Training and Development Agency for Schools Annual Report and Financial Statements 2011-12

tda

developing people, improving young lives

Training and Development Agency for Schools

Annual Report and Financial Statements for 2011−12

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PERFORMANCE REVIEW

Recruiting the right people, in sufficient numbers, to become teachers

Initial Teacher Training recruitment

The Training and Development Agency for Schools (TDA or the Agency) exceeded the Government's overall target of recruiting 34,285 trainee teachers and saw a strong performance in recruiting for the shortage subjects of physics, chemistry and mathematics. In physics, 864 people are training to become physics specialists this year – up 30 per cent on 2010, the highest level since records were first published. The Agency also exceeded the Government's targets for mathematics and chemistry recruitment, with 2,687 mathematics and 1,271 chemistry trainees starting courses this year.

The teacher recruitment marketing programme contributed to the successful achievement of the Department for Education (DfE) recruitment targets. Working with the approval of the Cabinet Office's Efficiency and Reform Group, and with a strong emphasis on the cost-effectiveness of its activities, TDA did not use television advertising during the year but continued to use digital marketing activity, customer relationship marketing and a programme of very successful face-to-face activities including student fairs and Train to Teach events. In doing so, the Agency was able to reduce overall marketing expenditure whilst still delivering the desired results.

A quotation from the CEO of the Central Office of Information summarises the standard and quality of TDA marketing programme: "In many ways (agency relationships, long term view, rigorous measurement, and great creativity) the TDA has represented the gold standard which I hoped all of Government marketing might aspire to and reach.". The launch in November 2011 of the Premier Plus service, offering graduates in shortage subjects a tailored package of support including personalised expert advice and access to the School Experience Programme, should position the Teaching Agency, TDA's successor executive agency, well to achieve Government targets set for Initial Teacher Training (ITT) recruitment in 2012.

The quality of the 2011 academic year (AY10/11) intake of teacher trainees across all subjects is at its highest level for at least three years. The proportion of trainees with a 2:1 degree or better at primary level is up from 61 per cent in AY09/10 to 66 per cent now. At secondary level, the rise is from 58 per cent to 62 per cent.

Teach First

The Agency worked in partnership with Teach First to attract high-performing graduates to teach in challenging schools. The size of the Teach First cohorts continued to increase each year. The AY11/12 cohort of 772 started the Teach First Summer Institute to prepare for entering the classroom in September 2011. This represented a 38 per cent increase in Teach First recruits compared to the 560 in AY10/11.

Diversity (under-represented groups)

In AY10/11, 12 per cent of entrants to ITT were of black and minority ethnic origin, with the proportion entering postgraduate training rising by one percentage point. The proportion of disabled entrants to ITT remained static at six per cent. TDA continued to explore what steps might be taken to boost the number of male primary teacher trainees.

Classification of overseas degrees

Following the announcement by DfE in November 2010 that degree class would be a major factor in determining bursaries, TDA contracted The National Recognition Information Centre for the United Kingdom, to carry out essential new research on the equivalence of overseas degrees to UK degree classifications. The work was completed and will ensure overseas students are not penalised by bursary arrangements and continue to be attracted to UK ITT, particularly modern foreign language courses (MFL).

Transition to Teaching

Transition to Teaching encourages experienced people to consider a career change into teaching. Since 2008 the programme has successfully helped 451 participants secure places on to ITT.

Of the total number of active participants 60 participants have now secured a teaching post, with 36 now on their induction year. There are currently 84 participants who are on an ITT course. Twenty-seven participants are on a subject enhancement course, 222 have secured a place on an ITT course and a further 92 have submitted an application and are currently awaiting the outcome.

Subject Knowledge Enhancement scheme

The Subject Knowledge Enhancement (SKE) scheme provided applicants to ITT with a programme to improve or refresh the subject knowledge needed to get onto an ITT course. The scheme provided a variety of options ranging from short refresher courses to year-long conversion programmes appropriate to the individual's needs. The scheme was almost entirely focused on the priority subjects. The funding covered the full cost of the programme ensuring that it was fee free for the trainee.

For AY11/12 TDA allocated 4,058 places to providers for conventional pre-ITT SKE courses. Over 3,100 of these were allocated to mathematics, physics and chemistry with the remainder allocated to design and technology, information and communication technology (ICT) and modern foreign languages. In addition, 750 places were allocated as part of a pilot SKE course aimed at existing and returning teachers who were looking to teach priority subjects, namely mathematics, physics and chemistry. This replaced the former Mathematics Development Programme for Teachers and the Science Additional Specialism Programme schemes.

Assessment Only route to Qualified Teacher Status

The assessment only (AO) route was designed to enable very experienced graduate teachers to gain qualified teacher status without the need for publicly-funded training. This included, for example, further education teachers working in maintained schools, experienced unqualified teachers working as instructors, unqualified teachers who wished to transfer from the independent to the state sector, and experienced overseas-trained teachers. The AO route was launched in September 2011 for a development year until September 2012. The 19 approved AO providers were able to recruit up to 500 candidates to this route.

Initial Teacher Training allocations

The Secretary of State set out his expectations regarding ITT recruitment for AY11/12. The allocation of ITT places was a fundamental enabler of TDA's strategic priority to ensure there is a sufficient supply of high-quality teachers. The ITT allocation set the volume of new funded teacher training that ITT providers could deliver. TDA conducted and brokered negotiations with and between providers to make available an increased proportion of training places in provision rated outstanding by Ofsted. Over 94 per cent of AY11/12 trainee intake were placed in provision rated 'good' or better, with 49 per cent placed with provision rated 'outstanding'.

School Experience Programme (formerly Explore Teaching/Career Exploration)

The purpose of the School Experience Programme (SEP) is to streamline the school experience offer to those interested in exploring the idea of teaching as a career, and ensure consistency and value for money.

The programme was launched in September 2011 and offered classroom experience in a secondary school.

The programme replaced five TDA-funded initiatives, including the Student Associates Scheme (SAS), with a single, flexible programme that offers 1-10 days of school experience in shortage subjects. The programme is a key feature of the Premier Plus scheme. By March 2012, 472 schools, 78 of which are Teaching Schools, had registered to host SEP placements.

Golden Hello scheme

The Golden Hello is a one-off taxable bonus to encourage graduates to enter the teaching profession and teach priority secondary subjects in maintained schools. To be eligible for the Golden Hello, teachers had to have met the training, teaching and application criteria. In 2011 DfE announced the closure of the Golden Hello scheme for all trainees who started their ITT in AY11/12 and beyond. Trainees who started their postgraduate ITT course before August 2011 continued to be able to make their application for the Golden Hello scheme under the current terms and conditions.

Ensure that all of those awarded Qualified Teacher Status have strong subject, curriculum and pedagogical knowledge

TDA worked with key stakeholders to support further the skills of existing teachers and to strengthen the subject content of ITT provision by setting out and beginning to implement plans relating to recommendations made in:

- White Paper on the English Baccalaureate
- SEN Green Paper
- Ofsted report on ICT, and
- The Henley Review of Music Education.

Music

TDA contributed to the implementation of policy in improving music education in line with the Government response to the Henley Review. The Agency provided input into a music technology annex to the National Plan for Music Education and developed an additional module to help primary trainees further develop their skills and confidence to teach music

Information and Communication Technology in Initial Teacher Training

In response to Ofsted recognition of low expectations in the teaching of ICT in secondary schools, TDA developed an initiative inviting secondary ITT providers to bid for support for additional training in computing and programming. TDA worked with ITT providers on the Computing at Schools project, which aimed to extend trainees' understanding of computer programming across the secondary curriculum. TDA also provided grants to 20 providers to look at improving technology use towards delivering excellent ICT teaching.

Challenge and support Initial Teacher Training providers to improve outcomes in key teaching skills.

As in previous years, the Agency conducted a survey of newly qualified teachers (NQTs) who had successfully completed their ITT in England during AY10/11.

In the primary sector 87 per cent of those who responded gave a ‘very good’ or ‘good’ rating for the overall quality of their training; this was a significant increase of three percentage points on the previous year.

In the secondary sector 87 per cent of NQTs gave a ‘very good’ or ‘good’ rating for the overall quality of their training, a similar response to last year.

Of the sixteen questions common to the 2011 and 2010 surveys 15 received higher ratings than last year from primary NQTs and 12 received higher ratings from secondary NQTs.

The 2011 NQT survey evidenced continued improvements in NQTs’ assessment of the effectiveness of their ITT training. For primary mathematics, 82 per cent of 2011 NQTs rated their training as ‘good’ or ‘very good’ and only two per cent rated it as ‘poor’. For early reading, including phonics and comprehension, results show that the proportion of NQTs rating this element of training as ‘good’ or better increased by seven percentage points to 58 per cent. This represents a significant acceleration in progress compared to the 2010 increase and is the largest annual increase for this question since it was first asked in 2007.

The Agency worked with the Universities’ Council for the Education of Teachers and the National Association of School-Based Teacher Trainers (NASBTT) to provide support to and challenge ITT providers to strengthen the training experience of new teachers in relation to the Government’s priorities for literacy (with specific focus on systematic synthetic phonics), numeracy and behaviour. To target their efforts, TDA made use of quality indicators to identify effective practice, for dissemination across providers, and poor provision, for intensive challenge and support.

For those providers with indications of poor provision, TDA continued to address underperformance through a programme of intensive monitoring and support by TDA quality specialists. Of the nine university ITT providers that were supported in this way to improve their phonics provision last year, seven have seen their proportion of ‘very good’ or ‘good’ ratings for this element of training increase at a greater rate than the overall average on the 2011 NQT survey.

Special Educational Needs and disability

TDA continued to fund the training of new Special Educational Needs (SEN) Co-ordinators (SENCos) in the mandatory qualification for SEN coordination. Twenty five providers were awarded a grant to deliver this training and overall 2,864 SENCos were enrolled by March 2012.

The Agency commissioned the development of online resources, based on the recommendations of the:

- Salt Report (2010) - Through a contract with the Schools Network online materials on four levels were developed to support teachers working with pupils with severe learning difficulties, profound and multiple learning difficulties and complex learning difficulties and disabilities.
- Lamb Report (2009) - The Institute of Education was contracted to produce advanced materials to train teachers in the support of children and young people in the five most prevalent areas

of special need: autistic spectrum disorders; behavioural, emotional and social difficulties; dyslexia; general or moderate learning difficulties; and speech, language and communication needs.

TDA also worked with all undergraduate ITT providers to extend SEN training for trainee teachers and through continued funding of the Extended Placement Scheme. Funding was provided for 20 places per provider, for all 45 undergraduate providers, for trainees undertaking four week placements in specialist schools and specialist settings increasing total placements threefold.

Modern Foreign Languages

The Agency worked with DfE to address the implications of the introduction of a new English Baccalaureate at the end of Key Stage 4. A coherent set of responses has been agreed to the challenges facing the system such as the estimation that, by 2015, it will need an additional 700 secondary Modern Foreign Languages (MFL) teachers. In addition TDA submitted a response to the issues of how languages are taught in secondary schools, which were identified in the Ofsted report, ‘Modern Languages: Achievement and Challenge 2007-2010’.

The Agency also supported work to encourage on-going primary MFL specialist provision in initial teacher training.

English as an Additional Language

Working with a cross section of providers, TDA wrote and piloted professional development units for ITT trainers in English as an Additional Language (EAL). The National Association for Language Development in the Curriculum, the subject association for EAL, has now been contracted to offer this training nationally.

Improving the impact of evidence to support and inform high quality training by ensuring that providers have access to high quality resources.

Teacher Development Hub

The Teacher Development Hub, developed this year, incorporated the national continuing professional development (CPD) database and the archived resources from the Teacher Training Resource Bank, Behaviour4Learning, Multiverse, and the SEN portal, all of which closed in March 2011. The TDA released the content from these sites, which can be used by external providers, under the conditions of the Open Government Licence. Links to new resources produced in this way are added to the Teacher Development Hub.

Concluding funded masters-level provision

The Agency worked with stakeholders to conclude on-going activity relating to the central funding for masters-level qualifications for teachers. This meant an integrated approach to winding-down TDA’s involvement in funding both post-graduate professional development (PPD) programmes and the Masters in Teaching and Learning (MTL) programme. In both cases some central funding continued to be available to help teachers to complete programmes they had already started.

National Scholarship Fund for teachers to support professional development

The Agency worked to implement the DfE’s launch of a national scholarship fund in June 2011 to support teachers in professional development programmes and activities to strengthen their subject knowledge and enhance their professional status.

The scheme is open to all teachers in England with QTS, currently employed in eligible schools or local authorities, and focuses on four main priority areas: mathematics, English, science and SEN.

