Cyngor Addysgu Cyffredinol Cymru
General Teaching Council for Wales

Annual Report and Accounts 2001-2002

Defining Professionalism

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The General Teaching Council for Wales is the statutory, self-regulating professional body for teachers in Wales. It seeks to raise the status of teaching by maintaining and promoting the highest standards of professional practice and conduct in the interests of teachers, pupils and the general public.

The Council aims to provide an independent, representative and authoritative voice for the teaching profession in Wales and seeks to provide robust advice to the Welsh Assembly Government and other organisations on teaching issues.

Foreword by the Chairman

This report marks the first full year's work of the General Teaching Council for Wales at the end of which the Council was still but 19 months old.

Over the year covered by this report, much has been achieved and as a Council, we are very pleased with the progress we have made. Importantly, we have been able to make progress in partnership with others as we have worked closely with the teacher unions, schools and LEAs in taking forward our objectives and appreciate their support. We are also very grateful to the Minister for Education and Lifelong Learning and her officials for the support, financial and otherwise, afforded to us during the year.

Of necessity, as a new organisation we have had to engage with the full range of regulatory and advisory responsibilities which are remitted to us. This report highlights our achievements against our objectives and targets but I would like to take the opportunity to highlight a few. On the regulatory side of our work, we registered 38,000 teachers in the period, consulted on and agreed the first Professional Code for Teachers in Wales and put in place procedures and rules for dealing with the small number of teachers accused of serious professional misconduct or incompetence. These are important building blocks in the area of developing and maintaining professional standards which are the function of any self-regulating professional body.

On the advisory side of our work, we placed a great priority on developing advice to the Welsh Assembly Government on the continuing professional development (CPD) of teachers, and at the end of the reporting period had completed a major consultation on the advice paper prior to sending this to the Assembly. We also engaged with the issue of recruitment to the teaching profession by undertaking a successful survey of secondary schools and submitting advice to the Assembly on the issue, as well as responding to consultations by the Assembly and others on behalf of the teaching profession in Wales.

During the course of the year, we were asked by the Assembly to administer and evaluate approaches to individually-focused CPD through a series of pilot projects. I am particularly pleased to be able to report that in the 7 months in which the £1.3 million funding was available to teachers, nearly 1,500 teachers were successful in their applications for bursaries, visits and exchanges and teacher research scholarships. This has not only been of great benefit to the participants but has also helped develop our thinking about the professional development opportunities which should be the entitlement of all teachers. The programme has now been expanded for 2002-03 with £5 million available to teachers for a range of CPD activities, including sabbaticals and professional networks.

I hope you will find the detail of our achievements set out in the pages of this Annual Report and Accounts both informative and encouraging.

Yours sincerely

Professor John Andrews CBE
Chairman

Executive Summary

Key Successes during 2001-2002

The Council achieved the targets outlined in its first full year Operational Plan 2001-2002 building on the solid foundation provided during its first year. The Council has been able to move ahead in areas such as the raising the status of teachers and the provision of advice to the Welsh Assembly Government on teaching issues.

During the year 2001-2002 the Council has:

- registered 38,200 qualified teachers, including 1,700 newly qualified teachers in September 2001;
- developed effective systems to collect a registration fee for all registered teachers;
- agreed the first Professional Code for Teachers in Wales;
- undertaken work to develop the first stage of advice to the Welsh Assembly Government on continuing professional development (CPD) of teachers by producing and consulting on the document *"Continuing Professional Development – An Entitlement for All";*
- administered £1.3million of funding to pilot and evaluate approaches to individually-focused CPD. Between September 2001 and March 2002 nearly 1,500 teachers in nearly a third of Wales' schools have participated in the projects;
- undertaken a survey of recruitment issues in secondary schools. There was a 73% response to the survey and a report of the findings *"Teacher Recruitment Survey 2001"* was published;
- agreed its *Disciplinary Procedures & Rules* for dealing with cases of serious professional misconduct or incompetence and investigated a small number of cases referred to it;
- published the first Annual Statistics Digest from the Register;
- responded on behalf of the profession on Welsh Assembly Government consultations and consultations by other organisations;
- prepared and distributed a range of publicity and policy materials about the Council's work;
- planned and budgeted for the Council's activities for the next three years.

Introduction

This is the second Annual Report of the General Teaching Council for Wales covering the first full year of operation from 1 April 2001 to 31 March 2002.

The General Teaching Council for Wales is the self-regulating professional body for teachers in Wales and was formed by the 1998 Teaching and Higher Education Act. The Council came into being on 1 September 2000.

A General Teaching Council for England was also set up on 1 September 2000. Scotland has had a General Teaching Council since 1966. The Council has sought to co-operate with its sister Councils and learn from their experiences.

The principal aims of the Council set out in the 1998 Act are:

- to contribute to improving the standards of teaching and the quality of learning,

and

- to maintain and improve standards of professional conduct amongst teachers, in the interests of the public.

The Council is responsible for:

- advising the National Assembly for Wales and other designated bodies on:
  - standards of teaching;
  - standards of conduct for teachers;
  - the role of the teaching profession;
  - the training, career development and performance management of teachers;
  - recruitment to the teaching profession;
  - medical fitness to teach;

  and, if required by the National Assembly for Wales, any other matters relating to teaching.

- establishing and maintaining a Register of qualified teachers in Wales;
- providing a Professional Code for registered teachers;
- carrying out disciplinary functions relating to teachers accused of serious;
- professional misconduct and incompetence.
- At the request of the Welsh Assembly Government, the Council may undertake activities designed to promote recruitment to the teaching profession and the CPD of teachers.

The establishment of the Council gives teachers in Wales an opportunity to regulate their profession and to lead and shape educational change.

