

TRAINING AND DEVELOPMENT AGENCY FOR SCHOOLS ANNUAL REPORT AND ACCOUNTS

2009-10



developing people, improving young lives

Training and Development Agency for Schools
Annual Report and Accounts for 2009-10

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We refer to the Department for Children, Schools and Families (DCSF) at first mention in this Report, and thereafter as the Department. The new Department for Education was announced on 11th May 2010 but this Report concerns the period prior to that (1st April 2009 to 31st March 2010) hence the reference to the DCSF.

INTRODUCTION FROM CEO AND CHAIR WELCOME AND SETTING THE STRATEGIC CONTEXT FOR THE YEAR'S WORK

The coalition agreement reached by the new government sets out its commitments to improving the quality of teaching, advancing scholarship, and increasing social mobility. We have made real advances in each of these areas this year, and we look forward to further building on and accelerating our progress in the year ahead.

High quality teaching is at the core of all world class education systems and underpins everything that high achieving schools in this country do. This year we have kept the quality of teacher training at an all time high, while also meeting every recruitment target set by the now Department for Education. The new Initial Teacher Training (ITT) inspection framework that we developed with Ofsted has focused on improving ITT quality while reducing burdens and bureaucracy for training providers. The first round of inspections under this new framework was completed this year, and 92% of training providers were found to be good or outstanding. 90% had good or outstanding prospects for improving even further.

Increasing the number of good science, technology, engineering and maths (STEM) teachers has long been one of our top priorities. This year we have increased the number of trainees in each of these vital subjects. Included in that increase were six per cent more physics and fifteen per cent more chemistry trainees – two subjects that have in the past faced the most acute shortages.

Our dedicated subject knowledge enhancement courses have allowed over 1,700 postgraduate trainees to develop the detailed subject knowledge they need to teach in our priority subjects, and we have introduced mentoring support the professional development of early career STEM teachers.

Schools can be a great engine for social mobility and we want to help pupils in our most challenging schools gain access to the best teachers. We are seeking to change public perceptions about working in a challenging school, which can be immensely rewarding. We have also developed new professional development materials to help improve and retain teachers in challenging schools, and are working with our best training providers to increase the number of their trainees taking up posts in these schools.

We have also funded for the government an increase in the number of high performing graduates entering the profession via Teach First. In the 2009/10 academic year 485 graduates started the programme and in 2010/11 there will be around 600 starting. These trainees come only from the top performing universities and train and work in complex urban schools.

We designed with providers and teachers, and implemented, the Masters in Teaching and Learning (MTL). This is a practice-based masters qualification that builds progressively on ITT and induction to develop teachers' practice and professional knowledge, skills and understanding through enquiry and the use of evidence. This has been intended as a step change in improving teacher quality alongside other masters level provision, and could be an important step on the path to transforming teaching into a masters level profession.

We are also promoting social mobility through our support to schools and local authorities as they build on and develop extended services. Now over 21,000 (97 per cent) maintained schools in England are providing children, parents and communities with access to pre- and after-school activities, childcare and other community services, and we are working to make these services sustainably 'business as usual' for schools. We have worked with schools and local authorities to develop a programme to subsidise access to these activities for economically disadvantaged children and young people and children in care. In doing so, we have aimed to improve well-being, raise attainment, and narrow the attainment gap.

We completed our move to Manchester and formally closed our London office at the end of March 2010. Throughout this transition year, we remained committed to maintaining the high standard of service and support we provide to our stakeholders. We have focused on business continuity, with roles moving at different times during the year to reflect business priorities and cyclical workload pressures. We have recruited 321 new Manchester staff and have been delighted by the broad range of skills and knowledge they bring into the Agency.

We have focused on improving our efficiency and the value for money we provide for the taxpayer. Our relocation gave us the opportunity to review the way we deliver our supporting services, and to ensure that our front-line delivery is cost effective. We have managed to achieve both administrative cost savings and a number of internal service improvements.

We have also streamlined and made changes to the bursaries we pay to trainees. These now reflect more efficiently the subject areas which remain our greatest recruitment challenge.

We were delighted that, according to the COI, the TDA is "the most efficient recruiter in government" with our teacher recruitment campaign providing a return of £85 of benefit for every £1 spent on marketing. We have since improved upon even this.

Looking to the future we are committed to working closely with the new Government on all areas of our remit with a focus on even greater improvements in teacher quality. With our experience, track record and commitment, the TDA can help schools meet the challenges ahead and help make England's school workforce truly world class.



Graham Holley

A handwritten signature in black ink that reads "Graham Holley".



Christopher Baker

A handwritten signature in black ink that reads "Chris Baker".

TDA'S BOARD MEMBERS**John Atkins**Executive Principal,
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Secondary School**Alan Wood**Chief Executive of
the Learning Trust

TDA'S ROLE AND RESPONSIBILITIES

The TDA is an executive non-departmental public body (NDPB) of the Department for Children, Schools and Families (DCSF).

Our principal aim is to secure an effective school workforce that raises educational standards, gives every child the opportunity to realise his or her potential, and so improves children's life chances.

We have a leadership role to support and challenge the whole education sector to strengthen schools' ability to develop their workforce and manage change more effectively. Our Strategic Plan 2008–13 introduced a strategic framework setting out our five-year approach to how we will meet Government priorities and achieve our vision. This framework is built on three main aims that are the foundation for all our work, and identify our core goals for the school workforce.

WORKFORCE SUPPLY

The supply of a high-quality teaching workforce

Having enough well trained teachers is critical to the quality of teaching and learning experienced by children and young people. We attract people with the right skills and motivation to join the teaching profession and give anyone interested in teaching as a career the chance to experience teaching work. Teachers' ability to contribute directly to the achievement and well-being of children reflects the training they receive. We continually seek to improve initial teacher training, and to improve the quality of both entry to the profession and the content of training by overseeing the funding and allocations process.

WORKFORCE DEVELOPMENT

The development of the children's workforce in schools

A whole variety of roles makes up the modern children's workforce in schools, and we are responsible for promoting the ongoing training and development of the entire school workforce. To make sure the workforce is well trained and developed, to meet the needs of the 21st century school, we provide occupational and professional standards, and qualifications frameworks. These are designed to improve the quality of teaching and learning, and to promote children and young people's well-being. We also encourage schools to use professional development

and performance management to allow the workforce's continuing development, and recommend that these should be linked with our standards and qualifications frameworks.

WORKFORCE REFORM

Help schools reform, remodel and deploy their whole workforce

Our final aim seeks to influence behaviour and working practices, either within a whole school, across clusters of schools, or when schools work with other institutions or services. In this we are primarily concerned with the system reform needed to develop an effective school workforce. We are particularly interested in embedding effective remodelling and deployment practices across all schools to make sure all the different skills of a diverse workforce are used effectively. We also focus on introducing integrated working across schools so that the workforce can work well with other services and promote achievement and well-being for all children.

We work closely with the Department, the National College for Leadership of Schools and Children's Services (National College), the Children's Workforce Development Council (CWDC), the Department for Business, Innovation and Skills (BIS) and many other partners to deliver on these responsibilities. The performance review section on the next page details our achievements in delivering these strategic aims.

PERFORMANCE REVIEW

WORKFORCE SUPPLY

OVERALL TEACHER RECRUITMENT

2009/10 has been a record year for recruiting trainees for ITT. We have helped universities and other ITT providers to recruit and train nearly 39,000 people, which includes around 33,000 on mainstream courses and the remainder on employment-based routes.

Around 18,000 of these trainees were training to teach the primary phase. This is particularly important as there is a growing need for new primary teachers. The main increase in numbers this year was in the 7–11 age group (up one per cent); foundation and key stage 1 trainees decreased by three per cent, and key stage 2/3 increased by four per cent, although primary trainee teachers tend to teach across the whole primary age range.

This year we have seen an overall increase in the number of trainees choosing to train in priority subjects (science, mathematics, design and technology (D&T),

engineering, manufacturing, information and communications technology (ICT), modern languages, music, religious education), despite lower targets for these subjects. The numbers of trainees for all individual subjects have grown except for music and religious education.

There has been a continued increase in the number of trainees who enter ITT aged over 25 years. In 2008/09 the figure for trainees over 25 was 46.7 per cent; this year the figure has risen to 49.2 per cent.

Recruitment in early 2010 continues to be buoyant with the Graduate Teacher Training Registry (GTTR) reporting an increase from 33 per cent to 42 per cent in the number of mathematics applications compared to last year, and an increase in science applications from 35 per cent to 47 per cent. The numbers accepted onto mainstream higher education institutions' (HEI) courses are also higher than last year across the board (some three per cent higher than last year in the priority subjects alone).

BENEFIT ONE

THE SUPPLY OF A HIGH-QUALITY TEACHING WORKFORCE

High-quality teachers are essential to education. We help schools recruit the high-quality teachers they need by promoting the teaching profession and through our development and quality assurance of ITT.

SCIENCE, TECHNOLOGY, ENGINEERING AND MATHEMATICS TEACHER RECRUITMENT

Priority subjects

Increasing the number of science, technology, engineering and maths (STEM) teachers has been one of our highest priorities this year. During 2009/10, science courses recruited 3,243 new entrants through the mainstream route and 467 through the employment-based route, meeting the target set for us by the Department for the second successive year. The number of new entrants to chemistry ITT has also risen, from 840 last year to 965 this year, and the same for physics, rising from 540 new entrants last year to 571 this year. The increase is partly accounted for by more people starting chemistry and physics specialist ITT courses – an increase of 130 and 30 trainees respectively.

Recruiting enough people onto mathematics ITT courses remains one of our biggest challenges and this year we saw real success, exceeding our target for the first time. New entrants to mainstream ITT were 2,897 compared to 2,489 in 2008/09, an increase of 17 per cent.

It is also encouraging that the numbers joining first degrees in mathematics, physical sciences and related subjects, through the Universities and Colleges Admission Service (UCAS), has mostly increased again this year.

We continue to forge strong links with subject organisations, including the Institute of Physics and the Gatsby Foundation, to support providers recruiting to priority subjects.

Dedicated recruitment schemes continue to contribute to our success in mathematics and science recruitment. Subject knowledge enhancement courses were provided for promising trainees who needed additional training, with 1,700 postgraduates being supported in priority subject areas.

This year, changes were made to the bursaries paid to trainees. These now reflect more closely the subject areas which remain our greatest recruitment challenge. Chemistry, mathematics and physics trainees receive £9,000, while biology and general science trainees receive £6,000.

Accelerated route to qualified teacher status

This year we launched a new way to achieve qualified teacher status (QTS): the six-month accelerated route. A small-scale pilot was started with the Institute of Education (IoE), working with schools in London. A total of 27 trainees started on the programme, in two cohorts, beginning in September 2009 and January 2010. The aim was to explore whether an accelerated route to QTS would be feasible for suitably qualified, highly capable and motivated applicants in mathematics, science and ICT who wanted to complete the Graduate Teacher Programme (GTP) in two terms instead of the usual three.

The pilot will run until the end of summer term 2010, and the final evaluation will be completed in November, once the second cohort have qualified and moved on to work as newly qualified teachers (NQTs). The evaluation will focus on the 'trainee journey' – what motivated them to choose this demanding route, and the special characteristics of this type of trainee. It will also look at their experiences on the course and the outcomes and success rates in terms of progression into teaching, as well as the impact on schools of providing the support needed for this mode of training, and how keen schools then are to employ these NQTs.

STEM mentoring

The science, technology, engineering and mathematics (STEM) mentoring programme was designed to support the development of early career teachers in these priority subjects by giving them access to high quality additional mentoring in their first three years in the profession. Launched in 2008/2009 with the Learning Support Network, so far 283 teachers have benefited from this project.

Science Additional Specialism and the Maths Development Programme

These two programmes both help serving teachers to extend their subject knowledge for teaching. The target groups are primarily scientists with a biology background, giving them the confidence to teach chemistry and physics, and non-specialists currently teaching mathematics. The courses were offered by 16 providers in every government office region. Recruitment was positive with 200 places taken up in science, but with only 167 in mathematics for 2010/11. We have concerns that the target of 200 for mathematics may not be met.

PERFORMANCE REVIEW

Workforce Supply

RECRUITMENT AND RETENTION IN CHALLENGING SCHOOLS

Teach First

Teach First is a small but influential route to QTS for high-performing graduates who might not otherwise have considered teaching and who will train in complex urban schools. This year has seen the roll-out of Teach First to the Yorkshire and Humber region, completing the initial planned regional expansion of the programme. A significant development was retendering the contract for the national provider role, which has overall responsibility for organisation of the programme and running the summer institute. From 2009 we have entered into a new relationship with Teach First as they have taken on this role. A further increase to 620 in the number taking part has been agreed for 2009/10. We continue to monitor the impact of Teach First and the contribution it makes to meeting the needs of challenging schools.

Challenging schools

Improving the recruitment and retention of high quality teachers in challenging schools was one of our biggest challenges last year. We implemented a new and wide-reaching national campaign designed to change perceptions about working in a challenging school. We also improved the tailored continuing professional development (CPD) resources for teachers, which were made available in September 2009, to support the development and retention of teachers in challenging schools. Our recruitment and retention challenges grant provided funding to high-performing providers to encourage them to find innovative ways of working with challenging schools and placing trainees there.

THE JOURNEY INTO INITIAL TEACHER TRAINING

GTP database

This year we have promoted the GTP more visibly and worked towards making it simpler to apply. A new set of web pages about the GTP route were launched on the TDA website in September 2009 to help and encourage potential applicants to the programme. The website now offers better information on the GTP, guiding applicants towards providers and schools that may offer GTP places. Potential applicants can search an online database for providers or schools in a particular location, and click through to contact details and further information.

A consultation was launched with GTP providers on the next phase of the project designed to develop an online application system for GTP.

INFORMATION, ADVICE, GUIDANCE AND EXPERIENCES FOR POTENTIAL TRAINEES

Exploring teaching as a career

A range of opportunities were offered to people enquiring to help them explore the idea of teaching as a career. During 2008/09, 1,955 enquirers tried a one-day observation visit in a school. Sixty-one per cent of these were interested in teaching mathematics, science, D&T, ICT, modern languages, music or religious education. Since the start of this academic year, 151 three-day taster courses have been held for people thinking of applying to teach in the next six to 12 months. Of the 2,511 people who took part in these taster courses, 58 per cent were interested in teaching mathematics, science, modern languages, music, religious education, ICT or D&T, and 25 per cent were men interested in teaching in primary schools. Eighteen per cent attended a course for people from black and minority ethnic groups. Last autumn a new 10-day school experience programme

was piloted in the South East. The pilot was aimed at graduates looking for a career change with a background in mathematics, science, technology or engineering and some management experience.

Our regional careers advisers continued to deliver impartial advice and guidance to graduate career changers. During 2008/09, they helped 6,991 enquirers, 94 per cent of them, interested in teaching mathematics, science, Design and Technology (D&T), Information and Communication Technology (ICT), music, modern languages or religious education. Thirty-five per cent were from a black or minority ethnic background. Ninety-five per cent of enquirers who returned customer satisfaction surveys rated the service as good or excellent.

Return to Teaching

Some 10,000 qualified teachers return to the profession each year after a break from this work. The Return to Teaching Programme (RTT) offers advice and support for them, and this year over 1,100 returners attended courses.

Surveys of those who completed the course show that 93 per cent of them return, or actively seek to return, to the profession within six months of completing a course.

This year we piloted mathematics and science courses in areas with high numbers of vacancies in these subjects. The two mathematics courses resulted in an additional 33 mathematics teachers over and above those recruited to standard returner courses. These courses were set up in liaison with the National Centre for Excellence in the Teaching of Mathematics (NCETM), the National Science Learning Centre (NSLC) and science training schools.

Student Associates Scheme

During 2008/09, over 8,400 university students registered for three-week placements in schools as part of the Student Associates Scheme (SAS). Forty per cent of these placements were in mathematics, physics or chemistry, and 57 per cent in STEM subjects. A survey of students who took part showed that 88 per cent were interested in becoming a teacher after their placement, compared with 72 per cent last year. Fifty-seven per cent said they would definitely be applying for ITT in the next three years. More students than ever before (95 per cent) found it a "personally enriching experience" and 79 per cent felt they had made a positive contribution in the classroom towards widening participation in higher education.

TRAINEE QUALITY

Transition to Teaching

The Transition to Teaching Programme encourages employers to promote teaching as a career to their staff, and aims to address the falling numbers of new entrants to STEM subjects. The numbers joining on the programme exceeded expectations – there are 389 participants on the programme, 76 of them either in training or already in post.

Skills tests

The 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 2008/09, a total of 34,957 candidates registered to take the tests. In the 158,650 tests delivered, 32,344 candidates met the standard by passing all three (numeracy, literacy and ICT). The percentages passing each test in three attempts were: 97.70 per cent in numeracy, 99.77 per cent in literacy and 97.10 per cent in ICT. A total of 96.28 per cent passed all three tests within three attempts.

