



Care Standards Act 2000

CYNGOR GOFAL CYMRU **CARE COUNCIL FOR WALES**

ANNUAL REPORT **AND ACCOUNTS**

2008 –2009

Annual Report and Accounts of the Care Council for Wales prepared pursuant to Schedule 1, Section 18(2) and 19(1) of the Care Standards Act 2000, for the year ended 31 March 2009 together with the Report of the Auditor General for Wales thereon and

Laid before the National Assembly for Wales on 10 August 2009 pursuant to the Care Standards Act 2000 Schedule 1 Section 18(4)

Noddir gan
Lywodraeth Cynulliad Cymru
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Welsh Assembly Government



ANNUAL REPORT AND ACCOUNTS

2008/2009

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Chief Executive's Report

History and Statutory Background

The Care Council for Wales (Care Council) was established by the Care Standards Act 2000, and came into existence on 1 October 2001. The Care Council has offices in Cardiff and in St Asaph in North Wales.

This Annual Report and Accounts, the eighth to be prepared by the Care Council, is for the year ended 31 March 2009. The Report has been prepared under Schedule 1, Sections 18(2) and 19(1) of the Care Standards Act 2000; it is presented in a form directed by Welsh Ministers, with the approval of HM Treasury. A copy of the accounts direction may be obtained from the Care Council's offices.

Care Council Members

At 31 March 2009 there were fifteen members and the Chair who have been appointed by the Minister for Health and Social Services. Membership includes service users, carers, the general public, employers, trade unions, education and training interests, and professional associations. During the year, eight members came to the end of their membership and seven members were appointed.

Members serving 1 April 2008 to 31 March 2009

Member	Interest
Mutale Merrill	Chair
Stephen Elliott	Professional Organisations
Penny Gripper	Service Users
Kate Hawkins	Education and Training
Judith Jones	Carers
Mary Amelia Lyons	Education and Training
Ellis Williams	Employers
Elizabeth Williams	Service Users
Vera Wilson	General Public

End of membership

Member	Interest
Sandra Burton(December 2008)	Carers
Mary Cottrell(December 2008)	Private Sector Employers
Margaret Dennis(June 2008)	General Public
Nigel Hardaker(December 2008)	Carers
Mario Kreft(December 2008)	Private Sector Employers
Caroline Nordstrom(December 2008)	Service Users
David Ravey(December 2008)	General Public
Barbara Symons(December 2008)	Carers

Appointed during year

Member	Interest
Peter Crews(March 2009)	Trade Unions
Ian Davies(March 2009)	Service Users
John Dixon(March 2009)	Welsh Local Government Association
Sophie Howe(March 2009)	General Public
Martin Lewis (March 2009)	Carers
Martyn Pengilley (March 2009)	General Public
Brian West (March 2009)	Private Sector Employers

A register of the declared interests of members is available for inspection during normal office hours at the Care Council's office, Southgate House, Wood Street, Cardiff CF10 1EW.

In line with best practice and guidance, the Care Council established an Audit Committee at its inception, and membership is drawn from Council Members. Meetings are attended by representatives of internal and external audit and the Welsh Assembly Government.

Charitable Donations

The Care Council has conducted transactions with charitable bodies in the normal course of business during the year, but has not made any charitable donations in the year (2007-08 Nil).

Payment of Creditors

Under the Late Payment of Commercial Debt (Interest) Act 1998 the Care Council is required to pay undisputed supplier invoices within agreed contractual terms and conditions, or within 30 days of the receipt of goods or services. This was achieved for 99% of all such invoices during 2008-09 (2007-08 – 98%), and no Commercial Debt Interest was paid or was due for transactions during 2008 - 09.

Employment Policy

The Care Council has "Investors in People" status and its human resource policies reflect best practice as part of our commitment as a learning organisation. The Care Council practices an equal opportunities policy in recruitment, development and promotion of staff. Full consideration is given to applications for employment from disabled people, where they have the appropriate skills and abilities to perform the work.

Employee Pension Scheme

The Care Council is a member of the Local Government Pension Scheme administered by Rhondda Cynon Taf County Borough Council which is a multi-employer funded scheme. The balance of surplus or deficit arising on the comparison of assets and liabilities of the employee pension scheme is updated annually and shown on the Care Council's Balance Sheet. Pension matters are

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dealt with in more detail in the Remuneration Report and note 13 on page 34 of this Report.

Employee Involvement and Provision of information

The Care Council recognises the importance of keeping its staff fully up to date with developments and changes, and has adopted principles of openness and participation in its organisation; staff are kept informed by means of written documentation, informal discussions, information meetings, team meetings and through Staff Council. The Care Council complies with the Welsh Language Act 1993, and provides services through the medium of Welsh and English.

Sickness Absence

The level of staff sickness during 2008-09 was 3.84 %(2007-08:2.25%) which is based on 742 days lost out of 19,325 available days. The increase is due to two periods of long sickness absence in 2008-09. Excluding these two periods of long term sickness the underlying level of sickness absence is only 2.1%.

Auditors

Schedule 1(18)4 of the Care Standards Act 2000 specifies that the Auditor General for Wales will examine, certify, and report on the Care Council's annual accounts.

From 2007/08 Grant Thornton undertook the detailed audit work to support the Auditor General of Wales' opinion.

Payments to Auditors for non audit work

Payments were made to our Internal Auditors PriceWaterhouseCoopers (PwC) totalling £20,265 for consultancy work. In 2007-08 payments of £6,257 were made to KTS Owens Thomas for consultancy work.

Declaration

I confirm that, as far as I am aware, there is no relevant information of which the Care Council's auditors are unaware. I have taken all the steps that I ought to have taken to make myself aware of any relevant audit information and to establish that the auditors are aware of that information.

Rhian Huws Williams
Chief Executive and Accounting Officer

Date: 29 July 2009

Management Commentary

One of the key challenges we set ourselves this year was to modernise how we described our contribution to the transformation of social services and social care services in Wales. In the face of the public attention to the services this year we recognised the ongoing challenge of needing to strengthen public protection and restore public confidence in these services.

We have recognised from the start that regulation alone would not raise standards and the need for equal attention to be given to the training and development agenda. We have established a whole systems approach to raising standards across the social care workforce and have defined our new strategic aims as driving towards ensuring a safe, skilled and sufficient workforce to deliver modern citizen centred services.

The Care Council has undergone several changes during 2008/09 to ensure it is better placed to achieve our strategic aims of helping develop a social care workforce that is safe to practice, has the right skills and qualifications and is attracting enough people to provide flexible, quality services to those who most need them. Our work is focused on the improvement agenda and we will work with the Welsh Assembly Government (Assembly) and the sector in shaping the future. To strengthen our delivery the Workforce Development department has been re-structured including the appointment of heads of functions. We have undertaken several important consultations the feedback from which will inform future work. We have also produced some key reports which will help us compile a picture of the workforce, enabling more effective planning for the future.

Our role in public protection is now well established. Through mandatory registration we have sharpened the focus on practice standards, using the Code of Practice for workers and qualifications requirements as a means of driving up practice standards.

Having introduced mandatory registration of residential child care managers and workers in 2007 we were able to produce an overview report of the workers in that sector and will use the document for discussion with key stakeholders about the development agenda. The report shows that all residential child care managers have attained the minimum required qualification while half of the other workers held at least the minimum qualification. Work will continue next year to help other workers attain the required qualification. Mandatory registration of the child care workforce has increased our knowledge of how the social care sector responds to the registration process. This will assist us when the anticipated extension of mandatory registration to other groups of social care workers in Wales is announced by the Assembly.