The Council has a membership of 25 of which a majority are teachers. Twelve members were elected by teachers nine were appointed by the National Assembly for Wales following nominations made by the teaching unions and other listed organisations and four members were directly appointed by the National Assembly for Wales. The Council's membership includes 16 teacher and headteacher members and 9 members from other areas of education who bring a wide range of experiences to the Council.

During the period covered by this Annual Report, the Chairman was Professor John Andrews, CBE. Senior staff were: Gary Brace (Chief Executive), Hayden Llewellyn (Registrar), Chris James (Director of Finance and Personnel) and Tegryn Jones (Policy and Planning Officer).

Planning the Council's Activities

The Council's activities for the period from 1 April 2001 are outlined in the Corporate Plan 2001-2004 and Operational Plan 2001-2002. The Council's performance against the targets and performance measures in the Operational Plan 2001-2002 provide the main focus for this Annual Report.

The Council's activities for the period The Operational Plan focused on four objectives:

Objective 1:
to provide an independent, representative and authoritative voice for the profession on teaching issues

1.1 Providing advice on teaching issues
1.2 Publicising the Council's guidance to the profession

Objective 2:
to raise the status of teaching as a profession

2.1 Developing relationships with teachers
2.2 Developing relationships with external stakeholders

Objective 3:
to maintain and promote the highest standards of professional conduct and practice

3.1 Maintaining the Register of Qualified teachers
3.2 Developing the Professional Code for Teachers
3.3 Undertaking the Council's disciplinary functions
3.4 Stimulating and facilitating research into teaching

Objective 4:
to run an efficient organisation which achieves value for money

4.1 Implementing the Council's planning process and setting targets
4.2 Developing and implementing policies
4.3 Ensuring robust financial control
4.4 Staffing and staff development
4.5 Ensuring value for money
4.6 Administrative support for Council members

Objective 1:

To provide an independent, representative and authoritative voice for the profession on teaching issues

Aim: This objective focused on the Council's aim to provide an independent, representative and authoritative voice for the profession on teaching issues. Through the Council, teachers have the opportunity to shape their profession and to input their expertise into future policy development in relation to teaching.

Achievements

Provided responses on behalf of the teaching profession to consultations

The Council has provided responses to consultations by the Welsh Assembly Government on:

- *"Supporting New Teachers – Early Professional Development including induction"* (April 2001);
- *"Performance Management Guidance Notes, 1. Principles and Procedures"* (June 2001);
- *"The future of secondary school performance information"* (June 2001);
- *"Teachers Accelerated Development Scheme for Wales"* (July 2001);
- the Welsh Assembly Government Paving Paper *"The Learning Country"* (October 2001);

The Council also provided a response to the consultation by Estyn on *"The Common Inspection Framework"* (January 2002). The Council has been represented at member level on the Welsh Assembly Government / WLGA *"Narrowing the Gap in School Performance"* Task Group.

Developing advice on Continuing Professional Development

The Council has agreed and implemented a strategy to agree advice to the Welsh Assembly Government on continuing professional development. This has involved undertaking a consultation process to gather the views of teachers and key organisations on CPD, developing an initial draft document from the views submitted, organising a national consultation conference which attracted nearly a 100 participants to discuss and refine the Council's draft document and undertaking a consultation on the draft advice *"Continuing Professional Development – An Entitlement for All"* with the teaching profession.

The Council expects to be in a position to present its advice to the Welsh Assembly Government during April 2002.

Recruitment, retention and supply of teachers

The Council published the first Annual Statistics Digest of the Teaching Profession in Wales in March 2002. This digest included information on age, gender and length of service of teachers in Wales. Since agreeing the Operational Plan, the Council's thinking in this area developed and a survey of recruitment issues in secondary schools was undertaken. This survey concentrated on recruitment issues in a limited number of subjects in secondary schools where the Council was aware of anecdotal evidence of difficulties. In developing the survey the Council sought the views of others with an interest in this area such as the Welsh Assembly Government and the teacher unions. The survey was undertaken during September 2001 and 73% of all secondary schools in Wales responded. A report *"Teacher Recruitment Survey 2001"* was published in November 2001.

The Council has agreed a strategy to take this work forward based on the recommendations of the report.

Publicising its guidance

The Council has published its guidance and responses on its web site. In addition the *"Teacher Recruitment Survey 2001"*, the *"Annual Digest of Statistics"* and the consultation version of its draft advice paper, *"Continuing Professional Development – An Entitlement for All"*, have been published in hard copy and distributed to schools and interested parties.

Continuing Professional Development pilot projects

After the commencement of the Operational Plan, the Council was asked by the Minister for Education and Lifelong Learning to organise, administer and evaluate a series of CPD pilot projects, focusing on individually-focused teacher CPD. The activities were incorporated as objective 1.3 in the Operational Plan.

£1.3 million was made available by the Welsh Assembly Government for the pilot projects and the Council appointed a team and developed the necessary infrastructure to administer the following pilot projects:

- Professional Development Bursaries of up to £500;
- Grants from the Visit and Exchange Fund of up to £500;
- Teacher Research Scholarships of up to £3,000.

By the end of the project period in March 2002, the Council had accepted 1,471 applications for funding from teachers and allocated the sum of £975,000.

The Council undertook a tender exercise and appointed an organisation to evaluate the success of the pilot projects. The report of the evaluation will be available in June 2002.

In November 2001, the Council was asked by the Welsh Assembly Government to make arrangements to organise, administer and evaluate an increased range of CPD pilot projects to the value of £5.14 million. The necessary planning and publicity activities were undertaken to organise the following projects in the financial year 2002-2003:

- Professional Development Bursaries of up to £500;
- Grants from the Visit and Exchange Fund of up to £500;
- International Visits and Exchanges of up to £1,500;
- Teacher Research Scholarships of up to £3,000;
- Teacher Sabbaticals of up to £5,000;
- Professional Networks of up to £10,000;
- Whole School Initiatives of up to £30,000.