Realising ambitions set out in the 2010 White Paper, 'The Importance of Teaching'

The Government set out its plans for schools in the White Paper, 'The Importance of Teaching'. The Agency worked with DfE officials on a range of strategic and policy proposals set out in the White Paper, and also managed the consultation process, which helped to refine what needed to be done to implement the White Paper. The work led to the development of an implementation plan for ITT strategy ('Training our next generation of outstanding teachers') which was published by DfE in November 2011. This plan focusses on the quality of trainees and the reform of training.

The Agency had a central role in implementing the ITT plan. TDA launched School Direct, an initiative to give more schools the opportunity for close involvement in ITT. TDA also published details of AY12/13 bursaries. To encourage the best people to enter the profession financial incentives for trainees with good degrees in shortage subjects will be available.

Further examples of the Agency's progress with the plan are included below.

Troops to Teachers

The Agency supported Ministers' intentions in the Schools White Paper, and the implementation plan for ITT strategy, to encourage and support Armed Service leavers to make the transition to teaching and to work in schools through a Troops to Teachers programme. The Agency worked with partners to take forward thinking on the development of a new role that Armed Service leavers might undertake in schools which should also include a pathway to QTS.

Graduate Teacher Programme portal

The new single application system for the Graduate Teacher Programme (GTP) went live in July 2011. NASBTT and other GTP providers were involved in the development process. An online application form on the TDA website was in place for recruitment year AY11/12, thereby improving the 'customer experience' of new applicants to GTP.

Single application system for ITT

At present, applicants wishing to apply to both mainstream and employment-based courses do so through at least two different systems. With the future system envisaged in the implementation plan ITT strategy, applicants would apply to their choice of higher education institution (HEI), schools centred initial teacher training (SCITT) and/or GTP courses through a single system. TDA engaged with the Universities and Colleges Admissions Service (UCAS), training providers and other stakeholders to assess the feasibility of UCAS running a centralised admissions service for ITT.

Subject to the final outcomes of consultation, UCAS intends to develop the single application system for release in autumn 2013 (for applications to courses starting in September 2014). When the single application system comes into operation it will replace the current GTP portal.

University Training Schools

The Agency led on establishing University Training Schools (UTSs), open to the best university providers of ITT. These are envisaged as new schools, set up and run by the university education departments, with three equally important core functions: teaching pupils; training and development of trainees/teachers; and pedagogical research. UTSs are to be set up as new Free Schools or as Academy converters. TDA developed a UTS prospectus and associated application process in readiness to receive applications.

Qualified Teacher Status Skills Test development, delivery and reform

The Qualified Teacher Status (QTS) skills tests cover the core skills in numeracy, literacy, and ICT that trainees need for carrying out their wider professional role in a school. Passing these skills tests is one of the standards that all trainee teachers in England have to meet before they can be recommended for the award of QTS by their ITT provider. In AY10/11, 36,616 candidates registered to take the tests with 33,374 candidates meeting the standard by passing all three tests.

Plans are now being developed to implement changes to the skills tests. As of 1 April 2012 the ICT skills test is no longer a requirement for the award of QTS.

Standards for Teachers

The TDA supported the Department on consultations and reviews aimed at:

- better aligning the standards and qualifications for the wider school workforce and the professional teaching standards
- reforming the statutory induction arrangements for newly qualified teachers, and
- reviewing the accreditation criteria and requirements for ITT providers to reflect the changes to regulations and duties of Government agencies set out in the Education Act 2011.

The Agency supported the Department's work on drawing up a single set of new standards to replace the existing QTS and Core Standards, incorporating standards for personal and professional conduct. The new Teachers' Standards were accepted by the Secretary of State and will come into force in September 2012. The consultation on proposed changes to induction arrangements was carried out by the DfE and the TDA supported the review by providing evidence and advice which informed the new regulations that come into effect in September 2012.

In early 2012 the TDA consulted with the sector in order to streamline the accreditation criteria, ITT requirements and employment-based ITT conditions and consolidate them into a single set of ITT criteria, which are fit for purpose and appropriate to the new and changing context of ITT The proposed new criteria were submitted to the Secretary of State in March 2012.

Fulfilling sector body responsibilities

TDA had statutory responsibility for the training and development of all school-based staff and, since September 2005, was the recognised sector body for the school workforce. It represented the skills needs of about 800,100 support staff.

Teaching Schools

There were 305 applications for the first cohort of Teaching Schools. One hundred Teaching Schools were announced in July 2011 following a rigorous assessment process by the National College, in which the TDA played a key role.

Teaching Schools, and their partner schools, are expected to improve the quality of placement opportunities available to ITT providers and to encourage more schools to offer high quality ITT opportunities. Some Teaching Schools are expected to take the lead in the development of School Direct ITT. The Agency worked alongside the National College in all aspects of the development of the programme.

The Agency supported the development of ITT and CPD in the newly designated Teaching Schools through joint 'start up' visits and induction events facilitated by the National College and TDA.

To build additional capacity for the Teaching School model, TDA worked with the National College to help more schools to become Teaching Schools by supporting them in the areas of the eligibility criteria that they did not currently meet. The application round for cohort two Teaching School designation closed at the end October 2011. The National College is intending to designate a further 100 schools in April 2012

TDA Closure and Transition of Functions to DfE

The Government announced its intention to improve transparency in the delivery of services through a review of non-departmental public bodies (which included arm's length bodies such as the Agency). In response to the review's findings DfE absorbed the operations and functions of its arm's length bodies and will deliver the services directly or through new executive agencies. The Education Act 2011 abolished the TDA from 31 March 2012; with certain of its operations transferred to a new DfE executive agency (the Teaching Agency) and the reminder absorbed by DfE itself.

All TDA staff had transfer rights under Cabinet Office Statement of Practice on Staff Transfers (COSOP rights) into DfE and the majority have transferred either to the Department or into the TDA legacy areas of the newly established Teaching Agency.

Human Resources

Recruitment and leavers
On 31 March 2012 the Agency employed 237 people (2011: 318).

In light of the recruitment freeze and in expectation of the transition to the Teaching Agency the TDA redeployed staff to meet business priorities.

The Agency worked with DfE to match TDA staff to roles in the new Teaching Agency or the Department. The Agency supported unmatched staff to find alternative roles within the DfE or the wider Civil Service.

Sickness absence
The total number of days lost to sickness absence (up to March 2012) amounted to 2,047 (compared to 1,948 in the year to March 2011). This is an average of 7.3 days per employee per 12 months (6.4 days in the year FY10-11). The Civil Service average is eight days per employee per year (FY10-11 data).

Equality and diversity
The Agency continued to ensure that equality and diversity was embedded into its day to day functions. The Agency's equality impact assessment process was integrated into TDA policy and project management processes to ensure that equality considerations were part of the design and development of policies before they were adopted.

Relations with the Public and Commercial Services Union

The Agency worked closely with the Public and Commercial Services Union, and met regularly both with local representatives and as part of the DfE negotiations on ALB reform.

Staff demographics
The staff demographics as at March 2012 were:

Agency staff by race

Category	%
Asian Pakistani and Asian British	5%
Black and Black British	2%
Mixed ethnicity	2%
White and White British	84%
Chinese and other ethnicities	3%
Unknown/Did not say	4%
Total	100%

Agency staff by gender

Gender	%
Female	58%
Male	42%
Total	100%

Agency staff with a declared disability

Disability Status	%
Declared a disability	2%

Financial and Contract Management

Major contracts awarded during FY11-12
The Agency awarded 36 contracts in the year to 31 March 2012, worth a total of £10.7m. Of these, four were over £500,000 in value totalling £9.1m, which are listed below. This compares with four contracts over £500,000 totalling £12.2m awarded in year FY10-11.

Supplier	Service	Cost £000	Contract period (financial year)
MM Telecommunications Ltd	The Teacher Information Line	6,700	2012-16
Specialist Schools and Academies Trust	Production of SEN training materials (Salt Review)	848	2011-12
Arnold KLP	Face to face teacher recruitment events	835	2011-12
Nord Anglia Education Ltd	Transition to Teach	691	2011-12

MANAGEMENT COMMENTARY

Review of FY11−12

1. Full details of the TDA's achievements are given in the Performance Review, but in summary the Agency's significant achievements were:

- Recruiting nearly 34,500 new entrants onto mainstream ITT courses for AY12/13 entry, meeting the Government's targets in nearly all subjects for the third successive year
- Recruiting over 3,000 new entrants onto science ITT courses including almost 900 new entrants onto physics ITT courses and over 1,200 new entrants onto chemistry ITT courses
- Raising the quality of new entrants to ITT by increasing the percentage of those with a 2:1 or higher to more than 60 per cent
- Allocating almost half the available places for AY11/12 to 'outstanding' providers of ITT, and
- Quality assuring the designation and facilitating the induction of 100 new Teaching Schools fulfilling a major ambition of the Government set out in the 2010 Schools White Paper, 'The Importance of Teaching'.

Board members during FY11-12

2. Board members were appointed for a term of three years by the Secretary of State, and were drawn from a variety of backgrounds. Some are headteachers or governors − or work in other parts of the education system − while others have business backgrounds. Several are members of the governing bodies of institutions that received grants from the Agency.

3. Due to the closure of the Agency as at 31 March 2012 Board members' terms were, unless otherwise stated below, extended to or curtailed on 31 March 2012. The Board members during FY11-12 were:

Christopher Baker MBE
Chair from September 2009

Dr Michael Day
Interim Chief Executive from 31 March 2011 to 2 May 2011

Stephen Hillier
Chief Executive from 3 May 2011 until 31 March 2012

John Atkins
Chief Executive, The Kemnal Academies Trust, Bromley,
appointed February 2009

Rekha Bhakoo CBE
Headteacher, Newton Farm Nursery, Infant and Middle School, South Harrow,
appointed February 2009

Dr Michael Cresswell CBE
Visiting Professor, Graduate School of Education, Bristol University,
appointed January 2010

Colin Dennis
Chairman, RVL Group,
appointed January 2010

Alison Drury
Owner, Thinkvivid,
appointed January 2010

Professor David Green
Vice-Chancellor and Chief Executive, University of Worcester,
reappointed February 2009

Professor Christopher Husbands
Director, Institute of Education, University of London,
reappointed October 2009

Derrick Palmer
Non-executive Director, Bradford District Care Trust,
appointed December 2008

Dame Gillian Pugh OBE
Member, Children's Workforce Development Council,
term of appointment ended February 2012

Richard Thornhill
Executive Headteacher, Loughborough/Kings Avenue Federation, Brixton,
reappointed February 2009

Dr Susan Tranter
Headteacher, Edmonton County School, London,
reappointed February 2009

Alan Wood
Executive Director, The Learning Trust
Corporate Director, Children and Young People's Services, London Borough of Hackney,
appointed February 2009.

4. Board members normally served for three years, but could serve a second term for a period of up to three years. Owing to the closure of the Agency on 31 March 2012 all terms of office were extended or shortened to cover the period until the Agency closed.

5. The TDA Board had the power to co-opt up to two non-voting members, subject to the approval of the Secretary of State. There were no co-opted members in FY11-12.

6. Reciprocal arrangements existed between the Agency and various sector bodies for observers to attend the Agency's Board meetings. The Board invited observers from the Children's Workforce Development Council, Department for Education, the Higher Education Funding Council for England, Ofsted, the General Teaching Council for England and the National College.

Board members' directorships and other significant interests

7. Board members were required to inform the Agency if they were a director of any company or organisation, or if they had any other significant interests. Board members had to register those interests with the Agency within 14 days of being appointed or of the interest arising. This included:

- remunerated employment or directorships
- political activity that might influence their judgement or could be perceived to do so
- connection with ITT training institutions or other aspects of the Agency's business, and
- any significant shareholdings in a public company that had a nominal value greater than £25,000, or less than £25,000 but greater than one per cent of the issued share capital of the company.

8. The register of Board members' interests was available for inspection on request during normal working hours at our offices at Piccadilly Gate, Manchester.

The Audit Committee

9. The role of the Audit Committee was to advise the Accounting Officer and the Board on:

- the adequacy of the Agency's internal control and risk management systems
- promoting the highest standards of propriety in the use of public funds and encouraging proper accountability for the use of those funds
- ensuring that the Agency operated within the authority delegated to it by the Department as set out in the Management Statement, including the Financial Memorandum, and

- recommending the Agency's financial statements and internal auditors' annual report for approval by the Board.

10. The members of the committee during the year were:

Derrick Palmer
Chair, TDA Board member
appointed February 2009

Alan Gibbins
External member,
appointed September 2009

Tim Head
External member,
term of appointment ended in June 2011

Roy Ransley
External member,
appointed for a second term July 2010

Dr Susan Tranter
TDA Board member,
appointed October 2009.

