

Annual Report and Accounts for year ended 31 March 2022



Institute for Apprenticeships and Technical Education Annual Report and Accounts 2021-22

**Presented to Parliament pursuant to section ZA6(4) and paragraph 11(5) of Schedule A1
to the Apprenticeships, Skills, Children and Learning Act 2009**

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Chair's statement

Baroness Ruby McGregor-Smith CBE

It is a pleasure to present the first Annual Report and Accounts (ARA) since I started as chair of the Institute for Apprenticeships and Technical Education (IfATE) in August last year.

I took over from Antony Jenkins, who was made a Commander of the Order of the British Empire (CBE) in last year's Queen's Birthday Honours, and I would like to pay tribute to his fantastic work guiding IfATE from a start-up in 2017 to the leading force for employer-led reform it is today.

I passionately believe in IfATE's employer-led mission. Publication of the ARA provides a great opportunity to reflect on so much that has been achieved and focus on the important tasks ahead.

Promoting the voice of business remains as dear to me now as it has been throughout my career. I came to the UK when I was two-years-old. My parents brought me here to create a better life for me. My very humble roots meant I found some of those early years very challenging, but I found I loved the world of work and business. I became the first Asian woman to be a chief executive of a FTSE company



and also feel immensely privileged to be in the House of Lords. I will continue to speak up for business and social mobility as IfATE's chair.

Employers, as ever, are navigating a uniquely complex situation at present. They face labour market and skills shortages and adapting to EU-Exit and the longer-term presence of COVID-19, alongside the prevailing pressures to be more productive, adopt new technology, and become more sustainable. Whilst evidently challenging, we must equally recognise the huge opportunities all of this presents to evolve and grow.

I am determined that IfATE will continue to play and extend its critical role in support of the thousands of employers

who are already engaged in shaping the existing and future skills training landscape. There has been excellent progress in the last year, with the further rollout of employer-specified apprenticeships and T Levels, alongside the approval of the first wave of Higher Technical Qualifications, which go live in September.

Last year's Skills for Jobs White Paper was a massive endorsement of these employer-led reforms; the Skills and Post 16 Education Act 2022 is expanding IfATE's influence and responsibilities further, across the technical education landscape. We will ensure that we continue to put employers at the heart of our work, as that's the only way of making sure learners get the right skills for long and prosperous careers.

We also plan to make sure the whole system is unified and navigable, so everyone understands what's being offered and how they'll benefit.

The publication of our 'Employer-Centred Future-Facing' strategic plan last October reflects these imperatives. We will focus everything we do around three core priority areas: delivering for employers; building a more integrated skills system; and securing continuous improvement in all that we do.

A key enabler will be ensuring that we are fully joined-up with government in identifying future skills needs, partnering with the Department for Education's Unit for Future Skills, and working in support of critical agendas such as levelling up, and lifelong learning.

I act as an independent chair of the board, overseeing IfATE's work. We need the right level of experience and expertise to ensure great governance and I have been delighted to welcome two new board members.

Sir Peter Estlin has enjoyed a lengthy career in banking, serving as chief financial officer at Barclays and the Lord Mayor of the City of London. Neil Morrison is director of Human Resources and communications at Severn Trent.

I would also like to say a huge thanks to Toby Peyton-Jones OBE and Paul Cadman who completed distinguished terms as board members at the end of March.

I am so grateful to my colleagues on the board, Jennifer Coupland, all IfATE's staff, our partners throughout the education landscape, and, most importantly, all the employers who drive our work. It is an honour to work together to create the world class and fully joined up system our country needs.



Chief Executive's statement



I am delighted to present the fifth Annual Report and Accounts for IfATE - my third as chief executive.

We have made impressive progress over the past year. We have repeatedly shown the ability to adapt, evolve, and innovate, while publication of our Strategic Plan has given sharp focus to our three priorities – delivering for employers, building a more integrated skills system, and securing continuous improvement.

Delivering for employers



Our organisation, buoyed by the thousands of employers who inform everything we do, has continued to drive forward the technical education reform programme that puts IfATE at its heart.

We are ensuring that the employer voice will now be heard right across technical education, through the changes introduced by the Skills and Post 16 Education Act.

The government has placed skills training front-and-centre of its plans to build back better and greener, boost the nation's

digital capabilities, and level up opportunities.

Over the last year relationships have been strengthened with many employer groups, training providers, and end point assessment organisations. This positivity was reflected in increased satisfaction rates in our 2021 stakeholder survey.

We have continued to adapt in the face of COVID-19 and apprenticeships performed well last year, when there was just a 0.3% fall in people starting on them overall. We have maintained an agile approach throughout COVID-19, best characterised by our apprenticeship flexibilities. We introduced over 150 to help employers and learners carry on with training and assessment despite restrictions on movement and interaction. Most of the special measures were switched off at the end of March 2022, but we have retained those that were found to work best for businesses and apprentices.

There are now 647 apprenticeships available for use. Our priority is no longer the development of new apprenticeships as we have good coverage across the economy. Instead, we have honed our approach

to revisions, to ensure apprenticeships stay at the cutting edge in support of employers' emerging skills needs.

Building a more integrated skills system



IfATE's main area of growth has been in technical education. Our part in the delivery of T Levels remains firmly on track with 10 new qualifications launched so far, serving construction and the built environment, digital, education and childcare, and health and science. As of October 2021, there were 102 education providers offering these to around five and a half thousand new students. A further 13 T Levels will be launched, serving a broad spectrum of skills needs, by September 2023.

Employers want better training at level 4 and 5 and IfATE has begun rolling out a new Higher Technical Qualifications (HTQs) quality mark that will make it far easier to know which qualifications offer great training for highly skilled jobs.

The first 30 HTQs for the digital sector will be taught from September. Further HTQs will be approved in June aligning to digital, construction and health and science occupations. HTQs serving all sectors will go live over the next four years.

We have also carried out a major internal restructure to ensure we are prepared for taking on extra responsibilities,

most notably approval of level 2 and 3 technical qualifications, with another positive uplift in staff survey results for the year.

To date apprenticeship reform, T level development and HTQ improvements have progressed as related programmes with similar aims, but each has operated in isolation from one another. The extension to our remit gives IfATE the opportunity to take a whole system view.

Our employers consistently tell us they want high quality apprenticeships and technical qualifications that they trust to meet their skills needs. They also say the number of qualifications and programmes is too confusing. So, with our new powers, working with our partners, we want to underpin all technical qualifications with employer standards and simplify the system. We are determined to hit the sweet spot that represents quality, understanding and choice.

We will create a truly integrated skills system that works for everyone. Everything must be presented in a language that works for employers and learners. It must be clear about how people can use qualifications or apprenticeships to progress their ambitions. Over time we want the IfATE brand to be a recognised symbol of quality.

Securing continuous improvement



Looking to the future, IfATE is firmly focused on innovating. We are already working with the new Unit for Future Skills at the Department for Education to understand and collaborate with employers on sharing knowledge about future skills. We will feed in insights from the thousands of employers we work with and ensure these are acted on.

We have made a good start through our employer-led Green Advisory Panel. Its role is to identify how existing apprenticeships serve new green jobs, or could be made greener, and where new apprenticeships could be created to address emerging skills gaps. This year, we will take those findings and work with employers to create more apprenticeships to support the government's ambitions for a net zero economy.

We have been successful in improving the quality of apprenticeships across the economy, but we want to make sure that the high-quality offer is accessible to everyone regardless of background. Diversity and social mobility remain incredibly important to IfATE. We have launched a project to embed equity, diversity, and inclusion across all our products, supported by a new committee of the board. World class apprenticeships and technical education are

fantastic tools for levelling up and must underpin opportunities for people right across the country.

Over the coming year, we will continue to adapt, evolve, and innovate to ensure all technical education gives learners the skills businesses need, with opportunities to progress across the levels and different qualifications charted in easy-to-understand occupational maps.

I would like to thank our employers who work tirelessly with us to create great apprenticeships and technical qualifications and our partners in DfE, Ofqual, OfS, Ofsted, End Point Assessment Organisations, awarding bodies and education and training providers in FE and HE who have supported IfATE in all our endeavours over the past year.

Reforming the entire skills system is not a job for a single organisation, it requires dedicated hard work and collaboration across the whole system. My final thanks go to the team at IfATE without whom our achievements would not have been accomplished. With them, I look forward to an exciting year ahead.

**Jennifer Coupland,
Chief Executive**



Who we are

Institute for Apprenticeships and Technical Education (IfATE) is a Crown non-departmental public body (NDPB) established in April 2017 and sponsored by the Department for Education.

IfATE's powers and duties stem from the Apprenticeships, Skills, Children and Learning Act 2009, as amended by the Enterprise Act 2016 and by the Technical and Further Education Act 2017.

Subject to Parliament, they stand to be further adjusted by the Skills and Post-16 Education Act 2022.

Vision

IfATE's vision is for a world leading technical education and apprenticeships system, that equips individuals with the skills that employers need.

Mission

IfATE's mission is to enable employers to co-create high quality, cost-effective apprenticeships and technical qualifications, so that every employer and individual gets the skills they need to succeed.

Our strategic priorities

Delivering for employers



IfATE follows expert guidance from thousands of large and small employers to deliver world-class apprenticeships, T Levels, and Higher Technical Qualifications.

Industry knows best what training is needed to fill skills gaps, keep pace with technological advances, push forward the green agenda, and support the national recovery.

We are working to make employers the guiding force across the rest of technical education.

Building a more integrated skills system



The current system is too complicated. Quality suffers when standards are not set by employers.

We will create a unified and transparent skills system that always follows the lead of employers. This will drive up standards, making it far easier for people from all backgrounds to climb onto the careers ladder and maximise their potential.

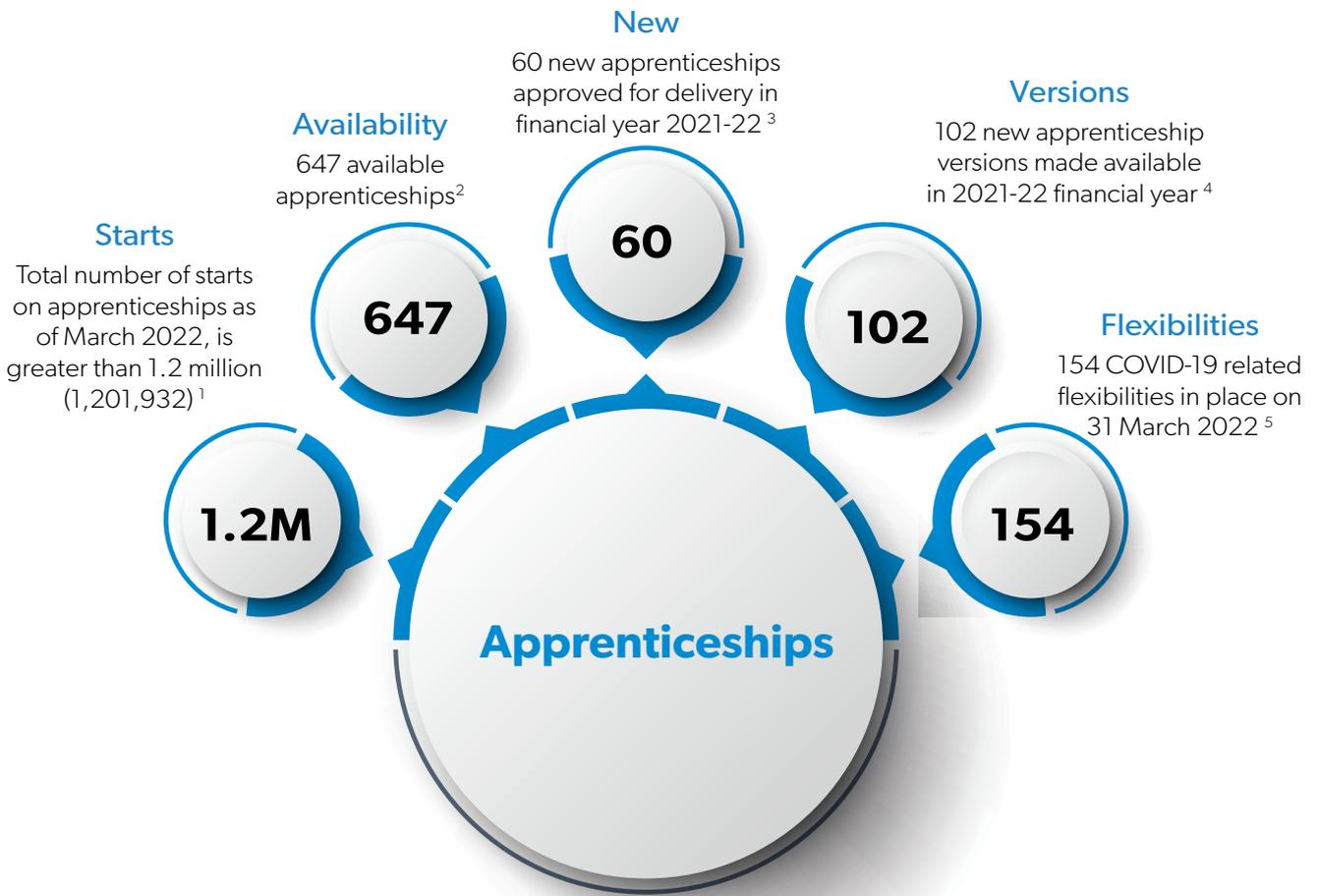
Securing continuous improvement



IfATE has shown that we can adapt and deliver quickly, launching T Levels and providing over 150 assessment flexibilities to support apprenticeships through the COVID-19 pandemic, enabling apprentices to complete their apprenticeships, despite COVID-19 restrictions.

We are always willing to listen and learn and we will continuously raise the quality bar across technical education.

Year in numbers



¹ Apprenticeship starts (excluding frameworks) from 2014/15 academic year to January 2022

² www.instituteforapprenticeships.org/apprenticeship-standards

³ www.instituteforapprenticeships.org/apprenticeship-standards

⁴ IfATE API

⁵ <https://www.instituteforapprenticeships.org/covid-19/recent-announcements/list-of-standards-with-temporary-discretions-or-flexibilities>



⁶ IfATE Stakeholder survey 2021

⁷ <https://www.instituteforapprenticeships.org/about/how-we-do-it/route-panels>



⁸ 2021 T Level Action Plan (publishing.service.gov.uk)

⁹ www.instituteofapprenticeships.org/t-levels/approved-t-level-technical-qualifications-and-final-outline-content/approved-t-level-qualifications

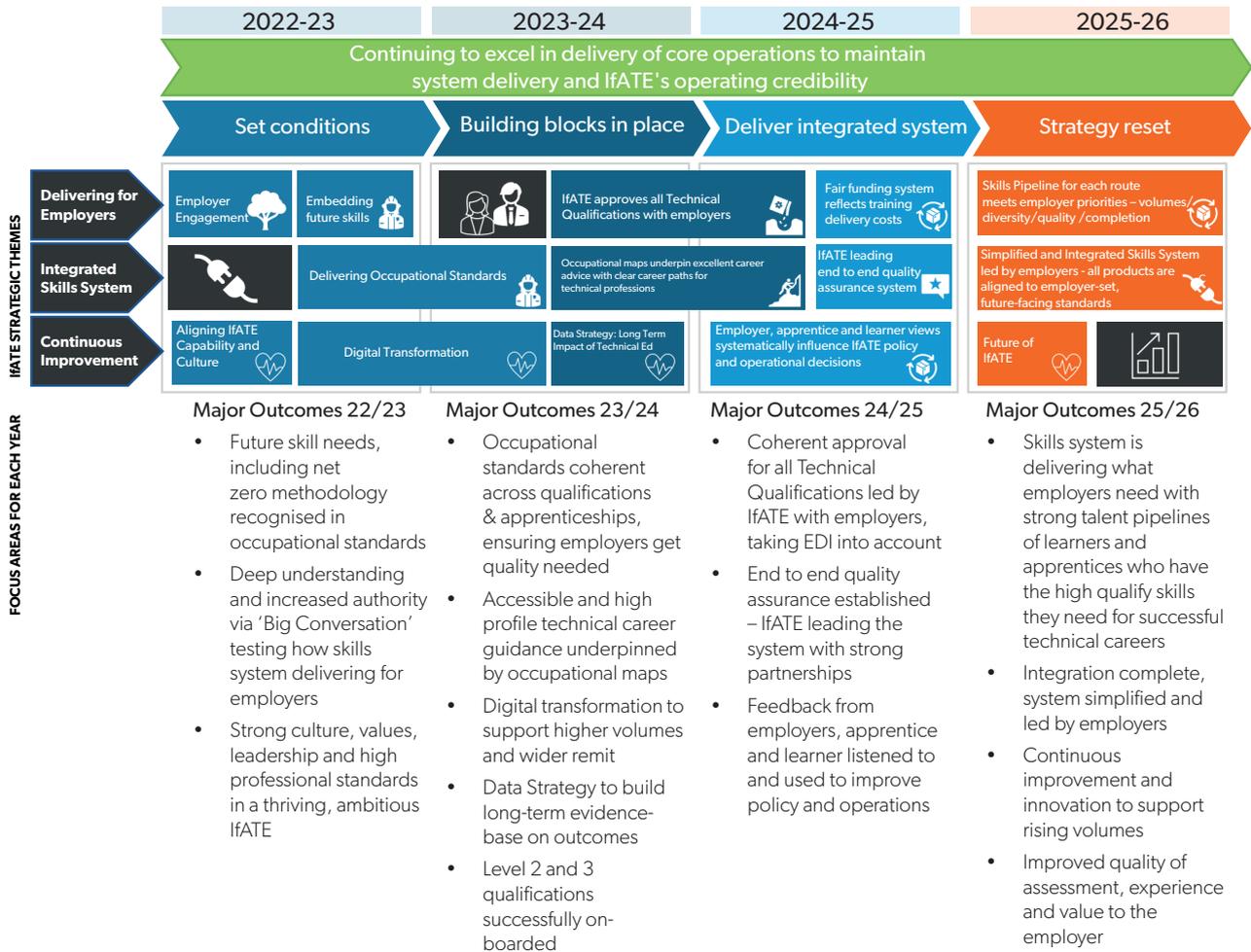


¹⁰ www.instituteofapprenticeships.org/higher-technical-qualifications/approved-higher-technical-qualifications-cycle-one

¹¹ <https://www.instituteofapprenticeships.org/higher-technical-qualifications/introduction-to-higher-technical-qualifications-and-scope-of-approval>

Strategic Plan

We have agreed the following high level delivery plan with our board for the three years covered by the [Strategic Plan](#).



