

**General Teaching Council for England  
Annual Report and Financial Statements  
for the year ended 31 March 2008**



**General Teaching Council for England  
Annual Report and Financial Statements  
for the year ended 31 March 2008**



Presented to the House of Commons 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

Ordered by the House of Commons to be printed:- 22 July 2008

**© Crown Copyright 2008**

The text in this document (excluding the Royal Arms and other departmental or agency logos) may be reproduced free of charge in any format or medium providing it is reproduced accurately and not used in a misleading context. The material must be acknowledged as Crown copyright and the title of the document specified.

Where we have identified any third party copyright material you will need to obtain permission from the copyright holders concerned.

For any other use of this material please write to Office of Public Sector Information, Information Policy Team, Kew, Richmond, Surrey TW9 4DU or e-mail: [licensing@opsi.gov.uk](mailto:licensing@opsi.gov.uk)

ISBN: 9780102955743

**General Teaching Council for England**  
**Annual Report and Financial Statements for the year ended 31 March 2008**  
**Introduction from the Chief Executive**

**Contents**

	Page
Introduction from the Chief Executive	2
Annual Report	4
Remuneration Report	29
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	40
Income and Expenditure Account	42
Balance Sheet	43
Cash Flow Statement	44
Notes to the Financial Statements	45

# General Teaching Council for England Annual Report and Financial Statements for the year ended 31 March 2008

## Introduction from the Chief Executive

I joined the General Teaching Council for England (GTC) as Chief Executive in March 2007. This report therefore represents my first opportunity to reflect on a full year's operations, to identify key areas of activity that will be sustained over the years ahead and to outline the GTC's aspirations to serve the public interest more fully by supporting teachers' capacity to develop and improve their practice.

I can state with confidence that the GTC has sound systems in place for registering qualified teachers and for collecting and disbursing fee income responsibly and effectively. It has developed a fair and robust approach to the regulation of teachers whose conduct or competence raise serious questions about their standing as a registered teacher.

In September, hearing panel members recruited through a public appointments process began to take part in our disciplinary work, resulting in increased capacity to hear cases in a timely fashion. However, the time taken from referral to the conclusion of a case continues to be a concern, as does the apparently low level and patchy pattern of referrals of competence cases by employers. The latter will be addressed through joint research with the Department for Children, Schools and Families (DCSF) over the coming year.

I am pleased to report that the GTC's policy advisory work has continued to grow in scope and influence. We submitted well received written and oral evidence to the enquiry into assessment and testing conducted by the Select Committee for Children, Schools and Families. We have also worked closely with our partners in the Training and Development Agency for Schools to develop practical advice to take forward effective approaches to continuing professional development for teachers, with a particular focus on ensuring that teachers are better equipped to meet the needs of children with special educational needs.

Twenty five members of Council are directly elected by registered teachers. Elections for these seats were held in March 2008. In parallel, the 17 organisations which, by statute, have representation on the Council, chose or reconfirmed their nominees. As a result, the 64 Member Council will have 22 new Members from 1 September 2008, representing a wide range of interests and seniority within teaching and the full span of stakeholder interests.

Following an independently evaluated four year pilot, Council agreed in July that the GTC Teacher Learning Academy should be taken to national scale in collaboration with local and national partners. The Teacher Learning Academy (TLA) is a unique national system for recognising teachers' practice-based professional development. Built on the best evidence about effective teacher learning, the TLA is fast becoming a powerful tool for whole school improvement.

A series of very well-subscribed head teacher briefings and a national conference in spring 2008 have paved the way for a major transition programme involving 400 leader schools and more than 45 national partners. Already, 7,000 teachers and more than 1,000 schools are enrolled with the TLA, which supports teachers' development at every stage of their career through school and classroom based improvement work.

The GTC has a Code of Professional Conduct and Practice which underpins its regulatory work and a Statement of Professional Values and Practice which summarises the core and enduring values held by teachers. Alongside these two documents, we have a joint statement, developed with the General Social Care Council and the Nursing and Midwifery Council, which describes the common value and expectations that children's service professionals have for and of each other.

A major consultative project was initiated in 2007 to explore whether these documents can usefully be combined into a single Code or Statement, more clearly reflecting the Children's Plan and the prevailing values and standards of practice shared by teachers. This work is scheduled for completion in 2009.

The General Teaching Council works for children, through teachers, in the public interest. It shares the aspirations of teachers, parents and the wider community to help all our young people succeed, thrive and enjoy learning. It supports the aim of all parties to reduce the intractable inequalities in attainment that limit the life chances of too many young people.

**General Teaching Council for England**  
**Annual Report and Financial Statements for the year ended 31 March 2008**  
**Introduction from the Chief Executive**

During my first year in post, I have made it a priority to visit schools throughout England and to meet the GTC's national partners to involve them in discussion about our future work programme. It has been a huge privilege to meet so many inspirational practising teachers and school leaders and to receive very positive feedback from our national partners about their willingness to work with us. Together we will develop a shared agenda to enhance the standing of the teaching profession and promote the highest possible standards of teaching.

Keith Bartley  
*Chief Executive*

# **General Teaching Council for England**

## **Annual Report and Financial Statements for the year ended 31 March 2008**

### **Annual Report**

#### **About this report**

This Annual Report covers the financial year 1 April 2007 to 31 March 2008.

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 of 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.

By statute, we keep a register of qualified teachers in England and set out and enforce standards for the teaching profession, in the interests of the public.

By statute, we 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 then 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 2008

### Annual Report

#### Registration

##### Registration procedures

Our registration procedures comply with the recommendations of the Richard Inquiry and support effective recruitment in schools.

All qualified teachers teaching in maintained schools, non-maintained special schools and pupil referral units in England must be registered with the GTC.

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

From 1 September 2007, teachers in sixth form colleges with QTS can choose to register with either the GTC or the Institute for Learning (IfL).

At 31 March 2008 more than 538,000 qualified teachers were registered with the GTC.

	31 March 2008	31 March 2007	31 March 2006
Teachers registered with the GTC	538,500	532,000	538,000

New regulations introduced in August 2007 mean that any teacher who wants to register with the GTC must complete a suitability declaration as part of the application process. In line with the milestone targets set in our Corporate Plan, we process applications for registration within four weeks of receipt.

We undertook a pilot exercise in autumn 2007 to test the most effective way of collecting ethnicity and disability data from registered teachers who qualified before September 2000. We are now planning the full collection for Summer 2008.

We have started to plan development of our customer relationship management (CRM) system to support the requirements of both the Independent Safeguarding Authority (ISA) and provisional registration. The new arrangements with the ISA will come into force in October 2009. Overseas Trained Teachers and Instructors will be required to be provisionally registered with the GTC from 1 September 2008 and proposed regulations will require any one commencing a course of initial teacher training from August 2008 to also be provisionally registered with the GTC.



**General Teaching Council for England**  
**Annual Report and Financial Statements for the year ended 31 March 2008**  
**Annual Report**

**Awarding qualified teacher status**

As the statutory awarding body for QTS we ensure, in the interest of the public and the profession, that only appropriately qualified teachers can enter the profession. There are some 37,000 new entrants to teaching each year (see table below), and by 1 September each year we send confirmation of QTS to up to 24,000 newly qualified teachers (NQTs).

<b>Type of QTS award</b>	<b>2007-08</b>	<b>2006-07</b>	<b>2005-06</b>
ITT college exit process	27,661	27,840	28,288
Scotland	209	229	215
Northern Ireland	78	88	57
European Economic Area	1,511	1,700	1,319
Flexible post graduate route	860	787	893
Graduate and Registered teacher programmes	4,919	4,887	4,808
Overseas trained teachers	1,307	970	1,163
Awards resulting from archive work	594	743	1,553
<b>Total</b>	<b>37,139</b>	<b>37,244</b>	<b>38,296</b>

**Induction**

We continue to process induction results on a termly basis and in line with recommendations from appropriate bodies. We issue certificates to successful inductees and record their results on the Register.

<b>Result</b>	<b>2007-08</b>	<b>2006-07</b>	<b>2005-06</b>
Pass	25,517	26,957	25,858
Deferred	72	82	109
Withdrawn	800	937	1,090
Fail	26	38	22

**Employer Access**

We have re-designed the GTC on-line Employer Access system to offer a robust and secure online registration checking system to all schools through a secure area of our website. The roll out of the new system began in March 2008, within one month of our original target date, and will take six months to complete.

	<b>2007-08</b>	<b>2006-07</b>	<b>2005-06</b>
Employer access enquiries received and processed	191,000	182,000	90,000

**Teacher enquiry service**

Our teacher enquiry service continues to offer callers an effective ‘one call’ service. With additional support from the service delivery teams during peak times, call abandonment rates were reduced further over the year, allowing the team to improve the quality and range of services to callers and meet its Corporate Plan objectives.

	<b>2007-08</b>	<b>2006-07</b>	<b>2005-06</b>
Calls handled	129,955	124,000	120,000
Abandonment rate	1.6%	3.0%	17.0%

**General Teaching Council for England**  
**Annual Report and Financial Statements for the year ended 31 March 2008**  
**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 high professional standards of conduct and competence are maintained by each 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.

	<b>2007-08</b>	<b>2006-07</b>	<b>2005-06</b>
<b>Conduct and competence hearings</b>			
Prohibition order	29	34	10
Suspension order (with conditions)	6	5	9
Suspension order	16	13	3
Conditional registration order	32	35	25
Reprimand	36	23	14
No sanction	6	3	3
No finding	11	12	10
Other (ie variation/revocation/restoration/discontinued)	4	1	1
Otherwise disposed of	10	18	-
<i>Sub-total</i>	<i>150</i>	<i>144</i>	<i>75</i>
<b>Induction appeals</b>			
Appeal allowed	-	-	-
Appeal dismissed	-	6	3
Extension: one term	-	-	2
Extension: two terms	1	-	2
Extension: three terms	3	2	4
<i>Sub-total</i>	<i>4</i>	<i>8</i>	<i>11</i>
<b>Total</b>	<b>154</b>	<b>152</b>	<b>86</b>

The total of 154 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 200. Factors that led to the failure to meet the target included a high level of postponements and of complex and long running cases, but nevertheless we have cut the time taken to deal with cases from 78 weeks to 67 weeks.