Colin Dennis
TDA Board member
appointed February 2012

11. Committee members normally served for three years, but could serve a second term for a period of up to three years. Due to the closure of the Agency as at 31 March 2012 all terms of office were extended to or shortened to cover the period until the Agency closed.

12. Following the closure of the Agency individuals who sat on the Audit Committee, and the Agency's Chair, were retained by DfE to assist the Accounting Officer discharge their responsibilities towards preparing and laying this annual report and financial statements before Parliament.

13. The meetings were usually attended by the Chief Executive in his role as Accounting Officer, PricewaterhouseCoopers (PwC) in their role as internal auditors, the Director of Finance and Procurement, the Executive Director for Supporting Delivery, and the Executive Director for Training. The National Audit Office (NAO), as the external auditors, and the Department, as the sponsoring department, were informed about all meetings and could have attended as observers if they wished. The committee met on five occasions in FY11-12.

14. The committee periodically met the internal and external auditors without officers present.

Audit services

15. The Agency's financial statements were audited by the NAO on behalf of the Comptroller and Auditor General. The Comptroller and Auditor General was appointed as the Agency's external auditor under statute, and reported to Parliament on the audit.

Other services

16. The external auditors received no remuneration for non-audit services during the year.

Audit assurance

17. The Accounting Officer took the necessary steps to be aware of all relevant audit information, and has also ensured that the NAO is aware of that information.

Value for money

18. 2011-12 was the first full year of TDA operations in Piccadilly Gate in Manchester following the Agency's relocation from London. Relocation achieved cost savings in line with expectations, with property and related costs being around 60 per cent lower than in London.

19. As part of the DfE's arm's length body reforms, the Teaching Agency will make cost efficiencies by using shared services for back office processes. TDA has undertaken considerable preparatory work towards this in 2011-12, in particular by aligning financial and procurement processes with the Department's model.

Equality and diversity

20. The Agency had an equal access to employment policy which applied to all job applicants, workers and employees. TDA monitored its staff in terms of their ethnicity, their gender, and whether they are disabled.

21. As at 31 March 2012, the Agency employed 237 people, of whom 16 per cent identified as being from racial groups other than white, 58 per cent were female, and 2 per cent indicated that they are disabled.

22. The Agency believed that this confirmed that our recruitment and retention programmes were fair and reached all groups of the local workforce.

Health, safety and welfare at work

23. The Agency maintained an up-to-date health and safety policy statement and a health and safety manual available to all staff. The policy statement set out the organisational responsibilities of the Chief Executive, directors, managers, team leaders and all employees for health and safety.

Information security

24. In accordance with Cabinet Office guidelines, the Agency had to report any incidents involving personal data. TDA kept personal data relating to its employees, contractors, suppliers, school workforce candidates and stakeholders. In the year to 31 March 2012, there were no incidents reported to the Information Commissioner's Office, either formally or informally.

25. The paragraph on information security in the Governance Statement on page 28 sets out the Agency's data protection statement and what it did to manage information risk.

Freedom of information

26. The Agency complied fully with the Freedom of Information Act 2000. In the year to 31 March 2012 TDA received and responded to 30 (2011: 44) separate requests for information under the terms of the Act.

Grant in aid for the year and net expenditure for the year

27. The grant in aid for the year was £560.7m (2011: £727.5m).

28. Expenditure continued to be accounted for through the Statement of Comprehensive Net Expenditure, regardless of the source of funding, while the grant in aid went directly to the Statement of Financial Position and forms part of the General Reserve. As a result, the Statement of Comprehensive Net Expenditure shows net expenditure for the year of £551.7m (2011: £724.4m).

Financial results for FY11-12

29. The Statement of Comprehensive Net Expenditure on page 37 shows net expenditure of £551.7m (2011: £724.4m):

- The charge due to relocation was £0.9m. The 2011 net credit of £1.9m comprised a provision release of £6.1m and in-year costs of £4.2m.
- Administration expenditure was £20.6m (2011: £21.9m), and
- Programme expenditure was £530.3m (2011: £704.4m).

Going concern

30. The Statement of Financial Position at 31 March 2012 shows total net assets of £8.1m (2011: £1.0m net liabilities), which takes into account provisions of £3.9m (2011: £3.1m). The Department is committed to fund the full year's budget for the successor agency, the Teaching Agency, which covers all year end liabilities.

31. The 2011-12 Government Financial Reporting Manual (FReM), issued by HM Treasury, contains guidance over when the going concern presumption applies when Government bodies transfer operations. Although the Agency was abolished at 31 March 2012, the key functions and activities of the Agency will be continued by a new executive agency of the DfE, the Teaching Agency. Therefore, in accordance with the FReM guidelines these financial statements have been prepared on a going concern basis.

The Agency/Department financial memorandum

32. During FY11-12, no services were provided free of charge by DfE. All services were paid for in accordance with the provisions of the individual service level agreements concluded with the Department.

Income other than the Department grant

33. In previous years (2011: £2,700) the Agency received income directly, other than from the Department (see note 3 to the financial statements). In FY11-12 all income received by the Agency was paid through the Department grant.

Cash balances at 31 March 2012

34. At 31 March 2012 the Agency had a cash balance of £16.1m (2011: £0.9m).

Non-current assets

35. Note 1 to the financial statements explains the policy adopted for the capitalisation of non-current assets.

36. The net book value of non-current assets decreased from £1.1m at 31 March 2011 to £0.4m at 31 March 2012, due to annual depreciation, amortisation and impairment charges.

37. Non-current assets that will not be transferred across to the Department have been fully impaired; which resulted in a charge of £0.1m being recognised.

Payment of creditors

38. The Agency was fully committed to the prompt payment of suppliers and aimed to pay all valid invoices as soon as possible. We supported HM Treasury's Better Payment Practice Code which targets payment within 30 days, and monitored our performance in-year against this target. In FY11-12 we met this target for 95 per cent of invoices (2011: 94 per cent).

39. At the year end the Agency's figure for 'creditor days' was 4 days (2011: 4 days).

40. £22 interest has been paid, or claimed, by creditors under the Late Payment of Commercial Debts (Interest) Act 1998 (2011: £nil).

Providing information to employees

41. The Agency provided information to its employees to encourage them to be aware of, and involved in, the Agency's performance, the factors that affect it, and key documents such as the annual report and financial statements. TDA's regular communications channels were the weekly news digest, the intranet, all staff e-mails, and face-to-face staff briefings. The Agency also encouraged the use of seminars to share best practice, and inform staff about different projects taking place across the Agency. An Internal Communications Working Group provided feedback on the efficiency and effectiveness of internal communications channels.

Lin Hinnigan
Accounting Officer
Date: 30 May 2012

SUSTAINABILITY REPORT

Sustainability

42. The Prime Minister and Government set a number of sustainability targets and ambitions that all Government Departments, and their sponsored arm's length bodies, needed to achieve. This included a 10 per cent reduction in CO_2 emissions within the 12 months to May 2011.

43. When TDA relocated from London to Manchester, sustainability was a key consideration. Piccadilly Gate was substantially refurbished in 2010 and is B rated for energy efficiency.

44. In FY10-11 (the Agency's last year in London), TDA generated almost 1,200 tonnes of CO_2. In FY11-12 this had reduced by some 54 per cent to 341 tonnes.

45. Piccadilly Gate is designed to use water efficiently, including collecting rain water for use in toilet flushing. Water consumption is this building is also less than half that in the final year in London.

46. The Agency continued to support the ideals of sustainable transport. Piccadilly Gate is very convenient for public transport (being adjacent to Piccadilly Station with its train and tram network and close to Piccadilly bus station) and has secure cycle parking and shower facilities.

47. TDA made extensive use of audio and videoconferencing facilities to reduce business travel.

48. Additionally, TDA sought to restrict air travel wherever possible - expenditure on flights in FY11-12 was £10,500. For those occasions where it was necessary to use air travel, TDA operated a carbon offsetting scheme. The financial contributions from this went towards funding external CO_2 reduction initiatives.

Summary of performance

	FY11-12	FY10-11	Change
Estate Energy Consumption (MWh)	1,304	1,432	(9%)
Estate Waste Amount (tonnes)	26	27	(6%)
% waste recycled	55%	35%	
Estate Water Amount (m^3)	1,896	6,076	(69%)

Performance against targets

Energy

49. TDA aimed to decrease energy usage by 2 per cent. This target was exceeded.

Waste

50. TDA aimed to reduce landfill waste by 5 per cent. This target was exceeded with a reduction of 35 per cent.

51. TDA aimed to increase recycling percentages by 5 per cent. This target was met.

Water

52. TDA aimed to reduce water consumption to $4m^3$ per FTE per annum corresponding to Government Best Practice for water consumption. With 282 FTEs reported, this implies a target of $1,128m^3$, TDA did not achieve this target. However, it should be noted that low rainfall in 2011-12 will have limited the benefit of the rainwater collection system in the building. Additionally, TDA has an events suite and provides showering facilities for cyclists, both of which will increase water consumption.

Greenhouse gas emissions

53. TDA operates from a city centre office building which has an Energy Performance Certificate rating of B.

54. In FY11-12, the TDA building generated 548 tonnes of CO_2 emissions (FY10-11: 341 tonnes). This is little more than half of the emissions of 1,192 tonnes produced in FY09-10, the last year of TDA operations in London.

55. TDA business travel was responsible for 30.2 tonnes of CO_2 emissions (FY10-11: 30.8 tonnes).

56. TDA sought to use air travel only when there was no viable alternative, with all air travel having to be agreed in advance by a member of the SLT. TDA operated a carbon offset scheme for all flights.

Waste

57. TDA operated a waste management system to ensure that as much waste as possible was recycled, including paper, plastic, cardboard and metals. Landfill and recycled waste volumes were monitored and recorded monthly.

Environmental management system

58. The TDA environmental management system aimed to achieve social, environmental and economic goals. In May 2011, this successfully passed an audit resulting in ISO 14001 accreditation.

Sustainable procurement

59. Sustainability was a consideration in all operations of the TDA.

Biodiversity action plan

60. TDA is not required to have a biodiversity action plan as the Agency's only location is a city centre street front building.

REMUNERATION REPORT

Part 1: Unaudited information

Service contracts of senior management

61. New appointments to director level posts were on merit and by fair competition. New opportunities were usually widely advertised, although in exceptional circumstances more limited advertising was appropriate.

62. The Chief Executive was appointed on a fixed-term contract; other senior managers were appointed on open-ended contracts or on a period of secondment from other employers. Open-ended contracts had no retirement age and a notice period of three months.

63. Early termination, other than for misconduct or inefficiency, would have resulted in compensation under the Civil Service Compensation Scheme (CSCS). In the year to 31 March 2012 there were no CSCS payments made (three in 2011) and the details are set out in paragraph 85.

Remuneration of senior management

64. The Remuneration Committee was made up of four members, all of whom were members of the Agency's Board: Christopher Baker (TDA Chair), Alison Drury, Professor David Green and Dame Gillian Pugh.

65. The senior manager remuneration policy was to ensure that the remuneration package took account of:

- the need to recruit, retain and motivate suitably able and qualified people who can, as a team, lead the Agency to achieve its aims, and take responsibility for particular aspects of the business
- contribution to the achievement of Agency objectives
- comprehensive pay and grading reviews conducted periodically by specialist reward consultants
- pay movements in the wider economy, the public sector and the Senior Civil Service, in particular the annual HM Treasury pay guidance
- the pay levels and pay system for all other Agency staff, and
- the affordability of the proposals, taking account of the Agency's annual administration budget.

66. The Agency adopted the revised pay arrangement whereby all public sector bodies will operate a pay freeze until January 2012.

67. Individual performance was assessed against key objectives which were agreed at the beginning of the financial year, taking account of the relevant objectives in the Agency's corporate plan.

REMUNERATION REPORT
Part 2: Audited information

Emoluments of Board members

68. The Agency paid Board and sub-committee members £300 per day for attendance. Board members also received £150 per day for meeting preparation. However, members who already drew a full-time salary from the public purse, were not remunerated for serving as Board or sub-committee members. Their employers could request payment to be made to their institution instead.

69. The Chair did not receive attendance fees since he was employed by the Agency during the year. The Chair received attendance fees (at £500 per meeting) for one post-closure advisory group meeting attended after the year end.

