



Standards
& Testing
Agency

Standards and Testing Agency

Annual report and accounts

For the year ended
31 March 2025





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An executive agency of the
Department for Education

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Performance report

Chief Executive's foreword



Gillian Hillier
Chief Executive –
Standards and Testing Agency
(STA or the Agency)

I am pleased to present STA's annual report and accounts (ARA) relating to year ended 31 March 2025.

The first part of the document is the annual report and details STA's organisational structure, performance, key risks and how we performed during the year.

It also gives an overview of how we are preparing for the future including the introduction of a new, more digital approach to the Reception Baseline Assessment which will be delivered in-house rather than outsourced, and the transition of the Test Operations and Services contract to Pearson Education Limited (Pearson).

The accounts form the second part of the document and provide a detailed insight into the costs associated with STA's operations and delivery.

Gillian Hillier
Chief Executive
1 July 2025

Performance overview

Overview

2024-2025 has been a successful year for the Agency. We oversaw the smooth delivery of all national curriculum primary assessments including providing end of Key Stage 2 (KS2) outcomes for 685,110 pupils in 16,390 schools. KS2 results were delivered to schools as planned in July and were reflected in DfE performance tables in November.

We have continued working towards producing digital assessments for the future, developing digital services to deliver our world class assessments to pupils. We have continued to develop a fully digital version of the reception baseline assessment, which will go live in June 2025 when schools will be able to familiarise themselves with the new service.

The Future Assessment Services (FAS) project team has progressed its work during the year with Pearson Education Limited, which will deliver national curriculum assessments on behalf of STA from the 2025/26 test cycle onwards, when the current contract with Capita expires. Capita continues to deliver national curriculum assessments for the 2024/25 test cycle and contract exit will complete in January 2026.

The end of key stage 1 (KS1) national curriculum assessments became optional from the academic year 2023 to 2024, with optional test papers printed and distributed to maintained schools and academies on an opt-out basis. From the academic year 2024 to 2025, STA will no longer print and distribute standard papers for these tests. Instead, we are making tests and mark schemes available on the assessment administration portal for schools to download and print locally. Schools have been able to order physical copies of modified test materials. These have been delivered into schools.

The following report will provide greater detail on these and other aspects of STA's work.

To note STA assessment cycles are aligned with academic years to 31 August, and are written as 2024/25. Financial years to 31 March are written as 2024-25.

Introduction to STA

STA is an executive agency of the Department for Education (DfE or the department). We are responsible for the development and delivery of statutory national curriculum tests and assessments in England (collectively referred to as "the assessments" in this document), on behalf of the Secretary of State for Education.

STA develops assessments for pupils in the early years foundation stage, KS1 and KS2. We also hold responsibility for assessment at key stage 3, however there are currently no statutory national curriculum tests or assessments for this key stage. The early years foundation stage includes pre-school, nursery and reception (pupils up to the age of 5); KS1 covers years 1 and 2 (pupils aged between 5 and 7); and KS2 spans years 3 to 6 (pupils aged between 7 and 11). The reception baseline assessment (RBA) is taken by reception age pupils in their first 6 weeks of starting school, the phonics screening check (PSC) by year 1 pupils, and the multiplication tables check (MTC) by year 4 pupils. End of key stage tests and teacher assessments (based on a teacher's judgement of the standard of a pupil's class work) take place at the end of KS1 in year 2 and KS2 in year 6. The end of KS1 tests and teacher assessments have been optional since the 2023 to 2024 academic year.

A 'live' test cycle (or assessment cycle) takes place from September to August. This report relates to the financial year from April 2024 to March 2025 and therefore cuts across both the 2023/24 and the 2024/25 test cycles.

Statement of purpose and activities

Vision, mission and core principles

In December, the Government published its [Plan for Change](#)¹ setting out the milestones it aims to reach by the end of the Parliament. DfE is the lead department with responsibility for the Opportunity Mission which aims to break the link between a child's background and their future success. DfE does this by protecting children and ensuring the delivery of higher standards across education, training and care. STA supports the Opportunity Mission by developing and delivering high quality assessments, which provide reliable and valid data on the achievements of individual pupils and, when aggregated up for their schools, is used for purposes such as school accountability and informing school choice. Information from assessments is also used to understand where additional support is required to improve pupil attainment.

In carrying out its national testing and assessment functions, STA is independently regulated by the [Office of Qualifications and Examinations Regulation \(Ofqual\)](#).² Ofqual has a duty to keep all aspects of national testing and assessment arrangements under review and will report to the Secretary of State for Education if it appears there is, or is likely to be, a significant failing in the arrangements. Ofqual has published its [National assessments regulation annual report 2024 - GOV.UK](#).³

Purpose and activities

STA's primary purpose is to provide an effective and robust testing, assessment and moderation system. The national curriculum assessments measure pupil attainment at key points during a pupil's education. This data is used by DfE to hold schools to account and to measure pupils' progress through primary school, from reception to the end of KS2.

In carrying out these functions, STA is responsible for:

- developing and implementing primary assessment policy in England, aligning with ministerial priorities
- developing high quality and rigorous national curriculum tests and assessments in line with government policy
- setting and maintaining test standards, including standards relating to marking
- managing the assessment arrangements for pupils working below the standard of national curriculum tests and assessments, including the pre-key stage standards for pupils working below the standard of the national curriculum assessments but still engaged in subject-specific study, and the engagement model for pupils working below these standards and not engaged in subject-specific study
- overseeing operational delivery of national curriculum tests and assessments (including provision of systems, print and distribution of test materials, marking and data collection)
- producing test administration guidance for the RBA, PSC, MTC, optional KS1 tests and teacher assessments and statutory KS2 tests and teacher assessments, to ensure all pupils can be assessed accurately and fairly
- managing the submission and moderation of KS2 teacher assessment
- investigating allegations of maladministration in the RBA, PSC, MTC and the end of KS2 assessments to ensure pupils are not being given an unfair advantage over others and to protect the integrity of the tests and assessments

STA is also responsible for managing the General Qualifications Logistics Service (GQLS), sometimes known as the 'yellow label service', which is provided to exam centres and examiners. This service collects exam scripts from schools and delivers them to awarding organisations for marking.

1 https://assets.publishing.service.gov.uk/media/6751af4719e0c816d18d1df3/Plan_for_Change.pdf

2 <https://www.gov.uk/government/organisations/ofqual>

3 <https://www.gov.uk/government/publications/national-assessments-regulation-annual-report-2024>

As Chief Executive, amongst other responsibilities, I approve:

- the content of national curriculum assessments
- the setting and maintenance of standards in national curriculum assessments

I act independently of DfE and government ministers to ensure confidence in the validity and reliability of test outcomes. This is set out in the [STA framework document](#).⁴

Structure of STA

The Agency has 3 divisions:

- Assessment Research and Development (ARD)
- Assessment Operation and Services (AOS)
- Assessment Digital Data and Technology (ADDaT)

What we do

STA's 3 divisions are responsible for different aspects of our work:

- ARD is responsible for test development research (including for digital test development), psychometrics, data analysis and the large-scale trialling of questions for future assessments.
- AOS is responsible for assessment policy, delivery of live assessments and tests, management of the yellow label service, and management of the chief executive's office and STA's commercial and finance function.
- ADDaT is responsible for managing the digital, data and technology capabilities in STA, including transformation as well as building and supporting digital services.

National curriculum assessments

The assessments developed by STA are taken by pupils in maintained schools (including academies and free schools), special schools, alternative provisions (including pupil referral units) and Ministry of Defence schools. Some other types of school can opt into certain assessments. All assessments are statutory and have set administration periods during the year. The exception to this is end of KS1 assessments which have been optional from 2024. STA is however continuing to develop KS1 test materials for schools to use on an optional basis to support their other assessments.

As part of the work to develop the assessments, we engage with schools to carry out a series of large-scale trials of test materials at least a year ahead of when the live assessments are due to be administered to pupils.

In addition, we work in partnership with local authorities:

- who carry out monitoring visits to schools to ensure that the assessments are administered correctly and in line with our guidance
- to ensure that they have enough qualified staff to undertake moderation of teacher assessments. This moderation provides quality assurance of the accuracy of teacher assessment judgements in English writing made by class teachers for year 6 pupils

⁴ <https://www.gov.uk/government/publications/standards-and-testing-agency-framework>

The assessments within STA's remit comprise:

Reception baseline assessment

A short, task-based, on-entry assessment of pupils' starting points in language, communication, literacy and mathematics. Schools are required to administer the assessment within the first six weeks of pupils starting reception. The majority of pupils take the RBA in the first 6 weeks of term; however, schools continue to administer the RBA throughout the academic year to any pupils who start school later in the year.

The assessment will provide the baseline for primary school progress measures from the academic year 2027 to 2028 onwards. The measures will show the progress pupils in a school make from reception until the end of KS2.

Phonics screening check

A check administered in June which helps schools confirm that whether all children in year 1 have learned phonic decoding to an appropriate standard. Children who have not reached this standard should receive extra support from their school to improve their decoding skills and will then have another opportunity to take the check in year 2.

Optional end of KS1 national curriculum tests

Optional national curriculum tests in English grammar, punctuation and spelling, English reading and mathematics for administration at the end of KS1. The purpose of these optional tests is to give schools access to materials to support the evaluation of pupil achievement and help them understand where pupils need additional support as they transition into KS2. The tests are designed to be administered to pupils in May of the year they reach the end of the KS1 curriculum, usually year 2. However, as these assessments are non-statutory, schools have freedom to choose if, when and how to administer them.

Multiplication tables check

An online check administered in June to determine whether year 4 pupils can fluently recall their multiplication tables. Although the check will help schools to identify pupils who require additional support, it is not intended as a diagnostic tool and there is no expected standard.

End of KS2 national curriculum tests

Statutory tests are administered at the end of KS2 in English grammar, punctuation and spelling, English reading and mathematics. The tests are designed for pupils who have completed the KS2 programmes of study and are working at the overall standard of the national curriculum. The main purpose of the KS2 tests is to ascertain what pupils have achieved in relation to the attainment targets outlined in the national curriculum (2014). Most pupils taking the end of KS2 tests will be in year 6 and will reach the age of 11 by the end of the academic year.

Teacher assessment

Teacher assessment frameworks are available in a range of subjects to enable teachers to make reliable and valid judgments on pupil performance:

- The KS1 non-statutory teacher assessment frameworks cover English reading, English writing, mathematics and science.
- The KS2 teacher assessment frameworks cover English writing and science only.

Teacher assessment is optional at KS1 and statutory at KS2.

In addition to the KS1 and KS2 teacher assessment frameworks, there are alternative frameworks available to support schools in assessing pupils working below the standard of the national curriculum. This includes the:

- pre-key stage standards for the optional KS1 and statutory KS2 assessments for pupils engaged in subject-specific study
- engagement model for pupils not engaged in subject-specific study

Performance at a glance

Highlights of the year included:



99.99%

of GQ tests scripts
delivered by the third
day for marking
(2023-24: 97.82%)



99.67%

KS2 test scripts
returned to schools
(2023-24: 99.00%)



99.98%

Provision of
KS2 results
(2023-24: 99.93%)



100%

Pupils who received
the reception baseline
assessment
(2023-24: 100%)

Key risk summary

STA is responsible for one of DfE's strategic risks, namely the top tier risk relating to the primary school testing system, that:

"Valid, reliable primary level tests (paper based or digital) are not delivered on time through efficient and effective processes and/or are not of sufficient quality, leading to concerns over the validity of assessment outcomes for individual pupils, schools or the whole English primary education system."

There is a range of other risks relevant to STA's work, managed internally by agency officials. This includes those related to operational delivery, test development, corporate, strategic and reputational risks. Further detail on the above can be found in the key risks and issues section.

Performance analysis

Overview

Overall, STA has delivered well against its performance objectives in 2024-25, with no significant issues in the development or delivery of the range of primary assessments through the year.

All the 2024 test materials underwent rigorous test development processes, including scrutiny from external panels of teachers and other experts. The content of the assessments was generally well received, but as in every year test developers considered carefully all feedback received.

The KS2 test delivery issues experienced in 2023 were resolved in 2024. Following delays in schools being able to access KS2 test results on the Primary Assessment Gateway (PAG) in 2023, we worked with Capita to implement a solution, a queue management system to ensure schools could access their results quicker in 2024. At 7:30am, just over 8,000 users were in the queue, with the average wait time when the PAG opened being 3 minutes. By 7:40am the average wait time was down to 1 minute, and there was no queue for any user after 7:45am. Users from around half of schools had logged in by 8:15am; this figure climbed steadily through the day and by 5pm around 90% of schools had logged in at least once. We will use the queuing solution for 2025 return of results. The number of missing scripts was very low. Out of a total of 3.7 million test scripts, 355 were unfortunately lost. 305 were due to two schools returning their scripts with the incorrect courier which delivered the scripts to an unknown location. STA and Capita tried to locate the missing scripts, but despite our best efforts were unable to locate 300 scripts from one school.

Changes to the delivery of end of KS1 tests and teacher assessments were successfully implemented, with schools able to opt-out of receiving test materials in the 2024 test cycle. For the 2025 test cycle, schools have been able to order modified papers only. The existing end of KS1 teacher assessment frameworks continue to be available on GOV.UK for schools which wish to use them optionally as part of their ongoing assessment of pupils.