**PERFORMANCE
REVIEW**

Workforce Supply

Psychometric testing

This year we have been developing a pilot tool that ITT providers can use to help them find out more about the qualities, skills and aptitudes of potential applicants. The tool uses a series of on-screen questions, looking at areas such as resilience, teamwork and communication. Following an initial pilot at Edge Hill University and the IoE, a second pilot is currently being conducted at a wider range of providers.

DIVERSITY

We work hard to ensure the teaching workforce reflects society's diversity. We do this by encouraging ITT providers to develop innovative approaches to recruitment and retaining trainees from all backgrounds.

During the year, we also funded specialist projects and gave specific support through targeted pre-ITT courses which help people explore whether teaching is the right career option for them.

This year we have achieved a number of improvements in the diversity of trainees. The proportion of new male trainees to mainstream primary programmes increased to 16.1 per cent (up from 15 per cent in 2008/09). The share of new trainees with a declared disability has gone up to 5.7 per cent (from 5.0 per cent in 2008/09), although the percentage of new trainees from minority ethnic backgrounds slipped to 11.2 per cent (down from 11.6 per cent in 2008/09). We aim to make progress on these figures in future years.

We worked with the Refugee Council on the Refugees into Teaching project. This offers information, advice and guidance to refugees who want to qualify as teachers in the UK. The project helps refugee teachers get jobs in schools that can lead to them gaining QTS.

On disability, we are working with Skill, the national bureau for disabled students on the Access into Teaching project. The project offers disabled students a telephone helpline staffed by trained advisers, a web information service with a range of resources and case studies, and an 'Ambassador' scheme in which qualified teachers who are themselves disabled can guide students who want to qualify as teachers in the UK.

ITT QUALITY

In summer 2009 Ofsted reported the outcomes of the first round of inspections of ITT under the new framework for inspection of ITT.

In this first round, the inspection focused on our newly accredited employment-based ITT providers. These providers were undergoing their first formally reported inspections. The outcomes showed strong evidence of improvement, and of the impact of the consultancy we had offered to improve the quality of ITT. The grades achieved in this first round of inspections were as follows:

Provider type	Number inspected
Employment-based ITT providers (EBITTs)	25
School-centred ITT (SCITTs)	15
Higher education institutions (HEIs)	6

	Overall effectiveness	Capacity to improve
Grade 1: Outstanding	31%	39%
Grade 2: Good	61%	51%
Grade 3: Satisfactory	8%	10%
Grade 4: Inadequate	0%	0%

Survey of NQTs

From February to May 2009, we carried out a survey of NQTs who had successfully completed their ITT in England during the 2007/08.

In the primary sector, 85 per cent of primary trained NQTs gave a very good or good rating for the overall quality of their training, a similar rating to the previous year. The biggest improvement in ratings related to the NQTs' understanding of their role in relation to Every Child Matters. Other key areas of improvement included their preparation for: their statutory responsibility for welfare and safeguarding, working with other professionals, working with teaching colleagues as part of a team, and managing the work of others in the classroom.

SYSTEMIC SUPPORT TO THE ITT SECTOR

Guidance on QTS standards and ITT requirements

In April 2009 we published guidance on the QTS standards and ITT requirements. The guidance, which was well received by the sector, provides support for trainees and ITT providers, offering examples of the standards in practice and signposting readers to a wide range of support materials and additional resources. The online version of the guidance is regularly updated and improved with new material, developed in consultation with partners including Ofsted and Qualifications Curriculum Development Agency (QCDA).

Byron Review and ICT in ITT

We carried out a significant evaluation of the impact of the investment in ICT in ITT over the past five years. The report highlighted progress across the sector and endorsed the logic model for evaluating the impact of professional development which we are promoting for continuing professional development. In addition to the report, the evaluation generated a suite of resources now available to providers on our website to help disseminate best practice.

A key area in which we have had significant impact has been in implementing the recommendations relating to e-safety. We collaborated with British Education Communication and Technology Agency (Becta) to help the development of the Childnet resources that are targeted at primary and secondary teachers. The quality of the materials was recognised when they were announced as the overall winner of the Medea Awards for 2009. Our work in this area, with a variety of partners, has helped produce an increase from 79 per cent to 87 per cent in trainee teachers' understanding of e-safety issues and their ability to use that understanding in the classroom.

Financial incentives review

A review of the financial incentives for mainstream postgraduate trainee teachers allowed us to make interim recommendations for reducing training bursary rates for new mainstream postgraduate trainee teachers starting ITT courses in some secondary subjects during 2010/11. The change reflects increased applications from graduates to those ITT courses, along with reducing recruitment targets for ITT.

**PERFORMANCE
REVIEW**

Workforce Supply

HIGH-QUALITY SUBJECT TRAINING

Primary languages

This year, 900 new specialist languages primary teachers were recruited. Following agreements with the Department, the TDA began to develop relationships in the UK and in China that can provide the foundations for teaching Mandarin Chinese in both primary and secondary schools.

Teaching early reading

Our programme of challenge and support to promote the recommendation of Sir Jim Rose's report on the teaching of reading focused on effective school/ITT collaborations has continued. Working with the National Strategies we developed the leading partners in literacy model that has been effective in increasing the capacity for high-quality training in this crucial area and ensuring that all trainees witness effective practice.

Higher Level Teaching Assistants (HLTAs)

Our work to support the consistency of assessment of HLTAs entered the next phase as we approved new and existing regional providers of assessment. During the year we produced and distributed effective practice guides for maths and food technology.

TRAINING INFORMATION AND GUIDANCE

The teacher training resource bank (TTRB) remained an important means of communicating swiftly with providers on key policy matters and giving them access to up-to-date materials to support high-quality teacher training.

Close monitoring of website statistics in the past year reveals a 40 per cent increase in traffic to the site, an increase of 360,000 visitors.

Alongside the TTRB we continue to support the subject resource networks, now rebranded as curriculum resource networks in line with the recommendations of the independent review of the primary curriculum. The Multiverse and Behaviour4learning projects continued to offer support to providers in the important areas of diversity and behaviour management.

PERFORMANCE REVIEW

WORKFORCE DEVELOPMENT

COHERENCE AND COLLABORATION

Professional development strategy

This year we published our strategy for the professional development of the children's workforce in schools 2009-12. This identifies three strategic priorities that underpin our work:

- 1 Embedding a learning culture
- 2 Increasing coherence and collaboration
- 3 Improving quality and capacity

The strategy was developed following extensive consultation with partners in local authorities (LAs) and schools and in close association with our National Advisory Group for Professional Development, made up of the national organisations that work to support the professional development of the school workforce.

Nine regional professional development conferences were held this year, bringing together delegates with key CPD leadership roles in schools, LAs and other regional partners. Over 750 participants attended the conferences, which aimed to build understanding of the strategy, provide a platform for identifying and sharing effective CPD practices, and strengthen strategic CPD leadership in the regions.

BENEFIT TWO

THE DEVELOPMENT OF THE CHILDREN'S WORKFORCE IN SCHOOLS

We aim to embed sustained training and continuing professional development (CPD) practice in all schools. This will allow schools to identify the highest quality and most appropriate training and development for their whole school workforce.

**PERFORMANCE
REVIEW**Workforce
Development**Effective Practices in CPD**

The Effective Practices in CPD project worked with schools to develop their continuing professional development practice for classroom-based practitioners.

The project consisted of two phases. In phase one, 670 schools worked with us to develop their practice. In phase two, around two-thirds of these schools received additional small-scale funding to continue and further develop their work – for instance, developing a new CPD policy or changing the way support staff were deployed.

We commissioned the London Centre for Leadership in Learning (LCLL) to provide support and challenge to schools in developing the in-school projects and evaluating the impact these had. All of the CPD projects were related to one or more of seven key focus areas:

- _____ professional and occupational standards
- _____ STEM subjects
- _____ 14–19 provision
- _____ challenging schools
- _____ extended services
- _____ early professional development, and
- _____ impact evaluation.

The outcomes of this review helped develop our professional development strategy, and the case studies were collated into a book – Effective Practices in Continuing Professional Development: Lessons from Schools – published at the end of 2009 and launched at an Institute of Education event in January 2010.

Cluster-based professional development

A pilot project was developed to explore the benefits of groups of schools working together in clusters to plan, deliver and evaluate the professional development for their staff. The overall purpose of the project is to determine whether or not working in clusters, rather than individually, enables schools to:

- _____ add value in the range of provision that they can offer
- _____ plan more strategically for the needs of their staff, and
- _____ make more efficient use of resources.

There were 28 clusters involved in the pilot, representing all nine government office regions. The pilot clusters included almost 300 schools and covered a range of types and phase of schools.

We have been working jointly with the National College to identify the benefits to schools of adopting this approach to professional development. The two agencies have been working together through a clusters steering group to share their findings.

We are also developing a quality framework to support the leadership and management of professional development across clusters of schools. We plan to make the framework available to existing and developing clusters, to enable them to evaluate and develop their professional development arrangements and help improve the quality of their offer.

The pilot aims to provide evidence to support the development of a national network of cluster-based professional development by September 2011.

14–19 AND INFORMATION, ADVICE AND GUIDANCE (IAG)

14–19 workforce development

This year, we have maintained the existing three-tier strategy for incorporating 14–19 diplomas into ITT. This includes:

- the 'core offer' for all secondary trainee teachers training to teach at key stage 4 or post-16
- the additional 14–19 'diploma experience' offer for some secondary trainee teachers, and
- the 14–19 'diploma specialist' trainee teacher offer.

We carried out a successful evaluation of the providers who offer the diploma experience. We also discussed with the Department the potential to increase the number of places allocated to this provision in 2010/11 (84 per cent of allocated places were filled in 2009/10). In the coming year we will consult with the Department on whether to continue offering incentives to support recruitment to diploma subjects with low participation.

We have worked closely with partners to identify gaps in the skills and knowledge of the existing 14–19 workforce. This collaborative approach ensures a consistent and effective line across the whole education sector (schools, further education, training providers, employers). This provides a secure base to give advice on future professional development needs.

In the last year we have developed a range of online CPD resources for teachers on the 14–19 reforms and on providing careers related IAG. These resources reflect statutory guidance and include work with a number of subject associations to develop careers related IAG that is embedded in the curriculum. Research is under way to find out the CPD needs of the wider school workforce in this area.

We worked with appropriate bodies in further education on mainstreaming and embedding professional development and ITT for the introduction of 14–19 diplomas, and making sure this is integrated with existing workforce reforms.

LEARNING CULTURE IN SCHOOLS

By developing and promoting coherent frameworks of professional and occupational standards and qualifications, we have opened up further opportunities for schools to adopt a whole-workforce culture of life-long learning and professional development, putting greater emphasis on progression and mobility in the workforce. Figures from autumn 2009 show that around 85 per cent of teachers are now using the professional standards when planning their development.

CPD database

To help promote our frameworks of professional standards, we piloted a national CPD database offering the schools workforce an authoritative source of information on CPD opportunities from participating providers.

The CPD database was rolled out fully, following a positive evaluation of its pilot. In its pilot year, the site received over 55,000 separate visitors. Over 600 CPD providers were registered, offering nearly 3,700 CPD opportunities.

All providers registered on the CPD database are required to agree to a code of practice developed by the TDA and other stakeholders. This sets out minimum expectations for high-quality professional development. An evaluation of the code during the pilot year showed that it could have a significant impact on the quality of CPD on the database.

**PERFORMANCE
REVIEW****Workforce
Development****CPD leadership**

This year has seen a number of significant new training resources aimed at CPD leaders in schools. An online training and development programme was introduced, in partnership with the National College, with 618 CPD leaders already registered. This programme is also available as part of the National College's leadership pathways programme. It is made up from a number of individual modules which users can work through, each module focusing on a specific aspect of CPD leadership. The modules include 'essential knowledge', case studies and research, and focus on allowing the user to reflect upon their own situation and experience. The programme is also designed for LAs to deliver as individual modules.

The programme is available from a number of higher education institutions (HEIs) across the country as a masters-level course offering 30 masters credits. The first intakes on these courses took place in autumn term 2009, with further intakes throughout 2010. To date, 105 candidates have registered for this method.

Year on year figures show that the reach of the CPD leadership project continues to grow, and now in eight of the nine government office regions all LAs in the area are fully involved.

In addition, the number of individual schools that have taken part in training or development activities for CPD leaders, organised by the regional partnerships continues to increase each year. Around 4,100 schools are taking part nationally in 2009/10 – an increase of 75 per cent compared to the previous year.

There are nine local authority-led regional CPD leadership partnerships. Each partnership has input from a dedicated regional CPD consultant – usually a CPD champion, who are often experienced CPD leaders in schools, but may also be dedicated staff from LAs.

We have continued to focus on maintaining coherence between CPD leadership and Embedding the Links. This has been used for a range of purposes, including delivering specific training to CPD leaders.

Embedding the Links

The aim of the Embedding the Links project is to promote the benefits of CPD, performance management, and professional standards for workforce development and school improvement.

In the last year, over 400 schools across the country have become involved in this project, and we have used a variety of methods to help them make and embed the links between the professional standards, performance management and CPD. These include working with regional training centres, training schools, and CPD champions. This year, the reach of the project has been extended, placing more emphasis on using expertise already in the system, such as CPD champions, advanced skills teachers and training schools, and making sure schools consider an approach that meets the needs of all staff and career stages.

In-school variation

We are working with the National College and children's services on guidance for schools' senior management teams. The aim of this guidance is to help secondary schools raise levels of attainment by learning from the variations in pupil attainment in their school.

Research by the Organisation for Economic Cooperation and Development (OECD) suggests that the English education system has one of the highest levels of variation in pupil outcomes, and a very great deal of variation within each school. As much as 80 per cent of the variation in achievement is found within schools, eg between different subject departments – four times more variation than that between different schools. Tackling in-school variation is a proven and effective means for school improvement.

This year we trialled a guide on in-school variation with 19 training schools, and we are now developing it into an interactive online resource that can be made available on our website. This will help schools to develop solutions and approaches to reducing in-school variation by capturing and capitalising on their own best practice.

CPD QUALITY AND CAPACITY

Training schools

Training schools are recognised centres of innovation and excellence in training and developing the whole school workforce – which we have continued to support. With the National College, we have consulted schools and stakeholders for advice on how the resources available to training schools, teaching schools, and leadership and development schools should be used to create a comprehensive and sustainable network of professional development clusters.

STANDARDS AND QUALIFICATIONS TO SUPPORT WORKFORCE DEVELOPMENT

Since revising professional and occupational standards for teachers and support staff in 2007, we have monitored their use and impact on the schools workforce.

We have recently commissioned research, with stakeholders, to understand better how the standards are used and perceived, and how they might be developed in future.

This year we have developed a suite of new qualifications for school support staff, this will be included in the new qualifications and credit framework in 2010. They are flexible qualifications, which make it easier for support staff to learn and acquire qualifications in ways that adapt to their personal circumstances, and which meet the requirements of their job role. Developing an apprenticeship framework for supporting teaching and learning has provided an extra route for support staff in schools to access training and qualifications.

We have continued to work closely with partner organisations, particularly the CWDC and the National College, to ensure a coherent and joined-up approach to developing standards and qualifications that span the entire schools workforce, from early years professionals to school business managers. In particular, we have worked closely with CWDC to develop

shared content in the units of our new qualifications for school support staff, reducing duplication and ensuring that our collaborations produce real benefit for participants and providers.

Working closely with partners from the former Children's Workforce Network, we have developed the integrated qualifications framework (IQF) for the children's workforce. Providers and learners can use this tool to identify the most appropriate qualifications for them to optimise their personal career development. There is an endorsement process for HEIs to submit their qualifications to the IQF. At the end of 2009, 12 HEIs had been endorsed, and there are further opportunities to add more during 2010.

Consultation has been completed on a draft set of requirements we developed to support an assessment-only route to QTS. The consultation report has been published on our website, and advice for ministers is being finalised.

School business managers

A school business manager (SBM) is a member of staff who helps to keep their school running smoothly and successfully, supporting headteachers in dealing with their leadership, management and administrative duties. The TDA and the National College work together to promote the role of the SBM.

A total of 1,130 people completed either the certificate or diploma in school business management in 2009/10. This brings the total number of people trained since the programme began in 2003 to 7,362. Over 75 per cent of people with the diploma in school business management are part of their school's senior leadership team. Evidence suggests that the broader role that SBM play as a result of their training helps to increase leadership capacity in their schools, which reduce headteachers' workloads. SBMs are also achieving significant savings in resources which can be reinvested in their schools. Research by McKinsey reported that SBMs, deployed at the appropriate leadership level, can save up to 33 per cent of their head teachers time and up to five per cent of the school budget for reinvestment.

**PERFORMANCE
REVIEW**Workforce
Development**MASTERS IN TEACHING
AND LEARNING**

The roll-out has begun of the masters in teaching and learning (MTL), a practice-based masters qualification that builds progressively on ITT and induction to develop teachers' subject, practice and professional knowledge, skills and understanding through enquiry and the use of evidence.

Providers have been appointed for the MTL – a consortia of schools and universities working collaboratively – in all government office regions, and we have worked with them to develop a nationally coherent programme using the principles set out in the national framework for MTL. Around 50 universities, working together in MTL provider consortia, had validated MTL programmes by March 2010.

