



Cyngor Gofal Cymru
Care Council for Wales

Hyder mewn Gofal - Confidence in Care

Care Standards Act 2000

CYNGOR GOFAL CYMRU

CARE COUNCIL FOR WALES

ANNUAL REPORT AND ACCOUNTS

2013 –2014

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 2014 together with the Report of the Auditor General for Wales thereon and

Laid before the National Assembly for Wales on 5 August 2014 pursuant to the Care Standards Act 2000 Schedule 1 Section 18(4)



Noddir gan
Lywodraeth Cymru
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ANNUAL REPORT AND ACCOUNTS

2013/2014

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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 thirteenth to be prepared by the Care Council, is for the year ended 31 March 2014. 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 2014 there were sixteen members including the Chair who have been appointed by the Deputy Minister for Social Services. Membership includes service users, carers, the general public, employers, trade unions, education and training interests, and professional associations. During the year three members ended their membership and two members were appointed.

Members serving 1 April 2013 to 31 March 2014

Member	Interest
Arwel Ellis Owen	Chair (term end July 2017)
Philip Champness	General Public (term end September 2015)
Stephen Elliott	Professional Associations (term end February 2015)
Roger Gant	Voluntary Sector Employers (term end July 2017)
Dorian Lewis	Service Users (term end September 2014)
Kate Hawkins	Education and Training (term end February 2015)
Dr. Alyson Rees	Education and Training (term end September 2015)
Kenneth Jones	Carers (term end March 2017)
Pauline Jones	Carers (term end May 2014)
Martin Lewis	Carers (term end February 2015)
Martyn Pengilley	General Public (term end February 2017)
Barbara Roberts	General Public (term end May 2014)
Brian West	Private Sector Employers (term end February 2016)
Ellis Williams	Public Employers (term end March 2016)

End of Membership

Ian Davies (May 2013)	Service Users
Penny Gripper(May 2013)	Service Users
Rachel Demery (December 2013)	Service Users

Appointed During Year

Kelly Andrews(September 2013)	Trade Union (term end 31 August 2017)
Rhian Watcyn Jones (Nov 2013)	Service Users (term end 31 October 2016)

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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. Membership is drawn from Council Members. Meetings are attended by representatives of internal and external audit.

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 98% of all such invoices during 2013-14 (2012-13 – 98%), and no Commercial Debt Interest was paid or was due for transactions during 2013 - 14.

Employment Policy

The Care Council has 'Investors in People' status and its human resource policies reflect best practice as part of its commitment as a learning organisation. The Care Council embraces equality and diversity through its policies and working practice recognising the positive benefits.

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 Statement of Financial Position. Pension matters are dealt with in more detail in the Remuneration Report and note 15 on page 41 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 2013-14 was 2.41% (2.33%:2012-13) which is based on 492 days lost out of 20,408 available days.

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 for Wales' opinion.

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Payments to Auditors for non audit work

There were no payments made to our Internal Auditors Deloitte in 2013-14 for consultancy work as was the case in 2012-13. In addition, no payments were made to either Grant Thornton or the Wales Audit Office for non audit work in 2012-13 and 2013-14.

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: 23 July 2014

Strategic Report

History and statutory background

Established under the Care Standards Act 2000 as the regulator of the social care profession in Wales, the Care Council has a leading role in making sure the workforce delivering social services and childcare in Wales is operating to a high professional standard. The Care Council has legal powers to set the standards workers need to meet, and to take action where that doesn't happen.

It aims to safeguard the general public by:

- keeping a register of social workers, social care managers and workers, and social work students;
- investigating cases where the standards set for the workforce may not have been met;
- taking the most serious cases of where standards have not been met before independent panels;
- imposing a range of sanctions to protect the public from harm; and
- analysing information, and planning for a workforce that can meet the needs of the public.

People in Wales have the right to a care service delivered by workers who have the right skills and values, are properly trained and qualified and supported. That ambition is the focus of the Care Council's business. The drive is towards achieving that in partnership between people who use services and those who deliver it. Our values and our governance model is rooted in that model.

From the outset citizens, including people who uses services and carers shape our development and regulatory work, inform and influence our work programs as well as scrutinizing our work. We believe in evidence-based and knowledge-based learning in order to target development and change. We strive to be a true learning organisation. This means listening to and learning from people's first-hand experiences, both citizens and workers. This continuous engagement has been important and requires constant nurturing and protection.

Our vision and strategic objectives

Our vision is that "People of Wales can count on social services being provided by a professional, skilled and confident workforce". A workforce that is equipped to deliver on the Welsh Government's agenda and peoples expectation for citizen centered support and care. Our vision will be achieved through our delivery against our strategic objectives. We will:

- set and promote professional standards and take firm but fair action where those standards have not been met;
- ensure that our model of regulation is effective, proportionate and people focused;
- set and promote standards for learning and development for a professional, competent and confident workforce; and
- ensure that our organisation is knowledgeable, fair and open, continually learning and improving.

In order to deliver our strategic objectives we have seven main programmes of work. All our work programmes have a clear vision and goals to drive forward and implement the external change required. The outcomes of the programmes are focused on moving from vision to reality. Our programmes focus on ensuring that people are at the heart of

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programme deliverables and work towards the delivery of the step change that is required in ensuring people who use services and carers have a stronger voice and greater control over the services they use.

The Welsh Government vision for social work and social care in Wales is set out in a policy paper called *Sustainable Social Services for Wales: A Framework for Action* and reflected in the draft Social Services and Wellbeing (Wales) Bill:

“High-quality, integrated, sustainable, safe and effective people-centred services that build on people’s strengths and promote wellbeing”.

It also recognises *“the quality of professionals and their professionalism as central to responsive and sustainable social services.”* The policy paper is a framework for meeting the challenges facing social services in Wales over the next decade. We are expected to lead on developing the professionalism of the workforce and to influence the work of others by providing expert advice and information from different aspects of our work.

Further information on the work of the Care Council is available on the website at www.ccwales.org.uk

Achievements and progress of objectives

The way that we work has to reflect the challenges and expectations facing the social care and early year’s sector in the context of higher public expectations and reduction of public funding. The journey of change for the care sector started with the Independent Commission’s Report in 2010, followed by a White Paper on Sustainable Social Services which in turn provided the foundation for a new legislative framework. These set out transformational changes.

We want to be a high performing organisation achieving our goals to a high standard and it is vital that we apply the same principles of transformation to ourselves as it expected of the Sector.

The information from our regulatory work informs our developmental programme of work to drive up standards. Our wider developmental programme responds to the needs of the sector and the requirements of Government as our Sponsor.

In order for us to deliver on the priorities and our remit at pace to high quality we focus our internal delivery within seven programmes of activity ensuring that our resources are allocated to deliver the transformational change within the social care and early years’ sector as set out by Sustainable Social Services. We have achieved substantial progress against our objectives and building on the work already underway contributing to Sustainable Social Services.

Below are key facts and figures of our activities under our programmes of work:

Regulation of the workforce

Our Aim is to support a workforce regulatory framework that provides public assurance, drives up standards and enhances the status of those employed in social care.

Our regulatory remit is to uphold standards and public trust in the quality of the Social Care Workforce. Our remit has many elements; the public register of those who meet the standards, an on-line system informing service users, members of the public, employers and

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registrants about who is registered; we receive referrals of concern about the practice of regulated workers which we investigate and take action based on evidence. This is also important evidence and information which helps inform and shape improvement.

- 11,864 practitioners and students on the Register of Social Care Workers
- Driving Efficient and Effective Online Services – 83 per cent of registrants now using new online services
- 16,884 Code of Practice for Social Care Workers booklets distributed
- Making Resources easily available through technology 4,837 downloads of Code of Practice mobile applications
- Regulatory Activity - Allegations against 187 practitioners representing 1.6 per cent of registrants
- 61% of cases closed by officers after initial investigation
- 18 final hearings held
- 0.15% of all registrants went before final hearing

We have also been working closely with employers and Care and Social Services Inspectorate for Wales to examine causes of failures in practice and identifying remedial action that maybe required.

Social Work Development

Our Aim is to ensure development and training provides public assurance that the social work profession in Wales can deliver high-quality services consistent with the policy needs of Wales.

We want Social Workers staying in front line practice, ensuring a sufficient supply and high quality practice learning and development available throughout their career.

- 247 students gained a social work degree
- 1,624 social workers have qualified to-date by gaining a degree
- 597 bursaries worth £2.610m awarded to social work students
- £1.3m of Practice Learning Opportunity funding awarded
- New Career Pathway for delivery of experienced, senior and consultant social worker programmes as part of the Continuing Professional Education and Learning (CPEL) framework
- First Practice Guidance issued for social workers
- Social worker vacancies to 6% or 222 posts (7% in children services, 4% in adult services and 6% in non-operational roles) of all whole time equivalent posts in local authorities
- The Care Council worked with ADSS Cymru Heads of Children Services, CAF/CASS Cymru, HMCTS and Research in Practice to support delivery of a training course for social workers. 349 attended out of a target of 400, with 16 courses having been delivered across Wales from October 2013 to March 2014.

Social Care Managers

Our Aim is to support the professionalisation of social care managers through training, guidance and opportunities to take part in professional networks.

We are building the foundations of a strategy to support the professionalisation of the Managers through research, workforce planning, career and professional development framework, training, guidance and creation of a community of practice

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- Practice guidance issued for social care managers.
- Virtual Networking site established to support collaboration - LinkedIn group launched for social care managers
- 112 managers engaged through 5 forums for social care managers held around Wales to inform and influence development of the strategy, and contribute the development of the guidance
- 282 managers attended workshops on the use of the Induction framework accredited units and the review of the Code of practice. They also gave feedback on the use of the Induction app and the value of this being easily accessible and interactive on computer rather than the smartphone version.

