



# Annual Report and Accounts

for the Year Ended  
31 March 2023

# **Institute for Apprenticeships and Technical Education**

## **Annual report and Accounts 2022-23**

**For the period 1st April 2022 to 31st March 2023**

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## Chair's Statement

I am delighted to present my second Annual Report and Accounts (ARA) as chair of the Institute for Apprenticeships and Technical Education (IfATE).



As I approach the halfway mark of my five-year term as chair of IfATE's board, my commitment is as passionate and ambitious as ever to deliver and extend the employer-led reforms we have in hand.

As in all years, the challenges and opportunities posed in England's labour market in 2022-2023 have served as a stimulus for IfATE to deliver brilliant technical education qualifications and apprenticeships for employers, set the conditions for building a simpler skills system, and seek out opportunities for continuous improvement that will benefit everyone.

We do so in the context of a period of high employment rates, in which vacancies for skilled posts are harder to fill. At the same time, businesses and citizens continue to face challenging economic pressures, including the cost-of-living crisis, that impact recruitment and risk distracting employers from the critical role they want to play in upskilling the workforces of today and the future. Productivity in England continues to lag behind its international competitors.

IfATE's deep and extensive relationships with employers across all sectors have supplied us with rich insights into the challenges they face. We know employers are impatient to bring more young people into the labour pool, properly equipped with workplace know-how and the skills required to drive up growth and productivity.

At the same time, industry recognises the need to adapt its existing workforce to industrial change, technological advances, and national challenges such as the government's net-zero targets. This means upskilling employees within jobs and re-skilling individuals for new and emerging careers.

Employers are likewise ready to take advantage of the productivity-enhancing benefits that diversity of background and perspectives can bring to their workforces. And they recognise that their participation in a thriving skills system that is accessible to all is a necessary precondition for making this possible.

We join with these employers in knowing that, to compete with other nations, business needs to continue to invest more in training to fill the skills gaps that exist across many areas of the economy. But it needs to be made easier for both employers and learners to find the right apprenticeships and technical qualifications. And they must have full confidence that all the different training options will be worth investing in – not a waste of time and money.

Put simply, we recognise IfATE's privileged role in ensuring that business and industry can rise to the challenges and opportunities of the moment.

In 2022, the Skills and Post-16 Education Act gave IfATE the power to exercise oversight and approve apprenticeships and technical qualifications from level 2 to level 7. We can now ensure the skills offer meets the real needs of employers and learners and we have set out how we will do this in our recent publication on the Simpler Skills System.

I came from a humble background. Now in the House of Lords, having made my name in business as the first Asian woman chief executive of a FTSE 250 company, I hope my story serves as a good example of how everyone can make the most of their talents with the right support.

Supporting me and the dedicated staff of IfATE to make this possible, it is a privilege to work with my talented colleagues on IfATE's board. We were delighted that the contributions of board members Robin Millar and Bev Robinson were recognised in their awards of a knighthood and CBE respectively.

At IfATE we know that rich and fulfilling lives, economic prosperity and competitive accomplishment are powered by education and training. In the last year, IfATE has further set the conditions by which this vision can be realised for business and individuals alike. In the last year, we have developed further into an established force for change: now we're ready for the year to come.

Baroness Ruby McGregor-Smith

## Chief Executive's Statement

It is a pleasure to present my fourth Annual Report and Accounts (ARA) as chief executive of the Institute for Apprenticeships and Technical Education (IfATE).



IfATE exists to ensure that the nation and its economy are equipped with the skills and training required for a world-class workforce. We take as our guiding principle that a coherent, aspirational system of forward-facing and employer-led apprenticeships and technical qualifications is the vital ingredient for achieving this vision.

At the end of IfATE's sixth year, my colleagues, our board, and I look back on substantial progress towards these aims with confidence that we are well-placed to build further on strong foundations. We know we do so within a complex landscape that needs to respond to adversity as well as opportunity. But we have assembled the right relationships with thousands of employers, and across all skills system partners, to ensure we move forward together.

That our stakeholders share our aspirations was reflected in the intensity and candour of the thousands of participants in our 'Big Conversation' in 2022: their contributions showed strong support for our employer-

led reforms and provided discerning insight in support of how the skills system can best evolve. We thank the employers and other stakeholders from across further and higher education who so generously shared their expertise in this exercise.

Over the past 12 months we have continued building a world class, simpler skills system that drives growth and opportunities for employers, learners, and the country. We have published three strategies in support of ensuring the system delivers on equity, diversity and inclusion, green skills, and emerging skills and innovation.

The outcome of this work is outlined in our 'Simpler Skills System' report, which we hope will help shift the culture of training in this country from a perceived short-term cost to valuable long-term investment.

While there is much to celebrate, we know there is scope for further evolution of the skills system to ensure it delivers on the needs and aspirations of employers and learners. In the Simpler Skills System, we plan to strike a new balance between stability and dynamism. We will build on the stable foundations of employer-designed occupational standards across all fifteen occupational routes representing the whole economy, signalled by our Occupational Maps to enable learners and employers to plan their careers and workforce. We will use our expanded role to commission



specialist qualifications, align bootcamps and new qualifications to employer need, stimulate the rapid creation of training vehicles to meet emerging skills requirements, gain proofs of concept, and support the capability of trainers.

Our ability to do so has been reinforced by the progress we have made in the last year, ensuring apprenticeships, T Levels and Higher Technical Qualifications all arise from a common employer-led foundation of occupational standards and introducing the new approvals system for qualifications at levels 2 and 3. This now requires awarding bodies to prove genuine employer demand and that they have engaged with employers of all sizes with the design.

The process for reviewing and updating existing apprenticeships has also been made far more efficient and responsive. We've reviewed a record number over the past year – more than 140 apprenticeships.

Alongside this, our fantastic panel of apprentices published a report setting out the findings of their nationwide survey of more than 2,000 apprentices. 89% of respondents felt the knowledge, skills, and behaviours they learn through apprenticeships will benefit them in their future careers.

Last summer saw the first T Level completions for over 1,000 students. I was delighted to see that 92.2% achieved a pass grade or above and 71% of those who applied for higher education were offered a place. The positive reaction in the national media and public was a joy to see.

We intentionally started small with T Levels from 2020 to allow time and space to bed-in. There are now 16 being taught by around 160 education providers to approximately 15,000 students, with many more expected in future.

At the critically important higher technical level, IfATE's approval of HTQs has made an essential contribution closing the skills gap at levels 4 and 5. Our HTQ approvals process is well underway, with the first 31 approved HTQs in the digital sector being taught from September 2022. A further 25 digital HTQs will be available from September 2023 along with an additional 50 HTQs in construction and health and science occupations.

None of this would be possible without the expertise and dedication of my colleagues at IfATE and the support of our board: I can report first hand on their joint commitment to delivering great outcomes in the service of employers and learners. I also want to thank everyone else who has supported our work over the past 12 months, in particular trailblazer employers and route panel members whose remit has expanded considerably. What these expert employers contribute is a major undertaking of national significance, and I salute their commitment and endeavours.

Jennifer Coupland

# Performance Report

## Who we are

The 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 has a set of important functions and accountabilities within the wider skills system. This includes a statutory oversight duty which requires IfATE to keep under review education and training within its remit, and the effect of its functions on the range and availability of that education and training. In exercising this duty, IfATE is required to consider the overall coherence of technical education provision within the system to ensure that the range and availability of apprenticeships, technical qualifications and other technical education is appropriate. IfATE must work in partnership with other statutory bodies that have complementary and supporting functions

IfATE's powers and duties stem from the Apprenticeships, Skills, Children and Learning Act 2009, as amended by the Enterprise Act 2016, the Technical and Further Education Act 2017 and the Skills and Post-16 Education Act 2022.

## How IfATE is organised

IfATE is overseen by an independent chair, Baroness McGregor-Smith CBE, who leads a board that provides leadership and direction, and sets strategic aims, values, and standards for the organisation. The work of IfATE's board is governed by IfATE's governance framework. IfATE's Board has a responsibility to make sure that IfATE complies with its statutory responsibilities, relevant legislation, and

government accounting rules in relation to its use of public funds. It consists of the chair, the chief executive, and eleven non-executive members, drawn from sectors across the economy, who are appointed by the Secretary of State for Education.

At the executive level, IfATE is led by a chief executive, Jennifer Coupland. There are two major groups within the organisation:

- the Delivery Group, which delivers the development, approval, and assurance of high-quality, employer-led apprenticeships and technical qualifications;
- the Insights & Transformation Group, which focuses on strategy, policy development, strategic engagement and communications, analysis, and digital services, as well as enabling functions such as portfolio management, legal and governance.

The above groups are supported by our Corporate Services and Human Resources teams.

## **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.

## **Strategy**

IfATE's strategic plan outlines three main strategic priorities for the period 2021-2024.

The Strategic Priorities are highlighted as follows:

### **Delivering for employers (Strategy)**

IfATE works with thousands of employers to develop occupational standards, and the apprenticeships and technical qualifications that arise from them. IfATE's technical qualifications include T Levels and Higher Technical Qualifications and from 2023 onwards level 3 and level 2 technical qualifications.

In our work, we bring clear benefits to the employers, engaging and empowering them to regear the skills system in ways that meet their evolving needs by involving them and embedding their views in occupational standards. These benefits flow through the delivery of apprenticeships and technical qualifications, to the advantage of learners and wider society. We ensure our products supply what employers tell us they need to fill skills gaps, keep pace with industrial change, and advance the skills required in the labour pool for national priorities, such as sustainability and tackling climate change.

### **Building a simpler skills system (Strategy)**

Successful technical education systems unlock potential where they offer a coherent suite of technical qualifications and apprenticeships that have value in the eyes of employers and students and grow productivity. IfATE's work with employers ensures that England's apprenticeships and technical qualifications meet all of these aspirations. The system has been constructed to facilitate progression for learners within careers and through educational levels, open up opportunity for the widest possible range of individuals and embed aspiration in the fabric of the wider education system.

### **Securing continuous improvement (Strategy)**

IfATE's ongoing work is transforming the status and value of technical education in England through its work with employers. We have shown that we can adapt and deliver quickly, approving over 650 occupational standards and apprenticeships, launching T Levels and HTQs, and setting out the approval processes for new technical qualifications at levels 2 and 3, to ensure they are also aligned with the occupational standards. Confidence in the quality and value of these products is growing, but there remain many opportunities for further evolution. Our commitment to continual improvement is vital to ensure the skills system and our own organisation is responsive to the challenge of emerging opportunities and changing skills needs.

## Annual strategic guidance from DfE

In April 2022, the Minister for Skills published strategic guidance setting out government priorities for IfATE’s role in apprenticeships and technical education reform. The strategic priorities set by the Minister for the 2022-23 financial year were:

- clear progression paths for career-led learning;
- up-to-date occupationally specific skills the economy needs to build back better; and
- technical education products that provide reliable assessment and certification and are valued by learners and employers.

The strategic guidance from the Minister lies at the heart of IfATE’s delivery plans, and we reported performance against that guidance to DfE in 2022-2023. IfATE’s performance against the year’s strategic guidance and its longer-term strategic plan forms the basis of the performance analysis within this report.

## Accountability landscape

IfATE’s role, and that of the Department for Education and other associated bodies, for delivering T Levels, Other Technical Qualifications and Apprenticeships is defined in the Accountability Landscape table shown below.

	<b>Occupational Standards</b>	<b>T Levels (Level 3)</b>
<b>DfE*</b>	Overall accountability for occupational standards and the apprenticeships and the technical qualifications that arise from them	Overall accountability and policy lead for T Level programme, including provision of industry placements
<b>IfATE</b>	Ensuring quality of occupational standards	Production of outline content, qualification development, review, and approval
	Approve, review (and where necessary, remove approval from) occupational standards	Managing quality through contract and procurement
	Maintenance and development of the occupational maps	
<b>Ofsted**</b>	-	Inspection and reporting of quality of teaching
<b>Ofqual***</b>	-	Provide advice and assistance in connection with the approval of T Level technical qualifications and exercise regulatory oversight
<b>OfS****</b>	-	-

\* Department for Education \*\* Office for Standards in Education

\*\*\* Office of Qualifications and Examinations \*\*\*\* Office for Students

	<b>Other Technical Qualifications (Levels 2, 3 and Higher Technical qualifications at levels 4 and 5)</b>	<b>Apprenticeships</b>
<b>DfE*</b>	Overall accountability for technical qualifications policy including funding and raising quality of provision	Overall accountability for quality, including the occupational standard and the end point assessment
<b>IfATE</b>	<p>Ensuring quality of approved technical qualifications and their alignment with employer – developed occupational standards</p> <p>Specify categories of technical qualifications for approval and set approval criteria</p> <p>Approve, review (and where necessary, remove approval from) technical qualifications</p>	Standards development, review and approval
<b>Ofsted**</b>	-	Inspection and reporting of quality of training provision
<b>Ofqual***</b>	Provide advice and assistance in connection with the approval of relevant technical qualifications and, where relevant, exercise regulatory oversight	Quality of qualifications in Register of Regulated Qualifications
<b>OfS****</b>	Provide advice and assistance in connection with the approval of relevant technical qualifications and, where relevant, exercise regulatory oversight	Standards of HE qualifications awarded by degree awarding bodies

\* Department for Education

\*\* Office for Standards in Education

\*\*\* Office of Qualifications and Examinations

\*\*\*\* Office for Students

## Performance overview

In April 2022, the Skills and Post-16 Education Act 2022 gained Royal Assent. IfATE gained new powers across technical education, including oversight of technical education within IfATE's remit, and enabling the development and launch of an employer-led process for approving level 3 technical qualifications. This has also set the foundations for the emerging level 2 qualifications approval process, due to begin in 2023.