Overall, Ofqual's [annual report on the regulation of national assessments](#)⁵ concluded that in 2024, national assessment delivery was successful. STA followed a consistent approach to the test development process. The views from a range of experts, including teachers, as well as quantitative data from trialling informed the key decisions about the national assessments. STA completed the statistical process necessary for the maintenance of standards in the usual way. Ofqual was therefore satisfied that the results in 2024 can be robustly linked to the standards set in 2016. High levels of marking quality were achieved. In their report Ofqual noted, based on their observations and analysis that training and quality assurance measures for external marking of English Reading, mathematics and grammar, punctuation and spelling were effective.

With the current Test Operations and Services (TOpS) contract due to expire at the end of the 2024/25 test cycle and following the contract award to Pearson, during 2024/25 STA has been working closely with the new supplier to set-up and transition to the new service from the 2025/26 test cycle.

5 <https://www.gov.uk/government/publications/national-assessments-regulation-annual-report-2024>

Work has also been ongoing to develop a more digital version of the RBA, which will be delivered in-house rather than outsourced. Further work has been undertaken to test the functionality of the service and user journey for schools. In November 2024, STA invited schools to participate in a 'try it out' activity to enable STA to learn lessons and refine the service. The activity included guidance, training and an opportunity to administer a practice assessment. 1,382 schools engaged with the activity which equates to approximately 8% of all eligible schools. Approximately 900 schools completed the training and around 700 went on to practice administering the assessment. The RBA service went live in April 2025 when the Assessment and Reporting Arrangements are published on gov.uk, with the system going live in June for training and familiarisation activities.

Currently, the digital services used by schools to engage with STA are provided by third parties, and STA relies on older data transfer technologies in its processing. In order to increase consistency for users and update STA's technology infrastructure, a transformation programme has been initiated. This programme will also explore the potential for the application of digital approaches in our assessments. STA's new division, ADDaT, has been created to lead work on this transformation and to develop the STA's strategy for technology and data.

Following the outcome of the General Election in July 2024, the newly appointed Government announced a review of the existing national curriculum and statutory assessment system in England to ensure that they are fit for purpose and meeting the needs of children and young people. The Agency has been supporting the review process by providing information to the review team about the current system of national curriculum assessment.

Performance against objectives

Key organisational performance measures and indicators

STA has eight key performance indicators (KPIs), which we use to measure our areas of delivery:

- KPI 1 – pupils must receive a complete set of results data, containing a correct test result (not withstanding any marking or process reviews) for every test taken by a pupil, by an agreed date
- KPI 2 – schools assessing pupils must receive a complete set of test scripts with complete test outcomes on the date of return of results
- KPI 3 – enquiries received by the helpline must be resolved at first contact
- KPI 4 – the school administration system (currently known as the Primary Assessment Gateway) is accessible to schools at all appropriate times
- KPI 5 – packages containing completed test scripts are delivered to the GQ scanning bureau by the third working day after collection from examination centres
- KPI 6 – the scores of the RBA must be 100% accurate for each pupil by an agreed date
- KPI 7 – the RBA system (Baseline e-Portal) will be available to 99.8% of schools from 8am until 5pm Monday to Friday during term time
- KPI 8 – 100% of RBA resource orders placed within the ordering window are delivered to schools

These indicators are at the centre of a framework which is used to monitor our performance.

Table 1: KPI outcomes

Area of delivery	Performance indicator	Baseline	2024-25	2023-24	2022-23
Provision of KS2 results	KPI 1	99.90%	99.98%	99.93%	98.80%
Return of KS2 test scripts to schools	KPI 2	99.90%	99.67%	99.00%	98.80%
Helpline service	KPI 3	85.00%	92.27%	87.50% ¹	Not available for 2022-23 (please see below)
Helpline service 2022-23 only (Based on data available at the time of publication)	90% of calls must be answered in less than 15 seconds. 2022-23 data relates to ' % of calls answered, % of calls answered in less than 15 seconds'	42,871 calls made to NCA helpline of which 26.70% were answered. Of those, 42.29% were answered within 15 seconds. 13,535 calls made to marker helpline of which 34.06% were answered. Of those, 57.01% were answered within 15 seconds. 50.19% of emails sent to NCA helpline were resolved within 5 working days 77.77% of emails sent to marker helpline were resolved within 5 working days.			
Systems to support schools	KPI 4	99.80% monthly	99.72%	98.43%	At least 99.80% achieved each month
GQLS – deliveries to scanning bureaux by Day 3	KPI 5	98.50%	99.99%	97.82%	99.95%
Provision of RBA data	KPI 6	100% measured at each data feed point	100% achieved at each data feed point	100% achieved at each data feed point	100% achieved at each data feed point
Provision of RBA platform	KPI 7	99.80%	100% ²	100% achieved each month	100% achieved each month
Provision of RBA resources to schools ³	KPI 8	100%	100%	100% achieved each month	100% achieved each month

1. The KPIs for the helpline service are skewed by one week of extreme call volumes during test week. For the majority of the year the KPIs are met. For test week we have made extra effort to drive down call volumes and improve training and recruitment of the temporary agents that are needed over this period.

We have:

- increased communication to schools in advance of test week to better prepare them. This has included a presentation and emails and has been supported by the unions and regional DfE teams.

Capita has:

- made recruitment of temporary agents more robust and improved the quality of training materials.
- redeployed regular staff as virtual floor walkers to facilitate quicker handling of queries from temporary agents.
- rebalanced staffing on the helpline during test week to ensure better coverage during peak hours

2. Due to two short outages in 2024, the RBA platform was unavailable for 0.033% of the relevant time period, which means the KPI was still met.

3. All RBA KPIs have been met so far, but the system remains open until the end of the academic year. This is to allow schools with pupils who enter reception during the school year to administer in the first 6 weeks of their arrival.

Performance in delivery areas

This section sets out the performance for the different assessments for which STA is responsible. The divisions within STA collaborate to ensure the successful delivery of each assessment.

End of key stage 1 and 2 tests and the phonics screening check

STA develops its tests in-house using processes in line with international best practice. All materials are reviewed by practising teachers, education professionals and inclusion specialists, and trialled in a representative sample of schools across the country. Rigorous processes are in place to ensure that standards are maintained in terms of test materials and expectations on pupil attainment.

As stated in the [National assessments regulation annual report 2024](#)⁶, Ofqual continues to be satisfied that the test development process carried out by STA consistently demonstrated a strong focus on validity. In addition, Ofqual is satisfied that the approach STA took to maintaining standards in 2024 provides a robust link to the standards as originally set in 2016.

STA contracts out most of the operational delivery for the tests. Activities for the 2025 tests completed by the end of March 2025 included:

- handover of test and check materials for KS1, KS2 and PSC to the suppliers
- initial print quality activities ensuring that the quality of the papers meets required standards for schools, marking and scanning
- successful placement of test orders by participating schools
- commencement of print and collation activities for KS1 and KS2 tests in 2025
- commencement of recruitment of approximately 4,500 markers

In addition, work has taken place on the development of marker training materials (in collaboration with the test development researchers who developed the tests).

STA continues to provide helpline services to schools and stakeholders via the Capita contract (excluding the RBA which has a helpline provided by NFER). The helpline operates to support all assessment enquiries. The performance and outcomes of the helpline service outsourced to Capita at KS2, including key volumetrics and pay, are covered in the 'Key Organisational Performance Measures and Indicators' section on [page 16](#) and are therefore not repeated here.

During the 2024 test cycle, Capita continued to build on the improvements to the service that it had implemented in the 2023 test cycle. Results were returned to more than 99.9% of schools on time and a new queuing system was introduced to help manage the demand on the PAG on return of results day. This improved the experience of those schools logging in at 7.30 to view their results. Improvements to processes to marking quality procedures were adhered resulting in a high degree of marking reliability. The supplier is required to provide 99.9% of accurate item level data, which shows how pupils performed in each part of a question in the tests to support the standards maintenance process. High volumes of data were provided for standards maintenance and STA were satisfied that it was sufficiently representative of the pupil population to proceed to standards maintenance. The reporting of this process was observed by Ofqual with no concerns raised.

At KS1 in 2024, 6.7% of schools opted out of receiving hard-copy test materials. All schools that did not opt out of receiving the optional test papers received test materials within the published deadlines. As KS1 assessments are now non-statutory neither STA nor DfE collect any KS1 assessment data.

In 2024, the PSC was administered during the week commencing 10 June. All schools received the appropriate materials to enable them to complete the check within the published window. STA does not collect data on phonics outcomes, as this is submitted to DfE via COLLECT.

⁶ <https://www.gov.uk/government/publications/national-assessments-regulation-annual-report-2024>

Test delivery for 2025 is underway. Optional KS1 papers are no longer printed and distributed, other than modified papers, but optional papers were made available to download on the PAG in the spring. Schools have placed orders for modified test materials and the development of marking materials to support the external marking of KS2 tests is advancing as planned. St Helena, the Cayman Islands and Jersey each have a Memorandum of Understanding (MOU) in place for secure access to KS2 materials, enabling them to administer assessments.

In December 2023 it was announced that Communisis, the print provider contracted to Capita, had gone into administration. Capita subcontracted with APS Group which printed materials for all subjects and met all timelines for the distribution of materials into schools to support the 2024 test cycle.

Teacher assessment

KS2 teacher assessment moderation took place in summer 2024. Since the 2023/24 test cycle, only KS2 has been moderated as assessment at KS1 is non-statutory.

Teacher assessment moderation and standardisation

STA, alongside an external supplier, produces standardisation exercises and training materials for prospective local authority moderators. Those who undertake the training and pass a subsequent standardisation exercise receive approval to moderate for the local authority and can conduct external moderation visits to schools to ensure the accuracy of teacher assessment judgements made by class teachers at the end of KS2.

Table 2: Number of moderators who successfully passed their training during the last four test cycles

Test cycle	Local authority lead moderators (2024 and 2025 includes KS2 moderation managers only)	Pool moderators (2024 and 2025 includes KS2 lead moderators and pool moderators)
2025	149	2,396
2024	145	2,692
2023	695	4,480
2022	393	4,340

Moderator numbers vary from year to year, depending on several factors, including individual local authority plans, numbers of new moderators and numbers of experienced moderators.

- In 2023, lead and pool moderator numbers recovered from the previous year's failure rate challenges.
- For 2022 and 2023, the 'local authority lead moderators' column includes moderation managers and lead moderators, which is the reason for higher numbers compared to 2024 and 2025.
- From 2024, only KS2 moderators are reflected in the figures, as KS1 moderation is no longer required. In previous years, the figures included both KS1 and KS2 moderators.
- In 2025, there was a slight increase of KS2 moderation managers at 149 compared to 145 in 2024. The overall number of KS2 moderators decreased from 2,692 in 2024 to 2,396 in 2025.

Multiplication tables check

The MTC Service opened on 8 April 2024 for schools to prepare to administer the statutory check in June 2024. Schools were encouraged to administer the check between Monday 3 June and Friday 14 June. The following week was available for schools to administer the check to any pupils who were absent or where checks were delayed due to technical difficulties. The MTC administration window closed on Friday 21 June.

A total of 669,069 pupils were registered in the service, 628,868 (94%) completed the check, and 36,997 (5.5%) were recorded with a reason for not taking the assessment which enables STA to understand why they did not complete and for those pupils to have a recorded status for the check.

These figures are taken from the operational data within the MTC service. They differ from the MTC statistical publication as DfE's final data removes any cases of duplicate pupils and pupils who had been recorded as leaving a school.

Where schools did not engage with the MTC or had pupils with no check status at the end of the window, we undertook chase activity to establish the reasons. This identified a small number of schools which did not administer the check due to an administrative error. STA contacted each of these schools to understand the specific error and ensure appropriate actions are in place for future years.

Results were successfully published on the MTC Service on 24 June 2024.

We received 247 completed MTC feedback surveys from teachers. These will be used to support lessons learned activity, provide insight to user behaviour and to support test development research.

Reception baseline assessment

Academic year 2024/25 is the fourth year of live delivery for the RBA. The assessment must be administered within the first 6 weeks of a pupil starting school. Assessments continue throughout the year for any pupils who start reception and have not already participated in the RBA at a previous school.

As of 21 March 2025, 14,439 schools had administered the RBA to 574,116 pupils. Schools will continue to administer the assessment with any new pupils who have just started reception until the end of the academic year. Additional numbers are expected to be low with some small peaks at the start of each term in January and April.

Overall, 99.9% of the total number of schools expected to participate have done so, which aligns with expectations and with previous years. Most remaining non-engaging schools are special schools. STA and NFER are working to improve communications with these schools to ensure that they undertake required action to disapply relevant pupils.

General Qualifications Logistics Service

The GQLS provides examination centres in England with a single and secure method for despatching packages of completed examination scripts for marking. The qualifications within the service's scope include GCSEs, GCEs, T Levels, functional skills, and vocational and technical qualifications such as Business and Technology Education Council qualifications (BTECs).

The examination centres are mostly schools, sixth-forms, or further education colleges, but also include work-based learning providers. Most centres work with 3 – 4 awarding organisations (AOs), which provide programmes of study, deliver the examination papers to the centres, and are responsible for marking the completed scripts.