Childcare and Early Years

Our aim is to support Welsh Government policy in the expansion of Flying Start and the up-skilling of all early years practitioners. The programme also covers work with children's social care with a particular focus on residential child care workers.

We are working in partnership with Welsh Government to support the policy direction and assist in the development and implementation of the 10 year workforce plan for Early Years and Childcare (EYCC).

- Revised list of qualifications for work in EYCC published
- CPD Framework for Flying Start Practitioners completed, agreed with Welsh Government for launch with supporting material in 2014-15
- 907 students registered for Childcare Learning and Development(CCLD) Apprenticeships
- Early Years settings included in the 'A Question of Care for You' on line aptitude test launched and being used by Job Centres and Careers Wales
- The first 4 Early Years Care Ambassadors recruited
- Evaluation of the Early Years Managers Guidance completed

Citizen and Community

Our aim is to develop the workforce for the future, supporting the vision for services that are citizen-led; preventative; and 'enabling' for people-in-need and their carers.

We are working on the shaping and developing the workforce for the future, supporting the vision for services that are citizen led; preventative; and 'enabling' for people in need and their carers.

- Workforce Strategy and Knowledge and Skills set completed for work in electronic Assistive Technology (eAT) and launched in April 2014
- Social Care Induction framework being used by Adult Placement Shared Lives carers.
- Diploma in Health and Social Care Level 3 piloted for Personal assistants working with DEWIS in Rhondda Cynon Taf
- Tools and resources developed to help with recruitment into social care. Programmes adapted to develop support workers in a variety of roles in the community and make learning more accessible
- 107 Care Ambassadors recruited by Social Care in Partnerships (SCiPs) across Wales to support promotion of social care as a career.

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- Celf y'r Corf video of people with dementia being supported in the community and attending an Arts Class in Ruthin Craft Centre launched at the Eisteddfod and distributed to Community groups to evidence positive images of people with Dementia and ways of supporting them and their carers.

Standards and Learning

A way we seek to protect service users and the public is to ensure that the infrastructure of standards, qualifications and learning underpin high quality, modern, professional practice in Social Care and Early Years and Childcare.

- Led review of National Occupational Standards (NOS) Commissioning, Contracting and Procurement in Social Care. 34 people in Wales contributed and the work was completed on target to meet the UKCES contract
- Department for Education and Skills (DfES) Database of over 1,000 qualifications was reviewed to make sure qualifications for public funding are relevant and fit for purpose for early years and for social care
- 2,482 Apprenticeships completed and the certificates processed and sent out
- 6 Social Care Induction Units accredited, piloted, evaluated and launched with guidance for the sector
- 1st nationally accredited Basic Awareness in Safeguarding Programme accredited, and piloted.

Organisation

Our aim is to ensure we are a modern regulatory body that is a learning, supportive and inclusive organisation, with robust governance and a focus on continuous improvement.

- Clean audit certificate awarded
- Level 2 Green Dragon accreditation maintained
- 700,000+ visits to Care Council website, averaging nearly 60,000 per month
- 1,191 followers on Twitter. Overall, promotion of initiatives, using the Care Council's Twitter accounts, resulted in 606 re-tweets which reached an audience of 557,653 accounts.

The achievements of the past year are set out in greater detail in the Care Councils Annual Review for 2013-14 which will be available on our website www.ccwales.org.uk.

Copies of our Strategic Plan and other publications including our annual suite of reports are also available on our website or in other accessible formats on request from our office.

Risk management

All risk management activity is aligned to the strategic objectives and business plan priorities and aims to protect and enhance the reputation and standing of the Care Council and its partners. Risk assessment forms part of the Care Council's strategic planning, business planning and partnership working. Risk management is based on a risk-based approach to internal control, which is embedded in day-to-day operations of the Care Council.

The main risks on the strategic risk register which remained on the register throughout the financial year related to the:

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- Implications for the Care Council in relation to the Regulation and Inspection White Paper;
- Legislative change being a distraction from the delivery of our strategic priorities. However the risk has been alleviated through continuous dialogue with Welsh Government with regards the remit of the Care Council
- Funding pressures when our work remit is being increased. However the Care Council has a Strategic Financial Plan in place which is regularly monitored to ensure effective resource management and prioritisation and is continuing to make efficiency savings across the organisation.

Further information on our risk and governance is set out in the governance section of this document.

Sustainability

Sustainability underpins the work of the Care Council. At the heart of our work is ensuring a better quality of life for everyone, now and for generations to come. We are, therefore, committed to promoting sustainable development throughout our work promoting economic, social and environmental wellbeing.

The principles of valuing diversity and promoting equality underpin the work of the Care Council as an employer, a regulator and also its development work for social care workers.

Key achievements in 2013 – 2014:

Sustainable Resource use – To recycle safely and utilise technology

We continually review our environmental practices in order to reduce the impact on the environment. This is demonstrated by our Green Dragon Level Two status which has been held since 2005 with re-accreditation received most recently in October 2013.

The continued drive to move to online services, e-publications and tools has seen;

- An increase to 9,652 active portal accounts from 4,500 last year (115% increase)
- During the renewal peak this year 80.5% of registrants renewed their registration through the on line services
- 97% of Student Funding applications were completed electronically.
- Steady increase in the number of down loads of Apps and e-publications reduces the requirement of printing and publishing hard copies. A further five new mobile applications were launched: Person-centred care for people with dementia; The Social Care Induction Framework; Easy read Codes of Practice for Social Care Workers; Supervising Well and Safeguarding.
- Surplus goods are disposed of in accordance with our Green disposal policy. Nearly 80% of stationery purchased in 2013 – 2014 were designated 'Green' products.

Sustainable Way of Working – To have a culture of a low footprint organisation

Following the introduction of the cycle to work scheme we have had an 8% uptake. The scheme continues to be actively promoted along with other Green Travel initiatives such as the Walk to Work campaign which a number of staff participated in this year. At the end of the year we undertook a survey of how our staff travel to work to help inform a Green Plan to encourage more environmentally friendly ways of travelling.

Sustainable economy – To create a strong and resilient economy

We have capitalised on new technologies and developed sustainable e- learning initiatives for the sector ensuring our learning and skills provision responds to the needs of the sector.

We have also introduced a number of e-learning packages for our corporate learning and development

We ensure sustainable development is fully integrated into our procurement processes and working with the Sustainable Procurement Assessment Framework to update future strategies. During the year our Council members received an e-update on our progress against this framework.

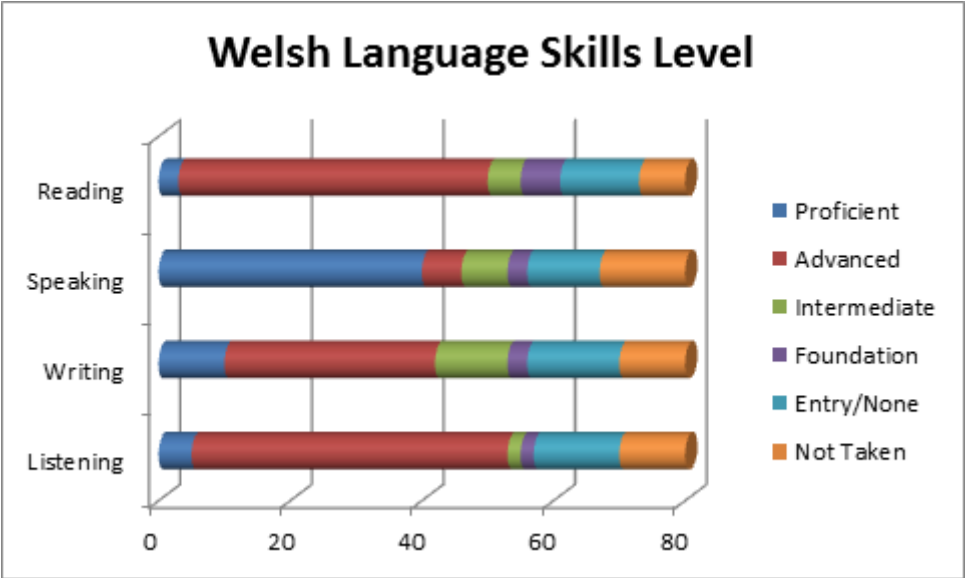
Wellbeing – A fair society with a rich and diverse culture

Using the Corporate Health Standard as a framework for the Health and Wellbeing of our staff we are implementing a number of initiatives which have contributed to a reduction in sickness and promoting health and wellbeing.

Welsh Language

The Care Council, through its remit, promotes and influences the importance of language need for service users and sensitivity of language within the social care workforce.

As an employer we are a truly bilingual organisation providing an environment which nurtures and develops staff to learn and improve their bilingual skills and own the bilingual ethos of the organisation. 66% of our workforce considers themselves bilingual with a further 9% identifying themselves as Welsh learners. However during the year we worked with WJEC on piloting a Welsh language skills assessment framework and are now in the process of rolling this out across the organisation. Below displays our current position in relation to the welsh language ability of staff across the Care Council with an average of 68% of the workforce with a skill level of Intermediate or above and an average of 20% of the workforce with a skill level of entry / foundation.



Equality & Diversity

We recognise and value diversity and ensure that all our employment practices and programmes of work embed and demonstrate not just our public duty as set out by the Equalities Act, but embraces equality and diversity as a core value underpinning all functions and the delivery of high quality services to our workforce and the sector. We will ensure that in all our work we fully embed the rights agenda.

We have been working with Welsh Government on increasing women leadership on public service boards and at the end of March 2014 41% of our Council Members are women. 75% of Senior Management Team are women (3 women, 1 man) and overall 67% of our workforce are women (59 female staff members, 29 male staff members).