This legislation reflects the significant achievements of IfATE since its formation in 2017. IfATE has worked with employers to develop over 650 occupational standards and associated apprenticeships. In further partnership with employers, IfATE has launched T Levels in 16 subject areas. 92% of students completing T Levels for the first time in 2022 achieved a pass or above for their overall grade. Working with awarding organisations, we have begun to award quality marks for new Higher Technical Qualifications at levels 4 and 5. These products are being reflected on a refreshed set of 'occupational maps', which show the occupations for which IfATE approved apprenticeships and technical qualifications products can provide training, and the progression pathways between them. During the course of 2022-23, 142 apprenticeships were reviewed, and revisions or adjustments were made to 87 to ensure they continue to provide the training employers and learners will require in the future.

In 2022-23 we worked to set the conditions in which our strategic priorities can be realised, in line with our three-year delivery plan. Work has been carried out to extend our engagement with employers in support of

the growing volumes of apprenticeships and technical qualifications to approve, including through the development of a digital strategy that will be implemented in the coming years. Our growing reach has equipped us with a detailed understanding of employers' needs and priorities for a 'simpler skills system', which we plan to realise in the next phase of this work. Alongside this, we have grown the impact and influence of our employer-led skills products through media and online communications channels, ensuring that learners and stakeholders can better recognise the employer endorsed quality of IfATE's outputs.

We recognise there is more to be done. Our second Apprentice Panel survey in 2022 showed that 89% of apprentices believe their apprenticeship training will benefit their future careers, but there remained some areas in which the Panel made recommendations for improvement, currently being taken forward by IfATE and DfE. IfATE undertook a review of the content of all T Levels to ensure they met employer need at an appropriate level of demand for students. And our 'Big Conversation' with employers provided IfATE with evidence of those areas in which there remains scope to simplify the structures, communication, and infrastructure of the skills system.

In setting the conditions for our work in the years to come, insights such as these are invaluable. They will enable IfATE to realise its vision of a world-leading system of technical qualifications and apprenticeships and reflect our deep commitment to continuous improvement in the service of employers, students, apprentices, and the nation.

# Performance analysis

## 1. Delivering for Employers: technical qualifications

### Technical qualifications

All IfATE technical qualifications, from level 2 to level 5, are approved on the basis of the qualification's alignment to IfATE's occupational standards and demand from employers. This ensures that the same quality foundation is applied to all funded technical qualifications. Further information about our progress in delivery of the different types of technical qualification products during 2022-23 follows.

#### 1.1 T Levels

Since 2020, IfATE has increased the number of T Levels available from 3 to 16. Provider numbers have also increased from 43 in 2020-21, with 164 delivering T Levels across all regions of the country.

92% of students completing T Levels for the first time achieved a pass or above for their overall grade, bringing new opportunity to those at the start of their career journey. The validation of these wave 1 results by awarding bodies' employer panels was achieved on time. 71% of those applying received an offer of a place in higher education. Work is ongoing to measure the numbers of T Level students moving into apprenticeships or other jobs. Training provider data from October 2022 indicates that 10,200 new students had begun studying for T Levels – almost double the 2021 figure. The impact of the pandemic was also considered by awarding organisations in setting the pass mark for the 2022 assessment series.

The existing 16 T Levels will be joined by a further two in September 2023, giving coverage of 18 T levels across eight different occupational routes.

The summer saw the first T Level completions, with 1,029 students completing their two-year programmes. In 2022, some issues arose in the core examinations of the Health & Science T Level. Working with NCFE and Ofqual, IfATE ensured that no student was disadvantaged as a result. IfATE also undertook a review of the content of all T Levels to ensure they met employer need at an appropriate level of demand for students.

On 9 March 2023 the Secretary of State announced that delivery of four of the wave 4 T Levels had been deferred in order to ensure that the quality of the new qualifications meets the expected standard. Three T levels (Hairdressing, Barbering and Beauty Therapy; Craft & Design; and Media, Broadcast & Production) were deferred to September 2024 and will start alongside Animal Care & Management. The T Level in Catering was deferred beyond 2024. The new wave 5 T Level in Marketing will be delivered from September 2025.



## 1.2 HTQs

IfATE has put in place an employer led HTQ process for the award of a quality mark, building on our experience and expertise of approving apprenticeships and T Levels. This involves comparing submitted qualifications against approved occupational standards, ensuring sufficient coverage and assessment of the knowledge, skills and behaviours required. Employer endorsement is also assessed in this process. Recent IFF market research carried out for IfATE showed that 78% of 297 employer respondents feel that a recognised and understood quality mark as already applied to HTQs, increases employer confidence in all technical education qualifications.

The first cycle, covering 31 digital occupational pathways became available to students in September 2022. Cycle two completed in July 2022 with 75 occupational pathways approved in Construction (18), Health & Science (32) and Digital (25), that will be available to students in September 2023. A third cycle closed with 66 additional qualifications available for first teach in September 2024. IfATE achieved its aim to reduce the number of resubmissions in cycle 3.

The cycle 4 submission window opened on 8th May 2023 and the application window closes on 30th June 2023.

## 1.3 Level 3 Qualifications

The new IfATE approvals system for level 3 has been built around an employer demand test which will signal labour market need from both large and small businesses. The first occupational routes in which these qualifications will be approved are Construction & the Built Environment, Digital, Engineering & Manufacturing, Education & Early Years, and Health & Science. IfATE is engaging with the market now and awarding bodies will be able to submit qualifications for approval in summer 2023.

## 1.4 Apprenticeships

In a survey of 4,085 employers conducted in May to August 2021, those that had employed apprentices report high levels of satisfaction, with 83% satisfied overall when considering the main/most important apprenticeship they provide. There is still variation in satisfaction by subject areas, with the highest in Education and Leisure (92%) to the lowest in Construction (73%) and Engineering (77%) [Government Social Research –Employers, 2022]. In response to guidance from DfE, IfATE identified and signalled (on the occupational maps) the first tranche of 18 occupational standards as being particularly suited to career starters by the end of the year.

## **Apprenticeship Reviews and Revisions**

In the early years of IfATE, a particular focus was working with employers in trailblazer groups to create a body of apprenticeships. Having established over 650 occupational standards and the apprenticeships arising from them, IfATE is now focused on reviewing and revising occupational standards and apprenticeships at the core of the system. Market research carried out in early 2023 shows 83% of employer respondents rated relevant and up-to-date content as an important feature when assessing whether a qualification will lead to suitably qualified employees [unpublished IFF research].

This year, risk-based methodologies have been introduced to assist the prioritisation of apprenticeships and associated occupational standards, in need of review. Factors such as number of starts, completion rates and changing occupational requirements are taken into account in these methodologies.

142 apprenticeships were reviewed, and revisions or adjustments were made to 87 during the course of 2022-23.

## **Mandatory qualifications in apprenticeships**

Some apprenticeships currently include the achievement of additional qualifications as a mandatory part of completing the apprenticeship. As part of our commitment to continuous improvement, IfATE consulted on how we could improve the role of mandatory qualifications within apprenticeships. Recognising the value qualifications can add, our aim was to ensure they were included in the right places and delivered effectively. We are committed to assisting the work to reduce the number of withdrawals: we will use all of our levers, including the integration of mandatory qualifications, to do so.

The ten-week consultation was completed in February 2023. IfATE was proposing the retention of mandatory qualifications where regulatory or professional body requirement exists, or apprentices would be at a disadvantage in the labour market without it. Sufficient supporting evidence and rationale would be required for inclusion. IfATE also recommended that the qualification provided a structure for off the job training was not a sufficient basis for mandatory inclusion.

377 responses were received. These broadly welcomed the proposal and viewed the reform as a positive evolution of apprenticeship assessment. The arrangements for implementation of the changes are being rolled out in 2023.

### **Apprenticeship funding**

In January 2023 we announced a set of Exceptional Funding Band Reviews for 20 high-volume apprenticeships in skills shortage occupations and priority sectors. The 20 apprenticeships, which are all at level 2 or 3, were chosen by the DfE, following consultation with provider representative bodies, and taking account of available evidence on the impact of cost inflation on apprenticeships delivery. The reviews are intended to help employers and apprenticeship providers tackle rising costs in priority sectors with skills shortages, including engineering and social care. At the time of writing, we have completed working with DfE to conclude the Exceptional Funding Band Review process and are working with them to announce and implement any funding changes as soon as possible

The pilot for a new permanent funding model continues. This uses research-based funding rates alongside input from employers. Between the start of the pilot (January 2022) and May 2023 there have been 59 funding bands allocated using the new funding model. This consists of 26 new apprenticeships and 33 that were revised. Breaking down the revision work further, there have been 25 instances where funding was increased, 2 instances where funding went down, and 6 instances of funding remaining unchanged.

The old quotes-based funding model ran in parallel until being paused in November 2022. No further trailblazer submissions are being accepted under the old model. We anticipate moving the current new funding model pilot to BAU by June 2023.

### **External Quality Assurance (EQA) of Apprenticeship End-Point Assessment**

In 2020, IfATE launched and responded to a consultation on simplifying the EQA system. In consequence, IfATE adopted a model whereby EQA for an apprenticeship standard will be delivered:

For all integrated higher and degree apprenticeships, by the Office for Students (OfS); and

For most other apprenticeships, by the Office of Qualifications and Examinations Regulation (Ofqual).

Phase two of the transition to this model was completed in December 2022. 98% of standards in scope have now transitioned to the appropriate regulator, with IfATE providing a temporary solution for 10 apprenticeships that have not yet transitioned. This will ensure that EPA can continue, and that quality will be maintained. IfATE oversaw QAA (Quality Assurance Agency for Higher Education) provision of EQA activity on behalf of OfS for 11 of the 12 providers aimed for in 2022-23. QAA has now discontinued its involvement in EQA at the end of this performance year and we are working closely with OfS, who will be the new provider.

IfATE also met its aim to produce an annual EQA report by February 2023, and subsequently reviewed the report's usefulness through feedback from the sector.

## 2. Building a Simpler Skills System

### 2.1 The Big Conversation

In late 2022, IfATE embarked on a 'Big Conversation' with employers and other skills system stakeholders. The purposes of the Big Conversation were to provide IfATE with insight and intelligence relating to how the skills system is working, what requirements employers and learners have of the skills system, and what changes IfATE could make to improve the apprenticeships and technical qualifications offer.

Dedicated social media, mailings and web presence ensured we reached all of our stakeholders, including trailblazer groups, employer directory organisations, route panels, awarding organisations and providers, securing detailed insights from over 2,000 individuals. The majority of IfATE's staff participated in conversations with stakeholders across the country and different industry sectors.

IfATE staff have carried out a thematic analysis of the research undertaken, with a number of key findings. These ranged from feedback about the ways the system could be better explained to employers and learners, to proposals for how elements of the skills system might work differently for employers. This qualitative research was augmented by commissioning a literature review and further social research on employer perceptions of the skills system.

### 2.2 A Simpler Skills System

We are using the term "skills system" to describe the way in which all technical education qualifications and apprenticeships work together to develop skills and boost productivity. IfATE's role, working with employers, to develop clear occupational standards offers a strong foundation for this system, as technical qualifications and apprenticeships are aligned to the same occupational standards. This means:

- ensuring a standard of quality across the board, so no matter the qualification undertaken, wherever in the country, students and apprentices all start on the same footing and achieve the required competence to proceed in their chosen career;
- training enables clear progression for apprentices and students; and
- employers taking an active role in creating a cohesive system that meets diverse needs across sectors and regions.

IfATE's strategic plan 2021-24 explains our commitment to building a simpler skills system to ensure that apprenticeships and technical qualifications are sufficiently adaptable to enable the widest possible uptake and utility, and to deliver regional and social agendas [IfATE, 2021].

In early 2023, we commenced use of the insights derived from the Big Conversation to report on the further developments required to realise a simpler skills system, with an accompanying roadmap to deliver the changes IfATE is responsible for. The work has been carried out in close partnership with employers and other stakeholders and will lead to the publication of a report early in the 2023-24 performance year. We will continue to provide advice to DfE relating to the insights we have received from employers.

### **2.3 Communications**

A further commitment, in support of simplifying the skills system, is improving the ways the quality and coherence of IfATE's technical qualifications and apprenticeships are explained to learners and employers.

We carried out market research in early 2023, showing that an improved awareness of employer involvement in the design of skills products leads to increased confidence in those products. This research will inform a refreshed approach that is intended to increase employer and learner confidence.

In 2022-23 we have set the conditions for achieving our strategic communications aims through significantly extending IfATE's reach and penetration through digital and media channels, including radio, national press, regional press, social media and television. For example, we achieved a 60% increase in national media coverage and an 846% increase in regional media coverage during National Apprenticeship Week 2023 compared with the previous year, significantly extending IfATE's ability to explain and promote apprenticeships and technical qualifications. Social media engagement has also risen consistently throughout the year.

Work to better understand and meet customer needs in real time was initiated in 2022-23. Between September 2022 and February 2023, we received 391 pieces of individual customer feedback via our website, leading to 135 actions: of these, 86 were resolved within two working days. We completed a project to simplify the language and terminology of the skills system by January 2023.

## 2.4 Occupational maps

IfATE's occupational maps depict the current and potential technical education landscape, how occupations are linked to each other, and how people can progress in their careers through training. In readiness for the arrival of new types of technical qualifications, IfATE began to redevelop the occupational maps in 2022, and reached the beta phase of testing in March 2023.

Work continues with our partners, including UCAS, careers organisations and DfE's Unit for Future Skills and National Careers Service, to realise the benefits of the occupational maps and their underlying architecture. In addition, we are working with stakeholders to align the maps to regional skills needs as well as sectoral opportunities. We are working to ensure occupational maps become the basis for planning, development, and communication of technical education in England.





## 2.5 Occupational standards

All IfATE technical qualifications and apprenticeships are based on the occupational standards which have been approved by IfATE. These specify the knowledge, skills and behaviours required for competence in occupations, which provide the learning outcomes of IfATE's training products. It is therefore vital that these occupational standards are reviewed and revised as needed, to ensure they remain up-to-date and relevant for labour-market needs.