70. In the year to 31 March 2012, the following attendance fees were payable to Board and sub-committee members, or their respective employers:

Member	2011-12 £	2010-11 £
John Atkins†	2,250	3,300
Christopher Baker‡	500	-
Rekha Bhakoo CBE†	1,800	2,550
Dr Michael Cresswell CBE	1,950	2,700
Colin Dennis‡	4,050	4,500
Alison Drury*	2,700	5,501
Alan Gibbins‡	1,500	1,500
Professor David Green	1,800	2,850
Tim Head	300	1,500
Professor Christopher Husbands	1,650	3,000
Derrick Palmer‡	6,300	7,650
Dame Gillian Pugh OBE	1,350	3,600
Roy Ransley‡	2,100	1,500
Richard Thornhill†	3,000	2,700
Dr Susan Tranter†‡	4,050	3,600
Alan Wood†	1,650	1,950
Total	**36,950**	**48,401**

* Includes value added tax (VAT)
† Payable to employer
‡ Includes fees from post year end closure meetings

71. Details of non-taxable travel and subsistence payments made to Board members are shown in note 7 to the financial statements.

Emoluments of the Chair

72. The Chair's total emoluments in the year to 31 March 2012, including post-closure attendance fees, were £26,700 (2011: £26,200). The Chair received no bonuses or taxable benefits. No pension contributions were payable by the Agency on the Chair's emoluments.

Emoluments of the Chief Executive

73. As per paragraph 4 two individuals held the post of Chief Executive during the year. Total emoluments paid to post-holders during the year are disclosed below:

			2011-12	**2010-11**
	Michael Day	**Stephen Hillier**	**Total**	**Graham Holley**
	£	**£**	**£**	**£**
Salary	9,600	91,700	101,300	150,100
Non-consolidated performance related pay	-	-	-	40,800
Relocation housing allowance	-	-	-	23,500
	9,600	91,700	101,300	214,400
Employer's pension contributions	2,300	19,800	22,100	34,500
	11,900	**111,500**	**123,400**	**248,900**

74. The non-consolidated performance related pay, paid in FY10-11, related to a payment made to all key role holders in recognition of their commitment and achievement of objectives in relation to the move from London to Manchester; no equivalent payment was made in FY11-12.

75. In accordance with accepted practice for inter-departmental transfers Stephen Hillier's salary was paid by the Agency from June 2011; the first complete month of his term. The cost of the initial part month of his term (May 2012) was borne by his previous department.

76. The two FY11-12 Chief Executive post-holders were members of the Principal Civil Service Pension Scheme; contributions are paid at the rate of 24.3 per cent (2011: 24.3 per cent) as outlined in note 6c to the financial statements. The Agency appointed Stephen Hillier as Chief Executive who took up post on 3 May 2011, whose appointment ran until the closure of the Agency on 31 March 2012. Dr Michael Day was appointed as Interim Chief Executive from 31 March 2011 to 2 May 2011, following the departure of the previous chief executive.

Salary and pensions entitlements of senior management

77. The table overleaf shows the salary paid, and pension benefits accrued, for each member of the Strategic Leadership Team (SLT) in FY11-12, with the corresponding prior year figures (in brackets). Salary includes gross salary, recruitment and retention allowances, and reserved rights to London weighting or London allowances.

	Salary paid	Bonus payments	Benefits in kind	Real increase in pension at 60	Total accrued pension at 60 at 31/3/12	Real increase in lump sum	Lump sum at 31/3/12	CETV[1] at 1/4/12	CETV at 31/3/12	Real increase in CETV at 31/3/12
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Stephen Hillier[2], Chief Executive	90-95	-	-	No increase	40-45	No increase	120-125	752	795	No increase
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Michael Day[3], Executive Director, Training	100-105	-	-	0-2.5	30-35	0-2.5	90-95	590	650	10
	(95-100)	(35-40)	(-)	(0-2.5)	(25-30)	(0-2.5)	(85-90)	(542)	(594)	(5)
James Henry[4], Executive Director, Supporting Delivery	80-85	-	-	0-2.5	0-5	-	-	18	37	14
	(75-80)	(-)	(-)	(0-2.5)	(0-5)	(-)	(-)	(2)	(22)	(17)
Stephen Baker, Director, Strategy	70-75	-	-	0-2.5	5-10	-	-	98	114	6
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Richard Lord[5], Director, Finance & Procurement	70-75	-	-	-	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Graham Holley[6], Chief Executive	-	-	-	-	-	-	-	-	-	-
	(150-155)	(40-45)	(23.5)	(No increase)	(60-75)	(No increase)	(200-205)	(1,373)	(1,469)	(No increase)
Hilary Emery[7], Executive Director, Development and Improvement	-	-	-	-	-	-	-	-	-	-
	(105-110)	(30-35)	(-)	(0-2.5)	(60-65)	(-)	(-)	(970)	(1,051)	(No increase)
Leanne Heddon[8], Executive Director, Supporting Delivery	-	-	-	-	-	-	-	-	-	-
	(100-105)	(0-5)	(-)	(0-2.5)	(35-40)	(0-0.5)	(115-120)	(638)	(701)	(8)
Lorraine Chapman[9], Director, Corporate Services	-	-	-	-	-	-	-	-	-	-
	(50-55)	(0-5)	(-)	(0-2.5)	(30-35)	(0-2.5)	(95-100)	(694)	(759)	(9)
Habte Hagos[10], Director, Finance, to 31 March 2010	-	-	-	-	-	-	-	-	-	-
	(15-20)	(0-5)	(-)	(No increase)	(25-30)	(-)	(-)	(470)	(478)	(No increase)

Hutton Review on Fair Pay Disclosures

	2011-12	2010-11
Band of highest paid director's total remuneration (£000)	105-110	210-215
Median pay of the organisation	32,016	32,675
Ratio	3.4	6.5

[1] The actuarial factors used to calculate cash equivalent transfer values (CETVs) were changed in 2011-12. The CETVs at 31 March 2011 and 31 March 2012 have both been calculated using the new factors for consistency. The CETV at 31 March 2011 therefore differs from the corresponding figure in last year's report, which was calculated using the previous factors.
[2] Appointed 3 May 2011
[3] Acted as Interim Chief Executive from 31 March 2011 to 2 May 2011
[4] Appointed 1 April 2011, previously Director, Finance
[5] Appointed 1 April 2011
[6] Left 30 March 2011
[7] Left 31 March 2011
[8] Left 31 March 2011
[9] Left 31 October 2010, annualised salary and bonus would have been in the range £85,000−£90,000.
[10] Left 31 July 2010, annualised salary and bonus would have been in the range £85,000−£90,000.

78. The table on the previous page also includes the disclosures required by the Hutton Review of Fair Pay; which compare the median pay of the organisation, excluding the highest paid director, with the highest paid director.

79. All senior managers, with the exception of the Chief Executive, were employed on permanent employment contracts with a notice period of three months.

80. During the year no benefits in kind were paid to a member of the SLT; in FY10-11 Graham Holley, the previous Chief Executive, received £23,500.

81. The benefit in kind payment in FY10-11 noted above related to rented accommodation in Manchester. The payment is based on the relocation travel and subsistence policy approved by the Board at the June 2009 meeting.

82. Richard Lord, the Director, Finance and Procurement, is an interim employee whose services are provided through an employment agency. During the year the Agency paid £52,000, inclusive of VAT, for those services in addition to the salary disclosed in the table above.

Agency fees for services of temporary staff

83. Agency fees for interim staff are included within the staff cost disclosures for temporary staff, see note 6a to the financial statements.

84. The amount of compensation payments included below under 'Cost of package' does not necessarily reflect amounts paid to the individuals.

Reporting of Civil Service and other compensation schemes: exit packages

85. The closure of the Agency, and transition of its operations to the Teaching Agency, resulted in a number of exit packages for non-senior management staff. The table below shows the number of exit packages agreed, and accrued, for all staff during the year to 31 March 2012. Not all the agreed exit packages relate to departures prior to 31 March 2012. Comparative information for the year to 31 March 2011 is shown (in brackets):

Exit package cost band	Number of compulsory redundancies	Number of other departures agreed	Total number of exit packages by cost band
Under £10,000	0 (0)	7 (0)	7 (0)
£10,000 - £25,000	0 (1)	6 (1)	6 (2)
£25,000 - £50,000	0 (0)	5 (4)	5 (4)
£50,000 - £100,000	0 (0)	2 (3)	2 (3)
£100,000 - £150,000	0 (0)	1 (6)	1 (6)
£150,000 - £200,000	0 (0)	0 (1)	0 (1)
£200,000 - £250,000	0 (0)	0 (1)	0 (1)
£250,000 - £300,000	0 (0)	0 (1)	0 (1)
£300,000 - £350,000	0 (0)	0 (1)	0 (1)
£350,000 - £400,000	0 (0)	0 (1)	0 (1)
£500,000 - £550,000	0 (0)	0 (1)	0 (1)
Total number of exit packages	0 (1)	21 (20)	21 (21)
Total resource cost	**£nil (£0.0m)**	**£0.6m (£3.1m)**	**£0.6m (£3.1m)**

86. Redundancy and other departure costs were paid in accordance with the provisions of the CSCS, a statutory scheme made under the Superannuation Act 1972. Exit costs are accounted for in full in the period of departure. Where the Department has agreed early retirements, the additional costs are met by the Department and not by the Civil Service Pension Scheme. Ill-health retirement costs are met by the pension scheme and are not included in the table.

The Civil Service pension

87. Pension benefits were provided through the Civil Service Pension arrangements. From 30 July 2007, civil servants could 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 period. Pensions payable under Classic, Premium, Classic Plus and Nuvos are increased annually in line with pensions increase legislation. Members who joined after 1 October 2002 could opt for either the appropriate defined benefit arrangement or a 'money purchase' stakeholder pension with an employer contribution (the partnership pension account).

88. Employee contributions were set at the rate of 1.5 per cent of pensionable earnings for Classic and 3.5 per cent 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 for Classic, and benefits for service from October 2002 calculated as for Premium. In Nuvos, a member builds up a pension based on their pensionable earnings during their year of scheme membership. At the end of the scheme year (31 March) the member's earned pension account is credited with 2.3 per cent of their pensionable earnings in that scheme year, and the accrued pension is uprated in line with pensions increase legislation. In all cases, members may opt to give up (commute) pension for a lump sum, up to the limits set by the Finance Act 2004.

89. The partnership pension account was a stakeholder pension arrangement. The employer made a basic contribution of between 3.0 per cent and 12.5 per cent (depending on the age of the member) into a stakeholder pension product chosen by the employee from a panel of three providers. The employee did not have to contribute, but where they did make contributions, the employer matched these up to a limit of 3 per cent of pensionable salary (in addition to the employer's basic contribution). Employers also contributed a further 0.8 per cent of pensionable salary to cover the cost of centrally provided risk benefit cover (death in service and ill health retirement).

90. 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.

91. Further details about the Civil Service Pension arrangements can be found on the website www.civilservice.gov.uk/my-civil-service/pensions/ index.aspx. Note 6c to the financial statements provides further information on the actual pension contribution rates payable and the actual pension contribution paid by the Agency in 2011-12.

Cash equivalent transfer values

92. The 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. It 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 pension benefits they have accrued in their former scheme. The pension figures shown relate to the benefits that the individual had accrued as a consequence of their employment, not just their current Agency appointment. The CETVs are calculated within the guidelines and framework prescribed by the Institute and Faculty of Actuaries, and do not take account of any actual or potential reduction to benefits resulting from Lifetime Allowance Tax which may be due when pension benefits are taken.

Real increase in the value of the cash equivalent transfer value

93. This reflects the increase in CETV that was funded by the employer. It does not include the increase in accrued pension due to inflation or contributions paid by the member (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 year.

Lin Hinnigan
Accounting Officer
Date: 30 May 2012

STATEMENT OF ACCOUNTING OFFICER'S RESPONSIBILITIES

Under schedule 13, paragraph 17(2) of the Education Act 2005, the Agency is required to prepare a statement of financial statements in the form and on the basis determined by the Secretary of State with the consent of HM Treasury. The financial statements are prepared on an accrual basis and must give a true and fair view of the Agency's state of affairs at the year-end and of its Statement of Comprehensive Net Expenditure, cash flows for the financial year and Statement of Changes in Taxpayer's Equity.

In preparing the financial statements, the Accounting Officer is required to comply with the requirements of the *Government Financial Reporting Manual (FReM)* and in particular to:

- observe the Accounts Direction issued by the Secretary of State, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis
- make judgements and estimates on a reasonable basis
- state whether applicable accounting standards as set out in the Government FReM have been followed, and disclose and explain any material departures in the financial statements, and
- prepare the financial statements on a going concern basis, unless it is inappropriate to presume that the entity will continue in operation.

The Accounting Officer for the Department has designated the senior full-time official, the Chief Executive, as the Accounting Officer for the Agency. The responsibilities of an Accounting Officer, including 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 Agency's assets, are set out in chapter three of *Managing Public Money*, which is available on the Treasury website.