During 2013-14 the Care Council produced its equality strategic plan and annual report as required by Welsh Government and in accordance with the public duties of the Equality Act 2010. Copies of the documents are available on our website www.ccwales.org.uk.

Review of the 2013-14 financial year

The Total Comprehensive Expenditure for the Care Council for the year was £8,986,000 (£9,144,000 in 2012-13). After taking into account Grant-In-Aid from the Welsh Government of £9,824,000 (£9,344,000 in 2012-13), the transfer to the Pension Fund of £850,000 (transfer to the Pension Fund of £360,000 in 2012-13) the balance on the General Fund was £1,000,000 (£1,012,000 in 2012-13). The income arising from registration fees totalled £272,000 (£261,000 in 2012-13) and non-current assets acquired totalled £249,000 (£185,000 in in 2012-13).

Grants were awarded to higher education institutions and local authorities for social work training and related matters. Payments totalling £2,610,000 (£2,620,000 in 2012-13) 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 undergraduate and postgraduate qualifying training.

Rhian Huws Williams
Chief Executive and Accounting Officer

Date: 23 July 2014

Remuneration Report

1. Remuneration Policy

The Care Council's scheme for staff pay and grading arrangements was approved by the Welsh 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 Government annually.

The Remuneration Group is composed of the Chair, Deputy Chair, Chair of the Business Management Committee and the Chair of the Audit Committee and is also attended by the Chief Executive and the Director of Corporate Services and Resources.

The annual remuneration rates of the Chair and members are specified by the Welsh Government. Those of panel members are specified by the Care Council and are broadly in line with rates set by the Welsh 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 (salary, benefits in kind and pensions)

Single total figure of remuneration						
Officials	Salary (£000)		Pension benefits(£)*		Total(£000)	
	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13
Chair Arwel Ellis Owen	25-30	25-30	N/A	N/A	25-30	25-30
Chief Executive Rhian Huws Williams	95-100	95-100	5,500	4,800	100-105	100-105
Director of Regulation and Professional Standards/(Deputy Chief Executive) Gerald Evans	70-75	70-75	14,300	14,500	85-90	85-90
Director of Corporate Services and Resources Joanne Oak	55-60	55-60	19,000	14,800	75-80	70-75
Director of Learning and Development. Roberta Hayes	65-70	60-65	19,200	17,500	85-90	75-80

This year for the first time, the Remuneration Report must include a Single Total Figure of Remuneration, prior year comparatives have been provided for in 2012/13.

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This is a different way of presenting the remuneration for each individual for the year. The table used is similar to that used previously and the salary figures are unchanged. The amount of pension benefits for the year which contributes to the single total figure is calculated in a new way, similar to the method used to derive pension values for tax purposes, and is based in information received from our actuaries.

The value of pension benefits accrued during the year is calculated as (the real increase in pension multiplied by 20) plus (the real increase in any lump sum) less (the contributions made by the individual). The real increases exclude increases due to inflation or any increase or decreases due to a transfer of pension rights.

This is not an amount which has been paid to an individual by the Care Council during the year; it is a calculation which uses information from the pension benefit table. These figures can be influenced by many factors e.g. changes in a person's salary, whether or not they choose to make additional contributions to the pension scheme from their pay and other valuation factors affecting the pension scheme as a whole.

Salary

Salaries consist of gross pay and pay awards agreed by the Welsh Government. No members of staff responsible for decision making are contracted for a fixed term.

Bonuses

The bonus is part of the pay and grading arrangements and consists of a Corporate Performance Award payable equitably to all eligible staff. The award relates to organisational performance in the previous year. Payment of the Corporate Performance Award was suspended in 2010-11 and consequently no bonus has been paid since 2009-10. Therefore no monetary values for bonuses are included in the Single total figure of remuneration table above.

Benefits in kind

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. Therefore no monetary values for bonuses are included in the Single total figure for remuneration table above.

Pay multiples

Median Remuneration	2013-14		2012-13
Highest Earner's Total Remuneration (£'000)	95-100	Highest Earner's Total Remuneration (£'000)	95-100
Median Total Remuneration	£29,328	Median Total Remuneration	£28,965
Ratio	3.32	Ratio	3.37

Reporting bodies are required to disclose the relationship between the remuneration of the highest-paid director in their organisation and the median remuneration of the organisation's workforce.

The banded remuneration of the highest paid director in the Care Council in the financial year 2013-14 was £95,000-£100,000 (2012-13:£95,000-£100,000). This was 3.32 times (2012-13:3.37 times) the median remuneration of the workforce, which was £29,328 (2012-13:£28,965).

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Total remuneration is the salary cost only and does not include employer pension contributions and the cash equivalent transfer value of pensions.

2(ii) Pension benefits

	Total accrued pension at 31 March 2014	Real increase in pension at 31 March 2014	Total accrued lump sum at 31 March 2014	Real increase in lump sum at 31 March 2014	CETV at 31 March 2014	CETV at 31 March 2013	Real increase/decrease in CETV in 2013-14
	£'000	£'000	£'000	£'000	£'000	£'000	£000
Chair Arwel Ellis Owen	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Chief Executive Rhian Huws Williams	40-45	0.0-2.5	100-105	-2.5-0.0	858	805	32
Director of Regulation and Professional Standards/(Deputy Chief Executive) Gerald Evans	10-15	0.0-2.5	10-15	-2.5-0.0	200	175	20
Director of Corporate Services and Resources Joanne Oak	5-10	0.0-2.5	0	0	64	51	11
Director of Learning and Development. Roberta Hayes	0-5	0.0-2.5	0	0	72	50	20

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: 23 July 2014

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 judgments 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: 23 July 2014

Annual Governance Statement

The Care Council for Wales (Care Council) is a Welsh Government Sponsored Body established in 2001 to regulate and raise standards of practice and training for those working in social work and social care across Wales. The aim is to strengthen public confidence through making sure they can rely on a workforce that is properly trained, appropriately qualified and working to the agreed standards. We have a leadership role through influencing and shaping the workforce in partnership with the sector so that it continues to meet the needs and changing model of care and support.

Our functions and our governance model is defined in statute and based on the principles that the voice of people using services, carers and citizens are central to our work. The lay led model of Council ensures that they inform and influence our work and also the scrutiny of our delivery. The ethos is one of using regulation to influence improvement as much as assurance and using evidence to inform learning and change in practice, in services and in policy. The citizen accountability through our Council is central to this.

The Chair and I are members of the Social Services Leadership Group and Partnership Forum established by the Deputy Minister for Social Services. This group provides collective leadership to drive forward change through identifying solutions to complex problems which might mitigate against the transformational changes required across the sector.

Using evidence and intelligence from our regulatory work and from the sector we give proactive advice to Welsh Government to shape and influence national policy. Our Council uses its experience and collective voice to show leadership and ambition for the social care sector in Wales. Our influence and leadership remit extends to governance arrangements surrounding our partnership working.

Scope of responsibility

The Care Council's statutory remit is broad, extending from regulation of the workforce and their training through to ensuring the training meets the needs of the sector. We also deliver the Sector Skills Council remit for the sector in Wales.

Therefore, as Accounting Officer I am responsible for ensuring:

- the business of the Care Council is conducted in accordance with the law and proper standards;
- the public funds and assets in my charge are safeguarded in accordance with the responsibilities assigned to the Accounting Officer in Managing Welsh Public Money; and
- a sound system of internal control that supports the achievement of the Care Council's policies, aims and objectives.

In discharging my responsibility I am responsible for putting in place proper arrangements for the governance of its affairs and facilitating the effective exercise of its functions, including arrangements for the management of risk.

Governance framework

The Council is comprised of a Chair and no more than 24 Members, all of whom are appointed by Welsh Ministers. The composition of the Council is defined in legislation. It is a lay led body with people using services, carers and members of the public in the majority. The strength of that model is that I am held to account by citizens and not by professionals or professional bodies alone.

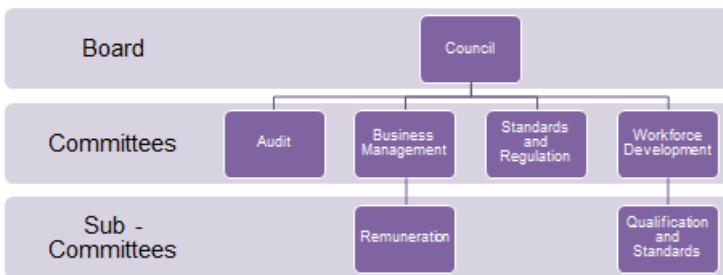
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All members are reminded at each meeting to identify any areas of potential conflict of interest and all staff and members are required to regularly update the register of interest which is publicly available on our website: <http://www.ccwales.org.uk/how-council-works/>

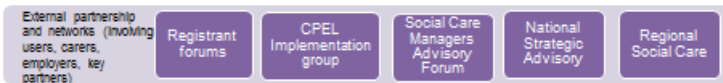
At the end of March 2014 the Council had 16 Members who are service users, members of the public, carers, those providing social care services, people from professional social care organisations and people who educate and train the social care workforce. I ensure, with the Chair, that all members are aware of their roles and responsibilities including regular training to ensure Board effectiveness. Our strategic priorities are developed and reviewed by Council and they inform our Strategic and Business Plans and resource allocations.

The Council has established Committees to support the governance of the organisation. The Council meets six times a year and Committees meet on a quarterly basis. The governance structure of the Care Council as at April 2013 is illustrated in this diagram.