The GQLS simplifies the script despatch process and helps reduce the risk of examination scripts being lost before marking.

In the reporting year, 964,940 packages were collected (see the table below for the breakdown by quarter) compared to 931,905 packages in the previous year. Of these, 958,935 packages were delivered to the AOs' scanning bureaux with 950,397 delivered on the next working day and 958,763 delivered by the third working day. The remaining 6,005 packages were delivered to examiners' homes. There were 11 packages lost in total, resulting in a loss rate of 0.0011%.

Table 3: Breakdown of collections by quarter

Quarter	Notes	Packages collected	Examination centres
1 (Apr-Jun)	Peak GCSE and GCE examinations period	874,961	6,171
2 (Jul-Sep)	On demand functional skills	143,948	814
3 (Oct-Dec)	November GCSEs and T Levels	37,560	3,377
4 (Jan-Mar)	Peak examinations period for BTECs	38,471	3,028

Financial review of the year

Introduction

In 2024-25, expenditure has been largely in line with our expectations and budgets for business as usual, including the completion of the 2023/24 test cycle and commencement of the 2024/25 test cycle.

Analysis of the year

The Agency's expenditure is included within the Departmental Group's Estimates and Parliamentary accountability processes, but it does not have its own [Estimates](#).⁷ The Agency has a budget, set by the Department, against which its performance is measured. The financial performance in budgetary terms (termed outturn) may differ from that reported in the Statement of Comprehensive Net Expenditure (SoCNE) since not all spending is reported in SoCNE (such as acquisition of assets). The 2024-25 outturn was within the budget allocated by the Department. For more detailed explanations about the budgetary process and terms, see HM Treasury's (HMT's) [Consolidated Budgeting Guidance](#).⁸

Intangible assets have grown with a continued investment of £4 million on development of the Digital Assessment Service during the year (prior year: £4 million) and new investment of £0.5m to develop an enterprise data platform.

Trends in performance

The table below represents a five-year summary of STA's outturn.

	2024-25	2023-24	2022-23	2021-22	2020-21
	£000	£000	£000	£000	£000
Comprehensive net expenditure	53,077	50,160	46,876	27,336	24,072

⁷ <https://www.gov.uk/government/collections/hmt-main-estimates>

⁸ <https://www.gov.uk/government/collections/consolidated-budgeting-guidance>

Movements in outturn

Since 2022-23 spending has returned to normal test cycle costs in line with expectations for a normal year, with an additional expenditure of £3million to allow for the digital transformation programme, and which included the in-house delivery of RBA.

Expenditure on operational and test development cycles within 2024-25 was mostly in line with forecasted costs. A 5.4% saving (against expected forecast) was realised due to some costs not materialising within the programme budget. Due to resource pressures, there were delays in the digital transformation programme and a further decision to delay RBA (digital) go-live until April 2025. This led to an underspend of 21.4% in the Capital Budget.

For 25-26, although activity will increase in operations, test assessments and digital transformation, due to several new contracts providing better value for money and cost savings budget expectations remain similar to previous years.

Shared service costs

DfE continues to provide STA with a number of corporate services as detailed in the accounting policies.

Outturn against organisational goals

The outturn is now in line with expectation and within the budget set by DfE.

Performance in other matters

Sustainability

Compliance statement

Where possible, STA has reported on climate-related financial disclosures consistent with HMT's Task Force on Climate Related Financial Disclosures (TCFD)-aligned disclosure application guidance which interprets and adapts the framework for the UK public sector.

STA has complied with the TCFD recommendations and recommended disclosures around governance.

It is not possible to make disclosures on metrics and targets as sustainability data does not currently disaggregate STA from DfE. Sustainability data at departmental group level is available in the DfE Group ARA. Using average full-time equivalent (FTE) headcount as a comparative measure, STA is approximately 1% of the size of the departmental group.

Sustainability activity and governance

STA is an arm's length body operating entirely within DfE's estate and under DfE's sustainability policies. The Department's corporate strategy outlines commitments around office building emissions, waste, water, ICT and digital, travel, nature recovery and climate change adaptation. Data and reporting on these topics (inclusive of STA staff, emissions and usage) is included within DfE Group Annual Report and Accounts (ARA) sustainability reporting annex.

As part of the wider department group, STA recognises its responsibility to reduce environmental impacts and contribute to the [Greening Government Commitments](https://www.gov.uk/government/publications/greening-government-commitments-2021-to-2025).⁹

Social responsibility

STA adopts the Department's policies relating to social matters, which are published in its ARA.

Respect for human rights

STA adopts the Department's policies relating to human rights, which are published in its ARA.

Modern slavery

STA adopts the Department's policies relating to modern slavery, which are published in its ARA.

Anti-corruption and anti-bribery matters

STA adopts the Department's policies relating to anti-corruption and anti-bribery matters, which are published in its ARA.

Diversity

STA adopts the Department's policies relating to diversity, which are published in its ARA.

9 <https://www.gov.uk/government/publications/greening-government-commitments-2021-to-2025>

Key risks and issues

STA is responsible for the development and delivery of national curriculum tests and assessments in England, under statutory instruments, on behalf of the Secretary of State for Education. As such, we are responsible for one of DfE's top tier risks relating to the failure of the primary school testing system.

Causes

The top tier risk may be triggered where:

- delivery of the tests fails due to lack of capacity within STA, or problems with the main suppliers
- security of the assessments is breached, affecting validity and comparability

Potential impact

There would be several impacts if the risk were to be realised:

- negative attitudes to primary assessment within the education sector
- reduced public confidence in the statutory assessment system and in school accountability

Mitigation

STA rigorously manages the risk and its component parts using a set of well-defined mitigations and contingencies. Examples include:

- the validity of the assessments being ensured throughout the test development process – this has been assessed by Ofqual to compare favourably with international best practice and involves internal and external (teacher and relevant expert) review, extensive trialling with large and representative samples and stringent sign-off procedures
- maintaining specialist expertise in staff, regular knowledge transfer, and targeted recruitment campaigns
- robust governance arrangements in place to track and monitor progress and ensure the timely resolution of any challenges
- the supply chain's handling of, and approach to, test materials security and information risk handling, which is managed through a rigorous and defined security checking process in line with best practice
- oversight of the supply chain's delivery
- ongoing work with suppliers to build on lessons learnt and ensure continuous improvement
- work with the sector to build knowledge and provide a greater understanding of our processes

Risks 2024-25

Our risks were reviewed regularly throughout the year to ensure they reflected the existing situation. STA senior leaders also regularly discuss the status of risks at the quarterly strategic performance reviews (SPR) with STA's senior Departmental sponsor, Juliet Chua, Director General of Schools Group.

Service delivery

STA has robust risk management processes with its suppliers to ensure that risks and issues associated with service delivery are well-managed. In 2024/25, as Capita delivers its final test cycle and exits the contract, STA established an Exit Board to oversee delivery of exit and oversight of risks associated with exit. The continuity of staff on the contract is a risk we continue to monitor with Capita to ensure personnel with appropriate knowledge are retained.

Resourcing

STA has faced some resourcing challenges over the year. In particular, STA has needed to manage the risk of limited technical and digital expertise to effectively manage development of its technology by digital suppliers. In 2024, STA successfully recruited to roles in technical architecture and product management to reduce these risks. We continue to monitor the risks around specialist technical resource carefully and have mitigated them by improving knowledge management around our technology estate.

RBA development

In July 2024, STA reviewed progress on the reception baseline assessment development and confidence in the service and set go-live for April 2025. STA determined that any remaining development of the service could be completed in time for go-live. As with the implementation of any new or changed service there are associated risks. STA increased management oversight of the project during 2024-25 in response and engaged third line assurance to provide an independent review of progress.

Change in print supplier

Due to Capita's print supplier going into administration in December 2023, Capita onboarded a new print supplier at pace. Following a change of supplier there is an increased risk to the quality of the materials and a risk of failure to meet the printing schedule. Capita repeated pre-production testing to mitigate quality risks that could impact on the administration of tests and pupil experience or impact on scanning and then marking. During the 2024/25 test cycle STA monitored the quality of print and any concerns from schools. There was no derogation in the quality of printed materials due to the change in supplier.

TOpS contract exit and transition

The conclusion of the FAS procurement and contract award to the successful bidder triggered the exit phase of the TOpS contract with Capita. STA continues to balance its resources to support Pearson with set-up whilst also ensuring sufficient oversight over Capita's final year of delivery.

Forward look

Over the coming year, STA's focus is to:

- continue to develop and deliver our programme of high-quality, statutory primary assessments
- successfully manage the delivery of the GQLS
- implement the in-house development RBA with our in-house model from April 2025
- take forward the work to transition to the new TOpS contract, with the first assessments under the new contract due to take place in spring 2026
- continue to work with the sector to increase understanding on our test development processes
- respond as required to political, educational or technological developments that impact on our work.
- support the Government response to the recommendations of the Curriculum Assessment Review panel.

Going concern

His Majesty Treasury (HMT) has interpreted the going concern principle for the public sector to reflect the non-commercial nature of public sector bodies. Going concern for public sector bodies is referenced back to service potential and delivery. The going concern presumption is only challenged for a public body if the services it provides will be discontinued entirely by the public sector. Transfer of services from one public body to another does not imperil the going concern presumption in the transferring body, even if all its operations will cease post-transfer.

The Agency is not aware of any legislation that is planned, in force or in the process of gaining Royal Assent, that would cause its activities to cease.

In addition, the Department's forward-looking plans, current Estimates and current Spending Review settlement with HMT contain funding to cover the Agency's operations for the foreseeable period. Consequently, management do not consider the going concern presumption to be in doubt.

A budget is being set for financial year 2025-26, as part of the Department's 2025-26 Estimates process, alongside confirmation of support from DfE for the remaining twelve months' going concern period to July 2026 that enables STA to deliver its objectives and continued regulatory intent.

Gillian Hillier
Accounting Officer
1 July 2025



Accountability report

Overview

The Accountability Report sets out how we meet the key accountability requirements to Parliament. It is broken down into three areas:

- Corporate governance report, which provides an overview of the leadership of STA and our risk management approach
- Remuneration and staff report, which details remuneration and staff expenses and policies
- Parliamentary accountability and audit report, which contains parliamentary accountability disclosures and the audit certificate




Corporate governance report

The purpose of the corporate governance report is to explain the composition and organisation of STA's governance structures and show how they support the achievement of the Agency's objectives for 2024-25 and up to the date of approval of the ARA.

Directors' report

Directors

Membership of the executive management board (EMB) at the end of the year was:

Director	Position
	Gillian Hillier Chief Executive Appointment: August 2021
	Kate Moore Deputy Director of Assessment Operations and Services Appointment: September 2018
	Anne Counsell Deputy Director of Assessment Research and Development Appointment: December 2023

Director	Position
	Kevin Cheung Deputy Director of Assessment Digital Data and Technology Appointment: December 2023

Company directorships and other significant interests

STA requires all staff, including board members, who have outside interests, some of which could potentially be conflicts of interest, to complete a declaration of interest on an annual basis.

There were no conflicts of interest reported by directors this year.

Report on personal data breaches

All government departments are required to report personal data related incidents that have occurred during the financial year, in accordance with the standard disclosure format issued by the Cabinet Office.

The Cabinet Office defines a 'personal data related incident' as a loss, unauthorised disclosure or insecure disposal of protected personal data. 'Protected personal data' is data which could cause harm or distress to individuals if released or lost. As a minimum, this includes:

- information linked to one or more identifiable living person
- any source of information about 1,000 or more identifiable individuals, other than information sourced from the public domain

Table 4: Number of personal data related incidents reported to the Information Commissioner's Office (ICO)

Date	2024-25	2023-24	2022-23	2021-22
Number of incidents	-	-	1	-

Complaints to the Parliamentary and Health Ombudsman

The Parliamentary and Health Service Ombudsman can investigate complaints against the administrative actions of a wide range of government departments and other public bodies, or the actions of organisations acting on their behalf. STA falls within the scope of the Ombudsman's activities.

STA adheres to the Department's complaints process, which commits to responding to any complaint within 15 working days.

Table 5: Number of complaints accepted for investigation

Date	2024-25	2023-24	2022-23	2021-22
Number of incidents	-	-	-	-

Statement of Accounting Officer's responsibilities

Under the Government Resources and Accounts Act 2000, HMT has directed STA to prepare a statement of accounts for each financial year, on the basis set out in the [Accounts Direction](#).¹⁰ The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of STA, 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 (FReM). They are required to:

- observe the Accounts Direction issued by HMT, 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 FReM have been followed, and disclose and explain any material departures in the accounts
- prepare the accounts on a going concern basis
- confirm that the ARA as a whole is fair, balanced and understandable, and take personal responsibility for the ARA and the judgements required for determining that they are fair, balanced and understandable

The Accounting Officer of the Department has designated the Chief Executive as the Accounting Officer of STA. 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 STA's assets, are set out in Managing Public Money published by HMT.

As the Accounting Officer, I have taken all the necessary steps to make myself aware of any relevant audit information and to establish that STA's 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 confirm that I consider the annual report and accounts as a whole is fair, balanced and understandable. I also take personal responsibility for the annual report and accounts and the judgments required for determining that it is fair, balanced and understandable.