We also worked with the Department and the sector to develop a national recruitment and training framework for MTL coaches. This provides the principles on which MTL in-school coaches, working in partnership with university tutors, will support teachers taking the MTL.

Our campaign to raise awareness of, and stimulate interest in, the MTL has shown good results. Eligible teachers were able to enrol from mid-January 2010, and by the end of March 2010 almost 1,500 teachers had enrolled to begin working towards the MTL from summer term 2010.

The Children, Schools and Families Select Committee report into the training of teachers in February 2010 supported the MTL and recognised that it will contribute to raising standards and further improving teaching quality by providing support to new teachers.

**SPECIAL EDUCATIONAL
NEEDS (SEN)**

There has been considerable activity this year to support and improve provision in SEN.

The materials for the primary undergraduate units have been disseminated through regional SEN networks. The materials have now been adapted and modified for use in the context of the postgraduate certificate

in education (PGCE) and to make them available as online study materials. We have taken responsibility for ensuring that teachers of children with sensory impairments have access to the mandatory qualifications in every government office region.

We have also secured provision in every government region for training for newly appointed SEN coordinators (SENCOs) and established a framework for nationally approved training for SENCOs. We invited applications from prospective providers to offer the training following a national specification developed after wide consultation. After careful consideration, a number of training providers in each government office region were approved to offer the training in September 2009 and January 2010.

During the year we were commissioned by the Department to ensure that there are places for 4,000 teachers on training to enhance their understanding of how to meet the needs of children and young people with dyslexia. We are working with the British Dyslexia Association to secure enough places with accredited providers to meet this target.

**WILLIAMS REVIEW
ON PRIMARY MATHS
SPECIALISTS**

To support the recommendations of the Williams Review, the TDA has – in association with the National Strategies – initiated a maths pilot involving 10 ITT providers. The providers planned pilot projects, in conjunction with the National Strategies advisers and consultants, which focus on the five key areas of mathematics identified in the Williams Review. The pilot is expected to help generate a strong basis for early and continuing professional development. The results are expected to be reported in the autumn term.

PERFORMANCE REVIEW

WORKFORCE REFORM

COMPLIANCE WITH THE NATIONAL AGREEMENT

The national agreement on raising standards and tackling workload was signed in 2003 with a further agreement around teachers' pay and conditions being signed in 2004. These agreements were signed by the Government, employers and the majority of workforce unions, and were intended to raise standards and tackle workloads for teachers through building a more highly skilled and capable school workforce.

Since then, there have been a significant number of changes to teachers' pay and conditions. In 2009, 'rarely cover' was implemented, which limited the time teachers can spend providing cover to enable them to concentrate on teaching.

We have continued to provide support and challenge in the implementation of the national agreement. Central to this was providing support to the issue resolution process. This was developed by the Workforce Agreement Monitoring Group (WAMG) to resolve issues of non-compliance relating to the national agreement, performance management and induction. In 2009/10 we were formally involved in tracking and resolving 12 cases of reported non-compliance in relation to the national agreement.

The Agency worked closely with WAMG to develop supporting tools to help the local groups resolve issues.

BENEFIT THREE

WORKFORCE REFORM

We help schools to manage the changes required to meet the varying demands placed on them, and to make best use of the capacity and skills of teachers and the rest of their staff. We have done this by supporting the reform, integration and effective deployment of their whole workforce and the development of extended services.

**PERFORMANCE
REVIEW**

Workforce Reform

Social partnership and LSPs

In addition to compliance issues, the TDA has this year helped to drive the priorities of the national social partnership, known as the Workforce Agreement Monitoring Group (WAMG). We were able to offer support to help deliver the benefits of the national agreement by:

- providing high-quality secretariat support
- creating communication channels between the national and local social partnerships (LSPs), and
- supporting and issuing WAMG's support and advice, including running a number of regional events where WAMG and the children's workforce could meet face to face.

The TDA has continued to support LSPs, which mirror the composition and role of the national WAMG: LSPs focus on local implementation of the national agreement.

The success of both the national and local social partnerships has been recognised in the LSP survey. The survey demonstrated that sustainability of workforce reform is being embedded in LSPs. Eighty-three per cent of respondents indicated that LSP members are successfully collaborating, and 69 per cent of LSPs appeared to be working with schools on implementation of contracts and the national agreement (increased from 59 per cent last year). The survey indicated some areas for improvement, including working towards agreed remits and protocols for all LSPs.

**REMODELLING AND
EFFECTIVE DEPLOYMENT****School improvement planning
framework**

The school improvement planning framework is a suite of tools and techniques developed to help schools raise standards of attainment and promote pupils' well-being through their strategic planning and implementation. Many of the tools are designed to help schools design and implement effective workforce remodelling and deployment strategies, tailored to their own local needs and circumstances. The

framework was developed in partnership with the National College and schools, in response to school leaders' requests.

Over the year we have supported LAs and schools on using the framework and, in particular, the toolkit. The framework was also adopted by Together for Children (TfC) for use in children's centres. Activities from the last year include:

- achieving joint endorsement by TfC for using the framework in children's centres
- working with the National College to develop new case studies on how it has developed leadership, and
- delivering specific training events for schools and LAs.

Performance management

We have supported the implementation of performance management processes for teachers and headteachers. And through LAs, have supported schools to implement The Education (School Teacher Performance Management) (England) Regulations 2006, and to promote effective practice.

In 2009, revised arrangements came into force for the threshold assessment process, the means by which teachers can access the upper pay scale. Performance management outcomes normally provide the evidence base for the assessment for teachers subject to the 2006 regulations.

We continue to promote the key messages around quality performance management, to ensure that teachers and headteachers see it as a developmental and supportive process underpinning their professional development and career progression.

In the MORI Teachers Omnibus survey on school workforce issues published in December 2008, 72 per cent of teachers interviewed felt their school's performance management system fulfils the aim of providing access to relevant training and professional development opportunities either very well or fairly well. When asked how far that system fulfils the aim of clarifying what they needed to achieve to advance in their career, 82 per cent replied very well or fairly well.

EXTENDED SERVICES

This year we exceeded our target of 85 per cent of state schools to provide the full core offer of extended services by the end of September 2009 by 12 percentage points.

This meant over 21,000 maintained schools in England are providing children, parents and communities with access to pre-and after-school activities, childcare and other community services.

We continue to make the sustainability of the extended services a priority, and our work with LAs ensured that over 90 per cent of schools have maintained the full core offer. A few schools (around two per cent) did not manage to sustain this, but they usually regained their full core offer status within a few months.

In September 2009, the extended services implementation programme entered its fifth and final year. The programme, led by the TDA and other partners including ContinYou and 4Children, continues to meet targets set by the Department. The focus of the programme this year has been on:

— analysing the schools that are still not providing the full core offer, and, with LAs and partners, providing targeted support and challenge to enable them to provide extended services

— working with LAs, clusters and schools that had achieved the full core offer, helping them build on their success to provide sustainable, high-quality, flexible services that continued to be relevant to the needs of their children, parents, community and schools, and demonstrably improved standards and the well-being of all children, especially the most vulnerable and deprived, and

— emphasising the importance of going beyond compliance, and using evidence (eg use of the impact evaluation model) to make the case for the added value of extended services in improving standards and well-being.

Extended services disadvantage subsidy

The extended services disadvantage subsidy funding was designed to make it easier for economically disadvantaged children and young people and children in care to get access to extended services activities. The aim was to improve their well-being, raise

their attainment, and narrow the attainment gap.

All LAs were invited to trial the subsidy funding in one or more of their school clusters. By December 2009, the criteria for defining economic disadvantage and who should benefit had been agreed in 95 per cent of areas, and 92 per cent had started to commission activities using the funding.

We supported LAs by producing a resource kit for cluster managers, a briefing pack and slides for schools, and information that showed how examples of the impact of the subsidy on individual children can contribute evidence to a school's self-evaluation. The subsidy has been used in a variety of ways, funding identified children to access a range of extended service activities.

PARENT SUPPORT ADVISERS (PSA)

This year we have supported LAs to consolidate their Parent Support Advisors workforces by offering training, resources, facilitated events, tools to measure impact, and funding for accredited qualifications.

As at March 2010, there were 4,205 PSAs or PSA-type roles – an increase of 76 per cent compared to the previous year - covering 69 per cent of schools.

The impact of PSAs has become increasingly clear, with a number of case studies showing the positive effect these are having for parents, children, and schools. A study found that secondary schools with PSAs saw persistent absenteeism fall by almost a quarter, with 99 per cent of LAs using PSA or equivalent roles as part of their children's and parenting support strategies.

PERSONAL TUTORING

Personal tutoring involves giving individual support and guidance to all young people, helping them make the best academic and personal progression.

It is planned that by September 2010, every secondary school student in England will have a named personal tutor – known to them, their parents or carers.

Tutoring already takes place in many schools, and our approach has been to build on this good practice.

PERFORMANCE REVIEW

Workforce Reform

This year, regional focus groups were held across the country to look into existing tutoring systems in a wide range of schools. We worked with over 40 lead schools and LAs to understand what works well and how it can be developed. We have sought to understand the challenges to delivering tutoring, and the workforce implications for schools introducing tutoring systems for the first time, or changing from targeted to universal support.

Key learning from this phase has been collated into resource kits, designed to equip schools and LAs with the information, tools and inspiration they need to make successful personal tutoring a reality in their own schools. At the same time, we provided support to individual LAs where requested to help them prepare in the run-up to the launch of the resources in March 2010.

PARTNERSHIP WORKING WITH CWDC AND NATIONAL COLLEGE

The TDA, National College and CWDC set up a Coherence Group to ensure collaboration and achieve reform at national, regional and local levels.

We have built on the work of the previous year and are putting together a joint offer to support the development and implementation of Children's Trust children's workforce strategies. The work is closely aligned with the national commissioning project.

A thorough analysis was undertaken of all 152 Children's Trust workforce strategies, and the group has worked with all LAs to draw up detailed guidelines to improve the quality and impact of these plans. This work can create a platform for the TDA, CWDC and National College to support local priorities and to respond to local priorities and commissioning.

INTEGRATED EXTERNAL DELIVERY PROGRAMME

This programme will improve the way we engage with our regional stakeholders, partners and colleagues, and the way we deliver our products to them.

This year we began the merger of the three major field forces (51 posts in total) – provider link advisers, regional advisers and training school consultants; into one new team of 32 TDA regional delivery leads (TDA RDLs). This will achieve a significant cost saving while creating better conditions for improving both impact and outcomes.

The RDL role will cover the whole of the TDA remit: RDLs will deal with HEIs, ITT providers, LAs, Children's Trusts and training schools. This allows for more coherent planning internally, reduces duplication of effort, and will improve partnership and collaborative working externally.

Our new approach has required significant internal change, creating a coherent planning model that includes commissioning delivery services as part of the business planning process. This brings the whole TDA into alignment, with significant cost and performance benefits.

We have now recruited all the RDLs and they have begun their induction. The new operating model is beginning in May 2010.

CRESS

CRESS is a partnership between the TDA and Consulting Strategies Limited (CSL) that developed from the work of the National Remodelling Team.

Its aims are to enable, deliver and manage the change process in LAs and schools to increase capacity and capability. It does this by providing tools and techniques and facilitating collaborative working. The CRESS contract in 2009–10 underpinned the implementation of many of our key projects, including the national workforce agreement, extended services, PSAs, performance management and regional delivery. This partnership also underpinned our work with social partners and the support we provide for effective development and deployment across the children's workforce in schools.

Following the success of the partnership during the year, we gained the agreement of the Department to extend the contract until 30 September 2010.

SUPPORTING DELIVERY

STRATEGIC DIRECTION

The introduction to this report sets out the principal aim of the TDA: to secure an effective school workforce that raises educational standards, provides every child with the opportunity to realise his or her potential, and improves their life chances.

To continue to improve the effectiveness of our services we conducted a number of strategic research programmes. For example, research into senior leaders' experiences of NQTs within their first three years has provided a strong evidence base that informs a number of our policies, including ITT, teacher recruitment, and teacher retention.

We recognised the need to work in partnership with other government departments and agencies to deliver on joint commitments. During the year we have reinforced and developed collaborative relationships, particularly with our partners the National College and CWDC, and are working hard with many other organisations to help that vision become a reality.

RELOCATION

We opened for business in Manchester in April 2009 and formally closed our London office at the end of March 2010, completing our move to Manchester.

Throughout this transition year, we remained committed to maintaining the high standard of service and support we provide to our stakeholders. We have focused on business continuity, with different roles moving at

different times during the year to reflect business priorities and cyclical workload pressures.

As is common with relocations to a different part of the country, many of our London colleagues chose not to make the move with us. But we have been delighted by the continued strong performance of those who did, and by the success of our extensive recruitment campaign in Manchester. This has seen us bring a broad range of skills, knowledge and talent into the Agency to replace the highly experienced people to whom we have said goodbye. We have recruited over 320 new colleagues in Manchester. Our colleagues who were leaving were dedicated to the Agency and its work, giving generously of their knowledge and expertise in their induction of, and handover to, the people taking on their roles in Manchester. This has been supported by a strong knowledge management system and corporate induction process.

Our vision and values have been at the heart of building our new organisation. We are delighted that our staff survey results show very clearly that the TDA's staff understand and support our vision and values, and recognise their roles in delivering our objectives. Eighty-two per cent of new Manchester staff said that their induction was effective overall. For London staff who chose not to relocate, we provided a comprehensive package of support and worked closely with the Public and Commercial Services Union (PCS) to help people find new jobs that do justice to their skills and experience.

**SUPPORTING
DELIVERY****VALUE FOR MONEY****Improving services**

As part of the funding allocation in the 2007 Comprehensive Spending Review (CSR07), the TDA was set a target for administration efficiency savings of five per cent per annum on the 2007–08 baseline for the three-year period from 2008–09 to 2010–11. We achieved the target of £2.53m savings in 2009–10.

A leading example of efficient recruitment in government

We are constantly looking at ways to improve the value for money of our marketing investment and we were delighted that the Central Office of Information (COI) reported that the TDA is “a leading example of efficient recruitment in Government”, with a return of £85 of benefit for every £1 spent on marketing.

The findings are part of a paper COI produced for the Government Communication Network on demonstrating the financial payback and return on marketing investment (ROMI) from government marketing communications. The COI is using the 1998–2005 TDA teacher recruitment campaigns, which won an Institute of Practitioners in Advertising (IPA) Effectiveness Award in 2006, as their main case study. The case study includes the original ROMI calculation of £85 for every £1 spent. This is being recorded as “the best return ever in the history of the IPA effectiveness awards”.* The COI concludes: “We tested out the case study’s ability to demonstrate payback against a wide range of Government campaigns and it was not found wanting – a great compliment to the TDA”. We are naturally delighted about this but not complacent; we have recently updated our ROMI assessment to reflect more recent campaigns, and this has demonstrated that we are continuing to secure high levels of return and value. The updated analysis shows that our campaign has an estimated ROMI of £101 for every £1 invested.

* The TDA’s ROMI figure is higher than any other officially sanctioned ROMI figure in the IPA’s data bank.

MANAGING OUR PEOPLE

During 2010 we will be seeking re-accreditation for Investors in People. We will develop a new workforce plan to make sure we maximise the potential and skills of our new colleagues, to continue to maintain our track record of high-quality and timely delivery.

Equality and diversity

The TDA is committed to ensuring that respect for diversity and fairness is embedded in all our work. We believe that we can only meet our corporate objectives if we succeed in engaging with under-represented communities and convincing them of the benefits of working in the schools workforce.

Our Strategic Leadership Team (SLT) recognises that it is important that the arguments on the benefits of equality must come from the top in order to direct and influence our diversity vision. They work to make sure that all staff are aware of the importance of ensuring that everyone has an opportunity to access our services. This ensures that there is a synergy between our diversity strategy and the delivery of objectives and targets.

As part of the TDA’s recruitment strategy for relocation to Manchester, we set ourselves a target of 8–10 apprenticeship posts. On 31 March we had seven apprentices already working with us, and two more were scheduled to start on 24 May 2010.

**SUSTAINABLE
DEVELOPMENT**

In 2009, we continued to support providers of ITT in incorporating education for sustainable development (ESD) into their programmes through the ESD website and support for their conference at the South Bank University.

The Certificate of School Business Management (CSBM) includes a module on evaluating sustainable development. It shows that 85 per cent of SBMs completing the course in 2009–10 said they knew more about sustainable development. SBMs are using this knowledge to make significant improvements in whole-school sustainable development. For instance, some are working towards and achieving eco-schools

awards which cover energy, water, waste and transport as well as the wider issues of biodiversity, healthy living and global perspectives.

MARKETING AND COMMUNICATIONS

Marketing campaign

Our fully integrated marketing campaign continued through 2009 with a range of activities in the 'Turn your talent to teaching' campaign. As well as looking to achieve the overall Department targets for applicants to ITT in total, we focused the campaign on specific priority subjects. At the end of September 2009, we achieved a 22 per cent increase in overall enquiries and a 24 per cent increase in enquiries from people already eligible to apply. Enquiries for priority secondary subjects were up by 47 per cent. This includes a 23 per cent increase in enquiries for science, 59 per cent increase for mathematics, and a 96 per cent increase in enquiries by potential ITC candidates. As a result, the acceptance targets for all of these subjects have been met for the first time ever.