Until this year, apprenticeships reviews were the principal driver for occupational standards revisions. Now that a much wider range of technical qualifications arises from the occupational standards, we have initiated work to ensure that the revisions to occupational standards are as responsive to feedback associated with qualifications as with apprenticeships.

## 2.6 Oversight

The Skills and Post-16 Education Act 2022 granted IfATE a duty to keep technical education and training within its remit under review (referred to in legislation as the 'oversight' power).

In 2022-23, we have begun to develop and evolve the approaches we have in place for quality assurance across technical education and training with our remit. We will publish the principles arising from this work in the coming year, as part our vision for a simpler skills system, with a fuller oversight publication to follow.

## 3. Securing Continuous Improvement

### 3.1 Foundation strategies

2022-23 saw the launch of two IfATE strategies: the Equity, Diversity, and Inclusion (EDI) strategy, and the Climate Change and Environmental Skills Strategy.

IfATE is taking positive steps to improve EDI across the skills landscape. This year saw the establishment of a board-level Equity, Diversity, and Inclusion Committee. It is responsible for embedding EDI across the business and internal operations of IfATE, as well as raising the profile of EDI issues across the wider skills landscape. It is an issue our Board are deeply committed to in support of the Government's agenda to support social mobility and offer opportunity and progression through technical education.

Internally, our success has been recognised with the award of Level 3 Disability Confident Leader accreditation. For the wider landscape, work continues with our expert employers to ensure equity, diversity, and inclusion are considered as a core part of the development and approval processes. We have developed an EDI operational framework and toolkit to achieve this.

Our Climate Change and Environmental Skills Strategy details our work in tackling the environmental and net-zero challenges through apprenticeships and technical qualifications. It sets out three key principles:

- Apprenticeships and technical qualifications will be ready to fill the very latest environmental and climate change skills needs.
- Technical Qualifications will play their part in helping students prepare for and people access high-skill and rewarding careers in tackling climate change. We'll help employers, providers, and others in the sector to ensure there are a range of choices for students, working with them to establish whether further T Levels are needed.
- IfATE will lead by example, embedding a sustainable culture across our own organisation.
- A third, and final, foundation strategy on emerging skills and innovation is set for publication at the start of the 2023-24.



### 3.2 Employer Directory

The Employer Directory includes more than 60 professional, occupational and sector bodies with access to thousands of individual experts. Originally set up to support external quality assurance, their role has recently expanded to help meet IfATE's growing demand for employer insights and occupational expertise. We are committed to continuing to grow the Directory.

### 3.3 Apprentice Panel and Technical Qualification student forum

#### Apprentice Panel

IfATE's Apprentice Panel now has 31 members from a range of sectors, ages and backgrounds across the country continuing their work to ensure that apprenticeships meet the needs of all learners.

This year, the second Apprentice Panel Survey was conducted online and was distributed through a range of channels, including social media, email lists, and events. 2,016 apprentices responded, and the recommendations made by the panel are being addressed through partnership working by DfE and IfATE.

As in 2020, the panel reports that this year's survey tells a positive story of the power of apprenticeships to develop potential and support future ambition. 89% of respondents stated their apprenticeship training would benefit their future careers, and 90% said they believed the knowledge, skills, and behaviours (KSBs) learned in their apprenticeships were up to date.

#### Technical Qualification (TQ) student forum

IfATE has also convened a Technical Qualification student forum, currently comprising T Level students from across the country, to ensure the views of students engaging with technical qualifications are represented within the work and governance of IfATE.

The TQ student forum plays an important role in helping IfATE and its board to understand the experience of students undertaking a technical qualification - TQ.

Forum members meet regularly to share first-hand insights into what it is like to be a TQ student. Their feedback helps IfATE to test its thinking on policy and identify ways of improving technical qualifications so that students have a positive experience of learning.

## 4. Leadership

### **Internal governance review**

This year IfATE reviewed its internal governance arrangements to streamline and clarify decision making and ensure the right decisions are being made once, by the right people at the right time. The new arrangements commenced in early 2023 and will be reviewed in the early summer.

### **Portfolio approach**

To provide greater assurance and support to the Executive Leadership of IfATE, a new portfolio approach was devised in 2022. The approach is designed to enable more effective prioritisation and collaboration across the organisation.

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 2022.



# Financial Review of the Year

## Introduction

Our financial priority for this year has been to ensure that IfATE uses its resources efficiently, economically, and effectively to achieve our three strategic priorities of delivering for employers, building a more integrated skills system and securing continuous improvement.

This review focuses on the financial performance achieved by IfATE in 2022-23 and provides commentary on notable changes compared to the prior year.

## Operating income

We recorded fee income of £0.07m (2021-22: £1.4m) relating to the management of the external quality assurance (EQA) service on behalf of Open Awards. The reduction in fee income compared to 2021-22 is due to the transfer of the EQA service to Ofqual having been completed in June 2022. IfATE has no ongoing income from the EQA service.

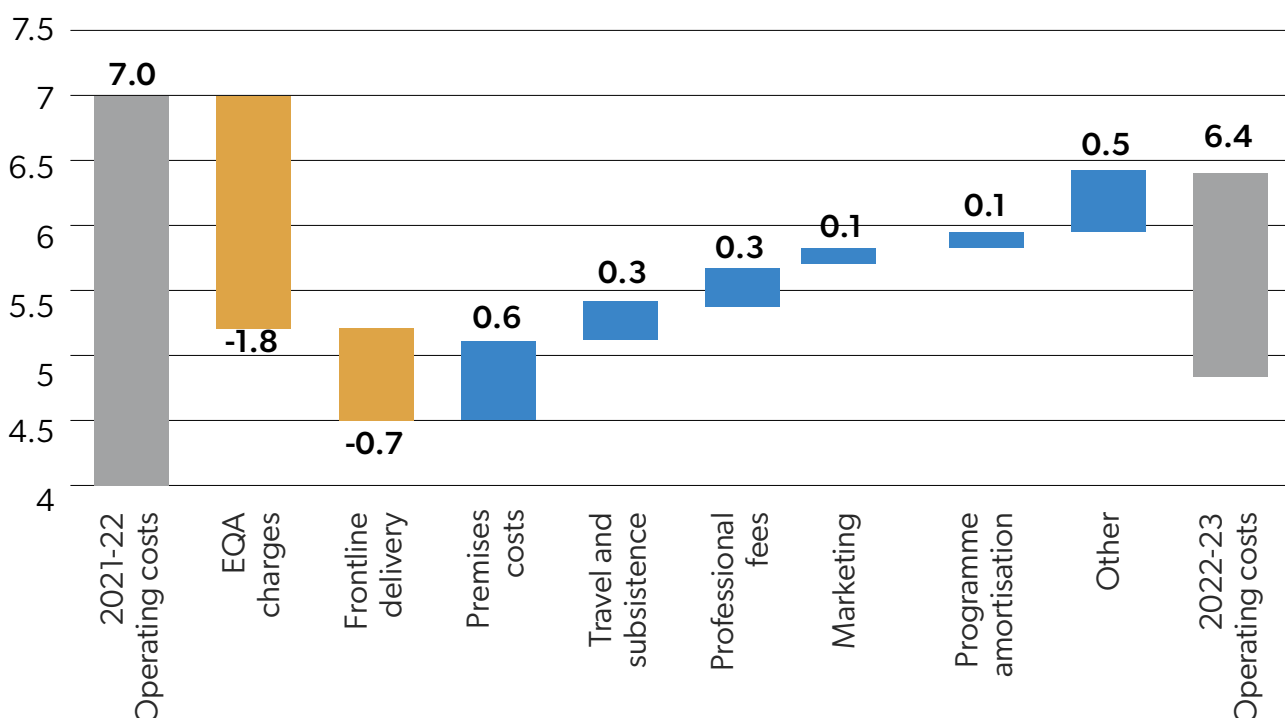
## Staff costs

In 2022-23, our average number of full-time equivalent employees was 298, a 16% increase compared to 2021-22. This increase in our average number of employees was the most significant driver underlying the 18% increase in staff costs to £21.1m (2021-22: £17.9m). Further detail can be found in the Remuneration and Staff Report and note 3 to the financial statements.

## Operating costs

Our operating costs decreased by 9% to £6.4m (2021-22: £7.0m). The key movements in our operating costs are shown in Figure 1 below.

**Figure 1: Movement in operating costs compared to 2021-22**



The transfer of the EQA service to Ofqual in June 2022 resulted in the associated costs decreasing by £1.8m to £0.4m in 2022-23 (2021-22: £2.2m).

Our frontline delivery costs decreased by £0.7m in 2022-23 partly due to the postponement of the Milestone 7 Animal Care Management T Level.

The increase in our premises costs of £0.6m is attributable to changes in the costs from the Government Property Agency for the office space that we occupy in Coventry and London.

Our expenditure on travel and subsistence increased by £0.3m to £0.5m. This increase was anticipated following the COVID-19 pandemic and we encouraged our people to meet in person with employers, apprentices, students, and other stakeholders.

The increase of £0.3m in our professional fees to £0.3m is primarily driven by the cost of research projects, including the Big Conversation, where we engaged external experts.

The return of marketing events following the pandemic contributed to our marketing expenditure increasing by £0.1m to £0.2m.

Programme amortisation increased by £0.1m to £0.4m due to additions to our intangible assets. Further detail is shown in note 6 to the financial statements.

## Assets and liabilities

Our continued investment in our digital assets is reflected in the carrying value of intangible assets increasing by £0.9m to £2.0m. Further detail is shown in note 6 to the financial statements.

Our cash balance at 31 March 2023 was £2.8m (2022: £0.3m). This increase compared to the prior year is primarily attributable to cash held for the payment of invoices from T Level suppliers that were not received prior to the year end.

The increase in our accruals to £4.6m (2022: £3.5m) is primarily attributable to work undertaken by T Level suppliers not invoiced prior to the year end, accrued premises costs and an increase in accrued remuneration for holiday pay and performance related pay linked to the increase in our workforce.

The decrease in our negative balance for taxpayers' equity to £0.4m (2022: £2.6m) is due to our net expenditure in 2022-23 being lower than the Grant in Aid funding received from our sponsoring department, DfE. The movements in taxpayers' equity between financial years are largely driven by timing differences between our Grant in Aid funding from DfE and the associated expenditure.

## Going Concern

IfATE is expected to continue as a going concern for a period of at least 12 months from the approval of the annual accounts and is not aware of any information or events, either during 2022-23 or following the year end, which may affect this status. In addition, IfATE is expected to continue as a going concern for the foreseeable future.

IfATE is a non-departmental public body sponsored by the Department for Education. The Department for Education has confirmed IfATE's budget for the 2023-24 financial year.

Budgets for central government departments are collectively agreed in Spending Review exercises overseen by HM Treasury. The most recent Spending Review, SR21, set departmental budgets for the 3 years to 2024-25. The Spending Review settlement for the Department for Education covered funding for the department's arm's length bodies, including IfATE.

It has accordingly been considered appropriate to adopt a going concern basis for the preparation of these financial statements.



## Our Year in Numbers

# 1,541,684

Total number of starts on apprenticeship standards as of January 2023 is **greater than 1.5 million**

# 668

Apprenticeships available

# 87

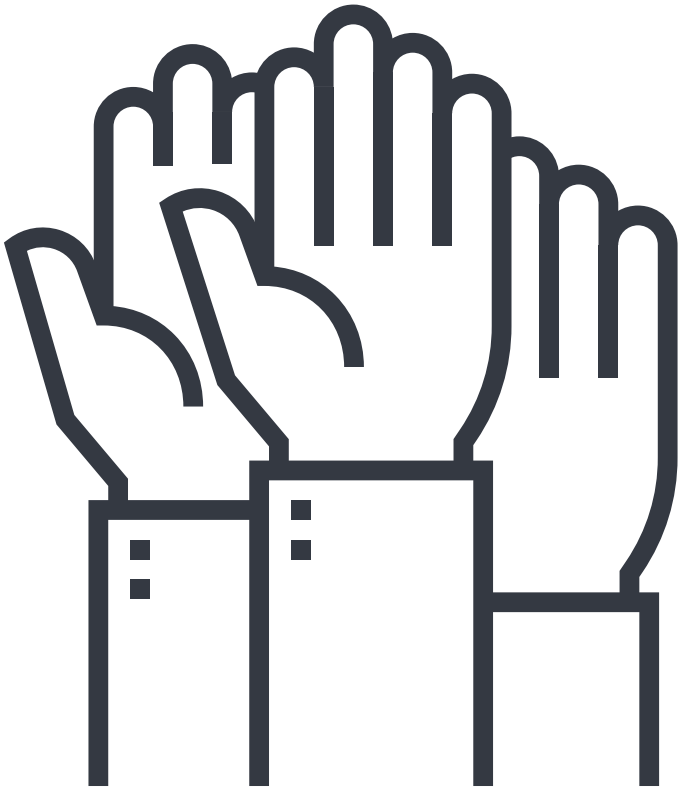
Apprenticeships revised or adjusted in the financial year 2022-23

# 100

HTQs now approved as of March 2023

# 27

New apprenticeships approved for delivery in the financial year 2022-23



**10,200**

**New T Level participants**  
in the academic year 2022-23

**164**

**Education providers**  
**offering T Levels**  
as of October 2022

**17**

**Approved**  
**T-Levels**



**6**

**T Levels in**  
**development**

## 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 Compliance Board. Trailblazers can seek a procedural review 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 guidance<sup>1</sup>. The following table sets out details of procedural reviews in 2022-23 compared to 2021-22.

This year has seen no procedural review requests, this is down from only five in the previous year.

