

**General Teaching Council for England
Annual Report and Financial Statements
for the year ended 31 March 2009**



Presented to Parliament pursuant to paragraph 15 of Schedule 1 of the Teaching and Higher Education Act 1998 with the accounts, presented on behalf of the C&AG in accordance with paragraph 14 (3) of the Teaching and Higher Education Act 1998

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**General Teaching Council for England
Annual Report and Financial Statements for the year ended 31 March 2009
Introduction from the Chief Executive**

Contents

	Page
Introduction from the Chief Executive	2
Annual Report	4
Remuneration Report	30
Financial Review	34
Statement of the General Teaching Council for England and Chief Executive's Responsibilities	37
Statement on Internal Control	38
The Certificate and Report of the Comptroller and Auditor General	41
Income and Expenditure Account	43
Balance Sheet	44
Cash Flow Statement	45
Notes to the Financial Statements	46
Glossary	59

General Teaching Council for England
Annual Report and Financial Statements for the year ended 31 March 2009
Introduction from the Chief Executive

The Council embarked on a major programme of change, renewal and development during 2008 – 2009.

We began by setting out first thoughts on a new vision for *Teaching in 2012*, and inviting major partner organisations to engage with it and to work with us more intensively over the next few years. Our aim is to encourage wider public debate on teaching and better recognition of teachers' skills, judgement and expertise.

The vision statement was refined and developed in response to feedback and discussed in a series of consultation events with teachers. It was debated at our October Council meeting, when 22 newly elected or nominated Members joined the Council, and was adopted formally in January to underpin the Council's corporate priorities through years to 2012. The *Teaching in 2012* statement places children and the valuing of childhood at the centre of its vision. It calls for a renewal of the curriculum, a renewed emphasis on pedagogy and shared professional knowledge. It seeks a revitalised sense of professional self confidence within teaching, the better to serve the public.

I can confirm that the GTC continues to operate sound systems for registering teachers and for collecting and disbursing fee income responsibly and effectively. Alongside existing programmes of activity in registration, regulation, policy advice, research, communications and networking with teachers, the GTC has developed a series of specific programmes designed to support our vision for *Teaching in 2012*.

Two of these were already well underway at the start of the reporting year ~ work to refresh the Code of Conduct and Practice for teachers began in 2007-2008 and the GTC has been working to develop the Teacher Learning Academy into a national open system since July 2007.

In April, we contracted with a national logistics partner, Cambridge Education, so that the GTC's pioneering approach to teacher development, the Teacher Learning Academy could make a smooth transition to a national, largely self-financing, open system. During the year, participation in the Teacher Learning Academy doubled, with enrolments rising from 7000 teachers at the end of March 2008 to more than 16,000 at the same point in 2009. Almost every English Parliamentary constituency now has at least one school which is taking part in the TLA, a system which was independently evaluated by the National Foundation for Educational Research. Its report, published in March, shows that teacher participation in the TLA brings clear and lasting benefits for pupils' learning and achievement and for teachers' professional confidence and effectiveness.

In May, the Select Committee for Children, Schools and Families published their final report on assessment and testing, which backed many of the proposals for reform put forward in evidence by the GTC.

Although initially very sceptical about the Select Committee's report and the GTC's evidence and advice on accountability and assessment, the DCSF has moved progressively to take up some of the Council's thinking in this area, particularly the case for greater use of teacher assessment, greater investment in assessment for learning and the development of cohort sampling which would allow more rigorous measurement of standards over time without the need to test every child.

In September, as our new Council Members were taking up office, we welcomed trainee teachers into provisional registration with the GTC. We worked closely and successfully with Initial Teacher Education providers to introduce the new requirement and expanded our advocacy programme to ensure that trainee teachers are welcomed into the profession and understand the benefits of professional registration, the values shared by teachers and the expectations placed on them by membership of the profession.

Throughout 2008 – 2009, we consulted widely on a new Code of Conduct and Practice for teachers. We ran a series of workshops during which we consulted with parents, employers, governors, children and young people and with teachers themselves. There was strong support for a new, affirmative Code and a high degree of consensus between teachers and the wider public.

General Teaching Council for England
Annual Report and Financial Statements for the year ended 31 March 2009
Introduction from the Chief Executive

We published a draft Code on-line in November whilst continuing a substantive process of face to face consultation and engagement with teachers and major partners. The on-line consultation yielded more than 3,500 detailed responses, the majority of which were positive and support the general thrust of the new Code. Where concerns were expressed, they centred primarily on two areas – teachers’ right to a private life and a perceived tension between teachers’ rights to hold and express a religious belief and an expectation on teachers to promote equality and value diversity.

At the end of the reporting year, Members and staff were working to address these concerns with a view to securing Council support for a revised draft at its July meeting. If approved, the new Code will come into effect in October 2009.

The GTC has a statutory remit to contribute to raising standards of teaching and learning in the public interest. We discharge this remit in a number of ways; through the provision of sound evidence and advice to Government and others, and by signposting teachers to sources of information and support. During the year, we undertook a major revision of our web site, completing the project at the end of March. The new website is fully compliant with disability access requirements and is a much more user-friendly resource for teachers and other visitors. We also repackaged our popular on line research resource, now called *Research for teachers*, to make it even more accessible and useful to busy practitioners.

Keith Bartley
Chief Executive

General Teaching Council for England

Annual Report and Financial Statements for the year ended 31 March 2009

Annual Report

About this report

This Annual Report covers the financial year 1 April 2008 to 31 March 2009.

It incorporates the management commentary as required under the Government Financial Reporting Manual. It shows how the General Teaching Council for England (GTC) has pursued and delivered against the objectives set out in its Corporate Plan for 2007-10.

About the General Teaching Council for England

The General Teaching Council for England, a Public Corporation as defined by the Office for National Statistics, was established on 1 September 2000 under Section 1 of the Teaching and Higher Education Act 1998.

We work for children, through teachers, in the interests of the public.

We are committed to making sure young people have the best possible standards of learning and achievement.

We are legally obliged to keep a register of qualified teachers in England and set out and enforce standards for the teaching profession, in the interests of the public.

We are legally obliged to provide advice to government and other agencies on important issues that affect the quality of teaching and learning.

Our remit includes a duty to raise the standing of the teaching profession.

We work with teachers to make sure our advice is based on practical experience and reliable research.

We bring together teachers and other partners with an interest in the education service, including parents, governors and employers.

Our strong integrated framework, based on the Corporate Plan referred to above, makes sure that the organisation meets its objectives. The plan makes explicit the milestones by which our Council will measure progress towards the key strategic objectives, which are:

- raising the standing of the teaching profession;
- improving the standards of teaching and the quality of learning;
- maintaining and improving standards of conduct among teachers; and
- working effectively.

These strategic objectives drive the detailed service plans for each operational unit for the year. The principal developments and performance of the organisation for the year are set out in the sections in the subsequent pages that look at each service area.

General Teaching Council for England
Annual Report and Financial Statements for the year ended 31 March 2009
Annual Report

Registration

The Register

Our registration procedures help schools deliver effective recruitment practices within the wider context of Safer Recruitment and the new Independent Safeguarding Authority.

All qualified teachers who are teaching in maintained schools, non-maintained special schools and pupil referral units in England must hold full registration with the GTC.

All those who start a course working towards the award of qualified teacher status (QTS) on or after 1 September 2008 are now required to hold provisional registration with the GTC.

Others with QTS who are working in other roles or settings where GTC registration is not required (such as independent schools, further education (FE) colleges and some academies), may also register, and some employers require registration with the GTC as a condition of contract.

Teachers with QTS who are working in sixth form colleges may choose to register either with the GTC or with the Institute for Learning.

On 31 March 2009, more than 551,000 qualified teachers were fully registered with the GTC.

	31 March 2009	31 March 2008	31 March 2007
Teachers holding full registration with the GTC	551,900	538,500	532,000

On 31 March 2009, nearly 36,000 trainee teachers working towards QTS were provisionally registered with the GTC.

	31 March 2009	31 March 2008	31 March 2007
Teachers holding provisional registration with the GTC (trainees)	35,800	n/a	n/a

The year 2008-09 was the first full year in which the GTC was required to assess the suitability of all those applying for both full and provisional registration. We have worked closely with initial training educators and with employers to create an effective process.

In 2008-09 we assessed the suitability of 49,974 qualified teachers for full registration and 36,291 applicants for provisional registration. No application was rejected on grounds of suitability.

We have established a suitability assessment panel to consider less straightforward cases. During the year, the panel invited four applicants for a formal meeting to discuss the relevant issues face to face.

We met our target to process all registration requests within four weeks, unless a formal meeting with the applicant was required to assess suitability.

Good data are essential if the Register is to be a source of authoritative information. There is a continuous programme of data quality assessment and improvement with a targeting of efforts on addressing root causes of record and data anomalies.

We have built upon our data sharing partnerships with national partners. New strategic relationships to deliver high quality data more efficiently were established and enhancements to the security of data transfers have been implemented.

General Teaching Council for England
Annual Report and Financial Statements for the year ended 31 March 2009
Annual Report

We have comprehensive data on gender and age and are working hard to improve the quality of ethnicity and disability data. Improved data in these areas is essential not only for the integrity of the Register but also to allow research on equality and diversity issues in the teaching workforce.

In June 2008, we included an equal opportunities monitoring form with our termly magazine asking teachers to provide details about ethnicity and disability. We sent out 314,000 forms and the return rate of 13,300 (4.24%) was disappointing. As a result a 'solus' mailing is planned for January 2010 in a further attempt to collect the data in bulk. We continue to collect equal opportunities monitoring data through all of our application forms. The overwhelming majority of new registrants volunteer this information and our data has become more complete each year. Currently we hold ethnicity data for 46.3% of registered teachers and disability data for 10%.

During the year, we began significant development of our customer relationship management (CRM) system. An interim solution is already in place to support the introduction of provisional registration for trainees from 1 September 2008 and for overseas trained teachers and instructors from 1 September 2009. When development is complete, it will allow for the introduction of Independent Safeguarding Authority monitoring.

>> see also **Data Governance and Information Assurance** (page 19)

Awarding qualified teacher status

As the statutory awarding body for QTS we ensure, in the interests of the public and the profession, that only appropriately qualified teachers enter the profession. There are more than 35,000 new entrants to teaching each year (see table below). The majority enter through the traditional college-based route, and for these we confirm QTS by 1 September each year.

Type of QTS Award	2008-09	2007-08	2006-07
ITE college exit process	26,014	27,661	27,840
Scotland	218	209	229
Northern Ireland	69	78	88
European Economic Area	1,731	1,511	1,700
Flexible post graduate route	812	860	787
Graduate and Registered teacher programmes	4,927	4,919	4,887
Overseas trained teachers	1,121	1,307	970
Awards resulting from archive work	409	594	743
Total	35,301	37,139	37,244

Induction

Once an appropriate body has recommended that a teacher has met the core standards at the end of their induction period we process the result, record it on the Register and issue the teacher with their induction certificate.

Result	2008-09	2007-08	2006-07
Pass	26,568	25,517	26,957
Deferred	113	72	82
Withdrawn	1,121	800	937
Fail	22	26	38

>> see also **Regulation** (page 8)

General Teaching Council for England
Annual Report and Financial Statements for the year ended 31 March 2009
Annual Report

Access to the Register

We launched a redeveloped online employer access system to schools, local authorities and supply agencies in the first quarter of 2008-09. The new service has proved to be a significant success with 9,713 schools (42% of those in the state sector) registering for the service by the end of the year. The service provides direct support to employers in meeting their responsibilities under the ‘safeguarding children and safer recruitment in education’ initiative.

	2008-09	2007-08	2006-07
Employer access enquiries received and processed	388,484	191,000	182,000

Teacher enquiry service

Teachers need an effective ‘one-call’ service when they contact the GTC, whether to update their registration details, to pay their registration fee or to enquire about our professional services for teachers. The table below illustrates the service performance for the teams that handle teacher enquiries.

	2008-09	2007-08	2006-07
Calls handled	117,026	129,955	124,000
Abandonment rate	3.2%	1.6%	3.0%

General Teaching Council for England
Annual Report and Financial Statements for the year ended 31 March 2009
Annual Report

Regulation

Through the award of QTS we ensure that only appropriately qualified teachers can teach in the maintained sector. Our regulatory procedures have a key role in ensuring that professional standards of conduct and competence are maintained by every teacher throughout their career.

These procedures continue to develop in the light of experience. In the three-year casework strategy introduced in April 2006, we aimed to:

- maximise the throughput of cases in the context of an increased volume of cases;
- ensure that regulatory hearings are conducted through cost-effective procedures aimed at improving timeliness of case completion; and
- achieve a significant reduction in the unit cost of cases.

The number and types of hearing held during the financial year are shown in the table below.

	2008-09	2007-08	2006-07
Conduct and competence hearings			
Prohibition order	25	29	34
Suspension order (with conditions)	8	6	5
Suspension order	15	16	13
Conditional registration order	35	32	35
Reprimand	49	36	23
No sanction	4	6	3
No finding	18	11	12
Other (ie variation/revocation/restoration/discontinued)	2	4	1
Otherwise disposed of	8	10	18
Sub-total	164	150	144
Induction appeals			
Appeal allowed	1	-	-
Appeal dismissed	3	-	6
Extension: one term	-	-	-
Extension: two terms	-	1	-
Extension: three terms	1	3	2
Sub-total	5	4	8
Total	169	154	152

The total of 169 concluded cases (including induction appeals) is our highest to date, but the casework strategy and our corporate milestones for the year had set a target of 202. Factors accounting for the shortfall included a high level of postponements and a number of more complex cases going part-heard over an extended period, but nevertheless we have cut the average (mean) time taken to deal with cases from 67 to 59 weeks and the median time from 59 to 52 weeks.