At the end of 2008/09, the Register of Social Care Workers had a total of more than 8,000 registrants. This year, a number of changes to the Register database were implemented. The most significant was the introduction of an online facility, which enables registrants to create an online account and make changes to their details. Increasing uptake of the online facility will be a target in 2009/10.

We are using our regulatory authority to deal with misconduct by registered practitioners and last year there was an increase in the volume of investigations, which is likely to continue when mandatory registration is extended to other groups of workers. In the 11 cases presented for conduct hearings, misconduct was found proven, with a sanction applied. This showed the cases had rightly been referred and that the Care Council is applying standards which, over time, should lead to increased public protection and enhanced public confidence in social care services. A themes and trends report on conduct referrals, spanning 2003-08, and looking specifically at 2008/09, was produced. This information will contribute to learning and improvement in practice and services.

In cases of alleged misconduct, the sharing of information between local authority employers and the Care Council is crucial. A protocol was drawn up and agreed to enhance co-operation, joint-working and information-sharing between the Care Council and local authority employers of social care workers in Wales. It is hoped that the protocol, which was signed by all 22 local authorities, will help further improve public protection. Similarly, an existing protocol for sharing information between the Care Council and the Care and Social Services Inspectorate Wales was reviewed and updated.

The *Confidence in Care* campaign entered a new phase to raise awareness among practitioners and service-users of the Codes of Practice, which set out the standards to be applied by all social workers, social care workers and their employers in Wales. The campaign targeted residential child care managers, registrants and training managers. This involved more than 17,000 Codes of Practice being distributed, bringing the overall total in circulation to almost 165,000 since the Care Council was established.

The remit of the Care Council as a regulatory body encapsulates all elements to assure the competence of the professional. It brings together education, registration, training, continued professional development and renewal of registration as well as disciplinary matters. Information from regulation also informs the improvement and development agenda.

During the past year, there has been an acceleration in the Care Council's work to support the modernisation and improvement agenda set out in the Welsh Assembly Government's 10-year strategy for social services in Wales, **Fulfilled Lives, Supportive Communities**¹. The Care Council led a group of key stakeholders in the production of a Workforce Action Plan for the social care sector in Wales. It is designed to play an important role in supporting the aims of **Fulfilled Lives, Supportive Communities**. The Plan highlighted five key areas that will need to be tackled: development of the social care role and career pathways; supporting people living at home; workforce information and planning; better communication with the social care workforce, and recruitment and retention in the sector. Implementation of the plan will play a major role in ensuring the best-possible staff and services for those who depend on social care in Wales.

As part of this work a model was piloted in 2008/09 for collection of workforce information for social work training. The information it provides will help

¹ Fulfilled Lives, Supportive Communities, Welsh Assembly Government, February 2007

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employers with workforce planning for qualified social workers and arrangements with higher education institutions for the number of social workers to be trained. There was also a review and report for child care teaching on the social work degree. The recommendations for improvement will be considered by the National Strategic Partnership for Social Work Training for implementation in 2009-10.

As a partner of Skills for Care and Development, we are the Sector Skills Council (SSC) for the social care, children, early years and young people's workforces in Wales. We developed the Sector Qualifications Learning Strategy, setting out the priority qualifications needed by the sector and the actions to bring them to fruition. This work will bring greater clarity to the qualifications that are required, as well as identifying those which are to be considered for Assembly funding. Work on developing these priority qualifications will be undertaken in 2009/10 as part of the programme of reform of Vocational qualifications and the development of the new Qualification and Credit Framework.

During the year, we introduced a new qualification, the Leadership and Management for Care Services Award. This was designed to be more applicable to all areas of social care, including domiciliary and community settings. The qualification is modern and up-to-date, relating to the workforce of today and it also encompasses other skills required by modern managers, such as financial management.

The development of National Occupational Standards (NOS) is one of our key responsibilities as an SSC with new NOS developed for commissioning, procurement and contracting, as well as sensory services. Commissioning is seen as central to fulfill the aims of **Fulfilled Lives, Supportive Communities**. The NOS identify the competencies for the different activities and roles involved including individuals who purchase their own care. The NOS for sensory services will result in better-equipped staff in specialist and generic services, benefiting service users through improved services as well as care workers and their employers. Existing NOS for health and social care, and children's care, learning and development were reviewed and updated. These will inform qualifications and human resources processes for service providers.

During the year, the Care Council prepared for the implementation of the Mental Health Act. Requirements for qualifying and post-qualifying training for approved mental health professionals were developed and agreed, and a course was approved at Swansea University. The first intake of students for training is scheduled for November 2009.

As part of work to develop career frameworks for social workers, the Care Council has begun to develop roles and the required skills and qualifications to pilot a new integrated family support services in the area of substance misuse and parent learning disability. We proposed a possible career structure for social workers and commissioned Sussex University to provide a report detailing these roles and possible qualifications relevant to each.

We want the sector to progress from one with minimum qualifications to one where staff continue to learn and develop within an environment where ongoing improvement and professional ambition is encouraged. We are taking action to have clear career pathways so that we make it clearer to people the opportunities

available and also how they can progress within the sector. We are also taking action to improve the career information.

We are undertaking work to scope domiciliary care and new models for care at home and new services for children. We are in discussions with health about similar work in relation to mental health in future. Significant progress was made in relation to the children and early years workforce. This included identifying the required qualifications and professional development and this will lead to an increase in skill levels and qualifications. It will therefore contribute to developing a workforce that is sought in the Assembly's policy, **A Childcare Strategy for Wales: Childcare is for Children**².

The Care Council has led, on behalf of the Children and Young People's Workforce Network, in producing a strategy and common core of skills for the Assembly. This work will be developed further by the Network, the Care Council and the Assembly. A workforce planning tool was also developed for use by children and young people partnerships in every local authority. This online tool will help the partnerships when they look at the implications for their future workforces as they plan services.

An Older People Workforce Network for Health and Social Care was established by the Care Council on behalf of the Assembly. The Network is expected to develop a strategy for the older people's workforce in 2009/10. We have also undertaken work which will provide information to better understand practices within dementia care. The results from the work will directly inform the workforce strategy for older people.

We have forged good relationships with our colleagues in health and in other sectors and we are involved in several joint initiatives across health and also services for children. Our commitment and readiness to work in partnership is something we are proud of and want to continue for the future.

The Social Care Accolades provide a high-profile showcase for drawing attention to the sector and its achievements, as well as sharing good practice. The Accolades were launched by Deputy Minister for Social Services, Gwenda Thomas AM, with submissions being invited in eight categories. The theme for all entries was investment in learning and development to improve practice and strengthen services. The judging panel, made up of representatives of all partners responsible for organising the Accolades, visited all shortlisted projects to decide on a list of finalists from whom the winners were announced in June 2009.

The Care Council strives to be an excellent organisation, delivering results, good governance and operating to the highest standards of economy and efficiency. During the fourth quarter of the year the Care Council welcomed seven new Council Members appointed by the Assembly.

During the year, we achieved ISO 27001 certification for Corporate Services , which means that individuals and organisations dealing with the Care Council can

² A Childcare Strategy for Wales: Childcare is for Children, Welsh Assembly Government, November 2005

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do so in confidence, knowing that the organisation has robust business processes and controls to ensure secure storage and exchange of electronic information.