Procedural review requests	2022-23	2021-22
Requests received	0	5
Granted	0	1
Not granted	0	0
Not in scope	0	4

### Customer experience, correspondence, and complaints

IfATE remains committed to being 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 next stakeholder survey will take place later in 2023 with a target 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 2022 to 31 March 2023, we received and dealt with 2,969 enquiries (2,923 general enquiries; 34 freedom of information requests; 9 parliamentary questions; 3 complaints & no subject access requests). Correspondence outside the remit of IfATE was re-directed to other agencies such as the ESFA. We responded to 2,902 (99.3%) enquiries within 20 working days. 94.70% (2,768) of enquiries were answered within 5 working days and under. The Parliamentary and Health Service Ombudsman received no complaints about IfATE in 2022-23. 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 2022 and 31 March 2023, IfATE received and responded to 34 requests made under the Freedom of Information Act (compared to 29 requests in 2021-22). We responded to all requests within the statutory timeframe of 20 working days.

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



## Whistleblowing

There were no reports of fraud or whistleblowing in 2022-23.

## Sustainability

In January 2023, IfATE launched its Climate Change and Environmental Skills Strategy setting out IfATE's aim is to work with employers so that apprenticeships and technical education can help the country to achieve sustainable growth and meet net zero targets.

The Climate Change and Environmental Skills Strategy includes the following 3 principles:

- Apprenticeships and technical qualifications will be ready to fill the very latest environmental and climate change skills needs.
- T Levels and Higher Technical Qualifications will play their part in helping students prepare for and people access high-skill and rewarding careers in tackling climate change. We'll help employers, providers, and others in the sector to ensure there are a range of choices for students, working with them to establish whether further T Levels are needed.
- IfATE will lead by example, embedding a sustainable culture across our own organization.

Where appropriate, IfATE uses procurement frameworks from public sector buying organisations such as the Crown Commercial Service which include suppliers that have evidenced their commitment to sustainability and other important social matters as a condition of being included in the framework.

Green skills were added to occupational standards including the domestic electrician, forest craftsperson and building services engineering senior technician standards.

Our Green Action & Innovation Network (GAIN) consists of over 80 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. GAIN's activities over the past year have included the development of guidance on sustainable travel and events, running webinars on sustainability and volunteering for conservation work in our local communities. GAIN has also promoted themed events, such as 'plastic-free July', which included encouraging the use of reusable cups, and 'sustainable Christmas', which included ideas on recycling, reusing, and reducing food waste.

IfATE has made progress in monitoring and reporting our own environmental impact. In 2022-23, the emissions measured as carbon dioxide equivalent in kilograms (CO<sub>2</sub>e kg) from business trips by IfATE employees travelling by air and rail were 39,903 CO<sub>2</sub>e kg (2021-22: 11,712 CO<sub>2</sub>e kg). This increase compared to 2021-22 is explained by the return of business travel and employer engagement events following the COVID-19 pandemic. Our emissions in 2022-23 included 428 CO<sub>2</sub>e kg from air travel (2021-22: nil). We will continue to monitor and report our emissions in 2023-24.

IfATE is within the scope of the Greening Government Commitments. As part of DfE Group, IfATE uses office space in six buildings that are part of the DfE Corporate Estate. We rely on the expertise of DfE and the Government Property Agency to manage and reduce the environmental impact of these buildings. Disaggregated data on the environmental impact of the office space used by IfATE is not available. However, details of the performance of DfE's Corporate Estate against the Greening Government commitments can be found in DfE's Annual Report and Accounts.

# Principal Risks and Forward Look

## The Assessment of Risk – Risk Management

Management of our risks is integrated across the organisation’s appropriate teams, projects, programmes, and portfolio of work. Risks that pose a significant impact to the delivery of our objectives are managed at a leadership level. We have detailed plans to manage our strategic risks, with regular reviews undertaken by the Executive Leadership Team, our Sponsor Department, and the Board. Oversight and scrutiny of our risk management is provided by the Audit and Risk Assurance Committee of the Board, who support and challenge the effectiveness of our framework and plans.

### Risk Position

Our risk positions are defined as follows. When assigning a ‘position’ to each, the circumstances which give rise to the risk and mitigating factors are integral components of the risk assessment.

RISK RATING	DEFINITION
SEVERE	Severe impact on objectives and plan / organisation. Escalation and immediate management action required
SUBSTANTIAL	It has the potential for a significant impact on business operations. Actions to be considered at organisational level.
MODERATE	Consequences are not severe and can be managed by contingency actions at operational level. Action plans require development, and the risk should be kept under continuous monitoring
LOW	The risk status requires periodic review.

### Risk Appetite

Our risk 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 benefits in a transparent way, choosing the best course of action from our knowledge and experience.

We continue to adhere to our risk appetite statement and provide guidance to assist managers in support of decision making, by clarifying what level of risk IfATE is prepared to accept for different types of risk.

AVERSE	Avoid or ultra safe in taking risk that outweighs reward	Risk 6
CAUTIOUS	Low trade off between low risk and reward	Risk 2, Risk 3, Risk 5
OPEN	Innovation meets higher risk but higher reward	Risk 1, Risk 4

## Principal Risks and Forward Look

We have assessed risks against our strategic priorities, showing below those key risks we have actively managed during 2022-23, which has resulted a reduction in two areas of the risk profile. These risks have been considered and maintained considering external economic and environmental developments, in particular fiscal pressures, and the geopolitical context.

Risk	Risk Position	Appetite	Risk Management Activity
<p><b>RISK 1</b> The loss of employer confidence poses a risk to gaining input and insight required to deliver and maintain Apprenticeships, T Levels, HTQs and other Technical Qualifications (TQs)</p>	<b>MODERATE</b>	<b>OPEN</b>	<ul style="list-style-type: none"> <li>Stakeholder views gleaned from employers across all sectors to understand what the skills system should look like and how it should meet employer/industry needs.</li> <li>Continued optimisation of stakeholder experience and input to IfATE’s commissioning, approval and maintenance of technical qualifications.</li> </ul> <p><b>Planned – forward look</b></p> <ul style="list-style-type: none"> <li>Increase media visibility of IfATE and an employer endorsed quality mark.</li> </ul>
<p><b>RISK 2</b> Demand from new anticipated qualifications exceeds capability and capacity to deliver.</p>	<b>SUBSTANTIAL</b>	<b>CAUTIOUS</b>	<p><b>Progress</b></p> <ul style="list-style-type: none"> <li>The new employer-led approvals system for level 3 technical qualifications has been launched.</li> <li>The apprenticeship revisions support tool is now being applied widely with supporting Occupational Standard and Apprenticeship Change Processes.</li> </ul> <p><b>Planned – forward look</b></p> <ul style="list-style-type: none"> <li>Continue to refine T Levels TQs, HTQs approval processes, and contract management.</li> <li>Reallocate resources to address peak activity.</li> </ul>

Risk	Risk Position	Appetite	Risk Management Activity
<p><b>RISK 3</b> Ensuring sufficient capacity, skills, and capabilities to effectively deliver an integrated skills system.</p>	<p><b>MODERATE</b></p>	<p><b>CAUTIOUS</b></p>	<p><b>Progress</b></p> <ul style="list-style-type: none"> <li>Accelerated recruitment campaign to ensure sufficient resource to fulfil delivery obligations.</li> <li>Reviewed and refreshed the IfATE Learning and Development approach for staff.</li> </ul> <p><b>Planned - forward look</b></p> <ul style="list-style-type: none"> <li>Establish and align strategic workforce and resource planning to support planning, prioritisation, and delivery.</li> </ul>
<p><b>RISK 4</b> IfATE products are not agile to the needs of the economy and do not meet customer needs</p>	<p><b>MODERATE</b></p>	<p><b>OPEN</b></p>	<p><b>Progress</b></p> <ul style="list-style-type: none"> <li>Occupational Maps to navigate T Levels, HTQs, other Technical Qualifications, and Apprenticeships have been developed to provide a coherent picture of the technical education and skills landscape.</li> <li>Successful delivery of a well-functioning qualifications approvals process.</li> </ul> <p><b>Planned – forward look</b></p> <ul style="list-style-type: none"> <li>Continue delivery of products as per intended waves of delivery, with core focus on quality of content and support to Awarding Bodies and other organisations involved.</li> </ul>

Risk	Risk Position	Appetite	Risk Management Activity
<b>RISK 5</b> Failure to operate within the bounds of 2022 - 23 budgets.	<b>LOW</b>	<b>CAUTIOUS</b>	<b>Progress</b> <ul style="list-style-type: none"> <li>Regular scrutiny of IfATE's financial performance at meetings of the Board and the Audit &amp; Risk Assurance Committee.</li> <li>An improved approach to budget management and improvements made to forecasting accuracy.</li> </ul> <b>Planned – forward look</b> <ul style="list-style-type: none"> <li>This risk, which relates to 2022-23, has now expired.</li> </ul>
<b>RISK 6</b> IT Systems and Data Failure	<b>SUBSTANTIAL</b>	<b>AVERSE</b>	<b>Progress</b> <ul style="list-style-type: none"> <li>Embedded controls and regular activity to manage Cyber Threats.</li> <li>Reviewed third-party services to gain assurance that we have the right level of protection and continuity plans.</li> </ul> <b>Planned – forward look</b> <ul style="list-style-type: none"> <li>Cyber security assurance and data compliance will feed into Digital Strategy</li> </ul>

## Emerging risks and Opportunities for 2023-24

Risk	Risk management activity
<b>Rising costs of apprenticeship delivery and sector capacity</b>	<ul style="list-style-type: none"> <li>Engagement with employers to understand pressures through our Route Groups.</li> <li>Work with our Trailblazers to support funding band reviews.</li> </ul>
<b>Opportunity – Realisation of benefits through delivery of the IfATE Digital Strategy</b>	<ul style="list-style-type: none"> <li>Delivery of the Digital Strategy to future proof the delivery of our strategic priorities and operational or systems.</li> <li>Improve the user experience of the simpler skills system, free up valuable time for our people to focus on the service we are providing and allow us to consume and share data more widely.</li> </ul>



Jennifer Coupland  
 Chief Executive and Accounting Officer Institute for Apprenticeships and Technical Education  
 20 June 2023

# Accountability Report

## Corporate Governance Report

The corporate governance report explains how IfATE is governed in order to achieve 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 outlines IfATE's governance framework including the work of the board. It also assesses the risks to the organisation.

The corporate governance report has three sections:

- The Directors' report;
- Statement of Accounting Officer's responsibilities; and
- Governance statement

## Directors' report

### How IfATE is organised

IfATE's Chair, board and Chief Executive Officer have decision making authority at board level as defined in the Framework Document between IfATE and the Department for Education, and IfATE's governance framework. They are supported by senior management and staff in discharging their duties.

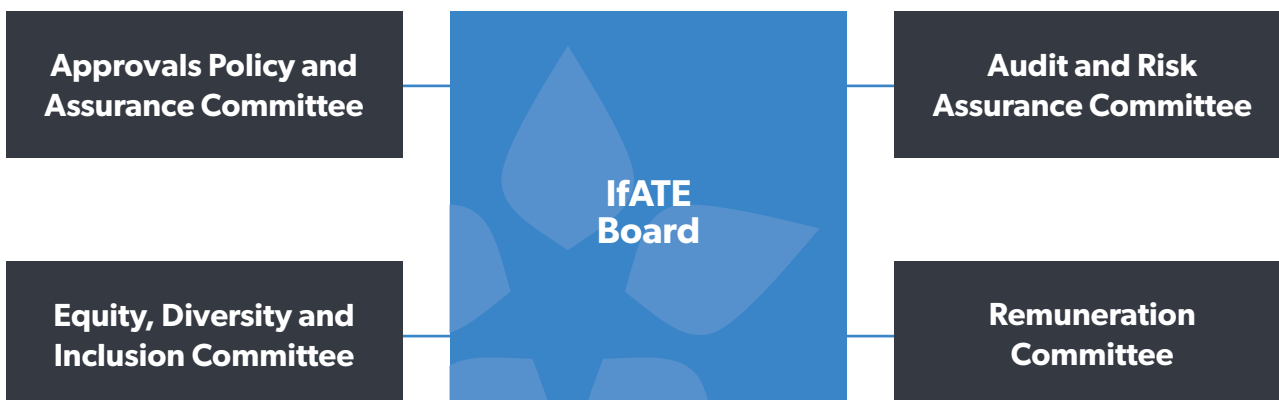
### Board and board committee structure

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

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

IfATE operates within a governance framework agreed with the Department for Education.

Figure below shows the 4 board committees:



Last year, IfATE's board and officials worked extensively on a governance review in response to our growing remit. This review incorporated work on IfATE's Governance Framework and Scheme of Delegation.

The changes took effect from April 2022 and introduced the revised board committee structure above. This consolidated oversight of approvals and quality to a single board committee, the Approvals Policy, and Assurance Committee; reconstituted the Quality Assurance Committee (QAC) as the Assessment Panel to ensure retention of the independent expertise formerly gained through the QAC; and introduced a new board committee to focus on equity, diversity and inclusion, a key focus for IfATE.

**Approvals and Policy Assurance Committee**  
**Members** – 5 Non-Executive Board Members  
**Attendees** – Delivery Director, Strategy Directors  
**Met 6 times during 2022-23**

APAC monitors, advises, and makes recommendations to the Board and the Accounting Officer in respect of IfATE’s approval processes for, performance of and continuous improvement of apprenticeships and technical qualifications. APAC also has oversight of the criteria that govern the quality of approvals, assessment and funding activities for apprenticeships and technical qualifications.

**Audit and Risk Assurance Committee**  
**Members** – 2 Non-Executive Board Members; 1 Independent Member; and CEO  
**Attendees** – CFO; NAO; and GIAA  
**Met 4 times during 2022-23**

ARAC supports and advises the board and accounting officer on strategic processes for risk control and governance

**Equity, Diversity and Inclusion Committee**  
**Members** – 4 Non-Executive Board Members  
**Attendees** – Strategy Directors; and HR Director  
**Met 4 times during 2022-23**

EDIC supports the board and Accounting Officer in discharging IfATE’s responsibilities for matters relating to EDI.