A separate annual report on registration and regulation is published each year by the Registrar. It provides further detailed explanations and statistical data in relation to the GTC's regulatory work and is sent to all employers, including schools with employment responsibilities. We also disseminate the lessons learned from regulatory work through an email bulletin to employers and *Teaching: the GTC magazine*.

General Teaching Council for England

Annual Report and Financial Statements for the year ended 31 March 2009

Annual Report

Professional standards

We have continued to work closely with the organisation which is shadowing the new Independent Safeguarding Authority. This will ensure a smooth transition to new arrangements for safeguarding children.

Revision of the code of Conduct and Practice

During the year we completed a major process of consultation and engagement with teachers, partners, and the public to inform the development of a new edition of the GTC's Code of Conduct and Practice. The consultation was conducted for the GTC by the Office of Public Management (OPM). We propose, as part of the revision, to bring the current Statement of Professional Values and Practice within the scope of the Code.

OPM ran workshops around the country where a wide range of service users – teachers, parents, children and young people, school governors, others who work in schools and other professionals who work with children and with teachers – discussed their expectations of the teaching profession. We also ran a number of open-access events for teachers, and held discussions with organisations with major interests in teaching and the teaching profession. The views raised through these three distinct strands informed the drafting of the new Code.

The draft Code was the subject of a widely publicised public consultation, which ran from November 2008 to February 2009. There were also three principal strands to this: an open-access online consultation; a series of workshops to discuss the draft with groups of teachers, parents and school governors; and direct discussions with, and/or requests for written response from, partner organisations. The analysis of this feedback will provide the foundation for the final draft of a new Code.

We believe that the revised Code will:

- support and encourage teacher professionalism and high standards of teaching;
- provide principles and values to support teachers in making professional judgements and dealing with ethical dilemmas;
- take account of new expectations upon teachers and others to collaborate effectively in children's interests; and
- respond to the interests and needs of those who are served by teaching and who work with them to achieve learning outcomes and the wider well-being of children and young people.

The revised Code will also be used in our regulatory work as a basis for decisions on cases of alleged professional misconduct, serious professional incompetence or relevant criminal convictions of teachers.

General Teaching Council for England
Annual Report and Financial Statements for the year ended 31 March 2009
Annual Report

Advisory work

Our advisory programme fulfils the statutory remit to advise the Secretary of State and others on issues affecting teachers, teaching and the quality of learning. Our advice is developed in conjunction with partners and based on research evidence and evidence directly from practising teachers and others, such as children and young people and parents and carers.

The advice and consultation responses provided in the year is summarised below.

ref	submitted	organisation	title
113	April 2008	Ofsted	Inspection of initial teacher education
114	April 2008	DCSF	Primary curriculum
115	May 2008	Secretary of State	Better support for schools to implement the RR(A)A 2000 in schools
116	April 2008	DCSF	Analysis and evidence strategy
117	June 2008	DCSF	Promoting achievement, valuing success: a strategy for 14-19 qualifications
118	July 2008	CWN	Regulation and registration in the children's and young people's workforce
119	July 2008	DCSF	White paper: <i>Back on track</i>
120	Aug 2008	Ofsted	A focus on improvement: proposals for maintained school inspections from September 2009
121	Sept 2008	TDA	Special educational needs co-ordinators
122	Sept 2008	DCSF	Schools' role in promoting pupil well-being: draft guidance
123	Jan 2009	Ofsted/DCSF	Indicators of a school's contribution to well-being
124	Jan 2009	DCSF	Expert group on assessment arrangements
125	Feb 2009	CSFSC	Teacher training (ITT and CPD)
126	Feb 2009	DCSF	21st century schools
127	Feb 2009	DCSF	School report card
128	Feb 2009	'Alexander' Review	Primary curriculum
129	Feb 2009	CSFSC	School accountability

Curriculum and related issues

We have been working in partnership with the Qualifications and Curriculum Authority (QCA) on the Rose review of the primary curriculum. Together, we organised a consultative seminar for primary teachers in December 2008. Consultation with teachers and primary curriculum-related research informed our response to the review's interim report.

Equalities

We have continued to build on our advice on support for schools to implement the Race Relations (Amendment) Act, working with other partner agencies and with teachers and head teachers in a range of fora. The GTC-hosted Race Equality Forum has begun the process of broadening its scope to reflect the forthcoming Single Equality Duty.

Assessment

We continue to promote our proposals for reforming the assessment regime. The year saw the end of compulsion for end-of-Key Stage 3 testing, which we welcomed, and the continued trialling of progress tests at Key Stage 2. We made the case for more sustained teacher learning to underpin a greater degree of teacher-led assessment in our submission to the assessment expert group commissioned by the Secretary of State late in 2008.

General Teaching Council for England

Annual Report and Financial Statements for the year ended 31 March 2009

Annual Report

Pedagogy

We have worked with the ESRC Teaching and Learning Research Programme and a group of school CPD leaders to develop practicable principles for pedagogy and to promote its understanding.

Pupil voice: the participation of children and young people in their own learning

In December 2008 we published a report, commissioned from Cambridge University, on increasing the participation of children and young people in their learning. We continue to work with the university to further engage teachers in policy and practice principles emerging from the report.

Composition and skills of workforce

Disabled Teacher Taskforce

The GTC Disabled Teacher Taskforce has continued to raise concerns around the concept of 'fitness to teach' and its impact on those with disabilities, both on entry to and progression within the teaching profession. The taskforce has considered the relationship between mental health issues and teaching, the disclosure of disability and problems with data coverage relating to disability. It held a seminar for disabled teachers to gather evidence on their experiences, challenges and opportunities within teaching.

Entry into the profession

We gave written evidence to the Select Committee on initial teacher training and have been invited to give oral evidence. We continue to promote our vision for initial teacher training as part of a clear professional continuum that also involves national recognition for continued and sustained teacher learning.

Children's workforce

The GTC continues to be an active member of the Children's Workforce Network (CWN). Our key contribution, the Statement of Values for integrated working with children and young people brokered with the General Social Care Council and the Nursing and Midwifery Council, was endorsed by the network in autumn 2008.

Accountability

We believe there are shortcomings in the current model of teacher accountability, with its heavy emphasis on the external inspection of schools. We started a project in autumn 2008 to develop new models of accountability, for example how there might be a greater focus on individual professionalism and outcomes for children.

Continuing professional development

The GTC's 2007 survey of teachers concluded that the teachers least satisfied with their CPD experiences were supply teachers. We have now commissioned research to consider how the professional support of supply teachers can be better supported and identify approaches to improve their access and participation.

We have given written evidence to the Select Committee on current CPD provision for teachers and their access to professional learning and development, followed by oral evidence in April 2009.

General Teaching Council for England

Annual Report and Financial Statements for the year ended 31 March 2009

Annual Report

Research evidence

Research commissioned during the year included the revision of the code of conduct and practice, our study with Cambridge University of pupil participation and our research-stimulated work on continuing professional development for supply teachers.

Equally important is our commitment to research-informed practice in teaching. Our popular Research of the Month (RoM) web pages provide teachers with practical resources based on relevant and validated research. Topics covered during the year range from dyslexia to the use of whiteboards and the role of the specialist in teachers' CPD. As part of the relaunch of the website we completed a project to relaunch and promote RoM as Research for Teachers (RfT).

>> see also **Revision of the code of practice** (page 9)

Teacher Learning Academy

During the year the Teacher Learning Academy (TLA) made significant progress in its successful transition to partnership with the TLA's logistics partner, Cambridge Education. This allowed the GTC to begin to move into its quality, performance and system steering role. Working with the marketing contractor we also developed a new brand identity for the TLA during the year.

General awareness of the TLA brand is now increasing through marketing, PR and stakeholder engagement. The levels of interest from new schools and support partners shows that accreditation is not only available but also attractive. Work with support partners and advocates has identified areas for further development, notably with the higher education sector. Interest is high and potential partners have participated in training towards accreditation as TLA support partners.

Participation in the TLA has been encouraged through a series of events aimed at schools, head teachers and support partners. With Cambridge Education, we held over 50 briefing and awareness-raising events across the country, as well as nearly 150 training sessions for leaders, verifiers and support partners.

During the year, 6,723 teachers enrolled in the TLA. This represents 111% of the strategic target set at the beginning of the year. Presentations at Stage 2 over the year also exceeded target, by 106%. Overall presentations for the year were lower than expected and remedial actions were put in place to address this. During the year, with additional support from the Training and Development Agency for Schools (TDA), we asked the National Foundation for Educational Research (NFER) to carry out independent qualitative research on the impact of the TLA. Their report demonstrated that there was a significant and lasting impact of the TLA in schools and that teachers were more effective and confident in the classroom. The study also found that there was a clear and direct impact on pupil learning and motivation as a result of teacher and school participation in the TLA.

Professional networks

All three networks have continued to develop this year. In particular, the Engage network for new teachers has grown significantly with the enrolment of most teachers who qualified in autumn 2008. New approaches within the networks have enabled an increase in the number and impact of our workshops with teachers and in the web-based research resources offered.

	March 09	March 08	March 07
Achieve network	3,831	3,749	3,363
Connect network	5,978	6,342	5,884
Engage network	81,030	55,162	26,985
Total unique teachers	89,312	63,858	35,380

General Teaching Council for England
Annual Report and Financial Statements for the year ended 31 March 2009
Annual Report

The Engage network has continued to support teachers to develop their practice in behaviour for learning. In partnership with local authorities, it held eight events and expanded the web-based research resources available.

Through the Connect network for CPD leaders, we have gained a wider understanding of the changing nature of CPD leadership and supported its development. The network has launched a resource on the implications of Every Child Matters for CPD leaders.

The Achieve network brings together teachers with a particular interest in equality and diversity issues. In partnership with local authorities and schools, it has supported teachers' exploration of the pedagogic practices that promote equality for minority ethnic pupils, and launched a complementary research resource. The network has published the outcomes from its work on the education of Gypsy, Roma and Traveller children and young people, which we presented to the All-Party Parliamentary Group on Gypsy and Traveller Law Reform.

All the research resources provided by the networks have been updated in preparation for the relaunch of the GTC website. We have made significant improvements in securely and effectively managing and reporting the information about teachers participating in the networks.

New strategies for the future of the networks have been explored. We are now moving towards an inclusive single network that is responsive to teachers' professional needs and addresses key challenges for practice development.

General Teaching Council for England

Annual Report and Financial Statements for the year ended 31 March 2009

Annual Report

Communications

During the year, we improved the capacity of the communications team to provide strategic leadership by introducing a new post of Head of Marketing and Public Relations, with an initial focus on the development of the TLA. In the longer term, we aim to utilise as fully as possible the potential of new communications media, and the re-launch of the GTC website at the end of the year was a major stepping-stone towards this goal.

Media relations and public affairs

Our media profile continued to develop during the year. Evolving relationships between the Chief Executive and key media contacts brought opportunities to explain the GTC's plans for teaching in 2012. There was increased interest in the full breadth of the GTC's remit.

A partnership with SecEd magazine provided more opportunities to support teachers on continuing professional development. We also collaborated with The Guardian on a debate with teachers, parents and young people about our new code of conduct and practice for teachers.

Our parliamentary relationships also continued to grow. Following last year's Children, Schools and Families Select Committee inquiry into assessment and testing in schools, we were later called to give evidence to its inquiry into school accountability, and invited to its inquiry into teacher training; both are key elements of the GTC's advice to Government. Briefings were provided to MPs on topics including the new code and special educational needs and teachers' professional development.

	2008-09	2007-08	2006-07
Media enquiries *	677	450	328
News and feature mentions	389	344	305

* excluding standing requests for notifications of disciplinary hearings and their outcomes

Engagement and advocacy

Council has re-emphasised its support for a major programme of engagement and advocacy with a view to securing the engagement of partners and the involvement of teachers, aligned with our vision for teaching in 2012.

Within this, advocacy work with trainee teachers now takes a high profile. This promotes the engagement of students with their professional body at an early stage of their career. In 2008-09, workshops in over 90 ITT institutions involved more than 7,000 students. The programme has seen such a rapid increase in demand that 70 Council members and staff are now trained for and engaged in delivering the workshops.

We continue to promote the GTC's remit, engaging with teachers and other stakeholders through our programme of industry and GTC-hosted events. A series of Teaching in 2012 events provided valuable opportunities for teachers to provide input into the Code project, and two NQT receptions provided a forum for new teachers to engage with their professional body and each other. Many attendees at these events go back to their schools as informal advocates for the GTC, a role that we are going to develop in a structured way in the coming year.

A GTC presence at major education and teacher union conferences during the year also provided opportunities for direct engagement with key audiences.

General Teaching Council for England

Annual Report and Financial Statements for the year ended 31 March 2009

Annual Report

Publications

New publications over the year included:

- *Complaints about the GTC* (September 2008); this publication was awarded a Crystal Mark by the Plain English Campaign, bringing the number currently held to three;
- *Trainee teachers and the GTC* (September 2008), introduced to coincide with the advent of provisional registration for trainees; and
- *Behaviour for learning* (June 2008), a revised edition of a Research of the Month anthology.

In addition, we maintained a wide range of recurrent publications, such as *What we do* and the *Annual digest of statistics*, and continue to develop *Teaching: the GTC magazine* following its successful re-launch in January 2008.

Market research

We commission independent market research to track teachers' perceptions of us. We now have time series data, principally through the annual Ipsos Mori omnibus survey of teachers, dating back to 2003.

In February 2009 we commissioned market research with head teachers as the first stage in a project to ensure that we communicate as effectively as possible with head teachers, given their crucial role both in their own right and as gatekeepers to teachers and the wider school community.

An independent perception audit among key partners, undertaken on our behalf by Rand Europe, reported in September 2008. It has been invaluable in informing the development of our 2009-12 corporate plan and approach to partnership working.