The Net Operating Cost for the Care Council for the year was £10,036,000 (£9,623,000 in 2007-08). After taking into account Grant In Aid from the Welsh Assembly Government of £10,086,000 (£9,662,000 in 2007-08), the transfer to the Pension Fund of £50,000 (transfer from the Pension Fund of £120,000 in 2007-08) and an adjustment for Capital Credit of £18,000 (£5,000 in 2007-08) the balance on the General fund was £402,000 (£420,000 in 2007-08). The income arising from registration fees totalled £196,000 (£164,000 in 2007-08) and tangible fixed assets acquired totalled £36,000 (£65,000 in 2007-08).

We provided grants to higher education institutions and local authorities for social work training and related matters. Payments totalling £3,132,000 (£2,837,000 in 2007-08) were also made to social work students through the Social Work Bursary Scheme which comprises funding for bursaries, tuition fees and travel costs for students undertaking both undergraduate and postgraduate Social Work Training.

A clean audit certificate was received for last year's Annual Report and Accounts, for the seventh year in succession. During the year, we further refined our goals after the publication of our Corporate Plan for 2008-11. This refinement has further strengthened our actions to achieve our aim of a safe, skilled and sufficient social care workforce. Work on integrating our performance management framework and the development of key performance indicators will continue in the next financial year.

Rhian Huws Williams
Chief Executive and Accounting Officer

Date: 29 July 2009

Remuneration Report

1. Remuneration Policy

The Care Council's scheme for staff pay and grading arrangements was approved by the Welsh Assembly Government in 2004. It applies equally to all members of staff.

It includes a salary scale, incremental salary progression during the early years of employment, and a non-consolidated award based on organisational performance. An individual performance development plan is in place for all staff.

The pay award is subject to discussion with Staff Council and approval by the Care Council's Remuneration Group and the Welsh Assembly Government annually.

The Remuneration Group is composed of the Chair, Deputy Chair, Chair of the Finance and General Purposes Committee and the Chair of the Audit Committee and is also attended by the Chief Executive and the Director of Corporate Services.

The annual remuneration rates of the Chair and members are specified by the Welsh Assembly Government. Those of panel members are specified by the Care Council and are broadly in line with rates set by the Welsh Assembly Government for Council members.

2. Salary and Pension Entitlements*

* This section is subject to audit

The following sections provide details of the remuneration and pension interests of the Chair of the Council and senior officials and are subject to audit:

2(i) Remuneration of the Chair and Senior Officials

		2008-09	2007-08
Salaries earned in the year:		£'000	£'000
Chair	Mutale Merrill	15-20	15-20
Chief Executive	Rhian Huws Williams	95-100	90-95
Director of Workforce Regulation	Gerald Evans	70-75	70-75
Director of Corporate Services	Neil Wicks	70-75	65-70

Salaries consist of gross pay, performance awards where applicable, and pay awards agreed by the Welsh Assembly Government.

All members of staff responsible for decision making are not contracted for a fixed term.

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No members of staff responsible for decision making received benefits in kind from the Care Council, and a scheme for the provision of motor vehicles to staff or members is not operated.

2(ii) Pension benefits

	Real increase in accrued pension and lump sum at age 65 in 2008-09 £'000	At 31 March 09		At 31 March 2008 CETV £'000	Real increase in CETV in 2008- 09 £000
		Accrued pension at age 65 and related lump sum £'000	CETV £'000		
Chair Mutale Merrill	n/a	n/a	n/a	n/a	n/a
Chief Executive Rhian Huws Williams	6	140	663	492	173
Director of Workforce Regulation Gerald Evans	2	20	97	58	39
Director of Corporate Services Neil Wicks	3	63	253	189	65

The Chief Executive is an ordinary member of the Care Council's pension scheme. The Chair does not participate in the pension scheme.

The Cash Equivalent Transfer Value (CETV)

This is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. It is a payment made by a pension scheme, or arrangement to secure pension benefits in another pension scheme, or arrangement when a member leaves a scheme and chooses to transfer the pension benefits they have accrued in their former scheme.

The pension figures shown related to the benefits that the individual has accrued as a consequence of their total membership of the scheme, not just their service in a senior capacity to which disclosure applies. The CETV figures and other pension details include the value of any pension in another scheme or arrangement which the individual has transferred. They also include any additional pension benefit accrued to the member as a result of their purchasing additional years at their own cost. CETVs are calculated within the guidelines and framework prescribed by the Institute and Faculty of Actuaries.

The real increase in the value of the CETV

This reflects 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, and uses common market valuation factors from the start and end of the period.

Rhian Huws Williams
Chief Executive and Accounting Officer

Date: 29 July 2009

Statement of the Care Council's and the Chief Executive's Responsibilities

Under Schedule 1, Section 18(2) of the Care Standards Act 2000, the Care Council is required to prepare a statement of account for each financial year in such a form and on the basis directed by Welsh Ministers with the approval of HM Treasury.

The accounts are prepared on an accruals basis and must give a true and fair view of the Care Council's state of affairs at the period end, and of its income and expenditure and cash flows for the period.

In preparing the accounts, the Care Council is required to comply with the requirements of the Government Financial Reporting Manual, and in particular to:

- observe the accounts direction issued by Welsh Ministers, 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 financial statements; and
- prepare financial statements on a going concern basis, unless it is inappropriate to assume the Care Council will continue in operation.

The Principal Accounting Officer for the Welsh Ministers has designated the Chief Executive as Accounting Officer for the Care Council. Her relevant responsibilities as Accounting Officer, including the propriety and regularity of the public finances for which the Accounting Officer is answerable, for keeping proper records and for safeguarding the Care Council's assets, are set out in Managing Public Money.

Rhian Huws Williams
Chief Executive and Accounting Officer

Date: 29 July 2009

Statement on Internal Control

Scope of Responsibility

As Accounting Officer I have responsibility for maintaining a sound system of internal control that supports the achievement of Care Council policies, aims and objectives, whilst safeguarding the public funds and assets for which I am personally responsible, in accordance with the responsibilities assigned to me in Managing Public Money.

I acknowledge my responsibility for ensuring that an effective system of internal control is maintained and operated and that adequate communication with the Care Council's Sponsor Division at the Welsh Assembly Government is maintained on these matters. During 2008/09 regular monitoring meetings were held with our Sponsor division and annual accountability meetings with the Deputy Minister for Social Services and the Director of Social Services Wales respectively, both attended by the Chair and the Accounting Officer.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness.

The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Care Council aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. A continuous system of internal control has been in place in the Care Council for the year ended 31 March 2009, and up to the date of approval of the Annual Report and Accounts and accords with HM Treasury guidelines.

The key day to day financial and operational decisions for the Care Council are made either by myself, by the senior management team or, with my agreement, by individual members of the senior management team or staff with delegated authority.

Capacity to handle risks

The Care Council's system of internal control is based on a framework of management information, financial regulations and administrative procedures, including the segregation of duties. In particular it includes:

- regular Council and Committee Meetings to review and agree strategic planning and direction and to review and monitor performance;
- regular meetings of the senior management team to manage and review the organisation's performance against objectives, targets and budgets in the Operational Plan;
- regular meetings during the year of the Senior Management Team to identify and monitor risks;

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- a Risk Manager is responsible for each major function of work, and the provision of risk awareness training appropriate to the authority and duties of staff;
- frequent reports to management on key expenditure areas including grants to support social work training and outsourced services.