How we do it

Developing and assuring apprenticeships and approving T Levels and higher technical qualifications against employer set standards ensures that we provide employers and apprentices with confidence that training is high quality and meets industry expectations.

Working with employers

We work with employers and other stakeholders to identify occupational skills needs at [education levels 2 to 8](#) and to develop integrated skills-solutions. 'Trailblazer' groups develop apprenticeships and technical qualifications. Our employer led board approve these based on recommendations provided by our employer route panels.

The [15 route panels](#) represent the employer voice within IfATE. Route panels assure that apprenticeships and T Level qualifications are high quality, designed efficiently, represent value for money and meet the needs of employers, apprentices and learners and the economy at large.

Apprenticeships

We work with employers to:

- develop new apprenticeships
- review apprenticeships
- update established apprenticeships

We also provide recommendations to the government on the maximum level of funding that should be available for an apprenticeship. This is to ensure apprenticeships deliver value for money while enabling high quality training.

Technical education

We:

- work with employers and stakeholders to approve outline content for all T Levels
- run procurements and issue and monitor contracts with awarding organisations to develop the detailed qualifications
- are launching a Higher Technical Qualification quality mark to make it far easier for employers and learners to know which qualifications offer high quality training for skilled jobs
- will approve new Level 3 and 2 qualifications to ensure employer views are taken into account and content support learners into skilled employment.

Skills system

The [Skills and Post-16 Act 2022](#) puts the voice of employers at the heart of the skills system, empowering them to shape technical education products. IfATE has a role in overseeing quality across the system and supporting a simpler, more intuitive skills system with new occupational standards as a key building block.

We are developing new [Occupational Maps](#) to enable employers, learners and other stakeholders to plan skilled careers and promote career development and a cohesive technical education system which is adaptable to emerging skills needs. Including the net zero challenge and accessibility to people from all backgrounds, wherever they are in the country.

Accountability Landscape

IfATE has a set of important functions and accountabilities within the wider skills system, but it is also responsible for work in partnerships with other statutory bodies that have complementary and supporting functions. The table below sets out the respective accountabilities across the system.

	T Levels (Level 3)	Apprenticeships		
		Technician Level (2 to 3)	Higher Technician Level (4 to 5)	Professional Level (6+)
Department for Education (through ESFA until 31/03/2022)	Overall accountability and policy lead for T Level programme, including provision of industry placements	Overall accountability for the apprenticeship programme, policy, strategy and quality Overall accountability for Higher Technical Qualification policy including funding and raising quality of higher technical provision		
IfATE		Accountability for quality in relation to its statutory duties		
	Production of outline content, qualification development, review and approval	Standards development, review and approval		
	Managing quality through contract procurement	Oversight of External Quality Assurance of end-point assessment		
		Quality of approved Higher Technical Qualifications: analysis and approval of Higher Technical Qualifications in accordance with statutory duties		
Ofsted	Quality of teaching	Quality of training provision		
Ofqual	Accreditation and quality of qualifications in Register of Regulated Qualifications	Quality Assurance of end-point assessment		
		Advise IfATE on quality of qualifications submitted for Higher Technical Qualifications approval		
		External Quality Assurance, where nominated		
Office for Students (OfS)			Quality of training provision	
			Quality of End Point Assessment (through the Designated Quality Body, QAA)	

There are a number of pending changes to IfATE's responsibilities and accountabilities which are set out in new legislation introduced by the [Skills and Post-16 Act 2022](#). These changes are designed to give effect to some of the key reforms set out in the [Skills for Jobs White Paper](#), which the Department for Education (DfE) published in January 2021. IfATE is preparing for the delivery of these new functions and responsibilities.

The review of the Education and Skills Funding Agency recommended that sponsorship of the Institute for Apprenticeships and Technical Education should move to the Department for Education, and sit within the new Skills Group of the Department.

Since 1st April 2022, the Director-General of this new group, Paul Kett, has replaced the interim Chief Executive of the Education Skills and Funding Agency (ESFA), John Edwards, as Senior Sponsor of IfATE.

The sponsorship team which supports the Senior Sponsor will remain unchanged and will move from the ESFA to the new group in the core department as part of the Apprenticeship Directorate, and along with the Professional and Technical Education Directorate.



Performance analysis

This section summarises the development and performance of IfATE between 1 April 2021 to 31 March 2022 against the three main strategic priorities within our plan:

- 1) Delivering for employers
- 2) Building a more integrated skills system
- 3) Securing continuous improvement

IfATE confirms that it has complied with legislation in respect to the activities it has undertaken during the year. It has had regard to the Strategic Guidance issued by the Secretary of State for Education in April 2021.

All data is relevant as at 31st March 2022.

Delivering for employers



Apprenticeships

We work with employers to develop apprenticeships, including assessment plans and funding band recommendations. We also quality assure the delivery of assessments (End Point Assessment – EPA). There were 713,000 apprentices in England in 2020-21 academic year, and the number of apprenticeships published for delivery has continued to increase from 587 in March 2021 (521, March 2020) to 647 as of March 2022.

This year a priority has been to deliver an apprenticeship funding band recommendation methodology that captures the delivery costs of an apprenticeship in a more accurate, transparent way and strengthens value for money

for the taxpayer. The new funding model began its pilot in January 2022 with the first recommendations reported in April 2022.

Green apprenticeships

World-class skills training will be vital to the government's plans to create and support two million high-quality green jobs by 2030. This year to support our work to be future facing we have expanded our green advisory panel (GAP) to cover all technical qualifications and advise where existing occupations map to new green jobs or can be made greener. So far 207 occupational standards where green content could be strengthened have been identified. This will enable IfATE to support employers in developing green occupations and achieve the

green skills the economy needs to reach net zero by 2050.

Degree apprenticeships

Degree apprenticeships combine the best of academic and vocational learning. They offer people of all backgrounds a unique opportunity to achieve a degree, while being in a job and earning from day one. This year we consulted on policy changes to the development, delivery, and approval of degree apprenticeships to secure the best of apprenticeships and the best of degrees. Receiving over 200 responses, we have now implemented the changes, including accommodating a transition period which will end in September 2022.

Development and revision of apprenticeships

Number of new apprenticeship versions made available for starts per academic year:

New versions of apprenticeships made available in financial year:

2021-22	102
2020-21	101
2019-20	151

Source for apprenticeships: IfATE API

We are constantly striving to ensure that the learning outcomes from technical qualifications and

apprenticeships arise from occupational standards and reflect emerging skills. This will ensure that apprenticeships and technical qualifications are high quality, relevant, meet the needs of a range of employers and support apprentices to reach the stated level of competence.

We have prioritised the development and revision of apprenticeships and technical qualifications that support economic recovery and meet the future skills need of the country, including carbon reduction and technological advances through developing a more proactive, risk-based approach to reviewing apprenticeships.

[Agricultural, Environmental & Animal Care](#), [Hair & Beauty](#), and [Creative & Design route](#) reviews in September 2021 and the review for Engineering & Manufacturing in November 2021.

IfATE has reviewed the way we approach route reviews. We have developed an innovative approach that is more collaborative rather than IfATE led, with the process being appropriate to each route.

The [Construction route review](#) was selected as the pilot route to try out IfATE’s new approach to route reviews. It concluded in March 2022.

Case study



Lesley Anne-Alexander CBE is the vice-chair of the IfATE’s care services route panel. She is the former CEO of The Royal National Institute of Blind People (RNIB).

She has had a long career in the public and voluntary sectors. While at RNIB, Lesley-Anne was instrumental in uniting the fragmented sight loss sector through the development of the UK Vision Strategy. She also created the RNIB Group of charities.

“Apprenticeships provide the perfect platform for ‘on-the-job’ learning. They empower people to properly experience the workplace while receiving support and encouragement from those around them. Apprenticeships allow people to use their lived experience to enhance the quality of the services they deliver... in my parents’ case the carers made every day better for both Mum and Dad!

“Apprenticeships are an ideal way to up-skill the workforce of ‘UK PLC’ at all levels. They provide a pathway from entry-level roles to senior management. Importantly, they impart high levels of skills which, in turn, make the customer better satisfied and therefore make the company more successful. A ‘win-win’ on every level.

“My early career was a bit chaotic. Unstructured and opportunistic would be a good description – plus with a bit of luck thrown in too! I didn’t go to university after school (much to my Mum’s disappointment!) but did eventually manage to get a master’s degree because of the great advice of a training officer at my then employer. I also managed to survive the drama of being a single mother; the flexibility that an apprenticeship would have brought would have been invaluable.”

T Levels

T Levels launched in September 2020. They follow GCSEs and are a full time two year educational programme for 16 to 19 year olds. These were developed with employers so that the content meets the needs of business and prepares students for work or higher level occupationally relevant study.

This year saw continued delivery of:

- Wave 1 T Levels – year two for the first cohort and a second cohort starting year 1;
- Seven more Wave 2 T Levels joining them in September 2021; and
- All six Wave 3 T Levels were approved and will be taught from September 2022
- Development is underway on Wave 4, where a further seven T Levels will be taught from September 2023, including Legal Services where positive engagement with awarding organisations resulted in a contract being awarded in January 2022

Together with the Department for Education (DfE), we continue to review options for future T Levels, and to explore how T Levels could be extended to adults. We are also working with employers on clearer identification of progression routes from T Levels to other qualifications or apprenticeships.

T Levels starts data:

T Levels are being rolled out across England in stages. This ensures providers have time to get ready to deliver and means they can get the support they need. Providers from the first waves are also able to share best practice with those who begin delivering in the later phases.

The initial rollout in September 2020 was delivered by 43 providers and in September 2021 this increased to 102. For September 2022 this is expected to be nearly 200 and for September 2023 over 400.

From 2024, all T Levels will be available to be delivered by all providers delivering 16 to 19 study programmes, irrespective of Ofsted grading.

	2020-21		2021-22	
	T Level programmes	T Level transition programme	T Level programmes	T Level transition programme
Total	c.1300	c.950	c.5,450	c.3,550

Source: T Level Action Plan 2020

September 2020 onwards

- Design, surveying and planning for construction
- Digital production, design, and development
- Education and childcare

September 2021 onwards

- Onsite construction
- Building services engineering for construction
- Digital support services
- Digital business services
- Health
- Healthcare science
- Science

September 2022 onwards

- Finance
- Accounting
- Design and development for engineering and manufacturing
- Maintenance, installation and repair for engineering and manufacturing
- Engineering, manufacturing, processing, and control
- Management and administration

September 2023 onwards

- Legal services
- Hair, beauty, and aesthetics
- Craft and design
- Media, broadcast, and production
- Catering
- Animal care and management
- Agriculture, land management and production

Higher Technical Qualifications

We established a process for awarding a new quality mark for Higher Technical Qualifications that makes it far easier for employers and learners to know which qualifications offer great training for highly skilled jobs, and have made the following awards:

- The first approval cycle – Cycle 1 – for Digital qualifications concluded in Summer 2021, with the first 30 approved qualifications available to be taught from September 2022.
- Cycle 2 launched in July 2021 for submissions of qualifications for Health & Science and Construction, with a further opportunity for Digital qualifications. 76 qualifications were received for review.
- Cycle 3 began in February 2022 and considered submissions in Engineering & Manufacturing, Education & Childcare, Business & Administration and Legal, Finance & Accounting.

Case study



Maddy Walker is an Education and Childcare (Early Years and Childcare) – Second Year student (started 2020, graduates 2022) at Fareham College.

“I am currently studying the Early Years Educator specialism of the Education and Childcare T Level. The T Level has definitely lived up to my expectations, there is a great balance of theory and practical learning. I would recommend a T Level to other school leavers.

“Originally, I was unsure what I wanted to do at College, I attended an Open Event and the facilities and teaching staff were amazing. Coming from a big family, I had always enjoyed working with children and young people so decided to pursue a T Level. When I joined Fareham College I was part of the first year of T Level students, I made such great friends and the support available from the staff was second to none.

“I have been offered and accepted a place to study Early Childhood with Further Psychology at the University of Portsmouth. Following this, I would like to either continue in higher education or go into a management-level position in a childcare setting. As a result of the T Level, I have been able to work with children and young people across a wide age range, this has allowed me to identify my preferred age, which is infant school/ year R.”

Building a more integrated skills system



We aim to create a single technical education system that drives up quality, reduces complexity and meets the skills needs of all our nation's employers and learners.

Our focus this year has been to consolidate the position of T Levels alongside apprenticeships and begin to position HTQs alongside them, whilst preparing to approve qualifications at levels 2 and 3 and the provisions of the Skills Act.

We recognise that for the system to hold value in the eyes of employers and students, there should be clear progression opportunities through education levels that are coherent and joined-up, with the system being easily navigable for learners and employers alike.

Occupational Maps

Occupational Maps provide a clear and consistent picture of the current and potential future technical education landscape in which IfATE is involved and can be used to establish how occupations are linked to each other, and how an individual can progress between them.

To deliver on the ambition of a technical education system where all provision is aligned to employer led standards, we are refocusing and redeveloping the maps to represent all occupations that can be accessed through apprenticeships and/or technical qualifications. The first iteration of this was available in May 2021 and consulted on with our key stakeholders in August 2021. The prototype was completed in April 2022.

We continue to work with other sector bodies to promote a cohesive technical education system, including working with the Holman Review of Careers Advice and the National Careers Service to ensure that careers advisors are supported with up-to-date information from Occupational Maps.

Post-16 qualifications/Skills Act

The [Skills and Post-16 Education Act 2022](#) grants new functions to IfATE, including further approval powers for technical qualifications that will support the implementation of the Government's reforms to Post-16 qualifications.

The Department for Education's Review of Qualifications at level 3 and below in England aims to ensure that all qualifications approved for public funding are necessary, have a distinct purpose, are high quality, and support progression to positive outcomes. At level 3 we have been asked to lead the approval of technical qualifications.

DfE will, in the future, only fund level 3 technical qualifications that we have approved. We are working closely with DfE and the qualifications regulator Ofqual, to develop a robust and streamlined approvals process that brings employer needs to the fore.

We are due to consult on our approach in summer 2022, with the first round of approvals set to launch in autumn 2022. DfE is currently consulting on the level 2 landscape, but we anticipate taking the same responsibility for the approval of level 2 technical qualifications.

Securing continuous improvement



We work collaboratively with others to produce high-quality apprenticeships and technical education. We remain committed to a continuous improvement philosophy and innovative approaches to ensure all our customers have good experiences with IfATE.

Together, we assure a range of areas and have worked hard to drive up system quality. This year, we strove to further improve the service we provide to employers and all stakeholders, alongside improving our internal structures and functionality.

To become more responsive to employers and grow sector expertise in employer-facing teams, we have conducted an internal restructure. This will also ensure we can utilise the new powers introduced by the Skills Act in the most efficient way, alongside changes to governance that will streamline approvals processes and remove bureaucracy.

We have changed from a functionally orientated structure to one that is fundamentally customer facing to enhance our understanding and engagement with our stakeholders. This has enabled teams to build sector expertise and offer appropriate flex to meet employers' needs better.

Our staffing profile has also increased to 280 by March 2022 as we prepare to approve more qualifications.

IfATE is committed to acting as an exemplar and embedding equity, diversity, and inclusion across all our qualifications products and in the way we work to ensure apprenticeships and technical qualifications support everyone to learn new skills and maximise career opportunities, irrespective of background. This year we have established an Equity, Diversity, and Inclusion Committee from our board to collaborate with partners to coordinate efforts and develop our long-term intentions in this area.

Long-Term Assurance

IfATE is committed to ensuring that technical qualifications we approve deliver world-class results.

In 2021 we collaborated with employers and other technical qualification stakeholders to understand their expectations of quality and fitness for purpose. We also undertook work with Ofqual and other public bodies to develop strengthened partnership arrangements to ensure these objectives are met.

In the coming year, we will continue this work focussing initially on embedding IfATE's role in approving level 3 technical qualifications and setting out how we assure learners and employers through that approvals process. Alongside this, we will begin to implement plans for quality and impact analysis to evaluate the effectiveness of approved qualifications in meeting the needs of learners and employers and to drive continuous improvement.

External Quality Assurance

The transition of External Quality Assurance (EQA) to Ofqual and the Office for Students continues. We reviewed timelines for this work with Ofqual and in October jointly agreed that phase one transfers were to be completed in June 2022. This was to ensure the needs of apprentices were prioritised and all organisations had a fair opportunity to apply for Ofqual recognition at least twice.

We have also established an employer directory of professional and employer-led bodies that support Ofqual and Office for Students (OfS) with employer-based occupational expertise to inform the reliability of assessments, retaining the employer voice at the heart of protecting quality in apprenticeships. Recruitment continues with over 44 organisations approved so far covering 228 apprenticeships.

COVID-19 Recovery – Building Back Better

We have continued to prioritise our response to the pandemic throughout 2021-22. Our approach has been to put health and safety first, while supporting learners and apprentices to begin and complete their training.

Apprenticeship take-up has been encouraging overall, with the total number of starts approaching pre-pandemic levels. We have continued to generate and review apprenticeships, with outstanding support from employers. In 2021-22 31 apprenticeships were approved by IfATE, with outstanding support from employers.

Some sectors have been adversely impacted more than others and the longer-term impact on apprenticeship completions is not yet fully clear. We have continued to consider applications for flexibilities in assessment approaches and delivery throughout the year, with 154 in place on 31 March 2022.

Flexibilities which are not an improvement on what went before were withdrawn on 1 April 2022, following consultation with the sector.

Temporary discretions for 36 specific apprenticeships have been extended until 30th June 2022 in response to the feedback from employers, End Point Assessments Organisations (EPAOs) and Trailblazer groups. This will particularly benefit the Health and Science route, catering, hospitality, and food related manufacturing standards.

We continue to keep these under review with advice from employers and providers.

T Levels have been impacted, but the flexibility in the curriculum design has made them more resilient. Flexibilities for students on Wave 1 T Levels were applied for assessments due in Summer 2021, but otherwise delivery has been as planned and awarding remains on track for Summer 2022 for this cohort. Similarly, we remain confident that no adjustments will be required for students who started their T Level from September 2021.

Higher Technical and other qualifications programmes have continued without COVID-19 interruption or delay.

During 2021-22 efforts have been made to resume in-person activities, however due to the ongoing COVID-19 pandemic the majority of board meetings and all board committee and advisory group meetings have continued to take place virtually.

The Quality Alliance

Jointly chaired by IfATE and DfE, the Quality Alliance is a means for collaboration between organisations with responsibilities for aspects of the apprenticeship landscape. This collaborative approach is designed to facilitate effective co-ordination and co-working to improve quality and deliver improvements in the quality system. Members share intelligence so that trends can be monitored, areas of concern can be identified, and action taken.