Council and Committee structure: April 2013

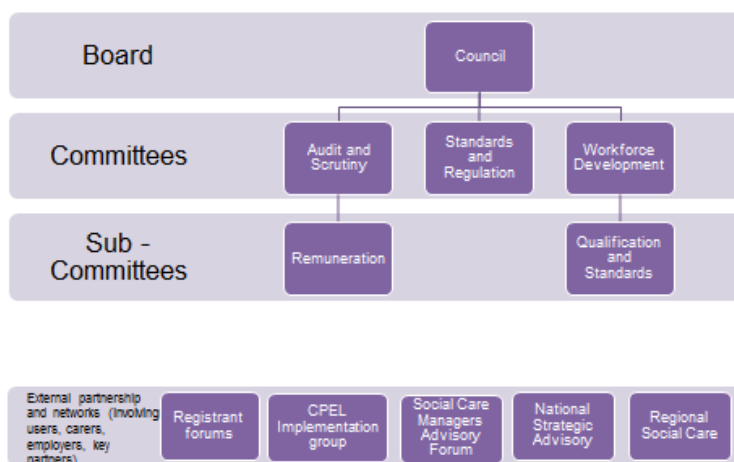


In January 2014 the Council approved a number of proposals to refresh the Council and Committee governance arrangements in step with the strategic direction of the organisation.



The governance structure as at 31 March 2014 is illustrated below along with Members' attendance at both Council and Committees during the year.

Council and Committee structure: March 2014

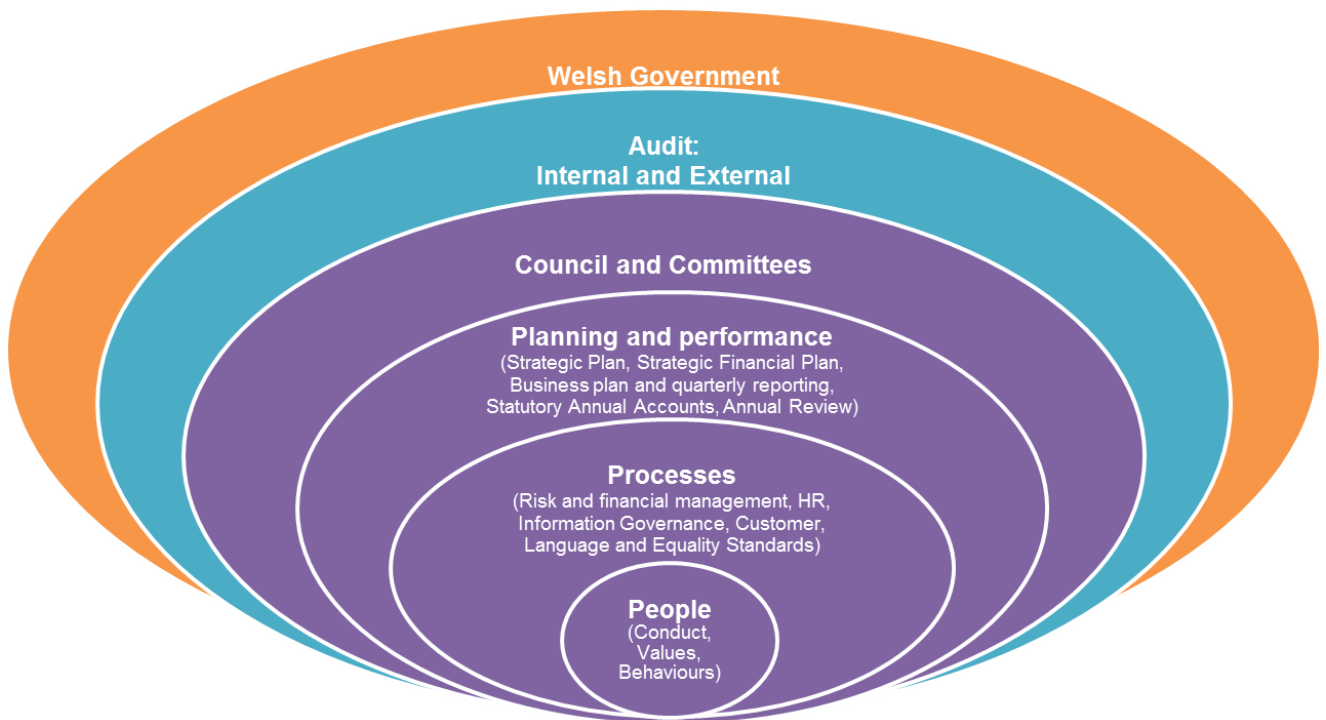


- Lay**
Arwel Ellis Owen (Chair): 90%
Philip Champness: 100%
Martyn Pengilly: 100%
Barbara Roberts: 92%
- Services Users**
Ian Davies (Resigned in May 2013): 100%
Rachel Demery (Resigned January 2014): 67%
Dorian Lewis: 60%
Rhian Watcyn Jones: 100%
- Carers**
Pauline Jones: 100%
Ken Jones: 92%
Martin Lewis: 90%
- Employers**
Brian West: 100%
Ellis Williams: 60%
- Professional Associations**
Stephen Elliot: 79%
- Union**
Kelly Andrews: 50%
- Voluntary Sector**
Roger Gant: 83%
- Education and Training**
Kate Hawkins: 92%
Alyson Rees: 80%

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As Accounting Officer I ensure the Council receive timely and high quality information relating to the performance of the organisation against its Strategy and Business Plans. This includes the Strategic Risks facing the organisation and the financial management and resource planning to support the delivery of our strategic objectives.

In respect of a governance framework the Care Council has systems, internal controls and processes in place which are reviewed, monitored and updated during the year as part of our governance arrangements, as illustrated in the diagram below:



Board effectiveness

In addition to the annual performance review of all members undertaken by the Chair, we undertake a self-evaluation review of the Board through a questionnaire. The outcomes of the review inform a programme of change we undertake to strengthen our arrangements.

During the year Members have considered and approved a number of actions to modernise its governance. These include:

- reshaping the Standards and Regulation and Workforce Development Committee remit and operation;
- dissolving the Business Management Committee;
- reviewing and broadening the remit of the Audit Committee so that it evolves into an Audit and Scrutiny Committee;
- co-opting and recruiting an independent Member to the Audit and Scrutiny Committee;
- co-opting other partners to our Committees;
- continuing to establish small Member working groups as and when required to look in more detail at particular areas;
- building on the skills and experience of Committees by conducting a three yearly review of the composition of Committees;

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- having a Deputy Chair for all Committees;
- putting in place a succession plan for the Membership and Chairs of Committees;
- continuing to provide Members with governance and scrutiny training; and
- building on the self-assessment reviews by Members on the effectiveness of the Board and the Committees.

During the year I have also identified and raised with Welsh Government the need for them to ensure that all public appointments receive formal induction on their role and requirements as part of the Public Appointment process. This will be in addition to the induction sessions we provide for all members in relation to the specifics of their role on the Care Council.

Additional self-evaluation questionnaires were used to review the Audit Committee. Through discussions at the Audit Committee over the year we have identified changes and improvement for the future in relation to its role and functions including strengthening its scrutiny role during 2014 – 2015.

Issues and Highlights

We have a strong record of delivery against our Business Plan and Remit Letter (as at 31 March 2014 94% of activities had been met) and a strong history of assurance from our Auditors, even during the last three years of reductions to our budgets. However that does not make us complacent. I have therefore been working with Council to ensure that we constantly review our priorities and ways of working to ensure that we maximise our resources against our priorities.

During the year the Audit Committee:

- **considered and endorsed a range of audit reports:** all of which have had either received a full or substantial rating. There were no high level priority recommendations with the majority being of low priority.
- **agreed and monitored an Audit plan:** scrutinised our compliance with internal controls and financial regulations, received assurance from Auditors and considered additional areas for development and further review.
- **commissioned an additional assurance review, from our Internal Auditors, on our four Social Care in Partnerships (SCiPs):** This advisory report identified ten action points for management consideration in respect of the administration of these Partnerships. This evidence has been used to inform future partnership agreements with the SCiPs.

The Remuneration Committee met once during the year to consider and agree the Pay Remit application for 2013 - 2015 which was submitted and approved by Welsh Government.

I am committed to us being a knowledgeable, fair and open organisation which continues to learn and improve. We take complaints seriously, they are important to inform continuous reflection and improvement and we address them in line with our standards. In 2013 – 2014 the Public Services Ombudsman for Wales did not look into how we dealt with complaints about the standard of our service. I can also confirm that there have been no instances of staff whistleblowing during the year.

We constantly reflect on how we can continue to develop as an effective and influential public body and given the changes ahead I have commissioned an Organisation Development Review which will take place during 2014 – 2015. This review will be steered by staff and Members and we will be engaging with all relevant stakeholders to identify our

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strengths and value and where we could improve going forward. This will be important evidence to inform our strategy and resource investment for the future.

Our risk management and assessment

Our risk management model is increasingly integrated across all our work programmes as well our Strategic and Business Plan which enables us to ensure that we are identifying and addressing risks at all levels in our work. The positive approach to risk management means that we not only look at the risk of things going wrong, but the impact of not taking opportunities or not capitalising on corporate strengths.

All risk management activity is aligned to the strategic objectives and business plan priorities and aims to protect and enhance the reputation and standing of the Care Council and its partners. Risk assessment forms part of the Care Council's strategic planning, business planning and partnership working. Risk management is based on a risk-based approach to internal control, which is embedded in day-to-day operations of the Care Council.

The risk assessment System of the Care Council includes a programme risk register for each of its programmes of work. In addition the Executive Management Team manages the strategic risks which might jeopardize the organisation from meeting its strategic objectives.

The main risks on the strategic risk register which remained on the register throughout the financial year related to the:

- Implications for the Care Council in relation to the Regulation and Inspection White Paper;
- Legislative change being a distraction from the delivery of our strategic priorities. However the risk has been alleviated through continuous dialogue with Welsh Government with regards the remit of the Care Council
- Funding pressures when our work remit is being increased. However the Care Council has a Strategic Financial Plan in place which is regularly monitored to ensure effective resource management and prioritisation and is continuing to make efficiency savings across the organisation.

