independent verification of qualification services.

### **- HCPC Projects - Operational and Data Transfer**

Registration and Conduct teams were primarily responsible for the operational cessation of GSCC Regulatory processes and procedures whilst in parallel fulfilling all responsibilities for public protection. Detailed planning and collaboration internally and with HCPC enabled GSCC to close down services, to prepare for transfer of the function and the data, and to manage essential services as long as possible.

The significant grip on the management and planning of the transfer of the Register and Education systems enabled this exercise to be comparatively straightforward. During 2011, GSCC provided HCPC with anonymised registrant data and the actual live data. We communicated our data sharing needs to the Information Commissioner in relation to the renewal of registration process in 2011, and to social workers on the GSCC website. We also had a non disclosure agreement with HCPC.

In March 2012, GSCC provided the final set of Registrant live files for test purposes and this was signed off in time for the HCPC Implementation dry run on 9 July 2012.

On 24 July 2012, the data for 88,062 social workers and 16,861 students was extracted and safely chaperoned to HCPC for loading on to their system on 26 July. The scanned documents of work in progress were extracted over two days and delivered on 27 July. Full sign-off of safe receipt of all data was received from HCPC on 31 July 2012.

To enable the verification of data by GSCC in advance of, and for HCPC following, the transfer of the Register, the GSCC stopped updating the Register on 26 July 2012. As a result of concerted efforts, the work which was open at that point and thus transferred to the HCPC was limited to the following:

- Seven Internationally Qualified applications and 77 on hold applications
- Two applications to rejoin the Register
- 69 email and 17 online requests to change registrant details

Student applicants who applied in July were given the option of withdrawing their application in light of HCPC's intention for the student register. The majority chose to continue with registration and we completed all applications we had in hand.

The transfer of conduct case files focused on closed and open cases.

A system of joint working was implemented in February 2012 where open cases were shared with HCPC. This meant that HCPC became familiar with the types of cases they would deal with, our file structures and complexity of social work. This joint working was very successful and HCPC saw in advance the majority of the 248 cases that transferred to them. There was little or no difference in threshold between HCPC and GSCC.

On 12 July, over 15,000 closed case files were safely transported to HCPC via encrypted data locker (300 gigabytes) together with four boxes of sensitive paper records. All ISO cases were transferred in advance of the agreed deadline of 13 July 2012.

The preparation of active cases was technically more simple, in terms of data transfer; the priority for active cases was the case management to ensure that as much activity was concluded prior to transfer. In total 248 active cases were transferred.

### **- The College of Social Work, HCPC, King's College and NHS HSCIC**

Education data and services were successfully transferred to a number of organisations as follows:

- Data transfer of all approved social work and Approved Mental Health Professional courses to HCPC.
- For the purposes of providing the verification of qualification service for student social workers, the relevant digitised social work records from 1971 were successfully transferred to the Care Council for Wales, the Northern Ireland Care Council and the Scottish Social Services Council

respectively; the England-only records, plus the business processes for providing verification of qualification services, were transferred to The College of Social Work.

- The post-qualifying approved course list was successfully transferred to The College of Social Work to support their endorsement of training under The College's new CPD framework.
- The data and electronic tools pertaining to the Quality Assurance of Practice Learning (QAPL) were transferred to The College of Social Work.
- Social work student records prior to 1971 were transferred to King's College London, Social Care Workforce Research Unit, for the purpose of an historical archive and confirming individual qualification where requested.
- Anonymised data on student placements, student qualification outcomes and social worker registration history were successfully transferred to King's College London, Social Care Workforce Research Unit. These data sets will be integrated for the purposes of evaluating student progression to support workforce planning.
- Data and knowledge transfer to the NHS Health and Social Care Information Centre to support DH's agreement for them to fulfil a new contract with the Higher Education Statistics Agency. This will ensure continuity of progression data on social workers when they are qualified for the purpose of workforce planning.

#### **- Department of Health Data**

Historical Council paper records up to April 2012 and Finance paper records up to April 2011 were transferred to the DH in April 2012.

At the end of July 2012, the electronic records of Freedom of Information Act and data subject access requests, and complaints made to the Parliamentary and Health Service Ombudsman, were transferred electronically to the DH.

Remaining electronic and paper records for HR, Finance and corporate management were transferred at the end of September 2012.

Arrangements were made for certifications of data destruction to be sent to the DH following the final closure on 30 September 2012, from Tsunami (the DH technology suppliers) and also from Northgate (who supported the GSCC electronic HR) to support payroll and HMRC enquiries at 2012/13 year end.

The National Archives has a full scan of the GSCC website where all public facing documents and policies can be viewed.

## **Non-regulatory operations**

### **- NHS BSA**

- Data transfer of education grants function and existing contracts with higher education institutions to NHS Business Service Authority.

## **Third theme: Operational Closure up to 31 July 2012**

Staffing arrangements and HR support were identified as vital in supporting the organisation in the transfer and closure activities and are reported on in the Staff Care section of this report

All stakeholders were sent a mailing, informing them of the planned changes in the operational workflow.

An Operational Closure project covering both Rugby and London sites, enabled all activities concerning Finance & Facilities, IT and HR to be carried out by all colleagues in a controlled environment. Additionally, all the necessary facilities and systems were set up for the Closure Team ensuring the team could operate fully from 1 August.

A Programme Closure report documented all delivery and lessons learned to give the Council overall governance assurance. All Internal Control activities were reviewed and closed down including the Strategic and Corporate Risk Registers and all Internal Audit recommendations actioned.

We continued to offer guidance and support for extra vigilance in relation to serious untoward incidents (SUIs) during the period up to closure, and to ensure that business continuity arrangements were both proportionate and feasible.

The stakeholder reception, referred to above in the review by the Chief Executive, was an occasion to mark the achievements and legacy of the GSCC's work since 2001.

## **Fourth theme: Organisational Closure up to 30 September**

During this period, the GSCC continued as a legal entity but was in effect an invisible organisation whilst the Closure Team brought an orderly and professional close to the organisation. The Team:

- Prepared for the final Council Board and Audit and Risk Committee meetings on 24 September;
- Prepared with the Chief Executive her lessons learnt report reviewing success against the GSCC's purpose and priorities, and giving learning points for future closure management;



- Completed the annual report and accounts for the last six months for DH to lay before Parliament;
- Supported the external audit;
- Provided references for staff;
- Dealt with payroll and pensions matters arising following final payments including redundancy and termination queries and statutory requirements;
- Maintained capacity to deal with any employment matters that arose (in the event, there were none);
- Disposed of assets, including enabling staff and charities to take items of nil value;
- Closed down Skipton House and Myson House;
- Decommissioned all the IT software and hardware safely, including the deletion of data post operational closure;
- Transferred all remaining corporate data to DH and deleted all residual data, and
- Formally handed over accountability to DH as at 30 September 2012.

### **Fifth theme: Communications**

A comprehensive communications plan was produced to co-ordinate the types of, and timing of the messages to be conveyed to all stakeholders. The planning and execution was undertaken within the context of the overall programme plan so that communication was triggered by key events and activities.

The HCPC and GSCC agreed on a joint communications plan to run for the 18 months leading up to the transfer. The communications plan was a working document that was regularly updated to reflect the realities of the transfer. The plan focused on audiences that we both needed to communicate with, key messages and issues and offered a comprehensive timetable of joint transfer communication activity. It also set out briefly how the two organisations should work together.

To work alongside this, the GSCC developed an outline of the key transfer messages that needed to be communicated. The document explained the balance that we needed to strike between being open and transparent, and also equally being clear that we are still the regulator. The document outlined timescales and the development of new messages.

In the last few months before closure, the primary aim of our social worker engagement strategy was ensuring that our registrants were as clear as possible about the transfer to the HCPC and what they needed to do in order to remain a registered social worker.

The GSCC wrote to all key stakeholders informing them about the closure of the organisation and the transfer of functions. Links were given to the learning reports.

We continued to use the website to keep registrants informed about the changes in application process, signposting to the HCPC where appropriate and engaging in discussion via the forum, blog and user-generated comments throughout the site. The archived website can be found by visiting [The National Archives](#) website.

A pivotal part of our engagement with registrants was via social media and we continued to broadcast information and updates to our audiences through our Facebook and Twitter channels up until closure, by which point we had 1070 Facebook 'likes' and 1300 Twitter followers.

Our final issue of registrant e-newsletter Social Work Connections was sent out on 6 June 2012 and delivered to 86,348 recipients, with almost 21,000 (24 per cent) of these actively opening the email. We included information for social workers and students on what to do next in regards to remaining registered with the new regulator.

Our final e-bulletins went out at the beginning of July 2012 to employers and higher education institutions (HEIs) across the country.

### **Providing a positive legacy**

The GSCC had been in existence for almost 11 years when it closed on 31 July 2012. Throughout this period of time we learnt a significant amount both about the social work profession and also about how to regulate the profession successfully.

There are three learning reports:

- Involving people who use services in the work of the GSCC 2001-2012
- Regulating Social Workers 2001-2012
- Regulating Social Work Education 2001-2012

and two research reports:

- The supply of social work practice placements: Employers views
- GSCC targeted inspections of Approved Mental Health Professionals (AMHP) courses in England (2011-12)

**Involving Service users in the work of the GSCC** – This report sets out what we learnt about involving service users in the work of the GSCC and looked at how we attempted to put service users at the heart of what we did. This included bringing service users into the inspection of universities providing the social work degree, as well as into the consultation about the Code of Practice for Social Care Workers.

**Regulating social workers** – This report sets out what we learnt about the characteristics of those who registered with the GSCC, as well as information about referrals to us and the types of misconduct found by our conduct panels.

**Regulating social work education** – This report focuses on what we learnt from the regulation of social work education and about those who undertook the social work degree.

**The supply of social work practice placements: Employers' views** – The results of the research show that whilst the current climate is challenging, employers have managed to keep the supply of practice placements stable. However the reported stability needs to be considered against a context of rising demand. The supply of social workers also differed considerably amongst individual employers.

**Approved Mental Health Professionals (AMHP) courses** – From March 2011 to February 2012 the GSCC undertook targeted inspections of all 22 approved courses in England offering training for the AMHP role, and the report details the findings and themes arising. Inspections provided assurance that course providers continue to meet regulatory requirements in order to produce graduates who are competent to be appointed and undertake the role.

## **Staff care and respect**

### **Background and Introduction**

To support staff with respect and care, enabling them to prepare for their professional future was our third key priority.

GSCC needed skilled and experienced staff in order to deliver its responsibilities, manage any risk to public protection and ensure an effective transfer of services – without the right people in the right place at the right time this would not be possible. In managing the psychological contact and in particular the human impact of the decision, the Staff Care priority highlighted the link between delivery and the people needed to deliver and what support to be provided to assist them move forward with their lives in their communities ideally at the point of transfer and closure. This priority also demonstrated the link between our priorities and values – ensuring the values were embedded and weren't simply platitudes- especially when we had to take the difficult step of redundancy and closure.

In September 2010 a conscious decision was made to put in place a strategy and interventions to retain and motivate staff and then support staff to leave, ideally at the point of transfer and closure. The outcome was sustained capacity and capability, and we suffered no excessive loss of staff in advance of the transfer and closure.

### **HR strategy**

The continued requirement for skilled and experienced staff in order to deliver our responsibilities and manage any risk to public protection existed until completion of transfer and closure.

### **Consultation**

Following Royal Assent in March, the duty to inform and consult with staff continued throughout the period of Collective and Individual consultations. Having concluded the minimum 90 day Collective consultation combined with consulting on the Cabinet Office Statement of Practice (COSOP), for six weeks during May and June over 400 individual consultation meetings were held. Staff in scope confirmed their preference to transfer or not, then for all staff, except those transferring formal redundancy notices were issued to align contractual notice periods with the operational or organisational closure date for the GSCC, with the latter applying to the closure team.

### **Closure Team**

The GSCC needed to ensure an effective closure of the organisation after operational closure and transfer of functions at 31 July, including the preparation of final accounts, the completion and resolution of any HR matters, the cleansing and removal of ICT hardware and software and the final disposal of assets. The GSCC worked with DH to ensure that the closure

period was as short as possible. GSCC retained the Accounting Officer function after 31 July with DH agreeing to lay the final accounts before Parliament, meaning that the final closure period would be for two months to 30 September.

A Closure Team was selected and appointed to deliver an effective closure in line with the GSCC Audit Committee, Board and DH requirements. This was something that could only be done once, and the cost of failure potentially high. It was recognised that unforeseen events would occur and a high degree of resilience to overcome obstacles was therefore required.

In the view of the GSCC Council Board a retention payment was necessary to secure the team, their experience, knowledge of the GSCC and technical expertise. The purpose of the retention payment was to recompense staff from seeking an alternative job role early or delay their search. This also added to the stability and reduced the uncertainty for staff during the period 1 August to 30 September 2012, and in so doing provided the Board with the assurance that GSCC's Closure Team would be staffed by appropriately skilled, experienced and motivated staff.

The Accounting Officer/Chief Executive was not eligible for a retention payment given the seniority of the role.

### **Staff retention**

Sustaining capacity in order to fulfil our statutory responsibilities continued to be a priority from the start of the financial year to the point of operational closure at 31 July, and subsequent organisational closure at 30 September. We ensured our staff members were supported as they faced an uncertain future, and filled gaps as people left the organisation.

