

CCPS - COALITION OF CARE AND SUPPORT PROVIDERS IN SCOTLAND
(A Company Limited by Guarantee)

REPORT AND FINANCIAL STATEMENTS

for the year ended 31 March 2011

SATURDAY



SR6AKY0H

SCT

01/10/2011

413

COMPANIES HOUSE

CCPS - COALITION OF CARE AND SUPPORT PROVIDERS IN SCOTLAND

CONTENTS

	Page
Charity Information	1
Directors' Report	2-12
Independent Auditors' Report	13-14
Statement of Financial Activities (incorporating Income and Expenditure Account)	15
Balance Sheet	16
Notes to the Financial Statements	17-24

CCPS - COALITION OF CARE AND SUPPORT PROVIDERS IN SCOTLAND

CHARITY INFORMATION

Board of Directors	N J Henderson – Convener A Stevenson – Vice Convener (resigned 16 September 2010) J Grant – Treasurer M R Cawley M Crewe (co-opted 25 January 2011) C Dickson (co-opted 25 January 2011) R Dorman D O' Dwyer C T Fallon (resigned 25 January 2011) A C Houston L McGrath (co-opted 25 January 2011) M C Matheson A Morgan S D Sinclair (resigned 16 September 2010) A J Smyth W J Watson
Chief Executive Officer	A Gunner Logan
Secretary	A Gunner Logan
Company Number	SC279913
Charity Number	SC029199
Registered Office and Principle Address	Norton Park 57 Albion Road Edinburgh EH7 5QY
Auditors	Geoghegans Chartered Accountants 6 St Colme Street Edinburgh EH3 6AD
Bankers	The Royal Bank of Scotland plc 36 St Andrew Square Edinburgh EH2 2YB

CCPS - COALITION OF CARE AND SUPPORT PROVIDERS IN SCOTLAND

DIRECTORS' REPORT

The Board of Directors present their report and financial statements for the year ended 31 March 2011.

The Board of Directors

The Board of Directors, who are also trustees for the purposes of charity law, named on page 1 have served during the year under review unless otherwise indicated.

Structure, governance and management

Constitution and governing document

CCPS is a Scottish Charity and a company limited by guarantee, governed by a Memorandum and Articles.

Appointment and Removal of Trustees

There is an annual election process for trustees of the Charity (who are also Directors of the company), with provision for co-option of further Trustees from within the membership. CCPS has produced a governance manual which is the principal tool for inducting new Trustees/Directors. The Board has created two sub-committees to oversee the work of its two Scottish Government-funded Units, the Housing Supporting Enabling Unit Executive Committee and the Voluntary Sector Social Services Workforce Unit Executive Committee. A third sub-committee, the Committee on Care and Support for Children and Young People, was created in January 2011, to facilitate the contribution of relevant organisations to the CCPS strategic agenda.

Decision making

The Board meets four times a year; the full membership also meets four times a year. The strategic plan and the organisational budget are put to the full membership with a recommendation from the Board to adopt; the Board then delegates implementation of the plan to the Chief Executive Officer who provides reports on progress to each Board meeting.

Risk

The Board approves a risk management review annually, identifying the risks to which CCPS is exposed and approving systems and procedures to mitigate those risks.

CCPS Mission

CCPS exists to identify, represent, promote and safeguard the interests of third sector and not-for-profit social care and support providers in Scotland, so that they can maximise the impact they have on meeting social need.

CCPS aims to:

- Champion quality care and support provided by the third sector.
- Challenge policy and practice that inhibits or undermines the sector's ability to provide quality care and support.
- Prepare providers for future challenges and opportunities
- Support providers to understand, negotiate and influence the complex policy and practice environment in which they operate.

CCPS - COALITION OF CARE AND SUPPORT PROVIDERS IN SCOTLAND

DIRECTORS' REPORT (continued)

Activities overview

This is the first Directors' Report to be presented under the organisation's new, updated name and identity: **CCPS – Coalition of care and support providers in Scotland.**

The name was formally changed from Community Care Providers Scotland (CCPS) in November 2010. The change was made to reflect developments within the membership of the organisation, and in particular the membership having grown in recent years to encompass third sector agencies providing high quality support in the areas of youth and criminal justice, addictions, homelessness, children's services and family support, as well as those with a focus on our original area of interest, adult community care.

The new identity reflects the range and breadth of the membership more appropriately, whilst retaining a clear emphasis on what providers all have in common.

As well as updating the organisation's identity, CCPS took the opportunity this year to articulate more concisely what it was set up to do, as outlined in its aims above – to *Champion, Challenge, Prepare and Support*.

Activities across these four areas were undertaken during 2010-11 against the backdrop of a rapidly changing political environment in which public services, and care and support services in particular, were high on the agenda. Elections to the UK Parliament at Westminster took place in May 2010; preparations and campaigning in the run-up to the 2011 Scottish Parliament elections at Holyrood began shortly afterwards, and CCPS worked hard during the year to communicate a set of key messages to sitting politicians and prospective parliamentary candidates, highlighting the value of third sector care and support and setting out the future agenda for providers:

- **More choice and control** for people over the design and delivery of their care and support, including, wherever possible and appropriate, the ability to direct how resources are spent
- **A new agenda** for all care and support agencies to foster independence and autonomy, increase wellbeing and promote resilience and self-help
- **Greater priority for early intervention** that prevents escalation of need and more costly service responses later on
- **A better match** between the requirements of the regulatory regime and the agenda for greater choice and control, independence, outcomes and early intervention.
- **Recognition and respect** for the third sector as an engaged partner, not just a contracted supplier
- **Funding incentives for high quality support** that has a positive impact on individuals, families and communities
- **Commissioning for outcomes**, not for fixed service volumes based on hourly rates
- **Creative alternatives** to competitive re-tendering of existing care and support services
- **Appropriate reward** for a confident, competent and qualified third sector workforce.

All CCPS business conducted during the year was set in the context of these key messages: a report of the organisation's performance and achievements in this respect is set out below.

At a time of increasing austerity, the Directors were anticipating that some organisations may experience difficulty in sustaining their membership of CCPS. In fact, it was with great pleasure that CCPS welcomed seven new organisations into membership, increasing the total membership to 72 of Scotland's most substantial providers of care and support in the third sector. This was a very welcome development and greatly helped to increase the potential of CCPS to exert appropriate influence in relation to major developments in public policy.