The Risk Control Framework

Risk Management is a key consideration in the activities of the Care Council, inclusive of the following elements:

- risk management and policy arrangements kept under review by the Senior Management Team and Audit Committee;
- review and maintenance of the risk register by the Senior Management Team and the Audit Committee;
- ensuring the corporate planning and decision-making processes incorporate risk management principles;
- an Audit Committee which receives and considers internal audit reports including management of risk;
- Standing Orders and Standing Financial Instructions which set out the responsibilities of Council members and officers for financial matters;
- regular reports from the internal auditors, including their independent opinion on the adequacy and effectiveness of the systems of internal control, together with recommendations for improvement;
- systems for financial control of expenditure and reporting of actual expenditure against budget;
- a strong approach to Governance and internal control, working with Internal Audit to review and strengthen arrangements;
- internal practices for dealing with advice from HM Treasury and the Welsh Assembly Government, including that contained in Chief Executive Officer and Dear Accounting Officer letters; and
- an annual report from the Internal and External Auditors.

Information Security

The Care Council has information security procedures in place to ensure the confidentiality, integrity and availability of information that it holds and processes.

- the Directors are responsible for the authorisation and control of all removable media;
- an Information Security Policy is in place;
- an Information classification policy is in place;
- Guidance and policy regarding the handling of information have been issued to all staff;
- we continue to maintain and report on our statutory compliance with the Freedom of Information and Data Protection Acts;
- the Care Council follows the Lord Chancellor's Code of Practice to maintain systematic control of the creation, receipt, maintenance, storage, use, and disposition (destruction) of all Care Council records;
- the ISO27001 Security Management Standard has been accredited for Corporate Services;
- an Information security risk assessment has been undertaken; and

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- the Finance and General Purposes Committee receives reports and reviews data handling arrangements.

Review of Effectiveness

As Accounting Officer, I have responsibility for reviewing the effectiveness of the system of internal control. My review is informed by the work of the internal auditors, the senior managers within the Care Council, who have responsibility for the development and maintenance of the internal control framework, and external auditors' recommendations contained in their management letters and other reports.

The Internal Auditors' opinion states that they are able to give a high level of assurance for our internal control.

The Audit Committee has advised me on the implications of the result of my review, and a plan to ensure continuous improvement of the system is in place.

I believe procedures were in place for the year ended 31 March 2009, which comply with HM Treasury guidance, although the system is subject to regular updating.

The results of my review have not indicated any significant internal control problems.

Rhian Huws Williams
Chief Executive and Accounting Officer

Date: 29 July 2009

The Certificate and Report of the Auditor General for Wales to the National Assembly for Wales

I certify that I have audited the financial statements of the Care Council for Wales for the year ended 31 March 2009 under paragraph 18(4) of Schedule 1 to the Care Standards Act 2000. These comprise the Operating Cost Statement, the Balance Sheet, the Cash Flow Statement and the Statement of Recognised Gains and Losses 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 Care Council for Wales, the Chief Executive and Auditor

The Chief Executive, as Accounting Officer, is responsible for preparing the Annual Report, the Remuneration Report, and the financial statements in accordance with the Care Standards Act 2000 and Welsh Ministers' directions made thereunder and for ensuring the regularity of financial transactions. These responsibilities are set out in the Care Council for Wales' and Chief Executive's Responsibilities.

My responsibility is to audit the financial statements and the part of the Remuneration Report to be audited in accordance with relevant legal and regulatory requirements, and with International Standards on Auditing (UK and Ireland).

I report to you my opinion as to whether the financial statements give a true and fair view and whether the financial statements and the part of the Remuneration Report to be audited have been properly prepared in accordance with the Care Standards Act 2000 and Welsh Ministers' directions made thereunder. I report to you whether, in my opinion, the information which comprises the Chief Executive's Report, Management Commentary, the Remuneration Report, given in the Annual Report, is consistent with the financial statements. I also report whether in all material respects the expenditure and income have been applied to the purposes intended by the National Assembly for Wales and the financial transactions conform to the authorities which govern them.

In addition, I report to you if, in my opinion, the Care Council for Wales has not kept proper accounting records, if I have not received all the information and explanations I require for my audit, or if information specified by HM Treasury regarding remuneration and other transactions is not disclosed.

I review whether the Statement on Internal Control reflects the Care Council for Wales' compliance with HM Treasury's guidance and I report if it does not. I am not required to consider whether this Statement covers all risks and controls, or form an opinion on the effectiveness of the Care Council for Wales' corporate governance procedures or its risk and control procedures.

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I read the other information contained in the Annual Report and consider whether it is consistent with the audited financial statements. This other information comprises the Chief Executive's Report, Management Commentary and the unaudited part of the Remuneration Report. I consider the implications for my report if I become aware of any apparent misstatements or material inconsistencies with the financial statements. My responsibilities do not extend to any other information.

Basis of audit opinion

I conducted my audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. My audit includes examination, on a test basis, of evidence relevant to the amounts, disclosures and regularity of financial transactions included in the financial statements and the part of the Remuneration Report to be audited. It also includes an assessment of the significant estimates and judgements made by the Care Council for Wales and Chief Executive in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Care Council for Wales' circumstances, consistently applied and adequately disclosed.

I planned and performed my audit so as to obtain all the information and explanations which I considered necessary in order to provide me with sufficient evidence to give reasonable assurance that the financial statements and the part of the Remuneration Report to be audited are free from material misstatement, whether caused by fraud or error, and that in all material respects, the expenditure and income have been applied to the purposes intended by the National Assembly for Wales and the financial transactions conform to the authorities which govern them. In forming my opinion I have also evaluated the overall adequacy of the presentation of information in the financial statements and the part of the Remuneration Report to be audited.

Opinion

Audit Opinion

In my opinion:

- the financial statements give a true and fair view, in accordance with the Care Standards Act 2000 and directions made thereunder by Welsh Ministers, of the state of the Care Council for Wales' affairs as at 31 March 2009 and of its Operating Cost, recognised gains and losses and cash flows for the year then ended;
- the financial statements and the part of the Remuneration Report to be audited have been properly prepared in accordance with the Care Standards Act 2000 and Welsh Ministers' directions made thereunder; and
- information which comprises the Chief Executive's Report, Management Commentary and the Remuneration Report, given within the Annual Report, is consistent with the financial statements.

Opinion on Regularity

In my opinion, in all material respects the expenditure and income have been applied to the purposes intended by the National Assembly for Wales and the financial transactions conform to the authorities which govern them.

Report

I have no observations to make on these financial statements.

**Jeremy Colman
Auditor General for Wales**

**Wales Audit Office
24 Cathedral Road
Cardiff
CF11 9LJ**

Date: 6 August 2009

Operating Cost Statement

For the year ended 31 March 2009

		2008-09 £000	2007-08 £000
	Note		
Expenditure			
Employment costs	3(i)	2,722	2,758
Direct costs			
Training support	4(i)	4,857	4,620
Non grant programme costs	4(ii)	1,364	1,178
Establishment costs	5	1,325	1,262
Depreciation	1(vii)	114	145
Notional cost of capital (Credit)	1(xii)	(18)	(5)
Funds surrenderable to the Welsh Assembly Government	2(ii)	11	17
		10,375	9,975
Other Income			
Registration Fee Income	1(iii)	196	164
Income receivable from Government bodies			
Sector Skills Council		80	160
Welsh Assembly Government		51	-
Pension Interest Credit	13(iii)		10
Interest receivable	2(i)	11	17
Sundry Income		1	1
		339	352
Net Operating Cost		(10,036)	(9,623)

All activities undertaken during the period are classed as continuing.