The learning and development programme concluded on 1 April, with the exception of mandatory training, in line with our planning. Our commitment to our legal obligations and to achieving a balance between retaining and motivating staff for business continuity, and supporting staff to leave, ideally at the point of closure, continued to be supported through the offer of a range of initiatives including the Employee Assistance Programme and in particular the comprehensive outplacement support.

### **Staff Transferring to HCPC**

Engagement with HCPC HR colleagues continued throughout the period to 31 July, with HCPC responding to questions raised, including accommodating a request by GSCC staff in scope to visit the HCPC offices and learn more about the organisation.

In line with the requirements of COSOP, data for the five staff that transferred was provided to the HCPC.

### **GSCC/DH Closure Group**

Senior programme and project, Finance, Facilities and HR representatives from both GSCC and the sponsor Department met regularly from January until September. They worked together in resolving outstanding matters in relation to staffing and other key matters which were beyond the gift of GSCC alone to resolve. The engagement and commitment of all parties to consider the aggregation of issues to enable a smooth landing was vital in delivering an effective transfer and closure.

### **Outplacement Programme**

Over the past 12 months in order to support staff we developed and rolled out a programme of outplacement provision, led by an employee working group and provided largely by the Appointments Commission. This was a significant example of staff engagement across the GSCC with a programme owned by staff, for staff, and it proved to be hugely successful as turnover has been stable, it can be argued that this approach supported staff retention and motivation. In addition, by providing predominantly 'in-house' outplacement in this way we were able to deliver both a quality offering and value for money.

A total of 1156 workshop sessions were attended between January and July, and a further 81% of staff had an outplacement one-to-one session. In addition, staff had access to designated areas in the London and Rugby set up with computers to aid job searching called the 'Job Shop'.

During April outplacement support was extended further and an online Working Transitions career portal, maintained by the providers of the Employee Assistance Programme, was rolled out to all staff. This online facility gave staff access to interactive career direction tools.

### **Closure Team – outplacement**

The Appointments Commission Outplacement Service met with Closure Team members in July. They discussed what the potential needs may be during August and September to find a role at the point of organisational closure, and agreed a way forward so that appropriate support could be provided.

### **Employee Assistance Programme (EAP)**

The EAP support remained available until 31 October 2012. The purpose of the specialist helpline was to provide expert qualified support on a range of personal and work-related issues.

When faced with compulsory redundancy, keeping matters in perspective is essential and this is where we, as a closing organisation, had a moral and practical responsibility to provide support.

Outplacement and the EAP post-transfer and closure can be an indispensable resource that can help staff avoid feeling isolated and losing perspective if they are still seeking employment post-transfer, or in the critical period of the

first 90 days in a new role. It was our intention, based on research, to source Outplacement provision that would allow for 90 days support post-termination. For those employees without jobs at the point of termination, it is essential that they receive professional support in marketing their experience and skills appropriately. Where employees have commenced a new role, there can be a need for psychological and practical support in their career transition. We were able to offer this in a cost efficient and quality way. During August staff did not utilise the EAP helpline/counselling service, but there was some limited use of the resources available on the 'LifeTrack' website. Additionally, some members of the Closure Team had contact with colleagues from the Appointments Commission Outplacement Service.

### **Closure plan Equality Impact Assessment (EIA) – update from action plan**

The EIA of the closure plan was reviewed in July, and in particular the key aspects relating to the GSCC's priority of ensuring staff care and respect. In accordance with the action plan, staff were encouraged to review the Equality and Human Rights Commission's guidance for workers under the Equality Act 2010. The review noted that all other actions had been completed, suggesting that the approaches taken had been inclusive, whilst recognising diversity and appropriate action taken.

### **Development opportunities and working flexibly**

Between 1 April 2012 and July 2012, 36 staff members (representing 17% of staff as at 1 April 2012) benefited from a secondment, period of acting up, and given additional duties or promotion as a personal development opportunity within the period. Alongside this, countless others worked flexibly to support other colleagues, whether in their own or a different team. This contributed greatly to the good morale and sense of joint endeavour which continued to be shown throughout the whole organisation.

### **Career Transition**

At 31 July as a result of the transfer of functions and operational closure, and Collective and Individual consultations, 188 staff were compulsorily redundant. In line with COSOP, five staff in scope to transfer to HCPC elected to do so; through the Civil Service job portal which GSCC staff had access to, one staff member was offered a role and also the opportunity for continuous employment with Department for Work and Pensions, as an alternative to redundancy.

Members of the Closure Team were redundant at 30 September.

### **Two-way communication with staff and engagement through the GSCC/Unite Trade Union Partnership**

During times of significant organisational change it is imperative that staff and the recognised Trade Union are kept informed and that they have the opportunity to engage in a two-way discussion with management.

One way in which we encouraged dialogue with staff and Unite was through the corporate intranet. An online form was available for staff to ask the Human Resources (HR) Team any questions about the closure of the GSCC and the implications that would have for individuals. From the start of the Collective/COSOP consultation until its close in April 2012, 160 questions were answered by the HR Team.

The Chief Executive continued to keep staff updated with all relevant information in her weekly blog, on the intranet. This had the facility for staff to post a question or comment, to which the Chief Executive promptly responded.

We also continued to produce the monthly team briefing, which was delivered verbally to staff by their managers, up until closure. This allowed two-way dialogue between staff and management, and it encouraged the discussion of pertinent issues.

Regular Partnership meetings were held with Unite colleagues, who also had membership on the Transfer Board chaired by the Chief Executive. The final Partnership meeting included a review and 'lessons learnt' discussion, where both parties acknowledged that trust had been important to establishing an effective relationship. Having a Unite representative and therefore involvement on the Transfer Board, People Development Steering Group and the Outplacement Working Group was considered beneficial and aided communications, although clearly not platforms to pursue negotiations.

### **Organisational capacity**

Staff continued to work flexibly across the GSCC, with teams and individuals making offers and requests for help. This often provided learning opportunities for staff involved.

During July, ELT reviewed under and over capacity on a weekly rather than fortnightly basis. These discussions were informed by discussions in teams, and their detailed plans built around factors such as annual leave, time off for interviews, team transfer and closure plans including the transfer of data, supporting parts of the business that are still busy, factoring in any impact of the Olympics, and clearing the offices. Due to the outputs achieved by early July, we explored and implemented a discretionary garden leave scheme to cover the final days from 25 to 31 July, on the basis that this would be closely managed, and encouraged staff to make use of this time to support their career transition. 115 staff took up this opportunity, which could not be given to all colleagues as many support functions needed to be in place until the end of 31 July, or 30 September in the case of the Closure Team.

### **Marking the closure of the GSCC**

The staff of the GSCC organised their own social committees, one in each office, to consider and plan the ways in which they wanted to commemorate



and celebrate the closure of the GSCC. A number of fundraising activities took place, along with a contribution from the Chief Executive, which provided sufficient funds to arrange two well-attended and successful staff events, for staff, their families, and former colleagues. Both events made no call on public monies whatsoever.

### **Staff care - summary**

Outplacement activities, which were supported by a working group of GSCC staff, were appreciated and used as needed, resulting in some staff successfully gaining job offers prior to closure and others citing plans to retire, set up their business or take time out.

Openness in formal and informal conversations about closure, together with outplacement provision, provided a positive environment that supported staff and enabled a continuous focus on delivery and transfer priorities.

All consultations were completed with respect and care and in a timely way.

Motivation and commitment was secured through the period by open discussions, outplacement services and attention given to maintaining the sense of the GSCC being a 'pleasant place to work'.

For those staff that faced redundancy individual plans for the future varied. These ranged from taking time out, retirement, setting up their own business, becoming carers, and, of course, those who had secured or were pursuing alternative employment. What united everyone was a determination to turn the challenge of our closure and redundancy into an opportunity and a positive next chapter in their lives, and feedback strongly indicated that GSCC's commitment to its three core priorities including staff care and respect had enabled many to realise this outcome. At the same time, the GSCC demonstrated an ability to continue delivery and improvement and making an effective transfer – in this context the care and respect of staff should not be underestimated. This was also managed in a cost efficient way having due regard for the current economic climate.

# Management Commentary

## Financial position

For ease of cross referencing to the primary Financial Statements and the Notes to the Accounts presented later in the Accounts for the 6 month period to 30 September 2012 section of the report, references have been included where appropriate and are shown in square brackets []. The cross references relating to the Financial Statements are:

- [SCNE] for Statement of Comprehensive Net Expenditure Account for the 6 month period to 30 September 2012
- [SFP] for Statement of Financial Position as at 30 September 2012
- [SCF] for Statement of Cash Flows for the 6 month period to 30 September 2012

The cross references used in relation to information shown in the Notes to the Accounts are identified by reference to the Note number, for example [N3] for the information on Education Support Grants.

## Financing and income

### Government grants

General Social Care Council (GSCC) was funded predominantly by its sponsoring department, the Department of Health (DH) with various Grants in Aid. For the six month period to September 2012 the GSCC had confirmation of approved Grants as detailed below:

<b>Table 1 Allocated Grants</b>	<b>6 months to Sept 2012</b>	<b>2011-12</b>
	£000s	£000s
Education support grants (ESG)	-	27,966
Core grant	2,562	7,428
Specific grants	4,652	8,549

In line with no approved grants there was no ESG draw down in the six month period to 30 September 2012 (2011-12 drawdown £29.500m). The GSCC returned a cash holding of £584k ESG to DH.

The core and specific grants support management and administration costs. The core grant of £2.562m was drawn down in full (2011-12 drawdown

£5.685m). The GSCC drew down a further £4.049m (2011-12 drawdown £6.397m) of the approved £4.652m specific grants to further fund operational, transfer activity and closure costs.

Making the core and specific total of grants drawn down, £6.611m for the six month period to 30 September 2012 [SCF] (2011-12 drawdown £12,082m).

### Non-grant Income

In addition to Government grants, the GSCC generated income by charging qualified social workers and students a registration fee. For the 4 month period to July the projected income from registration fees was £832k. The actual non-grant income receivable [N6] totalled £756k (2011-12 £3.221m) and was made up of:

<b>Table 2 Fees and Recharges Income</b>	<b>4 months to July 2012</b>	<b>2011-12</b>
	£000s	£000s
Social Worker registration fees	744	2,669
Rentals from operating leases	-	239
Recharges to devolved social care authorities	-	296
Other operating income*	12	17

The variance of £88k on fee income was a combination of some qualified social workers not renewing their registration with the GSCC and fewer applications from newly qualified social workers.

\* Post the end of an academic year HEIs submit returns to the GSCC on actual placement activity. Following reconciliation of these returns to the estimates of placement activity made by HEIs prior to commencement of the academic year, two universities made a small refund of £8k. The balance of £4k relates to charging for the Codes of Practice.

### **Expenditure**

<b>Table 3 Activity Costs</b>	<b>6 months to Sept 2012</b>	<b>2011-12 Outturn</b>
	£000s	£000s
Operating activity	4,616	14,930
Transfer and closure activity	2,798	750
Distribution of ESG	-	29,799
<b>Total Cash Expenditure</b>	<b>7,414</b>	<b>45,479</b>

Table 3 above shows how the GSCC utilised the DH grants and non grant income on operational activity, transfer activity, closure activity and distribution of ESG to Higher Education Institutes.

GSCC's gross operating cost [SCNE] for the six month period to 30 September 2012-13 was £6.474m (2011-12 £57.769m) and included the following items not shown in Table 3.

<b>Table 4</b>	<b>6 months to 30 Sept 2012</b>			<b>12 months to 31 Mar 2012</b>		
	<b>Operating activity</b>	<b>Transfer &amp; closure activity</b>	<b>Total</b>	<b>Operating activity</b>	<b>Transfer &amp; closure activity</b>	<b>Total</b>
<b>Non cash items</b>	£000s	£000s	£000s	£000s	£000s	£000s
Depreciation & amortisation	545	362	<b>907</b>	1,708	1,142	<b>2,850</b>
Increase in provision for doubtful debts and write offs	32	-	<b>32</b>	320	-	<b>320</b>
Loss on disposal	-	-	-	36	-	<b>36</b>
Provisions (note 11)		(1,798)	<b>(1,798)</b>	-	1,866	<b>1,866</b>
Pensions current and past service costs	(122)	-	<b>(122)</b>	(60)	-	<b>(60)</b>
Curtailments and settlements (note 4)	-	-	-	-	7,202	<b>7,202</b>
Return on Pension Scheme Assets	41	-	<b>41</b>	76	-	<b>76</b>
<b>Total Expenditure</b>	<b>496</b>	<b>(1,436)</b>	<b>(940)</b>	<b>2,080</b>	<b>10,210</b>	<b>12,290</b>

The costs specifically attributable to transfer and closure are detailed below. The £2.798m includes redundancy costs of £1.741m in relation to 193 staff as detailed in note 4 on page 71. The final settlement of the pension liability was £13.478m, which consists of the cessation debt of £13.398m (a decrease of £0.705m on the estimate in the 2011-12 accounts) and a £80k unfunded liability, which will be assumed by the DH. Settlement of this liability on a least risk basis ensured that deferred member benefits are fully funded.

