



Social Work England Annual Report and Accounts 2019 to 2020

July 2020

Social Work England
Annual Report and Accounts
For the period 1 April 2019 – 31 March 2020

A Non-Departmental Public Body

**Presented to the House of Commons pursuant to paragraph 18(3),
schedule 3 of the Children and Social Work Act 2017**

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Overview from the chair and chief executive



A warm welcome to our first annual report since becoming the new specialist regulator for social workers in England. In the following pages you will see highlights from our journey to become a brand new regulator leading to our launch on the 2 December 2019 and our first four months of fully operational regulatory functions.

This is just the beginning of the change we have been established to achieve: specialist standards across social work, raising practice standards, improving the value placed on social work and ultimately having a positive impact on people's lives.

It's a landmark moment as our organisation takes over as the regulator. We have been established under new legislation which allows us to be a modern, specialist regulator that protects the public and builds and promotes confidence in the social work profession.

For the past year, we've been on a mission to build and establish a brand new organisation, brick by brick from the ground up. We've needed to attract and recruit our people, set standards to protect the public and empower the profession moving forwards, ensure a smooth and safe transition for social workers in the transfer of regulation from the Health and Care Professions Council (HCPC) and build the systems and infrastructure that allow us to 'open for business'. This has meant staying

true to our central principles of collaboration and engagement, continuing to speak with our colleagues and partners across the country, including people with lived experience of social work, to test, learn and develop our new approach together.

Becoming the regulator for social work was our first important step, but there is still a lot to do. We remain firmly committed to a collaborative approach, to working with and listening to people as we move forward.

We recognise that at the time of writing, social workers and society are facing pressure like never before due to COVID-19. On top of navigating the personal challenges that the pandemic brings, social workers are at the forefront of supporting our most vulnerable people through this, alongside their health and social care colleagues. We acknowledge that this organisation has a unique view of social work in England and remain committed to influencing the conversation on the collective response required by the profession in the months that lie ahead.

For the profession, that means providing guidance on matters relating to our regulation and, where possible, avoiding placing any unnecessary burdens on social workers, employers of social workers, and education and training providers so that they can work flexibly to support those in society during this time of unprecedented need. As an organisation we have equally had to adapt so that we can continue to work safely and

effectively throughout the pandemic.

We recognise that we work as part of a complex system that has people and relationships at the heart of it. Collaboration, now more than ever, will be key for all of us to put people first and find our way through this together.



Professor The Lord Patel of Bradford OBE
Chair of the Board
Social Work England



Colum Conway
Chief Executive and Accounting Officer
Social Work England

Performance report

The performance report explains who we are, our purpose, our organisational structure, primary objectives and performance.

Performance overview

Social Work England is a non-departmental public body, sponsored by the Department for Education and the Department of Health and Social Care. We've been established in a way that allows us to deliver radically different regulation. Our headquarters and hearing complex are in Sheffield.

Our purpose is to protect the public and raise standards across social work in England, so that people receive the best possible support whenever they might need it in life. We're committed to achieving this through collaboration with everyone involved in social work.

We've been established by the Children and Social Work Act (2017) and The Social Workers Regulations (2018). Section 37 of The Act sets out our overarching objective to protect the public and describes how we will pursue this through the following objectives:

- To protect, promote and maintain the health, safety and wellbeing of the public.
- To promote and maintain public

confidence in social workers in England.

- To promote and maintain proper professional standards for social workers in England.

The achievement of our overarching objectives are delivered through our key regulatory functions:

- Setting professional standards, including those for proficiency, conduct and ethics.
- Setting profession-specific standards for, and approving, social work courses of initial education and training to enable students to register as a social worker.
- Maintaining a register of over 98,000 social workers in England.
- Running a proportionate and efficient fitness to practise system.
- Assessing continuing professional development, which promotes continuing fitness to practise.
- Approving post-qualifying courses.

Our executive leadership team



COLUM CONWAY

Chief Executive



SARAH BLACKMORE

Executive Director, Strategy,
Policy and Engagement



JONATHAN DILLON

Executive Director,
Fitness to Practise



PHILIP HALLAM

Executive Director,
Registration, Quality
Assurance and Legal



GREG ROSS-SAMPSON

Assistant Director,
Corporate Services



TRACY WATTERSON

Assistant Director,
People and Business Support

During 2019 and early 2020, there was also an executive director of legal and executive director of finance in post. They left the organisation on 29 December 2019 and 31 March 2020, respectively. Following their departure, our directorates changed to align with our strategy moving forward.

What we do and how we operate

This has been a year of two parts. The focus of our activity up until 2 December 2019 was on ensuring we had everything in place for the safe and effective transfer of the regulation of social workers in England from the HCPC to Social Work England. To do this we took a strong project management approach which had at its heart five critical pathways:

1. Building and supporting our talented workforce and procuring our partners.
2. Creating robust IT, governance and management systems.
3. Developing our regulatory approach.
4. Establishing ongoing dialogue and collaboration with the social work sector.
5. Constructing our organisation.

In the four months between becoming the regulator to 31 March 2020, we focused on:

- consolidating our position by ensuring the effective registration of social workers and maintaining the register;
- encouraging social workers to activate their Social Work England online account and upload their continuing professional development (CPD);
- addressing directly all the fitness to practise processes required for the cases transferred to us from the HCPC;
- continuing to build a positive relationship within the sector at local, regional and national levels; and
- working in collaboration to produce our first strategic plan to 2023.

This report outlines the key elements of our journey for the year 2019 to 2020.



Our journey

Around 1,000 hours
of staff training
completed

May 2019

Legislation updated to
facilitate safe transfer
of data from HCPC
and data transfer
begins

September 2019

30% of our workforce
are welcomed into our
organisation

April 2019

May 2019

Consultation on rules
and standards closes

October 2019

Intensive data analysis
and testing begins

July 2019

The Secretary of
State for Education
announces that we will
become the regulator
on 2 December 2019

8 events and 590
online responses
over 10 weeks

October 2019

Readiness review by the Infrastructure and Projects Authority gives us the amber/green light to go live on 2 December

Over 1,000 fitness to practise cases reviewed

December 2019

We begin regulating the social work profession and over 97,000 welcome emails sent

November 2019

Education course provider approval data successfully transferred

March 2020

Organisation transitions to work from home due to COVID-19

January 2020

Over 6,000 accounts activated in one day

Over 100 external events attended

01

PERFORMANCE ANALYSIS
BUILDING AND SUPPORTING
OUR TALENTED WORKFORCE
AND PROCURING OUR
PARTNERS

Recruiting our people, establishing our values

Our recruitment plan was successful. Recruitment was one of the key challenges and sources of activity as we prepared to become the regulator. Firstly, we were required to recruit and train our workforce. Secondly, we were required to recruit people with experience and expertise to support our regulatory activity in registration, fitness to practise and education quality assurance.

We needed to recruit talented and motivated people who would thrive in a fast paced and evolving environment. Our recruitment strategy included having a regular presence at local job fairs, building relationships with recruitment agencies, hosting regular recruitment evenings, forging links with the city council's investment team, word of mouth, linking with Sheffield universities, maximising the use of social media and jobs boards.

Our values and behaviours have been shaped by our staff through a series of workshops, meetings and ongoing monthly discussions, in which all staff contribute.

"My introduction to Social Work England has felt very positive and I feel that I have made a good decision in coming to work here. The recruitment process was very well managed, especially given the number of people who were recruited in a short time."

Social Work England employee



Learning and development

Our learning and development team designed and delivered an induction and a training and development package that equipped people to hit the ground running and quickly add value. The team have delivered, facilitated and procured a comprehensive suite of development for our people and partners through blended learning including team building, mandatory training modules, specialist training and resilience training.

926 hours
of learning,
development and
training

"The training so far has been excellent and there is very much a sense that our skills and expertise are valued."
Social Work England employee

Our partners

Our partners are registered social workers, legal professionals and members of the public who are contracted for four years to provide their expertise in an independent, impartial, and transparent manner. Their experience and knowledge ensure that we have balanced representation across our core functions and enables an objective approach to decision making, involving both professional and lay input into our work. We plan to recruit 10 continuing professional development partner assessors in 2020 to 2021.

Fitness to practise partners

Panel chair
Adjudicators
Legal advisers

Registration partners

Registration advisors

Education quality assurance

Education quality assurance inspectors

179 partners
to 201 roles
appointed

Our values and behaviours

FEARLESS

Influence and drive change where needed.

INDEPENDENT

Carry out our work without undue influence from anyone.

AMBITIOUS

Have high aspirations for the social work profession, for regulation and for ourselves.

INTEGRITY

Work with integrity in every aspect of our business.

COLLABORATIVE

Involve those with an interest in social work about who we are, what we plan to do and how we plan to do it.

TRANSPARENT

Honest and open about what we're doing and how we're doing it. Seek and act on feedback.

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PERFORMANCE ANALYSIS
CREATING ROBUST IT,
GOVERNANCE AND
MANAGEMENT SYSTEMS

Transfer of data

The secure transfer of data from the HCPC's multiple systems, as well as the transformation of the data into a format that was compatible with our systems and processes, was one of our largest challenges.

The data was in both a structured and unstructured format for all aspects of the business, and included information on registered social workers, applications to be registered, fitness to practise cases, finance, and education and training.

The transfer process involved building and sustaining a strong working relationship with the team at the HCPC to ensure we collectively took a rigorous approach to the safe and effective transfer of data. The process complied with our legal and regulatory responsibilities regarding General Data Protection Regulation (GDPR). As a result of this work, the secure transfer of data and transformation was achieved ahead of time allowing us to mitigate risk and fully quality check and test the data. The early set up provided a good basis for us to become the regulator and was a measure of the secure, structured process and huge testing efforts deployed throughout this project.