The website

On 31 March 2009 the redesigned website was launched. Alongside a new design and information structure, fresh content was commissioned for all major site areas. The new website has an improved range of technologies for GTC teams to deploy in support of their work: feedback forms, quick polls, discussion forums and newsfeeds. Our self-service area has been given a new look and improvements made to the navigation and security.

In developing the new website, we involved teachers, parents and employers. Independent accessibility testing was carried out by Nomensa, an agency specialising in website accessibility. The website secured a 'double A' accessibility rating (Worldwide Web Consortium web accessibility initiative) and has been built in line with UK government web guidelines.

The content management system has also been upgraded and particular attention has been paid to the system's simplicity in order to make it easy for GTC teams to make routine content updates. All of this is topped with a search facility driven by Google.

In September 2008, the scope of the web redesign project was extended to include the upgrading of the web infrastructure. The new infrastructure brings our system and its configuration up-to-date and will enable us to provide a more reliable and robust service. We have reviewed our hosting arrangements and negotiated a new support contract for the web application.

General Teaching Council for England
Annual Report and Financial Statements for the year ended 31 March 2009
Annual Report

Alongside this intense activity, the web team maintained the old website, publishing press releases and regulatory information and dispatching increasing numbers of e-newsletters. As the table below shows, the number of emails opened increased by 50% compared to the previous year.

	2008-09			2007-08		
	messages	delivered	opened	messages	delivered	opened
Achieve network	2	6,479	1,963	4	12,535	3,956
Connect network	2	10,010	2,341	6	29,919	7,830
Engage network	1	48,206	10,090	5	193,915	45,778
All-network	4	322,780	74,016	0	0	0
Magazine	3	14,382	4,393	3	11,908	3,166
Total	12	401,857	92,803	18	248,277	60,730

>> see also **Information and communications technology** (page 20)

Internal communications

During this year we introduced an internal communications programme that both formalised existing ad hoc good practice and introduced new approaches and mechanisms for fostering understanding, communication and collaboration across the organisation. Activities such as a monthly briefing, focus groups and an internal seminar programme were recognised for their contribution to our successful Investors in People (IiP) reaccreditation.

General Teaching Council for England
Annual Report and Financial Statements for the year ended 31 March 2009
Annual Report

Corporate services

This service area supports the work of the GTC through financial management and administration, corporate planning and review, including risk management, workforce development, governance support and administration, information and communication technology (ICT) and facilities management.

Governance

This was the first full year of operation of the revised governance structure introduced from 1 September 2007. In particular, this introduced the decision-making Executive Committee and brought some consequential revisions to the role of the Council itself and the remits of other committees.

In the summer of 2008, at the request of the (then) Audit Monitoring and Review Committee, each service committee carried out a formal self-effectiveness survey and each Council Member was sent a questionnaire about the effectiveness of the Council. The outcomes were presented in a detailed paper on governance to the July 2008 Council meeting. Broadly, Council and committees were content with governance arrangements and the operation of the Executive Committee. The latter then reviewed its own first year of operation in September 2008; they too were broadly content that they had delivered against their remit and responsibility.

As part of the internal audit review, Council has also formally committed to work being undertaken to consider the best model for its size and constitution as part of the Teaching in 2012 programme. This will be concluded in time to inform the 2012 election, nomination and appointment arrangements. The review is also closely linked to the ‘Who adjudicates?’ project within the Better Regulation and Register work programme.

The internal auditors have reviewed governance in 2008-09 and reported to the Audit Monitoring and Review Committee. The governance report made some ‘medium level’ recommendations to enhance the nature and depth of the effectiveness review. In particular, the committee recommended the Council use face-to-face or breakout exercises and requested assessment of the Chair and Vice Chair be included in the self-assessment questionnaire. The report also indicated that we have in place effective processes for the governance and management of risk. This has also been strengthened by the improved strategic focus by both Council and the Executive Committee resulting from the governance restructure in 2007-08.

Members’ attendance levels at Council and its committees has remained good, as set out below.

Nature of meeting	Average attendance
Council	*81%
Audit Committee (formerly Audit, Monitoring and Review Committee)	96%
Executive Committee	90%
Policy and Research Committee	80%
Registration and Regulation Committee	75%
Finance and General Purposes Committee	87%

*includes additional special meeting held on 25 March 2009

The GTC continues to have observer or representative status on the Boards of the Training and Development Agency (TDA), the National College for School Leadership (NCSL), the Specialist Schools and Academies Trust, the College of Teachers and the Institute for Learning (IfL). Reciprocal observer status has been granted to the TDA, NCSL and the IfL during 2008-09. Full reports back from observers were presented to the full Council meeting.

General Teaching Council for England

Annual Report and Financial Statements for the year ended 31 March 2009

Annual Report

During the year the processes for the nomination and election of Council Members to take office from September 2008 were completed. The election process was the subject of a favourable internal audit report which did however raise the fundamental issue of the overall benefit of the election process. This issue will form part of the continued deliberations on the governance structure and is integral to the governance review.

The new Members received a comprehensive induction programme in summer 2008, joined in part by returning Members. The programme was the subject of positive evaluation and the subject of a review paper to Committee in Autumn 2008. A comprehensive skills audit of all Members has been a valuable information tool in fully utilising Member skills and experience. The Council in 2008-09 reviewed its procedure for Member declarations of interest; a summary of interests was posted on the website in October 2008.

The list of Council members for 2008-09 appears in the Relationships section of this report. Since early 2009 preparations have been undertaken to administer the public appointments process for 13 Council Members to take office from 1 September 2009, informed by the fore-mentioned skills audit. The appointments were publicised extensively and we expect to secure a good range of practising teachers and lay candidates, including those with high-level governance experience and parent governors.

Support services provided to Council Members continue to be assessed as effective and appropriate through an annual written survey of Members.

	July 2008	July 2007	July 2006
Satisfaction rating	94%	93%	94%

Corporate and financial planning and control

We continue to integrate our planning and monitoring processes for corporate and service planning, risk management and financial management to ensure alignment and coherence across the organisation. During the year, restructuring of planning and budgeting processes was agreed. The changes, which will be operational from April 2009, will improve alignment, take account of the increasing volumes of project-based activity, and introduce capacity planning in relation to staff resources.

Regular monthly and quarterly reporting of financial, risk and performance information takes place at both governance and senior management levels. The leadership team is supported by a wider senior management team to include a specific focus on the integrated reporting framework.

Efficiency savings of £100,000 have been achieved during the year. Work has also progressed to improve the identification and recording of non-cash efficiency savings. Further annual and recurring savings targets are built into the forward three-year financial strategy.

Workforce development

Following assessment in November 2008, we successfully retained our Investors in People status for another three years.

The year has seen us consolidate our equality and diversity scheme into our role as employer. We continue to meet the recording and reporting requirements of legislation. During the year we undertook an equalities audit with input from staff representatives. This demonstrated a broad gender and ethnicity mix and showed good achievement levels of staff from minority groups in both promotion and personal development, throughout the organisation and its staff structure tiers.

Staff sickness and absence levels (average 5.95 days per employee) continue to compare well with external benchmarks (9.8 days in public sector).

General Teaching Council for England
Annual Report and Financial Statements for the year ended 31 March 2009
Annual Report

During the year we introduced a childcare voucher scheme which allows eligible staff the opportunity to receive child care vouchers as part of a salary sacrifice agreement. Take-up has been very encouraging.

The number of overall training days increased due to an increasing emphasis on targeted development activity. The effectiveness of training and development as assessed by staff and managers is high.

	2008-09	2007-08	2006-07
Training and development days	581	534	832

The findings of an internal audit review during the year confirmed our policies and practices in relation to succession planning and staff induction as effective.

Registration fee and collection

Fee collection continues to show year-on-year improvement in both volumes and in the numbers paying by Direct Debit, the preferred payment mechanism. Continuous improvement in collection efficiency has also reduced fee debtor levels without increasing collection costs.

We based our cash flow for the year on the collection of 530,000 fees, a prudent assessment which took into account the difficulties inherent in collecting large volumes of relatively low value amounts. In the event, we collected 543,000 fees by the end of the year. Of these 60% were collected by Direct Debit, exceeding the target of 58%.

	2008-09	2007-08	2006-07
Number of fees recognised as income	571,300	563,100	554,400
Number of in year fees collected in year	543,700	528,300	510,000
Percentage of recognised fees collected in year	95%	94%	92%
Percentage of fees collected by Direct Debit	60%	55%	50%

We are keeping withdrawal of salary deduction as a payment option under consideration, although we will give teachers substantial notice of any changes.

Data Governance and Information Assurance

The GTC holds and works with a significant amount of data and there is continuous work on data quality management, data sharing with authorised partner organisations and provision of management information. In response to the government's data handling review we have been working hard on developing and implementing further suitable and rigorous information assurance safeguards. This has been a significant undertaking and will continue to be a major project during the next year.

A special project governing the implementation of the continually emerging government information assurance standards has been established and considerable additional resources have been committed to ensuring the GTC becomes fully compliant with the Security Policy Framework. The GTC's internal auditors have reviewed the effectiveness of this project in delivering the necessary compliance and recognise the substantial progress made.

Substantial additional training of all staff in information assurance has taken place, and more is planned. Physical security over assets has been increased. Processes around the transmission and exchange of data have been amended and improved where they did not already meet the highest appropriate standards of security. Work has commenced to ensure the GTC's contractors understand and comply with the Security Policy Framework.

General Teaching Council for England

Annual Report and Financial Statements for the year ended 31 March 2009

Annual Report

We reported two data security incidents to the Information Commissioner's Office during the year. In both instances, the ICO acknowledged the incidents but took no action.

One incident was as a result of the GTC being sent a list of British National Party members by a third party. This data was immediately deleted and the GTC retained no copy of the information. The second was regarding one encrypted disk which went missing whilst in transit from a contractor to the GTC's office in Birmingham. The disk contained images of forms with the non-sensitive personal data of 11,423 teachers. The GTC wrote to each of the teachers affected and introduced additional security checks for the affected records to prevent any unauthorised access to or misuse of the records. This was the last transfer of data by physical media with a contractor. All exchanges of data with our contractors are now by electronic alternatives with proportionate security measures applied.

Information and communications technology

Our IT infrastructure was consolidated to our 'host and run' partner during the year and the key business systems of customer relationship management (CRM), website, email and financial systems continue to be delivered generally in line with contracted service levels. Some performance issues arose during the final months of the year associated with the consolidated infrastructure affecting the office systems, which have been addressed and continue to be monitored.

	achieved	target
Hosted infrastructure availability (CRM system)	99.9%	99.5%
Hosted infrastructure availability (web site)	99.3%	99.5%
IT help desk problem call resolution	92.0%	95.0%
IT hardware fault resolution	98.0%	100.0%

The systems design group continued to ensure that all decisions regarding ICT systems developments are taken quickly and against a clear and shared set of criteria for determining priority and business needs.

ICT services are now part of the Corporate Services directorate and a head of ICT has been recruited to lead the ICT strategy and to manage the full range of these services.

Looking ahead

In 2009-10 the Council intends to pursue its vision for *Teaching in 2012*. Through this vision, we express our commitment to working, in the public interest, for children, through teachers. Our vision has the child at its centre. It recognises the vital and unique role played by teachers in enhancing the life chances of children and young people.

Council has agreed five strategic priorities to underpin its work through to 2012.

We aim to:

1. Improve the development of the knowledge and practice of teaching and learning
2. Promote policies that enable effective teaching and learning
3. Assure standards of conduct and competence of all teaching professionals
4. Promote professional and public debate on teaching
5. Ensure that the Council's governance and working practices are fit for purpose.

During this year, the Council will develop policy on accountability in teaching, examining how the teacher's individual professional responsibility can be brought into balance with requirements placed on schools and local authorities. The proposed changes to the primary curriculum from 2011 pass important new

General Teaching Council for England

Annual Report and Financial Statements for the year ended 31 March 2009

Annual Report

responsibilities to teachers in curriculum design and related areas. We will continue to work in partnership with QCA and other system leaders to secure adequate sources of professional support.

We will continue to support the Teacher Learning Academy through its transition to a national system in which schools, national and local partners take the lead supporting teachers to develop enquiry based practice that has a sustained impact on teaching and learning in the classroom. A major milestone is the introduction of an enrolment fee for participation. This fee was introduced on 8 June 2009 moving the TLA closer to becoming a self-financing, open, system.

Early in 2009-10, the Chief Executive was invited to join the new National Children and Young People's Workforce Partnership. Through this we will continue to promote the statement of values for integrated working. We will also encourage teachers' use of this statement through the revision of our own Code of Professional Conduct and Practice. We anticipate that the Code itself will be approved by our Council in summer 2009 and come into force in early autumn 2009; an early task for us is to embed the code into professional practice and learning.

September 2009 will see a new requirement for overseas qualified teachers and instructors to hold provisional registration with the GTC. We are already working closely with employers to introduce the new requirement. Given the growing diversity of entry routes into teaching, we will take stock of our advice on entry into the profession. We are considering how the new requirements for staff to be registered with the Independent Safeguarding Authority might impact upon how teachers register with the GTC, with a particular view to ensuring coherence across the two requirements.

We are planning to develop our regulatory procedures so that they are both more flexible and tailored. This will bring greater efficiency, and help us to fulfil our public interest remit more effectively.

In December 2008, the Government published its 2020 Children's Workforce Strategy. This included a decision to review the remits of five organisations working in or with the children's workforce, the Training and Development Agency for Schools, the National College for School Leadership, the Children's Workforce Development Council, the National Association of Parenting Practitioners and the GTC.