Statement of Recognised Gains and Losses for the year ended 31 March 2009

	2008-09 £000	2007-08 £000
Actuarial (losses)/gains relating to pension scheme	(1,680)	890
Recognised (losses)/gains for the year	(1,680)	890

The Statement of Recognised Gains and Losses has been restated to reflect the prior year adjustment outlined in Note 1(xi).

Notes on pages 23 to 41 form part of these accounts.

Balance Sheet

as at 31 March 2009

	Note	as at 31 March 2009		as at 31 March 2008	
		£000	£000	£000	£000
Fixed Assets					Restated
Tangible fixed assets	6		309		387
Current Assets					
Debtors	7		233	303	
Cash at bank and in hand	9		<u>82</u>	<u>99</u>	
			315	402	
Creditors					
Amounts falling due within one year	8		(222)	(369)	
Net current assets			<u>93</u>	<u>33</u>	
Pension Scheme Deficit	13(iii)		(1,730)	(100)	
Total net (liabilities)/assets			<u>(1,328)</u>	<u>320</u>	
Financed by :					
Taxpayers' Equity					
General Fund	11		402	420	
Pension Reserve	11		<u>(1,730)</u>	<u>(100)</u>	
Government funds			<u>(1,328)</u>	<u>320</u>	

The Balance Sheet has been restated to reflect the prior year adjustment outlined in Note 1(xi).

Notes on pages 23 to 41 form part of these accounts.

Rhian Huws Williams
Chief Executive and Accounting Officer

Date: 29 July 2009

Cash Flow Statement

For the year ended 31 March 2009

	Note	2008-09 £000	2007-08 £000
Net Cash Outflow from Operating Activities	12	(10,067)	(9,521)
Capital expenditure and financial investment			
Payments to acquire tangible fixed assets	6	(36)	(65)
Net cash outflow before financing		<u>(10,103)</u>	<u>(9,586)</u>
Financing			
Welsh Assembly Government funding(including Capital)	2	<u>10,086</u>	<u>9,662</u>
(Decrease)/Increase in cash	9	<u>(17)</u>	<u>76</u>

Notes on pages 23 to 41 form part of these accounts.

Notes to the Account for the year ended 31 March 2009

1 Accounting Policies

1(i) Accounting Convention

The accounts have been prepared on a going concern basis, in accordance with the Accounts Direction issued by the Welsh Ministers with the consent of HM Treasury. They have been prepared under the modified historical cost convention. Without limiting the information given, they meet the accounting and disclosure requirements of the Companies Act 1985, the Financial Reporting Manual and the Financial Reporting Standards issued or adopted by the Accounting Standards Board, so far as those requirements are appropriate to the Care Council.

1 (ii) Financing

The Care Council received monies from the Welsh Assembly Government to fund its general revenue and capital activities. These amounts are regarded as financing and are credited to the General Fund on receipt.

1(iii) Registration Fee Income

This arises from fees charged for registration on the Social Care Register. The Care Council recognises the income in the year in which it is received and not the period of registration.

1(iv) Training support – Social Work Bursary Scheme

During 2008/09 the Care Council has made payments directly to students as part of an incentive to train scheme. This expenditure is recognised in the year in which it is paid.

1(v) Debtors – Social Work Bursary Scheme

During 2008-09 a small number of students terminated their training early, giving rise to a repayment of all or part of the award. The repayment due at 31 March 2009 totalled £15k (31 March 2008 £12k) and this sum is included in debtors at note 7. It is the Care Council's policy to seek full repayment of these funds.

1(vi) Fixed Assets

Tangible fixed assets of an individual or group value of £1,000 or more are capitalised; software purchases are not capitalised. Tangible fixed assets have been valued at historic cost at the 31 March 2009, as in the opinion of the Care Council any revaluation adjustments are not material.

1(vii) Depreciation

Depreciation is provided at rates calculated to write off the historic cost of each asset on a straight line basis over the asset's useful economic life, except for

office refurbishment, where costs are written off over the remaining period of the ten year leases, which are dated 21 January 2004:

Office Equipment	- five years;
Furniture	- ten years;
Computer Equipment	- four years; and
Accommodation costs	- remaining period of accommodation ten year leases.

Depreciation is calculated monthly, except for assets acquired in March, where depreciation is not charged until the commencement of the next financial year. The depreciation charge for accommodation refurbishment costs is calculated on a daily basis.

1(viii) Leasing of Property and Equipment

Expenditure on leases of property is charged to the Operating Cost Statement on the basis of costs incurred in the year. Operating lease rentals of equipment are charged to the Operating Cost Statement in equal amounts over the lease term.

1(ix) Taxation

The Care Council is an exempt body for the purposes of Value Added Tax (VAT). These accounts have been prepared on the basis that all expenditure, inclusive of additions to tangible fixed assets, contains irrecoverable VAT.

1(x) Direct Costs

Direct costs inclusive of grant expenditure are charged to the Operating Cost Statement on the basis of claims paid in the financial year.

1(xi) Pension Costs

The Care Council participates in the Local Government Pension Scheme administered by Rhondda Cynon Taf County Borough Council, which is a multi-employer funded scheme. Further information is provided at note 13 to these Accounts where the principal assumptions used by the actuaries are outlined.

Pension Costs have been disclosed in accordance with Financial Reporting Standard 17-Retirement Benefits (FRS 17). FRS 17 requires the disclosure of certain information covering assets, liabilities and income and expenditure relating to the Scheme.

The Pension Costs disclosures are in line with FRS 17 as amended in December 2006. One change is that assets are measured at current bid price rather than previously at mid market value. This change has required a prior year adjustment to the 2007-08 comparative figures as explained further in Note 13(iii). The adjustments are :-

- A decrease in the Actuarial Gain disclosed in the Statement of Recognised Gains and Losses from 900k to 890k;
- Increasing the Pension Scheme Deficit in the Balance Sheet by 10k from 90k to 100k; and
- Increasing the negative Pension Reserve in the Balance Sheet by 10k from 90k to 100k.

Notes to the Account for year ended 31 March 2009 (cont)

1(xii) Cost of Capital Charge / Credit

A charge/credit, reflecting the cost of capital utilised in the period, is included in the Operating Cost Statement. This is calculated in real terms at the Government standard rate of 3.5% (2007-08 – 3.5%) on the average carrying value of all assets less liabilities. For the year ended 31 March 2009, due to the Pension Scheme deficit, the average carrying value of assets was negative and consequently a credit has been recognised in the Operating Cost Statement.

Notes to the Account for year ended 31 March 2009 (cont)

2 Government Grant in Aid	2008-09	2007-08
	£000	£000
Grant in Aid received from the Welsh Assembly Government	10,086	9,662
Amount credited to General Fund	<u>10,086</u>	<u>9,662</u>

As outlined in Note 1(ii) the total grants of £10,086k (2007-08 £9,662k) are now credited to the General Fund.