¹⁰ <https://www.gov.uk/government/publications/dao-0324-accounts-directions-2024-25>

Governance Statement

Scope of responsibility

As Accounting Officer, I have personal responsibility for: maintaining a robust system of governance; internal control and risk management within my areas of responsibility to support the achievement of the Department's policies, aims and objectives; and safeguarding public funds and Departmental assets.

Governance, internal control, and risk management

STA's system of governance, internal control and risk management is designed to manage risk to a reasonable level, rather than eliminate all risk completely. The Agency can therefore provide high, not absolute, assurance of their effectiveness.

I confirm I have reviewed the effectiveness of governance, internal control and risk management arrangements in operation within my area of responsibility. I consider them to be fit for purpose. These arrangements have been in place throughout the reporting period and up to the date of approval of the ARA. My conclusion is informed by:

- the assessment of the senior managers responsible for the development and maintenance of these arrangements
- the findings of my EMB
- internal audit reports

As a senior civil servant, I am required to complete an assurance framework record (AFR) to record a structured assessment of the risk and control environment for the area I am responsible for, which in this case is STA. The AFR for this year was completed following consultation with STA's other board members.

As an additional level of assurance, my AFR covering STA was reviewed by the Chief Executive of another of the Department's executive agencies.

The AFR details my compliance with Departmental arrangements regarding:

- governance
- business strategy and planning
- project and programme management
- people capacity and capability
- risk management
- commercial and grant management
- financial management

As Accounting Officer, I can provide the Department's leadership team and ministers with assurance that we have managed our agenda well while delivering efficiencies. We maintain financial information on the delivery of all programmes.

I am confident that I have necessary arrangements in place for good corporate governance. These include:

- a strong and effective senior leadership team
- seeking regular challenge, scrutiny and expert support from both inside and outside of STA
- oversight from DfE's governance arrangements
- clear and honest reporting
- robust risk management processes

I will continue to review these arrangements regularly to ensure they comply with HMT's [Corporate governance in central government departments: code of good practice](https://www.gov.uk/government/publications/corporate-governance-code-for-central-government-departments).¹¹ I have not identified any departures from the code.

¹¹ <https://www.gov.uk/government/publications/corporate-governance-code-for-central-government-departments>

Governance at Agency level

Executive Management Board

STA's Chief Executive and Deputy Directors make up the membership of EMB, which meets bi-monthly and is chaired by the Chief Executive. This year, there have been 5 meetings in May, September and November 2024 and in January and March 2025.

EMB provides the Chief Executive with the opportunity to hold the other board members, senior leaders and their programmes to account. EMB is responsible for:

- developing and monitoring the strategic planning of STA
- overseeing corporate performance
- overseeing the use of financial and human resources
- providing oversight of risk management and challenge on unexpected issues and near misses
- overseeing STA's security arrangements
- providing oversight of supplier performance in line with STA's commercial procedures
- maintaining a robust system of internal control, which includes adequate assurance that internal controls and risk management processes are working effectively
- ensuring STA complies with all policies and corporate business planning
- maintaining awareness of areas for development identified from the DfE People Survey and regular workforce management information reports

The Department's finance and commercial business partnering teams provide Departmental representation and advice. Other members of staff attend to report on the following, as required:

- assessment policy
- test development
- delivery progress risk and issue management
- digital development

The chairs of the boards below EMB provide:

- visibility
- assurance of progress
- an assessment of confidence in delivery of the STA's workstreams

The EMB receives regular reports on STA's operational performance. Before being submitted to EMB, all reports are cleared by senior managers. These reports are subject to challenge at the meetings and are revised as required. I am therefore confident that the quality of the data used by EMB is robust. The EMB reviews business-as-usual programme and project risks that exceed their tolerance and manages all strategic risks. A security report is also reviewed at EMB.

EMB's risk profile is monitored through the SPR which acts at a departmental level. STA owns a top-level risk in the Department's risk register which is managed by the Department's Performance and Risk Committee (PRC).

STA requires EMB members to register any company and organisation directorships or other significant interests. STA maintains a register of interests of the financial, political, and other relevant interests of EMB members.

Attendance records

To improve transparency, we have provided attendance values as well as the number of meetings available to members to attend, which is presented as “2 out of 2”.

Table 6: EMB attendance records

Membership	Meetings attended (where possible)
Gillian Hillier	5 of 5
Kate Moore	5 of 5
Kevin Cheung	5 of 5
Anne Counsell	5 of 5

Governance at Departmental level

The Department's Director General for Schools Group performs an oversight role, on behalf of the Secretary of State, through Strategic Performance Reviews SPRs.

My objectives were agreed by the Director General and aligned with:

- Departmental objectives
- STA's business plan requirements for compliance with [Managing Public Money](#)¹²

They were subsequently used to set objectives for the Deputy Directors and their teams. All staff objectives are agreed, and performance is monitored monthly throughout the year. Major decisions about changes to policy are approved by Ministers where appropriate (except where they relate to the Chief Executive's devolved responsibilities for the content of tests and standards maintenance).

Strategic performance review

Throughout the year, the Director General for Schools Group held three SPRs. The first, in March 2024, took the form of a teach-in for the incoming director general, to provide her with oversight of STA's work and the opportunity to understand and question STA's:

- progress
- financial management
- management of risks

Three further meetings in September and December 2024 and in March 2025, provided the opportunity for further review and challenge on the above, and for discussion of other issues such as:

- digital transformation
- progress reports from the Agency's boards
- health of the Agency
- overall performance of the Agency
- lessons learned from the previous test cycle
- progress and plans for GIAA audits

¹² <https://www.gov.uk/government/publications/managing-public-money>

Attendance records

To improve transparency, we have provided attendance values as well as the number of meetings available to members to attend, which is presented as “2 out of 2”.

Table 7: SPR attendance records

Membership	Meetings attended (where possible)
Gillian Hillier	4 of 4
Kate Moore	3 of 4
Kevin Cheung	4 of 4
Anne Counsell	4 of 4

Assurance

External audit

STA was audited by the National Audit Office (NAO) on behalf of the Comptroller and Auditor General during the year.

Internal audit

STA receives internal audit and assurance services from the Government Internal Audit Agency (GIAA). GIAA produced and delivered an audit plan for the Department as a whole for the financial year.

The GIAA risk-based audit plan for STA was agreed with the Chief Executive by assessing key delivery activities.

We recognised the risks faced with transitioning to a new supplier to deliver test operations services and we therefore engaged GIAA to review the progress of the transition ahead of a Gate 4 review (readiness for service) in July 2025.

In undertaking the audit, GIAA:

- Reviewed governance and reporting arrangements to track and monitor progress against the business case, project plan and milestones of the project
- Ascertained whether roles, responsibilities, accountabilities and ownership have been defined, assigned, are understood and being applied
- Evaluated the arrangements and milestones in place to meet the Gate 4 review deadline
- Interviewed a sample of staff and stakeholders, in agreement with STA management, who are appropriately placed to provide a view on the progress of the project as a whole
- Assessed progress towards full readiness against the Gate 4 purpose list, with an appropriate level of review of supporting/project documentation
- Evaluate arrangements for oversight, monitoring and reporting on progress and readiness
- Considered whether business continuity plans are sufficient in the event of delayed implementation of the new supplier

The audit provided a Substantial rating.

In addition to this, GIAA audited STA's contract management of two of its key contracts – the test operations contract with Capita and the GQ logistics contract with Parcelforce. These contracts were selected because of their high-value, high-risk profile. The review aimed to provide assurance on whether contract management governance, risk management and oversight arrangements are operating effectively to ensure delivery of contract requirements to time, cost and quality. A moderate audit rating was provided.

GIAA carried out an audit on platform functionality testing for the Digital Assessment Service, to provide STA with assurance that any anomalies could be identified and addressed prior to go live in August 2025.

The review provided a substantial rating, concluding that the testing of the project is well-managed and proactive in addressing potential risks, reducing the likelihood of errors once the system is operational. Compliance testing and data validation have been conducted.

GIAA have provided an overall Moderate opinion for STA for the framework of governance, risk management and control within the STA for the year ended 31st March 2025.

Department-level assurance

The Agency receives oversight from the Department's Audit and Risk Committee (ARC) and the Performance and Risk Committee (PRC), which are both sub-committees of the Department's Board.

ARC advises the Permanent Secretary (as Principal Accounting Officer) and the Department's Board on the adequacy and effectiveness of governance, risk management and internal controls, and on the reliability and integrity of assurances used to inform this governance statement. The ARC also advises the Permanent Secretary and me, as Accounting Officer, on the structure and presentation of this ARA and also reviews the audit plan. I meet with our lead ARC representative quarterly, to discuss risks and comment on the ARA. A separate ARC meeting is convened specifically to discuss the ARA of the Agency.

PRC is responsible for regular oversight of the Department's:

- top tier risks (including the risk owned by STA)
- major programmes and projects (including delivery of national curriculum assessments)
- higher risk core business
- financial management and investment

Digital Data Technology (DDT) is responsible for the Department's strategic approach to:

- the transformation of services through digital, data and technology
- identifying an appropriate work programme that delivers both core business priorities and strategic enablers that deliver towards the wider change envisioned
- building a sustainable and skilled digital, data and technology workforce
- ensuring digital development delivers value for money services and that the risks of delivering them are properly managed

STA is scrutinised regarding its governance and control through:

- the SPR
- Schools Group leadership meetings
- meetings between the Director General of Schools Group and Chief Executive

Risk management

STA has an established risk management framework which is based upon:

- the Department's strategic risk framework
- UK government's [Management of Risk in Government](#)¹³

Our risk management statement was reviewed in March 2023. In line with the high reputational risk from failure of the national curriculum assessments testing agenda, our overall appetite for risk is low (risk averse).

Shared services

DfE continues to provide us with a number of corporate services as detailed in the accounting policies (note 1.14).

Business continuity

STA is responsible for managing its own business continuity plan (BCP), in line with the Department's wider arrangements.

Business continuity arrangements are reviewed by the senior managers across the Agency, facilitated by the security adviser. The most recent review was in April 2025.

We continue to keep the BCP under review as STA's remit changes and, where services are outsourced, have ensured supply chain business continuity plans are in place and tested annually.

Alongside our BCP, we continue to:

- review live national curriculum assessments risk contingencies
- trial delivery operations risk contingencies
- review BCPs for specific business areas (including those for the GQLS) with changes feeding back into the main BCP

Operational policy development and delivery

I am content that the arrangements for governance, internal control and risk management of our programmes provide me with assurance that our policy work meets ministerial intent. The Department aims to develop and appraise policies using the best available evidence, analysed using sound methodologies, in conjunction with stakeholders and partners. The Department subjects its policies to robust deliverability testing. I am content that the Departmental policies implemented by STA provide good guidance and direction to those delivering services to children, young people and parents, and that the policies link clearly to our core values and objectives.

Programme and project management

We have an established programme and project management (PPM) practices, based on the UK government's best practice.

These are reviewed and agreed by the relevant board meetings.

Test development progress is monitored during formal checkpoint meetings, held internally and with contractors, with frequency dependent on current activity.

Test materials are approved for use in trials and live tests during a series of project boards.

Our digital developments use the Government Digital Service (GDS) service standards and are subject to GDS assessments.

Our PPM framework includes a PPM tool which has been adapted for use within STA from a commercially available project information management tool and meets the Information Security Office standard for project management. This system, together with a range of PPM and risk management guidance, helps to ensure consistent assessment and reporting of programme and project progress. It also helps to ensure we actively manage risk throughout STA.

¹³ <https://www.gov.uk/government/publications/management-of-risk-in-government-framework>

Financial management

The Agency is subject to public expenditure controls. It adheres to the rules and policies laid down by the Department and by HMT in Managing Public Money, Consolidated Budgeting Guidance, FReM and other financial reporting instructions, where applicable. Monthly financial management reports are provided to STA as part of shared services provision by the Department. Monthly discussions are held with me, Deputy Directors and financial business partners, to ensure that forecasts are accurate, funds are spent appropriately, and risks are appropriately managed. Financial shared services and processes are also reviewed as part of the Department-wide audit, particularly to ensure that there are appropriate controls and division of responsibilities.

As part of shared services provision, the Department's finance team prepares the ARA in accordance with the guidance set out by the Cabinet Office and HMT. This is reviewed by EMB members.

Delivery arrangement and achievements against business plan

[STA's business plan](#)¹⁴ sets out:

- performance indicators
- programme delivery milestones
- objectives

Our achievement against the business plan is monitored through the EMB and assured by the SPR process. Our performance indicators:

- relate to services delivered by third-party suppliers on our behalf
- are supported by measurable outcomes set out in supplier contracts
- are monitored regularly through management information

All third-party suppliers have a designated contract manager within STA, as well as a Deputy Director for oversight. Contract managers are responsible for ensuring that third-party suppliers meet the requirements set out in their contract. These typically include timeliness and quality indicators.

For high-risk or large contracts, suppliers will typically be required to attend regular contract meetings where STA monitor performance against the contract and provide challenge. These meetings take place at least once a month and may be called by either party by exception.

¹⁴ <https://www.gov.uk/government/publications/standards-and-testing-agency-business-plan-2024-to-2026>

Information technology (IT) management and data safeguarding

STA received shared service IT support from the Department. IT systems were developed in accordance with Government Digital Standards and the needs of the user and business. The Agency's IT projects require approval from the Department's Technology Group. Once approved, we work with DDT – the Department's IT function – to prioritise and develop these systems.