Members

Institute for Apprenticeships and Technical Education

DfE/ESFA	Ofsted	Ofqual	WorldSkills UK	Office for Students
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Association of Employment and Learning Providers	Association of Colleges	Federation of Awarding Bodies	Universities UK	Quality Assurance Agency for Higher Education (QAA)	University Vocational Awards Council (UVAC)
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Quality Alliance met 5 times in the financial year.

Key focus on bringing together partners from across the apprenticeship and technical education system to contribute to policy and deliver thinking on quality improvement.

Performance analysis

Performance against our strategic objectives

IfATE uses a balanced scorecard to track performance against our strategic principles. Our performance measures reflect the direction issued by government in strategic guidance and direction from the board. Using feedback from across IfATE, we update the scorecard monthly. We gather information from:

- our senior leadership team
- management information system
- reports from our sponsor
- other data including surveys

Data and information correct as of 31/03/2022.

Colour coding is used to track progress.

Substantial delivery achieved
Some risk to delivery
Commitment not on track

Overall performance 2021-22

Delivering for employers



T Levels

Objective	Measure	Performance
Ensure that T Levels are developed in accordance with the overarching technical education programme and are of a consistently high quality	Wave 3 technical qualifications (TQs) are available to providers, having achieved IfATE approval and Ofqual accreditation by November 2021	All six wave 3 T Levels were delivered to time and will be taught from September 2022. We have received no adverse commentary on quality.

Higher Technical Qualifications (Level 4-5)

Ensure that Level 4-5 Qualifications continue to roll out to plan and IfATE’s processes continue to be refined	<p>Cycle 1 Digital approved qualifications to be published by September 2021, ready for first teach September 2022</p> <p>Secure applications for Cycle 2 by October 2021 to cover the 70% of standards in scope for Digital, Construction and Health & Science</p>	<p>Cycle 1 (covering the Digital route) received 21 applications, covering 33 qualifications. 30 of these qualifications were approved and a list was published in June 2021 on IfATE’s website.</p> <p>The second cycle (covering Digital, Construction and Health & Science) received applications covering 76 qualifications. These covered 65% of the occupational standards in scope. Using learning from the first cycle, we sought to ensure high quality applications by working closely with organisations instead of a sole focus on volume. The metric date was reviewed and pushed out to March 2022, to enable further time to achieve the target.</p>
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Overall performance 2021-22

Development and revision of standards

Objective	Measure	Performance
Prioritise the development and revision of standards that support economic recovery and meet the future skills needs of the country	Assemble and publish a priority list of high-volume/demand occupations, including carbon reduction-related occupations, by September 2021	IfATE has devised a data-led system that prioritises for revision those standards performing least well across a range of data points. The data takes into consideration high-volume/demand occupations. This is being trialled with the Construction route, with a wider rollout from April 2022. The rollout was slightly delayed from September 2021 to December 2021 due to the organisation’s restructuring.

Funding bands

Deliver an apprenticeship funding band calculation methodology that, provides transparency of eligible costs and value for money for the taxpayer	At the end of the process trailblazer survey, increase the percentage of positive responses to trailblazers have sufficient understanding of how IfATE reaches funding band recommendations from 36% to 50%	Due to the delayed launch of the new funding band methodology, it is too early to meaningfully gather trailblazer’s satisfaction survey results for this performance year. Implementation of the first live test pilot is progressing as planned, with the first recommendations received in April 2022.
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Strengthening collaboration

Strengthening collaboration between employers, educators and learners, extending the appreciation of learners’ viewpoints	Streamline employers’ roles in the development, approval, and maintenance of apprenticeships and technical qualifications. Approve the way forwards with IfATE Board by April 2022	The initiation of this project was rescoped to focus on aligning T Level and HTQ processes. A pilot for cycle 3 HTQs will run Summer 2022, following evaluation and approval a new process which builds on the peer review process will be implemented for the post 16 reforms in Autumn 2022.
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Building a more integrated skills system



Occupational Maps

Objective	Measure	Performance
Revise and publish occupational maps that embrace all technical qualifications and standards approved by IfATE	Based on consultation responses, deliver a prototype that is judged by users to meet their needs by April 2022	A prototype was developed and delivered in light of user research. The results of prototype testing have informed the long-term redevelopment of the maps, therefore ensuring users' needs are met. This included testing on language and terminology to ensure accessibility. The Alpha phase of development concluded at the end of April, with plans for a Beta phase now in development

Post-16 Qualification

Support and implement the post-16 qualifications (Level 2 and 3) review and Skills for Jobs white paper	Develop an employer-centred approval process for Level 3 technical qualifications to enable the launch of the pathfinder by November 2021	The pathfinder has now been rolled into the first full cycle of approvals due in October 2022
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Data-led approvals and analysis

Creating an improved body of data and extending its application	Expand internal data provision and reporting to encompass all technical education qualifications by December 2021	Internal data provision and reporting now encompass T Levels alongside apprenticeships, however, initial reporting on HTQ and level 3 qualifications are still being developed in line with business needs
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Securing continuous improvement



Quality of apprenticeship assessments

Objective	Measure	Performance
Assure and raise the quality of apprenticeship assessments and technical qualifications	Commence the creation of an employer directory to strengthen the availability of the expert employer voice in External Quality Assessment (EQA) increase the coverage in the employer directory of standards from 17% now to 50% coverage of the standards due for EQA by April 2022	44 organisations are now approved to the directory, covering 228 different standards that are approved for delivery (36% of all live standards). An employer directory organisation (EDO) is in place for 53% (18) of the 34 apprenticeships in which external quality assurance (EQA) activity was planned.

New structure for the organisation

Implementing a new structure for the organisation that enables us to be more customer-focused and collaborative (internally and externally), and to better align our activities to our strategy with stronger oversight of progress towards our objectives.	In the 2021 People Survey, maintain the level of positive responses from IfATE staff received that suggest change is managed well (2020: 69%)	IfATE delivered a restructure of the organisation in July 2021, introducing a large-scale change. In the 2021 People Survey (results issued in December 2021), the staff engagement index for IfATE went up to 71%. A review recently concluded on the changes, with recommendations made for evolutionary adjustments.
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Core Operations 

Commercial

	Measure	Performance
	<p>All IfATE contracts are procured per IfATE’s commercial process and delivered following agreed on service requirements and monitored effectively to the satisfaction of all external inspections and audits</p>	<p>Commercial contracts have been procured in line with IfATE’s commercial process, with oversight provided by the People and Resource Group (PRG). Our approach to monitoring effectiveness has resulted in a gold/silver categorisation of contract management. A training series has been delivered to contract owners across the organisation. Risk registers for commercial processes are also being introduced.</p>

Our People



IfATE recognises that its staff are crucial to delivering our mission and strategic aims. IfATE aims to make itself an exemplar employer, where people are included, developed and valued.

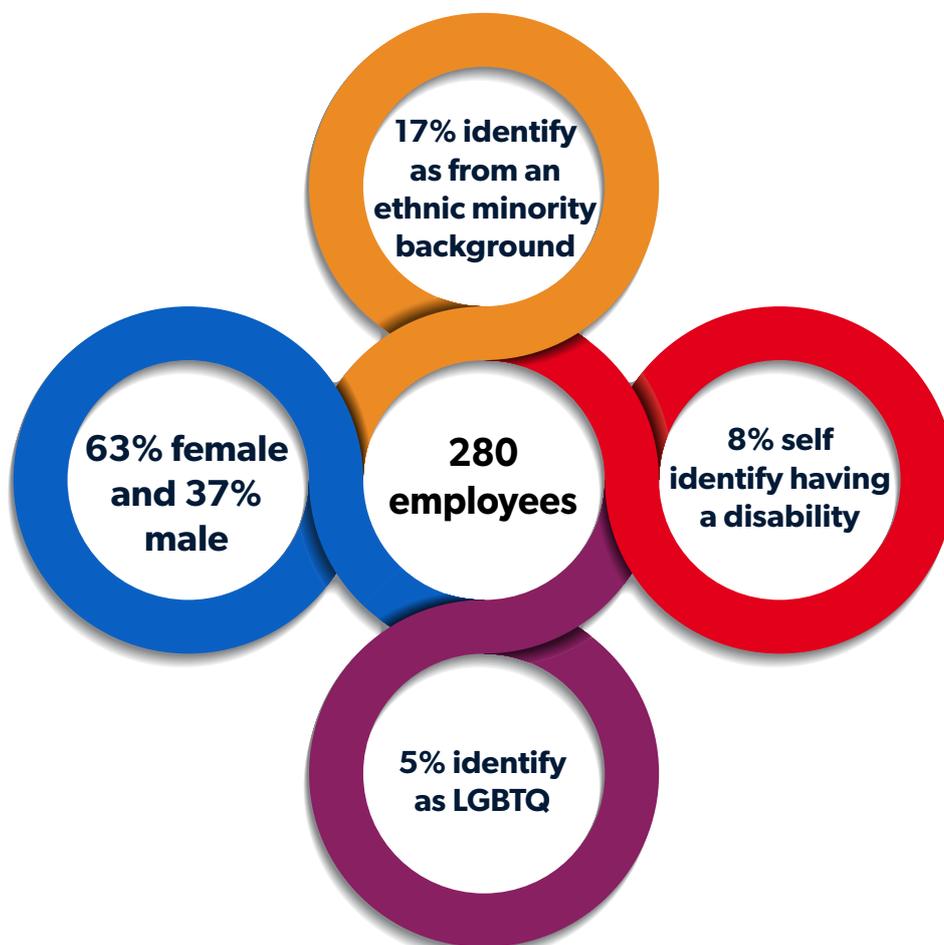
Over the year our workforce has grown by nearly 30% to reflect our new remit, requiring significant activity to get people inducted and contributing quickly.

We have communicated regularly to keep our people informed of the latest guidance and support with respect to COVID-19, including providing online resources on mental wellbeing. The year also included our hybrid transformation ways of working.

Equity, Diversity and Inclusion (EDI)

IfATE has set up a new Equity, Diversity and Inclusion (EDI) Committee, which reports directly to the board. EDI will implement the board's ambition to embed equity, diversity and inclusion as a mainstream of all IfATE business and influence the wider apprenticeship and technical skills landscape.

This work is supported by Human Resources (HR) and operational colleagues, and will include a review and revision of the 2019 Diversity and Inclusion Strategy.



Diversity and Inclusion network (DIN)

IfATE continued to work with its Diversity and Inclusion network (DIN), a forum led by staff for staff to provide a safe and supportive environment to discuss and promote diversity. DIN has the support of the CEO, two Deputy Director sponsors and three board sponsors, and links directly to the EDI Committee. They report periodically on progress made on raising awareness of Diversity and Inclusion to the board.

HR policies that were created or reviewed with the help of lead DIN representatives were:

- flexible working
- parental leave
- bereavement leave
- maternity processes

Other activities from the DIN include:

- Created and won support for a mentoring scheme, to provide direct support to those taking on new work areas or looking to progress
- Consultation on the development of hybrid working arrangements and a change management process and continue to be involved in its review
- Led Equality, Diversity and Inclusion blogs or awareness sessions, linking to national events and awareness days

Recruitment

We continue to review our recruitment processes to ensure a diverse, representative spread of successful applicants for posts and we regularly produce demographic data. For example, candidates who declared they had a disability at the start of the process were marginally more likely to be offered a post than non-disabled candidates.

Accessibility

Accessibility issues on our website were reduced from 3,000 to 85. We also reviewed iTrent, our employee self-service system, to make it more accessible and made improvements to the demographic data questions, making sure they are in the same format used across the Civil Service.

Our Champions

We are waiting for the outcome of our application to be a Disability Confident Leader and have continued to support staff with our health and wellbeing strategy, mental health awareness courses, resilience training and support for Health and Wellbeing Champions. Progressing this agenda has helped secure external recognition for IfATE staff in the Government Project Delivery Awards.

Declaration rates have increased over the year with 80% now declaring their ethnicity, 80% their disability and 72% happy to disclose their sexual orientation.

Our Staff Engagement

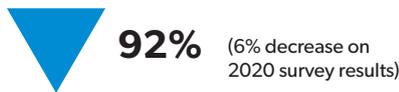
The engagement of our people makes IfATE a better place. For the second time IfATE was part of the Civil Service People Survey, having previously run a survey 'in-house'.

The overall completion rate stayed high, even if there was a small decrease on last year, which is due to the number of new employees joining the organisation towards the end of 2021. The employee engagement score has risen by 2% since last year and is on track to meet the target of 75% engagement by 2024.

IfATE was pleased to see a rise in the overall score for the 'Leadership and Change' section, in a year where there was a significant restructure. The focus on equity, diversity and inclusion also appears to be helping responses around health wellbeing and inclusion. In all but one of the areas (Learning & Development), the IfATE scored higher than, or were on par with, the Civil Service Benchmark.

To address key areas the Senior Leadership Team have taken the decision to focus on Resources & Workload, Leadership & Change and, Learning & Development for 2022-23. Action from the People Survey feedback is taking place in line with an ongoing change review.

Completion rate:



Resources & workload score:



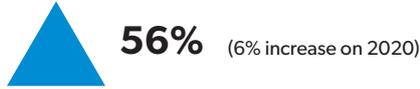
Engagement score



Inclusion score:



Pay & benefits score:



Learning and development score:



Leadership & change score:



Org objectives & purpose score:



Apprentices

IfATE is committed to continue to develop an excellent internal apprenticeship offer, joining the 5% club, a body for employers who have a goal to have at least 5% of their workforce either on an apprenticeship or who have completed one.

Currently IfATE's percentage is 4.6%, and covers levels 3–7, including finance, business administration, management, human resources, commercial and includes a solicitor apprenticeship to take a school leaver to a qualified solicitor, the first in the Civil Service.

Case study



Saskia Navaratnam is the Chair of the IfATE's apprentice panel and a Level 3 advanced engineering apprentice at Royal Mail.

"My apprenticeship has provided me with the building blocks I need to create a steady foundation for my growing knowledge and confidence. It's allowed me to pursue my dream career path and opened more doors than I could ever have imagined.

"Doing an apprenticeship has provided me with an income and an education at the same time. I started this apprenticeship at 24 years old, so it was important for me to be able to earn whilst I learn. It has also provided me with the opportunity to gain the qualifications and experience to pursue many different roles within engineering, and the

confidence to do so.

"I recently joined IfATE's apprentice panel. The panel provides a space that allows the voices of apprentices to be heard so that those voices can help shape and drive apprenticeships in the future.

"My goals on the panel are to help provide a larger platform for apprenticeships as a viable career starter/changer and, more intrinsically, to make a push for more women and BME in engineering."

Risks and uncertainties

In January 2022, we received a moderate audit opinion for risk management which recognised good progress made in our enterprise level risk management, together with the development of our strategic risks. We have aligned to cross government best practice, and refreshed our strategy as approved by our ARAC and board.

IfATE appointed a dedicated Corporate Risk Lead in early 2022 to take forward plans to embed our risk management framework across the organisation further and establish a risk culture in line with our maturity, including bespoke training for staff and coherence of risk analysis from across the organisation, through to strategic risks. The ARAC will continue to be appraised of our progress in order to provide scrutiny.

We have assessed risks against our strategic priorities and mission, showing below those risks with the most severity, which have been actively managed during the course of the 2021-22 performance year; this has resulted a reduction in two areas of the risk profile, with the remainder maintaining a stable position.

These risks have been considered and maintained in light of external economic and environmental factors, in particular climate change, fiscal pressures and the geopolitical context.

For more detail on our risk approach, please refer to page 66.

Key	Strategic Priorities 2021-2024
	SP1 Delivering for employers
	SP2 Building a more integrated skills system
	SP3 Securing continuous improvement

Risk Appetite

We are not averse to taking risks and our approach is based on judgement and the circumstances of each potential intervention, and an assessment of its impact. This means that we will not seek to intervene in all situations; we will prioritise with respect to risk, costs and perceived benefits in a clear and transparent way, choosing the best course of action from our knowledge, experience and tools.

We continue to instil our risk appetite statement and provide guidance to assist managers in support of decision making, by clarifying what level of risk the organisation is prepared to accept for different types of risk. We will test our assessment of appetite at the corporate level with the Executive in 2022-23.