**Remuneration Committee**  
**Members** – 2 Non-Executive Board Members; and 1 Independent Member  
**Attendees** – HR Director  
**Met 2 times during 2022-23**

The Remuneration Committee agrees pay and performance for the Chief Executive Officer, independent board committee members, Route Panel chairs and members and IfATE’s senior leadership

**Board**

**Membership** – 11 Non-Executive Board Members, CEO

**Attendees** – Delivery Director; Strategy Directors; CFO; HR Director; and General Counsel & Board Secretary

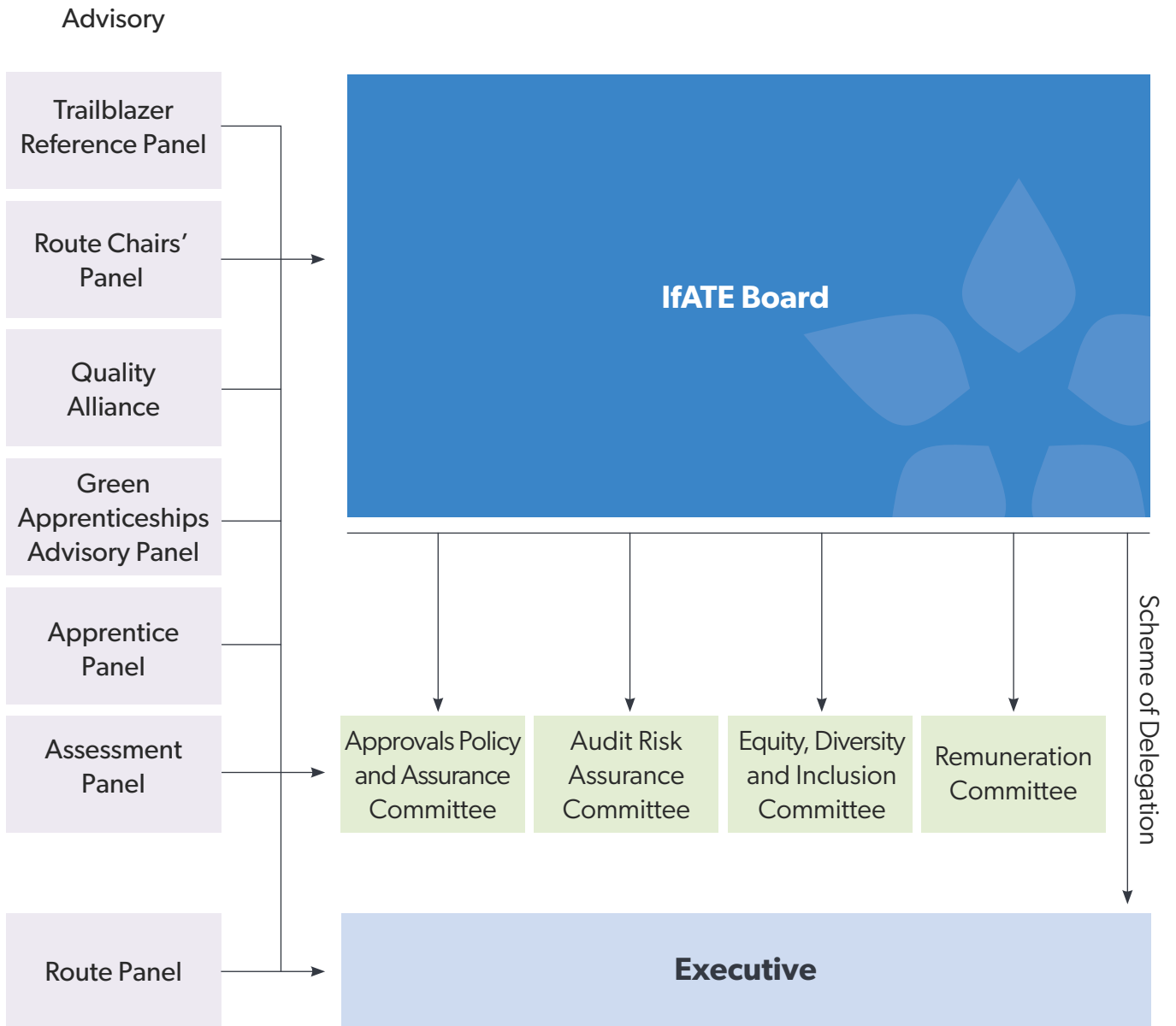
**Met 6 times during 2022-23**

The Board establishes IfATE’s strategic direction and oversees its performance.



## Board advisory panel structure

The diagram below provides an overview of the advisory groups reporting to the board. Further information on the panels can be found on page 46.



## 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 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 as they arise. 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.

We reported one personal data incident in 2022-23 to the Information Commissioner's Office (ICO) (there were none in 2021-22). The ICO closed the report with a finding of no further action. There were no reports of fraud or whistleblowing in 2022-23.

In light of the reportable incident and in implementing continuous improvement, IfATE has committed to strengthen its approach to personal data security. We will continue existing measures, including training on *Security and Data Protection* within the induction for new members of staff. All staff will continue to be required to refresh this training annually.

## IfATE Board members



**Baroness Ruby McGregor-Smith CBE**  
Chair



**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



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



**Jessica Leigh Jones MBE**  
Founder, iungo Solutions



**Professor Malcom Press CBE**  
Vice-Chancellor of Manchester Metropolitan University



**Robin Millar CBE**  
Chairperson, Blue Raincoat Chrysalis Group



**Sir Peter Estlin**  
Non-Executive Director, Rothschild & Co and Chair, FutureDotNow



**Neil Morrison**  
HR and Communications Director, Severn Trent

## **The Statement of Accounting Officer's responsibilities**

Under the Apprenticeships, Skills, Children and Learning Act 2009 (ASCLA), the Secretary of State has directed the Institute for Apprenticeships & Technical Education (IfATE) 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 IfATE's Chief Executive as its Accounting Officer.

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 judgements 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 an effective 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, Committees and Advisory Panels**

At 31 March 2023, the board consisted of a Chair, eleven 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. Sir Peter Estlin and Neil Morrison joined the board at the start of 2022-23.

During 2022-23 Professor Martin Doel CBE has fulfilled the role of independent member for the Audit and Risk Assurance and Remuneration Committees.

## Membership of the IfATE board committees in 2022-23

Committee	Membership 2022-23
Approvals Policy and Assurance Committee	<p><b>Non-executive board members:</b></p> <ul style="list-style-type: none"> <li>• Dr Kate Barclay (chair),</li> <li>• Jessica Leigh Jones MBE,</li> <li>• Neil Morrison,</li> <li>• Professor Malcolm Press CBE,</li> <li>• Bev Robinson CBE</li> </ul>
Audit and Risk Assurance Committee	<p><b>Non-executive board members:</b></p> <ul style="list-style-type: none"> <li>• Sir Peter Estlin (chair),</li> <li>• Dame Fiona Kendrick</li> </ul> <p><b>Chief Executive:</b></p> <ul style="list-style-type: none"> <li>• Jennifer Coupland</li> </ul> <p><b>Independent members:</b></p> <ul style="list-style-type: none"> <li>• Professor Martin Doel CBE</li> </ul>
Equity, Diversity, and Inclusion Committee	<p><b>Non-executive board members:</b></p> <ul style="list-style-type: none"> <li>• Sir Robin Millar CBE (chair),</li> <li>• Dayle Bayliss,</li> <li>• John Cope,</li> <li>• Jessica Leigh Jones MBE</li> </ul>
Remuneration Committee	<p><b>Non-executive board members:</b></p> <ul style="list-style-type: none"> <li>• Baroness Ruby McGregor-Smith CBE (chair),</li> <li>• Dame Fiona Kendrick</li> </ul> <p><b>Independent members:</b></p> <ul style="list-style-type: none"> <li>• Professor Martin Doel CBE</li> </ul> <p><b>Chief Executive:</b></p> <ul style="list-style-type: none"> <li>• Jennifer Coupland</li> </ul>

## **Board advisory panels and groups**

IfATE's board engages with key stakeholders and industry participants through several 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.

### **Trailblazer Reference Panel**

The Trailblazer 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 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 and assessment experts who:

- Review and make recommendations on whether or not to approve occupational standards and assessment plans;
- make recommendations on funding bands for apprenticeships;
- support and oversee the review of existing occupational standards.

The Route Panel's recommendations contribute to the decision-making process via the Executive.

## **Apprentice Panel**

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

The panel currently consists of approximately 31 apprentices at various stages of their apprenticeships from a variety of occupations and backgrounds.

The panel is chaired by an apprentice. Representatives report to APAC twice per year and additionally as requested by APAC or 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. The 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 2022 to 31 March 2023

2022 - 23	Meetings attended per member out of those eligible to attend				
	IfATE Board	Approvals Policy and Assurance Committee	Audit and Risk Assurance Committee	Equity, Diversity and Inclusion Committee	Remuneration Committee
<b>Baroness Ruby McGregor-Smith CBE</b>	6/6				2/2
<b>Jennifer Coupland</b>	6/6		4/4		2/2
<b>Dame Fiona Kendrick</b>	5/6		4/4		2/2
<b>Sir Peter Estlin</b>	5/6		4/4		
<b>Dr Kate Barclay</b>	5/6	6/6			
<b>John Cope</b>	5/6			3/4	
<b>Dayle Bayliss</b>	6/6			2/4	
<b>Sir Robin Millar CBE</b>	6/6	1/1 *		4/4	
<b>Bev Robinson OBE</b>	6/6	6/6			
<b>Jessica Leigh Jones MBE</b>	6/6	5/6		3/4	
<b>Professor Malcolm Press CBE</b>	5/6	4/6			
<b>Neil Morrison</b>	6/6	5/6			

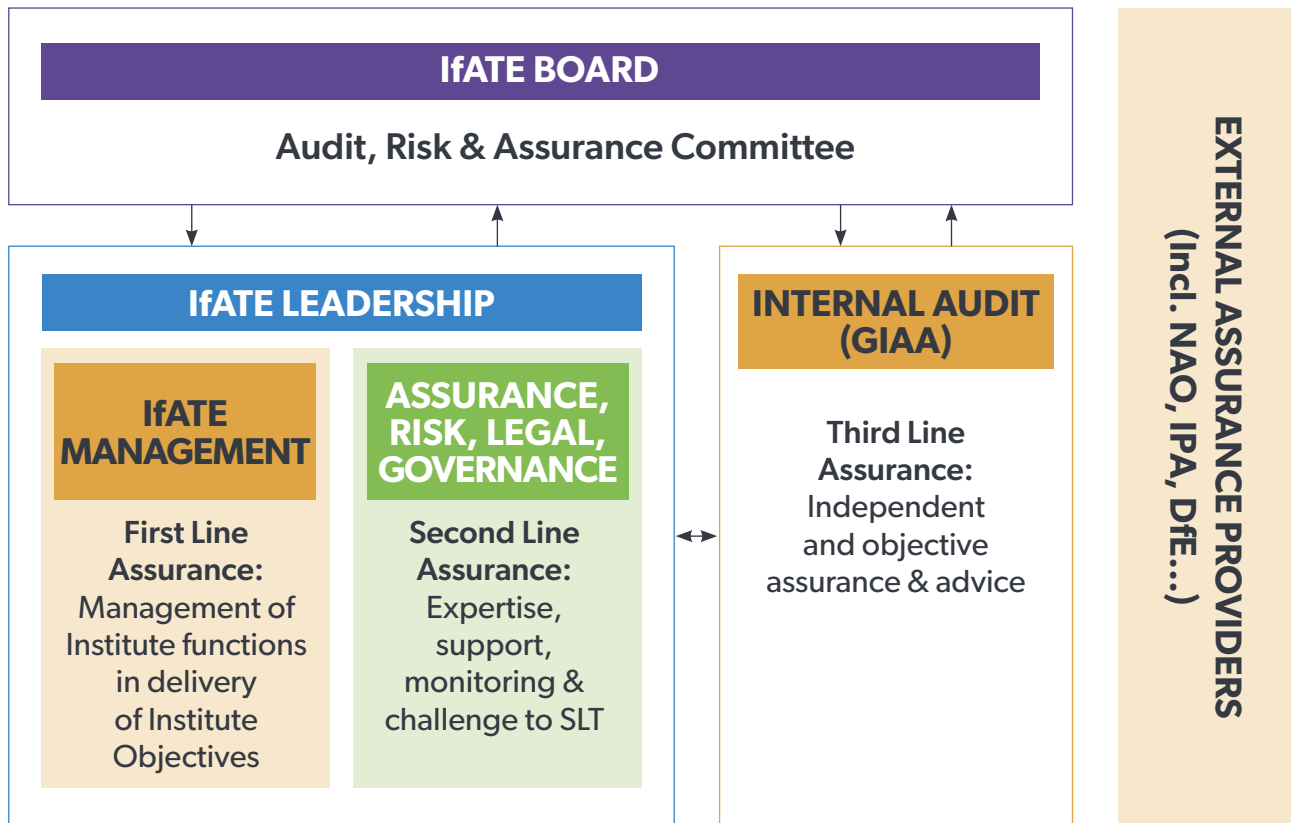
\* Sir Robin Millar attended one meeting of APAC as an observer, in his capacity as Chair of the EDI Committee

## Independents

<b>Professor Martin Doel CBE</b>	4/4	2/2
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## 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 receive regular reports on performance 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 the 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 four times a year.

The Accounting Officer attends meetings of the committee together with the Chief Financial 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 2022-23 the committee reviewed internal audit reports on a range of IfATE's operations. Specific audits undertaken during the year looked at financial forecasting, budgeting and decision making; IfATE's digital strategy; level 2/3 preparedness; and future and emerging skills.