Train to Teach

We continued with our highly successful Train to Teach events in spring 2010. Attendance at these events was up 26 per cent on previous years, with 9,532 attendees. Sixty-four per cent of them were eligible to start teacher training in September 2010.

Our programme of city seminars in London has continued and we have seen a further 1,500 potential career changers since 1 April 2009. We also held a series of 'application guidance' workshops in the summer and welcomed over 1,000 graduates to them (over 60 per cent of these graduates had studied priority subjects). We also saw almost 1,000 people at the Train to Teach 'lite' events held in October and November 2009. Working with undergraduates, we have had contact with over 4,000 students since April 2009 at a combination of on-campus presentations and recruitment fairs.

Professional Teacher

Published three times a year, our flagship CPD journal Professional Teacher offers teachers an insight into the latest in best practice, evidence, guidance and advice.

This research-led journal takes the key facts and findings of top educationalists and translates them into readable and informative features and articles. This ensures what the TDA does for teachers and the school workforce is widely known.

We achieved positive results from our annual readers' survey that were emphasised in comments such as "...we, as teachers, are professionals and we deserve something like this".

Awards

The TDA won the Public Relations Consultants Association (PRCA) award for Public Sector Public Relations Campaign of the Year. This was the third major national public relation (PR) award that we were shortlisted for in 2009, and the first gold. The award was for the PR campaign, which is an intrinsic element of the broader teacher recruitment campaign. This PR campaign helped us to see the number of people recruited onto teacher training courses exceed Government targets.

INFORMATION SECURITY AND ICT DEVELOPMENT

During 2009 the TDA further implemented Cabinet Office requirements by launching a project to formally accredit our core infrastructure and the systems for providing us with services through third party suppliers. This builds on earlier work in the context of ISO27001.

As part of the Department family, we have worked on returns for both the security policy framework and the information assurance maturity model.

The recommendations from these activities will be reviewed throughout 2010–11, and implementing them will demonstrably strengthen our commitment to keeping information safe.

FINANCIAL AND CONTRACT MANAGEMENT

Major contracts awarded during 2009–10

The TDA awarded 180 contracts during 2009–10, worth a total of £39.31m. Of these, 13 contracts were over £500,000 in value (totalling £23.71m) – these are listed below. This compares with 19 contracts of this value, totalling £20.54m, awarded in 2008–09.

Supplier	Service	Cost £'000	Contract period (financial year)
Best Practice Network	Regional providers of HLTA assessments (South West and West Midlands)	657	2009–13
Carnegie Leaders in Learning Partnership	Regional providers of HLTA assessments (North West, North East, and Yorkshire and Humber)	1,144	2009–13
COI	COI events services - call-off framework agreement	3,200	2009–12
EM Direct	Return to Teaching (RTT)	675	2009–12
EWA Limited	Return to Teaching (RTT) service and one-to-one tutor registration service	608	2009–13
Expotel	Provision of conference booking services (lot 4) - framework	700	2009-12
Literacy Matters	Return to Teaching Service	675	2009–12
Rare PSP Limited	Production of Teach magazine	700	2009–12
Redweb Ltd	Web service outsourcing project	8,600	2009–13
Teach First National ITT Partnership	National coordinator for Teach First	4,587	2009–12
Texuna Technologies Ltd.	GTP database portal	500	2009–12
TheLea.com	Return to Teaching	945	2009–12
VT Education and Skills	Regional providers of HLTA assessments (South East and London)	717	2009–13

MANAGEMENT COMMENTARY

REVIEW OF 2009–10

1 Full details of our achievements are given in the performance review section of this document, but in summary our significant achievements were:

_____ recruiting nearly 39,000 new entrants onto mainstream secondary ITT courses during 2008/09, meeting the Government's targets in all subjects for the first time ever

_____ recruiting over 3,700 new entrants onto science ITT courses, meeting the target set for us by the Department for the second successive year

_____ recruiting 571 new entrants onto physics and 965 onto chemistry ITT courses, an increase of six and 15 per cent respectively against the previous year

_____ increasing the proportion of new male trainees on mainstream primary programmes to 16.1 per cent (up from 15 per cent in 2008/09)

_____ increasing the number of participants in the Teach First programme to 620, and placing these top-performing graduates in challenging schools

_____ rolling out a CPD database offering nearly 3,700 CPD opportunities from over 600 registered providers

_____ appointing providers for the masters in teaching and learning and enrolling over 1,500 teachers onto the programme

_____ over 5,000 candidates gaining HLTA status, including over 600 with secondary maths and science subject knowledge in their training

_____ helping to increase the number of schools providing the full core offer of extended services to over 21,000 schools, and

_____ reviewing and improving our internal support services.

REVIEW OF 2009-2010

FUTURE DEVELOPMENTS

2 The Children's Plan outlined the previous Government's commitment to securing the well-being and academic attainment of all children and young people. The TDA contributed to achieving these outcomes by helping to secure and develop an effective school workforce.

3 Our strategic plan for 2008–13 provides details of our approach to developing an effective school workforce that improves children's and young people's life chances. We are committed to delivering integrated training, development and reform services for schools, children's services and Government, with passion and without compromise. In all that we do, we will continue to embrace our core values: listen, improve, deliver.

4 In 2010–11, subject to the priorities of the new Government, we will continue to raise children's standards of achievement and promote their well-being by improving the training and development of the whole school workforce. We will:

— ensure there is a sufficient supply of high-quality teachers by promoting the teaching profession and quality assuring ITT

— support the development of the school workforce by:

- creating and promoting professional and occupational standards
- developing and promoting the MTL
- supporting performance management arrangements, and
- stimulating a sufficient supply of high-quality in-service training

— support the ongoing reform of the school workforce, the wider education sector and children's and young people's services by:

- continuing to support schools and LAs to build on and develop access to extended services, and
- working with the national social partnership and LAs on embedding remodelling in schools.

We will continue to look for the most cost-effective ways to deliver our remit from the Department. We have strengthened our programme management system and have introduced an agency-wide approach to evaluating the impact of our work.

BOARD MEMBERS DURING 2009-10

5 Board members are appointed for a term of three years by the Secretary of State, and are drawn from a variety of backgrounds. Some are headteachers, governors or teachers – or work in other parts of the education system – while others have business backgrounds. Several are members of the governing bodies of institutions that receive grants from the TDA. Board members during 2009–10 were:

_____ **Professor Sir Brian Follett:**
Chair, second term ended September 2009

_____ **Christopher Baker MBE:**
Chair from September 2009

_____ **Graham Holley:**
Chief Executive from March 2006

_____ **John Atkins:**
Executive Principal (Chief Executive from January 2010), The Kemnal Trust, Bromley, appointed February 2009

_____ **Rekha Bhakoo CBE:**
Headteacher, Newton Farm Nursery, First and Middle School, South Harrow, appointed February 2009

_____ **Dr Michael Cresswell CBE:**
Visiting Professor, Bristol University, Graduate School of Education

_____ **Colin Dennis:**
Chairman, RVL Group, appointed January 2010

_____ **Alison Drury:**
Owner, Thinkvivid, appointed January 2010

_____ **Professor Deborah Eyre:**
visiting Senior Research Fellow, University of Oxford (formerly Professor of Education, the University of Warwick), term ended October 2009

_____ **Ian Ferguson CBE:**
Chairman, Data Connection Ltd, term ended October 2009

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

_____ **Professor Christopher Husbands:**
Dean of the Faculty of Culture and Pedagogy, Institute of Education, University of London, reappointed October 2009

_____ **Derrick Palmer:**
Non-executive Director of Bradford District Care Trust

_____ **Dame Gillian Pugh OBE:**
CWDC, reappointed February 2009

_____ **Richard Thornhill:**
Executive Headteacher of the Loughborough/Kings Avenue Federation, Brixton

_____ **Susan Tranter:**
Headteacher, Fitzharrys School, Oxfordshire, reappointed February 2009

_____ **Alan Wood:**
Chief Executive of the Learning Trust.

6 The TDA Board has 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 2009–10.

7 Reciprocal arrangements exist between the TDA and various sector bodies for observers to attend TDA Board meetings. The TDA Board invites observers from the HEFCE, the GTC, and the National College. TDA Board meetings are also attended by assessors from the Department and Ofsted.

**MANAGEMENT
COMMENTARY****BOARD MEMBERS' DIRECTORSHIPS
AND OTHER SIGNIFICANT INTERESTS**

8 The TDA requires Board members to inform us if they are the director of any company or organisation, or if they have any other significant interests. They must register these interests with us within 14 days of being appointed or of the interest arising. This includes:

_____ 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 TDA's business, and

_____ any significant shareholdings in a public company that have a nominal value greater than £25k, or less than £25k but greater than one per cent of the issued share capital of the company.

9 The register of Board members' interests is available for inspection on request during normal working hours at our offices at City Tower, Manchester. (From August 2010 it will be held at Piccadilly Gate, Manchester.)

THE AUDIT COMMITTEE

10 The main purpose of the committee is to advise the accounting officer and the Board on:

_____ The adequacy of the TDA's internal control and risk management systems

_____ The annual, and longer-term, plan for the TDA's internal audit service

_____ Audit reports submitted by the TDA's internal audit service

_____ Reports from the National Audit Office (NAO), the TDA's external auditors

_____ The criteria for the selecting and appointing of internal auditors, and

_____ The adequacy of management responses to issues identified by audit activity.

11 The members of the committee during the year were:

_____ **Derrick Palmer:**
Chair, appointed February 2009

_____ **James Aston MBE:**
external member, to June 2009

_____ **Professor Christopher Husbands:**
TDA Board member, to June 2009

_____ **Professor Deborah Eyre:**
TDA Board member, to October 2009

_____ **Tim Head:**
external member, appointed for a second term June 2008

_____ **Roy Ransley:**
external member, appointed September 2007

_____ **Alan Gibbins:**
external member, appointed September 2009

_____ **Susan Tranter:**
TDA Board member, appointed October 2009.

12 Under the Audit Committee terms of reference, members normally serve for a period of three years, but may serve for a second three-year term.

13 The committee met on four occasions in 2009–10. The meetings are normally also attended by the Chief Executive in his role as Accounting Officer, the head of internal audit, the finance director, the executive director for supporting delivery, and the executive director for training. The NAO, as the external auditors, and the Department, as the sponsoring department, are informed about all meetings and may attend as observers if they wish. Members-only meetings were held on two occasions in 2009–10. These meetings were primarily with regard to retendering and procurement of the internal audit function.

14 In accordance with its terms of reference, the committee submitted its annual report for 2009–10 to the Board in June 2010. The report highlighted the recommendations made by PKF, our internal auditors, on the TDA's system of internal control, management responses to those recommendations, and progress on this.

15 The committee periodically meets the internal and external auditors without officers present.

AUDIT SERVICES

16 The TDA annual accounts are audited by the NAO on behalf of the Comptroller and Auditor General. The Comptroller and Auditor General is appointed as the TDA's external auditor under statute and reports to Parliament on the audit examination.

OTHER SERVICES

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

AUDIT ASSURANCE

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

EQUALITY AND DIVERSITY

19 The TDA has an equal access to employment policy which applies to all job applicants, workers and employees. We monitor our staff in post in terms of their ethnicity, their gender, and whether they are disabled.

20 As at 31 March 2010, the TDA employed 370 people, of whom 15 per cent identified as being from racial groups other than white, 56 per cent were female, and three per cent indicated that they are disabled.

21 The demographics of Manchester and its travel to work patterns are different to London. Whilst Manchester is a diverse city in its own right, it is not as diverse as London, and this is likely to have long-term consequences for the profile of the workforce recruited in Manchester.

22 For comparison purposes, the last published figures from the Northwest Intelligence Unit showed that the minority ethnic population of Greater Manchester was 11.6 per cent of the total population (and the North West as a whole was 7.5 per cent). Further details of the demographics of the Greater Manchester and North West working population can be found at www.nwriu.co.uk

23 The TDA believes that this confirms that our recruitment and retention programmes have been fair. However, the TDA acknowledges that we need to do more work on employing disabled people and ensuring that under-represented groups are fairly represented in all areas and at all grades within the organisation.

24 We are working with our recruitment agencies to ensure that equality is embedded in the recruitment process from the outset. We work with the agencies to ensure that each application is treated on its own merits and

that the best person for a particular job role is recruited. This aim starts with how we have asked the agencies to advertise the vacancies.

SUSTAINABLE DEVELOPMENT

25 The TDA successfully retained our ISO14001 certification again in 2009. Our commitment to the environment continues to be reflected in the specification for our new premises in Manchester. In the summer of 2010 we will move into a building in Piccadilly Gate which has a Building Research Establishment Environmental Assessment Method (BREEAM) 'excellent' rating. As part of the closure of the London office 16 tonnes of paper were sent for recycling.

26 We have now introduced a sustainable travel strategy, with a carbon offset scheme for purchasing credits to offset carbon emissions from business travel flights. We will also be reviewing the Government's green Information Technology strategy for 2010–11 to make sure we support this in its IT purchasing strategy.

27 During the year, we succeeded in:

— printing less and using electronic marketing and other business materials more actively

— ensuring that all our stationery and catering suppliers have environmental credentials

— increasing our materials to raise staff awareness on using resources efficiently

— discussing with the landlord and other tenants the issue of lights left on overnight and at weekends and changing the size of toilet cisterns – which affects the overall resource efficiency of the building

— changing all light bulbs to high energy efficiency light bulbs

— increasing water efficiency signage around the office

— instructing our cleaning company to record and monitor our waste segregation practice, and report when it is not segregated properly (this information is then used for performance benchmarking), and

— always obtaining and maintaining appropriate duty of care documents for the transfer of waste.

HEALTH, SAFETY AND WELFARE AT WORK

28 We maintain an up-to-date health and safety policy statement and a health and safety manual, which is available to all staff. The policy statement sets out the organisational responsibilities of the Chief Executive, directors, managers, team leaders and all employees in respect of health and safety.

SICKNESS ABSENCE

29 During 2009–10 the total number of working days lost due to sickness absence amounted to 1,808 days (compared to 1,854 days in 2008–09) which is an average of five days per employee (six days in 2008–2009).

SYSTEM OF INTERNAL CONTROL

30 The Chief Executive's statement on internal control (SIC) is produced on page 47. In reviewing the effectiveness of this system of internal control, the Chief Executive is advised by the work of the Directors' Group and Strategic Leadership Team (SLT), the Audit Committee, HEFCE, and PKF, the TDA's internal auditors.

INFORMATION SECURITY

31 In accordance with Cabinet Office guidelines, we must report any incidents involving personal data. We keep personal data relating to our employees, contractors, suppliers, school workforce candidates and stakeholders. In 2009–10 there were no incidents reported to the Information Commissioner's Office, either formally or informally.

32 The information security paragraph in the statement on internal control on page 52 sets out our data protection statement and what we do to manage information risk.

FREEDOM OF INFORMATION

33 The TDA complies fully with the Freedom of Information Act 2000. We responded to 53 separate requests for information under the terms of the Act.

GRANT AND GRANT-IN-AID FOR THE PERIOD AND NET EXPENDITURE FOR THE YEAR

34 The grant-in-aid (GIA) for the year was £781.639m (2008–09: £738.222m). Of this, £740.386m (2008–09: £711.127m) was funding for programme costs, £15.9m (2008–09: £2.223m) for relocation costs and £25.353m (2008–09: £24.872m) for administration costs. The capital expenditure element in the administration costs amounted to £582k (2008–09: £267k) and in the relocation costs this was £1.391m. Full details of the additions are in notes 8 and 9 to the accounts.

35 Expenditure on programmes and administration continue to be accounted for through the net expenditure account regardless of the source of funding, while the GIA goes directly to the statement of financial position and forms part of the general reserves. As a result, the net expenditure account shows expenditure net of general receipts for the year of £780.009m (2008–09: £736.966m) of which £740.553m (2008–09: £713.635m) is programme expenditure. Figure 1 shows our programme expenditure funding trends since 2005–06.

36 Figure 2 shows the trends in our spending on administration for the five years to 31 March 2010, split between staff and non-staff costs. The figures for periods before 2008–09 are non-IFRS (International Financial Reporting Standards) and so are not fully comparable, but any difference is not considered to be material.