To ensure that staff are aware of the need for secure information management, all staff undertake mandatory Security and Data protection training annually. STA has a clear process for reporting security and data incidents, which staff are required to adhere to.

All security incidents involving unauthorised disclosure, destruction or loss of data and near misses are reported to DfE central security and, if a breach of personal data is involved, to DfE's Office of the Data Protection Officer (ODPO). A log is maintained and submitted on a quarterly basis to the ARC. The log uses red, amber, green reporting to indicate the level of risk. No incidents were rated as more than a moderate (green/amber) risk and no incidents were escalated beyond STA.

STA had no protected personal data related incidents which ODPO judged significant enough to be formally notified to the ICO in the year (prior year: none). See the report on personal data breaches for further information.

During the year, STA has ensured its ongoing compliance with the General Data Protection Regulation, including:

- updating privacy notices
- annual reviews of data protection impact assessments
- annual review of data sharing agreements
- reviewing information assets
- reviewing records of processing activities
- reviewing supplier contracts to reflect new obligations

Information risk management

STA complies with government and Cabinet Office policies on risks to information and information systems. The Department's Chief Data Officer is the designated senior information risk owner (SIRO) with overall responsibility for the management of information security in DfE and its executive agencies.

This year, we have continued to maintain information and systems security documentation. We have taken particular care to ensure that our test delivery partners are compliant. We achieved this by applying the Departmental information security assurance model arrangements. Where we have limited assurance of our delivery partners' compliance, we record this in the risk register.

Working with the DfE Information Security Unit, we secured authority to operate approval from the SIRO for all test trial and live operations.

STA has a variety of information assets, which are essential to its operation and the delivery of its strategic objectives. Through DfE we maintain an information asset register. The register details the risk level of all individual information assets. Our Deputy Directors are information asset owners and have overall responsibility for protecting the information assets they own.

Deputy Directors review entries on the information asset register regularly and provide assurance to the Chief Executive that STA are performing functions in accordance with Departmental procedures.

STA recognises that a key risk to the security of its information assets would be if there were a lack of understanding of information security within STA and third parties who may access our data for their work. To mitigate this, all new members of staff receive a specific security induction briefing, and regular briefings are provided throughout the year to remind all staff of their security obligations. All staff, including those new to STA, complete mandatory training each year which includes security aspects.

Another risk in this area is the potential loss or corruption of its information assets by suppliers and delivery partners. STA's contract managers are therefore responsible for ensuring that those suppliers are fully compliant with current Department and wider government information assurance and security policies.

STA constantly monitors supplier performance against the contract, including accompanied site security inspections. Suppliers are required to return or securely destroy data at the end of each test cycle and/or upon completion of the services delivered under a commercial agreement and in line with the retention periods described within the information asset register.

I am satisfied that all the Agency's procurement and current contracts, where suppliers are responsible for handling Agency information or data, are compliant with the [Cabinet Office's security policy framework](#).¹⁵

The Agency adopts the Department's policy and process for whistleblowing. I am satisfied with this collaborative approach and the effectiveness of this arrangement.

Overall assessment

As Accounting Officer, I am satisfied that the Agency's internal control, risk management and governance arrangements are working effectively. STA continues to address any areas of weakness, including issues highlighted through assurance reviews by GIAA (see assurance section) and issues highlighted by NAO in previous years. STA continues to seek assurance from the Department's corporate functions as they transform, particularly where there are significant changes to finance and HR processes.

STA continues to deliver successfully across a broad range of areas and is well-placed for future test cycles.

Gillian Hillier
Accounting Officer
1 July 2025

¹⁵ www.gov.uk/government/publications/security-policy-framework

Remuneration and staff report

Overview

The Remuneration and staff report sets out the Agency's remuneration policy for board members, reports on how that policy has been implemented, and sets out the amounts awarded to directors and, where relevant, the link between performance and pension.

Remuneration report: part A (unaudited)

Executive management board members' remuneration policy

The Accounting Officer and the other core EMB members are senior civil servants whose pay is decided by the Department's Senior Civil Servant Pay Committee. The committee is chaired by the Department's Permanent Secretary and comprises members of the Department's Leadership Team and a departmental non-executive director. The committee makes decisions within the limits and delegated authorities set by the government in response to the annual report of the [Senior Salaries Review Body](#).¹⁶

Staff employed by an executive agency of the Department have performance management and contractual terms as described in the Department's ARA. As such, the Department manages performance management and non-consolidated performance awards for members of the Senior Civil Service within the [framework](#)¹⁷ set by the Cabinet Office. The contractual terms of the EMB members also comply with requirements set centrally by the Cabinet Office.

Service contracts

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 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](#)¹⁸ is published online.

¹⁶ <https://www.gov.uk/government/organisations/review-body-on-senior-salaries>

¹⁷ <https://www.gov.uk/government/organisations/civil-service>

¹⁸ <https://civilservicecommission.independent.gov.uk/>

Remuneration report: part B (audited)

Remuneration (including salary) and pension entitlements

The following sections provide details of the remuneration and pension interests of the Board members of the Agency. Figures in brackets are full year equivalent values for those members who didn't serve a full year in post.

	2024-25				
	Salary	Bonus payment	Benefits -in-kind	Pension benefits	Total
	£000	£000	to nearest £100	to nearest £1,000	£000
Chief Executive					
Gillian Hillier	110-115	-	1,600	80	190-195
Deputy Director					
Kate Moore	85-90	0-5	-	28	115-120
Kevin Cheung	85-90	-	-	34	120-125
Anne Counsell	75-80	0-5	-	31	110-115

	2023-24				
	Salary	Bonus payment	Benefits -in-kind	Pension benefits	Total
	£000	£000	to nearest £100	to nearest £1,000	£000
Chief Executive					
Gillian Hillier	105-110	0-5	4,200	70	185-190
Deputy Director					
Kate Moore	80-85	5-10	-	(23)	65-70
Kevin Cheung	80-85	0-5	-	33	115-120
Anne Counsell from 1 December 2023 annualised value	25-30 (75-80)	-	-	193	215-220

Accrued pension benefits included in this table for any individual affected by the public service pensions remedy have been calculated based on their inclusion in the legacy scheme for the period between 1 April 2015 and 31 March 2022, following the McCloud judgment. The public service pensions remedy applies to individuals that were members, or eligible to be members, of a public service pension scheme on 31 March 2012 and were members of a public service pension scheme between 1 April 2015 and 31 March 2022. The basis for the calculation reflects the legal position that impacted members have been rolled back into the relevant legacy scheme for the remedy period and that this will apply unless the member actively exercises their entitlement on retirement to decide instead to receive benefits calculated under the terms of the alpha scheme for the period from 1 April 2015 to 31 March 2022.

Salary

Salary includes gross salary, overtime, reserved rights to London weighting or London allowances, recruitment and retention allowances, private office allowances, and any other allowance to the extent that it is subject to UK taxation. This report is based on accrued payments made by the Agency and thus recorded in this ARA.

Benefits-in-kind

The monetary value of benefits-in-kind covers any benefits provided by the Agency during an individual's period of appointment to their board role and treated by HMRC as a taxable emolument.

During the year, one board member received benefits-in-kind to cover the cost of multi-site working (prior year: one). Multi-site working describes a situation where an employee regularly travels and works from multiple workplaces across our estate, and the reason for attendance is not a temporary purpose or limited duration. STA covers the cost of these expenses as a benefit-in-kind, as permitted by the Civil Service Management Code.

Bonuses

Bonuses are based on performance levels attained and are made as part of the appraisal process. SCS bonuses relate to the performance in the year in which they become payable to the individual. The bonuses reported in the year relate to performance in this year and the comparative bonuses reported relate to the performance last year.

The Agency follows the [performance management arrangements for the Senior Civil Service](#)¹⁹ and the Agency's performance management framework for managing and rewarding performance throughout the year.

Pay multiples

Reporting bodies are required to disclose the relationship between the remuneration of the highest-paid director in their organisation and the lower quartile, median and upper quartile remuneration of the organisation's workforce.

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.

The banded remuneration of the highest-paid director in the Agency in the financial year was £110,000 – £115,000 (prior year: £115,000 – £120,000). This was 2.4 times the median (prior year: 2.8), the decrease in this ratio compared to the prior year is due to an increase in the median remuneration and no bonus payment in the highest paid director's remuneration. The median remuneration of the workforce was £46,670 (prior year: £42,119). The increase in the median remuneration figure is due to the annual pay review and a change in the grade distribution of staff.

In this year, no employees (prior year: none) received remuneration in excess of the highest-paid director. Remuneration ranged from £29,000 – £115,000 (prior year: £27,000 – £120,000).

19 <https://www.gov.uk/government/publications/senior-civil-service-performance-management>

	2024-25		2023-24	
	Salary and allowances	Total pay and benefits	Salary and allowances	Total pay and benefits
	£	£	£	£
Band of highest paid director (£000)	110-115	110-115	105-110	115-120
Range (£000)	29-115	29-115	27-110	27-120
Upper quartile	56,353	56,953	53,669	54,063
Median	46,270	46,670	41,738	42,119
Lower quartile	37,635	37,635	33,094	33,335
	Ratio	Ratio	Ratio	Ratio
Upper quartile	2.0:1	2.0:1	2.0:1	2.2:1
Median	2.4:1	2.4:1	2.6:1	2.8:1
Lower quartile	3.0:1	3.0:1	3.2:1	3.5:1

Percentage change in the total salary and bonuses of the highest paid board member and the staff average

	2024-25		2023-24	
	Highest paid director	Staff average	Highest paid director	Staff average
	% change	% change	% change	% change
Salary and allowances	5%	6%	10%	5%
Bonuses	(100%)	29%	-	(61%)

Pensions benefits

As an executive agency of the Department, the Agency's staff are members of the Principal Civil Service Pension Scheme (PSCPS) and Civil Servants and Other Pension Scheme (CSOPS) that provides pension benefits. Readers can find details on the scheme at the [Civil Service Pensions website](#).²⁰

	Accrued pension at pension age as at 31 March 2025 and related lump sum	Real increase in pension and related lump sum at pension age	CETV at 31 March 2025	CETV at 31 March 2024	Real increase in CETV
	£000	£000	£000	£000	£000
Chief Executive					
Gillian Hillier	55-60	2.5-5	1,155	1,041	68
Deputy Directors					
Kate Moore	30-35 plus a lump sum of 85-90	0-2.5 plus a lump sum of 0-2.5	694	643	21
Kevin Cheung	0-5	0-2.5	57	31	17
Anne Counsell	10-15	0-2.5	187	148	22

Accrued pension benefits included in this table for any individual affected by the public service pensions remedy have been calculated based on their inclusion in the legacy scheme for the period between 1 April 2015 and 31 March 2022, following the McCloud judgment. The public service pensions remedy applies to individuals that were members, or eligible to be members, of a public service pension scheme on 31 March 2012 and were members of a public service pension scheme between 1 April 2015 and 31 March 2022. The basis for the calculation reflects the legal position that impacted members have been rolled back into the relevant legacy scheme for the remedy period and that this will apply unless the member actively exercises their entitlement on retirement to decide instead to receive benefits calculated under the terms of the alpha scheme for the period from 1 April 2015 to 31 March 2022.

Cash equivalent transfer value (CETV)

A 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.

²⁰ <https://www.civilservicepensionscheme.org.uk/>

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.

Real increase in CETV

This 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.

Civil Service pensions

Pension benefits are provided through the Civil Service pension arrangements. Before 1 April 2015, the only scheme was the PCSPS, which is divided into a few different sections – classic, premium, and classic plus provide benefits on a final salary basis, whilst nuvos provides benefits on a career average basis. From 1 April 2015 a new pension scheme for civil servants was introduced – the Civil Servants and Others Pension Scheme or alpha, which provides benefits on a career average basis. All newly appointed civil servants, and the majority of those already in service, joined the new scheme.

The PCSPS and alpha are unfunded statutory schemes and STA cannot identify its share of the scheme assets and liabilities. Employees and employers make contributions (employee contributions range between 4.6% and 8.05%, depending on salary). The balance of the cost of benefits in payment is met by monies voted by Parliament each year. Pensions in payment are increased annually in line with the pensions increase legislation. Instead of the defined benefit arrangements, employees may opt for a defined contribution pension with an employer contribution, the partnership pension account.

In alpha, pension builds up at a rate of 2.32% of pensionable earnings each year, and the total amount accrued is adjusted annually in line with a rate set by HMT. Members may opt to give up (commute) pension for a lump sum up to the limits set by the Finance Act 2004. All members who switched to alpha from the PCSPS had their PCSPS benefits 'banked', with those with earlier benefits in one of the final salary sections of the PCSPS having those benefits based on their final salary when they leave alpha.

The accrued pensions shown in this report are the pension the member is entitled to receive when they reach normal pension age, or immediately on ceasing to be an active member of the scheme if they are already at or over normal pension age. Normal pension age is 60 for members of classic, premium, and classic plus, 65 for members of nuvos, and the higher of 65 or state pension age for members of alpha. The pension figures in this report show pension earned in PCSPS or alpha – as appropriate. Where a member has benefits in both the PCSPS and alpha, the figures show the combined value of their benefits in the two schemes but note that the constituent parts of that pension may be payable from different ages.