GOVERNANCE STATEMENT

The Accounting Officer during the year had personal responsibility for maintaining a sound system of governance, internal control and risk management to support the achievement of the Agency's policies, aims and objectives, whilst safeguarding public funds and the Agency's assets.

The system of governance, internal control and risk management was designed to manage risk to a reasonable level rather than eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide high and not absolute assurance of effectiveness.

Dynamics of the organisation

The TDA had the principal aim of securing an effective school workforce that raised educational standards, provided every child with the opportunity to develop his or her potential and thereby improving children's and young people's life chances.

We achieved this aim through the delivery of projects and programmes agreed by Ministers. Risk management was an integral part of how we managed these projects and programmes. Risk management enabled us to identify and respond to the risks and opportunities that inevitably arose as we delivered our objectives and helped us to increase the certainty of achieving them. By better understanding the risks we faced we made more informed decisions about the ways forward, avoided unnecessary risks and best managed the risks that could not be avoided if we were to achieve our aims.

The TDA provided a diverse range of services, both internally and externally, to implement policy from central government. This diversity meant that there were many different types of risks that could have affected our ability to deliver our objectives. Projects, services and our working environment were all subject to uncertainty arising from a variety of sources (circumstances, actions, situation and events). When uncertainty strikes, it can have a range of effects on the achievement of our objectives.

We recognised that in trying to achieve our objectives, there were going to be threats and opportunities. By pro-actively identifying, assessing and controlling risks effectively we ensured that risks were managed to an acceptable level and that we made the most of opportunities that arose. This approach led to an increase in the Agency's ability to achieve.

The risk environment of the TDA inevitably changed and priorities, objectives and strategic direction could also be affected. Implementing an effective risk management policy and strategy ensured that the Agency could pro-actively manage these changes.

Risks facing the organisation

Strategic risks

All the risks identified in the Agency's strategic risk register related to the transition of the Agency's operations to the DfE (and its executive agencies).

Due to the pervasive nature of the transition all previously identified strategic risks were re-drafted from a transitional perspective.

New risks

Transitional environment

The changing policy environment and the transfer of TDA activity to the new executive agency, created a risk that stakeholders/partners across the education sector disengaged reducing the impact of key policy work.

Failure to adequately manage finance during transition could have resulted in reputational damage.

Data loss

Failure to manage information security lead to incidents of data loss and to the Agency's reputation and credibility being damaged in the eyes of Government, the media and other stakeholders.

Operational working environment changes

Changes to the operational working environment impacted on the TDA's ability to deliver its core operations and meet, consistently, minimum standards in any management discipline for which regulatory or customarily expected standards exist.

Appetite for risk

Unlike other organisations, i.e. profit making companies, setting an organisational appetite towards risk was not straight forward. Where other organisations can set their appetite thresholds relative to financial risk/reward formulas, the TDA could not. Our objectives were more intangible and often related to improving standards or other qualitative measures. However, boundaries needed setting to allow innovation through measured risk taking.

The TDA was an arm's length body to the DfE. However the Agency acted to fulfil spending plans originated by DfE; which were not areas of risk over which the Agency had great control. However, with regard to the Agency's policy work, we operated a minimalist approach as some calculated risks may need to be taken whilst always erring on the side of caution.

In respect of the Agency's financial controls, including areas of procurement, the Agency was risk averse. The TDA was not willing to accept high levels of risk in these areas as they had strategic significance and could potentially stop the Agency from being able to operate.

The Agency also handled a lot of sensitive/non-personal data; our risk appetite in respect of this was cautious. We were only prepared to accept a small possibility of exposure of data. We required a high degree of confidence in the deployment, operation and maintenance of security counter measures.

In regard to sensitive/personal data the Agency had a minimalist approach which means we would only accept very limited possibility of exposure of data.

All instances were risk assessed and in exceptional circumstances considered on an individual basis by the senior responsible officer.

Governance framework

TDA had a Board including independent external members, details of which are contained in the Management Commentary to this report.

The Board had three sub committees – the Remuneration Committee, the Audit Committee and the Performance Committee. The Performance Committee considered performance against Agency objectives (both financial and non-financial) and reported to the Audit Committee and the Board.

The Performance Committee, Audit Committee and Board met quarterly in this order to facilitate escalation between them.

The Remuneration Committee did not meet this year due to the freeze on executive pay. Historically the committee agreed pay systems and terms of employment for the Chief Executive and senior managers. In addition the committee reviewed the performance of the Chief Executive against their agreed objectives.

All TDA governance committees ceased to exist on 31 March 2012. However, DfE retained the services of some Board and Audit Committee members during the post-year end closure period to provide continued assurance over the Agency's final financial statements to the Accounting Officer.

Internal management

SLT

The highest level of internal management of the Agency was the Strategic Leadership Team, which consisted of the Chief Executive, the two Executive Directors, the Director of Strategy and Planning and the Director of Finance and Procurement. The team met formally on a weekly basis.

Programme boards

Internal Governance of the TDA began with review at director level. There were four six-weekly performance boards at which programme leads and directors identified and managed risk and reviewed the activities and performance indicators of the organisation. One of the boards was responsible for the teacher and teaching workforce supply, the second board was responsible for the quality of teacher training and the teaching workforce and a third board was responsible for the supporting services functions of the Agency.

The fourth board was set up to manage the processes and risks around closure and/or transition of TDA activities to the Teaching Agency up to the point of transition. The board reviewed the progress of specific transition strands (e.g. data migration), each of which had a dedicated strand leader. All post-transition reviews and continued monitoring was completed by the DfE.

Directors' group

The directors' group included all staff at director level and above. The group met regularly to review performance. The presence of director grade staff allowed for greater emphasis on detail than the higher-level committees.

Programme and Project Management process

TDA operated a formal, documented Programme and Project Management process across the entire Agency. Risks were identified and recorded routinely at an operational level and were subject to a formal escalation process, up to and including consideration by the SLT. A register of strategic risks was reported to the Performance Committee and the Board.

Delivery arrangements and achievement against business plan

As with financial results, delivery against business objectives was reviewed on a hierarchical basis by programme areas, responsible directorates, the SLT, programme boards, the Performance Committee and the Board.

The Agency operated a field force to liaise with schools delivering Agency objectives. All school based providers were subject to an assurance review process including formal assurance visits to the provider by Agency staff at least once every four years**.** The Agency relied on assurances by the Higher Education Funding Council on the delivery of Agency objectives by Higher Education Institutions.

Internal audit

Internal Audit was outsourced to PricewaterhouseCoopers (PwC). The annual internal audit plan was defined and agreed by the Audit Committee and all internal audit reports were presented to the Audit Committee. The Agency maintained a log of all internal audit recommendations, progress against which was regularly reviewed by management and the Audit Committee.

Director Statement of Internal Control (SIC) process

The Agency's assurance framework was hierarchical. The Chief Executive was at the pinnacle and assumed overall responsibility for governance for the Agency as a whole. The Chief Executive relied on internal assurance reports submitted by the executive directors and directors covering their areas of responsibilities.

At every year end directors provided a written report to their executive directors describing the assurance controls and processes covering their business processes. All breaches were reported with agreed remedial action listed.

The executive directors then summarised their directors' reports for their report up to the Chief Executive.

The Chief Executive then prepared a detailed letter of assurance for the current Accounting Officer to support their issuance of this governance statement.

External audit

The Agency's annual report and financial statements were audited by the National Audit Office. The audited document was laid before Parliament and is available to the public.

Governance during the year

Board effectiveness

Previously the Board undertook a self-assessment effectiveness review at the final Board meeting of the year.

No review was completed as at March 2012. The absence of significant weaknesses identified in previous reviews and the proximity to closure persuaded the Board to dispense with the 2012 effectiveness review.

Compliance with Corporate Governance Code

The Agency was not obliged to follow the Corporate Governance Code since it was an arm's length body. However, the Agency was sponsored by DfE and voluntarily adopted the code.

In accordance with the code the Agency had a main Board that managed the strategic direction of the TDA; with specific responsibilities delegated to sub-committees. The Board as described in paragraph 4 of the management commentary was composed of a non-executive chairman with a mixture of executive and non-executive members.

As required in the code the Agency had a written agreement with DfE setting out the how the relationship between the parties will work.

Attendance records

A summary of attendance, by member, is given below:

	Board	Board sub-committees: Audit	Board sub-committees: Performance	Board sub-committees: Remuneration†	Advisory Group*
Number of meetings in year	5	5	4	-	2
Member					
Christopher Baker	5				1
Michael Day	-				
Stephen Hillier	5		3		2
John Atkins	5				
Rekha Bhakoo	4				
Michael Cresswell	3		2		
Colin Dennis	5	-	4		2
Alison Drury	5				
Alan Gibbins		4			1
David Green	4				
Tim Head**		1			
Christopher Husbands	4				
Derrick Palmer	5	5			1
Gillian Pugh‡	3				
Roy Ransley		5			2
Richard Thornhill	4		4		
Susan Tranter	5	4			2
Alan Wood	4				

* covers the period from year end to the date of these financial statements were agreed when two post closure meetings were held.

† the committee did not meet during FY11-12. The pay freeze operating across the Agency removed any requirement for the committee to meet.

‡ second three year term of office finished in February 2012, three meetings were held between April 2011 and February 2012.

** second three year term of office finished in September 2011, two meetings were held between April 2011 and September 2011.

Internal audit report

PricewaterhouseCoopers presented their annual internal audit report to the first advisory committee meeting held in April 2012. PwC believe that an adequate and effective system of governance, risk management and internal control operated at the Agency during the year.

PwC completed 12 reviews during the year resulting in the following findings:

- 4 high risk
- 14 medium risk, and
- 7 low risk

Of these findings above only one was judged to be significant enough for disclosure in this Governance Statement.

As at January 2012 the Agency had no formally documented business continuity plan that clearly identified the key activities and services to be prioritised in the event of the plan being adopted.

Senior management agree there was no formally documented plan with identified business process priorities. However SLT are satisfied that the absence of the formal identification of business priorities would not have caused significant additional disruption in the event the plan was activated. The Agency possessed a tested business continuity plan with sufficient offsite resources to allow for a measured response.

All other findings identified were addressed during the year.

Issues on director SICs

No issues significant enough for inclusion in the Governance Statement were highlighted in director SICs.

Data breaches

No reportable known data breaches were identified during the year.

Information and IT management and data safeguarding

Agency IT, communication and information systems were developed and monitored in line with recognised standards. These were checked annually by an independent third party.

All staff were trained on data security and the Agency operated a mandatory protective marking system for all documents and e-mails. All portable IT devices utilised encryption to safeguard the data on them. In the year, there was no loss, corruption or unauthorised disclosure of any data belonging to the Agency.

The Agency had a business continuity plan which has been subject to review by independent internal auditors in the year.

Governance, internal controls and risk management

Stephen Hillier, the Accounting Officer at 31 March 2012, has confirmed to me that he reviewed the governance, internal control and risk management arrangements in operation within the Agency. His review of the effectiveness of the system of internal control was informed by the work of the senior managers who had responsibility for the development and maintenance of the internal control framework, by Internal Audit reports and other sources of information such as assurances from other Government agencies.

Financial management

Achievement against financial plans was monitored monthly through internal management reporting. Performance management boards for each area of the organisation met every six weeks and reviewed expenditure, and at the end of each quarter there was a detailed formal review of performance against budget for every area of the Agency. The outcome of these quarterly reviews was subject to scrutiny by the Performance Committee, who delivered their opinion to the TDA Board.

All Agency expenditure, including grants, was made in line with the guidance on propriety, regularity and value for money published in Managing Public Money. There were no material nugatory expenditure or losses in the year.

The Agency had a counter fraud policy, which incorporated the Bribery Act and all staff completed mandatory counter fraud training during the year. There were no instances of fraud reported in the year.

People management

Effective arrangements were in place for planning and securing the appropriate number of people with the right skills in the right location to deliver business objectives. These arrangements were supported by systems and processes which encouraged and supported high levels of individual performance and on-going development to ensure business needs were delivered.

There was a dedicated internal communications team which made use of an intranet, Agency wide e-mails and staff meetings to ensure that staff were informed about Agency issues. This became increasingly important as staff faced uncertainty around the closure of TDA and transition to the Teaching Agency and/or DfE.

The Agency experienced significant staff turnover due to the organisational changes this year, including the loss of a number of key staff. However, in my opinion, mitigating actions (including redeployment of staff, recruitment from elsewhere within Government and, in exceptional cases, procurement of interim staff) managed the consequences of this without compromising delivery of the Agency's objectives or introducing additional risks.