CCPS - COALITION OF CARE AND SUPPORT PROVIDERS IN SCOTLAND

DIRECTORS' REPORT (continued)

Activities overview (continued)

It was also with great pleasure that CCPS was able to announce the successful delivery by the Voluntary Sector Social Services Workforce Unit – which CCPS has hosted since 2005 – of all the key elements in its six-year programme of support for voluntary sector workforce development. The Workforce Unit closed for further business at the year end: sincere thanks are due to the staff of the Unit, its Executive Committee, and in particular its Chair, Cathy Fallon, who stepped down from her position as a Director of CCPS when the Unit's work came to an end. CCPS would also wish to record thanks to the Scottish Social Services Council (SSSC), in collaboration with which the Unit was set up; and to the Scottish Government Children, Young People and Social Care Directorate (Workforce and Capacity Division) for funding the work of the Unit over the past six years. During the last two years of its operations, the Unit was able to generate a significant amount of additional income which will now be used to fund the CCPS programme on providers and personalisation.

Looking forward, CCPS set up a new Committee on Care and Support for Children and Young People during the year. The committee has been convened to offer a focal point for interested members to discuss and address key issues of concern, and to ensure that the CCPS strategic agenda takes those issues fully into account in its future work programme. The committee appointed Paul Moore as Chair: Paul will be co-opted as a CCPS Director in 2011 for the duration of his period as committee Chair.

A number of changes were made during the year to office, administrative and staffing arrangements, to reflect developments within the organisation. After a number of years working in offices hosted by member organisation Capability Scotland, CCPS moved to new office premises at Norton Park in Edinburgh. Thanks are due to Capability Scotland for its generous support over a long period of time.

As a result of the closure of the Workforce Unit, a number of staff members were made redundant at the year end. CCPS is pleased to report that these staff members have all found alternative employment, and wishes them well for the future. CCPS also set up a new defined contribution pension scheme for staff, following the closure by its trustees of the Scottish Voluntary Sector Pension Scheme.

Achievements and performance

Funding issues

Significant reductions in public spending have been forecast for some time. This year, both the Chancellor of the Exchequer and the Scottish Finance Secretary delivered budget announcements that carried serious implications for care and support providers, and CCPS worked hard to inform and support its members in relation to the announcements and their likely impact.

- CCPS produced a rapid-response members' briefing on the draft Scottish Budget and arranged a Q&A session for members with expert input from the Head of CIPfA in Scotland (Chartered Institute of Public Finance Accountancy).
- In October 2010, CCPS introduced the first of a new series of electronic bulletins for members focusing on spending reductions. Three further editions of the CCPS Cuts Update Bulletin were issued during the year, bringing news of the latest developments as care and support budget cuts began to be implemented.
- CCPS was invited to appear as a witness before the Scottish Parliament Local Government and Communities Committee as part of its budget scrutiny programme. CCPS appeared before the committee alongside colleagues from SCVO and Consumer Focus Scotland, and put forward a series of points relating to the need for local authorities to avoid making indiscriminate or across-the-board cuts to purchased services, and to focus on the value that the third sector offers. The Committee was provided with some early findings from the CCPS-hosted Workforce Unit's research into changes to terms and conditions in the third sector the full findings of which were published later in 2011.

CCPS - COALITION OF CARE AND SUPPORT PROVIDERS IN SCOTLAND

DIRECTORS' REPORT (continued)

Achievements and performance (continued)

- Earlier in the year, CCPS submitted evidence to the Independent Budget Review Group and was pleased to see many of the issues raised in the group's final recommendations, including a greater focus on the achievement of outcomes and a more significant role for the third sector in public service provision. Following publication of the report, the Director of CCPS was invited to a private discussion event hosted by its Chair, Sir Crawford Beveridge, alongside other key figures from national and local government. CCPS also took part in a round table discussion with members of SOLACE (Society of Local Authority Chief Executives) examining the contribution that the third sector can make to more efficient and effective public services in the context of major public spending cuts.
- CCPS continued to conduct its regular 'provider optimism' survey, initiated in 2009-10 in collaboration with the CBI to track trends in a range of key areas including operating surpluses, volume of business and deficit levels among third sector providers. Whilst the situation remained relatively stable in the early part of the year, later surveys showed that the financial situation for providers began to deteriorate once the scale of reductions in public spending was made clear and purchasers responded by applying greater cost pressure. Findings from each survey were brought to the attention of key policy and decision makers through the quarterly CCPS Stakeholder Bulletin issued electronically to politicians, senior civil servants, local government officers and members and a range of other interests.
- In February 2011 – and subsequently – CCPS worked through the media to highlight the cuts being made to care and support. Coverage was particularly strong in The Herald, which published a letter from the CCPS Director and ran a series of articles on third sector budget cuts.
- In January 2011, CCPS signed up to the *Campaign for a Fair Society*, launched by a group of leading UK disability organisations in response to major cuts announced by the Chancellor to a range of welfare benefits, public services and other supports for disabled people. The campaign made plans for a Scottish launch later in the year.
- Throughout the year, CCPS worked to highlight and champion the quality of third sector care and support as a potential defence against indiscriminate cuts. In particular, CCPS highlighted the sustained record of excellence in the sector as demonstrated by quality gradings awarded by the Care Commission. These showed that voluntary sector support services for adults are improving faster than similar services within the private or public sector. The proportion of services in the sector graded as 'very good' or 'excellent' increased again this year, with housing support services in particular seeing an increase from 30% in March 2009, to 33% in March 2010, and the proportion of voluntary sector care at home services achieving these grades increasing from 34% to 37%.

Public service reform

Lively debate about public service reform has taken place during the year, made all the more relevant and urgent by the scale of public spending cuts now emerging. CCPS has played a strong role in contributing to this debate.

- In January 2011, CCPS submitted written evidence to the Commission on the Future Delivery of Public Services (the 'Christie Commission'). Its submission reflected the key CCPS messages set out above and echoed the points made in evidence to the Scottish Parliament, the Independent Budget Review and elsewhere. Commission members Ruth Wishart and Alison Elliott attended the CCPS membership meeting in March to discuss emerging themes, and seek the views of CCPS members on the key issues raised.
- Also in January 2011, CCPS was invited to give evidence to the Expert Panel on Future Options for Social Care, convened by the Scottish Labour Party to make recommendations in relation to the introduction of a National Care Service. Professor Brian Williams, a former consultant geriatrician, member of the Royal College of Physicians and member of the expert panel, attended the CCPS membership meeting in March to talk about the key issues emerging. Jackie Baillie MSP, shadow health secretary, also attended the meeting to outline the thinking behind the initiative.