To supplement the pool of Members available to adjudicate on cases, the Council appointed 25 additional members through a public appointment process, to sit on cases in addition to the 64 members of the Council. They have been trained to carry out their regulatory role fairly and impartially and are subject to independent assessment to ensure that they carry out their role justly and consistently.

# General Teaching Council for England

## Annual Report and Financial Statements for the year ended 31 March 2008

### Annual Report

A separate Registration and Regulation Annual Report is published each year by the Registrar which provides further detailed explanations and statistical data around the GTC's regulatory work. It 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*. The recruitment of additional committee members and the active dissemination of lessons learned through our regulatory work are both in line with the commitments we made in the Corporate Plan.

#### Professional standards and revision of the code

As mentioned in the section on Registration procedures, we have worked closely with the shadow organisation leading to the establishment of the new Independent Safeguarding Authority. This will also ensure a smooth transition to new arrangements for safeguarding children.

We have begun a major process of consultation and engagement with teachers, partners, and the public to inform the development of a new edition of the Council's Code of Conduct and Practice and to reconfigure the Statement of Professional Values and Practice. We originally intended to publish the new document in the spring or summer of 2008 but decided that an extensive period of evidence gathering, research and consultation is necessary to secure the active support both of registered teachers and the wider public for this important expression of teaching's professional values. Consultative work will therefore continue throughout 2008, with publication planned for summer 2009.

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 or serious professional incompetence by teachers.

>> see also **Research evidence**

# General Teaching Council for England

## Annual Report and Financial Statements for the year ended 31 March 2008

### 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 stakeholders, and based on research evidence and evidence directly from practising teachers and others, such as parents. Our Corporate Plan milestones for 2007-08 were to submit high quality advice and evidence to Government, Select Committees and partner policy reviews. The table on page 12 demonstrates the range of work undertaken during the year. Of particular note is our work on assessment and testing which was submitted as evidence to the enquiry conducted by the Select Committee for Children, Schools and Families. The Select Committee report was published in May 2008 and quotes extensively and with approval from the GTC oral and written evidence.

#### Continuing professional development

In pursuit of our Corporate Plan objectives, we have continued to champion and support effective continuing professional development (CPD) for teachers.

In our advice to Government, we advocate a personalised approach to the identification of all teachers' learning and development needs and support access to it that is effective, relevant and sustained. We also argue that while performance management is a necessary starting point for improving teacher quality, it cannot deliver change in teaching practice without effective CPD.

We championed our advice with CPD partners, particularly the Training and Development Agency for Schools (TDA) and through the National Reference Group, to ensure that it had as much influence as possible in the thinking behind the TDA's CPD priorities and the new regulations and guidance on performance management that came into use in September 2007. The GTC Teacher Learning Academy demonstrated one means of underpinning performance management objectives with effective and specific professional learning.

Our 2006 annual survey of teachers showed that supply teachers were the group least satisfied with their CPD provision, and so have prioritised further policy work around their CPD needs. The evidence base from this work will in due course inform our advice in this area.

Our CPD work has also addressed these two major questions:

- Is there an adequate supply of professional learning and development for teachers working in mainstream schools with children and young people with SEN?
- What kind of professional support is needed to respond to the challenges of integrated working for teachers working in the context of Every Child Matters (ECM)?

The investigation of the first, and our subsequent advice, were developed to complement the work of the TDA in this area. They also informed our proposals for a set of generic strategies to enable the school workforce to meet the needs of all children and young people and our written submission to the Bercow review, and led to a range of practice-based resources for teachers.

For the second, we worked principally with teachers from the our Connect network (see below). The focuses have been on:

- how ECM-related CPD needs are identified and met;
- how the GTC can ensure that they are; and
- what CPD leaders know about available training and development opportunities available to their colleagues.

The report will inter alia inform our ongoing contribution through the Children's Workforce Network.

# General Teaching Council for England

## Annual Report and Financial Statements for the year ended 31 March 2008

### Annual Report

#### **Influencing new developments in pedagogy**

##### *Personalised learning and pupil voice*

Following our advice to Government in 2006-07 on personalised learning and the Gilbert review, we held a national conference for teachers, researchers and national policy-makers in July 2007. This and subsequent contacts provided a forum for debate with partners on issues including assessment and curriculum reform, pedagogy, 'pupil voice' and personalising learning for teachers, all key components of our advice.

We held two large consultation seminars for teachers on the participation of children and young people in their learning in November 2007 and a seminar for senior policy-makers and academic researchers on teacher pedagogy issues in January 2008.

We have commissioned Cambridge University to undertake research work with young people. This will enable policy principles and tools for teachers' practice to be developed that will support the influence and participation of children and young people in their learning.

##### *Reviews of education*

Our March 2007 evidence to Robin Alexander's Primary Review gave us a platform to build a strong partnership with the Primary Review and also the Good Childhood inquiry. This culminated in a national conference in March 2008 attended by prominent educationalists, teachers, government officials and the press. It was an opportunity to influence policy and practice on issues in primary education as well as to contribute to the review of the primary curriculum led by Jim Rose.

We published formal evidence to the QCA's secondary curriculum review in April 2007, as well as evidence to a select committee inquiry into the National Curriculum in March 2008. We responded to a government consultation on the 'Making good progress' pilots and included responses on the pilot issues in our written and oral evidence to the select committee for children, schools and families.

##### *Pupil assessment*

We made a detailed written submission on our vision for pupil assessment to the select committee inquiry in June 2007. It was based on four years of evidence gathering from teachers, parents, young people and other key stakeholders as well as a careful consideration of relevant issues from emergent research. This was followed by an oral submission from our Chief Executive in January 2008.

We have promoted our proposals in seminars for teachers and other stakeholders in summer and autumn 2007 and at research and policy events organised by the Westminster Educational Forum, National Foundation for Educational Research and the Assessment Reform Group. We will continue to do so in the context of current curriculum change and following the report of the select committee.

>> see also **Media relations and public affairs**

##### *Quality of teaching*

Through our published advice, events and building relationships with partners, we are continuing to develop a base for robust evidence and expertise in issues affecting the quality of teaching.

**General Teaching Council for England**  
**Annual Report and Financial Statements for the year ended 31 March 2008**  
**Annual Report**

**The impact on teaching of school workforce remodelling**

In our earlier advice related to school workforce remodelling in 2003, we stressed the need for an independent evaluation of the initiative on teaching and learning if its core purpose was to be realised. To us, what matters is the impact on learning, rather than how the policy has been implemented.

We have examined how our partners have evaluated the impact of the school remodelling agenda on teaching, aware of the difficulties of isolating the impact of a particular initiative on outcomes. We liaised with the then DfES over its own evaluation, and we plan to meet the DCSF in June 2008.

**Implementing the Race Relations Amendment Act**

We have established a race equality forum to consider how schools and teachers can be supported to meet better the requirements of the Race Relations (Amendment) Act (RR(A)A), including the specific duties for schools. The forum includes DCSF, Ofsted, TDA, QCA and National College for School Leadership (NCSL), national bodies and unions. Evidence and thinking from this forum has informed our advice on support for schools to implement fully the RR(A)A and the recommendations for support for schools. These include training and development for teachers and governors, improving pupil outcomes and addressing the achievement gap, and process and responsibilities for monitoring and compliance.

We held a joint national equalities conference for teachers with the Equality and Human Rights Commission in February 2008. Representatives from DCSF, TDA and Ofsted were present. This conference offered teachers an opportunity to learn more about equality legislation and good practice and to be consulted on their experiences and professional development needs in this area. It fulfilled our Corporate Plan commitment to seek a joint approach with partners on the support needed by schools in this vital area of work.

**The joint statement of values for inter-professional working**

The GTC, the General Social Care Council and the Nursing and Midwifery Council have developed and published a joint statement of values for inter-professional working. It addresses possible impacts arising from perceived differences in values between groups of practitioners. Among other evidence gathering to inform this statement, the GTC commissioned in-depth discussions with six groups of parents with direct experience of working with a range of children's professionals, in the London and Birmingham areas.

The statement was endorsed by the Children's Workforce Network (CWN) in January 2008 and published in *Next steps for the children's workforce*. On behalf of CWN, and in support of the milestones we identified for this year, the GTC is now leading a deliberative process with key workforce partners to ensure that the messages of the statement are communicated and embedded as effectively as possible and provide the basis of cross-professional engagement and integrated working. In the context of the Children's Plan and *Next steps*, the GTC will be working with TDA and NCSL to identify the other policy drivers that can support the wider usage of the statement.

In our own work, we will use the statement to inform our future policy advice on planning effective integrated working across children's services, as well as to form the basis of further communication and practice materials for teachers and other stakeholders.

