



Annual Report

Finance & Governance

2025-2026

www.scottishcare.org
01292 270240
[@scottishcare](https://twitter.com/scottishcare)



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Rachel Payne
Vice Chair of the
Scottish Care Executive

Foreword from our Vice Chair

It is a privilege to introduce Scottish Care's Annual Accounts for this year. Having been part of the Executive Committee for the past four years, I have seen first-hand the increasing pressures facing independent social care providers across Scotland.

I have also recently attended my first meeting at the most recent Finance, Audit and Risk committee. It has been interesting to see another side of Scottish Care's work and the financial challenges facing both the organisation and the wider sector.

For me, though, the figures in these accounts are about much more than balancing the books. Behind them are people, organisations and services delivering care every day. Financial sustainability matters because without sustainable providers, we cannot continue to support the people who rely on our services or the workforce who make that care possible.

One of the areas I care most about within Scottish Care is the wellbeing of our workforce. I know first-hand how important it is that we recognise the pressures people are working under and make sure wellbeing remains part of what we do on all levels. I look forward to supporting this into 2027 as Chair of the Wellbeing Committee.

I am particularly proud of the work this year around reducing cultural bias within social care. Our workforce is increasingly diverse

and that is a real strength. We need to make sure everyone working in social care feels valued, respected and that they belong. That means listening to people, being prepared to challenge ourselves and making changes when we need to.

My involvement with Scottish Care has always been strongly influenced by my experience as a provider and my years as Chair of the Fife Branch. It is important to me that the discussions we have nationally reflect what is actually happening within services and communities. Listening to members and making sure their experiences are heard continues to be a really important part of my role on the Executive.

A real highlight for me this year has been the **Care Creates** campaign. I think it captures something we need to say much more confidently. Social care does not simply cost money, it creates value.

It creates jobs, supports families and communities, enables people to live their lives and makes a significant contribution to Scotland socially and economically. At a time when the sector is under so much pressure, **Care Creates...** has helped us tell that story differently and given us a positive way to talk about what social care contributes to Scotland.

This year I was also pleased to represent Scottish Care at two provider-led friendly protests. Standing alongside other providers and staff was a powerful reminder of the strength of feeling across our sector and how determined people are to keep speaking up about the value of social care and the need for sustainable funding.

There is no doubt that the coming year will continue to be challenging. Providers are being asked to manage increasing costs and expectations while continuing to deliver high-quality care in an extremely difficult financial environment. I am also hugely conscious of the effects of the ever-changing employee rights and all that AI brings with it.

Despite this, I continue to see huge commitment, innovation and determination across our membership.

I would like to thank my fellow Board and Executive members, the Scottish Care team and, most importantly, our members. Thank you for continuing to share your experiences, challenge us, support one another and speak up for social care.

We need to keep making our collective voice heard and keep reminding people of the value that social care creates every day.

Rachel Payne, Vice Chair of the Scottish Care Executive



Governance



Governance remains the responsibility of the Scottish Care Executive Committee, supported by the Finance, Audit & Risk Committee, National Committee and a range of strategic groups focused on key areas of thematic interest.

During 2025–26, Scottish Care continued to align organisational priorities to its five-year strategy, **Social Care that Works for Scotland**, launched in September 2024. The strategy provides a clear framework for activity through its four ambitions: ensuring social care is **Valued, Visible, Viable** and **Visionary**.

The Executive Committee is responsible for ensuring that Scottish Care fulfils its legal, charitable and regulatory obligations while maintaining strong oversight of organisational performance, financial sustainability and strategic direction. The Committee continued to review emerging risks, monitor organisational performance and support the development of Scottish Care's national profile and influence.

The National Committee, comprising Branch Chairs from across Scotland, continued to play a critical role in ensuring provider experiences and local intelligence informed national priorities and policy positions. Strategic Groups also continued to provide expert insight into workforce, policy, commissioning, technology and innovation issues, strengthening Scottish Care's ability to represent the breadth and diversity of the independent social care sector

Direct Representation

Scottish Care is the national membership organisation representing Scotland's independent care sector, providing an informed perspective on the sector's operational landscape. Through our governance structures, member forums, branch network and strategic groups, we ensure providers have meaningful opportunities to influence both organisational priorities and national policy development.

Throughout 2025-26, Scottish Care continued to strengthen engagement with members across care homes, care at home, housing support services. Branch meetings, Strategic Groups, workforce forums and national events provided vital opportunities to gather intelligence, identify emerging challenges and develop practical policy solutions informed by lived provider experience.

The second cycle of Scottish Care's national branch engagement programme concluded during the year, encompassing fourteen regional visits across Scotland and strengthening relationships with members. Following member feedback and evaluation, a number of areas will transition to an online engagement model during the next cycle to improve accessibility and maximise participation.

Scottish Care's governance structure remains one of the organisation's greatest strengths, enabling national representation to be firmly grounded in local knowledge, practical expertise and the realities of delivering care and support across diverse communities.