CCPS - COALITION OF CARE AND SUPPORT PROVIDERS IN SCOTLAND

DIRECTORS' REPORT (continued)

Achievements and performance (continued)

- CCPS and the Housing Support Enabling Unit submitted written evidence to the Scottish Parliament Finance Committee inquiry on preventative spending, and both were subsequently invited to appear before the committee as witnesses. CCPS also took part in a discussion session with committee members relating to the inquiry, facilitated by Scottish Futures Forum
- The ability to measure and demonstrate outcomes is becoming increasingly important for care and support providers. In October 2010, CCPS and its hosted Units jointly published a briefing on outcome measurement tools, and conducted a detailed survey of their use within the sector. The Housing Support Enabling Unit worked hard during the year to develop and finalise *Better Futures*, a bespoke software tool designed specifically to measure and demonstrate outcomes for housing support providers.

Personalisation

This year, local authorities across Scotland began to implement systems changes to deliver personalised services, with major implications for third sector providers. National policy also developed rapidly, with the publication of both a strategy for self-directed support and a draft Bill. CCPS has taken forward a significant body of work in relation to this developing agenda during 2010-11.

- Throughout the year CCPS convened meetings of a personalisation 'think tank' both to provide a forum for discussion between members, and to support the development of CCPS's own thinking and positioning in relation to national strategy and local implementation. 'Think tank' sessions included an event on personalisation and the law, led by Belinda Schwehr, a care and health law specialist. The initiative also helped to inform the development of the CCPS Conference 2010.
- CCPS and its hosted Workforce Unit worked solidly throughout 2010-11 to develop proposals for a programme of support for providers in relation to personalisation and self-directed support. The resulting Providers & Personalisation Programme proposal was submitted to Scottish Government and funding was approved just before the year end. The programme is now in development and will be taken forward during 2011-12.
- In November 2010, the CCPS-hosted Workforce Unit published important and influential research findings, in collaboration with the University of Strathclyde, relating to the impact of personalisation on the voluntary sector social care workforce. The research report was widely disseminated and welcomed by key bodies in the field, including the Scottish Social Services Council (SSSC). The Unit also conducted, with the support of the Big Lottery Fund, research into the kind of marketing support that providers will need in the emerging marketplace for personalised services and self-directed support. The recommendations of both reports will be taken forward as part of the Providers & Personalisation Programme noted above.
- CCPS provided detailed commentary on the draft National Strategy for Self-directed Support and was pleased to see a number of the issues and concerns it raised reflected in the final version published in November 2010. CCPS has served throughout the year on both the development and implementation groups for the strategy, convened by the Scottish Government.
- CCPS also submitted a detailed response to the Scottish Government consultation on the draft bill for self-directed support. The response offered qualified support for the draft legislation, noting that the general principles as worded indicated that the chief objective of the Bill is to introduce self directed support as an end in itself, whereas CCPS would argue that self directed support is a means to an end, that end being better outcomes (increased wellbeing, health and independence, and greater participation in society as a citizen). Throughout the year, CCPS served on the Expert Steering Group for the bill, and looks forward to continuing to do so as the legislation is prepared in 2011-12.
- During 2010-11, the Scottish Government commissioned research into the evidence base relating to the cost benefits of self-directed support. CCPS was invited to serve on the Research Advisory Group and will continue to do so into 2011-12.

CCPS - COALITION OF CARE AND SUPPORT PROVIDERS IN SCOTLAND

DIRECTORS' REPORT (continued)

Achievements and performance (continued)

- As local authorities moved during the year to implement systems change for personalisation, CCPS played a key role in representing its members' interests and concerns in relation to local implementation processes. The CCPS Director took part in a panel debate on personalisation during the annual conference of the Association of Directors of Social Work (ADSW) in May 2011. CCPS also engaged in significant representational activity in one large city council area, where a radical whole-systems change to learning disability services is being introduced through a Resource Allocation System (RAS), and where reductions of 20% and over are being made in respect of the cost of some individuals' support. Providers became increasingly concerned about the pace and scale of change, and CCPS wrote in detail to the council on their behalf, setting out the issues both for them and for the people they support. This work will be taken forward in 2011.
- CCPS co-funded the production of a research report, authored by the Centre for Public Policy for Regions (CPPR), entitled *Personalisation of care services: securing independence and increasing efficiency*. The report aimed to present an economic case for personalisation and was launched at an event sponsored by the influential David Hume Institute in March 2011.

Reshaping care for older people

Care for older people has risen progressively up the political agenda during the year and CCPS has worked to ensure that its members' views are represented as policy is developed.

- CCPS was invited this year to serve on two important working groups relating to older people's care, namely the National Reference Group for Older People's Care convened by the Scottish Government, and the National Development Group for Older People's Care convened by COSLA (Confederation of Scottish Local Authorities). CCPS continued to serve on the care home fees negotiating group, also convened by COSLA, and played a key role in ensuring that care home fees were maintained at current levels into 2011-12.
- Jointly with SFHA (Scottish Federation of Housing Associations) CCPS wrote to all Health Boards in February 2011 encouraging them to include third sector housing support providers, including housing associations, in their plans relating to the £70m Change Fund introduced by the Scottish Government during the year.

Commissioning and procurement

Commissioning and procurement remain the key enabling processes through which third sector providers deliver high quality care and support. During the year, CCPS continued to influence the agenda in support of improvements to policy and practice.

- More than three years after CCPS first made a case for it, specific guidance on social care procurement was finally issued by the Scottish Government in September 2010 and was warmly welcomed by CCPS and its members. CCPS was invited by government to serve on the follow-up Social Care Procurement Development Group which is taking the agenda forward and which will look in particular at the links between procurement policy and self-directed support.
- CCPS held further discussions with Audit Scotland in relation to that body's proposals for a performance audit of social care commissioning. Audit Scotland is now ready to take this forward and has invited CCPS to serve on the project advisory group, which will convene later in 2011.
- CCPS continued to serve on the Scottish Government Public Procurement Advisory Group chaired by the Minister for Enterprise: this group has proved to be an important and effective channel for providers' concerns about procurement and has helped CCPS to further develop its relationship with the Scottish Procurement Directorate.
- The European Commission launched a major consultation this year on modernising EU public procurement policy. CCPS was invited by the Scottish Procurement Directorate to feed in to the government response to the consultation. In addition, it submitted its own paper, both independently and through its European representative body, EASPD (European Association of Service Providers for Persons with a Disability). The outcome of the consultation will be reported later in 2011.