Key successes

- developing advice on continuing professional development
- publishing the first Annual Statistics Digest on the Teaching Profession in Wales
- publishing "Teacher Recruitment Survey 2001", based on a survey of recruitment issues in secondary schools
- allocating almost £1million to nearly 1,500 teachers to participate in individually-focused CPD pilot projects;
- organising and publicising Phase 2 of the CPD pilot projects
- responding to Welsh Assembly Government consultations
- publicising the Council's activities on behalf of the profession

Objective 2:

To raise the status of teaching as a profession

Aim: This objective focused on the Council's efforts to raise the status of teaching as a profession.

Achievements

Developing a relationship with teachers

The Council has sought to develop a relationship with teachers in order to publicise its work and to ensure that it reflects the views of teachers.

During the period of this annual report the Council has organised seven forums and one conference to gather the views of teachers on a range of issues. In addition, all registered teachers have received three mailings which have included information on registration issues, CPD, the Professional Code for Teachers and a newsletter.

Publicity materials

A range of publicity materials has been produced including a consultation version and a final version of the Professional Code for Teachers, the Teacher Recruitment Survey 2001, the Annual Statistics Digest of the Teaching Profession, the Council's draft CPD advice *"Continuing Professional Development – An Entitlement for All"*, the Council's Disciplinary Functions and Regulations and two information booklets publicising the CPD pilot projects.

Web site

The Council has maintained a web site during the period of this Annual Report. The web site is regularly updated and has been redeveloped during the past year to ensure it meets the Council's needs. The Council has received almost 20,000 hits during the past year.

Developing a media profile

The Council has issued 16 press releases on a range of issues. The Council has featured on television and radio programmes and in newspapers and journals. The Council's work under this objective is evaluated on a monthly basis.

The Council has sought every opportunity to highlight the work of teachers. Numerous positive stories have been produced for the media including teachers' participation in CPD activities, the contribution of teachers to pupils' exam successes and the qualifications, knowledge, understanding, skills and commitment of the teaching profession.

Exhibitions and Events

The Council exhibited at teacher union conferences and other events associated with education in Wales and members and officers have attended, spoken and participated at a variety of conferences.

Key Successes

- organising 7 forums and one conference to gather the views of teachers
- receiving almost 20,000 hits on its web site
- producing a range of positive stories about teachers and the teaching profession
- issuing 16 press releases
- attending key exhibitions and conferences

Objective 3:

To maintain and promote the highest standards of professional conduct and practice

Aim: This objective focused on the Council's work in maintaining and promoting the highest standards of professional conduct and practice.

Achievements

Maintaining the Register of Qualified Teachers

The Council has continued the process of maintaining the Register of Qualified Teachers by processing amendments from teachers, schools and LEAs. During August 2001 over 1,700 newly qualified teachers were registered. The procedure for registration was updated to enable the collection of a registration fee from April 2002. There were over 38,000 teachers on the Register by 31 March 2002.

Developing the GTCW Database

The Council worked with GTC England to jointly specify and award a new database contract and developed the database which holds the Register of Qualified Teachers to ensure it meets the Council's requirements.

Analysing trends from the Register

The Council has used the information provided by the Register of Qualified Teachers to identify trends in the teaching profession. The first Annual Statistics Digest on the Teaching Profession in Wales was published in March 2002 and included information on the number of registered teachers in Wales by gender, age, average number of years since QTS and those in service.

Information from the Register was also provided to the Welsh Assembly Government / WLGA 'Narrowing the Gap' Task Group.

Agreeing the Professional Code for Teachers

The Council has agreed the first Professional Code for Teachers in Wales. The Code sets out clear standards of professional conduct and practice to which registered teachers aspire. The process of agreeing the Code included an extensive consultation on a draft Code which received 1,600 responses.

The Code has been published and distributed to all registered teachers.

The Council's Disciplinary Functions

Following an extensive consultation the Council agreed its Disciplinary Procedures and Rules for dealing with cases of serious professional misconduct or incompetence. These were published and distributed widely. Training sessions have been organised for Council members and officers including visits to observe cases conducted by other professional bodies.

The Council has investigated a small number of cases.

Research into teaching

The Council contributed to the Review of Educational Research Cymru and commissioned research into CPD in other professions in the UK and teaching across the world as part of the development of its advice on CPD. Research was undertaken by the Council into teacher recruitment issues.

Key successes

- registering 38,000 teachers, including over 1,700 NQTs
- developing a registration procedure that enables the collection of a registration fee
- publishing the Annual Statistics Digest for Teachers in Wales
- agreeing the Professional Code for Teachers
- agreeing the Council's Disciplinary Procedures and Rules
- contributing to the Review of Educational Research Cymru

Objective 4:

To run an efficient organisation, which achieves value for money

This objective focused on the Council's efforts to run an efficient organisation which achieves value for money.

Achievements

The Council's Planning process

The Council outlined its objectives for the period 2002-2005 in a Corporate Plan. A more detailed breakdown of the Council's activities and budgets including sub-objectives, targets and performance measures for the period from 1 April 2002 to 31 March 2003 was included in the Operational Plan 2002-2003.

The objectives included in both the Corporate and Operational plan were agreed by the Welsh Assembly Government as required during the period of National Assembly for Wales funding.

The Council has undertaken three quarterly reviews of progress, in July, October and January, against the targets and performance measures indicated in the Operational Plan. In addition, this Annual Report provides an overview of progress against the plan.