<b>Table 5</b>	<b>6 months to 30 Sept 2012</b>	<b>12 months to 31 Mar 2012</b>	<b>Balance sheet as at March 2011</b>	<b>Total</b>
<b>Summary Transfer and Closure Costs</b>	£000s	£000s	£000s	£000s
Transfer and closure activity as per table 3	2,798	750		3,548
Non cash items as per table 4	(1,436)	10,210	-	8,774
Provisions on balance sheet not included above:	-	-		
- Dilapidations			492	492
- Pensions	-	-	4,788	4,788
<b>Total Costs of transfer and closure</b>	<b>1,362</b>	<b>10,960</b>	<b>5,280</b>	<b>17,602</b>

Over the past 2 years management and staff focused on both maintaining and improving day to day operations whilst at the same time implementing the transfer and closure plans.

### Education Support Grants

With the transfer of the education support grants activity to the NHS BSA in July 2012 as planned there were no payments of ESG by the GSCC.

<b>Table 6 Distribution of ESG</b>	<b>6 months to Sept 2012</b>	<b>12 months to 31 Mar 2012</b>
	£000s	£000s
To higher education institutions to support practice learning opportunities for social work degree courses	-	29,017
To higher education institutions to support the involvement of people who use services and carers in the design and delivery of the social work degree	-	605
Payments to voluntary organisations supporting members of staff to undertake the social work degree	-	177
<b>Total Operating Expenditure</b>	<b>-</b>	<b>29,799</b>

### **Risk and uncertainty**

A comprehensive statement on the GSCC's internal control forms part of these Accounts. The governance statement covers the scope of responsibility of the Accounting Officer, the purpose of the system of internal control, the capacity to handle risk, the risk and control framework, a review of the effectiveness of internal control in the year, and any significant internal control problems that have occurred.

### **Managing Risk in Financial Instruments**

The GSCC has no borrowings and relies primarily on departmental grants for its cash requirements. Neither does it have material deposits. All material assets and liabilities are denominated in sterling. The GSCC therefore manages a continuing liquidity risk but is not exposed to any interest rate or currency risks.

The GSCC does have trade debtors. As the majority of these debtors are prepayments and social worker registration income, they are considered to have minimal risk to the GSCC. All assets and liabilities were transferred to DH on 1 October 2012.

## **Critical Accounting Judgements - Pensions**

Essex County Council manage the assumptions applied to the valuations of the local Government Pension Scheme and GSCC management have ultimate responsibility for these assumptions. The accounting policy applied by the GSCC is as detailed in note 1.7 to the accounts. Provisions for known deficits are included within non current liabilities on the balance sheet. Any significant movement in financial markets may adversely/favourably impact the actuarial valuations of the scheme.

## **Sustainability Review**

The GSCC as a Non-Departmental Public Body falls within the scope of the new 'Greening' guidance to Government bodies to produce a sustainability report, covering performance against sustainability targets for greenhouse gas emissions, waste minimisation and management and the use of finite resources and their related expenditure. This was a new requirement to be complied with in the 2011-12 financial accounts and includes the minimum requirements for each of the main reporting areas (including nil returns).

### Overall strategy for sustainability

The purpose of the GSCC has been to protect the public by requiring high standards of professional education, conduct and practice of all social workers in England. This remained unchanged during the operational closure period, while also being committed to ensuring a professional transfer of regulatory responsibilities to the HCPC.

Due to the transfer of regulatory responsibilities and subsequent closure of the GSCC sustainability reporting is focussed on reporting where appropriate management information is available and where there are links to the business plan.

The GSCC through implementation of it's business plan has developed various strategies to address environmental concerns, these are dealt with under each mandatory category.

### GHG Emissions

The GSCC is a dual site organisation, with one office located in London and the second in Rugby. Both are situated close to main rail links making easy use of public transport. GSCC also maximised the use of video conferencing between the two locations, including the second London site move in April to the Elephant & Castle DH Skipton House. Both sites are leased and have multi employer occupancy.

The London offices moved again in April 2012, but both London sites were landlord managed and GHG emissions form part of service charges, therefore no detailed information is available.

### Waste

The Record Retention Policy including Scan Scrap policy, ensured that records are retained only for as long as required, and that the disposal methods are appropriate and secure.

### Use of Resources

The GSCC has sought to reduce resource consumption where feasible. For example, reduced paper usage has been achieved through

- use of social media such as Twitter, LinkedIn and Facebook to get across important messages
- reduced printing of key documents, such as the annual accounts and the annual plan
- significant sign up to the GSCC's HEI and employer e-bulletin, with continuous high readership of the Social Work Connections registrant e-newsletter, which was sent to c.70,000 registrants.

### **Going Concern**

With the passing of the legislation on 27 March 2012, the responsibility for the regulatory functions were transferred to the Health and Care Professions Council on the 1 August 2012. As General Social Care Council was wound up on 30 September 2012 and all remaining assets and liabilities were transferred to the Department of Health, it is appropriate for the accounts, for the short period to 30 September 2012, to be prepared on a basis other than a going concern. The impact of the closure on the accounts is additional costs of £1,362k (2011-12 £10,960k) as detailed in table 5 on page 34.

### **Auditors**

The General Social Care Council is audited by the Comptroller and Auditor General. The Accounting Officer, has responsibility to ensure that there is no relevant audit information of which the auditors are unaware and has taken all necessary steps to make herself aware of any relevant audit information and to establish that the auditors are aware of this information. The GSCC contracts Moore Stephens LLP to provide internal audit services.

### **Payment of creditors**

The GSCC complies with the Confederation of British Industry's (CBI's) Better Payment Practice Code. Unless the amounts charged are considered to be wrong, the GSCC's policy is to settle invoices within contractual periods, and in the absence of contractual provisions, within 30 days of the date of receipt of goods and services or receipt of a valid invoice, whichever is later.

For invoices received between 1 April 2012 and 31 August 2012, 99.4% (12 months to March 2012 – 99.9%) of invoices by number were paid in accordance with these terms. No claims were received from suppliers for statutory interest under the Late Payment of Commercial Debts (Interest) Act 1998.

## **Employees**

The GSCC adopted principles of openness and participation in its organisation and placed a high level of importance on both informing and consulting staff. It did so by providing access to Council papers and management minutes, through oral and written briefings and by staff meetings. Information was only withheld where this could be shown to be justified or where a duty of confidence was owed to a third party, in accordance with the Data Protection Act 1998.

The GSCC had a formal recognition agreement with the Unite trade union, through which staff were informed and consulted about all aspects of their employment.

As at 30 September 2012, an average of 10 working days, (2011-12 11 working days) were lost due to sickness per full time equivalent staff member in the previous 6 months. This represents 4% of working days.

Una O'Brien  
Principal Accounting Officer Department of Health

Date : 12 March 2013



# Remuneration report

The Companies Act section 234B and schedule 7A include requirements for the disclosure of information about directors' remuneration. These requirements are interpreted in HM Treasury's Financial Reporting Manual (FRoM) (paras 7.2.21 – 29) and are covered in the paragraphs below.

## **Delegation from the Department of Health**

The Department of Health (DH) and the General Social Care Council (GSCC) had an agreed management statement and its associated financial memorandum. These documents set out the broad framework within which the GSCC will operate, in particular the rules and guidelines relevant to the exercise of its functions, duties and powers; the conditions under which any public funds were paid to the GSCC; how the GSCC was to be held to account for its performance.

## **Remuneration Committee**

In accordance with its Standing Orders, the Council established a Remuneration Committee. The Council set terms of reference (TOR) for this committee 'to advise the Chair on matters relating to the performance and review of remuneration of the Chief Executive and to advise the Council on matters relating to the recruitment of any new Chief Executive'.

The Committee consisted of three members including the Chair of the Council, the Vice-chair of the Council and one other. The membership was agreed by the Council annually. The Chair of the Council acted as Chair of the Committee.

## **Chief Executive's remuneration**

The Chief Executive was covered by a separate stand alone pay arrangement that was not linked to the Very Senior Managers or GSCC pay framework. The Chief Executive's remuneration required agreement from the GSCC Remuneration Committee. The Chief Executive was an ordinary member of the Local Government Superannuation Scheme, to which GSCC was an admitted body. The Chief Executive had a notice period of 12 weeks and there was no provision made in the accounts for early retirement of the Chief Executive. Details of Chief Executive remuneration for the six month period to 30 September 2012 are contained in table 7. The Chief Executive's pay was contractual and not enhanced during the closure period.

## **Staff remuneration**

The management statement and financial memorandum states that 'terms and conditions for staff [including senior managers] are decided by the GSCC. Any increases will be subject to a performance related pay scheme.' The Council had delegated this responsibility to the Chief Executive in the appendix to the Standing Orders where in paragraph 4 (e), the Chief Executive may 'make arrangements necessary relating to the employment of staff, their terms, conditions and pay.'

Standing Financial Instruction 16.7 reaffirms this delegation. In this context therefore decisions about the remuneration of GSCC staff (excluding the Chief Executive) were taken on the authority of the Chief Executive, who took advice as necessary.

With consideration of this and the contractual nature of GSCC's performance pay structure, and that GSCC had abided by the government pay freeze for the previous two years, the Department of Health agreed the 2012-13 pay award. The 2012-13 pay award had been negotiated between GSCC and the Unite Trade Union, based on progression through pay points as a result of annual performance assessment. Those staff who would not otherwise benefit from an incremental contractual increase benefited from a 1% individual increase to their salary, largely benefitting more junior employees.

The general contract of employment for GSCC staff was not time limited. The notice periods on appointment for staff were four weeks, eight weeks or 12 weeks depending on their grade. Notice periods for staff increase on the anniversary of their appointment up to a maximum of 12 weeks.

The majority of the GSCC's employees were eligible for membership of the Local Government Pension Scheme (LGPS) via an admission agreement with Essex County Council Pension Fund. The scheme is a multi-employer defined benefit scheme. The GSCC implemented International Accounting Standard 19, retirement benefits in full. Note 18 to the Annual Accounts provides full details. Information on the remuneration of staff is covered in Note 4 to the Annual Accounts.

## **Senior managers' remuneration**

As required by the FReM, GSCC has provided in the two tables below information on the salary and pension rights of named individuals who are the "most senior managers" of the GSCC, and the Council members.

Senior managers at the GSCC who were permanently employed have the standard terms and conditions of employment as for other staff. All permanently employed senior managers have open-ended contracts. All permanently employed senior managers have notice periods of 12 weeks.

There was no provision made in the accounts for early retirement of senior managers. Senior managers pay was contractual and not enhanced.

### Pension entitlements of senior managers

The table below shows the cash equivalent transfer value (CETV) accrued at the beginning and end of the reporting period. Also shown is the increase in CETV effectively funded by the employer. It takes account of the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement). A CETV is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time.

The information in the tables below has been subject to an external audit.

Staff name and date of appointment	Remuneration for the 6 month period to 30/09/12	Compensation for loss of office	Real increase/ (decrease) in accrued pension and lump sum over year	Total accrued pension at leaving date and related lump sum	CETV* at 31/3/12 (nearest £000s)	CETV* at leaving date (nearest £000s)	Real increase / (decrease) in transfer value over year net of adjustment for market conditions nearest £000s)
	£'000	£'000s	£'000	£'000	£'000	£'000	£'000
<b>Penny Thompson</b> (started 22/03/10 – ended 30/09/12)	75-80 (145-150)	17	17	90	73	90	N/A
<b>Sherry Malik</b> (started 14/04/10 – ended 31/07/12)	30-35 (100-105)	22	11	50	39	50	N/A

\*CETV - cash equivalent transfer values

Figures in brackets relate to 2011/12

Compensation for loss of office includes redundancy payments of £29k and payment in lieu of notice £10k.

£'000	6 months to Sept 2012	2011-12
Band of highest paid permanently employed director's total remuneration (£000s) Chief Executive	75-80	145-150
Median total (£s)	16,027	31,738
Ratio	4.8	4.7

Total remuneration includes salary and non-consolidated performance related pay. It does not include employer pension contributions and the cash equivalent transfer value of pensions.

The median total is the middle of the GSCC pay scale excluding the highest paid director.

### **Interim Senior Managers**

There were no interim senior managers in place for 6 month period to September 2012.

### **Remuneration of GSCC Council Members**

The remuneration for members of the Council is determined by the Secretary of State. The Chair of Council was appointed for a three year term and Council Members for up to four year terms. Both the Chair and Council Members could be re-appointed for an additional term. There was no notice period for the Chair or Council Members. Members of the Council were paid by the GSCC. Members of the Council did not receive a pension. The table below shows details of remuneration of members of Council during 2011-12 and 2010-11.

<b>Table 8 Chair of Council and Council Members</b>	<b>Appointment Start / End date</b>	<b>Remuneration for the 6 months to Sept 2012</b>	<b>Remuneration 2011/12</b>
		£000	£000
Varley, R (chair)	Started 01/11/08	20-25	45 – 50
Butler, T	Started 13/10/05	0-5	5 – 10
Crawford, J	Started 01/09/09	0-5	5 – 10
Currie, R	Started 01/09/09	0-5	5 – 10
Plank, D	Started 01/05/10	0-5	5 – 10
Prince, D	Started 03/09/07	0-5	5 – 10
Ratcliffe, G	Started 01/09/09	0-5	5 – 10
Tate, J	Started 01/09/09	0-5	5 – 10
Tompsett, H	Started 01/09/08	0-5	5 – 10

Una O'Brien  
Principal Accounting Officer Department of Health

Date: 12 March 2013

# General Social Care Council

## Accounts for the 6 month period to 30 September 2012

### Statement of the GSCC's and Accounting Officer's Responsibilities

Under Section 18 of Schedule 1 to the Care Standards Act 2000, the General Social Care Council is required to prepare a statement of accounts for each financial year in the form and on the basis directed by the Secretary of State for Health, with the consent of the Treasury. The accounts are prepared on an accruals basis and must give a true and fair view of the General Social Care Council's (GSCC) state of affairs at the year end and of its surplus/deficit, changes in taxpayers' equity and cash flows for the financial year.