Adverse	Avoid or ultra safe in taking risk that outweighs reward	
Cautious	Low trade of between low risk and reward	
Open	Innovation meets higher risk but higher reward	

Risk	Likelihood and Impact	Risk management activity
<p>Risk 1:</p> <p>The loss of employer confidence poses a risk to gaining input and insight required to deliver and maintain Apprenticeships, T Levels and Technical Qualifications (TQs)</p>  <p>Stable</p> 	<p>Unlikely-Medium</p>	<p>Progress</p> <ul style="list-style-type: none"> Extended COVID-19 flexibilities, ensuring we do not compromise quality of the apprenticeships Conducted regular stakeholder feedback which informs our priorities and engaged stakeholders in a series of webinars and events building on our commitment to transparency Optimising employer input to IfATE’s commissioning, approval and maintenance, with board reviewed governance arrangements <p>Planned – forward look</p> <ul style="list-style-type: none"> Improve systematic collection and feedback on stakeholder intelligence and continue to represent the employer view with partners whilst being cognisant of student and apprentice welfare needs <p>COVID-19 update</p> <ul style="list-style-type: none"> 7 COVID-19 flexibilities will remain permanent and further details are issued on our website

Risk	Likelihood and Impact	Risk management activity
<p>Risk 2:</p> <p>Loading from new anticipated qualifications exceeds capability and capacity to deliver.</p>  <p>Stable</p> 	<p>Likely-Severe</p>	<p>Progress</p> <ul style="list-style-type: none"> • Developing an employer-centric approval process for Level 3 Technical Qualifications • Developed an apprenticeship revisions prioritisation mechanism with input from senior stakeholders. Collaborated with the DfE to feed specific priority areas into our prioritisation mechanism • Organisational changes have enabled IfATE to establish a roadmap of work for use in line with Strategic and Ministerial priorities <p>Planned – forward look</p> <ul style="list-style-type: none"> • Establish and align strategic workforce/ resource planning to support planning, prioritisation and delivery • Continue refining T Levels, TQs, HTQs approvals processes and re-allocation of resources to address peak activity and scale up/ manage pipeline, ensuring prioritisation that supports the economy <p>COVID-19 update</p> <ul style="list-style-type: none"> • IfATE has continued with the development of T Levels throughout the pandemic

Risk	Likelihood and Impact	Risk management activity
<p>Risk 3:</p> <p>IfATE products are not agile to the needs of the economy and do not meet customer needs</p>  <p>Reducing</p> 	<p>Likely-Medium</p>	<p>Progress</p> <ul style="list-style-type: none"> • Consulted on a prototype to revise and publish Occupational Maps, to navigate T Levels, TQs and Apprenticeships • Assure and raise the quality of apprenticeship assessments; establishing an employer directory to strengthen the availability of the expert employer voice in External Quality Assurance • Delivered effectively and efficiently on T Levels ,TQs and HTQs Programmes/ products as per intended waves of delivery, with core focus on quality of content and support to Awarding Bodies and other organisations involved <p>Planned – forward look</p> <ul style="list-style-type: none"> • Implementation of EQA transition as agreed with Ofqual • Delivering a well-functioning approvals process for future products <p>COVID-19 update</p> <ul style="list-style-type: none"> • Ways of working and/learning during the pandemic harnessed resilience in how IfATE products are delivered and accessed

Risk	Likelihood and Impact	Risk management activity
<p>Risk 4:</p> <p>Comprehensive Spending Review (CSR) pressures</p>  <p>Reducing</p> 	<p>Likely-Medium</p>	<p>Progress</p> <ul style="list-style-type: none"> • Funding of future T Levels, TQs were announced in the CSR settlement, with uncertainties confirmed • Maintaining controls over Budget Management and forecasting accuracy, ensuring administrative savings as per settlement <p>Planned – forward look</p> <ul style="list-style-type: none"> • Continue to develop robust financial and narrative business case for growth/ sustainability versus priority areas working with the DfE to secure settlement for 2022-23 onwards • Invest in portfolio mapping/ prioritisation and resource planning to further support a management view and further plan for any future fiscal pressures <p>COVID-19 update</p> <ul style="list-style-type: none"> • Collaborative working between business partners continued throughout the pandemic, with hybrid ways-of-working, business continuity and estates management factored into our budget

Risk	Likelihood and Impact	Risk management activity
<p>Risk 5:</p> <p>Protecting our IT Systems and Data</p>  <p>Stable</p> 	<p>Likely-Severe</p>	<p>Progress</p> <ul style="list-style-type: none"> Conducted cyber security assessment with DfE and used assurance activity to strengthen IfATE’s cyber security arrangements and build into continuity plans <p>Planned – forward look</p> <ul style="list-style-type: none"> Continue to be part of DfE’s 5 year security plan Continue supporting staff through a suite of cyber awareness resources and online training to keep IfATE alert to novel cyber risks <p>COVID-19 update</p> <ul style="list-style-type: none"> Acknowledged heightened risk of cyber security, phishing and fraud during the pandemic and rolled out a suite of tools to staff to enhance existing security arrangements

Further details regarding IfATE’s response and recovery in respect of COVID-19 can be found on page 23.

Emerging risks in 2021-22 and for 2022-23

Risk	Likelihood and Impact	Risk management activity
<p>Delivery of strategic priorities and future ambition within the bounds of 2022-23 Budget Totals</p> 	<p>Unlikely - Moderate</p>	<ul style="list-style-type: none"> • Maintaining controls over Budget Management and forecasting accuracy, ensuring administrative savings as per settlement • Business and strategic workforce planning • Active response to assurance or audit plans on management control areas as required and as reviewed by the Audit, Risk and Assurance Committee
<p>Disruption and safeguarding of information arising from intensity of Cyber Threats</p> 	<p>Likely - Severe</p>	<ul style="list-style-type: none"> • Ensure the relevant controls are reviewed and tested regularly with Cyber security assurance and data compliance feeding in to Digital Strategy • Horizon scan for Cyber risks • Continue supporting staff through a suite of Cyber awareness resources and online training to keep IfATE alert to novel Cyber risks.
<p>Opportunity in Digital Strategy enablement across the organisation</p> 	<p>Likely - Severe</p>	<ul style="list-style-type: none"> • Commenced the development of Digital Strategy to future proof the delivery of our strategic priorities and operational or systems needs that builds resilience in addition to existing business continuity plans.



Chief Financial Officer's review of the year



We are committed to achieving our Employer-Centred Future-Facing Strategic Plan whilst ensuring we deliver value for money. Over the last year the organisational redesign has meant we were able to refocus our processes, governance and management to meet IfATE's vision.

In order to be aligned to our new strategy, IfATE has reorganised to allow us to deliver a more customer focussed service.

To deliver our strategic priorities and meet future needs within the key operational areas (Route Group Delivery, Commissioning & Commercial and Policy & Concepts); DfE has continued to invest in our organisation to enable us to deliver an ambitious programme. This includes: developing T Levels; HTQs; changes to the Skills and post 16 Education; new funding model, and work associated with further revisions and updates.

Our internal restructure will future proof our ability to take on new responsibilities, most notably level 2 & 3 technical qualifications. As a result of these demands we have increased our staffing capability from 214 to 280. This is the key driver for the increase in costs to £25 million from previous year.

IfATE took occupancy of the new offices in Sanctuary Buildings, a government office in Westminster to complement hybrid ways of working having moved out of our Victoria office. The space is smaller in size and will contribute towards increased financial efficiency by reducing London estate costs by 51%.

There have been no significant events in the financial year that have resulted in any key issues impacting the financial statements.

The EU Exit has had no impact.

COVID-19 variants resulted in disruption and challenges during the year. IfATE is committed to building back better. During this period, we have reassessed our ways of working and are now embedding a hybrid working model. Our new hybrid working model has brought about cost savings in travel, number of physical meetings, and changed our operating model for the future.

We are monitoring the conflict in Ukraine and inflation.

Financial Performance

Overview

This section will focus on providing a commentary to support the financial statements – our performance for the financial year 2021-22.

See financial statements on pages 85 to 101 for further details.

Operating Income

EQA Income

We have recorded fee income of £1.4m (£1.4m in 2020-21) where IfATE has received fees from endpoint assessment organisations.

The income is offset against costs incurred in respect of external quality assurance (EQA) billed by Open Awards.

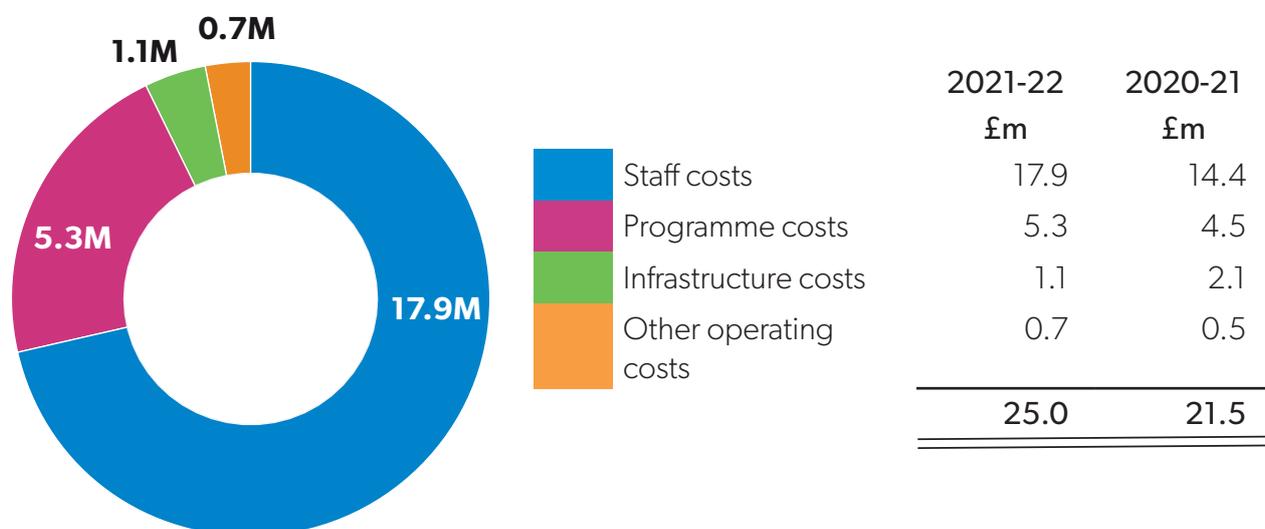
Transition of this service to Ofqual has been extended to June 2022. As a result, the cost element will continue to June 2022. However, the income element ceased on 15th December 2021.

The income relates to managing of the external quality assurance (EQA) service on behalf of Open Awards. IfATE ceased to receive income from mid December 2021 under the transitional arrangement for the service to transfer to Ofqual. The contractual arrangement with Open Awards results in no financial benefit to IfATE.

Operating Costs

We have increased our expenditure by £3.5m during 2021-22.

The chart below shows how this figure is broken down.

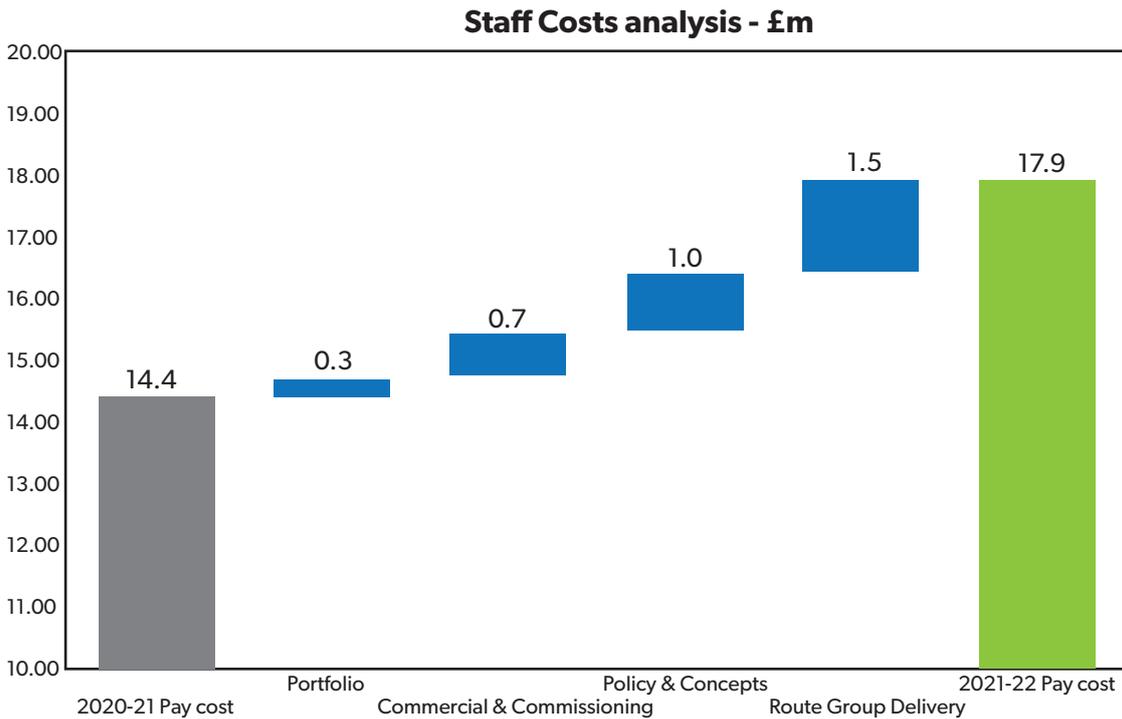
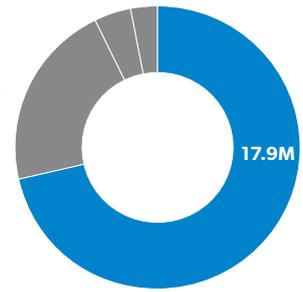


An analysis of staff costs can be found in the Remuneration and Staff report on page 74.

Detail of expenditure of our non-pay costs on page 96.

Staff Costs

Our staff costs have increased from £14.4m to £17.9m, key drivers are shown below



We have come a long way since our establishment 5 years ago, approving 647 apprenticeships, 16 T Levels and 30 Higher Technical Qualifications.

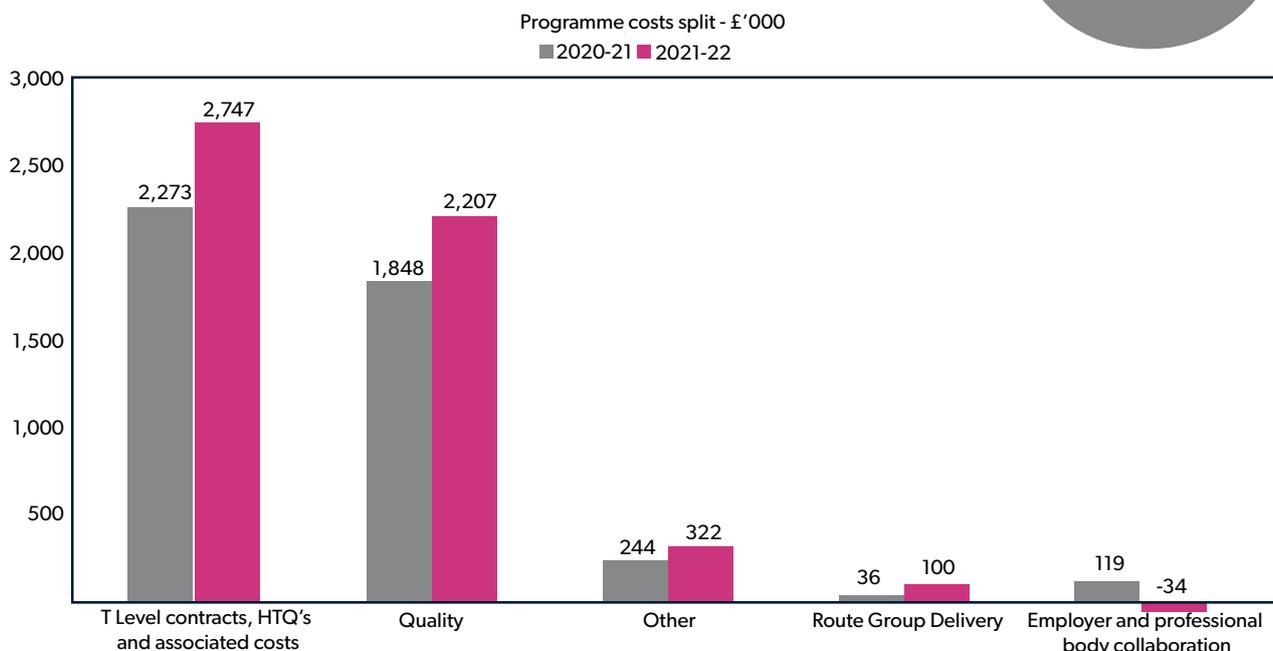
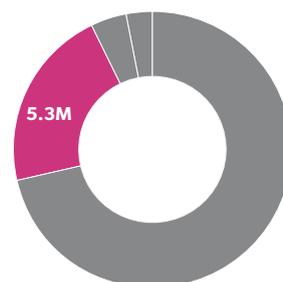
The investment in the organisational redesign has brought together: Approvals, Assessment, Funding and Development areas to focus on delivering a high value customer proposition for employers that is sector focussed.

The organisation has re-shaped to strengthen our ability to develop and curate a wider suite of products relating to Apprenticeships, T Levels and HTQs resulting in a unified skills system where employers drive up quality across all technical education products.

The year has seen an increase in staff numbers to support this wider remit as a result of the new Skills for Jobs and Post 16 Education Act.

Programme Costs

The cost to deliver our frontline services has increased from £4.5m to £5.3m.



T Level contracts, HTQs and associated costs

The table below represents a list of completed and ongoing T Level contracts within 2021-22.

T Level Wave	T Level Title	Milestone Start and Completion range ¹
Wave 3 Milestone 4 & Final Approval	<ul style="list-style-type: none"> • Finance • Accounting • Management & Administration • Design & Development • Maintenance, Installation & Repair • Manufacturing, Processing & Control Level 	Mar 2021 – Nov 2021
Wave 4 Milestone 1 & 4	<ul style="list-style-type: none"> • Agriculture Land Management Production • Animal Care Management • Craft & Design • Media Broadcast Production • Catering • Hair, Beauty & Aesthetics 	Sep 2021 – May 2022
Wave 4 Milestone 1	<ul style="list-style-type: none"> • Legal Services 	Jan 2022 – Nov 2022

¹ Range of dates provided relates to the period in which the specific T Level Wave Milestone was completed.

Expenditure incurred in respect of T Level contracts (per above Table) increased by £474k due to further subjects completed in 2021-22.

Quality

Quality costs have increased by £359k (from £1.85m 2020-21 to £2.2m 2021-22).

Key driver of this increase were the higher levels of certifications from OpenAwards in comparison to last year.

Other

Increase of £78k is primarily due to amortisation of recent capital expenditure spend to support our investment in the digital strategy.

Route Group Delivery

At the heart of IfATE's technical education, the Route Group Delivery teams work with employers to ensure occupational standards and all products derived from them are high quality and cohesive.

Travel and events costs have increased by £64k due to the partial return to pre-pandemic levels to support customer facing meetings with employers and stakeholders.

Employer and professional body collaboration

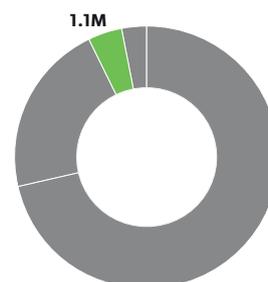
As an employer-led body, we continue to convene and facilitate employers, partners and other stakeholders to develop apprenticeship, T Level and Higher Technical Qualification content.

T Level Panels developed outline content for the technical qualifications. The final outline content was completed in March 2021. T Level Panels were therefore discontinued this year which resulted in reduced cost due to a release of accruals relating to prior year.

A number of Education Advisors supported the T Level panels. The overall Education Advisor costs were lower in 2021-22 due to the discontinuation of T Level panels.

Infrastructure

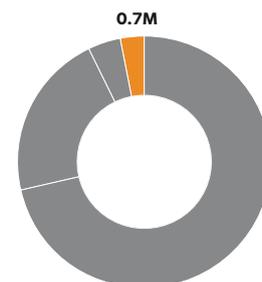
IfATE vacated its London Victoria Office on 31st March 2021 and took occupation of new offices in Westminster in January 2022. Accordingly, infrastructure costs were temporarily reduced by £1.0m (from £2.1m 2020-21 to £1.1m 2021-22).



Other operating expenditure

Our other operating costs increased by £200k (from £500k 2020-21 to £700k 2021-22).

Major driver of the increase is due to the partial return to pre-pandemic levels of travel and events to support face to face meetings.



Capital Expenditure

Our total capital investment for the year was £660k (2020-21: £516k).