Information Governance

We take seriously our duty to:

- manage information according to an agreed set of rules, guidelines, standards and compliance with legal objectives;
- assess and manage information risk;
- ensure that privacy and confidentiality standards are followed; and
- provide staff with guidance and training so that they are aware of, and comply with, their responsibilities.

During the year we have been reaccredited with ISO27001 which demonstrates our compliance with Information Security standards. It provides an assurance on our systems of internal control surrounding how we manage our information. In order to reinforce the importance of Information Governance, training on data security is included in the induction process for all staff and during the year all staff were required to complete refresher training 'Protecting Information'.

In 2013 – 2014 there have been no incidents of personal data loss which required to be notified to the Information Commissioner.

One of the strategic challenges and risks for regulatory bodies is in relation to collaboration and sharing of information with other regulatory bodies. We take this seriously and during 2013 – 2014 have revised our Memorandum of Understanding (MoUs) with the Nursing and Midwifery Council; Older People's Commissioner; and our counterparts in Scotland, Northern Ireland and England as well continuing to implement and strengthen our information sharing protocols with the Care and Social Services Inspectorate Wales (CSSIW).

Review of effectiveness of internal control and risk management

As the Accounting Officer, I also have responsibility for reviewing the effectiveness of the system of internal control and risk management arrangements. My review is informed by the:

- governance framework and controls as illustrated in the diagram above;
- work of the internal auditors which is directed through an audit plan agreed by the audit committee and focuses on identified control risk areas. The internal auditors submit regular reports on the adequacy and effectiveness of the organisation's systems of internal control together with recommendations for improvement;
- advisory reports undertaken by Internal Audit during the year on the Social Care in Partnerships (SCiPs);
- reviews by the Audit Committee of the organisation's risk register and the work of internal audit in assessing the effectiveness of risk management arrangements;
- comments made by the external auditors in their management letters and other reports;
- Executive Management Team members who have responsibility for the development and maintenance of the internal control framework; and
- scrutiny of Council and Committees.

During the financial year to 31 March 2014 and to the date of this statement no significant control weaknesses or issues have arisen, and no significant failures have arisen in the expected standards for good governance, risk management and control.

Rhian Huws Williams
Chief Executive and Accounting Officer

Date: 23 July 2014

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 2014 under paragraph 18(4) of Schedule 1 to the Care Standards Act 2000. These comprise the Statement of Comprehensive Net Expenditure, the Statement of Financial Position, the Statement of Cash Flows, the Statement of 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 Chief Executive and auditor

As explained more fully in the Statement of the Care Council for Wales' and Chief Executive's Responsibilities, the Chief Executive as Accounting Officer is responsible for preparing the Annual Report, which includes the Remuneration Report and the financial statements, in accordance with the Care Standards Act 2000 and Welsh Ministers' directions made there under and for ensuring the regularity of financial transactions.

My responsibility is to audit the financial statements and the part of the Remuneration Report to be audited in accordance with applicable law and with International Standards on Auditing (UK and Ireland). These standards require me to comply with the Auditing Practice 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 Care Council for Wales' circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Care Council for Wales; and the overall presentation of the financial statements.

In addition, I am required to obtain evidence sufficient to give reasonable assurance that 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 read all the financial and non-financial information in the Annual Report which comprises the Chief Executive's Report, Strategic Report and the unaudited part of the Remuneration 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 report.

Opinion on Financial Statements

In my opinion the financial statements:

- give a true and fair view of the state of the Care Council for Wales' affairs as at 31 March 2014 and of its Comprehensive Net Expenditure , Changes in Taxpayers Equity and cash flows for the year then ended;

CARE COUNCIL FOR WALES ANNUAL REPORT AND ACCOUNTS 2013/14

- have been properly prepared in accordance with Welsh Ministers' directions issued under the Care Standards Act 2000

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.

Opinion on other matters

In my opinion:

- the part of the Remuneration Report to be audited has been properly prepared in accordance with Welsh Ministers' directions made under the Care Standards Act 2000; and
- the information which comprises the Chief Executive's Report, Strategic Report and the unaudited part of the Remuneration Report, included within the Annual Report 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:

- the Annual Governance Statement does not reflect compliance with HM Treasury guidance;
- proper accounting records have not been kept;
- information specified by HM Treasury regarding the remuneration and other transactions is not disclosed; or
- I have not received all of the information and explanations I require for my audit.

Report

I have no observations to make on these financial statements.

Huw Vaughan Thomas
Auditor General for Wales

Date: 5 August 2014

Wales Audit Office
24 Cathedral Road
Cardiff
CF11 9LJ

Statement of Comprehensive Net Expenditure

For the year ended 31 March 2014

		2013-14	Restated 2012-13
		£000	£000
	Note		
Expenditure			
Staff Costs	4(i)	3,565	3,342
Programme expenditure			
Training support	5(i)	4,417	4,147
Non grant programme expenditure	5(ii)	1,034	1,003
Administration costs	6	1,165	1,189
Depreciation and Amortisation	1(ix)	262	236
Pension Interest Charge	15	80	90
		<u>10,523</u>	<u>10,007</u>
Income			
Income from Activities			
Registration Fee Income	1(iii)	272	261
Other Income			
Sector Skills Council		91	87
Welsh Government		103	45
Apprenticeship Certification	1(iv)	54	-
Sundry Income		7	10
Pension Interest Credit		-	-
		<u>527</u>	<u>403</u>
Net Expenditure		9,996	9,604
Interest receivable	3(i)	2	1
Interest surrenderable to the Welsh Government	3(ii)	(2)	(1)
		<u>9,996</u>	<u>9,604</u>
Net Expenditure after interest			
		<u>9,996</u>	<u>9,604</u>
Other Comprehensive Expenditure			
Actuarial remeasurement	15	(1,010)	(460)
		<u>8,986</u>	<u>9,144</u>
Total Comprehensive Expenditure for the year ended 31 March 2014		<u>8,986</u>	<u>9,144</u>

The notes on pages 30 to 49 form part of these accounts.

Statement of Financial Position

as at 31 March 2014

	Note	as at 31 March 2014		as at 31 March 2013	
		£000	£000	£000	£000
Non-current assets:					
Property, plant and equipment	7	161		239	
Intangible Assets	8	<u>500</u>		<u>435</u>	
Total Non-Current Assets			661		674
Current Assets:					
Trade and other receivables	10	483		436	
Cash and cash equivalents	11	<u>154</u>		<u>166</u>	
Total Current Assets			637		602
Total Assets			<u>1,298</u>		<u>1,276</u>
Current Liabilities					
Trade and other payables	12	<u>(298)</u>		<u>(264)</u>	
Total Current Liabilities			<u>(298)</u>		<u>(264)</u>
Non Current assets less net current assets/liabilities			<u>1,000</u>		<u>1,012</u>
Non-current liabilities					
Pension Liabilities	15	<u>(1,040)</u>		<u>(1,890)</u>	
Total non-current liabilities			(1,040)		(1,890)
Assets less liabilities			<u>(40)</u>		<u>(878)</u>
Reserves					
General Reserve			1,000		1,012
Pension Reserve			<u>(1,040)</u>		<u>(1,890)</u>
Total			<u>(40)</u>		<u>(878)</u>

Notes on pages 30 to 49 form part of these accounts

The financial statements on pages 26 to 27 were approved by Council on the 17 July 2014 and were signed on its behalf by:

Rhian Huws Williams
Chief Executive and Accounting Officer

Date: 23 July 2014

Statement of Cash Flows

For the year ended 31 March 2014

		2013-14	Restated 2012-13
	Note	£000	£000
Cash flows from Operating Activities			
Net expenditure after interest		(9,996)	(9,604)
Adjustment for Depreciation and Amortisation		262	236
Adjustment for Pension finance Costs(net)		160	100
(Increase) in trade and other receivables		(47)	(23)
Increase/(Decrease) in trade and other payables		34	(3)
		<u>(9,587)</u>	<u>(9,294)</u>
Net cash (outflow) from operating activities			
Cash flows from Investing Activities			
Purchase of property, plant and equipment	7	(29)	(18)
Purchase of intangible assets	8	(220)	(167)
		<u>(249)</u>	<u>(185)</u>
Cash flows from Financing Activities			
Welsh Government funding(including Capital)		9,824	9,344
Net financing		<u>9,824</u>	<u>9,344</u>
		<u>(12)</u>	<u>(135)</u>
Net (Decrease) in cash and cash equivalents in the period			
Cash and cash equivalents at the beginning of the period	11	166	301
Cash and cash equivalents at the end of the period	11	154	166

Notes on pages 30 to 49 form part of these accounts.

Statement of Changes in Taxpayers Equity

For the year ended 31 March 2014

	Pension Reserve £000	General Reserve £000	Total £000
Balance as at 1 April 2012	(2,250)	1,172	(1,078)
Changes in Taxpayers' Equity 2012-13			
Welsh Government Funding	-	9,344	9,344
Transfer between reserves-Capital	360	(360)	-
Comprehensive Expenditure for the year	-	(9,144)	(9,144)
Balance at 31 March 2013	(1,890)	1,012	(878)
Changes in Taxpayers' Equity 2013-14			
Welsh Government Funding	-	9,824	9,824
Transfer between reserves-Capital	850	(850)	-
Comprehensive Expenditure for the year	-	(8,986)	(8,986)
Balance at 31 March 2014	(1,040)	1,000	(40)

The notes on pages 30 to 49 form part of these accounts

Notes to the Accounts for the year ended 31 March 2014

Statement of accounting Policies

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. Consequently, these financial statements have been prepared in accordance with the 2013-14 Government Financial Reporting Manual (FReM) issued 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 Care Council for Wales for the purpose of giving a true and fair view has been selected. The particular policies adopted by the Care Council for Wales are described below. They have been applied consistently in dealing with items that are considered material to the accounts.