CCPS - COALITION OF CARE AND SUPPORT PROVIDERS IN SCOTLAND

DIRECTORS' REPORT (continued)

Achievements and performance (continued)

- Following the withdrawal of one large city council from a problematic care and support tender exercise in early 2010, CCPS was invited to join a working group to oversee that council's consultation process relating to its future commissioning strategy. This was a positive development welcomed by CCPS and it has played a strong role in providing commentary and advice to the council on its future approach to tendering.
- CCPS continued to seek opportunities to relay its key messages on commissioning: one such opportunity was for the CCPS Director to deliver a keynote address at a conference on commissioning organised by the SSRG (Social Services Research Group) in February 2011.

Regulation of care

The Public Services Reform (Scotland) Act received Royal Assent in the early part of the year. The Act created the new scrutiny body for care and support – Social Care and Social Work Improvement Scotland (SCSWIS). CCPS has played in key role in influencing the direction and approach of the new body.

- CCPS met with the SCSWIS interim Chief Executive (Jacquie Roberts) and Chair (Frank Clark) in February 2011, at their invitation, to discuss the new organisation's approach to inspection, regulation and scrutiny. A range of issues was discussed, including reduced frequency inspections, greater reliance on self-evaluation, the future of the gradings system and the ability of SCSWIS to take a 'whole systems' approach to regulation. CCPS has been invited by the Chief Executive to play a full part in shaping the new organisation and this will be taken forward during 2011-12.
- Earlier in the year, CCPS raised with the (then) Care Commission the issue of complaints handling, and discussed with the Director of Adult Care Services Regulation a range of related issues which will now be taken forward by SCSWIS.
- The Scottish Government issued a consultation paper in November 2010 setting out draft regulations relating to the new scrutiny body. CCPS submitted detailed comments in response and noted in particular that the regulations do not take sufficient cognisance of recent developments in relation to personalisation and self-directed support.
- Throughout the year, CCPS worked jointly with the Scottish Government on matters relating to the new PVG scheme (Protection of Vulnerable Groups). Bespoke training was provided jointly for HR staff in provider organisations; an updated PVG briefing was produced for members; and a response was submitted to the consultation on statutory instruments relating to PVG.

Third sector collaboration

During the year, there was increasing debate and discussion regarding the imperatives for third sector organisations to work more closely together. CCPS worked to support its members to consider the issues involved and, where appropriate, to take steps towards closer working relationships.

- In collaboration with the Housing Support Enabling Unit, CCPS hosted a series of seminars on the legal and technical issues involved in closer collaboration between service providers, up to and including merger. These events, held in September 2010, were well attended and positively evaluated.
- The CCPS Director spoke at an ACOSVO event (Association of Chief Officers of Scottish Voluntary Organisations) about the benefits and risks of collaboration and merger. Jointly with ACOSVO, CCPS then conducted a survey of their respective memberships in order to establish the kind of support that third sector organisations would welcome in relation to this agenda, and discussions are now taking place with ACOSVO about progressing this.

CCPS - COALITION OF CARE AND SUPPORT PROVIDERS IN SCOTLAND

DIRECTORS' REPORT (continued)

Achievements and performance (continued)

- CCPS was asked by its members in September 2010 to help facilitate interaction with the Clyde Valley group of councils, who are looking to encourage greater collaboration among the providers with which they work. CCPS was able to collate the views of its members in this regard and to draw up proposals for a project that will look at the potential for 'shared services' between providers, to be taken forward later in 2011.

CCPS Conference 2010

All the issues highlighted in this Directors' report were featured in the CCPS Conference 2010, held in November at the Dunblane Hydro and sponsored by the Carnegie UK Trust, the Scottish Government Joint Improvement Team and CCLA.

The event boasted an impressive line-up of high profile speakers, including a panel debate on public service reform featuring Matthew Taylor of the RSA, Anna Coote from NESTA and the New Economics Foundation, Jim McCormick of the Joseph Rowntree Foundation and chaired by Martyn Evans, Chief Executive of the Carnegie UK Trust.

The political panel was similarly high-powered, including two Scottish party leaders (Iain Gray, Labour and Annabel Goldie, Conservative) and the government minister responsible for the self-directed support strategy and the policy agenda on reshaping care for older people (Shona Robison).

Keynote addresses were provided by Craig Dearden-Phillips, the leading social entrepreneur, and Tris Lumley from New Philanthropy Capital, an expert on evidencing outcomes and impact in the third sector.

The event was evaluated extremely positively both by delegates and by contributors, and helped to confirm the reputation of the CCPS Conference as a key national debating forum on all aspects of care and support.

Services to members

- Throughout the year, CCPS continued to represent the interests and concerns of third sector providers by submitting evidence and consultation responses; by serving on a range of key working groups including the National Social Work Services Forum chaired by the Minister; and by seeking meetings with Ministers, senior civil servants and regulators on matters of specific concern.
- The CCPS website is one of the key sources of information and communication for provider issues. Following last year's total redesign of the site, CCPS has continued to add high quality content including new and updated 'hot topic' features, for example a page dedicated to monitoring and reporting on funding cuts to third sector services and links to relevant information, help and advice.
- CCPS organised a range of seminars, membership meetings and briefings throughout the year on topics including Public Social Partnerships; the Self-Directed Support Strategy and draft Bill; public finance and the Independent Budget Report; employment law and its implications for personalisation. These sessions were led by leading figures in the field including the Head of CIPFA in Scotland (Chartered Institute of Public Finance Accountancy); the President of ADSW (Association of Directors of Social Work); the Chief Executive of the Care Commission; the head of the Scottish Government Joint Improvement Team; members of the Commission on the Future Delivery of Public Services; and members of the Expert Panel on the Future of Social Care chaired by Sir John Arbuthnott.
- Members continued to receive high quality briefing and information material throughout the year, including the quarterly Information Digest and a new electronic Cuts Update Bulletin. Members also make regular use of the information-based peer support service offered by CCPS, whereby the expertise and experience of fellow members on particular topics of interest can be collected, collated and communicated.