>> see also **Professional standards and revision of the code**



**General Teaching Council for England**  
**Annual Report and Financial Statements for the year ended 31 March 2008**  
**Annual Report**

**High quality advice and evidence**

In summary the range of advice provided in the year is shown in the table below.

ref	Submitted	Organisation	Title
094	Apr 2007	Department for Education and Skills (DfES)	Planning and developing special educational needs (SEN)
095	Apr 2007	Qualifications and Curriculum Agency (QCA)	Secondary curriculum review
096	May 2007	DfES	Proposed revision to Annex 6 Pay & Conditions
097	May 2007	DfES	Fitness to Teach guidance
098	May 2007	Training and Development Agency for schools (TDA)	Higher level teaching assistants status
099	Jun 2007	Education and Skills select committee (ESSC)	Testing and assessment inquiry
100	Jun 2007	DfES	Raising Expectations (Green Paper)
101	Jun 2007	DfES	Draft Further Education Qualifications (England) Regulations 2007
102	Jul 2007	HM Government	Children's Workforce Strategy update – Spring 2007
103	Jul 2007	TDA	Proposals for improving the quality of the graduate training programme
104	Jul 2007	Department for Children, Schools and Families (DCSF)	Education and training for young people in the youth justice system
105	Aug 2007	DCSF (DfES)	Proposed changes to regulations and guidance for the induction of NQTs
106	Oct 2007	School Teachers' Review Body (STRB)	Call for evidence on teachers' roles and responsibilities
107	Oct 2007	DCSF	<i>Time to Talk</i> consultation
108	Jan 2008	DCSF (Bercow Review)	Bercow review of speech, language and communication needs – call for evidence
109	Feb 2008	Equalities and Human Rights Commission (EHRC)	Single equality scheme feedback
110	Mar 2008	DCSF	Confidence in standards: regulating and developing qualifications and assessment.
111	Mar 2008	Children Schools and Families Select Committee	Inquiry into the National Curriculum
112	Mar 2008	Secretary of State	Effective professional education and development for teachers of children and young people with SEN

**Research evidence**

Our research programme during the year explored aspects of teacher professionalism in depth and used them to influence policy and practice in teaching. Our objectives for the year were to publish and disseminate GTC-sponsored research on innovation, pedagogy and the public interest in teaching. We worked with the Innovation Unit to research the characteristics of innovative schools and the Chief Executive has promoted the outcomes of the work extensively to partner audiences.

We are working with external colleagues, partners from the Teaching and Learning Research Programme, and formerly the late Prof Donald Macintyre, on the development of core pedagogical principles. These will be integral to our main programmes and principal functions, particularly the development of policy advice, better regulation, and the support of teacher's professional expertise.

**General Teaching Council for England**  
**Annual Report and Financial Statements for the year ended 31 March 2008**  
**Annual Report**

Professions have long been associated with the idea of using their expertise for the public good, but beyond this the meaning of ‘public interest’ is usually unclear. An exploratory study has investigated the public interest perspectives of different ‘publics’, including parents, young people and school governors, as well as teachers themselves. By examining their expectations of what teachers should do and how they should behave in order to act in the public interest, this research laid some foundations for the future development of the new GTC code of professional conduct and practice.

Research of the Month (RoM) pages on the GTC website provide teachers, and those who support their learning in schools, with practical resources based on relevant and validated research. We have continued to develop and promote the site, with the number of visitors to the RoM web page trebling from last year. Topics covered during the year include:

- teaching and learning with ICT;
- promoting students’ persistence in meeting learning challenges;
- teaching phonics effectively;
- identifying gifted and talented students; and
- assessment for learning.

**Professional networks**

All three networks have continued to grow over the year. We have met our objectives to increase membership, readership and uptake of newsletters and to provide high quality, well supported events.

Teachers enrolled	March 08	March 07	March 06
Achieve network	3,749	3,363	3,196
Connect network	6,342	5,884	5,752
Engage network	55,162	26,985	11,083

The Engage network for new teachers has supported teachers to develop their practice in behaviour for learning. It has held events across the country, launched a web-based research resource, and published a guide for new teachers to develop their practice in relation to special educational needs.

Through the Connect network we have gained a wider understanding of the changing nature of CPD leadership and supported its development. The network has prepared and launched a resource on effective CPD systems to support teachers in relation to SEN.

The Achieve network brings together teachers with a particular interest in equality and diversity issues. It has published teachers’ achievements to benefit the wider network and information on recent legislative changes on equality. It has helped teachers develop their practice to support Gypsy, Roma and Traveller children and young people. The network has also developed a new resource to support teachers in promoting race equality and diversity in schools, with the support of 170 teachers who took part in six events held across the country over the year. Most of these teachers are working towards undertaking a learning project through the GTC Teacher Learning Academy (see below).

**Teacher Learning Academy**

The GTC Teacher Learning Academy (TLA) is now part of the GTC’s core business, following the development of an innovative and viable future operational model – ‘the TLA open system’ – for the scaling-up of the TLA. This was designed with the support of external consultants Hay Group and informed and supported by the testimony of extensive stakeholder interviews conducted in May 2007. This fulfils a key corporate milestone for the year which was to determine the future delivery model for the TLA. Council approved the decision to move to national scale through an open partnership system in July 2007.



**General Teaching Council for England**  
**Annual Report and Financial Statements for the year ended 31 March 2008**  
**Annual Report**

Since then, we have held head teacher briefings and launch events for the TLA as an open system. These have confirmed increased confidence and interest in the TLA as an effective vehicle for demonstrating the professionalism of teachers and as a means to support classroom improvement and innovation.

There were briefings in 19 locations across England in May/June 2007 and January/February 2008, attended by over 700 school leaders. The October 2007 launch for TLA Centres was attended by 81 schools. There were 244 key stakeholders at the January 2008 unveiling of the open system at the Victoria and Albert Museum in London. The TLA national conference at the ICC in Birmingham in March 2008 was the GTC’s largest single event to date, involving 183 schools and over 300 delegates.

As planned, the system for the verification and moderation of teachers’ submissions is now fully documented, and the GTC will continue to define and quality assure these processes in the future.

7,996 teachers were actively enrolled with the TLA as at 31 March 2008, from 2,391 different schools across all but three of the Local Authorities in England. This exceeds the target set in the Corporate Plan to enrol 6,000 teachers by March 2009.

	<b>March 08</b>	<b>March 07</b>	<b>March 06</b>
Total teachers enrolled as at:	7,996	3,839	1,451
Presentations submitted in the year ending	1,201	558	507

Going forward, in 2008-09 the GTC will work closely with its newly selected logistics partner, Cambridge Education, to increase the number of participating teachers from this year’s new enrolments figure of 4,157 to 6,250 new enrolments, heading for a target of 10,000 in 2009-10.

This expansion will be supported by the first cohorts of 400 ‘badged’ TLA Centres and Schools, of which 69 are already in place, and over 40 active national partners, including all major government agencies plus teacher unions, subject associations and the Universities’ Council for the Education of Teachers (UCET).

Further expansion will eventually benefit from the development of an e-enabled TLA, in partnership with the British Educational Communications and Technology Agency (Becta), which will also provide wider access to the benefits of thousands of teacher enquiry projects already recognised through the first-ever quality assured national professional recognition system for teacher learning and development.

Work is under way with TDA and all other key stakeholders to ensure that recognition from the GTC Teacher Learning Academy on the one hand, and the Government’s new Masters in teaching and learning on the other, complement and align with each other.

To support the TLA we have:

- published case study booklets, “how to” guides and other material;
- prepared sponsored supplements with SecEd magazine;
- secured case study features in the specialist and regional press; and
- advertised in teacher association journals, on external web sites, and at GTC and external conferences.

We staged the national launch of the Teacher Learning Academy at the Victoria and Albert Museum in January, attended by our national partners and by teachers who are leading the TLA at local level. The TLA national conference at the ICC in Birmingham in early March 2008 provided an excellent platform for informing and motivating TLA leaders and encouraging schools to become more closely involved.

# General Teaching Council for England

## Annual Report and Financial Statements for the year ended 31 March 2008

### Annual Report

#### Communications

In addition to the specific objectives identified in the 2007-08 Corporate Plan, it has been a continuing priority for the communications team to raise the profile of the GTC with opinion formers and policy makers and to support the development of effective partnerships across the range of our remit and programmes.

#### Media relations and public affairs

Our media profile developed significantly during the year. A series of introductory meetings was arranged for the incoming Chief Executive with national education correspondents and specialist media. As a result, these key media have shown greater interest in securing commentary from the GTC on major policy issues, as shown in the table below.

	2007-08	2006-07
Complex media enquiries *	450	328
News and feature mentions	344	305

\* excluding notifications of disciplinary hearings and their outcomes

Analysis of coverage secured shows a much more balanced profile for the GTC, with a larger number of positive reports on our work to support high standards of teaching.

We are recognised as a key opinion former in public debate about the assessment regime (see page 10), a major focus of our public affairs work during the year. In June 2007, we attracted national broadcast and newspaper coverage for our evidence to the Select Committee inquiry into assessment.

There is now a regular GTC page on continuing professional development in SecEd magazine, as part of a continuing partnership.

We also continued to develop our broader contact programme with parliamentarians. The Chief Executive met the front bench spokespeople from the Conservative and Liberal Democrat parties on several occasions. We also provided briefings to MPs, peers and their staff on topics including pupil assessment and research into teachers' early experiences in the profession. We held two parliamentary receptions in the House of Commons to give MPs and peers the opportunity to meet practising teachers who are leading innovative work in schools through the GTC Teacher Learning Academy and our professional networks.

#### Engagement and advocacy

Council has given its support for a major programme of engagement and advocacy with registered teachers, our partners and opinion formers. The preparatory work for the 'Teaching in 2012' programme was undertaken in autumn 2007 and spring 2008, with a view to securing the engagement of partners and the involvement of teachers in the development of a four year corporate plan which will be debated, amended and adopted by Council in September 2008.

The overall intention of the programme is to set out a vision for teaching in 2012 and beyond and to establish where the GTC should be active in supporting the development of the profession. Underpinning the vision is a series of programmes on better regulation, registration, professionalism in teaching and the governance of the GTC. These will be reported on as part of the 2008-09 annual report to Parliament.

In pursuit of our corporate plan milestones for 2007-08, we have greatly expanded our advocacy work with trainee teachers, in order to introduce them to their professional body at an early stage, recruit them to the Engage network and ensure that they are aware of the GTC's role in regulating conduct and competence and in hearing induction appeals. Key lessons from our work in this area are communicated to trainees and NQTs through accessible and engaging workshops.

# General Teaching Council for England

## Annual Report and Financial Statements for the year ended 31 March 2008

### Annual Report

#### Publications and marketing

We commissioned leading market research agency Ipsos Mori to conduct workshops with teachers to inform a relaunch of *Teaching: the GTC magazine*. A new format, with sharper, more practically focused articles and a fresh design, was developed in response to teacher feedback and launched successfully and on time in January 2008.