Health and Safety issues were addressed, including a mandatory annual display screen equipment assessment for all staff.

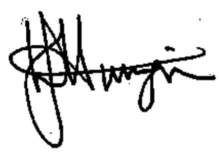
Previous Accounting Officers

In preparing this statement I placed heavy reliance upon the work of the previous Accounting Officers during the year. During the year two individuals have held the role of Accounting Officer as part of their wider Chief Executive role (Michael Day and Stephen Hillier). I have specifically relied upon a letter of assurance provided to me by Stephen Hillier on 31 March 2012.

Following the closure of the Agency on 31 March 2012, I was appointed as the Accounting Officer for the period from 1 April 2012 to the approval of the annual report and financial statements. In taking on this responsibility I have been further assured by an Advisory Group comprised of former members of TDA's Audit Committee who have scrutinised the final annual report and financial statements to ensure that they provide an accurate reflection of the business of the Agency.

Overall assessment

In my opinion, I am able to provide high assurance that the Agency's governance, risk management and internal control processes identified, controlled and managed risks and that any weaknesses identified did not represent a material threat to the Agency's operational effectiveness.



Lin Hinnigan
Accounting Officer
Date: 30 May 2012

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 Training and Development Agency for schools (the Agency) for the year ended 31 March 2012 under the Education Act 2005. The financial statements comprise: the Statements of Comprehensive Net Expenditure, Financial Position, Cash Flows, Changes in Taxpayers' Equity; 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 Board, Accounting Officer and auditor

As explained more fully in the Statement of Accounting Officer's Responsibilities, the Agency and the Accounting Officer are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. My responsibility is to audit, certify and report on the financial statements in accordance with the Education Act 2005. I conducted my audit in accordance with International Standards on Auditing (UK and Ireland). Those standards require me and my staff to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

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

I am required to obtain evidence sufficient to give reasonable assurance that the expenditure and income recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

Opinion on regularity

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

Opinion on financial statements

In my opinion:

- the financial statements give a true and fair view of the state of the Training and Development Agency's affairs as at 31 March 2012 and of the net expenditure for the year then ended; and

- the financial statements have been properly prepared in accordance with the Education Act 2005 and Secretary of State directions issued thereunder.

Opinion on other matters

In my opinion:

- the part of the Remuneration Report to be audited has been properly prepared in accordance with Secretary of State directions made under the Education Act 2005; and
- the information given in the Performance Review and Management Commentary for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which I report by exception

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

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

Report

In forming my opinion, which is not qualified, I have considered the adequacy of the disclosures made in note 1 to the financial statements concerning the application of the going concern principle in the light of the abolition of the Agency. As TDA's functions are transferring to other Government bodies, it remains appropriate for the Agency to continue to prepare the financial statements on a going concern basis in accordance with the Government Financial Reporting Manual issued by HM Treasury.

Comptroller and Auditor General
National Audit Office
157-197 Buckingham Palace Road
Victoria
London
SW1W 9SP

STATEMENT OF COMPREHENSIVE NET EXPENDITURE

for the year ended 31 March 2012

		2011-12		2010-11	
	Note	**£000**	**£000**	**£000**	**£000**
Expenditure programme					
Grants for qualifying activities	4	518,971		686,830	
Provision of information and advice	4	11,179		16,990	
Research on improving training of teachers	4	112		606	
			530,262		**704,426**
Relocation					
Movements in provisions		711		(6,107)	
In year costs		139		4,223	
	5		**850**		**(1,884)**
Administration					
Staff costs	6	15,201		17,006	
Other administration costs	7	4,553		4,068	
Depreciation and amortisation	8/9	796		806	
			20,550		**21,880**
			551,662		**724,422**
Income					
Income from activities	3		-		(3)
Net expenditure			**551,662**		**724,419**

The notes on pages 41 to 62 form part of these financial statements.

STATEMENT OF FINANCIAL POSITION

as at 31 March 2012

	Note	2012 £000	2011 £000
Non-current assets			
Property, plant and equipment	8	350	990
Intangible assets	9	-	156
Total non-current assets		**350**	**1,146**
Current assets			
Trade and other receivables	10	5,463	10,064
Cash and cash equivalents	11	16,089	883
Total current assets		**21,552**	**10,947**
Total assets		**21,902**	**12,093**
Current liabilities			
Trade payables and other liabilities	12	(9,970)	(10,054)
Total current liabilities		**(9,970)**	**(10,054)**
Non-current assets plus net current assets		**11,932**	**2,039**
Non-current liabilities			
Provisions	13	(3,878)	(3,055)
Total non-current liabilities		**(3,878)**	**(3,055)**
Assets less liabilities		**8,054**	**(1,016)**
Equity			
Revaluation reserve		-	-
General reserve		8,054	(1,016)
Taxpayers' equity		**8,054**	**(1,016)**

The notes on pages 41 to 62 form part of these financial statements.

Lin Hinnigan
Accounting Officer
Date: 30 May 2012

STATEMENT OF CASH FLOWS

for the year ended 31 March 2012

	2011-12	2010-11
	£000	£000
Cash flows from operating activities		
Net expenditure	(551,662)	(724,419)
Depreciation, amortisation and impairment charges	796	806
Decrease/(increase) in trade and other receivables	4,601	(4,279)
Decrease in trade and other payables	(84)	(11,063)
Items not passing through net expenditure account		
Use of provisions - net	823	(4,744)
Net cash outflow from operating activities	**(545,526)**	**(743,699)**
Cash flows from investing activities		
Purchase of intangible assets	-	(69)
Net cash outflow from investing activities	**-**	**(69)**
Cash flows from financing activities		
Grant/grant in aid received	560,732	727,466
Net cash inflow from financing activities	**560,732**	**727,466**
	15,206	**(16,302)**
Net increase/(decrease) in cash and cash equivalents		
Cash and cash equivalents at beginning of the year	883	17,185
Cash and cash equivalents at end of the year	16,089	883
Net increase/(decrease) in cash and cash equivalents	**15,206**	**(16,302)**

The notes on pages 41 to 62 form part of these financial statements.

STATEMENT OF CHANGES IN TAXPAYERS' EQUITY

	General Reserve £000	Revaluation Reserve £000
Balance as at 31 March 2010	**(4,119)**	**56**
Changes in taxpayers' equity 2010-11		
Net expenditure	(724,419)	-
Net gains/(loss) on revaluation of property, plant and equipment	-	-
Total recognised income and expense for 2010-11	(728,538)	56
Transfer between reserves	56	(56)
Grant and grant in aid received	727,466	-
Balance as at 31 March 2011	**(1,016)**	**-**
Changes in taxpayers' equity 2011-12		
Net expenditure	(551,662)	-
Net gains/(loss) on revaluation of property, plant and equipment	-	-
Total recognised income and expense for 2011-12	(552,678)	-
Grant and grant in aid received	560,732	-
Balance as at 31 March 2012	**8,054**	**-**

The notes on pages 41 to 62 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

1. Accounting policies

1.1. Statutory history

The Agency is an executive non-departmental public body of the Department, established under Part 1 of the Education Act 1994 as amended by the Education Act 2005. The Agency came into being in September 2005.

Our functions as set out in the original Act are to fund the provision of teacher training in England, to provide information and advice on teaching as a career, and to carry out such other functions as the Secretary of State may by order confer or impose.

The Agency will close, with the majority of operations moving across to a new executive agency of the DfE, from 31 March 2012 under the Education Act 2011.

1.2. Basis of preparation

These financial statements are drawn up in accordance with the Accounts Direction given by the Secretary of State, with the approval of the Treasury, in accordance with Schedule 13, paragraph 17(2) of the Education Act 2005 and the Financial Memorandum between the Secretary of State and the Agency, copies of which may be obtained from the Agency or the Department.

These financial statements have been prepared in accordance with the 2011-12 Government Financial Reporting Manual (FReM) issued by HM Treasury. The accounting policies contained in the FReM apply International Financial Reporting Standards (IFRSs) and International Accounting Standards (IASs) as adapted or interpreted for the public sector context. Where the FReM permits a choice of accounting policy, the accounting policy which is judged to be most appropriate to the particular circumstances of the Agency for the purpose of giving a true and fair view has been selected. The particular policies adopted by the Agency are described below. They have been applied consistently in dealing with items that are considered material to the financial statements.

The Agency's financial statements comprise:

- Statement of Comprehensive Net Expenditure
- Statement of Financial Position
- Statement of Cash Flows
- Statement of Changes in Taxpayers' Equity, and
- Notes to the financial statements.

1.3. Basis of accounting

The financial statements are prepared under the historical cost convention modified by the revaluation of property, plant and equipment.

1.4. Going concern

As part of the implementation of the Education Act 2011 the Agency was abolished at the end of March 2012. However, the key functions and activities of the Agency will be continued by a new executive agency of the DfE. Therefore, these financial statements have been prepared on a going concern basis in accordance with the guidelines in the FReM.

More details about the closure and operational transfer are given in note 2.

1 Accounting policies (continued)

1.5. Adoption of new accounting standards

The Agency has adopted the following accounting standards in these financial statements; none of which has had a significant impact:

- New interpretations from International Financial Reporting Interpretations Committee (IFRIC) 14 and 19 on financial liabilities and prepayments.
- Revision of *IAS 24: Related party disclosures*, effective from 1 January 2011. This simplified and clarified the definition of related parties. IAS 24 provides partial exemption from the disclosure requirements for Government-related entities in respect of third party transactions and balances, including commitments. This standard was adopted last year with no impact on the Agency's financial statements.
- Revision to *IFRS 3: Business combinations* concerning transitional arrangements and minority interests; none of which apply to the Agency.
- Revision to *IFRS 7: Financial Instruments: Disclosures* concerning clarification of disclosures. No impact on the Agency due to its limited exposure to financial instruments.
- Revision to *IAS1: Presentation of Financial Statements* minor amendments to the statement of changes to equity; none of which apply to the Agency.
- Revisions to IAS 27*: Consolidated and Separate Financial Statements* which are not applicable to the Agency since it does not prepare consolidated financial statements.

1.6. Intangible assets and amortisation

Purchased computer software licences are capitalised as intangible assets where expenditure of £5,000 or more is incurred. Software licences are amortised over three years or the licence life, whichever is shorter.

Where material, intangible assets are revalued using appropriate indices. There has been no revaluation of intangible assets this year.

1.7. Property, plant and equipment and depreciation

During 2011-12, the Agency leased office space, from which it operated, in Piccadilly Gate in Manchester. It carried out enhancements to the location, which have been capitalised. The Agency owns all other property, plant and equipment recognised in the Statement of Financial Position.

Expenditure on the acquisition of property, plant and equipment is capitalised where these costs exceed £1,000.

Depreciation is provided on all property, plant and equipment at rates calculated to write down the cost, or valuation, of each asset to its estimated residual value evenly over its expected useful life, as follows:

- Building refurbishment
  - four years for relocated assets or
  - five years or life of lease (whichever is shorter) for new Agency assets
- Office furniture and equipment – three years, and
- IT equipment (hardware) – three years.

Depreciation is calculated on a monthly basis and is charged from the month of acquisition. No depreciation is charged in the month of disposal.

1 Accounting policies (continued)

1.7. Property, plant and equipment and depreciation (continued)

Property, plant and equipment are carried at fair value. However, in accordance with the FReM, depreciated historic cost is used as a proxy for fair value. This is deemed appropriate as the assets are of short life and low value, meaning that the difference between historic cost and fair value is not material.

1.8. Grant in aid receivable

All grant in aid (GIA) from the Department for Education is treated as financing as it is a contribution from the Agency's immediate controlling party giving rise to a financial interest. Grant in aid is recorded as financing in the Statement of Cash Flows and credited to the General Reserve.

1.9. Grants payable

Grants payable are recognised on an accruals basis. For grants that are paid on an academic year profile, grant expenditure is recognised term by term. Consequently, no year end accruals are expected due to the alignment of the financial year end and academic term end.

Where the grants are based on estimated student numbers, settling up adjustments arising from changes in student numbers mid-year are made. Programmes which have rolling admission dates, and are therefore only able to substantiate final admission numbers at the end of the academic year, have settling up adjustments in the financial year following the end of the academic year. Other programmes which practically have single admission points and census dates in the first term have settling up adjustments within the same academic year.

Programme receivables are recognised where the Agency has a known entitlement to recover grants paid – for example where activity has not been delivered – but has not been able to recover the grants before the end of the financial year. A programme payable is recognised where the Agency has not paid the amounts to which the body is entitled before the end of the financial year.

1.10. Income

Other income is recognised in the Statement of Comprehensive Net Expenditure for the year on an accruals basis.