CCPS - COALITION OF CARE AND SUPPORT PROVIDERS IN SCOTLAND

DIRECTORS' REPORT (continued)

Achievements and performance (continued)

- grant to CCPS represented a reduction of some 24% and as a consequence, a number of difficult decisions had to be made in respect of staffing arrangements within the Unit: CCPS is however confident that the Unit will be able to continue to offer valuable support to housing support providers for the foreseeable future. CCPS continued to host the Voluntary Sector Social Services Workforce Unit during the year, bringing a wide range of workforce support, training and information to the whole of the voluntary sector. In collaboration with the University of Strathclyde, the Unit produced important research during the year relating to the implications of personalisation on the social care workforce, and a further report documenting the changes made to employment conditions in the social care voluntary sector. As noted above, the Workforce Unit closed for business at the end of the year. Each Unit has drawn up its own Annual Report containing the detail of its activities and achievements for 2010-11.
- CCPS continued to nurture its positive links with other organisations, including the Scottish Social Enterprise Coalition, Scottish Council for Voluntary Organisations (SCVO) and our European membership association, EASPD: CCPS worked with the latter in particular to respond to the European Commission's important consultation on public procurement policy.

As noted in the overview above, membership increased during 2010-11, with seven new care and support providers joining CCPS, taking the total number of members to 72. These organisations manage a total combined income in excess of £1bn, of which an average of 74% per organisation relates to publicly funded service provision. They employ a combined total of more than 40,000 staff and support approximately 230,000 people and their families.

Plans for future periods

The CCPS board and membership have endorsed a new strategic plan for the coming year which carries forward our key aims – to *Champion, Challenge, Prepare and Support* – and will focus on five major themes:

- Tracking, monitoring and reporting on **public spending cuts** and their impact on third sector providers, the services they offer and the people they support
- Playing a full part in **public service reform** including such diverse areas as re-shaping care for older people; health and social care integration; the Christie Commission and its recommendations; and the shaping of our own third sector
- Continuing to influence policy and practice in relation to **commissioning, procurement and tendering**
- Ensuring that providers are equipped to understand and navigate the rapidly changing and complex environment in which they operate, including changes to **scrutiny and regulation**
- Ensuring that CCPS itself is able to secure its position as a **strong voice on behalf of care and support providers** in Scotland.

We will create a new post within the organisation of *Programme Manager: Providers and Personalisation* to run our new programme of support for providers in this area, with financial support from the Scottish Government Adult Care and Support Division (Self-directed Support Branch) and Third Sector Division.

We will also develop our new Committee on Care and Support for Children and Young People to ensure that this becomes a key channel for information, communication and influence in this important area of care and support provision.

CCPS - COALITION OF CARE AND SUPPORT PROVIDERS IN SCOTLAND

DIRECTORS' REPORT (continued)

Financial Review

During the year income exceeded expenditure by £34,870; there was a positive movement in funds of £83,500 for unrestricted funds and a negative movement of £48,630 for restricted funds. With total funds brought forward of £257,348 this leaves total funds to carry forward of £292,218 of which £265,781 relates to unrestricted funds and £26,437 relates to restricted funds.

The present level of funding is considered adequate to support the continuation of CCPS's activities.

Reserves Policy

It is the policy of the directors to maintain unrestricted reserves not designated or invested in tangible fixed assets (which are the free reserves of the charity) at a level which equates to three months of budgeted expenditure (£107,250). The Board has designated a sum of £47,580 for the Pensions Deficit Fund and £71,168 for the Workforce Unit Development Fund (see note 9 in the Notes to the Financial Statements). Remaining free reserves stand at £147,033, representing 137 % of the target but with a projected deficit for 2011-12 there will be some draw down of reserves required.

The Directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the directors are required to:

- (a) select suitable accounting policies and apply them consistently;
- (b) observe the methods and principles in the Charities SORP;
- (c) make judgements and estimates that are reasonable and prudent;
- (d) state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- (e) prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Directors are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, and the Charities Accounts (Scotland) Regulations 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

CCPS - COALITION OF CARE AND SUPPORT PROVIDERS IN SCOTLAND

DIRECTORS' REPORT (continued)

Statement of disclosure to the auditor

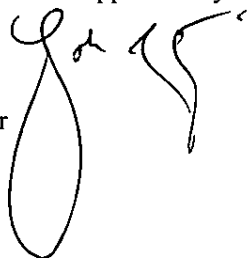
- (a) so far as the Board of Directors are aware, there is no relevant audit information of which the company's auditors are unaware, and
- (b) the Board of Directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This report has been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice (revised 2005), the special provisions of Part 15 of the Companies Act 2006 relating to small companies and with the Financial Reporting Standards for Smaller Entities (effective April 2008).

Approval

This report was approved by the Board of Directors on 27 July 2011 and signed on their behalf by:

J Grant
Treasurer

A handwritten signature in black ink, appearing to be 'J Grant', written over a large, empty oval shape.

INDEPENDENT AUDITORS' REPORT TO THE BOARD OF DIRECTORS AND MEMBERS OF CCPS - COALITION OF CARE AND SUPPORT PROVIDERS IN SCOTLAND

We have audited the financial statements of CCPS - Coalition of Care and Support Providers in Scotland for the year ended 31 March 2011 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the directors, as a body, in accordance with section 44(1)(c) of the Charities and Trustees Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the company's members and the directors those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 9, the directors (who are also the trustees of the charitable company for the purposes of charity law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

We have been appointed as auditor under Section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards of Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

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

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2011 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to smaller Entities; and
- have been prepared in accordance with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**INDEPENDENT AUDITORS' REPORT TO THE
MEMBERS AND BOARD OF DIRECTORS OF CCPS - COALITION OF CARE AND SUPPORT
PROVIDERS IN SCOTLAND (CONTINUED)**

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- the charitable company has not kept proper and adequate accounting records or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records or returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption available in preparing the Directors' Annual Report.