## **Statement from Sir Peter Estlin, Chair of Audit and Risk Assurance Committee**

I am satisfied that during 2022-23 the Audit and Risk Assurance Committee has functioned effectively and discharged its responsibilities on behalf of the board.

Our membership includes me, as Chair, and the deputy board chair, Dame Fiona Kendrick, Jennifer Coupland as Chief Executive Officer and Professor Martin Doel CBE, our independent non-executive member.

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 2022-23 the committee undertook a self-assessment following the good practice principles of HM Treasury's Audit and Risk Assurance Committee Handbook.

IfATE has shown its commitment to ensure and improve appropriate risk management processes during this last year. As an organisation which has seen considerable expansion in a comparatively short time, we have made good progress in better embedding and aligning our control environment and risk management approaches with both strategy and programme implementation. Support from 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.

## **Management control activities**

The board has delegated to the CEO 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 exercised through the Senior Leadership Team.

## **Board performance**

IfATE adheres to the Corporate Governance Code for central government bodies. In line with Cabinet Office guidance for the review of effectiveness of ALB boards, an externally facilitated evaluation of the effectiveness of IfATE's board took place during 2022-23. This included examination of board and committee documentation, observations of meetings, and analysis of questionnaires and interviews with board members and key officials. The review highlighted a number of strengths and made some recommendations to maintain performance or further strengthen the board in terms of duties, effectiveness, operations, member induction and training, and in the operation of some committees. These will be taken forward by the executive through an action plan agreed with and monitored by the board.

## Key matters considered by the board in 2022-23

Strategic and reporting	
Learner voice	6/6
Reports/minutes from committees	6/6
IfATE's profile and external engagements	6/6
Consultations	5/6
Strategic risks	4/6
Digital strategy	4/6
Simpler Skills System and the Big Conversation	4/6
Operational matters	
Delivery update/performance scorecard	6/6
T Levels	6/6
Finance	6/6
Board data pack	6/6
HR and people	6/6
Estates and office occupancy	5/6
HTQs	4/6
Post-16/Level 2/3	4/6

## 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 IfATE's approach are 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) fosters a culture across IfATE that values, protects and uses information appropriately and responsibly 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 Risk Management Framework and information risk policy are coordinated and complementary.

## Equity, Diversity, and Inclusion Committee

The Equity, Diversity, and Inclusion Committee (EDIC) was established to support the board and me as Accounting Officer in discharging IfATE's responsibilities in matters relating to EDI. It has convened four times this year.

The EDIC is sponsored by the Strategy Directors and provides expertise, support, and challenge in fulfilling the board's ambition to embed EDI as a mainstream of all our business. Its remit spans IfATE's roles as a decision maker, an authority within the sector and as an employer of over 300 people.

The EDIC is attended by a core team of IfATE staff including our Strategy Directors and the HR Director to report progress across the objectives of the EDI Strategy. There is also attendance by DfE colleagues to mutually share insights. We also host external speakers from a range of interests and organisations; during 2022-23, this included Hull College's Vice Principal for Curriculum and Skills, a care experienced apprentice, and route panel members.

During 2022-23, the EDIC guided and informed the development of a new EDI Strategy and EDI toolkit as referred to in section 3.1 Foundation strategies of the Performance Report.

We launched our 'Delivering opportunity through technical education and apprenticeships: an Equity, Diversity, and Inclusion strategy' and 'Equity, Diversity, and Inclusion Toolkit' at the Annual Apprenticeship Conference (AAC) on 14 March 2023.

The strategy has three core objectives: IfATE as a decision-maker, as an authority and as an employer. There are then 10 aims (either one or two-year) and 20 actions, that set out how IfATE can build a skills system that supports everyone, no matter their background to access high quality technical education and skills opportunities which lead to good jobs and technical careers.

As a decision-maker, our EDI toolkit is a practical resource for employers that has been available to trailblazers since January 2023, and encourages EDI to be put at the heart of occupational standards and apprenticeships development. Awarding bodies may also benefit from using the toolkit whilst developing technical qualifications, which could support compliance with existing regulatory or legal requirements e.g., the Equality Act or Ofqual's General Conditions of Recognition. The toolkit also includes additional operational framework components: we will collect diversity data (we have conducted a trailblazer voluntary survey); we have provided EDI related knowledge, skills, and behaviours (KSBs) statements that can be used in product development; and there are EDI validation questions asked during occupational standards or apprenticeship approvals processes.

In developing the strategy and toolkit, IfATE fostered a great number of new relationships with external partners, as an authority, we will continue to bring together different technical education users, researchers, think tanks and policy makers to enact effective and fair policy across technical education. We will also continue our research into key themes, to gain further insights into areas where there may be barriers to accessing and completing technical education, and how these may be removed.

Finally, as an employer, we have set ourselves a number of actions in four key areas. These are recruitment and workforce representation, workforce data, progression, and inclusion.

### **Statement from Sir Robin Millar CBE, Chair of the Equity, Diversity, and Inclusion Committee**

The EDIC has effectively discharged its responsibilities on behalf of the board and supported some excellent steps forward in fulfilling the board's ambition to embed EDI as a mainstream of all IfATE's business.

The new EDI Strategy sets out IfATE's role in widening opportunity through technical education. The aims and actions demonstrate our commitment to EDI and offer support in changing how apprenticeships and technical qualifications are developed so they are more inclusive from the outset. It has been widely supported since publication.

Our focus has been on the practical benefits to all. Apprenticeships and technical qualifications are a tried and tested means for employers to develop talent and for apprentices and students to begin and enhance their technical skills. They can be a powerful tool to increase a company's diversity and offer gateways into professions that were previously only accessible through academic routes.

Looking forward, we will continue our programme of engagement to obtain insights from speakers, monitor and challenge progress against our three EDI objectives and continue our mission to ensure that people from all backgrounds have access to opportunities, and employers have access to the widest and deepest talent pool.

### **Approvals Policy and Assurance Committee**

The Approvals Policy and Assurance Committee (APAC) was established to monitor, advise, and make recommendations to the board and the Accounting Officer (Chief Executive) in respect of:

- the development and application of the operating parameters governing IfATE's approval processes for its apprenticeships and technical qualifications and their application;
- the performance of the technical qualifications and apprenticeships approved by IfATE;
- the continuous improvement of IfATE's approval activities for technical qualifications and apprenticeships.

The Committee also has oversight of the criteria that govern the quality of approvals, assessment and funding activities for apprenticeships and technical qualifications. The Committee normally meets six times each year.

As the Executive Leadership Team's sponsor, IfATE's Delivery Director attends meetings of the committee as do other members of IfATE's staff, where appropriate.

In its considerations and recommendations, APAC considers IfATE's approval processes, assessment-related activities for technical qualifications and apprenticeships, and funding recommendations for apprenticeships. APAC has due regard to economic and employer priorities and ambition; quality; the delivery of an integrated skills system; promoting cross-sector working; and outcomes for learners in its work. Through its assurance activities, the Committee will have regard to IfATE's statutory responsibilities, including the oversight of External Quality Assurance.

The work of APAC is supported by a number of specialist advisory panels (Panels). APAC works closely with these Panels, both to support the work of the APAC and as a forum to which the Panels can bring issues.

**Statement from Dr Kate Barclay,  
Chair of the Approvals Policy and  
Assurance Committee**

I am satisfied that during 2022-23 the Approvals Policy and Assurance Committee has functioned effectively and discharged its responsibilities on behalf of the board.

Our membership includes me, as Chair, and four non-executive members of the board: Jessica Leigh Jones MBE, Neil Morrison, Professor Malcolm Press CBE, and Bev Robinson CBE.

During 2022-23, APAC has considered assessment and quality; the proposed criteria to track and monitor the effectiveness of apprenticeship and technical qualifications programmes; mandatory qualifications; T Levels, HTQs and post-16 qualifications; and received updates on emerging skills and occupational maps. Input has been received from the Assessment Panel, the Route Panel chairs, the Apprentice Panel, the Association of Colleges, the Association of Employment and Learning Providers and the Federation of Awarding Bodies. Sir Robin Millar CBE, Chair of IfATE's Equity, Diversity, and Inclusion Committee has also attended and contributed to a meeting as part of our commitment to ensuring that EDI is at the heart of all IfATE products. By doing so we hope to ensure that employers are able to draw from the widest and deepest possible pool of talent.

The Approvals Policy and Assurance Committee is progressing well. Going forward the APAC has recommended revisions to its Terms of Reference and meeting structure to reflect the evolution of the committee over the last year and to ensure a balance between operational and delivery oversight, reporting from panels and advisory groups, and assurance activity.



The major operational issue that the APAC has focused on in the past year has been the shortcomings in the assessment of the first year Health and Science T Level in summer 2022, and also the implications for other T Levels and providers. The Committee believes that this remains a significant risk to IfATE but recognises that the Board itself is aware of the issues and has taken a close interest in developments. From a strategic perspective, APAC has noted that the quality system in apprenticeships and technical education is fragmented, with several agencies having varying degrees of oversight and responsibility and with varying degrees of independence. This is something we would wish to see addressed in the development of a simpler and more effective skills system.

The Committee has raised a potential risk with the ARAC concerning the NAO ruling that Colleges are in the public sector. Other risks that have particularly come to the fore in our work this year have included the impact of the cost of living on providers and awarding bodies. Whilst we recognise that IfATE has been asked to undertake 20 Funding Band Reviews, we consider that under-funding does remain a risk to the quality of the programme. The other risk that we will be monitoring closely is that of employer engagement. There have been indications that retaining the level of engagement is proving challenging and we would be keen to see IfATE expanding the range of employers with which it engages.

Looking ahead we plan that our focus for the next year will be:

- funding and commercial, in which we plan to consider the lessons learned from the trial of the new funding band model;
- emerging skills and foresighting, in which we plan to consider the development of the occupational maps for which IfATE has responsibility and the implementation of our green and digital strategies;
- assessment and quality, in which we plan to consider qualifications quality assurance processes and External Quality Assurance transition and performance;
- product performance, in which we plan to consider T Level demand and quality assurance and assess the impact and performance of IfATE products; and
- employer engagement and satisfaction, in which we plan to examine engagement with our Route Panels and Trailblazers.

## Review of effectiveness

### Internal Assurance

IfATE continues to strengthen its internal assurance control framework.

During the year work has progressed to enhance assurances across IfATE's operational activity, establishing and testing an approach to quality assurance checks carried out by IfATE's Communities of Practice (CoPs). The CoPs have established aligned ways of working which include QA of apprenticeship products against new Standard Operating Procedures, prioritising checks in areas of greatest risk, with an outcome focus.

IfATE's Assurance & Compliance 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 recommendations. The function has utilised the assurance framework model developed during 2021 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. Work during the year has addressed assurance gaps in order to provide sufficient assurances have been received over IfATE's governance, commercial, information and risk management controls, providing a high level of comfort over these areas.

### Statement about the use of Government Functional Standards

In September 2021, HMT set out an expectation that all Government departments and their ALBs will roll out compliance with Government Functional Standards during 2022-23. Organisations are required to make a statement about their use of the Functional Standards from the 22-23 Annual Report and Accounts onwards.

IfATE appreciates that the standards provide a coherent, effective, and mutually understood way of doing business within government organisations and provide a stable basis for assurance, risk management and capability improvement. Whilst the more discretionary elements of the standards are positioned for use across larger scale central government departments, the mandatory requirements outline practices which should be applied via a pragmatic approach in any government organisation. In accordance with the standards requirements (GovS 001, paragraph 4.6.6) our functional leads are accountable for ensuring IfATE adopts the relevant function's standard, and have been taking actions to drive compliance, including self-assessments and continuous improvement activity.

In support of this, IfATE's Assurance and Compliance function has been working with Functional leads and has delivered a work programme of objective assessments of our compliance with the mandatory requirements. Reviews completed during 2022-23 have focussed on our Project Delivery; HR; Property; Internal Audit & Counter Fraud compliance. Findings have been reported to our Audit and Risk Assurance Committee and the committee is monitoring our progress against recommendations made as an output of these reviews.

The 'Debt' & 'Grants' functional standards are not relevant to IfATE's work. Objective reviews of compliance with the remaining functional standards will be taken forward as part of 2023-24 review activity.

## **Internal Audit**

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 2022-23. This recognises the ongoing improvements to IfATE's framework of governance, risk, assurance, and internal control.

IfATE's internal audit service is provided by the Government Internal Audit Agency (GIAA). During the year the GIAA has completed four reviews. IfATE's Financial Forecasting, Budgeting and Decision Making was completed prior to a change in Chief Financial Officer and whilst action provided in response to recommendations were accepted, the change in post elicited a review of response and approach to address weaknesses in the control framework. The audit of Future and Emerging Skills produced a Substantial opinion, demonstrating effective project management and governance.

The two advisory pieces, Digital Strategy and preparation and development of the L3 (and L2) approval processes, involved GIAA working with IfATE culminating in reports commending areas of good practice and highlighting areas in need of improvement when considering future projects. In addition, the Head of Internal Audit has taken a regular seat at IfATE governance forums and considered the work of various other assurance.

### **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 2022-23 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 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 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	2022 - 23				2021- 22			
	Accrued				Accrued			
	Salary	Performance Related Pay	Pension benefits	Total	Salary	Performance Related Pay	Pension benefits	Total
	£000	£000	£000	£000	£000	£000	£000	£000
Jennifer Coupland	130-135	0-5	20	<b>155-160</b>	125-130	10-15	35	<b>175-180</b>

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 2022-23 or 2021-22.

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 years ending 31 March 2022 and 31 March 2023.