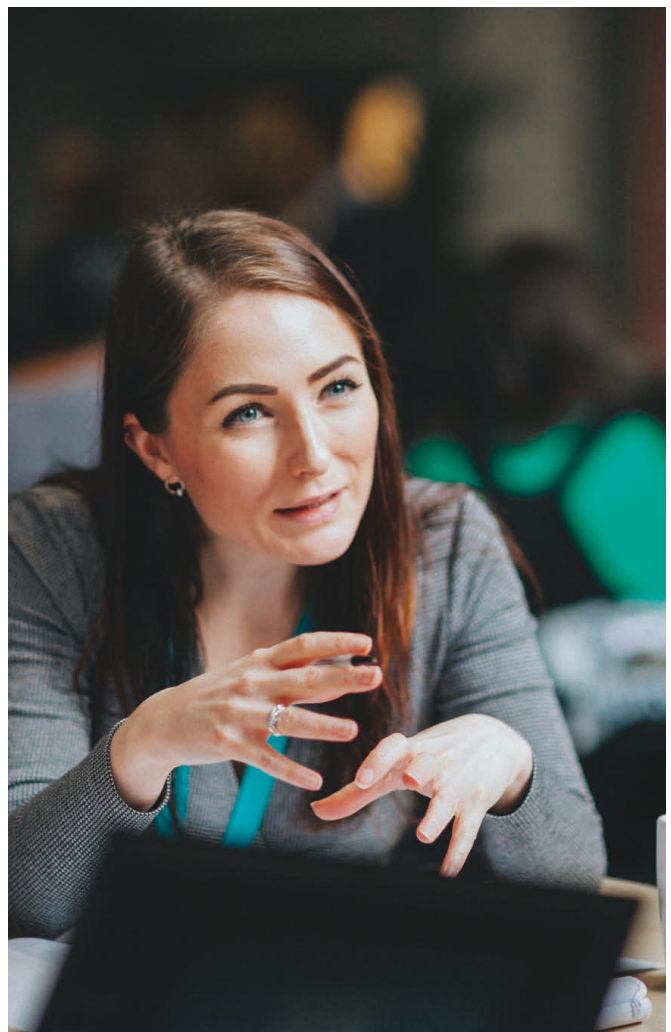
Delivering digital services

Delivering a digital platform over 12 months in an environment with no established services, processes or organisational structures meant working in a truly agile way. As our understanding of the internal and external requirements developed for our users, we were able to adapt and rescope delivery of our IT infrastructure throughout.

In partnership with a third party supplier, we implemented a multi-purpose cloud-based solution using the latest low cost development tools and techniques, reusable

components and, where necessary, third party applications. With this, we developed a system for case management, document management and customer relationship management across the organisation.

**6 front-facing
digital services
delivered**



03

PERFORMANCE ANALYSIS
DEVELOPING OUR
REGULATORY APPROACH

Our core functions and processes

We designed our core regulatory functions and processes so that from day one, we could enable positive change in social work on behalf of the public. Our legislation means that we can take a more proportionate approach to fitness to practise proceedings.

Online registration helps to streamline the effort involved for new and renewing registrants, whilst maintaining a robust assessment process.

Our professional standards, created in collaboration with the profession, are designed to strengthen the connection between social workers and their standards. Our education and training standards and approval processes provide assurance of the quality of social workers entering the profession. This is supported by our continuous professional development (CPD) process that provides assurance to the public that existing social workers continue to build their skills and experience.

Alongside the consultations for our rules and standards, and the recruitment of our workforce and partners, we focused on creating the systems and processes that would form the framework for regulatory approach across our core functions.

We have produced guidance that supports applicants and registered social workers understand what they need to do to join and remain on our register. The development of this guidance was particularly important in areas where our regulatory requirements were different from that of the previous regulator, for example the demonstration of English language competence.

Our standards

The professional standards are the threshold standards necessary for safe and

effective practice for all social workers. They set out what a social worker in England must know, understand and be able to do after completing their social work education or training. Social workers must continue to meet the professional standards to maintain their registration, including CPD.

Our education and training standards for social work education and training courses ensure that the right students are admitted onto social work courses, that they are working towards the professional standards, and that they are preparing for employment as a social worker.

Education quality assurance

Our quality assurance model provides for robust evidence gathering, the ability to observe teaching as part of our inspection process, and a clear decision making process for the approval and reapproval of courses. The model has been designed to accommodate our statutory duty and to support courses in annually demonstrating to us how they continue to meet our standards.

In developing the model, we engaged widely with course providers and others to ensure that our approach would be collaborative, responsive and engagement led. Early feedback from the inspections and approval activity has positively reflected the success of this approach, as well as allowing for clear, well-evidenced decisions.

Fitness to practise

Our new legislative powers provided an opportunity to design a more flexible, efficient and proportionate service for the investigation and adjudication of fitness to practise concerns. We have worked closely with key partners in government, regulation and the profession to ensure these powers

are realised in our rules, procedures and statutory guidance.

A key objective was to establish a tailored process for the initial assessment of new concerns, which allows us to apply a set of targeted criteria to determine whether a full investigation is required. These criteria are risk-based and account for the challenges faced by social workers when applying professional judgement in complex and contested circumstances.

We also developed a collaborative and responsive approach to any further investigation required, including robust powers to require disclosure of evidence from third parties. We established a process for the automatic removal of social workers from the register that have been convicted of serious offences, and a streamlined progression strategy for other concerns that are considered to be high risk.

Through engagement we understood the importance of supporting social workers and witnesses throughout the fitness to practise process. To achieve this, we established a dedicated support service at hearings and a case review team that advise and support social workers through the remediation process when restrictions have been imposed.

Our service includes the involvement of social workers at all key decision points, including triage, investigations and adjudications. Our legislation provides for a wide range of consensual disposal options by our case examiners, which enable swifter interventions where appropriate and a reduction in unnecessary hearings.

Casework teams are structured on a regional basis to align with the regional engagement leads and information sharing arrangements are in place. We have established a fitness to practise decision review group to provide scrutiny of a targeted sample of administrative and statutory decisions across the three stages of the fitness to practise process.

Operating procedures and extensive guidance for triage, investigations, case examination, hearings and case review were finalised in November, with 24 related policies and guidance documents published.

Our case examiners

New measures at the fitness to practise investigations stage allow us to promote efficient and proportionate decision making and provides an unprecedented opportunity to reduce the stress and expense for those involved in the process.

Our case examiners have been appointed to review the documentation gathered at the end of an investigation. They work collaboratively to determine the best course of action and have the power to propose a final order without the need of a public hearing in circumstances where the social worker consents to the proposed outcome, and the case examiners determine that there is no public interest in a hearing. The case examiners have every disposal option available apart from removal from the register, which is reserved for the most serious cases. In circumstances where the case is not serious enough to merit removal and the social worker engages in the investigation, accepts the allegation of impairment and agrees to the proposed disposal option, a suitable outcome can be delivered in a quicker and more proportionate manner.

In our first 12 months of operation we will review and progress all cases from the HCPC through our initial investigations process. After each investigation, the case examiners make effective use of broad disposal powers to reduce the number of cases that need to be referred to a public hearing for a suitable outcome. This means that over time, hearings are only required where key witness evidence is in dispute and/or the nature and severity of the matter requires adjudication in a public forum.

04

**PERFORMANCE ANALYSIS
ESTABLISHING ONGOING
DIALOGUE AND
COLLABORATION WITH
THE SOCIAL WORK SECTOR**

Social Work England on the road

From the very beginning we made a commitment that our regulation would be rooted in the values and principles that underpin the social work profession. Central to our work is collaboration and dialogue with everyone with an interest in social work and our work across policy, engagement and communication reflects that.

We wanted to reach as many people as possible by ensuring that our consultation approach could engage people in different ways. Throughout spring 2019, we held six public events across the country in London, Plymouth, Salford, Newcastle, Birmingham and Sheffield. We spoke and listened to people about the regulator we should become and consulted with them on the development of our rules and standards that are fundamental to the way we regulate.

We held two events for people with lived experience of social work and turned to them alongside our professional experts as critical friends to advise on our proposals. As well as face-to-face engagement, we asked questions through online surveys and held Twitter question and answer sessions.

In addition, we worked with the Social Care Institute for Excellence (SCIE) to run two events specifically for children, young people and adults with lived experience of social work. These groups discussed the professional standards and the standards for education and training. We also held a 10-week public consultation on our proposed continuous professional development process and published guidance ahead of our December launch.

Regional engagement leads

During the summer and autumn months, we cemented our commitment to engaging and listening to people both locally and nationally through our team of eight regional engagement leads, all of whom are qualified social workers. They are building networks with colleagues from a range of organisations to raise awareness of our new standards and to support and share our approach to regulation. The insights they have gathered have been fed back into the organisation through our monthly all team meetings.

We want all social workers to feel a sense of pride in the social work professional standards, and to feel valued for the positive difference they make to the lives of millions of people across the country.



Communications

This year our communications approach supported our launch as a new specialist, engagement led regulator. We wanted to be open and honest in sharing the story of our evolution with the public, professionals, and stakeholders to inform people, challenge perception and encourage action where needed.

A key focus has been learning and creating new relationships with social workers on our register, developing partnerships with stakeholder organisations and building a new website to enable our core services to be user friendly and public facing.

Moving forward our communications strategy will continue to test and learn from different channel approaches to establish our voice within the social work landscape and shift perception about regulation and social work practice.



97,986

welcome emails sent in the first 10 days



600,000

readers reached in launch media coverage



390,000

web page views in December 2019



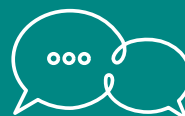
164%

follower increase on Twitter



77

positive media mentions



24

internal staff bulletins



2,000

responses to the Guardian Social Lives Survey

05

PERFORMANCE ANALYSIS
CONSTRUCTING OUR
ORGANISATION

The development of efficient and effective systems and policies

Constructing the framework that enables our organisation to deliver its aims and objectives was a key element of the work leading up to becoming a regulator in December 2019. This work involved the development of efficient and effective HR systems and policies, developing finance systems, our approach to internal and external audit, information governance, governance for the board, extensive procurement and contract management, internal and external legal expertise and processes, data management, and all our administrative infrastructure and systems.

Quality improvement

Our internal quality and improvement team lead and deliver a programme of review, audit, quality assurance and improvement activities, primarily across our registration, quality assurance, fitness to practise, and standards functions. They also manage our corporate feedback and complaints. The team are responsible for ensuring our performance data is aligned to our requirements and, also those of the Professional Standards Authority. The Professional Standards Authority assess the performance of the health and social care regulators they oversee against their Standards of Good Regulation.

Our internal audit strategy for 2020 to 2021, was agreed by our audit, risk and assurance committee in February 2020 and covers both our operational and regulatory functions.



**61 internal
policies and
procedures
created**

**48 contracts
awarded to new
suppliers and
services**



Performance analysis

2 December 2019 to 31 March 2020

Our register

At the point of transfer of regulation, we received 672 registration applications in progress from the HCPC. Additionally, between 2 December 2019 and 31 March 2020, we received 1,581 applications directly to us.

As at 31 March 2020, there were 98,637 social workers on the register.

Additionally, as at 31 March 2020 we have registered 8,128 former social workers on a temporary basis to help assist with the coronavirus emergency, using powers provided to us by Parliament in the Coronavirus Act¹.

Fitness to practise

We received 1,581 open fitness to practise cases from the HCPC on 2 December. 1,294 of these still required a full investigation before a referral for adjudication could be made.

Between 2 December 2019 and 31 March 2020, we have also received 694 new fitness to practise concerns.