Michael Crerar CA (Senior Statutory Auditor)
For and behalf of Geoghegans, Statutory Auditor
6 St Colme Street
Edinburgh EH3 6AD

3 August 2011

· CCPS - COALITION OF CARE AND SUPPORT PROVIDERS IN SCOTLAND

STATEMENT OF FINANCIAL ACTIVITIES

· (Incorporating Income and Expenditure Account)
for the year ended 31 March 2011

	Notes	Unrestricted Funds	Restricted Funds	Total 2011	Total 2010
Incoming Resources					
Incoming resources from generated funds:					
Grants and donations	3	18,169	321,685	339,854	342,512
Bank interest		725	-	725	866
Incoming resources from charitable activities:					
Subscriptions		196,784	-	196,784	189,748
Conference income		54,065	-	54,065	-
Events income		-	9,625	9,625	26,580
Other income		13,205	2,000	15,205	18,136
Total incoming resources		<u>282,948</u>	<u>333,310</u>	<u>616,258</u>	<u>577,842</u>
Resources Expended					
Charitable activities		220,261	341,765	562,026	576,819
Governance costs		<u>19,362</u>	<u>-</u>	<u>19,362</u>	<u>18,245</u>
Total resources expended	4	<u>239,623</u>	<u>341,765</u>	<u>581,388</u>	<u>595,064</u>
Net Movement in Funds Before Transfers	5	43,325	(8,455)	34,870	(17,222)
Transfers between funds	9	40,175	(40,175)	-	-
Net Movement in Funds		<u>83,500</u>	<u>(48,630)</u>	<u>34,870</u>	<u>(17,222)</u>
Funds brought forward		<u>182,281</u>	<u>75,067</u>	<u>257,348</u>	<u>274,570</u>
Funds Carried Forward		<u>£ 265,781</u>	<u>£ 26,437</u>	<u>£ 292,218</u>	<u>£ 257,348</u>

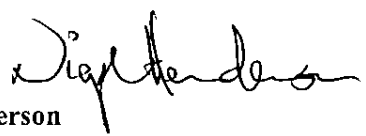
CCPS - COALITION OF CARE AND SUPPORT PROVIDERS IN SCOTLAND

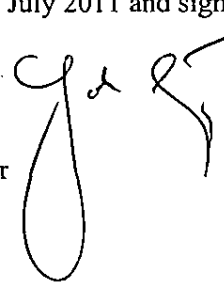
BALANCE SHEET
at 31 March 2011

	Notes	2011	2010
Fixed Assets			
Tangible Assets	7	<u>725</u>	<u>747</u>
Current Assets			
Debtors	8	13,407	3,332
Cash at bank and in hand		<u>308,006</u>	<u>282,861</u>
		<u>321,413</u>	<u>286,193</u>
Current Liabilities			
Trade creditors		10,937	11,471
Other creditors		11,588	13,112
Accruals and deferred income		<u>7,395</u>	<u>5,009</u>
		<u>29,920</u>	<u>29,592</u>
Net Current Assets		<u>291,493</u>	<u>256,601</u>
Net Assets		<u>£ 292,218</u>	<u>£ 257,348</u>
Funds			
Unrestricted funds	9	265,781	182,281
Restricted funds	9	<u>26,437</u>	<u>75,067</u>
		<u>£ 292,218</u>	<u>£ 257,348</u>

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

Approved and authorised for issue by the Board of Directors on 27 July 2011 and signed on its behalf by:


N J Henderson
Convenor


J Grant
Treasurer

Company Number: SC279913

CCPS - COALITION OF CARE AND SUPPORT PROVIDERS IN SCOTLAND

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2011

1 Accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements have also been prepared in accordance with the Statement of Recommended Practice, Accounting and Reporting by Charities (SORP) issued in March 2005, the Charities Accounts (Scotland) Regulations 2006 and the Companies Act 2006.

The charity has taken advantage of the exemption in Financial Reporting Standard No.1 from the requirement to produce a cash flow statement on the grounds that it qualifies as a small charity.

Incoming resources

All incoming resources are included in the Statement of Financial Activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

Voluntary income

Membership subscriptions, grants, conference and other income are accounted for when receivable by the charity. Grants, where entitlement is not conditional on the delivery of specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.

Investment income

Bank interest is accounted for when receivable.

Resources expended

Expenditure is recognised on an accrual basis as a liability is incurred. The charity is not registered for VAT and expenditure therefore includes any VAT which cannot be recovered, and is reported as part of the expenditure to which it relates:

- Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.
- Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.

All costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis as set out in Note 4.

CCPS - COALITION OF CARE AND SUPPORT PROVIDERS IN SCOTLAND

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 31 March 2011

1 Accounting policies (continued)

Pension costs

CCPS is a member of the Scottish Voluntary Sector Pension Scheme (the Scheme) which is a multiple employer defined benefit scheme. This Scheme closed to future accrual on 31 March 2010. As it is not possible to confirm CCPS's share of the underlying assets and liabilities of the Scheme it is accounted for as defined contribution scheme with costs equal to the contributions made for the accounting period.

CCPS also operates a group personal pension scheme on a defined contribution basis. The contributions payable are charged to the Statement of Financial Activities in the period to which they relate.

Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation. The cost of minor additions or those costing less than £500 are not capitalised.

Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following basis:

Office equipment – 3 years straight line basis.

Fund accounting

Funds held by the charity are either:

Unrestricted funds – these are funds which can be used in accordance with the charitable objects at the discretion of the Board of Directors. Unrestricted funds include designated funds where the directors, at their discretion, have created a fund for a specific purpose.

Restricted funds – these are funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for a particular restricted purpose.

Taxation

As a charity the company is exempt from tax on income and capital gains to the extent that these are applied to its charitable objects. No tax charges have arisen in the charity.

2 Legal status of the charity

The charity is a company limited by guarantee and not having a share capital. That liability of each member in the event of winding up is limited to £1.