1.11. Value added tax

The Agency is not registered for VAT as it has insufficient chargeable output to warrant registration. Input VAT is therefore not recoverable and it is treated as expenditure. No output VAT is chargeable.

1.12. Taxation

The Agency's activities are outside the scope of corporation tax as it does not carry on a trade or any other business.

1.13. Leases

Rentals payable under operating leases are charged to the Statement of Comprehensive Net Expenditure in the year to which the payments relate to.

1.14. Loans

Loans to staff for approved purposes are classified as current assets.

1 Accounting policies (continued)

1.15. Pension costs

The Agency participates in the Principal Civil Service Pension Scheme (PCSPS). The PCSPS is a multi-employer defined benefit scheme, but the Agency is unable to identify its share of the underlying assets and liabilities. A full actuarial valuation is carried out every four years, and the last valuation was carried out at 31 March 2011.

Employees joining after 1 October 2002 can opt to join a partnership pension account − a stakeholder pension with an employer contribution.

The Agency follows IAS 19: Employee benefits, and more information regarding the pension schemes can be found in note 6c.

1.16. Provisions

The Agency recognises a provision when:

- it has a present legal or constructive obligation as a result of a past event
- it is probable that a transfer of economic benefit will be required to settle the obligation, and
- a reasonable estimate can be made of the amount of the obligation.

1.17. Asset impairment

The Agency reviews its outstanding financial asset receivables on a regular basis with a view to pursuing and providing for impairment where appropriate. Impaired financial assets are accounted for in accordance with *IFRS 9: Financial Instruments: Classification and measurement*.

Property, plant and equipment and intangible assets are regularly reviewed for impairment in accordance with *IAS 36: Impairment of assets*.

1.18. Financial instruments

The Agency does not have any complex financial instruments. However, financial assets and financial liabilities are recognised in the Agency's Statement of Financial Position when the Agency becomes a party to the contractual provisions of the instrument.

Financial Assets: The Agency recognises trade receivables as financial assets. Such assets have fixed or determinable payments that are not quoted on an active market. They are initially recognised at fair value and are subsequently measured at amortised cost less any appropriate provisions for impaired receivables.

Financial Liabilities: The Agency recognises trade payables as financial liabilities. Such liabilities are recognised at fair value and are subsequently measured at amortised cost.

Embedded Derivatives: Embedded derivatives are only recognised if considered separable from the host contract. The Agency has not identified any embedded derivatives for recognition in the Statement of Financial Position.

1.19. Impact of future IFRSs

Owing to the closure of the Agency at 31 March 2012 following the implementation of the Education Act 2011 no financial statements will be prepared for years later than 31 March 2012.

1.20. Operating segments

The Agency applies *IFRS 8: Operating segments* in full, in line with FReM requirements.

2. Closure of the Agency

As part of the implementation of the Education Act 2011 the Agency was closed and its operations transferred to either the Teaching Agency, a new executive agency of the Department, or DfE itself. Under the terms of the transfer, which is being completed under a property transfer scheme, the assets, liabilities and commitments of the Agency are being transferred at fair value on 1 April 2012. The 2011-12 FReM includes a dispensation allowing the going concern presumption to still hold where the operations of a Government body are transferred to another body without significant changes. Consequently, these financial statements are being produced under the going concern presumption; with no significant impact on the disclosures contained within the financial statements. It was not necessary to complete a fair value revaluation exercise.

A breakdown of the destination of the Agency's net expenditure for future comparative year financial reporting purposes is given below:

		Destination organisation	
	TDA	**Department for Education**	**Teaching Agency**
	£000	**£000**	**£000**
Expenditure programme			
Grants for qualifying activities	518,971	-	518,971
Provision of information and advice	11,179	-	11,179
Research	112	-	112
	530,262	-	530,262
Relocation	850	850	-
Administration			
Staff costs	15,201	3,809	11,392
Other administration costs	4,553	4,553	-
Depreciation and amortisation	796	796	-
	20,550	9,158	11,392
Net expenditure	**551,662**	**10,008**	**541,654**

2. Closure of the Agency (continued)

A breakdown of the destination of the Agency's assets and liabilities for future comparative year financial reporting purposes is given below:

		Destination organisation	
	TDA	**Department for Education**	**Teaching Agency**
	£000	**£000**	**£000**
Non-current assets			
Property, plant and equipment	350	350	-
Intangible assets	-	-	-
	350	350	-
Current assets			
Trade and other receivables	5,463	431	5,032
Cash at bank	16,089	12,009	4,080
	21,552	12,440	9,112
Current liabilities			
Trade and other payables	(9,970)	(1,009)	(8,961)
Non-current liabilities			
Provisions	(3,878)	(2,005)	(1,873)
Assets less liabilities	**8,054**	**9,776**	**(1,722)**
Equity	**8,054**	**9,776**	**(1,722)**

Additionally, it must be noted that the commitments presented in notes 14 and 15 will not be borne by the Agency rather they will from 1 April 2012 become commitments of the Teaching Agency. Similarly the provisions presented in note 13 will become provisions of the Teaching Agency.

The Agency has accrued £414,000 to cover closure costs (predominantly staff costs related to the production of the year end annual report and financial statements) incurred after 31 March 2012 which are included in other accruals in note 12.

3. Income from activities

	2011-12 £000	2010-11 £000
Income from the National Assembly for Wales		
Reimbursement of cost	-	3
Total	**-**	**3**

In previous years the Agency received income other than from the Department grant. This income was generated under a Memorandum of Understanding with the National Assembly for Wales, for promoting teaching in Wales, and with HEFCE for non-HEIs' capital expenditure contribution. This year all income is now being drawn directly from the Department.

4. Analysis of full cost expenditure on current programmes

		2011-12		2010-11
	£000	£000	£000	£000
The Executive Directorate for Training				
ITT provider funding	244,429		270,341	
Teach First	17,946		19,230	
Employment-based routes funding	87,332		84,094	
Training bursaries	82,620		164,580	
Access to learning funds	12		12	
QTS skills tests	3,793		4,175	
Primary Modern Foreign Languages	160		1,945	
Additional ITT development activity	715		1,892	
Additional ITT recruitment activity	1,752		1,540	
Student Associates Scheme	3,002		7,566	
Masters in Teaching and Learning	6,285		7,194	
Under-represented groups	104		1,254	
Career-phase specific support	243		434	
Postgraduate professional development	13,802		22,083	
Curriculum	5,079		8,553	
Subject Knowledge Enhancement	10,974		11,488	
SENCO and Special Education Needs	11,709		20,246	
Golden Hello scheme	21,517		20,637	
Support staff training, qualifications and delivery	(1)		2,329	
Training schools	6,420		17,026	
Qualifications and standards	250		90	
Workforce development and deployment	143		321	
Extended schools	10		38	
Children's workforce in schools modernisation and development (WMDG)	-		14,067	
Programme delivery and management	9		190	
Continuing professional development strategy	3		398	
CRESS	-		5,107	
Troops to Teachers	6		-	
University Training Schools	54		-	
National Scholarship Fund	603		-	
		518,971		686,830
The Executive Directorate for Supporting Delivery				
Media campaigns, recruitment events, recruitment website	6,139		7,617	
Other communications activity	4,855		7,401	
Regional leads	185		1,972	
		11,179		16,990
Research		112		606
Total		**530,262**		**704,426**

4. Analysis of full cost expenditure on current programmes (continued)

The March 2011 disclosures have been amended following the 2010 internal re-organisation that transferred programmes from EDDI to EDfT; all programmes are now directed by EDfT. The re-presentation has not altered the allocation of expenditure between programmes.

5. Relocation costs

a) The costs associated with relocation

The costs of redeployment, severance and premises associated with the relocation are detailed below:

	2011-12 £000	2010-11 £000
Staff cost		
Salary cost	-	72
Salary cost – role transfers	-	(3,962)
National insurance contributions - salary	-	5
National insurance contributions – role transfers	-	17
Recruitment costs	-	(698)
Superannuation - salary	-	9
Superannuation – role transfers	-	24
Voluntary exit scheme	711	1,730
Temporary staff costs	-	65
	711	(2,738)
Non-staff cost		
City Tower rent and fit-out	-	175
Piccadilly Gate fit-out	-	705
Dual office costs	-	60
Travel and subsistence costs	139	503
Dilapidations	-	(320)
Business expertise	-	(84)
Improving services review	-	(185)
	139	854
Total	**850**	**(1,884)**

The relocation expenditure set out above is not included in the cost disclosed in note 6a.

The voluntary exit scheme costs incurred in the year is due to scheme members finalising the payment profiles of their exit packages.

5. Relocation costs (continued)

b) Average number of employees

The average number of permanent, seconded and agency temporary staff employed on relocation during the year to 31 March 2012 was:

	2011-12 Number	2010-11 Number
Executive Directorate for Supporting Delivery	-	-
Relocation – role transfers	-	2
Total	**-**	**2**

6. Staff costs

a) The costs of staff, excluding relocation

The total cost of staff – including the Chief Executive and temporary staff – employed by and seconded to the Agency in the year to 31 March 2012 was:

			2011-12	2010-11
	Permanently employed staff £000	Others £000	Total £000	Total £000
Staff salaries	11,410	623	12,033	14,488
Social security costs	984		984	1,277
Superannuation costs	2,184		2,184	2,518
	14,578	623	15,201	18,283
Less cost of staff seconded out of the Agency			-	(1,277)
Total	**14,578**	**623**	**15,201**	**17,006**

The relocation costs of staff are disclosed in note 5a above.

6. Staff costs (continued)

b) Average number of employees, excluding relocation

The average number of permanent, seconded and temporary staff employed by the Agency during the year to 31 March 2012 was:

			2011-12	2010-11
	Permanently employed staff Number	**Others Number**	**Total Number**	**Total Number**
Directors and managers	4	1	5	6
The Executive Directorate for Training	138	-	138	84
The Executive Directorate for Development and Improvement	-	-	-	91
The Executive Directorate for Supporting Delivery	136	3	139	152
Temporary staff				6
Total	**278**	**4**	**282**	**339**

The average number of employees employed on relocation is disclosed in note 5b above.

c) Pensions arrangements for staff

For 2011-12, employer's contributions of £2.2m were payable to the PCSPS (2011: £2.5m) at one of four rates in the range of 16.7 per cent to 24.3 per cent of pensionable pay, based on salary bands (the rates in 2010-11 were 16.7 per cent to 24.3 per cent). The scheme's actuary reviews employer contributions every four years following a full scheme valuation. The contributions rates are set to meet the cost of the benefits accruing during FY11-12 to be paid when the member retires, and not the benefits paid during the year to existing pensioners. The superannuation amounts are under staff costs note 6a and also within relocation staff costs note 5.

Employees can opt to open a partnership pension account – a stakeholder pension with an employer contribution. Employer's contributions of £24,900 (2011: £33,300) were paid to one or more of a panel of three appointed stakeholder pension providers. Employer contributions are age-related and range from three to 12.5 per cent of pensionable pay. In addition, employers also match employee's contributions up to three per cent of pensionable pay. A further £1,500 (2011: £1,900) or 0.8 per cent of pensionable pay was payable 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.

There were no contributions prepaid to the partnership pension providers at the date of the Statement of Financial Position.

7. Other administration costs

	2011-12 £000	2010-11 £000
Board members' emoluments	37	42
Travel, subsistence and hospitality		
Chair	1	2
Chief Executive	-	1
Board	7	6
Employees	197	272
Staff training and fees	295	244
Central administrative expenditure	390	580
Recruitment	15	45
Information systems and payroll	563	588
Accommodation charges	1,771	1,217
Consumables	129	110
IT infrastructure	974	759
Internal auditors' remuneration	102	129
External auditors' remuneration – statutory audit	70	70
Bank charges	2	3
Total	**4,553**	**4,068**

8. Property, plant and equipment

	Refurbishment	IT	Furniture and equipment	Total
	£000	£000	£000	£000
Cost				
At 1 April 2010	1,167	1,375	233	2,775
Additions	-	-	-	-
At 31 March 2011	1,167	1,375	233	2,775
Depreciation				
At 1 April 2010	255	749	56	1,060
Charged in the year	292	355	78	725
At 31 March 2011	547	1,104	134	1,785
Net book value at 31 March 2011	**620**	**271**	**99**	**990**
Cost				
At 1 April 2011	1,167	1,375	233	2,775
Reclassified from Intangibles	-	25	-	25
At 31 March 2012	1,167	1,400	233	2,800
Depreciation and impairment				
At 1 April 2011	547	1,104	134	1,785
Depreciation charged in the year	291	205	78	574
Impairment charged in year	-	91	-	91
At 31 March 2012	838	1,400	212	2,450
Net book value at 31 March 2012	**329**	**-**	**21**	**350**

The Agency owns all tangible plant and equipment and intangible assets on its Statement of Financial Position.