It should be noted that the comparatives in the accounts have been restated in order to comply with the revised International Accounting Standard (IAS) 19 or IAS 19R. The accounts have not been restated due to error. Although comparatives have been restated the Total Comprehensive Expenditure for the year ended 31 March 2013 remains the same and the Statement of Financial position as at 31 March 2013 also remains unchanged. Further detail on IAS 19R is provided in Note 1(xii).

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.

1 (ii) Financing

The Care Council received monies from Welsh Government to fund its general revenue and capital activities. These amounts are regarded as financing and are credited to the General Reserve 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) Apprenticeship Certification income

From August 2013 the Care Council received income for the compliance checking, printing and posting of Apprenticeship certificates as part of its work for the Apprenticeship Certification Authority. Income is recognised as the amount receivable from the Federation for Industry Sector Skills and Standards who administer the receipt of Certification payments on behalf of the Care Council.

CARE COUNCIL FOR WALES ANNUAL REPORT AND ACCOUNTS 2013/14

Notes to the Account for year ended 31 March 2014 (cont)

1(v) Training support and Other Grants

During 2013-14 the Care Council has made payments under the Social Work Bursary Scheme which is an incentive to train scheme for students enrolled on undergraduate and post-graduate social work training courses. This scheme includes payments to students of a non-income assessed bursary and an additional income assessed element for post-graduate students. In addition tuition fees are paid to a maximum set by the Care Council and a Practice Learning Opportunity Allowance is also paid to all students. This expenditure is recognised in the financial year in which it is paid.

In addition all Practice Learning Opportunity Funding (PLOF) claims and grant claims are charged to the Statement of Comprehensive Net Expenditure on the basis of claims paid in the financial year.

Payments are also made in relation to the Continuing Professional Education and Learning (CPEL) scheme with 100 Care Council funded CPEL programme places being made available each year to qualified social workers. All costs are charged to the Statement of Comprehensive Net Expenditure on the basis of contractual payments made to Cardiff University.

1(vi) Trade receivables and other current assets – Social Work Bursary Scheme

During 2013-14 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 2014 totalled £22k (£13k: 31 March 2013) and this sum is included in Trade receivables and other current assets at note 10. It is the Care Council's policy to seek full repayment of these funds.

1(vii) Property, plant and equipment

Property, plant and equipment of an individual or group value of £1,000 or more are capitalised. Property, plant and equipment have been valued at historic cost at the 31 March 2014, as in the opinion of the Care Council any revaluation adjustments are not material.

1(viii) Intangible Assets

Information Technology and Licence purchases of an individual value of £1,000 or more are capitalised. Information Technology and Licence costs have been valued at historic cost at the 31 March 2014, as in the opinion of the Care Council any revaluation adjustments are not material.

1(ix) Depreciation and Amortisation

Depreciation and amortisation 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 as set out below, except for office refurbishment, where costs are written off over the remaining period of the office leases when purchased.

Communications Equipment	- five years;
Furniture	- ten years;
Information Technology (Property, Plant and equipment)	- four years;
Accommodation costs	- remaining period of accommodation leases when purchased
Information Technology and Licences (Intangible Assets)	- four years

CARE COUNCIL FOR WALES ANNUAL REPORT AND ACCOUNTS 2013/14

Notes to the Account for year ended 31 March 2014 (cont)

Depreciation and amortisation is calculated monthly and begins in the month following the month of purchase. As such, purchases made in March 2014 will not begin to depreciate/amortise until the 2014-15 financial year. The exception to this rule is accommodation refurbishment costs where the depreciation charge is calculated on a daily basis.

1(x) Leases

Leases are classified as finance leases when substantially all the risks and rewards of ownership are transferred to the lessee. All other leases are classified as operating leases. Expenditure on leases of property is charged to the Statement of Comprehensive Net Expenditure on the basis of costs incurred in the year. Operating lease rentals of equipment are charged to the Statement of Comprehensive Net Expenditure in equal amounts over the lease term.

1(xi) Value Added Tax

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(xii) Pension Costs

Past and present employees are covered by 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 15 to these Accounts where the principal assumptions used by the actuaries are outlined.

Pension Costs have been disclosed in accordance with IAS 19R Employee Benefits. IAS 19R requires the disclosure of certain information covering assets, liabilities and income and expenditure relating to the Scheme.

IAS 19 was revised for accounting periods starting on or after 1 January 2013. This year's disclosures under the revised IAS 19R including restating 2012-13 results where shown.

The key changes are:

- The interest cost and expected return on asset items have been replaced by a single "net interest" item calculated at the discount rate.
- The "corridor" option for spreading gains and losses have been removed.

Furthermore, there is an additional disclosure in relation to the provision of a sensitivity analysis. A sensitivity analysis is provided for each significant actuarial assumption at the end of the reporting period showing how the defined benefit obligation would have been affected by changes in the relevant actuarial assumption that were reasonably possible at that date.

CARE COUNCIL FOR WALES ANNUAL REPORT AND ACCOUNTS 2013/14

Notes to the Account for year ended 31 March 2014 (cont)

2. Analysis of Net Expenditure by Segment

The Statement of Comprehensive Net Expenditure Account reflects the segments that the operating results of the Care Council are reported to the Executive Management Team in order that performance can be assessed by these segments. Consequently no further analysis of Net Expenditure by Segment is provided.

3	Welsh Government Funding	2013-14	2012-13
		£000	£000
	Grant in Aid received from the Welsh Government	9,824	9,344

As outlined in Note 1(ii) the total grants of £9,824k (2012-13 £9,344k) are now credited to the General Fund on receipt.

3(i) Non-retainable income	2013-14	2012-13
Interest on deposit account	2	1
Total non-retainable income	<u>2</u>	<u>1</u>

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

Cash Received (income exceeding Welsh Government threshold).	2	1
Total income repayable	<u>2</u>	<u>1</u>
Cash repayment	<u>2</u>	<u>1</u>

The Care Council has a liability to repay the Welsh Government interest received during the year, and fee income in excess of the target of £280k. The fee income received in the year totalled £272k (2012-13: £261k) with no repayment made.

Notes to the Account for year ended 31 March 2014 (cont)

4. Staff numbers and related costs

4 (i) Staff costs comprise:

	2013-14				Restated 2012-13	
	Total costs £'000	Permanent employed staff £'000	Others £'000	Chair & Council Members £'000	Panel Members £'000	Total Costs £'000
Salaries and wages	2,767	2,585	29	99	54	2,660
Social Security costs	208	205	-	3		207
Other pension costs	590	590	-	-	-	475
Sub-total	3,565	3,380	29	102	54	3,342
Less recoveries in respect of outward secondments	-	-	-	-	-	-
Total net costs	3,565	3,380	29	102	54	3,342

Consistent with guidance, employment costs include payments made in respect of contract staff. The total cost of salaries excluding Other Pension Costs was £2,975k in 2013-14 in comparison to £2,867k in 2012-13.

Other pension costs are the service costs (current and past) of the scheme and in 2013-14 totalled a cost of £590k. This £590k consists of actual Employer contributions made of £510k and a charge of £80k (charge of £10k in 2012-13) which is required to increase the actual contributions paid with the service cost required to be charged under International Accounting Standard (IAS 26). The £80k charge in 2013-14 relates entirely to current service charge. In 2012-13 the £475k consisted of actual Employer Contributions made of £465k but increased by £10k as noted above.

4 (ii) Average number of persons employed

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

Departments	2013-14	2013-14	2013-14	2012-13
	Total No.	Permanent No.	Others No.	Total No.
Chief Executive and Directors	4	4	-	4
Regulation of Workforce	32	32	0	33
Workforce Development	22	21	1	21
Communications	5	5	-	5
Corporate Support	18	18	-	18
Total	81	80	1	81

Notes to the Account for year ended 31 March 2014 (cont)

5 Programme Costs	2013-14	2012-13
	£000	£000
5(i) Training Support and other grants		
Social Work Bursary Scheme Payments	2,610	2,620
Practice Learning Opportunity Funding	1,303	1,321
Continuing Professional Education & Learning	311	-
	4,224	3,941
Other Grants		
Social Care Regional Partnerships	140	140
Service Users/Carers involvement in Social Work Training	53	66
	4,417	4,147

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.

Notes to the Account for year ended 31 March 2014 (cont)

5(ii) Non grant programme expenditure	2013-14	2012-13
	£000	£000
Workforce Development incl Qualifications and Standards	536	405
Skills for Care and Development (SfCD)	59	59
Regulation of the Workforce	399	502
Regulation of Social Work Training	40	37
	1,034	1,003

Licensed in February 2005, the Care Council is part of the UK Sector Skills Council (SSC), Skills for Care and Development (SfCD). 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 2013-14 were £59k and an additional £32k was incurred in relation to employee costs which are included in Employment costs. These costs were rechargeable to SfCD and the amount receivable of £91k is shown in the Statement of Comprehensive Net Expenditure.

In addition to the Grant in Aid received from the Welsh Government, £103k of funding was received specifically for commissioned work as shown in the Statement of Comprehensive Net Expenditure. £44k of these costs were incurred in relation to employees and is included in Employment costs. The remainder of these costs are included in the £1,034k total of Non grant programme expenditure for 2013-14.