The GTC's remit was set out by Parliament and the GTC is a public corporation that is independent of Government. The DCSF's powers to determine GTC activity are therefore limited unless Government chooses to legislate to change the organisation's remit. However, the GTC shares the desire to ensure that all five organisations work as effectively as possible to support children and young people and was happy to contribute to the remit review. The review was scheduled for completion at the beginning of April but at the time of writing, its outcome is still not known.

The delayed review has had operating consequences for the GTC in that the Secretary of State felt unable to approve Council's proposal to increase the registration fee to £37 pending its outcome. The proposed fee increase was due to come into force on 1 April 2009 but the Council will not now seek an increase in the current financial year.

The Council has been able to maintain its medium term financial strategy which includes a prudent approach to maintaining reserves of three months operating expenditure but the scale and pace at which the Council is able to pursue these objectives will depend in part on the outcome of the remit review and Council's ability to secure legislative changes that support a reform of its own structures and governance. Some activities originally planned for this year may be delayed or curtailed.

General Teaching Council for England
Annual Report and Financial Statements for the year ended 31 March 2009
Annual Report

Resources, Risks and Relationships

Resources

99 per cent of the GTC's income is from registration fees. All qualified teachers are required to be registered and pay the registration fee if they are employed as teachers in a maintained school or a non-maintained special school or pupil referral unit. Other qualified teachers may register on a voluntary basis.

Risks and uncertainties

The GTC has an established risk management policy and a supporting set of risk management arrangements. These include procedures for assessing, prioritising and recording risks, together with associated control measures, regular reviews and reporting to relevant Committees and Council. A corporate Risk Management Group (with representatives from all parts of the organisation) had responsibility during the year for co-ordinating these actions and overseeing the preparation of the risk register and business continuity plan. The Head of Finance has collated the additional evidence upon which the Accounting Officer bases the annual statement of internal control. A set of criteria has been produced against which risks are assessed. The highest ranking risks (those which would have the most significant impact on the GTC) are reported to, and reviewed by, committees and Council.

These key risks include the following:

The risk that the GTC fails to ensure the security, availability and accessibility of personal and GTC information

The risk is that GTC business information, or personal information about individuals, which the GTC or its contractors handle is not available to use when needed or is lost or disclosed inappropriately resulting in damage and distress to individuals, or damage to the reputation of and stakeholder confidence in the GTC.

Information risks are managed within the GTC's existing mature risk management approach. The GTC has a low information risk appetite. In March 2009 the Information Risk Management policy was approved which formally defines information security risk management responsibilities throughout the organisation. Risks are actively managed by senior GTC staff including those who have been designated as Information Asset Owners (IAOs). Advised and supported by the Information Assurance Team, IAOs are responsible for ensuring risks to their information assets are identified and managed. They report formally to Senior Information Risk Owners who are Directors, who in turn report on information assurance matters to the Accounting Officer. We have identified those contractors conducting significant data processing on our behalf and we continue to work with them to ensure they safeguard personal data. There is a regular programme of staff training and awareness sessions on information security. The GTC is reviewing its existing business continuity arrangements and will test the effectiveness of those plans.

In October 2008 a project was initiated to manage the implementation of the GTC's response to the government's new data handling requirements. The project reports regularly to the Senior Management Team, Leadership Team and to Members via the Executive and Audit Committees. Progress in implementing the government's requirements is also regularly reported externally to the DCSF. The effectiveness of the project in delivering its objectives is the subject of reviews by our internal auditors.

General Teaching Council for England

Annual Report and Financial Statements for the year ended 31 March 2009

Annual Report

The risk that the GTC is unable to fulfil its statutory regulatory role in relation to registration and regulatory processes.

The GTC is required to prepare and maintain a register of all eligible teachers in England. This register is used to confirm the status of the teacher, and thus their eligibility to teach and also as a database to facilitate fee collection, information distribution and other communications. We recognise that risks to the database could potentially have a major impact on a number of aspects of the GTC's work, and we mitigate against these risks by prioritising robust control measures.

The disciplinary casework system is the core of professional self regulation. It is high profile, sensitive and integral to the safeguarding of high professional standards. We recognise that there is a risk that poor management or inconsistent decisions could quickly undermine the GTC's credibility. We mitigate against this by regularly monitoring and reviewing the robust arrangements which we have in place. Member availability and training, scheduling, resources, and legal and administrative support are key aspects of the revised casework strategy, which ensures we continue to operate an effective regulatory system.

The risk that the GTC's scheme of governance does not sufficiently support effective governance and decision making or this is perceived to be the case.

We recognise that ineffective governance structures and decision making could impede the GTC through inadequate strategic focus and decision making process. In order to mitigate against this potential risk, the GTC exposes its scheme of governance to regular review and it is also the subject of external review by auditors, benchmarked against best practice principles.

This introduction of an Executive Committee with delegated powers has proved operationally efficient. All service Committees and Council regularly review their effectiveness.

A strategic priority of the Corporate Plan to 2012 is to ensure the fitness for purpose and effectiveness of Council's governance and working practices. Projects are in place to review and make proposals to further improve the efficiency and effectiveness of the structure and governance of Council.

The risk that the GTC's statutory role in relation to the provision of policy advice is undermined because advice is not taken up by Government or fails to meet high standards of quality.

It is important that the GTC's advice reflects its unique position representing teacher opinion and expertise and the public interest. We recognise that the GTC's reputation could be damaged if advice that was not of our usual high standard of quality entered the public domain. All our advice is supported by good quality research evidence, carried out by the GTC and others. The combination of specialist staff, comprehensive networks, this robust evidence base, Member review and a clear GTC policy framework agreed by Members helps to ensure that advice is of a high quality and is communicated appropriately.

The risk that the launch of the national scheme for the open system of the Teacher Learning Academy (TLA) may not be successful and effective for teachers' continuing professional development (CPD).

The GTC has been progressing from the pilot stage of the TLA to develop an effective basis for moving this to a national system, in which the GTC plays one of many roles among an extensive network of school and national partners. The TLA is considered by a wide range of educational stakeholders to be an important development in the overall framework of teacher CPD with direct consequences related to the raising of standards.

A logistics partner has been selected by open public procurement and during the year, with senior GTC staff, has been developing the required systems and processes for a national roll out of the open system. A marketing plan has also been implemented to increase national awareness and reduce the risk of low participation when charging for enrolment is introduced in the new financial year.

General Teaching Council for England
Annual Report and Financial Statements for the year ended 31 March 2009
Annual Report

The risk that ineffective communications with stakeholders compromise the GTC's role as a major player in the education field.

The GTC is a national organisation in a heavily-populated education field. It has a distinct statutory role, but it is important that this is translated into clear aims, valued outputs and good working relationships with teachers and other stakeholders including government. We recognise that risks to these could undermine our credibility and damage our long-term reputation or result in confusion about the GTC's unique role. Thus managing stakeholder relationships continues to be given a high priority.

During the year we commissioned an independent perceptions audit and used partners' responses to redevelop our stakeholder engagement strategy and to develop a more structured approach to monitoring the strength of our relationships with partners. The development of the 2012 vision for teaching has also provided an impetus for dialogue with stakeholders. The quality of our major publication, *Teaching the GTC magazine*, our website and our events programme are all subject to user feedback and regular evaluation.

The above represent key corporate risks which could affect the GTC as a whole. The Risk Register comprises a comprehensive list of other corporate and service-specific operational risks, scored as gross and net risks, with the relevant control measures. All of these are reviewed annually as part of the planning cycle. The risk management arrangements are regularly examined in detail by internal auditors and continue to be assessed as effective by them.

Strategic risks are reported to, and considered by, Council and governance reporting procedures in-year with regular updates as to the management of such risks.

General Teaching Council for England

Annual Report and Financial Statements for the year ended 31 March 2009

Annual Report

Relationships

Corporate structure and Governance

The Council is the governing body of the GTC. Council Members play a crucial role in developing and supporting effective relationships within the education community and beyond.

The composition of Council is defined by legislation and reflects the diversity of the education community. Members include practising teachers (a majority of Council), school governors and parents, as well as nominees from stakeholders including further and higher education, teacher unions and associations, and local government and equalities bodies. Public appointments are also made to the Council to ensure an appropriate mix of expertise and involvement.

Council Members

The Council comprises 64 Members. The following Members have served on the Council during the period.

Elected primary teachers (11 Members)

Flora Barton (from September 2008)	Paul Bird	Sarah Bowie (Vice Chair)	Janis Butler
Patricia Castro Castro (until August 2008)	Tony Cuthbert (until August 2008)	Philip Cole	Lisa Copeland (from September 2008)
Christine Green	Derek Johns	Aaron King (from September 2008)	Sheila Mountain (until August 2008)
Misbah Mann (until August 2008)	Alex Parker (from September 2008)	Sarah Reed (from September 2008)	David Storrie (until August 2008)

Elected secondary teachers (11 Members)

Martin Allen (until August 2008)	Peter Butler	Andy Connell (from September 2008)	Ronald Clooney (until August 2008)
Anthony Handley (until August 2008)	Barbara Hibbert	Pete McAleer	Andrew McKinnon (from September 2008)
Bulvinder Michael (until August 2008)	Gail Mortimer	Annette Pateman (from September 2008)	Elizabeth Purnell (from September 2008)
Alice Robinson	John Rimmer (until August 2008)	Colin Surrey (from September 2008)	Tom Trust (from September 2008)

Elected special school teacher

David Dewhirst
(until August 2008)
Stephen Viner
(from September 2008)

Elected primary head teacher

Peter Strauss
(until August 2008)
Eric Gledhill
(from September 2008)

Elected secondary head teacher

Ralph Ullmann
(until August 2008)
David Lowe
(from September 2008)

Nominees from teacher associations and unions (9 Members)

Tony Neal <i>ASCL</i>	Michael Moore (until August 2008) <i>ATL</i>	Caroline Kolek (from September 2008) <i>ATL</i>	Gillian Stainthorpe <i>ATL</i>
Gussie Andersen <i>NAHT</i>	John Mayes (until August 2008) <i>NASUWT</i>	David Wilkinson (until August 2008) <i>NASUWT</i>	Mick Lyons (from 01/09/08) <i>NASUWT</i>

General Teaching Council for England
Annual Report and Financial Statements for the year ended 31 March 2009
Annual Report

John Rimmer (from September 2008) <i>NASUWT</i>	Max Hyde <i>NUT</i>	Judy Moorhouse <i>NUT</i> (Chair)	David Whitewright <i>Voice</i>
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Nominees from other bodies (17 Members)

Conchita Henry (until August 2008) Association of Colleges	Rajinder Mann (from September 2008) Association of Colleges	Andrew Baxter <i>Association of Directors of Children's Services</i>	Oona Stannard <i>Catholic Education Service</i>
Jill Hill (from September 2008) <i>Confederation of British Industry</i>	Liz Carter <i>Church of England</i>	Anne Madden <i>EHRC</i>	Vacancy <i>EHRC</i>
Vacancy <i>EHRC</i>	Arthur Naylor (until August 2008) <i>GuildHE</i>	Muriel Robinson (from September 2008) <i>GuildHE</i>	<i>John Hawkins</i> (until August 2008) <i>Independent Schools Council</i>
Ralph Ullmann (from September 2008) <i>Independent Schools Council</i>	Sam Crooks <i>Local Government Association</i>	<i>Robert Gordon</i> <i>Local Government Association</i>	Tony Lewis (from September 2008) <i>Local Government Association</i>
Fergus Crow (from September 2008) <i>National Childrens Bureau</i>	Dorothy Elliott (until August 2008) <i>National Governors Association</i>	John Adams (from September 2008) <i>National Governors Association</i>	Chris Cook <i>Universities Council for the Education of Teachers</i>
Geoff Whitty <i>Universities UK</i>			

Secretary of State appointees (13 Members) Appointed via an open public appointment process

Lesley Ansari <i>Parent</i>	Naz Bokhari <i>Former College Principal</i>	Peter Cooper <i>SEN Practitioner</i>	Clare Craig (from October 2008) <i>Centrally Employed Teacher</i>
Janet Draper <i>Senior University Lecturer</i>	Anne Garner <i>Headteacher</i>	Gloria Hyatt <i>Education Advisor</i>	Robert Millea <i>Chartered Accountant</i>
Kirit Modi <i>Education Advisor</i>	Jean Scott <i>Parent Governor</i>	Sashi Sivalongathan (until April 2008) <i>Advanced Skills Teacher</i>	Angela Stones <i>Former Nursery School Headteacher</i>
Anthony Wilkes <i>Education and Training Advisor</i>	Nicola Wilson <i>Primary Teacher</i>		

None of the Council Members had a service contract with the GTC.

General Teaching Council for England

Annual Report and Financial Statements for the year ended 31 March 2009

Annual Report

Executive

The Leadership Team during the year comprised:

Keith Bartley	Chief Executive
Fiona Johnson	Director of Communications
Alan Meyrick	Registrar and Director of ICT
Sally Staples	Director of Corporate Services
Sarah Stephens	Director of Policy and Research

Corporate governance

The GTC has established procedures to enable us to comply with both the Combined Code of the Committee on Corporate Governance and with the Guidelines for Best Practice on Corporate Governance published by the DCSF (in line with the Treasury Code of Best Practice for Board Members of Public Bodies). Further improvements in governance practices have been implemented in the year to respond to earlier recommendations by internal audit. The financial statements also include a Statement on Internal Control based upon Treasury Guidance. There is an established Code of Conduct for Council Members and there is an Audit Committee (formally Audit, Monitoring and Review Committee) and a Remuneration Sub-Group, which is part of the Finance and General Purposes Committee.

The Executive Committee has responsibility for a range of key governance decisions and for developing strategic recommendations to Council. It's members are the Chair and Vice-Chair of Council, the Chairs of the Finance and General Purposes Committee, the Policy and Research Committee and the Registration and Regulation Committee and seven Members as elected by the Council.