Figure 1: Programme Expenditure in £million

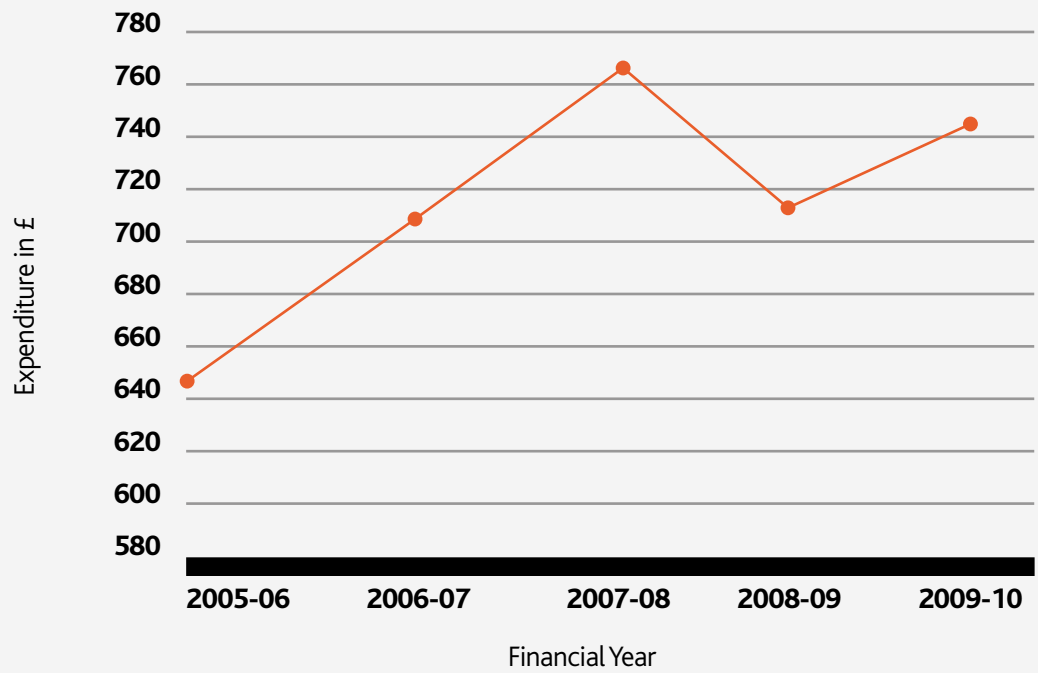
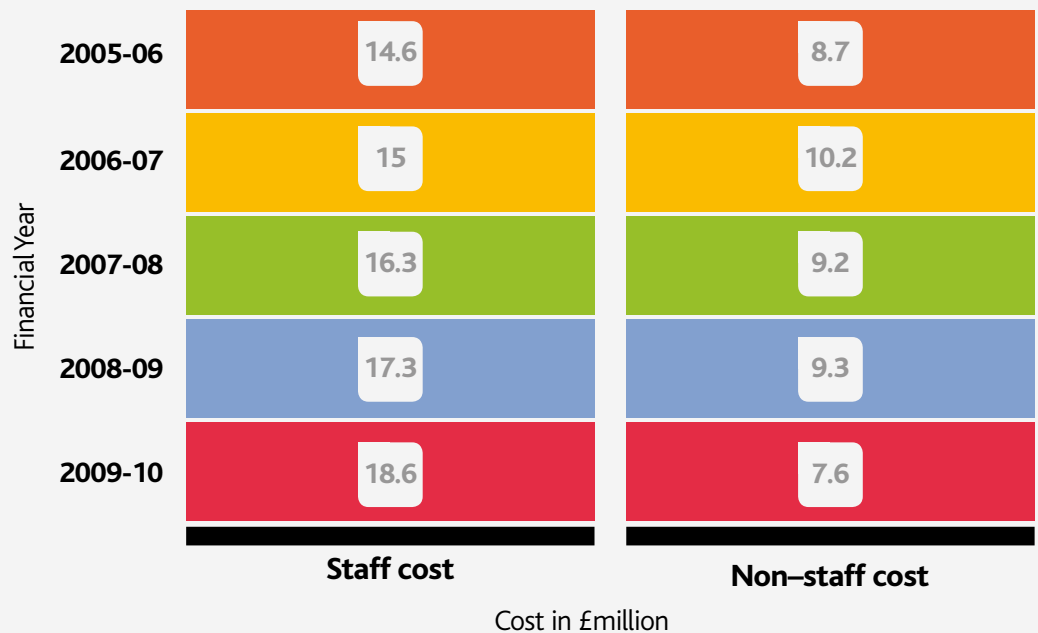


Figure 2: Actual Administration Cost in £million



**MANAGEMENT
COMMENTARY****FINANCIAL RESULTS FOR 2009-10**

37 The net expenditure account on page 56 shows a net expenditure of £780.009m (2008–09: £736.965m). The result for the year for programme expenditure and administration was an underspend of £660k (2008–09: underspend of £912k). Of the £660k underspend, £569k relates to programme expenditure (largely due to lower holdback creditors than expected) and £91k relates to underspend in administration costs. The administration cost underspend includes recyclable efficiency savings for the year of £2.53m.

38 In addition, there was a relocation underspend of £491k (2008–09 underspend of £439k). This is a ring-fenced underspend which cannot be redeployed to other programmes and hence is carried forward from one year to the next.

39 The relocation expenditure for the year includes cash spend of £15.409m, London Office refurbishment cost net book value (NBV) write off of £852k and net provisions of £1.43m (new provision £7.03m less last year's provision utilised £5.6m) chargeable to provision. The statement of financial position provision has increased from £6.40m at the end of last financial year to £7.80m in 2009-10. The increased provision mainly relates to VES liabilities.

GOING CONCERN

40 The statement of financial position at 31 March 2010 shows net total liabilities of £4.06m (2008–09: restated £5.69m), which takes into account a relocation provision of £7.8m (2008–09: £6.4m). The Department has already agreed to fund the relocation programme out of funds voted by Parliament. It has accordingly been considered appropriate to adopt a going concern basis for the preparation of these financial statements.

NOTIONAL COSTS

41 In accordance with HM Treasury guidance on reports and accounts of NDPBs, these accounts include the notional cost of capital, which amounts to £642k credit (2008–09: restated £430k credit). Note 5 to the accounts explains the basis for calculating these charges.

**THE TDA/DEPARTMENT FINANCIAL
MEMORANDUM**

42 During 2009–10, no services were provided free of charge by the Department. All services were paid for in accordance with the provisions of the individual service level agreements (SLAs) concluded with the Department.

**INCOME OTHER THAN THE DEPARTMENT
GRANT AND GRANT-IN-AID**

43 Our total income other than the Department grant and the GIA (see note 2 to the accounts) amounted to £1.47m (2008–09: £1.578m). This income is 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.

CASH BALANCES AT 31 MARCH 2010

44 At 31 March 2010, the TDA had a cash balance of £17.185m (2008–09: £9.738m) which was fully committed (note 11 to the accounts). Of the £17.185m, £7.799m relates to relocation and the balance is cash used to fund creditors. At the end of last year, the TDA returned a relocation cash underspend of £5.769m, hence the lower cash balance last year. The like-for-like comparison would be £9.386m this year against £9.738m last year.

NON-CURRENT ASSETS

45 Note 1 to the accounts explains the policy adopted for the capitalisation of non-current assets. The accounts include capital expenditure of £1.973m including spending on relocation of £1.391m, (2008-09, £267k)

46 The net book value of non-current assets increased from £1.500m at 31 March 2009 to £1.883m at 31 March 2010. This increase is mainly due to the refurbishment cost and purchases of new ITC infrastructure at our offices in Manchester.

PAYMENT OF CREDITORS

47 The TDA supports HM Treasury's Better Payment Practice Code. During the year, 94 per cent (2008-09: 94 per cent) of invoices were paid within the 30-day period. In December 2008, the Department advised NDPBs to move as soon as practicable to paying all undisputed invoices from small and medium-sized enterprises within 10 working days to help them better manage their cash flow in the current economic climate. In response, we changed our payment processes within one week of notification, and we now pay the majority of invoices from small and medium-sized enterprises within the new deadline. The aggregate amount owed to trade creditors at the year end, as a percentage of the aggregate amounts invoiced by suppliers during the year, is 4.9 days.

48 No interest has been paid or claimed by creditors under the Late Payment of Commercial Debts (Interest) Act 1998 (2008-09: nil).

PROVIDING INFORMATION TO EMPLOYEES

49 We provide information to our employees to encourage them to be aware of, and involved in, our performance and the factors that affect it. Our monthly newsletter, published every month, is posted on the Intranet, as are our annual report and accounts and our business plan. During the year we have also organised briefings for each executive directorate as well as lunchtime seminars.



Graham Holley
Chief Executive and Accounting Officer

Date: 23 June 2010

REMUNERATION REPORT

PART ONE

UNAUDITED INFORMATION

Service contracts of senior management

50 New appointments to director level posts are on merit and by fair competition. New opportunities are usually widely advertised, although exceptionally more limited advertising is appropriate.

51 Current policy is to appoint the Chief Executive on a fixed term contract; other senior managers are appointed on open ended contracts or on a period of secondment from other employers. Open ended contracts have a retirement age of 65 and a notice period of three months.

52 Early termination, other than for misconduct or inefficiency, would result in compensation under the Civil Service Compensation Scheme (CSCS). There was one CSCS payment in 2009/10 and the details are set out as a footnote to paragraph 69 below.

Remuneration of senior management

53 The Remuneration Committee comprises three members: Christopher Baker (TDA Chair), Dame Gillian Pugh, and David Green.

54 The policy on the remuneration of senior managers is to ensure that the remuneration package takes account of:

_____ the need to recruit, retain and motivate suitably able and qualified people who can, as a team, lead the TDA to achieve its aims, and take responsibility for particular aspects of the business

_____ contribution to the achievement of TDA 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 Treasury pay guidance

_____ the pay levels and pay system for all other TDA staff, and

_____ the affordability of the proposals, taking account of the TDA's annual administration budget.

55 The pay system for directors is analogous to that of all other TDA staff where there is pay progression and the opportunity to be awarded annual non consolidated performance related payment.

56 Individual performance is assessed against key objectives which are agreed at the beginning of the financial year, taking account of the relevant objectives in the TDA's corporate plan.

57 The remuneration package includes basic pay and non consolidated performance related payments. Increases in basic pay are dependent on satisfactory levels of performance, and non consolidated performance related payments are to incentivise and reward higher levels of performance. Non consolidated performance related payments are awarded for higher levels of performance but they do not exceed 10 per cent of basic salary.

PART TWO

AUDITED INFORMATION

Emoluments of Board members

58 The TDA pays Board and Board subcommittee members £300 per day for attendance. Board members also receive £150 per day for meeting preparation. However, members who are public sector employees, who already draw a full-time salary from the public purse, are not remunerated for serving as Board or subcommittee members. Headteachers can request payment to be made to their schools instead.

59 In 2009–10, the following sums have been paid to Board and subcommittee members with payment made to the employer, where appropriate, shown in brackets against their name.

Member/Employer	2009-10 £	2008-09 £
James Aston *	1,035	1,050
John Atkins	4,200	750
Christopher Baker *	–	9,626
Rekha Bhakoo	2,550	750
Brenda Bigland (Lent Rise Combined School)	–	1,350
Andrew Buck (Jo Richardson Community School)	–	4,200
Dr Michael Cresswell	1,200	–
Colin Dennis	1,650	–
Alison Drury	1,350	–
Deborah Eyre	2,400	3,300
Alan Gibbins	1,200	–
David Green	3,300	3,000
Tim Head	2,400	1,200
Christopher Husbands	3,600	4,650
Derrick Palmer	8,850	2,700
Dame Gillian Pugh	3,300	3,750
Roy Ransley	1,500	1,800
Richard Thornhill (Loughborough 'Fresh Start' Primary School)	3,750	3,300
Susan Tranter (Fitzharrys School)	3,150	4,950
Susan Tranter	900	–
Alan Wood (The Learning Trust)	2,250	750
Total	48,585	47,126

* Include VAT

Christopher Baker has been employed as chair of the TDA since 1 August 2009.

60 The total amount of non-taxable travel and subsistence payments made to Board members are shown in note 7 to the accounts.

EMOLUMENTS OF THE CHAIR

61 The TDA had two chairs during the course of the year. Professor Sir Brian Follett stepped down in August 2009 and his total emoluments up to that date were £19.5k (2008–09 full year: £47k). Christopher Baker succeeded Professor Sir Brian Follett and his total emoluments were £19k. Neither Chair received any bonus or taxable benefit. No superannuation contribution is payable by the TDA on the Chairs' emoluments.

EMOLUMENTS OF THE CHIEF EXECUTIVE

62 The Chief Executive's total emoluments for 2009–10 were £194.8k (2008–09: £178.9k) representing salary of £142.2k (2008–09: £139.4k), a non-consolidated performance related pay of £4.2k (2008–09: £4k), a housing allowance of £13.8k (2008–09: Nil) and employer's contributions to the pension scheme of £34.6k (2008–09: £35.5k).

63 The Chief Executive is a member of the Principal Civil Service Pension Scheme (PCSPS); contributions are paid at the rate of 24.3 per cent (2008–09: 25.5 per cent), as outlined in note 6c to the accounts. Graham Holley was appointed as Chief Executive of the TDA in March 2006 and his current five-year contract runs to 2013.

SALARY AND PENSIONS ENTITLEMENTS OF SENIOR MANAGEMENT

64 The table opposite shows the salary paid, and pension benefits accrued, for each member of the Strategic Leadership Team (SLT) in 2009–10, with the corresponding prior year figures (in brackets). Salary includes gross salary, performance-related pay allowance, recruitment and retention allowances, and location allowance.

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

66 No benefits in kind were paid to any member of SLT in 2008–09.

67 Robert Wood, Director of Strategy, took early retirement on 31 December 2009 under the CSCS. Accordingly he received a CSCS payment of £38.8k. The TDA has also paid additional pension contributions (APC) of £7.9k to PCSPS for the three months ending 31 March 2010 and the APC payment will continue to age 60.

68 The benefit in kind payments shown in the following table relate to rented accommodation in Manchester. The allowances are based on the relocation travel and subsistence policy approved by the Board at the June 2009 meeting.

	Salary paid, including performance bonus	Benefits in kind	Real increase in pension at 60	Total accrued pension at 60 at 31/3/10	Real increase in lump sum	Lump sum at 31/3/10	CETV* at 1/4/09	CETV at 31/3/10	Real increase CETV at 31/3/10
Graham Holley, Chief Executive	145–150	14	2.5–5	65–70	7.5–10	200–205	1,345	1,496	66
	(140–145)	–	(0–2.5)	(65–70)	(5–7.5)	(190–195)	–	–	–
Michael Day, Executive Director, Training	90–95	12	0–2.5	25–30	2.5–5	80–85	525	584	29
	(95–100)	–	(0–2.5)	(25–30)	(0–2.5)	(75–80)	–	–	–
Hilary Emery, Executive Director, Development and Improvement	110–115	–	50–52.5	55–60	–	–	116	1,043	916
	(120–125)	–	(2.5–5)	(5–10)	–	–	–	–	–
Leanne Hedden, Executive Director, Supporting Delivery	95–100	–	0–2.5	35–40	5–7.5	110–115	623	702	37
	(85–90)**	–	(2.5–5)	(35–40)	(7.5–10)	(105–110)	–	–	–
Lorraine Chapman, Director, Corporate Services	85–90	–	0–2.5	30–35	5–7.5	95–100	641	728	40
	(80–85)	–	(0–2.5)	(25–30)	(5–7.5)	(85–90)	–	–	–
Habte Hagos, Director, Finance to 31 March 2010	85–90	12	2.5–5	25–30	–	–	438	510	45
	(80–85) ***	–	(0–2.5)	(20–25)	–	–	–	–	–
Robert Wood, Director, Strategy	60–65 ****	–	0–2.5	30–35	2.5–5	95–100	679	764	29
	(80–85)	–	(0–2.5)	(25–30)	(2.5–5)	(85–90)	–	–	–
James Henry, Director, Finance	5–10 *****	–	0–2.5	0–5	–	–	–	2	2

* Opening cash equivalent transfer values (CETV) balances have been revised on the advice of the scheme actuary.

** From 21 April 2008. Annualised salary and bonus would be in the range 90–95.

*** Includes back pay to 1 December 2007.

**** Left 31 December 2009. Annualised salary and bonus would be in the range 80–85.

***** Started on 2 February 2010. Annualised salary would be in the range 75–80.

THE CIVIL SERVICE PENSION

69 Pension benefits are provided through the Civil Service pension (CSP) arrangements. From 30 July 2007, civil servants may be in one of four defined benefit schemes – either a ‘final salary’ scheme (classic, premium, and classic plus) or a ‘whole career’ scheme (nuvos). These statutory arrangements are unfunded, with the cost of benefits met by monies voted by Parliament each year. Pensions payable under classic, premium, classic plus and nuvos are increased annually in line with changes in the retail prices index (RPI). Members joining after 1 October 2002 may opt for either the appropriate defined benefit arrangement or a good quality ‘money purchase’ stakeholder pension with a significant employer contribution (partnership pension account).

70 Employee contributions are 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 in premium. In nuvos, a member builds up a pension based on their pensionable earnings during their period of scheme membership. At the end of the scheme year (31 March) the member’s earned pension account is credited with 2.3 per cent of their pensionable earnings in that scheme year and the accrued pension is uprated in line with the RPI. 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.