334 concerns have been reviewed and closed or referred for a full investigation by our triage team. 182 full investigations have been concluded and there have been 28 case examiner decisions (not including adjourned decisions) by the end of March 2020.

At the hearings stages, eight substantive orders have been made by the fitness to practise adjudicators at final hearings. The adjudicators have also made 18 interim orders at hearings or meetings and have concluded 85 review hearings relating to existing substantive or interim orders.

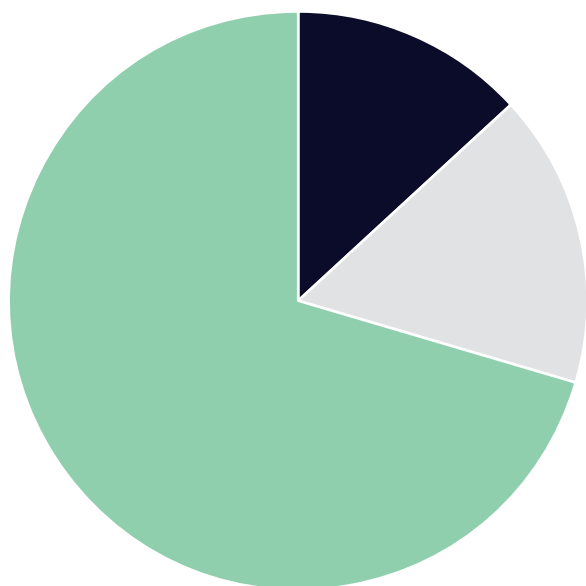
Education quality assurance

We undertook our first inspections in January 2020 and so far, three inspections have taken place as planned. Following these inspections, we approved two programmes with conditions, and the third course was awaiting a decision as at 31 March 2020.

1 <http://www.legislation.gov.uk/ukpga/2020/7/contents/enacted/data.htm>

How we used our funds

Total expenditure: £9.87m
(2018 to 2019: £2.14m)



● Staff and related costs: £6.56m (2018 to 2019: £1.40m)

Consists of wages and salaries, and related costs of £6.21m and £0.35m relating to board costs and travel and subsistence.

● Other operating costs: £2.08m (2018 to 2019: £0.45m)

Consists of other professional services costs of £1.31m, depreciation of £0.5m, research and development costs of £0.1m, marketing costs of £0.03m and other costs of £0.14m.

● Infrastructure costs: £1.23m (2018 to 2019: £0.29m)

Consists of IT infrastructure costs of £0.8m and premises related costs of £0.43m.

Impact of COVID-19

In line with government advice, we closed the office on 20 March 2020 and set up the organisation to work from home. Six hearings were cancelled in the final week of March 2020. We continued to provide a reduced email and telephone enquiries service. We also contributed to the development of the Coronavirus Act. None of our people have been redeployed or furloughed as an impact of COVID-19.

part of the major projects portfolio overseen by the Infrastructure and Projects Authority (IPA). Regular reviews were conducted to assess our progress in delivering four critical path projects:

1. Development of our rules and standards
2. Recruitment of our people
3. The safe and seamless transfer of data from the HCPC
4. Development of our core IT system

Impact of EU Exit

Leaving the EU will have a limited impact relating to the recognition of social workers from other countries, and we are analysing these issues to determine what action we need to take. None of our people have been redeployed to work on EU exit.

The reviews provided reassurance to ministers that we were on track to meet our deadline and gave confidence to announce the date of 2 December 2019.

External assurance

During the setting up of the organisation the Department for Education and Department of Health and Social Care, made a decision to include Social Work England as

From 2 December, as a health and social care regulator, we are overseen by the Professional Standards Authority. The Professional Standards Authority use their Standards of Good Regulation, to assess our performance as a regulator. Our monthly returns to the Professional Standards Authority cover 31 datasets across registration and fitness to practise.

Performance summary

Key data

The table below provides key data used to measure our performance as a regulator since 2 December 2019. We have performed as planned in our first part-year of operating as a regulator.

Performance dataset		2019 to 2020
Registration and education quality assurance		
Number of registrants (including where applicable students) in the following categories	UK graduate	723
	EU/EEA graduate	11
	Non-EU/EEA graduate	21
	Qualification origin not recorded	105,821
Number of new registration applications received from	UK graduate	1,343
	EU/EEA graduate	63
	Non-EU/EEA graduate	175
	Qualification origin not recorded	0
Number of education quality assurance inspections that have taken place		3
Fitness to practise		
Number of referrals received	Legacy	64
	Social Work England	630
Number of decisions made by a final fitness to practise committee and with the following outcomes	Final fitness to practise decision made	8
	Adjourned	3
Other data		
Number of data breaches reported to the Information Commissioner's Office		1

Risks and uncertainties

Our approach to risk management helps to ensure that we meet the high standards of effective corporate governance expected of a regulator and a public sector body. It also helps us in achieving our objectives through risk-based decision making. Our corporate governance report describes our approach to risk management in more detail and sets out the strategic risks we have identified.

Sustainability and the environment

We're immensely proud to be a national organisation working in Sheffield, a location that offers sustainable travel links across the country. Our offices cover two floors of a shared building in a historic corner of the city which is currently undergoing significant 'grey to green' regeneration.

We are committed to good environmental practice aligning to the Greening Government Commitments of a reduction in greenhouse gas and carbon emissions. This includes:

- Our travel policy encouraging the use of public transport and providing guidance that all value for money options must be considered before using a personal vehicle.
- Making the most of our technology by using Microsoft Teams for conferences and meetings instead of travelling to meetings.
- Our lighting system which is automated to switch off when staff have left the room
- Having designated recycling points and bins around the office
- Removal of plastic cutlery and crockery in favour of using only metal cutlery, china and wooden stirrers.

Around 80% of our office-based workforce regularly work at home at least one day a week. Reduced commuting journeys and related carbon emissions contribute to reducing the environmental impact of our work.

We ask everyone to contribute to sustainability with simple actions like:

- Switching off screens, unplugging chargers and printing less
- Using reusable water bottles, cups and mugs rather than single use versions
- Using the stairs rather than lifts when possible

Respect for human rights, dealing with anti-corruption and anti-bribery

In line with the Equality Act 2010, details of our people policies and support programmes can be found in the accountability report.

We promote honesty and integrity in all activities that we undertake, and we are committed to protecting all our assets. To ensure this, we have established an anti-fraud policy.

We ensure that all our business dealings are conducted in an open, honest and fair manner. All our employees, board members and any third parties working on our behalf are expected to conduct their business in an open, honest and fair manner in keeping with the Civil Service code, the Fraud Act 2006 and the Bribery Act 2010.

Financial commentary

Our financial statements are classified to the central government sector and will therefore be consolidated into the Department for Education's 2019 to 2020 annual accounts.

Statement of comprehensive net expenditure

During the period 1 April 2019 to 31 March 2020, we received £8.314m from the Department for Education in the form of grant in aid; to be used in furtherance of our objectives.

Revenue expenditure for the same period was £9.873m against a budget of £11.145m. Expenditure incurred is inclusive of £5.962m staff costs, £0.794m IT costs and £1.230m professional fees.

Statement of financial position

Non-current assets obtained in year cost a total of £2.542m; £0.684m was incurred on leasehold improvements, furniture and fittings and IT equipment and £1.858m on a digital customer relationship management system, which continues to be under development.

As at 31 March 2020, cash and cash equivalent balance was £5.300m. This balance includes a £5.361m transfer of funds from the HCPC relating to registration fees for the year 2 December 2019 to 30 November 2020.

Going concern

The board has reviewed and approved the annual budget for the year ending 31 March 2021. The three-year financial forecast for the period ending 31 March 2023 has been submitted to the Department for inclusion within the Comprehensive Spending Review 2020. Social worker fee income during

the year ending 31 March 2021 will offset a significant proportion of our operating expenditure. The remaining forecasted balance of £9.657m is to be financed by the Department by way of grant in aid.

The Department for Education's estimates and forward plans include provision for Social Work England's continuation and ongoing funding. Based on this information, the board considers that it is appropriate to prepare the financial statements on a going concern basis.

Long term financial perspective

Our long term strategy is to become self-financing rather than be reliant upon grant in aid funding. Our future financial operating models are being developed on this basis. However, the achievement of a self-financing strategy will take several years to realise as we develop our organisational structure and drive operational effectiveness and efficiencies.

Next steps

We were due to launch our corporate strategy on 17 March – World Social Work Day. We paused the strategy launch during the move from the office to home working in response to COVID-19. The strategy was published on 5 May 2020, alongside our business plan 2020 to 2021.

Colum Conway

Chief Executive and Accounting Officer
7 July 2020

Accountability report

Corporate governance report

The purpose of the corporate governance report is to explain the composition and organisation of our governance structure and how this supports the achievement of our objectives.

Directors' report

Our chair, board and chief executive have decision making authority at board level as per the framework document and they are supported by the executive leadership team and staff in discharging their duties.

Register of interests

We maintain a register of interests which contains details of company directorships and other significant interests held by non-executive board members. This is published on our website and updated regularly.

Report on personal information breaches

All departments and non-departmental public bodies are required to report personal data related incidents that have occurred during the financial year in their annual reports, in accordance with the standard disclosure format issued by the Cabinet Office. The Cabinet Office defines a 'personal data related incident' as a loss, unauthorised disclosure or insecure disposal of protected personal data. We have had 13 personal data related incidents within this reporting period. In general, the nature of these incidents involved, for example, inadvertent disclosure of a limited amount of personal data, or disclosure in circumstances which involved only limited risk to the rights and freedoms of the data subjects.

We had one incident that was reported to the Information Commissioner's Office (ICO) in 2019 to 2020. This was done as a prudent

measure, although the nature of the incident was such that, in our assessment, it would not have met the threshold for reporting to the ICO, as it was not likely to result in a high risk to the rights and freedoms of the individuals involved. No action was taken by the ICO.

Statement of accounting officer's responsibilities

Under the Children and Social Work Act 2017, the Secretary of State has directed us to prepare for each financial year a statement of accounts in the form and on the basis set out in the accounts direction. The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of Social Work England and of its income and expenditure, statement of financial position and cash flows for the financial year. In preparing the accounts, the accounting officer is required to comply with the requirements of the financial reporting manual and in particular to:

- observe the accounts direction issued by the Secretary of State, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- make judgements and estimates on a reasonable basis;
- state whether applicable accounting standards as set out in the financial reporting manual have been followed and disclose and explain any material departures;
- prepare the accounts on a going concern basis; and
- confirm that the annual report and accounts as a whole is fair, balanced and understandable and take personal

responsibility for the annual report and accounts and the judgements required for determining that it is fair, balanced and understandable.