New publications over the year included:

- *Joining the GTC: a guide for the independent sector* (October 2007); and
- *Introducing the GTC*, a short leaflet for parents and the wider public distributed to public libraries, GP surgeries and schools (March 2008); this publication was awarded a Crystal Mark by the Plain English Campaign.

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 March 2008, we commissioned Rand Europe to conduct an independent perception audit among key partners. The results, expected in summer 2008, will inform the development of our 2008-12 corporate plan and approach to partnership working.

#### The website

We planned to complete the redesign of our web site and re-launch it in January 2008. This was delayed by staffing changes, the complexity of the task and the need to secure substantive feedback from users at each stage of the process. The overall approach to the redesign of the web site was approved by the Executive Committee in December 2007 and the contract for the technical build of new functionality was awarded at the end of March 2008. The new site, which will have improved navigation, better search facilities, and be more attuned to the needs and interests of our audiences, will now be launched in late summer 2008.

Alongside the preparatory work for the web site redesign, the web team has continued to improve the existing site, for example introducing video and audio streaming. The team has supported the sending of electronic newsletters to our three networks, streamlining their content and format to make them more immediately useful to practising teachers. *Teaching: the GTC magazine* is now available on line as well as in printed format.

A microsite was created for our Council elections, and 19 per cent of those voting did so on-line, an increase of 4 per cent compared to the 2004 elections.

Web site usage is increasing steadily, with an additional 15,000 new visitors per year. Web analytic software allows the team to track web site usage and identify the most popular sections of the site. In addition to the home page, the TLA pages and those relating to registration were the most highly used.

Around one third of visitors come to our site after a Google search. Most of the remainder come from partner sites and from links promoted in GTC publications.

>> see also **Information and communications technology**

#### Events programme

We took stands at all the major education conferences during the year, including the BETT and Education shows and the teacher association annual conferences.

# General Teaching Council for England

## Annual Report and Financial Statements for the year ended 31 March 2008

### Annual Report

#### Corporate support

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

#### Governance

During the year, the Council agreed a revised governance structure with the principal effect being the introduction of a decision making Executive Committee and some consequential revisions to the role of the Council itself and the remits of other Committees. Whilst retaining the sovereignty of the Council and its ultimate responsibility for the GTC's strategic planning and accountabilities, the Executive Committee assumed responsibility for a range of key governance decisions and for developing strategic recommendations to Council.

This restructure reflected the advice provided in the internal audit review of governance in 2006-07 and remains consistent with earlier advice from the Audit Commission's review in 2005.

As part of this review, the Council also committed to work being undertaken to consider the best model for its size and constitution and for this to be concluded in time to inform the 2012 election, nomination and appointment arrangements.

Internal audit reviews and in-year management assessments indicate that we have in place effective processes for the governance and management of risk. This is strengthened by the improved strategic focus by both Council and the Executive Committee resulting from the governance restructure.

Overall participation by Members in the work of Council and its committees and policy groups has remained effective, with good attendance levels, as set out below.

Nature of meeting	Average attendance
Council	82%
Audit Monitoring and Review Committee	92%
Executive Committee	81%
Policy and Research Committee	72%
Registration and Regulation Committee	63%
Finance and General Purposes Committee	84%

The GTC continues to have observer or representative status on the Boards of the Training and Development Agency, the National College for Schools Leadership, the Specialist Schools and Academies Trust and the College of Teachers.

During the year the processes for the election and nominations of Council Members to take office from September 2008 were undertaken. Twenty five of the Council's 64 Members are directly elected by the profession and elections were held in February and March for Members who will serve from September 2008 to August 2012. Nominating organisations were asked to choose their representatives on Council over the same period.

The list of those returned will form part of the Annual Report for 2008-09 but the bulk of the work was undertaken in 2007-08. We had set an objective to secure a good range of candidates for election and to improve turnout over 2004 levels. We undertook consultative research with teachers to improve the quality and impact of our election communications and provide clear information to candidates about their role.

**General Teaching Council for England**  
**Annual Report and Financial Statements for the year ended 31 March 2008**  
**Annual Report**

The elections were publicised extensively on our web site, in the magazine, through schools mailings and through advertising and editorial coverage in the teacher association journals. In the event, a good range of practising teacher candidates was secured but turnout was disappointing, averaging only seven per cent, a further reduction on the ten per cent achieved in 2004. The reasons for the low participation rate in terms of low turn out and total number of candidates (two of the election categories returned unopposed single candidates) will be examined as part of our continued deliberations on the governance structure.

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

	July 2007	July 2006	July 2005
Satisfaction rating	93%	94%	93%

**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. These practices maintain those previously assessed as effective by our internal auditors.

Throughout the year regular reporting is made on all these aspects at both governance and senior management levels. The Leadership Team of directors of service is now supported by a wider Senior Management Team to include a specific focus on this integrated reporting framework.

An increased emphasis is being given to capacity planning to ensure that resources are used effectively throughout the year. This will be a focus for future strengthening.

At the start of the year the annual budget included an efficiency savings target of £150,000 for the year, which was achieved by the time of the mid-year review. Further efficiency savings were identified in the second half of the year. Work has also progressed to improve the identification and recording of non-cash efficiency savings. Further annual and recurring savings targets have been built into the forward three-year financial strategy.

**Human resources**

We continue to hold Investor in People status and have begun preparing for reassessment in autumn 2008.

The year has seen us consolidate the requirements of 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 gave a pleasing outcome. It demonstrated a broad gender and ethnicity mix; and it 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 (3.6%) compare well with external benchmarks and in the year turnover rates have remained relatively low at 17.5%.

During the year, the staff performance review system was adjusted to ensure that it continues to secure a best match between reflecting the business needs of the organisation and the development needs of staff to meet those business needs. The delivery of training continues to reflect a diverse pattern with increasing emphasis on internal and online delivery and effective in-team work-related support. Training is assessed by staff following its delivery and the satisfaction ratings are high.

	2007-08	2006-07	2005-06
Training and development days	534	832	653



**General Teaching Council for England**  
**Annual Report and Financial Statements for the year ended 31 March 2008**  
**Annual Report**

An internal audit review during the year confirmed the sound practices within HR and made only one minor recommendation for improvement.

**Registration fee and collection**

Collection outcomes continue to show year-on-year improvement in both volumes and in the numbers paying by Direct Debit, the preferred payment mechanism. The volume of fees recognised in the accounts has increased to match the improved registration data. We will examine the varying factors that can influence teacher numbers to understand whether this volume can be sustained. Improved collection practices have also resulted in a reduction in fee debtor levels.

The GTC based its cash flow for the year on the collection of 510,000 fees, a prudent assessment which took into account the difficulties inherent in collecting large volumes of relatively low value amounts. In the event, this has been achieved with 528,300 fees having been collected by the end of the year (2007: 510,000 fees) with collection still continuing. Of these 55% were collected by Direct Debit.

	<b>2007-08</b>	<b>2006-07</b>	<b>2005-06</b>
Number of fees recognised as income	563,100	554,400	543,200
Number of in year fees collected in year	528,300	510,000	494,000
Percentage of recognised fees collected in year	94%	92%	91%

During the year the first steps were taken to implement our revised fee collection policy. From October 2007 we deregistered 3,600 teachers who had failed to pay after 6 months and for whom there was no employment data, the two factors together indicating that the teacher is unlikely to be in active service. Teachers who had not paid their 2007 registration fee were excluded from the electoral roll for Council Member elections as stipulated in the election rules.

We have also announced the future withdrawal of salary deduction as a payment option, from a date to be determined. We drew up plans during the year to introduce fee payment through our website in 2008-09.

**Information and communications technology**

Our customer relationship management (CRM) system and website continue to be delivered in line with contracted service levels with a 'host and run' partner. The same partner provides additional IT support services to the organisation for our internal systems, offering an integrated support service for all our IT infrastructure.

Increased load on the website has brought its availability below the target figure. Configuration changes have been made to address this, reducing individual crashes with service restored automatically within two to three minutes.

	<b>achieved</b>	<b>target</b>
Hosted infrastructure availability (CRM system)	99.8%	99.5%
Hosted infrastructure availability (web site)	98.5%	99.5%
IT help desk problem call resolution	95.0%	95.0%
IT hardware fault resolution	100.0%	100.0%

The Systems Design and ICT Authority Groups continue 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.

>> see also **Employer access**

# General Teaching Council for England

## Annual Report and Financial Statements for the year ended 31 March 2008

### Annual Report

#### Looking ahead

We work for children, through teachers, in the public interest. We share the aspirations of teachers, parents and the wider community to help all our young people succeed, thrive and enjoy learning and support the aim, of all parties, to reduce the intractable inequalities in attainment that limit the life chances of too many young people.

This Annual Report coincides with the final term of office of the current Council membership which served from September 2004 to August 2008. Twenty-two new Members will be taking up their seats in September 2008 to take forward the next phase of the Council's work.

In preparation for September 2008, the Chief Executive led a preliminary programme of engagement with our national partners, Council Members and staff to start to chart our priorities for the next four years. We have developed a working vision for 'Teaching in 2012', which will be developed and refined through dialogue with our partners and supported by significant new programmes of work.

The willingness of our national partners to work with us and the positive initial responses of practising teachers has been greatly encouraging.

The aim is to develop a four-year programme of work to further improve the standing of the teaching profession in the eyes of opinion formers and the public. Our working vision seeks to invest greater meaning and value in the concept of being a registered teacher. It seeks to boost teachers' own confidence and pride in being a member of a well-respected profession that is trusted to lead innovation and improvement in our schools in the interests of all our children and young people. The GTC's 2012 agenda will be submitted for approval to the September 2008 meeting of Council and will form the basis of our corporate plan for 2008 to 2012.