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

Notes to the Account for year ended 31 March 2014 (cont)

6. Administration Costs	2013-14	2012-13
	£000	£000
Chair, members, and staff expenses	119	135
Other staff costs	113	102
Rental under Operating leases- Accommodation	196	201
Other Premises costs	218	221
Workshops, seminars, promotions, publications	106	112
Equipment and software	248	247
Rental under Operating leases-Photocopiers	2	2
Administration	68	71
External audit-Audit work	18	18
External audit-Additional Assurance work	-	2
Other professional fees	77	78
	<hr/>	<hr/>
	1,165	1,189

Notes to the Account for year ended 31 March 2014 (cont)

7. Property, Plant and Equipment

	year ended 31 March 2014			
	Accommodation Refurbishment	Furniture and Fittings	Information Technology	Totals
	£000	£000	£000	£000
Cost				
At 1 April 2013	310	175	715	1,200
Additions in the period	-	-	29	29
Disposals in the period	-	(2)	-	(2)
At 31 March 2014	<u>310</u>	<u>173</u>	<u>744</u>	<u>1,227</u>
Depreciation				
At 1 April 2013	240	152	569	961
Charged in the year	35	11	61	107
Disposals in the period	-	(2)	-	(2)
At 31 March 2014	<u>275</u>	<u>161</u>	<u>630</u>	<u>1,066</u>
Net book value				
At 31 March 2014	<u>35</u>	<u>12</u>	<u>114</u>	<u>161</u>
At 1 April 2013	<u>70</u>	<u>23</u>	<u>146</u>	<u>239</u>

	year ended 31 March 2013			
	Accommodation Refurbishment	Furniture and Fittings	Information Technology	Totals
	£000	£000	£000	£000
Cost				
At 1 April 2012	310	175	705	1,190
Additions in the period	-	-	18	18
Disposals in the period	-	-	(8)	(8)
At 31 March 2013	<u>310</u>	<u>175</u>	<u>715</u>	<u>1,200</u>
Depreciation				
At 1 April 2012	201	137	510	848
Charged in the year	39	15	67	121
Disposals in the period	-	-	(8)	(8)
At 31 March 2013	<u>240</u>	<u>152</u>	<u>569</u>	<u>961</u>
Net book value				
At 31 March 2013	<u>70</u>	<u>23</u>	<u>146</u>	<u>239</u>
At 1 April 2012	<u>109</u>	<u>38</u>	<u>195</u>	<u>342</u>

CARE COUNCIL FOR WALES ANNUAL REPORT AND ACCOUNTS 2013/14

Notes to the Account for year ended 31 March 2014 (cont)

8. Intangible Assets

	year ended 31 March 2014			Totals £000
	Information Technology	Licences	Develop ment Expendit ure	
	£000	£000	£000	
Cost				
At 1 April 2013	575	37	-	612
Additions in the period	60	13	147	220
Disposals in the period	-	-	-	-
At 31 March 2014	<u>635</u>	<u>50</u>	<u>147</u>	<u>832</u>
Amortisation				
At 1 April 2013	165	12	-	177
Charged in the year	144	11	-	155
Disposals in the period	-	-	-	-
At 31 March 2014	<u>309</u>	<u>23</u>	<u>-</u>	<u>332</u>
Net book value				
At 31 March 2014	<u>326</u>	<u>27</u>	<u>147</u>	<u>500</u>
At 1 April 2013	<u>410</u>	<u>25</u>	<u>-</u>	<u>435</u>

	year ended 31 March 2013			Totals £000
	Information Technology	Software Licences	Under Construct ion	
	£000	£000	£000	
Cost				
At 1 April 2012	416	29	-	445
Additions in the period	159	8	-	167
Disposals in the period	-	-	-	-
At 31 March 2013	<u>575</u>	<u>37</u>	<u>-</u>	<u>612</u>
Amortisation				
At 1 April 2012	58	4	-	62
Charged in the year	107	8	-	115
Disposals in the period	-	-	-	-
At 31 March 2013	<u>165</u>	<u>12</u>	<u>-</u>	<u>177</u>
Net book value				
At 31 March 2013	<u>410</u>	<u>25</u>	<u>-</u>	<u>435</u>
At 1 April 2012	<u>358</u>	<u>25</u>	<u>-</u>	<u>383</u>

CARE COUNCIL FOR WALES ANNUAL REPORT AND ACCOUNTS 2013/14

Notes to the Account for year ended 31 March 2014 cont.

9. Financial Instruments

As the cash requirements of the Care Council are primarily met through Grant-in-Aid provided by the Welsh Assembly Government, financial instruments play a more limited role in creating and managing risk than would apply to a non-public sector body. The majority of financial instruments relate to contracts to buy non-financial items in line with the Care Council's expected purchase and usage requirements and the Care Council is therefore exposed to little credit, liquidity or market risk.

10. Trade receivables and other current assets

	At 31 March	
	2014	2013
Amounts falling due within one year	£000	£000
Trade receivables		
Skills for Care and Development	71	73
Welsh Government	69	4
Local Authorities	1	-
Social Work Bursary Scheme Debtors	22	13
Other bodies	1	1
Other receivables		
Prepayments and accrued income	319	345
	<u>483</u>	<u>436</u>

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.

11. Cash and cash equivalents

	2013-14	2012-13
	£000	£000
Balance at 1 April	166	301
Net change in cash and cash equivalent balances	<u>(12)</u>	<u>(135)</u>
Balance at 31 March	<u>154</u>	<u>166</u>

The balances at the 1st April 2012, the 1st April 2013, and the 31st March 2014 were held at Commercial Banks and cash in hand.

Notes to the Account for year ended 31 March 2014 cont.

12. Trade payables and other current liabilities

	At 31 March	
	2014 £000	2013 £000
Amounts falling due within one year		
Trade payables		
Local Authorities	-	3
Other bodies	-	15
Other Taxation and Social Security	6	27
Other payables		
Accruals and deferred income	292	219
	298	264

13. Capital Commitments

Contracted Capital commitments at 31 March 2014 not otherwise included in these financial statements totalled £90k (£0k at 31 March 2013).

14. Commitments under Operating leases

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

	as at 31 March	
	2014 £000	2013 £000
Obligations under operating leases comprise:		
Land and Buildings		
Not later than one year	62	181
Later than one year and not later than five years	574	246
Later than five years	-	-
	636	427
Other		
Not later than one year	2	2
Later than one year and not later than five years	3	6
	5	8

15. Retirement benefit obligations**(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.

Notes to the Account for year ended 31 March 2014(cont)

15(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 Aon Hewitt Limited, London.

15(iii) International Accounting Standard no.19 (IAS 19 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 (LGPS). The LGPS is a funded defined benefit plan with benefits earned up to 31 March 2014 being linked to final salary. Benefits after 31 March 2014 are based on a Career Average Revalued Earnings scheme. Details of the benefits to be paid for the period covered by this disclosure are set out in the LGPS (Benefits, Membership and Contributions) Regulations 2007.

The funded nature of the LGPS requires the Employer and its employees to pay contributions into the Fund, calculated at a level intended to balance the pension liabilities with investment assets. Information on the framework for calculating contributions to be paid out is set out in LGPS Regulations 2013 and the Fund's Funding Strategy Statement. The contributions to be paid until the date the next actuarial valuation of the Fund is available are set out in the Rates and Adjustment Certificate.

The Fund Administering Authority, Rhondda Cynon Taf is responsible for the governance of the Fund

The Care Council for Wales recognises gains and losses in full, immediately through the Statement of Comprehensive Net Expenditure.

In accordance with International Accounting Standard no.19 - Employee Benefits (IAS 19), disclosure of certain information concerning assets, liabilities and income and expenditure relating to pension schemes is required.

A revised IAS 19 came into effect for accounting periods on or after 1 January 2013. The disclosures provided have therefore been calculated under the revised IAS19, including the restated previous year's results.

Contributions for the year ending 31 March 2015

The Employer's regular contributions to the Fund for the accounting period ending 31 March 2015 are estimated to be £0.66M.

Additional contributions may also become due in respect of any employer discretions to enhance members benefits in the Fund over the next accounting period.

CARE COUNCIL FOR WALES ANNUAL REPORT AND ACCOUNTS 2013/14

Notes to the Account for year ended 31 March 2014 (cont)

15. (iii) cont'd

Assumptions

The latest actuarial valuation of Care Council for Wales's liabilities took place as at 31 March 2013. Liabilities have been estimated by the independent qualified actuary on an actuarial basis using the projected unit credit method. The principal assumptions used by the actuary in updating the latest valuation of the fund for IAS 19 purposes were:

Principal Financial Assumptions (% per annum)

	31 March 2014 (% pa)	31 March 2013 (% pa)	31 March 2012 (% pa)
RPI Inflation	3.4	3.7	3.6
CPI Inflation	2.4	2.8	2.6
Rate of general increase in salaries**	3.9	4.7	5.1
Rate of increase to pensions in payment*	2.4	2.8	2.6
Rate of increase to deferred pensions	2.4	2.8	2.6
Discount rate	4.4	4.7	4.8

* In excess of Guaranteed Minimum Pension increases in payment where appropriate.

** In addition, allowance is made for the same age related promotional salary scales as used at the actuarial valuation of the Fund as at 31 March 2013 for accounting period 13/14 and as used at the actuarial valuation of the Fund as at 31 March 2010 for accounting period 12/13.