The Permanent Secretary, as principal accounting officer of the Department for Education, has designated me as the accounting officer for Social Work England. The responsibilities of an accounting officer, include responsibility for the propriety and regularity of the public finances for which the accounting officer is answerable, for keeping proper records and for safeguarding assets, are set out in Managing Public Money, published by HM Treasury. As the accounting officer, 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 our auditors are aware of that information. So far as I am aware, there is no relevant audit information of which the auditors are unaware.



Governance statement

The purpose of the governance statement

This governance statement describes the corporate governance and risk management frameworks used in the 2019 to 2020 financial year. We operate within a framework document agreed with the Department for Education.

Governance framework

As an evolving organisation, we are continually developing and refining systems to ensure compliance with the Corporate Governance in Central Government Departments: Code of Good Practice. Our board is supported by two sub-committees in delivering our core governance functions: the remuneration committee and the audit, risk and assurance committee.

Board and sub-committee attendance in 2019 to 2020

The current non-executive and executive directors of our board and their meetings attendance are recorded as follows:

Board member	Position	Appointment date	Meetings attended
The Lord Patel of Bradford	Chair	19 March 2018	6/6
Colum Conway	Chief Executive	1 September 2018	6/6
Jonathan Gorvin	Non-Executive Director	10 August 2018	5/6
Ann Harris ²	Non-Executive Director	19 July 2019	2/3
Mark Lam	Non-Executive Director	11 January 2019	6/6
Dr Andrew McCulloch	Non-Executive Director	10 August 2018	6/6
Dr Helen Phillips	Non-Executive Director	10 August 2018	5/6
Baroness Tyler of Enfield	Non-Executive Director	10 August 2018	5/6
Adnan Bashir (up to 31 March 2020)	Executive Director, Finance	1 April 2019	5/6

² Ann Harris was appointed on 19 July 2019, therefore only able to attend a proportion of meetings scheduled.

Our board



**THE LORD
PATEL OF
BRADFORD OBE**



**COLUM
CONWAY**



**JONATHAN
GORVIN**



**ANN HARRIS
OBE CPFA**



MARK LAM



**DR ANDREW
MCCULLOCH**



**DR HELEN
PHILLIPS**



**BARONESS
TYLER OF
ENFIELD**

Our board holds the chief executive and the executive leadership team to account and provides the overall strategic direction for the organisation.

The board oversees corporate performance, the use of resources, provides oversight of risk management, and ensures maintenance of a sound system of internal control through the assurance of the audit, risk and assurance committee. This includes adequate sources of assurance that internal controls and risk management processes are working effectively and that we are compliant with all policies.

The board receive regular progress reports on performance and risks which are subject to challenge at the meetings and are revised as required. Risks are examined in more robust detail by the audit, risk and assurance committee and, if appropriate, escalated to the board for information or action. The board considers financial reports provided by the finance team. These are produced in line with departmental standards and processes, and allow the board to take informed decisions on programme and administrative resources based on their remit. The board is responsible for appointing the chief executive in consultation with the Secretary of State for Education.

At 31 March 2019, the board consisted of the chair, the chief executive and six non-executive members appointed by the Secretary of State for Education. These members were appointed by the Secretary of State for three-year terms. Board members may be re-appointed as their terms expire, but there is no automatic right to this.

Our board meetings are public meetings and both the Department for Education and the Department of Health and Social Care attend the meetings as our sponsor team. During the year, 13 members of the public attended a board meeting. In addition to attending board meetings, members of the board contribute to strategy sessions and review meetings held with the Infrastructure and Projects Authority and the Professional Standards Authority.

Details of committees reporting to the board

Audit, risk and assurance committee

Following the appointment of a new chair of the audit, risk and assurance committee and a review of the committee's terms of reference, the board agreed to a change of name for the committee to better reflect its purpose. The audit, risk and assurance committee advises the board and accounting officer on the following:

- The strategic processes for risk, control and governance and the governance statement.

- The accounting policies, the accounts, and the annual report of the organisation,
- Management's letter of representation to the external auditors.
- Planned audit activity and results of both internal and external audit.
- Adequacy of management response to issues identified by audit activity, including external audit's management letter.
- Assurances relating to the management of risk and corporate governance requirements for the organisation.
- The proposals for tendering and appointment of internal auditors or for purchase of non-audit services from contractors who provide audit services.
- The strategy, remuneration and the work of the National Audit Office (NAO) for the audit work undertaken on the annual accounts.

The chair of the board is responsible for appointing the chair of the audit, risk and assurance committee. The audit, risk and assurance committee membership consists of:

- The chair (a non-executive director who is independent of the chair of the board and the chair of the remuneration committee).
- Non-executive directors.
- The chief executive (accounting officer).

Committee member	Position	Appointment date	Meetings attended
Colum Conway	Chief Executive	1 September 2018	3/3
Jonathan Gorvin	Non-Executive Director	10 August 2018	3/3
Ann Harris ³	Chair (since 5 November 2019)	19 July 2019	2/2
Dr Andrew McCulloch	Interim Chair up to 5 November 2019	10 August 2018	3/3

3 Ann Harris was appointed on 19 July 2019, therefore only able to attend a proportion of meetings.

The sponsor team is represented at the committee. The chair of the audit, risk and assurance committee reports to the board after each meeting.

Remuneration committee

The purpose of the board's remuneration committee is to:

- Advise the board who then advises the Secretary of State for Education annually on the remuneration of the chief executive.
- Support the succession planning for the chief executive.
- Advise the board on appointing chief executives after our first chief executive.

The chair of the board is responsible for appointing the chair of the remuneration committee. There was one remuneration committee meeting in February 2020 as follows:

Committee member	Position	Appointment date	Meetings attended
The Lord Patel of Bradford	Chair	19 March 2018	1/1
Jonathan Gorvin	Non-Executive Director	10 August 2018	0/1
Ann Harris	Observer, Non-Executive Director	19 July 2019	1/1
Mark Lam ⁴	Non-Executive Director	11 January 2019	1/1
Dr Andrew McCulloch	Non-Executive Director	10 August 2018	1/1
Dr Helen Phillips	Non-Executive Director	10 August 2018	1/1
Baroness Tyler of Enfield	Non-Executive Director	10 August 2018	1/1

The terms of reference for the remuneration committee were reviewed by the board in February 2020 and it was agreed that going forward, the membership of the remuneration committee will comprise, going forward:

- The chair (a non-executive director who is independent of the chair of the board and the chair of audit, risk and assurance committee).
- Non-executive directors.

The remuneration committee chair reports to the chair of the board after each meeting. The Department and our internal and external audit teams have free and confidential access to the chair of the remuneration committee. The chief executive is not involved in any decisions relating to their own remuneration.

Board self-assessment

⁴ The chair of the board appointed Mark Lam as the remuneration committee chair at the start of the new financial year 2020 to 2021.

Our chair's performance was evaluated by the sponsor team in March 2020. As part of our good corporate governance practice our board decided to undertake a quantitative and qualitative evaluation of its own performance including that of its committees and individual non-executive directors. This was led by the chair and provided useful learning about the opportunities for further development.

Management control activities

The chief executive has delegated responsibility from the board for leading the organisation on a day to day basis and is the executive decision maker at board level. The chief executive determines which duties are discharged through members of the executive leadership team and individually through line management arrangements.

The chief executive is supported by his executive leadership team who attend the board as required. The executive leadership team meet regularly to maintain momentum on delivery of objectives, planning, risks, resources and priorities. They provide oversight of progress and performance, review risks and issues, and agree on matters to be escalated to the board as appropriate.

Whistleblowing policy

Our internal whistleblowing policy encourages staff to speak up and 'blow the whistle' if they have a concern, that they reasonably believe is of public interest, about the conduct of others in the organisation or the way in which the organisation is run. This was last reviewed in October 2019. Our partners also have a 'raising concerns and whistleblowing policy' included within the partner handbook.

We have developed a mandatory e-learning module for staff and partners on whistleblowing. We intend to ask about the effectiveness of the whistleblowing policy as a means of raising concerns in our staff survey.

Risk management

Risk overview and responsibilities

Risk management is part of our strategic decision making process, to ensure that risks which could significantly affect our operations or reputation are considered regularly.

Risk management has undergone major transformation over this financial year and will continue to do so next year, with the risks on the strategic risk register being reviewed and redefined in the first quarter of 2020 to 2021 to align with our strategic priorities as a regulator.

Risk appetite statement

Being at the very beginning of the organisational journey, where investment and innovation are key to both growth and success, we are willing to accept some risk in pursuit of our objectives and these risks primarily revolve around innovation, quality and outcomes and financial risk.

We are less willing to accept risks which may impact upon our reputation or impact on compliance and regulation.

The board is responsible for signing off the risk appetite statement which will be reviewed annually.

Risk reporting

Risk is reported to the executive leadership team monthly, to the audit, risk and assurance committee at every meeting and to the board twice a year

Risks are identified and managed at all levels in relation to the organisation's objectives. Any risks which are deemed too great for a team or directorate to manage alone are escalated to the executive leadership team.

Key risks and uncertainties

Our highest scoring risks for the period ending 31 March 2020 are outlined below.

Key risk 1	Risk movement	Key controls and mitigations
Our fitness to practise processes are not responsive, efficient and robust enough to protect the public		• Reliable and robust forecasting model • Strong relationships with key stakeholders • Resilient budget to cope with the backlog
Key risk 2		
Our registration function does not fully meet our statutory obligations as a regulator		• Robust processes and systems • Effective CRM system • Robust data protection and information governance processes and systems
Key risk 3		
Our ability to fulfil legal and regulatory responsibilities is hindered by poor data and technology management		• IT capital investment plan • Engaging with external IT experts for specialist advice • IT strategy
Key risk 4		
We are not financially and operationally sustainable		• Commercial activity, contract activity and expenditure pipelines • Financial management system design and implementation • Procurement plans included in business planning

Information risk and GDPR

We have developed our information governance strategy so that we can provide adequate assurance as to our approach, and adequate protection of the personal data we hold. We work to comply with our legal and regulatory responsibilities for information handling, meeting information rights and other disclosure obligations, which helps to ensure we are accountable to the public. The data protection officer advises on compliance with our legal and regulatory responsibilities in respect of the GDPR and has access to the audit, risk and assurance committee to report any breaches in advance of the board.

Effectiveness of the internal control framework

As accounting officer, I review the effectiveness of our system of internal control. This review is informed by the work of the internal auditors, by feedback from the leadership team who have responsibility for the development and maintenance of the internal control framework and by comments made by the NAO in their audit completion report. We are also subject to review by the NAO, including statutory audit and value for money reports, and the Department for Education.

Internal audit

The purpose of internal audit is to provide the board, the audit, risk and assurance committee, chief executive and management with an independent and objective opinion on the overall risk management, control and governance of the organisation with an audit plan informed by the strategic risk register.