In preparing the accounts, the GSCC is required to:

- observe the accounts direction issued by the Secretary of State with the consent of the Treasury, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- make judgements and estimates on a reasonable basis;
- state whether applicable accounting standards as set out in the *Government Financial Reporting Manual* have been followed, and disclose and explain any material departures in the accounts; and
- prepare the accounts on a going concern basis.

The Accounting Officer for the Department of Health has appointed the Chief Executive as the Accounting Officer for the GSCC. The Chief Executive's relevant responsibilities as Accounting Officer, including responsibility for the propriety and regularity of the public finances for which they are answerable and for the keeping of proper records, are set out in the non-departmental public bodies' Accounting Officer Memorandum issued by the Treasury and published in *Managing Public Money*. After the closure of the GSCC, the Principal Accounting Officer of the DH assumed the responsibility of the Accounting Office for the GSCC.

## **Governance Statement for the 6 month period to September 2012**

1.1 Penny Thompson (GSCC's Chief Executive) as Accounting Officer until 30 September 2012 had responsibility for maintaining a sound system of internal control that supports the achievement of the General Social Care Council's (GSCC) policies, aims and objectives, whilst safeguarding public funds and the Agency's assets for which she was personally responsible, in accordance with the responsibilities assigned to her in Managing Public Money. Following the closure of GSCC on 30 September 2012, as Principle Accounting Officer for the Department of Health, I have assumed the role of GSCC's Accounting Office and I have relied on the information and assurances provided by Penny Thompson to compile this statement.

I am accountable for the discharge of my functions to the Minister of State at the Department of Health.

- 1.2 The GSCC Management Statement and Financial Memorandum sets out the broad framework within which the GSCC is expected to operate, including how the GSCC was to be held to account for its performance. The document covers responsibilities and accountability; planning, budgeting and control; and external accountability.
- 1.3 On 26 July 2010 the Government announced the transfer of regulatory functions from the GSCC to the Health Professions Council (HCPC) and other receiving bodies by no earlier than April 2012, subject to the satisfactory progression of the legislation through Parliament and Royal Assent being granted. In fact, the actual transfer date was 31 July 2012.
- 1.4 The GSCC committed to bringing about a professional transfer to the HCPC and, for some functions, other bodies, whilst maintaining our three well established priorities:
- to **deliver and improve**;
  - to undertake an **effective transfer** of our functions;
  - to support and **treat our staff with respect and care**.
- 1.5 Effective planning meant that the transfer was delivered successfully, well within deadline and on budget, in a manner which reflects the importance of social work regulation whilst remaining dedicated to service delivery and public protection.
- 1.6 All necessary steps were taken to ensure the organisation closed by 30 September 2012 when Penny Thompson's responsibility as Accounting Officer passed to the Department of Health's Accounting Officer. This is therefore the final Governance statement for the GSCC and covers the

period from April to July 2012 when the GSCC was still the regulator whilst transferring its functions elsewhere and then the period from 1 August to 30 September when the GSCC was purely a closing organisation with no functions. During this final period, the GSCC was staffed by a small Closure Team of 11.

## **2 Governance Framework**

- 2.1 The Management Statement and Financial Memorandum set out the arrangements for sponsorship by the DH. The Chief Executive continued to have fortnightly telephone meetings with the DH main sponsor. There have been four formal accountability meetings during the period from April to September, involving members of the Executive Leadership Team (ELT) and the Closure Team.
- 2.2 In addition, the Chief Executive had frequent contact with officials from the DH with whom the GSCC worked closely to ensure that GSCC's operations reflected the Government's priorities and objectives. Officials from the DH and Department for Education had an open invitation to attend the meetings of the GSCC's Council Board (the Board) and are provided with the papers for the Board. Dr Nick Clarke, Deputy Director, Professional Standards Programme Division attended the Board meeting on 25 June 2012. The Board has also met during the closure period with its last meeting being held on 24 September. There were also Board meetings in May and July. The Board fulfilled its duties to the end.
- 2.3 The DH received the papers of the Audit and Risk Committee of the Board and DH were invited to (and did) attend such meetings which also continued into the closure period. The Board set the Committee's work plan through its terms of reference and Board members had access to all papers. The minutes were circulated to the Board following each meeting to detail the business undertaken and the Chair of the Committee presented the views and advice from the Committee on any issues they considered the Board or the Accounting Officer should be taking action on. In accordance with its terms of reference the Chair of the Audit and Risk Committee also provided the Board with an Annual Report timed to support the finalisation of the accounts; the report was drawn from the contents of, discussions on, and conclusions drawn from the reports considered and the work carried out during the year and provided an additional level of assurance to the Board, its Chair and to the Chief Executive as Accounting Officer. Two Additional reports for "Data Migration" and "Transfer and Closure Programme Closure" captured the activities and learning gained during the delivery and implementation, providing the pre-requisite assurance to the Board for final closure of the GSCC and the on-going business continuity for the future organisations.

- 2.4 In accordance with the agreed Management Statement, Ministers were involved in the management of risk through the approval process of the GSCC's Annual Business Plan. In terms of content and structure the Business Plan complied with DH guidance and was commended for its clarity and effectiveness. GSCC continued to work to its Business Plan which included sections on accountability and governance, management of strategic risks and sensitivity analysis together with a copy of the GSCC's strategic risk register. For the period from August GSCC worked to the agreed Closure Plan which also incorporated a risk register.
- 2.5 The Board was collectively responsible for decision making and setting the strategic direction of the organisation. All business was transacted at the Board rather than through Committees, enhancing levels of accountability, scrutiny and risk management. There were two advisory committees (Audit and Risk Committee and Remuneration Committee) to support the Board with their scrutiny of the work of the Executive. The Remuneration Committee met once during the period. Attendance records were maintained for Board meetings which show a 94 per cent attendance rate during this final period. Meetings have always been quorate.
- 2.6 The Audit and Risk Committee reviewed, on behalf of the Board, the establishment and maintenance of an effective system of governance, internal control and risk management. The Committee reviewed the adequacy of all risk and control related disclosure statements, together with any accompanying internal audit reports, prior to endorsement by the full Board. During this period the Committee received the final internal audit assurance reports, all of which were rated at green or amber-green.
- 2.7 Risk management within the GSCC was taken very seriously and considered regularly at management meetings where risk registers were an important management tool and a guide to action. Please refer to paragraph 3 below for more detail.
- 2.8 The internal audit strategy and annual audit plan were submitted each year to the Head of Internal Audit at the DH. There was agreement that there would be audit assurance reviews in the period up to 31 July and no internal audit work after 31 July.
- 2.9 The Board received a regular Transfer and Closure programme report at every meeting, regular quality assurance reports (relating to the work of the conduct function), risk management reports, the Annual Report and Accounts, monthly performance reports highlighting performance exceptions, budget reports and also approved the budget. A report providing assurance on the progress of the transfer was presented to Council on 23 July, and a final report on its successful completion was presented on 24 September 2012. The Chief



Executive's Report prepared for each Board meeting provided an accessible, timely and honest description of key activity and outcomes during the preceding month, and was valued by the Board and also DH as an important source of information and assurance.

- 2.10 The Board kept its governance arrangements, terms of reference and scheme of delegation up to date with regular consideration. The current structure was adopted in September 2010 with revised Standing Orders and Terms of Reference agreed in November 2010. This was reviewed after six months and the Board and the senior management team felt that the arrangements were working well. The Standing Orders and Terms of Reference were further reviewed and agreed in November 2011. Part of the change in the governance structure included the identification of Lead Members who focussed on particular areas of the GSCC. This increased understanding and accountability; it also helped in clarifying the different roles of Board and executive members. These appointments and the membership of committees were formally confirmed in September 2011 until the final closure of the GSCC. At the November 2011 Board meeting the scheme of delegation was reviewed again in the light of changes to the senior management team. The Board scheme of delegation was not reviewed for the short closure period but was interpreted in the light of the removal of the GSCC's functions. The Deputy Chair was re-appointed for the final month by DH.
- 2.11 The Chief Executive attended Audit and Risk Committee and Board meetings, and had ultimate responsibility for the reports submitted to them. The revised arrangements for an Executive Leadership Team continued to ensure resilient arrangements were in place to minimise the risks associated with a closing organisation, to make the most of its senior management expertise, and to help deliver a successful transfer of regulatory responsibility. The structure proved resilient until 31 July 2012 when it reduced for the organisational closure phase.
- 2.12 The small Closure Team reported to the Chief Executive with minimal line management arrangements in place in the form of remaining ELT members (Head of Finance and Facilities, Head of HR and Head of ICT). This small team of Corporate Resource leaders proved more than capable of performing the task of final closure.
- 2.13 The Board has not undertaken an assessment of its effectiveness during this short period, relying on the conclusions of that evaluation undertaken in early 2012. These were highly constructive with most commenting on the effectiveness of relationships at Board and Executive level, the quality of leadership and the constructive response of the organisation to the news of the transfer and managing this process. The Board is content that during this period it has applied the principles in the Corporate Governance in central government

departments: Code of good practice 2011: in so far as it is relevant and practical for GSCC as a NDPB to do so. Board members received their final appraisal by the Chair in the period before 31 July. The Chair received her final appraisal in September. Further details of the Board's attendance is available at the National Archive website, [www.nationalarchive.gov.uk](http://www.nationalarchive.gov.uk)

### **3 The Risk Management and Assurance Framework**

- 3.1 The GSCC's Risk Management Strategy set out the key features of the risk management and assurance framework and provided guidance for staff on their role in the process. The GSCC had a two-tier risk management structure comprising a strategic risk register, which identified risks to the organisation as a whole, and a corporate risk register informed by the active risk management of our programmes and team risk registers, which identified risks to delivering key aims and objectives set out in the Business Plan. During the last few months GSCC moved to more closely align the corporate and strategic risk registers. It was recognised that during July any remaining risks would either be residual or become issues. There were no issues arising in July. There were three risks, two of which related to the move to Skipton House and were unavoidable. The remaining risk was over the physical data transfer, which it was able to close after the final actual transfer of data was successfully confirmed as satisfactorily received on 31 July 2012. The strategic register was formally closed at the July Board meeting.
- 3.2 The programmes and projects undertaken by the GSCC included both an assessment of initial risk and continuous risk management. The Transfer and Closure Programme had a comprehensive risk register as did the Closure Team.
- 3.3 The key principles underpinning the framework were that risk management should be proportionate to the needs, size and complexity of the GSCC and to the public impact of their work; and that risk management and assurance should together provide a coherent framework for management and accountability.
- 3.4 The Audit and Risk Committee systematically reviewed the strategic risk register at each meeting. The Committee did not identify a risk area to be the subject of an in depth review during this period. The Board received reports at each meeting during this period on the management of the strategic risks.
- 3.5 Both the strategic and the corporate risk registers were available to staff on GSCC's intranet. The registers identified risk owners and control actions along with progress and next steps. Version control

recorded revisions and updates to the register, allowing risk owners to identify and respond to developments easily and in a timely fashion.

- 3.6 In addition, the Executive team were required to provide the Chief Executive with an assurance statement twice a year that assessed the status of risk management in his / her management group and details any exceptions that have occurred over the period. Each Head of Service provided an assurance statement for the period up to 31 July, and those Heads in the Closure Team updated their statements to cover the closure period.
- 3.7 A culture was embedded where risk was not just a process but was integral to everything GSCC did and this focus was retained until the end.
- 3.8 Other regular reports, such as performance indicators, summaries of customer complaints, and budget monitoring were produced for ELT meetings, Board meetings, and for discussion at accountability meetings with the sponsor department. At each meeting the Board received integrated performance reporting and budget information. The final performance report was received by the Board at its July meeting, based on the June figures, re-confirming the continued improvements as evidenced by attaining some of the highest KPI scores which was a remarkable achievement in the context of a closing organisation. The Board were satisfied with the quality of information to carry out their functions.
- 3.9 The GSCC maintained business continuity arrangements during this period suitably adapted to a closing organisation. This was focussed on maintaining the telephone cascade system which was effectively tested by two real incidents affecting the London office. The back up arrangements identified in the 2011/12 review could not be maintained once the London office moved to Skipton House. Although this presented some risk there was no alternative and in the event did not cause a problem.

#### **4 Information Assurance**

- 4.1 GSCC maintained corporate data protection policies and mandatory training to strengthen, improve and support effective information assurance, which is audited through the Department of Health Security Policy Framework. Detailed information is set out below and demonstrates how seriously GSCC continued to take the potential issues arising out of personal data incidents. All social worker personal data was transferred to HCPC at the end of July when the registration with the ICO terminated as GSCC only held data on staff during the closure period. Oversight responsibility for information governance

passed to DH after 31 July but GSCC retained the SIRO role (which was held by the Head of ICT) until the end of September.