CARE COUNCIL FOR WALES ANNUAL REPORT AND ACCOUNTS 2013/14

Notes to the Account for year ended 31 March 2014 (cont)

15. (iii) cont'd

Mortality Assumptions - The mortality assumptions are based on the recent actual mortality experience of members within the Fund and allow for expected future mortality improvements

Post retirement mortality

(retirement in normal health)

	31 March 2014	31 March 2013
Males		
Year of Birth base table	Standard SAPS Normal Health All Amounts (S1NMA)	Standard SAPS Normal Health All Amounts (S1NMA)
Rating to above base table * (years)	0	0
Scaling to above base table rates	100%	90%
Improvements to base table rates	CMI 2012 with a long term rate of improvement of 1.5% p.a.	CMI 2009 with a long term rate of improvement of 1.25% p.a.
Future Lifetime from age 65 (aged 65 at accounting date)	22.9	23.3
Future Lifetime from age 65 (aged 45 at accounting date)	25.1	25.2

Females

Year of Birth base table	Standard SAPS Normal Health All Amounts (S1NFA)	Standard SAPS Normal Health All Amounts (S1NFA)
Rating to above base table * (years)	0	0
Scaling to above base table rates	95%	100%
Improvements to base table rates	CMI 2012 with a long term rate of improvement of 1.5% p.a.	CMI 2009 with a long term rate of improvement of 1.25% p.a.
Future Lifetime from age 65 (aged 65 at accounting date)	25.8	24.7
Future Lifetime from age 65 (aged 45 at accounting date)	28.2	26.6

* A rating of x years means that members of the Fund are assumed to follow the mortality pattern of the base table for an individual x years older than them. The ratings shown apply to normal health retirements.

Commutation

31 March 2014

Each member was assumed to surrender pension on retirement, such that the total cash received (including any accrued lump sum from pre 2008 service) is 75% of the permitted maximum.

31 March 2013

Each member assumed to exchange 50% of the maximum amount permitted of their pre 1 April 2010 pension entitlements, for additional lump sum. Each member assumed to exchange 75% of the maximum amount permitted of their post 31 March 2010 pension entitlements, for additional lump sum.

Notes to the Account for year ended 31 March 2014 (cont)

15. (iii) cont'd

Asset Allocation

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. The assets allocated to the Employer in the Fund are notional and the assets are assumed to be invested in line with the investments of the Fund set out below for the purposes of calculating the return to be applied to those notional assets. The Fund is large and largely liquid and as a consequence there will be no significant restriction on realising assets if a large payment is required to be paid (e.g. bulk transfer value payment).

The Administering authority does not invest in property of assets related to itself. It is possible, however, that assets may be invested in shares relating to some of the private sector employers participating in the Fund if it forms part of their balanced investment strategy.

	Asset Split at 31 March 2014 (%)			Asset Split at 31 March 2013 (%)
	Quoted	Unquoted	Total	
Equities	71.0	0	71.0	68.7
Property	5.9	0	5.9	5.9
Government Bonds	8.5	0	8.5	10.6
Corporate Bonds	11.7	0	11.7	11.4
Cash	2.9	0	2.9	3.4
Other*	0.0	0	0.0	0
Total	100.0	0.0	100.0	100.0

*Other holdings may include hedge funds, currency holdings, asset allocation futures and other financial instruments. It is assumed that these will get a return in line with equities.

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 assets 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 2014.

CARE COUNCIL FOR WALES ANNUAL REPORT AND ACCOUNTS 2013/14

Notes to the Account for year ended 31 March 2014 (cont)

15. (iii) cont'd

Reconciliation of Funded Status to the Statement of Financial Position

	Value at 31 March 2014 £M's	Value at 31 March 2013 £M's	Value at 31 March 2012 £M's
Fair value of Assets	9.43	8.17	6.78
Present value of funded defined benefit obligation	10.47	10.06	9.03
Funded Status	(1.04)	(1.89)	(2.25)
Impact of minimum funding requirement / asset ceiling	0.00	0.00	0.00
Asset / (Liability) recognised on the SOFP	(1.04)	(1.89)	(2.25)

The split of the defined obligation at the last valuation date between the various categories of members was as follows:

Active Members	65%
Deferred Pensioners	14%
Pensioners	21%

Breakdown of amounts recognised in Net Expenditure and Other Comprehensive Expenditure

	Year ending 31 March 2014 £M's	Year ending 31 March 2013 £M's
Operating Cost		
Current service cost ⁽¹⁾	0.59	0.48
Past service cost (incl. curtailments)	0.00	0.00
Settlement cost	0.00	0.00
Financing Cost		
Interest on net defined benefit liability / (asset)	0.08	0.09
Pension cost recognised in Net Expenditure	0.67	0.57
Remeasurements in OCE		
Return on plan assets (in excess of) / below that recognised in net interest	(0.20)	(0.79)
Actuarial (gains)/losses due to change in financial assumptions	(0.56)	0.34
Actuarial (gains)/losses due to change in demograph assumptions	(0.14)	0.00
Actuarial (gains)/losses due to liability experience	(0.11)	(0.01)
Total Amount recognised in OCE	(1.01)	(0.46)
Total Amount recognised	(0.34)	0.11

⁽¹⁾ The Current service cost includes an allowance for the administration expenses of £0.01m

CARE COUNCIL FOR WALES ANNUAL REPORT AND ACCOUNTS 2013/14

Notes to the Account for year ended 31 March 2014 (cont)

15. (iii) cont'd

Changes to the present value of defined benefit obligation during the year

	Year ending 31 March 2014	Year ending 31 March 2013
	£M's	£M's
Opening defined benefit obligation	10.06	9.03
Current service cost	0.59	0.48
Interest Cost	0.48	0.42
Contributions by participants	0.19	0.16
Actuarial losses/(gains) on liabilities - financial assumptions	(0.56)	0.34
Actuarial losses/(gains) on liabilities - demographic assumptions	(0.14)	0.00
Actuarial losses/(gains) on liabilities - experience	(0.11)	(0.01)
Net benefits paid out#	(0.04)	(0.36)
Past service cost (incl. curtailments)	0.00	0.00
Net increase in liabilities from disposals & acquisitions	0.00	0.00
Settlements	0.00	0.00
Closing defined benefit obligation	10.47	10.06

Consists of net benefits cash-flow out of the Fund in respect of the employer, including an approximate allowance for the expected cost of death in service lump sums and Fund administration expenses.

Changes to the Fair Value of Assets during the Year

	Year ending 31 March 2014	Year ending 31 March 2013
	£M's	£M's
Opening fair value of assets	8.17	6.78
Interest income on assets	0.40	0.33
Remeasurement gains / (losses) on assets	0.20	0.79
Contributions by the Employer	0.51	0.47
Contributions by the Participants	0.19	0.16
Net benefits paid out#	(0.04)	(0.36)
Net increase in assets from disposals & acquisitions	0.00	0.00
Settlements	0.00	0.00
Closing fair value of assets	9.43	8.17

Consists of net benefits cash-flow out of the Fund in respect of the employer, including an approximate allowance for the expected cost of death in service lump sums and Fund administration expenses.

Actual Return on Assets

	Year ending 31 March 2014	Year ending 31 March 2013
	£M's	£M's
Expected return on assets	0.40	0.33
Actuarial (loss)gain on assets	0.20	0.79
Actual return on assets	0.60	1.12

Notes to the Account for year ended 31 March 2014 (cont)

15. (iii) cont'd

Sensitivity Analysis

The results shown in this report are sensitive to the assumptions used. The approximate impact of changing the key assumptions on the present value of the funded defined benefit obligation as at 31 March 2014 is set out below. In each case, only the assumption mentioned is altered; all other assumptions remain the same and are summarised in Section 2. For inflation, for example, we have assumed this will not change the salary inflation figure and will affect pension increases only.

We have not included sensitivity of unfunded benefits on materiality grounds

Funded LGPS benefits

Discount rate assumption

Adjustment to discount rate	+0.01% p.a.	-0.1% p.a.
Present value of total obligation (£m's)	10.24	10.72
% change in present value of total obligation	-2.2%	-2.4%

Rate of general increase in salaries

Adjustment to salary increase rate	+0.1% p.a.	-0.1% p.a.
Present value of total obligation (£m's)	10.53	10.42
% change in present value of total obligation	0.6%	-0.5%

Rate of increase to pensions in payment and deferred pensions assumption, and rate of revaluation of pension accounts assumption

Adjustment to pension increase rate	+0.1% p.a.	-0.1% p.a.
Present value of total obligation (£m's)	10.66	10.30
% change in present value of total obligation	1.8%	-1.6%

Post Retirement mortality assumption

Adjustment to mortality age rating assumption*	-1 year	+1 year
Present value of total obligation (£m's)	10.67	10.27
% change in present value of total obligation	1.9%	-1.9%

*A rating of +1 year means that members are assumed to follow the mortality pattern of the base table for an individual that is 1 year older than them

16. Contingent Liabilities disclosed under IAS 37

There are no contingent liabilities as at 31 March 2014.

CARE COUNCIL FOR WALES ANNUAL REPORT AND ACCOUNTS 2013/14

Notes to the Account for year ended 31 March 2014 (cont)

17. 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:

Health and Care Professions Council	Northern Ireland Social Care Council
Scottish Social Services Council	Cwm Taff Local Health Board
Rhondda Cynon Taf County Borough Council	
Cardiff University	

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.

There were transactions with various related organisations during the year. These transactions were not with the individual Council members but with the organisation for which the Council member was either employed or remunerated by during the year. These transactions relate primarily to contractual payments for the Continuing Professional Education and Learning (CPEL) scheme and Practice Learning Opportunity Funding payments. The transactions were as follows:-

Council Member	Relationships and related organisation	Transactions in Period
Dr Alyson Rees	Senior Lecturer Cardiff University	£332,687
Ellis Williams	Group Director (Community and Children's Services) Rhondda Cynon Taff County Borough Council	£118,423
	Non Executive Associate Director Cwm Taff Local Health Board	£897

18. Third Party Assets

The Care Council does not hold any third party assets in which it acts as a custodian or a trustee.

19. Events after the reporting period

There have been no events after the reporting period, which require disclosure or adjustment to the 31 March 2014 financial statements.