Developing and implementing policies

The Council has undertaken activities to agree a Health and Safety policy, a Welsh Language policy and personnel policies.

Ensuring robust financial control

The Council agreed a process to collect a registration fee from teachers from April 2002. This process involved extensive consultation with Local Education Authorities to ensure the efficient collection by means of automatic deduction from salary by employers (apart from supply teachers and teachers outside the maintained sector). The financial procedures were updated to take account of the need to collect a fee.

Staffing and Staff Development

All Council officers have completed performance appraisals for the period up to 31 March 2001 and agreed Forward Job Plans with their line managers setting out their tasks and key objectives for the twelve months commencing 1 April 2002.

The Council has agreed and implemented a Training Plan to ensure that all members and officers are able to undertake their work and responsibilities. The Council has committed itself to achieving the standard of Investor in People.

Ensuring Value for Money

Several 'value for money' studies have been undertaken to ensure that the Council receives value for money from its contracts. The Council's internal auditors regularly monitor procedures to ensure efficiency and effectiveness.

Administrative support for Council members

The Council provides support for members and ensures that they are able to make informed decisions.

Key successes

- agreeing processes to collect a registration fee
- developing a Corporate Plan 2002-2005 and Operational Plan 2002-2003
- receiving favourable internal audit reports
- agreeing a Health and Safety Policy
- establishing systems to record and pay claims for CPD pilot funding

Council Members

The Council has 25 members. During 2001-2002 the Council Members were:

John Andrews CBE
Chairman #

Frank Bonello
Teacher, Tonypandy Comprehensive School, Rhondda Cynon Taf +

May Castrey
Retired teacher, Flint +

Tim Cox
Teacher, Bryn Hafren Comprehensive School, Vale of Glamorgan +

Steffan ap Dafydd
Teacher, Cefn Hengoed Comprehensive School, Swansea +

Elwyn Davies
Headteacher, Pencoed Comprehensive School, Bridgend +

Mal Davies
Headteacher, Willows High School, Cardiff +

Sheila Drayton
Consultant in professional and organisational development #

Claude Evans
Director ISIS Cymru *

Diane Farmer
Headteacher, Ysgol Glan Gele, Conwy +

Ian Guy
Senior lawyer (education), Neath Port Talbot #

Neil Hendry
Teacher, Radyr Comprehensive School, Cardiff +

Angela Jardine
Teacher, Gabalfa Primary School, Cardiff +

Gareth Hywel Jones
Headteacher, Bryn Celynnog Comprehensive School, Rhondda Cynon Taf *

Goronwy Jones
Headteacher, Baden Powell Primary School, Cardiff +

Richard Parry Jones
Director of Education, Ynys Mon *

Ian Morgan
Headteacher, Harold Road School, Abergavenny, Monmouthshire *

Gareth Roberts
Professor of Education, University of Wales, Bangor *

Vernon Rowlands
Teacher, Ysgol David Hughes, Ynys Mon *

Moira Shepstone
Teacher, Mount St Infant and Nursery School, Brecon +

Rhiannon Steeds
Retired headteacher, Aberystwyth *

Jacqueline Turnbull
Lecturer in education, University of Glamorgan #

Gwen Williams
Headteacher, Edwardsville Infants School, Merthyr Tydfil +

Peter Williams
Diocesan Director of Education, St Asaph/ Provincial Education Officer, Church in Wales *

Linda Wyn
Assistant Principal, Coleg Menai *

Notes
1. The Council has 25 members. Elected members serve a four-year period of office while appointed members serve a three year period.
2. Twelve members were directly elected by teachers in April 2000 (elected members marked +)
3. Nine members were appointed by the National Assembly for Wales according to the procedure for public appointments, following nominations made by the teacher unions and other educational bodies in Wales (nominated members marked *).
4. Four members are direct appointments of the National Assembly for Wales, including initially the Chairman for a two-year period. Thereafter, the Council will elect its own Chair. (directly appointed members marked #)

Foreword to the Accounts

History and Statutory background

The General Teaching Council for Wales was established under the Teaching and Higher Education Act 1998 and came into existence on 1 September 2000.

The Cabinet Office has designated the Council as a professional self-regulating body. During the period covered by these accounts, the Council has been funded by the National Assembly for Wales for Wales in the form of Grant-in-Aid. At present, the Council has a relationship with the Assembly akin to that of an Assembly Sponsored Public Body.

Under Paragraph 14 of Schedule 1 of the Teaching and Higher Education Act, the Council is required to prepare in respect of each financial year, a statement of accounts. These accounts have been prepared in accordance with the Accounts Direction given by the National Assembly for Wales dated 10 August 2001. A copy of the Accounts Direction is available from the Council on request.

Principal Objectives and Activities

The principal aims of the Council are set out in the 1998 Act. They are to contribute to improving the teaching and the quality of learning, and to maintain and improve standards of professional conduct amongst teachers, in the interests of the public. Further details are set out in the Annual Report.

Review of activities and developments

In the financial year ending 31st March 2002, the Council reported a surplus of £67,000 (£4,000 deficit for the seven months ending 31st March 2001). This period was entirely funded by the National Assembly for Wales. Revenue Grant-in-Aid funding of £1,946,000 (£409,000 for the seven months ending 31st March 2001) was credited to the income and expenditure account for the period. As at 31st March 2002 the Council had net assets of £282,000 (£60,000 at 31st March 2001).

Throughout the year, the Council has been successful in meeting its Operational Plan objectives whilst, at the same time, taking on a major new activity – at the invitation of the Welsh Assembly Government, the Council was asked to pilot and evaluate individually focused professional development for teachers. This involved a £1.3 million programme of which £828,000 was spent or committed by 31st March 2002.