When the government introduced new public service pension schemes in 2015, there were transitional arrangements which treated existing scheme members differently based on their age. Older members of the PCSPS remained in that scheme, rather than moving to alpha. In 2018, the Court of Appeal found that the transitional arrangements in the public service pension schemes unlawfully discriminated against younger members (the “McCloud judgment”).

As a result, steps are being taken to remedy those 2015 reforms, making the pension scheme provisions fair to all members. The [public service pensions remedy](#)²¹ is made up of two parts. The first part closed the PCSPS on 31 March 2022, with all active members becoming members of alpha from 1 April 2022. The second part removes the age discrimination for the remedy period, between 1 April 2015 and 31 March 2022, by moving the membership of eligible members during this period back into the PCSPS on 1 October 2023.

The accrued pension benefits, CETV and single total figure of remuneration reported for any individual affected by the public service pensions remedy have been calculated based on their inclusion in the PCSPS for the period between 1 April 2015 and 31 March 2022, following the McCloud judgment. The public service pensions remedy applies to individuals that were members, or eligible to be members, of a public service pension scheme on 31 March 2012 and were members of a public service pension scheme between 1 April 2015 and 31 March 2022. The basis for the calculation reflects the legal position that impacted members have been rolled back into the PCSPS for the remedy period and that this will apply unless the member actively exercises their entitlement on retirement to decide instead to receive benefits calculated under the terms of the alpha scheme for the period from 1 April 2015 to 31 March 2022.

The partnership pension account is an occupational defined contribution pension arrangement which is part of the Legal & General master trust. The employer makes a basic contribution of between 8% and 14.75% (depending on the age of the member). The employee does not have to contribute but, where they do make contributions, the employer will match these up to a limit of 3% of pensionable salary (in addition to the employer’s basic contribution). Employers also contribute a further 0.5% of pensionable salary to cover the cost of centrally provided risk benefit cover (death in service and ill health retirement).

Further details about the Civil Service pension arrangements can be found at www.civilservicepensionscheme.org.uk.²²

Compensation for loss of office

The Agency paid no compensation for loss of office in the year (prior year: none).

21 <https://www.gov.uk/government/collections/how-the-public-service-pension-remedy-affects-your-pension>

22 <https://www.civilservicepensionscheme.org.uk/>

Staff report: part A (audited)

Staff costs

	2024-25			2023-24
	Permanently employed staff	Other	Total	Total
	£000	£000	£000	£000
Wages and salaries	6,418	-	6,418	5,862
Social security costs	735	-	735	686
Pension costs	1,802	-	1,802	1,530
Sub-total	8,955	-	8,955	8,078
Less:				
capitalised staff costs	(754)	-	(754)	(333)
Total	8,201	-	8,201	7,745

Average number of persons employed

The average number of full-time equivalent persons employed during the year is shown in the table below

	2024-25			2023-24
	Permanently employed staff	Other	Total	Total
	Number	Number	Number	Number
Directly employed	134	-	134	125
Total	134	-	134	125

Pension schemes

Civil service pensions

The PCSPS and the Civil Servant and Other Pension Scheme (CSOPS), known as alpha, are unfunded multi-employer defined benefit schemes, but the Department is unable to identify its share of the underlying assets and liabilities. A full actuarial valuation was carried out as at 31 March 2020. You can find details in the resource accounts of the [Cabinet Office: Civil Superannuation](#).²³

For this financial year, employers' contributions of £1,795,000 (prior year: £1,523,000) were payable to the PCSPS and CSOPS at 28.97% of pensionable earnings, based on salary bands. It is estimated that employer contributions for the next financial year will be £1,847,000 (prior year: £1,632,000).

The scheme actuary reviews employer contributions usually every four years following a full scheme valuation. The contribution rates are set to meet the cost of the benefits accruing during the financial year to be paid when the member retires and not the benefits paid during this period to existing pensioners.

Partnership pension accounts

Employees can opt to open a partnership pension account, a stakeholder pension with an employer contribution. In the year employers' contributions of £10,764 (prior year: £6,843) were paid to one or more of the panel of three appointed stakeholder pension providers.

Employer contributions are age-related and range from 3% to 12.5% of pensionable earnings up to 30 September 2015 and from 8% to 14.75% of pensionable earnings from 1 October 2015. Employers also match employee contributions up to 3% of pensionable earnings. In addition, employer contributions of £383 (prior year: £246), 0.8% of pensionable pay up to 30 September 2015 and 0.5% of pensionable pay from 1 October 2015, were payable to the PCSPS and CSOPS to cover the cost of the future provision of lump sum benefits on death in service or ill health retirement of these employees.

Contributions due to the partnership pension providers at the year-end were £1,700 (prior year: £893). Contributions prepaid at that date were £nil (prior year: £nil).

²³ <https://www.civilservicepensionscheme.org.uk/knowledge-centre/resources/resource-accounts/>

III-health retirement

No persons (prior year: none) retired early on ill-health grounds.

Reporting of Civil Service and other compensation schemes

Exit package cost band	2024-25			2023-24		
	Compulsory redundancies	Other agreed exits	Total exit packages	Compulsory redundancies	Other agreed exits	Total exit packages
	Number	Number	Number	Number	Number	Number
£50,001-£100,000	-	1	1	-	-	-
Total number of exit packages	-	1	1	-	-	-
Total costs (£000)	-	83	83	-	-	-

Exit costs have been paid in accordance with the provisions of the Civil Service Compensation Scheme (CSCS), a statutory scheme made under the Superannuation Act 1972. The table above shows the total cost of exit packages agreed and accounted for in 2024-25 was £83,000 (2023-24: nil).

Staff report: part B (unaudited)

Analysis of staff policies and statistics

Our people

Staff by grade and gender

Our staff are a mix of civil servants and contractors. Our civil servants are employed by the Department on its terms and conditions. Responsibility has been delegated to me as Accounting Officer for the recruitment of staff within the parameters provided by the Department's policies and procedures.

The headcount for permanent staff as of 31 March 2025 is as follows:

	2024-25			2023-24		
	Male	Female	Total	Male	Female	Total
	Number	Number	Number	Number	Number	Number
SCS						
Director	-	1	1	-	1	1
Deputy Director	1	2	3	1	2	3
Non-SCS						
Grade 6	4	8	12	2	8	10
Grade 7	10	19	29	8	15	23
Senior executive officer	19	38	57	17	36	53
Higher executive officer	13	13	26	11	16	27
Executive officer	3	11	14	4	14	18
Total	50	92	142	43	92	135

Recruitment practice

The Agency has a duty to ensure it is fully compliant with the Civil Service Commissioners' recruitment principles. The Agency follows the Department's approach to recruitment which reflects its commitment to equal and fair opportunity for all. All recruitment processes comply with the Equality Act 2010. Details can be found in the Department's ARA.

Sickness absence

Figures below show the average number of working days lost through sickness absence across the Agency.

	2024-25	2023-24	2022-23	2021-22
Days per FTE	6.0	5.8	4.2	6.7

The figure is well below the Civil Service average, which was 7.8 average working days lost per full-time equivalents (FTE) in the [year ending 31 March 2024](#)²⁴ which is the most recently published information.

Staff turnover

The figures below show the number of leavers within the reporting period divided by the average staff in post over the reporting period presented as a percentage. Agency turnover (staff leaving the Agency) is compared to the Civil Service average.

	2024-25	2023-24	2022-23	2021-22
Civil Service turnover	5%	6%	9%	6%
Agency turnover	5%	8%	7%	2%

The Agency figure does not include staff who transferred within the Departmental Group.

Commitment to improving diversity

We have adopted the Department's Diversity and Inclusion Strategy 2022-26, launched in June 2022 with a vision to create an inclusive department, which nurtures talent and reflects the diversity of our department, mirroring the country we serve. We are proud of the progress we are continuing to make in our diversity and inclusion agenda.

The Department has seen increases in our workforce representation, to 20.4% for those from a minority ethnic background, 15.1% for disability and 8.6% for LGBO, as at the last day of Q3 2024-25. We continue to work towards achieving our SCS workforce representation targets for staff from an ethnic minority. We have exceeded our target for disability, at 12.3%.

We continue to be transparent with diversity data, publishing a quarterly diversity and inclusivity data dashboard, using data to support decision making and accountability. Alongside other characteristics, this dashboard includes data to support us to measure socio-economic background to progress work on social mobility.

Our central aim in building our internal diversity is based around continuing open and honest conversations across diverse characteristics which continues to be critical to driving positive change. Senior leaders and managers facilitate, and champion holding powerful conversations about inclusion and make sure all our staff feel accepted, valued, respected and supported.

As part of the commitment to be an inclusive department, this year the Department was included in the Top 75 UK employers as announced by the Social Mobility Employer Index. By accessing and progressing talent from all backgrounds, the Department will benefit from better decision-making, higher productivity and engagement, and more innovative thinking. A focus on social mobility will help the Department's wider diversity and inclusion goals – engaging with more people across the organisation.

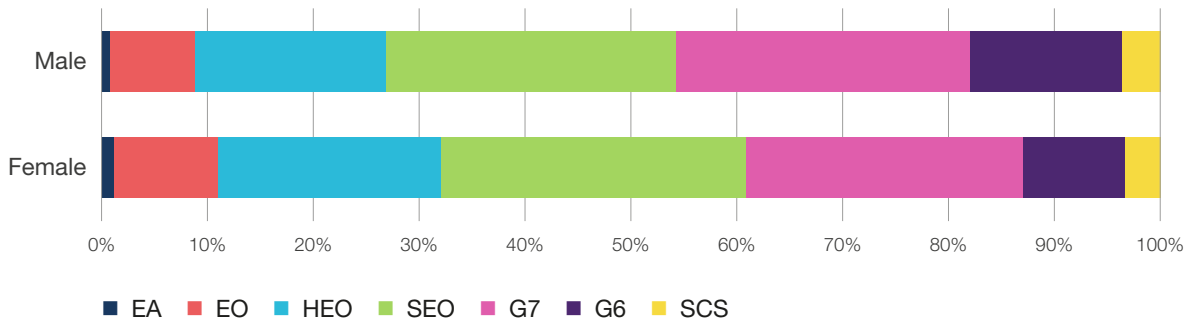
Staff policies for disabled persons

The Agency offers disability leave which is to enable employees with a disability to be able take reasonable time off from work to go for occupational rehabilitation, assessment or treatment to help them to return to work, or while they are waiting for a reasonable adjustment to be put in place.

Its recruitment policies also guarantee an interview to any disabled candidate who demonstrates that they meet the minimum standard required for the role.

Gender pay gap reporting

STA is included within the Department's Gender pay gap reporting. The Department's median gender pay gap at March 2024 was 8.2% (prior year: 4.9%) the latest date of available data. Our analysis has identified that over-representation of females in more junior grades is likely to be a significant contributor to the remaining pay gap. The 2024 Department and Agencies graph shows that whilst both the median male and female salary continue to be within the SEO pay band, the higher proportion of women in EA to HEO grades means the overall female median is closer to the middle of the SEO distribution for females while the median male's pay is closer to the top end of the SEO distribution for males. The value for March 2025 is not available at the time of publication and will be included in next year's ARA.

Figure 1: March 2024 grade breakdown by gender (Department and Agencies)

Engagement with employees

The Department and Agencies work with our trade unions, both formally and informally, engaging with them to promote an open and constructive relationship. We aim to promote a positive employee relations environment where staff and the trade unions can contribute constructively to our objectives.

The Department launched the strategic workforce plan in May 2022. Our vision for the future is to create a workforce with world class skills and capabilities, which is flexible and makes the best use of excellent talent by supporting increased diversity and social mobility as well as ensuring colleagues have well-defined development plans, and that clear career paths are set out for all those who want to progress and develop their expertise. The strategic workforce plan is aligned to the Government Reform Agenda and clearly articulates the ambitions for the future workforce.

The Department conducts a full People Survey annually, with the results published each December.

Table 8: Response rate and engagement indices for the past four years

	2024-25	2023-24	2022-23	2021-22
Response rate	78%	85%	79%	94%
Engagement index	62%	61%	61%	69%

The information from the survey is used to support development of the Department's strategies and continually improve our levels of employee engagement.

Fire, health and safety

STA follows the department's approach to Fire, health and safety. Further information can be found in the DfE Group annual report and accounts.

Review of tax arrangements of public sector appointees

As part of the Review of the Tax Arrangements of Public Sector Appointees published by the Chief Secretary to the Treasury on 23 May 2012, departments were directed to publish information pertaining to the number of off-payroll engagements at a cost of over £58,200 that were in place on, or after, 31 January 2012; and any off-payroll engagements of board members, and/or senior officials with significant financial responsibility, during 2024-25.

The tables on the following pages set out this information.