Executive Committee

Andrew Baxter	Sam Crooks	Tony Neal	Ralph Ullmann
Paul Bird (from June 2008)	Christine Green	Sashi Sivaloganathan (until April 2008)	
Sarah Bowie	Judy Moorhouse	Gillian Stainthorpe	
Chris Cook	Kirit Modi	Angela Stones	

The Audit Committee (formally the Audit, Monitoring and Review Committee) met on four occasions during the year. Its responsibilities include a regular review of the adequacy of accounting systems and controls, and the determination and scrutiny of the internal audit programme. In addition, the Committee reviews the reports of the external auditors in relation to the GTC's compliance with the regulatory and financial reporting requirements.

Audit Committee

Anthony Cuthbert (to August 2008)	Derek Johns (from September 2008)	Gail Mortimer (Chair)
Eric Gledhill (from September 2008)	Caroline Kolek (from September 2008)	Jean Scott
John Hawkins (to August 2008)	Robert Millea	David Storrie (to August 2008)

The Chief Executive is the Accounting Officer and is personally responsible to the Council, and to the Accounting Officer and Permanent Secretary of the DCSF, for the financial propriety and regularity of the GTC's expenditure and control. In addition the Chief Executive has responsibility for the overall organisation, its leadership, management and staffing.

General Teaching Council for England

Annual Report and Financial Statements for the year ended 31 March 2009

Annual Report

Relations with stakeholders

Teachers are very significant stakeholders for the GTC and much of this annual report indicates the way in which we have continued to build our relationships with them.

Many stakeholders have direct representation on Council as noted on the list of Council Members. Relationships with other bodies range from clearly established partnerships to more occasional or project-based working. These stakeholder relationships are described further in the sections on the work of the policy and communications teams.

The GTC will continue to consult with stakeholder organisations over the corporate priorities contained within the Corporate Plan to 2012 and to seek to involve and engage them in our work as appropriate. A more structured approach to developing and monitoring relations with stakeholders has been developed over the past year as part of the Council's engagement strategy and building on the insights offered by the RAND perceptions audit conducted in 2008-09.

Relations with employees

The GTC continues to have good relationships with its staff. There are effective consultative and negotiating arrangements with the two recognised trade unions, FDA and PCS. The GTC's equal opportunities policy informs its employment policies and practices and is regularly reviewed to ensure that high standards are maintained. A pay and benefits review that was undertaken in-year, benchmarking the GTC with similar organisations, concluded that on whole the GTC compares well with these organisations. Where differences were noted, possible adjustments will be proposed as part of the 2009-10 annual pay and benefits negotiations.

The GTC was initially awarded Investor in People (IIP) status in November 2005, a recognition of the high priority we place in the development of our staff as part of the delivery of our business objectives. In November 2008 we were re-assessed and successfully retained this status. We have an effective performance review process for assessing the performance of staff and identifying their development needs.

Policy on equality and diversity

The GTC has a corporate equalities and diversity scheme which encompasses its role as a public body and as an employer. It was developed by a cross team staff working group, which continues to meet and monitor progress towards equality targets and provide training in impact assessment.

The scheme was updated and published in April 2007 and sets out the organisation's intentions in relation to the statutory equalities duties applying to public bodies across the areas of race, gender and disability. These intentions are identified through the process of screening and impact assessment. On-going areas of particular focus are to:

- improve the quality of data in relation to race and disability on the Register;
- ensure a fair and non-discriminatory approach to regulatory work;
- provide support to schools in relation to meeting their equality duties; and
- ensure that all of our advice and policy support activities reflect best practice in equalities and diversity.

In the employment sphere, the GTC is committed to best practice in recruitment, for example by ensuring that opportunities are advertised externally (including in minority ethnic press) by monitoring the ethnic background of applicants, removing references to age in our application forms and requiring the demonstration of competencies rather than specific academic qualifications or years of experience, where appropriate.

General Teaching Council for England

Annual Report and Financial Statements for the year ended 31 March 2009

Annual Report

Policy on disabled employees

The GTC welcomes job applications from people with disabilities in accordance with its equal opportunities policy, which is to provide equal access to employment for all who are eligible, on the basis of ability, qualifications and fitness for work. The organisation also aims to give disabled staff equal access to training, career development and promotion opportunities and employs a small number of staff with disabilities, as defined under the Disability Discrimination Act 1995. In cases where an existing employee becomes disabled, or a disability worsens, the GTC will consider making all reasonable adjustments to help them continue in their employment.

Relationships with contractors

Contractors are encouraged to understand the context in which the GTC works and their own part in the GTC's wider work. Contractors in the communications field meet regularly with key GTC staff to ensure they are aware of and understand current developments in our work, particularly the views and attitudes of registered teachers.

Supplier payments policy

The GTC is committed to paying suppliers promptly. The policy with regard to all suppliers is to make payment within the stated credit terms or within 30 days of receipt of a valid invoice. From January 2009, in accordance with a request from DCSF, the GTC has endeavoured to make payment to all small and medium sized suppliers within 10 days of receipt of a valid invoice, in order to assist such companies in the current difficult financial climate.

Environmental issues

The GTC operates from two city-centre offices which adopt modern technology to minimise the use of power for heating and lighting. Their location close to major public transport interchanges and the presence of only very limited parking facilities, results in virtually all business travel being undertaken through public transport.

Video conferencing is used both between the two GTC offices, and with other locations, to minimise staff and Member travel. Travel by air to locations outside of the GTC offices is subject to an appropriate business case being made.

The GTC's publications are printed on paper sourced from sustainable forests and in print works within England that conform to the ISO14001 environmental standard.

Social and community issues

The GTC's principal purposes concern a major area of public life and by its very existence the GTC plays an important role in the development of social and community policy in England.

GTC staff from time to time support a variety of charities through fund-raising efforts. Several staff serve on the governing bodies of schools and colleges in a personal capacity.

General Teaching Council for England

Annual Report and Financial Statements for the year ended 31 March 2009

Remuneration Report

Remuneration sub-group

The GTC governance structure provides for remuneration matters to be governed through its Finance and General Purposes (F&GP) Committee. A sub-group of the Committee exists to review the performance and pay of the Chief Executive and also to act, if needed, as a disciplinary or appeals panel within HR policies and practices. The F&GP Committee met twice in the year as part of the GTC's streamlined governance structure. Membership of the F&GP Committee during 2008-09 was as follows.

Finance and General Purposes Committee

Naz Bokhari*	Christine Green* (chair)	Max Hyde	David Whitewright*
Peter Butler (from October 2008)	Gloria Hyatt	Bulvinder Michael* (Until August 2008)	

* Remuneration Sub-Group Members

The Chair and Vice-Chair of Council have the right to attend and vote in the meetings of both the F& GP Committee and Remuneration Sub-Group in an ex-officio capacity. The Chair of the F&GP Committee is the chair of the Remuneration Sub-Group.

Remuneration policy

The GTC has no separate policy for the remuneration of senior staff and the following statement relates to all employees.

- To provide a pay structure that is competitive and appropriate to enable the GTC to recruit and retain staff of appropriate experience, skills and qualifications so as to enable a high standard of service delivery to be secured.
- In maintaining competitiveness the GTC seeks to pay at levels consistent with the 'mid-market' pay values for each respective level within the organisation, having regard to location factors for the London and Birmingham employment markets.
- The GTC policy does not provide for performance related pay other than in respect of the Chief Executive although pay increase benefits may be withheld in instances of serious under-performance by an individual member of staff. The GTC has a performance monitoring and review scheme.
- The value of salaries and pay ranges will normally be the subject of annual review in consultation with staff representatives, having regard to the requirement to apply national pay review guidelines.
- Individual salaries on joining the GTC are informed by the Starting Salary policy which seeks to ensure consistent and objective determination of initial salaries. The GTC adopts a job evaluation scheme to further contribute to ensuring that salaries are appropriate to the role of each individual.
- The pay policy forms part of the GTC's overall Equalities Policy and pay and other benefits are provided on the basis of securing high standards of equality and a periodic equality audit of the pay structure and system will be undertaken.
- The GTC will provide access to an appropriate employment pension scheme which is currently secured through membership of the Principal Civil Service Pension Scheme and the GTC will make the required employer contributions to this Scheme in respect of any member of staff electing to join the PCSPS. An alternative stakeholder pension will also be made available.
- Other benefits through the GTC's conditions of service (such as annual leave, maternity pay provision) will be provided broadly consistent with good public sector practice and at least meeting statutory obligations.

General Teaching Council for England
Annual Report and Financial Statements for the year ended 31 March 2009
Remuneration Report

- This policy applies to all staff including the Chief Executive but with a specific pay review process for the Chief Executive whereby progression within the agreed pay range is determined by assessed performance.
- The GTC uses an external consultant to advise the F&GP Committee and the Remuneration sub-group in respect of the pay comparability including the Chief Executive's remuneration.

Service contracts

Senior management covered by this report hold permanent appointments subject to the standard retirement age provisions whereby under Age Discrimination regulations this is now age 65. Early termination by the GTC, other than for misconduct, would result in the individual receiving compensation as set out in our HR policy. The notice period for the Chief Executive is six months but for the remainder of the Leadership Team the notice period is three months.

Salary and pension entitlements

The following sections provide details of the audited remuneration and pension interests of Council Members and the Leadership Team.

Remuneration of Chair and Vice-Chair of Council

The GTC pays a daily allowance to the Chair and Vice-Chair of Council. The daily sum is set and reviewed annually, independently of the GTC. The GTC adopts the outcomes of the independent annual review as applied nationally for equivalent positions in National Non-Departmental Public Bodies (NDPBs) for the purpose of this annual review. It is anticipated that the paid duties of the Chair and Vice-Chair normally amount to approximately 2 days and 1 day per week respectively.

The GTC also pays a sum of £235 per day attendance allowance to other Members of Council who are either self-employed or not employed. The sum is annually indexed by the rate of inflation. For all other Members of Council this daily sum is eligible to be paid to the Member's employer in recognition of the release from employment duties on GTC business days.

Chair's remuneration

	2008-09	2007-08
	£'000	£'000
Judy Moorhouse	29	32

Vice-Chair's remuneration

	2008-09	2007-08
	£'000	£'000
Sashi Sivaloganathan	-	10
Sarah Bowie	18	-
	<u>18</u>	<u>10</u>

Of the above remuneration figures, £5,026 (Chair) and £nil (Vice-Chair) represent the amount paid to their employer for 2008-09 as a contribution to salary costs for time spent on GTC business. The equivalent figures for 2007-08 were £8,652 and £3,780 respectively.

General Teaching Council for England
Annual Report and Financial Statements for the year ended 31 March 2009
Remuneration Report

Chief Executive emoluments

	2008-09	2007-08
	£'000	£'000
Salary	136	128
Employers pension contributions	35	32
	<u>171</u>	<u>160</u>

The Chief Executive is entitled to be an ordinary member of the Principal Civil Service Pension Scheme with the organisation's contribution to the scheme amounting to the equivalent of 25.5 per cent of salary.

Salary and pension entitlement of the leadership team

The salary (total emoluments in post) and pension entitlements, including cash equivalent transfer values (CETV), of the Leadership Team within the organisation, employed during the year, were as follows:

	Salary Payments	Benefits in kind	Real increase in pension	Total accrued pension and related lump sum	CETV at 1 April 2008/ start of service*	CETV at 31 March 2009/ end of service	Employer funded real increase in CETV
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Keith Bartley	135-140	-	0-2.5 and nil lump sum	60-65 and nil lump sum	980	1,071	23
Fiona Johnson	85-90	-	0-2.5 and nil lump sum	5-10 and nil lump sum	108	139	20
Alan Meyrick	80-85	-	0-2.5 and 2.5-5 lump sum	20-25 and 65-70 lump sum	321	362	18
Sally Staples	80-85	-	0-2.5 and nil lump sum	0-5 and nil lump sum	-	23	20
Sarah Stephens	85-90	-	0-2.5 and 2.5-5 lump sum	15-20 and 50-55 lump sum	269	310	21

*The figure may be different from the closing figure in last year's Financial Statements. This is due to the CETV factors being updated to comply with The Occupational Pension Schemes (Transfer Values) (Amendment) Regulations 2008.

During the year there has been no compensation paid to former members of the Leadership Team or Council. The total salary payments to members of the Leadership Team for the year totalled £478,000 (2007-08: £449,000). None of the Leadership Team received any benefits in kind in either year.

Pension benefits

Pension benefits are provided through the Civil Service pension arrangements. From 30 July 2007, civil servants may be in one of four defined benefit schemes; either a 'final salary' scheme (Classic, Premium or Classic Plus); or a 'whole career' scheme (Nuvos). These statutory arrangements are unfunded with the cost of benefits met by monies voted by Parliament each year. Pensions payable under Classic, Premium, Classic Plus and Nuvos are increased annually in line with changes in the Retail Prices Index (RPI). Members who joined from October 2002 could opt for either the appropriate defined benefit arrangement or a good quality

General Teaching Council for England

Annual Report and Financial Statements for the year ended 31 March 2009

Remuneration Report

'money purchase' stakeholder pension with a significant employer contribution (partnership pension account).

Employee contributions are set at the rate of 1.5% of pensionable earnings for Classic and 3.5% for Premium, Classic Plus and Nuvos. Benefits in Classic accrue at the rate of 1/80th of final pensionable earnings for each year of service. In addition, a lump sum equivalent to three years' pension is payable on retirement. For Premium, benefits accrue at the rate of 1/60th of final pensionable earnings for each year of service. Unlike Classic, there is no automatic lump sum. Classic plus is essentially a hybrid with benefits for service before 1 October 2002 calculated broadly as per Classic and benefits for service from October 2002 worked out as in Premium. In Nuvos a member builds up a pension based on his pensionable earnings during their period of scheme membership. At the end of the scheme year (31 March) the member's earned pension account is credited with 2.3% of their pensionable earnings in that scheme year and, immediately after the scheme year end, the accrued pension is uprated in line with RPI. In all cases members may opt to give up (commute) pension for lump sum up to the limits set by the Finance Act 2004.