2(i) Non-retainable income	2008-09	2007-08
Interest on deposit account	11	17
Other	-	-
Total non-retainable income	<u>11</u>	<u>17</u>

2(ii) Reconciliation of cash received from non-retainable income with amounts repaid to the Welsh Assembly Government

Cash Received (income exceeding Welsh Assembly Government threshold).	11	17
Total income repayable	<u>11</u>	<u>17</u>
Cash repayment	11	17
Due to the Welsh Assembly Government at the year end	<u>-</u>	<u>-</u>

The Care Council has a liability to repay the Welsh Assembly Government interest received during the year, and fee income in excess of the target of £212k (2007-08 £202k). The fee income received in the year totalled £196k with no repayment due (2007-08 £164k).

The balances with the Welsh Assembly Government at 31 March 2008 and 2009 were less than £1,000.

Notes to the Account for year ended 31 March 2009 (cont)

3. Cost of Employment

3 (i) Staff costs consist of:

	2008-09				2007-08	
	Total costs	Permanent employed staff	Others	Chair & Council Members	Panel Members	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Salaries and wages	2,313	2,112	89	83	29	2,248
Social Security costs	165	163	0	2	0	152
Other pension costs	244	244	0	0	0	358
Sub-total	2,722	2,519	89	85	29	2,758
Less recoveries in respect of outward secondments	-	-	-	-	-	-
Total net costs	2,722	2,519	89	85	29	2,758

Consistent with guidance, employment costs include payments made in respect of contract staff. Other pension costs is the service costs (current and past) of the scheme of £244k (£358k in 2007-08), and includes Employer contributions made of £294k (£228k in 2007-08). The residual difference of £50k (£130k in 2007-08) is the reduced charge (2007-08-increased charge) required to decrease (2007-08-increase) the actual contributions paid with the service cost required to be charged under Financial Reporting Standard (FRS 17). Of the £50k reduced charge, £80k reduction (£80k charge in 2007-08) relates to current service cost and £30k (£50k charge in 2007-08) to past service cost.

In accordance with the Scheme rules a Strain on Pension fund payment was made of 30k in 2008-09 on the early retirement of an employee. This cost is included in the Employer contributions made of £294k.

3 (ii) Average number of persons employed

The average number of whole-time equivalent persons employed during the year was as follows:

Departments	2008-09			2007-08
	Total No.	Permanent No.	Others No.	Total No.
Chief Executive and Directors	3	3	-	3
Regulation of Workforce	27	26	1	26
Workforce Development	21	20	1	19
Communications	6	6	-	5
Corporate Support	21	20	1	20
Total	78	75	3	73

Notes to the Account for year ended 31 March 2009 (cont)

4 Direct Costs	2008-09	2007-08
	£000	£000
4(i) Training Support and other grants		
Social Work Bursary Scheme Payments	3,132	2,837
Practice Learning Opportunity Funding	1,390	1,483
Collaboration grants	-	6
Post Qualifying social work training	-	18
	<hr/>	<hr/>
	4,522	4,344
Other Grants		
Social Care Regional Partnerships	140	140
Service Users/Carers involvement in Social Work Training	71	72
Social Work Post Qualifying Consortium	124	64
	<hr/>	<hr/>
	4,857	4,620
	<hr/>	<hr/>

Social Work Bursary Scheme

The Social Work Bursary Scheme is an incentive to train scheme for students enrolled on undergraduate and post-graduate social work training courses.

The Social Work Bursary Scheme provides students with a non-income assessed bursary and an additional income assessed element for post graduate students. Tuition fees paid are to a maximum set by the Care Council, and a Practice Learning Opportunity Allowance is also paid to all students.

Social Care Regional Partnerships

This funding is used to provide a grant to support the four regional social care partnerships in Wales. These Partnerships comprise representatives of employers and training providers in each region and are set up to promote a strategic approach to workforce development by identifying regional issues, developments and solutions.

Each partnership is managed by a strategic group, the chair of which sits on the Care Council for Wales' Workforce Development Committee. Funding is paid to a host local authority as the partnerships themselves are not formally constituted bodies.

CARE COUNCIL FOR WALES ANNUAL REPORT AND ACCOUNTS 2008/09

Notes to the Account for year ended 31 March 2009 (cont)

4(ii) Non grant programme costs	2008-09	2007-08
	£000	£000
Workforce Development incl Qualifications and Standards	584	369
Skills for Care and Development (SfC&D)	54	172
Regulation of the Workforce	600	539
Regulation of Social Work Training	126	98
	<u>1,364</u>	<u>1,178</u>

Licensed in February 2005, the Care Council is part of the UK Sector Skills Council (SSC), Skills for Care and Development (SfC&D). The role of the SSC is to provide leadership and work with employers to identify skills gaps, improve productivity, increase opportunities to boost skills and improve the learning supply to the sector.

The transactions cover the costs of implementation of the Wales element of the Sector Skills Council business plan. The costs incurred in 2008-09 were £54k and an additional £26k was incurred in relation to fixed term employees which is included in Employment costs. These costs were rechargeable to SfC&D and the amount receivable of £80k is shown in the Operating Cost Statement.

In addition to the Grant in Aid received from the Welsh Assembly Government, £51k of funding was received specifically for commissioned work as shown in the Operating Cost Statement. These costs are included in the £1,364k total Non grant programme costs for 2008-09.

The Care Council, together with its sister bodies in the United Kingdom, contributes to the development, capital, and running costs of the UK Social Care Register managed by the General Social Care Council (GSCC). The contribution in 2008/09 was £195,000 (2007-08 £151,566); these sums are included in expenditure under 'Regulation of the Workforce' above.

The other non- grant programme costs encompass functions of the Care Council as set out in the Care Standards Act 2000.

CARE COUNCIL FOR WALES ANNUAL REPORT AND ACCOUNTS 2008/09

Notes to the Account for year ended 31 March 2009 (cont)

5. Establishment Costs

	2008-09	2007-08
	£000	£000
Chair, members, and staff expenses	134	160
Other staff costs	241	149
Premises	300	293
Workshops, seminars, promotions, publications	109	78
Equipment and software	230	272
Finance	3	4
Administration	93	100
External audit-Audit work	20	18
External audit-Additional Assurance work	2	2
Other professional fees	193	186
	<u>1,325</u>	<u>1,262</u>

Rental under operating leases :

	2008-09	2007-08
	£000	£000
Accommodation included in Premises Costs	137	133
Hire of photocopiers included in Finance costs	3	4
	<u>140</u>	<u>137</u>

Notes to the Account for year ended 31 March 2009 (cont)

6. Tangible Fixed Assets

	year ended 31 March 2009			Totals
	Accommodation Refurbishment	Equipment and Furniture	Computer Equipment	
	£000	£000	£000	
Historical Cost				£000
At 1 April 2008	201	307	502	1,010
Additions in the period	-	2	34	36
Disposals in the period	-	-	(115)	(115)
At 31 March 2009	<u>201</u>	<u>309</u>	<u>421</u>	<u>931</u>
Depreciation				
At 1 April 2008	81	135	407	623
Charged in the year	20	45	49	114
Disposals in the period	-	-	(115)	(115)
At 31 March 2009	<u>101</u>	<u>180</u>	<u>341</u>	<u>622</u>
Net book value				
At 31 March 2009	<u>100</u>	<u>129</u>	<u>80</u>	<u>309</u>
At 1 April 2008	<u>120</u>	<u>172</u>	<u>95</u>	<u>387</u>

CARE COUNCIL FOR WALES ANNUAL REPORT AND ACCOUNTS 2008/09

Notes to the Account for year ended 31 March 2009 (cont)

7. Debtors (amounts falling due within one year)	At 31 March	
	2009	2008
	£000	£000
Trade debtors	101	154
Prepayments and accrued income	132	149
	<u>233</u>	<u>303</u>

Trade Debtors include amounts falling due from :

Skills for Care and Development (SfC&D)	80	140
Social Work Bursary Scheme Debtors	15	12

Social Work Bursary Scheme debtors are repayable over more than one financial year, repayment contracts being agreed and signed by students which take account of their individual circumstances. However, for the purposes of disclosure, all balances have been included as falling due within one financial year.