3 Grants and donations

	Unrestricted Funds	Restricted Funds	2011 Total	2010 Total
<i>Scottish Government :</i>				
Housing Support Enabling Unit	6,669	113,971	120,640	131,729
Workforce Unit	11,500	199,064	210,564	210,783
<i>Other:</i>				
Big Lottery Fund – Investing in Ideas (WF Unit)	-	8,650	8,650	-
	<u>£ 18,169</u>	<u>£ 321,685</u>	<u>£ 339,854</u>	<u>£ 342,512</u>

CCPS - COALITION OF CARE AND SUPPORT PROVIDERS IN SCOTLAND

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 March 2011

4	Total Resources Expended	Basis of Allocation	Core Activities	Governance	WF Unit	HS Unit	Total 2011	Total 2010
	Costs directly allocated to activities							
	Staff costs	Staff time	121,220	12,727	113,832	84,680	332,459	335,104
	Travel	Direct	1,445	-	2,700	1,065	5,210	6,350
	Printing	Direct	4,739	-	3,947	3,136	11,822	9,243
	Website development	Direct	984	-	999	-	1,983	8,048
	CCPS events	Direct	3,199	-	3,614	9,823	16,636	34,068
	Office costs share	Usage	7,927	2,798	19,767	10,981	41,473	33,141
	Conference expenditure	Direct	43,295	-	-	-	43,295	5,418
	Membership EASPD	Direct	3,027	-	-	-	3,027	2,999
	Subscriptions/publications	Direct	1,211	-	-	-	1,211	804
	Advertising	Direct	-	-	-	-	-	1,757
	Research/consultancy	Direct	6,077	-	13,181	2,938	22,196	13,464
	Audit fees	Direct	-	2,146	-	-	2,146	1,818
	Accountancy fees	Direct	-	1,431	-	-	1,431	1,212
	Outcomes framework costs	Direct	-	-	-	7,033	7,033	55,430
	Support costs allocated to activities							
	Staff costs	Staff time	10,668	-	28,458	21,171	60,297	61,145
	Office costs share	Usage	7,927	-	4,942	2,745	15,614	10,456
	Research/consultancy	Direct	652	-	1,431	-	2,083	319
	Stationery	Direct	931	-	-	-	931	925
	Computer costs	Direct	640	-	-	1,487	2,127	1,449
	Depreciation	Direct	931	-	-	178	1,109	1,879
	Insurance	Direct	939	-	-	-	939	859
	Trustee indemnity insurance	Direct	-	260	-	-	260	260
	Life Assurance costs	Direct	576	-	-	331	907	-
	Training	Direct	382	-	406	636	1,424	2,631
	IT support	Direct	2,948	-	-	2,284	5,232	5,729
	Bank charges	Direct	543	-	-	-	543	556
	Total resources expended		£ 220,261	£ 19,362	£ 193,277	£ 148,488	£ 581,388	£ 595,064

CCPS - COALITION OF CARE AND SUPPORT PROVIDERS IN SCOTLAND

NOTES TO THE FINANCIAL STATEMENTS (continued) for the year ended 31 March 2011

5	Net movement in funds	2011	2010
		£	£
	This is stated after charging:		
	Depreciation	1,109	1,879
	Auditors' remuneration	<u>3,577</u>	<u>3,030</u>

6 Staff costs

No remuneration was paid to the Board of Directors during the year, nor were any expenses reimbursed.

No director or other person related to the charity had a personal interest in any contract or transaction entered into by the charity during the year (2010: None).

The staff costs were:

	2011	2010
Salaries and wages	317,890	330,055
Social Security costs	32,689	26,800
Pension	20,670	39,394
Pension deficit contributions	<u>21,507</u>	<u>-</u>
	<u>£ 392,756</u>	<u>£ 396,249</u>

No employee (2010: None) received emoluments of more than £60,000 in the year.

The average number of employees during the year, calculated on the basis of full time equivalents, was as follows :

Directors (Units)	3	3
Policy and Development	5	5
Administration and support	<u>3</u>	<u>3</u>
	<u>11</u>	<u>11</u>

CCPS - COALITION OF CARE AND SUPPORT PROVIDERS IN SCOTLAND

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 March 2011

7 Tangible fixed assets

	Office Equipment
Cost	
At 31 March 2010	25,519
Additions	1,087
Disposals	(936)
At 31 March 2011	25,670
Depreciation	
At 31 March 2010	24,772
Charge for the year	1,109
Disposals	(936)
At 31 March 2011	24,945
Net book value	
At 31 March 2011	£ 725
At 31 March 2010	£ 747

8 Debtors	2011	2010
Trade debtors	4,140	1,912
Prepayments	9,267	1,420
	<u>£ 13,407</u>	<u>£ 3,332</u>

9 Funds	31 March 2010	Incoming Resources	Resources Expended	Transfers	31 March 2011
<i>Unrestricted:</i>					
General Fund	114,589	272,067	(239,623)	-	147,033
<i>Designated:</i>					
Development Fund	20,112	10,881	-	40,175	71,168
Pensions Deficit Fund	47,580	-	-	-	47,580
	<u>182,281</u>	<u>282,948</u>	<u>(239,623)</u>	<u>40,175</u>	<u>265,781</u>
<i>Restricted:</i>					
HS Enabling Unit Fund	49,328	125,596	(148,487)	-	26,437
Workforce Unit Fund	25,739	199,064	(184,628)	(40,175)	-
Investing in Ideas (WF Unit)	-	8,650	(8,650)	-	-
	<u>75,067</u>	<u>333,310</u>	<u>(341,765)</u>	<u>(40,175)</u>	<u>26,437</u>
	<u>£ 257,348</u>	<u>£ 616,258</u>	<u>£ (581,388)</u>	<u>£ -</u>	<u>£ 292,218</u>

CCPS - COALITION OF CARE AND SUPPORT PROVIDERS IN SCOTLAND

NOTES TO THE FINANCIAL STATEMENTS (continued) for the year ended 31 March 2011

9 Funds (continued)

	General Funds (Unrestricted)	HS Enabling Unit Fund (Restricted)	Total
Tangible fixed assets	368	357	725
Net current assets	265,413	26,080	291,493
Net assets	£ 265,781	£ 26,437	£ 292,218

The Housing Support Enabling Unit Fund is a project funded by the Scottish Government to assist and support independent service providers in relation to their provision of housing support.

The Workforce Unit Fund was established in collaboration with the Scottish Social Services Council and funded by the Scottish Government to support and provide the development of the voluntary sector social services workforce in Scotland. Funding for the Workforce Unit ceased on 31 March 2011 and the Unit is now closed, with the balance of the remaining funds transferred to unrestricted funds.

The Big Lottery Fund provided a grant from their Investing in Ideas programme to pay for market research and to develop a business plan as part of the project to develop web based search services.

The Development Fund relates to income generated and surpluses returned by the Workforce Unit that will be used by CCPS to invest in aspects of the Unit's remit which CCPS wishes to continue, most notably supporting members with regard to personalisation and self directed support.