### Board members' remuneration – subject to audit

Name	2022-23	2021-22
	Fees	Fees
	£000	£000
Baroness Ruby McGregor-Smith (Joined 1 August 2021)	25-30	15-20 (FY 25-30)
Antony Jenkins (left 31 July 2021)	-	0-5 (FY 0-5)
Dr Kate Barclay	10-15	10-15
Paul Cadman (left 31 March 2022)	-	10-15
Dame Fiona Kendrick	10-15	10-15
Sir Robin Millar	10-15	10-15
Bev Robinson CBE	10-15	10-15
Jessica Leigh Jones MBE	10-15	10-15
Professor Malcolm Press CBE	10-15	10-15
Toby Peyton-Jones (left 31 March 2022)	-	10-15
Dayle Bayliss	10-15	10-15
John Cope	10-15	10-15
Neil Morrison (joined 1 April 2022)	10-15	-
Sir Peter Estlin (joined 1 April 2022)	10-15	-

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

## 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 (including bonuses and allowances) in 2022-23 was £135,000 - £140,000 (2021-22: £135,000 - £140,000). This compares with the remuneration of other employees as below:

	Total pay and benefits 2022-23	Salary 2022-23	Total pay and benefits 2021-22	Salary 2021-22
Percentile	£'000	£'000	£'000	£'000
25	39	38	37	37
50	52	51	51	49
75	56	55	55	54

	25 <sup>th</sup> percentile	50 <sup>th</sup> percentile	75 <sup>th</sup> percentile
Year	Ratio	Ratio	Ratio
2022-23	3.6:1	2.6:1	2.4:1
2021-22	3.5:1	2.6:1	2.4:1

This means 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 £3.60 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 modest, reflecting that the relatively high level of people working at senior grades, as required for IfATE's technically demanding work.

Remuneration ranged from £20,000 - £25,000 to £135,000 - £140,000. (2021-22: £20,000 - £25,000 to £135,000 - £140,000). 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. Between 2021-22 and 2022-23, average salary and allowances increased by 1% with average bonuses decreasing by 1%. Over the same period, the salary and allowances of the highest paid director increased by 4% alongside an 80% decrease in bonus remuneration.



## Gender pay gap – 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 65% of our workforce being female in 2022-23. The gender pay gap for 2022-23 will be published in April 2024.

As our headcount is above the 250 threshold, we have published our gender pay gap data for the first time on the gov.uk website.

	Median Hourly Pay Gap %	Median Hourly Pay - what a woman earns when a man earns £1	Mean Hourly Pay Gap %	Mean Hourly Pay - what a woman earns when a man earns £1
2021-22	0.8	99.2 pence	7.4	92.6 pence

The figures are based on the 'snapshot' data of 5 April 2022 when IfATE employed 278 staff of which 63% were female and 37% were male.

Our median hourly pay gap % compares favourably to the civil service 11.3% (2021-22), as calculated as part of the Annual Civil Service Employee Survey using a snapshot date of 31 March 2022.

## Pension Benefits – subject to Audit

The pension benefits of senior officials for the year ended 31 March 2023 are as follows:

Name	Real increase in pension and related lump sum at pension age £'000	Accrued pension at pension age as at 31/3/23 and related lump sum £'000	CETV at 31/03/23 nearest £	CETV at 31/03/22 nearest £'000	Real increase in CETV £'000
Jennifer Coupland	0 -2.5 plus a lump sum of 0	40-50 plus a lump sum of 70-75	782	699	1

No other senior official received any pension benefits in 2022-23 or 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 2022-23, employers' contributions of £3.9m were payable to the PCSPS (2021-22: £3.3m) at one of four rates in the range 26.6 to 30.3% (2021-22: 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.

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% (2021-22: 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.

CETV figures are calculated using the guidance on discount rates for calculating unfunded public service pension contribution rates that was extant at 31 March 2023. HM Treasury published updated guidance on 27 April 2023; this guidance will be used in the calculation of 2023-24 CETV figures.

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

There were no redundancies agreed for 2022-23 and 2021-22. Exit costs are accounted for in full in the year of departure.

#### Total number of exit packages by cost band

Exit Package Cost Band	2022-23	2021-22
£50,001 - £100,000	1	-
£100,001 - £150,000	-	1
<b>Total number of Exit Packages</b>	<b>1</b>	<b>1</b>
<b>Total Costs (£'000)</b>	<b>95</b>	<b>118</b>

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 IfATE.

	2022-23			2021-22		
	Permanently employed staff	Others	Total	Permanently employed staff	Others	Total
Average number of full-time equivalent staff	291	7	298	251	5	256

The staff costs for IfATE had increased to £21.1m (2021-22: £17.9m) and staff numbers increased to an average full time equivalent of 298 (2021-22: 256).

## Breakdown of staff costs – subject to audit

	2022-23			2021-22		
	Permanently employed staff	Others	Total	Permanently employed staff	Others	Total
	£000's	£000's	£000's	£000's	£000's	£000's
Wages and salaries	15,029	279	15,308	12,791	312	13,103
Social security costs	1,830	-	1,830	1,498	-	1,498
Pension costs	3,939	-	3,939	3,317	-	3,317
<b>Total</b>	<b>20,798</b>	<b>279</b>	<b>21,077</b>	<b>17,606</b>	<b>312</b>	<b>17,918</b>
<b>Programme staff costs</b>	<b>13,180</b>	<b>105</b>	<b>13,285</b>	<b>9,566</b>	<b>164</b>	<b>9,730</b>
<b>Admin staff costs</b>	<b>7,618</b>	<b>174</b>	<b>7,792</b>	<b>8,040</b>	<b>148</b>	<b>8,188</b>

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 (not audited) has increased to 13% (2021-22: 11%). 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 2023 we lost 1,106 days to sickness absence (2021-22: 1,026). This equates to approximately 3.3 days (2021-22: 4 days) sickness absence per employee per year.

## 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.

Grade	2022-23			2021-22		
	Male	Female	Total	Male	Female	Total
CEO	0	1	1	0	1	1
Directors	1	3	4	1	2	3
Senior Civil Servants (SCS Band 1/ Deputy Director)	4	5	9	4	5	9
Civil Servants grades EA to G6	111	211	322	98	169	267
<b>Total</b>	<b>116</b>	<b>220</b>	<b>336</b>	<b>103</b>	<b>177</b>	<b>280</b>

## Expenditure on HR services and training

IfATE spent £351k (2021-22: £282k) on HR services and training in the year ending 31 March 2023.

## 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 2023: 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 2022 and 31 March 2023.

## All off-payroll engagements as of 31 March 2023, for more than £245 per day and that last for longer than 6 months

<b>Number of existing engagements as at 31 March 2023</b>	<b>3</b>
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	1

**All new off-payroll engagements, or those that reached 6 months in duration, between 1 April 2022 and 31 March 2023, for more than £245 per day and that last for longer than 6 months**

<b>Number of new engagements, or those that reached 6 months in duration, between 1 April 2022 and 31 March 2023</b>	<b>4</b>
Number assessed as caught by IR35	2
Number assessed as not caught by IR35	2

There were no off-payroll engagements of board members and/or senior officials between 1 April 2022 and 31 March 2023.

**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 2022-23 (2021-22: none).

**Consultancy**

IfATE incurred no expenditure in respect of consultancy in 2022-23 (2021-22: nil).

**Estates**

IfATE has two main offices, one in Coventry and one in London, and smaller offices in Manchester, Darlington, Sheffield and Bristol.

The table below shows a comparison between 2022-23 and 2021-22 indicating the areas of IfATE in which our staff work.

<b>Location</b>	<b>2022-23 (headcount)</b>	<b>2021-22 (headcount)</b>
Bristol	11	9
Darlington	37	21
Manchester	25	13
Sheffield	17	12
Coventry	131	115
London	115	110
<b>Total staff</b>	<b>336</b>	<b>280</b>

## Our People

Our staff are crucial to delivering our mission and strategic aims. IfATE aims to be an exemplar employer, where people are supported to do their best work and feel included, developed, and valued.

Our workforce has grown by 20% this year, starting with a figure of 274 FTE (280 headcount) permanently employed civil servants in April 2022 and ending the year at our planned figure of 328 FTE (336 headcount). Of these:

- 17% were from an ethnic minority background.
- 65% identified as female and 35% as male.
- 8% self-identified as having a disability.
- 4% identified as LGBTQ+.

We continue to review our recruitment processes to ensure an inclusive approach, especially focusing on attracting and recruiting under-represented groups. We regularly produce demographic data to allow us to monitor the diversity of applicants, candidates, and appointments. We were delighted to receive our Disability Confident Leader accreditation this year, which recognises our ongoing efforts to draw from the widest possible pool of talent.

We have identified a number of equity, diversity, and inclusion priorities for IfATE, which we will be taking forward over the next two years. These form part of the “employer” strand of our [EDI Strategy](#), which was published in [March 2023](#).

We introduced our new hybrid working model last year and have continued to embed it across the organisation.

## Diversity and Inclusion Network (DIN)

IfATE’s Diversity and Inclusion Network (DIN) is an internal staff network that aims to provide a safe and supportive environment to discuss and promote diversity. Over the past year the DIN has run a variety of awareness-raising events to mark occasions such as Pride Month, International Men’s Day, Diwali and International Women’s Day. In addition, the DIN has been actively engaged in supporting our employer commitments within the EDI Strategy and planning IfATE’s organisational response to the 2002 Civil Service People Survey.

DIN colleagues meet regularly with IfATE’s CEO. The network also has two senior Deputy Director sponsors and three Board sponsors.



## Staff Engagement

IfATE took part in the Civil Service People achieving a 93% response rate, which was the sixth highest across the 106 Civil Service organisations that took part. Our headline engagement score was 67%.

Whilst this was 2% points higher than the overall Civil Service score, it represented a 4% points decrease on IfATE's score the previous year and we are keen to see an improvement in 2023. We have developed a comprehensive action plan that responds to the survey feedback, which colleagues across IfATE are helping us to deliver.

## Apprentices

IfATE is committed to continuing 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 for current apprentices is 4% and covers levels 3–7, including finance, business administration, management, human resources, commercial and legal.

## Learning and development

IfATE refreshed its learning and development approach during the year. Our new approach encourages colleagues to prioritise and take ownership for their development (with the support of their manager), promotes the power of different types of learning (with reference to the 70/20/10 model of learning<sup>2</sup>), and re-emphasises our commitment to protect learning time.

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2 70% 'learning by doing', 20% 'learning through others' – coaching, mentoring, shadowing etc. and 10% formal learning, such as through training courses.

# Parliamentary accountability report - subject to audit

## Fees statement

	2022-23	2021-22
	£'000	£'000
Fee income	66	1,404
Direct cost of EQA	66	1,404

IfATE received fees from End Point Assessment Organisations (EPAOs) to recover the costs charged to IfATE in respect of External Quality Assurance (EQA). Fees were charged at the rate of £40 per apprenticeship certified. This arrangement ceased during 2022-23.

## Losses statement

There were no cases of losses in 2022-23 (2021-22: None)

## Special payments statements

There were no special payments greater than £300,000 in 2022-23 (2021-22: None)



Jennifer Coupland  
Chief Executive and Accounting Officer Institute for Apprenticeships and Technical Education  
20 June 2023

# The Certificate and Report of the Comptroller and Auditor General to The House 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 2023 under the 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 2023;
- 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 2023 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 and Regularity of Public Sector Bodies in the United Kingdom (2022). 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 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 is anticipated that the services which they provide will continue into the future.

## Other Information

The other information comprises the information included in the Annual report but does not include the financial statements nor my auditor's certificate. 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.

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; and
- 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:

- Adequate accounting records have not been kept by the Institute for Apprenticeships and Technical or returns adequate for my audit have not been received from branches not visited by my staff; or
- I have not received all of the information and explanations I require for my audit; 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;
- providing the C&AG with access to all information of which management is aware that is relevant to the preparation of the financial statements such as records, documentation and other matters;
- providing the C&AG with additional information and explanations needed for his audit;
- providing the C&AG with unrestricted access to persons within the Institute for Apprenticeships and Technical Education's from whom the auditor determines it necessary to obtain audit evidence;
- ensuring such internal controls are in place as deemed necessary to enable the preparation of financial statement to be free from material misstatement, whether due to fraud or error;
- ensuring that the financial statements give a true and fair view and are prepared in accordance with Secretary of State directions made under the Apprenticeships, Skills, Children and Learning Act 2009;
- ensuring that the annual report, which includes the Remuneration and Staff Report, is prepared in accordance with Secretary of State directions made under the Apprenticeships, Skills, Children and Learning Act 2009; 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:

- considered the nature of the sector, control environment and operational performance including the design of the Institute for Apprenticeships and Technical Education's accounting policies.
- inquired 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 on:
  - identifying, evaluating and complying with laws and regulations;
  - detecting and responding to the risks of 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.

- inquired of management, the Institute for Apprenticeships and Technical Education's head of internal audit and those charged with governance whether:
  - they were aware of any instances of non-compliance with laws and regulations;
  - they had knowledge of any actual, suspected, or alleged fraud;
- discussed with the engagement team and the relevant internal specialists, 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.

I obtained an understanding of the Institute for Apprenticeships and Technical Education's framework of authority and other legal and regulatory frameworks in which the Institute for Apprenticeships and Technical Education operate. I focused 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

To respond to the identified risks resulting from the above procedures:

- I reviewed 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;
- I enquired of management, in household legal counsel and the Audit and Risk Committee concerning actual and potential litigation and claims; and
- I reviewed minutes of meetings of those charged with governance and the Board and internal audit reports; and
- in addressing the risk of fraud through management override of controls, I tested the appropriateness of journal entries and other adjustments; assessed whether the judgements on estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

I communicated relevant identified laws and regulations and potential risks of fraud 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](http://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 expenditure and income recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

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 I identify during my audit.

## Report

I have no observations to make on these financial statements.