## **5 Personal data related incidents**

- 5.1 GSCC maintained a programme of mandatory annual data protection training for all staff until 20 June 2012. It was not possible to continue with the National School of Government Protecting Information Level 1 Training as this on line training facility was removed by the Government and only re-introduced a few weeks prior to the operational closure. The "safe haven" approach continued which increased awareness among staff of the importance of safe data handling. There was a redefinition of what constituted a data incident in the April to July period, removing the requirement to report filing errors which were corrected within the registration process. There was a substantial decrease in the number of data protection incidents reported during the transfer period.
- 5.2 During the April to July period, 32 potential or actual data protection incidents were reported; 27 of these were categorised as near miss or no breach and 5 were categorised as minor data protection incidents and were reported to the Audit and Risk Committee. The Board continued to receive information on security issues as part of the regular performance reports. There were no medium or significant data protection incidents and no need to report any data protection incidents to the Information Commissioner's Office.
- 5.3 Whilst all data protection incidents are regrettable the number of minor data protection incidents is small in relation to the number of transactions carried out by the GSCC.
- 5.4 It was ensured that all data to be transferred was done so securely and in particular the transfer of personal data to HCPC was managed effectively without incident. Registrants' personal data held by the GSCC was destroyed on 31 July. There was a detailed data control matrix which recorded each piece of data transferred and where. It also recorded receipt of that data. This meant that for the closure period the only personal data held was in relation to GSCC former and current staff. This was transferred securely to DH. The HR system will continue to be managed for 12 months to support any HMRC queries after which the supplier Northgate will destroy the staff data and send their certification to the DH.

## 6 Accounting Officer's Assurance

6.1 The Chief Executive gained assurance regarding the performance of the GSCC through a varied number of sources:

**6.1.1 Internal Audit:** Agreement was reached with Internal Audit that during the period April to July, they would conduct five assurance reviews, which have been completed, with final reports issued:

- Transfer Programme Update (project assurance role provided by internal audit) – in May 2012 the update to the Committee concluded that the Transfer Programme arrangements were working well.
- Transfer Programme Management - Final Stages (*no rating*)
  - "We also consider that the GSCC has a good grip of the workload required through to data transfer and closure, and of the risks inherent in transferring data from the control of one organisation to others."
- Data Integrity and Protection on Transfer (*no rating*)
  - "Overall we consider that the data transfer programme for non-operational data has addressed the material risks, with no major gaps or weakness in control identified at this stage."
- Ongoing delivery of core services (Assurance Rating – Green)
- Financial Controls During Wind Down and Closure – Part 1 (Assurance Rating – Green)
- Financial Controls During Closure Wind-Down – Part 2 (Assurance Rating – Green)
- Conduct Case Quality Review 2: Review of the Process Design (memorandum) – (Assurance Rating – Green)
- Conduct Case Quality Review Part 2 (memorandum) - (Assurance Rating – Green)

In her final report to the Audit and Risk Committee on the 24 September 2012 the Head of Internal Audit provided the following assurance:

*"On the basis of the work completed, I can provide the Accounting Officer and the Audit and Risk Committee with reasonable assurance on the effectiveness of the General Social Care Council's risk management, control and governance processes reviewed as part of the internal audit plan for the period 1 April 2012 to 31 July 2012, the scope and results of which have been agreed with management."*

**6.1.2 Working with the Board:** The Chief Executive continued to meet regularly with the Chair of the Board and kept in close contact with her on any significant issues and developments, ensuring she was both up

to speed and able to provide appropriate challenge and support. She encouraged and expected members of ELT to keep Lead Members similarly briefed and to seek feedback from them arising from their contact with the GSCC or indeed any feedback they may receive from other sources. There was a very good understanding about the distinct roles of the Executive and Council Members, and also a respect that Members may well provide personal as well as external feedback or information that should be shared with the Executive. The Board continued to receive the weekly blog issued for staff.

During the final weeks, the Board visited staff at both the London and Rugby offices to hear from staff any concerns they might have and to thank them for their work for the GSCC. The Chief Executive received assurance from the positive feedback from those visits and, had the GSCC continued, would have considered how best to continue this form of assurance.

**6.1.3 Executive Leadership Team:** The revised leadership arrangements in operation from 3 October 2011 continued until the end of July 2012. During this time, certain members moved on to new careers and secondments, and the remaining team took over those functions keeping the governance intact, and the team continued to progress forward as a whole, working towards the three goals, thus proving the much needed bandwidth and resilience sought. The nature of the team membership promoted and encouraged cross-organisational working and provided me with an additional level of assurance.

The Deputy Chief Executive and Heads of Service had responsibility for the development and maintenance of a system of internal control in their areas of work. They provided the Chief Executive with assurance through the bi-annual assurance statements and Heads of Service in the Resources group reported directly to the Chief Executive, with those Heads in the Operations group reporting to the Deputy Chief Executive. The assurance framework itself provided evidence that the effectiveness of controls that manage the risks to the organisation achieving its principal objectives have been reviewed.

The Chief Executive chaired fortnightly meetings of the ELT and the Transfer and Closure Programme Board. In June and July ELT meetings took place weekly. ELT considered all strategic and policy issues affecting the GSCC's delivery of its aims and objectives and had collective responsibility for the financial, performance and risk management of the organisation. ELT received monthly performance reports that detailed key aspects of performance and tracked progress against defined outcomes. ELT considered the risk implications of all proposals that were brought before it for consideration and decision. ELT had access to the Outplacement programme with elements designed for senior managers.

The Board's Risk Management Policy included the provision of an Annual Risk Statement. The statement was normally presented to the Annual Risk Meeting of ELT. The final Risk Statement was considered by ELT on 24 July 2012.

Agendas and minutes of all ELT meetings, including the Annual Risk Meeting, were published on the GSCC's Intranet and were available to all staff. They have been transferred to the National Archive as part of the transfer programme.

In leading the organisation with ELT, GSCC actively tested ourselves against how effectively they were behaving according to the specific values they adopted in 2010: fairness, openness, integrity, quality, efficiency and respect. This challenge, when combined with feedback from staff meetings and appraisals, and the outcomes they achieved, suggests that the values provided a valuable standard for their management behaviours.

**6.1.4 Closure Team:** The Closure Team of 11 had weekly meetings from 30 July. The team itself had shared objectives through the closure plan and each member had individual objectives (including as to ways of working) which had to be met in order for the approved retention payment to be paid. The Closure Team was supported by advice from the previous Head of Governance and Legal on a retainer basis.

**6.1.5 Audit and Risk Committee:** The Audit and Risk Committee used to meet at least four times per year. For the six month period to 30 September 2012, the meetings were held on 30 May 2012, 11 June 2012, 17 July 2012 and 24 September 2012. The National Audit Office (NAO) and the internal audit provider could request that the Audit and Risk Committee met additionally, if they considered that to be necessary. No such requests were made. The internal audit providers (Moore Stephens LLP) and the external auditors (NAO together with their outsourced provider Deloitte) met with the members of the Audit and Risk Committee separately (without GSCC officers present) immediately after the June Audit and Risk Committee meeting.

The Audit and Risk Committee considered the Annual Report and Accounts for the short period to 30 September 2012 at its meeting on 17 July and 24 September 2012. The 17 July meeting also received a first stage report on data transfer providing assurance that this had taken place safely without significant problems and was on track for completion for 31 July.

The Chief Executive continued to have an open and respectful relationship with the Chair of the Audit and Risk Committee with whom

she conferred on all relevant issues and who she kept informed of developments.

**6.1.6 Transfer and Closure Programme:** The Transfer and Closure Board met on a fortnightly basis (alternating with ELT) and provided the Chief Executive with assurance in relation to the transfer of functions on 31 July and the closure of the organisation. The Transfer and Closure Board was supported by 7 projects and was strengthened by the Transfer and Closure Programme Steering Group which met weekly. This ensured that operational dependencies across the work streams were identified and resolved. The Transfer and Closure programme had its own risk register and highlight reports which fed into the Corporate Risk Register. This was supplemented by a risk profile for the Closure Team. The Programme adapted its planning to external events and was strengthened by the earlier introduction of a Programme Management qualified as a Managing Successful Programme (MSP) Practitioner and a Programme Management Office, to support the final period leading to closure.

**6.1.7 Personal Assurance:** In addition to the formal arrangements detailed, during this period the Chief Executive gained personal assurance through a "back to the floor" programme of visits. These visits provided opportunities for informal, direct communications with staff, and enabled me to understand the demands of the transfer programme across every part of the office, fostering a culture of openness which was one of our core values.

Until 31 July, the Chief Executive continued to maintain the established programme of internal communications including a weekly blog and monthly team briefings. Staff were able to add comments to or raise questions directly about the blog, and these always received a published response. These channels of communication were not needed for the small Closure Team which met weekly and worked together closely on a day by day basis.

Further assurance was gained from the knowledge that outplacement had been organised through a very broad-based commissioning and reviewing Working Group, involving volunteer staff across the whole organisation. Staff actively engaged with outplacement activities, and very positive feedback was received on the value that staff placed on them. The online and telephone elements of the outplacement programme continued after the transfer and into October 2012.

Finally, the Chief Executive engaged directly with staff on ideas, plans and fundraising for the events to mark the ending of the GSCC. Collective fundraising efforts meant that no member of staff had to pay for tickets for the events. Both staff parties were successful and enjoyed by all those present.



**6.1.8 Three Councils:** A key element of the regulatory function was the relationship with the other three UK Care Councils. The Chief Executive had attended the quarterly CEO meetings and over the years developed close working relationships and she was pleased that the separation of data which GSCC achieved did not undermine that. A very complimentary letter was received from the Welsh Council in the run up to the transfer which showed that the service provided was effective.

Since 1 August, the 4 UK Councils (HCPC having replaced GSCC) continued the weekly liaison regarding sensitive cases that could cause cross-border issues, and also to progress future strategies having formulated a Memorandum of Understanding (GSCC was not party to this). GSCC specifically supported Scottish Social Services Committee (SSSC) technically to open the education files for the Qualifications service which had been transferred at the end of May and again at end of July. Due to office moves in SSSC this had been overlooked, and due to the audit of migrations GSCC were able to track down and re-send the data.

The Head of ICT and Internal Controls called the HCPC SIRO on the 7 and 8 August as a matter of courtesy to check that the data and their systems were embedded satisfactorily, but was unable to make contact and so left a message. The project manager was on annual leave, and the SIRO did not return the call. It seemed safe to assume that there were no issues and GSCC stood down their specialist who was retained in case of a crisis.

## **7 Significant Risks and Issues**

7.1 The Government's announcement in July 2010 regarding the transfer of GSCC functions to the HCPC and other receiving bodies presented a number of significant risks and issues to manage related to the delivery of a successful transfer of their regulatory responsibilities whilst maintaining operational delivery and public protection. During this final period GSCC have focussed on assuring a safe transfer whilst continuing to ensure public protection.

7.2 The organisation was adept at identifying risks and continued to do this in this final period with a particular focus on managing the risks and issues arising. During this period, the identified risk in relation to potential under capacity of staff changed and GSCC increasingly focussed on managing staff over capacity in some areas. The Audit and Risk Committee provided real value in ensuring that mitigating actions were robust and effective. GSCC managed this effectively such that by July 2012, all the risks identified with the transfer and continuing functions had been either eliminated or reduced to insignificance.

7.3 The Closure Team also developed a short risk register for the organisational closure period. As the work progressed through August, these risks diminished significantly enabling closure of the risk register at the end of August with only urgent issues to be resolved in September. There were none.

7.4 The purpose of the GSCC until the end of July 2012 was to protect the public by requiring high standards of professional education, conduct and practice of all social workers in England. This guided GSCC's work through that period. GSCC's ambition, set out earlier, also remained:

To **protect the public** through the regulation of social workers and their professional education and training; and through the **delivery of excellent services** and a **professional transition to HCPC**, provide a lasting legacy which enhances the social work profession and the reputation of the GSCC.

7.5 From 1 August 2012 GSCC's purpose was to bring an orderly and professional close to the organisation.

7.6 During the period to the end of July 2012 GSCC continued to undertake the steps to mitigate risks that had been identified in 2011-2012:

**7.6.1 Risk to the transfer of regulatory functions:** GSCC developed a strong and constructive working relationship with HCPC to ensure an orderly transfer of functions and to ensure key risks were managed and understood at the point of transfer.

The main focus of this relationship centred on the transfer of data, the HR issues relevant to the staff in scope to transfer and the risks surrounding organisational change, and the joint management of cases. In addition, GSCC worked closely to transfer the register smoothly and the education function. GSCC had a keen interest in HCPC's decision in relation to the registration of students and welcomed their decision to maintain a suitability scheme with a list of those unsuitable to register. Colleagues from both organisations forged relationships and developed ways of working which have been successful, and ensured a smooth transfer. GSCC had a clear agreed programme for the transfer of cases which meant that HCPC had seen every case prior to transfer and the actual data was transferred with sufficient time to resolve any problems.

Joint communications with HCPC continued with consistent and coordinated messages to staff in both organisations via a joint communications plan. In addition to staff, the plan detailed messages to external stakeholders: social workers, employers and higher education institutions to ensure people were kept informed of developments in the Transfer and Closure programme. GSCC also had a detailed communications plan with specific reference to the

operational functions so that all stakeholders at a collective and individual level understood the impact of the changes.

The Transfer and Closure Board continued to meet fortnightly until the end of July. All issues to do with the transfer from regulatory operations, education, policy and communications, as well as resources, were overseen through that Board. In this way, GSCC ensured joined-up planning and good internal and external communications throughout the final period.