Of this we spent £349k on development of digital platforms, with a further £48k still in work in progress (2020-21: £447k and £60k respectively).

This is for work carried out on IfATE external website to develop and deliver a number of IfATE services and products to external and internal users.

We currently have a commitment of £640k (2020-21 £565k) to continue to develop our IfATE Data Service and Website development as the work we undertake grows and develops.

Estates – Capital Expenditure

DfE have been involved in the provision of IfATE's new offices in Sanctuary Buildings as part of the current Sanctuary Building Refurbishment programme. Spend in respect of the refurbishment included capital expenditure of £263k to support IfATE's ways of working.

Balance Sheet

The negative equity of £2.6m on the Balance Sheet as at 31 March 2022 reflects that although we treat costs on an accrual basis; Government Financial Reporting Manual (FRM) requires that the Grant in Aid funding should be treated on a cash basis.

Forward Look

IfATE's focus for the year ahead is to:

Deliver for employers by:

- continuing the development of Wave 4 T Levels
- implementing of Level 3 and Level 2 programme (Post 16)
- continuing to delivery of new technical qualifications



Build a more integrated skills system by:

- focusing on the extended role IfATE will play in supporting the Emerging skills, Levelling up and enhanced role on Employer Communications



Secure continuous improvement by:

- continuing with the digital transformation through the digital strategy
- continuing to embed the new organisational redesign to align organisation design to meet future priorities. Including embedding the flexible ways of workings at IfATE.



Going Concern

IfATE is a non-departmental public body of the Department for Education. Funding from the Department for Education, taking into account the amount required to meet IfATE's liabilities falling due in the year, has already been included in the department's estimates for that year. Parliament has approved these estimates and there is no reason to believe that the department's future sponsorship and future parliamentary approval will not be forthcoming.

Whilst IfATE is in a negative equity position at the year end, this is because the supply funding is received in advance to meet cash requirements instead of when expenditure and liabilities are initially incurred. IfATE carries a number of accruals in respect of transactions outstanding at the year end. These will be settled, and cash provided for settlement in the following year. This will enable IfATE to continue its operations.

IfATE has considered the effect of COVID-19 and does not foresee that it will impact on its ability to operate as a going concern. As previously noted, IfATE's funding for the year 2022-23 has already been agreed. Operationally, it will continue to flex its resources to work with stakeholders to meet its objectives during the year.

Performance on other matters

Procedural Review

As the key developer of apprenticeships, trailblazers put in considerable work in developing the proposals considered by IfATE route panels and Approvals and Funding Committee.

Trailblazers can seek a procedural review¹ of the decisions and recommendations made by IfATE under specific criteria set out in IfATE's published guidance on procedural review. This means procedural review can be sought in respect of any of the final decisions or recommendations IfATE makes in relation to occupation proposals, occupational standards and assessment plans (including funding band recommendations).

Awarding bodies can also seek procedural review of final decisions made by IfATE in connection with applications for approval of technical qualifications.

All requests for procedural review must meet the requirements set out in IfATE's guidance².

The following table sets out details of procedural reviews in 2021-22 compared to 2020-21.

	2021-22	2020-21 ³
Total procedural review requests received	5	13

Procedural review requests in relation to funding band recommendations

Procedural review requests received	5	12
Granted	1	2
Not granted	0	2
Not in scope ⁴	4	8

Procedural review requests in relation to the development of standards

Procedural review requests received	0	1
Granted	0	0
Not granted	0	0
Not in scope	0	1

¹ <https://www.instituteforapprenticeships.org/about/procedural-review/>

² Link at footnote 1 above.

³ The figures for 2020-21 do not exactly match those stated in the IfATE's Annual Report and Accounts for year ended 31 March 2021. They have been revised slightly to reflect procedural review decisions which were made after the report was published and to correct human error.

⁴ Procedural review requests are determined not to be 'in scope' where they are not based on the procedural review ground (see the guidance linked in footnote 1 above).

Customer experience, correspondence and complaints

IfATE is currently undertaking a project to drive our evolution into a customer-focused organisation by expanding and acting upon customer insights, developing our staff and celebrating when we provide excellent customer journeys.

In 2021, IfATE achieved an overall Customer Satisfaction score (CSAT) of 72%. Our target for 2022 will be to achieve a CSAT of 75%.

We have a designated enquiries email route into IfATE and a process for ensuring that all enquiries are dealt within an effective and timely manner. During the year 1 April 2021 to 31 March 2022, we received and dealt with 2,356 enquiries (2,319 general enquiries; 29 freedom of information requests; five parliamentary questions; two complaints & one subject access request).

Correspondence outside the remit of IfATE was re-directed to other agencies such as the ESFA. We responded to 2,314 (99.8%) enquiries within 20 working days. 95.39% of enquiries were answered within 5 working days and under.

The Parliamentary and Health Service Ombudsman received no complaints about IfATE in 2021-22. IfATE's complaints policy and guidance on how to make a complaint can be found on IfATE's website.

Freedom of Information

As a non-departmental public body, we are required to comply with freedom of information legislation and respond in an appropriate and timely manner to any requests for information made. Between 1 April 2021 and 31 March 2022, IfATE received and responded to 29 requests made under the Freedom of Information Act (compared to 25 requests in 2020-21). We responded to 29 (100%) of Freedom of Information requests within the statutory timeframe of 20 working days.

Whistleblowing

There were no reports of fraud or whistleblowing in 2021-22.

Sustainability

IfATE set up a new employer-led green apprenticeships advisory panel, who advise on where existing apprenticeships could be made greener, or how new apprenticeships could be created to address new and emerging green skills gaps.

Forty-four different apprenticeships have currently been identified as supporting green careers. We have also published a sustainability framework to guide trailblazers and route panels who are developing and updating apprenticeships. This sets out the key themes for all employers to consider for how every apprenticeship can contribute to climate change goals.

Finally, we launched a Green Action & Innovation Network (GAIN) in late autumn 2021. This now consists of over 20 IfATE colleagues, all working to increase awareness of environmental and sustainability issues locally, whilst promoting positive actions for reducing our organisational and personal carbon footprint.

Social and community issues

We have developed a 4-year Diversity and Inclusion strategy - to create an IfATE where everyone is able to be themselves at work and where honesty, challenge and innovation are encouraged and valued. The vision is that 'We will be acknowledged by staff and recognised outside IfATE as an exemplar employer.' Further details of the strategy can be found in Remuneration and Staff report on page 69.

We encourage our employees to take up volunteering opportunities as well as supporting employees' continuing professional development. We give employees a minimum of three special paid days leave for volunteering each year. In addition, IfATE encourages employees to be reservists for the armed forces. Employees can receive at least 15 days paid special leave a year to fulfil these commitments.



Jennifer Coupland

Chief Executive and Accounting Officer

Institute for Apprenticeships and Technical Education

Date: 21 June 2022

Case study



Sarah Firth, 45, is currently training to be a forest operative at Bedgebury Pinetum forest in Kent.

After working in an office for several years, Sarah decided to try and find a different challenge, and was inspired to try forestry.

"The work Forestry England does is important in so many ways," she said.

"Researching the diversity of tree species for both wildlife and timber production makes a difference to

both climate change and resilience.

"I have learnt about the impact forestry has around the world, both negatively and positively, and what changes are being made."

As part of her role, Sarah works with the 'tree team' in the forest. Sarah also works across Kent and the Southeast, felling trees or getting involved in new plantations. As ever with the English weather, tasks do vary depending on the time of year.

Sarah has enjoyed the new challenge and is excited for what the future holds.

"I think it's very important to let the younger generation know these green apprenticeships are out here and to encourage them to get involved for the future environment. The range of direction they can go in is endless and exciting!"

Sarah is currently doing a level 2 forest operative apprenticeship.

Accountability report

The corporate governance report has three sections:

- The Directors' report
- Statement of accounting officer's responsibilities; and
- Governance statement

The purpose of the corporate governance report is to explain the organisation and composition of IfATE's governance structure and how it supports achievement of its objectives.

The corporate governance report includes information about IfATE's directors, confirms the Chief Executive's responsibilities as Accounting Officer and how they have been assured, and it outlines IfATE's governance framework including the work of the board. It also assesses the risks to the organisation.

Directors' report

How IfATE is organised

IfATE's Chair, board and Chief Executive Officer have decision making authority at board level as per the [governance framework](#) and they are supported by senior management and staff in discharging their duties.

Board and board committee structure

IfATE's board and its four supporting committees lead the process and structures used to identify, evaluate and manage the principal and emerging risks IfATE faces.

The Chair of IfATE is Baroness Ruby McGregor-Smith CBE, who was appointed by the Secretary of State for Education on 01 August 2021. The previous Chair was Antony Jenkins CBE. IfATE's Chief Executive Officer is Jennifer Coupland.

IfATE operates within a [governance framework](#) agreed with the Department for Education.

Figure 1 below shows the 4 sub committees



In response to our growing remit, and following previous board self-evaluations, we have undertaken a governance review during the course of this year.

IfATE's board and officials have worked extensively on this review, incorporating work on IfATE's Governance Framework and Scheme of Delegation as well as a new structure for board committees and advisory panels which will:

- consolidate oversight of approvals and quality to a single board committee, the Approvals Policy and Assurance Committee;
- retain the independent expertise currently gained through the Quality Assurance Committee through reconstitution as an advisory panel; and
- introduce a new board committee to focus on equity, diversity and inclusion, a key focus of IfATE.

The changes took effect from April 2022.

Audit and Risk Assurance Committee	
Members – 2 Non-executive board members, 1 Independent Member, CEO Attendees – CFO, NAO, GIAA Met 4 times during 2021-22	ARAC supports and advises the board and accounting officer on strategic processes for risk control and governance
Remuneration Committee	
Members – 2 Non-executive board members, 1 Independent Member Met 2 times during 2021-22	The Remuneration Committee agrees pay and performance for the Chief Executive Officer, independent board committee members, Route Panel chairs and members and the IfATE’s senior leadership
Approval and Funding Committee	
Members – 3 Non-executive board members Met 6 times during 2021-22	A&FC makes final decisions on the approval of proposals, standards, assessment plans, funding band recommendations, outline T level content and advice on T level qualification content
Quality Assurance Committee	
Members – 2 Non-executive board members, 3 Independent Members Met 6 times during 2021-22	Ensures that apprenticeship endpoint assessment plans are quality assured, meet standards and operate effectively; ensures consistency across external quality assurance options



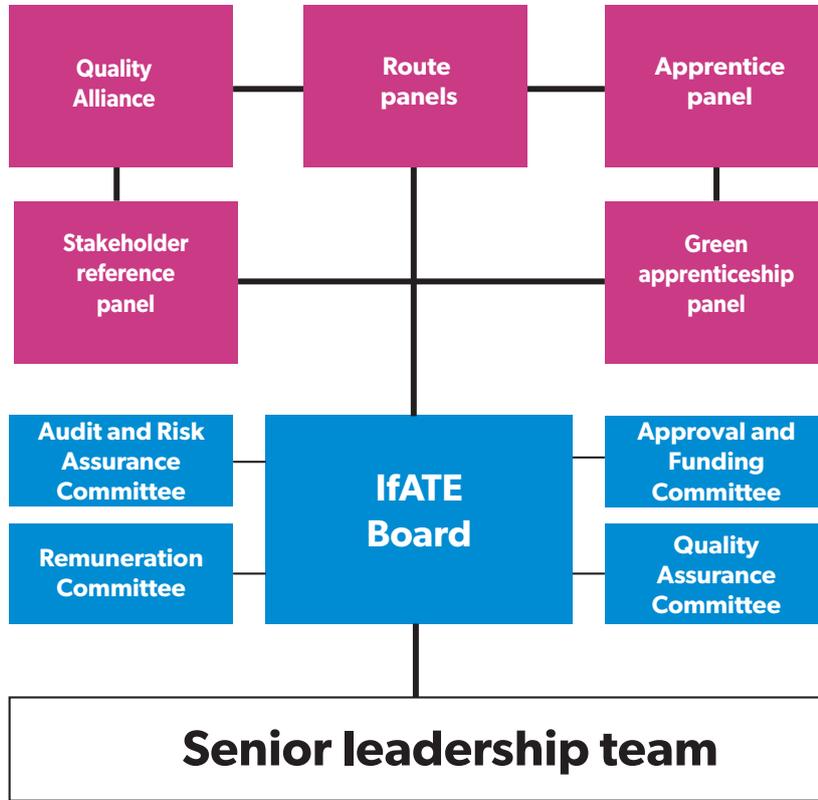
IfATE Board	
Membership – 11 Non-Executive board members, CEO ¹ Met 7 times during 2021-22	The board establishes the IfATE’s strategic direction and oversees its performance.

¹ See page 62 footnote 1 for segregation of responsibilities.

See page 62 for details of Non-Executive board Members and Independent Members.

Board advisory panel structure

The diagram below provides an overview of the advisory groups reporting to the board. Further information of the panels can be found on page 61.



Register of interests

IfATE maintains a register of board and committee members’ disclosable interests and regularly reviews this to ensure that it is accurate and up to date. The [register is published](#) on the IfATE’s website.

Board members and senior civil servants are required to confirm on at least an annual basis that their declarations of interest are accurate and up to date, and to declare immediately any changes between these annual declarations. Additionally, declarations of interest are a standing item of business at the beginning of every board and board committee meeting and all declarations are minuted.

Personal data management

Personal data breaches, fraud and whistleblowing are monitored through IfATE’s Audit and Risk Assurance Committee.

There were no personal data incidents in 2021-22 that fell within the criteria for reporting to the Information Commissioner’s Office (there were none in 2020-21). There were no reports of fraud or whistleblowing in 2021-22.

IfATE has continued to develop and strengthen its approach to personal data security. New members of staff are required to undertake Civil Service training on responsibility for information on commencement of duties and all staff are required to refresh this training annually.

IfATE Board members



Baroness Ruby
McGregor-Smith CBE –
Chair from August 2021



Anthony Jenkins CBE –
Chair until July 2021



Jennifer Coupland
Executive Board member/
Chief Executive and
Accounting Officer



Dame Fiona Kendrick
(Deputy chair)
Chair, PWC Public
Interest Body



Dr Kate Barclay
Kate Barclay
Consulting Ltd



John Cope
Strategy & Policy
Director, UCAS



Dayle Bayliss
Director,
Dayle Bayliss Ltd



Paul Cadman
HR Director, Walter Smith Fine
Foods Ltd – until March 2022



Bev Robinson OBE
Principal and Chief
Executive, Blackpool
and The Fylde College



Jessica Leigh Jones MBE
Founder, iungo
Solutions



Professor Malcolm Press CBE
Vice-Chancellor of
Manchester
Metropolitan University



Robin Millar CBE
Chairperson, Blue
Raincoat Chrysalis Group



Toby Peyton-Jones OBE
Ambassador, Siemens UK
– until March 2022



Sir Peter Estlin
Non-executive director Rothschild
& Co and Chair FutureDotNow –
Appointed at IfATE in April 2022



Neil Morrison
HR and Communications
Director, Severn Trent –
Appointed at IfATE in April 2022

The Statement of Accounting Officer's responsibilities

Under the Apprenticeships, Skills, Children and Learning Act 2009, the Secretary of State has directed the Institute for Apprenticeships and Technical Education to prepare for each financial year resource accounts detailing the resources acquired, held or disposed of during the year. The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of IfATE and of its income and expenditure, Statement of Financial Position and cash flows for the financial year.

In preparing the accounts, the Accounting Officer is required to comply with the requirements of the Government Financial Reporting Manual and in particular to:

- observe the Accounts Direction issued by the Treasury, 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 Financial Reporting Manual have been followed, and disclose and explain any material departures in the accounts;
- prepare the accounts on a going concern basis; and
- confirm that the Annual Report and Accounts as a whole is fair, balanced and understandable and take personal responsibility for the Annual Report and Accounts and the judgements required for determining that it is fair, balanced and understandable.

The Permanent Secretary, as Principal Accounting Officer of the Department for Education, has appointed the Chief Executive as Accounting Officer of IfATE.

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 IfATE's assets, are set out in *Managing Public Money* published by the HM Treasury.

As the Accounting Officer, I have taken all the steps that I ought to have taken to make myself aware of any relevant audit information and to establish that IfATE auditors are aware of that information. So far as I am aware, there is no relevant audit information of which the auditors are unaware.

I have reviewed the assurances provided by IfATE's management team and can confirm that the annual report and accounts as a whole is fair, balanced and understandable, and that I take personal responsibility for the annual report and accounts and the judgments required for determining that it is fair, balanced and understandable.

Governance statement

This governance statement sets out the governance arrangements and assurances I have received as Accounting Officer. It identifies our compliance with our responsibilities for risk management and internal control systems as set out in Corporate Governance in Central Government Departments: Code of Good Practice where relevant to IfATE and its remit and in reviewing the effectiveness of governance.

As Accounting Officer I have responsibility for maintaining a sound system of internal control, with regular monitoring, review and assurance. IfATE has systems of control which have been in place for the year under review and up to the date of approval of the annual report and accounts.

Structure of the IfATE Board, Board Committees and Advisory Panels

At 31 March 2022 the board consisted of a Chair, ten non-executive board members (including a Deputy Chair), and the Chief Executive. Non-executive board members are appointed by the Secretary of State for Education for terms no longer than five years.

Baroness Ruby McGregor-Smith CBE was appointed as Chair of the board on 1st August 2021, replacing Antony Jenkins CBE.

Dame Fiona Kendrick, Dr Kate Barclay, Robin Millar CBE and Bev Robinson OBE were reappointed to the board by the Secretary of State for Education from 1 April 2022 for a further three years, with terms running until 31 March 2025. Toby Peyton-Jones OBE and Paul Cadman departed the board at the end of March 2022. Two board members, Sir Peter Estlin and Neil Morrison, have been recruited via public competition and commenced their terms from 1 April 2022.

During 2021-22 Professor Martin Doel CBE has fulfilled the role of independent member for the Audit and Risk Assurance Committee and Remuneration Committee.

Ben Blackledge, Professor Jim Iley and Isabel Sutcliffe have served as independent members on the Quality Assurance Committee throughout 2021-22.