Organisational Overview and Strategic Position



Scottish Care continues to occupy a unique position within Scotland's social care landscape as the only membership organisation representing the full breadth of independent adult social care providers. The organisation is recognised by government, Parliament, regulators, national agencies and wider stakeholders as a trusted source of sector expertise and intelligence. This influence extends internationally through engagement with organisations including the Global Ageing Network and European Ageing Network.

The introduction of Scottish Care's five-year strategy has strengthened organisational focus and prioritisation at a time when demands for representation and engagement continue to grow.

During 2025–26, Scottish Care contributed to a significant range of policy developments, parliamentary engagement, workforce initiatives, regulatory forums, consultation responses and reform discussions, ensuring the experiences of providers remained central to decision-making.

The organisation's reputation is further strengthened through its research, policy development and communications activity. During the year, Scottish Care led major influencing initiatives including the Care Creates campaign, publication of the Scottish Care Manifesto, workforce sustainability research and extensive engagement on care reform, funding and workforce policy. These activities reinforced Scottish Care's position as both a representative body and future-focused policy partner.

However, Scottish Care continues to operate within a challenging environment. The financial fragility of the social care sector, increasing workforce pressures and the continued closure, consolidation and restructuring of services can affect both membership numbers and organisational capacity. At the same time, increasing expectations from government, regulators and stakeholders place significant demands on a relatively small team.

The organisation has continued to strengthen its digital infrastructure, communications capability and impact reporting systems. The launch of the new website, development of the Care Creates campaign and increasing use of digital tools have improved engagement with members and enhanced Scottish Care's ability to demonstrate influence and impact.

Scottish Care is a small organisation with great reach; however, it is limited by external forces affecting the ability to engage on the ground. The organisation relies on local presence through our network of Branch Chairs and Independent Sector Leads where they are funded. Systemic pressures have put additional pressure on this network. Scottish Care has introduced better support mechanisms for branches through regular contact with Membership Support to ensure that our branches can function effectively. The maintained monthly Surgery format augments this experience.

Looking ahead, opportunities exist to further diversify income streams, strengthen strategic partnerships and expand collaborative work with academic, research and innovation partners. These opportunities will support organisational sustainability whilst further advancing Scottish Care's charitable aims and strategic ambitions.



Financial Summary

Funding

Scottish Care is funded through a combination of membership income, grant funding, project partnerships and commercial activity.



Core organisational functions, including senior leadership, membership support and operational activity, are primarily funded through membership fees. Additional income is secured through funded projects and collaborative programmes with partners including the Scottish Government, Health and Social Care Partnerships, higher education institutions and national agencies. Commercial income is also generated through conferences, exhibitions, awards programmes, sponsorship, advertising and strategic partnerships.

During 2025–26, Scottish Care continued to diversify income streams to support organisational sustainability and the delivery of its charitable objectives.

Bad debt is linked to one member totalling £599.

Costing and Pricing Strategy

Scottish Care operates a robust budgeting process which aligns resources with organisational priorities and strategic objectives. Annual budgets are developed through review of previous expenditure, anticipated activity and emerging priorities across the social care sector.

The organisation continually seeks opportunities to maximise value, deliver efficiencies and secure additional funding through partnerships, grants and collaborative initiatives. Inflationary pressures, including increases in staffing and operational costs, are monitored throughout the year and incorporated into financial planning where appropriate.

Staffing continues to represent the organisation's largest area of expenditure, reflecting the people-centred nature of Scottish Care's work. Significant investment is also made in member engagement, policy development, communications, events and digital services.

Turnover

The organisation continued to manage a complex portfolio of grant-funded activity alongside core membership services, events, commercial partnerships and national workstreams. Costs associated with participation in both the Scottish and UK Covid-19 Public Inquiries continued during the year, although some expenditure is supported through dedicated funding arrangements.

Investment was also made in communications, digital infrastructure, impact measurement and organisational development to strengthen Scottish Care's capacity to support members and influence policy on behalf of the independent social care sector.

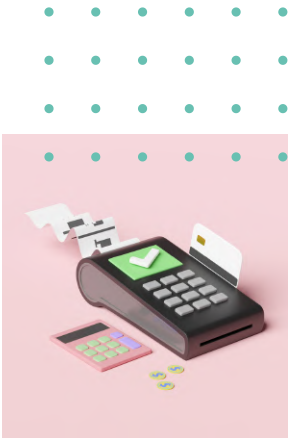
Any unrestricted surpluses generated are reinvested in activities which further Scottish Care's charitable purposes and strategic objectives.

Payment

Membership fees are collected annually via an invoicing system. Payment for events is collected in advance via invoicing and also using Stripe, an online payment platform via our website.

Income relating to conferences, exhibitions, awards programmes and events is collected through invoicing and online payment systems, including Stripe via the Scottish Care website.

Grant-funded programmes operate under agreed contractual arrangements with funding partners and are invoiced in accordance with project requirements and reporting schedules.