GSCC maintained a risk log for the Transfer and Closure Board to ensure that risks were closely reviewed and mitigating actions owned, proportionate to the risk, and managed. This risk log was regularly reported to the Board as part of the monthly Transfer and Closure programme updates. The strategic, operational and programme risk registers were used to develop the highly focused and responsive internal audit strategy for 2011 which lasted until July 2012.

**7.6.2 Risk to staff capacity:** The Chief Executive gained particular assurance from internal communications mechanisms as a way of mitigating risk, and sustained the communication programme with visibility and openness to staff throughout. The critical importance of retaining and motivating staff through a challenging period was recognised but it became clear during the last few weeks that capacity requirements started to vary in different functions across the organisation. Due to the successful transfer of functions and the closure of OSCAR many but not all of the operational functions experienced a reduced workload and therefore spare capacity, during part of the final week, as the contingency planning arrangements were not needed. In order to mitigate this risk of limited over capacity and potential resultant de-motivated staff, ELT agreed to put a closely managed discretionary garden leave scheme in place from the 25 July. Due to the nature of work GSCC had left to do it was not possible nor intended that discretionary garden leave be applied universally to all staff. It only applied to staff in roles where functions had transferred and where there was no requirement for support elsewhere across the organisation.

115 staff took the opportunity of discretionary garden leave between 25 and 31 July, remaining available each day for work and utilising the time available to undertake outplacement and similar activities. GSCC placed particular emphasis on running a comprehensive outplacement service which had a good take-up rate from all grades of staff throughout the GSCC and the on line and telephone offering ran until October 2012. An Employee Assistance Programme was also available to offer support and guidance to staff

**7.6.3 Risk of loss of knowledge to the social work sector:** During this period GSCC produced four learning reports and additional legacy reports to share the knowledge, learning and experiences of the GSCC. These captured the GSCC's learning from over 10 years of

professional regulation. It was of great importance to the GSCC that the transfer of functions happened smoothly, that public protection was maintained throughout and that the quality of the closure itself became part of their legacy.

Una O'Brien  
Principal Accounting Officer Department of Health

Date: 12 March 2013

## **THE CERTIFICATE AND REPORT OF THE COMPTROLLER AND AUDITOR GENERAL TO THE HOUSES OF PARLIAMENT**

I certify that I have audited the financial statements of General Social Care Council for the period ended 30 September 2012 under the Care Standards Act 2000. The financial statements comprise: the Statements of Comprehensive Net Expenditure, Financial Position, Cash Flows, Changes in Taxpayers' Equity; and the related notes. These financial statements have been prepared under the accounting policies set out within them. I have also audited the information in the Remuneration Report that is described in that report as having been audited.

### **Respective responsibilities of the GSCC, the Accounting Officer and auditor**

As explained more fully in the Statement of GSCC's and Accounting Officer's, responsibilities, the GSCC and the Accounting Officer are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. My responsibility is to audit, certify and report on the financial statements in accordance with the Care Standards Act 2000. I conducted my audit in accordance with International Standards on Auditing (UK and Ireland). Those standards require me and my staff to comply with the Auditing Practices Board's Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the General Social Care Council's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by General Social Care Council; and the overall presentation of the financial statements. In addition I read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements. If I become aware of any apparent material misstatements or inconsistencies I consider the implications for my certificate.

I am required to obtain evidence sufficient to give reasonable assurance that the expenditure and income recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

## **Opinion on regularity**

In my opinion, in all material respects the expenditure and income recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

## **Opinion on financial statements**

In my opinion:

- the financial statements give a true and fair view of the state of the General Social Care Council's affairs as at 30 September 2012 and of the net comprehensive expenditure for the period then ended; and
- the financial statements have been properly prepared in accordance with the Care Standards Act 2000 and Secretary of State directions issued thereunder.

## **Emphasis of Matter – Going concern**

Without qualifying my opinion, I draw attention to Note 1.1 of the financial statements. Following the enactment of the Health and Social Care Act 2012 on 27 March 2012, the General Social Care Council was closed on 30 September 2012 and the assets and liabilities were transferred to the Department of Health. As a consequence the accounts have been prepared on the basis other than a going concern.

## **Opinion on other matters**

In my opinion

- the part of the Remuneration Report to be audited has been properly prepared in accordance with Secretary of State directions made under the Care Standards Act 2000; and
- the information given in Management Commentary for the financial period for which the financial statements are prepared is consistent with the financial statements.

## **Matters on which I report by exception**

I have nothing to report in respect of the following matters which I report to you if, in my opinion:

- adequate accounting records have not been kept or returns adequate for my audit have not been received from branches not visited by my staff; or
- the financial statements and the part of the Remuneration Report to be audited are not in agreement with the accounting records and returns; or
- I have not received all of the information and explanations I require for

- my audit; or
- the Governance Statement does not reflect compliance with HM Treasury's guidance.

## **Report**

I have no observations to make on these financial statements.

**Amyas C E Morse** **Date 19 March 2013**  
**Comptroller and Auditor General**

National Audit Office  
157-197 Buckingham Palace Road  
Victoria  
London  
SW1W 9SP

# Financial Statements

## Statement of Comprehensive Net Expenditure for the 6 month period to 30 September 2012

Note	6 months to 30 September 2012		12 months to 31 March 2012	
	£'000	£'000	£'000	£'000
<b>Comprehensive Expenditure</b>				
<b>Programme</b>				
Education support grants	3	-	-	29,799
<b>Operating</b>				
Staff costs (excluding past service cost and provision)		3,016		8,460
Past service cost		-		(60)
Settlements and curtailments		-		7,202
Exit packages		34		1,707
Staff costs	4		3,050	17,309
Non pay costs	5	2,476		7,735
Depreciation and amortisation	5	907		2,850
Net finance charge on pension scheme	5	41		76
			3,424	10,661
<b>Gross costs</b>			<b>6,474</b>	<b>57,769</b>
<b>Income</b>				
Income from activities	6	(744)		(2,669)
Other income	6	(12)		(552)
			(756)	(3,221)
<b>Net Comprehensive Expenditure</b>			<b><u>5,718</u></b>	<b><u>54,548</u></b>
<b>Other Comprehensive Expenditure</b>				
Actuarial (gain) loss on pension scheme			(624)	2,177
<b>Total comprehensive Expenditure for 6 months to 30 September 2012 / year ended 31 March 2012</b>			<b><u>5,094</u></b>	<b><u>56,725</u></b>

The GSCC's regulatory responsibilities ceased on 31 July 2012; the GSCC was formally closed on the 30 September 2012 and all assets and liabilities transferred to Department of Health on 1 October 2012.

The notes on pages 66 to 83 form part of these accounts.



**Statement of Financial Position  
As at 30 September 2012**

		6 months to 30 September 2012		12 months to 31 March 2012	
	Note	£'000	£'000	£'000	£'000
<b>Non-Current Assets</b>					
Property, plant & equipment	7	-		64	
Intangible assets	7	-		843	
Total non-current assets			-		907
<b>Current Assets</b>					
Trade & other receivables	8	4		63	
Other current assets	8	-		172	
Cash at bank and in hand to 30 Sept	9	375		1,432	
Total current assets			379		1,667
<b>Total Assets</b>			<b>379</b>		<b>2,574</b>
<b>Current Liabilities</b>					
Trade & Other payables	10	(274)		(740)	
Taxation creditors	10	0		(159)	
Provisions	11	(560)		(2,358)	
Pensions liability	18	(13,478)		(14,183)	
Total current liabilities			(14,312)		(17,440)
<b>Net Liabilities</b>			<b>(13,933)</b>		<b>(14,866)</b>
<b>Funds</b>					
General reserves			(13,933)		(14,866)
<b>Total funds</b>	17		<b>(13,933)</b>		<b>(14,866)</b>

The notes on pages 66 to 83 form part of these accounts.

The total assets and liabilities transferred to the Department of Health on 1 October 2012

Una O'Brien  
Principal Accounting Officer Department of Health

Date 12 March 2013

**Statement of Cashflows  
for the 6 month period to September 2012**

		6 months to 30 September 2012	12 months to 31 March 2012
	Note	£'000	£'000
<b>Net Cash outflow from operating activities</b>	16	(7,084)	(42,193)
<b>Cash flows from financing activities</b>			
- Education support grants		(584)	29,500
- Operating		3,701	11,767
- Transfer and closure		<u>2,910</u>	<u>315</u>
Net financing		6,027	41,582
<b>Net decrease in cash and cash equivalents in the period</b>		<b><u>(1,057)</u></b>	<b><u>(611)</u></b>
Cash and cash equivalents at the beginning of the period	9	1,432	2,043
Cash and cash equivalents at the end of the period	9	375	1,432

The notes on pages 66 to 83 form part of these accounts.

**Statement of changes in Taxpayers Equity  
For the six month period to 30 September 2012**

	Note	I & E Reserve	Total Reserves
<b>Balance as at 31 March 2011</b>		<b>577</b>	<b>577</b>
<b>Changes In taxpayers Equity</b>			
Actuarial loss	18	(2,177)	(2,177)
Retained Deficit	2	(13,266)	(13,266)
Total recognised income and expense for 2011-12		(15,443)	(15,433)
<b>Balance at 31 March 2012</b>		<b>(14,866)</b>	<b>(14,866)</b>
<b>Changes In taxpayers Equity</b>			
Actuarial gain	18	624	624
Retained Surplus	2	309	309
Total recognised income and expense for 2012-13		933	933
<b>Balance at 30 September 2012</b>		<b>(13,933)</b>	<b>(13,933)</b>

The notes on pages 66 to 83 form part of these accounts.

## **Notes to financial statements for the 6 month period ending 30 September 2012**

### **NOTE 1 – Statement of accounting policies**

These financial statements have been prepared in accordance with the 2011-12 Government Reporting Manual (FReM) issued by HM Treasury and any subsequent updates as advised by HM Treasury. The accounting policies contained in the FReM apply International Financial Reporting Standards (IFRS) as adapted or interpreted for the public sector context. Where the FReM permits a choice of accounting policy, the accounting policy which is judged to be most appropriate to the particular circumstances of the General Social Care Council (GSCC) for the purposes of giving a true and fair view has been selected. The particular policies adopted by the GSCC for the reportable activity are described below. They have been applied consistently in dealing with items that are considered material to the accounts.

#### **1.1 Accounting convention**

The financial statements have been prepared under the historical cost convention modified to account for the revaluation of property, plant and equipment, intangible assets and inventories.

#### Going Concern

In July 2010 Government announced their intention to transfer the regulatory functions of GSCC to the Health Professions Council and for GSCC to be abolished.

With the passing of the legislation on 27 March 2012, the responsibility for the regulatory functions was transferred to the Health and Care Professions Council on the 1 August 2012. As General Social Care Council was wound up on the 30 September 2012 and all remaining assets and liabilities were transferred to the Department of Health on 1 October 2012, it is appropriate for the accounts, for the short period to 30 September 2012, to be prepared on a basis other than a going concern. The impact of the closure on the accounts is detailed in Note 19.

#### **1.2 Format of accounts**

The GSCC is required to draw up its accounts in a form determined by the Secretary of State for Health with the approval of the Treasury. The GSCC is required to prepare its accounts on an accruals basis and to present its published financial statements in a format as set out in the Accounts Direction.

### **1.3 Materiality**

IAS 1 and IAS 8 state that accounting policies in IFRSs need not be applied when the effect of applying them is immaterial.

### **1.4 Non-Current Assets**

#### **1.4.1 Property, Plant & Equipment**

Property, plant and equipment includes building improvements, office equipment and furniture, computer equipment and the costs of acquiring computer software systems (including cost of implementation). All assets falling into these categories with a value of £5,000 or more have been capitalised. Also assets of similar types have been capitalised where the value of individual assets is less than £5,000, provided that the total value of all assets of that type exceeds £5,000. Property Plant & Equipment are stated at current cost less depreciation.

With the passage of the Health and Social Care Act on the 27<sup>th</sup> March 2012 the accounting treatment under IAS 16 Property, Plant & Equipment was reviewed and the policy updated. Depreciation was therefore accelerated from 1<sup>st</sup> April 2011 at a rate such that all property, plant and equipment was fully depreciated at point of transfer of regulatory responsibilities on 31<sup>st</sup> July 2012.

#### **1.4.2 Intangible fixed assets**

Intangible fixed assets comprise purchased licences to use third party software systems (including cost of implementation). All assets falling into this category with a value of £5,000 or more have been capitalised. Intangible assets are stated at current cost less amortisation.

With the passage of the Health and Social Care Act on the 27<sup>th</sup> March 2012 the accounting treatment under IAS 38 Intangible Assets was reviewed and the policy updated. Amortisation has been accelerated from 1<sup>st</sup> April 2011 at a rate such that all intangible fixed assets were fully amortised at point of transfer of regulatory responsibilities on 31<sup>st</sup> July 2012.

#### **1.4.3 Development costs**

Development expenditure is capitalised if it meets the criteria specified in Managing Public Money, which was originally adapted from SSAP13 to take account of the not-for-profit context. IAS 38 Intangible Assets has been reviewed under the heading 'Internally Generated Intangible Assets' and capitalised development costs held at GSCC deemed to meet the criteria laid down by the IAS for recognition.