8. Creditors (amounts falling due within one year)	At 31 March	
	2009	2008
	£000	£000
Creditors	124	169
Other Taxation and Social Security	-	2
Accruals	98	198
	<u>222</u>	<u>369</u>

9. Analysis of changes in Cash

	2008-09	2007-08
	£000	£000
Net funds brought forward	99	23
(Decrease)/increase in cash balances over the period	(17)	76
Net Funds at 31 March	<u>82</u>	<u>99</u>

Derivatives and Financial Instruments:

The Care Council is primarily funded by grants from the Welsh Assembly Government. It has no borrowings and is not normally exposed to liquidity risks. Material deposits were held for part of the year in sterling and all material assets and liabilities are denominated in sterling. Therefore, there is little exposure to interest rate or currency risks.

Notes to the Account for year ended 31 March 2009 (cont)

10. Operating lease commitments

At 31 March 2009 the Care Council was committed to making annual payments in the next year in respect of operating leases as follows:

Land and Buildings	At 31 March	
	2009	2008
	£000	£000
Leases which expire after five years	25	133
Leases which expire within two and five years	122	-
	<u>147</u>	<u>133</u>
Office Equipment		
Leases which expire within two and five years of 31 March 2009		
Photocopier Leases	2	-
Leases which expire within one year of 31 March 2009		
Photocopier Leases	-	1

11. Reconciliation of the movement in Taxpayers' Equity

	Pension Reserve	General Fund Account	Total	2007-08 Restated
	£000	£000	£000	£000
Welsh Assembly Government funding	-	10,086	10,086	9,662
Net Operating Cost		(10,036)	(10,036)	(9,623)
Actuarial (loss)/gain	(1,680)	-	(1,680)	890
Movement in Capital	50	(50)	-	-
Adjustment for notional cost of capital		(18)	(18)	(5)
Net (Decrease)/Increase in Fund	<u>(1,630)</u>	<u>(18)</u>	<u>(1,648)</u>	<u>924</u>
Balance brought forward	<u>(100)</u>	<u>420</u>	<u>320</u>	<u>(604)</u>
Balance carried forward	<u><u>(1,730)</u></u>	<u><u>402</u></u>	<u><u>(1,328)</u></u>	<u><u>320</u></u>

The Reconciliation of the movement in Taxpayers' Equity has been restated to reflect the prior year adjustments outlined in Note 1(xi)

Notes to the Account for year ended 31 March 2009 (cont)

12. Notes to the Cash Flow Statement

	2008-09	2007-08
	£000	£000
Reconciliation of net operating cost with net cash outflow from operating activities		
Net Operating Cost for the year	(10,036)	(9,623)
Adjust for items not involving movement of funds :		
Notional Cost of Capital	(18)	(5)
Depreciation	114	145
Pension finance Costs (net)	(50)	120
Movement in working capital		
Decrease/(Increase) in Debtors	70	(103)
(Decrease) in Creditors	(147)	(55)
Net cash outflow from operating activities	<u>(10,067)</u>	<u>(9,521)</u>

Note

The movement in working capital excludes the year end balances due to the Welsh Assembly Government in respect of non-retainable income receivable.

13. Pension Commitments

(i) Present Staff and Pensioners

The Care Council participates in a multi employer funded pension scheme which provides benefits at a normal retirement age of 65. The assets of the scheme are held separately from those of the Care Council and are administered by Rhondda Cynon Taf County Borough Council. The Care Council's share of the underlying assets and liabilities of the scheme was separately identified in the actuarial valuation at 31 March 2004 for the first time.

(ii) Local Government Pension Scheme, a defined benefit scheme

The Scheme is contracted out of the State Earnings Related Pension Scheme (SERPS) and is not subject to the minimum pension requirements of the Pensions Act 1995. The Local Government Pension Scheme Regulations 1977 (regulation 77) specifies that actuarial valuations must be carried out at 31 March 1998, and triennially thereafter. The disclosures below relate to the Rhondda Cynon Taf County Borough Council Pension Scheme and have been provided by the Scheme's actuary Hewitt Associates Limited, London.

13. (iii) Financial Reporting Standard no.17 (FRS17 Disclosure)

The disclosures below relate to the funded liabilities within the Rhondda Cynon Taf County Borough Council Pension Scheme (the "Fund") which is part of the Local Government Pension Scheme. The Care Council for Wales participates in the Fund which provides defined benefits based on members' final pensionable

Notes to the Account for year ended 31 March 2009 (cont)

13. (iii) cont'd

salary. In accordance with Financial Reporting Standard no.17 – Retirement Benefits (FRS17), disclosure of certain information concerning assets, liabilities and income and expenditure relating to pension schemes is required.

Contributions for the year ending 31 March 2010

The Employer's regular contributions to the Fund for the accounting period 31 March 2010 are estimated to be £0.29M. In addition, Strain on Fund Contributions may be required.

Assumptions

The latest actuarial valuation of Care Council for Wales liabilities took place as at 31 March 2007. The principal assumptions used by the independent qualified actuaries in updating the latest valuation of the fund for FRS17 purposes were:

Principal Financial Assumptions

	31 March 2009	31 March 2008	31 March 2007
	(% pa)	(% pa)	(% pa)
Inflation	3.7	3.7	3.2
Rate of general increase in salaries*	5.2	5.2	4.7
Rate of increase to pensions in payment	3.7	3.7	3.2
Rate of increase to deferred pensions	3.7	3.7	3.2
Discount rate	6.4	6.8	5.3

* The same age related promotional salary scales as used at the actuarial valuation of the Fund as at 31 March 2007.

Notes to the Account for year ended 31 March 2009 (cont)

13. (iii) cont'd

Principal Demographic Assumptions

Post Retirement Mortality	31 March 2009	31 March 2008
Males		
Base Table (in 2007)	PNMA00 with allowance for MC improvement factors to 2007	PNMA00 with allowance for MC improvement factors to 2007
Scaling to above base table rates	125%	125%
Cohort Improvement Factors (from 2007)	80% of LC	100% of MC
Minimum underpin to Improvement Factors	1.25%	1.00%
Future Lifetime from age 65 (currently aged 65)	21.1	20.3
Future Lifetime from age 65 (currently aged 45)	23.4	22.2
Females		
Base Table (in 2007)	PNFA00 with allowance for MC improvement factors to 2007	PNFA00 with allowance for MC improvement factors to 2007
Scaling to above base table rates	120%	120%
Cohort Improvement Factors (from 2007)	60% of LC	100% of MC
Minimum underpin to Improvement Factors	1.25%	0.50%
Future Lifetime from age 65 (currently aged 65)	23.5	22.7
Future Lifetime from age 65 (currently aged 45)	25.7	23.9

Expected Return on Assets

The approximate split of assets for the Fund as a whole (based on data supplied by the Fund Administering Authority) is shown in the table below. Also shown are the assumed rates of return adopted by the Employer for the purposes of FRS17.