The Partnership pension account is a stakeholder pension arrangement. The employer makes a basic contribution of between 3% and 12.5% (depending on the age of the member) into a stakeholder pension product chosen by the employee from a panel of three providers. The employee does not have to contribute but where they do make contributions, the employer will match these up to a limit of 3% of pensionable salary (in addition to the employer's basic contribution). Employers also contribute a further 0.8% of pensionable salary to cover the cost of centrally-provided risk benefit cover (death in service and ill health retirement).

The accrued pension quoted, is the pension the member is entitled to receive when they reach pension age, or immediately on ceasing to be an active member of the scheme if they are already at or over pension age. Pension age is 60 for members of **Classic**, **Premium** and **Classic Plus** and 65 for members of **Nuvos**.

Cash Equivalent Transfer Values

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies. The figures include the value of any pension benefit in another scheme or arrangement which the individual has transferred to the Civil Service pension arrangements. They also include any additional pension benefit accrued to the member as a result of their buying additional pension benefits at their own cost. CETVs are calculated in accordance with The Occupational Pension Schemes (Transfer Values) (Amendment) Regulations and do not take account of any actual or potential reduction to benefits resulting from Lifetime Allowance Tax which may be due when pension benefits are taken.

The real increase in the value of the CETV

This reflects the increase in CETV effectively funded by the employer. It does not include the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement) and uses common market valuation factors for the start and end of the period.

General Teaching Council for England

Annual Report and Financial Statements for the year ended 31 March 2009

Financial Review

Income

Income for the year (excluding interest received) was £18.97m (2007-08: £19.05m). Although the level of fee income increased, the level of grant income fell due to 2007-08 being the last year of the DCSF teacher qualifications grant.

The vast majority (99 per cent) of the GTC's income is from teacher registration fees. The annual registration fee for the year was £33 (2007-08: £33).

For the 2008-09 year the GTC has invoiced 571,600 individuals for the annual fee of £33. This included 300 voluntary registrants whose fee has not been received and so is not recognised as income. Therefore in accordance with accounting policies fee income for the current year has been recognised for 571,300 teachers (2007-08: 567,100).

To be consistent with the GTC's income recognition policy (see accounting policy for income on page 45), a further £101,000 of fees from prior years have been recognised as income in the year where we gained sufficient certainty with regard to the respective individual's registration data during the year. Where an individual does not inform us until after the relevant fee year but can prove that they were not required to be registered for any part of that fee year, a credit note is raised to cancel the original fee. In 2008-09 £145,000 of such credit notes were raised against fees relating to prior years.

Other income relates to a number of specific grants. These include amounts from DCSF contributing towards research into the level of referrals and the development of the CRM system in addition to the recognition of the funding contributing to the development of the on-line employer access system.

Expenditure

During the year, expenditure on operational costs (excluding notional interest) was £21.14m (2007-08: **£19.45m**), an 8.7 per cent increase on the prior financial year. Areas of significant variation compared to the 2007-08 financial year are as follows.

- **Regulation.** The number of cases completed during the year increased by 10% however the costs only increased by 5% as a result of a reduction in the average cost of completing a case.
- **Policy services - Teacher Learning Academy.** The current year saw the Teacher Learning Academy (TLA) establish its contractual relationship with logistics partner which involved one-off infrastructure and operational subsidies. In addition there were significant marketing costs incurred towards the end of the year in advance of the national launch in the summer of 2009.
- **Policy services - Networks.** One of the Network Facilitator posts was held vacant for much of the year whilst the future structure of the Networks was being developed
- **Research and information** The current year's expenditure includes the costs of undertaking work on stakeholder engagement to inform the draft Code of Conduct revisions.
- **Conferences and events.** The events programme varies each year depending on the requirements of the current education policy work. During the current year there were two series of significant events to support the organisation's work on the new Code of Conduct and Teaching in 2012 Programme.
- **Website.** The major part of the work on the redesigned website occurred during the year with it going live right at the year end.
- **Council and committee costs.** The last year's expenditure includes the costs of undertaking the elections for teacher Council Members which take place every four years.

General Teaching Council for England
Annual Report and Financial Statements for the year ended 31 March 2009
Financial Review

- **Finance, Corporate planning and legal.** This year's expenditure includes the costs of contracting external consultants to assist with ensuring that the correct programme management and reporting structures were in place for the planned Teaching in 2012 Programme of work.
- **Provision and charge for doubtful debts.** Continued improvement in information recording and the data on individuals on the Register, including the effect of schools being able to check the registration status of their teachers through the on-line employer access system, has resulted in a larger number of fees being recognised. However, not all these fees are collectable, as contact addresses for registrants can be lost during the course of the year where individuals do not update the GTC with their new details and so a provision is required against some of the fees still outstanding at the year end. However the improved collection rate has meant that this is lower than last year. In addition, collection of prior year's fees has been higher than anticipated in the 2007-08 financial statements, resulting in fees that had a provision against them at 31 March 2008 actually being collected. These have both had the impact of reducing the bad debt charge in the income and expenditure account for the current financial year.

The full time equivalent number of employees averaged 204 (2007-08: 206) for the year, a 1.0 per cent decrease. The total budgeted number of posts at the end of the year was similar to the number of posts at the end of last year, although there was some reorganisation during the year changing the structure of some directorates. Overall the fall is due to a number of long term vacant posts during year.

Total staff costs have increased by 1.9 per cent whereas the average costs per FTE increased by 2.9 per cent reflecting staff moving up on the pay spines and the annual inflationary salary increase.

Deficit for the year

The deficit for the year was £1.58m (2007-08: £0.21m surplus) compared to a budgeted deficit of £2.94m. This strengthens the organisation's financial position. The significant elements of the variance are, £0.32m of expenditure deferred until the next financial year as certain activities at the year end were delayed, £0.23m from a reduced bad debt charge and £0.24m from additional grant income and interest receivable.

Reserves

Reserves can be retained by the GTC and carried forward for use in future years. As an independent organisation, almost entirely dependent on income from teacher fees and without powers to borrow, the GTC needs to ensure that it has an adequate level of reserves to maintain its financial viability and flexibility to respond to new requirements.

Council has determined a reserves policy, in accordance with prudent good practice and with that of comparable organisations, that enables it to set aside reserves for designated future purposes and requires the maintenance of sufficient general reserves to provide a minimum of the equivalent to three months cash requirement (which is currently approximately £5.0m).

At 31 March 2009 the general reserves of the GTC were £6.69m, with designated reserves of £0.69m.

The GTC's three-year financial strategy 2009-12, agreed by Council in March 2009, again budgets for a deficit for the 2009-10 financial year which will continue to utilise that element of general reserves above the minimum required.

General Teaching Council for England
Annual Report and Financial Statements for the year ended 31 March 2009
Financial Review

Treasury management

The GTC receives payment for the bulk of its fees in the first quarter of the year. It prudently invests these cash reserves in money market deposits in low risk (B+ and above rated) investments with high street banks. All its investments are in sterling and gave rise to interest receivable of £813,000 for the year. In practice, current legislation does not allow the GTC to borrow. Therefore it has to ensure that it has sufficient cash to manage fluctuations in activity levels and also the funding of major projects.

Fixed assets

The gross current cost value of fixed assets purchased up to 31 March 2009 was £8.575m. These all relate to the operational infrastructure of the GTC and are classified into two categories:

- Non-Grant Funded (assets purchased from registration fee income); and
- Grant Funded (assets purchased by DCSF and transferred to the GTC and assets funded by DCSF Grant-in-Aid in the early years of the GTC).

The accounting policy is to include fixed assets in the financial statements at current cost, revaluing annually on 31 March using the Price Index Numbers for Cost Accounting issued by the Office for National Statistics. The assets have been depreciated in line with the GTC's accounting policy and had a written down value of £1.632m at 31 March 2009.

Auditors

As provided by Schedule 1 paragraph 14(3) of the Teaching and Higher Education Act 1998, the financial statements are audited by the National Audit Office (NAO), on behalf of the Comptroller and Auditor General.

Disclosure of relevant information to auditors

So far as the Accounting Officer is aware, there is no relevant audit information of which the GTC's auditors are unaware, and the Accounting Officer has taken all the steps that he ought to have taken to make himself aware of any relevant audit information and to establish that the auditors are aware of that information.

Keith Bartley 1st July 2009
Chief Executive

General Teaching Council for England
Annual Report and Financial Statements for the year ended 31 March 2009
Statement of the General Teaching Council for England
and Chief Executive's Responsibilities

Under Schedule 1 paragraph 14(1) of the Teaching and Higher Education Act 1998 the GTC is required to prepare a statement of accounts in the form and on the basis determined by the Secretary of State, with the consent of the Treasury. The financial statements are prepared on an accruals basis and must give a true and fair view of the GTC's state of affairs at the year-end and its income and expenditure and cash flows for the financial year.

In preparing the accounts, the GTC is required to comply with the requirements of the Government 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 have been followed, and disclose and explain any material departures in the financial statements
- prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the entity will continue in operation.

The Accounting Officer for the DCSF, under the endorsement of the Council, has designated the Chief Executive as the Accounting Officer for the GTC. The relevant responsibilities as Accounting Officer, including the responsibility for the propriety and regularity of the public finances for which the Accounting Officer is answerable, for keeping proper records and for safeguarding the GTC's assets, are set out in are set out in the Accounts Direction issued by the Secretary of State.

General Teaching Council for England
Annual Report and Financial Statements for the year ended 31 March 2009
Statement on Internal Control

Scope of responsibility

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

I work closely with the Director of Schools Resources Group within the DCSF and meet approximately five times a year and with the Schools Director twice a year. I also on occasion meet the Secretary of State and more frequently with his policy advisors (at least every two months).

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the GTC's aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised and to manage them efficiently, effectively and economically. The system of internal control has been in place in the GTC for the year ended 31 March 2009 and up to the date of approval of the annual report and accounts, and accords with Treasury guidance.

Capacity to handle risk

As Accounting Officer, I place a high value on the existence of an effective risk management strategy. Accordingly the GTC has ensured that an integrated process for managing risk is embedded within the service planning and monitoring of the organisation.

Having regard to the effective use of funds generated from teacher fees, the GTC's overall approach to risk is one of caution.

The risk management policy and strategy has been approved by the Council Members who receive regular reports on current risks. The risk management process enables key strategic risks to be identified and these, in particular, are the focus of Council Member and senior management scrutiny during the year. The Council Members also require each paper submitted to Council Meetings and Committees to include an assessment of risk and the controls in place to mitigate that risk.

During the year new staff have received up to date training in risk management. The Corporate Planning Manager also acts as a permanent source of advice and guidance on risk matters for all staff, working to, and under the guidance of, the Director of Corporate Services. A Risk Management Group meets during the year to consider and monitor risk issues and comprises staff representing all divisions of the organisation.

We take advice from internal auditors on current best practice, when they review our risk management practice and the responsible manager keeps up to date with the latest developments.

The risk and control framework

A comprehensive risk management strategy is in place which establishes a standard procedure throughout the organisation for identifying and documenting risk. The GTC adopts a medium level appetite to risk, except in relation to information security where the risk appetite is low. Overall this encourages appropriate innovation whilst ensuring that effective internal control and good management practice is in place but the lower risk appetite with regard to information security is a reflection of the significant public expectation regarding the management of personal data. The overall risk appetite has been established taking into account the source of the GTC's income (teacher fees), the nature of its responsibilities, the risks attached

General Teaching Council for England
Annual Report and Financial Statements for the year ended 31 March 2009
Statement on Internal Control

and the potential reputational damage that the GTC could suffer should it fail to protect that information appropriately.

Risks are identified by operational teams and integrated into annual service plans, budget plans and corporate objectives. They are regularly reviewed by team managers and updated quarterly or as circumstances change as part of the regular review of performance. Risks are evaluated according to their inherent risk in relation to Operational, Financial and Reputational matters and graded from 1 to 5 in order of importance. The likelihood of risks occurring is also assessed on scale of 1 to 5. Guidance is in place to ensure the consistent evaluation of risks and their likelihood. Control measures are set out which reduce the level of the identified risks.

The risks are recorded in a centrally held risk register and at least quarterly each operational team reviews risks, identifies any new risks and assesses the adequacy of controls. The risk reports are reviewed by senior management and Council Members.

The GTC is responsible for maintaining a register of teachers and has always paid special attention to controls around data protection. During the year we redesigned our information assurance activities in line with the government's Data Handling Requirements and then more recently with the Security Policy Framework, published December 2008.

Within the organisation we have established Information Asset Owners (IAOs) who are responsible for identifying and managing information risks in their operational areas. They report formally on information risk management every quarter to the Senior Information Risk Owners (SIROs). The reports as at 31 March 2009 indicated that all the IAOs had taken reasonable steps to securely manage their information assets and have exercised appropriate information assurance controls. Where areas for improvement have been identified they are being addressed.

In turn SIROs make an annual statement on information risk management to the Accounting Officer. Their report for this year confirms that: the GTC is working towards fully aligning itself with government data handling requirements; the GTC has taken, and is taking, all reasonable and proportionate steps to manage data securely, in the interests of the data subjects and in the interests of the reputation of the GTC; and that the SIRO annual assessment of information risk has been completed satisfactorily in line with Cabinet Office Guidance. An internal audit review confirmed the substantial progress which has been made.

The GTC has effective working relationships with key stakeholder organisations and meets with them regularly. This helps to ensure that new proposals work effectively and reduces risk around the delivery of key aims.