### Gareth Davies

27 June 2023

Comptroller and Auditor General  
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 2023

		2022-23	2021-22
	Note	£000	£000
Operating income	2	146	1,421
		<b>146</b>	<b>1,421</b>
Staff costs	3	21,077	17,918
Operating expenditure	4	6,398	7,043
<b>Total operating expenditure</b>		<b>27,475</b>	<b>24,961</b>
<b>Net expenditure for the year</b>		<b>27,329</b>	<b>23,540</b>
<b>Comprehensive net expenditure for the year</b>		<b>27,329</b>	<b>23,540</b>

There are no other recognised gains or losses.

There are no discontinued operations.

The notes on page 82 to page 93 form part of these accounts.

## Statement of Financial Position

As at 31 March 2023

		2022-23	2021-22
	Note	£000	£000
<b>Non-current assets</b>			
Property, plant, and equipment	5	213	277
Intangible assets	6	2,045	1,108
<b>Total non-current assets</b>		<b>2,258</b>	<b>1,385</b>
<b>Current assets</b>			
Receivables	7	103	115
Cash and cash equivalents	8	2,822	296
<b>Total current assets</b>		<b>2,925</b>	<b>411</b>
<b>Total assets</b>		<b>5,183</b>	<b>1,796</b>
<b>Current liabilities</b>			
Payables	9	(5,510)	(4,357)
Provisions	10	(117)	(66)
<b>Total current liabilities</b>		<b>(5,627)</b>	<b>(4,423)</b>
<b>Total assets less current liabilities</b>		<b>(444)</b>	<b>(2,627)</b>
<b>Taxpayers' equity:</b>			
General fund		(444)	(2,627)
<b>Total taxpayers' equity</b>		<b>(444)</b>	<b>(2,627)</b>

The notes on page 82 to page 93 form part of these accounts.



Jennifer Coupland  
Chief Executive and Accounting Officer Institute for Apprenticeships and Technical Education  
20 June 2023

## Statement of Cash Flows

For the year ended 31 March 2023

	Note	2022-23 £000	2021-22 £000
<b>Cash flows from operating activities</b>			
Net expenditure	SoCNE	(27,329)	(23,540)
Adjustments for non-cash transactions			
Notional expenditure: IT costs		300	266
Depreciation on property plant and equipment	5	64	21
Amortisation	6	417	305
(Increase)/decrease in receivables	7	12	251
Increase/(decrease) in payables	9	1,153	473
Increase/(decrease) in provisions for liabilities	10	51	-
<b>Net cash outflow from operating activities</b>		<b>(25,332)</b>	<b>(22,224)</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant, and equipment	5	-	(263)
Purchase of intangible assets	6	(1,354)	(397)
<b>Net cash outflow from investing activities</b>		<b>(1,354)</b>	<b>(660)</b>
<b>Cash flows from financing activities</b>			
Grant in Aid from sponsor department	SoCTE	29,212	21,521
<b>Net cash inflow from financing activities</b>		<b>29,212</b>	<b>21,521</b>
Net increase / (decrease) in cash and cash equivalents		2,526	(1,363)
Cash and cash equivalents at 1 April	8	296	1,659
<b>Cash and cash equivalents at 31 March</b>		<b>2,822</b>	<b>296</b>

The notes on page 82 to page 93 form part of these accounts.

## Statement of Changes in Taxpayers' Equity

For the year ended 31 March 2023

	Note	General Fund £000
<b>Balance at 1 April 2021</b>		<b>(874)</b>
Grant in Aid from sponsor department		21,521
Comprehensive net expenditure for the year	SoCNE	(23,540)
Notional IT costs		266
<b>Balance at 31 March 2022</b>		<b>(2,627)</b>
Grant in Aid from sponsor department		29,212
Comprehensive net expenditure for the year	SoCNE	(27,329)
Notional IT costs		300
<b>Balance at 31 March 2023</b>		<b>(444)</b>

The notes on page 82 to page 93 form part of these accounts.

# Notes to the accounts

## 1. Statement of accounting policies

These accounts have been prepared in accordance with the 2022-23 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.

The Institute 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

The Institute 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 the Institute's liabilities falling due in the year, has already been included in the department's budgets for that year. Parliament has approved these budgets and there is no reason to believe that the department's future sponsorship and future Parliamentary approval will not be forthcoming. If ATE is expected to continue as a going concern for a period of at least 12 months from approval of the annual accounts and is not aware of any information or events, either during 2022-23 or following the year end, which may affect this status. In addition,

If ATE is expected to continue as a going concern for the foreseeable future.

Whilst the Institute 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. The Institute 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 the Institute to continue its operations.

### 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. IFRS 16 introduces a single lessee accounting model resulting in a more faithful representation of a lessee's assets and liabilities. The standard requires a lessee to recognise a right-of-use asset representing its right to use the underlying leased asset and a lease liability representing its obligations to make lease payments.

This applies to all leases with a term of more than 12 months, unless the underlying asset is of low value.

The definition of a lease within IFRS 16 is expanded under the FReM to include intra-UK government agreements where non-performance may not be enforceable by law. This includes, for

example, Memorandum of Terms of Occupation (MOTO) agreements.

IfATE has dedicated office space in Coventry and London. IfATE has not signed leases in respect of this space. Consequently, there is no right of use to control an identified asset. Instead, the rental expense has been carried in the Statement of Comprehensive Net Expenditure.

#### **1.4 Adoption of FReM amendments**

As stated above, we were unable to adopt IFRS16 during this reporting period.

There were no other significant FReM changes in 2022-23.

#### **1.5 Early adoption**

The Institute has not early adopted any accounting standards in 2022-23.

#### **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, the Institute must disclose where it has not applied a new IFRS that has been issued but is not yet effective. The Institute has carried out a review to assess their impact on its accounting policies and treatment. The only relevant IFRS is IFRS16 as discussed in *1.3 Critical accounting judgements and key sources of estimation uncertainty*.

#### **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 the Institute are summarised below:

- furniture: 5 years
- fixtures and fittings: lower of 10 years or the length of the building lease
- right of use assets: over the term of the 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**

The Institute reviews all non-current assets for impairment if circumstances indicate the carrying value may not be recoverable. The Institute 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.

The Institute charges any impairment losses that result from a clear consumption of economic benefits 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 Grant in Aid**

Grants from the Department are recognised as funding.

Grant in Aid is recorded by the Institute 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.

### **1.13 Operating and other income**

Operating and other income includes costs recovered by the Institute 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 (FRoM). This states that revenue shall only be recognised once a performance obligation is met.

The Institute recognises income when it is advised that a certificate for an apprentice has been issued subsequent to passing an End Point Assessment.

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

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

### **1.14 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 the Institute 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.

## **1.15 Employee benefits**

### **1.15.1 Pensions**

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

The Institute'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. The Institute recognises contributions payable in the Statement of Comprehensive Net Expenditure.

Pension benefits are provided through Civil Service pension arrangements, as detailed from page 64 of the Remuneration and Staff Report.

### **1.15.2 Other employee benefits**

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

## **1.16 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.

## **1.17 Provisions**

The Institute 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.

## **1.18 Notional charges**

Certain costs are charged on a notional basis and included in the accounts. The only notional costs in 2022-23 and 2021-22 were for IT provided by the Department for Education. Notional costs are recorded in the Statement of Comprehensive Net Expenditure and recorded as a movement in the General Fund.



## 2. Operating Income

	2022-23	2021-22
	£000	£000
Fee Income	66	1,404
Other income	80	17
	<b>146</b>	<b>1,421</b>

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

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

The reduction in fee income compared to 2021-22 is due to the transfer of the EQA service to Ofqual having been completed in June 2022. IfATE has no ongoing income from the EQA service due to the contract coming to an end.

## 3. Staff numbers and related costs

	Permanently employed staff	Others	2022-23 Total	Permanently employed staff	Others	2021-22 Total
	£000	£000	£000	£000	£000	£000
Wages and salaries	15,029	279	<b>15,308</b>	12,791	312	<b>13,103</b>
Social security costs	1,830	--	<b>1,830</b>	1,498	-	<b>1,498</b>
Pension costs	3,939	--	<b>3,939</b>	3,317	-	<b>3,317</b>
	20,798	279	<b>21,077</b>	17,606	312	<b>17,918</b>

Average full time equivalent number of persons employed	291	7	<b>298</b>	251	5	<b>256</b>
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More detailed disclosures relating to staff costs and numbers can be found in the Remuneration and Staff Report.

#### 4. Operating expenditure

	2022-23	2021-22
	£000	£000
Programme related expenditure:		
EQA charges	361	2,154
Frontline delivery	2,013	2,687
Programme travel costs	288	61
Programme amortisation	417	304
Other	433	136
<b>Total Programme related expenditure</b>	<b>3,512</b>	<b>5,342</b>
Administration expenditure:		
Staff related costs	266	220
Board costs	236	182
Professional fees	260	16
Premises costs including rates and service charges	864	312
IT and telecommunications costs	813	776
PR & Marketing	192	61
Travel and subsistence	183	71
External audit fees	69	57
Other expenditure	3	6
<b>Total Administration expenditure</b>	<b>2,886</b>	<b>1,701</b>
<b>Total Operating expenditure</b>	<b>6,398</b>	<b>7,043</b>

Programme expenditure 2021-22 has been reclassified to align with revised internal reporting. As explained in Note 2, EQA charges have significantly reduced due to the end of the contract.

## 5. Property, plant, and equipment

	Fixtures & Fittings £000	Total £000
<b>Cost or valuation</b>		
At 1 April 2022	317	317
Additions	-	-
Disposals	-	-
<b>At 31 March 2023</b>	<b>317</b>	<b>317</b>
<b>Depreciation</b>		
At 1 April 2022	(40)	(40)
Charged in year	(64)	(64)
Disposals	-	-
<b>At 31 March 2023</b>	<b>(104)</b>	<b>(104)</b>
<b>Carrying value at 31 March 2022</b>	<b>277</b>	<b>277</b>
<b>Carrying value at 31 March 2023</b>	<b>213</b>	<b>213</b>

## 6. Intangible assets

	Developed software	IT development £000	Total £000
<b>Cost or Valuation</b>			
At 1 April 2022	1,700	48	1,748
Additions	1,144	210	1,354
Transfers	48	(48)	-
<b>At 31 March 2023</b>	<b>2,892</b>	<b>210</b>	<b>3,102</b>
<b>Depreciation</b>			
At 1 April 2022	(640)	-	(640)
Amortisation	(417)	-	(417)
<b>At 31 March 2023</b>	<b>(1,057)</b>	<b>-</b>	<b>(1,057)</b>
<b>Carrying value at 31 March 2022</b>	<b>1,060</b>	<b>48</b>	<b>1,108</b>
<b>Carrying value at 31 March 2023</b>	<b>1,835</b>	<b>210</b>	<b>2,045</b>

IfATE has continued to invest in digital solutions on a number of fronts, primarily on IDS - Institute Data Systems, Occupational Maps and Website products. These have been funded from IfATE capital bids.

## 7. Receivables

	2022-23	2021-22
	£000	£000
Amounts falling due within one year:		
Sundry debtors	6	2
Prepayments and accrued income	44	74
VAT refund	53	39
<b>Total receivables</b>	<b>103</b>	<b>115</b>

## 8. Cash

	2022-23	2021-22
	£000	£000
Balance at 1 April	296	1,659
Net change in cash and cash equivalents	2,526	(1,363)
<b>Balance at 31 March</b>	<b>2,822</b>	<b>296</b>

All balances are held with the Government Banking Service

## 9. Payables

	2022-23	2021-22
	£000	£000
<b>Amounts falling due within one year:</b>		
Trade payables	8	30
Tax and Social Security costs	480	468
Pensions liability	443	368
Accruals and deferred income	4,579	3,491
<b>Total Payables</b>	<b>5,510</b>	<b>4,357</b>

## 10. Provisions for Liabilities and Charges

	2022-23	2021-22
	£000	£000
<b>Amounts falling due within one year:</b>		
Dilapidations on Coventry premises	117	66
<b>Total provisions for liabilities and charges</b>	<b>117</b>	<b>66</b>

## **11 Financial instruments and risk**

IFRS 7: Financial Instruments (IFRS 7) disclosure requires the Institute 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 Institute net revenue resource requirements, as well as its capital expenditure. With no borrowings, the Institute 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. The Institute does not consider itself exposed to any interest rate risk.

### **11.3 Foreign currency risk**

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

## **12. Capital commitments**

The Institute had £756k of capital commitments as at 31 March 2023 (31 March 2022: £640k) in respect of IT development.

## **13. 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.

Bev Robinson OBE, a non-executive member of IfATE board, and Principal & Chief Executive, Blackpool & the Fylde College, IfATE incurred cost of £441 in respect of conference facilities from Blackpool & the Fylde College during the year.

Martin Doel non-executive member of IfATE board is a non-executive adviser to TQ Pearson. During the year IfATE incurred expenditure of £311,157 in respect of T Level design and income £280 in respect of EQA from TQ Pearson.

Baroness Ruby McGregor-Smith CBE, IfATE's Chair, is also President of the Chartered Institute of Personnel and Development (CIPD). During the year IfATE received income from CIPD for £120 in respect of EQA.

Professor Malcolm Press CBE is a non-executive member of IfATE board and sits on the Board of Trustees for the Universities and Colleges Admission Service (UCAS) and Universities UK.

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

Dayle Bayliss is a non-executive member of IfATE board, and a member of the Royal Institution of Chartered Surveyors (RICS). During the year IfATE received income from RICS for £200 in respect of EQA. She is also a member of the Chartered Management Institute (CMI). During the year IfATE incurred expenditure of £294 in respect of professional subscriptions and income £52,760 in respect of 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.

David Wilson, Chief Financial Officer, is a Member of Alumni Council of the Cambridge Judge Business School. During the year IfATE incurred expenditure from Cambridge Judge Business School for £2,640 in respect of EQA.

There were no related party transactions in relation to the senior civil servants in 2021-22.

#### **14. Events after the reporting period**

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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