Subject to Council approval, the new Corporate Plan will include a series of major programmes of work. The project to refresh and redevelop the Code of Conduct and Practice has already begun and will form a major focus of engagement with teachers, parents and the wider public, with a new publication scheduled for the summer of 2009.

The GTC Teacher Learning Academy will complete its transition to a fully national, open system by September 2009, offering professional recognition and learning opportunities for teachers at every stage of their career. We welcomed the Secretary's of State's aspiration that teaching should become a Masters' level profession and supports the ambition of the Children's Plan to offer world class teaching to all our young people. Agreement has been reached with the Training and Development Agency for Schools that the four stages of the Teacher Learning Academy will align with or help to support the introduction of the new Masters in Teaching and Learning qualification.

Council will embark on a suite of projects with the aim of improving our regulatory practice and enhancing the utility of the GTC register. The Better Regulation and the Register programme will examine best practice in professional regulation, develop new categories of registration to meet the needs of trainee, overseas qualified and other categories of teacher. It will look at how the Register can be used more strategically and more widely to support recruitment, retention and professional development.

Supporting teacher professionalism is a core activity for the GTC and our programme to examine core principles of pedagogy is designed to marshal the evidence and the values that underpin good and effective teaching practice.

The GTC now has a well-developed portfolio of policy solutions to support effective teaching and high quality learning. Our proposals to reform the current assessment regime enjoy substantial support from within the education community and we will continue to work in this area and the related fields of teacher and institutional accountability.

**General Teaching Council for England**  
**Annual Report and Financial Statements for the year ended 31 March 2008**  
**Annual Report**

We will continue to develop our portfolio of services and support to teachers through a refreshed professional networks offer, an engaging events programme and high quality publications and web resources.

The GTC's own governance structures need to support its ambitions for children and young people and for teaching in 2012. We must be well positioned to respond flexibly and strategically to the fast-moving education policy environment. Council is aware that its current size and structure is not in line with current thinking on best practice in modern regulatory and organisational practice. It will consider the case for governance reform in good time to secure any necessary legislative changes ahead of the next round of Council elections in 2012.



# General Teaching Council for England

## Annual Report and Financial Statements for the year ended 31 March 2008

### Annual Report

#### Resources, Risks and Relationships

##### Resources

97 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. The risk management process continues to be assessed as effective by internal auditors. 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) is responsible for co-ordinating these actions, overseeing the preparation of the risk register and business continuity plan, and collating 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 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. In the context of national concerns about the security of personal data following breaches arising in the work of other organisations, the GTC's processes for personal data security were reviewed during the year. The resulting improvements introduced have strengthened the GTC's practices to align to revised nationally specified standards such as the use of encryption and other 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, including taking benefit from the increased capacity arising from the appointment of 25 Additional Committee Members in 2006-07. 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 an 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. Within the context of a statutory Council of 64 Members the structure and capacity of governance, its strategic planning and decision making capability and its responsiveness have been revised in the year following the 2006-07 review.

**General Teaching Council for England**  
**Annual Report and Financial Statements for the year ended 31 March 2008**  
**Annual Report**

This revision resulted in the introduction of an Executive Committee, with delegated powers, and for the strategic responsibilities retained by full Council to be clarified and streamlined. Council also committed a review of its size and constitution post 2008 in time for any further change to be effective in time for the timetable leading to the 2012 Member elections. The effects of the revisions in 2007-08 are expected to lead to an improved governance framework and to improved strategic decision making processes through the Executive Committee and thus reducing the level of the identified risk. The Executive Committee will review its own effectiveness after the first year of operation in September 2008. Council agreed that each Service Committee will review their effectiveness and the Council its own effectiveness, again for review in September 2008

**The risk that 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 help to ensure that advice is of a high quality and is communicated appropriately.

**The risk that the development of the Teacher Learning Academy (TLA) may not progress and extend from its pilot to an effective national scheme for teachers' continuing professional development (CPD).**

The GTC has been piloting the TLA so as to develop an effective basis for moving this to a national system. 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. During the year this was sufficiently developed so as to enable Council to take a strategic decision as to the future structures to support an "open-system" for the national roll-out of the TLA framework.

**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 and thus managing stakeholder relationships continues to be given highest priority. During the year we developed an engagement strategy linked to the process for the development of the GTC's Corporate Plan 2008-12.

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 intervening 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. 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 2008**  
**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 in such as 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)**

Paul Bird	Patricia Castro Castro	Christine Green	Sheila Mountain
Sarah Bowie	Philip Cole	Derek Johns	David Storrie
Janis Butler	Anthony Cuthbert	Misbah Mann	

**Elected secondary teachers (11 Members)**

Martin Allen	Ronald Clooney	Bulvinder Michael	Neil Taylor (until July 2007)
Terry Bladen (until September 2007)	Anthony Handley	Gail Mortimer	
Nigel Bowler (until February 2008)	Barbara Hibbert	John Rimmer	
Peter Butler	Pete McAleer (from September 2007)	Alice Robinson (from September 2007)	

**Elected special school teacher**

David Dewhirst

**Elected primary head teacher**

Peter Strauss

**Elected secondary head teacher**

Ralph Ullmann

**Nominees from teacher associations and unions (9 Members)**

Tony Neal <i>ASCL</i>	Gussie Anderson <i>NAHT</i> (from September 2007)	David Wilkinson <i>NASUWT</i>	David Whitewright <i>Voice (formally PAT)</i>
Michael Moore <i>ATL</i>	Tony Woodward <i>NAHT</i> (until August 2007)	Max Hyde <i>NUT</i>	
Gillian Stainthorpe <i>ATL</i>	John Mayes <i>NASUWT</i>	Judy Moorhouse <i>NUT</i> (Chair)	

**General Teaching Council for England**  
**Annual Report and Financial Statements for the year ended 31 March 2008**  
**Annual Report**

**Nominees from other bodies (17 Members)**

Andrew Baxter <i>Association of Directors of Children's Services</i>	Anne Madden <i>EHRC (formerly Equal Opportunities Commission)</i>	Philippa Stobbs <i>National Children's Bureau</i> (until January 2008)	Suma Das <i>EHRC (formerly Commission for Racial Equality)</i> (until September 2007)
Conchita Henry <i>Association of Colleges</i>	John Hawkins <i>Independent Schools Council</i>	Dorothy Elliott <i>National Governors Council</i>	Vacancy <i>Confederation of British Industry</i>
Oona Stannard <i>Catholic Education Service</i>	Sam Crooks <i>Local Government Association</i>	Arthur Naylor <i>GuildHE (formerly Standing Conference of Principals)</i>	
Liz Carter <i>Church of England</i>	Peggie Harrison <i>Local Government Association</i> (until August 2007)	Chris Cook <i>Universities' Council for the Education of Teachers</i>	
Barry Carpenter <i>EHRC (formerly Disability Rights Commission)</i> (until December 2007)	Robert Gordon <i>Local Government Association</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>	Anne Garner <i>Head teacher</i>	Jean Scott <i>Parent</i>	Nicola Wilson <i>Primary teacher</i>
Naz Bokhari <i>Former college principal</i>	Gloria Hyatt <i>Education adviser</i>	Sashi Sivaloganathan <i>Advanced skills teacher</i> (Vice-Chair)	
Peter Cooper <i>SEN practitioner</i>	Robert Millea <i>Chartered accountant</i>	Angela Stones <i>Former head teacher of nursery school</i>	
Janet Draper <i>Senior university lecturer</i>	Kirit Modi <i>Assistant Director of Education</i>	Anthony Wilkes <i>Education and training advisor</i>	

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

**Executive**

The Leadership Team during the year comprised:

Keith Bartley	Chief Executive
Fiona Johnson	Director of Communications
Dennis Jones	Director of Finance and Administration (until 31 March 2008)
Alan Meyrick	Registrar and Director of ICT
Sally Staples	Director of Corporate Services (from 31 March 2008)
Sarah Stephens	Director of Policy and Research

# General Teaching Council for England

## Annual Report and Financial Statements for the year ended 31 March 2008

### Annual Report

#### 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 for the Audit, Monitoring and Review Committee and the Remuneration Sub-Group, which is part of the new Finance and General Purposes Committee.

The newly formed Executive Committee, which assumed responsibility for a range of key governance decisions and for developing strategic recommendations to Council, is made up of 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 (from October 2007)

Andrew Baxter	Sam Crooks	Kirit Modi	Sashi Sivaloganathan
Sarah Bowie	Christine Green	Tony Neal	Angela Stones
Chris Cook	Judy Moorhouse	Gillian Stainthorpe	Ralph Ullmann

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, Monitoring and Review Committee

Anthony Cuthbert	Robert Millea	Arthur Naylor (to August 2007)	David Storrie (from September 2007)
John Hawkins (from September 2007)	Gail Mortimer (Chair)	Jean Scott	Ralph Ullmann (to August 2007)

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.

#### 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 teachers.

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. Effort continues to strengthen relationships with parent and governor bodies, including the National Confederation of Parent Teacher Associations and the National Governors' Council. Other stakeholder relationships are described further in the sections on the work of the policy and communications teams.

The range of stakeholders will be consulted over the GTC's future Corporate Plan and priorities via an engagement strategy developed in 2007-08.

# General Teaching Council for England

## Annual Report and Financial Statements for the year ended 31 March 2008

### Annual Report

#### **Relations with employees**

The GTC continues to foster strong 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. An Equal Pay audit was undertaken in-year, reviewing a wide range of equality measures and concluded that the GTC compares well to national benchmarks on all measures. The GTC has also reviewed its policies and practices to ensure that it is compliant under age discrimination legislation.

The GTC has held Investor in People (IIP) status since 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. Plans have commenced to support the renewal of the IIP recognition in autumn 2008. 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 in line with our stated milestone for the year. It 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. Particular identified priorities 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.

#### **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 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.



**General Teaching Council for England**  
**Annual Report and Financial Statements for the year ended 31 March 2008**  
**Annual Report**

**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.

**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. During the year the GTC instigated a “green project” aimed at improving its performance as an organisation and in respect of reducing its environmental footprint.