IT assets that will not be used, or maintained, by either DfE or the TA after the Agency's closure have been fully impaired as at the year end.

9. Intangible assets

Software licences	31 March 2012 £000	31 March 2011 £000
Cost		
As at 1 April	593	524
Additions	-	69
Reclassified to PPE	(25)	-
At 31 March	568	593
Amortisation and impairment		
As at 1 April	437	356
Amortisation charged in the year	86	81
Impairment charged in the year	45	-
At 31 March	568	437
Net book value at 31 March	**-**	**156**

Intangible assets that will not be used, or maintained, by either the DfE or TA after the Agency's closure have been fully impaired as at the year end.

10. Trade and other receivables

	31 March 2012 £000	31 March 2011 £000
Receivables: Amounts falling due within one year		
Programme receivables	4,827	9,202
Other receivables	191	89
Programme prepayment	1	44
Other prepayments and accrued income	422	668
Loans to staff	22	61
Total	**5,463**	**10,064**

A review of receivables allocation identified errors in the categorisation as at 31 March 2011. The error related to the allocation of receivables across classes and not the valuation; the receivables total for March 2011 has not changed. March 2011 comparative balances have been re-allocated across receivables classes to improve comparability.

10. Trade and other receivables (continued)

	31 March 2012 £000	31 March 2011 £000
Receivables balances with other government bodies		
Other central government bodies	173	105
Local authorities	2,040	7,460
Balance with other government bodies	2,213	7,565
Balance with non-government bodies	3,250	2,499
Total	**5,463**	**10,064**

11. Cash and cash equivalents

	31 March 2012 £000	31 March 2011 £000
Balance at 1 April	**883**	**17,185**
Net change in cash and cash equivalents	15,206	(16,302)
Balance at 31 March	**16,089**	**883**

12. Trade payables and other liabilities

	31 March 2012 £000	31 March 2011 £000
Amounts falling due within one year		
Other taxes and social security	319	540
Programme payables	33	6
Other payables	164	222
Programme accruals	7,772	8,266
Other accruals	1,682	1,020
Total	**9,970**	**10,054**

A review of payables allocation identified errors in the categorisation as at 31 March 2011. The error related to the allocation of payables across classes and not the valuation; the payables total for March 2011 has not changed. March 2011 comparative balances have been re-allocated across payables classes to improve comparability.

12. Trade payables and other liabilities (continued)

	31 March 2012 £000	31 March 2011 £000
Payables balances with other government bodies		
Other central government bodies	1,121	824
Local authorities	1,748	1,357
Public corporations and trading funds	10	8
Balance with other government bodies	2,879	2,189
Balance with non-government bodies	7,091	7,865
Total	**9,970**	**10,054**

13. Provisions for liabilities and charges

	Relocation		Other		Total
	£000	£000	£000	£000	£000
Balance at 1 April 2010		7,799		-	7,799
Amounts charged in the year	-		1,363		
Amounts released in the year	(1,884)		-		
Net movement in provisions		**(1,884)**		**1,363**	**(521)**
Provision utilised during the year		(4,223)		-	(4,223)
Balance at 31 March 2011		**1,692**		**1,363**	**3,055**
Balance at 1 April 2011		1,692		1,363	3,055
Amounts charged in the year	711		510		
Amounts released in the year	-		-		
Net movement in provisions		**711**		**510**	**1,221**
Provision utilised during the year		(398)		-	(398)
Balance at 31 March 2012		**2,005**		**1,873**	**3,878**

The relocation provision at the year end relates to voluntary exit scheme payments still to be paid. Additional amounts were provided during the year due to the finalisation of scheme members' payment profiles for their exit packages.

The other provision relates to a potential liability for VAT payable in relation to a contract. The Agency is awaiting a decision from HM Revenue and Customs to confirm the extent of any VAT liability arising.

14. Commitments under leases

Total future minimum lease payments under operating leases are given in the table below:

	31 March 2012 £000	31 March 2011 £000
Obligations under operating leases comprise:		
Buildings		
Not later than one year	1,662	1,566
Later than one year and not later than five years	6,647	6,265
Later than five years	13,709	14,489
	22,018	22,320
Other		
Not later than one year	703	712
Later than one year and not later than five years	78	770
Later than five years	-	-
	781	1,482
Total	**22,799**	**23,802**

These financial statements have been prepared on the going concern basis in line with FReM as discussed in notes 1.4 and 2. The disclosures above do not reflect the change in organisation that occurred after 31 March 2012. Following the implementation of the Education Act 2011 the operations and activities of the Agency ceased from 31 March 2012 and were transferred to the Teaching Agency, a new executive agency of the DfE.

Under the terms of the transfer all assets, liabilities, obligations and commitments of the Agency transferred to the Teaching Agency at fair value on 1 April 2012. Consequently, all commitments arising beyond 31 March 2012 will be borne by the Teaching Agency.

15. Other financial commitments

Capital

As at 31 March 2012 the Agency had no capital commitments (2011: £nil).

Programme financial commitments

The Agency enters into ITT and postgraduate professional development funding commitments, approved on an academic year basis. The payments the Agency is committed to as at the year end, analysed by the year of commitment, are estimated as follows:

	31 March 2012 £000	31 March 2011 £000
Less than one year		
ITT provider funding	69,755	288,651
Training bursaries	14,692	104,330
Employment-based ITT funding	25,423	115,451
Student Associates Scheme	-	3,200
Subject Knowledge Enhancement scheme	1,282	15,875
Postgraduate professional development	2,265	15,503
Golden Hello scheme	25,781	30,000
Teach First	8,613	-
MTL	2,387	-
Skills tests	827	-
Recruitment premiums	135	-
Return to Teaching	46	-
	151,206	573,010
More than one year		
Golden Hello scheme	34,200	45,000
	34,200	45,000
Total	**185,406**	**618,010**

The Golden Hello scheme commitments were previously disclosed under the Executive Directorate for Development and Improvement; which was closed in March 2011 and whose operations transferred to the Executive Directorate for Training.

These financial statements have been prepared on the going concern basis in line with FReM as discussed in notes 1.4 and 2. The disclosures above do not reflect the change in organisation that occurred after 31 March 2012. Following the implementation of the Education Act the operations and activities of the Agency ceased from 31 March 2012 and were transferred to the Teaching Agency, a new executive agency of the DfE.

Under the terms of the transfer all assets, liabilities, obligations and commitments of the Agency transferred to the Teaching Agency at fair value on 1 April 2012. Consequently, all commitments arising beyond 31 March 2012 will be borne by the Teaching Agency.

16. Analysis of net expenditure by business unit

				2011-12	2010-11
	Expenditure £000	Income £000	Depreciation, amortisation, impairment £000	Total £000	Total £000
Business units					
ITT provider funding	244,429	-	354	244,783	270,642
Training bursaries	82,620	-	120	82,740	164,762
Employment-based routes funding	87,332	-	126	87,458	84,188
ITT other	75,576	-	109	75,685	107,731
Golden Hello scheme	21,517	-	31	21,548	20,660
EDfT other	7,497	-	11	7,508	39,610
EDSD	11,179	-	16	11,195	17,009
Relocation	850	-	-	850	(1,884)
Other	19,866	-	29	19,895	21,701
Total	**550,866**	**-**	**796**	**551,662**	**724,419**

In identifying operating segments, management have followed the Agency's organisational structure and strategic lines of operation. All lines of operation fall within the same geographical location and regulatory environment. Assets are not allocated to specific segments but are used across all segments.

'Other' includes staff and other administration costs.

17. Events after the Statement of Financial Position

As described in note 2 the Agency closed from 31 March 2012. Consequently, there are no events after the Statement of Financial Position date requiring an adjustment to the financial statements.

The financial statements were authorised for issue on 30 May 2012 by Lin Hinnigan (Accounting Officer).

18. Financial instruments

The financial instruments held by the Agency extend only to trade and other receivables, cash held within the Government Banking System and trade and other payables.

The Agency has no overseas operations and does not operate any foreign currency bank accounts; and as such is not subject to foreign currency risks.

The Agency is not exposed to significant levels of counterparty, credit and/or liquidity risk since TDA has low levels of receivables other than with central Government or their sponsored bodies.

19. Related party transactions

The DfE is the Agency's parent department and is therefore the Agency's immediate parent undertaking and immediate controlling party. As well as the DfE other arm's length bodies of the Department are also related parties. In addition, the Agency has had a small number of material transactions with other Government departments and other central government bodies, principally HEFCE and the National College.

The relationship with HEFCE and National College has been developed to support the Agency in its remit, particularly in areas of undergraduate teacher training courses.

During the year the Agency received £nil (2011: £2,100) from the National College for assisting with seminars.

Some of the Agency's Board and sub-committee members work with organisations with whom the Agency undertakes transactions to support its strategic aims. A summary of transaction values for the year is given below:

Related party	Member	Relationship	2011-12 Payment £000		2010-11 Payment £000
Bristol University	Michael Cresswell	Visiting Professor	2,290		3,311
University of Worcester	David Green	Vice-Chancellor and Chief Executive	6,828		7,983
Institute of Education, University of London	Christopher Husband Gillian Pugh	Director Visiting Professor	12,329		15,315
Children's Workforce Development Council	Gillian Pugh	Board member	-		42
Teaching Awards Trust	Alison Drury	Research Consultant	-		100
The Kemnal Academies Trust	John Atkins	Chief Executive	25	-	-
Calder High School	Derrick Palmer	Governor	25	-	-

19. Related party transactions (continued)

The Agency pays Board and sub-committee members £300 per day for attendance. Board members also receive £150 per day for meeting preparation. However, members who already draw a full-time salary from the public purse are not remunerated for serving as Board or sub-committee members. Their employers can request payment to be made to their institution instead. Attendance fees are payable as follows:

Fee recipient	Member	Relationship	2011-12 Payment £000	2010-11 Payment £000
The Kemnal Academies Trust	John Atkins	Chief Executive	2	3
Christopher Baker			1	
Newton Farm Nursery, Infant and Middle School	Rekha Bhakoo	Headteacher	2	3
Michael Cresswell			2	3
Colin Dennis			4	5
Alison Drury			3	6
David Green			2	3
Christopher Husbands			2	3
Derrick Palmer			6	8
Gillian Pugh			1	4
Loughborough /King's Avenue Foundation	Richard Thornhill	Executive Headteacher	3	3
Edmonton County School	Susan Tranter	Headteacher	4	4
The Learning Trust	Alan Wood	Executive Director	2	2
Alan Gibbins			2	2
Tim Head			-	2
Roy Ransley			2	2

20. Losses and special payments

During the year the Agency suffered the following losses.

	2011-12		2010-11	
	Number of cases	**Value £000**	**Number of cases**	**Value £000**
Loss of stores	-	-	1	1
Fruitless payments	4	-	30	282
Constructive losses	-	-	1	24
Claims waived or abandoned	-	-	12	12
Total	**4**	**-**	**44**	**319**

GLOSSARY

AY	academic year, August to July
BREEAM	Building Research Establishment Environmental Assessment Method
CETV	cash equivalent transfer value
CPD	continuing professional development
CSCS	Civil Service Compensation Scheme
CWDC	Children's Workforce Development Council
D&T	design and technology
DCSF	Department for Children, Schools and Families
DfE	Department for Education
EBITT	employment-based initial teacher training
EDDI	Executive Directorate for Development and Improvement
EDSD	Executive Directorate for Supporting Delivery
FReM	Financial Reporting Manual
FCO	full core offer
FY	financial year, April to March
HEFCE	Higher Education Funding Council for England
HEI	higher education institution
IAO	information asset owner
IAS	International Accounting Standard
ICT	information and communications technology
IFRIC	International Financial Reporting Interpretations Committee
IFRS	International Financial Reporting Standard
IoE	Institute of Education
IT	information technology
ITT	initial teacher training
MTL	masters in teaching and learning
NAO	National Audit Office
National College	National College for Leadership of Schools and Children's Services
NQT	newly qualified teacher
Ofsted	Office for Standards in Education, Children's Services and Skills
PCSPS	Principal Civil Service Pension Scheme
QTS	qualified teacher status
RTT	Return to Teaching Programme
SAS	Student Associates Scheme
SBM	school business manager
SCITT	school-centred initial teacher training
SEN	special educational needs
SENCO	special educational needs coordinator
SIRO	senior information risk owner
SLT	Strategic Leadership Team
STEM	science, technology, engineering and mathematics
TDA	Training and Development Agency for Schools
VAT	value added tax
WMDG	Workforce Modernisation and Development Grant

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