Review of effectiveness

As Accounting Officer, I have responsibility for reviewing the effectiveness of the system of internal control. The review of the effectiveness of the system of internal control is informed by the work of the internal auditors and also by the Directors of Service within the GTC who have responsibility for the development and maintenance of the internal control framework, and by any comments made by the external auditors in their management letter and other reports. I have also taken account of the latest quarterly report from the SIRO on information assurance. I have been advised on the implications of the result of the review of the effectiveness of the system of internal control by the work of the Audit Committee and the Risk Management Group and a plan to address any areas of identified weakness and ensure continuous improvement of the system is in place.

The risk management system identifies key risks and their related controls. The review of risk is integrated with that of service performance and results in summary reports of key risks to Committees and Council. The effectiveness of the system of internal control is reviewed through a series of measures including taking account of advice and findings from auditors. All audit reports are made in full to the Audit Committee. The

General Teaching Council for England
Annual Report and Financial Statements for the year ended 31 March 2009
Statement on Internal Control

system is also reviewed by the Risk Management Group (RMG) of staff, chaired by the Director of Corporate Services and through reports by the RMG to the Chief Executive and Leadership Team. The GTC's Council and Audit Committee receive reports on the findings of these reviews and on the Risk Register.

The work plan of the Internal Audit Service is based on the assessment of risk and adjusted annually to reflect changes in key risks. The findings of Internal Audit provide evidence and assurance to management of the effectiveness of internal controls. The identification of weaknesses by audit and by internal review allows management to improve systems and give improved levels of assurance.

The Audit Committee reviews all internal and external audit reports and tracks the implementation of recommendations. It also receives and reviews reports on Information Assurance from the Data Governance Manager and the SIRO. The Committee provides me with assurance on the standards of effectiveness of the organisation's internal controls and also reports annually to Council on the range of its work.

Significant internal control problems

The review of internal control, including that undertaken by the GTC's auditors has not identified any weaknesses in the control framework sufficient for me to draw attention to in this annual statement.

Keith Bartley 1st July 2009
Accounting Officer

General Teaching Council for England
Annual Report and Financial Statements for the year ended 31 March 2009
The Certificate and Report of the
Comptroller and Auditor General to the Houses of Parliament

I certify that I have audited the financial statements of the General Teaching Council for England for the year ended 31 March 2009 under the Teaching and Higher Education Act 1998. These comprise the Income and Expenditure Account, the Balance Sheet, the Cash Flow Statement and the related notes. These financial statements have been prepared under the accounting policies set out within them. I have also audited the information in the Remuneration Report that is described in that report as having been audited.

Respective responsibilities of the General Teaching Council for England, Chief Executive and auditor

The General Teaching Council for England and Chief Executive as Accounting Officer are responsible for preparing the Annual Report, which includes the Remuneration Report, and the financial statements in accordance with the Teaching and Higher Education Act 1998 and the Secretary of State for Children, Schools and Families' directions made thereunder and for ensuring the regularity of financial transactions. These responsibilities are set out in the Statement of the General Teaching Council for England and Chief Executive's Responsibilities.

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

I report to you my opinion as to whether the financial statements give a true and fair view and whether the financial statements and the part of the Remuneration Report to be audited have been properly prepared in accordance with the Teaching and Higher Education Act 1998 and Secretary of State for Children, Schools and Families' directions made thereunder. I report to you whether, in my opinion, the information, which comprises the section headed Annual Report and the Financial Review, included in the Annual Report is consistent with the financial statements. I also report whether in all material respects the expenditure and income have been applied to the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

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

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

Basis of audit opinions

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

I planned and performed my audit so as to obtain all the information and explanations which I considered necessary in order to provide me with sufficient evidence to give reasonable assurance that the financial statements and the part of the Remuneration Report to be audited are free from material misstatement, whether caused by fraud or error, and that in all material respects the expenditure and income have been

General Teaching Council for England
Annual Report and Financial Statements for the year ended 31 March 2009
The Certificate and Report of the
Comptroller and Auditor General to the Houses of Parliament

applied to the purposes intended by Parliament and the financial transactions conform to the authorities which govern them. In forming my opinion I also evaluated the overall adequacy of the presentation of information in the financial statements and the part of the Remuneration Report to be audited.

Opinions

In my opinion:

- the financial statements give a true and fair view, in accordance with the Teaching and Higher Education Act 1998 and directions made thereunder by the Secretary of State for Children, Schools and Families, of the state of the General Teaching Council for England's affairs as at 31 March 2009 and of its deficit and cash flows for the year then ended;
- the financial statements and the part of the Remuneration Report to be audited have been properly prepared in accordance with the Teaching and Higher Education Act 1998 and the Secretary of State for Children, Schools and Families' directions made thereunder; and
- Information, which comprises the section headed Annual Report and the Financial Review, included within the Annual Report, is consistent with the financial statements.

Opinions on Regularity

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

Report

I have no observations to make on these financial statements.

Amyas C E Morse
Comptroller and Auditor General
National Audit Office
151 Buckingham Palace Road
Victoria
London SW1W 9SS

Date: 6 July 2009

General Teaching Council for England
Annual Report and Financial Statements for the year ended 31 March 2009
Income and Expenditure Account
For the year ended 31 March 2009

		2008-09		2007-08	
		<i>£'000</i>	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>
Income					
Teacher registration fees	2a		18,810		18,544
Other operating income	2b		158		505
			18,968		19,049
Expenditure					
Staff costs	3	8,143		7,988	
Depreciation and revaluation	4	1,610		1,514	
Other operating charges		11,665		10,258	
Total expenditure	5		21,418		19,760
Operating deficit on ordinary activities			(2,450)		(711)
Interest receivable	6		813		846
(Deficit)/Surplus for the year after interest			(1,637)		135
Reversal of notional interest on capital employed			274		314
(Deficit)/Surplus for the year before tax			(1,363)		449
Tax on interest receivable	7		(216)		(237)
(Sustained Deficit)/Retained Surplus for the year			(1,579)		212
Net transfer from designated reserves	13		598		1,515
(Sustained Deficit)/Retained surplus after transfer			(981)		1,727
General reserve brought forward			7,672		5,945
General reserve carried forward			6,691		7,672

Note: All operations are continuing

There were no recognised gains or losses other than those included in the income and expenditure account.

General Teaching Council for England
Annual Report and Financial Statements for the year ended 31 March 2009

Balance Sheet

As at 31 March 2009

		2009		2008	
		£'000	£'000	£'000	£'000
Fixed assets					
Tangible assets	8		1,632		2,347
Current assets					
Debtors and prepayments	9	1,206		1,475	
Cash at bank and in hand	10	7,766		<u>8,919</u>	
			8,972	<u>10,394</u>	
Current liabilities					
Creditors - amounts falling due within one year	11	2,602		3,588	
Deferred grants falling due within one year	12	161		<u>193</u>	
			2,763	<u>3,781</u>	
Net current assets			6,209		6,613
Total assets less current liabilities being net assets			7,841		<u>8,960</u>
Represented by:					
Capital and reserves					
Designated reserves	13		690		1,288
Government grant reserve	14		460		-
General reserve	14		6,691		<u>7,672</u>
			7,841		<u>8,960</u>

Approved on 1 July 2009 by

Keith Bartley
Accounting Officer

Authorised for issue on 6 July 2009

General Teaching Council for England
Annual Report and Financial Statements for the year ended 31 March 2009

Cash Flow Statement

For the year ended 31 March 2009

		2008-09	2007-08
		<i>£'000</i>	<i>£'000</i>
Net cash (outflow) inflow from operating activities	17	(808)	2,042
Returns on investments and servicing of finance			
Interest received		777	861
Taxation		(237)	(137)
Capital expenditure and financial investment			
Payments to acquire tangible fixed assets		(885)	(525)
(Decrease) increase in cash and cash equivalents	16	(1,153)	2,241

General Teaching Council For England
Financial Statements for the year ended 31 March 2009
Notes to the Financial Statements

1 Accounting policies

1a Accounting convention

The financial statements cover the period 1 April 2008 to 31 March 2009.

The financial statements have been prepared under the accruals concept and the historic cost convention, except as modified by the revaluation of fixed assets as highlighted in 1c below. Without limiting the information given, and subject only to compliance with the requirements set out in the Accounts Direction, they also comply with the accounting and disclosure requirements of the Companies Act 1985, the Financial Reporting Manual and with accounting standards issued or adopted by the Accounting Standards Board except where HM Treasury has issued alternative guidance except for the requirement to provide historical cost information in accordance with Financial Reporting Standard 3 "Reporting Financial Performance". The particular accounting policies adopted by the GTC are described below. These have been applied consistently in dealing with items considered as material in relation to the financial statements.

1b Income

Fee Income

The Registration Fee is set by the Council and approved by the Secretary of State and the fee year is the same as the financial year of the GTC.

Registration Fees for those teachers required to be registered are accounted for on an accruals basis, where there is sufficient certainty with regard to the registration data, specifically with regard to teacher or employer contact details. In the absence of this certainty the recognition of fees is delayed until the information becomes available.

Fees for voluntary registrants are accounted for on a receipts basis.

Grant Income

Grant-in-Aid received from DCSF in respect of revenue expenditure is recognised in the income and expenditure account in the year it is received. Grant-in-Aid relating to specific capital expenditure is credited to the Government Capital Reserve and released to the income and expenditure account over the estimated useful economic life of the assets to which it relates, matching the depreciation charged on these assets.

Specific grants received from DCSF and other funding bodies are credited to a deferred grant account and released to the income and expenditure account as the related expenditure is incurred. Grants relating to specific capital expenditure received from DCSF and other funding bodies is are credited to a Government grant reserve and released to the income and expenditure account over the expected useful economic life of the asset on a basis consistent with the depreciation policy for the type of asset to which the grant relates.

General Teaching Council For England
Financial Statements for the year ended 31 March 2009
Notes to the Financial Statements

1c Fixed Assets

Tangible fixed assets are stated at current cost less depreciation. The GTC's policy is to capitalise items where their expected useful life exceeds one year and the cost of acquisition exceeds £250. In instances where there are large numbers of separate individual items of IT hardware and office furniture, which individually fall below the capitalisation threshold, items of the same nature are grouped together and the combined cost is used for the purposes of determining whether they fall within the threshold.

Fixed assets are re-valued as at 31 March using indices taken from "Price Index Numbers for Current Cost Accounting" issued by the Office for National Statistics.

Depreciation is provided at rates calculated to write off the current cost of fixed assets, less their estimated residual value, over their expected useful lives on a straight line basis. The classes and standard expected useful lives are reviewed annually. The categories and respective depreciation rates applied are as follows:

Class of asset	Standard expected useful life (years)
Computer hardware and telecommunications	3 - 4
Computer software and development	2 - 4
Fixtures & fittings	5
Office refurbishment	5

Assets under construction are not depreciated.

1d Operating Leases

Rentals payable under operating leases are charged in the income and expenditure account on a straight-line basis over the lease term.

1e Notional Charges

Interest on Capital Employed

Interest on capital employed is charged to the income and expenditure account through other operating charges and credited back to the retained surplus at the end of the year. This cost of capital is calculated in accordance with HM Treasury requirements at the HM Treasury required rate (currently 3.5%) on the average value of capital employed during the period. Capital employed is defined as being total assets less all liabilities.

1f Value Added Tax

The GTC cannot currently be registered for Value Added Tax. All expenditure reported in these statements therefore includes VAT where this was charged.

1g Corporation Tax

The GTC is only liable to Corporation Tax on investment income.

General Teaching Council For England
Financial Statements for the year ended 31 March 2009
Notes to the Financial Statements

1h Pension Costs

Employees are covered by the provision of the Principal Civil Service Pension Scheme (PCSPS), an unfunded multi-employer defined benefit scheme, and a defined contribution stakeholder scheme.

The defined benefit scheme is a multi-employer scheme where it is not possible to identify the GTC's share of the underlying assets and liabilities. Therefore the GTC accounts for the contributions to the scheme as if it was a defined contribution scheme as required by Financial Reporting Standard 17 revised. A full actuarial valuation was carried out at 31 March 2007. Details can be found in the resource accounts of the Cabinet Office; Civil Superannuation.

The pension charge in the income and expenditure account represents the total contributions payable by the GTC to both schemes in respect of the year.

1i Designated Reserves

The Council has determined that it may at its discretion set aside unrestricted funds for designated future purposes. Where such funds are no longer required for the intended purposes, they will be released to the General Reserve.

General Teaching Council For England
Financial Statements for the year ended 31 March 2009
Notes to the Financial Statements

2 Income

	2008-09		2007-08	
	<i>Number of teachers</i>	<i>£'000</i>	<i>Number of teachers</i>	<i>£'000</i>
2a Registration fee income				
Registrants	571,300	18,854	563,100	18,582
Recognition of prior year fees		(44)		(38)
		18,810		18,544

Rounded figures are used for the number of teachers.

During the course of the year the number of individuals on the Register fluctuates with new registrations occurring and individuals leaving the profession throughout the year. The Register contained approximately 551,900 individuals as at 31 March 2009.

The continuing improvement of the information recorded on the register has resulted in a larger number of fees being recognised. For the 2008-09 year the GTC has invoiced 571,600 individuals for the annual fee of £33. This included 300 voluntary registrants, where the fee has not been received by 31 March 2009 and so is not recognised as income. Therefore in accordance with accounting policies income has been recognised for 571,300 teachers.