71 The partnership pension account is a stakeholder pension arrangement. The employer makes a basic contribution of between three per cent and 12.5 per cent (depending on the age of the member) into a stakeholder pension product chosen by the employee. The employee does not have to contribute, but where they do make contributions, the employer will match these up to a limit of three per cent of pensionable salary (in addition to the employer’s basic contribution). Employers also contribute 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).

72 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.


73 Further details about the CSP arrangements can be found on the website www.civilservice-pensions.gov.uk. Note 6c to the accounts provides further information on the actual pension contribution rates payable and the actual pension contribution paid by the TDA in 2009–10.

**THE CASH EQUIVALENT
TRANSFER VALUES**

74 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 has accrued as a consequence of their to-date employment, not just their current TDA appointment. The CETVs are calculated within the guidelines and framework prescribed by the Institute of Actuaries and The Faculty of Actuaries.

**THE REAL INCREASE IN THE VALUE OF
THE CASH EQUIVALENT TRANSFER VALUE**

75 This reflects the increase in CETV effectively funded by the employer. It takes account of the increase in accrued pension due to inflation, 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 period.



Graham Holley
Chief Executive and Accounting Officer

Date: 23 June 2010

STATEMENT OF ACCOUNTING OFFICER'S RESPONSIBILITIES

Under schedule 13, paragraph 17(2) of the Education Act 2005, the TDA is required to prepare a statement of accounts in the form and on the basis determined by the Secretary of State with the consent of HM Treasury. The accounts are prepared on an accrual basis and must give a true and fair view of the TDA's statement of financial position at the year end, and of its net expenditure account, statement of cash flows for the financial year and statement of changes in reserves and taxpayer's equity.

In preparing the accounts, the accounting officer is required to comply with the requirements of the Government International Financial Reporting Manual (IFReM) 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 TDA. 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 TDA's assets, are set out in chapter three of Managing Public Money, which is available on the Treasury website.

2009–10 STATEMENT ON INTERNAL CONTROL

SCOPE OF RESPONSIBILITY

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

The TDA is an executive non-departmental public body (NDPB). It is headed by a non-executive Board appointed by the Secretary of State as set out in the Education Act 1994 (as amended by the Education Act 2005). The TDA can therefore only do those things that the Education Act provides that it can do.

The TDA's management statement and financial memorandum define the respective roles of the Accounting Officer, the non-executive Board, and the principal accounting officer and ministers. The management statement defines the reporting requirements placed on the TDA. Appropriate communication channels are in place to the Department is informed of the business of the TDA and that we, in turn, are informed of its requirements.

The TDA's 2008–13 strategic plan details the direction that the Agency will take over the five-year period. This high-level strategy is helping business continuity during the two transition years and the three years following our move to Manchester. The plan sets out how the TDA will contribute, through workforce supply, development and reform, to improve children's and young people's well-being and educational achievement. The strategic plan was drawn up by officials and the Board and was approved by ministers. The plan is supported by detailed project and programme information, found in the annual TDA Business Plan.

The TDA Board consists of between 12 and 16 members, one of whom is appointed by the Secretary of State as the Chair. They meet regularly with me and my senior managers to provide strategic guidance to the executive. As the Chief Executive, I am the only executive member of the Board.

The Board, through the Strategic Leadership Team (SLT) which acts as the Risk Management Committee, and the Directors' Group, are informed of the risks facing the TDA, and the TDA's responses for dealing with risks. In 2009–10, I established a new subcommittee of the Board, the Performance Committee. It acts, under delegated authority from the Board, to review, support and challenge the Agency's performance towards its targets, monitoring progress against key performance indicators, financial performance and risk management. The Performance Committee will receive reports from the newly formed executive directorate boards whose remit is to ensure that the executive directorates operate within the Agency's governance framework, while making good progress on delivery of the business plan. The Audit Committee will continue to routinely scrutinise the risk management process, and the way it operates, as part of its overall responsibility for the Agency's system of internal control.

THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

The system of internal control is designed to manage risk to a reasonable level, rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide a reasonable, not absolute, assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of departmental policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in the TDA for the year ended 31 March 2010 and up to the date of approval of the annual report and accounts, and accords with HM Treasury guidance.

CAPACITY TO HANDLE RISK

The TDA has developed a comprehensive risk management policy which is regularly reviewed by the SLT.

Bespoke training is provided to members of staff with responsibility for establishing and managing risk at programme and project level. The TDA's Head of Strategic Planning provides day-to-day support to all staff on risk management and, in particular, supports the SLT and operational groups throughout the annual planning process to ensure risk issues are included at all stages.

THE RISK AND CONTROL FRAMEWORK

The TDA does not operate a risk-averse culture; it accepts that risks need to be taken to deliver its challenging agenda. I do, however, require risk to be properly evaluated and managed appropriately. In doing so I expect a balanced response to be made to risks, whereby the cost of control is weighed against the likely impact of a risk becoming a reality.

We have a 12-month rolling risk register. Risks are identified routinely at an operational level; high-level risks are subject to regular scrutiny and reported on. The strategic risk register was reviewed quarterly by the SCT which I chair, taking into account emerging issues and priorities for the forthcoming financial year and the prevailing assessment of the risks on the existing register. This is also reviewed by the Audit Committee. The strategic risk register was approved by the Board when it was first drawn up, and reviewed quarterly, when members consider the SLT's assessment of the levels of impact and likelihood of each risk.

The TDA's risk appetite requires it to seek further mitigation where the assessment of current risk remains high. The Board acknowledges, however, that some factors operating in the TDA's external environment which it cannot mitigate may cause a risk to remain high. In these instances, it looks to more frequent monitoring by risk sponsors and owners, with the outputs reported to the Board, to reflect the need for tighter control.

Risk management is embedded within the TDA. The risk and control framework operates side-by-side with the TDA's corporate and operational planning process. So, for example, risk identification and assessment is carried out when strategic, operational and project plans are being considered. Risks are monitored and reported in accordance with the TDA's monitoring process, or at project or programme board meetings, as appropriate.

In my judgement, all significant risks have been escalated appropriately, or alternatively, dealt with at the right level within the organisation.

REVIEW OF EFFECTIVENESS

As Accounting Officer, I have responsibility for reviewing the effectiveness of the system of internal control. My review of the effectiveness of the system of internal control is informed by the work of the internal auditors; the HEFCE's assurance service; the Office of Government Commerce (OGC) Gateway reviews; and programme/project management and directors within the TDA who have a responsibility for the development and maintenance of the internal control framework; and comments made by the external auditors in their management report and other reports.

As further evidence in support of my review of the effectiveness of the system of internal control, in 2009-10 I have required directors to provide written confirmation to me that they have maintained an awareness and understanding of TDA policies and procedures, that they have complied with these policies and procedures, and that they have promoted awareness of TDA policies and procedures within their directorate.

I have been advised on the implications of the result of my review of the effectiveness of the system of internal control by the Board, the Audit Committee and the Risk Management Committee. Plans to address weaknesses and ensure continuous improvement of the system are in place. There are no matters arising from the directors' assurance statements that will require action in the coming year.

THE AUDIT COMMITTEE

A duly constituted Audit Committee has operated through the year and its terms of reference reflect best practice. It consists of two Board members and three independent members, two are from the accounting profession and all have recent and relevant financial experience. All are non-executives.

The Audit Committee aims to ensure that the TDA has a comprehensive and reliable assurance for the framework of risk management, control and governance. In providing its broad-based assurance to me, the Audit Committee wishes to assure itself that information risk is well managed across the Agency.

The Audit Committee has met regularly and has considered reports from internal audit on the system of internal control, risk management and governance, from HEFCE on HEIs' ITT providers' systems of internal control, and the external auditors. They have also taken evidence from senior managers as and when they have deemed appropriate.

The committee, also in line with best practice, has considered its own effectiveness. The Agency has made funding available for members' professional development training which each member is actively encouraged to undertake.

SELECT COMMITTEE

The House of Commons Select Committee on Children, Schools and Families undertook an enquiry into teacher training during 2009-10. The Committee was appointed by the House of Commons to examine the expenditure, administration and policy of the Department and its associated public bodies. The TDA provided written evidence and gave oral evidence to the committee. The Government is responsible for determining the response. The report was published in the spring.

INTERNAL AUDIT

A professional and independent internal audit service, conducted by PKF, was maintained throughout the year. The Audit Committee agreed the internal audit strategy and plans for 2009–10. I met regularly with the internal auditors and received from them reports on internal audit findings, which included their professional opinion on the level of assurance applicable to the TDA.

My review includes consideration of the internal audit opinion in conjunction with the Audit Committee and in the light of audit findings this year. Internal audit was carried out in accordance with the internal audit strategy programme set out in the audit plan. The programme took into account the challenging agenda of the TDA and the internal auditors' assessment of the coverage required to meet the Government internal audit standards introduced from 1 April 2009. The audit programme agreed for the year included reviews of corporate governance counter-fraud and risk management, including relocation risk management, business continuity planning, core financial systems review, financial resource management, and IT and personal data security. The review and audit of HEIs and non-higher education institute payments and holdbacks concluded that the system was sound, with only a minor recommendation to provide more detailed information on the calculation of holdbacks. The review of compliance arrangements for school-centred initial teacher training (SCITT) also found the system to be sound, with no recommendations made, and highlighted a number of good practice areas. The internal audit of local authority grant payments concluded that the level of control over payments was adequate.

Based on the audit work carried out, the internal auditors concluded that the system of internal control is adequate for the purposes of the TDA and is operating effectively in all key areas. The governance and planning arrangements were found to be strong, and there is generally a robust framework of financial and operational procedures. In particular, the relocation process and associated risk issues were found to be well managed, and the relocation process to have been successful, with sufficiently robust arrangements having no detrimental effect on ongoing activity and with the effect of a tightening – rather than a loosening – of controls. In their view, there are no specific failures that need to be disclosed in the TDA's statement on internal control.

The key areas arising from internal audits carried out during the year that the TDA needs to address relate to:

- Local authorities funding and accountability framework – the need to review a sample of 2009–10 verification reports. A further requirement to ensure that planned activities are specifically linked to TDA outcomes, and the requirement for regional advisers to formally sign off costed action plans as mandatory
- Finance – further development of the payroll systems which were brought in-house in the current year, to update the anti-fraud strategy, whistle-blowing policy and fraud response plan, and to provide annual training on fraud awareness
- HR and Payroll personal data security – refined the newly implemented HR/Payroll system, with configuration of the business processes and systems to include TDA-specific user documentation and controls, and
- Returners' programme – enhancing the systems of control in respect of the returners' programme RTT through implementing a numbers/EWA database; attendance recording/verification; and key performance indicators/reporting.

Through their report, the internal auditors have alerted me to where improvements are necessary, and I take a personal interest in the implementation of such plans. A spirit of cooperation exists between my staff and internal audit and they work together to maintain a culture of continuous improvement. All recommendations made by the internal auditors have been accepted by management, and the implementation of previous recommendations is reviewed annually as part of the internal audit.

The internal auditors have reviewed this statement on internal control and confirmed that it reflects HM Treasury guidelines and follows a similar format to last year. They concur with the views expressed in this statement on internal control.

OTHER ASSURANCE MECHANISMS

As Accounting Officer, I am required to be satisfied that those organisations that the TDA funds also operate in an appropriate control environment. The Finance Directorate monitors this through a number of control checks, foremost of which are:

- provider financial assurance reports
- receipt and examination of ITT providers' accounts
- contract management reports
- performance reviews
- Audit Committee scrutiny, and
- third-party assurance – HEFCE, the Audit Commission, Office of Government Commerce (OGC) Gateway review.

The TDA has established a SCITTs assurance process through audit visits and other monitoring processes put in place by my Finance Directorate. The TDA has a service level agreement with HEFCE. This empowers the council to monitor the control environment operated by those institutions that receive funding from the TDA and report their findings to me on a regular basis.

INFORMATION SECURITY

We have continued to make progress towards implementing an information security management system, and accreditation under the ISO 27001 international standard has begun. A review of TDA processes against the security policy framework and information maturity model has been undertaken and contingencies formed, and both a senior information risk officer and departmental security officer have been appointed.

This framework has supported and underpinned the identification of TDA information assets and helped us to categorise the level of information and risk appetite of the Agency in this context.

Information is a valuable asset to the TDA, and its security and proper use is fundamental to the delivery of our services. During 2009–10, we have continued our work focused on the Government Security Policy Framework (SPF), working closely with our sponsor department. This work has involved:

- rolling out information technology infrastructure library (ITIL) v3 training and developing ITIL processes that support the SPF
- appointing a head of information assurance and data security officer
- delivering Agency-wide information assurance training at both level 1 and level 2 of the Government information assurance training
- delivering information assurance awareness training to the TDA Board and to information asset owners
- attending and working within Department and Cabinet Office senior information risk owner (SIRO) workshops
- undertaking risk management accreditation document sets (RMADS) for TDA information assets
- completing the Cabinet Office information assurance maturity model
- continuing to review information risk regularly within both the TDA risk register and the Audit Committee
- undertaking a review of the information-related business continuity provisions, and
- undertaking internal and external penetration testing of agency infrastructure.

During 2009–10 we investigated and published our information risk appetite and are applying measures to an appropriate level to meet this. We believe that the information assurance conformance is driven by the behaviour of our staff, and we are supporting this by rolling out our information assurance cultural change plan, assisted by the information security management system and the information champions that form the core of this. There were no significant security breaches that required notification to the Information Commissioners Office. There were no incidents of actual or suspected data loss during the year.

RELOCATION

In line with the Lyons Review, the TDA offices relocated from London to a temporary office in Manchester, and this move was completed in March 2010. The second stage relocation – where our offices move from City Tower to Piccadilly Gate in Manchester – is scheduled for August 2010, and a detailed transition plan has been formulated to ensure business continuity. This move to Piccadilly Gate remains on course for August 2010. The Relocation Programme Board, which I chair, ensures proper governance, as well as effective monitoring of the risks associated with this programme.

As part of building the new agency in Manchester, we have rationalised some of our functions such as the way we deliver our regional services, as well as the manner in which we formulate our strategies centrally. This has resulted in the realignment of some of the functions across the three executive directorates.

VALUE FOR MONEY

Reviews undertaken in previous years have been followed through to build towards improving value for money in two key areas.

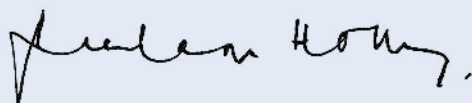
Firstly, the review of our marketing function in 2008–09 recommended investment in our website as a way of securing savings in other areas of our marketing activity in due course, and of further enhancing our effectiveness. In this year, we have taken a major step towards that by appointing a single contractor to develop and deliver our website. Work carried out this year will see a new website launched later in 2010, with savings from other areas of the Agency beginning to accrue.

Secondly, the last Gateway review of our relocation programme, in 2008–09, recommended we revisit the original business case so we were better placed to demonstrate the benefits realised through relocation. And this year we have also started to restructure at the top of the organisation, an exercise which we expect to lead to a minimum of 20 per cent fewer senior managers by the end of 2010–11.

CONCLUSION

As accounting officer I am satisfied with the TDA's governance, risk management and internal control arrangements, and that the weaknesses identified by internal audit – which are being acted on – do not, in any event, represent a material threat to the TDA's operational effectiveness.

Approved by the Board



Graham Holley
Chief Executive and Accounting Officer

Date: 23 June 2010

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 for the year ended 31 March 2010 under Schedule 13 Paragraph 17(3) of the Education Act 2005. These comprise the Net Expenditure Account, the Statement of Financial Position, the Statement of Cash Flows, the Statement of Changes in Reserves 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 Accounting Officer and auditor

As explained more fully in the Statement of Accounting Officer's Responsibilities, the Accounting Officer is 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 the financial statements in accordance with applicable law and 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 Training and Development Agency for School's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Training and Development Agency for Schools; and the overall presentation of the financial statements.

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

Opinion on Regularity

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

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 for School's affairs as at 31 March 2010 and of its net expenditure, changes in reserves and cash flows for the year then ended; and
- the financial statements have been properly prepared in accordance with the Education Act 2005 and the Secretary of State's 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 the Secretary of State directions issued under by the Education Act 2005, and
- The information given in the sections on Training and Development Agency for School's roles and responsibilities, Performance Review, Management Commentary and the parts of the Remuneration report labelled as unaudited 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
- the financial statements are not in agreement with the accounting records or returns; or
- I have not received all of the information and explanations I require for my audit; or
- the Statement on Internal Control does not reflect compliance with HM Treasury's guidance.

Report

I have no observations to make on these financial statements.

Amyas C E Morse

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

Date: 5 July 2010

NET EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2010

	Notes	2009 10		Restated 2008 09	
		£ 000	£ 000	£ 000	£ 000
Expenditure					
Programme:					
Grants for qualifying activities	3	712,114		683,364	
Provision of information and advice	3	27,040		25,900	
Research on improving training of teachers	3	1,190		1,810	
School Leaders Service	3			2,355	
Other activities	3	209		206	
			740,553		713,635
Relocation					
Movement in provisions	13	1,438		(3,032)	
In year costs	4	12,580		1,708	
			14,018		(1,324)
Administration costs					
Staff costs	6	18,591		16,921	
Other administration costs	7	7,579		8,311	
Depreciation and amortisation	8/9	738		943	
Loss on disposal of assets	8/9			59	
			26,908		26,234
			781,479		738,545
Income					
Income from activities	2		(1,470)		(1,578)
Other income					
Profit on revaluation					(1)
			(1,470)		(1,579)
Net expenditure					
			780,009		736,966
Cost of capital					
			(642)		(431)
Net expenditure after cost of capital charge			779,367		736,535
Reversal cost of capital			642		431
Net expenditure after cost of capital reversal			780,009		736,966

The notes on pages 60 to 80 form part of these accounts.

STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2010

	Notes	31 March 2010 £ 000	Restated 31 March 2009 £ 000	Restated 1 April 2008 £ 000
ASSETS				
Property, plant and equipment	8	1,715	1,472	2,211
Intangible assets	9	168	28	21
Total non-current assets		1,883	1,500	2,232
Current assets				
Trade and other receivables	10	5,785	8,229	17,012
Cash at bank and in hand	11	17,185	9,738	3,319
Total current assets		22,970	17,967	20,331
Total assets		24,853	19,467	22,563
Current liabilities				
Trade and other payables	12	(21,117)	(18,798)	(20,132)
Total current liabilities		(21,117)	(18,798)	(20,132)
Non-current assets plus net current assets		3,736	669	2,431
Non-current liabilities				
Provisions	13	(7,799)	(6,361)	(9,393)
Total non-current liabilities		(7,799)	(6,361)	(9,393)
Assets less liabilities		(4,063)	(5,692)	(6,962)
EQUITY AND LIABILITIES				
Revaluation reserve		56	56	43
General reserve		(4,119)	(5,748)	(7,005)
Taxpayers' equity		(4,063)	(5,692)	(6,962)

Graham Holley
Chief Executive and Accounting Officer

Date: 23 June 2010

STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31 MARCH 2010

	Notes	2009 10 £ 000	Restated 2008 09 £ 000
Cash flows from operating activities			
Net expenditure after cost of capital reversal		(780,009)	(736,966)
Depreciation charges	8/9	738	943
Decrease in trade and other receivables	10	2,444	8,785
Increase/(Decrease) in trade and other payables	12	2,319	(1,309)
Add: Items not passing through Net Expenditure Account			
Loss on disposal of assets	4	852	59
Gain on revaluation of assets			(1)
Movement in provision	13	1,436	(3,057)
Net cash outflow from operating activities		(772,220)	(731,546)
Cash flows from investing activities			
Purchase of property, plant and equipment	8	(1,772)	(28)
Purchase of intangible property, plant and equipment		(201)	(239)
Proceeds from disposal of assets		1	10
Net cash flows from investing activities		(1,972)	(257)
Cash flows from financing activities			
Grant and grant-in-aid received		781,639	738,222
		7,447	6,419
Net increase in cash and cash equivalents			
Cash and cash equivalents at beginning of the period	11	9,738	3,319
Cash and cash equivalents at end of the period	11	17,185	9,738
Net increase in cash		7,447	6,419

The notes on pages 60 to 80 form part of these accounts

STATEMENT OF CHANGES IN RESERVES

	General Reserves £ 000	Revaluation Reserves £ 000
Balance as at 31 March 2008 (UK GAAP)	(6,430)	43
Changes in Accounting policy: Accrued staff annual leave	(575)	
Re-stated balance as of 1 April 2008 (IFRS)	(7,005)	43
Balance as at 1 April 2008	(7,005)	43
Changes in taxpayers' equity 2008-09		
Net expenditure after cost of capital reversal	(736,965)	
Net gains on revaluation of property, plant and equipment		97
MHCA depreciation		(84)
Total recognised income and expense	(743,970)	56
Grant and grant-in-aid received	738,222	
	(5,748)	56
Balance as at 31 March 2009	(5,748)	56
Changes in taxpayers' equity 2009-10		
Net Expenditure after cost of capital reversal	(780,009)	
Total recognised income and expense for 2009-10	(785,757)	56
Grant and grant-in-aid received	781,639	
Balance as at 31 March 2010	(4,118)	56

NOTES TO THE ACCOUNTS

1. TDA ACCOUNTING POLICIES

BASIS OF PREPARATION

The accounts 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 TDA dated June 2007, copies of which may be obtained from the TDA or the Department.

The accounts have been prepared in accordance with the 2009-10 Government Financial Reporting Manual (FReM) issued by H M Treasury. The accounting policies contained in the FReM apply International Financial Reporting Standards (IFRS) 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 TDA for the purpose of giving a true and fair view has been selected. The particular policies adopted by TDA are described below. They have been applied consistently in dealing with items that are considered material to the accounts.

FIRST TIME ADOPTION OF IFRS

The 2009-10 accounts represent the first set of annual accounts to be prepared under an IFRS basis of accounting, replacing the previous UK Generally Accepted Accounting Principles (GAAP) basis. We have also re-stated our 2008-09 accounts in line with adoption of IFRS.

The main change in the re-stated 2008-09 accounts arises from the adoption of International Accounting Standard (IAS) 19: Staff Benefit. In applying IAS 19 for the first time, TDA recognised additional cost of £575k, including an adjustment of £548k to opening reserves and additional staff costs of £27k in 2007-08 and £243k in 2008-09 arising out of accrued holiday pay.

There are also some changes to the format and terminology used in the annual report and accounts due to the adoption of IFRS. The financial statements of the TDA now comprise:

- i) net expenditure account
- ii) statement of financial position
- iii) statement of cash flows, and
- iv) statement of changes in reserves.

EARLY ADOPTION OF IFRS

The TDA has also adopted IFRS 8: Operating Segment as revised in April 2009, in line with FReM requirements. We adopted IFRS 8 from 1 January 2010.

The statement requires the reporting entity to analyse the total assets under different operating segments if it is regularly reported to the chief operating decision maker. The segmental analysis is contained in note 16 in the 'Notes to the accounts.'

BASIS OF ACCOUNTING

The accounts are prepared under the historical cost convention as modified by the revaluation of certain fixed assets.

INTANGIBLE FIXED ASSETS AND AMORTISATION

Purchased computer software licences are capitalised as intangible fixed assets where expenditure of £5k or more is incurred. The software licences are amortised over three years or the licence life, whichever is shorter. Website costs are capitalised to the extent that development costs which are directly attributable and generate income can be identified. Website content is capitalised at cost and reviewed annually, it is written down to its current value on an annual basis, and the written down amount is charged to the net expenditure account. No website costs have been capitalised this year.

The value of the intangible fixed assets has been stated at current cost, using appropriate indices published by the Office for National Statistics: Price index numbers for current cost accounting (MM17) and producer price indices (MM22).

PROPERTY, PLANT AND EQUIPMENT

Tangible property, plant and equipment and depreciation

TDA leases office space from which it operated in Buckingham Palace Road, London and City Tower in Manchester. It has carried out refurbishment work on these locations and capitalised the refurbishment cost. TDA owns all other tangible plant and equipment and intangible assets on its Statement of Financial Position.

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

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 / life of lease (whichever is shorter)

Office furniture and equipment - three years

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.

In line with IAS 16: Property, Plant and Equipment and applying FReM, TDA carries all its property, plant and equipment at re-valued cost at the reporting period.

Building refurbishment costs, office equipment/furniture and IT hardware were revalued in 2008-09 by comparing average indices for the year of purchase with those for the previous financial year. Indices are drawn from the following Office of National Statistics (ONS) publications: MM17 and MM22. In 2009-10, the revaluation difference between ONS and historic cost was not material, so the current historic cost has been used as the estimate value of fixed assets.

ACCOUNTING FOR PROPERTY, PLANT AND EQUIPMENT AND GENERAL RESERVES

Grant-in-aid used for the purchase of property, plant and equipment is credited to the general reserve. It is therefore not necessary to release amounts to the net expenditure account to offset the depreciation charge. Other grants received (whether from the sponsoring department or other sources) for the purchase of specific assets is credited to a general reserve and released to the net expenditure account over the useful life of the asset in amounts equal to the depreciation charge in the asset and any impairment.

Gains on revaluation of assets, including those specifically funded by grant-in-aid, are taken to the revaluation reserve.

Gain or loss on disposal of an asset funded by grant-in-aid is taken to the net expenditure account. For those assets funded by a specific grant, the gain or loss on disposal is accounted for through the net expenditure account with a corresponding transfer from the general reserve.

NOTIONAL COSTS

Cost of capital is charged to the net expenditure account at the prescribed rate of the capital employed to calculate net operating expenditure and reversed out to arrive at net expenditure for the year. Capital employed comprises the average of total assets, less current and long-term liabilities, at the beginning and the end of the financial year, excluding non-interest-bearing bank balances with the Office of the HM Paymaster General and the Bank of England.

GRANT-IN-AID RECEIVABLE AND GRANTS PAYABLE

All grant and grant-in-aid (GIA) from the Department is treated as financing as it is a contribution from controlling parties giving rise to a financial interest. It is recorded as financing in the cash flow statement and credited to the general reserve.

GRANTS PAYABLE

For initial teacher training and other grants that are paid on academic year profile, grant expenditure is recognised as at the payment dates agreed with the providers and as such no financial year end accruals are expected for these streams of expenditure. In addition where such grant is based on estimated student numbers case adjustments are made in the financial year in which the academic year ends, to reflect agreed adjustments arising from student number differences. These may result in a net payable or receivable balance to the extent that the funding adjustments made to future profile payments have not been fully made/recovered before the financial year end.

Programme receivables are also recognised where TDA has a known entitlement to recover grant paid in the previous academic year, or current/previous financial year – for example where activity has not been delivered – but have not been able to recover the grant before the end of the financial year. A programme payable is recognised where TDA have not paid the amounts to which the body is entitled before the end of the financial year.

INCOME

Other income is recognised in the net expenditure account for the year on an accruals basis.

VALUE ADDED TAX

The TDA 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.

TAXATION

The TDA does not trade; hence it is not liable to corporation tax.

LEASES

Rentals payable under operating leases are charged to net expenditure account in the year to which the payments relate. This practice conforms to IAS 17: Leases. The TDA has no finance lease.

LOANS

Loans to staff for approved purposes have been classified as current assets.

PENSION COSTS

To comply with its Accounts Direction, the TDA has adopted Financial Reporting Standard (FRS) 17 in previous years. We have now adopted IAS 19: Employee benefits as part of adopting IFRS. This is in compliance with 2009–10 FReM. IAS 19 prescribes the accounting and disclosure by employers for employee benefits, including pensions and termination benefits in the accounts of employing entities.

TDA participates in the Principal Civil Service Pension Scheme (PCSPS). The PCSPS is a multi-employer defined benefit scheme, but the TDA is unable to identify its share of the underlying assets and liabilities. A full actuarial valuation was carried out at 31 March 2007.

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

PROVISION AND BAD DEBT WRITE OFF

Provisions are recognised when the TDA 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.

The TDA reviews its outstanding receivables on a regular basis with a view to pursuing and providing for bad and doubtful debts, where appropriate.

FINANCIAL INSTRUMENTS

This is the first time the TDA has adopted International Financial Reporting Standards: IAS 32 Financial instruments: Presentation, IAS 39: Recognition and measurement and IFRS 7 Financial instruments: Disclosures in this year's accounts. The TDA does not have any complex financial instruments; however, financial assets and financial liabilities are recognised on the TDA's Statement of Financial Position when the TDA becomes a party to the contractual provisions of the instrument. Embedded derivatives are only recognised if separable from the host contract.

The TDA does not currently have any financial instrument that needs to be classified as available-for-sale, or financial instrument at fair value through profit or loss. Neither does it have cash equivalents or derivative financial instruments.

However, the TDA has financial assets that include trade and other receivables and cash. The TDA does not currently have any financial liabilities that need to be classified as fair value through profit or loss. Neither does it have derivative financial instruments.

The TDA determines the classification of its financial liabilities at initial recognition. The TDA's financial liabilities include trade and other payables.

IMPACT OF FUTURE IFRS

The IAS 7 amendment (effective from 1 January 2010) states that cash flows from investing activities will only be represented by expenditure resulting in the recognition of assets. This is unlikely to have any impact on TDA's future financial statements. The revision of IAS 24 (effective from 1 January 2011) relates to the definition of related parties, and simplifies and clarifies 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 is unlikely to have any impact on TDA's future financial statements.

EMBEDDED DERIVATIVES

The TDA has also applied IFRIC 9: Reassessment of Embedded Derivatives in full.

The TDA assesses whether an embedded derivative is required under IAS39 to be separated from the host contract and accounted for as a derivative when it first becomes a party to the contract.

The TDA will only reassess the embedded derivative if there is a change in the terms of the contract that significantly modifies the cash flows that otherwise would be required under the contract. The TDA has not identified any embedded derivatives that require disclosure in the financial statements.

2. INCOME FROM ACTIVITIES

	Notes	2009 10		2008 09	
		£ 000	£ 000	£ 000	£ 000
Income from the National Assembly for Wales					
Reimbursement of cost			734		776
Other operating income					
HEFCE grant income		735		733	
Aim Higher				65	
Miscellaneous income		1		4	
			736		802
Total operating income			1,470		1,578

3. ANALYSIS OF FULL COST EXPENDITURE ON CURRENT PROGRAMMES

Grants paid	2009 10		2008 09	
	£ 000	£ 000	£ 000	£ 000
The Executive Directorate for Training				
ITT provider funding	264,729		253,467	
Employment-based routes funding	88,333		87,222	
Training bursaries	157,303		149,383	
Access to learning funds	48		5	
QTS skills tests	5,130		3,960	
Primary modern foreign languages	3,268		3,457	
Additional ITT development activity	17,852		15,776	
Additional ITT recruitment activity	7,593		11,858	
Student Associates Scheme	12,415		11,650	
Masters in Teaching and Learning (MTL)	7,474		1,292	
Under-represented groups	2,269		2,898	
Career-phase specific support	668		307	
Postgraduate professional development (PPD)	26,923		19,272	
Curriculum	3,489		1,562	
SENCO	10,003			
Special educational needs	1,645		1,665	
		609,142		563,774
The Executive Directorate for Development and Improvement				
The Golden Hello scheme	29,662		29,067	
Support staff training, qualifications and delivery	27,733		26,754	
Qualifications and standards	574		332	
Workforce development and deployment	230		652	
Extended services	1,445		964	
Targeted youth support			418	
Parent support advisers			7,257	
Children's workforce in schools modernisation and development (WMDG)	20,495		21,645	
Programme delivery and management	7,065		8,198	
CPD strategy	1,279		4,057	
Personal tutors	356			
CRESS	14,133		20,246	
		102,972		119,590
Grants paid		712,114		683,364
The Executive Directorate for Supporting Delivery				
Media campaign, recruitment events, recruitment website	13,520		11,184	
Other communications activity	13,520		14,716	
		27,040		25,900
Research		1,190		1,810
Other activities				
Special projects	209		206	
School Leaders Service			2,355	
		209		2,561
Total grants paid		740,553		713,635

4. RELOCATION COSTS

In accordance with IAS 37: Provisions, contingent liabilities and contingent assets, the estimated costs of unused space at 151 Buckingham Palace Road during the period leading to March 2010, and dilapidation costs, staff visits and redeployment costs, were:

	£ 000	£ 000	2009 10 £ 000	2008 09 £ 000
	Provision release	In year cost	Total	Total
Staff cost				
Salary cost		798	798	556
Salary cost - role transfers		665	665	
National Insurance Contributions salary		66	66	45
National Insurance Contributions role transfers		55	55	
Recruitment costs	(1,177)	2,181	1,004	
Superannuation-salary		146	146	109
Superannuation-role transfers		124	124	
Voluntary Exit Scheme (VES)	(3,681)	4,160	479	
Temporary staff costs		105	105	
Total staff costs	(4,858)	8,300	3,442	710
Non-staff cost				
City Tower rent and fit-out		1,471	1,471	345
Piccadilly Gate fit-out		3	3	
Dual office costs	(736)	736		
Travel and subsistence costs		848	848	
Loss on disposal of assets		852	852	
Consultancy		395	395	360
Staff and stakeholder communication		16	16	11
Improving services review		(41)	(41)	282
Provisions		7,032	7,032	(3,032)
Total non-staff costs	(736)	11,312	10,576	(2,034)
Total	(5,594)	19,612	14,018	(1,324)

Capital items costs are included in Fixed assets note 8

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

Average number of employees

The average number of permanent, seconded and agency temporary staff employed within relocation during the year was:

	2009 10	2008 09
Executive Directorate for Support and Delivery	12	6
Relocation role-transfer	24	
Total	36	6

5. NOTIONAL COSTS

The notional cost of capital is designed to show the opportunity cost of funding the net assets needed to provide a particular service. It is a non-cash charge shown on the operating cost statement. The TDA's income and expenditure account shows a credit rather than a charge in relation to the cost capital. This is because TDA, instead of having overall net assets on its balance sheet, has overall net liabilities (due to its relocation provision for future programme payments as detailed in note 13 to the accounts). In effect, this means that the TDA is being funded by those who have it as a liability. As the Exchequer benefits from having these liabilities, the operating cost statement has to reflect the benefit and show a credit. However, the effect of this notional credit is reversed on the operating cost statement so that the bottom line net expenditure for the year is not distorted.