Internal audit also has an independent and objective consultancy role to help improve risk management, governance and control. The results of our internal audit work form part of the framework of assurances that we receive and assist us to prepare informed governance and internal control statements.

Our internal auditors, Haines Watts, were procured through a competitive process. In

recognition of our stage of development, the audit, risk and assurance committee approved a reduced audit plan for 2019 to 2020 of 28 days to use saved internal audit resources towards a larger 2020 to 2021 audit year and provide greater assurance over a range of processes which could present significant risk due to the introduction and embedding of new controls, systems and people. The strategy was considered and approved by the committee in February 2020.

Haines Watts' internal audit annual report 2019 to 2020 states:

Overall in our opinion, based upon the reviews undertaken, Social Work England generally has:

- *adequate and effective risk management;*
- *adequate and effective governance; and*
- *adequate and effective control processes.*

Conclusion

As accounting officer, I acknowledge and accept the recommendations of the internal auditors. Management have responded to areas for improvement. There is productive discussion at the audit, risk and assurance committee surrounding issues identified and actions being taken.

Remuneration and staff report

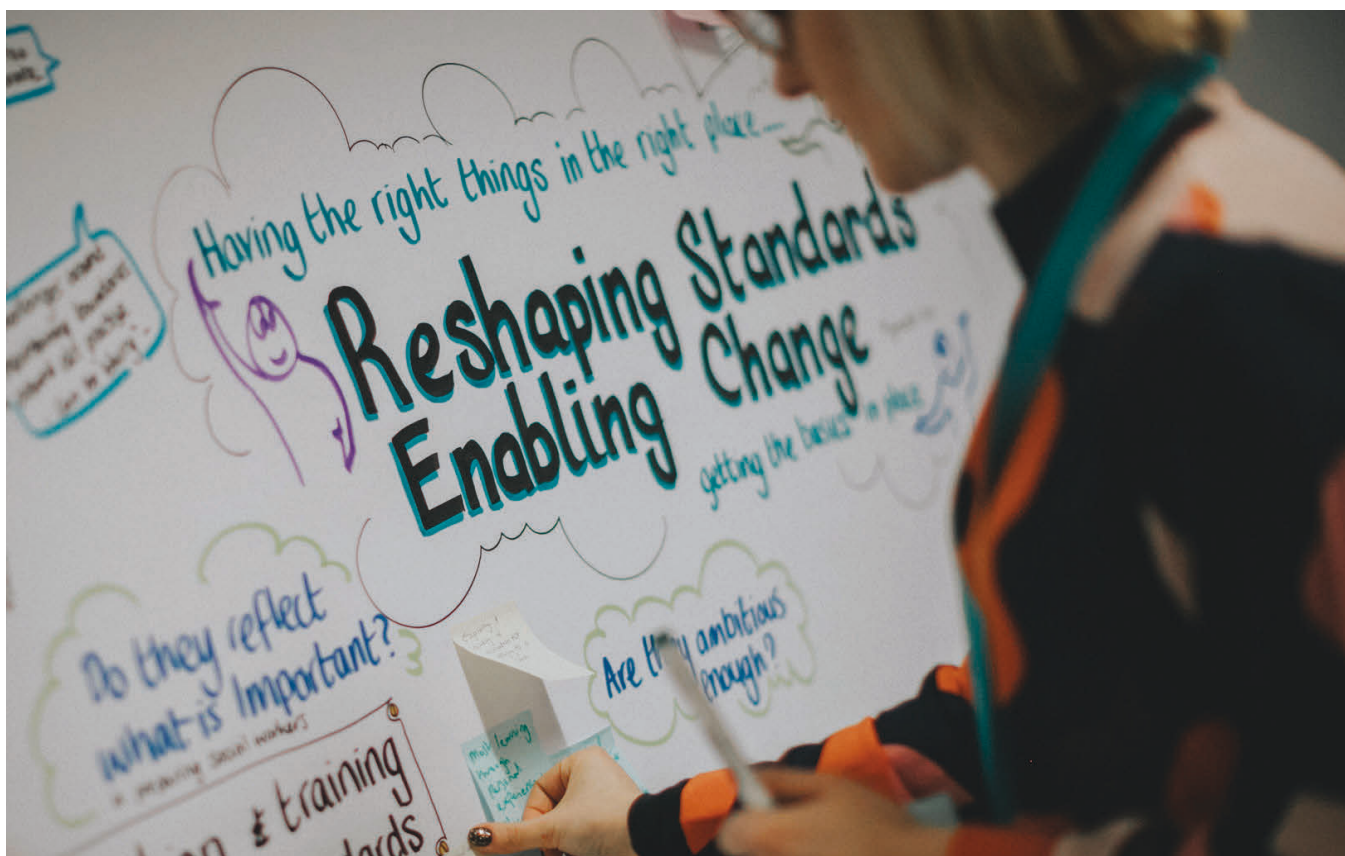
Remuneration report - subject to audit

The remuneration and staff report sets out our remuneration policy for all staff and board members; it also provides details of actual costs.

Remuneration policy

Our employees are public servants and our pay levels approved by HM Treasury, Cabinet Office and the Secretary of State. Department for Education secondees are civil servants and are paid in accordance with the civil service pay structure. Local Authority secondees are local government workers and paid in accordance with the relevant local authority.

As a non-departmental public body, we are required to adhere to the pay guidance set each year by Cabinet Office. The guidance sets out the requirement for departments to provide data to HM Treasury's Online System for Central Accounting and Reporting (OSCAR) database on pay for both the department itself and its non-departmental public bodies and agencies, and that the pay remit must be approved by the Secretary of State for Education. Our people are subject to levels of remuneration and terms and conditions of service (including pensions) within the general pay structure approved by the Department for Education and HM Treasury. We need the Secretary of State's approval to amend these terms and conditions.



Executive leadership team remuneration (including salary) and pension entitlements

Executive leadership team	Salary £000	Non-consolidated performance award £000	Benefits in kind £000	Pension benefit £000	2019 to 2020 total £000	2018 to 2019 ⁵ total £000
Adnan Bashir (1 April 2019 to 31 March 2020)	85-90	0-5	0	5	95-100	n/a
Sarah Blackmore	85-90	0-5	0	5	95-100	15-20 (80-85)
Colum Conway	140-145	5-10	0	7	155-160	80-85 (140-145)
Jonathan Dillon	90-95	0-5	0	5	95-100	30-35 (85-90)
Philip Hallam	90-95	0-5	0	5	95-100	30-35 (85-90)
Alison McKinna (to 7 May 2019)	40-45 (95-100)	0-5	0	2	40-45	30-40 (95-100)
Nadine Pemberton (to 29 December 2019)	65-70 (90-95)	0-5	0	3	70-75	30-35 (85-90)
Greg Ross-Sampson (fixed term contract from 13 June 2019 to 31 March 2020)	50-55 (85-90)	0-5	0	3	60-65	n/a
Tracy Watterson (secondee-grade 6 civil servant) ⁶	65-70	0-5	n/a	19	85-90	40-45 (85-90)

5 2018 to 2019 are total costs including pay and pension for seven-month period from 1 September 2018 to 31 March 2019.

6 Tracy Watterson is on secondment to Social Work England from the Department for Education.

Board members remuneration

Board member	Position	Appointed	2019 to 2020 fees £000	2018 to 2019 fees £000 ⁷
The Lord Patel of Bradford	Chair	19 March 2018	70-75	70-75
Jonathan Gorvin	Non-Executive Director	10 August 2018	5-10	0-5 (5-10)
Ann Harris	Non-Executive Director	19 July 2019	0-5	n/a
Mark Lam	Non-Executive Director	11 January 2019	5-10	0-5 (5-10)
Dr Andrew McCulloch	Non-Executive Director	10 August 2018	5-10	0-5 (5-10)
Dr Helen Phillips	Non-Executive Director	10 August 2018	5-10	0-5 (5-10)
Baroness Tyler of Enfield	Non-Executive Director	10 August 2018	5-10	0-5 (5-10)

Members of the board are not entitled to any pension benefits. Total non-executive board expenses for the year were £2,161.

Fair pay disclosure

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.

In 2019 to 2020, nil (2018 to 2019, nil) employees received remuneration in excess of the highest-paid director. Remuneration ranged from £21,715 to £147,500 (2018 to 2019 £21,000 to £142,500). Total remuneration includes salary, non-consolidated performance-related pay and benefits-in-kind. It does not include severance payments, employer pension contributions and the cash equivalent transfer value of pensions.

The remuneration of the highest paid director during the 12-month period ending 31 March 2020 was £147,500⁸ (2018 to 2019 £142,500). This was 3.98 (2018 to 2019 3.65) times the median employee remuneration, which was £37,047 (2018 to 2019 £39,000).

7 Figures relate to seven month period from 1 September 2018 to 31 March 2019 paid by Social Work England.

8 This is the mid-range figure of remuneration. The total remuneration includes non-consolidated awards from two pay years (2018 to 2019 and 2019 to 2020) which were paid between 1 April 2019 to 31 March 2020.

There was significant recruitment from April 2019 to roles at various salary levels which has impacted on the median employee remuneration.

Pension scheme

The National Employment Savings Trust (NEST) provides our pension scheme. NEST is an unfunded multi-employer defined contribution scheme. Employees are auto enrolled in the pension scheme and can opt out if they choose. 126 employees joined the pension scheme in 2019 to 2020. The employee contribution is a minimum of 3% and our employer contribution is 5%.

Employers' pension contributions for the period ending 31 March 2020 were £216,980 based on 5% of pensionable pay.

No one retired early on ill-health grounds.

Salary

Salary includes gross salary and overtime. This report is based on accrued payments made by Social Work England and therefore recorded in these accounts.

Benefits in kind

Benefits in kind is the monetary value of

benefits in kind and covers any benefits provided by Social Work England and treated by HM Revenue and Customs as taxable emolument.

Non-consolidated performance awards

As part of our approved pay remit, we have an approved budget to give non-consolidated awards in relation to performance. Our pay year is 1 September to 31 August. The figures provided account for 2018 to 2019 and 2019 to 2020 non-consolidated payments during two pay years, paid in the 12 months up to 31 March 2020.

Reporting of exit, compensation, special, severance and non-contractual packages

There were no exit compensation, redundancies, special, severance and non-contractual packages in the year ending 31 March 2020.

GDPR Article 21 staff disclosure

No staff members asked for their entitlements not to be disclosed.



Staff report

Part A: subject to audit

Analysis of staff costs

	Permanently employed staff £000	Others £000	2019 to 2020 total £000	2018 to 2019 total £000
Wages and salaries	4,630	637	5,267	1,174
Social security costs	478	-	478	76
Pension costs	217	-	217	34
Total	5,325	637	5,962	1,284

'Others' are staff engaged on our objectives via short term contract, for example agency or temporary workers. We pay a flat fee for agency staff, which includes social security and holiday pay. This note discloses the total sum as wages and salaries.