Table 2 shows the membership of the IfATE board committees during the year

Committee	Membership 2021-22
Audit and Risk Assurance	<p>Non-executive board members: Toby Peyton-Jones OBE (chair), Dame Fiona Kendrick</p> <p>Independent member: Professor Martin Doel CBE</p>
Remuneration Committee	<p>Non-executive board members: Baroness Ruby McGregor-Smith CBE (chair), Dame Fiona Kendrick</p> <p>Independent member: Professor Martin Doel CBE</p> <p>Chief Executive: Jennifer Coupland</p>
Approval and Funding Committee	<p>Non-executive board members: Dr Kate Barclay (chair), Professor Malcolm Press CBE, Bev Robinson OBE</p>
Quality Assurance Committee	<p>Non-executive board members: Paul Cadman (chair), Jessica Leigh Jones MBE</p> <p>Independent members: Ben Blackledge, Professor Jim Iley, Isabel Sutcliffe</p>

Board advisory panels and groups

IfATE's board engages with key stakeholders and industry participants through a number of advisory panels and groups providing insight to the board.

The panels are not formal committees and do not undertake delegated functions, but instead enable the board to access a broad range of expertise and insight into the apprenticeship and technical education landscape.

Stakeholder Reference Panel

The Stakeholder Reference Panel helps the board access a broad range of views and expertise about the impact of IfATE's work on apprenticeship quality and take-up through the involvement of a wide group of sector representatives.

Quality Alliance

The Quality Alliance brings together the various government bodies whose roles together ensure the quality of apprenticeships, to monitor quality across the sector and build effective coordination to improve quality where appropriate.

Route panels

There are also 15 sector based Route panels of industry experts and assessment experts who review and make considered recommendations on:

- whether or not to approve apprenticeships and assessment plans
- funding bands for apprenticeships
- outline T Level content
- T Level content specifications (for new qualifications)

The Route Panel's recommendations link into the Approval and Funding Committee via the Executive.

Apprentice panel

The Apprentice Panel provides an apprentice perspective to the board and to help ensure that apprentice views are adequately considered and represented within IfATE's policy making process.

Panel consists of approximately 28 apprentices from a variety of occupations and backgrounds, and at various stages of their apprenticeships.

The panel is co-chaired by an apprentice, and representatives report directly to the board twice per year and additionally as requested by the board.

Green Apprenticeships Panel

The green apprenticeships advisory panel helps to provide focus in ensuring the right skills are in place for the future workforce to deliver the green technology shift the UK needs. Panel advises IfATE on enhancing our current apprenticeships to ensure they meet the needs of the employers within the growing green economy and creating new apprenticeships to reflect new occupations to reach net zero carbon.

IfATE board and board committee attendance 1 April 2021 to 31 March 2022

2021 - 22 Member	Meetings attended per member out of those eligible to attend				
	IfATE Board	Audit and Risk Assurance Committee	Approval and Funding Committee ¹	Quality Assurance Committee (EQA)	Remuneration Committee ²
Baroness Ruby McGregor-Smith CBE ³	5/5				1/1
Antony Jenkins CBE ³	2/2				1/1
Jennifer Coupland	7/7	4/4			2/2
Dame Fiona Kendrick	7/7	4/4			2/2
Paul Cadman	6/7			6/6	
Dr Kate Barclay	7/7		6/6		
John Cope	6/7				
Dayle Bayliss	7/7				
Jessica Leigh Jones MBE	7/7			5/6	
Robin Millar CBE	7/7				
Toby Peyton-Jones OBE	7/7	4/4			
Professor Malcolm Press CBE	6/7		4/6		
Bev Robinson OBE	6/7		6/6		
Independents					
Professor Martin Doel CBE		4/4			2/2
Ben Blackledge				5/6	
Professor Jim Iley				6/6	
Isabel Sutcliffe				6/6	

¹ Approval and Funding Committee members provide input in correspondence in advance of meetings and therefore non-attendance at a meeting does not denote a lack of written contribution.

² Members of the Remuneration Committee recused themselves when their own service contracts and remuneration was discussed.

³ Baroness Ruby McGregor-Smith CBE was appointed Chair of IfATE on 01 August 2021, replacing Antony Jenkins CBE.

Statement on Internal Control

Processes for maintaining and reviewing the system of internal control



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The Board

The board and its committees have met regularly and kept the effectiveness of the system of risk management and internal control under review. The board and its committees are set up to receive regular performance reports and scrutinise actions which have been or are being taken to remedy any significant failings or weaknesses.

Board and committee members are required to declare potential conflicts of interest on appointment and at the beginning of each meeting they attend. They must confirm annually that the register of their interests is up to date. Where actual or potential conflicts of interests are identified, board members take no part in any discussion and are not involved in any decisions that relate to those interests.

Audit and Risk Assurance Committee

The Audit and Risk Assurance Committee provides advice and assurance to the board, and to myself as Accounting Officer, on the effectiveness of internal controls, risk management processes and governance arrangements, and ensuring value for money. It also oversees internal and external audit arrangements covering both financial and non-financial systems. The committee normally meets at least four times a year.

As Accounting Officer, I attend meetings of the committee together with the Chief Finance Officer. The internal and external auditors also attend as do other members of IfATE's staff where appropriate.

The committee considers all aspects of internal control including risk management (strategic and systemic), financial management and assurance, information security and counter fraud. It is supported by reports from the internal and external auditors. Reports have included checks on IfATE's counter fraud arrangements.

During 2021-22 the committee reviewed audit reports on a range of IfATE's operations. Specific audit findings reported to IfATE during the year looked at organisational restructure; risk management; commercial arrangements; and governance and assurance.

Statement from Toby Peyton-Jones OBE, Chair of Audit and Risk Assurance Committee

I am satisfied that during 2021-22 the Audit and Risk Assurance Committee has functioned effectively and discharged its responsibilities on behalf of the board.

Our membership includes myself and the deputy board chair, Dame Fiona Kendrick, Jennifer Coupland as Chief Executive Officer and Professor Martin Doel CBE, our independent non executive member. ESFA as a partner with whom we share some key risks is also represented at the meetings.

Throughout 2021-22 and from the start of the COVID-19 pandemic, the Audit and Risk Assurance Committee has worked closely with IfATE's executive team setting up a sub-committee to oversee and buttress the many positive actions that were taken in response to the extraordinary challenges that faced the organisation. It is worth noting that as a result of the good work, the productivity and motivation of employees was maintained throughout the pandemic. The online reach of stakeholder engagement was significantly expanded as were flexibilities in assessment processes to support the continuity of apprenticeships during these extraordinary circumstances.

The committee undertook the annual review of accounts. It has considered the agreed programmes of internal and external audits carried out by the Government Internal Audit Agency, and the National Audit Office throughout the year.

In Quarter 4 of 2020-21 the committee undertook a self-assessment following the good practice principles of HM Treasury's Audit and Risk Assurance Committee Handbook and based on those findings it has monitored an agreed action plan through 2021-22. The committee has also supported IfATE's review of Governance arrangements during this same period.

IfATE has shown its commitment to ensure and improve appropriate risk management processes during this last year. As a young and growing organisation we have made good progress in better embedding and aligning our control environment and risk management approaches with both strategy and programme implementation. Partnership with professional auditors and advisors have helped us pursue best practice. I am satisfied that the Audit and Risk Assurance Committee has operated well and provided assurance to the board. Looking ahead we must keep up the momentum on keeping a 'clean house' on operational risks and in the meantime the digital road map and attendant Data/Cybersecurity risks remains one of the largest areas of risk that should be

kept in focus.

Management control activities

The board has delegated to myself as Accounting Officer responsibility for leading the organisation on a day-to-day basis. Duties are discharged by members of the executive team through line management arrangements. Management control is governed through Senior Leadership Team.

Board performance

IfATE adheres to the Corporate Governance Code for central government bodies. The self-evaluation survey undertaken by IfATE board in Q4 2020-21 highlighted a number of board strengths and proposed some areas for development of IfATE board, to be taken forward through a governance review.

IfATE’s board and officials have worked extensively on this governance review, effecting changes to our operating practices to address previously identified areas for development. An external evaluation of the board’s performance is planned to take place in Q1 2022-23.



Key matters considered by the board during 2021-22

Post	Role in risk
The Board and the Accounting Officer	Sets the tone from the top, by articulating risk appetite, championing and driving the effective management of risk and ensuring the risk function is supported in carrying out its role.
The Executive / Management Team	Support the Accounting Officer in articulating risk appetite and by leading the assessment of risk.
The Audit & Risk Assurance Committee (ARAC)	Support the board and Accounting Officer by reviewing the comprehensiveness and reliability of assurances on risk management.
Leads/ Risk Managers	Actively identify and manage risks escalating them promptly as and when necessary through their Deputy Director or programme Boards.
The Risk Management function	Support and facilitate the organisation’s management and oversight of risk. For example by building the organisation’s risk management practices and framework whilst also maintaining corporate risk escalations.
Internal Audit (Government Internal Audit Agency – GIAA)	Provide independent and objective assurance on the effectiveness of IfATE’s risk management arrangements and shares good practice through comparative assessment.

See page 35 on Risk Management

The Assessment of Risk – Roles in risk

Information risk and GDPR

We are developing our approach to information so that we can maximise our data and digital capabilities and use the information we do have more effectively and efficiently in supporting the mission of IfATE and the wider apprenticeship reform programme.

The key principles underpinning this strategy will be openness and transparency, whilst ensuring that the standards for data and information capture, storage and interchange are robust and effective.

From a legislative perspective, IfATE complies with its legal and regulatory responsibilities for information handling, meeting information rights and other disclosure obligations, and supporting public and Parliamentary accountability.

The Data Protection Officer (DPO) will continue to ensure that we comply with our legal and regulatory responsibilities in respect of GDPR.

The Senior Information Risk Officer (SIRO) will foster a culture across IfATE that values, protects and uses information for the success of our organisation, and lead on the development of our information risk policy.

The SIRO and DPO will work alongside IfATE’s Corporate Risk Lead to ensure that the developing Risk Management Framework and information risk policy are coordinated and complementary.

Review of effectiveness

Internal Assurance

Last year IfATE strengthened its internal assurance functionality. During the year this function has reviewed elements of IfATE's system of internal control, provided advice on continuous improvement activities, and has worked with our other assurance providers to ensure effective implementation of their recommendations.

The function has further developed IfATE's assurance framework model to ensure it provides a transparent and accountable assessment of the system of internal control. Work has included gathering and mapping all assurances received across the system of internal control. This mapping shows that IfATE has an appropriate level of assurance over its internal controls, satisfying requirements for effective oversight and accountability.

Sufficient assurances have been received over IfATE's governance, commercial, information and risk management controls, providing a high level of comfort over these areas. All other areas of the framework have received partial assurance and identified gaps in assurance are being taken forward into our 22-23 Audit and Assurance plans.

Internal Audit

IfATE's internal audit capacity is provided by the Government Internal Audit Agency (GIAA). During the year the GIAA's work has found IfATE has good contract management arrangements in place, identified good progress being made to embed the risk management framework at operational and delivery level, that IfATE's governance review work has been completed in a systematic and consultative manner, and considered the revisions to the assurance framework to have been well developed. GIAA has additionally performed data analytics on IfATE's finance systems and found that our separation of duties and authorisation controls are working effectively.

Our internal auditors provide an annual, independent and objective assessment as to whether there are adequate and effective corporate governance, risk management and internal controls processes. A 'Moderate' annual opinion has been given by the Head of Internal Audit in 2021-22. This recognises the improvements made in IfATE's framework of governance, risk, assurance and internal control.

National Audit Office

The Comptroller and Auditor General is appointed as IfATE's external auditor. This year IfATE's accounts were audited by Ernst and Young LLP, operating on behalf of the National Audit Office.

Significant internal control issues

Accounting Officers are required to disclose actions taken or proposed in regard to any significant internal control issues, according to tests set out in *Managing Public Money*.

IfATE has not suffered from any significant internal control failures during the 2021-22 reporting year.

IfATE's forward plan seek to further embed the risk management framework across the organisation following organisation redesign and evolve IfATE's assurance process from an annual point in time snapshot to an ongoing process of assurance over risk management and control.

Conclusion

I have considered the evidence that supports the Governance Statement and I am satisfied that IfATE has maintained sound systems of governance, internal control and risk management to support our work. During the year IfATE has continued to consider and improve our arrangements to ensure we are able to deliver our aims and objectives.

Remuneration and staff report

The remuneration and staff report sets out IfATE's remuneration policy for all staff, including board members and senior officials, and actual costs.

Remuneration policy

IfATE is made up of civil servants who are paid in accordance with the Civil Service pay structures.

Performance management and reward policy for members of IfATE's Senior Civil Service (SCS) is managed to align to the central framework set by the Cabinet Office. It allows for annual performance related base pay and non-consolidated performance awards, agreed centrally each year following the Senior Salaries Review Body (SSRB) recommendations.

SCS pay is determined by the Remuneration Committee in line with the central guidance. The Remuneration Committee comprises of the Chair of the board, Chief Executive, one non-executive board members, and an independent member.

Senior officials

The Constitutional Reform and Governance Act 2010 requires Civil Service appointments to be made on merit on the basis of fair and open competition. The recruitment principles published by the Civil Service Commission specify the circumstances when appointments may be made otherwise.

Unless otherwise stated below, the senior officials covered by this report hold appointments which are open-ended. Early termination, other than for misconduct, would result in the individual receiving compensation as set out in the Civil Service Compensation Scheme.

Further information about the work of the Civil Service Commission can be found on their website.

Senior officials' remuneration – subject to audit

Name	2021-22				2020-21			
	Salary	Bonus payments	Pension benefits (nearest £1,000)	Total	Salary	Bonus payments	Pension benefits (nearest £1,000)	Total
	£000	£000	£000	£000	£000	£000	£000	£000
Jennifer Coupland	125-130	10-15	35	175-180	125-130	0-5	142	270-275

Salary includes gross salary and any other allowance to the extent that it is subject to UK taxation. This report is based on accrued payments made by IfATE and thus recorded in these financial statements.

No benefits in kind were paid to any senior official in 2021-22 or 2020-21.

Bonuses are based on when they become payable to the senior official. Bonuses are based on performance levels attained and are made as part of the appraisal process.

Board members

The following sections provide details of the salary entitlements of members of the IfATE board for year ending 31 March 2022.

Board members' remuneration – subject to audit

Name	2021-22			2020-21		
	Fees	Pension Benefits ¹	Total	Fees	Pension Benefits	Total
	£000	£000	£000	£000	£000	£000
Baroness Ruby McGregor-Smith CBE ² (Joined 1/8/21)	15-20 (FY 25-30)	-	15-20 (FY 25-30)	-	-	-
Antony Jenkins CBE (left 31/7/21)	0-5 (FY 0-5)	-	0-5 (FY 0-5)	0-5	-	0-5
Dr Kate Barclay	10-15	-	10-15	10-15	-	10-15
Paul Cadman	10-15	-	10-15	10-15	-	10-15
Dame Fiona Kendrick	10-15	-	10-15	10-15	-	10-15
Robin Millar CBE	10-15	-	10-15	10-15	-	10-15
Bev Robinson OBE	10-15	-	10-15	10-15	-	10-15
Jessica Leigh Jones MBE	10-15	-	10-15	10-15	-	10-15
Professor Malcolm Press CBE	10-15	-	10-15	10-15	-	10-15
Toby Peyton-Jones OBE ²	10-15	-	10-15	10-15	-	10-15
Dayle Bayliss	10-15	-	10-15	5-10 (FY 10-15)	-	5-10 (FY 10-15)
John Cope	10-15	-	10-15	5-10 (FY 10-15)	-	5-10 (FY 10-15)

¹ As members of the board are statutory office holders, they are not entitled to any pension benefits.

² Toby Peyton-Jones is a non-executive director of the DfE. Baroness Ruby McGregor-Smith CBE was a non-executive director at DfE until January 2022. Remuneration for those roles is disclosed in the DfE annual report and accounts.

Fair pay disclosure – subject to audit

Reporting bodies are required to disclose the relationship between the remuneration of the highest-paid director in their organisation and the 25th, 50th and 75th percentile remuneration of the organisation's workforce.

The banded remuneration of the highest paid director in 2021-22 was £135,000 - £140,000 (2020-21: £130,000 - £135,000). This compares with the remuneration of other employees as below:

Percentile	Total pay and benefits 2021-22 £'000	Salary 2021-22 £'000	Total pay and benefits 2020-21 £'000	Salary 2020-21 £'000
25	37	37	37	37
50	51	49	51	50
75	55	54	56	54

Year	25th percentile Ratio	50th percentile Ratio	75th percentile Ratio
2021-22	3.5:1	2.6:1	2.4:1
2020-21	-	2.6:1	-

This means that that when everyone in IfATE is put into order of who is paid the highest and who is the least, then the person who is 25% from the lowest paid earns £1 for every £3.50 earned by the highest paid.

The individual 75% up from the lowest paid earns £1 for every £2.40 earned by the highest paid.

These ratios are fairly modest, reflecting that the relatively high level of people working at senior grades, as required for IfATE's technically demanding work.

25th and 75th percentiles were not calculated in 2020-21, but the median figure shows no change between this year and last.

Remuneration ranged from £20,000 – £25,000 to £135,000 - £140,000 (2020-21: £15,000-£20,000 to £130,000 - £135,000). Total remuneration includes salary, non-consolidated performance-related pay and benefits-in-kind. It does not include severance payments, employer pension contributions and the cash equivalent transfer value of pensions.

Gender equality – not subject to audit

We are committed to transparency and equality in the workplace. We monitor our gender pay data to identify and reduce unfairness and use this data to inform our policies and practices. We continue to employ more women than men with 63% of our workforce being female.

	Median Pay Gap %	Median Pay a woman earns when a man earns £1	Mean Pay Gap %	Mean Pay a woman earns when a man earns £1
2021-22	2.2	97.8 pence	7.8	92.2
2020-21	5.7	94.3 pence	11.4	88.6

The gender pay gap has reduced over the year 2021-22. In previous years the numbers of men and women employed at IfATE at the higher grades were relatively even, however IfATE employed far more women than men below grade 7, which created the pay gap. Over the last year recruitment to a range of grades has reduced this imbalance. IfATE still employs more women than men, and there is still slightly more in lower grades than at senior levels, but the differences are smaller. This has reduced the mean and median pay gap overall.

Our figures compare favourably to the full time Civil Service median pay gap of 8.1% (2020-21: 7.8%).

Pension Benefits – subject to audit

The pension benefits of senior officials for the year ended 31 March 2022 are as follows:

Name	Real increase in pension and related lump sum at pension age £'000	Accrued pension at pension age as at 31/3/2022 £'000	CETV at 31/03/22 nearest £'000	CETV at 31/03/21 nearest £'000	Real increase in CETV £'000
Jennifer Coupland	0-2.5 plus a lump sum of 0	40-45 plus a lump sum of 70-75	699	644	14

No other senior official received any pension benefits in 2021-22.