Table 9: Highly paid off-payroll worker engagements as at 31 March 2025, earning £245 per day or greater

	Total
Number of existing engagements as at 31 March 2025	1
Of which the number that have existed for:	
less than one year at time of reporting	1
between one and two years at time of reporting	-
between two and three years at time of reporting	-
between three and four years at time of reporting	-
four or more years at time of reporting	-

Table 10: All highly paid off-payroll workers engaged at any point during the year ended 31 March 2025, earning £245 per day or greater

	Total
Number of off-payroll workers engaged during the year ended 31 March 2025	1
Of which:	
not subject to off-payroll legislation	-
subject to off-payroll legislation and determined as in-scope of IR35	1
subject to off-payroll legislation and determined as out-of-scope of IR35	-
Number of engagements reassessed for compliance or assurance purposes during the year	-
Of which: number of engagements that saw a change to IR35 status following review	-
Of which: number of engagements that saw a change to IR35 status following review	-

Table 11: For any off-payroll engagements of board members, or senior officials with significant financial responsibility, between 1 April 2024 and 31 March 2025

	Total
Number of off-payroll engagements of board members, or senior officials with significant financial responsibility, during the financial year	-
Total number of individuals on- and off-payroll that have been deemed "board members or senior officials with significant financial responsibility" during the financial year. This figure should include both on- and off-payroll engagements	4

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. The Department's ARA reports this information for both the Department and executive agencies.

Parliamentary accountability and audit report

Overview

This section presents the disclosures to support Parliamentary accountability of STA. The balances disclosed in this section are subject to additional controls due to their nature and sensitivity. The audit certificate from the Comptroller and Auditor General is also included at the rear of this section.

Parliamentary accountability disclosures (audited)

We are custodian of taxpayers' funds and have a duty to parliament to ensure the regularity and propriety of our activities and expenditure. We manage public funds in line with Managing Public Money.

The importance of operating with regularity and the need for efficiency, economy, effectiveness and prudence in the administration of public resources to secure value for public money, is the responsibility of our accounting officer whose responsibilities are also set out in Managing Public Money. They include responsibility for the propriety and regularity of the public finances for which the accounting officer is answerable.

To discharge this responsibility and ensure our control totals are not breached, the following activities are in place:

- formal delegation of budgets
- detailed monitoring of expenditure
- monthly management reporting against control totals

In addition, we operate the three lines of defence model, which is included in our risk management framework.

Public sector losses and special payments

A1 Losses statement

	2024-25	2023-24
Total number of cases	1	7
	£000	£000
Cash losses	-	4
Fruitless payments	-	-
Claims waived or abandoned	-	28
Total	-	32

There were no losses over the additional disclosure threshold of £300,000 in the year (prior year: none).

A2 Special payments

There were no special payments made in the year (prior year: none).

A3 Gifts

There were no gifts made in the year (prior year: none).

Remote contingent liabilities

No additional remote contingent liabilities were identified this year (prior year: none).

Functional standards (unaudited)

The functional standard is part of a suite of management standards that promotes consistent and coherent ways of working across government, and provides a stable basis for assurance, risk management and capability improvement. Standard GovS 006 sets out expectations for effective management and use of public funds.

The suite of standards, and associated guidance, can be found at [GOV.UK](https://www.gov.uk/government/collections/functional-standards)²⁵.

Gillian Hillier
Accounting Officer
1 July 2025

²⁵ <https://www.gov.uk/government/collections/functional-standards>

The certificate and report of the Comptroller and Auditor General to the House of Commons

Opinion on financial statements

I certify that I have audited the financial statements of the Standards and Testing Agency for the year ended 31 March 2025 under the Government Resources and Accounts Act 2000.

The financial statements comprise the Standards and Testing Agency's

- Statement of Financial Position as at 31 March 2025;
- 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 Standards and Testing Agency's affairs as at 31 March 2025 and its net expenditure for the year then ended; and
- have been properly prepared in accordance with the Government Resources and Accounts Act 2000 and HM Treasury 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 (2024)*. 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 2024*. I am independent of the Standards and Testing Agency 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 Standards and Testing Agency'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 Standards and Testing Agency'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 Standards and Testing Agency is adopted in consideration of the requirements set out in HM Treasury's Government Financial Reporting Manual, which requires 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 information included in the Annual Report, but does not include the financial statements and my auditor's certificate and report thereon. 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 HM Treasury directions issued under the Government Resources and Accounts Act 2000.

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 HM Treasury directions issued under the Government Resources and Accounts Act 2000; 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 Standards and Testing Agency 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 Standards and Testing Agency 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 Chief Executive as 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 Standards and Testing Agency 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 statements to be free from material misstatement, whether due to fraud or error;
- preparing financial statements which give a true and fair view and are in accordance with HM Treasury directions issued under the Government Resources and Accounts Act 2000;
- preparing the annual report, which includes the Remuneration and Staff Report, in accordance with HM Treasury directions issued under the Government Resources and Accounts Act 2000; and
- assessing the Standards and Testing Agency'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 Standards and Testing Agency 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 Government Resources and Accounts Act 2000.

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, I:

- considered the nature of the sector, control environment and operational performance including the design of the Standards and Testing Agency's accounting policies.
- inquired of management, the Standards and Testing Agency's head of internal audit and those charged with governance, including obtaining and reviewing supporting documentation relating to the Standards and Testing Agency'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 Standards and Testing Agency's controls relating to the Standards and Testing Agency's compliance with the Government Resources and Accounts Act 2000 and Managing Public Money;

- inquired of management, the Standards and Testing Agency'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 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 Standards and Testing Agency for fraud and identified the greatest potential for fraud in the following areas: posting of unusual journals, complex transactions and bias in management estimates. In common with all audits under ISAs (UK), I am required to perform specific procedures to respond to the risk of management override.

I obtained an understanding of the Standards and Testing Agency's framework of authority and other legal and regulatory frameworks in which the Standards and Testing Agency operates. 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 Standards and Testing Agency. The key laws and regulations I considered in this context included Government Resources and Accounts Act 2000, Managing Public Money, Supply and Appropriation (Main Estimates) Act 2024, employment law and tax 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 and the Audit and Risk Committee concerning actual and potential litigation and claims;
- I reviewed minutes of meetings of those charged with governance and the Board; and internal audit reports; and
- I addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and other adjustments; assessing whether the judgements on estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

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

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

Other auditor's responsibilities

I am required to obtain sufficient appropriate audit evidence 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
Comptroller and Auditor General
8 July 2025

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 2025

	Note	2024-25	2023-24
		£000	£000
Staff costs	3	8,201	7,745
Grant expenditure	4	2,673	3,315
Operating expenditure	5	42,202	39,099
Total operating expenditure		53,076	50,159
Finance expense		1	1
Net expenditure		53,077	50,160
Comprehensive net expenditure for the year		53,077	50,160

All income and expenditure reported in the Statement of Comprehensive Net Expenditure are derived from continuing operations.

The notes on [page 74](#) to [page 83](#) form part of these accounts.

Statement of Financial Position

As at 31 March 2025

		2025	2024
	Note	£000	£000
Non-current assets			
Intangible assets	6	19,395	14,617
Total non-current assets		19,395	14,617
Current assets			
Receivables	8	106	125
Cash and cash equivalents	9	1,447	366
Total current assets		1,553	491
Total assets		20,948	15,108
Current liabilities			
Payables	10	(10,281)	(9,080)
Total current liabilities		(10,281)	(9,080)
Total assets less total liabilities		10,667	6,028
Taxpayers' equity			
General Fund		10,667	6,028
Total taxpayers' equity		10,667	6,028

Gillian Hillier
Accounting Officer
1 July 2025

The notes on [page 74](#) to [page 83](#) form part of these accounts.

Statement of Cash Flows

For the year ended 31 March 2025

	Note	2024-25	2023-24
		£000	Restated £000
Cash flows from operating activities			
Net expenditure	SoCNE	(53,077)	(50,160)
Adjustments for non-cash transactions		2,307	1,958
(Increase)/decrease in receivables	8	19	131
Increase/(decrease) in payables	10	883	(1,660)
Finance expense		-	1
Net cash outflow from operating activities		(49,867)	(49,730)
Cash flows from investing activities			
Purchase of intangible assets	6	(5,554)	(4,027)
Net cash outflow from investing activities		(5,554)	(4,027)
Cash flows from financing activities			
Draw down of Supply from sponsor department	SoCTE	56,503	52,078
Finance expense		(1)	(1)
Net cash inflow from financing activities		56,502	52,077
Net increase/(decrease) in cash and cash equivalents in the period		1,081	(1,680)
Cash and cash equivalents at beginning of year		366	2,046
Cash and cash equivalents at end of year		1,447	366

Management reviewed the presentation of financing activities to make the presentation clearer. Finance costs are now included in cash flows from financing activities. The change required the prior year's cash disclosures to be restated to adopt this revised approach.

The notes on [page 74](#) to [page 83](#) form part of these accounts.

Statement of Changes in Taxpayers' Equity

For the year ended 31 March 2025

	Note	General Fund £000
Balance as at 31 March 2023		3,246
Net Parliamentary funding – drawn down		52,078
Comprehensive expenditure for the year	SoCNE	(50,160)
Non-cash adjustments		
Intra-Group transactions		(1,914)
Auditor's remuneration	5	72
Notional shared service recharges	5	2,706
Balance at 31 March 2024		6,028
Net Parliamentary funding – drawn down		56,503
Comprehensive expenditure for the year	SoCNE	(53,077)
Non-cash adjustments		
Intra-Group transactions		(1,975)
Auditor's remuneration	5	83
Notional shared service recharges	5	3,105
Balance at 31 March 2025		10,667

The General Fund represents total assets less liabilities, to the extent that the total is not represented by other reserves and financing items for the Agency.

The notes on [page 74](#) to [page 83](#) form part of these accounts.

Notes to the accounts

1. Statement of accounting policies

These accounts have been prepared in accordance with the 2024-25 FReM issued by HMT. This is set out in a statutory Accounts Direction issued pursuant to section 7(1), (2) and (5) of the Government Resources and Accounts Act 2000.

The accounting policies contained in FReM apply International Financial Reporting Standards (IFRSs) as adapted or interpreted for the public sector context. Where FReM permits a choice of accounting policy, the accounting policy which is judged to be most appropriate to the particular circumstances of the Agency for the purpose of giving a true and fair view has been selected.

The particular policies adopted by the Agency for this financial year are described below. They have been applied consistently in dealing with items considered material in relation to the accounts.

1.1 Accounting convention

These accounts have been prepared under the historical cost convention.

1.2 Going concern

STA has agreed a budget for the financial year and actively monitors the sufficiency of future grant-in-aid to meet the needs of its corporate plan for twelve months from approval of these accounts. Furthermore, DfE has provided confirmation of support for the going concern period to July 2026 that enables STA to deliver its objectives and continued regulatory intent. Our management of associated risks is outlined in the governance statement section of this report, and STA's continued existence remains a matter of policy.

Therefore, it is considered appropriate to adopt a going concern basis for the preparation of these financial statements.

As an executive agency, funding for STA will be met by DfE as the sponsoring department. The 2025 Spending Review achieved a funding settlement to 2028-29 that recognised the important role that DfE plays in delivering government objectives, which includes an appropriate level of grant-in-aid being provided to STA to support increased capacity for its core business.

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. These are based on historic and other factors that are believed to be reasonable. The results of these form the basis for making judgements. The estimates and underlying assumptions are reviewed on an on-going basis.

Management has specifically made such judgements on:

1.3.1 Intangible assets

The recognition of internally developed intangible assets involves three critical judgements by management. The first judgement is over the projected feasibility of the intangible asset once it has been completed. Internally created intangible assets can only be recognised when management are satisfied that the organisation has the technical and operational ability to complete the development of the asset, which will result in a useable or saleable product.

The second critical judgement is the identification of internal costs that are required to be included in the assets carrying value. Internal costs are only included if they are direct costs wholly incurred in developing the intangible asset once the asset's development has moved into the development phase from the earlier research phase.

The third critical judgement is the identification of when the asset is ready to be brought into use and its useful economic life. This will determine the amortisation period of the asset.

Intangibles are assessed for impairment annually at year end, or sooner if potential impairment conditions are identified.

Further details can be found in [note 6](#).

1.3.2 Contract accruals

The preparation of financial statements requires STA to make estimates and assumptions relating to un-invoiced goods or services that affect the reported amounts of assets and liabilities. Actual results could differ from these estimates. The most significant accrual for STA is the expenditure related to the TOpS contract. An increase in this estimate of 1% would lead to an increase in expenditure of approximately £75,000. As this is an area where judgement of material work in progress of services is required, these have been agreed with the supplier.

Further details can be found in [note 10](#).

1.4 Adoption of FReM amendments

There have been no significant amendments to FReM for the year.

1.5 Early adoption

The Agency has not early adopted any accounting standards in the year.

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 Agency must disclose where it has not applied a new IFRS that has been issued but is not yet effective. The Agency has carried out a review of the IFRSs in issue but not yet effective, to assess their impact on its accounting policies and treatment.

1.6.1 IFRS 17 Insurance Contracts (IFRS 17)

Effective central government bodies for annual periods beginning on or after 1 April 2025. We expect FReM will present adaptations and interpretations.

The standard makes changes to how insurance contracts are accounted for and may in certain circumstances widen the scope of which financial positions are judged to be in-scope for the standard than those previously caught by IFRS 4 Insurance Contracts (IFRS 4). The Agency does not expect any significant impact from adopting the new standard.

1.6.2 IFRS 18 Presentation and Disclosure in Financial Statements

This standard was issued on 9 April 2024 with an effective date for the private sector of reporting periods beginning on or after 1 January 2027. The standard has not yet been adopted by FReM, so there is as yet no effective date for central government bodies.