Others also includes the salary and on-costs of inward secondments from the Department for Education and Suffolk County Council. This note discloses the total sum as wages and salaries.

Staff composition

At 31 March 2020 Social Work England's headcount for employees was 178.

Staff composition analysis	2019 to 2020 total	%	2018 to 2019 total
Social Work England - permanent	129	72.5%	41 (68.3%)
Social Work England - fixed term	39	21.9%	6 (10%)
Other	6	3.4%	4 (6.7%)
Secondment	4	2.2%	9 (15%)
Total	178	100%	60 (100%)

Part B: unaudited

Staff by level and gender

Levels	Permanent males	Other males	Permanent females	Other females	Permanent non-binary	Other non-binary	Total
Chief executive	1	0	0	0	0	0	1
Executive leadership team	3	1	1	1	0	0	6
Senior leadership team	4	0	8	3	0	0	15
Other	36	19	74	25	2	0	156
Total	44	20	83	29	2	0	178

'Other' includes fixed term appointments, secondees and agency or temporary workers.

Average headcount during the period

Permanent employees	Others	Total
99.3	36.5	135.8

This represents the average across the year. 'Others' includes fixed term appointments, secondees and agency/temporary workers.

Our staff

The following sections are not subject to audit.

Analysis of staff policies and practices

We place a strong emphasis on the culture and values that underpin the development of our organisation. We are a learning organisation that strives for continual improvement.

We developed our people handbook and policies in collaboration with colleagues across the organisation.

An employee assistance programme is in place, where our people can access free counselling, advice and signposting services on a variety of issues including wellbeing, finance, relationships and trauma. This is a 24/7 service available to all our people, which also has a wealth of online self-help resources.

We have an occupational health service to support those in ill health to remain in work and/or support return to work following absence. We are also using the service to carry out workstation assessments to ensure we are providing adequate reasonable adjustments where needed to provide a safe working environment.

We conducted our first engagement survey in September 2019. We received a 79% response rate indicating a high level of engagement. Our highest scoring categories were:

- Joining us
- Our culture and behaviours
- Internal communication

There was little variation in scores across directorates or length of employment. We did pick up some areas for improvement, including more understanding of the role of the board, refresher induction training for

those that had been with us from a long time and a desire to work cross organisationally. As a result, we have added extra information about the board into the corporate induction, facilitated meet the board sessions and offered refresher induction training. We have established a cross organisational Think Well group to develop our work on mental and physical health and wellbeing and a cross organisational people forum. The forum plays a crucial role in continuing to build our culture and the continued engagement of our people.

Sickness absence

During the 12-month period ending 31 March 2020, there were 276 days lost to sickness absence. This equates to approximately 1.68 per employee per year. The figures compare well with the most recent national dataset that records sickness absence rates for workers within the public and private sector at 2.7% and 1.8% respectively in 2018.⁹

Equality, diversity and inclusion

We are committed to the principles of inclusion and diversity and making sure these underpin all aspects of our work. Our people are our most important asset and we know that it is through a committed, diverse, vibrant group of people, focused on innovation, improvement and co-production, that we will deliver our ambitions.

We have grown rapidly. In April 2019 we had a headcount of 74. By the end of March 2020 this had grown to 178. Our staff make up consists of people from different backgrounds with a diverse range of skills, knowledge and experience. Our gender split for our whole workforce is 63% female, 36% male and 1% non-binary. The executive leadership team consists of 33% female and 67% male, with our senior leadership team being 73% female and 27% male. We have more work to do on gathering and analysing our diversity statistics.

9 Data from the Office of National Statistics (<https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/labourproductivity/articles/sicknessabsenceinthelabourmarket/2018>)

Our LGBTQ+ network was recently established, and we are working on a new equality, diversity and inclusion policy to ensure that we respect, reflect and can respond appropriately to our diverse needs and provide the best service we can.

Our equality and diversity policy provides the standards that we uphold in promoting an environment that welcomes and values diverse backgrounds, thinking, skills and experience. We want everyone to thrive and fulfil their potential regardless of race, religion, sex, sexual orientation, gender reassignment, disability, marriage, civil partnership or any other protected characteristic as defined under the Equality Act 2010. The policy stipulates how we oppose and avoid all forms of unlawful discrimination. This includes pay and benefits, terms and conditions of employment, dealing with grievances and discipline, redundancy, leave for parents, requests for flexible working, and selection for employment, promotion, training or other developmental opportunities.

Consultancy spend

No expenditure on consultancy was incurred during the year ending 31 March 2020.

Off-payroll engagements

Review of tax arrangements of public sector appointees

Off-payroll engagements: Board members and/or senior officials with significant financial responsibility.

Engagements by category	2019 to 2020	2018 to 2019
Number of off-payroll engagements of board members, and/or, senior officials with significant financial responsibility, during the financial year	0	1
Number of individuals that have been deemed 'board members and/or senior officials with significant financial responsibility' during the financial year. This figure should include both off-payroll and on-payroll engagements.	16	12

We consider that all board members and executive directors have significant financial responsibility and they are reimbursed through payroll.

Parliamentary accountability report

Parliamentary accountability disclosures: audited

A1 losses statement

Losses statement	2019 to 2020	2018 to 2019
Number of fruitless payment cases	133	5
Value	£000	£000
Fruitless payments	15	0

A fruitless payment is a payment which cannot be legally avoided because the recipient is entitled to it even though nothing of use to Social Work England will be received in return, including staff travel tickets purchased but unable to be used and payments made to partners in relation to cancelled fitness to practise hearings.

A2 special payments

There were no special payments during the 12-month period ending 31 March 2020.

A3 fees and charges

Income was received in the form of registration fees (£2.994m). Full year registration and renewal fees are charged at £90. No income from fees was received in the 2018 to 2019 financial year since Social Work England became the regulator on 2 December 2019 and prior to this, all fees were paid to the HCPC, the former regulator. More analysis can be found in note 2 of the financial statements on page 58.

Total expenditure for 2019 to 2020 was £9.873m (£2.142m 2018 to 2019); net expenditure for year was £6.879m (£2.142m 2018 to 2019).

A4 remote contingent liabilities

There were no remote contingent liabilities during the 12-month period ending 31 March 2020.

Colum Conway

Chief Executive and Accounting Officer

7 July 2020

The certificate and report of the comptroller and auditor general to the houses of parliament

Opinion on financial statements

I certify that I have audited the financial statements of Social Work England for the year ended 31 March 2020 under the Children and Social Work Act 2017. The financial statements comprise: the Statements of Comprehensive Net Expenditure, Financial Position, Cash Flows, Changes in Taxpayers' Equity; and the related notes, including the significant accounting policies. These financial statements have been prepared under the accounting policies set out within them. I have also audited the information in the Accountability Report that is described in that report as having been audited.

In my opinion:

- the financial statements give a true and fair view of the state of Social Work England's affairs as at 31 March 2020 and of net expenditure for the year then ended; and
- the financial statements have been properly prepared in accordance with the Children and Social Work Act 2017 and Secretary of State directions issued thereunder.

Opinion on regularity

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

Basis of opinions

I conducted my audit in accordance with

International Standards on Auditing (ISAs) (UK) and Practice Note 10 'Audit of Financial Statements of Public Sector Entities in the United Kingdom'. My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of my certificate. Those standards require me and my staff to comply with the Financial Reporting Council's Revised Ethical Standard 2016. I am independent of Social Work England in accordance with the ethical requirements that are relevant to my audit and the financial statements in the UK. My staff and I have fulfilled our other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Conclusions relating to going concern

I have nothing to report in respect of the following matters in relation to which the ISAs (UK) require me to report to you where:

- Social Work England's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- Social Work England have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about Social Work England's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Responsibilities of the board and accounting officer for the financial statements

As explained more fully in the Statement of Accounting Officer's Responsibilities, the Board and the Accounting Officer are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Auditor's responsibilities for the audit of the financial statements

My responsibility is to audit, certify and report on the financial statements in accordance with the Children and Social Work Act 2017.

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. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK), I exercise professional judgment and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the

override of internal control.

- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Social Work England's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- conclude on the appropriateness of Social Work England's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on of Social Work England's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my report. However, future events or conditions may cause of Social Work England to cease to continue as a going concern.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

In addition, I am required to obtain evidence sufficient to give reasonable assurance that the income and expenditure reported in the financial statements have been applied to the purposes intended by Parliament and the

financial transactions conform to the authorities which govern them.

Other information

The Board and the Accounting Officer are responsible for the other information. The other information comprises information included in the annual report, but does not include the parts of the Accountability Report described in that report as having been audited, the financial statements and my auditor's report thereon. My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon. In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

Opinion on other matters

In my opinion:

- the parts of the Accountability Report to be audited have been properly prepared in accordance with Secretary of State directions made under the Children and Social Work Act 2017;
- in the light of the knowledge and understanding of Social Work England and its environment obtained in the course of the audit, I have not identified any material misstatements in the Performance Report or the Accountability Report; and
- the information given in the Performance Report and Accountability Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which I report by exception

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

- adequate accounting records have not been kept or returns adequate for my audit have not been received from branches not visited by my staff; or
- the financial statements and the parts of the Accountability Report to be audited are not in agreement with the accounting records and returns; or
- I have not received all of the information and explanations I require for my audit; or
- the Governance Statement does not reflect compliance with HM Treasury's guidance.

Report

I have no observations to make on these financial statements.

Gareth Davies

Comptroller and Auditor General

National Audit Office

157-197 Buckingham Palace Road

Victoria

London

SW1W 9SP

Date 8 July 2020

Financial statements

Statement of comprehensive net expenditure For the 12-month period ending 31 March 2020

	Note	2019 to 2020 £000	2018 to 2019 £000
Income	2	(2,994)	0
Staff costs	3	5,962	1,284
Expenditure	4	3,911	858
Net operating expenditure		6,879	2,142
Net expenditure for the year		6,879	2,142

The values contained within the statement of comprehensive net expenditure relating to 2018 to 2019 represent the seven-month period to 31 March 2019.

There are no discontinued operations.

There are no other recognised gains or losses.

The notes on pages 53 to 64 form part of these accounts.