Civil Service pensions – subject to audit

As an NDPB sponsored by DfE, IfATE's staff are members of the Principal Civil Service Pension Scheme (PCSPS) that provides pension benefits.

The PCSPS is an unfunded multi-employer defined benefit scheme in which IfATE is unable to identify its share of the underlying assets and liabilities. A full actuarial valuation was carried out as at 31 March 2016. Details can be found in the resource accounts of the Cabinet Office: Civil Superannuation.

For 2021-22, employers' contributions of £3.3m were payable to the PCSPS (2020-21 £2.6m) at one of four rates in the range 26.6 to 30.3% (2020-21: 26.6. to 30.3%) of pensionable pay, based on salary bands. The scheme's Actuary reviews employer contributions every four years following a full scheme valuation. The salary bands and contribution rates were revised for 2020-21.

Employees can opt to open a partnership pension account, a stakeholder pension with an employer contribution. Employer contributions are age-related and range from 8.0 to 14.75% (2020-21: 8.0 to 14.75%) of pensionable pay. Employers also match employee contributions up to 3% of pensionable pay.

Employers also contribute a further 0.5% of pensionable salary to cover the cost of the future provision of lump sum benefits on death in service and ill health retirement.

Further details about the Civil Service pension arrangements can be found on their [website](#).

Cash Equivalent Transfer Values:

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time.

The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme.

A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme.

The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies.

The figures include the value of any pension benefit in another scheme or arrangement which the member has transferred to the Civil Service pension arrangements. They also include any additional pension benefit accrued to the member as a result of their buying additional pension benefits at their own cost.

CETVs are worked out in accordance with The Occupational Pension Schemes (Transfer Values) (Amendment) Regulations 2008 and do not take account of any actual or potential reduction to benefits resulting from Lifetime Allowance Tax which may be due when pension benefits are taken.

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

Reporting of Civil Service and other compensation schemes – exit packages – subject to audit

There were no redundancies agreed for 2021-22 and 2020-21.

Exit costs are accounted for in full in the year of departure.

Exit package cost band	Number of compulsory redundancies		Number of other departures agreed		Total number of exit packages by cost band	
	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
£25,001 - £50,000	-	-	-	-	-	-
£50,001 - £100,000	-	-	-	-	-	-
£100,001 - £150,000	-	-	1	-	1	-
Total number of exit packages	-	-	1	-	1	-
Total costs (£000)	-	-	118	-	118	-

We have paid other departure costs in accordance with the provisions of the Civil Service Compensation Scheme, a statutory scheme made under the Superannuation Act 1972.

Staff report – subject to audit

Average number of full-time equivalent persons employed by the IfATE – subject to audit

	2021-22			2020-21		
	Permanently employed staff	Others	Total	Permanently employed staff	Others	Total
Average number of full time equivalent staff	251	5	256	193	7	200

The staff costs for IfATE had increased to £17.9m, (2020-21 £14.4m) and staff numbers increased to an average full time equivalent of 256 (2020-21: 200).

Breakdown of staff costs – subject to audit

	2021-22			2020-21		
	Permanently employed staff £000's	Others £000's	Total £000's	Permanently employed staff £000's	Others £000's	Total £000's
Wages and salaries	12,791	312	13,103	9,978	602	10,580
Social security costs	1,498	-	1,498	1,176	-	1,176
Pension costs	3,317	-	3,317	2,629	-	2,629
Sub total	17,606	312	17,918	13,783	602	14,385
Less staff costs related to programme	9,566	164	9,730	6,780	146	6,926
Total net staff costs	8,040	148	8,188	7,003	456	7,459

Others are staff engaged on the objectives of IfATE via short term contract, (i.e. agency/ temporary workers). IfATE pays a flat fee for agency staff, which includes social security and holiday pay.

The staff turnover figure has increased to 11% (2020-21 9%). This rise in this figure is mainly due to the organisation maturing, and a more normal cycle of people joining the organisation and leaving after 3-4 years starting to emerge.

Analysis of staff policies and practice

Sickness absence

During the year ended 31 March 2022 we lost 1,026 days to sickness absence (2020-21: 348). This equates to approximately 4 days (2020-21: 1.8 days) sickness absence per employee per year. 23% of the total absence was COVID-19 related.

People

Our staff are mainly civil servants, with some contractors for specific activities of expertise. Our civil servants are employed by IfATE on terms and conditions as agreed by HM Treasury and varied with Ministerial approval.

Responsibility has been delegated to the Accounting Officer for the recruitment of IfATE staff.

Our headcount figures for permanent staff were as follows:

Grade	2021-22			2020-21		
	Male	Female	Total	Male	Female	Total
CEO	-	1	1	-	1	1
COO	1	2	3	1	-	1
Senior Civil Servants (SCS Band 1/ Deputy Director)	4	5	9	3	4	7
Civil Servants grades EA to G6	98	169	267	79	126	205
	103	177	280	83	131	214

Expenditure on HR services and training

IfATE spent £282k (2020-21: £224k) on HR services and training in the year ending 31 March 2022.

Off-payroll engagements

The 'Others' category includes individuals who are not paid through IfATE's payroll.

In line with the Review of Tax Arrangements of Public Sector Appointees published by the Chief Secretary to the Treasury on 23 May 2012, we are required to publish the following details for all off-payroll arrangements as of 31 March 2022: where the individual is paid more than £245 per day and the engagement has lasted for longer than six months; and any off-payroll engagements of board members, and/or senior officials with significant financial responsibility, between 1 April 2021 and 31 March 2022.

All off-payroll engagements as of 31 March 2022, for more than £245 per day and that last for longer than 6 months

Number of existing engagements as at 31 March 2022	2
Of which:	
Number that have existed for more than 6 months but less than 1 year	2
Number that have existed for between 1 and 2 years at time of reporting	-

All new off-payroll engagements, or those that reached 6 months in duration, between 1 April 2021 and 31 March 2022, for more than £245 per day and that last for longer than 6 months

Number of new engagements, or those that reached 6 months in duration, between 1 April 2021 and 31 March 2022	3
Number assessed as in scope of IR35	2
Number assessed as outside the scope of IR35	1*

* one of the individual's job role changed during the period and the IR35 assessment changed from out of scope to in scope during the engagement.

There were no off-payroll engagements of board members and/or senior officials between 1 April 2021 and 31 March 2022.

Trade union facility time

The Trade Union (Facility Time Publication Requirements) Regulations 2017 requires relevant public sector organisations to report on trade union facility time in their organisations. None of IfATE's employees were trade union representatives in 2021-22 (2020-21: none).

Staff Redeployments

We have had three IfATE employees on loan from HEO to Grade 6 redeployed to the Department of Health and Social Care (now UK Health Security Agency) for duties associated with COVID-19. The loan length has varied between 2 months and 1 year.

No staff were redeployed for duties associated with the EU-Exit.

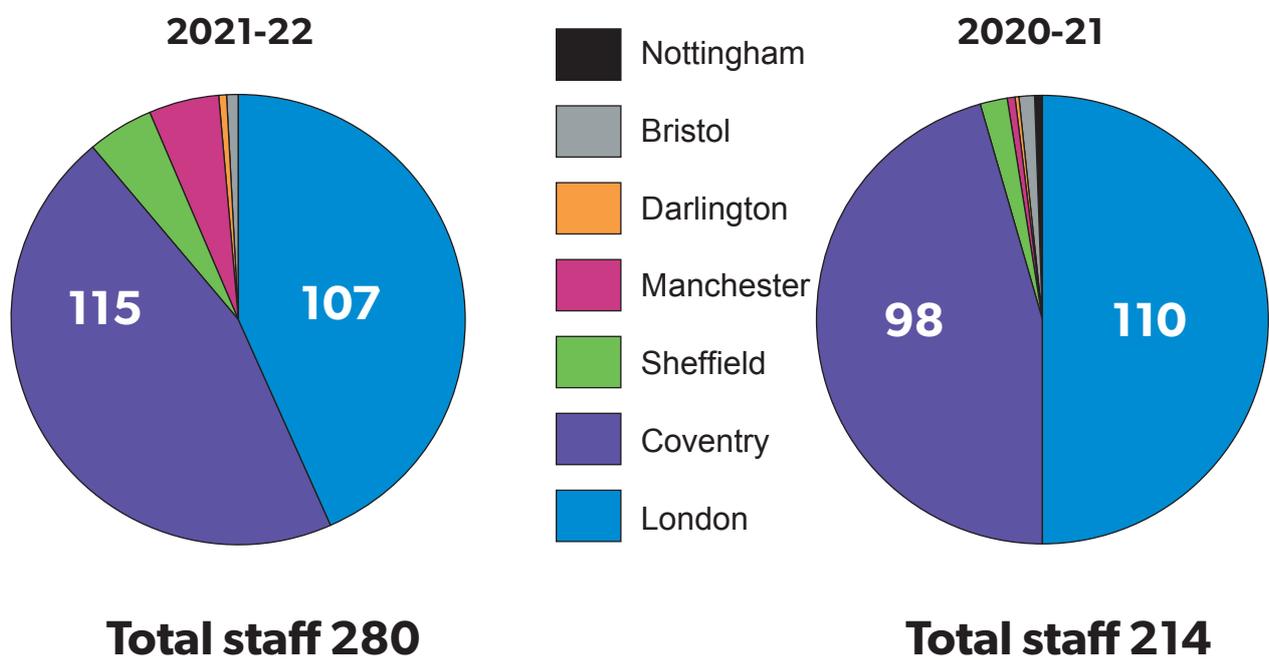
Consultancy

IfATE incurred no expenditure in respect of consultancy in 2021-22 (2020-21: £nil).

Estates

IfATE has two main offices, one in Coventry and one in London. During the year staff recruited into the Coventry office continued to grow. There has also been an increase in the number of staff based in Manchester, Darlington, Sheffield and Bristol locations

The graph below shows a comparison between 2021-22 and 2020-21 indicating the areas of IfATE in which our staff work.



Parliamentary accountability report - subject to audit

Fees statement

	2021-22 £000	2020-21 £000
Fee income	1,404	1,385
Direct cost of EQA	1,404	1,385

IfATE receives fees from End Point Assessment Organisations (EPAOs) to recover the costs charged to IfATE in respect of External Quality Assurance (EQA).

Fees are charged at the rate of £40 per apprenticeship certified.

Losses statement

There were no cases of losses in 2021-22 (2020-21: None)

Special payments statements

There were no special payments greater than £300,000 in 2021-22 (2020-21: None)



Jennifer Coupland

Chief Executive and Accounting Officer
Institute for Apprenticeships and Technical Education
Date: 21 June 2022

THE CERTIFICATE AND REPORT OF THE COMPTROLLER AND AUDITOR GENERAL TO THE HOUSES OF PARLIAMENT

Opinion on financial statements

I certify that I have audited the financial statements of the Institute for Apprenticeships and Technical Education for the year ended 31 March 2022 under the Apprenticeships, Skills, Children and Learning Act 2009.

The financial statements comprise the Institute for Apprenticeships and Technical Education's:

- Statement of Financial Position as at 31 March 2022;
- Statement of Comprehensive Net Expenditure, Statement of Cash Flows and Statement of Changes in Taxpayers' Equity for the year then ended; and
- the related notes including the significant accounting policies.

The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and UK adopted International Accounting Standards.

In my opinion, the financial statements:

- give a true and fair view of the state of the Institute for Apprenticeships and Technical Education's affairs as at 31 March 2022 and its net expenditure for the year then ended; and
- have been properly prepared in accordance with the Apprenticeships, Skills, Children and Learning Act 2009 and Secretary of State directions issued thereunder.

Opinion on regularity

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

Basis for opinions

I conducted my audit in accordance with International Standards on Auditing (UK) (ISAs UK), applicable law and Practice Note 10 Audit of Financial Statements of Public Sector Entities in the United Kingdom. My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of my certificate.

Those standards require me and my staff to comply with the Financial Reporting Council's Revised Ethical Standard 2019. I have also elected to apply the ethical standards relevant to listed entities. I am independent of the Institute for Apprenticeships and Technical Education in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK. My staff and I have fulfilled our other ethical responsibilities in accordance with these requirements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Conclusions relating to going concern

In auditing the financial statements, I have concluded that the Institute for Apprenticeships and Technical Education's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Institute for Apprenticeships and Technical Education's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

My responsibilities and the responsibilities of the Accounting Officer with respect to going concern are described in the relevant sections of this certificate.

The going concern basis of accounting for the Institute for Apprenticeships and Technical Education is adopted in consideration of the requirements set out in HM Treasury's Government Financial Reporting Manual, which require entities to adopt the going concern basis of accounting in the preparation of the financial statements where it anticipated that the services which they provide will continue into the future.

Other Information

The other information comprises information included in the Performance and Accountability Reports but does not include the financial statements nor my auditor's certificate and report. The Accounting Officer is responsible for the other information.

My opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in my certificate, I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated.

If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

Opinion on other matters

In my opinion the part of the Remuneration and Staff Report to be audited has been properly prepared in accordance with Secretary of State directions issued under the Apprenticeships, Skills, Children and Learning Act 2009:

In my opinion, based on the work undertaken in the course of the audit:

- the parts of the Accountability Report subject to audit have been properly prepared in accordance with Secretary of State directions made under the Apprenticeships, Skills, Children and Learning Act 2009.
- the information given in the Performance and Accountability Reports for the financial year for which the financial statements are prepared is consistent with the financial statements and is in accordance with the applicable legal requirements.

Matters on which I report by exception

In the light of the knowledge and understanding of the Institute for Apprenticeships and Technical Education and its environment obtained in the course of the audit, I have not identified material misstatements in the Performance and Accountability Reports.

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

- I have not received all of the information and explanations I require for my audit; or
- adequate accounting records have not been kept by the Institute for Apprenticeships and Technical Education or returns adequate for my audit have not been received from branches not visited by my staff; or
- the financial statements and the parts of the Accountability Report subject to audit are not in agreement with the accounting records and returns; or
- certain disclosures of remuneration specified by HM Treasury's Government Financial Reporting Manual have not been made or parts of the Remuneration and Staff Report to be audited is not in agreement with the accounting records and returns; or
- the Governance Statement does not reflect compliance with HM Treasury's guidance.

Responsibilities of the Accounting Officer for the financial statements

As explained more fully in the Statement of Accounting Officer's Responsibilities, the Accounting Officer is responsible for:

- maintaining proper accounting records;
- the preparation of the financial statements and Annual Report in accordance with the applicable financial reporting framework and for being satisfied that they give a true and fair view;
- ensuring that the Annual Report and accounts as a whole is fair, balanced and understandable;
- internal controls as the Accounting Officer determines is necessary to enable the preparation of financial statement to be free from material misstatement, whether due to fraud or error; and
- assessing the Institute for Apprenticeships and Technical Education's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using

the going concern basis of accounting unless the Accounting Officer anticipates that the services provided by the Institute for Apprenticeships and Technical Education will not continue to be provided in the future.

Auditor's responsibilities for the audit of the financial statements

My responsibility is to audit, certify and report on the financial statements in accordance with the Apprenticeships, Skills, Children and Learning Act 2009.

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a certificate that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Extent to which the audit was considered capable of detecting non-compliance with laws and regulations including fraud

I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of non-compliance with laws and regulations, including fraud. The extent to which my procedures are capable of detecting non-compliance with laws and regulations, including fraud is detailed below.

Identifying and assessing potential risks related to non-compliance with laws and regulations, including fraud

In identifying and assessing risks of material misstatement in respect of non-compliance with laws and regulations, including fraud, we considered the following:

- the nature of the sector, control environment and operational performance including the design of the Institute for Apprenticeships and Technical Education's accounting policies.
- inquiring of management, Institute for Apprenticeships and Technical Education's head of internal audit and those charged with governance, including obtaining and reviewing supporting documentation relating to the Institute for Apprenticeships and Technical Education's policies and procedures relating to:
 - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
 - the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations including the Institute for Apprenticeships and Technical Education's controls relating to the Institute for Apprenticeships and Technical Education's compliance with the Apprenticeships, Skills, Children and Learning Act 2009, and Managing Public Money.
- discussing among the engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, I considered the opportunities and incentives that may exist within the Institute for Apprenticeships and Technical Education for fraud and identified the greatest

potential for fraud in the following areas: revenue recognition, posting of unusual journals, complex transactions, and bias in management estimates. In common with all audits under ISAs (UK), I am also required to perform specific procedures to respond to the risk of management override of controls.

I also obtained an understanding of the Institute for Apprenticeships and Technical Education's framework of authority as well as other legal and regulatory frameworks in which the Institute for Apprenticeships and Technical Education operates, focusing on those laws and regulations that had a direct effect on material amounts and disclosures in the financial statements or that had a fundamental effect on the operations of the Institute for Apprenticeships and Technical Education. The key laws and regulations I considered in this context included the Apprenticeships, Skills, Children and Learning Act 2009, Managing Public Money, and other relevant employment, pensions and taxation legislation.

Audit response to identified risk

As a result of performing the above, the procedures I implemented to respond to identified risks included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described above as having direct effect on the financial statements;
- enquiring of management and the Audit and Risk Assurance Committee concerning actual and potential litigation and claims;
- reading and reviewing minutes of meetings of those charged with governance and the Board and internal audit reports;
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business; and
- in addressing the risk of fraud in revenue recognition, assessing whether the judgements made in making accounting estimates for revenue recognition are indicative of potential bias, performing detailed testing of revenue transactions, and using analytical procedures to identify any unusual movements or trends.

I also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

A further description of my responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of my certificate.

Other auditor's responsibilities

I am required to obtain evidence sufficient to give reasonable assurance that the income and expenditure 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.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Report

I have no observations to make on these financial statements.

Gareth Davies

Comptroller and Auditor General

Date: 27 June 2022

National Audit Office
157-197 Buckingham Palace Road
Victoria
London
SW1W 9SP

Financial Statements

Statement of Comprehensive Net Expenditure

For the year ended 31 March 2022

	Note	2021-22 £000	2020-21 £000
Operating income	2	1,421	1,385
		<u>1,421</u>	<u>1,385</u>
Staff costs	3	17,918	14,385
Operating expenditure	4	7,043	7,097
Total operating expenditure		<u>24,961</u>	<u>21,482</u>
Net expenditure for the year		<u>23,540</u>	<u>20,097</u>
Other comprehensive expenditure for the year		-	-
Comprehensive net expenditure for the year		<u>23,540</u>	<u>20,097</u>

There are no other recognised gains or losses.

There are no discontinued operations.

The notes on pages 90 to 101 form part of these accounts.