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 2008**  
**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 three times in the year and, as part of streamlining the GTC's governance structure, is scheduled to meet twice per annum into the future. Membership of the F&GP Committee during 2007-08 was as follows.

**Finance and General Purposes Committee**

Lesley Ansari (until August 2007)	Terry Bladen (until August 2007)	Christine Green* (chair)	Robert Gordon (until August 2007)	David Whitewright (from September 2007)
Andrew Baxter (until August 2007)	Naz Bokhari* (from September 2007)	Gloria Hyatt	John Mayes (until August 2007)	Tony Woodward (until August 2007)
Sarah Bowie (until August 2007)	Sam Crooks (until August 2007)	Max Hyde	Bulvinder Michael* (from September 2007)	

\* 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. During the year a relocation expenses policy was introduced for senior appointments.
- 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 2008**  
**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 £230 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**

	<b>2007-08</b>	<b>2006-07</b>
	<b>£'000</b>	<b>£'000</b>
Judy Moorhouse	31.7	19.6

**Vice-Chair's remuneration**

	<b>2007-08</b>	<b>2006-07</b>
	<b>£'000</b>	<b>£'000</b>
Sashi Sivaloganathan	10.3	18.2

Of the above remuneration figures, £8,652 (Chair) and £3,780 (Vice-Chair) represent the amount paid to their employer for 2007-08 as a contribution to salary costs for time spent on GTC business. The equivalent figures for 2006-07 were £5,449 and £5,829 respectively.

**General Teaching Council for England**  
**Annual Report and Financial Statements for the year ended 31 March 2008**  
**Remuneration Report**

**Chief Executive emoluments**

	<b>2007-08</b>	<b>2006-07</b>
	<b>£'000</b>	<b>£'000</b>
Keith Bartley (from 19 March 2007)		
Salary	128	4
Employers pension contributions	32	1
Carol Adams (to 31 October 2006)		
Salary	-	72
Employers pension contributions	-	18
	<u>160</u>	<u>95</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:

	<b>Salary Payments</b>	<b>Benefits in kind</b>	<b>Real increase in pension</b>	<b>Total accrued pension and related lump sum</b>	<b>CETV at 1 April 2007/ start of service</b>	<b>CETV at 31 March 2008/ end of service</b>	<b>Employer funded real increase in CETV</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Keith Bartley	125-130	-	62.5-65.0 and nil lump sum	60-65 and nil lump sum	1	1,781	424
Fiona Johnson	80-85	-	0-2.5 and nil lump sum	5-10 and nil lump sum	82	118	22
Dennis Jones (until 31 March 2008)	75-80	-	0-2.5 and 0-2.5 lump sum	30-35 and 100-105 lump sum	665	760	-
Alan Meyrick	75-80	-	0-2.5 and 2.5-5.0 lump sum	20-25 and 60-65 lump sum	283	346	13
Sally Staples (from 31 March 2008)	-	-	0-2.5 and nil lump sum	0-5 and nil lump sum	-	-	-
Sarah Stephens	80-85	-	0-2.5 and 2.5-5 lump sum	15-20 and 45-50 lump sum	233	293	22

Due to certain factors being incorrect in last year's CETV calculator there may be a slight difference between the final period CETV for 2006-07 and the start of period CETV for 2007-08

During the year there has been no compensation paid to former members of the Leadership Team or Council Members.

The total salary payments to members of the Leadership Team for the year totalled £449,000 (2007: £393,000). None of the Leadership Team received any benefits in kind in either year.

**General Teaching Council for England**  
**Annual Report and Financial Statements for the year ended 31 March 2008**  
**Remuneration Report**

**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 joining from October 2002 may opt for either the appropriate defined benefit arrangement or a good quality '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 in respect of service before 1 October 2002 calculated broadly as per classic and benefits for service from October 2002 calculated as in premium. In Nuvos a member builds up a pension based on 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 the accrued pension is updated 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.

**The cash equivalent transfer value (CETV)**

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 purchasing additional pension benefits at their own cost. CETVs are calculated within the guidelines and framework prescribed by the Institute and Faculty of Actuaries.

**General Teaching Council for England**  
**Annual Report and Financial Statements for the year ended 31 March 2008**  
**Remuneration Report**

**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 2008

### Financial Review

#### Income

Income for the year (excluding interest received) was £19.05m (2006-07: £18.80m), a 1.3 per cent increase on the previous year due to an increase in recognised fees.

Most (97 per cent) of the GTC's income is from teacher registration fees. The annual registration fee for the year was £33 (2006-07: £33).

For the 2007-08 year the GTC has invoiced 563,400 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 563,100 teachers (2006-07: 554,400).

To be consistent with the GTC's income recognition policy (see accounting policy for income on page 45), a further £140,000 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 2007-08 £178,000 of such credit notes were raised against fees relating to prior years.

Other income relates to a number of specific grants, the largest of which is from the DCSF to fund the processing of teacher qualifications. Other grants include an amount from British Educational Communications and Technology Agency (Becta) towards the development of an e-enabled TLA and a contribution toward the costs of an impact assessment of the Teacher Learning Academy by National Foundation for Educational Research (NFER).

#### Expenditure

During the year, expenditure on operational costs (excluding notional interest) was £19.45m (2006-07: £18.25m), a 6.6 per cent increase on the prior financial year. Areas of significant variation compared to the 2006-07 financial year are as follows.

- **Regulation.** The number of cases completed during the year is similar to the previous year but the average number of days taken to complete a case has significantly increased. Therefore even though the average cost of holding a hearing day has remained constant, the average cost of completing a case has risen resulting in an increase in overall cost for the current year.
- **Policy advice.** Two significant pieces of work, on pupil voice and a research of the month anthology were commissioned with external consultants towards the end of the financial year.
- **Policy services - Teacher Learning Academy.** This year saw the development of the 'open system', as the Teacher Learning Academy (TLA) entered into its transitional stage from a pilot project before scaling up and launching as a fully operational nationwide programme. The year also saw the significant process of securing its logistics partner, the considerable activity of promoting the TLA as an open system and establishing the first cohort of 400 'badged' TLA Centres and Schools.
- **Policy services - Networks.** 2007-08 includes the full year effect of the additional Network Facilitator posts which were filled part way through 2006-07.
- **GTC magazine and publications.** Efficiencies in the production and distribution of the GTC magazine and publications has resulted in a reduction in the total costs compared to previous years.

# General Teaching Council for England

## Annual Report and Financial Statements for the year ended 31 March 2008

### Financial Review

- **External relations.** The 2007 Parliamentary reception was deferred until May 2007 to enable the event to incorporate the new Chief Executive. The 2008 reception was held at its usual time at the end of the financial year. The completion of the 2007 evaluation of communications was also slightly delayed at the end of the last financial year. Therefore this year includes the costs of holding two Parliamentary receptions and the significant part of both communication evaluations.
- **Conferences and events.** The events programme varies each year depending on the requirements of the current education policy work. The programme for last year was particularly extensive incorporating two series of events, Every Child Matters and Pupil Assessment, which included a large national event for Pupil Assessment in March 2007 and the current year's costs are therefore lower.
- **Website.** The website redesign project incurred expenditure on the preparatory work including the purchase of new functionality and search engine modules.
- **Council and committee costs.** The current year's expenditure includes the costs of undertaking the elections for teacher Council Members which take place every four years.
- **Provision and charge for doubtful debts.** Continued improvement in information recording and the data on individuals on the Register 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. This has meant an increase in the doubtful debts provision against fee debtors. On the other hand, collection of prior years fees has been higher than anticipated in the 2005-06 financial statements, resulting in fees that had a provision against them at 31 March 2006 actually being collected. This has 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 206 (2006-07: 201) for the year, a 2.5 per cent increase. The principal changes from the prior year were:

- further additional senior and support staff employed within the Policy team to support on the delivery of the transition phase of the GTC Teacher Learning Academy; and
- the full year effect of a complete complement of in house presenting officers, whose employment continue to yield overall savings in the cost of casework hearings

Staff costs have increased by 12.2 per cent a combination of an annual inflationary salary increase, the above mentioned increase in staff numbers and accounting for the first time (to reflect International Financial Reporting standards) for accrued annual leave due at the end of the financial year.

### Surplus for the year

The surplus for the year was £0.21m (2006-07: £0.96m) compared to a budgeted deficit of £0.65m. This strengthens the organisation's financial position. The significant elements of the variance are £0.40m from a reduced bad debt charge and £0.20m 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 its 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).

**General Teaching Council for England**  
**Annual Report and Financial Statements for the year ended 31 March 2008**  
**Financial Review**

At 31 March 2008 the general reserves of the GTC were £7.67m, with designated reserves of £1.29m.

The GTC's three-year financial strategy 2008-11, agreed by Council in January 2008, budgets for a deficit for the 2008-09 financial year which will utilise that element of general reserves above the minimum required.

**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 £846,000 for the year. 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 the 31 March 2008 was £7.85m. 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 £2.35m at 31 March 2008.

**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 2 July 2008  
*Chief Executive*



**General Teaching Council for England**  
**Annual Report and Financial Statements for the year ended 31 March 2008**  
**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 2008**  
**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 Government Accounting and through Treasury Guidance and Requirements.

**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 2008 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 Finance and Administration (now the Director of Corporate Services). A Risk Management Group (RMG) meets during the year to consider and monitor risk issues and comprises managers representing all divisions of the organisation.

**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, encouraging appropriate innovation whilst ensuring that effective internal control and good management practice is in place. This risk appetite has been established by Council taking into account the source of the GTC's income (teacher fees), the nature of its responsibilities and the risks attached.

Risks are identified by the operational team, and integrated into annual service plans, budget plans and corporate objectives. They are regularly reviewed by team management 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.

**General Teaching Council for England**  
**Annual Report and Financial Statements for the year ended 31 March 2008**  
**Statement on Internal Control**

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 in conjunction with service delivery reviews.