Statement of financial position

For the 12-month period ending 31 March 2020

	Note	2019 to 2020 £000	2018 to 2019 £000
Non-current assets			
Receivables	5	0	4
Property, plant and equipment	8	1,580	1,394
Intangibles	9	2,578	720
Total non-current assets		4,158	2,118
Current assets			
Receivables	5	289	242
Cash and cash equivalents	6	5,300	2,726
Total current assets		5,589	2,968
Total assets		9,747	5,086
Current liabilities			
Payables	7	(5,126)	(2,064)
Total current liabilities		(5,126)	(2,064)
Total assets less current liabilities		4,621	3,022
Non-current liabilities			
Payables	7	(298)	(134)
Total non-current liabilities		(298)	(134)
Assets less liabilities		4,323	2,888
Taxpayers' equity			
General fund		4,323	2,888
Total taxpayers' equity		4,323	2,888

The notes on pages 53 to 64 form part of these accounts.

Colum Conway
 Chief Executive and Accounting Officer
 7 July 2020

Statement of cash flows
For the 12-month period ending 31 March 2020

	Note	2019 to 2020 £000	2018 to 2019 £000
Cash flows from operating activities			
Net operating cost	SoCNE ¹⁰	(6,879)	(2,142)
Adjustments for non-cash transactions	4	498	104
(Increase)/decrease in receivables	5	(43)	(246)
Increase/(decrease) in payables	7	3,226	1,186
Net cash outflow from operating activities		(3,198)	(1,098)
Purchase of property, plant and equipment	8	(684)	(486)
Additions to intangibles	9	(1,858)	(720)
Net cash outflow from investing activities		(2,542)	(1,206)
Exchequer supply from sponsor department	SoCTE ¹¹	8,314	5,030
Net cash inflow from financing activities		8,314	5,030
Net increase (decrease) in cash and cash equivalents (net of overdrafts)		2,574	2,726
Cash and cash equivalents (net of overdrafts) at beginning of the year	6	2,726	-
Cash and cash equivalents (net of overdrafts) at end of the year	6	5,300	2,726

The notes on pages 53 to 64 form part of these accounts.

10 Statement of comprehensive net expenditure

11 Statement of changes in taxpayers' equity

Statement of changes in taxpayers' equity

For the 12-month period ending 31 March 2020

	Note	General fund £000
Balance at 1 September 2018		-
Grant in Aid from sponsor department		5,030
Comprehensive expenditure for the year	SoCNE	(2,142)
Balance at 31 March 2019		2,888
Grant in Aid from sponsor department		8,314
Comprehensive expenditure for the year	SoCNE	(6,879)
Balance at 31 March 2020		4,323

The notes on pages 53 to 64 form part of these accounts.

Notes to the financial statements

1. Accounting policies

These financial statements have been prepared in accordance with the government financial reporting manual 2019-20 issued by HMT, as set out in a statutory accounts direction issued pursuant to paragraph 18(3), schedule 3 of the Children and Social Work Act 2017. The accounting policies contained in the financial reporting manual apply International Financial Reporting Standards (IFRS) as adapted or interpreted for the public sector context. Where the financial reporting manual permits a choice of accounting policy, the accounting policy which is judged to be most appropriate to the circumstances of Social Work England for the purpose of giving a true and fair view has been selected. The policies adopted by Social Work England are described below.

They have been applied consistently in dealing with items considered material in relation to the financial statements.

1.1 Reporting period

The figures in the financial statements are prepared for the 12-month period 1 April 2019 to 31 March 2020. Comparators that are provided for the 2018-19 financial year relate to the 7-month period to 31 March 2019.

1.2 Accounting convention

These financial statements have been prepared under the historical cost convention.

1.3 Income

Social Work England has adopted IFRS 15 Revenue from Contracts with Customers (IFRS 15).

Social Work England receives the following income streams and accounts for them as follows:

Grant income (IAS 20)

Social Work England records all draw down of grant in aid as financing, as we regard draw down of grant in aid as contributions from our controlling party giving rise to a financial interest. Social Work England records draw down of supply/grant in aid as financing in the Statement of Cash Flows and draw down of supply/grant in aid to the General Reserve.

Registration fees

Fee income is collected under statute by Social Work England. The Chief Secretary to the Treasury has approved Social Work England to retain this Fee income to offset against their expenditure. Therefore, the Exchequer has no right of access to these funds.

Fee income comprises of registration and renewal fees, restoration fees and scrutiny fees. The annual registration period runs from 1 December to 30 November.

Registration and renewal fees are collected in advance and are calculated based upon

the length of time remaining before the end of the current fee year. For registration fees relating to new applicants, the fee must be paid in full once an application has been deemed successful. Renewal fees can be paid in full in advance of the new fee year or can be paid in two six-monthly instalments via direct debit.

Under IFRS 15, the point of recognition of Registration and renewal fees is based upon when the performance obligation of the contract is satisfied and the benefits have been fully received by the social worker. Social Work England fulfils its performance obligation by maintaining a social workers registration over the annual registration period, registration and renewal fees are recognised in the statement of financial position as deferred income and are released to the statement of comprehensive net expenditure proportionately over the period that the fee relates to.

Deferred registration fee income that is recognised within the statement of financial position relates to the following financial year only and is recognised as a current liability.

Restoration fees

Restoration fees are applicable where a social worker has previously been registered with the Health and Care Professions Council (HCPC) or Social Work England but has left the register for a period of time and wishes to restore their registration. Restoration fees are paid when an application to restore is submitted. Restoration fees are non-refundable and represent the time and resources involved in assessing a restoration application, therefore restoration fees are recognised immediately within the Statement of Comprehensive Net Expenditure.

Scrutiny fees

Scrutiny fees are applicable to non-UK nationals whose social work qualification was gained outside of the UK. The scrutiny fee is paid when an application to join Social Work England's register is submitted and the fee is non-refundable. It represents the time and resources involved in assessing this type of application and therefore is recognised immediately within the Statement of Comprehensive Net Expenditure.

1.4 Areas of judgement

The preparation of these financial statements requires Social Work England to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenditure. These assumptions are based on historic and other factors that are believed to be reasonable, the results of which form the basis for making judgements. The estimates and underlying assumptions are reviewed on an on-going basis. The main estimates in these financial statements are:

- IFRS leases: Judgement is made in regard to the cost of inflation and cost of capital when determining the net present value of future lease payments.
- Accruals and prepayments: judgement as to when revenue earned or expenses incurred impact the financial statements, irrespective of the transfer of physical payment, and the associated impact on the assets and liabilities within the statement of financial position.
- The recognition of intangible assets involves two critical judgements by management. The first judgement is over the projected feasibility of the intangible asset once it has been completed. Intangible assets are only recognised when management are satisfied that the organisation has or can secure the technical and operational skill set to complete the development of the intangible asset. The second critical judgement is the

identification of costs that are required to be included in the assets carrying value. Costs are only included if they are direct costs wholly incurred in developing and bring into use the future intangible asset.

1.5. Going concern

The board has reviewed and approved the annual budget for the year ending 31 March 2021, the three-year financial forecast for the period ending 31 March 2023 has been submitted to the Department of Education for inclusion within the comprehensive spending review 2020. Social Work England will receive registrant fee income during the year ending 31 March 2021 which will offset a significant proportion of its operating expenditure. The remaining forecasted balance of £9.657m is to be financed by the Department by way of grant in aid.

The Department for Education's estimates and forward plans include provision for Social Work England's continuation and on-going funding. Based on this information, the board considers that it is appropriate to prepare the financial statements on a going concern basis.

1.6. Segmental reporting

In accordance with IFRS 8: Operating Segments (IFRS 8), Social Work England has considered the need to analyse its income and expenditure relating to operating segments. Social Work England has assessed that all lines of operation fall within the same geographical location and regulatory environment as envisaged by IFRS 8.

Since segmental information for total assets and liabilities is not regularly reported to the chief operating decision-maker and in compliance with the financial reporting manual, it has not been produced in the accounts.

1.7 Leases

Leases are classified as finance leases whenever the terms of the leases transfer substantially all the risks and rewards of ownership of the leased assets to the lessee. All other leases are classified as operating leases. Operating leases are charged to the statement of comprehensive net expenditure (SoCNE) as expenditure is incurred.

1.8 Pensions

Social Work England has adopted IAS 19 Employee Benefits (IAS 19) to account for its pension scheme. All employees are auto enrolled into Social Work England's defined contribution pension scheme (NEST), Social Work England contributes 5% of gross salary, and this contribution is recorded as expenditure in the statement of comprehensive net expenditure.

1.9 Other employee benefits

The value of untaken holiday leave at year-end is accrued as it is earned.

1.10 Property, plant and equipment

The minimum level of capitalisation for expenditure on property, plant and equipment is £2,000. In the case of IT equipment and furniture, all items recorded as capital expenditure are capitalised and if they fall below the capitalisation threshold, they are grouped together and recorded as bulk assets. The asset value on capitalisation is measured at cost plus all direct costs, such as installation, attributable to bringing them into working condition.

1.11 Depreciation

Depreciation is provided at rates calculated to write off the valuation of buildings and other property, plant and equipment by equal instalments over their estimated useful lives. Assets under construction are not depreciated.

Asset lives are in the following ranges:

- Computer equipment 3 years;
- Fixtures and fittings 3 years; and
- Leasehold improvements term of lease.

1.12 Intangible assets

Intangible assets are stated at historic cost of acquisition less accumulated amortisation and impairment losses. Intangible assets include those classified as assets under construction prior to them becoming fully developed and operational. Amortisation is provided on a straight-line basis at rates calculated to write off the cost less the estimated residual value of each asset or combined group of assets over its/their expected useful economic life. Individual assets or a combined group of assets costing £2,000 or more are capitalised and subsequently amortised.

Amortisation is not provided for until the asset or group of assets are fully developed and in use. The annual rate of amortisation for each class of intangible asset held as at the financial year end is as follows:

- Software licences Shorter of 2–5 years or license period
- Software systems development costs 3–5 years

The carrying value of non-current assets is assessed annually and any impairment is charged to the statement of comprehensive net expenditure. The estimated useful life and residual values of non-current assets are also assessed annually.

1.13 Financial instruments and risk

Social Work England applies IFRS 7 Financial Instruments: Disclosures and IFRS 9 Financial Instruments. Financial Instruments (IFRS 7) disclosure requires Social Work England to disclose information on the significance of financial instruments to its financial position and performance:

- **Liquidity risk**
Parliament votes annually on the financing of Social Work England's net revenue resource requirements, as well as its capital expenditure. With no borrowings, Social Work England does not consider itself exposed to any significant liquidity risks.
- **Interest rate risk**
Social Work England's financial liabilities carry either nil or fixed rates of interest. Social Work England does not consider itself exposed to any significant interest rate risk.
- **Foreign currency risk**
All material assets and liabilities are denominated in sterling. Social Work England does not consider itself exposed to any significant currency risk.

IFRS 9 Financial Instruments defines a financial instrument as "any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity." Social Work England determines the classification of its financial assets at initial

recognition. Financial assets are recognised initially at fair value, normally being the transaction price plus directly attributable costs.