Although the Council was entirely financed via funding from the National Assembly for Wales during the year, the Council will move towards becoming a self funding body in respect of its core functions as laid out in the Teaching and Education Act 1998. The Council will start to receive funding through the collection of an annual registration fee from teachers. The collection of this fee will commence during the 2002 / 2003 financial year and the Council expects to be self funding from 1st April 2004.

Another significant development during the year was the relocation of the Council's offices from Llanishen, to its present location in Southgate House, Cardiff. The Council moved into its new offices on 30th April 2001 after negotiating a 10 year lease with the landlord to occupy part of the 4th floor (2,940 sq ft). As a result of the professional development project work, the Council negotiated another lease with the landlord for the remainder of the 4th floor (1,131 sq ft). This latter lease, for a term of five years, was signed on 25th October 2001. The Council has, during the lease negotiations, been successful in building in optional break clauses into both leases.

Payment of creditors

The Council is fully committed to the prompt payment of its suppliers' bills and supports the CBI's Prompt Payment Code. The Council aims to pay invoices within agreed contractual conditions, or where no conditions exist within 30 days of the receipt of a valid invoice. During the period, the Council paid 93.5% (99.2%:2001) of undisputed invoices within 30 days.

Audit of Accounts

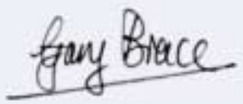
The Auditor General for Wales is the statutory external auditor of the Council under the Teaching and Higher Education Act 1998.

Council membership

The Council had 25 members during the reporting period. Twelve members were elected by teachers, nine members were appointed by the National Assembly for Wales following nominations made by teaching unions and other educational bodies and three members were directly appointed by the National Assembly for Wales. Professor John Andrews CBE was appointed by the National Assembly for Wales as Chairman of the Council for a two-year period. Members' names, backgrounds and categories of membership are listed in the Annex to the Annual Report.

Employment Policy

The Council adopts an equal opportunities approach to the recruitment, development and promotion of staff. Full and fair consideration is given to applications for employment from disabled people where they have the appropriate skills and abilities to perform the job. Employees are kept informed of matters which affect them, by means of written communication, informal discussions and, where appropriate, information meetings.



Gary Brace
Chief Executive and Accounting Officer
14 August 2002

Statement of the Council's and Chief Executive's responsibilities

Under paragraph 14 of schedule 1 to the Teaching & Higher Education Act 1998, the Council is required to prepare a statement of accounts for each financial year in the form and on the basis determined by the National Assembly for Wales, with the consent of the Treasury. The accounts are prepared on an accruals basis and must give a true and fair view of the Council's state of affairs at the year-end and of its income and expenditure and cash flows for the financial year.

In preparing the accounts the Council is required to:

- observe the Accounts Direction issued by the National Assembly for Wales, 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 have been followed, and disclose and explain any material departures in the financial statements.
- prepare the financial statements on the going concern basis, unless it is inappropriate to assume the Council will continue in operation.

The Principal Accounting Officer of the National Assembly for Wales has designated the Chief Executive as the Accounting Officer for the Council. His relevant responsibilities as Accounting Officer, including his responsibility for the propriety and regularity of the public finances for which he is answerable and for the keeping of proper records, are set out in the National Assembly for Wales' Accounting Officers Memorandum, issued by the National Assembly for Wales.

Statement on the System of internal Control

As Accounting Officer, I acknowledge my responsibility for ensuring that an effective system of internal control is maintained and operated by the Council.

The system of internal control is designed to manage rather than eliminate risks and can provide only reasonable and not absolute assurance that assets are safeguarded, transactions authorised and properly recorded and that material errors or irregularities are either prevented or would be detected within a timely period.

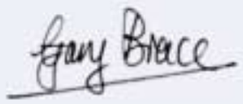
The system of internal control is based on a framework of regular and ongoing processes designed to identify the principal risks to the Council in delivering its aims and objectives; to evaluate the nature and extent of those risks; and to manage them efficiently, effectively and economically. This process has, in the main, been in place for the year ended 31st March 2002 and up to the date of approval of the annual report and accounts. The Council has established the following processes:

- reviews of quarterly performance by the Executive and Audit Committees and officials of the Welsh Assembly Government; in addition to monthly review meetings with officials of the Welsh Assembly Government.
- regular reports by internal audit which include an independent opinion on the adequacy and effectiveness of the Council's system of internal control together with recommendations for improvement.
- establishment of a risk register.

Further improvements are planned for implementation by 31st March 2003. These are:

- to embed the review of the Council's risk register into the quarterly review process. The outcome of this review process will be presented to the full Council, the Executive and Audit committees and to the Welsh Assembly Government.
- detailed procedures to follow should any of the risks in the risk register actually occur.

My review of the effectiveness of the system of internal control has been informed by the work of the internal auditors, the Audit Committee which oversees the work of the internal auditors, the executive managers within the Council who have responsibility for the development and maintenance of the internal control framework, and comments made by the external auditors in their management letter and other reports.



Gary Brace
Chief Executive
Accounting Officer
14 August 2002

The Certificate and Report of the Auditor General for Wales to the Members of the National Assembly for Wales

I certify that I have audited the financial statements on pages 20 to 30 in accordance with paragraph 14 of Schedule 1 to the Teaching and Higher Education Act 1998. These financial statements have been prepared under the historical cost convention and the accounting policies set out on pages 23 to 24.

Respective responsibilities of the Council, the Chief Executive and Auditor

As described on pages 16 and 17, the Council and Chief Executive are responsible for the preparation of the financial statements in accordance with the Teaching and Higher Education Act 1998 and National Assembly for Wales directions made thereunder, and for ensuring the regularity of financial transactions. The Council and Chief Executive are also responsible for the preparation of the other contents of the Annual Report. My responsibilities, as independent auditor, are established by statute and guided by the Auditing Practices Board and the auditing profession's ethical guidance.