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 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, Monitoring and Review 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, Monitoring and Review Committee. The system is also reviewed by the Risk Management Group of senior staff, chaired by the Director of Finance and Administration, and through reports by the RMG to the Chief Executive and Senior Management Team. The GTC's Council and Audit, Monitoring and Review 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, Monitoring and Review Committee reviews all internal and external audit reports and tracks the implementation of recommendations. 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            2 July 2008  
*Accounting Officer*

**General Teaching Council for England**  
**Annual Report and Financial Statements for the year ended 31 March 2008**  
**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 2008 under the Teaching and Higher Education Act 1998. These comprise the Income and Expenditure Account, the Balance Sheet and 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 are responsible for preparing the Annual Report, the Remuneration Report and the financial statements in accordance with the Teaching and Higher Education Act 1998 and 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 directions made thereunder. I report to you whether, in my opinion, certain information given in the Annual Report and Financial Review 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 Financial Review and consider whether it is consistent with the audited financial statements. 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.

**General Teaching Council for England**  
**Annual Report and Financial Statements for the year ended 31 March 2008**  
**The Certificate and Report of the**  
**Comptroller and Auditor General to the Houses of Parliament**

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 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**

**Audit Opinion**

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, of the state of the General Teaching Council for England's affairs as at 31 March 2007 and of its surplus 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 directions made thereunder; and
- information given within the Annual Report and Financial Review is consistent with the financial statements.

**Audit Opinion 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.

*T J Burr*  
Comptroller and Auditor General  
National Audit Office  
151 Buckingham Palace Road  
Victoria  
London SW1W 9SS

Date: 8 July 2008

**General Teaching Council for England**  
**Annual Report and Financial Statements for the year ended 31 March 2008**  
**Income and Expenditure Account**  
*For the year ended 31 March 2008*

		2007-08		2006-07	
		£'000	£'000	£'000	£'000
<b>Income</b>					
Teacher registration fees	2a		<b>18,544</b>		18,304
Other operating income	2b		<b>505</b>		498
			<b>19,049</b>		<b>18,802</b>
<b>Expenditure</b>					
Staff costs	3	<b>7,988</b>		7,122	
Depreciation and revaluation	4	<b>1,514</b>		1,680	
Other operating charges		<b>10,258</b>		9,754	
<b>Total expenditure</b>	5		<b>19,760</b>		<b>18,556</b>
<b>Operating (deficit) / surplus on ordinary activities</b>			<b>(711)</b>		246
Interest receivable	6		<b>846</b>		545
<b>Surplus for the year after interest</b>			<b>135</b>		791
Reversal of notional interest on capital employed			<b>314</b>		306
<b>Surplus for the year before tax</b>			<b>449</b>		1,097
Tax on interest receivable	7		<b>(237)</b>		(137)
<b>Retained surplus for the year</b>			<b>212</b>		960
Net transfer from designated reserves	13		<b>1,515</b>		1,090
<b>Retained surplus after transfer</b>			<b>1,727</b>		2,050
<b>General reserve brought forward</b>			<b>5,945</b>		3,895
<b>General reserve carried forward</b>			<b>7,672</b>		5,945

*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 2008

**Balance Sheet**

*As at 31 March 2008*

		2008		2007	
		£'000	£'000	£'000	£'000
<b>Fixed assets</b>					
Tangible assets	8		2,347		3,330
<b>Current assets</b>					
Debtors and prepayments	9	1,475		1,676	
Cash at bank and in hand	10	8,919		6,678	
		<u>10,394</u>		<u>8,354</u>	
<b>Current liabilities</b>					
Creditors - amounts falling due within one year	11	3,588		2,782	
Deferred grants falling due within one year	12	193		154	
		<u>3,781</u>		<u>2,936</u>	
Net current assets			<u>6,613</u>		<u>5,418</u>
<b>Total assets less current liabilities</b>			<u>8,960</u>		<u>8,748</u>
<b>Represented by:</b>					
<b>Capital and reserves</b>					
Designated reserves	13		1,288		2,803
General reserve	14		7,672		5,945
			<u>8,960</u>		<u>8,748</u>

Approved on 2 July 2008 by

Keith Bartley  
*Accounting Officer*

Authorised for issue on 8 July 2008

**General Teaching Council for England**  
**Annual Report and Financial Statements for the year ended 31 March 2008**

**Cash Flow Statement**

*For the year ended 31 March 2008*

		<b>2007-08</b>	2006-07
		<b>£'000</b>	£'000
<b>Net cash inflow from operating activities</b>	17	<b>2,042</b>	2,033
<b>Returns on investments and servicing of finance</b>			
Interest received		<b>861</b>	476
<b>Taxation</b>		<b>(137)</b>	(90)
<b>Capital expenditure and financial investment</b>			
Payments to acquire tangible fixed assets		<b>(525)</b>	(365)
<b>Increase in cash and cash equivalents</b>	16	<b>2,241</b>	2,054



**General Teaching Council For England**  
**Financial Statements for the year ended 31 March 2008**  
**Notes to the Financial Statements**

**1 Accounting Policies**

**1a Accounting Convention**

The financial statements cover the period 1 April 2007 to 31 March 2008.

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 (formally DfES) 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 deferred grant account 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 2008**  
**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:

<b>Class of asset</b>	<b>Standard expected useful life (years)</b>
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 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 2008**  
**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. 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 2008**  
**Notes to the Financial Statements**

**2 Income**

	2007-08		2006-07	
	<i>Number of teachers</i>	<b>£'000</b>	<i>Number of teachers</i>	<b>£'000</b>
2a Registration fee income				
Registrants	<b>563,100</b>	<b>18,582</b>	554,400	18,295
Recognition of prior year fees		<b>(38)</b>		9
		<u><b>18,544</b></u>		<u>18,304</u>

*Rounded figures are used for the number of teachers.*

During the course of the year the maximum number on the Register was 551,500 individuals with new registrations occurring and individuals leaving the profession throughout the year. The Register contained approximately 538,500 individuals as at 31 March 2008.

The continuing improvement of the information recorded on the register has resulted in a larger number of fees being recognised. For the 2007-08 year the GTC has invoiced 563,400 individuals for the annual fee of £33. This included 300 voluntary registrants, where the fee has not been received by 31 March 2008 and so is not recognised as income. Therefore in accordance with accounting policies income has been recognised for 563,100 teachers.

	2007-08		2006-07	
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
2b Other operating income				
<i>Grant-in-Aid</i>				
Government Capital Reserve Released to Income and Expenditure Account			15	
			<u>15</u>	15
<i>Other Grants</i>				
DCSF (formally DfES) Teacher qualifications grant	<b>400</b>		400	
Training and Development Agency for Schools grant	<b>25</b>		-	
Innovation Unit grant	-		30	
DfES Teacher Learning Academy Innovations grant	-		49	
Becta e-enablement grant	<b>75</b>		-	
Alumni Association	<b>1</b>		1	
		<b>501</b>	<u>480</u>	480
<i>Other income</i>		<b>4</b>		<b>3</b>
		<u><b>505</b></u>	<u>498</u>	498

**General Teaching Council For England**  
**Financial Statements for the year ended 31 March 2008**  
**Notes to the Financial Statements**

**3 Remuneration**

**3a Average Number of Employees**

	<b>2007-08</b>	2006-07
<i>Section</i>	<i>Full Time Equivalent</i>	<i>Full Time Equivalent</i>
Chief Executive's office	4	4
Registration and ICT	75	78
Regulation and legal	36	34
Finance and administration	25	25
Communications	14	16
Policy and research	45	36
Agency staff	7	8
	<u>206</u>	<u>201</u>

**3b Staff Costs**

	<b>2007-08</b>	2006-07
	<i>£'000</i>	<i>£'000</i>
Wages and salaries	6,036	5,312
Teacher secondees	75	204
Social security costs	461	421
Other pension costs	1,156	1,010
Agency staff	260	175
	<u>7,988</u>	<u>7,122</u>

**4 Depreciation and revaluation**

	<b>2007-08</b>	2006-07
	<i>£'000</i>	<i>£'000</i>
Depreciation charge for the year	1,472	1,554
Depreciation adjustment for current cost revaluation	(108)	(117)
Deficit on current cost revaluation	150	243
	<u>1,514</u>	<u>1,680</u>

**General Teaching Council For England**  
**Financial Statements for the year ended 31 March 2008**  
**Notes to the Financial Statements**

**5 Expenditure**

The total expenditure of the GTC analysed by function:

	<b>2007-08</b>	2006-07
	<b>£'000</b>	£'000
Regulation	<b>2,939</b>	2,664
Registration	<b>2,132</b>	2,025
Award of QTS	<b>926</b>	923
Policy advice	<b>780</b>	680
Policy services - Teacher Learning Academy	<b>2,184</b>	1,743
Policy services - Networks	<b>539</b>	434
Research and information	<b>843</b>	901
GTC magazine and publications	<b>1,257</b>	1,221
External relations	<b>632</b>	499
Conferences and events	<b>570</b>	655
Web site	<b>775</b>	588
Fee collection	<b>1,019</b>	1,032
Council, committee and Member election costs	<b>851</b>	640
Finance, Corporate planning and legal	<b>774</b>	787
Premises	<b>1,244</b>	1,184
Depreciation, current cost revaluation and loss on disposal	<b>1,514</b>	1,680
Notional interest on capital employed	<b>314</b>	306
Provision and charge for doubtful debts	<b>467</b>	594
	<b><u>19,760</u></b>	<u>18,556</u>

The operating surplus is stated after charging:

	<b>2007-08</b>	2006-07
	<b>£'000</b>	£'000
Payments to external auditors		
Audit fee	<b>26</b>	31
Other fees	<b>-</b>	2
Operating lease rentals		
Office equipment	<b>15</b>	15
Other (land and buildings)	<b>896</b>	886
	<b><u>937</u></b>	<u>934</u>

**General Teaching Council For England**  
**Financial Statements for the year ended 31 March 2008**  
**Notes to the Financial Statements**