The objective of the standard is to set out requirements for the presentation and disclosure of information in financial statements to help ensure they provide relevant information that faithfully represents an entity's assets, liabilities, equity, income and expenses.

Until the standard is adopted into FReM, with adaptations and interpretations for the public sector context decided, it is not possible for the Agency to assess the impact on our reporting.

1.6.3 IFRS 19 Subsidiaries without Public Accountability: Disclosures

This standard was issued on 9 May 2024 with an effective date for the private sector of reporting periods beginning on or after 1 January 2027. The standard has not yet been adopted by FReM, so there is as yet no effective date for central government bodies.

This standard, as issued, addresses how subsidiaries of IFRS-applying entities present their own IFRS-compliant financial statements. As an executive agency of a government department, the Agency has significant public accountability. As such we do not expect this standard to have any significant impact on our reporting. However, until the standard is adopted into FReM with public sector context adaptations and interpretations, the position cannot be fully determined.

1.6.4 Social Benefits

The 2025-26 FReM will include new guidance on accounting for social benefits. The 2025-26 FReM will define social benefits as 'current transfers received by households (including individuals) intended to provide for the needs that arise from certain events or circumstances, for example, sickness, unemployment, retirement, housing, education, or family circumstances.

We have yet to quantify the impact of the change.

1.7 Segmental reporting

In accordance with IFRS 8 Operating Segments (IFRS 8), the Agency has considered the need to analyse its income and expenditure relating to operating segments. The Agency has assessed that all lines of operation fall within the same geographical location and regulatory environment as envisaged by IFRS 8.

Since segmental information for total assets and liabilities is not regularly reported to the chief operating decision-maker and in compliance with FReM, it has not been produced in the accounts.

1.8 Draw down of Supply from sponsoring department

The Agency has recorded all draw down of funding from the Department as financing, as the Agency regards draw down of Supply as contributions from the Agency's controlling party giving rise to a financial interest. The Agency records draw down of Supply as financing in the Statement of Cash Flows and draw down of Supply to the General Reserve.

1.9 Grants payable

1.9.1 Expenditure

All grants made by the Agency are recorded as expenditure in the period in which the allocation or claim is paid, as the grant funding is not directly related to activity in a specific period and is not designed to, in line with legislation. The allocations or claims are deemed the only appropriate and measurable activity that truly creates an entitlement for the recipient.

1.9.2 Recoveries

Grants and other funding paid to end users that are unspent at the year-end may be retained to fund future activity. The Agency does not recognise a prepayment if the end user has not spent the grant due to timing or delays.

1.10 Pensions

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

Where the Agency makes contributions to defined contribution pension schemes (which do not have underlying assets and liabilities) and unfunded, multi-employer defined benefit pension schemes (where the Agency is unable to identify its share of underlying assets and liabilities), the Agency recognises contributions payable in the SoCNE.

Further details of the pension schemes are available in the [Remuneration and staff report](#).

1.11 Financial instruments

As the cash requirements of the Agency are met through the Estimates process, financial instruments play a more limited role in creating and managing risk than would apply to a non-public sector body. The majority of financial instruments relate to contracts to buy non-financial items in line with the Agency's expected purchase and usage requirements, and the Agency is therefore exposed to little credit, liquidity or market risk.

1.11.1 Financial assets

Financial assets include cash and cash equivalents, trade and other receivables. The Agency determines the classification of its financial assets at initial recognition. Financial assets are recognised initially at fair value, normally being the transaction price. The Agency does not hold derivative financial instruments.

All of the Agency's financial assets fall under the IFRS 9 Financial Instruments category of amortised cost for the purposes of subsequent measure.

Amortised cost

Financial assets classified as amortised cost include:

- trade and other receivables which have fixed or determinable payments that are not quoted on an active market – they do not carry any interest
- cash and cash equivalents comprise cash in hand and on demand deposits

The above asset types are subsequently recognised at amortised cost using the effective interest method. Carrying values are based on initial fair value adjusted for interest charges and repayments. Appropriate impairment allowances for estimated irrecoverable amounts are recognised in the SoCNE based on expected losses for a particular asset, or group of assets. The allowance recognised is measured as the difference between the asset's carrying amount and the estimated future recoverable amount.

1.11.2 Financial liabilities

Financial liabilities are measured at amortised cost and include trade and other payables. The Agency does not have derivative financial instruments. The Agency determines the classification of its financial liabilities at initial recognition.

Trade and other payables

Trade and other payables are generally not interest bearing and are stated at their face value on initial recognition. Subsequently, they are measured at amortised cost using the effective interest method.

1.12 Intangible assets

Assets are capitalised as intangible assets where expenditure of £2,500 or more is incurred. Intangible assets are initially valued at cost, then carried at cost. Assets are amortised over their estimated useful economic lives. Assets under construction are not amortised but are assessed for impairment annually.

The asset life for developed software is 3-5 years.

1.13 Value added tax

Most of the activities of the Agency are outside the scope of VAT. In general, output tax does not apply or, where it does, input tax on purchases is not recoverable. Irrecoverable VAT is charged to the relevant expenditure category or included in the capitalised purchase cost of intangible assets. Where output tax is charged or input tax is recoverable, the amounts are stated net of VAT.

1.14 Shared services

The Department provides a number of corporate functions as a shared service reflecting the Department's operating model as follows:

- human resources
- estates and facilities management
- communications
- legal services
- information and technology services
- corporate finance and procurement, including transactional services

The accounts include a notional recharge from the Department to the Agency to reflect the costs of these shared services. The Department makes direct charges in relation to those services which can be directly apportioned to the Agency and the remainder is an apportionment of costs. The apportionment is calculated as a cost per full time equivalent employee within the Departmental group multiplied by the number of the Agency's full time equivalent employees.

2. Statement of operating costs by operating segment

STA has three divisions which are reported as operating segments further details can be found under the structure of the Agency.

Administrative costs are split between the divisions at a higher level. Additionally, administration and shared services are identified as a reporting segment for the analysis required by IFRS 8.

The lines of operation fall within the same geographical location and regulatory environment. Segmental analysis of the Agency's assets and liabilities are not reviewed by management and consequently are not provided here.

Further details of the operating divisions can be seen in the Performance Report.

2.1 2024-25

	Assessment Operations and Services	Assessment Research and Development	Assessment Digital Data and Technology	Admin and Shared Services	Total
	£000	£000	£000	£000	£000
Gross expenditure	7,772	38,559	753	2,805	49,889
Income	-	-	-	-	-
Expenditure before notional charges	7,772	38,559	753	2,805	49,889
Notional charges					
Shared service recharge	-	-	-	3,105	3,105
Auditor's remuneration	-	-	-	83	83
Total notional charges	-	-	-	3,188	3,188
Net expenditure	7,772	38,559	753	5,993	53,077

2.2 2023-24

	Assessment Operations and Services	Assessment Research and Development	Admin and Shared Services	Total
	£000	£000	£000	£000
Gross expenditure	7,061	37,084	3,237	47,382
Income	-	-	-	-
Expenditure before notional charges	7,061	37,084	3,237	47,382
Notional charges				
Shared service recharge	-	-	2,706	2,706
Auditor's remuneration	-	-	72	72
Total notional charges	-	-	2,778	2,778
Net expenditure	7,061	37,084	6,015	50,160

3. Staff costs

Disclosures relating to staff numbers and costs are detailed within the [Remuneration and staff report](#).

4. Grant expenditure

STA pays KS2 Teacher Assessment Moderation and Phonics Screening Check grants to local authorities and academy trusts. This funding is provided to support activities to carry out moderation of teacher assessment at KS2 and the PSC.

	2024-25	2023-24
	£000	£000
Grants paid to:		
local authorities	1,774	1,810
academy trusts	899	1,505
Total	2,673	3,315

5. Operating expenditure

	2024-25	2023-24
	£000	£000
Test delivery	20,938	23,262
Print, logistics and system maintenance	6,201	5,950
Test research and development	7,300	5,584
Reception baseline assessment	3,104	72
Other expenditure	377	356
Sub-total	37,920	35,224
Non-cash items		
Amortisation	1,094	1,094
Impairments	-	(34)
Bad debt write-off	-	37
Auditor's remuneration	83	72
Shared service recharges	3,105	2,706
Sub-total	4,282	3,875
Total	42,202	39,099

6. Intangible assets

	2025			2024		
	Software	AuC	Total	Software	AuC	Total
	£000	£000	£000	£000	£000	£000
Cost						
1 April	5,378	12,520	17,898	5,378	8,493	13,871
Additions	-	5,872	5,872		4,027	4,027
At 31 March	5,378	18,392	23,770	5,378	12,520	17,898
Amortisation						
1 April	(3,281)	-	(3,281)	(2,187)	-	(2,187)
Charged in year	(1,094)	-	(1,094)	(1,094)	-	(1,094)
At 31 March	(4,375)	-	(4,375)	(3,281)	-	(3,281)
Carrying value as at 31 March	1,003	18,392	19,395	2,097	12,520	14,617

7. Financial instruments

7.1 Financial assets

	2025	2024
	£000	£000
Receivables	106	125
Cash	1,447	366
Total	1,553	491

7.2 Financial liabilities

	2025	2024
	£000	£000
Payables	10,281	9,080
Total	10,281	9,080

8. Receivables

	2025	2024
	£000	£000
Amounts falling due within one year		
Prepayments	1	43
VAT	105	82
Total	106	125

9. Cash and cash equivalents

	2025	2024
	£000	£000
Balance at 1 April	366	2,046
Net changes in cash balance	1,081	(1,680)
Balance at 31 March	1,447	366
The following balances were held as cash at bank and in hand		
Government Banking Service	1,447	366
Balance at 31 March	1,447	366

10. Current payables

	2025	2024
	£000	£000
Other taxation and social security	184	166
Trade payables	184	446
Other payables	185	156
Accruals	9,728	8,312
Total	10,281	9,080

11. Other financial commitments

There are no financial commitments as at 31 March 2025. The Agency has reviewed contractual arrangements and found that all the commitments reported in 2023-24 were draw down contracts where no non-cancellable element existed. The amounts disclosed in 2023-24 were £5,765k for capital commitments and £49,332k for other commitments.

12. Related party transactions

As well as the disclosures in the remuneration and staff report, the following relationships are also considered as related parties and have therefore been disclosed in line with IAS 24 Related Party Disclosures. Transactions are classified as related party transactions if they occurred during the period the board member named held office.

The Agency regards the Department as a related party. During the year, the Agency had a number of material transactions with the Department and with other entities for which the Department is the parent department including the Education and Skills Funding Agency and the Teaching Regulation Agency.

In addition, the Agency has had a number of transactions with other government departments and central bodies. Most of these transactions have been with HMRC, PCSPS and CSOPS.

The Agency and its Board members had no other relationships which would be considered as related parties in the year (prior year: none).

13. Events after the reporting period

13.1 Adjusting or non-adjusting events

There have been no events after 31 March that require disclosure.

13.2 Authorisation

These accounts were authorised for issue by the Accounting Officer on the date they were certified by the Comptroller and Auditor General. There have not been any other significant post year end events that have required disclosure in the accounts.



Annexes (not subject to audit)

Annex A – Glossary of terms

Abbreviation or term	Description
STA, or Agency	Standards and Testing Agency
AFR	Assurance framework record
ARA	Annual Report and Accounts
ARC	Audit and Risk Committee
AOS	Assessment Operations and Services division
ARD	Assessment Research and Development division
AuC	Assets under Construction
BCP	Business Continuity Plan
BTEC	Business and Technology Education Council
Capita	Capita Business Services
CEO	Chief Executive Officer
CETV	Cash Equivalent Transfer Value
DDat/DDT	Digital, Data and Technology
DfE, Department	Department for Education
EMB	Executive Management Board
ESFA	Education and Skills Funding Agency, formerly an executive agency of the Department
FReM	Financial Reporting Manual
FTE	Full Time Equivalent
GCE	General Certificate of Education
GCSE	General Certificate of Secondary Education
GDS	Government Digital Service
GQ	General Qualification
GQLS	General Qualification Logistics Service
GIAA	Government Internal Audit Agency
HMRC	His Majesty's Revenue and Customs
HMT	His Majesty's Treasury
ICO	Information Commissioners Office
IT	Information technology
KPI	Key Performance Indicator
KS1	Key stage 1

Abbreviation or term	Description
KS2	Key stage 2
MTC	Multiplication tables check
NAO	National Audit Office
ODPO	Office of the Data Protection Officer
Ofqual	Office of Qualifications and Examinations Regulation
PAG	Primary Assessment Gateway
PCSPS	Principal Civil Service Pension Scheme
PPM	Programme and Project Management
PRC	Performance and Risk Committee
PSC	Phonics screening check
RaSC	Risk and Security Committee
RBA	Reception baseline assessment
SCS	Senior Civil Servant
SIRO	Senior Information Risk Owner
SPR	Strategic Performance Review
STA	Standards and Testing Agency
T Level	Technical Level
TOpS	Test Operations Service
VTQ	Vocational Technical Qualification
2023-24 and 2024-25	Financial years, ending on 31 March
2023/24 and 2024/25	Academic years, ended on 31 August
2023 and 2024	Year in which assessments are carried out



Standards
& Testing
Agency