I report my opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Teaching and Higher Education Act 1998 and directions made thereunder by the National Assembly for Wales, and whether in all material respects the expenditure and income have been applied to the purposes intended by the National Assembly for Wales and the financial transactions conform to the authorities which govern them. I also report if, in my opinion, the Foreword is not consistent with the financial statements, if the Council has not kept proper accounting records, or if I have not received all the information and explanations I require for my audit.

I read the other information contained in the Annual Report and consider whether it is consistent with the audited financial statements. I consider the implications for my certificate if I become aware of any apparent misstatements or material inconsistencies with the financial statements.

I review whether the statement on page 16 and 17 reflects the Council's compliance with Treasury's guidance *Corporate governance: statement on internal control*. I report if it does not meet the requirements specified by the Treasury, or if the statement is misleading or inconsistent with other information I am aware of from my audit of the financial statements.

Basis of opinion

I conducted my audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts, disclosures and regularity of financial transactions included in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Council and Chief Executive in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Council's circumstances, consistently applied and adequately disclosed.

I planned and performed my audit so as to obtain all the information and explanations which I considered necessary in order to provide me with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by error, or by fraud or other irregularity and that, in all material respects, the expenditure and income have been applied to the purposes intended by the National Assembly for Wales and the financial transactions conformed to the authorities which govern them. In forming my opinion I have also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In my opinion:

- the financial statements give a true and fair view of the state of affairs of the General Teaching Council for Wales at 31 March 2002 and of the surplus, total recognised gains and losses and cash flows for the year then ended and have been properly prepared in accordance with the Teaching and Higher Education Act 1998 and directions made thereunder by the National Assembly for Wales; and
- in all material respects the expenditure and income have been applied to the purposes intended by the National Assembly for Wales and the financial transactions conform to the authorities which govern them.

I have no observations to make on these financial statements.

John Bourn
Auditor General for Wales
5 September 2002

National Assembly for Wales
Cardiff Bay
Cardiff
CF99 1NA

Income and Expenditure Account

For the year ending 31st March 2002

	Note		2001-02 £000's	2000-01 (7 months) £000's
Gross Income				
Grant in Aid	2	**1,946**		409
Transfer from Government Grant Reserve	11	**64**		7
Other Income		**1**		–
Total Income			**2,011**	416
Expenditure				
Staff Costs	3	**509**		197
Direct Programme Costs	4	**156**		65
CPD Programme Costs	5	**828**		–
Other Operating Costs	6	**389**		152
Depreciation	8	**64**		7
Notional cost of capital		**10**		1
Total Expenditure			**1,956**	422
Surplus / (Deficit) on ordinary activities			**55**	(6)
Interest receivable	7	**2**		1
Adjustment for notional		**10**		1
cost of capital			**12**	–
Surplus / (Deficit) for the year transferred to reserves			**67**	(4)

Statement of Retained Surplus/Deficit

Retained deficit at 1 April	**(4)**	–
Surplus/(Deficit) for the year	**67**	(4)
Retained Surplus / (Deficit) at 31 March	**63**	(4)

Statement of Total Recognised Gains and Losses for the year ended 31st March 2002

Surplus / (Deficit) for the year	**67**	(4)
Movement in Government Grant Reserve	**155**	64
Total Recognised gains and losses relating to the period	**222**	60

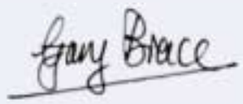
All activities are continuing

The notes on pages 23 to 30 form part of these accounts.

Balance Sheet

As at 31st March 2002

	Note			**31 March 2002 £000's**	31 March 2001 £000's
Fixed Assets					
Tangible Assets	8			**219**	64
Current Assets					
Debtors and Prepayments	9	**227**			14
Cash at Bank and in Hand		**114**			11
		341			25
Creditors					
Amounts falling due within one year	10	**278**			29
Net Current Assets				**63**	(4)
Total Assets				**282**	60
Financed by:					
Capital reserves					
Government Grant Reserve	11			**219**	64
Income and Expenditure Account				**63**	(4)
				282	60



Gary Brace
Chief Executive and Accounting Officer
14 August 2002

The notes on pages 23 to 30 form part of these accounts.

Cash Flow Statement

For the year ended 31st March 2002

	2001-02 £000's	2000-01 (7 months) £000's
Net cash inflow from ordinary activities	**101**	1
Returns on Investments and Servicing of Finance		
Interest received	**2**	1
Capital Expenditure		
Payments to acquire tangible fixed assets	**(219)**	(34)
Net cash outflow from capital expenditure	**(219)**	(34)
Financing		
Government Grant Reserve	**219**	43
Increase in cash	**103**	11

Notes to the Cash Flow Statement

(a) Reconciliation of surplus on ordinary activities to net cash inflow from ordinary activities

Surplus/(Deficit) on ordinary activities	**55**	(6)
Adjustment for notional cost of capital	**10**	1
Depreciation	**64**	7
Increase in Creditors	**249**	20
Increase in Debtors	**(213)**	(14)
Release of Government Grant Reserve	**(64)**	(7)
Net cash inflow from ordinary activities	**101**	1

(b) Analyses of changes in net funds during the period

Net funds as at 1st April	**11**	–
Net cash inflow	**103**	11
Net funds at 31st March	**114**	11

The notes on pages 23 to 30 form part of these accounts.

Notes to the accounts

1 Accounting policies

1.1 Accounting Convention

The accounts are prepared under the historic cost convention. Without limiting the information given, they meet the accounting and disclosure requirements of the Accounting Standards issued or adopted by the Accounting Standards Board, so far as those requirements are appropriate. The accounts comply with the Accounts Direction issued by the National Assembly for Wales.