**6 Interest Receivable**

	<b>2007-08</b>	2006-07
	<i>£'000</i>	<i>£'000</i>
Interest receivable from cash deposits	<b>846</b>	545

**7 Taxation Charge**

	<b>2007-08</b>	2006-07
	<i>£'000</i>	<i>£'000</i>
Corporation tax	<b>237</b>	137

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 30%. The differences are explained below:

	<b>2007-08</b>	2006-07
	<i>£'000</i>	<i>£'000</i>
Investment income for the year	<b>846</b>	545
Investment income multiplied by the standard rate of corporation tax in the UK of 30%	<b>254</b>	164
Marginal relief	<b>(17)</b>	(27)
Current tax charge for the year	<b>237</b>	137



General Teaching Council For England  
 Financial Statements for the year ended 31 March 2008  
 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
<b>Cost</b>						
At 1 April 2007	560	1,119	4,450	1,219	186	7,534
Additions	16	143	372	-	-	531
Disposals	(35)	(4)	(24)	-	-	(63)
Transfer	-	-	186	-	(186)	-
Current cost revaluation	5	(25)	(172)	42	-	(150)
<b>At 31 March 2008</b>	<b>546</b>	<b>1,233</b>	<b>4,812</b>	<b>1,261</b>	<b>-</b>	<b>7,852</b>
<b>Depreciation</b>						
At 1 April 2007	453	801	2,360	590	-	4,204
Charge for year	39	195	993	245	-	1,472
Disposals	(35)	(4)	(24)	-	-	(63)
Current cost revaluation	3	(18)	(121)	28	-	(108)
<b>At 31 March 2008</b>	<b>460</b>	<b>974</b>	<b>3,208</b>	<b>863</b>	<b>-</b>	<b>5,505</b>
<b>Net book value</b>						
<b>At 31 March 2008</b>	<b>86</b>	<b>259</b>	<b>1,604</b>	<b>398</b>	<b>-</b>	<b>2,347</b>
At 1 April 2007	107	318	2,090	629	186	3,330

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 Employer on-line access system.

**General Teaching Council For England**  
**Financial Statements for the year ended 31 March 2008**  
**Notes to the Financial Statements**

**9 Debtors**

	<b>2008</b>	2007
	<b>£'000</b>	£'000
Registration fees	<b>1,934</b>	2,053
Provision for doubtful debts	<b>(1,212)</b>	(1,267)
Trade debtors	<b>189</b>	81
Other debtors	<b>10</b>	9
Prepayments and accrued income	<b>554</b>	800
	<b><u>1,475</u></b>	<u>1,676</u>

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

**10 Cash at bank and in hand**

	<b>2008</b>	2007
	<b>£'000</b>	£'000
Money market deposits	<b>7,900</b>	6,500
Current accounts	<b>1,019</b>	178
	<b><u>8,919</u></b>	<u>6,678</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**

	<b>2008</b>	2007
	<b>£'000</b>	£'000
Registration fees received in advance	<b>382</b>	-
Trade creditors	<b>910</b>	814
Corporation tax	<b>237</b>	137
Other creditors	<b>207</b>	78
Accruals	<b>1,852</b>	1,753
	<b><u>3,588</u></b>	<u>2,782</u>

Accruals include £962,164 (2007: £1,088,620), 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 2008**  
**Notes to the Financial Statements**

**12 Deferred Grants**

	<b>Balance as at 1 April 2007 £'000</b>	<b>Received during the year £'000</b>	<b>Recognised in the income and expenditure account £'000</b>	<b>Balance as at 31 March 2008 £'000</b>
Teacher qualifications	-	400	400	-
Training and Development Agency for Schools grant	-	25	25	-
Alumni Association	4	-	1	3
The Hewett Driver Education Trust grant	-	40	-	40
Becta e-enablement grant	-	75	75	-
DCSF Employer Access	<b>150</b>	-	-	<b>150</b>
	<b>154</b>	<b>540</b>	<b>501</b>	<b>193</b>

Deferred incomes includes £112,500 (2007: £112,500) which will be released to the income and expenditure account after more than one year.

**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	To fund the depreciation charge in future years of the large initial capital costs of the investment in the ICT strategy. The ICT strategy is designed to improve service delivery to teachers and employers through the use of more effective and efficient processes involving the use of a customer relationship management system, supported by appropriate information and communication strategies, channels and systems.

	<b>Casework £'000</b>	<b>Election £'000</b>	<b>ICT Strategy £'000</b>	<b>Total £'000</b>
Balance as at 1 April 2007	<b>500</b>	<b>321</b>	<b>1,982</b>	<b>2,803</b>
Transfer from general reserve	-	93	-	93
Released to general reserve	(250)	(330)	(1,028)	(1,608)
<b>Balance as at 31 March 2008</b>	<b>250</b>	<b>84</b>	<b>954</b>	<b>1,288</b>

**General Teaching Council For England**  
**Financial Statements for the year ended 31 March 2008**  
**Notes to the Financial Statements**

**14 Movement on Reserves**

	<b>Balance as at 1 April 2007 £'000</b>	<b>Surplus for the year £'000</b>	<b>Net transfer to/from designated reserves £'000</b>	<b>Balance as at 31 March 2008 £'000</b>
Designated reserves	2,803	-	(1,515)	<b>1,288</b>
General reserve	5,945	212	1,515	<b>7,672</b>
	<u>8,748</u>	<u>212</u>	<u>-</u>	<u><b>8,960</b></u>

**15 Leases**

15a Annual obligations under operating leases comprise:

	<b>2008 £'000</b>	<b>2007 £'000</b>
<i>Land and Buildings</i>		
Expiry after 5 years	<u>897</u>	<u>870</u>
	<u><b>897</b></u>	<u><b>870</b></u>
<i>Other</i>		
Expiry within 1 year	2	-
Expiry within 2 to 5 years	<u>10</u>	<u>15</u>
	<u><b>12</b></u>	<u><b>15</b></u>

15b Finance Leases

There are no obligations under finance leases.

**16 Analysis of Balances and Movements of Cash and Cash Equivalents during the Year**

	<b>Balance as at 1 April 2007 £'000</b>	<b>Cash Flow £'000</b>	<b>Other Changes £'000</b>	<b>Balance as at 31 March 2008 £'000</b>
Cash at bank and in hand	178	841	-	<b>1,019</b>
Current asset investments	6,500	1,400	-	<b>7,900</b>
	<u>6,678</u>	<u>2,241</u>	<u>-</u>	<u><b>8,919</b></u>

**General Teaching Council For England**  
**Financial Statements for the year ended 31 March 2008**  
**Notes to the Financial Statements**

**17 Reconciliation of Operating (Deficit)/Surplus to Net Cash Inflow from Operating Activities**

	<b>2007-08</b>	2006-07
	<i>£'000</i>	<i>£'000</i>
Operating (deficit)/surplus	(711)	246
Depreciation and revaluation	<b>1,514</b>	1,680
Released from Government capital reserve	-	(15)
Notional interest on capital employed	<b>314</b>	306
Decrease in debtors	<b>186</b>	208
Increase in registration fees received in advance	<b>339</b>	-
Increase/(decrease) in creditors	<b>361</b>	(546)
Increase in deferred grants	<b>39</b>	154
<b>Net cash inflow from operating activities</b>	<b>2,042</b>	2,033

**18 Reconciliation of net cash flow to movement in net cash**

	<b>2007-08</b>	2006-07
	<i>£'000</i>	<i>£'000</i>
Increase in cash in year	<b>2,241</b>	2,054
Net cash at 1 April 2007	<b>6,678</b>	4,624
<b>Net cash at 31 March 2008</b>	<b>8,919</b>	6,678

**19 Capital Commitments**

There were no (2007: £125,915) capital commitments contracted and authorised as at 31 March 2008.

**20 Contingent Assets and Liabilities**

There were no contingent assets or liabilities at 31 March 2008.

**21 Gifts**

There were no gifts received or made by the GTC during the year ended 31 March 2008.

**General Teaching Council For England**  
**Financial Statements for the year ended 31 March 2008**  
**Notes to the Financial Statements**

**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 and with Department for Children, Schools and Families for the provision of payroll services and pension administration.

As at 31 March 2008 the GTC was owed £101,371 by the Department for Children, Schools and Families (2007: £33,785 by the Home Office).

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 2008.

**23 Losses and special payments**

The GTC incurred no material losses or special payments in the year to 31 March 2008.

**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 2008

### 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
CWN	Children's Workforce Network
CWS	Children's Workforce Strategy
DCSF	Department for Children, Schools and Families
DfES	Department for Education and Skills
ECM	Every Child Matters
EHRC	Equalities and Human Rights Commission
ESSC	Education and Skills Select Committee
F&GP	Finance and General Purposes committee
FE	Further Education
GTC	The General Teaching Council for England
ICT	Information and Communication Technology
IfL	Institute For Learning
IIP	Investors in People
ISA	Independent Safeguarding Authority
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
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





Published by TSO (The Stationery Office) and available from:

**Online**

[www.tsoshop.co.uk](http://www.tsoshop.co.uk)

**Mail, Telephone Fax & E-Mail**

TSO

PO Box 29, Norwich, NR3 1GN

Telephone orders/General enquiries 0870 600 5522

Order through the Parliamentary Hotline Lo-Call 0845 7 023474

Fax orders: 0870 600 5533

E-mail: [customer.services@tso.co.uk](mailto:customer.services@tso.co.uk)

Textphone: 0870 240 3701

**TSO Shops**

16 Arthur Street, Belfast BT1 4GD

028 9023 8451 Fax 028 9023 5401

71 Lothian Road, Edinburgh EH3 9AZ

0870 606 5566 Fax 0870 606 5588

**The Parliamentary Bookshop**

12 Bridge Street, Parliament Square,

London SW1A 2JX

**TSO@Blackwell and other Accredited Agents**

ISBN 978-0-10-295574-3



9 780102 955743