The cost of capital for 2009–10 is £642k, calculated at 3.5 per cent of the average capital employed. (In 2008–09 it was £430k, also calculated at 3.5 per cent). In accordance with HM Treasury guidance, non-interest bearing bank balances with the Office of HM Paymaster General and the Bank of England are excluded from the calculation of capital employed.

6. STAFF COSTS

a) The costs of staff, excluding relocation disclosed in note 4 above.

The total costs of staff – including the Chief Executive and temporary staff – employed by and seconded to the TDA in the period to 31 March 2010, were:

	2009 10 £ 000	2008 09 £ 000
Staff salaries	12,260	10,954
Cost of temporary staff	3,083	2,754
Social Security costs	1,008	974
Superannuation costs	2,240	2,239
Total	18,591	16,921

b) Average number of employees

The average number of permanent, seconded and agency temporary staff employed during the year was:

	2009 10 numbers	2008 09 numbers
Directors and senior managers	6	7
The Executive Directorate for Training	127	111
The Executive Directorate for Development and Improvement	63	53
Strategy	5	11
The Executive Directorate for Supporting Delivery	98	102
Temporary staff	52	53
Total	351	337

c) Pensions arrangements for staff

For 2009–10, employers' contributions of £2.449m were payable to the PCSPS (2008–09: £2.303m) 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 2007–08 were 17.1 to 25.5). 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 2009–10 to be paid when the member retires, and not the benefits paid during the period to existing pensioners. The superannuation amounts are under staff costs and also within relocation staff costs.

Employees can opt to open a partnership pension account – a stakeholder pension with an employer contribution. Employers' contributions of £35k (2008–09: £42k) 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. Employers also match contribution up to three per cent of pensionable pay. In addition, £4.4k (2008–09: £2.9k) 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 balance sheet date.

There were £16.5k superannuation contributions paid to third parties in relation to secondees in 2009–10 (2008–09: nil).

7. RUNNING COSTS

	2009 10 £ 000	2008 09 £ 000
Board members emoluments	49	47
Travel, subsistence and hospitality:		
Chair	4	6
Chief Executive	3	5
Board	28	26
Employees	87	106
Staff training and fees	271	595
General administrative expenditure	1,002	1,027
Recruitment	714	568
SLA information systems and payroll	286	178
Charges for operating leases	3,936	4,225
Consumables	626	608
Consultancy costs	398	725
Internal auditors remuneration	96	140
External auditors – statutory audit	70	46
External auditors – IFRS audit	5	5
Bank charges	4	4
Total	7,579	8,311

8. PROPERTY, PLANT AND EQUIPMENT

	Refurbishment £ 000	Information Technology £ 000	Furniture & Equipment £ 000	Total £ 000
Cost or valuation				
At 1 April 2009	338	882	2,562	3,782
Additions	1,167	513	92	1,772
Disposals	(338)	(20)	(2,421)	(2,779)
At 31 March 2010	1,167	1,375	233	2,775
Depreciation				
At 1 April 2009	(313)	(383)	(1,614)	(2,310)
Charged in the year	(255)	(367)	(55)	(677)
Disposals	313	1	1,613	1,927
At 31 March 2010	(255)	(749)	(56)	(1,060)
Net book value				
At 31 March 2010	912	626	177	1,715
At 31 March 2009	25	499	948	1,472

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

9. INTANGIBLE ASSETS

	Software Licences £ 000	Total £ 000
Cost or valuation		
At 1 April 2009	323	323
Additions	201	201
At 31 March 2010	524	524
Depreciation		
At 1 April 2009	(295)	(295)
Charged in the year	(61)	(61)
At 31 March 2010	(356)	(356)
Net book value		
At 31 March 2010	168	168
At 31 March 2009	28	28

10. TRADE RECEIVABLES AND OTHER CURRENT ASSETS

Amounts falling due within one year	31 March 2010 £ 000	31 March 2009 £ 000	1 April 2008 £ 000
Programme receivables	4,400	7,030	16,187
Other receivables	96	85	115
Programme prepayment	955	717	257
Other prepayments and accrued income	250	306	362
Loans to staff	84	91	91
Total	5,785	8,229	17,012
Analysis of amounts falling due within one year, analysed by type of entity			
Other central government bodies	234	390	414
Local authorities	2,456	2,456	3,173
NHS trusts			
Public corporations and trading funds	33		
	2,723	2,846	3,587
Non-government bodies	3,062	5,383	13,425
Total	5,785	8,229	17,012

The notes on pages
60 to 80 form part
of these accounts

11. CASH AND CASH EQUIVALENTS

	Programme Cost £ 000	Administration cost £ 000	Total £ 000
Balance at 1 April 2009	6,985	2,753	9,738
Net change in cash and cash equivalent balances	7,692	(245)	7,447
Balance at 31 March 2010	14,677	2,508	17,185

All cash balances were held with HM Paymaster General

12. TRADE PAYABLES AND OTHER CURRENT LIABILITIES

	31 March 2010 £ 000	31 March 2009 £ 000	1 April 2008 £ 000
Amounts falling due within one year			
Programme payables	6,697	5,006	4,882
Other payables	3	3	28
Programme accruals	13,052	12,691	13,424
Other accruals	1,365	1,098	1,798
Total	21,117	18,798	20,132
Analysis of amount payable by type of entity			
Other central government bodies	420	27	432
Local authorities	2,898	3,394	3,614
NHS Trusts			
Public corporations and trading funds	507	798	3,893
	3,825	4,219	7,939
Non-government bodies	17,292	14,579	12,193
Total	21,117	18,798	20,132

13. PROVISIONS FOR LIABILITIES AND CHARGES DUE WITHIN ONE YEAR

	31 March 2010 £ 000	31 March 2009 £ 000
Relocation		
Balance brought forward	6,361	9,418
Additional provision	7,032	
Provision written back		(3,032)
Provision utilised during the year	(5,594)	(25)
Balance carried forward	7,799	6,361

14. COMMITMENTS UNDER LEASES

Total future minimum lease payments under operating leases and the duration of obligation are given in the table below for each:

	31 March 2010 £ 000	31 March 2009 £ 000
Leases which expire:		
Buildings		
Not later than one year	511	4,808
	511	4,808
Other		
Later than one year and not later than five years	478	344
Total	989	5,152

15. OTHER FINANCIAL COMMITMENTS

Capital

As at 31 March 2010 the TDA had no capital commitment.

Programme financial commitment

TDA enters into ITT and PPD funding commitments, and they are approved on an academic year basis. The future commitments which existed at 31 March 2010 are:

	31 March 2010 £ 000	31 March 2009 £ 000
Executive Directorate for Training		
Provider funding	435,078	334,990
Training bursaries	274,096	198,633
Employment based ITT funding	145,766	118,150
Student Associates Scheme	16,235	16,675
Subject knowledge enhancement course	22,352	12,673
Postgraduate professional development	29,642	26,966
	923,169	708,087
Executive Directorate for Development and Improvement		
Golden Hello Scheme	30,000	26,007
Wider Workforce	17,100	18,210
WMDG	21,470	21,478
	68,570	65,695
Total	991,739	773,782

16. ANALYSIS OF NET EXPENDITURE BY BUSINESS UNITS

Business Units 2009-10	Expenditure £ 000	Income £ 000	Depreciation £ 000	Total £ 000
ITT provider funding	264,729	(735)	251	264,245
Training bursaries	157,303		149	157,452
Employment-based routes funding	88,333		83	88,416
Golden Hellos	29,662		28	29,690
ITT other	98,777		93	98,870
EDDI	73,311		69	73,380
EDSD	27,040		26	27,066
Research activities	1,190		1	1,191
Relocation	14,018		13	14,031
All other segments	26,378	(735)	25	25,668
Total	780,741	(1,470)	738	780,009

Business Units 2008-09	Expenditure £ 000	Income £ 000	Depreciation £ 000	Total £ 000
ITT provider funding	253,467	(798)	134	252,803
Training bursaries	149,383		79	149,462
Employment-based routes funding	87,222		46	87,268
Golden Hellos	29,066		15	29,081
ITT other	77,759		41	77,800
EDDI	86,466		152	86,618
EDSD	25,900		274	26,174
Research activities	4,372		34	4,406
Relocation	(1,324)		17	(1,307)
All other segments	25,290	(781)	151	24,660
Total	737,601	(1,579)	943	736,965

All other segments include staff costs, other administration costs and loss on disposal of assets. The relocation amount is negative due to the fact that the movement in the provision has been offset against the expenditure.

17. RECONCILIATION FROM UK GAAP TO IFRS

Balance sheet as of 31 March 2008 in UK GAAP format	£000	Pensions £000	Provisions £000	Creditors £000	£000	Statement of financial position as of 1 April 2008 in IFRS format
Fixed assets						Non-current assets
Intangible assets	21	–	–	–	21	Intangible assets
Tangible assets	2,211	–	–	–	2,211	Property, plant and equipment
	2,232	–	–	–	2,232	
Current assets						Current assets
Debtors	17,012	–	–	–	17,012	Trade and other receivables
Cash at bank and in hand	3,319	–	–	–	3,319	Cash and cash equivalents
	20,331	–	–	–	20,331	
Creditors: amounts due within one year						Current liabilities
Trade and other creditors	(19,532)	–	–	(575)	(20,107)	Trade and other payables
Provisions	(25)	–	–	–	(25)	Provisions
Net current assets/ liabilities	774	–	–	(575)	199	
Total assets less current liabilities	3,006	–	–	(575)	2,431	
Provisions for liabilities and charges						Non-current liabilities
Long-term provisions	(9,393)	–	–	–	(9,393)	Provisions
Net total assets/ liabilities	(6,387)	–	–	(575)	(6,962)	
Capital and reserves						Equity
General reserve	(6,430)	–	–	(575)	(7,005)	General reserve
Revaluation reserve	43	–	–	–	43	Revaluation reserve
Total equity and liabilities	(6,387)	–	–	(575)	(6,962)	

18. EVENTS AFTER THE BALANCE SHEET

There have been no events after the balance sheet date requiring an adjustment to the financial statements.

The financial statements were authorised for issue on
by Graham Holley (Accounting Officer).

19. FINANCIAL INSTRUMENTS

IFRS 7: Financial instruments and derivatives requires organisations to disclose information on the possible impact of financial instruments on its risk profile, and how these risks might affect the organisation's performance and financial condition. As an NDPB funded by the Department, the TDA can confirm that it is not exposed to any liquidity or interest rate risks. The TDA has no overseas operations and does not operate any foreign currency bank accounts; as such it is not subject to any foreign currency risks.

20 AUDITED ACCOUNTS FOR ITT PROVIDERS

Included in these accounts are grants to providers of ITT, and these are subject to verification by those institutions' external auditors that they have been used for their approved purposes. The financial year of these institutions ends on 31 July each year. The TDA requires HEIs to provide it with audited accounts by the end of December following the end of each year, and requires other providers of ITT to supply audited accounts by the end of December following the end of the academic year.

Audit of institution accounts for the 2008/09 academic year

For the academic year ended 31 July 2009, the TDA has received audited accounts from all of the 74 higher education ITT providers and 57 of the 58 other ITT providers which are required to submit accounts. We have granted a special extension to Suffolk and Norfolk SCITT to provide their accounts by the end of June 2010, due to unforeseen circumstances.

21. RELATED PARTY PAYMENTS SCHEDULE

The Department is the TDA's parent department and is therefore a related party, as are other Department NDPBs.

In addition, the TDA has had a small number of material transactions with other Government departments and other central Government bodies.

During the year, the TDA entered into the following transactions with the following related parties:

Member	Third party	Payment 2009–10 £000	Receipt 2009–10 £000	Payment 2008–09 £000
Brian Follett	University of Oxford	2,636		2,442
Christopher Baker	National College	6,398	169	6,037
John Atkins	Kemnal Trust	3		30
Rekha Bhakoo *	Newton Farm Nursery, First and Middle school	3		1
Michael Cresswell	Bristol University	3,326		
Deborah Eyre	Deborah Eyre Ltd	2		
Deborah Eyre	University of Warwick	7,108		6,732
Deborah Eyre	University of Oxford	2,636		2,442
David Green	University of Worcester	7,213		6,965
Christopher Husbands	IoE, University of London	13,600		13,946
Derrick Palmer	Calder High School	1		1
Gillian Pugh	CWDC	42	56	77
Gillian Pugh	IoE	13,600		13,946
Gillian Pugh	DCSF	5,113	238	16,585
Richard Thornhill*	Loughborough Primary School	3		3
Susan Tranter	Fitzharrys School	4		5
Alan Wood	The Learning Trust (London Borough of Hackney)	265		219

* figures included in emoluments in paragraph 58, page 41. ** figures included in emoluments in paragraph 58

Dame Gillian Pugh is a related party to CWDC from which the TDA received an income in 2009–10 of £56k (2008–09 £174k). This income relates to rental income of office accommodation and the receipt has been netted off against charges for operating leases in note seven.

Christopher Baker and Dame Gillian Pugh are both related parties to National College from which the TDA received an income in £169k (2008-09 of £355k). This income relates to rental income of office accommodation and the receipt has been netted off against charges for operating leases in note seven.

Habte Hagos was appointed Financial Director of IoE and started his new post on 1 April 2010. None of the other key managerial staff or other related parties has undertaken any material transactions with the TDA during the year.

GLOSSARY

APC	additional pension contribution
BECTA	Formerly known as the British Educational Communications and Technology Agency
BIS	Department for Business, Innovation and Skills
BREEAM	Building Research Establishment Environmental Assessment Method
CETV	cash equivalent transfer value
COI	Central Office of Information
CPD	continuing professional development
CSBM	Certificate of School Business Management
CSCS	Civil Service Compensation Scheme
CSL	Consulting Strategies Limited
CSP	Civil Service Pension
CSR07	Comprehensive Spending Review 2007
CWDC	Children's Workforce Development Council
DCSF	Department for Children, Schools and Families
DfE	Department for Education
D&T	design and technology
EBITT	employment-based initial teacher training
EDDI	Executive Directorate for Development and Improvement
EDfT	Executive Directorate for Training
EDSD	Executive Directorate for Supporting Delivery
ESD	education for sustainable development
IFReM	International financial reporting manual
FRS	financial reporting standard
GAAP	Generally Accepted Accounting Principles
GIA	grant-in-aid
GTCE	General Teaching Council for England
GTP	Graduate Teacher Programme
GTTR	Graduate Teacher Training Registry
HEFCE	Higher Education Funding Council for England
HEI	higher education institution
HLTA	higher level teaching assistant
IAG	information, advice and guidance
IAS	International Accounting Standards
ICT	information and communications technology
IFRIC	International Financial Reporting Interpretations Committee
IFRS	International Financial Reporting Standards

GLOSSARY CONTINUED

IQF	integrated qualifications framework
IoE	Institute of Education
IPA	Institute of Practitioners in Advertising
IT	information technology
ITIL	Information Technology Infrastructure Library
ITT	initial teacher training
LA	local authority
LCLL	London Centre for Leadership in Learning
LSP	local social partnership
MHCA	Modified Historic Cost Accounting
MTL	masters in teaching and learning
NAO	National Audit Office
National College	National College for Leadership of Schools and Children's Services
NCETM	National Centre for Excellence in the Teaching of Mathematics
NBV	net book value
NDPB	non-departmental public body
NQT	newly qualified teacher
NSLC	National Science Learning Centre
OECD	Organisation for Economic Cooperation and Development
Ofsted	Office for Standards in Education, Children's Services and Skills
OGC	Office of Government Commerce
ONS	Office for National Statistics
PCS	Public and Commercial Services Union
PCSPS	Principal Civil Service Pension Scheme
PGCE	postgraduate certificate in education
PPD	postgraduate professional development
PR	public relations
PRCA	Public Relations Consultants Association
PSA	parent support adviser
QCDA	Qualifications and Curriculum Development Agency
QTS	qualified teacher status
RDL	regional delivery lead
RMADS	risk management accreditation document sets
ROMI	return on marketing investment
RPI	retail prices index

GLOSSARY CONTINUED

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
SIC	statement on internal control
SIRO	senior information risk owner
SLA	service level agreement
SLT	Strategic Leadership Team
SPF	Security Policy Framework
STEM	science, technology, engineering and mathematics
TDA	Training and Development Agency for Schools
TfC	Together for Children
TTRB	teacher training resource bank
UCAS	Universities and Colleges Admission Service
VAT	value added tax
VES	voluntary exit scheme
WAMG	Workforce Agreement Monitoring Group
WMDG	Workforce Modernisation and Development Grant

Internal auditors assurance definitions:

Assurance level	Definition
Sound	Sound design of internal control that addresses risk, meets best practice, and is operating as intended.
Adequate	Adequate design of internal control that addresses the main risks, but falls short of best practice and is operating as intended.
Inadequate	Major flaws in design of internal control, or significant non-operation of controls, that leaves significant exposure to risk.

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