The Pension Deficit Fund reflects monies set aside to help meet the ongoing funding contributions payable to meet the charity's share of the Scottish Voluntary Sector Pension Scheme deficit.

10 Pension Commitments

(a) *Defined contribution pension arrangements*

CCPS operates a group personal pension scheme on a defined contribution basis. Employer contributions are paid in the range of 6 to 10% of pensionable salaries while employee contributions are 4% of pensionable salaries. Employer pension contributions payable in the year were £20,670.

(b) *Defined benefit pension arrangements*

CCPS participates in the Scottish Voluntary Sector Pension Scheme (the Scheme). The Scheme is a multi-employer defined benefit scheme. The Scheme is funded and was contracted out of the state scheme until 31 March 2010, when the scheme was closed to further accrual.

From 1 October 2007 CCPS operated a final salary with a 1/60th accrual rate benefit structure for active members until the date of Scheme closure on 31 March 2010.

CCPS - COALITION OF CARE AND SUPPORT PROVIDERS IN SCOTLAND

NOTES TO THE FINANCIAL STATEMENTS (continued) for the year ended 31 March 2011

10 Pension Commitments (continued)

The Scheme closed to future accrual on 31 March 2010. There is currently no intention to wind-up the Scheme and it continues in paid-up form.

The Trustee commissions an actuarial valuation of the Scheme every 3 years. The main purpose of the valuation is to determine the financial position of the Scheme in order to determine the level of future contributions required so that the Scheme can meet its pension obligations as they fall due.

The actuarial valuation assesses whether the Scheme's assets at the valuation date are likely to be sufficient to pay the pension benefits accrued by members as at the valuation date. Asset values are calculated by reference to market levels. Accrued pension benefits are valued by discounting expected future benefit payments using a discount rate calculated by reference to the expected future investment returns.

It is not possible in the normal course of events to identify the share of underlying assets and liabilities belonging to individual participating employers. This is because the scheme is a multi-employer scheme where the scheme assets are co-mingled for investment purposes and benefits are paid from total scheme assets. Accordingly, due to the nature of the Scheme, the accounting charge for the period under the FRSSE (2008) represents the employer contribution payable.

The last formal valuation of the Scheme was performed as at 30 September 2008 by a professionally qualified actuary using the Projected Unit Method. The market value of the Scheme's assets at the 30 September 2008 was £45.1 million. The valuation revealed a shortfall of assets compared with the value of liabilities of £20.438 million (equivalent to a past service funding level of 68.8%).

The financial assumptions underlying the valuation as at 30 September 2008 were as follows:

	%pa
• Investment return pre retirement	6.8
• Investment return post retirement	4.6
• Rate of salary increase	4.2 for five years and 4.7 pa thereafter
• Rate of pension increases:	
For pensionable service pre 6 April 2005	3.0
For pensionable service post 5 April 2005	2.3
• Rate of price inflation	3.2

The funding update at the 30 September 2010 revealed that the estimated past service funding level has increased to 81%, and the shortfall of assets compared with the value of liabilities has fallen to an estimated £15.12m. This is primarily due to positive investment returns over the period concerned, the settlement of employer debts on leaving, the change in basis of pension increases from RPI to CPI and the changes in actuarial assumptions.

If an actuarial valuation reveals a shortfall of assets compared to liabilities the Trustee must prepare a recovery plan setting out the steps to be taken to make up the shortfall.

CCPS - COALITION OF CARE AND SUPPORT PROVIDERS IN SCOTLAND

NOTES TO THE FINANCIAL STATEMENTS (continued) for the year ended 31 March 2011

10 Pension Commitments (continued)

It was agreed that the following contribution rates would be payable until 31 March 2010.

<i>Benefit structure</i>	<i>Long-term joint contribution rate (% of pensionable salaries)</i>
Final salary 1/60 th accrual rate	22.7% Comprising employer contributions of 15.2% and member contributions of 7.5 %

From 1 April 2010 contributions in respect of future service have ceased.

From 1 April 2010 a new recovery plan came into effect, following the finalisation of the 2008 valuation. Under the recovery plan CCPS is required to make lump sum payments of £21,507 pa, increasing annually in line with the salary assumption used in the valuation.

If the valuation assumptions are borne out in practice this pattern of contributions should be sufficient to eliminate the past service deficit arising from the 2005 and 2008 valuations, on an on-going funding basis, by 31 March 2022. The required level of deficit contributions will fall by 30 September 2018.

A copy of the recovery plan must be sent to the Pensions Regulator. The Regulator has the power under Part 3 of the Pensions Act 2004 to issue scheme funding directions where it believes that the actuarial valuation assumptions and/or recovery plan are inappropriate. For example the Regulator could require that the Trustee strengthens the actuarial assumptions (which would increase the scheme liabilities and hence impact on the recovery plan) or impose a schedule of contributions on the Scheme (which would effectively amend the terms of the recovery plan).

The recovery plan from the 2008 valuation has been submitted to the Pensions Regulator. The next full actuarial valuation will be carried out as at 30 September 2011.

Following a change in legislation in September 2005 there is a potential debt on the employer that could be levied by the Trustee of the Scheme. The debt is due in the event of the employer ceasing to participate in the Scheme or the Scheme winding up.

The debt for the Scheme as a whole is calculated by comparing the liabilities for the Scheme (calculated on a buyout basis i.e. the cost of securing benefits by purchasing annuity policies from an insurer, plus an allowance for expenses) with the assets of the Scheme. If the liabilities exceed assets there is a buy-out debt.

The leaving employer's share of the buy-out debt is the proportion of the Scheme's liability attributable to employment with the leaving employer compared to the total amount of the Scheme's liabilities (relating to employment with all the currently participating employers). The leaving employer's debt therefore includes a share of any "orphan" liabilities in respect of previously participating employers. The amount of the debt therefore depends on many factors including total Scheme liabilities, Scheme investment performance, the liabilities in respect of current and former employees of the employer, financial conditions at the time of the cessation event and the insurance buy-out market. The amounts of debt can therefore be volatile over time.

CCPS has been notified by The Pensions Trust of the estimated employer debt on withdrawal from the Scheme based on the financial position of the Scheme as at 31 March 2010. As of this date the estimated employer debt for CCPS was £387,000