1.2 Fixed Assets

Fixed assets are defined as:

- Any single piece of equipment, costing more than £750 (inclusive of VAT) that has an estimated economic / operational life of more than 1 year.
- Any individual piece of furniture, costing more than £450 (inclusive of VAT) that has an estimated economic / operational life of more than 1 year.
- Any fixtures and fittings costing more than £3,000 (inclusive of VAT) that have an estimated economic / operational life of more than 1 year.
- Any of the above, where it is more usual to treat individual components as a group, are treated as assets so long as their collective value exceeds £2,500 and each individual asset making up the group costs more than £250.

1.3 Continuing Professional Development (CPD) Expenditure

CPD expenditure is recognised on receipt of a valid claim. Where CPD support has been offered but no claim received by the year-end, these amounts are recorded as commitments.

1.4 Depreciation

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost, less any estimated residual value of each asset, evenly over their expected useful lives as follows:

- All electrical equipment, including computers and office equipment, is depreciated on a straight-line basis over 3 years. Depreciation will commence in the month of purchase.
- Furniture and fixtures and fittings are depreciated on a straight-line basis over 5 years from the month of purchase.

1.5 Government Grants

Grants received from the National Assembly for Wales by way of grant-in-aid for operating purposes are credited to income in the year to which they relate. Ring fenced-Grant in Aid for the CPD pilot scheme includes accrued income from the National Assembly for Wales to cover outstanding CPD creditors.

Grant income received and used for capital expenditure is credited to the government grant reserve, and relevant transfers, equivalent to the annual depreciation charge on assets acquired, are made to the Income and Expenditure account as the capital assets are utilised.

Notes to the accounts

1.6 Stock
Stocks held by the Council are not material by value and are charged to the Income & Expenditure Account when purchased.

1.7 Pension costs
Pension costs are charged to the income and expenditure account based on amounts advised by the Treasury representing the accruing liability of the Principal Civil Service Pension Scheme in respect of staff who are members of that scheme.

1.8 Value Added Tax (VAT)
The General Teaching Council for Wales is not registered for VAT. All expenditure and fixed assets purchases in the accounts is stated inclusive of VAT.

1.9 Cost of Capital
A notional charge, calculated in line with Treasury guidance as 6% of the average capital employed between 1st April 2001 and 31st March 2002, is included as an operating cost within the Income & Expenditure Account.

1.10 Derivatives and other Financial Instruments
The Council has no borrowings and relies primarily on departmental grants for its cash requirements and is therefore not exposed to liquidity risks. It also has limited deposits, and all assets and liabilities are denominated in sterling, so it is not exposed to significant interest rate risk or currency risk.

2 Grant-in-aid

	2001-02 £000's	2000-01 (7 months) £000's
Amount received from the National Assembly for Wales	**1,953**	388
Post 1st September 2001 expenditure paid for by the National Assembly for salaries, computers and printing.	**47**	64
CPD accrued income	**165**	–
Less amount provided for capital expenditure	**(219)**	(43)
Grant-in-aid credited to Income and Expenditure Account	**1,946**	409

3 Staff Costs

	2001-02 £000's	2000-2001 £000's
Salaries and Wages	**430**	164
Social Security Costs	**28**	12
Pension Costs	**51**	21
Total	**509**	197

3.1 In accordance with the Greenbury Code and DAO (GEN) 3/00 and 12/00, the Council is required to disclose the following details concerning senior staff with responsibility for running policy-making departments:

Name and title	Age	Salary for the period (£)	Real increase in pension at 60 (£)	Total accrued pension at 60 at 31 March 2001 (£)
G Brace Chief Executive	48	49,554	626	974
C James Director of Finance & Personnel	41	33,973	432	672
H Llewellyn Registrar	34	34,429	458	689
T Jones Policy & Planning Officer	33	34,426	460	682

3.2 Pensions
Pension benefits are provided through the Principal Civil Service Pension Scheme (PCSPS). This is a statutory scheme that provides benefits on a 'final salary' basis at a normal retirement age of 60. Benefits accrue at the rate of 1/80th of pensionable salary for each year of service. In addition a lump sum equivalent to three years' pension is payable on retirement. Members pay contributions of 1.5 per cent of pensionable earnings. Pensions increase in payment in line with the Retail Prices Index. On death, pensions are payable to the surviving spouse at a rate of half the member's pension. On death in service, the scheme pays a lump sum benefit of twice pensionable pay and also provides a service enhancement on computing the spouse's pension. The enhancement depends on length of service and cannot exceed 10 years. Medical retirement is possible in the event of serious ill-health. In this case pensions are brought into payment immediately without actuarial reduction and with service enhanced as for widow (er) pensions.

Notes to the accounts

3.2 Pensions continued

The PCSPS is an unfunded multi-employer defined benefit scheme but the General Teaching Council for Wales is unable to identify its share of the underlying assets and liabilities. A full actuarial valuation was carried out at 31 March 1999. Details can be found in the resource accounts of the Cabinet Office; Civil Superannuation (www.civilservice-pensions.gov.uk).

For 2001-02, employers' contributions of £ 51,000 were payable to the PCSPS (2000-01:£15,000) at one of four rates in the range 12 to 18.5 per cent of pensionable pay, based on salary bands. Rates will remain the same for the next two years, subject to revalorisation of the salary bands. Employer contributions are to be reviewed every four years following a full scheme valuation by the Government Actuary. The contribution rates reflect benefits as they are accrued, not when the costs are actually incurred, and reflect past experience of the scheme".