#### **1.4.4 Depreciation**

Depreciation previously had been provided on all tangible fixed assets held at the year end on a straight line basis, at rates calculated to write off the cost over their estimated useful economic lives as follows:

Building improvements	shorter of lease term or UEL
Office equipment and furniture	10 years
Computer equipment	4 years
Computer software	3 - 10 years

With the passage of the Health and Social Care Act on the 27<sup>th</sup> March 2012 the policy was updated. Depreciation was accelerated from 1<sup>st</sup> April 2011 at a rate such that all assets were fully depreciated at point of transfer of regulatory responsibilities on 31<sup>st</sup> July 2012.

#### **1.4.5 Amortisation of intangible fixed assets**

Amortisation was provided on software licences held at the year end on a straight line basis, at rates calculated to write off the cost over the shorter of the period of the licence or their estimated useful economic life with computer software licences 2 - 10 years.

With the passage of the Health and Social Care Act on the 27<sup>th</sup> March 2012 the policy was updated. Amortisation was accelerated from 1<sup>st</sup> April 2011 at a rate such that all assets were fully amortised at point of transfer of regulatory responsibilities on 31<sup>st</sup> July 2012.

#### **1.4.6 Indexation**

Fixed assets have previously been re-valued as at 31 March using indices taken from "Price index numbers for current cost accounting" issued by the Office for National Statistics. This convention was not been applied in the 2011-12 accounts or the six months to September 2012 accounts due to the immateriality of the values concerned.

#### **1.4.7 Impairments**

Impairment losses resulting from short-term changes in price that are considered to be recoverable in the longer term are taken in full to the revaluation reserve. These include impairments resulting from the revaluation of fixed assets. An annual impairment review is conducted which assesses whether the recoverable value of an asset is below its carrying value. Impairments in advance of amounts recorded in the revaluation reserve or where no revaluation has previously occurred are recorded in the statement of comprehensive net expenditure.

### **1.5 Financing and income**

The majority of the GSCC's funding is Grant in Aid provided by the Department of Health. The funds may be used to meet the general objectives of the GSCC at the discretion of the GSCC, subject to total cash payments in each year not exceeding several cash limits imposed by the Department.

These cash limits cover payments in respect of operating costs, training support grants and capital. All other income is credited to income in the year in which it is earned.

## **1.6 Expenditure**

### **1.6.1 Management and administration**

Management and administration costs relate to expenditure incurred in the management of the GSCC's activities, including quality-assurance work to ensure training is delivered to the appropriate standard, organisational administration and compliance with statutory requirements.

### **1.6.2 Education support grants**

Education support grants comprise expenditure on social work degree grants, grants and practice learning/practice teaching grants. Grants payable are recorded as expenditure in the period that the underlying activity giving entitlement to the grant occurs.

## **1.7 Retirement Benefit Costs**

The majority of the GSCC's employees were eligible for membership of the Local Government Pension Scheme (LGPS) via an admission agreement with Essex County Council Pension Fund. The scheme is a multi-employer defined benefit scheme.

For defined benefit schemes, the liability recognised in the statement of financial position is the present value of the defined benefit obligation at the reporting date less the fair value of the scheme assets, together with any adjustments for the unrecognised past service costs, less any amounts recoverable from third parties. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method.

The present value of the defined benefit obligations is determined by discounting the estimated future cash outflows using interest rates of high quality corporate bonds that have terms to maturity approximating to the terms of the related pension liability. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited in other comprehensive income in the period in which they arise.

Past service costs are recognised immediately in statement of comprehensive net expenditure to the extent that the benefits are already vested, and otherwise amortised on a straight line basis over the average period until the benefits become vested. The interest cost and the expected return on assets are shown as a net amount of finance costs.

The assets of the LGPS are held and managed by the constituent administering authorities and therefore entirely independent of the GSCC's finances.

Upon closure the GSCC exited the pension scheme and the funding position of the residual liabilities was calculated on a "minimum risk basis". This is similar to adopting a basis that would be used to secure the liabilities from an insurance company. In practice there is no scope for the liabilities to be brought out via such an arrangement but it represents one measure of the cost of funding the liabilities, which reduces the risk of further costs having to be met by other employers in the Fund in the future.

The final settlement of the pension liability was £13,478m, which consists of the cessation debt of £13,398m (a decrease of £0.705m on the estimate in the 2011-12 accounts) and a £80k unfunded liability, which will be assumed by the DH. Settlement of this liability on a least risk basis ensured that deferred member benefits are fully funded.

### 1.8 Leases

Operating lease rentals and related service charges are charged directly to the Expenditure Account in line with IAS 17 Leases requirements, on a straight line basis.

### 1.9 Value Added Tax

The GSCC is not registered for Value Added Tax (VAT). All figures reported in these statements therefore include VAT.

## 2 Reconciliation of net operating expenditure and gross capital expenditure to Grant in Aid

	6 months to 30 September 2012	12 months to 31 March 2012
	£'000	£'000
Total Net Expenditure for the financial year		
Net expenditure account	5,718	54,548
Operating Grant in Aid Receivable	6,027	41,282
<b>Under/ (Over) spend against Financing receivable from the Department of Health</b>	<b>309</b>	<b>(13,266)</b>

## 3 Programme expenditure – Education support grants

	6 months to 30 September 2012	12 months to 31 March 2012
	£'000	£'000
Social Work Degree Grants	-	29,622
Other Grants to voluntary organisations	-	177
<b>Total</b>	<b>-</b>	<b>29,799</b>



#### 4 Staff numbers and related costs

The total cost of employing staff was:

	6 months to 30 September 2012	12 months to 31 March 2012
	£'000	£'000
<b>Pay</b>		
Salaries and wages	1,985	5,904
Redundancy	1,741	-
Pension strain *	240	-
National insurance employers' contributions	222	498
Occupational pension scheme, employers' contributions	139	423
Pensions: deficiency payments	159	304
Total permanently employed staff expenditure	4,486	7,129
Temporary staff	393	1,390
Total pay costs	4,879	8,519
Less receivables in respect of outward secondment	-	(59)
<b>Total net costs</b>	<b>4,879</b>	<b>8,460</b>
Non-cash items		
- Current service costs less employer contributions	(122)	(60)
- Curtailments and settlements	-	7,202
- Redundancy provision	(1,707)	1,707
<b>Total costs</b>	<b>3,050</b>	<b>17,309</b>

The salary and employee benefits for the key management and personnel has been disclosed in the remuneration report on pages 39-42

\* Pension strain - this relates to amounts payable to the Essex Pension Fund for those staff that were aged 55 (and over) and were eligible for their pension upon redundancy

The average number of whole-time equivalent employees, including the Chief Executive, during the period ended 30 September/31 March 2012 was:

	6 months to 30 September 2012	12 months to 31 March 2012
	No.	No.
Directly employed	134	218
Other	13	30
<b>Total</b>	<b>147</b>	<b>248</b>

Note the average whole time equivalent of 147 relates to 4 months of the GSCC being fully operational, for which the average WTE was 215, and 2 months organisational closure for which the average WTE was 11.

#### Reporting of compensation schemes – exit packages

For the six month period to the 30 September 2012:

1	Exit package cost band	Number of compulsory redundancies	Number of other departures agreed	Total number of exit packages by cost band
2	<£10,000	138	-	138
3	£10,000-£25,000	38	-	38
4	£25,000-£50,000	14	-	14
5	£50,000-£100,000	3	-	3
6	£100,000-£150,000	0	-	0
7	£150,000-£200,000	0	-	0
8	Total number of exit packages	193	-	193
9	Total resource cost £'000s	£1,741		

The £1,741k is based on payments for redundancy and payment in lieu of notice, and includes £106k retention pay for the closure team by agreement with the Department of Health Governance and Assurance Committee (GAC).

2011-12 – There were no exit packages. Legislation to close the GSCC was passed on 27 March 2012, transferring the responsibilities of the GSCC to HCPC on 1 August 2012 and closing the GSCC on 30 September 2012. As a result a provision of £1,707k was made for exit packages.

## 5 Other Expenditure

	6 months to 30 September 2012	12 months to 31 March 2012
	£'000	£'000
<b>Running costs</b>		
Council	63	137
Staff travel and subsistence expenses	78	253
Staff development and training	60	261
Staff recruitment	-	94
Premises costs (excluding operating lease payments)	241	507
Rentals under operating leases:		
- Hire of plant and machinery	69	243
- Other	142	920
Communications	62	256
Other office services	499	1,575
Business Development	3	61
Publications and Promotions	28	144
Courses and Workshops	21	104
International Recognition Service	10	37
Conduct investigations including legal fees	996	2,539
Audit Fees	49	60
Other fees and charges	123	120
Non-cash items		
- Increase/(Decrease) in provision for doubtful debts & write-off	32	320
- Depreciation	64	322
- Amortisation	843	2,528
- Loss on disposal	-	36
- Provision provided in the year	-	68
- Net finance Charge on pension scheme	41	76
<b>Total</b>	<b>3,424</b>	<b>10,661</b>

During the year the GSCC did not purchase any non audit services from its external auditor the National Audit Office. £4k of Audit fees in 2012-13 relates to prior year.

## 6 Income

	6 months to 30 September 2012	12 months to 31 March 2012
	£'000	£'000
Social care registration fees	744	2,669
Rentals from operating leases	-	239
Income from devolved social care authorities	-	296
Other operating income	12	17
<b>Total</b>	<b>756</b>	<b>3,221</b>

## 7 Property, plant and equipment

	Leasehold Improve- ments	Furniture and Fittings	Information Technology	Total
	£'000	£'000	£'000	£'000
<b>Cost or revaluation</b>				
At 1 April 2012	487	560	814	1,861
Transfer	-	-	-	-
Disposals	(487)	(560)	(814)	(1,861)
<b>At 30 September 2012</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Depreciation</b>				
At 1 April 2012	487	536	774	1,797
Provided during the year	-	24	40	64
Transfers	-	-	-	-
Disposals	(487)	(560)	(814)	(1,861)
<b>At 30 September 2012</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net book value as at 30 September 2012</b>				
	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cost or revaluation</b>				
At 1 April 2011	1,790	821	951	3,562
Transfer	-	-	-	-
Disposals	(1,303)	(261)	(137)	(1,701)
<b>At 31 March 2012</b>	<b>487</b>	<b>560</b>	<b>814</b>	<b>1,861</b>
<b>Depreciation</b>				
At 1 April 2011	1,717	658	765	3,140
Provided during the year	73	103	146	322
Transfers	-	-	-	-
Disposals	(1,303)	(226)	(136)	(1,665)
<b>At 31 March 2012</b>	<b>487</b>	<b>535</b>	<b>775</b>	<b>1,797</b>
<b>Net book value as at 31 March 2012</b>				
	<b>-</b>	<b>24</b>	<b>40</b>	<b>64</b>

The residual assets were appropriately distributed to schools, charities and small businesses to ensure minimal waste. The costs of collection were borne by the receiving parties.

## Intangible assets

	Software Licences	Development Expenditure	Total
	£'000	£'000	£'000
<b>Cost or revaluation</b>			
At 1 April 2012	367	9,907	10,274
Disposals	(367)	(9,907)	(10,274)
<b>At 30 September 2012</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Amortisation</b>			
At 1 April 2012	366	9,065	9,431
Provided during the year	1	842	843
Disposals	(367)	(9,907)	(10,274)
<b>At 30 September 2012</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net book value as at 30 September 2012</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cost or revaluation</b>			
At 1 April 2011	426	9,907	10,333
Disposals	(59)	-	(59)
<b>At 31 March 2012</b>	<b>367</b>	<b>9,907</b>	<b>10,274</b>
<b>Amortisation</b>			
At 1 April 2011	376	6,586	6,962
Provided during the year	49	2,479	2,528
Disposals	(59)	-	(59)
<b>At 31 March 2012</b>	<b>366</b>	<b>9,065</b>	<b>9,431</b>
<b>Net book value as at 31 March 2012</b>	<b>1</b>	<b>842</b>	<b>843</b>

## 8 Trade receivables and other current assets

	6 months to 30 September 2012	12 months to 31 March 2012
	£'000	£'000
Trade receivables	4	49
Other receivables	-	14
Prepayments and accrued income	-	172
<b>Total</b>	<b>4</b>	<b>235</b>

<b>Intra-Government Balances</b>	6 months to 30 September 2012	12 months to 31 March 2012
	£'000	£'000
Balances with central government bodies	4	42
Balances with bodies external to Government	-	193
<b>Total</b>	<b>4</b>	<b>235</b>

## 9 Cash and cash equivalents

	6 months to 30 September 2012	12 months to 31 March 2012
	£'000	£'000
Balance as at 1 April 2012 / 1 April 2011	1,432	2,043
Net change in cash and cash equivalents outflow	(1,057)	(611)
<b>Balance as at 30 September 2012 / 31 March 2012</b>	<b>375</b>	<b>1,432</b>

All balances were held with commercial banks and cash in hand.