	Long-term expected rate of return at 31 March 2009 (% pa)*	Asset Split at 31 March 2009 (%)	Long-term expected rate of return at 31 March 2008 (% pa)*	Asset Split at 31 March 2008 (%)	Long-term expected rate of return at 31 March 2007 (% pa)*	Asset Split at 31 March 2007 (%)
Equities	7.0	61.7	7.6	73.3	7.7	81.3
Property	6.0	4.3	6.6	3.8	6.7	0.0
Government Bonds	4.0	17.9	4.6	11.6	4.7	11.8
Corporate Bonds	5.8	8.4	6.8	2.4	5.3	1.4
Cash/Other	1.6	7.7	6.0	8.9	5.6	5.5
Total	5.9	100.0	7.1	100.0	7.2	100.0

*Following the Amendment to FRS17 issued in December 2006, disclosure of the expected return on assets by asset category is no longer required (only the total rate needs to be disclosed along with the asset values). The overall expected rate of return on Fund assets is a weighted average of the individual expected rates of return on each asset class, and is shown in the bottom row of the above table.

Notes to the Account for year ended 31 March 2009 (cont)

13. (iii) cont'd

The Care Council for Wales employs a building block approach in determining the rate of return on Fund assets. Historical markets are studied and assets with higher volatility are assumed to generate higher returns consistent with widely accepted capital market principles. The assumed rate of return on each asset class is set out within this note. The overall expected rate of return on assets is then derived by aggregating the expected return for each asset class over the actual asset allocation for the Fund at 31 March 2009.

Notes to the Account for year ended 31 March 2009 (cont)

13. (iii) cont'd

Reconciliation of Funded Status to Balance Sheet

	Value at 31 March 2009 (£M)	Value at 31 March 2008 (£M)	Value at 31 March 2007 (£M)
Notional value of Assets	3.25	3.80	3.04
Present value of funded liabilities	4.98	3.90	3.91
Net pension asset / (liability)	(1.73)	(0.10)	(0.87)

Analysis of amount charged to Operating cost

	Year ending 31 March 2009 (£M)	Year ending 31 March 2008 (£M)
Current service cost	0.21	0.31
Past service cost	0.03	0.05
Interest Cost	0.27	0.22
Expected return on assets	(0.27)	(0.23)
Curtailment cost	-	-
Settlements cost	-	-
Expense Recognised	0.24	0.35

Changes to the Present Value of Liabilities during the Year

	Year ending 31 March 2009 (£M)	Year ending 31 March 2008 (£M)
Opening present value of liabilities	3.90	3.91
Current service cost	0.21	0.31
Interest Cost	0.27	0.22
Contributions by participants	0.14	0.11
Actuarial losses/(gains) on liabilities*	0.57	(0.70)
Net benefits paid out#	(0.14)	-
Past service cost	0.03	0.05
Net increase in liabilities from disposals and acquisitions	-	-
Curtailments	-	-
Settlements	-	-
Closing present value of liabilities	4.98	3.90

*Includes changes to the actuarial assumptions

Consists of net cash-flow out of the Fund in respect of the employer, excluding contributions and any death in service lump sums paid, and including an approximate allowance for the expected cost of death in service lump sums of £0.00M for the period ending 31 March 2009.

Notes to the Account for year ended 31 March 2009(cont)

13. (iii) cont'd

Changes to the Fair Value of Assets during the Year

	Year ending 31 March 2009	Year ending 31 March 2008
	(£M)	(£M)
Opening fair value of assets	3.80	3.04
Expected return on assets	0.27	0.23
Actuarial (losses)/gains on assets	(1.11)	0.19
Contributions by the Employer	0.29	0.23
Contributions by the Participants	0.14	0.11
Net benefits paid out#	(0.14)	0.00
Net increase in assets from disposals and acquisitions	-	-
Settlements	-	-
Closing fair value of assets	3.25	3.80

#Consists of net cash-flow out of the Fund in respect of the employer, excluding contributions and any death in service lump sums paid, and including an approximate allowance for the expected cost of death in service lump sums of £0.00M for the period ending 31 March 2009.

Actual Return on Assets

	Year ending 31 March 2009	Year ending 31 March 2008
	(£M)	(£M)
Expected return on assets	0.27	0.23
Actuarial (loss)/gain on assets	(1.11)	0.19
Actual return on assets	(0.84)	0.42

Analysis of Amount recognised in STRGL*

	Year ending 31 March 2009	Year ending 31 March 2008
	(£M)	(£M)
Total actuarial (losses)/gains	(1.68)	0.89
Total gain / (loss) in STRGL*	(1.68)	0.89

*STRGL (Statement of Total Recognised Gains and Losses)

**History of Asset Values, Present Value of Liabilities
and Surplus/Deficit**

	As at 31 March 2009	As at 31 March 2008
	(£M)	(£M)
Fair value of assets	3.25	3.80
Present value of liabilities	4.98	3.90
(Deficit)	(1.73)	(0.10)

Notes to the Account for year ended 31 March 2009 (cont)

13. (iii) cont'd

In accordance with Paragraph 77(o) of FRS17 (as revised), the assets for the current period and previous two periods are measured at current bid price. Asset values previously measured at mid-market value for periods ending 2008 and 2007 have been re-measured for this purpose. Asset values for the periods ending 2006 and 2005 are shown at mid-market value and have not been re-measured as permitted by FRS17 (as revised)

Information for years other than the two years above can be obtained from this and previous FRS17 disclosures.

History of Experience Gains and Losses

	Year ending 31 March 2009 (£M)	Year ending 31 March 2008 (£M)
Experience (losses)/gains on assets	(1.11)	0.19
Experience (losses) on liabilities#	-	(0.28)

In accordance with Paragraph 79 of FRS17 (as revised), unfunded liabilities are disclosed separately for periods beginning on or after 6 April 2007. The history of experience gain/ (loss) on liabilities shown has not been re-stated for periods ending 2007, 2006 and 2005 and includes the experience relating to unfunded liabilities.

This item consists of gains/ (losses) in respect of liability experience only and excludes any change in liabilities in respect of changes to the actuarial assumptions used.

14. Related Party Transactions

During the year the Care Council has had various material transactions with the Welsh Assembly Government which is regarded as a related party. Other bodies which are also regarded as related parties are:

Cardiff City Council
 General Social Care Council
 Northern Ireland Social Care Council
 Rhondda Cynon Taf County Borough Council
 Scottish Social Services Council
 University of Newport

Care Council Members and Staff

No employees were involved directly or indirectly in any transactions with the Care Council during the year, apart from normal expense claims, salary payments etc.

Notes to the Account for year ended 31 March 2009 (cont)

14 cont'd

Transactions with bodies where Council members are either employed or remunerated by during the year were as follows:-

Council Member	Relationships and related organisation	Transactions in Period
Peter Crews	Manager of Community and and Day Services Rhondda Cynon Taf County Borough Council	£15,825
John Dixon	Executive Member of Health, Social Care and Wellbeing Cardiff City Council	£195,600
Amelia Lyons	Dean, School of Health and Social Services University of Wales, Newport	£61,165
Ellis Williams	Director of Social Services Rhondda Cynon Taf County Borough Council	£99,600

15. Capital Commitments

Capital commitments outstanding at 31 March 2009 totalled nil (2k at 31 March 2008).

16. Post Balance Sheet Events

There have been no post Balance Sheet events which require disclosure or adjustment to the 31 March 2009 financial statements.

17. Contingent Liabilities

There are no contingent liabilities as at 31 March 2009.