Premises



Scottish Care rents our office space at:

Bld 372, Ground Floor Offices,
22-27 Alpha Freight,
Glasgow Prestwick Airport,
KA9 2QA

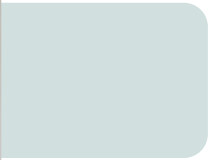
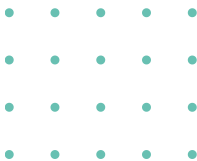


The organisation continues to operate a hybrid working model, with employees based throughout Scotland. This approach supports flexible working practices whilst ensuring cost-effective use of resources. Office accommodation provides an operational base for the organisation and meeting space when required, with additional facilities accessed through members and partner organisations where appropriate.

Equipment

Scottish Care maintains the equipment, software and digital infrastructure required to support a modern, geographically dispersed workforce.

During 2025-26, the organisation continued to invest in digital systems, communications platforms and technology to enhance member engagement, improve operational efficiency and strengthen organisational resilience. The launch of the redesigned Scottish Care website formed part of wider activity to improve accessibility, communications and the member experience.



Legal



Scottish Care is a registered charity regulated by the Office of the Scottish Charity Regulator (OSCR) and is also incorporated as a company limited by guarantee. The organisation therefore operates in accordance with both charity and company legislation.

Scottish Care complies with all relevant employment, health and safety, equality and data protection legislation. Specialist external support is utilised from Citation where required to ensure policies, procedures and practices remain up to date and compliant with regulatory requirements.

There are times when Scottish Care's activity comes under the Lobbying (Scotland) Act, this is managed by the Company Secretary.

The Office Manager is the Data Controller for Scottish Care, managing GDPR. Our digital storage systems, are held and managed by external organisation and Solutions on Demand IT.

Insurance



Scottish Care has insurance for cyber, tangibles, and for directors and staff. This is reviewed annually.

Management & Staff

Scottish Care continues to operate a flexible hybrid working model, enabling staff to work effectively across Scotland while maintaining strong organisational cohesion. Staff came together throughout the year through national conferences, planning events and team development opportunities which supported collaboration, organisational learning and strategic planning.

Staff wellbeing remains a core organisational priority. Scottish Care recognises that its employees are central to the success of the organisation and continues to provide access to wellbeing support, employee assistance services and opportunities for professional development.

During the year, Scottish Care continued to develop its approach to impact measurement and organisational learning. Enhanced reporting systems and evidence gathering processes have strengthened the organisation's ability to demonstrate outcomes, inform planning and communicate the value of its work to members, funders and stakeholders.



Risk



Membership

The ongoing financial challenges facing social care providers continue to present a risk to membership organisations across the sector. Rising operating costs, workforce shortages, commissioning pressures and service closures remain significant concerns.

Despite these challenges, Scottish Care continues to provide a unique and recognised national voice for independent social care. The complexity of the policy and operational environment reinforces the importance of strong sector representation, support and advocacy, which continues to underpin membership demand.

Staffing and Funding

Scottish Care continues to rely on a combination of membership income, commercial activity and externally funded projects. Variability in grant funding presents an ongoing risk to workforce stability and long-term planning.

The organisation continues to strengthen evidence of impact and value through enhanced reporting, evaluation and communications activity, with the objective of supporting longer-term funding relationships, expanding partnership opportunities and improving financial resilience.

External Environment

Policy reform, fiscal pressures and workforce challenges remain key risks affecting both the sector and the organisation. Scottish Care will continue to monitor legislative developments, economic conditions and workforce trends to ensure organisational activity remains responsive to emerging challenges and opportunities.



Closing Reflections



Karen Hedge
Deputy CEO, Scottish Care

This year has again demonstrated both the resilience of Scottish Care and the scale of the challenge facing independent social care. In a period shaped by financial pressure, workforce uncertainty and an increasingly complex policy landscape, we have remained focused on our purpose: to ensure that social care works for Scotland and is **valued, visible, viable** and **visionary**.

Strong governance and responsible financial stewardship have enabled us to respond with agility while investing in the organisation's future. We have strengthened our digital infrastructure, improved how we evidence impact and continued to diversify our income and partnerships. These developments are not ends in themselves; they give Scottish Care a stronger platform from which to support members, influence change and bring people together around practical solutions.

The year ahead will require clarity, courage and disciplined choices. We will continue to advocate for a sustainable independent sector, fair recognition of its workforce and a social care system understood as essential national infrastructure. We will also remain attentive to our own sustainability, protecting the capacity of our team and ensuring that our resources are directed where they can make the greatest difference.

I extend my sincere thanks to our members, Executive and National Committees, Branch Chairs, staff, partners and stakeholders. Your expertise, commitment and willingness to collaborate give Scottish Care its reach and credibility. Together, we will continue to turn challenge into progress and help create a future in which social care can flourish.



If you have any questions relating to this report, please contact Scottish Care:

Bld 372
Ground Floor Offices
22-27 Alpha Freight
Glasgow Prestwick Airport
Prestwick KA9 2QA

01292 270240
comms@scottishcare.org

Scottish Care is a Scottish Charity, SC051350,
regulated by the Scottish Charity Regulator
(OSCR)