3.3 Staff Numbers

The Council employed 19 staff during the financial year ending 31st March 2002, as follows:

	2002	2001
Management	**4**	4
Administration	**13**	7
Secondments	**2**	2
Total	**19**	13

The "actual" numbers of staff in post at 31st March 2001 and 31st March 2002 have been used rather than an average figure to give a more realistic representation of the Council's rate of expansion in its first years of operation. These include secondments and fixed term contracts recruited to assist with the administration of the CPD pilot projects.

3.4 Authority Members' Remuneration

The Chairman is the only member to be paid a fee, the other 24 Council members' are paid for their expenses only. The Chairman is not a member of the pension scheme.

	2002 £000's	2001 £000's
Emoluments of the Chairman - Professor John Andrews	**20**	12
Expenses paid to members	**26**	8

Expenses paid to members are for the purpose of reimbursing them for costs incurred in travelling to meetings.

4 Direct Programme Costs

	2002 £000's	2001 £000's
Supply costs	**18**	8
Professional code for teachers	**50**	34
Database Maintenance	**50**	2
Translation Costs	**13**	3
Promotional Materials	**25**	18
Total	**156**	65

5 Continuing Professional Development Programme (CPD) Costs

	2002 £000's	2001 £000's
CPD Administration	**140**	–
CPD Bursaries	**288**	–
CPD Exchanges	**148**	–
CPD Research Scholarships	**252**	–
Total	**828**	–

6 Other Operating Costs

	2002 £000's	2001 £000's
Members' Expenses	**26**	8
Officers' Expenses	**13**	6
Training and recruitment	**19**	15
Rent and Rates	**57**	–
Heating, Lighting, Telephones	**25**	1
Professional fees	**53**	16
Insurance	**2**	–
Printing & Stationery	**72**	36
Postage	**63**	34
Computer costs	**18**	22
Venue Hire	**9**	3
Audit fees	**8**	6
Other audit services	**1**	–
Maintenance	**5**	–
Other costs	**18**	5
Total	**389**	152

Notes to the accounts

7 Interest Receivable

Interest of £2,000 (2000-01: £1,000) was received during the period in respect of the Council's deposit account.

8 Tangible Assets

	Office Equipment £000's	Computer Equipment £000's	Furniture Equipment £000's	**Total £000's**
Cost or valuation				
As at 1st April 2001	23	48	–	71
Additions	47	39	133	219
As at 31st March 2002	**70**	**87**	**133**	**290**
Depreciation				
As at 1st April 2001	1	6	–	7
Charge for year	19	24	21	64
As at 31st March 2002	**20**	**30**	**21**	**71**
Net Book Value as at 31st March 2002	**50**	**57**	**112**	**219**
Net Book Value as at 1st April 2001	22	42	–	64

9 Debtors and prepayments

	2002 £000's	2001 £000's
Amounts falling due within one year		
Debtors	**165**	–
Prepayments	**62**	8
Amounts falling due after one year		
Prepayments	**–**	6
Total	**227**	14

10 Creditors: amounts falling due within one year

	2002 £000's	2001 £000's
Creditors	**259**	22
Accruals	**19**	7
Total	**278**	29

In addition to the creditors shown above, the Council had outstanding at the year end commitments totalling £87,000 (2000-2001: £nil). These commitments represented CPD funds that had been allocated to teachers but for which the Council had not received any claims as at the year end.

11 Reconciliation of movements on Government Grant Reserve

	2002 £000's	2001 £000's
At 1st April 2001	**64**	–
Grant received during the year	**219**	71
Released to I&E Account during year	**(64)**	(7)
At 31 March	**219**	64

12 Capital Commitments

The Council had not committed itself to any capital expenditure at 31st March 2002.

13 Reconciliation of Movement in Taxpayers' Equity

	2002 £000's	2001 £000's
Taxpayers' equity at 1st April	**60**	–
Retained surplus/(deficit) for the period	**67**	(4)
Movement on the Government Grant Reserve	**155**	64
Taxpayers' equity at 31st March	**282**	60

14 Operating leases

	2002 £000's	2001 £000's
(a) Amounts charged to the income and expenditure Account for operating lease payments	**38**	–
(b) Annual commitment on building leases expiring:		
Within one year	**–**	–
Within two to five years	**16**	–
After more than five years	**32**	–
Totals	**48**	–

Notes to the accounts

15 Related Party Transactions

The General Teaching Council for Wales is a self regulating professional body which was funded by the National Assembly for Wales during its set-up period. It has a relationship with the Assembly akin to that of an Assembly Sponsored Public Body. The Assembly is regarded as a related party. During the period the Council received funding from the Assembly in the form of Grant in Aid.

During the period the Council had no material transactions with other entities for which the National Assembly for Wales was the sponsor.

None of the key management staff or other related parties has undertaken any material transactions with the Council during the year.

As mentioned in the Foreword, the Council was invited by the Welsh Assembly Government to distribute Continuing Professional Development funding to teachers in Wales. The Council has, for the sake of transparency, taken a liberal view as to what constitutes a related party transaction in respect of CPD funding. It has, therefore, provided details below of schools that have been awarded such CPD funding during the financial year where that school employs either a teacher or headteacher who is also a member of Council. In each case the member took no part in the decision to award funding.

Name of school	Number of teachers that have been awarded CPD funding	Total amount of CPD funding awarded
Ysgol Glan Gele	2	£860
Pencoed Comprehensive School	8	£13,333
Tonypandy Comprehensive School	8	£3,822
Edwardsville Infant School	2	£780
Harold Road Junior School	1	£500
Glan Ely High School	3	£4,252
Willows High School	11	£4,747
Bryn Hafren Comprehensive School	5	£1,996
Ysgol David Hughes	12	£7,091
Bryn Celynnog Comprehensive	4	£2,692
Baden Powell Primary	2	£1,000
Totals	**58**	**£41,073**