	2008-09		2007-08	
	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>
2b Other operating income				
<i>Other Grants</i>				
DCSF (formally DfES) Teacher qualifications grant	-		400	
DCSF on-line employer access grant	37		-	
DCSF referrals research grant	70		-	
DCSF registration categories grant	40		-	
Becta e-enablement grant	-		75	
Training and Development Agency for Schools grant	-		25	
Alumni Association	1		1	
		148		501
<i>Other income</i>		10		4
		158		505

General Teaching Council For England
Financial Statements for the year ended 31 March 2009
Notes to the Financial Statements

3 Remuneration

3a Average Number of Employees

	2008-09	2007-08
<i>Section</i>	<i>Full Time Equivalent</i>	<i>Full Time Equivalent</i>
Chief Executive's office	4	4
Registration and ICT	80	75
Regulation and legal	37	36
Finance and administration	25	25
Communications	13	14
Policy and research	37	45
Agency staff	8	7
	<u>204</u>	<u>206</u>

3b Staff Costs

	2008-09	2007-08
	<i>£'000</i>	<i>£'000</i>
Wages and salaries	6,134	6,036
Teacher secondees	5	75
Social security costs	479	461
Other pension costs	1,224	1,156
Agency staff	301	260
	<u>8,143</u>	<u>7,988</u>

4 Depreciation and revaluation

	2008-09	2007-08
	<i>£'000</i>	<i>£'000</i>
Depreciation charge for the year	1,594	1,472
Depreciation adjustment for current cost revaluation	(118)	(108)
Deficit on current cost revaluation	134	150
	<u>1,610</u>	<u>1,514</u>

General Teaching Council For England
Financial Statements for the year ended 31 March 2009
Notes to the Financial Statements

5 Expenditure

The total expenditure of the GTC analysed by function:

	2008-09	2007-08
	<i>£'000</i>	<i>£'000</i>
Regulation	3,100	2,939
Registration	2,257	2,132
Award of QTS	989	926
Policy advice	815	780
Policy services - Teacher Learning Academy	2,725	2,184
Policy services - Networks	474	539
Research and information	1,086	843
GTC magazine and publications	1,332	1,257
External relations	625	632
Conferences and events	679	570
Web site	1,176	775
Fee collection	1,042	1,019
Council, committee and Member election costs	701	851
Finance, Corporate planning and legal	979	774
Premises	1,232	1,244
Depreciation, current cost revaluation and loss on disposal	1,610	1,514
Notional interest on capital employed	274	314
Provision and charge for doubtful debts	322	467
	21,418	19,760

The operating deficit is stated after charging:

	2008-09	2007-08
	<i>£'000</i>	<i>£'000</i>
Payments to external auditors		
Audit fee	31	26
Operating lease rentals		
Office equipment	12	15
Other (land and buildings)	847	896

The audit fee for 2008-09 includes £4,000 relating to the audit of preparation for IFRS transition. There was no remuneration due for non-audit work.

General Teaching Council For England
Financial Statements for the year ended 31 March 2009
Notes to the Financial Statements

6 Interest receivable

	2008-09	2007-08
	<i>£'000</i>	<i>£'000</i>
Interest receivable from cash deposits	813	846

7 Taxation charge

	2008-09	2007-08
	<i>£'000</i>	<i>£'000</i>
Corporation tax	216	237

Factors affecting the tax charge for the year:

The GTC is only liable to corporation tax on investment income. The tax charge for the year is less than the standard rate of corporation tax in the UK of 28% (2007-08 30%). The differences are explained below:

	2008-09	2007-08
	<i>£'000</i>	<i>£'000</i>
Investment income for the year	813	846
Investment income multiplied by the standard rate of corporation tax in the UK of 28% (2007-08 30%)	228	254
Marginal relief	(12)	(17)
Current tax charge for the year	216	237

The UK main rate of corporation tax has changed from 30% to 28% as of the 1 April 2008.

General Teaching Council For England
 Financial Statements for the year ended 31 March 2009
 Notes to the Financial Statements

8 Fixed assets

	Fixtures and fittings £'000	Hardware £'000	Software £'000	Office re- furbishment £'000	Assets under construction £'000	Total £'000
Cost						
At 1 April 2008	546	1,233	4,812	1,261	-	7,852
Additions	31	158	244	-	462	895
Disposals	-	(38)	-	-	-	(38)
Current cost revaluation	5	(16)	(123)	-	-	(134)
At 31 March 2009	582	1,337	4,933	1,261	462	8,575
Depreciation						
At 1 April 2008	460	974	3,208	863	-	5,505
Charge for year	42	193	1,107	252	-	1,594
Disposals	-	(38)	-	-	-	(38)
Current cost revaluation	3	(13)	(108)	-	-	(118)
At 31 March 2009	505	1,116	4,207	1,115	-	6,943
Net book value						
At 31 March 2009	77	221	726	146	462	1,632
At 1 April 2008	86	259	1,604	398	-	2,347

All fixed assets held are used in the furtherance of the GTC's objectives.

'Assets under construction' represented the capital costs in respect of the development of the CRM system for Registration Categories.

General Teaching Council For England
Financial Statements for the year ended 31 March 2009
Notes to the Financial Statements

9 Debtors

	2009	2008
	£'000	£'000
Registration fees	1,539	1,934
Provision for doubtful debts	(940)	(1,212)
Trade debtors	-	189
Other debtors	14	10
Prepayments and accrued income	593	554
	<u>1,206</u>	<u>1,475</u>

The provision for doubtful debts relating to registration fees reflects collection experience to date.

10 Cash at bank and in hand

	2009	2008
	£'000	£'000
Money market deposits	7,560	7,900
Current accounts	206	1,019
	<u>7,766</u>	<u>8,919</u>

The GTC has no borrowings and relies primarily on fee income for its cash requirements and is therefore not exposed to liquidity risks. It has material deposits invested only in B+ rated investments at fixed rates and is therefore not exposed to interest rate risk. All material assets and liabilities are denominated in sterling, therefore there is no exposure to currency risk.

11 Creditors – Amounts falling due within one year

	2009	2008
	£'000	£'000
Registration fees received in advance	44	382
Trade creditors	621	910
Corporation tax	216	237
Other creditors	136	207
Accruals	1,585	1,852
	<u>2,602</u>	<u>3,588</u>

Accruals include £835,708 (2008: £962,164), relating to the averaging of lease costs to recognise rent free periods, which will be released to the income and expenditure account after more than one year.

General Teaching Council For England
 Financial Statements for the year ended 31 March 2009
 Notes to the Financial Statements

12 Deferred grants

	Balance as at 1 April 2008 £'000	Received during the year £'000	Recognised in the income and expenditure account £'000	Repayable to awarding body	Balance as at 31 March 2009 £'000
DCSF Referrals Research	-	70	70		-
DCSF Registration Categories grant	-	40	40	-	-
Alumni Association	3	-	1	2	-
Hewett Driver Education Trust grant	40	8	-	-	48
DCSF Employer Access	150	-	37	-	113
	193	118	148	2	161

13 Designated reserves

In accordance with the Council's financial strategy, designated reserves have been established as follows:

- Casework A contingency reserve to cover any significant costs arising from legal challenges to rulings of the GTC's disciplinary function.
- Election To equalise four yearly election costs across financial years.
- ICT Strategy This reserve was originally created to fund the depreciation charge of the large initial capital costs of the investment in the original ICT strategy. The final adjustment for this has taken place in the current year. Going forward it represents amounts set aside to support the future ICT strategy, designed to deliver internal efficiencies and to further improve service delivery to teachers and employers through the use of more effective and efficient processes involving the use of an enhanced customer relationship management system, supported by appropriate information and communication strategies, channels and systems.

	Casework £'000	Election £'000	ICT Strategy £'000	Total £'000
Balance as at 1 April 2008	250	84	954	1,288
Transfer from general reserve	-	140	300	440
Released to general reserve	-	(84)	(954)	(1,038)
Balance as at 31 March 2009	250	140	300	690

General Teaching Council For England
Financial Statements for the year ended 31 March 2009
Notes to the Financial Statements

14 Movement on reserves

	Balance as at 1 April 2008 £'000	Received during the year £'000	Deficit for the year £'000	Net transfer to/from designated reserves £'000	Balance as at 31 March 2009 £'000
Designated reserves	1,288	-	-	(598)	690
Government grant reserve	-	460	-	-	460
General reserve	7,672	-	(1,579)	598	6,691
	8,960	460	(1,579)	-	7,841

15 Leases

15a Annual obligations under operating leases comprise:

	2009 £'000	2008 £'000
<i>Land and Buildings</i>		
Expiry after 5 years	966	897
	966	897
	2009 £'000	2008 £'000
<i>Other</i>		
Expiry within 1 year	4	2
Expiry within 2 to 5 years	6	10
	10	12

15b Finance Leases

There are no obligations under finance leases.

16 Analysis of balances and movements of cash and cash equivalents during the year

	Balance as at 1 April 2008 £'000	Cash Flow £'000	Other Changes £'000	Balance as at 31 March 2009 £'000
Cash at bank and in hand	1,019	(813)	-	206
Current asset investments	7,900	(340)	-	7,560
	8,919	(1,153)	-	7,766

General Teaching Council For England
Financial Statements for the year ended 31 March 2009
Notes to the Financial Statements

17 Reconciliation of operating deficit to net cash (outflow) inflow from operating activities

	2008-09	2007-08
	<i>£'000</i>	<i>£'000</i>
Operating deficit	(2,450)	(711)
Depreciation and revaluation	1,610	1,514
Notional interest on capital employed	274	314
Decrease in debtors	305	186
(Decrease)/increase in registration fees received in advance	(338)	339
(Decrease)/increase in creditors	(639)	361
(Decrease)/increase in deferred grants	(30)	39
Increase in Government grant reserve	460	-
Net cash (outflow) inflow from operating activities	(808)	2,042

18 Reconciliation of net cash flow to movement in net cash

	2008-09	2007-08
	<i>£'000</i>	<i>£'000</i>
(Decrease)/increase in cash in year	(1,153)	2,241
Net cash at 1 April 2008	8,919	6,678
Net cash at 31 March 2009	7,766	8,919

19 Capital commitments

Capital commitments contracted and authorised as at 31 March 2009 amounted to £288,000 (2008: £nil).

20 Contingent assets and liabilities

There were no contingent assets or liabilities at 31 March 2009.

21 Gifts

There were no gifts received or made by the GTC during the year ended 31 March 2009.

22 Related party transactions

During the year the GTC had various material transactions with other Government departments and other central Government bodies. These were with the Office of Government Commerce as provider of telecommunications, with the Department for Children, Schools and Families for the provision of payroll services and with the Department of Work and Pensions for the provision of pension administration.

None of the Council Members, key managerial staff or other related parties has undertaken any material transactions with the GTC during the year to 31 March 2009.

General Teaching Council For England
Financial Statements for the year ended 31 March 2009
Notes to the Financial Statements

23 Losses and special payments

The GTC incurred no material losses or special payments in the year to 31 March 2009.

24 Pension costs

For members of the PCSPS defined benefit scheme, employers' contributions are payable at one of four rates in the range 17.1 to 25.5 per cent of pensionable pay, based on salary bands. The rates will remain in the range of 17.1 to 25.5 per cent for the next financial year, subject to revalorisation of the salary bands. Employer contributions are to be reviewed every four years following a full scheme valuation by the Government Actuary. The contribution rates reflect benefits as they are accrued, not when the costs are actually incurred, and reflect past experience of the scheme.

For members of the PCSPS defined contribution stakeholder scheme, employers' contributions are payable, to one or more of a panel of the appointed stakeholder pension providers, in the range of 3 to 12.5 per cent of pensionable pay, based on the age of the member. Any contributions made by employees are matched by a further employer contribution up to a limit of 3 per cent. In addition, a contribution of 0.8 per cent of pensionable pay is paid to the PCSPS to cover the cost of the future provision of lump sum benefits on death in service and ill health retirement of these employees.

The defined benefit scheme is a multi-employer scheme but the GTC is unable to identify its share of the underlying assets and liabilities and so accounts for the contributions to the scheme as if it was a defined contribution scheme.

The assets of both schemes are held separately from those of the GTC in independently administered funds. The pension charge in the income and expenditure account represents the total amounts payable by the GTC to both schemes in respect of the year and is disclosed in note 3.

General Teaching Council For England

Financial Statements for the year ended 31 March 2009

Glossary

ASCL	Association of School and College Leaders
ATL	Association of Teachers and Lecturers
Becta	British Educational Communications and Technology Agency
CETV	Cash Equivalent Transfer Value
CPD	Continuing Professional Development
CRM	Customer Relationship Management
CSFSC	Children, Schools and Families Select Committee
CWN	Children's Workforce Network
CWS	Children's Workforce Strategy
DCSF	Department for Children, Schools and Families
ECM	Every Child Matters
EHRC	Equalities and Human Rights Commission
ESRC	Economic and Social Research Council
ESSC	Education and Skills Select Committee
F&GP	Finance and General Purposes committee
FE	Further Education
GTC	The General Teaching Council for England
IAO	Information Asset Owners
ICT	Information and Communication Technology
IfL	Institute For Learning
IIP	Investors in People
ISA	Independent Safeguarding Authority
ITE	Initial Teacher Education
MHCA	Modified Historical Cost Accounting
NAHT	National Association of Head Teachers
NAO	National Audit Office
NASUWT	National Association of Schoolmasters and Union of Women Teachers
NCSL	National College for School Leadership
NDPB	Non Departmental Public Body
NQT	Newly Qualified Teacher
NUT	National Union of Teachers
Ofsted	Office for Standards in Education
OGC	Office of Government Commerce
OPM	Office of Public Management
OTT	Overseas Trained Teachers
PCS	Public and Commercial Services union
PCSPS	Principal Civil Service Pension Scheme
QCA	Qualifications Curriculum Agency
QTS	Qualified Teacher Status
RoM	Research of the Month
RMG	Risk Management Group
RPI	Retail Prices Index
SEN	Special Educational Needs
STRB	School Teachers' Review Body
SWR	School Workforce Remodelling
TDA	Training and Development Agency for schools
TLA	Teacher Learning Academy
UCET	Universities' Council for the Education of Teachers
VAT	Value Added Tax

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