Statement of Financial Position**As at 31 March 2022**

	Note	2022 £000	2021 £000
Non-current assets			
Property, plant and equipment	5	277	35
Intangible assets	6	1,108	1,016
Total non-current assets		1,385	1,051
Current assets			
Receivables	7	115	366
Cash and cash equivalents	8	296	1,659
Current assets		411	2,025
Total assets		1,796	3,076
Current liabilities			
Payables	9	(4,357)	(3,884)
Provisions	10	(66)	(66)
Total current liabilities		(4,423)	(3,950)
Total assets less current liabilities		(2,627)	(874)
Total assets less total liabilities		(2,627)	(874)
Taxpayers' equity			
General fund		(2,627)	(874)
Total equity		(2,627)	(874)

The notes on pages 90 to 101 form part of these accounts.



Jennifer Coupland

Chief Executive and Accounting Officer
Institute for Apprenticeships and Technical Education
Date: 21 June 2022

Statement of Cash Flows**For the year ended 31 March 2022**

	Note	2021-22 £000	2020-21 £000
Cash flows from operating activities			
Net operating expenditure	SoCNE	(23,540)	(20,097)
Adjustments for non-cash transactions			
Notional expenditure: IT costs		266	200
Depreciation	5	21	17
Elimination on disposal	5	-	(22)
Amortisation	6	305	210
(Increase)/decrease in receivables	7	251	150
Increase/(decrease) in payables	9	473	(176)
Increase/(decrease) in provisions for liabilities	10	-	(204)
Net cash outflow from operating activities		(22,224)	(19,922)
Cash flows from investing activities			
Purchase of property, plant and equipment	5	(263)	(9)
Disposal of property, plant and equipment	5	-	32
Purchase of intangible assets	6	(397)	(507)
Net cash outflow from investing activities		(660)	(484)
Cash flows from financing activities			
Grant in Aid from sponsor department	SoCTE	21,521	21,224
Net cash inflow from financing activities		21,521	21,224
Net (decrease) / increase in cash and cash equivalents		(1,363)	818
Cash and cash equivalents opening balance	8	1,659	841
Cash and cash equivalents closing balance	8	296	1,659

The notes on pages 90 to 101 form part of these accounts.

Statement of Changes in Taxpayers' Equity

For the year ended 31 March 2022

	Note	General Fund £000
Balance at 1 April 2020		(2,201)
Grant in Aid from sponsor department		21,224
Comprehensive net expenditure for the year	SoCNE	(20,097)
Notional IT costs		200
Balance at 31 March 2021		(874)
Grant in Aid from sponsor department		21,521
Comprehensive net expenditure for the year	SoCNE	(23,540)
Notional IT costs		266
Balance at 31 March 2022		(2,627)

The notes on pages 90 to 101 form part of these accounts.

Notes to the accounts

1. Statement of accounting policies

These accounts have been prepared in accordance with the 2021-22 Financial Reporting Manual (FReM) issued by HM Treasury (HMT). The accounting policies contained in the manual apply IFRS as adapted or interpreted for the public sector.

IfATE has prepared these accounts under a direction issued by the Department for Education in accordance with paragraph 11(2) of schedule A1 to The Apprenticeships, Skills, Children and Learning Act 2009.

1.1 Accounting convention

These accounts have been prepared on an accruals basis, under the historical cost convention.

1.2 Going concern

IfATE is a non-departmental public body of the Department for Education. Funding from the Department for Education, taking into account the amount required to meet IfATE's liabilities falling due in the year, has already been included in the department's Estimates for that year. Parliament has approved these Estimates and there is no reason to believe that the department's future sponsorship and future Parliamentary approval will not be forthcoming.

Whilst IfATE is in a negative equity position at the year end, in line with the FReM, this is solely due to supply funding being provided as cash is required rather than when liabilities are incurred. IfATE carries a number of accruals in respect of transactions outstanding at the year end. These will be settled and cash provided for settlement in the following year. This will enable IfATE to continue its operations.

Whilst COVID-19 has impacted IfATE, this is expected to have effect only in the current and following financial year and as such does not affect the going concern basis of the Accounts.

1.3 Critical accounting judgements and key sources of estimation uncertainty

The preparation of these accounts requires management to make judgements, estimates and assumptions that affect the application of policies and reported values of assets and liabilities, income and expenditure. We made no material accounting estimates or judgements in preparing these accounts.

1.4 Adoption of FReM amendments

There were no significant FReM changes in 2021-22.

1.5 Early adoption

IfATE has not early adopted any accounting standards in 2021-22.

1.6 IFRSs in issue but not yet effective

In order to comply with the requirements of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors, IfATE must disclose where it has not applied a new IFRS that has been issued but is not yet effective. IfATE has carried out a review of the IFRSs in issue but not yet effective, to assess their impact on its accounting policies and treatment. IfATE has chosen not to early adopt requirements of the following accounting standards and interpretations, which have an effective date after the start of these accounts:

Standard	FReM Application	Change & Impact
IFRS 16 Leases	2022-23	<p>Change:</p> <p>Effective for annual periods beginning on or after 1 January 2022, the standard will become effective from 1 April 2022.</p> <p>The proposed changes simplify the classification and measurement of leases by introducing a single lessee accounting model, removing the distinction between recognising an operating lease (off-balance sheet financing) and a finance lease (on-balance sheet financing). The new standard requires recognition of all leases which last over 12 months to be recognised as a finance lease (on-balance sheet). This will result in the recognition of a right-to-use asset, measured at the present value of future lease payments, with a matching liability. The pattern of recognition of the expenditure will result in depreciation of the right-to-use asset and an associated finance cost being recognised.</p> <p>Impact on the IfATE:</p> <p>IfATE does not have extensive leasing activities. IfATE holds a single property lease as at 31 March 2022 for its Coventry office which expires in August 2022. As per the interpretation contained in FReM, IfATE will be adopting the short-term lease exemption for its only lease at transition. Accordingly, no right-of-use asset or associated finance cost will be recognised from 1 April 2022, lease payments will continue to be expensed as incurred.</p>

1.7 Property, plant and equipment

The minimum value of capitalisation for expenditure on property, plant and equipment is £2,500. In the case of ICT equipment and furniture, all items recorded as capital expenditure are capitalised and if they fall below the £2,500 threshold they are grouped together and recorded as bulk assets. The asset value on capitalisation is measured at cost plus direct costs, such as installation, attributable to bringing them into working condition.

1.8 Depreciation

The depreciation periods which best reflect the pattern of consumption of economic benefits and the periods over which such benefits are expected to be consumed by IfATE are summarised below:

- furniture: 5 years
- fixtures and fittings: lower of 10 years or the length of the building lease
- computer equipment: 5 years

Depreciation is applied on a straight-line basis.

1.9 Intangible assets

Intangible assets are initially valued at cost, then carried at fair value that is determined by reference to an active market where possible. Where there is no active market, we use depreciated replacement cost as a proxy fair value. Assets are capitalised as intangible assets where expenditure of £2,500 or more is incurred. Assets are amortised over their estimated useful economic lives. Assets under construction are not amortised but assessed for impairment annually.

Asset lives are in the following ranges:

- IT systems: 5 years

Amortisation is applied on a straight-line basis.

1.10 Impairment of non-current assets

IfATE reviews all non-current assets for impairment if circumstances indicate the carrying value may not be recoverable. IfATE recognises as a loss the sum that the asset's carrying value exceeds its recoverable value. The recoverable value is the higher of the asset's fair value less costs to sell and its value in use.

IfATE charges any impairment losses that result from a clear consumption of economic benefits to the Statement of Comprehensive Net Expenditure.

IfATE charges any excess devaluation to the Statement of Comprehensive Net Expenditure.

1.11 Financial liabilities

Financial liabilities are mainly trade and other payables that are initially recognised at fair value and held at amortised cost. The cost is judged to be a reasonable approximation of fair value and amortised cost.

1.12 Leases

IfATE as lessee

IfATE charges operating lease rentals as they occur to the Statement of Comprehensive Net Expenditure on a straight-line basis over the lease term.

1.13 Grant in Aid

Grants from the Department are recognised as funding.

Grant in Aid is recorded by IfATE as financing in the Statement of Cash Flows and is recognised as a movement in the General Fund in the Statement of Changes in Taxpayers Equity.

1.14 Operating and other income

Operating and other income includes costs recovered by IfATE on its directly provided services, on a full-cost basis. Operating income is stated net of VAT. Further detail is provided in Note 2.

Income is recognised in accordance with IFRS 15 Revenue from Contracts with Customers, which is applied by HM Treasury in the Government Financial Reporting Manual (FRM). This states that revenue shall only be recognised once a performance obligation is met.

IfATE receives fees from End Point Assessment Organisations (EPAOs) to recover the costs charged to IfATE in respect of External Quality Assurance (EQA).

EQA is charged at the rate of £40 per apprenticeship certified.

Income generated is equivalent to the direct costs incurred. However, changes during the reporting period have meant that from mid December 2021 to June 2022 no revenue will be due to IfATE relating to EPAOs, however IfATE will still incur costs for this period.

By June 2022 the remaining transfer of function in relation to the EPA's will move across to Ofqual.

IfATE has an additional income stream this year which is netted off by associated costs.

1.15 Administration and programme expenditure

The notes to the Statement of Comprehensive Net Expenditure are analysed between administration and programme expenditure. The classification of expenditure as 'administration' or as 'programme' reflects the determination of administration costs in HM Treasury's Consolidated Budgeting Guidance.

Administration costs reflect the costs of running IfATE and include staff costs such as wages, salaries and other administrative costs, including travel, subsistence, IT maintenance and office expenditure.

Programme costs reflect the costs of programme delivery and may include staff and other costs where these relate to activities associated with frontline service delivery.

1.16 Employee benefits

1.16.1 Pensions

IfATE has adopted IAS 19 Employee Benefits (IAS 19) to account for its pension schemes.

IfATE's staff are members of the Principal Civil Service Pension Scheme (PCSPS). This is an unfunded multi-employer defined benefit pension scheme. For accounting purposes this is recognised as a defined contribution scheme in accordance with the FReM. IfATE recognises contributions payable in the Statement of Comprehensive Net Expenditure.

Pension benefits are provided through Civil Service pension arrangements, as detailed from page 72 of the Remuneration and Staff Report.

1.16.2 Other employee benefits

This includes the value of untaken holiday leave at the financial year-end, which is accrued as it is earned.

1.17 Value added tax

Irrecoverable value-added tax (VAT) is charged to the relevant expenditure category or included in the capitalised purchase cost of fixed assets.

1.18 Provisions

IfATE recognises provisions in accordance with IAS 37, 'Provisions, contingent liabilities and contingent assets.

The amount recognised as a provision is the best estimate of the expenditure required to settle the present obligation at the statement of the financial position date.

1.19 Notional charges

Certain costs are charged on a notional basis and included in the accounts. The only notional costs in 2021-22 and 2020-21 were for IT provided by the Department. Notional costs are recorded in the Statement of Comprehensive Net Expenditure and recorded as a movement in the General Fund.

2. Operating Income

	2021-22	2020-21
	£000	£000
Fee Income	1,404	1,385
Rental income	17	-
	<u>1,421</u>	<u>1,385</u>

IfATE receives fees from End Point Assessment Organisations (EPAOs) to recover the costs charged to IfATE in respect of External Quality Assurance.

Fees are charged at the rate of £40 per apprenticeship certified.

Other income relates to an additional income stream.

3. Staff numbers and related costs

	Permanently employed staff	Others	2021-22 Total	Permanently employed staff	Others	2020-21 Total
	£000	£000	£000	£000	£000	£000
Wages and salaries	12,791	312	13,103	9,978	602	10,580
Social security costs	1,498	-	1,498	1,176	-	1,176
Pension costs	3,317	-	3,317	2,629	-	2,629
	<u>17,606</u>	<u>312</u>	<u>17,918</u>	<u>13,783</u>	<u>602</u>	<u>14,385</u>
Average full time equivalent number of persons employed	251	5	256	193	7	200

More detailed disclosures relating to staff costs and numbers can be found in the Remuneration and Staff Report.

4. Operating expenditure

	2021-22	2020-21
	£000	£000
Programme related expenditure:		
quality	2,207	1,848
route group delivery	100	36 ¹
employer and professional body collaboration	(34)	119
T Level contracts and associated costs	2,747	2,273
other	322	244
Administration expenditure:		
Staff related costs	220	152
Board costs	182	156
Professional fees	16	118
Premises costs including rates and service charges	312	1,588
IT and telecommunications costs	776	464
PR & Marketing	61	24
Travel and subsistence	71	2
External audit fees	57	65
Other expenditure	6	8
Total	7,043	7,097

Amortisation of £305k (2020-21: £210k) and nil depreciation (2020-21: £4k) is included in programme related expenditure.

Depreciation of £21k (2020-21: £13k) is included in IT and telecommunications costs.

No Loss on Sale of Fixed Assets (2020-21: £10k) has been included in IT and telecommunications costs.

¹ Programme related expenditure includes a new class of item in 2021-22 'route group delivery'. In 2020-21 these costs were included in: 'standards', 'approvals' and 'funding'. The grouping of these 3 categories to 'route group delivery' is due to the organisational redesign.

5. Property, plant and equipment

	Furniture & Fittings £000	Total £000
Cost or valuation		
At 1 April 2021	54	54
Additions	263	263
At 31 March 2022	317	317
Depreciation		
At 1 April 2021	(19)	(19)
Charged in year	(21)	(21)
At 31 March 2022	(40)	(40)
Carrying value at 31 March 2021	35	35
Carrying value at 31 March 2022	277	277

6. Intangible assets

	Developed software £000	IT development £000	Total £000
Cost or valuation			
At 1 April 2021	1,291	60	1,351
Additions	349	48	397
Transfers	60	(60)	-
At 31 March 2022	<u>1,700</u>	<u>48</u>	<u>1,748</u>
Amortisation			
At 1 April 2021	(335)	-	(335)
Charged in year	(305)	-	(305)
At 31 March 2021	<u>(640)</u>	<u>-</u>	<u>(640)</u>
Carrying value at 31 March 2021	<u>956</u>	<u>60</u>	<u>1,016</u>
Carrying value at 31 March 2022	<u>1,060</u>	<u>48</u>	<u>1,108</u>

7. Receivables

	2021-22 £000	2020-21 £000
Amounts falling due within one year:		
Trade debtors	2	180
Prepayments and accrued income	74	144
VAT refund	39	42
Total receivables	<u>115</u>	<u>366</u>

8. Cash

	2021-22	2020-21
	£000	£000
Balance at 1 April	1,659	841
Net change in cash and cash equivalents	(1,363)	818
Balance at 31 March	296	1,659

All balances are held with the Government Banking Service.

9. Payables

	2021-22	2020-21
	£000	£000
Amounts falling due within one year:		
Trade payables	30	56
Taxes and Social Security Costs	468	322
Pensions liability	368	286
Accruals	3,491	3,220
Total payables	4,357	3,884

10. Provisions for Liabilities and Charges

	2021-22	2020-21
	£000	£000
Amounts falling due within one year:		
Dilapidation on London premises	-	-
Dilapidations on Coventry premises	66	66
Total provisions for liabilities and charges	66	66

11. Financial instruments and risk

IFRS 7: Financial Instruments (IFRS 7) disclosure requires IfATE to disclose information on the significance of financial instruments to its financial position and performance.

11.1 Liquidity risk

IfATE is in a net deficit position due to significant accruals at the year end. Cash will be drawn down as Grant in Aid when required to settle these liabilities. Parliament votes annually on the financing of IfATE net revenue resource requirements, as well as its capital expenditure. With no borrowings, IfATE does not consider itself exposed to any significant liquidity risks.

11.2 Interest rate risk

IfATE's financial liabilities carry a nil rate of interest. IfATE does not consider itself exposed to any interest rate risk.

11.3 Foreign currency risk

All material assets and liabilities are denominated in sterling. IfATE does not consider itself exposed to any significant currency risk.

12. Commitments under operating leases

Total future minimum lease payments under operating leases are given in the table below for each of the following periods.

	2021-22	2020 21
	£000	£000
Obligations under operating leases for the following year comprise:		
Buildings		
Not later than one year	70	205
Later than 1 year and not later than 5 years	-	85
	70	290

13. Capital commitments

IfATE had £640k and £nil of capital commitments as at 31 March 2022 (31 March 2021: £565k and £256k) in respect of IT development and the London office move, respectively.

14. Related party transactions

IfATE regards the Departmental group as a related party. During the year, IfATE had a number of material transactions with the Departmental Group and with other entities for which the Department is the parent department.

IfATE had a number of transactions with other government departments and central bodies. Most of these transactions have been with HMRC, PCSPS and The Cabinet Office.

IfATE's non-executive directors, independent members and senior civil servants are required to complete declarations of interest to identify related parties.

Baroness Ruby McGregor-Smith CBE is the Chair of IfATE. Until the 31st January 2022 she was also a non-executive member of the DfE board.

Bev Robinson OBE, a non-executive member of IfATE board, and a member of DfE Lifelong Loan Entitlement Steering group.

Toby Peyton-Jones OBE, a non-executive member of IfATE board, is a non-executive member of the DfE board.

Baroness Ruby McGregor-Smith CBE is also President of the Chartered Institute of Personnel and Development (CIPD). During the year IfATE received income from CIPD for £35,760 in respect of EQA.

Professor Malcolm Press CBE is a non-executive member of IfATE board. Professor Malcolm Press CBE also sits on the Board of Trustees for the Universities and Colleges Admission Service (UCAS). During the year IfATE paid UCAS £2,197 for an apprentice recruitment campaign.

John Cope is a non-executive member of IfATE board and is also Executive Director at UCAS.

Isabel Sutcliffe is an independent member of the Quality Assurance Committee at IfATE and interim Chair of the Quality and Standards Committee at City & Guilds. During the year IfATE paid £1,018,480 to City and Guild for T Level work and received £220,320 in income from City and Guild for EQA. Isabel is also on the Chair of Awarding Body Board of Trustees of the Chartered Institute of Procurement and Supply (CIPS). During the year IfATE received £40 of income from CIPS for EQA.

Where actual or potential conflicts of interests are identified, board members and independent members take no part in any discussion and are not involved in any decisions that relate to those interests.

There were no related party transactions in relation to the senior civil servants (2020-21: none).

15. Events after the reporting period

IfATE has considered the current situation in respect of COVID-19 and the conflict in Ukraine. IfATE has determined that there is no material financial impact to be reported.

The Accounting Officer authorised these accounts for issue on the date they were certified by the Comptroller & Auditor General. These accounts do not consider events after that date.

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