## 10 Trade payables and other current liabilities

	As at 30 September 2012	As at 31 March 2012
	£'000	£'000
Trade payables	-	133
Other liabilities: Tax and social security	-	159
Other liabilities: Accrued expenditure and deferred income	274	607
<b>Total</b>	<b>274</b>	<b>899</b>

  

<b>Intra-government balances</b>	As at 30 September 2012	As at 31 March 2012
	£'000	£'000
Balances with bodies external to government	274	899
<b>Total</b>	<b>274</b>	<b>899</b>

## 11 Provisions for liabilities and charges

	£'000	£'000
Balance at 1 April 2012 / 1 April 2011	2,358	492
Dilapidations provision utilised in the year	-	68
Onerous leases provision released during the year	(91)	91
Redundancy provision utilised during the year	(1,707)	1,707
<b>Balance at 30 September 2012 / 31 March 2012</b>	<b>560</b>	<b>2,358</b>

The balance of £560k as at September 2012 all relates to dilapidations. The dilapidations provision is in line with the leases for the premises occupied by the GSCC. The provision was calculated with the input of specialist advice. The expenditure is likely to be incurred in the calendar year 2013.

## 12 Capital Commitments

There were no capital commitments in the current period or prior year.

## 13 Commitments under leases

Total minimum future lease payments under operating leases are given in the table below for each of the following periods.

	As at 30 September 2012	As at 31 March 2012
	£'000	£'000
<b>Buildings</b>		
Leases which expire between 1 and 5 years	0	199
Leases which expire after 5 years	-	-
<b>Sub-total</b>	<b>0</b>	<b>199</b>
<b>Other</b>		
Leases which expire between 1 and 5 years	-	14
Leases which expire after 5 years	-	-
<b>Sub-total</b>	<b>-</b>	<b>14</b>
<b>Total</b>	<b>-</b>	<b>213</b>

The above figures relates to the unexpired lease on Myson House to March 2013, which has been transferred to the Department of Health. The above exclude maintenance agreements for equipment and service charges for buildings.

## 14 Contingent liabilities disclosed under IAS 37

There are no contingent liabilities.

## 15 Movement in reserves

	6 months to 30 September 2012	12 months to 31 March 2012
	£'000	£'000
General reserve as at 1 April 2012 / 1 April 2011	(14,866)	577
Actuarial gain / (loss)	624	(2,177)
Grant receivable in the period	6,027	41,282
Net expenditure	(5,718)	(54,548)
<b>Balance at 30 September 2012 / 31 March 2012</b>	<b>(13,933)</b>	<b>(14,866)</b>
Balance excluding pensions liability	(455)	(683)
Pension liability	(13,478)	(14,183)
<b>Balance at 30 September 2012 / 31 March 2012</b>	<b>(13,933)</b>	<b>(14,866)</b>

## 16 Reconciliation of net operating cost to operating cash flow

	6 months to 30 September 2012	12 months to 31 March 2012
	£'000	£'000
Net deficit after cost of capital and interest	(5,718)	(54,548)
Depreciation and amortisation charges	907	2,850
Loss on disposal of non current assets	-	36
(increase)/decrease in trade and other receivables	231	998
Increase/(decrease) in trade payables	(625)	(613)
(Decrease)/increase in Provisions	(1,798)	1,866
Increase/(reduction) in pension liability	(705)	9,395
Actuarial gain / (loss)	624	(2,177)
<b>Net Cash outflow from operating activities</b>	<b>(7,084)</b>	<b>(42,193)</b>

## 17 Reconciliation of net movement in funds

	6 months to 30 September 2012	12 months to 31 March 2012
	£'000	£'000
Total reserves at 1 April 2012 / 1 April 2011	(14,866)	577
Movement in reserves	309	(13,266)
Actuarial (loss)/gain on pension scheme	624	(2,177)
<b>Total reserves at 30 September 2012 / 31 March 2012</b>	<b>(13,933)</b>	<b>(14,866)</b>



## 18 Pension Scheme

In Line with Accounting Standards Board requirements, the GSCC has implemented IAS 19 in full.

### (i) Contribution rates

The majority of the GSCC's employees are eligible for membership of the Local Government Pension Scheme (LGPS) via an admission agreement with Essex County Council pension fund. The scheme is a multi-employer defined benefit scheme. Contributions for 2012-13 were paid by employees depending on salary as outlined in the table below.

Full time equivalent salary	Contribution rate
£0.00 - £12,600	5.50%
£12,600.01 - £14,700	5.80%
£14,700.01 - £18,900	5.90%
£18,900.01 - £31,500	6.50%
£31,500.01 - £42,000	6.80%
£42,000.01 - £78,700	7.20%
£78,700.01 or more	7.50%

Employer contributions for the 6 month period to 30 September 2012 were paid at 10.0% of pensionable pay

### (ii) Actuarial information

Triennial valuations of the Essex Fund are carried out by Mercer Limited, a qualified actuary. The latest valuation as at 31 March 2010 showed a deficit of £5.056m. For the 6 month period to 30 September 2012, the deficit payments to the Fund were valued at £13.478m (2011-12 £0.303m). This valuation was not confirmed until after the cessation of the GSCC, so the payment was made by the DH on their behalf.

(a) Under accounting standard IAS 19, the principal financial assumptions made by the actuary are:

	As at 30/09/2012	As at 31/03/2012
Rate of increase in salaries	n/a	2.8%
Rate of increase in pensions in payment	1.8%	2.8%
Discount rate	2.6%	3.3%
Rate of RPI inflation	2.6%	3.3%
Rate of CPI inflation	1.8%	2.8%

The expected rate of return on plan assets is based on the long term future expected investment return for each asset class as at the beginning of the period. We have not made assumptions at a current date for future periods as the GSCC is not continuing. The March 2012 disclosures assumed a return of 5.8% per annum.

(b) The assets in the scheme and the expected rate of return were (IAS 19 disclosure):

	Expected rate of return at	Value at	Expected rate of return at	Value at
	30/09/2012	30/09/2012	31/03/2012	31/03/2012
	%	£'000	%	£'000
Equities	N/A	10,521	6.4	10,787
Government Bonds	N/A	915	3.3	616
Other Bonds	N/A	1,372	4.6	1,541
Property	N/A	1,830	5.4	2,157
Cash/liquidity	N/A	610	0.5	308
Other	N/A	-	N/A	-
Fair value of assets		15,248		15,409
Actuarial value of scheme liabilities		(28,726)		(29,592)
<b>Deficit in the scheme</b>		<b>(13,478)</b>		<b>(14,183)</b>
Actual return on plan assets		195		168

(c) Components of pension cost for the period to 30 September 2012

	6 months to 30 September 2012	12 months to 31 March 2012
	£'000	£'000
Current service cost	414	671
Interest on Pension Liabilities	482	1,090
Expected return on assets	(441)	(1,014)
Past service cost	-	-
Effect of curtails or settlements	-	7,202
<b>Total pension cost recognised in Net Expenditure Account</b>	<b>455</b>	<b>7,949</b>

(d) Change in Benefit Obligation during period to 31 March

	6 months to 30 September 2012	12 months to 31 March 2012
	£'000	£'000
Benefit obligation at beginning of period	29,592	19,666

Current Service Cost	414	671
Interest on Pension Liabilities	482	1,090
Member Contributions	118	286
Past Service Cost	-	-
Effect of curtailments or settlements	-	7,202
Actuarial(gains)/losses on liabilities	(1,027)	1,330
Benefits/transfers paid	(853)	(653)
<b>Benefit obligation at end of period</b>	<b>28,726</b>	<b>29,592</b>

(e) Change in Plan Asset during period to 31 March

	6 months to 30 September 2012 £'000	12 months to 31 March 2012 £'000
Fair value of plan assets at beginning of period	15,409	14,878
Expected return on plan assets	441	1,014
Actuarial gains/(losses) on assets	(403)	(847)
Employer contributions	536	731
Member contributions	118	286
Benefits/transfers paid	(853)	(653)
<b>Fair value of plan assets at end of period</b>	<b>15,248</b>	<b>15,409</b>

(f) Statement of changes in taxpayers equity

	2013 £'000	2012 £'000
Actual return less expected return on pension scheme assets	(245)	(847)
Experience gains and losses	(9)	1,972
Changes in assumptions underlying the present value of the scheme liabilities	878	(3,302)
Actuarial gains/(losses)	624	(2,177)
<b>Total pension gain/(cost) recognised in SOCITE</b>	<b>624</b>	<b>(2,177)</b>

(g) Reconciliation of opening & closing deficit

	2013 £'000	2012 £'000
Deficit at beginning of period	(14,183)	(4,788)
Current Service cost	(414)	(671)
Employer contributions	535	728
Unfunded pension payments	1	3
Other financial income	(41)	(76)
Settlements & curtailments	-	(7,202)
Actual gains (losses)	624	(2,177)
<b>Deficit at end of period</b>	<b>(13,478)</b>	<b>(14,183)</b>

<b>(h)</b>	<b>Amounts for the current &amp; previous periods</b>	Period to 30/9/12	Year to 31/3/12	Year to 31/3/11	Year to 31/3/10
		£'000	£'000	£'000	£'000
	Defined Benefit obligation	(28,726)	(29,592)	(19,666)	(19,934)
	Scheme assets	15,248	15,409	14,878	12,979
	Deficit	(13,478)	(14,183)	(4,788)	(6,855)
	Experience adjustments on Scheme liabilities	149	1,972	346	-
	Percentage of liabilities	0.5%	6.7%	1.8%	-
	Experience adjustments on Scheme assets	(403)	(847)	266	-
	Percentage of assets	(2.6%)	(5.5%)	1.8%	-
	Cumulative Actuarial Gains and losses	(449)	(1,073)	1,104	-

History of experience gains and losses

**(i)** (IAS 19 Disclosure)

	As at 30 September 2012	As at 31 March 2012	As at 31 March 2011	As at 31 March 2010	As at 31 March 2009
	£'000	£'000	£'000	£'000	£'000
Actual Return on Plan Assets	195	168	1,295	3,307	(2,307)
Experience Gain/(losses) on assets	(403)	(847)	266	2,689	(3,038)
Experience Gain and losses on liabilities	149	1,972	346	-	-

**19** The principal adjustments arising from the closure of the accounts have been as follows:

- 1/ Full depreciation and amortisation of all tangible fixed assets and intangible fixed assets respectively at the point of transfer of regulatory responsibilities on 31 July 2012;
- 2/ Costs of £7.2m in the prior year were incurred relating to settlement and curtailment costs in respect of GSCC's exit from the Local Government Pension Scheme;
- 3/ Redundancy costs have been incurred as detailed in Note 4; and
- 4/ Long term liabilities have been moved to current liabilities for disclosure purposes.

## **20 Related Party Transactions**

The GSCC is a Non-Departmental Public Body of the Department of Health. The Department of Health is regarded as a related party. During the period to September 2012, the GSCC received £6,611k as grant in aid from DH. The DH paid the full and final pension scheme cessation costs of £13,398k on 7 February 2013 and will provide for the unfunded liability of £80k. GSCC has had a number of material transactions with other departments and bodies for which the DH is considered to be the parent department via:

Scottish Social Services Council: GSCC earned income of £0 (2011-12: £152,654) through recharges for the UK Social Care Regulation programme and for costs of providing external assessment (of social work courses) service to the SSSC.

Care Council for Wales: GSCC earned income of £0 (2011-12: £96,959) through recharges for the UK Social Care Regulation Programme and for cost of providing the external assessment (of social work courses) service to the CCW.

Northern Ireland Social Care Council: GSCC earned income of £0 (2011-12 £46,630) through recharges for the UK Social Care Regulation Programme and for costs of providing external assessment (of social work courses) service to the NISCC.

None of the GSCC's board members, key managerial staff, or other related parties have undertaken any material transactions with the GSCC during the period.

## **21 IAS 32 Financial Instruments**

International Accounting Standard 32, Financial Instruments: Disclosure and Presentation, requires disclosure of the role that financial instruments have had during the period in creating or changing the risks the GSCC faces in undertaking its activities. As permitted by FRS 13, debtors and creditors which mature or become payable within 12 months from the balance sheet date have been omitted from disclosures.

(i) **Liquidity Risk**

The GSCC operates within a funding envelope that is provided partly by the Department of Health and partly by income received as fees from social work registrants. The mix of funding allows the GSCC to ensure that its commitments are consistent with its income across the year.

(ii) **Currency Risk**

The GSCC is not exposed to currency risk.

(iii) **Credit Risk**

The GSCC is not exposed to significant credit risk.

(iv) **Market and Interest Rate Risk**

Market risk is defined under IFRS in accordance with the requirements of IFRS 7 as "the risk that the fair value or cash flows of a financial instrument will fluctuate due to changes in market prices. Market risk reflects interest rate risk, currency risk, and other price risks."

(v) **Financial Assets and Liabilities**

The GSCC's financial assets and liabilities carry nil rate of interest. All financial liabilities are due within one year. Income received from registrants is based on standard rates below market average for the services received. The GSCC is not exposed to any significant market or interest rate risks.

With the passing of the legislation on 27 March 2012, the responsibility for the regulatory functions was transferred to the Health and Care Professions Council on the 1 August 2012. The General Social Care Council was wound up on the 30 September 2012 and all remaining assets and liabilities were transferred to the Department of Health on 1 October 2012.

## **22 Post Balance Sheet Events**

In accordance with the requirements of IAS 10 events after the balance sheet date, post balance sheet events are considered up to the date on which the accounts are authorised for issue. This is interpreted as the date of the Certificate and Report of the Comptroller and Auditor General.

There are no post balance sheet events, as the GSCC closed on 30 September 2012.

## **23 Losses and Special payments**

There were no losses or special payments.

## **24 Declarations of Interest**

There are no declarations of interest.







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