1.13.1 Financial assets

Financial assets include cash and cash equivalents, trade and other receivables. Social Work England determines the classification of its financial assets at initial recognition. Financial assets are recognised initially at fair value, normally being the transaction price plus directly attributable costs. Social Work England does not hold derivative financial instruments.

Subsequent measurement of financial assets depends upon their classification into IFRS 9's three categories: amortised cost, fair value through profit or loss and fair value through other comprehensive income.

- **Cash and cash equivalents**
Cash and cash equivalents comprise cash in hand and on demand deposits.
- **Trade and other receivables**
These are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise principally through the provision of services but also incorporate other types of contractual monetary assets. Initially trade and other receivables are recognised at fair value plus associated transaction costs that are directly attributable to their acquisition or issue. Under IFRS9 these are held at and are subsequently carried at invoiced value or amortised costs using the effective interest rate method, less provision for impairment.

1.13.2 Financial liabilities

Social Work England recognises its financial liabilities at their face value on initial recognition. Subsequently they are held at amortised cost using the effective interest method.

Trade and other payables are the only classification of financial liability that Social Work England holds. Trade and other payables are recognised at invoice value and arise principally from the receipt of goods and services.

1.13.3 Cash and cash equivalents

Cash and cash equivalents comprise cash in hand and on demand deposits.

1.14 Shared services

Social Work England has access to and makes use of a centralised shared finance service provision offered by the Department for Education. The finance service provides the following areas of support:

- Financial ledger system
- Management of bank accounts
- Supplier payments, and
- Preparation of monthly accounts workbooks

Social Work England has not been recharged for these services in during the financial year ending 31 March 2020 due to the relatively low volume of activity when compared to other arm's length and non-departmental public body organisations.

1.15 IFRSs in issue but not yet effective

In order to comply with the requirements of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors, Social Work England must disclose where it has not applied a new IFRS that has been issued but is not yet effective. Social Work England has carried out a review of the IFRSs in issue but not yet effective, to assess their impact on its accounting policies and treatment.

IFRS 16 was issued in January 2016 but has not yet been adopted within the financial reporting manual. Social Work England has chosen not to early adopt these requirements which have an effective date after the date of these accounts.

IFRS 16 requires that all leases with a lease term of greater than 12 months are recognised on the balance sheet as a finance lease. This will result in the recognition of a right-to-use asset, measured at the present value of future lease payments, with a matching liability. The pattern of recognition of the expenditure will result in depreciation of the right-to-use asset and an associated finance cost being recognised. It is expected that IFRS 16 will be adopted within the financial reporting manual from 2021 to 2022.

Impact on Social Work England

The main effect of the adoption of IFRS 16 will be for lessees, which will result in any former operating leases being brought on-balance sheet. The effect on lessor accounting for the new standard is limited in scale; and remains largely unchanged. Social Work England does not have significant lessor activities.

2. Registration fee income

	2019 to 2020 £000	2018 to 2019 £000
Income	2,994	-
Donations in kind (other income)	-	-
Total	2,994	-

Income is received in the form of registration fees; no income from fees was received in the 2018 to 2019 financial year. Social Work England became the regulator on 2 December 2019 and prior to this, all fees were paid to the HCPC, the former regulator.

Fee income received in 2019 to 2020 comprises:

- Registration and renewal fees**

Initial registration fees relate to social workers who make a new application to join the Social Work England Register. The fee is paid in full once an application is deemed successful and is calculated based on the length of time remaining before the end of the current fee year. Full year registration fees are £90.

The HCPC offered a 50% graduate discount to students joining their register. Social Work England do not offer the same discount however this was honoured for the 2019 to 2020 fee year for social workers who were already in receipt of the discount and therefore the full year registration fee collected was £45.

Renewal fees are due annually and will be paid by social workers who wish to remain on the Social Work England register. The renewal fee for the 2020 to 2021 fee year is £90.

- **Restoration fees**

Restoration fees are applicable where a social worker has previously been registered with the HCPC or Social Work England but has since left the register for a period of time and wishes to restore their registration. A restoration fee is paid when an application to restore is submitted and is a non-refundable amount of £135 which represents the time and resources it takes to assess a restoration application.

- **Scrutiny fees**

Scrutiny fees are applicable to non-UK nationals whose social work qualification was gained outside the UK. The scrutiny fee is paid when an application to join the Social Work England register is submitted and is a non-refundable amount of £495 which represents the time and resources it takes to assess this type of application.

3. Staff costs

	Permanently employed staff £000	Others £000	2019 to 2020 £000	2018 to 2019 £000
Wages and salaries	4,630	637	5,267	1,174
Social security costs	478	-	478	76
Pension costs	217	-	217	34
Total	5,325	637	5,962	1,284

'Others' includes inward secondees from the Department and Suffolk County Council as well as agency staff. Secondments are due to end September 2020. Further details around staff and pensions costs can be found in the accountability report, remuneration and staff report.

4. Operating expenditure

	2019 to 2020 £000	2018 to 2019 £000
Staff related costs	252	81
Professional fees	1,230	185
Board costs	110	62
Premises costs including rates and service charges	240	47
Utilities	29	8
Catering	40	12
Marketing	25	32
Rentals under operating leases: land and buildings	164	48
IT and telecommunications costs	794	189
Travel and subsistence	240	38
Bank charges and interest	15	-
External audit fees	49	37
Internal audit fees	32	-
Research and development	104	-
Other expenditure	73	15
Bad debt write off	16	-
Total	3,413	754

Professional fees include the cost of partners. Our partners are registered social workers, legal professionals and members of the public who provide expertise to assist with carrying out our regulatory function.

Board costs relate to the fees paid to the chair of the board, The Lord Patel of Bradford and the non-executive directors as disclosed in the remuneration and staff report.

IT and telecommunications represents non-capital IT costs and is in addition to the capital costs reflected in the property plant and equipment note.

Amortisation, depreciation and other non-cash charges

	2019 to 2020 £000	2018 to 2019 £000
Amortisation	-	-
Depreciation	498	104
Total	498	104

Depreciation is charged on all property, plant and equipment expenditure shown in note 8 property plant and equipment. All intangible asset expenditure as shown in note 9 is currently classed as assets under construction, and therefore not amortised.

5. Receivables

	2019 to 2020 £000	2018 to 2019 £000
Amounts falling due within one year		
Trade receivables	-	-
Other receivables	2	55
Prepayments	287	187
Total	289	242
Amounts falling due after one year	0	4

6. Cash and cash equivalents

	2019 to 2020 £000	2018 to 2019 £000
Balance at 1 April	2,726	-
Net change in cash and cash equivalents balances	2,574	2,726
Balance at 31 March	5,300	2,726

The balances held at 31 March 2019 and 31 March 2020 were held at Government Banking Service.

7. Payables

	2019 to 2020 £000	2018 to 2019 £000
Amounts falling due within one year		
Trade and other payables	369	569
Accruals and deferred income	4,757	1,495
Total	5,126	2,064
Amounts falling due after one year	298	134

Accruals and deferred income include deferred registration fee income of £2.706m relating to the registration year December 2019 to November 2020.

8. Property, plant and equipment

	Land and buildings £000	Furniture, fixtures and fittings £000	IT £000	2019 to 2020 total £000
Cost or valuation				
At 1 April 2019	911	252	335	1,498
Additions	318	65	301	684
Reclassifications	-	-	-	-
At 31 March 2020	1,229	317	636	2,182
Depreciation				
At 1 April 2019	(41)	(25)	(38)	(104)
Depreciation charge	(232)	(98)	(168)	(498)
At 31 March 2020	(273)	(123)	(206)	(602)
Carrying value				
31 March 2020	956	194	430	1,580
31 March 2019	870	227	297	1,394

9. Intangible assets

	2019 to 2020 assets under construction £000	2018 to 2019 assets under construction £000
Cost or valuation		
At 1 April	720	0
Additions	1,858	720
At 31 March	2,578	720
Amortisation		
At 1 April	-	-
Amortisation charge	-	-
At 31 March	-	-
Carrying value at 31 March	2,578	720

Intangible assets represent assets under construction which relate to the costs to date of developing a suite of digital services required to enable Social Work England to carry out its regulatory role.

10. Operating leases

	2019 to 2020 £000	2018 to 2019 £000
Obligations under operating leases comprise		
Buildings	185	164
Later than one year and not later than five years	491	610
Later than five years	-	-
Total	676	774

Social Work England has entered into operating lease contracts for office accommodation, with a break clause after five years and the first 20 months being rent free. Social Work England entered into an additional operating lease contract for further office accommodation which aligns to the original operating lease and has a break clause after four years.

11. Capital commitments

	2019 to 2020 £000	2018 to 2019 £000
Contracted capital commitments at 31 March not otherwise included in these accounts		
Property, plant and equipment		
Leasehold improvements	-	175
Furniture and fittings	6	18
Intangible assets		
Assets under construction	1,700	164
Total	1,706	357

Furniture and Fittings relate to building works and fit-out of Social Work England's office space and hearing rooms.

Assets under construction relate to the remaining work required to complete development on Social Work England's suite of digital services, this work is anticipated to be completed in Spring 2021.

12. Related party transactions

Social Work England is sponsored by the Department for Education and for the purposes of these accounts is regarded as a related party. There were material transactions with the Department for Education in respect of grant in aid, secondment of staff and the provision of IT services. In addition, Social Work England is co-sponsored by the Department of Health and Social Care, with which there were no financial transactions.

Board member and non-executive director, Dr Andrew McCulloch is chair of GMC Services International who have provided expertise in drafting the rules around fitness to practise, registration and education and standards.

	2019 to 2020 £000	2018 to 2019 £000
GMC Services International	72	41

At 31 March 2020, there was nothing owing to GMC Services International included in payables.

13. Events after the reporting period date

The accounts were authorised for issue by the Accounting Officer on the date of certification by the comptroller and auditor general. These accounts do not consider events after that date.

On 20 March 2020 we closed our office and as an organisation we have worked remotely since then. We have considered the effect of COVID-19 and do not believe there to be any material financial impact after the reporting period date as a result.

Annex A: glossary of terms

CPD	Continuing professional development
CRM	Customer relationship management
GDPR	General Data Protection Regulation
HCPC	Health and Care Professions Council
HMRC	Her Majesty's Revenue and Customs
HMT	Her Majesty's Treasury
IAS	Intangible assets
ICO	Information Commissioner's Office
IFRS	International Financial Reporting Standards
IPA	Infrastructure and Projects Authority
NAO	National Audit Office
NEST	National Employment Savings Trust
PSA	Professional Standards Authority
The Act	Children and Social Work Act 2017

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